Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE
SIXTY-EIGHTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

AND INDEX

VOLUME LXV—PART 7

APRIL 15 TO APRIL 28, 1924

(Pages 6353–7428)

WASHINGTON
GOVERNMENT PRINTING OFFICE
1924

Congressional Record

PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS
FIRST SESSION

SENATE

TUESDAY, *April 15, 1924*

(Legislative day of Thursday, April 10, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

PETITIONS AND MEMORIALS

Mr. WARREN presented petitions, numerously signed, of sundry citizens of Casper and Natrona County, in the State of Wyoming, praying for the passage of restrictive immigration legislation, with percentage quotas based on the 1890 census, which were referred to the Committee in Immigration.

Mr. CAPPER presented a resolution adopted by the Robert R. Benner Post, No. 251, the American Legion, of Lewis, Kans., favoring the adoption by Congress of the original fourfold American Legion adjusted compensation plan, which was referred to the Committee on Finance.

Mr. WILLIS presented resolutions adopted by the Exchange Club, of Canton, Ohio, favoring adequate appropriations for the Army and Navy, so as to carry out the intent of the national defense act of 1920, which was referred to the Committee on Appropriations.

He also presented petitions, numerously signed, of sundry citizens of Cleveland, West Salem and vicinity, Lakewood, and Olmsted Falls, all in the State of Ohio, praying for the passage of restrictive immigration legislation, which were referred to the Committee on Immigration.

Mr. McLEAN presented a telegram in the nature of a petition of sundry citizens of New Britain, Conn., praying for the passage of the joint resolution (H. J. Res. 180) for the relief of the distressed and starving women and children of Germany, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry members of Sidney Beach Camp, No. 10, United Spanish War Veterans, Department of Connecticut, of Branford, Conn., praying for the enactment of the so-called Bursum bill, providing increased pensions to Spanish War veterans and their widows, which was referred to the Committee on Pensions.

He also presented resolutions of the Connecticut Daughters of the American Revolution, of Bridgeport, Conn., favoring adequate appropriations for the proper maintenance of the Army, the Navy, and the Air Forces, so as to foster the national defense, which were referred to the Committee on Appropriations.

He also presented resolutions of Mattabessett Council No. 12, Order of United American Mechanics, of Middletown, and of Danbury Aerie, No. 627, Fraternal Order of Eagles, of Danbury, both in the State of Connecticut, favoring the passage of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by a caucus of sundry Republicans at Andover, Conn., favoring the adoption of the so-called Mellon tax plan, etc., which was referred to the Committee on Finance.

He also presented the petition of the Norwalk (Conn.) Branch, American Association of University Women, praying for the participation of the United States in the World Court, which was referred to the Committee on Foreign Relations.

He also presented a paper in the nature of a petition of the Chamber of Commerce, of Greenwich, Conn., praying for the adoption of the so-called Mellon tax plan, which was referred to the Committee on Finance.

He also presented resolutions of the Independent Rambam and Vilner Lodges, both of New Haven, Conn., protesting against the passage of the so-called Johnson restrictive immigration bill, which were referred to the Committee on Immigration.

He also presented resolutions of Local Union No. 952, United Brotherhood of Carpenters and Joiners of America, of Bristol; the Patriotic Order, Sons of America, of Meriden; the Meriden Central Labor Union, of Meriden, and the Connecticut Branch, Daughters of American Revolution, of Bridgeport, all in the State of Connecticut, favoring the enactment of a restrictive immigration law, which were referred to the Committee on Immigration.

He also presented the petition of the Hamden League of Women Voters, of Hamden, Conn., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented papers in the nature of petitions of the Hartford Typographical Union, of Hartford; the Central Labor Union, of Waterbury, sundry members of the Meriden Sportsmen Association, of Meriden, and the Meriden Central Labor Union, of Meriden, all in the State of Connecticut, praying an amendment to the so-called Volstead Act legalizing increases in the alcoholic content of beers and light wines, which were referred to the Committee on the Judiciary.

He also presented the memorial of the Woman's Christian Temperance Union, of Central Village, Conn., remonstrating against the passage of legislation permitting the manufacture and sale of beer, which was referred to the Committee on the Judiciary.

Mr. PHIPPS presented a petition of sundry citizens of Genoa, Colo., praying for the passage of legislation to create a Federal department of education, which was referred to the Committee on Education and Labor.

He also presented petitions and communications in the nature of petitions, numerously signed, of sundry citizens of Trinidad, Boulder, Fowler, Aguilar, Lamar, Manzanola, and of Huerfano and Fremont Counties; of sundry officers and members of the Lions Club, of Lafayette, of Silver Star Council No. 1, Sons and Daughters of Liberty, of Denver, and of members of the Allen Blackburn Post No. 106, the American Legion, of Fowler; all in the State of Colorado, praying for the passage of stringently restrictive immigration legislation, which were referred to the Committee on Immigration.

He also presented resolutions of Silver Mountain Lodge No. 299, S. N. P. J., of Walsenburg; of Greengarden Lodge, S. N. P. J., of Palisade County; of the National Croatian Society, No. 284; the Croatian League of Illinois, No. 84; the South Slavonic Catholic Union; the Slovenian National Benevolent Society, No. 101; the Serb Federation Sloga Serbadia, No. 33; and of Pueblo Lodge, No. 524, I. O. B. B., of Pueblo, in the State of Colorado, protesting against the passage of selective immigration legislation, which were referred to the Committee on Immigration.

He also presented a memorial of sundry members of the Order B'rith Abraham, of Denver, Colo., remonstrating against the passage of legislation further restricting immigration, which was referred to the Committee on Immigration.

He also presented a memorial of sundry citizens of Canon City, Colo., remonstrating against the passage of the so-called Lodge immigration bill, with quotas on the 1910 census, but urging that the quotas be based upon the census of 1890, etc., which was referred to the Committee on Immigration.

REPORTS OF COMMITTEES

Mr. CURTIS, from the Committee on Finance, to which was referred the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, reported it with amendments and submitted a report (No. 403) thereon.

Mr. SPENCER, from the Committee on Claims, to which was recommitted the bill (S. 56) for the allowance of certain claims for the indemnity for spoliations by the French prior

to July 31, 1891, as reported by the Court of Claims, reported it with amendments and submitted a report (No. 404) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1182) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor, reported it without amendment and submitted a report (No. 405) thereon.

Mr. SHORTRIDGE, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States giving Congress power to limit or prohibit child labor, reported it with an amendment and submitted a report (No. 406) thereon.

Mr. BURSUM, from the Committee on Military Affairs, to which was referred the bill (S. 246) for the relief of Margaret I. Varnum, reported it without amendment and submitted a report (No. 407) thereon.

ENROLLED BILLS PRESENTED

Mr. BALL, from the Committee on Enrolled Bills, reported that on yesterday they presented to the President of the United States enrolled bills of the following titles:

S. 1724. An act to amend section 4414 of the Revised Statutes of the United States, as amended by the act approved July 2, 1918, to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., Steamboat Inspection Service; and

S. 2597. An act to authorize the construction of a bridge across the Fox River in St. Charles Township, Kane County, Ill.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ERNST:

A bill (S. 3098) to amend the patent and trade-mark laws, and for other purposes; and

A bill (S. 3099) to prevent fraud, deception, or improper practice in connection with business before the United States Patent Office, and for other purposes; to the Committee on Patents.

By Mr. LODGE:

A bill (S. 3100) to prohibit parking of motor vehicles in front of the entrance from the street to any building or inclosure in the District of Columbia except with the consent of the occupant of the building; to the Committee on the District of Columbia.

By Mr. JOHNSON of California:

A bill (S. 3101) granting an increase of pension to Mary J. Kepler; to the Committee on Pensions.

By Mr. BALL:

A bill (S. 3102) to provide for the elimination of grade crossings of steam railroads in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BRANDEGEE:

A bill (S. 3103) to fix the salaries of officers and employees of the Court of Appeals of the District of Columbia, the Supreme Court of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals; to the Committee on the Judiciary.

RESTRICTION OF IMMIGRATION

Mr. SPENCER and Mr. SIMMONS each submitted an amendment intended to be proposed to the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes, which were ordered to lie on the table and to be printed.

MRS. PAULINE M. ROBINSON

Mr. LODGE submitted an amendment proposing to pay $3,500 to Mrs. Pauline M. Robinson, widow of Fred R. Robinson, late consul to Saltillo, Mex., being one year's salary of her deceased husband, who died while returning to the United States from his post of duty from illness incurred in the Consular Service, intended to be proposed by him to House bill 8350, the State and Justice Departments appropriation bill, which was referred to the Committee on Foreign Relations and ordered to be printed.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed acts of the following titles:

On April 12, 1924:

S. 47. An act to permit the correction of the general account of Charles B. Strecker, former Assistant Treasurer of the United States;

S. 706. An act for the relief of William H. Lee; and

S. 1021. An act for the relief of the Alaska Commercial Co.

On April 14, 1924:

S. 1339. An act to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place, NW.;

S. 1703. An act for the relief of J. G. Seupelt; and

S. 2090. An act to provide for the advancement on the retired list of the Regular Army of Second Lieut. Ambrose I. Moriarty.

RESTRICTION OF IMMIGRATION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes.

Mr. WALSH of Massachusetts obtained the floor.

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Keyes	Robinson
Ball	Fernald	Ladd	Sheppard
Bayard	Ferris	Lodge	Shields
Borah	Fess	McKellar	Shipstead
Brandegee	Fletcher	McKinley	Shortridge
Broussard	Frazier	McLean	Simmons
Bruce	George	McNary	Smith
Bursum	Gerry	Mayfield	Smoot
Cameron	Glass	Neely	Stanley
Capper	Gooding	Norbeck	Stephens
Caraway	Harreld	Norris	Sterling
Colt	Harris	Oddie	Trammell
Cummins	Harrison	Pepper	Underwood
Curtis	Heflin	Phipps	Walsh, Mass.
Dale	Howell	Pittman	Warren
Dial	Johnson, Calif.	Ralston	Weller
Edge	Johnson, Minn.	Reed, Mo.	Willis
Edwards	Kendrick	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I also wish to announce that the Senator from Indiana [Mr. WATSON] is absent owing to illness in his family. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigating committee of the Senate.

Mr. GERRY. I wish to announce the necessary absence of the Senator from Arizona [Mr. ASHURST] on account of illness in his family.

The PRESIDENT pro tempore. Seventy-one Senators have answered to their names. There is a quorum present.

Mr. WALSH of Massachusetts. Mr. President, the immigration policy which was overwhelmingly adopted without party or sectional discussion by the Congress in May, 1921, and continued by reenactment since then, is in certain respects a departure from the time-honored American policy which has made this country a refuge for the oppressed of every nation and has opened to our own ancestors larger avenues of opportunity. Unless unusual conditions had prevailed we ought not to and we would not have entertained for a moment the thought of departure from the American policy that has worked so well in the past.

Congress framed the present law restricting immigration as an emergency measure because it believed that conditions existed in this country and in the world following the recent war that necessitated the temporary restriction of immigration to prevent a great influx of persons seeking to escape from the economic disorder in Europe. The law was considered by practically all as a primary step in our after-war reconstruction program.

The facts which led the Congress to favor temporary restriction of immigration at that time were as follows:

(1) The country was unusually, if not unprecedentedly, unprepared to care for a large number of newcomers. With a rapidly falling market, production was disorganized, factories were closing, unemployment—said at that time to affect four or five millions—had been increasing rather than decreasing, and with credit so enormously inflated no one could foresee how much further contraction would be necessary during the return to normal conditions.

(2) The stream of immigration at that time—1921—already large, bade fair to rise to unprecedented proportions, practically limited only by the capacity of ocean transportation, which was rapidly increasing. Reports of consular agents, steamship agencies, and others indicated that at least 10,000,000 persons in war-wrecked Europe would take the first opportunity

to escape to our shores. While we were willing to receive as many as possible of them, yet under the then economic conditions we could not have permitted an avalanche of immigration to further add to our problems.

(3) The prospective immigrants were almost exclusively unskilled laborers, who, if admitted, would not have spread over the country and relieved the shortage of farm laborers, but would have crowded into city areas the overcrowding of which was already intensified by the suspension of building due to the war and the high cost of materials and skilled labor, joining their unassimilated nationals in these congested centers and increasing the already enormous difficulties of Americanization, a menace alike to the public health, the public morals, the living wage, and American standards of living.

(4) A flood of immigration coming coincidently with a nation-wide depression in industry would have intensified the industrial depression due to the inevitable process of deflation, and it seemed certain that these newcomers would not have benefited as they expected to do by immigration, but would have only swelled the bread lines and the ranks of the unemployed. They would have hurt our own workers incalculably without helping themselves at all. Under such circumstances humanity to the suffering populations of Europe as well as a proper concern for the welfare of our own workers demanded a temporary suspension of immigration to give us time for a well-considered readjustment of our industrial situation and the wise and humane regulation of immigration on permanent lines.

Three years have passed under the numerical-restriction provisions of the present immigration law, and we must now determine our future policy, otherwise on July 1 next all numerical restrictions will be removed.

Mr. President, I appreciate there is a strong sentiment throughout the country for a continuation of a policy of numerical restriction in immigration. The extent to which we should go in limiting immigration upon an equitable and indiscriminatory basis is the puzzling problem of Congress.

The basis of the present law is that 3 per cent of the number of foreign born residing in the United States, according to the census of 1910, shall be admitted annually. Under this law 357,803 newcomers may be admitted annually. Under the terms of the pending bill, as reported by a majority of the committee, it is proposed to go one step further and limit the number to be admitted each year to 2 per cent. This would reduce the number of immigrants to be admitted to 238,534, or about 120,000 less than the number provided for in the present law.

In my opinion, conditions in this country do not require a further departure at this time from the immigration quota declared in 1921 in the midst of a most serious economic depression. We went the limit at that time by reversing our time-honored policy.

Yet to-day, with an entire change for the better of economic conditions not only in our own land but throughout the world, with the possible exception of Germany, it is proposed to set up a further barrier and to more emphatically announce to the world that immigration to this country is not welcomed.

What conditions, economic, political, or social, have taken place since 1921 to warrant this further change of policy? I challenge those who take this position to present any proof (1) that there has been such a change in the economic conditions in this country as to necessitate further restrictions upon immigration, or (2) that the conduct of our immigrant population in the past has been such as to justify what amounts to a pronouncement to the world that America is to extend less and less welcome to foreigners seeking here the enjoyment of the blessings of liberty and equal opportunity. The intent of the bill reported by a majority of the committee is to impose even closer restrictions on the admission of aliens that prevailed under the present law, which will expire June 30 next.

To make the present quota system more drastic might seriously embarrass us in the future. At the sanie time it seems but fair and just to the foreign born, citizens and noncitizens alike, who have taken up their residence here, that the door should not be entirely closed behind them, thereby shutting out their immediate families and near relatives who are now in Europe.

PROPOSED CHANGE FROM THE CENSUS OF 1910 TO THE CENSUS OF 1890 AS A BASIS FOR THE QUOTA

Mr. President, the proposal to make the census of 1890, instead of that of 1910, the basis for the quota hereafter to be admitted, as advocated by many, is objectionable on many grounds.

A few facts regarding the population census of 1890, as compared with the census of 1910, give practical assurance that a great American principle would be violated by the change proposed.

Two per cent of the alien inhabitants in 1890 would total about 160,000, whereas the same percentage in 1910 would number about 238,000. This represents a material reduction in the number of aliens to be admitted and indicates a tendency to further restrict the number of admissible immigrants.

The most important aspect of this question, however, is that such a change would inject into the law a very apparent discrimination against immigrants of certain nationalities. The census of 1890 shows that a large majority of our alien inhabitants were then natives of northern and western Europe, while the census of 1910 shows more nearly equal proportions from southern and eastern Europe. In 1890 about 87 per cent of our alien population were people from northern and western Europe, as compared with 56 per cent in 1910. Who can say that it would be fair to abandon a basis of calculation that is very close to an equal division between the races of northern and western Europe and the races of southern and eastern Europe and adopt a basis that will give the peoples of northern and western Europe 87 per cent of our immigration during the coming years?

Since we have said to the people of all nations, "We are going to admit only a certain percentage of your future emigrants," can we go further and add that to certain nationalities we shall extend preference? That is what the suggestion of the 1890 census basis means. It simply amounts to reducing and practically eliminating all emigration from southern and eastern Europe.

Whatever may be the surface reason for the change in date, it must be insisted that the true reason is racial discrimination. An attempt is being made to slip by this proposal, which is aimed clearly and mercilessly at the Slav, the Latin, and the Jew, under the harmless guise of a change in the date of the census.

Mr. President, if I were convinced that the admission of immigrants to this country, however it might ease conditions abroad, could in the slightest degree imperil not merely the safety of our institutions, but the prospect of employment for our own laborers or of prosperity of the American people, I would advocate not lessening immigration but preventing it. But because I believe the immigrants who cultivate the soil, such as those who have of recent years taken possession of the abandoned farms of New England, contribute to the welfare of the country as much as they derive from it, I am opposed to too rigidly restricting a source of benefit so important and valuable.

To everything that has been said concerning the admission of insane, diseased, depraved persons—persons against whom any objection can be made on the score of their capacity for citizenship—I most emphatically subscribe and support. We have set up stringent requirements to keep out the weak and incapacitated. We very properly require that the immigrant must possess an established good character, be of sound body, and that his political opinions must not be in conflict with those principles which underlie the stability of our Government. More than that we require—what is not imposed on an American citizen—the immigrant be able to read a language. What more desirable addition to our citizenship can be demanded than a man or woman meet all these requirements? If we do not rigidly and effectively enforce these requirements, it is our own not the immigrants' fault.

Mr. President, what is the real driving force behind the movement of basing the quota on the census of 1890? The peoples of the world will attribute it to our belief that the "Nordic" is a superior race. The world will assume that our Government considers the Italians, Greeks, Jews, Poles, and the Slavs inferior to the Nordics, congenitally as well as culturally. It is a dangerous assumption. Millions of people here in America will resent this slur upon their racial character. The vilification of whole races does not produce a very pleasant mental state in that part of our population who happen to be foreign born. Do we not realize that we are making for ourselves a greater national problem than ever before? Does the agitation provoked by the proposed law conduce to the early assimilation of the immigrant which you claim is your desideratum?

Mr. President, shall we refuse to consider the possibility that a discriminatory law may rebound to our embarrassment in the conduct of our foreign trade? Will not the countries of southern and eastern Europe feel the sting of this law? Will they overlook the stamp of disapproval which we have placed upon their nationals who have settled among us? Will they extend the same friendly welcome to our merchants when they go abroad seeking a market for American-made

products? If these countries should choose to reciprocate by discriminating against American-made products, as is entirely within their rights, the effect of this law would be disastrous to our American industries.

I ask permission to have inserted in the RECORD at this point in my remarks a table showing the exports of specified commodities, and especially those manufactured in my section of the country, to specified countries of southern and of eastern Europe during the calendar year 1923.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table referred to is as follows:

Exports of specified commodities to specified countries of Europe during calendar year 1923

Countries	Imports from United States	Boots and shoes	Textiles	Paper and manufactures of	Tools	Iron and steel manufactures, except tools
Bulgaria	$613,425	--------	$67,555	$109	$1,363	$27,147
Czechoslovakia	1,080,090	--------	45,961	1,184	1,469	7,044
Esthonia	1,416,961	$1,350	723,804	14	9,140	3,992
Finland	11,213,852	313	1,582,964	4,137	83,915	203,417
Greece	11,899,763	364,097	1,455,762	4,973	2,465	165,488
Hungary	127,701	--------	771	--------	40	145
Italy	167,531,956	64,515	83,331,217	30,252	133,930	559,267
Latvia	5,285,134	--------	1,002,629	--------	17,172	11,997
Lithuania	105,113	100	4,200	612	652	599
Malta, Gozo, and Cyprus Islands	1,066,798	--------	10,375	838	92	6,317
Poland and Danzig	12,110,515	971	3,051,945	577	3,293	35,418
Rumania	1,177,758	710	174,020	198	19,143	201,526
Russia in Europe	3,547,055	34,638	1,083,492	120	10,499	199,629
Spain	61,869,855	255	26,929,476	42,131	202,629	1,013,595
Turkey in Europe	2,947,086	18	607,739	5,235	8,960	112,778
Ukraine	2,758,337	--------	16,844	162	434	141,631
Yugoslavia, Albania, etc.	1,096,311	--------	247,982	12,169	59	2,052
Total	285,847,710	466,967	120,336,736	102,711	495,255	2,692,042

Mr. WALSH of Massachusetts. Mr. President, the history of this country records that from the beginning the dominant groups in control of its affairs have regarded each group of newer strangers as more or less the "enemy" to be feared and, if possible, controlled. Even as early as the year 1700, and preceding years, when the Dutch came and settled in great numbers in what is now New York City the English and Scotch colonists thought them an inferior and an unwholesome contribution to the population of the colonies. But within a few years these people intermarried and the storm against the previously unwelcome Dutch subsided.

Then presently came the Irish immigrants, who settled up and down the coast, and the protests of the Dutch were added to those of the English and Scotch against these "intruders."

The Germans and the Scandinavians, sensing their unwelcomeness by the races that had preceded them and settled along the eastern seaboard, became pioneers in the country beyond the Alleghenies.

Thus, all down the years, history records this haughty spirit asserting itself again and again whenever a new race of people dared to seek peace and protection in America, but happily this attempted caste control based on the accident of birth, wealth, or privilege has never made any great progress, for such unholy and inhuman prejudices can never prevail in this democracy.

Senators complain that the recent aliens are not being assimilated. That they are not learning our language, are not improving their social conditions, is part of your indictment. Who are responsible? Who are blamable—they or we? It is true that the progress of assimilation of these newer elements has been slow. It is due largely to the fact that our immigrants have generally clustered about a limited number of industries in the industrial centers, forming themselves into colonies not easily penetrated by American influence? This is not the immigrants' fault.

Immigrants do not come here with the intention of clinging to their alien ways. They go where we put them, or, rather, where our captains of industry put them. If they have not always come here to escape oppression and poverty at home, they have surely come to obtain for themselves and their children the equal opportunity denied them in their native lands to enjoy a fair share of the blessings of life and liberty. They come here to labor; and industry is a certain guaranty to success and a basic mark of good citizenship.

Men and women, Mr. President, do not come 3,000 or 5,000 miles, suffering the utmost hardships of a trans-Atlantic voyage, parting oftentimes with the last penny in order to obtain passage, by a desire that is not worthy and commendable. Can there be a higher proof of devotion to the benefits and blessings of our country than that men and women to come under its blessings will take all the discomforts and risks of journeying to a country of whose language they are ignorant, to whose customs they are strangers, leaving their home and their fireside, often their most loved ones, and the associations of all the generations that preceded them?

Leave your places of comfort and visit the places where the immigrants are found in American life before you condemn them. Whose faces are those going up and down in the shafts that bring to the surface of the earth our mineral deposits? They are those of our immigrants. Stand at the mill gates and the exits of the sweatshops, where those commodities are manufactured that require the most exacting labor. Our immigrants are the "factory hands." Watch at the entrance of a savings bank in our industrial centers. The depositors most numerous in the lines are our immigrants. Whose children are those running in and out among the vehicles of the city streets, with no playground but the crowded and littered roadway in the midst of the cities' marts? They are our immigrants. Whose weary and careworn faces—mothers' faces—are leaning out over the fire escapes in the tenement rows trying to catch a breath of fresh air? They are our immigrants. Look in at the winter sessions of our evening schools. Who are the men and women, simply clad, with drawn countenances and calloused hands, seeking a knowledge of our language and the history of our country? They, too, are our immigrants.

The records, Mr. President, show that immigrants must seek employment where they can find it, and as they are without funds to travel any great distance, they are obliged to enter the mines and mills near the places of their arrival. We have made them the slaves of our industrial system. Our greed and not their self-seeking has directed them and sent them and their families into the factories, sweatshops, down into the depths of the earth and on the docks of our waterways, wherever there is lowly and fatiguing work.

In 1918, 58 per cent of the steel and iron workers were foreign born, 61 per cent of our packers' labor, 62 per cent of the bituminous miners and wool weavers, 69 per cent of the cotton-mill operators, 72 per cent of clothing shopmen, and 65 per cent of the sugar refiners' help came from abroad.

Mr. President, we have, I fear, often been the means of causing them to substitute the material for the spiritual. It is toil, toil, ceaseless toil, which we have offered them. The industrial master is their first and often their only teacher of Americanism. They soon learn his interest is not entirely altruistic.

Look about and observe more closely the conditions prevailing in the immigrant settlements, especially in the crowded districts of our large cities. What are the conditions in these areas? Overcrowded dark tenements, lack of sanitation, sunless and airless narrow streets. Does anyone for a minute believe that the immigrants choose to reside in these unattractive surroundings? They have no choice. It is true that they find there a kindred acquaintance willing to sympathize with them and if possible assist them, but they are there because they are forced into these districts. Why marvel that many of them begin to hoard their savings that they may soon return to the sunshine and fields of their native land?

Another illustration of what we are failing to do for our immigrant population may be had from the report of the New York State Commission on Housing:

> Rents have risen continuously and congestion has increased. Families are now forced into poorer and smaller quarters. They are obliged to double up. Two families live in rooms which under normal conditions would be occupied by one family. They are increasingly forced to take in lodgers. The dilapidated old houses which were considered uninhabitable a few years ago are now fully occupied and overcrowded. The conditions of upkeep and repair have grown steadily worse. What such conditions mean to health, morals, and happiness no intelligent person needs to be told.

Such are the homes into which we send our immigrants in many of the large cities.

Another extract from testimony given before a Senate committee by a clergyman of an immigrant community in Pennsylvania bears further proof of our disregard and neglect.

> Q. Are you doing anything in the church, carrying on any work to Americanize these men?—A. Yes; I certainly am. I insist upon them taking out their citizens' papers first of all, to pay their dues regularly,

pared with the census of 1910, give practical assurance that a

when they go abroad seeking a market for American-made

and get the papers and get instructed in American ways and other things that they should do. We have an Americanization course in project taking place, and they have been instructed to go and attend those night schools; but they are not a very great success, for the simple reason that the men are overworked—working from 10 to 13 hours a day—and they do not feel like going to the schools and depriving their families of their own company and society even after those long hours. Sundays they have none, for most of them go off to work.

Q. Have you noticed, in coming into contact with these men, any hostility upon their part toward the institutions of this country?—A. Absolutely none. They have been branded as anarchists and Bolshevists and they resent it——

Q. You started to tell us about the conditions there.—A. The men are worked from 10 to 13 hours a day. The conditions under which they are living are bad for America. The housing conditions are terrible. The work conditions, the hours of work, are absolutely impossible, and I think that it tends to make the men become disgusted with the country and they will say, "Well, let us go back to the old country; perhaps it is going to be better than it is for us here." There is no hope of them bettering their condition, for they work from the time the whistle begins to blow in the morning until they are whistled out at 6 o'clock in the evening; they must be at the gates there and they have to work all the time.

Q. Now, about the housing conditions; will you describe those?—A. Well, two rooms, as a rule, are the headquarters of the workers. The lower part is a kitchen and upstairs is the living room, if you can call it such, and the sleeping rooms for the family, and they have to sleep there. Sometimes they have boarders and sometimes there are four or five sleeping in a room.

With this knowledge of our neglect, of our indifference to the immigrant and his opportunities for assimilation and Americanization, how unfair, how injurious is the opprobrious language used in the references to him in the pages of the CONGRESSIONAL RECORD and the public discussion of this measure! They have been called mongrels, garbage, riffraff, anarchists, socialists, and Bolshevists. Every conceivable name that could be thought of has been used in describing these immigrants and their families whom we have forced into most unsatisfactory living and working conditions. Men and women who have come from the open fields of Europe, farmers and peasants who have lived in the sunshine and amid the song and laughter of their native surroundings, overnight have been forced into the conditions of living of which complaint is very properly made. Well you know we have done this, and we have done it regardless of their condition of life, regardless of their Americanization, regardless of their souls, regardless of their spiritual welfare. Let us be humane and just to the immigrant, and if we are we will in the future concern ourselves more about the living conditions of these foreigners rather than condemn and abuse them and close our ports to them. Let us think of them as human beings and less as undesirables.

Mr. President, our slight work of assimilation, let us frankly admit, has been haphazard and often misguided, yet the war proved, to the credit of our immigrants, that we were as closely united a country as many of the more homogeneous States of Europe; we attained without conscious effort results in assimilation that Germany with all her systematic efforts failed to attain.

THEORIES OF RACE VALUE INSULTING

The theories of superior race value and selection that have accompanied the discussion of this question are humiliating and insulting. Do we fancy that the peoples and Governments of Italy, Poland, Hungary, Austria, Greece, or Rumania have no national pride?

What are the nationalities whose coming to America is chiefly curtailed by this arbitrary resort to the 1890 census? The Greeks, to whom civilization owes so much in the fields of literature, science, art, and government. The Italians, who from the day of early Roman history have contributed immensely to civilization along the lines of government, literature, art, music, and navigation, including the gift of the discoverer of America. The liberty-loving Poles, whose sacrifices and struggles for freedom have arrested the admiration of mankind and who saved all Europe from the Turks at Vienna scarcely two centuries ago, and who were once in the van of culture. The Jews, who contributed to the world literature, religion, standards of righteous conduct that can not be overvalued.

I am aware, Mr. President, that many of the advocates of the bill deny any contention of inferiority of certain races; but the popular and psuedoscientific propaganda of the bill is not so scrupulous.

Have we learned nothing from the earlier generations' mistaken notions about the Dutch, the French, the Irish, the Germans, and the Scandinavians, now an essential element in our assumed racial superiority? They were condemned and criticized by the earlier settlers, just as we are now undertaking to condemn the races from southern Europe. Have we forgotten that at the time of the Revolution one-fifth of the population of America could not speak the English language? Have we forgotten that more than one-half of the population of America at the time of the Revolution was not Anglo-Saxon?

Factors of all sorts enter into play in determining race values, and often an alien most desirable from one point of view is least so from another. But is not the whole concept in variance with fundamental American principles and policies?

The whole idea of relative race values is objectionable, unreasonable, and grossly offensive. Ever since Edmuad Burke's famous saying it has been generally recognized that you can not draw an indictment against a whole nation.

Illiteracy and poverty may be high among the races from southern and eastern Europe, but these are not crimes. In the statistics of alcoholism, insanity, and disease, their racial inferiority does not hold. Considering their opportunities, these immigrants have done about as well as any other nationalities that have been here for the same length of time. All these races have brought with them a rich cargo of values, a keen sense of good workmanship, tireless industry, a remarkable sane and intelligent outlook upon life, a family solidarity, a simplicity of life, and a depth of spirituality that is most commendable.

Attempt to grade our aliens! Which race is to be rated "100 per cent American"? It is a shortsighted view which measures the desirability or undesirability of any group of aliens only by the rapidity or tardiness with which they forget their past spiritual connections and allow themselves to be rapidly molded into an undeterminate type which is vaguely termed a "100 per cent American." Naturalizing them does not make them Americans.

If I had my way all foreigners could not ipso facto become naturalized in five years. The test would not be how quickly he could get naturalized, but whether he possessed in his soul the American spirit. What is now required? Learn to read and write the English language, get to a court and become naturalized, and then you are 100 per cent American.

Mr. President, what group of aliens failed to respond willingly and serve bravely when our country needed them? On the outskirts of this city, in the National Cemetery, within a few months we buried the body of an American soldier born in Greece, who was acclaimed as one of the bravest of the brave, whose heroism in death was one of the thrilling and inspiring episodes of the recent war. And we are now, after such an illustration of patriotism—and it could be multiplied many times—to inform the Americans of Hellenic descent that they are among the undesirables.

Read the names upon the crosses in the American military cemeteries in France. Go there, you who are saying that certain races are undesirable, and read the names upon the graves of the poor lads who had neither father nor mother nor any other loved one to request that their bodies be interred in Arlington Cemetery. Read the names of these dead; read the names of those over whom the poppies now grow, practically all of them foreign born—Poles, Italians, Greeks, and Slavs—scarcely an Anglo-Saxon name among America's brave dead now sleeping in France.

Stop, I urge you, before you announce not only to Americans who are descendants of all the races of Europe but to the peoples of the world that certain races are ineligible to enjoy American citizenship.

"Keep America American." Yes; but do not keep out of America through discriminatory immigration laws any lover of liberty, whatever his accident of birth may be, if he is willing to live in America, accept its ideals, and die, if necessary, for the preservation of American institutions.

More time and thought to making Americans of the aliens who migrated here instead of leaving them unprotected to be victims of merciless greed and avarice should be our immediate problem. More thought to the development of their spiritual instincts rather than the exhaustion of their physical force will best promote Americanism.

Immigration would be less of a problem if a fair part of those who come could be directed to the cultivation of the soil. There is plenty of undeveloped land waiting for the immigrant settler, and there are enough immigrants coming in under the present quota who would be glad to go to this land if rightly directed.

Let me divert for a moment to state what I have seen in New England in the last 15 years: The old Yankee families are steadily abandoning their farms, and in their places the Finn, the Swede, the Pole, and the Italian, cultivating the fields and preserving the meager agriculture that is possible in New England.

Senators from the South, let us speak plainly. You know what is taking place in the labor market. You know of the present migration from the South to the North. Do you not realize that the North will have your colored people instead of immigrants working in its industries and the South will have a scarcity of labor to serve it in the important work of developing its agriculture?

An American farm radiates and develops the spirit of America. An immigrant colony perpetuates the foreign spirit. Put immigrants of almost any race in an American farming community, with its churches and schools, and there will be no immigration or Americanization problem so far as they are concerned. Huddle them in mining camps or factory colonies and you will always have an assimilation problem.

Mr. President, the aftermath of war may still require reasonable restriction, to which I would subscribe, but you certainly can not justify doing anything in placing a restriction upon immigration that will result in setting race against race. Pause, sirs, before you discriminate by legislation in favor of one or the other of our alien groups against all the rest. Do we really desire and seriously contemplate making an announcement of inferiority to the fellow countrymen of alien friends of America, like Kossuth, who, standing in Faneuil Hall and turning to the American flag, shouted, "A flag without a stain; a country without a crime!" There is scarcely one who has come from southern and eastern Europe whose patriotic emotions are less fervid or whose tribute to America would not be equally inspiring. Not language nor clothes nor wealth nor education nor naturalization papers constitutes Americanism. Americanism is of the soul. If the spirit, the willingness to serve and to sacrifice even life for the preservation of our traditions, our self-government, our liberty, is American, naught else is of consequence.

Mr. GLASS obtained the floor.

Mr. GERRY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Rhode Island?

Mr. GLASS. I yield.

Mr. GERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Keyes	Shields
Bayard	Ferris	King	Shipstead
Borah	Fess	Ladd	Shortridge
Brandegee	Fletcher	Lodge	Simmons
Brookhart	Frazier	McKellar	Smith
Broussard	George	McKinley	Smoot
Bruce	Gerry	McNary	Spencer
Bursum	Glass	Mayfield	Stanfield
Cameron	Gooding	Moses	Stanley
Capper	Hale	Neely	Stephens
Caraway	Harreld	Norbeck	Sterling
Colt	Harris	Norris	Swanson
Cummins	Harrison	Oddie	Trammell
Curtis	Heflin	Overman	Underwood
Dale	Howell	Pepper	Walsh, Mass.
Dial	Johnson, Calif.	Ralston	Walsh, Mont.
Dill	Johnson, Minn.	Reed, Mo.	Warren
Edge	Jones, N. Mex.	Reed, Pa.	Weller
Edwards	Jones, Wash.	Robinson	Wheeler
Ernst	Kendrick	Sheppard	Willis

Mr. CURTIS. I was requested to announce the absence of the senior Senator from Indiana [Mr. WATSON] on account of illness in his family. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present.

INVESTIGATION OF INTERNAL REVENUE BUREAU

Mr. GLASS. Mr. President, with a constitutional aversion to consuming the time of the Senate in debate, it is with no little reluctance that I am venturing now to make some comment on a topic which has occupied somewhat the time of the Senate since Friday of last week. I have neither the desire nor the purpose to say anything which may be interpreted into an "assault" on the President or his Secretary of the Treasury. For the former, as well as for the exalted position which he occupies, I entertain a high regard. Having for a brief time, at a critical period, held the office of Secretary of the Treasury, I understand something of its perplexities, its anxieties, and the exacting nature of its more vital problems. Naturally, therefore, I could not with any degree of relish hear this public official assailed; much less could I feel prompted by any mere partisan consideration to join in a chorus of criticism against his administration.

What I contemplate saying is intended to express in a temperate way the indignation which any Senator of spirit should feel at the amazing imputations which the President of the United States and the Secretary of the Treasury have directed against this body in language of offense as heedless as, in truth, devoid of justification. Instead, therefore, of making myself a party to an "assault" on the President and the Secretary of the Treasury, as suggested by the senior Senator from Indiana, I simply feel constrained by every consideration of self-respect to repel the unprecedented assault made by these public officials upon the integrity of the United States Senate.

EXECUTIVE PREROGATIVE

Some weeks ago when the Senate adopted a resolution expressing its conviction that the public interest would best be served by the dismissal from the President's Cabinet of Secretary Denby, I hazarded the opinion that we were deliberately inviting, and I confidently believed would receive, from the President the very rebuff which he was entitled to make and quickly did administer. The resolution, for which I voted with no thought that the Senate was engaged in any "dirty business," as a Senator from Pennsylvania was pleased elsewhere to describe it, was an unusual, but by no means an unprecedented, exercise of parliamentary privilege. In an abstract sense, it menaced the executive prerogative; and nobody, I imagine, was in the least surprised to have the President resent the action taken here. This he did decisively, without extravagance of expression or apparent desire to seem opprobrious. Other Executives had done the same thing, in better behalf, I think, but not more tersely nor in better tenor. They were widely applauded, just as President Coolidge was, and just as any President must know he will be, for a vigorous assertion of Constitutional jurisdiction. That was quite right—a thing finely done in an unhappy cause. No considerate person thought less of the President for doing it nor complained of the manner in which it was done. I suspect his bitterest enemy, if any he have, respected him the more for the firm and clever fashion in which he acquitted himself in distressing circumstances.

QUITE A DIFFERENT THING

But, Mr. President, a dignified, unyielding assertion of constitutional prerogative is one thing. An unrestrained arraignment of a coordinate branch of the Government is different. In any event the contrast is painful. But in no circumstances could it be more deplorable than when the President of the United States, through the prescribed medium of communication, levels at the Senate of the United States accusations which gravely impeach its honor, in justification of which indictments he does not, as I am sure he can not, offer any proof, from the record.

Until now, sir, when has any Executive of the Nation, in a mood of uncontrolled irritation, abruptly faced the Senate of the United States with the official charge of having instituted "a government of lawlessness"? Until now, when has it happened, if ever before, that the President of the United States, accepting the unauthenticated suspicions of an avowedly partisan Senator, accentuated by the personal antipathies and apprehensions of a Cabinet minister, has pointedly impeached the probity of the Senate by sharply charging it with subterfuge and insincerity; with intrusion upon the privacy of the citizen and with the creation of a condition actually subversive of the most sacred guaranty of the Constitution?

THE PRESIDENT'S MEANING

It is all there, sir; and more beside! The President himself has not bothered to disguise it. Not in a line or sentence of the message is there hesitation or concealment, either as to meaning or purpose. The President intended to be vehement. The President intended to be threatening. And no Senator should risk his displeasure by any attempted interpretation in moderation of the plain English of it. Besides, that would be vain. No refinement of definition, no misapplication of circumstances, no artifice of sophistry, no sort of casuistry can ever take from that presidential message, with its attendant paper, the inherent nature of its amazing arraignment of the Senate of the United States as a menace to orderly government in the United States!

I would not have Senators believe, I expressly beg that no single Senator will think, that I speak with any zest of this event or derive any satisfaction from animadversion on high public officials of an adversary party. It is not so. I have had no immediate part in any investigation and have contributed no word of consequence to the discussions of them. But I

refuse to remain silent when a presidential message is put upon the desk which asperses the patriotism and even the honesty of the Senate.

SENATORIAL SELF-ABASEMENT

Quite intolerable enough it is to have individual Senators go about broadcasting the accusations that their colleagues here are "indecent," and engaged in "dirty business" when they bring into the light of day the hidden offenses of maladministration. Bad enough it is, in this incendiary fashion, to apply the fagots of misinformation and vituperation to an already inflamed and poisoned public opinion which would stop pursuit of the actual criminals and punish the Senate for exposing crime. Bad enough, indeed too bad, Mr. President, to have individual Senators asserting publicly their attestation of the Senate's culpability in this respect. For one, I am totally unwilling, without protest, to have the prestige of the Chief Magistracy put in the balance against Senators, sworn as they are to uphold the Constitution and constrained, equally with the President, to a course of fearless and upright official conduct.

Mr. President, I do not approve the engagement by a Senate committee of an attorney to be paid by an individual Senator or any combination of Senators. I oppose such a procedure as exceptional and, from any point of view, contrary to sound public policy. I think it totally out of accord with the dignity of the Senate. It may be that I would not have been as discerning as a member of the committee as I now am assuming to be as a courteous critic of the action alleged to have been taken. There is nothing in the text of the committee resolution to indicate who, if anybody, is to pay the attorney selected. Accepting the statement made here that the senior Senator from Michigan [Mr. COUZENS] is to pay the fee, I express disagreement with the arrangement.

Had the President confined the comment of his message to this incident or had the Secretary of the Treasury contented himself with objecting to this unaccustomed action of the committee, all this discussion would have been averted. Had the Secretary in his letter to the President, and had the latter in his message to Congress, supplemented their remonstrance against this exceptional procedure by a positive refusal to furnish the Senate committee with papers in the Treasury by them considered as strictly private, and to furnish which would be contrary to the public interest and constitute an unwarranted intrusion, the Senate could not and would not have felt offended, however much it might have disagreed. As had happened times without number, the matter would have been discussed temperately, if at all, and disposed of without friction, certainly without bitterness.

THE PRESIDENTIAL BROADSIDE

But, sir, the President nor the Secretary desired to confine the controversy. Neither desired to discuss an episode. Both wanted to project an issue to the country. And I reject as untenable and little less than childish the suggestion that the Secretary and the President are protesting solely against an irregularity of method, prompted by inconsequential personal bickering between a cabinet minister and a Senator of his own party on a question of taxation. The text and tenor of Mr. Mellon's letter to the President and the latter's message to the Senate afford an effective refutation of such an hypothesis. I am tempted to call it, not an hypothesis, but the most arrant nonsense to which the Senate has ever listened. It is not *an* investigation against which they inveigh; certainly it is not against a minor incident of the entire transaction against which they direct their batteries of rhetoric and marshal their constitutional argument and apply their forebodings of a wrecked republic! Not at all, Mr. President; there is nothing so sure in letter or message as the clearly revealed impatience of the Executive and his Secretary with the entire business of investigation. May I not express the hope that in neither letter nor message is there the concealed purpose to arouse anew the abating bitterness against the Senate of the United States so diligently propagated and nurtured among those misguided persons who persistently have been taught to believe that it is not possible, even if desirable, simultaneously to expel knaves from the high places which they have dishonored and reduce the excessive tax burden which the people too long have endured?

A UNIQUE DOCTRINE

It is not the trifling incident of an irregularly compensated attorney, however much to be deprecated, that has caused the White House and the Treasury to despair of orderly government at Washington. They tell us it is the "condition" which the Senate has brought about; the "lawless government" which the Senate has instituted as a substitute, we must assume, for the better attuned administration of Fall, as helped by Doheny, and Daugherty, as aided by Jesse Smith, and Mr. Denby, the pitiable victim of his own guileless stupidity.

It is this "condition of lawless government," created by senatorial investigations, which is creating consternation in the departments and bureaus and, indeed, alarming the country, we are told. It is a unique doctrine, sir, when we are gravely assured that the exposure of wrongdoing and the driving from office of the criminal and the negligent constitute lawlessness in the Government

Mr. CARAWAY. Mr. President, may I interrupt the Senator for just a moment?

Mr. GLASS. I yield.

Mr. CARAWAY. Was not that exactly what Daugherty said when he was removed from office—that the President was substituting lawlessness for the orderly processes of justice?

Mr. GLASS. I believe the Senator's recollection is quite accurate.

And then we are assured that the senatorial investigations are hurting business. The same plea was made, Mr. President, when Christ drove the hucksters from the temple at Jerusalem. The same plea was entered by the image makers at Ephesus when Paul preached against idolatry; and now we have it here in behalf of the Falls and the Daughertys and the Doheny's. Apply the doctrine of this message and letter, and the Senate of the United States stands convicted while Fall goes free. Apply the philosophy of the President and his Secretary, and the Senate stands convicted while Sinclair enjoys undisputed possession of Teapot Dome. Heed these protests against the "lawlessness of government by investigation" and the dismissal of Denby becomes a mockery of justice. Accept the extraordinary theory of government advanced by this message and letter and the dismissal of Daugherty exceeds all the bounds of official propriety, and thereafter any department of the Government might be free to defy constitutional limitations by expending a hundred million dollars of the taxpayers' money without the legally required sanction of the Congress of the United States. All that will be required to bring about this condition of orderly government will be to put a ban on investigation and to rely solely on the willingness of the culprits themselves to confess their own crimes. Possibly the President and the Secretary had this in mind, Mr. President. The weirdest, as the most fascinating, product of Edgar Allen Poe's genius is his Imp of the Perverse, in which he so vividly portrays that strange trait of human nature which constrains one against his better reason to reveal his own transgressions of the criminal code. In effect, the Senate is invited to apply to government this remarkable philosophy of the poet. Do not investigate; just patiently await the time when the Falls and Dohenys, the Forbeses and the Daughertys, in some unhappy mood of perversity, shall reveal their own perfidy. Mr. President, this may seem an extreme analogy; but if that is not substantially the plea of this message and this letter I fail to comprehend the meaning of them.

THE SENATE INVESTIGATIONS

It seems to me, Mr. President, that Senate investigations, far from creating the condition graphically described by the President as "lawless government," have been fairly effective, and when the President angrily presents a contrary view he is enmeshed in his own criticism. It was a Senate investigation that sent Albert B. Fall to Three Rivers a disgraced man and a self-confessed felon. It was a Senate investigation that revealed the utter incapacity and indifference to public obligation of Mr. Denby, compelled by force of public opinion to retire from the Cabinet, despite his repeated defiances and oft-avowed determination to remain in office. It was a Senate investigation that confirmed the popular conviction of Mr. Daugherty's unfitness for high distinction by revealing an official situation and personal contacts which literally shocked the Nation and compelled his dismissal from the Cabinet. It was a Senate investigation that revealed the appalling condition of the Veterans' Bureau, with its frauds upon the Government, its immoral orgies, its wicked neglect of sick and disabled soldiers of the World War. The culprits, now headed for jail, will doubtless agree that Senate investigations are disturbing to the usual order of things. It was a Senate investigation that disclosed the criminal and fraudulent and sordid nature of the oil lease transactions which caused the Congress, by sanction of the President himself, to direct recovery of the public domain and the prosecution of the criminals. It is by reason of a Senate investigation that attorneys chosen by the President and confirmed by the Senate are this moment engaged in the prosecution of civil suits and criminal actions to restore the Government's proprietary rights and to punish the men who acquired them by means of bribery and corruption and the betrayal of public trusts.

Whatever else may be revealed presents a wide field for conjecture. But what already has been disclosed, involving the very integrity of the Government itself and hundreds of millions of property interests, furnishes no justification for the charge against the Senate of having instituted "a condition of lawless government." Rather should the Senate be commended by the President and the country for exposing a condition of lawlessness in government which has disgraced one former Cabinet minister, discredited another, and confirmed the public detestation of a third. Rather should the Senate be thanked for its swift and earnest action to recover the Nation's stolen wealth and to visit upon the thieves the severest reprisals. And unless the President of the United States desires to be regarded as a reluctant, rather than an eager, participant in this joint legislative and executive aggression, he must moderate the harsh condemnation contained in his message to the Senate and withdraw from a position which is not only untenable, but positively distressing to his fellow citizens.

MR. MELLON'S TAX RETURNS

When an investigation of the Internal Revenue Bureau of the Treasury Department was ordered, Mr. President, it did not once occur to me to believe that anything of a reprehensible nature would be revealed by the inquiry. I felt, owing to the large business capabilities and useful legislative experience of the members of this Senate committee, that they might find some cure or suggest some corrective of the detestable spirit of bureaucracy which almost invariably afflicts the taxgatherers of a nation and which is irritating in its best form and oppressive in its worst. I observed it in the bureau when I was at the Treasury and to me it was constantly a source of anxiety. It occurred to me that this Senate committee might at least find some remedy for this intolerable attitude. In no degree have I been willing to participate in the suspicion that actual fraud or favoritism is appreciably practiced in the assessments or refunds to the wealthier taxpayers. I have rejected as incredible the implication that Secretary Mellon has received discriminating treatment in this regard. As I estimate men, he is the outstanding figure of this administration, which means that at the least he has sense, if not character. I think he possesses both and I am sure he has vastly too much sense to accept bureau favors or to permit any exhibition of partiality toward the companies with which he has connection. That would be to deliver himself into the hands of his enemies, personal and political. Moreover, Mr. President, there is nothing necessarily singular about large repayments to large taxpayers any more than there would be about small repayments to small taxpayers. The tax returns of persons of large wealth are intricate and complicated. The chances of errors, both of omission and commission, are ten times as great as in the case of moderate assessments. These things neither surprise nor disturb me, for I know when I was at the Treasury the most difficult achievement in this world was ever to get back from the Federal Government a dollar once collected by the Government.

When I noted that Secretary Mellon promptly had invited an inquisition of his tax returns and the Treasury transactions with his companies, I saw he had done precisely what it was assumed he would do. I did not think and do not now conceive that Mr. Mellon could fear an examination of that kind. Least of all could I imagine or do I now infer that an examination of that sort, by whomsoever made, could seriously impede Treasury transactions or create consternation among 60,000 Treasury employees at Washington and in the field. Therefore, Mr. President, when there was read from the desk last Friday the extraordinary letter of the Secretary of the Treasury completely reversing his previously avowed attitude toward the Senate investigation, and intemperately assailing the Senate itself and deriding its procedure as "government by investigation," I marveled what the explanation might be. It was given us in the address to the Senate on Saturday by the senior Senator from Indiana; and I regret not to find him in his seat to-day, for I sent him a message stating that I purposed saying some things which at least might interest him.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from Virginia yield to the Senator from Pennsylvania?

Mr. GLASS. I do.

Mr. REED of Pennsylvania. The Senator from Indiana is absent because of an impending death in his family.

Mr. GLASS. That I greatly regret, and, had I known, would have induced me to refrain from saying even what I feel now obliged to say.

AN AMAZING SPEECH

Not less amazing, albeit a little more amiable than the President's message, was the address of the distinguished Senator from Indiana. Not less vehement, though infinitely more enlightening, than Secretary Mellon's letter was this remarkable speech. The Senator told us with startling frankness that he and the Secretary of the Treasury and the President of the United States alike stood aghast at the prospect of a congressional investigation of the prohibition enforcement unit of the United States Treasury!

Ministering angels, if any there be, defend the President of the United States and the Secretary of the Treasury! Investigation must end because it may touch the Secretary! The Secretary is a main support of the President; and if this support should be jostled by inquiry, the whole structure of government would topple! Let me not state inaccurately, particularly in his absence, or misinterpret the senior Senator from Indiana. His exact words were:

> Mr. Mellon is one of the main supports of the President of the United States and, my fellow-citizens, with all due respect to anybody else, the President undoubtedly will be our leader in the next campaign. Therefore, whatever militates against him, if it can be brought against him at this time through any kind of investigation, has a tendency to weaken him if it can reach him.

In this unique theory of government we have an intelligible explanation of the Secretary's changed attitude and of the President's alarm. "Government by investigation is not government;" conversely government by suppression is government. The Senate committee is invited, indeed is challenged, to investigate Mr. Mellon's tax returns and those of his corporations. So anxious is the Secretary for this bootless pursuit, as I think, he waives for himself and procures waiver for his companies as to all their rights of privacy. There was no thought, as there was no suggestion, of disorganization or demoralization in consequence of this contemplated committee activity. But the Indiana Senator learns that the inquiry may not end there. It was designed to extend to the prohibition enforcement unit, whereupon poise gives way to panic and very suddenly it is discovered that 60,000 Treasury employees throughout the country will be diverted and harassed and driven from their task of collecting the Government's revenue because illicit distillers and bootleggers are to be chased to the swamps and creek bottoms.

There is a conference; the remedy is discussed and a line of action apparently agreed on. The Secretary expresses to the President his abhorrence of "government by investigation"; the Senator from Indiana by resolution proposes to end the inquiry; and the President of the United States before the whole country brings in question the probity of the Senate by the astounding charge that its investigations have produced "a condition of lawless government."

NO PARTISAN MATTER

My legislative activities have had so little to do with partisan discussion that I have no aptitude for it. I am not speaking now in any partisan vein or with the remotest desire to asperse the Secretary of the Treasury or rudely to criticize the President of the United States. But the developments in regard to the matter now under discussion have profoundly affected me. If the Senate of the United States is what the Secretary of the Treasury says it is; if the Senate of the United States has done what the President says it has done, I would not thrip my fingers to remain a Member of the body and I would utter no word of remonstrance against the obvious purpose and attempt of these high officials to arouse against the Senate the great body of citizens who have been falsely told that the revenue bill and other imperative legislative measures have been impeded or forgotten in an unbridled pursuit of political inquiries.

I am not insensible of the fact, sir, that there are Senators with so little spirit and so devoid of proper self-esteem as shamelessly to plead guilty to this shocking indictment. The senior Senator from New Jersey seemed yesterday to derive peculiar satisfaction in the confession which he made of the degeneracy of the Senate. He is entitled to speak for himself; but I take leave to suggest that he need not have been so specific. The servility with which he accepted the chastisement of the Executive message plainly exhibited his abasement in the presence of titled consequence. Had I not the highest respect for the President of the United States I might be indifferent to his unwarranted aspersions of this body. It is because I highly regard him that I resent, that I deplore, his unprecedented strictures on a coordinate branch of the Government.

DELAY OF TAX REDUCTION

The Senator from Indiana made other remarkable observations which I should think he would, upon reflection, care to revise. He said:

> Mr. Mellon has proposed a tax problem. The tax bill is under consideration. If in any way they can besmirch him, if in any way they can besmear him, if in any way they can weaken him as a citizen of the country or as an honest official, they will weaken to that extent the tax plan which he has proposed and which the President of the United States has seen fit to indorse.

What an imagination it requires, Mr. President, to create a relationship between the official obligation to enforce prohibition laws and the enactment by Congress of a tax bill! This aside, sir, let me ask—and I am distressed that by reason of the illness of the Senator from Indiana he is not here to answer—but let me ask anybody with the inclination to speak for him who it was in another House that tore the Mellon plan to shreds, and why did they tear it to shreds? Did they in another place reject his philosophy and wreck his entire plan of taxation because of any pending senatorial inquiry? Did his own party associates in the other branch of Congress bid defiance both to the President and his Secretary of the Treasury because they thought Mr. Mellon had been, or apprehended that he would be, "smeared" by investigations at this end of the Capitol? Better than the Senator nobody knows that the Mellon plan, with some parts of which I thoroughly agree, has not the remotest chance of being enacted into law by the Sixty-eighth Congress. Better than the Senator nobody knows that he and his party associates of the Finance Committee are simply causing delay and courting ultimate defeat when they reject the compromise plan of the House and bring here the original Mellon plan for prolonged and unprofitable discussion. But more of this at another time, when the controversy shall be imminent.

MR. MELLON'S ACHIEVEMENTS

The Senator can not outstrip me in his desire to commend the Secretary of the Treasury for those achievements which properly may be set down to his credit. But why should the Senator from Indiana have put himself at pains, in doing this, to overdraw the picture and malign preceding administrations of the Treasury? Said he:

> Secretary Mellon took the finances of this Government where, everywhere, they were surrounded by chaos and has brought the Nation out until to-day we are the only nation in the world that has reduced its taxes and lowered its debt and balanced its budget.

Ignoring those utterly absurd inaccuracies which are not pertinent to the immediate discussion, I intend to ask the Senator from Indiana to be specific, and I pause right now and invite any Senator disposed to speak for him to detail here those outstanding changes of policy whereby Mr. Mellon transformed the Treasury from chaos into order, whereby he put the credit of the United States at any higher standard than it occupied when he took the oath of office.

I invite any Senator familiar by reason of his service on the Finance Committee or his service in the Senate to stand here now and tell us what so different from that performed by the former administration the Secretary of the Treasury has done to "rescue the Nation from financial chaos" and to give it a higher status in the world of finance. I would wait so long for an answer that we would be gone to the polls on election day.

FORMER TREASURY ADMINISTRATIONS

Mr. President, administration of the Treasury before the World War was a pastime. It was in the tragic period of that conflict when peculiar accomplishments were required and when great problems were to be mastered. That such accomplishments were applied and that the problems of the time were met and mastered to the credit of the Nation was universally attested by men competent to bear testimony. With the conflict ended, the difficulties of initiative and administration were accentuated. But in a little while, when the exaltation of combat was gone, when the spirit of sacrifice had subsided, when the reaction from idealism to materialism had set in, the Treasury Department floated a loan of $3,500,000,000 at the same interest charge that prevails to-day after nearly six years of peace! Within a few months after that achievement the President, by Executive order, upon recommendation of the Treasury, removed the export embargo on gold, which instantly gave us the status of the only gold standard country of the earth, a distinction preserved until now. Mr. Mellon's immediate predecessor pursued the established policies and handed over to his successor perhaps the best organized piece of financial machinery in the world.

For seven years the Federal reserve banking system had functioned and through its agencies floated twenty billions of bonds to defray the expenses of the war. For five years the farm loan system had been in practical operation. The great Treasury certificate and note selling system was firmly established. The first full fiscal year after the armistice showed an adjusted surplus of $291,000,000 in ordinary receipts over ordinary expenditures, and while the currencies of all other countries had been frightfully depraved, the American dollar was at a premium in every money market of the earth!

It was in these circumstances, Mr. President, with these established agencies already at hand, that Mr. Mellon took over the Treasury. Mr. Mellon accepted and continued these policies. As far as I have been able to discover, they prevail there to-day, the policies as well as the agencies. So where is the extraordinary exhibition of magic which has "rescued the country from financial chaos" and given it credit among the nations of the world? Be it said to Mr. Mellon's credit, he retained a greater part of the personnel and his undersecretary, in charge of fiscal affairs, the hardest worked and poorest paid attaché of the Government, who left its employment three months ago, was an invaluable legacy from the preceding administration.

THE WRECKING CREW

No thanks are due to the practical politicians of his party. I asked a while ago what was needed, what was lacking when the Treasury was taken over? Since asking that question it has occurred to me that there was something lack, or rather somebody lacking, and that body was Elmer Dover, a spoilsman of national repute. He was put at the Treasury and forthwith was assembled the wrecking crew. The key men of that great establishment were listed and Mr. Dover was to decapitate the whole bunch. Be it said to the credit, both of his courage and his wisdom, Mr. Mellon declined to permit the wrecking to proceed. Be it said to the credit of his courage and his wisdom that he made the issue with the very President to whom he owed his own appointment and prevailed. Instead of wrecking the Treasury, as avowed practical politicians wanted to do, Mr. Mellon kicked out Elmer Dover, and whatever he has achieved in "rescuing the Nation from financial chaos" and giving it credit in the world he has accomplished with the policies and with the personnel, largely, that were handed over to him on the 4th of March, 1921. While I highly praise his achievements, and while I impute to him patriotism and capability, I stand here to resent the false assumption that his renown may be enhanced by misrepresentation of those who preceded him in office.

THE "MELLON PLAN"

Sir, if I could diminish the fame of the Secretary of the Treasury, good taste and disrelish for such things would forbid. But I praise and take satisfaction in his demonstrated capabilities, and to the Senator from Indiana, or to any Senator who will speak for the Senator from Indiana, I commend the frankness of Mr. Mellon. When writing to the chairman of the Ways and Means Committee of the House the letter which so enhanced his reputation in the country, he was fair enough to say that he taught no new philosophy and avowed no new doctrine, but was following in principle the frequently expressed judgment of his three Democratic predecessors.

I know that some of my colleagues on this side of the Chamber do not entirely share my views on taxation, as I do not in detail completely share the views of Mr. Mellon on taxation. I mention these facts only to convict the Senator from Indiana, or anybody who here will assume responsibility for his statements, of the grossest exaggeration when in the flight of partisan declamation he tells the country that Mr. Mellon inherited chaos, and, by waving some magic wand, transformed the United States Treasury from a status of wreckage to a state of order.

BOOTLEGGERS IMMUNE

Mr. President, the Secretary of the Treasury is a seasoned financier and a business man of large observation and extensive experience. So much the worse for him when he forsakes his accustomed calm and becomes sharply agitated when a Senator of his own party, aided and abetted by the Republican governor of his own State, proposes by sanction of the Senate of the United States to investigate the administration of a single unit within the jurisdiction of the Treasury.

And, Mr. President, there seems something sinister about the extraordinary contention that enforcement of the prohibition laws is not a proper subject of inquiry. The Senator from Indiana already has startled the country by his declaration that this Government unit must be considered immune.

The Senator from Indiana already has excited the interest, if not the amazement, of the country by his declaration that it never was intended effectively to enforce these laws except by an undefined process of progression. Illicit distillers, with their bootlegging agencies, will doubtless hail with satisfaction this senatorial assurance that their rebellion against the law and order of the Nation, for the next five years at least, if this administration is continued, will be regarded with complacency, if not with actual compassion.

But, Mr. President, be this as it may, there is nothing in any phase of the question which could possibly justify this great official of the Treasury in casting his fretful opprobrium upon the Senate of the United States. I say it is everlastingly to be deplored that the President should not only sanction but participate and accentuate.

REPUBLICAN INVESTIGATIONS

The Senator from Indiana, in extenuation of this Executive arraignment of the Senate, reminded this side of the Chamber of what a fine sense of restraint was exhibited by his side of the Chamber toward the recent Democratic administration. Mr. President, I desire to repeat that I have not spoken to-day as a partisan. What I have said might as readily be said of a Democratic President or a Democratic Secretary of the Treasury as of the distinguished men who occupy those high posts to-day. But when the Senator from Indiana alleges in evidence the generosity of his own party toward its adversaries he must imagine that we on this side have short memories, indeed, and my retort to him is that never in the history of legislative experience was there such an orgy of inquiry and search as when the Senator's party came partially into repossession of this Government.

Let us not, Mr. President, revive the wretched memory of the visit to the sick-bed chamber. Retributive justice has laid its hand on the miscreant who cheerfully accepted the mission to peer beneath the counterpane. Let us not recall the persistent attempt to discredit the administration of the sick man; how they hired handwriting experts to inspect his signature if, perchance, written by somebody else; how they brought here their neurologists to speculate upon his mental capabilities as affected by his physical disorders.

Better were it, perhaps, not to refer to the facts of record, where an adversary Senator from the State of Pennsylvania from his place in this Chamber made the unqualified declaration that upon the return of President Wilson and Mrs. Wilson from abroad they had brought in free of duty several million dollars' worth of gifts from the crowned heads and people of Europe; and then began, by indirection, to inquire about the pocket handkerchiefs and the one or two lace coverlets that had been given in token of personal esteem! When officially it was shown that a greater libel was never uttered or printed in the CONGRESSIONAL RECORD, there was no apology ever made for the indecent allegation. I have here, and shall, with consent, insert in my speech the detailed inventory of the few trifling things, gifts of affection and regard, which were brought in.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). In the absence of objection, the list will be printed in the RECORD.

The matter referred to is as follows:

LIST OF PRESENTS TO THE PRESIDENT

Mr. BYRNES of South Carolina. Mr. Speaker, I desire to ask unanimous consent to have printed in the RECORD the statement of the Secretary to the President in reply to the resolutions introduced by the gentleman from Illinois [Mr. Rodenberg] and the gentleman from Iowa [Mr. RAMSEYER].

The SPEAKER. The gentleman from South Carolina asks unanimous consent to have printed in the RECORD a letter from the Secretary to the President. Is there objection? [After a pause.] The Chair hears none.

The following is the statement:

"STATEMENT BY MR. TUMULTY

"While on his western trip the President's attention was called to the resolution of Representative Rodenberg, of Illinois, and the statements of Senators Penrose and Sherman in regard to gifts received by the President and Mrs. Wilson while they were in Europe.

"Senator Sherman indicated the basis of the various stories touching this matter when he said that 'cloakroom gossip lays the value of these gifts at half a million dollars.' Senator Penrose said he had been informed that the presidential party 'brought back to this country presents from crowned heads and foreign governments amounting to several million dollars.'

"Here are the facts:

"Outside of a considerable number of small gifts, such as books, walking sticks, an old silver dish found in the ruins of Louvain, war souvenirs made by soldiers or out of war material, and numerous medals struck off in his honor, the following are the only important gifts received by the President in Europe:

"In England:

"Photograph of the King and Queen of England.

"A book relating to Windsor Castle.

"The freedom of the city of London, presented in a gold casket, by the lord mayor at Guild Hall.

"In Italy:

"A water-color picture, on bronze easel, presented by the Queen of Italy.

"A bronze figure presented at the capitol in Rome, a gift from the people.

"A figure of 'Italia Victoria,' sent to the train at Genoa, either by a school or by the citizens of Genoa.

"A set of books from the citizens of Genoa.

"A mosaic, presented by the Pope.

"In France:

"A bronze figure, presented by a body of students.

"The President also received numerous honorary degrees from nearly all of the countries of Europe, and many resolutions of respect and gratitude.

"Knowing that there is a constitutional inhibition against the President receiving gifts from foreign rulers or States, the President, after consulting the Secretary of State, was preparing a list of the presents he intended to ask the permission of Congress to retain just before he started on his western trip.

"In addition to the gifts received by the President, the following tokens were presented to Mrs. Wilson while she was in Europe:

"In France:

"A pin of Parisian enamel with tiny diamond chips, presented in hotel de ville by the city of Paris.

"Linen hand-embroidered lunch set (small cloth and dozen napkins) in a case, presented through Madame Poincare and Madame Pichon by the workingwomen of France.

"In Belgium:

"A small medal, by Cardinal Mercier.

"A Belgian lace table cover, presented by the Queen.

"A complete file of the Libre Belgique, the paper published during the German occupation, presented by the King, in leather folder.

"In Italy:

"A reproduction of the Wolf and Romulus and Remus, in gold, presented by the people through private subscription.

"A piece of lace in leather case, presented by Signor Orlando in behalf of 'his colleagues.'

"A small reproduction in silver of a pitcher found in the ruins of Pompeii.

"In making this statement I am acting upon the express direction of the President and Mrs. Wilson."

ABOUT EMPLOYING ATTORNEYS

Mr. GLASS. Oh, no, Mr. President, the party of the Senator from Indiana had no sense of inquiry. I have here, and shall insert as an appendix to my remarks, the list of investigations which they did institute, 51 of them going full blast at one time, nearly $150,000 being expended at one session of Congress in special inquiries and $2,000,000 being appropriated for the Department of Justice to continue its espionage.

Oh, a Senate committee has employed an attorney, to be paid, it is said, by a member of the committee—of that I have spoken—and the President and his secretary become agitated when it is feared that this attorney will penetrate too far into the mysteries of that house of order rather than chaos.

The records before me show what was done by the other side in its moments of generous consideration of a Democratic administration. They appointed a committee to investigate the War Department, and that committee also employed an attorney whom no member of it ventured to pay. They took a sore, testy, disappointed attaché of the War Department to turn upon his associates, and whereas he had been receiving $4,500 and maintenance, they paid him $20,000 of the taxpayers' money to investigate and expose those with whom he formerly had been affiliated.

What did that committee do? They delegated by formal resolution authority to this attorney from the War Department to investigate the War Department. I have here the record, which shows that that action was taken, and that his man Ansell, the hired attorney of the committee, conducted hearings in the absence of every member of the committee. The record further shows that when Representative Flood, of Virginia, on one occasion walked into the committee room this man was there seated, in the absence of every member of

the committee, taking the testimony of witnesses, with no opportunity to cross-examine or to ascertain the truth of what they were saying. Representative Flood put upon the committee record his protest against that procedure and exacted a promise later from the chairman of the committee that the offense should not be repeated; but it did occur and the promise was violated. Yet the Senate of the United States is solemnly arraigned before the country for a partisan proceeding, it is alleged, and this arraignment by the President and his Secretary of the Treasury is sought to be justified by talk about the magnanimity and the generous consideration that was exhibited for the adversary party when the Republicans repossessed themselves of the legislative branch of the Government.

NOT A TAINTED DOLLAR

But what of those 51 investigations? To what has a single one of them ever amounted? Where is the tainted dollar that was spent in the eight years of Woodrow Wilson's administration? Ah, the Senator said the money was "recklessly, wantonly spent." Granted. We had business before us. We were seeking to win a war. We did not pause to higgle or to inquire or to consider how much was spent; but, with all the $40,000,000,000 spent, where is the tainted dollar? Where is the culprit whom you sought? Where is the Cabinet minister disgraced? Where the defrauded soldier? Oh, there was an indictment of two, but what has become of them? They were thrown out of court with a judicial reprimand that should have carried at least chagrin and mortification to the lawyers who pursued the idle inquiry and prosecution.

Mr. President, my colleague [Mr. SWANSON] reminds me that personal allusion was made by the Indiana Senator to Newton D. Baker, the then Secretary of War; and the Senator from Indiana put the crowning feather in his cap of generosity and party appraisal when he said, "Baker was not dismissed."

No; Baker was not dismissed. Baker had no fear of demoralizing the morale or putting the normal activities of the War Department awry by an investigation. He demanded an investigation, and I sat in that committee room, and never before in all my life did I see, nor ever shall I hereafter see, any honest man acquit himself with such credit, with such courage, with such tact, with all the refinements of a gentleman; so completely was the task performed that I went to him in the committee room and told him my only objection to its performance was that he was "too damned much of a gentleman."

Dismissed? Why, I should think the proudest event in all of his life would be the word of testimonial from the General of the Army commending without qualification his splendid service and his cooperation with the combat forces in Europe and his provision for them.

GOVERNMENT BY BLACKMAIL

As I started to say a while ago, I have no doubt that in the processes of legislative inquiry things are done not in conformity to strict rules of evidence in the courts, and things which prudent men must deplore; but, Mr. President, the processes of law are not always above suspicion. Government by investigation! I wonder what the Senator from Indiana—indeed, I wonder what the President of the United States or his Secretary of the Treasury—would call the proceeding against the junior Senator of Montana [Mr. WHEELER] at this time, taking the guise of lawful action, masquerading in the garb of regular process? How I could wish that my personal esteem for the President of the United States might have been increased; how I wish that his reputation for courage might have been accentuated, by the instant removal from office of every knave who had part in sanctioning or participating in a proceeding like that!

I hesitate to speak of it, because it is in process of investigation; but I say if the junior Senator from Montana were saturated with guilt, as falsely charged, the time and the manner of his pursuit and indictment impeaches the very integrity of this Government of law and order. It amounted to legal blackmail, an affront to the Senate, and a threat against this Senate committee of investigation.

I once heard it said authentically that a President of the United States had remarked of his Secretary of the Treasury that "Mellon is a fine fellow, a great financier, but, poor man, he knows nothing about politics." I suppose that is the reason why Elmer Dover was sent down to teach him something about politics. I am willing to add my attestation to what the President said of Mellon. He knows nothing about politics. Instead of wasting his time and creating bitterness by affronting the Senate of the United States, why did he not attempt blackmail, as the Department of Justice did? Why did he not put his agents after the Senator from Michigan [Mr. COUZENS], a person of great wealth, and threaten him with a readjustment of his tax returns? That would have been comparable to this other proceeding.

Too long, Mr. President, have I occupied the patience and attention of the Senate. I never should have spoken but for my conscientious conviction that this message of the President and this letter of the Secretary of the Treasury constitute the most extraordinary breach of official etiquette that has ever occurred in the history of the Republic. Let any Senator who may or please confess his satisfaction with the flagellation. For myself, I hope whenever I become so deficient in spirit and independence of thought as to accept supinely, or at all, any such outrageous arraignment from any official on earth the people of Virginia may promptly consign me to a well-merited obscurity.

APPENDIX

PART I.—INVESTIGATIONS

(Resolutions introduced on various subjects during Sixty-sixth [Republican] Congress)

[An asterisk (*) at left of title indicates resolution was agreed to]

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

To investigate substitutes for railroad crossties. H. Res. 20 (DYER).

*To investigate price of coal. S. Res. 126 (Frelinghuysen).

*To investigate report of socialistic activities in Federal Trade Commission. S. Res. 217 (WATSON).

To investigate sugar question. H. Res. 418 (Babka).

To investigate print paper as to prices and discrimination. H. Res. 488 (FULLER, Ill.).

COMMITTEE ON INTERSTATE COMMERCE

To investigate propaganda to influence railroad legislation. S. Res. 261 (NORRIS).

*To take testimony outside of Washington to investigate Federal Trade Commission. S. Res. 295 (Townsend).

*To investigate strike of railroad employees. S. Res. 346 (McCORMICK).

COMMITTEE ON FOREIGN AFFAIRS (HOUSE) AND FOREIGN RELATIONS (SENATE)

To investigate policy of not recognizing Costa Rican Government. H. Res. 22 (Gould).

To investigate default of Russian bonds and reason for troops being kept in Russia. H. Res. 86 (Mason).

*To investigate peace treaty "leak." S. Res. 64 (Hitchcock).

*To investigate question of reparation by Mexico. S. Res. 106 (KING).

*To investigate status of C. A. K. Martens, of Russia. S. Res. 263 (Kenyon).

To investigate Lansing resignation and affairs of other Cabinet officers. H. Res. 463 (Mason).

To investigate situation in San Domingo. S. Res. 513 (Mason).

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

To investigate Shipping Board. H. Res. 31 (GREENE, Mass.).

To investigate merchant marine questions. H. Res. 50 (GREENE, Mass.).

COMMITTEE OF AGRICULTURE

To investigate alleged chemical treatment of certain foods. H. Res. 42 (Mason).

To investigate garden, city, and suburb movement in Europe. S. Res. 90 (SHEPPARD).

*To investigate shortage and prices of sugar. S. Res. 197 (New).

To investigate refining of cottonseed oil. H. Res. 317 (Sanders, La.).

To investigate feasibility of use of saccharin as substitute for sugar. S. Res. 209 (SPENCER).

*To investigate wheat situation and transportation problems in Southwest. S. Res. 211 (OWEN).

To investigate supply of cars for transportation of grain and food products. S. Res. 302 (Gronna). Placed on Senate Calendar February 11, 1920.

To investigate United States Grain Corporation officials involved in alleged speculations. H. Res. 486 (Hutchinson).

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

To investigate Bureau of Industrial Housing and Transportation. H. Res. 49 (CLARK, Fla.).

*To investigate the whole question of public buildings and grounds. S. Res. 210 (FERNALD). Senate Rept. 336.

COMMITTEE ON DISTRICT OF COLUMBIA

* To investigate suspension of Miss Alice Wood, school-teacher. S. Res. 17 (JONES, Wash.).

* To investigate rents and high cost of living in District of Columbia. S. Res. 150 (Sherman). Senate Rept. 327.

To investigate improving Botanic Garden. S. Res. 165 (Phelan).

To investigate financial relations and District matters. H. Res. 257 (MAPES).

To investigate charges against R. C. Bruce, assistant superintendent of schools of District of Columbia. H. Res. 410 (MADDEN).

To investigate question of operation of street-car system by Government. S. Res. 351 (JONES, Wash.).

• To investigate bread prices. S. Res. 358 (CAPPER).

To investigate conditions of the Washington Terminal. S. Res. 382 (JONES, Wash.).

TO APPOINT JOINT COMMITTEES

Six committees to be appointed and investigate reconstruction problems. S. Con. Res. 3 (CUMMINS).

To investigate Mexican situation. H. J. Res. 124 (Gould).

To investigate high cost of living. S. J. Res. 92 (OWEN).

To investigate public health questions. H. Con. Res. 33 (DENISON).

To investigate public health questions. S. Con. Res. 13 (France).

• To investigate activities of Government departments in public health matters. S. Con. Res. 14 (France).

To investigate needs of ex-soldiers. S. J. Res. 145 (ROBINSON).

To investigate Harriman Geographic Code System. S. J. Res. 188 (MOSES).

To create joint committee on the reorganization of the administrative branch of the Government. S. J. Res. 191 (SMOOT). Passed Senate May 10, 1920. Failed to pass House on two-thirds vote June 3.

TO APPOINT SPECIAL COMMITTEES

• To investigate eligibility of VICTOR BERGER. H. Res. 6 (DALLINGER).

To investigate charges against Secretary Houston by Spillman. H. Res. 26 (CRAMTON).

To investigate irregularities in lieu of Hughes aircraft report. H. Res. 34 (Welty).

To investigate dealing in cotton futures. H. Res. 59 (CARAWAY).

• To investigate War Department contracts and expenditures. H. Res. 78 (GRAHAM, Ill.). House Rept. 20. Partial report on food in storage. House Rept. 171. Resolution for consideration of same: H. Res. 206 (Campbell, Kans.), House Rept. 166. Resolution directing sale of Army foodstuffs: H. Res. 212 (GRAHAM, Ill.), passed House July 29, 1919. Resolution for special investigation of hardware sales made by Government during war: H. Res. 450 (Garland). Resolution requesting War Department to deliver surplus motor vehicles to Department of Agriculture for road construction: H. Res. 362 (Reavis), House Rept. 441. Adopted in House November 6, 1919. House Documents 455 and 556. Resolution requesting Secretary of War to review war contracts and claims growing out of war: H. Res. 381 (GRAHAM, Ill.), House Rept. 463. Resolution for investigation of camps: H. Res. 279 (KAHN). Adopted September 8, 1919. Resolution for consideration of House Report 487, relating to contract adjustments: H. Res. 416 (GRAHAM, Ill.). Adopted December 15, 1919. House Document 473 contains report of Secretary of the Interior on contract adjustments on ore productions. Resolution for investigation of hardware sales: H. Res. 450 (Garland). Resolution for consideration of House Report 637, relating to aviation: H. Res. 482 (Garland) and H. Res. 483 (Garland). Adopted in House March 5, 1920. Report on General Hospital No. 21 at Aurora, Colo.: House Rept. 616. Report on aviation: House Rept. 637, two parts (GRAHAM, Ill.). Resolution calling on Attorney General to prosecute fraud in construction of camps and cantonments: H. Res. 515 (GRAHAM, Ill.). Report on same: House Rept. 816. Resolution for consideration of H. Res. 515 and House Rept. 816: H. Res. 517, report of committee on same being House Rept. 819. H. Res. 517 adopted in House April 12 and H. Res. 517 adopted April 13, 1920. Resolution calling for investigation of expenditures of investigating committees: H. Res. 558 (BYRNES, S. C.). Report of subcommittee No. 5 on ordnance, relating to nitrate plants: House Report 998, submitted by Mr. GRAHAM (Ill.). Resolution to indorse recommendations in nitrate report No. 998: H. Res. 563 (GRAHAM, Ill.). House report accompanying resolution: House Report 1002. Rule to consider H. Res. 563: H. Res. 564.

To investigate methods of Government financial functions. H. Res. 101 (TINKHAM).

•To devise plan for budget system. S. Res. 58 (MCCORMICK). Senate Rept. No. 12.

To devise plan for budget system. H. Res. 107 (TINKHAM).

To investigate strike of telephone and telegraph operators. H. Res. 120 (UPSHAW).

To investigate wheat grading and "outside connections," of C. J. Brand, office of Markets and Rural Organization. H. Res. 131 (TINCHER).

To investigate conditions at Fort Sheridan, Ill. H. Res. 153 (Ricketts).

To devise legislation to insure plentiful supply of coal. H. Res. 157 (MACGREGOR).

To investigate high cost of living. H. Res. 158 (Parrish).

•To create committee on budget. H. Res. 168 (Good). House Rept. 192.

•To investigate Shipping Board and Fleet Corporation. H. Res. 171 (Walsh). House Rept. 149.

To investigate conduct of John Skelton Williams. H. Res. 173 (MCFADDEN).

To investigate high prices of meat and food, and profiteering. H. Res. 174 (Johnson, Miss.).

To investigate high cost of living. H. Res. 181 (Parrish).

To investigate propaganda for sale of coal and to ascertain if there is a shortage. H. Res. 183 (HUDDLESTON).

To investigate Washington riots. H. Res. 188 (CLARK, Fla.).

To investigate losses from forest fires in northern Minnesota. H. Res. 195 (Carss).

To fix sale price of Shipping Board vessels. H. Con. Res. 23 (EDMONDS).

To investigate race riots in Washington. H. J. Res. 160 (Emerson).

To investigate high cost of living. S. Res. 148 (MCKELLAR).

To investigate high cost of living. S. Res. 159 (OWEN).

To investigate railroad questions. H. Res. 243 (HUDDLESTON).

To investigate income-tax returns of dealers in foods and necessities and as to "dollar-per-year" men connected with concerns having Government contracts. S. Res. 171 (WALSH, Mass.).

To investigate accounts of Alien Property Custodian. S. Res. 172 (Calder). Favorable report ordered by committee.

To investigate Housing Corporation and other housing agencies. H. Res. 263 (TREADWAY).

To investigate question of stabilizing purchasing power of gold dollar. H. Res. 278 (Husted).

To investigate operations of Vocational Education Board. H. Res. 315 (ROGERS).

To investigate conditions at Walter Reed and St. Elizabeths Hospitals. H. Res. 322 (THOMPSON).

To ascertain methods of securing commissions for officers in Army for "home duty." H. Res. 328 (JOHNSON, S. Dak.).

To investigate discrimination against individual hackmen in District of Columbia. H. Res. 334 (ZIHLMAN).

To investigate question of legislation for Americanization. H. Res. 338 (Hulings).

To investigate coal strike. H. Res. 373 (UPSHAW).

To investigate treatment of military prisoners at Fort Jay, N. Y. H. Res. 392 (Hulings).

To investigate high cost of print paper. H. Res. 407 (Ricketts).

To investigate organization activities and methods of business of administrative branch of Government. H. J. Res. 298 (MOORE, Va.).

•To investigate public-school system in District of Columbia. S. Res. 310 (HARRISON). Senate Report 635 (May 26, 1920).

To investigate administration of Federal reserve act. H. Res. 476 (KING).

To investigate depreciation of market value of Liberty bonds. H. Res. 510 (MAGEE).

•To investigate housing conditions and building construction. S. Res. 350 (Calder). Senate Report 635 (May 26, 1920).

To investigate sugar question. H. Res. 529 (KELLY, Pa.).

To investigate mining situation in and near Scranton, Pa. H. Res. 545 (McLane).

To investigate expenditures of investigating committees. H. Res. 558 (BYRNES, S. C.).

To investigate prices, concentration of wealth, and to inspect tax returns of corporations. S. Res. 366 (WALSH, Mass.).

To investigate escape of Grover C. Bergdoll, convicted of draft desertion. H. Res. 574 (KAHN).

MORE THAN ONE COMMITTEE

To investigate unemployment. H. Res. 24 (Mason).

To investigate unemployment. S. Res. 60 (Poindexter).

BUREAU OF STANDARDS

To assign men to study "relative value." S. Con. Res. 1 (Thomas, by request).

To investigate "relative values" under Wagner plan. H. Con. Res. 12 (VAILE).

RAILROAD ADMINISTRATION

To ascertain under what authority eastbound tariff No. 30-C was issued. H. Res. 80 (Currie, Mich.).

INDIVIDUAL ASSIGNMENT

Charles W. Roberts to audit expenditure of funds by United States Employment Service. H. Res. 91 (BLANTON).

STATE DEPARTMENT

To investigate detention of Dr. William T. Ellis in Cairo. H. Res. 111 (Mott).

To investigate British embargo on sailing of Argentina steamship. H. J. Res. 295 (BRITTEN).

COMMITTEE ON RULES

To investigate question of office rooms for Senators. S. Res. 85 (MCKELLAR).

To investigate truthfulness of statements in S. Res. 94 about Representative JOHNSON of Kentucky. H. Res. 144 (JOHNSON, Ky.).

COMMITTEE ON PRIVILEGES AND ELECTIONS

• To investigate Michigan senatorial election case. S. Res. 11 (Pomerene). Referred to Committee to Audit and Control Contingent Expenses June 18, 1919, and adopted in Senate December 3, 1919.

• To investigate campaign expenditures of candidates for presidential nomination. S. Res. 357 (BORAH).

• To investigate presidential campaign expenditures to November election. S. Res. 383 (Pomerene). Senate Report 663.

COMMITTEE ON FINANCE

• To investigate war-risk insurance matters. S. Res. 173 (Gore).

COMMITTEE ON THE JUDICIARY

To investigate conduct of Federal officials in Kansas. S. Res. 121 (CURTIS).

• To investigate peace treaty with France as to its constitutionality. S. Res. 154 (WALSH, Mont.). Senate Report No. 215 contains report on investigation.

To investigate imprisonment of E. T. Leech for contempt. H. Res. 233 (Baer).

To investigate maximum sale price of necessities of life to fight high cost of living. S. Res. 149 (Kirby).

To investigate embargo on necessities of life. S. Res. 157 (Myers).

To investigate high cost of living. H. Res. 238 (Goodykoontz).

To investigate causes of race riots. S. Res. 189 (CURTIS).

To investigate acceptance of gifts by President. H. Res. 311 (Rodenberg).

To investigate race riots and lynchings. H. Res. 319 (DYER).

• To investigate case of Robert A. Minor, alleged distributer of Russian propaganda, and detained in France. S. Res. 216 (KING).

To investigate action by Department of Justice in sugar question. H. Res. 464 (TINKHAM).

• To investigate action by Attorney General on Louisiana sugar situation. H. Res. 469 (TINKHAM). House Report 708. Final report of committee; House Report 1090 (June 2, 1920).

To investigate charges against Louis F. Post, Assistant Secretary of Labor. H. Res. 522 (HOCH).

To investigate complaints of Gabriel Roth and others against Department of Justice, account property seizures. H. Res. 530 (Mason).

To investigate trusts and monopolies. S. Res. 355 (KING).

COMMITTEE ON MILITARY AFFAIRS

To investigation insane shell-shocked soldiers. H. Res. 203 (Ricketts).

To investigate incompetence and loss of prestige in war. H. Res. 472 (Mason).

COMMITTEE ON APPROPRIATIONS

To investigate whether Henry Ford benefited from improvement of River Rouge, Mich. S. Res. 279 (Sherman).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

To visit borders and ascertain conditions of immigration. H. Res. 204 (JOHNSON, Wash.).

•To investigate illegal entry of aliens across borders of United States. S. Res. 176 (Phelan).

•To examine proceedings under which deportations are made. H. Res. 379 (Siegel), H. Rept. 459.

•Committee authorized to employ help, etc., in connection with H. Res. 379. H. Res. 382 (JOHNSON, Wash.), H. Rept. 474.

To investigate enforcement of immigration and deportation of aliens. S. Res. 339 (KING).

COMMITTEE ON BANKING AND CURRENCY

•To investigate advisability of reducing money in circulation as means of reducing high cost of living. S. Res. 142.

To investigate complaints in Nebraska against persons claiming to represent Federal reserve banks. H. Res. 452 (Andrews, Nebr.).

•To investigate loans made by Federal Reserve Board on wheat and other cereals. S. Res. 301 (Gronna).

To investigate charges against steel-plate transferrers at Bureau of Engraving and Printing. H. Res. 582 (MCFADDEN).

COMMITTEE ON EXPENDITURES IN INTERIOR DEPARTMENT

To investigate claims of Five Civilized Tribes of Oklahoma. H. Res. 169 (HASTINGS).

COMMITTEE ON EXPENDITURES IN TREASURY DEPARTMENT

•To conduct investigation. H. Res. 210 (Dale).

COMMITTEE ON EXPENDITURES IN DEPARTMENT OF JUSTICE

To conduct investigation of department affairs. S. Res. 378 (France).

COMMITTEE ON EXPENDITURES IN STATE DEPARTMENT

To investigate participation of troops in Russia and relation to bonds held in United States. H. Res. 123 (Mason). Also S. Res. 139 (Mason).

COMMITTEE ON EXPENDITURES IN WAR DEPARTMENT

To investigate care of soldier patients at Denver, Colo. H. Res. 243 (VAILE).

To investigate treatment of soldiers in certain hospitals. H. Res. 274 (THOMPSON, Ohio).

To investigate sales of hardware made by Government during war. H. Res. 450 (Garland). See also under "To appoint special committees" (previous page).

To investigate alleged secret sale of vessels. H. Res. 439 (Mason).

COMMITTEE ON MANUFACTURES

To investigate practicability of establishing bureau of manufactures. S. Res. 91 (SHEPPARD).

•To investigate print-paper prices. S. Res. 164 (REED). Final report of committee: Senate Report 662 (June 5, 1920).

To investigate prices of shoes. S. Res. 317 (MCNARY). Reported March 22 and placed on calendar March 23.

•To investigate United States Grain Corporation officials involved in alleged speculations. S. Res. 319 (REED).

COMMITTEE ON WAYS AND MEANS

To investigate use of by-products of corn in bread, etc. H. Res. 136 (Mason).

To investigate income-tax dodging. H. Res. 218 (Igoe).

SECRETARY OF WAR

To investigate claims of Americans account of Mexican insurrection. H. J. Res. 9 (HAYDEN).

SECRETARY OF NAVY

To investigate financial transactions of bank of Quantico, Va., with discharged marines. H. Res. 156 (Rodenberg).

SECRETARY OF INTERIOR

To investigate feasibility of acquiring land in California containing redwood trees for national parks. H. Res. 159 (LEA, Calif.). House Report 871 (Apr. 26, 1926). Adopted in House May 3.

SECRETARY OF AGRICULTURE

To investigate wheat situation. H. Res. 167 (FITZGERALD).

• To secure data on cotton acreage. S. Res. 179 (Smith, S. C.).

To investigate question of establishing industry for manufacture of sugar. H. J. Res. 259 (CRISP).

ATTORNEY GENERAL

To investigate print-paper situation and make prosecutions. H. J. Res. 335 (CHRISTOPHERSON).

To determine if sugar has been withheld from market. H. Res. 550 (HUDSPETH).

JOINT COMMITTEE ON PRINTING

To investigate publicity bureaus of various departments and agencies of Government. H. J. Res. 69 (Mott).

JOINT ECONOMIC COMMISSION

To appoint joint economic commission to study policy of cooperation between capital and labor. S. J. Res. 44 (EDGE).

SECRETARY OF LABOR

To investigate system of insurance against unemployment. H. J. Res. 114 (SABATH).

INTERSTATE COMMERCE COMMISSION

To investigate substitutes for railroad crossties. H. Res. 186 (DYER). House Report 182.

To investigate claims against Adams Express Company by patrons. H. Res. 335 (MADDEN).

• To investigate extent of Canadian control of railroads in United States. S. Res. 222 (MCCORMICK). Senate Document 162.

• To investigate living conditions of trainmen who lie over between trips. S. Res. 267 (Smith, Ga.).

To investigate mining of coal in Pennsylvania and West Virginia. S. Res. 374 (WALSH, Mass.).

FEDERAL TRADE COMMISSION

• To investigate prices and supplies of sugar. H. Res. 150 (TINKHAM). House Report 222.

• To investigate discrimination in prices paid for livestock. S. Res. 133 (HARRIS). Senate Document 209.

• To investigate oil and petroleum prices. S. Res. 138 (Poindexter).

• To investigate prices of shoes. H. Res. 217 (Igoe). House Report 217.

• To investigate animal feeds. S. Res. 140 (NORRIS).

To investigate price of fertilizers and farm machinery. H. Res. 229 (Flood).

To investigate cost of manufacturing cotton. H. Res. 236 (BYRNES, S. C.).

To investigate prices of men's collars. H. Res. 244 (Siegel).

To investigate high price of cotton goods as compared with low price of raw cotton. H. Res. 284 (PARK).

To investigate manufacture, distribution, and sale of sugar. H. Res. 289 (BAKER).

To investigate sugar question. H. J. Res. 200 (RAKER).

To investigate refining of cotton-seed oil. H. Res. 316 (Sanders, La.).

To investigate price of combed cotton yarns. H. Res. 451 (TILSON). House Report 392 (Feb. 27, 1920).

To investigate price of gasoline. H. Res. 501 (DYER). House Report 763.

To investigate depreciation in prices of loose-leaf tobacco. H. Res. 506 (Fields).

To determine if any corporation has violated antitrust laws touching on sugar. H. Res. 521 (KNUTSON). House Report 861.

To investigate paper shortage. H. Res. 532 (CHRISTOPHERSON).

* To investigate loose-leaf tobacco prices. H. Res. 533 (Fields). House Report 1077.

To investigate sugar question. H. Res. 538 (Ferris).

FOOD ADMINISTRATION

To investigate price of flour. H. Res. 177 (FITZGERALD).

AUTHORIZING COMMITTEES TO SEND FOR PERSONS, ETC.

Committee on Education and Labor. S. Res. 41 (Kenyon).

*Committee on Commerce. S. Res. 43 (JONES, Wash.).

*Committee on Appropriations. S. Res. 44 (WARREN).

*Committee on Post Office and Post Roads. S. Res. 45 (Townsend).

*Committee on Judiciary. S. Res. 46 (Nelson).

*Committee on Interstate Commerce. S. Res. 47 (CUMMINS).

*Committee on Public Lands. S. Res. 51 (SMOOT).

Committee on Banking and Currency. S. Res. 53 (MCLEAN).

*Committee on Agriculture and Forestry. S. Res. 54 (Gronna).

*Committee on Military Affairs. S. Res. 55 (WADSWORTH).

*Committee on Claims. S. Res. 59 (SPENCER).

*Committee on Judiciary. S. Res. 61 (Nelson).

*Committee on Naval Affairs. S. Res. 62 (Page).

*Committee on Merchant Marine and Fisheries. H. Res. 97 (GREENE, Mass.).

*Committee on Manufactures. S. Res. 65 (LA FOLLETTE).

*Committee on Banking and Currency. S. Res. 73 (Calder).

*Committee on Foreign Relations. S. Res. 72 (LODGE).

Joint Committee on Printing. S. Res. 84 (SMOOT).

*Committee on Civil Service and Retrenchment. S. Res. 89 (STERLING).

*Committee on Public Buildings and Grounds. S. Res. 93 (FERNALD).

*Committee on Public Buildings and Grounds. S. Res. 97 (FERNALD).

*Committee on Indian Affairs. S. Res. 98 (CURTIS).

*Committee on Finance. S. Res. 144 (Calder).

Committee on Expenditures in Navy Department. H. Res. 151 (Haskell).

*Committee on District of Columbia. S. Res. 120 (Sherman).

*Committee on Expenditures in Navy Department to employ stenographers, etc., for investigation. H. Res. 184 (Haskell). House Report 110.

*Committee to investigate Shipping Board to employ help, etc. H. Res. 209 (Ireland).

*Committee on Expenditures in Treasury Department to employ help, etc. H. Res. 211 (DALE). House Report 207.

*Committee on Finance. S. Res. 144 (Penrose).

Committee on Budget. S. Res. 162 (SMOOT).

*Subcommittee on Foreign Relations investigating Mexican Affairs. S. Res. 163 (Fall).

*Committee on Budget. S. Res. 174. (SMOOT).

*Committee on Territories. S. Res. 180 (New).

*Committee on Irrigation and Reclamation of Arid Lands. S. Res. 185 (MCNARY).

*Subcommittee on Military Affairs appointed to consider purchase of camps, etc. H. Res. 279 (KAHN).

*Committee on Education and Labor. S. Res. 202 (Kenyon).

*Committee on Immigration. S. Res. 204 (COLT).

*Committee on Library. S. Res. 232 (BRANDEGEE).

*Committee on Immigration and Naturalization. H. Res. 382 (JOHNSON, Wash.)

*Committee on Public Buildings and Grounds. S. Res. 253 (FERNALD).

*Committee on Naval Affairs. S. Res. 274 (Page).

*Committee on Foreign Affairs (counsel for Martens hearing). S. Res. 277 (MOSES).

Committee on Interstate Commerce. S. Res. 283 (Freilinghuysen).

Committee on Naval Affairs (medal inquiry, to employ counsel for). S. Res. 285 (HALE). Rejected Jan. 22, 1920, by vote of 31 to 31.

*Committee on Pensions. S. Res. 300 (McCumber).

*Committee on Education. H. Res. 495 (FESS).

*Committee on Education to employ help. H. Res. 502 (FESS).

*Committee on Public Health and National Quarantine. S. Res. 342 (France).

Committee on Judiciary to employ help. H. Res. 526 (Husted). Adopted in House May 3.

*Committee on Revision of the Laws to employ extra help. H. Res. 548 (LITTLE). House Report 1007.

*Joint Committee on Revision of the Laws created. S. Res. 387 (Knox).

COMMITTEE ON ACCOUNTS

To investigate salaries and duties of employees of House of Representatives. H. Res. 296 (Ireland).

COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

To investigate Michigan senatorial election case. S. Res. 11 (Pomerene).

COMMITTEE ON CIVIL SERVICE AND RETRENCHMENT

To investigate use of power by Postmaster General. S. Res. 186 (NORRIS).

To investigate policy in appointment of ex-service men to postmasterships. S. Res. 385 (HARRIS).

COMMITTEE ON LABOR (HOUSE)

To investigate strike situation in western Pennsylvania. H. Res. 368 (Garland).

COMMITTEE ON EDUCATION AND LABOR (SENATE)

* To investigate causes of steel strike. S. Res. 188 (CURTIS for Kenyon). Senate Report No. 289.

To investigate coal strike. S. Res. 228 (JONES, Wash.).

COMMITTEE ON EDUCATION (HOUSE)

* To investigate Federal Board for Vocational Education and send for persons, etc. H. Res. 495 (FESS). House Report 755. Final report of committee: House Report 1104 (June 4, 1920).

* To employ help for investigation of Federal Board for Vocational Education. H. Res. 502 (FESS). House Report 777.

JOINT COMMISSION

To report on conditions in the Virgin Islands. S. J. Res. 69 (Kenyon).

PUBLIC HEALTH SERVICE

To investigate influenza. S. J. Res. 76 (Harding).

To investigate influenza. H. J. Res. 159 (Emerson).

To aid States in investigation of control of malaria. H. J. Res. 287 (Overstreet).

COMMITTEE ON NAVAL AFFAIRS

To investigate fuel-oil shortage. S. Res. 361 (CUMMINS).

To investigate Naval Training Station at Great Lakes, Ill. S. Res. 371 (MCCORMICK).

Mr. REED of Pennsylvania. Mr. President, I had hoped that we might proceed with the consideration of the immigration bill, which has been the unfinished business of the Senate since March 30. It was made the unfinished business on March 30, two weeks ago. Probably there is no single matter of legislation of so great importance to America—not only Democratic America, but Republican America, and every other kind of America—as the proper settlement of this immigration problem; and yet, day after day, consideration of that vitally important matter has been deferred, and we have listened to hour after hour of political discussion, of denunciation of the President and of each member of his Cabinet, past and present. The consideration which the Senate has given the immigration bill has been limited to about one-half of the time that it has been the unfinished business before us; and yet the present immigration law ceases to be law on June 30 of this year.

About two months and a half remain, and if we do not legislate on immigration before that time the bars are down, and all of Europe that can find space in steamers will come to this country, and there will be no law to stop them. The whole country demands action on this matter of immigration, and we know it; yet we are talking nothing but politics because we know this is a presidential year, and there is an election coming in November. The proper business of the United States is being postponed, and the proper business of the Senate is being neglected, so that we may make campaign thunder for the coming election.

Mr. President, I do not want to add my contribution to that waste of time; but I feel that I must make a statement in reply to the attack upon the President that has just been made by the Senator from Virginia [Mr. GLASS].

The Constitution of the United States requires the President to take an oath of office in which it is provided that he will "preserve, protect, and defend the Constitution of the United States." It is his sworn duty, therefore, if he finds any part of the Government of the United States transgressing its constitutional limitations or exceeding its authority, to speak up in protest and remonstrance against that excess of constitutional power.

That is what the President has done now, and when the Senator from Virginia [Mr. GLASS] says that it constitutes an unprecedented rebuke from the Chief Executive to the Senate he must have failed to look up the precedents, because I find here many precedents in which the President of the United States has called to the attention of the Senate sharply the fact that it was transgressing the constitutional limitations upon its authority.

Two of them, for example, I have before me; one of them back in the days of Andrew Jackson. This is what President Jackson said to the Senate of the United States when they asked him to send them information and copies of charges made against one of his surveyors general, which had caused the President to remove him from office; an officer whom the Senate had confirmed, and whose efficiency was attacked, and on whom the President had acted. The Senate, wanting to know about the state of the Union, perhaps, demanded from the President transmittal of the charges against that officer, and this is what Andrew Jackson said to the Senate:

The resolution now before me purports to have been passed in executive session, and I am bound to presume that if the information requested therein should be communicated, it would be applied in secret session to "the investigation of frauds in the sales of the public lands." But if so applied, the distinction between the executive and legislative functions of the Senate would not only be destroyed but the citizen whose conduct is impeached would lose one of his valuable securities, that which is afforded by a public investigation in the presence of his accusers and of the witnesses against him. Besides, a compliance with the present resolution would, in all probability, subject the conduct and motives of the President in the case of Mr. Fitz to the review of the Senate when not sitting as judges on an impeachment, and even if this consequence should not occur in the present case the compliance of the Executive might hereafter be quoted as a precedent for similar and repeated applications. Such a result, if acquiesced in, would ultimately subject the independent constitutional action of the Executive in a matter of great national concernment to the domination and control of the Senate; if not acquiesced in, it would lead to collisions between coordinate branches of the Government, well calculated to expose the parties to indignity and reproach and to inflict on the public interest serious and lasting mischief. [From the Messages and Papers of the Presidents, by Richardson; Vol. III, 1833–1841, pp. 133–134.]

More recently a great President, a great Democratic President, President Cleveland, was asked, in 1886, for documents and papers filed in his departments in relation to the management and conduct of the offices held by certain executive officials appointed by that President, and this is what he replied in that similar case to the request of the Senate:

While, therefore, I am constrained to deny the right of the Senate to the papers and documents described, so far as the right to the same is based upon the claim that they are in any view of the subject official, I am also led unequivocally to dispute the right of the Senate by the aid of any documents whatever, or in any way save through the judicial process of trial on impeachment, to review or reverse the acts of the Executive in the suspension, during the recess of the Senate, of Federal officials. * * *

The Senate belongs to the legislative branch of the Government. When the Constitution by express provision superadded to its legislative duties the right to advise and consent to appointments to office and to sit as a court of impeachment, it conferred upon that body all the control and regulation of Executive action supposed to be necessary for the safety of the people; and this express and special grant of such extraordinary powers, not in any way related to or growing out of general senatorial duty, and in itself a departure from the general plan of our Government, should be held, under a familiar maxim of construction, to exclude every other right of interference with Executive functions. (Messages and Papers of the Presidents, by Richardson, Vol. VIII, 1881–1889, p. 379.)

That from Grover Cleveland. He also said—and it applies well to the present state of affairs:

The requests and demands which by the score have for nearly three months been presented to the different departments of the Government, whatever may be their form, have but one complexion. They assume the right of the Senate to sit in judgment upon the exercise of my exclusive discretion and Executive function, for which I am solely responsible to the people from whom I have so lately received the sacred trust of office. My oath to support and defend the Constitution, my duty to the people who have chosen me to execute the powers of their great office and not to relinquish them, and my duty to the chief magistracy, which I must preserve unimpaired in all its dignity and vigor, compel me to refuse compliance with these demands. (Messages and Papers of the Presidents, by Richardson, Vol. VIII, 1881–1889, p. 381.)

Yet they say this action which the President of the United States is now taking is unprecedented.

What are the circumstances of the case in which the President has taken this action? A month ago the Senate passed a resolution, without concurrence by the House, a mere Senate resolution, creating a select committee of five Senators to investigate the Bureau of Internal Revenue. Of that committee the Senator from Indiana [Mr. WATSON] was made chairman. The Senator from Michigan [Mr. COUZENS] was one of the other four members.

That committee met. The Senator from Michigan had introduced the resolution, and was the most active of the members of the committee in calling for information. They did call for information on the functioning of the tax bureaus in the Bureau of Internal Revenue, and they got all the information for which they called and they got all the witnesses for whom they called. Among the things they sought were some papers, tax returns and other information, to which Congress had given the right of absolute secrecy. The animus of the investigation was shown by the fact that that request for these secret documents was directed only to companies in which Secretary of the Treasury Mellon had a personal interest. The only private records that were sought to be dragged out were the records of those companies in which he is or was supposed to be a stockholder.

What did Mr. Mellon do to meet that attack? Did he assert the right to privacy which we have given him by statute? Mr. President, he did not. On the contrary, of his own initiative, he took up the matter with the officers of each of those companies and secured from them for the committee complete waivers of their rights of privacy, so that in spite of the protection given by the statute those companies absolutely released the secrets that were there in the bureau, and full information was given the committee on all the matters into which they wanted to inquire. The result was that they found that not in one single case had any company in which Mr. Mellon is interested, or has been interested, been shown any favoritism whatsoever from the moment Mr. Mellon came into office until the present. Never was there an inquiry more searching and never was the record found clearer.

Then what happened? The Governor of Pennsylvania, Mr. Pinchot, had been engaged in a controversy with the President and with the Secretary of the Treasury concerning prohibition enforcement. Governor Pinchot, a Republican governor, came to Washington privately, consulted the Senator from Michigan [Mr. COUZENS], not the chairman of the committee, but one of the members, without consulting the chairman of the committee, the Senator from Indiana [Mr. WATSON], with a view to having an investigation into the prohibition activities of the Bureau of Internal Revenue, which nobody up to that time had meant to investigate.

Mr. CARAWAY. May I ask the Senator a question?

Mr. REED of Pennsylvania. A question; yes.

Mr. CARAWAY. A question; yes. Was it reprehensible that he consulted the Senator from Michigan without consulting the chairman of the committee, or should anyone who consults the committee consult every member of it?

Mr. REED of Pennsylvania. The Senator will have an answer to his question, I think, in a very few minutes, if he will permit me to go ahead.

Mr. CARAWAY. Oh, well——

Mr. REED of Pennsylvania. I am asking no more courtesy than that given Senators on our side during the speech of the Senator from Virginia [Mr. GLASS].

The Governor of Pennsylvania, a Republican governor, and an ardent prohibitionist, came to Washington for private consultation with the Senator from Michigan, an avowed "wet," if I may use the slang phrase, who is already publicly on record as favoring a liberalizing of our prohibition laws so as to authorize the use of wine and beer——

Mr. BROOKHART. Mr. President——

Mr. REED of Pennsylvania. I think I am correct in the statement, am I not?

Mr. BROOKHART. I will have to challenge the Senator's statement on that. I have discussed that question many times with the Senator from Michigan. He is not a "wet" in any sense of the word. He is as strong for law enforcement as any man.

Mr. REED of Pennsylvania. Will the Senator answer me a question, then? Is it not true that the Senator from Michigan

has come out publicly in favor of permitting wine and beer to be sold?

Mr. BROOKHART. Not wine; only beer that would not be intoxicating.

Mr. REED of Pennsylvania. Very good. The Governor of Pennsylvania, who is an ardent prohibitionist and does not favor the sale of beer of any degree, came to Washington for a private consultation with the Senator from Michigan, who does favor the legalization of beer of higher alcoholic content than the beer which is now lawful under the Volstead law. Is that correct?

Mr. BROOKHART. He made some statement with reference to a percentage which he claimed was not intoxicating. He is not for legalizing any intoxicating beer, he claims. I do not agree with him in the percentage myself, because I think any percentage is intoxicating; I know it is.

Mr. REED of Pennsylvania. Very well. The Senator from Michigan believes that a higher percentage of alcohol is non-intoxicating than does the Senator from Iowa, and the Senator from Michigan is in favor of legalizing beer with a higher percentage of alcohol than that which the Senator from Iowa thinks is intoxicating. At all events, now that we have gotten to a common basis on that, these two Republican gentlemen privately met and agreed that the Senator from Michigan, who was not chairman of the committee and had not been authorized by the committee to retain counsel, either for himself or for the committee, should privately retain a Democrat muckraker from San Francisco for the purpose of furthering the great goal of prohibition. In order that prohibition might thus be advantaged, it was arranged that the Democratic lawyer from San Francisco, Mr. Heney, should privately interview the two Democratic members of the committee and that they, voting with Senator COUZENS, should constitute the majority, which would authorize not the retention of this Democratic gentleman from San Francisco by the committee—oh, no—but would authorize the employment of our Democratic friend from San Francisco by Mr. COUZENS, as one of the members of the committee and at his own expense.

That action, in addition to being unauthorized by the Senate resolution creating the committee, had the further fault of being in flat defiance of a certain statute which the Congress enacted and which was signed by President Wilson on March 3, 1917. In addition to being secret and illegal it also was put through without any prior consultation with or notice to the Republican members of the committee, who were at least entitled to be consulted before it was passed.

In order that there may be no doubt about it, the act of 1917 provides in plain words that—

> No person shall make any contribution to or in any way supplement the salary of any Government official or employee for any services performed by him for the Government of the United States, and any person violating any of the terms of this section shall be deemed guilty of a misdemeanor, and on conviction thereof punished by fine or imprisonment, or both.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. REED of Pennsylvania. I yield to the Senator for a question.

Mr. CARAWAY. Is the clerk that works in the Senator's office a Government employee?

Mr. REED of Pennsylvania. The clerk that works in the Senator's office is an employee of the Government, and for that service is paid nothing extra. For personal services rendered to the Senator, I think, and not to the Government, I dare say that each of us pay our clerks compensation.

Mr. CARAWAY. Then if the clerk is a Government employee and the Senator pays him, why is not he amenable to the statute?

Mr. REED of Pennsylvania. Because that is not within the very plain language of the statute.

Mr. CARAWAY. What is the plain language of the statute? If he is a Government employee and is paid by a private individual, why is not that within the provision of the statute?

Mr. REED of Pennsylvania. For the very good reason that he is not paid for work for the Government in that respect.

Mr. CARAWAY. Is not the Senator who works in the Senator's office an employee of the Government?

Mr. REED of Pennsylvania. The Senator who works in my office is only myself. The Senator misspoke himself. He meant the clerk.

Mr. CARAWAY. I meant what I said, but I do not know that it quite got to the Senator.

Mr. REED of Pennsylvania. That will have to be determined by the electorate.

Mr. CARAWAY. If he does any work in the Senator's office and the Senator pays him out of his private fund, that is no violation of the law, but if he works for Senator COUZENS it is a crime.

Mr. REED of Pennsylvania. It might occur to the Senator from Arkansas that we are not discussing clerks. We are discussing attorneys.

Mr. CARAWAY. Well, the statute does not say an attorney. The statute says a Government employee or a person. It is certainly begging the question to say we are talking about attorneys, because the word "attorneys" does not appear in the statute at all.

Mr. REED of Pennsylvania. The Senator is not going to drag a red herring of senatorial clerkships across my trail.

Mr. CARAWAY. I beg the Senator's pardon. Nobody would drag a red herring across the trail of the Senator from Pennsylvania. That is not the kind of a trail he makes.

Mr. REED of Pennsylvania. The Senator from Arkansas I am sure will do me the same courtesy that we extended to the Senator from Virginia [Mr. GLASS] during his speech.

Mr. CARAWAY. If the Senator does not want to answer questions, nobody will bother him.

Mr. REED of Pennsylvania. I am very glad to debate with the Senator from Arkansas at almost any time, but I would like to finish this statement without interruption.

Mr. McKELLAR. Mr. President, before the Senator leaves that——

Mr. CARAWAY. I hope the Senator from Tennessee will not drag a red herring across the Senator's trail.

Mr. McKELLAR. Will he permit a question? Does the Senator believe in the statute he just read?

Mr. REED of Pennsylvania. I was not in Congress when it passed. The Senator was here, and perhaps can tell me whether he believes in it.

Mr. McKELLAR. I do. The reason why I ask is this——

Mr. REED of Pennsylvania. I have never considered its general desirability, but I am willing to consider it in this particular case.

Mr. McKELLAR. I think the Senator has considered it. Just a day or two ago he offered an amendment to the immigration bill, which, if I mistake not, was adopted, though not with my vote, authorizing the trans-Atlantic shipping companies to pay to the immigration inspectors of the Government extra pay for extra work, which would be in direct conflict with the law the Senator just read, and would repeal it to that extent if the Senator's amendment is finally adopted, which I certainly hope it will not be.

Mr. REED of Pennsylvania. The Senator could not have read the text of my amendment very carefully, because it provides specifically that the pay shall come from the Government of the United States to the men.

Mr. McKELLAR. But it is to be repaid by the shipping companies, and to that extent it is putting those immigration inspectors in the hands of the shipping companies who bring the immigrants in, and it is unfair and unjust, in my judgment.

Mr. REED of Pennsylvania. If that is the Senator's construction of it, I will not stop to debate it at this time, but it certainly is not my construction of it.

Mr. President, what I say is that the hiring of Heney by the Senator from Michigan was a flat violation of the statute of 1917 and there can not be any doubt about it. When the President of the United States calls attention to that and to the effect that that illegal act is having and is bound to have in the future, if persisted in, upon his executive department, I say he is well within his rights.

Furthermore, the fact that this attorney is being paid by the Senator from Michigan entirely from his, the Senator's, own pocket appeared affirmatively by the record of the proceedings of the committee at the time Heney was chosen. The minutes of the committee show, and Senators who are members of the committee will verify what I say, that Senator COUZENS then and there stated that he expected to pay the fee and expenses of Heney entirely out of his own pocket.

Now, Mr. President, we have the situation against which the President of the United States has protested. At the secretly made suggestion of Governor Pinchot, who has been having a personal altercation with Mr. Mellon and with the President, and the Senator from Michigan [Mr. COUZENS], who has been having an altercation with Secretary Mellon, an arrangement is made by which a private lawyer is hired, and privately paid by one of the members of the committee who is not even its chairman, to conduct an investigation avowedly into a subject which the committee have not been inquiring into. The personal animus of the thing is so plain, the consequences of

chief magistracy, which I must preserve unimpaired in all its dignity

such an investigation upon the efficiency of the department are so bad, that naturally the President resents it and naturally the Secretary of the Treasury resents it. He properly can say that it is an interference with the executive functions with the performance of which he is charged under the Constitution, and with which we are not charged.

Now, Mr. President, in conclusion I have just this to add—that in saying what he did the President is speaking the best thought of the country. It will not be admitted here in this Chamber. Our friends on the other side of the Chamber will not admit it, but you will know it, and you know already from your correspondence that what the President said has the support of the whole country, that what he said met with the approval of the whole country, that the country is sick and tired of these investigations which you have been making; that starting with proper ones, like that of the Veterans' Bureau, we did uncover dishonesty. I happen to know that it did, because I was chairman of it and worked with the Senator from Massachusetts [Mr. WALSH], whose service was most faithful and whose attendance unfailing, and the Senator from Nevada [Mr. ODDIE], who was similarly faithful and conscientious, and we did unearth a lot of crime, which is now being punished. The Senator from Montana [Mr. WALSH] did a fine piece of work in what he unearthed in the Interior Department and the disclosures that he secured there in showing dishonesty on the part of Mr. Fall. But since that was done there has not been one single thing that was useful brought out by all these investigations, and the country knows it. You will not agree, my Democratic friends, but the country knows it and it shows it to you in your correspondence. The country is tired of these investigations, and you know it, although you will not admit it.

Mr. FESS. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Pennsylvania yield to the Senator from Ohio?

Mr. REED of Pennsylvania. I yield.

Mr. FESS. I think the Senator ought to make a very sharp distinction between the investigations which were conducted by the House of Representatives under the preceding administration and the investigations that are going on now. The investigations that were made by the House—not by the Senate, because they did not go into that sort of thing—were made not against the head of any department and did not interfere with the administration of any of the functions of the Executive. On the other hand, the fault that is being found with the Attorney General is that he was not securing convictions of fraud committed by a preceding administration. There was no investigation of the Attorney General in the preceding administration. I think that there ought to be a very pronounced difference, as well as a full understanding that the preceding investigations did not tend to break down the morale of the executive department, and therefore the President was justified in calling attention to the general trend which this particular investigation is taking.

Mr. GLASS. Mr. President, will it disturb the distinguished Senator from Pennsylvania if I make an observation?

Mr. REED of Pennsylvania. Not in the least. I am glad to yield to the Senator from Virginia.

Mr. GLASS. I would like to call attention to the fact that the Senator from Ohio omits to state in his enumeration another very important distinction between those investigations and these. Those investigations disclosed no dishonesty or fraud or wrongdoing, but these investigations have.

Mr. REED of Pennsylvania. I am not going to speak about the investigations made by the House of Representatives before I came into Congress. I would be talking hearsay, and I do not want to do that. We have had more than enough hearsay in this Congress. What I do want to say is that the present investigations, with all their Roxie Stinson hearsay evidence, with all the train-robber evidence about what dead men have said, are utterly discredited throughout the country to-day, and the country is tired of them. You will never admit it, my friends, but you know in your hearts that what I say is the truth; that the United States of America is fed up on these investigations and on incompetent evidence unfairly brought out, without a chance for the accused person to cross-examine or to summon witnesses himself. The people are tired of it, and they resent the impeachment of men and the ruin of their reputations by evidence that no justice of the peace would ever admit in a case involving two dollars.

Mr. BROOKHART. Mr. President, I wish to say a few more words in reference to the Senator from Michigan [Mr. COUZENS] and the criminal charge that is brought against him now. As I read the statute, it is only by the wildest flight of imagination that the act of the Senator from Michigan could be construed to be a violation of the law. The statute relates to Government employees; it says nothing about any attorney whom the Senator from Michigan might employ. It does not refer to his transaction with Mr. Heney at all. If Mr. Heney shall become a Government employee, from that time it will be a different situation, and I rather think that is what he will become before the investigation is over. I think the Senator from Michigan has performed a great and patriotic act in bringing this investigation to a real test. Government by injunction and Government by whitewash must stop in the United States. We are not investigating the Treasury Department in the committee of which I am chairman on hearsay or "Roxie Stinson" evidence, as the objectors like to state. Nevertheless, we are touching upon the Treasury Department in reference to the enforcement of the liquor laws from time to time, and as we touch upon that, as the evidence appears, it indicates there is nothing in the United States that so much needs investigation.

Mr. CARAWAY. Mr. President, will the Senator permit me to interrupt him?

Mr. BROOKHART. Yes.

Mr. CARAWAY. If this were such hearsay evidence and so incompetent, why did the President on the strength of that evidence compel the Attorney General to leave his Cabinet? According to the Senator from Pennsylvania [Mr. REED], the President has lent himself to an infamous scheme, and without any investigation, and upon testimony which the Senator from Pennsylvania states no justice of the peace would receive, has driven the former Attorney General out of his Cabinet.

Mr. BROOKHART. I have noticed that the Senator from Pennsylvania does not always remain consistent with himself.

Mr. CARAWAY. Or with anybody else.

Mr. BROOKHART. He has not done so in this case. The Senator from Pennsylvania is a good lawyer, a keen lawyer. I myself do not like legal technicalities, and I do not like legal-minded reasoning. I think it is away out of line with common sense all the time. [Laughter.] I get away from it as far as I can; but at the same time I want to challenge the technical, legal reasoning of the Senator from Pennsylvania in this instance. I wish to read the statute which he himself has quoted. It reads:

> That on and after July 1, 1919, no Government official or employee—

Mr. Heney is neither a Government official nor a Government employee—

> shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; and no person, association, or corporation shall make any contribution to, or in any way supplement, the salary of any Government official or employee for the services performed by him for the Government of the United States.
>
> Any person violating any of the terms of this proviso shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than $1,000 or imprisonment for not less than six months, or by both such fine and imprisonment, as the court may determine.

That statute can have no effect until Mr. Heney becomes a Government employee, which he is not.

Mr. ROBINSON. Mr. President, will the Senator from Iowa yield to me?

Mr. BROOKHART. I yield.

Mr. ROBINSON. As an interesting side light reflecting on the subject which the Senator from Iowa is now discussing I call attention to an article which was published in the Washington Herald on October 12, 1922, on page 5, under the headline "Quits Bureau of Standards," and so forth. This statement was published as having been issued by the Secretary of Commerce, the Hon. Herbert Hoover. It is as follows:

> Secretary Hoover since his advent to office has waged an unceasing fight against the low salaries doled out to Federal experts. Determined that the pitiful Government pay should not undermine the efficiency of his own department, he has surrounded himself with capable former business associates, making up the difference in pay out of his own pocket.

Clearly the Secretary of Commerce did not regard violations of the statute criminal, because in his own newspaper, it being understood that he owned at that time the Washington Herald, or was the controlling stockholder, he announced his purpose to supplement the salaries of Government employees and experts in his department who were, in his opinion, inadequately compensated by Congress, in order to encourage them to perform their duties efficiently.

It does not appear that the President of the United States then sent a message to Congress or even to the Secretary of Commerce calling attention to the impropriety of violating the statute which the Senator from Iowa has just read.

In this connection let me say that all statutes should be obeyed and enforced, including the one which the Senator from Iowa has read, and also the prohibition statute, which it is perfectly manifest by the speech of the Senator from Indiana [Mr. WATSON] the Secretary of the Treasury does not desire to enforce and has no intention of enforcing. The Secretary of Commerce, however, regards himself as virtuous, if the statement in the newspaper which I have presented can be relied on, when he declares his practice, his habit of disregarding the statute and supplementing the salaries of experts and employees in his own department. He boasted of it.

Mr. BROOKHART. Mr. President, even at that——

Mr. REED of Missouri. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Missouri?

Mr. BROOKHART. I yield.

Mr. REED of Missouri. I wish to direct my inquiry to the Senator from Arkansas [Mr. ROBINSON]. I ask whether he thinks if the Senate should now presume to inquire whether in fact Mr. Hoover had been paying salaries to Government employees that would be an unconstitutional invasion of the Executive prerogative?

Mr. ROBINSON. Oh, yes; that would be "lawless government."

Mr. BROOKHART. Mr. President, there is this difference between the situation of Secretary Hoover as described by the Senator from Arkansas [Mr. ROBINSON] and that of the Senator from Michigan [Mr. COUZENS]. Payment by the Senator from Michigan to Mr. Heney would not be payment to a Government employee at all.

Mr. ROBINSON. And the payments by Secretary Hoover, which I have cited, were admittedly to Government employees?

Mr. BROOKHART. Yes; apparently so. That may be a technical violation; I do not know.

Mr. LODGE. What is Mr. Heney if he be not a Government employee?

Mr. BROOKHART. He is an employee of the Senator from Michigan.

Mr. LODGE. Assuming that, why was it necessary for the committee to pass a resolution authorizing his employment?

Mr. BROOKHART. After the committee shall have done that, Mr. Heney will probably be a Government employee. Then it would be a different proposition.

Mr. LODGE. It is a question of whether he is a Government employee at this moment or not? Of course, under the Senator's construction Mr. Heney is not an employee of the Government at this moment. When does he become an employee of the Government?

Mr. BROOKHART. He becomes an employee of the Government when he is employed, and that will not be until some Government authority has employed him. Nobody will say that Senator COUZENS was authorized by the Senate to employ him. I think that will not be claimed now.

Mr. LODGE. Did not the committee give him authority to employ him?

Mr. BROOKHART. It did not, as I understand.

Mr. REED of Pennsylvania. The committee adopted a resolution authorizing his employment, did it not?

Mr. BROOKHART. I have not been present when the Senate adopted a resolution authorizing his employment. As I understand, the original resolution authorizing the committee said nothing about the employment of counsel.

Mr. ROBINSON. Mr. President, it makes no legal difference whether the employment is by resolution or verbally; if the committee had no power officially to employ him, they could not do it by resolution any more than they could by individual act.

Mr. REED of Pennsylvania. That is a second reason why it was illegal; first, because the statute forbade it, and second, because the original resolution did not authorize it.

Mr. ROBINSON. The Senator from Iowa has pointed out the fact that Mr. Heney was not a Government employee, and, therefore, he was not forbidden by the statute from accepting the employment by Senator COUZENS.

Mr. BROOKHART. I think any fair construction of the statute is to that effect. I think there can be no doubt of that whatever. There is no language in the statute that applies until he becomes a legal Government employee in some way, and nobody claims he is that unless he has been employed since a resolution has been passed by the Senate, and I do not happen to be informed that the resolution has been adopted authorizing the committee to employ an attorney.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me again?

Mr. BROOKHART. I yield.

Mr. REED of Pennsylvania. I did not say and I do not think that anybody could be convicted for the employment of Heney, for the reason that technically the employment was absolutely void. The committee had no right to do as it tried to do, and to employ counsel. If they had had a right to employ any counsel, it would have been illegal under the statute, because Heney then would have been a Government employee. As a matter of fact what they tried to do was illegal for the two reasons.

Mr. ROBINSON. I thought the Senator said a moment ago that it was illegal and criminal.

Mr. BROOKHART. Yes; he did.

Mr. ROBINSON. Now, he says that if something had occurred that never happened, it would have been illegal. [Laughter.]

Mr. REED of Pennsylvania. If that were what I had said, the Senator would probably be making a fair criticism of what I said.

Mr. ROBINSON. I was not undertaking to criticize the Senator; I would not presume to do that; I was merely mentioning the substance of his statement.

Mr. REED of Pennsylvania. The Senator was here for only a part of the time when I was speaking, and evidently did not hear all I said. I called attention to the fact that the committee was without power to employ any counsel at all, and that if it had had the power the employment would have been a crime under the statute.

Mr. ROBINSON. If the Senator makes the declaration and takes that position, then it could not have been in violation of the statute, and the President was wholly in error, because unless the committee had the power to make the employment and exercised the power the statute to which the Senator refers is not applicable.

Mr. REED of Pennsylvania. The President probably assumed that the committee had some authority to do as it tried to do, and called attention to the fact that the statute forbade it.

Mr. REED of Missouri rose.

The PRESIDENT pro tempore. The Senator from Iowa has the floor. Does he yield; and if so, to whom?

Mr. BROOKHART. I have yielded to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. I thank the Senator for yielding to me.

Mr. BROOKHART. The Senator from Pennsylvania, as I recall his language, in describing the act of the Senator from Michigan [Mr. COUZENS] said that it was both illegal and criminal. That is what brought me to my feet. I did not believe it and I do not believe it now. I think the Senator from Pennsylvania is entirely mistaken in his technical legal construction of the law itself. There is not any sense in it and there is not any law in it, the way I figure it out.

Mr. ROBINSON. The Senator from Pennsylvania apparently admits that the last statement of the Senator is correct.

Mr. BROOKHART. I desire to refer to another criticism which without any doubt was directed to myself and to the committee investigating the Department of Justice. The Senator from Pennsylvania referred to the hearsay and Roxie Stinson character of testimony that is being taken before that committee. That committee will not have any apology to make for the testimony it has taken. It has summoned the associates and friends of the Attorney General to find out what was going on in the unusual and mysterious organization that existed in his own office. It has found there a situation that is remarkable in the history of the world. I believe nothing like it can be found anywhere else. We are not done yet. I do not pretend to say that the Attorney General has been convicted or will finally be convicted upon this evidence, but the evidence is tending to show a criminal conspiracy—not a conspiracy merely of politics, but a conspiracy to protect criminals and take money for doing it. That has reached into the prohibition department, and evidence to-day before that committee indicated that the prohibition director of the State of Ohio is quite as much involved as is the former Attorney General himself in matters of this kind.

Under that situation I want to say to the Senator from Pennsylvania—who has run off, so I can not say it to him—that the people of this country are not tired of this investigation. I want to say that the people of this country will not

stop until these facts are known, and they will not stop until the last criminal practice in the administration of every department of this Government is cleaned out. I hear from them every day. I know what the common people are thinking. I do not know what the people with whom the Senator from Pennsylvania associates may be thinking. I do not go in his spiketail-coat crowd. I am not amongst those people. He may imagine that a few chambers of commerce or a few Rotary clubs or a few Kiwanis clubs or a few things of that kind are the people of the United States; but he will wake up some of these times to find that they are only a small fraction of the people of the United States and that the great common people of this country are for common honesty every day in the year.

Mr. CARAWAY. Mr. President, may I ask a question of the Senator?

Mr. BROOKHART. I yield.

Mr. CARAWAY. We never heard the Senator from Pennsylvania protest against the illegal search of the offices of Senators by the Attorney General, did we?

Mr. BROOKHART. I never did.

Mr. CARAWAY. Nor the framing up of Members of the Senate, even. He protests not against that, does he?

Mr. BROOKHART. The Senators whose offices were searched were insurgents, as I recollect.

Mr. FESS. Mr. President——

Mr. BROOKHART. I yield to the Senator from Ohio.

Mr. FESS. The Senator referred to the prohibition director of Ohio?

Mr. BROOKHART. Yes.

Mr. FESS. Does he refer to Mr. McDonald?

Mr. BROOKHART. No; Russell is his name, as I recollect.

Mr. FESS. J. E. Russell?

Mr. BROOKHART. Yes.

Mr. FESS. The Federal rather than the State prohibition director?

Mr. BROOKHART. The Federal director—I believe so; yes.

Mr. REED of Missouri. Mr. President, while the Senator is on his feet, may I ask him a question?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Missouri?

Mr. BROOKHART. I do.

Mr. REED of Missouri. I observe that the Senator from Pennsylvania has come into the Chamber. I want to ask a question for information, and I think one or the other of the Senators can give it to me. The question is whether or not it is true that Mr. Mellon had employed on the tax simplification board his own personal attorney and the attorney of his companies, Mr. Beale.

Mr. BROOKHART. I think that has not been brought out in our investigation.

Mr. REED of Missouri. Perhaps the Senator from Pennsylvania can inform us as to that.

Mr. BROOKHART. Perhaps the Senator from Pennsylvania can answer the question.

Mr. REED of Pennsylvania. I am not certain, but my impression is that Mr. Mellon did not pay anything to Mr. Beale for his services.

Mr. ROBINSON. Has he been acting? Has he been serving?

Mr. REED of Pennsylvania. He is dead now.

Mr. ROBINSON. Did he serve?

Mr. REED of Pennsylvania. He did serve for several months.

Mr. ROBINSON. That is the important thing.

Mr. REED of Missouri. And at that time he was under retainer by Mr. Mellon, and came here——

Mr. REED of Pennsylvania. I can not agree with that. I shall have to look into the facts to find out.

Mr. REED of Missouri. I thank both the Senators.

Mr. CARAWAY obtained the floor.

Mr. McKELLAR. Mr. President——

Mr. CARAWAY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Before the Senator begins his speech I want to be accurate in what I said a while ago about the attitude of the Senator from Pennsylvania [Mr. REED] in reference to the law that he discussed. He proposed in the immigration bill a modification of the law of this kind, and it was adopted:

The Secretary of Labor is authorized hereafter, under such regulations as he may deem advisable, to pay extra compensation to immigrant inspectors and other immigration employees when, at the request of any transportation company, corporation, or individual bringing aliens to the United States, such officers or employees are required to report for extra duty or to work overtime, or on nights, Sundays, or holidays in connection with the examination of alien passengers or crews; and the transportation company, corporation, or individual requesting such extra service shall pay to the Secretary of Labor as reimbursement the amounts expended by him for such extra service in accordance with his regulations, and such reimbursement shall be credited to the appropriation "Expenses of regulating immigration."

Which, of course, provides in substance and effect that these transportation companies bringing in these immigrants shall partly pay the inspectors of the Government for their services in inspecting the immigrants as they come in.

Mr. REED of Pennsylvania. Mr. President, if the Senator from Tennessee can not see the difference between that and what this committee did in employing Mr. Heney, nothing I can say will make it plain.

Mr. McKELLAR. I am sure of that fact.

Mr. CARAWAY. Mr. President, I am sure that nothing that anybody could say would make anything plain to the Senator from Pennsylvania. But he was kind enough to tell me that if I would not drag a red herring over his trail he would answer a question I asked; but evidently some one did so, as he forgot to answer.

Here is what I gathered from the able speech of the Senator from Pennsylvania, aside from his ill-tempered lecture of the Democrats; and I may, just before I pass on, refer to that.

Mr. REED of Pennsylvania. Mr. President, will the gentleman permit me to interrupt him to say that he is a connoisseur on that subject?

Mr. CARAWAY. What is that?

Mr. REED of Pennsylvania. The Senator seems to be a connoisseur on that subject.

Mr. CARAWAY. On what subject—the Senator from Pennsylvania?

Mr. REED of Pennsylvania. The subject of ill temper.

Mr. CARAWAY. The temper of the Senator from Pennsylvania?

Oh, yes; I know. I tried that out the other day.

Mr. President, the Senator from Pennsylvania said that we had delayed the immigration bill for days by lectures and tirades. I am not quoting him exactly, but that is what I understood him to say. Of course we could have passed the immigration bill some days ago if he had not been so persistent, in concert with the Japanese ambassador, in trying to ram down the throat of Americans an admission bill for Japanese. That took most of the time that has been devoted to discussion of the immigration bill. I do not blame him for speaking for those people whom he most wishes to serve; he and the Japanese ambassador were of one mind, and I think the Secretary of State agreed. That made three of them, and they compose that entire crowd in America. But I should like to get it some time, from some one who is always inveighing against these investigations, a clear statement of what these investigations have disclosed against which they protest.

Oh, I believe the Senator from Pennsylvania admitted that the one that he conducted was a proper investigation; but, aside from that, I should like to have the Senator and others who say that these investigations have become a stench in the nostrils of the people disclose what particular thing that has been unearthed about which they complain. Do they complain because Mr. Forbes is no longer in a position to steal the money that Congress appropriated for the disabled soldiers of America? Are they complaining because no greater number of American soldiers have died of neglect by the Veterans' Bureau? Do they wish that there were more in the cemeteries than there are by reason of the neglect that the Senate, in a measure, by its investigation, stopped. Is that what they complain about? Are there other national resources that Fall and Doheny and Sinclair could have stolen which they wished them to steal? Do they complain because the President of the United States drove the Attorney General out of office? If so, why do they not have the courage to say so? If they do not do it soon the country is going to know what all of us know, that they are dragging a red herring over the trail of somebody yet undisclosed, some criminal yet unwhipped of justice whom they want to protect.

I know that everybody is bound to know that either they are complaining about the criminals that have been uncovered, or there is a criminal lurking in the twilight zone who is about to be disclosed. They complain of one or the other, and they must admit.

The two Senators from Pennsylvania, you know, have a right to speak for the President. It is true that the senior Senator from Pennsylvania [Mr. PEPPER] has been repudiated; but maybe he will find another "keynote" that will strike a more responsive chord. When it was found out, however, that the President had repudiated him in his "keynote" speech in Maine, then the other Senator from Pennsylvania rose to

speak for the President here. Before he had a chance to do so, however, the very able Senator from Indiana [Mr. WATSON] did it. He spoke with authority. He modestly admits it. In addition to that—I want to read his exact language—in addition to speaking with authority, the afternoon paper yesterday carried the statement that the President had approved and not disapproved the speech that the Senator from Indiana made Saturday. So we have it from both sources that the Senator from Indiana was speaking for the President when he made his speech Saturday.

On page 6189 of the RECORD of last Saturday, the distinguished Senator from Indiana [Mr. WATSON] said:

> I am not at liberty to divulge any conversations, but I learned upon indisputable evidence that Governor Pinchot, of Pennsylvania, had injected himself into this controversy and that Governor Pinchot was the man who had recommended the employment of Francis J. Heney. I knew what that meant, or thought I did, and I at once communicated with the President and the Secretary of the Treasury.

A little bit later he tells us what he meant, and therefore he tells us what he communicated to the Secretary of the Treasury and the President of the United States, because he said that when Pinchot, the Republican Governor of the State of Pennsylvania, had induced the Republican Senator from Michigan to employ Heney, he knew what it meant. His language is:

> I knew what that meant, or thought I did, and I at once communicated with the President and the Secretary of the Treasury.

What did he communicate? Here is what he said:

> Why, Senators, when we voted for prohibition, those of us who did, we knew that the law could not be completely enforced for five or ten years, but voted for it only with the understanding that it would be progressively enforced.

The Senator possibly knows what "progressive" means. I do not know, because there has been such a wide divergence in the Republican Party as to who is progressive and who is reactionary that the word does not any longer carry any certain conviction to one's mind; but, in other words, here is what he communicated to the President:

> Mr. President, they are not enforcing the prohibition law. We are letting them run the breweries and the distilleries. We are letting bootleggers have the run of the cities, including the Capital of the Nation. We are not enforcing the prohibition law, and the Governor of Pennsylvania and the attorney employed by the Senator from Michigan are going to disclose that fact.

And then he says what will happen? I quote from the Senator's speech—

> Everybody knows that with Pinchot back of it and Mr. Heney back of it they would never intend to end it until the night before election in 1924. There is no use in dragging out all that gossip and scandal and having a saturnalia of vituperation and aspersion unequaled hitherto in the political annals of America.

"In other words, there is no use disturbing the bootleggers on the eve of election." I am not saying that. I am saying what the Senator from Indiana said when Pinchot got into that controversy, and when Heney was brought into it, "I knew what was going to happen, and I told the President, and I told the Secretary of the Treasury, and this is what I told them"—because that is his next connected statement about it. And when he told them that, the Secretary of the Treasury wrote a letter forthwith to the President and said, "Good Lord, Mr. President, they are going to show I am not enforcing the liquor law. What shall we do?" The President replied, "I will write a letter to the Senate and tell it to cease its investigations. They are going to ruin us all." I am putting the interpretation the Senator from Indiana put on it. The Senator from Pennsylvania a minute ago also said—and I presume he intended to make his position on it plain, because he is a lawyer, I have heard—he said that the Senator from Michigan was in favor of legalizing the sale of light wines and beer. The Governor of Pennsylvania was opposed to the sale of beer or wine at all, and between the two they had the Secretary of the Treasury. I fear to say it, but evidently he intended to imply that the Secretary thought you ought to sell liquor without regard to law. That would complete the statement he made. I do not know anything about the enforcement of the prohibition law, except that I picked up a Republican paper from Pennsylvania—strange to say there is one—and I would like to read the headline. I do not find the paper just now, but it contained a statement that last Sunday in the city of Philadelphia there were 188 arrested by the police for drunkenness.

Mr. REED of Missouri. Eleven hundred, was it not?

Mr. CARAWAY. No; I think the thousand got away, and the hundred and eighty-eight were arrested. They were too full to run. I am not falling out with the Senator from Pennsylvania. Evidently in good faith he does not believe that anybody who is honest wants to enforce the prohibition laws. He does not believe that anybody who does is decent.

On Saturday, April 12, occurred this controversy between the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. REED]. The Senator from Tennessee was reading, I imagine, what was published by the Woman's Clean Government Organization, referring to a magazine, and said:

> Surely, it is a document that is worthy of that organization. These women, no doubt, are honest in their views that the law ought to be enforced, and are undertaking to have it enforced.
>
> Mr. REED of Pennsylvania. Does not the Senator——
>
> Mr. MCKELLAR. I should like to know if the Senator from Pennsylvania takes an opposite position from that taken by these good women who are trying to enforce the liquor laws of this country?
>
> Mr. REED of Pennsylvania. I am not sure that these are good women.

In other words, if a woman wants to enforce the prohibition laws, it arouses in the Senator's mind the suspicion that she is not a good woman, or else he did not quite mean just what I have read in the RECORD. There is no explanation from the Senator from Pennsylvania of any other thought.

Mr. REED of Pennsylvania. Will the Senator yield to me?

Mr. CARAWAY. I will.

Mr. REED of Pennsylvania. Since that colloquy took place I have made some inquiry to find out if there is any such association as that which the Senator has just named, and as far as I have been able to discover there is no such association; it has no members whatever, either good or bad women, and it is merely a name under which somebody put out some propaganda.

Mr. CARAWAY. That does not drag a red herring over that trail, because the Senator evidently thought there were women who wanted to enforce the prohibition law, and when the Senator from Tennessee called attention to that fact the Senator said, "I am not sure that these are good women," not that there are no such women. He did not say that. He did not say, "I am not sure there are any such women," but, "I am not sure they are good women." That is the position of the Senator from Pennsylvania. He can drag a red herring over that trail if he wants to. He is going to do it in his political life if it lasts long, because you can not question that a woman is a good woman simply because she wants to enforce the law, even in Pennsylvania.

This is what I want to say, and I am going to make it exceedingly brief, because I want the defenders of the Japanese to get back to the immigration bill. Here is what I want to say: Was the President trying to prevent the investigation of the internal revenue unit? That is what he said in his letter. That is what the Secretary of the Treasury said to the President, and that is what was brought here to the Senate. But immediately thereafter the man who knows the inside of the President's mind, because he admits it, said that was not what was worrying the Secretary of the Treasury or the President at all, "because I knew, and as soon as I found out, I told them that the Republican Governor of Pennsylvania, who believes that the law ought to be enforced, because he raised his hand to Almighty God and swore that he would do it, was going to insist that this administration enforce the liquor law. When I found that out I told the President, and I told the Secretary of the Treasury"; and then we got this message, for which the Senator from Pennsylvania thanks God, and says that we over here are not honest; that we will not admit it, but we know the people applaud the President.

Of course, I am perfectly willing for the Senator from Pennsylvania to speak for himself. I am not willing, however accurately he can interpret the mind of his President and of the Secretary of the Treasury, for him to project himself on this side and say to us that if we were honest we would admit the President ought to protect law violators. Of course, we are not of the same kind of honesty that seems to be the ruling spirit at Pittsburgh, but we pass for reasonably honest people in other communities. We deny the statement the Senator from Pennsylvania made. But, of course, it does not get anywhere merely to say that the Senator believes one thing and I another. If he believes—and he ought to know: he is high in the councils of his party—if he believes his party stands for corruption, that it would rather have crime rampant than to have crime exposed, God bless his soul, let him speak for his own; but do not let him speak for us.

Mr. President, I am imputing no bad motives to anyone, not even to the Republican Governor of Pennsylvania or the Republican Senator from Michigan, and certainly not the ultra-Republican Senator from Pittsburgh; I think they have a right to their views. Certainly I am not criticizing the President; I am just talking about him gently.

I do say, however, Mr. President, if the Senator from Indiana was correct in what he said—and I am going to assume he was, although he was repudiated by the Attorney General, Mr. Daugherty, about the Morse matter, but the necessities of the case required that, I think, just as I believe the necessities of the case are going to make the President repudiate that speech of the Senator from Indiana of last Saturday. I rather believe—and I say it with regret—that evidently the President is going to have as large a number of repudiated Senators as President Roosevelt had in his Ananias Club, of course, from a wholly different reason.

This is what I want to say: If the Senator from Pennsylvania is correct, and the Senator from New Jersey, whom I almost forgot, as most people have, was correct in his tirade yesterday—oh, no; in his "statesmanlike speech"—if these did accurately interpret the mind of the President, I believe every law-abiding citizen in America will want to know why it was that the President did not say in his letter, "We do not want the prohibition unit investigated." That would be perfectly understandable, in view of what the Senator from Indiana says, that they are not enforcing the law. We could understand why they would not want it investigated. Then why not send to the Senate a supplemental message, Mr. President, in which it is said, "I did not quite say what I meant in my message Friday. After reading the speech of the Senator from Indiana I found that I omitted the important part of my message. I found that the Republican Governor of Pennsylvania and the Republican Senator from Michigan were fixing to disclose the fact that the Republican Secretary of the Treasury, Mr. Mellon, was not enforcing the prohibition laws, and if we should go into that it would be such a 'saturnalia of scandal' it would last until election day and defeat us. Therefore I send this supplemental message, that you may investigate the Secretary of the Treasury's income tax as much as you wish, but for God's sake, and for the sake of peace and harmony in my party, keep off prohibition, and all will be at peace between the Senate and the Executive."

That is what it means, if their interpretation is correct; and I am always willing to permit a Republican, whenever he talks about another Republican, to interpret each the intent of the other.

I remember very distinctly—and I do not have to rely upon my own memory—the Senator from Pennsylvania denounced the Senator from Michigan [Mr. COUZENS] as a criminal, as having done a criminal act in employing Mr. Heney. The Senator from Pennsylvania said COUZENS had done a criminal act, and then later qualified the statement by saying, if he had had the power to act it would have been criminal.

The Senator from Pennsylvania can take either horn of his dilemma he wants. I am not here to defend the Republican Governor of Pennsylvania. He was elected by a substantial majority in that great imperial Commonwealth. Neither am I here to defend the Republican Senator from the great Commonwealth of Michigan. If they think it adds to the general harmony in their party to impeach each other for honesty, for purity of motives, and for the intention to do right, I believe the majority of the people will say, "God speed both of you."

WAR MINERALS RELIEF

Mr. HEFLIN obtained the floor.

Mr. ODDIE. Will the Senator yield to me for a moment? There is a measure I should like to bring up. If it is controverted, I will withdraw it.

Mr. HEFLIN. If it will take but a moment, I do not object.

Mr. ODDIE. I ask that Senate bill 2797, the war minerals relief bill, be taken up and put on its passage. It was objected to when the calendar was last called, but I understand the objection has been withdrawn.

Mr. MCKELLAR. Let it be read.

The PRESIDENT pro tempore. The Senator from Nevada asks unanimous consent that the Senate proceed to the consideration of the bill (S. 2797) to authorize the payment of claims under the provisions of the so-called war minerals relief act.

Mr. ROBINSON. What is the purport of the bill?

Mr. ODDIE. It is a bill authorizing the payment of claims under the provisions of the so-called war minerals relief act. It has been passed on by the Department of the Interior and the Committee on Mines and Mining of the Senate. Numbers of people in Southern and Western States are vitally interested in it.

Mr. ROBINSON. I have no objection to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That to enable the Secretary of the Interior to lawfully pay adjudicated claims arising under the provisions of the so-called war minerals relief act there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such sum or sums, not exceeding $2,500,000, as may be necessary to satisfy such of said claims as shall be approved and certified for payment by the said Secretary of the Interior, under the provisions of an act entitled, "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," approved March 2, 1919, as amended, and that the limitation in said act, as amended, on the aggregate amount to be disbursed thereunder in the payment of said claims is hereby repealed.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RESTRICTION OF IMMIGRATION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes.

CORRUPT FEDERAL OFFICIALS AND FOREIGN IMMIGRATION

Mr. HEFLIN. Mr. President, the Senator from Pennsylvania [Mr. REED] stated two or three times in his address to-day that we on this side of the Chamber knew that he was telling the truth when he said the country was tired of these Senate investigations. The Senator from Arkansas [Mr. CARAWAY] has already well and ably refuted that statement as far as this side is concerned. I want to say for myself that I have not received a single letter indicating that the people are tired of the investigations. I have received quite a number of letters from Republicans in Northern States stating that they wanted a house cleaning, and that they were not going to vote the Republican ticket any more until they could have honest Republicans in office. So if these letters indicate that the people are growing weary of the investigation, then the Senator from Pennsylvania is welcome to the comfort he finds in that situation.

The people are not growing weary. The investigations are disclosing some very ugly things. Things that have been disclosed have aroused the righteous indignation of the American people. Right recently on a trip to Ohio the Senator from Iowa [Mr. BROOKHART] and the Senator from Montana [Mr. WHEELER] discovered where Mr. Daugherty, who was in debt in 1920 to the extent of about $20,000, as I believe his income-tax return showed, deposited in a bank at one time out there $75,000, and Jess Smith, his side partner and handy man, deposited sixty-odd thousand dollars in bonds. These things, Mr. President, may not be of interest to the distinguished Senator from Pennsylvania, but they are of interest to the people of the country, people who do not want to see corrupt men in office, and people who do not want to see public officials make of the instrumentalities of Government a matter of common barter in the market place.

The Senator from Iowa [Mr. BROOKHART], the Senator from Montana [Mr. WHEELER], and other Senators with them have disclosed, as I said on yesterday, that agents of the Government under Mr. Daugherty literally bartered the right to violate the statutes of the United States and that they made money by so doing. Surely the Senator from Pennsylvania does not want an investigation stopped that is disclosing such things as that. Whether the Senator wants them stopped or not, they are not going to be stopped. There are, in my judgment, enough progressives on the other side of the Chamber to vote with the Democrats to continue the investigations. I think that there are three or four regular Republicans over there who will vote to continue the investigations.

Senators become very weary of us because we insist that Senator COUZENS, a sick man, who probably made himself sick by his hard work in this investigation, shall be permitted to hire somebody out of his own immense fortune to do detail work for him in his office regarding the investigation. They hold up their hands in holy horror at that, but I have not heard one of them complain that the Chief Justice of the United States is drawing $10,000 a year from money made by Carnegie, at one time the owner of the Steel Trust. That may be disagreeable to some Senators on the other side. But he has drawn it for a year or more, the newspapers tell us, and not one of them has ever entered protest against it. I remem-

ber when that story was published. I like Mr. Taft personally. I gave out an interview upon this subject at the time the matter was first brought to the attention of the public. I said that if men of large means in our country desire to set aside a fund to give to our Presidents upon retiring from office to make their last days comfortable after they retire from office and return to the private walks of life, I have no objection to it.

I think it is commendable. But the very moment that one of them is called back from the walks of private life into service of his country he owes it to himself and to the country to decline to receive any longer the money set aside for his uses as a private citizen. I say in my place as a United States Senator, as an American, that Mr. Taft is doing wrong when he draws that $10,000 a year out of the estate of Carnegie, who in three and one-half years' time made $300,000,000 in tariff taxes on the steel products that he sold. Nobody on the other side of the Chamber has condemned that, and no Republican leader has said anything against it.

Senator COUZENS, who is on a hot trail leading up to the office of the Secretary of the Treasury, is criticized. But we are going to uncover, and you may just as well make up your minds to it, all of the crooked doings that are going on in there, and I agree with Senator COUZENS that there are crooked doings up there. No Secretary of the Treasury can defend before an honest and intelligent committee, and he can not defend before the American people, his act of refunding $200,000,000 in taxes to the big taxpayers of the country in less than two years' time.

But Senator COUZENS has committed a great offense. What is it? Why, he has employed Mr. Heney, an able lawyer, a man who achieved quite a reputation as an investigator, as a prosecuting attorney. Here he has been invited and employed by a United States Senator, amply able to pay him, to assist him and the committee in their work, just as his secretary might do it, without a cent of additional expense to the Government, and it is said that he has offended the Constitution of the United States, and the President comes out boldly upon the mountain top and levels his field guns on Senator COUZENS for employing Heney. But none of them has ever shot in the direction of the Supreme Court, where it is said the Chief Justice is drawing $10,000 a year—and so far as I know it has never been denied.

I remember at the time seeing some statement to the effect that Mr. Taft was not going to notice it at all; that he was not going to make any reply. Fond of him as I am, I think that he should have made a reply. When this Government reaches the point that other governments that have fallen reached in the years that are gone, where high officials accepted big gifts and valuable presents from the mighty rich, we have started on the road that the others went, and the same end awaits us that awaited them.

I know that it is disagreeable to Senators on the other side of the aisle, at least some of them, who do not have the same kind of patriotic concepts and moral obligations and fidelity to duty that some of us have. I know that when an election is looming up before a party that bartered as much as that party did to get control of the Government in 1920, and would barter twice that much to get control of it again, it is no wonder they are tired of these investigations. Of course they are tired of them. They would like to see the whole thing stopped. The Senator from Pennsylvania [Mr. REED] never spoke more truly than when he said a moment ago that he was getting tired of them. He also suggested that the people were getting tired of them. What he ought to have said was, "I am getting tired of them and my associates who see and feel like I do are getting tired of them, and those who profit by the graft and the corruption practiced are getting tired of these investigations, and the officer who is expecting to have them say, 'Stand up; you are next,' is tired of the investigations, and they want them stopped."

They now say that we have reached the point where the work is not constructive but is destructive. Yes, Mr. President; it is destructive of the most corrupt practices ever devised by the genius of crooks. It is destroying the plans and purposes of men whose brazen conduct has branded them as traitors and enemies to the country. Yes, Mr. President; it is in a righteous way destructive. That is the purpose of the investigations, to make it impossible for these things ever to occur again. The purpose of the investigations is to get at the truth, to punish those guilty of wrongdoing and to rid the Government of them, to destroy that character of public official in the life of this Government. If that is what you mean by "destructive work," then "on with the dance!" It is going to be destructive in a great many ways for you.

Mr. President, I rose to speak principally on the immigration bill. The system of graft and corruption found to exist in other departments of the Government has been found in the administration of our immigration laws. Foreigners are coming into the country to-day at so much per head, just as a man would pay freight upon so many hogs or cattle in order to ship them into the market place. Undesirable foreigners are buying passports into the body of the greatest citizenship that ever graced the earth, and the birthright of the American boy and girl is bartered for money. Agents are growing rich at our ports of entry.

All this is under the reign of the Republican Party. There will be no relief until this dangerous and disgusting order of things is changed. You have failed in everything intrusted to you. You have maladministered the Interior Department. You have maladministered the Department of Justice and the Commerce Department. You have maladministered the Navy Department. You have maladministered the branch of the Government intrusted with the administration of the immigration law. It is a fearful thought, and yet it seems that nothing you touch is free from corruption and barter in some form.

That is a pretty strong statement, but it is the truth. Why, Mr. President, I have a statement here from the New York Times of March 16, 1923, in which it quotes Judge Rosalsky, of New York, as saying, "Seamen can make more money to-day by smuggling people into this country than bootleggers." The situation is simply alarming.

If that judge's statement is true—and I think it is—why, these immigration agents and seamen are making millions of dollars.

Here they are corruptly buying permission to come into our country. One of the judges up in New York conferred the right to vote upon several thousand foreigners in a week's time. The New York Times of March 13, 1924, states:

> Aliens are made citizens at the rate of 15 a minute. Yesterday six judges aided County Clerk Donegan to give 5,000 their final papers—Justices Wasservogel, Mitchel, Burr, Cotillo, and Ingraham.

Commenting on this, the Boston Transcript of March 13, 1924, editorially stated:

> No real attention could have been paid to these final * * * petitions, and therefore * * * we like to think they could not have been carelessly admitted to the privileges of citizenship. Fifteen to a minute is a trifle fast for the rate at which the right to vote should be conferred, however excellent may be those who gain it.

At another place this same newspaper, the New York Times, under date of March 23, 1924, states:

> Six thousand five hundred became Americans here in a single week. County clerk's office did a rushing business in naturalization * * * Fifteen a minute—more than 6,500 in a week—is the record established. Aliens were herded—

Listen to this startling statement, Senators—

> shoved and pushed. They broke windows and one glass door. They bruised one another, and one was arrested and fined for disorderly conduct. But they repeated the oath of allegiance, kissed the American flag, and left the county courthouse citizens of the United States. The writer (newspaper reporter) heard "Who's President of the United States?" (Answer.) "Mayor Hyland, of course." Justice Cotillo, who announced to the aliens that he was the son of an immigrant, and intended to see that they were treated properly, made the highest record by giving 217 papers on Friday and 275 on Saturday. (Sitting two hours each day). Mr. Mullen worked at high speed (he's deputy naturalization clerk) the last day of his term in office (to-day). In a few minutes more than an hour he recited the oath for nearly 300 prospective citizens. The second day of the rush Mr. Mullen found his gold watch missing.

Mr. NEELY. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Alabama yield to the Senator from West Virginia?

Mr. HEFLIN. Yes; I gladly yield to my friend from West Virginia.

Mr. NEELY. I did not understand in what city the naturalization procedure which is being described by the Senator from Alabama took place.

Mr. HEFLIN. It was in New York City.

Mr. NEELY. Then, Mr. President, if that be true the Democratic presidential nominating convention ought never to go there.

Mr. HEFLIN. Mr. President, immigration has become a serious question with the people of the United States. The plan for Japan to send her citizens into this country, as was proposed by the leaders on the other side of the Chamber in conjunction with the President and the Secretary of State, was rejected by the Senate on yesterday. The Democrats forced that action. The idea of granting the right to Japan to say to this Government how many of her citizens should come into the United States each year and we to have nothing whatever to say about it was dangerous and ridiculous. The Senate repudiated the position of Republican leaders. We struck it out of the proposed law on yesterday. I simply say that, Mr. President, to call attention of the Senate to things which are being done in order to control this Government outside of Congress and outside of the country itself on the all-important question of immigration.

I want to read a statement by Doctor Dawes, of New York. Representative RAKER, a Democrat from California, in the other House, asked during the hearings over there this question regarding the awful means employed to send in unlimited numbers all kinds of foreigners into our country.

> Are we so helpless that they can pile these people in on us here from everywhere?
>
> Doctor DAWES. Yes, sir. The trouble is that the law is not enforced at the ports of entry to-day. That is the secret of the whole game.

And, Mr. President, that is what I said at the outset. The birthright of the American boy and girl is being bartered by dishonest men intrusted to enforce our immigration laws.

Mr. President, "that is the secret of the whole game." Those people are coming in here from every quarter of the globe. They are buying through the corrupt use of money the right to come into our country. I wish now to read to the Senate, and to the people of the country through the RECORD, a part of an editorial from the Washington Post of April 14, 1923, which is as follows:

IMMIGRATION

> The immigration law: The machinery for its enforcement is neither extensive nor widespread, being mainly centered at the ports of disembarkation, and the only excitement that occurs is when there is a race between ships, each trying to be the first to reach land in order to be sure to get rid of its passengers before the allowed quota of immigrants is exceeded. Even at the ports, however, despite the strictest watch, the law is being evaded, and it is being evaded on the Mexican and Canadian frontiers. All the devices of ingenuity, crookedness, and graft are being employed to smuggle in aliens in excess of the allotment to the country from which they come, and agents are reaping a rich harvest as a reward for enabling their principals or friends of their principals to circumvent successfully the immigration law.

Mr. President, it is a pitiable pass for this great Government to have reached so soon in its history, that fanatics and criminals from other countries can pay their filthy lucre to agents supposed to be guarding our gates for the right to come in and become citizens of the great United States.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. HEFLIN. I prefer not to be interrupted just now with any unanimous-consent request, because I want to finish what I have to say on this subject.

The Christian Science Monitor, published in Boston, in its issue of March 17, 1924, said in part in an editorial:

> The threat is practically made, and it is echoed by some American newspapers, that whatever endeavor may be made to secure a proper reduction of the tide of immigration into the United States, and a suitable selective scrutiny of those seeking admission, will be resented at the polls by the bulk of the present residents of foreign lineage.

Mr. President, do we get the full force and effect of that statement? It means that men who dare to vote for restricting immigration are to be punished at the polls by people who are not looking for the welfare of the flag, who are not looking to the perpetuity of the American form of government, but who are looking to bringing more and more people from abroad into the confines of the United States. We have reached a time when a great American newspaper says editorially that those who dare to vote for restricting immigration are threatened with punishment at the polls.

The editorial says in another place:

> We have said that it is unfortunate that the immigration bill should come up in a presidential year. There are indications that politicians are manifesting timorous disinclination to perfect the Johnson measure and to push it on its merits lest they suffer in their home districts.

Mr. President, this great newspaper says that it is unfortunate that we are going to pass upon a question of so much importance to the American people in a presidential year. That ought not to be the case. It ought to be opportune at any time to legislate for the good of this American household of ours. I want the people back in the districts to organize against those who threaten Americans with punishment at the polls unless they will vote to open the doors and let the criminal refuse and the unfit hordes from other countries come in and infest our land. I want the American spirit to assert itself, and I want the men and women in the districts and in the States to plant themselves squarely behind the candidates for this body and for the other branch of Congress who will carry the American standard and vote the American ticket.

The time has come for plain talking, and we might just as well hit the nail squarely on the head now. Why, Mr. President, I have a clipping here somewhere that tells of a group of foreigners up in Detroit to whom a gentleman was going to make a speech, and they would not permit it to be made except in the language of the foreigners who live there. They were Poles. The English language was taboo. They were not to speak that language, but must speak in the Polish language.

I have a newspaper clipping in my pocket, given me by a gentleman from Pennsylvania, telling about the arrest of a negro in New York, in the subway, I believe, by an Irish policeman, and he was astounded to hear that negro speak in Yiddish; the Irishman spoke in Yiddish, and they took the negro to a judge who tried him in Yiddish, and the story was that the Irishman had to adopt that language to hold his job in that section of the city. [Laughter.]

Mr. President, we are coming to a pitiful pass in this great country when it is unpopular to speak the English language, the American language. I would vote for a measure to require every alien who put his foot on this soil to speak the English language. I know that that announcement is shocking to some people who have quite a number of aliens in their districts and States, but I am speaking for the welfare of our children and their children's children through the years to come. I am fighting for the good of this Government as a truly American Government. We require them to be able to speak some language and to read in some language, I believe. I would require them to be able to speak the English language and to be able to read English.

Is that too much to ask of them? Why, Mr. President, would it be regarded as unjust and unfair for us to require the liberty-loving men and women of the Old World who really want to better their condition and to come into this great land of liberty to learn the language of this country, and to know how to speak it when they come? There ought to be only one language spoken in this country and that is the American language.

I have here a statement in the hearings in the House where one of the immigration officers tells about a Member of Congress coming to get certain people into this country. The officer asked the Member of Congress why he was so insistent, stating that they had already exceeded their quota, had brought more people in than the law allowed, and the Member replied: "I have 8,000 foreign voters in my district."

So, Mr. President, we have now come to the most vital thing in the life of the Nation when we are passing upon the question as to who shall or who shall not make up the citizenship of our country.

I state it as my opinion from what I have already read and from what I have read in the last two years, that more than a half million people have come into this country each year and no account has been made of them in the records of immigrants. I believe that in the last three years at least a million and a half have come into our country with no record whatever kept of them. Why? Because they bought from corrupt immigration officials the privilege of coming in, and no record, of course, was kept of them. I doubt the figures of the records that have been kept because an agent who will sell the right to come into this country to the unfit hordes that have come will falsify the record that he makes for the Government. He has already done something worse when he permits them to come. What does he care about making a false statement in his record when he has betrayed his trust and sold for money the birthright of the American boy and girl? That is what he has done.

Thomas Jefferson said:

> While we are providing for the fortification of our country against a foreign foe, I am in favor of fortifying it against the influx of undesirable immigration.

Mr. President, he was a far-seeing man, this great American Democrat, the founder of the Democratic Party. He said that it was all right to fortify against a foreign foe, but he would fortify against the influx of undesirable immigrants.

Mr. President, when an outside enemy reaches the border line, beating his drum and flying his flag, we are given notice and we have our boys with glistening bayonets to meet him and to challenge his right to come; but when those we have placed on picket duty, the immigration agents of the Government, hold their hands behind them and accept money and permit immigrants to come in illegally, it is a more dangerous army, more far-reaching in its evil effects, than a hostile army in the open seeking to invade the country. The one we can protect ourselves against; the other is secretive, sneaking, and doubly dangerous. You are not apprised of what has happened until newspaper items like this tell us that 5,000 foreigners, pushing and hurrying, became American citizens in a week, jostling each other, tearing their clothes, breaking out windows, crushing a door in the mad rush to become citizens of this Government, and then to go out and cast their ballots against men who would dare to declare in favor of an immigration policy that would protect and preserve America for Americans.

Kenneth L. Roberts, in the Saturday Evening Post of February 12, 1921, said:

> **An American consul general in a European city said to me: "Every foreign government understands that never in the history of the world was there such a movement of peoples as there is to America to-day. All the governments understand," he continued, "that we have every right to go into the case of every immigrant with extreme thoroughness, because it is becoming a matter of life and death with our people."**

Mr. President, that statement is literally true.

Dr. Diedrich Shannon, one of the foremost pulpit orators of America, said:

> **Divided loyalty means a divided citizenship; a divided citizenship means a divided government; and a divided government means a chaotic nation.**

And that is true. Foreigners are coming into our country who to all intents and purposes hold allegiance to the land from which they came, and they send back home millions of dollars every year. Have we not got to some extent the situation referred to by Doctor Shannon?

The English language is not allowed to be spoken in some sections. In places in the greatest city in the country court officials speak in Yiddish; policemen executing the law there speak in Yiddish; the judges in the courts speak in Yiddish. There are sections of New York and Boston and Chicago where you can walk for hours and never hear a word of English spoken. Is it too much to ask people who want to come here to work and take the place of the American laboring man to qualify themselves to do as he does, speak the language he speaks, serve the flag that he serves, and became as he is—a good citizen? Are we, as real Americans, asking too much when we, in the interest of our country, are taking these precautionary steps? I do not think so.

I want to show here another way in which they violate the law. They get orientals and other foreigners on the steamships and they pretend they need them in the crew service, and under the law they can leave the ships when they arrive, and they go ashore and never return; so they are constantly pouring foreigners into our country through that channel. One case is cited where a large number of Chinamen came in. This thing is going on continually, and foreigners are coming in by the hundreds and by the thousands.

Mr. President, whenever we permit the enemies of law and order and the enemies of our country to come here, we are sowing tares in the wheat field of American citizenship and placing thorns and dragon's teeth in the paths of the American people. Large groups of those already here have nothing in common with our ideals and institutions. They refuse to speak our language. They sneer at our statutes and mock our courts, and they hate our form of government. Many of their local habitations in our most populous cities are the hotbeds of intrigue and treason and the breeding place for all kinds of crimes. The criminal instinct and sneaking murderous spirit so common among the outlaws and bandits of some of the European countries are manifesting themselves to an alarming degree in foreigners within our gates.

Less than 10 days ago in New York City, the metropolis of America, an American boy bearing an honored American name—William Clifford, jr., a name as old as the Government itself—while walking with his father along the streets of his home city in his native land, was attacked without a moment's warning, stabbed in the back, and murdered before his father could realize what had happened. His assailant was a 12-year-old boy not long in our country. He is the poisonous product of a stupid and dangerous immigration policy. His name was Paul Rapkowskie. He had just robbed a store, had committed the double crime of burglary and larceny, and among other things that he had stolen was a dirk knife, and when asked why he had murdered young Clifford he replied: "I just wanted to see how deep I could drive the dirk into his back."

Mr. President, I am thinking of that brutal and barbarous crime against this American boy, of the crime against his father and mother, and of the crime against the institutions that the dead boy's forbears have loved and supported for 100 years and more.

They were soldiers in the War of the Revolution. A distinguished American by his name, Nathan Clifford, was once a Member of Congress, later Attorney General under President Polk, and for 20 years a Justice of the Supreme Court of the United States. But William Clifford, jr., descended from a long line of American patriots, is dead as the result of our unsound and ineffective immigration policy. No more his welcome footfall is heard in the doorway of the Clifford home. Hushed is the music of his merry laughter in the American home place now so sad and sorrowful. There a grief-stricken American father and a heart-broken American mother "long for the touch of a vanished hand and the sound of a voice that is still." As they looked upon the quiet face and lifeless form of their dear dead boy and followed his youthful body to its untimely grave, what must have been their thoughts? I wonder if in the pain and darkness of that awful hour they ever thought that Members of Congress, the President, and our immigration officers, those trusted with the care and conduct of their Government, through carelessness and indifference to the duty and necessity of protecting the American people from an influx of criminal foreigners, were responsible for the death of their boy?

What are the facts? The young criminal from a foreign country, he who sneaked up behind this American boy in an American city and without a moment's warning, murdered him, came into our country under an immigration law passed by Congress and approved by the President, or some unfaithful and corrupt immigration officer in violation of the law accepted a bribe and permitted him to come in, and in so doing he admitted into the sacred precincts of our dearest inheritances a moral degenerate and a dangerous enemy. The passport thus bartered to this young European criminal was not paid for alone in money. It cost an American boy his life, struck down and destroyed one of the indispensable forces in the national defense and left in the heart of an American father and mother an aching void that the world can never fill.

Are we ready to set ourselves to the task of doing with this immigration question just what we believe is best for our country? Are we ready to take the step necessary to protect ourselves and our children from the dangers that come with fanatics and criminals from foreign countries? The life of young Clifford, this 13-year-old American boy, has been sacrificed upon the altar of a sickening and dangerous immigration policy. Foreign countries are anxious to get rid of the criminals over there. Corporate greed is bringing cheap labor here to destroy the livelihood of the American laboring man. Steamship companies are making money hauling them to our shores and immigration officials here are growing rich bartering to criminals and murderers the birthright of the American boy. And what have we witnessed in the last few days in the largest city in the land? The blood of an American boy running red on the street; a dead body borne away; crêpe on the door of an American home and a new-made grave—all to gratify the fiendish impulse and criminal instincts of undesirable and dangerous foreigners that our immigration laws in part and some of our dishonest and corrupt immigration officers in particular have permitted to come into our country.

Are we going to tolerate conditions growing out of improper immigration laws or the improper enforcement of the laws, that make it unsafe or even disagreeable or unpleasant for native-born Americans to walk the streets of the towns and cities in which they live? Are American fathers and mothers to be annoyed, frightened, and thrown into panic by criminal foreigners who somehow come into our country and announce their purpose to make money by kidnaping the children of American parents and holding them for ransom? Are we to continue to admit people into our household of sovereign States who are the deadly enemies of our American form of Government? Shall the United States be made a safe and wholesome place for patriotic Americans to live and be protected in life, liberty, and the pursuit of happiness, or shall it become the dumping ground and home for the criminal refuse and scum of other countries?

The American boy has a right to demand protection at our hands.

THE BIRTHRIGHT OF THE AMERICAN BOY

There is nothing more interesting, more fascinating and promising than a plain, sincere, and upstanding American boy. His intelligent judgment in the years to come and his high ideals must help to shape the future of our country and his courage and patriotism must be relied upon to defend it in the hour of its peril. He will be the Nation's first and last reliance when man power is required for the preservation of our rights and liberties.

Do we give him the concern to which he is entitled? Do we recognize his worth and appreciate him as he deserves to be appreciated? Are we safeguarding his rights and interests as we should? Are we taking the precautions necessary to protect him in all that looks to his safety and future well-being? He is just a boy now, but he is marching toward the threshold of manhood, buoyant and happy in its prospects. The future well-being and safety of our country depends in a large measure upon him. Those of us charged with the grave responsibilities that come with our temporary guardianship of the Nation are entitled so far as our power goes to demand that he be protected in his life and liberty. He who strikes and injures that boy, strikes and injures the country. The American boy is one of the dearest and noblest things in the great household of America. He is one of the priceless treasures handed down from one generation to another. He is the Nation's first thought and advance guard in the national defense. When national dangers threaten and war clouds gather, he stands between us and the overthrow of our Government and the loss of our liberties. It makes no difference what his plans and purposes in life are, if he is needed we call him to the colors of his country and he must come.

We do not consult his convenience or his desires. He bids farewell to the peaceful pursuits of life, to home and loved ones, and goes where his country wants him to go. He is first on the firing line, first to plant his country's colors over the ramparts of the enemy, and first to bring back in victory the flag of his country. Through him and his hoped-for offspring the humane principles and policies in which we believe must be upheld and carried forward. But for him and his future our preparations of to-day for the years to come would be wasted and this Congress would legislate in vain.

If the American boy is of so much importance to us and to the generations that shall come after us, we owe it to him and to millions of human beings in America yet unborn to at least protect him in his life, liberty, and the pursuit of happiness as he comes up through the years to manhood in the land where he was born.

In recognizing his right to demand of us conditions that make for his safety and well-being, we are giving evidence of our high regard for the present and future welfare of our country. If we were engaged in war with a foreign enemy, and he should invade our country and one of his soldiers should drive a bayonet through the body of an American boy walking peacefully along the streets of any city in the United States, it would be a call to arms that would ring in the ears of every patriotic man and woman in the country, and our people generally would favor employing all the power at our command to protect other boys from such a murderous assault and to avenge the death of that American boy. Will we not do something now to prevent the murder of another American boy through the secret invasion of a foreign enemy?

The question I want to ask you is, What are we doing to protect American boys like William Clifford from the dangers that lurk in the crooked and corrupt administration of our immigration laws? Are we showing them proper consideration if we remain silent when we know that dangerous fanatics, crooks, and criminals are being brought into our country by the corrupt use of money? Did those who fought and died for our liberties in the War of the Revolution ever dream that the day would come when admission into the United States would become a matter of purchase and common barter at the American port of entry?

Did they ever dream that foreign enemies could buy with money their way into the very citadel of American liberty? As a result of these dreadful conditions we have black handers, kidnapers, and murderers with their wild vagaries, their guns, dirks, and bombs disturbing the peace and happiness of our people, endangering the lives of our citizens, and constituting a serious menace and danger to free institutions in America.

The insidious attacks and dangerous assaults now being made upon the American form of government by the disordered minds of foreign fanatics quartered in our country constitutes one of the gravest dangers that confronts the people of the United States. The Bolshevism, communism, and anarchy that lift their frightful forms in defiance of Christian concepts and constitutional government came here through the channels of an unsafe, miserable, and even criminal foreign immigration policy. The immigration policy that permits the unfit hordes and criminal refuse of European countries to come into our country is nothing but a shameful and disgraceful immigration policy. I am ready to destroy such a policy.

Mr. President, in behalf of the American boy and his sister, I appeal to the Senate to close our immigration doors. If I have my way about it, no immigrant shall come into the United States in the next 12 months. I would close the doors for a period of two years at least and wait until we assimilate those who are here. I would wait until we taught them to speak English and taught them American ideals. I would work to the end of making of them law-abiding American citizens. I would want by the principles of right and the laws of justice to educate out of them the spirit of the Bolshevik. I would want to crush the spirit of the communist, which is the deadly enemy of the American home and the deadly enemy of Christian civilization. I would try to get those who are criminals out of the ranks of the peaceful, law-abiding people, and into the penitentiaries so that boys like young Clifford, who sleeps in a grave not yet 10 days old, may be safe as they walk the public roads and the streets of the towns and cities of their homeland. This boy has not died in vain. In his name and in the name of the father and mother who weep for him I ask the Senate to wake up on this question and take the American view of it and close the doors for the good of our American country.

In the name of William Clifford, this dead American boy who can not speak for himself, and in the interest of millions of American boys and girls, and in behalf of all loyal Americans, I appeal to this American Senate to do that which will redound to the highest and best interest of the American people.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until to-morrow at noon.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. REED of Pennsylvania. Mr. President, in line with the action of the Senate on yesterday in the matter of the gentlemen's agreement with Japan, we have taken up the subject with the two Senators from California, with the Senator from Arkansas [Mr. ROBINSON], and with Congressman JOHNSON of Washington, of the House, and others who have been active in the passage of an immigration law, and I send to the desk and ask unanimous consent to have considered now an exclusion section which is in accordance with the bill that has already passed the House.

Mr. ROBINSON. Mr. President, I understand that the adoption of this amendment is necessary to effectuate and carry out the result of the vote yesterday on the so-called Japanese exclusion?

Mr. REED of Pennsylvania. Yes; that is the fact.

Mr. ROBINSON. I have no objection to its consideration.

The PRESIDENT pro tempore. The Senator from Pennsylvania asks unanimous consent that an amendment which he now presents shall be considered by the Senate at this time. Is there objection?

Mr. McKELLAR. Let it be read.

Mr. BRANDEGEE. Let it be read, and then we may know whether anyone objects.

Mr. REED of Pennsylvania. I ask that the amendment may be read.

The PRESIDENT pro tempore. The proposed amendment will be read.

The READING CLERK. On page 15, after line 17, insert:

(C) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonimmigrant under the provisions of section 3; or (2) unless such alien is an immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; or (3) unless such alien is an immigrant who is a bona fide student over 18 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor; or (4) unless such alien is the wife or the unmarried child under 18 years of age of an immigrant admissible under subdivision (2) of this paragraph and is accompanying or following to join him.

Mr. ROBINSON. Does the Senator say that this is identical with the provision in the bill passed by the House?

policy. His name was Paul Rapkowskie. He had just robbed | hands.

Mr. REED of Pennsylvania. It is identical in its effect. It avoids a duplication of words, but in effect it is exactly the same. I ask that the amendment be considered out of order and that it shall not displace the amendment now under consideration by the Senate.

The PRESIDENT pro tempore. Is there objection?

Mr. JONES of Washington. I understand the amendment deals solely with the Asiatic situation?

Mr. REED of Pennsylvania. Solely.

The PRESIDENT pro tempore. The Chair hears no objection. The question is upon agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 35 minutes spent in executive session the doors were reopened and the Senate (at 5 o'clock and 40 minutes p. m.) took a recess until tomorrow, Wednesday, April 16, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15 (legislative day of April 10), 1924

PROMOTIONS IN THE REGULAR ARMY

To be lieutenant colonel

Maj. George Leftwich Wertenbaker, Coast Artillery Corps, from April 3, 1924.

To be major

Capt. Raymond Marsh, Field Artillery, from April 3, 1924.

To be captain

First Lieut. Walter Buford, Cavalry, from April 3, 1924.

To be first lieutenants

Second Lieut. Joseph Conrad Odell, Infantry, from April 3, 1924.

Second Lieut. Josiah Toney Dalbey, Infantry, from April 5, 1924.

Second Lieut. Logan Osburn Shutt, Infantry, from April 9, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

CORPS OF ENGINEERS

Second Lieut. John Albert Chambers, Air Service, with rank from June 12, 1923.

ORDNANCE DEPARTMENT

Second Lieut. Franklin Mitchell, Infantry (detailed in Ordnance Department), with rank as prescribed by the act of June 30, 1922.

FIELD ARTILLERY

Capt. Frank Curtis Mellon, Infantry, with rank from July 1, 1920.

AIR SERVICE

First Lieut. Auby Casey Strickland, Infantry (detailed in Air Service), with rank from July 1, 1920.

Second Lieut. Hugo Peoples Rush, Infantry (detailed in Air Service), with rank as prescribed by the act of June 30, 1922.

POSTMASTERS

ALABAMA

Zula L. Davis to be postmaster at Prichard, Ala., in place of Z. L. Davis. Incumbent's commission expired February 11, 1924.

Dyer B. Crow to be postmaster at Collinsville, Ala., in place of R. M. Crump. Incumbent's commission expired February 11, 1924.

Walter Morgan to be postmaster at Woodward, Ala., in place of Walter Morgan. Incumbent's commission expired March 2, 1924.

William K. Cooper to be postmaster at Northport, Ala., in place of W. K. Cooper. Incumbent's commission expired February 11, 1924.

ARKANSAS

Effie I. Young to be postmaster at Hampton, Ark., in place of A. A. Ables. Office became third class April 1, 1923.

John W. Reed to be postmaster at Plumerville, Ark., in place of K. E. Harrison. Incumbent's commission expired February 14, 1924.

CALIFORNIA

Barbara J. Emerick to be postmaster at Sugar Pine, Calif., in place of B. J. Emerick. Office became third class July 1, 1923.

Zylpha Potter to be postmaster at Hughson, Calif., in place of Zylpha Potter. Incumbent's commission expired April 14, 1924.

Frank M. Lawrence to be postmaster at Mount Shasta (late Sisson), Calif., in place of L. F. Merrill. Incumbent's commission expired February 11, 1924.

DELAWARE

William H. Evans to be postmaster at Newark, Del., in place of L. K. Bowen. Incumbent's commission expired March 2, 1924.

FLORIDA

Ernest V. Turner to be postmaster at Macclenny, Fla., in place of G. M. Rhoden. Incumbent's commission expired August 21, 1923.

Alonzo A. McGonegal to be postmaster at Yalaha, Fla., in place of J. S. Godfrey. Incumbent's commission expired February 14, 1924.

IDAHO

John P. Elmeres to be postmaster at Grangeville, Idaho, in place of C. J. Simmons. Incumbent's commission expires April 23, 1924.

ILLINOIS

John Van Antwerp to be postmaster at Sparland, Ill., in place of S. V. Hodge. Incumbent's commission expired March 9, 1924.

Rose C. Auth to be postmaster at Rankin, Ill., in place of R. C. Auth. Incumbent's commission expired August 29, 1923.

Fred W. Newman to be postmaster at Grand Ridge, Ill., in place of J. S. Dearth. Incumbent's commission expired March 9, 1924.

George W. Fritz to be postmaster at Durand, Ill., in place of F. A. Lilly. Incumbent's commission expired March 9, 1924.

Mary Slocum to be postmaster at Franklin Park, Ill., in place of F. W. A. Noll, resigned.

Annette G. Ferguson to be postmaster at Annawan, Ill., in place of A. G. Ferguson. Incumbent's commission expired March 9, 1924.

IOWA

Celia T. Green to be postmaster at Mystic, Iowa, in place of L. E. Evans. Incumbent's commission expired March 22, 1924.

Melvin V. Smith to be postmaster at Akron, Iowa, in place of M. V. Smith. Incumbent's commission expired April 14, 1924.

KANSAS

Rufus J. Miller to be postmaster at Selden, Kans., in place of R. J. Miller. Incumbent's commission expired April 13, 1924.

Harold H. Brindley to be postmaster at Peabody, Kans., in place of H. H. Brindley. Incumbent's commission expired April 13, 1924.

Jemima Hill to be postmaster at Arma, Kans., in place of Jemima Hill. Incumbent's commission expired April 13, 1924.

KENTUCKY

Clyde S. England to be postmaster at Russell, Ky., in place of G. V. Auxier. Appointee declined.

Ed J. Salm to be postmaster at Hawesville, Ky., in place of T. J. Kelly. Incumbent's commission expired December 17, 1919.

MARYLAND

Eunice W. Dement to be postmaster at Indianhead, Md., in place of J. D. Rowe. Incumbent's commission expired September 30, 1923.

MICHIGAN

Sadie Curran to be postmaster at Caseville, Mich., in place of Charles Dufty, resigned.

Carrie M. Colegrove to be postmaster at Remus, Mich., in place of C. M. Colegrove. Incumbent's commission expired April 13, 1924.

Arthur Dillon to be postmaster at East Tawas, Mich., in place of J. O. LaBerge. Incumbent's commission expired January 26, 1924.

MINNESOTA

Omer C. Heys to be postmaster at Glyndon, Minn., in place of R. B. Osborn, resigned.

Thomas Considine to be postmaster at Duluth, Minn., in place of Thomas Considine. Incumbent's commission expired March 2, 1924.

Carroll O. Hallstrom to be postmaster at Braham, Minn., in place of S. A. Nebel. Incumbent's commission expired July 28, 1923.

MONTANA

Philip G. Peterson to be postmaster at Bigfork, Mont., in place of M. H. Lehmicke. Office became third class October 1, 1923.

NEBRASKA

George G. Bruckert to be postmaster at Bruning, Nebr., in place of G. G. Bruckert. Incumbent's commission expired April 9, 1924.

NEW JERSEY

G. Raymond Beck to be postmaster at Roebling, N. J., in place of J. E. Harris, resigned.

Charles E. Bishop to be postmaster at Elizabeth, N. J., in place of W. F. Barry. Incumbent's commission expired January 28, 1924.

George W. Ivins to be postmaster at New Egypt, N. J., in place of G. A. Spanberg. Incumbent's commission expired April 7, 1924.

NEW YORK

Thomas Wheatcroft to be postmaster at Watervliet, N. Y., in place of E. J. Hanratta. Incumbent's commission expired March 9, 1924.

Austin E. Hummel to be postmaster at Prattsville, N. Y., in place of J. E. McWilliams. Incumbent's commission expired January 31, 1924.

Harold V. Mulford to be postmaster at Hopewell Junction, N. Y., in place of H. R. Stevens. Incumbent's commission expired February 18, 1924.

Mary A. Blazina to be postmaster at Harrison, N. Y., in place of M. A. Blazina. Incumbent's commission expires April 23, 1924.

L. Frank Little to be postmaster at Endicott, N. Y., in place of L. F. Little. Incumbent's commission expires April 23, 1924.

Albert F. Becker to be postmaster at Livonia, N. Y., in place of A. M. Thayer, resigned.

John Franklin Smith to be postmaster at Patterson, N. Y., in place of H. S. Ludington. Incumbent's commission expired February 14, 1924.

Ralph D. Sanford to be postmaster at Hammondsport, N. Y., in place of J. A. Moore. Incumbent's commission expired February 4, 1924.

Nellie Fredricson to be postmaster at Cornwall on the Hudson, N. Y., in place of F. J. Walsh. Incumbent's commission expired February 14, 1924.

Thomas C. Richardson to be postmaster at Auburn, N. Y., in place of P. T. Quigley. Incumbent's commission expires April 23, 1924.

NORTH CAROLINA

Christopher C. Snead to be postmaster at Laurel Hill, N. C., in place of J. H. O'Brien. Office became third class January 1, 1924.

NORTH DAKOTA

Andrew M. Hewson to be postmaster at Wimbledon, N. Dak., in place of A. M. Hewson. Incumbent's commission expires April 23, 1924.

Agnes L. Peterson to be postmaster at Washburn, N. Dak., in place of F. E. Carlson. Incumbent's commission expired January 28, 1924.

Gilbert A. Moe to be postmaster at Sheyenne, N. Dak., in place of M. L. Vick. Incumbent's commission expired July 28, 1923.

Thomas G. Kellington to be postmaster at New Rockford, N. Dak., in place of T. G. Kellington. Incumbent's commission expired August 20, 1923.

Paul M. Bell to be postmaster at Elgin, N. Dak., in place of P. M. Bell. Incumbent's commission expires April 23, 1924.

Marie Siverts to be postmaster at Dodge, N. Dak., in place of Hans Burgess. Office became third class April 1, 1923.

OHIO

Reinhard H. Curdes to be postmaster at Napoleon, Ohio, in place of A. E. Augenstein, deceased.

Emmanuiel M. Flower to be postmaster at Blackfork, Ohio, in place of J. H. Lewis. Office became third class January 1, 1924.

Louise S. Lovett to be postmaster at Wickliffe, Ohio, in place of L. S. Lovett. Incumbent's commission expired April 13, 1924.

Edwin H. Hayman to be postmaster at Murray City, Ohio, in place of E. H. Hayman. Incumbent's commission expired March 22, 1924.

Carl E. Richardson to be postmaster at Baltic, Ohio, in place of Fred Barthelmeh. Incumbent's commission expired February 24, 1924.

OKLAHOMA

William T. Bratton to be postmaster at Guymon, Okla., in place of W. T. Bratton. Incumbent's commission expired April 5, 1924.

OREGON

George B. Bourhill to be postmaster at Moro, Oreg., in place of Robert Urquhart. Incumbent's commission expired March 3, 1924.

Ernest J. Schneider to be postmaster at Myrtle Point, Oreg., in place of E. J. Schneider. Incumbent's commission expired April 14, 1924.

PENNSYLVANIA

Clifford G. Chase to be postmaster at Butler, Pa., in place of G. N. Burckhalter. Incumbent's commission expired February 4, 1924.

Gertrude Klinefelter to be postmaster at Jonestown, Pa., in place of Gertrude Klinefelter. Office became third class October 1, 1923.

PORTO RICO

Jose Monserrate to be postmaster at Salinas, P. R., in place of Jose Monserrate. Office became third class April 1, 1924.

SOUTH DAKOTA

Thomas C. Burns to be postmaster at Mitchell, S. Dak., in place of J. D. Haney. Incumbent's commission expired January 23, 1924.

William F. Reinard to be postmaster at Fairburn, S. Dak., in place of Anna Starbuck. Office became third class October 1, 1923.

Christopher J. Johnson to be postmaster at Centerville, S. Dak., in place of O. W. Dingman, resigned.

John A. Hawkins to be postmaster at Waubay, S. Dak., in place of J. A. Hawkins. Incumbent's commission expired April 7, 1924.

Carl O. Steen to be postmaster at Veblen, S. Dak., in place of C. O. Steen. Incumbent's commission expired January 23, 1924.

Edmund A. Barlow to be postmaster at Oacoma, S. Dak., in place of E. A. Barlow. Incumbent's commission expired January 23, 1924.

Lottie M. Whalen to be postmaster at De Smet, S. Dak., in place of L. M. Whalen. Incumbent's commission expired April 13, 1924.

TENNESSEE

James F. Toney, jr., to be postmaster at Erwin, Tenn., in place of F. B. Harrington. Incumbent's commission expires April 22, 1924.

William R. Williams to be postmaster at Bells, Tenn., in place of W. R. Williams. Incumbent's commission expired March 3, 1924.

William J. O'Callaghan to be postmaster at Nashville, Tenn., in place of C. M. McCabe. Incumbent's commission expired March, 2, 1924.

Alice L. Needham to be postmaster at Trimble, Tenn., in place of A. L. Needham. Incumbent's commission expired March 3, 1924.

TEXAS

Cynthia M. Martin to be postmaster at San Augustine, Tex., in place of M. A. Morris. Incumbent's commission expired April 5, 1924.

Clarence V. McMahan to be postmaster at Waco, Tex., in place of C. B. McCollum. Incumbent's commission expired January 31, 1924.

Thomas B. Higgins to be postmaster at Reagan, Tex., in place of T. B. Higgins. Incumbent's commission expired January 31, 1924.

Sol D. Smith to be postmaster at Granbury, Tex., in place of W. F. Juliff. Incumbent's commission expired September 5, 1922.

UTAH

Arthur H. Reeve to be postmaster at Hinckley, Utah, in place of A. H. Reeve. Office became third class January 1, 1924.

Benjamin F. Caffey to be postmaster at Sunnyside, Utah, in place of B. F. Caffey. Incumbent's commission expired April 9, 1924.

VIRGINIA

Newton F. Smith to be postmaster at Berryville, Va., in place of G. H. Levi. Incumbent's commission expired February 14, 1924.

WEST VIRGINIA

Michael H. Duncan to be postmaster at Crumpler, W. Va., in place of M. H. Duncan. Office became third class January 1, 1924.

WISCONSIN

Orestes K. Hawley to be postmaster at Baldwin, Wis., in place of E. H. Wilford. Incumbent's commission expired March 22, 1924.

WYOMING

Edna M. Booth to be postmaster at Sunrise, Wyo., in place of L. S. Pascoe, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 15 (legislative day of April 10), 1924

COMMISSIONERS OF THE DISTRICT OF COLUMBIA

Cuno H. Rudolph to be commissioner.
James F. Oyster to be commissioner.

COAST AND GEODETIC SURVEY

William Gibson Craib to be junior hydrographic and geodetic engineer.
Robert Leo Anderson to be aid.
John Alexander McCormick to be junior hydrographic and geodetic engineer.
Edward Murtone Denbo to be junior hydrographic and geodetic engineer.
Bruce Edward Lancaster to be junior hydrographic and geodetic engineer.

PROMOTION IN THE NAVY

Henry C. Gearing, jr., to be commander.

POSTMASTERS

COLORADO

William L. Butler, Vona.

CONNECTICUT

William A. Pratt, Springdale.

IOWA

Marvin K. Moore, Pacific Junction.

LOUISIANA

Nettie Sojourner, Amite.
Pierre Mistrot, Arnaudville.
Nannie H. Rogillio, Water Proof.
Keary E. Ham, Wilson.

MICHIGAN

Ralph S. Wiggins, Sunfield.

MINNESOTA

Elias A. Quale, Clarkfield.
Olaf T. Mork, Madison.
Ora D. Thompson, Porter.

MONTANA

Carl J. Sonstelie, Polson.
George W. Shearer, Warland.

NEW JERSEY

Frank L. Pote, Paulsboro.
Alfred T. Kent, Summit.

NEW YORK

Ward A. Jones, Canajoharie.
Celia M. Arnold, Chautauqua.
Clarence R. Chismore, Ilion.
Frank E. Whittemore, Johnson City.
George B. Bradish, Malone.
Charles H. Griffin, Oakfield.
J. Arthur Haight, Peekskill.

NORTH DAKOTA

Jessie L. Kinsey, Beach.
Oliver Lundquist, Bismarck.
Ora J. Goshorn, Rhame.
James G. Acheson, Souris.

PENNSYLVANIA

Clyde G. McMurray, Oakdale.

SOUTH CAROLINA

Cecil S. Rice, Denmark.
Bessie T. Cooper, Mayesville.
George S. Wilson, Williamston.

UTAH

Edward J. Young, jr., Vernal.

WEST VIRGINIA

Daisy L. Martin, Hurricane.
Columbus M. Browning, Logan.
Herman H. Haeberle, Macdonald.
Earl E. Erskine, Widen.

REJECTION

Executive nomination rejected by the Senate April 15 (legislative day of April 10), 1924

SPECIAL COUNSEL

Samuel Knight, of San Francisco, Calif., as special counsel to prosecute proceedings and assert and establish the title of the United States to sections 16 and 36, township 30 south, range 23 east, Mount Diablo meridian, within the exterior limits of naval reserve No. 1 in the State of California.

HOUSE OF REPRESENTATIVES

TUESDAY, *April 15, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most gracious Lord, we thank Thee that it is our rich privilege to turn aside from the diverting and absorbing problems and questions and with a quiet mind tarry in Thy holy presence. O Thou who art so rich in wisdom and mercy, exercise these virtues toward us to-day. Enable us to forsake the things that are wrong and unwise and accept the things that are right and prudent. Let us reflect more accurately the Master's perfection; let us walk more precisely as He walked. Look with gracious favor upon every State in the Union. Wherever true men are found, wherever they are striving after the truth, consider them, O Lord. May the path that we tread be brighter and brighter until the dawn of the perfect day. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had insisted upon its amendments to the bill (H. R. 3852) providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians of North Carolina, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. HARRELD, Mr. CURTIS, and Mr. KENDRICK as the conferees on the part of the Senate.

The message also announced that the Senate had concurred in the following concurrent resolution:

House Concurrent Resolution 20

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be requested to return to the House of Representatives the bill H. R. 6815, entitled "An act to authorize a temporary increase of the Coast Guard for law enforcement."

EXTENSION OF REMARKS

Mr. BEGG. Mr. Speaker, yesterday I promised my colleague [Mr. ZIHLMAN] to ask unanimous consent that he might extend his remarks in connection with the speech he made in support of his resolution. I failed to make the request yesterday, and I now make it.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the gentleman from Maryland [Mr. ZIHLMAN] may extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

PHILIPPINE INDEPENDENCE

Mr. STENGLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on Philippine independence.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his own remarks in the RECORD on Philippine independence. Is there objection? [After a pause.] The Chair hears none.

Mr. STENGLE. Mr. Speaker, I came to Congress with an open mind on the Filipino situation, but with decided convictions that something should be done to allay the state of unrest now existing in those far-away island possessions. I felt then and I still feel that America has a duty to perform, a promise to be kept, and that until we meet the situation squarely and fairly and with honest regard for the future welfare of those "liberty-striving" wards we have failed to meet the demands of conscience.

I am not unmindful of the moving causes, both in this country and in the Philippine Islands, which strongly back

any and all opposition to the granting of independence to the Filipinos. There is and has been for years a decided desire to retain possession of these islands for the purpose of exploitation by "big business" men of this country, and in whatever direction I seek for truth I am brought face to face with the stubborn fact that very much of the sentiment against Philippine independence is "manufactured," and has no relation whatever to the honest thoughts of the average American citizen.

Americans are a liberty-loving people. They delight in their freedom and want the whole world to enjoy a like condition. Only recently they were found fighting to "keep the world safe for democracy," and in that effort they made no distinction against the Filipino. On the contrary, they laid particular stress upon their desire that the smaller nations of the earth should be given just as much fair play as was to be accorded to their larger and more powerful sister countries.

True, it may be said that the Philippines are not at present a separate nation but rather a territorial possession of the United States, but no American who reads his modern history can possibly deny that we never intended to keep the Philippines under our control forever. Indeed, from the very beginning of our relations with the Filipinos we gave public notice of our intentions to rock them eventually in the "cradle of liberty," and I believe that a vast majority of our citizens want that rocking to begin very soon.

President McKinley, the one most responsible for the acquisition of the Philippines and one whose honor and integrity made a lasting impress upon American history, said in the very beginning of American occupation:

> The Philippines are ours, not to exploit but to develop, to civilize, to educate, to train in the science of self-government.

Any man who ever came in close touch with McKinley and felt the influence of his wonderful character knows full well that he meant every word he then spoke. What stronger confirmation can the doubter desire than is to be found in McKinley's instructions to the first Philippine Commission, delivered January 20, 1899, when he expressed the hope that his commissioners would be received by the Filipinos as bearers of—

> The richest blessings of a liberating rather than a conquering nation.

Surely, President Schurman of that commission caught President McKinley's idea, for we find him quoted as determining and construing the American policy to mean—

> Ever-increasing liberty and self-government * * * and it is the nature of such continuously expanding liberty to issue into independence.

President Taft, while civil governor of the Philippines, on December 17, 1903, said:

> From the beginning to the end of the state papers which were circulated in these islands as authoritative expressions of the Executive, the motto that "the Philippines are for the Filipinos and that the Government of the United States is here for the purpose of preserving the Philippines for the Filipinos, for their benefit, for their elevation, for their civilization," again and again appear.

President Roosevelt, in his address to Congress in 1908, said:

> I trust that within a generation the time will arrive when the Filipinos can decide for themselves whether it is well for them to become independent or to continue under the protection of a strong and disinterested power, able to guarantee to the islands order at home and protection from foreign invasion.

President Wilson, in a message to the Filipino people, October 6, 1913, said:

> We regard ourselves as trustees acting not for the advantage of the United States but for the benefit of the people of the Philippine Islands. Every step we take will be taken with a view to the ultimate independence of the islands and as a preparation for that independence.

And again, in a message to Congress, December 2, 1913, President Wilson declared—

> By their counsel and experience, rather than by our own, we shall learn how best to serve them and how soon it will be possible and wise to withdraw our supervision.

Away back in 1911, Congressman William Atkinson Jones, of the first district of Virginia—the place of my birth—began the positive agitation for Philippine independence, and in 1916 the Jones law was written upon our statute books. The following preamble to that measure certainly leaves no doubt as to what Congress intended to do:

> Whereas it was never the intention of the people of the United States in the incipiency of the War with Spain to make it a war of conquest or for territorial aggrandizement; and
>
> Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and
>
> Whereas, for the speedy accomplishment of such purpose, it is desirable to place in the hands of the people of the Philippines as large a control of their domestic affairs as can be given them without in the meantime impairing the exercise of the rights of sovereignty by the people of the United States in order that by the use and exercise of popular franchise and governmental powers they may be the better prepared to fully assume the responsibilities and enjoy all the privileges of complete independence: Therefore * * *.

Mr. Speaker, we have here a pledge which to my mind is just as binding as a sacred contract, and one that should be carried out just as faithfully and performed just as truly as any other act of Congress.

Without evasion or reservation, it is our public duty to discover whether or not a "stable government has been established in the Philippine Islands," and if so, it is likewise our duty to at once grant the Filipinos their independence.

I know of no better way by which to judge a tree than by its fruit. If the fruit of a tree meets the expectations of mankind as to form and substance, then such a tree has met the required standard and should be so regarded. Likewise, I know of no better way by which to judge the qualifications of a people for self-government than by the "fruits" of their labor in economics, industry, education, and morale.

Surely, if they have measured up to the average governing our Republic, we are in honor bound to grant them the opportunity to at least try their hand at self-government. It is only fair, then, that we should scan the record of their achievements and aspirations and base our action upon the results found. Without prolonged effort on our part we can easily discover much for which the Filipino is to be praised, much that would do credit to any nation. It is my purpose to review some of these achievements and to stress their importance in the making of a stable government.

PUBLIC ORDER

Governor General Smith in 1907 certified to the President of the United States that there was complete peace in the Philippines; and because of that certification the first assembly was established. From that year until the present peace has reigned in the islands. Neither during the economic crisis nor amidst the hardships of the World War did conditions change. Some may say that I have overlooked certain uprisings. I have not. There have been disorderly "mobs" from time to time, but must the whole country be judged by them? We here in America have "uprisings" and lawless mobs, but are we looked upon as unfit for self-government by reason of those facts? Just as in America, there are some bad people in the Philippines, and no doubt there always will be, but a vast majority of the Filipinos are lovers of peace and follow peaceful pursuits. Indeed, in some Philippine municipalities peace and good order are so well established that not more than two or three policemen are required. Even the Wood-Forbes mission—men not very friendly to the Filipinos—were forced to admit and did state that the Philippine Constabulary was "thoroughly dependable and efficient."

ADMINISTRATION OF JUSTICE

It is conceded on all sides that the Philippine Supreme Court is above all untoward influence, enjoys the confidence of the people, and is composed of men versed in the law and of exceptional talents. This court is made up of both Americans and Filipinos, appointed by the President of the United States, by and with the consent of the United States Senate. Even the Wood-Forbes mission says of this court:

> The supreme court has the respect and confidence of the Philippine people.

I know of no better way to discover whether the courts of first instance are rightly and impartially administering justice than to compare the percentage of appealed decisions affirmed and reversed by the supreme court. Affirmation by the highest court must destroy all claims of mistake, ignorance, partiality, political or family influence, or other improper motives. In 1921, just before General Wood took charge of things, the records show that in 1,782 cases the decisions of lower courts were affirmed 1,194 times, reversed 372 times, and modified 216 times. I wonder if this record would not compare favorably with our own courts?

EDUCATION

The greatest reform established in the Philippines since the American occupation is to be found in the public-school system. Even the most bitter critics of the Philippine people admit that they are seekers of knowledge. Since 1913 the growth of the public-school system has been simply enormous. In 1918 the census showed that 49.2 of the Filipinos over 10 years of age were literate. I doubt if that record can be beaten even by more fortunate nations.

In 1921 almost 1,000,000 Philippine children were enrolled in the public schools. In 1920 the records show that there were 5,280 primary, 614 intermediate, and 50 secondary schools. In just seven years, from 1913 to 1920, there was an increase of 102 per cent in the number of schools established, jumping from 2,934 to 5,944. In 1920 there were 17,575 Filipino teachers and 341 American teachers in the public-school system. Leading educators in the United States have given unstinted praise of the Philippine school system.

One of the oldest and most highly praised educational institutions in the world is the University of the Philippines. As a thermometer of the Filipino's thirst after knowledge it is interesting to note that the attendance upon instructions at this university has increased from 1,400 in 1912 to 4,718 in 1922, an increase of 237 per cent.

LOCAL ADMINISTRATION

There are five political units in the Philippines for the purpose of local administration, namely, provinces, subprovinces, chartered cities, municipalities, and municipal districts. There are at present 37 regular provinces, 11 special provinces, 10 subprovinces, 2 chartered cities, 889 municipalities, and about 400 municipal districts. Practically all of the officials and subordinate employees of these various kinds of local governments, whether appointed or elected, are Filipinos, and practically all of the responsible officials are elected by the people. A most substantial and outstanding result from these local self-governments is the remarkable improvement in finances, notwithstanding the difficulties encountered due to the economic crisis of recent years.

In spite of these latter difficulties, improvements have gone steadily forward by the establishment of more schools and school buildings, market buildings, roads and bridges, artesian wells, waterworks systems, electric lighting systems, provincial capitols, etc. So extensive has been this program and so intense the desire of the Filipinos for such improvements that whenever the public funds seemed to be exhausted solicitation of voluntary contributions from the people in money and materials has been the order of the day, such solicitations almost always meeting with an enthusiastic and most hearty response.

In view of recent statements made in this House to the effect that at least 18 different languages were being spoken on one New York City block, it is both interesting and refreshing to note that the English language is the only recognized official tongue in the Provinces and municipalities of the Philippines. From the very beginning of the American Government in the islands the policy has been to make the English language the common and official language of the Philippines. It is no exaggeration to say that now almost all provincial boards and municipal councils have adopted and are now using the English language with success.

SOCIAL PROGRESS

The Woman's Club of Manila enjoys considerable prestige. This organization was instituted in 1910 at the initiative of Mrs. Carrie Chapman Catt, one of America's most famous and best beloved women, and is composed of the most prominent ladies of Manila. Through its various committees the club has established four day nurseries in the city of Manila, and other valuable and beneficial welfare work. During the most critical moments of the World War this club, through its civic committee, conducted an island-wide campaign in home gardening and poultry raising. To do this work successfully, branch clubs were formed throughout the islands, and through these organizations much Liberty loan and Red Cross work was done.

At present there are 342 of these clubs in the islands—all well established and rendering much valuable assistance to those in official authority. In this manner the Filipino women have stepped out of their old shell of seclusion and taken up their responsibilities side by side with the men and hand in hand with their sisters in the most progressive countries of the world. The most salient result of club work among the women of the Philippines is the educational influence it is bearing upon the Filipino women. It is the ardent expectation of every club woman to work ultimately for a better standard of living, especially among the laboring classes, in order to give their children a fair start in life by giving them a good home and healthy moral environments.

ECONOMIC CONDITIONS

The Philippine Islands are essentially an agricultural country. The basic element of their economics is therefore the natural resources of the islands. In this respect it is most important to the stability of their economic conditions that agricultural land should be evenly divided among small landowners. Out of 2,000,000 farms in the Philippines, 96 per cent are owned by Filipinos. Eight million of them live on their farms, with houses of their own, independent of any absentee landlord or foreign masters.

Of the urban property, 91 per cent, consisting of houses and lands, is owned by the Filipinos. As democracy thrives better where the citizens are owners of the lands and houses wherein they live and out of which they earn their living, it is easily to be understood that the Filipino has proven his capability for self-government.

In common with other countries, the Philippines passed through the recent financial and business depression, but their foreign commerce decreased only 32 per cent, while that of this country decreased 48 per cent. The Philippine government to-day, as a distinct institution, is on as solid a financial basis as any government in the world. It is self-supporting, its taxation is adequate to its needs, and the per capita tax of the people is low. In fact, even the Wood-Forbes report stated that—

> the Filipinos bear a smaller burden of taxation than the natives of Great Britain, United States, Japan, Argentina, and Brazil.

Both the central and local governments are on a good sound financial basis.

But why, Mr. Speaker, must we go further in search of evidence to convince us that the Filipinos are capable of self-government? By every sensible test, where honesty and fair play predominate, the facts show conclusively that these people are not only capable to manage their own affairs but that they are now doing it successfully whenever and wherever they are given the opportunity.

Abraham Lincoln, in a speech delivered at Edwardsville, Ill., September 13, 1858, said:

> Our reliance is in the love of liberty which God has planted in us. Our defense is in the spirit which prizes liberty as the heritage of all men, in all lands everywhere. Destroy this spirit and you have planted the seeds of despotism at your own doors.

I agree fully with that sentiment so ably expressed by our great "Preserver of the Republic." The thoughts that he then expressed should be uppermost in our minds when we consider the appeal of the Filipino. We know the value of liberty, for have we not drank of its life-giving waters? Patrick Henry valued it more highly than life itself, and thousands of Americans laid their bodies on the altars of sacrifice in order to give us its priceless heritage. Should we not then, in all fairness, grant unto the Filipino a like blessing? I believe we should.

ORDER OF BUSINESS

The SPEAKER. By special order, the gentleman from Kentucky [Mr. BARKLEY] is entitled to address the House for one hour.

Mr. OLDFIELD. I suggest the absence of a quorum, Mr. Speaker.

The SPEAKER. The gentleman from Arkansas makes the point of no quorum. It is evident there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Celler	Doyle	Hawes
Andrew	Clancy	Drane	Hawley
Anthony	Clark, Fla.	Drewry	Hayden
Bacon	Clarke, N. Y.	Driver	Hooker
Beers	Collier	Dyer	Hull, W. E.
Bell	Connolly, Pa.	Edmonds	Humphreys
Berger	Cooper, Ohio	Fairfield	Jacobstein
Bixler	Croll	Fish	Johnson, S. Dak.
Bowling	Crosser	Freeman	Kahn
Brand, Ohio	Crowther	French	Kerr
Britten	Cullen	Gallivan	Kiess
Browne, N. J.	Curry	Geran	Kindred
Brumm	Darrow	Gibson	Knutson
Buckley	Deal	Gifford	Kurtz
Bulwinkle	Dempsey	Goldsborough	Langley
Byrnes, S. C.	Dickstein	Graham, Pa.	Lazaro
Cable	Dominick	Griest	Lindsay
Carew	Doughton	Hammer	Little

Logan	O'Connor, La.	Reed, W. Va.	Taber
McDuffie	O'Connor, N. Y.	Rogers, N. H.	Tague
McKenzie	Oliver, N. Y.	Rosenbloom	Taylor, Colo.
McNulty	Paige	Rouse	Ward, N. Y.
MacLafferty	Parker	Sanders, Ind.	Ward, N. C.
Magee, Pa.	Patterson	Sanders, N. Y.	Wason
Major, Ill.	Peavey	Schafer	Wefald
Mansfield	Perlman	Schall	Weller
Michaelson	Phillips	Sears, Fla.	Welsh
Mills	Porter	Sears, Nebr.	Wertz
Morgan	Prall	Sherwood	Wilson, La.
Morin	Purnell	Snell	Winslow
Mudd	Quayle	Snyder	Wurzbach
Newton, Minn.	Ramseyer	Stalker	Wyant
Newton, Mo.	Ransley	Steagall	Zihlman
O'Brien	Rayburn	Sullivan	
O'Connell, N. Y.	Reed, N. Y.	Sweet	

The SPEAKER. Two hundred and ninety-four Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to, and the doors were opened.

THE RAILWAY LABOR BOARD

The SPEAKER. The gentleman from Kentucky [Mr. BARKLEY] is recognized for one hour. [Applause.]

Mr. BARKLEY. Mr. Speaker, I have asked for this hour in order that I may discuss a matter which I regard of very wide importance to millions of people in the country, and, as a matter of fact, to the whole country. It relates to the present method of settling disputes that arise on the transportation systems of this country.

I have introduced a bill in the House, which is No. 7358, proposing to abolish the present Railway Labor Board and to set up in its place another scheme of adjustment of railroad disputes.

Before I undertake to discuss the details of the bill which I have introduced I desire briefly to outline the history of labor legislation which led up to the passage of the present Esch-Cummins transportation act and its labor provisions, beginning in 1888. For many years prior to the enactment of the first law which undertook, in a feeble and timid way, to provide for the adjustment of railroad labor disputes there had been much agitation throughout the country upon this subject and many bills had been introduced in the House and in the Senate. I think, probably, beginning back in 1873. Congress began to give its attention to the problem of providing some way by which labor disputes arising upon our railroads might be amicably adjusted so as to prevent interference with interstate commerce and at the same time provide a just method of settling disputes so as to grant to the carriers and their employees the rights to which they were entitled.

The first bill, however, which ever became a law was enacted by Congress in 1888. That law provided that both sides to any controversy, if they agreed to arbitrate the question, were to appoint one representative, and that these two representing each side should appoint a third, all of whom were to be impartial and disinterested.

The third appointee was to be the president of the board of arbitration, and any two members of that board might render a decision. They were supposed to meet and organize as soon as possible after their appointment, to hear and determine the controversy, sign their decision, and file it in the office of the Commissioner of Labor, who at that time occupied the position which was subsequently enlarged into the present Department of Labor. Each member of this board was to receive $10 a day for his services during the time actually consumed in the settlement of any dispute. The President was authorized in the same law of 1888 to appoint two commissioners, one of whom was to be a resident of the State where the dispute existed, and who, with the Commissioner of Labor, were to investigate the causes of any dispute and suggest a settlement or remedy, the result to be reported to the President and Congress, whereupon the commission ceased to exist. The President was authorized to tender the services of this commission to settle any dispute either on his own motion or on the application of either side or upon the application of the executive of the State in which the dispute existed. The President could direct the commission to visit the scene of the controversy, and it had all the powers given to a board of arbitration. It was to hear and consider the disputes, make its report, and file that with the Commissioner of Labor, as the board of arbitration, which I have already mentioned, was to do.

That law was in existence from 1888 to 1898, but during its entire 10 years on the statutes not one controversy was ever settled by the arbitration provisions of that early law, and only one dispute was ever considered by the investigating commission referred to in the latter provisions of the law, and that was the famous Pullman strike which occurred in Chicago in 1894 while Grover Cleveland was President, in which Eugene V. Debs and others were enjoined from interfering with interstate commerce or with the transportation of the mails. President Cleveland sent troops out to Chicago to preserve order and to prevent interference with the transportation of the mails.

It was recognized during the existence of this law that it was inadequate, and there began a movement for its amendment. Various bills were introduced in the House and in the Senate.

In 1898 the sentiment which had crystallized for some amendments to this law took form in the House and in the Senate by the enactment of the law now known as the Erdman Act. The Erdman Act was limited in its application to employees who were engaged in actual train service and had no application to the settlement of disputes arising among any other class of railroad employees. It did not provide for any investigation, as authorized in the act of 1888, but provided for mediation and conciliation, for which the former law did not provide in terms, although the committee of investigation authorized to be appointed by the President might be said to correspond in some degree to the Board of Mediation and Conciliation provided in the Erdman Act.

Under the Erdman Act in case of any controversy over wages, hours of labor, or conditions of employment the chairman of the Interstate Commerce Commission and the Commissioner of Labor were to communicate with both sides and try to settle it by mediation and conciliation. In the event they failed to bring about a settlement by mediation and conciliation they were to endeavor to bring about arbitration through a board of three, one of whom was to be named by the road or roads involved in the controversy, another by the employees involved in the dispute, and these two were to name a third, and a majority of this commission of three or Board of Arbitration might render a decision.

Under the terms of the Erdman Act any agreement to arbitrate was to be submitted in writing, under certain stipulations which the law provided, which I need not detail. After the award was made it was to be filed in the office of the clerk of the United States circuit court in the district where the dispute arose or where the arbitration was entered into, and was to go into effect within 10 days from its filing. Exceptions might be filed by either side within 10 days to the award, and it was to be tried out in the circuit court of the United States.

If the report of the award was sustained by the court, it was to become binding and, under the terms of the Erdman Act, no employer could discharge an employee pending the settlement or for three months after the settlement without 30 days' notice, and the employees could not terminate their employment by any concerted action upon their part except under the same conditions. There was no penalty attached in this statute which would punish either side for a violation of that provision.

The law also provided that all members of any corporation should cease to be members in case they used force to bring about the settlement of any railroad dispute, but a corporation was not liable for the acts of its members, nor the members for the acts of the corporation. The corporations referred to evidently were not only the railroads but the labor organizations, which were incorporated in certain cases.

Contracts prohibiting any employee from joining an organization were declared to be void. This provision was afterwards declared unconstitutional by the Supreme Court.

Under the terms of the Erdman Act all the provisions of the act of 1888 were repealed.

For eight and a half years after the passage of the Erdman Act only one attempt was made to use it, and this attempt failed; but during the remainder of its existence, which was until the Newlands Act was enacted in 1913, 61 disputes arising upon the railroads of this country between the carriers and their employees were settled and adjusted under its provisions. No award made under this act was ever repudiated by either side, and only one appeal was ever taken to the courts of the United States as a result of awards made under the operation of the Erdman law.

One of the greatest improvements of this act over that of 1888 was a provision for a permanent Board of Mediation and Conciliation instead of a temporary board appointed for each particular emergency, but during all the existence of this law agitation became widespread throughout the country and in both Houses of Congress for its further amendment, and many bills were introduced by Members of the Senate and by Members of the House.

The result of this, in 1913, was the law which has since been known as the Newlands Act, which was in fact a mere amendment and extension of the Erdman Act, but which was afterwards known as the Newlands law and which repealed the provisions of the Erdman Act.

This law, like the Erdman law, applied only to employees engaged in actual train service. In the event there was a dispute between the roads and their employees over wages, hours of labor, or conditions of employment, either side might request, as in the Erdman Act, this permanent board of mediation, which was provided for in the law, to make an effort to bring about a settlement. If the board of mediation was unable to bring about a settlement, the law provided for an arbitration by another board of three, one to be appointed by each side and one by the two, or if they failed to make the appointment, the third member was to be appointed by the board of mediation and conciliation; or they might have, if they desired and preferred, a board of six, in which event two were to be appointed by each side and the other two by the four, or if they failed to appoint within 15 days, then the other two might be appointed by the board of mediation and conciliation.

There was also provided in the law that there should be, in case of failure to settle the dispute by the board of mediation, an agreement to arbitrate, and this agreement had to be signed by both sides and had to contain certain stipulations as to what the award was to provide for. I believe there were 12 different things that the agreement had to stipulate. The award was likewise to be filed in the United States circuit court, and exception might be filed within 10 days to its provisions, to be tried out by the circuit court, and after they were tried out by the circuit court, if the award was sustained, it likewise became binding upon both parties. If there were no exceptions filed, the award became binding after 10 days.

In the agreement to arbitrate both sides had to agree that they would abide by the result of the arbitration, which, of course, was subject to be nullified on grounds of fraud or that it did not comply with the law or the terms of arbitration.

In addition to this, the President was to appoint a commissioner of mediation and conciliation, who was made a permanent officer of the United States, and in addition to this commissioner he was to designate two other officers already in the Government service, who were to compose the board of three to be known as the Board of Mediation and Conciliation, with the commissioner of mediation as the chairman, who was to receive, I believe, a salary of $7,500 per annum. It provided also for an assistant commissioner of mediation and conciliation, and the old law of 1898 was likewise repealed.

That was in 1913, and the Newlands Act was in force from that time until the Government took over the railroads in the latter part of 1917. During that four and a half years up to June 30, 1917, many controversies were adjusted and settled. In all I believe 71 separate and distinct controversies between the railroads and the employees arising out of dispute over wages, hours of service, and conditions of labor were settled and adjusted under the Newlands Act, and in all a total of 148 cases were brought to consideration, some of which were withdrawn or otherwise disposed of.

Then, in 1916 the Adamson law was enacted, which provided for an eight-hour day, which I need not take the time to discuss and which many Members will remember, and which did not apply to any settlement of dispute by mediation and conciliation because the dispute was settled by act of Congress.

During the operation of the railroads by the Government a different method was set up for adjusting railroad disputes. In fact, when the Government took over the roads there was a dispute pending between the railroad employees and the carriers which had been pending for several weeks or months, but was settled some time after they were taken over, and the director general gave out a statement in which he said this dispute which existed at the time the Government took the roads over and inherited it would be settled, and that the men should go on with the work and depend on the Government to bring about a method of settlement which would be just and fair to both sides.

Acting under that statement, the director general appointed a commission composed of four members; that commission held hearings for many months and considered the disputes and finally brought in a report which recommended a certain increase in wages. That report, with very slight changes, was put into effect by the director general, and on account of the delay in bringing about that adjustment it was made retroactive, to take effect January 1, 1918.

After that dispute was settled, recognizing the fact that, as history had already demonstrated, other disputes were likely to arise in the operation of the roads between the carriers and the men, a board of railroad wages and working conditions was created, whose report had to be submitted to the director general before going into effect.

There are two sorts of disputes that arise on railroads. One kind is a dispute growing out of the interpretation of agreement as to wage scales or working conditions that already exist. These disputes might be termed grievances; they might affect a large number of men in some way and they might affect only a small number of men, or they might affect a single individual. Recognizing the difference between the character of these disputes, the director general instituted boards of adjustment which were not to deal with the questions involved in changes of wages, their increase or decrease or change in the working conditions or hours of service, but these boards were to deal with adjustments and were to be composed of the representatives of the men themselves and of the carriers, to be selected by the respective sides of the dispute, or if there was no dispute the boards were created and made permanent during the Government operation and they were to settle all grievances of every kind and character growing out of disputes that arose over the interpretation of existing agreements as to scales of wages and conditions of service.

The board on wages and working conditions was a board which after the first settlement was to settle all disputes arising with reference to increase or decrease in wages or changes in working conditions. The boards of adjustment were numbered adjustment board No. 1, dealing with one class of employees, and board No. 2, dealing with a different class of employees, and board No. 3, dealing with still other classes.

Not only the first director general, but Walker D. Hines, who was subsequently appointed, the railroads themselves, the Department of Labor, and every organization and every agency that had any opportunity to observe the operation of this system of settlement have testified to its efficiency, to its fairness, and the wise methods which were adopted in the settlement of disputes.

When the railroads were turned back to the owners under the Esch-Cummins Act, which passed in February, 1920, a new method was set up for settling disputes arising between the railroads and employees. It seemed to be recognized by Congress, and by a large number of people, that the railroads ought not to be turned back to the private owners without providing some method of adjusting disputes that might arise. During the latter days of the operation of the Newlands Act there had grown up a widespread belief among many people, and particularly among the employees of the railroads, that the Newlands Act itself in many respects ought to be amended and changed. In November, 1919, Mr. Esch, of Wisconsin, chairman of the Committee on Interstate and Foreign Commerce, introduced the original Esch bill restoring the railroads to private operation, and in that bill he provided a method by which disputes might be settled between the roads and their employees, and that method was that conferences were enjoined by the act itself upon the employees and the carriers in an effort to bring about an adjustment of their difficulties without interference from the outside.

That bill passed in November, 1919. During its consideration the Anderson amendment introduced by the gentleman from Minnesota [Mr. ANDERSON] was substituted for the Esch provisions as introduced by the committee in the House in November. Even that amendment provided for conferences and the appointment of adjustment boards and for provision for mediation and conciliation somewhat similar to the provisions of the Erdman and Newlands Acts.

That bill went to the Senate with the Anderson amendment included within it, as passed by the House. In the meantime, Senator CUMMINS, of Iowa, had introduced a bill which was radically different from either the Anderson amendment or the original text provision, and which provided for compulsory arbitration, providing a drastic and stringent law that made it unlawful for any two or more men to agree to quit their work prior to the submission of a dispute to arbitration, pending the arbitration and after it had been arbitrated. So that under the terms of that bill any two men, father and son, brother and brother, at the breakfast table in the morning, who were participants in a dispute with the railroad company, if they agreed, talking things over at their breakfast, that they would quit, would violate the law, and they might be punished by heavy fine and imprisonment. When the House bill went to the Senate, after its consideration here, the Cummins amendment was inserted and was passed by the Senate practically as introduced by Senator CUMMINS. When that bill came back here from the Senate it provided for compulsory arbitration and for drastic antistrike provisions which punished by fines and imprisonment any two or more railroad employees on any

road engaged in interstate commerce and subject to the act to regulate commerce, who got together and agreed to quit. The bill was sent to conference. The conferees were engaged every day for six weeks in undertaking to adjust the differences between the House and the Senate, and after many laborious days of consultation and conference, debate and dispute, the conferees brought back into the House and into the Senate the Esch-Cummins law as it now exists. Two of the members of the conference, of whom I was one, refused to sign that report, and refused to vote for it upon its passage. Title III of the Esch-Cummins law provides that there shall be a conference between the railroads and their employees in an effort to bring about an adjustment of all disputes, not only involving grievances or the interpretation of existing contracts, but in order that all disputes arising out of controversies over increases or decreases of wages, or any change in the working conditions might be settled by a conference among the railroads and their employees.

The history of railroading in this country has demonstrated that the most satisfactory method of adjustment of all railroad disputes involving labor and working conditions has been when the men on both sides were permitted to sit down at a table and settle their own disputes without interference from the outside. [Applause.] But in the event that they could not settle their disputes by a conference, the present Esch-Cummins law provides that there shall be set up voluntary adjustment boards, to be composed of men on both sides. There is no compulsion, however, in the law relative to the setting up of these adjustment boards. They were supposed to take the place of the adjustment boards provided in the operation of the roads by the Federal Government, so that where conferences had not been able on the ground to settle these disputes they might be referred to these various boards of adjustment set up either in regions or in any locality by common consent of the roads and their employees. After the adoption of this law the railroad employees, from one end of this Nation to the other, offered to enter into agreements setting up these adjustment boards. They made these propositions not only nation-wide, but they made them to their individual employers upon the individual roads of the United States. Some of the railroads agreed to these adjustment boards, but many of them did not agree, and until this time many of the railroads have refused to enter into agreements with their employees establishing these adjustment boards either in the regions or upon individual roads, so that this particular part of the present law has been ineffective, for the sole reason that many railroad companies have refused to carry out the spirit even of the Esch-Cummins law in the formation of these adjustment boards.

The present law provides for the present Railroad Labor Board, composed of nine members, three of whom are to be appointed by the President from a list submitted by the railroad employees, three of whom are to be appointed by the President from lists submitted by railroads, and the other three to be appointed by the President from the public.

These nine men now form the Railroad Labor Board. So far as the labor provision in the Esch-Cummins law is concerned, I do not know yet where that particular title came from. It was brought into the conference committee somewhere from the outside. No employee was ever consulted with reference to its provisions. They were not permitted to come before the conference committee to express their desire with reference to labor legislation, but they have entered into the operation of this objectionable provision in a spirit of patriotism. They submitted their names to the President. It was contemplated that no dispute arising from disagreement as to the interpretation of existing wage scales and agreements should have to go to this Railroad Labor Board, except in cases where these adjustment boards referred to have been unable to reach an agreement. The Railroad Labor Board as now formed was intended to deal with larger questions—questions of wage increases or decreases or the questions of changes in the fundamental conditions of labor that might apply upon the transportation systems of the country; but because many of the railroads themselves have refused to cooperate with their employees in the appointment of these local or regional adjustment boards the Railroad Labor Board, nine men in Chicago, have been compelled not only to adjust differences involving the larger questions of railroad employment, but they have been compelled to consume their time in petty disputes arising on individual roads from the interpretation of a grievance, and even to take up their time adjusting individual disputes between individual men and the employers. As a result, the Railroad Labor Board has been unable in many cases and unwilling in others so to function as to give satisfaction to either side in disputes arising.

That Labor Board has been in operation now less than four years, and there are to-day pending before it on behalf of four railroad brotherhoods alone 845 unsettled railroad disputes. Some of those cases have been pending before the board for more than three years. As the result of the refusal of many railroads to cooperate with the employees in forming the local adjustment boards the Railroad Labor Board has been swamped with all kinds of large and small disputes growing out of the interpretation of conditions. This has given rise to universal dissatisfaction over the operation of the law. The three members appointed by the public have assumed that they were arbitrators, that they were to cast their votes for or against one side or the other, and some of the members who were appointed from the public, notably, the chairman of the board, the Hon. Ben W. Hooper, saw fit to denounce the railroad employees in cases when they did not conduct themselves to suit these gentlemen, and before the Senate committee recently he also critized some of the railroads for not obeying the decisions of the board. I have not time to go into details about the character of cases which are pending, but the fact is that it has resulted in a practical denial of justice where men have appealed to the Railroad Labor Board, and either because it was so swamped with work it could not consider it or for some other reason best known to themselves, many of the employees have waited 39 months to secure a decision from the present Railroad Labor Board in a controversy in which they were involved. It is generally conceded that the Railroad Labor Board has in general given satisfaction neither to the employees nor to the railroads nor to the rest of the public. Now the present law operates as a distinct advantage to the carriers in the settlement of railroad disputes because there is no power either in the board itself nor in the courts to enforce a decision of the Railroad Labor Board. Therefore the carriers violate it whenever they want to, and there is no power that can compel them to obey it and no punishment that can be inflicted by reason of their disobedience.

In a report made by the chairman of the Railroad Labor Board he calls attention to the fact that up until November, 1923, there had been 148 violations of the decisions of the Railroad Labor Board by the carriers in the United States. If an employee or group of employees is dissatisfied with the decision of the Railroad Labor Board all they can do is to quit work. They either must abide by the decision or subject themselves to discharge by their employer, or quit work. In other words, the carrier has the means of enforcing the law against the employee by compelling him either to quit or to go on strike, while the employee has no remedy either legal or economic against the carrier who disobeys the orders of the commission except to strike.

Mr. REECE. Will the gentleman yield?

Mr. BARKLEY. I will.

Mr. REECE. Does the gentleman have figures to show how many cases have been settled by the board?

Mr. BARKLEY. No; I have not any figures to show how many cases have been settled, but I should say there are something over 2,000. But many of these were petty grievances. Now, in the message delivered by President Coolidge on the 6th of December he calls attention to the inadequacy of the Railroad Labor Board as it now exists, and suggested that it ought to be remedied. He says this:

> The settlement of railroad labor disputes is a matter of grave public concern. The Labor Board is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested there should be no hesitation in enacting such agreements into law.

Mr. Hoover, in an address before the Transportation Conference, which met in Washington in January, made a very strong statement as to the dissatisfaction which had been created by the operation of this board out in Chicago, and he said that it ought to be amended.

Mr. MOORE of Virginia. Will the gentleman allow me to interrupt him for a moment?

Mr. BARKLEY. I will yield.

Mr. MOORE of Virginia. Has the gentleman's attention been recently called to a speech delivered by President Harding in Kansas City on the transportation problem on June 22, 1923, in which he referred to the unsuccessful operation of the Labor Board?

Mr. BARKLEY. In his speech at Kansas City on June 22, 1923, on the subject of transportation, President Harding declared himself in favor of such modifications in the Railroad

Labor Board and the law governing it as would make the plan successful, which he declared it had not been up to that time.

But—

He said—

there is little to hope for until all concerned are ready to comply promptly with the board's decisions. I am frank to say that I do not hope for compliance on the part of the employees so long as decisions are ignored by the managers.

Mr. BLANTON. Will the gentleman yield?

Mr. BARKLEY. I do not desire to begin yielding—I will yield, however.

Mr. BLANTON. Only for one question. The gentleman from Kentucky, who has studied this question, says where parties are called and sit across the table from each other they can settle these disputes, and that that was the ideal method. I want to ask the gentleman this, if the gentleman is leaving out altogether there the interest of the public in such settlements?

Mr. BARKLEY. No; not at all. I am going to deal with that phase of the subject a little later. In the annual report of Secretary Davis, Department of Labor, for the year 1923 he has this to say in reference to the settling of disputes on transportation systems:

Apparently the differences between the management of the railroads and their employees have been increased and complicated rather than diminished by the operation of the machinery provided by section 300 of the law (transportation act). The practical operation of that plan brings about unreasonable delays in the adjustment of minor disputes and accentuates to the dignity of a contest petty differences with reference to wages and conditions of labor.

Judge George W. Anderson, judge of the circuit court of appeals of the first circuit, and who was at one time public-service commissioner in Massachusetts, and a member of the Interstate Commerce Commission, has made a similar recommendation with reference to the present transportation act.

In testifying at the hearings of the New England Committee on Railroad Consolidation in Boston, December 20, 1922, Judge Anderson said, among other things:

Turning to the labor provisions of the transportation act, the situation is still blacker. A large part of the dominant managerial forces did not accept in good faith the labor provisions of the act. Those labor provisions, in which I never had much confidence, were * * * an attempt on the part of many of the legislators to safeguard the essential rights of labor and avoid interruption of railroad service by strikes. There was not sufficient political courage in Congress to make strikes flatly illegal or to provide adequate responsible representation of labor in the initial management so as to make them practically impossible. The compromise was to leave the labor forces at the mercy of the exploiting forces that dominate the railroads and to provide a tribunal to arbitrate in the controversies certain to result. How the scheme would have worked if it had been accepted in good faith by practically all the railroad managers no one can say. It was not so accepted. The shopmen's strike of last July was the result. * * * To repeat, the labor provisions were practically their own scheme for dealing with labor, and they showed neither good faith nor tolerable efficiency in working their own scheme. * * *

The general result is that the mass of railroad employees were, in my opinion, never so embittered and so distrustful of railroad management as now. The relations between the managerial staff and the operating staff were never so bad. Except in a few spots, there is no such thing as loyalty to the existing railroad corporations. No amount of printed propaganda and deception can conceal the fact that railroad equipment is now utterly inadequate for its job. The shopmen's strike has cost the railroads many millions of dollars in direct cash outlays and hundreds of millions more in loss of traffic. It has cost the American people untold sums, probably millions in the aggregate. Nothing has been settled. The strike was lost by both sides, so far as labor cost was concerned. If it taught us any valuable lesson, it is that we must have a radical change in the relations between the human forces absolutely essential to the ongoing of our transportation industry and the managerial forces. The labor provisions of the transportation act are effecually discredited. So is the Labor Board. * * *

Mr. Charles Rippin, president of the National Industrial Traffic League, at the national transportation conference, held in Washington, January 9 to 12, on behalf of his organization advocated the repeal of the Labor Board provision of the transportation act. He said in part:

In the first place the board as constituted under the law is not a disinterested tribunal. The presence of the partisan representatives upon an administrative or judicial board has a tendency to destroy its usefulness as a tribunal. We believe that private industry will be better off without the Railroad Labor Board.

Dr. Emory T. Johnson, dean Wharton School of Finance, University of Pennsylvania; expert on transportation, United States Industrial Commission, 1899; expert on traffic, National Waterways Commission, 1909; member public service commission, Pennsylvania, 1913–1915; transportation expert, Chamber of Commerce of the United States; and author of books, etc., on transportation, at national transportation conference, Washington, January, 1924, said:

I have never been content with the tripartite organization of the Labor Board. I have reached that conclusion as the result of some experience, not only as a theoretical study, and I am inclined to think that the effect of the present board is to minimize the settlement of disputes directly by negotiation between representatives of the carriers and the employees. I mean disputes as to wages, not as to working conditions—and I sincerely hope that the resolution committee will have put before it other plans than the present Railway Labor Board plan, and that out of this conference may come one of two things: Either a recommendation for a conference such as Mr. Hoover suggested, namely, between employees and carriers, or a definite recommendation for a different organization of the Railway Labor Board.

Mr. Henry Bruere, vice president Metropolitan Life Insurance Co., for years in charge of industrial investigations and research; Federal director United States Employment Service for New York State; director National Railways of Mexico, and so forth, at national transportation conference, Washington, D. C., January, 1924, is reported in 76 Railway Age, 237 (240), as follows:

Henry Bruere * * * proposed that the railroad managers and their employees hold a conference to establish some plan of cooperation. He asked whether it would be appropriate for the committee—on resolutions—to add a suggestion that the management of the railways and their various groups of employees early confer in some appropriate way regarding a general plan of cooperation between the companies and employees in their mutual interest and in the interest of the public. And that such conference also address itself to the establishment of methods, including the necessary public machinery for maintaining such cooperative relations.

Mr. Edwin E. Witte, chief legislative reference library, State of Wisconsin, made the following statements regarding Title III:

The present law has failed to preserve industrial peace on the railroads of the country. * * *

The labor provisions of the present law and the Railroad Labor Board are discredited among the organized railroad employees of the country. The railroad men's unions, practically without exception, regard the railroad labor board as an ally of the antiunion railroad executives. * * *

The present law has utterly failed to bring about better relations between the carriers and their employees. * * *

The Railroad Labor Board in its decisions has failed to accord to the railroad employes any guaranty corresponding to the guaranties to capital invested in the carriers. This is illustrated in the decision of the board denying to common labor on the railroads a living wage and ridiculing the idea of a living wage.

Other statements by equally prominent and well-informed men have been made from one end of this country to the other with reference to the operation of the present transportation act, particularly Title III, undertaking to deal with railroad-labor disputes.

Now, in order to remedy the evil to which I have called attention, I have introduced into the House a bill which is known as the railway labor act, and it has been likewise introduced in the Senate.

EXPLANATORY STATEMENT

The purpose of the proposed railway labor act is to insure continuity and efficiency in the transportation system of the country by providing means whereby the management and the employees, through representatives of their own choosing, shall confer on the problems of the "human side" of railroading, and through such conferences, first, enter into collective agreements respecting wages and working conditions, and, second, adjust differences of all kinds. To carry out this purpose a duty is imposed on both parties—

to exert every reasonable effort to make and to maintain agreements concerning rates of pay, rules, and working conditions.

Disputes over proposed changes of rules or rates of pay, or over the application of agreements, are to be settled in conference, if possible, and the machinery of boards of adjustment,

and a board of mediation and conciliation or reference to arbitration is to be resorted to only when a conference can not produce an agreement.

The proposed legislation utilizes the successful provisions of former acts (the act of 1882, the Erdman law, the Newlands law, and Title III of the transportation act) and seeks to avoid the weaknesses that developed in the practical operation of these laws.

MACHINERY PROVIDED

The proposed act provides four ways in which differences between the men and the management can be adjusted:

1. CONFERENCES

The primary emphasis is laid on conferences. Section 3 (A) (1) imposes a mandatory duty upon the parties involved in a dispute to confer. Such conferences must be held whether a dispute is one—

arising out of grievances or the application of agreements concerning rates of pay, rules, or working conditions, or proposed changes in rates of pay, rules, or working conditions.

While there is no duty upon the parties to decide such disputes in such conferences, the parties, through their representatives, must meet and endeavor to agree.

The framers of this bill, which has been drafted chiefly by practical railroad men, have provided that in these all-important conferences the workers shall have genuine representation; otherwise such conferences are useless. If a management is permitted to exert pressure to influence the choice of conferees or to refuse to meet conferees whom it does not select or approve, the satisfactory results of conferences are impossible and autocratic dictation is made doubly offensive by the pretense of democratic cooperation. The much-censured conduct of certain railroads in seeking to control the choice of representatives of its shop and clerical forces shows that the effectiveness of the conference system depends entirely on this principle of independence.

The bill therefore provides (sec. 3-A-2) that the representatives shall be designated by the parties in such manner as their own organization shall decide—

without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other, and it shall be deemed a violation of the obligation herein imposed upon carriers for any carrier * * * to interfere with or to attempt to influence or control, directly or indirectly, the organization of employees or subordinate officials or participate in the functioning thereof or the designation of employee or subordinate official representatives.

It is because voluntary agreements between the parties immediately concerned is the foundation of the entire bill that so much emphasis is placed upon this matter of noninterference by one party in the selection of the representatives of the other. Moral and legal obligations to fulfill a contract arise only when the parties are bound by their self-chosen representatives.

2. BOARDS OF ADJUSTMENT

If a dispute (except disputes involving changes of rules or wages) can not be disposed of to the satisfaction of the parties in a conference, the act imposes upon the parties the duty to refer such disputes to the appropriate board of adjustment, where the controversy will, if possible, be decided.

(The boards of adjustment have nothing to do with changes of rules or working conditions. Controversies over such questions may be settled (1) in conference; (2) through mediation, or (3) by arbitration. The boards of adjustment are therefore concerned solely with questions of operation under existing agreements. It is hence appropriate and desirable that they should be composed exclusively of practical railroad operators.)

The members of the boards of adjustment are government officers, appointed by the President by and with the advice and consent of the Senate. However, these boards are not third-party tribunals, but are an extension of the conference plan on a national scale, where men skilled in railroading, representing both managements and the employees, can try to adjust the human problems of their common business.

There are four such boards, divided roughly as follows:

Board No. I. Train service men.

Board No. II. Shop and mechanical workers.

Board No. III. Clerical and station workers, stationary firemen, and maintenance-of-way men.

Board No. IV. Marine workers.

The organization of board No. I is typical. This board is composed of 14 members. Seven are representatives of management, appointed by the President from not less than 14 names presented by the carriers. Seven are representatives of labor, appointed by the President likewise from a list of not less than 14 nominees, each of the "nationally organized crafts" within the classifications embraced by board No. 1 being authorized to nominate two men.

Again, it should be emphasized that these are not third-party tribunals or boards of arbitration. The members are not expected to stand "impartially" between those who bring controversies before them for adjustment. There is no "public member" or "neutral" or "umpire." Long experience has convinced railroad men—employers as well as employees—that the continuity of railroad service can most often be secured, not through referring technical problems to individuals enjoying so-called impartiality—individuals unfamiliar with the problem of the engine cab, the train, the yard, the ship, and the machine shop—but rather through providing disputants with a full and fair opportunity to present their claims before an equipartisan board. The successful operation of just such boards for years on various railroads and covering all railroads during Federal control and some of the gratifying results of similar machinery in Canada in recent years have demonstrated the effectiveness of this method of settling controversies.

The bill provides in addition for the exceptional situation where the parties may be unable to adjust their differences within the industry itself, either in conference or before the appropriate equipartisan board of adjustment. In that event—(a) the board of mediation and conciliation may be invoked or may intervene; or (b) there may be submission of the dispute to arbitration.

3. BOARD OF MEDIATION AND CONCILIATION

The composition and the function of this board are quite different from the intraindustry machineries heretofore discussed. This board is made up of five commissioners, appointed by the President. They are all to be impartial and not associated in interest with either the carriers or the unions. Unlike the present Railroad Labor Board, this board is not an impotent court, authorized to "decide" cases, but without power to make its decisions effective. The creation of this board would inaugurate a return to the successful mediation provisions of the Erdman and Newlands Acts.

The functions of the commissioners are threefold:

(a) The board may try by mediation to induce the parties to settle all disputes as to the application of agreements which can not be adjusted either in conference or before the proper board of adjustment. The board may act either on the request of either party or on its own initiative.

(b) The board may take similar action in the case of proposed changes of rules or wages, which have not been agreed upon in conference between the parties.

(c) If conferences, adjustment, mediation, and conciliations have all failed to result in an agreement, the board shall endeavor to induce the parties to submit their differences to arbitration under the conditions provided in the bill; and if this effort succeeds, the board shall help to organize the arbitration proceedings.

4. ARBITRATION

The bill provides for voluntary arbitration of either class of disputes which have not been settled in conference, (1) of disputes regarding the application of agreements which have not been settled in conference or by a board of adjustment or after mediation, or (2) of disputes regarding changes of rules or wages which have not been settled directly in conference or after mediation. In either event if the board of mediation has failed to bring about an amicable adjustment—

the said board shall at once endeavor, as its final required action, to induce the parties to submit their controversies to arbitration. (Section 5-A.)

The board of arbitration may consist of three to six persons, as may be stipulated in the arbitration agreement. If a board of three is provided, each party shall choose one; if a board of six, each party shall choose two. If the parties fail to agree upon the third arbitrator, or upon the fifth and sixth arbitrators for a board of six, it is the duty of the board of mediation to choose the one or two disinterested arbitrators (sec. 5-D). The form and contents of the agreement to arbitrate are set forth in section 7-C, and comprise a restatement of the best provisions of arbitration agreements under previous laws. In this agreement it is provided that the parties shall agree to execute faithfully the award and that it shall be filed with the clerk of the appropriate district court and judg-

ment shall be entered upon it: *Provided, however*, That the court shall have power to set aside the award only upon the three grounds—

(a) That the award or the proceedings were not in conformity with the act; or

(b) That the award does not conform to the agreement to arbitrate; or

(c) That there was fraud or corruption which affected the result of the arbitration.

These provisions of the agreement to arbitrate, whereby the parties expressly limit the power of judicial interference, are for the purpose of preventing the delays or harassments of litigation, whereby the purposes of arbitration are defeated. This marks an important advance over previous legislation.

5. GENERAL PROVISIONS

There are certain provisions of considerable importance not covered in the previous description of the machinery provided in the act which should be briefly described.

(a) Section 6 requires 30 days' written notice of any changes of rules or wages and an opportunity for consideration of such changes in conference and for the use of the services of the board of mediation before such changes may be made effective, imposing a penalty that in cases of changes without notice or prior to fulfilling the requirements of the act such changes shall be void and the offender liable in damages to double the amount of the loss occasioned by such unlawful action. Section 4-B provides for an interpretation by a board of adjustment of any decision concerning the application of which a controversy may arise, and section 5-C makes a similar provision regarding interpretation by the board of mediation of agreements reached through mediation. These provisions are intended to prevent the reopening of controversies which have been presumably settled and to prevent either party from destroying the value of a settlement through an unfair interpretation of the agreement of settlement.

(b) Section 7-A (2) specifically provides that the refusal of a party to submit to arbitration shall not be considered as a violation of a legal obligation in order to prevent attempts to force parties into arbitration by judicial action. It is the underlying principle of the entire act that if opportunity is provided for ample hearing and fair consideration of matters in disagreement, the representatives of employers and employees can be relied upon to adjust amicably their differences, as they are more vitally interested than any other persons can be. The use of coercive methods to force agreements or to compel men to serve under unacceptable conditions is not only opposed to American principles but has been shown to be destructive of, and not productive of, harmonious industrial relations.

(c) In like manner, although arbitration awards are binding upon the parties thereto, it is especially provided in section 7-D (8) that nothing in the act shall be construed to require an individual employee to render compulsory service. It should be obvious that although organizations properly may be bound by their contracts and the members equally bound while rendering voluntary service, no individual can be compelled to render service so long as the Constitution of the United States forbids involuntary servitude.

The railway labor act is presented as a constructive measure for the adjustment of industrial controversies that affect the transportation service in such a manner as to promote the cooperative efforts of employers and employees, to insure harmony in and to improve the efficient operation of the American railroads.

THE BOARDS OF ADJUSTMENT—EMPLOYEES WITHIN EACH BOARD AND THE CORRESPONDING NATIONAL LABOR ORGANIZATION

BOARD NO. 1

Engineers: Brotherhood of Locomotive Engineers.

Firemen and hostlers (including outside hostler helpers): Brotherhood of Locomotive Firemen and Enginemen.

Conductors: Order of Railway Conductors.

Trainmen: Brotherhood of Railroad Trainmen.

Switchmen and yard train service men: Switchmen's Union of North America.

Telegraphers (including telephoners, agents, lever men, train directors, towermen, and staffmen): Order of Railroad Telegraphers.

Train dispatchers: American Train Dispatchers' Association.

BOARD NO. 2

Machinists, helpers, and apprentices: International Association of Machinists.

Boilermakers, helpers, and apprentices: International Brotherhood of Boilermakers, Iron Ship Builders, and Helpers of America.

Blacksmiths, helpers, and apprentices: International Brotherhood of Blacksmiths, Drop Forgers, and Helpers.

Sheet metal workers, helpers, and apprentices: Amalgamated Sheet Metal Workers' International Alliance.

Electrical workers, helpers, and apprentices: International Brotherhood of Electrical Workers.

Carmen, helpers, and apprentices: Brotherhood Railway Carmen of America.

Signalmen, helpers, and assistants: Brotherhood of Railroad Signalmen of America.

BOARD NO. 3

Railway and steamship clerks, freight handlers, warehouse, storehouse, express, and station employees: Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees.

Stationary engineers, firemen, and oilers, engine house and shop laborers: Brotherhood of Stationery Firemen and Oilers.

Maintenance of way employees, bridge and building employees, section men, coal-chute laborers, crossing watchmen, and pumpers: United Brotherhood of Maintenance of Way Employees and Railroad Shop Laborers.

BOARD NO. 4

Masters, mates, and pilots: National Organization Masters, Mates, and Pilots of America.

Longshoremen: International Longshoremen's Association.

Marine engineers: National Marine Engineers' Beneficial Association of the United States of America.

This plan has been offered, my friends, in good faith, as a constructive method to bring about peace, confidence, cooperation, and justice among the great transportation systems of the United States. Neither side now has confidence in the Railroad Labor Board. The railroads themselves have no confidence in it, because they have violated its decisions 148 times in less than four years, and the railway employees have no confidence in it, because it has been used for the purpose not only frequently of working injustice to them, but it has actually been used in some cases in an attempt to break up the organizations of the railroad men that exist from one end of the Nation to the other, and the public has no confidence in it because it has been unable to do what Congress supposed that it would be able to do, bring peace and good order upon the railroads and prevent strikes among railroad employees.

The greatest strike that has occurred in the history of American railroads has occurred under the Railroad Labor Board as it now exists.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. WATKINS. What is the status of your bill, and what is it?

Mr. BARKLEY. I am just coming now to discuss that.

Mr. FREDERICKS. Mr. Speaker, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. FREDERICKS. What are the features of the proposed bill which you think would insure the confidence of the employers and employees and the public, which you say they have not in the present system, assuming that the proposed features of the bill would function?

Mr. BARKLEY. Well, in the first place, the bill provides that, after the whole course has been run, mediation has been attempted and arbitration has been brought about, both sides must agree to abide by the award. That award is filed in a district court of the United States and becomes a binding judgment upon both sides.

The reason why the enactment of this law would inspire confidence is that it gives equal representation to both sides and no advantage to either side. When an employer and employee can sit down to adjust their differences, and if they feel sure they have a fair and square board which will give both sides justice, it will increase confidence on the part of the railroads and their employees, and when that confidence has been increased the public will be willing to accept it as a fair solution of the problem.

Mr. McKENZIE and Mr. SPROUL of Kansas rose.

The SPEAKER pro tempore. Does the gentleman yield; and if so, to whom?

Mr. BARKLEY. I can not yield much more, because I have only seven minutes remaining. However, I will yield to my friend from Illinois.

Mr. McKENZIE. As I understand, the gentleman's bill provides that they must make every effort to settle their disputes among themselves, but in case they fail, then in the final analysis it is compulsory arbitration.

Mr. BARKLEY. They are compelled to submit their disputes to the machinery set up and agree to its action to the extent that arbitration is provided. They are compelled to sign an agreement that they will abide by the verdict of the arbitrators, except, of course, that the verdict may be set aside

for fraud or if it does not comply with the law or the agreement to arbitrate.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BARKLEY. Yes; I will yield.

Mr. SPROUL of Kansas. In what way can this final decision be enforced in order to avoid a strike?

Mr. BARKLEY. Of course it can be enforced against either side as a group and the law provides that, but the provisions of the law do not compel any individual to work against his will if he does not want to, but they provide a remedy in damages where either side as a group may violate the provisions of the award.

Mr. MURPHY. Will the gentleman yield for just a question?

Mr. BARKLEY. Yes.

Mr. MURPHY. Does it not bring us right back again to the injunction?

Mr. BARKLEY. No. There is no such provision in the bill.

Mr. BLANTON. Mr. Speaker, I ask that the gentleman's time be extended 10 minutes. He has studied this question very carefully and should be heard.

Mr. BARKLEY. I do not want to ask for an extension.

Mr. LONGWORTH. The gentleman is making a very interesting speech which I think we all like to hear, but we have a number of important things to complete to-day.

Mr. BLANTON. Give the gentleman 10 minutes more.

Mr. LONGWORTH. We want to conclude general debate on an appropriation bill.

Mr. BARKLEY. I could get along with five minutes more.

Mr. LONGWORTH. I have no objection to that.

The SPEAKER pro tempore. The gentleman from Kentucky has five minutes still remaining of the time originally allotted to him.

Mr. LONGWORTH. Then the gentleman will have 10 minutes further.

The SPEAKER pro tempore. Let the Chair understand. Is there a request for further time?

Mr. BLANTON. Yes. I ask unanimous consent that the gentleman may have five minutes additional.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the time of the gentleman from Kentucky be extended five minutes beyond the hour originally granted to him. Is there objection? [After a pause.] The Chair hears none.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BARKLEY. Yes; I yield to the gentleman from Alabama.

Mr. BANKHEAD. Suppose that either side of the controversy—employers or employees—refuses to submit to arbitration, is there any compulsory provision for enforcing an agreement?

Mr. BARKLEY. No. Of course, there is no way by which you can actually compel the specific submission of anything by anybody. All you can do is to provide the remedy available to both. But if they agree to arbitrate, they must abide the result.

Mr. RAYBURN. Will the gentleman yield?

Mr. BARKLEY. I will yield to my colleague on the committee.

Mr. RAYBURN. Suppose they do agree to arbitrate but do not agree, then what?

Mr. BARKLEY. Of course, if they agree to arbitrate then the bill provides for the appointment of arbitrators and they sign an agreement, both sides specifying the terms of the arbitration and what shall be arbitrated. Then if this board fails to make an award there is no way to compel them to do it; but if the board of arbitration makes an award, then that award is filed in the district court and is subject to 10 days' exception; then it is tried out by a Federal judge, and if it is sustained it becomes binding on both sides, and both sides may be bound to it as groups.

Mr. RAYBURN. Before they get to that, suppose they can not agree on the terms of the arbitration.

Mr. BARKLEY. Of course, if they can not agree on the terms of the arbitration there is no arbitration, but that has been true in all the laws that have heretofore been enacted.

Mr. HERSEY. Will the gentleman yield?

Mr. BARKLEY. I am sorry, but I must conclude, as I have but little time remaining.

Mr. HERSEY. It is a very short question.

Mr. BARKLEY. Make it short. However, I can not always make my answers short.

Mr. HERSEY. Two sides can now arbitrate without any law, can they not?

Mr. BARKLEY. Certainly they can. You and I can go out and arbitrate if we want to, and I imagine that if we had a dispute we would.

This bill was introduced in the House on the 28th day of February. It is the result of nearly two years of serious thought and collaboration among those who propose it. It was introduced in the Senate on the same day by the Senator from Nebraska [Mr. HOWELL]. It was introduced in the Senate by a Republican and in the House by a Democrat in order that it might not be looked upon in any sense of the word as a partisan measure. [Applause.] Because the settlement of difficulties which arise on the transportation systems of this country is not partisan and ought not to be partisan, and can not be if we expect to obtain the best results from any law that may be passed by Congress. [Applause.]

I am a member of the Committee on Interstate and Foreign Commerce, to which this bill was referred. I have made numerous efforts to secure its consideration in the committee. Those who are backing this bill have made a request for hearings on it, but up to this time the committee has taken no action on it. They have refused to grant hearings upon it; they have even refused to grant the proponents of this measure one day in which they might make a statement to the committee with reference to the provisions of this bill.

Mr. SPROUL of Kansas. Will the gentleman tell us why they refused?

Mr. BARKLEY. Well, I can not insert my eyes into the bosom of every member of the committee to find out why he refuses to grant hearings or take up the bill. All I know is that the Committee on Interstate and Foreign Commerce has not taken it up. It has refused to take it up; it has refused to grant hearings, although the Senate Committee on Interstate Commerce has granted the proponents and the opponents of this bill a hearing and the hearings have been completed on both sides, and the bill is now under consideration by a subcommittee appointed by the Senate Committee on Interstate Commerce. I am unable to understand why the United States Senate, with all of its business and with the charges that have been flung at it to the effect that it is not transacting the public business because investigations are interfering, has been able to grant the workers of the United States a hearing on an important measure, while the House of Representatives has thus far, through its committee, refused to give any consideration to this measure. [Applause.]

I do not know whether we shall be able to secure consideration of this bill in the committee or not. If I were permitted to make a venture, I would hazard the guess that that committee will not consider it during this session; it will not consider it during this Congress; it will not grant any hearings to either side during this Congress; and if the bill is considered by the House of Representatives it will have to be considered under the rule which was adopted at the beginning of this session permitting the Members of this House to discharge a committee from the consideration of a bill after it has been in that committee for more than 30 days.

I desire to say for the benefit of the Members that that motion will be made [applause], and the Members of this House will be given an opportunity to determine whether they are willing for that committee or any committee to smother deserving and meritorious legislation by refusing to give it consideration.

Mr. NELSON of Wisconsin rose.

Mr. BARKLEY. I yield to the gentleman from Wisconsin.

Mr. NELSON of Wisconsin. I was just going to ask the gentleman what he was proposing to do. Some of us who are very much in favor of the legislation will be glad to cooperate with the gentleman.

Mr. BARKLEY. I intend to file to-day a motion to discharge the Committee on Interstate and Foreign Commerce. [Applause.] That motion will be available at the Clerk's desk or in the custody of the Journal Clerk for the signatures of Members under the rule.

My friends, this measure was not introduced as a partisan measure. It is not intended to give either the employee or the employer an advantage in the settlement of railroad disputes. It gives both sides the same chance; it gives both sides the same representation; it gives both sides the same power; and if Congress shall enact this bill into law it will do more to restore the confidence of the great body of the public and of the working people of the United States in the agencies of government to adjust their disputes than any other legislation which has been proposed since I have been a Member of Congress.

There are some here who may think that the public only has an interest. There are some here who may think that the man in overalls ought to take whatever conditions are handed down

to him. I want the railroads to make money. I want them to prosper, but while I want them to prosper and desire that the stockholders shall receive an adequate return, yet the 2,000,000 men who work day and night to make the railroads of this country successful in carrying passengers and freight from one end of the country to the other are entitled at least to a part of the glory that will come by reason of the successful operation of the great transportation systems of the country. [Applause.]

When this motion has been submitted I trust, if the committee to which it has been referred does not take action upon it, the House will, and, having taken that action, it will pass the bill and send it to the Senate, so that the Senate may enact it into law and we may complete what I believe to be one of the most constructive pieces of legislation that has ever been submitted to the Congress of the United States for the settlement of the problems of labor and those who employ labor. [Applause.]

RELIEF OF FARMERS OF NEW MEXICO

Mr. SCOTT. Mr. Speaker, I present a privileged resolution from the Committee on Rules.

The SPEAKER pro tempore. The gentleman from Michigan presents a resolution from the Committee on Rules which the Clerk will report.

The Clerk read as follows:

House Resolution 246

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico. That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman of the Committee on Agriculture, Mr. HAUGEN, and the ranking member of the minority on the Committee on Agriculture, Mr. ASWELL, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SCOTT. Mr. Speaker and Members of the House, this rule permits the immediate consideration of Senate Resolution No. 52, which allows the United States Government to lend the citizens of New Mexico $1,000,000 on conditions prescribed by the Secretary of Agriculture. It is similar in character to a number of resolutions previously presented to and adopted by Congress to relieve stricken sections of the country. The Senate resolution was reported unanimously by the Committee on Agriculture, adopted without opposition in the United States Senate, came over to the House side, and was reported favorably by unanimous vote of the Committee on Agriculture, and was brought to the Rules Committee because, under the call of the calendar, the resolution would be so delayed as to virtually nullify its purpose. It was therefore necessary to expedite its consideration by the rule now offered.

The merits of the proposition have been fully considered by your Committee on Agriculture. Its importance and the urgent necessity of its immediate consideration seemed obvious to your Committee on Rules, and therefore we have presented this rule in order to allow the House to take the matter up, if it so desires. I do not wish to discuss it further unless there are some questions.

Mr. BLANTON. I want five minutes on the rule.

Mr. SCOTT. I yield five minutes to the gentleman from Texas.

Mr. BLANTON. Mr. Speaker, of course, the five minutes will be wasted. I can not stop the passage of this resolution. It will pass because this Congress has been in a mood ever since it met, and when you get the Congress in a mood you can not stop the passage of frenk legislation like this. Seven years ago the State of New Mexico, all of the western portion of the State of Texas, as big as four States in the Union, most of the State of Arizona and most of the State of Colorado, were suffering an unprecedented drought. I rode over thousands of acres of land where there was not a sprig of grass left. The turf was gone. Many people had nailed up their houses and left, and lots of people were suffering. I came before the Congress with some pretty strong recommendations from the Secretary of the Treasury and the Assistant Secretary of Agriculture, setting forth these conditions, and you could not get the Congress to make a move to grant relief for those people of four States. That was not one State. That was for the people of four States.

But here is only one State which is now suffering and it is to be granted $1,000,000 of loans direct to its farmers. They are to be loaned $6 an acre up to the extent of $1,000,000. We may get some of it back, and we may lose most of it, and the probabilities are that we will lose most of it. But this is campaign year. This is primary year. This is general election year, and we are to lend $1,000,000 to New Mexico under those conditions.

Mr. SCOTT. Will the gentleman yield?

Mr. BLANTON. I regret I can not. If the gentleman will yield me five more minutes, I will yield.

Mr. SCOTT. I am not going to ask you a question that will take you five minutes to answer.

Mr. BLANTON. If the gentleman will yield me time I will answer any question anybody wants to ask me, but I can not do that in my five minutes.

You know what this resolution is for. It is a stepping-stone to other similar resolutions, paternalistic resolutions, if you please, unconstitutional resolutions, if you please, to lend money direct to certain communities over the United States where votes are going to be necessary this fall. I can not stop it. If I could, I would stop it. It is going to keep on and on and on, but I am not going to let it pass without registering the protest of at least one Member of Congress.

I represent an agricultural district, but I want to tell you that the real farmers of America are those who do not want direct loans from the Government. The real farmers of America are those who want only one thing from the Government, and that is the chance to keep their products from being manipulated by Wall Street and other combinations, and they want fair rates of transportation. If you give them a fair market that is all they want.

How long are you going to keep this up? You are setting a bad precedent and I hope the distinguished gentleman from Virginia [Mr. TUCKER] will make his voice heard here before this resolution is passed.

The SPEAKER pro tempore (Mr. CHINDBLOM). The time of the gentleman from Texas has expired.

Mr. SCOTT. Mr. Speaker, in reply to the gentleman from Texas permit me to say: I assume that if the gentleman had been successful in his efforts in behalf of similar relief he would have more sympathy with the present appeal.

Mr. BLANTON. I think we have done enough for New Mexico already.

Mr. SCOTT. Possibly the gentleman will be interested to know that since the origin of the Government in the advances we have made to the citizens of the various States the repayment to the United States Government on all such loans has been 77 per cent, together with the interest thereon. [Applause.] I am just as much opposed to a paternalistic system as the gentleman from Texas, but I do think the United States Government is capable of extending financial aid to a stricken section of the country and not in any sense become thereby committed to a paternalistic policy.

The gentleman from Texas attempts to insinuate that this matter was brought before the House at this time for the purpose of capitalizing it politically. Of course, the gentleman shows his unfamiliarity with the subject, because both the Senate and House resolutions were offered by gentlemen of his party.

Mr. TINCHER rose.

Mr. SCOTT. I yield to the gentleman.

Mr. TINCHER. I was merely going to call attention to the fact that the gentleman from New Mexico espoused the bill.

Mr. ASWELL. And I want to call attention to the fact that it was introduced in the Senate by the Senator from New Mexico [Mr. JONES].

Mr. SCOTT. Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. The gentleman from Michigan moves the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on adopting the resolution.

The resolution was agreed to.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 52, for the relief of the drought-stricken farm areas.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. DOWELL in the chair.

Mr. BLANTON. Mr. Chairman, I make a point of order against the resolution.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. On page 3, section 2, of the bill it reads:

SEC. 2. That for the purposes of this act there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000, to be immediately available.

That is clearly against the rules of the House to put such an appropriation as that in a bill that does not come from the Appropriations Committee. I make the point of order on that ground.

Mr. McKEOWN. Mr. Chairman, this is a Senate bill, and the gentleman's point of order will not lie.

Mr. BLANTON. The Speaker held that a bill coming from the Senate is subject to the same rule as though it originated in the House. That has been held twice by the Speaker. The Chair will readily see the force of such an argument, for otherwise the Senate could introduce all the bills.

Mr. ASWELL. Mr. Chairman, the committee authorized the insertion of the word "authorized" in case anyone objected.

Mr. CRAMTON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CRAMTON. Is this the proper time to raise such a point, or should it not be in the course of reading the bill when the section is reached?

Mr. BLANTON. The rule says it may be raised at any time.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HILL of Maryland. The point should be raised at this time, because if it is not an appropriation bill, the whole thing fails.

Mr. BLANTON. Of course.

Mr. HILL of Maryland. Is there any possible defense against the charge that it is an appropriation?

Mr. BLANTON. Not at all; because it appropriates $1,000,000.

Mr. CRAMTON. Mr. Chairman, while the rule does say it may be raised at any time, the decision in the Sixty-seventh Congress held that, being a Senate bill, it would be necessary to make the point of order effective by an amendment. The orderly way would seem to be that when the section is read, if it is subject to a point of order, the point of order could be made. The rule says it can be made at any time, thus guaranteeing that the gentleman will not lose his rights.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. The point then being made, if sustained, that part of the bill to which the point of order is made would be stricken out, thereby acting as an amendment, as the Speaker ruled in the Sixty-seventh Congress; but the point being made now before there is general debate, before the resolution is read under the five-minute rule, the effect of it is only to hold that the resolution is not in order.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. I do not know how you can send a message to the Senate declaring that a Senate resolution is not in order. I yield to the gentleman from Texas.

Mr. BLANTON. Suppose the House did not adopt the amendment, then the House would be in the position of taking advantage of its own rules.

Mr. CRAMTON. No; it would not.

Mr. BLANTON. This rule is to protect a minority in the House from having a legislative committee bring in an appropriation when it is not authorized to do so.

Mr. CRAMTON. If the gentleman will permit, if the point of order is raised as to a particular provision of a bill, and that point of order is sustained, then that part of the bill is stricken out, that action of the Chair acting as an amendment to the bill, and it would go to the Senate as an amendment to the bill. I suggest that the proper course is to wait until a section is read to which the gentleman wishes to make the point of order.

Mr. TILSON. Mr. Chairman, along the same line indicated by my friend from Michigan [Mr. CRAMTON], I refer the Chair to section 826-a, under paragraph 4, of Rule XXI, at the bottom of the page, where it says:

The point of order should be directed to the item of appropriation in the bill and not to the act of reporting the bill.

I read also from a note under the same section:

A point of order under this rule can not be raised against a motion to suspend the rules, and it can not be made against a Senate amendment to an appropriation bill, but it may be directed against an item of appropriation in a Senate bill, and in such event takes the form of an amendment.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. HILL of Maryland. I call the gentleman's attention to section 974 of the manual, where a similar point of order was raised by Mr. James R. Mann, of Illinois. He raised the point of order that a legislative committee had no right to report such an appropriation bill.

Mr. BLANTON. Mr. Chairman, I withdraw the point of order. I do not want to let the gentleman filibuster against the time of the House.

The CHAIRMAN. The point of order is withdrawn.

Mr. HILL of Maryland. Mr. Chairman, I renew the point of order. We ought to have a ruling upon that.

The CHAIRMAN. The Chair overrules the point of order. The Clerk will report the resolution.

The Clerk proceeded to read the joint resolution.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, the resolution appropriates $1,000,000 to be used for the purchase of seed and feed, at the rate of not to exceed $6 per acre. The loans to be made through agencies designated by the Secretary of Agriculture, and the loans to be secured by a first lien upon the crops.

The conditions in New Mexico seem to be very distressing. The testimony before the committee indicated that 4,070 farms in the last year have been abandoned, and 35 per cent of the banks in New Mexico have closed their doors and are in the hands of receivers. The farmers have borrowed money and have exhausted their credit facilities and are now unable to obtain funds. It seems proper that the Congress should come to their rescue. The committee believes that this resolution has merit and recommends its passage.

Mr. ASWELL. Mr. Chairman, the evidence presented to the Committee on Agriculture was very convincing, making this an exceptional case in view of the fact that the entire State of New Mexico was affected by the long drought of three years. No portion of the State has been sufficiently prosperous so that the people are able to pay their taxes. This made it a state-wide matter, and that is fundamentally the reason why I think the resolution ought to be adopted speedily.

I yield four minutes to the gentleman from Oklahoma [Mr. McKEOWN].

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, I know there is a disposition upon the part of Members of the House to hesitate to enact resolutions of this character. I say to you that this legislation will do more to stop in this country the great feeling of unrest that exists than anything else. There is no question as to the necessity of this legislation in this particular case. We have a similar situation in Oklahoma, and however embarrassing a man feels in coming to Congress and asking it to loan his people money, yet he must do so when men and women are suffering the hardships that some families on the farms undergo. We hear talk about surplus wheat, and yet there are men in this southwest country, and as good men as God ever made, who I dare say have not had flour in their homes for some months. I am not overdrawing the situation; I am not drawing a picture to appeal to your sympathy. The Congress of the United States seems always ready to open the doors of the Treasury when an appeal is made for people who live abroad, thousands of miles from here, but when it comes from this country, our own flesh and blood, some men here hesitate, and they say that we must close the Treasury doors and not do anything.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. For a question.

Mr. BLANTON. Did they give the gentleman from Oklahoma a measly little $5,000 that he asked for a park? No. They turned him down.

Mr. McKEOWN. I am talking about something to eat, or for something to help to raise something to eat. They do not care anything about scenery. They have enough scenery down in New Mexico now. What they want is something to eat—an opportunity to live.

I want to tell you now that in regard to some of our people in Oklahoma about which I have suffered great embarrassment in coming before the committee and asking assistance for those people. I am willing to forego the personal embarrassment to me if I can render some service for those unfortunate folks. But the Committee on Rules has seen fit to deny me an opportunity for my plea to be heard. You talk about a campaign; there will be a campaign slogan in Oklahoma next fall; it will

be, $10,000,000 for the Germans and not a cent for Oklahoma. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield five minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, the report from the Committee on Agriculture says that—

In view of the desperate economic situation that confronts the citizens of the State of New Mexico, the committee deems it proper and just that this bill receive favorable action on the part of the House.

Yesterday we took up a bill which states that on account of the emergency conditions alleged to be existing in reference to rental conditions in Washington, which are supposed to be a continuation of the war emergency, that a commission to regulate and fix the price of rents shall be created. To-day this agricultural relief of $1,000,000, to be loaned by the Secretary of Agriculture for seed, and so forth, in New Mexico, is brought before this committee——

Mr. ASWELL. Will the gentleman yield?

Mr. HILL of Maryland. In just a moment—on the excuse that there exists "a desperate economic situation."

The time has come to stop this sort of legislation, which will rapidly change the Federal Government into a benevolent paternalism. The bill yesterday, against which I joined in a most enjoyable filibuster—my very first—endeavored—

To create and establish a commission, as an independent establishment of the Federal Government, to regulate rents in the District of Columbia.

The first section of the bill made the following excuse for its proposal:

That it is hereby declared that the emergency described in Title II of the food control and District of Columbia rents act still exists and continues in the District of Columbia, and it is further declared, after investigation, that it will continue for an indefinite time in the future, and that the housing and rental conditions therein require further remedial legislation.

The bill of yesterday, the Rent Commission bill, attempted to keep alive the war measure of May 31, 1918, as construed by the act of October 22, 1919. I want you to note section 122 of that act, because we saw yesterday and see again to-day an attempt to pass emergency legislation that is not proper. Listen to section 122 of the rent act of 1919, as follows:

SEC. 122. It is hereby declared that the provisions of this title are made necessary by emergencies growing out of the war with the Imperial German Government, resulting in rental conditions in the District of Columbia dangerous to the public health and burdensome to public officers and employees whose duties require them to reside within the District and other persons whose activities are essential to the maintenance and comfort of such officers and employees, and thereby embarrassing the Federal Government in the transaction of the public business. It is also declared that this title shall be considered temporary legislation and that it shall terminate on the expiration of two years from the date of the passage of this act unless sooner repealed.

The armistice was November 11, 1918. Yesterday was April 14, 1924, and yet it is claimed that a war emergency still exists. We need to-day demobilization of the war centralization of power in the Federal Government in Washington.

There is no war emergency in rents to-day, nor is there a proper agricultural emergency in New Mexico that justifies this pending bill.

Now, gentlemen of the committee, no one feels more sympathetic than I do toward the farmer, because the people in my district——

Mr. ASWELL. Will the gentleman yield?

Mr. HILL of Maryland. In just one moment. Will the gentleman give me more time?

Mr. ASWELL. I have not any time to spare.

Mr. HILL of Maryland. In a minute I will yield. No one feels more sympathetic to the farmer than I do, and there is no one more practically interested in the welfare of the farmer than the men in the crowded city districts, because they absolutely depend upon each other. There is no one more sympathetic to the Mexican border of this country than I am. I spent the winter of 1916 in Texas, and I know that country and sympathize with its needs; but we are asked here from day to day insidiously to fix more strongly on the fundamental fabric of our Government in these special relief measures and to add all sorts of extra matter——

Mr. ASWELL. Will the gentleman yield?

Mr. HILL of Maryland. Just one word. If there is a reason why we should provide funds to lend seed to the farmers of New Mexico, there is no reason why it should not be lent to the farmers of Oklahoma. If there is a reason why we should lend money for seed, there is no less reason for lending money for the raising of cattle or other stock, and when we once get to attempting to extend it, we are adding to the fabric of the Government purposes for which it was never called into existence.

Mr. ASWELL. How did the gentleman vote on the German gift?

Mr. HILL of Maryland. Yes; I voted on the German gift.

Mr. ASWELL. I said, How did the gentleman vote?

Mr. HILL of Maryland. I voted for the German gift.

Mr. ASWELL. I thought so.

Mr. HILL of Maryland. The gentleman thought so, but the gentleman did not take the trouble to listen to my reason. My reason was that it was because of the mishandling of the peace conference by the American representatives that the economic recovery of Germany was delayed to such an extent that a condition existed where as a matter of decent——

Mr. ASWELL. Have the economic conditions been much better in the last five years?

Mr. HILL of Maryland. Very much better in the last two years.

Mr. ASWELL. Conditions much improved?

Mr. HILL of Maryland. Conditions are much improved.

Mr. ASWELL. It shows how little the gentleman knows about it.

Mr. HILL of Maryland. I happened to be in France about that time. I do not know where the gentleman was in 1918 and 1919, but I know something about conditions overseas at that time——

Mr. TINCHER. Will the gentleman yield?

Mr. HILL of Maryland. With pleasure, to the gentleman from Kansas.

Mr. TINCHER. The gentleman is not prejudiced against the people of New Mexico because their suffering was caused by drought?

Mr. HILL of Maryland. No; I will say to the gentleman that that type of drought is a different type of drought, but it strikes no more decidedly at the fundamentals of the fabric of the American Constitution than the other type of drought which the gentleman has in mind. [Laughter.]

I am full of sympathy for the farmer of New Mexico, but I can not tax the farmers of Maryland to buy seed for the farmers of other States. We need farm help in Maryland just as much as they do in New Mexico, but this type of aid is not proper by the Federal Government in either place. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Maryland. I am glad to yield to the gentleman from Texas.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASWELL. Mr. Chairman, I yield eight minutes to the gentleman from Virginia [Mr. TUCKER]. [Applause.]

Mr. TUCKER. Mr. Chairman and gentlemen, I came to the House this morning expecting to have the privilege of addressing you on the rum treaty, but I see there is very little chance for that, and I am now invited to say a word on this bill. Mr. Chairman, I represent a district in this House from which came a Representative years ago who was called upon to vote for an appropriation for the overflowed sufferers in the Mississippi Valley. At the time he was called upon to make that vote he had a daughter in the overflow who had not seen land for 10 days, but, thank God, he voted against it. Why, what does this thing mean? Poor suffering people in New Mexico! Mr. Chairman, I may be mistaken, but I have a belief that the true province of government is not to put money into the pockets of any man, but to keep any man from putting his hand into your pockets. [Applause.] What does this amount to? Why if this appropriation is given, where does it come from? It comes from the farmer, constituents of my honorable friend the gentleman from Kansas [Mr. TINCHER]—and mine as well——

Mr. ASWELL. Will the gentleman yield for just one question?

Mr. TUCKER. One moment. The downtrodden farmers of the West with their broken banks, with their demands for help, are called upon now to put their hands in their meager pockets and take out what they have for somebody else. Why, it is robbing Peter to pay Paul.

The only principle, Mr. Chairman, it seems to me, with all the sympathy that I have for these suffering people—the only thing for us to do, unless we are determined to make this Government a socialistic concern entirely, is to stop this thing at once. Obsta principiis—"stop the very beginning of evil"—

is a good principle. I wish we had adopted that a long while ago. Let us get down to hard work. What the people of this country want is relief from the burdens of taxation; and when you give a million dollars to the farmers of New Mexico, our friends from Oklahoma will probably ask for another million for their farmers, and then somebody from the great Northwest will ask for a similar sum, and then our own farmers will want to know when their share is coming.

Mr. ASWELL. As the gentleman will recall, this is not a gift; it is a loan. The Congress made a loan to the very section you are weeping over now, the great Northwest, and has collected two-thirds of it.

Mr. TUCKER. But when you loan money you have first to get it; and how can you get it except by taxation?

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. TUCKER. Yes.

Mr. BYRNS of Tennessee. In reference to the gift referred to by our friend from Louisiana, is it not a fact that the Agricultural Department admits that out of the three and a half million dollars loaned about a million and a half will never be collected? Over a million dollars has been lost.

Mr. ASWELL. Oh, I beg the gentleman's pardon; he is in error.

Mr. TUCKER. Gentlemen, are you going to start upon a policy that will lead you to destruction? In the awful condition of the farmers of our country, all through it, if you give this million, how can you resist an appeal coming from any other part of the country? And where is the money coming from? With every kind of feeling for your people——

Mr. BLANTON. Mr. Chairman, will the gentleman yield right there?

Mr. TUCKER. Yes.

Mr. BLANTON. If a private institution were to lend three and a half million dollars and lose one and a quarter of it, how long would they stay in business?

Mr TUCKER. About 15 minutes. I want to read to you—I happen to have it with me for another purpose this morning—an extract from a letter by the President of the United States, a letter which he recently wrote to the Senate. I would like to read it, for there are many things that he says that I agree with. He says:

It is time that we return to a government under and in accordance with the usual forms of the law of the land. The state of the Union requires the immediate adoption of such a course.

To follow any other course must lead us to destruction, and "I beseech you therefore, brethren, by the mercies of God," for He has been good to the people of this country in the past, stand by the eternal principles of this Constitution that we love, live within its principles, and the starving people of the West and the suffering people of New Mexico will soon revive to rejoice in the perpetuation of these life-giving principles. [Applause.]

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman from Virginia yields back one minute.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes.

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent to extend my remarks on the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. TINCHER. Mr. Chairman, a number of home owners in New Mexico will be unable to have a crop this year unless they can have a loan of money to buy seed. There are no banks in any of these counties. All the banks have failed, and in many places there are no credit facilities.

There is no constitutional question involved in this resolution. There was a time when the constitutional argument made by my friend from Virginia [Mr. TUCKER], whom I always admire and often agree with, was very conclusive in this House; but that was before the Supreme Court upheld the constitutionality of an act to promote agriculture. Ever since I have been in Congress and for many years before it has been the practice of Congress to appropriate money for the benefit of the Government or the people when an emergency or calamity had the call. There have been appropriations for the relief of flood sufferers since I have been here, and there have been some dozen appropriations for the purchase of seed. The last thing that my predecessor did before I came to Congress was to obtain a loan of a million dollars which was used in my congressional district to plant wheat.

Mr. BLANTON. Was not that the thing that caused him to stay at home?

Mr. TINCHER. No. Every dollar of that loan was returned with the interest, and the Government benefited from it in the war. No; that was not the thing that kept him at home. He had a number of things to his credit.

I do not understand the reasoning of some people; I do not understand the reasoning of the gentleman from Texas [Mr. BLANTON] to-day, when he will take five minutes in charging that this is for political effect. I have no acquaintance with Senator JONES or the Congressman from New Mexico [Mr. MORROW], who introduced this bill. They are responsible for it.

I deny having any political interest in them. But the fact that they are Democrats while I happen to be a Republican will not warrant me in casting a vote which would mean the abandonment of four or five thousand farms with four or five thousand families down in the good old State of New Mexico. Some day, by reason of the staying qualities of those patriots and homesteaders there, New Mexico will be one of the greatest States of this Union. Some day the gentleman from Maryland [Mr. HILL] will be proud of the fact that New Mexico is a sister State. And some day my friend from Maryland, who can vote for $10,000,000 to relieve suffering Germans from hunger and starvation, will change his mind and be rushing forward here for a chance to help the good people of New Mexico if he gets a chance. A mind whose constitutional proclivities would permit him to vote for a $10,000,000 gift to Germany and not permit him to vote for a one-million loan to New Mexico is an example of a peculiar process of reasoning to me.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BLANTON. Our colleague from New Mexico is such a splendid gentleman and valuable legislator that I do not want the people of New Mexico to hold this against him in the next election.

Mr. TINCHER. I do not think the people of New Mexico will hold it against him. He is indeed an excellent gentleman, and he appeared before our committee, and we heard him tell how those thousands of families in his State would have to leave their farms if they did not get help.

I did think then that he was a worthy Representative, and I think now that the gentleman from Texas [Mr. BLANTON] ought to get right once and apologize to the gentleman from New Mexico [Mr. MORROW], withdraw his objection to this bill, and say this is one bill we will pass by unanimous vote.

Mr. RANKIN. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. RANKIN. I just want to say a word with regard to the workings of different men's minds. One thing which puzzles me most about the workings of the minds of some of the men who are opposing this proposition is the fact that they voted in the recent revenue bill to pay a bonus of $232,000,000 to the big taxpayers of the country, or, at least, to remit that amount which they themselves admitted they had already passed on to the ultimate consumer, and yet those same men now come here and oppose making a loan to the farmers of New Mexico in order to enable them to make a crop.

Mr. TINCHER. Well, I have no doubt that the gentleman, with more time, could make a better speech than that in favor of this bill, but I thank him for that statement.

The CHAIRMAN. The time of the gentleman from Kansas has expired. [Applause.]

Mr. MORTON D. HULL. May the gentleman from Kansas have one more minute, so that I may ask him a question?

Mr. HAUGEN. Mr. Chairman, I yield the gentleman from Kansas one additional minute.

The CHAIRMAN. The gentleman from Kansas is recognized for one additional minute.

Mr. MORTON D. HULL. What guaranties are there that this will not be a recurring condition in New Mexico; that the climatic conditions, and so forth, are not such that we may have to be making loans of this character again.

Mr. KETCHAM. May I answer that question? I may say that the hearings brought out the point that for three successive years the climatic conditions have made it impossible for them to produce a crop, but that so far this year the rainfall has been such that the coming year has the greatest promise of any of the years they have known in recent years, and if they can have this relief now to purchase seed they will not only be able to repay the loan many times but they will put themselves beyond the necessity of future loans.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. ASWELL. Mr. Chairman, I yield 15 minutes to the gentleman from New Mexico [Mr. MORROW].

The CHAIRMAN. The gentleman from New Mexico is recognized for 15 minutes. [Applause.]

Mr. MORROW. Mr. Chairman and gentlemen, I am very sorry indeed that the distinguished gentleman from the State of Texas [Mr. BLANTON] saw fit to attack this measure from a political standpoint. I am the only Representative in the lower House from the State of New Mexico, and I want to say to you here and now that I hope I represent not only the Democrats of New Mexico but the Republicans also in this matter. I believe when I am in this House I should discard political matters entirely, outside of party measures, and represent the people of my State, and I am attempting to do that. No Republican in the State need hesitate to write me asking a favor, because if it is within my power legitimately it will be granted.

The question has arisen in regard to this loan and the necessity for the same. It is true that certain portions of the West for several years have had a drought condition, and it has been necessary to come to the Treasury of the United States seeking a loan in behalf of the people. The Northwest did it. To those Members who have this afternoon said that that money was not repaid, I want to say this: That one of the Dakotas paid back 86 per cent and the other of the Dakotas paid back 76 per cent; 8½ per cent was returned by the State of Idaho to the United States Treasury, and the only State which failed to pay was the State of Montana, although that State did pay back 56 per cent of the amount borrowed from the United States for crop purposes. I want to say to you, gentlemen, that the State of New Mexico will return this money if this measure passes. There are conditions in that State now which clearly demonstrate that this year, with the moisture, there will be a crop raised.

My friends, New Mexico has suffered from a drought for a period of three years, a greater drought than has occurred in that State in 50 years.

Mr. TYDINGS. Will the gentleman yield?

Mr. MORROW. Yes.

Mr. TYDINGS. I would like to ask whether it is impossible to get a loan of this kind from the Legislature of the State of New Mexico? Can it not handle its own internal problems?

Mr. MORROW. I will clear up that question. As I say, in my State there has been extreme drought for a period of three years. This Congress knows they passed a resolution providing that cattle from that State might be taken across the border to Mexico for pasture purposes; the cattle were shipped from this State to California for pasture purposes; they were shipped to Kansas for pasture purposes, and during the entire period of three years most of the cattle have remained out of the State. Deflation in securities and deflation in livestock prices have brought such a crisis upon the State of New Mexico that 43 out of 130 banks in the State have gone into the hands of receivers, and many of those within the past six months. Only 22 per cent of the taxes have been paid in the State for this past year, the year 1923. Taxes amounting to $5,000,000 are now due the State of New Mexico. The banks under the stress of conditions and under the arbitrary methods of our Federal reserve banks have had their loans called in my State, and the banks are unable to advance further money to the people living there. As has been stated, 4,070 farms have been abandoned in the past year, and to-day there are 5,685 farmers who can not plant a crop unless they receive some advancement.

I want to say to you gentlemen that the Agricultural Department will take care of this loan; it will be returned to the United States, and I do not believe one dollar will be lost.

Mr. TYDINGS. Will the gentleman yield further?

Mr. MORROW. Yes.

Mr. TYDINGS. While I appreciate the gentleman is probably answering my question, what I really wanted to know was whether it was possible for a loan in the State of New Mexico to be floated by the Government of New Mexico.

Mr. MORROW. I am trying to explain to the gentleman that the tax conditions are such that the State could not do that at the present time. The taxes have not been collected. Conditions must change in the State. Many schools in the State have closed. The Santa Fe Railroad is now lending the farmers money to plant crops in the State, and this Government has loaned the railroads $407,000,000 for 15 years; and if the Government of the United States can lend to our railroads, and the railroads in turn can lend to the farmers, one to support the other, it seems to me this Government can advance this loan to the people of my State.

My friends, a great argument has been made here that this is unconstitutional. It was one of the policies of this Government when it was established that the Government should provide for the general welfare of its people. When any catastrophe occurred anywhere in the United States—for instance, in the State of Texas, where the Galveston flood occurred, and a calamity fell upon that great State, which is to-day the greatest State in the American Union in the production of crops—what did this Government do? They lent money to those people in order that they might be protected. When a great calamity has occurred anywhere else in the United States—for instance, upon the Mississippi River—there is not a State but that has received assistance from the Government. This is not a gift. It is a loan. My people are going to pay it back. That is the history of my State.

Mr. HUDSPETH. Will the gentleman yield?

Mr. MORROW. Yes.

Mr. HUDSPETH. I would like to call the gentleman's attention to another matter. When a great drought about 25 years ago visited the Rio Grande section of Texas this Government purchased seeds, purchased foodstuffs, and shipped to the farmers of Texas, and I do not know whether the Government was ever paid back or not.

Mr. MORROW. I thank the gentleman for the interruption. It is also true that when the grasshoppers devastated the great States of Kansas and Nebraska they were given money in order that their farmers could get upon their feet again.

Gentlemen, if New Mexico and her population are to remain, it is necessary that this Government come to the aid of the people, not in the way of a gift, but in the way of a loan to be returned.

I have facts and figures here which were recently gotten out. Twenty-four thousand people in that State have left the farms. Many of them have gone outside the State of New Mexico. Eight thousand people have gone from the State in the past three years. The others have gone into the towns. New Mexico has lost 8,000 people. New Mexico is not an impoverished State, New Mexico ranks fortieth among the States in agricultural pursuits. It ranks twenty-fourth in the production of minerals and mineral wealth. One-third of the entire 122,000 square miles of that State is underlaid with coal, which will be developed in time. Every resource known to man exists within the State, but at this time the farming conditions and the condition of the people are very distressing.

I want to say to you that there is no political thought in this matter. It originated from whom? From the business men of the State of New Mexico, from the banking interests, and from the farmers themselves, who appealed to the distinguished Senator from New Mexico [Mr. JONES], requesting that this effort be made in behalf of the citizens of that State, and, my friends, that is why this measure is before you at this time.

I appreciate the need of economy, and when this matter was first brought to my attention it was a question in my mind whether it was a proper thing for my State or not, but in the light of what this Government has done in the past and in the light of the fact that the Government has always protected her people, after studying the measure, I believe it is a very proper one.

Mr. SIMMONS. Will the gentleman yield?

Mr. MORROW. Yes.

Mr. SIMMONS. What percentage of your farming population is in need of this relief?

Mr. MORROW. I stated there were 5,685 farms in New Mexico that would not be planted this year unless they received aid.

Mr. SIMMONS. What percentage is that of your total farming population?

Mr. MORROW. That represents about one-fourth of the entire farming population of the State.

Mr. SIMMONS. Does that include farms that have been abandoned up to this time?

Mr. MORROW. No; that is the actual number of farmers, and I may add a census has been taken by the agricultural department of the State, through the farm department, and by the agricultural representatives in each county and the officers of the Sate, and they have determined that 5,685 actual farmers residing upon their farms, who desire to plant a crop this year, are without means of purchasing seed or food for their livestock, and the banks can not assist them.

Mr. SIMMONS. Is that situation localized in any particular community or is it general over the State?

Mr. MORROW. It is in all parts of the State, outside of the irrigated districts.

Mr. KETCHAM. Will the gentleman yield?

Mr. MORROW. Yes.

Mr. KETCHAM. As indicating something about the unusual security for the payment of these loans, would the gentleman kindly tell the committee something about the special provisions governing that matter as provided under the law of your State?

Mr. MORROW. My State has a crop mortgage law that permits anyone, after a crop is planted, to borrow money upon the crop in the ground, and that is especially provided for in this resolution. The whole matter of the extension of the loan, the amount of seed, the quality of the seed, and the particular farmer to whom it shall be granted are all matters that are under the direction of the Secretary of Agriculture.

Mr. KETCHAM. In that connection I would like to call the attention of the committee, if the gentleman will permit, to the testimony of Senator JONES touching that very point. He said:

> In my State you can not give a lien except on the growing crop. However, there is a statutory provision that anyone that makes advances for seed shall have a lien.

So that would seem to me to make it doubly secure, so far as the Government is concerned.

Mr. MORROW. Without consuming your time further I believe under the regulations now of the Department of Agriculture they have learned a good deal in regard to the kind of seed, and I think that this loan will be entirely repaid with interest to the Government.

One question I feel on which I should enlighten the Members to the best of my ability and it is this, which I know must naturally arise in your minds, that is: If New Mexico has had this drought, is it not to continue? Taking into consideration that New Mexico is in the arid portion of our country—and many no doubt feel that ordinarily vegetation can not be produced without irrigation—I will say this, as one who should speak with some knowledge of the conditions of the State, that the agricultural success largely depends upon the snowfall during the winter period; if there is a heavy fall of snow, supplemented by summer rains, a crop usually very bountiful can be produced. This condition of moisture for crop growth is extremely favorable. Allow me to place before you the following data given as of very recent date: The average snowfall for the State to March 15, 1924, was 42.3 inches, which has been exceeded but twice in 33 years. Seventeen inches of this snowfall was in December, 1923. The Weather Bureau reports more stored moisture for the coming season than at any time in several years; so the outlook for a crop is the best possible.

I desire here to quote from two of the daily papers of the State:

[From the New Mexico State Tribune, Albuquerque, N. Mex.]

> New Mexico should ask aid. Other States are not trying to conceal their economic desperation. New Mexico should face the truth bravely and militantly and fight for constructive relief at once. The slump in the cattle business and two years of general drought have wrecked thousands of good men. They have been unable to pay their notes in the banks, with resulting losses to the banks. Many of our banks have impaired capital. Almost none are able to give the debtor the length of credit on old debts and the present help necessary to do business the present year. New Mexico must not be overlooked when relief is being planned. We must have help if we are to rebound quickly from our present predicament. Otherwise our prospects are not encouraging. Climatic conditions are good. With financial help we will recover much lost ground this year. But we are too weak to go alone.

[From the Santa Fe New Mexican, Santa Fe, N. Mex.]

> While there may be over 5,000 farmers in New Mexico who have dropped the hoe and hiked to the city hunting a white-collar or a blue-overall job—anything to get the money to tide over the two-year drought—it is rumored that nearly 10,000 people have left New Mexico to hunt work elsewhere. What is New Mexico going to do about it? Now is the time to act, say the wise men; now is the time to get money on a loan to buy seed to put in those crops, and the year 1924 will bring bumper crops, in the opinion of agricultural experts. There is plenty of moisture; the ground is good and is about to be plowed in many parts of the State; the farmers left their wives and families on the farms, and their teams are there ready for work. All they need is the money to buy seed.

G. F. McWherter, Mountainair, Torrance County, N. Mex.:

> We wish to indorse and ask of you your hearty support of the joint resolution introduced into Congress calling for a million-dollar relief fund to be secured by first lien on crops for relief of the drought-stricken farmers of New Mexico. We have had two dry years. In the Mountainair district the 1922 crop amounted to 3 per cent of normal and the 1923 crop amounted to 8 per cent of the normal crop. Some other districts produced less. After all this, about the only security our farmers have to offer is their 1924 crop. Taking into consideration the present good prospects for a bumper crop for this year, if our farmers can get the aid, as spoken of above, the dry-farming section of the State should produce a most bountiful crop for 1924. With aid, as above, the Mountainair farming district alone should cultivate over 40,000 acres and produce over a million dollars' worth of pinto beans, saying nothing of the other crops. This is an example of only one little community.

Mr. Hugh B. Woodward, district attorney at Clayton, N. Mex., writes:

> However, the situation in New Mexico, and particularly the northeastern part of it, is so critical that I feel it should be called to your attention. In Union County I estimate that three-fifths of our people have abandoned their farms and ranches and left the county. There is no bank or business institution in the county which is making any money, and most of them are in jeopardy of failure unless conditions are modified in the near future. Despite the fact that we have been trying to collect taxes by tax sales of the lands of Union County, the parties owning the lands have been unable to pay and we have found no other bidders who would be willing to take the lands and pay the taxes. In all probability the entire school system of Union County will have to be closed when the term is about half over because of lack of funds. These conditions are so serious that they merit the gravest consideration of the thinking people of the State.

C. M. Pearce, postmaster at Progresso, N. Mex., writes:

> We have had two years of drought here (20 miles south of the Estancia Valley, Torrance County). The farmers have exhausted their means to the extent that they can not get any credit. The merchants have gone their limit; the local banks can do nothing. Here is our condition: If the farmers can not get aid in the way of feed, seed, and groceries, they can not farm.

Mr. H. B. Gerhart, Santa Fe, N. Mex., says:

> In so far as New Mexico is concerned, I feel that this is by all odds the most important legislative matter pending before Congress. It is the only possible chance to finance the farmers this season. In 1921 the Estancia Valley alone sold $2,000,000 worth of beans, and I need not recall to you the possibilities for the production of new wealth by the nonirrigating farmer in this State with the help of just a fair season and a little money.

Lorin F. Jones, county agent, East Las Vegas, N. Mex.:

> Farmers are surely needing some help from some source or other, and unless this help comes to them the acreage planted in this part of the State will fall short of the possible acreage by at least 50 per cent. The bankers and wholesalers estimate that fully 75 per cent of the farmers of the county will not be able to secure all the seed which they need for the planting of the spring crop. The moisture is in the soil to a greater extent than it has been in years, and the prospects are that this year will be one of the best that we have ever experienced.

Mr. T. W. Conway, East Las Vegas, N. Mex.:

> There will be 150 families commence farming this year on virgin sod on the Storrie project, lying just east of Las Vegas and I am entirely familiar with their condition. I am also familiar with the dry-farming section, 38 miles wide, which lies just east of us, and I can assure you that this measure, which calls for a loan of not exceeding $6 per acre to these farmers, is not only a godsend, but is a necessity. The drought of the last several years has put them in a penniless condition, with their credit already extended, and this relief will put them on their feet again. Due, among other things, to the drought and as showing the need of help, many of our rural schools have been and will be closed for want of finances to carry them on.

Mr. J. Floersheim, chamber of commerce, Roy, N. Mex.:

> The suffering among the farmers in Harding County is positively beyond description and unless the Government comes to their immediate relief, so they will be able to put in a spring crop, there is no telling what will become of them. They are positively destitute.

Mr. J. A. Perkins, Mountainair, N. Mex.:

> There are thousands of acres of land, farmed heretofore, which will have to lie idle if aid is not provided, and the banks and merchants can not do it.

Mr. D. F. Laubman, county agent, Fort Sumner, N. Mex.:

> You will recall that we have gone through two very bad seasons and our people, who might expect to produce crops this season, are without funds with which to carry on their work. Our farmers certainly need this assistance or they would not be making the request for the funds at this time.

John F. Kelton, attorney, Fort Sumner, N. Mex.:

> Thousands of farmers in this State will not be able to make crops without this aid. It is coming quite late at the best and should it be

delayed very long many of them will not commence a crop. I think it should pass promptly and the farmers should at once be informed that this aid is coming. I suggest this, as many of them who will not commence a crop will probably be induced to make the effort if they could have reasonable assurance that they will be able to have the aid by April or May. Even with its immediate passage the machinery necessary to get the money into the hands of the people will require some time to get into operation. This should be one law passed by the Federal Government that the benefits to be derived shall go to the people who are actually in need of the aid. It should be so arranged that no rake-off to go-betweens will be made.

Charles Hibler, Mountainair, N. Mex.:

I am writing you this letter asking you to help us drought-stricken farmers secure Federal aid and to enable us to make a crop this coming year. We have had two years of drought in this part of the State and we can not make a crop without help this year. This being a newly settled country where we are located, we have had to put what money we have made back in the farm in the way of improvements. And therefore we have nothing laid up for this terrible drought. We now have the best moisture in the ground that we have had for years.

Mr. Jeff Dulaney, Chico, N. Mex.:

I am writing you to do all you can to secure the loan to the farmers of money to buy feed and seed, so they can plant and raise a crop. You no doubt know the condition that the farmers have been in for two years, due to drought, and an early frost last year caught us before anything matured. Banks are not making any new loans. But if we can get a little feed and seed we can get there yet.

Mr. S. B. Hibdon, Mountainair, N. Mex.:

Unless we get help now we can not make a crop. Our prospects are fine for a 1924 crop, but we have not the feed and seed, and unless we get help now, we will be forced to abandon our homes. Many have gone already. This is a serious thing with us farmers, and we must have help or sink.

Democratic executive committee, Albuquerque, N. Mex., H. Charles Roehl, chairman:

Reported hearings on Jones bill for relief of New Mexico farmers will commence before House Agriculture Committee to-morrow. Bernalillo County executive committee in session to-day urges you do everything humanly possible to hasten passage of this bill. Immediate action imperative if assistance is to arrive in time for use in connection 1924 crops. Please vigorously push matter and advise prospect for securing early results.

Republican State convention, Santa Fe, N. Mex., George W. Prichard, chairman:

The Republican convention at its sesison held here on the 20th and 21st instant indorsed the legislation now pending in Congress for the relief of the agricultural and livestock industries of New Mexico and the efforts of our Representatives in Congress for its passage, and instructed us to wire you requesting your continued efforts tending to the early passage of the said legislation and speedy enactment.

Portales citizens, Portales, N. Mex.:

We are informed that the bill known as the Jones bill, designed to give relief in the drought-stricken areas of New Mexico, will be considered by committee in House of Representatives this week. We ask you to go before this committee and urge them to report it favorably, then work to secure its passage.

D. F. Laubman, county agent, Fort Sumner, N. Mex.:

Your letter received. You have our appreciation for your interest in this matter. We would suggest that word "food" be eliminated from bill as our people can provide for themselves on condition horse feed and planting seed are made available for them. The cause is just and demand very urgent.

Corona Trading Co., Corona, N. Mex.:

The Jones bill passed by the Senate some time ago has not been acted on by the House of Representatives as yet. This bill for the relief of New Mexico farmers is imperative if they are to plant crops this year, as they are unable to buy their seed and feed unless they have aid, and they must have aid soon. Would therefore urge you to do everything in your power to secure passage of this bill at an early date.

New Mexico Bean Growers' Association, Mountainair, N. Mex.:

The farmers of this section are anxiously awaiting some encouragement from Washington regarding the Jones bill. We have gone through two droughts exhausting our resources as well as those of our merchants and banks. Sufficient moisture this winter insures us a large crop provided funds are available for feed, seed, and groceries. We do not petition you or Congress for a gift but a loan which we believe we will repay with interest this fall.

Willard Mercantile Co., Willard, N. Mex.:

Respectfully urge that you do everything in your power to have Jones resolution passed by House earliest possible date; this loan vital to people in drought-stricken area. Our State farmers must be financed if crops are to be grown.

G. O. Caldwell, Mountainair, N. Mex.:

The farmers here are in a pitiable condition. Their only salvation is the passage of the Jones bill. Please wire me action of committee as soon as they report.

Rotary Club, Santa Fe, N. Mex.:

Santa Fe Rotary Club urges passage of Jones relief bill. Winter conditions have practically insured good crop season, and all that is now needed is money to purchase seed to enable settlers to plant their crops.

Gross Kelly & Co., East Las Vegas, N. Mex.:

Conditions never more favorable for crops than now, but seed situation desperate; crops practically assured if seed can be secured; the entire State depending on passage of Jones relief bill.

Kiwanis Club, Santa Fe, N. Mex.:

The Kiwanis Club of Santa Fe, last night, passed a resolution urging quick and favorable action by the House of Representatives on the Jones bill for relief of New Mexico farmers which was passed by the Senate several days ago. In view of critical conditions prevailing the club feels that the prompt enactment of this legislation is most vital to the agricultural industry and general prosperity of the State.

O. L. Howell, Commercial Club, Duran, N. Mex.:

We urge your indulgence for the bill providing for the drought relief. Very much delay will make it too late for our farmers. Eliminate red tape, insert emergency clause.

Farmers & Stockmen's Bank, Estancia, N. Mex.:

Immediate passage of Jones bill necessary or entire agricultural industry of this State handicapped 70 per cent. Farmers will be forced to leave. Moisture conditions unsurpassed in history of State; we implore immediate action.

Santa Fe Woman's Board of Trade, Santa Fe, N. Mex.:

Santa Fe Woman's Board of Trade strongly urges passage of Jones bill for relief of farmers in New Mexico. Serious conditions make such action imperative.

San Miguel County Chamber of Commerce, East Las Vegas, N. Mex.:

This organization earnestly urges Jones resolution for agricultural relief drought-stricken areas in New Mexico; urging your active support of measure for its greatly needed assistance in rehabilitating areas suffering during past three years from lost production.

J. W. Ware, county agent, Alamogordo, N. Mex.:

Please do all you can to rush action on Jones bill. Planting time nearly here and our farmers must have financial aid to purchase seed. We are depending on you.

Robert McClughan, Albuquerque, N. Mex.:

We urge your cooperation and support in passage of Jones measure for drought-stricken sections of New Mexico. Estancia Valley east of Albuquerque is in deplorable condition. Prospects are good for crop this year if money can be secured for seed and feed.

J. F. Hinkle, Governor of New Mexico, Santa Fe, N. Mex.:

Advised Jones seed-relief measure has passed Senate; if this is to prove of any benefit, it should have immediate passage in the House. The season conditions all over the State are very good for early planting, but many can not make preparations until they are assured of some relief, and unless such relief is had many will be unable to plant. Therefore I wish to impress upon you the very great importance of getting this measure through the House at once in order that these funds may be available.

Citizens of Fort Sumner, N. Mex.:

New Mexico farmers must have help at once or many of them can not make a crop this year. Jones resolution will give needed help; all banks in this county closed. Many banks in other parts of State closed. Can not advance money to farmers. You can not put it too strong; immediate action is necessary to save situation.

Roy Chamber of Commerce, Roy, N. Mex.:

Resolutions passed last night to wire you to help for the immediate passage of Senate Joint Resolution No. 52, as the farmers need immediate aid to put in their spring crops. Help us all you can.

Kiwanis Club, Albuquerque, N. Mex.:

Kiwanis Club to-day ask resolution urging Congress immediate action on Jones agricultural relief bill for New Mexico. Assistance can not be delayed if crop be planted.

In conclusion I want to say that this relief should be granted the people of my State from this Government, that has always been generous to its citizenship and to all people, even to foreign countries, and certainly in this trying ordeal, when the real backbone of the Nation, the man of the soil, the producer, is calling for help to tide him across. He needs assistance.

[Mr. MORROW had leave to extend his remarks; also right of inserting certain letters and correspondence.]

Mr. ASWELL. Mr. Chairman, I yield two minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, this bill comes here under a rule from the Rules Committee. I want to call attention to the fairness of the Rules Committee. It has a right to do away with all the rules of the House, and it has done away with them because the rules of the House permit in every debate the time to be equally divided, half for those in favor and half for those against the measure. But this Rules Committee comes in here and says there shall be an hour of debate and one-half shall be controlled by the gentleman who is chairman of the committee, who reports the bill, and the other half shall be controlled by my friend from Louisiana [Mr. ASWELL], who is equally in favor of the bill. So the whole hour, Mr. Chairman, by this fair Rules Committee is put into the hands of the proponents of this measure, and we who oppose it have to beg a little time from our friends.

That is the Rules Committee of the House, and I want to say to the Minnesota delegation and to the Wisconsin delegation, who yesterday formed a bloc to prevent any debate from being had upon a 35-page bill—I want to say to them that they will never accomplish anything by that inconsistency. You fought at the beginning of Congress for a fair rule and a fair debate, but when you want a bill to pass, you gentlemen who want to pass a bill without debate, you form a bloc to leave out all debate on the measure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASWELL. Mr. Chairman, I have no further requests for time; but I would like to say to the gentleman from Texas that he is not quite fair to the Rules Committee, because he made the request for time for the gentleman from Virginia [Mr. TUCKER] to speak against the bill, and I granted him all the time that the gentleman from Texas asked for. In addition to that, I have granted the gentleman from Texas two minutes, all he asked for.

Mr. BLANTON. Nine minutes out of the hour.

Mr. KETCHAM. And did not the gentleman from Maryland have five minutes at the request of the gentleman from Texas, making it a 50-50 proposition on the bill?

Mr. BLANTON. Oh, that is unfair arithmetic. [Laughter.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico.

Whereas many sections of New Mexico are impoverished because of a continued drought that has persisted for the past three years, and farmers so affected have borrowed money from all sources until now their credit facilities are exhausted, and they can no longer obtain funds to continue the cultivation of their farms; and

Whereas weather conditions now prevailing in New Mexico point to a very successful year for farming providing the farmers of these drought-stricken areas can obtain the necessary funds to operate their farms and thereby be able to recuperate their losses caused by repeated crop failures: Therefore be it

Resolved, etc., That the Secretary of Agriculture is hereby authorized, for the spring and fall planting of 1924, to make advances or loans to farmers in the drought-stricken areas of New Mexico, where he shall find that special need exists for such assistance, for the purchase of seed and feed for actual farming purposes, not including the purchase of equipment, as he may find need for the cultivation of farm lands within the said State, not to exceed in any instance the sum of $6 per acre. Such advances or loans shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the money obtained by him for the production of such crops as the Secretary of Agriculture may designate and to give a valid lien on the growing crops to be produced from money obtained through such loan or advance in manner and form as required by the laws of New Mexico, which said lien, when recorded, shall have priority in payment over all other liens or encumbrances of whatsoever kind on such crops. A first lien on the crop to be produced from money obtained through this loan or advance made under this act shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. All such loans or advances shall be made through such agencies as the Secretary of Agriculture shall designate, and in no instance shall any portion of funds obtained through the administration of this act be used for the payment of obligations other than those incurred under the regulations as provided by the Secretary of Agriculture in the administration and in accordance with the provisions herein contained.

SEC. 2. That for the purpose of this act there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000, to be immediately available, and not more than $10,000 may be used in the District of Columbia by the Secretary of Agriculture in the administration of this act.

SEC. 3. That any person who shall knowingly make any false representation for the purpose of obtaining a loan or advance under the foregoing section, upon conviction thereof shall be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both.

The following committee amendment was read:

Page 2, line 4, strike out "seed, feed, food," and insert in place thereof "seed and feed."

Mr. KINCHELOE. Mr. Chairman, I desire to offer an amendment to the committee amendment. At the end of line 4 strike out the words "and feed."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. KINCHELOE offers an amendment to the committee amendment by striking out the words "and feed" at the end of line 4, page 2.

Mr. KINCHELOE. Mr. Chairman, as a member of the Agriculture Committee, after we gave thorough consideration to the bill I consented to vote to report it to the House. I think I shall vote for this bill. In former cases we have appropriated money to buy seed for citizens of the Northwest territory, but I do not remember—and I think I am correct about it—that at any time in the history of the Government we have appropriated any money for feed or food in a bill of this character.

I can conceive of a condition where a great calamity has come like that testified to in the hearings on this bill, where if the drought did not get them on one side the flood got them on the other, that people can be in such dire straits that the strong arm of the Government—although I may question the policy—can reach out and with impunity help these people, but I do not believe that this Congress now ought to burden this proposition by not only appropriating money for seed, but for seed and for food. The Senate passed it for food. I think this Government will do a charitable act, I think a magnanimous act, if it goes as far as to say to these people in their dire straits in this restricted territory that inasmuch as you are the victim of circumstances over which you have no control, and in order that by your own labor you can rehabilitate yourselves and get away from the conditions in which you are, we will appropriate this money for seed only. But, gentlemen, I believe we are going a little far afield when we say we are going to appropriate the money not only for seed but for feed or food, or either. I think the thing to do is to follow the precedents and eliminate the feed proposition and assist these people to the extent of a million dollars, loaning them that sum that they may procure seed with which to plant their crops, in order that they may help themselves, and when we do that I think the Government has done a generous thing and that we have gone as far as we ought to go in the matter.

We have never gone further than that. I have had the clerk of the committee look the matter up, and of the $3,500,000 of appropriation that we have made for the people of the Northwest it was for nothing but seed. I think we will make a mistake if we go any further than that, and if we establish this precedent to-day it may rise up to plague us in the future.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. RANKIN. If these people have no money with which to buy feed or seed, what good does it do to loan them money to buy the seed, if they would still be unable to feed their stock?

Mr. KINCHELOE. If we are going to provide feed, then we should provide food and shelter for those who are without shelter. I am talking about past precedents in this House. I am in sympathy with these people and expect to vote for this resolution.

Mr. EVANS of Montana. In many instances have we not provided shelter in case of calamity?

Mr. KINCHELOE. Yes; in case of flood, where the floods have washed away the homes, but this is not a parallel case.

This is to rehabilitate an agricultural section of the country so that they may be able to help themselves. I am not undertaking to say that they do not need feed or food, but I do say I think this Congress will go far afield when we break the precedents made heretofore and provide these people with those things, however worthy they may be.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. OLIVER of Alabama. The gentleman will recall that two Congresses ago we passed a bill which provided not only seed but foodstuffs for the sufferers of Mississippi, Alabama, Georgia, Louisiana, and, I think, even extending into South Carolina.

Mr. KINCHELOE. That was a flooded territory.

Mr. OLIVER of Alabama. There can not be any difference between sufferers as the result of flood and sufferers as the result of drought.

Mr. KINCHELOE. If you are going to provide feed, then you ought to provide food and agree to the Senate language.

Mr. OLIVER of Alabama. Congress has done so heretofore.

Mr. KINCHELOE. Under different circumstances, that is true.

Mr. McKEOWN. If the gentleman is serious about giving these people aid, he must realize that it is necessary to have some provision for feed for the stock.

Mr. KINCHELOE. Then if that is true, you ought to put in the word "food." A hungry man can not plow.

Mr. HOWARD of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. HOWARD of Oklahoma. As to the matter of precedent, I think if the gentleman will look at the record he will find that as early as 1890 Congress did set the precedent of making an appropriation like this, including seed, feed, and foodstuffs for the early settlers of Oklahoma by reason of drought.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. KINCHELOE. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KINCHELOE. Replying to the gentleman from Oklahoma, I think he must be mistaken about that. The clerk of the Committee on Agriculture has investigated this to quite an extent. I do not think that Congress has ever gone so far in the rehabilitation of an agricultural section. In the case of flood and fire, where homes have been swept away, that is different, because that is the only way in which they could be rehabilitated.

Mr. HOWARD of Oklahoma. As to the precedent of which I speak, I know it to be true, because I helped to distribute those supplies sent into the Territory by the Government.

Mr. KINCHELOE. Were there any floods in that?

Mr. HOWARD of Oklahoma. No; it was by reason of drought in 1889.

Mr. KINCHELOE. If that has been done, I think it is bad precedent.

Mr. ASWELL. Mr. Chairman, I proposed just such an amendment as this in the committee, but after full investigation I personally was convinced that it would be of little value to these people of New Mexico to make these loans for seed when they have nothing with which to feed the stock. I am convinced that it would be a useless procedure to make it possible for these people who are suffering as the evidence shows there, to have seed and then to have no stock feed. You might just as well kill the resolution. I offered the amendment once, but I was afterwards convinced they need the feed, and I withdrew it.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. Yes.

Mr. HASTINGS. After mature consideration does not the gentleman think that we ought to vote down the committee amendments and pass the resolution as it was passed by the Senate? The committee has amended the bill by striking out the words "seed, feed, food, and" on page 2, line 4 and by striking the word "expenses" in line 5, and inserting the word "purposes." If we were to vote down the House committee amendments we would then provide for the purchase of seed, feed, and food and provide that it may be used for actual farming expenses. If we are going to furnish seed, and if we are going to furnish feed for the stock, why should we not also furnish food for the people if they are in distress. Why should we not pass this resolution just as it passed the Senate.

Mr. ASWELL. The Representative from New Mexico, Members of the Senate, and Members of the House, appeared before the committee and all agreed that the word "food" should be stricken out.

Mr. HASTINGS. I did not know that. That is entirely satisfactory to me.

Mr. HAUGEN. Mr. Chairman, it is true that the loans made to the Northwest States were for the purchase of seed, but conditions are quite different in this case. Here we find 4,070 abandoned farms and 35 per cent of the banks in the hands of receivers. The conditions are different, and it appeared to the committee that Congress would be justified in making the appropriations for the purchase of seed and feed. So far as the matter of expense is concerned, that is quite a different thing. If they are furnished with seed and feed we expect these people to till the soil. It did not seem to us that it was necessary to provide for labor and expenses.

Mr. HOWARD of Oklahoma. If you find these 4,070 farms abandoned and you propose to furnish feed and seed, how are those people going to return to those farms and live upon them and plant these crops unless they can be supplied with food also? Does not this bill provide also for a limit on the loan, and would it not be better to let these people use it as their necessities dictate rather than to handicap them by limiting it to these two items?

Mr. HAUGEN. So far as expenses are concerned, I do not believe that Congress should appropriate and loan the money to pay the expenses; that would include the labor; but so far as feed and seed are concerned, one seems to be as necessary as the other in this case.

Mr. STEPHENS. We are going to loan this money to the farmers of New Mexico. It is the loaning of money they are expected to pay back.

Mr. HAUGEN. Yes; exactly.

Mr. STEPHENS. Then have not they the right to use this money they borrow for any particular need they have for it, for seed, for food, or for clothing, or anything else? We are loaning this; we are not giving it to them.

Mr. HAUGEN. They have not the right to do it. They might do it, but it would be in violation of the agreement to be entered into.

Mr. STEPHENS. Why should not they have the right to do it?

Mr. HAUGEN. This is for the purpose of the purchase of seed and feed.

Mr. STEPHENS. But we are loaning the money.

Mr. HAUGEN. For a specific purpose.

Mr. HILL of Maryland. Section 2 of the bill provides that if they do that they are subject to a fine of not exceeding $1,000. They can not borrow for one thing and use it for another. It has a criminal penalty.

Mr. ACKERMAN. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. ACKERMAN. I would like to ask the gentleman the reason why these farmers can not borrow this money from the War Finance Corporation?

Mr. HAUGEN. They have not the security. It could not lend money on that kind of security. That would be an unusual thing to do. It is taking a chance whether the loans made will be paid in full or whether we stand a loss. We take a chance and shall have to take what we get out of it. We made loans on practically these same terms to the Northwestern States, and about 75 per cent of those loans were repaid.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ACKERMAN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment of the gentleman to the committee amendment.

The question was taken, and the amendment to the committee amendment was rejected.

The CHAIRMAN. The question recurs upon the committee amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 5, strike out the word "expenses" and insert in lieu thereof the word "purposes."

The question was taken, and the committee amendment was agreed to.

The Clerk read as follows:

SEC. 2. That for the purposes of this act there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000, to be immediately available, and not more than $10,000 may be used in the District of Columbia by the Secretary of Agriculture in the administration of this act.

crops. A first lien on the crop to be produced from money obtained | have washed away the homes, but this is not a parallel case.

Mr. HILL of Maryland. Mr. Chairman, I make the point of order against the paragraph that it is an appropriation on a legislative bill.

Mr. HAUGEN. Mr. Chairman, I offer an amendment. Insert——

Mr. HILL of Maryland. But I have a point of order pending, Mr. Chairman.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. HAUGEN. Mr. Chairman, I offer an amendment to insert——

Mr. BLANTON. Mr. Chairman, I make the point of order. We are supposed to conduct the matter under proper parliamentary procedure. The gentleman from Maryland made a point of order and that is in preference to an amendment.

The CHAIRMAN. The Chair thinks the gentleman from Texas is correct, and the point of order is sustained.

Mr. HAUGEN. Mr. Chairman, I desire to offer an amendment.

Mr. TINCHER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TINCHER. I supposed the Chair sustained the point of order.

The CHAIRMAN. The Chair sustained the point of order. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HAUGEN: Page 3, after line 4, insert a new section to be known as section 2, to read as follows:

"SEC. 2. That for the purposes of this act there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000, and not more than $10,000 may be used in the District of Columbia by the Secretary of Agriculture in the administration of this act."

The question was taken, and the amendment was agreed to.

The Clerk resumed and concluded the reading of the joint resolution.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration Senate Joint Resolution 52, had directed him to report the same with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution as amended do pass.

The SPEAKER. By the rule the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

The joint resolution was ordered to be read the third time; was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 51, noes 19.

So the joint resolution was agreed to.

Mr. HAUGEN. I move to reconsider——

The SPEAKER. Without objection——

Mr. GARRETT of Tennessee. Before that is done——

Mr. KINCHELOE. I want to make a parliamentary inquiry before that is done.

The SPEAKER. The Chair will vacate it without objection.

There was no objection.

Mr. KINCHELOE. I wanted to ask the Speaker if it is not customary for the preamble to be stricken out of the joint resolution?

The SPEAKER. It is the custom to have it done, but it is not necessary.

Mr. KINCHELOE. I ask unanimous consent that the preamble be stricken out.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the preamble be stricken out. Is there objection? [After a pause.] The Chair hears none.

On motion of Mr. HAUGEN, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

CONFERENCE REPORT—INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the Interior Department appropriation bill (H. R. 5078).

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 5078) making appropriations for the Interior Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. CRAMTON. Mr. Speaker, I move that the House further insist upon its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 47, and agree to the conference asked for by the Senate.

The SPEAKER. That is the only one in disagreement?

Mr. CRAMTON. Yes; that is the only amendment in disagreement.

The SPEAKER. The gentleman from Michigan moves that the House further insist upon its disagreement and agree to the conference asked for by the Senate. The question is on agreeing to that motion.

The question was taken; and on a division (requested by Mr. CRAMTON) there were—ayes 83, noes 0.

So the motion was agreed to; and the Speaker announced as the conferees on the part of the House Mr. CRAMTON, Mr. MURPHY, and Mr. CARTER.

STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the purpose of considering the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes; and pending that motion I desire to ask the gentleman from Alabama [Mr. OLIVER] if we can agree upon time for general debate?

Mr. OLIVER of Alabama. I recognize that it would be well to conclude the general debate as soon as possible, and I think four hours would be sufficient, two hours on a side.

Mr. SHREVE. Then, Mr. Speaker, I ask unanimous consent that the general debate be limited to four hours, one-half to be controlled by the gentleman from Alabama [Mr. OLIVER] and one-half by myself.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the general debate be limited to four hours, one-half to be controlled by the gentleman from Alabama and one-half by himself. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I state to the chairman that this bill is the first one that has been before the House involving four departments of the Government. It embraces appropriations aggregating $63,349,160.80. Is it the gentleman's understanding of fairness of debate involving four hours of time to have the time controlled by members of the committee who are both in favor of every provision in the bill? There are a few of us, I take it—and I am one—who has serious objections to a few paragraphs in this bill. It is impossible for the members in opposition to these paragraphs to get any time at all.

Mr. SHREVE. I will say to the gentleman that when we come to those paragraphs we will be very generous under the five-minute rule.

Mr. BLANTON. But we should have at least a few minutes in these four hours of general debate. For my part I can state all my objections in 10 minutes.

Mr. OLIVER of Alabama. I will give the gentleman five minutes of my time.

Mr. SHREVE. And I will give the gentleman five minutes of my time.

Mr. BLANTON. Then I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Pennsylvania.

The motion was agreed to.

The SPEAKER. The gentleman from Connecticut [Mr. TILSON] will please take the Chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8350) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of House bill 8350, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Department of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. RANKIN. Mr. Chairman, I reserve the right to object.

Mr. RAKER. Mr. Chairman, I want just a little time on the Department of Labor. I shall not object. When we come to the Department of Labor, on immigration, will the gentleman give us a reasonable time to explain our position on it?

Mr. SHREVE. I shall be pleased to do it.

Mr. RANKIN. Mr. Chairman, reserving the right to object, I shall not object if the gentleman from Pennsylvania [Mr. SHREVE] will agree that the bill be printed in the RECORD. This is an important bill. I think these bills ought to go into the RECORD, especially these important ones, and I shall insist that they shall be printed in the RECORD hereafter. I do not want to take up the time of the committee, to have the bill read, but if the gentleman will agree to have it inserted I shall not object.

Mr. BLANTON. The gentleman can enforce that. All he has to do is to object, and that forces it to be read.

Mr. RANKIN. I do not want to take up the time of the committee to read the bill, but I think it ought to be printed in the RECORD.

Mr. SHREVE. So far as the committee is concerned, that is perfectly satisfactory, although it has not been customary, as I am told by the parliamentary clerk. I am not myself familiar with the rules.

Mr. RANKIN. The result is that when we want to refer to any one of these bills we have to send out for copies. I ask unanimous consent that the bill be inserted in the RECORD at this point in lieu of its being read.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that the bill be printed in full in the RECORD. Is there objection?

Mr. O'CONNELL of Rhode Island. Reserving the right to object, Mr. Chairman, will anyone enlighten us with information as to the cost of printing a bill of 92 pages in the RECORD? I am told by those familiar with the matter that it costs much more than it is worth to avoid the slight inconvenience that may be involved of stepping a few feet across the room to get a copy to read.

Mr. RANKIN. I do not suggest that the committee take the time to read the bill; but if it is printed, the gentleman can find it in the RECORD. It will not cost nearly as much to print it in the RECORD as it would for Congress to stand still while the Clerk reads it into the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The text of the bill is as follows:

A bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, namely:

TITLE I—DEPARTMENT OF STATE

OFFICE OF SECRETARY OF STATE

Salaries: For Secretary of State, $12,000; Undersecretary of State, and other personal services in the District of Columbia in accordance with the classification act of 1923, including temporary employees, $1,057,600; in all, $1,069,600: *Provided*, That in expending appropriations or portions of appropriations, contained in this act, for the payment for personal services in the District of Columbia in accordance with the classification act of 1923, the average of the salaries of the total number of persons under any grade or class thereof in any bureau, office, or other appropriation unit, shall not at any time exceed the average of the compensation rates specified for the grade by such act: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation is fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, or (3) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923 and is specifically authorized by other law.

For contingent and miscellaneous expenses, including stationery, furniture, fixtures, typewriters, exchange of same, repairs and material for repairs; books, maps, and periodicals, domestic and foreign, for the library, not exceeding $4,000; maintenance, repair, and storage of motor-propelled vehicles, to be used only for official purposes; automobile mail wagons, including storage, repair, and exchange of same; street-car fare not exceeding $150; and other miscellaneous items not included in the foregoing; $40,000.

PRINTING AND BINDING

For all printing and binding in the Department of State, including all of its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, $154,785.

PASSPORT BUREAUS

For salaries and expenses of maintenance, including rent outside the District of Columbia, of passport bureaus at New York City, N. Y.; San Francisco, Calif.; Chicago, Ill.; Seattle, Wash.; and New Orleans, La.; $49,130.

DIPLOMATIC SERVICE

AMBASSADORS AND MINISTERS

Ambassadors extraordinary and plenipotentiary to Argentina, Brazil, Chile, Cuba, France, Germany, Great Britain, Italy, Japan, Mexico, Peru, Spain, and Turkey, at $17,500 each, $227,500;

For ambassador extraordinary and plenipotentiary to Belgium and envoy extraordinary and minister plenipotentiary to Luxemburg, $17,500;

Envoys extraordinary and ministers plenipotentiary to China, and the Netherlands, at $12,000 each, $24,000;

Envoys extraordinary and ministers plenipotentiary to Albania, Austria, Bolivia, Bulgaria, Czechoslovakia, Colombia, Costa Rica, Denmark, Dominican Republic, Ecuador, Egypt, Finland, Greece, Guatemala, Haiti, Honduras, Hungary, Nicaragua, Norway, Panama, Paraguay, Persia, Poland, Portugal, Rumania, Salvador, Siam, Sweden, Switzerland, Uruguay, and Venezuela, at $10,000 each, and to the Serbs, Croats, and Slovenes, $10,000; in all, $320,000;

Envoy extraordinary and minister plenipotentiary to Esthonia, Latvia, and Lithuania, $10,000;

Minister resident and consul general to Liberia, $5,000;

Agent and consul general at Tangier, $7,500:

Provided, That no salary herein appropriated shall be paid to any official receiving any other salary from the United States Government;

Total, ambassadors and ministers, $611,500.

CHARGÉS D'AFFAIRES AD INTERIM

For salaries for chargés d'affaires ad interim, $40,000.

SECRETARIES IN THE DIPLOMATIC SERVICE

For salaries of secretaries in the Diplomatic Service, as provided in the act of February 5, 1915, entitled "An act for the improvement of the foreign service," as amended by the act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1917, approved July 1, 1916, and the act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, approved June 4, 1920, $386,875;

Japanese secretary of embassy to Japan, $5,500;

Turkish secretary of embassy to Turkey, $5,500;

Chinese secretary of legation to China, $5,500;

Chinese assistant secretary of legation to China, $4,000;

Japanese assistant secretary of embassy to Japan, $4,000;

Turkish assistant secretary of embassy to Turkey, $4,000;

Total, $415,375.

CLERKS AT EMBASSIES AND LEGATIONS

For the employment of necessary clerks at the embassies and legations, who, whenever hereafter appointed, shall be citizens of the United States, $350,800; and so far as practicable shall be appointed under civil-service rules and regulations.

INTERPRETERS TO EMBASSIES AND LEGATIONS

Interpreter to legation and consulate general to Persia, $2,000;

Interpreter to legation and consulate general to Bangkok, Siam, $2,500;

For 15 student interpreters at the legation to China and the embassies to Japan and Turkey, who shall be citizens of the United States and whose duty it shall be to study the language of the country to which assigned with a view to supplying interpreters to the legation or embassy and consulates in such country, at $1,500 each, $22,500: *Provided*, That the method of selecting said student interpreters shall be nonpartisan: *And provided further*, That upon receiving such appointment each student interpreter shall sign an agreement to continue in the service as an interpreter at the legation, embassy, or consulate

in the country to which assigned so long as his services may be required within a period of five years;

For the payment of the cost of tuition of student interpreters in China, Japan, and Turkey, at the rate of $350 per annum each, $5,250;

No person drawing the salary of interpreter or student interpreter as above provided shall be allowed any part of the salary appropriated for any secretary of legation or other officer:

Total, $32,250.

QUARTERS FOR STUDENT INTERPRETERS AT EMBASSIES

For rent of quarters for the student interpreters attached to the embassy to Japan, $1,200;

For rent of quarters for the student interpreters attached to the embassy to Turkey, $600;

Total, $1,800.

CONTINGENT EXPENSES, FOREIGN MISSIONS

To enable the President to provide, at the public expense, all such stationery, blanks, records, and other books, seals, presses, flags, and signs as he shall think necessary for the several embassies and legations in the transaction of their business, and also for rent, repairs, postage, telegrams, furniture, typewriters, including exchange of same, messenger service, operation, and maintenance of launch for embassy at Constantinople not exceeding $1,800, compensation of kavasses, guards, dragomans, and porters, including compensation of interpreters, translators, and the compensation of and rent for dispatch agents at London, New York, San Francisco, Seattle, and New Orleans, and for traveling and miscellaneous expenses of embassies and legations, and for loss on bills of exchange to and from embassies and legations, including such loss on bills of exchange to officers of the United States Court for China, and payment in advance of subscriptions for newspapers (foreign and domestic) under this appropriation is hereby authorized, $720,000: *Provided*, That no part of this sum appropriated for contingent expenses, foreign missions, shall be expended for salaries or wages of persons not American citizens performing clerical services, whether officially designated as clerks or not, in any foreign mission.

GROUND RENT OF EMBASSY AT TOKYO, JAPAN

For annual ground rent of the embassy at Tokyo, Japan, for the year ending March 15, 1925, $250.

CONSULAR SERVICE

SALARIES OF THE CONSULAR SERVICE

For salaries of consuls general, consuls, and vice consuls, as provided in the act approved February 5, 1915, entitled "An act for the improvement of the foreign service," $1,940,000. Every consul general, consul, vice consul, and wherever practicable every consular agent, shall be an American citizen;

For salaries of seven consular inspectors, at $5,000 each, $35,000;

Total, $1,975,000.

EXPENSES OF CONSULAR INSPECTORS

For the actual and necessary traveling and subsistence expenses of consular inspectors while traveling and inspecting under instructions from the Secretary of State, $22,000: *Provided*, That inspectors shall not be allowed actual and necessary expenses for subsistence, itemized, exceeding an average of $8 per day.

SALARIES OF CONSULAR ASSISTANTS

For 15 consular assistants, $19,424.

ALLOWANCE FOR CLERK HIRE AT UNITED STATES CONSULATES

For allowance for clerk hire at consulates, to be expended under the direction of the Secretary of State, $1,550,000. Clerks, whenever hereafter appointed, shall, so far as practicable, be appointed under civil-service rules and regulations.

CONTINGENT EXPENSES, UNITED STATES CONSULATES

For expenses of providing all such stationery, blanks, record and other books, seals, presses, flags, signs, rent (so much as may be necessary), repairs to consular buildings owned by the United States, postage, furniture, including typewriters and exchange of same, statistics, newspapers, freight (foreign and domestic), telegrams, advertising, messenger service, traveling expenses of consular officers and consular assistants, compensation of interpreters, kavasses, guards, dragomans, translators, and Chinese writers, loss by exchange, and such other miscellaneous expenses as the President may think necessary for the several consulates and consular agencies in the transaction of their business and payment in advance of subscriptions for newspapers (foreign and domestic) under this appropriation is hereby authorized, $980,000.

RELIEF AND PROTECTION OF AMERICAN SEAMEN

For relief and protection of American seamen in foreign countries and in the Panama Canal Zone and shipwrecked American seamen in the Territory of Alaska, in the Hawaiian Islands, Porto Rico, and Philippine Islands and the Virgin Islands, $200,000.

DIPLOMATIC AND CONSULAR

SALARIES, DIPLOMATIC AND CONSULAR OFFICERS WHILE RECEIVING INSTRUCTIONS AND IN TRANSIT

To pay the salaries of ambassadors, ministers, consuls, vice consuls, and other officers of the United States for the period actually and necessarily occupied in receiving instructions and in making transits to and from their posts, and while awaiting recognition and authority to act in pursuance with the provisions of section 1740 of the Revised Statutes, $40,000.

TRANSPORTATION OF DIPLOMATIC AND CONSULAR OFFICERS

To pay the itemized and verified statements of the actual and necessary expenses of transportation and subsistence, under such regulations as the Secretary of State may prescribe, of diplomatic and consular officers and clerks in embassies, legations, and consulates, including officers of the United States Court for China, and their families and effects in going to and returning from their posts, or of such officers and clerks when traveling under orders of the Secretary of State, but not including any expense incurred in connection with leaves of absence, $275,000: *Provided*, That no part of said sum shall be paid for transportation on foreign vessels without a certificate from the Secretary of State that there are no American vessels on which such officers and clerks may be transported.

EMERGENCIES ARISING IN THE DIPLOMATIC AND CONSULAR SERVICE

To enable the President to meet unforeseen emergencies arising in the Diplomatic and Consular Service, and to extend the commercial and other interests of the United States, and to meet the necessary expenses attendant upon the execution of the neutrality act, to be expended pursuant to the requirement of section 291 of the Revised Statutes, $400,000.

ALLOWANCE TO WIDOWS OR HEIRS OF DIPLOMATIC OR CONSULAR OFFICERS WHO DIE ABROAD

For payment under the provisions of section 1749 of the Revised Statutes of the United States to the widows or heirs at law of diplomatic or consular officers of the United States dying in foreign countries in the discharge of their duties, $2,000.

TRANSPORTING REMAINS OF DIPLOMATIC AND CONSULAR OFFICERS, CONSULAR ASSISTANTS, AND CLERKS TO THEIR HOMES FOR INTERMENT

For defraying the expenses of transporting the remains of diplomatic and consular officers of the United States, including consular assistants and clerks, who have died or may die abroad or in transit while in the discharge of their official duties, to their former homes in this country for interment, and for the ordinary and necessary expenses of such interment at their post or at home, $5,000.

POST ALLOWANCES TO DIPLOMATIC AND CONSULAR OFFICERS

To enable the President, in his discretion, and in accordance with such regulations as he may prescribe, to make special allowances by way of additional compensation to diplomatic and consular officers and consular assistants and officers of the United States Court for China, in order to adjust their official income to the ascertained cost of living at the posts to which they may be assigned, $125,000.

INTERNATIONAL OBLIGATIONS, COMMISSIONS, BUREAUS, ETC.

CAPE SPARTEL LIGHT, COAST OF MOROCCO

For annual proportion of the expenses of Cape Spartel and Tangier Light, on the coast of Morocco, including loss by exchange, $250.

RESCUING SHIPWRECKED AMERICAN SEAMEN

For expenses which may be incurred in the acknowledgment of the services of masters and crews of foreign vessels in rescuing American seamen or citizens from shipwreck or other catastrophe at sea, $3,000.

INTERNATIONAL BUREAU OF WEIGHTS AND MEASURES

For contribution to the maintenance of the International Bureau of Weights and Measures, in conformity with the terms of the convention of May 20, 1875, the same to be paid, under the direction of the Secretary of State, to said bureau on its certificate of apportionment, $3,000.

INTERNATIONAL BUREAU FOR PUBLICATION OF CUSTOMS TARIFFS

To meet the share of the United States in the annual expense for the year ending March 31, 1925, of sustaining the international bureau at Brussels for the translation and publication of customs tariffs, pursuant to the convention proclaimed December 17, 1890, $2,187.

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO

To enable the President to perform the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906, between the United States and Mexico, including not to exceed $900 for rent, $40,000.

BOUNDARY LINE, ALASKA AND CANADA, AND THE UNITED STATES AND CANADA

To enable the Secretary of State to mark the boundary and make the surveys incidental thereto between the Territory of Alaska and the Dominion of Canada, in conformity with the award of the Alaskan

Boundary Tribunal and existing treaties, including employment at the seat of government of such surveyors, computers, draftsmen, and clerks as are necessary; and for the more effective demarcation and mapping, pursuant to the treaty of April 11, 1908, between the United States and Great Britain, of the land and water boundary line between the United States and the Dominion of Canada, as established under existing treaties, to be expended under the direction of the Secretary of State, including the salaries of the commissioner and the necessary engineers, surveyors, draftsmen, computers, and clerks in the field and at the seat of government, expense of necessary traveling, for payment for timber necessarily cut in determining the boundary line not to exceed $500, and commutation to members of the field force while on field duty or actual expenses not exceeding $5 per day each, to be expended in accordance with regulations from time to time prescribed by the Secretary of State, $38,515: *Provided*, That when the commissioner is absent from Washington and from his regular place of residence on official business he shall not be allowed actual and necessary expenses of subsistence in excess of $8 per day.

INTERNATIONAL PRISON COMMISSION

For subscription of the United States as an adhering member of the International Prison Commission, and the expenses of a commission, including preparation of reports, $2,550.

PAN AMERICAN UNION

Pan American Union, $100,000: *Provided*, That any moneys received from the other American Republics for the support of the union shall be paid into the Treasury as a credit, in addition to the appropriation, and may be drawn therefrom upon requisitions of the chairman of the governing board of the union for the purpose of meeting the expenses of the union and of carrying out the orders of the said governing board.

For printing and binding for the Pan American Union, and the Public Printer is authorized to print an edition of the monthly bulletin not to exceed 6,000 copies per month, for distribution by the union during the fiscal year ending June 30, 1925, $20,000.

INTERNATIONAL BUREAU OF THE PERMANENT COURT OF ARBITRATION

To meet the share of the United States in the expenses for the calendar year 1925 of the International Bureau of the Permanent Court of Arbitration, created under article 22 of the convention concluded at The Hague July 29, 1899, for the pacific settlement of international disputes, $2,000.

BUREAU OF INTERPARLIAMENTARY UNION FOR PROMOTION OF INTERNATIONAL ARBITRATION

For the contribution of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the Promotion of International Arbitration, to be immediately available, $4,000.

INTERNATIONAL COMMISSION ON ANNUAL TABLES OF CONSTANTS, ETC.

To the International Commission on Annual Tables of Constants and Numerical Data, Chemical, Physical, and Technological, as established by the Seventh International Congress of Applied Chemistry in London and as continued by the eighth congress in New York, as a contribution by the United States toward the publication of annual tables of constants, chemical, physical, and technological, $500.

INTERNATIONAL INSTITUTE OF AGRICULTURE AT ROME, ITALY

For the payment of the quota of the United States for the support of the International Institute of Agriculture for the calendar year 1925, $19,577;

For salary of the one member of the permanent committee of the International Institute of Agriculture for the calendar year 1925, $5,000;

For the payment of the quota of the United States for the cost of translating into and printing in the English language the publications of the International Institute of Agriculture at Rome, $5,000;

Total, $29,577.

INTERNATIONAL RAILWAY CONGRESS

To pay the quota of the United States as an adhering member of the International Railway Congress for the year ending April 15, 1925, $800.

INTERNATIONAL SANITARY BUREAU

For the annual share of the United States for the maintenance of the International Sanitary Bureau for the year 1925, $11,154.29.

INTERNATIONAL OFFICE OF PUBLIC HEALTH

For the payment in gold francs of the quota of the United States for the year 1925 toward the support of the International Office of Public Health, created by the international arrangement signed at Rome, December 9, 1907, in pursuance of article 181 of the International Sanitary Convention signed at Paris on December 3, 1903, $3,860.

ARBITRATION OF OUTSTANDING PECUNIARY CLAIMS BETWEEN THE UNITED STATES AND GREAT BRITAIN

For the expenses of the arbitration of outstanding pecuniary claims between the United States and Great Britain, in accordance with the special agreement concluded for that purpose August 18, 1910, and the schedules of claims thereunder, including salary and expenses of the tribunal, and of the agent to be appointed by the President, by and with the advice and consent of the Senate, counsel, joint secretary, and other assistants, contingent expenses, and personal services and rent in the District of Columbia, and elsewhere, to be expended under the direction of the Secretary of State, $66,750.

INTERNATIONAL RADIOTELEGRAPHIC CONVENTION

For the share of the United States for the calendar year 1925, as a party to the international radiotelegraphic conventions heretofore signed, of the expenses of the radiotelegraphic service of the International Bureau of the Telegraphic Union at Berne, $5,750.

UNITED STATES SECTION OF THE INTER-AMERICAN HIGH COMMISSION

To defray the actual and necessary expenses on the part of the United States section of the Inter-American High Commission, $20,000, to be expended under the direction of the Secretary of State.

WATERWAYS TREATY, UNITED STATES AND GREAT BRITAIN: INTERNATIONAL JOINT COMMISSION, UNITED STATES AND GREAT BRITAIN

For salaries and expenses, including salaries of commissioners and salaries of clerks and other employees appointed by the commissioners on the part of the United States, with the approval solely of the Secretary of State, cost of law books, books of reference, and periodicals, and necessary traveling expenses, and for one-half of all reasonable and necessary joint expenses of the International Joint Commission incurred under the terms of the treaty between the United States and Great Britain concerning the use of boundary waters between the United States and Canada, and for other purposes, signed January 11, 1909, $33,000, to be disbursed under the direction of the Secretary of State: *Provided*, That no part of this appropriation shall be expended for subsistence of the commission or secretary, except for actual and necessary expenses, not in excess of $8 per day each, when absent from Washington and from his regular place of residence on official business: *Provided further*, That a part of this appropriation may be expended for rent of offices for the commission in the District of Columbia in the event that the Public Buildings Commission is unable to supply suitable office space.

PAYMENT TO THE GOVERNMENT OF PANAMA

To enable the Secretary of State to pay to the Government of Panama the thirteenth annual payment, due on February 26, 1925, from the Government of the United States to the Government of Panama under article 14 of the treaty of November 18, 1903, $250,000.

PAYMENT TO THE GOVERNMENT OF COLOMBIA

To enable the Secretary of State to pay to the Government of Colombia the third payment from the Government of the United States to the Republic of Colombia under article 2 of the treaty of April 6, 1914, $5,000,000.

INTERNATIONAL RESEARCH COUNCIL

To pay the annual share of the United States, as an adhering member of the International Research Council and of the Associated Unions, organized at Brussels, July 18–28, 1919, as follows: International Research Council, $240; International Astronomical Union, $1,440; International Union of Pure and Applied Chemistry, $540; International Union of Geodesy and Geophysics, $2,496; International Union of Mathematics, $120; International Union of Scientific Radiotelegraphy, $192; in all, $5,028, to be expended under the direction of the Secretary of State.

INTERNATIONAL HYDROGRAPHIC BUREAU

For the annual contribution of the United States toward the maintenance of the International Hydrographic Bureau, $3,860.

FOREIGN HOSPITAL AT CAPE TOWN

For annual contribution toward the support of the Somerset Hospital (a foreign hospital), at Cape Town, $50, to be paid by the Secretary of State upon the assurance that suffering seamen and citizens of the United States will be admitted to the privileges of said hospital.

INTERNATIONAL TRADE-MARK REGISTRATION BUREAU, QUOTA OF UNITED STATES

For the annual share of the United States for the expenses of the maintenance of the International Trade-Mark Registration Bureau at Habana, including salaries of the director and counselor, assistant director and counselor, clerks, translators, secretary to the director, stenographers and typewriters, messengers, watchmen, and laborers, rent of quarters, stationery and supplies, including the purchase of books, postage, traveling expenses, and the cost of printing the bulletin, $4,961.

INTERNATIONAL BUREAU OF THE UNION FOR THE PROTECTION OF INDUSTRIAL PROPERTY

For the share of the United States in the expense of conducting the International Bureau of the Union for the Protection of Industrial Property, at Berne, Switzerland, $1,700.

MIXED CLAIMS COMMISSION, UNITED STATES AND GERMANY

For the expenses of determining the amounts of claims against Germany by the Mixed Claims Commission established under the agreement concluded between the United States and Germany on August 10, 1922, for the determination of the amount to be paid by Germany in satisfaction of the financial obligations of Germany under the treaty concluded between the Governments of the United States and Germany on August 25, 1921, including the expenses which under the terms of such agreement of August 10, 1922, are chargeable in part to the United States; and the expenses of an agency of the United States to perform all necessary services in connection with the preparation of claims and the presentation thereof before said mixed commission, including salaries of an agent and necessary counsel and other assistants and employees, rent in the District of Columbia, printing and binding, contingent expenses, traveling and subsistence expenses, and such other expenses in the United States and elsewhere as the President may deem proper, $182,140.

JUDICIAL

UNITED STATES COURT FOR CHINA

Judge, $5,000; district attorney, $4,000; marshal, $3,000; clerk, $3,000; stenographer and court reporter, $2,400; court expenses, including reference law books, $8,500; in all, $28,900.

The judge of the said court and the district attorney shall, when the sessions of the court are held at other cities than Shanghai, receive in addition to their salaries their necessary actual expenses during such session, not to exceed $8 per day each, and so much as may be necessary for said purposes during the fiscal year ending June 30, 1925, is appropriated.

For expenses of maintaining in China, the former Ottoman Empire, Egypt, and Persia institutions for incarcerating American convicts and persons declared insane by the United States Court for China or any consular court, including salaries of not exceeding $1,800 for the deputy marshal and $1,200 each for three assistant deputy marshals at Shanghai; wages of prison keepers; rent of quarters for prisons, and for the expenses of keeping, feeding, and transportation of prisoners and persons declared insane by the United States Court for China or any consular court in China, the former Ottoman Empire, Egypt, and Persia, so much as may be necessary; in all, $15,000.

BRINGING HOME CRIMINALS

For actual expenses incurred in bringing home from foreign countries persons charged with crime, $2,000.

No portion of the sums appropriated in Title I of this act shall, unless expressly authorized, be expended for rent in the District of Columbia or elsewhere in the United States.

TITLE II.—DEPARTMENT OF JUSTICE

OFFICE OF THE ATTORNEY GENERAL

Salaries: For Attorney General, $12,000; Solicitor General, $10,000; Assistant to the Attorney General, $9,000; and other personal services in the District of Columbia in accordance with the classification act of 1923, including the solicitors of the State, Treasury, Interior, Commerce, and Labor Departments, the Solicitor of Internal Revenue, and the office forces of the solicitors of the Treasury, Commerce, and Labor Departments, $553,040; in all, $584,040.

For the purchase of law books, books of reference, and periodicals, including the exchange thereof, for the Department of Justice, $7,700.

CONTINGENT EXPENSES, DEPARTMENT OF JUSTICE

For stationery, furniture, and repairs, floor coverings not exceeding $500, file holders and cases; miscellaneous expenditures, including telegraphing and telephones, foreign postage, labor, typewriters, and adding machines and the exchange thereof and repairs thereto, street-car fares not exceeding $300, newspapers, press clippings, and other necessaries ordered by the Attorney General; official transportation, including the repair, maintenance, and operation of a motor-driven passenger car, delivery truck, and motor cycle, to be used only for official purposes, and purchase and repair of bicycles, $51,750.

For rent of buildings and parts of buildings in the District of Columbia, $75,000, if space can not be assigned by the Public Buildings Commission in buildings under the control of that commission.

For printing and binding for the Department of Justice and the courts of the United States, $200,000.

For traveling and other miscellaneous and emergency expenses, including advances made by the disbursing clerk, authorized and approved by the Attorney General, to be expended at his discretion, the provisions of section 3648, Revised Statutes, to the contrary notwithstanding, $7,500.

MISCELLANEOUS OBJECTS, DEPARTMENT OF JUSTICE

Conduct of customs cases: Assistant Attorney General, $8,000; special attorneys and counselors at law in the conduct of customs cases, to be employed and their compensation fixed by the Attorney General, as authorized by subsection 30 of section 28 of the act of August 5, 1909; necessary clerical assistance and other employees at the seat of government and elsewhere, to be employed and their compensation fixed by the Attorney General; supplies, Supreme Court Reports and Digests, and Federal Reporter and Digests, traveling, and other miscellaneous and incidental expenses, to be expended under the direction of the Attorney General; in all, $89,470.

Defending suits in claims against the United States: For necessary expenses incurred in the examination of witnesses, procuring evidence, employment of experts, and such other expenses as may be necessary in defending suits in the Court of Claims, including Indian depredation claims, to be expended under the direction of the Attorney General, $79,500.

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of criminal identification records and their exchange with the officials of States, cities, and other institutions; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; hire, maintenance, upkeep, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary; firearms and ammunition, such stationery and supplies for use at the seat of government or elsewhere as the Attorney General may direct, including not to exceed $10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph and to be expended under the direction of the Attorney General, whose certificate as to the expenditure thereof shall be conclusive on the General Accounting Office; per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, including not to exceed $260,000 for necessary employees at the seat of government, and including a Director of the Bureau of Investigation at not exceeding $7,500 per annum, $2,188,862; for the investigation of the official acts, records, and accounts of marshals, attorneys, and clerks of the United States courts and the Territorial courts, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Attorney General at any time; and also, when requested by the presiding judge, the official acts, records and accounts of referees and trustees of such courts, including $35,260 for necessary employees at the seat of government, $112,800; in all, $2,301,722; to be expended under the direction of the Attorney General: *Provided*, That this appropriation shall be available for advances to be made by the disbursing clerk of the Department of Justice when authorized and approved by the Attorney General, the provisions of section 3648 of the Revised Statutes to the contrary notwithstanding: *Provided further*, That for the purpose of executing the duties for which provision is made by this appropriation the Attorney General is authorized to appoint officials who shall be vested with the authority necessary for the execution of such duties: *Provided further*, That not exceeding $10,000 of this appropriation shall be immediately available to meet obligations incurred on account of expenses incident to criminal identification records.

Enforcement of antitrust laws: For the enforcement of antitrust laws, including not exceeding $10,000 for clerical services and not exceeding $40,000 for compensation of attorneys at the seat of government, $201,200: *Provided, however*, That no part of this money shall be spent in the prosecution of any organization or individual for entering into any combination or agreement having in view the increasing of wages, shortening of hours, or bettering the conditions of labor, or for any act done in furtherance thereof not in itself unlawful: *Provided further*, That no part of this appropriation shall be expended for the prosecution of producers of farm products and associations of farmers who cooperate and organize in an effort to and for the purpose to obtain and maintain a fair and reasonable price for their products.

Enforcement of acts to regulate commerce: For salary and expenses of assistant to the Solicitor General in representing the Government in all matters arising under the act entitled "An act to regulate commerce," approved February 4, 1887, as amended, including traveling expenses, to be expended under the direction of the Attorney General, including salaries of employees in the District of Columbia, $10,000.

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, to be available for the employment of counsel and other assistants, rents, and all other purposes in connection therewith, whether in the District of Columbia or elsewhere, including not to exceed $10,000 for communication service, the purchase of furniture, law books, books of reference, and other necessary equipment and supplies at the seat of the government; $500,000, to be expended in the discretion of the Attorney General: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission: *Provided further*, That not more than one person shall be employed hereunder at a rate of compensation exceeding $10,000 per annum.

JUDICIAL

UNITED STATES SUPREME COURT

Salaries: Chief Justice, $15,000; 8 associate justices, at $14,500 each; marshal, $4,500; 9 law clerks, 1 for the Chief Justice and 1 for each associate justice, at not exceeding $3,600 each; 9 stenographic clerks, 1 for the Chief Justice and 1 for each associate justice, at not exceeding $2,240 each; in all, $188,060.

For printing and binding for the Supreme Court of the United States, $25,000, and the printing and binding for the Supreme Court shall be done by the printer it may employ, unless it shall otherwise order; and for printing and binding the official reports of the Supreme Court of the United States, and advance pamphlet installments thereof, during the fiscal year 1924, to be expended as required, without allotment by quarters, $25,000; in all, $50,000.

For the salary of the Reporter, $8,000; and for his expenses for professional and clerical assistance and stationery, to be paid upon vouchers signed by him and approved by the Chief Justice, $3,500; in all, $11,500.

SALARIES OF JUDGES

For salaries of 33 circuit judges, at $8,500 each; 128 district judges (including 2 in the Territory of Hawaii and 1 in the Territory of Porto Rico), at $7,500 each; and judges retired under section 260 of the Judicial Code, as amended by the act of February 25, 1919; in all, $1,380,500: *Provided*, That this appropriation shall be available for the salaries of all United States justices and circuit and district judges lawfully entitled thereto, whether active or retired.

For salary of reporter, Territory of Hawaii, $1,200.

NATIONAL PARK COMMISSIONERS

For commissioners in the Crater Lake, Glacier, Mount Rainier, Yellowstone, Yosemite, and Sequoia and General Grant National Parks, at $1,500 each, $9,000. The provisions of section 21 of the legislative, executive, and judicial appropriation act approved May 28, 1896, shall not be construed as impairing the rights of said commissioners to receive the salaries provided herein.

COURT OF CUSTOMS APPEALS

Salaries: Presiding judge and 4 associate judges, at $8,500 each; marshal, $3,000; clerk, $3,500; assistant clerk, $2,000; 5 stenographic clerks, at $1,600 each; stenographic reporter, $2,500; messenger, $840; in all, $62,340.

For rent of necessary quarters in the District of Columbia and elsewhere, $10,000; books and periodicals, including their exchange; stationery, supplies, traveling expenses; heat, light, and power service; drugs, chemicals, cleansers, furniture, pay of bailiffs and all other necessary employees not otherwise specifically provided for; and for such other miscellaneous expenses as may be approved by the presiding judge, $3,960; in all, $13,960.

COURT OF CLAIMS

Salaries: Chief justice, $8,000; four judges, at $7,500 each; chief clerk, $5,000; assistant clerk, $2,500; bailiff, $1,500; clerks—two at $1,600 each (one of whom shall be a stenographer), one at $1,400, two at $1,200 each; four stenographers, at $1,200 each; chief messenger, $1,000; two assistant messengers, at $720 each; three firemen, at $720 each; three watchmen, at $720 each; elevator conductor, $720; two laborers, at $660 each; two charwomen, at $240 each; in all, $68,080.

For custodian of the building occupied by the Court of Claims, $500, to be paid on the order of the court, notwithstanding section 1765 of the Revised Statutes or section 3 of the act of June 20, 1874.

For printing and binding for the Court of Claims, $35,000.

For auditors and additional stenographers, when deemed necessary, in the Court of Claims, to be disbursed under the direction of the court, $14,000.

For stationery, court library, repairs, including repairs to bicycles, fuel, electric light, electric elevator, and other miscellaneous expenses, $6,600.

For reporting the decisions of the court and superintending the printing of the fifty-ninth volume of the reports of the Court of Claims, $1,000, to be paid on the order of the court to the reporter, notwithstanding section 1765 of the Revised Statutes or section 2 of the legislative, executive, and judicial appropriation act approved July 31, 1894, or section 6 of the legislative, executive, and judicial appropriation act approved May 10, 1916.

TERRITORIAL COURTS

Alaska: Four judges, at $7,500 each; four attorneys, $5,000 each; four marshals, at $4,000 each; four clerks, at $3,500 each; in all, $80,000.

Hawaii: Chief justice, $7,500; two associate justices, at $7,000 each; in all, $21,500.

Four judges of circuit courts, at $6,000 each, $48,000.

MARSHALS, DISTRICT ATTORNEYS, CLERKS, AND OTHER EXPENSES OF UNITED STATES COURTS

For salaries, fees, and expenses of United States marshals and their deputies, including services rendered in behalf of the United States or otherwise, services in Alaska in collecting evidence for the United States when so specially directed by the Attorney General, and maintenance, alteration, repair, and operation of motor-driven passenger-carrying vehicles used in connection with the transaction of the official business of the United States marshal for the District of Columbia, $2,931,000: *Provided*, That there shall be paid hereunder any necessary cost of keeping vessels or other property attached or libeled in admiralty in such amount as the court, on petition setting forth the facts under oath, may allow: *Provided further*, That marshals and office deputy marshals (except in the District of Alaska) may be granted a per diem of not to exceed $4 in lieu of subsistence, instead of, but under the conditions prescribed for, the present allowance for actual expenses of subsistence.

For salaries of United States district attorneys and expenses of United States district attorneys and their regular assistants, including the office expenses of United States district attorneys in Alaska, and for salaries of regularly appointed clerks to United States district attorneys for services rendered during vacancy in the office of the United States district attorney, $1,199,780: *Provided*, That United States district attorneys and their regular assistants may be granted a per diem of not to exceed $4 in lieu of subsistence, instead of, but under the conditions prescribed for, the present allowance for actual expenses of subsistence.

For regular assistants to United States district attorneys who are appointed by the Attorney General at a fixed annual compensation, $652,800: *Provided*, That except as otherwise prescribed by law the compensation of such of the assistant district attorneys authorized by section 8 of the act approved March 28, 1896, as the Attorney General may deem necessary, may be fixed at not exceeding $3,500 per annum.

For assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and for payment of foreign counsel employed by the Attorney General in special cases (such counsel shall not be required to take oath of office in accordance with section 366, Revised Statutes of the United States), $840,000, to be available for expenditure in the District of Columbia.

For salaries of clerks of United States circuit courts of appeals and United States district courts, their deputies, and other assistants, expenses of travel and subsistence, and other expenses of conducting their respective offices, in accordance with the provisions of the act approved February 26, 1919, and the act approved June 1, 1922, making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1923, $1,504,405: *Provided*, That per diem in lieu of subsistence not to exceed $4 per day may be granted to deputy clerks and clerical assistants to clerks of United States district courts, instead of but under conditions applicable to the allowance for actual expenses of subsistence, as provided in the above-mentioned act of February 26, 1919.

For fees of United States commissioners and justices of the peace acting under section 1014, Revised Statutes of the United States, $500,000.

For fees of jurors, $1,600,000.

For fees of witnesses and for payment of the actual expenses of witnesses, as provided by section 850, Revised Statutes of the United States, including the fees and expenses of witnesses on behalf of the Government before the Boards of United States General Appraisers, such payments to be made on the certification of the attorney for the United States and to be conclusive as provided in section 850, Revised Statutes of the United States, $1,430,000.

For rent of rooms for the United States courts and judicial officers, $80,000.

For bailiffs and criers, not exceeding three bailiffs and one crier in each court, except in the southern district of New York and the northern district of Illinois, $290,000: *Provided*, That all persons employed under section 715 of the Revised Statutes shall be deemed to be in actual attendance when they attend upon the order of the courts, but no such person shall be employed during vacation; expenses of circuit and district judges of the United States and the judges of the district courts of the United States in Alaska, Porto Rico, and Hawaii, as provided by section 259 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; meals and lodging for jurors in United States cases, and of bailiffs in attendance upon the same, when ordered by the court, and meals and lodging for jurors in Alaska, as provided by section 193, Title II, of the act of June 6, 1900; and compensation for jury commissioners, $5 per day, not exceeding three days for any one term of court.

For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including so much as may be necessary in the discretion of the Attorney General for such expenses in the district of Alaska, and in courts other than Federal courts, $739,000.

For supplies, including the exchange of typewriting and adding machines, for the United States courts and judicial officers, including firearms and ammunition therefor, to be expended under the direction of the Attorney General, $73,000.

For purchase of law books, including the exchange thereof, for United States judges, district attorneys, and other judicial officers, including the nine libraries of the United States circuit courts of appeals, including not to exceed $4,000 for the purchase of continuations of the Federal Reporter as issued, to be expended under the direction of the Attorney General: *Provided*, That such books shall in all cases be transmitted to their successors in office; all books purchased thereunder to be marked plainly, "The property of the United States," $38,800, of which not to exceed 20 per cent, in the discretion of the Attorney General, may be used for the purchase of United States Reports and the Federal Reporter.

PENAL INSTITUTIONS

Leavenworth, Kans., Penitentiary: For subsistence, including supplies from the prison stores for warden, deputy warden, and physician, tobacco for prisoners, kitchen and dining-room furniture and utensils, seeds and implements, and for purchase of ice if necessary, $185,000.

For clothing, transportation, and traveling expenses, including materials for making clothing at the penitentiary; gratuities for prisoners at release, provided such gratuities shall be furnished to prisoners sentenced for terms of imprisonment of not less than six months, and transportation to place of conviction or place of bona fide residence in the United States, or to such other place within the United States as may be authorized by the Attorney General; expenses of shipping remains of deceased prisoners to their homes in the United States; expenses of penitentiary officials while traveling on official duty; expenses incurred in pursuing and identifying escaped prisoners and for rewards for their recapture, $101,000.

For miscellaneous expenditures in the discretion of the Attorney General, fuel, forage, hay, light, water, stationery, fuel for generating steam, heating apparatus, burning bricks and lime; forage for issue to public animals, and hay and straw for bedding; not exceeding $500 for maintenance and repair of motor-propelled and horse-drawn passenger-carrying vehicles; blank books, blank forms, typewriting supplies, pencils and memorandum books for guards, books for use in chapel, paper, envelopes, and postage stamps for issue to prisoners; labor and materials for repairing steam heating plant, electric plant, and water circulation, and drainage; labor and materials for construction and repair of buildings, general supplies, machinery, and tools for use on farm and in shops, brickyards, quarry, limekiln, laundry, bathrooms, printing office, photograph gallery, stables, policing buildings and grounds; purchase of cows, horses, mules, wagons, harness, veterinary supplies; lubricating oils, office furniture, stores, blankets, bedding, iron bunks, paints, and oils, library books, newspapers and periodicals, and electrical supplies; payment of water supply, telegrams, telephone service, notarial and veterinary services; advertising in newspapers; fees to consulting physicians called to determine mental conditions of supposed insane prisoners, and for other services in case of emergency; pay of extra guards or employees when deemed necessary by the Attorney General: *Provided*, That livestock may be exchanged or traded when authorized by the Attorney General, $179,520.

For hospital supplies, medicines, medical, and surgical supplies, and all other articles for the care and treatment of sick prisoners; and for expenses of interment of deceased prisoners on the penitentiary reservation, $16,000.

For salaries of all officers and employees, including guards and foremen, $182,700.

In all, Leavenworth, Kans., Penitentiary, $659,120.

Atlanta, Ga., Penitentiary: For subsistence, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., $200,000.

For clothing, transportation, and traveling expenses, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., $110,000.

For miscellaneous expenditures, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., of which $20,000 shall be available only for drainage, and not exceeding $500 for maintenance and repair of horse-drawn and motor-propelled passenger-carrying vehicles, $176,980.

For hospital supplies, including the same objects specified under this head for the penitentiary at Leavenworth, Kans. $8,000.

For salaries of all officers and employees, including guards and foremen, $188,740.

The appropriation of $150,000 for the fiscal year 1923, for a working capital fund, is reappropriated and made available for the fiscal year 1925; and the said working capital fund and all receipts credited thereto may be used as a revolving fund during the fiscal year 1925.

In all, Atlanta, Ga., Penitentiary, $683,620.

McNeil Island, Wash., Penitentiary: For subsistence, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., and for supplies for guards, $44,500.

For clothing, transportation, and traveling expenses, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., $31,000.

For miscellaneous expenditures, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., $49,760.

For hospital supplies, including the same objects specified under this head for the penitentiary at Leavenworth, Kans., $2,000.

For the salaries of all officers and employees, including guards and foremen, $45,600.

In all, McNeil Island, Wash., Penitentiary, $172,860.

National Training School for Boys: Superintendent, $2,500; assistant superintendent, $1,500; teachers and assistants, $12,900; chief clerk, $1,000; nurse, $900; matron of school and nurse, at $600 each; storekeeper and steward, $720; farmer, $660; baker, $660; tailor, $720; parole officer, $900; office clerk, $720; assistant office clerk, $480; physical director, $720; six matrons of families at $240 each; foremen of shop and skilled helpers, $4,200; assistant farmer and assistant engineer, at $420 each; laundress, $360; teamster, $420; florist, $540; engineer and shoemaker, at $600 each; cook, $600; dining-room attendants—boys $300, officers $240; housemaids, $216; seamstress, $240; assistant cook, $300; eight watchmen, at $420 each; secretary and treasurer, $900; in all, $40,736.

For support of inmates, including groceries, flour, feed, meats, dry goods, leather, shoes, gas, fuel, hardware furniture tableware farm implements, seeds, harness and repairs to same, fertilizers, books and periodicals, stationery, entertainments, plumbing, painting, glazing, medicines, and medical attendance, stock maintenance repair and operation of passenger-carrying vehicles, fencing roads, all repairs to buildings and other necessary items, including compensation, not exceeding $2,000, for additional labor or services, for identifying and pursuing escaped inmates, for rewards for their recapture, and not exceeding $500 for transportation and other necessary expenses incident to securing suitable homes for discharged boys, $19,700.

In all, National Training School for Boys, $60,436.

Appropriations in this act under the Department of Justice shall not be used for beginning the construction of any new or additional building, other than those specifically provided for herein, at any Federal penitentiary.

Support of prisoners: For support of United States prisoners, including necessary clothing and medical aid, discharge gratuities provided by law and transportation to place of conviction or place of bona fide residence in the United States, or such other place within the United States as may be authorized by the Attorney General; support of prisoners becoming insane during imprisonment, and who continue insane after expiration of sentence who have no friends to whom they can be sent; shipping remains of deceased prisoners to their friends or relatives in the United States and interment of deceased prisoners whose remains are unclaimed; expenses incurred in identifying and pursuing escaped prisoners and for rewards for their recapture; and not exceeding $2,500 for repairs, betterments, and improvements of United States jails, including sidewalks, $1,795,000.

Inspection of prisons and prisoners: For the inspection of United States prisons and prisoners, including salary of the assistant superintendent of prisons; to be expended under the direction of the Attorney General, $15,800.

The unexpended balance of the appropriations of $100,000 for expenses of additional courts, contained in the third deficiency act approved March 4, 1923, shall remain available during the fiscal year 1925.

TITLE III.—DEPARTMENT OF COMMERCE

OFFICE OF THE SECRETARY

Salaries: Secretary of Commerce, $12,000; Assistant Secretary, and other personal services in the District of Columbia in accordance with "the classification act of 1923," including the chief clerk and superintendent who shall be chief executive officer of the department and who may be designated by the Secretary of Commerce to sign official papers and documents during the temporary absence of the Secretary and the Assistant Secretary of the department, $218,380; in all, $230,380.

CONTINGENT EXPENSES, DEPARTMENT OF COMMERCE

For contingent and miscellaneous expenses of the offices and bureaus of the department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including professional and scientific books, law books, books of reference, periodicals, blank books, pamphlets, maps, newspapers (not exceeding $2,500); stationery; furnitures and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges; fuel, lighting and heating; purchase and exchange of motor trucks and bicycles; maintenance, repair, and operation of two motor-propelled passenger-carrying vehicles and of motor trucks and bicycles, to be used only for official purposes; freight and express charges; postage to foreign countries; telegraph and telephone service; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; repairs to building occupied by offices of the Secretary of Commerce; first-aid outfits for use in the buildings occupied by employees of this department; street-car fares, not exceeding $300; and all other miscellaneous items and necessary expenses not included in the foregoing; $225,000, which sum shall constitute the appropriation for contingent expenses of the department and shall also be available for the purchase of necessary supplies and equipment for field services of bureaus and offices of the department for which contingent and miscellaneous

For salaries, fees, and expenses of United States marshals and their deputies, including services rendered in behalf of the United States or otherwise, services in Alaska in collecting evidence for the United

For purchase of law books, including the exchange thereof, for United States judges, district attorneys, and other judicial officers, including the nine libraries of the United States circuit courts of appeals, includ-

head for the penitentiary at Leavenworth, Kans., $2,000.

and offices of the department for which contingent and miscellaneous

appropriations are specifically made in order to facilitate the purchase through the central purchasing office (Division of Supplies), as provided in the act of June 17, 1910 (36 Stat. L. p. 531).

For rent of buildings in the District of Columbia, $66,500.

For rent of storage space outside the Commerce Building, $1,500.

For all printing and binding for the Department of Commerce, including all of its bureaus, offices, institutions, and services in the District of Columbia and elsewhere, $475,000: *Provided*, That an amount not to exceed $2,000 of this allotment may be expended for salaries of persons detailed from the Government Printing Office for service as copy editors.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Salaries: For the director and other personal services in the District of Columbia in accordance with "the classification act of 1923," $266,477.

Commercial attachés: For commercial attachés, to be appointed by the Secretary of Commerce, after examination to be held under his direction to determine their competency and to be accredited through the State Department, whose duties shall be to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries as may be of interest to the United States; and for the compensation of a clerk or clerks for each commercial attaché at the rate of not to exceed $3,000 per annum for each person so employed, and for janitor and messenger service, traveling and subsistence expenses of officers and employees, rent outside of the District of Columbia, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference, and periodicals, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications, travel to and from the United States, and all other incidental expenses not included in the foregoing; such commercial attachés shall serve directly under the Secretary of Commerce and shall report directly to him, $241,000: *Provided*, That not to exceed two commercial attachés employed under this appropriation may be recalled from their foreign posts and assigned for duty in the Department of Commerce without loss of salary.

Promoting commerce, Europe and other areas: For all necessary expenses, including investigations in Europe and other areas, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, purchase of books of reference and periodicals, maps, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications for the promotion of the commercial interests of the United States, rent outside the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to further promote and develop the foreign and domestic commerce of the United States $385,000, to be expended under the direction of the Secretary of Commerce: *Provided*, That not more than $25,000 of the foregoing sum may be used for personal services in Washington, D. C.: *Provided further*, That not more than four trade commissioners employed under this appropriation may be recalled from their foreign posts and assigned to duty in the Department of Commerce.

District and cooperative office service: For all expenses necessary to operate and maintain district and cooperative offices, including personal services in the District of Columbia and elsewhere, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, purchase of maps, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic), not exceeding $400, and all other publications necessary for the promotion of the commercial interests of the United States, and all other incidental expenses not included in the foregoing, $166,000.

Promoting commerce, South and Central America: To further promote and develop the commerce of the United States with South and Central America, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, plans, specifications, manuscripts, documents, maps, newspapers (both foreign and domestic), not exceeding $400, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses, not included in the foregoing, to be expended under the direction of the Secretary of Commerce, $243,000: *Provided*, That not more than two trade commissioners employed under this appropriation may be recalled from their foreign posts and assigned to duty in the Department of Commerce.

Promoting commerce in the Far East: To further promote and develop the commerce of the United States with the Far East, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, maps, newspapers (both foreign and domestic) not exceeding $400, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to be expended under the direction of the Secretary of Commerce, $213,000: *Provided*, That not more than two trade commissioners employed under this appropriation may be recalled from their foreign posts and assigned to duty in the Department of Commerce.

Enforcement of China trade act: To carry out the provisions of the act entitled "China trade act, 1922," including $23,520 for personal services in the District of Columbia and elsewhere, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, purchase of books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications; rent outside the District of Columbia, and all necessary expenses not included in the foregoing, $31,020.

Export industries: To enable the Bureau of Foreign and Domestic Commerce to investigate and report on domestic as well as foreign problems relating to the production, distribution, and marketing in so far as they relate to the important export industries of the United States, including personal services in the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriters, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside District of Columbia, and all other incidental expenses connected therewith, $582,550.

Raw-material investigations: For all necessary expenses, including personal services in the District of Columbia and elsewhere, purchase of books of reference and periodicals, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other necessary incidental expenses not included in the foregoing, to enable the Bureau of Foreign and Domestic Commerce to collect and compile information regarding the disposition and handling of raw materials and manufactures, $50,780.

Transportation and interment of remains of officers and employees: For defraying the expenses of transporting the remains of officers and employees of the Bureau of Foreign and Domestic Commerce who may die abroad or in transit, while in the discharge of their official duties, to their former homes in this country for interment, and for the ordinary expenses of such interment at their post or at home, $1,500.

Transportation of families and effects of officers and employees: To pay the itemized and verified statements of the actual and necessary expenses of transportation and subsistence, under such regulations as the Secretary of Commerce may prescribe, of families and effects of officers and employees of the Bureau of Foreign and Domestic Commerce in going to and returning from their posts, or when traveling under the order of the Secretary of Commerce, but not including any expenses incurred in connection with leave of absence of the officers and employees of the Bureau of Foreign and Domestic Commerce, $25,000: *Provided*, That no part of said sum shall be paid for transportation on foreign vessels without a certificate from the Secretary of Commerce that there are no American vessels on which such officers and clerks may be transported at rates not in excess of those charged by foreign vessels.

Customs statistics: For all expenses necessary for the operation of the section of customs statistics, transferred to the Department of Commerce from the Treasury Department by the act approved January 5, 1923, including personal services in the District of Columbia and elsewhere; rent of or purchase of tabulating, punching, sorting, and other mechanical labor-saving machinery or devices, including adding, typewriting, billing, computing, mimeographing, multigraphing, photostat, and other duplicating machines and devices, including their exchange and repair; telegraph and telephone service; subsistence and traveling expenses of officers and employees while traveling on official business; freight, express, drayage; tabulating cards, stationery and miscellaneous office supplies; furniture and equipment; ice, water, heat, light, and power; street-car fare; and all other necessary and incidental expenses not included in the foregoing, $294,000.

Lists of foreign buyers: For all necessary expenses, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, lists of foreign buyers, books of reference, periodicals, reports, documents, plans, specifications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to enable the Bureau of Foreign and Domestic Commerce to collect and compile lists of foreign buyers, $9,300.

Investigating sources of crude rubber: To enable the Department of Commerce to investigate and report upon the possibilities of developing the rubber plantation industry in the Philippine Islands and Latin America; to investigate the conditions of production and marketing of other essential raw materials for American industries, including nitrate and sisal; and to investigate related problems in the development of the foreign trade of the United States, including personal services in the District of Columbia and elsewhere; traveling and subsistence expenses of officers and employees, purchase of necessary furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, medical supplies and first-aid outfits, books of reference, periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside the District of Columbia; and all other incidental expenses not included in the foregoing, $94,000.

Investigation of foreign trade restrictions: For all necessary expenses, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to enable the Bureau of Foreign and Domestic Commerce to collect and compile information regarding the restrictions and regulations of trade imposed by foreign countries, $25,550.

BUREAU OF THE CENSUS

Salaries: For the director and other personal services in the District of Columbia in accordance with the classification act of 1923, $973,000.

Collecting statistics: For securing information for census reports, provided for by law, semimonthly reports of cotton production, periodical reports of stocks of baled cotton in the United States and of the domestic and foreign consumption of cotton; quarterly reports of tobacco; per diem compensation of special agents and expenses of same and of detailed employees, whether employed in Washington, D. C., or elsewhere; not to exceed $100,000 for temporary personal services in the District of Columbia, to be selected from the registers of the Civil Service Commission, the cost of transcribing State, municipal, and other records; temporary rental of quarters outside of the District of Columbia; for supervising special agents, and employment by them of such temporary service as may be necessary in collecting the statistics required by law: *Provided*, That the compensation of not to exceed 10 special agents provided for in this paragraph may be fixed at a rate not to exceed $8 per day, $805,000.

Census of agriculture: For salaries and necessary expenses for preparing for, taking, compiling, and publishing the census of agriculture of the United States for 1925; for rent of office quarters outside the District of Columbia; for purchases of supplies, including cards, materials, and other contingent expenses; printing and binding; the rental, construction, and repair of card-punching, card-sorting, and card-tabulating machinery; personal services on a piece-price basis or otherwise in the District of Columbia and in the field; salaries and traveling expenses of supervisors, enumerators, clerks, and interpreters, $3,500,000, to continue available until June 30, 1926: *Provided*, That existing law shall not operate to prohibit the use of such portion of this appropriation as may be necessary for the purchase of supplies, printing and binding, and other contingent expenses in connection with the census of agriculture.

Tabulating machines: For constructing tabulating machines, and repairs to such machinery and other mechanical appliances, including technical and mechanical service in connection therewith, whether in the District of Columbia or elsewhere, and purchase of necessary machinery and supplies, $39,470.

STEAMBOAT INSPECTION SERVICE

Salaries: For the Supervising Inspector General and other personal services in the District of Columbia in accordance with "the classification act of 1923," $27,960.

Steamboat inspectors: For 10 supervising inspectors, at $3,450 each, $34,500;

Inspectors of hulls and inspectors of boilers, as follows: 2 at $2,950 each, 14 at $2,700 each, 28 at $2,500 each, 12 at $2,350 each, 36 at $2,100 each; in all, $217,500;

Assistant inspectors, as authorized by law, for the following ports: New York, 34 at $2,500 each; New Orleans, 6 at $2,350 each; Baltimore, 8 at $2,350 each; Providence, 4 at $2,350 each; Boston, 6 at $2,350 each; Philadelphia, 14 at $2,350 each; San Francisco, 12 at $2,350 each; Buffalo, 6 at $2,100 each; Cleveland, 6 at $2,100 each; Milwaukee, 4 at $2,100 each; Chicago, 4 at $2,100 each; Grand Haven, 2 at $2,100 each; Detroit, 4 at $2,100 each; Norfolk, 8 at $2,100 each; Seattle, 12 at $2,100 each; Portland (Oreg.), 4 at $2,100 each; Albany (N. Y.), 2 at $2,100 each; Duluth, 2 at $2,100 each; Portland (Me.), 2 at $2,100 each; Los Angeles, 2 at $2,100 each; Galveston, 2 at $2,100 each; Mobile, 2 at $2,100 each; Savannah, 2 at $2,100 each; Toledo, 2 at $2,100 each; 3 traveling inspectors, at $3,000 each; in all, $350,100;

In all, for inspectors, Steamboat Inspection Service, $602,100.

Clerk hire, Steamboat Inspection Service: For compensation, not exceeding $1,500 a year to each person, of clerks to boards of steamboat inspectors, to be appointed by the Secretary of Commerce in accordance with the provisions of law, $115,700.

Contingent expenses: For the payment of fees to witnesses; for traveling and other expenses when on official business of the Supervising Inspector General, Deputy Supervising Inspector General, supervising inspectors, traveling inspectors, local and assistant inspectors, and clerks; for instruments, furniture, stationery, janitor service, and every other thing necessary to carry into effect the provisions of Title 52, Revised Statutes, $139,110.

BUREAU OF NAVIGATION

Salaries: For the commissioner and other personal services in the District of Columbia in accordance with "the classification act of 1923," $55,140.

Admeasurement of vessels: To enable the Commissioner of Navigation to secure uniformity in the admeasurement of vessels, including the employment of an adjuster of admeasurements, purchase and exchange of admeasuring instruments, traveling and incidental expenses, $4,500.

For purchase and repair of instruments for counting passengers, $250.

Enforcement of navigation laws: To enable the Secretary of Commerce to provide and operate such motor boats and employ thereon such persons as may be necessary for the enforcement, under his direction by customs officers, of laws relating to navigation and inspection of vessels, boarding of vessels, and counting of passengers on excursion boats, $67,915.

Preventing overcrowding of passenger vessels: To enable the Secretary of Commerce to employ, temporarily, such persons as may be necessary, of whom not more than two at any one time may be employed in the District of Columbia, to enforce the laws to prevent overcrowding of passenger and excursion vessels, and all expenses in connection therewith, $14,000.

Wireless communication laws: To enable the Secretary of Commerce to enforce the acts of Congress "to require apparatus and operators for radio communication on certain ocean steamers" and "to regulate radio communication" and carry out the international radio telegraphic convention, examine and settle international radio accounts, including personal services in the District of Columbia, and to employ such persons and means as may be necessary, traveling and subsistence expenses, purchase and exchange of instruments, technical books, tabulating, duplicating, and other office machinery and devices, rent and all other miscellaneous items and necessary expenses not included in the foregoing, including the transfer from the office of the Director of Naval Communications to the Department of Commerce of mechanical and office equipment and supplies now in use in connection with the examination and settlement of international radio accounts, $158,778.

Shipping Commissioners: For salaries of shipping commissioners in amounts not exceeding the following: Baltimore, $2,000; Boston, $3,000; New Orleans, $2,500; Newport News, $1,500; New York, $5,000; Norfolk, $1,800; Philadelphia, $2,400; Portland, Me., $1,300; Seattle, $3,500; Providence, $1,800; Galveston, $1800; San Francisco, $4,000; in all, $30,600.

Clerk hire: For compensation, to be fixed by the Secretary of Commerce, of not to exceed $1,600 per annum to each person or clerk in the offices of shipping commissioners, $70,000: *Provided*, That one clerk may be employed hereunder at a compensation not to exceed $2,200 per annum.

Contingent expenses: For rent, stationery, and other requisites for transaction of the business of shipping commissioners' offices and for janitor in the commissioner's office at New York, $840; in all, $10,000.

BUREAU OF STANDARDS

Salaries: For the director and other personal services in the District of Columbia in accordance with the classification act of 1923, $500,000.

Equipment: For apparatus, machinery, tools, and appliances used in connection with buildings or work of the bureau; laboratory, supplies, materials, and supplies used in the construction of apparatus, machinery, or other appliances, including their exchange; piping, wiring, and construction incident to the installation of apparatus, machinery, or appliances; furniture for laboratories and offices, cases for apparatus, $71,000.

Contingent expenses: For fuel for heat, light, and power; office expenses, stationery, books and periodicals, which may be exchanged when not needed for permanent use; traveling expenses (including expenses of attendance upon meetings of technical and professional societies when required in connection with standardization, testing, or

other official work of the bureau); street-car fares not exceeding $100; expenses of the visiting committee; expenses of attendance of American member at the meeting of the International Committee of Weights and Measures; supplies for operation, maintenance, and repair of passenger automobiles and motor trucks for official use, including their exchange; and contingencies of all kinds, $44,500.

Improvement and care of grounds: For grading, construction of roads and walks, piping grounds for water supply, lamps, wiring for lighting purposes, and other expenses incident to the improvement and care of grounds, including foreman and laborers in the District of Columbia, $11,460.

Testing structural materials: For continuation of the investigation of structural materials, such as stone, clays, cement, etc., including personal services in the District of Columbia and in the field, $230,000: *Provided*, That as much of this sum as necessary shall be used to collect and disseminate such scientific, practical, and statistical information as may be procured, showing or tending to show approved methods in building, planning, and construction, standardization and adaptability of structural units, including building materials and codes, economy in the manufacture and utilization of building materials and supplies, and such other matters as may tend to encourage, improve, and cheapen construction and housing.

Testing machines: For maintenance and operation of testing machines, including personal services in connection therewith in the District of Columbia and in the field, for the determination by the Bureau of Standards of the physical constants and the properties of materials as authorized by law, $39,460.

Investigation of fire-resisting properties: For investigation of fire-resisting properties of building materials and conditions under which they may be most efficiently used, and for the standardization of types of appliances for fire prevention, including personal services in the District of Columbia and in the field, $29,000.

Investigation of public-utility standards: For investigation of the standards of practice and methods of measurements of public utilities, such as gas, electric light, electric power, water, telephone, central station heating, and electric railway service, and the solution of the problems which arise in connection with standards in such service, including personal services in the District of Columbia and in the field, $105,000.

Testing miscellaneous materials: For testing miscellaneous materials, such as varnish materials, soap materials, inks, and chemicals, including supplies for the Government departments and independent establishments, including personal services in the District of Columbia and in the field, as authorized by law, $45,260.

Radio research: For investigation and standardization of methods and instruments employed in radio communication, including personal services in the District of Columbia and in the field, $45,680.

Color standardization: To develop color standards and methods of manufacture and of color measurement, with special reference to their industrial use in standardization and specification of colorants, such as dyestuffs, inks, and pigments, and other products, paint, paper, and textiles, in which color is a pertinent property, including personal services in the District of Columbia and in the field, $10,000.

Investigation of clay products: To study methods of measurement and technical processes used in the manufacture of pottery, brick, tile, terra cotta, and other clay products, and the study of the properties of the materials used in that industry, including personal services in the District of Columbia and in the field, $30,000.

Standardizing mechanical appliances: To develop methods of testing and standardizing machines, motors, tools, measuring instruments, and other apparatus and devices used in mechanical, hydraulic, and aeronautic engineering; for the comparative study of types of apparatus and methods of operation, and for the establishment of standards of performance; for the accurate determination of fundamental physical constants involved in the proper execution of this work; and for the scientific experiments and investigations needed in solving the problems which may arise in connection therewith, especially in response to the requirements of aeronautics and aviation for information of a purely scientific nature, including personal services in the District of Columbia and in the field, $30,000.

Investigation of optical glass: For the investigation of the problems involved in the production of optical glass, including personal services in the District of Columbia and in the field, $25,000.

Investigation of textiles: To investigate textiles, paper, leather, and rubber in order to develop standards of quality and methods of measurement, including personal services in the District of Columbia and in the field, $27,000.

Sugar standardization: For the standardization and design of sugar-testing apparatus; the development of technical specifications for the various grades of sugars, with particular reference to urgent problems made pressing by conditions following the war, especially involving the standardization and manufacture of sugars; for the study of the technical problems incidental to the collection of the revenue on sugar and to determine the fundamental scientific constants of sugars and other substances; for the standardization and production of rare and unusual types of sugars required for the medical service of the Government departments; and for other technical and scientific purposes, including personal services in the District of Columbia and in the field, $40,000.

Gauge standardization: To provide by cooperation of the Bureau of Standards, the War Department, and the Navy Department for the standardization and testing of the standard gauges, screw threads, and standards required in manufacturing throughout the United States, and to calibrate and test such standard guages, screw threads, and standards, including necessary equipment and personal services in the District of Columbia and in the field, $40,000.

Investigation of mine scales and cars: For investigating the conditions and methods of use of scales and mine cars used for weighing and measuring coal dug by miners, for the purpose of determining wages due, and of conditions affecting the accuracy of the weighing or measuring of coal at the mines, including personal services in the District of Columbia and in the field, $15,000.

Metallurgical research: For metallurgical research, including alloy steels, foundry practice, and standards for metals and sands; casting, rolling, forging, and the properties of aluminum alloys; prevention of corrosion of metals and alloys; development of metal substitutes, as for platinum; behavior of bearing metals; preparation of metal specifications; investigation of new metallurgical processes and study of methods of conservation in metallurgical manufacture and products; investigation of materials used in the construction of rails, wheels, axles, and other railway equipment, and the cause of their failure; including personal services in the District of Columbia and in the field, $44,000.

High-temperature investigations: For laboratory and field investigations of suitable methods of high-temperature measurements and control in various industrial processes and to assist in making available directly to the industries the results of the bureau's investigations in this field, including personal services in the District of Columbia and in the field, $10,000.

Sound investigation: For the investigation of the principles of sound and their application to military and industrial purposes, including personal services in the District of Columbia and in the field, $5,580.

Industrial research: For technical investigations in cooperation with the industries upon fundamental problems involved in industrial development following the war, with a view to assisting in the permanent establishment of the new American industries, including personal services in the District of Columbia and elsewhere, $173,820.

Testing railroad track and other scales: For investigation and testing of railroad-track scales, elevator scales, and other scales used in weighing commodities for interstate shipments, and to secure equipment and assistance for testing the scales used by the Government in its transactions with the public, such as post office, navy yard, and customhouse scales, and for the purpose of cooperating with the States in securing uniformity in the weights and measures laws and in the methods of inspection, including personal services in the District of Columbia and in the field, $40,000.

Standardization of equipment: To enable the Bureau of Standards to cooperate with Government departments, engineers, and manufacturers in the establishment of standards, methods of testing, and inspection of instruments, equipment, tools, and electrical and mechanical devices used in the industries and by the Government, including the practical specification for quality and performance of such devices, and the formulation of methods of inspection, laboratory, and service tests, including personal services in the District of Columbia and in the field, $110,000.

Standard material: For purchase, preparation, analysis, and distribution of standard materials to be used in checking chemical analyses and in the testing of physical measuring apparatus, including personal services in the District of Columbia and in the field, $10,000.

Investigation of radioactive substances: For an investigation of radioactive substances and the methods of their measurements and testing, including personal services in the District of Columbia and in the field, $11,000.

Rope investigation: For determining fundamental data required by engineers and others regarding internal strains of ropes and cables used in mines, elevators, bridges, rigging, etc.; for developing instruments and methods suitable for field use, for indicating stresses and incipient flaws and defects in advance of rupture; and for the study of defective ropes and cables with a view to improving methods of manufacture, determining proper usage, etc.; including personal services in the District of Columbia and in the field, $8,000.

Investigation of automotive engines: For the promotion of economy and efficiency in automotive transportation by land and by air through investigations of the basic principles underlying the design, performance, operation, and testing of automotive engines, their fuels, lubricants, accessories, and the power-transmitting system used in connection with them, also such elements as brakes and brake linings; to promote economy in the use of liquid fuels and safety in vehicular traffic; including personal services in the District of Columbia and in the field, $25,000.

During the fiscal year 1925 the head of any department or independent establishment of the Government having funds available for scientific investigations and requiring cooperative work by the Bureau of Standards on scientific investigations within the scope of the functions of that bureau, and which the Bureau of Standards is unable to perform within the limits of its appropriations, may, with the approval of the Secretary of Commerce, transfer to the Bureau of Standards such sums as may be necessary to carry on such investigations. The Secretary of the Treasury shall transfer on the books of the Treasury Department any sums which may be authorized hereunder, and such amounts shall be placed to the credit of the Bureau of Standards for the performance of work for the department or establishment from which the transfer is made.

BUREAU OF LIGHTHOUSES

Salaries: For the commissioner and other personal services in the District of Columbia in accordance with the classification act of 1923, $90,000.

General expenses: For supplies, repairs, maintenance, and incidental expenses of lighthouses and other lights, beacons, buoyage, fog signals, lighting of rivers heretofore authorized to be lighted, light vessels, other aids to navigation, and lighthouse tenders, including the establishment, repair, and improvement of beacons and day marks and purchase of land for same; establishment of post lights, buoys, submarine signals, and fog signals; establishment of oil or carbide houses, not to exceed $10,000: *Provided*, That any oil or carbide house erected hereunder shall not exceed $550 in cost; construction of necessary outbuildings at a cost not exceeding $500 at any one light station in any fiscal year; improvement of grounds and buildings connected with light stations and depots; restoring light stations and depots and buildings connected therewith: *Provided*, That such restoration shall be limited to the original purpose of the structures; wages of persons attending post lights; temporary employees and field force while engaged on works of general repair and maintenance, and laborers and mechanics at lighthouse depots; rations and provisions or commutation thereof for keepers of lighthouses, working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons of the Lighthouse Service on duty on board of such tenders or vessels, and money accruing from commutation for rations and provisions for the above-named persons on board of tenders and light vessels or in working parties in the field may be paid on proper vouchers to the person having charge of the mess of such vessel or party; reimbursement under rules prescribed by the Secretary of Commerce of keepers of light stations and masters of light vessels and of lighthouse tenders for rations and provisions and clothing furnished shipwrecked persons who may be temporarily provided for by them, not exceeding in all $5,000 in any fiscal year; fuel and rent of quarters where necessary for keepers of lighthouses; purchase of land sites for fog signals; rent of necessary ground for all such lights and beacons as are for temporary use or to mark changeable channels and which in consequence can not be made permanent; rent of offices, depots, and wharves; traveling expenses; mileage; library books for light stations and vessels and technical books and periodicals, not exceeding $1,000; traveling and subsistence expenses of teachers while actually employed by States or private persons to instruct the children of keepers of lighthouses; all other contingent expenses of district offices and depots; and not exceeding $8,500 for contingent expenses of the office of the Bureau of Lighthouses in the District of Columbia, $4,192,500.

Keepers of lighthouses: For salaries of not exceeding 1,800 lighthouse and fog-signal keepers and persons attending light exclusive of post lights, $1,283,200.

Lighthouse vessels: For salaries and wages of officers and crews of light vessels and lighthouse tenders, including temporary employment when necessary, $1,650,000.

Superintendents, clerks, etc.: For salaries of 17 superintendents of lighthouses and of assistant superintendents, clerks, draftsmen, and other authorized permanent employees in the district offices and depots of the Lighthouse Service, exclusive of those regularly employed in the office of the Bureau of Lighthouses, District of Columbia, $410,000.

Retired pay: For retired pay of officers and employees engaged in the field service or on vessels of the Lighthouse Service, except persons continuously employed in district offices and shops, $90,000.

Public works: For constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service as may be specifically approved by the Secretary of Commerce, not to exceed $100,000; and for establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $473,000; in all, $573,000.

COAST AND GEODETIC SURVEY

For every expenditure requisite for and incident to the work of the Coast and Geodetic Survey, including maintenance, repair, or operation of motor-propelled or horse-drawn vehicles for use in field work, and for the purchase of surveying instruments, including extra compensation at not to exceed $1 per day for each station to employees of the Lighthouse Service and the Weather Bureau while observing tides or currents, and the services of one tide observer in the District of Columbia at not to exceed $1 per day, and including compensation, not otherwise appropriated for, of persons employed in the field work and commutation to officers of the field force while on field duty, at a rate not exceeding $3 per day each, to be expended in accordance with the regulations relating to the Coast and Geodetic Survey prescribed by the Secretary of Commerce, and under the following heads:

Field expenses, Atlantic coast: For surveys and necessary resurveys of the Atlantic and Gulf coasts of the United States, including the coasts of outlying islands under the jurisdiction of the United States: *Provided*, That not more than $45,000 of this amount shall be expended on the coasts of said outlying islands, and the Atlantic entrance to the Panama Canal, $120,000.

Pacific coast: For surveys and necessary resurveys of coasts on the Pacific Ocean under the jurisdiction of the United States, $250,000.

Tides, currents, etc.: For continuing researches in physical hydrography, relating to harbors and bars, and for tidal and current observations on the coasts of the United States, or other coasts under the jurisdiction of the United States, $29,000.

Coast Pilot: For compilation of the Coast Pilot, including the employment of such pilots and nautical experts in the field and office as may be necessary for the same, $6,800.

For continuing magnetic observations and to establish meridian lines in connection therewith in all parts of the United States; magnetic observations in other regions under the jurisdiction of the United States; purchase of additional magnetic instruments; lease of sites where necessary and erection of temporary magnetic buildings; continuing the line of exact levels between the Atlantic, Pacific, and Gulf coasts; establishing lines of exact levels in Alaska; determination of geographical positions, by triangulation or traverse for the control of Federal, State, boundary, and other surveys and engineering works in all parts of the interior of the United States and Alaska; determination of field astronomic positions; for continuing gravity observations; for the maintenance and operation of the latitude observatory at Ukiah, Calif., not exceeding $2,000; and including the employment in the field and office of such magnetic observers as may be necessary, $134,800.

For executing precise triangulation and leveling in regions subject to earthquakes, $12,000;

Hawaiian triangulation: For adjusting the triangulation of the Hawaiian Islands, including personal services in the District of Columbia and in the field, $5,000;

For special surveys that may be required by the Bureau of Lighthouses or other proper authority, and contingent expenses incident thereto, $4,500;

For objects not hereinbefore named that may be deemed urgent, including the preparation or purchase of plans and specifications of vessels and the employment of such hull draftsmen in the field and office as may be necessary for the same; the reimbursement, under rules prescribed by the Secretary of Commerce, of officers of the Coast and Geodetic Survey for food, clothing, medicines, and other supplies furnished for the temporary relief of distressed persons in remote localities and to shipwrecked persons temporarily provided for by them, not to exceed a total of $550; actual necessary expenses of officers of the field force temporarily ordered to the office in the District of Columbia for consultation with the director, and not exceeding $500 for the expenses of the attendance of representatives of the Coast and Geodetic Survey who may be designated as delegates from the United States at the meetings of the International Research Council or of its branches, $4,620; in all, field expenses, $566,720.

Vessels: For repairs of vessels, including traveling expenses of persons inspecting the repairs, and exclusive of engineer's supplies and other ship chandlery, $75,000.

For all necessary employees to man and equip the vessels, including professional seamen serving as mates on vessels of the survey, to execute the work of the survey herein provided for and authorized by law, $530,000.

Pay, commissioned officers: For pay and allowances prescribed by law for commissioned officers on sea duty and other duty, holding relative rank with officers of the Navy, including 1 director with relative rank of captain, 2 hydrographic and geodetic engineers with relative rank of captain, 7 hydrographic and geodetic engineers with relative rank of commander, 9 hydrographic and geodetic engineers with relative rank of lieutenant commander, 38 hydrographic and geodetic engineers with relative rank of lieutenant, 55 junior hydrographic and geodetic engineers with relative rank of lieutenant (junior grade), 29 aids with relative rank of ensign, and including officers retired in accordance with existing law, $500,000: *Provided*, That the Secretary of Commerce may designate one of the hydrographic and geodetic engineers to act as assistant director.

Office force: For personal services in the District of Columbia in accordance with the classification act of 1923, $402,380.

Office expenses: For purchase of new instruments (except surveying instruments), including their exchange, materials, equipment, and supplies required in the instrument shop, carpenter shop, and drawing division; books, scientific and technical books, journals, books of

reference, maps, charts, and subscriptions; copper plates, chart paper, printer's ink, copper, zinc, and chemicals for electrotyping and photographing; engraving, printing, photographing, and electrotyping supplies; photolithographing charts and printing from stone and copper for immediate use; including the employment in the District of Columbia of such personal services other than clerical as may be necessary for the prompt preparation of charts, not to exceed $8,220; stationery for office and field parties; transportation of instruments and supplies when not charged to party expenses; office wagon and horses or automobile truck; heating, lighting, and power; telephones, including operation of switchboard; telegrams, ice, and washing; office furniture, repairs, traveling expenses of officers and others employed in the office sent on special duty in the service of the office; miscellaneous expenses, contingencies of all kinds, and not exceeding $900 for extra labor, $79,500.

Appropriations herein made for the Coast and Geodetic Survey shall not be available for allowance to civilian or other officers for subsistence while on duty at Washington (except as hereinbefore provided for officers of the field force ordered to Washington for short periods for consultation with the director), except as now provided by law.

BUREAU OF FISHERIES

Commissioner's office: For the commissioner and other personal services in the District of Columbia in accordance with the classification act of 1923, $160,760.

Alaska service: Pribilof Islands—superintendent, $2,400; two agents and caretakers, at $2,000 each; assistant to agent, $1,200; two physicians, at $1,800 each; three school-teachers, at $1,200 each; two storekeepers, at $1,800 each; Alaska service at large—agent, $2,500; assistant agents—two at $2,000 each, one $1,800, one $1,500; inspector, $1,800; wardens—one $1,200, seven at $1,000 each; in all, $38,200.

Employees at large: Assistant, $2,520; field superintendent, $1,800; field assistants—one $1,500, one $1,200; scientific assistant, $1,200; clerks—one $1,200, one $900; fish-culturists—one $960, two at $900 each; three local agents, at $600 each; five machinists, at $960 each; two coxswains, at $720 each; in all, $21,120.

Distribution (car) employees: Five captains, at $1,400 each; six messengers, at $1,100 each; five assistant messengers, at $1,000 each; five apprentice messengers, at $840 each; five cooks, at $720 each; in all, $26,400.

Employees at fish-cultural stations: Thirty-four superintendents, at $1,500 each; foremen—thirteen, at $1,200 each; one $1,080, one $1,000, one $960; fish-culturists—four at $960 each, thirty-six at $900; apprentice fish-culturists—six at $900 each, one $780, seven at $720 each, eighty-eight at $600 each; custodian of lobster pound, $720; custodian, $360; engineers—two at $1,100 each, one $1,000; two machinists, at $960 each; firemen—two at $720 each, eight at $600 each; cooks—two at $900 each, one $480; in all, $184,620.

Fish-rescue station, Mississippi River Valley: District supervisor, $2,500; superintendent, $1,500; two field foremen at $1,200 each; four fish-culturists at large at $960 each; engineer, $1,200; clerk, $1,200; two coxswains at large at $720 each; two apprentice fish-culturists at $600; in all, $15,280.

Employees at biological stations: Director, $1,800; superintendent, $1,800; superintendent and director, $1,500; superintendent of fish-culture, $1,500; scientific assistants—two at $1,400 each, one $1,200; laboratory aid, $900; shell expert, $1,200; foreman, $1,200; clerk, $900; two fish-culturists, at $900 each; five apprentice fish-culturists, at $600 each; two engineers, at $1,000 each; two firemen, at $600 each; in all, $22,800.

Steamer *Albatross*: Naturalist, $2,750; general assistant, $1,400; fishery expert, $1,400; clerk, $1,200; in all, $6,750.

Steamers *Gannet*, *Halcyon*, and *Phalarope*: Masters—one $1,700, one $1,500, one $1,400; first officer, $1,200; engineers—one $1,400, two at $1,200 each; assistant engineer, $1,200; firemen—one $840, four at $780 each; seamen—five at $810 each, two at $780 each; two cooks at $870 each; cabin boy, $600; in all, $22,710.

For officers and crew of vessels for Alaska fisheries service, $31,630.

Administration: For expenses of the office of the commissioner, including stationery, scientific and reference books, periodicals and newspapers for library, furniture and equipment, telegraph and telephone service, compensation of temporary employees, and all other necessary expenses connected therewith, $3,900.

Propagation of food fishes: For maintenance, repair, alteration, improvement, equipment, and operation of fish-cultural station, including $15,000 for Saratoga, Wyo., of which not to exceed $8,000 shall be available for construction of buildings, general propagation of food fishes and their distribution, including movement, maintenance, and repairs of cars, purchase of equipment and apparatus, contingent expenses, temporary labor, and not to exceed $10,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith, $386,250.

Maintenance of vessels: For maintenance of vessels and launches, including purchase and repair of boats, apparatus, machinery, and other facilities required for use with the same, hire of vessels, and all other necessary expenses in connection therewith, and money accruing from commutation of rations and provisions on board vessels may be paid on proper vouchers to the persons having charge of the mess of such vessels, $107,175, of which $10,000 shall be immediately available for the procurement of supplies and equipment required for shipment to the Pribilof Islands for the service of the fiscal year ending June 30, 1925.

Commutation of rations (not to exceed $1 per day) may be paid to officers and crews of vessels of the Bureau of Fisheries during the fiscal year 1925 under regulations prescribed by the Secretary of Commerce.

Inquiry respecting food fishes: For inquiry into the causes of the decrease of food fishes in the waters of the United States, and for investigation and experiments in respect to the aquatic animals, plants, and waters in the interests of fish culture and the fishery industries, including maintenance, repair, improvement, equipment, and operations of biological stations, expenses of travel and preparation of reports, $38,170.

Fishery industries: For collection and compilation of statistics of the fisheries and the study of their methods and relations, and the methods of preservation and utilization of fishery products, including compensation of temporary employees, travel, and preparation of reports, including temporary employees in the District of Columbia not to exceed $1,800, and all other necessary expenses in connection therewith, $26,200.

Sponge fisheries: For protecting the sponge fisheries, including employment of inspectors, watchmen, and temporary assistants, hire of boats, rental of office and storage, care of seized sponges and other property, travel, and all other expenses necessary to carry out the provisions of the act of August 15, 1914, to regulate the sponge fisheries, $2,000.

Alaska, general service: For protecting the seal fisheries of Alaska, including the furnishing of food, fuel, clothing, and other necessities of life to the natives of the Pribilof Islands of Alaska, transportation of supplies to and from the islands, expenses of travel of agents and other employees and subsistence (or per diem in lieu of subsistence) while on said islands, hire and maintenance of vessels, including $10,000 to be used in providing a reserve supply of food, clothing, medicines, and other necessities on the Pribilof Islands, and for all expenses necessary to carry out the provisions of the act entitled "An act to protect the seal fisheries of Alaska, and for other purposes," approved April 21, 1910, and for the protection of the fisheries of Alaska, including travel, hire of boats, employment of temporary labor, and all other necessary expenses connected therewith, $217,000, of which $100,000 shall be available immediately.

TITLE IV.—DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $183,900.

Commissioners of conciliation: To enable the Secretary of Labor to exercise the authority vested in him by section 8 of the act creating the Department of Labor, and to appoint commissioners of conciliation, for per diem in lieu of subsistence at not exceeding $4 traveling expenses, and not to exceed $13,300 for personal services in the District of Columbia, and telegraph and telephone service, $200,000.

CONTINGENT EXPENSES, DEPARTMENT OF LABOR

For contingent and miscellaneous expenses of the offices and bureaus of the department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including the purchase of stationery, furniture, and repairs to the same, carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges, laundry, street-car fares not exceeding $200; lighting and heating; purchase, exchange, maintenance, and repair of motor cycles and motor trucks; purchase, exchange, maintenance, and repair of a motor-propelled passenger-carrying vehicle, to be used only for official purposes; freight and express charges, newspaper clippings not to exceed $900, postage to foreign countries, telegraph and telephone service, typewriters, adding machines, and other labor-saving devices; purchase of law books, books of reference, and periodicals not exceeding $2,500; in all, $36,500; and in addition thereto such sum as may be necessary, not in excess of $13,500, to facilitate the purchase, through the central purchasing office as provided in the act of June 17, 1910 (36 Stat. L. p. 531), of certain supplies for the Immigration Service, shall be deducted from the appropriation "Expenses of regulating immigration" made for the fiscal year 1925 and added to the appropriation "Contingent expenses, Department of Labor," for that year; and the total sum thereof shall be and constitute the appropriation for contingent expenses for the Department of Labor, to be expended through the central purchasing office (Division of Publications and Supplies), Department of Labor.

Rent: For rent of buildings and parts of buildings in the District of Columbia for the use of the Department of Labor, $24,000.

Printing and binding: For printing and binding for Department of Labor, including all its bureaus, offices, institutions, and services located in Washington, D. C., and elsewhere, $215,000.

BUREAU OF LABOR STATISTICS

Salaries: For the commissioner and other personal services in the District of Columbia in accordance with the classification act of 1923, $215,000.

Per diem in lieu of subsistence not exceeding $4 of special agents and employees, and for their transportation; experts and temporary assistance for field service outside of the District of Columbia, to be paid at the rate of not exceeding $8 per day; compensation of experts in the District of Columbia not to exceed in all $10,000; temporary statistical clerks, stenographers, and typewriters in the District of Columbia, to be selected from civil-service registers, the same person to be employed for not more than six consecutive months, the total expenditure for such temporary clerical assistance in the District of Columbia not to exceed $6,000; traveling expenses of officers and employees, purchase of reports and materials for reports and bulletins of the Bureau of Labor Statistics, $72,840.

For periodicals, newspapers, documents, and special reports for the purpose of procuring strike data, price quotations, and court decisions for the Bureau of Labor Statistics, $300.

BUREAU OF IMMIGRATION

Salaries: For the commissioner and other personal services in the District of Columbia in accordance with the classification act of 1923, $91,840.

Regulating immigration: For enforcement of the laws regulating immigration of aliens into the United States, including the contract labor laws; cost of reports of decisions of the Federal courts, and digests thereof, for the use of the Commissioner General of Immigration; salaries and expenses of all officers, clerks, and employees appointed to enforce said laws, including personal services in the District of Columbia not to exceed $50,000, and per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; enforcement of the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," and acts amendatory thereof; necessary supplies, including exchange of typewriting machines, alterations and repairs, and for all other expenses authorized by said act; preventing the unlawful entry of Chinese into the United States by the appointment of suitable officers to enforce the laws in relation thereto; expenses of returning to China all Chinese persons found to be unlawfully in the United States, including the cost of imprisonment and actual expenses of conveyance of Chinese persons to the frontier or seaboard for deportation; refunding of head tax, maintenance bills, and immigration fines upon presentation of evidence showing conclusively that collection was made through error of Government officers; all to be expended under the direction of the Secretary of Labor, $3,300,000: *Provided*, That the purchase, exchange, use, maintenance, and operation of horse and motor vehicles required in the enforcement of the immigration and Chinese exclusion laws outside of the District of Columbia may be contracted for and the cost thereof paid from the appropriation for the enforcement of those laws under such terms and conditions as the Secretary of Labor may prescribe: *Provided further*, That not more than $12,000 of the sum appropriated herein may be expended in the purchase and maintenance of such motor vehicles.

IMMIGRATION STATIONS

For remodeling, repairing (including repairs to the ferryboat *Ellis Island*), remodeling buildings, and purchase of equipment, $100,000.

BUREAU OF NATURALIZATION

Salaries: For the commissioner and other personal services in the District of Columbia in accordance with the classification act of 1923, $108,920.

General expenses: For compensation, to be fixed by the Secretary of Labor, of examiners, interpreters, clerks, and stenographers, for the purpose of carrying on the work of the Bureau of Naturalization, provided for by the act approved June 29, 1906, as amended by the act approved March 4, 1913 (Stat. L., vol. 37, p. 736), and May 9, 1918 (Stat. L., vol. 40, pp. 542–548, inclusive), including not to exceed $52,000 for personal services in the District of Columbia, and for their actual and necessary traveling expenses while absent from their official stations, including street-car fare on official business at official stations, together with per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for such per diem together with actual necessary traveling expenses of officers and employees of the Bureau of Naturalization in Washington while absent on official duty outside of the District of Columbia; telegrams, verifications of legal papers, telephone service in offices outside of the District of Columbia; not to exceed $20,000 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; carrying into effect section 13 of the act of June 29, 1906 (34 Stat., p. 600), as amended by the act approved June 25, 1910 (36 Stat., p. 765), and in accordance with the provisions of the sundry civil act of June 12, 1917; and for mileage and fees to witnesses subpœnaed on behalf of the United States, the expenditures from this appropriation shall be made in the manner and under such regulation as the Secretary of Labor may prescribe, $561,560: *Provided*, That no part of this appropriation shall be available for the compensation of assistants to clerks of United States courts.

CHILDREN'S BUREAU

Salaries: For the chief, and other personal services in the District of Columbia in accordance with the classification act of 1923, $117,820.

To investigate and report upon matters pertaining to the welfare of children and child life, and especially, to investigate the questions of infant mortality, including personal services in the District of Columbia and elsewhere, $136,080.

For traveling expenses and per diem in lieu of subsistence at not exceeding $4 of officers, special agents, and other employees of the Children's Bureau; experts and temporary assistants, to be paid at a rate not exceeding $6 a day, and interpreters to be paid at a rate not exceeding $4 a day when actually employed; purchase of reports and material for the publications of the Children's Bureau, newspapers, and clippings not exceeding $700 to enable the Children's Bureau to secure data regarding the progress of legislation affecting children and the activities of public and private organizations dealing with children, and for reprints from State, city, and private publications for distribution when said reprints can be procured more cheaply than they can be printed by the Government, $72,000.

Promotion of the welfare and hygiene of maternity and infancy: For carrying out the provisions of the act entitled "An act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes," approved November 23, 1921, $1,007,092.51: *Provided*, That the apportionments to the States and to the Children's Bureau for administration shall be computed on the basis of not to exceed $1,240,000, as authorized by the act entitled "An act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes," approved November 23, 1921.

WOMEN'S BUREAU

For carrying out the provisions of the act entitled "An act to establish in the Department of Labor a bureau to be known as the Women's Bureau," approved June 5, 1920, including personal services in the District of Columbia and elsewhere, purchase of material for reports and educational exhibits, including newspaper clippings not exceeding $200, and traveling expenses, $107,380.

EMPLOYMENT SERVICE

To enable the Secretary of Labor to foster, promote, and develop the welfare of the wage earners of the United States, including juniors legally employed, to improve their working conditions, to advance their opportunities for profitable employment by regularly collecting, furnishing, and publishing employment information as to opportunities for employment; maintaining a system for clearing labor between the several States; cooperating with and coordinating the public employment offices throughout the country, including personal services in the District of Columbia and elsewhere, and for their actual necessary traveling expenses while absent from their official station, together with their per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; supplies and equipment, telegraph, and telephone service, and miscellaneous expenses, $206,284.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SHREVE. Mr. Chairman, before taking up the bill in detail I desire to express my deep appreciation of the valuable services rendered by the members of the subcommittee, and I have reference to the members on both sides of the aisle. For several weeks this subcommittee has been earnestly at work with all the multitude of details involved in the four bills. I will say, Mr. Chairman, that it has been teamwork of the highest type. Therefore, I wish to express my deep appreciation of the very valuable services rendered. [Applause.]

This bill carries the regular annual appropriations for the Departments of State and Justice, including the judiciary, and the Departments of Commerce and Labor. Heretofore these departments have been appropriated for in two separate bills, the Departments of State and Justice being provided for in one bill, and the Departments of Commerce and Labor in another, so that the appropriations for the four departments are here presented in one bill for the first time.

The entire amount recommended in the bill for the four departments is $66,849,160.80.

This includes $3,500,000 for the census of agriculture, which the law provides shall be taken once in every five years, and which was not appropriated for last year. Deducting the amount for the census of agriculture, the total recommended for 1925 for comparable items is $399,863.70 less than the current appropriations for 1924—including the $240 bonus—and $214,343 less than the Budget estimates for 1925, which include reclassification for positions in the District of Columbia, but not for the field service.

The appropriations recommended for personal services in the District of Columbia are on the basis of the allocations established by the Personnel Classification Board pursuant to the provisions of the classification act, approved March 3, 1923, and, in form, are in accord with the practice adopted by the committee in previously reported appropriation bills for the fiscal year 1925. The restrictive provision regulating the expenditure of appropriations for personal services in the District of Columbia, contained in the bills heretofore considered by the House, is recommended in this bill, and will be found in the paragraph making appropriations for salaries in the office of the Secretary of State on page 2 of the bill.

In computing rates of compensation the classification act provided that the existing pay should be the base pay, plus any bonus the employee was receiving. To this amount was added the increase necessary to make the rate of pay for the particular position come within the rates of pay established in the classification act for 1923. The actual increase, therefore, under the act is not the difference between the base pay for 1924 and the amount recommended for 1925, but the difference between the combined amounts for base pay and bonus and the amount recommended for the fiscal year 1925. In several of the bureaus and offices the effect of this has been that, although there is an apparent increase in a recommended appropriation for personal services for 1925, compared with the appropriation made for the fiscal year 1924, an actual reduction has taken place.

The increases for the departments provided for in this bill due to the classification of personnel in the District of Columbia are as follows:

State Department	$73,700
Justice Department	60,839
Commerce Department	298,073
Labor Department	44,720

Statements showing by bureaus and offices the salaries in the District of Columbia for the fiscal year 1924, separated according to base pay and bonus, compared with the initial rates fixed for the fiscal year 1925, in accordance with the classification act, are printed at the end of the hearings for each department.

The committee's first report accompanying this bill was very materially in error as to the comparison of the Budget estimates for the Department of Commerce for the fiscal year 1925 with the appropriations for 1924. This was due to the fact that, by oversight, there had not been taken into the calculation a deficiency appropriation of $400,000 for crude-rubber investigations and one of $150,000 for customs statistics. These deficiency appropriations were made for 1923, but had also been made available for expenditure during 1924, and while, technically, they are 1923 appropriations, and have been so regarded by the Budget Bureau, the disbursements thereunder have fallen mostly within the fiscal year 1924, and, out of fairness to the department, they should have been included as 1924 appropriations when comparisons with the 1925 Budget estimates were under consideration.

There was also a 1924 appropriation of $150,000 for customs statistics which had originally been made for the customs service under the Treasury Department and which was subsequently transferred to the Bureau of Foreign and Domestic Commerce. This should, as a matter of justice, have been included in the calculations.

The committee has obtained the consent of the House to correct the report and revise it in a manner to show the true situation, and this has been done. Persons desiring to know just how the Department of Commerce, and particularly the Bureau of Foreign and Domestic Commerce, has fared under the bill reported by the committee should obtain House Report No. 419 (star print), and refer to pages 7 to 12, inclusive. The revised report shows (page 8) that the Bureau of the Budget had recommended for the Department of Commerce for 1925, aside from the amount of $3,500,000 for the census of agriculture, $20,547,025. The 1924 appropriations, exclusive of $1,399,873 for the $240 bonus for the field service for which no estimate was submitted, is $20,445,084. The amount estimated is, on this basis, $101,941 more than the comparable 1924 appropriation. The 1925 estimates, however, include an increase of $298,073 on account of classifications of salaries, and when this is taken into consideration there is a net decrease in the Budget estimates, aside from classification and bonus, of $196,132.

For the Bureau of Foreign and Domestic Commerce the Budget increase for strictly new work, leaving out of consideration any increase on account of bonus and classification, was $236,632. This, however, was a net figure. Among the items for that bureau was a voluntary decrease of $275,000 in the crude rubber item, and with that eliminated there was a net increase in all other items for the bureau of more than $500,000. This increase the committee felt was entirely disproportionate. A few other bureaus received slight increases, but these were, in the aggregate, less than the increase for the single Bureau of Foreign and Domestic Commerce.

The Lighthouse Service in the Budget recommendations received a reduction of $343,500 in the current appropriations. The committee thought that it would not be wise to endanger the safety of life and property by curtailing the Lighthouse Service, nor did it believe that Congress and the country would approve such a step. But, in framing the appropriations for 1925, the committee had to keep in mind its general policy of keeping the aggregate of the appropriations in a given bill within the Budget total, and consequently within the revenue. The committee could not restore the appropriations for the Lighthouse Service without making reductions under the Budget estimates elsewhere in the bill. Inasmuch as the Bureau of Foreign and Domestic Commerce was the only bureau in the department which had received a very material increase in the Budget estimates there was no other quarter in which the committee could effect a decrease in the estimates from which it might allocate moderate increases in the Budget figures for other services where the estimates were below current law. Accordingly the bill as reported does carry material reductions under the Budget estimates for the Bureau of Foreign and Domestic Commerce. On the other hand, with one or two unimportant exceptions, and with the exception of the appropriation for crude-rubber investigations, which the bureau itself regards as a temporary activity, the amounts recommended in the bill for 1925 constitute in every instance a substantial increase over the amount of the current appropriation plus the increase occasioned by the classification act and the absorption of the $240 bonus. These increases aggregate $171,343. No other service in the entire bill received such liberal treatment at the hands of the Budget Bureau or of the Committee on Appropriations as did the Bureau of Foreign and Domestic Commerce. It is well to reflect at this time upon the comparatively recent and unusual enlargement of the funds for the support of the Bureau of Foreign and Domestic Commerce.

For the fiscal year 1920 it received a total of $1,085,000; for 1921, $1,136,000; for 1922, $1,451,000; for 1923, $1,925,000; and for 1924, $3,056,000. In other words, it has jumped from the fiscal year 1920, four years ago, from $1,085,000 a year to $3,056,000, nearly $2,000,000 increase in the annual appropriation.

The amount which the committee recommends in this bill will give a further increase of $171,000 for new work; and this sum, taken into consideration with the past unprecedented growth, should give still further room for conservative and sane advancement. To have granted all that was demanded for the bureau would have been exceedingly unwise, taking into consideration the other problems with which the committee had to cope.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. GREEN of Iowa. What is the nature of this new work the department is undertaking?

Mr. SHREVE. The new work consists principally in the establishment of commercial attachés and trade commissioners in some of the countries where we are not now represented. It also has to do with enlarging the division of export commodities, which is largely in operation in the United States, and various other minor matters of that sort.

Mr. GREEN of Iowa. The committee, I assume, made some examination into the nature of this work and determined it to be beneficial.

Mr. SHREVE. I will say to the gentleman that probably no branch of the service received such careful attention from the committee as the Department of Commerce, for the reason that we all recognize the splendid work that department has been doing. Because of that we wanted to give them every last dollar we could, and it was with deep regret that we found ourselves in a position where we had to make some reduction below the estimates made by the Bureau of the Budget.

The appropriations for general expenses of the Lighthouse Service was reduced by the Budget in the sum of $140,200. The

committee has restored the appropriation to the current figure, although there is an apparent reduction of $7,500, due to the transfer of that sum to the appropriations for contingent expenses of the department.

The appropriation for public works under the Lighthouse Service was cut by the Budget in the sum of $201,500, of which $140,000 applied to the construction of light vessels and tenders and $61,500 to establishing and improving aids to navigation. The Budget reduction of $140,000 for light vessels was allowed to stand, but the committee has restored the amount of $61,500 for aids to navigation.

Let me say that pressure came from every quarter of the United States when it was learned that the general expenses for this bureau had been reduced. When it was learned that the aids to navigation along the Pacific coast and the Atlantic coast, as well as in the various rivers and lakes of our country, were to be reduced, and when it began to be broadcast that there was likely to be a curtailment in the service rendered, they immediately began to make their wants known to Congress, and I am glad to say we have restored this just as far as we could with the funds available.

Another Budget reduction which the committee has restored is that of $78,940 in the appropriation for regulating immigration. The hearings disclosed no reduction in the volume of work imposed by law upon this bureau. On the contrary, it was shown that surreptitious entries in violation of law are, if anything, increasing, and that the volume of work imposed upon the border forces in connection with the examination of applicants for lawful entry leaves but little time for any effective policing of the borders against surreptitious entry on the part of those who are barred by the law. As a result it is known that large numbers of aliens are being smuggled into the country in violation of the provisions of the immigration act.

This bureau turned into the Treasury in the fiscal year 1923 a total of $4,651,180.83, which is over $1,000,000 in excess of the total appropriations for that year. In view of the undiminished volume of work confronting the bureau for the coming fiscal year, the committee felt that it should restore the amount of the Budget cut, and has recommended that the amount of the current appropriation be continued for next year.

In the Bureau of Fisheries the Budget reductions under the current appropriations of $15,000 for the propagation of food fishes and $5,000 for inquiry respecting food fishes have been restored, and the bill carries for these two items the amounts now available under the current law. These two appropriations have already been reduced in recent years to pre-war levels. The most recent available statistics disclose that there is an annual production in the United States and Alaska of more than two and one-half billions of pounds of fishery products, with a value to the fishermen of $86,000,000, and the committee was of the opinion that the Government's activities in aid of this important industry ought not to be further curtailed.

STATE DEPARTMENT

The committee has recommended for the State Department, including the foreign service, a total of $14,958,646.29, which is $240,019.21 less than the appropriations for 1924, and $1,800 less than the Budget estimates for 1925.

The reduction under the estimate is occasioned by transferring the item for $1,800 for the hire of a steam launch at the embassy at Constantinople to the appropriation for contingent expenses, foreign missions, without increasing the latter appropriation.

Of the sum of $14,958,646.29 recommended for the department, $5,000,000 is for the annual payment to the Government of Colombia, under the treaty settling the dispute between the two Governments with reference to Panama, and $250,000 is for the annual payment to the Republic of Panama under the treaty according this Government the right to construct and operate the canal across the Isthmus. Then there are various other appropriations under this department totaling $583,632.29, representing additional obligations arising from treaties, so that we have a total of $5,833,632.29 not properly chargeable to the cost of operating the State Department. Deducting this sum from the total amount carried in the bill for the department, there remains $9,125,014. Against this sum the department shows a large annual cash income. In 1923, $4,000,000 was collected in fees for visèing alien passports; over one and one-quarter million dollars was collected in fees for passports issued to Americans, which, together with other fees, made the total cash receipts for that year $7,950,000. Deducting this sum from the $9,125,014 which is appropriated for running the department, there remains $1,175,014, which represents the estimated net cost of operating the State Department during the fiscal year 1925.

The department approaches the new fiscal year with the possibility of two important changes in the diplomatic situation, namely, the reopening of the embassies at Constantinople and at Mexico City. At the former the Government has been represented for a number of years by a commissioner in the form of a naval officer. The other governments have been similarly represented, or by a chargé d'affaires. Concerted action on the part of the leading powers to reestablish full diplomatic relations with the Ottoman Empire is reported to be a possibility within the coming year, although by no means a certainty. The reestablishment of full diplomatic relations with Mexico and the exchange of ambassadors is now all but accomplished. The American ambassador has already been received by the Obregon Government, while the formal presentation of Mexico's representative is expected at an early date. There is no present prospect of the renewal of diplomatic relations with Russia.

The bill carries no increase in the number of consular officers, although it was stated at the hearings that requests have been received from bona fide business sources for the opening of more than 100 new consular offices throughout the world. A list of places for which these requests were made may be found on pages 46 to 52, inclusive, of the State Department hearings. The department anticipates a very large additional burden upon the Consular Service as a result of the proposed new immigration legislation, the bill for which is now pending in Congress.

The bill as reported carries no additional personnel for the departmental service, although evidence adduced at the hearings demonstrates conclusively that the work of the department for the past three years has been on the upward trend. During the fiscal year 1921, with a personnel of 714, the incoming and outgoing mail numbered 743,422 pieces.

In 1922 the personnel was reduced under the preceding year by 112, while the number of pieces of incoming and outgoing mail was increased by 158,000. In 1923 the personnel was still further reduced by 12, but the department's mail was increased over the preceding year by 47,000. At the hearings Mr. Carr, who, in addition to being Director of the Consular Service, has for many years been the budget officer of the department, stated that the past reductions had brought the personnel to bedrock. It ought to be said here that no more faithful, efficient, and loyal servant of the Government than Mr. Carr has ever appeared before the Appropriations Committee.

The Budget estimates and the bill as reported to the House carry the following reductions under the current appropriations:

Chargés d'affaires ad interim	$10,000
Contingent expenses, foreign missions	10,000
Salaries of diplomatic and consular officers while receiving instructions and in transit	10,000
Transportation of diplomatic and consular officers	25,000
Embassy, legation, and consular buildings and grounds	17,000
Post allowances	25,000
Mixed Claims Commission	40,000

Important savings were effected by the adoption of the suggestion of the Budget Bureau to drop the appropriation for salaries and expenses of interpreters and guards to consulates and that for administering the passport control act and to transfer the personnel of the former appropriation to salaries of the Consular Service, and of the latter to the appropriation for clerk hire at United States consulates, and to provide for the expenses of the two appropriations to be abolished out of the appropriation for contingent expenses at United States consulates. On account of the greater flexibility which the department may exercise in disbursing these funds where the appropriations are combined it has been possible to reduce the aggregate amount.

The Mixed Claims Commission, charged with the responsibility of settling claims of the American Government or of American citizens against the German Government or German nationals, has made a notably creditable showing. Of the appropriation of $180,000 for the fiscal year 1923, $84,500 was saved and returned to the Treasury. The current appropriation is $222,300, but the American agent, testifying before the committee, estimated he would be able to save this year about $39,000. The estimate for the fiscal year 1925 is $40,160 under the current appropriation. Since the organization of the commission, up to the time of the hearings, 12,416 claims had been filed, aggregating $1,479,064,313.92. Claims to the number of 296, in the aggregate sum of $21,191,623.83, have been disposed of by awards totaling $13,287,285.43.

There have been 69 claims dismissed, aggregating $39,644,092.26, and 156 claims withdrawn and rejected, amounting to a total of $31,327,301.87. As a result of one decision on the war-risk-insurance premium claims there will be 3,190 dis-

missals, aggregating $345,442,796.17. That leaves to be disposed of by the commission 8,704 claims, totaling $1,045,301,487.03, which include the claim of the United States Government amounting to $255,554,810.53 for the army of occupation.

The appropriation for post allowances to diplomatic and consular officers which has been carried for a number of years for the purpose of supplementing the compensation of officers in the foreign service to meet the added cost of living due to the disturbed condition of the world has been reduced by the Budget from $150,000 to $125,000. This is in line with the policy which Congress has followed in recent years of gradually reducing this appropriation which at one time stood at $700,000. If the so-called Rogers bill for the reorganization of the foreign service is enacted into law, it is hoped that the necessity for the post-allowance appropriation will be obviated.

The bill carries an apparent increase of $203,860 for the salaries in the office of the Secretary of State. Of this amount $73,700 is due entirely to classification and the remainder is the amount of the $240 bonus which is made a part of the permanent pay by the classification act. The principal other increases in the bill compared with the 1924 appropriations are as follows:

Interpreters to embassies and legations	$500.00
Salaries of consular assistants	1,700.00
Boundary commission, United States and Mexico	14,086.50
International Railroad Congress	800.00
International Sanitary Bureau	154.29
Pecuniary claims between United States and Great Britain	380.00
Inter-American High Commission	5,000.00

The appropriation for interpreters to embassies and legations has been increased in the sum of $500 to provide increased compensation for the interpreter at the legation at Bangkok, Siam. The department represented that the present incumbent is a very valuable man and that it is becoming increasingly difficult to retain his services at the low salary of $2,000. In case of his resignation the department has no one in view with the necessary qualifications to fill the vacancy. The department's request for the increase had been granted by the Budget Bureau, and the committee deemed it advisable to accede.

The increase of $1,700 for salaries of consular assistants is due entirely to automatic salary increases under the law.

The approaching resumption of full diplomatic relations with Mexico has made it appropriate to increase the appropriation for the Mexican Boundary Commission to a figure approaching the amount carried in former years. Accordingly the Budget estimate of $40,000 for this work has been granted, an increase of $14,086.50 over the current appropriation.

The International Railroad Congress, which was not included in the bill of a year ago, is carried in the present bill in the sum of $800. The United States has been a contributing member of this congress since its organization, and Mr. Carr informed the committee that this Government has been requested to pay its quota for the current year, and is morally obligated to meet it, notwithstanding the fact no appropriation has been made. A deficiency estimate for the current year's quota has already been submitted. Membership in this organization is for periods of five years, the present period terminating at the end of 1924. If at the end of the five-year period an adhering government does not serve notice of its intention to withdraw, the obligation for another period is automatically renewed. In the absence of an express direction of Congress so to do, it is not believed the Secretary of State will serve such notice of withdrawal, in view of the fact that the Interstate Commerce Commission has recommended the continuance of our membership in the Congress.

The appropriation for the United States section of the Inter-American High Commission has been increased from $15,000 to $20,000. For a number of years this appropriation stood at $25,000. In the act for 1923 it was reduced to $19,600, and last year it was further reduced to $15,000. The work of this commission can not be better described than by reading a brief extract from the hearings, as follows:

Mr. SHERWELL. The Inter-American High Commission has nothing to do with diplomatic matters. What we mainly do is this: If the necessity for a Pan American agreement on some economic or financial matter, or one to facilitate trade, is felt, then this matter is placed before the different sections of the commission; they discuss it freely and when they come to an agreement which seems practical they may even draw up a tentative draft of a treaty and pass it to the respective Departments of State. Then they are through. The Departments of State will enter into negotiations and do anything that is required after that. When the treaty is signed, the sections of the commission urge its ratification in each country; and when it is ratified they see that it is carried out in their respective countries.

Mr. TINKHAM. That is, when these treaties touch upon economic matters?

Mr. SHERWELL. These treaties touch upon economic matters entirely. In the Fifth Pan American Conference held at Santiago, Chile, last spring, all the economic subjects—I think I may say all—were prepared by the Inter-American High Commission. The Secretary of State asked the chairman of the council for memoranda on these subjects. Those memoranda were prepared by the Council of the Inter-American High Commission and sent to the United States Department of State, and they were the basis of the instructions to our delegates. The treaties that were entered into and the resolutions passed were based on the work of this commission.

The work of this commission has been materially increased as a result of the Fifth Pan American Congress.

Mr. HOWARD of Oklahoma. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. HOWARD of Oklahoma. I am satisfied the committee has brought out this bill with painstaking care, and the questions I want to ask are not asked in a spirit of criticism but for the purpose of gaining information. I note that throughout the bill appropriations are made in accordance with the classification act. I would like to ask the gentleman what information the committee itself had before it from which it could determine that the number of employees suggested in the classification act, and for which these appropriations are made, was necessary and that the employees were performing their functions and were necessary in these departments.

Mr. SHREVE. I will say to the gentleman that we gathered that information from a careful examination of the witnesses who appeared before the committee. If the gentleman will take up any matter he has in mind and make an examination of the hearings he will find that those things are all carefully worked out in the statement made by the Bureau of the Budget. There is a recommendation as to how this new money—provided there is an increase—shall be used.

Mr. HOWARD of Oklahoma. I am not speaking of the new work, but of the general appropriations. What I am getting at is this: How does the Congress know whether this given number of employees for which we are providing are really performing full service or not.

Mr. SHREVE. Simply by placing the man in charge and who has the information on one side of the table and the members of the subcommittee on the other side. The members of the subcommittee then ask those very questions of him. They ask him how they are getting along with this help; if they are all employed; if they can not get along with a less number of employees; and it is all worked out in that way. The gentleman will find all of that information in the hearings.

Mr. HOWARD of Oklahoma. The gentleman will understand, of course, that I am asking these questions for information. It is my impression that we have too many Government employees, and along that same line I notice that traveling expenses and contingent expenses are allowed in lump sums. What evidence—and the gentleman will understand that these questions are not asked in a spirit of criticism but for information—is there before Congress that these traveling expenses are all necessary and that the amount asked by these various bureaus are justified?

Mr. SHREVE. I will say to the gentleman that those things are all shown in detail. The man who has occasion to travel must keep an accurate account of his expenses; he must take receipts, and those accounts have to pass through the audit division.

Mr. HOWARD of Oklahoma. I understand that, but my inquiry is directed to this: What information Congress has as to the necessity for all of the traveling done by these different bureaus?

Mr. SHREVE. Well, of course, we have to depend somewhat on the intelligence of the men who are directing the bureaus. They are the ones who, in the last analysis, know whether the traveling is necessary, and it is absolutely impossible for us to analyze all those small details.

Mr. HOWARD of Oklahoma. Of course, this is rather out of the line of the gentlemen of the committee, but I would like to ask if the gentleman does not think that perhaps there might be times when Congress, for its own information and in order to act intelligently on these matters, should make an investigation into these matters and ascertain why it is that we can not travel anywhere in the United States without running into representatives of bureaus, departments, commissions, and boards traveling at the expense of the Government?

Mr. SHREVE. I am very happy to say to the gentleman from Oklahoma—who has not been with us so long—that that has been our business for the last four or five years, and probably the Committee on Appropriations has had more to do

with it, because it has simply refused to make appropriations so that these people could be carried on the pay roll, and we have separated from the pay roll more than 45,000 Government clerks in the last three or four years. This, of course, was the combined effort of both sides of the House.

Mr. HOWARD of Oklahoma. I understand that. I helped to draw the Budget bill in the Sixty-sixth Congress and I have had experience as the State auditor of my State in handling such matters. I am seeking information because it is my candid opinion that many of them could well be cut off if we would go at it like a business concern and cut them off and leave them at home and leave them off of the pay roll.

Mr. SHREVE. I think myself there is an opportunity there for some more careful investigation.

Mr. KELLY. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. KELLY. I was called out for a few moments and did not hear all of the gentleman's very excellent speech, but I would like to ask the gentleman, if he has not already touched upon the subject, to give us some information regarding the division dealing with the Pan American Union.

Mr. SHREVE. I will say to my colleague and to the gentlemen of the House that there was a time when the people of South America were not friendly to us on account of our Monroe doctrine, but when we went to war with Spain and drove the haughty Spaniard forever from the American Continent, pacified the island of Cuba, rendering the island sanitary and her homes habitable, and even built the little red schoolhouse up on the hillsides and then gave back the gem of the Antilles to its original owners, the people of South America began to realize that after all the Monroe doctrine was enunciated for our own protection rather than for the purpose of acquiring territory, and I will say to the gentleman that it was not so very long after the Spanish War that Colonel Roosevelt, Elihu Root, and a number of prominent South Americans, organized what is known as the Pan American Union. It is a union of all the States, north and south, and let me say that the South American Republics have all adopted the Constitution of the United States in so far as it is applicable to their condition, and we all have the same ideals and the same common patriotism. To my mind the Pan American Union is the mightiest combination and influence for universal peace and good will among the nations of men that the world has ever seen. [Applause.] I stated on a former occasion that the people of North America and South America should stand together. We should make the two Americas the last word in the world's civilization. We should establish a fixed policy with our South American nations which would become the firm foundation upon which the destinies of the world shall rest. That should be America's highest purpose. [Applause.] It is inspiring, it is unifying, and it is fundamental.

DEPARTMENT OF JUSTICE

The appropriations for the Department of Justice logically fall into three main divisions, namely, the department proper, judicial, and penal institutions. Under the department proper are included the Attorney General's office, contingent expenses, printing and binding, and so forth, the appropriations for special activities such as conduct of customs cases, enforcement of antitrust laws; investigation and prosecution of war frauds, and so forth, and detection and prosecution of crimes.

Under judicial are grouped the appropriations for salaries and expenses of the various United States courts, marshals, attorneys, and other court officers; fees of witnesses and jurors, and so forth. The expenses of the Federal penitentiaries and of maintaining Federal prisoners in State and county institutions are appropriated for under the head of penal institutions.

The Budget estimates for the department proper were $166,525 in excess of the current appropriations. The committee granted $152,962 of this increase, of which $44,920 was for the Attorney General's office, to absorb the $240 bonus and the increases under the classification act. Printing and binding was increased in the sum of $35,000, most of which is for increased printing for the courts. An increase of $19,500 was allowed in the appropriation for defending suits in the Court of Claims, making the total for next year $79,500. Out of this appropriation is paid the cost of stenographers, reporters, the traveling expenses of the Government's attorney, and traveling expenses and fees of witnesses, many of whom are highly expert, and may not be obtained except upon the payment of relatively large fees. When it is considered that there are now pending in the Court of Claims 2,300 cases, involving an aggregate of slightly more than one and three-quarter billions of dollars, the proposed appropriation of $79,500 seems a very modest sum for the expenses of defending the interests of the Government.

During the fiscal year 1923, 283 cases were disposed of, in which the claims aggregated $46,416,041.88. With an appropriation of only $65,000 the department won 203 of the cases outright, the amount claimed being $33,753,550.83, and of the $12,662,491.05 claimed in the remaining 80 cases, judgments were obtained in the total sum of only $2,731,395.74. On July 1, 1922, there were 747 cases pending in the Court of Claims, involving $305,000,000. A year later the number of cases pending had increased to 1,957, involving $1,346,000,000, and on March 11, 1924, there were 2,300 cases pending aggregating $1,774,847,673.35.

For detection and prosecution of crimes the bill carries $2,301,722, an increase of $56,722. This increase is occasioned in part by certain additional personnel in Washington; partly by the difference between the present base pay of employees in the District of Columbia and the amount necessary for compensation under the classification act; and the balance by supplies, material, and equipment for the criminal-identification bureau.

A portion of the appropriation, namely, $112,860, has been allotted for the purpose of the inspection of the judicial offices. There will be an increase of seven in the number of employees assigned to this important work, which is amply justified by the recent increase in the number of courts. For the work of the bureau of investigation the sum of $2,188,862 has been allotted. In this bureau there will be an increase of about 20 in the personnel at the seat of Government, made necessary by the department's recent action in removing the criminal-identification work from the Leavenworth prison to Washington.

The subcommittee allowed the Budget estimate of $89,470 for the conduct of customs cases, an increase over the current appropriation of $6,370. Of this increase $4,000 is for an additional special attorney, $1,200 for a stenographer, $620 for a messenger, and $1,300 for additional travel expenses. The office of the Assistant Attorney General in charge of this work is located, by provision of law, at New York City. Dockets for the hearing of these cases are maintained in more than 40 cities of the United States, and the department's attorneys must travel this circuit to defend the interests of the Government. The tariff act of 1922 has resulted in a large increase in the number of cases. For the fiscal year 1920 the number of cases filed involving the classification of merchandise was 2,416. In succeeding fiscal years the number of cases filed was: 1921, 4,863; 1922, 12,336; 1923, 26,303; and for the first six months of 1924, 20,778. Corresponding increases are noted in the cases involving the valuation of merchandise and in the number of appeals.

The bill carries for the enforcement of antitrust laws $201,200, an increase of $1,200 over the current appropriation, occasioned entirely by the increases of compensation over base pay under the classification act. Eleven new cases were instituted during the fiscal year 1923, four of which have been disposed of. A total of 25 cases were terminated in 1923, 11 of which were civil and 14 criminal. Thirteen of the 25 were ultimately determined in favor of the Government, 3 were decided adversely to the Government, and 9 were dismissed on motion of the Government, 3 of which were pending as to only one or two defendants, the cases having theretofore been decided favorably to the Government as to the principal defendants.

Five cases are now pending in the circuit court of appeals and three in the Supreme Court. Fines were imposed in 1923 in the sum of $191,500, and to date, in 1924, $107,350. Two hundred and ten separate and unrelated investigations looking to the bringing of suits were under way in 1923, and about the same number of investigations are in progress at the present time. During the present fiscal year the department has opened an office in San Francisco with an attorney in charge for the purpose of initiating and conducting suits in antitrust cases arising on the Pacific coast. Theretofore, on account of the great distance from headquarters, the proper amount of attention could not be given to cases in this territory. One of the cases arising since the opening of the San Francisco office is that against the builders' exchange of that city. It was charged that the material dealers had formed a combination to withhold building material from contractors who employed union labor. The case had been tried and lost in the State court. The department could get jurisdiction only if it could show that interstate commerce was involved, which was a close question. However, the Government won the case, and it is now pending in the Supreme Court on appeal.

WAR TRANSACTION SECTION

For the investigation and prosecution of war frauds the bill carries $500,000, which is the amount of the Budget estimate and of the current appropriation. According to the testimony, the work of this section has not yet reached its peak. There has been established by Executive order a joint board composed of about six officers of the War Department and the members of the advisory council and the heads of the various units of the war transaction section of the Department of Justice for the purpose of facilitating the audit of the books of the War Department and the bringing over of the claims to the Department of Justice for prosecution, so that the work of the war transaction section may be brought to a conclusion at as early a date as possible. Suits are now pending in 117 cases involving $62,342,741.23.

There are 19 claims pending with receivers or trustees in bankruptcy, totaling $2,686,418.43; 10 claims have been reduced to judgment, in the aggregate sum of $48,308; while 81 claims have been disposed of by collection in full or by compromise, in the total amount of $6,019,889. Meanwhile there are 300 cases which have been brought over from the War Department which are under investigation and on which no action has as yet been taken. The total number of cases which have come before the war transaction section since its establishment, and which have either been disposed of or are in suit or under investigation, is 574, involving a total amount of $112,831,875.56. Since the hearings have closed the subcommittee in charge of the bill has received a letter from Judge Bigger, a member of the advisory council of the war transaction section, setting forth the amount of recoveries to the Government.

The amount of money recovered to date is $5,838,262.15, of which $4,968,262.15 has actually been paid into the Treasury in cash and $900,000 is in the form of deferred payments, which have been secured to the satisfaction of officials of the Treasury Department. In addition, the Government has bid in a large manufacturing plant at $350,001, being two-thirds of the appraised value, under foreclosure of mortgage held by the Government by virtue of a judgment for $514,588.91, so that the sum total of recovery to date is $6,188,263.15.

Further settlements have been practically agreed upon which the department has every reason at present to believe will within a very short time bring the recoveries to approximately $9,000,000; and Judge Bigger states it as his belief that before the end of the fiscal year the recoveries will approximate $10,000,000. The appropriations for this activity up to the close of the present fiscal year total $1,000,000; so that if the expectations of the department are realized the cost to the Government will be about 10 per cent of the amounts recovered.

Let me say to you, gentlemen, that a number of very important matters are still pending, among them the cantonment cases. I believe the Camp Sherman case is already at issue and ready for trial. Three other cases have been prepared and are awaiting trial. There are 12 cases in all and they involve a sum of over $60,000,000.

At this point, Mr. Chairman, I desire to insert in the RECORD a copy of a letter sent me by Judge Bigger.

The letter referred to follows:

DEPARTMENT OF JUSTICE,
Washington, D. C., March 27, 1924.

Hon. MILTON J. SHREVE,
House of Representatives, Washington, D. C.

DEAR SIR: In response to the suggestion made by a member of the Subcommittee on Appropriations, of which you are chairman, for a brief statement of the results of the work of the War Transactions Section of the Department of Justice in money recovered for the Government to this date, you are advised that the amount of money recovered to date is $5,838,262.15. In addition to this amount recovered in money, in an action in the United States court the Government recovered a judgment for $514,588.91, and under a decree in foreclosure of a mortgage held by the Government a large manufacturing plant was bid in by the Government at two-thirds of the appraised value, being $350,001, the purchase price being applied upon the judgment. This amount being added to the recoveries in money, makes the sum total of recovery to date $6,188,263.15.

The cash actually paid into the Treasury up to this date, according to our records, is the sum of $4,938,262.15; deferred payments amount to $900,000, the same being secured to the satisfaction of the officials of the Treasury Department.

In addition to this amount, settlements have been practically agreed upon which we have every reason, at present, to believe will within a very short time bring the recoveries to approximately $9,000,000, and it is our belief that before the end of the present fiscal year we will be able to report recoveries in the amount of approximately $10,000,000. This statement is made in the light of what seems to us to be a reasonable expectation of what the Government should recover by the 1st of July, 1924; but is, of course, subject to the ordinary uncertainties incident to the work in which we are engaged.

In reference to the suggestion of the possibility of reducing the force of attorneys, accountants, and clerical help now employed in this section, it is our opinion that this can not be done without serious detriment to the interests of the Government. Indeed, the force should be substantially increased to accomplish the best results. It should not be lost sight of that time is an important factor in the recovery of money illegally paid by the Government, although there is no statute of limitations running against the Government in civil actions. If criminality should be disclosed in the investigation of these claims, the statute will have barred prosecutions on November 12, 1924. A large number of important suits are pending in the courts involving many millions of dollars, and others involving millions more are about to be brought. The accounting branch of this section has been kept down to the minimum necessary to accomplish the work committed to it, and the services of these accountants are absolutely indispensable. Including the advisory council we have only a force of 29 attorneys upon the pay rolls in this section actually engaged in the preparation of the mass of claims sent to this section, and it is our opinion that if no more claims should come to the section that the examination and preparation of these claims necessary to the bringing of suits upon them would employ the energies of the entire force for, at least, six months, and probably more, and we have no reason to believe that no more claims will come to the section; but, on the contrary, that there will be a large number of additional claims sent to this section for investigation and action.

Very sincerely yours,

T. M. BIGGER,
Advisory Counsel.

Mr. SHREVE. Just a word about the judiciary. Of course, the expenses have been very largely increased by reason of the new courts we have established in the last two or three years and the new judges that have been appointed. They, of course, have to have sufficient clerks, marshals, attorneys, and so forth, to conduct the business, and the increases in the Department of Justice have been mainly for the purpose of taking care of the new courts.

Mr. OLIVER of Alabama. If the gentleman will yield, it might be said in that connection that we had heretofore been providing for that by deficiencies, and we are hoping to avoid such a deficiency for another year.

Mr. SHREVE. I thank the gentleman very much. That, unfortunately, has been the practice. They have been obliged to come before the deficiency subcommittee, but this year the committee has endeavored to recommend amounts which it has every reason to hope will be sufficient in each case so that deficiency appropriations will not be necessary.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. HOWARD of Nebraska. Perhaps the gentleman may give me information which I have sought in vain to gather from the Department of Justice. I notice that our bill carries a large sum of money for the prosecution of war frauds. I notice that two years ago we appropriated a like sum of money for the prosecution of war frauds. What I would like to know, if the gentleman has the information, is whether the expenditure of that million dollars, approximately, within the past two years, or even going further back into the former administration—have any such prosecutions ever resulted in carrying a war-fraud grafter to the penitentiary?

Mr. SHREVE. Well, I am not prepared to answer that question. A criminal prosecution, as the gentleman knows, is a case that requires very peculiar and exact evidence, and the evidence in these cases is scattered all over the United States. Let me say to the gentleman that work on war-fraud cases is all handled and disposed of first by what is known as the advisory council.

It consists of Judge Bigger, of Ohio; Judge Kerr, who was formerly a Federal judge at Panama; and the distinguished gentleman from Georgia, the ex-Senator from that State, Mr. Hardwick. These three men are the ones who determine what class of cases shall be tried, whether they shall be compromised, and who shall have entire control of the matter. After the cases have come from the War Department they make their examination and they determine to which one of the branches of the war-fraud section these cases shall be allocated. Certain men are trained in certain kinds of cases, and it is true there has been appropriated not only this $500,000 but another $500,000. There has been $1,000,000 already appropriated by the United States Congress for this purpose, and I am very happy to say to the gentleman that we have actually turned in, in cash, something over $5,000,000. I had the exact amount before me just a few moments ago. Then the settlements which have been received through these war-fraud cases run the total up to $8,000,000 or $9,000,000. The committee considered it as a most remarkable showing that it has only cost the Government 11 or 12 per cent of the amount of money that has been collected.

Mr. HOWARD of Nebraska. I thank the gentleman for his answer, which is very lucid, except it does not answer my question at all. [Laughter.] Really, Mr. Chairman, I think I, as a Member of Congress, ought to be able to secure a statement from some source as to what has been accomplished with this money. Gentlemen will recall that I tried to secure from the Attorney General the information, I tried to get him to tell me the number of war-graft men and their names, how many of them have been put into the penitentiary as the result of prosecutions. I never could get an answer. I am asking in good faith, and I am not playing politics. I am asking you to tell me if you know whether anybody prosecuted for graft by the present administration, or by the preceding administration of four years ago, has ever been carried to the penitentiary and remained there as a result of these prosecutions.

Mr. SHREVE. I will state to the gentleman that I am not able to answer his question.

Mr. HOWARD of Nebraska. Is anybody able to answer it?

Mr. KVALE. I can state to the gentleman that an ex-service man who stole a can of beans worth 15 cents was sent to the penitentiary.

Mr. SHREVE. If the gentleman will refer to page 172 of the Department of Justice hearings, he will find that three large criminal cases were tried within the last year, in each of which 8 or 10 men were indicted for conspiracy. In two of them the juries brought in verdicts of acquittal and in the third the court, after the conclusion of the testimony, instructed the jury to acquit. There are 28 indictments pending, involving 94 individuals and 1 corporation. The gentleman realizes that the crime of conspiracy is extremely difficult to prove.

Mr. HOWARD of Nebraska. Well, that is the best answer I have secured from any source up to date.

Mr. SHREVE. Now, a word about the judiciary: The expenses of the United States courts, the salaries of the judges and of the marshals, attorneys, clerks, witnesses, jurors, and other officers of the court, are carried in the bill under the caption "Judicial." Without exception, the Budget estimates have been granted. The total of the amounts recommended exceed the current appropriations by $1,994,385. For several years deficiencies in substantial amounts have occurred in the appropriations for marshals, United States attorneys, fees of the United States commissioners, witnesses and jurors, and other like items, which have been appropriated for in deficiency acts. This year the Budget recommended, and the committee has adopted, the policy of appropriating amounts which it deems sufficient to meet the needs of the various classes of court expenses, and it is hoped that the usual large deficiency appropriations will not be necessary for the fiscal year 1925. The increase in the number of United States courts, together with the general increase in the number of criminal cases, due largely to prohibition and the antinarcotic and automobile-theft legislation, have rendered unavoidable the increased cost of operating the machinery of justice.

On pages 217 to 220, inclusive, of the hearings for the Department of Justice will be found detailed tables showing the number of cases commenced, the number of cases terminated, the number of cases pending at the close of the year, and the department's expenditures for each year since 1912; a comparative statement by classes of cases of the number of actions commenced, terminated, and pending for each of the years 1921, 1922, and 1923; a statement of cases, both civil and criminal, under the national prohibition act; and a statement showing the revenues of the department from various sources in 1922 and 1923.

In 1912 the department expended $10,196,572.91 and in 1923 $21,619,116.02, or a little more than double the amount for 1912. For the same period the number of cases commenced during the year increased from 50,691 to 143,095, the number of cases terminated increased from 46,648 to 131,469, and the number of cases pending from 102,209 to 179,346.

During the years 1920 to 1923, inclusive, a total of 120,410 criminal prosecutions were commenced under the national prohibition act, 97,865 cases were disposed of, resulting in convictions in 79,093 cases, for which fines were imposed in the sum of $13,839,560.09, of which $9,325,371.69 has been collected. In addition $336,015.64 has been realized by the Government from judgments obtained in civil cases and $145,360.58 has been collected in criminal cases without prosecution, making a total revenue to the Government since the enactment of prohibition from fines and civil judgments thereunder of $9,806,747.91, with $4,514,188.40 outstanding for fines, forfeitures, and penalties.

The total revenues of the department for 1922 were $9,322,270.51 and for 1923, $16,306,777.73.

PENAL INSTITUTIONS

The increase in the criminal business of the United States courts is reflected in the increases in the appropriations recommended for the Federal prisons and the cost of maintaining Federal prisoners in State and county institutions. The Budget estimates, which have been granted by the committee, are $796,490 in excess of the current appropriations for similar objects. A slight reduction under the current appropriation for Leavenworth Prison has been effected by reason of an unusually good crop year on the prison farm, the products from which are consumed by the prisoners. An increase of 18 in the number of guards at Atlanta, together with the automatic annual increases of salary provided by law for the guards at all the prisons, has necessitated an increase in the appropriations for salaries. The total amount recommended for the Atlanta prison is $84,620 in excess of the current appropriation and the total for McNeill Island prison exceeds the current figure by $16,860.

The average population of the three Federal prisons for the fiscal year 1923 was 5,323, while that for the current fiscal year, up to November 30, 1923, was 5,434, an increase of 111. The actual prison population of January 8, 1924, was 5,558, which is 623 in excess of the normal capacity. The bill carries $1,795,000 for support of Federal prisoners in State and county institutions, including prisoners awaiting trial. The current appropriation for this item is $1,100,000, but the department anticipates a deficiency in the current year's appropriation of $600,000, so that the amount recommended for 1925 is only $95,000 in excess of anticipated actual expenditures for 1924.

The number of days' subsistence of United States prisoners confined in jails and other State institutions in 1913 was 589,609; in 1922, it was 1,400,488; and in 1923, 1,600,140.

DEPARTMENT OF LABOR

For the Department of Labor the Budget estimates were $207,679.49 less than the total of the appropriations for 1924, excluding the $240 bonus, and if the latter be taken into the calculation the estimates were less than the current law by $774,319.49. The committee accepted the Budget figures with the exception of the appropriation for regulating immigration. The Budget had reduced this item under the 1924 appropriation by $78,940, and the committee had restored the amount for reasons which were fully set forth in the early part of my remarks. The committee feels that the bill as recommended for these four important Government departments fully meets the requirements of the policy of economy in Government expenditures. At the same time, it provides each department with sufficient funds to meet all the legitimate demands of the public service, and in some quarters to enlarge the scope of service. [Applause.]

Mr. O'CONNOR of Louisiana. Mr. Chairman, for a good many reasons I have not been able to be present on the floor for the last 10 days. I was transferred to the Rivers and Harbors Committee from the Naval Affairs Committee and have had to work almost night and day, so that I have not been able to express myself as I wished. No sooner had Naval Affairs completed its hard labors when I went off and started with Rivers and Harbors on a herculean task of helping to frame a general bill. There is something throbbing beneath my heart, speaking facetiously, and I want to express myself. The gentleman from Alabama [Mr. OLIVER] was not able to give me time, as he said I was tardy in making the request. I have not been able to see the gentleman from Pennsylvania [Mr. SHREVE], and so it occurred to me that if I could secure unanimous consent to speak for five or six minutes out of order, which would not be taken out of the four hours' time fixed by the House, it would answer the purpose.

The CHAIRMAN. The Chair thinks that the committee would not be authorized to change the order made by the House not to exceed four hours' debate.

Mr. O'CONNOR of Louisiana. Would that be changing the order?

The CHAIRMAN. It would be enlarging the time as fixed by the House.

Mr. OLIVER. I think we can give the gentleman time.

Mr. SHREVE. That will be arranged for the gentleman later.

Mr. O'CONNOR of Louisiana. That will be satisfactory.

Mr. OLIVER. I yield 25 minutes to the gentleman from South Carolina [Mr. STEVENSON].

it is our belief that before the end of the present fiscal year we will be

I am very happy to say to the gentleman that we have actually turned in, in cash, something over $5,000,000. I had the exact

Mr. STEVENSON. Mr. Chairman, Mr. Wallace, attorney for William Boyce Thompson, says that William Boyce Thompson became chairman of the ways and means committee of the Republican executive committee in December, 1919, and was heavily interested in Sinclair stocks. His syndicate, under the name of "Holmes," an employee of Thompson, began borrowing and dealing in Sinclair stocks, borrowing in "Holmes's" name in Chase National Bank, of which Thompson was a director. The amounts were all large and renewal and increases were numerous. On September 7, 1920, the loan was $3,825,000, secured by 208,200 shares of Sinclair stock. They were worth $32.12, or $6,687,384 worth of stock. Late in November, 1920, he sold out—just after election—and paid the note. Thompson himself sold from July, 1921, to November, 1921, 10,471 shares. In January, 1922, he went in again and bought in January and February, 1,520 shares. This he sold in April, 1922. The lease to Sinclair was made April 7. Thompson's representative could not give the date in April that he sold. Thompson and his syndicate then owned at one time, September 7, 1920, 208,200 shares Sinclair oil stock.

	Shares	
He bought in 1922	1,520	
His Boyce Thompson plant owned	43,794	
His Newmont plant owned	172,934	
Total	426,448	
Add shares held individually and sold in 1921	10,471	
		436,919

all told, he and his associates owned first and last, and 27,657 shares were sold after April 1, 1922. It went up $12 a share about that time, or a profit of $331,894 on the shares sold.

Those shares sold after April 1, were Thompson individual, 1,520 shares bought in January and February, 1922, and Newmont Co., 26,137 shares (evidence before the Senate committee).

So one of the great leaders of the Republican organization was deeply interested in Sinclair's getting a good thing. Who will be next? I regret that Mr. Thompson's health did not permit him to appear in person before the committee.

On March 17 in this House I closed what I had to say about Col. Theodore Roosevelt, Assistant Secretary of the Navy, and his brother Archie, by asking the question: "When was Archie's salary raised to $15,000?" Up to this time the colonel has failed to answer, but his friend and benefactor, Mr. Henry F. Sinclair, has given us the information, uncontradicted up to the present, from which I am enabled to determine that question. I want to state chronologically the connection that Colonel Roosevelt and his brother had with the Sinclair Co. and let the public draw its own conclusions.

First, Colonel Roosevelt makes the following statement of his own business connection with the Sinclair concern:

Senator WALSH. Colonel Roosevelt, were you ever a director or stockholder in any of the Sinclair companies?

Assistant Secretary ROOSEVELT. Yes; I was one of the original directors of the Sinclair company when it was originally organized. Then I was a stockholder of the company, I resigned as director when I went to war, and my partner sold my stock during the war. Then the only securities I ever had of the company after that I bought, or rather my wife bought a thousand shares of the Sinclair stock in the autumn of 1920. I held it for about a year and sold it.

Senator WALSH. What is that company, Colonel?

Assistant Secretary ROOSEVELT. That was the consolidated Sinclair Co. Incidentally I sold it at a loss.

Senator WALSH. And during that time did you act as a director?

Assistant Secretary ROOSEVELT. I acted as a director—this I will again have to ask for corroboration on—I acted as a director from, I should have said, 1915 to 1917.

Mr. SINCLAIR. 1916, I think.

Assistant Secretary ROOSEVELT. 1916 to 1917.

Senator WALSH of Montana. And your stock was sold some time during 1917 or 1918?

Assistant Secretary ROOSEVELT. My stock was sold, I should say, in the winter of 1918.

Senator WALSH of Montana. And then your wife became a stockholder in 1920?

Assistant Secretary ROOSEVELT. In 1920, and sold that stock in 1921. I think I can tell you approximately. It was, I think, in 1922; sold it in 1922.

Senator WALSH of Montana. Are there any other members of your family interested in the Sinclair Co.?

Assistant Secretary ROOSEVELT. My brother is an employee of the Sinclair Co.

Senator WALSH of Montana. Does he hold any official position there?

Assistant Secretary ROOSEVELT. Yes; he is an employee. I do not know whether you would call it an official position. I will ask Mr. Sinclair, however.

Mr. SINCLAIR. He is vice president of one of the subsidiary companies.

Assistant Secretary ROOSEVELT. Vice president of one of the subsidiary companies.

Senator WALSH of Montana. Is he a director in any company?

Assistant Secretary ROOSEVELT. Again I will have to ask Mr. Sinclair.

Mr. SINCLAIR. He is not a director in the original company; he is in the subsidiary company.

Senator WALSH of Montana. Do you know how long he has sustained these relations to Sinclair Co.?

Assistant Secretary ROOSEVELT. Yes; since the spring of 1919. (Pages 400–401, hearings before the Committee on Public Lands and Surveys, United States Senate.)

Second. Archie says that Colonel Roosevelt was with Montgomery & Co., Sinclair's bankers, when he came back from the war and that the colonel requested Sinclair to take him on, which was done August 1, 1919. (Pages 1883–1884, hearings before the Committee on Public Lands and Surveys, United States Senate.)

Third. Mr. Sinclair states that Archie was started at $5,000 a year, August 1, 1919.

Fourth. On February 1, 1920, this was increased to $6,000 a year, according to Mr. Sinclair, and continued at that until after the colonel entered the Navy Department.

Fifth. On March 4, 1921, Colonel Roosevelt was appointed Assistant Secretary of the Navy.

Sixth. On or about April 1, 1921, the matter of the transfer of the naval reserve from the Secretary of the Navy to the Secretary of the Interior, Fall, was taken up with Colonel Roosevelt who was at first opposed to it and subsequently became friendly to the proposition.

On page 395 of the hearings already referred to we find the following:

Senator WALSH. Well, did you at that time form any definite opinion of your own as to the wisdom or unwisdom of making the transfer?

Assistant Secretary ROOSEVELT. At that time I was not personally in favor of making the transfer, but became convinced afterwards that it was the correct thing to do.

Seventh. On May 1, 1921, while this matter was pending before Colonel Roosevelt, Archie's salary, according to Sinclair, was increased to $10,000 a year, a raise of $4,000.

Eighth. On May 31, 1921, Colonel Roosevelt carried the order transferring the naval reserves to Secretary Fall's jurisdiction to the President of the United States and assured the President that it was all right with both Secretaries and procured the President's signature thereto (pp. 396, 398, 399, hearings above referred to).

Ninth. After protracted negotiations, the lease of the Teapot Dome to Sinclair was made on the 7th of April, 1922.

Tenth. On the 1st of July, 1922, Archie Roosevelt's salary was increased to $15,000 a year, making it three times the salary of Colonel Roosevelt, and being an increase of $9,000 since the colonel came into the position of Assistant Secretary of the Navy, being 150 per cent increase.

Eleventh. On the 29th of July, 1922, Assistant Secretary Roosevelt, in the absence of Denby and without consulting the President, at the request of Fall, sent the United States marines to put other claimants (called squatters) off the Teapot Dome and put Sinclair in possession instead of leaving him to establish his rights in court, as other people do. (See his testimony of March 13, 1924.)

Twelfth. Mr. Sinclair and Archie Roosevelt agree that Archie was doing practically nothing for the company, although receiving $15,000 a year (pp. 1878, 1882).

Colonel Roosevelt stated in his interview concerning my former remarks that he made in private life twenty times his salary as Assistant Secretary of the Navy. This would be about $100,000. Surely he would not want to put his brother Archie as an almoner on his friend Sinclair when he was able to take care of himself and the family. Now, if Denby, who had no known connection with Sinclair and whose only offense was mechanically signing the lease arranged by Fall and defending it afterwards, was unfit to continue in the department to control its policies, can it be possible that Colonel Roosevelt, whose life and interests, both personal and financial, had been so closely interwoven with the organization which has perpetrated this alleged fraud on the Government, is still available and proper to hold the office he does?

I am anxious to know, though it is none of my business, I suppose, what were the basis of such wonderful earning

capacity in the colonel. Possibly the name which he bore was of considerable value; but as Mr. Brisbane says:

In business you actually have to deliver something.

I have in my hand an advertisement cut from the Philadelphia Record of May 1, 1922, ornamented at the head with the picture of the doughty Colonel Roosevelt, who in this instance seems to be at the head of the dough brigade. The bond is as follows:

Know all men by these presents that—

Kolb Bakery Co. is held and firmly bound unto the purchaser of this loaf of Bond bread (Trade-mark Reg. U. S. Pat. Off.), and hereby warrants that the loaf of bread contained within this germ-proof and dust-proof wrapper is made from the following:

Pure-food materials and no other ingredients of any kind; best Wheat flour, compressed yeast, pure filtered water, best fine Salt, pure lard, granulated sugar, and condensed milk.

KOLB BAKERY CO.

Speaking of this bond, Theodore Roosevelt, Assistant Secretary of the United States Navy, says:

A manufacturer should be confident of the value of his product. If he is, he should be willing to back his opinions. (Signed) Theodore Roosevelt.

I do not know whether it is this trailing of the Roosevelt name into a Dutch bakery that makes him prosperous or whether this is just a manifestation of his fondness for seeing his name and picture in the papers. This, however, has all the appearance of a bartering of the distinguished name he wears and of his distinguished position as Assistant Secretary of the Navy either to boost bread or for a valuable consideration.

This excursion into the advertising field impressed me with the thriftiness of the statesman involved, and makes me realize that the quartering of Archie upon Sinclair is merely a demonstration of the good old doctrine "A penny saved is a penny made," and so as Sinclair would put out $15,000 a year there was that much saved from the colonel's resources. But I hope after the inspection of this use being made of the Roosevelt name that violent partisans of that name will not find it necessary to fall into the vocabulary of a fish wife in flinging billingsgate at anybody who exercises the right of criticism of any one of the family who happens to be in office.

On July 4, 1776, this great country abolished royalty and at the same time abolished the rule "That the King can do no wrong, and therefore that the King and royal family are not subjects of criticism." My people backed that declaration with their manhood and their blood, and from that day to this it has been the right which we have exercised to criticize a public servant, and in this instance I repeat that the above connection admitted by all of Colonel Roosevelt with Sinclair makes it improper for him to occupy the position of Assistant Secretary of the Navy in this Government, and I call attention to the fact that Mr. Knight, of California, a lawyer of distinguished attainments, I am told, and irreproachable character, has just been rejected by the committee, although appointed by the President as attorney to prosecute the case to annul certain oil transactions in the West, on the sole ground that he was once attorney for a bank which was controlled by the owners of the Standard Oil Co. How much closer the above facts place Colonel Roosevelt to the man who has debauched public officials and captured and is brazenly holding on to a Government asset worth many millions of dollars to him, and if the Government's claim is established and the property recovered how incongruous for Colonel Roosevelt to be there in the department to administer the same property again when he on three or four occasions has stated that he approved the policy adopted in leasing this property to Sinclair?

What does the Government allege as to these leases which he states that he approves? The attorneys appointed by the President allege that President Harding's order transferring the Navy's oil reserves to Fall's custody was "invalid and illegal," and this is the order procured by Colonel Roosevelt to be signed after he had been working over it from about April 1 to May 31, 1921.

The complaint also alleges that the Teapot Dome lease was "null and void" and effected without authority in law, and that the contracts for building tanks were equally "null and void" and without authority of law. These allegations are made on the authority of the President of the United States.

Colonel Roosevelt was one of the architects of the order which is therein attacked. Can he safely be trusted again with the control of this great business?

To show you that I was not the only person thinking this way, I set forth here editorials from three different papers, one published on the 14th and two on the 15th of March, 1924. All published but none of which were available before I spoke, all taking the position that the colonel should retire.

[From The Nashville Banner, March 14, 1924]

A ROOSEVELT COLLAPSE

It was unfortunate and will prove disastrous to the political career marked out for himself by the present Theodore Roosevelt that he involved himself with the Sinclair oil interests by asking for and securing a job from Sinclair for his young brother.

There is no reason for believing that his influence would have prevailed but for the political prestige he possessed. His brother Archie had no especial entitlements, certainly had no commercial experience of so outstanding a character as to make him worth $15,000 a year to Sinclair. Yet he was started on $10,000, which was raised shortly thereafter to $15,000, which sum is $3,000 more than is paid the Vice President of the United States, $5,000 a year more than is paid the Governor of New York, and the same that is paid the Chief Justice of the United States Supreme Court.

After exposures began to come thick and fast of scandalous deals between the oil magnate and Government officials, Archie withdrew. Which, however, didn't help the fortunes of Theodore, who since March, 1921, had been Assistant Secretary of the Navy, closely associated with Denby, and should have known as much regarding the oil leases as his chief.

Prior to that Theodore was the almost certain nominee of his party for Governor of New York. He has not since been seriously considered for the distinction. It is all very unfortunate, but he was caught in the mesh and doesn't look pretty to anyone any longer.

[From the Washington Daily News, March 15, 1924]

DON'T BE A GOB

When a mere gob in the United States Navy goes to sleep while on watch he is arrested, court-martialed, deprived of privileges, imprisoned, or roasted unmercifully.

When the gob's boss goes to sleep at the switch he gets promoted.

That's the way it worked out in the Navy.

Young T. R., according to his own testimony, was the man who carried the Teapot Dome naval oil lease from Secretary Fall to the President for his signature. That made him a party in the plot to give away the Navy's oil.

T. R. also admitted on the stand that he took orders from Fall to send a captain of the marines and four men out to Teapot Dome field to help Sinclair get possession. He said he had not considered the illegal aspects of this.

The President's oil counsel in the suit filed at Cheyenne, Wyo., to recover Teapot Dome for the Navy charge that the leases were signed by former Secretary Fall for "inadequate, improper, and fraudulent consideration" and "without authority of law." Denby also signed the leases, and Roosevelt not only knew about them, but he went before the Senate committee to defend them.

He was asleep on watch when this raid on the Navy's oil was made.

Was he nabbed and put in irons?

Naw; not young T. R.

The moral of this little story is:

"If you're going to join the Navy, don't be a gob. Be Assistant Secretary, and then, if you fall asleep on the job, you won't be jugged or put on k.p."

[From the Commercial Appeal, March 15, 1923]

SWEEP THEM OUT

Never in the history of this country did such a set of harpies move in as most of the crew which came into office with President Harding. Mr. Harding is dead, peace to his ashes with that respect that must go to the dead, but if Mr. Harding had lived the responsibility of the appointment of men unfaithful in most startling ways would have been his, and his humiliation would have been great.

There is nothing quite so coarse, so reckless, and so vulgar as the story leading up to the ordering of marines into the heart of the country to drive some citizens off a piece of land the ownership or title being disputed.

We thought things had reached a low pass when an ex-Cabinet minister admitted he had lied under oath to a Senator, officially appointed to elicit information from him. Then came McLean, the rich boob, who needs a guardian for his person, as he has trustees for his estate, and admitted that he lied because his friend, Fall, asked him to lie. If McLean were mentally responsible the infamy of his action would be marked, but his weakness saves him from contempt and excites pity rather, because he did lie for a friend.

It is not justifiable to lie even for a friend. Certain very good men have lied to save the reputation of a woman, but so far women have not been among the cattle at the Washington feed trough.

But supreme over all was the story in yesterday's paper.

there?

I suppose, what were the basis of such wonderful earning

Young Roosevelt was Acting Secretary of the Navy. Fall was Secretary of the Interior. Fall asked Roosevelt to issue an order to the marines to clear trespassers off Harry Sinclair's Teapot Dome reservation. Now, Roosevelt, acting head of the Navy, was as big as Fall. If he had been like his daddy he would have told Fall to go to the place where the devil lives. Instead he executed an order and placed it in the hands of General Lejune. General Lejune sent for Captain Schuler and told Schuler that Mr. Fall wanted to see him. Schuler went to see Fall. Fall gave him his orders. Fall asked him what he might do if an injunction was thrown on him. Schuler said, "I never saw an injunction, and I would file it." This tickled Fall and he said to Captain Schuler, "I guess you will get along all right out there."

Fall told Captain Schuler that he had taken the matter up with President Harding, but lest we err we quote the captain literally.

"He—Fall—said he had taken the matter up with the President that morning, and that the President did not want to take this action because an officer of the company that was trespassing was a close personal friend and contributed to the campaign fund.

"And Mr. Fall told me that he had told the President that his friend was a low down ———, and Mr. Fall said that the President told him that he supposed he was all that when he sent him his check, and Mr. Fall said that he told the President, 'Mr. President, by God, he was.' But he said the President finally consented, and that was why the marines were to go out."

So, Mr. Harding did not want to be hard on the trespassers. One of them, he said, had contributed to the campaign fund. Yes; the campaign fund. The campaign contributor who wants to be paid back a thousand per cent.

Just think this matter over.

Roosevelt admitted that he took General Lejeune over and talked to Fall about the business. When Senator WALSH asked Roosevelt if he did not think that a process at law would do the job the young man naively answered that he was no lawyer. If young Roosevelt hasn't sense enough to know, though he is not a lawyer, that the courts have full power to remove trespassers and to issue writs of ejectment, then he hasn't sense enough to be Assistant Secretary of the Navy or assistant anything else.

Fall seemed to have been the master mind. He was afraid to run afoul of the courts. He therefore ordered out the marines and the marines went and the marines did the job. The marines do obey orders. That thing has won for them imperishable glory on battle fields of two continents and on decks of ships fighting in all of the seven seas.

Therefore, how important is it to have at the head of the Navy Department and in the White House men who know when to issue orders to the marines, because the marines do obey. When they are told to shoot they shoot. A member of the German Imperial Staff who came in contact with some of them on the bloody day of Chateau Thierry reported to his imperial master and to Ludendorff as to these marines that "they have a strange spirit which may best be summed up in the statement of one who said, 'We do not care what we are here for. Our business is to kill or be killed.'"

It looks like we need a man with the marines' spirit in the White House. What a pity Pershing was not elected President in 1920, so long as the combination of fate, stupidity, and ingratitude decreed that a Republican should succeed Wilson.

Mr. Fall domineered at the White House. Harding did not want to order out the marines. Harding did not want to be hard on the man who had furnished slop for Republican voters. But Fall had his way. Something piratical about Fall. If he had not lied and betrayed his oath of office he might have been regarded as an attractive old buccaneer.

What a crowd did come in with the Harding administration! What a decline from such Cabinet members as Jefferson, Gallatin, McCulloch, Gresham, Garland, Manning, Bayard, Bonaparte, Glass, and Daniels!

What's to be done?

The whole crowd, their heirs and their beneficiaries must be swept out of office. The good men in both parties, if there are enough good men in both parties to control, must see to it that their nominees are clean and have ideals and are brave enough to stand up for their ideals.

It matters more that honest and patriotic men be in office than the party badge which they wear.

In addition to that I set forth the statement of Mr. Sinclair as to Colonel and Archie Roosevelt published on March 23, 1924, and an editorial comment of Mr. Arthur Brisbane thereon published in the Washington Herald of March 24:

On January 16, 1924, I left the United States for Europe on business. I should have gone 40 days before I did, and was prevented from doing so only by my required attendance before your committee. It was not until I had appeared before the committee five different times over a period of about five months and had been finally excused from further appearance that I left to make this business trip.

TESTIMONY OF "EVIL INTENT"

In the course of my appearances I had given the committee every fact and circumstance and had produced every book and paper requested of me. Despite all this, I had not yet reached Europe when testimony, consisting almost exclusively of insinuations, conclusions without basis in fact, and the rankest kind of hearsay, was broadcast from the committee rooms. Evidence, if it is entitled to the dignity of that description, was given of a character so false and so base and given with such apparent evil intent that I can not permit it to go unchallenged.

On January 21, 1924, Theodore Roosevelt, Assistant Secretary of the Navy, and Archie Roosevelt, his brother, came before the committee. Theodore Roosevelt testified in substance to a conversation he had held with his brother, and, without attempting to verify in any manner certain suspicions that Archie had communicated to him, said he deemed it his duty to appear before the committee in order to request that his brother be afforded the opportunity to testify regarding those suspicions. Archie Roosevelt then came before the committee and testified in substance that he had been an employee of the Sinclair Consolidated Oil Corporation up to a day or two before his appearance before the committee; that he was familiar with the foreign business of that corporation, and that on account of his familiarity with its foreign business he felt certain that there was no business need for my going to Europe on January 16.

ASSAILS BOTH ROOSEVELTS

He further testified that both Mr. Zevely and Mr. Doheny had also left the country, and yet within four days after Roosevelt's appearance both of these men appeared before the committee to give testimony, thus branding as false and ridiculous Roosevelt's testimony that they had gone away. He then proceeded to relate an alleged conversation between himself and Mr. Wahlberg, my former private secretary. He testified that in a conversation Wahlberg had said to him that he, Wahlberg, had canceled checks to the amount of $68,000 payable to the foreman of Mr. Fall's ranch. Then Roosevelt gave evidence as to confused telephone conversations between the parties. Wahlberg followed with testimony denying emphatically that he ever said to Archie Roosevelt in any conversation that he had canceled checks for $68,000 payable to the foreman of Mr. Fall's ranch.

It is evident, therefore, from the recorded testimony of the two Roosevelts and Wahlberg that there was a direct, unequivocal conflict between them about this alleged $68,000 payment. Here was a disputed question regarding a material fact; a fact which if it could be established would be interpreted everywhere as an illicit payment that I had made for some ulterior and improper purpose. The Roosevelts knew that it would be so interpreted. Nevertheless, they not only refrained from taking any action to establish the truth or falsity of their conclusions, but they even counseled Wahlberg not to speak to Mr. Stanford, my personal attorney, who they knew would by reason of his close association with my affairs be familiar with the facts. The Roosevelts evidently conceived it their duty not to investigate, not to try to ascertain what was true or what was false, but to volunteer their suspicions, their rumors, and their shady insinuations without any regard to accuracy or truth.

SAYS ARCHIE FAILED TO MAKE GOOD

S. C. Hildreth, the manager of my New Jersey stock farm, was summoned before this committee and testified under oath that the checks in question, amounting to $68,000, had been paid to him for services rendered, and that he had deposited the checks in his bank, and the checks themselves and Mr. Hildreth's bank book were produced for the examination of the committee, definitely establishing the accuracy of his evidence.

Some time later the committee had before it a man who had in a public meeting broadcast a scandal concerning the late President Harding, and his statements received the public contempt they deserved when he admitted that he had no foundation upon which to base them except rumor and suspicion. The two Roosevelts had previously appeared before the committee and had broadcast their contributions of suspicion and rumor. They also were compelled to admit, when under oath, that they had no definite facts to present. The parallel between the two cases is clear and suggestive.

In July, 1919, Theodore Roosevelt, the present Assistant Secretary of the Navy, brought his brother, Archie Roosevelt, to me and requested that I give Archie employment. Although the young man was equipped with no previous business experience of any value to us, I acted on the request and took him into our organization. I gave him opportunities that no other man in our organization has had, and was enthusiastic in the hope that he would live up to the expectations I held regarding him. I tried him in one after another of the branches of our business, and each time without success. He wanted to live in New York, so I placed him in the foreign department, and there again his work was a disappointment. He went to Russia in May, 1923, and at the conclusion of that trip I was convinced that, notwithstanding all the opportunities and encouragement that had been given him, he never would and never could make good.

SALARY RAISED $5,000 TO $15,000

Roosevelt's salary during the period he was employed by us ranged as follows:

	Per year
From Aug. 1, 1919, to Jan. 31, 1920	$5,000
From Feb. 1, 1920, to Apr. 30, 1921	6,000
From May 1, 1921, to June 30, 1922	10,000
From July 1, 1922, to end of his employment	15,000

The salary increases were given to him partly as encouragement and evidence of our continuing hope in him and partly in order to help him to meet the increased cost of supporting himself and his family in a manner appropriate to the work for which we were trying to train him.

During the last few months of his employment, in spite of his record of failures, I did not wish to discharge him, because it was reported to me that he was looking for other employment and I was reluctant to damage his prospects before he could arrange another business connection.

This is the man who, as soon as I had left for Europe on January 16, 1924, attempted to assassinate my character by offering as testimony before the committee suspicions and assumptions which he himself admitted to be without supporting evidence. I have to state further that I have learned that a considerable part of his time during the last two years had been spent in intrigue directed against various other members of our organization.

FALSE AND MALICIOUS

I publicly brand as absolutely false and malicious the suggestion in his testimony that I had no business occasion to go to Europe on January 16, 1924, and as worse than a lie the conclusion he was apparently so eager to establish that I had given $68,000 to the foreman of Mr. Fall's ranch, when he knew that his alleged informant denied emphatically that there ever was such a payment and that it would be easy for him to ascertain the facts. Such testimony can have been given for one purpose only, and I think the fair-minded public has already detected that purpose.

In a statement made public a few days ago Mr. Theodore Roosevelt denied certain allegations made regarding him on the floor of the House of Representatives, and held up to public scorn those who circulate or help to circulate misleading insinuations and false charges. I am glad to assure Mr. Roosevelt of my cordial approval of the point of view he expressed and to congratulate him for the change that has occurred in that point of view since he appeared before the committee to introduce his brother.

I have read the testimony of Mr. Wahlberg, and I think the evidence clearly shows that Wahlberg, to use a common expression, was "framed" by the Roosevelts. But he defeated their purpose when he denied making the statement attributed to him by the Roosevelts in reference to the $68,000 payment. As no such payment was ever made, his testimony must and will prevail over the false suspicions they sought to establish.

BEWARE, MR. SINCLAIR

(By Arthur Brisbane)

(Copyright, 1924, by Star Co.)

Mr. Sinclair, the oil man, tells how Theodore Roosevelt the second, Assistant Secretary of the Navy, asked him to hire his brother, Archie. And he adds that he tried young Archie in almost every department of the business, giving him a salary as high as $15,000 a year, "but Archie never made good in anything."

Mr. Sinclair should know that business is vulgar, and that Roosevelts are not expected to "make good" in such pursuits. Their specialty is showing their teeth in office.

Make Archie or Theodore the second President and the story will be different. Business is awkward because you actually have to deliver something.

What is Mr. Sinclair thinking of when he says, publicly, of young Roosevelt's statements: "I publicly brand [those statements] as false and malicious, and worse than a lie"?

Does Mr. Sinclair not know that such remarks addressed to a Roosevelt, even if true, call for blood? The end of all this is not yet, or the real Roosevelt will rest uneasy in his grave.

The action of Theodore and his brother Archie in turning their backs upon a benefactor and rushing to cover is characterized by Mr. Sinclair somewhat strongly, but the American people are not enamored of ingrates, and the desire to save a political hide or to make a political grand stand should never justify an act of base ingratitude and will never elevate the name of any man connected with such a performance in the eyes of the people of the country, and I regret that the name of a great President of the United States, transmitted by inheritance to another generation, should have been marred by the evidence of a yellow streak thus displayed.

The foundation stone of this lease business was the order of President Harding transferring the control of the naval reserve oil fields from the Secretary of the Navy to the Secretary of the Interior. That order was made by President Harding on the 31st day of May, 1921. It was canvassed between Mr. Roosevelt, Secretary Denby, and Admiral Griffin, and an amendment was proposed to the drafts submitted by Secretary Fall. Mr. Roosevelt carried the proposed order and proposed amendments to Secretary Fall, and they agreed upon an amendment, and the order was drafted carrying the amendment which Secretary Fall accepted and was carried by Mr. Roosevelt to the President, he says, without any letter from either Secretary, and he assured the President that it was satisfactory to both Secretaries, and the President signed it, thus laying the foundation for the leases which were subsequently made under such disreputable circumstances.

Colonel Roosevelt says (p. 400) that Mrs. Roosevelt owned her stock at that time, had owned it since 1920, and continued to own it until 1922, although she sold it, they say, at a loss three months before the lease was finally made. I stated and I reiterate that the ownership by Mr. Roosevelt's family of this stock when he was participating in these transactions which were liable to affect the value of the stock was a circumstance that rendered his position very equivocal at the present time, and if a lawyer in private life who had received a fee for legitimate business was disqualified to act for the Government in a capacity in any wise related to the oil business, that Mr. Roosevelt should likewise be incapacitated for a like service.

Third, when Mr. Roosevelt returned from the war he took a position with Montgomery & Co., bankers, who it seems were bankers for the Sinclair Co., and his brother, Archie, returned in 1919 from the war and wanted a position, and at Colonel Roosevelt's request, the Sinclair Co. took him on. I state here Archie's statement of the transaction which is found on pages 1883 and 1884 of the record:

Senator DILL. Mr. Roosevelt, you may have stated, but I did not get it clearly, as to just how you came to go into the employ of the Sinclair Co.

Mr. ROOSEVELT. You can help me on this Mr. Stanford. I think Montgomery & Co. were bankers for the Sinclair Co., were they not, at one time?

Mr. STANFORD. I think so.

Mr. ROOSEVELT. And my brother was with Montgomery & Co., and had represented Montgomery & Co. with the Sinclair Co. This is a long time ago, and I don't know about it as well as perhaps you would. And he said to me——

The CHAIRMAN. Who said to you?

Mr. ROOSEVELT. My brother Ted; he said, "There is a chap I know in New York, and he might give you a job." He said, "I served on his board of directors, and he might give you a job." And that was how it came about.

Senator DILL. Well, did your brother go to Montgomery & Co. in your interest?

Mr. ROOSEVELT. To Montgomery—oh, no. He was with them.

Senator DILL. He was with Montgomery & Co.?

Mr. ROOSEVELT. Yes.

Senator DILL. And did your brother go to the Sinclair Co. for you?

Mr. ROOSEVELT. Oh, yes; he helped me there.

Senator DILL. He helped you get it?

Mr. ROOSEVELT. He helped me get the job; yes.

The CHAIRMAN. Any further questions? If not, we will excuse Mr. Roosevelt.

This employment continued until January, 1924, and in 1923, according to Archie's testimony, he did **practically nothing—page 1882 of the record:**

Mr. STANFORD. Now, Archie, as a matter of fact, you haven't had much to do with the Sinclair Co.'s business for the past year, have you?

Mr. ROOSEVELT. No, sir; nothing except that Russian thing.

Mr. STANFORD. That Russian thing?

Mr. ROOSEVELT. Yes.

Mr. STANFORD. And that was when we went over to Russia in May, 1923?

Mr. ROOSEVELT. Yes.

Mr. STANFORD. And I believe you made a report?

Mr. ROOSEVELT. Yes, sir.

Mr. STANFORD. And you have done some little work under Mr. Watts?

Mr. ROOSEVELT. Yes, sir.

Mr. STANFORD. In reference to disposing of some gasoline over there?

Mr. ROOSEVELT. Yes, sir; I came up here—there is another place I got—I came up here and tried to get Mr. Watts to dispose of some gasoline in regards to some contract, anyhow—I have forgotten now—to the Navy Department, and the Navy Department turned us down.

Mr. STANFORD. Well, that has been practically the extent of your business in connection with the foreign work of the Sinclair Co. in the last year, has it not?

Mr. ROOSEVELT. Practically entirely; yes, sir. I watched and got reports, you know, from Mr. Woodman and Mr. Longshore, and when I was in London I did one or two little trivial things, you know.

Archie also testified, on page 1878, as follows:

Senator WALSH of Montana. You must have had qualifying stock to become an officer?

Mr. ROOSEVELT. Yes; I suppose so. Those things came up, and they would tell me I have to serve on the board of directors, and I say, "All right," you know those holding companies, I took those and took a share of stock.

Senator WALSH of Montana. Your official position seems to have been somewhat nominal then?

Mr. ROOSEVELT. Yes.

I think this demonstrates that Archie's position was a sinecure. Yet Colonel Roosevelt said before the Senate committee on March 13 that he was started at a salary of $10,000 a year and it was subsequently raised to $15,000 a year, but that he did not request this raise. Mr. Sinclair says he started at $5,000. He was there as a protégé apparently of Colonel Roosevelt. He was admittedly doing nothing of considerable value, and oil men are not accustomed to give away either $10,000 or $15,000 without value received. These men needed no request. I would like to know what Mr. Sinclair thought he was getting for these services, and, mind you, they were going on when the order was given by President Harding which made the lease possible, and when the lease was signed and until January, 1924, the thing got into such a situation that it appeared that somebody would get into trouble when Archie withdrew. Archie, in his child-like simplicity, admits that he was afraid that his connection with Sinclair was tending to discredit or embarrass his distinguished brother, and if he thought so, should I be condemned in thinking like him. He says on page 1872:

Well, I have been worried about this thing for quite a while for several reasons. You can see that with my family connected with the Government and in the Navy Department, I was anxious about it all the way through.

He says on page 1878 in reply to questions of Senator WALSH of Montana:

Senator WALSH of Montana. When did you go to Germany?

Mr. ROOSEVELT. I think I went to Germany right after Christmas.

Senator WALSH of Montana. That is, Christmas, 1921?

Mr. ROOSEVELT. Yes, sir.

The CHAIRMAN. How long did you stay there?

Mr. ROOSEVELT. I came back, I believe, in February—January or February.

Senator WALSH of Montana. You did not hear anything about it then, before you went away?

Mr. ROOSEVELT. No, sir.

Senator WALSH of Montana. And you did not learn anything about it after you came back?

Mr. ROOSEVELT. No, sir.

Senator WALSH of Montana. Except as you saw it in the papers?

Mr. ROOSEVELT. No, sir; I did not know a thing about it.

Senator WALSH of Montana. Well, did you confer with anybody about it in the office after you learned about it from the papers?

Mr. ROOSEVELT. Oh, no, sir; I was only mildly interested in it then. I was interested in it because Ted was in the Navy Department, and that was all; that is the only interest I had in it at that time.

Senator WALSH of Montana. Well you were a stockholder, were you not, of the Sinclair Co.?

Mr. ROOSEVELT. At that time I don't think I was, sir, then; no. I haven't been a stockholder of the Sinclair Co. for quite a while.

Senator WALSH of Montana. How long?

Mr. ROOSEVELT. Oh, I think for over a year.

Senator WALSH of Montana. Well, this, you see, was two years ago.

Mr. ROOSEVELT. Well, yes; I am inclined to think I haven't had any stock for two years.

It will be noted that he was testifying as to his attitude in January, 1922, and that he was interested in it because Ted was in the Navy Department, so that he as an officer of the Sinclair Co., and as a simple-minded straightforward young fellow realized that there was such connection between this oil leasing business and his brother Theodore, that anything crooked in the oil-leasing business was embarrassing and would be embarrassing to his brother Ted and his family, and I agree with him.

Now, the date of the increase of his salary has been fixed, and it is true that Colonel Roosevelt was not in public life when the original employment was made, but Archie says he was with the bankers of Sinclair Co., and had represented those bankers with the Sinclair Co., page 1883 cited above. Before he became Assistant Secretary of the Navy it was increased $1,000 to $6,000.

After he came into the Navy Department and during the pending of these transactions it was increased $9,000, and he certainly was deeply interested in the Sinclair Co., or he was without moral capacity to appreciate a favor, for that company was handing a $15,000 gratuity annually to his brother, and continued to do so until afterwards, and that should impel him from a sense of propriety to withdraw from his official position from which his chief has gone without having been shown to have had any of the points of contact with the offending company which he has had. Oh, but they say he did not approve the program. Let us quote some of the testimony chronologically. In April, 1921, see page 394 of the record, he was informed of it:

Assistant Secretary ROOSEVELT. As I recall it, Senator, it was after a Cabinet meeting. The Secretary returned to the department and told me that this subject had come up for discussion at a Cabinet meeting.

Senator WALSH. And can you fix the time with reference to the date of the order, which is May 31?

Assistant Secretary ROOSEVELT. No; except that it was probably a number of weeks before.

Senator WALSH. Admiral Griffin told us yesterday that it was about the 1st of April that the Secretary first spoke to him about it. Would that accord with your recollection?

Assistant Secretary ROOSEVELT. That would accord approximately with my recollection. It was some time in April, I should say.

Senator WALSH. Now, did you canvass the subject with your superior, the Secretary?

Assistant Secretary ROOSEVELT. At that time?

Senator WALSH. At any time prior to the issuance of the order?

Assistant Secretary ROOSEVELT. I discussed it in general with him; yes, sir—

And he ultimately approved it, page 395—

Senator WALSH. Well, did you at the time form any definite opinion of your own as to the wisdom or unwisdom of making the transfer?

Assistant Secretary ROOSEVELT. At that time I was not personally in favor of making the transfer, but I became convinced afterwards that it was the correct thing to do.

This was with reference to the transfer from the Navy Department to the Interior Department. He goes on to show that he was active in getting that order prepared and actually carried it to the President and had it signed.

The CHAIRMAN. You mean the Executive order?

Assistant Secretary ROOSEVELT. The Executive order. And then I took the order in my hand, with both the amendments of Secretary Fall and Secretary Denby, to the White House.

The CHAIRMAN. And was the order signed by the President?

Assistant Secretary ROOSEVELT. I think that was the first order signed by the President.

The CHAIRMAN. That may be an explanation of the change in the dates.

Assistant Secretary ROOSEVELT. I think that is the answer, because I took the order simply and not any letter, after having this particular amendment inserted. May I ask Commander Stuart, who is here, whether that checks up with his memory? No; I do not think I took any letter. I think I took nothing but the Executive order with me.

Senator WALSH. Well, you would not take the Executive order to the President without some letter from either one or the other Secretary, would you?

Assistant Secretary ROOSEVELT. I think I did.

Senator WALSH. Requesting his signature?

Assistant Secretary ROOSEVELT. I think I did. I think I took it there and informed the President that both Secretaries had told me to say that they were agreeable thereto. That is my memory.

Senator WALSH. So you think it went to the White House without any letter at all from either Secretary?

Assistant Secretary ROOSEVELT. That is my memory. And I am probably responsible, because I think I carried the order over immediately after.

So that is the foundation stone of the whole business. He was thoroughly informed and he also was actively engaged in getting the order and approved the same. At that time he admits that his wife had an interest in the Sinclair Co. and that his brother Archie was getting $10,000 a year from the Sinclair Co. Then the leases were made, he says, without his knowledge. The contract was made to build enormous storage tanks, one at Pearl Harbor, Hawaii (which he says he knew about), and paid for in oil out of the oil reserves amounting to from fifteen to twenty million dollars, and he says he approved the general policy.

Senator WALSH. Well, what I would like to know of you now is whether you have considered the question as to whether it is advisable to use one-third of the oil that comes out of these reserves to us for the purpose of constructing tanks or whether it would not

be the better policy to keep all of the oil that we can get out of it and build the tanks by appropriations from Congress?

Assistant Secretary ROOSEVELT. The fact we were faced with was to endeavor to conserve all the oil we could, and the policy decided upon was the policy which we believed would conserve the greatest amount of oil as a reserve for the Navy.

Senator WALSH. But, of course, you will see that if Congress appropriated money to build these tanks you would conserve just one-third more, would you not, assuming that it takes one-third of the oil to build the tanks?

Assistant Secretary ROOSEVELT. Yes; we would. Of course, that stands to reason.

Senator WALSH. Now, what I want to know is whether you have sat down, Colonel, and figured the matter out and found out that if you did use one-third of the oil to build those tanks there is still enough oil left to meet any reasonably to be expected emergency?

Assistant Secretary ROOSEVELT. I have sat down and figured out the fact that there is, according to the war plans, about enough oil to meet the emergency. In other words, we ought to be able to fill the tanks suggested in the war plans of which I speak.

On page 417 of the record he says:

At the hearing on Saturday while Senator WALSH was questioning me I was not asked whether I had any connection with or knowledge of the signing of the Teapot Dome lease. I did not volunteer the fact that I did not, because I felt to do so would carry the impression that I disapproved the lease, which is not the case.

So while he was busy at something else the lease was signed; but he expressly asserts that he did not disapprove it but, on the other hand, seems to have approved it. Again, on page 420 of the record, when asked about the expenditure of fifteen or twenty million dollars without the authority of Congress and out of the naval reserve to build tanks by private contract and without competitive bidding, he says:

I approved the general policy of endeavor to arrange the situation so that the oil which was evidently intended by Congress to constitute the naval reserves should be kept as a naval reserve in the only way possible, which was that.

I have, therefore, his opinion that the method pursued for which Secretary Denby has been kicked out of the Cabinet was the only way by which the reserves could be preserved, and we assume, therefore, that he still approves that course.

The lease, the storage contracts, the letting of a private contract without competitive bidding, the expenditure of $20,000,000 of the oil reserves without authority from Congress, was the only way, according to that statement. Hence, it appears if Denby is disqualified from having followed that course, he himself should be disqualified, as he maintains that that was the only course. He further reiterated that at a later meeting, page 1300 of the record:

Senator WALSH. Well, you knew then that those tanks thus being constructed were to be paid for, not in cash——

Assistant Secretary ROOSEVELT (interposing). But in kind.

Senator WALSH (continuing). But in oil that came out of the reserves?

Assistant Secretary ROOSEVELT. I did.

Senator WALSH. And did you know also that the contract provided for with the Pan American Co. for the construction of these storage tanks were to be paid for in oil?

Assistant Secretary ROOSEVELT. I did.

Senator WALSH. Out of the reserves?

Assistant Secretary ROOSEVELT. I did.

Senator WALSH. And did you know also that the contract provided for the construction of docks, wharves, and the conduct of extensive dredging of a channel, so that the ships might approach their mooring places, the whole to cost some four or five hundred thousand dollars, to be paid in oil?

Assistant Secretary ROOSEVELT. That I did not know about; at least, I do not recall whether I knew about that or not. But if I approved the policy of conserving the oil in tanks for the good of the Navy at those points, I normally would have felt that whatever was necessary to make that oil valuable there should be done.

And again on page 1303:

Senator WALSH. Yes, sir; you did not know anything about it?

Assistant Secretary ROOSEVELT. Just the general policy.

Senator WALSH. Just what do you mean by the general policy?

Assistant Secretary ROOSEVELT. Well, whether the oil contracts should be made to build tanks and as a part of the contract payment in oil——

Senator WALSH (interposing). To be paid for in oil?

Assistant Secretary ROOSEVELT. To be paid for in oil.

T. R. DECLARES HE WILL KEEP POST—NEW TACK IN OIL CONSERVATION WINS HIM COOLIDGE FAVOR, REPORT

Assistant Secretary of the Navy Theodore Roosevelt stood intrenched behind oratorical embattlements yesterday as further attempts were made on the hill to bring about his resignation.

A close associate of the colonel said:

"Every time Mr. Roosevelt goes out of town they fire a barrage at him in Congress. When he was away recently Representative STEVENSON, of South Carolina, popped off, and yesterday it was Senator DILL. But it doesn't matter what the pirate crew does; they are not going to make him walk the plank. He is sticking like a blister."

Roosevelt's new tack on oil conservation, it was said, has put him again in favor with President Coolidge.

I call attention now to the fact that my friend from Massachusetts, Mr. ROGERS, rushed in here on March 15 and said that I asserted these various connections on my own responsibility, and continued:

So far as I know, they have not been set forth in consecutive form before this moment.

It will be observed that this is to be consecutively stated for the first time.

Mr. ROGERS of Massachusetts then continued:

Col. Theodore Roosevelt's connection with the oil leases was, briefly, as follows: Shortly after President Harding's induction into office Secretary Denby sent him, Roosevelt, a copy of a proposed Executive order transferring the naval oil reserves to the Department of the Interior without recourse.

That, according to the statement made by the distinguished gentleman from Massachusetts, and I have no doubt on information which he thought was reliable, was the first step. If he will look at the testimony I set out here he will see that it was not the first step, but that it was a month after that before the order was sent down. Yet the gentleman came in here to lecture me when I made a mistake as to one little transaction.

The distinguished colonel made a statement that I ought to be driven out of public life when he gave out his "hot" interview regarding what I had said here on the floor of this House, exercising my right of criticism. It seems to me that I heard that he was to be the nominee of the Republican Party in New York for governor this year, and yet that matter seems to have faded out, too. In the language of a very distinguished supporter of his from New York, they have dumped him, and he is the man who is going into private life, and he is asking for my company, I suppose. Some people have criticized me by saying that he should come down to my district and canvass it with me on that proposition. I am a practical man, as was the gentleman's father. If he wants me retired from public life, he will have to get the citizens of the fifth South Carolina congressional district to retire me. Therefore I ask him as a practical man to come down and try his hand. That is all I have to say, and that ends my discussion. I am not anxious that the gentleman shall get out of office, because I expect to see him there as a liability of the Republican Party all of this year.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The committee informally rose; and the Speaker having resumed the chair, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On March 12:

H. R. 5557. An act to authorize the settlement of the indebtedness of the Republic of Finland to the United States of America.

On March 13:

H. R. 3444. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington; and

H. R. 6901. An act to amend section 252 of the revenue act of 1921 in respect of credits and refunds.

On March 14:

H. R. 4577. An act providing for the examination and survey of Mill Cut and Clubfoot Creek, N. C.

On March 18:

H. R. 2818. An act to grant the consent of Congress to construct, maintain, and operate a dam and spillway across the Waccamaw River, in North Carolina;

H. R. 3845. An act to authorize the construction of a bridge across the Little Calumet River at Riverdale, Ill.;

pending of these transactions it was increased $9,000, and he | to us for the purpose of constructing tanks or whether it would not

H. R. 4120. An act granting the consent of Congress to the Greater Wenatchee irrigation district to construct, maintain, and operate a bridge across the Columbia River;

H. R. 4182. An act authorizing the city of Ludington, Mason County, Mich., to construct a bridge across an arm of Pere Marquette Lake;

H. R. 4187. An act to legalize a bridge across the St. Louis River in Carlton County, State of Minnesota;

H. R. 4984. An act to authorize the Clay County bridge district, in the State of Arkansas, to construct a bridge over Current River;

H. R. 5337. An act granting the consent of Congress to construct a bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick;

H. R. 5348. An act granting the consent of Congress for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada;

H. R. 5624. An act authorizing the construction of a bridge across the Ohio River to connect the city of Benwood, W. Va., and the city of Bellaire, Ohio; and

H. R. 7039. An act to amend section 72 of chapter 23, printing act, approved January 12, 1895, relative to the allotment of public documents.

On March 19:

H. R. 4457. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes.

On March 21:

H. R. 5633. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

H. R. 5737. An act granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana;

H. R. 6420. An act to extend the time for the construction of a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian in the State of Minnesota; and

H. R. 6925. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundred and thirtieth Street in the city of Chicago, county of Cook, State of Illinois.

On April 2:

H. R. 7449. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes.

On April 3:

H. R. 1316. An act for the relief of William R. Bradley, former acting collector of internal revenue for South Carolina.

On April 4:

H. R. 6340. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

On April 7:

H. R. 6623. An act granting the consent of Congress to the Pittsburgh, Youngstown & Ashtabula Railway Co., its successors and assigns, to construct a bridge across the Mahoning River in the State of Ohio.

On April 9:

H. R. 3682. An act authorizing the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks and monuments under the jurisdiction of the Department of the Interior.

On April 12:

H. R. 4439. An act to amend section 71 of the Judicial Code as amended;

H. R. 472. An act to authorize the deposit of certain funds in the Treasury of the United States to the credit of the Navajo Tribe of Indians and to make same available for appropriation for the benefit of said Indians;

H. R. 2812. An act to authorize the Secretary of the Interior to sell certain lands not longer needed for the Rapid City Indian School;

H. R. 2877. An act providing for the reservation of certain lands in New Mexico for the Indians of the Zia Pueblo;

H. R. 2883. An act to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin;

H. R. 4117. An act authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz., and for other purposes;

H. R. 4803. An act to authorize the sale of lands and plants not longer needed for Indian administrative or allotment purposes;

H. R. 4804. An act to authorize the allotment of certain lands within the Fort Yuma Indian Reservation, Calif., and for other purposes;

H. R. 6724. An act granting the consent of Congress to the counties of Sibley and Scott, Minn., to construct a bridge across the Minnesota River;

H. R. 6483. An act amending an act entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes," approved June 28, 1906, and acts amendatory thereof and supplemental thereto; and

H. R. 6943. An act granting the consent of Congress to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate a dam across the Byram River.

On April 14:

H. R. 2876. An act to provide for the payment of claims of Chippewa Indians of Minnesota for back annuities.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

The committee resumed its session.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, I am venturing to invite the attention of the committee to some facts in regard to our foreign and domestic commerce, inasmuch as Congress is generously appropriating liberal sums which it is hoped will additionally stimulate our trade with foreign countries.

From the Statistical Abstract of the 1922 edition, supplemented by the figures of 1923 which have been obtained from the same sources, the excess of exports over imports was $376,045,000, which shows an export balance per day of over $1,000,000.

Total exports foreign and domestic for 1923 were $4,091,146,000, an increase of $330,143,000 over 1922; in other words, our foreign commerce increased over $1,000,000 a day, except Sundays, in 1923 over 1922.

Herewith is a table of our foreign commerce from 1790:

Merchandise imported and exported, and the annual excess of imports or exports; Specie values, 1790 to 1922

Year ended—	Exports			Imports				Total foreign trade exports and imports	Excess of exports over imports	Excess of imports over exports
	Domestic	Foreign	Total	Free	Dutiable	Total	Per cent free			
	1,000 dollars	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*		*1,000 dollars*	*1,000 dollars*	*1,000 dollars*
Sept. 30:										
1790-1799 [1]	(1)	(1)	41,698	(1)	(1)	52,350		94,057		10,661
1800-1809 [1]	(1)	(1)	74,993	(1)	(1)	93,352		168,305		18,359
1810-1819 [1]	(1)	(1)	85,096	(1)	(1)	81,907		167,003		23,211
1820-1829 [1]	(1)	(1)	99,283	(1)	(1)	74,122		173,355		4,589
1830-1839 [1]	82,854	15,496	98,350	41,108	74,861	115,967	35.4	214,317		17,617
June 30:										
1840-1849 [1]	169,697	7,787	177,484	25,688	84,882	110,570	23.2	288,054	6,914	
1850-1859 [1]	214,149	15,818	229,967	39,164	227,300	266,464	13.7	496,431		36,497
1860-1864 [1]	206,059	15,262	221,321	54,792	223,621	278,413	19.7	499,734		57,092
1865-1869 [1]	289,760	15,733	275,493	32,704	326,148	358,852	8.9	644,345		83,359
1870-1874 [1]	461,594	16,112	477,706	80,058	478,406	558,464	14.3	1,036,170		80,758

[1] Average for the period.

[2] Not available.

Merchandise imported and exported, and the annual excess of imports or exports; Specie values, 1790 to 1922—Continued.

Year ended—	Exports			Imports				Total foreign trade exports and imports	Excess of exports over imports	Excess of imports over exports
	Domestic	Foreign	Total	Free	Dutiable	Total	Per cent free			
	1,000 dollars	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*		*1,000 dollars*	*1,000 dollars*	*1,000 dollars*
June 30—Continued										
1875-1879 [1]	598,717	13,605	612,322	142,278	323,302	465,580	30.6	1,077,902	146,742	
1880-1884 [1]	794,060	16,322	810,382	207,752	477,476	685,228	30.3	1,495,610	125,354	
1885-1889 [1]	701,963	13,288	755,251	225,030	449,544	674,574	33.8	1,430,125	80,377	
1890-1894 [1]	886,706	15,773	902,479	382,850	413,755	796,605	48.1	1,699,084	105,874	
1895-1899 [1]	1,020,565	19,364	1,039,929	341,325	376,600	717,925	47.5	1,757,854	322,004	
1900	1,370,764	23,719	1,394,483	367,237	482,704	849,941	43.2	2,244,424	544,542	
1901	1,460,463	27,302	1,487,765	339,609	483,563	823,172	41.3	2,310,937	664,593	
1902	1,355,482	26,237	1,381,719	390,819	591,502	903,321	43.9	2,285,040	478,398	
1903	1,392,231	27,911	1,420,142	426,181	599,538	1,025,719	41.5	2,445,861	394,423	
1904	1,435,179	25,648	1,460,827	454,130	536,957	991,087	45.8	2,451,914	469,740	
1905	1,491,745	26,817	1,518,562	517,442	600,071	1,117,513	46.3	2,636,075	401,049	
1906	1,717,954	25,911	1,743,865	540,624	676,938	1,226,562	44.8	2,970,427	517,303	
1907	1,853,718	27,133	1,880,851	644,030	790,391	1,434,421	44.9	3,315,272	446,430	
1908	1,834,786	25,987	1,860,773	525,603	668,739	1,194,342	44.0	3,055,115	666,431	
1909	1,638,356	24,655	1,663,011	599,557	712,363	1,311,920	45.7	2,974,931	351,001	
1910	1,710,084	34,901	1,744,985	735,311	801,636	1,556,947	48.5	3,301,932	188,038	
1911	2,013,549	35,771	2,049,320	776,973	750,253	1,527,226	50.8	3,576,546	522,094	
1912	2,170,320	34,002	2,204,322	881,671	771,594	1,653,265	53.3	3,857,587	551,057	
1913	2,428,506	37,378	2,465,884	987,524	825,484	1,813,008	54.5	4,278,892	652,876	
1914	2,329,684	34,895	2,364,579	1,127,503	766,423	1,893,926	59.5	4,258,505	470,653	
1915	2,716,178	52,411	2,768,589	1,033,527	640,643	1,674,170	61.7	4,442,759	1,094,419	
1916	4,272,175	61,305	4,333,483	1,492,647	705,236	2,197,883	67.9	6,531,366	2,135,600	
1917	6,227,164	62,884	6,290,048	1,848,841	810,514	2,659,355	69.5	8,949,404	3,630,693	
1918	5,858,652	81,059	5,919,711	2,118,599	827,056	2,945,655	71.9	8,865,367	2,974,056	
Dec. 31:										
1918 (6 months)	3,122,534	53,327	3,174,861	1,146,543	338,666	1,485,209	77.2	4,660,070	1,689,652	
1919	7,749,816	170,610	7,920,426	2,698,703	1,205,662	3,904,365	69.1	11,824,791	4,016,061	
1920	8,060,481	147,535	8,228,016	3,117,011	2,161,471	5,278,481	59.0	13,506,498	2,949,534	
1921	4,378,928	106,103	4,485,031	1,562,292	946,856	2,509,148	62.3	6,994,179	1,975,883	
1922	3,765,091	66,686	3,831,777	1,871,917	1,240,830	3,112,747	60.1	6,944,524	719,030	
1923	4,091,146	76,774	4,167,920	2,135,903	1,655,973	3,791,875	56.3	7,959,795	376,045	

[1] Average for the period.

It is hoped that the membership of the committee may find time in connection with their other duties to read the hearings occupying 500 printed pages wherein the subcommittee went into detailed examination of all the various items that were brought before them.

It is stated by the Department of Commerce that Great Britain is making increasing efforts toward making more effective competition with American and all other foreign goods. This statement is amply borne out by the fact that Great Britain had organized and is about to open an exhibition—the greatest that has ever been known—a $200,000,000 exposition surpassing all others in size.

Now that the Dawes report has been given to the world the greater will be the interest manifested by students of economics in the wealth of nations and their relations to each other as measured in terms of national wealth, and therefore there is herewith presented various tables as to the wealth of the United States and its population at the date of the various census enumerations, all of which is obtained from governmental sources, although many of the deductions and percentages have been worked out by the New Jersey Member who has been much interested in observations of this kind over a third of a century and more. These statements are not given prominence except as a report of what has been done in the past and to emphasize the necessity and to show the wisdom for the appropriations of the present. Of course, it will be perceived that with greater intensity of activity which would come from further increase of appropriations that perhaps a still further increase of wealth might be obtained in a shorter time than by a more normal growth, but inasmuch as these activities must be founded on an increasingly strengthened and adequate foundation the wisdom of the Executive order issued by President Coolidge on April 4, 1924, is apparent. So that said order may be had for ready reference I am appending it herewith:

EXECUTIVE ORDER

The following regulations are hereby prescribed for the guidance of the representatives of the Government of the United States in foreign countries, with a view to giving unified direction to their activities in behalf of the promotion and protection of the commercial and other interests of the United States, insuring effective cooperation and encouraging economy in administration.

Whenever representatives of the Department of State and other departments of the Government of the United States are stationed in the same city in a foreign country, they will meet in conference at least fortnightly, under such arrangements as may be made by the chief diplomatic officer or, at posts where there is no diplomatic officer, by the ranking consular or other officer.

It shall be the purpose of such conferences to secure a free interchange of all information bearing upon the promotion and protection of American interests.

It shall be the duty of all officers to furnish in the most expeditious manner, without further reference, all economic and trade information requested by the ranking officers in the service of other departments of the Government assigned to the same territory: *Provided*, That where such compliance would be incompatible with the public interest, or where the collection of such information requires research of such exhaustive character that the question of interference with regular duties arises, decision as to compliance shall be referred to the chief diplomatic officer or to his designated representative, or, in the absence of such officers, to the supervising consular officer in the said jurisdiction. All failures to provide information requested as hereinbefore set forth shall be reported immediately by cable to the departments having jurisdiction over the officers concerned.

With a view to eliminating unnecessary duplication of work, officers in the same jurisdiction shall exchange at least fortnightly a complete inventory of all economic and trade reports in preparation or in contemplation.

Copies of all economic and trade reports prepared by consular or other foreign representatives shall be filed in the appropriate embassy or legation of the United States or, where no such office exists, in the consulate general, and shall be available to the ranking foreign representatives of all departments of the Government. Extra copies shall be supplied upon request by the officer making the report.

The customary channel of communication between consular officers and officers of other departments in the foreign field shall be through the supervising consul general, but in urgent cases or those involving minor transactions such communications may be made direct; *Provided*, That copies of all written communications thereof are simultaneously furnished to the consul general for his information. It shall be the duty of supervising consuls general to expedite intercommunication and exchange of material between the Consular Service and all other foreign representatives of the United States.

Upon the arrival of a representative of any department of the Government of the United States in any foreign territory in which there is an embassy, legation, or consulate general, for the purpose of special investigation, he shall at once notify the head of the diplomatic mission of his arrival and the purpose of his visit; and it shall be the duty of said officer or of his designated representative, or in the absence of such officer then the supervising consular officer, to notify, when not incompatible with the public interest, all other representatives of the Government of the United States in that territory of the arrival and the purpose of the visit, and to take such steps as may be appropriate to assist in the accomplishment of the object of the visit without needless duplication of work.

In all cases of collaboration, or where material supplied by one officer is utilized by another, full credit therefor shall be given.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 4, 1924.*

It is the purpose of the Executive order herewith promulgated to establish in the foreign service of the United States the basis for a coordination of effort in advancing American economic and commercial interests which will eliminate unnecessary duplication of work and encourage representatives of this Government in foreign countries to cooperate more fully in the accomplishment of their repective missions. The order does not modify the existing functions of the several executive departments, nor will it affect any changes hereafter made in these functions by subsequent act of Congress. As originally proposed, it applied only to relations between foreign officers of the Department of Commerce and the Consular Service. In its perfected form it is reciprocal in nature and all-inclusive in scope, placing alike upon all representatives of this Government abroad the responsibility to assist their colleagues of the foreign service in the performance of all regularly assigned duties.

It may be appropriately stated that the regulation of interdepartmental relations in the foreign field as herewith ordered is in harmony with the effort now proceeding through the Bureau of the Budget and the Joint Congressional Committee on Reorganization to realize a balance in administrative relations which will conserve the public funds. It is confidently expected that in effect this regulation will give purposeful unity to the activities of this Government in foreign countries, and in so doing will give additional impetus here at home to the endeavor being made to practice intelligent economy in public expenditures through coordination of the work of the several executive departments.

In this matter the Executive has had the friendly and most helpful counsel of Members of the Congress acquainted with the practical phases of administrative problems in the foreign service. Being a great believer in doing everything we can to strengthen and increase our foreign trade through every available means, and having been an observer in traveling through many foreign countries, I am naturally vitally interested in helping to the extent of my ability the furtherance of plans so that there may be no relapse experienced by our agricultural, industrial, and manufacturing interests.

In the district which I have the honor to represent are located manufactories having world-wide points of distribution for their products, and the hold they have in the markets of the world must be maintained if they are to keep up home activities and thus keep steadily employed therein the thousands of employees now earning remunerative wages. In passing, may I say I have seen the products of these factories in the markets of Constantinople and Beirut, Cairo and Wady-Halfa, Caracas and Port of Spain, Rio de Janeiro and Santos, Montevideo and Valparaiso, Buenos Aires and Mendoza, Yokohama and Osaka, Shanghai and Peking, Reikjavik and Tromsoe, Calcutta and Darjeeling, Rangoon and Mandalay, Hongkong and Macau, Mukden and Seoul, Kobe and Nagasaki, Batavia and Djokokarta, Colombo and Kandy, Palermo and Naples, Kingston and St. Vincent, Progreso and Merida, Guadalajara and Chihuahua, Madrid and Lisbon, Singapore and Johore, Agra and Delhi, Prague and Botzen, Warsaw and Helsingfors, Leichtenstein and Monaco, and a hundred other places; for having crossed the Atlantic and Pacific Oceans 50 times on vessels of many lines and having 400,000 miles of foreign travel to my credit, including complete round-the-world journeys in both directions, and South and Central American and West Indian ports also visited, I know how necessary it is for the United States of America to be properly and adequately represented in the diplomatic and commercial activities that are going on at all points, if we are to hold our own with the intensive and expanding activities of our principal competitors; therefore attempts to further reduce beyond the committee recommendations the appropriations will be found upon analysis not to be based upon economic solicitude for the taxpayer, for the appropriation as presented for your approval will bring, in my humble opinion, a great harvest.

Let us see what the Bureau of Foreign and Domestic Commerce in Washington and its nine district offices in the United States has done during the periods indicated in answering commercial inquiries:

Class	June 27, 1921, to July 1, 1922	July 2, 1922, to June 30, 1923	July 1, 1923, to June 30, 1924 [1]
Commodity:			
Agricultural implements	6,210	14,014	20,836
Automotive products	17,674	55,232	85,220
Chemicals		36,934	57,590
Electrical goods	7,822	32,636	53,409
Foodstuffs	28,565	103,373	143,442
Commodity—Continued			
Fuel—			
Coal	10,877	5,856	6,056
Petroleum		18,566	21,286
Iron and steel	7,456	27,918	43,448
Leather	2,923	12,881	18,041
Lumber	10,844	26,177	35,533
Machinery	11,178	46,390	69,446
Paper	2,829	13,668	15,305
Rubber	4,114	14,407	17,705
Shoes	3,803	10,211	11,283
Specialties	15,948	75,023	88,355
Textiles	18,503	64,429	72,159
Transportation	5,244	15,193	10,800
Technical:			
Commercial laws	3,998	10,376	15,059
Finance and investments		7,660	14,645
General economic information	5,217	7,013	9,220
Foreign trade statistics	10,990	23,530	30,425
Foreign tariffs	16,390	19,764	26,903
Miscellaneous	144,704	239,711	217,605
Total	505,661	881,521	1,093,782
Domestic commerce			18,281

[1] Last four months of this period estimated on basis of averages obtained for January and February.

Does not include inquiries handled by foreign service of the bureau (28 posts, 80 representatives) and by the cooperative officers maintained by the bureau in 24 chambers of commerce and boards of trade in the United States.

This classification of inquiries under "Commodity," "Technical," and "Miscellaneous" headings for fiscal year 1923 covers only the period from Oct. 2, 1921, to July 1, 1922.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. Yes.

Mr. COLE of Iowa. What is the nature of those inquiries?

Mr. ACKERMAN. They have had inquiries, for instance, in respect to agricultural implements.

Mr. COLE of Iowa. That is from would-be purchasers in foreign lands?

Mr. ACKERMAN. Yes; and for various other things.

Mr. COLE of Iowa. Those inquiries showed an interest in American goods?

Mr. ACKERMAN. A tremendous and increasing interest in American export trade.

Mr. LOWREY. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. Yes.

Mr. LOWREY. I am asking for information and not indulging in criticism. I was down to the Department of Commerce lately and was told that a leading German financier had said that they would have used 50,000,000 bushels more of wheat this year than they did if they could have arranged to get it and pay for it. Another leading German operator, I was told, had said to a representative of our Department of Commerce that they would have used an immense amount of American cotton if they could have arranged to pay for it. Has the gentleman any suggestion as to any way to help out agricultural exports?

Mr. ACKERMAN. I shall touch on that a little later on. Along those lines I might say that the commercial attachés in the foreign countries have always the question of agricultural commodities and farm products in mind, and in this connection I refer to the report of the committee, wherein it sets forth that we are appropriating $25,000 additional for commercial attachés this year over last year. That has been a gradually increasing appropriation in order to give a greater volume of exports, if possible, to the American farmer, even at a time when many other items are greatly reduced.

The situation is well summed up by the Financial and Commercial Chronicle, of New York, who have kindly allowed me to quote them as follows from a recent editorial in their valuable paper:

Full details are now available regarding the foreign trade of the United States during the calendar year 1923. This foreign trade during that period was somewhat irregular. In the aggregate the total value of both imports and exports was in excess of the two preceding years; in fact, with the exception of 1919 and 1920, when values were so far above normal and conditions were so exceptional as to make all comparisons meaningless, and the years 1916, 1917, and 1918, in which exports were swollen by the needs of the European war, the total value of our foreign commerce during 1923 was far in excess of anything previously known. Values in some instances were higher in 1923 than they were in 1922 or 1921, and in part the higher prices last year will account for the larger volume of trade with foreign countries over the preceding year, but only in part. Comparisons with

the pre-war period are so far out of line because of the difference in prices that they have very little significance. Merchandise exports during 1923 continued in excess of the imports, but the amount of the excess of exports for last year was very much less than for 1922 or 1921; in fact, the excess of exports in 1923 was below that of many of the years of the pre-war period back to 1900. During several months in the early part of 1923 the value of merchandise imports was in excess of exports, a very unusual condition in our foreign commerce. In the last six months of the year, however, exports again took the lead and were larger than the imports, so that there was an excess of exports over imports for the entire 12 months.

The actual value of the merchandise exports from the United States during 1923 was $4,167,946,321, as against $3,831,777,469 for 1922, an increase of $336,168,852. Merchandise imports were $3,791,938,013, as against $3,112,746,833, the increase here being $679,191,180. The excess of exports in 1923 was $376,008,308, as against $719,030,636 in 1922. In the early months of 1923 there was a heavy expansion in the merchandise imports, but later in the year merchandise imports were again on a reduced scale. The value of merchandise exports during each of the months of 1923 was quite steady and, as usual, increased materially during the later months of the year, owing to the movement abroad of the agricultural products, especially of cotton, the exports of the latter being very heavy in the fourth quarter of the year and the value being very high. The total value of merchandise exports in 1923, however, was only 8.8 per cent larger than in 1922. On the other hand, imports of merchandise in 1923 were 21.8 per cent heavier than in the preceding year.

Merchandise exports and imports (calendar years)

Calendar year	Exports	Imports	Excess exports	Total trade
1921	4,485,031,536	2,509,147,570	1,975,883,786	6,994,179,106
1922	3,831,777,469	3,112,746,833	719,030,636	6,944,524,302
1923	4,167,946,321	3,791,938,013	376,008,308	7,959,884,334

Of the 10 groups into which the export figures are separated by the department, 9 show a considerable increase in the value of merchandise exports in 1923 over the preceding year and 1 shows a decrease in values, the latter being the group embracing vegetable food products, which includes breadstuffs. This group shows a decrease amounting to nearly 35 per cent. The group representing the highest value embraces textiles, which includes raw cotton, and shows an increase in the value of exports in 1923 over 1922 of nearly 16 per cent, but by far the larger part of this gain is due to the heavy exports of raw cotton and the much higher price prevailing in 1923 than in 1922. The textile group, the leading one of the 10 into which the Government report of exports is divided, constitutes 25 per cent in value of all merchandise exports from the United States in 1923, and the total value of the textile group in 1923 was $1,002,041,000, which contrasts with $863,679,000 for the preceding year. The second highest group is classed as nonmetallic minerals, made up so largely of petroleum and other mineral oils, the total value of exports in this group in 1923 being $880,401,000, as against $478,835,000 in 1922, an increase of about 21 per cent. There are four other groups for which the total value of the merchandise exports in 1923 for each group was in excess of $400,000,000, one of the four being the group embracing breadstuffs; and three of these groups show larger merchandise exports in 1923 than in 1922. The six groups so far mentioned covered in 1923 nearly 85 per cent of the total value of all merchandise exports from the United States for that year.

In the following table the changes from year to year in a number of leading staple articles of export are shown, also the relation that each of these articles bears to the total movement from this country to foreign ports.

Exports of leading products for three calendar years

Exports	1923	1922	1921
Cotton	$807,102,507	$673,249,612	$534,241,795
Breadstuffs	311,302,358	515,911,836	758,397,520
Provisions, etc	361,136,213	302,156,552	315,430,408
Cottonseed oil	5,255,640	7,287,142	24,361,974
Petrol, etc	349,810,881	330,911,586	383,680,003
Total	1,834,607,599	1,829,516,729	2,046,111,695
All other articles	2,333,338,722	2,002,260,740	2,438,919,841
Total	4,167,946,321	3,831,777,469	4,485,031,536

I shall now insert some tables of the population and wealth of the United States of America and other countries, but will not burden the committee with reading them at present, inserting them under leave graciously granted by the committee to extend my remarks.

The tables are as follows:

United States wealth in billions

Year	Wealth	1880		1890		1900		1904		1912		1922	
		Increase	Per cent	Increase	Per cent	Increase	Per cent	Increase	Per cent	Increase	Per cent	Increase	Per cent
1870	$24	$19	79	$41	171	$64	266	$83	346	$163	679	$297	1,237
1880	43			22	51	45	105	64	149	144	335	278	647
1890	65					23	35	42	65	122	188	256	394
1900	88							19	26	99	112	233	276
1904	107									80	75	214	200
1912	187											134	72
1922	321												

United States wealth per capita

Year	Wealth per capita	1880		1890		1900		1904		1912		1922	
		Increase	Per cent	Increase	Per cent	Increase	Per cent	Increase	Per cent	Increase	Per cent	Increase	Per cent
1870	$430	$230	37	$420	67	$530	84	$690	109	$1,360	216	$2,288	363
1880	800			190	22	300	35	460	54	1,130	131	2,088	239
1890	1,050					110	11	270	26	940	90	1,888	178
1900	1,160							160	14	830	72	1,798	152
1904	1,320									670	51	1,598	121
1912	1,990											928	47
1922	2,918												

Population of the United States

Year	Population	1880		1890		1900		1904		1912		1922	
		Millions	Per cent	Millions	Per cent	Millions	Per cent	Millions	Per cent	Millions	Per cent	Millions	Per cent
1870	38,000,000	12	32	24	63	38	100	43	113	57	150	72	189
1880	50,000,000			12	24	26	52	31	62	45	90	60	120
1890	62,000,000					14	23	19	31	33	53	48	77
1900	76,000,000							5	7	19	25	34	45
1904	81,000,000									14	17	29	36
1912	95,000,000											15	16
1922	110,000,000												

Population increased 1870 to 1922 at the average rate per census of 32 per cent.
Whereas wealth increased at the average rate of 206 per cent.
The per capita wealth increased at the rate of 60 per cent.

Population and wealth of United States

Year	Population		Wealth		Per capita	
	Millions	Increase, per cent	Billions	Increase, per cent	Dollars	Increase, per cent over previous census
1870	38		$34		630	
1880	50	31.6	43	79.1	860	36.5
1890	62	24.0	65	51.1	1,050	22.1
1900	76	22.6	88	35.4	1,160	10.5
1904	81	6.6	107	25.9	1,320	13.8
1912	95	17.3	187	74.8	1,990	50.8
1922	110	15.8	321	71.9	2,918	46.6

[From Moody's Investors' Service for 1923]

Wealth of the United States compared with various groups of foreign countries, showing also comparison of population and the per capita wealth:

MANUFACTURING COUNTRIES

United Kingdom, Germany, France, Belgium, and Switzerland. Population, 160,388,300; wealth, $282,000,000,000; per capita, $1,760.

United States. Population, 110,000,000; wealth, $321,000,000,000; per capita, $2,918.

COMMERCIAL COUNTRIES

Austria, Canada, Chile, Czechoslovakia, Denmark, Finland, Italy, Japan, Mexico, Netherlands, Norway, and Sweden. Population, 163,974,100; wealth, $125,000,000,000; per capita, $762.

AGRICULTURAL COUNTRIES

Argentina, Australia, Brazil, Bulgaria, Cuba, Greece, Hungary, Yugoslavia, Poland, Rumania, Spain, South African Union, Uruguay. Population, 146,374,734; wealth, $98,000,000,000; per capita, $669.

UNCLASSIFIED COUNTRIES

Bolivia, China, Colombia, Egypt, India, Nicaragua, Peru, Portugal, Russia (1915), Turkey, Venezuela. Population, 796,317,318; wealth, $145,000,000,000; per capita, $183.

	Population	Wealth (billions)
Commercial countries	163,974,100	$125
Agricultural countries	146,374,734	98
Total		223
Unclassified	796,317,318	145
Total		368
China (19,000,000,000)		54
India (35,000,000,000)		
Total		314

The wealth of the United States of America exceeds that of the manufacturing countries by thirty-nine billions of dollars and exceeds that of all the commercial countries, the agricultural countries, and the unclassified countries, with the exception of India and China, according to these tables, by seven billions of dollars.

House bill No. 14408 of the Sixty-seventh Congress, second session, after providing for investigations on crude rubber and on—

the conditions of production and marketing of other essential raw materials for American industries including nitrates and sisal—

Includes the clause—

and to investigate related problems in the development of the foreign trade of the United States in agricultural and manufactured products.

Related problems in the development of the foreign trade of the United States in agricultural products with which this work is concerned was taken as referring to the conditions of production and marketing these products in foreign trade since that is the wording of the preceding clause to which it is assumed the term "related problems" refers.

In organizing this work Secretary Hoover first appointed a committee consisting of representatives of farm organizations, and of the trade, agricultural economists, and others, including representatives of the United States Department of Agriculture and the Federal Reserve Board. The personnel of this committee is as follows:

SIDNEY ANDERSON, Member of Congress; T. C. Atkeson, the National Grange; Julius Barnes, United States Chamber of Commerce; Charles S. Barrett, Farmers' Union; James F. Bell, flour miller; Joseph A. Broderick, National Bank of Commerce; J. G. Brown, National Livestock Producers' Association; C. W. Hunt, American Farm Bureau Federation; W. G. Jamison, American Farm Bureau Federation; Julius Klein, Department of Commerce; George McFadden, cotton exporter; Ralph Merritt, California Rice Growers' Association; Adolph Miller, Federal Reserve Board; Alonzo E. Taylor, Food Research Institute; H. C. Taylor, United States Department of Agriculture; G. F. Warren, Cornell University; Carl Williams, American Cotton Growers' Exchange; Thomas Wilson, Institute of American Meat Packers.

Before any work was started on this investigation this committee was called together and a tentative plan of work placed before them. After an all-day session in which modifications of the tentative plans were made and discussed in detail unanimous approval was given to the outline of work proposed. Particular attention was given to avoiding duplication of work already done or being done at that time by other Government departments. The attendance of Dr. H. C. Taylor, chief of the Bureau of Agricultural Economics of the Department of Agriculture, at the committee meeting and the submission to him of detailed plans of this work, as well as frequent conferences, is taken to insure no unnecessary duplication of work, either on their part or on ours.

Inasmuch as the Department of Agriculture has devoted much attention to the production of agricultural products, both domestic and foreign, it was taken as the intent of Congress that this work should be largely devoted to a study of the marketing of agricultural products in foreign trade, since that phase of the work lies particularly in the field of the Bureau of Foreign and Domestic Commerce, as indicated in the organic act and in the appropriations made for that bureau over many years.

Starting from this point of view the outline of the work fell into three separate phases. First, a study of methods employed by exporters, dealers, and others in handling the export trade of the more important agricultural products and a complementary study of the methods employed by importers, dealers, and others in handling imported agricultural products in foreign countries. Second, a detailed study of foreign trade statistics from the marketing standpoint in order to show where the principal agricultural products exported from this country are marketed, where our competing countries market their products and conversely where the chief consuming countries get their supplies, together with the changes shown by the post-war trade as compared with pre-war. Detailed statistics of this character showing the source and destination of imports and exports of agricultural products have never been available. Yet they serve to show where the chief markets for these products have been, where new markets may be established, and whether this country is holding its own against competing countries or is getting its fair share of trade. From a marketing standpoint they should fill a long-felt want.

The third phase of this work is a study of the economic conditions in the consuming countries which might affect the market for agricultural products. Since we send more than 80 per cent of all our agricultural exports to Europe this in practice means a study of the economic conditions in Europe as they may affect our market for these products. This bureau, by reason of its established commercial attachés and trade commissioners in all important countries, is in a particularly advantageous position to make such a study. These men who have been at their posts for many years have had as one of their regular duties to study and report upon the changing economic conditions in these countries and their effect upon trade. The manuscript of the report on this subject is now ready to go to the Printing Office and is reported by those who have read it as the best summary of present European economic conditions in existence. It deals particularly with these conditions as they affect the markets for farm products.

Up to the present, four bulletins have been issued giving the results of particular phases of this investigation. One other bulletin dealing with "Transportation in relation to the export trade in agricultural products" is now in the Government Printing Office, while the sixth bulletin on European economic conditions as affecting the market for agricultural products will be sent to the Printing Office in a few days. The manuscript of several other bulletins is now being edited and will be ready for publication at an early date. In all, it is expected that from 25 to 30 bulletins will result from the work already done on this investigation. A tentative list of these bulletins is attached to this memorandum.

Of the bulletins already issued, the first (Trade Information Bulletin No. 177) deals with "The distribution of agricultural exports from the United States." There has been available for many years compilations showing the total exports of agricultural products, from which it was evident that approximately

50 per cent of the value of our total foreign trade consists of such products. But we have never before had these data analyzed to show the destinations of these products as a whole. The fact that upward of 80 per cent of our total agricultural exports go to Europe has never before been brought out and has not been fully appreciated. Other North American countries take another 10 per cent, thus leaving only 10 per cent of our agricultural exports going to the balance of the world, including South America, Asia, Africa, and Oceania.

This bulletin brings out the further fact that within Europe it is the small, highly industrialized region in the northwest, including the United Kingdom, Germany, France, the Netherlands, and Belgium, that is the dominant importer of farm products. This small section takes four-fifths of all the agricultural exports from this country to Europe and two-thirds of the total farm products exported from the United States.

The second and third bulletins (Trade Information Bulletins 183 and 185) of this series dealt with "Methods of merchandising American wheat in the export trade." The first of these two bulletins has the subtitle "Buying wheat for export," and the second, "Selling American wheat abroad." These bulletins attempt to describe methods used by exporters in buying and selling wheat together with the methods and practices followed by intermediate dealers and handlers. Comments by numerous marketmen have described these bulletins as by far the best and, in fact, the first comprehensive attempt to discuss these phases of our marketing problems.

The fourth bulletin of this series (Trade Information Bulletin No. 210) bears the title "International competition in the production of wheat for export." This bulletin discusses briefly the present world wheat situation, the trend of production throughout the world, the trend of international trade, and the relationship of the United States to this trade.

TENTATIVE OUTLINE OF BULLETINS TO BE ISSUED ON WORLD TRADE IN FARM PRODUCTS

1. Agricultural Products in International Trade—General Discussion.
2. The Destination of Agricultural Exports from the United States.
3. The Sources of Agricultural Products Imported into the United States.
4. The Relative Importance of and the Destination of Groups of Agricultural Products Exported from the United States.
5. The Relative Price Levels of Agricultural Products in Important Countries.
6. The International Movement of Wheat Prices.
7. The International Trade in Wheat, Wheat Flour, and Rye. Detailed Statistical Study.
8. International Trade in Corn.
9. International Trade in Oats.
10. International Trade in Barley.
11. International Trade in Cotton.
12. International Trade in Wool.
13. International Trade in Fibers other than Cotton and Wool. Including Silk, Flax, Hemp, Sisal, etc.
14. International Trade in Meats and Meat Products.
15. International Trade in Vegetable Oils, Oil Cakes, and Meal.
16. International Trade in Tobacco.
17. International Trade in Sugar.
18. International Trade in Hides and Skins.
19. International Trade in Fruits, Vegetables, Eggs, and Dairy Products.
20. Agricultural Conditions and Comparative Marketing Costs in Important Agricultural Producing Countries.
21. Cooperative Marketing and its Relation to Distribution in the Principal Countries.
22. Agricultural Credit Policies in the Principal Countries.
23. Export Credit Policies and their Effect upon the Movement of Agricultural Products.
24. Transportation in Relation to the Export Trade in Agricultural Products.
25. Foreign Import Duties on Agricultural Products.
26. Methods of Marketing Wheat and Flour for Export.
27. Methods of Marketing Cotton for Export.
28. Methods of Marketing Tobacco for Export.
29. Methods of Marketing Meats and Meat Products for Export.
30. Methods of Marketing Vegetables, Oil, and Oil Seed Products for Export.
31. Methods Employed by Importers of Wheat and Wheat Flour in European Markets.
32. Methods Employed by Importers of Meat and Meat Products, Cotton, and Tobacco in European Markets.
33. European Economic Conditions and their Effect upon the Importation of Agricultural Products.
34. General Summary and Conclusion by Committee.

It is expected that this series of bulletins will contain upward to 1,500 pages, including some 300 diagrams and numerous tables, showing in detail the international movements of the important agricultural products both from this country and from all other important producing areas.

ESTIMATED EXPENSES—INVESTIGATING SOURCES OF CRUDE RUBBER

In accordance with a request the department submitted a statement showing the estimated cost of the various surveys for the crude-rubber survey:

CRUDE-RUBBER SURVEY

Caribbean party	$17,156.22	
Amazon party	41,128.83	
Philippine party	36,923.36	
Far East party	29,524.94	
Reclaimed rubber studies	30,000.00	
Washington rubber experts	39,910.33	
Transportation, cables, supplies, equipment, miscellaneous administrative expenses	40,268.80	
Total		$234,922.43
Total nitrates survey		31,427.90
Total sisal survey		5,005.25
Total tanning material survey		21,917.04
Total agricultural products survey		82,967.13
Reserve for printing		20,000.00
Grand total		396,239.89

W. H. HAUN,
Chief, Auditing Section.

(No outlay for airplanes.)

DEPARTMENT OF COMMERCE—CRUDE-RUBBER SURVEY

IMPORTANCE

The value of the world's production of rubber in 1923 was $240,000,000, of which the United States imported $185,000,000 worth, or 77 per cent of the total. In this year crude rubber ranked fourth in imports, only three other commodities—raw silk, sugar, and coffee—exceeding it in value.

RESTRICTIVE MEASURES

The measure known as the Stevenson Act, which provided for the restriction of the exports of rubber in the rubber-producing region of the East within the British Empire, focused the attention of consumers in the United States on the fact that the production of this commodity was controlled almost entirely by foreign capital, largely British. As a result the Sixty-seventh Congress appropriated funds to conduct an investigation of the Far East and other tropical regions with a view to making the United States less dependent—in a product so essential to our economic welfare—on a source of supply far removed from our shores.

CHARACTER OF INVESTIGATION

The investigation was placed in charge of Dr. H. N. Whitford, professor of forestry, Yale University, who had extensive experience in tropical regions. Under his direction a staff of men with long practical experience in rubber was built up, and scientists from the Department of Agriculture were attached to the various field parties.

There was little doubt but that portions of the Philippine Islands and of South and Central America were climatically suitable to the cultivation of Hevea, for South America was its original home. The scientific experts with the field parties were to verify this feature of the investigation. The commercial aspect assumed the greater importance, because any attempt to establish a rubber-producing industry in these countries would encounter competition from the east, where there are vast reservoirs of cheap labor. In view of the scarcity of labor in the regions under investigation, it became necessary to demonstrate the commercial practicability of developing a new industry in our own territory or on our own continent, by drawing the necessary labor from the east, thereby insuring a greater measure of political security to our supplies of the raw material; as opposed to this was the proposition of expanding American holdings in the east, where ample labor is available, at the sacrifice of some measure of political security.

FIELD PARTIES

Four field parties were sent out: The party sent to the east has returned, and its report will be in the hands of the printers within a few days. It visited Ceylon, India, Malaya, Sumatra, Java, and Cochin China. This report deals with the geographical region that produces 95 per cent of the rubber of the world. It discusses the economic factors surrounding the industry, with special emphasis on costs of production and the extent to which the future potential output from the present planted area can be depended upon to meet the world's increasing demand.

A second party was sent to the Philippine Islands to investigate the suitability of regions there for large developments.

Joseph A. Broderick, National Bank of Commerce; J. G. Brown, Na-

cultural products, from which it was evident that approximately

This party also visited British Borneo. The members of the party are at present en route to America.

A third party, sent to Central America and the northwestern part of South America has just returned. This party visited Panama, Costa Rica, Nicaragua, Guatemala, Salvador, Colombia, and the west coast of Ecuador, and their report is being prepared for publication.

A fourth party was sent to the Amazon regions. It has conducted investigations in all political units of this great basin. The field work will be completed by July 1 or a little after.

Through domicile in British territory and through ownership elsewhere Great Britain controls 11 per cent of the plantation rubber industry. Holland exercises political control over 30 per cent of the industry (including the British-owned estates in Netherlands India). The United States consumes nearly three-fourths of the world's supply. Aside from the question of safeguarding our supply of raw materials in the remote contingency of war interrupting the present channels, there is a grave danger from the centralized control which is wielded from London at the present time. It can be said with confidence that there is no disposition on the part of the present leaders in the industry to abuse their power of control at the expense of American consumers, but with a recovery of the plantation industry from the depression which it has undergone during the last few years, the altered psychology of the market may bring about a type of leadership which will greatly endanger the position of our consumers. It is absolutely necessary, therefore, for America to take some steps to extend its influence in this vitally essential industry.

EXPENSE

The investigations have been conducted with greatest economy. No money has been expended in use of airplanes, notwithstanding reports to the contrary.

REPORTS

The reports will be the most comprehensive on crude rubber that have ever been published.

FUTURE WORK

The investigation indicates that there are other regions than those visited where it might be possible to produce plantation rubber. Investigations in southern Mexico, which were in the original plan, have had to be abandoned for the present time because of disturbances there. Some regions in Africa and northern South America offer great promise, but these could not be included in the present program.

The work of the Amazon party can not possibly be completed before the first of the next fiscal year and some of the reports of the other parties will not be finished before that time.

Mr. OLIVER of Alabama. Will the gentleman yield right there?

Mr. ACKERMAN. Certainly.

Mr. OLIVER of Alabama. I saw the report to which the gentleman has just referred and read it over and I suggested to them they add some facts to it which they stated to me and which were not in the report. I hope they have submitted to the gentleman an amended report which they promised to have ready this afternoon.

Mr. ACKERMAN. I have not received that.

Mr. OLIVER of Alabama. If they do, I hope the gentleman will insert that in his report.

Mr. ACKERMAN. Perhaps the gentleman will do it himself, then we may have the latest information, which I will be very glad to have.

Our exports in 1923, as per the tables shown, were $376,045,000, or let us for convenience say a million dollars per day. A million dollars a day of exports over imports! Just think of it! There is not another country in the world that can match that record, and I say it without fear of successful contradiction. The nearest approach to it are the countries of Argentina and Canada. The former has $276,000 per day, or 27.6 per cent of our balance; the latter $354,000 per day, or 35.4 per cent of ours. There are only about a dozen other countries in the world that export more than they import. They are Costa Rica, Chile, Colombia, Canal Zone, Czechoslovakia, Dutch East Indies, Egypt, Mexico, Nicaragua, Philippine Islands, Porto Rico, Siam, Tunis, and Venezuela. The total exports over imports are $223,000,000 per annum, or $600,000 per day. The exports of the United States during 1923 over imports were almost as much as the balances of all the countries in the world.

With one-fifteenth of the world's population, we do one-fifth of the entire world's trade—five times as much in proportion to our population as the rest of the world.

But as great as these figures are, they are not as vast as the total import trade of the world, which for the latest available date was $21,620,000,000, and the export trade, $17,632,000,000, which of course is exclusive of any participation therein of the United States; and the total of these figures is slightly over $39,000,000,000, which is just about what our internal commerce amounts to, according to the best available figures.

For this tremendous amount of commerce the Budget has seen fit to allow the modest sum of $50,000. A dollar and thirty cents per million dollars! I know and fully appreciate and realize how important it is to keep appropriations down, but think of the possibilities that might develop if a few hundred thousand dollars were put actively to work in the domestic field. Let us say we might be willing to appropriate in the future, not now, the price of a 2-cent postage stamp per annum for every 10 persons in the United States; do you realize what that would amount to? Of course the committee does. A mental calculation discloses the fact that it would equal $220,000, or four times the present amount allowed. Then suppose that amount could be doubled. I am sure it would bring forth not ten or twenty fold but a hundredfold. Let us keep that thought in mind for the future. With a sum like that, I am told, from reliable sources, that the following might be accomplished:

That a study of domestic commerce, resulting in better understanding of some of the problems, would mean fewer business failures, a lowered cost of doing business, a more certain profit to manufacturers and distributers, and a reduced cost to consumers is the belief of the Department of Commerce. In 1923, a year of prosperity, there were 19,159 business failures, with liabilities amounting to $631,200,000. The department also says that—

To-day 50 cents of the consumer's dollar is required to pay the cost of getting the finished product from the factory to the consumer. Transportation costs under the present methods are a heavy toll on business. Goods originating in one part of the country are frequently shipped to another part and then reshipped to the point of origin for consumption.

There is at the present time no adequate measure of markets; so a manufacturer in a certain community has no way of knowing how big an area he must cover to dispose of his output, and many times to get volume he extends his selling into remote areas, where the distribution cost for him is abnormally high. Information on all these points would benefit producer, distributer, and consumer.

There is need to-day of a study of the underlying principles connected with cooperative buying and cooperative marketing, subjects that are attracting attention, but regarding which comparatively little is known.

According to the estimates of the Mechanics & Metals Bank, of New York City, the savings in the United States for 1922 were $8,000,000,000. According to the same authority, the savings in 1923 were $12,000,000,000 additional.

Here is an amount of $20,000,000,000, equal to the present value of all railroads, added to the national wealth in two years. What shall we do to have our savings increase and multiply? Have them usefully employed, of course. And is there any better way than to have that capital, in some part at least, employed in a diversification of manufactures, which would thus in itself make a demand for additional products of the farm, of which we now have a surplus?

Additional markets for farmers to aid their disposal of surplus products would make them happier and thus the necessity of even contemplating the issue of scrip might be avoided.

An intensive drive for new internal markets for the farming community would be hailed with delight by millions. If the feat of obtaining additional permanent markets for this most estimable and hard-working class of citizens became a reality, surprise really would be manifested and perhaps astonishment might be expressed that the experiment had been so long delayed of pushing to its utmost the obtaining and enlarging of domestic markets.

Our export trade is receiving attention, and the results are manifest. In another year it would be appropriate to examine more particularly into a possible extension of the Domestic Commerce Department.

The statistics herewith presented form a logical basis from which proper conclusions can be deduced. Those in charge of these commercial activities are to be congratulated upon the results obtained.

The country is growing and prospering, but commercial zeal must be tempered with judgment; material things, while necessary and proper, must not be allowed altogether to obscure the necessity of also taking care of the moral fiber of our citizens. We must not forget the lines of Goldsmith:

34. General summary and conclusion by committee.

Ill fares the land, to hastening ills a prey,
Where wealth accumulates, and men decay.
Princes and lords may flourish, or may fade,
A breath can make them, as a breath has made;
But a bold peasantry, their country's pride,
When once destroyed, can never be supplied.

[Applause.]

Mr. LOWREY. If the gentleman has a little time, will he yield for a question?

Mr. ACKERMAN. Certainly.

Mr. LOWREY. I very much enjoyed the gentleman's remarks and I agree with him right through. The thing I desire to suggest is that I have myself been startled at the number of newspaper clippings I have compiled in regard to the cotton trade and wheat trade abroad, and I notice this, for instance, that England is going earnestly to work in the production of cotton in Africa and Australia, and South American countries are going to work to produce cotton, and then, of course, the wheat trade of America has got to be maintained and has got to be enlarged now or we are going to lose our foreign market. I am going to venture to call the attention of the gentleman to this that he will note some remarks of mine on these particular features.

Mr. ACKERMAN. I have no doubt they prove a very valuable contribution of great benefit to the country.

Mr. LOWREY. I beg the gentleman's pardon for taking his time, but he was closing his discussion and I wanted to call the gentleman's attention to it.

Mr. ACKERMAN. I thank the committee for their attention, and will yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 30 minutes to the gentleman from Minnesota [Mr. KVALE].

THE AGRICULTURAL CRISIS

Mr. KVALE. Mr. Chairman, the present crisis in agriculture has been described on this floor by scores of speakers. Almost every day some allusion has been made to the emergency existing in the agricultural sections of the country. And yet, despite this reiteration on the part of so many, I am convinced that there are still a great many Members who fail utterly to realize the plight of the farmer to-day.

As for myself, I can say that scarcely a day has passed since the opening of Congress that I have not attended a hearing of the Committee on Agriculture, a gathering of some kind in the Capitol or in some place in Washington where the agricultural problem has been discussed, or personally conferred with members of the committee and other Members of Congress. Through it all I have somehow had a feeling that I was butting my head against a stone wall, and this for the very reason that the agricultural situation is not adequately understood by a great many Members of Congress.

Scores of you gentlemen come here from the industrial centers—the large cities—where wages are high, times are good, and money flows like water. It is difficult for you to realize that less than 48 hours' travel would take you into a section of the land where millions and millions are facing abject ruin and despair. Superlatives can not exaggerate the conditions that obtain in the once prosperous Northwest.

And I resent the charge that we who call attention to these conditions in an effort to secure some remedial action are alarmists and are people who do not best serve our constituency. To be assured of the truth of this statement you would but have to glance at the flood of petitions and protests from organizations and individuals of every class and occupation which reach my office. Take the word of a man who is known throughout the Northwest as a very conservative man, the president of one of the largest banks in Minnesota, when he says that "if something is not done, then God help the Northwest."

ECONOMIC BLIGHT HAS INFESTED NORTHWEST

It is as though some blight had infested the beautiful park region of the United States. A scourge, like an economic bubonic plague, has left farms evacuated and has forced their occupants to give up their homes where they had toiled and labored a lifetime; it has left merchants bankrupt, banks closed, and a once happy people discouraged, dissatisfied, embittered.

And why all this? Has the sun withheld his rays, or the clouds their moisture? Or have the men grown slothful, and the women become indolent? Far from it. Men, women, and children toil from early morning till late at night. The land is still the most fertile on which the sun ever shone. The fields have yielded abundantly for man and beast.

Then whose the blighting hands at whose foul touch this Garden of Eden has been turned into a wilderness, economically speaking, drying up the very fountains of life and stealing the happiness of many millions of people?

I can best designate them by using the term lately used by the National Commander of the American Legion, "The Wall Street group." Yes; to a few men, aptly named by Commander Quinn, must he laid this unprecedented devastation. Theirs the blight, and theirs the curse.

How came they, a small group of men, to wield this enormous power, a power such as the Hapsburgs or the Hohenzollerns or the Romanoffs never dreamed of in their palmiest days? That colossal power has been acquired at first gradually, imperceptibly, then by leaps and bounds. All under the sheltering wings of a Government intended by its founders to be a shield and defense for the weak and the oppressed, but now turned into a shelter and protection for the spoiler, the looter, and the plunderer. Nero fiddling with Rome in flames was a Sunday-school picnic in comparison with the war profiteers of the land wallowing in all their wanton profligacy, with the mainstay of the Nation, the producers, bled white.

I am glad the people of this country will soon be given an opportunity to express their opinion of those who occupy positions of power in our Government and turn a deaf ear to the pleadings of 40,000,000 Americans until political exigency makes it expedient to listen.

FARMERS HAVE BEEN DENIED JUSTICE

I charge the President of the United States with having been derelict to his highest duties in refusing to call a special session of Congress last summer to take under advisement the enactment of legislation to relieve and remedy the emergency existing in the agricultural sections of the country.

Is that an empty accusation without a foundation in fact? Even a member of the President's Cabinet, according to newspaper reports, said that the Government was in part to blame for the farmers' plight. And if a member of the Cabinet can allow himself to tell that much of the truth, the rest of us surely ought to be pardoned for telling the whole truth, which is that the Government of the United States is to blame for the present plight of the farmer.

Hundreds of meetings of farmers and business men were held all over the Northwest last summer. Messages by the hundreds poured into the White House; delegation upon delegation was sent East to plead the necessity for a special session of Congress to enact legislation that might bring some measure of relief. That was the time to act. Millions upon millions of wealth could have been saved to the farmers; nay, human life could have been saved. Just a little of the same interest in the problems of the farmer that has of late been shown by the President in his hurry-up message to Congress to refund the 1923 income tax of the millionaires would have accomplished marvels.

Not long ago a special session of Congress was hurriedly called at the behest of the money barons to enact special legislation in their favor. But no need of an extra session last summer, for then it was only the farmer who suffered. And what mattered it then?

Or was it perchance a failure to realize the gravity of the situation? If so, it was culpable and inexcusable ignorance. We of the West do not expect a full appreciation and understanding of our problems by anyone hailing from the land of the cod and the Cabot. But when a man becomes President of these 48 United States we have a right to expect that he shall at least make an honest attempt to realize that New England is not the Nation nor Massachusetts the hub of the universe.

NORTHWEST IS WORLD'S BREAD BASKET

I come from a section of the country which has been called, and rightly so, the bread basket of the world. I represent 215,000 of the most loyal and most enlightened of American citizens. And I say this advisedly, despite the aspersions cast upon our section of the country by a Senator from the effete East. Of these 215,000 people, about 65 per cent are directly engaged in agriculture, and practically all the others are indirectly dependent upon agriculture as their main source of support. I represent a portion of the country whose workers are feeding the Nation. And I confess it is humiliating to come here pleading. It should be a demand and not a plea. Those without whose unceasing labors the Nation would starve have to come here and on bended knee beg a few crumbs at the hands of the Government, a Government which has poured out lavishly to men in almost every other occu-

pation but pulls its purse strings tight when the farmer appears on the scene. Farmers founded this Government, farmers defended it when it was in danger, farmers have been the very backbone of the Nation through all these years, and more than any other class have made this Nation what it is to-day. And yet we are witnessing the spectacle of having these farmers treated as stepchildren, as mendicants, by the very ones who have profited by their arduous toil.

Shall it be said by the historian of the future that this, the richest Nation on earth, in a period of national prosperity reduced the real producers of the Nation's wealth to the status of peons and serfs? For that is really what we are headed for if conditions obtaining for the last three years are to continue very much longer. And when I here speak of the farmers I include, of course, the merchant and the banker in the rural communities. For their interests are indissolubly bound up with those of the farmer.

I dread to look ahead. I dislike to think of what may transpire 50, or perhaps but 25 years hence, when the producers of the Nation, the men who toil on the farm, in shop and factory, have gained control. And if you doubt the coming of that day, if you actually believe that the interests which are in absolute control of the economic machinery of this country will continue so to control it, I say you have a faith and trust worthy of a better cause.

CHANGE IN CONDITION IS INEVITABLE

Rest assured another day will come. And I shudder to think of what might happen if those who then will have absolute control of the necessaries of life and so have a strangle hold on humanity should use that power as it is now being used against them—refuse to produce food enough.

You of the manufacturing East may yet live to see the day when you will recall with deep regret the pleadings that came out of the West and fell on deaf ears. When, five years from now, conditions have changed, farms have been depleted, farmers have gone to the city, lured by opportunities to work and by high wages, when cities again are overcrowded with workers, men walk the streets looking for jobs, soup kitchens and bread lines are once again the order of the day, and you send out the appeal to the country, I hope your entreaties will meet with a kindlier understanding of the gravity of the situation than ours seem to meet with to-day. Instead of food rotting on the ground by the trainload because a few men have monopolized transportation on land and sea and use it for profit only, with not a thought of humanity, there would then not be food enough for the most pressing needs of the population, because the producers had learned the lesson, and were thinking of profit only and not of a God-given duty to humanity.

Oh, you men who perhaps would resent the idea of representing the great interests that are throttling the life of the Nation, but who, nevertheless, show by your attitude that you are in sympathy with their views on economic conditions to-day, even if things may go on in this way for a while, have you thought of what your children may live to see? Have you read the history of the struggles of humanity up through the centuries?

Do you really, ostrichlike, find any consolation in the fact that despite all these seemingly endless struggles, the monarch, be he king by divine right or by the right of wealth, still sits enthroned in all too many governments of earth? Oh, but do not lose sight of the fact that the last 25 years have seen greater changes in the scientific world than were witnessed by 3,000 years of the accumulated wisdom of man. And in the future, as in the past, these scientific changes will be the bases and the forerunners of the greater changes in the social, economic, and political life of the people.

And you would only need to read the history of the world during the last few years, nay, even months, to have your eyes opened to the colossal changes taking place before our very eyes.

RECENT DEVELOPMENTS IN ENGLAND

Take note of what has happened in England. Ten years ago the possibility of seeing events that are now history in England would never have entered the roseiest dreams of the wildest enthusiast, or have been a part of the most hideous nightmare of the worst autocrat and oppressor that ever lived. Would that changes so beneficial to humanity and movements big with promises for the nations of earth might always be brought about as peacefully and harmoniously! I fear the opposite for my country.

In Great Britain wealth is willing to listen to reason. In Great Britain you can pass a law compelling those who profit by war to pay 80 per cent of their profits into the national treasury. In my country the man who even dares to speak of introducing into the National Legislature a bill embodying such provisions is blackened and persecuted and referred to by men in high official position as dangerous and revolutionary. In Great Britain you can talk calmly and soberly with the wealthiest men of the realm about a capital tax and the possibility of applying it in some modified form at some time in the future. In my country and yours the very mention of a capital levy is like flaunting a red flag in the face of a mad bull. This despite the fact that as far back as in 1912, when there was not one-half the reason for taking the stand that there is now, Theodore Roosevelt proposed a tax which should be "so framed as to put it out of the power of the owner of one of these enormous fortunes to hand down more than a certain amount to one individual."

When the representatives of these enormous fortunes, the profiteers and leeches of the Nation, come here, what do we see? Do they ask? Do they petition or reason? Not they. They command. Thus and so it shall be. This for myself; that for my next of kin. Here are the figures. This or nothing shall be the law. If you dare to differ, we read you out of the party and expel you from the select coterie of men who can claim to be American. Unless you dance to the tune we whistle our iron heels shall be upon your necks.

And this from whom? From those who produce the Nation's wealth? No. From those who prey upon and exploit the producers of the Nation. When those who do produce the Nation's food come to the Nation's Capital they have no commands to give, no orders to issue. They have to stand, hat in hand, and petition, and beg, and plead, and pray for an opportunity to make known their wants. And what do we give them? To the parasites of the Nation we give the choicest morsels, unstintingly; to the producers of the Nation we give a bone, and give that grudgingly. A starving man, I suppose, will condescend to beg for bread. But I tell you, gentlemen, there is a feeling among these people that he but for whose unceasing work the Nation would starve, that he who feeds the Nation should not be compelled to beg of that Nation a living wage. Not in the twentieth century of the Christian era. [Applause.]

FARMERS ARE NATURE'S REAL NOBLEMEN

They are nature's noblemen, shorn of all claptrap. Almost every other class lives in comfort to-day. No one deplores this change. We rejoice in the modern conveniences, the developments in science and industry, and all phases of life that have brought about the definite rise in the standard of living for practically every class of citizen. A better people, a better Nation will result. But why should we expect the farmer, why should we stand calmly by and see him be the one to pay and pay, instead of sharing in this fortune? He is sent back to shift for himself. All we do is virtually to make of him an economic serf of the feudal barons of America.

How long do you think this will last? I hope the financial barons who now control the destinies of the Nation will for their own good, for the sake of their children, for selfish reasons if for no other, permit the change to be brought about gradually and peaceably. I do not want to see another revolution, either of the French or of the Russian variety. I do not want to see the pursued turn on his pursuer and rend him in a thousand pieces. And if men will but open their eyes in time, this need never be.

What does the farmer ask? This is what he asks: Cost of production plus a reasonable wage. That is all he asks. Unreasonable demands, are they not? And he asks this of his Government. And why? Because the Government by legislation has given it to every other occupation in the land. I repeat it; the Government has done this, and it has done it by legislation.

But here is where we strike the snag; here is where we meet opposition. We are told that "the farmers' problems can not be solved by legislation." "You can not legislate prosperity." No; not for the farmer. We can for the millionaire manufacturer, for the railroad manipulator, and for the big banker. But when we mention the farmer the answer is that he must help himself.

MR. LITTLE ASSAILS GRAIN GAMBLERS

We license grain gamblers that prey upon him and exploit him. And here let me quote from a speech by a distinguished Member of this House, Mr. LITTLE, of Kansas, delivered this last February 25. Mr. LITTLE has time and again protested against the Government running errands for the grain gamblers by sending out annually reports of a large crop and an oversupply of wheat. He makes this statement:

The propaganda directed the world over against the price of wheat by these fakirs is the most menacing and the most injurious graft that the commerce of the world has to meet, and it has robbed the

American farmers during the present year of at least $150,000,000 that they would have had in their coffers if the Government of the United States had done its simplest duty and kept the facts before the world. * * * If the Department of Agriculture will do its plain duty by the American farmers we will come out of the contest with flying colors everywhere.

But the crime is that the Government is not doing its simple duty by the farmers. We permit, nay, we assist the grain gambler in bleeding the farmer. We bleed him through our tariff rates that raise the cost of everything he has to buy. We bleed him through our high freight rates. We bleed him through Federal reserve inflation and deflation, bleed him white in all these various ways. But, when it comes to giving him new blood, we are told that he himself must furnish the blood for the transfusion.

It was sound economy to fix prices for all the above-mentioned beneficiaries of special legislation and put money into their pockets by so doing. But when it is proposed to do the same thing, or a little of it, for the farmer, then it suddenly becomes "unsound economy that will ultimately bring ruin to the farmer and endanger the Government," to use the words of our President.

Which reminds me of the reports issued recently to the effect that the White House is unsafe and is a very dangerous place in which to live. There were, to my certain knowledge, several gentlemen in the United States who were willing to take the risk of living there four years without having it repaired. And I can say I am personally acquainted with several farmers who would be willing to risk being "ruined" by the Government if a Government marketing agency could take complete charge in the present emergency, with full power to buy and sell.

FEDERAL RESERVE DEFLATION UNCALLED FOR

Oh, but such a step might take us near the Treasury of the United States, they cry. It might, and it might not. But where would be the crime in the event that it did? The farmer would be receiving only a part, an infinitesimal part, of what that same Government has taken out of his pocket and put into the pockets of the big bankers, the manufacturers, and the railroad manipulators of the country.

In three years, according to reliable sources, such as the Manufacturers' Record, for instance, agriculture was deflated thirty-two billions of dollars. Thirty-two thousand million dollars taken out of the pockets of the farmer. Eighteen billions in land values and fourteen billions in crop values, and some place it still higher.

Who wrought this havoc? Your Government and mine was instrumental in bringing it on. Now, when it is history, you can read of the secret meetings conducted under the auspices of the Federal Reserve Board at which this policy was agreed upon. From May until October, while this damnable outrage was ripening, not a farmer knew of it, nor did Congress know of it. Not even Henry Ford knew of it, for they wanted to get him. But, mark you, the favored few financiers of the Nation seem to have found out, immediately after the secret meeting, what transpired there and what course was agreed upon.

And yet when it is a question of enacting legislation to right this enormous wrong, even in a small degree, we are blandly told that we can not legislate prosperity. It would seem to be the viewpoint of some people that as far as the farmer is concerned the United States Government is only a negative proposition—it can injure and damage, but it can render no help.

Money is dipped out of the National Treasury by the basketful, by the hundreds of millions, for the railroads. That is economically sound. Money by the wagonload, billions and billions, are squeezed out of the farmer, the small banker, and the merchant of the agricultural districts and poured into the coffers of the Money Trust. But all this is economically sound. To criticize it is dangerous radicalism and Bolshevism, from which our Mitchell Palmers and our Daughertys are called upon to save the Nation.

CORPORATION IS INADEQUATE REMEDY

And now a $10,000,000 corporation has been formed to save the bankers and merchants and farmers of the Northwest from ruin. Ten million dollars is about what they take out of us in a week. One name appearing on the list of promoters is that of J. Pierpont Morgan. Which reminds me of an incident that took place in a western town—perhaps. A thief entered a home and, under cover of darkness, stole all the provisions of the family in pantry and cellar. The next day a fine-appearing gentleman, a philanthropist, appeared on the scene and provided the children of the family with crusts of bread to keep them from starving. Later it was discovered that the thief and the philanthropist were one and the same person; also that each crust of bread had a string attached to it by which the child could be kidnapped when the time seemed opportune.

Think of it! The same coterie of men, practically, who have extracted and squeezed out of the farmer of the Northwest hundreds of millions and into the billions the past three years now magnanimously proffer their aid of $10,000,000. As a gift? Oh, no. The farmers would resent the offer. As a help, perhaps, to pay the farmer a fair price for his commodity? Foolish question. Bless you, it is another loan. The farmer is drowning. Here is more water in which to drown. An extension, and at the same time a strengthening of the rope that keeps him bound hand and foot as an economic slave to the Eastern money power. Another string to kidnap the small banker of the Northwest. Eastern capital to-day owns more than one-half the land in many of the Western States. But a starving child will grab the bread and think afterwards of the string.

Is it not time, I ask you, to do something to wrest the control of the Federal reserve system out of the hands of the Wall Street group and make it function in the interests of the people according to the original intent of the law? Read in the CONGRESSIONAL RECORD of March 27 the speech of my distinguished colleague, the gentleman from Pennsylvania [Mr. KENT], and see if you think the Federal reserve should be looked into. Oh, I know some people do not wish any more investigations. They are tired of them. Some people are, to be sure; they have reason to be.

I claim that no honest man in public life, no group or corporation or body performing a public duty which has sincerely and honestly striven to carry out its trust with its best endeavors has any reason to fear these investigations or to deplore or deprecate them. If the Federal reserve policy decided upon at this meeting was justifiable and necessary, if it was imperative that this deflation be begun and be kept secret for many months, surely the investigation should be welcomed instead of being discouraged.

LOWER TRANSPORTATION RATES NEEDED

There is the problem of transportation and the excessive freight charges so ruinous to the farmer. Has this Congress no time to grapple with the transportation act of 1920, the so-called Esch-Cummins law? The farmers of the country are well-nigh unanimous in demanding that an operation be performed on that animal. The very least we can do is to amputate the tail, the infamous guaranty section. And if there are enough of you gentlemen to join me we will proceed to cut off that tail right behind the ears, and then substitute some other animal that will prove a less dangerous pest to the agricultural sections of the country than has the iniquitous Esch-Cummins law.

If a bill is enacted into law providing for the much-talked-of ratio price for what the farmer has to sell, why not also put a ratio price on what the railroads have to sell, which is transportation? But this would perhaps be "economically unsound." Due to the operations of the Esch-Cummins law the railroads of the country have made a larger profit during the past year than was ever reported for a similar period. And this while the farmers of the Nation were being fleeced due to that same law.

The farmers ask as an act of simple justice that there be a revision downward of the tariff rates at present protecting the manufacturing industries of the East. These infant industries have fattened on the farmers of the country, and they have grown fat in the same proportion that the farmers have grown lean. The farmers ask that the iniquitous Fordney-McCumber tariff law be wiped off the statute books. And if this Congress is unwilling to tackle the job, they are going to send a Congress here that will undertake to do it.

Will you say there is no time? No time, you say, to legislate on the problems of the Federal reserve, the tariff, and the railroads? Why is there not time? Because the multimillionaires, through their spokesmen in the Government, the Secretary of the Treasury and others, have issued a fiat to this Congress that their income taxes must be reduced. And in slavish obedience to that dictum we are forced to consume days and weeks of valuable time in a desperate fight to compel those gentlemen to pay even a portion of their just share.

REPUBLICANS RESPONSIBLE FOR LEGISLATION

You, the majority party, who are responsible for the legislation brought before this Congress, and for the legislation prevented from being considered here, go to the country and tell them you did not have time to take up the Federal reserve, and prevent it from again being used to deflate the farmers' prosperity, you did not have time to consider the tariff, you did not have time to wrestle with the transportation problem, and the country will give you the answer you deserve on November 4. No; we did not have time to consider matters of

introducing into the National Legislature a bill embodying such | that the commerce of the world has to meet, and it has robbed the

the philanthropist were one and the same person; also that each | vember 4. No; we did not have time to consider matters of

paramount importance to 110,000,000 people, because a few multimillionaires demanded that we give first consideration to problems in which they had a very vital and a very personal interest.

No; we had no time for these vexing problems because, forsooth, we had to devise ways and means to lighten the burdens of Andrew Mellon, Mellon, who made $29,000,000 out of the suffering and bleeding and dying of men in Flanders Field, and who can not afford to pay adjusted compensation to those who returned to a country which still harbors within its confines such ungrateful human beings. [Applause.]

REMEDIAL MEASURES PROPOSED

But, if we may not hope to see this Congress enact legislation that will be of some permanent benefit to the farmer, I am glad that there are prospects of some remedial legislation, however meager, of a temporary nature.

We have price-fixing bills, bills providing for subsidizing the farmer, bills creating marketing corporations, bills of almost every conceivable kind and description.

A pertinent question regarding all of them is this: Do these various bills interfere with the grain gambler and the food speculator, or do they give them free hands to continue to fleece both producer and consumer? It might be difficult to say regarding some of them. One thing is very evident, however, and that is that certain of these bills have been fought from the very first by these profiteering interests that get us coming and going at every turn in the road. And the gentlemen have very good reason for opposing them. They will oppose the various price stabilization measures for the same reason.

There is also the Peek plan of relief, called the McNary-Haugen bill. This bill is fearfully and wonderfully made. So intricate in its mechanism is it that no one in this House, no ordinary mortal, can deny that there is a reasonable doubt as to how it is going to work out in actual practice.

So far no one in Congress or out of it has been able to give us definite assurance that, as originally drafted, it will really accomplish what it promises. If it is so amended, either in the committee or in the House, as to remove this doubt, I shall most cheerfully and enthusiastically support it and vote for it.

The Norris-Sinclair bill and other bills, while promising less, are sure to accomplish something, even if not all that could be desired. I hold that to be certain of a little good is better than to be hopeful of much. But if no better measure than the McNary-Haugen bill is reported to the House with any promise of being passed, I shall certainly give it my wholehearted support.

There was the Coulter plan, called the Norbeck-Burtness bill. This was nothing but the old "cow bill" of the despised and condemned Nonpartisan League Legislature of North Dakota. Oh, they had hung a few pink ribbons on the horns and tail, but it was the same old cow; and if given a chance she might have proved a good milker.

This cow bill was good in its day and age. It would have been better than nothing even now. And I should gladly have voted for it on the ground that half a loaf is better than no bread. But it was not what the farmers of the Northwest need, and what they have a right to expect and demand of their Government. Away back in 1919 this bill was "dangerous socialism." And so it was, surely enough. But the world "do move." The dangerous socialism of a few years ago is good orthodox Republican doctrine to-day. What was termed the socialistic vagaries of the Nonpartisan League four years ago is now recommended to Congress by the most reactionary Republican that ever lived in the White House.

PROGRESSIVE PLATFORMS ULTIMATELY ADOPTED

It was ever thus. The radicalism of to-day is the conservatism of to-morrow. And it is because of this fact that we, the progressives of whatever party, take renewed hope and courage.

We read the history of the Republican Party during the last quarter of a century and we find a continued repetition of principles rejected by it in terms of the strongest condemnation, and then four years later, acting the part of the proverbial animal returning to what has been disgorged, adopting these same principles as a part of its platform.

Every four years the La Follette wing of the Republican Party has a definite constructive program to offer to the national convention. And the staid and dignified chairman of said convention promptly proceeds to jump on chair and table and in stentorian tones denounce the whole program as dangerous socialism. And it is rejected with shouts of derision. And then, forthwith, the same convention proceeds to adopt measures which it condemned in equally strong terms four or eight years earlier. This practice has become a sort of continuous vaudeville performance at the Republican National Convention for the last 20 years.

If there is such a thing as the composite mind of the Republican Party, the process by which it works seems to be somewhat akin to that of Limburger cheese—it requires a certain length of time in which to ripen. The cheese may be perfect when freshly made, but it is not good to eat until it has arrived at a certain age. The only exception is cheese bearing the Mellon stamp. That is guaranteed ready for consumption as soon as manufactured. But the progressive variety must age before use.

By the same token I have no doubt that some of the agricultural relief bills sponsored by the La Follette group in the Senate and the House might become good orthodox Republican doctrine in two or four years more. In a few years more the Republican Party will have caught up with these bills. The trouble in this case is that "mens grisset gror, dot koen"—while the grass is sprouting, the cow is starving to death.

It should be said here that the Republican Party has always been willing to make concessions to the wants and demands of the common people. It is the same brand of willingness evinced by King John on the plains of Runnymede—willingness at the point of the bayonet. And the bayonet in this case is political exigency and the coming election.

How infinitely better for our country if those in positions of power would be guided by principle and a consuming desire to lighten the burdens of the weak and oppressed, instead of moving only when compelled by the force of public opinion.

WORLD NEEDS MEN OF PRINCIPLE

What marvelous changes could be wrought in this country if men could be placed in command who have proven a lifelong interest in and devotion to the cause of the privates in the ranks in place of a tender solicitude for the colonels and generals in the army of humanity.

But time brings wonderful changes. And in our day and age these changes come thick and fast.

Lloyd-George was hissed and rotten-egged because he opposed his country's imperialistic war on the Boers. In a few years he was the head of the government of his country.

Ramsay MacDonald was ostracized, shunned, hated, persecuted, and branded a traitor because he refused to be stampeded by the fabrications and lies of the jingoes of the nation. And to-day Ramsay MacDonald is ruler of the greatest empire the world has ever known.

The war profiteers and dollar-a-year patriots of this country hounded and persecuted and crucified on the tree of public opinion the greatest living constructive statesman of this or any other nation, because he shouted open defiance to the lying hypocrites proclaiming their patriotism to high heaven as they went forth to loot and plunder and exploit, wrapped in the silken folds of the flag of freedom. But after every crucifixion in the history of mankind there is a corresponding resurrection. It may take three days, three years, three decades, or even three centuries, but it never, never fails to come.

The plundering, silk-hatted mob of America that went out to loot a nation may yet live to see the day when he whom they thought safely buried under all their vile slander and calumny will be the respected leader of the greatest Republic of modern times. Stranger things than this have happened even in the memory of men now living. And the only man who needs to fear such an outcome is the man who is afraid that justice will be meted out and has his reasons for that fear. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY. Mr. Chairman and gentlemen of the committee; several weeks ago I made a rather extended speech on the floor of the House in explanation of H. R. 4123, the measure I have introduced for a reclassification of postal salaries. Since that time a great deal of water has passed under the bridge and I am sure every Member will be interested in knowing the progress made on this measure.

Subcommittees of five members each were named from the Senate and House Post Office Committees to hold hearings on the proposed reclassification. These Representatives and Senators met in joint session and held hearings which continued for seven days. A vast amount of information dealing with the entire Postal Service and the need for action in increasing the compensation of postal employees was brought before the committee.

Two hundred and seventy-one Members of Congress appeared before the committee and urged earnestly that a just scale of wages be adopted for the employees who make the postal establishment of the United States the greatest human service organization in the world.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. KELLY. I hope the gentleman from Maryland will not interrupt me, much as I should like to yield.

Mr. HILL of Maryland. Just for one statement. A great many Members are in favor of this bill who were unable to be present at the hearings. They are also in entire sympathy with this just measure.

Mr. KELLY. I thank the gentleman. He gives additional proof to the statement that an overwhelming majority of Members of this Congress are determined to establish a just scale of pay for postal employees. I have been here a number of years and have attended many hearings but I never saw such unanimity of feeling as was expressed before this joint subcommittee at the hearings.

However, Postmaster General New sent a somewhat negative statement to the committee and it was read at the beginning of the sessions. After arguing that a cost ascertainment committee took figures last year and will be able to report results later, he said in conclusion:

It would seem, therefore, that a proper procedure at this time would justify the submission of all these matters affecting increases in salaries and changes in conditions of employment involving increases in pay, to some general body, such as a congressional commission, who will have the time and opportunity to inquire fully into the merits of all the propositions and who will have before them the results of the cost ascertainment and be able to determine the relation between them and proper postage rates and fees for special services and the revenues of the department, in order that the merits may be properly considered and that suitable and desirable legislation growing out of the whole situation may be considered at one and the same time; and I so recommend.

This counsel of indefinite delay in the solution of a problem which concerns the welfare of every postal employee and the efficiency of the Postal Service found little sympathy among the members of the committees charged with responsibility in deciding fundamental policies in the Post Office Department. There has been no attempt to measure costs in the Postal Service for many years, and that has not been the fault of the underpaid workers. To attempt to stave off the answer to their just requests on any such excuse does not square with the conscience of Congress or the American people. The postal workers can not stave off their own costs of living and they need no extra time to be convinced that those costs are tragically above the salary they receive for faithful and devoted service to Uncle Sam's greatest enterprise.

American public sentiment has crystallized into a nation-wide demand for prompt and effective action. That sentiment is well expressed in the statement of Hon. George W. Maxey, judge in the forty-fifth judicial district of Pennsylvania. Here is his appeal:

The taking of private energy for public use without just compensation ought to be as unconstitutional and unmoral as the taking of private property for public use without just compensation. Our postal employees are a class of men distinguished for their honesty, efficiency, and energy, and anything that Congress does to secure them the compensation to which they are in justice entitled will be greatly appreciated by both the postal employees and our citizens generally.

When it became apparent at the hearings and throughout the country that there could not in justice be a postponement of a fair reclassification of salaries the Post Office Department officials declared that they were in favor of an increase. It was argued, however, that the increases in the so-called Kelly-Edge bill were very much too high. The scale provided in that bill for postal clerks and letter carriers was from $2,000 to $2,400, an increase of $600 a year in each grade.

The Postmaster General then submitted a differential scale by which clerks and carriers in first-class offices having annual receipts of $600,000 or more would receive an increase of $200 a year, while clerks and carriers in first-class offices having receipts of less than $600,000 a year and in all second-class offices would receive an increase of $100 a year. This proposal would make the scale in the lower offices range from $1,500 to $1,900 a year and in the higher grade offices from $1,600 to $2,000 a year.

Mr. Chairman, such a salary adjustment as that is as unsatisfactory as it is unjust. The work in the offices above and below that artificial dividing line is identical. The hours are the same, the carriers routes are of equal length, the same responsibility exists, and the same degree of competency is required.

The scheme is apparently based on the idea that the receipts of the post office have a relation to the cost of living, and that the cost of living is the only factor in determining just wages. I deny both postulates. There are many post offices located in great industrial districts where the receipts are comparatively small and yet where the cost of living is fully as high as in the central city itself. Nor is the cost of living the only factor. If it were, the proposal to add only $100 or $200 a year to the present rate of pay is a sorry joke. One hundred dollars a year means $2 a week, and $200 a year means $4 a week. Under such a proposal the clerk and carrier getting the highest possible pay now would receive an increase of 57 cents a day, and that drop in the mill pond would only go to the employees in New York City and the other larger offices. The clerks and carriers in other cities would have to be satisfied with an addition of about 28 cents a day.

Oh, Mr. Chairman and gentlemen, let us be fair and just. Let us realize that we are dealing with the fundamental question of honest wages for honest service, and there is more than a single factor in that question.

The question of just and reasonable wages in the various industries of America is to-day one of our most important problems, for upon it depends the life, liberty, and happiness of a majority of American families.

Congress has recognized its vital character by a clear-cut declaration of the factors which enter into such a wage. In the transportation act of 1920 this provision is included:

All the decisions of the Labor Board in respect to wages or salaries and of the Labor Board or an adjustment board in respect to working conditions of employees or subordinate officials of carriers shall establish rates of wages and salaries and standards of working conditions which in the opinion of the board are just and reasonable. In determining the justness and reasonableness of such wages and salaries or working conditions the board shall, so far as applicable, take into consideration, among other relevant circumstances:

1. The scale of wages paid for similar kinds of work in other industries;
2. The relation between wages and the cost of living;
3. The hazards of the employment;
4. The training and skill required;
5. The degree of responsibility;
6. The character and regularity of the employment; and
7. Inequalities of increases in wages or treatment the result of previous wage orders or adjustments.

Let us apply these principles to the wages of postal employees, who perform an essential service in American life.

First, the scale of wages paid for similar kinds of work in other industries. Letter carriers, post-office clerks, and railway-mail clerks live, almost all of them, in cities, for there are more clerks and carriers in New York City alone than in all the towns in the United States under 5,000 population.

The Post Office Department informs me that on March 1, 1924, there were 6,428 clerks and 2,708 letter carriers employed at post offices in cities and towns of 5,000 and less population.

In New York City on that date there were 9,083 clerks and 3,169 letter carriers.

In the five largest post offices there were 20,257 clerks and 9,563 letter carriers, three times as many as in all the towns in the United States of 5,000 population or less.

On account of that fact it is ridiculous to talk of establishing differentials in the salaries of these employees based on receipts of post offices. Such a departure from a uniform scale of pay would be a veritable Pandora's box of trouble because of the burning injustices it would occasion. There are many small suburbs in the great industrial districts with separate post offices and comparatively small receipts where every class of labor receives the same scale of wages paid in the central city itself. Besides, the pitiful sum saved by such injustice would be eaten up in the additional overhead expense involved.

The present rate of pay of all these postal workers is shamefully out of line with that paid in other similar lines of employment.

Men who have spent many years in this essential public service are receiving the pay of boys just breaking into business life.

The printing trades' average is $39 a week, while the highest weekly pay the regular clerk and carrier now receives is less that $35 a week.

The metal trades average $51 a week; clothing trades, $50 a week; bakers' trades, $47 a week.

In New York City, for instance, the express company pays its chauffeurs $175 a month. The Post Office Department assigns certain carriers to motor delivery trucks, expert chauffeurs as

well as trained letter carriers, and pays them $150 a month at the maximum rate, $300 a year less than the express company.

The trained clerk in the great city stores receives $200 a month plus commissions. The post-office clerk, subject to continuous examination and required to perform nerve-racking night work, gets as a maximum $150 a month.

In Pittsburgh the plasterers have just signed a two-year agreement for $12.50 daily wage. The average rate all over the country is $1.35 an hour. In other building trades the same conditions prevail. The average pay for carpenters in the United States, cities and towns, is 97 cents an hour; bricklayers, $1.27 an hour; painters, $1.10 an hour; and so on through the entire list.

Perhaps some one will declare that the comparison should be made with employees in public service.

The most inferior employees of the city of New York, the messengers, receive $1,823 a year, more than the present maximum pay of clerks and carriers.

Oilers in the Government navy yards get 76 cents an hour, while those skilled postal employees get about 62 cents an hour.

Privates in the fire department of New York City receive $2,500, while the letter carrier and postal clerk get $1,800. Privates in Detroit receive $2,160, in Hoboken $2,250, and in Atlantic City $2,100.

But we need only take the expression of this Congress. The other day 200 Members, a large majority of those voting, went on record on a scale of pay for clerks of committees of the House and Senate. The gentleman from Illinois [Mr. MADDEN] brought in the bill and urged its adoption.

Did that measure fix a maximum of $1,800 for clerks, even of committees which seldom meet? No; it provided an average rate of $3,300 a year for clerks of Senate committees and $2,880 for clerks of House committees.

The lowest rate provided was $2,360 for clerks of committees. I voted for the bill, but I could never satisfy my own conscience or my constituents if I voted for that scale for clerks here and then opposed giving at least a maximum rate of $2,400 to the postal employees who are steadily and efficiently performing their arduous duties during the weeks and months when congressional committees are not in session, as well as when they are holding meetings.

The second principle laid down by congressional enactment in the determination of a just and reasonable wage is "the relation between wages and the cost of living."

It should require little argument to prove that postal wages have not kept pace with living costs during the past 10 years.

In 1913 the maximum pay for letter carriers was $1,200; to-day it is $1,800, an increase of 50 per cent. During that same period the cost of living has averaged more than 60 per cent increase. Although the pay was originally low enough, in all conscience, it is lower to-day. The man who received $1,200 in 1913 to-day receives $1,080, measured by purchasing power.

The Labor Department and many research organizations have outlined budgets in hundreds of cities for the merely decent support of a family of five.

The average is $2,360 for the actual necessaries of life in the average city. In that figure lies stark tragedy for many thousands of homes where the breadwinner is a postal employee with his highest possible pay $1,800 a year. Many times there are more than three children in the family, and then even the $2,360 figure is less than physical well-being demands.

The present wages for these faithful workers keep them and their families always next door to the poorhouse. It is a sad fact that many of these men and their wives and children go hungry because they can not buy sufficient food.

"If any serious accident should befall the postal department, we couldn't deliver mail," said Postmaster John W. Smith, of Detroit, the other day. "The regulations demand we shall have a list of 200 substitutes. We have not one man on that list. There is no possible chance of getting anybody. Day after day men come to me with sorrowful expressions and tell me they hate to leave the service. 'We hate to leave, Posmaster, after all the preparations we've made, but a man can't deliver mail and go hungry half the time,' they tell me."

Somewhat of a novelty in petitions to Congress is the appeal signed by 35,000 wives of postal employees for favorable consideration of their husbands' wage increase request. These women, who are equal partners in the home, know well the constant sacrifices required in order to live on the comparatively small salaries their husbands receive from the Government. They point out that, owing to the increase in living costs, many have lost the homes they had begun to buy, being unable to keep up payments. Others have been compelled to go deeply in debt. The wives also mentioned the long hours of labor their husbands are frequently forced to put in and the hardships of night work, which gives them little time for becoming acquainted with their families.

The only alternative to stark want is for the postal worker to take on another job during his off hours and his wife to secure work for herself to eke out the family income.

Here is a letter from a postal clerk which carries the message of thousands; and he comes from an office where the receipts are less than $600,000 a year, too. He says:

During the war, when men were scarce and work was plentiful, I received several offers of work with local corporations at almost double the salary I was getting.

Believing that "Uncle Sam" would appreciate loyalty by granting us increased pay in proportion to the advance in the cost of living, I stayed with the service, working night turn, and secured five hours' work each day in a hardware store. This I kept up about a year, increasing my salary by about $50 per month. During this time I sold a piece of real estate and after paying back debts had about $600 left, which I had to use in living expenses.

My wife was taken ill in the spring of 1919, and after two months illness at home was removed to the hospital, where an operation kept her for six weeks. This affair cost me about $400, which I did not have and which has not been fully paid yet. Since that time my wife has had considerable sickness, which has placed her in the hospital a second time in a serious condition. This has to the present time cost me about $550, which I have had to borrow and with no prospect of meeting when due.

Five years ago the house I am living in cost me $26 per month rent. To-day I am paying $45 and consider it fairly reasonable when compared with others. This house is not modern nor is it in a desirable residence district.

For several months the latter part of last year my wife worked in a store until she was taken ill. My 15-year old daughter has for more than a year been working on Saturdays and during the summer and holiday vacation periods at a local department store.

Summing up 16 years in the Postal Service I have accumulated a family, have had an existence (I would not call it living), have used several hundred dollars realized from the sale of property to live on, and am at the present time in debt about $800. Any of these facts can be verified very easily. This is not intended as a hard-luck story. However, what applies to one may just as well apply to hundreds. I might also state that the wives of a number of the local employees are working every day in order to help keep the home fires burning.

There is an American problem in that compelling of wives to secure jobs in order to maintain a home. Tired wives and weary husbands, both broken on the wheels of necessity do not build deep and sure foundations under the American home. But how is the young postal employee to marry unless his bride adds her income? How are they to live without continuing to add incomes?

Much has been said about the entrance age of post-office clerks. Attempts have been made to create the impression that only mere youths—high-school lads—enter the Postal Service. Such is not the case.

The Civil Service Commission's statistics show an average entrance age of 28 years 3 months. The entrance age for the Postal Service is somewhat lower. The best and most reliable information we have on this subject is found in the final report of the Joint Commission on Postal Salaries, volume 2. On page 278 of this report there is a detailed analysis of questionnaires covering clerks in first and second class post offices. A total of 19,391 clerks answered the commission's questionnaires. The average of these clerks was 35.93 years. The average length of service was 9.97 years. This shows that the average entrance age was 25.96 years, or approximately 26 years of age.

It is safe to assume that the situation with respect to entrants has not changed materially since these questionnaires were submitted in 1919. Therefore one is safe in saying that the average age of entrants into the post-office clerical group is above 25 years.

This Nation can not live unless homes are founded. We will pay a heavy penalty for forcing mothers and prospective mothers to work. It is bad enough in a private industry where cutthroat competition prevails. It is criminal for Uncle Sam to do it in an essential service which is a Government monopoly and where charges for service are absolutely in his own hands. This Congress can perform no greater public service than by seeing that the 340,000 employees have a fair chance to maintain homes on incomes which shall provide the necessaries of life for themselves and families.

The third principle in determining just and reasonable wages is "the hazards of the employment."

Occupational diseases and injuries are ever at the elbow of postal employees. When 20,000 railway mail clerks start out on their duties on January 1 it is absolutely certain that one of every seven of them will be killed or injured before the next New Year's Day.

Read the reports of the Joint Postal Commission and learn the intolerably unhealthful conditions which prevail in the large post offices and terminals.

Seventy per cent of postal clerks work at night, under artificial light and in poisonous air. They meet the penalty which comes from the violations of the laws of that nature which provided the daytime for work and the night for rest.

The United States Public Health Service recently compared the morbidity rates of 18,894 letter carriers with those of 71,728 industrial employees. It finds that the letter carriers' average rate of sickness is 57.7 per cent above that of the industrial workers. Letter carriers are especially prone to have diseases of the heart because they carry their mail sack on their left shoulders, so they can get into it with their right hands. Their rate of heart affliction above the industrials in the comparison is 154 per cent.

Can you compare such conditions with that of clerks in bank or stores or factories? By every standard the hazards of average postal employment are such that they deserve to lead the wage scale for similar work instead of holding the last position, as at present.

The fourth legislative principle in determining a just and reasonable wage is "training and skill required."

In my speech on the floor February 1, 1924, I gave in detail the qualifications necessary for letter carriers, postal clerks, and railway-mail clerks. I showed that a man to measure up to these tasks must be above the average physically and mentally.

Not only that but they must apply themselves diligently to study of schemes, routes, and so forth. They are subject to continual examinations and must make records approximating perfection.

While postal employees must spend years mastering the technical details of a profession, they can not sell the knowledge acquired to other employees. The postal business is specialized and there is none other like it in the United States. That is one reason why the older men stay in the service under most unjust conditions. The Government has in the past used this advantage by keeping the wage scale shamefully low. It is time to end such an un-American situation.

To become an efficient postal employee requires as much energy and application as any skilled trade. They are entitled to high rank on the basis of training and skill required.

The fifth principle in determining a just and reasonable wage is "degree of responsibility."

These postal employees are dealing with valuable letters and other mail matter at all times.

They handle $1,500,000,000 in money orders every year. They handle $150,000,000 in postal savings. They are charged with handling and delivering to the proper person 14,000,000,000 letters a year.

These employees are bonded and they are responsible for errors. Many of them are under tremendous strain when responsible for the safety of millions of dollars in currency and checks.

No other class of employees in the country are charged with a greater degree of responsibility than the postal employees. Judged on that basis, their work should be the highest paid instead of being the poorest paid of all similar occupations.

The sixth principle is "character and regularity of employment."

It is true that postal employment is lifetime employment—steady, straight, sure pay. That fact means as much to the Postal Service as to the postal workers. Any employer of labor will state that his labor turnover is his most vexing problem and the source of his greatest loss. If they could be sure of a corps of employees from 25 to 65 years of age delivering the goods every day in the year, competent to qualify on examinations at regular periods, they would be relieved of their greatest problem. That is proved by the efforts made to retain efficient employees through special advantages based on length of service.

It was the private employer, not the Government, that established the first retirement system in this country. They did it on strict business principles—that of retaining the services of competent men during their most productive period and retiring them when age robs them of their greatest efficiency.

Loyalty of Post Office employees, especially carriers and clerks, enabled the service to function from April 1 to July 1 last year when it was threatened to curtail the service because of the shortage of $2,500,000 in the appropriation. It was planned to cut deliveries and window service, but through intensive effort this was not necessary.

At that time the Post Office business had increased more than 10 per cent over the previous year. The service of substitute carriers and clerks was cut in half and the burden was shifted to the shoulders of regular men. This meant extraordinary effort, heavier mail packs, and deliveries speeded up to the point of exhaustion. So diligent were these regular men that the mail was moved as usual, notwithstanding the increase in business.

This is admitted by Postmaster General New in his last report. He says:

There is probably no service either private or governmental other than the Postal Service which has the capacity for taking on new business without a proportional increase in force and established facilities. This ability is phenomenal, as was shown in the assimilation of the parcel-post business with the mails and its successful handling notwithstanding its rapid growth. The reason lies largely in the organization of the department and the service, its adaptability as well as efficiency, the versatile character of its genius, and the spirit of its personnel which is preeminently that of service.

But during the year this ability was severely taxed by the extraordinary increase in business under appropriations inadequate to meet even the average normal growth. Furthermore, to use a descriptive simile, the service has taken on new business under these conditions to the point of saturation. This is shown by the increase in the weight, volume, and extent of the mails as compared with the increase of the personnel to handle them.

The facts show a vast increase in the business handled. This has been done with a much less increase in force proportionately.

This new business was measured by an increase of $47,974,384.38 in revenues, or 9.89 per cent, as contrasted with a past average of 7 per cent and of 4.61 per cent for the preceding year. For the first nine months of the fiscal year the increase in revenues was 10.17 per cent. To care for this volume of business the appropriations for the entire service was 1.61 per cent less than for 1922.

If for no other reason, the devoted service of post-office employees through a lifetime of efficient service should entitle them to a higher wage rate than in other occupations.

The seventh legislative principle is "Inequalities in increases of wages, the result of previous wage orders."

This scarcely applies to the Postal Service. There are inequalities in previous classification of employees, but they are matters of legislation to be corrected by Congress. The measure I introduced last December, H. R. 4123, relieves a number of these inequalities.

The one great inequality is the standard of pay for the men in the ranks who make the service possible. We propose to make the foundation right, for without that the building above can not be plumb and true.

Mr. Chairman, I contend that the one issue involved is justice in postal pay. America is rich enough and great enough to face that issue and settle it. No matter where the revenues come from, through taxation or postal revenues, America can not afford to have her Postal Service a sweat-shop industry.

One thing is certain. If postage rates had been increased during the past 10 years in proportion to the increase in every other product and service under the sun, the resulting revenues would not only be sufficient to pay a living wage to every postal worker but there would be a tremendous surplus over all costs of operation.

The exact facts as to the conduct of this greatest distinctive business in the world, this most marvelous of human enterprises is worthy of the study of every Member of Congress and of every American.

Domestic mail matter is divided into four classes, first, second, third, and fourth classes, and together they produced for the fiscal year of 1923 the sum of $464,245,746.70. Other services of the department, foreign mail, money orders, registration of letters, insurance, C. O. D., and so forth, brought in $68,582,178.39, making total revenue receipts of $532,827,925.09.

The total expenses of the Postal Service for 1923 amounted to $556,850,966.41, making a paper deficit of $24,022,041.32.

But remember the total expenses of the Post Office Department 10 years ago were just about half of those of last year. While the cost of the factors entering into the service was bounding upward almost 100 per cent, what about the rates for the service rendered?

Let us take a survey of the different classes of mail matter and answer that question.

FIRST-CLASS MAIL

First-class mail consists of letters, postal cards, and all matter in writing, as well as all mail sealed against inspection. The rate on such matter is 2 cents per ounce or fraction thereof for letters, and 1 cent each for postal cards.

That rate was fixed some 40 years ago, when it was reduced from 3 cents. There has been no change since, the war-time measure of an additional cent having been a taxation provision with the receipts going into the General Treasury.

In other words, during the past 10 years, when the price of every known commodity and service was being skyrocketed, the price of letter postage has remained stationary. Two cents in 1883 would buy more than the nickel of to-day in everything except the product of the Post Office Department.

During this same 10-year period practically every public-service corporation within the United States, including railroads, express companies, telegraph and telephone service, street-car transportation, and similar public-service corporations, have increased their rates for service. Taking the railroads as an example, we find, according to data furnished by the Interstate Commerce Commission, the following comparative facts:

In 1913 the average rate per ton per mile transported by railroads was 0.729. In 1923 the average rate per ton per mile was 1.116, or an increase of more than 53 per cent.

In 1913 the average receipt per passenger per mile was 2.08. In 1923 the average rate per passenger per mile was 3.019, or an increase of more than 50 per cent.

During the recent war period the telegraph and telephone lines were taken over by the Government and operated by the Post Office Department. During the period of Government control telegraph rates were accorded a flat increase of 20 per cent, embracing all wire service in all parts of the country. This 20 per cent rate increase has been retained.

But the fact is that, instead of remaining stationary, first-class postage rates have been decreased steadily. This is due to the continual expansion of the number of foreign countries to which such mail goes at regular rates. To-day you can send a letter to 41 countries for 2 cents, but there are very few countries whose citizens can send a reply at the same rate. For instance, you can mail a letter in San Francisco, have it handled by the letter carrier who collects it, by the postal clerks who dispatch it on its way across the continent, by the Railway Mail Service in trains and terminals; have it carried across the ocean and delivered to an address in Madrid, Spain, for 2 cents. But the Spaniard who sends back a reply pays 10 cents into the Spanish post office for that service.

The Post Office Department recognizes that there has been this lowering of letter postage, and on page 46 of Postmaster General New's recent report there is the significant heading "Reduction in letter postage." Here is what he says:

REDUCTION IN LETTER POSTAGE

As assisting to bring about closer commercial relations between this and the countries concerned, the letter-postage rate through agreement entered into has been reduced to a number of countries, including Spain and its colonies. At this time there is a 2-cent letter-postage rate to Great Britain, Ireland, Spain and its colonies, New Zealand, and British Samoa and to all countries and places in South and Central America and the West Indies, except Chile, Dutch Guiana, French Guiana, Venezuela, Guadeloupe, and Martinique, and the French part of St. Martins.

While the United States postage rates, the lowest in the world, were being reduced still further practically every other country was increasing its rates in substantial degree.

International postage rates are determined within certain limitations at the Universal Postal Congress, in which practically all the nations of the world are represented and which are held from time to time. The Universal Postal Congress at Rome, Italy, held in 1906, provided for an international letter rate of 25 centimes (5 cents) per unit for the first unit and 15 centimes (3 cents) for each unit thereafter.

This international postage rate was changed in 1920, at which time the Universal Postal Congress was held in Madrid, Spain. This Congress adopted a provision whereby the international postage rate was increased from a maximum of 25 centimes to 50 centimes for the first unit and 15 centimes to 25 centimes for each unit thereafter. Provision was made, however, in the protocol of the Madrid convention that any country was privileged to use the old international letter-postage rate of 25 centimes per ounce and 15 centimes for each additional unit if it so desired. The United States retained the old and cheaper international postage rate. With few exceptions all other countries increased their international postage rate in accord with the privilege accorded by the Madrid Congress. Thus we find that while 2 cents per ounce in many instances and 5 cents per ounce in many more will carry a letter from the United States to foreign countries, a rate of 10 cents per unit of postage is required to mail a letter from the great majority of foreign countries to the United States.

Let me show you the difference between United States postal charges on mail sent to foreign countries and the charges levied by those countries where mail is sent to America. These figures are from Official Postal Guides:

Country	Letter postage rates to foreign countries from the United States		Letter postage rates to the United States from foreign countries	
	First ounce	Each additional ounce	First unit	Each additional unit
	Cents	*Cents*	*Centimes*	*Centimes*
Albania	5	3	50	25
Algeria	5	3	50	25
Argentina	2	2	10	10
Ascension	5	3	50	25
Australia	5	3	50	25
Austria	5	3	50	25
Bahamas	2	2	10	10
Barbados	2	2	20	10
Bechuanaland Protectorate	5	3	50	25
Belgium	5	3	50	25
Bermuda	2	2	25	15
Bolivia	2	2	25	12½
Brazil	2	2	50	25
Brunei, British colony	5	3	50	25
Bulgaria	5	3	50	25
Cameroons Territory	5	3	50	25
Canada	2	2	15	10
Ceylon	5	3	50	25
Chile	5	3	50	12½
Chinese Empire	5	3	50	25
Colombia	2	2	15	15
Costa Rica	2	2	12½	12½
Crete	5	3	50	25
Cuba	2	2	10	10
Cyprus	5	3	50	25
Czechoslovakia	5	3	50	25
Denmark	5	3	50	25
Dominican Republic	2	2	10	10
Ecuador	2	2	12½	12½
Egypt	5	3	50	25
Esthonia	5	3	50	25
Falkland Islands	5	3	50	25
Fiji Islands	5	3	25	25
Finland	5	3	50	25
France	5	3	50	25
Gambia	5	3	50	25
Germany	5	3	50	25
Gilbert and Ellice Islands	5	3	50	25
Gibraltar	5	3	30	15
Great Britain and Ireland	2	2	15	15
Greece	5	3	50	25
Greenland	5	3	25	12½
Guadeloupe	5	3	20	15
Guatemala	2	2	50	30
Haiti	2	2	25	15
Honduras Repnblic	2	2	15	15
Honduras (British)	2	2	20	10
Hongkong	5	3	50	25
Hungary	5	3	50	25
Iceland	5	3	50	25
India	5	3	50	25
Indo-China	5	3	50	25
Italy	5	3	50	25
Jamaica	2	2	25	15
Japan	5	3	50	25
Kenya and Uganda	5	3	50	25
Labuan	5	3	25	15
Lithuania	5	3	50	25
Liberia	5	3	25	25
Luxemburg	5	3	50	25
Malay States	5	3	50	25
Malta	5	3	20	15
Mexico	2	2	25	25
Montserrat	2	2	20	15
Morocco (Spanish)	2	2	50	25
Morocco (French)	5	3	50	25
Matinique	5	3	50	25
Netherlands	5	3	50	25
Netherlands (West Indies)	2	2	25	15
Newfoundland	2	2	20	20
New Hebrides	5	3	50	25
New Zealand	2	2	20	10
Nicaragua	2	2	15	10
Nigeria	5	3	25	15
Niger Territory	5	3	50	25
North Borneo	5	3	50	25
Norway	5	3	50	25
Nyasaland Protectorate	5	3	50	25
Palestine	5	3	50	25
Panama	2	2	10	10
Paraguay	2	2	50	25
Persia	5	3	50	25
Peru	2	2	17½	17½
Poland	5	3	50	25
Portugal and colonies	5	3	50	25
Rhodesia (Northern)	5	3	25	25
Rhodesia (Southern)	5	3	30	15
Rumania	5	3	50	25
Russia	5	3	50	25
Salvador, El	2	2	25	12½
Seychelles	5	3	50	25
Siam	5	3	50	25
Sierra Leone	5	3	50	25

Country	Letter postage rates to foreign countries from the United States		Letter postage rates to the United States from foreign countries	
	First ounce	Each additional ounce	First unit	Each additional unit
	Cents	*Cents*	*Centimes*	*Centimes*
Spain	2	2	50	25
Sweden	5	3	50	25
Switzerland	5	3	50	25
Syria	5	3	50	25
St. Helena	5	3	50	25
Tonga Islands	5	3	50	25
Trinidad and Tobago	2	2	20	15
Tunis	5	3	50	25
Turkey	5	3	50	25
Turks Island	2	2	25	15
Union of South Africa	5	3	30	15
Uruguay	2	2	50	25
Venezuela	5	3	50	25
Virgin Islands	2	2	20	15
Zanzibar	5	3	50	25

The weight unit of international letter postage rates varies according to countries from 1 ounce to 20 grams, or about three-fourths of an ounce to 15 grams, or a little more than half an ounce. The United States uses the maximum weight unit. International postage rates are based on gold. In countries where a depreciation in money values have occurred postage rates have been frequently raised accordingly to conform with the gold basis. The following news item shows that France has recently increased its postage rates:

PARIS, March 29.—Notice was given to-day of a 50 per cent increase in postage on letters from France to foreign countries, effective April 1. This will make the postal rate to the United States 75 centimes, with an additional 75 centimes for registered letters.

SPANISH-AMERICAN POSTAL CONVENTION

As a further indication of the comparative modesty of United States postage rates, as compared with the postage rates of other countries on the Western Hemisphere, the following instance is cited:

In the Spanish-American postal convention, signed at Madrid, November 13, 1920, between Spain, Argentina, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Dominican Republic, Ecuador, El Salvador, the United States, the Philippine Islands, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela, the following regulation, among others, was approved:

It is decreed as a fundamental principle that in the postal relations between the contracting countries the rates which each administration has established in its domestic service shall apply.

In keeping with the terms of the foregoing provision, the domestic postage rates of each of the several contracting countries shall apply in their international postal relations. Thus we find that while the United States charges only 2 cents for each ounce and 2 cents for each additional ounce thereafter, letter postage rates, that the rate charged by these several contracting countries for the same service is much higher. The following table shows the rate charged for mail consigned for delivery in the United States:

Table showing domestic letter postage rate of countries included in the Spanish-American Postal Convention, November 13, 1920

Country	Postage rate per first unit	Postage rate per additional unit
	Cents	*Cents*
United States	2	2
Argentina	2	2
Bolivia	5	2½
Brazil	10	5
Colombia	3	3
Costa Rica	2½	2½
Cuba	2	2
Chile	10	2½
Dominican Republic	2	2
Ecuador	2½	2½
Guatemala	10	6
Haiti	5	3
Honduras	3	3
Mexico	5	5
Nicaragua	3	2
Panama	2	2
Paraguay	10	5
Peru	2½	2½
Uruguay	10	5
Venezuela	10	5

Mr. Chairman, during the past 10 years the average price of all commodities and services in the United States has increased 70 per cent. If letter mail were increased by that same percentage, there would be a postal surplus of more than $175,000,000 after paying all present costs of the entire department.

SECOND-CLASS MAIL MATTER

Second-class mail matter includes newspapers, magazines, and other periodicals bearing notice of entry as second-class matter. Rates are based on eight zones and cover the advertising portions of the periodical with a rate of 1½ cents a pound on the reading portions. But newspapers and other periodicals may be sent by others than the publisher or news agent at a rate of 1 cent for 4 ounces.

Second-class rates are the only ones which have been increased during the past 10 years. In 1914 the rate was 1 cent a pound any distance. In the war revenue act of 1917 the zone system was established with rates on the advertising portions amounting to 2 cents in the first and second zones, 3 cents in the third, 5 cents in the fourth, 6 cents in the fifth, 7 cents in the sixth, 9 cents in the seventh, and 10 cents in the eighth.

In other words, the advertising portion of a periodical sent to the eighth zone now costs 1,000 per cent more than it cost 10 years ago.

The total weight of mailings on newspapers and periodicals as second-class matter at the rate of postage and the free in county publications during the fiscal year of 1923 was 1,326,947,557 pounds.

On mailings at the pound rate the revenue was $28,601,343.20.

The advertising portions of the publications subject to pound rates mailed during the year weighed in the aggregate 488,937,101 pounds, on which $17,544,758.14 was collected, making the average cost 3.58 cents a pound.

On both reading matter and advertising in publications subject to the zone rate the average postage paid was 2.46 cents a pound.

There has been an increase in the postage rates on the advertising portions of these publications during the past 10 years of 258 per cent. And counting both reading and advertising matter there has been a general advance in second-class rates amounting to 146 per cent.

The rates now are considerably higher than fourth-class rates on similar merchandise. For instance, a parcel of printed matter weighing 50 pounds can now be sent a distance of 150 miles by parcel post for 54 cents. Fifty pounds of advertising matter in newspapers sent by the publisher having second-class entry the same distance costs $1.

Any person can send a periodical weighing 1 pound from Washington to San Francisco for 4 cents. But if the publisher of that periodical wants to send it and it contains half advertising and half reading matter it will cost him 5½ cents to do so.

The second-class rates are also higher than express rates and as a result a large volume of this class of mail is being carried by private means of transportation.

The express companies also offer inducements to publishers that they can not secure through the post office. They collect the bundles, offer more expeditious delivery to news agents, give unlimited insurance, have greater facility in claim collections and show delivery receipts.

It is the practice now of many magazine publishers to have different offices of entry or to send their publications by fast freight and express to certain centers and then mail to points within the first zone. The entire expense of delivery is thus put upon the Post Office Department, while the profit that might be secured on the transportation cost alone is lost.

If anyone will propose a practical scheme of securing more revenue from these publications I will support it gladly. It can not be done by adding to the present zone rates, for that will simply drive more of this matter out of the mails. It might be done by a revision of the rates to get a greater volume into the mails at the point of origin instead of at centers of first zones.

In any case the entire revenues last year from all second-class matter amounted to but $28,000,000, so that it is impossible to expect any large additional amount from this class of mail matter.

THIRD-CLASS MAIL MATTER

Third-class mail matter includes circulars and miscellaneous printed matter less than 4 pounds in weight.

Under existing postal laws and regulations a great many exceptions and incongruities exist with respect to third-class (printed matter) and fourth-class (parcel post) matter.

The rates for printed matter are as follows: Up to 4 pounds, 1 cent for each 2 ounces; over 4 pounds, parcel-post zone rates;

printed books, 1 cent for 2 ounces up to 8 ounces; over 8 ounces, zone rates apply.

The rates for parcel post are 1 cent for each ounce up to 4 ounces, and the zone rates for parcels over 4 ounces.

Seeds, bulbs, and so forth, 1 cent for each 2 ounces up to 8 ounces; over 8 ounces, zone rates.

Printed matter—third class—weighing less than 4 pounds can not be insured nor sent C. O. D., but can be registered. However, when such matter weighs over 4 pounds it can be insured or sent C. O. D., but can not be registered, as the classification for such matter changes after the 4-pound limit is passed. Printed books, however, regardless of weight, are classified under the fourth class and, therefore, can be insured or sent C. O. D., but can not be registered.

A parcel of printed matter weighing 4 pounds when sent from a given post office to another post office in the second zone, the postage chargeable is 32 cents, but if such a parcel weighs 4 pounds 1 ounce it can be mailed between the same two cities for 9 cents.

Cases like the following frequently happen: A patron presents two rolls of printed matter for mailing to the post office in the third zone, one weighing 3 pounds 12 ounces, which requires 30 cents postage; the other, containing exactly the same kind of inclosures, weight 4 pounds 15 ounces, and requires postage in the amount of 14 cents only. These charges are exactly in accordance with the regulations, but it is a difficult matter to explain to the patrons of the service how they can send a larger parcel for less than it costs to send a smaller one to the same place. Also a parcel of printed matter weighing 7 pounds, when mailed to the eighth zone, the postage chargeable is 84 cents. However, if the patron chooses to divide the parcel into two parcels weighing 3½ pounds each the charge is 28 cents for each parcel, or 56 cents for the two, against 84 cents for the single parcel.

Seeds, bulbs, and so forth, if intended for planting, have a special rate of 1 cent for 2 ounces up to 8 ounces, but if intended for food, the rate chargeable is 1 cent for each ounce up to 4 ounces, after which it takes the parcel-post zone rate. In other words, onions for planting require a different rate of postage than if intended for food.

Printed books are classified as parcel post, regardless of weight, but in many instances it is very difficult to determine at what point the change takes place from a pamphlet to a book. It is a general understanding, however, that pamphlets containing 24 or more pages are to be rated as books.

Postal employees have considerable difficulty in discriminating between third and fourth class matter. For example, blank paper is fourth class; the same paper, if printed, is third class. If printed, but intended for use as samples of paper, it is fourth class. Printed forms, if mainly printed—that is, more than one-half of the surface being printed—are regarded as third class; while if less than one-half the surface is printed, are regarded as fourth class. In many instances it is very difficult to determine the classification. Lithographs are third class, while drawings are fourth class. Maps printed on paper are third class, but if printed on cloth are fourth class.

The foregoing are a few of the inconsistencies in the classification of mail matter. The regulations require that when a parcel containing both third and fourth class matter the postage applicable to the higher class should be charged. When such parcels are presented, it is necessary for the receiving clerk to figure the postage at both rates in order to ascertain the higher rate. If a parcel of mixed third and fourth class matter is presented weighing 3 pounds, and intended for mailing to the fifth zone, the postage at the fourth-class rate is 20 cents, while the postage at the third-class rate, or 2 ounces for a cent, is 24 cents, therefore the parcel takes the third-class rate.

Another actual condition that prevails is in the case of premium coupons issued by tobacconists. Such coupons, if printed, are third-class, but if tin tobacco tags are used, they are fourth-class. The coupons may be registered. The tags can not be registered, but can be insured or sent C. O. D., but if the printed coupons weigh over 4 pounds they can not be registered but can be sent insured or C. O. D.

There appears to be no logical reason for distinctions between third and fourth class matter. Why should merchandise weighing 4 ounces or less be charged 1 cent postage for each ounce, and printed matter of the same weight 1 cent for each 2 ounces, while merchandise over 4 ounces is subject to the cheaper zone rates, whereas printed matter would have to reach 4 pounds before such rates would apply.

The consolidation of the two classes of mail matter referred to appears to be urgently needed for the simplification of rates and classifications. Such consolidation would be of much benefit to the postal employees and to the mailing public, and would relieve postmasters and the Post Office Department of the necessity of deciding many of the technical questions that arise under the present arrangement. It would undoubtedly be advantageous if the terms third-class matter and fourth-class matter were discontinued and all such matter embraced under one class designated "parcel post."

There have been no changes in third-class rates during the past 10 years. If third and fourth class were consolidated into parcel-post mail, it would be a source of satisfaction to the present shippers of third-class mail and by fair adjustments could also be made to yield an increased revenue.

FOURTH-CLASS MAIL MATTER

Fourth-class mail matter embraces that known as domestic parcel-post mail and includes merchandise, farm and factory products, seeds, cuttings, bulbs, roots, scions, and plants; books, including catalogues, miscellaneous printed matter weighing more than 4 pounds, and all other mailable matter not included in the other three classes.

The present rates are 1 cent for each 2 ounces on parcels weighing 8 ounces or less containing books, seeds, cuttings, bulbs, roots, scions, and plants.

One cent an ounce on parcels weighing less than 4 ounces containing other articles.

Other parcels are chargeable at pound rates according to distance and zone.

For the information of the committee let me cite section 8 of the act of August 24, 1912, known as the parcel post law. It reads as follows:

That hereafter fourth-class mail matter shall embrace all other matter, including farm and factory products, not now embraced by law in either the first, second, or third class, not exceeding 11 pounds in weight, nor greater in size than 72 inches in length and girth combined, nor in form or kind likely to injure the person of any postal employee or damage the mail equipment or other mail matter, and not of a character perishable within a period reasonably required for transportation and delivery.

That for the purposes of this section the United States and its several possessions, excepting the Philippine Islands, shall be divided into units of area 30 minutes square, identical with a quarter of the area formed by intersecting parallels of latitude and meridians of longitude, represented on appropriate postal maps or plans, and such units of areas shall be the basis of eight postal zones, as follows:

The first zone shall include all territory within such quadrangle, in conjunction with every contiguous quadrangle, representing an area having a mean radial distance of approximately 50 miles from the center of any given unit of area.

The second zone shall include all units of area outside of the first zone lying in whole or in part within a radius of approximately 150 miles from the center of a given unit of area.

The third zone shall include all units of area outside the second zone lying in whole or in part within a radius of approximately 300 miles from the center of a given unit of area.

The fourth zone shall include all units of area outside the third zone lying in whole or in part within a radius of approximately 600 miles from the center of a given unit of area.

The fifth zone shall include all units of area outside the fourth zone lying in whole or in part within a radius of approximately 1,000 miles from the center of a given unit of area.

The sixth zone shall include all units of area outside the fifth zone lying in whole or in part within a radius of approximately 1,400 miles from the center of a given unit of area.

The seventh zone shall include all units of area outside the sixth zone lying in whole or in part within a radius of approximately 1,800 miles from the center of a given unit of area.

The eighth zone shall include all units of area outside the seventh zone.

That the rate of postage on fourth-class matter weighing not more than 4 ounces shall be 1 cent for each ounce or fraction of an ounce; and on such matter in excess of 4 ounces in weight the rate shall be by the pound, as hereinafter provided, the postage in all cases to be prepaid by distinctive postage stamps affixed.

That except as provided in the next preceding paragraph, postage on matter of the fourth class shall be prepaid at the following rates:

On all matter mailed at the post office from which a rural route starts for delivery on such route, or mailed at any point on such route for delivery at any other point thereon, or at the office from which the route starts, or on any rural route starting therefrom, and on all matter mailed at a city-carrier office, or at any point within its delivery limits, for delivery by carriers from that office, or at any office for local delivery, 5 cents for the first pound or fraction of a pound and 1 cent for each additional pound or fraction of a pound.

For delivery within the first zone, except as provided in the next preceding paragraph, 5 cents for the first pound or fraction of a pound and 3 cents for each additional pound or fraction of a pound.

For delivery within the second zone, 6 cents for the first pound or fraction of a pound and 4 cents for each additional pound or fraction of a pound.

For delivery within the third zone, 7 cents for the first pound or fraction of a pound and 5 cents for each additional pound or fraction of a pound.

For delivery within the fourth zone, 8 cents for the first pound or fraction of a pound and 6 cents for each additional pound or fraction of a pound.

For delivery within the fifth zone, 9 cents for the first pound or fraction of a pound and 7 cents for each additional pound or fraction of a pound.

For delivery within the sixth zone, 10 cents for the first pound or fraction of a pound and 9 cents for each additional pound or fraction of a pound.

For delivery within the seventh zone, 11 cents for the first pound or fraction of a pound and 10 cents for each additional pound or fraction of a pound.

For delivery within the eighth zone and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions, 12 cents for the first pound or fraction of a pound and 12 cents for each additional pound or fraction of a pound.

That the Postmaster General shall provide such special equipment, maps, stamps, directories, and printed instructions as may be necessary for the administration of this section; and for the purpose of this section, and to supplement existing appropriations, including the hiring of teams and drivers, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $750,000.

The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability, under this act, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby authorized, subject to the consent of the Interstate Commerce Commission after investigation, to re-form from time to time such classification, weight limit, rates, zone or zones, or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

The Postmaster General shall make provision by regulation for the indemnification of shippers for shipment injured or lost, by insurance or otherwise, and, when desired, for the collection on delivery of the postage and price of the article shipped, fixing such charge as may be necessary to pay the cost of such additional services.

The Postmaster General may readjust the compensation of star-route and screen-wagon contractors if it should appear that as a result of the Parcel Post System the weight of the mails handled by them has been materially increased. Before such readjustment, however, a detailed account must be kept as to the amount of business handled by such star-route or screen-wagon contractors before and after this section becomes effective for such a period to clearly demonstrate the amount of the increase and that such increase in the weight of the mails was due to the adoption of the Parcel Post System.

That the establishment of zones and postage rates of this section shall go into effect January 1, 1913.

That this act shall not in any way affect the postage rate on seeds, cuttings, bulbs, roots, scions, and plants as fixed by section 482 of the Postal Laws and Regulations.

That for the purpose of a further inquiry into the subject of the general parcel post and all related subjects, a joint committee of six persons (Members of Congress), three of whom shall be appointed by the President of the Senate and three by the Speaker of the House of Representatives, is constituted, with full power to appoint clerks, stenographers, and experts to assist them in this work. That the Postmaster General and the Interstate Commerce Commission shall furnish such data and otherwise render such assistance to the said committee as may be desired or available. For the purpose of defraying the expenses of this committee the sum of $25,000 is hereby appropriated out of the moneys in the Treasury not otherwise appropriated. The committee shall report fully to Congress at the earliest date possible.

That all laws and parts of laws in conflict with the provisions of this section are hereby repealed.

The joint committee to investigate the parcel post act was composed of Senators J. L. Bristow, chairman, C. E. Townsend, and N. P. Bryan. The House Members were D. E. Finley, D. J. Lewis, and John J. Gardner.

This report, which is dated December 1, 1914, contains the only data on the number of packages of parcel-post matter received and dispatched at post offices.

The parcel post law was inaugurated January 1, 1913. The period covered in the inquiry and investigation by the joint commission was one month less than two years. The report stated that the figures show an excess mail-order business aggregating 74,783,645 parcels, while the excess farm-products business was 7,225.

One of the most convincing arguments used in Congress for the enactment of the parcel post law was the great convenience and help it would be to the farmers. But this report did not show that it had so resulted. The following summary of recommendations winds up the report of the committee:

The reestablishment of the first zone, so that the equitable adjustment of rates originally given local shippers may be restored.

A revision of the rates and weights of third and fourth class mail matter, so as to protect the revenues of the department.

A change of rates for parcels, so that fractional parts of a pound may be charged for at the rate of 1 cent an ounce until such charge equals the pound rate to zone of destination.

The substitution of some other type of container than sacks for a large part of the parcel-post mail.

The separation of fourth-class mail from other mail when it seriously interferes with the safety or prompt dispatch and transportation of other mail.

The discontinuance of delivery of parcel-post matter from moving trains.

The providing of penalties for the improper handling of mail by postal employees.

A more complete system of record for insured and C. O. D. mail in transit, and permission to examine the contents of C. O. D. parcels by the addressee before acceptance of the same, under proper restrictions.

The designation of departmental officials in every commercial center of the country who shall be authorized to adjust claims for damage to insured mail.

The devising of a system by which the interest of the rural and star-route carriers may be more nearly identical with that of the patrons by basing the compensation of the carriers to some extent upon the amount of business which they handle.

The readjustment of the rates to the different zones so that the sum of the local rates will not be less than the through rate, in order that the reshipment of parcels at an intermediate point between the post office of origin and that of final destination shall no longer be profitable.

Since the inauguration of parcel post the following list of departmental orders amending the Postal Laws and Regulations with respect to parcel-post and fourth-class mail matter has been issued:

Order No. 7241, June 26, 1913, making all postage stamps valid in payment of postage on parcel-post matter.

Order No. 7349, July 25, 1913, increasing the limit of weight of parcel-post matter in the first and second zones from 11 pounds to 20 pounds and modifying the postage rates on matter for local delivery and for delivery within the first and second zones.

Order No. 7706, December 6, 1913, increasing the limit of weight of fourth-class mail for delivery within the first and second zones from 20 to 50 pounds and in the other zones from 11 to 20 pounds and modifying the postage rates on parcels for delivery within the third, fourth, fifth, and sixth zones.

Order No. 7705, December 6, 1913, extending the parcel-post classification to books.

Order No. 7880, March 13, 1914, putting into effect the act of March 9, 1914, regarding the postage on seeds, etc.

Order No. 8000, April 27, 1914, putting into effect the act of April 24, 1914, regarding the postage on seeds, etc.

Order No. 9005, July 10, 1915, increasing the limit of size of parcel-post matter to 84 inches in length and girth combined.

Order No. 9010, July 13, 1915, increasing the rate of postage on parcel-post matter for delivery within the first and second zones in cases where the distance by the shortest regular mail route from the office of origin to the office of delivery is 300 miles or more.

Order No. 1140, February 26, 1918, increasing the limit of weight of parcel-post matter to 70 pounds within the first, second, and third zones and to 50 pounds in the other zones.

The Parcel Post Service was instituted January 1, 1913. As originally established its operation was placed on a zone system, from first to eighth zones, inclusive, a classification which still exists. Subsequently a local delivery zone with special postage rates applying thereto has been added.

As originally established, 11 pounds was the maximum weight limit admissible to parcel post. This weight limit has been increased from time to time until it now stands at 70 pounds for the first, second, and third zones, with 50 pounds for the remaining zones. In many instances parcels intended for foreign countries weighing 22 pounds are admissible.

As originally established the girth limit of a parcel acceptable for mailing was 72 inches. This girth has been increased to 84 inches.

As originally established the schedule of parcel-post postage rates was some 50 per cent (estimated) higher than the prevailing rates. These postage rates have been reduced from time to time until the present classification applies. In no instance has there been an increase in parcel-post postage rates.

The reductions in rates on parcel post through these orders of the Post Office Department may be summarized as follows:

THE ORIGINAL PARCEL POST SYSTEM ENACTED AUGUST 24, 1912, EFFECTIVE JANUARY 1, 1913

WEIGHT

One to, and including, 11 pounds.

SIZE

Not to exceed 72 inches in combined length and girth.

ZONES

Eight zones, exclusive of local limits.

RATES

Local zone: 5 cents first pound, 1 cent each additional pound.
First zone: 5 cents first pound, 3 cents each additional pound.
Second zone: 6 cents first pound, 4 cents each additional pound.
Third zone: 7 cents first pound, 5 cents each additional pound.
Fourth zone: 8 cents first pound, 6 cents each additional pound.
Fifth zone: 9 cents first pound, 7 cents each additional pound.
Sixth zone: 10 cents first pound, 9 cents each additional pound.
Seventh zone: 11 cents first pound, 10 cents each additional pound.
Eighth zone: 12 cents first pound, 12 cents each additional pound.

THE PARCEL POST SYSTEM AS AMENDED JULY 25, 1913

WEIGHT

One to, and including, 20 pounds for local, first, and second zones.
One to, and including, 11 pounds for other zones.

RATES

Local zone: 5 cents first pound, 1 cent additional for each additional 2 pounds.
First zone: 5 cents first pound, 1 cent additional for each additional pound.
Second zone: 5 cents first pound, 1 cent additional for each additional pound.
Third zone: 7 cents first pound, 5 cents additional for each additional pound.
Fourth zone: 8 cents first pound, 6 cents additional for each additional pound.
Fifth zone: 9 cents first pound, 7 cents additional for each additional pound.
Sixth zone: 10 cents first pound, 9 cents additional for each additional pound.
Seventh zone: 11 cents first pound, 10 cents additional for each additional pound.
Eighth zone: 12 cents first pound, 12 cents additional for each additional pound.

PARCEL POST SYSTEM AS AMENDED DECEMBER 6, 1913

WEIGHT

One to, and including, 50 pounds in local, first, and second zones.
One to, and including, 20 pounds in other zones.

RATES

Local zone: 5 cents first pound, 1 cent for each additional 2 pounds.
First zone: 5 cents first pound, 1 cent for each additional pound.
Second zone: 5 cents first pound, 1 cent for each additional pound.
Third zone: 6 cents first pound, 2 cents for each additional pound.
Fourth zone: 7 cents first pound, 4 cents for each additional pound.
Fifth zone: 8 cents first pound, 6 cents for each additional pound.
Sixth zone: 9 cents first pound, 8 cents for each additional pound.
Seventh zone: 11 cents first pound, 10 cents for each additional pound.
Eighth zone: 12 cents first pound, 12 cents for each additional pound.

PARCEL POST SYSTEM AS AMENDED FEBRUARY 26, 1918.

WEIGHT

One pound to 70, inclusive, in local, first, second, and third zones.
One pound to 50, inclusive, other zones.

RATES

Local zone: 5 cents first pound, 1 cent for each additional 2 pounds.
First zone: 5 cents first pound, 1 cent for each additional pound.
Second zone: 5 cents first pound, 1 cent for each additional pound.
Third zone: 6 cents first pound, 2 cents for each additional pound.
Fourth zone: 7 cents first pound, 4 cents for each additional pound.
Fifth zone: 8 cents first pound, 6 cents for each additional pound.
Sixth zone: 9 cents first pound, 8 cents for each additional pound.
Seventh zone: 11 cents first pound, 10 cents for each additional pound.
Eighth zone: 12 cents first pound, 12 cents for each additional pound.

The facts show that on the bulk of parcel-post mail there has been a reduction of 50 per cent in the rates during the past 10 years. Congress fixed a price for this service which was believed to be fair in 1913. Since then there have been unprecedented conditions of rising costs, but the Post Office Department has practically cut the original rates in two on the large proportion of the business.

Now, in this survey, I have shown that during the past 10 years there has been no increase in first-class and third-class mail, a marked reduction in fourth-class, and only second-class has been increased.

While the department sold its own service at a stationary or decreasing rate in the main, it had to pay much more for every character of service or supplies which it had to buy.

Tremendous additional expenses without proportionate increases in rates have been picked up and carried on the shoulders of the most devoted soldiers of the common good who ever served a government. Work has been speeded up, loads have been made heavier, the number of operations per unit has been vastly increased, but the tremendous extra cost has been absorbed.

That record made in the last 10 years I believe to be without an equal in any business in the world. Let us analyze it just a little.

TOTAL WAGE INCREASES, 1913-1923

During the past 10-year period, and for the purpose of measurably offsetting steadily advancing prices, the wages of postal employees have been increased. These increases, small when individually considered, total an imposing sum when considered collectively. Under date of October 6, 1923, in a news release from the information service of the Post Office Department, the public was told why postal deficits occurred. I quote from this statement:

The cause—or at least one of the contributing causes—of these deficits may be more clearly understood by an examination of the following table, showing the increased cost to the department in compensation to employees under three special acts of Congress passed in 1918, 1919, and 1920:

For the fiscal year ending June 30, 1919	$33,202,600
For the fiscal year ending June 30, 1920	68,901,000
For the fiscal year ending June 30, 1921	110,756,000
For the fiscal year ending June 30, 1922	118,251,000
For the fiscal year ending June 30, 1923	122,882,500
Total	453,963,100

The foregoing table shows that approximately half a billion dollars in increased wages had to be met by the Post Office Department during the past 10-year period out of postal revenues fixed on a 1913 basis. This of itself is an obligation that would have bankrupted any private concern and is without a parallel in all industry. But this is only a part of the story.

INCREASED CHARGES FOR MAIL TRANSPORTATION

Mail is transported by railroads and other means of transportation. The item of railway transportation is second only to the item of postal wages in postal expenditures. During the past 10-year period the base pay for railway mail transportation has scored a substantial increase. From time to time the Interstate Commerce Commission has approved petitions from the railroads for increase in the base pay for mail transportation. The steady increase in the amount allotted railroads for this item is shown in the following table:

Audited expenditure for railroad transportation

1914	$51,488,781.49
1915	54,689,288.41
1916	57,486,382.87
1917	60,887,828.69
1918	60,620,710.64
1919	49,598,830.43
1920	69,836,417.01
1921	[1] 174,736,697.64
1922	93,570,975.83
1923	86,239,386.84

RENT, LIGHT, AND FUEL

The rent of buildings for post-office purposes, and the items of light and fuel incidental thereto, amounts to a considerable

[1] Compensation for transportation and pay for railway post office cars consolidated in 1918.

total in necessary postal expenditures. During the past 10-year period, because of steadily advancing costs, the amount expended under this listing has increased by leaps and bounds. Postmaster General New, in his most recent annual report, estimates the increased rentals of post-office quarters since 1913, at 125 per cent. In this connection, Postmaster General New said:

In the annual report for 1921 and again in 1922 the difficulties encountered in securing suitable quarters at reasonable rentals are set forth in detail. The situation at the end of 1923 was somewhat improved, but it is still far from satisfactory. During the fiscal year 1921 the rentals for quarters leased to replace expiring leases were at a rate 147 per cent higher than those replaced. In 1922 it was 131 per cent higher and in 1923, 77.3 per cent higher.

In fact, the problem of advancing rentals for post-office purposes became so serious that former Postmaster General Work under date of August 21, 1922, and again under date of December 14, 1922, addressed a communication to the Joint Conference on Postal Service recommending a sweeping post-office building program as a means of escaping these high rentals.

Under the law as it exists to-day—

Said former Postmaster General Work—

the department is absolutely compelled to execute leases on the best terms it can get, whether they are reasonable or otherwise.

The following table shows the totals for rent, light, and fuel in buildings used for post-office purposes since 1913 up to and including the fiscal year ending June 30, 1923:

1914	$4,084,421.04
1915	4,857,925.18
1916	5,159,036.39
1917	5,347,612.29
1918	5,751,273.40
1919	6,138,173.74
1920	6,553,812.55
1921	7,873,445.40
1922	10,031,041.07
1923	11,472,467.33

INCREASED COST OF POST-OFFICE SUPPLIES

As further evidence of the fact that everything purchased by the Post Office Department during the past 10-year period had to be bought on a steadily rising market is shown in the case of ordinary postal supplies. The following table lists the items of stationery, wrapping paper, registry and official envelopes, money-order, registry, and postal-savings supplies, and facing slips in their aggregate totals since 1914, up to and including 1923:

1914	$398,874.00
1915	523,022.28
1916	420,303.00
1917	576,634.59
1918	703,887.81
1919	800,875.38
1920	1,052,119.46
1921	1,755,492.46
1922	999,736.07
1923	750,293.81

ADDITIONAL FINANCIAL OBLIGATIONS

During recent years additional financial obligations have been charged to the Post Office Department which were formerly not charged against it. Quoting from the recent report of Postmaster General New we find that the expense of the department proper, amounting during the fiscal year 1923 to $3,416,547.14, were for the first time charged to the expenditures of the Post Office Department. Moreover, in the Post Office appropriation bill to cover postal expenditures for 1925 the employees of the department have been granted an increase in salary which hereafter will have to be paid out of postal revenues.

POSTAL DEFICITS VERSUS POSTAGE RATES

Notwithstanding a steady decline in most postage rates on one hand and a steady increase in postal expenditures on the other, postal deficits in comparison with the volume of business are proportionately no greater to-day than they were 20 or 30 years ago. All things considered, this is a record without parallel in all industry. In the fiscal year 1880, postal receipts amounted to a total of $33,315,479, while the postal deficit for the same year was $3,227,325; in 1890 postal receipts amounted to $60,882,098, while the postal deficit for the same year was $5,377,450; in 1900 postal receipts amounted to $102,354,579, while the postal deficit was $5,385,688; and in 1910 the postal receipts totaled $224,128,657 and the postal deficit was $5,848,567. The following table shows the receipts and the expenditures of the Post Office Department for the past six years:

Fiscal year	Postal revenues	Expenditures, obligations, and losses	Operating deficit
1918	$344,475,962.24	$345,536,451.69	$1,060,489.45
1919	304,847,126.20	388,666,738.55	33,819,612.35
1920	437,150,212.33	476,182,713.70	39,032,501.37
1921	463,491,274.70	543,500,647.63	80,018,372.93
1922	484,853,540.71	552,459,732.92	67,606,192.21
1923	532,827,925.00	570,823,232.25	37,995,307.18

Mr. Chairman, I think I have shown beyond a question that the so-called postal deficits during the past 10 years have been due solely to a policy of keeping postage rates stationary or reducing them during a period of rapidly mounting costs.

Thus far the postal workers have taken all burdens upon their shoulders and carried them. They have never complained of the extra work, for they stand for service first, last, and always. But while doing this work with marvelous energy and efficiency they have a right at the very least to compensation which will enable them to provide the necessaries of life for themselves and their families.

We have reached a crisis in this service of which every American is proud. The old men may stay in the service, because there is no outside market for their highly specialized skill and knowledge. But new men will not enter the Postal Service. From every city comes the cry that there are no substitutes on the eligible lists and that men will not take the examination.

Postmaster Smith at the hearings declared that the turnover last year in the Detroit post office was more than 100 per cent, and that such a condition would bankrupt any private business in the land.

We must establish a scale of just wages for postal employees lest this great service be demoralized under our eyes. That means that the money to do justice must be secured either through taxation or through increase in postage rates.

If it is deemed best to secure these funds through postal revenues, I believe the logic of the situation drives us to the conclusion that the parcel post offers the best means of securing them.

This is a freight and express business, and it has always been the theory that the matter carried in such a service should pay its own way. The rates have been decreased when they should have been increased. According to a statement issued by the Pennsylvania Railroad system it costs 52 per cent more to-day than it did in 1913 to haul a ton of freight one or more miles.

The express companies are engaged in similar service. Have they reduced rates during the past 10 years? It is absurd to ask the question. In the face of Government monopoly competition they have met increased costs by increasing their own rates from 35 to 50 per cent.

The patron of parcel post sends a 1-pound package a distance of 150 miles for 5 cents. The express rate on the same package for the same distance is 37 cents. Does not common sense indicate that the Post Office Department can not carry a package that distance and deliver it for 5 cents? Also that a substantial increase in the parcel-post rate would not drive the business to the express companies?

The mere handling of a parcel costs a considerable amount. The National Retail Dry Goods Association made an investigation as to the expense of department stores in delivering packages within city limits. It was found that from 12 to 15 cents would be a fair average throughout the country when all items of expense were charged against the service.

In a bill which I introduced some time ago, H. R. 8437, I propose to consolidate third and fourth class mail into parcel-post mail matter and fix a special parcel fee rate of 5 cents on every package above 8 ounces in weight.

There are about 2,500,000,000 parcels now going through the mails. That one provision would produce from $100,000,000 to $125,000,000 and it would not put a burden upon any patron nor would it injure the Parcel Post System.

The Post Office Department agrees in principle with that proposal. Although a statement appeared in the press a few days ago credited to the Postmaster General that my provision would injure the Parcel Post System, he made almost identically the same proposal to the joint committee of the House and Senate Post Office Committees. He changes the rates, but he puts a 5-cent additional charge on the first pound of practically every parcel shipped, with the exception of those which go to the seventh and eighth zones. He also suggests reductions in additional pounds in several of the zones.

His proposal will provide practically all the revenues needed to carry out the salary schedules carried in the Kelly-Edge

bill. It should be adopted with a few minor changes as to weights over 1 pound.

The Postmaster General also makes other recommendations as to increased fees for various services and increased rates on second-class mail.

I have prepared a table showing present rates and proposed rates and express rates, so that they may be readily compared. This table gives the present parcel-post rates, the original parcel-post rates, the so-called Kelly rates under the 5-cent parcel-fee provision, the Postmaster General's proposed parcel-post rates, the present express rates, and the present second-class rates, together with the Postmaster General's proposed second-class rates:

Comparison of the original, present, proposed Kelly, and departmental parcel-post rates with express rates, and also the present and departmental proposed rates on second-class advertising matter

LOCAL DELIVERY

Pounds	Original rates	Present rates	Kelly rates	Department rates	Express rates	Second-class rates	
						Present rate	Proposed rate
1	$0.05	$0.05	$0.10	$0.10	$0.37	$0.02	$0.03½
2	.06	.06	.11	.11	.37	.04	.07
3	.07	.06	.11	.11	.38	.06	.10½
4	.08	.07	.12	.12	.39	.08	.14
5	.09	.07	.12	.12	.39	.10	.17½
6	.10	.08	.13	.13	.40	.12	.21
7	.11	.08	.13	.13	.42	.14	.24½
8	.12	.09	.14	.14	.42	.16	.28
9	.13	.09	.14	.14	.43	.18	.31½
10	.14	.10	.15	.15	.43	.20	.35
11	.15	.10	.15	.15	.44	.22	.38½
12	.16	.11	.16	.16	.45	.24	.42
13	.17	.11	.16	.16	.45	.26	.45½
14	.18	.12	.17	.17	.47	.28	.49
15	.19	.12	.17	.17	.48	.30	.52½
16	.20	.13	.18	.18	.48	.32	.56
17	.21	.13	.18	.18	.50	.34	.59½
18	.22	.14	.19	.19	.52	.36	.63
19	.23	.14	.19	.19	.52	.38	.66½
20	.24	.15	.20	.20	.53	.40	.70
21	.25	.15	.20	.20	.54	.42	.73½
22	.26	.16	.21	.21	.54	.44	.77
23	.27	.16	.21	.21	.55	.46	.80½
24	.28	.17	.22	.22	.56	.48	.84
25	.29	.17	.22	.22	.57	.50	.87½

FIRST AND SECOND ZONES

1	$0.05	$0.05	$0.10	$0.10	$0.37	$0.02	$0.03½
2	.08	.06	.11	.11	.38	.04	.07
3	.11	.07	.12	.12	.39	.06	.10½
4	.14	.08	.13	.13	.40	.08	.14
5	.17	.09	.14	.14	.42	.10	.17½
6	.20	.10	.15	.15	.43	.12	.21
7	.23	.11	.16	.16	.44	.14	.24½
8	.26	.12	.17	.17	.45	.16	.28
9	.29	.13	.18	.18	.47	.18	.31½
10	.32	.14	.19	.19	.48	.20	.35
11	.35	.15	.20	.20	.52	.22	.38½
12	.38	.16	.21	.21	.53	.24	.42
13	.41	.17	.22	.22	.54	.26	.45½
14	.44	.18	.23	.23	.55	.28	.49
15	.47	.19	.24	.24	.57	.30	.52½
16	.50	.20	.25	.25	.58	.32	.56
17	.53	.21	.26	.26	.59	.34	.59½
18	.56	.22	.27	.27	.60	.36	.63
19	.59	.23	.28	.28	.62	.38	.66½
20	.62	.24	.29	.29	.64	.40	.70
21	.65	.25	.30	.30	.66	.42	.73½
22	.68	.26	.31	.31	.67	.44	.77
23	.71	.27	.32	.32	.68	.46	.80½
24	.74	.28	.33	.33	.69	.48	.84
25	.77	.29	.34	.34	.71	.50	.87½

THIRD ZONE

1	$0.07	$0.06	$0.11	$0.11	$0.37	$0.03	$0.04½
2	.12	.08	.13	.13	.38	.06	.08½
3	.17	.10	.15	.15	.39	.09	.12½
4	.22	.12	.17	.17	.40	.12	.17
5	.27	.14	.19	.19	.42	.15	.21½
6	.32	.16	.21	.21	.43	.18	.25½
7	.37	.18	.23	.23	.44	.21	.29½
8	.42	.20	.25	.25	.45	.24	.34
9	.47	.22	.27	.27	.47	.27	.38½
10	.52	.24	.29	.29	.48	.30	.42½
11	.57	.26	.31	.31	.52	.33	.46½
12	.62	.28	.33	.33	.53	.36	.51
13	.67	.30	.35	.35	.54	.39	.55½
14	.72	.32	.37	.37	.55	.42	.59½
15	.77	.34	.39	.39	.57	.45	.63½
16	.82	.36	.41	.41	.58	.48	.68
17	.87	.38	.43	.43	.59	.51	.72½
18	.92	.40	.45	.45	.60	.54	.76½
19	.97	.42	.47	.47	.62	.57	.80½
20	1.02	.44	.49	.49	.64	.60	.85
21	1.07	.46	.51	.51	.66	.63	.89½
22	1.12	.48	.53	.53	.67	.66	.93½
23	1.17	.50	.55	.55	.68	.69	.97½
24	1.22	.52	.57	.57	.69	.72	1.02
25	1.27	.54	.59	.59	.71	.75	1.06½

Comparison of the original, present, proposed Kelly, and departmental parcel-post rates with express rates, and also the present and departmental proposed rates on second-class advertising matter—Continued

FOURTH ZONE

Pounds	Original rates	Present rates	Kelly rates	Department rates	Express rates	Second-class rates	
						Present rate	Proposed rate
1	$0.08	$0.07	$0.12	$0.12	$0.38	$0.05	$0.05½
2	.14	.11	.16	.15	.40	.10	.10½
3	.20	.15	.20	.18	.43	.15	.15½
4	.26	.19	.24	.21	.45	.20	.21
5	.32	.32	.28	.24	.48	.25	.26½
6	.38	.27	.32	.27	.52	.30	.31½
7	.44	.31	.36	.31	.54	.35	.36½
8	.50	.35	.40	.35	.57	.40	.42
9	.56	.39	.44	.39	.59	.45	.47½
10	.62	.43	.48	.43	.62	.50	.52½
11	.68	.47	.52	.47	.67	.55	.57½
12	.74	.51	.56	.51	.69	.60	.63
13	.80	.55	.60	.55	.72	.65	.68½
14	.86	.59	.64	.59	.74	.70	.73½
15	.92	.63	.68	.63	.78	.75	.78½
16	.98	.67	.72	.67	.81	.80	.84
17	1.04	.71	.76	.71	.83	.85	.89½
18	1.10	.75	.80	.75	.86	.90	.94½
19	1.16	.79	.84	.79	.88	.95	.99½
20	1.22	.83	.88	.83	.92	1.00	1.05
21	1.28	.87	.92	.87	.95	1.05	1.10½
22	1.34	.91	.96	.91	.97	1.10	1.15½
23	1.40	.95	1.00	.95	1.00	1.15	1.20½
24	1.46	.99	1.04	.99	1.02	1.20	1.26
25	1.52	1.03	1.08	1.03	1.06	1.25	1.31½

FIFTH ZONE

1	$0.09	$0.08	$0.13	$0.13	$0.38	$0.06	$0.06
2	.16	.14	.19	.18	.42		
3	.23	.20	.25	.23	.44		
4	.30	.26	.31	.28	.48		
5	.37	.32	.37	.33	.52		
6	.44	.38	.43	.38	.55		
7	.51	.44	.49	.44	.58		
8	.58	.50	.55	.50	.62		
9	.65	.56	.61	.56	.66		
10	.72	.62	.67	.62	.68		
11	.79	.68	.73	.68	.72		
12	.86	.74	.79	.74	.74		
13	.93	.80	.85	.80	.79		
14	1.00	.86	.91	.86	.82		
15	1.07	.92	.97	.92	.86		
16	1.14	.98	1.03	.98	.88		
17	1.21	1.04	1.09	1.04	.93		
18	1.28	1.10	1.15	1.10	.96		
19	1.35	1.16	1.21	1.16	1.03		
20	1.42	1.22	1.27	1.22	1.02		
21	1.49	1.28	1.33	1.28	1.06		
22	1.56	1.34	1.39	1.34	1.10		
23	1.63	1.40	1.45	1.40	1.12		
24	1.70	1.46	1.51	1.46	1.16		
25	1.77	1.52	1.56	1.52	1.20		

SIXTH ZONE

1	$0.10	$0.09	$0.14	$0.14	$0.40	$0.07	$0.07
2	.19	.17	.22	.21	.47		
3	.28	.25	.30	.28	.53		
4	.37	.33	.38	.35	.59		
5	.46	.41	.46	.42	.66		
6	.55	.49	.54	.49	.72		
7	.64	.57	.62	.57	.78		
8	.73	.65	.70	.65	.84		
9	.82	.73	.78	.73	.89		
10	.91	.81	.86	.81	.97		
11	1.00	.89	.94	.89	1.02		
12	1.09	.97	1.02	.97	1.10		
13	1.18	1.05	1.10	1.05	1.15		
14	1.27	1.13	1.18	1.13	1.22		
15	1.36	1.21	1.26	1.21	1.27		
16	1.45	1.29	1.34	1.29	1.36		
17	1.54	1.37	1.42	1.37	1.40		
18	1.63	1.45	1.50	1.45	1.47		
19	1.72	1.53	1.58	1.53	1.52		
20	1.81	1.61	1.66	1.61	1.59		
21	1.90	1.69	1.74	1.69	1.65		
22	1.99	1.77	1.82	1.77	1.71		
23	2.08	1.85	1.90	1.85	1.78		
24	2.17	1.93	1.98	1.93	1.84		
25	2.26	2.01	2.06	2.01	1.90		

SEVENTH ZONE

1	$0.11	$0.11	$0.16	$0.15	$0.44	$0.09	$0.09
2	.21	.21	.26	.24	.54		
3	.31	.31	.36	.33	.62		
4	.41	.41	.46	.42	.72		
5	.51	.51	.56	.51	.82		
6	.61	.61	.66	.66	.92		
7	.71	.71	.76	.71	1.01		
8	.81	.81	.86	.81	1.10		
9	.91	.91	.96	.91	1.20		
10	1.01	1.01	1.06	1.01	1.29		
11	1.11	1.11	1.16	1.11	1.39		
12	1.21	1.21	1.26	1.21	1.47		
13	1.31	1.31	1.36	1.31	1.56		

Comparison of the original, present, proposed Kelly, and departmental parcel-post rates with express rates, and also the present and departmental proposed rates on second-class advertising matter—Continued.

SEVENTH ZONE—continued

Pounds	Original rates	Present rates	Kelly rates	Department rates	Express rates	Second-class rates	
						Present rate	Proposed rate
14	$1.41	$1.41	$1.46	$1.41	$1.65		
15	1.51	1.51	1.56	1.51	1.76		
16	1.61	1.61	1.66	1.61	1.85		
17	1.71	1.71	1.76	1.71	1.95		
18	1.81	1.81	1.86	1.81	2.04		
19	1.91	1.91	1.96	1.91	2.13		
20	2.01	2.01	2.06	2.01	2.23		
21	2.11	2.11	2.16	2.11	2.33		
22	2.21	2.21	2.26	2.21	2.42		
23	2.31	2.31	2.36	2.31	2.51		
24	2.41	2.41	2.46	2.41	2.61		
25	2.51	2.51	2.56	2.51	2.70		

EIGHTH ZONE

1	$0.12	$0.12	$0.17	$0.16	$0.47	$0.10	$0.10
2	.24	.24	.29	.27	.60		
3	.36	.36	.41	.38	.73		
4	.48	.48	.53	.49	.87		
5	.60	.60	.65	.60	1.00		
6	.72	.72	.77	.72	1.13		
7	.84	.84	.89	.84	1.26		
8	.96	.96	1.01	.96	1.40		
9	1.08	1.08	1.13	1.08	1.52		
10	1.20	1.20	1.25	1.20	1.65		
11	1.32	1.32	1.37	1.32	1.79		
12	1.44	1.44	1.49	1.44	1.92		
13	1.56	1.56	1.61	1.56	2.05		
14	1.68	1.68	1.73	1.68	2.18		
15	1.80	1.80	1.85	1.80	2.32		
16	1.92	1.92	1.97	1.92	2.44		
17	2.04	2.04	2.09	2.04	2.58		
18	2.16	2.16	2.21	2.16	2.70		
19	2.28	2.28	2.33	2.28	2.84		
20	2.40	2.40	2.45	2.40	2.96		
21	2.52	2.52	2.57	2.52	3.00		
22	2.64	2.64	2.69	2.64	3.23		
23	2.76	2.76	2.81	2.76	3.35		
24	2.88	2.88	2.93	2.88	3.49		
25	3.00	3.00	3.05	3.00	3.62		

Mr. Chairman, the small advance proposed for parcel post through either the parcel fee, as I have suggested, or the rates suggested by the Postmaster General would not bring parcel-post rates within hailing distance of express rates.

The present rates are surprisingly low even in the eyes of the great mail-order houses which profit most from them.

I recently received a tire catalogue from one of the largest of these houses, a catalogue which I understand was sent to every possessor of an automobile license in the United States. Here is the glowing tribute to parcel-post rates I read in that catalogue:

Ordering by mail from Ward's is about as easy and simple as using your telephone. Did you ever stop to think that the battery or tires you buy locally probably were ordered by mail? In fact, there are many firms selling tires and auto supplies by mail to dealers only. Selling by mail was originated by Montgomery Ward & Co. more than 52 years ago. To-day Ward's has more customers than ever before. So why should you pay extra profits on tires, a battery, or other supplies, to have some one else order them for you, when you can order them yourself at Ward's and get fully guaranteed merchandise direct from Ward's at a big saving?

PARCEL-POST RATES ARE LOW

It is truly surprising how a good-size package containing a pair of tires may be shipped several hundred miles for a few cents. A study of the extremely low cost for shipping tires and tubes shown in the column next to the prices will reveal another of the big reasons why each year more people are buying from us. This amount is so small that it is only a fraction of your savings. Remember this—you receive packages shipped from Ward's by parcel post at a lower cost than you many times have to pay to have them carried a few blocks by any other method of delivery.

I am of the opinion that a fair increase in these parcel-post rates would still enable these concerns to advertise that they are "surprisingly low" while producing revenues to be used in paying a living wage to the workers who make the system possible.

Mr. Chairman, this whole question is fundamentally an American service question for which Congress alone is responsible. There has been the statement made that the Canadian postal service is on a lower wage basis than America and that that is an argument that the present wage scale should stand. Why, gentlemen of the committee, there is twice as much business done in the New York post office as in the entire Dominion of Canada.

And the fact is that when everything is taken into consideration the Canadian postal service is on as high a basis as ours. On the comparison with receipts it is very much higher. Here is an official statement from the Canadian railway mail service which should be enlightening:

Canadian Railway Mail Service

SALARIES

Maximum annual salary of employee with dependents	$1,560
Bonus	202
Mileage (1 cent per mile), annual amount approximately	500
Annual income	2,262

Vacations: 18 days annually, plus all holidays.

Sick leave—	Full pay	Half pay
With less than 5 years' service	2 months	1 month.
With 5 to 10 years' service	3 months	3 months.
With 10 to 15 years' service	4 months	4 months.
With 15 to 20 years' service	5 months	5 months.
With 20 to 25 years' service	6 months	6 months.
With over 25 years' service	12 months	

LIFE INSURANCE

(Amounts up to $10,000)

Age 20: $0.32 per annum per thousand for life.
Age 20: $0.44 per annum per thousand to 65 years.
Age 20: $13 32 per annum for 20 years.
Age 20: $15.60 per annum for 15 years.
Age 20: $20.28 per annum for 10 years.
Age 20: $149.70 single premium paid-up policy.

EXAMINATIONS

Can qualify with 90 per cent rating. United States requires 97 per cent rating.

WORKING CONDITIONS

Forty-eight hours per week. United States same except that Canadian service recognizes night differential by giving night trains one crew more than day trains thus reducing the actual number of hours on duty.

Those who compare Canadian with United States postal pay should also not forget to state that the Canadian employees recently took a 98 per cent vote to strike unless they received more adequate compensation.

Contrast that with the methods of the United States employees. Faced with dire distress they have only respectfully petitioned Congress for relief. Without dreaming of the use of the strike weapon; counting themselves public servants who must never waver or falter in their work; deprived of the political weapon in the hands of other groups; they have made their appeal to Congress and the taxpayers. They have won their victory in the favorable expression of opinion. Now that practically unanimous desire must be written into the law of the land.

Mr. Chairman, this is a matter for Congress to decide. The responsibility for fundamental policies does not rest on the Post Office Department, but upon the law-making representatives of the people.

The Joint Commission on Postal Service, after four years of study and investigation, recognized that fact clearly.

In its final report presented by Senator STERLING February 7, 1924, the commission states:

The appropriation for the Postal Service now approximates $600,000,000 annually. It directly employs approximately 255,951 people, and indirectly, as in the transportation of the mails by railroad and steamers, many thousands more, and there is no other branch of the Government that approaches the importance of the postal system in this respect. The system spreads over the entire country and to the most remote foreign lands. It is patent with a system so vast, so complex, and affecting so many persons that it is only by painstaking, intelligent, and continued study that provision can be made for its proper conduct. The Congress has been obliged to rely upon the reports which are made to it by department officials, and though these are very valuable, and very generally reliable, they must perforce be influenced by the personal equation.

I know, Mr. Chairman, we have been hearing a great deal about economy in government, and there is need for real economy. But the underpayment of as loyal and efficient a class of workers as the postal employees is not what the American people mean or understand by economy. There is a point when low wages become wasteful and extravagant. That is the exact situation as to present postal pay. If continued, the rates

now paid will destroy the service by driving out efficient employees through despair, by lowering the morale of all, their efficiency and standards of living. It is never true economy to cheat faithful workers, and fair play is the truest economy in the end.

During this year the Postal Service gets only about 98 cents out of every $100 paid into the General Treasury. We can afford more than that without being charged with extravagance, or we can adjust postage rates and pay living wages out of the revenues accrued from a service which would then be the cheapest in all the world.

Mr. Chairman, the Postal Service is a service of the people, for the people, and by the people. It comes into more intimate contact with all the people than any other agency of government.

The letter carrier—

Said former Postmaster General Hays—

is an ambassador from Uncle Sam to the homes of America.

To send that city or rural letter carrier out on his daily visits, reminding every American of the dependability and regularity of governmental operation, requires an army of coworkers. It requires the laborers and clerks and supervisors and postmasters in the post offices. It requires the Railway Mail Service and the inspectors. It requires motor delivery service and the directing heads in Washington. It requires 350,000 men and women enlisted in the greatest peacetime army the world has ever seen mustered for human service.

President Harding in his inaugural address made a great statement when he said—

Service is the supreme commitment of life. I would rejoice to proclaim the era of the golden rule and crown it with the autocracy of service.

I have all confidence that this Congress will make a 1924 application of the golden rule by passing without a day's unnecessary delay a just scale of compensation for those who serve an appreciative and appreciating public through the Postal Service.

Mr. SHREVE. I yield seven minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman and gentlemen of the committee, the gentleman from Pennsylvania has been discussing the post-office situation. There has been no public-building program, Federal in character, in this country since 1913. There was a recommendation made in 1922 that these buildings that were needed ought to be appropriated for. That recommendation went before the Public Buildings and Grounds Committee. President Harding and Secretary Work submitted a report that had been most carefully prepared by the department, recommending only where there was absolute need of increased buildings. The word came back from the committee that no bill would be reported out unless it took care of every seeming need, which was interpreted as the need of an individual Congressman to get a public building in his district.

I have gone over the recommendations by the department and find that it recommended 140 buildings. There are 435 Congressmen, and only 140 buildings recommended. These buildings would have been distributed through 41 States. I want to read the concluding paragraph of a letter from Postmaster General Work when he submitted that list. It is as follows:

Let me remind you in closing that this list of cases is but the beginning. They are the ones which are at this moment on my desk pressing for decision. If the policy of constructing post-office buildings is to begin it is apparent that we must discontinue to take care of the acute cases by leasing. There may be many other situations in the country as much in need of additional facilities as some of those in this list, and when our investigations have been sufficiently completed we will present them to you, together with the situations as they occur from time to time when leases expire.

Let me also call to your attention the fact that the business of the Post Office Department, doubling every 10 years, can never be placed on an efficient and stabilized basis until the erection of suitable buildings at suitable places is planned not only on an economic basis but from a scientific and service viewpoint.

Very truly yours, HUBERT WORK,
Postmaster General.

Unfortunately I have a situation in my own district where the congestion is such that the leading business men in that city can not understand how Congress can neglect to take care of the pressing business situation. The post-office building built when the city contained 25,000 people is still there, and the city now contains 100,000 people. In 1890 the income from the post office was $54,000, and to-day it is $750,000. There have been times when the business had to be carried on out of doors and down on the sidewalk in congested conditions.

It does seem to me, gentlemen of the committee, that there ought to come a time when the Members of this House will say we have enough courage, we have enough conviction as to our sense of duty that we will pass a bill to take care of the needs of the Post Office Department, even if we can not provide for each individual Congressman in his particular district.

I shall introduce a bill to-day covering these 140 cases, distributed through 41 States, and while I am not at all in sympathy, in general, with the idea that legislation should be taken away from a committee, I do believe that the time ought to come when necessary buildings should be provided for, independent of political logrolling. [Applause.] There is no chance for any individual to get out of the committee a particular bill. The members of the committee that my people are calling upon do not respond. If this House will take the recommendation of men who know in the administration, if the House will take charge in a business way of the appropriation for necessary public buildings, the country will applaud.

The average citizen is not deceived by the cheap politics of men who are trying to secure unnecessary appropriations. On the other hand, it is difficult for the efficient business man to understand why a great Government like ours will not provide adequate facilities for carrying on its business with dispatch and economy. Some relief should be given. The department is fully informed as to where the need is most pressing. Perhaps not a half dozen cities in the country are to be compared with the needs of Fort Wayne, Ind. Every inspector of the department, every bureau in the department, the Postmaster General, and the President himself have all recognized the necessity for a new building, and, together with the other cities named in the bill which I have introduced to-day, all have urged the pressing need of immediate relief. The committee refuses to act. If there was ever reason for the House taking pending legislation from a committee it would be amply justified in dealing with the present situation. I am perfectly willing to leave this matter as to who shall be first served to the Post Office Department, which knows all the facts and will give relief where most needed. It is well to remember that the bill which I have introduced is to take care of those places only which the department has said are in dire need of immediate relief.

My own constituency have approved my course in steadfastly refusing to support any political logrolling measure intended to take care of the political necessities of the Members of the House. Let us hope that in harmony with the spirit which inspired the Budget law the House will solve the problem of a public-buildings program in the interest of the needs of the service and independent of political considerations. The bill which I have introduced comes from an executive department that in its recommendation knows no North nor South, nor East nor West, but recommends that buildings be erected where the department fully recognizes their essential need.

Mr. SHREVE. Mr. Chairman, I yield five minutes to the gentleman from Louisiana [Mr. O'CONNOR.]

Mr. O'CONNOR of Louisiana. Mr. Chairman, I desire to thank the gentleman from Pennsylvania [Mr. SHREVE] for his courtesy extended to me in granting me a part of his limited time. I felt that I did not have any call upon him, but his gracious attitude is something that I appreciate very much indeed.

Two days ago a bill that came from the Senate passed the House, and in all probability is law to-day. It is a bill granting to the Public Belt Railroad Commission of the city of New Orleans the privilege of building a bridge across the Mississippi River at New Orleans.

At first glance or thought that does not seem so important in this wonderful age of vast industrial enterprise, engineering triumphs, architectural conquests, and commercial argosies that surpass in real adventure the classical story of Jason and the Golden Fleece, and yet, as one thinks the second time of a bridge across the Father of Waters at New Orleans, the whole history of the great valley looms on his vision and the imagination is stirred with the stories of rafts, of steamboats, the trips of the *Natchez* and the *Robert E. Lee*, and the memorable race of those two magnificent steamers that held spellbound millions of people nigh onto 50 years ago. But the bridge! Some years ago I heard Robert Ingersoll, who was then familiarly known to his countrymen from ocean to ocean as Bob Ingersoll, say down in New Orleans during the course of one of his magnificently inspiring addresses that it is a long cry from the trunk of a tree thrown across a creek to the Brooklyn Bridge, and I thought on that night that a wonderful

vista of the past was opened to me, for with that expression he unlocked the gates of history. A man possessing imagination who heard that remark could see history unroll its long, bloody, and awe-inspiring annals and in fleeting vision pass before his mind's eye. The last word in bridge engineering, of course, is supposed to be in the wonderful bridges that cross the rivers at New York, but from the cursory reading that I have given the subject it appears that after all from a scientific, from an engineering, standpoint we have not made such marvelous progress as we may flatter ourselves in this direction—in many, many centuries—because probably beginning at a period not less than a thousand years before the birth of Christ there were remarkable bridges thrown across the Euphrates, the Tigres, the Nile, the ruins of which are the marvel, the wonder, the admiration of the engineering world to-day. Babylon, Greece, and Rome long before the Christian era could boast of bridges that really furnished the models for the splendid structures that spanned the Tiber, the Seine, the Thames, and in later times the Hudson, the Mississippi, and other great rivers.

But the point I want to come to is that we have at last reached a point where we are about to build the last bridge on the Mississippi River above the magnificent, the beautiful, the famous old city of New Orleans, the city of song and story, of tradition and romance, of history and atmosphere. "East is east and west is west and never the twain shall meet" will no longer be applicable to the east and west branches of the Mississippi River, and all that they mean presently to the students of history and to the commercial progress of this country. It is remarkable. Mr. Chairman, that one can contemplate, that one can talk about building a bridge at New Orleans that will require in all probability the going down for 100 or 200 feet below the surface in order to get a substantial foundation. Yes, my friends, remarkable, for 40 years ago the engineering world would have laughed at the idea. And that brings to my mind the thought that after all the growth of the country is not entirely evidenced by its territorial expansion, or by the number of people that may be found within its borders. The growth of a country from a sanitary, scientific, engineering, architectural standpoint may, after all, be more important. I can remember as a boy in the city of New Orleans when you could not drive a spade in the ground more than 2 feet without striking water, and I can remember the tears that sprang to my eyes as a child when I saw coffins put down in the cemeteries after unusually heavy tropical rains, where they were practically covered with and inundated in water. Yet I saw that city under the magic touch of engineers, scientists, raise itself out of what might have been termed a swamp until to-day we have structures 25 stories high, in the cupola of which there are lights that may be seen from 40 miles down the Mississippi River.

During that period of, say, forty three or four years that have passed over my lifetime on this earth I have seen some of the most wonderful things a man could contemplate, but nothing grander than the butterfly growth of New Orleans. I am glad that I have lived in the age where I saw a city taken, as I say, out of a veritable morass and transformed into one of the greatest emporiums in all the world. It is wonderful to think of a city lower than the Mississippi by a great many feet when the Mississippi is at its highest show by its engineering skill what can be done under adverse conditions to construct a drainage and sewage service that meant the redemption of that city, and that so added by its experiments and progress to scientific knowledge that to-day engineers can go down and find a foundation in that city just as secure as they can in the rocky foundations of New York. Yes; New Orleans is to write another great chapter to the history of America, and when it is completed you must come down there and see it—the last bridge on the Mississippi.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. GRIFFIN. Mr. Chairman, I yield the gentleman two additional moments.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I desire to thank the gentleman from New York [Mr. GRIFFIN] for his courtesy. I am glad to have had the opportunity of listening to the wonderful constructive addresses that we have heard here to-day. I wish that every newspaper man in this country—by that I mean the editors and the young men who do the reportorial work—as well as the head of every big institution, from the president and manager down to the man who performs the humblest service in every corporation of this country who are interested in knowing how their countrymen are getting along, could have been here to-day, or who will read the informing addresses delivered by my colleagues. After all, the old saying that one half of the world does not know how the other half lives is not quite a truism. We have found out a great deal to-day as to how our own countrymen live and how they would like to live. I wish these people to whom I refer could have heard the wonderful speech of the gentleman from Pennsylvania [Mr. KELLY], showing the splendid organization of the Postal Service.

I wish they could have heard the address made by the distinguished gentleman from Indiana [Mr. FAIRFIELD] on the necessity for this country keeping abreast of the times and furnishing the necessary buildings in order to transact our postal and other administrative business. I am quite convinced at times that some of the most interesting parts of congressional life are to be found here under general debate.

I am going to conclude because I know the hour is getting late. I have spoken in a desultory and perhaps somewhat disconnected way, but if I have gotten to my countrymen through these few remarks an idea of the wonderful progress that we have made in the city away down at the mouth of the Mississippi River, almost at the Gulf of Mexico, I can feel satisfied for the effort I have made at interesting you in our dreams, hopes, and accomplishments. For, after all, we are one great, strong people—and from the part you may judge the whole. What New Orleans has won in the way of commercial success and material splendor indicates the marvelous growth and the glory that was of Greece, the grandeur that was of Rome, worthy the country as a whole, during the last half century. [Applause.]

Mr. SHREVE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 8350, had come to no resolution thereon.

The SPEAKER. The Chair lays before the House the following message from the President.

The Clerk read as follows:

TEMPORARY INCREASE IN THE COAST GUARD

To the House of Representatives:

In compliance with the request contained in House Concurrent Resolution No. 20, of April 12, 1924, I am returning herewith House bill No. 6815, entitled "An act to authorize a temporary increase in the Coast Guard for law enforcement."

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 15, 1924.*

Mr. TILSON. Mr. Speaker, I send to the clerk's desk a concurrent resolution and ask its immediate consideration.

The SPEAKER. The gentleman from Connecticut presents a concurrent resolution, which the Clerk will report.

The Clerk read as follows:

Concurrent Resolution 21

Resolved by the House of Representatives (the Senate concurring), That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 6815) entitled, "An act to authorize a temporary increase of the Coast Guard for law enforcement," be rescinded and that in the reenrollment of the said bill the following amendment be made, viz: On page 2, line 44, after the word "enlisted," insert "warrant."

Mr. TILSON. Mr. Speaker, this makes the correction.

The question was taken, and the concurrent resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent,

Mr. MORIN was granted leave of absence indefinitely on account of illness in family.

ADJOURNMENT

Mr. SHREVE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 41 minutes p. m.) the House adjourned until to-morrow, Wednesday, April 16, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

435. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year ending

June 30, 1925, for expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers, $100,000, was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LANGLEY: Committee on Public Buildings and Grounds. S. 1971. An act to authorize the Commissioners of the District of Columbia to accept certain land in the District of Columbia dedicated by Charles C. Glover for park purposes; without amendment (Rept. No. 511). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on the Public Lands. H. J. Res. 237. A joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes; with amendments (Rept. No. 512). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE of Kansas: Committee on Election of President, Vice President, and Representatives in Congress. S. J. Res. 22. A joint resolution proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress; with on amendment (Rept. No. 513). Referred to the House Calendar.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 7145. A bill granting the Fort Macon (N. C.) Military Reservation to the State of North Carolina; with amendments (Rept. No. 515). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 8259. A bill to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army; without amendment (Rept. No. 514). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WILLIAMS of Michigan: A bill (H. R. 8679) to establish a Federal system for the cooperative marketing of agricultural products and to encourage and develop a more orderly and economical method in distributing and marketing such products in interstate and foreign commerce; to create a Federal marketing board and provide for cooperative commodity boards; to encourage and aid in the formation and extension of cooperative marketing associations, cooperative clearing house associations, and terminal marketing associations; to correlate the activities of such boards and associations and provide for their inclusion within such system; to bring about education and cooperation in the diversification, production, and marketing of agricultural products, and for other purposes; to the Committee on Agriculture.

By Mr. GREENE of Massachusetts: A bill (H. R. 8680) for the purpose of preserving life at sea, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. HAMMER: A bill (H. R. 8681) to erect a post-office building in the city of North Wilkesboro, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8682) to erect a post-office building in the city of Thomasville, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. HASTINGS: A bill (H. R. 8683) providing for the holding of the United States district court at Okmulgee, Okla.; to the Committee on the Judiciary.

By Mr. MOORE of Ohio: A bill (H. R. 8684) to amend the act of August 24, 1912 (ch. 389, par. 7, 37 Stat. 555), making appropriations for the Post Office Department for the fiscal year ending June 30, 1913; to the Committee on the Post Office and Post Roads.

By Mr. AYRES: A bill (H. R. 8685) to amend section 1 of an act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

By Mr. JEFFERS: A bill (H. R. 8686) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md.; to the Committee on the District of Columbia.

By Mr. BUTLER: A bill (H. R. 8687) to authorize alterations to certain naval vessels and to provide for the construction of additional vessels; to the Committee on Naval Affairs.

By Mr. LITTLE: A bill (H. R. 8688) to authorize the Secretary of Agriculture to purchase wheat at the farmer's home market town, instead of on the Chicago Board of Trade, and to store, sell, and export that wheat; to the Committee on Agriculture.

By Mr. RATHBONE: A bill (H. R. 8689) to recognize the military war services of adjutant generals and United States property and disbursing officers as Federal military war duty during war period, April 6, 1917, to November 11, 1918, and to issue suitable testimonial of appreciation and recognition to members and former members of district and local draft boards, medical and legal advisory boards, and Government appeal agents for their services during war period, and to consider additional recommendations for awards and citations to former officers and enlisted men of the National Guard on account of World War services; to the Committee on Military Affairs.

By Mr. FAIRFIELD: A bill (H. R. 8690) to increase cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. LAGUARDIA: Joint resolution (H. J. Res. 243) for the purpose of stabilizing money values and to reestablish normal trade among the nations of the world; to the Committee on Foreign Affairs.

By Mr. HOWARD of Oklahoma: Joint resolution (H. J. Res. 244) creating a joint committee of three Members of the Senate and three Members of the House to investigate and report to the Congress in respect to the expenditures of the United States relating to its departments, bureaus, boards, and commissions, officers, and employees; the duties thereof and the necessity therefor, and to recommend which, if any, of such departments, bureaus, boards and commissions, officers and employees can be abolished, discontinued, and dismissed, and to investigate and report upon the duplication of work and services now being performed and rendered by the Federal Government and the several States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 8691) granting a pension to Clarissa Stratton; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 8692) for the relief of Harry Best; to the Committee on the Post Office and Post Roads.

By Mr. BROWNE of Wisconsin: A bill (H. R. 8693) granting a pension to Catherine Wolvogel; to the Committee on Invalid Pensions.

By Mr. CELLER: A bill (H. R. 8694) granting an increase of pension to Edward J. McCauley; to the Committee on Pension.

By Mr. COLLIER: A bill (H. R. 8695) for the relief of C. T. Dilion; to the Committee on Claims.

By Mr. COOPER of Wisconsin: A bill (H. R. 8696) to award a medal of honor to William J. Pearmain; to the Committee on Military Affairs.

By Mr. DRANE: A bill (H. R. 8697) granting a pension to Hannah M. Atha; to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 8698) granting an increase of pension to Kate G. Caton; to the Committee on Invalid Pensions.

By Mr. HOLADAY: A bill (H. R. 8699) granting a pension to Rachel Norfolk; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 8700) granting a pension to Effie F. Myers; to the Committee on Invalid Pensions.

By Mr. McKENZIE: A bill (H. R. 8701) granting a pension to Joe Townsend; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 8702) granting a pension to Mary L. Speer; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 8703) granting a pension to Belle Boots; to the Committee on Invalid Pensions.

By Mr. SITES: A bill (H. R. 8704) for the relief of Charles Webster Buck; to the Committee on Military Affairs.

By Mr. THOMAS of Kentucky: A bill (H. R. 8705) granting an increase of pension to Kitty A. Freeman; to the Committee on Invalid Pensions.

By Mr. THOMAS of Oklahoma: A bill (H. R. 8706) granting a pension to Jemima A. Taylor; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2415. By the SPEAKER (by request): Petition of American Civil Liberties Union, New York City, N. Y., favoring the immediate recognition by the United States of the Philippine Islands as an independent State; to the Committee on Insular Affairs.

2416. Also (by request), petition of members and friends of the National Woman's Party meeting at national headquarters, Capitol Hill, Washington, D. C., requesting Congress to submit to the State legislatures for their approval the equal rights amendment; to the Committee on the Judiciary.

2417. By Mr. BOYCE: Petition of the Consumers' League of Delaware, Wilmington, Del., favoring the adoption of proposed child labor amendment to the Constitution of the United States; to the Committee on the Judiciary.

2418. Also, petition of Sabbath School, First Central Presbyterian Church, Wilmington, Del., approving and indorsing the Permanent Court of International Justice; to the Committee on Foreign Affairs.

2419. By Mr. BULWINKLE: Petition of the board of directors of the Charlotte Chamber of Commerce, approving the provisions of the national defense act, providing for a citizens' army, and for an appropriation by Congress of the sum of not less than $6,000,000,000 to meet the requirements designated by the act; to the Committee on Military Affairs.

2420. By Mr. GALLIVAN: Petition of Thomson-Crooker Shoe Co., Boston, Mass., protesting against the passage of the shoe tag bill; to the Committee on Interstate and Foreign Commerce.

2421. Also, petition of Maritime Association of the Boston Chamber of Commerce, Boston, Mass., recommending that the Newton bill, now pending, be modified so as to authorize the Interstate Commerce Commission, upon complaint that adequate facilities are not afforded at any port or ports, to rescind the application of section 28 as to any such port or ports if the public interest and the advantage and convenience of the commerce of the people warrant such action; to the Committee on the Merchant Marine and Fisheries.

2422. Also, petition of the Hillson Co., Boston, Mass., protesting against the proposed tax on mah jong games; to the Committee on Ways and Means.

2423. By Mr. HUDSON: Petition of the Detroit Council of Postal Associations, Detroit, Mich., favoring the Kelly-Edge bill; to the Committee on the Post Office and Post Roads.

2424. By Mr. MORTON D. HULL: Petition of citizens of the city of Chicago, State of Illinois, in behalf of Johnson immigration bill; to the Committee on Immigration and Naturalization.

2425. Also, petition of Chicago Lithuanians, opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2426. By Mr. McSWEENEY: Papers to accompany House bill 7431, granting a pension to Raymond E. Fisher, late of Troop K, Sixth Regiment United States Cavalry; to the Committee on Pensions.

2427. By Mr. SITES: Petition of Harrisburg Camp, No. 8, United Spanish War Veterans, Harrisburg, Pa., dated March 28, 1924, indorsing the proposed legislation to increase the pensions of veterans of the Spanish-American War, the Phillipine insurrection, and the China relief expedition; to the Committee on Pensions.

SENATE

WEDNESDAY, *April 16, 1924*

(Legislative day of Thursday, April 10, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fletcher	McKellar	Shortridge
Bayard	Frazier	McKinley	Simmons
Borah	George	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Brousseard	Glass	Mayfield	Spencer
Bruce	Gooding	Moses	Stanfield
Bursum	Hale	Neely	Stephens
Cameron	Harreld	Norbeck	Sterling
Capper	Harris	Norris	Swanson
Caraway	Harrison	Oddie	Trammell
Colt	Heflin	Overman	Underwood
Copeland	Howell	Pepper	Wadsworth
Cummins	Johnson, Minn.	Phipps	Walsh, Mass.
Curtis	Jones, N. Mex.	Pittman	Walsh, Mont.
Dale	Kendrick	Ralston	Warren
Dial	Keyes	Reed, Pa.	Weller
Edge	King	Robinson	Willis
Edwards	Ladd	Sheppard	
Ernst	Lodge	Shields	
Fernald	McCormick	Shipstead	

Mr. CURTIS. I wish to announce the absence of the Senator from Wisconsin [Mr. LENROOT] owing to illness. I ask that this announcement may stand for the day.

I also wish to announce the absence of the Senator from Indiana [Mr. WATSON] on account of illness in his family. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are absent in attendance upon hearings before a special investigating committee of the Senate.

Mr. GERRY. I wish to announce that the Senator from Arizona [Mr. ASHURST] is absent because of illness in his family.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

Mr. LODGE obtained the floor.

Mr. GLASS. Will the Senator yield to me for just a moment?

Mr. LODGE. Certainly.

PERSONAL EXPLANATION

Mr. GLASS. Mr. President, purely on the assumption that none of my colleagues on this side of the Chamber and none of the representative leaders of my party outside of the Chamber will want to be held responsible for the address which I ventured to make yesterday I want to correct a newspaper statement with reference to it.

I find in the New York Evening Post of yesterday, as well as in the Washington Star, a statement which has the caption:

GLASS berates President in bitter speech after conference with party chiefs. Address considered significant as representing planned minority move.

In the text of the article it is stated that—

it became known, as the Senator was speaking, that he had decided on the major points of his address after a conference with a group of influential men of his party, both in and out of Congress.

Mr. President, the only group that knew anything about my speech was the group of women stenographers employed in my office to whom the speech was dictated. Not a living human being on this side of the Chamber or out of the Chamber had notice of a word that I would utter until it was spoken.

INVESTIGATION OF INTERNAL REVENUE BUREAU

Mr. LODGE. Mr. President, I am glad the Senator from Virginia made the statement he has just made, though it was quite needless, for I do not believe anyone who knows the Senator from Virginia would suppose he was making a "group" speech for anyone.

I dislike extremely to take any time which ought to be devoted to the business now before the Senate. I have tried to avoid making any speeches because it seems to me the first duty of the Senate is to dispose of the very important legislation now pending. The immigration bill which we have before us at this moment is a bill of the greatest possible importance to the people of the United States. It will have an effect upon the qualities of American citizenship in years to come when we all have passed away.

But, Mr. President, the Senator from Virginia made a speech yesterday criticizing, as he had an entire right to do, the President and the Secretary of the Treasury. I have no suggestion of fault to make with the manner of the speech, for the Senator from Virginia knows very well how to be severe and parliamentary at the same time. But it seems to me to be a speech of such importance that I do not think I can allow it to pass without any comment at all.

The Senator from Virginia is not one of those who ever for a moment mistakes lungs and language for a speech. His speeches

are always able, eloquent, show a great deal of thought, and are powerful presentations of his view of an important subject before the Senate in which he is interested. I am not given to meaningless compliments, which are so frequent in this body, but I not only have a great respect for the Senator from Virginia but I shall always recall, while I still hold a seat here, one speech he made on the settlement of the British debt which I can say without exaggeration, after a good many years of experience, was one of the most impressive and important speeches I have ever heard made in this body. Therefore all he said on the matter of the message which the President sent to the Senate and on the letter which accompanied it, written by the Secretary of the Treasury, is of moment.

I desire to comment upon and sustain the President's message to which the junior Senator from Virginia devoted a large part of his attention. I hold in my hand the message of the President of the United States to which he referred.

Mr. President, in the first place, I do not think there is any possible ground for attempting to find fault with the President because he communicates his views on a matter like the subject of this message directly to the Senate. Our history shows that Presidents have never hesitated under the authority given them by the Constitution to communicate to Congress or to give their views on many subjects, and especially on any which they have believed affected injuriously the administration of the Government. Anyone who is curious on this matter might refresh his memory by reading some of the Senate debates during the administration of Andrew Jackson, and especially those relating to what is known as the resolution of censure which was passed by the Senate and the subsequent resolution, when the Democrats had regained control of the Senate, to expunge the former resolution of censure. I may say there were some personalities in both instances, and the action taken by the Senate in passing both the resolution of censure and then the subsequent resolution to expunge the censure seems to me, as a mere question of history, to have been entirely futile.

Presidents have exercised a wide discretion on the subjects upon which they may communicate with the Senate. As recently as the administration of President Wilson, Mr. Wilson came here and addressed the Senate on the subject of a constitutional amendment in connection with which, under the Constitution, the President has no part. No fault was found with his doing so, and I see no reason to find any. The recent message of the President relates directly to the conduct of the public business, with which the President is charged as Chief Executive.

The President begins by stating that—

There exists, and always should exist, every possible comity between the executive departments and the Senate. Whatever may be necessary for the information of the Senate or any of its committees, in order better to enable them to perform their legislative or other constitutional functions, ought always to be furnished willingly and expeditiously by any department. The executive branch has nothing that it would wish to conceal from any legitimate inquiry on the part of the Senate. But it is recognized both by law and by custom that there is certain confidential information which it would be detrimental to the public service to reveal.

The right of the Executive to refuse to send documents, papers, or other information to the Senate if he regards sending them as incompatible with the public interest is an authority which the Executive must exercise; he must have that power in all completeness. There are many things in his charge which it would be detrimental to the public interest to publish. In every resolution that passes the Senate, which is addressed to the President, and which relates to foreign affairs, I think, the clause "if not incompatible with the public interest" is always inserted. In fact, I think there is no question as to the authority of the Executive over papers and information in any department of the Government which are in his charge and which must be in his charge. The President in his message continues:

Such information as can be disclosed I shall always unhesitatingly direct to be laid before the Senate. I recognize also that it is perfectly legitimate for the Senate to indulge in political discussion and partisan criticism.

But the attack which is being made on the Treasury Department goes beyond any of these legitimate requirements.

Certainly if there is anything under our system of government which should be within the direct control of the Executive, so far as correspondence and information go, it should be the Treasury Department. We have laws providing for holding private certain papers and documents relating to taxes which are under the jurisdiction of the Treasury. Whether that is wise, as a general law, is a question which Congress can decide, but that it is the law to-day is beyond doubt.

After stating—

But the attack which is being made on the Treasury Department goes beyond any of these legitimate requirements—

The President then states—

Seemingly the request for a list of the companies in which the Secretary of the Treasury was alleged to be interested, for the purpose of investigating their tax returns, must have been dictated by some other motive than a desire to secure information for the purpose of legislation.

I think there can be no question in the mind of anybody that the purpose of that request could not have been otherwise than to inquire into the character of the Secretary of the Treasury himself. The President then continues:

The Senate resolution appointing this committee is not drawn in terms which purport to give any authority to the committee to delegate their authority or to employ agents and attorneys.

I believe that is undoubtedly true.

The appointment of an agent and attorney to act in behalf of the United States but to be paid by some other source than the Public Treasury is in conflict with the spirit of section 1764 of the Revised Statutes, the act of March 3, 1917.

The constitutional and legal rights of the Senate ought to be maintained at all times. Also the same must be said of the executive departments. But these rights ought not to be used as a subterfuge to cover unwarranted intrusion. It is the duty of the Executive to resist such intrusion and to bring to the attention of the Senate its serious consequences.

Mr. President, I think it was well within the province of the President to call attention to what he regards and what many people regard as going beyond the legitimate rights of the Senate itself. I have always during my service here supported to the best of my ability the rights and prerogatives of the Senate; I think I have often been considered rather a stickler on that point; I certainly have been criticized for my attitude at times when we had a President of a different party; but I have also always believed that the rights of the other branches of the Government should be equally observed and that we who stand for our own rights very vigorously, as we should, should be extremely careful not to invade the rights of the other two departments of the Government, either the executive or the judicial. That division of powers and that observance of rights applies to all the departments of the Government equally, and I think in this particular case, as to the committee to which the President refers, the proposition of the subcommittee went clearly beyond the rights of the Senate.

Mr. President, in regard to the point that was especially made concerning the employment of counsel to be paid by an individual Senator, which action was approved by the subcommittee, there is this to be considered: Wholly apart from the statute, it has never been the practice here, to my knowledge, for any committee to employ attorneys—which is, I think, very rarely done—or other outside assistance without a direct order from the Senate itself. The committee is a creature of the Senate; it is made by the Senate and intended to represent the Senate, and therefore all power for the expenditure of money by a committee must come through the Senate. That is recognized in every resolution which we adopt authorizing an inquiry. Having an attorney paid by an individual member and not responsible to the committee, again apart from the statute, seems to me an impossible policy for any great legislative body to adopt.

I can not believe that it is the intention of the full committee or of the Senate to allow any such step to be taken. In fact, under the resolution as it passed, there is no such authority given by the Senate. That is a question which must be decided. It is not necessary at this time to go over the points that may be raised under the statute. I think the statute against payment by outsiders would cover any "Government employee," which is a very broad term. If strictly enforced, it would no doubt, in my judgment, prevent Senators from hiring or engaging persons to help them in their offices.

To take another example, I can not see how we have a right to provide that men doing overtime work, either in the night inspection of immigrants or in the inspection and examination of goods in vessels arriving at night, shall be paid directly or indirectly by the vessels requiring those overtime services. I introduced myself, without giving proper attention to the act—indeed, without recalling it—a bill to give overtime pay to customhouse inspectors. They ought to have it. They are miserably underpaid now, and so are the immigration inspectors;

but if this law is to be enforced with the utmost rigidity it will have to be modified. The same is true, I should think, of the traffic police in the city of Washington, whom year after year Congress has permitted to be paid by the railroad companies in order that we may have traffic policemen, especially at the crossings. Even those cases require modification of the law if it is to be rigidly enforced, and it ought to be modified in those certain directions; but, Mr. President, this case is one that it seems to me no modification ought to cover. There can be no doubt that an attorney employed in an investigation by a committee of the Senate represents the Senate itself to that extent; and, whatever we do, the proposition of the subcommittee ought not to be concurred in.

To that the President called attention, and the Secretary of the Treasury still more sharply. When the President, then, referred to intrusion, he referred, of course, to bringing in an outsider, and apparently giving him the right to make public certain papers, not only in disregard of the law on the subject, but apparently relieving him from that law by resolution of the Senate alone, which I do not think can be done. There are many papers, some covered by law, some not, which it would be utterly impossible and wrong for the Executive to send in for publication in the newspapers of the United States, for that is what it amounts to.

The President says:

Under a procedure of this kind the constitutional guaranty against unwarranted search and seizure breaks down, the prohibition against what amounts to a Government charge of criminal action without the formal presentment of a grand jury is evaded, the rules of evidence which have been adopted for the protection of the innocent are ignored, the department becomes the victim of vague, unformulated, and indefinite charges, and instead of a government of law we have a government of lawlessness. Against the continuation of such a condition I enter my solemn protest, and give notice that in my opinion the departments ought not to be required to participate in it. If it is to continue, if the Government is to be thrown into disorder by it, the responsibility for it must rest on those who are undertaking it. It is that we returned to a government under and in accordance with the usual forms of the law of the land. The state of the Union requires the immediate adoption of such a course.

That is strongly stated, but it is in defense of the undoubted Executive rights, and it merits my full concurrence. I do not see how it can be distorted into an insult or even an incivility to the Senate. The Senate has been extending in various directions its activities or, certainly, its practices. In the language of the newspapers it has created a new office, which is called "the committee prosecutor." Being the high court of impeachment before which the House of Representatives alone can appear as bringing the impeachment, it has sent to the House a resolution—which, constitutionally, I suppose, it had an entire right to do—in which, substantially, it invites the House to impeach a given person—a collector of customs, I believe, somewhere on the border in Texas—and then, if the House impeaches that person, the court which has sent the resolution to the House is going to try the accused—a mere mockery of justice. It may be all constitutional. I did not oppose it. I thought it was just as well to let it get through, because no one was disposed to hinder investigations, and also because I felt a reasonable assurance, without knowing anything about it, that the House of Representatives were not devoid of a sense of humor, and that we should never hear any more of the solemn resolution of the Senate.

We have now undertaken in a subcommittee to permit the payment of attorneys who represent the Senate itself by an individual Senator. It might just as well be by an outsider. Against those things the President of the United States has protested. He has protested in vigorous language. He has protested because he feels strongly about what he regards, rightly or wrongly, as an invasion of Executive rights. He has stated a complete recognition of the rights of the Senate, but he has condemned the procedure by which those rights are being exercised in the Senate, and I think he was entirely justified in doing so.

Mr. ROBINSON. Mr. President, will the Senator from Massachusetts yield for a question?

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. LODGE. Yes; I yield.

Mr. ROBINSON. Does the Senator from Massachusetts justify the interpretation placed upon the President's message and the purpose attributed to it by the Senator from Indiana [Mr. WATSON]?

Mr. LODGE. Mr. President, that is something I do not undertake to answer. I was not here when the speech was delivered, and I know nothing about it.

Mr. ROBINSON. The Senator, of course, has read it?

Mr. LODGE. Yes; I have read such portions as appeared in the newspapers.

Mr. ROBINSON. The Senator from Indiana stated to the Senate that he had conferred with the President, and expressed the conclusion that there is an intention to investigate the prohibition unit in the Internal Revenue Bureau, and that that fact is the occasion for criticism of the Senate's course and the course of the committee of the Senate.

Mr. LODGE. Mr. President, of that I know nothing. I am not fond of nor do I give weight to hearsay evidence, which has been very popular in the Senate for some time. I am taking what the President said and for which he is responsible, not what somebody else said he said.

Mr. ROBINSON. Will the Senator be kind enough to yield to another question or two?

Mr. LODGE. Certainly.

Mr. ROBINSON. The Senator has placed what appears to me and what I believe appears to the press of the country to be a very narrow construction upon the President's message, and consequently has given a narrow application to it. He has indicated that it is confined solely to criticism of the arrangement for the employment of Mr. Heney, and to objections to the alleged purpose of the committee to require the publication of confidential records in the Department of the Treasury. Does not the Senator think that, considering the message as a whole, it is an expression of resentment toward the general policy of the Senate as revealed in the investigations now in progress under the order of the Senate?

Mr. LODGE. I do not so read it. I think it is perfectly clear what he is objecting to.

Mr. ROBINSON. If the objection is to the employment of an attorney by an individual member of the Senate committee, it is perfectly clear that if it is desirable that the committee be authorized to employ attorneys, that action can be taken very promptly by the Senate. Does the Senator from Massachusetts favor supporting the resolution of the Senator from New Mexico [Mr. JONES] and its passage through the Senate—the resolution authorizing the committee to employ counsel and experts?

Mr. LODGE. I think if proper limitations are put on the employment I shall be in favor of it.

Mr. ROBINSON. What limitations would the Senator suggest?

Mr. LODGE. That no one shall be allowed to name an attorney except the committee, and that no money shall be paid except by the Senate.

Mr. ROBINSON. If the committee should be authorized to make the employment, it would follow as a matter of course that the employment must be by the committee, would it not?

Mr. LODGE. By the committee, subject to the approval of the Senate. I should wish to put that in.

Mr. ROBINSON. Was that course ever taken before in authorizing a committee of the Senate to employ counsel?

Mr. LODGE. I dare say not; but a great many things have been done at this session that never have happened before.

Mr. ROBINSON. The Senator, then, is in favor of an unusual and extraordinary course in authorizing the employment of this counsel? He would make the attorney the employee of the Senate rather than of the committee?

Mr. LODGE. Yes; I think it would be an improvement.

Mr. ROBINSON. What is the occasion for the extraordinary course that the Senator suggests?

Mr. LODGE. In order to get a proper investigation.

Mr. ROBINSON. Does not the Senator think that the Senate committee can do that?

Mr. LODGE. Not if it is going to employ Mr. Heney.

Mr. ROBINSON. The Senator's objection, then, is to Mr. Heney?

Mr. LODGE. Yes; but there may be other Mr. Heneys. I do not know.

Mr. ROBINSON. The Senator is unwilling to have the committee exercise its discretion in the selection of an attorney except upon the condition he has named?

Mr. LODGE. Yes; I am, under the existing situation.

Mr. ROBINSON. The Senator knows that a very distinguished public man, Governor Pinchot, suggested the selection of Mr. Heney, and that Governor Pinchot is the governor of the State from which Mr. Mellon comes, or in which Mr. Mellon lives.

Mr. LODGE. I do not see that that has any bearing upon it. I object just as much to Governor Pinchot directing our committees as I do to the payment of their counsel by a single Senator.

Mr. ROBINSON. The Senator has no more objection to Governor Pinchot making a suggestion to the committee than to the President doing so, has he?

Mr. LODGE. I do not think anybody has suggested anyone to the committee except the Senator from Michigan [Mr. COUZENS]. It is not usual for the Senate to select Government counsel. I have never seen it done here before; but we provided that we should select Government counsel to try the most important case involved in the resolution first presented by the Senator from Montana [Mr. WALSH].

I was entirely in accord with that. I think it was well that the Senate should take part in the selection of those counsel. I think it has reached the point in this committee where the assent of the Senate will be equally valuable to the proper conduct of the inquiry.

Mr. President, I want to say a single word—and I shall be very brief—in regard to the letter which was transmitted by the President, a letter from the Secretary of the Treasury himself. I do not think, and I did not mean to suggest that I thought, that the President's message was confined at all to the matter of the appointment of Mr. Heney. That was but one detail. I thought that what the President was particularly aiming at was this attempt of the Senate to enter into general charge of the papers of an important unit of the Treasury Department without regard to the statute law, or to the practice of the Senate and of the Executive in relation to papers.

Mr. ROBINSON. Will the Senator be kind enough to yield for a question?

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield again to the Senator from Arkansas?

Mr. LODGE. I will. I should like to get through, but I will yield.

Mr. ROBINSON. If the Senator has any impatience about the matter, I will not press my questions at this time.

Mr. LODGE. Oh, no; I yield to the Senator.

Mr. ROBINSON. The Senator knows, of course, that the special committee had not requested that any papers in the Treasury Department be submitted to it to which the Secretary had raised the slightest objection. The Senator knows that; and that the only papers which the committee had requested that it be permitted to investigate are papers which the public are entitled to see under the law. In other words, the committee had not sought, either expressly or impliedly, to procure possession of any records, or to get the right to examine any records, which under the law are withheld from publicity.

Mr. LODGE. The Senator knows perfectly well that the Secretary of the Treasury waived all rights he had, or might have had, and all objections to the investigation of papers——

Mr. ROBINSON. If he did that, why should the President of the United States——

Mr. LODGE. Will the Senator let me finish my sentence? I at least ought to have the floor for that.

Mr. ROBINSON. Certainly.

Mr. LODGE. He waived any objection that could be made to the production of all returns relating to any corporation in which he had any personal interest. Those were asked for by the committee, I think.

Mr. ROBINSON. Since he did make the waiver, how can the President complain that the committee has acted improperly? It was within the province of the Secretary to refuse the waiver, in which event the committee could not have seen the papers; but since he did waive the privacy, I can not comprehend how the President finds it a circumstance which justifies him in criticizing the course of the Senate and refers to it as a lawless procedure. It was for the Secretary himself to determine whether he would waive privacy respecting the tax returns, and prior to the time when he was requested to do so by the special committee of the Senate, he had on his own motion expressed a purpose to do so, and had requested that the Senate committee take the course which it subsequently took. When the Senate committee acted upon the suggestion of Mr. Mellon and proceeded to investigate his private tax returns and the tax returns of the companies in which he was interested, it did so at his suggestion and request, and there was not the slightest occasion, according to my humble opinion, for the President either to feel or express resentment toward the Senate for its course and characterize it as having promoted lawless government.

Mr. LODGE. There is only one Secretary of the Treasury who could be affected and who was asked, and he made the waiver. The President, I take it, is undertaking to protect the great body of innocent people, who have no political value in an inquiry, from having all their private business dragged out in a committee investigation on the chance of finding something.

Mr. SWANSON. Mr. President, will the Senator yield to me——

Mr. ROBINSON. Just a moment, with the Senator's permission. The Senator from Massachusetts, of course, knows that it has been stated repeatedly in the Senate, and has never been questioned, that it was the purpose of the committee to hold confidential the information which it obtained, unless some consideration sounding in the public interest required publicity; so that there was not the slightest danger of any stockholder in a Mellon company being injured or prejudiced by the action of the committee.

Mr. LODGE. The Senator knows that when such things are discussed in a committee they get out.

Mr. SWANSON. If the Senator will permit me, I know he does not want to labor under a misapprehension——

Mr. LODGE. I am laboring under no misapprehension.

Mr. SWANSON. I think the Senator is——

Mr. LODGE. If I have misstated a fact, I shall be glad to be corrected.

Mr. SWANSON. The senior Senator from Indiana [Mr. WATSON] stated——

Mr. LODGE. Mr. President, I can save my time and the Senate's. I am not going to discuss the speech of the Senator from Indiana.

Mr. SWANSON. I am not discussing his speech.

Mr. LODGE. It is not relevant, and I am not going to discuss it.

Mr. SWANSON. This is a statement of fact.

Mr. LODGE. I decline to yield for that purpose.

The PRESIDENT pro tempore. The Senator from Massachusetts declines to yield to the Senator from Virginia.

Mr. LODGE. I wish to complete what I have to say about Mr. Mellon. I am not here to discuss the Senator from Indiana or his speech. He can do that himself, and do it very well.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the junior Senator from Virginia?

Mr. LODGE. I yield to the Senator.

Mr. GLASS. I have no disposition in the world to interrupt the Senator or to divert him from his line of argument; but it just occurs to me to point out to him, if I may in a moment, that the President could very easily and quickly have met the precise situation by calling attention to the fact that under the law no tax return in the Treasury may be examined without the consent of the President himself. So that there was no possibility of the committee, in the circumstances, dragging out any private papers in the Treasury.

Mr. LODGE. It appeared to me from what I read of the proceedings of the committee that that was precisely what they were intending to do. That was the whole point of their investigation.

Mr. McKELLAR. Will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. LODGE. I yield for a question.

Mr. McKELLAR. I just wanted to ask the Senator if this language of the Secretary himself about it would not preclude further statement on the part of the President. Mr. Mellon said:

> I feel, however, that it is due to me and to the companies involved that your committee make immediate investigation in order that you may thoroughly satisfy yourselves and the public whether or not these companies have received any favors at the hands of the Government.

Mr. LODGE. Mr. President, the Secretary of the Treasury knew perfectly well that the whole investigation under that committee was directed against him, and, like an honest man, he proceeded to answer it at once. This whole investigation is aimed at Mr. Mellon, and I am about to say something in regard to him and his conduct of the department.

In my judgment he has been treated by that committee in a way which, if it had been applied to my friend the junior Senator from Virginia [Mr. GLASS], who was an admirable Secretary of the Treasury, whose integrity was never questioned, who did the very best he could or that any man could do in a difficult situation—if he had been subjected to this, I think I know his temperament well enough to know that he would have resented it in language which everybody would have remembered.

This investigaton is aimed at Mr. Mellon, not merely because he happens to be a Republican and the Secretary of the Treasury, but because he is the principal figure in the work of framing a great bill aimed to reduce the taxes of this country, a

bill in which the whole country is interested. Some of us believe in the bill as he framed it, many do not, and there are honest differences of opinion; but this investigation has assumed the position of an attempt to break him down, and there is much more behind it than mere politics, in my judgment.

Mr. GLASS. Mr. President, the Senator from Massachusetts certainly does not mean to imply that any comment which I have made was intended to break down any tax plan?

Mr. LODGE. I am absolutely certain there was no such intention. I listened to every word the Senator said. He made a very able speech, as I have already said, and I am perfectly certain that nothing of that sort was in his mind.

On account of the conduct of this committee, and because of the kind of questions that have been asked, Mr. Mellon naturally feels the irritation and resentment that an honest man should feel. Mr. Mellon has occupied this great post, and has been an admirable Secretary of the Treasury. The proof is in something much more significant than anything brought out by an investigating committee can possibly be.

When Mr. Mellon came into office, on the 4th of March, 1921, the Liberty 3½'s were selling for $99.92.

Liberty first 4's	$87.22
Liberty second 4's	87.00
Liberty first converted 4¼'s	87.22
Liberty second converted 4¼'s	87.04
Liberty third converted 4¼'s	90.26
Liberty third converted 4¼'s registered	90.12
Liberty fourth 4¼'s	87.18

I will now read in the same order the prices at which they are selling to-day.

Liberty 3½'s are selling for $99.03, an advance of 9 points. Liberty first 4's have gone from $87.22 to $99.25. Liberty second 4's have gone from $87 to $99.23. Liberty first 4's have gone from $87.22 to $99.27. Liberty third 4¼'s have gone from $90.26 to par and 0.04. Liberty third 4¼'s have gone from $90.12 to par and 0.02. Liberty fourth 4¼'s have gone from $87.18 to $99.29.

Mr. President, I do not for a moment say that that great rise in the securities of the United States was owing solely to Mr. Mellon, but I do say, and it can not be contradicted, that there never would have been such a rise in our securities if the people had not trusted the man at the head of the Treasury, and had not known that his general policies were sound and wise, and that he was working for the interests of the finances of the United States.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Virginia?

Mr. LODGE. I yield.

Mr. GLASS. I not only agree with that statement, but I go further and say that had not the people of the United States trusted the Secretary of the Treasury of the United States the securities of the Nation would have gone even lower than the first quotation made by the Senator from Massachusetts. But does the Senator from Massachusetts think he is exactly fair in not further indicating that there has been a period of more than three years in which private investors in the country have had an opportunity to absorb those securities, and does not the Senator know that in that very process itself the securities were obliged to rise in value?

Mr. LODGE. Oh, yes; I thought I had stated clearly that I did not attribute this all to Mr. Mellon. What I did say was that there would not have been that rise if he had been a Secretary of the Treasury in whom the country did not have confidence.

Mr. GLASS. Why, of course that is so.

Mr. LODGE. I was going to say another word in regard to that when the Senator interrupted me. I was on the committee which authorized these bond issues, and when we came to the later bond issues, of course we consulted with the Secretary of the Treasury—Mr. McAdoo at that time—as we did on all of them. As members of that committee who are here now remember, there was a question as to the rate. The Secretary of the Treasury believed that the bonds could be sold successfully at par, owing to the excitement and patriotism of the country, then greatly aroused. In that judgment events showed he was perfectly right. I thought at the time that he was right on that point, but I differed with him as to the rate, because I felt sure that after the excitement of war had subsided those securities were sure to reach a much lower market level, to the distress of small holders. It seemed to me at the time—perhaps I was wrong—that it would have been better to have made a higher rate and prevented the shrinkage which afterwards took place, for which the Secretary of the Treasury, Mr. McAdoo, was in no wise responsible, nor was anyone else. It was simply the natural effect of certain economic forces, and the Senator from Virginia has just alluded to some of them.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Minnesota?

Mr. LODGE. I yield.

Mr. SHIPSTEAD. I ask the Senator to yield for a question that is not intended to interfere with the Senator's argument, but intended possibly to throw a little light upon the advance in the price of the Federal securities.

When the refunding of the British debt was arranged for, I believe it was a part of the contract that the Federal Treasury should accept at par, when presented by the British Government, any American Government securities. They were at that time, I believe, selling quite a bit below par.

Mr. SMOOT. Oh, no. I will say to the Senator that those bonds were at par at the time the settlement was made. The Senator from Minnesota said they were greatly below par, but at that time, I think, the bonds were slightly higher than they are to-day.

Mr. SHIPSTEAD. I want also to call attention to the revenue act of 1921 which made Federal securities tax exempt when held by corporations. I believe Mr. Mellon stated in his letter to Mr. GREEN, which is made a part of his annual report for last year, that a tax-exempt security yielding 5 per cent was as good as a taxable security yielding 11 per cent.

Mr. SMOOT. Provided the income of the individual holding the tax-exempt security ran into the highest brackets of the income tax law.

Mr. SHIPSTEAD. Yes. I simply wanted to point out to the Senator the fact that on account of that provision of the revenue act of 1921 it has evidently had a great deal to do with the rise in price of Federal securities.

Mr. LODGE. Oh, Mr. President, the great rise had taken place long before that. If the Senator will look over the figures he will find that to be the fact. The rise began much before March 4, 1921.

The public debt on August 31, 1919, reached its peak, higher than it was in 1918, because there were a great many outstanding debts and obligations that had to be met. It went up to $26,594,000,000. On February 28, 1921, it had come down to $24,049,527,000. On March 31, 1924, it had come down to $21,623,777,000, a reduction in the three years since Mr. Mellon has been in the Treasury of $2,425,000,000 of the debt.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from New Mexico?

Mr. LODGE. I yield.

Mr. JONES of New Mexico. I would like to inquire the opinion of the Senator as to the advisability of such an enormous reduction in the public debt in the very short period of time to which the Senator refers. Would it not have been much better for the people of the country to have had their taxes lowered than to continue to pay such a high rate of taxation, but reduce the debt?

Mr. LODGE. That is a very large question of financial policy. I think the policy suggested by the Senator from New Mexico would be a mistake, but I do not care to discuss that large question of financial policy at this time.

Mr. GLASS. Mr. President——

Mr. LODGE. I yield to the Senator from Virginia.

Mr. GLASS. The Senator has, of course unwittingly, failed to state that there had been a reduction of more than $1,500,000,000 in the public indebtedness between the years 1919 and 1921.

Mr. LODGE. I stated that. I did not give the figures, but I stated the fact. I have the figures here. I did not mean to overlook the figures.

Mr. GLASS. The Senator did not make the fact known and indicate just what was the reduction. But what I rose particularly to say was that the law itself provides a stated sinking fund, and had Mr. Mellon been dead and had the distinguished Senator from Massachusetts occupied the post of Secretary of the Treasury the same reduction of public indebtedness would have taken place.

Mr. LODGE. Yes; if there had been the same reductions made in other directions. Those were not the only reductions.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts again yield to the Senator from New Mexico?

Mr. LODGE. Not at this moment. I want to reply first to the Senator from Virginia. I gave the public debt at the peak as $26,000,000,000. I gave it as of February 28, 1921, the figures showing a reduction of about $2,500,000,000. I

then gave the reduction in 1924, which was $2,500,000,000 more. I omitted to state—and I ought to have stated—that in round numbers the total reduction since the peak of 1919 was about $5,000,000,000, which had been taken from the indebtedness; and, of course, part of that was when the Senator from Virginia himself and, I think, Mr. Houston were at the head of the Treasury.

It is not necessary now, because I am not making a financial speech, to go into the sources of those reductions. They were not all from one source. The Senator knows that better than I do. Some were from reductions in expenses. Others were from great sales of Government property which had to be disposed of. In the period of time before the Republican administration came in on March 4, 1921, half of the great reduction of $5,000,000,000 had been made. But the whole point is not to argue the merits of one financial policy or another, but simply to say, and I believe the Senator from West Virginia will agree with me in this——

Mr. GLASS. Mr. President, that is the second time the Senator has mislocated me. I am from Virginia.

Mr. LODGE. I mean the junior Senator. That is a fact of which I ought to be well aware. I know of course who the senior Senator from Virginia is.

Mr. JONES of New Mexico and Mr. NEELY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. LODGE. I yield first to the Senator from West Virginia.

Mr. NEELY. I should like to say that the Senator from West Virginia is very glad the Senator from Massachusetts complimented the distinguished Senator from Virginia by locating him in our State.

Mr. LODGE. I did not know I did as badly as that. I thought I made the mistake of not calling him the junior Senator from Virginia.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator now yield to the Senator from New Mexico?

Mr. LODGE. I yield.

Mr. JONES of New Mexico. The Senator has doubtless observed the total reduction of the debt of the United States last year was $1,072,000,000. Does the Senator from Massachusetts believe that it was a wise policy to have continued the high tax rate of the people so as to reduce the debt by that amount?

Mr. LODGE. What does the Senator mean? To what debt does the Senator refer?

Mr. JONES of New Mexico. I refer to the debt of the United States, to which the Senator from Massachusetts has just been adverting. The debt was reduced last year.

Mr. LODGE. I think it was reduced by $1,072,000,000.

Mr. JONES of New Mexico. Yes; $1,072,000,000. I should like to inquire of the Senator if he believes it is a wise policy to make such an enormous reduction in the permanent debt of the United States in one year?

Mr. LODGE. We are engaged in trying to reduce taxes in view of the surplus which has been attained.

Mr. JONES of New Mexico. Does not the Senator believe it should have been done prior to this time?

Mr. LODGE. I believe in the very old-fashioned doctrine that there is no wealth in debts, and that the best way is to pay them as soon as it can be conveniently and safely done.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. LODGE. I yield.

Mr. SMOOT. I do not think there is anyone in the country who realized that the business of the country would increase as it did and enable us to collect the amount of money under the existing law that was collected. Senators will remember the amount that was given as the estimate of receipts during the year 1922. The amount collected has exceeded every estimate in every case, beginning with the amount estimated to be collected by the tariff down through every section of the revenue law. As the Senator from Massachusetts has said, we would have had a bill passed to reduce the taxes for the year 1923 to the extent of 25 per cent, but it failed of enactment before March 15. However, the Senator knows that such a provision is incorporated in the revenue bill that has just been reported to the Senate.

Mr. JONES of New Mexico. I would like to make this observation about what the Senator from Utah has just said.

Mr. LODGE. I shall be through in a very few moments, and then I will yield the floor to the Senator permanently.

Mr. JONES of New Mexico. I have no desire to ask the Senator to yield the floor.

Mr. LODGE. Mr. President, I have mentioned these facts simply to show that the administration of the Treasury Department by Mr. Mellon has been eminently wise and eminently successful. He feels that the character of the investigation now proposed to be carried on not only reflects on him, as it was intended to do when it was started, but that it is bringing about a situation which will be very deleterious to the transaction of public business in the Treasury, although he would be a better judge of that than I.

I can quite conceive, however, that the business of that great department would be most prejudicially affected, and thereby the business of the country would be injured if we unchained a criminal lawyer and turned him loose in that department with power to look into the affairs of rich and poor, guilty, if there be any guilty, and innocent alike. I can quite understand that men who are working in that great force of 60,000 employees will work less if they think they have a spy at their shoulders all the time. The great bulk of them are honest men, doing their duty honestly. I can quite see the President's point. Against that he makes a protest, and I am glad he has made the protest, for it involves not Mr. Mellon alone but, in my opinion, it involves the future of the tax bill and also a continuance of a sound administration of the Treasury.

Mr. UNDERWOOD, Mr. McKELLAR, and Mr. BRUCE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Alabama.

Mr. ROBINSON. Mr. President, will the Senator from Alabama yield to me in order that I may make a request for unanimous consent?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. UNDERWOOD. I yield to the Senator from Arkansas for the purpose he has stated.

Mr. ROBINSON. Mr. President, I ask unanimous consent that on Friday next at 2 o'clock the unfinished business then before the Senate, if any, be temporarily laid aside, and that if in the meantime the Committee to Audit and Control the Contingent Expenses of the Senate shall not have reported upon the resolution submitted by the Senator from New Mexico [Mr. JONES] authorizing the special committee charged with the investigation of the Bureau of Internal Revenue to employ counsel, experts, and accountants, the committee be discharged from the further consideration of the resolution and that the Senate proceed to vote upon the resolution and all amendments which may be submitted to it.

Mr. BRUCE. I object.

The PRESIDENT pro tempore. Objection is made. The Senator from Alabama has the floor.

Mr. BRUCE. Mr. President, will the Senator from Alabama yield to me in order that I may state the reason for my objection to the request of the Senator from Arkansas?

Mr. UNDERWOOD. I yield.

Mr. BRUCE. Some of the rest of us would like to express our opinion in reference to the question which has just been under discussion. Indeed, there are some of us who think we should do so. I simply make this statement in order that the Senator from Arkansas [Mr. ROBINSON] may understand that I had a good reason for making the objection which I did.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield to me in order that I may make a statement with reference to what has just been stated?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. UNDERWOOD. I yield to the Senator from Tennessee for the purpose he has indicated.

Mr. McKELLAR. I wish to say to the Senate that, so far as two of the members of the Committee to Audit and Control the Contingent Expenses of the Senate are concerned, the Senator from Rhode Island [Mr. GERRY] and myself have made very active efforts to secure a meeting of the committee and to have the resolution referred to by the Senator from Arkansas—the Jones resolution—reported favorably, but the chairman of the committee has declined to call a meeting, or at least he has not done so, and wishes the matter postponed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House further insisted on its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes; agreed to the further conference requested by the Senate on the disagreeing votes of the

two Houses thereon, and that Mr. CRAMTON, Mr. MURPHY, and Mr. CARTER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had adopted a concurrent resolution (H. Con. Res. 21) providing that the action of the Speaker of the House of Representatives and the President pro tempore of the Senate, in signing the enrolled bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law enforcement, be rescinded and that the said bill be reenrolled with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 655) to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS

Mr. KEYES presented a petition of sundry citizens of Walpole, N. H., praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

Mr. LADD presented a resolution adopted at a meeting of the Niagara-Shawnee Agriculture Club at Niagara, N. Dak., favoring the passage of the so-called McNary-Haugen export corporation bill in its original form, which was referred to the Committee on Agriculture and Forestry.

Mr. CAPPER presented a telegram in the nature of a petition from the Molly Foster Berry Chapter, Daughters of the American Revolution, of Fort Scott, Kans., praying for the passage of the so-called Johnson restrictive immigration bill, which was referred to the Committee on Immigration.

Mr. FLETCHER presented petitions, numerously signed, of sundry citizens of Miami and vicinity, in the State of Florida, praying for the passage of the so-called Johnson restrictive immigration bill, with quotas based on the 1890 census, which were referred to the Committee on Immigration.

Mr. WILLIS presented a petition of sundry citizens of Akron, Ohio, praying for the passage of the so-called Johnson immigration bill, with a 2 per cent restriction and quotas based on the 1890 census, which was referred to the Committee on Immigration.

He also presented petitions of James Grooves and sundry other citizens of Salem, of 450 members of the Central Methodist Episcopal Church, and of 400 members of the Grace Methodist Episcopal Church, of Columbus, all in the State of Ohio, praying for the passage of restrictive immigration legislation, with quotas based on the 1890 census, etc., which were referred to the Committee on Immigration.

Mr. CAMERON. I present a letter from Charles S. Taylor, department adjutant-treasurer, Disabled American Veterans of the World War, of Tucson, Ariz., transmitting certain resolutions adopted at the recent convention of the Department of Arizona, Disabled American Veterans of the World War, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letter and accompanying resolutions were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ARIZONA,
DISABLED AMERICAN VETERANS OF THE WORLD WAR,
Tucson, Ariz., April 10, 1924.

Hon. RALPH CAMERON,
United States Senate, Washington, D. C.

SIR: I beg to inclose copies of resolutions Nos. 5, 7, and 16, passed and adopted by the Department of Arizona, Disabled American Veterans of the World War, in convention assembled at Tucson, Ariz., April 1, 2, and 3, 1924.

I am especially asked to call your attention to resolution No. 5 and to request your careful consideration of the matters therein contained.

Yours very truly,

CHARLES S. TAYLOR,
Department Adjutant-Treasurer.

Resolution 5, requesting that the United States Veterans' Bureau Hospital No. 51, Tucson, Ariz., be made a permanent hospital, and that necessary improvements be authorized.

Whereas an official of the United States Veterans' Bureau has recommended that the United States Veterans' Bureau Hospital No. 51, Tucson, Ariz., be made a permanent hospital; and

Whereas the climate along the coast of the twelfth district is too damp for a certain class of tuberculosis patients, and the altitude at Whipple Barracks is too high for another class of tuberculosis patients; and

Whereas United States Veterans' Bureau Hospital No. 51 is located at an altitude that is neither too high nor too low for any class of tuberculosis patients; and

Whereas this hospital is located in an ideal dry climate, especially favorable to the treatment of tuberculosis of all types; and

Whereas there is a special need for an institution of this class in the twelfth district, so that tubercular veterans needing this special care and treatment can obtain it under favorable conditions and proper supervision without being sent to far-distant hospitals, where they would be kept separated from their families and those who are near and dear to them; and

Whereas the present type of wooden shacks and buildings are hot in summer and cold in winter, poorly equipped, and otherwise unsuited to the proper care of tubercular veterans: Therefore be it

Resolved that the Department of Arizona, Disabled American Veterans of the World War, in convention assembled, Request the United States Veterans' Bureau to take immediate steps to make the United States Veterans' Bureau Hospital No. 51 a permanent hospital, and have modern permanent buildings erected, and make other necessary improvements; and be it further

Resolved, That copies of this resolution be mailed to each Congressman and Senator from the said twelfth district.

Passed and adopted at Tucson, Ariz., April 1, 1924.

Resolution 7, requesting amendment of war risk insurance act to include men who were disabled in service between April 6, 1917, and enactment of war risk insurance act, on November 6, 1917.

Whereas there are many men who were discharged from the service after April 6, 1917, on account of disabilities incurred in the service, who did not have an opportunity to apply for insurance under the war risk insurance act, which was passed at a later date; and

Whereas these men should be entitled to the same insurance benefits as other men who were disabled in the service of their country during the World War: Now, therefore, be it

Resolved, That the Department of Arizona Disabled American Veterans of the World War, in convention assembled at Tucson, Ariz., April 1, 2, and 3, respectfully petition the Congress of the United States to amend the war risk insurance act so that any person who served in the active military service after April 6, 1917, and who was discharged from service because of disabilities incurred in the service prior to the enactment of the war risk insurance act on October 6, 1917, shall be deemed to have made legal application for, and shall be entitled to receive, all insurance benefits of the war risk insurance act as amended.

Passed and adopted at Tucson, Ariz., April 2, 1924.

Resolution 16, being a resolution concerning the retention of nontuberculosis patients at United States Veterans' Hospital No. 51, at Tucson, Ariz.

Whereas the Veterans' Bureau has announced its intention to transfer all nontuberculosis patients from the United States Veterans' Hospital No. 51, at Tucson, Ariz.; and

Whereas a certain class of men who are suffering from bronchitis, asthma, and other respiratory diseases have found that the climate in this vicinity has proven very beneficial to them, and that they have failed to improve in other localities: Now, therefore, be it

Resolved, That the Department of Arizona, Disabled American Veterans of the World War, in convention assembled at Tucson, Ariz., April 1, 2, and 3, 1924, go on record as opposing the transfer of nontuberculosis patients from United States Veterans' Hospital No. 51, at Tucson, Ariz., but that separate quarters and mess hall be provided for such nontuberculosis patients.

Passed and adopted April 3, 1924.

REPORTS OF COMMITTEES

Mr. MAYFIELD, from the Committee on Claims, to which was referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 354) for the relief of J. H. Toulouse (Rept. No. 408); and

A bill (S. 825) for the relief of Archibald L. Macnair (Rept. No. 409).

Mr. FERNALD, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (S. J. Res. 95) to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C., reported it without amendment.

Mr. DIAL, from the Committee on Public Buildings and Grounds, to which were referred the following bills, reported them each without amendment:

A bill (H. R. 4200) to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio; and

A bill (H. R. 6059) authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3091) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, reported it without amendment and submitted a report (No. 410) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CURTIS:

A bill (S. 3104) for the relief of Elie Rivers (with accompanying papers); to the Committee on Military Affairs.

By Mr. BURSUM:

A bill (S. 3105) for the relief of Clara D. True; to the Committee on Claims.

By Mr. LODGE:

A bill (S. 3106) to incorporate the American Psychological Association; to the Committee on the Judiciary.

By Mr. HEFLIN (by request):

A bill (S. 3107) to amend the United States cotton futures act, as amended; to the Committee on Agriculture and Forestry.

By Mr. NEELY:

A bill (S. 3108) providing for the purchase of a site and the erection thereon of a public building at Spencer, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. BRUCE:

A bill (S. 3109) for the relief of Frank H. Walker and Frank E. Smith; to the Committee on Claims.

A bill (S. 3110) to amend the act entitled "An act authorizing suits against the United States in admiralty, suits for salvage service, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes," approved March 9, 1920; to the Committee on Commerce.

By Mr. WARREN:

A joint resolution (S. J. Res. 114) authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; to the Committee on Irrigation and Reclamation.

AMENDMENT OF DISTRICT TAX LAWS

Mr. LODGE submitted an amendment intended to be proposed by him to the bill (S. 1786) to amend sections 5, 6, and 7 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT TO TAX REDUCTION BILL

Mr. HARRIS. Mr. President, I offer an amendment to the revenue bill and ask that it be printed in the RECORD and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Amendment intended to be proposed by Mr. HARRIS to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, viz: Insert as an additional section the following:

"SEC. —. That there shall be levied, assessed, collected, and paid in respect of the excess over the sum of $1,000 which any person, family, firm, association, or corporation shall give, advance, pay, expend, subscribe, or contribute in the aggregate during any taxable year for the purpose, directly or indirectly, of influencing the nomination or defeat of any candidate or candidates for nomination, or the election or defeat of any candidate or candidates for office, or the success or defeat of any proposition, to be voted upon at any primary election or general or special election at which candidates for Members of the House of Representatives or for United States Senator or presidential electors are to be nominated or elected, a tax equal to 1,000 per cent of such excess; such expenditures or contributions to include all sums in any form contributed, subscribed, advanced, expended, paid or given to or for or against such candidate, candidates, or proposition or to or for party or other political committees or campaign funds, but not to include lawful expenditures made by such candidates or regular political committees or out of such campaign funds of moneys lawfully contributed to them.

"Every person, firm, and corporation required by law to make an income-tax return shall state therein specifically each item and the date thereof of all gifts, advances, expenditures, subscriptions, payments, and contributions made, and to whom, for the purpose of influencing the result of such primary and general elections and of all taxes due thereon under the provisions of this section. And the treasurer or chairman of all State or congressional committees and of all political committees as defined in the act of Congress approved June 25, 1910, entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected,' and of all associations or committees organized to promote or prevent, or engaged in promoting or preventing, the nomination or election of any candidate for Member of the House of Representatives or of the Senate of the Congress of the United States or for presidential elector or electors, shall within 30 days after the election to be held therefor file with the collector for the district where the headquarters or other office where such committee or association is located a return stating specifically all sums of money received, from whom received, and the date thereof."

SENATOR BURTON K. WHEELER

The PRESIDENT pro tempore. The Chair desires to announce that he has been advised by the Senator from Connecticut [Mr. McLEAN] that in view of his duties upon the Committee on Banking and Currency and the Committee on Finance, it will be impossible for him to serve on the committee to which he was recently appointed relating to an examination of matters touching the Senator from Montana [Mr. WHEELER]. The Chair appoints in the place of the Senator from Connecticut [Mr. McLEAN] the Senator from Oregon [Mr. McNARY].

INCREASE OF COAST GUARD

The PRESIDENT pro tempore laid before the Senate a concurrent resolution of the House, which was read, as follows:

Concurrent Resolution 21

Resolved by the House of Representatives (the Senate concurring), That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 6815) entitled "An act to authorize a temporary increase of the Coast Guard for law enforcement," be rescinded and that in the reenrollment of the said bill the following amendment be made, viz: On page 2, line 44, after the word "enlisted," insert "warrant."

Mr. JONES of Washington. Mr. President, the word "warrant" was inserted as an amendment to the bill on the floor of the Senate, and was concurred in by the other House, but in enrolling the bill it was left out. The purpose of the passage of the concurrent resolution is to correct the enrollment. I, therefore, move that the Senate concur in the House resolution.

The concurrent resolution was considered by unanimous consent and agreed to.

RELIEF OF AGRICULTURAL DISTRESS IN NEW MEXICO

The PRESIDING OFFICER (Mr. FRAZIER in the chair) laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico.

Mr. McNARY. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to, and the Presiding Officer appointed Mr. NORRIS, Mr. McNARY, and Mr. SMITH conferees on the part of the Senate.

Mr. NORRIS subsequently said: Mr. President, may I ask the Chair who were appointed conferees on the part of the Senate on the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico?

The PRESIDENT pro tempore. The present occupant of the chair was temporarily absent from the Chamber at the time the conferees were appointed, but he is informed the conferees appointed were the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. McNARY], and the Senator from South Carolina [Mr. SMITH].

Mr. NORRIS. Mr. President, I ask that I be relieved from serving on the conference committee, because it is a physical impossibility for me to give the attention to the matter which it will require. I ask that some other Senator may be appointed in my place?

The PRESIDENT pro tempore. Will the Senator from Nebraska suggest the name of another conferee?

Mr. NORRIS. If the Chair desires to go down the list of names on the majority side of the committee, I suggest the next Senator on the list would be the Senator from Kansas [Mr. CAPPER].

The PRESIDENT pro tempore. In accordance with the suggestion of the Senator from Nebraska, the Chair appoints the Senator from Kansas [Mr. CAPPER] as a member of the conference committee in place of the Senator from Nebraska.

RESTRICTION OF IMMIGRATION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes.

Mr. UNDERWOOD. Mr. President, I desire to address the Senate for a short time on the pending bill looking to permanent restriction of immigration coming into the United States. Conditions change and necessarily the laws of our country must be changed in order to meet changing conditions. Up to the year 1880 we had no immigration policy in this country, and there was no need of one prior to that time. We had a great empire in the West which was unsettled and which needed the acquaintance of the plow and the advance of civilization. The immigration which was coming from Europe at that time came unassisted; it came to find homes; it paid its own way. There were homestead lands which were practically free to the settler who came to claim them. The result was that the restrictions on immigration then practically related merely to good character and to health. This condition in regard to our law remained until the act of 1913 was passed, adopting an educational test.

Mr. President, I think in considering the problems which are involved in the pending bill we should go back to the purpose and object of restrictive legislation. We did not adopt the original immigration law for the purpose of restricting certain classes of immigration coming from Europe, but the main purpose in passing legislation of any kind on the subject was to protect certain American standards. The real issue involved is the standard of American life and American living. On account of the great opportunities that were presented to the people of America in developing this wonderful continent, with its great natural resources in mine, forest, and field, the standard of American living had risen far above the average of any other country in the world. It is naturally the desire of our people to maintain that standard, and it should be the desire of the legislative body to keep that standard at least as high as it has been in the past, if it can not be made higher in the future.

Where that standard is most difficult to be maintained is in the field of labor. The fight in all the civilized world from the beginning of civilization has been at the bread line, where the human being fought for his daily bread. There it is that labor must come in contact with competition. If the standard of living at home has been built higher than it is accustomed to be maintained abroad, and then the lower standard is brought in contact with the standard at home, of necessity the lower standard has a tendency to draw the higher one down to its level. Therefore, the principal purpose for which legislation to restrict immigration into this country has been entered upon is to protect American labor in its efforts to maintain the high standard of wages and the proper standard of living which it has built up in the decades that lie behind us.

Restriction of immigration is primarily a question that addresses itself, first, to the American laborer and the ideals of American labor; and there we find the basis of our Republic. It is that great class of citizens who toil for their living; that great class of our people who must fight through their lives in order that they may have comfortable homes for their families and suitable education for their children, who determine the real standard and on whom the success of the American Republic depends. To those who are in comfortable circumstances, to those who do not have to toil for their daily bread, this issue does not present itself; and, on the other hand, although those in comfortable circumstances in this country do their part by the Government, often being the captains that direct the force of energy, yet the real position, both in peace and war of the American Republic, is determined by the standards of the American toiler. So, that I regard this bill establishing a permanent policy for the restriction of immigration as one of the great and vital legislative endeavors that has come before the Congress of the United States in my time.

I say "permanent" because we all recognize the fact that, although some years ago we passed a bill restricting immigration along this line, at the time of its passage a limitation was placed on the life of the bill and it was more or less regarded as a temporary expedient, but to-day the Congress is invited to enter upon a permanent policy to take its place in the future life of the Nation.

Unless labor may have a fair and a living wage, then the whole life of labor in this country must move backward; and the only field in which the wage of labor can be protected and determined, in the last analysis, is the field of competition.

You might adopt temporary expedients; you might by law attempt to shelter this employment or that; but in the end, in times of stress and disaster, no law could maintain an artificial standard. The standards of American labor must be maintained and can only be maintained in the great field of competition; and that field of competition is determined by the man who applies for employment who is within the continental limits of the United States.

I recognize that there is something in the argument that is being made that we may bring on a degree of hardship in some of our factories and foundries or in the development of our agricultural land if there is a continued restriction of immigration; but I think and always have thought that it is far better for the onward progress of the Nation to move more slowly, to develop more surely, and carry the great ideals of American life and American living along with the Nation as it moves onward.

I have always regarded this as one of the most important questions that confronted our country. As far back as the year 1902 I offered in the House of Representatives an amendment to a pending immigration bill providing for an educational test for immigrants coming into this country. It was adopted by the House, and came to the Senate; but the Senate rejected the amendment, and it went out of the bill, and for 11 years it stood at the door of Congress inviting enactment. In 1913, my colleague from Alabama, a splendid man and a statesman whose memory may be revered, the Hon. John L. Burnett, of Alabama, reported an immigration bill containing the same clause. It was enacted into law, and is the law of the land to-day. It was intended to raise the standard of immigration coming into this country so that a higher standard of immigration would be presented on the fighting line where it came into competition with the American laborer.

I say this because I want it understood from what I am to say hereafter that I have always believed in restricting immigration and believe in it now.

I am in favor of the passage of this bill in its main features as it was reported to the Senate; but there is an issue presented to the Senate that will come before us for consideration before the final vote on this bill, and I have taken the floor to make clear my own position in regard to that matter.

A few years ago, when we passed the existing law restricting immigration to 3 per cent of the foreign population of this country, as shown by the census of 1910, we adopted the standard of 1910 because it was the latest census report that was available. There was no other purpose in its adoption. It was fixed as the basis of restricted immigration. Before the Great War immigrants were coming into this country from Europe at the rate of more than a million of people per annum. In some years, I think, it ran as high as a million and a half people. It was a serious pressure on American labor to maintain its standards and meet the inflow of so great an amount of immigration; but after the enactment of the present law the immigration coming into the United States was reduced to some 350,000 immigrants. In other words, the inflow of competition at the labor market was reduced to a fourth or a fifth of what existed prior to that time. The dangers and difficulties that confronted the people of the United States were in a large measure removed, and do not exist to-day, and will exist in a much less degree if the pending bill is enacted.

Under the pending bill, providing for the admission of 2 per cent based on the census of 1910, the immigration coming into this country will amount to about 238,000 immigrants, reducing by a third the immigration now admitted into the United States. The census of 1890 showed over 7,000,000 of foreign-born residents in this country from northern and western Europe, and only 800,000 from southern and eastern Europe; but when you come to the census of 1910, by reason of death or removal, the residents of this country under the census of 1910 from northern and western Europe amounted to only 6,500,000, and from southern Europe to 5,200,000. It is perfectly clear, then, to anybody who desires to consider the facts—in truth, it is admitted—that the purpose of changing the present standard of the law is to discriminate against immigration coming from southern and eastern Europe.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. UNDERWOOD. Yes; I yield.

Mr. REED of Pennsylvania. I should not like to have that statement pass unanswered. The purpose, I think, of most of us in changing the quota basis is to cease from discriminating against the native born here and against the group of our citizens who come from northern and western Europe. I think the present system discriminates in favor of southeastern countries.

Mr. UNDERWOOD. I have no doubt that the Senator from Pennsylvania understands his position clearly, but he does not make it clear to me.

Mr. KING. Mr. President, will the Senator from Alabama yield?

Mr. UNDERWOOD. I yield.

Mr. KING. I did not hear the Senator from Pennsylvania. Does the Senator, in that statement, assume to speak for the committee?

Mr. REED of Pennsylvania. I am speaking for myself and, I think, for many on the committee.

Mr. KING. The Senator knows that in the committee we adopted the 1910 basis.

Mr. REED of Pennsylvania. I did not make the statement for the committee.

Mr. SHIELDS. Mr. President, I should like to say to the Senator from Utah [Mr. KING] that I entirely concur with the Senator from Pennsylvania [Mr. REED]. My idea, and I think the idea of a majority of the committee, was to discriminate in favor of the American people; and if it should fall heavily upon one of the other nations, that was not a material matter. We looked only to the interests of the American people.

Mr. UNDERWOOD. My friend from Tennessee has interpreted the statement of the Senator from Pennsylvania, so I now understand what he meant. In other words, the Senator thinks that it is in the interest of the American people to cut down the immigration that is coming from southern Europe and to increase the immigration from northern Europe. That is just what I said. I did not apply it in that way, but I never try to disguise my position by words. The purpose of this change is not to reduce immigration coming into this country that is going to force itself up against the bread line. It is not a question of protecting the standard of American labor and American life and the American home—no; it is not that, because that is determined by the brawn and sinew of each man's arm. It is numbers that count in the standard of daily work. In fact, if there were any discrimination, the higher the standard of those you admitted in efficiency and ability to work, the greater competition you would have at the dinner pail.

The purpose of this change in the bill is quite evident. It is not to protect American labor. It is to discriminate against one class of immigration in favor of another.

If we were going to build our country from foreign lands, if we were going to allow unlimited immigration to flow into this country from all sources, I can readily see how that question might be material. But when we are limiting immigration to a very narrow field, to the field as to which those most in favor of restriction feel that we have reached the limit, as expressed in this legislation, the question of assimilation is not the serious question it would be if we had unrestricted immigration.

Some may ask me why I take this position and voted the other day against the admission of Japanese into this country. In the first place, let me say that the question of immigrants coming into this country is entirely a domestic issue. It has always been recognized as a domestic issue. It was proclaimed as a domestic issue when the treaty of peace was signed at Versailles and was recognized as a domestic issue at the Washington conference. It has been recognized by all countries in the world that each and every nation for itself must determine whom it will admit to its shores to come in contact with its own people.

More than that, if the situation were reversed the Empire of Japan would take exactly the position we are proposing to take in this bill. Why do I say that? Because when Japan was threatened with unlimited immigration coming from China she herself restricted Chinese immigration coming into Japan to the business classes and the merchant classes, and removed Chinese immigration from competition with the labor of Japan. I do not say this in any way to reflect on the Japanese people. They are a great people. They are an ancient people. They have proved their standing among the nations of the earth at the sword's point. The whole world recognizes that they are great warriors, and they have demonstrated their ability within little more than half a century to adopt the methods and the genius of western civilization and make them their own. It is not because we wish to reflect on them or because we discriminate against them that we have included in this bill a restriction against Japanese immigration coming to this country, but it is because of racial integrity.

There never was a race in the world that did not desire to maintain its own racial integrity. The Zulu chief in Africa resents the foreigner. The American Indian welcomed to his shore Columbus's sailors until they wanted to dominate the land and carry back the Indian women of America. Then they turned and massacred those whom Columbus had left in the port in the West Indies on his first trip.

Racial integrity will be maintained always by every race of people, and we can not permit the yellow and the brown races to come to this country in large numbers without destroying racial integrity. More than that, we have recognized that fact in our law, and have refused to grant citizenship to immigrants of either the yellow or the brown race.

No man should be admitted as an immigrant to this country unless the law itself expects at some time that he may become an American citizen and take part in the affairs of our Government, so there is a reason for the exclusion of those from the Asiatic shores without in any way reflecting on them that makes it entirely different from European immigration.

The great body of European immigration comes from the same source. Their blood has been mixed through the centuries. There may be a division in language. There may be some dissimilar racial characteristics. But they belong to the white blood, to the Caucasian race, and it is more opportunity that has made the division than it is racial characteristics.

As I said a moment ago, it is idle to say that this change is made on the basis of protecting the American standards and American labor, because under this bill as it stands we are going to allow to enter this country only 238,000 immigrants a year, and, if the change is made adopting the census of 1890, we will allow 169,000 immigrants to come in, making a change of competition at the bread line of only 69,000 human beings, half of whom at least will be not wage earners, but those who will be dependent on others. So that the number is insignificant as compared with the great flood of immigration that beat upon our shores but a few years ago.

More than that, if that were all that was involved, if it were only a question of the numbers that should be admitted, without reflecting on anybody, the basis could be reduced from 2 per cent to 1½ per cent figured on the census of 1910, and there would be fewer immigrants coming into this country than would come in under the 2 per cent provision with the census of 1890 as the basis.

So it is perfectly apparent that the purpose of the change in this bill is not to protect the standards of American labor, and not to protect the standards of American life and American ideals, but it is to discriminate against one class of European immigrants coming into our country as in favor of another.

Mr. President, if we will look at the census returns, and compare the number of immigrants who come in from these countries, we will find that from northern Europe, under the census of 1910, as compared with that of 1890, there is an increase from Austria, which is a German country, of 3,704; of 333 from Belgium; of 764 from Norway; of 596 from Esthonia; of 2,269 from Finland; of 567 from the Netherlands; of 1,481 from Denmark; of 4,601 from Sweden; and of 221 from Switzerland, making a total increase from those countries of 14,536. There would be an increase of those coming from Czechoslovakia of 7,499; from Yugoslavia, 3,349; from Poland, 11,580; from Russia, 14,278; and from Italy, 23,949, making a total of 60,655.

There are some smaller countries involved on both sides of this equation where the difference in change would be less than 100 to each country, and I shall not worry the Senate by going into all the minute details; but the fact is that if we adopt the census of 1910 as the basis as against the proposed amendment making the census of 1890 the basis, we will get 60,000 additional immigrants from Czechoslovakia, Yugoslavia, Poland, Russia, and Italy. That is the issue.

I do not know how far Senators who are going to vote on this bill have analyzed conditions in those countries, but there is no portion of Europe where there is a finer industrial development, a worthier civilization, a straining after higher ideals and the best in government, in social life, and in industrial and agricultural development than will be found in Czechoslovakia. But we want to change the standard so that we will eliminate 7,499 from that country. Those who are coming from Yugoslavia are comparatively few in the estimates.

To Poland we close the doors, and yet if I remember rightly on one of the great squares in this Capital City, facing the White House, within my time of service in one of the branches of the Congress, we have erected a statue to the heroism of a great Pole who came here during the Revolutionary War and drew his sword and offered his life to sustain the independence of the American Government. They are white. They belong to the race of northern Europe. They have established a republic of their own; and although in the late war a large portion of Poland was under the control of Germany, the heartbeats of the entire people were with our cause and with our soldiers.

Russia? What is the difference between the Prussian, whom you desire to admit, and the Russian across the border? They

come from the blood of northern Europe. They are both Slavic in their original ancestry. The difference is that one has had the advantage of a development of civilization to a longer extent than the other. But in Russia we find a great white race, a pure white race, a race that belongs to what we in later years call the Nordic tribes. It has produced great soldiers, for we must not forget that on the battle lines in the early years of the Great War, before England was ready to go to the relief of France, before we were involved, this same Russian peasant, whom you now desire to condemn and write against his race the bar sinister, held the line for civilization. Between 1914 and 1916 if the Russian line had broken the German Empire would have succeeded and have been the dominant power of the world to-day. Yet by your action to-day you are writing the bar sinister against this race of people who held the line of civilization for you and for me.

Then the other race are the people of Italy, 23,000. They are not excluded because they are fighting the bread line. You could exclude them at the bread line without reflecting on their racial characteristics or their standard among nations. If that is all you desire, reduce your percentage from 2 to 1½ per cent and you will get less people than you would have by adopting the standard of 1890.

What are the Italians? You object to some of them because you do not think they are up to the standard that you want. The Lombards of Italy are as much Nordic in their type as your own race. They have been great warriors in their time and are to-day. All the arts of civilization have been bred and grown in their midst, sculpture, painting, and the other arts, literature, all the modern sciences. But a few, you say, do not come up to your standard. Why, Senators, if we are to be judged by the minority there are places in continental United States that will not measure up to the standards of European life. If you want to pick a spot on the universe to judge of the whole, look at your own country. Reverse the situation. If we are to be judged of by the minority, 10 per cent of the population of continental United States is black. Europe would not accept that as a standard under which to allow American immigration to go into Europe. But are we to be judged as a Nation because our standard does not ring true all along the line? No! Are you to judge of a nation itself that you are weighing and measuring in the balance because forsooth some small portion of that nation does not measure up to the ideal standard which you desire?

No, Mr. President; I say that this change is a mistake. There is nothing to be accomplished by it that will aid in the maintaining of the high standard of American labor and American life that we all desire to accomplish. They are only endangered at the line of competition, the bread line. But when you say to a very large portion of the people of the United States, citizens of this country, men and women who have the right to vote and sit in the councils of your Nation, "We draw this line against you and yours because we believe that you are unworthy of the high standard of American life and living," you are doing an act of injustice to those people, an act to which I shall not commit myself by my vote.

More than that, why should we forget that the same Italian people were in the three-power pact when the Great War broke out? They refused to invade France. They refused to tear down the last protecting wall which would save the political life of France. Then, in the end, they joined our allies. Their boys with your boys battled together in the Great War. The boys of their race who had adopted America as their home stood on the battle line with your sons and with mine. One great division from the State of New York was largely made up of the sons of these people, and when the killing days in the Argonne came they held the line. They held it for you and for me. And yet you are prepared to write the bar sinister against their names and say that they are unworthy of mixing with your blood. That is what you mean, and that is what the proposed amendment means.

Mr. President, I have been for restricted immigration and have said so on the floors of the Congress for more than 25 years. It is no new thing to me. As I said, I myself proposed the first educational test to protect American labor and American standards. But when you ask me to go to the point where I must discriminate against and bar the men who stood in the battle line with my son and fought the fight with him I decline to go with you. It is not American, it is not democratic to do it.

The great genius of this Republic was due to the fact that America opened its gates on the rock-bound coast of New England to provide a harbor of refuge for the Pilgrim Fathers who were driven from old England by persecution. Then but a few years later the scene changed, and within a hundred miles of the Capital of the United States the Catholics of England found refuge on the shores of Maryland from persecution. Then the sons of New England and Maryland met and wrote the Constitution of the United States, which is the guaranty of our liberty, the protection of our homes, and the standard of our Republic and our lives.

The question of proscription is nothing new. It was here at the birth of the Democratic Party. It was out of this idea of intolerance that, under John Adams, the alien and sedition laws were written in the history of this country. The greatest Democrat who ever lived, standing for human rights, human liberty, and freedom of conscience, carried the issue to the country, and Thomas Jefferson became the President of the United States.

Under his administration the alien and sedition laws were removed from the statute books of the country. Yet the spirit of intolerance came down through the decades, and again showed itself in the fifties, when a party calling itself the American Party of the United States and known in history as the Know Nothing Party proclaimed the same idea of racial and religious intolerance.

I am glad to say that the party of which I am a member, the party in whose principles I hold faith, has always met this issue squarely and stood for human rights and human liberty. I wish to read into the RECORD of the Senate how that party proclaimed itself when it met in convention for the campaign of 1856. Section 10 of that Democratic platform reads as follows:

> That the liberal principles embodied by Jefferson in the Declaration of Independence and sanctioned in the Constitution, which makes ours the land of liberty and the asylum of the oppressed of every nation, have ever been cardinal principles in the Democratic faith, and every attempt to abridge the privilege of becoming citizens and the owners of soil among us ought to be resisted with the same spirit which swept the alien and sedition laws from our statute books; and
>
> Whereas, since the foregoing declaration was uniformly adopted by our predecessors in national conventions an adverse political and religious test has been secretly organized by a party claiming to be exclusively American, it is proper that the American Democracy should clearly define its relation thereto and declare its determined opposition to all secret political societies, by whatever name they may be called:
>
> *Resolved*, That the foundation of this Union of States having been laid in and its prosperity, expansion, and preeminent example in free government built upon entire freedom in matters of religious concernment and no respect of person in regard to rank or place of birth, no party can justly be deemed national, constitutional, or in accordance with American principles which bases its exclusive organization upon religious opinions and accidental birthplace. And hence a political crusade in the nineteenth century and in the United States of America against Catholic and foreign born is neither justified by the past history or the future prospects of the country nor in unison with the spirit of toleration and enlarged freedom which peculiarly distinguishes the American system of popular government.

Mr. President, I do not make that declaration; other Senators do not make that declaration; but, as that platform states, from the day of Jefferson down to the adoption of this clause in the platform of 1856 it was the principle, the great and enduring principle, of the Democratic Party.

The party of Thomas Jefferson has lived for human rights; it has lived for human freedom; it has always stood for freedom of religious worship, and if the hour has come when the democracy of America can no longer ring true to the fundamental principles of this great party, then the seed of discord and corruption has already entered its soul and its destiny is ended.

What did Thomas Jefferson leave behind him to write his name among the foremost of our great Republic? It was not that he had been a great President of the United States; it was not that he had been ambassador to France in the hour of danger and difficulty facing the young American Republic; and it was not that he had been Governor of the great State of Virginia. No; when he came to die he wrote his own epitaph and he ordered written on his tombstone at Monticello—

> Here lies the body of Thomas Jefferson, the author of the Declaration of Independence, of the statute of religious freedom in Virginia, and father of the University of Virginia.

Three great achievements, all standing for human rights and human liberty, for freedom of men; and yet we have reached a time when the great party to which I hold allegiance, the party of Jefferson, the author of the Declaration of Independence, the party of Mason, who wrote the Bill of Rights, the party of Madison, the father of the Constitution, is preparing to reverse the principle that it declared in its platform of 1856—

and that is the foundation stone of the party to which we give allegiance—and exclude immigrants from this country, not because they endanger American civilization, not because they endanger labor at the bread line, but, forsooth, because we have become so nice that we do not wish to associate with people coming from particular foreign countries. In other words, instead of standing for the great principles of human rights and human liberty, and freedom of conscience, we are going to tear down our standard and yield our cause to passion and to prejudice. On that ground I will not follow.

There is no discrimination in the present law; there is no reason for its change; there is no danger to American ideals in the bill reported by the Senate Committee, but if the change shall be made it will be made for the purpose directly, and for no other purpose, of discriminating against one class of people in favor of another, on grounds that are not democratic and not American.

Mr. SHIELDS obtained the floor.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. SHIELDS. I yield.

Mr. REED of Pennsylvania. Yesterday afternoon the Senator from Rhode Island [Mr. COLT] and the Senator from South Dakota [Mr. STERLING] both inquired of me whether there was going to be any record vote during the remainder of the day as far as I could tell, and I assured them that there would not be. In giving that assurance I meant to say that no yea-and-nay vote would be called for on any proposition so far as I could see. They very naturally interpreted what I said as meaning that there would be no vote on any subject. As a matter of fact, the Senate did vote without yeas and nays on the Japanese-exclusion section which I offered, and I have unmeaningly done them an injustice in leading them to think there would not be any vote. For that reason, Mr. President, and at the request of both of those Senators, I ask unanimous consent for a reconsideration of that vote and an immediate yea-and-nay vote on the question, so that they may enter their dissent to the adoption of the section.

The PRESIDING OFFICER (Mr. FRAZIER in the chair). Is there any objection?

Mr. SHIELDS. Does the Senator want an immediate vote?

Mr. REED of Pennsylvania. If the Senator will yield for that purpose; otherwise, I can not presume on his courtesy.

Mr. SHIELDS. If I do not yield the floor, and if that is an accommodation to the Senator, I will do so.

Mr. GERRY. Mr. President, may I ask what the Senator's request was? I have just come into the Chamber.

Mr. REED of Pennsylvania. I have just explained that unwittingly I did an injustice to the Senator from Rhode Island [Mr. COLT] and the Senator from South Dakota [Mr. STERLING], both of whom wanted to vote against the Japanese-exclusion section. I assured them there would be no record vote, meaning no yea-and-nay vote; but a viva voce vote was taken, and they were not here because of my assurance. I am now asking that without discussion, and without its resulting in the Senator from Tennessee [Mr. SHIELDS] losing the floor, the Senate shall now take a yea-and-nay vote on the adoption of that section.

Mr. SHIELDS. Mr. President, if I do not yield the floor, and there is no discussion, I will yield for the accommodation of the Senator.

Mr. UNDERWOOD. Mr. President, I have no objection; but as the bill is before the Senate as in Committee of the Whole, and there will be another opportunity for a vote when the bill goes into the Senate, I should like to ask the Senator why we should call the roll now?

Mr. REED of Pennsylvania. I suggested that, but the Senators who are concerned felt that they would like to register their protest promptly, and that is the reason for the unusual request which I make of the Senate.

Mr. STERLING. Mr. President, I should like to say just this word: I thought I had left word yesterday that I should be notified in case that amendment came up before the Senate; but I think the parties with whom I left the word overlooked the matter, and I was not notified, or I would have been here, of course, at the time.

Mr. SHIELDS. Mr. President, I did not hear the Chair's statement in regard to my agreement to yield the floor only for this vote on condition that I shall not lose the floor.

The PRESIDING OFFICER. The Chair has recognized the Senator from Tennessee. Is there any objection to the request of the Senator from Pennsylvania? The Chair hears none. The vote whereby the amendment was agreed to is reconsidered, and, under the unanimous-consent agreement, the yeas and nays are ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. ROBINSON. Mr. President, a parliamentary inquiry. There seems to be a misapprehension as to what is the pending question. Is it not upon the adoption of the exclusion amendment?

The PRESIDING OFFICER. The Secretary will state the question.

The READING CLERK. On page 15, after line 17, the Senate on yesterday inserted the following amendment:

(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonimmigrant under the provisions of section 3; or (2) unless such alien is an immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; or (3) unless such alien is an immigrant who is a bona fide student over 18 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor; or (4) unless such alien is the wife or the unmarried child under 18 years of age of an immigrant admissible under subdivision (2) of this paragraph and is accompanying or following to join him.

The PRESIDING OFFICER. The Secretary will continue the calling of the roll.

The reading clerk resumed the calling of the roll.

Mr. WILLIS (when Mr. FESS's name was called). My colleague, the junior Senator from Ohio [Mr. FESS], is unavoidably absent. If he were present, I am advised that he would vote for the pending amendment.

Mr. McCORMICK (when his name was called). I have a standing pair with the Senator from Oklahoma [Mr. OWEN], which I transfer to the Senator from Ohio [Mr. FESS], and will vote. I vote "yea."

The roll call was concluded.

Mr. FLETCHER. I have a general pair with the Senator from Delaware [Mr. BALL], who is absent. I transfer that pair to the Senator from Arizona [Mr. ASHURST], and will vote. I vote "yea."

Mr. ERNST. I have a general pair with the senior Senator from Kentucky [Mr. STANLEY], but I understand that he would vote as I intend to vote. Therefore I vote "yea."

Mr. SHORTRIDGE. My colleague [Mr. JOHNSON of California] is absent. If he were present, he would vote "yea."

Mr. JONES of New Mexico (after having voted in the affirmative). I observe that the Senator from Maine [Mr. FERNALD], with whom I am paired, is absent from the Chamber. I have already voted, but I understand that the Senator from Maine would vote as I have voted, and I therefore permit my vote to stand.

Mr. GERRY. I desire to announce that the Senator from Arizona [Mr. ASHURST] is absent on account of illness in his family.

Mr. CURTIS. I desire to announce that the Senator from Indiana [Mr. WATSON] is absent owing to illness in his family. If present, the Senator from Indiana would vote "yea."

I wish also to announce that the Senator from Wisconsin [Mr. LENROOT] is absent because of illness.

The result was announced—yeas 71, nays 4, as follows:

YEAS—71

Adams	Ernst	Ladd	Robinson
Bayard	Fletcher	Lodge	Sheppard
Borah	Frazier	McCormick	Shields
Brandegee	George	McKellar	Shipstead
Brookhart	Gerry	McKinley	Shortridge
Broussard	Glass	McNary	Simmons
Bruce	Gooding	Mayfield	Smith
Bursum	Hale	Moses	Smoot
Cameron	Harreld	Neely	Spencer
Capper	Harris	Norbeck	Stephens
Caraway	Harrison	Norris	Swanson
Copeland	Heflin	Oddie	Trammell
Curtis	Howell	Overman	Underwood
Dale	Johnson, Minn.	Pepper	Wadsworth
Dial	Jones, N. Mex.	Phipps	Walsh, Mont.
Dill	Jones, Wash.	Pittman	Wheeler
Edge	Kendrick	Ralston	Willis
Elkins	Keyes	Reed, Pa.	

NAYS—4

Colt	McLean	Sterling	Warren

NOT VOTING—21

Ashurst	Ferris	Lenroot	Walsh, Mass.
Ball	Fess	Owen	Watson
Couzens	Greene	Ransdell	Weller
Cummins	Johnson, Calif.	Reed, Mo.	
Edwards	King	Stanfield	
Fernald	La Follette	Stanley	

So the amendment of Mr. REED of Pennsylvania was agreed to.

Mr. SHIELDS. Mr. President, the future immigration policy of the United States is challenging the most serious attention of the American people. They demand that this policy be changed from one of practically the open door to all peoples of the world to one of rigid restriction if not absolute prohibition of immigration. This is a matter of the greatest importance and must have prompt and favorable consideration. The immigrants we are receiving to-day are of a different character from those that came in the early history of our country, and the great numbers in which they are arriving is a cause of serious alarm and menaces the purity of the blood, the homogeneity, and the supremacy of the American people and the integrity and perpetuity of our representative form of government.

The highest duty of every nation is to protect its nationals and its government. Our constitutional form of government is recognized to be the wisest that was ever constructed and put into successful operation. We have boundless natural resources, surpassing those of all other countries in variety and value. But it is the sturdy and indomitable people who populated this country and founded our Government, developed these vast resources, who have made this the greatest, richest, and most powerful Nation in the world. If we permit the great American type of citizenship to be diluted, mongrelized, and destroyed, our civilization and free institutions will not survive. No mongrel race has ever achieved greatness in peace or war.

The people of the United States recognize in these great hordes of new immigrants a foreign invasion fraught with consequences as disastrous and humiliating as those of a military invasion. They are as much opposed to a peaceful conquest through the migrations of millions of undesirable alien immigrants as a conquest by an army with force and arms.

Mr. President, the apprehensions of the people are well founded, and conditions call for prompt and vigorous action. We must have a new and permanent policy which will prohibit further migrations of alien peoples and preserve the purity and integrity of American citizenship and republican institutions.

CONDITIONS REQUIRING LEGISLATION

I will briefly review the facts that have produced these alarming conditions and call for this legislation.

There have been great migrations of peoples from one country to another in all ages, and many of them have submerged and supplanted the peoples inhabiting the countries to which they migrated and overthrown their governments.

The migrations to the United States in recent years have broken all precedents. Where hundreds of thousands migrated to other countries, millions have come to America. Since 1820, 35,000,000 aliens have migrated to the United States. The great majority of them have come since 1880, 10,000,000 during the last 15 years. Comparatively few came before 1880, the wonderful increase of our population up to that time being almost entirely from colonial stock. These migrations gradually increased from 1880 to 1914. From 1902 to 1914 over 750,000 came annually, and during five of these years more than 1,000,000 came each year, 1,218,480 arriving in 1914.

The census of 1920 shows that we have a total white population of 94,820,915, of which number 58,421,956 are of native-born parentage, and that 36,228,958 are foreign born or of foreign-born parentage—13,712,754 foreign born, 15,604,539 of parents born abroad and 6,901,665 of mixed parentage—that is one parent born abroad and the other native; and that only about one-half of the foreign born are naturalized American citizens.

This census further shows that of the population of our cities there are 24,556,729 born of native parents, and 26,063,355 of foreign birth or foreign stock, and of these 10,386,983 are foreign born. The city of New York, with a population of 5,600,000 has 4,200,000 of foreign stock, of which 1,900,000 are alien by birth. Chicago out of a total population of 2,700,000 has 1,940,000, or 75 per cent, foreign stock. There are other cities where the majority of the population are foreign born or of foreign stock.

New England has almost changed its original stock of people; over 60 per cent of the population consists of those of foreign birth or whose parentage is foreign wholly or in part. Rhode Island leads all the States with a foreign stock of 69 per cent, followed by Massachusetts, with 66 per cent; Connecticut and North Dakota, with 65 per cent; Minnesota, 64 per cent; New York, 62 per cent; Wisconsin, 59 per cent; and New Jersey, 58 per cent. The total foreign stock for the Southern States, including Missouri, Oklahoma, and Texas, is only 8 per cent as against 40 per cent in the rest of the country.

There are more than two-fifths of our white population foreign born and of foreign or mixed foreign parentage of the present generation. Without reference to the character of the individual immigrants, this is ample cause for alarm and serious apprehension for the safety and supremacy of the American stock, who built our free institutions and are responsible for their maintenance.

These conditions have never existed or been approached in the history of our Government, and they fully justify the interest of all patriotic Americans in restricting immigration.

THE OLD IMMIGRANTS

Mr. President, the thirteen original States were British colonies, settled by immigrants from the United Kingdom of Great Britain and Ireland and northern and western Europe—France, Holland, Germany, and the Scandinavian countries, less than 10 per cent coming from the latter countries. These peoples were originally of the same common origin and stock, having much the same love of liberty and freedom and principles of Government, and comparatively easily assimilated.

The colonists from Great Britain and Ireland brought with them the customs, the language, ideals, aspirations, and the laws of that great Anglo-Saxon nation and established a Government which secured for them the inalienable rights of personal liberty, private property, security of the home, freedom of religious belief, free speech and press, trial by jury, and other rights of a free and sovereign people. The Nation which they created here is of the great Anglo-Saxon family, with the fixed principles and ideals which these people have carried with them and upheld in every part of the world they have settled and controlled.

The immigrants who came here from 1787 to 1880 were of the same stock, in about the same proportions, as those who founded our Nation and our Government, those coming from continental Europe increasing about 25 per cent in the last 20 years of that period. They came here for the purpose of acquiring homes, enjoying our free institutions, and becoming loyal American citizens. They brought their families with them and distributed themselves all over the country and were assimilated and merged into one homogeneous people with one language and attached to the same laws and the same principles and form of government. They assisted in subduing the forests, clearing the lands, and building our great cities and developing our great natural resources.

THE NEW IMMIGRANTS

Mr. President, the character and nationality of immigrants have changed since 1880. Immigration for some years has been almost entirely from southern and eastern Europe and Asia, countries whose nationals are racially different from the old immigrants. The total number of immigrants to the United States from northern and western Europe between 1871 and 1880 was about 2,700,000 and the total from southern and eastern Europe only 181,000, but between 1901 and 1910 the total of the former was 2,000,000 and those from southern and eastern Europe increased to 6,128,000. While previous to 1900 immigration from southern and eastern Europe constituted only 9 per cent of the European immigration, since then it has increased to 75 per cent of the total. More than three-fourths of the immigrants during the last 10 years came from Italy, Greece, Hungary, Poland, the Balkans, Russia, and some from Asia.

We have many splendid men and women, loyal and patriotic citizens, from all these countries who came to make America their home and to become Americans. We respect and honor them and are glad to have them. They are entitled to equal opportunities and equal rights with those who came before them. There should be no discrimination against them. They are all now Americans and many of them are successful business men and able and distinguished citizens, holding high positions and offices of trust, honor, and power. What I am now going to say does not apply to this class of immigrants.

The great majority of the present-day immigrants do not, like the old ones, distribute themselves over the States, mingle with and become absorbed in the great body of American people, and build homes, cultivate lands, or, in other words, become permanent and loyal American citizens. They do not have the social characteristics of the original stock. They are not assimilable and do not seem to desire to be assimilated. They bring with them lower standards of living and labor conditions and strange customs and ideals of social justice and government. Civil and religious liberty do not attract them, but they come here to enjoy our prosperity and possess the country our forefathers redeemed from the wilderness and improved as none other in the world.

They largely congregate in cities and form communities of their several foreign nationalities; they speak their own languages and train their children to do so. They continue to

The reading clerk proceeded to call the roll.

So the amendment of Mr. REED of Pennsylvania was agreed to.

cherish their former traditions, social aspirations, customs, and ideals of government, and more than half of them remain unnaturalized and owe allegiance to foreign governments. There are more than 3,000,000 of them who can not read or write English and perhaps 2,000,000 who can not speak our language. The city of Monessen, Pa., has a population of 21,000, only 3,000 of whom can speak the English language. There are whole wards in New York and Chicago where the English language is seldom heard and no newspapers printed in it read. These conditions are the natural consequence when a large number of immigrants come from one country.

The investigation of the great strike of the employees of the United States Steel Corporation developed the fact that more than one-half of the strikers were foreigners, representing 21 nationalities and speaking as many different languages.

Thirty-five per cent of those immigrants are illiterate and densely ignorant, and many of them are physically, mentally, and morally unsound. Secretary Davis recently stated that 20 per cent of the inmates of the insane asylums of our country are men and women of foreign birth. A large number of them are of the lawless class and undesirable citizens in every respect. It is well known that the governments of the countries from which these people come encourage and stimulate this class of immigration and keep at home the best of their nationals.

Mr. Secretary Davis, after a careful investigation, classified the present-day immigrants as follows:

Very superior	153,138
Superior	403,700
High average	1,016,211
Average	3,702,904
Low average	2,296,914
Inferior	4,276,573
Very inferior	2,060,262

We have received over 3,000,000 immigrants in 30 years below normal mentality, and their progeny have added to the number of degenerates, criminals, and inmates of insane asylums, burdening our country with obligations which have more than offset the real value of the desirable immigrants.

THE MENACE OF COMMUNISM

Mr. President, these undesirable immigrants are seriously endangering the peace and tranquillity of our people and the supremacy of our laws and Government. There are many of them who begin to plan to destroy our institutions as soon as they arrive in this country. They are not content with the American principle of equal opportunity, but demand equal conditions without deserving them. There are many who are intolerant of all restraint and all law and would introduce into this country the wildest doctrines of Bolshevism. We get the majority of the communists, the I. W. W.'s, the dynamiters, and assassins of public officers from the ranks of the present-day immigrant.

Communism has become a menace to our Government. There are many organizations, under different names, which are constantly plotting to overthrow our Government by force and violence when conditions offer favorable opportunity for such action. They have made insidious efforts to obtain control of organized labor; but, while it is said they have made converts in some of the unions, Mr. Gompers and other labor leaders, with commendable patriotism, have met and thwarted their efforts. They denounce all interests and all organizations not in accord with their views, and only recently in a meeting in Chicago the American Legion was denounced as an auxiliary of capital and all workers were ordered to withdraw from its membership. The strength and activities of the communists are found in the eastern and northern cities, where are the great body of undesirable immigrants. We have very few of them in the South, where the immigrants are of the better class, and are making good citizens; but this is a national problem, and I am discussing it from a national standpoint.

Mr. President, there are to-day more than a thousand daily, weekly, and monthly publications, in 42 different languages, printed in the United States which openly and defiantly advocate the overthrow of our Government. In addition to these, socialistic and anarchistic papers, advocating violence and bloodshed, published in Europe in foreign languages, are distributed in our country. Meetings are held in all centers of the foreign population in our cities and speeches made in foreign languages urging bloody revolution and ultimate confiscation and destruction of all private property.

The Communist, the official organ of the Communist Party, which is printed in a half dozen foreign languages, advocates organized revolution in the United States. Addressing the working men and women, it declared in so many words:

> You must organize the shops and use the strike against the Government; you must be prepared so that when the revolutionary crisis comes you can turn a general strike against the Government into an armed uprising to overthrow all government.

There are said to be 2,000,000 radical communists in the United States. These people made necessary the espionage laws of the war, which unexplained, are a reflection upon the patriotism of the country.

Present conditions in Europe tend to increase immigration to this country of the idle, thriftless, and criminal classes. It is estimated that but for the restrictive legislation enacted in 1921, no less than 2,000,000 of these undesirable classes would have come to our shores from southern and eastern Europe during the last year.

If we allow this to continue, the character and distinguishing qualities of our nationals will be changed, and physical, mental, and moral degeneracy of the American people will inevitably follow, and our Government will be altered in conformity with their socialistic views and ideals.

NEW IMMIGRATION POLICY REQUIRED

Mr. President, the great migrations of the nationals of foreign countries must stop. We must adopt a fixed and firm policy, not apologetic, but militant and aggressive for that purpose. We must declare to the nations of the world now and for all time in no uncertain terms that we will not longer allow great migrations of people from any country to our shores. America has too long been made the dumping ground for their undesirable populations. As a sovereign nation it is our solemn duty to foster and protect the purity of blood, the characteristics, and ideals of the American people. The harmony and unity of our nationals must be preserved. We will do this without consulting the convenience and interest of any other government. Their officious interferences and protests against this bill are an insult to our sovereignty and should be resented by all Americans.

We do not need immigration. We are a world power and can safely depend and rely upon our own people for prosperity and defense of our country. The immigrants of to-day come to share our prosperity and not to contribute to it. The natural increase of our nationals will enable us to keep up with the populations of other countries. We do not want a densely populated country with the attendant evils found in such countries in Europe and Asia. Overpopulation destroys individualism and independence and weakens the physical and mental development of the people. Great Britain, France, Germany, nor any other civilized country permits hordes of immigrants from foreign countries.

IMMIGRATION A DOMESTIC POLICY

Mr. President, the problem which confronts us is not international. Immigration is a domestic problem solely within the control of each sovereign State. This question was fully discussed when the Senate had under consideration the approval of the covenant of the League of Nations contained in the Versailles Treaty. One of the most important reservations reported by the Committee on Foreign Relations was that declaring immigration to be a domestic question and reserving to the United States the absolute control of immigration to our country.

I consider the possible interference of foreign governments in our immigration policies to be one of the gravest consequences which would follow our becoming a member of the League of Nations. The protests that Italy, Rumania, Japan, and other countries are making against this legislation confirms this apprehension.

Our immigration policy must be determined by the American people, and the laws for its enforcement written by Americans and for America. The welfare of the Nation must control. Temporary economic, industrial, and commercial interests must give way to the safety of our people and our institutions. Contractors for cheap labor and foreign steamship companies reaping great profits from transporting immigrants, must not be allowed to further influence our immigration laws.

AMERICA HAS AIDED EUROPE

Mr. President, the argument that the policy and laws proposed are harsh and unjust to the people of Europe is without foundation in fact, humanity, or justice. We are under no legal or moral obligations to receive and provide for them. America has done more for Europe than Europe has done for herself. We have been taking care of their surplus population, good and bad, to the prejudice of our people and our institutions for the last 40 years. We lent them more than $10,000,000,000 during the last war, which most of them show no disposition to repay.

Since the war we have given them nearly $1,000,000,000 in charity and have no evidence of their gratitude. Their constant demands upon us are for more favors and for more money.

Notwithstanding these facts, we have among us men and women who are constantly insisting that we must "do something for Europe." Just what they mean, they do not say and I do not know, unless it is to contribute more of the earnings and savings of the American people to support the peoples of those countries while they are devoting themselves to their racial, commercial, and territorial prejudices and struggles. There are some who are insisting that we release their indebtedness to us, in order, as they say, to encourage them in their economic and industrial pursuits. They do not seem to have any consideration for the interest of the American people, who need that money to pay the Liberty loan bonds sold to raise it.

POLICY OF WASHINGTON

I believe in the policies of Washington and Jefferson: "Equal and exact justice to all men, of whatever state or persuasion, religious or political; peace, commerce, and honest friendship with all nations, entangling alliances with none," and which were eloquently approved by President Woodrow Wilson in his speech made in Washington, on May 6, 1914, when he said: "There are just as vital things stirring now that concern the existence of the Nation as were stirring then;" to wit, in Washington's time, and every man who worthily stands in this presence should examine himself and see whether he has the full conception of what it means. America should live her own life.

Wasnington saw it when he wrote his farewell address It was not merely because of passing and transitory circumstances that Washington said we must keep from entangling alliances. It was because he saw that no country has yet set its face in the same direction in which America had set her face. We can not form alliances with those who are not going our way, and in our might and in confidence and definiteness of our own purpose we need not and we should not form alliances with any nation in the world. Those who are right, those who study their consciences in determining their policy, those who hold their honor higher than their advantages do not need alliances. When we go out from this presence, we ought to take the idea with us that we, too, are devoted to the purpose of enabling America to live her own life, to be the most just, the most progressive, the most honorable, the most enlightened nation in the world.

Mr. President, I have no racial or religious prejudice against any of the Caucasian races, and I would not discriminate against any of them, but as an American citizen, whose paternal ancestors fought with Washington and assisted in driving the British armies from American shores, I am in favor of the American people and the American Government against all races and against all nations. I believe that the sound political policy of the American people is to keep Europe out of America and to keep America out of Europe.

While we have no right to suggest what other governments should do with their surplus populations, we know that there are vast unoccupied countries which are open to colonization. Africa is a vast country, sparsely populated and of great natural resources almost wholly undeveloped. France, Italy, Belgium, and Great Britain have great dominions there which these people may occupy and develop. Let them go there and work and build up that country and establish their own forms of government as our forefathers did in America. We are not called upon to divide our country or our prosperity—the result of years of hardship, sacrifice, and industry—with them.

FOREIGN INFLUENCE

If we permit foreign nations to continue to colonize their nationals here as they have in the last few years, those of foreign blood will soon outnumber the American stock and control our Government. They are now exercising great influence in some sections of the country. There are many of them now among us who are opposing this legislation, not in their own interest but for that of the peoples of the countries from which they emigrated. Their opposition to legislation for the protection of American citizenship and American institutions is not creditable or patriotic. Their sympathies ought to be solely with America and Americans. It proves that residence and naturalization will not make Americans. The true and loyal American must be for his country in heart, soul, and body, and against all other peoples and all other governments whose interest conflict with our interest and safety.

Congress, I repeat, should declare that the present and future policy of the United States is opposed to the migrations of the nationals of other countries to its borders, and should pass appropriate legislation to enforce this policy.

THE PRESENT LAW

Mr. President, the adoption of a fixed policy is the important thing. The means for the enforcement of this policy are only secondary and can be changed from time to time as may be necessary for the exclusion of aliens. Congress has for years recognized the necessity of legislation restricting immigration. A bill for this purpose was passed in 1912 and vetoed by President Taft. What is known as the Burnett immigration bill, passed in 1917, contained about the same provisions as that bill. It prohibits the admission of immigrants who are idiots or insane, paupers, vagrants, polygamists, prostitutes, those afflicted with tuberculosis or any other loathsome, dangerous, or contagious disease, those convicted of felonies involving moral turpitude, anarchists and those who oppose all kinds of organized government, those who favor the assassination of public officers and unlawful destruction of public property, contract laborers and all aliens over 16 years physically capable who can not read the English or some other language, and any other delinquents, so as to prevent all undesirable immigration. This bill was vetoed because of the educational test, but it was passed notwithstanding and is now the law.

That bill did not go far enough—there was no restriction upon the number of immigrants, and too many loopholes for evasion. Congress, to remedy this defect, passed May 19, 1921, and continued in force for two years, by resolution May 11, 1922, what is known as the quota law, under which emigration from foreign countries was restricted to an annual quota equal to 3 per cent of the nationals of each particular nation already in the United States, as shown by the census of 1910, subject to the prohibitions and provisions of the Burnett law. This law does not apply to the other countries of North America nor those of South and Central America, and allows exceptions in favor of the relatives and dependents of residents in the United States and certain other nationals of other countries, as provided in the Burnett law, which it supplements.

The aggregate of the annual quota allowed under this law is 357,000, but almost an equal number may be admitted under the exceptions. The year before this law was passed we received 805,228 immigrants.

THE JOHNSON-REED BILL

Mr. President, the bill now under consideration, known as the Reed bill, reduces the annual quota of immigrants for each country to 2 per cent, based upon the census of 1910, which, with some exceptions to be stated, is practically the same as the Johnson bill just passed by the House of Representatives. The other countries of North America and those of Central and South America and the West India islands are not included in the quota restrictions, and immigrants as before are allowed to enter our country without limitation as to numbers. Officials of foreign governments and their families, aliens visiting the United States temporarily, as tourists, for business, study, or pleasure, and some others are also excepted from the quota restrictions.

There are no exceptions, as in the Burnett bill and subsequent legislation, in favor of the near relatives and dependents of immigrants in the United States, but preference under the quota limitation is given to the unmarried child under 21 years of age, father or mother over 55 years of age, the husband or the wife of a citizen of the United States, which is deemed sufficient to allow to come in those occupying these relations to all immigrants now in this country and who have manifested their determination to become Americans by being properly naturalized.

The bill also contains provisions requiring written applications of the nationals of other countries proposing to emigrate to the United States, to our consular agents abroad who are vested with broad powers and discretion in allowing or refusing certificates giving them the right of admission, subject, however, to be rejected at the port of entry if found to be undesirable immigrants within the provisions of the immigration laws of the United States. These provisions are believed to constitute a selective system in the country of the nativity of the immigrant, which, while it may not be perfect, is a step in advance and will eventually prevent the coming of all the undesirable and prohibitive class of immigrants to our shores.

The aggregate annual quota of immigrants allowed under the bill as reported to the Senate, 2 per cent based upon the census of 1910, exclusive of exceptions, is 240,459. There are sev-

er I amendments pending, one of which suspends all immigration for five years, excluding from the restrictions certain near relatives of the citizens of the United States and the class contained in the exceptions in the Reed bill, except that immigrants from Canada, Mexico, Central and South American countries are also excluded. Another amendment fixes the quota at 2 per cent and based upon the census of 1890 and applies to all countries, which will reduce the number of immigrants allowed to enter our country each year to 169,803, exclusive of the special exceptions contained in the bill under consideration. The bill also contains numerous administrative provisions which will greatly aid in controlling immigration and immigrants, and which I favor.

Mr. President, I will support the amendment proposing to suspend immigration to the United States for three years, with the exceptions stated hereinbefore liberally construed and administered in the cause of humanity and the just expectation of those whom we have already admitted to citizenship in this country and are now a part of us and Americans, because I believe, for the reasons which I have already stated, that it will require that time at least to assimilate those of foreign birth and some of foreign parentage now in this country, and without this we can not maintain the unity and harmony of our citizenship.

Should the Senate not approve this amendment, which is probable, I will then support the amendment fixing the annual quota at 2 per cent based upon the census of 1890, which was approved in the House by more than two-thirds majority, insuring that, if necessary, it will be passed over an Executive veto.

Mr. President, I will not go into any analysis of how the adoption of the census of 1890 will affect the different nations of the world. I will not discuss the protests of some of them, nor the supposed equities asserted. They have no rights to protest and no equities which we are called upon to recognize. The admission of their nationals to this country is not a matter of right and rests entirely upon comity and tolerance, which should not be permitted to interfere with the material interests of our country. The proposed law is solely for the benefit of America and Americans of to-day and for all future time. If it is discriminatory, it is in the interest and for the benefit of Americans and not because of any prejudice against other peoples. We will not discriminate against any nation for the benefit of another nation. When the law affects nations differently it is because it is required by the interests of our own people, for whom it is our right and duty to legislate.

I am frank to say that I believe if we must have immigration it is best for it to come from Great Britain and Ireland and the countries of western and northern Europe, as in the early days, as these people are more like our people in their characteristics and their ideas and principles of government conform more to ours than the peoples of southern Europe and Asia, and they are therefore more easily assimilated. But I can not now see how further immigration from any country can contribute to the safety, happiness, and prosperity of our people and the permanence of our Government, and I would be glad to see all immigration, with the exception hereinbefore stated in favor of relatives and others, prohibited for a reasonable time. This is for the interest of all Americans, whether they came early or last year.

Mr. President, the American people are aroused to the necessity of stopping the great migrations of aliens to our country, and they almost unanimously favor rigid restrictions, as provided in this legislation.

The great body of the American people, including the Sons of the American Revolution, the Daughters of the American Revolution, the American Legion, and all the great patriotic organizations, and practically all of the civic, commercial, and political organizations of the country are earnestly supporting immigration restrictions and this bill. They voice the sovereign will of the American people and without further delay that will should be written into the law of the United States.

Mr. GEORGE, Mr. HARRIS, and others addressed the Chair.

The PRESIDENT pro tempore. The Senator from Georgia.

Mr. HARRIS. Mr. President, I wonder if we can not get an agreement now to limit the debate so that we may come to a final vote on the pending bill.

The PRESIDENT pro tempore. The Chair recognized the junior Senator from Georgia.

Mr. HARRIS. Very well; I yield to my colleague.

Mr. GEORGE. Mr. President, I do not rise for the purpose of discussing at length at this late hour in the debate the immigration bill—the general question. I wish merely to state my views and very briefly the reasons therefor.

On the day before yesterday we voted down the committee amendment which recognized the so-called gentlemen's agreement with Japan, and to-day we voted to place in the pending bill a provision which will exclude the Japanese altogether. Senators for whose views I have very great respect have found justification for their affirmative vote on the question just indicated in a veiled threat or implied threat contained in a letter from the Japanese ambassador to the Secretary of State. So far as I am concerned, Mr. President, I find no basis for my vote, which also was in the affirmative, on that question in anything that is or is not contained in the letter of the Japanese ambassador.

Whether the letter from the Japanese ambassador contains a veiled threat or an implied threat necessarily raises a question between two parties, and on that question Japan, as of right and in conformity with our method of dealing with all nations, is entitled to be heard. I am not, therefore, surprised, Mr. President, and I will not be surprised in the future, to hear the Japanese Government deny that in the letter of the Japanese ambassador there was contained any veiled or implied threat.

If that were the only justification for my vote on that important question, I should have voted in the negative. I am stating this, Mr. President, because the consideration which persuaded me to vote in the affirmative on the question to which I have referred is very largely controlling upon my vote upon the general question involved in the immigration bill before us. In other words, however we may seek to avoid the issue and however we may persuade ourselves that a false sort of diplomacy will enable us to state the issue in a way that will not disclose the true meaning of our act, I think that we must come to the conclusion that there are races of people that are not assimilable. They may be classed as wholly nonassimilable. There is no need to raise the question whether they can assimilate with us or we with them, or whether it is worth while to discuss the relative inferiority or superiority or equality of the two races. I do not desire to enter into a discussion of that question at all; but since there are races that are wholly unassimilable, it is my conviction that there are also peoples that are less assimilable than other peoples; and so, Mr. President, I should like to have a philosophy upon which I can base my position on the very important question of immigration, and I should like that philosophy to have some justification, at least in my own mind and conscience.

The question of immigration is the most important domestic question, certainly, before the Nation. Upon the determination of that question rests the future of America in a very vital way. The future ideals of America are involved in the proper solution of that question. Our industry and our agriculture can not hope to escape the effect of the immigration measure finally adopted by the Congress. Indeed, the question is one that underlies and overshadows all other questions.

I do not agree that the unrestricted immigration to which we were once accustomed presented but one evil, and therefore that immigration legislation must take into consideration the correction of one evil only. I heard the distinguished Senator from Alabama [Mr. UNDERWOOD] to-day in the Senate declare that our immigration legislation was primarily based upon a consideration of American labor and the standards of American labor. That his statement is true, certainly in part, no man would deny; but I do not think that the policy of unrestricted immigration presents a single evil. It undoubtedly is true that under the policy of unrestricted immigration the total number of immigrants coming into the country reached the enormous total of 1,200,000 in one year. This mass, of course, made itself felt upon the body of American laborers, made itself felt upon the standards of American life, made itself felt upon the American home—unquestionably so. About 1880, however, and certainly as late as 1890, the character of the immigrant himself had changed, and instead of the natural infiltration of the immigrants coming to this country seeking a new and a better home, we had the unfortunate and disagreeable experience of opening our doors or of continuing to hold them open to vast numbers of immigrants who were coming not into a virgin and a growing and a young nation but into a nation already settled, which had already reached the stage of comparative manhood.

So, Mr. President, there were two evils. One was presented in the sheer number of immigrants coming, and the other in the character and in the class of the immigrants coming. About 1880, and certainly as late as 1890, as I have just said, the immigrant coming to this country established his own quarter; he established his own section; he established his own institutions; he established his own printing presses. In

fact, he solidified himself, and out of his solidity grew a form, consciously or unconsciously, of aggression; and this was precisely the cause of the restless and unhappy mood and attitude of the old or native stock.

Mr. KING. Mr. President, would it interrupt the Senator if I should ask him a question?

Mr. GEORGE. Not at all.

The PRESIDENT pro tempore. Does the Senator from Georgia yield to the Senator from Utah?

Mr. GEORGE. I yield to the Senator.

Mr. KING. I have just come into the Chamber, and I heard the last sentence of the Senator, namely, that following a certain year a large number of immigrants came into the United States, they established their own quarters, they solidified themselves, and assumed rather an aggressive mood.

Mr. GEORGE. No; I did not say that.

Mr. KING. The idea of aggression at any rate was implied as I interpreted the Senator's remarks.

Mr. GEORGE. Exactly; but may I state it to the Senator?

Mr. KING. Yes.

Mr. GEORGE. In the solidification of the new immigration there was necessarily born, consciously or unconsciously, this spirit of aggressiveness under which the native stock—and that was the point I was emphasizing—manifested more or less restiveness and unhappiness.

Mr. KING. Then the Senator was alluding to the native stock having a spirit of aggressiveness, of resentment, rather than the immigrant?

Mr. GEORGE. Exactly so, and alluding to the cause of it, in my candid judgment.

Mr. KING. Does not the Senator think—perhaps it is not germane to what the Senator is discussing—that the fact that the immigrant established himself in a quarter, rather isolated himself from the mass of the American people, resulted largely because of the exclusive manifestations of the native population? We did not welcome them in the way that perhaps they thought we should welcome them, and perhaps in the way that we should have welcomed them if we sought their prompt assimilation. We crowded them into the more forbidding parts of congested districts of the United States; we gave them the lowest class of work—that which paid the least—and we made them feel that they were inferior to us. We assumed—that is the view of some, and I am inclined to think there is very much truth in it—a superiority over them; and the tendency of our manifestations was to make them herd together, to become gregarious, because they felt that we were drawing a line of cleavage between the American citizen, the native born, and the immigrant. Does not the Senator think that much of the situation is due to the failure of the people of the United States to adopt a proper attitude toward the immigrant, to provide means of Americanization, and to provide legitimate and proper means more quickly to assimilate the immigrant into the social organism?

Mr. GEORGE. I am perfectly willing to admit that in large measure what the Senator says may be true, and for the purposes of my statement here it might be admitted that it is wholly true. I do not admit that it is wholly true, but there undoubtedly is a great deal of force in what the Senator has had to say. The important point, however, Mr. President, is that, whether the fault be upon our side or upon the side of the immigrant, the fact—and the fact only that I desire to emphasize—is that precisely the condition I was attempting to describe exists.

Mr. President, neither in my discussion nor in my thought of the question do I compare one race with another, much less one nation with another. I know that America always should strive as far as possible, consistently with its own best interest, first, to give no offense to any other nation. I know that it has been our policy from the first to have a decent regard for the opinions of mankind, and I am not considering, and in my thought of the immigration question I never have considered the question of the inferiority or the superiority of my own race or of any race. We can not shut our eyes to one fact, however, and that is that after 1890 the immigrants coming into the United States did establish their quarters, did live in their own districts, did establish their own institutions, did establish their newspaper presses, and in large measure set up conditions that tended to preserve the alienage which they brought into the country.

It may be that we were very largely responsible for that. It may be that we are in very great measure responsible for that condition; but we can not remedy the character of our own people wholly, any more than we can control and remedy and reform the character of those people who come to us from other countries. So, Mr. President, just as this Nation 40 years ago declared exclusion against Chinese immigration and Mongolian immigration, and just as to-day we have placed total exclusion against Japanese immigration, and upon the final ground that those races are nonassimilable, it seems to me that we must take into consideration the character of other peoples who come to us with reference to the very question of the ease or the difficulty with which we can assimilate them.

That, Mr. President, is the basis upon which I shall vote on this question of immigration. That is the basic reason upon which I shall act, as nearly as I can make my vote represent my convictions, my vote on this question.

Mr. President, when we think of the Chinese and the Japanese—and I refer to them not because I wish to arouse for one moment any sort of antagonistic sentiment or spirit upon the part of the Chinese or Japanese—we must think of them as industrious peoples. We must remember that the labor of these peoples builded the great Pacific railways. We must remember that they developed a great system of agriculture in the West. We must think of them as law-abiding, as men of reasonably correct habits. We must think of them, Mr. President, as children of a very ancient civilization. They possess a culture that was old while yet all of Europe was peopled by naked savages. They possess a culture and are the children of a culture that was old when the civilization and culture of Greece and of Rome were young. When Senators speak about the glorious examples that every race and every nation can present to us, and when they remind us that in the trenches with our own sons in the World War were the sons of the immigrant citizen of America, we may well ask, if we view the question courageously and fairly and candidly, What has that to do with the question? What has it to do with the question at all?

No man is more ready to admit, and no man more cheerfully admits, that from every race, indeed, from every land, have come illustrious citizens who by their achievements have made our Nation great in peace and in war. But what has that to do with the question?

Mr. President, we have in America a peculiar government, a self-government that is peculiar to the people of America. That Government has many very great excellencies, but it has no excellency that makes it fit and proper for every race of men that live upon the globe, nor can you fit every race of men, whatever may be their excellencies, to our form of government.

Washington was a fairly good American. He had a fairly good view of the character of our people at the date and on the occasion when he delivered his Farewell Address to the people of the United States, and he felicitated the people of the United States in this language:

> With slight shades of difference, you have the same religion, manners, habits, and political principles.

Washington regarded these things as fundamental, certainly as significant. He was emphasizing these things. He knew, as well as we know, that he had in his own army atheist and Protestant and Catholic, but in his calm judgment there was no such vital difference of religious principle as prevented the men in the Revolutionary Army acknowledging loyalty to the same essential political principles. There were Jews in his army and Gentiles in his army, but Washington did not regard those differences as making it impossible, or even difficult, for the men who made up the Nation at the time of the Revolution, and at the time that he was President of this Nation, to hold to the same general principles of self-government. But he undoubtedly recognized that in the slight shades of difference, so far as religion and manners and habits and matters of principle were concerned, lay the security, or a part of the strength and stability of our form of government, and that fact I think he meant to emphasize.

The attitude of Mr. Jefferson and the party of Mr. Jefferson has been referred to here to-day. No longer ago than yesterday there was quoted in this RECORD the language of Mr. Jefferson, and I read that language again:

> While we are providing for the fortification of our country against a foreign foe, I am in favor of fortifying it against the influx of undesirable immigration.

He used the word "undesirable." That language was used, Mr. President, when this country was a very young Nation, when all the great West was yet undeveloped, when we needed people. Even in that early time the founder of the Democratic Party, Mr. Jefferson, was expressing himself about this important question, and he had the courage to express himself candidly and frankly on it. I think the big part of the whole immigration question is to be found in the candor and in the frankness with which we shall meet and face and solve our problems.

When the Chinese exclusion laws of 40 years ago were passed there were liberal Americans who said, "You affront a great people. You make for yourself trouble. You raise perplexing questions." Mr. President, I congratulate myself at least that the statesmen of 40 years ago had the courage to face the question fairly, and to-day I do not believe China regards more highly any nation on the face of this globe than she regards the United States of America.

More is to be gained by a clear and definite statement of those policies that are indispensable to national existence than by any sort of diplomatic language designed to cover up the essential principle that must control our actions. I do not see the necessity of it, Mr. President; I can not appreciate the necessity of it. It is not a question of superiority or inferiority. It is the question of the assertion of a purely national right, and there is but one question about it, What is the wise policy? How ought it to be settled?

If you go back to your newspapers of 40 years ago, you will read the language of the liberal and tolerant American giving vent to his fears because of the policy then about to be adopted with reference to China. Yet we know perfectly well how China has received and how she has accepted what we regarded as a necessary policy on our part. Precisely the same thing will occur in the case of Japan, I think, because she is a great nation, because we make no question of superiority or inferiority, but because we insist upon a right that is purely national, purely domestic, and because we have the courage and the candor and the frankness to say that we are doing it upon the ground that—

East is east and west is west,
And never the twain shall meet.

There is a good deal more history in that than poetry. There is no occasion for excitement about it, but there is less occasion for apology about it. I believe, and I believe it has been true, so far as our actions in the past with reference to the Chinese and the yellow races in general are concerned, that Japan will recognize the full wisdom of our course; but I know that there can never be a question concerning anything but the wisdom of our course.

Therefore, Mr. President, I took occasion to say, and I take occasion to repeat, that I could not vote on the proposition to exclude the Japanese from this country upon the ground that in a message or letter of the Japanese ambassador I had found a veiled or implied threat.

I know that that raises a question between two people, and on that question both are entitled to be heard, but I vote on the broad ground that we are settling a domestic question, a vitally necessary and indispensable question, and because we shall fairly and candidly settle it upon the basis that two races are not assimilable, that we are dealing with a question which only this Nation has the right to decide.

So I think that in determining the broader question involved in this immigration measure before us we must of necessity keep in mind the ease or difficulty with which separate races and the nationals of other nations can be assimilated, can be absorbed, without injury to them or to us, if we want to consider their interests, but certainly without injury to us.

I recognize perfectly well, so far as I am concerned, that some races are more easily assimilable, some races and some peoples are more easily absorbable into our body politic, and without injury to us. If I did not recognize that I would not vote for any measure that seemed to me to discriminate against any nation. I do not like the word "discriminate," because it has no proper place in my discussion of the immigration question. I know that the question is a big one, and it is so big that any Senator has perfect justification for shades of view upon the bill and the important question presented in the bill before the Senate. But, so far as I am concerned, it does seem to me that, inasmuch as I can recognize that certain races are nonassimilable, I have no difficulty in realizing that the nationals from certain nations or certain peoples are less easily assimilable than those from others.

I believe in the principle contained in the amendment offered by the junior Senator from Pennsylvania [Mr. REED]. I believe very thoroughly in that principle. I do not believe in that principle because I think that by the adoption of it I shall give no offense to any other nation. If I mean and intend no offense, I do not fear the giving of offense, and I have tried to make it perfectly plain that in my thinking on the question of immigration I do not take into consideration so much the question of inferiority or of superiority, or even of equality of races or of nations.

The principle involved in the amendment offered by the junior Senator from Pennsylvania, as I understand it, is this, that after a date fixed, Congress shall fix the total of immigration to be admitted in any one year, and shall apportion that total to the various nations in exact accordance with their proportionate representation in the whole population of the United States at the present time, with certain exceptions, of course, of those whom the Senator himself has pointed out.

I believe that amendment is a good amendment and is a wise amendment, because I believe that the amendment will in actual application permit to come into the United States a larger number of easily assimilable people and a smaller number, relatively a very small number, of those people more difficult of absorption or assimilation.

Therefore, I believe that the principle stated in the amendment is sound. It can not give any offense even to the nations who have a feeling upon the question of emigration. There is but one possible objection to it and that objection is this: As yet the basis to be used in the Senator's amendment has not been fixed; at least it is not officially declared. I think it is highly desirable that we should finally fix our immigration policy; in other words, I can not think we should longer enact a law which in its very nature expires by its own terms or is understood at the time of its adoption to have only temporary application.

Since the basis on which the quota is to be applied is now not definitely fixed and determined, or, at least, officially determined, I do not like the idea of passing an immigration law and leaving it open for future action by the Congress—that is, in the terms of the law itself inviting action by the Congress. Of course, I recognize that the Congress can at any time in the future, and will from time to time in the future, I have no doubt, deal with the great question of immigration. At the same time, I believe it highly desirable at this time that we settle upon a fixed policy of immigration, and that we put it in effect as speedily as possible.

Now, my colleague, the senior Senator from Georgia [Mr. HARRIS], has an amendment pending which will exclude for a fixed period all immigration. I must say very candidly that I do not see the necessity of that amendment. I will vote with my colleague on it because he sees the necessity of it, but I myself do not recognize the necessity of total exclusion of all immigration even for a stated or a given number of years.

Mr. HARRIS. Mr. President——

Mr. GEORGE. I yield to my colleague.

Mr. HARRIS. It is very kind of my colleague to vote for my amendment when he does not see the necessity of it, but he does not state my amendment as it is. We define an immigrant and make certain exceptions—for instance, a Government official, his family and attendants, aliens visiting the United States temporarily, tourists for business, study, or pleasure, an alien in continued transit through the United States, children of foreigners, children of foreign-born American citizens—the children being under 18 years of age—and a father and mother who are over 55 years of age. So far as I am concerned, that lets in more than I would like to have come in. I would really like to limit it more than that.

Mr. GEORGE. I recognize what my colleague says is, of course, true, that his amendment does contain certain exceptions, but I was about to say that I do not see the necessity at this time of the amendment. There might have been great necessity for such an amendment immediately following the World War. We anticipated that there would probably be a larger number of immigrants coming into the country than had hitherto come in during any given period. But my real objection, if I have a real objection to my colleague's amendment, is this: It also leaves open the final determination, or the determination of what we must hope to be a relatively final solution, of the whole question of immigration. I think it ought to be settled.

I have often heard Senators give expression about the will of the people and the speedy enactment into law of the will of the people. If that is a valid consideration, if it is one that must be given force and effect by an American Congress—and, of course, it has its weight—I do not believe there can be much doubt but that the people of the United States are as nearly unanimous upon the question as they can be upon any great question which offers so much justification for honest difference of opinion and view. I believe that they favor restriction, and very rigid restriction, but I think they also favor legislation in its nature and character permanent, using the word in its relative sense.

Therefore, I think, as highly desirable as my colleague's amendment may have been just after the conclusion of the World War or as it may be now for certain purposes, that it still leaves open the big question of immigration, leaves it for

the future consideration of Congress, and it seems to me that we ought to settle upon a definite policy. It seems to me that we are able to settle upon a definite policy now.

Mr. HARRIS. Mr. President, may I interrupt my colleague?

The PRESIDENT pro tempore. Does the Senator from Georgia yield to his colleague?

Mr. GEORGE. I yield.

Mr. HARRIS. I wonder if my colleague does not agree with me that if we prohibit immigration for five years we can then be in a position to settle the question better than at this time, because the war and the after-war conditions will be gone.

Mr. GEORGE. Possibly so. I should hope so. I am giving to my colleague the benefit of every doubt upon the question. I am going to vote with him on his amendment, but I am expressing my views upon the question. I am saying that his amendment has merit and it has at least the merit, when offered by him, to induce me to give it my support.

With that I pass merely to a final statement, and that is the statement with reference to the quota. I have no difficulty in supporting the substitute offered by the senior Senator from Mississippi [Mr. HARRISON]. I believe it, perhaps, to be the wise policy to adopt in the matter. I believe that we should take the census of 1890, not because the census of 1890 discriminates against any people or discriminates in favor of any nation, but because, as I believe, the census of 1890 will approximate most nearly to the basis of the computation fixed in the amendment offered by the Senator from Pennsylvania [Mr. REED].

I do not take his amendment nor the census of 1890 upon any reason other than this: Both the census of 1890 and the amendment offered by the Senator from Pennsylvania seem to me to admit the largest number of assimilable, wholly assimilable, easily assimilable, races into the United States, and to exclude those races or the people from those nations that are with most difficulty absorbed into our life without injury to us. In making this final statement permit me to repeat that the whole question is one of such broadness and one of such great importance as to admit of very great variety of opinion and of marked and strong differences of view about it. But it does seem to me in the discussion of the question that we should discuss it candidly and frankly, without regard to the question of inferiority or superiority or equality of races that so often finds its way into a discussion of the immigration question.

Mr. REED of Pennsylvania. Mr. President, I submit the unanimous-consent agreement which I send to the desk.

The PRESIDENT pro tempore. The Secretary will read the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that after the hour of 2 o'clock p. m., on the calendar day of April 17, 1924, debate shall be limited upon the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes, so that no Senator shall speak more than once nor longer than 10 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The PRESIDENT pro tempore. Is there objection to the proposed agreement?

Mr. KING. Mr. President, I have taken no time in the discussion of the bill and I have no present intention of doing so. It seems to me the Senate is making progress, and because the Senate regards the bill as of very great importance I do not think the Senator should ask for a cloture rule at this time. I object.

The PRESIDENT pro tempore. The Senator from Utah objects.

Mr. REED of Pennsylvania. I then ask unanimous consent that when the Senate shall conclude its business to-day it will take a recess until noon to-morrow.

The PRESIDENT pro tempore. Is there objection?

Mr. WILLIS. Mr. President, I do not intend to object to the Senator's request, but I desire to ask for the information of the Senate whether he has given consideration to the matter of holding night sessions upon the bill? It is a measure very important and other bills are crowding for consideration. It seems to me the Senate might well devote some time in the evening to the pending bill. Has the Senator considered that matter?

Mr. REED of Pennsylvania. I agree with the Senator from Ohio, but I have been hoping that we may have a limitation of debate. I had understood when I offered the consent agreement at this time that there would be no objection to it, but apparently I had not reconnoitered my ground sufficiently. If we can not agree to limit debate, we shall have to hold a night session either to-night or to-morrow.

Mr. WILLIS. I hope the Senator will persist in that purpose.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania?

Mr. CURTIS. I do not object, but I suggest to the Senator that he give notice if the bill is not concluded to-morrow we shall have a session to-morrow night. That will give everyone notice and perhaps hurry the measure along.

Mr. REED of Pennsylvania. I have been hoping that we would run rather late this afternoon and continue the consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania that when the Senate shall have concluded its business to-day it take a recess until 12 o'clock to-morrow? The Chair hears no objection, and it is so ordered.

Mr. REED of Missouri obtained the floor.

Mr. KING. Mr. President, may I assure the Senator from Pennsylvania that from all I can learn there will be no difficulty in having the pending bill disposed of by day after to-morrow. That is the reason why I objected to cloture.

Mr. REED of Pennsylvania. Mr. President, the senior Senator from Georgia [Mr. HARRIS] suggested cloture 10 days ago. I then said that I thought the bill too important to ask it. I myself suggested cloture on Monday. I was then told that four Senators had indicated their desire to speak, and that until they had finished I had best withhold the request. I was told a little while ago that all objection had been withdrawn. That is the reason I submitted the request, but I very much hope that the Senate will see fit to limit debate within the next day or two.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from North Carolina?

Mr. REED of Missouri. I yield.

Mr. SIMMONS. I think probably the Senator from Pennsylvania was informed subsequently to the conversation that I had with him by some Senator that I had withdrawn my objection to a limitation of debate at this time. After some opportunity shall have been afforded to discuss amendments which may have been offered from the floor and that are not in order now I shall be perfectly willing to limit debate; but it would be a very unusual proceeding in the Senate to limit debate before the committee amendments have been disposed of and before amendments offered upon the floor are in order.

If the Senator from Pennsylvania will be patient, and will give us merely a reasonable time to discuss amendments which may be offered upon the floor—and on to-morrow, I think, we shall get to that order—so far as I am concerned, I shall be perfectly willing to agree to a time to vote.

Mr. REED of Pennsylvania. Mr. President, I understood that that was the feeling of the Senator from North Carolina, and it was not until I had received the information that he felt an agreement would be in order now that I ventured to make the suggestion which I have made.

Mr. SIMMONS. That was an entire mistake, Mr. President. As I said to the Senator from Pennsylvania this morning, I will not consent to a limitation upon debate until some opportunity shall have been given to discuss amendments which are offered to the bill from the floor.

Mr. HARRIS. Mr. President, will the Senator from Missouri yield to me for just a moment in order that I may make a personal explanation?

Mr. REED of Missouri. I yield.

Mr. HARRIS. Mr. President, as the Senator from Pennsylvania [Mr. REED] has stated, I have been trying to get action on the immigration bill for some time. I misunderstood the Senator from North Carolina [Mr. SIMMONS] in discussing the question with him. I have been waiting here to hear the Senator's speech for two or three days, and he has been anxious to get the floor. He told me, as I stated this morning, that he would wait until the amendments came up in the regular order on the bill; and I understood that he had withdrawn his objection to considering amendments under the 10-minute rule; and I so stated to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Missouri yield to me?

Mr. REED of Missouri. I yield.

Mr. REED of Pennsylvania. I should like to give notice now that if the immigration bill shall not have been disposed of by to-morrow afternoon, I shall ask the Senate to remain in session to-morrow night in order to continue its consideration.

Mr. REED of Missouri. Mr. President, at this late hour in the discussion of the bill, with full knowledge that probably every Senator has made up his mind on the subject, and with but few Members of the Senate in the Chamber, I do not

presume to think that I shall change a single vote, or that my remarks will have any other present effect than to register my own views regarding this character of legislation. I shall try to do that briefly.

There has been introduced into the bill a principle in which I firmly believe and which I advocated on the floor some years ago, and that is the principle that immigrants shall be examined, their character ascertained, and their fitness for residence or citizenship in the United States determined by some board representing this country. I recognize the fact, as we all have recognized the truth, that there are in every country undesirables who are no credit to their native land and who would be of no advantage to this country. By the establishment of such a tribunal every undesirable could be excluded, except a very small percentage who might succeed in deceiving some American tribunal appointed to pass upon their fitness for citizenship. So that, with that provision in the bill and assuming that it will be fairly enforced, we will be protected against an influx of people who are, to use the oft-repeated expression, nonassimilable; and, with that principle in the bill, all that is left is to restrict the number of people coming to the United States who will make good citizens after arrival. Assuming that the amendment proposed by the Senator from Pennsylvania to which I have just referred shall become a part of the measure, the bill ought to be entitled "a proposal to bar from the United States all human beings who will make good citizens of the United States if they exceed the number of 160,000." The proposition stated in that way is an absurdity, because we are denying to ourselves the addition of a population that will amalgamate with our so-called native population and will make good and valuable citizens of the country.

Every argument as to the undesirability of races is removed; every argument as to the undesirability of certain citizens of different nations is removed the moment we establish tribunals judicially to examine and pass upon the qualifications of the individual. So that we are brought here face to face with the naked proposition of excluding people who will make good citizens and who our own tribunals have declared will make good citizens. I repeat, that is the last word in know-nothingism, and I use the term "know-nothingism" in the political sense in which it was employed when know-nothingism raised its ugly, vicious, and ignorant head in the United States, with the result that one political party went out of business.

There can be but one justification for a restriction upon immigration, and that is that the individual coming here is not fit to live here after he gets here. But when we have set up our own tribunals and have judicially examined into the character of the applicant and have determined that he is fit to live here after he gets here, and then exclude him, we are doing a very absurd if not a very wicked thing.

Mr. President, every human being who is capable of supporting himself and who is capable of making and who will make a good citizen of the United States is an addition to the moral, the intellectual, the physical, and the financial assets of the United States. The fact that a man happened to be born on the other side of the red line of the map does not make his presence here any less valuable than that of a man who happened to be born on this side of the line if the two men are equal in character and equal in their love for this country. It is as absurd to exclude from this country a good man who will make a good citizen as it would be to expel a good man who is also equally a good citizen.

I do not expect to stop this craze; I do not expect to arrest this movement; but I say that it is one of the narrowest and most contemptible movements that ever cursed the American people. Here are two of God's children. One of them happened to be born under the flag of some European monarch, but we take him and judicially examine him.

We find that he wants to leave that monarch's rule because he loves liberty. We find that he is intelligent. We find that he is attached to American institutions. We find that he wants to move into a land where he and his children may enjoy the blessings of liberty, and we say to that human being, "You shall not enter here. It is true when you come you are well intentioned toward our Government; it is true you will support yourself; it is true you will add to the wealth of this country; it is true you are of such a character that you and your children can be amalgamated into and assimilated with the present population of the United States; and yet, because you happen to have been born under another flag than ours, you shall not enter these holy precincts of the United States. When you come as an adult, you are worth actually in the market, as an asset to the country, a large amount of money."

To refuse admission to this country of men who have been determined to be of the character I have referred to is as absurd as it would be for the president of a bank to refuse gold at his counter, and it is as narrow as the proscriptive spirit that has run through the ages and has cursed the world.

More than that, the absurdity is increased by the fact that many men who are supporting this bill have recently been talking about democratizing the world, of carrying the benefits of our civilization elsewhere for the benefit of the world, of uniting with the other nations of the world to set up a sort of world tribunal or world government, and doing this for the benefit of other nations and other races whom they in turn say can not be democratized enough to become American citizens when they come here swearing by the Almighty God in whom they believe that their purpose is to become good American citizens, and when we judicially determine that they are capable of that achievement and that that is the purpose of their hearts and the intention of their souls.

The distinguished Senator from Georgia [Mr. GEORGE], to whom I have listened with profound respect the few times that he has favored us with his views, and for whose mastery of logic and honesty of purpose I have the highest regard, said in the closing part of his speech that this was not a question of race superiority at all, but that that question could be disregarded.

Mr. President, it can not be disregarded. It is the very essence of this whole question; but I claim that it will be eliminated from the question if we adopt that provision of the bill which proposes to set up tribunals to determine the fitness of the prospective citizen, for, under that, if an individual is of such race or such blood or such character that he can not be assimilated into the white population of the United States and become a part of the great spirit of America, then he could be and would be properly rejected by any such tribunal.

Mr. President, I have said that this spirit of proscription and narrowness has come down through the ages. There has not been a race of men who have ever established themselves upon this earth but have assumed that they were God's chosen children. They have set up barriers against the stranger. In the savage days they imprisoned him or slaughtered him if he entered within their domains; and just in proportion as they adhered to that narrow policy they have circumscribed their own well-being and limited their own development; and just in proportion as nations have recognized the fact that they are only one of the great family of nations, just in proportion as they have generously opened their doors to the peoples of other countries, have nations grown into magnitude and power.

Mr. CARAWAY. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. REED of Missouri. I do.

Mr. CARAWAY. I was rather impressed until the Senator made this speech that he was against the league; that he thought we ought to live exclusively by ourselves.

Mr. REED of Missouri. The Senator has been properly impressed. The difference, perhaps, between the Senator's view and mine is this: He thinks we ought to go over into another man's country and interfere over there, but that we should stop that man from coming here when he wants to come voluntarily and join us. We just differ on that.

Mr. CARAWAY. May I ask the Senator another question? Then I presume the difference is this: If the Senator sees a row in the street, he wants to bring it into his own home and have it in his parlor instead of having it out there?

Mr. REED of Missouri. Oh, no; but if I thought enough of a man to go out and interfere in his row in the street and hunt a chance to get into it and try to set myself up to boss him over there I would think that probably he was a good enough fellow, if he came here and asked the privilege of living in America, to let him come.

Mr. CARAWAY. May I interrupt the Senator again?

Mr. REED of Missouri. Yes; certainly.

Mr. CARAWAY. If I thought a man was such a bad man that I was not willing to do anything for him in Europe, I would not want to incorporate him in with my own people.

Mr. REED of Missouri. That may be the Senator's view. I do not think they are too bad to do anything for them. I never have taken that view. What I have said is that they are not good enough to set up a government in which we will be a minority, and by their votes, as citizens of other countries, to control us.

Mr. CARAWAY. May I ask the Senator another question?

Mr. REED of Missouri. Oh, certainly.

Mr. CARAWAY. Has the Senator no confidence in them as long as they live beyond the seas, but is he perfectly willing

to incorporate them with our own people and let them control us here at home?

Mr. REED of Missouri. The Senator, as usual, discusses a question that is as foreign to the question I am discussing as the fall of Sodom and Gomorrah.

Mr. CARAWAY. At least——

Mr. REED of Missouri. Now, wait a minute, until I answer the Senator. I have said that where there are governments in Europe, monarchies and republics, loyal unto themselves and their people loyal unto themselves, I was unwilling to enter into a super world government in which we would be a minority party, and those people, who may be our enemies, and who may have many interests opposed to us, would control the policy of America by their votes. That is a very different proposition than denying admission to this country to an individual of any other nation who comes here and says: "I want to join your country. I want to swear allegiance to your flag. I am willing to live by your rules and die by your rules." If the Senator can not see that distinction, it is because he has put aside his usually very acute intellect for the purpose of merely trying to nag me, which is his long suit in life, and if he ever lost that he would die.

Now, I proceed.

Mr. CARAWAY. May I suggest to the Senator that I put in pretty nearly half my time defending the Senator instead of nagging him?

Mr. REED of Missouri. Why, certainly; and when the Senator is doing that, that is what gives him his good standing in this body. Otherwise, the Senator makes mistakes.

Now, let me proceed. I say that in one breath people are preaching here world love and the universal brotherhood of man; that there should be a super world government; that we should join in it; that we should go out democratizing the world; and then the same gentlemen refuse to permit a lover of liberty, a lover of democracy, to come here and swear allegiance to our flag. It, however, is a minor incident in what I am saying, and I refer to it only to impress the absurdity of this whole movement.

I was saying, Mr. President, when I was interrupted, that you can take the history of the nations of this world, and the only nations that have made great progress are the nations that have been reasonably liberal in the matter of admitting the peoples of other countries within their own domain. The nation which built a Chinese wall about itself limited its opportunities, circumscribed its career, and arrested its march of progress. Those nations that are composed of the mixed bloods of many peoples are the nations that have controlled this world from the very first.

Rome was composed of many peoples and of many bloods.

France is composed of many stocks. She first took her great place in the world after the Franks had swept down from the forests of Germany and established themselves as a part of the people of ancient Gaul.

Great Britain, which boasts of her lineage, must admit her admixture with the Romans, with the Norsemen, with the Angles and the Saxons who came in from Germany and grafted themselves upon the original stock of the British Isles.

Germany herself is composed of many different tribes and many different peoples.

Austria in like manner was composed of many peoples.

It is in the admixture, the flux of humanity passing back and forth, that nations get their virility and their life and their energy, and the thing that has given to the American citizen his peculiar dominance in the world—for with all his shortcomings, I regard him as the most dominant character in the world—is the fact that he is the product of the admixture of many races.

So this policy of exclusion, which began originally by killing every man who was a stranger in the land, then gradually broadened itself until they were admitted in some countries with generosity—this policy of exclusion has been a part of our national history. This movement that we have in the Senate to-day is as old as America. It seems to me that the first individual who set his foot on the soil of America turned around and looked across the sea and said to all his own brethren he had left behind, "None of you at all can come over here. I am the native-born American citizen." That is rather an extreme statement, but it illustrates a general situation.

Some Englishman came over here, then some Englishmen were sent over here; then some Irishmen came over here, and the English told the Irish they were not fit to settle here. Then some Germans came over and some Dutch came over, and away back, immediately succeeding the Revolution, we had this same struggle.

There has been talk here to-day about these foreigners coming here and settling in communities. They have done it from the first. There is no change in that. Go over to Pennsylvania. It appears from a document which was brought to me, and which I put in the RECORD in the speech I made on this matter before, that so great a man as Benjamin Franklin, away back in his day, warned the people that this country was going to be turned into a European province, for over in Pennsylvania they actually transacted the business in the German language, and they actually used it in their courts. The Germans were there in such dominant numbers that he came to believe that a foreign principality was to be established on our soil, and when I remember that Benjamin Franklin made that mistake, with all his wisdom, I do not wonder that the statesmen of this day naturally will fall into error.

Yet what happened in Pennsylvania? What occurred with reference to this population that herded together so that they used their own native language instead of using the American language? Is there any better State than Pennsylvania? Are there any better people than the Pennsylvanians? Are they a discredit to our Nation? Are they an asset to us in peace? Are they a source of strength to us in time of war? Have they added to the sum total of the moral standing and intellectual power of the people of the United States? Yet these people herded at that time.

When the Irish first came here they came very largely, the great influx after the famine days. They were poor, they were ragged, they came in the steerage of ships. They were denounced. The highbrows met in indignation in all parts of the country.

The gentleman with proscriptive soul was there. He declared the Irish would ruin this country, because, he said, they were ignorant; and they were ignorant, largely ignorant because a tyrannical government has closed their schools and persecuted their schoolmasters and had closed the door of learning in their face. They were poor. Poverty and want had put its white finger upon them and reduced them to a condition of absolute starvation. They came here and herded together. They slept in shanties. Some of them lived in the most impoverished and desperate condition for many years. Yet who is it to-day who dares in America denounce a man of Irish lineage? They are numbered among our orators, our poets, our statesmen. The sons of those immigrants have taken their place proudly with the rest of the people.

Then the German came, and the German was abused. He herded. There are German colonies all over the United States, in which gradually the language disappears, gradually the racial characteristics become less and less. They melt into the great community. But they have herded, just as we hear the cry of herding now. Yet I venture to say, in the face of that spirit which still exists succeeding the war, when every effort was made to fan the hatred of this country for that race because we were at war with their country, that the German citizen has contributed his full share to the greatness of America.

I see upon this map the great number of people coming from Austria is pictured as a warning. I remember very well when they came from Austria—from a Province of Austria, from Bohemia. They came here in the steerage. They rode West in immigrant trains. They came off the cars with the odor of the filthy passage they had been compelled to endure. Few of them had any money. They settled in colonies. I saw them as they walked with their wooden shoes on the depot platform, the old women carrying feather beds upon their backs, and cooking utensils, the men wearing leather waistcoats that had been handed down, it appeared to me, from past generations. They went out in the country and settled and lived in sod houses. They were regarded as a scourge. All of the alarmists were there; all of these native-born American citizens were there to denounce the poor Bohemian. Yet I lived to see the sons and daughters of those people enter the public schools, and I entered with them. I found that about as hard a competitor as I had to meet in my classes was a Bohemian boy or girl. The men grew into stalwart Americans, and the girls were as beautiful as any of the so-called American aristocrats whose "granddaddy" happened to have come here, instead of the father.

I have witnessed the proscriptive movements. I have seen the man who says, "I am better than thou art," the fellow who thinks that the country would suffer if anybody was in any manner different from him. Yet 99 times out of 100 the man of that sort is the man who lacks the breadth of judgment and the charity to recognize the fact that the peoples of all countries and of all lands have their good and their bad; that they have their geniuses and have their sloths; that they have

their patriots and have their traitors. But in the great mass of the white race of Europe you find splendid men and splendid women who, given a decent opportunity of life, will make good American citizens—the great mass of them.

In our Fourth of July days we used to think that courage was the peculiar heritage of the American people; but the late war demonstrated to us and demonstrated to the world that the peoples of Europe can stand and fight and die as valiantly, I will say—almost as valiantly, at least—as can our own sons.

We used to think that we knew all there was in civilization. Yet their schools of art and their wonderful achievements in music answer back to us that we have much to learn from the Old World.

We used to think that we were the great inventive race of the world. Yet when we came into contact with the arts of invention that were employed in the late war by European nations, we learned that there were other brains that could think, and that there were other hands that were cunning. When we survey the field of scientific achievement, we must sit at the feet of the savants of Europe quite as often as they sit at our feet.

When we look at the march of progress that has gone on in this world, we are bound, if our vision be not clouded, to have regard for the fact that while we have been cultivating education here in point of literacy we are far below every European state. Sweden leads the list in literacy, closely followed by Germany, and in several European countries we find that there is a lower degree of ignorance than there is in the United States among our own native-born population.

Moreover, when we examine the figures—and I put them all in the RECORD when this debate was on before—we find the startling fact that the citizens of foreign countries send a greater percentage of their children to school than do the native born American citizens.

The senior Senator from Georgia [Mr. HARRIS] has offered an amendment to exclude all immigrants for five years. I do not want to speak disrespectfully of Georgia, and I do not; it is a great State, with a great history; but in point of literacy, the white population of Georgia is far below the white population of Norway, or of Sweden, or of Denmark, or of Germany, or of Holland, or of Switzerland.

Mr. GEORGE. May I ask the Senator a question?

Mr. REED of Missouri. Certainly.

Mr GEORGE. Of course, I know the Senator means no disrespect to my State. He said he did not.

Mr. REED of Missouri. I think it is a wonderful State.

Mr. GEORGE. What I want to ask the Senator is this, is not the presence there of a different race, in very large numbers——

Mr. REED of Missouri. I am speaking of the white population.

Mr. GEORGE. I know; but has not the other race something to do with that condition?

Mr. REED of Missouri. With dragging down the white?

Mr. GEORGE. Is there not some relation between the two?

Mr. REED of Missouri. I do not know. The Senator would have to answer that for himself. I say this, I think when we consider conditions in the Southern States—and in that I will include my own State, for we are semisouthern, at least—I think we will agree that that part of the country suffered so from the Civil War that in the recovery from the economic conditions those States were retarded in the matter of education; but there is the condition, without criticism. I am simply saying that it is proposed to exclude the people of other lands, to exclude a man because of his race. We should exclude him because of his character, but not because of his race. If his character is bad, let those tribunals find it out and close the door in his face, but if his character is good let the door swing open. When I say his character is good, I mean when his character for citizenship is good.

When did we get this way? I picked up a paper this morning and read the statement that a Russian woman had solved the riddle of the ages which from the days of Hippocrates down to this hour has puzzled all of the students of disease and medicine. She had discovered a remedy for leprosy. I do not know, but she is quite as likely to discover it as though she had not happened to have been born in Russia.

We talk about the wonders of radium. A French woman solved that problem. So I might, if I wanted to, stand here until to-morrow morning reciting the achievements of other races. You propose to say to people of that kind, "keep out," and you propose to say it based upon a fallacy which I propose to expose in a moment. Let me dwell on this a moment. There sits upon the Supreme Court bench of these United States a man who would be excluded by the amendment proposed by the junior Senator from Georgia——

Mr. GEORGE. I do not think the Senator means to bring me in, because I did not offer the amendment.

Mr. REED of Missouri. I meant the senior Senator from Georgia. I misstated myself, but I understood the Senator to approve it, and I was sorry to hear him say it, for there is nothing unkindly in my remarks, as the Senator knows.

There sits upon the Supreme Court bench of the United States a man who once honored this Chamber by his genius and his intelligence, who was born outside of the United States—born in England. There sat here nearly 30 years a great Senator who landed in this country when he was 8 years of age with one silver dollar in his pocket, the late Knute Nelson, the Norwegian. Was there ever a better American citizen, one who loved his country more?

There sit in this Chamber to-day two or three or four men who I understand were born in other countries. I see the junior Senator from Minnesota [Mr. JOHNSON] here. I have traveled all over that great State of his. If we would take the Swedes and the Norwegians and the Danes out of Minnesota we would almost depopulate it, and most of them came there in my lifetime. As we go over that State we find its farms are beautiful; we find its people largely with names that indicate they are of Scandinavian origin. What did those people do when they got here? They went up there and took a piece of prairie that was not doing anybody on earth any good; was not even a pasture for buffalo any more, for the buffalo were not there.

They plowed that sod, they planted it and raised crops. They built habitations and barns. They reared children and established schools and erected churches. They became a part of the great body politic of the United States, and they have been just as good citizens as some of those people whose grandfathers happened to come here instead of the individuals themselves coming. Would we add to our wealth if we obliterated the greater part of Minnesota? Why, somebody will say they went in crowds. They did. We find a large percentage of the population there of Scandinavian origin. Naturally when one man goes from a country and locates he writes home to tell his brethren about it, and they come and write to their brethren, and we thus get a certain concentration of people.

Where did this narrow spirit of proscription come from? This used to be the land of the free and the home of the brave. It used to be taught that here was a habitation for the oppressed of the earth. We remember that along the lines of Lexington, at Concord, at Valley Forge, at Yorktown, there stood many races of men, speaking many languages. I think there were 36 different languages spoken in New York before the Revolution. They had many religions. Some of them did not have any religion. They all had the religion of liberty in their hearts, their divine fires of God Almighty planted in the hearts of men, the divine fires of liberty burning there. They helped to establish and make this country. They have stood on the field of every battle that has been fought, and they have stood in the arks of peace, in the avocations of civic life, side by side with the man whose grandfather came from the same country only a little while before, and they have made good.

Where is your menace? In what respect have they destroyed us? Were they traitors during the recent war? Are they any worse in morals than the so-called native-born American citizen? Are they any lower in point of education, the second generation, the generation first born here? I say they are not, and the statistics prove it.

Native-born American citizens? How did you happen to be born here? Some of our ancestors were sent over here as indentured servants. Some of our ancestors came here as prisoners. Some of our ancestors came here to escape religious persecution. Many of our ancestors, the great majority of them, came to escape the hard conditions of life in Europe. As soon as a man lands here he turns around and wants to slam the door in the face of somebody else just as good a man as he is, and he calls that Americanism.

Now, we have an argument here that there are certain races of men in which there is a very large percentage of those who are undesirable, and that those undesirables ought to be kept out. I agree to the proposition of keeping out every undesirable. When we establish these boards, if they are properly administered, we can afford to take down all of the doors and let as many come in as come here equipped for American citizenship. But as I look at the diagram on the wall to which I have invited attention I take it that it is intended to demonstrate that immigration from the United Kingdom was all right when it was very large in proportion to the total of the immigrants,

and that it was all right to come from Germany in large numbers; but that the trouble is there has been a diminution of the people from the United Kingdom and from Germany and a larger number of people proportionately have come from the other countries. Singularly enough, the map, which must be a very bungling affair, does not show anything about the menace of immigration that has come from Scandinavia. They are put in with "all others."

What made this change in immigration? Economic conditions in Europe were such that the people of the United Kingdom did not much care to move. Economic conditions in Germany were such that the people of Germany did not care to emigrate in later years. Of course, they have been shut out since the war, and therefore the figures are utterly deceiving, utterly deceptive. Now reverse the economic conditions and you will reverse immigration. There is not a man in this Chamber who does not know that if we were to open the doors to-morrow and say to every German who wants to come to this country and can qualify, "The doors are open," that we would have a large immigration from Germany. So that if it is desirable you can get it by letting them come in.

Let us have no more of this hocus-pocus and false pretense. If you want to keep a German out, say so; but do not put up a map here indicating to me that he was desirable and is desirable, and that there are so few of them coming that that is one reason why we are putting this bill through. You know and I know that with the present economic conditions in Germany, if you will open the doors you will have plenty of immigrants from Germany. Moreover, if we are to judge anything by what we hear of economic conditions in the British Isles, we would have a large increase in immigration from there. We would have a large increase, undoubtedly, from all of the northern countries of Europe, because the applications that have come and the desire to come in from those countries already indicate it.

What about Austria? Is Austria to be condemned? Of course, I am not speaking of present little Austria. Are not the Austrians capable of good citizenship? Among them were the Bohemian, the Czechoslovakian, and different peoples from those smaller countries. Open your doors and see if they do not come. Take off your limitations, but put up your tribunals and let your tribunals say if a man is not fit for citizenship that he can not come in, no matter in what country he was born. That is the proper solution.

Now, I want to give you a little final thought on this that may be popular or may not. When I believe a thing I say it, regardless of popularity. You want to solve the farmers' problem, do you? If you had two or three million more people in this country, two or three million more mouths to feed here at home, you would have mighty little surplus sent abroad, and the farmers' problem would be largely solved.

Moreover, the farmer would be able to get some labor upon his farm at prices which he could afford to pay. The farmer has been undergoing this sort of an experience: The automobile came along and practically destroyed one branch of his industry—the rearing of horses and mules. Practically that has ceased as an industry. Those animals used to eat great quantities of farm products. To-day that avenue of consumption is largely closed. Bring over some human beings to this country. Let them go onto farms, as they will largely go on the farms; let them work for moderate wages, so that the farmer can afford to live. After a while they will begin to get their feet under them and they will, perhaps, become the owners of farms. In the meantime, however, there will have been an increased consumption in the United States, and it will be found at the end of a reasonable period of time that the farm problem will have been largely solved by the creation of a market at home that could consume that much of the products which the farmers raised and save them from the disability of selling their surplus on the broken market of Europe.

It is worth while to think a little about these matters; it is worth while for you men of the South to ask yourselves the question whether you do not need a larger white population in the South. Some question ought to be asked as to what is to solve your labor problem in the South. I do not pretend to instruct you; I do not pretend to say what you ought to do. You know that section better than I know it, and one principle that I have held to is that States ought to be allowed to run their own business, because the people of the State know the business of the State better than the people of the other States know it.

I do know, however, to-day the American farmer has to pay wages that are prohibitive upon his farming industry, as my friend from Minnesota [Mr. JOHNSON], I think, will bear me out.

Mr. President, this movement is but a part of a general swing. We are going to exclude everybody; we are going to keep this country just for ourselves, we think; but we are simply denying ourselves the wealth of the world, the splendid men and women who want to come to this country and live under our flag and become a part of this great people. You may do it; you doubtless will do it.

As for myself, I would restrict the immigration simply by determining that the individual was capable of becoming and intended to become a good American citizen; that he was capable of amalgamation into our population and into our civilization; that he was well adapted to become a thoroughgoing American citizen. Having done that, I would say to all who desire to come, "The doors are open, and we welcome you." So we shall develop our own country; we shall increase its wealth, its prestige, its power. There will come from other lands men with the genius of painters and artists, men with a capacity for hard work, men and women with a gift for invention and music; and all the adornments and all the utilities of life they will bring over in their brains and in their hearts, just as our fathers brought similar qualities when they entered this land. Our country will become greater and better because of the addition of that kind of people. This movement may be popular to-day, but it is a narrow movement; it is a proscriptive movement, and in a sense it is a destructive movement.

Mr. REED of Pennsylvania. Mr. President, I ask leave to perfect the pending amendment by the elisions and additions which are shown on the copy which I send to the desk. I ask that the Secretary read the amendment, as I desire to perfect it.

The PRESIDENT pro tempore. The Senator from Pennsylvania modifies and perfects the amendment which is now pending. The Secretary will read the amendment as proposed to be modified.

The READING CLERK. The amendment as proposed to be modified reads as follows:

At the end of section 8 insert the following:

"On or before March 4, 1926, the Secretary of State, the Secretary of Commerce, and the Secretary of Labor shall jointly make an estimate showing as nearly as may be the several national origins of the persons who in 1920 comprised the whole population of continental United States, excepting the descendants of such persons as were involuntary immigrants into the territory now included therein. In the preparation of such estimate the said officers are authorized to call for information and expert assistance from the Bureau of the Census, and to receive and utilize any information that may be available from other sources.

"After July 1, 1927, the maximum total number of immigrants that shall be admitted into the United States in each fiscal year shall, unless the Congress shall in the interim provide otherwise, be 150,000, and the annual quota of each nationality shall bear the same ratio to said maximum total number of immigrants as the number of inhabitants of the United States having that national origin shall bear to the whole number of inhabitants other than the descendants of involuntary immigrants. On or before April 1, 1927, said officials shall jointly proclaim and make known the quotas of each nationality, determined as aforesaid, and thereafter the said quotas shall continue with the same effect as if specifically stated herein, and shall be subject to correction and readjustment only if it shall be made to appear, to the satisfaction of said officials, that an error of fact has occurred in said estimate or in said proclamation."

Mr. REED of Pennsylvania. Mr. President, the changes that have been made in this amendment consist in postponing the date for the effective application of the method by one year, making it July 1, 1927, instead of July 1, 1926. Another change in date extends the time for the commission, consisting of three Cabinet officers, to make their report to March 4, 1926, the purpose of that being, in case there should be a change in the administration, to give the new officials ample time to make their report to the Congress. I may say that these changes have been drafted after a conference with the Senator from Mississippi and other Senators on the other side of the aisle, and I understand that with these changes the amendment is now generally acceptable.

Mr. HARRISON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Mississippi?

Mr. REED of Pennsylvania. I am glad to yield.

Mr. HARRISON. On yesterday, or the day before yesterday I believe it was, when the Senator offered his amendment, it carried with it the provision that in 1926 the method proposed in his amendment should apply. The amendment has now been very materially changed, and in view of the modification of the amendment offered by the Senator from Pennsylvania, I

shall withdraw the substitute which I offered, with the expectation of offering the amendment, which I reserved the right to offer when we began the consideration of this bill, to change the basis of the quota from the census of 1910 to the census of 1890.

The PRESIDENT pro tempore. The Senator from Mississippi withdraws the substitute for the amendment which is now pending.

Mr. WILLIS. May I interrupt the Senator——

Mr. HARRISON. May I say further, before the Senator proceeds, that under the unanimous-consent agreement the vote will come first on the amendment offered by the Senator from Pennsylvania, and then I understand the Senator from Ohio [Mr. WILLIS] desires that in lieu of 2 per cent, as provided by the committee amendment, he may offer an amendment fixing the percentage at 1 per cent on the basis of the census of 1910.

Mr. WILLIS. If I may interrupt the Senator there, it will not be necessary formally to present the amendment, although it has been pending for some time, because the vote, as I understand, under the agreement now reached, will come first upon the committee amendment in line 10, on page 12, and those who, like myself, favor the 1 per cent provision need only vote against the committee amendment.

Mr. HARRIS. Then, when that question is out of the way——

The PRESIDENT pro tempore. The Chair desires to remind the Senator from Ohio that, under the unanimous-consent agreement, the amendment offered by the Senator from Pennsylvania is the pending amendment.

Mr. WILLIS. I understand that, and I am quite agreeable to that; but after that amendment, as modified, shall have been disposed of, then the question will recur—and if I am mistaken about that I hope I will be corrected by the Chair—upon agreeing to the committee amendment in line 10, on page 12, which will raise the question that I am specifically interested in, namely, to adopt an amendment providing that the quota shall be 1 per cent.

The PRESIDENT pro tempore. As the Chair understands, that is the situation.

Mr. HARRIS. Mr. President, I am going to object to the unanimous-consent request. The logical place for the amendment which I have offered—and I think it was the first amendment offered—is before any of the other amendments which have been presented. As I understand, the agreement proposed by the Senator from Pennsylvania would allow a vote on practically every other amendment before voting on my amendment.

Mr. REED of Pennsylvania. Mr. President, I think the Senator from Georgia has not caught the drift of what I said. I am not asking for any unanimous-consent agreement whatever, and I believe the Senators who have in mind a vote on the percentage question and on the censuses to be established as a basis would not object to a vote first being taken on the amendment of the Senator from Georgia, which proposes total exclusion. It seems to me that logically the Senator from Georgia should have his amendment voted on before we go into the question of percentages and censuses, and I should expect to second his request that his amendment be considered.

Mr. HARRISON. I do not think there is any objection at all to the request of the Senator from Georgia.

Mr. HARRIS. With that understanding, then, of course, it is agreeable to me.

Mr. WILLIS. If the Senator will yield to me for a moment, I am very greatly interested in obtaining a vote on the committee amendment in line 10 on page 12, but I am quite agreeable to the suggestion now made by the Senator from Pennsylvania and the Senator from Mississippi that before that is done, the Senator from Georgia may have a vote on his amendment.

Mr. HARRIS. I do not think there will be any objection to that.

Mr. WILLIS. Not at all.

Mr. HARRIS. Then, we will get a vote on the amendment to provide total exclusion for five years; we will get a vote on the racial-group proposition; we will get a vote on a 1 per cent quota based on the census of 1910, and we will get a vote on the 2 per cent quota based on the census of 1890.

Mr. WILLIS. Precisely.

Mr. HARRISON. So that the Senate will have an opportunity to express itself by record vote as to which one of the methods they like the best.

Mr. REED of Pennsylvania. That is exactly the situation.

SEVERAL SENATORS. Vote!

Mr. FLETCHER. As I understand, a vote on the amendment offered by the Senator from Pennsylvania and now pending, even if the amendment should be adopted, will not interfere with the motion the Senator from Mississippi proposes to make?

Mr. HARRISON. Did the Senator from Pennsylvania intend to have a vote to-night? I have not said anything with respect to my amendment. I have been awaiting an opportunity when it might be discussed.

Mr. REED of Pennsylvania. I do not expect to ask for a vote on the Senator's amendment to-night, but I think we might as well vote on the pending amendment. I do not understand that there is any opposition to it.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Pennsylvania as modified.

The amendment as modified was agreed to.

Mr. REED of Pennsylvania. Now, Mr. President, I ask that the amendment of the Senator from Georgia [Mr. HARRIS], which proposes total exclusion for a period of five years, be now laid before the Senate and be considered next.

The PRESIDENT pro tempore. Is there objection to that order? The Chair hears none, and the Secretary will state the proposed amendment of the Senator from Georgia.

The READING CLERK. On page 12, it is proposed to strike out lines 9 to 22, both inclusive, and to insert in lieu thereof the following:

That for the period of five years, beginning 60 days after the passage of this act, the immigration of aliens into the United States is prohibited.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

Mr. REED of Pennsylvania. Mr. President, I do not mean to discuss this amendment at length, but I will ask the Senate to bear in mind in voting on it just what the effect of total exclusion will be.

I agree with the Senators who think that the United States can get along very well on its present population. This country is no longer underpopulated; but the amount of immigration which is provided in any of the schemes now proposed for adoption by the Senate is so much smaller than we have ever had before that I feel sure that the United States will not suffer from the amount of immigration provided under any of them, and when we consider the cruelty and the suffering that necessarily will result from the separation of families it seems to me——

Mr. HARRIS. Mr. President, I hope the Senator will not make a statement like that, because it is misleading. I should like to have the Clerk read my amendment. I have exactly the same exception in my amendment, in the very same words, that the Senator has.

Mr. REED of Pennsylvania. I have misunderstood the Senator's amendment if it does take care of such cases. I ask that the Secretary state the amendment.

The PRESIDENT pro tempore. The Secretary will again state the amendment.

The READING CLERK. The amendment proposes to strike out lines 9 to 22, both inclusive——

Mr. HARRIS. That is not the amendment. I send the amendment to the desk and ask to have it stated.

The READING CLERK. On page 12, it is proposed to strike out lines 9 to 22, both inclusive, and to insert the following:

That for the period of five years, beginning 60 days after the passage of this act, the immigration of aliens into the United States is prohibited.

DEFINITION OF "IMMIGRANT"

SEC. 3. When used in this act the term "immigrant" means any alien departing from any place outside the United States destined for the United States, except (1) a government official, his family, attendants, servants, and employees; (2) an alien visiting the United States temporarily as a tourist or temporarily for business, study, or pleasure; (3) an alien in continuous transit through the United States; (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory; (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman; (6) an alien previously lawfully admitted to the United States who is returning from a temporary visit abroad; (7) the unmarried child under 18 years of age, father or mother over 55 years of age, the husband, or the wife of a citizen of the United States; and (8) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

The PRESIDENT pro tempore. In order that the RECORD may be entirely clear, the Chair desires to state that the

amendment just read from the desk is the amendment to which the unanimous-consent agreement applies.

Mr. REED of Pennsylvania. And not the amendment first read?

The PRESIDENT pro tempore. And not the amendment first read. The question is upon agreeing to the amendment of the Senator from Georgia.

Mr. HARRISON. Mr. President, may I ask a question? The amendment that was just adopted, offered by the Senator from Pennsylvania, was to part of section 8. This amendment applies to it in its original form. Does this supersede the amendment that was offered by the Senator from Pennsylvania and which was just adopted?

Mr. REED of Pennsylvania. As I understand, the amendment now pending would supersede subsection (a) of section 8, but would not affect the amendment just adopted as to national origin.

Mr. HARRISON. May I ask the Senator from Georgia whether he intends to nullify what the Senate did with respect to the amendment of the Senator from Pennsylvania a few minutes ago?

Mr. HARRIS. Mr. President, there is so much confusion that I could not hear the Senator's question.

Mr. HARRISON. The amendment of the Senator from Pennsylvania, that was adopted a while ago, as modified, provides that beginning on July 1, 1927, the number of immigrants shall not exceed 150,000 annually, based on racial groups in this country. The amendment of the Senator from Georgia provides for total exclusion for five years, as I understand.

Mr. HARRIS. That is it, with such exceptions as are stated.

Mr. HARRISON. Consequently, it would nullify the amendment just adopted by the Senate; and the Senator intends to apply his amendment to the amendment offered by the Senator from Pennsylvania, the same as to the rest of section 8?

Mr. HARRIS. That is my intention.

Mr. HARRISON. We had better know what we are voting on.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Georgia [Mr. HARRIS]. [Putting the question.] By the sound the noes seem to have it.

Mr. HARRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. MOSES]. If that Senator were present, however, he would vote as I propose to vote, and I therefore feel at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. LODGE (after having voted in the negative). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. Understanding from his speech that he would vote as I have voted, I allow my vote to stand.

Mr. FERNALD. I have a general pair with the Senator from New Mexico [Mr. JONES]. In his absence I transfer that pair to the Senator from Vermont [Mr. GREENE] and will vote. I vote "nay."

Mr. REED of Pennsylvania (after having voted in the negative). I have a general pair with the Senator from Delaware [Mr. BAYARD]. In his absence I transfer that pair to the senior Senator from New Hampshire [Mr. MOSES] and will allow my vote to stand.

Mr. WILLIS. My colleague, the junior Senator from Ohio [Mr. FESS], is unavoidably absent. I am advised that if he were present he would vote "nay."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Indiana [Mr. WATSON] and will vote. I vote "nay."

Mr. COLT (after having voted in the negative). I have a general pair with the junior Senator from Florida [Mr. TRAMMELL]. I transfer that pair to the junior Senator from Iowa [Mr. BROOKHART] and will allow my vote to stand.

Mr. FLETCHER (after having voted in the negative). I have a general pair with the Senator from Delaware [Mr. BALL], who is unavoidably absent. I am informed that he would vote as I have voted, and I will therefore allow my vote to stand.

Mr. McNARY. My colleague [Mr. STANFIELD] is unavoidably absent. If he were present, he would vote "nay."

Mr. GERRY. I desire to announce the absence of the Senator from Arizona [Mr. ASHURST] on account of serious illness in his family.

Mr. JONES of Washington. I desire to announce that the Senator from Kansas [Mr. CURTIS] is necessarily absent.

I also desire to announce that the senior Senator from Indiana [Mr. WATSON] is absent on account of serious illness in his family, and that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

The result was announced—yeas 16, nays 46, as follows:

YEAS—16

Adams	Harris	Mayfield	Sheppard
Caraway	Harrison	Neely	Shields
Dial	Heflin	Overman	Smith
George	Jones, Wash.	Pittman	Stephens

NAYS—46

Brandegee	Fernald	McLean	Simmons
Broussard	Fletcher	McNary	Smoot
Bursum	Gerry	Norbeck	Spencer
Cameron	Glass	Norris	Sterling
Capper	Hale	Oddie	Swanson
Colt	Harreld	Pepper	Wadsworth
Copeland	Johnson, Minn.	Phipps	Walsh, Mass.
Cummins	Kendrick	Ralston	Warren
Dale	Keyes	Reed, Mo.	Weller
Edge	King	Reed, Pa.	Willis
Edwards	Lodge	Robinson	
Ernst	McKellar	Shipstead	

NOT VOTING—34

Ashurst	Elkins	Ladd	Stanfield
Ball	Ferris	La Follette	Stanley
Bayard	Fess	Lenroot	Trammell
Borah	Frazier	McCormick	Underwood
Brookhart	Gooding	McKinley	Walsh, Mont.
Bruce	Greene	Moses	Watson
Couzens	Howell	Owen	Weller
Curtis	Johnson, Calif.	Ransdell	
Dill	Jones, N. Mex.	Shortridge	

So Mr. HARRIS's amendment was rejected.

Mr. STERLING. Mr. President, I send to the desk an amendment intended to be proposed to the bill to-morrow, but I am going to ask the privilege of having the amendment read, for the reason that it may come on for discussion early in the morning. I ask that it may be read, and then be printed and lie on the table.

The PRESIDENT pro tempore. The Secretary will read the proposed amendment.

The READING CLERK. On page 12, at the end of line 22, the Senator from South Dakota proposes to insert:

Provided, however, That it shall be the duty of the Commissioner General of Immigration to ascertain the different racial groups constituting the people of any nation entitled to its quota of immigrants under this act, and the approximate number of people in each of said groups, and when it shall appear that the people of any nation are composed of commonly recognized and well-defined distinct racial groups such quota shall then be apportioned to the several racial groups in the ratio that the number in each such group bears to the entire population of such nation. That immigrants belonging to any racial group shall not be admitted in excess of the number so apportioned, nor shall the number of immigrants from any such nation or country exceed the aggregate of those apportioned to the several racial groups. The Commissioner General shall, with the approval of the Secretary of Labor, prescribe all necessary rules and regulations for carrying these provisions into effect.

The PRESIDENT pro tempore. The amendment will be printed, and lie on the table.

Mr. WILLIS. I ask that the committee amendment on page 12, line 10, be now reported. It was the understanding reached, that that is to be the next amendment taken up.

The PRESIDENT pro tempore. That is the pending amendment. The Secretary will state the amendment.

The READING CLERK. On page 12, line 10, the committee proposes to strike out "200 and in addition thereto 1," and to insert the word "two," so as to read:

SEC. 8. The annual "quota" of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1910.

Mr. WILLIS. Mr. President, just a brief statement concerning the parliamentary situation. I had printed an amendment intended to be offered reducing the percentage from 2 to 1. It will not be necessary to call up that amendment, because the same thing can be accomplished by voting down the committee amendment. Those who desire to reduce the percentage from 2 to 1 should therefore vote against the pending amendment.

It will be noted that the secretary properly read some other language; namely, "200 and in addition thereto"; that is to say, the bill provided originally for a minimum quota of 200, but at the bottom, in lines 21 and 22, that is changed by the committee to 100. So the question now involved is simply whether the percentage shall be 2 per cent or 1 per cent, based on the census returns of 1910.

There are two points to which I wish to call the attention of the Senate in that behalf. The argument urged against 2 per cent based on the census returns of 1890 is the fact that it is to some extent discriminatory against peoples coming from certain countries. For example, under the present law there can be an immigration from Austria in the year of 7,300. That would be cut down under the 2 per cent provision based on the census returns of 1890 to 1,100. Under the proposed amendment—that is to say, if the Senate votes against this amendment and makes it 1 per cent—the number would be 2,400.

Take another example. The Senator from Missouri [Mr. REED] some time ago referred to the people of Czechoslovakia. Under the present law 14,000 can come in from that country every year. Under the 2 per cent proposition based on the census returns of 1890 the number would be cut down to 2,000, but under the proposition I am suggesting 4,200 would be admissible.

Take the case of Denmark. Under the present law 5,600 can come in from that country. Under the 2 per cent proposition based on the census of 1890 the number would be cut to 2,900. Under this proposal it would be 1,800.

In other words, the people of no nation can complain, because we are using the basis of the present law, and we propose to apply it to all nations the same. It is a fact that the argument can justly be made against 2 per cent based on the returns of 1890 that it does discriminate in favor of some nations and against others. Indeed, frankly, that is the purpose of that amendment.

I am calling the attention of the Senate to the fact that this proposition, which can be attained by simply voting down the committee amendment, is fair and equitable to all nations.

Mr. KING. Mr. President, as I understand the Senator, his proposition is to strike out 3 per cent and insert 1 per cent.

Mr. WILLIS. My proposition, and what I hope the Senate will do, is to vote down the committee amendment proposed to be inserted on line 10, which is to insert the word "two." If the Senate will vote that down, then the language of the original bill will stand, making it 1 per cent, if we leave it on the basis of the census of 1910. Of course, there may be other amendments, to change the census; but we are now talking about the percentage.

Mr. KING. The effect of the Senator's amendment would be to restrict immigration to approximately one hundred and fifteen to one hundred and twenty thousand?

Mr. WILLIS. Yes; approximately one hundred and fifteen or one hundred and twenty thousand.

The PRESIDENT pro tempore. The Chair desires to make a statement at this point. When this committee amendment was reached in the regular course of procedure, the Senator from Georgia [Mr. HARRIS] offered the following amendment to it: On page 12, line 10, strike out "two" and insert "one," and in that situation the entire subject was passed over. The Chair is bound to recognize the pendency of the amendment offered by the Senator from Georgia to strike out "two" and insert "one."

Mr. WILLIS. Mr. President, I thought that had been covered in the agreement that was reached. Of course, I do not care whose amendment is voted on. I introduced an amendment at the same time, but I may suggest to the Senator from Georgia we will get at the specific thing in which he is interested, and in which a number of us are interested, simply by voting against the committee amendment. I hope the Senator from Georgia will consent to withdraw his amendment, as I have done mine, so as to come at the matter directly.

Mr. HARRIS. Mr. President, I offered an amendment to shut out immigration for five years. That having been voted down, I would now like to have the percentage reduced to 1 per cent, that being the next best thing. I am perfectly willing to have the Senator from Ohio offer his amendment in whatever form he desires to present it.

Mr. WILLIS. If the Senator will note, what he has in view by the introduction of his amendment and what I have sought to accomplish will be brought about directly by voting against the committee amendment.

There is only one other word I want to say, and that is to answer a question as to the effect 1 per cent will have on the number coming in. To those who are interested in restriction I want to say that this proposition to make it 1 per cent, based on the census of 1910, will make the number admissible practically 120,000 per year, but if it is made 2 per cent, based on the census of 1890, it will be more than that; that is to say, 169,000. The basis proposed in the amendment offered by the Senator from Pennsylvania would make it approximately 150,000. To those who actually want to restrict immigration I will say that this proposition will reduce it to a smaller number than will any amendment now presented. I hope the Senate will vote against the pending committee amendment, and thus fix the basis at 1 per cent based on the census of 1910.

Mr. COPELAND. Mr. President, on the table there is an amendment which I offered on the 3d of April proposing to change the word "two" to the word "three." Is it proper to present that amendment at this time as a substitute for the amendment suggested by the Senator from Ohio?

The PRESIDENT pro tempore. The Senator from Ohio has not offered any amendment.

Mr. COPELAND. Is it proper for this amendment to be offered as a substitute for the amendment proposed by the committee?

The PRESIDENT pro tempore. The pending question, as the Chair understands it, is on the amendment proposed by the Senator from Georgia [Mr. HARRIS].

Mr. WILLIS. The Senator from Georgia announced his willingness and desire to withdraw his amendment, as I understood him, so the question would be on the committee amendment.

The PRESIDENT pro tempore. The Chair did not understand the Senator from Georgia as withdrawing his amendment.

Mr. HARRIS. Mr. President, what I want is to get a vote on the proposition to reduce the percentage from two to one. If the Senator's amendment reaches that result without any complications, I am willing that it should be offered.

The PRESIDENT pro tempore. The Chair understands, then, that the Senator from Georgia withdraws his amendment, and the question is upon agreeing or disagreeing to the committee amendment. The Senator from New York asks if a further amendment to that amendment is in order. A further amendment is in order.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. REED of Pennsylvania. It seems to me that under our unanimous-consent agreement the next business before the Senate is the adoption or rejection of the committee amendment, which is to strike out the words read by the Secretary and to insert the word "two." Under our unanimous-consent agreement no other amendment can be considered until the committee amendments are first disposed of.

The PRESIDENT pro tempore. The amendment suggested by the Senator from New York is an amendment to the committee amendment, and is therefore in order.

Mr. COPELAND. I offer, then, as an amendment on page 12, line 10, that the word "two" be stricken out before "per centum" and the word "three" inserted. I want to speak on that in due time, but perhaps the Senate would like to recess now.

Mr. REED of Missouri. If the Senator will pardon me——

Mr. COPELAND. Certainly.

Mr. REED of Missouri. I think we might as well recess now, because I know the Senator is very much in earnest about his amendment and I know that the Senator from Ohio [Mr. WILLIS] will oppose anything that has 3 per cent in it. [Laughter.] We will therefore have a long controversy and we might as well recess now.

Mr. LODGE. I understand an agreement has already been made to take a recess at the conclusion of to-day's business.

Mr. REED of Pennsylvania. An agreement has already been made to take a recess, and if the Senator from New York will yield to me to make the motion——

Mr. COPELAND. Certainly.

Mr. REED of Pennsylvania. I move that the unanimous-consent agreement be carried out and that the Senate take a recess until noon to-morrow.

Mr. COPELAND. I understand that I will have the floor to-morrow.

The PRESIDENT pro tempore. The motion to take a recess is not in order as long as the Senator from New York has the floor.

Mr. LODGE. I understand it has been agreed that we shall take a recess when the Senate concludes its business to-day.

The PRESIDENT pro tempore. The Senate has not concluded its business.

Mr. COPELAND. I think it hardly fair for me to detain the Senate to-night.

Mr. ROBINSON. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator from Arkansas will state the point of order.

Mr. ROBINSON. I think the Chair does not understand the situation. The point of order is that the Senator from New York [Mr. COPELAND] yielded to the Senator from Pennsylvania [Mr. REED] to make a motion that the Senate carry out its unanimous-consent agreement and take a recess until 12 o'clock to-morrow.

Mr. LODGE. That motion is in order.

The PRESIDENT pro tempore. The Chair did not understand the Senator from New York to yield for that purpose.

Mr. LODGE. He yielded for that precise purpose.

Mr. ROBINSON. If he did not do so then, I know he will do so now.

The PRESIDENT pro tempore. The Senator from New York a moment ago, as the Chair understood him, stated that he had not yielded for that purpose.

Mr. COPELAND. I beg the Chair's pardon; I stated I would yield that a recess might be taken.

Mr. ROBINSON. Will the Senator from New York yield to me now?

Mr. COPELAND. I yield.

Mr. ROBINSON. I move that the Senate execute its unanimous-consent agreement heretofore made and take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. Does the Senator from New York yield for that purpose?

Mr. COPELAND. I yield.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and the Senate (at 6 o'clock and 5 minutes p. m.) took a recess until to-morrow, Thursday, April 17, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *April 16, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Loving heavenly, heavenly Father—in whose mighty world we are grateful to be awake again—we thank Thee for the morning hour with its new revelation of Thy power and glory. Renew our strength with the birth of each new day. Reveal to us the beauties and the opportunities of life, and may our daily labor become to us a sacrament. Always keep our ambitions and purposes set on worthy objects. O give us the wisdom and the grace to receive Thee to our hearts. This day—so beautiful—may the glory of nature above and the promise of the earth below inspire us to see Thy face and to magnify Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2797. An act to authorize the payment of claims under the provisions of the so-called war minerals relief act.

SENATE BILL REFERRED

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 2797. An act to authorize the payments of claims under the provisions of the so-called war minerals relief act; to the Committee on Mines and Mining.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM from the Committee on Enrolled Bills reported that they had examined and found truly enrolled bills of the following title; when the Speaker signed the same:

H. R. 655. An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes.

AN EXPLANATION

Mr. SEARS of Florida. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Florida asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. SEARS of Florida. Mr. Speaker, when the immigration bill was up for consideration my colleagues, Messrs. CLARK and DRANE of Florida, were unavoidably absent. I understand they were both paired, but there is some misunderstanding, and the report has gotten out that they were opposed to the immigration bill. If my colleagues had been present I have been assured, and I can assure the House, I believe, that both of them would have voted for the immigration bill as it passed the House, and therefore I desire to make this statement and have it go in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

EULOGIES ON THE LATE REPRESENTATIVE TYSON OF ALABAMA

Mr. HILL of Alabama. Mr. Speaker, on Monday last, the House made an order setting aside Sunday, May 18, 1924, for memorial services on the life, character, and public services of Hon. JOHN R. TYSON, late a Representative from the State of Alabama. I ask unanimous consent that that order be set aside and vacated and that an order be entered setting aside Sunday, May 25, 1924, for memorial services on the life, character, and public services of Hon. JOHN R. TYSON, late a Representative from the State of Alabama.

The SPEAKER. The gentleman from Alabama asks unanimous consent that Sunday, May 25, be substituted for May 18, for memorial services on the life, character, and public services of Hon. JOHN R. TYSON, late a Representative from the State of Alabama. Is there objection?

There was no objection.

The SPEAKER. It is so ordered.

ORDER OF BUSINESS

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent for one minute.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. Mr. Speaker, I desire to ask the attention of our administration friends on my right to the fact that we have enough Members on this side to transact business this morning. We understand that the public business has been much delayed, and we are ready to help, but they do not seem to come to our aid. I am just suggesting to the gentlemen on the other side of the aisle that here we are ready to transact the business of the country, and we plead with them that they keep enough Members here to help keep business going.

Mr. CHINDBLOM. Does the gentleman believe that 30 Members are enough to transact business?

Mr. BLANTON. That is twice 15.

Mr. HOWARD of Nebraska. I not only believe but know that all the time we have been keeping enough over here to help you folks do business, but often you do not have even a handful. It is not right.

HOUR OF MEETING TO-MORROW—11 O'CLOCK A. M.

Mr. LONGWORTH. Thanking the gentleman for his assurance that the Members on his side are ready to help transact business, I ask unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 11 o'clock.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 11 o'clock. Is there objection?

Mr. HOWARD of Nebraska. Pardon me, Mr. Speaker; will that be Friday?

The SPEAKER. No; Thursday.

Mr. HOWARD of Nebraska. I would object if it were Friday, but as it is I do not.

Mr. LONGWORTH. Thursday always follows Wednesday. [Laughter.]

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. DAVEY. Mr. Speaker, I ask unanimous consent that when the House meets to-morrow, after the disposal of matters on the Speaker's desk, I be permitted to address the House for 40 minutes.

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House for 40 minutes. Is there objection?

Mr. STRONG of Kansas. Reserving the right to object, on what subject?

Mr. DAVEY. The occasion for this address is the fact that the President of the United States has proclaimed next week as forest-protection week, and I desire to address the House on the subject of trees and their advantage to human life.

Mr. STRONG of Kansas. If we are going to continue work on the legislation that is now before us, all right; but the making of addresses of the kind the gentleman wants to make

may interfere with public business. However, I shall not object.

The SPEAKER. Is there objection?

There was no objection.

IMMIGRATION

Mr. COLE of Iowa. Mr. Speaker, in extending remarks on the immigration bill, I would like to have permission to include a letter which I received from Secretary Davis, of the Department of Labor, on Mexican and Canadian immigration.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. COLE of Iowa. The immigration bill, H. R. 7995, which we have passed in this House does not apply the quotas to contiguous or other American territory. I believe this is its weak point, one that ought to be remedied by immediate supplemental legislation. What shall it avail us to close the ways of the Atlantic and the Pacific, if we leave open the thousands of miles along our southern and northern boundaries?

If across these boundaries we received only Mexicans and Canadians, the matter might not be so serious, but we find many Europeans entering America by these back doors which we have left open. We let in not only Mexicans who can pass the literacy and health tests, but Europeans who have lived five years in those countries, and the forging and falsifying of certificates of residence are easily accomplished.

The extent of this immigration is almost inconceivable. During the first six months of the present fiscal year we have admitted 41,769 from Mexico and 103,616 from British North America, as set forth in Mr. Davis's letter. These numbers were admitted legally. How many more came illegally because we have not men enough in the service to patrol these borders? The extent of this illegal immigration is also set forth in the letter of the Secretary of Labor.

It has been said in the course of the debates on the bill which we have passed that if the existing laws were enforced not a thousand could come in from Mexico, for it was estimated that from 75 to 90 per cent of such applicants are illiterate. This is not borne out by the facts. The Mexicans who are admitted can pass and have passed such literacy tests. I believe the requirement is the ability to read 41 words, and the Mexicans seem to have proceeded that far in their education. We can not protect ourselves by merely enforcing existing laws.

Smugglers in immigration operate on our land borders as successfully, or more so, as smugglers in alcoholic liquors. To the south there is what the Secretary of Labor calls "an imaginary line through a 1,000-mile desert." Smugglers charge immigrants $4 a head, which is half of the legal price per head. It constitutes a profitable business. The immigration officials are constantly on the alert with what men they have at command, and they are constantly deporting immigrants who have entered illegally. We ought to give to the Department of Labor more men and means to do this work if we want it done at all. And if we do not do it, of what avail are the restrictions in the bill which we have just passed and which we hope to see enacted into final law?

APRIL 15, 1924.

Hon. JAMES J. DAVIS,

Secretary of Labor, Washington, D. C.

MY DEAR MR. SECRETARY: During the course of a debate on the floor of the House on the immigration bill, it was asserted by Representative RAKER, of California, that while the number of Mexican laborers and Canadians entering the country was large and to that extent serious, the situation did not call for new legislation, for the reason that these admissions were due to nonenforcement of existing laws and not due to lack of laws. This, and other statements of like nature, leads me to submit to you the following questions:

1. Are these statements correct?
2. What number of Mexicans and Canadians have entered the country in recent years?
3. Are the literacy, physical, and mental tests being enforced against aliens applying for admission from contiguous territory?
4. What changes in the immigration law enforcement personnel have been made since the beginning of the present administration?
5. What active steps does the Immigration Service take against aliens smuggled in across land borders?
6. Would larger appropriations for the enforcement of the immigration laws reduce immigration from Canada and Mexico?
7. Would the registration of aliens help to stop the illegal entry of aliens into this country?

I would be pleased if you could furnish me with answers to these questions, for I believe that they would help to solve a problem that was left unsolved by the bill which was passed in the House last week.

Sincerely, CYRENUS COLE.

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, April 15, 1924.

Hon. CYRENUS COLE,

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: In answer to your letter of April 14, I will answer, so far as possible, seriatim, the questions you raise.

1. That statement that more rigorous enforcement of the general immigration laws would reduce materially the number of admissions of aliens from Canada and Mexico is not substantially correct. While it is true that a larger patrol force would reduce the number of surreptitious entries, all the forces in the world could not keep out any alien able to read the required language cards, pass the mental and physical tests, and pay the small head tax of $8 so long as the law places no other restriction or limitation against him. Millions could qualify for admission to-day if they but presented themselves at a regular inspection point. The illiterate Mexicans who are here have come in surreptitiously.

2. Following is a table showing number of aliens admitted from Mexico and Canada during the past five years:

Mexico	
1919	29,818
1920	52,361
1921	30,758
1922	19,551
1923	63,768
First six months, 1924	
1924	41,769
British North America	
1919	57,782
1920	90,025
1921	72,317
1922	46,810
1923	117,011
First six months, 1924	
1924	103,616

The fluctuations shown above represent many factors other than economic conditions. They reflect to a great extent the vacillating policy with reference to law enforcement on the Mexican border prior to the coming in of the present administration, to some extent they reflect war conditions, and to a large extent the present policy of limiting immigration from Europe. The greater the restriction against Europe the greater will be the number of Mexican and Canadian admissions, unless the same restriction is made to apply to the countries of this hemisphere. If a demand exists for common labor and that labor is not permitted to come in from Europe, the employers of labor are going to look toward Mexico and Canada as a source of supply. An "open-door" policy toward the Americas also leads to greater activity for smugglers of aliens and an increasingly difficult enforcement of all the provisions of the immigration law.

You will note the fluctuation in these recorded admissions. One cause for this was an order made on May 22, 1917, by the then Secretary of Labor, instructing immigration officials on the Mexican border to disregard the literacy test, the contract-labor section, and the head-tax provision of the immigration law with reference to the coming of Mexican people who were to engage as workmen in agricultural pursuits. This order remained in force until March 2, 1921, or until within two days of the passing out of the Wilson administration. I have never been able to learn how many people came under that provision. I find one statement in the files to the effect that during the fiscal year 1919 there were imported under this rule a total of 9,998. It is my understanding that none of those coming under this arrangement were counted as immigrants, because they were admitted on the theory of coming temporarily and with the condition that they must be returned to the place from which they came. I have been unable to know how many of them returned. Substantially, the report was made to me that most of them had violated the conditions of their admission and had left the particular employers to whom they had come.

It appears that about January 1, 1920, a suggestion was made for legislative action authorizing the practice of permitting Mexican laborers to come for agricultural purposes regardless of the contract-labor, literacy, and head-tax provisions of the law, and that pending such action instructions went out that the original order remain in force.

Under date of March 19, 1920, the assistant chief of staff for military intelligence made a report to the director of military intelligence upon this subject. He reports, among other things, that since the suspension of the provisions of the immigration law relating to Mexican laborers it was estimated from facts furnished by Mexican and American border officers that in excess of 100,000 Mexicans entered the United States between February 1, 1920, and the date of his report; that these laborers entered the United States ostensibly for the purpose of seeking employment; that but a small part of this number had passed through immigration stations, and that by far the greater part of them had entered the country surreptitiously; that for many weeks prior to his report every road leading from the

south into San Antonio, Tex., bad on it a stream of these immigrants, many of them in rags; that many of these Mexicans declared they were leaving Mexico to escape abuse and mistreatment by armed factions in that country; that not in a single case investigated did it appear that these people came to the United States because of offers of employment or inducements of that kind.

I find many reports in the files covering this transaction, and in other files that these Mexicans were crowding American workmen out of their jobs because they were willing to take employment at wages which would not permit the worker to live on the basis of American standards of living. One report, in March, 1920, indicates that there were at that time about 100 Mexicans in the city of Pocatello, Idaho, and that two-thirds of them were working on municipal improvement work and on buildings in open competition with American workers.

3. All of the literacy, physical, and mental laws prescribed by the act of 1917 are being enforced against aliens applying for admission from contiguous territory. As I have previously indicated, the laws were very much relaxed under the former administration and were not all again officially put into force until March 2, 1921. You realize, however, that the Department of Labor is not responsible for the adequacy or efficiency of the physical and mental tests. They are imposed by the Public Health Service. After I took office I insisted that the slack which was given out during the previous years be taken up so that the borders should be as tightly closed as possible against surreptitious entries and especially in the enforcement of all the provisions of the law applicable to those applying regularly at immigrant stations. This has been done, and the Commissioner General, with whom I have again just conferred, states that he has received reports from every inspector in charge that my instructions have been carried out and that the tests are all in full force and effect. The literacy test cards have been changed from time to time to make them more effective.

While endeavoring to assume undue credit for extensive and persistent enforcement of the immigration laws on the Mexican border, it is my firm belief that the law has never been more rigidly adhered to. It is also my belief that the fact that the official reports for the fiscal year ended June 30, 1923, indicate a very large increase of immigration from Mexico to the United States, is explained by the gradual success of efforts to prevent surreptitious entry from that country by compelling those who wish to come to pass through the official stations in the regular way and meet the requirement of the law. I am not vain enough to believe that our efforts have been wholly successful, and I admit with considerable humiliation that I believe that at least as many more entered from Mexico during the past fiscal year through irregular channels as were recorded by the officer of the Government at our immigration stations. Assistant Secretary Henning has just returned from an inspection of conditions on the southern border. He reports that it is generally estimated that there is not less than twice as many surreptitious entries as legal ones and our inspector in charge at Laredo places the number at five times the legal admissions. The Rio Grande River has practically a dry bed during eight months of the year and forms a thousand miles of boundary between Mexico and the United States. Even when it is at its maximum flood, it is not too much of a barrier. Our files indicate that smugglers agree to carry aliens across and endeavor to land them safely at $4 per head, which is only half the amount of the head tax. From El Paso west there is only an imaginary line through a thousand miles of desert, and many people find it convenient to cross to the States from Mexico at points where there is no human habitation for a hundred miles.

4. There have been no extensive changes in the personnel of the Immigration Field Service. You are fully aware, Congressman, that the personnel of the Immigration Service is almost wholly made up of civil-service employees, and for the most part, changes which have occurred during the present administration are the natural result of resignations and replacements controlled by the Civil Service Commission. The service has, however, been reorganized so that we are getting more out of the men employed, and given them to understand that the job of immigrant inspection is not one to be played with.

We have, in addition to the regular force, organized a patrol under the leadership of a man well known for his ability in handling smugglers and detecting the presence of Mexican violators of the law. He has pursued his activities so religiously that a price has been laid on his head by Mexican bandits, making his activities exceedingly dangerous to him. I merely mention this fact to show you the activity of our immigration patrol. For the most part, however, I am not responsible for the personnel of the service. It was here when I came.

5. I have just referred to the activity of our border patrol on the Mexican frontier. A similar force is organized on the Canadian front, though its duties are not attended by such great personal risk as on the southern border. We are constantly on the watch for smuggled aliens and follow every lead given to us in running them down. When caught they are immediately shipped out. Aliens who have come from other countries and merely used the adjacent territory as a means of evading the laws relating to admission by the "front door" are returned to the countries from which they originally came. If the alien be a Mexican, ineligible for admission because of inability to pass the required tests and furnish the $8 head tax, he is escorted across the border. There is nothing, of course, to prevent that alien from doing the same trick over again and perhaps the second, third, or some later time succeed in making his way into one of the Northern States. This is a very active process.

6. As to your query, would larger appropriations for enforcement of the immigration laws reduce immigration from Canada and Mexico, the Commissioner General of Immigration recently testified before the Immigration Committee of the House of Representatives that with 250 additional men on patrol on each border the number of surreptitious entries could be decreased to the minimum, and that to provide this force, together with necessary equipment, would require about $1,000,000. This, however, would not in any manner affect the number of Mexicans and Canadians who would or could enter through regular channels. To the very limit of its ability the Immigration Service has sought out and deported those unlawfully here, and prosecutions have been instituted, and in a great many cases convictions have been obtained against those responsible for and participating in the illegal entry of aliens, but such activity can never take the place of a law restricting the number which may be admitted by inspectors. That number will increase rather than decrease with the tightening of the border and the increasing demand for common labor which can not be supplied from Europe.

I have been given to understand that the Mexican Government is opposed to the immigration of Mexican workmen to the United States. I find in my files, for example, a letter of the Secretary of State of the United States, dated March 29, 1920 (Mc 81111.504/203), in which he transmits a copy of a despatch dated March 11, 1920, from the American consul at Mexico City, "in further relation to the steps the Mexican Government is reported to be taking to prevent Mexican laborers from emigrating to the United States for the purpose of accepting employment in this country." In his communication the American consul calls to the attention of the Secretary of State of the United States the salient points in a bulletin issued by the Mexican Ministry of the Interior and published in the Official Gazette March 10, 1920, and states, "This bulletin is in line with the policy of the Mexican Government to discourage such emigration."

I have learned through personal contacts with prominent men in Canada that the Canadian people would gladly submit to a uniform rule with reference to the movement of aliens from all the world into the United States if that rule would result in keeping the United States free from the presence therein of large numbers of people of low standards of living, who are not assimilable with the Caucasian race. They believe over there that the presence in the United States of great numbers of these people will ultimately mean their entry into Canada. You, of course, know that under existing law Canadian authorities reject many Americans who desire to enter Canada, and in many ways the restrictions in Canadian law are more potent and extensive than the proposed quota limitations for the coming of Canadians to the United States under pending American legislation.

7. Now, your question about the registration—of course that would, in my mind, settle the whole problem. There is some opposition on the part of some of the representatives of labor to this plan on the theory that it savors of espionage. I want you to understand, Congressman, that I will not sponsor a bill which would permit of Government officers spying on the alien or work a hardship upon him in any way as long as he is legally within the country and conducting himself as a peaceful and law-abiding resident. What I am trying to do is to work out a plan in the form of a bill which might be called "Uncle Sam's fraternity"—an organized movement to be helpful to the alien. Personally I would not want to call aliens those who come here to join with us in building up this country. I would call them "friends." We should provide some means of helping the worthy alien and weeding out at the same time the undesirable ones. That is the purpose and essence of my enrollment plan. As soon as I have completed the draft of the bill which I shall recommend I will be glad to send you a copy.

In closing, Mr. Congressman, let me call your attention to Senate bill S. 2365, introduced by Senator WATSON, of Indiana, the provisions of which extend the principle of limitation of immigration to the countries of the Western Hemisphere. It also provides a method for taking care of seasonal and special labor needs through the use of special immigration certificates. I am inclosing a copy of this bill, and I know you will agree with me that we should not lock the front door without supplying some means of closing the back gate.

Sincerely yours,

JAMES J. DAVIS.

What is the remedy for the evils set forth in this letter from the Secretary of Labor? There must be a remedy found, or all we have done so far will have been in vain.

The gentleman from Texas [Mr. BOX], a member of the committee, "greatly regretted" that the provisions of the bill could not be applied to Mexico, and, by inference, to Canada.

The same gentleman confessed, or admitted, that the committee found the task so great that they did not dare to extend the restrictions to Canada and to Mexico, in fear of losing support for the bill.

Was that fear reasonable? I think not. The bill would have passed with as large and, perhaps, larger majority had its provisions been extended to the two contiguous territories. Many professed their opposition to the bill was based on the fact that it did not include Mexico. The chairman of the committee [Mr. JOHNSON] has promised that some supplemental legislaton will be introduced. I hope that will be done.

I am sorry it was not included in the bill that we have passed. We could have cleaned up this whole matter in one piece of legislation, had the committee so willed it.

I believe that the least we can do now is to place both Canada and Mexico under the same quotas, with, perhaps, regulated admissions from Mexico, in conformity with seasonable employments, the same to be under the control of the Department of Labor. The 2 per cent quota, if applied to Mexico, would admit only 1,500 a year from that country—and if we want to keep America and American labor especially, truly American, that number may be ample.

The bill which has been passed is in need of immediate revision.

CALENDAR WEDNESDAY

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the committees.

The Committee on Agriculture was called.

SALE OF FARM PRODUCTS ABROAD

Mr. HAUGEN. Mr. Speaker, by direction of the Committee on Agriculture, I call up the bill H. R. 7111.

The SPEAKER. The gentleman from Iowa calls up the bill H. R. 7111, of which the Clerk will report the title.

The Clerk read as follows:

A bill (H. R. 7111) to promote American agriculture by making more extensively available by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways.

The SPEAKER. This bill is on the Union Calendar and the House automatically resolves itself into Committee of the Whole.

Mr. BLANTON. Mr. Speaker, just a moment. Before we go into the committee, I think we ought to have some understanding about time.

The SPEAKER. The rule provides the time. That is a matter for the committee to determine and not for the House.

Mr. BLANTON. I thought it might be determined here. I just want a few minutes. I do not ask to control any time, but I want just a few minutes on this bill.

The SPEAKER. That can be determined in the committee. The House automatically resolves itself into Committee of the Whole House on the state of the Union and the gentleman from Illinois [Mr. CHINDBLOM] will take the chair.

Accordingly the House resolved into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7111) to promote American agriculture by making more extensively available by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, with Mr. CHINDBLOM in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of H. R. 7111, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 7111) to promote American agriculture by making more extensively available by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KINCHELOE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. I understand that under the rules of the House on Calendar Wednesday there is an hour on each side.

The CHAIRMAN. That is the rule, as the Chair understands it. Any Member, within the ordinary practice as to recognition, who is opposed to the legislation before the committee will be entitled to recognition after the gentleman in charge of the bill has either exhausted his time or reserved the balance of his time.

Mr. KINCHELOE. My purpose in asking that was that I did not know whether there would be anybody having control of the time or not.

Mr. LONGWORTH. The gentleman proposing the bill is entitled to an hour, which he can use as he desires, and then any gentleman opposed to the bill is entitled to an hour.

Mr. KINCHELOE. The point I had in mind was whether the time would be under the control of two gentlemen and they would dispose of that time for and against the bill.

Mr. TILSON. I believe that it has so long been the custom that it might be considered as the established practice in this House that on Calendar Wednesday the one in charge of the bill has an hour, and then if anyone of the committee is opposed to the bill he is recognized first. After that, if no member of the committee is opposed to the bill, some other Member of the House should be recognized if opposed to the bill.

The CHAIRMAN. The Chair so understands the rule and practice and will govern himself accordingly.

Mr. LONGWORTH. If the Chair will pardon me, I believe it to be the best practice that when there is no opposition that only an hour is taken in debate; that is to say, that anybody who is not in opposition is not entitled to an additional hour.

The CHAIRMAN. The Chair so understands the rule and the procedure. The gentleman from Michigan [Mr. KETCHAM] is recognized for 15 minutes.

Mr. KETCHAM. Mr. Chairman and members of the committee, the purpose of this bill, H. R. 7111, is well indicated in the title, and if I may have the attention of the committee I think a careful reading of it will clearly convey to all who are interested what is intended to be accomplished by the bill.

The title reads as follows:

A bill to promote American agriculture by making more extensively available by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways.

The bill contains four brief paragraphs intended to give legislative form to the suggestions incorporated in the title.

I think all of us who are at all familiar with the agricultural situation recognize the great difficulties which it confronts, and I am sure that the temper of this body is to do everything that can be done in the way of legislation to give relief.

It has seemed to some of us—and I believe that much of the legislation before the House of Representatives points in that direction—that a careful consideration of the development of foreign markets is one of the things that will afford a very considerable measure of relief to agriculture, and it is with that purpose that the bill has been introduced, giving to the Department of Agriculture a bit more leeway with reference to the conduct of its work in the development of foreign markets.

I may say for the information of the committee that for many years—going back as far as 1883 and coming on down through the years from that time—there have been appearing in our appropriation bills for the Department of Agriculture sections that gave that department the right to go into the foreign fields and gather and to disseminate information that would be valuable to our American farmers, looking particularly toward the sale of their products in foreign fields.

All of you who have followed the development of agriculture in recent years know that with the intensification of that work many new ideas have been developed, not only in our own agriculture but especially in fields abroad, and I think we may fairly say that many of the farmers of Europe have developed various plans that would be of great value to us, and so studies have been made in many of these foreign countries where their practices have in them something of suggestion to our own farmers, and these studies have been brought back by the Department of Agriculture and made available for our own farmers.

It is the purpose of this bill to mark out clearly the fields in which our Department of Agriculture may work. They have been doing considerable work in this field in the days gone

by, but the department feels that possibly the lines have not been marked out with sufficient clearness, and it is the purpose of the various paragraphs of this bill to do just that thing.

Now, may I call attention, very briefly, to the four paragraphs of the bill. The first one simply gives form to the purpose expressed in the title and indicates the field into which the department may go in obtaining and disseminating this information, and the language of the bill, I think, would be enlightening at this point and I do not think any discussion beyond the mere reading will be necessary.

Paragraph 1 gives the Department of Agriculture the power to acquire and to disseminate useful information that will enable American farmers to adjust their operations and practices better to meet world conditions, especially information concerning agricultural economics, farm management, and agricultural marketing practices employed in foreign countries, and the past, present, and prospective production of and demand for agricultural products in foreign countries, including animals and animal products, dairy products, cereals, fibers, fruits, vegetables, nuts, and other farm and forest products.

Paragraph 2 simply gives the Department of Agriculture the authority to cooperate with American producers, farm organizations and associations of various kinds in extending and strengthening the demand for agricultural products abroad.

Paragraph 3 of the bill gives to these representatives of our Department of Agriculture abroad, the rank of agricultural attachés, and in order that the members of the committee may understand that this has the approval of the Department of State, I submitted paragraph 3, to the Department of State, together with a suggested substitute for it, in order to meet fully what was believed to be the wishes of the Department of State, and I submit a letter from the Secretary of State giving his approval of the substitute that will be offered, differing only in language from the section that appears in the bill:

DEPARTMENT OF STATE,
Washington, March 19, 1924.

Hon. JOHN C. KETCHAM,
House of Representatives, Washington, D. C.

SIR: I am in receipt of your letter of March 8, 1924, submitting a redraft of section 3 of your bill, H. R. 7111, relative to the manner of accrediting agricultural attachés. As observed by you the original language of this section is not altogether appropriate as it proposes that the Department of State shall accredit agricultural attachés in the same manner as a secretary in an embassy or legation, whereas in the strict sense only ambassadors and ministers are accredited to foreign governments. The language of the proposed substitute appears to meet all requirements and to provide in the correct way for establishing these officers with appropriate standing as a part of the diplomatic mission.

I have the honor to be, sir,

Your obedient servant,

CHARLES E. HUGHES.

Paragraph 4 simply gives to the Secretary of Agriculture the power to make such rules and regulations as may be necessary to carry out the provisions of this act, and also the right to cooperate with any department or agency of any government, any State, Territory, District, or possession in connection with this work.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. KETCHAM. In just a moment. I have almost completed my statement, and at its conclusion I shall be very glad to yield to anyone to answer any questions I may be able to answer.

I may say that this bill has been given very careful study not only by the Department of Agriculture and all the departments that are interested particularly in it, specifically the Department of State, but has been submitted also to the various farm organizations of the country.

The approval of the Department of Agriculture is expressed in a letter from Secretary Wallace, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, February 23, 1924.

Hon. G. N. HAUGEN,
House of Representatives.

DEAR MR. HAUGEN: I have your letter of February 16 requesting my opinion on a bill (H. R. 5568) introduced by Mr. KETCHAM, "To promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad and in other ways."

This proposed legislation has been given very careful study by this department. We regard it as necessary to enable us to continue unhampered our service to American agricultural interests. It is not necessary for me to explain to you the need of this work and especially the necessity of leaving nothing undone that can be done to maintain and extend foreign markets for our surplus agricultural products. This bill defines the scope of the work of the department in the foreign field and puts it in the form of permanent legislation, so that there can not possibly be any misunderstanding as to the authority for work which the department has been carrying on for the past 40 years. I trust there will be no delay in enacting it into law.

Very truly,

HENRY C. WALLACE.

The following statement shows that the farmers' organizations indorse it:

H. R. 7111, introduced by Mr. KETCHAM, is a bill to promote American agriculture by making available and expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad and in other ways. We strongly urge all Senators and Congressmen to facilitate the passage of this bill. There never was a time in the history of American agriculture when there was a greater need of the activities contemplated by this bill.

Respectfully submitted.

L. J. Taber, master National Grange; T. C. Atkeson, Washington representative of the Grange; C. S. Barrett, president Farmers' Educational and Cooperative Union of America; F. J. Haganbarth, president National Wool Growers' Association, by S. W. McClure; A. M. Loomis, secretary American Dairy Federation and secretary National Dairy Union; Geo. C. Jewett, general manager American Wheat Growers' Association; Chas. V. Holman secretary National Cooperative Milk Producers' Federation and secretary National Board of Farm Organizations; Chester Davis, commissioner of agriculture, State of Montana; Western Tariff Association, by S. W. McClure, manager; Pendleton Commercial Association, by S. R. Thompson, chairman agricultural committee, also president of Oregon Export League; Chas. E. Hearst, president Iowa State Farm Bureau, Des Moines; George E. Duis, North Dakota Wheat Growers' Association, Grand Forks, N. Dak.; W. L. Stockton, Clarkston, Mont., president Montana State Farm Bureau; Carl Gunderson, South Dakota Wheat Growers' Association, Mitchell, S. Dak.; G. P. Mix, Moscow, Idaho; T. C. Winn, Nephi, Utah; A. R. Shumway, Milton, Oreg., Oregon Wheat Growers' Association; Hubert Egbert, president Farmers' Union, The Dalles, Oreg.; S. Sykes, president Corn Belt Meat Producers' Association.

Mr. Chairman, summing up the argument in support of this legislation, the purpose of this bill is to put into permanent form legislative authority now carried in the annual appropriation bill; to clearly define the field of activities of the department relative to foreign markets for American agricultural products and relative to competition in agricultural production in foreign countries, in order to remove any uncertainty as to legal authority; and to broaden the language so as to include in the scope of the department's work a consideration of relative cost of production, cooperative marketing, standardization of farm products, and so forth, as applied to world agriculture.

It is now well recognized that, to be of most service to the farmer, information as to production and marketing agricultural products must embrace the whole field of agricultural production and cover the potential world demand for these products, as prices are fixed largely by world production and foreign demand. With respect to the United States, the annual appropriation acts provide for collection and dissemination of crop and market information, economic and cost studies of the production and distribution of farm products, standardization, methods of handling, shipping and marketing of farm products; in short, provides for a complete coordinated program covering all essential subjects on which information should be had regarding the marketing and production of farm products.

This bill proposes to give the authority to the Department of Agriculture to continue its activities which will enable the American farmer to have information with regard to supply of and demand for agricultural products throughout the world and a knowledge of probable future developments in the agricultural situation in foreign countries.

The need for a well-defined and consistent policy with regard to collecting and disseminating information with regard to world demand for and production of agricultural products is greater now than at any time in the history of the country. The American farmer is looking to the Department for intelligent guidance in planning his program of production, and this can be given only when the department is in an unhampered position to study conditions throughout the world.

I think sufficient has been said unless there are some questions. I yield to the gentleman from Nebraska.

Mr. HOWARD of Nebraska. The speaker has very clearly elucidated all but one provision of the bill, and I am not quite clear about that. I would like to know whether or not it is the intention of the committee to have these appointments made from the civil-service list, or are they to be made at the will and the pleasure of the Secretary of Agriculture alone?

Mr. KETCHAM. If the gentleman will pardon me for the moment, I will get a draft of the substitute for paragraph 3, which has been approved by the Secretary of State, and read it. I think that will answer the question more clearly and more directly than anything I might say to the gentleman. The language of paragraph 3, as approved by the Secretary of State, reads as follows:

The agricultural commissioners at present representing the Department of Agriculture in foreign countries shall hereafter be known as agricultural attachés, and the Secretary of Agriculture is authorized to appoint from time to time other agricultural attachés, after an examination to be held under his direction and in accordance with the regulations of the Civil Service Commission to determine their competency. Such officers when designated for assignment to foreign posts by the Secretary of Agriculture shall, through the Department of State, be regularly and officially attached to the diplomatic missions of the United States in the countries in which they are to be stationed, and when such officers are assigned to countries in which there is no diplomatic mission of the United States, appropriate recognition and standing with full facilities for discharging their official duties shall be arranged by the Department of State: *Provided*, That the Secretary of State may reject the name of any such officer whose assignment to the foreign post for which he has been designated would, in his judgment, be prejudicial to the public policy of the United States.

By this language the gentleman will clearly see that these attachés are to be appointed after an examination to be held under the direction of the Secretary of Agriculture and in accordance with the regulations of the Civil Service Commission to determine the competency of the men to be appointed.

Mr. HOWARD of Nebraska. That is very satisfactory, and will the gentleman permit just one more question? Does the gentleman not think that in our splendid American language there might be some word to take the place of that nasty foreign word you have in there—attaché?

Mr. KETCHAM. I am sure that the genius and the ability of the gentleman in such matters is very greatly appreciated, and I am enough of an American to share some of the spirit he has, but inasmuch as this is the language in which all the diplomatic business of the world is couched, I suppose probably we had better fall into the form and forego our patriotism in that particular.

Mr. HOWARD of Nebraska. That genius and ability of which the gentleman speaks is laid at his feet, and if you want me to help rewrite the bill in the American language, I will do it.

Mr. KETCHAM. In turn, may I say I will submit that to those who have these matters in charge? They are matters beyond the purview and the power of the gentleman who is now occupying the floor.

Mr. COLTON. Will the gentleman yield?

Mr. KETCHAM. I yield to the gentleman from Utah.

Mr. COLTON. Reverting to paragraph 3, will there be a duplication of work on the part of the Department of Agriculture and the Department of Commerce? Is it not a fact that the Department of Commerce now gathers much of this information?

Mr. KETCHAM. I may say to the gentleman that the purpose of this bill is to avoid any duplication with any other department or any conflict.

Mr. COLTON. Let me say to the gentleman that I am entirely in sympathy with the bill, and I had understood there would be no duplication.

Mr. MAPES. Will the gentleman yield?

Mr. KETCHAM. I yield to the gentleman from Michigan.

Mr. MAPES. Other departments are sending men abroad to do work for other industries outside of agriculture similar to that it is proposed to have these agents do for agriculture, are they not?

Mr. KETCHAM. Yes; it is contemplated that that will be done, and the purpose of this bill is not in any way to come in conflict but to supplement the work that is being done by other agencies of the Government.

Mr. MAPES. The Department of Commerce, through the Bureau of Foreign and Domestic Commerce, sends men into the same countries that these men will go, doing work for industries outside of agriculture, does it not?

Mr. KETCHAM. Yes.

Mr. MAPES. And the State Department is doing some such work through the Consular Service?

Mr. KETCHAM. It has done some work of that sort.

Mr. COLTON. This requires a technical knowledge that men who have not the knowledge can not get.

Mr. KETCHAM. That is true. Agriculture has become so highly differentiated that there is much technical information that must be gathered and made available for our own people, and that requires people particularly skilled and trained in a line of work that can not be done by other men in other departments. It is not duplication of work or trespassing on work in other territory.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HAUGEN. I yield to the gentleman five minutes more.

Mr. MAPES. Will the gentleman yield further?

Mr. KETCHAM. I will.

Mr. MAPES. My understanding was that the Department of Commerce and the Department of Agriculture were attempting to get together and to reach an understanding so that it would prevent duplication of this work; has that been accomplished?

Mr. KETCHAM. I think the chairman of the Committee on Agriculture may submit a statement from the chairman of the Committee on Interstate and Foreign Commerce that will be satisfactory.

Mr. MAPES. A few days ago I received information that this bill would not come up to-day or until after an understanding between the two departments had been worked out.

Mr. HAUGEN. If the gentleman will permit, I conferred with the chairman of the Committee on Interstate and Foreign Commerce and he is perfectly willing that the bill should come up and the gentleman will be here on the floor.

Mr. HERSEY. Will the gentleman yield?

Mr. KETCHAM. I will.

Mr. HERSEY. I understand from the gentleman's bill that this is enlarging the work of the Agricultural Department along similar lines that they have worked in the past.

Mr. KETCHAM. Somewhat.

Mr. HERSEY. Now, will the gentleman give us some estimate of the probable additional cost, the annual cost, by the enlargement of the bureau along these lines.

Mr. KETCHAM. I can not answer that, but whatever small increase is required could be handled under the provisions now in the appropriation bill. If it is found that the work is so important as to require a special appropriation the department might come back and submit estimates in the regular way, but no increase in the appropriation is asked under the terms of this bill.

Mr. MAPES. Will the gentleman yield for a further question?

Mr. KETCHAM. I will.

Mr. MAPES. Am I to understand that the committee has consulted with the chairman of the Committee on Interstate and Foreign Commerce who has introduced a bill somewhat similar for the Bureau of Foreign and Domestic Commerce in the Department of Commerce, and that this bill is satisfactory to the Department of Commerce as it is now drawn?

Mr. KETCHAM. That is the word of the chairman of the Committee on Interstate and Foreign Commerce and the chairman of the Committee on Agriculture.

Mr. HASTINGS. Will the gentleman yield?

Mr. KETCHAM. Certainly.

Mr. HASTINGS. Did I understand the gentleman to say that the farm organizations throughout the country—the names of which he will place in the RECORD—have indorsed this bill?

Mr. KETCHAM. Yes.

Mr. HASTINGS. Have any of them opposed it?

Mr. KETCHAM. None has opposed it.

Mr. HASTINGS. Has it been generally submitted and have they had an opportunity to study the provisions of the bill?

Mr. KETCHAM. Yes.

Mr. HASTINGS. There is no minority report?

Mr. KETCHAM. No.

Mr. HASTINGS. Was there any objection to the bill before the committee?

Mr. KETCHAM. No objections in the hearings before the committee. Mr. Chairman, I yield back the balance of my time, and I ask permission to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I reserve the balance of my time.

Mr. BLANTON. Mr. Chairman, I ask recognition in opposition to the bill.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. BLANTON. I am.

The CHAIRMAN. Is any member of the committee opposed to the bill? If not, the Chair will recognize the gentleman from Texas.

Mr. BLANTON. Mr. Chairman and gentlemen of the committee, had there been any member of the committee opposed to this bill, I would have preferred taking 10 or 15 minutes from him, and I hope to use only that length of time; but in discussing the question with some of my colleagues from time to time as to the manner by which we are increasing from year to year the number of bureaus, institutions, and expenses of the Government, I have found that many Members do not know how and where it creeps into our system.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ASWELL. Has the gentleman been informed that this bill does not increase the salary, does not increase the number of employees, does not increase any expenses nor any bureaus?

Mr. BLANTON. I am going to show that it does. If my distinguished friend from Louisiana has that idea of the bill, he never was more mistaken in his life.

I am here to do my duty as a Representative of the Government, 1 of the 435 Members. When I find year by year that the bureaus are increasing, that the institutions of Government are increasing, that the expenses are increasing, that the appropriation bills are coming in regularly, calling for more and more money out of the Treasury, and that the people must be taxed to put that money in the Treasury before it can be taken out, then I find myself thoroughly awake on the proposition, and I carefully study and am going to inspect every bill that comes on this floor that seeks to take more money out of the Treasury and seeks to add one single employee more to the pay rolls of the Government.

I am going to watch and find out where these increases of bureaus come in, and if you will talk with the membership they will tell you that they have not been able to find out how it is enlarged every year. It is enlarged every year by just such bills as this.

I know that it is rather dangerous politically for a Member of the House to oppose a bill that has as many farm organization indorsements as this bill has. It is rather dangerous if he represents an agricultural district, as I do. This bill is indorsed by the representatives of every farm organization. I know that. I have read the indorsements, I have seen their signatures in the report, but that does not deter me one minute from rising here against a growing system of waste and extravagance that means increased taxation to the people of the country.

Let me call your attention to what this bill does. My friend from Louisiana [Mr. ASWELL] is one of the most distinguished Members of the House. He has had long service here. He pays rather close attention to legislation. He has good ideas and good judgment on many things. I have consulted with him many times——

Mr. ASWELL. The gentleman is not going to cut that out of the RECORD, is he?

Mr. BLANTON. I take his judgment on lots of things. I follow him on everything on earth that is proper. I am going to show him where he has slipped a cog on this bill. He says that it will not cost a dollar more. That was his statement. He says that it will not add an extra employee. That was his statement, and if it was not I want him to deny it now. I shall show him now where he has slipped a cog. I read from subdivision 3 of this bill:

The Department of State shall accredit, in the same manner as a secretary of an embassy or legation of the United States, as agricultural attachés with diplomatic standing, to such countries as the Secretary of Agriculture shall deem advisable, the agricultural commissioners at present representing the Department of Agriculture in foreign countries, and such other agricultural attachés—

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. I want now to convince my friend of where he has slipped a cog. The bill does not stop there. It continues:

and such other agricultural attachés as shall be appointed from time to time by the Secretary of Agriculture—

And so forth.

Mr. ASWELL. That does not increase the number at all.

Mr. BLANTON. The Department of State shall accredit such other attachés as shall be appointed from time to time by the Secretary of Agriculture. What does that mean? It means that there are going to be others appointed under the provisions of this bill, and that this legislation is a warrant to pay their salaries and their expenses through the Committee on Appropriations. This is the legislation that is going to warrant that. Without this legislation the appropriation if brought in would be subject to a point of order, and we otherwise could control it in the various appropriation bills.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. I am going to yield to the gentleman later. Let me show you something else about this bill. I read now from subdivision (4):

The Secretary of Agriculture may make such rules and regulations as may be necessary to carry out the provisions of this act * * * and shall have the power to appoint, remove, and fix and pay the compensation of such officers and employees, not in conflict with existing law, and make such expenditures for rent outside the District of Columbia—

That means foreign countries, if you please; that means in Paris, that means in England, that means in China, that means in Japan, that means in every country of the world wherever he sees fit. And he shall—

* * * make such expenditures for rent outside the District of Columbia, printing, telegrams, telephones, law books, books of reference, maps, periodicals, furniture, stationery, office equipment, travel, and subsistence allowances and other supplies and expenses which shall be necessary to the administration of the act in the District of Columbia and elsewhere, and as may be appropriated for by Congress.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. We, the Congress, fix subsistence allowances in other bills.

We, the Congress, fix travel pay in other bills; we, the Congress, fix compensation in other bills; but in this bill as to these employees we are leaving it, we are passing the buck, we are transferring it from the Congress to the Secretary of Agriculture to fix the salaries first and then fix travel and subsistence allowance second and then to pay such of these expenses as he wants to in his own discretion.

Mr. KETCHAM. Will the gentleman yield?

Mr. BLANTON. I am not willing to do that. Yes, I will yield.

Mr. KETCHAM. In the first place, does the gentleman think there is really any great alarm about the size of an organization, in view of the fact that in 40 years this organization has only developed something like seven men abroad. Is the gentleman alarmed as to the development which may come to agriculture after 40 years——

Mr. BLANTON. It is because Congress has allowed only seven. I know how much this bill means to my friend, and I sympathize with him. This is his pet, and I would like to do him the kindness to vote for it were it not for the fact of taking money out of the pockets of the American people. The gentleman speaks of these farm organizations, their representatives having signed this report, having indorsed it. I want to tell you where I get my instructions from for fighting this bill. Do you remember when the distinguished member of the Republican steering committee [Mr. DARROW] brought in on the floor of this House a bunch of petitions to this Congress which covered all of that large stand there, signed not by these representatives of farmers but by 350,000 actual dirt farmers themselves of the United States. They were the ones I will have back of me, if you please. They brought that petition in here, and Mr. DARROW put it in the RECORD. What was it those farmers told us. They send here a solemn mandate to us and said "Men, we command of you that you shall cut down the expenses of the Government. We demand of you that you stop increasing taxes; we demand of you that you stop increasing

are they not?

Mr. HASTINGS. There is no minority report?
Mr. KETCHAM. No.

salaries; we demand of you economy in Government." That is what the dirt farmers whom I represent back home have said; that is the kind of mandate they sent to me and to you. I want to tell you I would take their mandate before I will that of their representatives who have signed this report indorsing the bill.

Let me say this to my friends: It is very easy to pass a bill of this kind. The distinguished chairman of the Committee on Agriculture, in whom we all have confidence and whom we all love, brings this bill in here. He is representing the farmers apparently—ostensibly. Nobody else has risen in opposition to it. It is the kind of bill that is expected to be taken up and passed unanimously without reading. About the only opposition we heard was that of the gentleman from Nebraska [Mr. HOWARD], who got up and said, "I object to the word 'attaché.' I want that changed to an American word." What do the farmers of the country care about foreign pronunciation of a word? It is money in the bill that is taken out of their pockets with which they are most concerned; yet the distinguished gentleman from Nebraska says that if you change the word "attaché" to some American word, then all right; that he will go out and get his lunch, and thus the bill passes, and the money is taken out. And we go back home to our constituents and they call us to account, and we say that we can not help it; that it was a unanimous report; that if we had gotten up and fought it we could not have stopped it; and they would answer, "Why did not you fight or make an effort?" And we say it would not have done any good; it would have passed anyway. I am here telling you I am going to stand here on this floor and fight such measures that increase taxes, and I do not care if my vote is the only one against it. Sooner or later the people are going to send Representatives here who are going to back me up in my efforts for economy, and you watch and see if they do not do it. I will have some company here sooner or later who are going to fight with me to reduce taxes, because I am going to continue this fight on this floor until it accomplishes something for the people of this country.

I want to show you what is in this appropriation bill we sidetracked yesterday that embraced $63,349,160. I am for foreign representation in foreign countries. I am for having somebody to represent our interests. I am for having somebody there to look out for the foreign markets; but I want to show you here in this $63,349,160 appropriation bill that we provide already hundreds of thousands of dollars for just such purposes. Now I am going to yield to my friend, and I want him to get up here and tell you just what happened in the last few days that has caused the Secretary of Commerce to withdraw his opposition from this bill. Tell us, please, what happened. I yield to the gentleman.

Mr. KETCHAM. May I say I did not ask for the privilege of the floor?

Mr. BLANTON. I did not think the gentleman could tell us, so I shall not insist on yielding to him unless he wants to be yielded to. I will yield to some member of the committee to tell us. Will not some member of the committee get up here and tell us? I am going to yield to the gentleman from Kansas because he rises to enlighten us.

Mr. TINCHER. Well, I am a member of the Committee on Agriculture——

Mr. BLANTON. Tell us just what caused the Secretary of Commerce to withdraw opposition to this bill?

Mr. TINCHER. My understanding is he never had any opposition to the bill, and never having had any he could not withdraw it. If the gentleman knows that the Secretary of Commerce ever objected to the provisions of the bill, I wish he would inform the committee of something that we never heard of.

Mr. BLANTON. Now, Mr. Chairman, I ask unanimous consent that the distinguished gentleman—the author of the bill—be granted permission to revise his remarks in which he referred to any opposition that the Secretary of Commerce formerly had to this bill, so he will be consistent with the stand taken by the gentleman from Kansas. I say that because he did refer to opposition. I did not bring it in.

Mr. TINCHER. I understand the reference was to the chairman of the Committee on Interstate and Foreign Commerce. He had two bills here, and there was some difference between the two committees concerning the bill. What you are talking about is Secretary Hoover objecting to this bill, as I understand it.

Mr. BLANTON. Has there been any objection from the Department of Commerce?

Mr. KETCHAM. I have had no communication from the Secretary of Commerce with reference to the bill.

Mr. BLANTON. Has the chairman of the Committee on Interstate and Foreign Commerce any objection to it?

Mr. KETCHAM. I will not answer as to that.

Mr. BLANTON. I will not ask you to answer if you do not want to. But I want to show you what is in this Commerce Department appropriation bill for our foreign representation. I want to show you that we already have foreign representation with respect to the marketing of our various products. I read on page 46 of the appropriation bill making appropriations for the Departments of State and Justice and for the Departments of Commerce and Labor, that we argued yesterday in the House, the following:

Commercial attachés: For commercial attachés, to be appointed * * * by the Secretary of Commerce, $241,000.

Then the next paragraph, "Promoting commerce, Europe and other areas, $385,000."

Then, further, "District and cooperative office service," if you please, $166,000 more.

Do you know that every bit of this money that is in this appropriation bill has been made mandatory on the Committee on Appropriations to put in this bill because we passed just such legislation as this heretofore? From time to time some such bill has been brought in here as is brought in now, and we pass it. We have sought the paths of least resistance, and have said nothing and let it pass. Now, we have to pass appropriations to respond to that system.

Now, here is something else in this $63,349,160 appropriation bill: "Promoting commerce, South and Central America," $243,000. And again, "Promoting commerce in the Far East," $213,000 more. Then for "Export industries, to enable the Bureau of Foreign and Domestic Commerce to investigate and report on domestic as well as foreign problems relating to the production, distribution, and marketing in so far as they relate to the important export industries of the United States," and so forth, $582,550 more in this bill. Then for "Raw-material investigations," $50,780. Then for "Collecting statistics: For securing information, * * * reports of stocks of baled cotton in the United States, and of the domestic and foreign consumption of cotton"—get that, gentlemen—"the domestic and foreign consumption of cotton," $805,000 more in this bill that you are to pass to-morrow.

Mr. GARBER. What page is the gentleman reading from?

Mr. BLANTON. Page 55—$805,000 more, if you please.

Do you know what happens when we have our Secretary of State give the standing of an attaché to an individual in a foreign country? Do you know what happens? You are conferring on that individual social prestige. We already have our diplomatic attachés, and we already have our commercial attachés, and now we will have our agricultural attachés. They have all got to be socially classified and have a social status in these foreign countries. They have got to know which one can go ahead of the others. They have got to know exactly what kind of clothes they have got to wear on certain occasions. They have got to know just where to go at the table when they go out to dine; that is, which seat they are to occupy, how far they can go down the table, and where they have to stop, whom they have to follow, and whom they have to precede. Those are some of the main duties that they perform.

I want to cut out all that monkey business. We are paying for it with huge sums of money every year. That is what was in the minds of those 350,000 actual dirt farmers of the country when they sent that box-car petition demanding economy to the chairman of your Republican steering committee. That is what they had in mind. Do you think you can fool the farmers back home? They are the hardest class of people in the world to fool.

Last summer I drove over a good part of the United States in my car, and finaly landed at home in Texas. I drove back another way to Washington through the country. I went through quite a number of States. I stopped along the road and talked to the farmers. I wanted to see whether the farmers in other States were any different from the farmers of Texas. I wanted to get their ideas. I wanted to find out what they are thinking about with respect to their Government business. I did not merely stop the farmers, but I stopped along the road and talked with the laboring men; I stopped in cities and towns and talked to members of chambers of commerce; I talked to the business men in their places of business. I found that the one central idea that is uppermost in the minds of every individual, from farmer to banker, if you please, is economy in Government business. There must be more economy in it. We must use common sense in the passage of legislation.

We must use more common sense in the appropriation of public funds out of the Public Treasury. And I came back to Washington with one resolve uppermost in my heart, and that was that I was going to work and stand here and fight for economy as I had never fought for it before.

Mr. HOWARD of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Certainly, to my friend from Nebraska.

Mr. HOWARD of Nebraska. I have just been informed that the gentleman, while I was out taking my coffee, had assaulted the only champion he has on the floor here with reference to his position on this bill. Now, I wonder if the gentleman would be kind enough to yield to me, from his possession of all the time, two or three minutes to speak on my position with respect to this bill?

Mr. BLANTON. Mr. Chairman, I have taken up a good deal of the time. How much time have I used?

The CHAIRMAN. The gentleman has occupied 27 minutes.

Mr. BLANTON. That is more than I intended to do, and I know that the gentleman from Nebraska could not damage my speech by an interspersion, and so I am going to reserve the balance of my time and yield to the gentleman such time as he desires, and will then finish my speech later. How much time does the gentleman desire?

Mr. HOWARD of Nebraska. As long as it takes me to say it. [Laughter.]

Mr. BLANTON. I yield to the gentleman 10 minutes.

Mr. KINCHELOE. Mr. Chairman, I think the time should be allotted in an orderly manner. The chairman of the committee in charge of the bill has the right to yield time.

Mr. BLANTON. Would the gentleman from Nebraska mind waiting until I get through?

Mr. HOWARD of Nebraska. Not at all. I will grant any reasonable request.

Mr. BLANTON. Then, Mr. Chairman, I will finish my remarks first because I was almost through.

Gentlemen, I want to appeal to you on this matter. Let us not just take it for granted that this bill is necessary. I am just as good a friend of the farmer as you are. I represent as many farmers as any man in this House, without any exception. I represent 314,314 people. Did you know that? And most of them are farmers. Can any of you beat that? Why should I not be just as much their friend as you are? Do not let us take it for granted that this bill is a necessity and must pass because a few farmers' organizations have indorsed it. Lots of farm representatives look at something and think, "That is something coming out of the Treasury; what do we care? There might be some good in it, and it can not do us any harm, so we will just pass it." But taxation and economy are the questions we must keep uppermost in mind.

I beseech every one of you to stop and consider whether this bill is a necessity. Here is your chance to stop these encroachments of Government bureaus; here is your chance to stop extensions abroad. They say charity begins at home. Let us do something first for the farmers at home, while this is to do something abroad. If you will get the $63,349,160 appropriation bill which is to come up to-morrow and which we debated yesterday, you will find that we have plenty of foreign representatives abroad to find markets for our farm products and commerce. Let us hesitate a while, study this bill, and see whether we can not do without it. Now is the time to stop these encroachments and these enlargements and expenses of government. Now is the time to save expense for the people. Here is your opportunity to reduce taxes. What are you going to do about it? Just seek the path of least resistance? It is a lot easier to vote for it than it is to vote against it. It would be lots easier for me to get up here and vote for the bill, and I would make more friends if I voted for all these bills here in Congress than if I fight them. It takes hard work for me to dig up the facts about bills, and to do that I have to stay awake at night when some of you are asleep.

And the newspapers! I know how you feel about them. If you get up and fight a bill, the newspapers will attack you. Why, did you know that any man on earth who makes a fight and tries to accomplish something for the people of the country will be barked at? You can not keep a dog from barking at you, can you? But he does not hurt you so long as he does not bite you. I do not mind being barked at. It does not hurt you for the newspapers to say unkind things about you; it does not hurt you unless what they say is true. Ah, if you will conduct yourself in life properly and walk the straight and narrow line so that what they say about you can not hurt you because it is not true, you are impervious to those assaults. The newspapers do not hurt me because their criticisms are untrue; nor do they hurt me with my people at home because my constituents know me. They may hurt me some with strangers, but I am going to do my duty here in this House regardless of the barkings, snarlings, and snappings.

Mr. Chairman, I reserve the balance of my time, and yield 10 minutes to the gentleman from Nebraska [Mr. HOWARD].

The CHAIRMAN. Does the gentleman from Iowa [Mr. HAUGEN] desire recognition now?

Mr. HAUGEN. I yield to the gentleman if he desires to take more time.

Mr. BLANTON. Unless something unusual comes up, I do not want any more time, but I merely reserved the balance of my time out of an abundance of caution.

Mr. HAUGEN. What is the gentleman's disposition now? Does he want to go on?

The CHAIRMAN. The gentleman from Nebraska [Mr. HOWARD] is recognized for 10 minutes.

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, I rise in opposition to this bill. I shall not discuss it along the lines of my distinguished friend from Texas. I would like, if I could, to let every good thing that he uttered in opposition to the bill be understood to be indorsed by me.

I simply rise to call attention to the high type of statesmanship of the gentlemen on this side of the aisle at this time in connection with this bill. I am not going to talk politics; I am going to talk with reference to this bill.

This bill provides for a vast army of—well, the bill calls them attachés, to be connected with our foreign legations and embassies for the purpose of gathering information of value to our American agriculturists. I have asked the question of the chairman of the committee presenting the report, and he tells me that as amended the bill will provide that the appointments be made under the civil service. Well, I presume every Democratic Congressman here present understands what that means. For the enlightenment of you gentlemen on the administration side, let me tell you what the present operation of the civil service means. For instance, we poor Democratic Congressmen will be notified that a postmaster is to be appointed at Jones Crossroads; we are informed that there are three eligibles. Then we are in doubt what to do. We would like to recommend the best one of those three, the one who would administer the office for the best interests of the people surrounding that post office, and yet under the civil-service program it is very dangerous for us to do so, because the situation is about this: The best qualifications an applicant for a post office may have is positive proof that he is a Republican in good standing. [Applause.] And, of course, no righteous Democrat could certify in favor of that kind of an applicant as his first choice. When we certify in behalf of some fellow who has been rightly reared and is a Democrat we thereby run the risk of destroying all chances he might have for holding the post office.

So I am asking the gentlemen in charge of this bill to tell me if they will—and then perhaps I might vote for it—if they would tell me that under the rules for the appointment of these attachés—and I do not want any good Democrat to ever wear that nasty foreign name—that a Democrat will sometimes have a show for his white alley. [Laughter.]

Now, here comes the profound statesmanship of the gentlemen on this side. Most of them intend to vote for this bill. They would like to say simply because it is in harmony with agricultural legislation, but I will let you folks on the other side into a secret. They are not voting for it for that reason only. They positively know that one year from this day these appointments will be controlled not by the present administration, but by a Democratic administration. [Applause.] And, oh, what a beatiful bunch of fat patronage that will be for us boys over here. [Laughter.] You know everybody loves to get a foreign appointment of some kind, and if he can get a foreign appointment with a French word attached to it, all the better. [Laughter.] Just think of the great flocks of worthy and hungry Democrats who, under the provisions of this bill, may be appointed by the new administration to go over the sea and wear the proud title of a foreign attaché to an embassy of ours over there and to draw the fat salary which a liberal Democratic Secretary of Agriculture is going to attach to each one of these appointments. [Laughter.]

The CHAIRMAN. The committee will be in order.

Mr. HOWARD of Nebraska. Do you not want to hear any more of that? [Laughter.]

The CHAIRMAN. The Chair will say to the gentleman from Nebraska the Chair asked the committee to be in order.

Mr. HOWARD of Nebraska. Ah! Oh, well, let it go.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. LOWREY].

Mr. KINCHELOE. Mr. Chairman, if the gentleman will yield to me, has the chairman disposed of all his time to Members who are not on the committee?

Mr. HAUGEN. I have a number of requests, and so far I have not had any requests from members of the committee.

Mr. KINCHELOE. I do not want to make a speech and I do not care about it, because I am going to vote for the bill, but Mr. ASWELL, the ranking member of the committee on this side, wants some time, and I understand the chairman has disposed of all the time to Members who are not on the committee.

Mr. LOWREY. I yield my five minutes to the gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Oh, no; I do not want that.

The CHAIRMAN. The gentleman from Mississippi is recognized for five minutes.

Mr. LOWREY. Mr. Chairman and gentlemen, the gentleman from New Jersey [Mr. ACKERMAN] made a very interesting and informing speech yesterday in regard to the increase of our foreign commerce and the value of the commercial attachés abroad. I recommend that you read it if you did not hear it. The gentleman who introduced this bill, or who first discussed the bill, the gentleman from Michigan [Mr. KETCHAM], also made an interesting speech, calling attention to the great importance and the imperative demand just now for increasing our foreign market for agricultural products.

Everybody knows that American export trade is largely dependent on agriculture. Under normal conditions about 55 per cent of all our exports are in agricultural products. We export about one-fifth of our wheat crop and from 60 to 70 per cent of our cotton crop. We export very little corn as corn, but we export annually about one and three-quarter billion pounds of meat products from the animals to which our corn has been fed.

This year wheat and cotton, especially, have "hit the bottom." Wheat prices have been about equal to the pre-war average, with the cost of production 50 per cent higher than the pre-war cost. Cotton prices have been higher than the pre-war average, but the cost of production has been considerably higher still. We have sold at an average loss of from 3 to 4 cents a pound.

In this connection it is interesting to note that last year we raised 867,598,000 bushels of wheat and exported 164,691,565 bushels, a little less than one-fifth of it. This year we raised 785,741,000 bushels and exported 98,524,405 bushels, about one-eighth of it. The exportation last year was about equal in bushels to the average exportation since 1890, but was several points lower in percentage of the crop. This year there is a heavy falling off both in percentage and in number of bushels exported. It is obvious that if the exportation had held up this year the price also would have held up, and the wheat farmers would not now be in such desperate straits.

The same applies to cotton, except that the figures are more striking. Last year our cotton crop was 9,761,817 bales. We exported 6,113,813, about 65 per cent of it. This year we raised 10,081,000 bales and exported 5,279,165, about 52 per cent of it. Here again it is perfectly clear that the cotton farmer is hard pressed as a direct result of the failure of his foreign markets.

And cotton has been the backbone of our foreign trade. It is the one item which over a period of 100 years has turned the balance of trade in our favor. Please let me quote the following from Cotton News of April 1:

Had cotton been eliminated from our trade balances from the inception of the Nation down to the beginning of this century, America would have remained a debtor nation during that entire period. Even as it was, with cotton doing yeoman service for our exports, we remained a debtor nation until 1874. From 1790 to that year the balance of trade was uniformly against us, computed by the average of decades, except during the decade of 1840–1849, for which period there was a favorable balance of something less than $10,000,000. The average balance against us during three-quarters of a century ran from $4,000,000 in 1820–1829 to $92,000,000 in the years subsequent to the Civil War. In the years from 1790 to 1893, 103 years, the balance was against us 73 years and in our favor 30 years.

In the decades from 1874 to 1914 the balance was in our favor on an average from $80,000,000 in 1885–1889 to $666,000,000 in the year 1908. In the year immediately prior to the Great War the balance in our favor was $470,000,000; but in this same year even the export value of raw and manufactured cotton was $661,000,000.

WHAT COTTON HAS DONE FOR US

It was not until 1895 that the balance in our favor ever ran as high as $150,000,000; but the value of our cotton exports passed $200,000,000 in 1870 and has never been as low as $150,000,000 from that day to this. The export value of the staple, raw and manufactured, reached the enormous total of $1,538,000,000 in 1920.

Since the beginning of the present century there have been several years, conspicuously those of the war period, when we would have remained a creditor nation even had cotton values not been credited on our side of the ledger. From 1790 to 1910 the final total balance in our favor for the entire period was $8,200,000,000. In the period from 1800 to 1914—114 years, it will be observed, as against 120—our raw and manufactured cotton's export value to the Nation was $16,400,000,000, or exactly double. The point is that had cotton been eliminated we would have been debtor to the world by $8,200,000,000 in 1914 instead of being creditor to that same amount. And this, it will be remembered, takes into no account whatever the wealth that has accrued to us in consequences of our domestic production, manufacture, and consumption of cotton.

Why are we losing our foreign trade with the resulting loss on American farmers? First, because Europe is not in condition to buy. Before the war Germany used annually two and a quarter million bales of American cotton. She is now using less than 1,000,000 bales. Before the war France used one and a half million bales of American cotton. She is now using about 1,000,000 bales. England used nearly 5,000,000 bales. She is now using a little more than 3,000,000.

If America had done her part in making peace as she did her part in making war, she would have saved already within these five short years hundreds of millions of dollars to the American farmer. And that is only the beginning.

For the most serious phase of the situation is this: What Europe is able to buy she is buying as largely as possible from other markets, not from America. We are losing not only our immediate sales but we are losing our trade affiliations on which sales in future years must be based. Before the war England bought 75 per cent of her cotton from us; last year she bought 70 per cent. Before the war France bought 78 per cent from us; last year she bought 74 per cent. Before the war the United States produced 72 per cent of the world's export cotton supply. Last year she produced 68 per cent.

Here again this is only the beginning. England is making tremendous efforts to develop within her own colonies and dominions sufficient agricultural production to supply the Empire. For this she is not to be blamed. France and Japan are following suit. Really, Germany is the only considerable manufacturing country that is not following suit. She has no colonies.

Please let me cite again some recent press notices.

Here is what India is doing, taken from the New York World of February 26:

UNITED STATES COTTON THREATENED—GAINS IN INDIA'S PRODUCTION MENACE AMERICAN CONTROL

LONDON, February 26.—A serious threat to American control of the world's raw cotton is indicated in recent figures on Indian cotton production. For the five years before the war India exported an average of 50,000 to 60,000 bales to England. Last year the total was 275,000, and this year, according to figures just issued, it will be 300,000.

A report by the secretary of the board of agriculture says the world will be emancipated from American monopoly of raw cotton within 10 years, largely due to Indian production.

This from South Africa, found in the New York Times for March 23:

COTTON IN SOUTH AFRICA—PREPARING FOR LARGE EXTENSION OF ITS CULTIVATION THERE

So marked has the interest in cotton growing in South Africa become that the Empire Cotton Growing Corporation has offered to pay the expenses of three specially trained officers to help develop the industry there. Cotton production in that part of the world has been increasing steadily since 1919, according to W. E. Vaughn, jr., secretary to the trade commission in Johannesburg, who, in a report to the Department of Commerce, says that during the 1922–23 season the crop amounted to 2,400,000 pounds of lint. This is about 4,800 bales of 500 pounds each, compared with 1,096,182 pounds for the previous year.

"It is estimated that the area under cotton cultivation in South Africa at present," the report continues, "is approximately 20,000 acres. Practically all of the cotton is exported. It has been officially announced that a bill will be introduced in the House of Commons early in the forthcoming session to obtain parliamentary sanction for the construction of a railway line near Somkele to the Pongola River in Zululand. The proposed line will open a quarter of a million acres of good cotton soil in that country."

In a recent address a cotton expert for Eastern Transvaal said that South African lint is of good quality and regarded highly by manufacturers in Great Britain, France, and Belgium. He believes that the

cotton experimental stage in South Africa has passed. The country is free to-day from two of the worst cotton pests, and there are from 3,000,000 to 4,000,000 acres of virgin land suitable for the production of high-class cotton. The biggest factor, however, is the lack of sufficient labor of the right kind.

This is from the New York Evening Journal, February 21, in reference to Australia:

AUSTRALIA GROWING COTTON

Australia, which has been able to grow limited quantities of good staple cotton, is setting out to raise 1,000,000 bales a year, about 10 per cent of the American output in recent years. The area under cultivation in Queensland has increased from 166 acres in 1920 to more than 100,000 acres in 1924. Moreover, between 20,000 and 30,000 acres will be planted in New South Wales this year.

The natural advantages for cotton growing are with the Southern States, whose leadership ought to persist through the years. The increasing competition, however, serves new notice on the cotton planters to improve their technique. More intensive cultivation under scientific methods could unquestionably lower the average cost of production. As long as the consuming public must pay tribute to the waste of ill-guided and unintelligent farming methods, America's virtual monopoly in raising cotton will be increasingly challenged.

And here is the rest of the British Empire:

NEW BRITISH COTTON FIELDS

A new plan for increasing the cotton-producing area of the British Empire is outlined in the announcement from Bagdad of a system of irrigation projected for the Diala Valley, which will add 1,500,000 acres to the Mesopotamian cotton fields. This undertaking is in the nature of an experiment. Cotton is now grown in limited quantities in Mesopotamia, and if the Diala region project is profitable other lands of the Euphrates Valley in upper Mesopotamia and Syria will be brought under cultivation by a similar system of irrigation.

The interest to the world in this undertaking lies in the fact that for at least 20 years the British have been endeavoring to find a source of unfailing raw material for the great English cotton mills. This search has had the support and encouragement of the Government. It has resulted in numerous expensive and often unsuccessful experiments. It has, however, brought about an increased cotton production in India and the development of cotton growing in Australia, the upper Nile Valley, the Sudan, and the tropical regions of Africa.

Early this year the British colonial office laid before the House its plan for the expenditure of $40,000,000 in the development of cotton production in Uganda, tropical Africa. The experimental stage there passed when a production of 90,000 bales of 400 pounds was reached. It is estimated that the potential production is 1,000,000 bales. The appropriation is to be expended in railways which will bring the crop to the sea coast.

Last year the British Government undertook the further development of the upper Nile cotton region by building a railway into the Gash Valley and extending its system of irrigation so as to include about 100,000 more acres of cotton land. The cotton area in the Blue Nile and Kassala districts will be increased by about 500,000 acres. The British Government expects to acquire also 5,000,000 acres of fine cotton-growing land beyond the Sudan border through an agreement with Abyssinia.

It is to these already partially developed African fields, to India, Queensland, and the experimental fields in Mesopotamia that the British cotton industry will look for its raw material.

I wish you would get that, please, 1,500,000 acres being added in Mesopotamia now besides the great increase in cotton production in Africa, Australia, and so forth.

These are very large figures. Think of England's bringing in at two strokes 6,000,000 or 7,000,000 acres of cotton land and think of what it would mean to America to lose our cotton trade abroad. If that is going to be done in England—and nobody can object to England's right to do it—if England is going to make her own cotton markets and raise her cotton in her own dependencies, it means we have got to enlarge our cotton trade elsewhere and we have got to find the commerce abroad that will correct the situation with reference to the exportation of our American product.

There are at least two other countries which are coming to compete with us largely in cotton production. The New York Journal of Commerce, March 31, says that the Brazilian crop this year is estimated at 1,000,000 bales; and our Department of Commerce says that the Chinese crop is estimated at from 2,500,000 to 4,000,000 bales. Here are two countries which a few years ago produced almost no cotton, now producing at least a third as much as we produce.

What is true of cotton is true also of wheat. Take note of the following. If I remember correctly this clipping is from the New York Times of March 23:

OUTLOOK FOR WORLD'S GRAIN CROPS IN 1924—DECREASE FORESHADOWED IN NORTH AMERICA OFFSET BY INCREASE IN OTHER CONTINENTS

Reviewing the agricultural situation in the world outside of the United States, the monthly bulletin of the Department of Agriculture points out that in the Northern Hemisphere reports of fall seedings have been received from nine countries, including the United States and Canada, and that these reports show decreased acreage of about 8 per cent in the 1924 crops. In the case of rye there is a 15 per cent decrease in the United States, offset by increase in Czechoslovakia, Sweden, Poland, and Rumania. The Argentine wheat harvest, practically completed in January, is now estimated at 259,000,000 bushels, comparing with the final estimate of 189,000,000 for the season 1922–23.

The Chilean wheat crop is estimated at 25,000,000 bushels, as against 23,000,000 last year. In Australia the new wheat crop is now estimated at 125,800,000 bushels; the harvest of the previous season was 109,360,000. The opinion is expressed that at least three-fourths of the available Russian surplus of wheat and rye has been exported; a total figure of 40,000,000 is expected. Credence is given to the reports of grain shortage in parts of Russia, indicating that the Government requests for export may have unduly reduced the food supplies of the Russian people.

This is from the Washington Star:

SEES CANADA LEADING IN EXPORTING WHEAT—UNITED STATES SOON TO PRODUCE ONLY ENOUGH FOR HOME NEEDS, SAYS HERBERT HOLT

(Special dispatch to the Star)

WINNIPEG, MANITOBA, February 29.—Canada will soon have a virtual monopoly of the export trade in wheat from North America, according to Sir Herbert Holt, president of the Royal Bank of Canada.

"Present tendencies in the United States," said Sir Herbert, "indicate that within the next few years the Republic will produce only enough wheat for its domestic needs, leaving Canada, already the leading exporter of the world, as the sole exporter of wheat from North America.

"Canada's wheat exports to the world have increased more than 2,000 per cent since 1900. In that year the Dominion shipped out 9,359,640 bushels of wheat. In the year ending August 1, 1923, Canada's exports of wheat amounted to 299,681,000 bushels."

And this is from the New York Sun of March 21:

JAPAN AND CHINA BUY MUCH CANADIAN WHEAT

Japan and China are becoming large consumers of wheat and flour, and Canada is getting a good share of the business in these commodities. Pre-war exports of Canadian wheat to Asia averaged 154,000 bushels, but last year's exports were 2,610,000 bushels. Pre-war exports of Canadian flour to Asia averaged 83,000 barrels but last year reached 758,000 barrels.

These clippings might be multiplied indefinitely. They mean that the time has passed when America has a monopoly on agricultural production and can ride her farmers with heavy protective tariffs to enrich her manufacturers. Unless we mean to sacrifice our greatest and most vital industry, agriculture, we must take steps and take them immediately to put the American farmer in position to compete. With the wisest sort of statesmanship it will take several years to do that.

Meanwhile it is urgently important that we do something to catch back the markets that our own folly has set slipping from us. We may not be able to save the situation as regards Great Britain. Rather, it is pretty certain to become at no distant date a question of competing with her for the continental trade. That is largely a question of financing. The Continent is bankrupt. Its trade now is being financed from England, and England herself is almost bankrupt. The United States has absorbed the world's gold supply. If she uses it intelligently she can save her farmers and save herself and save the world. If she does not use it intelligently the world will finally save itself, but the American farmer will meanwhile be ruined, immediately and permanently, and America herself will be humiliated and injured in a corresponding degree.

Mr. LOZIER. Mr. Chairman and gentlemen, I have on several occasions since the Sixty-eighth Congress convened called attention to the nation-wide financial distress that prevails among the agricultural classes. I have suggested the importance of the speedy enactment of remedial legislation. I have emphasized the fact that there can be no worth while, enduring or nation-wide prosperity unless the agricultural classes participate in that prosperity. I have also pointed out the imperative necessity of enlarging our export markets for our surplus farm products. I had hoped that before this time Congress would have had an opportunity to consider a legislative program having for its object the amelioration of this nation-wide agricultural anemia. But the Committee on Agri-

culture has reported to the House no general and comprehensive agricultural-relief program. I am not a member of the Committee on Agriculture and, of course, have no desire to criticize the committee for the delay in reporting out bills that have been introduced and which are designed to remove the handicap under which agriculture has so long and so unnecessarily labored. I understand the committee is working hard on these bills and is making an earnest and honest effort to reconcile differences and overcome objections to several of the pending bills. I favor a legislative program which will, in so far as possible, rehabilitate American agriculture, enlarge and extend our markets for our surplus products, and in every reasonable manner contribute to the alleviation of the present intolerable conditions.

I am heartily in favor of the bill that we are now considering, the first important agricultural measure, because it is a step in the right direction and looks to the enlargement of our foreign markets. One trouble with the United States is that we have been content for a hundred years to exploit our own people, develop our own natural resources, trade with one another, and swap dollars with our fellow citizens. That policy, through shortsighted, was excusable until our natural resources were developed, but we have now reached the point of national development where it is absolutely necessary for us to go out and make a real fight for the markets of the world.

May I respectfully suggest to the President and to the present administration that the War Finance Corporation will not and can not afford the American farmers the relief to which they are entitled? The farmers of this Nation are not asking for more credit; they as a class are not seeking to borrow more money; but they need and demand enlarged markets and better prices for the commodities they produce. For several years the farmer has not been able to sell his commodities at a price equal to the cost of production, much less at a price that would yield a profit.

The late war made this Nation the financial mistress of the world. By reason of this preeminence we should and must make a conquest of the world markets if we are to establish and maintain our agricultural, industrial, and commercial supremacy. But we can not win these markets without a struggle. The European nations, particularly Great Britain, are exerting tremendous energies to repossess the markets that we captured during the World War. Canada within the last year has made a tremendous encroachment upon the foreign-trade territory of the United States, especially in Europe and the Orient. By a shortsighted legislative policy the United States has contributed to the growth and power of Canada as a competitor in the wheat markets of the world.

The American farmers have awakened to a realization that Canada is now and will continue to be our strongest competitor in the wheat markets of the world. Those in charge of our national affairs, aided by the newspapers and periodicals, have kept the American farmers in the dark as to the agricultural situation and have held out to them the false hope that high prices for our farm products could be obtained by the imposition of high tariff duties. No greater fallacy has ever deceived or deluded a confiding public. A high tariff will afford a certain degree of protection when levied on commodities of which we do not produce an exportable surplus, but such a tariff is impotent and powerless to increase artificially the domestic price of a commodity such as wheat, of which we produce annually an exceedingly large exportable surplus. It is fundamental that the domestic price of wheat is regulated and determined by the export price and the export price is determined in the open markets of the world where our wheat enters into competition with wheat from Canada, Argentina, Australia, India, North Africa, Turkey in Europe, Turkey in Asia, Russia, and the Balkan States.

I grant you that in the case of wool or any other commodity, the production of which is only about half of what we need for our domestic manufactures, a high tariff may automatically, under certain conditions, increase the market price, because we do not produce a surplus of wool and each year must import large quantities of it to meet our domestic needs.

No one who is familiar with the situation and who has given the wheat problem any careful attention will claim that the tariff on wheat has any effect whatever on the price of the hard winter wheat or red wheat produced in the United States, and these varieties constitute the great part of our wheat production. However, it is claimed that the price of high protein in wheat (northern spring wheat) is enhanced by the tariff which excludes from our market the high-protein wheats (or northern spring wheat) grown in Canada. But the quantity of high-protein wheat grown in the United States is negligible—in fact, so small as not to materially influence market prices. In other words, the producer of high-protein wheat in the United States receives a few cents per bushel more premium for his high-protein wheat in comparison with the price of domestic low-protein wheat. The Canadian wheat contains a higher protein content than the great bulk of wheat raised in the United States, and by blending the two grades some of the wheat which is rather low in gluten can be used to make a stronger flour. If the use of Canadian wheat for domestic milling purposes in the United States were prohibited entirely, I grant you that the effect would probably be to increase the premium of high-protein wheat over low-protein wheat, but this spread may result, not necessarily from the increase in the price of the high-protein wheat, but from a decrease in the price of low-protein wheat. We do not produce in the United States a sufficient quantity of high-protein wheat to meet the needs of the American mills for milling purposes.

At an early date it is my purpose to discuss every phase of the wheat problem and every element that enters into the agricultural situation. I shall demonstrate that there is no overproduction of wheat in the United States or in the world; that so-called diversified farming will not cure the economic ills with which the American farmers are suffering; that while high-tariff duties will automatically increase the domestic price of any commodity of which we do not produce a surplus, such duties will not and can not enhance the price of a commodity like wheat, of which we produce a large exportable surplus and which surplus must be sold in the open markets of the world in competition with wheat from all wheat-producing nations; that the increase of 12 cents per bushel in the tariff duty on wheat has not, will not, and can not increase the price of wheat in the United States or elsewhere, and such increase is in no way beneficial to the American farmer. These and correlated subjects I propose to discuss in detail from time to time, but in the limited time at my disposal this afternoon I desire to call your attention to some of the conditions with which the American farmer stands face to face in the markets of the world and which conditions vitally affect the interest and welfare of American agriculture.

I desire this afternoon to discuss briefly one particular phase of the wheat problem. Since we became a Nation we have lived "next-door neighbor" to Canada, with only an imaginary line separating the Dominion from the United States. Our Nation has had such a remarkable industrial and commercial development and we have enjoyed during the last century such unprecedented prosperity that we have become imbued with the belief that our prosperity would continue forever, that there would always be a demand in the markets of the world for our surplus products, and that the world would continue to come to the United States for grain and foodstuffs with which to satisfy the hunger of mankind.

We have grown so rapidly in wealth, influence, and power that we have failed to observe the growth of our neighbor on the north, until now we are awakening to a realization that Canada has become the greatest and most dangerous competitor of the United States in the grain markets of the world. And may I add that by shortsighted legislative policies we have materially contributed to the growth and the development of that rival that now threatens to drive us from the market which we have in the past dominated and controlled. We have been asleep at the switch and even now the scales have not fallen from the eyes of many men in public and private life who do not realize that the Canadian wheat farmers are slowly but surely driving the American wheat farmers from the world markets.

I want you and the American people to look this situation squarely in the face, because unless we do correctly analyze the situation and adopt measures to correct the existing conditions, the world markets will soon slip from our hands once and forever.

I desire, therefore, to call your attention to the character of the competition from Canadian sources which the American farmers must "go up against" in the world markets.

If the agricultural classes in the United States are compelled to battle with an adversary for our just proportion of the world markets, it is well for us to learn all we can about the giant that threatens our economic life to the end that we may arm ourselves to meet and overcome the foe. For this reason I call your attention to some interesting features relating to the competition which so seriously threatens our trade in the markets of the world. I desire to hold up this Canadian menace in its true light so we may correctly understand the situation and devise ways and means to correct it. I am forced to relate some unpleasant facts, but they are truthful facts which we should know and consider if we really desire to remedy the present disagreeable situation.

The flour-milling industry has attained its greatest efficiency in the United States, and without a tariff wall much of the flour that is now being ground in Canadian mills would be ground in American mills. This would afford labor for thousands of our citizens and give us the bran, shorts, and other by-products which are badly needed by our farmers for feeding purposes.

This would not affect the price of American wheat or American flour, because practically all of this flour, whether ground in Canada or in the United States, is exported to Europe and other foreign countries. If flour ground from Canadian wheat is exported to Europe, it makes no difference, so far as the price of wheat and flour in the United States is concerned, whether it is ground in Canada or in the United States, because, wherever ground, it sells in competition with our wheat and flour in the open markets of the world.

Until recent years the flour-milling industry was not highly developed in Canada, but largely as a result of our high tariff laws the Canadians are each year grinding more of their wheat into flour and shipping the flour to Europe instead of shipping the wheat. May I call your attention to the tremendous competition we have from Canada in the world markets?

By our high tariff we are building up in Canada a great milling industry. The milling industry in Canada has made wonderful strides during the past 10 years and has every promise of prosperity before it. At the present time there are 1,250 flour mills in Canada capable of producing 40,000,000 barrels of flour a year. In 1923 the production was approximately 20,000,000 barrels, 11,000,000 barrels of which were exported. In other words, only about 22 per cent of the total possible production will be needed for domestic consumption. If the Canadian mills should be operated to full capacity, thereby producing 40,000,000 barrels of flour annually, 31,200,000 barrels would be for export and would compete with American flour in the open markets of the world, tariff or no tariff.

By making an intelligent and aggressive fight in the world markets the Canadians have been able to maintain the export demand on a level with that of the war period, and in 1923 the export demand for Canadian flour was in excess of the demand during the war. No one can study the statistics in relation to the flour exports from Canada and escape the conviction that the Canadian mills are forging ahead and are rapidly overtaking the exports of American mills, which have always been Canada's most serious competitor in the foreign markets.

The exports of flour from the United States and Canada in 1913, 1916, and 1923 were as follows:

Year	From Canada	From United States
1913	4,894,000	12,278,000
1916	7,900,000	14,379,000
1923	11,200,000	14,900,000

That is to say, in 1923 the exports of flour from the United States were 2,622,000 barrels more than in 1913, while in 1923 the exports of flour from Canada were 6,306,000 barrels more than in 1913. In 1923 the exports of flour from Canada were only 3,700,000 barrels less than the export from the United States. In other words, the exports of flour from the United States in 1923 were only 21 per cent in excess of the exports in 1913, while the exports of flour from Canada in 1923 increased nearly 150 per cent. These statistics emphasize the remarkable growth of Canadian exports, while the flour exports from the United States for the past few years remained almost stationary. Let us see how the Canadians themselves look at the problem we are considering.

Mr. F. C. Cornell, secretary of the Canadian Millers' Association, said in a recent interview:

The trade reports no diminishing in the flour orders during the last month, and the very low price at which they are now selling to many important countries has brought much business to Canadian mills. This market is a highly specialized one and at all times needs close watching. European countries, by reason of military expediency, are encouraging flour milling at home and the importation of wheat instead of flour. The Canadian millers' most serious competitor, therefore, is Canadian wheat. There is also, of course, a competition of United States, Australian, and Argentine mills.

Canadian mills ship to more than 80 different countries and most of them take no wheat, getting all their bread requirements in the form of flour. Looking to the future, Canadian millers foresee no obstacle likely to hinder the steady growing of the Canadian flour-milling industry, and there are many who predict that the Dominion is rapidly taking the foremost place in the world as a producer of flour. Inland freight-rate structure gives a material preference to the movement of wheat to the seaboard as against flour. Canadian millers are strongly urging Canadian railways in the interest of the industry and the welfare of Canada to correct this handicap. American millers, on a more favorable rate structure for flour, are turning their mills to grinding Canadian wheat in bond. It is hoped that an adjustment of freight rates will remedy this situation.

Of course, it is understood that the Canadian wheat that is milled in bond in Minneapolis, Buffalo, and other American cities is not consumed in the United States and does not enter into competition with our domestic wheat or flour, but in passing through the United States is stopped in transit long enough to be milled into flour and then exported to European or other world markets. The Canadian wheat which is milled in bond constitutes the greater part of Canadian wheat that crosses the international boundary to the United States.

I call attention to the Western Canada Flour Mills Co. (Ltd.), which has mills in the prairie Provinces of Brandon, Calgary, Edmonton, and St. Boniface, and in Ontario at Goderich and in British Columbia at Victoria. The mills at St. Boniface, Calgary, and Goderich are grinding extensively for the export trade. Recently Andrew Kelly, president of this company, gave out an interview in which he said:

A very satisfactory feature of the milling trade at the present time is the keen demand for Canadian flour for export. These inquiries from European countries are more numerous this year than we have ever known before. Many inquiries with reference to possible supplies from Canada are being received from new sources in Europe by the Canadian Millers' Association, by boards of trade, and by other bodies, as well as by individual milling companies, showing that these buyers are in the market to take our product. They do not seem to have any insuperable difficulty in arranging for necessary funds to make these purchases. They have large credits in New York and are ordering our flour and paying for it. Our mills have been shipping steadily and expect to continue. All our flour mills are running night and day to capacity. Of the output of our St. Boniface mill, about 60 per cent is for export, and from the Goderich mill the per cent is nearly the same.

It will be observed that there is a keen demand for Canadian flour for export and that inquiries are more numerous this year than ever before. It also seems that the foreign nations that are buying Canadian wheat have no trouble in arranging for the necessary funds with which to make the purchases, and these foreign customers have large credits in New York City and are buying Canadian flour and paying for it. Everyone familiar with the world movements of wheat and flour knows that the facts are as stated by this astute Canadian business man. If these foreign nations have money on deposit in New York City with which to finance the purchase of Canadian wheat and flour, why can not that trade be diverted to the United States and the money used to purchase American wheat and flour? The explanation is obvious. The Canadian wheat growers are fighting the American wheat growers in the open markets of the world and are rapidly winning the fight. The Canadians realize that they must sell their wheat in the open markets of the world, and they have organized their forces, planned their campaigns, and have gone into the world markets and are there getting the trade that in years gone by came to America. Every week the Canadian wheat growers increase their sales in practically every world wheat market, and every week they are encroaching on the world trade of the American farmers and are winning our customers away from us.

Mr. LOWREY. Will the gentleman yield?

Mr. LOZIER. I will.

Mr. LOWREY. I call the gentleman's attention to a statement I made yesterday. It seems that Germany wanted 50,000,000 bushels of our wheat this last year, and they could not get it because we did not make the credit with them so that they could get it.

Mr. LOZIER. The gentleman from Mississippi is quite correct.

Moreover, the Canadians are sending their trade scouts all over the world seeking new markets for the sale of their surplus wheat. In the last few years the Canadians have exported wheat in large quantities to the Orient, and especially to Japan, where the Canadians are rapidly appropriating the trade that in former years was largely supplied by American wheat.

In this connection may I add that in 1923 many of the wheat growers in Alberta formed a pool for the marketing of their wheat which resulted in the members receiving 8 cents more per bushel for their wheat than nonmembers of the pool.

Eighty per cent of this Alberta pool wheat was marketed outside of the Winnipeg Grain Exchange, and Aaron Sapiro, the cooperative marketing expert, asserts that the Alberta pool made a blunder by marketing even 20 per cent of its wheat through the Winnipeg Grain Exchange. I mention this in passing as indicating that cooperation is a much more powerful factor in stimulating the price of wheat than legislation.

Recently Mr. J. K. R. Williams, a prominent business man in Regina, Canada, in an interview in the Manitoba Free Press, said:

The United States farmer has rendered a certain service to Canada without intending to do so. He has demanded a high protection against Canadian competition, indicating that the cost of production is lower on this (Canadian) side of the line. The present drop south of the line is in part, although not wholly, due to the enormous production of this country, but we should not allow this depression to react on us.

In other words, without a tariff the natural and normal movement of Canadian wheat is through the United States to Europe and to the Orient. But little of the Canadian wheat that enters the United States is consumed here, but the great bulk merely passes through the United States in transit to Europe or to other world markets. A tariff wall merely deprives the Canadians of their privilege of shipping their wheat into the United States to be ground into flour and then exported to Europe. With or without a tariff the ultimate destination of Canadian wheat is Europe or the other world markets, and the Canadian wheat that goes directly from Canada to the European markets competes just as much with wheat from the United States in these markets as if the Canadian wheat had passed through the United States in transit.

The Manitoba Free Press, a leading Canadian paper published at Winnipeg, in discussing the effect of the increase in the tariff duty on wheat said:

The important overnight news was the action of the President of the United States in raising the wheat duty from 30 to 42 cents per bushel.

The action of increasing the duty is not expected to affect the Canadian market to any extent but may enlarge the foreign demand, as the foreigner will naturally turn to these markets for his supplies, owing to the higher prices that will probably prevail in the United States, and the American problem will be to get rid of their surplus supplies, and the increased duty may also have a tendency to increase production, especially in the Northwestern States.

But the increase in the tariff duty did not increase the price of wheat in the United States or stimulate buying, but on the contrary immediately on the publication of the President's proclamation wheat began to decline and has declined 10 cents per bushel since the increase in the tariff was announced by the President.

Baird and Botterell, prominent grain dealers in Winnipeg, in commenting recently on the increase in the tariff duty on wheat, said:

The action of the wheat market to-day was rather a disappointment. The trade impression prevailed that the increased duty proclamation would have the effect of helping American prices and relatively to some extent in this side market, but American values practically unchanged, while Winnipeg fractionally lower.

Canadian farmers, millers, and grain men are indifferent concerning the 12-cent per bushel increase in the tariff duty on wheat. The Fordney-McCumber Tariff Act of 1922 placed an almost insurmountable barrier against the importation of wheat and flour from Canada, so that the construction of a still higher wall can do no harm to the Canadian wheat grower, miller, or dealer.

James Stewart, a well-informed Canadian grain man, in a recent interview said:

The volume of Canadian flour going into the United States since the Fordney tariff went into effect has been so insignificantly small that the going off of the market can have little effect. If the horse can not jump a 4-foot wall there is no use trying it at a 6-foot one.

John W. Horn, of the Western Canadian Flour Mills, cites a possibility of Canadian millers deriving some benefit from the added duty. He said:

Since the Fordney tariff went into effect there has been an increase in the number of inquiries for export trade, and this new duty may possibly increase this demand.

The United States can make its tariff as high as it likes—

Said N. J. Breen, of the Lake of the Woods Milling Co.—

The Fordney tariff closes that market to the Canadian millers, so the new duty can not do us any harm.

This same view is held by R. R. Dobell, of the Ogilvie Milling Co., who said:

We could not do business there since the duty was raised in 1922, so the additional tax can not do us any harm.

I quote from a prominent Winnipeg newspaper under date of March 10:

The general opinion of the Winnipeg grain trade, as expressed Saturday, was that the increase in the duty of 12 cents per bushel, or from 30 to 42 cents, would not affect the Canadian trade to any material extent, and certainly would not hurt it. American millers are forced to buy a certain amount of Canadian hard wheat for mixing purposes, and this they will take at the advance duty. The change will affect the American consumer and producer, as they will have to pay more for their flour, and exporting their surplus will be more difficult, owing to the advance in both wheat and flour, and will result in the foreign buyer turning to the Canadian markets for his supplies, which will continue on a world's price basis.

The following table will emphasize how rapidly our exports of wheat and flour are falling off:

United States exports of wheat and flour

[Domestic production]

	Fiscal year 1922	Fiscal year 1923	Calendar year 1922	Calendar year 1923
Wheat, bushels	208,321,000	154,951,000	164,692,000	98,413,000
Flour, barrels	15,797,000	14,883,000	15,625,000	16,040,000
Wheat and flour, bushels	279,408,000	221,924,000	232,306,000	170,503,000

July 1, 1923, to March 1, 1924, eight months: Wheat, 63,322,000 bushels; flour, 11,117,000 barrels; total wheat and flour, in terms of wheat, 113,348,000 bushels.

Quoting from the issue of January 28, 1924, of Commerce Reports, a weekly survey of foreign trade published by the Bureau of Foreign and Domestic Commerce:

The falling off—

Of wheat exports from the United States—

in recent months has been largely due to the fact that some competing countries—in particular Canada, Australia, Argentina, and India—have underbid the United States on price, when quality and grade is considered. The world takings of wheat and flour in grain-importing countries are practically up to normal and even show some increase over pre-war years. This is rather unexpected, as it was thought that the large grain crop of Europe during the past season would tend to cut down the demand from that quarter. The grain imports of Europe for the last six months of 1923 appear to be about equal to the previous year when the European crop was smaller.

In the flour trade the most significant fact is the increased exports from Pacific ports and large exportations by China. In pre-war years the United States was shipping around 1,250,000 barrels of flour to China yearly, but this rose to 2,750,000 for the year ending June 30, 1923, and for the past six months the shipments have been at the rate of 4,500,000 barrels a year. Another outstanding feature of our Far East flour trade is the fact that since the pre-war period our exports have increased by fully 100 per cent, though in some quarters—particularly in Japan—Canada has proven a strong competitor. This fact, coupled with the further fact that Japan has been expanding its home flour-milling industry, explains the decrease in our flour shipment to that country.

Proponents of a high tariff have constantly represented to the American farmer that without a tariff on wheat Canadian wheat would swamp our domestic markets. I hope at an early date to discuss this claim in detail and to demonstrate that the manufacturing interests, in order to continue an outrageously high schedule of tariff duties on their commodities, have deliberately deceived the American farmers. I will also discuss the several methods by which wheat enters the United States from Canada and show that there was no occasion for the 12 cents per bushel increase in the tariff on wheat, and the wheat tariff was increased purely for political purposes by the present administration in a desperate, yet futile, attempt to prolong the "wheat-tariff delusion." In view of the radical decline in the market price of wheat since the duty was increased, I assume that no rational person will continue to argue that a high tariff on wheat means an increase in the market value of wheat. It is not my purpose this afternoon to discuss in detail the quantity of wheat exported from Canada to the United States in the last few years, but I will say that the quantity has been negligible as compared with the production of wheat in the United States, as the following statistics will demonstrate:

Between June, 1921, and June, 1922, only 14,555,197 bushels of wheat were imported into the United States from Canada. Of this amount, only 8,455,578 bushels were consumed in the United States, the balance having been imported for milling in bond and for immediate export to Europe or other world markets. Between July, 1922, and June, 1923, only 18,012,467 bushels of Canadian wheat were imported into the United States, of which only 7,408,150 bushels were consumed in the United States, the balance having been milled in transit and immediately thereafter exported.

Between July, 1923, and December, 1923, only 6,997,711 bushels of wheat were imported from Canada for consumption in the United States, the balance, approximately 7,000,000, were imported for milling purposes and immediately thereafter exported. Now when we consider that in 1921 the United States produced 814,905,000 bushels of wheat, 856,211,000 bushels in 1922, and 785,741,000 in 1923, it is very evident that the amount of Canadian wheat imported and consumed in the United States during that period has been trivial and so insignificant as not to influence to any degree the market price of our domestic wheats.

I have mentioned these matters to emphasize the outstanding fact that the real Canadian competition is not in the United States but in the open markets of the world, where the owners of Canadian wheat recognize conditions and make concessions in prices which enables them to sell their wheat, thereby depriving the farmers of the United States of the market which they largely dominated a few years ago.

May I also sound this note of warning? The production of wheat by Canada has not yet reached its maximum. Millions of acres of virgin lands are yet to be developed in the prairie Provinces of western Canada. The Canadian wheat lands are more productive than the wheat lands of the United States, because they have not been impoverished by long cultivation and wheat growing. The quality of Canadian wheat can not be excelled because of its large gluten content. Gluten is a combination of two proteid substances—gliadin and glutenin. The great flour-milling concerns maintain a staff of experts to analyze wheat and ascertain the proportion of gluten and also to determine what proportion of the gluten is gliadin and what part glutenin. And the value of the wheat for flour-making purposes depends upon the result of these examinations. This explains why the American millers will pay a premium on Canadian wheat because it contains a greater proportion of gluten and a larger amount of gliadin content than most American wheats. Wheat produced on new lands invariably contains a larger amount of gluten and of gliadin content. These technical matters are factors in the wheat equation which materially influence the price millers are willing to pay for wheat.

So our surplus American wheat meets the surplus Canadian wheat in the great world markets. Each competes with the other and with wheat from other nations. The Canadian wheat is grown on cheap fertile lands. The American wheat is largely grown on lands that have been impoverished by excessive cultivation, but which lands are nevertheless "high priced" as compared with the Canadian land. It costs less to produce the Canadian wheat. It can be sold at a lower price than American wheat and yet the Canadian farmer will fare as well as the Yankee neighbor.

I have studied the Canadian wheat problem long and thoughtfully. I have accumulated a wealth of statistics in relation to the production and marketing of Canadian wheat as well as the production and the marketing of wheat from all other wheat-growing regions. I have tried to analyze the situation with a view of suggesting some method by which our domestic wheat growers may meet this and other competition in the world market and receive for their commodities, not only the cost of production but a fair profit in addition. I confess that the problem is a serious and complicated one. Permanent relief, in my opinion, will not come until there is a radical reconstruction of our economic system, but I believe that some worth-while temporary relief can be obtained by the enactment of some legislation now pending in this Congress. Until this legislation has been definitely formulated and reported to the House for consideration it would serve no useful purpose for me or anyone else to discuss it, because we do not know in what form this legislation will be presented. But I desire to state that in this national emergency I shall feel justified in supporting every measure which promises substantial relief for the agricultural classes. The national welfare demands that agriculture must be restored quickly and permanently to the class of profitable occupations. The American farmer must not be reduced to a condition of economic servitude. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

[Mr. LOZIER was granted leave to extend his remarks in the RECORD.]

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman, I had not intended to take any time on the bill because anyone who examines the bill and reads the hearings soon realizes that there is no controverted matter. I want only to take a moment in fairness and justice to the committee because some have taken the floor in opposition to the bill and made representations that will be published in the CONGRESSIONAL RECORD which will look ridiculous unless answered.

The bill is to give men that the Secretary of Agriculture has in foreign countries the same status, the same official standing, that the other department heads give their men in foreign countries. That is necessary because agriculture is a basic industry of this Nation, and because we must, as the gentleman just stated, pay some attention to our exportable surplus food products.

The bugagoo about increasing the expenditures of the Government I want to say is imaginary. It is the unanimous judgment of the Committee on Agriculture that it will not have a tendency to increase the expenditures a dime. That is foreign to the issue. The only issue is whether the men over there now should have this status. I can understand how a man that gets inflamed when he reads the word "attaché" in a bill and thinks that the postmasters of the United States are under the civil service—how it would be practically impossible for him to understand a bill even after having read and studied it. He says the postmasters are under the civil service, which, of course, is not true. He says, for that reason, if these men go under the civil service they will be appointed from a partisan standpoint. Every Member of Congress, except the gentleman himself, knows the facts about that. There is not a Member of Congress who knows the politics of the men in the department. As a matter of fact, they care very little about the politics of these men. What we want to know is about their efficiency. I do not believe there is a man here who has been called upon for a recommendation for any man who has gone into the Department of Agriculture under the civil service since——

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. McLAUGHLIN of Michigan. I heard former Secretary Wilson, of the Department of Agriculture, say that he had 9,000 employees and he did not know the politics of 9 of them. Later I heard Secretary Houston say, when told what Secretary Wilson said, "That beats me. I know the politics in the Department of Agriculture only of myself and my private secretary."

Mr. TINCHER. Is there any Member of Congress that was ever called upon or ever did recommend a man for a civil-service position in the Department of Agriculture?

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. RUBEY. I agree with the gentleman about politics in the Department of Agriculture. Will the gentleman say that he does not know the politics of the postmasters appointed in his district?

Mr. TINCHER. Postmasters are not under civil service. That is the thing that I was criticizing the gentleman from Nebraska [Mr. HOWARD] for. The President issued a proclamation by which he is using the Civil Service Department for the purpose of conducting certain examinations to obtain an eligible list, but no one has ever dreamed that the postmasters are under the civil service.

Mr. RUBEY. Under the administration preceding this the man who got the highest grade, regardless of politics, was appointed. Under the present plan one of the three highest is selected, and he is always selected according to his politics.

Mr. TINCHER. I represent a good big congressional district. We have lots of postmasters in it. Under the Wilson administration every one of them was a Democrat, without a single exception. Under the Harding administration and the Coolidge administration they have all come to be Republicans, except two or three. [Laughter.]

Mr. UPSHAW. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. UPSHAW. In all good humor I think the gentleman from Kansas will have to revise that statement that the postmasters are not under the civil service. I suppose he means certain great ones here and there.

Mr. TINCHER. Oh, I do not yield further, because the gentleman has manifested a lack of information on the subject that I am discussing to such an extent that I do not want to have him use any more of my time.

Mr. UPSHAW. In thorough good humor I deny the allegation and I defy the allegator.

Mr. TINCHER. There is a way that we can put the postmasters under the civil service if we want to. This law will put these attachés under the civil service, and I claim that there is not a Member of Congress who will say that politics has anything to do with the civil service, and no man in the Civil Service Department has ever been affected by politics. If the gentleman from Nebraska [Mr. HOWARD] has not any better opportunity for position after the next election than to be appointed to a civil-service place by reason of his being a Democrat, then he would better run again for Congress or take some other long shot, because he will not get it in that way.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HAUGEN. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. WINSLOW].

Mr. WINSLOW. Mr. Chairman and gentlemen of the committee, my purpose in taking time to-day is not only to say a good word for this bill but also to refer to certain other proposed legislation which we hope will soon come before the House. We have been working in committees, several committees, for some weeks and months in the interest of three bills which might very properly be considered together, if it were possible so to do. I refer to a Rogers bill, so called, which affects the operations of the State Department and the personnel of it. I refer to this bill, the contents of which you know. I refer also to another bill which affects the interest of the Commerce Department in respect of its foreign bureau in pretty much the same way and pretty generally along the same lines as this Agriculture Committee bill affects the Department of Agriculture. All three of these bills are worthy of consideration, support, and passage. They provide for three distinct arms of the foreign service of this country, which under proper regulation should work together and form as much of a unit as the palm of the hand and the fingers upon it. They ought to be operated, and can be, in the interest primarily of the United States without regard to what department they come from. In the next place, they ought to be, and can be and I believe will be, operated in behalf of the particular function of government as to the department which each provides.

We have a foreign field, and we have been going forward in that foreign field in the last few years to an extent and degree hitherto unknown in the United States. Competing foreign countries have known the lesson of seeking trade in foreign lands for a long time, and we have done practically nothing as to taking trade until within the last 10 years. Preceding that we had some here, some there. We were spasmodic. We did not have sense enough to manufacture our wares with particular reference to the demand of the foreign buyer, but we would insist on making what we thought was best, ship it, and then have it sent home again, and altogether we made a fine mess of it. That led sooner or later to the development of further and more careful consideration of the foreign field.

For many years the State Department has had its staff divided, speaking generally, in two parts, the essentially diplomatic division and the consular division. The diplomatic rather runs out of our line of vision at the moment and ought not to be brought into this picture, but when it comes to the consular division we come immediately to a branch which is of great importance in the field of commerce in foreign countries. We should consider it. The Consular Service has done a good work for many years, and I think we have depended upon it until comparatively recently for about all the inspiration and all of the results which we have had in connection with foreign business, but since commerce has developed as it has we have found the representatives of this country in the Consular Service unfitted by the character of their attainments and by virtue of stress of other duties which they had to perform, for the function of directing extended attention specifically in the line of trade developments, and so we have had grow up foreign trade matters automatically in two other departments. The Agricultural Department has carried on their work according to their own lights, and later on and for the last 10 years the Department of Commerce has carried along their foreign work in a very much bigger, broader, and more comprehensive way than ever before. The result of it is that we are now in a place where we are either to go into the foreign trade of the world and go after it systematically, regularly, in an intelligent way, with a view of getting it, or we may as well shut it all off. The elements which enter into the foreign trade are many. All departments of the Government affecting trade have now come to realize that there is a foreign interest for each, and we have all lines of trade—textiles, minerals, all products of the soil, lumber, machinery, anything and everything that you can think of—being considered with a view to foreign consumption.

I come specifically to this bill. I have had occasion, it has been my duty to have occasion, to study this foreign field work of all departments carefully for the last four months, and I have been led to study it more carefully by virtue of the fact that some people, who apparently had not studied it as carefully, were led to believe that certain influences of the Government and of Congress and of committees were directly against this agricultural bill. That has never been so. The contrast was drawn between what is known as the Winslow bill, emanating from the Committee on Interstate Commerce in behalf of the Department of Commerce, on the one hand, and this bill on the other. Some overenthusiastic agriculturists, and I am speaking in a friendly way, seem to think because commerce needed something and was going for it that they were necessarily opponents of Agricultural Department progress. That is not so. Those of us who have been proponents of the development of the foreign bureau of the Commerce Department are as much interested in the development of agricultural interests in any and all of the channels where it can be possibly developed as we are in the development of the Commerce Department end. But we have a bill—the Rogers bill—for the State Department, the Haugen bill for the Agricultural Department, and the Winslow bill for the Commerce Department. There is nothing in this bill, in my judgment, which would interfere or need to interfere with the bureau representatives in other directions. I do not agree at all with my young friend from Texas with regard to the sole purposes for which men go into the Consular Service of our foreign service. I do think, however, that the time has been when the personal adornment, the manner of dress, the delivery of the card, played an all too important part in an effort to pass the time away. Now has come a condition of affairs wherein the consular office is overloaded and run over by foreign business possibilities. Is the country going to say we will be cheap and parsimonious while clamoring for foreign business, and shall we continue to resolve in our political platforms for foreign business, yet not put out a dollar in an effort to get back $1.10? Business is not done that way. You must have the courage——

Mr. BLANTON rose.

Mr. WINSLOW. Nothing doing.

Mr. BLANTON. I will yield the gentleman five minutes.

Mr. WINSLOW. Go ahead.

Mr. BLANTON. Mr. Chairman, I yield the gentleman five minutes.

Mr. WINSLOW. I will take that at the end. [Laughter.]

Mr. BLANTON. I withdraw the yielding, Mr. Chairman.

Mr. WINSLOW. Now, if we are to follow the ordinary trend of business, which means we must put out something before we take it back at a profit, we must allow our Government, which is the only central organization which ever can develop foreign trade possibilities, and so forth, to put out its dollar. It is not a question of whether or not we put out a dollar that need be concerned. It is a question of what use we make of our dollar when the dollar is put out. If we can put out the dollar advantageously, let us put it out, and the more the better. There appeared before our committee in respect of agricultural features, which is absolutely essentially necessary for the development of commerce and control of it, representatives of the farm interests, marketing, for instance, of rice and raisins, I believe, cotton, tobacco, the largest distributing organizations representing our productive element in this country, and in every instance they contributed very valuable testimony to the good they had received from the operations of our foreign departments. Now here is a bill to strengthen our arm. We want this bill, and we want the others, one working along one line, one working along another line, and for my part I am not looking for votes from an agricultural district at all, I am looking for the good will of the people who make fabrics, who make machinery, textiles, boots and shoes, and a lot of things. We want to sell them in foreign countries. We want to know all the economic and other phases of the foreign business which will in any way affect the well-being of our interests there. But we know this: With closest regard for the institutions of the United States it is not enough for us to ask to have a Department of Com-

merce or of Agriculture, or anything else, set up with reference to and solely for its own interests.

We must have a department set up for the interest of everybody in this country and get the benefit of it wherever and however we can. So for this reason, and with the explanation of the fact that this bill ought to be regarded as a good bill on its own, but a better bill if it may be combined with two other bills which will go through, or ought to go through, in order to make this one the great success that it ought to be, I hope everybody will support it, and I will register the hope also that when the other two bills come before the House attention will be paid to each. A nonpartisan and broad American view should be the only view of the membership of the House. Each will help build up and make solid and more complete the bureau or bureaus for foreign trade through which we hope to be able to take a big share for our people. [Applause.]

Mr. WAINWRIGHT. Will the gentleman give way?

Mr. WINSLOW. I will.

Mr. WAINWRIGHT. May I ask the gentleman if in his judgment the appointment by this country of attachés in foreign fields at our legations have already justified their existence from the practical results they have received in increasing our foreign commerce?

Mr. WINSLOW. I will say to the gentleman from New York that I came into the room for a twofold purpose, or perhaps with the choice of two purposes. The first was to indorse this bill on its merits. The second was to indulge in a scrapping match, if any need arose, with those persons who have been credited with an intention to fight violently against the commerce department development on certain lines. This is a magazine full of dynamite and all sorts of statistical ammunition.

Mr. WAINWRIGHT. I do not care to press the question.

Mr. WINSLOW. I would like to have it pressed, of course, but this is not my day; it is not my inning. I will give you just a little suggestion. One department of the Government—and it shall be nameless, unless I am forced to reveal it by somebody else—had from July 2, 1922, to July 30, 1923, 881,521 direct communications from the public of the United States in reference to foreign trade. This year, on an estimate based on seven and one-half months, it will go to 1,100,000. That is giving a fair suggestion of the development of foreign trade interest and the work which is being done in that line by departments of this Government. Does that answer the gentleman's question?

Mr. WAINWRIGHT. You mean by that that is an indication of the increasing interest of our people and our commercial interests in foreign trade, and the fact that they consider this is an excellent agency from which to get necessary information to deal with foreign trade?

Mr. WINSLOW. Yes. And that is only one department. I need not mention others.

Mr. WAINWRIGHT. One other question. Does not the gentleman think it is necessary to have these additional agricultural attachés? And then why it is not possible, if this is a matter of foreign commerce, for the Department of Commerce, through its own system of commercial attachés, to cover the extension of trade in our agricultural products as well as the other commodities that go into commerce?

Mr. WINSLOW. Owing to a lack of time I hesitate to go into it, but here is the answer in general: The Commerce Department is not particularly called upon to do a great deal, except on special occasions now and then, with what you might call the scientific consideration of agricultural matters. It has to do more with what we call the trade considerations.

Mr. WEFALD. Mr. Chairman, will the gentleman yield for a short question?

Mr. WINSLOW. I want to answer this one first. The Agriculture Department not only has a field of usefulness in connection with trade, but by virtue of the fact that they have a lot of men who are especially trained for the consideration of agricultural matters, as the Department of Commerce has men especially trained for the consideration of the general trade matters, there are many lines of endeavor for purposes of report which they can fulfill which the commercial men could not perhaps do as well, because they do not have in the Department of Commerce men especially trained on agricultural subjects. That is, the agriculturally trained men can do a lot on the trade in general and help a lot, and so the commerce man can carry on his regular duties and, although untrained, can do a lot to help out the agricultural interests as bearing on commercial considerations.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. SHALLENBERGER. I was interested in the gentleman's statement to the effect that the diplomatic branch of our operations belongs to the State Department. Has the gentleman observed this paragraph in section 8 on page 2—

> The Department of State shall accredit, in the same manner as the secretary of an embassy or legation of the United States, as agricultural attachés of diplomatic standing to such countries as the Secretary of Agriculture shall deem advisable, the agricultural commissioners at present representing the Department of Agriculture in foreign countries and such other agricultural attachés as shall be appointed from time to time by the Secretary of Agriculture.

Does not that bring these attachés into different relation with the foreign countries than those of any other department? That is, diplomats are accredited and attachés are certified and consuls are notified.

Mr. WINSLOW. There is to be an amendment put in there which will bring that in accord with the proposed plan of the Commerce Department in their proposed development with the Agriculture Department——

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BLANTON. Mr. Chairman, I yield to the gentleman five minutes. I want to ask him a few questions.

Mr. WINSLOW. I will give the time to the gentleman.

Mr. BLANTON. Mr. Chairman, I would like to ask one question of the distinguished gentleman from Massachusetts, who is one of the very successful business men of the United States, and I will say that I am a great admirer of him, notwithstanding that fact. [Laughter.] There might be some of my colleagues who would be afraid to say that they are admirers of the distinguished gentleman from Massachusetts, but I am not afraid to say that.

Mr. WINSLOW. Everybody likes pleasant words, and I am not an exception.

Mr. BLANTON. I want to ask the gentleman if he owes his success in business to any commercial attachés in Europe? Did not his success come in consequence of——

Mr. WINSLOW. One question at a time, please. You ask and I answer. I am going to tell you no, and then I am going on, because when I handled the work that I have referred to there was no Commerce Department organized to do it, and I had trouble with the consular department because they were not properly organized to do it. That is one of the reasons why I am now favoring the development of the Commerce Department and the Agricultural Department.

Mr. BLANTON. But notwithstanding the fact that we did not have those commercial and agricultural attachés, the distinguished gentleman from Massachusetts, with extraordinary American ingenuity, overcame all obstacles and made a success in his business?

Mr. WINSLOW. Granting that, rather than arguing it, I did it with great effort and at great expense as contrasted with prompt service now furnished by our Commerce Department.

Mr. BLANTON. May I ask the gentleman another question?

Mr. WINSLOW. Go ahead.

Mr. BLANTON. In view of the fact that the Agricultural Committee sent for the gentleman to come here to answer the gentleman from Texas——

Mr. WINSLOW. No; I came of my own volition.

Mr. BLANTON. I understood that the gentleman came here with that primary purpose in mind.

Mr. WINSLOW. No. I was watching them, but they have not behaved as I thought they might.

Mr. BLANTON. Physically, I will not cross swords with the former distinguished athlete from Harvard; I will only cross swords with him on the floor in a parliamentary way. I want to say this: The bill which the gentleman indorses provides not only that our present representatives shall be accredited by the State Department as agricultural attachés, but it provides that they shall also accredit such other agricultural attachés as shall be appointed.

Mr. WINSLOW. Why not?

Mr. BLANTON. How many are going to be appointed?

Mr. WINSLOW. I do not know.

Mr. BLANTON. I did not think the gentleman did know.

Mr. WINSLOW. I hope the gentleman will let me answer. I trust they will appoint just one more than they really have all-day use for, so as to be a little bit ahead of the game. [Applause.]

Mr. BLANTON. Applause from the committee—a sporting committee. Let me ask the gentleman another question. This bill provides, out of the ordinary, that the subsistence allowance of these men shall be fixed not by Congress but shall be fixed

by the Secretary of Agriculture. Does the gentleman know how much of a subsistence allowance he is going to allow?

Mr. WINSLOW. No; but they have to eat.

Mr. BLANTON. Oh, yes; but he could allow $5 or $10 or $20 or $30 or $50.

Mr. WINSLOW. They would live well on $20 a day; they would get by on $10, and probably go hungry on $5.

Mr. BLANTON. But if they had to assume extra social obligations over there by reason of this accrediting business, they could probably use $25 or $30 or $50, could they not?

Mr. WINSLOW. Yes; but it is not provided for in this bill. Of course, we do not care what they do of their own accord.

Mr. BLANTON. But this is a legislative bill?

Mr. WINSLOW. It is.

Mr. BLANTON. If we provided for it by law, then the gentleman from Illinois [Mr. MADDEN], in the Appropriations Committee room yonder, will bring in the money necessary as a natural sequence to the legislation.

Mr. WINSLOW. Has the gentleman an agreement to that effect with Mr. MADDEN?

Mr. BLANTON. I know he does his duty under the law.

Mr. WINSLOW. I think so, too.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BLANTON. Mr. Chairman, I yield myself five minutes.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. KING. Will the gentleman yield?

Mr. BLANTON. In a moment.

Mr. KING. I am going to make a suggestion.

Mr. BLANTON. In just a moment. I have got to answer the gentleman from Kansas [Mr. TINCHER] first, who said that the gentleman from Nebraska [Mr. HOWARD] displayed ignorance when he made the statement that postmasters are under the civil service. The gentleman from Kansas [Mr. TINCHER] said that none of them were under civil service, and he likewise accused my friend from Georgia [Mr. UPSHAW] of ignorance because he said postmasters were under civil service, and the distinguished gentleman from Kansas [Mr. TINCHER] said there were none under civil service. Usually when he shakes those woolly locks of his and says something it is hard to dispute him, but I am going to dispute him now. What about fourth-class postmasters? Are they not under civil service?

Mr. TINCHER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TINCHER. But they do not furnish a list of them like the gentleman was talking about.

Mr. BLANTON. But they are postmasters and they are under civil service, and the gentleman said there was none under civil service.

Mr. TINCHER. I never said that.

Mr. BLANTON. Well, I will leave it to the gentleman from Georgia if the gentleman from Kansas did not say that. Did he say that?

Mr. UPSHAW. I so understood him.

Mr. BLANTON. And others so understood him. We tried to check him and correct him, but he would not let us; he would not yield for correction. But let me tell him something else. He said that during the Wilson administration there were no Republican postmasters in office. I want to say to my friend from Kansas that in my old home town of Albany, Tex., where I was married and where I raised my family, the splendid postmaster there during eight years of the Wilson administration was a Republican and was indorsed by all local Democrats.

Mr. WEFALD. How could he live in Texas?

Mr. BLANTON. I want to state that one of the best postmasters in another city in my district was a Republican during that administration and Mr. Wilson knew it, and I want to say that I indorsed those two men in spite of the fact that they were Republicans, because they were good men. And yet the gentleman from Kansas talks about partisan politics and appointments under the Wilson administration.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WILLIAMSON. Both of those postmasters, however, were Blanton Republicans, were they not?

Mr. BLANTON. If they had not been, they would not have been such good men. [Laughter.]

Mr. WILLIAMSON. They would not have been good Republicans.

Mr. BLANTON. The good men of my district are backing BLANTON here and have always backed him, Republicans and Democrats alike.

Mr. STENGLE. Will the gentleman yield?

Mr. BLANTON. I yield to my friend from New York.

Mr. STENGLE. I just want to call the gentleman's attention to the fact that the postmaster of Boston, Mass., is a Republican taken from the civil-service list by order of President Wilson.

Mr. BLANTON. Why, of course. Whenever President Wilson found a good man needed for a certain place his politics did not make much difference—once in a while.

Mr. TYDINGS. Will the gentleman yield?

Mr. BLANTON. I am enough of a partisan Democrat, however, that if there were two men, both of required qualifications and both good men, I would want the Democrat appointed instead of the Republican and would insist on it, and so would you Republicans vice versa.

Mr. SHALLENBERGER. Would he have to be just as good?

Mr. BLANTON. Almost as good; but let me say in conclusion, because I have taken up too much time already——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I yield myself three more minutes.

Let me say that the reason we can not reduce expenses is because we do not make the start. Every time a committee comes in here with a bill it is going to steam roller any man who gets up against it. If they have not the men on their committee qualified to answer a man, they will send out and get the big chairman of the big Interstate and Foreign Commerce Committee to come in and sandbag him. [Laughter.] That is the reason you can not stop such measures. The committee will not let you stop them, but I want to tell you right now that you had better train up some more men in your Harvard athletic association, because I am going to oppose these committees here, and you are going to have to send out and get some more of them, because I have downed the gentleman from Massachusetts, with all his athletic experience, on the facts of this bill.

The gentleman said he indorsed it and he does not know anything about it. I showed him that he did not know how many attachés could be appointed under this bill. He does not know now. I showed him that he did not know how much subsistence allowance was provided for.

Mr. WINSLOW. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. WINSLOW. Do you know?

Mr. BLANTON. I know this——

Mr. WINSLOW. Do you know how many?

Mr. BLANTON. I know it is unlimited.

Mr. WINSLOW. Do you know how many?

Mr. BLANTON. I know that no man knows.

Mr. WINSLOW. Do you know how many?

Mr. BLANTON. No.

Mr. WINSLOW. Neither do I.

Mr. BLANTON. And no man knows. That is what I am getting at. It is my business to know and it is your business to know before we pass legislation. Your very question is an argument against this bill. It shows that none of us knows, and none of us knows how much subsistence allowance they are going to give these agricultural attachés abroad, and we ought to know before we pass this bill. I yield three minutes to the gentleman from Georgia, or whatever time I have left.

The CHAIRMAN. How much time does the gentleman yield?

Mr. BLANTON. Five minutes, and then I am through.

Mr. UPSHAW. Mr. Chairman and gentlemen, I think I can prove by my good friend the gentleman from Kansas [Mr. TINCHER] that I have never taken an active part in partisan debate. I have, somehow or other, preferred to leave that to the great party bellwethers on either side; but I am unwilling for the CONGRESSIONAL RECORD, which our critics declare is "brilliant only in the flames," to carry the statement or the indictment, first, that the gentleman from Georgia did not know anything about postmasters under the civil service, and, further, for it to carry what I count the very erroneous statement that "postmasters are not under civil service, and everybody in Congress knows it." I think that was about the statement.

Mr. ASWELL. Will the gentleman yield for a question?

Mr. UPSHAW. Yes, sir.

Mr. ASWELL. Is it not possible that the gentleman misunderstood the gentleman from Kansas? The gentleman means that the present administration is paying no attention to the civil service.

Mr. UPSHAW. My experience prepares me to accept the gentleman's interpretation.

I rejoice to vote "dry" with the gentleman from Kansas and vote with him also and always for the farmer, but on this question of history and administration procedure we will have to part company just a little.

These facts of civil-service abuse are widely known. I have this incident in my district: In one town in my district a civil-service examination for postmaster was called. It was announced as a civil-service examination and held under civil-service auspices. There were only two eligibles reported to my office and both of them were Democrats. A Republican stood the examination but could not make the grade. No. 1 of the eligibles declined to accept the position and resigned in favor of No. 2. No. 2 was the assistant postmaster for eight years, wonderfully popular, and I presented with my own hands at the Post Office Department here a petition signed by every business man in that town, except the firm with which the Republican was connected.

They refused to appoint this man who had served the district eight years so acceptably wholly and only because he was a Democrat, and called a new examination, and then immediately appointed as acting postmaster the very man who had failed to make the grade, and he has been serving in that capacity now for two years over the widespread opposition of those who overwhelmingly indorsed the other man. That is one illustration of my contention that the so-called civil service connection which is supposed to be nonpartisan is an absolute travesty on the name.

Mr. LOWREY. Will the gentleman yield for a moment?

Mr. UPSHAW. Certainly.

Mr. LOWREY. I had an exactly similar case in my district. The man whose rating was way down about 50 was appointed acting postmaster and is there yet, and the man who made the highest grade, nearly 90, was an ex-service man who had been in the service two years, serving about 18 months abroad.

Mr. UPSHAW. Good; I am going to duplicate that incident. In another office in my district a splendid young man, who was wounded at Chateau-Thierry, whose brother was shot down at his side, was appointed postmaster, being the only eligible, four years ago. When his time expired or was about to expire they called an examination.

This man, hero of the most pivotal battle, perhaps, in the World War—yes, and the hero of his home community life—backed by a petition of something like 3,000 in the county, made first grade; and yet the third one on the eligible list was appointed over him for the sole reason that this popular postmaster was a Democrat. Now, this is my point—and I am not saying this politically. I do not blame—nobody blames the Republican at either place for accepting the position after securing the indorsement of the Republican chairman, but I want to join hands with the gentleman from Kansas and introduce a bill, if he will, that will make a civil-service examination absolutely final and that will keep Congressmen and Senators of both parties away from the Post Office Department to influence an appointment. Let the first one on the list be appointed, purely on the basis of proven merit, if we are going to call it civil service. If not, wipe out this travesty on the name of "civil service."

Mr. TINCHER. Will the gentleman yield?

Mr. UPSHAW. I will gladly yield to the gentleman.

Mr. TINCHER. The fourth-class postmasters by law are under the civil service; but has the gentleman ever heard any complaint regarding either party about them outside of fourth-class postmasters?

Mr. UPSHAW. The gentleman does not deny, of course, that it is true of third-class postmasters, second and even first, that it is announced there is going to be an examination and that the civil service announces that examination?

Mr. TINCHER. Yes.

Mr. UPSHAW. The very spirit of the civil service is to remove partisan politics. In all good humor I issue a challenge to the gentleman from Kansas now to join me in preparing and presenting a bill making civil-service ratings mandatory and keeping Congressmen and Senators from trying to interfere with the grade that has been made by qualified applicants.

Mr. HARDY. Will the gentleman yield?

Mr. UPSHAW. I yield.

Mr. HARDY. Does not the gentleman know that in civil-service appointments all along the line three men are selected, and of those the one most desirable gets the postmastership, as along other lines of the civil service?

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. BLANTON. I yield the gentleman another minute.

Mr. UPSHAW. I will say to my good friend from Colorado that that is the very point of which I complain. If we leave any leeway, the Democrats and Republicans both are going down there and wink at the authorities in favor of their man. If we put in the man or the woman who wins the crown of merit and keep political influence away from both sides, the civil service will no longer be a political travesty but will be a redemption of its very name and its original spirit. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield to the gentleman from Oklahoma three minutes.

The CHAIRMAN. The gentleman has two minutes remaining.

Mr. HASTINGS. Mr. Chairman, I came in the House at a very interesting point in this discussion and that was with reference to the civil service as applied to the postal appointments. I was very greatly heartened and strengthened when I heard that part of the President's message last December in which he advocated an extension of the civil service. On that occasion he said:

> The maintenance and extension of the classified civil service is exceedingly important. There are nearly 550,000 persons in the executive civil service drawing about $700,000,000 of yearly compensation. Four-fifths of these are in the classified service. This method of selection of the employees of the United States is especially desirable for the Post Office Department. The Civil Service Commission has recommended that postmasters at first, second, and third class offices be classified. Such action, accompanied by a repeal of the four-year term of office, would undoubtedly be an improvement. I also recommend that the field force for prohibition enforcement be brought within the classified civil service without covering in the present membership. The best method for selecting public servants is the merit system.

This language would lead the people of the country to believe that the President was earnestly in favor of the civil service, and of course expected the present civil service law as applied to postal employees to be sympathetically administered.

I want to emphasize what has already been said, and that is that the civil service law as administered through the Post Office Department at present is a farce.

Now, what are the facts? What is true in my district, the second district of Oklahoma, is true throughout the Nation. They advertise and hold civil-service examinations, and a list of eligibles is certified, and the department is supposed to select one from the list of three, the highest on the eligible list. Preference is supposed to be given to the ex-service men. That has been entirely disregarded.

Unless the name of a partisan Republican is found on the list of eligibles some excuse is made and another examination is held. There has not been a single Democrat appointed to a post office of any consequence in the second congressional district of Oklahoma during the present administration. This is also true as to the appointment of rural carriers. A list of eligibles is sent out by the Post Office Department containing the names of those certified by the Civil Service Commission, and attention is invited to section 10 of the civil service act, and to civil service rule 1, section 3, on the following form:

> Hon. W. W. HASTINGS,
> *House of Representatives.*
>
> MY DEAR MR. HASTINGS: The department is considering the appointment of a postmaster at ———, an office of the fourth class, from the following list of eligibles:
>
> ———————————————————————
> ———————————————————————
> ———————————————————————
>
> Information from any source regarding the character or residence of eligibles will be considered, but because of the statute and civil-service rule (this being an appointment in the classified service) the department is not permitted to consider or file recommendations of a political or religious nature.
>
> Sincerely yours,
>
> JOHN H. BARTLETT,
> *First Assistant Postmaster General.*

(Civil service act, sec. 10)

> That no recommendation of any person who shall apply for office or place under the provisions of this act which may be given by any Senator or Member of the House of Representatives, except as to the character or residence of the applicant, shall be received or considered by any person concerned in making any examination or appointment under this act.

(Civil service rule 1, sec. 3)

> No recommendation of an applicant, eligible, or employee in the competitive service involving a disclosure of his political or religious opinions or affiliations shall be considered or filed by the commission or by any officer concerned in making appointments or promotions.

Everyone knows that the politics of every applicant is communicated to the department before an appointment is made. No one on the floor will deny this, and surely the department will itself not deny it.

There may have been a few fourth-class postmasters appointed who live at remote places in the country where the compensation is practically nothing and where no one else could be found to accept the office.

The country should know that the present administration has no regard whatever for the civil service. My constituents, having read the President's message to Congress and believing him to be sincerely desirous of extending the civil service law, continue to write me with reference to appointments in the Postal Service, and I want to bring to their attention in this public way the fact that the civil service is entirely ignored as applied to post-office appointments. No appointment is made until the politics of the applicant is known to the appointive powers. Neither is the preference given to ex-service men. Partisans are given the preference over those who fought for the flag. You ask me what is done in the event all on the eligible list are Democrats? That reminds me of a story told on a passenger conductor on a western train at an early date. He said that he flipped the coin paid him by the passenger, and if it did not lodge on the bell cord it was his, and if it did he flipped it again. If the list does not contain the names of partisans recommended by the county committee, a new list is called for. The country, therefore, should not be deceived by the statement of the President about civil service. Every Member of the House understands it. The country, including the ex-service men, will finally come to know the truth.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HERSEY. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HERSEY. A little while ago I went out, and at that time we were considering the agricultural bill. I would like to know what became of it. [Laughter.]

Mr. COOK. Mr. Chairman, I consider H. R. 7111 as a very important measure in favor of the farmers of the land.

Under its provisions the Secretary of Agriculture is authorized to acquire and disseminate information which, among other things, will enable the farmers to better meet world conditions and inform them of the demand for farm products in foreign countries.

In order to do this the Secretary is authorized to appoint persons qualified to acquire this information, and they will become a part of our embassies and will go with the persons sent to represent our country in foreign lands. This will give them official standing. It is also provided that the Civil Service Commission shall determine the competency of these agents.

Of course, much of their usefulness to the farmers will depend upon the selection and appointment of men who are well qualified along these lines and who fully realize the importance of foreign markets for the farmers.

The majority of our people live upon the farm. Farming is our basic industry. When the farmer prospers all other industries prosper. They largely produce their own living and the food for those engaged in other industries. They produce more than can be consumed in this country, and the surplus must be disposed of in the markets of the world. In that market they must compete with the labor of other countries. There can be no tariffs levied to control those markets or the level of prices therein. They are compelled to accept the world price, less the cost of transportation and handling.

There has been quite a revolution of thought on the question of the importance of foreign markets for agricultural products in recent years.

Only a few years ago we were told that all that the American farmer needed was the home market; that it would be sufficient to make him prosperous.

We were also told that we should have nothing to do with other countries, and that we were not interested in them. Sober second thought, due largely to the changed conditions of the farmers, has convinced most people that the doctrine of isolation, or having nothing to do with other nations, is not a good policy for the farmers.

Commercially we can not entirely separate ourselves from other countries, but are interested in and affected by their conditions and their ability to purchase of us that which they need and can not produce themselves.

The farmer can not leave his farm to hunt for markets in foreign countries for his surplus. If he can not sell it, it reduces the price of the part he does sell in the domestic market. The Government must aid him in finding markets. Legislation for that purpose must be enacted as soon as possible. It expended last year over $69,000,000 to teach him how to produce crops, and is it not about time that it should spend some money to find a place where he can sell them? It will be a waste of public money to keep on expending it to encourage production if he has no market for his surplus after it is produced.

This bill will not entirely relieve the present distress of the farmers of the land, but it is a step in the right direction. Other comprehensive legislation will be required to relieve his present condition and prevent its recurrence, but this will help. It will enable the Secretary of Agriculture to have agents in every country who will keep in touch with the conditions in each and report to him the demands that may exist for our agricultural products therein. He can then communicate this information to the farmers' cooperative associations and other selling agencies in this country. I go upon the theory that it is rare that too much will be produced if that which is produced can reach the mouths of the men, women, and children of the world who are hungry.

The present deplorable condition of the farmers has aroused a new interest in the need of foreign markets, and it is rather strange that more vigorous steps to secure them have been so long delayed. This condition has emphasized the importance of keeping this need in mind in shaping remedial legislation. The farmer must have more than the home market.

When the present depression began to appear the Secretary of Agriculture in report to the President in 1921 said:

> Had some way been found for the people in need to buy our surplus at prices which would cover the cost of production, the American farmer would have been prosperous and the country would have prospered with him. It is a terrible indictment of modern civilization that with such abundance here there are millions of people overseas suffering for the bare necessities, and other millions starving to death, and surely we are sadly lacking in our understanding of economic laws or in the adjustment to them when the production of bounteous crops grown by the hard labor of 13,000,000 farmers and farm workers and their families is permitted to play such large part in paralyzing our industries and business at home, for that is what has happened. The purchasing power of the principal farm crops of the year 1921 at the present time is lower than ever before known.
>
> * * * * * * *
>
> The purchasing power of our major grain crops is little more than half what it was on an average for the five pre-war years 1910–1914, inclusive.
>
> When we remember that approximately 40 per cent of all our people live in the open country and are dependent upon what grows out of the soil, the baneful effect upon the Nation of reducing the purchasing power of that 40 per cent so far below normal is obvious.

Then the Secretary adds:

> The farmer is compelled to practice the most rigid economy, to wear his old clothes, to repair his own machinery, to refrain from purchasing everything he can possibly do without, and to deny himself and his family not alone luxuries but many of the ordinary comforts of life.

This statement is a complete answer to the policy of isolation. The conditions which the Secretary describes, instead of becoming better have grown worse and will continue to grow worse as long as present conditions remain unchanged. True, the farmer has lost millions in the purchasing power of his products, but that is not all.

In addition to that he has lost over one-third of his capital in the fall of the price of his land. Many have lost their farms and many others are facing bankruptcy.

This statement of the Secretary was made just before the opening of the regular session of Congress in 1921. What was done by it or any subsequent Congress to afford relief from the conditions which he so clearly describes?

It will be noticed that the Secretary says in substance, "If some way had been found to sell our own surplus abroad, the farmer would have been prosperous."

It is incumbent on those who have had control of Congress and of our foreign policy since that utterance to explain why they have not found that way.

It seems to me that the highest duty of this Congress is to take up the whole question and see whether or not that way can be found. I am in favor of remaining here until every possible form of legislation for the relief of the farmer can be enacted.

If we do not, his distress will spread and soon reach the other industries of the land.

The CHAIRMAN. The time for debate is exhausted, and the Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized:

(1) To acquire and disseminate information which will enable American farmers to adjust their operations and practices better to meet world conditions, especially information concerning international agricultural economics, farm management, and agricultural product marketing practices employed in foreign countries, and the past, present, and prospective production of and demand for agricultural products in foreign countries, including animals and animal products, dairy products, cereals, fibers, fruits, vegetables, nuts, and other farm and forest products.

(2) To cooperate with producers, farm organizations and associations, and others, both individually and collectively, in demonstrating standards for agricultural products, and by all such other methods of facilitating the handling of and extending and strengthening the demand for agricultural products as require special agricultural skill and knowledge.

(3) The Department of State shall accredit, in the same manner as a secretary of an embassy or legation of the United States, as agricultural attachés with diplomatic standing to such countries as the Secretary of Agriculture shall deem advisable the agricultural commissioners at present representing the Department of Agriculture in foreign countries and such other agricultural attachés as shall be appointed from time to time by the Secretary of Agriculture after an examination to be held at his direction and in accordance with the regulations of the Civil Service Commission to determine their competency.

(4) The Secretary of Agriculture may make such rules and regulations as may be necessary to carry out the provisions of this act and may cooperate with any department or agency of any government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person, and shall have the power to appoint, remove, and fix and pay the compensation of such officers and employees, not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, telegrams, telephones, law books, books of reference, maps, periodicals, furniture, stationery, office equipment, travel and subsistence allowances, and other supplies and expenses as shall be necessary to the administration of the act in the District of Columbia and elsewhere, and as may be appropriated for by Congress.

Mr. HAUGEN. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 1, line 4, strike out the word "which" and insert in lieu thereof "through agricultural extension agencies and by such other means as."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HAUGEN. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Page 2, line 6, strike out lines 6 to 23, inclusive, and insert:

"To cooperate with American producers, farm organizations, associations, departments of the Government, and others, both individually and collectively, by all such methods as require special agricultural skill and knowledge in facilitating the handling of and extending and strengthening the demand for agricultural products abroad and in demonstrating standards of cotton, wheat, and other American agricultural products in foreign countries.

"The agricultural commissioners at present representing the Department of Agriculture in foreign countries shall hereafter be known as agricultural attachés, and the Secretary of Agriculture is authorized to appoint from time to time other agricultural attachés after an examination to be held under his direction and in accordance with the regulations of the Civil Service Commission to determine their competency.

"Such officers when designated for assignment to foreign posts by the Secretary of Agriculture shall, through the Department of State, be regularly and officially attached to the diplomatic missions of the United States in the countries in which they are to be stationed, and when such officers are assigned to countries in which there is no diplomatic mission of the United States appropriate recognition and standing with full facilities for discharging their official duties shall be arranged by the Department of State: *Provided*, That the Secretary of State may reject the name of any such officer whose assignment to the foreign post for which he has been designated would, in his judgment, be prejudicial to the public policy of the United States."

Mr. ROGERS of Massachusetts. I would like to ask the chairman of the committee a question. I understood the Committee on Agriculture and the Department of State have had some correspondence concerning subsection 3. Do I understand the language proposed is in accordance with the desire and suggestion of the Department of State and the Secretary of State?

Mr. KETCHAM. I will say in response to the gentleman that I have here a letter submitting or suggesting the form of the amendment and the reply of the Secretary of State, which I will read if the gentleman wishes.

Mr. ROGERS of Massachusetts. I would like to have the gentleman read it.

Mr. KETCHAM (reading)—

The language of the proposed substitute appears to meet all requirements and to provide in the correct way for establishing these officers with appropriate standing as a part of the diplomatic mission.

Mr. ROGERS of Massachusetts. The proposed substitute is in the language suggested?

Mr. KETCHAM. Identically.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, it is not easy to get the exact meaning and effect of the amendment offered by the gentleman from Iowa. I have no doubt it has been carefully prepared and considered by the committee and am not saying it is not right. But I notice the reference to the Civil Service Commission, which indicates that appointments are to be made as the result of civil-service examinations. I am not criticizing the commission nor its examinations, but I have some information as to how our commercial attachés and trade commissioners representing the Bureau of Foreign and Domestic Commerce in the Department of Commerce are selected and appointed. If I understand the amendment offered by the gentleman from Iowa, the plan it would prescribe would not be as effective in securing the right kind of officials as is the plan long pursued by the Bureau of Foreign and Domestic Commerce. In that bureau a board is selected by the Secretary, I believe, from among the officials of the bureau. That board is not always the same, its make-up depending upon the character of the work to be done by those who are to be appointed and the country into which they will go if employed. That board requires two examinations, oral and written. A written examination is first held by or under the direction of the Civil Service Commission, which certifies the names of the more competent candidates to the board. The board then conducts an oral examination of applicants whose names have been certified to it by the commission. My understanding is very satisfactory results are reached and that employees, agents, attachés, or whatever they may be called, are more capable and more satisfactory than will in all probability be the case if appointments are determined practically altogether by civil-service examination.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. ROGERS of Massachusetts. I remind the gentleman in this connection that almost the identical plan, just announced by him, is in practice in selecting consuls and secretaries of embassies and legations in the Department of State, so that there are two analogies as opposed to the one proposed in this bill.

Mr. McLAUGHLIN of Michigan. Is not the gentleman impressed that that plan would work better than if we turned the whole matter over practically to the Civil Service Commission?

Mr. ROGERS of Massachusetts. I think it has worked extremely well so far as the character of the personnel in the State Department is concerned, and also as to the Department of Commerce.

Mr. McLAUGHLIN of Michigan. I make that suggestion to the chairman of the committee and the members of the Committee on Agriculture. The plans in force in the Department of Commerce and in the Department of State have evidently worked well. They provide for an examination by which applicants for appointment in each case appear before a board and submit to an examination. They can be looked over and their qualities can be investigated and determined, whereas in many, if not all, examinations by the Civil Service Commission candidates do not appear; examinations are all in writing. Stock questions, often more or less so, are asked, and unfortunate results are often reached, and unworthy and incompetent persons are employed. This bill will provide very important positions, and the men and women appointed to them ought to be carefully selected.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McLAUGHLIN of Michigan. It would seem to me that the plans that have worked so well in other departments ought to be adopted, and my only purpose is to have the best possible selections made. I approve heartily of the purpose of the bill. I suggest that more attention be given to plans that are in vogue now in the other departments. Are we not giving, under the bill, too much authority to the Civil Service Commission—asking too much of them, taking too great a chance in making selections solely by a written examination by a commission that never sees the applicants? These are not criticisms; at least not unfriendly ones. I do not say what I have because I am in any sense opposed to the bill. I favor it, as does the Committee on Agriculture. I appreciate the desirability of having this work done; but a great deal depends upon the character of the men to be employed. I wish the best possible plan of selection to be provided and followed.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HAUGEN. The amendment which has been worked out was worked out in a conference between the two departments, and I take it it is along the policy of the Department of State.

Mr. McLAUGHLIN of Michigan. As I heard it read, it does not seem to me that it embodies the idea that I have suggested to the committee. Too much is left to the Civil Service Commission. There is no provision for an examination by a qualified board in the department. I am not so familiar with the working of the board in the State Department, but in the Department of Commerce selection is made by a board appointed by the Secretary of officials of the Bureau of Foreign and Domestic Commerce. The personnel of that board is not always the same. Selections are made having in mind the character of work to be done and the part of the world into which the applicant is to be sent.

Mr. ROGERS of Massachusetts. Does not the gentleman think that for this type of service abroad the oral examination is of prime importance?

Mr. McLAUGHLIN of Michigan. I would think that it is of more importance than a written examination.

Mr. ROGERS of Massachusetts. The man who is an expert at his books and who may pass the examination may prove to be an extremely unfortunate representative of the United States abroad.

Mr. McLAUGHLIN of Michigan. Yes; and the gentleman understands that applicants who are given an oral examination are only those who pass satisfactorily written examinations conducted by the Civil Service Commission. In that way those who are incompetent or who do not show themselves as qualified as far as educational requirements go do not come before the board for oral examination. The portions of the bill to which I have directed attention are very important, and I suggest that more care be given to drafting them. As I understand it, the only examination provided for is to be conducted by the Civil Service Commission according to its rules and regulations, many of which we know a great deal about and results of which are in many instances not satisfactory.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. BLANTON to the committee amendment: After the word "attachés," in the fifth line of subdivision (3) of the amendment, add the words "as Congress from time to time may authorize."

Mr. BLANTON. Mr. Chairman, I want only a minute. At present the number of the new attachés which could be appointed under this bill is unlimited. It is all right for the Secretary to attach the ones that we now have over there as agricultural attachés. I do not object to that, but such new ones as he desires to appoint ought first to be authorized by Congress.

We ought to retain control over this matter of the Treasury purse strings. Now, if Congress does not want to do it, of course it can not be helped, but I appeal to you gentlemen that we ought to retain it. We ought to say to all of them, when you want employees, come to Congress and tell us. We can provide them very easily here. Let me call attention to this. While they do not have to be appointed through the civil service you are providing a civil-service status for them, and when once appointed you can not get rid of them. They are on the pay roll for life. You might have a Secretary of Agriculture who would appoint more than should be appointed, and you can not get rid of them thereafter because they have a civil-service status. Do you want to do that? We are not objecting to the purpose of the bill in requiring that the Secretary shall come to Congress if there are new attachés needed. I wish the committee would adopt this amendment, as it ought to be passed.

Mr. STENGLE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. That will be an amendment in the third degree.

Mr. STENGLE. I rise in opposition to the amendment. Mr. Chairman, I had no intention of entering into this discussion, but we have been traveling far afield in the last few minutes in the very pleasurable pastime of seeking to attack the Federal Civil Service Commission, and in many instances we have gone far afield from the truth. It is only right that we try to stick to the facts. My friend from Michigan [Mr. McLAUGHLIN] referred to the necessity for various kinds of tests, and my friend from Massachusetts [Mr. ROGERS] impressed upon us the necessity of the oral examination. Now, it is just as well that we understand the plan of procedure in order to obtain this class of candidates. I believe I am fairly well acquainted with the procedure in the Federal civil service as well as in some of the larger cities. In a case like this of a scientific nature, where it is of great importance to secure experienced and qualified men for attachés in foreign places for a specific public purpose, the first thing that your commission does is to sit in conference with the head of the department that is to make the appointment and go over the necessary subjects and discuss the requirements before they announce the test, and after they have done that, divide that test by giving experience a certain weight, a written test a certain weight, have an oral examination for the purpose of looking a man over to see whether his personality is such that he can meet the requirements of that particular position. It is only fair we have these facts before us before we electrocute the Civil Service Commission without any regard to the other facts.

Mr. BLANTON. Will the gentleman yield?

Mr. STENGLE. I will.

Mr. BLANTON. How does the gentleman stand on my amendment? Does not the gentleman want to retain the power here and control over these employees?

Mr. STENGLE. I only want to say in reply to the gentleman from Texas that I went a long way with him until he stated something that was not the fact.

Mr. BLANTON. What was that?

Mr. STENGLE. He said this: If you get these men in the civil service, you can not get them out. If you have too many, you can not reduce the number. Those are not the facts. A man can be laid off for lack of work or lack of appropriation at any time by the head of any department.

Mr. BLANTON. If the gentleman will yield, 65,000 of them are retained now, as against 37,000 when we entered the war, and we can not lay them off to save our souls.

Mr. STENGLE. But the fact remains that you can lay them off if you want to lay them off.

Mr. BLANTON. But they have not done it.

Mr. STENGLE. I can not answer that question, unless you allow me to read the minds of department heads.

Mr. HAUGEN. I desire to say that they have seven now in the service, and if additional are required the amendment will require an authorization of Congress. I think it is not necessary to come to Congress to ask for an authorization every time an additional employee is required, and I trust the amendment will be voted down.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment to the amendment was rejected.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. Can the gentleman from Iowa tell us what the rank or grade of these appointees will be? Will they be of the grade of commercial attachés, as are now employed by the Bureau of Foreign and Domestic Commerce, or will they be of the grade of trade commissioners that are appointed by that bureau?

Mr. HAUGEN. That, of course, can be determined by the reclassification.

Mr. ROGERS of Massachusetts. I think I can answer that question, if the gentleman will permit. A trade commissioner is not accredited through the Secretary of State to a foreign country.

Mr. McLAUGHLIN of Michigan. I am speaking of employees or agents of the Bureau of Foreign and Domestic Commerce of the Commerce Department.

Mr. ROGERS of Massachusetts. I understand, and I am answering the question. The commercial attachés of the Bureau of Foreign and Domestic Commerce are accredited through the

Department of State to an embassy or legation and therefore have what is technically called a diplomatic standing. The purpose of the bill offered by the gentleman from Michigan [Mr. KETCHAM] is to give agricultural attachés also a diplomatic standing, utilizing the same method of accrediting them abroad. Lesser officials or particularized officials, either of the Department of Commerce or of the Agricultural Department, will not have that special diplomatic standing and will be in a secondary category.

Mr. McLAUGHLIN of Michigan. Of course, our commercial attachés have very important positions, very high officials, and there are comparatively few over the world, only 17 I believe, with salaries ranging from $5,000 up to $8,500 a year. Of the trade commissioners there are a large number, but they are of a lower grade and their salaries range fom $4,500, I believe, to $7,500. But I was thinking possibly that appointees under this bill will have a grade corresponding to the grade of some similar employees in the Bureau of Foreign and Domestic Commerce. Can the gentleman give any idea of the grade of these men?

Mr. HAUGEN. If not determined by the reclassification, it will be for Congress to determine what the salaries are.

In the past Congress has been fixing salaries for the various employees. Now under the reclassification act the salaries are determined by the classification.

Mr. McLAUGHLIN of Michigan. If they have any relation whatever to, or are comparable with, the officials I have spoken of, the trade commissioners and the commercial attachés, their salaries will not be fixed by Congress. The number of them and the salary of each will be determined entirely by the department and will depend solely on the total amount of the appropriation available for the purpose.

Mr. HAUGEN. Unless a limitation is placed on the appropriation?

Mr. McLAUGHLIN of Michigan. As the law now stands and as the bill reads, there is no limitation whatever on the number or on the amount of salary. It is a little unusual, and in my judgment it is not a good way to legislate. I will not complain or suggest a change, but will just say to the House, what many Members know, that the number is entirely determined, and the salary of each and every one is determined, by the total amount of the appropriation which Congress will from time to time make for the kind of work to be done.

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. LINTHICUM. Mr. Chairman, I offer an amendment to the amendment. After the word "attachés," in section 3, third line, strike out all down to and including the word "competency."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. LINTHICUM: Line 3 of subsection 3 of the amendment, strike out, after the word "attachés," all the remainder of line 3 and all of lines 4, 5, 6, and 7 down to and including the word "competency."

Mr. LINTHICUM. Mr. Chairman, my idea about that is just this: According to this amendment, any number of attachés can be appointed by the Department of Agriculture and then designated by the Department of State to the various United States embassies and legations to which they are assigned.

Now, I am opposed to increasing the number of employees; we have too many already. I do not think we need them. We have at the present time special attachés of the Department of Commerce and with these it seems that the members of the staffs of the consulates and embassies can certainly look after the agricultural interests of the country as well as these proposed men could do.

Mr. ASWELL. How could the Department of Agriculture increase the number without it first being acted upon by the Committee on Appropriations and Congress?

Mr. LINTHICUM. The amendment gives them the right to make appointments. Of course they will have to get the appropriations to pay them. But has the gentleman ever known a case where Congress refused to appropriate for the men who have been appointed?

Mr. BLANTON. If so, that was before I came here.

Mr. ROGERS of Massachusetts. Will the gentleman please read the language as amended by him?

Mr. LINTHICUM. I have already read the amendment.

Mr. ROGERS of Massachusetts. Is it based on the printed text?

Mr. LINTHICUM. It is based on the amendment itself. We have in every one of these consulates a large staff of men, and up to the time of the war those men were able to attend to everything, including our commercial interests, and to-day they are able to attend to them. But during the war, or just before the war, we created these special attachés, and they are doing absolutely the same work as the members of the staffs of the consulates are doing, and now we are proposing an additional man at these consulates to be called "the agricultural attaché."

If you are going to do that you will have a staff at the consulate to do the work, and the attaché under the Department of Commerce, and then the attaché under the Department of Agriculture. Where are you going to stop? Are you going to give a representation in the embassies, legations, and consulates to every branch of the Government and to every industry? After a while we shall have duplication in all this work. It simply means larger appropriations, more job holders, and more taxation. I tell you, gentlemen, it does not make any difference how many men you appoint to foreign countries, whether they be agricultural attachés, commercial attachés or what not, you will never increase the foreign business of our country until you lower the tariff wall that you have established and until you have reestablished the nations of the world so that they are financially able to do business with us. [Applause.] All the solicitation you can do will not increase our foreign markets until we give the people in the foreign countries a chance to deal with us.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. WINSLOW. Perhaps inadvertently the gentleman made the statement that the consuls had been doing all the business that is done by the commercial attachés.

Mr. LINTHICUM. I said that prior to the war the staffs at the consulates were able to attend to all the business of our country abroad; yes.

Mr. WINSLOW. Can you say that they are able to attend to it now, with the addition of business since that time?

Mr. LINTHICUM. I say that the staffs at the consulates can attend to the affairs just as well as you can have it done with representation by the Department of Commerce and by the Department of Agriculture. If you have not a sufficient number of men to do the work appoint additional men, but not men under the Department of Commerce or under the Department of Agriculture. Let them represent the various industries of our country but under the Department of State. Appoint where necessary but limit to that.

Mr. WINSLOW. Why did they not do it before the war?

Mr. LINTHICUM. They did it before the war.

Mr. WINSLOW. Not a tenth part of what has been done along commercial and agricultural lines since.

Mr. LINTHICUM. That is because business throughout the world with the United States increased.

Mr. WINSLOW. Now?

Mr. LINTHICUM. During the war.

Mr. WINSLOW. But since the war?

Mr. LINTHICUM. Since the war it has been pretty good, but since the passage of the tariff bill it has been very poor, and will continue so; and all the agricultural attachés you may appoint will not change it. You must remove the cause if you wish to increase our foreign business. [Applause.]

The CHAIRMAN. The time of the gentleman from Maryland has expired. The question is on agreeing to the amendment offered by the gentleman from Maryland.

The question was taken, and the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto be now closed.

Mr. BLANTON. There is one important amendment that has not been acted upon.

Mr. RANKIN. We have discussed this for three hours.

The CHAIRMAN. The gentleman from Mississippi has made the motion that all debate on this section and all amendments thereto be now closed.

Mr. BLANTON. I move to amend that, so that it shall close in eight minutes, five of which shall be controlled by the gentleman from Iowa [Mr. HAUGEN].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to amend the motion made by the gentleman from Mississippi that all debate shall be closed in a minute and a half.

The CHAIRMAN. The gentleman from Texas offers an amendment that all debate close in a minute and a half.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question is now on the motion of the gentleman from Mississipi as amended.

The motion as amended was agreed to.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 3, line 6, after the word "employees," insert the words "as from time to time may be authorized by Congress."

The CHAIRMAN. That amendment can only be offered for information at this point, because it is not an amendment to the committee amendment.

Mr. BLANTON. I thought they were closing all debate on the entire bill, and I want my minute and a half on the next section, Mr. Chairman.

The CHAIRMAN. The Chair will state that there is no next section, and there are about 45 seconds left of the time fixed for debate.

Mr. BLANTON. The time for debate was a minute and a half, and not for other matters. The Chair will readily see that the time is for debate and does not cover any other matter. I ask recognition on this amendment for a minute and a half.

The CHAIRMAN. The amendment has been read and can be read only for information. If the gentleman wants to be recognized on his amendment he can be recognized.

Mr. BLANTON. I prefer to wait until the committee amendment has been voted on.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will now report the amendment offered by the gentleman from Texas [Mr. BLANTON].

The Clerk read as follows:

On page 3, line 6, after the word "employees," insert the words "as from time to time may be authorized by Congress."

Mr. BLANTON. Mr. Chairman and gentlemen, if you want to keep control of the number of Government employees you should adopt this amendment, but if you do not you can vote it down.

I am going to offer another amendment in a minute which will provide for controlling the amount of expenses to "such as authorized by Congress." I will not have a chance to debate it so I mention it now. If you want to control the expenses of this foreign organization you should vote for this second amendment. Of course, if you do not, all right. I am doing my duty in presenting it to you, and when I have presented it to you I have done my full duty in trying to effect economy. If you can not agree with me I am a good sport and will say all right. But I want to say that we ought to control the number of employees and we ought to control the amount of expenses.

The gentleman from New York [Mr. STENGLE] awhile ago said we could get rid of Government employees. I told him we had over 65,000 right now as against 37,000 when we went into the war in 1917. Why do we not get rid of them if we can do it? I will tell you why. You once put them on the pay roll and they will not let a Congressman get rid of them. If the department declares them surplus and seeks to discharge them they immediately come to you and you take them down and say to the department, "Put them back," and they are put back. That is what happens.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Mr. RANKIN. I am going to make a motion in order to have no misunderstanding. I move that all debate on this bill do now close.

The CHAIRMAN. That is the effect of the motion already adopted.

Mr. WINSLOW. Mr. Chairman, I want to offer an amendment to the bill as amended.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 10, noes 38.

So the amendment was rejected.

Mr. WINSLOW. Mr. Chairman, I offer an amendment for the introduction of a new section to the bill as amended.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. WINSLOW: Page 3, line 13, after the word "Congress" insert:

"SEC. 2. Nothing in this act shall be construed as affecting the functions under existing law of any other department or independent establishment of the United States, or of any officer, agent, or employee thereof."

Mr. WINSLOW. Mr. Chairman, all there is to that——

Mr. BLANTON. Mr. Chairman, I make the point of order that debate has been closed.

Mr. WINSLOW. Upon the section that was before the committee. This is a new section.

Mr. BLANTON. I make the point of order that for the purpose of debate as ruled by all Chairmen, and I call attention to the very lengthy opinion rendered by the gentleman from Connecticut [Mr. TILSON], to the effect that any subsequent new section for the purposes of debate is considered a part of the preceding section.

Mr. WINSLOW. Mr. Chairman, I withdraw my request for recognition.

The CHAIRMAN. The gentleman from Massachusetts [Mr. WINSLOW] does not desire to be heard upon his amendment.

The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 28, noes 27.

Mr. JONES. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chairman appointed as tellers Mr. WINSLOW and Mr. JONES.

The committee again divided; and the tellers reported that there were—ayes 34, noes 46.

So the amendment was rejected.

Mr. LINTHICUM. I make the point of no quorum, Mr. Chairman.

The CHAIRMAN. The gentleman from Maryland makes the point of order there is no quorum present. The Chair will count. [After a pause.] One hundred and eight Members present, a quorum.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 3, line 7, after the word "expenditures," insert the words "as Congress may authorize."

The CHAIRMAN. The Chair will call attention to the fact that we have passed that section and there was a new section offered.

Mr. BLANTON. Mr. Chairman, I was trying to offer this—I told the Chair I had an amendment to the third section when the Chair recognized the gentleman from Massachusetts, and I was on my feet urging and doing everything I could to get in this amendment.

The CHAIRMAN. The Chair heard the gentleman say in debate that he proposed to offer an amendment.

Mr. BLANTON. And I tried to offer it.

Mr. TILSON. Mr. Chairman, the gentleman from Texas understands his rights on this floor. His was a preferential amendment, and he knows how to get his rights here. Nobody has to instruct him. He had his right to offer it as a preferential amendment, and the gentleman could have stopped the other amendment.

Mr. BLANTON. Yes; but I can not pull the Chair off of the bench.

Mr. TILSON. The gentleman can almost do it.

The CHAIRMAN. The Chair was watching the gentleman from Texas to see whether he proposed to offer the amendment and he made no effort to offer it.

Mr. BLANTON. I did the best I could to offer it.

The CHAIRMAN. The point of order is overruled.

Mr. BLANTON. Of course, I am used to the steam roller and submit to the ruling of the Chair and reserve my exception.

Mr. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment as a new section at the end of the bill.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. ROGERS of Massachusetts: At the end of the bill insert a new section, as follows:

"SEC. 2. Agricultural attachés may be removed at the pleasure of the Secretary of Agriculture."

Mr. ROGERS of Massachusetts. Mr. Chairman, debate is not exhausted upon this section.

The CHAIRMAN. Not on a new section.

Mr. ROGERS of Massachusetts. I have just a word to say——

Mr. RANKIN. Mr. Chairman, I make the point of order that debate on the bill has been closed.

The CHAIRMAN. Not on a new section.

Mr. RANKIN. On the whole bill. I rose and made a motion that debate close on the entire bill, and the Chair informed me that that had already been done by my previous motion.

The CHAIRMAN. There was then pending a motion to close debate on the section and all amendments thereto.

Mr. RANKIN. And I rose later.

The CHAIRMAN. The Chair remembers that the gentleman from Mississippi was on his feet. If the gentleman from Mississippi now wishes to make a motion to close debate upon the bill, the Chair will recognize him.

Mr. RANKIN. I have made that motion, Mr. Chairman.

Mr. ROGERS of Massachusetts. Mr. Chairman, I can not be taken off my feet for that purpose, I suppose?

Mr. RANKIN. I made the motion a while ago, and if the Chair recognizes me I renew that motion now, that all debate on this bill do now close.

Mr. GRAHAM of Illinois. Mr. Chairman, I heard the gentleman make the motion, but the question was not put, and the Chair did not recognize the gentleman for that purpose at that time.

Mr. ROGERS of Massachusetts. Mr. Chairman, I have only a word to say in support of the amendment which, I understand, is satisfactory to the committee.

Mr. RANKIN. Mr. Chairman, I have a right to have the Chair rule on my motion, to say the least of it.

The CHAIRMAN. The gentleman's motion was not put.

Mr. RANKIN. I put the motion, and the Chair asked me a moment ago if I renewed the motion, and I made the motion that all debate on this bill do now close.

The CHAIRMAN. The Chair did not recognize the gentleman to make the motion and the Chair did not put the question.

Mr. RANKIN. I made the motion awhile ago, and the Chair informed me that had already been done, and now the proposition is to open debate again, and I submit I am entitled to have my motion put to the House.

The CHAIRMAN. The Chair will state the situation. The gentleman from Massachusetts sought recognition upon his proposed new section. Some one made the point of order that debate had been closed upon the entire bill. The Chair then stated that the motion that was passed was to close debate upon the section and all amendments thereto. Thereupon, the gentleman from Massachusetts [Mr. WINSLOW] desisted from his attempt to secure recognition and withdrew his request for recognition.

Mr. RANKIN. Let me remind the Chair that this is what happened——

Mr. ASWELL. Mr. Chairman, a parliamentary inquiry.

Mr. RANKIN. I have a point of order pending.

Mr. ASWELL. I have a right to make a parliamentary inquiry.

Mr. RANKIN. I understand that, but you have no right to do that until I get through with this point of order. The gentleman from Massachusetts [Mr. WINSLOW] rose, and I said to the Chair that in order that there might be no misunderstanding about it I would make the motion to close debate on the entire bill, and the Chair informed me that had already been done.

Mr. ASWELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASWELL. Is it in order now to move that all debate close?

The CHAIRMAN. The gentleman from Massachusetts insists that he has been recognized.

Mr. ASWELL. I would like to have the Chair decide that.

Mr. ROGERS of Massachusetts. Mr. Chairman, can we not settle this thing. I only want two minutes. I ask unanimous consent that all debate on this bill and all amendments thereto be closed in two minutes.

Mr. RANKIN. I would like to have the Chair rule on the proposition. I think this matter ought to be settled in the right way.

The CHAIRMAN. The Chair thinks the gentleman from Mississippi is correct. At that time the Chair was under the impression that debate had been closed on the entire bill, because it then consisted of only one section.

Mr. RANKIN. Then I am willing to accept the proposition of the gentleman from Massachusetts [Mr. ROGERS].

The CHAIRMAN. Is there objection to the gentleman from Massachusetts [Mr. ROGERS] proceeding for two minutes? [After a pause.] The Chair hears none.

Mr. RANKIN. That is with the understanding that all debate close in two minutes.

Mr. ROGERS of Massachusetts. Mr. Chairman and gentlemen of the committee, the amendment which I have offered simply gives the Secretary of Agriculture the right to remove any agricultural attaché at any time. These men go forth over the world in a quasi diplomatic function. They will be called upon to perform delicate and difficult and intricate duties. If they are to be completely responsive to the foreign policy of the United States, they must be removable at any time, without the necessity of complying with the elaborate formula which is required in the case of the removal of civil-service employees generally.

This amendment will give the foreign work of the Department of Agriculture the flexibility which it needs. The amendment is satisfactory to the chairman of the Committee on Agriculture and to the author of the bill. I hope it will be accepted by the Committee of the Whole.

Mr. KINCHELOE. Will the gentleman yield?

Mr. ROGERS of Massachusetts. I yield.

Mr. KINCHELOE. Does the Secretary of State and the Secretary of Commerce and Labor have the same power?

Mr. ROGERS of Massachusetts. Yes. Each has the power to remove without cause their agents in the foreign field. The ambassadors in Paris and London and the secretaries of the embassies and legations must be removable at any time in order that the foreign functions of the Government may be efficiently performed and may be responsive to the policy of the Government of the United States. The authority has never been abused.

Mr. KINCHELOE. Are any of the attachés under the civil service?

Mr. ROGERS of Massachusetts. None of them. This bill questionably puts agricultural attachés under the civil service. I want to overcome the objection in respect to the removal feature, which would otherwise result from giving them a civil-service status.

Mr. CLANCY. A parliamentary inquiry. If this amendment should be adopted, would it not kill the provisions of the bill?

The CHAIRMAN. That is not a parliamentary inquiry. The question is on the amendment offered by the gentleman from Massachusetts [Mr. ROGERS].

The question was taken, and the amendment was agreed to.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise——

Mr. RUBEY. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. RUBEY. Is it in order to move to lay the bill aside and call up another bill without the committee rising?

The CHAIRMAN. Under the order of the House the Committee of the Whole House on the state of the Union is sitting for the purpose of considering this particular bill, and the order of the House can not be changed in committee.

Mr. HAUGEN. I move that the committee do now rise, report the bill back to the House with amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7111) to promote American agriculture by making more extensively available by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. HAUGEN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BLANTON. Mr. Speaker, I move to recommit this bill to the Committee on Agriculture with instructions to report the

same back to the House forthwith with the following amendments.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BLANTON. I am.

The Clerk read the motion to recommit, as follows:

In line 5 of subdivision (3) of the committee amendment, after the word "attachés," insert "as from time to time may be authorized by Congress," and on page 3, in line 6, after the word "employees," add "as from time to time may be authorized by Congress," and on page 3, in line 7, after the word "expenditures," add "as may be authorized by Congress."

Mr. HAUGEN. Mr. Speaker, I move the previous question.

The SPEAKER. This motion to recommit is not in order. It seeks to amend an amendment already adopted in the House.

Mr. BLANTON. But, Mr. Speaker, the previous question on the motion to recommit has been ordered.

The SPEAKER. No; the Chair did not recognize the gentleman from Iowa to move the previous question.

Mr. BLANTON. None of these amendments have been agreed to.

The SPEAKER. The form of the gentleman's motion to recommit says an amendment to an amendment.

Mr. BLANTON. Yes; an amendment to the committee amendment.

The SPEAKER. That has been adopted by the House. That is not in order.

Mr. BLANTON. Then, Mr. Speaker, I offer it with the first part, referring to the committee amendment, left out. I offer it with regard to page 3, lines 6 and 7.

The SPEAKER. The Clerk will report the motion to recommit as modified.

The Clerk read as follows:

Page 2, line 6, strike out lines 6 to 23, inclusive, and insert: On page 3, in line 6, after the word "employees," add "as from time to time may be authorized by Congress," and on page 3, in line 7, after the word "expenditures," add "as may be authorized by Congress."

The SPEAKER. The question is on the motion to recommit.

Mr. BLANTON. I desire to say a word on the motion to recommit.

The SPEAKER. The previous question has been ordered.

Mr. BLANTON. But the Chair has just stated he did not recognize the gentleman to move the previous question.

The SPEAKER. Not on the motion to recommit, but the previous question has been ordered on the bill and all amendments to final passage, and that covers the motion to recommit. The question is on the motion to recommit.

The question was being taken, and Mr. LINTHICUM made the point of order that no quorum was present.

The SPEAKER. The gentleman from Maryland makes the point of order that no quorum is present. The Chair will count. [After counting.] One hundred and nine Members present; not a quorum.

Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.

The question was taken, and the motion was lost.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 33, nays 222, not voting 177, as follows:

YEAS—33

Allen	Garner, Tex.	O'Connell, R. I.	Tucker
Allgood	Gilbert	Oliver, Ala.	Upshaw
Black, Tex.	Howard, Nebr.	Park, Ga.	Vinson, Ky.
Bland	Huddleston	Richards	Williams, Tex.
Blanton	Jeffers	Sanders, Tex.	Woodrum
Box	Larsen, Ga.	Taylor, W. Va.	Wright
Brand, Ga.	Lilly	Thomas, Ky.	
Buchanan	Linthicum	Thomas, Okla.	
Busby	Moore, Ga.	Tillman	

NAYS—222

Ackerman	Burton	Cramton	Faust
Almon	Byrns, Tenn.	Croll	Fenn
Arnold	Cable	Cummings	Fisher
Aswell	Campbell	Dallinger	Fitzgerald
Ayres	Canfield	Davis, Minn.	Foster
Bankhead	Cannon	Davis, Tenn.	Fredericks
Barbour	Casey	Denison	Free
Barkley	Chindblom	Dickinson, Iowa	Freeman
Beck	Clague	Dickinson, Mo.	French
Beedy	Clarke, N. Y.	Dominick	Fulbright
Begg	Cleary	Dowell	Fuller
Berger	Cole, Iowa	Doyle	Fulmer
Boies	Cole, Ohio	Drewry	Garber
Boyce	Collier	Driver	Gardner, Ind.
Brand, Ohio	Colton	Elliott	Garrett, Tenn.
Briggs	Connally, Tex.	Evans, Iowa	Garrett, Tex.
Browning	Connery	Evans, Mont.	Gasque
Burdick	Cook	Fairchild	Gilmitter
Burtness	Cooper, Wis.	Fairfield	Graham, Ill.
Greene, Mass.	Lankford	Newton, Minn.	Stedman
Greenwood	Lazaro	O'Sullivan	Stengle
Hadley	Lea, Calif.	Oldfield	Stephens
Hardy	Leavitt	Peery	Strong, Kans.
Harrison	Lehlbach	Porter	Summers, Wash.
Hastings	Lineberger	Pou	Swank
Haugen	Little	Purnell	Swing
Hawley	Longworth	Quin	Swoope
Hayden	Lowrey	Rainey	Taylor, Tenn.
Hersey	Lozier	Raker	Temple
Hickey	Luce	Rankin	Thompson
Hill, Ala.	McKeown	Ransley	Tilson
Hill, Md.	McLaughlin, Mich.	Rayburn	Timberlake
Hill, Wash.	McLaughlin, Nebr.	Reece	Tincher
Hoch	McReynolds	Reed, Ark.	Tinkham
Holaday	McSwain	Roach	Treadway
Hooker	MacGregor	Robinson, Iowa	Underwood
Hudson	MacLafferty	Robsion, Ky.	Vincent, Mich.
Hudspeth	Magee, N. Y.	Rogers, Mass.	Vinson, Ga.
Hull, Morton D.	Major, Mo.	Romjue	Wainwright
Hull, Iowa	Manlove	Rubey	Watkins
Jacobstein	Mapes	Sabath	Watres
James	Martin	Salmon	Weaver
Johnson, Ky.	Merritt	Sandlin	Wefald
Johnson, Tex.	Michener	Schafer	Welling
Johnson, W. Va.	Miller, Wash.	Schneider	Welsh
Jones	Milligan	Sears, Nebr.	White, Kans.
Kearns	Minahan	Shallenberger	White, Me.
Keller	Mooney	Shreve	Williamson
Kendall	Moore, Ohio	Simmons	Wilson, Ind.
Ketcham	Moores, Ind.	Sinclair	Wilson, La.
Kincheloe	Morehead	Sinnott	Winga
Kopp	Morgan	Sites	Winslow
Kunz	Morrow	Smith	Wolff
Kvale	Murphy	Smithwick	Woodruff
Lampert	Nelson, Me.	Speaks	
Lanham	Nelson, Wis.	Sproul, Kans.	

NOT VOTING—177

Abernethy	Eagan	McFadden	Sanders, Ind.
Aldrich	Edmonds	McKenzie	Sanders, N. Y.
Anderson	Favrot	McLeod	Schall
Andrew	Fish	McNulty	Scott
Anthony	Fleetwood	McSweeney	Sears, Fla.
Bacharach	Frear	Madden	Seger
Bacon	Frothingham	Magee, Pa.	Sherwood
Beers	Funk	Major, Ill.	Snell
Bell	Gallivan	Mansfield	Snyder
Bixler	Geran	Mead	Sproul, Ill.
Black, N. Y.	Gibson	Michaelson	Stalker
Bloom	Gifford	Miller, Ill.	Steagall
Bowling	Goldsborough	Mills	Stevenson
Boylan	Graham, Pa.	Montague	Strong, Pa.
Britten	Green, Iowa	Moore, Ill.	Sullivan
Browne, N. J.	Griest	Moore, Va.	Summers, Tex.
Browne, Wis.	Griffin	Morin	Sweet
Brumm	Hammer	Morris	Taber
Buckley	Hawes	Mudd	Tague
Bulwinkle	Howard, Okla.	Newton, Mo.	Taylor, Colo.
Butler	Hull, William E.	Nolan	Thatcher
Byrnes, S. C.	Hull, Tenn.	O'Brien	Tydings
Carew	Humphreys	O'Connell, N. Y.	Underhill
Carter	Johnson, S. Dak.	O'Connor, La.	Valle
Celler	Johnson, Wash.	O'Connor, N. Y.	Vare
Christopherson	Jost	Oliver, N. Y.	Yestal
Clancy	Kahn	Paige	Volgt
Clark, Fla.	Kelly	Parker	Ward, N. Y.
Collins	Kent	Parks, Ark.	Ward, N. C.
Connolly, Pa.	Kerr	Patterson	Wason
Cooper, Ohio	Kiess	Peavey	Watson
Corning	Kindred	Perkin	Wertz
Crisp	King	Perlman	Williams, Ill.
Crosser	Knutson	Phillips	Williams, Mich.
Crowther	Kurtz	Prall	Wilson, Miss.
Cullen	LaGuardia	Quayle	Winter
Curry	Langley	Ragon	Wood
Darrow	Larson, Minn.	Ramseyer	Wurzbach
Davey	Leatherwood	Rathbone	Wyant
Deal	Lee, Ga.	Reed, N. Y.	Yates
Dempsey	Lindsay	Reed, W. Va.	Young
Dickstein	Logan	Reid, Ill.	Zihlman
Doughton	Lyon	Rogers, N. H.	
Drane	McClintic	Rosenbloom	
Dyer	McDuffie	Rouse	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Langley with Mr. Clark of Florida.
Mr. Patterson with Mr. Drane.
Mr. Cooper of Ohio with Mr. Byrnes of South Carolina.
Mr. Wyant with Mr. Bulwinkle.
Mr. Gibson with Mr. Logan.
Mr. Morin with Mr. Hawes.
Mr. Kahn with Mr. Prall.
Mr. Parker with Mr. Doughton.
Mr. Yare with Mr. Collins.
Mr. Bixler with Mr. Wilson of Mississippi.
Mr. Perlman with Mr. Geran.
Mr. Reed of West Virginia with Mr. Carew.
Mr. Paige with Mr. Major of Illinois.
Mr. Johnson of Washington with Mr. Celler.
Mr. Kelly with Mr. Cullen.
Mr. Watson with Mr. Black of New York.
Mr. Brumm with Mr. McNulty.
Mr. Anthony with Mr. O'Connell of New York.
Mr. Dempsey with Mr. Bowling.
Mr. Reed of New York with Mr. Tydings.
Mr. Butler with Mr. Crisp.
Mr. McFadden with Mr. Stevenson.
Mr. King with Mr. Favrot.
Mr. Johnson of South Dakota with Mr. Oliver of New York.
Mr. Perkins with Mr. Tague.

Mr. Seger with Mr. Morris.
Mr. Magee of Pennsylvania with Mr. Dickstein.
Mr. McKenzie with Mr. Browne of New Jersey.
Mr. Thatcher with Mr. Howard of Oklahoma.
Mr. Anderson with Mr. Griffin.
Mr. Green of Iowa with Mr. Hammer.
Mr. Greist with Mr. Sullivan.
Mr. Bacon with Mr. Kent.
Mr. Valle with Mr. Moore of Georgia.
Mr. Young with Mr. Lee of Georgia.
Mr. Underhill with Mr. McSweeney.
Mr. Larson of Minnesota with Mr. Bloom.
Mr. Edmonds with Mr. Bell.
Mr. Yates with Mr. Carter.
Mr. Kiess with Mr. Sherwood.
Mr. Graham of Pennsylvania with Mr. Steagall.
Mrs. Nolan with Mr. Montague.
Mr. Darrow with Mr. Quayle.
Mr. Snell with Mr. O'Connor of New York.
Mr. McLeod with Mr. Boylan.
Mr. Kurtz with Mr. Abernethy.
Mr. Winter with Mr. McDuffie.
Mr. Frear with Mr. Hull of Tennessee.
Mr. Crowther with Mr. Ragon.
Mr. Bacharach with Mr. Jost.
Mr. Williams of Illinois with Mr. O'Connor of Louisiana.
Mr. Newton of Missouri with Mr. Corning.
Mr. Funk with Mr. Davey.
Mr. Stalker with Mr. Humphreys.
Mr. Miller of Illinois with Mr. Buckley.
Mr. Strong of Pennsylvania with Mr. O'Brien.
Mr. Mudd with Mr. Kindred.
Mr. Taber with Mr. McClintic.
Mr. Sproul of Illinois with Mr. Mansfield.
Mr. Michaelson with Mr. Gasque.
Mr. Madden with Mr. Taylor of Colorado.
Mr. Schall with Mr. Parks of Arkansas.
Mr. Beers with Mr. Sears of Florida.
Mr. Curry with Mr. Mead.
Mr. Christopherson with Mr. Sumners of Texas.
Mr. Frothingham with Mr. Ward of North Carolina.
Mr. Snyder with Mr. Lyons.
Mr. Reid of Illinois with Mr. Kerr.
Mr. Thompson with Mr. Lindsay.
Mr. Connolly of Pennsylvania with Mr. Goldsborough.
Mr. Sanders of Indiana with Mr. Deal.
Mr. Wurzbach with Mr. Ragan.
Mr. Rathbone with Mr. Crosser.
Mr. Wertz with Mr. Clancy.

The result of the vote was announced as above recorded.

The doors were reopened.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

The title was amended so as to read: "A bill to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways."

On motion of Mr. HAUGEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

REFORESTATION

Mr. HAUGEN. Mr. Speaker, I call up the bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.

The SPEAKER. The gentleman from Iowa calls up the bill H. R. 4830. This bill is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, and the gentleman from Illinois [Mr. CHINDBLOM] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4830, with Mr. CHINDBLOM in the chair.

The Clerk reported the title of the bill.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. CLARKE].

Mr. CLARKE of New York. Mr. Chairman and gentlemen of the committee, this reforestation bill is a bill that comes out of the Agriculture Committee by a unanimous vote. It has the indorsement of the Bureau of the Budget, and is a forward looking step in a comprehensive conservation plan of establishing a national reforestation policy. No man who has given any thought to the great subject of reforestation but knows that this problem is an imminent one, and in order to get something that should avoid all controversial features, the great Committee on Agriculture of this House spent weeks in the consideration of the problems and hearings of the multiplicity of interest involved in order to get the facts and information so that it could outline a comprehensive law—something to build on not alone for this day, but something to look forward to as our duty to the to-morrows. In addition to the hearings of our Committee on Agriculture, a select committee of the Senate was appointed which went out into 16 States and held 24 different meetings, so that all of the interest involved and all people who had given serious thought to the problem of reforestation could appear before this committee to present reasons why such a policy should be adopted and what that policy should be.

They came forward and the bill now under consideration, H. R. 4830, represents not alone the unanimous report of the Agriculture Committee, but also represents the unanimous report of the select committee of the United States Senate.

I wish now to explain to you in detail something of what this bill means, the purposes of the bill, if you please. It is a great cooperative effort, cooperative in the sense that the Federal Government, if this bill is enacted into law, will cooperate with the States, will cooperate with private agencies within the States under State supervision, in an effort to get going a national policy and get to growing trees upon our hills also too badly needed.

Sections 1 and 2. The purpose of these two sections is that the Secretary of Agriculture is authorized to devise and recommend an adequate system of forest protection and fire prevention in the several States and, if there is cooperation, to extend financial cooperation to such States. These sections extend that cooperation now extended under section 2 of the Weeks Act. We have now a fairly successful fire-prevention system, but in the face of that we now have 50,000 forest fires annually over 8,000,000 acres, so we need a greater and larger cooperation because 75 per cent of the losses that come in our forests come from fires and this bill is a forward-looking step in that direction.

Section 3 provides for an extensive study of the tax laws of the States, for just taxation comes next to fire prevention as a factor of encouragement in promoting and encouraging reforestation. Private enterprise needs that encouragement to go forward on the denuded lands, the cut-over lands and to set out trees and not fear that the tax assessor is going to pounce upon them when 10 or 20 years have gone with unfair appraisals tending to discourage or prevent the growing of trees.

Section 4 contemplates the cooperation of Federal and State Governments in the furnishing of forest tree seeds or plants and the procuring and distribution of the same. In these great United States to-day there are 81,000,000 acres of denuded land suitable for reforesting, and it is worthy of note that in the entire United States but 30,000 acres were planted and reforested in the year 1922, and yet little Japan in that same year multiplied by 10 times (300,000 acres) the acreage that was set out to trees in the United States.

Mr. ALMON. Will the gentleman permit a question?

Mr. CLARKE of New York. I certainly will.

Mr. ALMON. The gentleman has stated the purpose of the bill, among other things, was to get trees to grow on our barren hills. I would like for the gentleman to give some idea about the character and what lands are to be reforested and by whom they are owned, whether by individuals, corporations, or by the United States Government.

Mr. CLARKE of New York. Well, there is a large amount, probably 80 per cent of the denuded lands of the United States, in private ownership. Many of these millions of acres are cut-over lands. They are more suitable for the growing of trees than for agricultural purposes. They are also needed for the protection of the stream flow of our navigable streams.

Mr. RAKER. Will the gentleman yield for a question?

Mr. CLARKE of New York. I will.

Mr. RAKER. I am very much interested in the gentleman's discussion and the provisions of this bill. I had occasion to make some examination of the laws practically of all the States with regard to this subject; received them from the various secretaries of those States. Has the committee made any such study of the laws of Pennsylvania regarding reforestation?

Mr. CLARKE of New York. Well, that is one of the very purposes of this bill; we have secured much tax data and other information that is now in no particular place. This information will be placed before the proper organization in their States.

Mr. RAKER. This thing I want to bring to the attention of the gentleman and to the committee: Has the committee gone into the method that Pennsylvania uses in acquiring pri-

Burdick Cook Fairchild Chalfeter
Burtness Cooper, Wis. Fairfield Graham, Ill.

Mr. Johnson of South Dakota with Mr. Oliver of New York.
Mr. Perkins with Mr. Tague.

vately owned land for the State forests, and then the method of the State in handling these lands with respect to taxation after acquiring them?

Mr. CLARKE of New York. We have. If the gentleman will look at the hearings, he will find we heard not alone Mr. Gifford Pinchot, of the State of Pennsylvania, but we heard other students of the reforestation problem from Pennsylvania. However, this information was not alone submitted to our committee of the House but was also submitted, in the final days of the hearings, to the select committee of the Senate.

Mr. RAKER. Will the gentleman yield for one more question?

Mr. CLARKE of New York. Surely.

Mr. RAKER. Did the committee come to any conclusion as to the advisability of the Government taking over these cut-over lands, which can be bought now at a nominal price—whole counties—and the States return for what they would receive for taxes if they remained in private ownership?

Mr. CLARKE of New York. Some States are now getting returns where reforested lands are being cut through a severance tax. I think the return is about 25 per cent that is going back to the States.

Mr. RAKER. For instance, Pennsylvania has a piece of land which is returned to the State; the State owns it and the State itself pays that county the amount a private individual would pay for a like amount. Has the gentleman's committee gone into that?

Mr. CLARKE of New York. Yes; the gentleman will find in the hearings of the select committee of the Senate that very proposition was fully discussed, and it was given very full consideration by our committee.

Mr. RAKER. Mr. Chairman, may I ask the gentleman one more question?

Mr. CLARKE of New York. Certainly.

Mr. RAKER. The committee, then, has not determined whether or not they are willing now to provide a plan whereby the Federal Government would pay and return to the county or the State wherein the Federal Government has taken over the private cut-over lands an amount equal to the amount that the county would obtain if the land had remained in private ownership?

Mr. CLARKE of New York. In answer to that, of course, the question of taxation is primarily a question for the States to determine. It is true that practically only three or four States of the Union to-day have laws that meet the situation to encourage private owners to go into the growing of trees. In those States we authorize $100,000 to be expended for the study of the taxation laws of the States, by States and by forest regions, because in many cases the forest region overlaps the boundaries of States. We think that through the appeal that can be made by a careful study of these laws we can get the States to go on more rapidly than they are now doing in the solution of this tax problem. It is primarily a matter for the States to attend to.

Mr. RAKER. Suppose there are 100,000 acres of cut-over land in Plumas County, Calif. The Government can take that over at a nominal price. Will the gentleman provide in this bill that it shall be returned to the county of Plumas by the Federal Government—the amount that it now receives from the private individuals for taxes who own the land?

Mr. CLARKE of New York. I will say to the gentleman that not exactly that question has come before us in our hearings, but almost that identical question. We have tried to keep out all controversial features from this bill.

Mr. RAKER. I see.

Mr. CLARKE of New York. For the very reason that we feel that now, when we are getting our reforestation problem going, and in order to get it going more rapidly we are not considering the question of supervision of the cuttings and slashings and the burning of slashings and the other propositions of privately owned lands, it is preeminently necessary to keep away from these controversial constitutional questions, and we say "Here are the fundamental, noncontroversial propositions that the best minds have arrived at in the consideration of these questions," and we give them to you urging a speedy answer.

Mr. RAKER. Did the committee go into the legal feature, that if the Federal Government desired it, it could to-day pass a law requiring private individuals who own timberlands to cut the timber on their land so as not to destroy the watershed that now feeds the navigable streams and thereafter they would have to cut their lands as the Federal Government does it?

Mr. CLARKE of New York. Yes.

Mr. LITTLE. What three States does the gentleman refer to?

Mr. CLARKE of New York. Massachusetts, Louisiana, and New York.

Mr. LITTLE. And Pennsylvania?

Mr. CLARKE of New York. Yes.

Mr. ALMON. Mr. Chairman, will the gentleman yield?

Mr. CLARKE of New York. Yes.

Mr. ALMON. The gentleman answered a former question that I propounded, and said that about 80 per cent of the lands that are to be reforested are owned now by private individuals. What interest would the Federal Government have in that private property after it was reforested, or what control or supervision would it have over it, and what interest would it have in it other than the general interest that it owes to the public?

Mr. CLARKE of New York. Primarily it is a general interest.

Mr. ALMON. If the Government goes into the reforestation of cut-over lands owned by private individuals, what interest would the Government have in that land or timber, or what supervision would the Government have over it, or what interest would the people of the United States have in it other than the general interest which it has in preserving the timbers of the country?

Mr. CLARKE of New York. That is primarily the purpose of the bill.

Section 6 amends the Weeks Act, authorizing the Secretary of Agriculture to recommend and authorize for purchase such forested, cut-over, or denuded land within the watersheds of navigable streams as, in his judgment, may be necessary to the regulation of the flow of navigable streams or for the production of timber, and to report to the National Forest Preservation Commission the result of such examination. It does not remove the limitation upon the acquisition, and it must be within the watersheds of navigable streams. If you will study section 6, I think you will find the answer to some of the questions just asked me.

Mr. RAKER. Mr. Chairman, will the gentleman yield for another question?

Mr. CLARKE of New York. Surely.

Mr. RAKER. What I contend for is this, and there is no such law on the statute books: In the privately owned timberland where the land has been denuded—and there are privately owned lands that have not been denuded—that timber holds the water which makes a constant supply which feeds the stream and makes the river navigable.

Mr. CLARKE of New York. Yes.

Mr. RAKER. Therefore if the Federal Government passed a law requiring a man to cut timber so as not to destroy the natural development of it and the watershed, he would have to cut it in such a way as not to produce barren land that dries up our rivers.

Mr. CLARKE of New York. Yes. This section 7 supplements the right to purchase on the part of the Government by authorizing the Government to accept by gift, bequest, or devise such lands as may be offered. It is to be noticed that over 400,000 acres were involved in one case where the owners were willing to turn that cut-over land over to the Government and the Government had no power to accept it. That is where you can handle it in an economical way as a forest region. This provides for the acceptance of land. Even these great lumbermen are public spirited, and they realize that if the Federal Government does not take a hand in this work they can not well do it all.

Mr. RAKER. Mr. Chairman, will the gentleman yield again for a question?

Mr. CLARKE of New York. Yes.

Mr. RAKER. This question is so vitally interesting to the Western States that I am sorry that I was not able to present the facts and data that I have to the committee. Would your committee be willing now to study, preparatory to inserting a proviso in this bill, the question whether counties in a State might feel assured that they were going to be protected by all the land that is turned over to the Federal Government and cut-over land, and that the Federal Government will repay to these counties a fair proportion of what would be the tax on this land if it remained in private ownership?

Mr. CLARKE of New York. I can assure the gentleman that, so far as our committee is concerned, we shall be very glad indeed to give consideration to any data which the gentleman from California may submit.

But what I can not understand is that with all the advertised hearings of this select Senate committee and our hearings in the consideration of this bill that that data was not submitted to us or the select committee of the Senate at the time it held

hearings in the gentleman's own State. I will say this to the gentleman, however, that the committee is willing to give consideration to any data which will throw light or prove helpful on this subject.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. CLARKE of New York. Yes.

Mr. SHALLENBERGER. Has the committee given consideration to the probable cost of the operation of this bill during a period of years?

Mr. CLARKE of New York. The bill authorizes an appropriation of $2,700,000 as an annual appropriation. This has the approval of the Bureau of the Budget.

Mr. SHALLENBERGER. That appropriation is not contained in the bill?

Mr. CLARKE of New York. Only the authorization is there.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. CLARKE of New York. Yes.

Mr. BLACK of Texas. In a hurried reading of the bill it occurs to me—and I imagine that is the intention of it—that $100,000 is to be spent in furnishing seed and seed plants to private interests without compensation to the Government. Is that the meaning of the bill?

Mr. CLARKE of New York. Yes.

Mr. BLACK of Texas. Would the gentleman mind stating, briefly, a reason as to why the Government should furnish these things free to private owners?

Mr. CLARKE of New York. Suppose the Government has a tract of land with trees growing on it and there is a piece of cut-over land adjoining the Government land which the Government wants to use for the purpose of developing a watershed, growing trees, or something like that, is it not right that the Government should furnish the plants and the seed to accomplish that purpose? The State of New York is to-day furnishing almost 9,000,000 young trees for the people of the State to plant, and the State is doing that at anywhere from 50 cents to $2.50 per thousand.

Mr. BLACK of Texas. I was wondering whether this bill provided for an absolutely free gift or whether it provided for a sale at cost, such as the gentleman has indicated is done by the State of New York?

Mr. CLARKE of New York. It is contemplated that they shall be distributed at cost.

Mr. BLACK of Texas. That would suit me perfectly; but I would not like to see the Federal Government go into the business of furnishing tree plants without compensation. The gentleman states it is the plan to charge the cost of these things.

Mr. CLARKE of New York. Oh, yes.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CLARKE of New York. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Chairman, I reserve the balance of my time. Is there any opposition to the bill? If not, I yield 10 minutes to the gentleman from Louisiana [Mr. ASWELL]. [Applause.]

Mr. ASWELL. Mr. Chairman, in view of the fact that I personally believe we should not delay this debate and in view of the further fact that extensive hearings were held on this bill, I shall not take much time in discussing it. At our hearings not a discordant note was heard and not a word of opposition or criticism. Everything was unanimous, and every person who appeared before the committee and every member of the committee has favored this bill. In all the correspondence I have had and in all the letters and telegrams I have received there has not been a word of objection to this bill. As far as I have been able to ascertain, the opinion throughout the entire country is uniform, unanimous, and urgently in favor of the passage of this bill. That being the case, Mr. Chairman, I see no reason for discussing it, debating it, or prolonging the discussion in any way.

I merely rise to give my most earnest and cordial indorsement of the bill, and hope it may be speedily passed. [Applause.]

Mr. TILSON. Will the gentleman yield?

Mr. ASWELL. Yes.

Mr. TILSON. I am very much interested in the bill and have been interested in this kind of legislation for many years. Section 3 of the bill deals with the question of taxation, which to me seems to be the greatest obstacle in the way of satisfactorily carrying out legislation of this character. Is there any hope of the States generally taking a reasonable, far-sighted, and, I might say, statesmanlike view on this question of the taxation of land that is being reforested?

Mr. ASWELL. That question, I will say to the gentleman from Connecticut, was discussed quite fully in the committee, and the information the committee received was to the effect that the interest in taxation favorable to this sort of reforestation is rapidly increasing throughout the country, and that the effort of the bill to have a study made of the taxation laws of those States that are progressive, and laying that information before the other States will have a great influence in bringing all the other States into line and result in hastening the reforestation of the land.

Mr. TILSON. It would seem to me that would be the most useful kind of work to be done in connection with this bill, because without a wiser and more far-sighted taxing policy than that which now generally prevails it will be almost impossible to reforest our land.

Mr. ASWELL. That is as far as the Government can go in that direction.

Mr. HASTINGS. Will the gentleman yield?

Mr. ASWELL. Yes.

Mr. HASTINGS. What States have reforestation laws?

Mr. ASWELL. Louisiana has the best in the world, as well as Massachusetts and New York.

Mr. HASTINGS. Those three?

Mr. ASWELL. Yes.

Mr. KINCHELOE. If the gentleman will permit, the hearings show that there are only 12 States in the Union which have not any kind of a reforestation law. Here are some of the States which do not have such a law: South Carolina, Georgia, Mississippi, Arkansas, and Missouri.

The CHAIRMAN. The Clerk will read the bill.

Mr. RAKER. Mr. Chairman, I would like to be heard on the bill.

Mr. BLANTON. I was going to claim time in opposition to the bill, but the gentleman from Iowa promised to yield me five minutes. If there is any question about it, I claim an hour in opposition to the bill.

The CHAIRMAN. That is not a matter of argument.

Mr. BLANTON. The gentleman from Iowa promised to yield me five minutes.

Mr. HAUGEN. Does the gentleman want it now?

Mr. BLANTON. Yes; I would like to have it now.

Mr. KINCHELOE. If the gentleman from Texas is going to run the Agricultural Committee bills when they are on the floor and shut out the members of the committee, like the chairman did a while ago, as far as I am concerned you can take this agricultural legislation and go with it. But I want to serve notice on you now that you have got to "tote" fairly with members on the Agricultural Committee representing this side in the consideration of its bills in this House.

Mr. HAUGEN. The gentleman has had time.

Mr. KINCHELOE. I did not have any time at all.

The CHAIRMAN. The gentleman from Iowa is in charge of the bill.

Mr. HAUGEN. The chairman is not supposed to go around and ask everybody about wanting time.

I yield 10 minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. I understand the gentleman from Iowa has an hour on this bill and is yielding his time. Now, there is an hour that can be used otherwise on the bill, is there not?

The CHAIRMAN. Only by some one who secures recognition who is opposed to the bill.

Mr. RAKER. I want to call the Chair's attention to the fact that it has been ruled at least two or three times that a man does not have to say he is opposed to the bill in order to use the two hours on the bill.

The CHAIRMAN. That situation has not arisen yet, but it is the opinion of the present occupant of the chair that in order to claim recognition on Calendar Wednesday it must appear that the person asking for recognition is opposed to the bill.

Mr. BLANTON. Mr. Chairman, I am opposed to it, but I only want five minutes. That is all I want, and I want to get it one way or the other. [Laughter.]

Mr. ASWELL. Mr. Chairman, the chairman of the committee yielded me 10 minutes and I only used 3, and I will yield it to either one of the gentlemen.

The CHAIRMAN. Does the gentleman from Louisiana yield back his time?

Mr. ASWELL. To the control of the chairman.

The CHAIRMAN. The gentleman yields back five minutes. The gentleman from Iowa has control of the time.

Mr. HAUGEN. I yield 10 minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Chairman, I am not going to use 10 minutes of time. I am going to proceed in a way similar to the gentleman from Louisiana.

I want to say in the beginning I do not think there is a bill on either calendar of this House, barring none, that is as important as this bill not only to the present generation but to the generations in this country to follow. [Applause.] I want to say to you gentlemen that after months of hearings by the Committee on Agriculture not only in this Congress but in the last Congress, after reading the report of the special committee of the Senate which went over the country and held hearings, as the gentleman from New York has stated, hearing all the interests of the country, I think it is a crime and a shame for this American Congress to neglect the reforestation of the lands of this country for the benefit of the generations yet unborn. [Applause.]

I am not going into the details of the bill now, but will do so under the five-minute rule. The bill is a cooperative system in connection with the States, starting like we started the good-roads proposition. There are only 12 States in the Union that do not have some kind of reforestation laws. I say it somewhat with shame that four years ago Kentucky, my State, repealed its reforestation laws, but the State saw its mistake and the legislature which adjourned a few days ago reenacted a reforestation law.

A startling statement made by the Chief Forester of the Agricultural Department shows that there are 60,000,000,000 feet of lumber that are taken from the domain of this country in a year, and of that 60,000,000,000 there are 7,000,000,000 feet that go up in flames and in ashes. The main purpose of this bill is that the appropriation carried in it is to protect the cut-over lands and the timbered lands from fire, and whenever you have complete protection of that kind you are then starting something that is constructive not only for the preservation of the timber that is merchantable to-day but for the cut-over lands of the country. You can not reforest a tract of land when it is burnt over every year. That is one thing that this bill proposes to accomplish.

The Weeks bill has been a great bill, and I think one of the unfortunate acts of recent Congresses has been cutting down that appropriation. That bill provided for the buying of land for the protection of watersheds and also for protecting the timberlands of the country. This Congress and the Congress before has cut that appropriation very materially. It used to be $1,000,000 a year and they have cut it down to only $400,000. That is the only national appropriation we have for the protection of the timbered and cut-over lands of this country. Let me show you what the States do under that bill even with the measly sum of $400,000. The States of this Union have responded and have appropriated $1,900,000, and the private owners of timbered lands have contributed $1,000,000. In other words, we are spending and getting a protection costing a little over $3,000,000 for the timbered and cut-over lands of this country with an appropriation of only $400,000 out of the Federal Treasury. I submit to you that if the States of the Union are sufficiently interested to cover that appropriation practically 8 to 1, if you enact this law, which has an appropriation of $2,700,000, saying to every State in the Union, including the 12 that have no reforestation laws, just as Uncle Sam says to them in the road law, "Every time you put down a dollar for the reforestation and protection of your timbered lands Uncle Sam will put down a dollar," the result will be astounding. With the expenditure of this measly sum of $400,000, which is now available, the hearings show they are protecting, as best they can, 160,000,000 acres of forest land in this country, and yet this Congress has neglected for all these years to enter upon a constructive policy which means the reforestation of the cut-over lands of millions of acres and to protect the virgin forests from devastation by fire and other causes.

Another provision is to encourage the reforestation of the wood lots throughout the country. These timbered lands are so far from the center of population that the freight rates on the timber after it is sawed is practically more than the timber is worth when it is cut down.

We should reforest these timber lots throughout the country and call the attention of the farmers to the importance of it.

I believe if you will read this bill you will agree with me it is a constructive bill and will agree that it will do more for the reforestation of the cut-over lands of this country than any other bill that has ever been before the Congress of the United States.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. BLACK of Texas. In reading section 4 of this bill it looks to me as though the bill contemplates that the Federal Government will furnish tree seed and plants to private parties free of charge. I am wondering if that is a wise thing to do.

Mr. KINCHELOE. That question came up in the committee, and if the gentleman will notice the committee amendment he will see that it only applies principally to windbreaks, shelter belts, and farm wood lots.

Mr. BLACK of Texas. It goes ahead and adds different items, and it seems we are going far away to put the Federal Government into the business of furnishing tree plants to the big lumber interests of the Nation.

Mr. KINCHELOE. I do not think it contemplates that.

Mr. BLACK of Texas. And I will not be a party to it if I am the last Member on the floor of the House.

Mr. KINCHELOE. The gentleman has that privilege, but it does not contemplate that; it is to encourage the farmer who owns the small wood lot or windbreak in going ahead and protecting his wood lot—and there are thousands of them—and encouraging them to the extent of furnishing plants and seeds in order to keep it intact.

Mr. MOREHEAD. Will the gentleman yield?

Mr. KINCHELOE. I will yield to the gentleman.

Mr. MOREHEAD. I am seeking information. Is it not a fact that a large percentage of these lands is now in the hands of large interests who acquired title without paying the Government anything, and if we reforest these lands will we not again be making them a present in a short time?

Mr. KINCHELOE. This is to be done in cooperation with State legislation. The State legislature has got to pass laws to be entitled to participate in the Federal fund, and that will be aided by private contributions which has amounted to over a million dollars for the measly sum of $400,000.

Mr. CLARKE of New York. And may I point out that the States are not losing anything, even taking the statement of the gentleman as absolutely true. The moment you grow trees upon lands you increase the taxable income of the State.

Mr. MOREHEAD. I was referring to the large tracts of land, for instance on the Pacific coast, where I find there is a disposition of the State to charge a tax on stumpage and otherwise to increase the taxes rather than to encourage reforestation.

Mr. KINCHELOE. That will be a question for each State to work out just as it is under the Federal road act.

Mr. LEAVITT. Will the gentleman yield?

Mr. KINCHELOE. I yield.

Mr. LEAVITT. I want to call attention to the fact that it takes a tree longer to grow into maturity than the life of a man and in order to encourage the use of these lands even in private ownership that are more feasible for producing timber than for agricultural purposes it is necessary for the Government to act not only now but through the lifetime of many men and look forward to encouraging the men who own land privately and keep the growing timber in order that future generations may be supplied with timber.

Mr. KINCHELOE. To show the progress that has been made with what little legislation Congress has enacted, take the Weeks law. The gentleman from Oregon [Mr. HAWLEY] is a member of that commission, and that commission has bought with the appropriations heretofore made by Congress amounting to 2,225,000 acres of land. At the hearings before the Agricultural Committee in the last session of Congress when we had the Snell bill before us I think the gentleman from Oregon [Mr. HAWLEY] testified that that land that they have bought under the provisions of the Weeks bill is worth from 50 to 100 per cent more than the Federal Government paid for it. Why? Because they have been protecting it, keeping fires away from it, and therefore it has been reforested to such an extent that it has been a wonderful success.

Mr. WATKINS. Will the gentleman yield?

Mr. KINCHELOE. I will yield to the gentleman.

Mr. WATKINS. In the gentleman's time I want to submit one statement. One of the objects of the bill that will justify every Member of the House voting for it is best stated by the Department of Agriculture, as follows:

The average forest-fire damage in Oregon and Washington for the five-year period amounts to $1,580,492, of which $1,098,060 was for timber destroyed; in 1922 it amounted to $3,081,551, of which

$1,660,669 was the value of timber damaged and destroyed. For Oregon only the average amount of damage for a five-year period is $544,691—$443,074 for timber alone—while for 1922 the total loss due to forest fires was $480,891, of which $223,151 was timber destroyed.

I say that fire prevention alone would justify the passage of this bill.

Mr. KINCHELOE. That is the major thing in the bill. I have no more interest in the bill than you have, but it is a national problem and I do not believe there is a more important bill on the calendar of this House than is this, and it ought to be passed at the earliest possible moment. [Applause.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the bill.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. BLANTON. I am. Mr. Chairman, I want to apologize to my distinguished friend from Kentucky for butting into his Agricultural Committee's bill. I know how he feels about it; he feels that all the balance of us are outsiders and have no business fooling with his bill.

Mr. KINCHELOE. If the gentleman wants my opinion, I think he sometimes opposes a bill in order to display his oratory.

Mr. BLANTON. I am apologizing to my friend now for daring to oppose it. I am not out of humor about it, and I am sorry that that idea possesses the gentleman.

There is a bad governmental policy in this bill that I am going to convince my friend of, and I believe others here will be convinced of it. I am going to use just a few minutes in doing it, if I am not interrupted. If the gentleman had not pushed me to it, I was going to get only five minutes from the chairman of the committee, but whenever it is intimated that the balance of us have no right to the floor because it is a bill from the Agricultural Committee, then I am going to resort to the rules of the House to obtain my rights.

If the Ways and Means Committee brings in a bad bill, I reserve the right to fight it, and that is the biggest committee in the House. If the Committee on Appropriations, the next largest one, brings in a bill that I think is bad, I shall fight it without hesitation. No committee in this House can get so big that when it brings in a bill I think is bad I shall be prevented from fighting it.

Mr. SCHAFER. Mr. Chairman, I make the point of order that the gentleman is not discussing the bill.

Mr. BLANTON. Mr. Chairman, I shall get down to the bill. That is a good point of order. My friend is learning the rules. I sustain his point of order. [Laughter.] Let me show you the first bad feature in the bill. We are creating an annual appropriation and revolving fund for all time to eternity in this bill. If you read section 3, you will see that it provides that every year from now on, and that is from now to eternity, annually, we shall authorize an appropriation of $2,500,000, to be used by this Secretary. That is to be an annual appropriation of $2,500,000, and any part unexpended becomes a revolving fund.

Mr. ALMON. Does the gentleman mean that it is revolving, or does it all go out?

Mr. BLANTON. If it is not all spent it is still in his hands, with $2,500,000 more every year.

Mr. ALMON. Then it will not revolve.

Mr. BLANTON. If there is any left, it revolves. Read section 4, and you will find there is another annual appropriation provided there of $100,000 each year for the Secretary to use every year from now until our grandchildren grow gray, for the purpose of furnishing forest seeds, and so forth. Then read section 5 of the bill, and you will find another annual appropriation authorized there of $100,000 for the Secretary of Agriculture every year from now to eternity, which he may lend to the farmers in order that they may build windbreaks, and so forth. I am not in favor of any such system of thus authorizing annual appropriations for all time to come. I am in favor of this bill, and I mean by that I am in favor of the main fundamental policy of the bill. However, I am not in favor of these lump sum annual appropriations that are provided for in the bill which shall extend beyond our term of office from now to eternity. When I voted for the good-roads proposition I made up my mind then that that was the last of the kind that I was going to vote for. I have seen this revolving fund of over $100,000,000 supplemented by additional appropriations annually, kept in the hands of the Shipping Board, and wasted every year extravagantly, and I made up my mind that I would not vote for another piece of legislation of that kind. You can do it, if you wish.

I regret to make my distinguished friend from Kentucky [Mr. KINCHELOE] mad by butting into his bill. I hate to make it appear to my other colleagues here, as it does to him, that it is a pleasure to get up here and speak, when it is an effort and hard work. I do not know how much longer I am going to last. I have seen about 40 of my colleagues die here, and I may be the next one, but I would die in a good cause, and my friend from Kentucky may be sorry some day that he intimated that the hard work I do is to get notoriety. It is for the benefit of my country that I do this hard work.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WATKINS. In view of the fact that less than one-third of our virgin timber remains, and in view further of the fact that in one State, my own, we lose more in dollars than this whole bill provides, does not the gentleman think it is about time we did something to prevent fire alone, eliminating all of the other provisions?

Mr. BLANTON. I am not objecting to your doing anything, if you strike out the word "annually" in sections 3, 4, and 5.

Mr. WATKINS. And the gentleman will not say another word about it?

Mr. BLANTON. No; not another word.

Mr. WATKINS. And will vote for the bill?

Mr. BLANTON. Yes. There are three places in the bill where you should strike out the word "annually." It should be struck out in section 3 and out of section 4 and out of section 5. If you do that, I will vote for your bill.

Mr. WATKINS. I know; but fire occurs every year.

Mr. BLANTON. Will there not be a Congress here next year? Does the gentleman think that this is the last Congress we are going to have?

Mr. WATKINS. Some people think it may be the last one that we will be Members of.

Mr. BLANTON. If I live, it will not be the last one that I am a Member of, I promise the gentleman, for my constituents at home are backing my work here. We will be back here next year and the year after next. There will be a Congress here as long as the Republic lasts. Why do we not let the succeeding Congress attend to its business in the future? "Sufficient unto the day is the evil thereof."

Mr. SUMMERS of Washington. Does not the gentleman think it would be worth a good deal if we could avoid going through with this thing every year? If it is a good thing to do it one year, it ought to be for the next and the next. Let us conserve the forests, and let the gentleman conserve his health. Just a minute ago I heard the prediction that the gentleman could not possibly hold up very long under the strain under which he is putting himself here. We do not want to lose him. Let us save the forests and save the gentleman as well.

Mr. BLANTON. I will tell the gentleman how I am able to keep up. When we get through here this evening the gentleman will probably go to a reception or a dance——

Mr. SUMMERS of Washington. Oh, now——

Mr. BLANTON. For a rare change, I am going to take a nice drive over here in Maryland to-night and in that way get new blood in my veins.

Mr. CLARKE of New York. Do I understand the gentleman is going to follow the gentleman from Maryland over there?

Mr. BLANTON. No; I am going to follow our distinguished friend from Florida for a few hours.

Mr. SUMMERS of Washington. The gentleman does not know that the gentleman from Washington goes to a fox chase oftener than he does to a dance. He does not happen to be in the same group mentioned by the gentleman.

Mr. BLANTON. I am glad to hear it.

Mr. STEPHENS. Does not the gentleman think we ought to have forest conservation in order that we can go on a fox hunt?

Mr. BLANTON. That is one good thing at least about the bill, that it gives cover for foxes so that we may have a chase two or three times a year. I am not going to take up any more of your time, but, in conclusion, I want to say this: That if you strike out that word "annually" Congress is going to be in session and we can provide these funds every year if Congress sees fit, but we should not make this an annual fund.

Mr. TILSON. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. TILSON. Does the gentleman read in the language of paragraph 4, for instance, that we are to make an annual appropriation for all time?

Mr. BLANTON. It says "annually."

Mr. TILSON. We authorize the appropriation to be made annually, but the appropriation will have to be made every year.

Mr. BLANTON. Let me ask the gentleman this, because he is one of the strong men of this House——

Mr. TILSON. I thank the gentleman.

Mr. BLANTON. If we pass a legislative bill authorizing the Appropriations Committee to make an appropriation, does the gentleman from Connecticut believe that committee will not do its duty?

Mr. TILSON. Yes; but if hereafter we do not think it should be made we do not have to appropriate; we can simply turn it down.

Mr. BLANTON. It has never been turned down.

Mr. TILSON. Let us assume——

Mr. BLANTON. But Congress every year, when we have authorized it in a legislative bill, puts the appropriation in the appropriation bill.

Mr. TILSON. But the gentleman admits we can stop any year if we think it is not wise.

Mr. BLANTON. We can not stop without repealing the legislative act.

Mr. TILSON. If we do not think we should appropriate for that purpose, we can fail to appropriate any year and stop it.

Mr. BLANTON. The Appropriations Committee always obeys legislative mandate. The gentleman is getting technical now.

Mr. TILSON. I am not technical, but I am stating the fact.

Mr. BLANTON. This bill is the legislative mandate to the Appropriations Committee.

Mr. RUBEY. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. RUBEY. Is it the gentleman's opinion that we ought to pass this bill every year?

Mr. BLANTON. It is my opinion when the Forest Service needs money we ought to do with it like we do with the War Department, with the Navy Department, with the Post Office Department, the Treasury Department, the Commerce Department, and every department of the Government—give them what they need every year. When we are providing for them we can provide for the Forest Service just as well.

Mr. RUBEY. If the gentleman will yield further, you can not give that which is not authorized by law. Here we are authorizing by law, and it comes up to this body annually to give the money if we want to do so.

Mr. BLANTON. I know it; but I do not like that kind of legislation, and I am going to vote against it. I think it is one of the kind of measures upon which we ought to go on record. I am not going to ask for a roll call this evening with some of our friends absent, but I am going to try to get the chairman not to have any vote on this bill this evening, because it is one bill that we ought to have a record vote on as to whether or not we shall adopt this kind of policy.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SCHAFER. I understood the gentleman made the remark that he did not like this kind of legislation. Is there any legislation that comes before this House that the gentleman likes?

Mr. BLANTON. Yes. I have several good bills here I introduced myself, and I hope the gentleman will vote for them. [Laughter.] I reserve the remainder of my time.

Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. RAKER], 5 minutes to the gentleman from Texas [Mr. BLACK], and the remainder of my time to the gentleman from Iowa [Mr. HAUGEN].

The CHAIRMAN. The gentleman from California is recognized for 10 minutes.

Mr. RAKER. Mr. Chairman, there are various viewpoints on this subject. The committee is trying to do a splendid thing. First, it has been suggested that a great deal of forest land has been destroyed by fire. Of course my distinguished friend from Oregon [Mr. WATKINS] knows that the authorization for appropriations for fire protection now is unlimited, so that we can appropriate any amount of money desired for protection of the forests against fire. That question is not involved in this bill, because we have the legislation now. All we need is the money and the men.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes; I yield.

Mr. TINCHER. There is not any organization for the matching of dollars by the State for ours?

Mr. RAKER. No. I am talking about the general appropriation.

There are so many things for one to attend to that one can not attend to them all, but I think one of the fundamental things that ought to be done by this Congress, and should have been done years ago, is to pass a law requiring private individuals to so cut the timber on their lands as not to absolutely destroy it as well as destroy the watersheds of our country. It is a matter of keeping up stream flow and keeping up navigation, and there is not the slightest doubt in my mind but that it is constitutional and ought to be on the statute books. Many private individuals who now own timber are cutting it in accordance with the general rules and regulations of the Forest Service. This I have observed throughout the West in the last year.

Three years ago I spent practically two months in the forests of California and what little there is left of them in Nevada and in Washington and Oregon, studying this subject. Now there is involved in this bill a feature that is not provided for; I guess it can be done in another bill, though I wish the committee would not object to it going in this bill.

The committee could act on it now. There is a great deal of cut-over land in the West in the public-land States that is owned by private individuals. They are paying taxes on it, and they are hardly getting enough return to pay the taxes. They are renting it for grazing purposes, barely receiving enough to pay the taxes assessed thereon. They are anxious, of course, to be relieved of this land and the burden. Now, what we ought to do and what is the fair thing to do is to keep the timber on the land, not for reservations in the way of parks, for military, or other functions of that kind, but to keep it as a proprietary owner would keep it for the benefit of his family, which in this case consists of 110,000,000 people in the United States. We are maintaining a greater part of the civil government in keeping these forests in shape and in exercising police control of the country in which the land is situated. The Government is doing that now from receipts, not from the contributions of the general public, but by money earned right on the ground, which we police and maintain for the Government, and we return to the States a certain amount for roads and some money for school purposes.

What the people are anxious about and desirous of is to obtain for the Federal Government this cut-over land, which to a great extent we are policing and controlling now, where we are maintaining a fire brigade to protect it, because we protect a tract of Government land over here, and another one over here, and a privately owned piece of land may lie in between, and we have got to watch that; so that our people are paying out the money. I have been hoping to get the data together so that I could place before the committee the results of the studies and investigations I have made on the subject, and the last letter I received on this subject was from the officer in charge of public lands in the State of Louisiana.

Our people are in favor of reforestation projects and of putting the land back where it ought to be; but we feel, when the land is owned by the Government, not for the use of the people of my country or my State or of adjoining States but for the people of America, just as in the case of a private tax holding, that when it is proposed to take over privately owned land, where this cut-over land is returned to the Government—and it ought to be, because we can now get it cheaply—the Government, out of the General Treasury of the United States, ought to pay approximately what the individual owner would pay in taxes. For instance, here is a tract of land owned by private individuals and it is assessed at a certain value; here is a tract of land lying side by side and identically the same, owned by the Federal Government and held for all the people, not for governmental use but for all the people's use; the Government ought to return to the county the same proportion of taxes as the private individual pays by virtue of taxation, so that we may maintain our roads, our schools, our civil government, and pay our expenses.

I was in hopes that when this legislation came up—upon which this committee was acting last year and took testimony—they would be able to consider this. I have collated the testimony of the men who appeared before the committee and I find that practically every one testified that when the Government obtained the title to the land, the Government, out of the Federal Treasury, should reimburse the county in proportion and at practically the same rate as the private individual pays taxes to the county for the land he owns. Now, is not that fair, gentlemen?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. May I have three minutes more?

Mr. HAUGEN. I yield the gentleman three minutes more.

The CHAIRMAN. The gentleman is recognized for three additional minutes.

Mr. RAKER. That will then put the Forest Service where it should have been all the time and that would put the cut-over land in the class where it belongs.

I want to call the committee's attention to this fact: But very little land in the Western States is like the land in the Eastern States. You can not use the land for agricultural purposes. Cut over once and it is barren, unless it is taken care of. Even

in my short time I have seen thousands and tens of thousands of acres of land with virgin timber on it; the timber was cut off, and to-day the land is as barren as this floor.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. WHITE of Kansas. Who are the private owners to whom the gentleman refers?

Mr. RAKER. There are many, scattered over the Western States.

Mr. WHITE of Kansas. Are they timber companies which have denuded this land?

Mr. RAKER. Yes; that is right.

Mr. WHITE of Kansas. And now you want the Government to buy that land of them and pay the taxes on it, do you?

Mr. RAKER. What do you do in this bill?

Mr. WHITE of Kansas. I am just asking the gentleman.

Mr. RAKER. Is not that just exactly what is in this bill? Is not that so, Mr. Chairman?

Mr. HAUGEN. Yes.

Mr. RAKER. The chairman answers yes. That is in this bill, unlimited in acreage and amount of land. That is right, is it not, Mr. Chairman?

Mr. HAUGEN. We have been purchasing land for the last 10 or 12 years.

Mr. WHITE of Kansas. I am interested in that point. Just what objection has the gentleman to allowing the ownership of this land to remain where it is vested and let them pay the taxes to build your roads and schools?

Mr. RAKER. What I want to say to the gentleman is this: I have seen land within the last 15 years which has been cut over and I have seen a growth of new timber; I have seen in 40 years in California trees from 2 to 3 feet in diameter which have grown up after the land was cut over, but the land was taken care of. There are tens of thousands of acres of pine land which have been cut over; the land has been properly cared for; the fire has been kept out, and in 40 or 100 years there will be a growth of timber that will be of great commercial value and of untold value to the people of the United States.

What I am suggesting is that this privately owned land, this cut-over land, should be turned over to the Government, as we can get it for a small price, and the people of America can afford to hold that land and have it reforested, as it ought to be. But the Federal Government, out of the General Treasury, ought to return to the county in which the land is held by the Federal Government for this purpose a reasonable amount of money in order to complete the amount of money it would have received had the land remained in private ownership for taxation.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. SHALLENBERGER. The provision to which the gentleman refers, requiring the Federal Government to pay taxes on the land after it acquires it, is not in the bill.

Mr. RAKER. That is the trouble with it.

Mr. SHALLENBERGER. It is not in the bill, but the gentleman wants it in the bill.

Mr. RAKER. Yes; and I have a bill pending for that purpose. I say that is what ought to be in it and the Government ought to pay this proportion to the county. The Federal Government owns the lands, but the Federal Government is not holding it for park purposes or for military purposes. It is holding it for the benefit of the American people and the expense of it ought to come out of the Treasury of the United States.

I am for this kind of legislation, but I do hope the committee will permit the adoption of the amendment I have suggested before the bill is finally passed.

The bill I refer to was introduced by me on December 5, 1923, and is as follows:

A bill (H. R. 148) to provide compensation in lieu of taxes for the several States with respect to certain lands of the United States within the borders of said States, and for other purposes.

Be it enacted, etc., That when used in this act, unless the context indicates otherwise, the term "lands of the United States" means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled "An act to repeal timber culture laws, and for other purposes," and acts amendatory thereof and supplemental thereto.

The term "Secretary" means the Secretary of the Interior.

SEC. 2. That the United States Government hereby assumes, subject to the conditions of this act or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals.

SEC. 3. That the Secretary shall, as soon as practicable after the passage of this act and annually thereafter, at such time of the year as the legislature of the State may designate, send a statement to the governor, or such other officer as the legislature may designate, of every State in which such lands are located, describing the location, size, and character of all lands of the United States within the border of such State, together with such information respecting such lands as he may possess which may be useful in properly determining their value.

SEC. 4. That no payments shall be made to any State under the provisions of this act until such State has, with respect to the lands of the United States in question, acting through its officers and agents duly authorized therefor—

(1) Properly assessed such lands of the United States at a rate no higher than that at which other similar lands within such State are assessed.

(2) Applied to such assessed valuation a factor no higher than the tax rate applied to the assessed value of other similar lands within such State.

(3) Secured in this manner, a figure from which shall be deducted any allowances made by such State to its taxpayers in similar cases for prompt payment of taxes or for any other reason.

(4) Certified the figures so reached with respect to each piece of such lands of the United States, accompanied by statements as to the methods employed in arriving at such figures, to the Secretary.

(5) Furnished the Secretary with such further information as he may request respecting the methods employed in valuing and assessing such lands of the United States and in assessing and taxing other similar lands within the State.

(6) Complied with such rules and regulations as the Secretary may prescribe for carrying out the provisions of this act.

SEC. 5. That the Secretary shall receive and examine the figures submitted by the States under the provisions of section 4. In the event that any State shall submit figures with respect to any lands of the United States, based (1) on a higher valuation than the Secretary believes to be the actual value of such lands, or (2) on a higher rate of assessment or of taxation than he believes is employed in the case of other similar lands within such State, or (3) in whole or in part on any other improper consideration, he shall so revise and reduce such figures as to allow and compensate for such error or miscalculation. Such revised and reduced figures shall be final and conclusive when so determined by the Secretary, except that he may, in his discretion, permit any State affected by such revision or reduction to offer such evidence and argument respecting the matters in question as he may deem advisable, after which the Secretary may change his determination in such manner as he shall deem proper.

SEC. 6. That the Secretary shall certify to the Secretary of the Treasury annually and as promptly as practicable with respect to every State receiving benefits hereunder the amounts to which such State is entitled under the provisions of this act. The Secretary of the Treasury shall thereupon cause such amounts to be paid to the designated officers of the States indicated. Whenever the Secretary shall determine that any State has, for any reason, been paid more than the amounts to which it is entitled under the provisions of this act, he shall deduct such overpayments from the next amounts certified to the Secretary of the Treasury for payment to such State.

SEC. 7. That no payments shall be made to any State, under the provisions of this act, with respect to any such lands of the United States which do not remain such for the entire tax year of the State in which they are located, nor with respect to any such lands of the United States which the State might lawfully tax by reason of the fact that the beneficial interest in such lands is not vested in the United States.

SEC. 8. That the Secretary shall have power to prescribe rules and regulations for carrying out the provisions of this act.

SEC. 9. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of the Treasury from time to time to make the payments required by this act.

The CHAIRMAN. The time of the gentleman from California has expired, and the gentleman from Texas [Mr. BLACK] is recognized for five minutes.

Mr. BLACK of Texas. Mr. Chairman, sections 1 and 2 of this bill relate to fire prevention and provide a system of cooperation between the Federal Government and the several States, and authorizes a sufficient appropriation therefor. Of course, I think that is a legitimate function of the Federal Government. We are doing that now. Protection of private property by public agency from fire destruction is a proper governmental function, and I am in sympathy with it.

Mr. WATKINS. Does the gentleman say we are now preventing fires and protecting the timbered lands, and doing that now?

Mr. BLACK of Texas. On forest reserves we are doing a great deal of it. We have employees on these great forest reserves in the West, who are there for this very express purpose.

Mr. WATKINS. We are not preventing fires. We may be authorized to do it, but we are not doing it.

Mr. BLACK of Texas. I say we are doing the best we can, with the number of men employed for that purpose.

Mr. RAKER. Will the gentleman yield right there for a question?

Mr. BLACK of Texas. Yes.

Mr. RAKER. Out in the western country last year airplanes flew over the national forests and were paid by the Federal Government to prevent fires and put them out.

Mr. BLACK of Texas. Yes.

Mr. WATKINS. It was done just one summer to try it out by the War Department. Last summer it was not done and millions of dollars of property was destroyed and is destroyed every year, and we are not preventing forest fires.

Mr. BLACK of Texas. If the gentleman will permit, I, of course, did not mean to say that we were doing as much along that line as we should do, and the gentleman, no doubt, understood me to say that I favored that part of the bill now before us which authorizes the Secretary of Agriculture to make greater efforts in this line by means of cooperation with the several States.

Mr. RAKER. Will the gentleman yield right there just for another question?

Mr. BLACK of Texas. Yes; I yield to my friend from California.

Mr. RAKER. The reason we did not protect them last year—and the western people were in favor of it—was because there was not the money appropriated for that purpose which was authorized and could have been appropriated if they had wanted to appropriate it.

Mr. WATKINS. In other words, the administration bought garden seed and sent them out, but would not take half of that sum and help to protect the forests of the West?

Mr. RAKER. No; they even denied us garden seed last year.

Mr. BLACK of Texas. Now, if the gentlemen will permit me to use a little of my time—and I have been glad to yield to both of them—it was upon the subject of free distribution of seeds and plants—not garden seed, but forest seeds and plants—that I wanted to address myself. Section 4 of this bill reads as follows:

> That the Secretary of Agriculture is hereby authorized and directed to cooperate with the various States in the procurement, production, and distribution of forest-tree seeds and plants for the purpose of establishing forests, windbreaks, shelter belts, and farm wood lots upon denuded or nonforested lands within such cooperating States—

And so forth.

Now, mind you, there is no provision in the bill that confines this Government's activity to public lands. It authorizes an appropriation of $100,000 annually to be spent by the Department of Agriculture in cooperation with the several States in distributing these tree seeds and tree plants. Upon that section I made an inquiry of the gentleman from New York [Mr. CLARKE], who has given a great deal of consideration to this subject, and the gentleman says that his own State of New York has a system of distributing these tree plants at cost to those who desire to use them. That is all right. I would like to see the Federal Government do the same thing toward increasing our forest resources, but there is not a thing in the world in this section to prevent, and, in fact, it looks to me like the only purpose of it is to authorize the Secretary to make a free distribution of these tree seeds and these tree plants.

I can very well see how these large lumber companies who own these great acres of cut-over lands—I can readily see how they would like for the Federal Government to furnish them free of charge with tree plants and tree seeds. That would be fine for them but not a fair deal for the taxpayers of the country.

Mr. CLARKE of New York. Will the gentleman permit a question?

Mr. BLACK of Texas. I will be glad to yield.

Mr. CLARKE of New York. In the first place there is only $100,000 authorized and that is spread out over many States. Taking the gentleman's own statement and the gentleman's own theory, does not the gentleman think it is better for the Government to tell a man who has, we will say, 1,000 acres of cut-over land, "If you will only take these young trees and plant them, we will be glad to donate them to you"? Do you not think it is better to encourage that private owner than it is to allow those lands to be absolutely nothing but waste? Do you not think that is better as a matter of public policy?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLACK of Texas. Will the gentleman grant me about three more minutes and then I will conclude. I want to state my views a little more completely.

Mr. ASWELL. May I ask the gentleman just one question?

Mr. HAUGEN. The time is very limited, but I will yield to the gentleman three more minutes.

Mr. ASWELL. I wanted to ask the gentleman if he had noted that it would be impossible for the Federal Government to do that unless it had the cooperation of the State?

Mr. BLACK of Texas. Oh, the language so states. Of course the State government would have to provide a fund for the free distribution of these tree seeds and tree plants before the Federal Government would be called upon to pay its part. I can see how the Federal Government might engage in many kinds of philanthropy, various sorts of gratuities, which would be helpful to private interests, but are we to continue to launch out upon these so-called cooperative methods which act as a constant drain upon the Public Treasury and is one reason why taxes are so high? Oh, yes; the Federal Government can give away money in lots of different ways, but in the end the people pay the bills.

I am going to offer an amendment to this section which will provide that no forest trees or plants shall be distributed under the provisions of this act to private interests for less than the cost thereof, and the receipts therefrom shall be covered into the Treasury as miscellaneous receipts.

Mr. LEAVITT. Will the gentleman yield?

Mr. BLACK of Texas. Yes; I yield to the gentleman from Montana.

Mr. LEAVITT. If you were going to invest money that would bring you no return for a period of 60 or 80 years, would you consider it a good personal investment, although it might be a good investment for your heirs?

Mr. BLACK of Texas. I am not here to pass upon whether the cut-over lands are good investments or bad investments. We have in our State cut-over lands which produce timber in a much less time than 60 or 80 years, and I know very well that we have owners of these large areas who would like mighty well to have the Federal Government come in and say, "We will reforest your lands for you; we will furnish the tree plants and the tree seeds out of the Treasury of the United States."

Gentlemen, we have too many things of this kind already living out of the Public Treasury. We have many other calls upon us that we might answer, too, if we are to answer them at the expense of the taxpayer; but I think we will have done enough in the matter of tree-seed distribution and tree-plant distribution if the Federal Government defrays the administrative expenses and furnishes the seed and plants at cost. We passed a bill yesterday to lend the farmers in the State of New Mexico $1,000,000 for the purchase of seeds. Their need was very great, but we did not intend to make a donation. We provided to loan them the money, and we are to take a first lien upon their crops for reimbursement.

I am going to offer an amendment to this bill, and I hope you gentlemen will support it, which will say to the Secretary of Agriculture "You shall get the cost of the seed and the plants when you distribute them and shall cover the receipts therefrom into the Treasury as miscellaneous receipts."

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Chairman, I do not desire to consume any of the time so kindly allotted to me by the chairman of our committee. I indorse this bill, but I shall not prolong the time of the debate. The committee has given it careful consideration, and, as has been said by the gentleman from Louisiana [Mr. ASWELL], men have appeared before our committee from every part of the Union urging its passage. The Committee on Agriculture is unanimous in its report. We have received communications from all over the country urging this legislation. There is no opposition to it from any source. I simply say I hope the bill will be passed as speedily as possible.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from Alabama [Mr. JEFFERS].

Mr. JEFFERS. Mr. Chairman, I want to use these two minutes to ask a question of the author of the bill, the gentleman from New York [Mr. CLARKE]. As I understand it, sec-

tion 9 of the bill H. R. 4830 provides that in the case of a Government-owned military reservation the forests within such a reservation may be conserved and preserved by establishing such a reservation as a national forest, to be administered by the Secretary of Agriculture under such rules and regulations and in accordance with such general plan as may be jointly approved by the Secretary of Agriculture and the Secretary of War, to provide for the use and occupation of such lands and for the sale of products from such lands, but remaining subject to the unhampered use of the War Department for military purposes. Is that correct?

Mr. CLARKE of New York. That is all true. There are 600,000 acres in military reservations better adapted to growing trees, and the Secretary of War is pleased with this provision.

Mr. JEFFERS. I simply wanted to get that straight, as I have a bill (H. R. 33), as the gentleman knows, to establish the McClellan National Forest in the State of Alabama, which already has the approval of the Secretary of Agriculture and the Secretary of War, and I wanted to be sure that it will be provided for in this general bill.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. O'CONNOR].

Mr. O'CONNOR of Louisiana. Mr. Chairman, I am for this bill for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor. I will work for it and vote for it. As my good colleague, Doctor ASWELL, has said, the people of Louisiana are for it, and inferentially and facetiously, therefore, I say the people of the country ought to be for it. Many prominent men and women from every part of Louisiana have written me on the great importance of this bill and asking me to vote for it. I rise, Mr. Chairman, not only to announce this attitude on the part of patriotic Louisianians who are interested in all of our great natural and national resources and who believe that by their care the general welfare may be best promoted, but also for the purpose of asking unanimous consent to extend my remarks by printing a letter I received from Mr. Augustus B. Harris, president of the New Orleans Branch of the Federal Employees Union, and a copy of a letter he has written to Mr. MARTIN B. MADDEN, chairman of the Committee on Appropriations.

In his letter to the chairman of the Committee on Appropriations Mr. Harris has so clearly and forcefully and yet conservatively, eloquently, and yet modestly and patriotically expressed the case of the customs employees at New Orleans that any attempt at elaboration on my part would be a supererogation. It might not be amiss for me to say, however, that never have I seen a case so convincingly set forth alleging and evidencing discrimination against himself and associates without even unconsciously showing a justifiable bitterness of spirit, so sure is he apparently that justice will be done by the American Congress in a case where justice cries out, and will insistently cry out, for a redress of a grievance suffered and patiently endured by a large number of our countrymen. Such a letter is really a testimonial to the unfaltering confidence that Americans have in their Government.

TREASURY DEPARTMENT,
UNITED STATES CUSTOMS SERVICE,
New Orleans, La., April 14, 1924.

MY DEAR MR. O'CONNOR: I am inclosing a copy of a letter which I have to-day sent your good friend Mr. MADDEN.

After giving this matter much thought I concluded that it was only fair to you gentlemen who have worked so hard and so persistently in our cause to let the chairman of the Committee on Appropriations know that there was substantial basis for the action you have taken in our behalf.

* * * * * * *

Sincerely yours,

AUGUSTUS B. HARRIS.

APRIL 14, 1924.

Hon. MARTIN B. MADDEN,
House of Representatives, Washington, D. C.

MY DEAR SIR: I am in receipt of a letter from our esteemed friend, Hon. JAMES O'CONNOR, in which he informs me of the failure of the conference committee to agree to Senate amendment to the Treasury Department appropriation which sought to add $2,500,000 to provide increases in compensation for customs employees. In conveying this information to me Mr. O'CONNOR quotes from your splendid and candid expression on this subject appearing in the CONGRESSIONAL RECORD of the 13th ultimo, and which, since it states the intention of your committee to support an appropriation which shall put all departments on a parity by July 1, gives us much encouragement.

I am presuming to address you on this subject that you may more fully understand why our Representatives in Congress seem so persistent and so anxious to secure an appropriation which shall enable the Treasury Department to wipe out a discrimination against the great port of New Orleans, which has been handed down through successive administrations and which Assistant Secretary McKenzie Moss stated at a hearing before the Senate committee having the Treasury appropriation in charge that he was unable to understand.

While desirous of taking as little of your time as possible on a matter which concerns, however vitally, our port alone, I feel that you can have a better understanding of our plea if the salient facts are before you. For your information I invite your attention to the standing of the six leading ports other than New York for the fiscal year 1923:

Port	Collections	Cost	Employees	Average annual salary	Above New Orleans
Boston	$67,485,000.00	$0.0139	551	$1,504.39	$289.63
Philadelphia	52,304,878.79	.01173	396	1,470.33	255.57
New Orleans	25,212,106.32	.015	302	1,214.76	.....
Chicago	13,756,683.87	.02274	194	1,498.71	283.95
San Francisco	10,854,115.42	.0524	351	1,499.24	284.48
Baltimore	10,158,725.38	.030535	200	1,476.00	261.24

It will be seen from the above statement that at New Orleans the volume of business is greater, and the cost of handling it about one-fourth of the cost at San Francisco, yet here the average annual salary is $284.48 less. At Baltimore the cost of collection is 100 per cent more, and yet there the average annual salary is $261.24 higher. At Boston the cost is practically the same as here, yet the average salary there is $289.63 greater than here.

As you are probably aware, the Treasury Department from time to time sends commissions of its very best special agents to check up the various ports and to make such suggestions and recommendations as these officers believe to be for the best interests of the service. Recently such a commission spent several months going over the port of New Orleans. They conducted their investigation and study along lines laid down by the office of the Secretary. I cite from their report to question No. 50, which was as follows:

> "Considering the character of the work performed by the several employees, and their efficiency, is the salary in any instance excessive, and more than is usually paid for similar services at other ports, or is the salary in any case deficient?
>
> "Their answer was: In our opinion, there are no excessive salaries paid at this port; in fact, the salaries are below those paid at other ports of equal importance. As practically all of the salaries from special deputy collector to messenger are less than are paid to employees performing the same or similar service at other ports, we recommend that the department consider the advisability of a general readjustment of salaries in the customs service at New Orleans with a view to placing the employees at this port on a more equitable basis."

Their report was submitted to the collector of customs by the Treasury Department, and criticism invited. In commenting upon the commission's reply to question No. 50, the collector stated as follows:

> "I have long been of the opinion that the salaries paid at this port are below those paid at other ports for similar work. The statement of the special agents that 'practically all of the salaries from special deputy collector to messenger are less than are paid the employees performing the same or similar service at other ports' is a confirmation of my opinion by those who know. It is evident, therefore, that this port has been discriminated against. The cause of this discrimination and its correction appear to be matters for the consideration of the department."

Perhaps, like we of the customs service in New Orleans, you will find it difficult to understand this condition. I shall not seek to offer an explanation, for, frankly, the task is beyond me. When it is borne in mind that customs employees at this port are required to pass the same entrance examinations, and, in the discharge of their duties, use the same forms, enforce the same regulations based upon the same statutes, work the same number of hours, and, in every other particular, meet all customs requirements as do the employees at the other major ports, it seems that we are the same in every respect except in the matter of compensation. Of course, nothing can be done in this matter unless sufficient funds are provided. While we concede that customs employees throughout the United States have not been given increases sufficient to meet the increased cost of living, we have no hesitancy in saying that the condition of the customs employee at the great port of New Orleans is most appealing.

I take this opportunity of thanking you for your material and sustained interest in the welfare of Federal employees throughout the Nation. It is really refreshing to know that, in the midst of the whirl and turmoil of the present session, and notwithstanding the ever-increasing demands from all quarters upon the good will of the gentlemen of the Congress, there are those who realize that the toiler in the Federal service is entitled to some consideration. We are grateful indeed for your splendid efforts in our behalf, and I am sure that I voice the sentiment of our entire local corps in giving this expression of our deep gratitude.

Sincerely yours,

AUGUSTUS B. HARRIS, *President*.

Mr. HAUGEN. I yield 10 minutes to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Chairman and gentlemen of the committee, it would hardly seem necessary to say anything more than has been said on this question, for we are practically in unanimous agreement. Personally I believe that with one exception there is no more important bill that has been presented to the House this session. I believe the measure should be passed without amendment, preferably, and if any amendments are determined upon they should not in any way interfere with the purpose of the bill. I say this because for 11 years I was engaged in the forestry work, and I know the problems that are helped toward the solution by this bill as a matter of first-hand experience.

Several questions have been raised here that are easy to answer. Something has been said about the loss of taxation, the depriving of communities of returns as a result of areas of cut-over lands coming into the possession of the United States. We must balance that against two things: One is that this bill provides that studies shall be made to bring about a constructive taxation program within the different States which will meet problems of this kind, and the other is that those of us who know States that years ago were covered with fine stands of timber, and have seen with the denuding of those timberlands the passing away of one prosperous community after another which had depended on forest products for prosperity, or who have seen agricultural communities practically ruined along the foothills, through the washing down of silt out of the hills and the mountains, and by floods which followed the cutting and burning of the forests from the slopes of the hills, will recognize that the bringing back again to timber production of much of the cut-over land of this country will restore to prosperity many communities of this sort, agricultural communities, and communities supported by the manufacture of forest products. There would, therefore, be restored within a comparatively short period of years so much taxable property that all the loss of taxes sustained for the time being, while the forest lands were being again developed, would be much more than made up and under a permanent policy of protection. But it is also entirely possible to work out a plan that will return continually to the different counties and States a fair payment of funds from the holding of these lands as a matter of equity, or from handling of forest and forage products which will be continually growing upon them.

But in this connection we must keep in mind that one reason why there are great denuded areas of forest lands in this country is that incorrect systems of taxation have been followed in many different States. Systems of taxation have been followed which have forced timber owners to cut their timber, sometimes even in advance of a proper market, because they could not afford to hold it and pay taxes year after year on property that was not yielding anything. We have thus helped to bring about this unfortunate situation.

Mr. BOX. Mr. Chairman, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. BOX. Is it contemplated that the Federal Government shall interfere to the extent of restraining the local authorities in the exercise of their function to levy taxes?

Mr. LEAVITT. No, indeed. This measure simply carries a provision that will allow a study, in conjunction with the States, of proper taxation systems to help obviate these conditions causing the forced cutting over of timberlands.

Mr. BOX. Is it not true that many of these lands are capable of cultivation and could make homes for productive citizens—the lands being now held by large land companies for speculative purposes—and that the country would benefit as much by the development of those lands as from their remaining in forests?

Mr. LEAVITT. Undoubtedly so; and lands of that kind, as I understand it, do not come within the scope of this bill. We simply aim to restore timber to lands more suitable for the production of timber than for agricultural purposes. Moreover, in connection with the carrying on of our agriculture, we must keep in mind that the conservation of a timber cover at the heads of streams is essential to the preservation of a steady stream flow, necessary for irrigation, necessary for domestic purposes, for water power, and for navigation. The forest growth is so essential to the preservation of a country that if you will follow the history of different nations in their rise and fall, you will observe the interesting fact that they have flourished when their natural resources, largely timber, were in their most productive state, and that they began to fall as the forests disappeared from the hills. With the loss of timber went the productivity of the land, and there was a falling off of industries and a depletion of population, leaving desolate great areas which in the past had supported large communities.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. GREEN of Iowa. I agree with the gentleman as to the injurious effect of the cutting of the forests and the way in which it is being done, but I had supposed that the Government was doing something now with reference to reforestation. Can the gentleman advise me as to that?

Mr. LEAVITT. I would be glad to do so. In the national forests something is being done, but there is no provision at the present time for the reforestation of great areas of land which, largely before the establishing of the national forests, had by the working of our land laws passed into the hands of, first, the homesteader, and then the great private owners. They have denuded their land to a great measure. Some of these cut-over lands are valuable for agriculture, it is true, but in great measure they are of little value except for the production of timber, and meanwhile constitute the greatest of fire menaces to the great areas of virgin timber that still remain in the national forests and in private ownership. These cut-over lands often lie, as has been stated here this afternoon, among areas of valuable timberlands, which must be protected. These intervening areas must therefore be protected also, because there can be no forestry policy, no forest conservation plan of any kind, that is not based primarily on adequate fire protection.

Something has been said about the failure entirely to prevent fires in the national forests. That is impossible. I remember one time when I was a forest ranger, riding over a mountain ridge and seeing where another ranger had nailed upon a tree, which had been struck by lightning, a warning against setting fires in the woods. It was of course a joke, and I laughed at his attempt to serve a fire warning on the Creator. But the fact is that perhaps 50 or 60 per cent of the forest fires are caused by lightning. You cannot prevent their being set, but you can overcome their destructiveness very largely through an adequate system of fire protection and patrol.

Mr. GREEN of Iowa. Will the gentleman yield for a question?

Mr. LEAVITT. Gladly.

Mr. GREEN of Iowa. I have not had an opportunity to examine the bill. Do I understand the gentleman that the bill provides for taking over lands privately owned for the purpose of reforestation?

Mr. LEAVITT. It provides that owners of such private lands may cede them to the Government under such provisions and regulations as the Secretary of Agriculture shall make. That means, of course, in areas large enough so they can be administered economically.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, ordinarily I am not one of those in favor of cooperation between the Federal Government and the States. I think, perhaps, we have gone as far as we should in many details in that form of cooperation. It seems to me, however, that it is very difficult to accomplish the full desire of the people for future protection in the line that this bill provides without the assistance and cooperation of the Federal Government. Therefore I am very glad indeed to support this bill. It is of very great interest to the New England States. Of course, being the first settled sections of our country it was natural that our timberlands disappeared, perhaps, more rapidly and at an earlier date than in some other regions. I have been particularly interested in reading the testimony before the Committee on Agriculture of the representative of the Forestry Association of Massachusetts, wherein he has given very important statistics as to the need both of this legislation and the extra expense we, in New England,

are under from the necessity that now exists of securing our lumber from remote sections. It costs from $18 to $20 per thousand, I believe, for transportation from the Pacific coast to New England, and, so, as a practical business proposition the protection of our woodlands and reforestation of cut-over timberland is extremely desirable. It happened to be my privilege to be a member of the Massachusetts Legislature when somewhat similar legislation to this in the State was taken up, and I became greatly interested in the subject. We, in the State of Massachusetts, secured many hundreds of acres of land both by purchase on the part of the State and by donation on the part of interested citizens, and the scheme of reforestation has been a very marked success. Then, too, we have found it of very great benefit to us in the protection of the watersheds. The educational side of this reforestation question is particularly interesting also. The authorities of various cities, towns, and communities have so developed reforestation on watersheds as to increase our various water basins. Many watersheds have also been properly and scientifically cut over.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield there?

Mr. TREADWAY. I yield to the gentleman from Iowa.

Mr. GREEN of Iowa. How long has this been carried on in your State?

Mr. TREADWAY. It was about 1908 that we went into it in a broad way. The State forester was in office previously; I should say possibly five years previously to that.

Mr. GREEN of Iowa. And you can already see the beneficial results?

Mr. TREADWAY. Yes; particularly where the white pine has been planted. It is a very fast grower, and I think that is the usual selection, particularly about watersheds. Of course, as to the possibility of recutting, so far as that is concerned now, that is impossible. There has not been a sufficient lapse of time. But, further than that, we have also followed the system which is also under consideration in this bill, of fire protection. The slashings that are left after the cutting off of a section of timber land are the most dangerous articles possible. They are just like a tinder box.

Mr. RAKER. I am not sure now, but it is my recollection, in reading over your Massachusetts laws, that you have some State forest land that you are protecting?

Mr. TREADWAY. Yes; we have a large acreage of it. I have not seen the records of the State forester for several years, but if I am given permission to extend my remarks I will be glad to insert extracts from our State forester's reports, which would give valuable information.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. And I also ask unanimous consent to insert separately the extracts to which my attention was called by the gentleman from California [Mr. RAKER] from the report of the State forester of Massachusetts and other documents.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to insert also such documents as have been described by him. Is there objection?

There was no objection.

Mr. RAKER. Would the gentleman also insert in that the law of Massachusetts as to how they handle and control that land?

Mr. TREADWAY. Yes. I did not know that this bill was coming up to-day. Otherwise I would have had on hand the material to which I refer.

Mr. CLARKE of New York. If the gentleman from California will come to my office, I can show him a copy of the Massachusetts statutes on that subject.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD by inserting the document mentioned. Is there objection?

There was not objection.

Mr. TREADWAY. Mr. Chairman, under leave granted to me to extend my remarks on the Clarke forestry bill and on the requests of various Members for copies of the statutes of Massachusetts, I place in the RECORD herewith letter from the State forester of Massachusetts, together with extracts from the laws of that State:

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF CONSERVATION, DIVISION OF FORESTRY,
Statehouse, Boston, April 18, 1924.

Hon. ALLEN T. TREADWAY,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Your telegram just received. I am sending you under separate cover our last annual report and also our booklet of laws relative to forestry.

You will find our reforestation and purchasing acts on pages 8, 9, 10, and 11, and also our town forest law on pages 12, 13, and 14. Inserted at page 18 you will find our new law on forest taxation, which I believe is the best forest taxation law yet adopted by any State.

You will be interested to know that up to the present time 35 towns have established town forests and that at the present time our State forest acreage amounts to 72,845 acres, distributed in 35 State forests. There is a tremendous boom in forestry and we have had great difficulty in finding trees enough this year to distribute for all our various calls. Our nurseries now contain 20,000,000 trees of all ages from 1 to 4.

If I can be of any further assistance to you, please let me know immediately. * * *

Very truly yours,

WM. A. L. BAKELY, *Commissioner*.

FOREST LAWS OF MASSACHUSETTS, INCLUDING TAXATION OF FOREST LANDS.

REFORESTATION

G. L., c. 132, § 10, as amended by c. 271, acts of 1921. The commissioner, with the advice and consent of the governor and council, for experiment and illustration in forest management and for reforestation as set forth in this section may expend annually such sum as is appropriated by the general court in purchasing lands situated within the commonwealth and adapted to forest production. Land so acquired shall be under the control and management of the forester, who may, subject to the approval of the governor and council, cut and sell trees, wood, and other produce therefrom. The price of such land shall not exceed in any instance $5 per acre, nor shall more than 80 acres be acquired in any one tract in any one year except that a greater area may so be acquired if the land purchased directly affects a source or tributary of water supply in any town of the commonwealth. All such lands shall be conveyed to the commonwealth, and no lands shall be paid for nor shall any money be expended in improvements thereon until all instruments of conveyance and the title to be transferred thereby have been approved by the Attorney General, and until such instruments have been executed and recorded. For assisting in reforestation a portion, not exceeding 20 per cent of the money authorized to be expended under this section may be used by the forester for the distribution, at not less than cost, of seeds and seedlings to landowners who are citizens of the commonwealth, under such conditions and restrictions as the forester, subject to the approval of the governor and council, may impose. The owners of land purchased under this section, or their heirs and assigns, may repurchase the land with 10 years after the purchase, upon paying the price originally paid by the commonwealth, with interest at the rate of 4 per cent per annum, together with the amount expended in improvements and maintenance. The commissioner, with the approval of the governor and council, may execute in behalf of the commonwealth such deeds of reconveyance as may be necessary, and every such deed shall contain a restriction that trees planted by the commonwealth of less than eight inches in diameter at the butt shall not be cut from such property except with the approval of the forester.

G. L., c. 132, § 5. The forester shall replant or otherwise manage all land acquired by the Commonwealth and held by it under section ten in such manner as will produce the best forest growth both as to practical forestry results and protection of water supplies.

G. L., c. 132, § 2. The commissioner of conservation, in this chapter called the commissioner, with the approval of the governor and council, may accept on behalf of the Commonwealth bequests or gifts to be used for the purpose of advancing the forestry interests of the Commonwealth, under the direction of the governor and council, in such manner as to carry out the terms of the bequests or gifts; and he may, subject to the approval of the deed and title by the attorney general as provided in section ten, accept on behalf of the Commonwealth gifts of land to be held and managed for the purpose provided in such section. A donor of such land may reserve the right to buy back the land in accordance with said section; but in the absence of a provision to that effect in his deed of gift he shall not have such right.

STATE FOREST LAW

G. L., c. 132, § 30. The commissioner may, subject to the approval of the advisory council of the department of conservation, acquire for the Commonwealth, by purchase or otherwise, and hold, any woodland or land suitable for timber cultivation within the Commonwealth, and,

with the approval of the governor and council, may take such lands in fee by eminent domain under chapter seventy-nine. The commissioner may, subject to the approval of the advisory council of the department of conservation, after a public hearing, sell or exchange any land thus acquired which in his judgment can no longer be used advantageously for such purpose. The average cost of land so purchased by the commissioner shall not exceed five dollars an acre.

G. L. c. 132, § 31. Lands acquired under the preceding section shall be known as State forests, and shall be under the control and management of the forester. He shall reforest and develop such lands, and may, subject to the approval of the commissioner and advisory council of the department of conservation, make all reasonable regulations which in his opinion will tend to increase the public enjoyment and benefit therefrom and to protect and conserve the water supplies of the Commonwealth.

G. L., c. 132, § 32. The forester, subject to the approval of the commissioner and advisory council of the department of conservation, may expend such sums as are annually appropriated for the necessary expenses incurred under section 31.

G. L., c. 132, § 33, as amended by c. 238, acts of 1921. In addition to lands acquired under section 30, the commissioner may purchase or take by eminent domain and hold for State forests lands within the Commonwealth suitable for the production of timber to the extent of not more than 100,000 acres. The land shall be purchased before August 5, 1935, at a rate not exceeding an average cost of $5 per acre, or at such price as the general court may from time to time determine. The forester shall reclaim the said lands by replanting or otherwise in order to produce timber and to protect the water supply of the Commonwealth. The forester may employ temporarily such persons as foresters, assistant foresters, engineers, surveyors, forest fire observers, and foremen as he deems necessary to assist him in carrying out his duties under this section, and the employment of such persons shall not be subject to chapter 31.

G. L., c. 132, § 34. The commissioner may make rules and regulations relative to hunting and fishing or other uses of any such land, provided that such rules and regulations shall be consistent with all laws in relation to the protection of fish, birds, and quadrupeds.

G. L., c. 132, § 7. The forester, in the reforestation, maintenance, and development of lands purchased under sections 30 or 33 shall, so far as practicable, obtain the labor necessary therefor under sections 83 and 84 of chapter 127.

G. L., c. 132, § 36. To meet the expenditures authorized by sections 33 to 35, inclusive, the said department may expend before August 5, 1935, such sums not exceeding $3,000,000, as the general court may from time to time appropriate.

TOWN FOREST LAW

G. L., c. 132, § 35. Towns may acquire by purchase, gift, or bequest lands for the purpose of forestation at a rate not exceeding an average cost of $5 per acre and may reclaim and plant such lands. The said department may, upon application in such form as the forester may prescribe, furnish such towns free of charge with seedlings for the planting of their lands.

G. L., c. 45, § 19. A town, by a two-thirds vote at an annual town meeting, or a city, by a two-thirds vote of the city council, may determine to take or purchase land within its limits, which shall be a public domain, and may appropriate money and accept gifts of money and land therefor. Such public domain shall be devoted to the culture of forest trees or to the preservation of the water supply of such city or town, and the title thereto shall vest in the city or town in which it lies, except that cities or towns owning land within the territorial limits of other cities and towns for water-supply purposes may, as herein provided, convert such land into a public domain and retain the title thereto.

G. L., c. 45, § 20. If a city or town has determined to take land for a public domain as provided by the preceding section, the aldermen or the selectmen shall within 10 days adopt an order for the taking of such land in fee by eminent domain under chapter 79.

G. L., c. 45, § 21. The forester of each city or town, with one or more keepers appointed by him, shall have the management and charge of all its public domain. But a town, by a two-thirds vote at an annual town meeting, or a city, by a two-thirds vote of the city council, may place all such public domain under the general supervision and control of the State forester, who shall thereupon, upon notification thereof, make regulations for the care and use of such public domain and for the planting and cultivating of trees therein; and the city or town forester in such case and his keepers under the supervision and direction of the State forester, shall be charged with the duty of enforcing all such regulations and of performing such labor therein as may be necessary for the care and maintenance thereof. The city or town forester and his keepers within such public domain shall have the powers of constables and police officers.

G. L., c. 45, § 22. Any city or town owning a public domain may lease any building thereon, and it may erect thereon any building for public instruction and recreation; provided, that if such public domain has been placed under the supervision and control of the State forester under the preceding section, no such building shall be erected unless his approval shall first be obtained. All sums derived from rents or from the sale of the products of any such domain shall be applied, so far as necessary, to the management thereof.

G. L., c. 45, § 23. No land shall be taken or purchased for a public domain, no building erected thereon and no expenditures authorized or made or liability incurred therefor until an amount sufficient to cover the estimated expense thereof has been appropriated therefor as provided in section 10, and all contracts made for expenditures in excess thereof shall be void. The expenditures shall not exceed the appropriations therefor.

G. L., c. 44, § 7. Cities and towns may incur debt, within the limit of indebtedness prescribed in section 10, for the following purposes, and payable within the periods hereinafter specified: (2) For acquiring land for public parks or public domain under chapter 45, thirty years; but no indebtedness incurred for public domain shall exceed one-half of 1 per cent of the last preceding assessed valuation of the city or town.

[Chapter 360]

AN ACT PROVIDING FOR THE TAXATION OF FOREST PRODUCTS AND THE CLASSIFICATION AND TAXATION OF FOREST LANDS

Be it enacted, etc., as follows:

SECTION 1. The General Laws is hereby amended by striking out chapter 61 and inserting in place thereof the following:

[CHAPTER 61]

"TAXATION OF FOREST PRODUCTS AND CLASSIFICATIONS AND TAXATIONS OF FOREST LANDS

"SECTION 1. An owner of forest land valued on the town tax list of the preceding year for land and growth at not more than $25 per acre, and which does not contain more than 20 cords per acre on the average, but which is so stocked with trees as to promise a minimum prospective average yield per acre, exclusive of water, bog, or ledge, of 20,000 board feet for softwoods or 8,000 board feet for hardwoods, or for mixtures of the two such volume between said limits determinable by the relative percentages of the two classes of growth, may apply in writing to the town assessors to have said land listed as classified forest land, and such application shall contain a description of said land sufficiently accurate for identification. Section 2. Within 30 days after the receipt of said application the assessors shall decide whether the property fulfills the requirements for classification and shall notify the owner of their decision, giving their valuation of the tract as land alone; and if within 10 days of notification the owner accepts their decision, the assessors shall give him a certificate containing the name of the owner and a description of the parcel to be classified and stating that the land described conforms to the requirements for classification under this chapter. Upon the recording of this certificate by the owner of the registry of deeds for the county or district where the land lies, the parcel shall become classified forest land. Each parcel of land so classified shall thereafter be designated in the annual valuation list of the town, in the column provided for the description of each parcel of land, as classified forest land so long as the parcel remains so classified. The valuation and tax annually assessed upon land classified under this chapter shall not include the value of forest trees growing thereon. When classified forest land is sold or otherwise changes title the obligations and benefits of this chapter shall devolve upon the new holder of the title. Section 3. The standing growth on classified forest land shall not be taxed; but the owner of such land, except as hereinafter provided, shall pay a products tax of 6 per cent of the stumpage value upon all wood or timber cut therefrom, and one-tenth of such taxes collected by the town shall be paid to the State treasurer. Trees standing on such land shall not be included in the town valuation in apportioning the State or county tax among the towns. But an owner of classified forest land may annually cut, free of tax, wood or timber from such land, not exceeding $25 in stumpage value: *Provided*, That such wood or timber is for his own use or for that of a tenant of said land only. Buildings or other structures standing on classified forest land shall be taxed as real estate with the land on which they stand.

"Classified forest land shall be subject to special assessments and betterment assessments. The owner shall make a sworn return to the assessors before May 1 in each year of the amount of all wood and timber cut from such land during the year ending on the preceding April 1. Section 4. When in the judgment of the assessors classified forest land contains on the average per acre 25,000 board feet for softwoods, or 10,000 board feet for hardwoods, or for mixtures of the two such volume between said limits determinable by the relative percentages of the two classes of growth,

they shall notify the owner that two years from date of notification the forest-products tax of 6 per cent of the value of the standing timber based on the above volumes will be levied and that the land and timber will at that time be taken from the classified list and placed in the general-property tax list. Should the owner elect to reduce within two years the volume of timber below the volume mentioned in the preceding sentence, the land shall remain classified; but if at the end of five years from time of cutting the growing stock on the tract does not meet the requirements for classification contained in section 1, the tract may be taken from classification by the assessors and any taxes due thereon collected. An owner may withdraw his land from classification at any time by the payment of the land tax and the forest-products tax of 6 per cent on the estimated value of the standing timber. Within 30 days after an owner requests to withdraw his land from classification the assessors shall determine the taxes due thereon, which shall be paid before the land is taken from the classified list. When in the judgment of the assessors classified forest land becomes more valuable for other use than the production of trees they may, after 30 days' notice, withdraw said land from classification, and any taxes due thereon shall be paid at the time of withdrawal: *Provided*, That the owner may appeal from such withdrawal to the commissioner, whose decision shall be final. Whenever land is withdrawn from classification the assessors shall record in the registry of deeds for the county or district where the land lies a certificate setting forth such withdrawal and containing reference by book and page to the record of the certificate under which said land was classified. Section 5. In case of dispute as to the eligibility of land for classification or as to the volume of wood or timber contained on such land or cut therefrom either party may appeal to the State forester, who shall examine the property and hear both parties and whose decision shall be final. Section 6. Any owner of classified forest land who fails to comply with the requirements of this chapter shall, upon conviction thereof, be punished by a fine of not less than $10 nor more than $500, and in addition to said penalty the land may be withdrawn from classification by the assessors.

"SEC. 2. Notwithstanding the passage of this act, all land and the trees, wood, and timber thereon which are, on the date when this act takes effect, subject to the provisions of chapter 61 of the General Laws shall continue to be subject thereto in accordance therewith. (Approved May 2, 1922.)"

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks on certain features of the pending revenue bill.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks on certain features of the pending revenue bill. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, an important but not generally well understood feature of the House revenue bill is the increase in inheritance taxes and a provision for the deduction from the amount assessed by the Federal Government of any inheritance tax paid to the several States.

It has long been the opinion of our best economists that heavier inheritance taxes should be levied upon the great estates by the Federal Government, and this view has been supported by such prominent business men as Andrew Carnegie and others, and equally prominent statesmen, such as Theodore Roosevelt. In the past, however, the influences of those wishing to preserve these enormous aggregations of wealth, which both in amount and number far exceed those of any other country, have prevented any such legislation being adopted. There was also the practical argument against raising the Federal inheritance taxes on the great estates that it interfered with these estates becoming a source of revenue to the States wherein the owner resided. On the other hand, the States were hampered in taxing these estates themselves because the owners had only to take up a residence in some other State that did not impose any inheritance taxes in order that their estates might escape the inheritance tax, and by this action the State also lost the personal-property tax which it might have received during their lifetime.

There has been much misrepresentation of the provisions of the House revenue bill, and, among other things, it has been stated that this provision doubled the present inheritance taxes. This is not true. In the present law the tax begins at 1 per cent on the amount above $50,000 and is graded up to 40 per cent on $10,000,000 or over, the rate remaining the same on all estates up to $100,000. It should be borne in mind that the amount on which the tax is imposed is not the whole estate, as $50,000 is entirely exempt from such taxation. There is in the bill the further important provision that any inheritance tax paid to any State or States can be deducted from the amount of the Federal tax. This will have the effect of making the tax exactly the same, no matter in what State the original owner of the estate resided.

Nearly all of the great writers on social subjects agree that the immense estates which exist in this country are a menace to the future of our Government and institutions by reason of the concentration of power in the hands of a few, and everyone who has made a study of the subject recognizes that the more widely wealth is distributed the more secure is law and order. The history of the past has shown that nothing has contributed so much to the downfall of governments as extreme wealth on the one hand and extreme poverty on the other, for the two naturally go together. Prominent economists also agree that taxation upon inheritances is subject to less objection than any other, for the reason that such taxation does not operate to check initiative or endeavor and the person upon whom it falls receives the inheritance without any effort upon his part. Unlike other kinds of taxation, it is almost impossible to evade.

A statement has been given out by the Treasury to the effect that under the House bill a large estate would be sacrificed by a forced sale of assets to pay the tax, but the House bill allowed six years for the payment of the tax, from which it will be seen that there is nothing in this contention. The tax is no higher than that of England; in fact, not as high on the small estates, because only $500 is exempted, instead of $50,000 as in our law, but the exemption from the Federal tax should be larger, because of the inheritance taxes in some States which do not make any exemptions.

This increase in the Federal inheritance taxes on the great estates will not in the least interfere with the several States obtaining revenues from the same source. On the contrary, it actually assists the States, because it becomes impossible to escape taxation by a change of residence, for the tax on the estate will be the same, no matter where the decedent who owned it resided.

The House revenue bill, so far as the provisions of it relating to income taxes are concerned, will produce as much or more than the so-called Mellon bill. The tables attached to the revenue bill as reported by the Senate are in effect an admission that the original estimate of the Treasury with reference to the loss of revenue resulting from the Mellon plan was $100,000,000 in error, as I stated at the time. The table attached to Secretary Mellon's letter of November 10, 1923, written to me shows that the loss on the surtaxes would be only $101,000,000. I had heretofore given out a statement that the loss on the surtaxes under the Mellon plan would be about twice that amount. The report of the Senate committee on the Senate bill, page 3, which used the Mellon rates, now admits the error by showing correctly that the loss on the surtaxes is $209,000,000.

The maximum surtaxes might well be placed at 35 per cent instead of 37½ per cent, as in the House bill. Whether the rate be placed at 35 per cent or 25 per cent will make little difference so far as investments in tax-exempt securities are concerned. It will still be advantageous for many wealthy men to invest in tax-exempt securities at whichever rate is adopted, and it will still be possible for them to escape a considerable portion of the surtaxes by reason of having their investments in corporations which only distribute a part of the profits made.

The statement given out by the Treasury with reference to the decline in revenue received from those having large incomes is very misleading. The table begins with 1916, when war profits were at their height, for during the war it was not remarkable for a million dollars to be made in a few months. There never was and probably never will be again a time when profits were so high. There was a continual falling off, very naturally, in the number of such individuals until the year 1921, which is the last year given in the table. Since then the number of large incomes reported has been nearly stationary. It is claimed that the reduction to 25 per cent should be made to lessen the investment in tax-exempt securities, and the astonishing claim is that the Government will get more revenue at this lower rate. The absurdity of this proposition can be seen at a glance, when we realize that there will always be the same amount of tax-exempt securities in circulation, and the same amount of money withdrawn from active business and invested in them, and that consequently any shifting of investments in this line would make but little, if any, difference in the Government revenues. In this connection another point ought to be noticed. It is universally admitted that tax-exempt securities are bought by the extremely wealthy and others for the purpose of avoiding the income taxes, and that they are willing to pay a higher price for them than they would for taxable securities or to accept a lower rate of interest. But if

the income taxes are passed on there would be no object in buying tax-exempt securities instead of any other bonds which were equally well secured. This is another place where the claim that income taxes are passed on will not stand argument.

The gift taxes imposed by the House bill are a corollary to the inheritance taxes and are based on the same rates, with an exemption of $50,000. It is idle to impose high inheritance taxes upon estates and permit the owner thereof to escape them by making a pretense of dividing his estate among his near relatives during his lifetime. There is a double incentive to do this, as the owner of the estate thereby decreases the amount of the surtaxes upon the aggregate of the estate, and the Government has lost more by such divisions and the creation of revocable trusts and other devices intended to evade taxes than it has by tax-exempt securities. While the gift tax would not bring in much revenue directly, it indirectly would largely increase the revenues. The claim that it would accomplish nothing is mere pretense, as has been shown by the vigor and persistence with which the tax has been fought.

The new rates for inheritance taxes, with the provision that the State inheritance taxes should be credited on the amount assessed by the Federal Government, and the gift taxes present a much-needed reform in our tax system. The forces of reaction may block progress in this direction for a time, but in the end the change is certain to be made, and it is to be hoped that the new revenue bill as finally enacted will retain these important features of the House bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That if the Secretary of Agriculture shall find that the system and practice of forest-fire prevention and suppression provided by any State substantially promotes the objects described in the foregoing section, he is hereby authorized and directed, under such conditions as he may determine to be fair and equitable in each State, to cooperate with appropriate officials of each State, and through them with private and other agencies therein, in the protection of timbered and forest-producing lands from fire. In no case other than for preliminary investigations shall the amount expended by the Federal Government in any State during any fiscal year, under this section, exceed the amount expended by the State for the same purpose during the same fiscal year, including the expenditures of forest owners or operators which are required by State law or which are made in pursuance of the forest-protection system of the State under State supervision and for which in all cases the State renders satisfactory accounting. In the cooperation extended to the several States due consideration shall be given to the protection of watersheds of navigable streams, but such cooperation may, in the discretion of the Secretary of Agriculture, be extended to any timbered or forest-producing lands within the cooperating States.

Mr. RAKER. Mr. Chairman, I offer an amendment as a new section, to be numbered "section 2½."

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Add as a new section the following:

"SEC. 2½. That when used in this act, unless the context indicates otherwise, the term 'lands of the United States' means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled 'An act to repeal timber culture laws, and for other purposes,' and acts amendatory thereof and supplemental thereto.

"The term 'Secretary' means the Secretary of the Interior.

"SEC. 2. That the United States Government hereby assumes, subject to the conditions of this act or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals."

Mr. BLANTON. Mr. Chairman, the reading has gone far enough to show that the amendment is subject to a point of order. I make a point of order on it.

Mr. TREADWAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TREADWAY. May I ask if this is a substitute for the present bill, or what is it?

Mr. RAKER. It is simply a new section to carry out the cooperation between the States and the Federal Government.

Mr. BLANTON. It is not germane to the section which it succeeds.

Mr. TINCHER. And it transfers jurisdiction from the Department of Agriculture to the Department of the Interior.

Mr. BLANTON. It is not germane. It is certainly subject to a point of order as far as it has been read.

The CHAIRMAN. In the opinion of the Chair the reading has not proceeded far enough yet to determine whether it is subject to a point of order or not. The Clerk will read.

The Clerk resumed the reading of the amendment, as follows:

SEC. 3. That the Secretary shall, as soon as practicable after the passage of this act and annually thereafter, at such time of the year as the legislature of the State may designate, send a statement to the governor, or such other officer as the legislature may designate, of every State in which such lands are located, describing the location, size, and character of all lands of the United States within the border of such State, together with such information respecting such lands as he may possess which may be useful in properly determining their value.

SEC. 4. That no payments shall be made to any State under the provisions of this act until such State has, with respect to the lands of the United States in question, acting through its officers and agents duly authorized therefor—

(1) Properly assessed such lands of the United States at a rate no higher than that at which other similar lands within such State are assessed.

(2) Applied to such assessed valuation a factor no higher than the tax rate applied to the assessed value of other similar lands within such State——

Mr. CRAMTON. Mr. Chairman, I renew the point of order. The pending bill has reference to the control of forest lands entirely by the Department of Agriculture. The proposed amendment has in view their control entirely by the Secretary of the Interior. I submit that at this time in the afternoon we ought not to be obliged to sit here and witness the idle performance of reading an intricate bill as an amendment.

The CHAIRMAN. The Chair would like to ask the gentleman from California whether, as a matter of fact, it does not introduce a new element of taxation with respect to Federal lands.

Mr. RAKER. No; it is not taxing Federal land. I would like to be heard on the point of order. I have not had the time to change "Secretary of the Interior" to "Secretary of Agriculture," but I will ask unanimous consent to do that before we get through.

I want to call the Chair's attention specifically——

Mr. BLANTON. I make the point of order——

Mr. RAKER. The Chair gave me the right to be heard on the point of order.

Mr. BLANTON. But I am going to make another point of order which takes precedence—that we have no quorum.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count.

Mr. RAKER. Will not the gentleman from Texas withhold his point of order so that this may be printed in the RECORD?

Mr. BLANTON. I suggest that the gentleman from California ask unanimous consent to have his amendment printed in the RECORD.

The CHAIRMAN. Does the gentleman from Texas withhold his point of order for that purpose?

Mr. BLANTON. Yes; I withhold it for the present.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that this amendment may be printed without further reading.

The CHAIRMAN. A point of order is pending.

Mr. BLANTON. The point of order is withheld.

The CHAIRMAN. The gentleman from California asks unanimous consent, with the point of order pending, that the balance of the amendment may be printed in the RECORD without further reading.

Mr. TINCHER. I object.

The CHAIRMAN. A point of order is pending.

Mr. BLANTON. I renew the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas renews his point of order that there is no quorum present. The Chair will count.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 4830 and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SEGER, for four days, on account of important business.

To Mr. MONTAGUE, for two days, to fill a public engagement.

EXTENSION OF REMARKS

Mr. LAMPERT. Mr. Speaker, I ask unanimous consent to insert my remarks in the RECORD on the rent legislation.

Mr. BLANTON. I make the same request, Mr. Speaker.

Mr. HILL of Maryland. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Wisconsin [Mr. LAMPERT], the gentleman from Texas [Mr. BLANTON], and the gentleman from Maryland [Mr. HILL] ask unanimous consent to extend their remarks in the RECORD on the rent legislation. Is there objection? [After a pause.] The Chair hears none.

THE DISTRICT OF COLUMBIA RENT COMMISSION.

Mr. HILL of Maryland. Mr. Speaker, a few days ago the bill for the continuation of the District of Columbia Rent Commission came before this House for consideration. I at that time opposed the bill, because it gave as the excuse for the continuation of the Rent Commission the existence at the present time of a war emergency, on the basis of which the Rent Commission was created during the recent war. No war emergency exists at the present time, and no legislation can properly be asked for at the present time on the theory that any war emergency still exists.

One of the greatest needs at the present time is entire demobilization of the necessarily autocratic powers exercised by the Federal Government in the extraordinary emergency of the late war. The attitude of mind still exists, however, in Congress on many matters that the Federal Government should continue to exercise war powers.

I actively opposed the passage of the bill providing for the continuation of the District of Columbia Rent Commission with its extraordinary powers for the regulation of rents, there being no more reason at the present time, in my judgment, that rents should be regulated by the Federal Government in the District of Columbia than that the price of eggs, the price of beef, the price of butter, or the price of any other necessity of life should be so regulated.

The Rent Commission has not prevented increases in rents and has contributed to restriction in the normal progress of development of rental properties in Washington. I have received a letter from one of the most experienced real-estate men in the District of Columbia, a man of the highest possible standing, who was familiar with real-estate conditions in the District for a number of years before the war, and who is familiar with conditions to-day. I understand that in a few days another attempt will be made to pass the legislation providing for a continuation of the Rent Commission. I therefore desire the membership of the House to have the benefit of the views of Mr. Randall H. Hagner, as expressed to me in the following letter of April 16:

WASHINGTON, D. C., *April 16, 1924.*

Hon. JOHN PHILIP HILL,
House of Representatives, Washington, D. C.

MY DEAR MR. HILL: I was very glad to see that you have taken an active interest in opposing the continuation of the rent bill. As you know, this legislation was first enacted as a war emergency measure, and in many ways as such it served its purpose. The war is long since over. In my opinion, further continuation is most dangerous and un-American legislation not only as far as the District of Columbia is concerned, but dangerous in establishing a precedent which the States comprising the country may follow. It is inconceivable to me that any intelligent person could regard the continuation of legislation such as this as a usable substitute to improve upon an economic law, namely, the law of supply and demand. The only effect that this law has had upon the housing situation in Washington has been to drive most of the capital into improving properties not under the control of the Rent Commission. This has resulted in a serious shortage of available residential rental properties and an overabundance of properties for purchase and, incidentally, an equal surplus of available business properties.

Were the Rent Commission to go out of existence when the present act expires there would immediately be available for rental a large number of dwellings, which have heretofore been withheld from the rental market, solely because, under the rent act, a rental contract between an owner and tenant no longer means anything. There are to-day hundreds of vacant apartments in Washington—in fact, I dare say, that there are as many buildings with vacant apartments in them as there are buildings totally or completely rented. In addition there are a great number of apartments now under construction.

I noticed in the newspapers a short time ago a statement to the effect that there were some eleven or twelve hundred houses offered for sale in Washington. This statement is not only misleading, but is absolutely incorrect. There are thousands of houses in Washington offered for sale. The only shortage that exists to-day in the housing situation is the very one which the rent legislation itself has caused; namely, the scarcity of individual houses offered for rental. An unbiased survey to-day will show that there are actually hundreds of new houses on the market for sale—which houses are held for sale and not offered for rent merely because under the rent law a contract entered into by an owner of a house with a tenant may be changed by the Rent Commission to such a point that the owner's net return on his investment would be not only jeopardized, but possibly totally eliminated.

Anyone who is willing to look at the house situation in Washington from an unbiased viewpoint, will concede the fact that Washington is rapidly being overbuilt in houses for sale, but it is greatly underbuilt in houses for rent. This condition is the very one which the rent law makes possible. With the continuation of the rent law no owner is going to enter into a rental agreement with a tenant when there is a representative tenant body standing ready to nullify that agreement and hand down an opinion regulating the rental and condition under which the house may be held by a tenant. It is now possible under the present law for a tenant the day after signing a lease to go to the Rent Commission and have the lease set aside, and they decide on what basis the tenant may continue to occupy the house. No intelligent person is going to invest money in real estate under such conditions. It is impossible, however, for an owner to appeal to the Rent Commission to have any change whatsoever made in the terms of the agreement he has entered into.

As I understand it, under the Ball rent act, neither a landowner nor a real-estate broker may hold office on the Rent Commission. In other words, this body must be entirely composed of people who are tenants; consequently how can any owner of rental real estate expect to get an unbiased decision from a body having only a tenant's viewpoint? Before the war there were numbers of houses offered for rental, due to the fact that the average builder of houses would rent them at a fair rental and dispose of them to investors. This form of the real-estate business has totally disappeared solely and absolutely for the above reason.

In addition to the above, the rent law makes it totally impossible for an owner of rental residential real estate to dispose of it with the promise of possession to the new owner. I shall try to demonstrate this point. If I own a house and Jones live in it, and you want to buy it, and the lease has a clause providing that Jones vacate in the event of a sale, I, as owner, can not dispossess Jones because I do not intend to use the house for my own occupancy. The result is that you have got to buy the house and literally buy a lawsuit in addition in order to get the tenant out. The only way this can be done is for you, as the purchaser, to pay for the house and become the title owner, and then enter a claim that you need the house for your own occupancy. This is only possible after you have actually taken title to the property and paid me for it, and very often several months elapse before you can get possession of the property. You can readily see that the average prospective purchaser does not wish to get into this sort of a lawsuit in order to buy a place to live, and that is the reason why houses offered for sale will not be rented.

To my mind, no condition could be more impractical, unfair, or detrimental to law in general than legislation which makes such a situation necessary.

Two years ago business properties were taken from under the control of the Rent Commission. As a result, to-day there are hundreds of available business locations. In other words, most of the capital invested in residential investment real estate has been diverted to business property, solely because an owner of residential real estate has no voice in the return he might receive.

My interest in the elimination of the continuation of this law is solely for the purpose of reestablishing the faith of the investing public in Washington real estate. As long as the ownership of real estate is regulated by a body of persons more or less representing the tenants, investors hesitate to buy realty holdings if a lawsuit is to be the result.

To my mind the rent law as it stands to-day is discriminatory, confiscatory, and totally un-American. It violates every principal of property rights as set forth in the Constitution. Except as a war emergency measure it has no justification. The war is long since over, and somewhat similar rent laws have been declared unconstitutional by the courts of Missouri and California. There is no Representative or Senator in Congress to-day whose constituents would tolerate legislation of this sort in their communities. Consequently, it seems to me that as Washington is, you might say, the ward of Congress, we who live here deserve from Congress the same treatment that their constituents would get were some one attempting to inflict legislation of this kind on those constituents.

With kind regards,

Yours very sincerely, RANDALL H. HAGNER.

There is no one in this House who more actively desires fairness on the rent question than I do, or who is more actively interested in protecting the person of moderate means who desires to rent a dwelling house or an apartment.

The Rent Commission, however, does not offer, under existing circumstances, a proper remedy for any abuses which may have

occurred in charges for such dwellings and apartments. I therefore hope that this House will not continue a commission, the only excuse for the continuation of which is alleged in the first paragraph of the proposed bill to be an indefinite continuance of the war emergency

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p. m.) the House, in accordance with the order previously made, adjourned until to-morrow, Thursday, April 17, 1924, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LANGLEY: Committee on Public Buildings and Grounds. S. 1918. An act relative to officers in charge of public buildings and grounds in the District of Columbia; without amendment (Rept. No. 516). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8170) granting an increase of pension to Norma McEnhill; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 8212) granting an increase of pension to Lizzie Wright; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LEAVITT: A bill (H. R. 8707) to authorize taxation of the interests of entrymen on Federal irrigation projects; to the Committee on Irrigation and Reclamation.

By Mr. RAKER: A bill (H. R. 8708) to amend an act entitled "An act to create a Federal Power Commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act, approved August 8, 1917, and for other purposes," approved June 10, 1920; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 8709) to authorize the payment of claims under the provisions of the so-called war minerals relief act; to the Committee on Mines and Mining.

By Mr. BYRNS of Tennessee: A bill (H. R. 8710) to amend section 4874 of the Revised Statutes of the United States, providing for the selection of superintendents of national cemeteries; to the Committee on Military Affairs.

By Mr. WOOD: A bill (H. R. 8711) to authorize the consolidation and coordination of Government purchases, to enlarge the functions of the General Supply Committee, and for other purposes; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H. R. 8712) to further regulate interstate commerce and the Post Office Department, and to prescribe penalties for violating such regulations; to the Committee on Interstate and Foreign Commerce.

By Mr. WOOD: Joint resolution (H. J. Res. 245) to create a commission to secure plans and designs for and to erect a monument or memorial building in the city of Washington to the memory of the negro soldiers and sailors who fought in the wars of our country and the late World War; to the Committee on the Library.

By Mr. CAREW: Memorial of the Legislature of the State of New York favoring the construction of a bridge across Lake Champlain connecting the States of New York and Vermont; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONNERY: A bill (H. R. 8713) granting a pension to Mary McGinn; to the Committee on Pensions.

By Mr. GILLETT: A bill (H. R. 8714) granting a pension to Jane F. Cochrane; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 8715) granting a pension to Elmer J. Hartman; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 8716) granting an increase of pension to Michael Quinn; to the Committee on Pensions.

By Mr. JACOBSTEIN: A bill (H. R. 8717) granting an increase of pension to Nancy W. Fuller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8718) granting a pension to Jerusha G. Gilbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8719) granting a pension to Orpha H. Lawton; to the Committee on Invalid Pensions.

By Mr. JAMES: A bill (H. R. 8720) for the relief of Richard E. Sands; to the Committee on Military Affairs.

By Mr. JOST: A bill (H. R. 8721) granting a pension to Leo Edmund Owings; to the Committee on Pensions.

Also, a bill (H. R. 8722) granting an increase of pension to John R. Tapp; to the Committee on Pensions.

Also, a bill (H. R. 8723) granting an increase of pension to Clatness V. Williams; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 8724) granting a pension to Julia F. Gannon Veats; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 8725) granting an increase of pension to Maggie Fetterman; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 8726) granting a pension to Julie Cowan; to the Committee on Invalid Pensions.

By Mr. SCHAFER: A bill (H. R. 8727) for the relief of Roger Sherman Hoar; to the Committee on War Claims.

Also, a bill (H. R. 8728) granting a pension to Isaac T. Osler; to the Committee on Pensions.

By Mr. SEARS of Florida: A bill (H. R. 8729) granting an increase of pension to Mary Stewart; to the Committee on Invalid Pensions.

By Mr. TAYLOR of West Virginia: A bill (H. R. 8730) for the relief of the Kanawha Valley Coal Co.; to the Committee on Claims.

By Mr. THOMAS of Oklahoma: A bill (H. R. 8731) for the relief of Robert F. Foote; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2428. By Mr. BARBOUR: Petition of the San Luis Obispo County (Calif.) Farm Bureau Grain Exchange, indorsing the McNary-Haugen bill (H. R. 5563); to the Committee on Agriculture.

2429. By Mr. CROWTHER: Petition of Wm. F. Scannell Chapter, No. 6, Disabled American Veterans of the World War, of Liberty, N. Y., urging the immediate enactment of pending legislation in behalf of the disabled veterans; to the Committee on World War Veterans' Legislation.

2430. By Mr. GALLIVAN: Petition of the New England Nurserymen's Association, expressing approval of a national botanic garden and arboreatum on the Mount Hamilton site by the Anacostia River; to the Committee on Public Buildings and grounds.

2431. Also, petition of Mr. and Mrs. Wm. Hatchard, 93 Alexander Street, Dorchester, Mass., recommending favorable consideration of the Dill radio bill; to the Committee on the Merchant Marine and Fisheries.

2432. By Mr. GREENE of Massachusetts: Petition of the Women's Christian Temperance Union, of Fall River, Mass., against the legalization of beer; to the Committee on the Judiciary.

2433. By Mr. JARRETT: Petition of citizens of the county of Maui, Territory of Hawaii, asking favorable action on Senate bill 2600, aimed to give freedom to radio broadcasting; to the Committee on the Merchant Marine and Fisheries.

2434. By Mr. KINDRED: Petition of New York Produce Exchange, opposing the reinsertion of the tax on telephone and telegraph communication in the proposed revision of the revenue laws; to the Committee on Ways and Means.

2435. By Mr. LINDSAY: Petition of Meyer, Lyra & Co. (Inc.), general exporters, New York, N. Y., that in the interests of the export trade, pressure will be brought to bear in favor of bill introduced by Representative W. R. Newton, leaving application of the act to the discretion of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

2436. Also, petition of C. J. Marion, Federal Building, Oswego, N. Y., asking that Senate bill 1718 be passed, as of great benefit to all employees in the Steamboat Inspection Service; to the Committee on the Merchant Marine and Fisheries.

2437. Also, petition of Mrs. Jacob D. Posner, "Dr. A. Posner, Shoes (Inc.)," that the shoe tag bill be defeated once and for all; to the Committee on Interstate and Foreign Commerce.

2438. Also, petition of American Shoe Workers' Protective Union (Inc.), 132 Cumberland Street, Brooklyn, N. Y., protesting against the provisions of Senate bill 794 in connection with plan to manufacture shoes, etc., at Leavenworth prison, and urging opposition to this legislation; to the Committee on the Judiciary.

2439. Also (by request), petition of the MacSwiney-Fitzgerald Council of the American Association for Recognition of the Irish Republic, who appeal for the immediate release of the Hon. Eamon de Valera; to the Committee on Foreign Affairs.

2440. Also, petition of the Merchants' Association of New York, requesting that the proper development of the Bureau of Foreign and Domestic Commerce of the Department of Commerce, be permitted by providing the funds necessary for the adequate support of this important work; to the Committee on Appropriations.

2441. By Mr. NEWTON of Minnesota: Petition of St. Paul Council of the American Association for the Recognition of the Irish Republic, urging support of House Resolution 208 and House bill 1652; to the Committee on Foreign Affairs.

2442. Also, petition of sundry citizens of Minneapolis, Minn., urging support of the Reed-Sterling educational bill; to the Committee on Education.

2443. Also, petition of sundry citizens of Minneapolis, Minn., urging support of drastic restriction of immigration and that quota of 1890 be used as a basis; to the Committee on Immigration and Naturalization.

2444. By Mr. YOUNG: Petitions of North Dakota Farm Bureau Federation, of Flasher, N. Dak., and Niagara-Shawnee Agricultural Club, of Niagara, N. Dak., urging the passage of the McNary-Haugen bill; to the Committee on Agriculture.

SENATE

THURSDAY, *April 17, 1924*

(Legislative day of Thursday, April 10, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries, in promoting the sale of farm products abroad, and in other ways, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Keyes	Shields
Ball	Fernald	King	Simmons
Bayard	Ferris	Ladd	Smith
Borah	Fess	Lodge	Smoot
Brandegee	Fletcher	McCormick	Spencer
Brookhart	Frazier	McKellar	Stanfield
Broussard	George	McKinley	Stephens
Bruce	Gerry	McLean	Sterling
Bursum	Glass	McNary	Swanson
Cameron	Gooding	Mayfield	Trammell
Capper	Hale	Neely	Underwood
Caraway	Harreld	Norris	Wadsworth
Colt	Harris	Oddie	Walsh, Mass.
Copeland	Harrison	Overman	Walsh, Mont.
Cummins	Heflin	Pepper	Warren
Curtis	Howell	Phipps	Weller
Dale	Johnson, Minn.	Ralston	Willis
Dial	Jones, N. Mex.	Reed, Pa.	
Edwards	Jones, Wash.	Robinson	
Elkins	Kendrick	Sheppard	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I also wish to announce that the Senator from Indiana [Mr. WATSON] is absent owing to illness in his family. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

ADMINISTRATION OF VETERANS' BUREAU IN ARIZONA

Mr. SMOOT. Mr. President, I have a letter from Gen. Frank T. Hines, Director of the Veterans' Bureau, in which he transmits for my consideration a communication addressed to me by Maj. Louis T. Grant, under date of April 3, 1924, concerning a letter from the Hon. George W. P. Hunt, Governor of Arizona, which was printed in the RECORD. Inasmuch as the letter of Governor Hunt appeared in the RECORD, I ask that the letter of Major Grant be also printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES VETERANS' BUREAU,
San Francisco, Calif., April 3, 1924.

Hon. REED SMOOT,
United States Senate, Washington, D. C.

DEAR SENATOR SMOOT: My attention has been called to a letter appearing in the CONGRESSIONAL RECORD, on page 4704, from Governor Hunt, of Arizona, addressed to Senator CAMERON, of Arizona. There is one portion of this letter I wish to call to your attention, because it intimates that an insufficient amount of money is being allowed for telegraphic service in the subdistrict of the United States Veterans' Bureau located in Phoenix, Ariz.

I feel that in the administration of veteran relief every resource of the Government should be utilized as far as directed by law for the benefit of the disabled veteran, but also every business precaution should be taken to see that no unnecessary expense is incurred. Following this belief, in this district a very careful budget system has been established, in which telegrams and other expenses are carefully estimated for each quarter in advance. The total allowance made by central office for the current quarter, January to April, in this district, which comprises the States of California, Arizona, and Nevada, was $375. The basis of allotment is upon the number of pieces of mail sent from each subdistrict office. On this basis Phoenix, sending out 3,260 pieces of mail for the month of February, may be taken as a standard with a weight of 1. Carrying out this same method, the various other offices in the district would total up 24½, making a 25½ total. If the apportionment for the Phoenix office had been solely on that basis, it would have received about $15 for the quarter, but there were some other elements entering into the case which made the total allotment for the telegrams for the quarter $53.75. The fact is that at the termination of the third quarter, March 31, 1924, the Phoenix office had an unexpended balance of $11.33, which indicates that the sum allotted was ample and that there has been no failure on the part of the bureau to afford all necessary relief to veterans because of any curtailment of funds, as the letter from Governor Hunt would seem to indicate.

I address this letter to you as chairman of the Finance Committee in order that the Senate may understand both sides of the question and not gather an impression that there exists any failure to carry out the various acts for veteran relief. The wording of Governor Hunt's letter, in which the expression "The subdistrict office is allowed only 20 cents a day for telegrams," might be construed as a curtailment of necessary use of the telegraph, but, as above shown, such is not the fact. Not only have sufficient funds been allowed, but there was an unexpended balance at the end of the quarter.

Very truly yours,

LOUIS T. GRANT,
District Manager.

SALARIES IN THE UNITED STATES VETERANS' BUREAU

The PRESIDENT pro tempore laid before the Senate a report submitted by the United States Veterans' Bureau, showing, by location, salary range, and bureau designation, employees receiving an aggregate annual salary of $2,000 and over, as of April 1, 1924, for the central office, and as of March 1, 1924, for the field, which was referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS

Mr. FLETCHER presented a petition of sundry citizens of Fort Lauderdale, Fla., praying for the passage of a drastically restrictive immigration law, with 2 per cent quotas based on the 1890 census, which was referred to the Committee on Immigration.

Mr. ROBINSON presented a letter, in the nature of a petition, jointly signed by V. H. Harrison, general chairman of the Association of Metal Craft Employees, and D. W. Boyce, general chairman of the Association of Car Department Employees, both of the St. Louis Southwestern Railway Co., at Pine Bluff, Ark., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, or if that bill is passed to be so amended as to protect the rights of their organizations, which was referred to the Committee on Interstate Commerce.

Mr. LADD presented a petition of sundry citizens of Norwich, N. Dak., praying for the passage of the so-called Johnson re-

strictive immigration bill, which was referred to the Committee on Immigration.

Mr. KENDRICK presented a petition of sundry citizens of Greybull, Wyo., praying for the passage of legislation to create a Federal department of education, which was referred to the Committee on Education and Labor.

Mr. CAPPER presented a memorial of the Woman's National Committee on Law Enforcement, of Clay Center, Kans., remonstrating against the passage of legislation increasing the alcoholic content allowable in wines and beers, which was referred to the Committee on the Judiciary.

He also presented petitions of the Who's Who Study Club, of Chanute; the Atheneum Reading Club, of Parsons; sundry members of the Kansas State Council of Carpenters, United Brotherhood of Carpenters and Joiners of America, of Chanute; and Branch No. 10, National Association of Letter Carriers, of Topeka, all in the State of Kansas, praying for the passage of stringently restrictive immigration legislation, which were referred to the Committee on Immigration.

Mr. PHIPPS. I present sundry telegrams in the nature of petitions from citizens and business organizations in the State of Colorado praying for the adoption of the so-called Mellon tax plan in the pending tax-reduction bill, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the telegrams were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

DENVER, COLO., *April 9, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate:

Industrial interests and business organizations through the State generally believe that the Senate Finance Committee, appreciating that business is beginning to slacken, have realized the imperative necessity of adopting the Mellon tax plan. This message is sent as a result of the action taken by members of this association indorsing the Mellon plan, and representing approximately 2,600 manufacturers in the State of Colorado. We perfectly appreciate your position in this matter, Senator, and felt that this wire would be of assistance to you in your deliberations.

W. J. H. DOHAN,
President Colorado Manufacturers and Merchants Association.

MONTE VISTA, COLO., *April 8, 1924.*

Senator LAWRENCE C. PHIPPS,
Washington, D. C.:

I have considered the revised tax schedule and believe personally in the Mellon plan. If consistent with your position, I should like you to support it.

J. NORMAN FULLER,
Secretary Rio Grande County Republican Central Committee.

CEDAREDGE, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work hard for the Mellon income-tax reduction proposition, as such tax on large interests drives money into tax-free securities and paralyzes industry.

FIRST NATIONAL BANK OF CEDAREDGE.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work hard for the Mellon income-tax reduction proposition, as such tax on large interests drives money into tax-free securities and paralyzes industry.

DELTA CREAMERY.

ECKERT, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work hard for the Mellon income-tax reduction proposition, as such tax on large interests drives money into tax-free securities and paralyzes industry.

A. L. REYNOLDS.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work for the Mellon plan income-tax reduction. The present surtax rates curtail business expansion. They put a premium upon tax-exempt bonds, of which we already have enough to keep the small taxpayer poor for a generation. Rally to this cause.

THE STATE BANK OF AUSTIN,
Austin, Colo.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work for the Mellon plan income-tax reduction. The present surtax rates curtail business expansion. They put a premium upon tax-exempt bonds, of which we already have enough to keep the small taxpayer poor for a generation. Rally to this cause.

GUDGEL AND MATNEY.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work for the Mellon plan income-tax reduction. The present surtax rates curtail business expansion. They put a premium upon tax-exempt bonds, of which we already have enough to keep the small taxpayer poor for a generation. Rally to this cause.

H. E. PERKINS.
MRS. H. E. PERKINS.

CEDAREDGE, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work for the Mellon plan income-tax reduction. The present surtax rates curtail business expansion. They put a premium upon tax-exempt bonds, of which we already have enough to keep the small taxpayer poor for a generation. Rally to this cause.

HARRY A. CORBETT.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work for the Mellon plan income-tax reduction. The present surtax rates curtail business expansion. They put a premium upon tax-exempt bonds, of which we already have enough to keep the small taxpayer poor for a generation. Rally to this cause.

S. Y. SYLVESTER, *Hotchkiss, Colo.*

CEDAREDGE, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work hard for the Mellon income-tax reduction proposition, as such tax on large interests drives money into tax-free securities and paralyzes industry.

F. J. STEWART.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

Urge you to work for the Mellon plan income-tax reduction. The present surtax rates curtail business expansion; they put a premium upon tax-exempt bonds, of which we already have enough to keep the small taxpayer poor for a generation. Rally to this cause.

CLARENCE A. SMITH.
HENRY J. BAIRD.
HARRY G. SHAFFER.
M. SPRINGER.
W. B. STOCKHAM.
SETH J. KYFFIN.

CEDAREDGE, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work hard for the Mellon income-tax reduction proposition, as such tax on large interests drives money into tax-free securities and paralyzes industry.

DR. C. L. BOLTON.

DELTA, COLO., *April 11, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

I urge you to work hard for the Mellon income-tax reduction proposition, as such tax on large interests drives money into tax-free securities and paralyzes industry.

NORTH FORK STATE BANK,
Hotchkiss, Colo.

MONTE VISTA, COLO., *April 9, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

We heartily support and urge passage Mellon tax bill as originally written.

WALLACE STATE BANK.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

We urge you support passage of the Mellon tax bill.

THE RIO GRANDE HARDWARE CO.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

Trust you will support the passage of the Mellon bill.

C. E. BARBER.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

We respectfully ask you to support passage of Mellon tax bill.

THE MONTE VISTA FLOUR MILLS.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

Your efforts toward passing Mellon bill will be appreciated.

F. M. HOOPER.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

We think Mellon bill should pass. Request you support it.

THE MONTE VISTA MOTOR CAR CO.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
United States Senate, Washington, D. C.:

Respectfully request you use your efforts in passing Mellon bill.

FIRST NATIONAL BANK.

MONTE VISTA, COLO., *April 8, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

Recommend use your efforts in support Mellon tax bill.

BOYLE CO.

MONTE VISTA, COLO., *April 9, 1924.*

Hon. LAWRENCE C. PHIPPS,
Washington, D. C.:

Please use your best efforts toward the passage of the Mellon bill.

THE MONTE VISTA BANK & TRUST CO.

REPORTS OF COMMITTEES

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (H. R. 4122) to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended, reported it without amendment and submitted a report (No. 411) thereon.

He also, from the same committee, to which was referred the bill (S. 2593) for the extension of Rittenhouse Street in the District of Columbia, reported it with amendments and submitted a report (No. 412) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 3143) for the relief of Bernice Hutcheson (Rept. No. 413);

A bill (H. R. 5541) for the relief of Hubert Reynolds (Rept. No. 414); and

A bill (H. R. 5808) for the relief of Edward T. Williams (Rept. No. 415).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

Mr. NORRIS (for Mr. LA FOLLETTE):

A bill (S. 3111) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. PEPPER:

A bill (S. 3112) to safeguard the distribution and sale of certain dangerous caustic or corrosive acids, alkalis, and other substances in interstate and foreign commerce; to the Committee on Interstate Commerce.

By Mr. CAPPER:

A bill (S. 3113) to establish a Federal system for the cooperative marketing of agricultural products and to encourage and develop a more orderly and economical method in distributing and marketing such products in interstate and foreign commerce; to create a Federal marketing board and provide for cooperative commodity boards; to encourage and aid in the formation and extension of cooperative marketing associations, cooperating clearing-house associations, and terminal marketing associations; to correlate the activities of such boards and associations and provide for their inclusion within such system; to bring about education and cooperation in the diversification, production, and marketing of agricultural products; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. COPELAND (by request):

A bill (S. 3115) for the relief of Rosa B. Smolik; to the Committee on Claims.

LIMIT OF CAMPAIGN CONTRIBUTIONS

Mr. McKELLAR. I ask leave to introduce a bill for reference to the Committee on the Judiciary, and I ask that it may be read at length.

The bill (S. 3114) to limit campaign contributions in presidential, senatorial, and congressional elections was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary, as follows:

A bill (S. 3114) to limit campaign contributions in presidential, senatorial, and congressional elections

Be it enacted, etc., That it shall be unlawful for any corporation organized by authority of any law of the United States, or for any other corporation howsoever or wheresoever organized, or for any partnership or firm to make, directly or indirectly, by charging the same to expense account or otherwise, any money contribution in connection with any election at which presidential or vice presidential electors or a Representative in Congress or a United States Senator is voted for.

SEC. 2. That it shall be unlawful for any person to make a money contribution in connection with any election at which presidential or vice presidential electors or a Representative in Congress or a United States Senator shall be voted for or upon in any sum in excess of $500 for presidential electors, or in any sum in excess of $100 in the election of Representatives in Congress or the United States Senate; and no person shall contribute to the campaign of more than one political party or to the campaign of more than one candidate for Representative or Senator in Congress.

SEC. 3. That it shall be unlawful for any candidate for President to contribute to the campaign fund at any election at which presidential or vice presidential electors are voted upon in an amount in excess of the sum of $10,000, exclusive of personal and traveling expenses of such candidate.

SEC. 4. That it shall be unlawful for any candidate for the office of United States Senator to make any contribution to the campaign fund in connection with the election in which he is a candidate in an amount in excess of the sum of $5,000, exclusive of personal and traveling expenses of such candidate, nor shall the aggregate sum expended for said candidate be greater than the sum of $10,000.

SEC. 5. That it shall be unlawful for any candidate for Representative in Congress to make any contribution in connection with any election in which he is a candidate for Representative in an amount in excess of the sum of $3,000, exclusive of personal and traveling expenses, nor shall there be expended for him an aggregate amount greater than $5,000.

SEC. 6. That it shall be unlawful for any person to contribute to the election of any candidate for Representative in Congress or United States Senator outside of the State in which such person is a citizen.

SEC. 7. That it shall be unlawful for any national committee of any national political party to spend in any national election any sum of money in excess of $1,000,000; and the total sums collected and distributed by such committee shall be reported and accounted for as now required by law.

SEC. 8. That it shall be unlawful for any national political party, after an election is over, to collect from any source or contrary to the terms of this statute any sum in excess of the limit of $1,000,000 hereinbefore provided for.

SEC. 9. That it shall be unlawful for any State or district political committee or organization to spend any sums of money in behalf of presidential or vice presidential electors.

SEC. 10. That any person or the officer or representative or agent of any political party organization or of any corporation, firm, or partnership, violating any of the provisions of the foregoing act, shall, upon indictment and conviction, be punished by fine of not less than $1,000 or more than $5,000, and be imprisoned not less than sixty days nor more than two years and shall be disqualified from holding any office of trust or profit of the United States for a period of four years.

SEC. 11. That any corporation, firm, or partnership violating any of the foregoing sections shall be punished by a fine of not less than $1,000 and not exceeding $20,000 and shall forfeit their corporate existence, and the district attorney for the district in which they have their seat shall at once file a bill in the Federal court to wind up the affairs of such corporation and distribute the proceeds among its stockholders.

Mr. HARRISON. I ask unanimous consent to have inserted in the RECORD as a part of my remarks and referred to the Committee on the Judiciary an article written on this subject by the distinguished Senator from Tennessee [Mr. MCKELLAR], which appeared in the New York Times several weeks ago.

There being no objection, the article was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

[From the New York Times, Sunday, March 30, 1924]

CAMPAIGN FUND EVILS BESET BOTH PARTIES—LARGE CONTRIBUTIONS BY SAME PERSON TO BOTH REPUBLICANS AND DEMOCRATS MOST CRITICIZED—TENNESSEE SENATOR PROPOSES TO LIMIT INDIVIDUAL CONTRIBUTIONS—"MAKE CORRUPT PRACTICES LAW MORE RIGID"

Still another inquiry is proposed at Washington—into campaign contributions. Whether or not such an investigation be held, the subject is in the forefront of discussion. It will receive increasing prominence in the weeks ahead, because both the great parties are faced with the problem of how funds are to be raised to conduct the coming presidential campaign. The author of the following article is the junior Senator from Tennessee. He is a Democrat.

(By KENNETH D. MCKELLAR, United States Senator)

As the primaries and as the quadrennial presidential election dates come on another important question arises. We are beginning to hear, with increasing frequency, the question asked by men and women of all parties, "What of the campaign contribution evil?" It is one which, if my interpretation of the signs of the times is correct, must be answered in the not far-away future. It is a question that interests every man and woman in the United States, every lover of good government, every lover of honest and fair dealing, every lover of the purity of the ballot.

I do not exaggerate when I say that the upstanding men and women of this country, regardless of party affiliations, have become convinced that the campaign contribution habit in the United States has assumed alarming proportions and has grown to be an evil which must be eliminated if we are to have honest government.

I do not mean that all campaign contributions must cease. But I do mean that the giving of fabulous sums of money to bring about the nomination of candidates and their subsequent election to office must stop. Can any reasonable person take the position that the contribution of hundreds of thousands of dollars to further the political fortunes of a candidate will not, in the ordinary course of events, influence the acts of such a person in the event of his election to office? Of course not. It would be an insult to a man's intelligence even to argue that such would not, under even ordinary circumstances, be the resulting situation.

WHAT THE DONOR MUST EXPECT

Again, and I do not think the assertion will be disputed, can any sane thinking voter take the position that a man who gives thousands of dollars to a campaign fund does so from simple love of his own party? Can it be argued that in the giving of a fortune in bringing about the election of a certain candidate for office, it is without some expectation of future reward? Can anyone think that such gifts are gifts without strings to them?

When a man parts with $100,000, or, as is of record, many times that sum, to be expended in the interest of the candidacy of a particular candidate for office, are there any who really believe in their hearts that the giver of such a sum will, in the event his candidate is elected, not exert an influence on the official activities of that candidate? It seems to me that no one familiar with the political conditions in Washington, or in the United States, would argue to the contrary.

While it is true and has been true for generations back that the Republicans always have more money at their command than the Democrats, still I am not at this time looking at the problem from a partisan standpoint. The big contribution is wrong in principle and it makes no difference to which political party the money is given—Republican, Democratic, Progressive, or whatever the party name may be.

There is now drawing to a conclusion an investigation that is destined to go down into history as the most successful investigation ever conducted by either branch of the Government since the foundation of the Republic. I refer to the investigation of the naval reserve oil leases now being conducted by the Public Lands and Surveys Committee of the Senate. The reference to that investigation here is for the purpose of reciting certain facts which show the campaign giving menace in its very worst light. I mean the new habit which has developed in recent years of contributing to both of the major parties; and when a man or a corporation does contribute to both parties it is not possible, even for the politically evil-minded, not to see that the gift is sinister in its origin. The only purpose of such gifts is to obtain favors that ought not to be obtained from the Government, whichever party wins.

OIL MONEY FOR BOTH PARTIES

The records of the Teapot Dome and Elk Hills inquiry will disclose that Edward L. Doheny and Harry F. Sinclair, the two most important figures with the exception of ex-Secretary Fall, in that historic investigation, have admitted under oath and in shameless fashion that in 1920 they contributed to both the Democratic and Republican campaign funds. In the case of Sinclair he not only contributed to the Republican 1920 campaign fund—and for this we have the word of Will H. Hays, who was chairman of the committee in 1920—but he gave an additional $75,000 for the purpose of helping to wipe out the $1,600,000 deficit that the committee came out of the campaign with.

I don't believe anyone will believe that these gifts were made by these two men with any other purpose than to do what is called in gambling parlance "play both ends against the middle." With these tremendous gifts to both parties their idea was that they could get enormous returns, whichever way the election went.

CAMPAIGN EXPENDITURES IN 1920

I wish here to call attention to the report of the committee presided over by the then Senator Kenyon, which investigated campaign expenditures for 1920.

Senator Kenyon is one of the purest and best and ablest statesmen and jurists in this country. In conducting this investigation and in making the report he performed a wonderful service to the people of the United States. The report of that investigation was that the Republican national and congressional committees expended in the regular election $6,022,678.66. The Democratic national and congressional committees spent $1,349,447.07. The 48 Republican State committees spent an aggregate of $2,078,060.55. The 48 Democratic State committees spent $888,323.64. The total spent by the Republicans was $8,100,738.21, and the Democratic total was $2,237,750.71.

These figures do not include the expenditures of the county and other local committees. To these sums must be added a $1,600,000 deficit by the Republican committee, making the grand total spent by them in the 1920 regular election the enormous sum of $9,700,738.21. There must also be added a $300,000 deficit by the Democratic committee, making the grand total spent by them of $2,537,750.71.

From these figures it is seen that the Republicans, according to their own reports, spent nearly four times as much as the Democrats, and the effect of this money was unquestionably seen in the enormous majority of 7,000,000 that Mr. Harding received.

PRECONVENTION CAMPAIGN TOTALS

These enormous sums of money are too much to be spent in any national campaign. The Democratic sum was entirely too large. The Republican total was practically four times as bad. The expenditure in either case constitutes a stigma upon popular government, and steps should be taken by the Congress to minimize the expenditures to actually necessary expenses.

The sums spent in the regular election, however large they were, were not all that was spent in the 1920 campaign. From the same report of Senator Kenyon's committee, in the Republican preconvention campaigns it is shown there was spent for Calvin Coolidge, $68,375; for Senator Harding, $113,109; for Herbert Hoover, $173,542; for Hiram Johnson, $195,395; for Gov. Frank O. Lowden, $514,984; and for Gen. Leonard Wood the enormous sum of $1,173,903.

It will be recalled that General Wood came very near getting the Republican nomination, and if he had got it there would have been charges that it was due in large part to the use of money in his behalf. Such gifts tell their own story.

W. C. PROCTER BACKED WOOD

William Cooper Procter, of Procter & Gamble, soap manufacturers, was the money man of the Wood campaign. I quote his own words as taken from the record:

> "Mr. PROCTER. Contributions have been to me very disappointing, and the burden of the campaign has fallen upon myself. I made a contribution of $10,000. Since that time I have advanced approximately $500,000.
>
> "The CHAIRMAN. Out of your own pocket?
>
> "Mr. PROCTER. Out of my own pocket. My advances I know are more than the balance of the contributions."

On the Democratic side Mitchell Palmer spent $39,010; Governor Cox, $22,000, and other Democrats insignificant sums.

Among the contributors to Mr. Harding's preconvention campaign are to be found Harry M. Daugherty, James G. Darden, Jess W. Smith, R. B. Creager, all in the limelight in the investigations now under way in Washington.

It appears that Mr. Daugherty was the largest contributor to Mr. Harding's preconvention campaign, with $14,500, or nearly one-seventh of all that was contributed. Looking over the list of Republican campaign contributions we find many names of gentlemen prominent in administration circles. Whether they would have been in their present position but for these contributions, who can say?

BELIEVED SYSTEM FRAUGHT WITH EVIL

The system is bad. It is fraught with evil for this Republic. A large contributor to a campaign fund necessarily expects to receive attention and consideration after the election is over. If he wants an appointment, naturally his claims are superior to those better fitted for the place he seeks or not. This is inevitable.

I do not mention the Democratic contributors, because the Democrats were defeated and have no favors to grant.

I know a Senator of very limited means. His contests usually come in the primary of his State. He is unable to put up campaign funds to any extent, but he limits contributions by his friends to $100. He does not believe that anyone who contributes $100 to a campaign fund would be entitled to superior rights because of such modest contributions. If presidential contributions could be limited to a reasonable relative sum, it would be much better for the country. Say for instance, that no sum in excess of $500 should be made by any individual, and no corporation should be permitted to make a gift at all.

The evil effect of large campaign contributions is most frequently pointed out in the after-arrangement of tariff schedules. A man who has contributed large sums and whose business is influenced by tariff rates naturally feels that he is entitled to better treatment in the arrangement of these schedules, and to the extent that this factor enters into tariff laws it is government by campaign contributions. Where such campaign contributions raise the enormous sum of $10,000,000 for one campaign it is easily seen how pernicious such a system may become. This $10,000,000 would be paid back ten times over within a year after tariff schedules have been raised. Whether there is any agreement about it or not, the implied understanding must necessarily be: "I give you campaign contributions and you allow me to tax the people by means of tariff duties affecting my business. I pay you so much cash now. My expectation is to get back many times the cash given in the way of tariff bounties from the Government."

It is a pernicious system. It is calculated to undermine the very foundations of this Republic if it is not done away with or curtailed to actual expenses.

TAX REFUNDS AND FUTURE CAMPAIGNS

It is quite remarkable that tax refunds up to 1920 were virtually nothing. Since 1920 they have increased and multiplied until now one of the principal drains on the Treasury is tax refunds. In round numbers, these tax refunds in 1921 were $28,000,000; in 1922, $48,000,000; in 1923, $124,000,000, and the deficiency bill just passed has just added $105,000,000. Three hundred million dollars in tax refunds—sometimes more than a million going to an individual taxpayer. Again, these refunds are made secretly. The public is not familiar with them until after they are made. There is no court hearing. There is no going before a committee. An application is made by a taxpayer to a clerk in the revenue department, his recommendation is obtained, and the matter goes through.

The sum of $229,000,000 in the fiscal year of 1923 in tax returns! Why this enormous increase? Is it in furtherance of a program of preparedness for the 1924 campaign? To whom does this money go? The lists of recipients have been made out. It is easy to understand how mistakes can be made in taxes by tax officials. There are many cases where refunds should be made, but the idea of this Government returning $229,000,000 a year in tax refunds!

It is almost inconceivable that such returns are absolutely made. It is inconceivable that the revenue department, under the Secretary of the Treasury, could make a mistake of more than $1,000,000, sometimes more than $2,000,000 with one taxpayer's returns. If the system is kept up, what an inviting field it is for campaign contributions! How easy it would be in the future, with such a system going on, to promise a taxpayer, expressly or impliedly, "fair treatment" in consideration of a big campaign contribution!

I do not mean to charge that any of these tax refunds are due to campaign contributions, but if we want to avoid the appearance of evil we had better change the system. We ought to establish full publicity of tax returns and we want to establish a public tribunal to which those taxpayers who are entitled to refunds can openly apply and have mistakes corrected and illegal levies set aside and all proper tax adjustments made.

The present system of secrecy of tax returns must inevitably lead, if it has not already led, to corruption. It may be said that the Secretary of the Treasury is now required to publish tax refunds. The requirement is that he must give the names and amounts to the Speaker of the House. These were buried in the Ways and Means Committee's document room, and when I attempted to find them it was almost impossible to get them. That kind of publicity is valueless to the taxpayers of the country.

The evils of the campaign contribution system are not only found in the contributions of big business or those engaged in big business but, they are also found in arrangements made with the smaller contributors. In my own State of Tennessee it developed early in this administration that every applicant for office was assessed by the Republican organization with a certain amount which it was claimed was to be paid over to the Republican National Committee in order to take care of the deficit.

I found the national committeeman from Tennessee, John W. Overall, receiving checks from applicants for post offices, rural carriers, and other offices, both civil service and those not under civil service. When it was found, on indisputable proof, that this sale of offices was going on, Mr. Overall denied that he got the money personally, and said it was being applied to the deficit of the Republican National Committee, that Tennessee's quota of the deficit had been fixed and that he and others were requiring these office seekers to put up the money before the offices were bestowed. It turned out that the same condition of affairs existed in Arkansas, South Carolina, and perhaps other Southern States, at least. A more disreputable and corrupt system could hardly be imagined.

There are a number of laws on the Federal statute books relating to campaign contributions. The first, approved January 6, 1917, prohibits any national bank or other corporation organized under the Federal Government from contributing any money to the election of President, Vice President, or Representative or Senator in Congress.

Section 118 of the Criminal Code provides that no Senator or Representative, or officer, or employee of either House, and no executive, judicial, military, or naval officer of the United States, and no clerk or employee of any department shall directly or indirectly solicit or receive in any manner any subscription or contribution from any person receiving any salary or compensation from moneys derived from the Treasury of the United States.

CORRUPT PRACTICES LAWS

By an act approved June 25, 1910, publicity of contributions are provided for. By an act approved August 19, 1911, this publicity was extended to Senators and Representatives in Congress and limitation fixed upon the amount that might be expended. By an act approved August 23, 1922, these acts were further amended. By an act approved October 16, 1918, it was provided that "whoever shall promise, offer, or give, or cause to be promised, offered, or given any money or other thing of value, or shall make or tender any contract, undertaking, obligation, gratuity, or security, for the payment of money or for the delivery or conveyance of anything of value to any person either to vote or withhold his vote or to vote for or against any candidate, or whoever solicits, accepts, or receives any money or other thing or value in consideration of his vote for or against any candidate for Senator, or Representative, or Delegate in Congress at any primary or general or special election shall be fined not more than $1,000 or imprisoned not more than one year, or both."

In the Newberry case, the Supreme Court of the United States held unconstitutional so much of the publicity and limitations of campaign expenses act as applied to primaries. But it is easily seen that with one party admitting that it spent nearly $10,000,000 and another party admitting that it spent more than $2,000,000, the spirit and, no doubt, the letter of the law has been violated in innumerable instances. It is an awful practice, and ought to be stopped.

NEWBERRY DECISION CALLED UNFORTUNATE

It will be seen from the foregoing laws that Congress has frequently undertaken to fix a remedy. The decision of the Supreme Court of the United States in the Newberry case, declaring that the statute could not, under our Constitution, apply to primary elections, was a body blow to clean politics in this country. In many of the States the primary election is the principal election and constitutes the real election, and, to say the least of it, that decision, favorable to a man who resigned afterwards, while still under fire, was the most unfortunate decision for greater honesty in elections, and, indeed, in all public affairs.

The campaign-contribution evil is gnawing at the very vitals of this Republic. There must be some remedy for it. The Congress should pass a law limiting the amount used to actual expenses. Sums to be used on election day for the payment of workers at the polls should be absolutely forbidden. Sums paid out to persons, except for clerical work, should be absolutely forbidden. No contributor to the national campaign should be allowed to contribute in excess of $500. No campaign committee should be allowed to borrow enormous sums from a bank, but such sums should be limited.

No person should be allowed to put up collateral to secure such loans or indorse notes for such loans. No corporation should be allowed to contribute at all, directly or indirectly, under severe penalties. No person who contributes over the specified amount, directly or indirectly, should be allowed to hold office under the incoming administration. No civil-service employee should be allowed to contribute, and no applicant for any civil-service office should be eligible to that office if he contributes to any deficiency. No postmaster or applicant for postmaster should be allowed to contribute to any national campaign.

Within a few days I shall introduce a corrupt-practices bill embodying all or some of these suggestions. This bill, of course, will be drawn to conform to the decisions of the Supreme Court in the Newberry case.

Mr. McKELLAR subsequently said: Mr. President, this morning I introduced a bill concerning campaign expenditures. I have in my hand a short article giving the views of President Coolidge in reference thereto, which I ask may be printed in the RECORD, following the statement made this morning, and that it be referred to the Committee on the Judiciary.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The President's statement is as follows:

[From the Washington Star, April 12, 1924]

COOLIDGE OPPOSES LARGE PARTY GIFTS—OPINION BASED ON LIKELIHOOD OF SUCH DONATIONS CREATING BAD IMPRESSIONS—SEES PROBLEM DIFFICULT—DOUBTS ABILITY TO OFFER FIXED RULE ON DONATIONS

President Coolidge has let it be known that he does not approve of large contributions to political campaign funds because of the likelihood of their creating bad impressions and giving the idea of a wrongful motive.

In discussing this subject with callers at the White House the Executive is represented as saying that while he doubts his ability to give any fixed rule governing campaign contributions that would be particularly helpful, he thinks it would be well to keep in mind that it is not so much the size of a contribution as the purpose in that a large contribution could be given for a perfectly proper purpose, while a small contribution could be made for an entirely unjustifiable purpose. The President was represented as not meaning that a contribution made for the general purpose of supporting party policy or promoting party principle is without any reason for criticism, but a very small contribution made for selfish purpose, perhaps for securing a personal favor or something of that kind, would, of course, be subject to just criticism.

CRITICISED BY BORAH

Contributions of large sums to both political parties recently were criticised by Senator BORAH, Republican, Idaho.

* * * * * * *

BUILDING FOR THE NATIONAL GALLERY OF ART

Mr. LODGE submitted an amendment proposing to appropriate $2,500,000, to enable the Regents of the Smithsonian Institution to commence the erection of a suitable fire-proof building with granite fronts for the National Gallery of Art, including the National Portrait Gallery, and the history collections of the United States National Museum, on the north side of the Mall between the Natural History Building and Seventh Street, provided that the total cost of said building complete, including heating and ventilating apparatus and elevators, shall not exceed $7,000,000, intended to be proposed by him to the second deficiency appropriation bill for the fiscal year 1924, which was referred to the Committee on Appropriations and ordered to be printed.

RESTRICTION OF IMMIGRATION

Mr. HEFLIN submitted an amendment intended to be proposed by him to the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes, which was ordered to lie on the table and to be printed.

UNITED STATES VETERANS' BUREAU

Mr. ODDIE submitted amendments intended to be proposed by him to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries, in promoting the sale of farm products abroad, and in other ways, was read twice by its title and referred to the Committee on Agriculture and Forestry.

RESTRICTION OF IMMIGRATION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes.

Mr. SIMMONS. Mr. President, I am loath to enter upon a discussion of the amendment which I propose to introduce to the pending bill before it is reached in the regular order, but the Senator from Pennsylvania [Mr. REED] advises me that, in his opinion, it will take only a very short time to finish the committee amendments and that my amendment will then be reached.

I concede that there is hardly any question of greater importance to the American people at this time than the question of a proper control of immigration. I recognize that the conditions of to-day more than at any time in our history call for drastic restrictive legislation upon the subject. Personally I have always been in favor of restrictive legislation. I have never thought at any time that we ought to throw our doors wide open to immigration from the Old World. I have supported every measure that has been introduced looking to the restriction of immigration, because I thought the rights of the American who has built the Nation and made it what it is ought to be carefully guarded.

Early in my service in this body I introduced to the immigration bill then pending in the Senate an amendment imposing an educational qualification upon immigrants into this country. That amendment, with certain suggestions made by the distinguished senior Senator from Massachusetts [Mr. LODGE] which I accepted, was adopted, and it is now, with practically little change, if any, what is known as the literacy test in our immigration plan. I am not only in favor of restrictive immigration, I am not only in favor of the restrictions that we have heretofore imposed, but I am in favor of further radical restriction. I voted for the 3 per cent limitation in the present law. I shall vote for the 2 per cent limitation proposed by the committee to the pending bill.

I am in favor of selective immigration, but I want the selection based upon something else and in addition to the requirement that the immigrant shall be able to read and write in some language, that the immigrant is an able-bodied man, that he is not a criminal, and is a man of good character. Those are very necessary restrictions; they ought to be applied in the process of selection; but I want the selective principle carried further than the present law would carry it. I want it based upon something in addition to the test of admissibility. I want it to go to the point of the kind and character of immigration we need and want to come to this country. A selective principle which disregards the economic needs and the economic wants and requirements of the present situation will be wholly inadequate to accomplish the purpose that I desire should be accomplished through the principle of selective immigration.

Mr. President, the amendment which I shall offer is directed, partially, at least, to the accomplishment of this purpose. I want to read that amendment as I have now redrafted it and as I shall submit it, in order that the Senate may fully understand it before I begin the arguments which, to my mind, support it and prove it to be of the utmost importance in connection with our present economic situation, especially so far as that economic situation concerns the vital interest of agriculture in this country.

The amendment which I propose is to be inserted at the end of section 4, on page 6, after line 4. That section relates to the preference to be given immigrants upon the ground of the relationship to foreign citizens who are already in America. That is the only preference specifically given in the bill as reported by the committee. It may, therefore, if my amendment shall be adopted, be described as the first preference. My amendment deals with other preferences, and is, in words and terms, as follows:

(c) In the issuance of immigration visé certificates preference shall be given by the consuls to persons who give satisfactory evidence that they are skilled in agronomy, forestry, horticulture, or animal husbandry, and who are going to the United States to enter into agriculture, and to experienced farm laborers who are going to some agricultural district to engage in farming.

(d) Whenever the legislature or the governor of a State makes a request of the Secretary of Labor for skilled farm laborers or for skilled farmers who are expert in agronomy, forestry, horticulture, or animal husbandry, of any nationality, for the purpose of filling a specific need in that State, the Secretary of Labor and the Secretary of Agriculture may make a review of the situation, and upon their approval, in the issuance of immigration visé certificates preference shall next be given by the consuls to skilled farmers and experienced farm laborers, subject to such regulations as will insure that they go to the specified locations. The preference provided in (c) and (d) of this section shall not in the case of any one country exceed 50 per cent of the quota allotted to such country.

So it appears upon the face of the amendment that the selection is to be made from the quota, and that the selection shall not exceed 50 per cent of the immigrants allotted to any one country.

I propose, Mr. President, in the discussion of this matter to confine myself, as I said a few moments ago, entirely to the

agricultural situation and agricultural needs, because my amendment relates only to labor of that character.

The situation of agriculture in this country to-day is exceedingly precarious. I think, Mr. President, that will go without saying. There is a crisis in the economic agricultural situation both of the South and of the West. I need not dwell upon it, because I take it that that is conceded by everyone. It is so outstanding that there is no controversy with respect to it, nor as to its extent.

That agricultural situation is due, so far as the South is concerned, to two chief reasons. There are subsidiary reasons which I will not discuss; but the two chief reasons are, first, the invasion of the boll weevil, now extending to a very large percentage of the entire cotton area of the South, which has made cotton farming in that section under present conditions unprofitable. Cotton farming will not have to be abandoned altogether, because we hope for success in combating the evil, at any rate, greater success than we have heretofore achieved, and if we can change our method of cultivation in the South we may in the not very distant future relieve the situation. But under present conditions the ravages of the boll weevil have contributed very largely toward making cotton farming in the South unprofitable.

There is another reason why we are confronted with difficulty in our agricultural operations, not only as to cotton but as to the growing of all sorts of crops, and resulting in the wholesale abandonment of farms in the South, and that is the loss of our labor supply. Cotton is cultivated in the South chiefly through negro labor and negro tenants. They are the chief reliance. Deprive us of that source of supply in the South and it would be impossible for us to cultivate under the best conditions much more than a third of the acreage that we usually cultivate in cotton.

The emigration of the negro from the South in the last two or three years have been enormous, Mr. President. It has been due to two causes: First, of course, the ravages of the boll weevil have made cotton farming unprofitable. Cotton is the one crop that the colored man knows how to cultivate; it is the one crop that he insists upon cultivating. The fact that that crop has become unprofitable is one of the chief reasons why this movement to leave the South has started. It has been a progressive movement. As the boll weevil has advanced, as his ravages have increased, more and more of the colored population have left and more and more of them will leave. That movement, however, was made possible, and, to a certain extent, was superinduced by the fact that our restrictive immigration measures have brought about a pronounced shortage of labor in the great industrial centers of the North and the West, and in order to recruit the losses they have sustained by reason of the exclusion of that class of labor which the manufacturing industries have always relied upon for common labor, they have gone to the South and inaugurated a systematic movement, curbed only by the laws of the specific State in which it is attempted to operate, to induce the negro laborers to migrate to the North and West to take the place of the immigrants, the unskilled laborers, who have heretofore been recruited in and who have come to this country from the southern and eastern portions of Europe.

The effect, Mr. President, has been disastrous to the Cotton Belt of the South. The same condition, though to a less degree I assume, obtains in the West. At any rate, in the wheat-growing sections of the West agriculture is not prosperous. Agriculture is in distress, just as it is in the South.

I do not know to what extent the factories have drawn upon the farms of the West to make up the shortage in labor which confronts them, which is a problem with them, not only for the purposes of normal operation but in connection with any prospective expansion of their business; but I know this, Mr. President: If we shall pass this immigration bill—and I hope we will pass it; the general welfare of this country requires that it should be passed—if we shall pass it, I repeat, and this shortage in factory labor shall continue, if there is to be expansion and development in the manufacturing industries of this country—and I hope there will be—it will be necessary for them to get their unskilled labor, at least, in this country, and there is nowhere that they can get it in this country except from the farms; and while the movement of recruiting labor from the farms for this purpose may not up to this time have begun in the West, undoubtedly it will begin as soon as the supply in the South has been exhausted, and the West, if not now in a very short time, will find itself in the same condition of labor shortage which confronts us in the South.

Mr. President, no man can contemplate the condition of agriculture in this country without feeling some degree of alarm. The apprehension which obtains throughout the country with respect to the future fate of this industry is well founded. I believe that fact is conceded. Something, therefore, must be done to relieve the situation. Some effective, adequate remedy must be found unless more than 40 per cent of the population of this country who produce that from which we derive our wealth and our prosperity are to be overwhelmed with ruin and bankruptcy. No more serious situation has ever confronted a country.

The life and the prosperity of the most vital industry, the fundamental, primary industry of this country, are placed in serious jeopardy; and it behooves every man who is in a position of responsibility, in a position which may enable him to contribute to the relief of this situation, to address himself seriously to it, and to aid in every way he can in devising some effective, adequate method of relief.

Many remedies for this situation have been suggested and discussed—discussed in the press both commercial, political, agricultural, and industrial; discussed in the two Houses of Congress, and discussed by the administration. The importance of the matter has not been ignored, but no adequate remedy has been yet found. Remedies have been suggested and discussed, most of them relating to Government aid, but none of them have been felt to meet the situation, and none of them have been practically adopted. They do not meet the situation. The situation can not be met in that way. We must do for the farmer that which will enable him to work out this greatest of his problems.

It will do no good to give him credit. There was a time when it was absolutely necessary for us to extend Government credit, but that was to relieve a different situation, Mr. President. What is the remedy? I say these first remedies relating to aid through Government instrumentalities and subsidies or grants or credits have been rejected. They would have been ineffective if adopted. The public mind in the agricultural districts of this country, represented by the farmer in his associations, represented by the agricultural press—the consensus of opinion from those sources and of the people at large who have given thought and consideration to this subject is that the one and only adequate remedy discovered up to this time is diversification in agriculture and intensive cultivation.

The mind of the agriculturist in this country is concentrated to-day upon that as the remedy. The relief will not be instantaneous. The relief may not be entirely and fully complete; but that it will enable him to bridge over the present difficulties, and get himself in a position where he may rapidly advance to a state of prosperity, is a firm conviction in the minds of all people, both agricultural and of other callings, who have studied this problem; and in every section in the West and the South to-day, everywhere, they are discussing the question of diversification and intensive farming in the cultivation of crops as the one hope in sight.

We have had some evidence of that here recently in connection with the debates in this body upon what was known as the Norbeck bill. The farmers of the wheat section of the West came to Congress and asked, through their Senators, that the Government should advance as a revolving fund, I believe, fifty or seventy-five million dollars for the purpose of affording the distressed wheat farmers of the country an opportunity to put themselves in a position where they could diversify their crops, where they could get away from the one-crop principle upon which their agriculture heretofore has been based. That is the problem in the South to-day. That is what they are all talking about and nothing else. "We must diversify," they say. "We must introduce the intensive method of farming, thereby increasing production, and reducing labor requirements. We must do it, but we recognize that the transition will be expensive."

Mr. President, to my mind diversified farming and intensive farming are the remedies. But diversified farming and intensive farming are things with which the farmers of the West and the South are not familiar. We are not familiar with them in the Cotton Belt, because we have confined ourselves, as they have in the wheat-growing sections, to one crop. We know nothing about them. We have been trained to another system. Our labor is experienced, but it is experienced in another system. The negro is a pretty good cotton farmer, because he has followed it for generations. He is not only trained but he has inherited an instinct for it. He knows nothing about other crops, however. He has given no attention to them. A parallel situation confronts us in the wheat sections, I think.

If we undertake this transition, which I say is essential to the future prosperity of the agricultural interests of these sections, unprepared, with no experience, with no training,

the Senator from Pennsylvania [Mr. REED] advises me that, in his opinion, it will take only a very short time to finish

I propose, Mr. President, in the discussion of this matter to confine myself, as I said a few moments ago, entirely to the

with no aptitude, it is apparent that the transition must be accomplished at great waste and loss, and in making it either in the West or in the South with men utterly unfamiliar with and untrained in that kind of farming, the transition, if eventually successful, will only be successful after losses that will in many cases mean ruin and bankruptcy.

If we are to diversify, we must have men who know something about diversified farming. Diversification of agriculture does not consist only in diversifying the plant crops. Under that term is properly included horticulture. At the present time we are experimenting in horticulture in the agricultural sections of North Carolina. In one section of the State, where the lands have not heretofore been supposed to be of much value, citizens from the outside—some of them are North Carolinians, but they are chiefly citizens from the outside, and a few of them of other nationalities—have entered upon the raising of peaches, and while there were failures and are still failures, wherever there is an attempt to raise that crop with the proper skilled labor, labor trained in the application of proper methods, it has resulted in a signal success, thereby diversifying our agriculture to that extent.

Mr. FLETCHER. Will the Senator yield for a question?

Mr. SIMMONS. If the Senator will pardon me, I should like to continue my remarks.

Mr. FLETCHER. I would like to clear up one question in my own mind. The Senator's remarks would seem to lead to the thought that we ought to broaden the restrictions. He alluded, for instance, to the shortage of labor on the farm. As I understand, the Senator does not mean to increase the quota——

Mr. SIMMONS. Not at all.

Mr. FLETCHER. But to give preference to those engaged in agriculture?

Mr. SIMMONS. That is all. I will not interfere with the quota at all.

Diversification covers not only forestry, but it covers also animal husbandry. That probably is the most important part of diversification. That is the character of diversification they are contemplating in the South, and, judging from what I gathered in the discussion of the Norbeck bill, it is largely the character of diversification they are contemplating in the West. I do not know how it is in the West, but in my part of the country, where the farmers have settled upon the raising of cotton, where they thought best to raise cotton and buy the other things they needed, we have had no animal husbandry, except for a few dairies located around the larger cities to supply the city demands for milk and butter. In most instances the farmer, especially the cotton farmer, who is chiefly a tenant, a white tenant or a colored tenant, but usually colored, does not even have a cow. The owners of the large plantations have generally left them and gone to the cities, and the plantations are rented out.

Again, Mr. President, there is another very important thing embraced in the term "diversification of farming." It has relation to forestry. A large part of the forests of this country are attached to small farms, or belong to farmers of small or large extent, as the case may be. Rapidly our forests are being destroyed. They have already been destroyed in the Old World, and the people there have been confronted with and have met the problem which in a few years will confront us and will have to be met. We had better take time by the forelock. So it is a matter of the utmost concern to the farmer who owns a small body of forest land that he should be advised about reforesting; not only advised, but that he should take measures to reforest and to do those things that are necessary to preserve the forests.

This is diversified agriculture. It covers all of these things, and most of them are scientific. They are things which can not be done successfully by men not experienced or trained in doing them.

In addition, Mr. President, to diversified farming, we must have the application of intensive methods in our agricultural husbandry. We know but little about that. This country has suffered the loss of untold millions in productiveness because, first, of a lack of diversification, and, secondly, because of a lack of intensive cultivation.

I am told that the great wheat areas of the West are producing each year less and less per acre. I know that in large sections of the South, while there has been some increase in the output of acreage put in certain crops, in many other crops the yield has been reduced as the result of careless methods of cultivation. The effect of those methods of cultivation upon the yields are shown not only in the smaller output from year to year, as in the case of wheat, but they are shown in the ultimate production of agriculture in this country. Even the best farmers, the most intelligent farmers we have in this country to-day, have not, except in rare instances, learned either the principle of diversification or the principle of intensive farming.

In my State we raise white potatoes for market. It is quite a truck crop in the trucking area, and the lands in which they are cultivated are very thoroughly prepared. But we have not yet gotten to the point, even in the cultivation of potatoes, where we can make one-half as much per acre as is being produced in Europe to-day in countries where they practice intensive farming upon lands naturally less fertile and less productive than ours.

Mr. President, the point I make is this: If we are going to diversify our farming, if we are going to introduce and inaugurate a more intensive system of farming, what do the farm laborers of the South, the negro tenants or the white tenants, or the negro laborers or the white laborers upon our farms know about diversified farming or about intensive farming? What do those gentlemen who raise wheat in the West know about diversified farming or intensive farming? My understanding is that in the West they recruit most of their labor during the harvest seasons from the cities. They go into the slums, perhaps, and pick up such labor as they can find there. That is the kind of labor they employ, in addition to the farmer and his family and the surplus labor of the neighborhood, where there is any. That is the kind of labor they use in the cultivation of wheat crops. What do those farmers and what do those laborers know about diversification or intensive farming?

If we are going to diversify and intensify, then, unless we want to accomplish this necessary evolution and transition at enormous waste, and probably without success in the first instance, if ever, we must have intelligent, skilled, trained, experienced men and laborers in the inception of the movement in order to save us from mistakes which will bring ruin and loss.

It may be said that we have some skilled farm laborers in this country. I have no doubt there are some in some sections of the country, but they are needed where they are. If they should all leave where they are and come to the distressed sections of the South and the West there would not be enough of them to go half around nor a quarter around nor one-tenth around, and probably not one-fiftieth part around. The scheme would not succeed in the first instance. I know of but one scheme of diversified farming carried on systematically in my section of the country that has succeeded, and succeeded to a wonderful degree, so much so that it has become an outstanding demonstration of its success, not only in the State of North Carolina but in the surrounding States. That movement was inaugurated by a man of large means in my State, a man who all his life has been deeply interested in agriculture. He conceived the idea of doing something by way of demonstration that would be helpful to that industry in his own State. After very mature study of the question of what was required in the way of lands and what was required in the way of help to inaugurate the system he put it into operation. He got a large part of his help from abroad. He went to countries like Holland and similar countries in Europe to procure it. He studied the situation and succeeded in getting some very suitable immigrants and brought them to this country. The place is known as Castle Hayne. It was a famous old colonial plantation. I do not know exactly how large it is, but I think it covers seven or eight hundred acres. It was a broad level farm upon which cotton or corn or something like that was cultivated. He had it divided up into small 10 or 20-acre tracts. Some of those people who came had money, and built their own houses, and he helped others to build their homes.

They are mostly foreigners, high-class men, good citizens. To-day that is the most prosperous community in the South. Practically every one of those men that came here empty handed or with a small amount of money is to-day a citizen of independent means. This gentleman tells me that by actual calculation the productiveness of that piece of land, cultivated as it is now being cultivated, as compared with its productiveness as a farm previously, is as 500 to 1.

Now the question and the only question to my mind is, can we get the kind of people we desire? Will they come to us? This same gentleman to whom I have just been referring has recently, after making a survey of agricultural conditions in this country, made under the authority of the governor of the State, I believe, gone to Europe and investigated conditions there. In the countries he visited up near the Baltic he found a very strong disposition on the part of many of the well-to-do farmers to come to us. He found that the situation in Europe has made it possible for us to get a class of people, trained,

skilled people, that we could not have gotten before the war. The German markets have collapsed and many of the smaller countries up there depended very largely upon the German markets. By reason of that and other domestic and economic complications over there, those people find that it is not profitable for them to remain where they are, and are anxious to come to us. So there is no trouble about that feature. Not only our situation invites as it never invited before, and holds out inducements such as it never held out before, but the situation in the countries from which we would have to get these skilled farmers and experienced laborers lends itself to their coming. We therefore have a combination of circumstances of primary importance to the scheme of diversification and intensive farming which has not existed before and probably will never exist hereafter except for a short period of time. We can take advantage of it as we want to.

I want to put in the RECORD at this point as a part of my remarks, without detaining the Senate to read it, a statement by this gentleman, Mr. McRae, with reference to the European situation which he found.

The PRESIDENT pro tempore. Without objection permission is granted.

The statement referred to is as follows:

I have just returned from a trip abroad, through Denmark and Holland, and I presented there the data and the growing-season chart prepared as I have stated, to the Danes and Hollanders, and proved to them that our soil map was perhaps the most complete, and our part of the country the most favored agricultural country in the world. And these northern people, who would, all will agree, make fine citizens, expressed their desire to come into the South to engage in agriculture. I am also quite sure that they would desire to come to other parts of the country. As I say, I am only speaking of that because I know of the conditions in the South.

Now, the rainfall chart, they know what that means. They know that you must have actually a certain amount of rainfall to be successful in agricultural operations. We can show them that our proximity to the markets is a great asset, and they know that they can carry on the kind of agriculture they are accustomed to, which is intensive agriculture.

The courts have ruled that they are not skilled laborers; I do not know. I would rather have a skilled farmer than a skilled watchmaker or a skilled worker in a factory. I have just come, as I said, from a study of intensive farming. I have seen it in the last six months and I know what they can do. The average southern tenant farmer is as unskilled as a farmer can be; and the average farmer of Denmark and Holland is as skilled as a man can be.

The CHAIRMAN. What practical suggestions have you to make?

Mr. MCRAE. We have tried for 15 or 20 years to get these Hollanders and skilled farmers into the Castle Haynes colony in North Carolina, where wonderful results may be attained by intensive farming. When we started with that we were producing in a certain area only $1,000 per year, and that same land last year produced $500,000, under intensive cultivation methods. In other words, practically 500 times as much. That came as a result of skilled farming; but as long as you say there is no skilled farming you will not get anywhere.

Now, these desirable people and families want to come to the South, not as laborers, but as families of the independent farm owners. They want to come where there are no disadvantages; where they are wanted for specific purposes, and where the rewards would justify their expectations. And I am confident that a few words put into your bill will add $1,000,000,000 annually to our agriculture without any harm to anyone, and it may add $5,000,000,000 a year, because I believe we can double the agricultural products of the South. And I have made a study of this subject long enough and worked at it long enough so that I will be accepted, in our country at least, as an authority. In fact, I was asked by the agricultural commission of our State to go with them to Utah and California and other Western States to study these subjects. And from there I went to Denmark and Holland, from which I have just returned.

* * * \

which has existed in New England will not compare with the abandoned farm situation which will exist in my section of the country and possibly in the West.

Mr. President, I have proposed that we ask for a preference for the farmer in this bill because of two things. Under the law as it has been in this country for a long time, we have had a provision against contract labor, but there was an exception to that and that exception was skilled labor. Under that exception the factories, and in some instances the mines of this country, imported a large amount of so-called skilled labor. It was very helpful to them. They employed it extensively. But under that section the farmer was not able to get any relief at all—why? Because the Government bureau having charge of the matter classified farming as an unskilled occupation, and the farmer as an unskilled person, and the farm laborer as an unskilled laborer; so he was not embraced in the excepted class and we got no benefit from it.

Mr. President, the situation which we have in this country is a keen unsupplied demand for labor on the part of the manufacturers of the country, an organized industry, thoroughly entrenched, thoroughly familiar with the method of getting preferences and expert in fitting conditions to the preferences.

This bill should not be passed without preference being given to the farmer to bring in the skilled farmer and a few trained laborers, who are the best practical teachers. I undertake to say they should change their definition of farming in the bureau and promptly conclude that farming is a skilled occupation and classify skilled farm labor as they have classified skilled industrial labor. This I think they will be forced to do, because what has happened in this country and is happening makes it apparent that the farming we want to do in the future and which we will have to do for self-protection will be one of the most skilled of all occupations. It will not only call for training but it will call for high intellectual equipment and scientific knowledge.

But unless the farmer is given the preference and unless the Congress by some legislative declaration shall so classify farm labor as to bind the Department of Agriculture to definition of it as a skilled occupation I undertake to say that when the industrials of the country have gotten through there will not be a sop left for the farmer, not a sop.

Mr. President, my proposition is simply to give the farmer a preference. I propose to give him a preference of 50 per cent because he is the man who deserves a high per cent. He demands it not only because he needs it but because that need has largely been brought about by the action of the industries of the country. Therefore they should not insist that the farmer be limited unduly in the number of immigrants that he shall be allowed to bring in.

Is this proposition sound, Mr. President? You do not have to take my word for that. You can not wave it aside by the gesture, "The Senator from North Carolina is a member of the minority; he represents the Cotton Belt, and those people have a grouch; he is after something special for his own section."

I am not, Mr. President, asking for anything for my section that I do not demand for every other section of the country. However, I am backed up in this demand by authorities that must be recognized by the other side of the Chamber as well as by this side of the Chamber. I have read from the testimony of Mr. Husband, Commissioner General of Immigration, before the Committee on Immigration when they were considering the pending bill. Mr. Husband gives a most emphatic indorsement to this proposition, not exactly in the terms in which I have drafted the amendment, but in substance. I want to read what Mr. Husband says, for it is very enlightening. In answer to the Senator from Utah [Mr. KING], who had asked him merely a simple question—I suppose some other question preceded it which I have not here—on page 67 of the hearings, Mr. Husband testified as follows:

Senator KING. However, it is within the quota?

Mr. HUSBAND. It is within the quota. Now, it seems to me that ought to stop there——

When he says "that ought to stop there," he is referring to the preference which is given to families to bring in their relatives.

And then give the preference to fit the circumstances. Take an example—

Mr. Husband shows what he means.

This is not a hardship case, but in the State of Pennsylvania there is a demand for dairymen; apparently a strong, legitimate demand for dairymen who could be employed all the year around, and they need them. And in Holland there are excess dairymen, and the people in Pennsylvania want to go to Holland and bring those dairymen in. They can not do it because the quota is gone.

That is, unless there should be a preference.

The quota has gone to the industrials.

If there were a law of preference which did not include dairymen, it could not be done even if there was a quota. But this is recognized—

That is because of the need of skilled labor, I presume—

But this is recognized as a legitimate demand. If some one could say—

This could not be said under the old law—

If some one could say to the consul in Holland, "Give preference to so many dairymen who are needed in Pennsylvania," it would obviate the difficulty. There is also a great demand down South for Germans to take land, where they are splitting up the great plantations. If that is desirable, it seems to me some one ought to have authority to say to the consul in Germany to give the preference to 500 Germans who are coming to Mississippi, for instance.

Not only that, but Mr. Henning, the Assistant Secretary of Labor also referred to this matter. Senator WILLIS asked him this question:

Senator WILLIS. If the chairman has finished, I want to pursue a little further the inquiry suggested by the chairman's question.

It is provided here by Senator WATSON'S bill:

"That labor of a like kind unemployed can not be found in the United States, and that a strike or lockout does not exist or impend in a particular industry."

Mr. Henning, do you believe it is the proper thing to vest in the Secretary of Labor such authority as that?

Senators will remember that my amendment invests the Secretary of Labor, in conjunction with the Secretary of Agriculture, with the authority there referred to.

Assistant Secretary HENNING. We have it now, Senator.

His statement has reference, I presume, to the contract labor law.

Assistant Secretary HENNING. We have it now, Senator.

Senator WILLIS. You do have it now?

Assistant Secretary HENNING. Oh, yes. The law has for years provided for the bringing in of certain skilled labor under contract. It is a modification of the contract labor law, Senator, which prohibits the coming here of any alien under contract of employment. It provides that the Secretary of Labor may permit the coming under contract of skilled labor, upon a showing that skilled labor of a like kind and unemployed can not be found in the United States. We have those applications constantly.

Senator WILLIS. I wonder how the Secretary in practice goes at it to determine that labor of a particular kind can not be found in the United States?

Then he gives the method employed. Further, he says:

About two years ago we had an application from Indiana with reference to some process in pottery, and a dozen men were brought over here especially for that purpose.

We also have right now the application of the Slate Mining Association of the United States, concerns engaged in mining slate in different parts of the country. They come along and make application, saying, "We need 500 slate miners. The slate-mining industry was slow during the war, and we have no trained apprentices. The business is now very prosperous, but we are short of slate miners. There are a great many in Great Britain, in Wales particularly, and we want the privilege of bringing in 500 of them."

They make their application in due form, and we refer it to the contract labor men in the particular locality where the industry is. They go there and make an investigation, and they use their best judgment as to the good faith on the part of the men who ask for this privilege. They usually run advertisements in the newspapers for slate miners—blind ads—and see what the response is.

That is in reference only, however, to the manner in which the present law as to skilled labor is enforced. I am providing in my amendment for the enforcement of this law practically in the same way.

A little later the Senator from New York [Mr. COPELAND] asked some very important questions. I quote:

Senator COPELAND. Mr. Henning, is a farmer a skilled laborer?

I said a little while ago, Mr. President, that no farmers came in under the contract labor law as skilled laborers, because farmers were not held to be skilled laborers.

Senator COPELAND. Mr. Henning, is a farmer a skilled laborer?

Assistant Secretary HENNING. I say he is, but everybody else says he is not.

What does he mean by "everybody else"? He means, I think, everybody else in the department.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator from North Carolina yield to me?

Mr. SIMMONS. I will yield to the Senator in a moment. I want to make the farmer a skilled laborer. If he is not one, I want to make him one by law. Now I yield to the Senator from Minnesota.

Mr. JOHNSON of Minnesota. Mr. President, I can not see why the Senator should compare a farmer with a skilled laborer. We have been so skilled in the art of producing commodities on the farm, and we have produced such great quantities that we can not sell them.

If we had had an opportunity to set the price, as the owners of spinneries in the Senator's section of the United States have had for years, we would have been in a position to pay a living wage to the people who work for us. The reason we are hard up to-day is that we have not had the opportunity to set the price.

Referring to skilled labor on the farm, we raised, as I said a few weeks ago, 20,000,000 bushels of potatoes in my part of the State of Minnesota alone. Did we not overproduce potatoes in that instance? So the more who are brought in to milk cows and raise dairy products on the farm the more the price of those commodities goes down. Letters are coming to my office by the dozen asking for higher tariff rates on eggs and butter because the price of those commodities is going down. So it would not pay to import others to engage in the same business. If, however, we had a price set, if there was a profit in farming, we would not need to be skilled. I would take off my coat and spit on my hands and go to work and produce more, would I not? I wish that the Senator would explain these matters

Mr. SIMMONS. Mr. President, if the Senator had heard——

Mr. JOHNSON of Minnesota. If the Senator will pardon me just for a moment longer, I wish to say that the more people we import here to produce butter, butter fats, and eggs and wheat the worse our condition will be. When the Senator refers to the broad acres of wheat we are raising and says that the land does not produce enough, let me remind him that we had a surplus of wheat last year of approximately 180,000,000 bushels in the United States alone and a surplus of 300,000,000 bushels in the world. The wheat farmers had to encounter that condition. If we had an opportunity to set the price, we could curtail production so as to be able to make a living wage working on the farm.

Mr. SIMMONS. Mr. President, if the Senator had listened to my presentation in the beginning of my remarks he would have seen that I covered the very point that he is making now. The trouble with the West just at this time is that it is a one-crop section, just as the South is a one-crop section; and we have always gotten in the South at least a third less than the value of our cotton because we produced more than was necessary to supply the demand of the world, and every year we have had to carry over from five to six and eight million bales of cotton unconsumed.

Mr. JOHNSON of Minnesota. And still the Senator from North Carolina voted against the Norbeck-Burtness bill to assist diversification on the farms of the Northwest.

Mr. SIMMONS. Yes; I did vote against it, and I voted against it because I did not believe that we ought to put the Government into the private business of the people of this country, and I knew that if the Government started it here there would be no end to it. That is a policy that I do not desire to see inaugurated in this country and carried on to its ultimate logical consequences and results.

The Senator says he can not get enough for his wheat. They are raising so much wheat out there now that they are unable to sell it at a reasonable price. They are losing instead of gaining. They are producing at less than the cost of production; and why? Because they are producing more than the situation requires; and the remedy which is suggested, and which was suggested in the Norbeck bill that the Senator talks about, for which he says I did not vote, was a diversification of your crops. That was the remedy. That is what you said you wanted the $55,000,000 for.

You did not say you wanted it to raise more wheat. You said you wanted it to pay the expenses incident to diversification, and you need diversification because the time has come when we ought to quit this one-crop business in wheat and this one-crop business in cotton. We are now producing more of those staples than the world requires, and if we continue it we will continue to produce probably to a greater extent in excess of the requirements of the world than we are producing now.

Mr. FLETCHER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from North Carolina yield to the Senator from Florida?

Mr. SIMMONS. I do.

Mr. FLETCHER. May I suggest that the Senator from Minnesota [Mr. JOHNSON] says they produced more potatoes than were consumable and more wheat than was consumable, and yet he finds fault with not voting for the Norbeck bill, which would have increased production; but it did not cure the trouble. The Norbeck bill did not fix the price.

Mr. JOHNSON of Minnesota. Mr. President——

Mr. SIMMONS. Mr. President, I am not going to have any further interruption now, if the Senators please, as I want to finish.

Mr. JOHNSON of Minnesota. Will the Senator pardon me just one moment?

Mr. SIMMONS. I will yield for a question.

Mr. JOHNSON of Minnesota. I explained on the floor of the Senate why I did vote for and support the Burtness bill. I do not know whether the Senator from Florida was in the Chamber at that time or not, but I can explain it any old time.

Mr. SIMMONS. Mr. President, I do not doubt that the Senator has an explanation that is entirely satisfactory to himself, and perhaps a very good one. I am not finding any fault with him about it. I should have liked to help the farmer in that way. I should have liked to help him with money to diversify. He wants to diversify. That is what he was asking this money for. He does not want to stick to the one crop of wheat that the Senator now talks about. He wants to get into new lines of agriculture, and he asks for it; but, Mr. President, he asks what the Government can not grant unless the Government is going into the business of granting assistance and aid to every industry in this country for any other legitimate or reasonable purpose for which it is asked, and ultimately we shall be confronted with the Government in business up to its eyes—the very thing that the present administration said it did not want to have done.

Now, Mr. President, I want to read a little further from the testimony of Mr. Henning. I had not quite finished, when I was interrupted, reading from the testimony of Mr. Henning about the farmer. The Senator from New York [Mr. COPELAND] said:

I tried to pin the Secretary down on that the other day, but he dodged it.

That is, whether or not the farmer is a skilled laborer.

Assistant Secretary HENNING. I was born and reared on a farm.

Senator COPELAND. The most skilled laborer in the world is the farmer. He is electrician, mechanic, blacksmith, veterinary surgeon, horticulturist—he is everything.

Assistant Secretary HENNING. I think he certainly is a skilled laborer.

Mr. President, he has not been treated in the administration of the immigration laws up to this time as a skilled laborer. I want to give him this preference, and I want to designate him as a skilled laborer, so that there will be no further controversy or dispute; no further denial of that proposition.

I only want, in addition, to read from a recent article which appeared in the American Federationist of April. This article is written by the present Secretary of Labor, Mr. Davis, and in it he discusses the very question that I have been discussing. He discusses first—and I shall not detain the Senate to read that part of it—the process. He suggests a bill covering the principle of the bill which I have introduced, a bill which provides for supervision on the part of the Secretary of Labor and the Secretary of Agriculture. He is approving of it, and he explains it. He says:

By the same process I would provide for the admission, regardless of quota, of farmers and skilled or unskilled labor where labor of like kind can not be found unemployed in the United States.

* * * * * * *

There can be no doubt that there are times in our economic history when we need man power. * * *

Europe is not a reservoir of all kinds of labor waiting to be tapped. When we need a special class of worker we should admit that special class in order that all other workers in the industry dependent upon

the labor which is lacking may not be thrown out of employment. This proposal is safeguarded by provisions for full and ample hearing and investigation by the Secretary of Labor into the conditions under which it is sought to bring labor into the country.

* * * * * * *

Despite our hastily imposed quota limitations thousands of alien workers were admitted to the United States only to be added to the army of idleness and to become a burden upon American industry.

Yes, Mr. President; admitted on the western border, Mexicans; 63,000 of them were admitted last year. They work in the wheat fields of the West as seasonal labor. They will not be taken from those people by the passage of this bill.

Mr. COPELAND. Mr. President——

Mr. SIMMONS. Will the Senator wait until I finish? Then I shall be very glad to yield to him.

Mr. COPELAND. All right.

Mr. SIMMONS. The farmers of the West have a source from which to recruit labor if their labor is taken away from them. When their wheat is ready to be harvested they can go over into Mexico and get the labor. We have nowhere to go to get experienced farm labor to help us in the process of diversification which is now being forced upon us and which is now our only salvation from a hopeless condition.

I proceed with Secretary Davis's statement. I quote:

Through the special certificate system—

That is the one which is to be applied to these people that I want to come in—

we would be able to bring into America just what we need, when we need it, and no more. This system would enable us to take care of any necessary seasonal movement of workers across our northern and southern borders.

He puts that in because, Mr. President, he is in favor of and urges in this article the application of our exclusion laws to Mexico and to the other countries upon this hemisphere, as well as to the countries of the Old World.

Concluding, he says:

Under the present economic conditions in Europe we are in a position to pick and choose those who may come to us. There are literally millions in the stricken nations abroad who would be glad to find their way to America. We hear much talk of discrimination between nations in this matter of immigration. But it is clear to me that we can have no restrictive legislation which will not in some way be discriminatory. Certainly any numerical restriction in the form of percentage limitation will be discriminatory.

Then he proceeds:

The present law, with its exemption of the nations of North and South America, is certainly discriminatory. Under it Italy was restricted last year to 48,280 immigrants, while Mexico sent us some 65,000, in addition to the thousands who crossed the border surreptitiously and without complying with our laws.

American organized labor has taken a high stand in this matter of immigration. Representative leaders in the labor movement, in conference in my office, have made it clear that they are not ironclad restrictionists, but that they favor bringing into America just the immigrants we need, and not a single one more. They would bring in the common labor which is necessary to supplement our American skilled labor whenever that labor is needed.

I am convinced that this problem can be and will be settled on the basis of what is best for America.

Mr. President, what I ask is substantially what Mr. Davis asks. A few days ago I had a telephone call upon this subject from the Secretary of Agriculture, Mr. Wallace. He was the person who called my attention to Mr. Davis's article. He asked me to get it and read it. He conveyed to me the impression that he was in favor of that course; not that he would, like Mr. Davis, go outside of the quota. I did not so understand him. I understood him to say that he would remain within the quota. I am not proposing to go outside of the quota. If you want to restrict this to 2 per cent, restrict it to 2 per cent. If you want to restrict it to 1 per cent, restrict it to 1 per cent. I do not ask for the admission of a single man outside of that quota from any country upon the face of the earth; but within that quota I propose a preference in favor of farmers, skilled farm labor and skilled farmers, and that is all I do propose.

Mr. President, if no preferences are provided, what are we going to have? We are going to have immigrants come in to the full extent of the quota. Ten times as many more would come in if we would let them, but they are going to take up their full quota and come in. What will you get? You will get men that have been subjected to no test in the world except to find out whether they can read or write, except to ascertain whether or not they have a sound body, except to ascertain whether or not they have a sane mind, except to ascertain whether or not they have a criminal record.

That will be the only test. Europe and these other countries, to the extent of the quota, will be permitted practically to send us whoever wants to come, whether they are fitted to our conditions and circumstances or not, whether or not they come with a view simply to locating in the slums of the great cities, going into the sale of fruits, the keeping of restaurants, and speculative schemes of all kinds.

Mr. President, we will get no farm labor that way. We will not get the very labor we need. We will get labor selected for us either by the countries from which the immigrant comes or selected for us by the immigrant himself. Why should we not, in the application of this selective principle, apply it first so that nobody will be able to come in unless he is suited to some special requirement of this country until our requirements are all filled or supplied? Why should not America, declaring itself in favor of selective immigration, apply a principle of selection fitted to its needs and its requirements instead of applying the selective principle only upon the tests of admissibility which relate to the moral, the mental, and the physical condition of the immigrant alone? Without this preference, we have no provision in this bill that enables us to apply the selection further than to ascertain whether the immigrant is a strong, able-bodied man or not; and if he is, we have to take him.

I want to deny to the consuls that right, and I want the Congress to say what kind of people we shall admit, and I want to give the farmers a preference in the admission of immigrants. That is the character of my amendment, and I have taken up this time to discuss it because in my section of the country this is a vital question. I want no man to charge me with being in favor of unrestricted immigration. I want no man to charge that in offering this amendment I have proposed in any way to violate any principle of restrictive immigration as it has been defined in the past and as it may be defined in this bill. I ask nothing outside of it. My people ask nothing outside of it. I am in favor of it. It is all right. I simply ask that we shall be allowed to say for ourselves what kind of men we shall bring into this country, and not let somebody else determine that vital question for us.

I apologize to the Senate for the length of time I have taken. I have taken so much time because I am convinced the question is of extreme importance, especially to my section of the country, and I believe it is very important to the agricultural interests of the whole country.

Mr. COPELAND obtained the floor.

Mr. NORRIS. Mr. President, I ask the Senator from New York to yield to me to make a unanimous-consent request.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nebraska?

Mr. COPELAND. I yield.

MUSCLE SHOALS (S. DOC. NO. 88)

Mr. NORRIS. It is very important, I think, that the request I am about to make should be complied with at once. The Committee on Agriculture and Forestry are having hearings now on the Muscle Shoals proposition. We have had hearings on a bill pertaining to fertilizer, which have been closed, and the committee expects to act on the subject as soon as they can go into executive session to do so.

There has been prepared by the Bureau of Foreign and Domestic Commerce a general review of the nitrogen situation in the United States. It has been prepared by Harry A. Curtis, chief of the nitrogen division. I ask unanimous consent that the report be printed as a Senate document, together with the accompanying diagrams.

In due course of time it would be published anyway, but I am informed by the officials that if it went through the necessary red tape it might be two or three months before it was published. This is something the Senate, and particularly the Committee on Agriculture, ought to have at the very earliest practicable moment.

Mr. UNDERWOOD. May I ask the Senator a question while he has the floor?

Mr. NORRIS. Certainly.

Mr. UNDERWOOD. I was in the rear of the Chamber when the Senator began to speak, and I did not hear the first part of his statement. Whose report is this?

Mr. NORRIS. It is a review of the nitrogen situation in the United States by Harry A. Curtis, chief of the nitrogen division, Bureau of Foreign and Domestic Commerce, in the Department of Commerce.

Mr. UNDERWOOD. I would like to ask the Senator whether it is a report which takes a partisan stand on the issues now before the Senator's committee?

Mr. NORRIS. I have not read it myself, but I found they were making that kind of an investigation, and made a request that they send the report to me, because the Committee on Agriculture ought to have it. I assume it is a fair statement of what it purports.

Mr. UNDERWOOD. Waiting for the publication of this report will not delay the action of the committee on the Ford offer?

Mr. NORRIS. I should not think so, although we would not have the benefit of the information if we acted before we got it.

Mr. UNDERWOOD. The reason I say that to the Senator is because the Muscle Shoals project is in my State, and I feel more than an ordinary interest in it. We are approaching the completion of the dam at Muscle Shoals, and a definite policy ought to be determined upon. The Government of the United States invited the Ford offer. It was not injected by Mr. Ford, but it was invited by the Government itself, and I feel that at an early date we should have an opportunity in the Senate to express our viewpoint on that issue one way or the other.

The offer has been made. It went over one Congress and it is here in another Congress. It can not be changed. We have to accept or reject the offer as it stands. I feel that the time has come when we ought to have an opportunity to declare what is the sentiment of the Senate, whatever it may be. I would not like to agree to anything that would delay action, although I would like to have all the information I could get on the subject.

Mr. NORRIS. I will say to the Senator that the committee began hearings yesterday. There are several other offers and there is a disposition, in my judgment, shared by every member of the committee to expedite the consideration of those offers just as much as they can be expedited, but it will probably take a week or 10 days, perhaps two weeks, to finish the hearings.

Mr. UNDERWOOD. The Senator intends to lay them before the Senate no matter what his own views may be or how he may report the issue and give the Senate a chance to vote directly on this question before we adjourn, I suppose?

Mr. NORRIS. I certainly will do nothing to prevent the Senate from voting on any proposition or any part of any proposition; to take any action it sees fit to take.

Mr. UNDERWOOD. In regard to the disposition of the question?

Mr. NORRIS. Yes. There is no disposition to delay it unnecessarily. I think it is conceded by those who know what the committee have been doing that we are going to reach a conclusion in the committe just as soon as we can, giving due consideration to the evidence that is being produced and that will be produced.

Mr. SMOOT. Did the Senator ask that it be printed as a public document?

Mr. NORRIS. As a Senate document.

Mr. SMOOT. I would like to know whether it is a department document or not?

Mr. NORRIS. It comes from a bureau in the Department of Commerce.

Mr. SMOOT. The Senator knows that it has been the rule of the House and the Senate in the past not to print as a House or Senate document any department document. I would like to know about that before I give consent.

Mr. NORRIS. I will say frankly to the Senator—perhaps he was not here when I stated it——

Mr. SMOOT. No; I was not.

Mr. NORRIS. This comes to me upon my own request. I found out through investigations I was making on the fertilizer question that this bureau had been making a general survey of it. This is a part of the report. It is not all of it, for there are some other parts. This particular part of the report refers to nitrogen, and that is the question which the committee is now considering. It has been a subject on which information has come from day to day and from month to month, and on which scientific men of the world are all working. I would like to get, and I think every man interested in the fertilizer proposition wants to get, all the information that can be obtained from reliable sources. I have not read the report myself.

Mr. COPELAND. Mr. President, I do not believe I yielded for a discussion of the subject, although I am glad to give all the time necessary.

The PRESIDING OFFICER. The Senator from New York was recognized and has the floor, and he yielded temporarily to the Senator from Nebraska to present his request.

Mr. SMOOT. I want the Senator from Nebraska to know that I have no objection whatever to the printing of the report as a Senate document if it is not a department document.

Mr. NORRIS. I say frankly to the Senator that I suppose it is a part of what in due time would be a department document. It is only one part of it, as I understand from my conversation with the representative of the bureau with whom I talked.

Mr. SMOOT. Are there any illustrations?

Mr. NORRIS. There are diagrams with it and charts showing lines.

Mr. SMOOT. If the Senator wants those printed, he will have to include them specially in his request.

Mr. NORRIS. I did make that statement in my request. The Senator was not here at the time.

Mr. SMOOT. No; I was not.

Mr. NORRIS. It is not an illustration like a photograph.

Mr. SMOOT. It does not make any difference; a diagram or any kind of photograph must be specially ordered.

Mr. HARRISON. Did the Senator from Utah object?

Mr. SMOOT. No; I am not going to object.

The PRESIDING OFFICER. Without objection the request of the Senator from Nebraska is granted, and it is so ordered.

ADDRESS BY SECRETARY OF STATE HON. CHARLES E. HUGHES.

Mr. WADSWORTH. Mr. President, I ask unanimous consent that there be printed in the RECORD a copy of the speech made by Secretary of State Hon. Charles E. Hughes, in the city of New York on the evening of April 15, 1924.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF CHARLES E. HUGHES, SECRETARY OF STATE, AS TEMPORARY CHAIRMAN OF THE NEW YORK REPUBLICAN STATE CONVENTION, HELD AT THE TOWN HALL, NEW YORK CITY, ON THE EVENING OF TUESDAY, APRIL 15, 1924.

Mr. HUGHES. We approach the presidential campaign with the confidence which welcomes a candid appraisal of achievement. That appraisal will be had. They reckon ill who think that it can be evaded by general denunciation. We are fortunate in our leader. The country has no misgivings as it places its trust in the firm and skillful guidance of President Coolidge.

Let it be understood that we do not condone wrong; we extenuate no crime. We would not put any obstacle in the way of discovery and punishment of any official dereliction. We would bring to the bar of justice every dishonest official and every perverter of administration in or out of office. This is a duty which can be, and will be, competently discharged by the appropriate agencies without any sacrifice of constitutional procedure.

Neither political party has a monopoly of virtue or of rascality. There are crooks in every community and in every party. Now and then one gets into office. Let wrongs be exposed and punished, but let not partisan Pecksniffs affect "a holier than thou" attitude. The corrupting currency may be found in Democratic satchels. One who is corrupt is as faithless to his party as to his Government. Guilt is personal, and corruption knows no party.

To-day counsel of eminent ability and unimpeachable integrity, selected from both the great parties by a Republican President, are taking appropriate legal proceedings by which all the questions which have been raised as to the leasing of the public domain will be threshed out, every public interest will be safeguarded, and every guilty person punished. These cases are in the courts where they belong, and the courts will decide. It would be foolish, false, and unpatriotic to breed distrust either of the integrity of the Government or of the soundness of American life. That would be to assail the honor of the hosts of officials devoting their lives with unselfish fidelity to the country's interests. President Coolidge has said:

> "For us we propose to follow the clear, open path of justice. There will be immediate, adequate, unshrinking prosecution, criminal and civil, to punish the guilty and to protect every national interest. In this effort there will be no politics and no partisanship. It will be speedy; it will be just. I am a Republican, but I can not on that account shield anyone because he is a Republican. I am a Republican, but I can not on that account prosecute anyone because he is a Democrat."

That is a fair, high-minded, unequivocal statement. That is the Republican position.

While the American people detest crookedness and corruption they are not fond of scandal-mongers. In every part of the land, in the more than 2,500 counties of our States, our people are sitting as grand jurors and petty jurors pursuant to our time-honored traditions, sifting

their full quota and come in. What will you get? You will get men that have been subjected to no test in the world ex-

Bureau of Foreign and Domestic Commerce, in the Department of Commerce.

evidence, finding and refusing indictments, trying the facts, convicting and acquitting, stigmatizing wrongdoing and protecting innocence, thus vindicating the methods of judicial procedure and fair trial which have been established for generations both to protect the public and to safeguard the sacred right of individuals to be secure in person and reputation against unfounded accusations. Throughout this favored country in countless jury rooms our people are dealing directly with the credibility of witnesses, with the exhibition of the grudges and personal animosities of talebearers, and they know the difference between evidence and hearsay, between proof and malicious reports, between scurrilous innuendoes and sustained charges. They do not wish the guilty to escape, but they know that there is no security for life or liberty or character if the standards of justice are ignored and guilt is assumed before it is established. The injunction of Jehovah to the great lawgiver of Israel is still pertinent:

> "Ye shall do no unrighteousness in judgment; thou shalt not respect the person of the poor, nor honour the person of the mighty; but in righteousness shalt thou judge thy neighbor. Thou shalt not go up and down as a talebearer among thy people."

The workers of this country are entitled to an administration of government which safeguards the opportunities of industry, which lives within its income, which reduces governmental expenditures and thus makes possible relief from oppressive taxation, which practices national thrift, the key to national prosperity. Four years ago, the Republican Party promised this, and it has kept its promise. We point not to professions but to actual, extraordinary achievement. Every business man, every wage earner has a stake in the continuance of this sort of administration.

Recall the conditions when the Republican Party came into power. The crisis of the year 1921 has been described by the most competent authority as one of the most serious this country has ever experienced. The war had wrought economic dislocation and induced a profligacy in expenditure. Throughout the world there was instability and grave apprehension. We were in a state of unrest and were suffering from the strain of excessive excitement. Our activities needed adjustment; some had been overstimulated, others had been depressed. Capital was timid, a blight rested upon industry, nearly 5,000,000 of our workers were out of employment. Instead of prosperity we were facing disaster if relief could not be had. If the Republican administration had not grappled with these difficulties there would have been just ground for complaint. That it was able to deal with them and to marshal all the assistance that government could render to surmount them is ground for congratulation and confidence. The administration at once addressed itself to the problem. No means of securing the widest cooperation of our people in every department of activity was neglected. Every effort was made to foster industry and trade. The administration wasted no time on claptrap or quack remedies. Aided by sound economic policies and the skillful management of the finances of the Government, business recovered and labor was fully employed.

It was necessary to revise the tariff. In years gone by we have debated the principle of a protective tariff. There is no longer need to debate that principle. The contest now is over the application of the principle to which the Republican Party has consistently adhered. In the case of any tariff, the inescapable test is in practice and our experience under the last tariff has effectively disposed of certain objections strongly urged. Thus, it was insisted that the new tariff would injuriously affect our foreign trade. It was asserted that the increase in duties would limit our imports and thus impair our ability to export. But consider the actual consequences. I am advised by the Department of Commerce that comparing the 17 months preceding the enactment of the new tariff (May, 1921, to September, 1922, inclusive) with the succeeding 17 months (October, 1922, to February, 1924, inclusive) our imports increased from $3,761,322,000 to $5,353,186,000, or 42 per cent. Our exports for the same period increased from $5,353,808,000 to $6,025,162,000, or 12 per cent. The duties collected in the two periods above mentioned increased from $521,000,000 to $807,000,000. It is interesting to note the increased imports from Canada, Latin America, and Asia, indicating the extent to which we are going directly to the source of production for our raw materials instead of getting them partly manufactured from Europe. For example, with respect to the East, comparing the two calendar years 1922 and 1923, I am advised that our imports from China increased from $135,000,000 to $187,000,000; from India from $91,000,000 to $128,000,000; from the Straits Settlements from $94,000,000 to $154,000,000; and from the Dutch East Indies from $34,000,000 to $55,000,000. To some extent, the increases in value represent the upward tendency in prices, but undoubtedly the most important factors are our enlarged demand for raw materials and their direct importation. On the other hand, the increase in our export trade seems to show that our greater purchases from Canada, Latin America, and Asia have developed the purchasing power of these regions and an increased demand for American products.

The Republican administration has established an effective Budget control. The highways of politics are strewn with broken promises of economy in government. This time the pledge has been redeemed. The people of the United States wish their taxes reduced, and a broad, scientific plan of tax reduction would already have been in operation if it had not been for the opposition to the sound proposals of the administration. But reduction in taxation would not be possible were it not for retrenchment in governmental expenditures. To this most difficult of all tasks the administration set itself determinedly. Not only was provision made by law for a Budget system but President Harding took the words of the statute and made them a living force by a supremely efficient organization. He demanded of his department chiefs the most rigid economy. He evoked a new spirit of efficiency. He not only required that requests for appropriations should stand the minutest inquiry, but after reduced appropriations were granted he insisted upon spending less than the amounts appropriated. He did not propose to diminish governmental activities required by law or demanded by the public need, but as he said, "there was first the commitment to efficiency and then commendable strife for economy." He dissipated the notion that Government departments must expend all their appropriations and that no available cash should go back to the Treasury. In the forwarding of this great reform President Harding supplied the driving force, and this alone entitles him to lasting honor.

What was the result? The reduction in governmental expenditures during the fiscal year ending June 30, 1922, as compared with the fiscal year ending June 30, 1921, was about $1,700,000,000. There was a surplus of about $300,000,000. The current expenses for the year were about $600,000,000 less than the departmental estimates. These economies are being maintained and further restrictions in expenditures are being effected.

In connection with this economizing, there has been a brilliant management of the Government finances by the Secretary of the Treasury. When the Republican administration came into power the public debt amounted to about $24,000,000,000, or about ten times what it was at the close of the Civil War and about twenty times the public debt at the end of the Spanish War. Of this debt approximately $7,500,000,000 was short-dated debt maturing within two and one-half years.

The larger part of this debt had to be refunded, but to accomplish the refunding in time of peace of such an enormous amount was a stupendous task. It was accomplished, however, without any disturbance to business. In addition to the refunding operations the administration made substantial reductions in the public debt. It has adopted the policy of including in its ordinary Budget certain fixed debt charges, including the sinking funds. In addition to these retirements the surplus receipts are applied to debt reductions. The result is that by March 1, 1924, there had been effected a reduction in the public debt of about $2,269,000,000.

It was this rigid economy in governmental expenditures and this wise fiscal management which made it possible for the Secretary of the Treasury to propose a thoroughgoing scientific plan of tax reduction which has met countrywide approval. He proposed a reduction which would carry benefits to all the workers in the country. It would have effected a readjustment not only fair in itself as a relief from excessive war taxation but so arranged as to produce larger revenues, while at the same time inviting capital to embark more freely in productive enterprise and thus stimulate our trade and commerce. There is no doubt that the opposition to this plan and the delay in providing this needed relief is responsible for holding back a movement which it is believed would have already given to the country an increased prosperity. Certainly the responsibility for delay must rest with those who oppose the plan and not upon those who proposed it. The Republican administration prepared the plan of tax reduction; the Republican President has urged it. The program of national economy, of debt liquidation, of well-balanced tax reduction is the Republican policy. It is a policy which in large part has passed beyond the promises of party platforms into a record of distinguished performance. Our people know that if the Republican administration is supported at the coming election this sound program of competent and efficient national housekeeping will be continued. Our economic ills, in whatever part of the country they may be found, can not be cured if we permit extravagance and waste. We can not have progress and prosperity without national thrift.

Another gratifying accomplishment is the funding of the British debt of $4,600,000,000 on terms fair to both nations. The American people have been opposed to the cancellation of the debts owing to us by European nations and incurred during and after the war, believing that these were obligations of honor and that the necessary basis of international credit must be found in the recognition of the sanctity of international engagements. But we have no desire to be harsh or oppressive in the terms of settlement. The British adjustment is in the highest degree creditable to the British Government, constituting a most important contribution to stability and renewed confidence. A similar adjustment has been made of the debt of Finland and other refunding negotiations are in progress.

When the Republican administration came into power we were still in a technical state of war. In the Far East our relations were embarrassed by suspicion and distrust, giving rise to grave apprehen-

cions. In this hemisphere old sores were still festering. For these reasons our foreign relations were far from satisfactory. The situation was a most difficult one as the opportunities for dispute lay on every hand while the chances of finding adequate means of accommodation were extremely meager.

It is not intended to revive an old dispute, but it is believed that dispassionate history will record the serious mistake of making a permanent plan for international organization, or for a society of nations, a part of a treaty embodying the terms of peace laid down by the victors in the Great War, and of introducing into that plan political commitments which were opposed to the genius of our institutions. It soon became apparent that the United States would not participate in such a plan without adequate reservations. Even then the opportunities for compromise were rejected by the former administration and the treaty failed of approval. When President Harding took office it was manifest that it would be worse than futile to reopen that debate on any pretext or proposal, and he followed the only course in which there was promise of achievement, and this promise was abundantly realized.

The technical state of war was speedily ended. Treaties with enemy powers safeguarding our own rights without derogating from the rights of our former associates in the war were concluded and approved by the Senate. In addition a claims agreement was made with Germany, and a unique tribute was paid to the American sense of justice by placing the deciding vote in the hands of one of our own citizens.

The American people cherish their independence. They were unwilling to enter into ambiguous commitments which in one breath were sought to be explained away as having little significance and in another were strenuously demanded as being of vital importance. They refused to assume by any form of words an obligation to take part in the never-ending conflicts of rival ambitions in Europe, but, nevertheless, they earnestly desire peace and seek in every way consistent with their traditions to promote it. President Harding incarnated this desire and purpose. The exigency and opportunity lay at hand, and perhaps there has never been a more important contribution to the cause of peace than that which was made under the auspices of this Government through the Washington conference. I have observed here and there the effort to depreciate the work of the conference, but such an endeavor will not prosper in the face of world knowledge and appreciation, and merely serves to betray a narrow vision or a partisan extremity. The conference was limited to a few nations and in its aims; but for that very reason it succeeded. The powers possessing great navies met to discuss the limitation of armament. They, with four other powers especially interested, considered Far Eastern and Pacific questions. For the first time a limitation of the naval strength of the great powers was agreed upon. By common consent the best measure of that strength was found in the capital battleships of the rival navies. The agreement put an end to the competitive programs in these ships, saving to tax-burdened peoples, including our own, hundreds of millions of dollars. The agreement was fair to all, as is abundantly shown by the complaints of the dissatisfied in each country. The United States had the privilege of leadership and it made its sacrifices, but these were proportionate and were relatively fair. There are two sorts of critics who constitute the chief obstacles to progress, whatever labels they may wear. They are those who want nothing done and those who are only content with the impossible.

The most important result of the Washington conference was the establishment of a new understanding in the Far East. The darkening clouds were dispelled. Distrust yielded to mutual confidence. The Anglo-Japanese alliance was brought to an end, and provision for the future was made by an agreement which did no violence to American tradition but in its very simplicity and adaptability contained the highest promise of continued accord. Peace in the Pacific, so far as this generation can see ahead, is undoubtedly assured. The American policy of the "open door" was taken out of diplomatic notes and made the subject of a formal treaty with more explicit terms than that in which it had ever been expressed. When the treaties relating to China go into effect, and we trust that will be in the near future, there will be afforded practical methods of helpfulness in the very difficult situation that is now presented. Our policies in the Far East have been defined and a sound basis of cooperation has been laid. It should be added that these treaties disposed of the ambiguous Lansing-Ishii agreement which was subsequently formally canceled.

The Washington conference established a precedent of controlling importance. It is safe to say that all who may in the future labor for further limitations of armament will emulate the example and evoke the happy spirit of cooperation which animated that conference. While the greater part of the proposals of this Government were adopted, there were other portions which could not be progressed. This unfinished business will be taken up as soon as there appears to be a reasonable prospect of success. As President Harding said, we want "less of armament and none of war."

There is sound reason for gratification in the increasing good will and mutual helpfulness which have characterized during the last few years the development of the relations between the United States and her sister Republics of the American Continent. This hemisphere should be the exemplar of peace and friendly cooperation. Whatever contribution we can make elsewhere to the progress of civilization, here is our first duty and immediate opportunity to present an example of unity of ideals and unity of purpose, of a common determination to settle all differences by the orderly processes of conference, mediation, and arbitration.

You may recall that it was just three years ago, at the unveiling of the statue of Bolivar in this city, that President Harding set forth the attitude and aims of the administration with respect to our relations with Latin America. And there has been no deviation from the principles he then declared. The record of these years has been an inspiring one, not only because of the definite results achieved but mainly by reason of the new spirit of confidence and friendliness which pervades our inter-American relations.

The administration has enjoyed the privilege of having advanced toward settlement a question which for 40 years has disturbed the relations between two of our sister Republics, Chile and Peru. This controversy has hung like a cloud over the international relations of Latin America, and it is a great satisfaction to be able to announce that the proceedings are now being concluded for its final submission to the arbitration of the President of the United States. The troublesome difficulties which for many years have disturbed our relations with Mexico have yielded to a friendly adjustment. We have been able to resume our normal intercourse, and two conventions have been entered into for the arbitral determination of claims. More important than any formal arrangements of this sort is the better understanding and friendly accord which have been reached, holding promise for the first time in many years of a mutually beneficial cooperation upon a sound basis. I am glad to be able to add that the efforts to secure an independent and stable government in Santo Domingo, so as to permit the ending of our occupation, have met with gratifying success. Elections have been had to establish a provisional Dominican Government, and it is expected that the plan for a permanent government will soon be carried into effect.

In short, during the last three years we have been able to convince the governments and the peoples of the American Continent, not only by our declarations but by outstanding example that ours is a Government respectful of their rights, as well as regardful of our own, and that we are always willing to join with them in the furtherance of those larger purposes of international right and fair dealing upon which, in the last analysis, the peace and progress of the entire continent must depend.

In addition to the special conventions concluded at the recent Pan American Conference at Santiago, a treaty was signed to prevent conflicts between the American States. This treaty, signed by the representatives of 16 American States, provides for the submission of all controversies which may arise between two or more of the contracting powers, and which it has been impossible to settle through diplomatic channels, or to submit to arbitration in accordance with existing treaties, shall be submitted for investigation and report to the commission of inquiry. Contracting parties undertake not to begin mobilization or to engage in any hostile acts or preparation for hostilities until the commission has rendered its report. Any one of the Governments directly interested in the investigation of the facts giving rise to the controversy may apply for the convocation of the commission. The representatives of the American Republics have thus sought in an entirely practicable way by a general agreement to assure the maintenance of peace in this hemisphere. To this important treaty the Senate of the United States has given its prompt approval.

The determinative principles of our foreign policy are those of independence and cooperation. Independence—that does not mean and never has meant isolation. Cooperation—that does not mean and never has meant alliances of political entanglements. If there are those among us who wish to involve this country in the political controversies of Europe, who desire our part in the Great War in defense of our own security and of the cause of liberty itself to be made the occasion or the basis of participation in the intrigues and rivalries of European politics; if there are those among us who think that that sort of participation is the only means of cooperation in the interest of peace and humanitarian ends, they are, I am sure, in a hopeless minority. If there are those who think that with our vast resources, our increasing relative power, our varied contacts and complex intimacies, cultural and commercial, we can withdraw into ourselves, and that, deaf alike to the appeals of interest and the calls of humanity, we can lead an isolated national life, they are the victims of an unfortunate delusion. There is the just middle course of national safety, of national honor, of national interest, of national duty. It is the course of an appropriate cooperation congenial to our traditions and institutions.

The only room for debate is as to the means of that cooperation. In seeking the wise and available course it is a serious mistake to sacrifice substance for form, to make everything turn on the question of formal organization and our relation to it. The question of formal organization has been fully discussed, and it would serve no useful purpose to reopen the controversy. The provisions of the covenant of the league, to which there was decisive objection here, remain unaltered. The participation in political questions abroad, to which we were invited, is still opposed by preponderant sentiment. It would be idle to project a bitter and paralyzing dispute over forms of association when the substantial objects of a suitable cooperation can be otherwise achieved.

The real question is as to the subjects in relation to which we should, and we can, effectively cooperate. It is frequently overlooked that even if we had a representative at Geneva he would not speak when our Government desired him to be silent. His presence there would not permit him to participate in discussions or action when our Government did not wish such participation. What our Government would desire in each case would depend upon the subject matter, our traditional attitude, and our conception of national interest. It would depend upon sentiment here, not upon sentiment abroad. Moreover, if the Congress undertook to authorize such a representation, the Congress itself most probably would reserve the authority to give instructions, and you can well imagine what the debate would be and what the instructions would be in cases where European political questions were involved and matters foreign to our interests were concerned.

The truth is that we cooperate now where the subject matter is such that we would be able to cooperate at all. Indeed, we cooperate with a facility and elasticity which might be impaired or lost in the event of association in a formal organization, if this led to restrictions imposed through a fear of the possible abuses of opportunity which such an association would afford.

It may be observed that there is nothing obscure or reprehensible, nothing derogatory to our influence, dignity, or prestige, in the form of our cooperation. It is simply adjusted to an inescapable fact. Of course, as the United States has decided not to become a member of the League of Nations, this Government can not act as though it were a member. This Government can not appoint its representatives as members of the league's council, assembly, or committees. And this fact is properly recognized when we appoint so-called "observers" or unofficial representatives who have appropriate contact with such committees in matters affecting our interests or the humanitarian concerns which appeal to us. They are unofficial simply in the sense that they are and can not properly become members of the league organization or committees. But, so far as our Government is concerned, they represent it just as completely as those designated by the President always have represented our Government in the conferences and negotiations which he properly authorizes in the conduct of our foreign relations. Of course, such representatives can not enter into any agreements with other governments until they are approved in accordance with the requirements of our Constitution. There is nothing new in that.

There is no more difficulty in dealing with the organization of the league in this way for the purpose of protecting our interests or furthering our policies than there would be in dealing with the British Empire. Because several nations have formed an organization of which we are not a part is no reason why we can not cooperate in all matters affecting our proper concern. We simply adjust our forms of contact and negotiation to the existing conditions.

The matter of real importance is with respect to the subjects we take up. We do not take up subjects which involve political entanglements. We do not take up subjects which would draw us into matters not approved by American sentiment. When we do take up a subject it is because this Government desires it to be taken up, and the same would be true under any form of action.

For example, the United States is a party to The Hague convention of 1912, directed to the control of production and distribution of opium and derivative drugs. This is a matter in which we are deeply interested and in which we have had the privilege of leadership. Under the covenant of the League of Nations it was sought to transfer the administration of that convention to the league. Measures to carry out more adequately the purposes of the treaty were needed. It was important that we should take the matter up most actively and this we did by dealing with the league committee. This Government did not appoint members of that committee but it appointed its own representatives to present its views and to urge the reforms which were deemed to be imperative. Mr. PORTER, chairman of the Committee on Foreign Affairs of the House of Representatives, headed this representation and made a determined fight for the proposals of this Government to put an end to the excessive production of opium and the evils of the distribution and consumption of narcotic drugs. Similarly, we have had the representatives of this Government in collaboration with the committees of the league in relation to anthrax, public health, antitoxic serums, traffic in women and children, relief work, and the control of the traffic in arms. When an invitation to a conference is not accepted by this Government, or when we take part only under prescribed limitations, it is simply because the competent authorities of this Government who are concerned with the particular matter do not think it advisable either to take part at all or to have a broader participation by reason of the particular circumstances or objects of that conference. When we do not approve a convention arrived at by the other powers, it is simply because its terms are not congenial to the policies of this Government or the requirements of our Constitution. In short, we have, as we have always had, our full competence in obtaining information and in negotiating agreements. The President designates representatives for that purpose. Our record as a Government in the cooperation we have maintained during the past three years in matters not involving political entanglements or injurious commitments is one which should afford gratification to all our people irrespective of party. This substantial cooperation, in giving effect to our dominant national desire to be helpful in all matters engaging our interests and our humanitarian purposes, we propose to continue.

The United States is recognized throughout the world as possessing and exercising an influence second to none in promoting international peace. We favor international conferences whenever there is a reasonable prospect of forwarding in this manner conciliatory measures or of reaching useful agreements. We have always advocated the judicial settlement of international disputes, and to this end both President Harding and President Coolidge recommended, upon appropriate conditions, the support of the Permanent Court of International Justice. In the meantime, we are promoting the use of the processes of arbitration.

Our activity in the field of international accord is shown by the fact that in the past three years we have signed 50 treaties and international agreements, exclusive of postal conventions. Five of these required no action by the Senate. Of the remaining number, 40 have been submitted to the Senate, and of these 37 have already received the Senate's approval. These agreements embrace treaties of peace, the Washington conference treaties, the Santiago conference treaties, claims conventions, treaties protecting the United States from discriminatory measures in mandated territories, reinforcing the policy of the "open door," extensions of arbitration conventions, treaties to facilitate trade and commerce, and extradition treaties. There is also that unique and most important treaty with Great Britain to facilitate search and seizure, so that we may stop rum running off our coasts. Similar treaties with other governments are in course of negotiation.

Even more important than formal governmental relations is the cooperation between peoples. The contribution of the American people throughout the world in relief, in investment, in the substantial aid proffered by American experience and disinterestedness is a source of the deepest satisfaction. No appeal of the starving and distressed is made in vain to the American heart. The suffering in every land are voicing gratitude for American benevolence. Aid to self-help is even better than charity, and great productive enterprises in every part of the world find support in American capital.

Billions of American money have been put into investments abroad to aid economic recovery. Whoever says that America stands aloof and withholds her support from a stricken world is guilty of reckless slander. We do stand aloof from political entanglements but not otherwise. American aid, American advice, American impartiality in dealing with difficult problems are sought and given. This most valuable contribution is aided rather than hindered by the fact that it is not governmental. Our Government is one of restraints wisely imposed to place checks upon official discretion and to protect the different departments of government from encroachment upon each other. Governmental action generally requires the coordinated effort of different branches of government. It must issue from the fields of political controversy and is subject to the conflicts of opposing groups. It generally involves the rigidity of statutory enactments. Private action may be more direct, more flexible.

There has just been dramatic illustration of this. American brains, American experience, American competency of the highest order have been given to the solution of the most urgent European problems. A practicable adjustment of the questions pertaining to reparations is the essential foundation of the economic recovery for which the world is waiting. Central Europe has been in an economic chaos and has suffered the resulting evils of mistrust, of industrial distress. Nor has the injury due to the inability to find a settlement been limited to Europe. Our farmers have suffered through the decreased consuming power and the lack of markets. With a sound basis for economic recuperation abroad there will be new hope and the promise of the dawn of a new era of general prosperity and peace. Had this Government attempted to make this contribution, we should still be in controversy and be held, as Europe has been held, in the grip of politics and racial antagonisms. The world needed the unfettered services of men of affairs to deal with the vital problems of industry and finance upon their merits. It is none the less an American contribution because it has been made by such men in the only practicable way.

We pause to pay our tribute of esteem to the beloved leader who has been taken from us, the man of warm heart, of generous purpose, of patriotic devotion. I have spoken of the achievements of his administration. No one can adequately voice the deep affection in which we hold the memory of President Harding. In his loyal service he gave life itself.

We turn to the future. When President Harding was taken from us another was ready for the task. You will search in vain for a more ideal Executive than President Coolidge. The American people have already indicated their determination to keep him where he is. Whether you consider background, temperament, ability, equipment, and experience, or conception of public duty, fidelity to obligation, and personal integrity, he satisfies the public need. Upon the farm, among the hills of Vermont, was nourished a life which knows the frugality, the industry, the treasuring of every opportunity for self-help, the pursuit of knowledge despite all difficulties, the fine aspirations and patriotic ideals of what we take delight in regarding as the typical American home. The old tree is still bearing the finest fruit.

President Coolidge is his own platform. His first message was a comprehensive survey of conditions, requirements, and purposes, which has charted the course of the Republican Party and commanded the approval of the country. No other platform is needed. The program of President Coolidge is that of national economy, of retrenchment in expenditures, and reduction of taxation. It is that of the unsparing enforcement of the law with no immunities, no partiality, no sacrifice of public interest either to favor or to clamor. In his serenity and determination he embodies the spirit of justice. In foreign affairs his policy is that of national independence, of cooperation, faithful to our traditions, conserving American rights and cherishing every opportunity to assure peace and to aid the cause of humanity. In domestic affairs his program touches with intelligent appreciation every department of public activity. He would foster agriculture and protect industry. He would make more efficient the established highways of commerce and he would open new highways by the improvement and construction of new waterways from the Great Lakes to the Gulf, and by the great power and navigation project of the St. Lawrence River, to the benefit of the great Middle West and without impairment of the opportunities of the East. He would provide adequate care of our veterans, protect the public health, and make better provision for educational interests. He would promote American prosperity by holding abuses in check and at the same time assuring stability and the just confidence of enterprise without which the opportunities of progress wither and remedial legislation becomes but empty words.

No one can foresee the exigency which an administration may have to confront. It is the unexpected that happens to Presidents as to others. For this reason, character is more important than declarations. To-day there is no occasion for experiment, no reason for uncertainty. The best assurance of the future is the character of Calvin Coolidge.

RESTRICTION OF IMMIGRATION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Elkins	King	Reed, Pa.
Bayard	Ernst	Ladd	Robinson
Brandegee	Fernald	Lodge	Sheppard
Brookhart	Ferris	McCormick	Shields
Broussard	Fess	McKellar	Shipstead
Bruce	Fletcher	McKinley	Shortridge
Bursum	Frazier	McNary	Simmons
Cameron	George	Mayfield	Smoot
Capper	Glass	Neely	Stanfield
Caraway	Hale	Norbeck	Stephens
Colt	Harreld	Norris	Sterling
Copeland	Harris	Oddie	Swanson
Cousins	Harrison	Overman	Trammell
Curtis	Heflin	Pepper	Underwood
Dale	Howell	Phipps	Wadsworth
Dial	Johnson, Minn.	Pittman	Walsh, Mont.
Dill	Jones, Wash.	Ralston	Weller
Edwards	Keyes	Reed, Mo.	Willis

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present. The pending question is the amendment proposed by the Senator from New York [Mr. COPELAND] to the amendment of the committee, and the Senator from New York is entitled to the floor.

Mr. COPELAND. Mr. President, we have before us a bill proposed by the Senator from Pennsylvania [Mr. REED]. The House has passed what is known as the Johnson bill. The House bill provides for a 2 per cent quota on the census of 1890, and the total number of immigrants to be admitted, according to figures presented, would be about 170,000. But in addition to that there are certain relatives and friends who can be brought in as nonquota immigrants, so it is fair to presume that under the operation of the Johnson bill, if it were to become a law, there would be admitted to the country 250,000, certainly as many as under the Reed bill.

The Reed bill provides for a 2 per cent quota on the census of 1910. This would bring in, according to figures presented to us, about 240,000 persons. These figures are outside figures, because under the Reed bill there are no exceptions. While provision is made for the admission of friends or of families or parents or children or wife or husband, as the case may be, all such persons must be counted under the quota.

So we have the line very closely drawn. The House bill proposes the admission of about 240,000 or 250,000 and the Senate bill about 240,000. So far as numbers are concerned, there is no choice between the bills. But there are very different methods used in the selection under the provisions of the two bills.

I want to say at the outset that, in my opinion, it is the right and duty of this country to determine for itself all problems relating to immigration, the number of persons to be received, and the countries from which they may come.

There can be no doubt of our right and duty to maintain that position. I may say for myself that, under normal conditions, I would be glad to have the restriction even greater than either one of the bills proposes. I think, under normal conditions, I might be willing to have and to vote for a 1 per cent quota. But I am here to say, sir, that we are living in very abnormal times, and I want to review some of those conditions in order that we may not overlook anything of importance in voting upon the question of the admission of immigrants.

Twice since the war I have had occasion to visit Europe, the western front, the northern Italian front, and the eastern front. I think that we should not forget, in seeking to find a solution of the immigration problem, the conditions confronting the people of the Old World. A few months ago I went up to Warsaw on my way to the Russian front. I think I mentioned that fact the other day in the Senate.

Our Senate is a peripatetic body. We sometimes have one group present, and on other occasions other groups, so I think there is no safer place in the world to risk repetition of a statement than in the United States Senate. I feel sorry always for the Presiding Officer because if he is a considerate presiding officer he has to listen or appear to listen to all the oratory which is splashed around the Senate under circumstances like this.

At any rate, when I got to Warsaw I found that a member of the cabinet had been assigned to look after me. It would be a very dangerous proposition at this time to have a Member of the United States Senate looked after by a member of a cabinet anywhere. He might come in contact with petroleum oil. But, I must say, this cabinet officer was kind. He gave me a private car to ride in, not the kind of a private car that Harry Sinclair uses, but if you can imagine the caboose on a freight train you will have a better idea about that particular private car. Then, just to make an American feel more at home, they put a Ford automobile on the car.

They gave me a chauffeur, a cook, servants, and a doctor—a very formidable retinue for a Democrat to travel with. Then the minister was plainly embarrassed. He said, "I am sorry we have no appropriation for food. We will supply the food and cook it for you, but you will have to pay the Government for the food." I said, "That is fair; I will pay for the food for the party." There were seven men on that particular trip along the Russian border for four days, and when we got back to Warsaw I paid the servants so liberally that they bowed to the floor in appreciation of my generosity. I paid them, and paid for the food for the entire party. The whole bill was $3.50 in American money.

We went on this private car as far as the railroad would take us. Then we unloaded the "flivver" and went over the broken ground up to the Russian front.

Mr. HARRIS. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Georgia?

Mr. COPELAND. I yield.

Mr. HARRIS. I wish to ask the Senator about what number of people at Warsaw were waiting to come to the United States?

Mr. COPELAND. All of them were waiting to come to the United States. I did not see anybody who was not waiting to come.

Mr. HARRIS. If we should let down the bars, they would all come?

control of the traffic in arms. When an invitation to a conference is | way.

cording to figures presented, would be about 170,000. But in | all come?

Mr. COPELAND. Yes, sir; they would all come; I am going to admit that, and even enlarge upon it, I may say to my colleague from Georgia.

Seven hostile armies went through Poland during the Great War, and when that war was over the Poles had a three-year war with the Russian Bolsheviks. When the Russians were finally driven out of Poland they destroyed every building—I mean that literally, because it was done deliberately—took away the flocks and herds, and carried three and a half million persons into captivity. Under the treaty of peace between Russia and Poland those refugees are to be brought back through seven points. The chief one is Baranowice, a place on the old line of railroad between Moscow and Warsaw, almost up to Moscow, in what was the heart of old Russia. It was through this point that last year and the year before a million refugees came back. Baranowice was a great city before the World War, but now it is utterly destroyed. Nothing remains there but a few wooden shacks surrounded by barbed wire. It is much like a prison camp on the western front. It is to such a desolate and God-forsaken place that the Polish citizens are returning.

On the first trainload of refugees that I saw come across the border from Russia the morning I got to Baranowice there were 1,300. Five hundred of them were children. I saw them have the first warm meal they had had in their lives. Those 1,300 persons, regardless of sex or creature comforts or family relationship, had been crowded into cattle cars.

They had been locked in those cars for eight months and had had nothing to eat during that time except a quarter of a loaf of bread per day per person. That bread was made of black earth, the seeds of weeds, and the excreta of animals. Senators can imagine their condition. They were ragged, dirty, filthy, vermin-infested, and diseased. One trainload started out with 2,600 passengers, but when it got to Baranowice there were only 600 of them alive. Two thousand died on the way, and their bodies had been thrown overboard. Those persons were not peasants; many of them, it was very apparent, had been persons of education and culture; but they were all alike there.

Throughout the eastern section of Poland, a section which had been highly cultivated, the land is now grown up with poplars and scrub pines, just as are deserted lands in our country, and it has the same appearance as such land will take on after five or six years. Those people are coming back to such desolation. They have no agricultural implements; they have no building materials; they have no seeds.

Now, once more I say to my colleague from Georgia, they all want to come to the United States—every last one of them. They can not all come; it would not be proper for many of them to come because of their physical condition; but, so far as we may properly relieve the situation, let America be an asylum and a home for those persons. I want to say for myself that I think as large a number as we can possibly assimilate without embarrassment to our present population should be permitted to come in.

I want to speak a little more about this, because I wish the RECORD to show exactly why a Senator from New York is advocating a larger quota of immigrants than that which is proposed by the pending bill. I was a student in the University of Vienna 25 years ago.

On my recent visit I saw some of the old professors I had known and respected suffering from what we call osteomalacia, a softening of the bones, a condition in old people much like rickets in children, caused by privation and the lack of proper food. They were too proud to beg and too good to steal. In consequence they have become hunchbacked, knock-kneed, and their joints are enlarged, all as the result of improper and insufficient food. The same conditions prevail throughout central and eastern Europe.

There never was a time in the history of immigration when so many persons who are versed in the sciences and in the arts, persons of good family, educated and refined, were seeking to come to the United States than there are right now. I am not speaking now of those who have suffered disease as the result of the war, but of those who have suffered that social and economic distress incident to war and who because of it are anxious to come to America.

Mr. President, the bill now pending before the Senate, the Reed bill, differs from the House bill in that it is founded upon the census of 1910. The provisions of the Reed bill would permit 21,000 persons to come in from Poland, as against 9,000 under the House bill. It would permit the admission of 16,000 from Russia, as against 2,000 under the House bill. In other words, if we were to adopt as a basis the 1890 census, the census proposed by the House bill, it would make a difference of 65,000 in the number of persons admitted to the United States from Austria, Czechoslovakia, Italy, Poland, Russia, and Yugoslavia. That is, 65,000 more would be admitted from central and eastern Europe than under the House bill. If the amendment which I propose were to be accepted, we would admit from the portion of Europe to which I have adverted in the neighborhood of ninety or a hundred thousand persons more than under the bill passed by the House.

If we were to be inconsiderate enough in the Senate to turn aside from the bill as reported by the committee and to accept the House bill, it would shut the gates upon a great group of persons such as I have described.

Now, who are they? Most of them are the Jews.

I suppose it is eminently proper that a Senator from New York should be the one to speak for the Jews. We have had the Jews with us in New York since 1654. In 1620 there was a settlement of Jews in Brazil. They were driven out and some of them were taken by the Dutch West Indies Co. to New Amsterdam, as New York was then called. In 1654 23 of these refugees applied for admission to New Amsterdam, and our famous but grouchy governor, Peter Stuyvesant, objected to the admission of the Jews. It was only upon their promise that they would forever maintain their own and take care of their sick and their disabled that Peter Stuyvesant would permit them to land. They took a solemn vow that they would do that, and I want to say for the honor of the Jewish people in my city that they have never broken that vow. They have taken care of their own from that day to this, through this long period of time.

I wish to say something more about them. Personally I never saw a Jew until I went to college. I think perhaps I had the same prejudices that other Americans have. I notice it is customary on occasions in the Senate to speak of the fact that "My ancestors came over in the *Mayflower*." Well, mine did. In my family, too, we are 100 per cent Americans like those who boast of such things. But for myself I have not forgotten why the *Mayflower* came and why the Puritans landed. I have thought at times that some of our friends who are descendants of those who came over in the *Mayflower* have forgotten why their forefathers left their native land. They came because of persecutions abroad, because of the fact that they could not maintain themselves longer in Europe; they came to America and found asylum here.

I want to say that the Jews who came to New York have been among our very leading citizens. I think if I were a Member of the Senate, sitting on the other side of the aisle, I would bear in mind the fact that the Republican political "boss" in New York is Mr. Sam Koenig, a Jew, and a good man, too, in spite of his politics.

I want to say for the Jews in New York that they are the ones who make use of the libraries. A friend of mine, a member of the library board, says that the greatest demand for good books is found in the district libraries in the Jewish sections. The Jews are leading students in our educational institutions.

I think of Mr. Henry Morgenthau, of my city, who served this Nation as ambassador to Turkey. I remember that Mr. Otto H. Kahn is called upon whenever there is under consideration any matter having to do with finance.

I can not disregard the great work done by Jacob Schiff in our city, where he founded not alone his great financial house, but where he founded the Henry Street Settlement, which has done its noble work of mercy through district nursing in that great city.

I can not overlook the work done by Mr. Adolph Lewisohn, who is a member of the prison commission, and one of the leading citizens, always found in the forefront of every good work.

Then I want to speak particularly about the Straus family. Where is there an American citizen who is not proud of the three Straus brothers—of Isidor and of Oscar Straus, who served in two or three Republican Cabinets of this country? If I may be permitted to choose between these brothers, I want to speak about Mr. Nathan Straus, who, to my mind, is the greatest living benefactor of this generation. What he has done for child life in New York and throughout the world entitles him to the finest monument which can be built by men.

I have heard many discussions here in the last two or three days about the insane asylums and the feeble-minded homes and the jails and the prisons, and it has been stated that they are filled with persons from the Old World. While this charge has been grossly overstated, the wonder to me is that there are not more such persons in our asylums and prisons. Under the immigration methods which prevailed up to very recently anybody in the world could come in. Undoubtedly those who had been doing evil in other countries, who did not thrive

there, who were mentally defective in some way, perhaps, entered our doors by the thousands; but that can not happen any more. Under our methods of examination in New York Harbor it is not possible for such persons to come in, and of course no Member of the Senate under any circumstances would want the admission of such persons, nor would he tolerate a system which would permit it.

I am not convinced myself that the literacy test is so important. You know, it may well happen that a man who speaks eight or ten languages and writes in every language of the world, can be a crook of the highest caliber. On the other hand, one who has not had the opportunities of education—and that is true of so many on the other side—may have qualities of heart and of soul and of mind which will make that man, under right circumstances of development, one of our conspicuous and useful citizens.

But we are not seeking in any way whatever to break down our guard at the port of New York. We are not proposing to do that. We have in the Reed bill many excellent and advanced features. I hold in my hand an analysis made by the distinguished Senator from Rhode Island [Mr. COLT].

In passing I want to say to the Senate that we owe Senator COLT a great debt and the country owes him a great debt for his study of this great problem and the intelligence which he has contributed to its solution.

Mr. KING. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. KING. Before the Senator takes up that proposition I desire to make one brief comment apropos of the charge that in the asylums and the penal institutions of our country there is a greater number of foreign birth in proportion to the population than of the native born.

Mr. President, from information which I have and from some statistics which I have seen, those charges are very greatly exaggerated and are based upon an imperfect survey. According to the same figures, looking at certain asylums, jails, and so forth, that were visited, the negro was far superior to the white in freedom from mental ailments and physical ailments, insanity, and many other defects; all of which goes to show that the data upon which those figures were based were wholly inadequate, because we know that the deductions drawn with respect to the whites and the colored people were wholly inaccurate. So that a proper survey of the penal institutions and the asylums of our country will not justify the wholesale charges that have been made with respect to aliens.

Mr. COPELAND. I thank the Senator, Mr. President. I agree fully with him. It is well known that anything can be proved by statistics; but I want to say for myself that the worst rascal I ever knew had 10 generations of colonial ancestry back of him. It does not always happen that the rascals are found among those who have come recently from the other side. I am sure that if these figures are analyzed the statement made by the Senator from Utah will be borne out—that the proportion of foreign born or of those of recent importation into this country in these institutions certainly is no greater than that of those who have been here through 8 or 10 generations.

To return to the discussion of the Reed bill and the analysis of it made by the Senator from Rhode Island [Mr. COLT], I find these figures:

The number of immigrants admissible under the Reed bill would be 238,000. After deducting the 10 per cent for certificates issued but not used the number would be 236,000.

Under the plan proposed by the committee the admissions of the year are divided into twelfths—so many for each month—and it may readily happen that some of the certificates which are issued will not be used. That, I think I am right in saying, we estimated at about 10 per cent. Am I right in that, I will ask the Senator from Pennsylvania?

Mr. REED of Pennsylvania. That was estimated by the Commissioner General of Immigration. Personally, I think his estimate is a bit high.

Mr. COPELAND. Then the Senator from Rhode Island has deducted from this number of 236,000 the number of those returning home. Of course, this matter of migration is not all in one direction. Not all of the movement is from Europe to the United States, but all the time there are persons in the United States going to Europe. So it is estimated, on the basis of figures furnished by the department, that about one-third as many go away as come in; so that would leave a net immigration to America of 157,000 persons. Of these, 78,000 would be male immigrants of 16 years or older. From northern and western Europe would come 43,000 such persons, while from southern and eastern Europe would come 35,000.

The point to be developed by the presentation of these figures is that the net result of this law will be so restrictive as to bring in a negligible number of persons. It is because of this fact that I have felt constrained to propose that we shall make it a 3 per cent quota instead of a 2 per cent quota, and I think it will be seen that the figures are so small that we could readily assimilate the slightly larger number.

There are so many features about the Reed bill which are commendable that I shall not venture to speak of all of them; but I do want to emphasize the fact that this bill provides for selection. The Senator from North Carolina [Mr. SIMMONS] this morning, in his very striking and convincing address, emphasized the importance of selection. That is exactly what is provided for here. It will not be as it has been in the past, that anybody could come; but if one desires to come to the United States of America he must go before the United States consul and pass a stated examination. He has to fill in a blank giving facts about himself. He has to sign that blank in the presence of the consul. He must bring his prison record, if he has one. In other words, there is a sifting of the material appearing before the consul, and from that material the consul selects those who seem best qualified for our citizenship.

There is a very significant clause which says that the consul may refrain from issuing a visé certificate if he has personal knowledge why the alien should not have it. In other words, if the applicant is a known revolutionist, one who has been mixed up at all with any criminal procedure or is a doubtful character in the community, the consul will not issue the visé certificate.

I am sorry the Senator from North Carolina is not here, because he made such a strong plea this morning for skilled laborers, particularly farmers. I am glad that the Senator from Minnesota [Mr. JOHNSON] is still here. He will not have any complaint to make of me as he did of Senator SIMMONS, because I did vote for the Norbeck bill. I want these Senators to know I have been striving for a long time to get the Secretary of Labor to say that a farmer is skilled. Those of us who were born on the farm, though perhaps not so expert as the Senator from Minnesota [Mr. JOHNSON], know that it takes a lot of skill to milk a cow.

They do say that the Secretary of Agriculture has greater facility in that direction than the Senator from Minnesota, but perhaps in that I am not properly advised.

The farmer must be a mechanic, he must be a carpenter, he must be a blacksmith, he must be an electrician, he must be a horticulturist, he must be a veterinarian, he must be a bacteriologist, he must be a chemist, with a knowledge of soils and of the air. If there is any man in the world who is skilled, it is the farmer; and so it seemed to me that the present administration was very short-sighted in failing to recognize the superior qualities of the farmer, and permit under the skilled-labor clause of the present immigration law the admission of farmers. It has refused to do that very thing.

If the Senator from North Carolina were here, I should point out to him further how it would be possible, under a proper allocation of those who come to this country, to have in the South all the labor necessary to take care of the cotton fields.

Mr. President, why should 87 per cent of all the immigration of the United States come through the port of New York? It is absurd to have it so. We should have an allocation of the persons coming to America with reference to their industrial preparedness. If they have had training in agriculture, let them be sent to Savannah or Galveston, or some other point contiguous to the soil. Then the problem of the South would be solved. As the Senator from North Carolina pointed out, it is possible to have all the labor necessary for the cotton fields without any change in the quota law. That can be done either by the adoption of his amendment or by proper allocation of those who come to the United States.

I am myself fixed in the belief that no person, under any law, should be permitted to leave Europe for a permanent residence in the United States unless he is in possession of all the qualifications, mental, moral, and physical, which we should demand in raising a proper standard of citizenship in this country. I believe that under the operation of this bill, if it is enacted into law, with the percentage based on the census of 1910, and with the other wise provisions of the bill, there will be proper guarding of the country.

Who are these persons who are coming, this very restricted number, under the provisions of any or all of the proposed immigration laws? Who are they? They are largely the fireside friends and relatives of persons now here.

We must make provision to admit them because of the industrial depression in the Old World, conditions over there which

in the number of persons admitted to the United States from

had been doing evil in other countries, who did not thrive

we have not striven to relieve. If I were a Republican I should be ashamed to think that nearly four years have passed and no effort has been made on the part of the Republican Party to bring about relief of economic conditions on the other side of the ocean. In my opinion, at the last day, there will be a lot of persons held responsible for a failure to seek relief for conditions existing over there. But if there is a failure of activity on the part of the administration, at least this Congress can pass a law which will give a little relief. By permitting the admission of some of these persons, they may enjoy the privileges of America, in spite of the failure of the administration to help improve conditions over there so that they might stay at home and live in decency.

There are things which must be corrected. The law must be humanized. For instance, I remember that a Russian colonel and his wife started for the United States by way of Constantinople. When they got to Constantinople the American Y. M. C. A. had a lot of Russian refugees there, and nobody could speak the language. So they begged this Russian colonel to stay and act as interpreter. He was good enough to do that. After his work in connection with the Y. M. C. A. was ended, he sought them to come to the United States. But in the meantime a baby had been born, and when the family reached Ellis Island the authorities said the father and mother, being Russians, could come in, but the baby, born in Constantinople, was a Turk, and could not come in. This was on the theory, I suppose, that if kittens are born in an oven they are not kittens but are biscuits. I do think that under this bill no such thing can happen again.

At the time of the massacre at Smyrna a little boy saw his father and mother and brothers killed and his sisters carried away to worse than death. This little chap slipped away, got down to the water front, went on board an American ship, and hid away in the hold. He was found after two or three days, and when they got to Ellis Island they took him off the boat, and because the quota was exhausted sent him back to Smyrna.

Mr. JOHNSON of Minnesota. Will the Senator yield?

Mr. COPELAND. I yield.

Mr. JOHNSON of Minnesota. I saw in the papers a couple of days ago that the Senator from New York made a speech in Washington informing us that 90 per cent of the Senators are lawyers. Why is it, then, that these able attorneys, lawmakers, have not provided in the laws which they have for years and years been putting on the statute books some means of giving a leeway to certain officials of this Government to use common horse sense?

Mr. COPELAND. Mr. President, I will say, in reply to the Senator from Minnesota, that since the lawyers have failed to do that, it is the business of the laymen, like the Senator from Minnesota and myself, who are in the Senate now, to find a way to correct the defect.

Mr. JOHNSON of Minnesota. But we need more laymen here for that purpose.

Mr. COPELAND. Mr. President, when we read a law we find on every third line the word "provided." Wherever that word is put in, it is where one of the lawyers of the Senate has interjected himself.

There was once a family of six persons cast away on a desert island, and it looked very desperate for them. Because there was no ship in the offing, they were worse off than Robinson Crusoe. One member of the party happened to find a paper in his pocket, which turned out to be a real-estate lease drawn by a lawyer. In this were found so many provisions that the family was able to live on them for six months.

I am sorry the Senator from Minnesota left after asking his questions. But, of course, we both believe there really is some virtue in lawyers and that they have their uses.

My own idea is that we should complete this bill, so excellent in its framework and in most of its parts, by making provision in it for the exceptional cases such as I have described. We must make sure that the law is so humane that no wickedness can be perpetrated under it. Certainly no law of man should rise above the law of God in making possible the exclusion of persons who are clearly entitled to receive asylum in our country. I think we should see that the law is so written that they may be brought in if they are worthy and qualified.

I hope the suggestion the Senator from Pennsylvania [Mr. REED] has made of a commission or of a body of some sort to study this question so that a permanent and scientific immigration law may be worked out will be adopted. I do think that in the meantime we may well afford, for a period of two or three years, to be more generous in the admission of immigrants. Then, when the crisis which now confronts the world has been overcome and passed, I think all of us will be glad to have very much more rigid restriction than at present.

Mr. FESS. Will the Senator yield for a question?

Mr. COPELAND. I yield.

Mr. FESS. A good deal of the complaint against the administration of the law now on the statute books has been the treatment of immigrants at Ellis Island, and some of the statements made by the foreign press—including the press of Great Britain, for example—would lead the public to believe that Ellis Island had become a detention station, and therefore rather disgraceful. I have read so many very bitter complaints that have come through some agency to our desk that I took the matter up with the Secretary of Labor, and he wrote a statement for publication in which he said that if any person is detained overnight, it is in violation of the law. Consequently, that practice seems to have grown out of our quota regulations. If we limit the immigration to any particular percentage, the percentage will be violated, and the public here think we ought to cure that on the other side; that the examinations should be there rather than here. The public does not seem to realize that that would be rather difficult without some treaty relations. I wonder whether we are taking steps in this measure to relieve that situation, at least.

Mr. COPELAND. Mr. President, I am very glad to answer the question of the Senator from Ohio. I had occasion, because of my own official duties, to have intimate knowledge of conditions at Ellis Island. I want to say this, both for the present commissioner, Major Curran, and for his predecessor, Commissioner Wallis, that never were two finer, more humane men in the world in public office than those two men. It was not their fault that such things as those described could happen. An unlimited number of persons left the other side, more than the commissioner and his staff could handle. Away up at the Russian border I saw a great advertisement of a steamship line, an advertisement as long as the side of this Chamber, advertising the virtues of America, and saying, "Come on." They were striving to get great numbers of persons to come over here. So, because of the lack of any provision in the law preventing it, at midnight of the last day of every month there was a line of boats out at the 3-mile limit line, with steam up, smoke belching out of the funnels, captain on the deck, all waiting for the stroke of 12 in order to make a race for quarantine. The citizenship of our country was determined, not by the quality of the souls on those ships but by the quality of the iron and the steel that made the vessels, the coaling of the furnaces, and the ability of the captains in the race. It was an outrage. In consequence thousands of immigrants were crowded into the buildings which had been made for very much smaller numbers. Of course, there was overcrowding, and many of the things we read about happened; but through no fault of the men in control. Such things can not happen under this bill. It would be impossible.

Mr. FESS. That is what I want to know, whether this bill will correct that.

Mr. COPELAND. These evils can happen no longer. Under this bill the quota is divided into twelfths, and each consul has a limited number, we will say, of red tickets for August, and blue ones for September. He can issue only the number he has. That number will never be in excess of the quota. So, under reasonable limits, every person who leaves the other side knows that he will be admitted to the United States.

Of course, there is sovereignty in every nation which can not be disregarded, and we can not go so far as to make the thorough examinations which are necessary for final determination. So there will be physical examinations made at Ellis Island, as now; but the wicked, cruel things which have taken place in the past will be avoided after the passage of this bill.

We can not afford to shut the gates to the downtrodden and the oppressed unless we repudiate our history and our national spirit. We could well afford to be a little more generous, I think, than we are in this bill. We could afford, for a couple of years at least, to make the percentage, based on the census of 1910, 3 per cent instead of 2 per cent. I think that the Jews and the Italians, and the others who would be cut off under the operation of a quota based on the census of 1890—if we were to go back to the census of 1890, which would be a wicked discrimination against those from Poland, from Russia, and from Italy—have proven that they have God's right to tread upon American soil. The soil which the Pilgrims have sanctified is the home of the refugee.

Ay, call it holy ground,
The soil where first they trod;
They have left unstained what there they found—
Freedom to worship God.

Mr. SHEPPARD. Mr. President, as long as the waters of Niagara pour into the channel below they produce a seething,

foaming, leaping torrent that never rests. As long as a stream of migrating peoples rushes over the gangways of the ships that bear them from other lands to this they produce a swirling, turbulent, disordered mass that is never permitted to reach an angle of racial, political, intellectual, or spiritual repose. While fertile lands in public or in private possession remained available on fairly easy terms and while the cities were still small the new accessions were distributed with a minimum of disturbance and maladjustment. With the disappearance, however, of the public-land frontier, the rise in price and the almost complete occupation of the habitable, cultivable, and readily obtainable areas until they are beyond the reach of the masses, who have only their labor to exchange, the extensive concentration of people in the factory districts and the cities, a condition has developed whereby the American standard of living, a standard which still means for the majority of our population the most liberal supply of the things that sustain and beautify existence any country has ever known is being seriously imperiled, and whereby the discord and the turmoil of former years are rendered tenfold more dangerous and intense.

With our natural resources practically absorbed, and with numbers weighing upon subsistence to an ominous extent, any further entry, for the present at least, of inhabitants from the overcrowded and pauperized sections of the globe will but add to the economic crisis that is beginning to confront those already here and hasten the reduction of our standard of living toward the point of bare physical survival. With the farmers already here finding it increasingly difficult to make a living that will preserve American standards, why bring in more? With wage earners already here receiving an average return of only $1,100 a year why bring in more to compete for that inadequate return and then make it more inadequate?

Let the foreign stream, from which all of us came, be arrested, therefore, until the reservoir into which it has been discharging may find a safe and peaceful level.

The tremendous impetus immigration received shortly after the Civil War has made the position of native workers still more difficult, that of the captains of industry still more powerful, enabling the latter through the advantages afforded by an overcrowded labor market to add to their already enormous fortunes, helping to perpetuate and magnify the unequal distribution of wealth which came with the mechanical era. Since the Civil War over 25,000,000 aliens have swarmed into this Republic, only 1,000,000 less than all the white citizens in the United States in 1860, most of them unmarried and competing on that basis with native hands of families, whereas only four or five million aliens had entered during our entire history from 1790 until the Civil War, and these were almost wholly of the same racial strains as those already here, namely, strains from northern Europe and the United Kingdom. Many of the 25,000,000 entering since the Civil War have died, many have returned to the homelands after accumulating a stake at the expense of native standards, but the number here in 1920 was nearly 14,000,000, more than a fifth of our entire male population 21 years and over, and 7,000,000 of these were unnaturalized birds of passage.

The result is that the old pre-Civil War American stock is diminishing, its families decreasing because they can not be maintained against competition like this. The native white American laborer of pre-Civil War stock has already been driven from eastern industrial centers in such numbers as to change materially the racial complexion of States and communities famous in the struggle for American independence. In New York City, the foremost American metropolis, 53 per cent of the male population, 21 years and over, is foreign born; in Boston, 46 per cent; in Massachusetts, 41 per cent; in the New England States, 38 per cent; in the States of New York, New Jersey, and Pennsylvania, 35 per cent. I mention these conditions in no spirit of racial hostility, but to show that the United States is a veritable Tower of Babel. I join unreservedly in the eulogies of the Senator from New York [Mr. COPELAND] on distinguished representatives of various races.

Faneuil Hall in Boston, one of the landmarks of American history, has become the market place of a foreign quarter, and the English language is rarely heard about its walls and portals. Fifty-two foreign languages are spoken in this country, more than in all the European countries combined. Our national party committees find it necessary to print their literature in 16 different languages. While these immigrants for the most part go quietly about their business, a large element forms the main source and breeding ground of revolutionary and anarchistic propaganda in this country, such as Bolshevism, I. W. W-ism, communism, and similar movements countenancing violence and disorder. There is no room for such movements beneath the American flag. Modern steamships and the demand for cheap labor in our rapidly expanding industries, our vast transportation and construction enterprises undoubtedly gave the greatest impetus to the human tide that soon began to inundate our shores. Naturally the huge industrial organizations conspired with the steamship companies to unload these multitudes on our coasts. The result was a labor market so overstocked as to be more than ever at the mercy of industrial managers, the further massing of men, women, and children in tenements and slums amid surroundings of utter misery and want—wages, working hours, and conditions being such as to condemn them to thorough wretchedness.

Judge Gary, of the Steel Trust, has been clamoring for more immigrants. A flooded labor market means wages on the lowest possible basis, and this means disastrous conditions for the retail merchant and the products of the farm.

Meanwhile on the Pacific coast immigration from the Orient began to present threatening questions of racial, economic, and religious character. A little Japan has been established in the United States, as have duplicates of other countries almost equally antagonistic in racial characteristics, standards, customs, and ideals, in various sections of the Republic. We possess no longer the racial unity and harmony which were ours when we declared American independence and established American liberty. We are a medley—a discordant, chaotic medley—of all the nations of the earth, and it is beyond human power to foretell the outcome. True Americanism demands that immigration cease until we can make careful analysis of the situation and work out some just and safe solution.

Temporary admission for trade, exhibitions, study, travel, and so forth, admission of immediate members of families already here, and the other exceptions enumerated in the Harris amendment on which we voted yesterday should, of course, be allowed.

In June of 1919, at a service in commemoration of Americans who had died in the World War, Arthur Twining Hadley, the well-known former president of Yale University, used the following language:

> These men have fought their fight; ours remains before us. Fifty years ago Abraham Lincoln pointed out the way—the only way—in which the living can worthily commemorate the dead. It is for us to see that these heroic dead shall not have died in vain. The visible memorials which we may erect, whatever their usefulness or their beauty, are but symbols of our gratitude and affection. The gratitude and affection themselves are manifested in seeing that the work of the dead is not left half done.
>
> The need of this admonition is even greater to-day than it was when Lincoln spoke, for the dangers to freedom are more immediate and more complex to-day than they were 50 years ago. At the close of the Civil War we faced the comparatively simple problem of preserving freedom for men already trained in the principles of law and morals on which free institutions had been based. To-day we have to secure freedom to many races, with many standards of law and morals, more accustomed to despotic authority than to the exercise of self-government. Liberty is threatened from below as well as from above.

Mr. President, when a man of the vision, the genius, and the standing of Arthur Twining Hadley tells us that the dangers to freedom are more immediate and more complex to-day than they were 50 years ago, due to the multiplication of races within our borders, it is well that we should pause. In the interest of the man from abroad who became an American citizen but yesterday, as well as descendants of the first man who landed at Jamestown or Plymouth Rock over 300 years ago, in the interest of all who have assembled here from every land and clime, I support the proposal to discontinue immigration until an adequate standard of living, a unity of thought and spirit, may be permanently safeguarded for all the myriads of mankind that now constitute our population.

Mr. HARRISON. If there is no one else to speak, can we not have a vote now on the amendment offered by the Senator from New York [Mr. COPELAND] to the amendment of the committee? On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. McCORMICK (when his name was called). I have a standing pair with the Senator from Oklahoma [Mr. OWEN], which I transfer to the Senator from Vermont [Mr. GREENE], and vote "nay."

The roll call was concluded.

Mr. LODGE. I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Indiana [Mr. WATSON] and vote "nay."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from New Jersey [Mr. EDGE] and vote "nay."

Mr. CURTIS. I have been requested to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

I also desire to state that the Senator from Indiana [Mr. WATSON] is absent because of illness in his family, and that if present he would vote "nay."

Mr. GERRY. I wish to announce that the Senator from Massachusetts [Mr. WALSH] is detained temporarily on business of the Senate, and that if he were present he would vote "yea" on the amendment to the amendment.

The result was announced—yeas 8, nays 72, as follows:

YEAS—8

Colt	Edwards	Gerry	Sterling
Copeland	Elkins	King	Weller

NAYS—72

Adams	Fernald	Keyes	Reed, Pa.
Bell	Ferris	Ladd	Robinson
Bayard	Fess	Lodge	Sheppard
Borah	Fletcher	McCormick	Shields
Brandegee	Frazier	McKellar	Shipstead
Brookhart	George	McKinley	Shortridge
Broussard	Glass	McLean	Simmons
Bruce	Gooding	McNary	Smith
Bursum	Hale	Mayfield	Smoot
Cameron	Harreld	Neely	Spencer
Capper	Harris	Norbeck	Stanfield
Caraway	Harrison	Norris	Stephens
Cummins	Heflin	Oddie	Swanson
Curtis	Howell	Overman	Trammell
Dale	Johnson, Minn.	Pepper	Wadsworth
Dial	Jones, N. Mex.	Phipps	Walsh, Mont.
Dill	Jones, Wash.	Pittman	Warren
Ernst	Kendrick	Ralston	Wheeler
			Willis

NOT VOTING—16

Ashurst	Johnson, Calif.	Owen	Stanley
Couzens	La Follette	Ransdell	Underwood
Edge	Lenroot	Reed, Mo.	Walsh, Mass.
Greene	Moses	Smoot	Watson

So Mr. COPELAND's amendment to the committee amendment was rejected.

Mr. HARRISON and Mr. WILLIS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Mississippi.

Mr. HARRISON. I desire now to offer an amendment to make the 1890 census the basis of the quota, unless the Senator from Ohio [Mr. WILLIS] desires to offer an amendment proposing a 2 per cent quota.

Mr. WILLIS. Mr. President, I had expected at this time to offer the amendment as to the percentage, and, if the Senator from Mississippi will be as well satisfied with that arrangement, I shall now offer that amendment.

Mr. HARRISON. I should prefer to vote on the question of the census basis before voting on the percentage. I realize, however, that because of the parliamentary situation the Senator from Ohio has a right to perfect the Senate committee amendment before I have a right to offer my amendment, and if he insists upon that, of course, I shall have to abide by his insistence.

Mr. WILLIS. I feel inclined to insist upon that right, and therefore I offer the amendment which I send to the desk.

Mr. HARRISON. I had desired recognition at this time to speak on my amendment, but if the Senator from Ohio wishes now to offer his amendment and desires to discuss it I will yield the floor to him.

Mr. WILLIS. Very well.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Ohio to the committee amendment will be stated.

The READING CLERK. In the committee amendment, on page 12, line 10, before the words "per centum," it is proposed to strike out the word "two" and to insert in lieu thereof the word "one."

Mr. WILLIS. Mr. President, the amendment to the committee amendment which has just been stated, having been explained somewhat at yesterday's session, I shall take only a very short time in calling attention to it now. The Senate has just voted on the amendment offered by the Senator from New York [Mr. COPELAND] to change the quota from 2 per cent to 8 per cent. The amendment I am now proposing goes in just the opposite direction. In other words, if this amendment shall be adopted the quota will be 1 per cent instead of 2 per cent, as proposed by the committee amendment.

I have offered this amendment, Mr. President, because there are some of those who believe in rigid restriction of immigration, who at the same time feel that a basis founded upon the census returns of some year other than the year 1910 might work an unfavorable discrimination as against people of certain nationalities. For example, under the present law there are entitled to come into this country from Italy 42,000 immigrants. Under the 2 per cent quota based on the census of 1890 that 42,000 would be reduced to 4,000, and under the amendment which I now propose it would be 14,000. It is likewise with various other nationalities. It is not necessary to elaborate upon that.

I am one of those who believe in rigid restriction of immigration, but I am more concerned about holding the number down to a minimum than I am about undertaking to select upon racial and national lines. Therefore, I call the attention of the Senate to this amendment, first, because it is not discriminative; it does not give any one nation advantage over another; and, secondly, being fair and equitable, at the same time it provides the lowest quota that is afforded by any of the different propositions pending before the Senate. So Senators who actually want to restrict immigration can vote for this amendment in the knowledge that it will give the smallest quota afforded by any of the different plans. Under it the quota will be approximately 120,000 a year; that provided under the Reed amendment, so called, will be 150,000, or 30,000 more, and that provided under the 2 per cent quota, based on the census of 1890, commonly known as the Johnson bill, will be 169,000. Therefore, those who wish to restrict immigration and at the same time enact a law which will be fair and equitable should vote for this amendment. I ask for a vote, Mr. President.

Mr. HARRISON. Let us have the yeas and nays.

Mr. WADSWORTH. Mr. President, were the issue to be drawn solely between the census of 1910 and the census of 1890 as the basis, respectively, for the quota provision, I would support the census of 1890, considering that to be preferable; but I have believed since the beginning of the discussion that the wisest and best provision was that contained in the amendment offered by the Senator from Pennsylvania [Mr. REED], known as the "national origins" amendment. That I think affords the soundest basis. Now, that the Senate by unanimous vote as of yesterday has added the Reed amendment to this bill, to take effect approximately three years from now, I believe that in the interval between now and the taking effect of the national origins amendment it will perhaps be fairer to use the census of 1910 and thus obviate the undoubted disappointment, and I may say bitterness, which would accrue were we to use the census of 1890 for that short period. I, therefore, expect to support the amendment of the Senator from Ohio, to the effect that for the next three years immigration shall be at the rate of 1 per cent on the basis of the census of 1910.

Mr. WILLIS. Mr. President, I neglected to state what I should have stated as a matter of fairness; that is, that this amendment was also offered by the Senator from Georgia [Mr. HARRIS], and he very kindly consented to withdraw his amendment in order that this might be considered.

I call for the yeas and nays.

The yeas and nays were ordered.

Mr. REED of Pennsylvania. Mr. President, if the parliamentary situation were different, and if we were first voting on the census to be used as a basis for these quotas, I think I should vote for the census of 1890; but as it is reversed, and we are voting on the percentages before we vote on the census, and as I feel that if we are going to use the census of 1910 the figure ought to be only 1 per cent, I expect to vote "yea" on the amendment offered by the Senator from Ohio; but if the 1890 census is adopted, I expect then to vote for a reconsideration of the percentage, assuming that 1 per cent is adopted, for the reason that 1 per cent of 1890 would be far too small.

In other words, if I have stated my position clearly, it comes down to this: In my judgment, the decision ought to be either 1 per cent of 1910 or 2 per cent of 1890; and I understand that the Senator from Mississippi expects, if his amendment prevails to make it 1890, to follow that with a motion to reconsider the percentage quota.

Mr. HARRISON. Mr. President, I feel exactly as the Senator from Pennsylvania feels about the matter. I shall vote for 1 per cent on 1910, but immediately following that I shall offer an amendment for 2 per cent upon the basis of 1890.

Mr. REED of Pennsylvania. I hope the Senator will not do it immediately, because it seems to me wise that we clear up the only remaining committee amendment about which there is no debate; and then, under the unanimous-consent agreement, the Senator's motion to adopt 1890 as the basis will be the next business.

Mr. LODGE. Mr. President, as we have not the opportunity to vote on the date first, which I think is the proper way of

proceeding, I shall vote as the Senator from Pennsylvania suggests, with a view, if 1890 prevails, of then making it 2 per cent. We shall have an opportunity to do that in the Senate.

Mr. GERRY. Mr. President, the Senator from New York [Mr. WADSWORTH] has just stated that the national origin amendment offered yesterday by the Senator from Pennsylvania [Mr. REED] was agreed to unanimously. I know that the Senator from New York did not intend to make a misstatement, but I do not want that statement to go unchallenged. It was not a record vote. It was a viva voce vote, but it was not a unanimous vote. There were those of us, myself among them, who were opposed to the amendment.

Mr. McCORMICK. Mr. President, there may be other Senators who find themselves in a situation like that of the Senator from Massachusetts and the Senator from Pennsylvania. The consideration of this bill has been somewhat complicated by gentlemen's agreements. I shall vote as the Senator from Massachusetts and the Senator from Pennsylvania.

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from Ohio [Mr. WILLIS] to the amendment of the committee. Upon that question the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. MOSES]. I transfer that pair to the Senator from Missouri [Mr. REED], and will vote. I vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as to my pair as on the last vote, I vote "yea."

Mr. McCORMICK (when his name was called). Making the same announcement as before, I vote "yea."

Mr. SMITH (when his name was called). Mr. President, a parliamentary inquiry. A vote "yea" means a vote for the amendment that reduces the percentages to one?

The PRESIDENT pro tempore. The amendment is to strike out the word "two" and insert the word "one."

Mr. SMITH. And a vote "yea" is a vote for "one"? I vote "yea."

Mr. GERRY (when the name of Mr. WALSH of Massachusetts was called). I desire to announce that the Senator from Massachusetts [Mr. WALSH] is absent temporarily on official business of the Senate. If he were present he would vote "nay" on the pending question.

The roll call was concluded.

Mr. ERNST. Making the same statement as before, I vote "yea."

The result was announced—yeas 55, nays 25, as follows:

YEAS—55

Adams	Fess	Ladd	Reed, Pa.
Bayard	Fletcher	Lodge	Robinson
Borah	Frazier	McCormick	Sheppard
Bruce	George	McKellar	Shields
Cameron	Glass	McKinley	Simmons
Capper	Gooding	McNary	Smith
Caraway	Hale	Mayfield	Smoot
Cummins	Harris	Neely	Stanfield
Curtis	Harrison	Oddie	Stephens
Dale	Heflin	Overman	Swanson
Dial	Howell	Pepper	Trammell
Dill	Jones, N. Mex.	Phipps	Wadsworth
Ernst	Jones, Wash.	Pittman	Willis
Ferris	Kendrick	Ralston	

NAYS—25

Brandegee	Elkins	McLean	Walsh, Mont.
Brookhart	Fernald	Norbeck	Warren
Broussard	Gerry	Norris	Weller
Bursum	Harreld	Shipstead	Wheeler
Colt	Johnson, Minn.	Shortridge	
Copeland	Keyes	Spencer	
Edwards	King	Sterling	

NOT VOTING—16

Ashurst	Greene	Moses	Stanley
Ball	Johnson, Calif.	Owen	Underwood
Couzens	La Follette	Ransdell	Walsh, Mass.
Edge	Lenroot	Reed, Mo.	Watson

So Mr. WILLIS's amendment to the amendment of the committee was agreed to.

Mr. HARRISON. Mr. President, I move that on line 10 of page 12 the word "one" be made "two," and that on line 13 of page 12 the figures "1910" be changed to "1890." That is an amendment that will make the quota 2 per cent on the basis of 1890.

The PRESIDENT pro tempore. Will the Senator allow the Chair to suggest that the question now is upon agreeing to the committee amendment as amended?

Mr. TRAMMELL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TRAMMELL. As I understand, the Senator from Ohio [Mr. WILLIS] has had an amendment adopted to the amendment proposed by the committee.

The PRESIDENT pro tempore. The Senator from Ohio offered an amendment to the committee amendment.

Mr. LODGE. And that was adopted.

The PRESIDENT pro tempore. And it has been agreed to.

Mr. WILLIS. The question now is on agreeing to the committee amendment as amended.

The PRESIDENT pro tempore. That is the question.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Kansas will state it.

Mr. CURTIS. After that vote is taken will the motion of the Senator from Mississippi [Mr. HARRISON] be in order?

Mr. LODGE. Mr. President——

The PRESIDENT pro tempore. The question is upon agreeing to the committee amendment as amended.

Mr. LODGE. One moment, Mr. President. The amendment, already amended by the proposition of the Senator from Ohio, which has been agreed to, is still open to perfecting amendment.

The PRESIDENT pro tempore. Undoubtedly.

Mr. LODGE. And we can bring the vote on the date there, I think.

Mr. WILLIS. Mr. President, a parliamentary inquiry. I submit the question whether the Senate, having just voted to substitute "one" for "two," can turn around immediately and substitute "two" for "one."

Mr. LODGE. I thought the whole clause included the year. I see that it does not. I was mistaken.

Mr. HARRISON. Mr. President, I am quite sure that the Senator from Ohio would not insist on any rule that might preclude the offering of an amendment fixing the number at 2 per cent on the basis of 1890. I withdrew my amendment so that the Senator might make his quota 1 per cent. I can move to strike out this proposition and insert a substitute making it 2 per cent upon the basis of 1890. There is not any use in getting into a parliamentary wrangle about the matter.

Mr. WILLIS. Mr. President, if I may make a suggestion to the Senator from Mississippi, I suggest that we may have the vote which he desires in the Senate. I assure him that I recognize the truth of his statement that this matter was arranged by mutual understanding.

Mr. HARRISON. I prefer to have the vote in the Committee of the Whole.

Mr. WILLIS. I shall not object to the request of the Senator, although I call attention——

Mr. LODGE. I hope the request, if I understand it, will be agreed to. We ought to settle now the question of the date of the census we will adopt.

Mr. HARRISON. I ask unanimous consent that the next amendment be held in order, so that we can vote upon the amendment changing "one," in line 10, page 12, to "two," and that I may move to strike out "1910" and make it "1890." That will present the question of making it 2 per cent, based upon the census of 1890.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi?

Mr. SMITH. Reserving the right to object, I would like to ask the Senator from Mississippi if he will not divide his proposition, so that we may vote upon substituting the census of 1890 for that of 1910, and then vote on the substitution of 2 per cent for 1 per cent?

Mr. HARRIS. That is just what I was going to ask.

Mr. HARRISON. If Senators desire to do that, it is entirely agreeable to me.

The PRESIDENT pro tempore. Is there objection to the request?

Mr. McCORMICK. There ought to be a definition of the unanimous-consent agreement which would be intelligible to all Senators.

Mr. HARRISON. I ask unanimous consent again that my amendment now be considered pending, and that the percentage be fixed at 2 per cent, based on the census of 1890.

Mr. WILLIS. Does the Senator couple with that the suggestion of the Senator from South Carolina, that there be a division, and that the two propositions be voted on separately?

Mr. HARRISON. I desire to get a vote on the 2 per cent proposition, based on the census of 1890.

Mr. SMITH. Before that is agreed to, I would like to say that I do not feel disposed to vote for the 2 per cent proposition, coupled with the 1890 provision. I would like to vote for the 1890 proposition, but not for the 2 per cent. I think it would be better to vote on the date, and then to vote on the percentage.

Mr. TRAMMELL. Mr. President, I insist that the amendment be divided so that we can vote on the question of making

it 1 per cent or 2 per cent, based on the census of 1890. I object to the unanimous-consent agreement unless that is authorized in the agreement. The question can be divided.

My reason for it is that if we adopt 2 per cent, based on the census of 1890, then those of us who may desire to vote for 1 per cent, based upon the census of 1890, will have been precluded absolutely from voting on that question, unless we can obtain another unanimous-consent agreement. We can ascertain the sentiment of the Senate and the will of the Senate by dividing the question.

Mr. HARRISON. I will change my request.

Mr. REED of Pennsylvania. Will the Senator yield to me for an explanation?

Mr. HARRISON. Just let me state my unanimous-consent request. It is that we vote on the question of basing the quota on the census of 1890, and then afterwards we can fix whatever percentage we want to fix.

Mr. REED of Pennsylvania. Will the Senator listen to me for just a moment?

Mr. HARRISON. Certainly.

Mr. REED of Pennsylvania. We already have a unanimous-consent agreement giving the Senator from Mississippi exactly what he is now asking. If the Senator will permit the pending committee amendment to be voted on, and will allow the next committee amendment to be voted on, we already have a unanimous-consent agreement, made two weeks ago—so it is no wonder the Senator has forgotten it—by which his motion to change 1910 to 1890 must next be taken up, after the last committee amendment. It will come along in due course, if the Senator will permit us to proceed.

Mr. HARRISON. May I say to the Senator that I realize that that is true, but the trouble with the situation is that it has been suggested that because of the committee amendment having been amended we might be precluded from voting again on the percentage after the census of 1890 has been fixed. If the date should be fixed by a majority vote we would be precluded from going back and voting on changing the percentage. I merely want the situation so that the Senate can vote to express itself as to whether it wants 1 per cent or 2 per cent, based on the census of 1890.

Mr. REED of Pennsylvania. Could not the Senator move to reconsider the vote by which we fixed 1 per cent, if the other vote were taken?

Mr. HARRISON. I think so, and it could be done in the Senate, as far as that is concerned.

Mr. HEFLIN. It is not necessary to take the time to do that when we could do it by unanimous consent.

Mr. HARRISON. If there is to be no further debate on the rest of the committee amendments in section 8, let the Senate vote on them, and then I will proceed with this other proposition. I understand I have unanimous consent now to offer the amendment changing "1910" to "1890."

Mr. McCORMICK. Without reference to the percentage?

Mr. HARRISON. Without reference to the percentage.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi, which, as the Chair understands it, is that it will be in order at this time to offer an amendment in line 13, page 12, changing "1910" to "1890"?

Mr. HARRISON. I understood there was some committee amendment that was to be acted upon.

Mr. REED of Pennsylvania. There is.

Mr. HARRISON. Let us vote on that.

Mr. REED of Pennsylvania. For that reason I object, and I ask that we proceed in order with the pending amendment.

The PRESIDENT pro tempore. The question, in regular order, is upon agreeing to the committee amendment in line 10, page 12, as amended.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. KING. As I understand, that would mean concurrence in the amendment offered by the Senator from Ohio, making it 1 per cent based on the census of 1910?

The PRESIDENT pro tempore. The Chair does not attempt to interpret it. The Chair suggested what the Chair believed to be the proper method of dealing with this parliamentary situation, and it was not followed. The Chair can not attempt to interpret what the amendment will be if adopted as amended.

Mr. FLETCHER. May I inquire just what the question will be? As I understood, the motion of the Senator from Ohio was to strike out "two" and insert "one."

Mr. LODGE. That has been done.

Mr. FLETCHER. Then what becomes of the remaining committee amendment, striking out from line 13 to "1910," in line 21?

Mr. WILLIS. That is the pending question.

Mr. LODGE. The amendment has been perfected by inserting "one" instead of "two."

Mr. FLETCHER. Mr. President, a parliamentary inquiry, further.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. FLETCHER. In that case there was no sense in moving to strike out "two" and insert "one," because by agreeing to the committee amendment we would have settled the whole question.

Mr. WILLIS. There were two different ways of reaching the same end, and we have adopted this way.

Mr. FLETCHER. It is something purely perfunctory and not worth while.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. REED of Pennsylvania. There is one more committee amendment to be acted on. There is no disagreement about it.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 12, line 13, after the numerals "1910," it is proposed to strike out down to and including the numerals "1910," in line 21, and to insert "but the minimum quota of any nationality shall be 100," so as to make the paragraph read:

> The annual "quota" of any nationality shall be 1 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1910, but the minimum quota of any nationality shall be 100.

The amendment was agreed to.

Mr. HARRISON. I move to strike out "1910," on line 13, page 12, and to insert "1890."

Mr. President, I shall detain the Senate but a few moments. I want to say in the beginning that in all the history of the Government there has never been any partisanship touching the immigration question. Representatives and Senators have voted their individual convictions on the subject. When the first literacy provision was adopted in an immigration bill it was vetoed by Grover Cleveland, a Democrat. The next literacy provision that was adopted by the Congress was vetoed by President Taft, a Republican. The next by President Wilson, a Democrat. President Harding signed the first quota law, and the expression of the present President of the United States—Mr. Coolidge—is familiar to all. In his first message to Congress one of the best parts of that message—indeed, I would say the best part of the message—was that touching immigration, and let me recall to the Senate what he said on that occasion:

> American institutions rest solely on good citizenship. They were created by people who had a background of self-government. New arrivals should be limited to our capacity to absorb them into the ranks of good citizenship. America must be kept American. For this purpose it is necessary to continue a policy of restricted immigration. It would be well to make such immigration of a selective nature—
>
> We have done that in this bill—
>
> with some inspection at the source—
>
> We have done that in this bill—
>
> and based either on a prior census or upon the record of naturalization.

I shall not read further. The President makes it plain that he is for basing our immigration quota upon a census prior to that of 1910. He could not have used stronger language in indorsing the 1890 census—which is the only other census that has been discussed and been considered—than he employed in that particular message.

Indeed, we will comply with the President's request if we adopt the 1890 census in toto, because the "national origin" amendment, offered yesterday by the Senator from Pennsylvania, has already been incorporated in the bill, to take effect July 1, 1927. If we go a step further and adopt the amendment I have proposed, we will then have complied in full with President Coolidge's request.

As a further evidence that there has never been any politics in this question, may I say that the first amendment proposing to base immigration on the census of 1890 was offered by a Republican Senator, our colleague, the junior Senator from Pennsylvania [Mr. REED]. That was followed up by the distinguished leader of the Republican Party in this body, the senior Senator from Massachusetts [Mr. LODGE], who indorsed it by offering an amendment fixing the 1890 census as the basis. Indeed, a Republican Member of the House, Congressman

JOHNSON of Washington, was the author of the proposal in the House, and it was incorporated there. I read in the report of the House Committee on Immigration on the bill that the 1890 census was adopted by 15 out of the 17 members of the committee. Only two opposed it.

Now, I submit to the Senate that we are all anxious to proceed with the legislation before us. Much legislation is on the calendar to be finished. The American people are demanding a tax reduction. Both sides of the Senate have told the people we would give it to them at the very earliest moment. The revenue bill is here. It awaits our action.

The House has adopted a basis of 2 per cent on the census of 1890. If we adopt a basis of 2 per cent on the census of 1890, we have put that part of the question behind us. In conference that will not be in disagreement. The two bodies will have come together and we will be that much nearer to taking up the tax reduction measure and considering it, as well as other important legislation, in this body.

Let us study the figures on the proposition as to whether we would rather have a basis of 1 per cent on the census of 1910 or 2 per cent on the census of 1890. I voted yesterday for total exclusion, and I voted for the amendment providing 1 per cent on the census of 1910, because I want to go to the limit. But I believe the wise thing for this body to do is to adopt the basis of 2 per cent on the census of 1890, so that the House and the Senate will have agreed on that point and the matter will be concluded, so far as that question is concerned.

Then there would be little left, because the two bodies agree on the basis of selection of the immigrants at the source. Splendid, wise provisions have been incorporated in both the bills, and there will be little remaining in disagreement. In view of the action of the Senate on yesterday in adopting the Reed amendment, operative after July 1, 1927, putting into effect the racial or national group idea, we can not do anything else but vote for the 1890 census basis, because all the argument that was made yesterday in support of the Reed amendment dealing with national origin bears out the theory that immigration should come into this country according to quotas fixed on the census of 1890. If we adopt the census of 1910 as a basis, we would discriminate not only against the Americans here but against northwestern Europe in too great a degree.

It has been said, and some Senators are led astray by the statement, and some people in the country believe from what has been said, that the 1890 census discriminates against southern and southeastern Europe. It does not do anything of the kind. Why did we not adopt 1920 instead of 1910, I ask of those who voted for it and who believe in that idea? The 1910 basis is a discrimination against the 1920 census just as much as the 1890 census might be a discrimination against the 1910 census. But, as I said a moment ago, the 1890 census does not discriminate against southern and southeastern Europe, and why?

According to the estimates of aliens from southern and southeastern Europe, there are 6,000,000 of them living in the United States. Six millions! There are in the United States about 95,000,000 white people. The number born in southern and eastern Europe now living in this country is only 5 per cent of our total white population.

It has been admitted in this discussion, and the statistics will bear out this statement, that the 1910 census would give southern and southeastern European nations 45 per cent of the total immigration quota. That would be nine times their proportionate share. To-day there are in the United States approximately 12,000,000 persons who were born or their parents born in southern and eastern European countries. To put it another way, there are 12,000,000 persons now in the United States of southern and eastern European stock. That number constitutes approximately 11½ per cent of our total white population. Under the 1890 census approximately 15 per cent of the total immigration quota would come from southern and eastern Europe. You will see, sirs, that that is practically 4 per cent more than that section would be entitled to. There is not a single alien citizen in the United States who comes from southern or eastern European stock who has cause to complain against the 1890 census. The discrimination is in his favor instead of being against him. Why should he desire the discrimination in his favor that would assuredly come from southern and eastern Europe on the 1910 census? In that event, while he is entitled to only a little more than 11 per cent of the total number of immigrants coming to the United States, southern and eastern Europe would then be able to send four times that number.

May I point out to the Senate the startling fact that up until 1890 immigration that came to the United States from northern and western Europe was 91 per cent of the whole, while from southern and eastern Europe it was only 9 per cent? In the years following, let us see how the figures change. They tell the tale. They point the reasons why public opinion is crystallized in behalf of the 1890 census as a basis. Take the next 20 years following 1890. From southern and eastern Europe the number had increased from 9 per cent to approximately 60 per cent, while the percentage of those who had come from northern and western Europe had decreased during that period from 91 per cent to 31 per cent. Now take the period from 1910 to 1920. We find that from northern and western Europe only 22 per cent came, while from southern and eastern Europe the number had increased to 77 per cent. If we had not restricted immigration under the present quota law and the bars had remained down, the number that would have come from eastern and southern Europe would have been startling.

And, sirs, if the present condition and unfair quota from that particular section of the world are permitted to continue, the time will come when, because of the powerful influences they work upon their representatives in Congress, it will be impossible to pass any other restrictive immigration legislation. I have not anything against any man in these United States, no matter from what country his ancestors or he may have come. I appreciate the splendid American citizens, in millions of cases, that they have made and the high services they have given to their country. I do not forget when the call to arms came in the late Great War how they responded to the colors and in 10,000 instances showed real and true Americanism.

The amendment I have offered is intended to cast no reflection upon any alien citizen in this country, nor reflect upon any foreign country. I just believe we have permitted under our liberal immigration regulations far too many to come from some countries. It can not be a wise policy for the United States to admit a greater number of foreign peoples than it can properly assimilate. If we do this we will lose the real American spirit. The very great numbers that have come to this country during the last 10 years have presented a dangerous situation.

We have seen foreign colonies built; we have seen a constant enlargement of foreign newspapers established; we have seen a growing influence upon the part of these people in American politics that have sometimes shown that they love their mother country more than they do their adopted country. Whenever the situation is presented that alien citizens in the United States, when conditions arise between this country and their former country, feel that they must employ their influences in behalf of the old country against the United States, then it has become a dangerous situation. I appreciate and I applaud that alien character in America who has properly imbued the spirit of our institutions and employs his talents to promote the common welfare of our country; but I loathe, and I would like to see driven from our shores, every alien citizen who, when crises arise, is foreign in sympathy and un-American in feeling. It is not fair to those alien citizens who came, or whose ancestors came, from southern and eastern Europe to have thrown into this country as their neighbors and as their kind undesirable citizens of that country. It reflects upon the patriotic alien here who breathes the spirit of true Americanism. And be not deceived, sirs; there are thousands and thousands of these alien citizens who came, or whose ancestors came, from that section of the world who desire only the cream of the population of those sections to cast anchor here. And they do not desire that they come in such numbers that they can not be properly assimilated and become real American citizens. I sympathize with the reasons that prompt American labor to champion restricted immigration. It is unfair to our own labor that the cheap labor of Europe should be thrown upon America to destroy our standard of living; but it is not that question that influences me most and fills me with a conviction that we should restrict immigration to America. That question is involved, but it is not paramount. God bless us, there is something deeper than that, something that moves me stronger than that, and that is our American civilization, the preservation of our ideals and the sanctity of our institutions. Let us look at the proposition from the broad, the big American viewpoint.

In the consideration of this question, let us pay less attention to the protests that come from aliens and pay more attention to the petitions that come from Americans. In this fight for the adoption of the 1890 census and to restrict immigration, may I say, sirs, that while we may bring down upon our heads the disfavor of a few, we will receive the approval and applause of those splendid and patriotic organizations throughout this country that are fighting to preserve American traditions and uphold American principles. If it was unfair to Italy and Greece, do you imagine that those brave young lads that comprise the American Legion—comrades in arms with

the gallant soldiers from those countries in the late Great War—would want it adopted? There is not a single organization in this country, the principles of which were founded upon real Americanism, that is not to-day appealing to this Congress for the speedy adoption of this amendment. And to me, Mr. President, it is a beautiful thought that this week while a great organization of splendid and noble women is gathered here, at the annual convention of the Daughters of the American Revolution—gathered by the thousands from every section of this broad land, women descended from those sturdy patriots who came here from northern and western Europe and made possible this Government, an organization inspired by lofty American ideals and the true American spirit—we should be considering this question. As they bring their convention to a close, let us bring their ideas into the pages of this legislation. It can not be done more appropriately than through the adoption of this amendment. It incarnates the principles upon which that great organization was founded. I would rather accept the views of that organization than to be diverted either by threats or fear of some society that does not breathe the same high principles of real Americanism.

We ought to adopt the 1890 basis. It is the right method. It will put behind us any differences as between the House and Senate. It would be a closed chapter in the permanent immigration policy of this country. Let us get together on it and put it through, and it, together with the other very progressive and wise provisions of this legislation, will insure to America an immigration so restricted and so carefully selected that it will make for our future good.

Mr. McCORMICK. Mr. President, I have not taken very much time on the bill and therefore venture to add a word to what has been said by my friend from Mississippi. In the consideration of the bill during the last two days, in the discussion of the parliamentary mosaic which has been laid out by those in charge of the bill, little stress seems to have been laid upon prospective, the almost immediately prospective unemployment in the United States. Whatever may have been said on the floor, most of us will acknowledge in the cloakroom that there is every promise that during the next year there will be a diminution of employment and that if it become widespread enough, strikes, reduction of wages, lowering of the standard of living of the American workmen, will follow. The first signs of inevitable unemployment are found in the reduction of wholesale prices by manufacturing establishments. Any man may learn upon inquiry that everywhere bids are being made which promise no profit to the bidders; that here and yonder there is part-time employment; that there is here or there a diminution of employment.

There are some who have been bold enough to predict that the settlement of the reparations will inaugurate an era of intensive trading between European countries, the purchase of foodstuffs for western and central Europe, from Rumania and Poland, and that presently for a period the reparations settlement will redound to the economic injury of the United States until, after a lapse of years, Europe has been economically restored. Those countries trading upon a proper basis, the reparations question settled, will trade with one another before they buy from us.

The Senator from Mississippi [Mr. HARRISON] has said that this question never has been a partisan question. We would be partisans if we were to disguise from ourselves or from the country the impending reductions in the volume of manufacture, the probable reduction of the tonnage carried by the railways, the diminution of employment, and unless the volume of immigration be restricted rigidly, widespread unemployment and widespread diminution of wages by American wage earners and the consequent results to the American farmer who will have need of an American market when the European market for American goods is very much smaller than it is to-day.

Mr. COLT. Mr. President, I shall detain the Senate but a very short time. I think I ought to say a word, however, as to the objections which have been urged in support of the proposition of going back to the census of 1890.

The quota law under which we have been working for the past three years was something new. There was a threatened flow of immigration from Europe at the close of the World War, especially from southern and eastern Europe. The quota law was designed to check that flow. It has operated to do it; it has achieved its purpose.

Now, Mr. President, I wish to say just a word as to the present situation. I am not dealing with the racial origins plan which is designed to become operative some years hence, if we can work out that great problem; but I am dealing with present conditions. The present quota law was based upon the number of nationals of each group living in the country at the time the law was passed. That was the principle of the law. We could not take the census of 1920, because the figures were not available, so we took the nearest approach to it, which was the census of 1910. For three years that quota law has been in operation. The different groups coming in under the law have been selected, and it has been adjusted to those groups. They have become accustomed to the principle upon which this emergency quota law was based, namely, the number of nationals here at the time. Under the operation of that quota law northern and western Europe got 55 per cent and southern and eastern Europe got 45 per cent. It was not exactly an equal distribution, because it slightly favored northern and western Europe, but we may say that it operated with substantial equality. That law has been in force for three years. The 12,000,000 of foreign born from Europe have become accustomed to the operation of that law.

Now, to go back and base the quota on the census of 1890 is practically the same as providing a quota of 1 per cent for southern and eastern Europe and 5 per cent for northern and western Europe. Let us deal with present conditions, not with what may happen three or four years hence, when we may solve what may not prove to be the unsolvable problem of racial origins. Let us deal with the present state of the world and consider the 12,000,000 foreign-born residents of this country.

Do Senators wish to depart from the principle of substantial equality based upon the number of nationals who are here, and enact a law which will admit five Prussians to one Italian? If Senators are going to do that, why go back to the crude artifice of adopting the census of 1890 when there were hardly any of the southern and eastern European people here, and when the number of northern and western Europeans had reached a maximum?

For what reason is it proposed to go back to the census of 1890? The reason is the desire to exclude southern and eastern Europeans. If you are going to do that, do it openly. It is proposed for the very purpose of discrimination and for no other purpose; and that will be its operation. It will admit five immigrants from northern and western Europe to one immigrant from southern and eastern Europe; it will allot 87 per cent of our immigrants to northern and western Europe; and it is being done for the very purpose of discrimination and with the intent to classify those who come from southern and eastern Europe as undesirable, or as being on a lower level.

Mr. President, we have 6,000,000 of southern and eastern Europeans living among us who are just as proud of their races as we are of our race. Nothing so accentuates national prejudice as racial discrimination. It is now proposed to divide our 12,000,000 of alien population in the United States to-day into two groups of 6,000,000 each. We are in effect saying to one of these groups of 6,000,000, "We wish you never had come here; you Italians are on a lower level than are the Prussians." Italy replies, "We fought by your side; will you now admit five of our enemies to one loyal Italian?"

The proposal to use the census of 1890 as a basis, as I have said, is a crude artifice; it is a subterfuge. The same purpose could be accomplished openly and above board by providing a quota of 1 per cent, based on the census of 1910 for southern and eastern Europe and 5 per cent, based on the same census for northern and western Europe.

Mr. President, my protest rests on the ground of this discrimination. I never will consent to base our immigration law upon the new principle of racial discrimination that is involved in this proposition. For 130 years we have had selection, so far as Europe is concerned. Now, we have a quota limiting the number, and here it is proposed to raise the question of racial discrimination. It is proposed to drift from broad American nationalism to racialism; it is proposed to adopt, so far as our foreign born are concerned, the policy of Germany. It was the racial feeling of Germany that Germans were a superior race in the world that led to their downfall.

I tell you, Mr. President, that in this proposition to go back to the census of 1890 as a basis for the quota calculation there is involved the adoption of an immigration law based upon racial discrimination, which is the most dangerous and un-American principle ever propounded in the American Senate.

I protest against adopting the census of 1890 as a quota basis as a crude artifice founded upon racial discrimination. Therefore, I hope the Senate will not adopt it. It would be better to suspend immigration than to take this step, for then all would be upon an equality; it would be better to make the quota one-tenth of 1 per cent; it would be better to do anything, I say, rather than to proclaim in the United States the doctrine

that as between two great racial groups of 6,000,000 each one is superior and the other is inferior.

Mr. HEFLIN. Mr. President, in taking the American position I can hardly be accused of taking a stand that means discrimination against any particular nation or people. I voted on yesterday to close the door, except as to those provided for in the amendment of the senior Senator from Georgia [Mr. HARRIS], and absolutely to prevent any foreigners from coming into our country for a given period of time. I did that, Mr. President, upon a conviction that had come to me from a close study of this question for 16 years and more.

I have seen the growing danger of unrestricted immigration, and I have seen the time come when the law that we have which permits immigrants to enter our country is not being enforced. We have fallen upon a time when immigration agents are growing rich out of, as I said on yesterday, selling the birthright of the American boy and girl for money. We have come to a time when in some of the States in our Union as much as 62 per cent of their population are foreign born or the children of foreign born. I suggest, as an humble American, that it is high time that this country wake up to the dangers that threaten it. If, as the able and eloquent Senator from Mississippi has said, it is hard to pass a measure restricting immigration now, what will it be 10 years from now, if the racial groups spoken of by the Senator from Rhode Island are banding themselves together to fight against an American plan to protect this Republic from the dangers that threaten it? If they are strong enough now seriously to handicap Congress in passing a measure of this kind, what will their influence be 10, 20, or 30 years from now?

Mr. President, we have reached the time in the life of this Nation when those who are for America must stand out on the one side and those who are willing to throw the gates of our country open to an indiscriminate horde of unfit foreigners must stand on the other side.

As for myself, I prefer to take my stand at the altar place with those who love America better than any other country on earth. I want to do, in this legislation, what is to the highest and best interest of my own country. I am not legislating for Italy or for any other foreign country. They have nothing to say upon this subject. I am legislating, if I know my own heart, for the good of the people who live here now and those who will be born here and live here when I am gone.

Mr. President, I have seen a dangerous step taken by Republican leaders recently. I have seen the leadership on the other side, with their President and Secretary of State, commit themselves to a policy that would permit diplomatic arrangements to say who shall come into this country and become citizens here. They did that with reference to Japan. I saw that position beaten to a frazzle by Democratic leadership in this body, aided by a few Progressives on the other side.

Mr. President, the people ought to wake up. If we have come to the time when, instead of guarding our own household and saying who shall come into our American household and be a citizen in it, we can parcel out that right to one nation, how long will it be before other nations will demand that right and say, "You have given that right to Japan; you withhold it from me; therefore you are discriminating against me"? That would be a kind of discrimination that the nations would resent.

Mr. President, the position of those who say that we must not restrict immigration now is untenable.

I hold in my hand a newspaper clipping from the Washington Times of April 11 telling about the difficulties encountered when this measure was up for passage in the House:

> The opposition to the 1890 census as a basis for the quota is vigorous and determined. It is led by Congressmen from the large cities, where there are many foreign-born citizens, and from New England.

My good friend who has just spoken is from Rhode Island, a splendid State in our sisterhood, but there are over 60 per cent of foreign born and their offspring in his State. Have we enough Americans here to speak the American spirit, to talk the American language, to vote for the benefit of America, to take a positive American stand on this question now? If not, Mr. President, the day is coming when we can not take it. I said here once before, and I will remind the Senate again—it seems to be necessary to remind some people a good many times—that James Randall, the great old poet of Maryland, who wrote Maryland, My Maryland, said just before he passed away—

> I have no fear of my country, except that the time will come when you can draw a line through it and ask the native stock and their offspring to get on one side and the foreigners on the other, and they will outnumber the Americans.

Mr. President, we have reached the time now—this paper is telling the truth—when pressure is being brought to bear by some people here who want more people to come. That is natural, Mr. President. I am not complaining at some of them; but shall we permit them to have their way when we have discovered that it is not good for our country for them to continue to come in such large numbers? I ought to speak for America, and so ought you; and I want to suggest again that the American stock in these districts and in these States ought to get their heads together and do a little thinking, and just say to the foreigners in their midst: "We welcomed those of you who are here who are making good citizens. We are glad to have you in our midst if you are American patriots, but we think you ought to manifest more interest in the institutions of America, instead of lending your influence to build up traffic for steamship companies and make rich corrupt immigration agents in bringing people in here who are not fit to become citizens of the United States;" and they have been coming, hundreds of them. Thousands and hundreds of thousands of them have come.

It is the duty of a nation to protect itself against a danger of that character, and that is what we are trying to do; and this paper tells us that those who have large numbers of foreign voters in their districts are the ones who are fighting this legislation to the death. We are told that New England is against this measure; that New England does not want restricted immigration. Why? Because more than 50 per cent of the population of some of their States is foreign born and the offspring of foreigners.

Mr. President, I want to read a line from an editorial appearing in the Washington Post of March 24, 1924.

> Much of this opposition to restrictions on immigration is traceable to an effort to curry favor with so-called foreign votes.

Think of that, Senators. The time has come for somebody to give attention to the American voter. Will not American men and women remember these things? Are they going to the polls and vote blindly and permit men to be punished who dare to vote to keep cutthroats, kidnapers, bomb throwers, Bolsheviks, anarchists, and communists from poisoning our very civilization? Are they going to punish an American because he stands up and says, "I am for America"?

The Bible says:

> If any provide not for his own, and specially for those of his own house, he hath denied the faith and is worse than an infidel.

And yet here are Americans seeking to provide for their own household, to protect it, and to say to all in it, "Let us stop and take an accounting. Let us take stock. How many foreigners are here? What are they doing? How many criminals are amongst them, how many communists, spreading the poison of communism, assailing the American home and running counter to the concepts of the Christian religion and Christian civilization"? But they say, "No; do not bother about that. You will lose the foreign voter. The foreigner will punish you. Sh-h-h! Do not say that. If you do, whisper it, because the foreigners will punish you." Well, I hope to be able to get on the hustings a good deal this fall, and I am going to ask some of these people whether or not they are for doing that which pleases the foreign voter in our midst or doing the thing that will safeguard the ideals and institutions of America.

All praise to those who have come here from abroad and have become Americans in the true sense. I am not criticizing them except wherein they permit their influence to be used to pour into our country others that we are not ready to assimilate.

Mr. President—

> A prudent man foreseeth the evil and hideth himself.

The farseeing statesman will undertake to provide against a danger that a great many people may not see. I saw, under the leadership of the opposition, the worst panic that ever cursed a country burst upon America, when a few eastern financiers raked up millions. That was in 1920 and 1921; and what happened? In addition to destroying property values by the billions, it drove 7,000,000 working men and women out of employment.

What are you doing with unrestricted immigration? You are bringing in a horde of foreign laborers to work in competition with these already here. You are swelling the army of wage earners in America; and when another disturbance comes, instead of there being enough work to keep these employed, more will be turned out or working for wages that will make them eke out a miserable existence.

I plead for fair play for the laboring man. Four millions of boys were called to the colors, and over half of them—yes, two-thirds of them—were boys who earned their living by the sweat of their brow or who worked with their hands. When they were discharged from the Army, what became of them in the time of this panic? Foreigners who had come here had their places, and our boys slept in parks in the big cities of the country—those who had dared to do and offered to die in behalf of our flag. I want somebody to think of them to some extent when we are discussing this question.

Let me read further from this editorial:

The fighting line along which the forces of patriotism are or should be engaged runs across the hearths of American homes and the altars of American ideals and the monuments of American development and the foundations of American institutions.

That is what is at stake, Mr. President.

If an invasion by armed force were threatened, all true Americans everywhere would be rallying to defense. But the invasion threatened by immigration is meeting with no such general resistance. Nevertheless it is an invasion of America that it menaces, and not the less menacing because it comes not with banners flying and drums beating. Rather it is for that more dangerous, more threatening, more menacing to America and to things American.

The invasion thus threatened goes to the home, to the town, to the city, to the State, to the Nation. It is directly or indirectly aimed against American institutions, against American ideals, American concepts, American ways of sentiment and thought. It menaces American industry and American citizenship and American blood.

This editorial is a trumpet call to Americans the country over.

I want somebody to give attention to the other side of this question—the side that puts America first in our minds, and hearts, and votes. What are we here for? To pass an immigration law that will please certain foreign nations? Not at all. The Senator who feels that way is not taking the American view and is not voting for the American side of this important question. What motive, then, will induce Senators to vote for a proposition that is not for the best interests of our own country? Is it in order to have himself reelected? My election and yours to the office of United States Senator is an insignificant thing compared to the welfare of America and Americans now and in the years to come. The Democratic Party and the Republican Party can well afford to lose men who will vote in order to carry out the mandates of a foreign country on the most vital questions that so vitally affect the present and future welfare of our Nation.

I remember a few years ago the father of restricted immigration, representing a district in Congress from my State, Hon. John L. Burnett—peace to his ashes—made a trip through the Old World studying the immigration question. He visited Sicily, and he asked the citizens there what had become of the Italian bandits who used to annoy them and give them so much trouble. They spoke with one voice, and said, "They have all gone to America." So outlaws and criminals are coming here from foreign countries. A few years ago the King of Denmark pardoned 700 convicts, criminals in the penitentiary, with the distinct understanding that they go to the United States; and they came.

Oh, Mr. President, a humiliating confession to make, but the criminal refuse of other countries can by paying money to corrupt immigration agents, buy passports, and come into our country. The steamship companies are making money hauling shipload after shipload of foreigners to our shores. Quotas are ignored and forgotten, and immigration agents are filling their pockets by permitting the unfit hordes of Europe to flood our shores. Is it not the duty of Americans to wake up? It does not make any difference whether you make the number 150,000 or 500,000; they will permit a million to come. Admission into the United States seems to have become a matter of barter through which immigration agents and steamship companies are making millions.

Mr. President, we have reached a time when it seems, as I said once before, that corruption has reached into every department of the Government, and now they are selling citizenship to the highest bidder, to the unfit hordes and criminal refuse of other countries.

Is it not time to close the doors?

I quoted a New York judge the other day who said that seamen could make more money smuggling in foreigners than all the bootleggers of the country. If that is so, they are making hundreds of millions of dollars a year. I read a statement from Doctor Dawes, of New York, the other day, when Congressman RAKER, of California, was questioning him. Doctor Dawes had been telling about how helpless we were, and how they were pouring these foreigners upon our shores. Mr. RAKER, a California Democrat, said, "Are we so helpless that they can pile these people in on us here from everywhere?" Doctor Dawes answered, "Yes, sir. The truth is that the law is not enforced at the ports of entry to-day. That is the secret of the whole game."

Oh, Mr. President, where is the American spirit that must be relied upon to answer every call that suggests danger to American institutions? Have we reached the time now where outside influence is greater than inside influence? Do our people need to be aroused and stirred up to a proper realization of the grave dangers that lurk in our immigration policy of today? Here is a great physician in New York, Doctor Dawes, who tells us about the awful conditions that exist. The law is not enforced. There is a judge over there who says that seamen can make more money smuggling in foreigners than the bootleggers make.

I read an editorial the other day from the Washington Post telling how the immigration agents were growing rich selling admission into the United States. Yet here we are humming and hawing and halting about a decisive stand on this great question. I discussed this question at some length day before yesterday, and I want this bill to be acted on to-night, if it is possible, and I will be glad to help do what I can to that end. But I read what the founder of the Democratic Party said, and I want to read it again. Thomas Jefferson said:

While we are providing for the fortification of our country against a foreign foe, I am in favor of fortifying it against the influx of undesirable immigration.

That is what we are driving at. We have enough here now, until we can take stock, and assimilate those who are here. Closing the doors will be best for those already here who are using their influence to bring others in.

The amendment offered by the Senator from Georgia, closing the doors, provides that where some of the relatives are already over here, and in the interest of humanity these relatives should be allowed to come over, they may be admitted. There would not be many of those, so that no hardship would be worked in the matter of breaking close family ties. How much better it would be for America and Americans, all of them, if that thing could be done. To that end I am going to offer an amendment to make it two years, since you have defeated the five-year plan, in order that our people may have a breathing spell and we can clean out the crooked immigration agents who infest our border line and put in men, upstanding and honest, who will enforce the law. If we do not permit anybody to come, our agents, guarding our shores, will be particular to see that they do not get off the ships, but when we permit a few thousand to come, nobody watches very closely, and these agents permit them to come in in large numbers and no record of course is kept of them. But if we shut them out entirely for a time every citizen would take notice if they admitted foreigners into the United States.

Mr. President, on day before yesterday I said that those to whom corrupt immigration agents sell passports are not counted at all and those whom they permit to come in under the quota law from each country, in my judgment, are not counted separately, because, I repeat, an agent who will sell the birthright of an American boy or girl to a foreigner and permit him to pass into the country will falsify his record. He has already permitted the civilization of the country to be poisoned, and, of course, he does not care if he tells something that is false in a record he makes for the Government, saying how many have come in from the different countries.

These are things which the American people ought to know about. I am going to remind the Senate again of what I said the other day of one section of the city of Detroit where a man was to address some Poles, and he started to speak in English, and they would not let him speak. They said he must speak in the Polish language.

I want to remind the Senate of a section in New York where Pat, an Irishman, had to speak Yiddish in order to be a policeman. It was said a negro up there was talking Yiddish also. Think of that, an African talking Yiddish; and when they took him into court to try him for some offense the judge spoke in Yiddish and the whole proceeding was in Yiddish.

Where is the English language in the land that we love? Why is it that we can not make them speak the American tongue? If I were in a foreign land and knew the story of the struggles of the colonists and of the liberty achieved in this western world, reading of American ideals and institutions, I would be glad to crawl on my knees, work by day and night, and read by a pine-knot fire until I learned to read and speak the English language.

I would say: "I ask nothing more than that you permit me to make my application to become a citizen of your great country in English, and to take the oath of allegiance in English." And then let him come with uplifted hand, and in all sincerity say: "I am for America and I will do all in my power to support and sustain the American form of government."

But that is not what we are doing. We have these corrupt and dishonest agents holding out their hands behind them to permit these criminal hordes to pass in, immigrants who are going out to take the places of American laboring men who have wives and children living yonder in cabins on the hillsides. They go and offer to work for half for what the American works, and he is out of a job, in a little while walking the streets of his native land.

And that is not the only unpleasant and dangerous feature in our miserable immigration policy. I reminded the Senate the other day of the recent murder of William Clifford, jr., of New York City. William Clifford, sr., one of the old stock, 400 years ago was a professor in English in London, and the Cliffords were in the War of the Revolution—good old American stock. William Clifford, jr., was walking down the streets in New York 10 or 12 days ago with his father, when a little foreigner with a dirk in his hand ran up behind him and murdered him without a moment's warning. When asked why he did it, he said, "I wanted to see how deep I could drive the dirk into his back." The blood of this boy was poured out before his father's eyes to gratify the criminal instinct of this fiendish foreigner. There is a sad home over there of old American stock; and who is responsible for that American boy's death? The corrupt immigration agents who failed to enforce the law we have, or the Congress and the President who had to do with passing the law? If the responsibility is ours, we must take it. Is the blood of that American boy on the hands of the American Congress? If so, let us resolve to do the thing necessary to make it safe for American men and American women and American boys and American girls to walk the streets and highways of their homeland undisturbed by the kidnapper, the assassin, and murderer from foreign countries.

In conclusion I want to say that I am for closing the gates. Shut this gate of immigration while you can. Let us take time to think this immigration question over carefully and decide in the interest of our own country just who should be permitted to come into our country. If you do not do that now, the day is not far distant when you will not be able to do it. These influences that are manifesting themselves about this Capitol now are insidious and dangerous. The forces concentrated in Washington to prevent the passage of this bill do not mean good for our American institutions. It seems to be hard to make some people here realize and fully appreciate just how dangerous the situation really is.

Mr. President, down at Fort Mims, in my State, not many miles from the Horseshoe Bend, where Jackson and his men broke the power of the Creek Nation in 1814, there was a fort in which the white people of that section dwelt. It was not far from the river; there was a big gate in the wall around the fort, and when they closed that mighty gate to this walled-in place they were safe from the Indians. But they grew careless and indifferent, as some Americans have done on this question. One day Lucy Dean, one of the girls living in the houses within this inclosure, looked down and saw the big gate open, and she said, "Who left that gate open?" They said, "That don't make any difference. There isn't an Indian in 50 miles of here." She said, "It won't do to take any chances. Weatherford, the Red Eagle, is the leader of Creek Indians, and he will surprise you. Close that gate. If they see that gate open they will march in and destroy every human being in the confines of these walls." Just then a little white boy living with his parents in the fort ran through the open gate and said, "I saw a man down by the river side with red paint on his face and feathers in his hair." They screamed with one voice, "Indians! Close the gates!" They started with a rush to the gate, but the Red Eagle, with his Creek warriors, had already entered. It was too late! Too late! The Indians marched in and, with the exception of two or three prisoners, they massacred the whole white population at Fort Mims.

I am appealing to the Senate of the United States to close the gates, close them now while we can. If we do not close them now, the time will come when we will be unable to close them at all. And in that sad day we will cry in vain, "Close the gates."

Mr. STEPHENS. Mr. President, I feel like apologizing to the Senate for taking even a moment, because I realize how anxious we all are to conclude this matter this evening. I desire to say, however, that I shall detain you for a very brief time only. Owing to the importance of the question, I feel that I should say a few words. As a matter of fact, the votes I have already cast with reference to amendments to the pending bill indicate how I feel on the subject of immigration, but I should like to be indulged to express myself in a brief way.

Mr. President, although there are many great questions now before the Congress and the Nation, I feel that they all pale into insignificance when compared to this question. The revenue bill, railroad legislation, relief of the distressed condition of the farmers, the building of roads, and many other matters demand attention and are of great importance; but, as I said, they are not to be compared in importance with this proposition. They are economic and financial problems in large measure.

The question of immigration involves economics, finances, social life, social order, the perpetuity of our institutions, the life of the Nation itself.

Believing this, I feel that the time for action, drastic action, if you please, has come. My views on this subject do not spring from the narrowness of a mistaken patriotism, nor from a lack of the widest sympathy for the people of other nations, nor from a feeling of prejudice against them. My action is influenced, as I believe, solely by the conviction that the time has come when we must protect ourselves, our homes, our country from a condition that is assuming threatening and dangerous proportions. We have heard Senators pleading for those across the waters and referring to human rights. The human rights in which I am most interested are the rights of American citizens.

There have been some very able speeches made against the bill. Senators have grown eloquent in discussing the conditions that exist in foreign lands. They have paid high tribute to those who have come to our shores and made their homes here. I realize full well that many have come who have contributed much to our social, our political, and our national life. I would not minimize those contributions, but I remember also that many more who have come, several times as many, perhaps, have not made those splendid contributions to us. Every nation has sent good people here. Some of our best citizens, men and women who are loyal, patriotic, cultured, and high minded, were born in foreign countries. We are proud of them; but all do not measure up to that nigh standard.

On yesterday one of the ablest Senators in this body paid a splendid tribute to certain great foreign nations. I refer to the junior Senator from Massachusetts [Mr. WALSH]. He spoke of Greece and Rome and certain other nations of Europe, and referred to the contributions they had made to the civilization of the world. We recognize those things, we appreciate them, we realize that they added much to the glory, grandeur, and civilization of the world; but, Mr. President, I want to remind Senators that conditions have changed, and changed materially, from the times to which he made reference.

Speak if you will of the spirit for culture that existed in those days, of the love of literature, music, and art; boast of the genius for law and government that those great people had. I deny none of these; but I say that some at least of those nations have disappeared, the glory and grandeur of those days are gone, washed out in large measure by the stream of foreign immigration that invade their confines.

Ah, Mr. President, I feel that we might well learn a lesson from the experience of some of those great nations. We have been negligent. Thousands of foreigners come every year who have no clear grasp of the principles of democracy or of republican institutions. They have never even dreamed that such principles exist. They are entirely alien to our character, institutions, and instincts. They have no active sympathy with efforts directed toward progress and the uplift of mankind. Appeals for the cultivation of the finer side of their natures are not understood or go unheeded.

We must not sacrifice our own people or our institutions. Sympathy for distressed foreigners should not cause us to carry hospitality a single step beyond the line where American institutions, the American standard of living, and American political ideals will become imperiled. We should have not maudlin sympathy but practical patriotism.

It has been denied that there is any threat of danger to us from the presence of so many foreigners within our borders. I want to assert that whenever there is a numerous citizenship among us who do not recognize the great principles of democracy, who have not been taught the high ideals of American life and civilization, who do not have those ideals and those instincts that have caused us to grow into such a great nation, there is a threatening danger in our midst.

It has been stated that it is but natural that these people coming here should colonize themselves in certain great centers. Perhaps it is natural, but it is an unhealthy condition and one that should not exist. I voted on yesterday for the Harris amendment, so called, because I believe the time has come when we should have a period for digestion, a time to assimilate those people who do not recognize our ideals and who are not in sympathy with our civilization. One danger of the colonization of foreigners is that there they keep alive their old customs, their old habits, their old ways of thinking. Every time an additional one from their former home comes among them, the very presence of that additional one tends to keep alive the old spirit.

My attention was called a day or two ago to a clipping from a newspaper published in the city of New York, published in a foreign language. It indicates that there are certain individuals at least, and I believe perhaps they are very numerous indeed, who do what they can to keep alive the foreign spirit; that they recognize an allegiance to their native country. They do not encourage their brethren to become true American citizens. In addition to that they endeavor to influence legislation, as was so well said a few moments ago by the Senator from Alabama [Mr. HEFLIN]. Listen to the suggestion that was made to the readers of this foreign paper:

> Nothing is so effective as a few tens of thousands of votes. This being the case, dear readers, we must make our power stronger, our threats blunter, our Damocles sword sharper than ever. Are you voters? It is not necessary to be in condition to cast your votes. Prepare your first naturalization papers. Do to-day what you neglected to do yesterday. The country of your birth—

I ask you to listen to this:

> The country of your birth—

Not the United States of America, not the country in which you live, not the country from which you draw the sustenance of life, but "the country of your birth."

> The country of your birth will understand exactly the purpose of your step.

We know that these people have been raised in a different political atmosphere; we know that their political ideals are very different from ours; we know that they are not in full sympathy with all of our laws and with all of our institutions. Knowing that, I say there is a direct threat in the proposition that they are urged to make themselves stronger, and, also, when they are told, "We do not ask you to forget your native land; we do not ask you to forget the sovereignty of the country in which you were born; we do not ask you to forget any obligation that you may owe back yonder; your country will understand why you are doing this thing."

This indicates clearly that allegiance to foreign powers is recognized and that there is a desire and intention to influence legislation. The pressure of a large number of foreigners will naturally have its influence. Yielding to such influence is but an exhibition of human nature. It is but an exemplification of the fact that it is rather hard to forget self-interest. Usually the greater the number of foreigners, the more vigorous the protest against restrictions of immigration.

Mr. President, it was stated on yesterday by a Senator who was opposing this bill that the immigrants would go very largely to the farms. We know that statistics show that that has not been the case in recent years. At one time it was true; and the Senator painted a graphic picture of those immigrants who went out into the western section of the country and there broke the sod, planted crops, and became splendid citizens. They did this; but the character of immigration has very greatly changed. There is a strong line of demarcation between the old and the new immigration. In former times immigrants did go out in large measure into the agricultural sections and they developed into splendid citizens. Why? Because in those sections they had an opportunity to come in contact with real Americans; they had to engage in business with them; they became familiar with the customs of our land; they learned to know something of our law; they observed the conduct of our courts and how the laws were applied, and, in the main, they learned to appreciate American ideas and ideals. To-day, however, such is not the case. As has been stated, immigrants now colonize themselves and keep alive the foreign spirit.

An "immigration holiday" will give these people an opportunity to learn the fundamental, moral, social, and political truths underlying our Government. This should be done. We are gradually drifting away from the "old landmarks of the fathers." The product of the "melting pot" depends upon what is melted. There has been too large a proportion of foreign immigration going into the pot to keep our political ideals up to the high standard set by those who founded the Nation.

Mr. President, there is much that I should like to say on this subject; but, as I stated in the beginning, I have no desire to detain the Senate or to keep a vote from being had to-night. I do, however, wish to say that I believe we should have adopted the so-called Harris amendment in order to afford a five-year period of assimilation. I know that a horrible picture of the broken hearts that would result was drawn, but there was a limitation on condition, I think, in the very amendment itself which would have prevented a breaking up of families. Certain exceptions were made so that those who were related to those already in this land in a large measure would have been allowed to come.

I trust that this bill will carry the provision adopted by the House, fixing the 1890 census as the basis of calculation. It is true that the adoption of the amendment providing a rate of 1 per cent would bring a less number, but in the circumstances that might defeat this legislation. We should take the safer course. As has been stated by my colleague, the senior Senator from Mississippi [Mr. HARRISON], by a mathematical calculation it can be shown that under that provision there will be little, if any, discrimination against any nation in Europe.

Now, Mr. President, let me say—and I shall be simply repeating myself in saying it—that no more important question confronts us than the question of immigration. If the future history of our country shall record us as another nation that has gone down in wreck and ruin, it will be a sad ending for our once glorious Republic; and that ending I believe will have been hastened very much by the character of immigration which we have had in recent years to our country.

SEVERAL SENATORS. Vote!

Mr. HARRISON and Mr. REED of Pennsylvania asked for the yeas and nays, and they were ordered.

Mr. JONES of Washington. Mr. President, I am going to vote for the proposition that will admit the fewest number of immigrants into this country. One per cent based on the census of 1890 will admit fewer people than would be admitted by fixing the quota at 1 per cent on the census of 1910. So I propose to vote to make the census of 1890 the basis. Then I propose to vote against the proposal to make the quota 2 per cent instead of 1 per cent.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Mississippi [Mr. HARRISON]. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before concerning my pair, and transferring that pair to the Senator from Missouri [Mr. REED], I vote "nay."

Mr. ERNST (when his name was called). I transfer my general pair with the senior Senator from Kentucky to the junior Senator from Wisconsin [Mr. LENROOT] and vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to announce that the Senator from Missouri [Mr. REED] is paired with the Senator from New Hampshire [Mr. MOSES]. If present, the Senator from Missouri would vote "nay."

Mr. CURTIS. I wish to announce that, if present, the Senator from California [Mr. JOHNSON] and the Senator from New Jersey [Mr. EDGE] would vote "nay" on this question, and the Senator from Indiana [Mr. WATSON] and the Senator from Wisconsin [Mr. LENROOT], if present, would vote "yea."

The result was announced—yeas 47, nays 32, as follows:

YEAS—47

Borah	Ferris	Kendrick	Reed, Pa.
Brookhart	Fess	Ladd	Robinson
Bursum	Fletcher	Lodge	Sheppard
Cameron	Frazier	McCormick	Shields
Capper	George	McKellar	Simmons
Caraway	Glass	McKinley	Smith
Curtis	Hale	McNary	Stephens
Dale	Harreld	Mayfield	Swanson
Dial	Harris	Neely	Trammell
Dill	Harrison	Overman	Warren
Ernst	Heflin	Pepper	Willis
Fernald	Jones, Wash.	Ralston	

NAYS—32

Adams	Cummins	McLean	Spencer
Ball	Edwards	Norris	Stanfield
Bayard	Gerry	Oddie	Sterling
Brandegee	Gooding	Phipps	Underwood
Broussard	Johnson, Minn.	Pittman	Wadsworth
Bruce	Jones, N. Mex.	Shipstead	Walsh, Mass.
Colt	Keyes	Shortridge	Walsh, Mont.
Copeland	King	Smoot	Weller

NOT VOTING—17

Ashurst	Howell	Norbeck	Watson
Couzens	Johnson, Calif.	Owen	Wheeler
Edge	La Follette	Ransdell	
Elkins	Lenroot	Reed, Mo.	
Greene	Moses	Stanley	

So Mr. HARRISON's amendment was agreed to.

Mr. HARRISON. Mr. President, I move that on line 10, page 12, that "one" be made "two"; and I offer that amendment with this explanation:

Ordinarily I would be for 1 per cent on 1890, and it shows a little inconsistency upon my part to offer this amendment, having voted for total exclusion yesterday; but the peculiar parliamentary situation was that I had to offer the amendment changing 1910 to 1890, and 1 per cent was left in the bill. There are many Senators here who voted on the last roll call for 1890 on the theory that they would have an opportunity to vote for 2 per cent on 1890. There are Senators who voted in the affirmative for 1890 a moment ago who would not have voted for 1890 if they had thought that the 1 per cent would remain; and so, in carrying out good faith upon the proposition, I have offered the amendment to make it 2 per cent.

Another reason, Mr. President: I should much prefer to see 2 per cent on 1890 than 1 per cent on 1910. It is quite true that when you take the total number of immigrants that might come in, under 1 per cent on 1910 about 120,000 would come in, and under 2 per cent on 1890, 160,000 would come in; but when we look at the quotas from the various countries under the 1 per cent on 1910 or the 2 per cent on 1890 we find these facts:

Let us take the immigration from Great Britain and Ireland, for instance. At 1 per cent on 1910, 25,000 could come in. At 2 per cent on 1890, 62,458 could come in—a difference of 40,000 from Ireland and Great Britain, both. So we can take the countries of northwestern Europe down the line, and we will find that more could come in under 2 per cent on 1890 than could come in under 1 per cent on 1910. Indeed, let us take Italy.

Mr. TRAMMELL. Mr. President, will the Senator yield for a question there?

Mr. HARRISON. Yes.

Mr. TRAMMELL. The Senator has illustrated the number that might come in under 2 per cent on 1910.

Mr. HARRISON. No; I said 1 per cent on 1910.

Mr. TRAMMELL. Yes; that is correct. Now, then, how many would come in under a 1 per cent basis on 1890 from Great Britain and Ireland?

Mr. HARRISON. Thirty-one thousand two hundred and twenty-nine.

Mr. TRAMMELL. In other words, 6,000 more could come in from Great Britain and Ireland under a 1 per cent basis on 1890 than could come in under a 2 per cent basis on 1910?

Mr. HARRISON. Yes. Does the Senator object to their coming in from Ireland and Great Britain?

Mr. TRAMMELL. I do not object at all.

Mr. HARRISON. The amendment providing for 2 per cent on 1890 provides that 30,000 more could come in.

Mr. TRAMMELL. If the Senator will permit another question——

Mr. HARRISON. Yes.

Mr. TRAMMELL. I desire to ask him if, as a matter of fact, under a 1 per cent basis on 1890 we would not get more from Great Britain and Ireland than we would get on a 2 per cent basis on the 1910 census? We would get 6,000 more.

Mr. HARRISON. Under a 2 per cent basis on 1910 there could come from Great Britain and Ireland 51,562, and under 2 per cent on 1890 there could come 62,000 from Great Britain and Ireland. No matter how we work it around, we will get the best citizenship, the kind that has made this country great, under the 1890 census.

That is all I desire to say, Mr. President.

Mr. TRAMMELL. Mr President, I do not quite understand the logic of the Senator's argument. I judge that he is trying to impress us that if we adopt the 1910 census, either on a basis of 1 per cent or a basis of 2 per cent, we would get a greater number of immigrants from Great Britain and Ireland, when, as a matter of fact, according to the figures, whether we adopt a 1 per cent basis on 1890 or a 2 per cent basis on 1890, we get a greater number of citizens from Great Britain and Ireland.

Mr. HARRISON. Why, absolutely.

Mr. TRAMMELL. Therefore, so far as concerns permitting immigration from Great Britain and Ireland to the United States, we get a greater proportion if we adopt the 1890 census on a 1 per cent basis than we would get if we should adopt the 1 per cent basis on 1910. Whichever way we figure it, we get a greater proportion under the 1890 census.

Mr. HARRISON. I have not contradicted that statement at all.

I call for the yeas and nays, Mr. President.

The PRESIDENT pro tempore. The Chair is of the opinion that it is necessary to reconsider the vote by which——

Mr. HARRISON. I ask unanimous consent that the vote may be reconsidered, and that my amendment may be in order.

The PRESIDENT pro tempore. Is there objection?

Mr. TRAMMELL. I object to a reconsideration by unanimous consent. Let it be done in the regular way; by motion.

Mr. WILLIS. Mr. President, I thought it was understood here, when the matter was up before, that a vote could be had upon this question. I recognize, of course, that the motion of the Senator is not in order; and yet it was the understanding, as I recall, that he was to have an opportunity for this vote. I shall not object, and I hope there will be no objection, and that the amendment will be voted down.

Mr. HARRISON. Mr. President, my sole object in doing this was to try to keep faith with Senators who voted for 1890 a moment ago, when they voted for it with the understanding that it would be 2 per cent; that is all.

Mr. HEFLIN. Mr. President, of course some of us were not consulted about 2 per cent. I am opposed to 2 per cent.

Mr. CARAWAY. I never made any agreement of that kind.

Mr. HARRISON. I did not say there was any agreement, but I know it came to me from the other side. Many Senators there——

Mr. HEFLIN. I do not mean to say that the Senator committed this side to anything of that sort. Some of the members of the committee must have had some understanding on the subject. If they had some understanding about the parliamentary procedure, that was all right so far as they were concerned.

Mr. HARRISON. I withdraw the request, Mr. President. That will settle it for the moment.

Mr. HEFLIN. We have already got the 1 per cent on 1890, I believe, and I am willing to drop it right where it is.

Mr. HARRISON. I am not willing to drop it; and when the bill gets into the Senate I will offer the amendment for 2 per cent.

Mr. REED of Pennsylvania. Mr. President, I suggest to the Senators that the Senate is, after all, wasting time in debating the question whether we can have a vote on this, because it is going to be perfectly easy to have a vote on it when the bill gets into the Senate, and it seems to me that it is a matter of common sense to dispose of the question now.

The PRESIDENT pro tempore. All that the Chair has suggested is that a change in the amendment made as in Committee of the Whole will require a reconsideration of the vote by which the 1 per cent was adopted.

Mr. WADSWORTH. Mr. President, I make such a motion—that we reconsider the vote by which the committee amendment was amended. We might as well have it settled this afternoon.

The PRESIDENT pro tempore. The Senator from New York moves that the vote by which "two" was stricken out, and "one" substituted for it, be reconsidered.

Mr. LODGE. That motion is in order now, and it is made by a Senator who voted with the prevailing side.

Mr. WILLIS. I call for the yeas and nays.

The PRESIDENT pro tempore. As many as are in favor of the motion will say "aye." [A pause.] Those opposed will say "no." [A pause.] By the sound the ayes seem to have it.

Mr. WILLIS. I call for the yeas and nays.

Mr. NEELY. I call for a division.

Mr. HARRISON. Now I make the motion for 2 per cent.

Mr. SMITH. Mr. President, I think I am entitled to recognition before we rush this thing through. I am at least entitled to express my opinion about the situation as I see it, and the position that it has placed me in.

When the Senator from Mississippi offered his amendment involving two propositions—namely, putting back 2 per cent and changing 1910 to 1890—I asked for a division of that question, because I preferred 1890 with 1 per cent to 1910 with 1 per cent; but I did not prefer 1890 with 2 per cent to 1910 with 1 per cent, because 1910 with 1 per cent brought in less than 1890 with 2 per cent, and I did not care to stultify myself by asking an expression of the Senate in a way that might result in the very situation that has developed. As the matter now stands, under the division of the proposition, having adopted 1890, we have 1890 with 1 per cent. To reconsider that and

make it 1890 with 2 per cent would give us less diminution in immigration than we had with 1910 with 1 per cent.

I do not know what agreement was entered into here by the Senator from Mississippi with other Senators who desired to have a greater number of immigrants come into this country; but I for one was thoroughly clear as to what my objective was—to divide the question, reduce it to 1 per cent, and substitute 1890, and I would have what I desired—namely, 1890 with 1 per cent.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. SMITH. Certainly.

Mr. CARAWAY. Did not the Senator from Washington [Mr. JONES] put everybody on notice that there would be an effort to get 1890 and 1 per cent?

Mr. SMITH. That was my understanding. Now, at this stage of the game, by gerrymandering the situation, to put those of us who desired fewer immigrants in a position where we have more by this very process than we would have gotten had we voted against any change from 1910 with 1 per cent, is to put us in an absolutely absurd position.

Mr. HEFLIN. If I understand the Senator from South Carolina correctly, I think he is wrong; 1890 with 1 per cent will admit fewer immigrants.

Mr. SMITH. Oh, yes; but 1890 with 2 per cent will admit more than 1910 with 1. We have 1910 with 1 per cent now, and that gives us only 120,000, whereas 1890 with 2 per cent gives us the present figures.

Mr. HEFLIN. The Senator and I think together on that. I am for 1890 with 1 per cent.

Mr. SMITH. Precisely; and that is what I am contending for.

SEVERAL SENATORS. Vote!

Mr. SMITH. Just a minute, and you will get an opportunity to vote. Under the 1910 proposition reduced to 1 per cent we get 120,000. Under the proposition now offered by the Senator from Mississippi to increase that 1 per cent to 2 per cent, based on 1890, we get 169,000 immigrants. In other words, we get 49,000 more under his proposition than we have now fixed the law.

Mr. HARRISON. The Senator is mistaken as to his figures.

Mr. SMITH. Oh, no.

Mr. HARRIS. We would get 84,000, Mr. President.

Mr. HARRISON. Under 1 per cent of 1910, 119,270 could come in.

Mr. SMITH. I am figuring upon the percentage basis.

Mr. HARRISON. Under 1 per cent of 1890, 80,429 could come in; but the big number would come from northwestern Europe.

Mr. SMITH. But just wait a minute. Under the table that I have in my hand under the 1910 proposition of 2 per cent we would get 240,000. By a vote of the Senate we reduced it to 1 per cent on the basis of 1910, which would necessarily reduce the 240,000 one-half, which would be 120,000. As it stood before we substituted 1890 for 1910, we had reduced it by a vote of the Senate to 120,000.

Now we have substituted the census of 1890 for the census of 1910. If we stop right there we will have 84,540, but if we raise it to 2 per cent we will get it right back to 169,000.

Mr. WADSWORTH. Will the Senator yield?

Mr. SMITH. Yes; I yield.

Mr. WADSWORTH. I was about to say that Senators have cast their respective votes on these matters with differing motives, all of them honest, of course. Some preferred 1 per cent, and some 2 per cent, and some have preferred 3 per cent. Some have preferred the census of 1910, and some that of 1890. Now we have settled on a census, that of 1890, and I think the Senate ought to have a chance, in accordance with the suggestion of the Senator from Mississippi, to decide on a percentage.

Mr. SMITH. Then the Senator will agree that we will have to reconsider the vote, and take action on the amendment again.

Mr. HEFLIN. Mr. President, a parliamentary inquiry. What was the motion of the Senator from New York?

The PRESIDENT pro tempore. The Senator from New York has moved to reconsider the vote by which the word "two" was stricken out of the committee amendment on page 12, line 10.

Mr. NEELY. I move to lay that motion on the table, and on the motion to table I demand the yeas and nays.

Mr. HARRISON. Mr. President, was not the motion of the Senator from New York agreed to, and did not the Chair then hear my motion to make the percentage 2 per cent?

Mr. WADSWORTH. Mr. President, I desire to say that this is a matter of good faith, and I think this motion to reconsider should prevail. The Senator from Mississippi has stated the situation correctly. A considerable number of Senators expected to have this opportunity.

Mr. SWANSON. Mr. President, I desire to say that I voted for 1 per cent, based on the census of 1910. I was assured that the parliamentary situation was such that I would have an opportunity to vote on the 2 per cent proposition, if we should adopt the census of 1890. I do not know how the parliamentary situation has become such that I can not do that. I was in accord with the Senator from Mississippi [Mr. HARRISON] and followed him on these votes. I have favored the House provision making it 2 per cent, based on the census of 1890.

Mr. BRANDEGEE. Mr. President, I ask the Senator from West Virginia if he could not reach the result he desires just as well by having a vote on the motion to reconsider? It would save another roll call.

Mr. NEELY. Mr. President, as a matter of accommodation to the Senator from Connecticut, and in view of the fact that it is the desire that the motion be withdrawn, I withdraw my motion to lay on the table the motion of the Senator from New York to reconsider.

The PRESIDENT pro tempore. The Senator from New York moves to reconsider the vote by which the word "two" was stricken out and the word "one" was inserted in the committee amendment on line 10, page 12. On the motion to reconsider the yeas and nays have been demanded.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as to my pair and transfer as on the previous vote, I vote "yea."

Mr. ERNST (when his name was called). I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Indiana [Mr. WATSON], and vote "yea."

Mr. McCORMICK (when his name was called). Making the same announcement as before, I vote "yea."

The roll call having been concluded, the result was announced—yeas 60, nays 16, as follows:

YEAS—60

Adams	Ernst	King	Shipstead
Ball	Fernald	Lodge	Shortridge
Bayard	Ferris	McCormick	Simmons
Borah	Fess	McKellar	Smoot
Brandegee	Fletcher	McKinley	Spencer
Brookhart	George	McLean	Stanfield
Broussard	Gerry	McNary	Stephens
Bruce	Glass	Norris	Sterling
Bursum	Hale	Oddie	Swanson
Colt	Harreld	Overman	Underwood
Copeland	Harrison	Pepper	Wadsworth
Cummins	Johnson, Minn.	Phipps	Walsh, Mont.
Curtis	Jones, N. Mex.	Pittman	Warren
Dale	Kendrick	Ralston	Weller
Dill	Keyes	Reed, Pa.	Wheeler

NAYS—16

Cameron	Frazier	Jones, Wash.	Shields
Capper	Gooding	Mayfield	Smith
Caraway	Harris	Neely	Trammell
Dial	Heflin	Sheppard	Willis

NOT VOTING—20

Ashurst	Greene	Lenroot	Reed, Mo.
Couzens	Howell	Moses	Robinson
Edge	Johnson, Calif.	Norbeck	Stanley
Edwards	Ladd	Owen	Walsh, Mass.
Elkins	La Follette	Ransdell	Watson

So Mr. WADSWORTH's motion to reconsider was agreed to.

The PRESIDENT pro tempore. The Chair suggests that the vote by which the amendment as amended was agreed to should also be reconsidered.

Mr. REED of Pennsylvania. I move that the vote be reconsidered by which the committee amendment was amended by changing the word "two" to the word "one."

The motion to reconsider was agreed to.

The PRESIDENT pro tempore. The question now is upon the amendment offered by the Senator from Ohio [Mr. WILLIS], to strike out the word "two," in the committee amendment on line 10, page 12, and to insert in lieu thereof the word "one."

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. PITTMAN. I thought that that had been carried before the last vote on the yea-and-nay vote.

The PRESIDENT pro tempore. We have reconsidered both votes, and the question now is upon the amendment offered by the Senator from Ohio to the amendment of the committee.

Mr. WILLIS. On that I ask for the yeas and nays.

Mr. PITTMAN. Just a second. I have the floor. I simply want to say that I voted to reconsider because I thought the Senator from Mississippi was entitled to a reconsideration,

under the parliamentary situation which arose; but I intend to vote to retain the percentage at 1 per cent. I simply voted to reconsider on account of the parliamentary situation.

Mr. SWANSON. Mr. President, am I to understand now that the census of 1890 has been adopted as the basis? I ask that because I have been misled several times on account of the parliamentary situation, and I want to know whether the census of 1890 has been adopted as the basis?

Mr. REED of Pennsylvania. Will the Senator yield to me?

Mr. SWANSON. I yield.

Mr. REED of Pennsylvania. The present situation is that the Senate has adopted the census of 1890 as the basis for the calculation of quotas.

Mr. SWANSON. There is no question about that?

Mr. REED of Pennsylvania. There is no question about it. The pending motion is to amend the percentage, changing it from 2 per cent to 1 per cent. A vote in the negative means a preference for 2 per cent based on the census of 1890. A vote in the affirmative means a vote in favor of 1 per cent based on the census of 1890.

Mr. SWANSON. I want to vote for 2 per cent based on the census of 1890, and if I vote in the negative, and a majority of the Senate votes with me, the percentage will be 2 per cent based on the census of 1890?

Mr. REED of Pennsylvania. That is it exactly.

The PRESIDENT pro tempore. On agreeing to the amendment of the Senator from Ohio [Mr. WILLIS] to the amendment of the committee, the yeas and nays are demanded.

The yeas and nays were ordered.

The reading clerk proceeded to call the roll, and several Senators responded to their names.

Mr. NEELY. I ask unanimous consent that the question be once more stated. There is so much confusion in the Chamber that Senators are not able to hear what the question is.

The PRESIDENT pro tempore. The calling of the roll has begun.

Mr. SMITH. The Senator from West Virginia asked the Chair for certain information—that is to say, to state the question—so that he might vote intelligently on it.

The PRESIDENT pro tempore. The question is upon the amendment of the Senator from Ohio to strike out "two" and insert "one" in the committee amendment on line 10, page 12. The roll call will proceed.

The roll call was resumed.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I vote "nay."

Mr. ERNST (when his name was called). I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Indiana [Mr. WATSON] and vote "nay."

Mr. CURTIS (when Mr. WATSON's name was called). The Senator from Indiana is detained from the Senate because of illness in his family. If he were present and not paired, he would vote "nay."

The roll call having been concluded, the result was announced—yeas 23, nays 56, as follows:

YEAS—23

Adams	Frazier	Mayfield	Shields
Cameron	George	Neely	Smith
Caraway	Gooding	Oddie	Trammell
Cummins	Harris	Overman	Underwood
Dale	Heflin	Pittman	Willis
Dial	Jones, Wash.	Sheppard	

NAYS—56

Ball	Ernst	King	Shortridge
Bayard	Fernald	Lodge	Simmons
Borah	Ferris	McCormick	Smoot
Brandegee	Fess	McKellar	Spencer
Brookhart	Fletcher	McKinley	Stanfield
Broussard	Gerry	McLean	Stephens
Bruce	Glass	McNary	Sterling
Bursum	Hale	Norris	Swanson
Capper	Harreld	Pepper	Wadsworth
Colt	Harrison	Phipps	Walsh, Mass.
Copeland	Johnson, Minn.	Ralston	Walsh, Mont.
Curtis	Jones, N. Mex.	Reed, Pa.	Warren
Dill	Kendrick	Robinson	Weller
Edwards	Keyes	Shipstead	Wheeler

NOT VOTING—17

Ashurst	Howell	Moses	Stanley
Couzens	Johnson, Calif.	Norbeck	Watson
Edge	Ladd	Owen	
Elkins	La Follette	Ransdell	
Greene	Lenroot	Reed, Mo.	

So Mr. WILLIS's amendment to the committee amendment was rejected.

The PRESIDENT pro tempore. The question is now upon agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. All the committee amendments are now disposed of.

Mr. SIMMONS. Mr. President, I send to the desk and ask to have read an amendment which I propose.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 6, after line 4, insert:

(c) In the issuance of immigration visé certificates preference shall next be given by the consuls to the extent of 25 per cent of the quota to persons who give satisfactory evidence that they are skilled in agronomy, forestry, horticulture, or animal husbandry, and who are going to the United States to enter into agriculture, and to experienced farm laborers who are going to some agricultural district to engage in farming.

(d) Whenever the legislature or the governor of a State makes a request of the Secretary of Labor for skilled farm laborers, or for skilled farmers who are expert in agronomy, forestry, horticulture, or animal husbandry, of any nationality, for the purpose of filling a specific need in that State, the Secretary of Labor, with the Secretary of Agriculture, may make a review of the situation, and, upon their approval, in the issuance of immigration visé certificates preference shall next be given by the consuls to skilled farmers and experienced farm laborers, subject to such regulations as will insure that they go to specified locations.

The preference provided in (c) and (d) of this section shall not, in the case of any one country, exceed 50 per centum of the quota allotted to each country.

Mr. LODGE. Mr. President, may I ask the Senator from North Carolina a question?

Mr. SIMMONS. Certainly.

Mr. LODGE. The amendment is a very important one and was read in the midst of much confusion. I wish to ask the Senator, so that I may understand it correctly—I think one question will cover it—if this is simply a provision for preference within the quota?

Mr. SIMMONS. Yes; absolutely within the quota.

Mr. LODGE. It does not add to the quota?

Mr. SIMMONS. No; not a single immigrant.

Mr. McKELLAR. Will the Senator from North Carolina yield to me for a moment?

Mr. SIMMONS. Certainly.

Mr. McKELLAR. The City Club of Memphis has sent me a resolution adopted by that club indorsing the principle of the amendment just offered by the Senator from North Carolina. I shall vote for the Senator's amendment. I ask unanimous consent at this point to have incorporated in the RECORD as a part of my remarks an amendment proposed by the City Club of Memphis as covering the principle now presented in the amendment offered by the Senator from North Carolina.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

AN ADDITION TO OR AMENDMENT OF ANY IMMIGRATION LAW OF EITHER THE HOUSE OF REPRESENTATIVES OR THE SENATE, PROPOSED BY THE IMMIGRATION COMMITTEE OF THE CITY CLUB OF MEMPHIS, TENN.

AUTHORITY OF PRESIDENT OVER IMMIGRANT SKILLED FARMERS

SEC. — (a). In order to restrict and regulate foreign immigration into the United States and to put into force and effect the policy of Congress by this act intended, recognizing that agriculture is the basic industry of all industries with which none other is to be compared and that the agriculturist or skillful farmer has ever been considered a worthy citizen in any country, always differentiated from ordinary unskilled labor, whether on the farm or elsewhere, and further recognizing that previous acts of Congress have been construed otherwise, thereby causing needless and unintended reflection upon all farmers, even to the practical exclusion of immigrant skilled farmers from portions of the United States which had no excess of foreign-born population, no overproduction in agriculture and sorely needed a moderate proportion of such skilled farmers to assist the native-born farmers in agricultural production and care of the farm lands, the President of the United States is hereby given special limited authority by Congress in reference to agriculture and over immigrant skilled farmers as hereinafter described, defined, and limited.

(b) Whenever the Secretary of Agriculture of the United States shall report in writing to the President—

First. That he has received a certified petition signed by 10 per cent of the qualified voters of any congressional district of the United States, hereinafter referred to as district, or any legislative unit thereof, hereinafter referred to as unit, asking for an investigation of its agricultural conditions and for an addition of skilled farmers as hereinafter defined;

Second. That he has made such investigation in such district or unit thereof and finds the following state of facts therein to exist:

A. That there is no overproduction in agriculture.

B. That there is real need of more skilled farmers.

C. That opportunity for profitable farming by skilled farmers exists and is likely to continue.

D. That the foreign-born population is not excessive, not exceeding 2½ per cent of the native-born populaton of that district or unit thereof.

Then and in that event the President shall proclaim that such congressional district or legislative unit thereof is open and thereupon it shall be open to the entry of immigrant skilled farmers from any foreign nation which suffered extremely during the World War to a number not exceeding 10 per cent of the native-born population of said district or unit thereof upon such plan or arrangement as shall be approved by the Secretaries of State, of Agriculture, and of Labor of the United States.

(c) Should the aforesaid petition specify the nationality or nationalities from which immigrant skilled farmers were desired the authorty herein accorded by this act to the President shall be limited as to that district or unit thereof to that nationality or those nationalities.

(d) An immigrant skilled farmer within the meaning of this act shall be limited and defined as follows:

A. He shall be a native of some foreign country which suffered extremely during the World War.

B. He shall successfully have passed an examination held in his own country by some agency or person designated by the Secretary of Agriculture which shall show that he has sound agricultural knowledge of soil, of plants, and livestock, with proper care of same; that he is mentally and physically fit practically to apply such knowledge; that he is reputed competent to conduct the business incident to farming and can show satisfactory evidence that he has been in responsible care of a farm or farm lands.

C. He shall have given bond that he will not abuse, under penalty of repatriation, the privilege accorded him by the President under this act of entering a portion of the United States where there exists no excess foreign-born population by leaving that general area for an area of the United States containing more than the prescribed limit of foreign-born population for a period of 10 years, or until he shall have become a naturalized citizen of the United States, but shall not be restricted to any congressional district or legislative unit thereof.

Mr. SIMMONS. Mr. President, I took occasion earlier in the day to enter into a somewhat detailed discussion of the amendment just offered, but there are many Senators here now who were not present at the time I spoke, and I should like within 5 or 10 minutes to state the general purport of the amendment, which I consider of very vital importance.

The amendment I propose is to follow the section of the bill giving preference of admission to certain relatives of immigrants, residents and citizens of this country. That is the only preference now provided in the bill. As the bill now stands the selective provisions of the bill only have application to immigrants who can show that they are admissible under the ordinary tests, which embrace, of course, physical and mental condition and noncriminal record. Under the bill as it now exists the consul would have no discretion, provided the immigrant complied with the ordinary tests, except as to relatives of immigrants already in this country.

I desire to add another preference in favor of agriculture. That preference is altogether within the quota and can never exceed 50 per cent of the number of immigrants that any country could send us within the quota.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Connecticut?

Mr. SIMMONS. Certainly.

Mr. BRANDEGEE. I would like to ask the Senator, if it will not interrupt him too much, if his preference interferes with the preference already contained in the bill?

Mr. SIMMONS. Not at all.

Mr. BRANDEGEE. It leaves the preference named in the bill as the first preference?

Mr. SIMMONS. Yes; and this would be the next preference. The principle of the amendment has the approval of the Commissioner of Immigration, Mr. Husband. It has the approval of the Assistant Secretary of Labor, Mr. Henning. It has the approval of the Secretary of Labor, Mr. Davis. It has the approval, as I gather from a telephone conversation I had with him, of the Secretary of Agriculture, Mr. Wallace. I read into the RECORD this morning statements of Mr. Husband, of Mr. Henning, and of Mr. Davis in a prepared article which was published in the American Federationist during the present month.

The reason why the preference ought to be given is the condition of agriculture in the South and West. In the South we are suffering for two reasons: First, because the boll-weevil infestation has made cotton farming unprofitable, that being practically the only crop made by a large number of the farmers in that section of the country. Secondly, we are losing, and have been losing for some time, our farm labor to supply the shortage of labor in the industries of the North and West, brought about by the restriction of immigration.

The South is now and so is the West, as I understand it, contemplating the diversification of their crops. Heretofore those two sections—the cotton section in the South and the wheat section in the West—have been largely one-crop sections.

The labor that we employ in the South in the production of cotton is chiefly colored. They are for the reasons given going in large numbers to the factories of the North and West, but he is the chief tenant in the South. The result is a shortage of agricultural labor and abandoned farms. I presume something of the same thing is happening in the wheat-growing sections of the West. If not, unless the trend is changed, it will soon happen.

We have been discussing in this chamber, and it has been discussed in the country as well, various methods for relief against a situation which threatens both the western farmer and the southern farmer with bankruptcy and ruin. Many remedies have been suggested, but upon investigation they have been found either temporarily inadequate or unadvisable.

The result of this discussion seems to have crystallized sentiment into the belief that the most effective remedy for the situation consists in diversified agriculture and intensive methods. Diversified agriculture and intensive farming, if to be successfully and economically inaugurated, call for a degree of training, experience, and skill not generally possessed by the farm laborers of the South. Most of the laborers and tenants in the cotton-growing sections of the South, as a rule, have been accustomed for generations to the cultivation chiefly of one crop; namely, cotton. They have little, if any, experience that would qualify them for efficiency in prosecution of the new methods and systems of diversified agriculture, which include horticulture and animal husbandry, and so forth, to a diversified, intensive system of farming, which, under the circumstances, is the chief remedy for the situation. If we were to undertake to make the change from the one-crop system to diversification and intensive farming with inexperienced and unrestrained and unskilled supervision and direction—if we ever successfully accomplished it, it would be after great loss and waste.

If we wish to accomplish the result speedily, economically, and safely we have got to have experienced and skilled farmers and laborers in order to work it out—to enable them to meet the situation and apply this remedy which they all seem to have agreed is the surest and most effective remedy which the situation offers.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Ohio?

Mr. SIMMONS. I yield to the Senator from Ohio.

Mr. WILLIS. I have introduced two amendments on this subject, and I wish to make an inquiry in order to make certain as to the terms of the Senator's amendment, so as to ascertain whether or not I can support it. First, I desire to ask is there any limitation in the Senator's amendment on the number of immigrants who will be permitted to come in under it?

Mr. SIMMONS. My amendment provides that not exceeding 50 per cent of the quota allowed to any country shall be subject to this preference.

Mr. WILLIS. Secondly, I desire to ask is the preference given inside or outside the quota?

Mr. SIMMONS. It is all inside the quota.

Mr. WILLIS. I thank the Senator.

Mr. SIMMONS. There is a provision in the amendment that upon application the Secretary of Labor, cooperating with the Secretary of Agriculture, shall investigate the situation and determine whether additional labor is required.

Mr. PITTMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Nevada?

Mr. SIMMONS. I yield to the Senator.

Mr. PITTMAN. I should like to ask the Senator from North Carolina if his amendment includes laborers who are skilled in the handling of livestock?

Mr. SIMMONS. Yes; that is expressly provided for in the amendment.

Mr. PITTMAN. In my section of the country in the West we are exceedingly interested in that proposition. In certain lines of employment in the livestock industry there has been a scarcity of labor for some time; in fact, representatives of the State of Nevada have sent out to various other States looking

for that character of labor; and I think the whole West is in the same condition with regard to that character of the labor.

Mr. SIMMONS. My amendment reads:

Skilled in agronomy, forestry, horticulture, or animal husbandry, and who are going to the United States to enter into agriculture.

Mr. PITTMAN. That class of labor would be included under the general term "animal husbandry"?

Mr. SIMMONS. Yes.

Mr. PITTMAN. Then, I am very heartily in favor of the amendment.

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Oregon?

Mr. SIMMONS. I yield.

Mr. McNARY. I wish to inquire of the Senator from North Carolina if the description in his amendment, "skilled labor" includes in his opinion common farm labor?

Mr. SIMMONS. My amendment reads: "Experienced farm laborers."

Mr. McNARY. I appreciate the language, but I want the Senator's understanding of the amendment. Does the Senator classify the people who work in orchards picking the fruit and on the farms cocking hay and threshing grain as skilled laborers or as common laborers? Could they come in under the Senator's amendment?

Mr. SIMMONS. They might be simply classified as experienced farm laborers. The amendment reads:

Skilled in agronomy, forestry, horticulture, or animal husbandry, and to experienced farm laborers.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Idaho?

Mr. SIMMONS. I yield.

Mr. BORAH. Does the amendment of the Senator from North Carolina contain any provision with reference to keeping these people on the farm? [Laughter.]

Mr. SIMMONS. No; it does not, neither do the selective provisions of the pending bill contain any such provision; but the class of people whom we hope to get and whom we now can get from Europe when they come here and go on the farm will in all probability remain on the farm. They have always done so heretofore.

Mr. HARRISON and Mr. JOHNSON of Minnesota addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from North Carolina yield; and if so, to whom?

Mr. SIMMONS. I yield first to the Senator from Mississippi.

Mr. HARRISON. Mr. President, I should like to ask the Senator from Pennsylvania if he will not allow the amendment offered by the Senator from North Carolina to go to conference?

Mr. SIMMONS. I want a bona fide vote on the amendment.

Mr. HARRISON. I mean, of course, to have the Senate accept the proposition.

Mr. McKELLAR. To accept what proposition? I did not hear the Senator's statement.

Mr. HARRISON. To accept the amendment offered by the Senator from North Carolina.

Mr. PITTMAN. That would mean to kill it. I think we ought to have a vote on it.

Mr. SIMMONS. I prefer to have a bona fide vote on the amendment, Mr. President.

Mr. JOHNSON of Minnesota. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Minnesota?

Mr. SIMMONS. I yield.

Mr. JOHNSON of Minnesota. Mr. President, the Senator from North Carolina refers to skilled labor. We have some skilled labor on the farm.

Mr. SIMMONS. I do not doubt it.

Mr. JOHNSON of Minnesota. But the reason the farmer does not get a fair price for his product is that he is not in a position where he can get any skilled labor. If he had received an adequate price during the last two years, he could have had all of the people he wants to work for him on the farm.

Mr. President, there are hundreds of farmers leaving the farm every month. Why? Because they can not afford to stay on the farm, as the price of their products is too low. As I stated this very afternoon the price of butterfats is going down every day, as is also the price of eggs, and letters are coming from the Northwest asking for a higher tariff on eggs and butter. I do not know that that would help any. We put a higher tariff on wheat and it went down the next day 8 cents a bushel. [Laughter.] We have too many farmers now. What is the use of importing more farmers? The amendment is a joke. That is all there is to it.

Mr. SIMMONS. Mr. President, just one word, and I will yield the floor. One of the troubles with the West and one of the troubles with the South is that we have been raising more of one crop than the world demanded. We are doing that in the South now, despite the boll weevil, and every year before the advent of this pest we were carrying over from five to six million bales of cotton in excess of consumption. What we need in the South—and our farmers have finally come to realize it—is diversification in farming and to break away from the one-crop idea and system. To do this successfully and economically we need trained and experienced labor and competent supervision, and we can get these in such countries as Holland and Sweden, where they have practiced this system for generations.

We have some skilled farmer laborers in this country, it is true; but in the sections that are now distressed they are not in sufficient numbers, and we can not get them from anywhere else inside the United States in sufficient numbers. The surplus supply to be had here is not one-half or one-fourth or even one-tenth enough to go around, so to speak. It is, Mr. President, to enable us to get that help from the outside that I offer this amendment.

Mr. BROUSSARD. Mr. President, will the Senator yield to a question?

Mr. SIMMONS. I yield.

Mr. BROUSSARD. Would the Senator object to having his amendment read "skilled and experienced"?

Mr. SIMMONS. The amendment now employs the word "experienced."

Mr. FLETCHER. That is in the amendment now.

Mr. SIMMONS. The amendment reads "skilled and experienced."

Mr. BROUSSARD. I was reading on line 4 and did not see it.

Mr. FLETCHER. It is in lines 6 and 7.

Mr. REED of Pennsylvania. Mr. President, I should like again to make a request for unanimous consent. I ask that after noon to-morrow, following the recess which we hope to take in a few moments, no Senator shall be permitted to speak more than once or longer than 10 minutes upon the bill or more than once or longer than 10 minutes upon any amendment thereto.

The PRESIDENT pro tempore. The Senator from Pennsylvania makes a request for unanimous consent, which will be stated by the Secretary.

The reading clerk read as follows:

It is agreed by unanimous consent that after the hour of 12 o'clock m. on the calendar day of April 18, 1924, debate shall be limited upon the bill S. 2576, a bill to limit the immigration of aliens into the United States, and for other purposes, so that no Senator shall speak more than once nor longer than 10 minutes upon the bill or more than once nor longer than 10 minutes upon any amendment offered thereto.

Mr. REED of Pennsylvania. I should like to say also, Mr. President, that if that agreement shall be entered into I believe it will be possible to take a recess until 12 o'clock to-morrow.

Mr. KING. I sincerely hope that the request of the Senator will be granted. I am a member of the committee, and hope there will be no objection to the agreement proposed.

The PRESIDENT pro tempore. Is there objection to the agreement proposed by the Senator from Pennsylvania?

Mr. SIMMONS. Mr. President, I recognize the fact that the Senate is very tired and desires to conclude its session and is not disposed to listen to any discussion, and I do not for that reason feel disposed to interfere with the request of the Senator from Pennsylvania.

Mr. ROBINSON. Mr. President, I hope that the agreement will be entered into. I think the time has come when we ought to limit debate on the pending bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the agreement is entered into.

Mr. HEFLIN. Mr. President, I send to the desk an amendment to the bill which I desire to offer and want to have pending.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

RECESS

Mr. REED of Pennsylvania. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Friday, April 18, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, *April 17, 1924*

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, Thou art not far from us at any time; may Thy voice reach our listening hearts. We thank Thee, O Savior of men, for the sweetness, the simplicity, and the infinite tenderness with which Thou hast blest the earth; O be Thou in us the hope of glory. Always enable us to be Thy faithful colaborers in bringing happiness and prosperity to our country. Sustain and encourage every plan and act that means greater stability to our free institutions and richer blessings to all the people. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

NO QUORUM—CALL OF THE HOUSE

Mr. MOORE of Georgia. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. The gentleman from Georgia makes the point of order that there is not a quorum present. It is clear there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, when the following Members failed to answer to their names:

Abernethy	Eagan	Larson, Minn.	Richards
Anderson	Edmonds	Lea, Calif.	Rogers, N. H.
Andrew	Fleetwood	Leatherwood	Rosenbloom
Anthony	Foster	Leavitt	Rouse
Bacharach	Fredericks	Lindsay	Salmon
Barbour	Freeman	Little	Sanders, Ind.
Barkley	French	Logan	Sanders, N. Y.
Beers	Funk	Lyon	Schafer
Bell	Gallivan	McFadden	Schall
Bixler	Geran	McKeown	Schneider
Bland	Gifford	McNulty	Sears, Fla.
Bloom	Glatfelter	McSweeney	Sears, Nebr.
Boylan	Goldsborough	MacLafferty	Seger
Britten	Graham, Pa.	Major, Ill.	Sherwood
Browne, N. J.	Green, Iowa	Mansfield	Smith
Brumm	Griest	Mead	Snyder
Buchanan	Griffin	Merritt	Speaks
Buckley	Hammer	Michaelson	Sproul, Ill.
Bulwinkle	Hastings	Minahan	Sproul, Kans.
Burdick	Hangen	Montague	Stalker
Burtness	Hawes	Mooney	Stevenson
Byrnes, S. C.	Hawley	Moore, Ill.	Strong, Pa.
Carew	Hayden	Morin	Sullivan
Casey	Herrick	Mudd	Sweet
Celler	Hill, Wash.	Newton, Mo.	Tague
Clancy	Hoch	O'Brien	Taylor, Colo.
Clark, Fla.	Hooker	O'Connell, N. Y.	Taylor, Tenn.
Cole, Ohio	Howard, Okla.	O'Connor, La.	Tucker
Collins	Hudson	O'Connor, N. Y.	Vare
Connally, Pa.	Hull, Iowa	O'Sullivan	Ward, N. Y.
Cooper, Ohio	Hull, Tenn.	Oliver, Ala.	Ward, N. C.
Corning	Hull, William E.	Oliver, N. Y.	Wason
Crosser	Johnson, S. Dak.	Paige	Weaver
Crowther	Kahn	Peavey	Weller
Cullen	Kendall	Perkins	Wertz
Curry	Kent	Perlman	Williams, Ill.
Deal	Kerr	Phillips	Williams, Tex.
Dempsey	Kindred	Prall	Wilson, Miss.
Dickstein	King	Quayle	Wright
Dominick	Knutson	Ramseyer	Wurzbach
Doughton	Kurtz	Reed, N. Y.	Wyant
Drane	LaGuardia	Reed, W. Va.	Yates
Dyer	Langley	Reid, Ill.	Zihlman

The SPEAKER. Two hundred and fifty-eight Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had disagreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McNARY, Mr. CAPPER, and Mr. SMITH as the conferees on the part of the Senate.

The message also announced that the Senate had concurred in the following resolution:

House Concurrent Resolution 21

Resolved by the House of Representatives (the Senate concurring), That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (H. R. 6815) entitled "An act to authorize a temporary increase of the Coast Guard for law enforcement" be rescinded and that in the reenrollment of the said bill the following amendment be made, viz: On page 2, line 44, after the word "enlisted," insert "warrant."

The SPEAKER. By special order the gentleman from Ohio [Mr. DAVEY] is entitled to address the House for 40 minutes.

THE TREE

Mr. DAVEY. Mr. Speaker and gentlemen of the House, with your permission I should like to decline to yield for questions during the course of my remarks, but if there is any time left I shall be glad to answer any questions at the end. I would like to give you a connected story of the tree as a living thing and a story of forest devastation as it has been progressing in this land of freedom and opportunity.

There will be distributed by the Doorkeeper some leaves—just ordinary leaves—and I would like to have you bear in mind that these leaves represent a great fact in the whole scheme of life. I want to develop the fact that the leaf is the most important thing in all the world, without exception.

THE VITAL RELATION OF TREES AND HUMAN LIFE

The most beautiful tribute to a tree that I ever heard was given at a time when I addressed the Rotary Club of Elyria, Ohio. The president of the club in introducing me told this story. He said:

I have the most wonderful tree in the world out at my house. Some 15 years ago I had a little boy who was then 3 years of age. In the early fall he would go out to gather up the buckeyes—

I suppose he meant horse chestnuts because there are very few buckeyes in the Buckeye State. He said:

The little fellow would gather the buckeyes, sometimes by pockefuls and sometimes by basketfuls, and would bring them in and play with them. One day he took sick. The next day he was better, so he went out as usual and brought in just one large fine buckeye and played with it; and the next day he died.

After a little pause he continned:

I took that large, fine buckeye and carried it with me all the long winter. I took it out every little while and looked at it and was reminded of him. And then when the springtime came, I went out and planted it down under his sand pile. Later the sand was taken away and the buckeye sprouted and came up, a healthy little plant. Then I built a fence around it to protect it, and I called the boys of the neighborhood together and told them the story. I asked them to help me protect this tree. I told them they might break anything else I had, the windows in my house, my automobile or anything else, but please don't break this tree. They have respected that request, and the tree stands there to-day 15 years old, a healthy young specimen, the most wonderful tree in the world.

It seemed to me as I listened to this story that there is in this living tree not alone a monument to a little boy who died, but also a monument to a father's love.

Most folks, unfortunately, do not realize that the tree is a living, breathing organism. It is just as much alive as you and I. It breathes; it has a circulation; it digests its food; it has sexual processes. It is perfectly true that it has no nervous system as we have in the human body.

It lacks the power of locomotion. It has no intelligence as we understand that term, but it does have the power to adapt itself to its environment. In fact, it adapts itself amazingly well. Where trees grow close together, they grow one-sided in order to accommodate themselves to each other. Where they grow thick, they grow tall in order to reach the sunlight. Frequently the roots of a tree travel long distances around boulders and almost insurmountable obstacles in order to reach the source of their food and water supply. In all of these elemental things the tree is just as much alive as man himself.

The tree breathes through its leaves chiefly. I hope that all of you some time will take occasion to look at the underside of a leaf through the microscope. You will find there a myriad of little openings or cells into which the air penetrates just as truly as it does into the human lungs, and in those cells the air is separated into its parts, just as it is in our lungs. The carbon dioxide is extracted from the air and is taken into the body of the tree as part of its food material, and the oxygen is thrown off for the benefit of man and all animal life. It is true that the breathing process does not follow the principle of the bellows movement, as in the human lungs, and yet it is actual breathing in just as true a sense as that which takes place in our own bodies.

The tree has a circulation that is just as real as our own. Way down underneath the ground, where the roots are working day after day, they gather up the food in liquid form. The area of the roots is approximately equal to the spread of the top. If you see a tree whose top is 50 feet in diameter, its root area is approximately the same. The all-important hair roots are largely out at the ends of the whole root system about under the edge of the branches. It is this myriad of hair roots that gather up the food in liquid form and send it up through the body of the tree to the leaves.

I suppose all of you have seen a cross section of a tree. This is the same as the top of a stump. Just imagine you are looking at the cross section of a tree now. In the center you see the pith. That was there from the time it was a baby tree. Around the pith is a layer of wood, which represents the first year's growth; and around that a second layer, which represents the second year's growth; and around that a third layer, which represents the third year's growth, and so on out to the bark. In the beginning these central cells were active sap-carrying tissues, but as the tree grew in size these central cells became more and more dormant—that is to say, filled up more and more with mineral elements—so that they became less and less active. But as you go outward toward the bark you find that the cells are more and more active as sap carriers, so that the last few layers, meaning the last few year's growth, are the active sap-carrying tissues. It is in those outer wood cells that the crude sap is carried upward from the roots to the leaves. Outside of the last layer of wood is what is called the cambium layer, where all the growth and healing take place, and outside of everything else is the bark, which serves the twofold purpose of protecting the living tree and providing the cells in which the digested food material can travel back in its downward flow.

Now, then, this food material having been pumped out of the soil by the hair roots is sent up through the small roots to the large ones, then through the trunk to the limbs and out to the twigs and then to the leaves, where it undergoes the wonderful chemical change that makes it available as food material. After having been digested it is then sent back in the inner cells of the bark all the way down to the same little roots from whence it came, building all the way down and depositing this food material out of which the structure of the tree is created.

The tree digests its food in just as real a sense as man himself. This food material, that has been pumped up from the roots, undergoes in the leaf a marvelous chemical change under the influence of the sunlight and is transformed into available food material. Thus we find the leaf is both the lungs and the stomach of the tree.

I would like to tell you a story that I read in the New York Times nearly three years ago that illustrates a profound truth. It was a story written by their correspondent from the famine-stricken portions of Russia. I doubt if the correspondent realized the tremendous importance of the thing he was telling. He described how he came upon a house where a little child lay sick. Its eyes were still and glassy and staring straight upward. Over its body was a quilt. It looked as though there were a pillow underneath the quilt. The correspondent looked at the child and then at the mother; and she, divining his purpose, pulled back the quilt and disclosed a horribly misshapen body. Its little belly was terribly distended, and its arms and legs were emaciated. It had very much the appearance of a kewpie.

Then she told this story of what had happened: She said that hunger had driven them so far that they had fed this little child a blue clay called "cel." You and I have no conception of what real hunger is. We think we know what it means to be hungry, but only in these famine-stricken lands is it possible for human beings to know the extent of that terrible suffering. You can imagine what it means when human beings are driven so far that they will eat clay. This clay sticks to the teeth and sticks to the walls of the stomach, and it stills for the time being the intense craving of hunger; but there is no power in the human system to throw it off, and it remains there and clogs the stomach and the intestines. Then the worms start to work and the end is near. I tell you this story, even with the touch of horror which it contains, because it illustrates a profound truth of far greater magnitude and importance to human life than might appear.

The leaf is the most important thing in all the realms of life. It is the one and only connecting link between the organic and the inorganic worlds. There are only two minerals that man can take into his system and assimilate—water and salt—and these only in limited quantities. Everything else that we eat and, in fact, most of the things that we wear come to us through the leaves of vegetation—not of trees alone but of all vegetation.

It is the leaf which takes the dead mineral elements from the soil, the inorganic elements, and transforms those minerals into organic, living cells and makes it possible for them to feed the whole of the living world. And thus it appears that the great God who created the world and the life that inhabits it made of the lowly leaf the greatest and the most important instrumentality of that life.

The tree has sex processes that are just as real and just as beautiful as in any other form of life. The male and female exist as positive factors. The pollen is created in the male parts and is carried largely by the winds to the female organs, where conception takes place and the continuity of life is made possible. I wonder if you have noticed in the spring that two trees of the same type will come out into flower at different times—one a little earlier than the other. That which comes into flower earliest is the male, to be ready for its mate. No doubt you have seen the wonderful orchid, the magnificent flower that comes to us from the Tropics. You may have wondered why it is that the orchid remains beautiful so long. It is because the insect which fertilizes it can not live in this latitude. And so it happens that the lovely and delicate orchid, the flower of regal beauty, remains beautiful for a long, long time, waiting—waiting for its mate.

Now, I would like to tell you a little about another phase of the great tree question that seems to me of monumental importance. This has to do with the subject of forest devastation and its bearing upon the present and the future of America. In order that you may understand that what I am about to say is not the product of my imagination, I want to read to you very briefly from the report of the United States Forest Service that was published nearly four years ago. This followed a resolution by the United States Senate calling upon the Forest Service for such investigation and report. It was the most exhaustive investigation ever made in this country. Among other things this report says:

(1) That three-fifths of the original timber of the United States is gone, and that we are using timber four times as fast as we are growing it. The forests remaining are so located as greatly to reduce their national utility. The bulk of the population and manufacturing industries of the United States are dependent upon distant supplies of timber as the result of the depletion of the principal forest areas east of the Great Plains.

(2) That the depletion of timber is not the sole cause of the recent high prices of forest products, but is an important contributing cause whose effects will increase steadily as depletion continues.

(3) That the fundamental problem is to increase production of timber by stopping forest devastation.

The virgin forests of the United States covered 822,000,000 acres. They are now shrunk to one-sixth of that area. Of the forest land remaining and not utilized for farming or any other purpose, approximately 81,000,000 acres have been so severely cut and burned as to become an unproductive waste. This area is equivalent to the combined forests of Germany, Denmark, Holland, Belgium, France, Switzerland, Spain, and Portugal. Upon an enormous additional area the growth of timber is so small in amount or of such inferior character that its economic value is negligible.

Some 300 years ago our forefathers came to the eastern shores of this country and discovered a land that was endowed as richly as any in the history of the world. Those who had landed in Virginia under Capt. John Smith found what seemed to be a veritable paradise. They sent back word to the mother country that they had discovered a land of inexhaustible fertility, and so it seemed; but to-day you can go into the State of Virginia and buy thousands of acres for almost a song, because it has been robbed of its fertility and it lacks the power of producing things necessary for man and animal life. Those who landed on the rock-bound coast of New England came face to face with a wonderful covering of trees, magnificent trees everywhere; but to-day that wonderful supply of native timber is three-fourths gone. About half the remaining supply is in the State of Maine, and that is largely of pulp-wood varieties. The New England States to-day, that originally were so richly endowed, import 30 per cent of their own consumption and will import more and more as time goes on. About 50 years ago New York State was the greatest producer of timber in the Union, and to-day the great Empire State has so far depleted its timber resources that it produces only 10 per cent of its own consumption. It produces 30 board feet per capita and consumes 300 feet.

Then the tide flowed to Pennsylvania—Penn's Woods—which was so named because of its wonderful covering of trees; but to-day Pennsylvania produces less than enough for the Pittsburgh district alone, about 20 per cent of its own consumption. But that is not all of the sad story of Pennsylvania. I wonder

how many of you have taken a daylight ride across the Alleghenies. I hope everyone of you will do so and look out across those hills, as I have, and see for miles and miles the desolate waste.

This is what happens out in the native woodlands. The rain comes down through the leaves and settles into the loose, porous soil and finds its way into the subsoil, and from there to the springs which feed the little streams, and they in turn feed the rivers. But man comes along and cuts away the forest covering, leaving behind him the débris, the leaves and chips and small branches, making a veritable tinder box and a constant fire hazard. Then the fire sweeps over the land and destroys the remaining vegetation. Then, when the rain comes down, it sweeps across the surface of the land and takes with it the fertile topsoil that nature has taken centuries to build up. It is said that it takes nature 10,000 years to make an inch of fertile topsoil. The whole lower Mississippi Delta, in fact the whole lower valley, is made up of rich topsoil that has been swept down from the interior.

There is in Vinton County, Ohio, one township of 10,000 acres that tells the sad story of what has happened. I have this on the authority of a representative of the forestry department of Ohio. He told me that two years ago he went down to this place that was once covered with a magnificent growth of trees. The large trees had been cut away for lumber purposes and the smaller trees had been cut down to be used as mine props. Then the fire swept over the land and destroyed the remaining vegetation, followed by floods that took the fertile topsoil. He told me that just three families exist in this whole township of 10,000 acres, and he went out across this land looking for other signs of life. He said, "I could not find a bird and not even a rabbit." So the destruction of timber is of more far-reaching importance than merely the loss of lumber.

Some 35 or 40 years ago the tide turned to the Lake States—Michigan, Wisconsin, and Minnesota. About that time men came back from that section, which was then covered with an apparently inexhaustible supply of wonderful white pine, and they told how this supply could never be cut away, and yet today it is almost gone. The original supply of white pine in the Lake States was estimated to have been 350,000,000,000 board feet. To-day it has been reduced to 8,000,000,000, and it will be all gone in about 10 years commercially. The section from which I come—Ohio, and west from there, Indiana and Illinois—has almost ceased to be a factor in the production of lumber, and yet that section in years gone by produced wonderful hardwoods. A gentleman told me of the magnificent trees that were cut down at the time of the Civil War. Great oaks, 4 feet in diameter, were sent from northwestern Ohio to build the *Monitor*, which proved the turning point in the Civil War; and yet that section is now practically denuded. Still I see even to-day trucks going out bringing in one by one the last remaining specimens of the primeval forest.

To the south of that section, in the southern Appalachian region, there was and still is a very considerable reservoir of hardwoods, but the Government estimates that this supply will be gone commercially in from 18 to 20 years.

In the South Atlantic and Gulf States there was a wonderful supply of yellow pine, and yet that supply which was considered inexhaustible is four-fifths gone. It is estimated that it will be all gone in from 15 to 20 years from a commercial standpoint. There still remains in the southern Mississippi section one last great reservoir of timber, including the wonderful cypress, but the Government estimates that this supply also will be gone in from 20 to 25 years. So that within the next 25 years—most of us I hope will live that long—we will see a time when the great eastern section of the United States will be practically denuded of its timber from a commercial standpoint.

There still remains, however, a very impressive quantity of trees for lumber purposes in the West—Washington, Oregon, California, northern New Mexico and Arizona, Colorado, Utah, Idaho, Wyoming, and Montana. If you look at the figures you would probably conclude that this supply in the West also would be inexhaustible, and yet the Government estimates that it will be all gone commercially in from 30 to 40 years.

However, even to-day we are paying the price of our destruction as this steadily dwindling supply is being pushed farther and farther away from the centers of population. Some 30 years ago Chicago, which is perhaps the greatest lumber market in the country, secured its supply largely from the surrounding States. The freight rate was then about $3 per 1,000 feet. To-day the Chicago market receives its supply chiefly from the far South and the far West, and the freight rate is now about $13 per 1,000 feet, making an increase of $10 per 1,000 feet for freight alone. I am not in the forestry business, and have no foresters in my organization, nor have I any trees to sell. Our work is as distinct from forestry as dentistry is from medicine. Neither am I in the lumber business, and I have not even a remote financial interest in that business; yet I wish to express my earnest conviction that we will never again buy lumber as cheap as we have in the past, and the price of lumber will increase steadily from now on. This will be the result of the most simple economic causes.

In talking with Gifford Pinchot some two years ago, he made a significant statement. I suppose you all know who Gifford Pinchot is. He was the Chief of the Forest Service under Teddy Roosevelt. He was for a number of years commissioner of forestry in Pennsylvania and put that State to the forefront in the matter of State reforestation. He is one of the outstanding exponents of conservation and reforestation, and with it all is now the Governor of Pennsylvania; so he ought to be a perfectly good authority to quote. He said to me:

Mr. DAVEY, in my judgment there will be a lumber famine in this country within 25 years, and such a lumber famine will make itself felt before the end of the 25-year period.

Do you believe that these things do not affect you and me? Stop to think, friends, that about one-fifth of the total lumber products of this country is consumed in the manufacture of boxes, barrels, and crates for the transportation of your manufactured products and food supplies from one section of the country to the other. Nearly one-half of the lumber products is consumed on the farms of America for the production of our food supply. Lumber and its products enter into every phase of American life, and no one could do business as it is now done without it.

For you who love the great out-of-doors, to hunt and fish and tramp, there is a sinister threat in the fast declining timber area. Let me say, friends, that without the forest home there can be mighty little game, and without a continuous and adequate supply of water there can be mighty few fish. Fish can not live in streams that are alternately raging torrents and dried up bottoms. The whole question of an adequate water supply for the cities of America is involved in this matter of forest conservation and reforestation. It has a more direct bearing upon the life of this country probably than any question that can come before our people.

I am reliably informed that the city of Columbus, Ohio, was threatened with a water famine a year ago last summer, just as many other cities have been threatened in the recent past. The people of Columbus were warned that there was a bare three days' supply in the reservoir. Their water is taken from the Scioto River, which was nearly dried up. Nothing but a providential rain saved them from the catastrophe. This condition is due very largely to the destruction of the woodlands around the headwaters of these streams. It is the woodlands that hold the water in check and allow it to seep out gradually. Without that there can only be alternating floods and droughts.

There is just one thing more that I want to say, and I would like to leave this with you as a concluding thought. All of us have heard for years past of the famine conditions in China. That country once had a wonderful covering of trees, very similar to that in America; but China, poor benighted land that it is, did what we are doing in America, cut away its trees and allowed the land to be burned over. The vegetation was destroyed over vast areas; then the water swept over the land and carried with it the fertile topsoil. So there are millions of acres in China that constitute a barren waste not capable of producing vegetation. China has one crop in seven years, and in the other years of that period must look to the world for food to feed her teeming millions.

China has become, and will remain for long years, a land of perpetual famine because she has destroyed her forest covering, subjecting herself to the devastation of alternating floods and droughts, and has sacrificed the fertile topsoil over such a vast portion of her domain.

A representative of the Davey Tree Expert Co., with which I am connected, recently returned from a trip around the world, during which he made observations on the results in other lands. Among other things he described what he saw in China. Sailing through the Yellow Sea he was impressed by the fact that much of it was of a deep chocolate color, the result of soil that had been washed down from the interior. Looking out across the land he saw miles and miles of barren waste from which the soil had been washed away, because no trees were there. He told of having seen groups of women out gathering weed stocks with which to cook their rice. They

have no wood for heating, and none for fuel, just weed stocks, gathered laboriously from the countryside. Over vast areas not even bushes are growing on the land. China is to-day paying a terrific and ghastly price for her folly.

No nation in the history of the world was more richly blest by the Creator in the matter of its natural resources than America. It seems that God Almighty created here His richest garden plot where there could be brought together the best blood of the best races in the world, out of which could be built up a new nation of great power, great purpose, and great possibilities. We are dissipating our assets very much like the reckless son of a wealthy father who comes suddenly into his inheritance. America can not long remain the great land of freedom and opportunity unless we protect and conserve the very things which have made us what we are. My plea to you, and to all in this land that was originally so blest, a land of great promise and boasted opportunity, is that we wake up and conserve the remnants of our once great forest wealth and begin to reforest while yet there is time.

God Almighty gave unto us, when He gave us these rich blessings, a tremendous responsibility. This land is ours to dress and to keep it, as the injunction was given to Adam when he went into the Garden of Eden. It is our problem, as the representatives of the American people, to consider the fact of forest devastation and the folly of our lack of conservation in this country, and to firmly resolve that we shall do our duty before it is too late.

Gentlemen, I beg of you to consider this problem as among the very great and far-reaching things affecting America. Oh, there are so many things of small importance on which we waste our time in useless discussion, while we are allowing the process of devastation and deforestation and wastefulness to consume the heritage which has come to us under the providence of God and through the heroic sacrifices of our forefathers, and we have disregarded the safety and welfare of our heritage.

That is my plea to you. I think there is nothing that affects the future of America more, and very few things that are of equal importance. Gentlemen, I hope it may be possible for us here to do that thing which is so necessary for our children and our children's children. Even though we may not personally suffer within our lifetime, let us do the thing that is obviously our duty, and protect America, and keep it worth while for other men in the future to live in and to admire and to love. I thank you, gentlemen. [Applause.]

Mr. KINCHELOE. I have listened to the gentleman with the greatest interest, and I have great confidence in his ability, after years of study of this great proposition. What I want to ask him about is this: The Committee on Agriculture has looked into this, and now has the matter before it that was discussed in the last Congress and which is now before us, the Clarke bill. We in the committee think that is a start in a constructive way. I would like to have the gentleman's opinion about it.

Mr. DAVEY. I have studied the Clarke bill quite carefully, and I would certainly advocate its passage. It is a start in the right direction. But, gentlemen, it will never solve the problem. It is just a good start in the right direction, and it ought to be passed. We need that, and we need a whole lot more. The Clarke bill, in my humble judgment, does not go to the root of the problem, but it will do a considerable amount of good, and I would like to have the privilege of voting for it.

Mr. RANKIN. I think the gentleman has manifested more information on this subject than anybody else who has talked about it. I should like to have from him some information as to the proper way of going about solving the problem as to how to reforest our cut-over and waste lands. I think we need that at this time.

Mr. DAVEY. Mr. Speaker, how much time have I remaining?

The SPEAKER. Three minutes.

Mr. DAVEY. I would not attempt to pose as a past master in the art of forestry, but I will give you my own judgment of the thing for what it may be worth. It seems to me that the all-important thing for us as a government is to buy up the cheap waste lands, millions of acres—according to this report, "81,000,000 acres so severely cut and burned as to become an unproductive waste"—and reforest that as a Government project, and forever keep it under the Government regulations as to methods of cutting.

I would like to bring out one other point in this connection: The thing that is robbing America of her heritage is the wasteful methods of lumbering. That is the thing that is doing the appalling damage. Lumbermen, in their eagerness to get rich quickly—and I suppose we are all more or less subject to that tendency—cut and slash without regard to the future. There was a lumberman in the State of Michigan made a remark to one of my brothers a few years ago which I think pretty nearly rang the bell. He said, "Mr. Davey, I have been in the lumber business for a good many years, and I have made a fortune out of it, and I have done a whole lot to hurt my country; I have resolved to spend the balance of my life in helping to undo the damage I have helped to do, in order to make my peace with God." The wasteful methods of lumbering are one of the gravest sources of menace to the future.

Mr. SINNOTT. Mr. Speaker, will the gentleman yield?

Mr. DAVEY. Yes.

Mr. SINNOTT. The gentleman knows that that wasteful method is not permitted on the national forests under the jurisdiction of the Forest Service?

Mr. DAVEY. That is right; and it is a very happy situation. In all the national forests where lumber is allowed to be cut it must be cut under proper restrictions. [Applause.]

The SPEAKER. The time of the gentleman has expired.

PROCEEDINGS OF THE NATIONAL ENCAMPMENTS OF THE GRAND ARMY OF THE REPUBLIC, ETC.

Mr. KIESS. Mr. Speaker, I present a privileged report from the Committee on Printing.

The SPEAKER. The gentleman from Pennsylvania presents a privileged report from the Committee on Printing, which the Clerk will report.

The Clerk read as follows:

House Joint Resolution (H. J. Res. 194) to print as a House document the proceeding of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, for the use of the House and Senate.

Resolved, etc., That the proceedings of the national encampments of the Grand Army of the Republic, the United Spanish War Veterans, and the American Legion, respectively, shall, with accompanying illustrations, be printed annually hereafter as separate House documents of the Congress to which they may be submitted.

Mr. KIESS. Mr. Speaker, I move the adoption of the resolution.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

REPORT OF THE GOVERNOR OF PORTO RICO

Mr. KIESS. Mr. Speaker, I present another privileged resolution.

The SPEAKER. The gentleman from Pennsylvania presents another privileged resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 237

Resolved, That the message from the President of the United States transmitting the twenty-third annual report of the Governor of Porto Rico be printed, together with the reports of the heads of the several departments of the Government of Porto Rico, also that of the auditor, for the fiscal year ended June 30, 1923, as a House document.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

REPORT OF THE GOVERNOR GENERAL OF THE PHILIPPINE ISLANDS

Mr. KIESS. Mr. Speaker, I present another privileged resolution.

The SPEAKER. The gentleman from Pennsylvania presents another privileged resolution, which the Clerk will report.

The Clerk read as follws:

House Resolution 238

Resolved, That the message from the President of the United States transmitting the annual report of the Governor General of the Philippine Islands be printed, together with the reports of the heads of the several departments of the Philippine Government for the fiscal year ended December 31, 1923, as a House document.

With the following committee amendment:

In line 6, strike out "1923" and insert in lieu thereof "1922."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is now on agreeing to the resolution.

The resolution was agreed to.

STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8350.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of H. R. 8350, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. When the committee rose on the last day on which this bill was considered there remained to the gentleman from Pennsylvania [Mr. SHREVE] 30 minutes' time and to the gentleman from Alabama [Mr. OLIVER] 1 hour and 6 minutes.

Mr. SHREVE. Will the gentleman from Alabama use some of his time?

Mr. OLIVER of Alabama. I yield 10 minutes to the gentleman from California [Mr. LEA].

The CHAIRMAN. The gentleman from California is recognized for 10 minutes. [Applause.]

Mr. LEA of California. Mr. Chairman, when we reach page 74, paragraph 2, under the five-minute rule, an amendment will be offered to strike out the figures "$250,000" and substitute therefor "$314,300," the amount of the current appropriation. This paragraph provides for surveys on the Pacific Ocean by the Coast and Geodetic Survey. Out of the $250,000 which the bill provides, $75,000 must go to the Philippine Islands on account of an agreement that was made something like 20 years ago by which the United States agreed annually to do certain survey work in the Philippine Islands. That would leave only $175,000 for the work in the Pacific Ocean, along the American coasts.

The importance of this work is greater than you may realize. In 1914 President Wilson in his message to Congress called the attention of Congress to this matter, saying that it involved only one item in the appropriation bill, but that it was of very great importance, the question of surveying and charting the Pacific waters, particularly the waters of Alaska.

Pursuant to that suggestion a system of wire drag was provided for surveying the waters of Alaska, starting in 1915 under the supervision of Colonel Jones. Good progress has been made under a plan by which a drag is carried through the ocean at a depth of 85 feet for the purpose of locating pinnacle rocks, reefs, and bars.

When you appreciate the fact that the coast of Alaska is 26,000 miles long, longer than the entire coast of the Atlantic and the Pacific Oceans of the United States proper, you will realize the importance of this work in protecting the lives and the property of the people who go into these waters. Men can not differ about the importance of this work to navigation. When President Harding went to Alaska he manifested the greatest interest in this situation and the importance of developing Alaska.

It is only in the last two years that the United States has reached its greatest efficiency in surveying and charting these waters. Modern ships were provided, taken from the Navy after the war, and are now doing that work twice as fast and at 50 per cent of the cost of prior times.

Here is a chart which illustrates what is being done [indicating]. Here is the coast of California, which after about 76 years is only 52 per cent completed in its coast surveys; Oregon only 20 per cent; and Washington only 45 per cent. Here are the Philippine Islands [indicating], which we took over 26 years ago and to which we have furnished about $75,000 annually, and which is now 75 per cent completed. In other words, by careful and consistent attention to the surveying of the waters of the Philippine Islands, with Philippine cooperation, we have reached 75 per cent completion there. That is over 50 per cent more than we have accomplished on our own Pacific coast, bordering the States. Here is Alaska, with its 26,000 miles of coast; only 15 per cent of the surveying work has been completed and 85 per cent uncompleted.

What has resulted on account of this unsurveyed condition of Alaskan waters? The record speaks forcibly of what has occurred. From 1900 to 1917, 1½ per cent of all the vessels that cleared Alaskan waters were wrecked, an enormous loss. Ships in those waters carried $1,130,000,000 in cargoes; 1½ per cent of those cargoes, with 284 lives and 264 ships, were wrecked, largely because we had not adequately surveyed and charted Pacific coast and Alaskan waters.

What is the proposition we now ask? Simply to continue the work as it is being carried on during the current year, and at the same expense. Within the last two years, for the first time in the history of this Government, Congress has adequately provided for this situation. Three modern and efficient ships are engaged in the work, but the reduction of this appropriation as proposed in the bill will cause one of those ships to be withdrawn, tied up, dismantled, and its experienced crew discharged. As the head of the Coast and Geodetic Survey says, you save $1 to-day by this performance and it will mean from $2 to $5 in the future to accomplish what would have been accomplished if the work were permitted to continue as it has in the past. This is not economy; it is waste.

I have here a report of the Coast and Geodetic Survey made in 1918, and, without attempting to read it, in substance it declares that notwithstanding the long period of time in which we have been engaged in the work on the Pacific coast it is absolutely true to-day that the man who takes a ship along the coast of California, Washington, and Oregon is not safe in doing it unless he has personal knowledge of the waters he is navigating. The charts provided by the United States are not sufficient to adequately and safely direct him.

Only a few years ago you who pay any attention to such matters know of the wreck of the steamer *Bear*. The wreck of the steamer *Bear*, worth $1,000,000, was directly due to the insufficient charts of the north coast of California. For 10 hours the *Bear* had been proceeding in a fog. She was unable to locate herself absolutely, so she had to rely upon the chart, the only way that remains for a ship in a fog to locate herself. Soundings were made so they could compare those soundings with the chart in order to locate themselves. The soundings indicated they had passed a reef that projected out into the ocean, a point beyond which the mariners ordinarily change their course. So, being misled by an inadequate chart, this ship, worth $1,000,000, changed its course and went directly into the reef it thought it had passed.

The situation on the Pacific coast is entirely different from the Atlantic. Out in the Atlantic at many places it is 30 or 40 or 50 miles until you reach the 100-fathom depth but on the Pacific it is frequently the case that if you go out only a few miles you reach a 1,000-fathom depth. There are submarine valleys and chains of mountains submerged beneath the ocean, so that the chart must go out far enough not to deceive the mariner, who must rely upon it for his information.

The *Bear* put down a sounding, showing a great depth. It was over a submarine valley that was not shown on the marine chart, and the next other soundings showed less depths. They were on top of a submarine chain of mountains that was not shown on the chart. The ship changed its course shoreward because of those deceptive measurements. It was directed out of its course onto the rocks and suffered a loss of $1,000,000, outside of the lives of the people involved.

This is a very important work. It affects the great commerce of the Pacific. It must ultimately be done. There is no economy in delaying or breaking up the efficient organization engaged in the work to-day, and I hope that when we reach this section we will have your earnest consideration of this question and will have your support. [Applause.]

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Montana asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

SHOULD THE ELECTORAL COLLEGE FAIL OF A CHOICE

Mr. EVANS of Montana. Mr. Chairman, in the present disturbed political condition of the country not a few people are making inquiry as to how a President is chosen should the Electoral College fail of a choice. A brief statement of the constitutional provisions and the political complexion of the present House seem opportune.

Only twice in the history of the Government—in 1801 and 1825—has the House of Representatives elected a President; and only once has the Senate—in 1837—elected a Vice President.

In 1801, the Electoral College failing to elect, the matter went to the House of Representatives, the leading candidates being Jefferson and Burr on the one side and Adams and Pinckney on the other. For 35 ballots the House of Representatives deadlocked in this case. At that time there were 16 States and on each of the 35 ballots Jefferson received 8 votes and on

the thirty-sixth ballot the deadlock was broken and Jefferson was chosen by 10 votes.

The second election by the House was in 1825, the leading candidates being John Quincy Adams, Andrew Jackson, and Henry Clay. At that time there were 24 States, each State of course having but one vote, and on the first ballot 13 States voted for John Quincy Adams and he was declared elected.

The twelfth amendment to the Constitution seems to govern the matter, and is as follows:

TWELFTH AMENDMENT

The electors shall meet in their respective States, and vote by ballot for President and Vice President, one of whom at least shall not be an inhabitant of the same State with themselves; they shall name in their ballots the person voted for as President, and in distinct ballots the person voted for as Vice President; and they shall make distinct lists of all persons voted for as President, and of all persons voted for as Vice President, and of the number of votes for each, which list they shall sign and certify, and transmit sealed to the seat of the Government of the United States, directed to the President of the Senate; the President of the Senate shall, in the presence of the Senate and House of Representatives, open all the certificates and the votes shall then be counted; the person having the greatest number of votes for President shall be the President, if such number be a majority of the whole number of electors appointed; and if no person have such majority, then from the persons having the highest number, not exceeding three, on the list of those voted for as President, the House of Representatives shall choose immediately, by ballot, the President. But in choosing the President, the votes shall be taken by States, the representation from each State having one vote; a quorum for this purpose shall consist of a member or members from two-thirds of the States, and a majority of all the States shall be necessary to a choice. And if the House of Representatives shall not choose a President, whenever the right of choice shall devolve upon them, before the 4th day of March next following, then, the Vice President shall act as President, as in the case of the death or other constitutional disability of the President. The person having the greatest number of votes as Vice President shall be the Vice President if such number be a majority of the whole number of electors appointed, and if no person having a majority, then from the two highest numbers on the list the Senate shall choose the Vice President; a quorum for the purpose shall consist of two-thirds of the whole number of Senators, and a majority of the whole number shall be necessary to a choice. But no person constitutionally ineligible to the office of President shall be eligible to that of Vice President of the United States.

PROCEDURE

The electoral count occurs in the Hall of the House of Representatives on the second Wednesday of February, 1925, and as the choice must be made by the House "immediately" after the Electoral College has failed to elect, then, of course, the present House of Representatives would act.

The balloting must be by States, each State casting one vote. A quorum for this purpose consists of two-thirds of the States. A majority of all the States is required for a choice.

The candidates are limited to the three persons receiving the highest votes in the Electoral College.

In case the House has not made an election by the 4th of next March, then it would devolve upon the Senate to choose the Vice President, who would be inaugurated President.

It is not improbable that the present House would not be able to give any candidate the required majority. This at once becomes apparent from a close study of the existing membership.

Two known factors justify that prediction. In the first place, five States—Maryland, Montana, Nebraska, New Hampshire, and New Jersey—have delegations exactly divided between Democrats and Republicans.

Assuming that all States would vote in the House in strict accord with the present party strength, neither the Democratic candidate nor Republican candidate for President could secure the necessary majority. The States now having a majority of Democrats in their House membership number 20, with 23 Republican controlled, whereas 25 would be a majority of all the States.

HOW THEY STAND

In this connection, it is of timely interest to note the present party strength in the House by States.

The States having a majority of Republican Members are as follows:

California, 9 Republicans, 2 Democrats; Colorado, 3 Republicans, 1 Democrat; Connecticut, 4 Republicans, 1 Democrat; Idaho, 2 Republicans, no Democrats; Illinois, 20 Republicans, 7 Democrats; Indiana, 8 Republicans, 5 Democrats; Iowa, 11 Republicans, no Democrats; Kansas, 7 Republicans, 1 Democrat; Maine, 4 Republicans, no Democrats; Massachusetts, 13 Republicans, 3 Democrats; Michigan, 12 Republicans, 1 Democrat; Minnesota, 8 Republicans, 1 Independent, 1 Farmer-Labor; North Dakota, 3 Republicans, no Democrats; Ohio, 16 Republicans, 6 Democrats; Oregon, 2 Republicans, 1 Democrat; Pennsylvania, 30 Republicans, 6 Democrats; Rhode Island, 2 Republicans, 1 Democrat; South Dakota, 3 Republicans, no Democrats; Utah, 2 Republicans, no Democrats; Vermont, 2 Republicans, no Democrats; Washington, 4 Republicans, 1 Democrat; Wisconsin, 10 Republicans, 1 Socialist; Wyoming, 1 Republican, no Democrats.

The States having a majority of Democratic Members are:

Alabama, 10 Democrats, no Republicans; Arizona, 1 Democrat, no Republicans; Arkansas, 7 Democrats, no Republicans; Delaware, 1 Democrat, no Republicans; Florida, 4 Democrats, no Republicans; Georgia, 12 Democrats, no Republicans; Kentucky, 7 Democrats, 3 Republicans; Louisiana, 8 Democrats, no Republicans; Mississippi, 8 Democrats, no Republicans; Missouri, 11 Democrats, 5 Republicans; Nevada, 1 Democrat, no Republicans; New Mexico, 1 Democrat, no Republicans; New York, 22 Democrats, 21 Republicans; North Carolina, 10 Democrats, no Republicans; Oklahoma, 7 Democrats, 1 Republican; South Carolina, 7 Democrats, no Republicans; Tennessee, 8 Democrats, 2 Republicans; Texas, 17 Democrats, 1 Republican; Virginia, 10 Democrats, no Republicans; West Virginia, 4 Democrats, 2 Republicans.

The States having an equal number of Democrats and Republicans are:

Maryland, 3 Republicans, 3 Democrats; Montana, 1 Republican, 1 Democrat; Nebraska, 3 Republicans, 3 Democrats; New Hampshire, 1 Republican, 1 Democrat, and New Jersey, 6 Republicans, 6 Democrats.

IF DEADLOCKED

Should the House deadlock as above suggested and fail to elect prior to the 4th of March, then the Senate shall choose a Vice President, selecting one of the two candidates who received the highest electoral vote.

The Vice President so elected automatically becomes President.

In the choice of a Vice President each Senator has a vote; as there can be but two candidates, there is no opportunity for a deadlock.

Mr. SHREVE. Mr. Chairman, I yield 10 minutes to the gentleman from Wyoming [Mr. WINTER].

Mr. WINTER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming? [After a pause.] The Chair hears none.

NAVAL OIL RESERVE LEASES

Mr. WINTER. Mr. Chairman, on March 17, 1924, I addressed the House on the subject of the naval oil reserve leases. In continuing and concluding my remarks on this subject I desire to say that I am not now and never have been interested in any of the Sinclair or Doheny oil companies; I do not now own and have never owned a single share of stock in any of them. I am not acquainted with Mr. Sinclair or Mr. Doheny; I am not interested in any property which was benefited or likely to be benefited by these leases. The contrary is true, and true of members of my family. Perhaps that is sufficient to qualify me as a disinterested observer. My only interest in the matter is that of a citizen of the United States and of Wyoming and as a Member of this body.

I wish to reiterate, first, that the matter of alleged fraud and corruption in connection with the leases is to be determined by the courts, especially as to the criminal feature; that partisan attitude is to be deplored; that calm and fair consideration of the matters of policy, legality, wisdom, and necessity of the leases is the proper attitude of Representatives.

Leaving then the charge of fraud or corruption to the courts, both as to its criminal aspect and its effect upon the leases, if proven, which would doubtless make them voidable, let us inquire further into the questions as to whether the leases were authorized, whether they were necessary, whether they were wise and beneficial to the Government, whether they do or do not abandon the policy of conservation, whether they would or would not provide sufficient fuel oil for the future use of the Navy, and, finally, as to the effect of the cancellation of the leases and contracts.

In the presence of the Fall disclosure as to money transactions, judgment was disturbed as to these leases and indignation took sway. When prejudice and mob rule reign the innocent and the just are swept to death with the apparently culpable. The hungry wolf pack tears its own member to pieces if it shows a wound or a weakness or stands in the way. Malign suspicion turns the accusing finger at the slightest opportunity, the verdict of guilty is rendered, and the death

sentence at once pronounced. But we are recovering from this trend toward the days of Salem witchcraft.

I hold it now time to consider and determine, if we can, whether these leases are good or bad. The Nation has naturally enough been led to believe, because of money transactions between Mr. Fall and the lessees, that the interests of the people have been betrayed. It was simply taken for granted that a great wrong had been done the American people. The time has come for the good sense and sober judgment which is theirs, to be exercised by the people and their lawmakers. Let us, if we can, lay aside indignation, prejudice, and prejudgment, and analyze the conditions existent at the time, the terms, and the provisions of the leases and contracts and the language of the law under which they were made. The leases are the best evidence. I commend a reading of the leases to those who recklessly assert that there has been a "giving away" and a "looting" of the public oil resources. On further study and consideration of these conditions, leases, and contracts I find strong reasons from the Government's standpoint why we should question the advisability of voiding these leases. In my judgment it was a fortunate decision when Mr. Doheny's offer to turn back his lease on the California No. 1 reserve was not accepted, and fortunate that no such proposition was made or entertained as as to the Teapot Dome.

DRAINAGE AND NECESSITY

One of the basic matters of controversy is the question of loss of Government oil by drainage. The necessity for making a lease on No. 1 and No. 3 reserves was claimed to lie in the fact of the drainage of the Government oil by private wells. As to No. 1 none dispute it. School section 36, private property of the Standard Oil Co., in the heart of the field was being operated, and immense amounts of oil produced; 12,000 acres were patented, private ground, out of a total of 38,000 acres. Conclusive proof of the effect of private adjoining wells on naval reserve area production is shown by the fact that the first 10 wells drilled by the Standard Oil averaged 32,000 barrels; the second 10 by the same company averaged 25,000 barrels. But when Mr. Doheny under his lease drilled offset wells, his first 10 wells averaged but 260.

Drainage as to the Teapot Dome is sought to be denied by those who attack the lease. Therefore let me briefly present the following facts which bear directly upon this question and lead, in my judgment, to the inevitable conclusion that it was necessary to make the lease, and that there had been great loss, as is now proven, because of failure to lease during the preceding years.

Both Salt Creek and Teapot fields are in one great oil structure. The producing oil sands in Salt Creek run through Teapot field and are continuous between the fields. In Salt Creek these sands are 150 feet higher than in the Teapot. Last year, 1923, while the Teapot was producing 1,022,000 barrels, Salt Creek produced 35,000,000 barrels. Oil under gas, rock, and water pressure seeks the highest point in these underground sands.

Wells drilled in the saddle, a slight depression of the sands between the ends of the two fields, found in the second sand oil, not water. That was absolute proof of the continuity of the oil deposit of the two fields.

A line of wells in Salt Creek 200 feet from the division line, an imaginary line separating Salt Creek from the Teapot, produced when drilled to the second sand large amounts of oil.

When wells were drilled in the Teapot Dome, the production of the Salt Creek wells across the line were at once diminished, again showing the contact, the connection, and the effect of lessening the pressure of gas.

The absence of tremendous amounts of oil which should have been found in the Teapot by the unanimous judgment of all concerned is exceedingly significant. Theories about faults and closed structures and speculations that when a certain amount of oil is drawn off water would enter between the fields and prevent drainage can not combat the incontrovertible facts of the presence of oil in the saddle, of its flow into Salt Creek wells, and the reduction of the capacity of the Salt Creek wells when the Teapot wells were drilled, and can not stand for a moment in the face of the tremendous and dismaying fact that the oil, which all thought was there, which by all rules, indications, experience, and the size of the structure, the known character of the sands, should have been there, was not there. Eighty wells have penetrated the sands, proven their capacity and contents, and defined absolutely the limits of the oil area. Four-fifths of the oil expected is gone.

In Senate Document No. 210 are the reports of the Bureau of Mines and the Geological Survey on the question of drainage, and they concur in the view that there was risk of damage through loss of oil as to the north part of the reserve adjacent to Salt Creek. They differed as to such risk only as to the rest of the reserve, the Bureau of Mines, having charge of the Government's interest on the ground, holding that there was risk to the entire field.

James O. Lewis, one of the consulting engineers and geologists appointed by the Senate Public Lands Committee to examine the Teapot structure last summer, and who made report, found on page 69 of the hearings, upholds the view of the Bureau of Mines, and says concerning the loss of oil in addition to drainage by loss of gas pressure:

> The drilling of one well would soon have to be followed by the drilling of the next location, and so on at short intervals until all parts of the reserve not protected by barriers had been drilled on.

He further found that there was no such certain impervious barrier.

He states as his conclusion:

> The special conditions now known to occur in Teapot Dome make the leasing of the reserve in a unit even more desirable than could have been anticipated when the lease was executed.

Speaking of the faults across the Teapot field, which the Geological Department relied on to stop drainage from the south part of the field, Lewis concludes:

> The most probable expectation was that they would retard but not prevent drainage.

Mr. Wegemann, formerly an eminent Government geologist, reported:

> There is no doubt that from the point of development of the property and recovery of oil from it, it will be much better to develop the property as a unit before the invasion of water. The Navy Department can not prevent drainage of the property as outlined above.

Fred G. Clapp, the other consulting geologist appointed by the Senate committee, whose report is found on page 111 of the hearings, fixed the proportion of the oil lying north of the fault at 16,000,000 barrels, which constituted more than 60 per cent of the total, and notwithstanding he gives it as his opinion the fault will act as a complete barrier, he says:

> No person can say absolutely that migration of oil could not take place from south of fault No. 4 owing to the operation north of it.

Mr. Clapp further says:

> We must keep in mind the object of obtaining an oil supply for the Navy, i. e., the extraction of the greatest amount possible of crude oil which may be exchanged for fuel oil at some strategic point.

As a last quotation from the committee's expert I give the following:

> No barrier exists in the sand body north of the middle east and west line through sections 33 and 34, but this line roughly constitutes the southern boundary of 1,600 acres of probable oil territory, or 70 per cent of the oil-bearing area, of the naval reserve which would be drained by or the percentage of recoverable oil reduced on account of Salt Creek wells, even though Teapot Dome had never been drilled. Such susceptibility (drainage) was demonstrable to the extent of 43 per cent of the total oil-bearing area before the execution of the naval reserve lease.

Because these reports did not suit the ideas and purposes of the chief antagonists of the Teapot lease they have sought to repudiate them, although made by the very eminent experts employed by the Senate committee for the purpose. The verdicts of these foremost geologists of the country, after the most exhaustive examination, rendered separately, were that great drainage was taking place prior to and at the time the lease was made and would continue to occur. The proponents of an alleged conspiracy regarding the Teapot Dome, nondrainage being necessary to support that theory, have attempted to substitute the reports of voluntary, irresponsible experts not employed for the purpose to uphold their contention. But even these nonofficial geologists were forced to admit and did admit that one line of wells would have to be drilled on the Teapot reserve, and that such wells would only "measurably" protect the reserve from loss.

The mistake of those who claim, though they admit that portions of the reserves had to be drilled, that these reserves should not have been leased in their entirety, is clear to those experienced in the business. I am not an expert or an experienced oil operator, but it seems plain to me, for illustration, with Salt Creek producing 100,000 barrels per day and freely connecting with the oil sand in the Teapot, to which it is contiguous and with which it is continuous, it was impossible that one line of wells across the Teapot next to the Salt Creek line, producing perhaps 1,000 barrels, would save the

Teapot field from drainage, especially when we take into consideration the loss of gas pressure to make the oil recoverable. One line of wells on the reserve or next to the reserve called for another; the first line was using up the great lifting power which brings the oil to the surface. Every new line of wells requires another line until the whole field is under development. To get maximum results simultaneous and comprehensive development was necessary. That made the gas 100 per cent efficient in the production of oil.

All of the above is convincing proof that the Teapot Dome was being drained, and it was therefore necessary to make the lease. But I will go further and say that even if such overwhelming proof were lacking, if there was a single doubt of the Government oil being safely held in the Teapot structure, it was the absolute duty of the Secretary to make a lease at once. How apparent it is that if he had not made this lease and a few years from now the field had been opened and the discovery then made that it held but 26,000,000 instead of 135,000,000 barrels, there would have been a terrific condemnation and a hue and cry would have gone up all over the land at the great loss.

Had the Secretary then said in excuse or attempted justification that he was not sure it was being drained, that it was not absolutely proven, and that consequently he took no steps to lease and get out and thus conserve the Government's oil, he would have been denounced and condemned as an incompetent or a knave, and perhaps a criminal in conspiracy with private owners of wells over the line in Salt Creek. But as the record stands the responsibility for that loss is upon Mr. Daniels, Mr. Lane, and Mr. Payne, Secretaries under the Wilson administration.

The present situation is that reserves No. 3 and No. 1 are under receivership in the courts at the suit of the Government. It is significant to note the fact that no temporary injunction was asked for or granted against production from these leases. Inasmuch as those who criticize the leases contend that the primary great object was and is to conserve the oil in the ground, the only explanation of continuing production now is that the attorneys, the court, and receivers have found that it can not be done. Wells, especially pumping wells, as are those on the Teapot, can easily be closed in. Therefore it is the drainage they fear, and rightly so. In spite of constant assertions to the contrary, it must be realized by all that the oil could not be and can not be conserved in the ground. There never was a time when conservation in the ground could be maintained except in theory. It was a practical impossibility, this because of private holdings and productions contiguous to or in the naval reserve structures.

Further, had there not been such private holdings and drilling in the reserves and had there not been contiguous fields or structures producing, from the very migratory nature of oil no geologist or expert will assert, and manifestly no man can assert, that a given deposit of oil in the earth will be at the same place of deposit 30 years hence. A slight movement of the earth, the spreading of an existing fault, the pressure of the surrounding water in the sands containing the oil deposit, with its own tendency and quality of movement when under gas and water pressure, which is the law of gravity as to oil, may result in the migration of the entire deposit. Two of the most perfect closed structures in Wyoming, Emigrant Gap and Tisdale Domes, were found to be filled with water. The oil had been there, but it was gone.

The facts show drainage conclusively and, to a very substantial degree, admittedly. There was a theory of conservation in the ground after an admitted loss. This being the situation, what was the Secretary to do? Take a chance on a theory and risk the people's oil resource, or heed the facts and actual conditions and save it by a lease? Mr. Daniels, Mr. Lane, and Mr. Payne took such a chance in reserve No. 1 and in the Teapot reserve No. 3, and all the indications point strongly to a consequent loss from these two fields of tens of millions of barrels of oil. That was a great mistake caused by blindly resting on the theory of conservation in the ground.

It is my judgment that the newly appointed commission by President Coolidge to look into this very matter of conservation in the ground will result in a recommendation that it is not a safe and sure method even as to other separate segregated fields which the Government may hereafter find and withdraw for naval reserve purposes; because of the constant peril of migration through natural causes; and that as to reserves Nos. 1, 2, and 3, it was a demonstrated impossibility prior to and at the time the leases thereon were made. I am convinced that their report and the opinion of the people of this country, when they have all the facts, will be that Secretary Denby was right in his judgment and adopted the only course positively insuring, first, the saving of the Government oil, and second, the insurance of sufficient Navy fuel oil for future emergency.

Let me say that the conservation of oil in the ground in Teapot Dome was put beyond all possibility by the sale of leases numbering more than 40, of 160 acres each, 6,480 acres, on the Salt Creek field on the east, southeast, and south parts of that field; these were on Government land on which no one had mineral rights under the general mining law or lease equities under the act of February 25, 1920. The sale of these leases for royalty and bonus consideration was made, following the official plans of Mr. Daniels and Mr. Payne, in June, 1921. This was proper and necessary as patented lands, State lands, and lands leased under the act of February 25, 1920, were all producing oil in the center of the Salt Creek field. These leases in southeastern Salt Creek gave private owners thereof the opportunity to drill wells within 200 feet of the Teapot line. Some of these leases, whose drainage of Teapot oil no intelligent, honest man will deny or has denied, came in with a flush production of more than 2,000 barrels per day. Thus, the drainage by Salt Creek was more directly and swiftly increased. Conservation in the ground became an impossibility then, even if it had been possible before. The issue was not, which is the best method of conservation, in the ground or in the tankage on the ground. There was no choice. It had to be saved and conserved by production.

MANNER OF LEASING

While on the subject of these many small leases made in carrying out the plans of Mr. Daniels and Mr. Payne in Salt Creek, I take up the criticism that if the Teapot had to be drilled it should have been parceled out in a similar manner instead of being leased as a whole; that many individuals or companies would have paid a bonus for the leases as they did in Salt Creek, where such bonuses aggregated $1,687,000. It is overlooked that the single provision in the Teapot lease with the single lessee requiring the construction of a pipe line brought the Government 41 cents per barrel more for Teapot oil. On the 4,250,000 barrels royalty oil coming to the Government out of the 26,000,000 barrels total content there will come to the United States $1,742,500. It is right when judging the wisdom of this lease to remember the field was supposed to contain 135,000,000 barrels. If such expectancy had been met, the United States would have profited, at 41 cents per barrel over the local field price, on 40,000,000 barrels, the probable Government royalty, the sum of $16,000,000. This is a far greater amount than could ever have been expected under the most favorable conditions from bonuses for leases from many separate operators.

Had 60 small operators invested in these suggested smaller leases, as in Salt Creek, and they would have leased the entire 9,321 acres, paying bonuses therefor, it would have been, as the failure of the field developed, disastrous to them, to the Government, and to the banks and business generally, which would have loaned and contracted upon the basis of a great field which the drill proved was not there.

Again, as to the wisdom of the lease and the profit to the Government of these terms, it was far better to have a comprehensive plan of economic and efficient development by a single company strong enough to build 715 miles of pipe line to put the field and the northwest country and all the Government royalty oil in that region in connection with, provide transportation to the great transcontinental pipe lines running east to the great markets, and secure the midcontinent price for the oil.

Not only was 41 cents per barrel above the market price realized for the United States by the contract as to Teapot oil but what is of vastly greater importance as a practical business accomplishment, the pipe-line connection with the midcontinent field has been and is bringing the same extra 41 cents per barrel for all Government royalty oil from Salt Creek, amounting to 20,000 barrels, $8,200 per day. To date the Government has realized over $3,000,000 more for its royalty oil from Salt Creek, over the amount it would have received, had there been no Teapot lease to require the building of the pipe line.

Again, in judging the necessity for and the wisdom of the leases both in Wyoming and California, let it be remembered that immediately prior to and at the time of the making of the leases and contracts therewith, our relations with Japan were strained and culminating toward early conflict in the Pacific. Touching the charge of secret letting of the Teapot lease it was deemed by the Secretary of the Navy proper and best for the interests of the country not to make public the naval oil storage plans until a contract on reserve No. 1 was accom-

plished with similar provisions for exchange of oil and storage of fuel oil, complementing and completing the plan and system for the benefit of the Navy and the Nation's defense.

Before any work was done, under these leases, Secretary Denby, on May 4, 1922, informed a subcommittee all about the Teapot lease and the negotiations for No. 1, and the reasons for entering into them. Nothing was concealed. Congress had full information two years ago.

It is true that there was no public advertising for bids on the Teapot lease. But three great companies, outside the Standard Oil, were asked to bid. As to No. 1 lease, five companies bid, of which three are on record in the Interior Department. What does this tend to prove? It shows that there was no secret collusion with the lessees who got the leases. It shows that the reasons for not publishing notice actually were the withholding of our Navy plans, until leases and plans were completed, and to secure one great company powerful enough to develop the whole field comprehensively, and economically, as a unit, and able financially to build the pipe line so vital to market and price.

TERMS OF CONTRACTS AND LEASES

As to the wisdom of that part of the leases and contracts which provides for the exchange of royalty oil for tankage, great indignation had been expressed at the idea of the Secretary of the Navy paying over to the lessee a large amount of the oil for the furnishing of the material and the labor and erection of the steel storage tanks. It is true it took two barrels of oil to pay for the storage of one barrel; it is pointed out that hence, instead of getting 17 per cent on Teapot oil, we get only 6 per cent. Of course, we got the 17 per cent royalty. We spent out of that royalty 11 per cent to pay for these tanks to store the 6 per cent left. That was a simple matter of arithmetic and market price. The oil was worth so much, the steel tanks supplied and erected were worth so much. No one has attempted to show that the prices at which each were figured were not the fair and reasonable price and value of each. Under the terms of the contract, moreover, no one in competition would have erected the tanks for the same amounts, as Doheny and Sinclair were compelled by the contracts to erect them at cost and without profit. Further, let it be remembered throughout that these great necessary, costly steel tanks are now and will be forever the property of the United States—valuable, permanent, and worth to the United States every cent they have cost in royalty oil. Their value to the Nation's security is incalculable.

The lease on the Teapot Dome was let with the anticipation by all parties concerned that there would be 50,000,000 barrels in the first Wall Creek sand and 85,000,000 barrels in the second Wall Creek sand. Had this field contained 135,000,000 barrels, while it would have benefited Sinclair, it would also have enhanced in greater and greater proportion the royalty portion of the Government. The larger content would have meant greater pressure, larger wells, of greater producing capacity. That would automatically have secured to the United States much greater returns as the percentage of royalty under the contract and lease rose on a sliding scale from 12½ per cent minimum up to as high as 50 per cent on all wells averaging 1,000 barrels production per day. This was the highest royalty ever given on an unproven field to my knowledge, in the history of the business at the time the lease was made. The gross royalty might easily have reached 30 or 35 per cent, and the net in storage 10 or 12 per cent.

Newspaper articles have stated and men prominent in official life have within the last week told an audience in Chicago that the Teapot Dome lease was so drawn that the royalty was to be paid on the basis of "natural production"; that is, by the normal flow without stimulating the production by "shooting," and that thus the percentage of the royalty was kept down and the Government defrauded of its rightful proportion of the oil.

Section (g) of the lease provided:

> Upon the completion of the test wells hereinbefore provided for the lessee shall continue in good faith to use due diligence to fully develop the lands hereby leased for the production of oil and gas.

"Due diligence" and "fully develop" include the "shooting" of wells, especially when adjacent to private wells which were "shot." Any court will so hold. In addition it was to the interest of the lessee to "shoot" the wells and they were shot.

Again what are the facts? I read a letter from H. Foster Bain, Director of Bureau of Mines.

APRIL 5, 1924.

Hon. CHARLES E. WINTER,
House of Representatives, Washington, D. C.

DEAR MR. WINTER: In discussions of the Mammoth Oil Co. lease for the Teapot Reserve, owing to the fact that in the contract article 2 in defining the conditions under which the contractor was obliged to commence the completion of a pipe line, "natural production" of 30,000 barrels was taken as a basis, and in definition of "natural production" it was specified that this should be the flow or pumping of crude petroleum from a well that had not been artificially stimulated, some confusion has arisen.

This has nothing whatever to do with the royalties paid. Section 3 reads as follows:

> "3. Royalties: The lessee agrees to pay and deliver to the lessor as royalties under this lease a royalty on all gas and casing-head gasoline produced and sold from said lease or used other than for production purposes on the lease and on all oil produced except that used for production purposes or unavoidably lost."

Elsewhere provisions are made for the usual deductions for sediment "in the manner prevailing in the Salt Creek oil field, Wyoming." There has never been any question but that royalty should be paid upon all oil however it might be produced. The provision as to "natural production" was inserted to avoid forcing the lessee to assume the large expense incident to building a pipe line on the basis of a temporary and stimulative flow from a few wells.

The confusion has arisen owing to the fact that a certain Mr. Tarbell, apparently unfamiliar with western practices and without having carefully read the lease, assumed that the definition of "natural flow" applied to the wells upon which royalty was assessed. His statement appeared in the New York Times, but in a parallel column was a complete explanation of the facts of the case given by Mr. A. E. Watts, vice president of the Sinclair Co. and one of the receivers of the property. Despite this complete and immediate showing of the error into which Mr. Tarbell has fallen, I am sorry to say that the misstatement is still being printed. Anything you can do to set the matter right will be in the public interest.

Cordially yours,

H. FOSTER BAIN, *Director.*

I now read from statements made to newspapers at Chicago, April 9, 1924, by the receivers of the Teapot field, appointed by Judge Kennedy, of the United States District Court at Cheyenne, Wyo. This is the latest authoritative information.

> CHICAGO, APRIL 9.—Receivers for the Teapot Dome appointed by the United States district court in Wyoming, Admiral Joseph Straus and Albert E. Watts, passing through Chicago to-day on their way east with the preliminary report of their findings on the property, said the report was now on file in the district clerk's office in Cheyenne. The report, they said, showed the receivers found 60 wells producing oil on the property, 11 producing gas, 5 drilling wells in the process of completion, and 4 dry and abandoned, a total of 80 wells.
>
> According to the report it is the belief of the receivers that the Mammoth Oil Co. had been operating the field efficiently, and there is no intention to change the working force at the present time. The report further states that Commander A. H. Stuart, of the United States Navy, had full access to the property and records, and that a representative of the Bureau of Mines is on the property at all times to conserve the Government's interest when the oil is gauged and sold.
>
> There has not been any disposition to hold back production by not shooting the wells in order that a lower percentage of royalty be paid the Government. An examination of the records shows that with one exception every well has been shot, some three and four times. There is no reason why any person should be given false information, for the facts can be had at all times from the Bureau of Mines.

Once more, another charge that the lessee was favored and the Nation's interest neglected or betrayed in the terms of this lease is entirely dissipated and proven false by the simple facts in the case.

INVESTMENT, PRODUCTION, AND RETURNS

The act of Secretary Denby in making the lease on the Teapot reserve and the wisdom of its terms must, to be fair, be judged from the standpoint of the larger content supposed by everybody to exist in the field. It is interesting, however, to note the actual figures and facts which more than a year's drilling and production have proven. The evidence is that, while the structure area is 9,321 acres, the oil-bearing area and gas area combined is less than 5,000 acres. Instead of the expected 300 to 500 barrels per day per well production, the actual capacity of the wells, 60 in number, producing oil is 70 barrels. The total amount produced from the beginning, a little more than a year, to March 1, 1924, is 1,250,000 barrels. The production during the year 1923 was 1,022,000 barrels. One-half of the production has come from the north end of the field adjacent to the Salt Creek field. The total daily production March 1, 1924, was approximately 4,600 barrels. To secure this production 80 wells were drilled. The 60 producing wells were drilled through the producing sands and shot. The remainder of the wells were either unproductive or productive of gas only, for which there is no market. The average cost per well was

$30,000. With equipment, camps, water lines, gas lines, steam lines, oil lines, road building, water tanks, and production tanks a total of $6,000,000 was spent on the field. Including the pipe line required by the lease and contract to be constructed, costing $20,000,000, and including also a great number of storage tanks of 80,000 barrels capacity each, there had been a total expenditure of $40,000,000.

Assuming that the pipe line, 715 miles in length, and the great tank farm will ultimately pay for themselves in the storage and transportation of oil, and considering only the $6,000,000 expended on the field, it will take several years of production at its present rate to return this investment and to begin the accrual of profits. The daily production, 4,000 barrels, if maintained—and it can only be maintained by the drilling of new wells—amounts to 1,460,000 barrels per year, of which the Government will receive 17 per cent royalty, if last year's well capacity and royalty be taken as the standard. This means the Government will receive annually 248,000 barrels, leaving 1,222,000 barrels.

Giving this an average value of $1.25 per barrel, the market having been as low as 60 cents per barrel in the past year, the share of the lessee will be, in round numbers, $1,500,000. Without calculating an immense overhead and new wells to maintain the daily production, it will take three years more to return the lessee the money expended on the field. Including the $20,000,000 expended for the pipe line, the life of which without renewal would be but 10 years, the $6,000,000 on the field and the $14,000,000 operating expense and storage, the known whole content of the field in the two sands, 26,000,000 barrels, worth $30,000,000, will repay the lessee but three-fourths of his expenditures. It will take 20 years to do that.

When the Teapot lease was made and everyone concerned thought that the field would produce oil, it was not in fact a proven field. No well had been drilled in the Wall Creek sand within the withdrawal lines. It was in that sense a wildcat field. Other oil companies than the Mammoth or Sinclair were asked to submit bids. This is the fact, as shown by the evidence, pages 753 and following, of the hearings before the Senate committee, notwithstanding the constant assertion that the Teapot lease was let in utter secrecy between Fall and Sinclair. The other companies asked to bid on the Teapot lease would not take the chance. The provisions demanded by the Secretary in favor of the Government, including the enormously important feature of the great pipe line, were too drastic. Sinclair was a plunger and took the chance. Developments have shown that he has lost.

The statements of Doheny and Sinclair that they would each make $100,000,000 on their lease has spread broadcast an entirely erroneous impression. Obviously, where there are but 26,000,000 barrels of oil, as in Teapot, worth a little more than $1 per barrel, deducting 17 per cent of that for the Government, it would be impossible to make one-tenth of $100,000,000 after deducting the cost of development, production, and marketing. The Sinclair statement was made in expectation of 135,000,000 barrels in the field, but it would still have been impossible. But he would have eventually in 20 years about 100,000,000 barrels to refine. Even the enemies of the lease have assented to the proposition that $1 per barrel profit could be made on the refining of the oil and that such was his meaning. This, of course, would have been perfectly legitimate, representing profits on an invested capital in the refining business of many millions of dollars. Thus a sinister implication and widespread prejudice in this matter are removed. It is perfectly manifest, aside from the legitimate profits of refining and marketing of this oil, there could not be such profits in these leases.

There is but one-fifth the anticipated volume of oil in the field. This might possibly be increased to some extent should some lower sand prove to be productive. I understand it to be the fact that a small production within the last two months has been proven to exist in a third sand. If there be greater and stronger production, the United States will gain much more in proportion than the lessee.

The Government plainly drove a good bargain. Had the field contained the expected volume of oil, it would have been a still better lease on behalf of the Government, because of the larger royalty payable under the terms for larger wells.

SUFFICIENCY OF OIL IN STORAGE

Let it be realized upon the question of adequate amount in storage for the Nation's needs, and an apparent lack of 15,500,000 barrels from the three naval reserves manifestly due to the drainage and loss of oil from Teapot Dome from 1912 to 1921 during the Wilson administrations, that the Nation has 17,500,000 acres of its lands now under lease or permit as oil land under the act of February 25, 1920. Much of this will prove productive. New fields are constantly coming in. Should it not withdraw and segregate other additional separate structures in the future, which it can do at any time, from the public domain, as naval reserves, or under any other name, from which to produce great quantities of oil, we already have a vast production of oil coming to the Government under the operation of the general leasing act. From Salt Creek alone come 20,000 barrels daily from which the Government can exchange for fuel oil and place in permanent tanks, provided the leasing act be amended to permit it, and providing the Government pays to the States where produced and into the reclamation fund an equivalent amount of money as that now paid them out of the oil royalties under the act.

THE OIL IS AVAILABLE

It can not be contended that the three present reserves are the only reserves possible to the Navy. If it could be, it is still a fact that the Government has oil resources and receipts now by which it can exchange and fill tanks to the extent, if it desires, of 100,000,000 barrels instead of the 47,000,000 specified by the naval officials as a sufficient amount for any emergency. The deficit is, under present arrangements, 15,000,000 barrels, 31,500,000 being assured from reserves Nos. 1, 2, and 3.

Let me here suggest further that the matter of the future oil supply for the Navy or for the country generally is, in my opinion, not so alarming as has been said, inasmuch as it is an established and unquestioned fact that in addition to many structural fields of crude undrilled the shales of Wyoming, Colorado, and Utah are saturated with not only millions but billions of barrels of oil which can be extracted by known methods as Scotland has extracted oil from its shales for 50 years. The fact that such extraction will be more expensive than the flowing or pumping methods from deposits in the sands does not change the fact that the oil is here and in such quantity as will forever insure our Navy and country fuel oil and gasoline; certainly to such time as oil continues to be the fuel to create motive power. The probabilities are that long before the oil supply is exhausted some better source of power will have been developed.

POLICY OF CONSERVATION

But if our three reserves were all we had the people will eventually know the truth that the policy applied by Secretary Denby in the matter of naval-reserve leases, instead of defeating the conservation of oil for the Navy and imperiling the future safety, has secured such conservation in the only manner possible. I assert that the Denby policy of putting into practice the exchange and storage feature of the law guaranteeing fuel oil for the Navy where and when it is wanted was one of necessity, efficiency, and wisdom as against the Daniels-Payne policy of leasing, in part, selling the Government royalty oil, and placing the money proceeds into the Treasury instead of fuel oil in permanent storage; and against their policy of nonleasing and nonproduction, as to the large part, permitting the loss of many millions of Government oil by drainage and loss of gas pressure.

Much has been said of the abandonment of our fixed policy of conserving the Navy oil. There was no change of policy as to conserving the oil. When the conservation in the ground was endangered, when we were losing our oil, the method of conservation had to change. When conservation underground became ineffective, impossible, conservation on the surface of the ground became the method and the only effective one. Let us face this undeniable fact and, using reason and common sense, be fair.

AUTHORIZATION, EXCHANGE, AND STORAGE

I come now to the question of authority and validity. The authority given by Congress to the Secretary of the Navy by the act of June 4, 1920, clearly and admittedly covers the right to conserve, develop, operate directly or by contract or leasing, use, store, exchange, or sell the oil from the naval reserves. Supposing Secretary Denby had produced and sold all the oil, if operating directly, or the royalty oil if by contract and lease, coming from the naval reserves and turned the money into the United States Treasury. No one could say he had exceeded his authority. Presumably, therefore, no complaint would have been, or at least could have been, reasonably made. Such a course would manifestly not have conserved the oil in the ground or anywhere else. It was true conservation looking to the future supply of fuel oil for the Navy to "exchange" it for fuel oil and then "store" that fuel oil permanently. It was absolutely the only method by which to conserve the oil and insure proper kind and amount for war emergencies.

The only disputed point and the argument as to the law is the meaning and the scope of the word "store" and of the word "exchange" as contained in the act. No one has suggested that there was any peculiar or unusual meaning or limit of meaning to the words "develop," "operate," "use," or "sell" as contained in the act. The purpose of the act was to meet the peril of loss by private wells. Taking out simply enough for the use of the Navy would not have afforded the protection for which the act was passed. No one can question the right of the Secretary under that act to operate the entire reserves, develop them—which means to drill wells and take out all of the oil—to use all the oil or sell all the oil for the benefit of the United States. The same was under the act true as to "all royalty oil" from these naval reserves. Mr. Daniels, who correctly said that the need of the above act was "imperative" in order to protect the Government, proceeded to act upon the above authority in that he did "operate by contract or lease" on reserve No. 2, and did "sell" "all royalty oil" therefrom. This was not true conservation. It was the exact opposite. Production, exhaustion, disposition, and alienation of a necessary vital resource is not conservation. The oil was being disposed of. Once disposed of for money, the oil was gone. Nothing was left for the Navy by this system. Very little storage was needed so long as a policy of producing and selling Government royalty oil was continued. That was not the meaning of the word "store" in the act. That did not conserve the oil, and the act says "conserve"; that dispossessed the Navy of its oil.

The true meaning of the word "store" is found when we note the word "exchange," the next word in the act.

Why the authority to exchange? Because the oil in the reserve—and especially is this true of the Teapot Dome—is not a natural fuel oil. The oil in the Teapot is what is known as a parafine-base oil, with a high gasoline content; other ingredients are kerosene and wax. Natural fuel oil, that from which fuel oil is refined, comes from what is known as asphalt-base oil. Such is the oil from parts of California and Mexico.

Teapot oil had to be refined; gasoline, kerosene, and other ingredients extracted and the residue treated, and then it would not have been fuel oil within the specifications of the Navy. Were it such the cost of refining, treating, and transportation to either coast would have been prohibitive.

To make this point clear I will state that had it been possible to hold it in the ground, so far as the practical emergency use of the Teapot oil to drive the engines of the Navy was concerned, being of the character and situated as it was, the field might just as well have contained coal or iron or potash or any other product which could be produced or marketed and fuel oil purchased with the proceeds.

Therefore the oil had to be "exchanged" for fuel oil meeting the Navy specifications. The "exchange" was at the rate of one barrel of refined fuel oil of specified qualities, delivered in storage at coast points as directed, for one barrel of the Teapot crude oil at the field. This was a fair "exchange." I have not heard it criticized.

Instead of selling the Government royalty oil and putting the proceeds in the United States Treasury, as was done under Mr. Daniels's leases of No. 2 reserve in California, and buying fuel oil 30 years in the future when needed, if it could then be had, Mr. Denby took the only way to make absolutely sure that there would be oil available 30 years hence; that was to "exchange" it for Navy fuel oil now and store such fuel oil in tanks for permanent keeping. Incidentally the crude oil can not be stored in tanks without great loss; the fuel oil which does not contain the more highly volatile elements can be stored with but very little loss, estimated at one-tenth of 1 per cent per year.

The Government having this royalty oil from these leases, what was it to do with it? Manifestly it had to store it. There was but one method by which this could be done and that was by the construction of great steel tanks to hold it. The act of June 4, 1920, gave to the Secretary of the Navy, at Mr. Daniels's request, the right to "store." To enable him to provide the tankage immediately necessary for this purpose it specified and appropriated an immediate amount of $500,000 to build tanks. This was an emergency authorization to begin the process. The criticism is made—which involves a question not of right or wrong, not of good judgment or bad, not of gain or loss to the Government, but one of technical law—that by the leases and contracts Mr. Denby provided for an exchange of part of the royalty oil for tankage in which to store the Government oil. It is attempted to restrict the meaning of the word "exchange" to an exchange for other oil or oil products only.

There is no such limit or restriction expressed, nor was it, in my judgment, the original intention of Congress to so limit the meaning of the word. The act authorized him to "develop," to "operate the same in his discretion, directly or by contract, lease, or otherwise." It then, in addition, authorized him to "store." What was he to store it in? The right to produce and to store carried with it not only the right but the duty, because of necessity to provide the storage. Is it reasonable to suppose that when production is going on, running into thousands of barrels per day, that the Secretary must return to Congress and have Congress authorize him anew each time it was necessary to provide another or several more storage tanks? Congress might not be in session for nine months at a time. Common sense will say that that was not the intention of Congress. The $500,000 was authorized to be taken from the Treasury from the receipts of the sale of royalty oil, and was also later to be repaid to the United States by the use by the Government of royalty oil. Thus the operation, simplified, was the payment for storage out of royalty oil. Having been paid into the Treasury and there being no royalty proceeds other than that which had been paid into the Treasury, the act had to provide an amount out of the Treasury at once for the immediate building of some storage tanks. Under the act of June 4, 1920, practically and legally the cost of storage can just as well be paid for by "exchange" of royalty oil for storage in the first instance as to sell the oil, put the proceeds in the Treasury, and appropriate it out of the Treasury. If this could all be contracted for with the same lessee, and the cost of construction of storage by such lessee was reasonable—it has not been asserted otherwise; in fact, it was required to be built without profit by the express terms of the contract—it was most sensible and right to include such provision in the lease and contract.

It is plain common sense as well as the rule of construction that the right to produce and the express right to "store" included the implied right to provide the necessary storage. It followed in logical sequence. If the Secretary was given the right and it became his duty to "develop," to "operate the same in his discretion, directly or by contract, lease, or otherwise," that meant that there would be production. There being production, it had to be stored. Given the right by the act to "store," the Secretary had to provide tanks to contain it. All this had to be done out of the royalty oil, as nowhere did the act contemplate any future appropriations out of the Treasury to run, operate, or handle the naval reserves or the royalty oils therefrom. They were to be self-sustaining, self-operating out of their own resources, without appropriation help from the Government except the initial amount of $500,000, which was to be repaid.

EXCHANGE FOR TANKS AND APPROACHES

Those who contend that the Secretary exceeded his authority by contracting for storage tanks to be paid out of royalty oil exclaim that the amount will rise to an ultimate expenditure for this purpose and other purposes in connection therewith to $102,000,000, and that therefore proves it was not the intent of the law. That does not change the law or the necessity for or wisdom of the law and its exercise. That is governed by the amount of oil coming to the Government to be stored. Necessarily, the more oil, the more storage. Is it a valid objection that there will be vast storage facilities when it involves an equally vast amount of oil for the Navy? Is it conceivable that we begrudge the tanks to put the oil in? Has the United States suffered by the necessary expenditure of royalty oil for the storage provided in the contract and lease?

Would Congress, if applied to for the money for this purpose, debate the question of whether it would appropriate the money to furnish the tanks? It would do it as a matter of course. Hence it authorized it in the first instance in the act.

The rule of construction, whether it be a constitution or a statute, is fully settled that where the express power is given to do a thing and the means by which it is to be accomplished there is the implied power to use such means and do whatever is necessary to accomplish the express object.

Any court, in my judgment, will hold that a law must be interpreted so that if it impose a duty on an official and provides the means, as in this case, it grants him the right to use such means and do those things absolutely necessary to perform that duty. Therefore, when Congress gave the Secretary of the Navy the power, and imposed upon him the duty, and provided a method to "store" the Government royalty oil or the fuel oil for which it was exchanged, it likewise gave him the right, in connection with the word "exchange," which was the means, to contract

for the tankage, which was the only method of permanent storage. The right to "exchange" clearly permitted him to exchange royalty oil for such tankage, as well as to exchange it for fuel oil, the only kind of oil which could be stored without great loss by evaporation. There was no limit placed on the words "exchange" and "store." Under a strict construction, the Secretary acted within his authority.

Where the words are clear and direct and there is nothing to make them ambiguous in the act the rule is that the words and their plain meaning govern. There is no occasion or right of construction to limit their meaning, except to the general purpose of naval oil supply.

A final point of criticism is that while the foregoing might be true, yet it did not extend to the act of exchanging royalty oil in the contracts for the building of docks and wharves and dredging which was provided for and is being done at Pearl Harbor. This is a closer question. This was costly work, but again it must be remembered that the purpose of the storage was for quick emergency use for the benefit of the Navy in the national defense. Storage, therefore, to follow out the intent of the law, must be immediately accessible. The wharves, piers, and dredging at Pearl Harbor were absolutely necessary to make a stored oil instantly available. Any arrangements less complete than this would have frustrated and delayed the very purpose of storage. So long as it was necessary to make storage accessible for Navy defense, was it not then a legitimate and reasonable extension of the right given in the act? Within the object of the act the authority to "exchange" was unlimited. Accusations of negligence, stupidity, or ignorance would, indeed, have had some foundation in fact had the Secretary stored the fuel oil and failed to have made it quickly accessible.

It is argued that the fact that we will not secure as much oil net in storage as is necessary under these leases is proof that it was not intended that royalty oil should be exchanged for tankage and for approaches to the tanks by our own ships. It is true that the Navy experts had decided that for the full and complete protection of the Nation against the greatest war emergency possible we should have in storage 47,000,000 barrels of oil; that we will secure from the royalty oil under these leases, after payment in oil for the storage and approaches, a net amount of only 15,000,000 barrels from each of the reserves in California and 1,500,000 barrels from the Teapot reserve, a total of 31,500,000 barrels, 15,500,000 less than the required estimated amount. They point to this fact as though it were proof as strong as Holy Writ that a great crime was committed, a great trust betrayed, and lawful authority exceeded.

This criticism of the leases, and the point that this deficit showed a limitation of the word "exchange," is eliminated entirely by the simple fact, which is unquestioned, that when the Teapot lease was entered into everybody concerned and disinterested geologists estimated the oil content of the Teapot field at 135,000,000 barrels. Had it contained that amount then, at the royalty actually received under the operation of the last year, 17 per cent, there would have been 7,500,000 barrels of net royalty oil in storage from this field. But it must be manifest to all that had there been such expected quantity of oil in the field the wells would have been much stronger producers because of the enormously greater gas, rock, and water pressure. The wells might easily have been of a daily capacity which would have returned to the Government a royalty percentage of 35 per cent. This would have brought the net amount of Teapot royalty oil in storage to 17,000,000 barrels, and would have resulted in a total amount from the three fields net storage of 48,500,000 barrels, 1,500,000 more than the required amount. Certainly no one will seriously contend that Mr. Denby is to be blamed for the fact that the larger quantity of oil had been drained away. Also, that fact is clearly not to be considered upon the construction of the law and meaning of the word "exchange."

This special later act of June 4, 1920, as to the right to exchange oil, as I contend, for tanks and approaches to the tanks, as well as for other or fuel oil, so long as it carried out the spirit and purpose of the act to insure oil for the Navy in the future, clearly controls as against the prior general statutes, section 3709 of the Revised Statutes, requiring public notice and bids regarding purchases and contracts for supplies, or the act of August 5, 1882 (22 Stat. L. 296), requiring that a sale of materials of the United States Navy be public, which acts have been cited as fixing his powers. The naval reserve act of June 4, 1920, was intended to and did place in the Secretary of the Navy all the powers he exercised in the leases and contracts—the complete management of the reserves for all purposes for the benefit of the Navy and the country.

Final proof that the act gave the Secretary the power to do all that was done lies in the fact that it is now asserted by the lawyers, statesmen, and critics who contend the Secretary exceeded his powers that the law must be amended with restrictions to limit the scope of the authority now granted by the act.

Secretary Denby proceeded under the act as it reads and committed no crime, betrayed no trust, occasioned no loss, and exceeded no authority when he exercised the right of "exchange" and the right and duty to "store" by the exchange of royalty oil for such storage and approaches thereto.

EXECUTIVE ORDER

There is a perfectly natural explanation why the administration of the Navy leases were turned over by Executive order to the Secretary of the Interior, and why the Secretary of the Navy agreed thereto, though not relinquishing his jurisdiction and supervisory power.

The Secretary of the Interior was in the business in his department of running oil properties. He was looking after the Nation's oil interests in 17,500,000 acres under Government lease or permit. This vast enterprise was operating. It was impractical to build up a new organization in the Navy Department for the comparatively small area of a total of 52,000 acres in the three reserves. The Secretary of the Interior had the trained agencies, the Geological Survey and the Bureau of Mines, as well as field agents everywhere in the field service who were in quick contact with and had intimate knowledge of the lands.

A second and compelling reason was that until the titles were cleared off of the Teapot field in some manner the Secretary of the Interior had all the jurisdiction and the Secretary of the Navy none. It was a perfectly logical thing to have the Secretary of the Interior cooperate in the administration of the naval leases under these conditions. Further, had the mining claim titles not been removed in the manner they were by purchase by the lessee and quitclaim deed back to the Government, it would have taken proceedings before the Secretary of the Interior to pass on and determine the question of the validity or invalidity of such claims.

The Executive order contained the following:

> No general policy as to drilling or reserving lands located in a naval reserve shall be changed or adopted except upon consultation or cooperation with the Secretary or Acting Secretary of the Navy. The Secretary of the Interior is directed to perform any and all acts necessary for the production, conservation, and administration of the said reserves—

Subject to conditions and limitations contained in the order.

In any view of the matter as to the Executive order transferring the administration of the reserves to the Department of the Interior, at most it can be regarded only as a nullity, and the signing of the contracts and leases by Secretary Fall as superfluous so long as the agent of the Government, authorized by the act, Secretary Denby, signed on behalf of the United States; having never been divested of that authority, and it being impossible to divest him of it by the Executive order. He retained the power given him by Congress. Further, had the Executive order been within the power of the Executive it did not attempt to divest the Secretary of the Navy of his right and duty to sign all the contracts and leases. He exercised his right and power and signed them. They protected in every way the interests of the United States.

EFFECT OF CANCELLATION

If the present Government leases are canceled by the courts on the ground of fraud or corruption or any other reason, I assert that immediately thereon the Government will at once be compelled to either operate the naval reserves itself and pursue the same policy of exchange and of storage or let new contracts and leases for the same purpose. The oil must be produced or lost. I further contend that in the event of such cancellation the probable decision of the Government will be not to embark in the strange business of oil production itself. Had it done so in the Teapot field, it would have received less net value than it is now receiving. The United States, in my judgment, will never be able to make as favorable a contract and lease on the Teapot reserve as the existing one; nor probably on reserve No. 1 lease, which it now seeks to cancel.

I submit further the suggestion as to the Teapot Dome if the lease is canceled the court will, unless it is prepared to go to the length of confiscation, decree the return to the Mammoth Oil Co. of the quitclaim deeds for the mining claims which existed on the Teapot field before its withdrawal, September 27, 1909, for which Mr. Sinclair paid $1,000,000 and obligated himself by contract to pay another million, and which he quitclaimed to the Government. Every act of withdrawal of public lands and the general leasing act excepted from their provisions

private claims, mining locations made in accordance with the general mining law of 1872 and the special act of Congress of 1897, declaring oil and gas mineral and oil and gas lands subject to location under the placer provisions.

Thus, following the precedent of every prior act, because Congress could not under the Constitution confiscate private property, the act of June 4, 1920, limited it to lands—

on which there are no pending claims or applications for permits or leases under the provisions of an act of Congress approved February 25, 1920, or pending applications for patent under any act.

It provided further—

that the rights of any claimant under said act of February 25, 1920, are not affected adversely thereby.

So that these claims on Teapot Dome were excepted from the leasing act and the act of June 4, 1920, and the area remained under the jurisdiction of the Secretary of the Interior. Sinclair purchased and delivered quitclaim deeds to all of these mining claims to the Government in part consideration of the lease which the Government was enabled to give only upon the clearance of these titles. The whole area of the Teapot field when these quitclaim deeds are returned will go back under the Department of the Interior, which has sole jurisdiction of public lands, mining claims, and applications for patents thereon. This will mean that the Mammoth Oil Co. may renew their applications for leases under the act of February 25, 1920, for lands on which there were producing wells or demand patents under the general mining law of 1872 and the special act of 1897 for such mining claims as had made discovery of oil as required by law.

There were at least four such claims, aggregating 640 acres, having producing wells ready for and demanding patents whose owners relinquished their right to patent to apply for leases. Leases were refused and a rehearing on the applications asked and denied. Appeal was taken. These claims, in my judgment, are entitled to leases under the act of February 25, 1920, if not patents under the general mining law and perhaps under section 37 of said act. Whether patents or leases be granted or not, the law gives the right to develop and to extract mineral, including oil and gas, without patent and without lease, until the claimant is lawfully dispossessed by proper procedure. If the claims are valid, they can never be dispossessed. It will take years of litigation to clear the fields of such titles as may be invalid, dispossess the claimant, and put the Government in possession to operate by itself or by contract and leases. The procedure will have to be taken by the Secretary of the Interior, who has jurisdiction. Not until that is done, and as to valid claims it may never be done, will the Secretary of the Navy acquire jurisdiction and be placed in a position to enter and operate the field for the Government or put any other lessee in possession. Meanwhile there will be no such thing as conservation in the ground. Production and drainage will be going on.

As the matter now stands, if the Teapot lease is enforced, the titles are cleared, production is conserving the oil otherwise draining by private wells, the Government is surely and rapidly securing, under a contract and lease providing in its terms the highest maximum royalty known in the oil history up to that time, a good proportion of the oil; it is further securing by exchange a fair, large, and adequate supply of accessible Navy fuel oil safely and permanently conserved at the proper places on the coasts for our Navy defense and future safety. The Government is getting the benefit of an expenditure of $40,000,000. The pipe line is finished and the tanks have been built. The Nation is getting 40 per cent more for its Teapot and Salt Creek royalty oils than it would have without this lease. What more can we reasonably expect from any lessee? Experience has shown that Government operation would not bring as good results.

Should we not take a second thought? Even if voidable, the Government should enforce the naval reserve No. 3 lease and consider the same action as to naval reserve No. 1, which is paying 32.3 per cent, the highest royalty, and advancing millions of dollars to develop that reserve and make Pearl Harbor a point of national security.

Let the people be not alarmed. There has been no breaking down of government. Let there be no anxiety. The guilt of one man, if proven, can not affect the stability of this great country. Such guilt is individual. It does not change the integrity, the power, and the genius of this great Government of the United States. No guilty person will be shielded. No party wants any criminal protected. At the same time the fairness and common sense of the American people under the steady guidance of our President will secure even-handed justice for all. The interests of the people on the one hand and constitutional rights of individuals on the other hand will both be held safe. Let the people continue to hold and have faith in their President, in their Congress, in their courts, in their Government, which, under either party, through all the years of the past, has proven its virtue and honesty to the benefit and the glory of the American people. The past with its great achievements and its great figures is the infallible guaranty to the people for the future. "The Government at Washington," the best and strongest on earth, "still lives." The United States of America and its officials are sound and safe and still hold to the "righteousness which exalteth a nation."

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. The gentleman from Pennsylvania [Mr. SHREVE], I believe, promised to yield me five minutes also.

Mr. SHREVE. I regret to say to the gentleman from Texas that our time has all been given out on this side.

Mr. BLANTON. The gentleman promised me, as shown in the RECORD, to yield me five minutes.

Mr. SHREVE. I said we would be very liberal under the five-minute rule when we came to that item in the bill, and we will be. Perhaps the gentleman from Alabama can yield the gentleman from Texas five minutes.

Mr. OLIVER of Alabama. I have yielded the gentleman five minutes, and I will be glad to take that matter up in the event the gentleman from Texas needs an additional five minutes.

Mr. SHREVE. I am very anxious to accommodate the gentleman, and I will be glad to have the gentleman talk out of order for five minutes. That is what I had in mind when I made the statement.

Mr. OLIVER of Alabama. I will endeavor to protect the gentleman from Pennsylvania in case additional time is needed.

Mr. BLANTON. Mr. Chairman, all I want is orderly procedure. The other day the gentleman from Pennsylvania [Mr. SHREVE] moved to go into the Committee of the Whole House on the state of the Union, and I quote from Tuesday's RECORD, as follows:

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I state to the chairman that this bill is the first one that has been before the House involving four departments of the Government. It embraces appropriations aggregating $63,349,160.80. Is it the gentleman's understanding of fairness of debate involving four hours of time to have the time controlled by members of the committee who are both in favor of every provision in the bill? There are a few of us, I take it—and I am one—who has serious objections to a few paragraphs in this bill. It is impossible for the members in opposition to these paragraphs to get any time at all.

Mr. SHREVE. I will say to the gentleman that when we come to those paragraphs we will be very generous under the five-minute rule.

Mr. BLANTON. But we should have at least a few minutes in these four hours of general debate. For my part I can state all my objections in 10 minutes.

Mr. OLIVER of Alabama. I will give the gentleman five minutes of my time.

Mr. SHREVE. And I will give the gentleman five minutes of my time.

Mr. BLANTON. Then I have no objection.

I thought by putting it in the RECORD, and having a written agreement, I could depend on a contract being carried out in the House of Representatives; but if they can not carry out their contract, I do not want the time, Mr. Chairman.

Mr. SHREVE. If the gentleman wants an additional five minutes, we will penalize two other speakers two and a half minutes and give the gentleman from Texas the five minutes.

Mr. BLANTON. I just wanted the gentleman to carry out his agreement.

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes and the time is running.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, I had intended to use my time in general debate on this $63,349,160 appropriation bill, but recent incidents require that I devote it to another subject. The five-minute rule will give me an opportunity to fight some of the wasteful propositions in this bill. Hence I will now discuss the proposed legislation extending the Rent Commission.

Not a newspaper in Washington correctly reported what happened in the House session last Monday, but sought to leave the impression that I made an unfair fight against the

bill. The papers of Mr. William Randolph Hearst made vicious attacks upon me, accusing me of unfairness, without making any attempt to state the real situation. His Washington Herald for Tuesday, April 15, 1924, with headings in huge box-car letters, devoted its entire top portion of its front page to personal abuse. Mr. Hearst cares nothing about the subject.

He cares nothing about the problems of Washington tenants, for he is an ultramillionaire landlord himself in some places at least of the United States. He knows that I have fought against many "grabs" into the Public Treasury made by Washington people, and he thought that attacks upon me would meet with popular response and furnish ready sale for his papers in Washington. The difference between us is that I represent 314,314 worthy people who have confidence in me and who keep me in Congress to do this work, and I am informed by men familiar with conditions in New York who assure me that Mr. William Randolph Hearst could not now be elected to any office within his State from justice of the peace up.

MONDAY'S SESSION OF THE HOUSE

To show just exactly what did occur I quote from page 6328 of the RECORD for last Monday, April 14, 1924, the following:

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7962) to create and establish a commission, as an independent establishment of the Federal Government, to regulate rents in the District of Columbia, and pending that I will ask unanimous consent that general debate be limited to two hours, one-half to be controlled by the gentleman from Texas [Mr. BLANTON] and one-half by myself.

Mr. BLANTON. Reserving the right to object, I want to state to the gentleman from Maryland that this bill is one of the most important bills, in my judgment, that has been before Congress for some time, because it involves a basic, vital, fundamental principle of governmental policy. It ought not to be taken up with only two hours of general debate. There will be no disposition to filibuster against the bill if we are granted two hours to the side. We want a fair, square vote on it, and I know of no attempt to use time except on the bill. There will be no effort on my part to filibuster, provided we get two hours' general debate on a side. I have had requests from a number of gentlemen, and we can not possibly dispose of it in an hour to the side. If the gentleman will change his request to two hours on a side, he will get along much faster than he will if he tries to cut off debate.

Mr. BEGG. I would like to suggest that this principle is not so new; we have had the law on the statute books for four years, and it seems to me that time is the all-vital thing. If this bill is not passed to-day, it goes over for two weeks. I think the gentleman from Texas ought to be fair and agree to an hour on each side.

Mr. BLANTON. If we are granted two hours, the gentleman from Ohio knows that when I say that there will be no filibuster he knows that there will be none on my part. If we do not have a fair chance to debate the bill, the gentleman knows that several hours could be taken up by the opponents if they want to. I have no disposition to do it with fair treatment, but we do insist on two hours on a side. If the gentleman will agree to that, I will help the chairman to get a vote.

Mr. BEGG. If we have two hours on a side, it will be 5 o'clock by the time we conclude.

Mr. BLANTON. We have sat here several days until 11 o'clock at night within the last three weeks.

The SPEAKER. Is there objection?

Mr. BLANTON. I object. If the gentleman from Maryland will agree to two hours on a side, I promise him that I will help to get a vote to-night on the bill.

Mr. ZIHLMAN. Mr. Speaker, I renew my motion that the House resolve itself into Committee of the Whole House on the state of the Union.

Mr. BLANTON. Then I promise you that you will stay here pretty late.

You will notice from the above that it was proposed to those who had charge of the bill that if they would grant two hours for those opposing the bill to debate it there would be no dilatory motions whatever made against it, but that the opponents would aid the proponents in getting an early vote. But the proponents refused to grant the two hours. And they moved to go into the Committee of the Whole, without agreement as to debate, knowing under the rules that they would be able to cut off all debate by using unfair tactics. And to prove that it was their intention to allow no debate whatever against the bill I quote further from the RECORD as to what happened:

Mr. LAMPERT. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to dispense with the first reading of the bill. Is there objection?

Mr. BLANTON. Mr. Speaker, I regret that I must object.

The CHAIRMAN. The gentleman from Texas objects, and the Clerk will read.

The Clerk read as follows:

TWO OBJECTS IN FORCING THE BILL TO BE READ

And thus the Clerk was forced to read the bill in full. I had two objects in doing this. My first object was to consume time and prevent passage of the bill, for you will remember that when the committee refused to allow us reasonable time to debate it I served notice that they would "stay pretty late" before they reached a vote. But my main object was to force them to print the bill in the RECORD so that the Members of the House and the people of the United States could have an opportunity to read the bill and ascertain just how vicious and preposterous most of its provisions were. If it had been a good bill my action would have been censurable. But being bad, I did only my duty. You will find this bill printed on pages 6329 to 6338 of the daily CONGRESSIONAL RECORD for Monday, April 14, 1924. And I urge my colleagues and all citizens in the United States having access to the RECORD to read this bill. It contains 35 pages, bill form. It continues the Rent Commission, an emergency war institution, to August 1, 1926. The original act of May 31, 1918, prevented landlords from ejecting tenants until peace was declared. This was extended by the act of July 11, 1919, for a period of three months after peace was declared. And then the act of October 22, 1919, created this Rent Commission to draw $5,000 salaries, fix rentals, to prevent owners from ejecting tenants or recovering possession of their property before October 22, 1921. And to show conclusively that Congress devised such act an emergency measure, made necessary by the war, I again quote section 122 from such act, as follows:

SEC. 122. It is hereby declared that the provisions of this title are made necessary by emergencies growing out of the war with the Imperial German Government, resulting in rental conditions in the District of Columbia dangerous to the public health and burdensome to public officers and employees whose duties require them to reside within the District and other persons whose activities are essential to the maintenance and comfort of such officers and employees, and thereby embarrassing the Federal Government in the transaction of the public business. It is also declared that this title shall be considered temporary legislation, and that it shall terminate on the expiration of two years from the date of the passage of this act, unless sooner repealed.

Thus note, that when the act became effective October 22, 1919, Congress then specifically declared:

That it was made necessary by emergencies growing out of the war, and that it shall be considered temporary legislation, and shall terminate at the expiration of two years, unless sooner repealed.

Yet the author of this new rent bill [Mr. LAMPERT] in his remarks printed in the RECORD, on page 6334, said:

Another false cry which has been raised is that this is a war measure; that we are now at peace; and that the law should therefore be repealed. You know that this is not so. You know that the original act, of which this is in effect an extension, was not passed until more than 11 months after the armistice had elapsed.

Now, compare Mr. LAMPERT's assertion with the above section 122 of said original rent commission act of October 22, 1919, quoted above, and determine for yourself whether he is correct. For it states in unequivocal language as plain as English can make it that—

It is a war emergency, and shall be considered as temporary legislation, and shall terminate in two years.

The trouble is that my friend, the distinguished gentleman from Wisconsin [Mr. LAMPERT], aided by his confederates, the delegations from Wisconsin and Minnesota (whom the newspapers alleged formed a bloc last Monday to shut off debate in an effort to force the passage of the bill) have caused so many socialistic measures to be passed that we have to quote the RECORD on them once in a while to hold them down.

But instead of letting this war emergency Rent Commission die a natural death on October 22, 1921, as was declared by Congress to be its intention, it was extended to May 22, 1922, by the act of August 24, 1921, with an additional $5,000 attorney added to the pay roll.

And again, instead of allowing it to die a natural death on May 22, 1922, as was declared by Congress to be its intention, it was again extended two more years to May 22, 1924, by the act of 1922.

And now again our friend from Wisconsin [Mr. LAMPERT] seeks to pass his bill extending this Rent Commission again—to

August 1, 1926. And the papers say that the delegations from Wisconsin and Minnesota have formed a bloc to force its passage. And Mr. LAMPERT, on page 6334 of Monday's RECORD, frankly admits, "Personally, I was in favor of the enactment of a permanent law," which shows that he is in entire accord with the Senate bill No. 2110, likewise seeking to establish a permanent Rent Commission, with salaries raised, new officers created, an unlimited number of assistant attorneys at $3,000, and an unlimited number of stenographers at $2,000, and with expenditures unlimited, for let me quote from the bill its section 6:

SEC. 6. Each commissioner shall receive a salary of $7,500 per annum. The commission shall appoint an attorney at a salary not to exceed $5,000 per annum, and such assistant attorneys at salaries not to exceed $3,000 per annum as the commission may deem proper and necessary to carry into effect the intent of this act. The commission shall also appoint a secretary, who shall receive a salary of $4,000 per annum, a field engineer at a salary not to exceed $3,600 per annum, and may appoint such stenographic reporters, capable of taking testimony verbatim at all hearings of the commission, at salaries not to exceed $2,000 per annum. All such appointees shall be removable at the pleasure of the commission. Subject to the United States civil service laws the commission may appoint and remove such other officers, employees, and agents as may be necessary to the administration of this act. All salaries shall be paid semimonthly.

And to show you that the Lampert House bill is running neck and neck with the Senate bill on extravagance, let me call your attention to the fact that after increasing the salaries of the five commissioners, and granting the $5,000 attorney, and $2,500 assistant attorneys, the $3,500 secretary-treasurer, the $3,500 field engineer, the Lampert bill gives the Rent Commission blanket authority to appoint as many $2,000 stenographic reporters as it wants, and concerning other employees and expenses provides:

the commission may appoint and remove such other officers, employees, and agents as may be necessary to the administration of this act. All salaries shall be paid semimonthly.

SEC. 9. The commission may make such expenditures for rent, furniture, office equipment, law books, books of reference, periodicals, printing, telephone service, telegrams, stationery, and for such other supplies and expenses as may be necessary to the administration of this act. The commission shall have the exclusive right to determine the necessity for such supplies and expenditures, which shall be signified by the written approval of the chairman of the commission on all vouchers for such expenditures, and his signature shall be a sufficient warrant and authority to the Comptroller General of the United States and the purchasing officer, the auditor, and the disbursing officer of the District of Columbia to approve, audit, and pay the same. The commission shall not be limited, in its expenditures, to the purchase of items contracted for by the municipality of the District of Columbia.

Has it come to such a pass that Congress will hurriedly pass bills with such ridiculous provisions in them as the above without Members knowing their contents? In its 35 pages this Lampert bill has numerous vicious and ridiculous provisions. I can name members of the committee who have not read one line of the bill and who do not know anything whatever about its contents. I feel sure that there are at least 410 Members who have not read the bill and who do not know its contents. The hearings on the bill embrace 450 printed pages. The committee report contained none of same. As a member of the committee I filed a minority report of 27 printed pages against the bill.

As a member of the committee the distinguished gentleman from Massachusetts [Mr. UNDERHILL] filed a minority report against the bill. As a member of the committee the distinguished gentleman from Missouri [Mr. JOST], who is one of the ablest lawyers in the House and was mayor of Kansas City for a number of years, filed a minority report against the bill. And the distinguished gentleman from Illinois [Mr. KUNZ], a member of the committee, is likewise unalterably opposed to this paternalistic, socialistic measure. And the equally distinguished gentleman from Illinois [Mr. SPROUL] is likewise against the bill. The distinguished gentleman from Massachusetts [Mr. LUCE], the distinguished gentleman from Kansas [Mr. TINCHER], and others whom I could name, are uncompromisingly against this bill and against extending this Rent Commission. Hence was it unreasonable for the opponents to ask that they be given as much as two hours' debate so that they could explain the bill to 400 Congressmen who knew nothing about it? Such a request was reasonable and fair. And it was both unreasonable and unfair to deny it.

FOLLOWING WAS THE GENERAL DEBATE ON THE BILL

There was no debate whatever on the bill. Not a Member explained even one paragraph of it. But what happened as soon as the House went into the Committee of the Whole was the following:

Mr. LAMPERT. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. JOST. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Ohio yield for a parliamentary inquiry?

Mr. BEGG. I do not.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio for five minutes.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, those Members of the House who are in favor of this bill were inclined to be absolutely fair and generous, and are perfectly willing to have agreed to one hour of general debate on a side, but the gentleman from Texas [Mr. BLANTON] saw fit to prevent that agreement and by his filibuster down to date has consumed enough time to have permitted an hour of general debate on a side.

Mr. SPROUL of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. SPROUL of Illinois. If I remember correctly, in the Sixty-seventh Congress the gentleman from Ohio [Mr. BEGG] followed the same tactics that he now blames the gentleman from Texas for playing. Nobody had a chance to get a word in without consulting the gentleman from Ohio, if I remember correctly.

Mr. BEGG. If the gentleman from Illinois, for whom I have the very highest regard, will refresh his recollection, I think he will remember that neither in the Sixty-seventh nor in any other Congress did the gentleman from Ohio uselessly waste time by asking for the first reading of a bill and demanding roll calls which amount to nothing. Time is the essential element in respect to the passage of this bill. Every man in the House knows how he wants to vote on this question, whether for it or against it, and the gentleman from Texas has served notice on this House that this measure shall not pass.

Mr. BLANTON. Oh, no; I have not. I deny that I have served any such notice.

Mr. BEGG. I submit to this House that conditions have come to a pretty pass when one man can control and prevent 434 men from functioning because of a filibuster.

Mr. BLANTON. I am trying to make you act fairly.

Mr. BEGG. I say to the gentleman that there is neither statesmanship nor intelligence displayed by that kind of action.

Mr. LAMPERT. Mr. Chairman, I move that the committee do now rise.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman withhold that for a moment?

Mr. LAMPERT. Mr. Chairman, I move that the committee do now rise.

And the committee did rise; and as soon as the House could muster a quorum a motion was made to go right back into the Committee of the Whole and to close all debate, and all debate was closed. You will observe that only five minutes had been used, and that the gentleman from Ohio in using it did not even mention the bill. He did not debate it. He did not explain it, but used the entire five minutes in attacking me, without basis or justness. He it was who was acting unfairly. He it was who was acting unjustly. He it was who was diplaying no statesmanship.

AFTER THE BEGG REMARKS ALL DEBATE CLOSED

And after the House mustered its quorum, the following occurred:

Mr. LAMPERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7962, and, pending that, I move that general debate on said bill do now close, and on that I move the previous question.

Mr. BLANTON. Mr. Speaker, I make a point of order against the motion.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I make the point of order there has been no debate whatever against the bill.

The SPEAKER. The Chair overrules the point of order. The question is on the motion of the gentleman from Wisconsin.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. BLANTON. I ask for a division.

And on a division, as the House usually does, it supported the committee in charge and closed all debate. You will note that when moving to close all debate, which meant not to have any debate, because there had been none on the bill, the gentle-

man at the same time moved the previous question, which prevented any discussion whatever on the question. Naturally, we conducted a filibuster. Who would not have done it? There was no other way on earth to stop the passage of this vicious, ridiculous bill.

HEARST PAPERS MENTIONED NONE OF THE FACTS

The fairness usually dominating Mr. Hearst's papers caused his Herald merely to state:

BLANTON blocks action on rent bill. The District of Columbia asks fair play, Mr. BLANTON. BLANTON did this by employing parliamentary tactics which wasted the District's legislative day, and plainly tied the hands of a legislative body.

He did not see fit to state that BLANTON was fully justified in all he did. His sense of fairness did not go that far. But after we had whipped out the distinguished gentleman from Ohio [Mr. BEGG] and his worthy confederate, the gentleman from New York [Mr. LAGUARDIA]—and they realized that our filibuster would prevent them from passing the bill that evening—they came to us flying a white flag, offering for the first time that day to compromise, and I quote from the RECORD the following:

Mr. BEGG. I just want to ask one question. If we give the gentleman 30 minutes, will he cease filibustering?

Mr. BLANTON. If you give me 30 minutes, I will cease filibustering and go ahead and help you get a vote on this bill in an hour afterwards.

Mr. LAGUARDIA. Then I ask unanimous consent that the gentleman from Texas have 30 minutes to discuss any section of the bill.

Mr. BLANTON. And I will promise you that I will not filibuster a minute afterwards.

Mr. MURPHY. Mr. Chairman, I object.

But the other gentleman from Ohio [Mr. MURPHY] must have thought that his colleague from Ohio did not deserve to have a vote on the bill, and thus prevented the compromise.

While the gentleman from Wisconsin [Mr. LAMPERT], the author of the bill, was not willing to grant any debate against it last Monday, he was granted consent yesterday to discuss it himself. The consent was unanimous. Not an opponent of the bill objected. His discussion appears on pages 6333, 6334, 6335, 6336, and 6337 of Monday's RECORD. As a clinching argument for his bill, he cites the rental experience of Mr. Massey, who is a tenant of Mr. Harry Wardman in the New Berne Apartments, who had been notified that his rent was going to be increased to $75. From his remarks I quote:

Mr. Massey further testified that he had been living in the New Berne Apartment House practically since it was built; that he had three rooms, bath, and kitchen; that in April, 1917, he was paying $35 for the apartment, but that this was increased to $37.50 in October, 1917, and in September, 1920, the rent was raised to $50; that he had a wife and two children; that his salary, with bonus, was $2,240.

Even without giving the full evidence concerning this New Berne the above statement alone condemns the Rent Commission, and proves conclusively that it causes rents to be raised rather than lowered. For this Rent Commission has been functioning since October 22, 1919. Yet, notwithstanding this Rent Commission, Mr. Massey's rent was raised from $37.50 to $50 per month in September, 1920, which raise occurred a year after the Rent Commission was created, and Mr. Massey continued to pay such increase from September, 1920, to March, 1924, without relief, when he received another notice of another raise, right in the teeth of such Rent Commission. Does this not prove how useless it is? Does it not prove that it causes raises? Does it not prove that it is important to stop raises? Does not this evidence convict the Rent Commission of being worthless?

But the gentleman from Wisconsin should have been fairer. He should have given you all of the testimony concerning the New Berne. He should, at least, have given you more of Mr. Massey's testimony. And this is the main reason that debate was necessary, in order to get all of the facts before our colleagues. Let me quote some excerpts from Mr. Massey's testimony, as found in the printed hearings:

Mr. BLANTON. Your apartment is three room and bath and kitchen, four rooms?

Mr. MASSEY. If you term the kitchen a room.

Mr. BLANTON. Four rooms and bath?

Mr. MASSEY. Yes; one of the rooms being a kitchen.

Mr. BLANTON. Well, a kitchen counts one room, and a very important one. You get your heat furnished?

Mr. MASSEY. Yes; and that brings up a question.

Mr. BLANTON. Do you get your heat furnished?

Mr. MASSEY. We do.

Mr. BLANTON. Such as it is.

Mr. MASSEY. Yes; I would like to qualify my answer by saying, as to the janitor of this building, we have a visiting janitor. There is no resident janitor. We have not had a resident janitor for six years or more. He cuts off the furnace at 10 o'clock at night.

Mr. HAMMER. Suppose we keep quiet until this gentleman gets through.

Mr. BLANTON. I find out I can understand the witness better when things are fresh in my mind.

Mr. HAMMER. Take notes.

Mr. BLANTON. I would suggest that we are the ones who have to pass on this question; and we, of all people, should understand the situation as we go along.

Mr. HAMMER. You will never understand by quarreling with the witness.

Mr. BLANTON. The gentleman from North Carolina would never be able to understand but one phase of anything. We can understand it better when he says he is asked to pay $75, if we know everything he gets for that $75.

Mr. HAMMER. Can you not get that information at the close of his remarks?

Mr. BLANTON. I will do it then, for I want to please you.

Then later on I resumed my cross-examination of Mr. Massey, as follows:

Mr. BLANTON. You are at work in the Interior Department?

Mr. MASSEY. Yes, sir.

Mr. BLANTON. In Washington how long?

Mr. MASSEY. Since 1905.

Mr. BLANTON. In the New Berne how long?

Mr. MASSEY. Practically since it was built, with two or three short absences.

Mr. BLANTON. In 1917, when the war started, you were in this same apartment?

Mr. MASSEY. Yes, sir.

Mr. BLANTON. The three rooms, bath, and kitchen?

Mr. MASSEY. Yes, sir.

Mr. BLANTON. What did you pay for it then?

Mr. MASSEY. The rental prior to the time of the present rent of $50 was $35.

Mr. BLANTON. What were you paying in April, 1917, when we entered the war?

Mr. MASSEY. I must have been paying at that time $35, because I find a statement here under date of October 2, 1917, calling for $37.50. What that little $2.50 increase was for I do not know.

Mr. BLANTON. Then you paid $37.50, beginning October, 1917, for how long?

Mr. MASSEY. To September 30, 1920, when the rent of $50 began.

Mr. BLANTON. From the time we went into the war on April 6, 1917, until September, 1920, you were charged only $2.50 a month increase?

Mr. MASSEY. That is what the agent has asked and we paid it.

Mr. BLANTON. Beginning September 1, 1920, what was the next increase?

Mr. MASSEY. September, 1920; from that time down to the present time the rent has been $50 a month. Now, Mr. Wardman notifies us of an increase to $75.

Mr. BLANTON. You have been paying and are now paying $50 a month?

Mr. MASSEY. Yes.

Mr. BLANTON. You have a family?

Mr. MASSEY. Yes.

Mr. BLANTON. What is the number in your family?

Mr. MASSEY. Myself, wife, and children.

Mr. BLANTON. You, your wife, and two children live in the apartment?

Mr. MASSEY. Yes, sir.

Mr. BLANTON. Would you mind stating what your salary is?

Mr. MASSEY. $2,000 plus the bonus, making $2,240.

Mr. BLANTON. Do you know what your salary will be under the reclassification act, beginning July 1?

Mr. MASSEY. I do not know. Is that question necessary?

Mr. BLANTON. Yes. I would like to know.

Mr. MASSEY. Probably $2,700, approximately.

Mr. BLANTON. When your rent was raised to $50 did you object to it, or did you pay?

Mr. MASSEY. We were not particularly keen about it, but agreed and executed lease.

Mr. BLANTON. Have you had a doctor with either one of the children since Christmas?

Mr. MASSEY. No.

Mr. BLANTON. Your two children have been well and in good health?

Mr. MASSEY. Pretty good health.

Mr. BLANTON. Then they have not suffered from the cold?

Mr. MASSEY. No.

Mr. BLANTON. Your $50 includes water and heat?

Mr. MASSEY. I suppose so.

Mr. BLANTON. In regard to this notice to you that you have to pay $75 a month beginning from now on, you mentioned in connection with that in the letter that certain improvements were to be made. Did you ever go down there to Mr. Wardman's office to find out what they proposed to do for you in the way of improvements?

Mr. MASSEY. No.

Mr. WARDMAN. Is this apartment house a large fireproof elevator apartment?

Mr. MASSEY. I believe that it is fireproof. I think it is a concrete building with a steel frame and an elevator.

Mr. WARDMAN. A fireproof building.

Mr. MASSEY. We do not have all-night service; the elevator stops at 12 o'clock at night.

DID THE NEW BERNE APARTMENT HAVE A JANITOR

Now, was Mr. Massey correct in stating that the New Berne did not have a regular janitor? On the next morning after Mr. Massey had testified, I made the following statement before the committee, which thereafter was not denied by any witness, to wit:

I had occasion to go down there myself this morning to this New Berne apartment. The conditions surrounding that apartment are fairly good. The sidewalk is clean. The yard is clean and is surrounded by a neat hedge. It is in a fairly good location and condition. Of course, the inside needs repair and Mr. Wardman has said that he will make those repairs. I think that he ought not to raise those rents. I think we ought to question Mr. Wardman in regard to that matter. If he intends to raise the rent without making needed renovations I am going to be the strongest man on this committee in opposition to that and in favor of the bill. But we should look into that matter first.

As to the janitor service, to show you how misleading assertions sometimes are if you do not consider them carefully, let me tell you what I have found out.

I found out that there is a regular janitor to whom reference was made last night, and that he has an apartment of several rooms there in the basement, including a kitchen and a kitchen range. He has a sitting room with a center table and several chairs, including an easy-chair. He has all the furniture that you usually find in an ordinary sitting room. In the bedroom he has a chiffonier, a dressing table, a bed, and an easy-chair. His is a pretty good-sized apartment for a janitor. I found that the janitor's name is Robert Camp. I found further that he is there practically all the time, until 9.30 or 10 o'clock at night. He does live across the street. He has another man who stays in the apartment at night for him. He is just across the street. He stays at this apartment from 6 o'clock in the morning until 9.30, 10, or 10.30 and sometimes until 11 o'clock on certain nights, and after he leaves he has a man sleep there for him in his apartment. The elevator boys tell me that they answer the phones for the people who live in the building, and when wanted they call them to the telephone. Of course, we sometimes get wrong impressions from evidence submitted, when we know nothing of the facts ourselves.

I found there an apartment rented by a doctor who says he is satisfied with it. He pays $100 rent for a complete suite on the first floor.

NEW BERNE APARTMENTS SUFFICIENT EVIDENCE AGAINST BILL

With the evidence given on this New Berne apartment alone, I can convice any fair-minded person that the Rent Commission causes rents to be advanced, and should be abolished. Now, let me take the witnesses up one after another, and give you pertinent excerpts from their testimony. And in this connection, remember that the Rent Commission began functioning October 22, 1919. Then rents were materially raised in September, 1920, such material raises continuing on to February, 1924, when notice of another raise was given, right in the teeth of the Rent Commission. Now, what caused this last raise:

MR. HARRY WARDMAN

Mr. BLANTON. You acquired this Berne apartment about three months ago, did you not?

Mr. WARDMAN. Yes.

Mr. BLANTON. Of course, you have been in Washington for a long time, haven't you?

Mr. WARDMAN. Yes.

Mr. BLANTON. You know rental conditions; you know property as well as any man in Washington?

Mr. WARDMAN. I think so.

Mr. BLANTON. When you bought that Berne apartment you knew what the tenants were paying?

Mr. WARDMAN. Yes. I know all about that.

Mr. BLANTON. You knew if you were going to increase their rentals you were going to have trouble, didn't you?

Mr. WARDMAN. Why, I didn't really expect to have any trouble with them.

Mr. BLANTON. But you knew what they had been paying for the last 10 years?

Mr. WARDMAN. Yes; and I knew the return the man who owned the apartment was getting. That was practically nothing. When he paid the interest on the mortgage and the taxes there was scarcely anything left. He got disgusted and let the building go at a sacrifice.

Mr. BLANTON. And you thought there would be a chance to take over the building and increase the rentals and make money, didn't you?

Mr. WARDMAN. I took it over to put it on a business basis.

Remember that Mr. Whaley, chairman of the Rent Commission, testified that—

Mr. Harry Wardman was one of the most responsible realtors in Washington, that he had implicit confidence in him, and that Mr. Wardman had been before the commission time and again, and they had found him absolutely honest and straightforward in his testimony, which was that of a man in whom he had every confidence.

Mr. Wardman found out that suites in the New Berne were renting for only $12.50 per room, and he knew that such suites of like standard had had a much larger rental adjudged to them by the Rent Commission, and he knew that he could safely raise such rents up to the amounts fixed by such decisions, so he bought the New Berne with the express intention and purpose of raising the rents just as high as the decisions of the Rent Commission would authorize. Now I quote from the hearings excerpts from the testimony of New Berne tenants:

MR. LOUIS GOUBEAU

Mr. GOUBEAU. My wife and myself. Four rooms, bath, and kitchen.

Mr. HAMMER. What do you pay?

Mr. GOUBEAU. $60 at the present time. I came in when they made the raise three years ago last July.

Mr. HAMMER. Have you received notice to increase your rent?

Mr. GOUBEAU. Yes, sir.

Mr. HAMMER. How much?

Mr. GOUBEAU. From $60 to $80.

Mr. BLANTON. Did I understand you to say you had four rooms, kitchen, and bath?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. You are working for the Government?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. What salary do you receive?

Mr. GOUBEAU. I work at night, and I receive approximately $2,500.

Mr. BLANTON. $2,500?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. Does your wife work?

Mr. GOUBEAU. No, sir.

Mr. BLANTON. She has no position?

Mr. GOUBEAU. No, sir.

Mr. BLANTON. Has she ever had a position?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. She has had a position in the Government?

Mr. GOUBEAU. Up until last August. She is a right sick woman and unable to do anything now.

Mr. BLANTON. Up to last August she did have a position with the Government?

Mr. GOUBEAU. Yes; for several years.

Mr. BLANTON. At what salary.

Mr. GOUBEAU. Nine hundred plus the bonus of $240.

Mr. BLANTON. Do you rent any of these rooms out?

Mr. GOUBEAU. Yes, sir. At the present time I am obliged to.

Mr. BLANTON. How many do you rent out?

Mr. GOUBEAU. Two.

Mr. BLANTON. To how many people?

Mr. GOUBEAU. One to two different gentlemen; that is, two rooms, one gentleman in each room.

Mr. BLANTON. You rent one room to each man?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. What do they pay you?

Mr. GOUBEAU. One gentleman pays me $30 and the other $25.

Mr. BLANTON. Then for the apartment that you pay $80 for you get $55 back?

Mr. GOUBEAU. Yes; but it is no pleasure for me to rent rooms. It is a great sacrifice of comfort.

Mr. BLANTON. But you get $55 back.

Mr. GOUBEAU. Very likely.

EXCERPTS FROM MRS. WHITE'S TESTIMONY

Mr. HAMMER. What do you pay?

Mrs. WHITE. $60.

Mr. HAMMER. Do you rent to anybody else?

Mrs. WHITE. I rent one room.

Mr. HAMMER. What do you get for that?

Mrs. WHITE. $35.

Mr. HAMMER. Do you furnish it?

Mrs. WHITE. Yes, sir.

Mr. HAMMER. And pay for the gas and light?

Mrs. WHITE. And the washing and laundry, the upkeep of the room, and all those things.

Mr. HAMMER. How long have you been there?

Mrs. WHITE. Seven years.

Mr. HAMMER. What did you pay prior to 1920?

Mrs. WHITE. From 1917 to 1920 we paid $47.50.

Mr. BLANTON. I suggest that the lady be seated. She does not have to stand.

Mr. HAMMER. Did you receive any notice of increased rent?

Mrs. WHITE. Yes; I received one from Mr. Wardman. I have it if you would like to see it.

Mr. BLANTON. She can just tell what the increase was.

Mr. HAMMER. What was the increase?

Mrs. WHITE. To $80.

Mr. BLANTON. You have been there how long?

Mrs. WHITE. Seven years.

Mr. BLANTON. You and your daughter?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. You have four rooms and kitchen?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. Four rooms besides your kitchen?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. And you have a bath?

Mrs. WHITE. Yes, sir.

EXCERPTS FROM MRS. KENNEDY'S TESTIMONY

Mr. HAMMER. How many in your family?

Mrs. KENNEDY. I am the only one.

Mr. HAMMER. You live at the New Berne?

Mrs. KENNEDY. Yes, sir.

Mr. HAMMER. How long have you lived there?

Mrs. KENNEDY. Ten years in October.

Mr. HAMMER. How many rooms do you occupy?

Mrs. KENNEDY. Four rooms, kitchen, and bath.

Mr. HAMMER. You pay what?

Mrs. KENNEDY. On the fifth floor, $70. Well, I pay for the phone, too.

Mr. HAMMER. How many rooms do you rent out?

Mrs. KENNEDY. I rent out three.

Mr. HAMMER. What do you get for them?

Mrs. KENNEDY. I get $40, $30, and $25.

Mr. BLANTON. You are paying $70 and you are getting back $95?

Mrs. KENNEDY. Well, I pay $5 for my phone. I pay $75 really.

Mr. BLANTON. But you use the phone, do you not?

Mrs. KENNEDY. Yes, sir.

Mr. BLANTON. You get $5 worth a month out of the phone? I pay $5 for my phone.

Mrs. KENNEDY. Well, that goes into the rent, does it not, $75?

Mr. BLANTON. Well, you pay $75 and get back $95?

Mrs. KENNEDY. Yes, sir.

EXCERPTS FROM TESTIMONY OF MISS MALONEY

Miss MALONEY. Maloney.

Mr. HAMMER. How many in your family?

Miss MALONEY. Two; my father and myself.

Mr. HAMMER. You live where?

Miss MALONEY. Apartment 43, the New Berne.

Mr. HAMMER. What floor?

Miss MALONEY. The fourth floor.

Mr. HAMMER. How many rooms?

Miss MALONEY. Five rooms and bath. * * *

Mr. HAMMER. You pay about what rent?

Miss MALONEY. $60.

Mr. HAMMER. Increasing it to what?

Miss MALONEY. $80.

Mr. BLANTON. You have been in this apartment how long?

Miss MALONEY. I think it is 16 years.

Mr. BLANTON. Sixteen years?

Miss MALONEY. Yes sir.

Mr. BLANTON. How much did you pay there during the war year, say April, 1917?

Miss MALONEY. I think it was $47.50.

Mr. BLANTON. Since 1920 you have been paying $60?

Miss MALONEY. $60.

Mr. BLANTON. And you have five rooms and bath?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Occupied by two people?

Miss MALONEY. Yes, sir.

Mr. BLANTON. You will pardon a personal question, but do you mind stating what salary you get?

Miss MALONEY. I get $1,740.

Mr. BLANTON. $1,740?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And your father is a retired employee? He has his retirement pay?

Miss MALONEY. Yes, sir.

Mr. BLANTON. What is the amount of his retirement pay?

Miss MALONEY. $60 a month.

Mr. BLANTON. Your aunt stayed with you?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And she was working for the Government?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Getting a salary?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Did anybody else stay with you during the war?

Miss MALONEY. Of course, we had the whole family there once.

Mr. BLANTON. How big a family?

Miss MALONEY. I had a sister.

Mr. BLANTON. Your sister?

Miss MALONEY. Yes, sir.

Mr. BLANTON. She was working for the Government?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And who else?

Miss MALONEY. That was all that was there regularly.

Mr. BLANTON. Your sister has married off?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And your aunt died?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And you are to pay $80?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Now, you understand that I do not believe this rent is reasonable; I think this increase is unreasonable; but don't you think it is so remarkable that so many of these tenants show that they have been there for 12 to 16 years in one place; they must have been satisfied or they would not have stayed there that long?

Miss MALONEY. Well, we were satisfied for the time.

Mr. BLANTON. And you have been there 16 years yourself?

Miss MALONEY. Yes, sir.

EXCERPTS FROM TESTIMONY OF MRS. GRAHAM

Mr. HAMMER. You live at the New Berne?

Mrs. GRAHAM. No. 23, second floor.

Mr. HAMMER. How many rooms have you?

Mrs. GRAHAM. We call it five rooms, four rooms and kitchen and bath, or five rooms and bath.

Mr. HAMMER. What do you pay?

Mrs. GRAHAM. I pay $60 now.

Mr. HAMMER. Have you received any notice?

Mrs. GRAHAM. I received a notice for $80. * * *

Mr. BLANTON. You have been there how long?

Mrs. GRAHAM. Well, we went there when the house was first built.

Mr. BLANTON. In 1905?

Mrs. GRAHAM. Yes, sir; * * *.

Mr. BLANTON. Were you here during the war period from April, 1917——

Mrs. GRAHAM. Yes; I came in from the country and put my little girl in school. * * *

Mr. BLANTON. You have no connection with the Government at all?

Mrs. GRAHAM. No.

Mr. BLANTON. You just like to live in Washington?

Mrs. GRAHAM. No, I am not employed. My little daughter is at school here and I am trying to make a home.

Mr. BLANTON. But you like Washington and you like to live here?

Mrs. GRAHAM. I have lived here since I was married.

Mr. BLANTON. What is your native State?

Mrs. GRAHAM. I came from Maryland.

Mr. BLANTON. You prefer to live in Washington and send your daughter to school and give her the advantages of the city?

Mrs. GRAHAM. You see I would like to keep her with her grandfather. Her grandfather is a physician and has been practicing here over 50 years, and it means a great deal to him and for her.

Mr. BLANTON. He is living with you?

Mrs. GRAHAM. No, not with me, but near me.

Mr. BLANTON. He is living near you?

Mrs. GRAHAM. Yes, sir.

EXCERPTS FROM TESTIMONY OF MRS. MANSFIELD

Mr. HAMMER. How many rooms do you occupy?

Mrs. MANSFIELD. I have four rooms, kitchen, and bath.

Mr. HAMMER. What do you pay?

Mrs. MANSFIELD. I am paying now $60.

Mr. HAMMER. You sublet two rooms for how much?

Mrs. MANSFIELD. I get $30 for one, and I can only rent the other one part of the time, and I get $25. But I have not had that rented very often. In fact, I ought to have that for myself and my daughter to live decently, but I have to rent it.

Mr. BLANTON. Are you employed by the Government?

Mrs. MANSFIELD. No, sir; I am not employed at all, just to take care of the apartment, and I do sewing whatever time I can.

you were going to have trouble, didn't you?

Mr. HAMMER. What do you get for that?

Miss MALONEY. Yes, sir.

care of the apartment, and I do sewing whatever time I can.

Mr. BLANTON. Your daughter is going to school?

Mrs. MANSFIELD. She is 16 years old.

Mr. BLANTON. And going to school?

Mrs. MANSFIELD. And going to school.

Mr. BLANTON. You are educating her here in Washington?

Mrs. MANSFIELD. Yes, sir.

Mr. BLANTON. Washington is quite a desirable place to educate a young lady in? It gives them a great many advantages?

* * * * * * *

Mr. BLANTON. How long have you been there?

Mrs. MANSFIELD. Sixteen years.

Mr. BLANTON. Most of the people who are there have been there a long time?

Mr. LAMPERT. How much rent are you paying?

Mrs. MANSFIELD. $60.

Mr. LAMPERT. And you received one of these celebrated notices?

Mrs. MANSFIELD. Yes; for $80.

Mr. HAMMER. Now, the other lady; there is just one more. What is your name, madam?

EXCERPTS FROM TESTIMONY OF MISS PAULINE HAMMETT

Mr. HAMMER. What apartment do you live in?

Miss HAMMETT. The New Berne, second floor.

Mr. HAMMER. How many in your family?

Miss HAMMETT. Nobody but myself.

* * * * * * *

Mr. HAMMER. How many rooms in that apartment?

Miss HAMMETT. Four rooms, kitchen, and bath.

Mr. HAMMER. Do you sublet any of those rooms?

Miss HAMMETT. Yes, sir.

Mr. HAMMER. What do you get for them?

Miss HAMMETT. $30, furnished.

Mr. HAMMER. How much do you pay for the four rooms?

Miss HAMMETT. Four rooms, kitchen and bath, I am paying $70 now.

Mr. HAMMER. Did you receive any notice to increase your rent?

Miss HAMMETT. Yes; to $90.

Mr. BLANTON. During the 17 years that you have been there, you have been reasonably satisfied?

Miss HAMMETT. Yes; but not always with the service.

Mr. BLANTON. Have you ever rented out more than one room?

Miss HAMMETT. Yes, sir.

Mr. BLANTON. How many?

Miss HAMMETT. Two, since my father's death.

Mr. BLANTON. What did you receive for the two?

Miss HAMMETT. $30 for one and $35 for the other.

Mr. BLANTON. That was $65, and you are paying $70?

Miss HAMMETT. Yes, sir.

Mr. BLANTON. So, not considering overhead expenses——

Miss HAMMETT. It is not rented now. I have only one rented now.

Mr. BLANTON. But you could rent two?

Miss HAMMETT. Yes; I have only myself.

Mr. HAMMER. Well, the next meeting is to-merrow morning, is it?

Mr. BLANTON. Probably the Post and the Herald would notify them.

Mr. HAMMER. You would have to pay for it.

Mr. BLANTON. Oh, well, the newspapers are pretty good about giving people information.

Mr. HAMMER. They may be working people who can not come to-morrow.

RENT COMMISSION ALONE RESPONSIBLE FOR NEW BERNE RAISE

I submit that no fair-minded person can read the testimony of these witnesses from the New Berne Apartments, in connection with Mr. Wardman's evidence, and escape the inevitable conclusion that decisions of the Rent Commission were responsible for these recent raises by Mr. Wardman in the New Berne. Why, he bought it for the purpose of raising the rents to correspond to decisions of the Rent Commission. If we had had no Rent Commission, there would have been no raises there. The raises made in September, 1920, were not made until certain decisions of the Rent Commission warranted it for suites with rooms of certain standards.

GETTING BACK APPROXIMATELY WHAT THEY PAID OUT

Examine the above testimony and you will note that many of these tenants are subrenting enough rooms from their suite to take in almost as much as they pay out. I challenge any man to read the evidence of all the witnesses in this New Berne and say that it warrants the extension of this war-emergency Rent Commission.

HARRY WARDMAN SOLEMNLY AGREES NOT TO EJECT TENANTS

I quote the following from page 31 of the hearings:

Mr. BLANTON. May I ask you this question? It will have a very large effect on my attitude toward this bill. Suppose the Rent Commission is not kept alive and expires on May 22, and these people say that they will not pay the increase in rent: Do you expect to have them put out of the building?

Mr. WARDMAN. No, sir; I do not expect to do that.

Mr. BLANTON. What I mean is this: Suppose they say, "We can not pay these increases and we are not going to give our apartments up."

Mr. WARDMAN. I would not insist upon them getting out.

THREATS AND INTIMIDATIONS

I have received through the mails some of the most cowardly, dastardly, infamous threats that inhuman ingenuity could frame trying to force me to withdraw my opposition to this bill. One of my colleagues, who has proven himself to be a true friend, came to me some time ago and told me that I had better watch the "Washington bunch" who were concentrating their forces before Congress to pass this bill, as they might try to ruin me through "frame ups" if I continued to be active in fighting it, and he assured me that I could expect some of them to go to any extreme. And some of them have gone to extremes. In an envelope postmarked here in Washington last Sunday some cowardly, lying hound sent me the following letter:

SUNDAY, APRIL 13.

SIR: My cousin is connected with prominent realty dealers in the District of Columbia, and through a slip on his part I have found out your connection with these interests and what you are getting for your fight against the poor people of the city. I myself am against these bloodthirsty real estate dealers and landlords. If the rent bill does not become a law, I shall compel my cousin to take the stand and tell everything.

AN HONEST MAN.

And there is no way of learning the identity of this cowardly, lying hound. The fight I put up in the House Monday against this bill was my answer to his infamous, lying insinuations. I am one of the poorest men in the House, but my credit is good in half a hundred banks, and I will make a standing offer of $5,000 reward if it can be shown that I have an interest, directly or indirectly, to one penny's worth in the defeat of this rent bill. And it is my hope that the post-office inspector may be able to find this infamous blackmailer.

WHAT MEMBERS OF THE COMMITTEE HAVE PUT UP WITH

While Mrs. Taylor, one of the rent commissioners, was on the stand testifying, the following occurred:

Mr. BLANTON. I see a newspaper representative here, right in this room within 30 feet of you, who is renting a first-class residence of six rooms and bath, new, in good shape, in a splendid location in Washington, for $60 a month. He has gotten away from the congested center. That, I think, is the main solution of the problem. If Mr. Wardman charges too much for the New Berne, leave it and go out further. Personally, I live out near Zoo Park, 4 miles from my work. I go out there to get cheaper rent. That is the solution. Whenever they ask too much, every clerk ought to move out. If this newspaper man has been able to solve the question, then the other tenants should be able to do it.

Mrs. TAYLOR. If one newspaper man has solved the question, 25 have not. There have been many, many of this profession who have been talking to me about it.

Mr. HAMMER. Perhaps the newspaper man he refers to is like a wealthy gentleman on the District Committee. He has a fine home. He pays $100 a month for it, furnished. This is an exception to the rule. I wonder if they were really helping him because he is a member of the committee. I wonder if the newspaper man is getting his because he is a newspaper man.

Mr. BLANTON. The gentleman is making a very unfair insinuation against some member of the committee who is likely not here. I am glad that he did not make his reference apply to me, for I rent an unfurnished house from the owner himself, who is not a real estate dealer. The newspaperman I referred to is one of those at that table, and a prominent ex-service man.

Mr. STALKER. Why not give us his name?

Mr. BLANTON. I did not give you his name, because I did not have the authority to do so. He will probably tell you about it himself, if you desire it, after we adjourn.

I now have authority to give the name of this young newspaper man who at that time was seated at the table. He is none other than our splendid young friend, Mr. Pritchard, who is a member of the Stuart Walcott Post, American Legion, of Washington, and who only recently was presented with a handsome present by said Legion post for special service done to needy soldiers. Yet an unkind reference was made to him that he could not defend himself against.

FURTHER IMPERTINENT INTERFERENCE

I quote from the record of the hearings the following:

Mr. LAMPERT. Mr. BLANTON, do you have any questions?

Mr. BLANTON. Yes. Most of the woolen goods now—that is, clothing we have—is made out of cotton, and most, or a great deal, of the silken goods is made out of cotton under mercerized processes.

Well, we are paying too high a price for our clothing here, and therefore you would like to have a clothing commission regulate it or control it.

Mr. BURK. Well, Mr. BLANTON, if affairs continue to go as they have been continuing since the war, when things seem to be completely upset, it seems to me that we will have to have some kind of an adjudicating committee to stand between the one side and the other. That is my opinion.

Mr. BLANTON. Now, some of the people who live in my section of the country, a great many of them, raise cattle and sheep—and according to the prices that they get for their sheep and cattle down in my country, with the usual freight rate added to the price of such cattle to market, such cattle and mutton ought to sell here in Washington, choice cuts of beef, for about 20 cents a pound, yet it sells for 40 and 50 cents in Washington. You pay just double what my constitutents have to pay for it at home. Do you think, therefore, that we ought to have a meat commission to say at what price the meats should be sold to the people?

Mr. BURK. Well, we did have a fair price body here during the war. I do not say that the time has gone past when we should not still have it.

Mr. BLANTON. Well, if you were to go down into the South, into the Carolinas, or Mississippi, or Texas, and talk about having a price-fixing commission to those people down there, to fix the price of their cotton, I doubt whether you would ever get back to Washington in a good humor, because those good people down there do not stand for anything like that. They don't want it. They believe in market prices. They believe in supply and demand. They are willing to take what a fair market gives them for their stuff. It is unfair markets they protest against. They don't want somebody to sit up here in Washington in a swivel chair, and fix prices on their farm and ranch products.

Mr. HAMMER. Mr Burk, no court at any time would sustain any such a proposition as the gentleman is talking about.

Mr. BLANTON. Yes; the gentleman from North Carolina knows everything; that is, he thinks he does, but these of us that are with him up here do not think so.

Mr. LAMPERT. Gentlemen, we are getting off of the subject.

Mr. BLANTON. I will ask the gentleman to wait until I get through. I do not want to be interrupted. I do not want the gentleman to make any side-bar remarks to me.

Mr. HAMMER. You know that the Supreme Court would not sustain any such a proposition as that, if you have ever read anything since you were knee-high to a Junebug.

Mr. BLANTON. If you have any remarks to make to me, come out in the hall.

Mr. LAMPERT. Let us have order.

Mr. BLANTON. We will have it if the gentleman from North Carolina will quit interrupting me. I do not want him to address me. If he has any remarks, let him make them to the chair. If he has any remarks to make to me, if he will come out in the hall and make them, I can settle them. I prefer to do that.

Mr. HAMMER. We don't need to do that.

Mr. BLANTON. Don't make them here. I hope there will be no more side-bar remarks to me.

KEEPING THE RECORD STRAIGHT

In my minority report filed against the Rent Commission bill I mentioned that last Saturday afternoon, before we were to take up the bill Monday, there was distributed on the floor of this House to every Member present a printed copy of the Alfred B. Moore report on housing conditions, dated April 3, 1924, and I said:

The newspapers report that Mr. Alfred B. Moore exhausted the $2,500 allowed him by the Senate and requested an additional $5,000 which he needed in investigating various criminal organizations disclosed in an alleged secret report he had made to the Senate. And I note that on April 7, 1924, the Senate of the United States passed Senate Resolution 203 granting the additional $5,000 requested by Mr. Alfred B. Moore.

You will note that what I said was: "The newspapers report," and so forth. I made no reference whatever to any Senator. I did not in any way involve any Senator in such "newspaper reports." But on Saturday, April 12, I quoted reports that appeared in all Washington newspapers on April 4, which had never been questioned or denied.

Yet in the Star, Monday, under the headlines "BLANTON scored for rent-act stand," and the subheadlines "BALL declares minority report venomous and not conducive to fairness" appeared what purported to be a statement from Mr. BALL, which in part is as follows:

The investigation made by Mr. Moore was an open investigation made in conjunction with the Metropolitan police of Washington and the real estate board. His complete report will be published later. There was nothing confidential about this report * * *. That part of the resolution * * * relating to an alleged combination of real estate dealers and owners to keep up high prices calls for an entirely different kind of an investigation, and is not connected in any way with the committee in carrying out that part of the resolution.

As to the additional appropriation authorized for the further investigation, it involves only part of the resolution. Mr. Moore neither asked for this nor will he receive any part of it, as his work is completed. The survey made under his direction and report cost less than $1,500.

And some of the papers quoted Mr. BALL as stating that my minority report was not correct.

There is not one single incorrect statement in my entire minority report. Now let us see whether the newspapers reported what I said they did.

On the front page of the Washington Herald for Friday, April 4, 1924, in column 2, appears an entire column headed "Secret report bares owners' conspiracy to boost rentals."

Now remember that the Alfred B. Moore printed report is dated April 3, 1924, which is the day preceding this news item. I quote from this Herald the following excerpts:

The charges are contained in a secret report. This report was diligently suppressed by the committee. In a separate report which the committee made public the experts gave a detailed description of housing conditions in this city. * * * the committee unanimously voted to ask * * * for an additional $5,000 to probe the alleged combine. * * *

Both the secret report and the report made public were signed by A. B. Moore. He was brought to Washington from Delaware * * * for the express purpose of making the housing survey.

And then much space was devoted to the said report of said Alfred B. Moore that was dated April 3, 1924.

The Washington Star for Friday, April 4, 1924, in part of a column on its front page, embracing the following in headlines: "Seeking extension of rental inquiry—will probe alleged sensational charges; secret report cites conspiracy to keep up prices; $5,000 more funds asked"; and from two more columns, on page 2 of said Star, I quote the following excerpts:

Committee is asking $5,000 additional to continue the investigation into the housing conditions here.

Mr. Moore was aided in making his survey by data obtained from the real estate brokers and operators and by the Metropolitan police department.

And much of this Alfred B. Moore report, dated April 3, 1924, was covered in the Star.

On several occasions from that date up to Saturday, April 12, when I made my minority report, newspapers stated that the $5,000 additional had been granted for this survey to be continued. And Resolution No. 203 was passed April 7, 1924, granting an additional $5,000.

So if there is anything incorrect in these newspaper reports it is the fault of the newspapers, and not my report, for I merely quoted reports in newspapers which, from April 4 to April 12, had not been denied.

The Star quoted Mr. Ball as claiming that Mr. Alfred B. Moore's duties ended when he made his report of April 3, 1924.

I am advised by Commissioner Rudolph that Mr. Alfred B. Moore is still at work in his office assigned to him in the Municipal Building. His printed report is dated April 3, 1924. If his duties ended then, why is he still at work in his office?

If the Star reported Mr. Ball correctly in saying that Mr. Alfred B. Moore had nothing to do with the secret report, why did the Herald on April 4, 1924, state?—

Both the secret report and the report made public were signed by A. B. Moore. He was brought to Washington from Delaware for the express purpose of making the housing survey.

On the front page of the Washington Star for April 7, 1924, under the headings "Assent to further probe of local housing," "$5,000 appropriated to continue secret investigation to June 1," appeared the following:

The ——— gave its assent to-day to a continuation of the investigation, * * * resolution authorizing the expenditure of an additional $5,000 to continue this investigation * * * was adopted unanimously.

Now, I respectfully submit that the newspapers did report just exactly what I said in my minority report they had reported.

The largest colored newspaper published in the United States exclusively for colored people is the Washington Tribune. It has a large circulation and goes into almost all of the States. Covering a large part of three columns of its front page last Saturday, April 12, 1924, was a demand from the 110,000 colored people of Washington to give them representation upon this Rent Commission by appointing thereon one colored man and one colored woman. Let me quote the following excerpt from this article:

The progressive group of colored people of the District of Columbia are now preparing for a fight to a finish for representation on the District of Columbia Rent Commission. A bill is now pending in Congress making this body a permanent one. As now constituted, the commission is composed of five white and no colored.

Attorney Thomas L. Jones addressed a letter to Senator BALL, chairman of the District Committee, asking the Senator to propose an amendment to this bill providing for negro representation on the commission. Attorney Jones suggests that a man and a woman be appointed as representatives of the Negro race.

Attorney Jones makes a forceful argument in his letter, which was as follows:

Hon. H. L. BALL:

I desire to call your attention to the condition of things bearing on the question of the extension of the Ball Rent Commission law. In doing so, I desire to say that, notwithstanding the fact that the colored people constitute one-fourth of the population of the District of Columbia, 90 per cent of whom are rent payers, they have no representation on the Rent Commission, and, so far as I know, and have been advised, very little attention has been paid to them when they did make a complaint.

As a lawyer, I very seriously doubt the advisability of such laws. In my opinion, they have a tendency to increase rent instead of diminishing it. At least, they prevent the erection of small houses that would relieve my class from poor conditions in living quarters. This is borne out by the fact that I see by the report of your investigation committee, in regard to the subject, there is a scarcity of houses for living quarters in the District of Columbia renting for less than $50 a month, in spite of the fact that these laws have been in existence for six or seven years.

However, I do not want to get away from my object, and that is, if the Ball rent law is to be extended, a hundred and ten thousand colored people of the District of Columbia, 90 per cent of whom are rent payers, demand that they shall have a representation of at least two members on said commission—one man and one woman.

In order that there shall be no mistake or failure in regard thereto, I respectfully request you, as chairman of said committee, to propose an amendment to said bill in such behalf and to urge its adoption.

If you desire me to do so, I shall be glad to prepare a form for such amendment and mail a copy to you.

Hoping this letter will receive your early and favorable consideration, I am,

Yours very respectfully,

THOMAS L. JONES.

And on the editorial page there is an extended double column editorial from Editor J. A. G. LuValle demanding that there shall be placed on this Rent Commission one colored man and one colored woman. And their demands are such that if this Rent Commission is extended neither the President nor Chairman MADDEN nor the gentleman from Missouri [Mr. DYER] and the gentleman from Massachusetts [Mr. TINKHAM] can turn them down, hence it will mean an increase to seven commissioners, any one of whom is authorized under the present law to sit and determine rents and service.

REPORTED ACTION BY COMMITTEE ON RULES

The press reports that the Committee on Rules will grant a special rule next week to extend the present law. I do not believe they will take such action if they will give careful study to all the facts.

WASHINGTON BOARD OF TRADE AGAINST EXTENSION

The Washington Board of Trade, alleged to be composed of all classes of business men, and many of whom are tenants, is unalterably opposed to extending the life of this commission. In conclusion let me urge my colleagues not to take this bill up again without permitting reasonable debate. If they know the facts, they will not let any bill pass extending this commission.

THREAT AGAINST LIFE

In my mail to-day I received a communication warning me that if I took any further steps against the passage of this rent act I had better see that all my accident policies are in good shape. This article is my answer to such a cowardly threat. And I hope that our worthy post-office inspector will be able to identify the writer of this cowardly missive.

Mr. OLIVER of Alabama. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. LONGWORTH. Reserving the right to object, on what subject?

Mr. McREYNOLDS. I assure the gentleman that it is not political. It is mostly an article by Judge W. B. Swaney, of Chattanooga, on the importance of the Constitution and an analysis of that instrument in some respects and the teaching of the Constitution in the schools. I think it would be of interest to the Members of the House, and I would like to get the article in the RECORD.

Mr. LONGWORTH. It is an article written by whom?

Mr. McREYNOLDS. Judge W. B. Swaney, of Chattanooga, a prominent lawyer; was chairman of the committee on law enforcement of the American Bar Association in 1921–22, and who has contributed many articles on American citizenship to the press.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. McREYNOLDS. Mr. Chairman, under the leave to extend my remarks in the RECORD, I include an article written by Judge W. B. Swaney, of Chattanooga, Tenn.

This article is the substance of an address delivered at Iowa University, Iowa City, Iowa, last summer, and is as follows:

That the world is out of joint as the result of the World War will be denied by few. The many absurd, ridiculous, and dangerous ideas of government rampant in Europe are naturally affecting America to some extent. That the outbreaks against our Government, unless checked, will be serious is admitted by all. The consensus of opinion that the chief burden is upon the schools to save America is well-nigh unanimous among the best authorities. The hundred or more civic organizations in America now striving to improve our citizenship, many of them attempting to become international in their scope and operation, is convincing proof that immediate action is necessary to restore our much-vaunted civilization and regenerate mankind.

How is it practicable for the schools to redeem America and restore our American ideals of government in the minds and hearts of Americans is an interesting story and one well calculated to repay the investigator.

Ignorance of the simplest rudiments of our Government, widespread indifference to the duties of citizenship on the part of a majority of so-called good citizens, as shown in their neglect to vote and refusal to sit on juries and perform other important duties, coupled with the manifold evils resulting from ignorance and the effects of profiteering during the war and since, and the unfortunate reaction from our spiritual exaltation during the World War, have caused many to lose faith in our Government, and especially the courts, and others whose duty it is to enforce the laws.

Following the war more books have been written on government and social betterment than during any like period in the history of the world. Vast contributions have been made by publicists, educators, lawyers, judges, and others in this country and Great Britain especially, but unfortunately most of them have been pessimistic. With a view to clarifying much of the extreme thought which has resulted from this conflict of ideas, it occurred to the writer that it would be advantageous to gather data for an article with a view of presenting a few of the best suggestions that have been proposed for the permanent betterment of conditions in this country. The splendid report made by Judge Martin J. Wade, as chairman of a special committee of the American Bar Association on American citizenship, at San Francisco in 1922, describes briefly and concisely the many dangerous and insidious attacks that are being waged against our Government, and it proposes, in my judgment, the only remedy which we have to effectively combat and overcome these common enemies. This report ranks in importance as a State paper with Jefferson's immortal Declaration of Independence and the messages of our greatest Presidents.

Two sentences stand out prominently, and will linger in the memory of all who read it:

"There is but one remedy for our national ills—education—and the schools of America must save America."

The problem, frankly stated, involves no less a task than Americanizing America. To many it appears that all we need to do is to cut off foreign immigration temporarily and get our proverbial melting pot into operation. But to the thoughtful it is a far greater task.

An effort has been made to get first-hand information from the leading writers and educators who have had experience in the work in recent years. There is substantial agreement in Judge Wade's con-

clusion that education is the chief dependence for a solution of the political maladies now afflicting the Nation, but there is wide diversity of opinion as to the methods of instruction.

THE SCHOOL REPUBLIC

The pioneer in the work among pupils in the grades in America in recent years, so far as I have been able to discover, is Dr. Wilson L. Gill, of Mount Airy, Philadelphia, Pa.

Doctor Gill's method of instruction is what is known as the "school republic," and has been in successful operation for a quarter of a century. He first put it into practice in Cuba under the direction of Gen. Leonard Wood while he was there preparing Cuba for self-government, and its success there attracted national attention and met the unqualified approval of General Wood. It was adopted by the United States Bureau of Education in 1912 and is now in successful operation in many American States and foreign countries.

The plan is very simple. It consists of organizing the pupils into a republican form of government. The pupils in one room organize as a city or town, adopting the prevailing law. If as a city, they elect their mayor, commissioners, city judge, chief of police, and other officers from their number. They enact laws and enforce them, following closely as possible the approved methods of adults, though generally with better results. A number of these school cities or towns join in school States, which permits the practice of this higher unit of government. The States in the building are federated as a republic. Charters and constitutions vary, according to the age of the pupils, and are quite uniform, and set forth as the purpose to train the pupils in the practice of the golden rule in schools, at home, and elsewhere. The State of Massachusetts, at the instance of Doctor Gill, enacted a law making it compulsory to use the school republic in the public schools. This method of teaching government has been adopted by many school boards without any previous legislation with beneficial results. The most eminent educators have commended the school republic, and an immense amount of literature has been distributed by the Government and others showing its practical utility. Doctor Gill has the true spirit of the crusader for good government, as I learned by correspondence and from a scrapbook, giving incontestible proof of a hearty and whole-souled appreciation of his services to his country and humanity by his contributions to the cause of good citizenship. The spirit of Doctor Gill's teaching, after a thorough test here and elsewhere, is embodied in what he denominates "the golden rule in practice."

Dr. Frank Crane, in an editorial in 1921, pronounced Doctor Gill's method of teaching government the biggest idea in the world, and characterized him as a modest old school teacher and lawyer who had devoted his life to this big idea, and while he had not died for it was doing better by living it. There can be no doubt that the school republic is sound pedagogically, and is capable of rapid extension and enlargement in colleges and universities as well as in the grades and preparatory schools. It has been long recognized among educators that to teach things which are necessary to be done can best be accomplished by doing them. This is particularly applicable to citizenship, which requires action based upon intelligence. The duties of citizenship can be taught most effectively by good habits growing out of conduct resulting from high ideals, put into daily practice begun in youth. The teacher deals with the concrete and the possibilities for training leaders is unlimited in the school republic.

THE IOWA METHOD

Judge Martin J. Wade and Dean William F. Russell, of Iowa University, a few years ago conceived the idea of having the principles of the United States Constitution taught in the public schools to combat the propaganda in Iowa and other States put forth by certain foreign elements attempting to destroy our Government. In conjunction with Professor Meyerholtz, of Iowa State Teachers' College, they published a small volume entitled "The Short Constitution," and succeeded in having the Legislature of Iowa enact a law making it compulsory for the public schools to teach the principles of the United States Constitution. The method of teaching government as outlined in this little volume is unique and original. The plan has the form of lectures delivered by a live judge who appears daily and explains in the simplest manner to the pupils what government is and why it is necessary, and the objects to be acomplished, as well as its actual workings. It is what one would call the speaking method. The lectures are brief and practical, and breathe the true spirit of patriotism. While the book is used as a text it has the force of a personal vital message. The story of the Constitution is told in a most fascinating manner. Around the fundamental principles set out in the amendments enough history, both English and American, is given to prove in the most convincing way the inestimable value of every clause of the Constitution for the protection of the life, civil and religious liberty, and property of the citizen from the highest to the lowest. The student is made to realize that the Government is his friend and protector and it stimulates a wholesome patriotism and deep reverence for the Constitution and laws, as well as for all in authority. The "Short Constitution" has been adopted by the schools of Iowa and there is no book better adapted to meet the present emergency in that and other States with a foreign element. Judge Wade, Dean Russell, and their associates are doing a magnificent work and splendid results have been obtained. The American Bar Association selected Judge Wade to prepare the report on American citizenship on account of his leadership in Iowa.

At the conference held at Iowa University this summer on citizenship, at which the writer had the privilege to be present and participate, it appeared that 26 States have already followed the lead of Iowa in this praiseworthy undertaking. A significant fact is the acknowledged leadership of Judge Wade and his associates. The plan has been broadened until it is recognized that the American Bar Association, which is one of the most powerful and influential organizations in the country, should assume that leadership to which its members by reason of their special training entitles them.

The 1922 report of the American Bar Association, which is illustrative of Judge Wade's method of teaching government, should be read to fully understand the Iowa method. Last year Judge Wade offered $600 out of his meager salary as prizes for the best essay on questions pertaining to government to students in the seventh and eighth grades and high schools of Iowa, in which over 1,000 contestants participated. It is not difficult to imagine the far-reaching benefits resulting from such contests in every part of Iowa.

INTERSCHOLASTIC CITIZENSHIP METHOD

The wonderful constructive work done in Texas during the last 12 years by the University of Texas under the leadership of Dr. E. D. Shurter, under the title of the "University Scholastic League," has been commended by the committee of the American Bar Association and others who have investigated its work. The idea is to have competition in all of the schools and colleges in declamations, essays, orations, and debates on subjects pertaining to government with a view to the improvement of the citizens.

It was successful from the beginning. In round numbers there have been 48 general essay contests in which some 24,000 persons took part. 100 debates in which over 50,000 boys and girls participated, and in all several hundred declamation contests in which over 100,000 contestants took part. Taking into consideration the public way in which these various contests were held, where the parents of the pupils are interested in the school activities of their own, it is estimated that about 1,000,000 people of Texas have entered into these citizenship contests from year to year. It is also estimated that during the last 12 years, counting yearly duplicates, about 10,000,000 were reached by the University Interscolastic League of Texas.

This experience with the schools in Texas led Doctor Shurter to organize the American Citizenship League, whose purpose is to develop a citizenship training program on a contest basis for all the schools and colleges of the United States. It has a journal of its own, known as the American Citizenship Magazine, which is published monthly.

This plan, when in complete operation, will have contests similar to the ones before described in all of the schools, colleges, and universities in the United States.

Doctor Shurter has demonstrated by actual experiments the inestimable value of this plan, and it is easy to see the reason why it has been made attractive to the pupils. It is a nursery for training leaders so greatly needed at this time, as well as for instilling ideals of Americanism in the concrete. Its influence will permeate every home in America, and the reaction will be the most helpful to adults as well as to the entire youth of the land.

The possibilities for stimulating patriotism by declamations wisely selected from the great American orators and statesmen, from James Otis and Patrick Henry to Woodrow Wilson and Warren G. Harding, need no comment.

Many other plans for teaching government have been devised by distinguished educators which are well adapted for certain classes of students and are worthy of careful study, such as that outlined by Dr. Albert Bushnell Hart, professor of government at Harvard University, known as the Mooseheart course of academy study, the Columbia University course, the Marshall-Wythe school of government and citizenship at William and Mary College, the Harvard course and the manual for the information of immigrants by the National Society of Daughters of the American Revolution. Many splendid textbooks have been written for use of the public schools, colleges, and universities and many books for the general reader. The literature prepared for the Boy Scouts, Girl Scouts, and other similar organizations, as well as the activities of these groups, are all most helpful and constructive and are too well known to need extensive comment.

THE AMERICAN BAR ASSOCIATION PLAN

I will conclude by briefly describing the plan of the American Bar Association, attempting to show how the members of that association may be of incalculable benefit to the schools, the press, and the public in the citizenship movement. The report of the committee first appointed in 1922, of which Judge Wade was chairman, has been already mentioned and some reasons given why the American Bar Association

should take the lead. A second committee, of which R. E. L. Saner, of Dallas, Tex., was chairman, prepared a report for 1923, which was presented at Minneapolis on August 30.

The plan adopted in 1922 provided for a standing committee upon "American citizenship," composed of five members, and authorized said committee to establish a bureau to have, under its direction, charge of the education, training, and development of a better citizenship; to arouse patriotic effort of the members of the bar in every State, utilizing to this end the State, city, and county bar associations and coordinating with all societies having the same ends in view; arranging programs and outlining plans for patriotic community effort; impressing upon members of the bar that they are called to duty as leaders in educational and patriotic effort, and making them realize that they are sworn to uphold and defend the Constitution and the laws of our country; arranging for the appointment of a committee in every community whose duty it shall be to see that the Constitution of the United States is taught in every school, public and private, throughout the United States. The bureau is to make provision for training in citizenship not only in the schools but for adults who have never had an opportunity to study the simple but important truths of this Government, and methods are to be devised to carry into the homes the truth about our institutions in order to counteract the falsehoods disseminated through the anti-American newspapers, books, and magazines.

REPORT OF COMMITTEE

The report of Mr. Saner's committee is one of accomplishments, and should be read by all persons who are interested in the movement. Briefly stated, it shows the main objective should be the education of the public with reference to the nature and ideals of our Government as embodied in the Constitution of the United States, and to that end the following shibboleth was adopted:

"To reestablish the Constitution of the United States and the principles and ideals of our Government in the minds and hearts of the people."

The concrete results obtained by the committee and its bureau in conjunction with other similar organizations are summarized as follows by the committee:

First. Twenty-four States have enacted laws to require the teaching of the United States Constitution and the constitution of a particular State, together with the principles and ideals of our Government, in all schools and colleges supported in any manner by public funds. Five States considered the same character of legislation during the year, but for different reasons the bills failed.

Second. Conferences on teaching the Constitution among teachers in schools, colleges, and universities were recommended, and many were held, including one at the University of Iowa heretofore referred to.

Third. The program for the celebration of three national holidays—Patriots' Day, April 19; Memorial Day, May 30; and Independence Day, July 4—were prepared and observed in many parts of the country. But the most important and constructive plan proposed and now in course of execution for the second year, and which promises the most beneficial results, is the nation-wide celebration of Constitution day, September 17, which has been enlarged to cover a week, September 16 to 22. Mr. Saner was active during the year and delivered many addresses before the State bar associations and other organizations in many States, and obtained the cooperation of these organizations to a considerable extent. The publicity work of the bureau has been extensive and helpful in many ways. But the most gratifying response to all of the agitation by the combined organizations in the citizenship work is shown in the bibliography of books and pamphlets on the Constitution prepared by the bureau in a handbook for citizenship activities, with numerous suggestions for the speakers and others taking part.

It should not be omitted to call attention to the splendid assistance given this movement by the American Bar Association Journal, and especially the series of contributions made by distinguished members of the bench, bar, and publicists on government, which will later be published in book form under the title of "New Federalist."

The attacks made upon our Government by small groups of foreigners and the abuse of the judiciary by certain large groups of so-called Americans has had a most gratifying response from the bar associations and other organizations in defense of the courts and our American system of government. It has also made our judges realize that they can and must actively cooperate in educating the citizens in the fundamental principles of our Government.

The great problem, however, after all is the education of the next generation in the duties of citizenship, and this can be done most effectively by the schools, for the reason that, as was wisely said by Humboldt:

"If you wish to introduce new ideas into a nation's life, you must put them in the schools."

To-day the most important person and, in fact, the most useful citizen, is not the soldier, lawyer, doctor, or preacher, but the teacher. Every possible effort should be made to see that the youth of the land are drilled in the fundamental principles and ideals for which America has always stood in order that he may be made to understand the sources of our liberties and how they may be preserved. It is, therefore, of the utmost consequence that the teacher himself be thoroughly equipped to instruct the pupil in the fundamental principles of our Government.

PROBLEM OF TEACHING THE TEACHER

It resolves itself, then, into this one proposition, which is of profoundest significance, and that is that it is the duty of the American lawyers and judges and others in authority, who understand our form of government, to teach the teacher. This problem of teaching the teacher should challenge the attention of all colleges and universities, and especially that of our great and outstanding universities, whose business it is to train teachers. No greater accomplishment has been made in recent years in this direction than that made by the summer schools and educational associations. What we need at this time is cooperation of all the various organizations which are now in existence and are rapidly increasing in this country almost daily to accomplish the various things which are thought to be essential to the upbuilding of our civic life and the betterment of the people as a whole. While I do not deprecate the spirit which actuates any of them in the ambition to multiply and form societies, there is a tendency to form blocs or small groups which is as noticeable in the country as a whole as it is in our United States Congress. There is just one more society which I am ambitious to help organize, and that is one to which all plain American citizens are eligible, and in which every proposition made should be for American citizens as a whole and not for any particular bloc.

Seriously, let me conclude by recommending the use of the best parts of all the plans outlined under the leadership of the American Bar Association in cooperation with all other organizations working to this end, and especially all the schools, colleges, and universities. The aim should be to place a copy of the Constitution in every American home, and have it become a guide to the civic life just as the Bible is to the spiritual well-being of every individual. Civic and religious freedom are equally necessary to our continuance as a great nation.

Mr. ACKERMAN. Mr. Chairman, I yield seven and one-half minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman, I am taking this opportunity to make a few observations concerning the petition that has been filed with the Clerk and is being signed by Members of Congress to force the immediate consideration of the so-called Barkley bill.

This bill is a long, complicated measure, composed of many, many sections, and if the petition is signed by a sufficient number and the House is forced to consider the bill on the floor of the House instead of by committee it will no doubt take the greater portion of the summer and fall. I am not going to comment on the merits of the Barkley bill. It deals with the subject of capital and labor, abolishes the Railroad Labor Board, creates more public offices than any bill that has passed the Congress for many a day, and, so far as I know, is a bill satisfactory to the larger railroads and to some branches of organized labor. It does not deal with nor propose to affect the public outside of these organizations.

The occasion for having it brought upon the floor by the petition route is that the Interstate and Foreign Commerce Committee voted to have hearings and consider the truth-in-fabric bill first. I have no doubt, judging entirely by the speech made by our friend from Kentucky [Mr. BARKLEY], that this bill has merit, but I do think it would be an outrage to stop the proceedings of the House now to take it up and consider it in the House without its consideration in the committee. However, I understand that is the program of the other side of the House, and, with the combination of certain parties that sit on our side, it will be possible to do that if the leadership of our Democratic friends have decided to force it. If that is done, it will be impossible for the membership of the House to know anything about the merits of the bill other than what we can learn and ascertain by inquiry, as the House itself, or the Committee of the Whole, is not empowered to have hearings.

In 1916 Congress passed the Adamson law. I was not here, but I had the pleasure of listening to dozens and dozens of men that voted for that law denounce it and say that the rights of the people were not at all considered in its passage. In 1920, just prior to the presidential election, the executive branch of our Government, through the Railroad Labor Board and the Interstate Commerce Commission, granted a raise in wages and a big raise in freight rates of all kinds, in which only the railroads' and organized labor's rights were considered, as certainly the people were not considered. To-day the American farmer is selling his production on the basis of about 70 per cent of the ratio price to about 400 articles that are necessary in the ordinary home, as compared with the 10-year period immediately previous to the war. It is claimed by many that the increased cost of labor is one reason for this and by others that increased freight rates, carrier charges, is another reason. It is claimed by the carriers that their increased charges are forced by the increased cost of labor.

The committee of which I am a member have been working since December trying to agree to some bill that would have a tendency not to reduce other people's standard of living but that would bring the farmer's standard up to other people's standard. Surely it is manifest that something along this line must happen. For a great many years the farmers of this country have been demanding something like the truth-in-fabric bill, and the House of Representatives at this session of Congress has so far proceeded in an orderly way to pass a great many measures, and it is a well-known fact that it is the intention of some of the parties responsible in the House to proceed and pass some measure calculated to give to that great basic industry, agriculture, all the help possible to give by man-made law.

Can it be possible that organized groups of minorities will so combine as to make a majority and suspend all other business of the House for the purpose of considering a measure dealing only with the rights of the carriers and their employees? The Barkley bill, as I understand it, does not even contemplate a reduction of freight rates, but, on the other hand, it looks very much like a repetition of the 1916 and 1920 program of certain people in public life going the limit to please both the carriers and organized labor, regardless of the results as to the public, on the eve of a presidential election. So far in this Congress we have not passed a measure except concerning which the Members had an opportunity to read the hearings held before the committees and that the committee reporting the measure had an opportunity to know all the facts; but now it is proposed by those signing the petition that we abandon this orderly procedure and take up a bill containing many complicated questions and consider it in the House.

Personally I had thought that if our transportation act needed any changes they should look to the reduction of carrying charges. Personally I had thought that it was the general public that had a grievance. I want to be entirely fair with the carriers. I want to be entirely fair with the laborers. Maybe I am wrong; if so, hearings before a committee will disclose that fact. But surely it is no time to abandon this orderly procedure and take up a measure that will take months to consider on the floor of the House, unless we want to pass it without considering it, a measure from which it is conceded that the public has no right to expect any substantial or immediate relief.

If the proponents of this bill are successful in preventing the consideration of other legislation at this session of Congress by forcing this measure onto the floor, without any consideration by the committee, then I am sure the public will be justified if it thinks that we are thinking more about getting the votes of organized labor in the 1924 campaign than we are about rendering any substantial relief. Let us stop and think a little about the Adamson law, and four years later about the great freight-rate increases and wage hikes, which were taken away from labor soon after the election; and let us just say that we will not camouflage with the farmer, and not try to get any particular class to vote with us, but that we will continue the Sixty-eighth Congress as it has started—in an earnest, sincere effort to pass only such laws as will truly benefit the people. [Applause.]

Mr. AYRES. Will the gentleman yield?

Mr. TINCHER. I yield.

Mr. AYRES. Did I understand the gentleman to say that the increase of wages was taken away from the employees by the railroads in 1920?

Mr. TINCHER. One complaint of the railroad board is that prior to election in 1920 the wages were increased and immediately after they took them away.

Mr. AYRES. Is it not a fact that both the wages of the employees and the freight rates have been increased since the passage of the transportation act?

Mr. TINCHER. Not materially since the fall election of 1920. I said this in a speech in our own State, "That we will not hear any more about wage increase until about the time of the election of 1924." With the example of the Adamson law in 1916 and this increase before election in 1920, we can expect at every presidential election an appeal for a big increase in wages.

I am not criticizing the bill, but we ought not to do this to the exclusion of other business. We ought to give the House a chance to have some information about it. This bill creates more public officers than any bill pending before the American Congress in years. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SHREVE. Mr. Chairman, I would like to ask how the time stands.

The CHAIRMAN. The gentleman from Pennsylvania has 7½ minutes remaining, and the gentleman from Alabama has 41 minutes remaining.

Mr. SHREVE. Mr. Chairman, I yield the remainder of my time to the gentleman from Iowa [Mr. DICKINSON].

Mr. DICKINSON of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DICKINSON of Iowa. Mr. Chairman, it is not my contention that legislation can cure economic depression, but it can safeguard the reappearance of a depression and can direct economic conditions to assist in curing those conditions. I think it is almost an admitted fact by everyone that agricultural conditions in this country are such that within the very near future we will have to make some decided change in our national policies in order that agriculture may carry through and remain that part of this country that it has heretofore been. In other words, I believe that the time is now here when we must do something to direct the agricultural policies of this country for the protection of agriculture. In order that I might show you how important I think this is, I recall to you that England deliberately chose to be an industrial country and repealed the corn laws back in 1846. She selected the course of being an industrial country. She permitted farms to be thrown into hunting grounds. She selected the course that has now brought her to the position where she is at the present time burdened with an employment pension being paid to some three or four or several million unemployed people. On the other hand, some time about 1870, Germany selected to be a country that would encourage both industry and agriculture, a dual development, and she fed herself without assistance during the war for nearly five years. I believe it is admitted by everyone that she was the strongest economic country, nationally, that we had in existence prior to the time we entered into the World War.

The United States is now drifting and we are soon to be called upon to decide some agricultural policies that, in my judgment, are going to be tremendously far-reaching. We have two phases now before this Congress. One of them is the restoration of agriculture, economically, which is involved, in my judgment, in the McNary-Haugen bill; the other is the determination of the foreign policy of this country, as to whether it shall be retained in the Agricultural Department or partially turned over to other departments of the Government. I believe it was admitted, and so stated by Willis Booth, banker and economist, of California, that history has shown that in no great nations have great industry and a great agriculture thriven side by side. He says that they do not thrive together; that either one or the other is subservient; and that the time has come when we in the United States are going to make industry paramount.

Mr. Chairman, we have permitted our industry to survive here because we believe we should have labor well employed to consume our agricultural products, being a great agricultural country and having a great agricultural expanse.

That being the case, we have directed policies for the encouragement of agriculture and for the benefits of labor; that we are going to give better employment; we are going to give you a protection in order to keep you from producing in competition with the world, and for that reason we want our country to develop industrially; and were it not for that policy, I say to you now that there would not be anywhere near the population in the United States living on this side of the Allegheny Mountains that there is now. In other words, our industries would not have developed as they have. That policy has been directed by legislation. I believe that it has been for the benefit of both the standard of our citizenship and the good of our country. We have become immensely rich, and our agriculture has been able to survive for the reason that it has lived not only on what we produce but it has lived on the land promotions, the reclamation of new farms, on the new fertility of our soil; and we have reached a period now where we have got to have some new direction along national policies as far as agriculture is concerned. We must not only recognize that, but we must recognize that if agriculture is going to stay depressed, as it is now, that depression is gradually going to eat its way back into every other industry in the

country. It was interesting to me the other day to pick up the Literary Digest and see the number of farm implements that are being consumed now and produced and sold in comparison with a few years ago.

Production of farm machines (United States Government figures)

Implements	1914	1922
Plows	1,335,194	431,409
Harrows	764,660	256,458
Corn cultivators	378,934	89,633
Mowers	274,521	89,484
One-horse cultivators	284,138	58,619
Grain binders and headers	215,386	41,493
Sulky rakes	139,456	30,019
Corn planters	114,657	21,783
Cotton planters	101,256	17,874
Broadcast seeders	166,048	46,889
Grain drills	86,370	17,896
Corn binders	52,067	9,633
Hay loaders	28,865	15,891
Threshers	13,549	8,985
Reapers	56,982	4,849
Corn shellers	74,219	44,579
Listers	37,963	10,391
Land rollers	22,470	3,777
Soil pulverizers and packers	12,724	2,940
Rakes, side delivery	20,213	9,135
Rakes, sweep	23,304	9,001
Stackers	6,437	1,651

Practically all other lines of farm equipment have had similar declines.

That goes back home to the man who is employing labor and the wages that he is paying. It goes to the man who is interested in industry, who thinks he does not need to bother about the farmer so long as he can sell him the implements and get his money. He can not do it unless agriculture is permitted to survive. I know you will say that I am from the State of Iowa, but I am proud of that. Iowa has great wealth. We have an automobile for every four persons. Yes. You are not going to be able to starve Iowa, because we produce most of the things that we eat in our own State. We are not afraid of starvation, we are not afraid of bread lines, we are not afraid of any of those things that come with industrial depression, but we are afraid of the economic effect, not only on our own section of the country, but on the eastern and western sections of the country where they depend on their sales in our section of the country to be prosperous.

The CHAIRMAN. The gentleman has consumed all of the time at the command of the gentleman from Pennsylvania.

Mr. OLIVER of Alabama. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. DICKINSON of Iowa. For that reason I contend that it is now the duty of this Congress to study this question of whether or not additional protection can be given to agriculture; and all there is involved in the McNary-Haugen bill is the fact that they are asking this Congress to give agriculture that protection which for years we have voted to the industries of the East. That is a protective policy which will permit us to make a tariff effective on products of which we have an export quantity. Oh, but you say, that involves a lot of intricate machinery. No more intricate than the same machinery that you have had in existence here for, lo, these many years, by which the factories of the country have maintained their standard of wages, by means of which they have permitted the sale of the same product in this country higher than in Europe. That is what we want you to do with our agricultural products. In other words, if that can not be done, you are going to put agriculture on a basis equal to that of Europe because then they must sell in world markets.

But if you put agriculture on that same basis sooner or later it is going to come back home and going to put them on the same basis that they will be compelled to sell their product and employ labor in competition with the labor and products in Europe. We want to maintain the American standard not only for industry but for agriculture as well, and we do not want deliberately to select a policy here which is going to require and gradually reduce our standards of citizenship or employment of industry and wealth down to standards that are now maintained in war-torn Europe, with the millions of people out of employment there.

Mr. AYRES. Will the gentleman yield?

Mr. DICKINSON of Iowa. I will.

Mr. AYRES. We have to depend upon Europe, do we not, for a market for our surplus products?

Mr. DICKINSON of Iowa. We do.

Mr. AYRES. Does the gentleman believe that putting an extremely high tariff on our exports will in any way increase the price of those products?

Mr. DICKINSON of Iowa. Oh, no; that is merely a barrier against the surplus being thrown upon the market here. A high tariff on raw products or export products does not affect the price here under ordinary circumstances.

Mr. AYRES. Does the gentleman think that a high protective tariff so that European countries that have to buy our surplus farm products can not bring in their surplus manufactured products and sell here is going to create a market for the surplus farm products of this country?

Mr. DICKINSON of Iowa. No; but I want to create some system in behalf of the raw products, of which we must sell our surplus abroad, a system here by which we will establish our price ratio on our home consumption and our home conditions instead of permitting our manufacturers here to sell their products at a price they can sell for in this country and then make the farmer take the world market for his products, his market being fixed by the depressed conditions of Europe while the other man's market here is fixed by the home conditions. In other words, we are going to adopt a policy here that will make all of our conditions subject to European conditions, or adopt a policy making all conditions subject only to the local conditions, to our home conditions. Now, I do not say that European conditions do not have something to do with the conditions in this country. Anybody who has studied national economics knows it does reflect; but, on the other hand, we can maintain our standard and we can say, if you please, we have the same protection for the raw product that we have for the manufactured product, and that is all that we are asking for in the McNary-Haugen bill. Now, then, in closing I wish to say this word on one other point——

Mr. OLDFIELD. Will the gentleman yield?

Mr. DICKINSON of Iowa. I will.

Mr. OLDFIELD. This McNary-Haugen bill, as I understand it, includes so many things in it—wool and the manufactures of wool, cotton and the manufactures of cotton—that it seems to me perfectly silly.

Mr. DICKINSON of Iowa. The reason is that if an emergency never exists then nobody is hurt, but if one should exist you men who are producing cotton will be here asking that cotton be included.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. OLDFIELD. I am in sympathy with the gentleman. But you are going to lose votes by keeping those things in there.

Mr. DICKINSON of Iowa. When interrupted by the gentleman from Arkansas [Mr. OLDFIELD] I was about to suggest the view of agriculture with reference to our foreign service for agriculture. I am for cooperation between the departments of the Government. Not long since a determined effort was made to transfer forestry from Agriculture to Interior, marketing from Agriculture to Commerce, and now to interfere with our foreign economics service by Commerce. I here desire to insert a letter from C. S. Barrett, chairman National Board of Farm Organizations.

NATIONAL BOARD OF FARM ORGANIZATIONS,
OFFICE OF THE SECRETARY,
Washington, D. C., April 16, 1924.

Hon. L. J. DICKINSON,
House of Representatives, Washington, D. C.

DEAR MR. DICKINSON: The Farmers' Educational and Cooperative Union of America opposes the transfer of any of the functions of the Department of Agriculture to the Interior Department, the Commerce Department, or to any other department. We are opposed to any of these departments encroaching upon the Department of Agriculture in the field of marketing farm products in the United States or abroad. We want this work done where it is now being done. We want more work done for us both at home and in foreign countries.

The Department of Agriculture is the agent of the American farmer. The Department of Commerce is the agent of those enormous interests in our country not engaged in agriculture and has a vast field in which to work without adding agriculture to the industries given into its charge by the organic act of 1903.

The Department of Agriculture sends the information it collects directly out to the farmers. Those that trade in agricultural products have just the same access to this information that the farmers have. Doctor Klein, of the Department of Commerce, stated on February 4:

"We reserve much of our material for confidential circulation; at the present I should say about three times as much material is being sent out in confidential form as otherwise."

This "confidential" circulation of reports to a favored few is just what scares the farmers. That is just where the traders have always had the strangle hold on us. The Department of Commerce can not serve the interests of these traders by sending them confidential reports and at the same time serve the interests of the farmers. We do not

want any other reports that differ from these confidential reports. We want all the facts available, such as the Department of Agriculture is giving us.

The Department of Commerce can not do agricultural work anyway unless they build up another organization of agricultural experts in addition to the same kind of an organization of experts already working in the Department of Agriculture. We ought to have just one going concern authorized to do agricultural work, and that concern is and should be the Department of Agriculture.

If the department is not giving us the service we want or enough of it, our business is to see that they have the proper force and sufficient money to develop that service.

A more complete statement of my views is inclosed.

Very truly yours,

C. S. BARRETT.

Also an interview by Charles W. Holman, secretary National Board of Farm Organizations:

A warning to the farmers of America to guard themselves against the attacks of exploitive interests was issued to-day by Charles S. Barrett, chairman of the National Board of Farm Organizations and president of the National Farmers' Union. In no uncertain terms Mr. Barrett informed the farmers that the Federal Department of Agriculture was in serious danger of being "divided up."

"This 'dividing-up' process has been very popular of late"—Said Mr. Barrett—

"It started back in 1921 when Secretary Fall wanted Secretary Wallace to 'divide up' the Forestry Service and the Alaskan natural resources by turning them over to Mr. Fall. It looked for a time as if Mr. Fall would get away with the bacon; but the National Board of Farm Organizations called the turn. We went to the White House and to the friends of the farmer in Congress, and we stopped Mr. Fall's attempt to grab the Forestry Service. We didn't know then what Mr. Fall intended to do with the public domain, but we do know now what happened when the Navy Department 'divided up' with Mr. Fall and turned the Teapot Dome oil lands over to him.

"The Department of Commerce also caught this 'dividing-up' fever. While Mr. Fall was trying to get the forest lands the Department of Commerce was trying to get control of the Bureau of Markets. Mr. Hoover had reached the conclusion that the Department of Agriculture should control only those questions pertaining to the production of crops. When the farmers' products started toward the market Mr. Hoover thought that all investigations should then be made under his direction.

"This view, however, has never been shared by the farmers of the United States. At their insistence, Congress created an office of markets in the Department of Agriculture, and later made this office a full-fledged bureau, charged with the task of helping farmers to solve their market problems at home and abroad. Our people knew where that bureau should be placed then, and they know where they want it kept.

"For a time it looked as if this neat little plan of lifting a chunk out of the farmers' department and turning it into a little department of agriculture within Commerce would succeed. It would seem as if the idea appealed to Walter F. Brown, the head of President Harding's congressional committee on reorganization of executive departments. If it had succeeded, the control of all important governmental information on marketing would have been in the hands of a department especially created to work for the interests of the groups that do not want farmers to organize and market their products cooperatively. The job of the Department of Commerce is to help especially the manufacturers, the middlemen, and the transportation groups. To do its work right the department must have men trained in private business practices. Such men become steeped in the tradition of their work—the tradition of caring for urban industries. A different type of man is needed to work for the interests of farmers; he must be steeped in the farmer viewpoint; he must be agriculturally minded. For the Department of Commerce to attempt to serve with its right hand those who are exploiting the farmer and with its left hand the farmer struck our people as being a little inconsistent. We didn't see how he could keep his right hand from knowing what his left hand was doing. So the National Board of Farm Organizations smashed that beneficent plan.

"And now we have to face another danger. The Secretary of Commerce wants to control all of the foreign investigations pertaining to the marketing of farm products. A shrewdly drawn bill to do this was introduced last January by Representative WINSLOW, of Massachusetts, chairman of the House Committee on Interstate and Foreign Commerce. Mr. WINSLOW succeeded in getting that bill reported. In its present text that bill constitutes another attempt to take a slice out of the Department of Agriculture.

"The National Board of Farm Organizations will fight that bill as it fought the effort of Mr. Fall to grab the forestry and Alaskan resources, and as it fought the attempt to dismantle the Bureau of Markets. But I warn the farmers of this Nation that they had better wake up and put a stop for all time to this 'dividing-up' raze or they soon will not have anything left to divide."

With further reference to the conflict I insert a statement of H. C. Taylor, relative to his presence at the conference in the Department of Commerce March 24, 1923:

During the latter part of March, 1923, the Department of Agriculture was asked to send some one to participate in a conference on the foreign trade of the United States in agricultural products.

I was asked by the Secretary of Agriculture to attend the conference. I had no information in advance regarding the matter, except two circulars announcing a general plan devised by the Department of Commerce. But on March 24 I was at a conference, which was attended by—

SYDNEY A. ANDERSON, Member of Congress.
W. G. Jamison, American Farm Bureau Federation, La Veta, Colo.
J. G. Brown, American Farm Bureau Federation, Indianapolis, Ind.
C. W. Hunt, American Farm Bureau Federation, Des Moines, Iowa.
T. C. Atkeson, the National Grange, Washington, D. C.
Charles S. Barrett, Farmers' Union, Union City, Ga.
James F. Bell, flour miller, Minneapolis, Minn.
Julius Barnes, president United States Chamber of Commerce, Washington, D. C.
George McFadden, cotton exporter, Philadelphia, Pa.
Carl Williams, president Oklahoma Cotton Growers, Oklahoma City, Okla.
Ralph Merritt, president California Raisin & Rice Association, San Francisco, Calif.
Alonzo E. Taylor, director Food Research Institute, Stanford University, Calif.
James A. Broderick, vice president National Bank of Commerce, New York, N. Y.
Adolph Miller, member Federal Reserve Board, Washington, D. C.
Thomas Wilson, president Meat Packers' Institute, Chicago, Ill.
H. C. Taylor, United States Department of Agriculture, Washington, D. C.
Julius Klein, Department of Commerce, Washington, D. C.

At the conference we were informed by Secretary Hoover that the Department of Commerce was in possession of funds appropriated by Congress for an investigation of the foreign trade of the United States in agricultural products. This investigation was, we were informed, to be conducted by the Department of Commerce conjointly with the Department of Agriculture. This was the first intimation I had that any such joint project had been contemplated by Congress. Upon inquiry as to how the Department of Agriculture was to participate in the work, I was informed that members of the staff of the Department of Agriculture would have to be transferred to the pay roll of the Department of Commerce and would be paid from funds in the possession of that department while carrying on this work. At the time of the conference I accepted the statement of Secretary Hoover at its face value, that these funds had actually been authorized by Congress for the purpose specified by him; but I told SYDNEY ANDERSON there was something wrong about this and that it looked to me as if this was another move on the part of the Department of Commerce to ride right across the field of the Department of Agriculture.

At the meeting of March 24 a certain plan of work was presented by the Department of Commerce and various discussions followed but there was no formal approval on the part of the so-called commission to any program of action.

I personally called attention to the importance of studying problems of demand as affected by changes in industrial conditions in the important centers of manufacture and commerce in this country and in foreign countries. I pointed out that this important line of work would be of great value. I was later told by Doctor Surface that he thought that the Department of Agriculture had better undertake these studies in demand. The Department of Commerce proceeded to work along the lines of their own suggestion without any approval on the part of myself or any other representative of the Department of Agriculture. In fact, when I raised certain questions in the conference, Secretary Hoover's reply lacked somewhat of the elements of courtesy and had for its purpose turning the laugh on me and economists in general rather than accepting any of my suggestions as constructive.

In later conferences with committees of the Department of Commerce, at which certain members of the Department of Agriculture, including myself, were present, I pointed out definitely to Doctor Surface and those working with him that the plan of procedure which they were laying out cut definitely across the path of the work which the Department of Agriculture was doing. The question of whether or not the Department of Commerce had authority in law for using any part of the crude-rubber appropriation for these agricultural studies was a matter which was not brought up for consideration at

the conferences, since it did not enter my mind that the Secretary of Commerce would engage in a project that he was not clearly authorized by Congress to undertake.

H. C. TAYLOR,
Chief, Bureau of Agricultural Economics,
United States Department of Agriculture.

On April 15 the gentleman from New Jersey stated:

Additional markets for farmers to aid their disposal of surplus products would make them happier and thus the necessity of even contemplating the issue of scrip might be avoided.

An intensive drive for new internal markets for the farming community would be hailed with delight by millions. If the feat of obtaining additional permanent markets for this most estimable and hard-working class of citizens became a reality, surprise really would be manifested and perhaps astonishment might be expressed that the experiment had been so long delayed of pushing to its utmost the obtaining and enlarging of domestic markets.

It is my hope that the Department of Commerce does not imply that this department will seek this function by transferring to that department from the Department of Agriculture the Bureau of Markets. The farmers of this country do not want the experts of commerce to have a controlling influence in working out their salvation. They seek the cooperation of all departments. They prefer that the directing hand shall be held by the department created in their interests and students of their cause.

Mr. OLIVER of Alabama. Mr. Chairman, the committee in framing this bill has been careful to omit therefrom all matters of legislation and to avoid inserting in the hearings any matters of partisan character. In framing the bill we have endeavored to serve one purpose only, namely, to provide sufficient funds for the efficient discharge of the duties imposed on the four important departments to which the bill relates, and we have tried to conserve the interests of the taxpayers in the appropriations recommended.

Two speeches have been made to-day to which I wish to make brief reference—not with the desire to attempt any full or long answer at this time. I will later during the session speak more at length on the leases of the naval oil reserves, to which the gentleman from Wyoming has just made extensive reference. It was surprising to find a Representative, who recently voted for $100,000 from the Federal Treasury for the employment of private counsel to file suits for the recovery of these lands and the vacation of the leases thereon, at this late day speaking in defense of the very leases, which in court are now sought to be voided with funds which the gentleman voted. It is to be expected that the companies and individuals against whom suits have been commenced should, in newspapers and magazines, seek to justify and uphold the leases, but I had not thought that a Member of Congress who by his vote gave $100,000 to the President to employ counsel to vacate these leases would now undertake to say, while the suits are pending, they should be upheld. [Applause.]

The action of the gentleman in that connection is probably a sufficient answer to the speech he makes to-day. The gentleman's statement follows closely the line of argument advanced by Mr. Doheny and others, and suggests that the facts which he submits to-day come largely from the same sources.

The gentleman from Kansas has also thought it proper to lecture Members of the House, on that side and on this side, because they are understood, forsooth, to be invoking a rule, adopted by the House, to prevent the pigeonholing of an important bill. Those who signed the petition to have the bill reported may not approve the provisions of the bill as written, but they recognize that it is a bill of importance, affecting not alone the two classes to which the gentleman refers, namely, the employees of railroads and the owners of railroads, but affecting in a large way the public at large. The transportation system of this country is property in which every man, woman, and child are deeply interested, and it is of supreme importance that this Congress do everything possible to prevent the tying up of these great transportation systems such as has occurred in the recent past, because of differences between employees and employers. Anything looking to the prevention and settlement of these differences in future is of untold importance to all of our people. Who can measure in dollars and cents the loss to farmers and business men resulting from strikes on our railroads in the past few years? If the bill is not properly drawn, the House will have ample opportunity to discuss and correct it.

I think all must agree that it should have consideration, and the gentleman from Kentucky [Mr. BARKLEY] has stated that in his judgment it would not be considered by the committee unless some action was taken by the House such as the gentleman from Kansas now complains of.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. SHALLENBERGER. I wish to call the attention of the committee to this further fact, that the rule to which the gentleman from Kansas [Mr. TINCHER] objected only authorizes, if a sufficient number sign that petition, that any Member of the House who has signed the petition shall have the right to call the bill up, and then the House votes whether it shall be considered or not. It requires a majority of the House to obtain consideration of the bill.

Mr. OLIVER of Alabama. The gentleman is entirely correct. It will be remembered in that connection that no one, since the gentleman from Kentucky [Mr. BARKLEY] made his speech on last Tuesday, has given any reasons to Members of the House why the bill should not be recalled from the committee in the manner provided by the rules of the House. It remained for the gentleman from Kansas [Mr. TINCHER], not a member of the Committee on Interstate and Foreign Commerce, which has the bill in charge, to appear to-day and suggest that the action of Members of the House in availing themselves of the rule was unwise and untimely.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield further?

Mr. OLIVER of Alabama. Yes.

Mr. SHALLENBERGER. I am a member of that committee, and of course I realize that certain things may not be stated as the action of the committee, but I will say this, that the proponents of the bill asked for only one day to appear before the committee at the hearing, stating they would be satisfied with one day to present their side. That request was denied them, although a respectable minority of the committee voted for the immediate consideration of the bill, of which I was one. The Senate Interstate Commerce Committee has already had extensive hearings on the bill. Those hearings are published and are available for the information of the House.

Mr. OLIVER of Alabama. I am very glad to have that statement, and I think you will agree that it is rather strange that one not a member of the committee, who assumes a neutral attitude in reference to the bill—because he states "I confess I do not know whether it is good or not; it may be very good"—should after that confession undertake to criticize Members of the House for exercising a privilege given by the rules of the House. [Applause.]

Now, coming back to the bill under discussion, I hope you will find that the committee has shown fair judgment in the appropriations recommended. We have endeavored to uphold the Budget Bureau as far as we could, and have not exceeded the total appropriations approved by the Budget Bureau for the several departments covered by this bill. We have made some changes in the amounts allocated to the different activities of the several departments, but the total amount which we recommend for each department is well within the amounts recommended by the Budget.

The Committee on Appropriations has endeavored to cooperate at all times with the Budget Bureau, and only in urgent cases have we recommended at any time larger appropriations than those fixed by the Budget. We have not failed, however, to develop in the hearings all facts relating to important appropriations, even though the facts so developed may show that some appropriations should be increased. We have found that it was best to let the House, on the facts so disclosed, assume the responsibility of increasing appropriations over the amount fixed by the Budget. The gentleman from California [Mr. LEA] has just referred to an important matter for which the Budget failed to allow the current appropriation. The coastal sections, both west and east, as well as many sections in the interior, are greatly interested in speeding up the surveys to which the gentleman from California refers, and I assume that facts may be later laid before the committee showing that the appropriations we have recommended for this service should be increased so as to permit the work now being carried on to be continued. I recognize that there is merit in the contention of the gentleman from California, but this is a matter which the committee felt should be passed on by the House.

You will likely hear from some who are very much interested in stopping numerous surreptitious entries by immigrants through failure to properly guard our borders.

The Department of Labor, in response to questions from members of the committee, were frank to admit that the appropriation recommended by the Budget was wholly insufficient to properly guard the borders. The fact that the House has re-

bill as it fought the effort of Mr. Fall to grab the forestry and studies was a matter which was not brought up for consideration at

cently shown great interest in restricting immigration and properly reduced, I think, the number that can be lawfully admitted, would indicate that the House may be interested in providing sufficient funds to enable the Department of Labor to prevent unlawful entries and to deport those now unlawfully here. During the discussion of the immigration bill many Members called attention to the large numbers who had unlawfully entered, and you will note that the committee had the representatives of the Department of Labor write into the record the true facts as to this matter. We did this in order that the House might have reliable information on which to predicate any action they might think it wise to take relative to appropriations carried for this activity. I can but feel that the House will give prompt approval to the other items carried in the bill, even though it may decide to grant some increase in the two items to which I have made specific reference.

Mr. Chairman, there were two gentlemen to whom I had promised time, both of whom advise me they do not wish to speak at this time, so I am entirely willing that the time for general debate shall now be considered as ended.

Mr. SHREVE. Mr. Chairman, we have no further speakers on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CLERKS AT EMBASSIES AND LEGATIONS

For the employment of necessary clerks at the embassies and legations, who, whenever hereafter appointed, shall be citizens of the United States, $350,800; and so far as practicable shall be appointed under civil-service rules and regulations.

Mr. SHREVE. Mr. Chairman, I offer an amendment simply to correct the text.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment offered by Mr. SHREVE: Page 5, line 23, strike out "$350,800," and insert "$50,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

No person drawing the salary of interpreter or student interpreter as above provided shall be allowed any part of the salary appropriated for any secretary of legation or other officer.

Mr. DYER. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Pennsylvania whether the language in this section means that the student interpreters for Japan and China, at $1,500 each, are to have $350 per annum in addition to what they are to receive as salary?

Mr. SHREVE. Yes.

Mr. DYER. Making $1,850. Is that correct?

Mr. SHREVE. Replying to the gentleman, I would like to read from the hearings:

There is one provision in there, Mr. Chairman, for an increase in salary, and I think it is the only one in this bill, an increase of $500 in the salary of the interpreter at Bangkok, Siam.

It came along in connection with this appropriation, and while it is a very slight increase it is very necessary.

Mr. DYER. I had reference to the student interpreters who must sign an agreement to stay with the service for at least five years at a salary of $1,500 each. Further along in the section it is provided that they shall have $350 per annum for the cost of tuition. What does that mean? I refer to the language contained in lines 19 to 21:

For the payment of the cost of tuition of student interpreters in China, Japan, Turkey, at the rate of $350 per annum each.

Does that mean that the money is allowed to them and that they must pay it out for tuition?

Mr. SHREVE. No; the money is not allowed to them at all.

Mr. DYER. They do not get it?

Mr. SHREVE. They do not get the money.

Mr. DYER. Then the total amount they receive is $1,500 each?

Mr. SHREVE. Yes; the students' salaries are $1,500 a year each.

Mr. DYER. Is that fixed by law?

Mr. SHREVE. That is fixed by law; yes. Let me say further that it is desirable to have these students housed together, especially in those capitals where it is difficult to obtain separate living quarters like Peking and other cities.

Mr. DYER. I will state to the chairman that I have observed many of these young men at Peking and they are a very fine class of young men; they are rendering a great service in preparing themselves for this foreign work, and the query I had in mind was: Why not pay them more money than $125 a month? That hardly takes care of their necessities.

Mr. SHREVE. What the gentleman has to say about the student interpreters will apply to nearly everyone serving under this bill. They are entitled to more pay, but this is about all the Government can see its way clear to give them at this time.

Mr. DYER. I withdraw the pro forma amendment.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word, as I desire to ask the chairman of the subcommittee two or three questions. In the bill I find these terms used: Chinese secretary of legation and Chinese assistant secretary of legation. That does not refer to the race of the secretary or assistant secretary, does it?

Mr. SHREVE. Oh, no.

Mr. BRIGGS. In other words, you are using American secretaries and assistants?

Mr. SHREVE. Yes; but they speak the Chinese language.

Mr. BRIGGS. That is what I am referring to. And the student interpreters you are developing and training are Americans who are being trained in those schools?

Mr. SHREVE. Every last one of them; yes.

Mr. BRIGGS. And they are not using Japanese and Chinese secretaries and assistant secretaries as interpreters in the American legations abroad?

Mr. SHREVE. No. I will say to the gentleman that we are to-day training only American young men as student interpreters. It takes a certain number of years to learn the language, and then they go into the legations and embassies where their services are needed as American experts speaking the language of the country in which they are employed.

Mr. BRIGGS. Where are these students being trained now? Are any of them being specially trained in the schools which are being conducted in the United States; for instance, the schools of foreign service or the consular school?

Mr. SHREVE. In reply to the gentleman from Texas I wish to say that they must all take an examination and pass the examination before they can become students. I know nothing about the schools or what they may be teaching.

Mr. BRIGGS. I was referring more to the training they are getting.

Mr. SHREVE. A young man must pass a very stringent examination before he is allowed to become a student interpreter, and the examinations are conducted by the Department of State.

Mr. BRIGGS. And that applies, in most part, to clerks in the legations and embassies?

Mr. SHREVE. Oh, yes; all secretaries and all consuls have to take an examination.

Mr. BRIGGS. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn.

There was no objection.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to return to line 21, page 10, for the purpose of making a correction in the spelling of one word. The word "certify" is misspelled.

The CHAIRMAN. Without objection, the spelling will be corrected.

There was no objection.

The Clerk read as follows:

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO

To enable the President to perform the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906, between the United States and Mexico, including not to exceed $900 for rent, $40,000.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Page 13, line 24, after the amount "$40,000," and before the period, insert: "*Provided*, That not to exceed $6,000 of such sum shall be used for taking over the water gauging now being done by the State of Texas."

Mr. HUDSPETH. Mr. Chairman and gentlemen of the committee, the importance of this amendment, I think, is fully recognized by the chairman of the committee. The Govern-

ment of Mexico has been at all times gauging the waters of the Rio Grande in the districts represented by my colleague [Mr. GARNER] and myself. In order to prevent a claim that might possibly be urged against this Government in the future, in a sum from $50,000,000 to $75,000,000, it is necessary that this gauging be done by the United States Government, for the reason that the Government of Mexico would probably not look upon the gauging of the water by the State of Texas in the same way or give it the same sanctity as it would the gauging of the water by the Federal Government. I understand the amendment is acceptable to the chairman of the committee, so I will not take any more of the time of the committee. It is extremely important to my State and to our Government.

Mr. SHREVE. Mr. Chairman, I just want to say a word. The committee fully appreciates the necessity of the Government gauging the river at this point, but the committee was without information upon which it could determine exactly the amount to be set aside for this particular work. I thank the gentleman from Texas very much for bringing in his amendment, which really expresses the sentiment of the committee regarding the situation.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. HUDSPETH].

The amendment was agreed to.

The Clerk read as follows:

WATERWAYS TREATY, UNITED STATES AND GREAT BRITAIN: INTERNATIONAL JOINT COMMISSION, UNITED STATES AND GREAT BRITAIN.

For salaries and expenses, including salaries of commissioners and salaries of clerks and other employees appointed by the commissioners on the part of the United States, with the approval solely of the Secretary of State, cost of law books, books of reference, and periodicals, and necessary traveling expenses, and for one-half of all reasonable and necessary joint expenses of the International Joint Commission incurred under the terms of the treaty between the United States and Great Britain concerning the use of boundary waters between the United States and Canada, and for other purposes, signed January 11, 1909, $33,000, to be disbursed under the direction of the Secretary of State: *Provided*, That no part of this appropriation shall be expended for subsistence of the commission or secretary, except for actual and necessary expenses, not in excess of $8 per day each, when absent from Washington and from his regular place of residence on official business: *Provided further*, That a part of this appropriation may be expended for rent of offices for the commission in the District of Columbia in the event that the Public Buildings Commission is unable to supply suitable office space.

Mr. COOK. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD upon the paragraph relating to the waterways treaty between the United States and Great Britain.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The CHAIRMAN. Without objection, the word "solicitor" in line 11, page 24, will be correctly spelled.

There was no objection.

The Clerk read as follows:

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, to be available for the employment of counsel and other assistants, rents, and all other purposes in connection therewith, whether in the District of Columbia or elsewhere, including not to exceed $10,000 for communication service, the purchase of furniture, law books, books of reference, and other necessary equipment and supplies at the seat of the Government, $500,000, to be expended in the discretion of the Attorney General: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission: *Provided further*, That not more than one person shall be employed hereunder at a rate of compensation exceeding $10,000 per annum.

Mr. HARRISON. Mr. Chairman, I desire to submit a point of order on this paragraph. It seems to me it confers a much larger power upon the Attorney General than is conferred by general law. It enables him to organize bureaus in his department for special purposes. The history of this legislation is that in 1922 a special appropriation was applied for of $500,000 for the prosecution of war-fraud claims, and that was supposed to have been the extent to which an appropriation would be asked. It has been continued now in these various appropriation bills from that time on, and instead of being $500,000, it has now grown to something like $3,000,000, $500,000 being used in the War Department and $500,000 being used in the Department of Justice each year. This section is really a reiteration of the bill that was passed in 1922, which had a special object in view. It conferred special powers upon the Attorney General, and it seems to me that this section, reiterating to some extent the bill of 1922, confers extraordinary powers upon the Attorney General which the law does not give him. As I understand the general law, the Attorney General can only act upon the application of one or the other of the departments. If the War Department desires legal information or desires claims within its jurisdiction to be prosecuted, then it is my understanding the Attorney General can act, but this law confers upon him the extraordinary power, without being called upon by the President or by anybody else, in his discretion, of utilizing this fund for the investigation or the prosecution of claims, the creation of bureaus, and the renting of buildings, all dedicated to the one purpose of being applied to the prosecution of war claims, and therefore it seems to me it is an extraordinary power conferred upon the Attorney General which is not authorized by the general law and I make a point of order against it.

The CHAIRMAN. Will the gentleman point out specifically what part he regards as objectionable?

Mr. HARRISON. It states for the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States growing out of or arising in connection with the preparation for or prosecution of the late war. If I understand the general law, it confers only the general power on the Attorney General to act when the departments that have had charge of these transactions call upon him to act. This gives him the extraordinary power of acting independently and on his own suggestion. If you go further you will find all through this section extraordinary powers given to the Attorney General for the prosecution of a certain class of cases, which he would not have under the general law, and therefore I submit it is legislation.

The CHAIRMAN. What does the gentleman understand to be the original powers of the Attorney General?

Mr. HARRISON. I have carefully looked at the original powers and they are to act as legal adviser to the various departments, to act when called upon to act by the people who have charge of those departments in matters that affect their departments; and he would not have, under the general law, the right to investigate claims that it was the duty of the War Department to investigate or the Treasury Department or other departments to investigate. He has to act only as the legal adviser in such cases to the various departments that he is called upon to advise. Under this section he is given the absolute control and power, independent of any of the departments and, as I believe, in this work is duplicating the work of various departments of the Government, and, I think, has conferred upon him extraordinary powers; it is general legislation, and not in order on an appropriation bill.

Mr. SHREVE. Mr. Chairman, I desire to call the attention of the Chair briefly to section 1296 of the United States Compiled Statutes, which provides the duties of district attorneys, and so forth, and then I also wish to refer to section 533, which provides for the conduct and argument of cases, and section 534, which provides for the conduct of legal proceedings. This section says:

The Attorney General or any officer of the Department of Justice or any attorney or counselor especially appointed by the Attorney General, under any provisions of law, may when thereunto specifically directed by the Attorney General, conduct any kind of legal investigation.

I think, Mr. Chairman, the point of order should not be sustained.

Mr. HARRISON. Mr. Chairman, you will observe that that section does not give him the independent power to act independent of the other departments of the Government, which is the point I make against this paragraph.

The CHAIRMAN. The gentleman from Virginia contends that without legislation other than now exists, the Attorney General would not have the right, and that it would not be his duty under the law as it exists, to perform the duties for which the appropriation is sought to be made in this paragraph.

Mr. HARRISON. Yes; that is my contention, that the Attorney General is given extraordinary powers by this section which he does not have under the general law.

The CHAIRMAN. Let us suppose that the clause beginning in line 9 is cut out. I wish the gentleman to help the Chair analyze the language. Supposing that the clause were cut out, beginning with the word "growing," down to and including the words "District of Columbia or elsewhere," would that remove the objectionable part?

Mr. HARRISON. My objection is to the powers given there to investigate and prosecute independent of the action of any other department of Government. My contention is that under the general law if he was called upon to investigate and prosecute it must be in pursuance of some department who has charge of the matter he is to investigate.

The CHAIRMAN. Does the gentleman contend that it must all be specifically set out in the appropriation bill? Does the gentleman contend that the first three lines of the paragraph, "For the investigation and prosecution of alleged fraud, either civil or criminal," go beyond what the Attorney General is authorized to do under the general law?

Mr. HARRISON. I would not contend that, because those words would be read in connection with the general law which limits his initiative to the action of some other department.

The CHAIRMAN. Would not the same reasoning apply to the other provisions, in fact apply to the whole paragraph? In other words, would the Attorney General under this appropriation be authorized to go any further than he is now authorized by law? Does this paragraph actually extend the powers of the Attorney General?

Mr. HARRISON. I think if the Chair will examine closely the language he will come to the conclusion that it does extend the powers, and not only that but the Attorney General is acting under them and he is establishing additional bureaus.

The CHAIRMAN. The Chair is unable to find anything about establishing additional bureaus. There is nothing said in this paragraph about establishing other bureaus.

Mr. HARRISON. It provides for the employment of counsel and other assistance, rent, and other purposes in connection therewith. It is under that authority that he does it.

The CHAIRMAN. So far as the Chair is able to find in this paragraph there is nothing that enlarges the powers of the Attorney General. The Chair believes that if this item remains in the appropriation bill unchanged the Attorney General will have no additional power to that he now has. For that reason the Chair overrules the point of order.

Mr. HARRISON. Mr. Chairman, I move to strike out "$500,000" and insert "$250,000."

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HARRISON: Page 29, line 20, strike out "$500,000" and insert "$250,000."

Mr. HARRISON. Mr. Chairman, it seems to me there is a clear duplication of work here between the War Department and the Department of Justice. In the appropriation for the War Department there is $500,000 appropriated specifically for the investigation of these very same things. Their investigation is carried on and audit is made. The audit then goes to the Department of Justice and the Department of Justice has its expensive bureaus by which something like $300,000 of this $500,000 is utilized for the audit of the very same claims that were contained in the audit of the War Department. It seems to me that if one of these departments is to be charged with the duty of auditing, that that department ought to be charged with the full duty, and if the Attorney General wants a further audit he ought to call upon the War Department to make it out of the $500,000 appropriated for that specific purpose. Under this appropriation of another $500,000 to the Department of Justice, about $300,000 is used to make an audit on a much more expensive scale. You have a duplication by the Department of Justice and by the War Department, each acting independent of the other and each employed along the same lines. I consider that there has been no greater waste of money than this lump-sum appropriation to the Department of Justice. It started out in 1922 with the application for a single appropriation of $500,000.

Mr. HUDSPETH. Will the gentleman yield?

Mr. HARRISON. I yield.

Mr. HUDSPETH. If I understand the gentleman correctly, he refers to this appropriation for the audit of the War Department. As I understand it, a portion of this appropriation is to be paid for lawyers to prosecute; is that the fact?

Mr. HARRISON. A large part of it is used for expensive lawyers and, as I said, six of them come from Virginia.

Mr. BLAND. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. BLAND. The gentleman used the expression "expensive lawyers." I notice he did not refer to them as successful lawyers.

Mr. HUDSPETH. There is a good reason why he did not.

Mr. HARRISON. I called them expensive lawyers because they are not successful. This appropriation will make $3,000,000 appropriated for the prosecution of these war-fraud claims. The results in the courts have been ridiculous, absurd, and humiliating. Every time you call upon them to show what they have accomplished they come forward with a statement of a different kind—the War Department with one statement, and in this statement they have another showing. When the matter is analyzed and investigated it will be found that the amounts that have been realized under this $3,000,000 appropriation have been negligible and of no value whatever.

Further than that, I notice that one of these attorneys that has been employed by the Department of Justice in the testimony before one of the investigating committees is named as one who has stifled prosecutions instead of pressing them successfully. Of course, if we appropriate a million dollars and place on the pay roll men who stifle prosecutions of profiteers, and whose sole recommendation, in so far as I can find, has been their service to the Republican Party, we are going to find that there will be no real result attained.

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, really I am in favor of the amendment offered by the gentleman from Virginia [Mr. HARRISON], but I think that it does not go far enough. We are face to face with a situation here that we ought to consider very seriously. I hold in my hand a copy of a resolution which I introduced in this House away back in January, respectfully calling upon the Attorney General of the United States to furnish this House with certain information touching the number of war-graft prosecuting attorneys he had employed, the amount of salary he had paid or agreed to pay to them, the names of the war grafters whom he had sent to the penitentiary, and the penitentiaries in which they are now located. I have never been able to get any information from anybody with reference to this matter.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. HOWARD of Nebraska. Certainly.

Mr. HUDSPETH. Does not my friend think that very probably one reason the Attorney General resigned was to keep from giving the gentleman that information?

Mr. HOWARD of Nebraska. My friend will recall that I pleaded with the administration leader not to be so hasty in persecuting the Attorney General, lest he might fly away before he had opportunity to answer my questions; but my intrepid friend, the leader of the administration forces, boylike—and he can act like a boy sometimes, although he has the mentality of a man, and I like him because of his boyish ways—pursued his course, and in due time the Attorney General passed. We have a new one now. I do not know whether or not he will grant my requests. You will recall that I stated here once before, with reference to this resolution, that I stood before the august Committee on the Judiciary and pleaded that this resolution of mine be reported to the House. One gentleman on that great committee covertly accused me of playing politics, and then I put him to the test. I begged him to make my resolution go back and cover sufficient territory to take in the Attorney General under the previous Democratic administration. I would like to get him before this House for a little operation also; but I could not even get the committee to do that. I asked other things in that resolution, and one of them was that the Attorney General should tell us how much time, if any, has been consumed by these expensive graft prosecutors, as my friend from Virginia [Mr. HARRISON] so aptly terms them, in the task of promoting sentiment in favor of any particular candidate for the Presidency of the United States. I have not yet received any of that information, but I am now going to give you a little information on my own account. I give you my statement that one of those $10,000 a year special graft prosecutors has been devoting very largely of his time and attention to the task of promoting sentiment in his State to one particular candidate for President of the United States, and I know that this evening he holds in his pocket a certificate of election as a delegate to the administration's national convention, safely instructed in behalf of one certain candidate for President of the United States. How much of his time is devoted to his successful presidential promotion I do not know. If he devoted only just a little of his time, then I pronounce him a master political agitator in behalf of his best-loved candidate for President, because he succeeded in carrying his State overwhelmingly for his beloved candidate.

I do not know that gentlemen here realize, as I do, the serious side of this situation. Here we are with more than 100

is that in 1922 a special appropriation was applied for of which he does not have under the general law.

Mr. HARRISON. I will.

ous side of this situation. Here we are with more than 100

penitentiaries under that wonderful flag of ours, State and Federal, and yet the fact remains that this evening there is not behind the bars in any one of those penitentiaries any man who has money, or any considerable amount of money, outside the bars.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. KVALE. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. Do not misunderstand me. I never speak from the viewpoint of a pessimist. I am always an optimist, and in my view it will not matter what serious ordeals we must go through in this country of ours, still I believe that however sad the situation may be the good horse sense of the American people will quickly bring order out of any chaotic condition. If you gentlemen who largely have the destinies of the Republic in your hands at this hour will stop and think, you will understand that there was a like situation in Greece in that day when one of noble blood was supposed to be and in reality was absolutely immune from the touch of the hand of the law. That condition did not continue in Greece. Later in Rome we find the same condition prevailing there. It did not continue in Rome, and it did not continue in France, and it did not continue in Russia, and it can not continue here. You know that it can not continue, and yet what do you do? Oh, you are going to vote money to prosecute war grafters and send them to the penitentiary, but you know that they will not go, because the prosecuting organization that we have now evidently is not competent to send them there. Stop and think what kind of sentiment this situation is going to breed in the minds of the American people. It will be very dangerous in that day when the American people begin to believe that our penal laws are not meant to be enforced against men who have money. Remember, I am speaking to you from the standpoint of an optimist, and not from the standpoint of a pessimist, and yet I can see the danger, and you can see it, too, and we ought to be brave to speak out against it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HOWARD of Nebraska. Yes.

Mr. BLANTON. If we can not enforce the law we can do one thing, we can pass the Harrison amendment and save $250,000.

Mr. HOWARD of Nebraska. Oh, yes. I am going to vote for that, but I would much prefer to vote $1,000,000, if necessary, if I could have any proof that it would put some grafters in the penitentiary, where they belong. [Applause.] But none of them are there. I see very little hope under present conditions that they will be there. I very earnestly ask the few Members of the House now here to help me get some reply from the Attorney General's department to the fair questions I have asked in this Resolution No. 115.

How can I do it? I do not know. I do not understand all the ropes here. I do not understand why they decline to give me this information. Pardon me; I thought the gentleman was helping me by a suggestion. I know I need every suggestion a Member can offer me, and I will not be offended when I am interrupted, because interruptions always help me. I am a little short on initiative; and if some friend will always be kind enough to break in on my remarks, it will often furnish me with an initiative, and I will profit thereby. But, my friends, we are face to face with a system in this country of ours, and I want to read——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRIGGS. I ask unanimous consent that the gentleman be given an additional five minutes.

Mr. HOWARD of Nebraska. Oh, no; I thank the brother; but if the gentleman will be kind enough to ask that I have the privilege of extending my remarks in the RECORD, I shall be satisfied.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. HOWARD of Nebraska. That will be all right; thank you. [Applause.]

Mr. GRIFFIN. Mr. Chairman, I rise to oppose the amendment.

The CHAIRMAN. The gentleman from New York.

Mr. GRIFFIN. Mr. Chairman and gentlemen, it would be a very grave responsibility indeed for us in this House to undertake to cripple the activities of the Department of Justice even at this perilous moment when they are assailed on all sides. It would be easy enough to launch an attack, but in a bill of this kind that goes to the welfare of the entire Nation there ought not to be any partisanship. In that I am only carrying out the policy which seems to have been voluntarily adopted by the members of this committee to face the issues frankly, honestly, and without partisanship, and I will be pleased at this moment if the excellent gentleman from Nebraska would listen to my remarks, because I am going to take up some of the questions he asked.

There is doubtless a great deal of duplication in the activities of the various departments of the Government. There is duplication, for instance, in the matter of auditing these war claims in the War Department. Then when they come to the Department of Justice for prosecutions they must necessarily be audited again to confirm and check the War Department figures. It would be very unwise therefore to attempt to curtail or cripple the activities of the Department of Justice in the auditing of these accounts, because upon the Department of Justice falls the burden of carrying these prosecutions, civil and criminal, to their proper conclusion.

The chairman of this committee went very exhaustively into the actual achievements of the Department of Justice in the prosecution of civil cases and showed where over $6,000,000 had already been recovered.

Mr. HARRISON. Will the gentleman yield just there?

Mr. GRIFFIN. I will be glad to do so.

Mr. HARRISON. Has the gentleman read the statement made by the Department of Justice before the war subcommittee showing very different figures and results?

Mr. GRIFFIN. There may have been some variation.

Mr. HARRISON. They were radical.

Mr. GRIFFIN. But those variations may be due to the difference of time or period covered in the bookkeeping.

Mr. BRIGGS. Will the gentleman yield?

Mr. GRIFFIN. I will.

Mr. BRIGGS. Will the gentleman state what has been the result of the criminal prosecutions?

Mr. GRIFFIN. I am coming to that. As I said, the chairman of this committee has gone extensively into the question of the results of the work of the Department of Justice in the prosecution of civil cases and has shown you what has been done. Through some inadvertence we omitted in the hearings to obtain a summary from the Department of Justice as to results of criminal prosecutions, and I have that before me now. The advisory council was instituted in June, 1922. I suppose you gentlemen know that the advisory council is a council composed of the attorneys of the Department of Justice who take these claims, sort them out, and assign them to the various units for prosecution. I will insert here a list of the names and salaries of the advisory council and of the various attorneys assigned to the respective units and also the sphere of their respective activities:

Advisory council and units in Department of Justice engaged in preparation and trial of cases in war transactions section

Advisory council:	Salary rate
T. M. Bigger	$10,000
Charles Kerr	10,000
Thomas W. Hardwick	10,000
Ordnance unit:	
Henry W. Anderson	10,000
John Paul	6,000
Arthur Carnduff	7,200
R. R. Farr	6,000
P. H. Marcum	4,200
Paul J. Mullen	2,000
Beverly A. Davis, jr	3,500
J. J. Lenihan (paid on statutory roll)	6,000
Heber H. Rice (paid on statutory roll)	4,500
W. S. Ward (paid on statutory roll)	4,500
Marcus Borchardt (paid on statutory roll)	4,000
Quartermaster unit:	
C. Frank Reavis	10,000
Harry E. O'Neill	5,000
Archie K. Shipe	4,500
F. Donald Enfield	4,000
Camps and cantonments unit:	
Roscoe C. McCulloch	10,000
Thomas S. Crago (paid on statutory roll)	7,500
William T. Chantland	7,500
F. Edward Mitchell	4,000
Albert Levitt	3,600
Simeon Atkinson	3,600
H. R. Smith	3,600
Aircraft unit:	
Milton D. Purdy	10,000
James N. Linton	10,000
Ralph E. Moody	7,500
Miscellaneous unit:	
Marion C. Early	6,000
Richard L. Merrick	3,500
Paul S. Dodson	3,500

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRIFFIN. I ask unanimous consent to proceed for five minutes.

Mr. HOWARD of Nebraska. Mr. Chairman, I ask unanimous consent that the gentleman be given five more minutes as the gentleman promises to give me some information.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GRIFFIN. I am glad the gentleman made that motion at this time, because I am coming to a case in which he is interested. I will now read the list of criminal prosecutions and their results.

Advisory council instituted June, 1922

Defendants	Indictment returned	Status
SALE OF OLD HICKORY POWDER PLANT		
Morse, Davis, and Phillips	Aug. 7, 1922	Pending for trial.
CANTONMENT CONSTRUCTION CASE		
Sterrett, et al	Dec. 31, 1922	Pending for trial.
RENTAL CASE		
O'Brien and Maloney	Mar. 26, 1923	Pending on appeal.
HAY FRAUD CASES		
Peters, Jaggers, Aepli	Feb. 13, 1922	Pending for trial.
Peters, Peters, Jaggers, Heid, and Heid	do	Dismissed March 6, 1923, motion United States attorney for the Attorney General.
Peters, Jaggers, Aepli	do	Aepli acquitted. Hung jury as to others.
Peters, Jaggers, Aepli, and Smith	Oct. 27, 1919	Pending for trial.
Peters, Jaggers, Peters, and Aepli	do	Do.
Peters and Heid	Feb. 13, 1922	Dismissed March 6, 1923, on motion United States attorney for the Attorney General.
Peters and Aepli	do	Pending for trial.
Peters and Pew	do	Do.
EMBEZZLEMENT (GOVERNMENT PROPERTY)		
Moore and Black	Sept. 29, 1922	Moore dismissed. Black sentenced 2 years 6 months in penitentiary.
Momsen, Gratton, and Black	Dec. 8, 1922	Pending for trial.
Monsen	do	Do.
Do	do	Do.
Black	do	Do.
Black, Connors, and Jones	do	Do.
Connors and Jesson	do	Do
Connors	do	Do.
Black	do	Do.
Black and Forrester	do	Do.
E. L. Forti	do	Do.
Dawson and Camp	do	Do.
CONSPIRACY, FRAUDULENT USE OF MAILS		
Charles W. Morse, et al. (24 defendants), Southern New York.	Apr. 27, 1922	Pending for trial.
LUMBER CASE		
Philips, Stephens, et al	July 18, 1922	Set for trial Apr. 28, 1924.
AUCTION FRAUD		
Sugarman, et al	July 14, 1922	Acquitted.
FRAUDULENT SALE SURPLUS PROPERTY		
Purcell, Skinner, Miller, Weiss, and Canter.	Aug. 23, 1923	Pending for trial.
Weiss, Canter, Purcell, and Skinner	do	Do.
Miller, Skinner, Purcell	do	Do.
HARNESS CASE		
Jos. C. Byron, et al	July 28, 1923	Acquitted.
SHIPPING BOARD CASE		
Charles W. Morse, et al. (District of Columbia).	Feb. 27, 1922	Acquitted.
BOSCH MAGNETO CASE		
Martin E. Kern	Jan. 3, 1923	Plead guilty.
STEALING AUTO TIRES		
Charles A. Ritzman	Sept. 9, 1919	Pending on appeal.
VIOLATION SECS. 29, 35, 37 PENAL CODE		
Hogue, Simpson, and Comer	Nov. —, 1919	Hogue, not guilty; Simpson, nolle prossed; Comer, nolle prossed.
EMBEZZLEMENT, SHIPPING BOARD		
E. B. Wood	Apr. —, 1920	Pending (Eastern Virginia).

Total, 35 indictments.

The following is a summary of the results:

Summary.

Total indictments	35
How disposed of:	
9 cases tried—	
Convictions (appeals pending, 2)	3
Acquittals	4
Hung jury	2
Total	9
Nolle prossed	2
Pending	24
Total	35

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. BLAND. I notice that a number of these cases are pending for trial. Can the gentleman advise us whether the special attorneys are paid on the monthly or annual basis, or on the case basis?

Mr. GRIFFIN. Both ways. Some are paid an annual salary. Those I have referred to are the regular employees of the bureau.

Mr. BLAND. As a rule, they are paid on the annual basis, and the longer the case hangs for trial, the more money is paid.

Mr. GRIFFIN. These cases are tried by the staff of the Attorney General.

Mr. BLAND. What are those high-priced fellows doing?

Mr. GRIFFIN. These are the men I am speaking of. There are not many men employed specially. In the hearings you will find there are very few of these special attorneys employed.

Mr. BLAND. Are 30 attorneys employed specially out of this appropriation?

Mr. GRIFFIN. No.

Mr. BLAND. I am advised that there are.

Mr. GRIFFIN. You will find the list of special attorneys in the hearings at page 175, which I will insert in my remarks. There are just 14:

Special assistants to the Attorney General engaged in preparation and trial of certain cases in the war transactions section

Name	Title of case	Compensation
James M. Butler	Camp Sherman case	$7,500 per year.
John F. Phillips	do	Compensation to be determined.
Robert S. Conklin	Habirshaw Electric case	Do.
Robert C. McClure	Dayton-Wright case	Do.
Meier Steinbrink	Wright-Martin case	Do.
Leland B. Duer	do	Do.
George P. Hoover	Old Hickory case	Do.
D. L. McCarthy	Motor Trucks (Ltd.) case	Do.
John J. Parker	Harness case and Phillips & Stephens case.	Do.
Herbert E. Hadley	Camp Dodge and Camp Grant cases.	$15 per diem.
R. H. Williams	Old Hickory Construction case.	Compensation to be determined.
George W. Riley	Camp Upton case	$4,000 per year.
E. S. McCrary	Camp Pike	Do.
Henry W. Anderson	Ordnance cases	Compensation to be determined.

Mr. HARRISON. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. HARRISON. Does not this appropriation bill carry nearly $900,000 for special attorneys?

Mr. GRIFFIN. No.

Mr. HARRISON. I think you are mistaken about that.

Mr. GRIFFIN. The gentleman is wrong.

Mr. BRIGGS. Will the gentleman insert in his remarks the names of the special counsel and the salaries paid them? Do you mind incorporating that in your remarks?

Mr. GRIFFIN. The names are all printed in the hearings on page 176.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Certainly.

Mr. OLIVER of Alabama. I think the gentleman from New York was in error in replying to the question of the gentleman from Virginia [Mr. HARRISON], which he, perhaps, did not understand, as to the names of the attorneys employed under this fund and the compensation paid. I think the gentleman from Virginia is right. There are at least 30 of them.

Mr. GRIFFIN. They are called "special assistants to the Attorney General," but they are not special attorneys or counsel. The 30 referred to are the advisory council and the regular staff of the various units.

Mr. BRIGGS. Is it disclosed also whether it is on an annual basis or by the case?

Mr. GRIFFIN. Let me proceed first with this summary and then I will be glad to answer questions. James M. Butler, who has charge of the Camp Sherman case, gets $7,500 per year. George W. Riley, who has charge of the Camp Upton case, gets $4,000 per year. The compensation of the remaining 12 "special" counsel is either left open or undetermined or has been fixed at so much per day—I think about $15.

Mr. LOWREY. Mr. Chairman, can you give us the penalty imposed on this plea of guilty?

Mr. GRIFFIN. No; I can not now.

The total indictments were 35.

Nine cases were tried.

Convictions, 3, with appeals pending on 2.

Acquittals, 4.

Hung juries, 2.

Cases nolle prossed, 2.

There are now pending in the bureau 24 cases more or less ready for trial.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

Mr. HOWARD of Nebraska. Mr. Chairman, I ask unanimous consent that the gentleman from New York may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. GRIFFIN. Now, I will undertake to answer questions if gentlemen so desire.

Mr. HOWARD of Nebraska. Mr. Chairman, the gentleman has yielded to me without my asking, but I am addressing the Chair. I particularly asked the gentleman, as I have asked the Attorney General, as I have asked every authority with whom I could come in touch in Washington, to disclose to me how many persons had ever been sent to the penitentiary upon conviction in any court in the United States upon the general charge of war graft or war frauds. I have been unable up to this moment to discover the name of anyone who has ever gone to the penitentiary as the result of that conviction and remained there much more than overnight.

The gentleman has mentioned the name of one Black who was convicted. Now, I would like to ask the gentleman if he knows how long Mr. Black served in the penitentiary, and what was the name of the penitentiary in which he was incarcerated, and is he still there confined?

Mr. GRIFFIN. I am sorry that I am unable to give the gentleman all of that information. All that I know—and this information comes from the Department of Justice—is that he was sentenced to two years and six months in the penitentiary. Whether he is there now or not I can not say.

Mr. HOWARD of Nebraska. Does the gentleman know of any other person convicted as the result of the expenditure of these millions of dollars that were appropriated for the prosecution of war grafters?

Mr. GRIFFIN. I have already said that there were three convictions altogether. In one case the man has been sentenced to the penitentiary, and in two others appeals are pending.

Mr. HOWARD of Nebraska. It costs about a million dollars for each conviction, then?

Mr. GRIFFIN. Oh, no. I do not assume the position here to-day of defender of the Department of Justice, but I do feel, in all frankness, that whatever facts I have at my disposal ought to be given out and be made a part of the record. I am not at all answerable for any of these statements that have been made either in the hearings or otherwise, but I must frankly say that the outlay in the Department of Justice is not to be measured by mere criminal proceedings. That is perhaps the least part of its activity. For the gentleman's information I will insert here my examination of Judge Bigger on that point from page 179 of the hearings:

NUMBER AND STATUS OF CLAIMS

Mr. GRIFFIN. I suggest that the recapitulation on page 202 of this report of the advisory council could go in at this point.

It contains a summary of the claims upon which suits have been instituted; the number and the amounts involved in claims pending with receivers or trustees in bankruptcy; claims reduced to judgments; claims upon examinations, returned to the departments from whence they came, and upon which, I presume, no action has been taken; claims disposed of by collection in full or by compromise; and then the 300 claims under investigation and on which no action has yet been taken.

Mr. TINKHAM. Would not the recapitulation we have in the record cover that report and summary?

Mr. BIGGER. Yes, sir; it does. Let me say that I expected Judge Kerr to prepare this report, because he is more familiar with the details than I am. It was impossible for him to be here this morning because he is ill. He could answer you better in regard to these details than I can.

Mr. GRIFFIN. You can submit that in the minutes when they come down to you for revision.

Recapitulation

	Number	Amount involved	Reference page
Claims upon which suits have been instituted	117	$82,342,741.23	184
Claims pending with receivers or trustees in bankruptcy	19	2,656,418.43	188
Claims reduced to judgment	10	48,308.00	191
Claims upon examination returned to the department whence they came	47	790,547.40	196
Claims disposed of by collection in full or by compromise	81	6,091,839.00	220
Claims under investigation and on which no action has as yet been taken	300	40,943,971.50	198
Total	574	112,903,875.56	

Mr. DICKINSON of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. DICKINSON of Iowa. You also want to get the name of the guard that has custody of this gentleman and also the name of the chef that cooks for him. [Laughter.]

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. TINCHER. Do you know how much money has been recovered by the Government in the civil prosecutions of the war grafters?

Mr. GRIFFIN. Yes. That gives me an opportunity to answer the other statements that have been made that so many millions of dollars have been spent for the prosecution of these cases. Not all of them have been criminal cases. In the civil cases the Government has recovered over $6,000,000.

Mr. TINCHER. Do you know who the chief witness for the defense was in the prosecution of Morse, who crossed the continent here and procured his release from criminal prosecution?

Mr. GRIFFIN. Was it Daugherty?

Mr. TINCHER. No; it was McAdoo.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HARRISON. Mr. Chairman, I want to ask the gentleman a question. I ask unanimous consent that his time be extended two minutes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the gentleman from New York may have two minutes more. Is there objection?

There was no objection.

Mr. HARRISON. I stated that there was about $900,000 used for employment of special attorneys in special cases. I see it is $840,000, on page 35. On page 34, for regular assistants to the United States district attorneys, who are appointed by the Attorney General at a fixed annual compensation, the amount is $652,800.

Then in other sections of this bill there are provisions for other attorneys, and in addition to that for special investigators $2,900,000 is appropriated, those special investigators being employed to assist the Department of Justice.

Mr. GRIFFIN. I think the gentleman is confounding the work assigned to these special attorneys with the work of those engaged in assisting various district attorneys throughout the United States. In the various districts of the United States the district attorneys have attorneys employed as well as a staff of assistants, those men being engaged in assisting the local United States district attorneys.

Mr. HARRISON. I will read it to the gentleman:

For regular assistants to United States district attorneys who are appointed by the Attorney General at a fixed annual compensation, $652,800.

Then, again:

For assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and for payment of foreign counsel employed by the Attorney General in special cases, $840,000.

I just wanted to call the attention of the gentleman from New York to the fact that he was in error when he answered my question.

Mr. GRIFFIN. But the gentleman is reading from the bill in which the many activities of the department are put in one lump sum. In the hearings the gentleman will find that there is a distinct line of demarcation between the expenses of the Department of Justice itself and the various district attorneys throughout the United States and in foreign countries. The appropriation the gentleman mentioned does not relate at all to the prosecution of war frauds.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. SHREVE and Mr. LARSEN of Georgia rose.

The CHAIRMAN. Does the gentleman from Pennsylvania, the chairman of the subcommittee, desire the floor?

Mr. SHREVE. Yes. Mr. Chairman, I just desire to draw the attention of the committee to the fact that we are getting far afield from the real thing that is before the committee, and that is the amendment to this appropriation. As I understand, the gentleman from Virginia [Mr. HARRISON] made a motion to reduce the appropriation $250,000. Now, I want to say to the Members present that there is probably no part of the appropriation bill that has received more careful consideration than this. I will say further, too, that some of us entered into the consideration of this item perhaps with some hesitation. We were not satisfied as to the accomplishments of this war-frauds section, and for that reason we went into it very carefully. But before we were through we were satisfied that the appropriation which is made for the prosecution of these war-fraud cases is the best money we are appropriating in the bill. Why? Because it is bringing something back to the United States Treasury. We have the very latest information here in the form of a letter from Judge Bigger, in which it is stated that $5,838,262.15 has actually been turned back into the Treasury. Then there is other money which has been secured and there are various other items. For instance, we bought in a plant which was worth twice as much as the value at which we took it in. Then there are various other settlements in prospect which will run it up to about $9,000,000.

But the thing to be considered here to-day is the fact that we have received over $5,000,000 in cash through an expenditure of about $1,000,000. I want to say that there is no collection agency in the world that would carry on a business for any less sum than that.

The Members must also remember that the men who are prosecuting these cases have no clients; they must go out and find evidence themselves, and sometimes they have to travel from coast to coast. So I say it would be a very great mistake at the present time to reduce this appropriation. They are just approaching the peak of the business. They have just started the cantonment cases, 12 of them altogether. One is already in process or is at issue, just waiting for the court to fix the time for trial; two others are in preparation, and there are a dozen of them altogether. They carry the total amount of $60,000,000. So I say to you gentlemen that this would be a very poor time for the Congress to cut down this appropriation.

Mr. WATKINS. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. WATKINS. As I understand it the Government has been appropriating $1,000,000 a year for this kind of business, or approximately that amount.

Mr. SHREVE. No, no. The Government has been making appropriations to the War Department for an audit.

Mr. WATKINS. Of $500,000?

Mr. SHREVE. But that is not a part of this appropriation, and that is not what I am talking about. That is the amount appropriated for the War Department to make an audit.

Mr. WATKINS. Let me ask the gentleman whether this is not the situation with regard to these prosecutions and the results thereof in a nutshell:

Number of claims and amount involved.

	Number	Amount involved	Reference page
Claims upon which suits have been instituted	117	$62,342,741.23	184
Claims pending with receivers or trustees in bankruptcy	19	2,686,418.43	190
Claims reduced to judgment	10	48,308.00	191
Claims upon examination returned to the department whence they came	47	$790,547.40	196
Claims disposed of by collection in full or by compromise	81	6,091,889.00	220
Claims under investigation and on which no action has as yet been taken	300	40,943,971.50	198
Total	574	112,903,875.56	

Is not that the situation in a nutshell, nothing more and nothing less?

Mr. SHREVE. That is not the whole and entire situation.

Mr. WATKINS. Well, at least at the date of these hearings. Of course, I do not know what has happened since. But you have not gotten more than $48,000.

Mr. SHREVE. There is one item which the gentleman overlooks.

Mr. WATKINS. Which one is that?

Mr. SHREVE. Claims disposed of by collection in full or by compromise, a total of over $6,000,000.

Mr. WATKINS. So that they have gotten out of the expenditure of all this money $6,139,989?

Mr. SHREVE. That is a pretty good average.

Mr. WATKINS. That was by compromise; but all they reduced to judgment was $48,000, where the other side was willing to compromise, and probably at 10 cents on the dollar.

Mr. MADDEN. The gentleman started out by stating the amount was only $48,000, but now he has gotten up to over $6,000,000.

Mr. WATKINS. But that was the result of compromise with the other side; and they probably compromised for 10 cents on the dollar. However, when the Department of Justice went to the bat with them they got only $48,000. Is not that true?

Mr. MADDEN. It does not make any difference whether it was obtained by compromise or how they got it.

Mr. WATKINS. They have not got it. You have $40,000,000 pending.

Mr. MADDEN. Yes; and it will be sometime before they get it all.

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, ordinarily I am in favor of reducing appropriations whenever it is possible to do so, but for one, I am not willing to assume the responsibility of voting for a reduction of this particular item. Under other circumstances, I might do so, but under present conditions I hesitate. Not that I am entirely satisfied with the results obtained, but because I am in sympathy with the purpose for which the appropriation is proposed; and for the further reason that we now have a new Attorney General against whom no complaint is made.

Six million dollars has been recovered. It is not clear upon what basis the recovery was made, whether it was by compromise or by litigation. I do not know that it makes so much difference whether it was by compromise outside of the courts or whether it was effected by litigation, so long as we get the money. I think the great trouble is the fact we have not gotten more of it. I hope we shall get more and that we continue to do so until every cent to which we are entitled is obtained.

There is another matter to which I desire to call attention. Some two or three weeks ago I made a speech on the floor of the House at which time I assumed the responsibility of calling attention to inactivity in the Department of Justice, chargable to the Hon. John W. Crim, special counsel. At that time I had information that Mr. Crim had stated it would be impossible to proceed with any other prosecution for crime connected with the Veterans' Bureau scandal as disclosed by the investigation of that department until he had disposed of the cases in Chicago, to wit, the indictments against Mr. J. W. Thompson and ex-Director Forbes.

I gave him about as good a lambasting at that time as I knew how to give him under the circumstances and with the information before me. For some reason, I am not sure whether I may claim credit for the result or not, but immediately after my speech the Department of Justice did act, and acted in a way that I think is deserving of the commendation of this House and of the country. Immediately a grand jury was convened at Baltimore, and to-day's papers announce that indictments have been returned against three parties.

In my speech before the House recently I called attention to the fact that a gentleman occupying a high position in the Navy had been connected with the Veterans' Bureau scandal.

cover that report and summary?

New York to the fact that he was in error when he answered my question.

I then stated that he should be indicted and that I was opposed to men who stood in the position that this gentleman did, being retained upon the pay roll of the United States Government. I want to say at this time that I am still opposed to any and all such gentlemen being retained upon the pay roll either of the Navy Department or any other department of the Government. It appears from to-day's paper that the gentleman to whom I alluded at that time, Commander O'Leary, as being connected with the Veterans' Bureau, and as being brought from the Navy into the Veterans' Bureau service purposely to put over a rotten deal has been indicted. He was indicted yesterday by the grand jury sitting at Baltimore. Mr. Forbes, the ex-director of the bureau, was indicted again, and very much to the credit of the Department of Justice and I am sure to the entire satisfaction of the people of this country. At least one man who has wrongfully gotten the property of this Government was also indicted. I refer to Mr. Thompson, of the Thompson-Kelly Co., of New York and Boston. I have repeatedly stated upon the floor of the House that he had purchased through fraudulent transactions from this Government something like $3,000,000 of goods at Perryville, Md. The papers to-day say that the grand jury investigating the case found that he really obtained $5,000,000 worth of goods. From all places he is said to have obtained $30,000,000. I am glad that Thompson has been indicted. I think he richly deserves it. If he is guilty, I assume in due time he will be convicted by the trial jury. If he is not guilty, I assume he will be vindicated.

Mr. KING. Is not that a rather strong assumption, in view of the harness cases, for instance?

Mr. LARSEN of Georgia. Well, it may be, and I am very frank to say to the gentleman I fear it may be a little strong, but I always hope for good results. As Mr. Woodcock, a new man upon the job, has assumed charge and responsibility for the management of the cases before the tribunal at Baltimore, perhaps some guilty party may yet be brought to justice.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LARSEN of Georgia. Mr. Chairman, may I have just two more minutes?

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. But there are others that should be indicted and I am sure will be indicted. I think, all told, some 15 or 18 indictments have been returned and that about 10 or 12 different parties have been indicted in connection with the Veterans' Bureau fraud. May I call attention to this further fact? Many of us were very deeply concerned as to this transaction and tried in our humble way to bring it to the attention of the Rules Committee of the House for nearly two years before any action whatever was obtained. Finally, despairing and losing hope in the machinery of the House, we were forced to obtain action through the Senate. Gentlemen, we should learn a lesson from that fact. We perhaps lost the opportunity of convicting men at that time. If we had acted then, the funds might now be back into the Treasury of this Government and the guilty parties serving sentences in the penitentiaries of this country, where I believe they ought to be. We lost all that time and nothing was accomplished until we went to another legislative branch of the Congress for relief. This reflects little credit upon the membership of the House, and especially upon the great committee that has before it so many resolutions and urgent requests for an investigation of this particular matter.

But, gentlemen, let us understand this further fact. There are still men employed in the Veterans' Bureau to-day who were responsible for the graft and theft committed at Perryville. I have heretofore named some of them and I am not now going to take the further time of the House to name them again, but let the membership of this House who have influence with the present Director of the Veterans' Bureau, see to it that these guilty parties are driven from the Veterans' Bureau and that their names are stricken from the pay rolls of this Government.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. WATKINS. Mr. Chairman, I move to strike out the paragraph. I want to make an observation on what these men say who are upholding these appropriations. There are 28 indictments in all, involving 94 individuals and 1 corporation. If you will turn to page 175 of the hearings you will see that the compensation is "to be determined." This Congress does not know how much these attorneys are going to get. Some are to be paid $10,000, and as to the balance of them the compensation is "to be determined." Here is the situation: You can not prosecute 90 per cent of these crimes because they were complete on and before the 12th of November, 1918, and the statute of limitations has run against them. That is the situation here. That is the reason they can not convict; that is the reason they are not having any more success. They want the appropriations continued in order that the attorneys, friendly to this administration, may be eating at the trough of the Federal Treasury at $7,500 or $10,000 per annum, and others' compensation "to be determined."

What have they done? Here is the record: They have in the last year tried three large criminal cases. Think of it! These high-priced attorneys under the Department of Justice have had at their disposal a million dollars—$500,000 for the War Department and $500,000 for the Department of Justice—and they have tried three large criminal cases. If private lawyers working for anyone but the Government had not done any more than that the client would have fired them the second month after their employment. What has been the result? Eight or ten men in each case have been indicted, and—with these high-priced attorneys and employees with a per diem of $15, which is nearly as much as a Congressman gets—in two of the cases the jury acquitted and the third the court, after the conclusion of the testimony, instructed the jury to acquit. These high-priced attorneys did not know enough law or know enough of the facts to fit the law to bring in an indictment sufficient to go to the jury. And yet they want $500,000 more. That is the situation, and this Congress expects to appropriate here the people's money when the statute of limitations has already run against practically 90 per cent of these crimes. Let me read you what Judge Bigger said. He said: "If the crime was complete before the 12th of November, 1918, no prosecutions can be maintained now, because the statute of limitations has run against them."

You know as well as I do that nearly all of the crimes were committed before the armistice, and it is only the continuing conspiracy after that time that puts them within the statutes and permits the prosecution. That is one of the reasons why they have obtained no more results. This appropriation ought to be reduced unless we can have better results.

Mr. KING. Will the gentleman yield?

Mr. WATKINS. I will yield to the gentleman.

Mr. KING. I want to ask the gentleman not to be too hard on the attorneys employed. Is it not a fact that some of the best lawyers of the country have been let out—for instance, Judge Searles, of Rock Island, and Mr. Reavis? By the way, what has become of Judge Reavis, formerly a Member of this House? At the time we appropriated $500,000 he was a Member of the House. He is gone, and all the good lawyers are gone.

Mr. HARRISON. I do not understand that Judge Reavis has gone.

Mr. OLIVER of Alabama. No; Mr. Reavis is still there.

Mr. KING. I am glad that he is still there.

Mr. OLIVER of Alabama. Let us grant that there is ample ground to criticize the Department of Justice for its failure to promptly and successfully prosecute criminal and civil cases in the past; and I am among the number who feel that proper criticism has been heretofore directed against the department for such defaults. When we come, however, to make appropriations for another fiscal year, we can not forget that this is one of the three great departments of the Government the importance of which can not be overstated. In view of the widespread dissatisfaction which, we may admit, has been expressed by many at the way the Department of Justice has been conducted for some years past, I think we are fortunate now in having as the head of the department a distinguished lawyer and a citizen of high character. Little, if any, opposition was registered against his confirmation in the Senate, and for many years he occupied the important position as dean of the Columbia University Law School and is recognized as a lawyer of outstanding ability.

The new Attorney General will find a large amount of business now pressing on the department, and in view of the large matters which he will be called on to handle, including criminal and civil cases of great moment, I can not imagine that any Member of the House would be willing to assume the responsibility of denying ample funds to the department, so as to insure the prompt and efficient handling of these matters.

Funds are necessary to defend pending suits against the Government as well as to bring suits for the recovery of large sums due the Government and to prosecute those charged with frauds and crimes. It may be true, as the gentleman from Oregon states, that some of the prosecutions which could have been brought are now barred by statutes of limitations, but certain it is there are many prosecutions that are not. I repeat, what

Member of Congress is now willing to assume the responsibility of saying that we will not appropriate sufficient money to carry on the important business of this department. Dockets of our Federal courts are crowded with suits both against and in favor of the Government, involving very large sums of money; and more than 300 civil matters involving millions of dollars are now being considered by attorneys in the Department of Justice with a view of commencing criminal and civil prosecutions thereon. Under these circumstances, can it be possible that we would be justified in reducing the amount which the Budget has approved and which we are advised is absolutely essential to the proper functioning of the department? The gentleman from Virginia [Mr. HARRISON] has criticized this appropriation of $500,000 and seeks to reduce it to $250,000 because, he says, we have appropriated a like sum to the War Department. There may have been some reason for refusing to give as much as $500,000 to the War Department for the auditing of claims; but since the gentleman from Virginia served on the subcommittee that recommended such appropriation I have been willing to accept his recommendation and to indulge the presumption that it was needed and should be granted.

As for the Department of Justice, nothing can be more important than to provide it with adequate funds to collect the amounts shown by War Department audits to be due the Government, and to prosecute all parties shown to be guilty of fraud or crime, in connection therewith. These cases, as I have stated before, involve millions of dollars, and are very intricate, and surely no good lawyer would be willing to carry these cases into court for the Government, without fully informing himself in reference to the matters involved, and this appropriation is all important not only to employ lawyers to handle these cases, but to employ skilled accountants to assist in the auditing of the same.

Mr. LARSEN of Georgia. Is not this the fact that while some criminal cases may be barred, civil cases are not barred, and therefore they should be brought?

Mr. OLIVER of Alabama. Absolutely, and there are many criminal cases not barred.

Mr. LARSEN of Georgia. And the money should be approved for that purpose.

Mr. HARRISON. The gentleman says there are 300 cases pending, and the chairman of the subcommittee says something like 117.

Mr. OLIVER of Alabama. The chairman of the subcommittee had reference to fraud cases pending in the courts, and the 300 to which I have referred are cases now being considered and investigated by lawyers in the department with a view of commencing civil and criminal prosecutions thereon. A very concise statement of the cases pending in court, as well as those being considered by the department, will be found in the hearings as furnished to the committee by Judge Bigger, a lawyer of ability and a gentleman of highest standing and character. You will find his statement on page 179 of the hearings.

Mr. HARRISON. I called the gentleman's attention to the fact that it seems to be impossible to get any straight information about these matters. Here is the chairman of this committee saying that there are 117 cases.

Mr. OLIVER of Alabama. It is not unusual for some confusion to occur in reference to figures, but if the gentleman will consult the hearings he will find the facts to be as I have detailed them. It there appears that there are 117 cases pending in courts, as the chairman has stated.

Mr. HARRISON. And that is what he said?

Mr. OLIVER of Alabama. Yes; and in addition to these 117 cases pending in courts there are 300 and more cases pending before the department, and which, the committee was informed, would either be settled or suits brought thereon at an early date. These 300 cases are now being considered by the department either for adjustment or for civil and criminal proceedings in reference thereto.

Mr. HARRISON. I thought the gentleman said there were 300 cases pending.

Mr. OLIVER of Alabama. Not pending in the courts, but pending before the department, and now being considered by attorneys employed by the department.

Mr. HARRISON. Then I ask the gentleman this question. Did he read the hearings before the subcommittee for the War Department in which the Department of Justice undertook to state how much they had collected and the amount that they there stated virtually amounted to $2,000,000? The statement comes here now that it is about $6,000,000, and as I understood the chairman of the committee his statement was that it was about $5,000,000.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. The gentleman from Virginia will find in the hearings before our subcommittee the names of the parties from whom the amounts were recovered, and a full statement showing that something under $6,000,000 has actually been collected and paid into the Treasury.

Mr. HARRISON. I call the gentleman's attention to the fact that in a letter published here from Judge Bigger, there is the statement that there has been actually paid into the Treasury $4,[illegible]8,262.15.

Mr. OLIVER of Alabama. If you will consult the hearings and the speech made on Tuesday by the gentleman from Pennsylvania [Mr. SHREVE] you will find in a supplemental statement filed by Judge Bigger that more than $6,000,000 has been recovered, and of this amount more than $5,550,000 has been collected in cash, the balance being well secured. The gentleman may consult pages 170 and 171 of the hearings for further details.

Mr. HARRISON. In the hearings before the Department of Justice the same men make it about $2,000,000.

Mr. OLIVER of Alabama. Well, there can hardly be any question as to the accuracy of the statement to which I have referred, because in that statement will be found the names of the parties and the amounts collected from them, and the amounts so collected total over $5,550,000 in cash, and the balance of approximately $700,000 is secured or represented by property taken over.

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. WATKINS. Aside from compromise and things of that kind, the fact remains that only 10 claims have been reduced to judgment.

Mr. OLIVER of Alabama. The gentleman may be correct as to that. There are, however, a number of cases involving large sums still pending in the courts, and many more will soon be added to those now pending in the courts. Surely at this time when Congress and the country at large insist that all cases, both civil and criminal, before the department be diligently prosecuted, the department can not and must not be denied the money necessary to carry on its work in the most effective way.

Mr. WATKINS. What assurance has this Congress that that will be done?

Mr. OLIVER of Alabama. The fact that a distinguished lawyer of high character is now the head of the Department of Justice should be sufficient assurance. In conclusion, let me say that I hope the time will come when the Department of Justice will be like our Supreme Court—free from every suspicion of partisanship. I hope the time will come when those employed in the Department of Justice who render efficient service can be assured that they will be permanently retained in their positions so long as they continue to render efficient service. If there be any department of the Government that should be absolutely free from politics it is the Department of Justice. [Applause.]

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was rejected.

Mr. HARRISON. Mr. Chairman, I ask leave to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. Mr. Chairman, I ask the same privilege.

Mr. WATKINS. Mr. Chairman, I ask the same privilege.

The CHAIRMAN. Is there objection to these requests? [After a pause.] The Chair hears none.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. OLIVER of Alabama: Page 29, line 24, after the word "annum," strike out the period, insert a colon, and insert the following: "*Provided further*, That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment."

Mr. SHREVE. Mr. Chairman, there is no objection to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For the salary of the reporter, $8,000; and for his expenses for professional and clerical assistance and stationery, to be paid upon vouchers signed by him and approved by the Chief Justice, $3,500; in all, $11,500

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I notice in this language relating to printing and binding of the Supreme Court there is a provision that this work shall be done by the printer it may employ, unless it shall otherwise order. Does the gentleman know what prices these printers charge? Has he any information as to why it should not be done by the Government and save money on that proposition?

Mr. SHREVE. Well, it seems to be necessary to employ private printers in making up some of these court cases in order that this work may be gotten out in time and to prevent leaks. Let me say also to the gentleman that he knows the work of the court, briefs, everything connected with the prosecution of a case, is a matter that must be kept within the office of the lawyer, and the Government must be very careful in reference to this work. It is a very modest sum.

Mr. GREEN of Iowa. If the gentleman will permit, it is further necessary, as the gentleman from Pennsylvania will observe, that you should have a special class of printers and proof readers for this legal work. We do not have these at the Government Printing Office and it is necessary for some firm or concern that makes a specialty of this class of work to do it in the best form; and that is one reason.

Mr. McKEOWN. I just want to say to the gentleman here in Washington they charge about twice as much for the same class of work than they do in any other part of the United States.

Mr. SHREVE. The printing is not done promiscuously. One printer has probably done the work for the last 20 or 25 years to the absolute satisfaction of everybody concerned.

Mr. McKEOWN. I have no criticism except as to price, and I am saying they charge here in Washington about twice as much.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

NATIONAL PARK COMMISSIONERS

For commissioners in the Crater Lake, Glacier, Mount Rainier, Yellowstone, Yosemite, and Sequoia and General Grant National Parks, at $1,500 each, $9,000. The provisions of section 21 of the legislative, executive, and judicial appropriation act approved May 28, 1896, shall not be construed as impairing the rights of said commissioners to receive the salaries provided herein.

Mr. HUDSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and members of the committee, I am constrained to believe there are a vast number of electors of the United States who are not watching general legislation, who are not watching general appropriation bills, and yet when they do watch appropriation bills it would be in the matter of conservation of the natural resources of the country. The nineteenth amendment to the Constitution of the United States brought to us a great new vote, and that vote is primarily interested in matters of conservation. They are interested in the preservation of the natural resources, unbounded as they are in this country; but they are more especially interested in the conservation of the greatest asset of the Nation, which is the youth of the Nation, the generation of to-morrow; yes, even the generations, if you please, yet unborn. To them the question of conservation is rather connected with the home and the school. The public life and the morals of the community are the issues that they are most interested in. And I am constrained to believe it is a fact that as they came into citizenship they were informed on the great vital public questions. Great groups of these women voters for years, in study clubs, in research clubs, in their various organizations, have been studying the great question of human conservation, the questions that relate to the homes and the schools and the broader type of citizenship. This great, intelligent electorate speaks well for the perpetuity of the institutions of this Nation. The question before us yesterday, the question of conservation, in a report from the Committee on Agriculture, they are interested in. The question we discussed the other day, the question of immigration, is a great question they are profoundly interested in. The question of law observance and law enforcement to them is a vital issue. I am led this afternoon to bring to your attention the gather of that great group of this new vote of America that held its convention in the city the other day. In that great convention here these questions that relate to public policies and with respect to public conduct, questions that relate to the morals of the country, they have made some tremendous statements. One great statement that went out from that group of sixteen hundred and some-odd women, coming from coast to coast, was that they were determined there should be placed in the issues of the dominant parties, of every political party of the United States, a great moral fiber by the recognition of moral issues. I want to quote to you from the findings of that convention this afternoon, because it has to bear upon these things that are before us from week to week.

The Woman's National Committee for Law Enforcement has brought into cooperation organizations having a membership of more than 10,000,000 American women and has rallied their representatives to this convention by the slogan, "Allegiance to the Constitution! Observance of law!" The findings committee for this convention has the honor to make the following report:

Inasmuch as the endurance of any democratic government depends upon its ability and power to enforce its laws, the Woman's National Committee for Law Enforcement, through this convention, calls upon the women of the United States of America to improve the enforcement of law in this country by practicing and teaching observance of law—first, in the home; second, in the school; third, in public life.

(a) The firm foundations of observance of law should be laid for children in the home, in precept, in social customs, and especially in parental example. The home should teach respect for law itself, not merely for those laws which we happen to like.

(b) Next to the home, the school is the most potent influence in shaping the opinions and habits of childhood and youth. Civic instruction in the schools should bring the conviction that every citizen must obey the law, and every official must uphold its provisions.

(c) The press, the pulpit, the stage, and the motion picture are to a large degree the makers of opinion among adults. Individual and organized influence should appeal to these forces for consistent support of law observance and enforcement. Disapproval should be registered concerning jokes or propaganda which tend to foster disrespect for law.

(d) Having secured the privileges of full citizenship, the American woman must also feel the responsibilities which citizenship places upon her. We view with concern the apathy evidenced by the low percentage of those who performed their civic duties in the last election. We are forcibly reminded that "bad men are elected by good women who stay at home on election day."

When the American woman functions to the fullest extent in citizenship a new day will dawn in the life of our country. Then will political parties place on their party tickets only those candidates who represent the highest ideals in American citizenship and who accept the Constitution of the United States of America in its entirety. To create an imperative demand that officials shall redeem their oath of office by strict enforcement of law is a part of woman's responsibility of citizenship.

The outstanding present-day exponent of the need for emphasis upon law observance and law enforcement in this country is the eighteenth amendment and its accompanying enforcement legislation. Therefore your findings committee proposes the following:

1. The Woman's National Committee for Law Enforcement, while it believes that the majority of American women are loyally obedient to these constitutional standards, declares that patriotism and the sovereignty of law should be counted above personal desire or pleasure, and hereby appeals to all patriotic women to refrain from the use of intoxicating liquors as a beverage, thus demonstrating to the world "that women have come together purely and simply for the good of mankind."

2. Your committee proposes also the following appeal to the individual woman:

Realize the value of your own influence upon your family, friends, and community.

Take your citizenship seriously. Your country calls for loyalty to its Constitution, including the eighteenth amendment.

Perform your sacred duty to teach children obedience in the home that they may become law-abiding citizens.

Encourage officials who are enforcing the laws by expressing your appreciation of their good work.

Protest against the sale of hip-pocket flasks and kindred articles and the publication in magazines and daily papers of degrading pictures and stories.

Inform yourself as to the character and principles of candidates for election.

Register.

Vote at the primaries and elections.

Vote for law enforcers.

Vote dry.

Urge others to do likewise.

3. Your committee proposes also the following suggestions for organization program:

[NOTE.—This is not a rigid program, but a list of suggestions to be adapted to local conditions.]

(a) Every State shall be asked to form a committee of 100 or more which shall include representatives of all state-wide organizations and such others as the committee may invite. This committee to choose its own officers.

(b) Each State shall be asked to form a subcommittee in every county and in every important city.

(c) The general purpose of these committees shall be:

1. To create public sentiment by placing "Save America," the campaign manual of the national committee, in every home.

2. To mobilize the sentiment in favor of law enforcement.

3. To formulate plans for making it effective.

4. To support and promote definite instruction in the public schools as to the effects of alcoholic drinks and other narcotics as required by the laws of the several States.

(d) These committees shall be prepared to act as bureaus of information on all aspects of the law-enforcement situation, especially on the following topics:

1. The stand of candidates in respect to law enforcement.

2. The duties of enforcement officials.

3. The possible action by citizens to rouse and support enforcement officials.

(e) They should also be prepared to—

1. Place speakers before State conventions of women's organizations and secure supporting resolutions; hold meetings, conferences, or conventions of all cooperating groups in strategic centers and place speakers before other local organizations. Arrange for a "march of allegiance" wherever possible. (See "Save America.")

2. Act as a medium through which members of the organization and others can report violations of the law to enforcement officers.

3. Form committees to attend important trials of violators of the law. During the trial of criminal cases, the courts are usually crowded with violators of the law awaiting trial and their sympathizers. The apparent indifference of respectable citizens is frequently the cause of a miscarriage of justice.

4. Further State enforcement legislation by securing planks in the State platforms of all parties, and work against any legislation which would weaken the enforcement of law.

5. Urge a more adequate presentation of the constructive activities and a dignified position in the press for news of the women's law enforcement movement.

6. Circularize the voters immediately preceding elections.

7. Promote publicity on the stand of all candidates.

(f) They should further urge all women to—

1. Inform themselves of the progress of support of law enforcement and of instances of its good effects; this information to be broadcast to counteract wet propaganda.

2. Register.

3. Vote in all primaries and general elections.

4. Inform themselves on the stand of all candidates, National or State, on the prohibition question.

5. Secure additional cooperation by circulating enrollment blanks.

6. Secure signatures to a pledge of allegiance, reading: "We, the undersigned, hereby undertake to obey the laws of our country, including the eighteenth amendment and the Volstead Act, and to support no candidate who will not be loyal to the Constitution in this respect."

7. Promote the sale of "Save America."

Your committee on findings also presents the following recommendations for definite action by this convention:

1. Your committee recommends that this convention shall formally petition the national conventions of all political parties to include in their party platforms a strong plank for law enforcement, and specifically for law enforcement in connection with the eighteenth amendment and its accompanying enforcement legislation; and whereas the Supreme Court has declared that that limitation of beverage alcoholic content, fixed by Congress, at one-half of 1 per cent is justified in the interest of enforcement, we urge that the party platforms declare against any change.

2. Your committee on findings further recommends the adoption by Congress of the following measures:

(a) The transfer of the enforcement personnel into the classified civil service, after examination of present employees to eliminate the unfit.

(b) For changes in Federal and State legislation providing stricter penalties for lawbreakers.

3. Your committee on findings further recommends the adoption of the following action, designed for the strengthening of the Federal prohibition service:

(a) We heartily commend the recent action of the President, Congress, and the Treasury Department in appropriations made and steps so far taken to build up the Coast Guard for the purpose of preventing smuggling of liquors; and we respectfully urge that the force of customs officers should be proportionately increased along the Canadian and Mexican borders, so as to tighten the cordon against smuggling from the North and South as well as along our coast line.

(b) We respectfully urge the cooperation of evidence-gathering agencies of the Federal Government and the focusing of them upon uncovering large and influential distributers of illicit liquor.

(c) It is the sense of this convention that by far the greatest proportion of the liquor in illicit circulation is realized by the misuse of permits issued by the Federal Government; wherefor we respectfully recommend to the President and the Secretary of the Treasury that the most drastic steps possible under existing laws be taken to (a) lessen the number of permittees allowed to manufacture or dispense liquor; (b) to reduce the volume of spirituous liquors permitted to be withdrawn under permit; and (c) that steps be taken to estimate more accurately the amount of alcohol actually needed for industrial purposes, with a view to greater regulation of the manufacturing plants of so-called industrial raw alcohol.

4. Your committee further recommends the following action:

The Woman's National Committee for Law Enforcement deplores the fact that Massachusetts, New York, and Maryland are not taking advantage of the concurrent power granted under the eighteenth amendment to cooperate in its enforcement. In Massachusetts, where a code has been submitted in a referendum, we urge an appeal to all women to vote "yes" in the referendum. In New York and Maryland we urge that all women's organizations make this a dominant issue in the coming State campaign for the election of a legislature favorable to the adoption of an adequate State law enforcement code.

5. Another issue of law enforcement now causing grave concern to the American people, and which has been presented before this convention, is the traffic in drugs and narcotics. On that phase of law your committee recommends the following:

"The Woman's National Committee for Law Enforcement recommends that the national organizations cooperating with it adopt the following resolutions, sending one copy to Hon. Charles Evans Hughes, Secretary of State, and one copy to the various organizations cooperating with the Woman's National Committee for Law Enforcement: Therefore be it

"*Resolved*, That the Woman's National Committee for Law Enforcement register its approval of the decision of the United States Government to send representatives to the forthcoming International Opium Conference for the purpose of putting into practical effect the resolutions presented by Representative STEPHEN G. PORTER on behalf of the United States at the meeting of the opium advisory committee held in Geneva last June, namely:

"'*Resolved*, That if the purpose of The Hague convention is to be achieved according to its spirit and true intent, and the ever-increasing menace of drugs is to be checked, that the production of the poppy and coco plants must be restricted to the medicinal and scientific need of the world. We believe that in this restriction lies the logical solution to the problem.'

"Whereas we believe that action can only be aroused by fuller and wider publicity, we suggest that the Department of State provide ways and means that seem legitimate to reach as many audiences as possible: Be it further

"*Resolved*, That this organization indorses the recent Porter bill prohibiting the importation of opium for the manufacture of heroin, the most dangerous of the opium group. This opinion has already been registered by the Army, Navy, Public Health Department, and American Medical Association.

"This organization pledges its support to the President of the United States and to the Secretary of State in their stand for this great humanitarian movement, and earnestly hope that the representatives sent to the forthcoming conference will stand firmly by the position taken by the Government and accept no compromise.

"We earnestly hope that Switzerland will shortly ratify The Hague convention. We feel that for the greater effectiveness of the conference it should be held in a country which has already ratified the convention."

6. Your committee further recommends the following:

Remembering the declaration of the Attorney General of the United States that law must be observed not only by all citizens but by the agents and agencies of government, this convention recommends that all governmental officials making appointments—Federal, State, municipal, and local—shall require from their appointees a personal pledge to obey the laws of the country, including the eighteenth amendment.

Recognizing that the security of constitutional government in the last analysis rests on moral force alone, and that moral force must be summoned into definite action at this time, your committee recommends that the national committee for law enforcement add to its other activities the distribution of the findings of this convention to the proper officials of all constituent and cooperating organizations for their information and use.

Mrs. SAMUEL SEMPLE,
Pennsylvania Chairman of the Findings Committee.

Passed unanimously by 1,364 delegates representing the national organizations of—

The General Federation of Women's Clubs.
Federation of Women's Foreign Mission Societies.
Council of Women for Home Missions.
Young Women's Christian Associations.
Congress of Mothers and Parent Teachers Association.
The National Council of Women.
The Legion Auxiliaries.
The Woman's Christian Temperance Union.
International Order of King's Daughters.
Lend a Hand Society.
With 12 local and State organizations, including League of Women Voters, Daughters of the American Revolution, United Daughters of the Confederacy, etc.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HUDSON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

NATIONAL PARK COMMISSIONERS

For commissioners in the Crater Lake, Glacier, Mount Rainier, Yellowstone, Yosemite, and Sequoia and General Grant National Parks, at $1,500 each, $9,000. The provisions of section 21 of the legislative, executive, and judicial appropriation act approved May 28, 1896, shall not be construed as impairing the rights of said commissioners to receive the salaries provided herein.

Mr. MORTON D. HULL. Mr. Chairman, I move to strike out the last line.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MORTON D. HULL. Mr. Chairman, I would like to ask the gentleman from Pennsylvania a question concerning this paragraph, especially with respect to lines 11 to 14, inclusive, to the effect that the provisions of the act of May 28, 1896, "shall not be construed as impairing the right of said commissioners to receive the salary provided herein."

Mr. SHREVE. That affects the compensation that might be received by these commissioners through fees. I will say that these gentlemen do not receive fees, except one. I think that is in the case of the man in the Yellowstone Park. Wherever they did receive fees they lost $240 bonus under the comptroller's ruling. It is a very slight item. In this case where the man accepted a fee he was the loser in the long run.

Mr. MORTON D. HULL. Then in cases where they accept the bonus they do not receive fees?

Mr. SHREVE. No.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

EXPENSES OF UNITED STATES COURTS

For salaries, fees, and expenses of United States marshals and their deputies, including services rendered in behalf of the United States or otherwise, services in Alaska in collecting evidence for the United States when so specially directed by the Attorney General, and maintenance, alteration, repair, and operation of motor-driven passenger-carrying vehicles used in connection with the transaction of the official business of the United States marshal for the District of Columbia, $2,931,000: *Provided*, That there shall be paid hereunder any necessary cost of keeping vessels or other property attached or libeled in admiralty in such amount as the court, on petition setting forth the facts under oath, may allow: *Provided further*, That marshals and office deputy marshals (except in the District of Alaska) may be granted a per diem of not to exceed $4 in lieu of subsistence instead of but under the conditions prescribed for the present allowance for actual expenses of subsistence.

Mr. McKEOWN. Mr. Chairman, I offer an amendment on page 34, line 7, after the word "exceed," strike out the figure "$4" and insert "$5."

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 34, line 7, after the word "exceed," strike out "$4" and insert in lieu thereof "$5."

Mr. SHREVE. Mr. Chairman, I reserve a point of order on that.

Mr. McKEOWN. If there is to be a point of order made, Mr. Chairman, I will be glad to have the gentleman make it.

Mr. SHREVE. It would disrupt the entire per diem system.

Mr. McKEOWN. I want to call attention to the discrimination they make here in Congress between different employments. In the State Department the per diem they get is $5, and it runs up to $6 and $7 and $8. Why should there be a discrimination against these marshals, who as a matter of fact are the only ones who go out in the rough weather? They are the ones who endure hardships. These other men travel in Pullman cars, and they have no dangers to encounter, and you give them $7 or $8 a day. There is no reason in it.

Mr. SHREVE. I do not contradict what the gentleman says. That is a legislative matter. We are simply an appropriating committee.

The CHAIRMAN. Does the gentleman from Pennsylvania make the point of order that the amount as now fixed by law is $4 a day?

Mr. SHREVE. Yes.

Mr. McKEOWN. It is an outrage to give these other departments what they want. They want $10 down in the revenue department. There is no reason why the deputy marshals, who have to undergo the severest hardships, should not have at least $5 a day.

The CHAIRMAN. The gentleman from Oklahoma is arguing the merits of the question. The gentleman from Pennsylvania claims that the limit is fixed at $4 a day.

Mr. SHREVE. It is my understanding, Mr. Chairman, that it is fixed by the act of 1913 at $4.

The CHAIRMAN. If it is fixed at $4, the amendment is out of order. The Chair would like the gentleman from Pennsylvania to furnish him with the law.

Mr. SHREVE. We will endeavor to find it in a moment, Mr. Chairman. I call the Chair's attention to page 614 of Barnes' Federal Code for 1919. It is the latter part of section 2826, and it reads as follows:

The heads of departments and other executive establishments are authorized to prescribe per diem rates not exceeding $4 in lieu of subsistence.

Mr. McKEOWN. Is the language general?

The CHAIRMAN. The law reads:

The heads of the executive departments and other executive establishments are authorized to prescribe per diem rates not exceeding $4 in lieu of subsistence.

Mr. McKEOWN. That does not say that Congress can not fix the rate. It says "the heads of departments" can fix it.

The CHAIRMAN. The Committee on Appropriations can not fix it. Congress can act by legislation. This is an appropriation bill.

Mr. McKEOWN. I want to call attention to the discrimination that is made by Congress. The men who do the hard work in the rain receive only $4, while men in the other departments receive much more.

Mr DICKINSON of Iowa. That is a slight discrepancy as compared with others that might be mentioned.

The CHAIRMAN. The Chair sustains the point of order.

Mr. STENGLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STENGLE. Would that decision apply to other departments where a higher amount has been granted? This would seem to apply to all department heads.

The CHAIRMAN. It applies here.

Mr. GREEN of Iowa. Different sections apply to some other departments.

The CHAIRMAN. This section seems to apply here, and on it the Chair is constrained to sustain the point of order. The Clerk will read.

The Clerk read as follows:

For salaries of United States district attorneys and expenses of United States district attorneys and their regular assistants, including the office expenses of United States district attorneys in Alaska, and for salaries of regularly appointed clerks to United States district attorneys for services rendered during vacancy in the office of the United States district attorney, $1,199,780: *Provided*, That United States district attorneys and their regular assistants may be granted a per diem of not to exceed $4 in lieu of subsistence instead of but under the conditions prescribed for the present allowance for actual expenses of subsistence.

Mr. McKEOWN. Mr. Chairman, I offer the same amendment on page 34, line 18, after the word "exceed."

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 34, line 18, after the word "exceed," strike out "$4" and insert "$5."

Mr. SHREVE. Mr. Chairman, I make the same point of order against the amendment.

The CHAIRMAN. The gentleman from Pennsylvania makes the point of order that this per diem is fixed by law at $4 and the gentleman's amendment seeks to raise it to $5. It is, therefore, a change of existing law, and the Chair sustains the point of order.

The Clerk read as follows:

For assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and for payment of foreign counsel employed by the Attorney General in special cases (such counsel shall not be required to take oath of office in accordance with section 366, Revised Statutes of the United States), $840,000, to be available for expenditure in the District of Columbia.

Mr. SHREVE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SHREVE: Page 35, line 6, after the word "cases," insert "including not to exceed $60,180 for clerical help for such assistants."

Mr. SHREVE. Mr. Chairman, identical language carrying $50,000 is included in the current law. In the Budget estimates these employees were transferred to the roll of the Attorney General's office, but the committee decided to leave them where they have always been and transferred the necessary amount of money from the Attorney General's office back to this appropriation, but through an oversight did not restore the language which properly belongs in the bill.

Mr. McKEOWN. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. McKEOWN. What is the limit on the amount that may be paid to assistants to the Attorney General under this $840,000?

Mr. SHREVE. That is all set forth in the classification act, and I could not tell the gentleman exactly at this time.

Mr. McKEOWN. But I am referring to special assistant attorneys.

Mr. SHREVE. For special assistants it is provided that they shall not receive in excess of $10,000.

Mr. BYRNS of Tennessee. My understanding is that there has been a rule—but it is nothing more than a rule—in the Department of Justice that in no case shall any attorney receive more than the Attorney General himself. That has been violated, however, in several cases which have been called to the attention of the House, and I do not know of any law on the subject.

Mr. OLIVER of Alabama. Suppose I offer this amendment:

Provided, That no one shall be employed hereunder at a rate of compensation exceeding $10,000 per annum: *And provided further*, That the compensation agreed to be paid hereunder to any person shall be fixed at the time of employment.

Mr. SHREVE. That amendment is satisfactory to me, but I call the Chair's attention to the fact that I have an amendment pending which has not been voted on.

The CHAIRMAN (Mr. HADLEY). The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment. Strike out the period, in line 11, after the word "Columbia," insert a colon and the following:

Provided, That no one shall be employed hereunder at a rate of compensation exceeding $10,000 per annum: *And provided further*, That the compensation agreed to be paid hereunder to any person shall be fixed at the time of employment.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, the amendment offered by the gentleman from Alabama——

The CHAIRMAN. The amendment has not yet been reported, but the Chair will recognize the gentleman.

Mr. McLAUGHLIN of Michigan. The amendment offered by the gentleman from Alabama [Mr. OLIVER] provides for salaries not in excess of $10,000. It may be a proper amendment for those who are to be employed by the year or permanently, but we can very easily conceive of special employment for the performance of special duties where compensation at a higher rate than $10,000 a year might be necessary and advisable. I will ask the gentleman from Alabama whether it is intended by his amendment that no compensation, regardless of the length of time or the character of work to be performed, shall be at a higher rate than $10,000 a year.

Mr. OLIVER of Alabama. I will say this to the gentleman: We were informed that there was but one person who had been paid more than $10,000, and that was in the Lincoln Motor Co. case, and he was paid $25,000.

Mr. McLAUGHLIN of Michigan. He was employed by the year, and that was an annual salary?

Mr. OLIVER of Alabama. Yes.

Mr. McLAUGHLIN of Michigan. But I was speaking of cases in which employment might be for a shorter time than a year for some particular purpose. It would seem to me that conditions might arise where it would be necessary and proper to pay an attorney at a higher rate than $10,000 a year. And it may be impossible at the time of engaging an attorney to know how much work he is expected to do or how long he will be employed.

Mr. OLIVER of Alabama. In other words, I do not think this would prevent that, and I did not intend to prevent the payment of $10,000 in some special case. I said at $10,000, and they would not be authorized to employ for more than a year under this appropriation.

Mr. McLAUGHLIN of Michigan. Would the gentleman's amendment make it impossible for the Attorney General under any circumstances to employ assistants, perhaps for a short time, for special work and pay at a higher rate——

Mr. OLIVER of Alabama. Than $10,000.

Mr. McLAUGHLIN of Michigan. That would be the effect of the gentleman's amendment.

Mr. OLIVER of Alabama. Yes. In other words, he might employ an attorney to handle a special case for $10,000.

Mr. McLAUGHLIN of Michigan. Not at the rate of $10,000.

Mr. OLIVER of Alabama. Not at the rate of $10,000, but at $10,000.

Mr. McLAUGHLIN of Michigan. But the gentleman's amendment provides at the rate of $10,000 per annum, and the exact amount of compensation must be fixed before the attorney begins work.

Mr. OLIVER of Alabama. I will give it to the gentleman in just a moment.

Mr. McKEOWN. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. McKEOWN. Does not the gentleman realize that the lawyers of the country ought to be as patriotic as any of the rest of us, and that good lawyers can be employed—although their services may be worth more to private employers—by the Attorney General for $10,000?

Mr. McLAUGHLIN of Michigan. But let me say to the gentleman from Oklahoma that the employment of Members of Congress is a different thing. The gentleman from Oklahoma and I serve for honor and some may think we get enough of it to work for nothing.

Mr. McKEOWN. Well, these lawyers would do well to serve for a little honor, because I want to say that some of the best lawyers in this country have served at salaries not to exceed $10,000.

Mr. McLAUGHLIN of Michigan. A $10,000 salary, by the year, year after year, with assured employment is a very nice salary, but a lawyer called away from his home and his practice to take up work temporarily for the Attorney General might be entitled to compensation at a higher rate than $10,000 a year.

Mr. McKEOWN. I will say to the gentleman that there would be no dearth of lawyers at that price. We would be able to get them.

Mr. McLAUGHLIN of Michigan. I do not expect Members of Congress to resign to take that kind of work. I do not know whether there would be a dearth of lawyers or not.

The CHAIRMAN (Mr. TILSON). The Clerk will report the amendment offered by the gentleman from Alabama [Mr. OLIVER].

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: Page 35, line 11, after the word "Columbia," strike out the period, insert a colon and the following: "That no one shall be employed hereunder at a rate of compensation exceeding $10,000: *And provided further*, That the compensation agreed to be paid hereunder to any person shall be fixed at the time of employment."

Mr. GARRETT of Tennessee. Mr. Chairman, I do not feel disposed to oppose this amendment, but at the same time I

am somewhat dubious as to the wisdom of adopting it in the exact form it is offered by the gentleman from Alabama, although I can not improve upon the form at the moment. In cases of special employment of attorneys for particular cases, I doubt if it is wise to fix an arbitrary fee. It is impossible for an attorney accepting the employment to know how much work he is going to have to do. The matter may be disposed of in the district court, it may reach the court of appeals or it may finally go to the Supreme Court of the United States. Of course, his compensation should depend, after all, upon the amount of service he renders. I am willing not to resist the amendment offered by the gentleman from Alabama, but I venture to express the hope now that finally if this principle is to go into the law, it may be worked out in a little more careful detail than it seems to be worked out in this manner.

Mr. OLIVER of Alabama and Mr. GREEN of Iowa rose.

Mr. GARRETT of Tennessee. I yield first to the gentleman from Alabama.

Mr. OLIVER of Alabama. I appreciate the force of the criticism the gentleman offers and I am frank to say we have not had an opportunity to discuss this with the present Attorney General. I assume he will take it up with the Senate committee, and I would be more than willing to adopt any suggestion he may offer along the lines the gentleman speaks of. There is no desire on the part of the committee to in any wise embarrass the Attorney General in the employment of counsel. However, it appears from the hearings that there are too many attorneys employed out of this fund whose compensation has not been determined on, and so far as we are able to learn, there are some whose compensation may far exceed $10,000.

Mr. GREEN of Iowa. Will the gentleman yield for a suggestion?

Mr. GARRETT of Tennessee. One moment, and then I will yield to the gentleman from Iowa. I am sure that every lawyer here in his private practice has been confronted with the proposition of fixing a fee, and in most instances he found it impossible to fix a fee in advance, not knowing how far the work would extend, and I assume the same thing is true in the case of the Government.

Mr. MADDEN. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield, first, to the gentleman from Iowa, because I promised him.

Mr. GREEN of Iowa. I would like to make the suggestion that possibly the gentleman from Alabama would accept an amendment to his amendment by inserting before the words "no one" the words "when employed at an annual salary."

Mr. GARRETT of Tennessee. This only applies to special cases so that amendment would not lie. What I was about to say was that if an attorney does have to fix a fee for his client in advance, necessarily he must fix it at the major amount, and what I fear about the amendment of my friend from Alabama is that it may lead to fixing the maximum amount.

Mr. OLIVER of Alabama. May I interrupt just a moment? I asked a question about that. The former Attorney General not having appeared before us, we were unable to take the matter up with him direct, and the present Attorney General was not appointed when our hearings closed. We found that they had employed many lawyers under this item by agreeing to pay so much for the preparation of a case, and then so much as a per diem for the time spent in the courts in the trial of the case. That would not be in violation of this amendment, provided the total amount did not exceed $10,000.

Mr. GARRETT of Tennessee. I now yield to the gentleman from Illinois.

Mr. MADDEN. I do not know whether my question would now fit the case.

The CHAIRMAN. The gentleman from Tennessee has consumed five minutes.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. The gentleman from Tennessee asks that his time be extended two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. The discussion has disclosed the fact that this compensation applies to lawyers who are not putting in all of their time with the department.

Mr. GARRETT of Tennessee. Special cases; yes.

Mr. MADDEN. I thought it applied to men who were to be in the department all the time and the question I was going to ask or the suggestion I was going to make was that I thought it was quite appropriate to fix the compensation in advance, and of course, in such cases as I had in mind, that would be appropriate.

Mr. GARRETT of Tennessee. Oh, where it is annual employment, of course.

Mr. MADDEN. In the cases the gentleman from Tennessee is talking about, I think it might be very difficult to fix the compensation in advance.

Mr. GARRETT of Tennessee. Mr. Chairman, I yield back the balance of my time.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent that we pass over this item for a little while until we can get together on the proper language of an amendment or pass it over until we finish the subject we are now on, and then return to it.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the paragraph with the amendment pending be passed over, to be returned to later. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

For fees of United States commissioners and justices of the peace acting under section 1014, Revised Statutes of the United States, $500,000.

For fees of jurors, $1,600,000.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to inquire of the gentleman from Pennsylvania if any provision has been made for the increased pay of jurors and witnesses?

Mr. MADDEN. We have no jurisdiction over that.

Mr. McKEOWN. Will your bill provide for that?

Mr. MADDEN. It will not; there is no law that authorizes us to do it.

Mr. McKEOWN. I am calling attention to the fact——

Mr. MADDEN. When the law is enacted it will be time to take the question up, and in the meantime I hope the gentleman will not ask us to do something that we have no authority to do.

Mr. McKEOWN. I want to be able to take care of the jurors and witnesses when they come in. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The Clerk calls the Chair's attention to page 36, line 9, that the word "for" is misspelled. Without objection, the Clerk will be authorized to change the spelling.

There was no objection.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to return to line 4, page 36, and after the figures "$1,600,000" to insert a period.

The CHAIRMAN. Without objection, that will be done.

There was no objection.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent that the Clerk be authorized to correct the spelling of the word "Leavenworth," on page 40, line 12.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The Clerk read as follows:

In all, Atlanta (Ga.) penitentiary, $683,020.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman from Pennsylvania a question. Are funds provided so that prisoners can be kept at work at the prisons?

Mr. SHREVE. Just as far as possible. The superintendent is very anxious that we should have enough to give the prisoners a chance to work. Unfortunately at the present time, except at Atlanta, there is no great amount of work for the prisoners to do. At Leavenworth 200 or more are employed on the farms.

Mr. LONGWORTH. Did we not a short time ago provide for a factory?

Mr. SHREVE. We did provide for the erection of a shoe factory, and the work of construction will be done almost entirely by the prisoners. That is at Leavenworth. Just as rapidly as possible we will find employment for the prisoners.

Mr. GREEN of Iowa. The facilities for employment are being greatly increased?

Mr. SHREVE. Just as rapidly as they can be under the authorization and appropriation.

Mr. GREEN of Iowa. It is the intention to find work for these prisoners as rapidly as employment can be found?

Mr. SHREVE. That is what we hope to do.

Mr. GREEN of Iowa. How large a proportion of them are employed now?

Mr. SHREVE. There are over 5,000 convicts, and I presume not more than a thousand of them are employed.

Mr. GREEN of Iowa. But the gentleman thinks that more ought to be employed?

Mr. SHREVE. I certainly do, and that is the reason that Congress authorized the erection and construction of a shoe

factory. The construction of that factory will give something for a number of prisoners to do.

Mr. GREEN of Iowa. If the gentleman will permit, that seems to be an extremely important feature both as to its effect on the character and health of the prisoners and also the possibility of future reform. If they are turned out so that they are familiar with some trade, it is obvious that they will more likely become useful citizens, and at the same time it will cost the Government less to maintain them. Every effort ought to be made in that direction.

Mr. SHREVE. I agree with the gentleman. Mr. Votaw, superintendent of prisons, is very much interested in the proposition, and informs us that men in the penitentiaries who are employed are better men when they go out, and it is hoped that we can give them more and more employment as time goes on. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

For contingent and miscellaneous expenses of the offices and bureaus of the department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including professional and scientific books, law books, books of reference, periodicals, blank books, pamphlets, maps, newspapers (not exceeding $2,500); stationery; furniture and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges; fuel, lighting, and heating; purchase and exchange of motor trucks and bicycles; maintenance, repair, and operation of two motor-propelled passenger-carrying vehicles and of motor trucks and bicycles, to be used only for official purposes; freight and express charges; postage to foreign countries; telegraph and telephone service; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; repairs to building occupied by offices of the Secretary of Commerce; first-aid outfits for use in the buildings occupied by employees of this department; street-car fares, not exceeding $300; and all other miscellaneous items and necessary expenses not included in the foregoing, $225,000, which sum shall constitute the appropriation for contingent expenses of the department and shall also be available for the purchase of necessary supplies and equipment for field services of bureaus and offices of the department for which contingent and miscellaneous appropriations are specifically made in order to facilitate the purchase through the central purchasing office (Division of Supplies), as provided in the act of June 17, 1910 (36 Stat. L. p. 531).

Mr. SHREVE. Mr. Chairman, I offer the following amendment, which I send to the desk. The language which I seek to strike out is no longer necessary, since the buildings are now taken care of by the Superintendent of the State, War, and Navy Building.

The Clerk read as follows:

Amendment offered by Mr. SHREVE: Page 45, lines 9 and 10, after the word "exchange" in line 9, strike out the language up to and including the word "Commerce" in line 10.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The Clerk read as follows:

Commercial attachés: For commercial attachés, to be appointed by the Secretary of Commerce, after examination to be held under his direction to determine their competency and to be accredited through the State Department, whose duties shall be to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries as may be of interest to the United States; and for the compensation of a clerk or clerks for each commercial attaché at the rate of not to exceed $3,000 per annum for each person so employed, and for janitor and messenger service, traveling and subsistence expenses of officers and employees, rent outside of the District of Columbia, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of refernce, and periodicals, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications, travel to and from the United States, and all other incidental expenses not included in the foregoing; such commercial attachés shall serve directly under the Secretary of Commerce and shall report directly to him, $241,000: *Provided*, That not to exceed two commercial attachés employed under this appropriation may be recalled from their foreign posts and assigned for duty in the Department of Commerce without loss of salary.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. What is the limit of expenses per day in this department at the present time? Is there any law regulating it?

Mr. SHREVE. It all comes under the general law regulating all of the departments.

Mr. McKEOWN. Is there no exception in this department?

Mr. SHREVE. I do not know of any.

Mr. MADDEN. There is no exception.

Mr. McKEOWN. There is no allowance to exceed $4 per day?

Mr. SHREVE. No. Mr. Chairman, I ask unanimous consent that the Clerk be authorized to correct the spelling of the word "reference," in line 3, page 47.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The Clerk read as follows:

Promoting commerce, South and Central America: To further promote and develop the commerce of the United States with South and Central America, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, plans, specifications, manuscripts, documents, maps, newspapers (both foreign and domestic), not exceeding $400, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to be expended under the direction of the Secretary of Commerce, $243,000: *Provided*, That not more than two trade commissioners employed under this appropriation may be recalled from their foreign posts and assigned to duty in the Department of Commerce.

Mr. WATSON. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman a question. Since the war, has the commerce of the United States increased in central Europe and in the Balkan districts, or has England most of the trade? I notice that we have several commercial agents in Europe, and I would like to know what work they have accomplished.

Mr. SHREVE. Mr. Chairman, we all remember that during the war the manufacturing plants of the United States were very largely increased and the farmers had tilled the very last acre of land they had. Soon after the war we discovered that we had about 6,000,000 men out of employment, and the worst part of it was that for a long time, for many years before the war, one-fourth of the world's population had consumed three-fourths of the surplus of the world's products.

At the close of the war one-third of the world's population was out of the business of buying for a time. It became necessary for the Department of Commerce to go out into the highways and byways of the world's business and find business, and we sent men to the countries the gentleman has referred to. There is where we got our first business. It came from Poland and those various countries. The gentleman referred to the British Government. For a time they seemed to have lost their nerve and their pep, but they are back again now, and they are serious competitors of ours in all of the various countries. That is the reason we did not feel like reducing the appropriations for the Department of Commerce at this time. We feel that they are doing a wonderful work, and that they should be encouraged. You must keep our forces in all the countries of South America and in the Far East intact, because great competition is coming not only from Great Britain but also from Germany and even from Spain. Therefore, it is necessary for us to keep up this good work.

Mr. WATSON. Have we increased the trade in agricultural products?

Mr. SHREVE. Just recently the products of the farm are finding a more ready market, especially pork products, which are now coming into demand just at a time when we seem to have a very good supply. There was a time when people over there were staggered. They had no money with which to buy, but they are coming back now, and they are buying from the United States and getting ready to buy more.

Mr. BRIGGS. Mr. Chairman, do these appropriations for the Bureau of Foreign and Domestic Commerce carry any appropriations for the collection of coastwise commerce statistics as well as foreign commerce? The statistics now collected by the Bureau of Foreign and Domestic Commerce, published in the Statistical Abstract and also in the monthly summary, contain only those commercial statistics relating to our exports and imports and nothing at all with respect to the vast amount of coastwise and inland commerce. Officials of the bureau have told me on several occasions that they were not able to collect those statistics because they did not have any funds with which to do it. It renders very incomplete the statistical record of the United States with respect to the amount of both its domestic as well as its foreign commerce, the determination of whether the coastwise trade is increasing or decreasing, the extent to which it is doing so, the ex-

change between one port of the country and another, the passage of commerce through the canal from coast to coast and from other parts of the coast to either side of the canal. I am wondering if these compilations of inland and coastwise commerce can not be provided for in connection with the assembling of the statistics with reference to exports and imports, relating alone to foreign commerce.

Mr. SHREVE. Mr. Chairman, in reply to the gentleman, I am very glad to have his suggestion. The Bureau of Foreign and Domestic Commerce has been a growth of the last few years. Naturally, the first thing we had to do was to take care of the foreign trade and find the foreign business, the places where we are going to dispose of our surplus products. To a large extent we have accomplished that. There is one department here that particularly has to do with the things that pertain to the welfare of this great country of ours.

That you will find in Export Commodities Division. For instance, there comes in the standardization scheme which has been adopted almost all over the United States in many places. Manufacturers of bed springs, manufacturers of rubber tires have reduced their sizes from 31 down to about 11. This comes under the Bureau of Standards and also under the Bureau of Foreign and Domestic Commerce. Now, in reference to the things the gentleman mentioned, it is hoped they will be able to do something this year; but, as I said to the gentleman, we do not feel we should increase this appropriation.

Mr. MADDEN. We have within the last few years increased the appropriations from $1,000,000 to $3,000,000, $230,000 or $250,000 more this year than last year, and they are going on all the time adding new activities, new information, and, of course, increasing the cost to the Government.

Mr. BRIGGS. I believe the Bureau of Foreign and Domestic Commerce is doing a very excellent work.

Mr. MADDEN. Yes; and there is a good man at the head of it.

Mr. BRIGGS. Yes; and I am interested in the collection not of incomplete statistics but of complete statistics. I understand the bureau officials are perfectly willing to make these collections of statistics and publish them in connection with the import and export which they already publish, provided their funds are sufficient for the purpose. All I am asking now is whether the funds carried in this bill are sufficient for such purpose?

Mr. MADDEN. I think they are; they are getting a sufficient amount for what the department itself says are the needs of the department.

Mr. BRIGGS. I am glad to hear it.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I agree with the gentleman from Texas [Mr. BUGGS] as to the importance of collecting these data in regard to commerce, foreign and domestic. The gentleman asked if the data were collected with regard to the coastwise commerce. I would like to know if they are carefully and fully collected with respect to the traffic on the Great Lakes, a matter of immense importance and concerning which many of our people know very little. How many know, Mr. Chairman, that the tonnage carried on the Great Lakes is equal to 25 per cent of the total railroad tonnage of the entire United States? How many know that the tonnage carried on the Great Lakes is equal to 56 per cent of the entire railroad tonnage of the portion of the country north of the Ohio River and west of the Mississippi River? There are matters coming before us; there is the matter of appropriations for rivers and harbors coming before Congress every year; but while the intentions of Members of Congress are good, we sometimes find a lack of sufficient information to enable them to appreciate the importance and necessity of liberal appropriations. I think money ought to be provided and collection of these data ought to go on. Of course the facts and statistics ought to be available, full and complete, so we can know what our trade, traffic, and commerce are to and from different parts of the world and in our own country.

Mr. BRIGGS. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I will.

Mr. BRIGGS. Is it not a fact, from the best information available, the coastwise and inland commerce really exceeds our foreign commerce or imports to the United States?

Mr. McLAUGHLIN of Michigan. It does.

Mr. BRIGGS. Tonnage and value?

Mr. McLAUGHLIN of Michigan. Yes.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

District and cooperative office service: For all expenses necessary to operate and maintain district and cooperative offices, including personal services in the District of Columbia and elsewhere, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, purchase of maps, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic), not exceeding $400, and all other publications necessary for the promotion of the commercial interests of the United States and all other incidental expenses not included in the foregoing, $166,000.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to insert a comma in line 17, page 48, after the word "plans."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SHREVE. On page 48, line 17, after the word "plans" insert a comma.

The amendment was agreed to.

Mr. SHREVE. I also desire to take out a comma after the word "domestic" in line 18, same page.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SHREVE: On page 48, line 18, after the word "domestic" in parentheses, strike out the comma.

The amendment was agreed to.

Mr. WATKINS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 48, line 22, strike out "$166,000" and insert "$200,000."

Mr. WATKINS. Mr. Chairman, I offer this amendment in all sincerity and take this occasion to say that it is rooted in virtue and justified by the facts, and I hope the committee will receive it with a sympathetic ear. It means the establishing in Portland, Oreg., of a district office. The situation now prevailing is that we must get our information relayed from other Pacific coast ports. This means delay, misinformation, and oftentimes an injustice. Time is of the essence in commerce and throughout the commercial world and the city of Portland with its trade and maritime importance is entitled to this consideration.

I understand that the Bureau of the Budget recommended $250,000 for this character of service and that the Committee on Appropriations reduced it to $166,000. If we will make it $200,000, I am reliably informed that a district office will be established in Portland.

Now, in view of the expansion of this country in foreign trade, it is imperative that Portland, Oreg., should have an office of this nature and a service of this character.

Portland, Oreg., is the foremost exporting center on the Pacific coast. We now have 55 steamship lines, giving service to the principal ports of the world. Not only that, but we have 22 lines engaged in interconstal trade to North Atlantic ports, Gulf or South Atlantic ports, and coastwise trade of the Pacific coast. In addition thereto we have 10 railroads, 5 of which are transcontinental.

There we have a plant for the fumigation of cotton and other foreign products. Facilities are also provided for the reconditioning and cleaning of various commodities requiring such service. Foreign-freight forwarders, customhouse brokers, ship brokers, weighmasters, analytical chemists, samplers, warehousemen, and other agencies that enter into foreign trade are established and available.

Customs officers, appraisers, and stevedoring companies are available at all times. Customs officers have permanent quarters on all piers where foreign cargo is handled. The Oregon district is fourth among the customs districts of the United States. Due to new industries and increasing trade in imports, the customs appraisers now hold annually three and four sessions, whereas formerly only one session was required. And yet the Commerce Department has no district office for this trade.

Portland is the twenty-fourth largest city in the United States. The estimated population June 30, 1923, was 342,000. Portland has 28 banks, 6 of which maintain foreign-trade departments. Portland is the livestock center of the Pacific coast. Several of the West's largest meat-packing establishments are located within the confines of that city. It is the natural distributing center of the Columbia River Basin, an empire of 300,000 square miles. Portland is the largest lumber-manufacturing city in the world. Lumber shipments from the Columbia River for the year 1922 totaled nearly 800,000,000 feet. It is the largest furniture-manufacturing city in the western half of the United States. From Portland to all parts of the world are shipped office and household furniture, window frames, box shooks, and every conceivable kind of like goods and wares. Approximately 85,000 tons of paper

cargo were shipped from Portland by water during the year 1922 to foreign and domestic ports. Upward of 250,000 tons of pulp paper are manufactured annually by paper mills in this vicinity. This will continue for years to come, as there is standing timber in the region tributary to Portland approximating 500,000,000,000 feet; in fact, one-fifth of the standing timber in the United States is located in the State of Oregon.

For 1923 the trade aforementioned has increased from 20 to 50 per cent, and if the months of the present year are indicative of the entire year, they will increase from 40 to 70 per cent over 1922.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. WATKINS. Mr. Chairman, may I have three additional minutes?

The CHAIRMAN. The gentleman from Oregon asks unanimous consent for three additional minutes. Is there objection?

There was no objection.

Mr. WATKINS. Exports of wheat and flour by customs districts for the fiscal year ending June 30, 1922, disclosed that Portland was second, with 35,604,454 bushels, whereas she was fourth in that of flour, with 1,457,987 barrels.

Portland is the second largest primary wool market in the United States. Furthermore, the largest woolen mill west of Cleveland is located in that city, and west of the Mississippi River it stands first and foremost in wool manufacturing. In 1922 nearly 24,000,000 pounds of wool were shipped from Portland by water. Great quantities of wool are imported from the Orient into Portland and there transferred to intercoastal vessels for eastern ports.

Portland leads the ports of the Pacific in the shipment of apples. Dried-prune shipments amount to more than 31,000,000 pounds annually. During last season from one and one-half to two million cases of fruit, valued at from $11,000,000 to $15,000,000, were manufactured and shipped from this premier Pacific port to eastern and foreign markets by water.

In the matter of foreign overseas traffic, Portland is eleventh among all the cities of the United States. For the fiscal year ending June 30, 1922, there was exported from that city 1,504,908 long tons, whereas Portland ranked first of all Pacific coast ports in outgoing foreign cargoes for the same period.

Ships of all countries flying the respective flags of various nations enter this port. And in outbound foreign overseas traffic Portland ranks seventh among the ports of the entire United States. Despite these figures and this prominence in the shipping world no district office is maintained there and we have to get information through and from other ports that do less shipping.

On Monday next or soon thereafter you are going to pass the China trade act. That means that you are going to open up trade with the Orient; the Columbia River Basin will sell its products in the Orient; we will need a district office for that purpose. In all these matters time is of the essence, and it is necessary for us to have the information direct to the point and first hand.

The people in that wonderful territory are anxious to see a district office located there. It has the approval, I am informed, of the Department of Commerce, and I hope the committee will grant the plea, approve the amendment, and give at least that encouragement to that wonderful metropolis. [Applause.]

Mr. MADDEN. Mr. Chairman, the gentleman from Portland is loyal to his great city, and he should be. He has made a wonderful display of Portland's figures and importance. Portland, of course, is one of the great cities of America, and it should be properly regarded. There is no person here who has greater admiration for the gentleman's genius as an advocate of his locality than I have. He has been the most successful advocate, as a new Member, that I have ever seen on the floor. His personality is attractive.

His genius is great and he enthuses about the Pacific coast as no man ever has. He always has his tentacles out for a raid on the Treasury and he is an artistic raider. [Laughter.]

Mr. WATKINS. Will the gentleman yield?

Mr. MADDEN. I shall be delighted.

Mr. WATKINS. The gentleman from Oregon has not gotten a single dime out of this Congress for that foremost American city.

Mr. MADDEN. It is not the gentleman's fault. [Laughter.] If that is the case, because I have not seen any bill that has been up here for consideration since the gentleman has been a Member of the House to which he could even remotely justify an amendment in favor of Portland or Oregon, that he has not tried to get money for it. I admire him for that, because I think a man should be a true representative of his locality and he does come from a great locality. But now to be serious.

Mr. WATKINS. I hope the gentleman has not been facetious all this time. [Laughter.] I hope that what the gentleman has said has been in earnest and in all seriousness.

Mr. MADDEN. I have been serious in all my laudation of the gentleman; I want the gentleman to distinctly understand that. [Laughter.] But to be serious with respect to the importance of not granting his request is what I was about to say.

We as the Committee on Appropriations come to the House after we have emptied the reservoir. The reservoir is turned over to us for the purpose of distributing what is in it and we distribute it as best we can with the light which we have before us. We have no ax to grind; no section of the country to serve, and no section to discriminate against. We have no friends and no political pressure has ever succeeded in putting an appropriation into one of these bills. The President of the United States is refused, if he makes a request, as promptly and as regularly as anybody.

Mr. FITZGERALD. And as cheerfully.

Mr. MADDEN. And as cheerfully; yes. Our job is to see that no excessive burden is placed upon the Treasury and that not more than is in the reservoir shall be distributed.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. LONGWORTH. Suppose the gentleman and his committee did not take that attitude but should yield to pressure, political or otherwise, how much does the gentleman think this Congress would spend?

Mr. MADDEN. I do not believe there would be money enough in the world to run the Government of the United States if we yielded to all the pressure that comes.

Mr. WATKINS. Will the gentleman yield?

Mr. MADDEN. Just let me make this one statement and I shall be delighted to yield. Just the other day, for example, we had appropriated $240,000, or had recommended an appropriation of that amount, for the payment of a judgment. The jury refused to allow interest on the judgment when it was rendered up to the date of the judgment. The law under which the judgment was rendered does not provide for interest, but the attorneys in the case came to the chairman of the committee and they wanted the interest allowed, which would have amounted to $45,000. The chairman of the committee, of course, refused to allow it. They said, "The Constitution provides that adequate compensation shall be paid for property taken."

I promptly answered that we were not construing the Constitution, but were construing the judgment of the court. They said, "We will get the court to modify its judgment." I said, "No; we do not take orders from the court after it has once rendered its judgment." And so it goes; we have had hundreds of cases of that sort and we have them every day. But we stand there as the servants of the House consistently refusing every unjust and unworthy demand.

Now, the demand, through the amendment offered by the gentleman from Oregon [Mr. WATKINS], that $34,000 be added to this item in the bill may be worthy, but we have not the money. It ought not to be done, and therefore I hope the House will agree with the recommendation of the committee and for the moment decline the very urgent request of the gentleman from Oregon, although we would be glad to accommodate him if we could.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oregon [Mr. WATKINS].

The question was taken; and on a division (demanded by Mr. WATKINS) there were—ayes 15, noes 26.

So the amendment was rejected.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to strike out a comma in line 6, page 49, after the word "domestic."

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SHREVE: Page 49, line 6, after the parenthesis, strike out the comma.

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

The Clerk read as follows:

Enforcement of China trade act: To carry out the provisions of the act entitled "China trade act, 1922," including $23,520 for personal services in the District of Columbia and elsewhere, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing

machines, accessories and repairs, purchase of books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications; rent outside the District of Columbia, and all necessary expenses not included in the foregoing, $31,020.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to call attention to the fact that the expansion of the trade of the United States is going to depend in great measure not only on the ability to go and get the trade and finance it, but the information that ought to come to the manufacturers in this country as to the needs and necessities of the foreign country as to styles and things of that character.

If the people of the United States would be less extravagant when it comes to the matter of styles, if they would be satisfied to have plain things and not so many different styles, we would save enough to pay the war debt in the next 35 years.

I do not believe the taxpayers of the United States ought to be forced to pay the war debt in a very short period of time. I think we ought to have at least as long as we give the British Empire to pay what she owes this country. I understand that is 60 years. If that is true, why is it necessary for the people of the United States to undertake to pay their war debt within 25 or 30 years by taxation?

But I have departed a little bit from what I started to call to the attention of the committee with reference to extravagance in styles and matters of that kind in the United States. The Bureau of Commerce is demonstrating the enormous savings that can be made by manufacturers who will standardize their styles of commodities for sale. To illustrate, take the common machine seats that are on the cultivator or the reaper or the binder. There was at one time some dozen or more different styles, which caused a waste and caused additional expense. There were different sizes of nuts; and we have been able to advocate standardizing the nuts, so that you may be able to buy automobiles that can be repaired from an ordinary hardware store. They have demonstrated the fact that one great shoe manufacturer in this country has reduced the styles of men's shoes from many different styles to four separate styles of men's shoes, and by doing so has reduced the price of his shoes 50 per cent.

The same thing can be done with reference to women's wearing apparel. Thousands of dollars can be saved and ought to be saved, and this department is doing that work now.

As to these agents in foreign countries, our manufacturers have been attempting to sell in South America and other foreign countries the surplus or the amounts left over after the American people have bought what they wanted; but that is not the way to get foreign trade. The foreigner buys a particular style, and if you want to sell him goods you must produce the kind of goods in the style he wants them, and therefore these foreign agents will be able to give the manufacturers of this country the information they need in order to manufacture their goods to meet the styles and needs and wants that are peculiar to a certain people. Take, for example, the San Blas Indians. They buy a particular style of cloth. It has to be a certain color. It has to be a certain style, and you could not give them cloth if you did not make it in that style and in that particular color.

Mr. HERSEY. Will the gentleman yield?

Mr. McKEOWN. I yield to the gentleman from Maine.

Mr. HERSEY. Would the gentleman give the committee to understand how by any act of Congress we can change or adapt standard styles or standard nuts in this country?

Mr. McKEOWN. I will say to the gentleman that through the Department of Commerce we have already set the machinery in motion, and have brought to the attention of the manufacturers of this country the necessity for standardizing all their commodities, thereby saving material and preventing waste.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired, and, without objection, the pro forma amendment is withdrawn.

The Clerk read as follows:

Investigating sources of crude rubber: To enable the Department of Commerce to investigate and report upon the possibilities of developing the rubber plantation industry in the Philippine Islands and Latin America; to investigate the conditions of production and marketing of other essential raw materials for American industries, including nitrate and sisal; and to investigate related problems in the development of the foreign trade of the United States, including personal services in the District of Columbia and elsewhere; traveling and subsistence expenses of officers and employees, purchase of necessary furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, medical supplies and first-aid outfits, books of reference, periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside the District of Columbia; and all other incidental expenses not included in the foregoing, $94,000.

Mr. WAINWRIGHT. Mr. Chairman, I move to strike out the last word for the purpose of making an inquiry. May I ask the chairman what has become of the investigation of our sources for crude rubber that was provided for by the last Congress? I believe there was a large appropriation made for that purpose, and this seems to supplement it by a further appropriation of $94,000.

Mr. SHREVE. I am pleased to answer the gentleman. There was a large appropriation made, of about $400,000, available to the Department of Commerce for the purpose of investigating the crude-rubber situation.

Mr. MADDEN. It was not all for that purpose; it included other agricultural activities.

Mr. SHREVE. Yes; it included sisal and some other things.

Mr. WAINWRIGHT. But the main purpose was the crude rubber.

Mr. SHREVE. Yes. The first thing the department did was to select a college man who had knowledge of the rubber business. They organized a unit in the department and from that they made four different organizations which were sent out to various parts of the world. One went to the southern part of Central America and over the Isthmus and the northern part of South America. Another party went up the Amazon; another visited Borneo and the Philippines; and another party visited the places in the Old World where rubber is grown—Ceylon, Malay, Java, and China. These parties went away for that purpose and have begun to return now. One party returned last week and that was the one covering the northern part of South America and the southern part of Central America. They bring back flattering reports of the conditions as they found them. They bring back an encouraging report from Ecuador, where they are anxious that we should develop their country, and for strategic reasons I think it might be considered well to do it. Another party went up the Amazon and they received a welcome from the Brazilian Government, who furnished their own ship and sent them upon an exploring expedition, and they have been successful. Of course, the Philippine commission has not returned.

That commission that was to investigate the Philippine Islands and over in Borneo—we have no report from them as yet. But reports enough have come back to satisfy us that there are places in the world where rubber can be commercially grown at a profit and where the United States can make investments if they so desire. These reports will be out in the near future.

Mr. WAINWRIGHT. May I say to the gentleman that the reason that induced Congress to make this appropriation is that we found that 80 per cent of the rubber produced in the world was in the possessions of Great Brtiain, and that we consumed about 80 per cent of the rubber produced in the world. Congress wanted to determine whether we could not in some way put ourselves in a position where we would be independent of any foreign power for this most important raw material, absolutely essential in our life to-day. I was wondering whether any information had come to the committee yet to justify the belief that some way might be found by which the United States might be made independent of Great Britain and other countries.

Mr. OLIVER of Alabama. I think the gentleman would be interested to read the statement submitted to members of the committee by the bureau, and I will insert it at this place so that you may read it:

DEPARTMENT OF COMMERCE.

CRUDE RUBBER SURVEY

IMPORTANCE

The value of the world's production of rubber in 1923 was $240,000,000, of which the United States imported $185,000,000 worth, or 77 per cent of the total. In this year crude rubber ranked fourth in imports, only three other commodities—raw silk, sugar, and coffee—exceeding it in value.

RESTRICTIVE MEASURES

The measure of the British colonial authorities, known as the Stevenson Act, which provided for the restriction of the exports of rubber in the rubber-producing region of the east within the British Empire, focused the attention of consumers in the United States on the fact that the production of this commodity was controlled almost entirely by foreign capital, largely British. As a result, the Sixty-seventh Congress appropriated funds to conduct an investigation of the Far East and other tropical regions with a view to making the United States less dependent—in a product so essential to our economic welfare—on a source of supply far removed from our shores.

CHARACTER OF INVESTIGATION

The investigation was placed in charge of Dr. H. N. Whitford, professor of forestry, Yale University, who had extensive experience in tropical regions. Under his direction a staff of men with long, practical experience in rubber was built up, and scientists from the Department of Agriculture were attached to the various field parties sent out by the Department of Commerce. Besides, the Department of Agriculture has had parties in the Tropics covering biological phases of production.

There was little doubt but that portions of the Philippine Islands and of South and Central America were climatically suitable to the cultivation of plantation rubber (Hevea Brazilliensis), for South America was its original home. The scientific experts with the field parties were to verify this feature of the investigation. The commercial aspect assumed the greater importance, because any attempt to establish a rubber-producing industry in these countries would encounter competition from the East, where there are vast reservoirs of cheap labor. The plantation rubber industry requires a large amount of unskilled labor. Approximately 1,000,000 laborers are employed on the areas planted in the East. There are, therefore, two main problems from the American point of view: (1) The commercial practicability of developing a new industry in our own territory or on our own continent, by drawing the necessary labor from the East, thereby insuring a greater measure of security to the transportation of our supplies of the raw material; or (2) expanding American holdings in the East, where ample labor is available, at the sacrifice of proximity, and, therefore, of some measure of security of transport.

FIELD PARTIES

Four field parties were sent out. The party to the East has returned, and its report will be in the hands of the printers within a few days. It visited Ceylon, India, Malaya, Sumatra, Java, and Cochin China. This report deals with the geographical region that produces 95 per cent of the rubber of the world. It discusses the economic factors surrounding the industry, with special emphasis on costs of production and the extent to which the future potential output from the present planted area can be depended upon to meet the world's increasing demand.

A second party was sent to the Philippine Islands to investigate the suitability of regions there for large developments. This party also visited British Borneo. The members of the party are at present en route to America.

A third party, sent to Central America and the northwestern part of South America, has just returned. This party visited Panama, Costa Rica, Nicaragua, Guatemala, Salvador, Colombia, and the west coast of Ecuador, and its report is being prepared for publication. The reports of these two parties are expected to be ready for the printer before July 1.

A fourth party was sent to the Amazon regions. It has conducted investigations in all political units of this great basin. The field work will be completed by July 1 or a little after, and the report is expected to be ready about August 1.

Preliminary reports of these field parties show encouraging prospects for development of plantation rubber in certain Latin-American countries and the Philippine Islands.

FOREIGN CONTROL OF THE PRESENT RUBBER SUPPLY

Through domicile in British territory and through ownership elsewhere Great Britain controls 77 per cent of the plantation-rubber industry. Holland exercises political control over 30 per cent of the industry (including the foreign-owned estates in Netherlands India). The United States consumes nearly three-quarters of the world's supply. Aside from the question of safeguarding our supply of raw materials in the remote contingency of war obstructing the present channels, there is the potential danger from the centralized control which is wielded from London at the present time. It can be said with confidence that there is no disposition on the part of the present leaders in the industry to abuse their power of control at the expense of American consumers. The potential output now exceeds demand, but demand is expected to increase rapidly during the next few years, and the power represented by centralized control over nearly four-fifths of the planted area is a factor which American industry can not afford to neglect. We can not be sure that the American consumer will be treated with the same degree of consideration when the market is moving against him as when it is moving against the producer.

VALUE OF INVESTIGATION

The present investigation will show the absolute necessity for taking some steps to extend our influence in this vitally essential industry. It is believed that the reports will be the most comprehensive on the subject that have ever been published. In them will be assembled and made available to the general public (consumers, intermediaries, and manufacturers) for the first time authoritative, first-hand data on such vital factors as costs of production, labor situation, taxation, future supplies of rubber, availability of land for development, and every other subject which properly belongs to a survey of this kind.

FUTURE WORK

The investigation indicates that there are other regions than those visited where it might be possible to produce plantation rubber. Investigations in southern Mexico, which were in the original plan, have had to be abandoned for the present time because of disturbances there. Some regions in Africa and northern South America offer great promise, but these could not be included in the present program.

The work of the Amazon party can not possibly be completed before the first of the next fiscal year, and some of the reports of the other parties will not be finished before that time.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Clerk read as follows:

Collecting statistics: For securing information for census reports, provided for by law, semimonthly reports of cotton production, periodical reports of stocks of baled cotton in the United States and of the domestic and foreign consumption of cotton; quarterly reports of tobacco; per diem compensation of special agents and expenses of same and of detailed employees, whether employed in Washington, D. C., or elsewhere; not to exceed $100,000 for temporary personal services in the District of Columbia, to be selected from the registers of the Civil Service Commission, the cost of transcribing State, municipal, and other records; temporary rental of quarters outside of the District of Columbia; for supervising special agents, and employment by them of such temporary service as may be necessary in collecting the statistics required by law: *Provided*, That the compensation of not to exceed 10 special agents provided for in this paragraph may be fixed at a rate not to exceed $8 per day, $805,000.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BYRNS of Tennessee: Page 55, line 19, after the word "law," insert a comma and the following: "including $15,000 for collecting tobacco statistics authorized by law in addition to any other fund available therefor."

Mr. BYRNS of Tennessee. Mr. Chairman, I hope very much the gentleman from Pennsylvania will not oppose this amendment. It provides no additional appropriation and it does not take an additional dollar out of the Treasury. In 1912 Congress passed a law providing for the collection of statistics on the amount of leaf tobacco in the hands of certain dealers and manufacturers.

That law was passed for the benefit of the planters and in order that they might have some information as to the amount of tobacco on hand at various periods of the year. Ever since that time every appropriation bill which has been passed has carried this identical language. I know there has been an effort on the part of some to eliminate this service. Such a disposition was shown two or three years ago, but this is the first time the language has been omitted from the appropriation bill. I hope that the House will adopt the amendment so as to indicate to the department that at least this very small sum of $15,000 is expected to be devoted to this very laudible purpose, especially since it is the fact that more than $300,000,000 of the annual revenues of the Government is collected from the tobacco industry.

Mr. SHREVE. The gentleman has explained to the House that it would not increase the amount of appropriation.

Mr. BYRNS of Tennessee. Yes. I have just stated that it will not add one dollar to the appropriation.

Mr. SHREVE. Mr. Chairman, the committee has no objection to the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee.

The amendment was agree to.

The Clerk read as follows:

Tabulating machines: For constructing tabulating machines and repairs to such machinery and other mechanical appliances, including technical and mechanical service in connection therewith, whether in the District of Columbia or elsewhere, and purchase of necessary machinery and supplies, $30,470.

Mr. SHREVE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 8350, and had come to no resolution thereon.

LEAVE TO ADDRESS THE HOUSE

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent that I be permitted to proceed for a period not to exceed 30 minutes, to-morrow, after the reading of the Journal, in respect to certain statements made and reports published in the CONGRESSIONAL RECORD by the gentleman from Kentucky [Mr. BARKLEY], bearing on the bill which he has introduced providing for the abolition of the Railroad Labor Board, and the substitution of other agencies for performing their work.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for 30 minutes to-morrow immediately after the reading of the Journal on the subject specified. Is there objection?

There was no objection.

DROUGHT-STRICKEN AREAS OF NEW MEXICO

Mr. HAUGEN. Mr. Speaker, I call up Senate Joint Resolution No. 52, for the relief of the drought-stricken farm areas of New Mexico, and move that the House insist upon its amendments and agree to the conference.

The SPEAKER. The gentleman from Iowa calls up Senate Joint Resolution No. 52 and moves that the House insist upon its amendments and agree to the conference.

The motion was agreed to.

The Chair appointed the following conferees: Mr. HAUGEN, Mr. WARD of New York, and Mr. ASWELL.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CELLER, for the balance of the week, on account of illness.

To Mr. WELLER, at the request of Mr. BLACK of New York, until Tuesday, on account of important business.

To Mr. FENN, for one week, on account of important business.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 6815. An act to authorize a temporary increase in the Coast Guard for law enforcement.

ADJOURNMENT

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Friday, April 18, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

436. A letter from the Director of the United States Veterans' Bureau, transmitting statement showing by location, salary range, and bureau designation employees receiving an aggregate annual salary of $2,000 and over as of April 1, 1924, for central office, and as of March 1, 1924, for the field; to the Committee on Appropriations.

437. A letter from the Secretary of the Treasury, transmitting a draft of legislation for the relief of newspapers in Houston, Tex., New York City, N. Y., and Chicago, Ill., for services rendered the Public Health Service in suppressing Spanish influenza; to the Committee on Claims.

438. Letter from the Secretary of the Navy, transmitting a statement of the documents and publications received by the Navy Department during the fiscal year ended June 30, 1923; to the Committee on Printing.

REPORT OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McLEOD: Committee on Patents. H. J. Res. 190. A joint resolution to amend section 3 of the joint resolution entitled "Joint resolution for the purpose of promoting efficiency, for the utilization of the resources and industries of the United States, etc," approved February 8, 1918; without amendment (Rept. No. 524). Referred to the House Calendar.

Mr. HADLEY: Committee on Ways and Means. H. R. 7079. A bill prohibiting the importation of crude opium for the purpose of manufacturing heroin, with an amendment (Rept. No. 525). Referred to the House Calendar.

Mr. SNYDER: Committee on Indian Affairs. S. 1203. An act to amend an act entitled "An act authorizing an appropriation to meet proportionate expenses of providing a drainage system for Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service," approved February 14, 1923; without amendment (Rept. No. 526). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. 1308. An act authorizing the Secretary of the Interior to purchase a tract of land, with sufficient water right attached, for the use and occupancy of the Temoak Band of homeless Indians, located at Ruby Valley, Nev.; without amendment (Rept. No. 527). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 1078. A bill for the relief of the Fred E. Jones Dredging Co.; with an amendment (Rept. No. 517). Referred to the Committee of the Whole House.

Mr. SEARS of Nebraska: Committee on Claims. S. 353. An act for the relief of Reuben R. Hunter; without amendment. (Rept. No. 521). Referred to the Committee of the Whole House.

Mr. BROWNE of New Jersey: Committee on Claims. S. 1765. An act for the relief of the heirs of Agnes Ingels, deceased; with amendments (Rept. No. 522). Referred to the Committee of the Whole House.

Mr. VINCENT of Michigan: Committee on Claims. H. R. 2806. A bill for the relief of Emil L. Flaten; with an amendment (Rept. No. 523). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BRITTEN: A bill (H. R. 8732) to authorize the disposition of lands no longer needed, and the acquisition of other lands required, for naval purposes; to the Committee on Naval Affairs.

By Mr. HADLEY: A bill (H. R. 8733) to amend the tariff act of 1922; to the Committee on Ways and Means.

By Mr. JOHNSON of Washington: A bill (H. R. 8734) to amend section 1 of an act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

By Mr. HILL of Washington: A bill (H. R. 8735) to amend section 4 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. BERGER: Joint resolution (H. J. Res. 246) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MOORE of Virginia: Resolution (H. Res. 258) favoring the approval by the Senate of the President's message of February 24, 1923, transmitting a letter from the Secretary of State regarding the Permanent Court of International Justice; to the Committee on Foreign Affairs.

By Mr. BEGG: Resolution (H. Res. 259) providing for the consideration of H. R. 7962, to extend the food control and District of Columbia rents act; to the Committee on Rules.

By Mr. STRONG of Kansas: Resolution (H. Res. 260) authorizing payment of six months' salary and funeral expenses to W. A. Layton on account of death of M. S. Amos, late an employee of the House; to the Committee on Accounts.

By Mr. DYER: Resolution (H. Res. 261) providing that the Judiciary Committee of the House or any subcommittee thereof be authorized and directed to investigate the whole question pertaining to the enforcement of the prohibition act, and for other purposes; to the Committee on Rules.

By Mr. GRAHAM of Illinois: Resolution (H. Res. 262) amending paragraph 2 of Rule XXI of the Rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM: A bill (H. R. 8736) for the relief of First Lieut. Frank J. Simmons, Quartermaster Corps, United States Army; to the Committee on War Claims.

By Mr. CABLE: A bill (H. R. 8737) granting a pension to John Stephens; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 8738) granting an increase of pension to Marion L. Tyler; to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 8739) granting a pension to Mary E. Goodsell; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 8740) for the relief of the estate of Charles M. Underwood; to the Committee on Claims.

By Mr. GILLETT: A bill (H. R. 8741) for the relief of Flora M. Herrick; to the Committee on Naval Affairs.

By Mr. GRAHAM of Illinois: A bill (H. R. 8742) granting an increase of pension to Helen L. Huff; to the Committee on Invalid Pensions.

By Mr. GRIFFIN: A bill (H. R. 8743) granting an increase of pension to Thomas L. Reilly; to the Committee on Pensions.

By Mr. KENDALL: A bill (H. R. 8744) for the relief of Andrew J. Henry; to the Committee on Claims.

Also, a bill (H. R. 8745) granting a pension to John Showman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8746) granting a pension to Lloyd Showman; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 8747) to authorize the restoration of Lieut. Commander Godfrey L. Carden, now a lieutenant commander on the retired list, to the active list of the United States Coast Guard, in the grade of lieutenant commander; to the Committee on Naval Affairs.

By Mr. PATTERSON: A bill (H. R. 8748) granting an increase of pension to Margaret Barton; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 8749) to correct the military record of Tennessee McCloud; to the Committee on Military Affairs.

By Mr. SITES: A bill (H. R. 8750) granting an increase of pension to Mary A. Bowman; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 8751) for the incorporation of the American Psychological Association; to the Committee on the Judiciary.

By Mr. WILSON of Indiana: A bill (H. R. 8752) granting an increase of pension to Cornelia Kennett; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2445. By Mr. FULMER: Petition of 15 members of the Woman's Christian Temperance Union, of Bishopville, S. C., protesting against any legislation modifying the Volstead Act, either by permitting the sale of wines and beer or by permitting the alcoholic content to be increased in any liquids intended as beverages; also indorsing a liberal appropriation for the enforcement of the said Volstead Act; to the Committee on the Judiciary.

2446. By Mr. GALLIVAN: Petition of Eastern Clay Goods Co., Boston, Mass., recommending early and favorable consideration of H. R. 4830 and H. R. 6983, which provide for the protection of our forests; to the Committee on Agriculture.

2447. Also, petition of Mr. and Mrs. John F. Curran, 49 L Street, South Boston, Mass., recommending favorable consideration of the Dill radio bill; to the Committee on the Merchant Marine and Fisheries.

2448. Also, petition of the New England Flour Co., Boston, Mass., protesting against passage of the McNary-Haugen bill; to the Committee on Agriculture.

2449. By Mr. PATTERSON: Petition of Oak Tree Chapter, Daughters of the American Revolution, Salem, N. J., indorsing Senate Joint Resolution 64, proposing to change the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2450. By Mr. SITES: Petition of Keystone Lodge, No. 1070, International Association of Machinists, Harrisburg, Pa., urging the early enactment into law of the Howell-Barkley bill (S. 2646 and H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials; to the Committee on Interstate and Foreign Commerce.

2451. Also, papers to accompany H. R. 8704, for the relief of Charles Webster Buck; to the Committee on Military Affairs.

2452. By Mr. YATES: Petition of Mr. Warren D. Bruner, of Chicago, favoring the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

SENATE

FRIDAY, *April 18, 1924*

(Legislative day of Thursday, April 10, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McCormick	Shipstead
Ball	Fletcher	McKellar	Shortridge
Bayard	Frazier	McKinley	Simmons
Brandegee	George	McLean	Smith
Broussard	Gerry	McNary	Smoot
Bruce	Gooding	Mayfield	Spencer
Bursum	Hale	Neely	Stanfield
Cameron	Harris	Norbeck	Stephens
Capper	Harrison	Norris	Sterling
Caraway	Heflin	Oddie	Swanson
Colt	Howell	Overman	Trammell
Copeland	Johnson, Minn.	Pepper	Underwood
Cummins	Jones, N. Mex.	Phipps	Wadsworth
Curtis	Jones, Wash.	Pittman	Walsh, Mass.
Dale	Kendrick	Ralston	Walsh, Mont.
Dial	Keyes	Reed, Pa.	Warren
Edwards	King	Robinson	Weller
Fernald	Ladd	Sheppard	Willis
Ferris	Lodge	Shields	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness, and that the Senator from Indiana [Mr. WATSON] is absent because of illness in his family. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART] is attending a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-five Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (H. R. 6815) to authorize a temporary increase in the Coast Guard for law enforcement, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS

Mr. JONES of Washington presented memorials of the Ladies' Aid Society, Trinity Methodist Episcopal Church of Port Townsend; of sundry citizens of Clear Lake and of Bow, Skagit County, all in the State of Washington, remonstrating against amendment of the so-called Volstead prohibition act so as to legalize the manufacture and sale of light wines and beers, which were referred to the Committee on the Judiciary.

Mr. FLETCHER presented 14 petitions of sundry citizens of West Palm Beach, in the State of Florida, praying for the passage of drastically restrictive immigration legislation, with quotas based on the 1890 census, which were referred to the Committee on Immigration.

Mr. McKINLEY presented a memorial of sundry citizens of Chicago and vicinity, in the State of Illinois, remonstrating against the inclusion of a 10 per cent tax on radio apparatus, sets, and parts, in the pending tax reduction bill, which was referred to the Committee on Finance.

Mr. CAPPER presented a telegram and papers in the nature of memorials from the congregation of the United Presbyterian Church, of Eskridge; members of the Monthly Meeting of Friends, of Liberal; and sundry members of the Woman's National Committee on Law Enforcement of Clay Center, all in the State of Kansas, remonstrating against the passage of legislation modifying the so-called Volstead prohibition act so as to legalize the sale and manufacture of light wines and beers, which were referred to the Committee on the Judiciary.

Mr. ROBINSON presented a telegram in the nature of a memorial from W. C. Hudson, of Pine Bluff, Ark., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, or against any amendment to the transportation act, which was referred to the Committee on Interstate Commerce.

He also presented telegrams in the nature of memorials from C. F. Holland, manager of the Board of Commerce, M. D. L. Cook, the Southern States Coal Co., and Fred W. Allsopp, all of Little Rock, Ark., remonstrating against the repeal or amendment of the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

Mr. WILLIS presented a resolution of the Chamber of Commerce of Youngstown, Ohio, protesting against the passage of legislation repealing or amending the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the City Commission of Sandusky, Ohio, protesting against the passage of the so-called Hull bill, authorizing the diversion of a considerable volume of water from Lake Michigan into the Chicago Drainage Canal, etc., which was referred to the Committee on Commerce.

He also presented a resolution adopted by the industrial assembly of the Goodyear Tire & Rubber Co. (representing 12,000 employees of the company), of Akron, Ohio, favoring the passage of the so-called Johnson restrictive immigration bill, which was referred to the Committee on Immigration.

Mr. HARRIS. I present a resolution which was adopted by the Albany Chamber of Commerce, of Albany, Ga., relative to the amendment proposed by Senator SIMMONS to the pending immigration bill, which I ask may be referred to the Committee on Immigration and placed in the RECORD.

There being no objection, the resolution was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

THE ALBANY CHAMBER OF COMMERCE,
Albany, Ga., April 15, 1924.

To the CONGRESS OF THE UNITED STATES,
Washington, D. C.:

Whereas the settlement of the unoccupied agricultural acres in Georgia and the South represents a problem the solution of which would mean rapid development and increasing wealth besides furnishing opportunity for employment in a beneficial way to thousands seeking permanent homes and firesides; and

Whereas there are but two sources from which desirable settlers can be drawn: (a) From other sections of the United States, (b) from foreign countries; and

Whereas granting that native farmers or foreign-born farmers of former immigration, recognizing the opportunity presented and the additional advantage of a climate safe from the rigorous winters of the Middle West and Northwestern States are turning from the high-priced lands in their sections to reinvest in the lower-priced and more productive lands in the South, their migration must in a measure mean a loss to that part of our common country from which they come; and

Whereas in the Netherlands, Norway, Sweden, Denmark, and other countries there is a most desirable class of selected, clean-blooded agricultural settlers looking for just such opportunities as the South presents if proper provisions are made for admitting them into the United States: Therefore, be it

Resolved by the Chamber of Commerce of Albany, Ga., That the Congress of the United States is hereby petitioned and requested to provide, in the pending immigration bill, for the admission of certain selected desirable agricultural immigrants without regard to the prescribed national quotas, under proper safeguards, to go to designated localities in the United States where they are wanted and where adequate provisions have been made for their reception and settlement on farms under proper supervision and protection against exploitation: Be it further

Resolved, That this petition be forwarded to the Senate and House of Representatives of the United States and that copies be sent to each of the Senators and Representatives from Georgia with the request that they urge an amendment to said immigration bill embodying the exemption under the restrictions mentioned, and use their influence and endeavors to secure its favorable adoption.

Adopted April 14, 1924.

R. H. L. NIEL,
Secretary-Manager Albany (Ga.) Chamber of Commerce.

REPORTS OF COMMITTEES

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (H. R. 4647) for the relief of the Underwood Typewriter Co. and Frank P. Trott, reported it without amendment and submitted a report (No. 416) thereon.

Mr. MAYFIELD, from the Committee on Claims, to which was referred the bill (S. 2124) for the relief of Perley Morse & Co., reported it with an amendment and submitted a report (No. 417) thereon.

Mr. BRUCE, from the Committee on Claims, to which was referred the bill (S. 698) for the relief of the Great Lakes Engineering Works, reported it without amendment and submitted a report (No. 418) thereon.

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (H. R. 6012) to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided, reported it without amendment and submitted a report (No. 419) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1975) for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co. (Rept. No. 420); and

A bill (S. 1976) for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds (Rept. No. 421).

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long, and to reappoint him a captain in the Regular Army, reported it without amendment and submitted a report (No. 422) thereon.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (S. 2035) for the relief of Albert O. Tucker, reported it without amendment and submitted a report (No. 423) thereon.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred the joint resolution (S. J. Res. 104) requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting, reported it without amendment and submitted a report (No. 425) thereon.

Mr. LADD, from the Committee on Commerce, to which was referred the bill (S. 3025) to authorize the construction of a bridge across the Oostanaula River in Gordon County, Ga., reported it with amendments and submitted a report (No. 424) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 3116) to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River, near the city of De Valls Bluff, Ark.; to the Committee on Commerce.

A bill (S. 3117) to permit rural letter carriers to act as agents or solicitors outside of their hours of employment; to the Committee on Post Offices and Post Roads.

By Mr. FERNALD:

A bill (S. 3118) to authorize the Rock Creek and Potomac Parkway Commission to dispose of certain parcels of land; to the Committee on Public Buildings and Grounds.

By Mr. SHIELDS:

A bill (S. 3119) granting a pension to Sallie E. Pyle; to the Committee on Pensions.

By Mr. GEORGE:

A bill (S. 3120) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Alberta Sisler Sauls; to the Committee on Claims.

By Mr. STERLING:

A bill (S. 3121) for the relief of Alfred Sjostrom; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 3122) for the relief of the estates of Edwin G. Scott, Clyde R. Dindinger, and Ralph R. Fraley; to the Committee on Claims.

JESSE L. MEEKS

On motion of Mr. CAPPER, the Committee on Claims was discharged from the further consideration of the bill (H. R. 2607) for the relief of Jesse L. Meeks, and it was referred to the Committee on Military Affairs.

MUSCLE SHOALS

Mr. NORRIS. Mr. President, I ask unanimous consent to have inserted in the RECORD three short articles on the Muscle Shoals proposition, one written by William Hard, one by C. F. Adams, and one by Edwin Dakin, which appeared in the Nation for March 26, 1924.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The articles referred to are as follows:

[From the Nation, March 26, 1924]

HENRY FORD—MAN OR SUPERMAN?

(By Edwin Dakin)

From the beginning of written history to the exile of Napoleon the destiny of ambitious men depended largely on the amount of man power they could bring under their control. They were uniformly successful in proportion to the size and efficiency of the army of toilers they could assemble. With the discovery in the last century of generated mechanical power that condition swiftly changed. The ruler of to-day is not the man who owns human labor. He is the man who owns or monopolizes such natural forces as coal, oil, and waterfalls.

Within the next few weeks another Napoleon is planning to be born.

He will control one-third of all the undeveloped water power in that southern section of the United States which is known as the "superpower area." Comprising nine States with a population of 18,000,000, the area centers at Muscle Shoals, Ala., where the Tennessee River drops suddenly many feet on its way to the sea. He will control this power for his own personal use, unregulated by public-utility laws or the Federal water power act, as the usual public-utility corporation is controlled. Only one other step is necessary for his final appointment—and the appointment of his heirs for 100 years—as czar: That is the formal acceptance by the Senate of the majority report of the Committee on Military Affairs. This report recommends that the offer of Henry Ford for the Muscle Shoals property be accepted. The McKenzie bill embodying that acceptance has already been passed by the House. It may be hoped that in the rush of other scandals the bill may be allowed to die of procrastination in the Senate without reaching a vote. If a vote is taken, its passage seems assured.

Mr. Ford's offer is less than that of some of the competing bidders. He also refused, if his offer was finally accepted, to be governed by those restrictions of the laws which relate to the use of water power for the public benefit, and which would apply to any other bidder who was given the property. Despite these facts, the House accepted the Ford offer by an overwhelming majority. This means that for the first time since the Federal water power act was passed, limiting power grants to 50 years, Congress has dared to invalidate that law.

This strange situation is made possible for two reasons: First, the country has very little idea at this time of the almost inestimable future value of the southern superpower area; second, neither the average citizen nor the average Congressman is aware of the enormous amount of propaganda which has been financed in behalf of the Ford offer. Mr. Ford himself, possibly, is not fully conscious of these things. It is probably true that he has little capacity for mental analysis and an immeasurable amount of almost uncanny intuition. He looks; subconsciously he feels; he knows. Such a theory at least explains with fewer contradictions than any other the strange ensemble of reactions that go to make up the Ford character: His ungovernable temper; his suave public exterior; his fantastic "peace ship" idealism; his coldness to all charitable appeal; his distrust of the individual; his subtle love of mob acclaim; his belief in impracticable and impossible economic nostrums; his unerring judgment as regards his own business welfare; the hunger for domination which has made him the most powerful capitalist in America to-day.

Those who bow down to the Ford shibboleth do not yet recognize the extent of this power complex, if such it can be called. Mr. Ford to-day owns coal mines, whole forests, lumber and pulp mills, railroads, cotton-converting factories. The plants where he actually assembles automobiles are probably the smallest part of his interests. It is quite true that the ownership of the sources of all his raw materials helps him to sell a finished product cheaper—as long as he desires to sell at the cheaper price. It is equally true that an absolute monarch, if he has the desire, can operate a country more efficiently than can a republican form of government. Unfortunately humanity has discovered that it can not depend on the permanence of the philanthropic desire to pass on to the public the benefit of this efficiency or saving. After the power of an individual passes a certain varying limit there is always developed a point of decreasing return, as far as benefit to the masses is concerned. This is true both of kaiser and capitalist. Inarticulate recognition of this truth accounts for the imposed restraints both of magna chartas and of antitrust laws.

We are not concerned here with the question of how long Mr. Ford intends to pass along to the public the savings he makes in automobile manufacture. The interesting point is that Mr. Ford is no longer content to manufacture only automobiles and gather in the millions attendant thereon. He has long been looking for other fields to conquer. He thought that politics might be a means to this end; the attempt proved abortive. He had previously failed in international diplomacy. It was about this time that he recognized the value of gathering in a railroad or two and natural resources in the shape of coal mines and forests. Shortly Mr. Ford's power hunger looked further. Having long spurned alliances with Wall Street, which had mocked him in his younger days, he turned to Europe. In the last year there have been well-established reports of his activities in Germany and central Europe; of advances made to German steel and coal barons; of attempted alliances with Thyssen and Stinnes. Steel, coal, automobiles, railroads—the bones and arteries of modern civilization.

During this time Mr. Ford has been thinking about Muscle Shoals.

For more than a decade there has been building in the South a new and surprising industrial development. For years the South had been rotting in stagnation, owing to reasons not all of them dependent on the ravages of the Civil War. The change came almost unheralded; suddenly nine States which centered around Muscle Shoals realized they were honeycombed with rivers that could be harnessed to make a superpower development unsurpassed in the world. The harnessing began; cheap electric power appeared for the first time in the South; it was so cheap and produced under such favorable conditions that scores of mills in New England picked up their plants and even their employees and transported them bodily to the southern superpower area. The power could be carried for hundreds of miles along the countryside; ideal mill villages were set down among the open hills; lifeless villages began to unfold into prosperous cities; electricity for the first time was brought to the door of the farmer as well as to the manufacturer. One electric plant was linked up with another, and the second with a third, gradually forming a system where power could be "relayed" for hundreds of miles across the country if the water supply of one plant failed. Power from Alabama at the present time needs only a short connecting development to be brought into Washington, D. C., and thence to New York to be linked up with Niagara Falls.

Mr. Ford looked at all this growing wealth and wondered. Then the Government offered to part with Muscle Shoals for its development by private capital.

At the Shoals the Government built during the war two nitrate plants to extract nitrogen from the air for the manufacture of ammunition. It was the intention of the Government to use the plants afterwards for the manufacture of nitrate fertilizers for the soil. These plants cost the Government in round figures $83,000,000.

Mr. Ford offered to buy these two plants from the United States for $5,000,000, with the guaranty that each year he would manufacture fertilizer with a nitrogen content of at least 40,000 tons. He would sell this to the farmer, he agreed, at a cost not to exceed 8 per cent profit on the manufacturing cost. But there was a condition attached to this offer. He would buy these plants and manufacture fertilizer only if the Government would give him a lease on Muscle Shoals for 100 years and would finish building the dams there so that the power could be properly developed. For this leasing privilege he offered to pay the Government a certain yearly rental—in round figures about $250,000,000 for the hundred years' privilege, paid in equal annual installments under various provisions. At the end of the period Mr. Ford should have first option on the renewal of the lease—a condition, it will be noted, which could be easily developed into giving Mr. Ford's heirs a lease on this water power to perpetuity. Furthermore, after devoting the necessary power to the manufacture of fertilizer Mr. Ford would have the privilege of using the whole surplus for his own manufacturing purposes, instead of selling it to the public as an ordinary utility company would be obliged to do. This would of course put him out of reach of competition by any other manufacturer. If future inventions of more efficient machinery developed so much power out of the water supply that he could not possibly use all of it, he could sell the surplus and avoid coming under the laws ordinarily controlling the operation of public utilities. For instead of selling it directly to the consumer he could merely sell it to another public-utility company, thus taking advantage of a loophole in the Alabama public utility law, which provides that the law shall be applicable only to a utility which sells power directly to the public. Mr. Ford could make his own terms with any public-utility company; and if that company needed the power badly enough, it would have to meet his terms and pass the cost on to the people. Mr. Ford being out of reach of the law.

Mr. Ford made that carefully hedged offer two years ago. There was no unanimity on the subject and much agitation at the time against the acceptance of the bid; the matter was allowed to drag. Observe what happened in the meantime. Real-estate speculators descended in a body on Muscle Shoals. They plotted out the country into lots for miles in all directions.

They bought it cheap, of course, and saved most of their money for "literature." They sent this literature out in the most approved California-Florida style, by the ton load. The country surrounding Muscle Shoals was described as a second heaven. Mr. Ford was to be god, and he was only awaiting a mandate from Congress to come in and take his throne. The streets were shortly to be paved with gold. The response to the invitation was all that the hopeful heart of any speculator could desire. With the usual sprinkling of widows, orphans, and school-teachers came a generous arrival of farmers. All of these buyers immediately began to inform their Congressmen that the country could only be saved by giving Mr. Ford Muscle Shoals. They were of course more interested in saving their investments than saving the country, but Congressmen can not be expected to know such things.

In the meantime, in addition to the ordinary selling literature, the original speculators sent out special farmer literature advertising

the wholly mythical idea that Mr. Ford intended to manufacture fertilizer for the farmers at half its present cost. The farmers were charmed with the thought, and even those who had not bought land immediately began petitioning Congressmen to give them cheap fertilizer by giving Mr. Ford Muscle Shoals. Farmers sent letters; their farmer-organizations sent lobbies; the sanguine speculators laid aside a fund for lobbying as well as for circulars; in the meantime Mr. Ford also began pulling his wires.

He has denied that he has ever financed any propaganda in favor of his bid. In view of Mr. Ford's action in permitting his biographer to state unblushingly that all of the Ford war profits had been returned to the Government, Mr. Ford's asseverations or denials are perhaps not to be taken too seriously. If we accept his claim that he has never financed any direct propaganda, the evidence that he has done it by indirection seems too large to be ignored. The exact extent of this propaganda expenditure will probably never be known—just as the direct and indirect expenditure made in the attempt to put a large share of the country's oil resources in the hands of one or two men will probably never be known.

In the meantime, although Mr. Ford's offer was the first, it has by no means been the last. There have been at least three offers made by other interests in very recent months. The terms of these have not been given any undue publicity by Congress. At least one of them is considerably larger than Mr. Ford's offer and more favorable to the public interest.

The Associated Power Companies of the South, for instance, have offered to lease the Shoals for a period of 50 years, without any first option on the renewal, and giving the Government at the end of that time the privilege of raising the rental, if a renewal was granted. They agreed to manufacture a maximum of 50,000 tons of nitrate a year, instead of Mr. Ford's offer of 40,000, submitting to price and manufacturing conditions which were almost identical in substance to those offered by Mr. Ford. They did not insist that the Government should sell them the nitrate plants, as did Mr. Ford, who offered only $5,000,000 for the deed to this property which cost the Government $83,000,000. Instead, they offered to lease one of the plants along with the power privilege, enabling them to manufacture the amount of fertilizer guaranteed. For this 50-year power lease they offered in round figures $160,000,000, to be paid in annual installments. For an adequate basis of comparison with Mr. Ford's offer this amount should be doubled, making an equivalent of $320,000,000 offered by the power companies for a 100-year lease against $255,000,000 offered by Mr. Ford for the same property—part of which property, however, he was purchasing for all time.

It must be remembered that these Associated Power Companies are the same companies that have developed the Southern superpower system to the stage it occupies to-day. There are good reasons for and against public operation of national resources by private corporations; it remains that in these operations the private corporations are strictly regulated in the matter of fair costs and rates. Those leasing water power are strictly controlled both by the Federal water power act and the State public utility laws, and when their power is relayed from State to State they also come under the jurisdiction of the Interstate Commerce Commission. Under this carefully hedged control the Associated Power Companies have performed an acceptable public service.

The Congressional reporting committee, however, had to find at least one acceptable reason for throwing its favor to Mr. Ford. The most plausible reason for accepting one offer instead of another would be that the one was higher.

Observe here the workings of high finance. The committee put its brains to work. It figured out that the $5,000,000 cash which Mr. Ford paid for the title to the nitrate plants could be made to equal $20,000,000 in 100 years' time if the Government put it out at 4 per cent interest for the period of the lease. (This of course works out on the principle that if a man pays you $10,000 for your house to-day, you can really figure that you're getting $40,000, if you count in the interest you can draw on the money in 100 years.) This item of $20,000,000, so arrived at, was gravely set down in the published report of the committee as an actual part of Mr. Ford's offer. Part of the lease money to be paid in annual installments every year was called by Mr. Ford an amortization fund and totaled $4,415,154; the committee estimated that this amount put out at interest in the same way would total $49,071,935 at the end of a century, and this item was also actually set down as a part of Mr. Ford's offer. The committee also figured that it would cost Mr. Ford at least $30,000,000 to maintain during a century's time the nitrate plants that he bought from the Government; it took this sum that Mr. Ford would naturally expect to spend in maintenance of his own nitrate plants, stated that he would relieve the Government of that great burden, and gravely published this $30,000,000 as another part of the payment offered by Mr. Ford. By similar methods of fantastic finance, the reporting committee rummaged up a number of additional millions which could be added to Mr. Ford's actual cash offer; finally it was able to announce that Mr. Ford's offer was just a little larger than the bid of any of his competitors. It is true that the minority report of the committee threw a somewhat different light on the situation. But minorities are seriously declining both in importance and fashion.

Mr. Ford has agreed, it will be noted, to form a $10,000,000 corporation to handle the grant of power. He will presumably retain control of the corporation during his lifetime—Mr. Ford has never been known to let anyone else control what he owns. When he dies, no one knows who will control the corporation—but it will not be the Government. For according to the grant such a corporation would be specifically out of reach of present State and Federal utility laws.

This, then, is the Napoleon who is confidently awaiting birth in the cavernous womb of Washington. No one who knows the facts knows enough of them to understand why Congress should give its assent to such a situation. Superpower rightly used might eventually make a race of supermen. But they are endowed with a curious innocence who believe that it should be turned over to Mr. Ford so that he may transform himself into a superman.

PUTTING MUSCLE SHOALS ON THE MAP

(By C. F. Adams)

SHEFFIELD, ALA., *March 8.*

Muscle Shoals is on the map. Not one of those small black specks that inhabit our maps by the thousands, but a large black circle indicating a highly important center. License plates from all over the United States have become familiar to the local inhabitants. Big touring cars go purring by any time, their licenses announcing Maine, Massachusetts, California, Florida, or Oregon, as the case may be, and nobody gets excited. It is an everyday sight. The Detroit tags are perhaps the most frequent, which tells a clear story. Yes; Muscle Shoals is on the map.

Wilson Dam, at Muscle Shoals, Ala., 2 miles from Sheffield, and the two adjacent nitrate plants are war babies that have not found life a very rosy affair. Nobody seems to love them. Sired by the Wilson administration during war-time stress and need, when the usual ceremonies of finance were dispensed with, these war babies proved to be rather embarrassing youngsters when the war was over, and questions began to be asked. They were an indignity the present Government did not altogether approve of and did not care to assume. Yet $100,000,000 worth of concrete and smokestacks could not be boarded up and entirely forgotten. They had to be reckoned with somehow. So an official inspection of Muscle Shoals was instituted. And since then Muscle Shoals has been well inspected. During the past four years whole legions of delegations and special representatives and committees and subcommittees and engineers and assistant engineers and photographers and reporters and anyone else who wanted to have a trip in a private car have passed over the grounds and returned to Washington with data in hand to expedite the reckoning. And while the official reckoning goes on in Washington we are doing some reckoning of our own in Alabama.

"Reckon Ford will get Muscle Shoals?" is the form in which the question is put down here. Everybody asks it of everybody else. "Reckon Ford will come?" they ask before they swap off the mule or pay the taxes or buy the girls a piano. The old salutation of "How do you do?" has given way to the more pointed "Reckon Ford will come?" for our state of being depends on how we reckon.

All this reckoning up there in Washington and down here on the street corners and in local drug stores has proved to be a good thing in the way of advertising. People from the four corners of the earth, not waiting on the deliberations of Congress, have rushed down upon us, grabbed any kind of lodging they could find, and placed themselves in line to wait for Ford. And as the days go by and the deliberating prolongs itself, so does the line.

Every train brings reinforcements. So by this time there is a substantial immigration overflowing our tranquil little cities, filling the hotels, pouncing on the news stands and buying all the papers before respectable citizens have had breakfast, renting all the taxis, hiring all the cooks, swooping through the drug stores and drinking all sorts of dope, jostling elbows unused to jostling, and moving on oblivious. But the esteemed citizen has his inning. He rents out his spare room, in the largeness of his heart, thereby conferring a favor upon the stranger at his door. And later he takes him out and sells him a few acres of the old home place that has been in the family forever. It is a privilege for the newcomer. But with the changing of the ancient title come other changes. The acre no longer remains an acre. It becomes acreage. There is a difference. Acres are planted in the spring and laid by in the fall. Acreage is subdivided and sold on the installment plan. The landscape has changed. Gone is the "nigger" and the mule, gone is the cotton house and the old rail fence. In their place is a brisk young gentleman, a high-powered car, and a modern little office where the typewriter clicks and the telephone rings and a general air of something-is-bound-to-happen-soon drapes itself over the scene. There is every essential of a big boom at Muscle Shoals except the boom.

The Muscle Shoals are in the upper part of Alabama, stretching themselves majestically across the Tennessee River as it makes its way

through a spur of the Cumberland Mountains, forming the beautiful Tennessee Valley. The shoals, waiting through the ages for man to tame their roaring waters and harness their mighty power, have always been a formidable but picturesque obstruction to navigation. According to legend, the name for the shoals comes to us from the Indians. The red man, making his way up the river, found that it took what we call muscle to put his birch canoe over the rocky shoals, and with characteristic directness called them accordingly. The early white man, being of the same opinion but finding the Indian name difficult, gave us the present translation. However, the prosaic etymologists and geologists like to argue with the legend. They claim that the name was derived from an innocent little bivalve which played a leading rôle in the formation of the shoals, and that the correct spelling of the name was lost in the early days, probably due to the lack of proper educational advantages in that period.

Have it any way you like, but when you stand on the bank and hear the roar of the waters rushing over the rocks you will think muscle shoals yourself! The vast hydroelectric possibilities of Muscle Shoals have long been recognized. Engineers from time to time in the past have called attention to the power going to waste over the shoals, but it was not till the need for nitrate during the World War became urgent that any decisive action was taken. Then in 1916 Congress passed the national defense act appropriating millions of dollars for the construction of two nitrate plants and all appurtenances at Muscle Shoals. These giant plants were rushed to completion. But so was the war; and then the nitrate plants and Wilson Dam were, so to speak, mustered out. For four years now we have been piloting our tourists out to the abandoned project and explaining that the boards they see across doors and windows are not a part of the original plans.

Plant No. 2, as the largest of the plants at Muscle Shoals is called, was built at a cost of $69,000,000 and has a capacity for 110,000 tons per annum of ammonium nitrate, cyanamid process.

This plant covers 2,000 acres, and during the war employed 20,000 men. It was built and was producing nitrate within one year, and is the largest nitrate plant in the world. Plant No. 1, much smaller than No. 2, was largely given over to experiments, the Haber process being employed. Adjacent to plant No. 2 is a large steam-power plant, one of the largest in America. This steam plant was built so that nitrate plant No. 2 could begin at once to produce nitrate without waiting for Wilson Dam to be finished. This tremendous project would have required several years of continuous work, but after the war work was discontinued and was not permanently resumed until July of 1922, when a new appropriation of $7,500,000 a year was made. There are now 4,600 men at work on the dam with Col. G. R. Spaulding as district engineer in charge. A large construction camp, including homes, churches, schools, and stores, has been built on the north bank of the river for the accommodation of the men and their families. Work is going forward on all main divisions of the dam. Thirty miles of standard-gauge railroad has been built for construction use and 30 locomotives are employed. Two hundred flat cars, box cars, dump cars, and gondolas switch up and down; 25 large boats and barges ply back and forth with sand and gravel; and with 100 rock drills, 3 large concrete-mixing plants, and ten 10-ton electrical cranes working day and night the place looks busy. Wilson Dam, when completed, will be the largest single piece of monolithic concrete construction in the world, its volume of masonry being 1,260,000 cubic yards. This is three times as much masonry as is contained in the Roosevelt Dam in Arizona and 100,000 cubic yards larger than the Assuan Dam in Egypt. The total length of the dam will be 3,000 feet, an almost pure white monolith 100 feet wide at the base and rising 130 feet above the river bed. The bottom of the river at Muscle Shoals is solid limestone rock. The dam rests upon this bottom and is made one with it, "toed in" to resist the tremendous pressure of the water. The excavation necessary to solidify the structure with the bed of the river is a giant undertaking itself. More than 600,000 cubic feet of rock must be blasted out, and nearly as much earth removed. At the south end, where the power house is being built, the excavations will go down 30 feet. This is to give swift escape to the water pouring through the turbines. Eighteen great turbines will be installed with a generating capacity of 600,000 horsepower. Wilson Dam is built to stay.

The river at Muscle Shoals has a total fall of 130 feet in the 30 miles of rapids. The dam will create a lake 16 miles long; 4 miles above the dam this lake will be a mile wide and a hundred feet deep. Sixteen miles above Wilson Dam another dam is to be built, forming above itself a lake 70 miles long. These two great bodies of water will eliminate all danger from the shoals, and the Tennessee River will then be open to the largest river craft, making the vast Tennessee basin accessible from the sea. Important as this is, it is only a by-product of Wilson Dam. The object of the dam is to develop the latent power of Muscle Shoals. The dam when completed will afford adequate power for a region covering a radius of 500 miles, besides supplying the world's largest nitrate plant with sufficient power for the manufacture of explosives in time of war and fertilizer in time of peace. The estimated cost of the project is $50,000,000.

Mr. Ford is so Good

(The Nation's Weekly Washington Letter, by William Hard)

Mr. Ford has proved himself to be a more powerful man and a more persuasive man than Mr. Doheny or Mr. Sinclair. They were able to persuade one Cabinet member to go rather far in disposing of public propery on terms which both Mr. Doheny and Mr. Sinclair have declared to be advantageous to the Government, but also enormously profitable to them and to their stockholders. Mr. Ford has gone much further.

He has been able to persuade a whole great section of the American population to accept from him a bribe in the shape of a promised reduction of their bills for fertilizers, and in return for that bribe they have ardently supported a bill which now has been passed by the House of Representatives and which conveys to Mr. Ford, partly in fee and partly in a 100-year lease, an immensely valuable governmental property on terms which constitute it, in Senator NORRIS's words, "the greatest gift ever bestowed upon any mortal man since salvation was made free to the human race."

The site of this gift is the Muscle Shoals on the Tennessee River in northern Alabama. The debates on it in the House of Representatives clearly indicate, and in fact absolutely demonstrate, that the only argument, the only alleged argument, for making this gift to Mr. Ford is that in return he will manufacture fertilizers in an annual quantity involving or containing 40,000 tons of fixed nitrogen at a price yielding him a profit not exceeding 8 per cent on the cost of production.

One Member of the House of Representatives, Mr. WEFALD, of Minnesota, was shocked by this 8 per cent. He reflected, and expressed the reflection, that Mr. Ford had been shocked by the idea of guaranteeing a profit of 6 per cent to the railroads. He moved that Mr. Ford's profit on fertilizers manufactured at Muscle Shoals should be limited to 5 per cent. He thought that if the Government was willing to build dams for Mr. Ford at Muscle Shoals at its own expense for the production of the electric power for the manufacturing of his fertilizers, and if on this expense (amounting in all probability to a great deal more than $50,000,000) the Government was willing to charge Mr. Ford an annual interest payment of less than 4 per cent; why, Mr. Ford, being so notably a good man, should be willing to sell fertilizers to farmers at a profit of 5 per cent and no more.

His motion, which was in the form of an amendment to the bill as passed, was voted down. The great historic reason why it was voted down, and why all amendments in any way changing the bill to the disadvantage of Mr. Ford were voted down, was thoroughly revealed in a colloquy between Mr. WEFALD and Mr. MCKENZIE, of Illinois, who was in charge of the bill, and a further colloquy between Mr. BURTON, of Ohio, who was the bill's strongest opponent, and Mr. MCKENZIE. Mr. BURTON said to Mr. MCKENZIE:

> "On what basis is this 8 per cent to be computed? Is it the value of the permanent property? Is the right of the lessee to be counted in? Is the value of the water power to be counted in? Or is this merely on the bare cost of manufacturing fertilizers?"

Mr. MCKENZIE replied:

> "I will say to my distinguished friend from Ohio that I can not answer that question categorically. I do not know."

Thus Mr. MCKENZIE absolved himself from any exact knowledge of any exact reason for selecting the figure 8 to be the numeral expressing Mr. Ford's proper profit out of fertilizers at Muscle Shoals. He immediately thereafter, however, showed a perfect understanding of the reason why he was in fact supporting the figure 8. He said:

> "I do know this: This maximum of 8 per cent was agreed upon by the representatives of the farm organizations of the country."

Thus we perceive a most important political fact in democratic government. If the Sinclair company or the Doheny company should agree upon a rate of profit which they would charge on a Government contract, the agreement would be a thing to be concealed and denied. If a farm organization agrees upon a rate of profit on public property to be charged and gained by a gentleman who offers to reduce the bills of its members for fertilizers on farms which they individually own and out of which they gain and pursue their wholly individual private personal fortunes, why, then the agreement is a thing which is a frank, legitimate public argument for the passage of a bill to be paid for through the nose by taxpayers who are not farmers.

This fact was made still clearer in Mr. MCKENZIE's colloquy with Mr. WEFALD. Mr. MCKENZIE, replying to Mr. WEFALD's forlorn and hopeless desire to cut Mr. Ford's profit to 5 per cent, said severely:

> "I want to say that the amendment offered by the gentleman from Minnesota simply cuts down the 8 per cent maximum profit that Mr. Ford can charge for the manufacture of fertilizers. I want to say further to my friends on this side of the House (the Republican side) that this particular section was agreed to by the representatives of the farm organizations of the country; and the committee accepted it as their judgment. It was written into the bill to satisfy them; and any man who pretends to come from a

farming district must understand that in fighting this section he is fighting the representatives of the farm organizations of this country."

Thus the principle emerges which many times, and even monotonously, has been detailed in these letters from Washington. The rural revolt, which it was hoped would lead to an attack upon all special interests, has yielded only the arrival of one more special interest.

Irony, as usual, is contributed to the scene. Mr. Ford, in the Muscle Shoals bill as actually written and as actually passed by the House of Representatives, makes no promise whatsoever about any reduction in the price of fertilizers. That promise is only in the hot air rising from the committee hearings on the bill. It is not in the bill. The bill contains not one word guaranteeing, or even surmising, any reduction in the price of fertilizers.

Mr. Ford undertakes simply to manufacture a certain amount of fertilizers and to sell this amount at a profit of not more than 8 per cent on a totally unknown basis of estimating his cost of production.

In return for this undertaking he comes into possession of a water power many times greater in amount than any amount which he proposes and undertakes to use for the manufacturing of fertilizers.

A minority of the water power to be developed at Muscle Shoals is promised to fertilizers. A majority of it, an overwhelming majority of it, is left free to Mr. Ford to use as he pleases with no restrictions whatsoever.

Mr. BURTON, of Ohio, moved an amendment to the effect that Mr. Ford's enterprise at Muscle Shoals should be subjected to the same restrictions and regulations which to-day are imposed upon all other water-power developments initiated and consummated by other American citizens. He proposed—that is—that Mr. Ford's Muscle Shoals enterprise should be saddled with the provisions of the standard existing water power act which has been on the statute books since the year 1920, and which is supposed to extend its beneficent or malignant sway over all citizens equally.

Thus, according to Mr. BURTON'S motion, the temporal length of Mr. Ford's arrangement with the Government at Muscle Shoals would not be 100 years as written in the bill. It would be only 50 years, which is all that any other American citizen, according to the provisions of the water power act, could get.

Thus all of Mr. Ford's "excess profits," whether from the water power which he will use for fertilizers or from the immensely greater water power which he will use for himself, would be paid not to himself but to the United States Government, just exactly as in the case of any other citizen to-day getting a water-power permit from the Federal Water Power Commission.

Thus also, if Mr. BURTON'S motion for an amendment had been adopted, Mr. Ford, like any other citizen in similar circumstances, would have no preference right for the renewal of his contract with the Government at the end of the period of his contract. Under the bill as passed Mr. Ford gains that exceptional right.

Under Mr. BURTON'S motion, further, Mr. Ford would be obligated, like any other citizen in similar circumstances, to pay for the whole maintenance of his dam or dams and to bear the whole cost of the maintenance of navigation for the public in the locks through the dams. In Mr. Ford's case these costs for Mr. Ford are restricted to certain named amounts. Numerous amendments for making Mr. Ford bear these costs in full were heavily defeated.

Under Mr. BURTON'S amendment if Mr. Ford should start to sell any of his tremendous surplus power from Muscle Shoals the price at which he could sell it would be regulated either by the local State government or else by the Federal Water Power Commission.

All these ideas, and numerous others, by Mr. BURTON for assimilating and harmonizing Mr. Ford to the ordinary status of the ordinary citizen of this Republic were heavily and emphatically voted down.

The idea was that Mr. Ford, not in the bill but in the air—whether cold from his own reticence as to his intentions or hot from the propaganda of the farm organizations as to his intentions—was minded to reduce the cost of fertilizers for farmers, and that therefore he should be exempted from all the rules and regulations in other circumstances imposed upon all other citizens of this Republic.

Senator NORRIS expressed the bare truth when he said:

> "Nothing else has ever happened so calculated to shake a man's faith in democratic government."

The proposed contract with Mr. Ford falls into two parts. The first part sells him a lot of property now owned by the United States Government. The second part leases him a gigantic property to be built or completed by the United States Government.

The part which has been sold to him is estimated by the Ordnance Department of the War Department to be worth at a forced sale the sum of $16,000,000. It is sold to Mr. Ford at a final cash payment of $1,500,000.

The part which is leased to Mr. Ford is leased to him for interest payments and for other so-called amortization payments which for the 100 years of the contract are found to work out to a total of 2.85 per cent per year on the money expended by the Government.

Two reasons really are found for this extraordinarily exceptional treatment accorded to Mr. Ford.

The first is that Mr. Ford is a heap big medicine man and a different man from all other men and a friend of the people and a seller of cars at a low price and a payer of high wages and a developer of the American countryside and a man who is good. He is a good man. Therefore the water power act should not apply to him. The constitution of Italy should not apply to Mussolini. The water power act of the United States should not apply to Mr. Ford. Both Mussolini and Mr. Ford are supermen. It was supposed that Italy, having had experience with Marius and Sulla and Julius Cæsar, should welcome supermen beyond the law. It was not known that this Republic had advanced so far toward the condition of the Roman Republic in the first century before Christ.

The second reason for Mr. Ford's exemption from the common lot of common American applicants before the Federal Water Power Commission is only an intensification of the first reason. It is that Mr. Ford is so good that he has gained the respect and support of our farm organizations irrespective of the consequences to all other elements of the population.

The essential combined ultimate reason is that Mr. Ford is so good. At last he cashes in on it. He gets the largest, the most expansive, the most indefinitely and miraculously valuable public property of the United States Government at a fraction of its value for that part of it which he buys and at 2.85 per cent interest payments on the part of it which he leases.

Naturally and with all of his native and charming and poignant and devastating wit the radical Senator from Nebraska, Mr. NORRIS, inquires:

> "Has it come to this, that because a man is good and great and because we have confidence in him we should give him a special privilege and a particular inheritance that we would give to no one else? Has it come to this that a citizen can come to Congress and because he is honest and upright claim that contracts made for ordinary men shall not apply to him? Should a municipality permit a Christian to charge a higher rate for lighting the homes of the city than it would permit an infidel to charge? Have we reached the point of saying that we are going to permit good men to capitalize their virtue and to be paid a premium for it out of the Treasury of the United States?"

It would be an impertinence to add anything to these remarks by Mr. NORRIS.

PENSION INCREASES

Mr. DIAL. Mr. President, some time ago I opposed a pension bill whereby $55,000,000 was added to the pensions now paid to soldiers of the Civil War and to their widows. I have here a letter from one of those soldiers, which is, indeed, refreshing. I send it to the desk, and I desire that the Secretary may read the letter, omitting the name, as I have no authority to use the name.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and the Secretary will read the letter.

The reading clerk read as follows:

Senator DIAL,

DEAR SIR: I have been reading the doings of the Senate in regard to the pension bill, and was very much interested in your remarks on the question, and agree with you that no pension ever ought to have been paid except to those who really needed it, and if paid should be according to length of service. Now, a man who enlisted 90 days before the war closed, and got a big bounty and never heard a gun fired, gets the same as the one who served three years and suffered all the hardships of war. If the 90-day man gets $50 per month, the 3-year man ought to get $600; that would be in proportion to time of service.

The whole pension business has been for votes. Neither party dared to oppose a bill of the other. The National Tribune's love for the old soldier is for revenue only. I have had dozens of letters from the Tribune, begging for my subscription, but refused to send me a blank, which was free only to subscribers. A man in a soldiers' home supported by the Government ought not to have a pension, and a rich man ought to be ashamed to take one. I am a three-year veteran of the Civil War and get a pension, which I need, and am thankful for it, but never expected to get so much, and have been surprised every time it was increased. I am well along in my ninetieth year, which accounts in part for this poor writing, but I wanted to say a few words, and hope you will excuse them.

Yours truly, ———.

Mr. DIAL. Mr. President, I wish to commend the sentiments expressed in the letter to the legislators of the Congress.

ADDRESS OF SENATOR FESS, OF OHIO, AT BOSTON, MASS.

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the RECORD a speech which was delivered by the junior Senator from Ohio [Mr. FESS] at the New England Coolidge dinner, Boston, Mass., on Wednesday evening, April 16, 1924.

There being no objection, the address was ordered to be printed in the RECORD as follows:

ADDRESS OF S. D. FESS AT THE NEW ENGLAND COOLIDGE DINNER AT BOSTON, MASS., WEDNESDAY EVENING, APRIL 16, 1924

President Rich, Governor Cox, ladies and gentlemen, few scenes can be more inspiring than this spontaneous tribute to a great character by the home folks. No sentiment stirs my heart like that expressed in honor of a deserving public servant. These telegrams just read by your presiding officer, including the one from the leader of the Senate, your senior Senator, whose name is identified with most of the important legislation of the last 25 years, Senator LODGE, well express the high esteem in which our President is held in the country.

This wonderful banquet of more than 1,200 diners, representing all New England, these unusually brilliant addresses from leaders of all the surrounding States, this spontaneous enthusiasm of neighbors and friends, are but an earnest of the character of verdict soon to be rendered by the entire people in their sovereign capacity.

Personally I appreciate these tributes in that they also reflect your devotion to our much-lamented President Harding, of my own State, who died a martyr to his country as certainly as did the soldier who fell in the front line. To him and to his country's cause the present Chief Executive gave and will continue to give his fullest measure of devotion. Where the labors of reconstruction were laid down by Harding, President Coolidge has taken them up and is carrying them forward.

International complications and foreign estrangements were immediate results of the World War. Our tardiness to enter and the part we played when we did enter produced both criticism and jealousy.

Our determination to withdraw when the decisive blow was struck, and our refusal to become involved in the age-long rivalries and jealousies of Europe not only disappointed but angered the nations which hoped to utilize American power and prestige in European settlements.

The gratitude of our allies in time of war was turning to envy in time of peace. Never in our history did our Nation face a more delicate foreign situation.

The war created a domestic situation more serious than had ever before been encountered. A public debt contracted overnight upon which the annual interest charge alone was one and a quarter times the total cost of the Government before the war. A derangement of industrial relations had suspended economic law and all but completely overturned industry.

The inevitable inflation of all values which pushed to dizzy heights the price current induced a type of extravagance both personal and governmental whose baleful results will be felt for a generation. There was an abandonment of economic law for a substitute of legislative enactment by which economic problems were to be solved by decrees of Congress. The railroads are an example of such remedies, where, as inevitable consequences, the greatest transportation system of the world was broken down by substitution of political for economic control.

The country's basic industry first in rank and importance, American agriculture, climbed up to its dizzy war heights from which it tumbled into an abyss. The world's greatest system of credits was frozen and the Nation's vast banking resources were tied up by a system of Government financing from hand to mouth.

Industry in general starved for want of capital. Interest rates were prohibitive, rediscount rates reached 7½ per cent, Government credits fell to the low ebb, business was completely paralyzed; labor, 5,000,000 men were unemployed and suffering was so general that our governmental institutions were facing a testing period.

At such a time the American people in a solemn referendum by the most overwhelming vote in the history of American elections called back to power the Republican Party. It took the helm March 4, 1921, a little over three years ago.

COMPLICATED FOREIGN RELATIONS

The foreign and domestic problems were simultaneously attacked.

Peace with our former associates in the war was adjusted. Long-standing estrangements with South and Central American countries including Mexico were composed so that to-day aside from Russia every point of controversy is cleaned up and not a cloud hovers along the international horizon.

In addition to this program of adjustment the Arms Conference was held, and adjourned in three months' time. Definite results were achieved by unanimous decisions. Naval armaments were limited, tax burdens reduced, chances of war lessened, naval rivalries ended and a program of peaceful settlements agreed upon. Besides, the integrity of China was assured, the open door in the Orient guaranteed, and the wrongs against Shantung righted. It was stated by competent authority that in these three months more was accomplished for the peace of the world than had ever been achieved in the history of mankind. Even now with most of Europe under the control of the dictator, whose rule since the close of the conflict is almost as grave as war itself where national hatreds outrun those of the stormiest days of conflict, America unofficially is pointing the way.

More than a year ago the head of the State Department outlined a plan which to-day in modified form promises to be the solution.

The true test of a foreign policy is the honor and friendly attitude obtaining between nations and respect for mutual rights. To-day America stands with unsullied honor having surrendered no right and committed no wrong to any nation. She sustains the highest rank in mutual respect for national rights; she has won the greatest prestige and has established the most mutually friendly attitude toward other countries of any nation in all history. All this she has accomplished without bluster or threat, with equal justice and due regard for the rights of all and without the surrender or forfeiture of a scintilla of her sovereignty or independence.

Measured by the number and character of the problems, and tested by the permanency and high honor of their solution, this achievement challenges the record to reveal a more brilliant chapter in the foreign relations history of any country at any time.

PROBLEMS OF GOVERNMENT FINANCE

Delicate as were our foreign complications resulting from the war, yet even more imminent was our domestic situation which demanded immediate attention. After the delirium of war came the sobering sense of obligation. Contracts easy to make left debts difficult to pay.

Neither the problem nor the solution of the problem of financing the war obligations of the Government has been fully appreciated.

It would be difficult to state in definite figures the cost to the United States of the World War.

The unpaid debt reached the high figure of slightly above $26,000,000,000. That did not represent the total cost, as we adopted the policy of paying a good percentage by current taxation instead of borrowing.

The public debt on June 30, 1920, was $24,299,321,000; on June 30, 1921, it was $23,737,852,000. On June 30, 1923, it was $22,007,500,754 or less by almost two and a quarter billion dollars. The form of this debt in 1920 was all funded in Liberty or Victory notes except about $3,000,000,000 known as the floating debt, representing bank borrowing due from three to six months.

This later financing policy of "living from hand to mouth" was the source of great distress to industry and much concern to the Government. So long as the vast sum of $3,000,000,000 was tied up by the Government that much liquid assets of the banks were withdrawn from industry. The banks could not carry current obligations of the Government and at the same time supply necessary funds for industry. Three billion dollars cash represents at least seven billion commercial credit.

The withdrawal from industry of seven billion commercial credit would literally starve it for the want of necessary capital. As a consequence, credits were frozen, capital tied up, banking difficult, interest rates high, rediscount rates about 7 per cent, and Government bonds at a frightful discount. Liberties struck the low mark of 81.7. Industry was paralyzed, labor was idle, with 5,000,000 workers out of employment, and general prostration was suffered.

This was the problem when the present Secretary of the Treasury took office on March 4, 1921.

REVIVAL OF INDUSTRY—THE WORK OF A GENIUS

The problem suggested the normal and legitimate remedy. Unemployment can not be relieved so long as industry can not revive. Industry can not flourish when capital is not available. Banks can not supply the needed capital so long as the major portion of their liquid assets are absorbed by the current obligations of the Government.

The Secretary's plan was to ask the investment public to take the Government obligations of $3,000,000,000 carried by the banks and thus release these assets for industry, which would reach at least seven billion commercial credit.

He offered a block of three-year short-term notes of certificates at 5¾. The public absorbed them by an oversubscription. Within a short time he was able to reduce the rate to 4½. In due time he succeeded in financing the entire floating debt at desirable rates and convenient maturities at substantial saving in interest and permanent relief to industry.

Releasing the banks of the burden made banking easy. Interest rates fell, rediscount rates lowered from 7 to 4, capital flowed into business channels, industry revived, unemployment disappeared, Government credit was restored and Liberties went to par. All this was done without the enactment of a single additional law.

This remarkable achievement pointed the way to finance the Victory loan of $4,050,000,000, due in May, 1923.

SUCCESS OF REFUNDING OPERATIONS

It was well known that these obligations could not be paid out of current taxation. Our current expenses were already four billion, which absorbed our annual revenue collected by our present high taxation. No one contemplated an effort to take on the additional burden of the Victories.

They must either be refunded in long-term bonds or short-term notes or certificates. The former would severely test the market and would certainly depress the value of the Liberties. The latter would not seriously strain the financial ability of our people, would not seriously affect outstanding Government securities, and would not interfere with the business of the country, but would therefore assist rather than injure the Treasury.

The investment public was again appealed to by offering small blocks of short-dated Treasury notes at reasonable rates of interest and due at quarterly periods when income taxes are paid. In 1921 he offered two blocks, one June 15 and the other September 15, due in three years, the first at 5¾ and the second at 5½. In 1922 he offered five blocks ranging from 4¾ to 4½. In 1923 he offered two more blocks. These offerings summed up the total of the Victory notes $4,050,000,000, and were so arranged as to fall due in convenient amounts at semi-annual periods in 1924, 1925, 1926, and 1927, which afforded the best possible plan to meet them when due either by retiring them or refunding them. In the meantime the war-savings stamps were taken up as presented.

To-day the Treasury, instead of facing the enormous sum of $7,500,000,000 due, it sees small blocks due at convenient periods, which enables it to meet them as they come due and further enables it to clear the way to finance the third Liberty loan of $3,329,000,000, due in 1928.

All this has been so quietly carried on that usual business needs were undisturbed and as a fact the country was not aware of the wonderful accomplishments conducted by the Treasury.

DAILY REDUCTION OF DEBT $2,400,000

Besides this financing of continuing obligations, the public debt has been reduced about $2,400,000 per day since Mr. Mellon took charge. Every $1,000,000,000 reduction saves the people $45,000,000 interest a year forever. The lowering of the debt has already saved the people over $100,000,000 per year in interest.

The lowering by 1 per cent of interest on the $7,000,000,000 funded, short-dated certificates saved the Government $70,000,000 annually. Never in any period of history has a nation reached such pinnacle of financial power as America now enjoys. Never in the range of history has any people enjoyed such purchasing power. Never before has the average citizen enjoyed as many comforts as here in America.

Under the management of Mr. Mellon, a wizard of sound finance, the Government has reduced its annual expenditure from seven and one-half billion in 1920 to three and one-half billion in 1923–24. It has paid an interest charge of a billion dollars a year, it has provided in the case of the disabled soldier more than a half billion a year, and has met other fixed charges on the Treasury growing out of the World War amounting to at least $2,400,000,000, including interest, sinking fund, and disabled-soldier funds. It has not only lived within its income, but it has met its current obligations, and, in addition, it has reduced its permanent debt by $2,400,000 per day since March 4, 1921. If this remarkable policy, so astonishing in its success, is continued, the entire public debt will be paid off within 25 years.

All of these facts considered in the light of the problems presented place Mr. Mellon in rank with the greatest leaders in science and art of finance of any country, excelled only by Alexander Hamilton, the greatest constructive genius North America ever saw.

BUDGET—OUR GREATEST REFORM

By aid of Congress the administration has been able, through rigid adherence to the Budget system, to turn a threatened deficit of $800,000,000 into a surplus of $309,000,000. The budgetary legislation is the country's most important fiscal reform.

For the first time in our history the greatest business in all history is conducted like a well-regulated private enterprise. Adherence to this principle is the end to pork-barrel legislation. Economy and efficiency are both assured where respect for the taxpayer is demanded, as in the orders of our revered President Harding, who supplied the driving force compelling all bureau heads to regard the spirit as well as the letter of the budgetary requirements. Estimates are now rational, not mere guesses or speculation. Expenditures are applied to secure the greatest efficiency at the lowest outlay.

Respect for sane economy made possible by this reform insures against extravagant legislation. Even to-day in the midst of the pressure for economic government, there are now pending before Congress proposals which, if enacted, would entail an additional billion dollars of expenditure. The greatest force against such legislation is respect for the Budget requirements.

This gives the basis for further tax reduction, which is now before Congress. The superior results of the Treasury's financing compels respectful attention from all parties to any proposal the Treasury head may make. His plan is scientific and sound economically and deserves general approval, since it comports with the best thought in the science of taxation. His distinction between earned and unearned incomes is a sound principle and will be followed. His observations upon the withdrawals from production of capital seeking protection from confiscatory taxation in tax-exempt securities are fortified by the facts and powerfully argues for the lowering of the surtax rate to a point not above 25 per cent.

GENERAL INTEREST IN TAX REDUCTION

His contention that lower taxes will be reflected in a lower scale of living cost is justified in that stimulation of business in an increased product will, under the law of supply and demand, be felt in a lower price scale.

All taxes should be so levied as to raise the maximum revenue with the minimum disturbance of business in the interest not so much of the capitalist as of the vast portion of our population who depend upon industry for their living. While burden should be laid in accordance with ability to pay, it should not be such as to deprive industry of the power of the employment of labor.

No country can prosper substantially that does not care for its workers. Steady employment at good wages under the best possible conditions is the goal to which our country is aspiring. To do this industry must not be penalized and capital must not be driven into hiding by confiscatory taxation.

This is the immediate problem now before Congress to be finally decided upon soon.

IMPERATIVE NECESSITY OF PROTECTION

The derangement of Europe's fiscal system and the frightful decline of their circulating media such as for a concrete illustration, the German mark placed the German worker on a scale of wage one-sixth of that paid the American wage earner. The same was true in a lesser degree with other European countries. The inflow from Europe of cheap goods made by cheap labor seriously endangered the American producer who could not compete without reducing our standards. This is why our high-paid wage demanded protection. The business-destroying Underwood bill so paralyzing in 1914 and whose dire results were obviated only by a war prosperity was still on the statute books. Under it imports were fairly large but revenues for custom dues were small.

This southern free trade act was repealed and a national protective act took its place. It has been the law since September of 1922. Its first full year produced revenues of $540,000,000, nearly one and a half times the amount produced in the free-trade regime.

Instead of our foreign trade being ruined, as was direly predicted by our Democratic leaders, the Commerce Department reports that for the first 17 months of the protection measure compared with the last 17 months of the free trade law which it displaced the imports increased from $3,761,322,000 to $5,353,186,000, or 42 per cent, while the exports increased from $5,350,893,000 to $6,025,162,000, or 12 per cent, and revenues increased from $521,000,000 to $807,000,000, or 55 per cent.

General paralysis of industry has given way to unprecedented industrial prosperity in time of peace. Suffering from general unemployment is superseded by an era of greatest activity.

FOREIGN LOANS—THEY MUST BE PAID

Steps were also taken to induce European debtor countries to fund their debts to us and begin payment. This was accomplished with Great Britain, which is now making annual payments on both principal and interest. Other countries are following. All the debtor nations are expected to take steps soon to meet their obligations and end the foolish talk of cancellation which our people resent.

AN AMERICAN POLICY ON IMMIGRATION

For the integrity of a genuine Americanism and the protection of the standards of American labor a more selective immigration system has been adopted as a permanent American policy of this important question.

AGRICULTURE—OUR BASIC INDUSTRY

The industry quickest to feel the results of war and the slowest to recover from it is agriculture. Other industries with quicker turnover, easier credit, and better organized make quicker recovery.

The rapid liquidation of farm interests with its injurious effects called for such remedial legislation as was warranted by the situation. This administration enacted the most comprehensive program of agricultural rehabilitation yet undertaken, all of which was recommended by the best agricultural talent in the country and supported by parties of all political bias.

No less than 14 separate laws were enacted, covering a wide range of remedial subjects, constructive and protective. The agricultural department was reorganized and enlarged with additions of the Bureau of Agricultural Economics, Bureau of Home Economics, reorganization of the educational extension system, new livestock reporting system, and formation of commodity councils.

As a result of the national agricultural conference cooperating with Congress, there were recommended, enacted, and are now in operation—

(a) Agricultural credits act.
(b) Agriculture admitted to Federal Reserve Board.
(c) Revival of War Finance Corporation.
(d) Emergency and permanent tariff acts.
(e) Packers and stockyards act.

(f) Grain futures act.
(g) Warehouse act.
(h) Cotton futures act.
(i) Butter standard act.
(j) Naval stores act.
(k) Filled milk act.
(l) Good roads act.

The disparity of price between what the farmer pays for his needs and what he receives for his products is his complaint. Justice and equity demand either less price for his purchases or greater for his sales. His purchases are too near the war level, while his sales are on the pre-war level. If the former can not be brought down the latter must be brought up. This is the problem. It is economic rather than governmental. It should have an economic remedy rather than a legislative relief. The farmer is not so much concerned about the how as the what in his relief.

Where safe relief can be afforded it will be done. The matter is before Congress now. The danger to be avoided is against adopting unwise nostrums which in the end will prove to be not a remedy but an aggravation as bad if not worse than the disease.

DETERMINING FACTORS ON WHICH THE PEOPLE WILL DECIDE

These are facts the American people appreciate and they will be determining factors in the formation of their judgment to be expressed at the polls. The labored efforts to create a political issue, the "holier than thou" spasms of certain Senators over what they stigmatize as scandals will not be misinterpreted. The American electorate is quick to detect a purpose, its discernment is discriminating, and if I mistake not it will rebuke the unparalleled spectacle displayed by the Senate's grand-jury performances during the last four months.

The people will demand and will secure all the facts touching the oil leases now relied upon for an issue by the Democrats in the coming presidential contest.

They will want to know why a policy inaugurated by the Wilson administration with the approval of Democratic leaders in Congress is to be condemned as unwise when carried out by a Republican administration.

They will properly demand to know why Daniels's leases averaging royalties to the Government of 18.14 per cent were commended as important to the Government while Denby's leases in California averaging 32 per cent royalties are condemned.

If leasing these reserves was right when the Democratic administration did it even at a small profit, why is it wrong when the Republican administration did it at nearly double the profit to the Government.

Whatever may be said the facts when disclosed will show that as a business transaction it appears to have been important to the Government. It shows that:

(1) Advantageous royalties were secured.

(2) The reserves were protected by preventing loss from being drained off through private owners.

(3) The Navy was supplied with more than $15,000,000 worth of storage constructed without profit and a guaranty of fuel oil in case of war.

(4) The naval preparedness as a necessary means of national defense strongly commended this plan as an insurance policy.

The question of legality of both the leases and the use by the Navy of royalties to construct storage facilities has been raised.

This determination is not the province of the Senate but of the courts, and it has been properly referred to that tribunal by unanimous action of the Senate of all parties.

The President appointed attorneys, an outstanding Republican and an equally eminent Democrat, to conduct the trials.

The counsel was instructed to proceed in criminal prosecution to ascertain any guilt of corrupt conduct by any official. This administration will no more shield a Republican official corrupted by oil interests than will the American people condone a Democratic candidate for President on the pay roll of the same interests.

THE ADMINISTRATION'S PURPOSE.

The determined purpose of this administration is to protect the Government and its people in all their rights, and while it will refuse to shield any wrongdoing whether by friend or foe—and no guilty man shall be allowed to escape—it will also as militantly protect the honor and rights of individual citizens and demand respect for our fundamental institutions of government. Its purpose was forcibly stated by the President:

"For us we propose to follow the clear, open path of justice. There will be immediate, adequate, unshrinking prosecution, criminal and civil, to punish the guilty and to protect every national interest. In this effort there will be no politics and no partisanship. It will be speedy; it will be just. I am a Republican, but I can not on that account shield anyone because he is a Republican. I am a Republican, but I can not on that account prosecute anyone because he is a Democrat."

The conduct of the Senate as an open grand jury into which, by the agency of committees, and through which, by immunity of Members, there have been pouring the slime and filth of perverted man and woman, a character of testimony which would be excluded from any court in the land but which is sought and received by the Senate under the excuse that it is an investigation and not a trial, to say the least, will be sharply scrutinized by the people. As Secretary Hughes said last night in his famous address:

"Let it be understood that we do not condone wrong; we extenuate no crime. We would not put any obstacle in the way of discovery and punishment of any official dereliction. We would bring to the bar of justice every dishonest official and every perverter of administration in or out of office. This is a duty which can be, and will be, competently discharged by the appropriate agencies without any sacrifice of constitutional procedure.

"Neither political party has a monopoly of virtue or of rascality. There are crooks in every community and in every party. Now and then one gets into office. Let wrongs be exposed and punished, but let no partisan Peckaniffs affect 'a holier than thou' attitude. The corrupting currency may be found in Democratic satchels. One who is corrupt is as faithless to his party as to his Government. Guilt is personal, and corruption knows no party.

"To-day counsel of eminent ability and unimpeachable integrity, selected from both the great parties by a Republican President, are taking appropriate legal proceedings by which all the questions which have been raised as to the leasing of the public domain will be thrashed out, every public interest will be safeguarded, and every guilty person punished. These cases are in the courts, where they belong, and the courts will decide. It would be foolish, false, and unpatriotic to breed distrust either of the integrity of the Government or of the soundness of American life. That would be to assail the honor of the hosts of officials devoting their lives with unselfish fidelity to the country's interests."

This is the excuse for the shameful performances of what is alleged to be the greatest legislative body in the world, and it is the procedure which has placed the Senate on trial before the people of the country whose disgust is vocal and resentment bitter, so clearly displayed by every medium of communication of general intelligence.

In such cycle of thinking now apparent in the Senate no public official is exempt from innuendo if not open charge. It is the boast that this campaign of vituperation is to include all Cabinet members.

The Secretary of the Treasury is the present object of attack. The cause is not difficult to see. He has outlined a tax reduction program which has gripped the sound business judgment as no other proposal in this generation. Where argument can not succeed, vituperation will be tried. In the recent assaults upon this official the Senate reminded one of a minstrel performance with the end-men leading in the gibes, amusing to themselves if to no no else.

HYSTERIA IN THE SENATE

Complaint is heard everywhere against the quiescent attitude of Republican leaders for not rebuking such practices. But what is the use of rebuke under such a situation?

The Senate has for the time being laid aside its legislative function and temporarily turned itself into a political training ground for partisan purposes. Its attention is not on the resolution but on the preamble. Its atmosphere is not one of deliberation, but of inquisition. Its oratory is addressed not to the Senate, but rather to the galleries and headlines. The importance of measures is lost in the necessity for votes. Its fervor is seasonal, marked by national elections. Party advantage as the dominant motive is not dangerous where majority control is possible. But it becomes serious where factional differences destroy party solidarity and all party responsibility by permitting minority control.

This situation at Washington accounts for the peculiar political maneuvers which have precipitated this campaign of slander in which the Senate has reached an alarmingly low level as a deliberative body. The country is aghast over this declension of the greatest legislative body in the world, its upper branch of the Congress of the greatest Republic of all history, a standard earned by the character and ability of its past. The remedy is not in the main on the floor of the Senate. It lies with the electorate, which must pay the frightful cost of such condition.

THE COUNTRY'S LEADERSHIP

In the midst of this orgy of slander, this spree of muckraking, this riot of vituperation and crimination where stalwart statesmen seem to have lost their former poise, where a self-respecting minority has abandoned a test of political theories for a try-out of the mere vaudeville, to the disgust of Senators on both sides of the aisle, and to the amusement of the country at large, there looms one figure, the leader at the head of the Government, concerned over the trend of the forces of disintegration displayed in legislative circles, who has uttered a timely caution, if not warning, to call back the Senate to its proper

function of legislation. In the midst of the storm of abuse there he stands, unmoved by clamor, his course determined by conscientious scruples of what is the just course to take.

Few are his words, decisive in his judgment. His comprehension of pending problems is broad, his vision clear, and his action dauntless. His conception of public duty forestalls the employment of mere politics expediency. While he highly prizes the honor of the great office which he adorns, he refuses to sacrifice his chances to serve the public by yielding to the pressure of party advantages against his judgment of proper official conduct.

His political philosophy is well exemplified in his past official career. This is confirmed by his messages as President.

His direct and unequivocal method of attacking problems grips the public mind. His evident desire to do justice stimulates public confidence. His sense of fairness provokes support and disarms the forces of selfish and sordid interests from whatever source.

The simplicity of his early life wonderfully appeals to the average citizen of the Republic.

The great work begun and carried on by our beloved and lamented President Harding was taken up by Calvin Coolidge where it was laid down by his noble predecessor.

The country is fortunate in having at its head at this time this man, a leader of whom it is said he has more goods on the shelf and less in the show windows than any man of our history.

America stands to-night on the high level of world leadership in all that makes for world power. She rightfully has won the reputation of "wanting nothing not her own." She enjoys the greatest prestige of any nation of history; she numbers a people with the largest percentage of self-reliant and independent citizenship in the world. Her citizens man to man are better fed, better clothed, better educated, better prepared to meet and solve the problems of life, and happier in the exercise of the rights of a people in government than can be found in any other country or at any other time in the history of civilization.

In the midst of the slime and mud of an approaching presidential contest the filth has not touched him. In the partisan siege with the javelins of malice aimed at him, his armor is untouched.

In the labored attempt of misguided politicians to connect him with recent oil transactions his good name is untarnished, his honor unsullied, and his maligners indicted by an outraged public opinion.

Above the hiss of the attempted slander is heard and will be heard again the voice of popular approval of the efforts of Calvin Coolidge. The American electorate have never yet failed to rebuke the studied efforts to besmirch an honest, upright leader of her people. In this case as in 1920 it will again rebuke the maligners of the honor of a conscientious public servant. In the coming contest Calvin Coolidge will lead the American people along the safe route of their national ambition to insure the greatest prosperity to all the people of this Republic and assist, wherein it is effectual and safe, the world out of its chaotic condition into the channels of orderly progress, with small regard for past complaints of those who may be displeased because we refused to ratify the unfortunate Versailles treaty, declined to enter the Wilson League of Nations, resisted the cancellation of European loans, and kept ourselves free from European rivalries and complications. Our course in the future as in the past will be an American policy, to guard well American sovereignty and independence, to insure the birthright of freedom through the preservation of our American institutions, preserving that freedom from entangling alliances by which we may render that larger service to our own people and safely cooperate with all nations in advancing the progress of the peace of the world. To such a consummation is our Nation advancing under the leadership of that statesman who, Lincolnlike, exemplified America's pride when as an American boy from the frugal home, by aid of American institutions, he climbed to the very pinnacle of fame, from which eminence he to-night bears this honor in a way which comports with his high dignity.

The eloquence of his silence, the clearness of his judgment, the conciseness of his decisions, the fearlessness of his actions, all reflect the majesty of a character that the American people appreciate, as is already displayed by a current of public approval that is rapidly reaching the flood tide. While to all of us it is pleasing, to you, his neighbors and his home folks, it must be most gratifying.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House insisted on its amendments to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico, disagreed to by the Senate, agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HAUGEN, Mr. WARD of New York, and Mr. ASWELL were appointed managers on the part of the House at the conference.

RESTRICTION OF IMMIGRATION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes.

The PRESIDENT pro tempore. The pending question is upon the amendment offered by the Senator from North Carolina [Mr. SIMMONS].

Mr. REED of Pennsylvania. Mr. President, I hope that the amendment will not be adopted. My reason for saying so is that I believe it will be an embarrassment to the consuls in the issuance of visé certificates and that it will not attain the end for which the proponent of the amendment is striving. Its effect is best illustrated by our experience in recent immigration. Last year there came to the United States 25,905 farm laborers and 12,503 farmers, a total of 38,000 farmers and farm workers. More than 10 per cent of them went to the State of Pennsylvania, more than 10 per cent of them went to New York, and yet I think it is a safe statement that of those farmers and farm laborers who went to Pennsylvania and New York not one in fifty ever went near a farm. They went right to the cities and to the mill towns and went to work in the mills. They did it for just one reason, that the pay attainable there was far higher than the pay attainable on a farm.

If I thought the amendment would accomplish the result for which the Senator is striving, I believe I would support it, because I realize how much our farmers need labor; and yet from our experience in my State—and I believe it true all over the Union—we find that the cities and the factories, with their high rates of wages, are drawing people out of the country, and nothing we can do by legislation can stop it.

If this amendment be adopted, and if 50 per cent of the quota of immigrants shall be composed of farmers and farm laborers, skilled men, nevertheless that drain will go on. We can not establish any system of semislavery in this country that will hold them on the farms after they get here. Economic causes will continue to work their invincible will; these men will be drawn from the country, no matter if they shall be admitted as farmers; but if we increase the labor supply in the cities and in the country the effect is felt all over the country. It does not matter whether a laborer be brought to the city or whether he be brought to the farm, the labor shortage is relieved just by the extent of one unit, and the effect is felt in both places.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Ohio?

Mr. REED of Pennsylvania. I yield.

Mr. WILLIS. I take it from the Senator's argument that it is his understanding of the amendment of the Senator from North Carolina [Mr. SIMMONS] that it is to operate without the quotas. My understanding of the amendment is that he keeps the number of preferred immigrants within the quota, so that the total number is not at all increased; that it simply provides for a preference to a certain class of laborers.

Mr. REED of Pennsylvania. I quite understand that, and I thought I made it clear in what I first said, that the amendment does not propose to increase the quota. My objection is not that it is going to enlarge the amount of immigration in the aggregate but that it will embarrass the consul whose duty it will be to pick the very best immigrants from amongst the applicants who come to him.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from New York?

Mr. REED of Pennsylvania. I yield.

Mr. COPELAND. Mr. President, I desire to ask if the Senator from Pennsylvania would agree to the amendment provided, beginning at the end of line 5, there be omitted the words "and to experienced farm laborers who are going to agricultural districts to engage in farming"; also, in lines 9 and 10, there be omitted the words "for skilled farm laborers"; and then, on the next page, in line 10, the percentage was changed to 10 instead of 50? In that way the amendment would simply provide for the admission of what might be called "master farmers," but not of laborers, and would allow the admission in case of necessity to any State of persons skilled in agriculture; but would not permit the subterfuge, which I think the Senator is right in suggesting, enabling many to come as farm laborers who would never appear upon the farm. It strikes me that, with those omissions, it might be possible to accomplish what the Senator from North Carolina has in mind and at the same time avoid what the Senator from Pennsylvania has suggested as a possible evil.

Mr. REED of Pennsylvania. I think that any reduction in the obligatory percentage is an improvement, and to that extent the suggestion of the Senator from New York is an improvement; but, Mr. President, there are other industries which are equally in need of labor. For instance, in the last year the total number of plasterers who came to this country was only 533, and yet plasterers are being sought for all over the United States, and building operations are impeded because of the lack of them. The same is true of bricklayers and stonemasons, and as to the other building trades. If we once begin giving preferences within the quota according to industries, I am afraid we shall be opening the door for a great deal of trouble for ourselves and injustice among the various industries with which we try to deal.

Mr. SHIPSTEAD. Mr. President——

Mr. REED of Pennsylvania. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I desire to ask the Senator from Pennsylvania if the bill does not already propose to give a preference to immigrants who are members of the families, the wives and children, of men who have already migrated here?

Mr. REED of Pennsylvania. The bill does give a preference to the relatives of American citizens, but it does not give any preference to one industry over another.

Mr. SIMMONS. Mr. President, the Senator from Pennsylvania objects to the amendment because he thinks, in the first place, that we will not be able to secure such skilled farmers or trained farm labor as we desire. If that be the only objection to the amendment, it seems to me that the objection carries too little weight, in view of the fact that, if we do not provide for a preference, farm labor and skilled farmers may come, but they may not be of the character we desire to come into this country; they may not be a class who are skilled in the things that we desire skilled labor to do. We want skilled labor to do a specific thing, namely, to help us in the economical process of diversification and the introduction of new methods of farming, and we can not get those without providing a preference. Preference is essential. It will hurt nobody, because, if there is not a preference, anybody who wants to come can come if he can comply with the ordinary tests governing the admissibility of immigrants.

I recognize the fact, Mr. President, that there is a scarcity of labor in some of the industries and in some of the trades, as well as in agriculture. We have by our present restrictions upon immigration brought about a shortage of labor in a certain class of factories, especially in the industries which have heretofore recruited their labor, chiefly their common labor, from Italy and the countries of southern and eastern Europe. There may at times be a scarcity of carpenters and plasterers and others, but this amendment will not prevent their coming in, for the proposed preference still leaves 50 per cent of the quota that may be filled by carpenters and plasterers who may desire to come to this country.

The reason why the farmer is entitled to so large a preference as compared with the industrial enterprises grows out of the fact that the industries under present conditions are supplying their shortage at the expense of the farmer. The farmer is not supplying his shortage at the expense of the factory. The farmers are losing, but they are losing to the factories. The farmers propose to inaugurate a new method which will require a different class of farmers and of farm laborers if we are to make the transition from the old to the new method economically and without too much waste. We are doing no wrong to the industrial interests of the country if we take for the farm a larger share than the industries take, because they are taking from the farmer nearly half of all of their labor.

Mr. President, I am not wedded to the percentage preference that is provided in my amendment. In view of the fact that we have very drastically limited the quotas, and in view of the large demand on the part of the farmers as the result of losing their labor to the industries, I thought 50 per cent was not too much, but I have no irrevocable commitment to that percentage.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. SIMMONS. I yield.

Mr. CARAWAY. I am interested in the Senator's amendment, but I should like to hear him discuss the phase of it which I am about to mention. It seems now that agriculture is suffering from an overproduction.

Mr. SIMMONS. In certain lines.

Mr. CARAWAY. Well, it is certainly true of cotton and corn and wheat and meat. They are not paying the cost of production. Is it really a kindness—and I am serious, and I should like the Senator's attention to this phase of the subject—to bring in more farmers when the farmers of native-born stock are being driven off of the land every year by the surplus production of the farms finding no market?

Mr. SIMMONS. Mr. President, I do not think they are driven off the farms because of the surplus not finding a market. I think it is rather because the South—and I speak particularly of that section with which I am more familiar—has concentrated upon one crop and has raised a much larger amount of that crop than the world requires. Even with the boll weevil cutting down our annual production 3,000,000 or 4,000,000 bales, we are supplying more than the world now demands.

Under the old conditions, before the advent of the weevil infestation, we were producing in this country from five to six million bales of cotton in excess of the world's demand. As a result the price of cotton, even before the war, before the boll weevil came, was not remunerative; and it was because the one crop that we made was not profitable. This very largely, I think, resulted from the fact that we did not adequately diversify, and the consequence was that our farms were to some extent even then deserted by their owners and were turned over to tenants.

Mr. CARAWAY. The thing I have in mind is that we are assured here that the wheat grower has utterly collapsed, that the cost of production is very much greater than the market price of the cereal; the corn grower is protesting that he is ruined; the stock raiser is likewise saying that he gets not the cost of production; and certainly the Senator will agree that the cotton grower is not prosperous. It is not so, at least, in the country from which I come. It is not so much that the landlord is leaving his farm; the tenant likewise is going, and neither of them is getting the cost of production; and if the story told by the wheat growers be true—and I have not questioned it—we can buy their wheat for very much less than it costs them to produce it. That being true, why would it be wise to bring into this country a lot of farmers to increase our production and still further depress the price of agricultural products?

Mr. SIMMONS. It will not increase the production of the particular crop that we grow in the West or the South. The diversified scheme will reduce that production. It will do more than that, Mr. President. One of the evils of the one-crop system is that the farmer who raises only cotton does not raise those things that he needs for his own consumption.

The PRESIDENT pro tempore. The time of the Senator from North Carolina has expired.

Mr. SIMMONS. I will take my time on the bill, then.

The PRESIDENT pro tempore. The Senator will take his time on the bill.

Mr. SIMMONS. One of the troubles with the cotton farmer is that he raises cotton and does not raise the things that he needs to support his family. If he would raise less cotton and raise the things that he consumes on his farm; if he would raise sufficient hay and sufficient corn instead of buying his hay and corn in the Middle West; if he would raise his butter and his meat and his beef, he would cut down enormously his expenses and at the same time he would cut down the crops that he is overproducing, and in the general result he would be very greatly benefited. The profits of cotton would be very much greater if the cotton farmer lived at home; and diversification means that the cotton farmer will hereafter live at home and the wheat farmer will hereafter live at home. He will not produce as much wheat and as much cotton, and thereby depress the price, but he will save in his living expenses enormously by producing, through diversification, those things that now he must buy.

Mr. CARAWAY. Is it the Senator's impression that bringing more farmers here——

Mr. SIMMONS. I beg the Senator's pardon, but I want a little more of my time hereafter, and I would lose it if I yielded further to Senators.

Mr. SHIELDS. Mr. President, the Senator from North Carolina stated that he was not wedded to his amendment asking for a preference for 50 per cent of farmers and farm laborers. I think it would be well if he would amend it so as to cut it in half and ask for only 25 per cent preference.

As I understand the amendment, the first section of it provides for skilled farmers. Am I correct?

Mr. SIMMONS. Yes.

Mr. SHIELDS. And the second for farm laborers?

Mr. SIMMONS. Yes; and I will say to the Senator, if he will permit me, that skilled farmers are practically defined in the amendment.

Mr. SHIELDS. Yes; it applies to skilled farmers of a certain class defined in it. I would suggest that he combine those sections, and only ask for a 25 per cent preference for the two together.

Mr. SIMMONS. If the Senator will pardon me, that would be accomplished if the percentage were just reduced from 50 to 25 per cent.

Mr. SHIELDS. From 25 to 12½?

Mr. SIMMONS. No; from 50 to 25.

Mr. SHIELDS. The Senator has 25 per cent in each section. Has he changed it?

Mr. SIMMONS. No; it is written so that the total amount in both sections shall be only 50 per cent, so if we reduce it to 25 per cent it will cut it in half.

Mr. SHIELDS. The total amount, then, is only 25 per cent. That will answer the purpose. I did not know that it had been amended in that way. That is not the way I read it.

Now, I should like to ask the Senator from Pennsylvania [Mr. REED] a question. I do not believe he is in the Chamber right now, however. The difficulty of keeping these farmers on the farm after they get here is a very great one, and I doubt very much if the problem can be solved. This can not be done with farm laborers, as the Senator from Pennsylvania has said. They will go where there are factories, where there are mills or mines, and they will soon be in them. It is said that there are now over 200,000 surplus miners in this country, and they are chiefly foreigners.

Mr. REED of Pennsylvania. Mr. President, did the Senator wish to ask me a question? I was standing right beside him, but he did not see me.

Mr. SHIELDS. I wished to know whether part of the persons skilled in farming who came in were farmers, or whether they were all farm laborers?

Mr. REED of Pennsylvania. Twenty-five thousand nine hundred of them were farm laborers; 12,200, as I recall the figures, were farmers.

Mr. SHIELDS. I thank the Senator. I think the farmers could be held upon the farms. I do not believe the farm laborers could be. In fact, I do not believe they would ever go to North Carolina or the country where the Senator from North Carolina thinks they could be located; but, again, 50 per cent would have been too much. We give a preference under this law to the near relatives.

While I favor allowing these skilled farmers to come, I do not favor taking the same course with the laborers, because they will not stay on the farm, and because we have just as good labor here as anywhere in the world, and, for that matter, we have skilled farmers. The farmers of Tennessee know as well how to diversify crops and raise everything that is provided for in this bill as any in Europe or any other country in the world. They do not need any teaching. They diversify their crops and produce almost everything.

As the bill now stands, from 200,000 to 225,000 Canadians and Mexicans will come annually to this country, largely men that engage in agriculture, and especially the Mexicans. I do not know what the Senate is going to do with the amendment that proposes to put them under the quota law, and a very large number of them will come anyway.

I see in the morning paper that the Secretary of Labor, Mr. Davis, says that we have no surplus of employment in this country; that we are doing well to find jobs for the men that we have here. His language is that we are having trouble to find work for Americans to do. Really, the trouble with labor in this country is that our people have rather gotten the habit of allowing the hard work to be done by foreigners and do not do it themselves.

It is well known that they will not work in the same field or by the side of them. When that character of labor is no longer here our own people will work. They have done the work in the past; they will do it again. There is no more intelligent labor, no more skilled labor of any kind in the world than there is in the United States. I believe they ought to be well paid, and I do not believe they ought to have any cheap competition or low standards of living such as this foreign labor brings to them.

Mr. COPELAND. Mr. President, I am, personally, very heartily in favor of the spirit of the amendment offered by the Senator from North Carolina [Mr. SIMMONS].

When the State of Michigan was first admitted to the Union, because of the lack of agriculturists to take up the farms, a commission was sent abroad by that State to induce farmers of the right type to come to Michigan, and that act on the part of the State did much to develop it in an agricultural way.

We in New York City have an interest in this bill. The production of milk for our city—fluid milk which can be delivered there pure and free from souring—is a great problem. We now get milk from seven States and from the Dominion of Canada. Three million quarts of milk are delivered in New York City every morning. Put side by side these bottles make a line 167 miles long. I suppose we are drinking more milk now than we did some time ago, but, be that as it may, there is need in our section for more skilled dairymen, and under the provisions of this amendment, if it were adopted, those dairymen could be brought in from other countries. I do think, however, that the Senator from Pennsylvania has raised a very important criticism when he suggests that these farm laborers would come in under that excuse and engage in some other enterprise. Therefore, Mr. President, I desire to offer an amendment to the amendment proposed by the Senator from North Carolina.

Mr. SIMMONS. Mr. President, suppose they were to come in and go to some other employment. Would anybody be hurt? If they do not come in as farm laborers they can come in anyway. It does not add one iota to the number that may come in.

Mr. COPELAND. It is my judgment, Mr. President, that the amendment I am offering will help to carry out the main spirit of the amendment offered by the Senator from North Carolina, but if he doubts that——

Mr. SIMMONS. I do not doubt it, because I do not know what it is.

Mr. COPELAND. I am proposing to amend the amendment offered by the Senator from North Carolina by striking out the last two words on line 5 of the first page and all of lines 6 and 7, the words "and to experienced farm laborers who are going to some agricultural district to engage in farming."

Under such a provision skilled persons coming to the United States actually to enter into agriculture will be permitted to come.

Then, on line 9, I suggest the omission of the last three words "for skilled farm" and the first two words of the next line, "laborers or." We should provide then for the admission of skilled farmers.

Then, on the next page, I propose to strike out from lines 6 and 7 the words "and experienced farm laborers," and I would change the percentage to 10 per cent instead of 50, on line 10.

Mr. SIMMONS. Ten per cent of what?

Mr. COPELAND. Ten per cent "of the quota allotted to such country." I will accept 25 per cent, which I think the Senator has already suggested.

Mr. WILLIS. Mr. President, what is this dicker that is going on upon the other side? Some of us would like to know. What is this 10 per cent and 25 per cent business? What is the Senator's amendment?

Mr. COPELAND. I notice that whenever a percentage is mentioned the Senator from Ohio is on his feet. [Laughter.] It is proposed to change the figures on line 10 to 25 per cent instead of 50 per cent, as suggested by the Senator. In answer to what the Senator from Arkansas [Mr. CARAWAY] has said, I believe that under the safeguards proposed in the amendment of the Senator from North Carolina [Mr. SIMMONS] about the legislature or the governor calling upon the Secretary of Labor, and that there should be formulated regulations to insure that these persons go to the specified locations, the matter is taken care of. Therefore I present this amendment.

Mr. STERLING. Will the Senator yield?

Mr. COPELAND. I yield.

Mr. STERLING. I do not quite understand the first amendment the Senator suggests. It seems to me, if I followed him correctly, that there would be no meaning to the language after striking out the last two words on line 5, page 1, at least of the print of the amendment I have before me. That is where I understand the Senator proposes his first amendment, to strike out the words "agriculture and."

Mr. COPELAND. No; I propose to strike out "and experienced farm laborers," limiting it to persons who are skilled in agronomy, forestry, horticulture, or animal husbandry, and leaving out the skilled labor or the experienced farm laborers. Do I make myself clear?

Mr. STERLING. The Senator does now; but I understood him to say in his first statement that he proposed to strike out the words "agriculture and." He referred to the last two words in line 5.

Mr. COPELAND. No; I begin with the comma, on line 5, and propose to strike out the rest of that paragraph.

Mr. STERLING. The words, then, "and to experienced farm laborers who are going to some agricultural district to engage in farming" the Senator would strike out?

Mr. COPELAND. Yes, Senator; and the corresponding words where they appear elsewhere in the amendment.

Mr. SIMMONS. Mr. President, I ask the Senator why he would insist upon striking those words out in the second section, in view of the fact that that applies only to an application made by the governor of a State or the legislature of a State for laborers for a particular locality in that State to

meet a pressing need, which has to be approved by the Secretary?

Mr. COPELAND. I am glad to accept the suggestion of the Senator from North Carolina and omit from my amendment any reference to the second section of the amendment proposed by the Senator from North Carolina, paragraph (d).

Mr. SIMMONS. If the Senator will pardon me, he has some time left, and I wish to make this suggestion to him. The Senator referred to the statement of the Senator from Pennsylvania.

Mr. President, I will speak in my own time on the Senator's amendment.

Mr. COPELAND. Very well.

Mr. SIMMONS. I desire to address myself to the amendments offered by the Senator from New York. As I said——

The PRESIDENT pro tempore. Is the Senator from New York yielding to the Senator from North Carolina?

Mr. COPELAND. The Senator is speaking in his own time now, I believe.

Mr. SIMMONS. I am speaking to the amendment offered by the Senator from New York.

The PRESIDENT pro tempore. The Senator from North Carolina is now speaking upon the amendment offered by the Senator from New York.

Mr. SIMMONS. The Senator proposes to strike out the words relating to experienced farm laborers in the first paragraph of the amendment. I presume he proposes to do that because of the suggestion made by the Senator from Pennsylvania that if those farm laborers come into this country they will not stay on the farm, but in a short time will go somewhere else. If that should happen, nobody would be hurt, because if this preference is not put in here that number of farm laborers could come into this country, not as farm laborers but as immigrants, and could go where they pleased. I see no force in that.

We are not asking for experienced farm labor and skilled farmers to meet the agricultural conditions of the country as a whole. The Senator from Tennessee was correct when he said they had skilled farmers and skilled farm laborers in Tennessee. We have skilled farmers and skilled farm laborers in some sections of North Carolina, and they are in no distress in regard to labor or any other agricultural condition in those sections. They are prosperous. They are asking for relief in the sections of the South where they have but one crop, which has become unprofitable in cultivation, and where there is a loss of labor growing out of the fact that laborers in the cotton fields find it unprofitable to remain there.

We are not asking this relief for the whole country, but for sections where this condition exists, sections where the question of diversification is a new question, where the conditions that make diversification necessary is a new condition. That does not apply to the whole country, and nobody has contended that it does. In the South it applies only to the Cotton Belt, and only to a part of the Cotton Belt—to that part of the Cotton Belt that has been destroyed as a cotton-growing section by the advent of the boll weevil, and lost its value to the industry because the value of that crop has been destroyed.

I do not think, therefore, Mr. President, that the farmers of that section ought to be cut off from the experienced farm labor. They can not diversify crops; they can not go into animal industry; they can not go into reforestation; they can not go into diversification on a broad scale, unless they have labor that understands that method of farming; and in the Cotton Belt of the South, specially that part of the Cotton Belt, we have not such labor.

Mr. McCORMICK. Mr. President, has the Senator contemplated the bringing of bankrupt farmers from the Northwest to his State to carry on that work?

Mr. SIMMONS. We have never in the South been successful in bringing farmers from the West. I doubt very much whether farmers from the stricken sections of the West could be induced to come to the equally stricken sections of the South. But, Mr. President, there is in Holland and in Sweden a highly trained class of farmers and farm laborers who are ready to come, we have every assurance. We have investigated it, and they are ready to come, and they are the people we want. In those countries farm labor is especially qualified and fitted for the kind of farming we want to inaugurate in the South. We have brought quite a number——

Mr. SHIPSTEAD. Mr. President——

Mr. SIMMONS. I have but a little time, and I can not yield. We have brought a number of those people into North Carolina from that section of Europe—farmers and farm laborers. They have stayed there. They have paid for their 10-acre farm and they have paid for their 20-acre farm, and they are there to-day, and are going to remain there because they are making a big profit. In 10 or 12 years every man of those who came and settled that colony in my State has become an independent man with considerable wealth.

Mr. BRUCE obtained the floor.

The PRESIDENT pro tempore. Before the Senator from Maryland proceeds the Chair desires to ask the Senator from New York which one of his two amendments he offers?

Mr. COPELAND. Mr. President, I am sorry if I did not make it clear. I desire to strike from paragraph (c) two words on line 5 and all of lines 6 and 7 and to insert in line 10, on page 2, the figures "25" in place of the figures "50."

The PRESIDENT pro tempore. Then the Chair assumes that the Senator from New York asks that these two amendments be voted upon at the same time.

Mr. COPELAND. As a single amendment.

The PRESIDENT pro tempore. Is there objection to that course?

Mr. SIMMONS. May I understand the Senator from New York? I understand the Senator confines his amendment now to the first subsection, and it is to strike out all of subsections (c), commencing with the word "and" on line 5, page 1.

Mr. COPELAND. That is right.

Mr. SIMMONS. That is the Senator's amendment?

Mr. COPELAND. That is right.

Mr. BRUCE. Mr. President, I hope that this amendment will not be adopted. The Senator from North Carolina has evidently been induced almost entirely by local considerations to offer it, and I have no quarrel with him on that account.

I venture to say that he is hardly more in sympathy with his own religion than I am, and that he is hardly more familiar with its wants. Some years ago I was making an address before the North Carolina Society of the city of Baltimore, and I said that I was not so fortunate as to have been born in North Carolina, but that I was born in Virginia so near the boundary line between that State and North Carolina that a crow could pick up his evening meal on my father's plantation and yet with ease roost in the pines of North Carolina after dark on the same day. I am thoroughly conversant, I claim, with all the peculiar social, political, and economic conditions of the State of North Carolina.

With great respect, it seems to me that the view that the Senator from North Carolina has taken of the question involved in his amendment is a suicidal one. First, he states that a great exodus of farm laborers from North Carolina is going on. Then, in the next breath, he pleads for the privilege of importing from abroad a considerable number of farm laborers into that State. Assuming that he could get his foreign farmers to settle in North Carolina at all, has he any good reason for believing that they might not in a short time obey exactly the same impulses which have impelled so many native North Carolinians to abandon the farms of North Carolina? He need not trouble himself about the exodus of native population. That will cure itself. Migrations of that kind have been going on ever since the beginnings of the human race and quicken and slacken in accordance with definite economic laws.

I recollect that many years ago, after the Civil War, there was just such an exodus from North Carolina as now alarms the Senator from North Carolina [Mr. SIMMONS]. Both of the Senators from North Carolina, I am sure, will recall that time. There was a great deal of apprehension then just as there is now on the part of the planters of North Carolina. I recall the further fact that Frederick Douglass, the negro orator, pooh-poohed the idea that the exodus would amount to anything. He said, with his rare gift for imagery, "The dust flies, the earth remains," and he was right. The Senator from North Carolina need not give himself the slightest fear that after all the dust that is rising at the present time shall have floated off there will be plenty of good solid black earth in the soil of North Carolina.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from North Carolina?

Mr. BRUCE. I yield, but I hope the Senator will be brief, because I do not want to be deprived of any of my time, which is very short.

Mr. SIMMONS. The Senator refers to an episode in North Carolina. That emigration from the State about which the Senator speaks, and against which we protested, grew so serious, drawing our labor to such an extent that the legislature of the State had to enact very strict laws imposing the severest penalties, both imprisonment and fine, upon anybody who came into the State for the purpose of soliciting labor and inducing it to leave the State. That was a situation that was

almost as acute as the present situation. A man wakes up in the morning and finds his whole farm abandoned by his labor.

Mr. BRUCE. In other words, the Senator became needlessly panic-stricken then just as he is needlessly panic-stricken now. That situation rectified itself. In a short time natural laws began to operate and the efflux from North Carolina ceased; and so, with some shift in existing economic conditions, will the present efflux also cease.

I would like to ask the Senator whether he has gone into any arithmetical calculation to determine what the immigration under his amendment would amount to? As I understand it, probably some 65,000 persons altogether would come into this country under the provisions of the pending bill and remain here. The gross quota is fixed by the pending bill at 150,000 persons, but from that amount must be deducted the 10 per cent of immigrants who never use their visés.

Mr. COPELAND. It is 240,000.

Mr. BRUCE. That does not really affect the force of my reasoning. There must be deducted also 33 per cent for the immigrants who return to the lands from which they came. That leaves a net which, when distributed over the whole United States, would give a mere handful of immigration to the State of North Carolina.

Mr. COPELAND. I was wrong, may I say to the Senator. It was 170,000.

Mr. BRUCE. I thank the Senator from New York. He says the quota is 170,000. I thought it was 150,000. Of course, his correction is too immaterial to prejudice my argument.

I could not conceive of anything likely to be more futile than an attempt to bring farm laborers from abroad into such a State as North Carolina. It is like Virginia and other Southern States. Its circumstances are such that it must simply rely on its own internal resources for increased population.

Any deficit of negro population that may result from the outflow of negroes from the State of North Carolina—such is the infinite capacity of the human race for self-multiplication—would be soon offset by an increase in the native population itself. The Senator knows just as well as I do that all efforts to bring farmers from the Northern States of the Union to the farms of the South have proved wholly abortive. We have had our immigration commissioners, our immigration agents, and our advertising agents of one sort and another and we have endeavored by all means in our power to persuade our own flesh and blood, our own kith and kin in other States of the Union to come down and settle south of the Potomac, but with little success. The Senator from North Carolina [Mr. SIMMONS] stated the other day that the entire foreign element in North Carolina amounts to only 1 per cent or less.

Mr. SIMMONS. It is less than 1 per cent.

Mr. BRUCE. The whites will not go into a State like North Carolina, either from abroad or from other States of the Union, to any great extent as farm laborers because just as soon as they do they are brought at once into competition with the negro population, and also into competition with whites whose modes and standards of living are in many respects very different from those to which they have been accustomed.

Now, I do not consider that altogether such a bad state of things because it has at least preserved the pristine purity of the blood of the people that originally colonized the State of North Carolina.

The PRESIDENT pro tempore. The time of the Senator upon the amendment now pending has expired.

Mr. BRUCE. I will take the rest of my time on the amendment of the Senator from New York.

The PRESIDENT pro tempore. The Senator can not speak upon two amendments at the same time. The Senator can take his 10 minutes upon the bill at this time.

Mr. BRUCE. Am I not at liberty, first, to take 10 minutes on the amendment of the Senator from North Carolina and then 10 minutes on the amendment of the Senator from New York?

The PRESIDENT pro tempore. The pending question is upon the amendment offered by the Senator from New York.

Mr. BRUCE. Then I reserve my time on the bill.

The PRESIDENT pro tempore. The Senator from Maryland can take 10 minutes upon the bill if he so desires at this time.

Mr. BRUCE. Something may arise to make me wish to take it at another time, and I reserve my 10 minutes.

Mr. McCORMICK. Mr. President, it is with no unkindly reflection upon his purpose that I venture to suggest that the amendment of the Senator from North Carolina [Mr. SIMMONS], if it were not an amendment, might be entitled "A bill further to injure the farmers of the Northwest in the supposed interest of the farmers of the Southeast."

There is now a great agricultural liquidation which touches every corner of the earth. Last year, if I remember rightly, there were 20,000,000 acres more under wheat than there were during the last year before the war in the Argentine, in Australia, in Canada, and in the United States, and 8,000,000 perhaps of those 20,000,000 in the United States. We have sought to check the influx of immigration for many reasons, one of them because we seek to protect the industrial worker of America who is faced with a diminution of employment. It is not consistent for us, sir, to throw open the gates to agriculturists or pseudoagriculturists—who are not to be bound to the land like medieval serfs—and thereby injure the distressed farmer of America.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from North Carolina?

Mr. McCORMICK. I yield.

Mr. SIMMONS. I infer from what the Senator has said with reference to throwing open the gates to farmers that he thinks my amendment provides for the immigration of farmers in excess of the quota. It does not. It is within the quota.

Mr. McCORMICK. If the Senator from North Carolina will look at the quotas from Holland and Scandinavia—and I think he referred to Scandinavia and Holland in his speech——

Mr. SIMMONS. I could only get from those two countries the amount of immigration which would be allowed under the immigration act if the amendment should be adopted. It does not include the total number of immigrants.

Mr. McCORMICK. The aggregate quota unfilled from those countries to which the Senator has referred is something less than 5,000. The Senator knows very well that there are few in this body who hold him in higher regard than I, but the amendment which he proposes defeats the purpose of the bill and strikes directly at that very class of Americans who to-day are suffering most and whose sufferings are likely to be the most prolonged—the farmers of America. It is a proposition to continue and to increase the distress of the American farmer.

Mr. SHIPSTEAD. Mr. President, the Senator from North Carolina [Mr. SIMMONS] expressed the desire to get as immigrants coming to this country high-grade farmers. I believe that he mentioned Sweden, Norway, and Denmark. As a matter of fact, for a great many years there have come no farmers from Norway, Sweden, and Denmark. Last year Norway failed to send her allotted quota over here. Over 2,200 people who were entitled to come here from Sweden under her quota failed to come. From Norway 1,990 persons were allowed under the quota to come here who did not come. From Denmark more than 2,000 failed to avail themselves of the right to come here under her quota. There is a very good reason for their failure to come as farmers. It is because the Governments of Sweden, Norway, and Denmark have during the last 20 years enacted so many laws for the encouragement of agriculture that their farmers can not better themselves by leaving their country if they wish to remain in the occupation of farming. They can borrow money on their land at 3 per cent. The Government has in many ways, by the construction of public elevators, by various laws subsidizing agriculture, made the business of farming so desirable that they do not leave their farms in those countries and immigrate to Argentina or to Canada or to the United States, as they did until about 20 or 25 years ago. So if the Senator from North Carolina [Mr. SIMMONS] hopes with this amendment to induce scientific farmers to come over here, I am afraid, if the amendment be adopted, he will not succeed. People from those countries are not now making use of the right under the quotas which they have under the immigration law to come to this country in as large numbers as the law allows. Mr. President, I simply wished to call that matter to the Senator's attention.

Mr. SIMMONS. Mr. President, if the Senator from Minnesota will pardon me, I should like to make an inquiry. I shall have to do it, however, in his time.

Mr. SHIPSTEAD. I yield to the Senator from North Carolina.

Mr. SIMMONS. Early in my remarks on yesterday I caused to be incorporated a statement of Mr. Hugh McRae, who is the founder of the famous Castle Haynes Colony in North Carolina, which is engaged in demonstration work, and which is visited for purposes of instruction by people from all the surrounding States. Mr. McRae has given very great study to the subject. Last year he went to Europe and spent several months there investigating this situation; especially did he give close study to it in Holland. He states:

* * * I went over to Holland to see if there was any group over there who would come and any who would direct immigration. I found that the governors and other influential people, the best people of Holland, were forming such a group. They were willing to take the best people in Holland and let them come to the United States or wherever they were needed. And the reason for that is this: Holland is so densely populated—about 500 people to a square mile—that it is necessary for them to have an outlet for their people. These people must go to Canada or other places if we do not have them come to America. If we admit them here they will help us to develop our land, because it is known that they are the finest farmers in the world. * * * They will come to accredited locations with the approval of their government officials and selected by them. This is possible because of the aftereffects of the war and the collapse of the German markets, which absorbed a great proportion of the products of Holland, Denmark, and other countries of northern Europe.

Mr. SHIPSTEAD. Mr. President, I will say to the Senator from North Carolina that in my remarks I did not mention Holland because I am not familiar with it. I am very glad to hear the report which the Senator has read.

I will also say that I can not agree with the point of view that is held by some Senators who favor a restricted-immigration policy on the ground that if we get people from Holland or from Italy or from France or from any other country they will not be as good people as we are. I look at the immigration question from an entirely different point of view. I look at it from the point of view of protection for those who are already here, no matter from what country they came. I do not like the idea of bringing in a great number of farmers who are willing to come here and live on the basis of a lower standard of living than American farmers. I do not like to bring in here a lot of people who will work for lower wages and live on a lower standard than now exists in America, not because I think that we are so much better than are other people but because, I repeat, I want to protect the people who are already here. A restricted-immigration policy, with the present economic conditions on the farms, and also in the urban centers, in my opinion will protect the American standard of living. I can not have any tolerance for basing the policy of restriction on racial prejudice; I can not find it in my heart to hold prejudice against any race.

Mr. REED of Pennsylvania. Mr. President, the Senator from Minnesota would not, I think, wish to allow a misstatement to stand; and although it is not a very important point, I think he would want me to correct his statement as to the exhaustion of the quotas. The quota of the Netherlands was exhausted before Ferbuary 1 of this year; the quota for Denmark, for Norway, and Sweden has been exhausted in each case since the 1st of this month; so that all four of those quotas are now exhausted.

Mr. SHIPSTEAD. For this year?

Mr. REED of Pennsylvania. Yes; for this year.

Mr. SHIPSTEAD. I have the sheet for last year, up to December 31 of 1923.

Mr. REED of Pennsylvania. The quotas are computed for fiscal years. The sheet showing the figures ending December 31, 1923, is only for the first half of that fiscal year.

Mr. SHIPSTEAD. I am very glad to be corrected. It is safe to say, however, that if the quota was exhausted it was not by farmers.

Mr. FLETCHER. Mr. President, may I ask the Senator from Pennsylvania a question?

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Pennsylvania yield to the Senator from Florida?

Mr. REED of Pennsylvania. Certainly.

Mr. FLETCHER. If, for instance, Norway did not exhaust her quota last year, but was entitled to some 200 more, she would not be allowed to add that unexhausted quota to the quota for this year, would she?

Mr. REED of Pennsylvania. No; the quotas go by fiscal years, and there is no carry over; but, as a matter of fact, in the last fiscal year, which ended June 30, 1923, the Norwegian quota was entirely taken; the Dutch quota was entirely taken; the Danish quota was 93 per cent taken; and the Swedish quota was 99.1 per cent taken.

Mr. JONES of Washington. Mr. President, on account of my committee work, I have been unable to listen to very much of the discussion on this bill. I regret this very much, because I consider this one of the most important measures that Congress is called upon to consider. The debate on yesterday was about the first that I have been able to hear. While my votes on the amendments indicate, I think, pretty clearly my view, I feel that I should take a few minutes of the time of the Senate to give some of the reasons why I take the position which I do take.

Mr. President, the views which I hold with reference to immigration are not of recent origin. I have held them for a long time. In 1896 I delivered a Fourth of July address in which I took a very decided stand in favor of the restriction of immigration, and those views have grown stronger with the passage of the years. It is known, of course, to all that the sentiment in the country in behalf of the restriction of immigration has been increasing very rapidly. Two or three different Presidents have vetoed legislation which Congress passed on this subject, and their vetoes were not overridden until just a few years ago, when the sentiment of the country had become so strong as to be reflected in Congress sufficiently to bring about a two-thirds vote in favor of restriction. The conditions which have developed in our country with the coming of the millions has brought that sentiment.

I desire to read, as indicating the sentiment in my State, a declaration from the platform adopted by the Republican convention held just a few days ago. While, of course, this is not a partisan question, and I am glad that it has never been considered as such, this platform declaration does indicate the strong sentiment among the Republicans of the State of Washington, which I am sure is the sentiment of the great majority of our people. I read from a telegraphic copy of the platform:

> We favor the principle of restricted immigration. We believe that immigrants should be limited to the lowest possible number until we shall have assimilated the vast number of foreigners now resident in the United States. We urge the enactment into law of the so-called Johnson immigration bill now before Congress in substantially the form in which it appears in the House of Representatives. We particularly approve using the census of 1890 as the basis of the allotment until we shall in time have worked out a better system of choosing immigrants before their embarkation. We favor the extension of the principle of the Chinese exclusion act to all Asiatics. We favor a constitutional amendment denying citizenship to children born in this country of parents ineligible to citizenship.

Mr. President, I did not write that plank; I did not suggest it; but it expresses very clearly and very definitely the views which I have often expressed in public addresses throughout the State. I have myself introduced a joint resolution proposing a constitutional amendment to provide that children of Asiatics born in this country shall not be considered as citizens of this country. As yet, however, no action has been taken with reference to it.

One reason, Mr. President, why I am in favor of these very stringent restrictive measures is because I want to put off just as long as possible the time when we shall have a density of population in this country compared to that in Europe or other countries. That day is coming; it can not be avoided; but, as I have said, I want to put it off just as long as I possibly can. I should like to see, when that day comes, that our population shall be a solidified American population, a population devoted to the principles of the system of government in which we believe. Unless that is done the day will come when our Republic will be tested to the limit, and it will come much sooner the more freely we admit immigration.

Mr. President, I voted for entire exclusion for a period. One reason for doing that was the reason which I have just stated. Another was because I am opposed to discriminating between Caucasians. They should all be treated alike. Another reason was: We have no solidarity of American thought in this country, and especially of political thought. We here in Congress have evidence almost every day of the lack of appreciation of what it means to be an American citizen, especially upon the part of those who have come here and who have been granted this right.

I often receive telegrams and letters protesting against this or that type of legislation, not because of its effect upon this country or upon this people, but because of its effect upon another country or another people. Mr. President, that can mean nothing except weakness in this country and a lack of proper citizenship. The interest and welfare of this country should be put above that of every other country, and that will be done by every American citizen who is what he ought to be.

I remember that just a few days ago I heard a Member of Congress state, after the passage of this bill through the House of Representatives, that the passage of the bill meant the loss of thousands of votes to the Republican Party in a certain State. Why? Not because they believe that it is not beneficial to America, but because they believe that it is contrary to the interests of some other race or some other class of people in some other country.

Mr. President, I remember that just a short time after the war ceased President Wilson took certain action with reference to a certain situation abroad. I received a telegram stating on behalf, as it said, of 5,000 voters that if that action was confirmed, if that action was adhered to, the Democratic Party would lose these 5,000 votes. Mr. President, that is a bad condition. That is a sentiment and a feeling in this country that we must get rid of if we possibly can.

I voted, Mr. President, for entire exclusion in the hope that after a period of five years those whose interests and affections seem to be tied up to a foreign country would be centered more upon this country and upon America's interests rather than foreign interests.

It is not strange that people who have come over to this country, and have been here just a short while, should have their affections still fixed upon the old country and upon their friends and relatives there. That is the natural thing; but it is inconsistent in its expressions with real, genuine Americanism and the sort of Americanism we want here.

Mr. President, my reason for favoring exclusion is not because I think we are superior to these other people—not at all. I favor it because I believe it for our best interest. We want to live our own life in our own way. We believe in certain principles and policies of our Government and we want those here who believe whole-heartedly in them. That is all I take into account in acting on this matter.

Some urge us to admit immigrants to meet special industrial conditions, to meet alleged shortages of labor. That might be justified if such conditions would never change. Depression will come and then the idle and suffering would be increased with resulting dangers and disorders. It is better to bear the need of more labor than to endure the ills of forced idleness with surplus labor.

Mr. President, we have confronting us the Japanese problem. We can not get away from it. It is here. It must be met, and in my judgment the sooner we meet it the easier it will be solved. The longer it is delayed the greater the danger is to the friendly relations between Japan and this country, and the greater the danger to our institutions and our Government. I have maintained that position and expressed that attitude for a good many years. I have felt that the longer we put it off, the more of this people we have here, the more danger to us, and the more difficult the solution of the problem. So I am glad that we are meeting that problem squarely in this bill at this time.

Why should we exclude the Japanese? We should face the question openly and frankly, and I believe that the franker the spirit that we meet it in, the more likely it is to be settled without trouble or ill will. We should exclude them because it has been our settled policy since the foundation of the Government that the yellow race should not be admitted to citizenship. I think it is unwise and dangerous to admit to this country people whom we will not give the right of citizenship.

Then, Mr. President, I am in favor of excluding them for the reason that they are a separate race from us. That is a frank statement of the situation. I do not consider them inferior to us.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JONES of Washington. Mr. President, I will take 10 minutes on the bill.

I am willing to concede for the sake of the argument that they are superior to us. It is not because of their inferiority; it is not because of their defects, or anything of that sort; but it is simply because these two races can not live together in a satisfactory way, and we might just as well face it, and they should face it, and I believe they will recognize it if it is stated to them frankly and squarely.

I have nothing but admiration for the energy, courage, and capacity of the Japanese. Their wonderful progress and development during the last 50 years has been the amazement of the world. Their victories in war and their achievements in peace show them to be a great and superior people. I have not sympathized with the suspicions that have been uttered with reference to them in the past. I believe they have shown during the last few years that they can be depended upon to act scrupulously in compliance with the promises they make. They have set an example for the world to follow by their scrupulous compliance with national promises and obligations. Conceding all this, these two races can not live together in peace and harmony; they can not develop together as they ought to develop; and so, Mr. President, I want us to meet this question fairly, openly, and frankly and act for the best interests of both races and especially for our best interests.

Let the Japanese people and the Japanese Government understand that there is no unfriendly feeling on our part in what we do. Let them know that there is no question of inferiority involved. We admit that they are as able as we are, that they are as progressive as we are, that they are as honest as we are, that they are as brainy as we are, and that they are equal in all that goes to make a great people and nation. We, however, do not live as they do, we do not think as they do, we do not love as they do, and we do not worship as they do. We want to live our own lives in our own way. Their ways are not our ways. Their thoughts are not our thoughts. Their lives are not lived as we live ours. Their ideas of government and of religion are different from ours. It is not best for them and it is not best for us that the two races should seek to live together. So, Mr. President, all we want is to recognize this insurmountable fact and take the action which we sincerely believe to be for our best interests without in any way feeling or suggesting that they are not our equals.

Mr. President, the Japanese nation and people are a great people and a great nation, and they know that it is one of the fundamental attributes of sovereignty and of a nation to decide for itself what people shall come to its shores and what people shall not come. It has that right. If it sees fit to say that we can not come there, I have no question to make in regard to it; and so they must recognize, as I am satisfied they will recognize, that in passing this law we are doing only what every nation for the preservation of its own life has the right to do—say what people shall come to its shores and what people shall not. And when we do it they have no right or reason to object and they have no cause for resentment or offense.

Mr. SMITH obtained the floor.

Mr. SIMMONS. Mr. President, before the Senator begins his speech will he yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from North Carolina?

Mr. SMITH. I yield.

Mr. SIMMONS. I shall accept the amendment offered by the Senator from New York to strike out the words "and to experienced farm laborers who are going to some agricultural district to engage in farming" as it appears in section (c), and to limit it to 25 per cent.

Mr. SMITH. Mr. President, I do not know that I am very much concerned about the amendment of the Senator from North Carolina which proposes to give special consideration to a class of immigrants who would go on the farm, but I am concerned about the inference that may be drawn from such an amendment, and especially from the speeches that the Senator has made in support of his amendment.

Mr. President, I do not think any intelligent student of the agricultural situation in this country—I mean a practical student of it, one who not only has studied the question academically but who by experience knows the real conditions that surround agriculture to-day—will seriously claim that we are lacking in agricultural skill in this country. The position taken by the Senator from North Carolina is practically an indictment of the intelligence and the administration of the institutions of this country that are devoted to the progress and development of agriculture.

We have our Agricultural Department here to which we have from year to year given millions of dollars. We have our subdivisions in the several States independent of the department here and cooperating with it in developing agriculture along all practical lines. We have spent millions of dollars in searching out different kinds of plants adapted to particular communities. We have tried to develop in our different agricultural departments throughout the United States those who have not only a technical but a practical knowledge of the soil adapted to certain things and the methods of breeding and producing the maximum from a given amount. Therefore it is not getting skilled agriculturists in this country that is one of the needs of agriculture. The fact of the business is, Mr. President, we have too much skill now in proportion to the other crying needs that confront agriculture.

The Senator must not forget that in one of the attempts at diversification in his own State just a few years ago carloads of strawberries were dumped into the ditches by the side of the railroad tracks because that attempt to diversify agriculture in his State was not profitable.

Senators here must not forget that just a few years ago an attempt was made to diversify some of the standard crops of the South with the planting of certain forms of truck. We tried potatoes, and it did not pay to dig them out of the ground. The first essential for us to consider is not the question of skilled agriculture. We have all the institutions and all the means and the best brains and the best blood in this

country to meet that task if that task were worth the meeting when met. The trouble with us is an absolute lack of a system of marketing and a system of distribution that would make farming profitable.

Mr. SIMMONS. Mr. President, will the Senator yield to me?

Mr. SMITH. I yield to the Senator from North Carolina.

Mr. SIMMONS. I wish to say to the Senator that we did some trucking diversification in my country, and what the Senator says is true of some years. There will be a potato crop in one year that will hardly bring the farmer the expense of shipment, due to his not getting into the markets at the right time, generally. Then the next year he will sell his potatoes for $5 a barrel. Last year, around the town in which I live, men marketed their whole crop of potatoes at good figures. One man had 30, 40, or 50 acres in potatoes and he sold every barrel of them for $5 a barrel. Around Norfolk, where they truck, of course they have the same sort of ill luck and good luck; but as a whole, according to my understanding, the truckers around Norfolk, where that industry is carried to a higher standard of development than anywhere else that I know of in the South, have become men of independent means.

Mr. SMITH. Mr. President, as a matter of course the Senator is now confirming the argument I made. Those people were able to produce potatoes and produce them in such an abundance that they could not get a market for them. This diversification cry that has gone over the country is without substance. Those in favor of it would have us go out and indicate to the farmers in the vast areas of America what particular crops they might grow and grow profitably. That is to be left to the experience of those who are engaged in the work. Several years ago, during the administration of President Wilson——

Mr. JOHNSON of Minnesota. May I take just a half a minute of the Senator's time?

Mr. SMITH. I am delighted to yield.

Mr. JOHNSON of Minnesota. I trust the Senator from North Carolina will stay in the Chamber; I am not going to jump on him.

Mr. SIMMONS. I will stay if the Senator desires that I shall stay.

Mr. JOHNSON of Minnesota. There is talk of skilled labor. It is mostly a question of good luck for the farmer. I do not care how skilled the labor is, if the weather the farmer has is not right for him. If the weather condition happened to be too good, he would produce too much. For instance, in 1922 in one part of North Dakota the farmers put in potatoes, and it did not pay to dig those potatoes. I talked with one North Dakota farmer in the section where that happened. He told me I was not a bit smarter than my neighbors were, but I happened to put in 200 acres of flax and I made several thousand dollars, and my neighbors with potatoes did not dig them at all.

Mr. SIMMONS. Will the Senator yield?

Mr. SMITH. I can not yield. I have only a moment left. It is not profitable for us to be discussing a situation academically, and painting little possibilities which may occur here and there, when the fact remains that agriculture in America, taking it from the staple crop down to the most indifferent part of our trucking, is a tragedy now. Our committee rooms are crowded with the terror-stricken wheat producers of the West and our own producers of cotton, in spite of the fact that on account of the exigencies that have beset it it has been reduced from a maximum of 16,000,000 bales per annum to an average of the last five or six years of something like nine and a half million bales, with the world's demand as great as ever or greater. The price cotton is bringing is not paying for the production of it.

Why, in the name of reason, should we stand here and even intimate that we want another single individual engaged in the production of any of the agricultural products of this country when those who are now engaged in such production are clamoring at the doors of Congress for some relief outside of that which they can get by their brain and their ingenuity? We had better devote our time to studying the problems of that class of our people whose condition, through our neglect, is threatening the very foundations of our governmental institutions.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The time of the Senator has expired.

Mr. SMITH. I would like to finish what I have to say about this immigration bill, and I will take 10 minutes on the bill.

The PRESIDING OFFICER. The Senator has 10 minutes on the bill.

Mr. SMITH. The main object for which I rose was not so much to speak on the amendment of the Senator as it intimates that we should select certain skilled labor for agriculture, because, as he very pertinently remarked, the number who would come in under the provision is coming in anyway, and we would not add to or subtract from it; but it was the implication of the amendment to which I object; that is, that we need any more labor on the farms to-day.

As I started to remark a moment ago, during the administration of President Wilson there arose this question of the exodus from the farms. I happened to be in the presence of the President one day, and he asked me if I had any suggestion to make along the lines of inducing people to go back to the farm. I told him that the answer was very simple—make it profitable. The moment you make agriculture profitable, or the moment it becomes profitable, you will not have to incorporate in an immigration bill a provision to select immigrants to come to till our fields. The reason people are fleeing from the farms now is because it means economic and social and educational death to stay on the farms. As rapidly as it is possible we are becoming a nation of classes—those whom grim necessity or the lack of divine investment in brains will drive to the soil, and those who will go into other vocations, as they are doing to-day.

Take a farmer working from 12 to 14 hours a day, with less than an average return of $1.10 in the aggregate, staying on the farm and working for that length of time, while right through the plantation, perhaps, is going an industry whose wage is fixed at from $3.20 to $3.50 a day.

Take the interest rate which the agriculturist has to pay to-day, the freight rate he has to pay to-day, the profit on all that he buys, without the privilege or the machinery by which he can pass this intolerable load on to those who buy his product. That is the basis of the reason for the condition that exists to-day. In North Carolina the Senator would find all the skilled cattlemen he wanted if it were profitable to raise cattle in America. Where are the men who had the vast plains of the West covered with their cattle, men skilled in rearing, skilled in shipping, skilled in the manipulation of all branches of the business, skilled in the breeding, who clamored here with us for another loan from the Government in order that they might live?

You would get all the cattlemen you wanted if it paid to raise cattle. It does not pay. And, in addition to that, there is another handicap. That is, you are too far away from the center of consumption.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from North Carolina?

Mr. SMITH. I yield.

Mr. SIMMONS. Does not the Senator know the idea was that under the Norbeck bill the Government would help the farmers of the West to buy cattle, so that they might diversify their farming—that that was the ground on which it was urged?

Mr. SMITH. Did the Senator vote against it?

Mr. SIMMONS. Yes; I did not vote against it for that reason, however. I voted against it for the reason I gave the other day.

Mr. SMITH. That is all right. The attempt to lend the farmers money to buy cattle and to diversify the farming in the wheat region was defeated here by the common sense of these Senators, because they knew cattle raising was not profitable.

Mr. SIMMONS. But the western Senators who wanted the farmers to diversify voted for it, did they not? The Senator from Minnesota [Mr. JOHNSON], who now says he does not want diversification, voted for that bill, the object of which was to have the Government lend money to the farmers of the West in order that they might diversify, that they might buy stock and stock their farms.

Mr. JOHNSON of Minnesota. The Senator is mistaken. I did not say I was against diversification. I was for the Norbeck bill. I say that that bill would assist in leveling up the farmer's problems a little more.

Mr. SMITH. I can not yield further. I knew that as soon as I struck the truth in this matter we would hear from a lot of Senators.

I do not intend to take up any more time of the Senate, because it does look stupid for us to stand here and talk about getting skilled labor on the farms of America when the most skilled labor we have is knocking at the door of Congress trying to get something from the Treasury to live on because it has made an egregious failure. Let us not be diverted from trying to solve a problem which is a very acute one now. As I said, and I repeat, I do not object so much to the idea back

of the Senator's amendment that we go in and select farmers. It is the implication in it, the impression it is likely to create in this country, that something is wrong with agriculture because we are not diversifying.

The product of every form of agriculture needed for the comfort and for the consumption of the American people is being produced now and being produced at a loss. Why do Senators want to add to it anywhere, in spots or generally?

All the cattle and hogs and sheep we need are being raised now, and raised at a loss. Why do you want to bring in skilled labor and send it to some remote corner to add to the aggregate of the burden and the loss?

All the cotton we need is being raised now. The Senator said the boll weevil had cut the production down. It has cut it down, and those who manipulate our markets are cutting the price in half. It is like the remark somebody made about the old doctrine of predestination:

I can and I can't;
I will and I won't;
I'll be damned if I do,
I'll be damned if I don't.

The farmer gets hit, no matter how you fix it, and I shall not stand on this floor and advocate, either directly or indirectly, a misleading amendment that would give the public to understand that there is something wrong besides the fundamental fact that we have not bravely provided for agriculture that system of banking and currency which it needs, that method of marketing that it needs, and that contribution of money to the farmer in such a manner that he could hold his products, dictate the price, and absorb the charges that are now absorbing him.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

Mr. SMOOT. I ask for the yeas and nays.

Mr. SIMMONS. I had intended to say that I am willing to accept the amendment offered by the Senator from New York [Mr. COPELAND].

The PRESIDING OFFICER. The Chair was informed that the Senator had done that, and had modified his amendment to that extent.

Mr. SIMMONS. Very well.

Mr. PITTMAN. I desire to offer an amendment to the amendment of the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from Nevada offers an amendment to the amendment of the Senator from North Carolina, which will be reported.

The READING CLERK. Strike out paragraph "(c)"; strike out the letter "(d)" in line 8 and substitute the leter "(c)"; insert after the word "laborers" in line 7, page 2, the words "to meet such demand"; and insert after the word "locations" in line 8, page 2, the words "where the demand exists."

The PRESIDING OFFICER. Does the Senator desire this to be considered as one amendment?

Mr. PITTMAN. Yes; and I would like to have it reported as it would read if amended.

The PRESIDING OFFICER. The Secretary will report the amendment of the Senator from North Carolina as it would read with the amendment of the Senator from Nevada incorporated in it.

The READING CLERK. As proposed to be modified by the Senator from Nevada it would read as follows:

(c) Whenever the legislature or the governor of a State makes a request of the Secretary of Labor for skilled farm laborers or for skilled farmers who are expert in agronomy, forestry, horticulture, or animal husbandry, of any nationality, for the purpose of filling a specific need in that State, the Secretary of Labor, with the Secretary of Agriculture, may make a review of the situation, and upon their approval, in the issuance of immigration visé certificates, preference shall next be given by the consuls to skilled farmers and experienced farm laborers to meet such demand, subject to such regulations as will insure that they go to the specified locations where the demand exists.

The preference provided in (c) of this section shall not, in the case of any one country, exceed 25 per cent of the quota allotted to such country.

Mr. PITTMAN. The amendment means simply that there is not a preference generally given to skilled labor by the act itself. It simply reserves to any State to determine for itself if and when it is in need of skilled farm labor. It would seem that that would remove a great deal of the objection of the Senator from South Carolina [Mr. SMITH]. The Senator from South Carolina does not feel that there is any need of skilled farm labor in his State. I take it that the Senator from Minnesota [Mr. JOHNSON] feels the same way about his State. The Senator from North Carolina [Mr. SIMMONS] feels that there is a need for skilled farmers and skilled farm labor in North Carolina.

The situation is this: It is hardly scientific for the United States Senate to try to determine the general proposition that there is a need for 25 per cent of these immigrants on the farms. It is hardly proper for us to say that they need any farm labor this year or next year; but, on the other hand, it certainly is not a wrongful privilege to grant to a State legislature or the governor of a State the right to determine the condition as to the need for skilled farmers and farm laborers in any State. That is all we mean when we adopt my amendment. In my State, for instance, we would not attempt to pass on that question now. There may be a different condition existing even in one section of the State, where they are suffering from lack of farm labor, from the condition existing in another section of the State. The legislature would determine the question or the governor would determine the question.

Mr. JOHNSON of Minnesota. Yes; but the legislature only meets every other year in many of the States of the Union.

Mr. PITTMAN. And during that period of time the governor would probably act in the matter, as the provision would grant the power to both of them to act.

Mr. JOHNSON of Minnesota. But does the Senator from Nevada mean that the laboring people whom we invite from Europe are going to work for less than the people of this country? If there were a profit in farming, could we not then afford to invite our own people from the towns to come out and work on the farms, because then we could save the money that we would probably have to pay to get the immigrants over here or that they would have to pay. We talk about the standard of living. That is the thing I touch upon now—the standard of living. If they work in North Carolina or in Nevada or in any other place, we want them to live just about as well as we live ourselves.

Mr. PITTMAN. I thoroughly agree with the Senator with regard to the standard of living on the farm for the farmers, and yet we are going to bring into this country a certain number of aliens. We have already passed on that proposition. I contend that the very highest class of people they have in Europe to-day are the men and women raised on the farms of Europe, and the lowest class they have in Europe are those found in the slums of London and the great big cities. I would rather have every one of them who comes here come from those who were raised in a home on the farm than to come from the slums of the big cities. Look at the thing from the standpoint of the standard of the men and women we want in this country; whether those men after they get here work on the farm or work in the factory they will be a higher class of people if they come from the farm.

But I do not want the amendment in any form, I will say to the Senator from Minnesota, to provide for decision of the question by the Senate as to when they are needed. That would be a mistake. I want to leave it to each of the separate States to determine the conditions that exist in that State. If we do that, we will make no mistake. If what the Senator from Minnesota said is true in every State of the Union, then the amendment will not be availed of. If it is not true as to every location in the country, then it will only be availed of in the locations where the situation would require it to be taken advantage of. What harm is there in allowing each State to determine for itself if and when it needs farmers or farm labor?

Understand, there is quite a difference between the State where the Senator from Minnesota lives and some of the Western States. Some of the Western States to-day have 90 per cent of their land absolutely idle and vacant. A great deal of it will never be farmed, I will admit, and a great deal of it will be farmed with great difficulty. Most of it, if it is ever farmed, must be farmed by real farmers, who will raise practically everything that they use in life. Nothing will pay on those vast irrigated areas out in my part of the country except intensive farming of products that bring a high price in comparison with their cost of production and transportation. It is the transportation proposition that is killing the farmer in our section of the country. We can not transport hay and things of that kind because the cost of transportation is too great for the ultimate selling price of the product. But they are raising cantaloupes in that section of the country on 10 acres of land and supporting a whole family. They are raising intensive crops of that kind.

But I am not arguing as to whether or not we need more farmers or farm labor now. We are preparing a bill for the whole country, and if there is a condition in any State that is not known to a Senator from another State, does not that justify our leaving it to the people of that State to determine

where the immigration is sought? That is all I ask in the amendment. The privilege may never be exercised, but if it is used there is one thing sure, and that is that we will get the highest class of aliens that can come from those countries. The thing that the people of this country are most interested in at the present time is the character of immigrants that are to be brought into our country.

Mr. JOHNSON of Minnesota. I do not agree with the Senator. I think that the immigrants that were born and brought up in the cities are just as good as those that were brought up on the farms. I was not born on a farm over there. I was born in town.

Mr. PITTMAN. The Senator is on the farm now.

Mr. JOHNSON of Minnesota. I think I was just as good as the rest of them that came over. I was together with 1,700 on a big liner that came over.

Mr. PITTMAN. I want to say to the Senator——

Mr. JOHNSON of Minnesota. Just one more thing. The Senator referred to the people from the slums of London. What per cent of the people from the slums come into this country? They stay in the slums there. They never get an opportunity to come over here. Only a few of them will ever come to the shores of the United States.

Mr. PITTMAN. I have the highest admiration for the distinguished Senator from Minnesota, as has everyone who has listened to his sincere remarks. He might not have been a farmer at that time, but he undoubtedly had the good seed in him that led him to that character of life. To-day he is proud of being a farmer.

Mr. JOHNSON of Minnesota. Yes; but I am hard up. [Laughter.]

Mr. PITTMAN. The Senator has recently entered a contest, as I have read in the papers, in the milking of cows, and things of that kind.

Mr. JOHNSON of Minnesota. Yes; but I did not start to learn to milk until I was 23 years old.

Mr. PITTMAN. Whether the Senator was good as a young man, he is good now, so there is no question about that. I do not know whether he came from the slums. I do not think it could have been possible that he did; otherwise he would not be the good man that he is to-day.

But as a matter of fact, speaking seriously, what the great majority of the people of this country are more interested in than anything else is the type of immigrants that come to this country. That has been shown by all the debate.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. PITTMAN. I will take a few moments on the bill.

The type of immigrant is what most of the people in this country are looking after. There is no doubt whatever, with all due respect to the Senator from Minnesota, that those people who are raised in homes in Europe and raised on the farms have more character and more industry than those people who are forced to live in the crowded centers of the manufacturing places of Europe. I would like to see all of the immigrants that come to this country, no matter what occupation they are engaged in in the old country, chosen from among the kind I have described, because after they get here they have the home life back of them for a foundation in their start here. When they have that home life back of them, instead of such a life as they live in the cities, they long for citizenship; they are patriotic when they become citizens; they are not wanderers; they are not vagrants on the face of the earth, and the first thing they seek a home in this land. The alien who does not have a home in this land sometimes finds it difficult to love this country.

I say that the granting of this power to a State to determine when they need farmers and when they need skilled laborers can in no way whatever injure this country, particularly when the demand of the State must be reviewed and approved by the Secretary of Labor and the Secretary of Agriculture before the amendment becomes effective. That is the reason why I have offered the amendment to the amendment of the Senator from North Carolina. His amendment may be subject to the fight that has been made on it. Wiping out, however, the first section, as my amendment does, it is not subject to that attack, in my opinion.

Mr. JOHNSON of Minnesota. Mr. President, I do not intend to take up any time on the amendment, because I do not care if it is adopted or defeated. It does not make any difference to me. However, I am going to vote against the amendment.

So far as the immigration bill is concerned, I can not see how I can vote for the 1890 quota basis. I remember well the time when I was an immigrant myself and came to this country. I believe I am the only one in this body that ever had the opportunity to come to this country as an immigrant except the Senator from Idaho [Mr. GOODING], who was an 8-year-old boy when he came, and the Senator from Michigan [Mr. COUZENS], who came across the line from Canada. I know the problems of the immigrant. I know the time will come when we will have to stop immigration entirely from coming to this country. I voted to exclude the yellow races, and I think I was justified in doing so.

I agree absolutely with the Senator from Alabama [Mr. UNDERWOOD], and also with the Senator from Missouri [Mr. REED], in the speeches they made here yesterday, such as I never would be able to deliver. But I want to say this: Why is it that we lawmakers of the United States, through this bill, are going to discriminate against certain people of Europe?

If you do not like Italians or the people from southeastern Europe, why do you not say so and shut them out entirely? During the years that I have been traveling through the United States—and I have been in many States, especially in the Northwest—I have met persons of all nationalities, and I have met good and bad ones in all of them, even in my own nationality, which used to be Swedish. Even amongst the Swedes we find scoundrels and hypocrites. I was surprised that the able Senator from Alabama [Mr. HEFLIN] a day or so ago devoted an hour and 15 minutes to speaking about an immigrant boy who had been here but a few months and who happened—perhaps he was insane—to stab a boy who had been born in this country.

Mr. HEFLIN entered the Chamber.

Mr. JOHNSON of Minnesota. I am glad the Senator from Alabama has come in, because now he can listen to what I am saying. I can not understand why the Senator devoted so much time to that boy.

There are thousands of tourists from this country who are going over to Europe every summer. Suppose a little boy among a group of tourists should become insane and stab somebody over in Germany or in France or in Norway or Sweden, should Europeans put up a bar against American tourists coming over to Europe on that account? No; they should not.

Mr. President, I think it is not right that we should select the census of 1890 as the basis for computing the immigration quotas. I know that the bill is proposed to be passed for the purpose of discrimination. If I were going to try to get votes in Minnesota at the next election, I should probably vote for this bill, because there are not so very many immigrants from southern and southeastern Europe in Minnesota; but I do not care as to that; I shall vote as a matter of principle, whatever may happen to me politically. If we are at any time in the near future going to stop immigration to this country, let us shut the door when this flood is coming equally from all the countries over there, so that there will be no discrimination. There are some Senators here who are willing to close the door now. Of course, I know the reason why. I listened to the statement here yesterday that if a certain provision were adopted there might be excluded the children and wives of immigrants who have come to this country who would like to have their loved ones, but for political reasons, of course, Senators are not going to vote for that provision. I can not stand for it, and I feel that I ought to voice a protest against a bill of this kind.

America is a great country and we, the immigrants, have tried to make it a great country. The Senator from Alabama [Mr. HEFLIN], that distinguished Senator who looks to me like an English lord [laughter], would never have been here if it had not been for immigration years ago. [Laughter in the galleries.]

The PRESIDING OFFICER. The Senator from Minnesota will suspend for just a moment. The Chair must admonish the galleries that the rules of the Senate prohibit demonstrations in the galleries, and the Chair hopes that this rule will not be violated.

Mr. JOHNSON of Minnesota. I suppose I have to talk to the galleries, as there are not very many Senators present. [Laughter.]

Mr. President, I have studied the immigration problem for years, and I have tried to be fair to all people. When Senators say that Englishmen, Irishmen, Swedes, or Norwegians are better than the other races of Europe I do not agree with them. We have had Columbus; we have had Marconi; and we have had Caruso from Italy, have we not? I wish I had the silver tongue of the candidate for President of the United States to whom I have referred and who spoke here the other day in order to try to explain to the people of this country what I mean. However, I am not able to do so.

Mr. President, I know that this bill is going to pass. I also know that many other measures are going to pass, even if I work against them. Why is the pending measure going to pass? Because there is propaganda carried on in this country in its favor. We have found Italians in this country, we have found Jews in this country who are just about as good as anyone else in it.

Senators talk about the high standing of living. There were nearly 40 miners killed in a mine that was flooded by water in the iron district in the northern part of Minnesota some days ago. Look up the names of those miners and it will be found that they belong to people from the south of Europe. That is where we are putting the immigrants when they get here; we are putting them down in the mines, in the hell holes of the earth, where nobody else wants to work; we are putting them to work on the railroad tracks, in the lumber camps, in the worst places that can be found. Why? Because those who think so much of a high standard of living do not like to go into such occupations. I would not like to enter them myself, and just as soon as I was able to get out of such an occupation I went to work on a farm.

Mr. President, I take this opportunity of putting myself on record here and now. We are working for the one firm—the United States. I held up my right hand and swore away my allegiance to the King of Sweden and promised to be a citizen of this country, and I have never tried to discriminate. I have tried to help and to build up this country, and shall continue to do so as long as my voice holds out and my little ability may aid.

There are many things I should like to say, Mr. President, in connection with this matter, but I know the time is short and that there are many measures of real importance to the American farmer, the basic industry of this country, which should be considered.

I wish to congratulate the Senator from North Carolina, a Senator from the South, for trying to do something to relieve the situation of agriculture, but I want to add that the little measure he proposes is not going to help the American farmer; it is just a sop thrown out to him. We need good, strong legislation for the basic industry of this country. Wise men have been sitting here for years and years, and yet they have taken no adequate steps to relieve agriculture. Perhaps I should not say that, but I mean it in a spirit of friendliness.

Why is it that the farmers and laboring people have begun to secure places in the highest law-making body? Why is it that over in Denmark to-day the socialists are controlling that country? Why is it that monarchies in Europe are disappearing and that 11 republics have been formed since the World War? Why is it so? We are tramping in this country on the same ground. Senators may not believe me, but we are going to reach a like condition unless we put the farmers in a position where they can be prosperous, happy, and contented. Such a condition will mean prosperity for the little towns of the country. God knows we have too many people in the big towns to-day. That is where the slums are found, let me say to my friend from Nevada. Let us get the people out in God's country, in the farming communities, and away from the big cities. They can not go there, however, unless some place is provided for them. I wish to say that steps for the relief of agriculture should be taken before Congress shall leave here on the first of June for the party conventions. If you do not look out, the farmers will leave their farms and they will go into the cities; they will become active there, and they will get in your way; they will compete with you.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. JOHNSON of Minnesota. I have spoken for 10 minutes, have I?

The PRESIDING OFFICER. The Senator has 10 minutes on the bill if he desires to use them at this time.

Mr. JOHNSON of Minnesota. I do not like to speak on an amendment, but I should like to occupy one more moment.

The PRESIDING OFFICER. The Chair will advise the Senator if he speaks now he will speak on the bill, and 10 minutes will exhaust his time on the bill.

Mr. JOHNSON of Minnesota. Mr. President, I have been a legislator for years. Perhaps there have been some radical measures which we have proposed in the Northwest, and they are there to-day. Why is it so? Because not only the farmer but the business man and professional man are up in arms.

Pardon me for putting a little politics in this, but the governor of my State was justified when he came down here and said that perhaps eight States in the Northwest will go for the third party. I do not care what party is in power, provided we may have a square deal for the people of this American Republic. I came to these shores by choice and not by compulsion, and I expect to die in this country. That is the reason I sound now a warning to you not to put aside farm legislation because when the farmers are prosperous and happy all the people in this country will be happy with them.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nevada to the amendment of the Senator from North Carolina.

Mr. SIMMONS. Mr. President, the amendment offered by the Senator from Nevada is substantially the same as the second section of the amendment offered by me. The Senator, however, proposes to strike out altogether the first section of my amendment. I do not know whether the Senator was advised at the time he offered his amendment of the fact that I accepted an amendment offered by the Senator from New York deleting from that section all reference to farm labor, so that the section as it is now presented would apply only to skilled farmers.

The Senator from Nevada thinks that the preference should be limited to cases where the governor or the legislature of a State asks for the admission of skilled farmers and laborers. Mr. President, I think the Senator does not quite comprehend the full situation when he makes that suggestion. The machinery is somewhat complicated when the governor or the legislature must act and the Secretary of Agriculture and the Secretary of Labor must concur in such action before the farmer can get the benefit of any preference whatsoever.

If the American farmer, considered as a unit, for reasons connected with his operations needs and desires a skilled farmer or a number of skilled farmers, why should he not be permitted, without waiting the action of the State and the action of the Secretary of Labor and the Secretary of Agriculture, to ask that the consul may admit the class of people he desires within the quota?

Now, let me present to the Senator the situation in the South. The Senator knows that before the war the South was divided up into large slave-holding plantations. That was not true of all the South, but it was true of a part of the South. The eastern part of my State was divided up in that way. There were great plantations there. We have found it very desirable to split up those plantations and bring them into the ownership of individual farmers. We have not yet succeeded in doing that. Many of those big farms now ought to be split up, and the owners are anxious to split them up. What they desire is the right to go to Europe and to bring over skilled farmers and skilled laborers to whom they can sell from 5 to 10 or 15 or 25 or 50 acres of those farms and put them on them. We have done that to some extent in my State. Mr. McRae, about whom I spoke yesterday, has established a number of colonies, and he has brought over immigrants from Holland and that section of Europe, placed them upon those farms, and sold them the farms. They brought skilled labor, experienced labor, along with them. The laborer soon bought himself a little farm, and they have all become farmers.

The Senator from Minnesota [Mr. JOHNSON] thinks that the laborers would not come here because the wages on the farm are not as high here as they are over there; but if they can come here with the assurance that in a few years they may acquire a farm of 10 or 15 acres, which is as large a farm as they want, they will come and go on the farm and work as skilled laborers, and in a year or two they will be landowners.

Why should not a man who has a farm of that sort—several thousand acres, we will say—be permitted, without going through the cumbersome process provided in the second section of my amendment, to go and bring over the farmers and laborers with a view to settling them upon the subdivisions of his farm; splitting it up and ultimately selling a home to the skilled farmer, and not only to the skilled farmer but to the experienced laborer? I should regret very much to see that section stricken out. Why should not the farmer be allowed to go over and get, within the quota, skilled laborers? We now have in this bill, and it has been a part of the law of this country for a long time, a provision prohibiting the bringing over of labor under contract; but we made an exception in that law, and that exception is in the law to-day. Under that exception we provide that skilled labor may be brought here under contract.

The farmer has been, however, and is excluded from the benefit of that provision because he has been classified as an unskilled man. But, Mr. President, the industries of this country are enjoying that privilege to-day. They can bring over skilled labor for their purposes. The Senator from South Carolina [Mr. SMITH] seems to think that it is an implication

to say that we need skilled laborers in this country. Then the law contains that implication against every man engaged in industry who wants more skilled labor and who applies for it. The farmer is entitled to the benefit of bringing to his assistance skilled labor and skilled farmers as well as the industrialist.

Mr. President, I hope the Senator will not insist upon eliminating the first section of my amendment. I have no particular objection to his substitute for the second section. It does not change it. If the Senator will point out to me any material change he makes, I should like to have him do it, because I have not seen in what respects he makes such a change.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Nevada?

Mr. SIMMONS. I do.

Mr. PITTMAN. The only change is that it provides some control. Section 1 just lets men who claim to be farmers have a preference.

Mr. SIMMONS. I am speaking about the second section.

Mr. PITTMAN. The second section is not changed at all. I just strike out the first and then leave it to the States to call for laborers or farmers if they need them, and if they need them they will call for them all over the United States. If they do not need them anywhere, they will not call for them; and that is the way it ought to be controlled.

Mr. SIMMONS. The Senator thought the Senate was deciding the question of the skilled farmers that should be admitted here. Not at all, Mr. President. That decision is left to the man in America who owns land that he wants to get skilled farmers to cultivate, who owns land that he wants to subdivide and sell to skilled farmers whom he brings over here. It is not a discretion exercised by the Senate. I can not see that anyone can be hurt by permitting a farmer to go over to Europe and say to a consul, "I need some skilled farmers." You permit the industrialist under the present law to go over to Europe and say that by virtue of the exception in our contract-labor laws he desires skilled labor. You allow him to get all he wants. Why not allow the farmer the same privilege?

Mr. HEFLIN. Mr. President, just a moment ago the Senator from Minnesota [Mr. JOHNSON]—who used to be a Republican and who is now a Farmer-Labor representative—I believe criticized me for reminding the Senate about the murder of an American boy by a foreigner, a product of the immigration system that now curses the country.

I do not know of anything that strikes so vitally at the very heart of the American life as to permit a policy to obtain that will cause the murder of an American boy walking along the street with his father, approached from the rear, stabbed in the back and murdered by this fiendish foreigner, who stated that the reason he killed him was that he wanted to see how deep he could drive a dirk in his back.

That may not appeal to the Americanism of the Senator from Minnesota. It does not seem to appeal to him. The Senator from Minnesota has not got my view of this question. I am pleading for the American household. I have not said anything against the foreigner in our gates who is conducting himself as he should. I have praised those who have come from foreign lands and who are contributing to the good citizenship that obtains in this country. I am opposed to the crooks and criminals that come here. I mention this boy as one of them. This murder of an American boy is the culmination and climax of the most dangerous immigration system ever foisted upon a free people.

What can be more apropos than an illustration that points out the danger that invades the household of America? The home is the fountainhead of our civilization, and anything that affects the home affects our civilization, our liberty, and all that is dear to us.

I used this illustration to point out what is growing out of the system that exists. I could go through my scrapbooks and name American children who have been kidnaped by foreigners and held until they starved and died, making their fathers and mothers frantic. In one instance, I recall, they found the skeleton of a child by a lake in a northern State. I recall a story of an Italian who was on a train. He had been drinking, and a man across the aisle from him—it was at night—with two seats turned was asleep, with a handkerchief spread over his face to keep the light out of his eyes; and the Italian had an idea that he was a detective following him, and he cut his throat while he slept, and he was an American citizen. I can go through the files of these cases and cite hundreds to the Senator from Minnesota; but on yesterday and two or three days before I mentioned a thing that literally stunned me and filled me with sadness. I could sympathize with that father. I have a son. I could sympathize with that mother.

The father was going out at night to walk with his boy along the streets of an American city, the metropolis of America, walking along without any thought of danger; up leaps this assassin behind him, drives this dirk through his body, and his father hears the scream of his boy, and turns to see his lifeblood running out.

This is the product of the immigration system that we have, and I do not care if the Senator from Minnesota and all others like him want that system to continue; I am opposed to permitting it to continue.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I do.

Mr. COPELAND. Has it occurred to the Senator that possibly the reason why that assassination took place was because America had failed to shut out the narcotics which probably poisoned him and caused him to do this dastardly deed?

Mr. HEFLIN. I am not discussing narcotics. I am talking about the results of this miserable immigration system. The boy murdered was named William Clifford, jr. As I said before, one of his forbears was a Member of Congress, Attorney General under President Polk, Associate Justice of the Supreme Court for 20 years, a good old American name; and the boy who killed him was named Rapkowskie. I am saying nothing against the Italians who are good citizens in this country, but I still dare in my place as an American to plead for the American side of this question.

The presence of the Senator from Minnesota will not deter me in the least. I appreciate the compliment he paid me. He said that I looked like an English lord. Well, there is one thing certain about me: You would not mistake me for a foreigner in any quarter of the United States. [Laughter.] There is not a place under the sun in the country that I am trying to serve but that anybody would recognize me as an American; and if they should come to the Senate and hear me speak and see how I vote on the immigration question, they would be convinced more than ever that I am an American.

Mr. JOHNSON of Minnesota. Mr. President, may I ask a question of the Senator from Alabama?

Mr. HEFLIN. Certainly.

Mr. JOHNSON of Minnesota. Is not an English lord a foreigner?

Mr. HEFLIN. Even the Senator from Minnesota knows that. [Laughter.]

Mr. President, the Senator has illustrated in his speech just what I said here yesterday. If we do not close this door now, the day is coming when we can not close it. The Senator has made a speech here this afternoon that defends unrestricted immigration. I am pleading for restriction. The Senator has dared to criticize an American Senator who has pointed out the cowardly and brutal murder of an American boy to furnish pastime to a foreign fiend.

> Why did you kill this boy? You did not know him, did you?
>
> No, sir.
>
> You never saw him before?
>
> No, sir. I did it just to see how deep I could drive that dirk into his back.

The Senator wonders that I have sympathy in my heart for that mother who sits just 11 days from the scene of her murdered boy and the lowering of his lifeless body into its last resting place. I do sympathize with her. I can see her now as she wrings her hands and wonders why the Government permits such to come into the country. I know how that father felt when he said, "My boy has been murdered, murdered by this little fiend. He had nothing against him. He stated that he did it simply to gratify his fiendish desire and criminal instinct, to see how deep he could drive a dirk into him. My boy!" I can hear him calling, and can hear his mother calling, too; but no answer comes. I repeat what I said day before yesterday; in that American household they long—

> For the touch of a vanish'd hand,
> And the sound of a voice that is still!

Yet a Senator who has a heart and who sympathizes with an American father and mother in a case like this when they mourn over the remains of their boy who is dead is criticized by a Senator who flippantly refers to the murderous outrage mentioned by me as out of place here. I am for the American flag and for that which is best for the American people. I am for the American standard of living, and even in the presence

of the Senator from Minnesota I dare to speak for restricted immigration.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment of the Senator from Nevada [Mr. PITTMAN] to the amendment offered by the Senator from North Carolina [Mr. SIMMONS].

Mr. HARRISON. Let the amendment to the amendment be reported.

The PRESIDING OFFICER. The Secretary will report the amendment to the amendment.

The READING CLERK. The Senator from Nevada proposes to strike from the amendment of the Senator from North Carolina paragraph (c), being lines 1 to 7 on page 1; to change the letter "(d)" in line 8 to "(c)"; on page 2, line 7, after the word "laborers," to insert the words "to meet such demand"; and on line 8, after the word "locations," to insert the words "where the demand exists," so as to make the amendment read:

(c) Whenever the legislature or the governor of a State makes a request of the Secretary of Labor for skilled farm laborers or for skilled farmers who are expert in agronomy, forestry, horticulture, or animal husbandry, of any nationality, for the purpose of filling a specific need in that State, the Secretary of Labor, with the Secretary of Agriculture, may make a review of the situation, and upon their approval, in the issuance of immigration visé certificates, preference shall next be given by the consuls to skilled farmers and experienced farm laborers to meet such demand, subject to such regulations as will insure that they go to the specified locations where the demand exists.

The preference provided in (c) and (d) of this section shall not, in the case of any one country, exceed 50 per cent of the quota allotted to such country.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shipstead
Ball	Ferris	Lodge	Shortridge
Bayard	Fess	McCormick	Simmons
Brandegee	Fletcher	McKellar	Smith
Brookhart	Frazier	McKinley	Smoot
Broussard	George	McLean	Spencer
Bruce	Gerry	McNary	Stanfield
Bursum	Gooding	Mayfield	Stephens
Cameron	Hale	Neely	Sterling
Capper	Harreld	Norris	Swanson
Caraway	Harris	Oddie	Trammell
Colt	Harrison	Overman	Underwood
Copeland	Heflin	Pepper	Wadsworth
Curtis	Howell	Phipps	Walsh, Mass.
Dale	Johnson, Minn.	Pittman	Walsh, Mont.
Dial	Jones, N. Mex.	Ralston	Warren
Dill	Jones, Wash.	Reed, Pa.	Watson
Edwards	Kendrick	Robinson	Weller
Elkins	Keyes	Sheppard	Willis
Ernst	King	Shields	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. PITTMAN] to the amendment of the Senator from North Carolina [Mr. SIMMONS].

Mr. PITTMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a pair with the Senator from New Hampshire [Mr. MOSES]. I transfer that pair to the Senator from Missouri [Mr. REED] and vote "nay."

Mr. McCORMICK (when his name was called). I transfer my pair with the Senator from Oklahoma [Mr. OWEN] to the Senator from Vermont [Mr. GREENE] and vote "nay."

The roll call was concluded.

Mr. GERRY. I desire to announce that the senior Senator from Arizona [Mr. ASHURST] is detained from the Senate on account of serious illness in his family.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from New Jersey [Mr. EDGE] and vote "yea."

The result was announced—yeas 50, nays 29, as follows:

YEAS—50

Adams	Curtis	Frazier	Keyes
Ball	Dale	George	King
Bayard	Dial	Gerry	Lodge
Bursum	Dill	Hale	McNary
Cameron	Edwards	Harris	Mayfield
Capper	Elkins	Harrison	Oddie
Caraway	Ernst	Heflin	Pepper
Colt	Fernald	Jones, N. Mex.	Phipps
Copeland	Ferris	Kendrick	Pittman
Reed, Pa.	Smith	Trammell	Warren
Robinson	Spencer	Underwood	Watson
Sheppard	Stanfield	Wadsworth	
Shortridge	Stephens	Walsh, Mass.	

NAYS—29

Brandegee	Howell	Neely	Sterling
Brookhart	Johnson, Minn.	Norris	Swanson
Broussard	Jones, Wash.	Overman	Walsh, Mont.
Bruce	Ladd	Ralston	Weller
Fess	McCormick	Shields	Willis
Fletcher	McKellar	Shipstead	
Gooding	McKinley	Simmons	
Harreld	McLean	Smoot	

NOT VOTING—17

Ashurst	Glass	Moses	Stanley
Borah	Greene	Norbeck	Wheeler
Couzens	Johnson, Calif.	Owen	
Cummins	La Follette	Ransdell	
Edge	Lenroot	Reed, Mo.	

So Mr. PITTMAN's amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from North Carolina [Mr. SIMMONS] as amended by the amendment of the Senator from Nevada [Mr. PITTMAN].

Mr. REED of Pennsylvania. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. CURTIS (when Mr. LENROOT's name was called). I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

Mr. McCORMICK (when his name was called). Making the same announcement as on the previous vote, I vote "nay."

The roll call was concluded.

Mr. McLEAN (after having voted in the negative). Has the junior Senator from Virginia [Mr. GLASS] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. McLEAN. I have a general pair with that Senator. In his absence I withdraw my vote.

The result was announced—yeas 46, nays 30, as follows:

YEAS—46

Adams	Frazier	McKinley	Smith
Ball	George	McNary	Stanfield
Bayard	Gooding	Mayfield	Stephens
Broussard	Hale	Neely	Sterling
Cameron	Harreld	Norris	Swanson
Capper	Harris	Overman	Trammell
Copeland	Harrison	Pittman	Underwood
Dale	Jones, N. Mex.	Ralston	Walsh, Mont.
Dial	Kendrick	Robinson	Warren
Fernald	Keyes	Sheppard	Willis
Ferris	Ladd	Shields	
Fletcher	McKellar	Simmons	

NAYS—30

Brandegee	Elkins	McCormick	Spencer
Brookhart	Fess	Oddie	Wadsworth
Bruce	Gerry	Pepper	Walsh, Mass.
Bursum	Howell	Phipps	Watson
Colt	Johnson, Minn.	Reed, Pa.	Weller
Curtis	Jones, Wash.	Shipstead	Wheeler
Dill	King	Shortridge	
Edwards	Lodge	Smoot	

NOT VOTING—20

Ashurst	Edge	Johnson, Calif.	Norbeck
Borah	Ernst	La Follette	Owen
Caraway	Glass	Lenroot	Ransdell
Couzens	Greene	McLean	Reed, Mo.
Cummins	Heflin	Moses	Stanley

So Mr. SIMMONS's amendment as amended was agreed to.

Mr. WILLIS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be reported.

The READING CLERK. On page 5, strike out lines 8 to 17, inclusive, in the following words:

and (8) an alien who is eligible to citizenship in the United States, and who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, Cuba, or Haiti, the Dominican Republic, the countries of Central or South America, or the colonies or dependencies of European countries in Central America, and his wife and his unmarried children under 21 years of age if accompanying or following to join him.

And insert in lieu thereof the following:

(8) An alien who has resided continuously for at least five years immediately preceding the time of his verified application for admission to the United States in foreign contiguous territory, and who is authorized by the Secretary of Labor upon such application to enter the United States for the purpose of laboring at a specified occupation for a definite time at a designated place: *Provided*, That not more than 5,000 such aliens shall be within the United States at any one time.

(9) Aliens habitually crossing and recrossing boundary lines between the United States and foreign contiguous territory upon legitimate pursuits, when in possession of an identification card issued by an immigration official pursuant to such regulations as may be prescribed.

Mr. WILLIS. The Senate yesterday very definitely adopted the policy of restricted selective immigration, a policy with which I am in hearty accord and which I shall support by voting for the bill on its final passage. We are now to find out whether the Senate is willing to nullify, in effect, its action of yesterday by refusing to reduce, particularly, the immigration from Mexico by placing it on a quota basis.

I wonder whether Senators have had their attention drawn to the situation which now exists? We adopted yesterday a provision which seeks to limit the quota to about 169,000 per year, and yet last year there came in across the Mexican border, practically without let or hindrance, 63,000 people. That many we know of. I give it as my opinion, based upon the opinion of immigration officials, that there were many more than that, perhaps 100,000, but we know of approximately 63,000. Now, what does it amount to to shut and padlock the front door, as we practically did by our action yesterday, and yet leave the back door open so that substantially anyone who seeks to enter the United States can come in by way of that portal?

It is not an imaginary evil by which we are confronted and for which we must seek remedy. In the years 1913 and 1914 only 1 per cent of the immigration that entered this country came from Mexico. In the year 1920–21, 3.7 per cent came from Mexico; the year 1922–23, 12 per cent came from Mexico; or, taking the figures for those years, 13,000 in 1914, 29,000 in 1920, and 62,700, or approximately 63,000, in 1922–23.

Mr. President, upon what theory shall it be said that applied to the Englishmen, for example, only 2 per cent on the basis of the census of 1890 can come in, and yet as to Mexicans—many of whom now coming in are, unfortunately, practically without education, and largely without experience in self-government, and in most cases not at all qualified for present citizenship or for assimilation into this country—we say in effect, "As many of you can come in here as please." Or, take another illustration, upon what theory can it be said that only 2 per cent, based on the census of 1890, can come in from France, and yet, if we refuse to adopt this amendment, we say by our act that any number of people who choose to come in can come from San Domingo or Haiti, or any other country in Central or South America.

This amendment, in effect, simply provides that the same rule which is applied to the remainder of the world shall be applied to the American Continent. In order that Senators may be advised of the situation which obtains——

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Georgia?

Mr. WILLIS. I yield to the Senator from Georgia.

Mr. HARRIS. I did not know that the Senator's amendment went that far.

Mr. WILLIS. In order that there may be no misunderstanding——

Mr. HARRIS. I do not want to labor under a misconception, because I wish to offer a substitute for the Senator's amendment. I understand that his amendment does not make any exception whatever.

Mr. WILLIS. Mr. President, in order that there shall be no misunderstanding, I desire to say that my amendment begins on line 8, page 5, and strikes out down to line 18.

Mr. HARRIS. The Senator proposes to strike out that language and to add nothing to it?

Mr. WILLIS. No; I shall explain the other two provisions of my amendment in a moment.

Mr. HARRIS. Will the Senator allow me to offer my substitute and let him discuss it at the same time?

Mr. WILLIS. Certainly.

Mr. HARRIS. I offer a substitute for the amendment proposed by the Senator from Ohio. It is to strike out all of clause (8), covering the exceptions, so as to place all Mexicans and all North and South Americans under the quota. The Senator from Ohio has, I think, made a better argument for my substitute than he has for his amendment.

Mr. WILLIS. I have not yet come to a discussion of the remainder of my amendment, if the Senator will permit me to say so.

Mr. HARRIS. I wish to say, with the Senator's permission——

Mr. WILLIS. Mr. President, I do not care to yield my 10 minutes for a speech from my friend from Georgia.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Colorado?

Mr. WILLIS. I will yield very briefly.

Mr. ADAMS. In the figures which the Senator gave as to the immigration from Mexico is there counted the number who returned to Mexico? In the western section of the country there is a very substantial incoming from Mexico during certain seasons of the year and a return after those seasons are over.

Mr. WILLIS. I have given the figures as they are found in the report of the commissioner general at page 10, and the Senator may look at them himself.

Mr. ADAMS. The Senator from Ohio does not know whether or not those figures include the number of Mexicans who returned to Mexico?

Mr. WILLIS. I do not know. I know these are the figures which were given by the Commissioner General of Immigration. Let me read a sentence——

Mr. REED of Pennsylvania. I will say to the Senator from Colorado that the figures given by the Senator from Ohio do not include the number who returned.

Mr. WILLIS. I may say upon that point that it would be very difficult to get figures covering the entire admissions and the entire number of those who returned. In order that Senators may understand the situation with which we are confronted I shall refer to the report of the commissioner general. Turning to page 16 of that report, here is what he says:

It is difficult, in fact impossible, to measure the illegal influx of Mexicans over the border, but everyone agrees that it is quite large.

Further on he says:

It is not possible even to estimate the number of Mexicans who enter the country without inspection over the long and largely unguarded stretches of border that lie between stations of our service.

Then further on, quoting from the inspector at San Antonio, he says:

These aliens for the most part are inadmissible to this country and highly undesirable as residents. Among them are anarchists, criminals, and radicals who have been unable to secure visés from American consuls in Europe to enable them to secure steamship passage.

Over on the next page the commissioner points out another situation and makes evident that a great traffic has developed from smuggling across the Mexican border aliens who would not be admitted through our ports.

Mr. President, by the way, at this point I ask permission to insert in full here the statement from which I have been reading.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The matter referred to is as follows:

THE MEXICAN BORDER SITUATION

The long-established routes from southern Europe to Mexican ports and overland to the Texas border, formerly patronized almost exclusively by diseased and criminal aliens, are now resorted to by large numbers of Europeans who can not gain legal admission because of passport difficulties, illiteracy, or the quota law. Undoubtedly a good many succeed in getting into the country in this way, but the hardships and dangers encountered by the aliens, the excessive cost, and finally the vigilance of our officers on the border have apparently tended to make the route unpopular, and while it is still used to a considerable extent the situation, so far as Europeans are concerned, seems to be fairly well in hand.

It is difficult, in fact, impossible, to measure the illegal influx of Mexicans over the border, but everyone agrees that it is quite large. United States territory immediately adjacent to the boundary has been a natural habitat of the Mexicans from the beginning, and residents of the borderland in Mexico, particularly of the laboring class, for a long time moved back and forth across the dividing line practically at will. Illiteracy is common among them and comparative poverty is widespread, but until the general law of 1917 was enacted these conditions were not serious barriers to their legal admission into the United States. Under that law, however, illiterates are denied admission, and a head tax of $8 per person is assessed, and these barriers have naturally stimulated illegal immigration to such an extent that, as already stated, it is not possible even to estimate the number of Mexicans who enter the country without inspection over the long and largely unguarded stretches of border that lie between stations of our service.

Until within quite recent years comparatively few Mexican laborers got beyond the border States, but during the war they were taken in considerable numbers to the Middle Western States, where many of them were left without employment by the industrial depression which followed. It is said that most of these eventually returned to Mexico or the Southwest, but the demand for common labor in the North and

East during the past year brought large numbers into industrial centers in Pennsylvania and elsewhere as substitutes for European laborers whose unlimited admission had been checked by the quota law.

Thus it will be seen that the laws referred to created a complicated problem for the Immigration Service on the Mexican border, and because of this the following extracts from the annual reports of officers in charge of the three border districts are of unusual interest.

Commenting on the illegal and attempted illegal entry of Europeans, the inspector in charge of the San Antonio district, which includes the greater part of the Texas frontier, says in part:

"These aliens for the most part are inadmissible to this country and highly undesirable as residents. Among them are anarchists, criminals, and radicals who have been unable to secure visés from American consuls in Europe to enable them to secure steamship passage. There are likewise among them aliens who probably would be admitted to this country were they to apply at a seaport in the regular manner. Many of this latter class, however, are destined to this country through Mexico as a result of misinformation. There are certain unscrupulous persons in Europe who receive a commission for the sale of steamship tickets to Mexico. These people disseminate false information regarding Mexico and give the impression that it is an easy matter for aliens to enter the United States over the land boundary, whereas they would find difficulty in entering at a seaport. These so-called agents also secure fraudulent passports for their victims, for which they charge an additional fee. These aliens, upon arrival in Mexico, immediately become inadmissible to the United States over the land boundary because of the inhibitions of the last proviso to section 23 of the immigration act.

"Once these aliens land in Mexico they proceed to the border and almost invariably fall into the hands of the professional smuggler. There is now, and has been for years, a band of criminals on this border, known in the smugglers' jargon as 'coyotes,' who gain a livelihood by preying upon persons desiring to enter the United States. Since the increase in number of European aliens desiring to enter from Mexico these smugglers have reaped large financial benefits, for a majority of that class of aliens have ample funds to pay well for any assistance rendered them to enter illegally, and it has been reported that several European aliens have offered as high as $1,000 to anyone who would get them past the border and enable them to reach their destination in the eastern part of the United States. The very fact that they were willing to pay that amount is convincing evidence of their undesirability, for they could proceed to a seaport and apply for admission in the regular manner at much less cost.

"The Mexican border smuggler is an extremely dangerous person to deal with. He goes 'armed to the teeth' and does not hesitate to fire upon officers at sight. A number of Federal and State officers have been killed on this border in the recent past by these smugglers, and it has been more luck than anything else that many of our men have not been killed. There is hardly a week goes by that they are not fired upon.

"In this district there are thousands of miles of winding, twisting river front, traversing for the most part a lonely, almost uninhabited section of the country covered with dense brush. When our officers penetrate this territory in search of contraband aliens and their smugglers, they carry their lives in their hands. The 'coyotes' are ever on the alert and know full well that if they kill any of our men they can make their escape back to Mexico without fear of apprehension, for once they get a start of 10 feet into the dense brush they are virtually lost to their pursuers.

"So far we have mentioned only the ordinary border 'coyote' who has engaged in petty smuggling for years. All the evidence that we have been able to gather recently has pointed strongly to the probability that the large financial rewards for the smuggling of European aliens on this border are attracting a higher type of criminal—men with brains. Reliable information has been received to the effect that there is now in existence a far-reaching organization that takes the alien from his home in Europe, secures a passport for him (a fraudulent one, if necessary), purchases his steamship passage to Mexico, places him on the ship, arranges for his entry into Mexico at Vera Cruz or Tampico, conducts him north to the Rio Grande, and delivers him into the United States—all for a fixed price. These smugglers, unlike the border 'coyotes,' take an interest in the welfare of the contraband aliens and give them every possible advice as to what course they should pursue upon reaching this country. One of their practices is to destroy any false passports as well as any documentary evidence that might involve anyone criminally or show that the aliens themselves were ever in Mexico.

"This more intelligent type of smuggler is a cause for real apprehension. Our activities during the past few months have resulted in checking to a great degree the work of the border 'coyotes.' We have instituted criminal proceedings against the ringleaders, some of whom have been convicted, and the cases of others are pending. We have given wide publicity, through the press and otherwise, to our work in this district in connection with the prevention of smuggling, and this, together with the capture of many of the most notorious smugglers, has had its good effect. The coming of the higher type of smuggler, however, naturally causes some concern. It means a battle of wits between our officers and the smugglers, and as conditions now stand it must be admitted that the odds are in favor of the smuggler. The topography of this section of the country is peculiarly well adapted for smuggling purposes. The many miles of river front afford ample opportunity for the aliens to cross almost at will. Once they reach the American side, it becomes a game of hide and seek and, in the dense undergrowth, the chances are in favor of the hider. By concealing themselves during the day and traveling at night these contraband aliens gradually make their way from the border and reach the open country where, once they pass our last lines of defense, the chance of their apprehension is practically eliminated. If this traffic in contraband aliens is to be checked to any great degree, we will have to concentrate our attack in the immediate vicinity of the border, and to do this will require just one thing—more men.

"There are little, if any, restrictions with respect to immigrants arriving in Mexico, and it is an easy matter for aliens of anarchistic tendencies, or, in fact, any kind of criminal, to enter that country and make it a mere way station on their journey to the United States. These aliens know that they would in all probability be detected and refused admission if they should apply at a seaport of the United States, and so they naturally choose the easier route through Mexico. They are coming to this country for a definite purpose and are well supplied with money. They are going to get in by any possible means, and with our present small force it can not be denied that it is not exceedingly difficult of accomplishment if they place themselves in the proper hands."

* * * * * * *

The inspector in charge of the Los Angeles district, which includes the southern portion of California and part of Arizona, says:

"For a decade or more prior to the year just closed the organized smuggling of aliens into this district was confined almost exclusively to the illegal introduction of orientals—Chinese and Japanese. The reason for this is found in the fact that oriental smuggling only was remunerative to the smugglers. The enactment of the 3 per cent legislation led a great many south European excess-quota aliens to seek illegal entry via Mexico. At first these apparently took a more direct route from Vera Cruz and Tampico, Mexico, to the Mexican border of Texas, New Mexico, and Arizona, but during the last six months, and doubtless under expert advice and guidance, several hundred of these have taken a more circuitous route across the Mexican Republic to the Pacific coast port of Mazatlan, whence they have proceeded by steamer to the Mexican seaport of Ensenada, located a short distance south of the California-Mexican line. Ensenada has consequently become the rendezvous of smugglers operating overland by automobile and undoubtedly in fishing boats, which have an almost unlimited number of safe landing places upon the California coast. Against this smuggling by automobiles the bureau has some defenses in the way of mounted guards of this service stationed at strategic points on automobile highways in southern California. To be sure, the number of these guards is pitiably insufficient, there being but 14 in all southern California. However, since the removal from commission of the immigration patrol launches, more than a year ago, no defense whatever has been available as against smuggling by sea, and the tighter the lines are held on the land the more surely will smugglers and their cargoes of orientals and excess-quota aliens seek the line of least resistance and proceed by boat without fear of practical interference. The not inconsiderable success in combating both oriental and European smuggling activities during the year just closed has been due to ceaseless vigilance upon the part of the bureau's field officers and the carefully cultivated cooperation of local officers. As the bureau well knows, however, not even an approximately effective organization against the illegal introduction of aliens into this country by land and sea can be hoped for until Congress makes sufficient appropriation for a defensive force on land and sea.

"Another disturbing development of the year was the discovery that airplanes are undoubtedly being used to convey inadmissible aliens from Mexico to points several hundred miles into the interior of this country. It is not believed that this method has reached any alarming proportions, mainly for the reason that it is of necessity an expensive and somewhat dangerous means of transportation, though one smuggler, using this means of transportation, is alleged to have boasted that he had successfully landed over 200 contraband Chinese. The almost limitless number of landing fields, natural and artificial, make it impossible to defend against this airplane smuggling without swift pursuit planes manned by the Government's own officers. After money and men have been supplied to defend against automobile and boat smuggling, the acquisition of defense scout planes will have to be considered. The practical answer to all this, of course, is that a border patrol, a coast guard, and airplane equipment should be organized and financed, the whole to be directed by a single Government agency for the enforcement of all Federal statutes relating to the importation of aliens, merchandise, intoxicating liquors, and narcotics."

Mr. WILLIS. The question, then, amounts simply to this, as to whether we are willing to go through the farce of locking the front door, saying that we are going to have a quota of only 169,000, and yet permit uncounted thousands to come in not only from Mexico but also from other countries who choose to go to Mexico in order to find a gateway.

Mr. HARRIS. May I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Georgia?

Mr. WILLIS. I yield for a brief question.

Mr. HARRIS. Does the Senator include Canada in his amendment, or does the amendment deal only with Mexico and the other countries to the south?

Mr. WILLIS. I have tried to make that clear to my friend from Georgia. My amendment proposes to strike out all of the language on page 5, beginning in line 8, down to and including line 17, so that Canada, New Foundland, Mexico, Cuba, Haiti, the San Dominican Republic, and the countries of Central and South America would all be put on a quota basis, just as is the rest of the world.

Because it may be said that that will be a serious interference in some quarters with the labor supply, in the second section of the amendment I am suggesting that, under regulations to be provided by the Secretary of Labor, there would be permitted the importation of seasonal labor to meet these peculiar conditions for the potato fields of Maine or the cotton fields of Arizona; but the amendment provides that not more than 5,000 such aliens shall be in the country at any one time; in other words, the amendment excludes whatever the number may be, almost 60,000 persons, but permits the importation to meet special conditions of something like 5,000.

Mr. WADSWORTH. Mr. President, will the Senator from Ohio yield to me?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New York?

Mr. WILLIS. Yes.

Mr. WADSWORTH. Does the Senator's amendment put Mexico, for example, under the quota system?

Mr. WILLIS. Yes.

Mr. WADSWORTH. And also Canada?

Mr. WILLIS. Yes; it includes Canada. It may be that the Senator from New York or some other Senator is thinking just now that that is rather a serious matter as far as Canada is concerned. I think it is; I wish there were a way in which there could be a larger immigration provided, if desired, from Canada, because the people of Canada are the same sort of people that we are; but I do not know of any way in which that may legally be done. Anyway, the amendment will give Canada her quota of over 20,000. I imagine there will be no very serious difficulty about that. I do know, however, that Canada is faced with the same dangers which face this country. They are objecting because we permit Mexicans to come in here practically without restriction, and those Mexicans are finding their way into the great market places and manufacturing centers of Canada.

If these people from Mexico were simply coming in for employment along the border and going back, that would be a different thing; but they may be found in every great industrial center in the country. They may be found in Ohio, in Pennsylvania, in Indiana, and in Illinois, in the great manufacturing establishments, living under a standard that American workmen ought not to be expected to live under and thereby reducing the scale of wages. I think, Mr. President, it is exceedingly important that this amendment, or some modification of it should be adopted unless we are to weaken very seriously what we have already done.

Mr. REED of Pennsylvania. Mr. President, it seems to me that it is extremely important for several reasons that this amendment should not be adopted. In the first place, so far as Central and South America are concerned, it is absolutely unnecessary. In the last fiscal year we gained by immigration from all of the countries of Central America—that is, the countries from Mexico down to the Panama Canal—a net increase of 725 persons. The total immigration from all of those countries of Central America was only 1,275 persons, and 550 persons emigrated from this country to those countries, so our net gain was 725.

Mr. LODGE. Does that include Mexico?

Mr. REED of Pennsylvania. That does not include Mexico, but I will come to Mexico in a moment. I am referring now to the countries from the southern border of Mexico to the Panama Canal.

Take the entire continent of South America. We received from all the countries of South America last year 4,737 persons only, and 1,447 persons went back to their native land, so that our net increase from all of the countries in South America in the last year was only 3,290 persons.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Georgia?

Mr. REED of Pennsylvania. I yield.

Mr. HARRIS. Those of us over here who support the pending proposal are not alarmed by the immigration from South America, for, of course, there are very few coming in from that continent; but, according to the way in which the bill is now drawn, if it is not changed, the whole quota might come from Mexico into this country and shut out every other country in the world. More than 100,000 Mexicans could come in here. As I recall, sixty-odd thousand came in last year, and I think they are about as undesirable as any people coming to this country, and I want to get rid of them.

Mr. REED of Pennsylvania. If the Senator will permit me, I will come next to the question of Mexican immigration.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Wyoming?

Mr. REED of Pennsylvania. I yield to the Senator.

Mr. KENDRICK. I should like to ask the Senator if the number of immigrants from South America, which I understand the Senator states to be 4,747——

Mr. REED of Pennsylvania. The total immigration from South America was 4,737.

Mr. KENDRICK. Does that include those coming from the West Indies?

Mr. REED of Pennsylvania. No; it does not. I am talking of the countries on the continent of South America, and I say that, as to them, we had a net gain of 3,290 persons; so that our total gain from all of Central and South America together amounted to only 4,015 persons last year.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Florida?

Mr. REED of Pennsylvania. I yield.

Mr. FLETCHER. Can the Senator give us the figures as to Cuba and the West Indies?

Mr. REED of Pennsylvania. I expect to do that in just a moment, if the Senator will permit me.

So far as Central and South America go, the policy indicated by this amendment is obviously unwise if we intend to attach any importance to the Pan-American idea. We are alien to our neighbors in South and Central America by language. Their natural resort is to Paris and to Madrid. For everything they buy and almost every thought that they think they naturally refer to those two centers. If we want to hold them to us—and I think we do so long as we maintain the Monroe Doctrine—we have got to treat them differently from the rest of the world, and we ought to treat them differently in the measure now pending, because there is no occasion for singling them out and clapping a quota down upon them.

I come next to the countries closer to us, Mexico and Canada. I agree with what the Senator from Ohio has said regarding the general undesirability of the type of immigrants we have been getting from Mexico. I think that pretty generally the Mexican that has come to this country has come in violation of the literacy test that is imposed by the act of 1917.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED of Pennsylvania. I yield.

Mr. KING. The Commissioner General of Immigration tells me that of the sixty thousand and odd who came last year all of them came regularly and without violating the law at all, and he said that the records show that substantially those who come in go back again.

Mr. REED of Pennsylvania. I had the impression that both of those statements were incorrect; but of course the Senator's authority is more recent than mine. I ought to say that as to the immigrant coming from Mexico, although under the present law there is no quota restriction, there is the same

$8 head tax that is imposed on immigrants from any other country. Eight dollars means a very large sum to many of the Mexican immigrants, and that is why large numbers of them come in illegally, smuggle themselves across the border, in order to beat that head tax.

Imagine, if you please, that we put on the quota suggested by this amendment. The result would be that instead of having some of them come through the inspector's offices and the rest smuggled in, all of them would be smuggled in; and here is what one of the chiefs of the inspection districts along the Mexican border says. This is quoted in the report of the Commissioner General of Immigration in the present year. He says—this is the inspector in charge of the San Antonio district—

> In this district there are thousands of miles of winding, twisting river front, traversing for the most part a lonely, almost uninhabited section of the country, covered with dense brush. When our officers penetrate this territory in search of contraband aliens and their smugglers, they carry their lives in their hands. The coyotes—

That is the slang name down there for immigrant smugglers—

> The coyotes know that they can make their escape back into Mexico without fear of apprehension, for once they get a start of 10 feet into the dense brush they are virtually lost to their pursuers.

Just imagine what the result will be if we pass this law. Obviously we are not going to pass it unless we mean in good faith to enforce it. Imagine trying to patrol thousands of miles of uninhabited country along that river, which can be waded along much of its length, with brush so dense that an officer can not see a man more than 10 feet off, and imagine to yourselves what it will cost us to enforce that border patrol to keep out these 62,000 Mexicans.

Mr. KENDRICK. Mr. President, will the Senator yield to me?

Mr. REED of Pennsylvania. I yield to the Senator from Wyoming.

Mr. KENDRICK. I want to say for the information of the Senate that I am satisfied that the majority of the 60,000 Mexicans who came in last year were brought into the country in the regular way under the law, and returned to Mexico in the fall. They came for the purpose of cultivating and harvesting agricultural crops, and it is not too much to say that this kind of labor does not appeal to white people. It is not a question of remuneration; they do not want to do that kind of work. It is seasonal work; and if the beet growers of the West are denied this kind of labor it will destroy the beet industry without any question whatsoever.

As suggesting the importance of this industry, there was produced in this country during 1922, 1,382,000,000 pounds of beet sugar.

Mr. REED of Pennsylvania. I thank the Senator for that contribution.

Of the 62,000 immigrants who came in legally last year, 43,000 came to locate in Texas. It is obvious what we will do to the farms in Texas if we suddenly shut them out. I agree with the Senator that the result of a sudden exclusion of them would be very harmful.

Further than that, Mr. President, we have stricken out by committee amendment the West Indies Islands—and now I am trying to answer the Senator from Florida——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. REED of Pennsylvania. I move to strike out the last word of the amendment of the Senator from Ohio.

The PRESIDING OFFICER. The Chair will have to say to the Senator that the Senate does not recognize that method of procedure.

Mr. HARRIS. Mr. President, can I not offer my substitute for the amendment and let the Senator speak on it?

The PRESIDING OFFICER. The Senator can propose his substitute, and, of course, the Senator would have 10 minutes on the substitute.

Mr. HARRIS. Then I will offer my substitute for the amendment.

The PRESIDING OFFICER. The Chair will recognize the Senator from Georgia to offer his substitute, which will be stated by the Secretary.

Mr. NEELY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NEELY. The Senator from Pennsylvania does not need any assistance from me; but I should like to inquire if he has not a perfect right to continue for 10 minutes more to discuss either the amendment offered by the Senator from Ohio or the substitute offered by the Senator from Georgia? In other words, has he not a perfect right to take 20 minutes if he desires so to do?

The PRESIDING OFFICER. The Chair has stated that if the Senator from Georgia offers a substitute, the Senator from Pennsylvania can take 10 minutes on it if he seeks recognition.

The Secretary will state the amendment, in the nature of a substitute, offered by the Senator from Georgia.

The READING CLERK. On page 5, line 8, after the word "immigration," it is proposed to strike out all down to line 18.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania to speak on the substitute of the Senator from Georgia.

Mr. REED of Pennsylvania. I thank the Senator from Georgia. I shall be very brief. I want to give the figures on Mexican immigration in the last two fiscal years.

In the year ending June 30, 1922, we received 19,551 Mexicans of the immigrant class and we lost 6,285, the net increase being about 13,000.

In the last fiscal year, which ended June 30, 1923, we received 63,768, more than three times as many as the previous year, and the departures—speaking always of the immigrant class—were 2,660, and apparent net gain of about 60,000, which is rather contradictory to the idea that the Senator from Utah mentioned a little while ago, and is contradicted by my own impressions. I think more of them went back than the record shows.

Mr. BURSUM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from New Mexico?

Mr. REED of Pennsylvania. I yield.

Mr. BURSUM. I desire to call attention to the fact that the 64,000 or 63,000 does not represent the bona fide immigration so far as laborers are concerned, but the large portion of that number came out of Mexico on account of the revolution. Many of them came to Los Angeles, others to San Antonio. They are a very high type of people, and they are there now. They are not here competing with American labor. Whenever times quiet down they will go back. The same thing happened in 1920; and those are the only two years out of the last ten years that show any abnormal immigration from Mexico.

Mr. REED of Pennsylvania. Mr. President, just a word in conclusion.

There has developed within the last six months a rather considerable immigration of negroes from the colonies of Great Britain in the West Indies; and it was for that reason, and because that immigration seemed to us to be undesirable, that we struck out the West Indies dependencies, as you will notice on page 5, in lines 14 and 15. That was done by the committee, and the Senate has already agreed to that amendment. That leaves only the matter of Canada.

The Canadian border is nearly 3,000 miles long, and most of it is barren wilderness. It is a physical impossibility to police that border so as to prevent the percolation into the United States of single individuals. We could not do it if we had the whole United States Army stationed at uniform intervals along the border. You can figure it out mentally. It comes to about one soldier for every 500 feet; and if we took all our soldiers away from all the other posts on the globe, and stationed them on the Canadian frontier, they still could not prevent Canadian immigration.

Mr. McKELLAR. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Tennessee?

Mr. REED of Pennsylvania. I yield.

Mr. McKELLAR. I recall a young man from some European country who had entered the United States and had gone home without taking out his naturalization papers and therefore could not get back. He tried for the next two years to get in through Mexico, and he was arrested on the border every time, and he never did get in. He had to go back to one of the Mediterranean countries—I have forgotten which one it was—and get himself included in a quota, and it was three or four years before he got back. I think they are very active down on the border, and that they keep the immigrants from coming in that way to a fairly good degree.

Mr. REED of Pennsylvania. Well, Mr. President, there are 14 inspectors in the southern California district, and they have to cover a tract of nearly 800 miles, so they must be pretty vigilant if they are able to do it.

Coming back to the Canadian frontier, Mr. President, if we could guard that frontier, it seems to me we ought not to want to. The Canadians are exactly the same kind of people that we are. It is to their interest and our interest that we have the utmost freedom of movement across that frontier. They

give the same privileges to us. They are more than courteous in allowing us to establish our immigration officers in their ports; and so I want to say in conclusion that in my judgment this amendment indicates the wrong way to do it. What we ought to do is to apply to Mexico the same method that we have applied in Canada. Let us have perfect free trade across the border in persons with those countries. Let us, by cooperation with them, establish immigration officers in their ports, as we have already done in Canada, so that when a man lands either in a Canadian or a Merican port he is greeted right off by an American inspector; and if he does not measure up to the American standard of admissibility, he is not allowed to land in either of those neighboring countries. That way has proven practical in Canada. We work it without the slightest friction with our Canadian neighbors, and I think it would be a great misfortune if we were to change that system.

Mr. ADAMS obtained the floor.

Mr. SHIELDS. Mr. President, will the Senator from Colorado yield to me in order that I may ask the Senator from Pennsylvania a question?

Mr. ADAMS. I yield.

Mr. SHIELDS. What countries now are excluded from the quota law? Are the West India Islands excluded?

Mr. REED of Pennsylvania. Does the Senator mean under the bill now before the Senate?

Mr. SHIELDS. Yes.

Mr. REED of Pennsylvania. The bill now before the Senate covers all countries with a quota except the Asiatic barred zone and Japan, and except the Pan American countries on continental South America, Central America, and North America, and it also excepts the independent governments in the West Indies. That is, Cuba is excepted, Haiti, the Dominican Republic, and Newfoundland. Those are the only exceptions.

Mr. ADAMS. Mr. President, I have some difficulty in regarding the Mexican immigration as immigration in fact. The part of this country from which I come was, in fact, opened and developed by the Spanish-speaking people, and it was the English-speaking people who have crowded into that territory. The western part of this country was opened by way of Mexico and not by way of the Atlantic coast. So I have difficulty in thinking of the man who comes in from Mexico, across and along the trails that were open and in use before the Pilgrims landed at Plymouth Rock, as an immigrant.

In my State and my county these people were among if not its first permanent settlers. I do not concur in the description which the Senator from Ohio [Mr. WILLIS] gives of the Mexican who comes in. He is not a bad citizen. He is not an anarchist. He is not lawless. As a matter of fact, the Spanish-speaking people and those of Spanish descent are good citizens in our community, and they are citizens much needed. There is an influx each year from across the border greatly needed in the beet industry, in our sheep industry, and in other lines of production. The railroads use them.

Let me point to this distinction: In this country, following the war and during the war, we found racial groups, influenced in their thinking upon great questions involving the future of Americans by home ties. This condition did not exist among the Spanish-speaking people in our country. We had no un-American thinking group from those sources either before, during, or after the war. They are genuinely American in their sympathies, in their thoughts, and in their actions. They are as a rule not well to do in the world's goods, but they respect our institutions and regard the rights of others. Few of the recent immigrants from Mexico come here for permanent residence.

The difficulty the employers of the Mexican population have had has been in inducing them to stay. They are really anxious to go back to their own homes. They came here to escape disturbed conditions in Mexico and temporary economic pressure, but they intend to return. The people operating the beet fields and the beet factories and in the sheep industry frequently have to go and induce the Mexican population to come in and supply much needed labor for their seasonal industries. It is with difficulty that the common labor need of our community is kept up, and we are dependent solely and absolutely at the present time upon this labor that comes in from Mexico.

So the striking down of this source of labor would to-day inflict serious injury on a great section of the country, and there is no corresponding threat, there is no danger to our country from permitting them to come in. Remember, Mexico is not a populous country; it is not teeming with millions of people eager to leave. Those who seek to come are few in number. There will be no great influx if the border is left open. But few of them wish to come, and those who do are good citizens, on the whole, and they are needed.

As pointed out by the Senator from Pennsylvania [Mr. REED], it is also greatly to our interest to establish and maintain cordial and friendly relations with Mexico.

So, speaking from the western standpoint, I sincerely hope this amendment will not be adopted, because the adoption of it would mean not good but injury to our country.

Mr. NEELY addressed the Senate. After having spoken for 10 minutes,

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NEELY. Mr. President, I shall now speak on the substitute offered by the Senator from Georgia.

The PRESIDING OFFICER. The Senator has been speaking on the substitute. The Senator can now speak 10 minutes on the bill.

Mr. NEELY. I will do that, and if I do not finish in the 10 minutes I shall speak on another amendment.

The PRESIDING OFFICER. The Senator will proceed.

Mr. NEELY addressed the Senate. After having spoken for 10 minutes on the bill,

The PRESIDING OFFICER. The time of the Senator from West Virginia has expired.

Mr. NEELY. I ask unanimous consent for five minutes more.

The PRESIDING OFFICER. That would be contrary to the agreement. The Senator can speak on another amendment when it comes up.

Mr. HEFLIN. He can speak on the amendment offered by the Senator from Georgia.

The PRESIDING OFFICER. The Senator has already exhausted his time on that amendment.

Mr. HEFLIN. I have an amendment on the table that I desire to have voted on.

The PRESIDING OFFICER. The Senator can not offer that amendment until the pending amendment is disposed of.

Mr. HEFLIN. It is already offered.

The PRESIDING OFFICER. There is an amendment pending.

Mr. NEELY. May I move to amend by providing that the Harris substitute shall be limited to two years in its operation?

The PRESIDING OFFICER. The Chair is bound to say that that would be an amendment in the third degree.

Mr. NEELY. Then, may I offer it as an amendment to the amendment of the Senator from Ohio?

The PRESIDING OFFICER. The Senator can not do that now, because the amendment of the Senator from Georgia to the amendment of the Senator from Ohio is pending.

Mr. NEELY. I offer it as a substitute for the amendment of the Senator from Ohio, and that certainly is not an amendment in the third degree and it is germane.

The PRESIDING OFFICER. It would not be in the nature of an amendment. The Chair would like to help the Senator if there was any way to do so.

Mr. NEELY. Mr. President, a point of order. I insist that the Senate can at any time by unanimous consent do anything it chooses. I would like to have my request for unanimous consent put before the Senate. I ask for four or five minutes additional, and if the Senate does not grant it I shall be perfectly satisfied.

Mr. FLETCHER. May I suggest that the Senator can offer his amendment after the vote is taken on the pending amendment?

Mr. HEFLIN. But he wants to finish his speech now.

Mr. NEELY. I do not want to torture the Senate twice in one day.

The PRESIDING OFFICER. The Chair will put the request of the Senator from West Virginia. The Senator from West Virginia asks unanimous consent to proceed for five minutes more. Is there objection? The Chair hears none, and the Senator from West Virginia will proceed.

Mr. NEELY. I am very much obliged to the Senate and also to the Chair.

Mr. NEELY resumed and concluded his speech, which is as follows:

Mr. President, having subjected immigration from European countries to the most rigid restrictions, we shall reach the limit of inconsistency, the height of folly, and prove ourselves the most illogical of legislators if we leave open our southern border to the unobstructed invasion of the United States by the entire population of Mexico. On the basis of merit Mexico is the last country in the world to which we should grant a special favor or extend a peculiar privilege. She has committed more offenses against the American

Government, outraged more American citizens, and usurped more American property rights than any other nation in the world. The immigrants from many of the countries of Europe have more in common with us than the Mexicans have. The immigrants from many of the countries subject to the quota provisions of the bill before the Senate are much more desirable from every point of view than are those from Mexico. Every fact, every circumstance, and every consideration that prompts us to restrict immigration from Spain and Poland and Italy demand that we restrict it in equal measure from Mexico.

Therefore, I shall support the substitute offered by the Senator from Georgia [Mr. HARRIS], the purpose of which is to make the restrictive features of the bill operative against Mexicans to the same extent that they are operative against the people of Europe.

It is high time for us to realize that this is our country, and that it is our duty to defend it against all enemies. It is our duty to defend it not only against enemies in arms but against the millions of physically, mentally, and morally inferior men and women scattered over Europe, Asia, Africa, Mexico, and the islands of the sea, who, as prospective immigrants, are awaiting their opportunity to rush to our shores. And let us not deceive ourselves. Everyone immigrating to the United States whose intelligence is below the average intelligence of our own people, whose respect for law and order is less than that of the average American citizen, whose standard of life is lower than the American standard of life is an obstruction to American progress, an enemy to American institutions, and a menace to American ideals.

He who can contemplate our immigration statistics with complacency could experience an earthquake without apprehension or a volcanic eruption without alarm.

Among many other things these statistics show that during the decade immediately preceding the outbreak of the European war there came to this country, with the momentum of an irresistible army, on an average more than 1,000,000 immigrants a year. Of this mighty influx of humanity more than 2,500,000 could neither read nor write a single word of any language.

During the last fiscal year, under the most restricted immigration law we have ever had, more than 673,000 aliens entered the United States. This late addition to our population, if arrayed four abreast like an army on the march, would form a column 191 miles long. That column would reach from Washington, through Maryland, Delaware, and Pennsylvania, to Bound Brook, N. J. It would reach from Baltimore to New York City. The men, women, and children composing it, marching as disciplined troops, would require 67¼ hours—almost three days and nights—to pass a given point.

If one were to begin at high noon on Monday to review these marching immigrants, he would find it necessary to remain on duty continuously until half past 7 o'clock on the following Thursday morning in order to see the entire procession go by.

One view of this horde, largely made up of ignorant, indifferent, and unassimilable humanity, bearing its countless contagious, physical, mental, and moral diseases directly to the American people, would visualize our danger, fill us with consternation, and arouse us to a sense of our duty.

According to the census there were in the year 1910 more than 13,000,000 people of foreign birth in the United States. More than 6,000,000 of them, although they had resided here more than 10 years, had never even tried to obtain naturalization papers or attempted to become American citizens. These millions of aliens had enjoyed the protection of our laws; they had shared our prosperity; they had accepted our hospitality—the most generous and genuine in the world—for more than 10 years without having assumed a single obligation of citizenship; without having pledged themselves to support our Constitution; without having sworn allegiance to our flag.

But despite the fact that we already have millions of unassimilated immigrants on our hands, our "banners" of welcome are still "hung out on the outward walls," and "the cry is still, 'They come.'"

During the last six months of last year, under our present restrictive law, an additional horde of more than 585,000 immigrants invaded this land. Every one of these aliens helped to swell the ranks of our unemployed; every one imposed some new burden upon the country; every one presented some new problem for solution.

We are at last compelled to answer at the bar of public welfare the momentous questions: Shall we keep America for Americans; shall we hold it in trust for our children and our children's children; or shall we continue to lavish it upon the people of every other nation until we shall have delivered all of our priceless heritage to foreign invaders—until we shall have justified the following words of Isaiah: "Your land, strangers devour it in your presence, and it is desolate"?

Day before yesterday I voted for the Harris amendment to prohibit all immigration—subject to an exception in favor of so-called fireside relatives—for a period of five years. All of the reasons that persuaded me to vote for the prohibitive amendment impel me to support the pending amendment to restrict immigration from Mexico. The following are some of the reasons in question:

In my opinion it will require at least five years to assimilate the foreigners who are now on American soil. Until the aliens who are now here have learned to speak our language, love our country, revere our institutions, and obey our laws no more should be permitted to come. Until all who are in this country have adopted the American standard of life no more should be permitted to bring here the lower standards of life from other lands.

We shall better serve our country by making thorough-going, liberty-loving, law-abiding patriotic American citizens of the more than 14,000,000 of foreign-born subjects who are now here than by admitting millions of additional immigrants of whom untold multitudes will never become American citizens at all.

The perennial unemployment of our people—both native and foreign born—demands the prohibition of immigration until all those for whom we are responsible have been provided at least sufficient employment to enable them to earn their bread. It is our duty to be just to those at home before we attempt to be charitable to those abroad.

At the present moment there are at least fifteen hundred thousand workingmen and women in the United States who are idle, for the sole reason that there is no demand for their labor. There have been times during the last three years, under the present administration, when 5,000,000 of our toilers could find no employment and when 2,000,000 of them in desperation were forced either to beg or starve.

So long as our problem of unemployment is unsolved, so long will the admission of additional immigrants intensify the distress resulting from enforced idleness, augment our prevailing unrest, multiply our present difficulties, and increase our existing dangers.

The contention that we should continue to permit immigration in order to be prepared to satisfy any increased demand for labor that may hereafter arise is without facts to support it. On the contrary, figures are available not only to refute it but also to prove that we now have hundreds of thousands of working men and women who, with great advantage both to themselves and to the country, could be released from their present occupations by the modernization of our industries and the scientific distribution of our labor.

I acknowledge my indebtedness to Hon. James J. Davis, the able Secretary of Labor, for the following pertinent facts and illuminating figures:

In our steel industry, for example, with all mills running at capacity, we can in seven months produce enough iron and steel to satisfy all of our demands. It is therefore obvious that our iron and steel workers are living under the constant apprehension of the calamity of unemployment for approximately five months of every year.

If all of our steel mills were thoroughly modernized, it would be possible for two-thirds of those now on the pay roll in this industry to produce all of the iron and steel for which we have a market. In the best-equipped furnaces it consumes but 1 hour and 12 minutes of one man's time to produce a ton of pig iron, while in some of the antiquated furnaces which are still in operation it requires as much as 11 hours of one man's time to obtain the same result. An intelligent modernization of all our inefficiently operated mills would result in a large additional surplus of laborers for employment in other industries.

Our boot and shoe manufactories as now manned and equipped are capable of producing 758,000,000 pairs of boots and shoes a year. But we have an annual demand for only 325,000,000 pairs. Thus it is apparent that the boot and shoe industry is more than 50 per cent overmanned, and that it would be better for all concerned if half the labor employed in it could be diverted to the production of some other commodity.

There are in the United States at the present time approximately 33,000 men engaged in making brick. The operation of this industry is almost as primitive as it was in the days of the Pharaohs. But there is a brickmaking machine in Chicago with which one man can manufacture 49,000 bricks an hour. If machines of similar capacity were installed in all of our brickmaking plants, 5,000 men could produce enough

brick to satisfy our entire demand, and thus render superfluous, so far as brickmaking is concerned, approximately 28,000 laborers and make them available for other occupations.

The bituminous coal industry affords a most impressive example of overmanning and overdevelopment. As now equipped our mines, working full time, can produce more than a billion tons of coal a year; while there is a demand for only 500,000,000 tons a year.

About 650,000 laborers are engaged in mining coal. Four hundred thousand of these men, working 8 hours a day, 308 days a year, could produce all the coal that it is possible for us to consume. In the circumstances, there is a constant surplus of 250,000 coal miners whose employment in other industries would be a godsend to the remaining 400,000 who would thus be able to obtain regular employment every day in the year.

The foregoing illustrations of the possibilities of economizing our man power and supplying additional demands for the services of those who toil should be sufficient to convince even the most skeptical that by the scientific modernization of our industries and the intelligent redistribution of those who work with their hands we shall be able, without further immigration, to supply all demands for labor for many years to come.

Another erroneous contention that has been generously contributed to the debate in progress is to the effect that immigrants are needed to perform farm labor. But this contention is doubly refuted—first, by the Farm-Labor Senators who assert that the farmers do not need more labor but higher prices for their agricultural products; and, secondly, by the well-known fact that the average immigrant—particularly from southern Europe—will neither work nor live on the farm.

The seductive charms of rural scenes, the unalloyed pleasures of pastoral life, and the rapturous sight of bursting buds and bearded grain, immortalized by Virgil, make no appeal to the remote descendants of this great poet of a more heroic age. Unhappily, the immigrants of to-day prefer the feverish centers of population and the poverty-stricken slums of great cities of the East to the wheat fields of the North, the cotton fields of the South, or the cornfields of the West. Sad to relate, more than three-fourths of our entire alien population are now congregated in cities of more than 5,000 inhabitants.

But the all-compelling reason why we should for the present prohibit or at least most rigidly restrict immigration, including that from Mexico, is discovered in the fact that our foreign-born population is largely responsible for the lawlessness, the violence, and the crime that are burdening our taxpayers, blackening our record, overcrowding our jails and penitentiaries, disgracing our Nation, and jeopardizing the safety of all law-abiding citizens.

A little while ago a responsible official of the Department of Justice declared that nine-tenths of all the violent uprisings in the United States are attributable to those of foreign birth. Corroboration of this assertion is to be found in the columns of every newspaper and in the records of every criminal court in the country.

To call the roll of those accused of crime in almost any American forum is simply to pronounce names the most of which have appeared on the passenger list of some immigrant ship. From mildest misdemeanors to most brutal murders there are no offenses for the commission of which our aliens are not responsible for much more than their proportionate share. Every passing year witnesses an increase in the criminal activities of our foreign-born population. It is a matter of common knowledge that a large majority of our crimes of bootlegging, rum running, drug peddling, kidnaping, bomb throwing, dynamiting industries, destroying property, and massacreing human beings are planned and perpetrated by those who were born in other lands and have become residents of this country by virtue of our lax immigration laws.

On every ship that brings immigrants to our shores come those who before they pass the Statue of Liberty begin to formulate plans to capture the American Federation of Labor, use its great power for wicked purposes, and vanquish its able and patriotic officers and leaders, such as Samuel Gompers, Frank Morrison, and the chiefs of the railroad brotherhoods.

Before these undesirable immigrants have set their feet on our soil they have, with the zeal of fanatics and the industry of beavers, begun to devise means of subverting our Constitution, defying our laws, destroying our institutions, communizing our property and sovietizing our Government.

It is of course cheerfully admitted that with the influx of undesirable immigrants there have come many thousands from many different countries who are sober, industrious, law-abiding patriotic citizens in every sense of the word. These have helped to man our industries, develop the country's resources, and increase our wealth in time of peace; these have generously, loyally, and courageously helped to fight our battles in time of war. To them and to their posterity we owe a debt of gratitude which no good American citizen will ever intentionally lose an opportunity to pay.

Therefore, let is be understood once for all that it is only against the lawless, the vicious, and the disloyal aliens that we inveigh.

The unassimilated immigrant's constant menace to America's most precious ideals is indicated by an article that recently appeared in the Chicago Tribune, a part of which is as follows:

> Hamtramck, a city of 60,000 inhabitants, situated within the limits of Detroit, is making a bid for fame. At a recent mass meeting of its residents demands were voiced for "Polish rule," evacuation of the State police, and removal of all but Polish people from the community. A judge of the Federal court was harshly criticized for an attack on the local liquor situation, and a local justice was booed into silence when he attempted to speak in English in defense of the Federal court. He was told that only the Polish tongue should be heard.
>
> That reveals a situation which can not be overlooked. The persons responsible for that meeting and its actions are not American in thought, spirit, or practice, whether they are naturalized citizens or not. Either something within themselves or something in America has prevented them from becoming American and has kept them Poles at heart. It reveals a grave menace to American institutions and democratic government.

Mr. President, the deplorable, disgraceful, and alarming situation, of which the foregoing article so forcefully speaks, exists to a greater or less degree in every city in the United States which has a large foreign population.

Such aliens are not attempting to Americanize themselves; they are endeavoring to Europeanize America. They are not an asset to the Nation; they are a menace to American civilization. It was not for such as these that Washington gave us the country, Jefferson the Constitution, and Lincoln the Union.

In the matter of rendering justice, dispensing charity, and granting relief to the distressed of other lands we shall always continue to lead the world. We shall always continue keenly to sympathize with the unfortunate, the poverty stricken, and the oppressed of every other country who shall long for refuge here. But in spite of our sympathy, our charity, and our generosity the hour has come for us to respond to the demands of duty and first of all discharge our obligations to our own flesh and blood.

Let us forthwith adopt as our slogan, "America for Americans to-day; America for Americans until the judgment day."

The sons of Russia, the sons of Greece, the sons of Italy, and the sons of all other European countries are against our suspending or restricting our immigration; but the American Legion, the American Federation of Labor, the Sons and Daughters of the American Revolution, and all the other patriotic societies and fraternities in the land are pleading for their total prohibition or the most rigid restriction of immigration.

In such a case my duty is clear. I shall vote not for the societies and sons of other countries but for the societies and sons of my own country. I shall vote, not for Russia but for the United States, not for Mexico but for America, and for the protection of her institutions and the preservation of her ideals.

In behalf of American labor, the most loyal and patriotic in the world; in behalf of the American Legion, whose members have fought our battles and won our victories; in behalf of American law, which has been violated by aliens on every hand; in behalf of the institution of private property, which has lent wings to our imagination, gratification to our ambition, and success to our efforts; in behalf of all who would protect this Government against the propaganda of the Bolshevists and the assaults of the anarchists from other lands I have voted to prohibit all immigration for a period of five years. But since the amendment providing exclusion has failed, I now earnestly plead for the adoption of the pending amendment, which subjects the people of Mexico to all of the rigid restrictions of the bill before the Senate.

Henceforth let us meet Mexicans and all other immigrants in excess of the minimum quota at the international boundary line and the water's edge with the stirring Garibaldian battle cry with which Petain's heroes turned the tide of victory at Verdun and proclaim to all the world, "They shall not pass!"

Mr. HARRIS. Mr. President, if the provision is not amended it, in my opinion, breaks down the quota basis of the whole bill we are undertaking to enact into law. Unless the amendment is adopted or the substitute is adopted the Italians or other nationals could go to Mexico, 200,000 in a year, and come

across to this country and then every other nation on earth would be shut out from coming in here. Their quota would be broken down. To-day one of the great troubles we have is that they are going from Holland and Italy and other countries to South America, Cuba, and to Mexico, and then coming across our border. Thousands of them have gone to Cuba. Unless we change the basis, as I said, it will destroy the effect of the whole measure.

Mr. KING. Mr. President, will the Senator yield?

Mr. HARRIS. Certainly.

Mr. KING. The Senator knows that under the provisions of the bill before us that may not be done. If a person should come from Italy to Cuba or to South America, he would have to remain there five years before he would be eligible to come into the United States and would then have to come in under the quota.

Mr. HARRIS. Mr. President, I did not mention the number of years, but the statement I made is true. Two hundred thousand could go from any one country in Europe to South America and then come from there to this country.

Mr. COLT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Rhode Island?

Mr. HARRIS. I shall be glad to yield to the able Senator.

Mr. COLT. The bill now before the Senate only proposes to admit those who are born in this hemisphere. We have changed the pending bill from the present law and from the Johnson bill; in other words, while the countries in this hemisphere are outside of the quota, speaking generally, only immigrants born in those countries are outside the quota; and any Englishman or any Frenchman coming to Canada and desiring to enter this country would come under the English or the French quota.

Mr. HARRIS. Let me ask the able Senator, who understands immigration better than almost any person in our country, this question: If this provision is left in the bill, if it is not changed, and 169,000 immigrants, the total that we are going to allow to come into the United States, came across the Mexican border, we should have to receive them under this proposed law; would we not?

Mr. COLT. No immigrants can come across from the Mexican border except those who were born in Mexico.

Mr. HARRIS. If they were born there, any number, could they come?

Mr. COLT. Oh, yes.

Mr. HARRIS. They are excepted from the quota?

Mr. COLT. They are outside the quota, if they were born there.

Mr. HARRIS. Now, we are closing the front gate and we have opened wide the back gate. To my mind we are going to destroy much of the good that is in the bill. I have been delighted with the prospect of getting such a bill, though, as Senators know, it is not so restrictive as I should like. However, I have been consistent. I have tried to treat every section of the country alike in my votes. I have not made any exceptions or given any preference to any. If this provision should be allowed to remain in the bill, it would give preference to certain sections and certain States; and I am opposed to that. I think we ought to strike out this provision.

As I said just now, I think the Mexicans are among the most undesirable immigrants who come into our country. I hope the Senate will vote for my substitute to the amendment of the Senator from Ohio [Mr. WILLIS]. If I can not get my substitute adopted, I am going to vote for the amendment of the Senator from Ohio, and I hope that it will be adopted if my substitute be not agreed to. I have made the best fight I could for restrictive immigration, and while I would like to prohibit all immigration for five years I am more than pleased to get it greatly reduced, and I am not going to take the time of the Senate further, Mr. President.

Mr. BURSUM. Mr. President, I do not think it would be wise to adopt the pending amendment. I am not in favor of disrupting the Pan American Union which it has taken so many years to build up by our most farsighted and patriotic statesmen. I do not believe it is wise to set aside a traditional policy which has been in existence practically since this Republic began. Under the Monroe doctrine we have assumed the rôle of "big brother" and defender of all Latin America against the world. Now to slam the door in the face of our neighbors could have no effect except an adverse one to this country. It is to Latin America, South America and Mexico, that this country must look for the promotion of trade, and, in large part, to increase our foreign commerce in order to build up and aid American industry.

James G. Blaine, while he was Secretary of State—and I believe all thinking men will concede that Mr. Blaine was pretty sound on matters of international commerce—proposed a reciprocity arrangement with the South American countries, in order to enhance American trade and industry. American shoes, American clothing, and American automobiles are sold all through those countries; they are used almost exclusively in Mexico. There are upward of $3,000,000,000 of American capital invested in Mexico. American genius, American science, and American money are invested in nearly all of the Latin-American Republics. Those countries have always shown a disposition to welcome American energy, American genius, and American capital.

There is no danger of this country being overrun by Mexican immigration, and, so far as South America is concerned, it is a joke to talk about it, for there is practically no immigration from the countries of South or Central America. During two years of the last 10 years there has been an abnormal immigration from Mexico, in both cases the result of revolution in Mexico. Men of high type, high character, and splendid education have come here because of the conditions in Mexico. They have not settled in States in the interior of the country, but have located along the border—for example, in Los Angeles, Calif., and El Paso and San Antonio, Tex. I have heard no complaint from those communities. The Mexicans naturally locate near the border, because their relatives and friends live there, on the soil where their forefathers came before the landing of the Pilgrims at Plymouth Rock. They have a perfect right to come, and why should they not come?

So far as labor is concerned, Mexico has no great surplus of labor. Mexico is a very sparsely settled country, much more so than any portion of the United States. The time is not far distant when Mexico will be a very desirable field for Americans to settle in in order to help develop that wealthy country and its vast resources. Through that sort of a policy we can hope to obtain a large measure of benefit, but to close the door against our neighbors, first, is impracticable and, second, it is offensive.

Furthermore, most of the labor from Mexico does not compete with American labor, but is absolutely indispensable in the beet fields of Colorado, of Utah, and of the Dakotas, and likewise it is indispensable in the cotton fields in cotton picking.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Ohio?

Mr. BURSUM. I yield.

Mr. WILLIS. I was wondering under what theory the Senator claims that Mexican laborers do not compete with American labor when we find Mexican laborers coming into our great industrial centers and doing the work formerly done by American labor. Upon what theory can it be said that that is not competition, and how can it be claimed that that sort of labor does not dispossess American labor and reduce American wages?

Mr. BURSUM. I will say to the Senator from Ohio that the principal work which Mexican labor does in this country is in the beet fields, where no American laborer is willing to work. They have always done that work.

Mr. WILLIS. Mr. President, if the Senator will permit me, the very amendment which we have been discussing has in it a provision for seasonal labor to reach the very situation which he now describes.

Mr. BURSUM. Yes; but the amendment, to my mind, would not be sufficient; and, furthermore, the very proposal to set aside a traditional policy so far as the Latin-American nations are concerned, and which admittedly is aimed at the Mexican, can not help but be offensive, and it is not for our welfare.

As to other lines of work, Mexicans have been brought here to work as section hands on the railroads. There is no other labor to do that work. The Mexicans do not come here to work at a lower rate than anyone else would be paid; far from it, that class of labor is paid nearly three times what was paid when the Irish performed the section work of the country. They, however, are no longer willing to do that kind of work; they have progressed; they have accumulated wealth and sought other vocations more agreeable and more profitable to them. Later on the Italians did the section work on the railroads, but the Italians are no longer willing to do that class of work; so that now we must rely on the Mexicans.

So far as absorbing the Mexican population in this country is concerned, that is the merest rot. Mr. President, you will never live long enough, nor will any other Senator live long enough, to see the day when there will be any considerable number of Mexicans who come to this country to live permanently. When they do come here to reside, as a small number of them, perhaps, have come, they remain in the border States

where their relatives live, where, as I have stated, their forefathers lived three centuries before them, and where they have friends. That is as far as they go. There is no disposition on the part of the Mexicans to settle in other portions of the United States.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Ohio?

Mr. BURSUM. I yield.

Mr. FESS. If the Senator will yield to me, my concern in considering this amendment is lest it start a movement of discrimination which might seriously disturb our relations with Mexico and Canada and the nations of Central and South America, which are rapidly becoming progressive and developing industrially. I feel somewhat fearful that our traditional policy, which has been developing for many years, would be seriously disturbed by the adoption of the amendment. I should like to vote for it in one sense, but it seems to me that the price is too great to pay. What does the Senator say about that?

Mr. BURSUM. I think the Senator is absolutely right.

The PRESIDING OFFICER. The time of the Senator from New Mexico on the amendment has expired.

Mr. BURSUM. Then, I will speak on the bill.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes on the bill.

Mr. BURSUM. Mr. President, it will be absolute suicide to take the action now proposed. The United States is admittedly entitled to have a preponderance of influence in the Latin-American Republics. This country has stood up as against the world to protect them, and, through that policy, maintained for a number of years in the organization of what is commonly called the Pan American Union, there has been built up a solidarity and a community of purpose between all the American Republics of the Western Hemisphere.

It is our right, and we should obtain the benefits of the commercial relations which may be built up with these countries by that sort of a friendly cooperative policy. To pass a law closing the doors on those peoples will simply turn them away from us; it will create animosity in the place of friendship; and there is every reason on earth why we should stand by our traditional policy, and continue to be helpful.

Mexico gave us in 1921 $200,000,000 in trade, more than she gave to all the balance of the world; and I want to say to you that it is not without the range of possibilities that in the very near future, when Mexico becomes stabilized, we may have a billion-dollar trade with her. There is no other country under the sun that has Mexico's natural, undeveloped wealth of every kind and character, which is awaiting the stimulus of American activity. It would be suicidal to pass a bill containing an amendment of this kind, which would, in effect, drive those people away from this country.

Mr. FERNALD. Mr. President, I shall detain the Senate but a very few minutes. I do not intend to take any appreciable part of the 10 minutes allotted to me.

I have no sentiment in this matter. I have no fear of any military troubles that may come to us from either Canada or Mexico, whether we accept this amendment or not; but this is a cold business proposition.

I come from a State bordering on the great Dominion of Canada, and we draw from that Dominion a large number of men to help us gather our crops at certain seasons of the year.

The State of Maine has one-third of the spruce that is growing on the soil of the United States that is manufactured into pulp and is again manufactured into paper. It is impossible to gather those trees and transport them to the mills without Canadian labor; and every fall and every winter, from September until April, we draw on the Dominion for the best labor we have in the forests of Maine. We draw on them in the fall, during September and October, to help us garner in the potatoes from the great county of Aroostook. They are a splendid people, and it is necessary that we have the most friendly relations with them.

I am opposed to any amendment or any act of the Congress of the United States that would in any way interfere with bringing in those people. They are a husky, strong, robust, dependable lot of young men that come to us every season. They come and work through the fall and winter, and then go back to their homes; and I fear that this amendment might interfere with that annual movement.

This is a cold business proposition. It does not seem to me to be necessary to wave the American flag and fight all the wars from the Revolution down. There is nothing military about this. It is simply a cold proposition as to what we want to do to carry on our business in this country.

It is necessary that we enact such legislation as will give us men. If there is any class of people on the face of God's earth to-day that it is necessary to provide for—and that has been repeated here by every Senator on this floor—it is the farmer. It is necessary, above all things, to give him labor; and the best labor we get comes from the Dominion of Canada.

I am, therefore, opposed to this amendment.

Mr. KING. Mr. President, the tendered amendment is of great importance. It seeks to place the Western Hemisphere under the quota provisions of the pending bill and to reverse a policy which has been pursued by the United States from the beginning in dealing with the nations of this hemisphere. To apply the provisions of the pending bill to Canada would be, in my judgment, impolitic, and highly disadvantageous from every standpoint to the American people. It would be an affront to our neighbors, who have so much in common with us. It would disturb the business relations which are so mutually advantageous to the American people and to the Canadians. It would develop suspicions and resentments that would increase in force as the years go by. We would suffer perhaps more than the Canadians by such a policy.

The reasons which have been urged against European immigration can not be urged against Canada. It has been urged that the great majority of the Europeans who have come to our shores during the past 20 years have not been homogeneous and are not easily assimilable. Many harsh statements during the discussion of this bill have been made against those who have come from southern and eastern Europe which I regard as wholly unwarranted and most inaccurate. But I shall not discuss that question. I merely advert to the reasons given for restricting immigration from Europe to call attention to the fact that those reasons, whether sound or unsound, do not apply to Canada.

The line separating Canada from the United States is a mere geographical one. Hundreds of thousands of Americans have found homes in Canada and are contributing to the development of British America; and large numbers of Canadians have found homes in the United States and many others have large business interests within our borders. The line does not separate the peoples of the two Governments. They freely pass back and forth. To apply the quota provisions of this bill and to establish all of the machinery essential to enforce the quota regulations against the Canadians would be harmful to the United States and, in my opinion, would not meet the approbation of the American people.

Certainly no one will contend that the ideals of the American people are lowered by our contacts with Canadians. It can not be said that our standards of living are affected or that the material interests of our country would suffer by continuing the liberal and wise policy with respect to immigration which has prevailed between the two countries. Canada, next to Great Britain, is the greatest consumer of American products. She furnishes a growing market for our surplus products, and the trade and commerce between the two countries, in the very nature of things, will greatly increase as the years go by. Any policy which would disturb the friendly relations or impose additional obstacles to the freedom of trade and movement between the peoples of the two countries would occasion most serious consequences to the economic interests of the people of our country.

May I address myself briefly to the movement which places the Latin-American Republics under the quota provisions of the pending measure? I can not understand the outburst of opposition to the Republics south of us, whose interests we have professed to regard with such solicitude, and for whose welfare for a hundred years this Republic has evinced a most sincere regard. Mr. President, we are in part responsible for the establishment of these Republics. It was this Nation when young that gave encouragement to the peoples of Central and South America to assert their independence and to set up governments of their own choosing. Our Republic announced the Monroe doctrine, which was a shield and protection against monarchial influences of the Old World and the efforts of despotic rulers to retain control of or to reconquer those who had proclaimed their independence and their emancipation from the influences of Europe. The United States watched with the deepest solicitude the birth and development of the Latin Republics upon this hemisphere. We rejoice in their progress and in the material development which they have made.

At times there have been disturbances and departures from stable government; political and social disorders have unfortunately manifested themselves in some of these Republics; but

I think it can be truthfully stated that, considering the difficulties which our neighboring Republics to the south of us have had to encounter and the many obstacles that were interposed to progress, their development and successes have been extraordinary.

Mr. President, a review of the record of these Republics during the past hundred years, I think, will show they are entitled to high praise, and we should be the first to extend congratulations upon their fine achievements. We should do nothing to mar the friendly relations which exist between these Republics and the United States. Indeed it is the part of wisdom for our Government to adopt every reasonable means to bring the peoples of the Western Hemisphere into closer relations and to bind them together with bonds of genuine affection. Such a course is dictated by the highest principle of justice. The immigration question is a difficult one to deal with. That has been demonstrated in the consideration of the pending bill. Provisions found in the bill before us, we are advised, have wounded the sensibilities of a friendly nation lying beyond the Pacific; and one or more European nations have signified their fear that the bill discriminated against them, or at least against their nationals. National pride exists among all nations. The existence of a proper national spirit is not to be condemned; indeed, it is to be commended. Even small nations should have national pride; and powerful nations should be as considerate in dealing with small nations as when dealing with powerful ones.

The United States in its immigration legislation has always regarded the Western Hemisphere as sui juris; it has not sought to bring it within the same class as other nations. The reasons for such a course are obvious. They are to be defended in morals as well as from purely political considerations. It would be most unwise and impolitic for the United States now to adopt a different policy and place the nations of the Western Hemisphere upon the same Procrustean bed as that which we propose to furnish for other countries.

Mr. President, as I have stated, the United States ever since the Monroe doctrine was announced has assumed a sort of guardianship over the nations in Central and South America. Our attitude toward them has been different from our attitude toward other nations. As stated, we have professed a deep and abiding interest in their welfare. We have been ready to protect them from any European or Asiatic aggressions. We have denied the right of European nations to engage in military or naval operations against them. We have sought to build up a Pan American Union and to establish such a community of interests as would bind together all states upon the Western Hemisphere. All American Presidents from the time of Monroe have been interested in bringing into closer relationship these various nations.

A great impetus was given to this national policy when Mr. Blaine was Secretary of State; and from his time until the present, every President of this Republic—and so far as I now recall, every Secretary of State—has most earnestly sought to bring into closer union and fellowship all Republics of the New World. To adopt the amendment offered by the Senator from Ohio [Mr. WILLIS] or the amendment offered by the Senator from Georgia [Mr. HARRIS] would be at variance with our policies of a hundred years and would justify a feeling of resentment upon the part of those countries which would fall within the terms of these amendments. Mr. President, from a moral and ethical point of view the adoption of these amendments—or either of them—would be improper. Those who are speaking about the spiritual union of the peoples of the earth and of the coming day when peace shall abound signify their disbelief in their contentions when they advocate the adoption of these amendments.

What is there in the present situation that calls for these drastic provisions? There is scarcely any immigration from these Republics to the United States; a few thousand annually. Nor is there any indication that in the future there will be greater immigration from these countries to the United States. With the great resources which Central and South America as well as Mexico possess, with their millions of acres of unoccupied lands, there need be no apprehension of any invasion of our shores by the peoples of these Republics. Indeed, Mr. President, during the next 50 years I predict there will be not thousands alone but hundreds of thousands of American citizens who will migrate to some of these Republics and establish their homes there and make contribution to the growth and development of their new homes.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KING. I will speak now on the bill.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes on the bill.

Mr. KING. Mr. President, I repeat that the relations existing between these Republics and the United States call for a different immigration policy than that applied to other countries.

Considering the question solely from a business standpoint, I believe it to be most unwise to apply the terms of this bill to our neighbors upon the north or upon the south. It is important for the prosperity of the people of the United States that they develop larger markets upon the Western Hemisphere. I have sometimes felt that we have neglected the South and Central American Republics, and have not competed as we might have done with European nations for trade there to be found. Before the war Germany, Great Britain, France, and other European nations had an almost unchallenged field in the countries which I have just referred to.

During the war our opportunities for increasing our trade and commerce with the Latin Republics were multiplied. As I am advised, we have made considerable progress in developing markets and our trade is increasing, but there is still opportunity to increase our exports to South and Central America. European nations have appreciated the inroads made by the United States, and they are with great zeal trying to reconquer markets which they have lost and to secure further markets for their products.

The Senator from Pennsylvania has just stated that naturally the people of South America turned their attention to Madrid and to Paris. He referred, of course, to the fact that race ties were strong, and there was an inclination upon the part of our Latin-American neighbors to look sympathetically in the direction of the Latin nations of Europe. Conceding that natural trait, it is nevertheless true that these peoples will trade where they can secure the best results; and if our country can supply their wants and can offer them favorable conditions, undoubtedly the commerce between the United States and those countries will materially increase in the future. The field is open for the Americans to enter; and it would be foolish to adopt a policy which would dam the stream or divert it into other channels.

And, Mr. President, conditions in Europe may not be as favorable in the future as in the past for the absorption of our surplus products. Great Britain and Germany before the war took hundreds of millions of our surplus products, not only manufactured products but agricultural products. The disaster which has overtaken the American agriculturalist has resulted largely from diminishing European markets. The unwise tariff legislation which we have enacted has reacted to the disadvantage of the American farmer and will work most serious injury to the American people. Our unwise fiscal policy, followed by inflation, our artificial price level, maintained by unjust tariffs, together with other factors which I have not time to enumerate, have produced a situation which must inevitably result in diminishing our foreign trade and commerce.

High prices and high wages do not always mean prosperity. If high prices and high wages result from artificial stimulation, then disaster is portended. It will soon become manifest that we can not compete in most manufactured products with European countries, and we will not find in those countries markets for billions of manufactured products which in the past we have there found. It is vital that we find markets for our surplus products. If an artificial basis of production is maintained in the United States, it is manifest that our chances for competition in the markets of the world will grow less.

If we can increase our trade with the countries to the south of us, it will be of the utmost importance to the American people. We should keep in mind that these Republics with their limitless resources will be a field of increasing trade and commerce. We should join by invisible bonds of good will and amity, as well as bonds of material interest, the peoples of those southern Republics with the people of the United States. We should encourage them to trade with us, and American business men should avail themselves of every possible opportunity to extend their operations into these countries.

Speaking of conditions in Europe, I am reminded of an interview I had with Mr. Trotski when I was in Moscow. He stated that our policies would soon drive us out of Europe, and that the United States, if it persisted in its present policies, would ultimately find the markets of the world satisfied with the products of other countries than the United States. He referred to the high price levels in the United States, the high wages, the hothouse conditions which prevail in our business activities, and argued that the United States would soon be unable to compete with European nations and must

therefore be shut out from their market. He referred to the remarkable development in agriculture in Germany and in Russia, as well as Poland and the Balkan States, and predicted that within a comparatively short time Europe would not be purchasing agricultural and livestock products from the United States. His prediction was that business in the United States would within the next two or three years encounter severe reverses, and financial trouble of a most serious nature would overtake us.

Undoubtedly, Russia and other European States will witness a remarkable agricultural development in the near future. Russia will be able to annually export hundreds of millions of bushes of cereals and will also supply European countries with a variety of raw materials.

Mr. President, I am alluding to these things only for the purpose of emphasizing how important it is for the prosperity of our own country that we maintain the most cordial relations with Canada and with our southern neighbors. We want their good will; we desire to trade with them; we can not afford to adopt any course that will disturb the relations now existing or place any cloud in the sky that might constitute a menace to the peace and fellowship so imperative to our happiness and prosperity.

Mr. President, addressing myself briefly to the immigration from Mexico: I stated a few moments ago, during the speech of the Senator from Pennsylvania that most of the Mexicans who crossed the border returned to their own country. That, Mr. President, was particularly true of the years prior to 1922 and 1923. The Mexican people entertain the strongest attachment for their own country; they exhibit an affection for Mexico that is most remarkable. They have that spirit of devotion to their country that leads them to give their lives without murmur in what they regard to be its defense. Senators must remember that a considerable portion of our country formerly belonged to Mexico. After the separation many Mexicans crossed the line into the United States, apparently oblivious to the fact that it was American territory. Americans living upon the border passed into Mexico. Many of them have large property interests in Mexico. I might add in passing that Americans own property in Mexico of the value of hundreds of millions of dollars, and many Mexicans are employed upon the ranches and in the mines and smelters owned by Americans and situated in Mexico. During the past few years Mexicans have come into the United States to engage in what are know as seasonal occupations. They remain for a few months and then return to Mexico.

There have been no considerable accretions to our population from Mexico. A few only have come as far north as Chicago. Most of them who have crossed the line have sought employment in the States bordering upon Mexico or not far remote. They have not displaced American workers. In most instances they have performed work that the average American workman declined to perform. They are no menace to our industrial life or to our standards of living.

Mexico, with its imperial domain, its great resources, and its sparse population, will not under any circumstances send more than a few thousand into the United States, and judging the future by the past it is certain that substantially all who come will return to their own country. The large migration during last year resulted from the revolutionary conditions in Mexico. When peace and order are restored thousands of Mexicans residing temporarily in Texas, New Mexico, Arizona, and California will return to their homes.

Mr. President, I submit that if American workingmen only were interested in the proposition now under consideration their interest would best be subserved by defeating the amendments now before us. Mexico, Central and South America, if we pursue a wise and proper course, will furnish markets for American products of the value of hundreds of millions of dollars annually. As stated, our trade with these countries is increasing, and as the trade increases it means greater production by our factories and mills and plants in order to supply the demands from these countries. To satisfy these demands additional labor will be required, and that will call for the employment of more American workmen, and with the increased production of mills and factories and plants the greater will be the demand for farm products, and thus the farmers will be benefited.

Mr. President, much could be said upon this subject, but under the time limit I shall forbear.

Mr. WILLIS. Mr. President, I have not spoken on the amendment offered by the Senator from Georgia, and I wish to say just a word on that amendment. The argument just made by the Senator from Utah [Mr. KING] and the argument previously made by the Senator from New Mexico [Mr. BURSUM] seem to me to be most strange doctrines to hear advocated in this Chamber. Stripped of all their verbiage, the arguments amount simply to this, that because we want to extend trade, because we want to sell products, because we want to make money, therefore the question of the kind of people we shall have in this country and the kind of a Nation we shall be amounts to but little.

Mr. President, all I want to say upon that point is this, that I am a great deal more concerned about the kind of people we are going to be in this country fifty or a hundred years hence than I am about developing trade in some particular direction or selling our manufactured products to Mexico.

Mr. REED of Pennsylvania. Will the Senator yield for a question?

Mr. WILLIS. I yield.

Mr. REED of Pennsylvania. In applying the Senator's amendment to Central and South America, it does not make any difference in the total number of aliens who come, because the minimum quotas allowed those countries would more than include all of the immigrants we get. Does not the Senator think, then, that it would be wiser and more according to the fraternal spirit of the Pan American Union to exempt them from the trouble of going through all this business about getting visé certificates?

Mr. WILLIS. Mr. President, I had thought, of course, of the suggestion now made by the able Senator from Pennsylvania. The difficulty about that, it seems to me, is the difficulty that resides in this whole section. I think we ought to treat nations alike, and if we shall say to South America, "The quota law shall not apply to you," we will have made an invidious discrimination about which other nations might have a right to complain. I think all nations should be treated the same.

Of course, I recognize the fact that the minimum quota we provide, namely, a hundred, will take care of the South American and the Central American countries, and there will be no difficulty; and that is not the purpose at which this amendment is aimed. The purpose at which we are driving is to shut off the coming in of cheap labor from Mexico, and if it shall be said that that is going to interfere with trade I have only to say that I am more concerned about the character of our Nation than I am about getting a supply of cheap labor.

Mr. BURSUM. Mr. President——

Mr. WILLIS. I yield to my friend.

Mr. BURSUM. The Senator from Ohio has stated that his chief purpose is to measure and gauge the character of the people who come into this country. I desire to call the attention of the Senator from Ohio to the fact that of the descendants of these very people, so-called Mexicans, we have many in the Southwest, and they are pretty good citizens. In 1861 they followed Mr. Lincoln alongside of the volunteers from Ohio. They followed Teddy Roosevelt in 1898, and they furnished their full quota in the World War. They have always been good, loyal, law-abiding, God-fearing citizens, and they are the same race of which the Senator complains.

Mr. WILLIS. Mr. President, it is exactly those people whom the Senator has described that I am trying to protect, those men who, coming from Mexico at an early date, have been in this country and helped to make it. I am protesting against the policy which the Senator advocates, of bringing in a totally different and lower type of people to take the places of those men. I am making no attack on the old type of Mexicans who have become good American citizens. I am seeking to defend the folks he is talking about, and he is seeking, under the guise of getting trade with Mexico and making more money and selling more products to somebody, to bring into this country cheaper labor, to bring down the labor market. That is all there is of it.

Mr. BURSUM. Mr. President——

Mr. WILLIS. I yield for a question.

Mr. BURSUM. The Senator from Ohio founded his argument a moment ago upon the basis of character, and said he was chiefly concerned about the kind of people who came in.

Mr. WILLIS. And I still insist upon that very point. I venture to say the people about whom the Senator is talking, who were in his State and helped to make it, are of a totally different character from those who are now permitted to come from Mexico. They are of a totally different character from the laborers who are now coming in and finding their way all over this country.

On that point let me say another word. This idea that has been advanced by different Senators, that these laborers come in and go right back out of the country can not be well founded. If it were true that this was simply seasonal labor, how would Senators account for the fact that in every great industrial

center in this country there is being built up a Mexican colony, and Mexican immigrants are being sought for because they can do the work, and do it cheaper because they have a lower standard of living? When you get this thing down to its fundamentals, that is all this proposition amounts to.

As I said in my remarks a few minutes ago, it seems to me that it is almost fruitless to undertake to restrict immigration and then leave the back door open so that those of comparatively lower standards of living and wages can come in, not only from Mexico but indirectly through Mexico from all the countries in the world.

Mr. FLETCHER. Mr. President, I can not see my way clear to favor either the amendment offered by the Senator from Ohio [Mr. WILLIS] or the amendment offered by the Senator from Georgia [Mr. HARRIS]. The latter is especially objectionable. If we vote down the amendment offered by the Senator from Georgia, as I hope we will, then I shall offer as an amendment to the amendment proposed by the Senator from Ohio something after the following order: Strike out, on lines 3 and 4, page 2, the words "in foreign contiguous territory" and insert the words—

in the Dominion of Canada, Newfoundland, the Republic of Mexico, Cuba, or Haiti, the Dominican Republic, the countries of Central or South America, or the colonies or dependencies of European countries in Central America and South America, and the West Indies, or other islands adjacent to the American Continent.

If we are to admit seasonal labor at all, it should include all these countries named in the bill and not be confined to Mexico.

Mr. WILLIS. If it is proper to do so, I will accept the Senator's amendment.

Mr. WALSH of Massachusetts. Will the Senator state the effect of his amendment?

Mr. FLETCHER. The effect of the amendment would be to treat all Central American and South American countries, Cuba, the West Indies, Haiti, and Santo Domingo on the same basis as we treat Mexico with reference to this seasonal labor.

Mr. WILLIS. Will the Senator yield?

Mr. FLETCHER. I yield.

Mr. WILLIS. Let me say to the Senator, if there is objection as to the number fixed in the amendment, I shall have no objection to whatever increase may be desired within reason. I fixed it at 5,000. From the information I had, that seemed to be reasonable. If that is not sufficiently great, I would accept an amendment.

Mr. FLETCHER. If that amendment should be agreed to, I think it would greatly improve the amendment offered by the Senator from Ohio. But I am not at liberty to offer it now, the amendment offered by the Senator from Georgia being pending. I sincerely trust that amendment to the amendment will be voted down. As the Senator from Utah has so well said, we have been pursuing a policy with reference to our Latin-American friends, some 18 or 20 Republics composing what we know as the Pan American Union, which is wholly inconsistent with the idea of eliminating them and treating them upon a basis such as would be fixed by the adoption of this amendment.

We announced years ago our purpose to cultivate the kindliest and friendliest relations with all these Latin-American countries, and that has been our policy ever since.

I remember a world message delivered by President Wilson at the Southern Commercial Congress in Mobile, in 1913, in which he assured the peoples of these countries and of the world that it was no purpose, desire, or intention of the United States to acquire one additional foot of territory in this Western Hemisphere, and that our hope and intention was that most cordial relations should continue with all Latin-American countries.

The Senator from Ohio seems to minimize to some extent this idea of trade and commerce. Trade and commerce means peace. Trade and commerce with these countries is an important matter for us to consider. We want to cultivate it. Prior to 1914 they were unable to reach us directly with their products, because none of these countries had any merchant marine of their own. They had no ships. Prior to that time the United States had no merchant ships, practically, of any consequence moving to the ports down there. Both the United States and South America and Central America were dependent upon foreign ships to move the products we needed from those countries, such as coffee and nitrate, and sugar from Cuba, for instance. We were dependent upon foreign vessels. The products of those countries moving to us came by way of Europe and foreign ships. We were unable to trade with them then as we are in a position to do to-day. Consequently conditions changed, so that now we have the ships by which we are able to send them the things that we have to sell and to bring back to us the things they have to sell to us—hides from Argentina, coffee from Brazil, nitrate from Chile, and other products of that sort.

As a result of the world upheaval from 1914 to 1918 the conditions have so changed that we can to-day obtain directly the trade which belongs to the United States, and which those countries are perfectly willing that we should have, and to sell to them the things which they need and which they desire and which we are able to sell to them at prices lower than foreign competitors could offer. But prior to 1914 we could not deliver, because we were dependent upon our competitors to carry those products, and they could raise the rates to such an extent as to shut out American trade in South America.

That was repeatedly done. As to steel rails, manufactured products of various kinds, cement, and other products which those countries were anxious to have from us, we were unable to market them there because foreign vessels raised the rates to such an extent as to be practically prohibitive, and our competitors got the business.

But the conditions have changed. They are our friends and we are their friends. We desire their good will and their business, their trade, and their commerce. We are in position now, by reason of our having merchant ships of our own, to obtain and control the trade which formerly went to the European countries. So I feel that it would be a mistake, a serious mistake, to adopt the amendment offered by the Senator from Georgia. When the vote has been taken upon that amendment I shall then offer an amendment to the amendment which has been proposed by the Senator from Ohio.

Mr. FESS. Mr. President, I think the junior Senator from Utah [Mr. KING] gave us the guide in our proper treatment of this particular proposed amendment. I sympathize with what my colleague wishes to establish. We all want the highest possible character of American citizenship. I sympathize also with his effort to prevent unnecessary competition with our own labor. I do not think, however, that either of those elements is playing seriously in our relationship with the Republic south of us, and especially it is not with the Province north.

I think we must accord a different treatment, a different code of treatment, to South and Central American countries and Canada from what we accord to Europe. Juxtaposition, geographically speaking, makes them different. The difficulty in enforcing any law that we might enact very seriously would make a change. My opinion is that having built up a body of good feeling, existing for nearly 100 years, we should do nothing to destroy it. Ever since the announcement of the famous Monroe doctrine, when we took the position of the big brother, we have had difficulty all along the line to induce those people to realize that all of our efforts were for their benefit and a protection against intrusion from countries across the sea rather than a selfish purpose. We have never regarded them as our wards, but as peoples of particular attention that we owe to them to prevent interference by foreign governments with any of the governments on the American continent.

I do not believe that we can lightly regard the value of this friendship. I especially think that is true, because by reason of our efforts to protect those people, continuously there will be from different countries inquiries as to whether we had a motive of unselfish regard for them. When we announced away back in 1823 our policy toward those southern countries, it was originally questioned as to whether we had our own interests in mind. Ever since that time we have had a succession of events by which America has reaffirmed this protective relationship.

Every time we have reaffirmed it we have had to dispel more or less suspicion arising from the country protected. It was so with the Panama mission of 1826, three years after the announcement of the Monroe doctrine. It was again true in the treaty of New Grenada of 1846. It was especially true with the Clayton-Bulwer treaty of 1850. It was true in all of the successive steps by which we reached the position where we could freely exercise the authority to construct the Panama Canal.

But after that we developed a better feeling between us and those countries, having proved by our conduct our unselfish attitude; and in the administration of Grover Cleveland, in 1887, when the dispute arose over Venezuela, the true purpose on the part of America, not for our own benefit but to protect those countries against intrusion from foreign countries, was, I am sure, developed as never before.

Then when it was repeated in 1895, under Grover Cleveland's second administration, our purpose was better understood. This good feeling was increased in 1902 under Roosevelt's administration. It took on new interest back in 1881 in the effort to extend the Pan American Congress under Garfield's administration, led by the statesman from Maine, James G. Blaine. Again it was reaffirmed in 1889 under Harrison's administration by the same brilliant diplomat. So that for 100 years and more we have been making an effort to build up a body of public feeling or national conviction of our duty toward those countries and by maintaining the proper policy to insure the best possible good feeling on the American Continent.

This is the first time, it seems to me, that there is suggested a proposal of legislation that will make it very difficult for us to prove to those countries that we have had their interests in mind rather than our own. I see no danger in continuing the policy as it now is. I think I see unnecessary danger by inserting the proposed amendment. In the interest of the best possible feeling, in the interest of the development of a great trade that is rapidly growing, and in the interest of preserving a relationship that exists and will continue to exist if we do not pass offensive legislation, I believe that our duty to-day, as never before, is for the "big brother" to show that not only are we ready to protect these countries on the Western Hemisphere but that we are not going to do anything selfish that will unnecessarily offend them.

In closing I simply want to say that while I sympathize with the desire to reach what my colleague would like to have, I can not go with him on this new departure here on the Western Continent, and I shall vote against both the amendments.

Mr. REED of Pennsylvania. Mr. President, we have been asked a good many times this afternoon what the intention is as to passing the bill to-day. It has been our hope that the Senate would remain in session until we finally dispose of the measure this afternoon or this evening.

Mr. JONES of New Mexico. Mr. President, I hope that the amendment may not be adopted. I realize that there may be some Senators here who do not appreciate the significance of the proposed amendment. The amendment of the Senator from Georgia [Mr. HARRIS] and of the Senator from Ohio [Mr. WILLIS] as well would practically prohibit any immigration from any country on the Western Hemisphere. I hope that there may be sober second thought as to the meaning of that proposition. I do not believe there is a Senator here who lives in a border State either to the north or to the south who favors either one of the propositions. I believe we know conditions existing there better than the others who live in the interior.

So far as the Government of Mexico is concerned, the people cross and recross that common boundary without any interference under existing laws. We live as neighbors to each other. We do not draw any line of distinction as to association. The people of the United States have their investment in Mexico. Mexicans come to the United States for temporary business purposes. Quite a considerable number have come into the United States by reason of the revolution which has been going on in Mexico. But I say to you that the population, the civilization, and the high ideals to which we all look are not interfered with by our present relations with the Government of Mexico. Where is the Senator who will rise and say that this country is being contaminated by association with our neighbor to the north? That being so, I ask why there should be this hysteria developed regarding our other neighbors? What is there in the equation that calls for this most drastic legislation?

I submit that the question demands a sober second thought. I am one of those who believe in preserving the integrity of our institutions and the purity of our citizenship. I believe in that, but it is not being contaminated either by our neighbor on the north or our neighbor upon the south. Why disturb our relations? Just think for a moment, as has been suggested by the Senator from Pennsylvania [Mr. REED], of the vast difficulty which will arise in connection with the enforcement of the exclusion of those people. If we enact this legislation, may we not in the near future find that those people are willing to assert their sense of pride and retaliate against us?

The Senator says that the question of business has nothing to do with it. I submit to the Senator that it should have something to do with it, at least until the time comes when the danger shall appear. It does not appear now, and I appeal to Senators not to do this very drastic thing until there shall be some definite, certain, and known menace to the people of this country. Upon a mere suspicion, upon a mere general idea that we want to preserve our citizenship, why should we do this drastic thing until we know or have good reason to believe that we are being threatened from these countries? I say to Senators that there is no menace, and not a Senator from any border State has risen in the Chamber to appeal for the adoption of either one of these amendments. I sincerely hope that both amendments may be voted down; but if they should not be I shall still hope that the Senate may take a second thought and exclude from the operation of the amendments our two neighbors living upon contiguous territory, and with whom we have a common boundary. I submit that there is no necessity for the adoption of either one of these amendments, and I hope they may fail.

Mr. TRAMMELL. Mr. President, I merely wish to say a word or two. As the Senator from New Mexico has stated, of course this amendment would include our neighbors on the north and on the southwest, and the second amendment would also include Cuba, which is our neighbor on the south. There is now a comparatively small amount of immigration to the United States from Cuba. Lying immediately to the south of Florida and being only 90 miles, or 6 hours' ride on a boat, from Key West across to Cuba, yet now there is no trouble arising from immigrants from Cuba. The number is comparatively limited at present. This amendment would seek to preclude them from coming into the United States. They come more particularly to Key West and Tampa, Fla., and there engage in work in the cigar factories of those cities, respectively.

The clear Havana cigar factories in these two cities work many thousand men. Tampa is the largest clear Havana cigar-manufacturing city in the United States. Without being able to secure in sufficient numbers the skilled and trained Cuban cigar makers these Florida cities would be greatly hurt.

I have always been a friend of American labor and of the American laboring man; and my record, now covering a period of probably twenty-odd years in the public service, will sustain this statement; but there is no question as to the Cuban cigar makers which involves American labor. The Cuban cigar makers are skilled in that particular line of work; they have followed it from their childhood, and but very few Americans in our Florida cities which are cigar-manufacturing cities follow the cigar-making trade; yet the adoption of the amendment proposed by the Senator from Georgia [Mr. HARRIS], when there is no occasion for any alarm, would prevent the coming of those men into this country. I fear it would work great detriment to our cigar industry in Florida.

There has been much talk here about people coming in from Mexico and from Cuba and all that, but they would do so if we should have absolutely prohibitory provisions against immigration into this country. There is nothing in that argument; it is begging the question. We have prohibitory laws against liquors being brought in here, but I should like to know whether the Senator from Georgia or any of those who are trying to secure the adoption of this amendment would say that a little liquor does not come in occasionally. So occasionally there is liable to be a smuggling in of immigrants through Mexico, through Cuba, or through any other country; but so far as the question of such smuggling and the illegal entry into this country are concerned, there would be some of that, of course, if we should have total exclusion, for immigrants would then be more zealous to get in in that way because none of them could come in under the quota system.

We started out dealing with the question of immigration on account of the fear of a great influx of undesirable European immigration into this country following the World War; and I have been one of those who have stood for limiting and restricting to the minimum the immigration from European countries which would likely flood our country following that Great War.

I supported a proposition to restrict the number to the 1 per cent quota on the 1890 census; I even supported a proposition for total exclusion for a period of three years when we previously had the question before us, but I see no necessity now when dealing with the greater problem, the big problem, one that needs some remedy, to become alarmed and to go into hysteria about the question of 4,000 or 5,000 immigrants coming in from South American countries and a few from Cuba.

There is no necessity for this proposed amendment. There is no demand for and there is no American sentiment of any consequence favorable to the idea of absolutely changing our law and our friendly relations with our neighbors in nearby countries. I hope the amendment will be defeated. With its defeat we will then have a measure which in substance is the Johnson bill, which passed the House. This bill fixes the quota at 2 per cent on the 1890 census.

Mr. HALE. Mr. President, the Senator from New Mexico [Mr. JONES] spoke about our neighborly relations with the Mexicans. If such relations exist in regard to Mexico it is certainly more true that they exist in regard to Canada. The State of Maine is situated in the extreme northeastern part of this country. Many of those living across the Canadian line are people who went across from this country during the Revo-

lutionary War. A great many Tories who then lived in Maine and in Massachusetts, went across the line into New Brunswick. Those are the people who settled that country and who are now there. They are a good deal the same sort of people that we have in Maine.

They come into Maine for lumbering and for farming and potato raising and work in the sardine factories. They perform just about the character of work that our people perform. When we have a shortage of labor, as we very often do have, we depend on these people to come into Maine and help us out. When they get through they return to Canada. That may not be true, as the Senator from Ohio [Mr. WILLIS] has stated of the Mexicans, but it is certainly true of the Canadians. These people do not come into competition with labor in other parts of the country; the work which they do is work which people have to be specially trained to do. If we can not get labor from them, we can not get the labor at all, and we simply have to curtail our operations.

I very much hope that these amendments will not be adopted; and I hope that nothing will be done to cut us off from this very necessary supply of Canadian labor.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Georgia [Mr. HARRIS] to the amendment of the Senator from Ohio [Mr. WILLIS].

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on the amendment proposed by the Senator from Ohio.

Mr. WILLIS. I ask for the yeas and nays on the amendment.

Mr. FLETCHER. I offer an amendment to the amendment of the Senator from Ohio. I do not wish to discuss my amendment to the amendment, but I am going to offer it. In lines 3 and 4, page 2, of the amendment of the Senator from Ohio, I move to strike out the words "foreign contiguous territory" and to insert the words which are found in lines 10 to 15, on page 5 of the bill.

The PRESIDING OFFICER. The Senator from Florida offers an amendment to the amendment of the Senator from Ohio, which will be stated.

The READING CLERK. On page 2, in lines 3 and 4 of the amendment, it is proposed to strike out the words "foreign contiguous territory" and insert the words:

the Dominion of Canada, Newfoundland, the Republic of Mexico, Cuba, or Haiti, the Dominican Republic, the countries of Central or South America, or the colonies or dependencies of European countries in Central America or South America, or the West Indies or other islands adjacent to the American continents.

Mr. WILLIS. As I understand the purpose of the Senator's amendment to my amendment, it is to provide that seasonal labor may come in from any of the countries which are named in the bill?

Mr. FLETCHER. Yes.

Mr. WILLIS. I accept the Senator's amendment to my amendment.

Mr. FLETCHER. I wish to move another amendment to the amendment of the Senator from Ohio. On page 2, line 7, I move to strike out the word "five" and to insert "twenty," making the latter number the limit from all of these countries at any one time.

Mr. WILLIS. I accept the amendment.

The PRESIDING OFFICER. The Senator from Ohio accepts the amendment proposed by the Senator from Florida to his amendment. Now the question is on the amendment of the Senator from Ohio as modified. On that the yeas and nays are requested.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as I heretofore made as to my pair and its transfer, I vote "nay."

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. HARFIELD], who is absent. I transfer that pair to the junior Senator from New York [Mr. COPELAND], and will vote. I vote "nay."

The roll call was concluded.

Mr. ERNST. Making the same announcement of my pair as before, I vote "nay."

Mr. HARRISON. Has the senior Senator from West Virginia [Mr. ELKINS] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. HARRISON. I have a pair with the senior Senator from West Virginia, and withhold my vote.

Mr. CURTIS. I desire to announce that the Senator from Illinois [Mr. MCCORMICK] has a general pair with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 12, nays 60, as follows:

YEAS—12

Dial	Mayfield	Shields	Watson
Harris	Neely	Smith	Wheeler
Heflin	Sheppard	Underwood	Willis

NAYS—60

Adams	Ernst	King	Shipstead
Ball	Fernald	Lodge	Shortridge
Bayard	Ferris	McCellar	Simmons
Brandegee	Fess	McKinley	Smoot
Brookhart	Fletcher	McLean	Spencer
Broussard	Frazier	McNary	Stanfield
Bruce	Gerry	Norris	Stephens
Butler	Gooding	Oddie	Sterling
Cameron	Hale	Overman	Swanson
Capper	Howell	Pepper	Trammell
Caraway	Johnson, Minn.	Phipps	Wadsworth
Colt	Jones, N. Mex.	Pittman	Walsh, Mass.
Curtis	Jones, Wash.	Ralston	Walsh, Mont.
Dale	Kendrick	Reed, Pa.	Warren
Dill	Keyes	Robinson	Weller

NOT VOTING—24

Ashurst	Edwards	Harrison	Moses
Borah	Elkins	Johnson, Calif.	Norbeck
Copeland	George	Ladd	Owen
Couzens	Glass	La Follette	Ransdell
Cummins	Greene	Lenroot	Reed, Mo.
Edge	Harreld	McCormick	Stanley

Mr. WILLIS's amendment was rejected.

Mr. STERLING. Mr. President, I offer an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 12, at the end of line 22, it is proposed to insert the following proviso:

Provided, however, That it shall be the duty of the Commissioner General of Immigration to ascertain the different racial groups constituting the people of any nation entitled to its quota of immigrants under this act, and the approximate number of people in each of said groups and when it shall appear that the people of any nation are composed of commonly recognized and well-defined distinct racial groups such quota shall then be apportioned to the several racial groups in the ratio that the number in each such group bears to the entire population of such nation. That immigrants belonging to any racial group shall not be admitted in excess of the number so apportioned, nor shall the number of immigrants from any such nation or country exceed the aggregate of those apportioned to the several racial groups. The commissioner general shall, with the approval of the Secretary of Labor, prescribe all necessary rules and regulations for carrying these provisions into effect.

Mr. STERLING. Mr. President, just a word or two in regard to this amendment, although I think the amendment explains itself.

The object of the amendment, in a word, is to apportion the quota to which any nation will be entitled under the law among the commonly recognized, well defined, and distinct racial groups in the particular nation which is entitled to the quota. It does not discriminate against any nation. It does not discriminate against any racial group in any nation. The object is simply to allow each racial group within the confines of any nation to have its true and just apportionment in the quota assigned to the nation.

By way of illustration, I might give an example of what present conditions are and what they permit.

The quota for Poland for 1921 and 1922 was 25,800, yet during July and August of that year 2,088 Poles came to America and 8,471 Jews, or four Jews for every Pole. The quota for Poland was exhausted in December, 1921, and the Poles, it is said, were mourning bitterly because they had not been given a square deal, nor had they, for the population of Poland is something like 17,000,000 Poles and 3,000,000 Jews.

This illustrates, Mr. President, the reason and the justice of applying this principle of apportionment of the quota among the well-defined and well-recognized racial groups.

Take another illustration: Rumania's admissable quota for 1921 was 7,414. During July and August of 1921, the first two months of the fiscal year, there were 2,014 persons admitted for that country. Of this number, 137 were Magyars, 226 were Germans, 271 were Rumanians, 1,411 were Jews, and 39 were from scattered nationalities in Rumania. The Jews in Rumania are in the minority.

Russia is another example, Mr. President, where, as I understand, there are 51 Slavs to 1 Jew.

It is to permit the other racial groups in the several nations to have their just and fair apportionment of the quota among them that this amendment is submitted.

I have conferred with the Senator who has charge of this bill, and I understand that he has no objection to the amendment. I believe it ought to appeal to the reason of every Senator here as being just and reasonable.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. STERLING. I yield to the Senator.

Mr. REED of Pennsylvania. I should hardly like to say that I have no objection to the amendment. I shall be glad if the Senator will let me speak for myself when he gets through.

Mr. STERLING. I will; but I so understood the Senator, from one or two conversations I had with him, I did not feel quite like asking the Senator now to accept the amendment, but I felt justified in making the statement that I did. If, however, the Senator has any other idea, he is surely at liberty to express it now.

Mr. REED of Pennsylvania. My only apprehension is that it is unworkable, and that I should like to explain.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Mississippi?

Mr. STERLING. Yes; I yield to the Senator from Mississippi.

Mr. HARRISON. I have not studied the Senator's amendment. Does the Senator think there is no conflict between the provisions of his amendment and the amendment that was adopted on day before yesterday touching the national groups?

Mr. STERLING. I do not think there is any necessary conflict between this amendment and that. In any event, as I understand that amendment, it does not become operative for a period of three years, anyhow.

Mr. HARRISON. May I say to the Senator that the amendment that was offered by the Senator from Pennsylvania, which was adopted, directed the Secretary of State, the Secretary of Labor, and the Secretary of Commerce to make an estimate on this racial-group proposition. They were to begin immediately. They were to make their report by the 1st of March, 1926; and then, of course, the Congress would have a year and a half before taking any action, and so forth. By this amendment the commissioner general is clothed with power to make an estimate, and it seems to me that there might be some conflict between the two propositions.

The commissioner general is under the Secretary of Labor. We have directed the Secretary of Labor, in conjunction with the Secretary of Commerce and the Secretary of State, to do what the Senator here seeks to empower the commissioner general to do, it seems to me.

Mr. STERLING. Mr. President, I think the commissioner general, if he is competent to be commissioner general, can easily determine under the terms of this amendment what are commonly recognized and well defined and distinct racial groups in any country. I think this provision ought to go into effect at once and be operative at once, and that it will not conflict with the amendment which was proposed by the Senator from Pennsylvania and adopted.

Mr. HARRISON. May I say to the Senator that I think it is all right to do this unless it is already being done; but it seems to me there is going to be a conflict in the adoption of the two amendments, through having two distinct agencies doing the same work.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from South Carolina?

Mr. STERLING. I yield to the Senator from South Carolina.

Mr. DIAL. Would it not be almost impossible to get the information sought in the different countries as to racial groups?

Mr. STERLING. I do not think it will be almost impossible; otherwise, I should not have offered the amendment. If I had thought there would be any great difficulty, indeed, in distinguishing these different racial groups for the purpose of apportioning the quota among those racial groups, I should not have offered the amendment.

Let me say, Mr. President, that the Commissioner General of Immigration has already in large part done this very work, and in his last report he classified immigrants according to race or people. For instance, he has Chinese, Croatian and Slovenian, Dalmatians, Dutch, and Flemish, East Indian, English, German, Greek, Hebrew, and so on throughout.

Mr. BROUSSARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Louisiana?

Mr. STERLING. I yield.

Mr. BROUSSARD. I wish now to inquire of the Senator what organizations or what officials are to determine these racial groups in foreign countries.

Mr. STERLING. I have provided in my amendment that it shall be determined by the Commissioner General of Immigration.

Mr. BROUSSARD. I understand that in the amendment of the Senator from Pennsylvania, which involves only this Nation, three years have been given to do the work here. How can an official in the United States determine all these racial groups throughout the world, unless it be applied in the next 10 or 15 years?

Mr. STERLING. I think if the Senator will read the amendment, the very terms of the amendment, he would find that there was to be no great difficulty. The commonly recognized and well-defined distinct racial groups are to have their proper portion of quotas.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. REED of Pennsylvania. Mr. President, I want to say just a word on this amendment.

I suppose it is possible in some of the foreign countries, like Poland, to make a general racial division of the population; but I do not believe it is humanly possible for any consul of the United States to take a Polish emigrant and analyze his race and find out to which of the racial groups he ought to be assigned. Perhaps his mother or his grandmother was a Jewess, his father or his grandfather a Czech, and somebody else in his ancestry a Slav, and no consul would have the ability or the means at his disposal to make the necessary research. My objection does not lie to the idea of the Senator from South Dakota. I think his idea would be fine if it could be worked out. But the moment you come to apply it to any particular emigrant you would find yourself up against a hopeless enigma. So I hope the amendment will not be adopted.

Mr. SPENCER. Mr. President, the very moment we put the machinery of the United States into a foreign country to determine the different racial groups in that country we would have a multiplication of machinery the cost of which it would be impossible to estimate. We never have dealt with any nation except as a nation and for the United States in dealing with its problem of immigration. To go into another nation and attempt to base our method of immigration upon the different racial groups in that nation would not only be impossible of operation, in my judgment, but it would be a variation from the policy of the past in our dealings with other nations.

This bill provides that the well-recognized racial groups shall have their quota of immigrants. If the well-recognized groups of any nation are to have their right of quotas, the smaller racial groups in those nations should by every principle of right have precisely the same right to their quotas. The more I look into it the more the difficulty of administration seems to me to make the amendment impossible.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. STERLING].

The amendment was rejected.

Mr. KING. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. In lieu of the matter beginning on page 19, line 12, and extending down to and including line 17 on page 23—being sections 16 and 17—stricken out on the recommendation of the Committee on Immigration, the Senator from Utah proposes to insert:

SEC. 16. (a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman, and (2) he is an alien of the class described in subdivision (f), section 17, hereof; and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

(b) If it is found that such alien is not a bona fide seaman, he shall be regarded as an immigrant, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary; and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported, as a passenger, on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(c) If it is found that such alien is subject to exclusion under subdivision (f) of section 17 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

(d) If it is found that, although a bona fide seaman, such alien is afflicted with any of the disabilities of diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December, 1920, entitled "An act to provide for the treatment in hospital of diseased alien seamen."

SEC. 17. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in duplicate, containing such seaman's name, age, nationality, personal description, and the capacity in which employed, and having permanently attached thereto a photograph of such seaman.

(b) If such alien employee is found upon examination not to be subject to detention or exclusion under any of the provisions of section 16 hereof, he shall be permitted temporarily to land during the stay of the vessel in port or for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card. Thereupon one copy of the landing card shall be delivered to said seaman, and the other copy shall be filed in the archives of the immigration office at the port of arrival and properly indexed for future reference.

(c) If such a temporarily landed alien seaman remains in the United States without reshipping foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission; and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917.

(d) Landing cards shall be printed on distinctive safety paper prepared and issued, under regulations prescribed under this act, at the expense of the owner, agent, consignee, charterer, or master of the vessel. The Secretary of Labor, with the cooperation of the Secretary of State, shall provide a means of obtaining blank landing cards outside the United States.

(e) All vessels entering ports of the United States manned with crews engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number and any such vessel which fails to comply with this requirement shall be refused clearance.

(f) No vessel shall enter a port of the United States, except in distress, having on board as a member of the crew any alien who if he were applying for admission to the United States as an immigrant laborer would be subject to exclusion under the Chinese exclusion laws, or under the sixth proviso to section 3 of the immigration act of 1917 and rule 7 of the immigration rules of February 1, 1924, or under the clause of section 3 of the immigration act of 1917 excluding by territorial limitations certain natives of Asia and of islands adjacent thereto; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrant laborers coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(g) The owner, agent, consignee, charterer, or master of the vessel who violates any of the provisions of this section shall pay to the collector of customs for the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom the violation occurs; and no vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

Mr. KING. Mr. President, the amendment just submitted is intended to perfect the bill under consideration. Without this amendment, it is said by many, there will be no real exclusion of certain nationals intended by the bill under consideration to be excluded. Such excluded persons or nationals sought to be excluded will come in as seamen, as they are coming into the United States now in great numbers.

The report of the Commissioner of Immigration for 1922 states that 973,804 alien seamen are reported to have arrived in the ports of the United States and to have been examined as to their health. The report for 1923 states that 1,018,000 alien seamen arrived in the ports of the United States and were examined for that year. Included in this number are, of course, the petty officers of the vessels arriving. The officers do not quit the ships in the United States, and the petty officers who leave their ships are few in number. So that it may be said that about 600,000 may come ashore and mingle with our population.

It is claimed that many persons, who enter as seamen are not seamen that they remain in the United States in violation of the laws of the United States.

This amendment which I have offered is for the purpose of dealing with the class of excluded seamen; that is, alleged seamen who have come into the United States in the past in violation of our laws.

The excluded persons, as I have stated, will come in as seamen who can not be held on board of the ships after the vessels have properly entered our ports. First, because to hold them on the vessels against their will would be involuntary servitude, and, of course, would come within the jurisdiction of the courts of our country; second, because the seamen would be prisoners and the vessels would be prisons. It can not be assumed that such law could be sustained. The seamen have committed no offense. They can not be held guilty even of having violated our laws by coming into port, because, if they be bona fide seamen they could not know that the vessels were to come here, unless the port is the first one visited in the course of the voyage. The master and the owner of the vessel will know. In clearing for the United States they would be told about the law and its penalties.

Under this amendment the penalty upon the vessel for bringing an excluded person into our jurisdiction will be the expenses of such person's keep until he can be deported and the cost of his deportation as a passenger on some other vessel. If he be a person capable of becoming a citizen and is not a bona fide seaman, he will be deported at the expense of the vessel which brought him. The master of the vessel will have general knowledge whether he is a bona fide seaman. He will know whether such person has shipped as a seaman for the purpose of securing entrance into the United States in violation of the immigration laws. If the vessel is bound to a port of the United States, the master with such knowledge can not escape conviction upon the plea of lack of guilty knowledge. He hired the men and he knew the difference between a bona fide seaman and a pretended one; he knew the difference between an occidental seaman and an oriental one.

If the vessel is not bound for a port in the United States but is compelled to come into an American port in distress, neither the vessel nor her seamen, no matter who they be, are in any way interfered with, except that the seamen will be furnished a landing card. If the vessel has a crew of its own nationals as distinct from a crew belonging to one of the colonies or dependencies of such nation, such vessel may come with the same freedom as if such men were not persons excluded from the United States. In other words, a Japanese vessel may come here with Japanese or persons not excluded, but she may not bring Chinese, Koreans, or Hindoos.

It will be seen that this amendment is intended to perfect the exclusion laws. To exclude a person as a person and then to admit him as a seaman is to make the law ineffective. It is to close the front door and permit the side door to remain open. This has been done in the past, and notwithstanding the fact that there are strict Chinese exclusion laws, which have been in force for 30 years, there are more Chinese in the United States than there were 30 years ago.

The process by which the exclusion acts are evaded is very simple. The combinations which make a business of importing Chinese exchange the old men for younger men from on board of vessels and in addition bring a large number of stowaways in the vessels coming. If the stowaways are accidentally discovered, it is almost impossible to prove that they entered the ship in our ports with the knowledge of the officers in charge of such vessels.

The third part of the amendment provides that a vessel which has obtained its seamen in some foreign port shall take away at least as many men in her crew as she brought and that she is not to obtain clearance until she has complied with this provision. No nation can complain of such law. All nations have rules or laws providing a minimum of a crew; but the

master may take as many more as he shall think needed for safety, and he is to bring those men back, unless they desert or are otherwise missing.

Manifestly it requires as many men to bring a vessel safely over the same waters east to Europe or west to Asia as it takes to bring the vessel safely west from Europe or east from Asia. When a vessel comes here overmanned and leaves from 10 to 100 men behind, it is plainly with the purpose of evading the immigration law and making a profit in so doing. This amendment would stop such a violation of our immigration laws.

Nor can it be justly contended that such a vessel would take away better men than it brings. It will take away the cheapest and therefore the least efficient men that can be found. Generally speaking, better men will be brought than are taken away unless they be purely immigrants masquerading as seamen, in which case, not being bona fide seamen, the vessel will pay the expenses of their deportation.

The landing card is needed more especially in order that excluded persons who are here as seamen may be observed and, if need be, identified and deported. It is the same as to all nations and in that, as in other respects, there is no discrimination.

As indicated, the evidence shows that large numbers of persons who under the law are excluded from admission to our shores ship as seamen when they are not. They ship as seamen for the purpose of evading our laws and of entering the United States. Under existing law thousands have been permitted to enter our ports and large numbers have escaped deportation. This amendment is offered for the purpose of more effectually closing the gates against those who, under the bill as it has been amended, are excluded from our shores.

The PRESIDING OFFICER. Permit the Chair to ask a question. The Chair understands that this amendment is not intended to modify the La Follette Seaman Act at all but simply to prevent immigrants from entering in violation of it?

Mr. KING. That is the principal object of it.

Mr. LODGE. Mr. President, my attention was called to this amendment just a day or two ago. The subject is very important. It has nothing to do with quotas or nations or anything of that sort, but simply deals with evasion of the law. Such evasion has gone on for many years through the channel of alien seamen. Posing as alien seamen has been a favorite method of bringing into this country persons whom the law excludes.

I do not think the figures in regard to desertions given in the report of the commissioner are wholly to be trusted. It is very difficult to get exact statistics as to seamen. They all have to pass a health examination, but not, as I understand it, the examination for entrance as alien immigrants. It is very easy for a man to slip away from a ship when he has come here simply for the purpose of evading the laws and intending to become a resident alien. I think the total number of deserters, as they are classified, is something like 24,000. My own belief is that it is really a much larger number of men who take that way of getting into the country in evasion of our laws, all parts or any part of our laws.

The situation ought to be dealt with. I have not had the time to give sufficient consideration to the particular amendment presented to state to the Senate how well I think it might work, but it ought certainly to be dealt with in conference. The situation is now that the whole subject of alien seamen and all relating to that subject has been stricken from the bill, and the bill would go into conference without any provision covering the introduction of alien seamen.

I have talked the matter over with the Secretary of Labor, who told me voluntarily more than a year ago that the worst evasion of the Chinese exclusion act comes through the Chinese who are brought here in the engine room of a ship, or in some similar way, and who slip in when they get to port and become residents of the United States. That is one of the worst methods adopted for evasion of the law. Something ought to be done about it. We can not, I think, possibly afford to allow the bill to become a law without any provision relating to the exclusion of alien seamen or at least compelling them to pass the necessary examination that all aliens have to pass to come here. I do not think it would be possible for us to decide upon it here at this late hour, when the bill is so nearly finished.

As I have said, I can not undertake to deal with the details of the particular pending amendment, but I should like to have some assurance from the committee that when the bill goes into conference they will at least make some provision which will prevent the gross evasion of our immigration laws which now is taking place through the alien-seamen channel to which I have referred.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Pennsylvania?

Mr. LODGE. I yield.

Mr. REED of Pennsylvania. The bill as it passed the House and reached the Senate does contain provisions regulating the landing of alien seamen. The whole matter will be in conference. So the Senator has that assurance.

Mr. LODGE. With reference to what the Senator has just stated, I think we ought to have an assurance from our conferees that the present condition in which the bill now stands, with no regulation in regard to alien seamen, shall not be permitted to go through without serious consideration, and that the conferees will frame a proper clause or as good a clause as they can to prevent this flagrant abuse.

Mr. REED of Pennsylvania. If I should happen to be appointed one of the managers on the part of the Senate, I would hope to agree to any section of the House bill or any amendment of it which would seem to improve the present situation. But it is not exactly correct to say that there is no law on the question at present. It was testified by the immigration authorities that all they needed was the money for enforcement and that they could then detect, apprehend, and deport the alien seamen who have deserted.

Just to state the problem very briefly, there were 23,904 desertions by alien seamen in the last fiscal year. I am confident that that is a complete census of those who deserted, because we have the advantage of the incoming and outgoing manifests; we know exactly how many members of the crew each ship is lacking when it goes out, and those figures are checked by a comparison with the records of the incoming and outgoing vessels. More than half of these men reship. It is a common thing for them to desert one ship and to ship again on another vessel going out to a foreign port. The figure 23,000 does not give an accurate picture of the number of smuggled immigrants who come in. I doubt very much, when we remember the number of reshipments and the number of men who desert in order to go to work on the Great Lakes each spring, as they are doing right at this minute, if we get more than two or three thousand smuggled immigrants in this way. It does not compare with the smuggling across the land borders. It does not compare with the smuggling from Cuba to the Florida coast so far as numbers are concerned.

Now, let me say a word about the amendment. The committee held a long and careful hearing on this particular amendment. A representative of the seamen's union was present to urge it. After that hearing the committee decided, by a vote which would have been unanimous except for the negative vote of the Senator from Utah [Mr. KING], who now introduces the amendment, against incorporating the amendment in the bill. In other words, every member of the Committee on Immigration except the Senator from Utah is opposed to the amendment. The reason why is easy to understand.

Mr. HARRIS. Mr. President, may I interrupt the Senator?

Mr. REED of Pennsylvania. I am glad to yield to the Senator from Georgia.

Mr. HARRIS. The Senator made the statement that all members except the Senator from Utah were opposed to the amendment. I was not opposed to it, and some others were not, but we thought it might interfere with the bill going through, and we were unwilling to load down the bill with anything that could be taken care of in a separate measure. I personally favor the amendment.

Mr. REED of Pennsylvania. I do not remember that the Senator voted in favor of it. My impression was that he voted against it.

Mr. HARRIS. I stated that I did so at the committee meeting.

Mr. REED of Pennsylvania. That was all I meant to say in my original statement.

Mr. LODGE. If the Senator will allow me, I thought I distinctly stated that I was not undertaking to press for the adoption of this amendment.

Mr. REED of Pennsylvania. Yes; I understood that.

Mr. LODGE. But I do think that the Senator very much underrates the smuggling of aliens in that way. I do not think those figures are good for much.

Mr. REED of Pennsylvania. Whatever the figures, we want to stop it if we can.

Mr. LODGE. We want to stop it whether the number is 2 or 2,000.

Mr. REED of Pennsylvania. Yes.

Mr. KING. Mr. President, will the Senator permit me to interrupt him?

of certain nationals intended by the bill under consideration

provision. No nation can complain of such law. All nations have rules or laws providing a minimum of a crew; but the

now is taking place through the alien-seamen channel to which I have referred.

Mr. KING. Mr. President, will the Senator permit me to interrupt him?

Mr. REED of Pennsylvania. Will the Senator from Utah allow me to finish, because the sands of my glass run fast?

Mr. KING. Certainly.

Mr. REED of Pennsylvania. The committee had two reasons for taking that attitude. The first was that it introduced a very intensive subject, as to which the three parties in interest could not agree on anything. The president of the seamen's union wanted this amendment. The steamship companies by their representatives wanted something totally different. The Department of Labor, the commissioner at Ellis Island, and the immigration commissioner here wanted a third plan. They said the landing-card scheme had been tried and would not work. A seaman merely tears up his landing card and departs for parts unknown. The landing card does not stop him from deserting. They say that plan will not work. The steamship companies, on the other hand, plead unfairness. No two of them agree. It is a very much debated topic. It ought to be covered in a separate bill. Unless we can agree on something in conference, it will have to be provided for in a separate measure.

Finally, I think the impression stated by the Presiding Officer is incorrect. The Presiding Officer stated when the amendment was under discussion that he understood it did not change the La Follette Seamen's Act. I beg to differ from that impression. It does change it vitally.

The PRESIDING OFFICER. The Chair asked the Senator from Utah [Mr. KING] if that were the fact.

Mr. REED of Pennsylvania. My understanding differs from that of the Senator from Utah. Let me explain just what the amendment does. It provides that if any ship comes into our ports bringing from another country a seaman who is ineligible to citizenship, the seaman shall be removed from the ship by the immigration authorities, regardless of any intention of deserting, and shipped back to his home country on some other vessel. It follows from that that if a Japanese ship comes into the port of New York or San Francisco and has a single Chinaman in its crew, our men board that ship, seize that Chinaman, and send him back to China on some other vessel. It follows that a British ship could not bring a Lascar into any of our ports; that a Chinese ship could not bring a Korean. The possibilities are terrific. There is not a single ship which sails the Pacific to-day which would not violate this provision in a hundred ways. It would close our ports to oriental shipping almost as effectively as Japan closed her ports to our shipping before 1852. I do not believe that the Senate of the United States wants to change our laws so radically on such short notice and after such scant consideration as we are able to give to this question to-day.

Mr. SHIPSTEAD. Mr. President, I merely wish to say a word. I do not see how this amendment can affect the La Follette Seamen's Act, because the La Follette Seamen's Act is an act to provide safety at sea, while this has to do with immigration. I do not see how it can break up the business of transportation at sea by Japan on the Pacific, because there is nothing in the amendment which will prevent a Japanese ship from landing here with a full Japanese crew.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Pennsylvania?

Mr. SHIPSTEAD. Yes.

Mr. REED of Pennsylvania. At the time this matter was under consideration the committee asked that question explicitly of the president of the Seamen's Union, Mr. Andrew Furuseth, and his reply was that there were some sections of the La Follette law that were "as dead as Julius Cæsar," and that the amendment was intended to resurrect them. That was his exact language.

Mr. SHIPSTEAD. I will say to the Senator that if the La Follette Seamen's Act is not enforced, the alien seamen can come in here; and they came to the number of something over a million last year; they landed from the ships and mingled with the population. We do not know how many went back on the ships; we do not know how many of them are here now.

Let me say further to the Senator from Pennsylvania that I do not believe that any single English ship ever came to New York Harbor with one lascar.

Mr. REED of Pennsylvania. I sailed on one of them that had a number of lascars in its crew.

Mr. SHIPSTEAD. I said with one lascar. They may come in with an entire crew of lascars; but under the amendment if such lascars come ashore provision is made that they shall receive what is called a "landing card," and the ship when it departs must report to the immigration officials how many lascars they take out, and under the law they will be compelled to take out as many as they brought in.

The Senator from Pennsylvania has stated that the way to handle this question is by the passage of another law. He may be right; but to me it seems like having one law for the front door and another law for the side door. In the olden days we heard considerable talk about the trouble that was caused by the back and side doors, but most of the trouble was with the side door. That was before the passage of the Volstead Act. There seems to be in this instance a real side door through which the alien seamen can enter the United States without being subject to the immigration laws, mix with the population, and remain here, so far as we know. There is nothing to prevent them doing so unless some one, perhaps by accident, discovers them.

I was very deeply impressed with what the Senator from Massachusetts [Mr. LODGE] said, that something like this ought to go into the immigration law—at least should go to conference—in order that the side door may be taken care of.

Mr. FLETCHER. Mr. President, just a brief word about this matter. The situation is, as has been indicated, that the committee reports the bill with the sections as to alien seamen—sections 16, 17, and so forth—entirely stricken out, so when the bill passes here and goes to conference the matter in conference will be the House provisions.

I think it is important that the Senate should adopt some affirmative principle of law with reference to this subject. It is a very important subject. It has been stated here that some 24,000 desertions from ships occurred last year. Now we shall stop those desertions if we shall provide, as this amendment does, that every vessel must take back as many of her crew as she brings in. The trouble heretofore has been that a vessel would come into a port of the United States with three or four times as many men as she needed as a crew, and then depart with only the required number. Under this amendment she will be required to take away with her as many as she brings. That is a very important matter; and, in my judgment, it will cause a cessation of this large number of desertions.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Pennsylvania?

Mr. FLETCHER. Yes.

Mr. REED of Pennsylvania. Under this amendment, as it stands, a vessel could come in with Chinamen if it desired and then take out Americans in their place.

Mr. FLETCHER. It is difficult to prevent desertion; and what we call desertion here in this loose way is not really desertion under the law. A seaman has a right to ship on a vessel and come to a port of the United States, and, even though we have a contract for a round voyage, demand half his pay, and leave his vessel. He is no longer a deserter; he is a free man; and, under the law, he has a right to ship on another vessel.

This amendment is purely an immigration proposition; it does not deal with the seamen's law in so far as that law affects immigration; and it ought to go into this bill. The amendment ought to be adopted by the Senate as an affirmative stand and a declaration of certain principles that ought to be written into the law and become a part of the immigration law of the United States.

There have been certain failures fully to enforce the seamen's act; there have been additions to our population by immigrants coming in aboard vessels when they ought not to have been admitted; but they have taken up their residence here to become a part of our population when they are barred under the law.

The enforcement of a provision such as is proposed by the amendment will, in a large measure, correct all these difficulties. This amendment has been very carefully thought out, carefully studied, and carefully prepared, and it is to our highest interest, if we are going to attempt at all to have an adequate immigration law, that we embody its provisions in the law.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Tennessee?

Mr. FLETCHER. I yield.

Mr. McKELLAR. Do I understand the Senator to say that the amendment proposed is wholly different from the provisions in the House bill?

Mr. FLETCHER. It is partially different; there are provisions in the House bill that are not workable; provisions, for instance, requiring bond under circumstances which will make the ship upon which the seamen come to this country a prisoner.

Mr. McKELLAR. Why would it not be the best plan for the Senate to adopt this amendment, let it go to conference, and let the conferees work out a feasible and workable plan? I suggest to the Senator from Pennsylvania that he permit this amendment to be adopted, and then work out a proper arrangement in conference.

Mr. REED of Pennsylvania. The difficulty with that is that there are some provisions, that are common to this amendment and to the House bill, which witnesses indicate are extravagant and ineffective. The landing-card provision has been tried, but does not work. If a man wants to desert his ship, he merely tosses his landing card away and leaves.

Mr. FLETCHER. The House bill carries a provision for a landing card.

Mr. REED of Pennsylvania. The House bill carries a provision for that; and if this amendment shall not be adopted, the matter will all be in conference and we can act on it.

Mr. FLETCHER. The whole matter will also be in conference if this amendment shall be adopted by the Senate.

Mr. McKELLAR. Even if some lines are exactly the same, still if the amendment is substantially different from the House provision it could easily be worked out.

Mr. FLETCHER. I think it will be helpful to the conferees to have a positive and affirmative expression of this character on the part of the Senate. Then the House provision which has been stricken through and the amendment now proposed will be in conference.

Mr. President, I do not want to detain the Senate, but Captain Furuseth, who knows this whole subject as no other man in the country knows it, submitted to me a paper in the nature of a statement as to the manner in which the present law is operating, showing what is happening under present conditions and showing why the House provision is inadequate. I ask to have that statement inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

Some years ago a Member of the House of Representatives, who later became a United States Senator and is now out of public life, defined "scientific legislation" as being legislation where the legislator pretended to do one thing while he is in reality trying to do another. More often than otherwise, when "scientific legislation" is about to be applied, the legislator himself is deceived by having his attention concentrated upon one particular thing or one particular evil or purpose to such an extent that he fails to see the other phase or the "scientific" aspect of the proposal.

The committee system and the hearings may generally be depended upon to develop the fact that the proposal is "scientific." The effort to use the immigration legislation to repeal the seamen's act is a notorious instance of the efforts at "scientific legislation." Shipowners, foreign, and to a large extent American, have been and are doing their utmost to so change the seamen's act that they may in one way or another compel the seamen to remain on board of the vessels in ports of the United States if the shipowners deem such to be in their best interest.

There were protests from foreign nations, protests from foreign and American shipowners, protests from shippers, bankers, and chambers of commerce against the passage of the seamen's bill. The protests followed the act, as perfected by Congress, to the President. When the shipowners failed there, they made use of the industrial power inherent in the shipowners, and the power which they have over newspapers through the advertising patronage, which is very extensive, to organize a propaganda for the purpose of repealing the La Follette seamen's law before it had been put in operation. They failed in that. When the war began the foreign nations urged that it be suspended, at least during the war, because the seamen were quitting in ports of the United States and the vessels were compelled to pay American wages leaving American ports. Again they failed. Then the question was taken into the courts and there was no end to litigation until finally the Supreme Court, by a unanimous decision, held that Congress had a perfect right to pass laws under which seamen coming into the jurisdiction of the United States should be as free to quit their work as any workingmen within this country.

Then recourse was had to the immigration. Vessels on the Pacific came from the Orient with from 50 to 75 per cent more of a crew than their certificate of inspection provided for. They had been inspected in the United States and the strength of the crew was based upon white men. Under section 20 of the act of 1884 they hired their crews in the Orient. The crew was increased from 50 to 75 per cent, as is usually the custom when orientals are employed. They brought this larger crew into ports of the United States, and a large percentage of those men took advantage of sections 4 and 7 of the seamen's act to go ashore. When the vessel was about to go out again a complaint was made that the vessel was about to leave short-handed—that is to say, with less men than she had on arrival.

The inspectors and the customhouse alike pointed to the inspection certificate and let her go, and thus the vessel left in the United States any number from 5 to 30 Chinese. Necessarily those whose duty it was to prevent the coming to the United States of excluded persons made complaints. They went to the newspapers with these facts, which were promptly taken advantage of to show that the seamen's act would destroy the system of exclusion and generally so interfere with immigration and exclusion laws as to make them, to some extent at least, ineffective. The Department of Commerce and the Department of Labor had powers to make regulations under which this could be stopped. They were petitioned to make such regulations, and some suggestions as to what the regulations might be were submitted to the two departments. Nothing came from the protests or the suggestions. The thing continued and it is in full operation to-day.

On the Atlantic, when the men could not get into the country in the regular way through Ellis Island, they took passage on vessels under one pretense or another, and upon arrival in the United States they walked ashore to mingle in the population. Vessels have been known to come with 400 in a crew and leave with 250; to come with 200 and leave with 150, and so on.

The Secretary of Labor tried to stop this violation of the immigration laws by providing for bonds—$500. The excluded Chinese furnished the bonds and vanished in the population, thus converting the bonds into a $500 head tax. In Atlantic ports this matter was taken into the court, and the court decided that the Secretary had no such power; but the demand for bonds was continued and men were refused permission to land. The question was then taken into court on writ of habeas corpus, and the court dismissed the men from the ship, stating amongst other things, that the Department of Labor had no power, nor was it a decent proposal, to convert a ship into a private prison in a port of the United States. The bonds are, nevertheless, exacted. The thing still goes on.

The proposal then came squarely in the House bill to authorize the Secretary to demand such bonds as he felt would be sufficient. The committee, after looking at all sides of the question, and being unable to agree to adopt proposals which would have closed the openings through which the people having no right in the United States could come in and the law thus be violated, left the seamen in substantially the same position as they are now, except that it permits the immigration officer to determine the length of time that a seaman shall be permitted to remain on shore. This certainly should not be left to the immigration officer who inspects the crews of the vessels. It should be a question of regulation issued by the department, and it is to be hoped that the bill will at least be amended to that extent. When so amended it will meet the seamen's situation and leave the seamen's law intact, but it will not meet the immigration situation. An opportunity to bring immigrants to the United States in the guise of seamen, regardless of whether they be generally excluded persons, as under the exclusion laws, or provisionally excluded, as under the immigration laws, will continue.

Why this should be permitted to continue is incomprehensible. There is evidence that the bill, which is being prepared by the Senate committee in lieu of adopting legislation which would close the openings and make the two laws function together, is to be so drawn that the shipowner, foreign and American, will accomplish his purpose by holding seamen coming into ports of the United States as prisoners on board of their vessels. To enact such legislation would be an inhumanity so cruel that no nations have ever adopted it except as a result of necessity arising during a war or for temporary purposes of quarantine.

If it could be made effective there might be some excuse for it on the ground of keeping undesirable people out of the United States, always provided that there is no other way in which it can be done. But it can not be made effective. The proof of that was given us so positively and clearly during the late war that no further evidence of it ought to be necessary, but entirely aside from this there are other things that can be done to accomplish the purpose needed and desired.

Let the crews of vessels coming from foreign ports be properly examined. That is supposed to be done now under the health provisions. It is not difficult to tell a bona fide seaman from a pretended one; and let the pretended seaman be seized by the immigration authorities and deported out of the country as a passenger on some other vessel at the expense of the vessel which brought him. Shipowners will then see to it that they carry no such men into ports of the United States. Let the vessel be compelled to take away at least as many men in her crew as she brings and there will be no increase in the population of the United States through the freedom of the seamen being continued and exercised. Prohibit any vessel from bringing specifically excluded persons to ports of the United States as seamen unless they be on board of the vessels of which they are the nationals, or on board of a vessel

coming into the United States in distress. If a vessel brings any such men—that is to say, if a Norwegian or Dutch or Japanese vessel brings Chinese, or an English vessel brings Hindus or Singhalese—let those men be taken from the vessel upon her arrival and sent back to the country from which they came or to the country where they belong at the expense of the vessel which brought them. This will be no cost to the United States, and if such provisions are adopted in the law and enforced, the seamen's law and the immigration laws will act in co-operation with each other and the whole question will be settled in so far as there is any possibility of settling it. Manifestly we can not prevent a vessel from bringing her own nationals into our ports or bringing excluded persons into the ports in case the vessel is in distress.

On August 14, 1922, the *President Jackson*, a vessel belonging to the United States Fleet Corporation and operated by a company entirely controlled by Mr. Dollar, brought 54 Chinese to Seattle. They were either stowaways or extra men, and the vessel was supposed to be fined $10,800. I do not know whether the money was ever paid or what became of the Chinese. According to the following letter, the *President McKinley* brought 34 Chinese who were supposed to be put in the *President Madison:*

(Chinese fireroom crew, steamship *President Madison*)

SEATTLE, WASH., *October 10, 1922.*

Mr. A. F. HAINES, *Vice President:*

It appears that through some error the Chinese fireroom crew for the above-named vessel was brought over on the steamship *President McKinley*. It is my understanding that when this crew was ordered you were under the impression that the *President Madison* carried a white fireroom crew, but as you undoubtedly know by this time, she carries a Filipino fireroom crew, signed on at Manila for a round trip. We now have 34 firemen on our hands that we do not know exactly what to do with. It has been suggested that we keep these men here and transfer them to the various freighters as they arrive, but in view of the fact that this would necessitate the keeping of these Chinese here on pay for a long time I can not see how we can consistently carry out this plan.

After considering the matter from all angles my recommendation is that we retain 12 men to fill the complement in the engine room of the steamship *Hanley*, and that we transfer the other 22 men over to the *President Madison* to relieve the Filipinos at Hongkong, where the *Madison* can ship 12 additional Chinese to replace those held over for the *Hanley*.

I understand Mr. Horsman suggested to Mr. Wright that we retain the entire 34 men here and place them on the different freighters in various capacities; that is to say, both in the deck and engine departments. In view of the fact that these men were shipped as firemen, I do not consider it practicable to put them on deck, because when employing Chinese seamen not speaking English, or speaking very little English, it is imperative that they know their business, and you can not expect a fireman to handle cargo gear and steer the vessel.

I do not see how we are going to explain this matter to the Shipping Board, but it seems to be a question of choosing the lesser evil, and therefore I have made the above recommendation.

ERIK G. FROBERG,
Port Captain Foreign Department.

The men here mentioned were not seamen, because no person is a seaman unless he is signed on the articles after the master has first signed. See sections 4511, 4517, and 4612 of Revised Statutes.

As to the Chinese employed at present, the following table is so interesting that I thought you ought to have a copy.

Port of San Francisco, sailings for month of January, 1924—Shipping Board vessels

Vessel	Operator	Total crew	American	Aliens	Percentage Americans
President Cleveland	Pacific Mail	237	44	193	18.5
President Taft	do	240	52	188	21.7
Las Vegas	Swayne & Hoyt	35	10	25	28.6
West Jappa	do	33	14	19	42.4
West Ivan	Struthers & Barry	34	15	19	44.2
Stockton	do	36	12	24	33.4
Hagen	do	35	31	4	88.9
West Cajoot	do	37	21	16	56.8
Average per cent for month					41.8

NOTE.—*President Cleveland*, 134 Chinese and 56 Filipinos; *President Taft*, 134 Chinese and 52 Filipinos; *Las Vegas*, 22 Filipinos; *West Jappa*, 19 Filipinos; *West Ivan*, 16 Filipinos; *Stockton*, 24 Filipinos; *West Cajoot*, 3 Filipinos; *Hagen*, full white crew.

To sail as "Number one man"—which means interpreter—on those vessels, is so profitable that Chinese are offering $1,000 for the privilege of making one trip. This was testified to before the committee, and the evidence was there furnished, as follows:

[From the Seattle Post-Intelligencer, February 22, 1923]

"CHINESE BID HIGH STAKES FOR SHIP JOB—MONEY OFFERED FOR POSITIONS ON ORIENT-SEATTLE VESSELS REVEALED IN FIGHT AGAINST DOPE

"High stakes offered for minor positions on American steamships plying between the Orient and Seattle are revealed in correspondence between Chinese and ships' officers disclosed yesterday by investigators uncovering the dope traffic here.

"A letter to the purser of one trans-Pacific liner, believed to have been written at Hongkong, and dated November 9, 1922, reads:

"'I went up your office this afternoon for applying the job of interpreter.

"'I beg to says that I will hand over of $1,000 for the job if you can fix up for me.

"'I will come to see you immediately when your ship return from Manila and I hope you will combine with the chief steward and also I will do him good when the job succeeds.

"'Yours truly,

"'LO WING PO.'"

LETTER AT MANILA

Another letter written to the master of one of the big passenger liners was received by him at Manila and was written on stationery of his ship. It bears the signature of H. Hong, and reads:

"Hoping that you are open to any proposition within reason and not entailing too much risk that will benefit you financially, I take the liberty of advancing my business aspirations.

"Representing the largest Chinese business club of Hongkong I would bid for the position of number one man in the steward's department. The sum to be paid you on our arrival in Hongkong in case you accept this bid will be $500 gold. An arrangement will be made with the chief steward separately.

"In case you care to entertain this proposition an answer as to whatever agreement you could arrive at would be very much appreciated not later than Sunday afternoon.

"We wish to know in order to have the money ready in case you desire.

"Besides the initial payment there will be more money at the other end of the voyage.

"Perhaps this may not be feasible to make a change this trip and I hope you will consider this enough to keep me in mind for the next trip as number one man.

"These trips can be very profitable to you if you are farsighted.

"Reports in the possession of Federal investigators show that the smuggling of opium, morphine, and cocaine is not confined exclusively to the Admiral Line steamers. To the contrary it is generally admitted that narcotic drugs, in varying quantities, reach Seattle and other Puget Sound ports on practically all vessels which load cargoes in the Orient.

"GOOD PAY FOR CHINESE

"That these ship jobs were lucrative to Chinamen who condescended to engage in the dope trade is made clear in the confession of David J. Taylor, held on narcotic charges here. The Chinaman known as number one boy, according to Taylor, usually was trusted and paid by the dope ring to secrete the narcotics aboard ships at Hongkong and guard the stuff safely until it reached the dock here.

"Customs agents have been informed in writing by narcotics agents that there are 147 tins of smoking opium that was thrown off a ship last December, according to Taylor's confession, still in the bay at Smith Cove.

"It had been reported several days ago that some one was dragging for this opium, and narcotics agents supposed the searchers to be customs men. Check of Federal offices yesterday, however, disclosed that no agents of the Government were engaged in the work, and the conclusion was reached that 'high-jackers' must be attempting to salvage the stuff."

Mr. WILLIS. Mr. President, I dislike to detain the Senate for even a moment, but I think it ought not to act on so important a matter without giving it thorough consideration. There is but little that can be added to the statement of facts made by the Senator from Pennsylvania [Mr. REED].

This matter was before the committee, and many of the members of the committee, I am frank to say, are in agreement with many of the provisions of this amendment; but, with one exception, I believe every member of the committee thought it was unwise to complicate the immigration bill with a matter of this kind, particularly in view of the fact that the committee had not had opportunity to go into the subject very fully.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. WILLIS. I yield.

Mr. KING. The Senator knows that when the matter was under consideration the committee at that time accepted the gentlemen's agreement and had placed Japan under the quota. The idea of exclusion, which is proposed to be effectuated by the amendment to the pending bill, had not been accepted by the members of the committee. We have now in the bill as perfected excluded certain orientals. This amendment now would be germane and pertinent, when at that time there might have been some more serious objection to it. Certainly the Senator will agree with me that the members of the committee felt that legislation along this line was imperatively needed in order to cure the evil which was manifest.

Mr. WILLIS. That is correct.

Mr. KING. A suggestion was made that we would have legislation in a separate measure, but now that we are dealing with legislation on the subject seems to me to be the proper time.

Mr. WILLIS. The Senator from Utah has stated the matter partly as I understand it. It was the feeling of members of the committee that this subject should be gone into in a separate bill. The Senator will remember there was a partial hearing; but it was generally understood that before legislation was undertaken on this subject representatives of the department, representatives of the Seamen's Union, and representatives of the shipping interests should be fully consulted in order to work out the features that were in question.

Now I wish to call the attention of the Senate before the vote is had on this amendment to section (f), which reads in part:

No vessel shall enter a port of the United States, except in distress, having on board as a member of the crew any alien who if he were applying for admission to the United States as an immigrant laborer would be subject to exclusion under the Chinese exclusion laws.

Under that provision, if it shall be enacted into law, a British ship could not enter the port of San Francisco if it had on board one Chinaman. I think that is rather a dangerous sort of a provision. It is unwise at the end of a long contest upon an immigration bill to vote into it something that ought to be very seriously considered. Personally, I am in favor of much of this amendment; and it was understood that the committee would meet and take up the matter, and it will take it up, I think, and work out a separate bill; but I do not believe we ought to lug this subject in here.

Mr. FLETCHER. May I ask the Senator a question?

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. WILLIS. I yield first to the Senator from Massachusetts.

Mr. LODGE. I merely wish to make clear that what I desired was that the matter should be considered by the conference committee.

Mr. WILLIS. That is quite right.

Mr. LODGE. It is open to the conference committee to deal with the whole subject, in the way it now stands, because the entire section has been stricken out. That leaves it open to the conferees to deal with the whole subject.

Mr. WILLIS. That is true without the adoption of the amendment.

Mr. LODGE. What I do want to avoid and what I think we must provide against is a failure to pass any law about alien seamen. We must have some law on the subject, but I think the conferees will be perfectly able to deal with it.

Mr. FLETCHER. Mr. President, I merely wish to suggest to the Senator from Ohio, in his own time, referring to the sections which he mentioned, that if we are to enact a law providing that certain people shall be excluded, the way to enforce that law is to exclude them. Do not permit vessels of every country to come in here loaded down with immigrants, even though they are classed as a part of the crew. If we do that, then we do not exclude them.

SEVERAL SENATORS. Vote!

Mr. BROOKHART. Mr. President, I should like to ask the Senator from Utah if the provisions of his amendment on the subject are identical with the provisions of the bill as it passed the House.

Mr. KING. No; I will say to the Senator they are not; they are more comprehensive than the provisions of the House bill.

Mr. BROOKHART. Are any of them identical; for instance, the landing-card provision?

Mr. KING. That is very much the same.

Mr. BROOKHART. Would that be in issue or would there be left the right to change that in conference?

Mr. KING. Yes; I think so. The whole thing would be in conference, and the conferees could accept such parts of the amendment I have offered as they pleased, or such parts of the provision of the House bill as they pleased.

Mr. LODGE. Mr. President, I find that I was misunderstood. I thought I made the matter as clear as it could possibly be made.

The whole question is open in conference now because the entire section covering alien seamen was stricken out here. What came from the House is stricken out here; therefore it is an amendment. The whole subject is thrown into conference, and under our rules and practice that opens it to the conferees to produce a new section which is based on the House provision.

I think it is impossible to deal with this amendment intelligently here. It is very complicated, and I hope the matter will be left to the conference committee.

I tried to make it clear, but apparently I failed.

Mr. BROOKHART. I think I understand the Senator's proposition; but I was trying to develop whether or not it would be open to the same consideration in conference if we adopted the amendment of the Senator from Utah.

Mr. LODGE. Just the same.

Mr. FLETCHER. Undoubtedly.

Mr. KING. Mr. President, may I say to the Senator that I think the position of the Senator from Massachusetts is not accurate parliamentarily. If we reject the amendment which I have offered, we will then have only the House amendment, and we will have nothing at all.

Mr. LODGE. It is not a House amendment.

Mr. KING. Or, rather, the House provision.

Mr. LODGE. We will have the House provision, and we will have stricken it out, and that will throw the whole subject into conference.

Mr. KING. I am not sure about that. We will have nothing affirmative to tender for the House provision. If we accept the amendment which I have offered, then the whole matter will be in conference, and we will have the affirmative matter in the bill and the affirmative matter in the House bill.

Mr. BROOKHART. That is exactly the proposition upon which I desired to be enlightened.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield; yes.

Mr. NORRIS. If we want to get this all into conference—and it seems that that is about the only way to settle it—the only way to get the Senator's amendment into conference is for the Senate to adopt it. If the Senate rejects the amendment of the Senator from Utah, it can not be in conference.

Mr. KING. That is right.

Mr. NORRIS. If we want to have it in conference, we ought to adopt the amendment.

It seems to me the suggestion made by the Senator from Florida [Mr. FLETCHER] is worthy of consideration. When foreign vessels come in here with a lot of alien seamen, they has a right to quit the vessel when they land at a port of this country.

Mr. WILLIS. They can not come in if this becomes the law.

Mr. NORRIS. Yes; they can send them back on another ship.

Mr. WILLIS. But it says in section (f) that no ship shall enter a port, and so forth. I read that to the Senator.

Mr. NORRIS. Then we will have that in conference, and that may have to be modified. It seems to me it will have to be modified; but if we are going to restrict immigration we certainly do not want to permit foreign ships to land at our ports with a whole lot of seamen who are not entitled to admission. We can not let them quit, as the seamen's law provides they have a right to quit, because they will violate our immigration law if they come in. If that is true, it seems to me we will violate our own immigration law by laying it wide open for a lot of seamen to come in and quit the employ of the foreign ships.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Massachusetts?

Mr. NORRIS. I yield to the Senator.

Mr. LODGE. I want to state, I believe correctly, the parliamentary situation.

The House passed the bill with certain clauses in it relating to alien seamen. Those were stricken out by the Senate. Of course the House can recede, the Senate can recede and agree

to the House provision with that amendment, and they can make any amendment they like.

Mr. NORRIS. Exactly. There is no doubt about that; but, at the same time, the fact that we adopt the amendment offered by the Senator from Utah does not put it into the law. It is in conference. The House has not passed it and the conferees will have to pass on the question, and that is the only way to get it into conference.

Mr. KING. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. KING. The Senator from Massachusetts is incorrect in his statement. We have not amended the House bill at all. The House passed a bill. That bill has not been before our committee. This is a bill which was originated in the committee.

Mr. NORRIS. Yes.

Mr. KING. We have not had the House bill before the Committee on Immigration of the Senate.

Mr. LODGE. The Senator knows very well that we shall substitute our bill for the House bill.

Mr. KING. That is another question.

Mr. LODGE. But that brings it into conference.

Mr. NORRIS. I understand that, Mr. President; but if there is any merit in the amendment offered by the Senator from Utah—and it seems to me there is; it strikes at a vital point, it seems to me—the way to get it into conference is to adopt it, and we can not get it into conference unless we do.

Mr. SPENCER. Mr. President, I should like to ask the Senator from Nebraska a question.

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. NORRIS. I yield to the Senator from Missouri.

Mr. SPENCER. If we pass the Senate bill without the amendment offered by the Senator from Utah, and then substitute this bill for the House bill, as it is proposed to do, when that goes to conference does not that bring before the conferees the whole question of this article, which is different in this bill from the provision in the House bill for which this has been substituted, and does not that open the door to the conferees to take out the amendment of the Senator from Utah, if they like, or anything else?

Mr. NORRIS. Then what is the objection to putting the amendment of the Senator from Utah into the bill?

Mr. SPENCER. The objection I see is that when the committee considered the thing with care—which we can not, from the necessity of the case, give to it here—the committee were unanimously in favor of what is in this bill, with the exception of one or perhaps two members; and therefore I should be inclined to take their judgment.

Mr. NORRIS. All right. I have no fault to find with the Senator for taking it. He may be right; but in order to get the whole thing into conference we ought to adopt the amendment of the Senator from Utah. If the amendment of the Senator from Utah is not adopted, it is not in conference, because the House has not passed anything of that kind. If the Senator's statement is correct, if it would be in conference anyway, then certainly there can be no objection to putting it on to the bill and being sure that it is in conference.

Mr. LODGE. Mr. President, if the Senator will allow me a moment, if we substitute our bill for the House bill, and it then goes into conference, of course the two bills are both in conference; but the House bill will not have been amended on that point, and we shall have no dispute over the House provision, but a simple motion to strike out—which I assume the chairman will make—will carry all those sections into conference, especially.

Mr. NORRIS. If we strike out all of the House bill, which I suppose is contemplated——

Mr. LODGE. Oh, yes.

Mr. NORRIS. And insert this bill right after the enacting clause. If there are any provisions in the House bill that are the same as in the Senate bill it will be the duty of the conferees to bring in the bill in that form. That will not be in conference, even though the whole subject may be in conference. Where the two Houses have agreed on any subject upon the language that is to be in the bill, even though there are two bills, they can not go outside of that language and put in new language. The only way to get in anything new is for us to put it in now.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Pennsylvania?

Mr. NORRIS. Yes.

Mr. REED of Pennsylvania. In the House bill, as it has been received by us, and in the amendment offered by the Senator from Utah there is, for example, one paragraph which I have noticed which is exactly the same in each. That is the provision as to the printing of landing cards on distinctive paper, a purely subsidiary and unimportant provision; but, if I understand the duties of the conferees, they will have to accept that section, because it occurs here and it occurs in the House bill. Yet we are all agreed, with the exception of the Senator from Utah, that it is unwise at this time to introduce this landing-card provision in an immigration bill.

Mr. NORRIS. It may be that the Senator is correct. If there is some language in the amendment of the Senator from Utah that is the same as the language in the House bill, that would not be in conference. I admit that.

Mr. FLETCHER. I submit, if the Senator will yield, that it would all be in conference. Merely because an amendment of one body contains some sentences that are in the bill as passed by the other body, those sentences are not the law.

Mr. NORRIS. Oh, no; that would not necessarily throw it out of conference.

Mr. FLETCHER. It would be only a part of the bill.

Mr. NORRIS. But, as I understand it, the amendment of the Senator from Utah contains a proposition which, while it may not be worked out, and conceding that it ought to be remodeled in some respects and will have to be worked out, is something of importance to relieve the situation of a great danger. Either we will be repealing the seamen's act or we will be repealing, in effect, some of the immigration bill, neither one of which I want to see done. So far as I am concerned, I want to preserve the seamen's act, and I hate to have a great big hole shot into the immigration law. The way to meet that contingency, if we are not going to take the time to work it out ourselves and want to have it worked out by the conferees, is to adopt the necessary amendment so that they will have authority to do it.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Utah [Mr. KING].

On a division, the amendment was rejected.

Mr. SPENCER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. It is proposed to insert, after the numerals "1917," on page 15, line 26, the following:

Provided, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States any alien child who when under 16 years of age was temporarily admitted to the United States and who is now within the United States and whose parents, or either of them, are American citizens.

Mr. SPENCER. Mr. President, I beg the Senate to listen for a moment to the facts which are back of this amendment.

In 1904 a Syrian came to this country and came to Missouri. His name was N. F. Kalaf. He started in with a little shop. As soon as he could become an American citizen, at the end of about five or five and a half years, he became an American citizen. By his attention to duty he developed that store until now, in the little town of Meta, in Osage County, it is the largest department store there, and Mr. Kalaf is worth probably $100,000.

As soon as he became a citizen, within a few years, and had acquired enough money, he sent over to Syria for his wife and his children. Before he sent for them, the boy, Jacob Kalaf, who was then 13 years of age, was stricken with a fever which left him weak in mind.

The mother came over with that boy weak in mind. The department admitted him, even in spite of his weakness, temporarily. His father has had every care given to him, has employed physicians, and has put him into an institution. He is perfectly harmless and he is the idol of his father and his mother, but from the information I get he will never be anything but weak-minded.

The department had extended his temporary permit from year to year, until now they say that boy must go back to Syria. There is no one in Syria to receive him. There are no relatives left in Syria. The boy is feeble-minded, and the department agreed to wait until Congress acted on such matters, if Congress saw fit to act. From the information I can get there are at least 12 such cases, and not over 34 in the United States. The amendment I have drawn, which I understand has the general approval of the department, will, I think, safeguard any danger, and if the Senate approves it, it seems to me it would be a wise thing to send it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. SPENCER].

The amendment was agreed to.

Mr. KING. Mr. President, I invite the attention of the chairman of the committee, and also the attention of the Senator from Pennsylvania [Mr. REED], to this situation, if I may explain it briefly before offering an amendment.

Under the existing statute there is a presumption of expatriation after a person has been absent from the United States for two years and fails to register. Many Americans not knowing of the statute and many caught in Europe during the war did not register. They seek readmission to the United States. Some have come to the United States. In seeking readmission they are denied the usual courtesy and visés that are granted to American citizens, because it is said that the presumption of expatriation deprives them of all right that a citizen should have.

Then, when they return to the United States, the question arises, even when they come in good faith, as to whether they are American citizens and as to the effect of presumption of expatriation. Some of the courts have held that they are not citizens; others have held that they are citizens, or, at any rate, the former have held that the burden of proof is upon them, and that it requires very certain and definite proof in order to establish the fact that they are citizens of the United States. It is a serious situation, and it seems to me it ought to be dealt with, because many American citizens are caught now between the upper and the nether millstones, so to speak. They are not recognized as American citizens, and are denied in some instances the advantages and privileges of American citizenship.

To meet that situation I have prepared the following amendment, which I offer. I propose to insert after line 7, page 12 of the bill, the following:

A visèed certificate to reenter the United States shall not be required of any naturalized citizen of the United States against whom a presumption of expatriation has arisen by reason of residence in a foreign country, and upon his or her return to the United States for permanent residence the presumption of expatriation which may have arisen against such person shall cease to exist.

Mr. REED of Pennsylvania. Mr. President, I am not speaking for the whole committee, but only for myself. I do not like this amendment, because Europe is full of Americans who have deliberately given up their residence here and have returned to Europe, or have gone to Europe to live, intending to stay there permanently. Under the Cable law we gave them the privilege of registering, showing their intention to remain American citizens. If, in spite of their departure, and in spite of that opportunity for reinstatement which we gave them, they have not taken advantage of it yet, I think they ought to be treated like foreigners.

Mr. KING. When they have returned to the United States in good faith, and established their residence, assuming that they lost their residence by their temporary sojourn abroad, does the Senator think that it was intended by the Congress that the presumption of expatriation should be continued?

Mr. REED of Pennsylvania. I think it was. If they have once surrendered their citizenship so as to give rise to the presumption, and have failed to take advantage of the Cable law, I think the presumption ought to arise.

Mr. WILLIS. Will the Senator yield to me for a question?

Mr. REED of Pennsylvania. I yield.

Mr. WILLIS. I call the attention of the Senator from Utah to the fact that the amendment introduced by him does not provide that they must have returned here and established their residence; it simply provides that they shall regain their citizenship upon their return here. They go abroad and lose their citizenship, and the Senator seeks to provide that when they come back the presumption shall no longer be against them. I think this amendment ought to be defeated.

Mr. KING. Will the Senator permit an interruption?

Mr. WILLIS. Certainly.

Mr. KING. I deny that by going abroad they lose their citizenship.

Mr. WILLIS. But when they have lost it——

Mr. KING. I deny that they lose it. Merely a presumption of expatriation arises, and I deny that under the law they could lose their citizenship. The mere fact that there is a presumption of expatriation is not equivalent to a loss of their citizenship.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. KING].

The amendment was rejected.

Mr. REED of Pennsylvania. Mr. President, I have a few amendments to perfect the bill in accordance with the intentions of the Senate, already declared. For example, the Senate has adopted the 1890 census as a basis for the quotas. Therefore I move that on page 13, line 13, the figure "1910" be changed to read "1890." That is necessary.

The amendment was agreed to.

Mr. KING. I invited the Senator's attention to a matter the other day, and also called the attention of the Senator from California to it. In the amendment which was adopted respecting exclusion certain persons who would be excluded are permitted to come here for the purpose of study if they are over 18 years of age. My attention has been called by a number of fine American citizens, who are friends of the Chinese particularly, to the fact that the Chinese who come here to the schools and colleges ordinarily come when they are 15 or 16 or 17 years of age. The Chinese feel that they can better learn the language and can make better progress if they come at that early age than if they wait until they are over 18 years of age. As I have been advised by these estimable persons, the majority of the students who come from China are under 18 years of age, and few, if any, have come who are over 18 years of age.

I suggest to the Senator that it would be in the interest of education, and would be a very friendly and a very proper act, to permit them to come in as students after they have reached the age of 15 years; in other words, to reduce the age from 18 to 15.

Mr. REED of Pennsylvania. I concur in what the Senator has said, and I hope the Senators from California will meet us halfway on that, and will agree to allow the amendment to be changed which we inserted so as to allow students to come in above the age of 15. The reason it was put at 18 in the amendment which I offered, to carry out the express intention of the Senate, was that that was the figure fixed in the bill as it passed the House. I agree with the Senator from Utah that it is too high, and I hope the Senators from California will agree to make it 15.

The PRESIDING OFFICER. May the Chair suggest that that would require a reconsideration of the vote by which the amendment made as in Committee of the Whole was adopted. It will, however, be subject to amendment in the Senate without a reconsideration of the vote.

Mr. SHORTRIDGE. It can not be amended in this form under the present rule?

Mr. KING. I would have to move a reconsideration of the vote by which the amendment was adopted.

The PRESIDING OFFICER. It could only be done by a reconsideration of the vote agreeing to the amendment, but it will be open to amendment when the bill gets into the Senate.

Mr. REED of Pennsylvania. If there is any doubt about it, I would rather not have a debate over it now. We can amend it when the bill is in the Senate.

I move that the figure "1910" be changed to "1890" on page 14, line 8.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. UNDERWOOD. Mr. President, I will ask the Chair to put the question in the usual way. There is objection to the change, but I recognize that the matter has been decided. I do not care, however, to have it understood that the change is made by unanimous consent.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. REED of Pennsylvania. I move that, on page 14, line 13, we strike out the figure "1910" and insert the figure "1890."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. REED of Pennsylvania. On page 14, line 20, I move to strike out the figure "1910" and insert the figure "1890."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. REED of Pennsylvania. On page 23, after line 22, I am about to propose an amendment, and I want to say a word of explanation regarding it. I shall be very brief.

At the present time the custom is that the United States supplies blank manifests to all vessels coming into our ports. If we did not do that, they would have to prepare their own manifests on some form or other. The only purpose in our giving them the manifests is to have them all in the same consistent form, but properly they ought to pay for them. Therefore I propose an amendment, which will have the effect of providing for our sale of those manifests to the vessels. It makes a difference of $7,000 a year to the United States. I propose the amendment which I send to the desk.

been received by us, and in the amendment offered by the

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 23, after line 22, the Senator from Pennsylvania proposes to add the following subsection:

(b) The Public Printer is hereby empowered, authorized, and directed to print and keep on sale blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of February 5, 1917.

The amendment was agreed to.

Mr. REED of Pennsylvania. The bill as reported from the committee provides that in any proceeding under the immigration laws the burden of proving the right of an alien to admission here shall be on the alien. That is a little bit too broad. It seems to me the provision in the bill as it passed the House is very much better, and therefore I propose the following amendment, to be inserted on page 25.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 25 the Senator from Pennsylvania proposes to strike out lines 13 to 16, inclusive, and to insert:

SEC. 18. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration certificate, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

Mr. NORRIS. Mr. President, I want to ask a question of the Senator from Pennsylvania about that amendment. If we are going to deport anybody, we must not put the burden of proof on him to show that he ought not to be deported. Does this amendment provide that in case the Government of the United States desires to deport an alien who is a resident of the United States the burden of proof shall be on the alien?

Mr. REED of Pennsylvania. The bill as reported from the committee does just that, and we thought it was unfair. So we propose to change it by this amendment so as to provide that in deportation proceedings the burden of proof shall be on the alien to show that he entered lawfully. Then the burden of proof would shift to the Government.

Mr. NORRIS. I did not understand it that way. If that is what the amendment provides, I am in favor of it.

Mr. REED of Pennsylvania. That is the exact effect of it.

The amendment was agreed to.

Mr. REED of Pennsylvania. Mr. President, I have one final amendment caused by the insertion of the Japanese exclusion clauses. On the last page of the bill, page 36, it is provided that section 10 shall take effect on July 1, 1924. We have added two subdivisions to section 10 dealing with the Japanese. If the application of those provisions is postponed to July 1 we may have unpleasant consequences in the meantime. Therefore I propose an amendment to limit that postponement of the original section to section 10. Thereupon the Japanese sections will take effect immediately upon the enactment of the measure into law. That is accomplished on page 36, line 3, after the words "and subdivision (b) of section 8," by inserting the words "and subdivisions (a) and (b) of section 10."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 36, line 3, after the numeral "8," insert "and subdivisions (a) and (b) of section 10," so as to make the clause read:

(a) Sections 2, 10, 11, 12, and 13, and subdivision (b) of section 8 and subdivisions (a) and (b) of section 10, shall take effect on July 1, 1924.

And so forth.

The amendment was agreed to.

Mr. REED of Pennsylvania. I now move that on page 36, line 2, the numeral "10" be stricken out.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 36, line 2, strike out the numeral "10."

The amendment was agreed to.

Mr. REED of Pennsylvania. In the same line I move to strike out the final word "and."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 36, line 2, strike out the final word "and."

The amendment was agreed to.

Mr. HEFLIN. Mr. President, I have an amendment that I desire to offer. It provides for exclusion of all immigrants for a period of two years. The amendment offered by the Senator from Georgia [Mr. HARRIS] would have excluded them for a period of five years. I am proposing exclusion for a period of two years.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 12, strike out lines 9 to 22, and insert the following:

That for the period of two years, beginning 60 days after the passage of this act, the immigration of aliens into the United States is prohibited.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama [Mr. HEFLIN].

The amendment was rejected.

The PRESIDING OFFICER. If there are no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

Mr. KING. I desire a separate vote on the provision that was inserted on page 15, after line 17.

The PRESIDING OFFICER. The Chair has a memorandum handed him by the Clerk. It states that the Senator from Utah asks for a separate vote on the provision inserted on page 15, after line 17, and on the amendment on page 35, after line 15, relating to overpayment of inspectors.

Mr. KING. I shall not ask for a separate vote on the latter, but merely on the former amendment.

The PRESIDING OFFICER. The Japanese exclusion amendment, the Chair understands, is the only one on which a separate vote is asked.

Mr. KING. It is.

The PRESIDING OFFICER. The question is, Shall all the other amendments, with that exception, made as in Committee of the Whole be concurred in?

The amendments were concurred in.

Mr. KING. Now, if the Senator from Pennsylvania will make the motion, I shall be glad to strike out "18" and insert "15."

Mr. REED of Pennsylvania. That amendment has been inserted in Committee of the Whole in paragraph (C), after line 17, page 15. I move that in the last clause of that inserted paragraph the numerals "18" be stricken out and the numerals "15" inserted.

Mr. SHORTRIDGE. Mr. President, I have conferred with Mr. JOHNSON of the House in respect of this particular matter. He advises me that after very careful consideration of the whole point the House committee deliberately fixed the age at 18. I have not the time to give those reasons. It was after careful consideration. Manifestly the Senate has voted once or twice or more times and in a sense expressed its approval of the age limit of 18. There are many reasons which Mr. JOHNSON assigned for fixing the age as it is in the bill. I hope the amendment will not prevail.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment made as in Committee of the Whole.

The amendment to the amendment was agreed to.

The amendment as amended was concurred in.

Mr. REED of Pennsylvania. After the bill is passed I propose to move it as a substitute for House bill 7995.

The PRESIDING OFFICER. The Chair suggests that now is a good time to take up the House bill.

Mr. REED of Pennsylvania. Very well; I ask that the Senate proceed to its consideration.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

Mr. REED of Pennsylvania. I move that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the provisions of Senate bill 2576, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

Mr. ROBINSON. I ask the Senator from Pennsylvania to state in what important particulars the House bill differs from the Senate bill as it has been perfected by the action of the Senate? My recollection is that with respect to the quota and the basis for the quota and the so-called Japanese exclusion amendment the two bills are substantially the same. In what important particulars do the bills now differ?

Mr. REED of Pennsylvania. I am very glad to answer that and I think I can do it very briefly. There are five important

has adopted the 1890 census as a basis for the quotas. There-

amendment which I send to the desk.

points of difference between the House bill and the Senate bill as we have passed it.

The first difference is that our system of visé certificates entirely replaces the present method of stamping visés on passports. That is for the purpose of making it a purely diplomatic function. We feel that our plan is more supportable under international law than is the immigration certificate plan provided for under the House bill. The mechanics of the thing are substantially the same and the end to be attained is substantially the same.

The next difference—and it is in my judgment the most important—is that the House bill provides for a large group of what are called nonquota immigrants. They are said to be the relatives of American citizens, children, parents, husband, or wife of an American citizen. Of course, it will be understood that under the House bill an alien who testifies that he is the parent or spouse or child of an American citizen cheats us if he is fraudulent. Under our bill those same people have a preference, but within the quota, so that if there is any fraud they are cheating some national of the same group and they are not cheating the United States.

Mr. ROBINSON. Then, if I understand the Senator correctly, the Senate bill is actually more restrictive than the House bill?

Mr. REED of Pennsylvania. Very much more so, so much so that I think it is safe to say that 2 per cent on the 1890 basis, as provided in the House bill, will admit twice as many immigrants as 2 per cent on the basis of the 1890 census would admit under the Senate bill.

In addition to the relatives whom the House bill admits outside of the quota it also admits a lot of skilled labor which can come in outside of the quota; and not only that, but it admits all the relatives of the skilled labor, too, and provides that they are outside of the quota.

Mr. ROBINSON. Under the Senate bill all immigrants must be admitted under the quota?

Mr. REED of Pennsylvania. Absolutely every person who is admitted is within the quota, except one of the Pan American group on this hemisphere. Every person who comes to stay is under the quota. That is the second point of difference.

Then there is a difference in regard to the alien-seamen question, which has been explained and which I do not need to take the time again to explain.

Next is the national-origin amendment. If Senators have the time they will find the three methods contrasted in the CONGRESSIONAL RECORD, and I shall not stop to refer to that now. Suffice it to say that the present law admits 357,000, the House bill would admit 161,000, with as many more outside of the quota, and the national-origin method would admit not to exceed 150,000.

Mr. ROBINSON. Can the Senator state briefly what is the difference respecting alien seamen between the two bills?

Mr. REED of Pennsylvania. The difference is as wide as can be. The House undertakes to regulate it by a method which we have found in committee is not satisfactory to the Seamen's Union and is not satisfactory to the immigration authorities of this Government. The steamship companies criticize it, but not quite so severely. We left it out because we thought it was a contentious subject that ought to be dealt with in a separate bill that was fully considered. As it now stands, the matter goes to conference and will have full consideration in conference.

The final, or fifth, point of difference is that we have inserted the Simmons amendment providing for preference within the quota for agricultural laborers. There is no such preference given under the House bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to strike out all after the enacting clause and insert Senate bill 2576 as amended.

The amendment was agreed to, as follows:

Strike out all after the enacting clause of House bill 7995 and insert:

That this act may be cited as the "Immigration act of 1924."

VISA CERTIFICATES

SEC. 2. (a) A consular officer upon the application of any immigrant (as defined in section 3) may (under the conditions hereinafter prescribed and subject to the limitations prescribed in this act or regulations made thereunder as to the number of visa certificates which may be issued by such officer) issue to such immigrant a visa certificate which shall specify (1) his nationality; (2) his name, age, sex, race, and personal description (including height, complexion, color of hair and eyes, and marks of identification); the date and place of his birth; and his last residence in the country from which he comes; (3) his occupation; and (4) such additional information as the Secretary of State and the Secretary of Labor shall by regulations prescribe as necessary to the proper enforcement of the immigration laws and the naturalization laws.

(b) The immigrant shall furnish a copy of his photograph to the consular officer, which shall be permanently attached by the consular officer to the visa certificate.

(c) The validity of a visa certificate shall expire at the end of such period, specified in the certificate, not exceeding six months, as shall be by regulations prescribed. In the case of an immigrant arriving in the United States by water, or arriving by water in foreign contiguous territory on a continuous voyage to the United States, if the vessel, before the expiration of the validity of his certificate, departed from the port outside the United States and outside foreign contiguous territory at which the immigrant embarked, and if the immigrant proceeds on a continuous voyage to the United States, then, regardless of the time of his arrival in the United States, the validity of his certificate shall not be considered to have expired.

(d) No such immigrant shall be required by any law or regulations to secure any other visa of his passport by a consular officer before being permitted to enter the United States than the visa certificate issued under this act.

(e) The manifest or list of passengers required by the immigration laws shall contain a place for entering thereon the date, place of issuance, and number of the visa certificate of each immigrant. The immigrant shall surrender his visa certificate to the immigration officer at the port of entry, who shall at the time of inspection indorse on the certificate the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The visa certificate shall be transmitted forthwith by the immigration officer in charge at the port of inspection to the Department of Labor under regulations prescribed by the Secretary of Labor.

(f) No visa certificate shall be issued to an immigrant if facts are stated in his application, or in the papers submitted therewith, from which it appears that he is inadmissible to the United States under the immigration laws, nor shall such certificate be issued if the application fails to comply with the provisions of this act, nor shall such certificate be issued if the consular officer knows or has reason to believe that the immigrant is inadmissible to the United States under the immigration laws.

(g) Nothing in this act shall be construed to entitle an immigrant to whom a visa certificate has been issued to enter the United States, if, upon arrival at the port of inspection, he is found to be inadmissible to the United States under the immigration laws. The substance of this subdivision shall be printed conspicuously upon every visa certificate.

(h) A fee of $8 shall be charged for the issuance of each visa certificate, which shall be covered into the Treasury as miscellaneous receipts.

DEFINITION OF "IMMIGRANT"

SEC. 3. When used in this act the term "immigrant" means any alien departing from any place outside the United States destined for the United States, except (1) a Government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business, study, or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, (6) an alien previously lawfully admitted to the United States, who is returning from a temporary visit abroad, (7) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation; and (8) an alien who is eligible to citizenship in the United States and who was born in the Dominion of Canada, Newfoundland, the Republics of Mexico, Cuba, or Haiti, the Dominican Republic, the countries of Central or South America, or the colonies of dependencies of European countries in Central America or South America, and his wife, and his unmarried children under 21 years of age, if accompanying or following to join him.

No person, who is not within any of the exceptions specified in this section, shall be excepted from the quota restrictions created by this act by reason of relationship to any person who is so excepted or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

SEC. 4. In the issuance of visa certificates preference shall be given to an immigrant who is the unmarried child under 21 years of age, father or mother over 55 years of age, the husband, or the wife, of a citizen of the United States.

(c) Whenever the legislature or the governor of a State makes a request of the Secretary of Labor for skilled farm laborers or for skilled farmers who are expert in agronomy, forestry, horticulture, or animal

husbandry, of any nationality, for the purpose of filling a specific need in that State, the Secretary of Labor, with the Secretary of Agriculture, may make a review of the situation, and upon their approval, in the issuance of immigration visa certificates, preference shall next be given by the consuls to skilled farmers and experienced farm laborers, to meet such demand subject to such regulations as will insure that they go to the specified locations where the demand exists.

The preference provided in (c) of this section shall not, in the case of any one country, exceed 25 per cent of the quota allotted to such country.

APPLICATION FOR VISA CERTIFICATE

SEC. 5. (a) Every immigrant applying for a visa certificate shall make application therefor in duplicate in such form as shall be by regulations prescribed.

(b) In the application the immigrant shall state (1) the immigrant's full and true name; age, sex, and race; the date and place of birth; places of residence for the five years immediately preceding his application; whether married or single, and the names and places of residence of wife or husband and minor children, if any; calling or occupation; personal description (including height, complexion, color of hair and eyes, and marks of identification); ability to speak, read, and write; names and addresses of parents, and if neither parent living, then the name and address of his nearest relative in the country from which he comes; port of entry into the United States; final destination, if any, beyond the port of entry; whether he has a ticket through to such final destination; whether going to join a relative or friend, and, if so, what relative or friend and his name and complete address; the purpose for which he is going to the United States; the length of time he intends to remain in the United States; whether or not he intends to abide in the United States permanently; whether ever in prison or almshouse; whether he or either of his parents has ever been in an institution or hospital for the care and treatment of the insane; and (2) such additional information as the Secretary of State and the Secretary of Labor shall by regulations prescribe as necessary to the proper enforcement of the immigration laws and the naturalization laws.

(c) The immigrant shall furnish if available, to the consular officer, with his application, copies of his "dossier" and prison record and military record, if any, a certified copy of his birth certificate and copies of all other available public records concerning him kept by the Government to which he owes allegiance. The documents so furnished shall be permanently attached to the application and become a part thereof.

(d) In the application the immigrant shall also state (to such extent as shall be by regulations prescribed) whether or not he is a member of each class of individuals excluded from admission to the United States under the immigration laws; and such classes shall be stated on the blank in such form as shall be by regulations prescribed.

(e) If the immigrant is unable to state that he does not come within any of the excluded classes, but claims to be for any legal reason exempt from exclusion, he shall state fully in the application the grounds for such alleged exemption.

(f) The application shall be signed by the immigrant in the presence of the consular officer, and verified by the oath of the immigrant, administered by the consular officer, and shall be permanently attached to the visa certificate at the time of issuance and become a part thereof, and the copy of the application shall forthwith be transmitted by the consular officer to the Secretary of State for delivery to the Secretary of Labor.

(g) In the case of an immigrant under 18 years of age the application may be made and verified by such individuals as shall be by regulations prescribed.

(h) A fee of $2 shall be charged for the furnishing of each application, which shall be covered into the Treasury as miscellaneous receipts.

ISSUANCE OF CERTIFICATES TO RELATIVES

SEC. 6. (a) In case of any immigrant claiming in his application for a visa certificate to be entitled to preference by reason of relationship to an American citizen under the provisions of section 4, the consular officer shall not grant such preference until he has been authorized to do so as hereinafter in this section provided.

(b) Any citizen of the United States claiming that any immigrant is his relative, and that such immigrant is within the provisions of section 4, may file with the Commissioner General a petition in such form as may be by regulations prescribed, stating (1) the petitioner's name and address; (2) if a citizen by birth, the date and place of his birth; (3) if a naturalized citizen, the date and place of his admission to citizenship and the number of his certificate, if any; (4) the name and address of his employer or the address of his place of business or occupation if he is not an employee; (5) the degree of the relationship of the immigrant for whom such petition is made, and the names of all the places where such immigrant has resided prior to and at the time when the petition is filed; (6) that the petitioner is able to and will support the immigrant if necessary to prevent such immigrant from becoming a public charge; and (7) such additional information as the Secretary of Labor shall by regulations prescribe as necessary to the proper enforcement of the immigration laws and the naturalization laws.

(c) The petition shall be made under oath before any individual having power to administer oaths, and shall be supported by any documentary evidence required by regulations prescribed under this act. Application may be made in the same petition for admission of more than one individual.

(d) The petition shall be accompanied by the statements of two or more responsible citizens of the United States, to whom the petitioner has been personally known for at least one year, that to the best of their knowledge and belief the statements made in the petition are true and that the petitioner is a responsible individual able to support the immigrant or immigrants for whose admission application is made. These statements shall be attested in the same way as the petition.

(e) If the Commissioner General finds the facts stated in the petition to be true, and that the immigrant in respect of whom the petition is made is entitled to preference under section 4, he shall inform the Secretary of State of his decision and the Secretary of State shall then authorize the consular officer with whom the application for the visa certificate has been filed to grant the preference.

PERMIT TO REENTER UNITED STATES AFTER TEMPORARY ABSENCE

SEC. 7. (a) Any alien about to depart temporarily from the United States may make application to the Commissioner General for a permit to reenter the United States, stating the length of his intended absence and the reasons therefor. Such application shall be made under oath, and shall be in such form and contain such information as may be by regulations prescribed, and shall be accompanied by two copies of the applicant's photograph.

(b) If the Commissioner General finds that the alien has been legally admitted to the United States, and that the application is made in good faith, he shall issue the permit, specifying therein the length of time, not exceeding one year, during which it shall be valid. The permit shall be in such form as shall be by regulations prescribed and shall have permanently attached thereto the photograph of the alien to whom issued, together with such other matter as may be deemed necessary for the complete identification of the alien.

(c) On good cause shown the validity of the permit may be extended for such period or periods, not exceeding six months each, and under such conditions as shall be by regulations prescribed.

(d) For the issuance of the permit, and for each extension thereof, there shall be paid a fee of $6, which shall be covered into the Treasury as miscellaneous receipts.

(e) Upon the return of the alien to the United States the permit shall be surrendered to the immigration officer at the port of inspection.

(f) A permit issued under this section shall have no effect under the immigration laws, except to show that the alien to whom it is issued is returning from a temporary visit abroad; but nothing in this section shall be construed as making such permit the exclusive means of establishing that the alien is so returning.

(g) No such returning alien, having a permit issued under this section, shall be required to pay a greater fee than $2 for a visa of his passport by an American consular officer.

PERCENTAGE LIMITATIONS

SEC. 8. (a) The annual "quota" of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

(b) There shall be issued to immigrants of any nationality (1) no more visa certificates in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more visa certificates than one-twelfth of the annual quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the Commissioner General, with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

On or before March 4, 1926, the Secretary of State, the Secretary of Commerce, and the Secretary of Labor shall jointly make an estimate showing as nearly as may be the several national origins of the persons who in 1920 comprised the whole population of continental United States, excepting the descendants of such persons as were involuntary immigrants into the territory now included therein. In the preparation of such estimate the said officers are authorized to call for information and expert assistance from the Bureau of the Census, and to receive and utilize any information that may be available from other sources.

After July 1, 1927, the maximum total number of immigrants that shall be admitted into the United States in each fiscal year shall, unless the Congress shall in the interim provide otherwise, be 150,000, and the annual quota of each nationality shall bear the same ratio to said

maximum total number of immigrants as the number of inhabitants of the United States having that national origin shall bear to the whole number of inhabitants other than the descendants of involuntary immigrants. On or before April 1, 1927, said officials shall, jointly, proclaim and make known the quotas of each nationality, determined as aforesaid, and thereafter the said quotas shall continue with the same effect as if specifically stated herein, and shall be subject to correction and readjustment only if it shall be made to appear, to the satisfaction of said officials, that an error of fact has occurred in said estimate or in said proclamation.

NATIONALITY

SEC. 9. (a) For the purposes of this act nationality shall be determined by country of birth, treating as separate countries the colonies, self-governing dominions, or dependencies for which separate enumeration was made in the United States census of 1890; except that (1) the nationality of a child under 21 years of age, not born in the United States, accompanied by either or both of its alien parents, may be determined by the country of birth of either accompanying parent, if such parent is entitled to a visa certificate; and (2) if a wife is of a different nationality from her alien husband and the entire number of visa certificates which may be issued to immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to a visa certificate.

(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly shall, as soon as feasible after the enactment of this act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890 (including separate estimates for countries for which a separate enumeration was not recorded in said census), which statement shall be the population basis for the purposes of this act. In case of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting (1) in the creation of new countries, the governments of which are recognized by the United States, or in the establishment of self-governing dominions, or (2) in the surrender or transfer of territory from one country to another, such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or in such territory so transferred, and revise the population basis as to each country involved in such change of political boundary. For the purpose of such revision and for the purposes of this act generally, aliens born in the area included in any such new country shall be considered as having been born in such country, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred.

EXCLUSION FROM UNITED STATES

SEC. 10. (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired visé certificate or was born subsequent to the issuance of the visé certificate of the accompanying parent, (2) is of the nationality specified therein, and (3) is otherwise admissible under the immigration laws.

(b) An immigrant who has been legally admitted to the United States and who departs therefrom temporarily at frequent intervals may be admitted to the United States, under such conditions as may be by regulations prescribed, without being required to obtain a visa certificate in respect of each entry into the United States.

(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonimmigrant under the provisions of section 3; or (2) unless such alien is an immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; or (3) unless such alien is an immigrant who is a bona fide student over 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor; or (4) unless such alien is the wife or the unmarried child under 18 years of age of an immigrant admissible under subdivision (2) of this paragraph and is accompanying or following to join him.

DEPORTATION

SEC. 11. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under this act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the immigration act of 1917: *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States any alien child who, when under 16 years of age, was temporarily admitted to the United States and who is now within the United States and whose parents, or either of them, are American citizens.

MAINTENANCE OF EXEMPT STATUS

SEC. 12. The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), or (5) of section 3 shall be for such time as may be by regulations prescribed and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), or (4) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

PENALTY FOR ILLEGAL TRANSPORTATION

SEC. 13. (a) It shall be unlawful for any person, including any transportation company or the owner, master, agent, charterer, or consignee of any vessel, to bring to the United States by water from any place outside thereof (other than foreign contiguous territory) any immigrant who does not have an unexpired visa certificate or a visa granted to him as a nonimmigrant alien.

(b) If it appears to the satisfaction of the Secretary of Labor that any immigrant has been so brought, such person or transportation company or the master, agent, owner, charterer, or consignee of any such vessel shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each immigrant so brought, and, in addition, a sum equal to that paid by such immigrant for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, such latter sum to be delivered by the collector of customs to the immigrant on whose account assessed. No vessel shall be granted clearance pending the determination of the liability to the payment of such sums or while such sums remain unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of an amount sufficient to cover such sums or of a bond with sufficient surety to secure the payment thereof.

(c) Such sums shall not be remitted or refunded unless it appears to the satisfaction of the Secretary of Labor that such person, and the owner, master, agent, charterer, and consignee of the vessel, prior to the departure of the vessel from the last port outside the United States, did not know, and could not have ascertained by the exercise of reasonable diligence, that the individual transported was an immigrant, if the fine was imposed for bringing an immigrant without an unexpired visé certificate.

ENTRY FROM FOREIGN CONTIGUOUS TERRITORY

SEC. 14. The Commissioner General, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favor of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of aliens brought thereto by them, to submit to and comply with all the requirements of this act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that he was brought to such territory by a transportation company which had submitted to and complied with all the requirements of this act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

UNUSED VISA CERTIFICATES

SEC. 15. If a quota immigrant of any nationality having a visa certificate is excluded from admission to the United States under the immigration laws and deported, or does not apply for admission to the United States before the expiration of the validity of the certificate, or if an alien of such nationality having a visa certificate issued to him as an immigrant is found not to be an immigrant as defined in this act, no additional visé certificate shall be issued in lieu thereof to any other immigrant.

PREPARATION OF DOCUMENTS

SEC. 16. Visé certificates and permits issued under section 7 shall be printed on distinctive safety paper and shall be prepared and issued under regulations prescribed under this act.

(b) The Public Printer is hereby empowered, authorized, and directed to print and keep on sale blank forms of manifests and crew

lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of February 5, 1917.

OFFENSES IN CONNECTION WITH DOCUMENTS

SEC. 17. (a) Any person who knowingly (1) forges, counterfeits, alters, or falsely makes any visa certificate or permit, or (2) uses, attempts to use, possesses, obtains, accepts, or receives any visa certificate or permit, knowing it to be forged, counterfeited, altered, or falsely made, or to have been procured by means of any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or who, except under direction of the Secretary of Labor, or other proper officer, knowingly (3) possesses any blank visa certificate or permit, (4) engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of visa certificates or permits, (5) makes any print, photograph, or impression in the likeness of any visa certificate or permit, or (6) has in his possession a distinctive paper which has been adopted by the Secretary of Labor for the printing of visa certificates or permits, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

(b) Any individual who (1) when applying for a visa certificate or permit, or for admission to the United States, personates another, or falsely appears in the name of a deceased individual, or evades or attempts to evade the immigration laws by appearing under an assumed or fictitious name, or (2) sells or otherwise disposes of, or offers to sell or otherwise dispose of, a visa certificate or permit, to any person not authorized by law to receive such document, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

(c) Whoever knowingly makes under oath any false statement in any application, affidavit, or other document required by the immigration laws or regulations prescribed thereunder shall upon conviction thereof be fined not more than $10,000 or imprisoned for not more than five years, or both.

BURDEN OF PROOF

SEC. 18. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration certificate, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

RULES AND REGULATIONS

SEC. 19. The commissioner general, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all such rules and regulations, in so far as they relate to the administration of this act by consular officers, shall be subject to the approval of the Secretary of State and shall be promulgated to the Consular Service by the Secretary of State.

ACT TO BE IN ADDITION TO IMMIGRATION LAWS

SEC. 20. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws and shall be enforced as a part of such laws, and all the penal or other provisions of such laws not inapplicable shall apply to and be enforced in connection with the provisions of this act.

STEAMSHIP FINES UNDER 1917 ACT

SEC. 21. Section 9 of the immigration act of 1917 is amended to read as follows:

Sec. 9. That it shall be unlawful for any person, including any transportation company other than railway lines entering the United States from foreign contiguous territory, or the owner, master, agent, or consignee of any vessel, to bring to the United States either from a foreign country or any insular possession of the United States any alien afflicted with idiocy, insanity, imbecility, feeble-mindedness, epilepsy, constitutional psychopathic inferiority, chronic alcoholism, tuberculosis in any form, or a loathsome or dangerous contagious disease, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was afflicted with any of the said diseases or disabilities at the time of foreign embarkation, and that the existence of such disease or disability might have been detected by means of a competent medical examination at such time, such person or transportation company, or the master, agent, owner, or consignee of any such vessel, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of the provisions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien afflicted with any mental defect other than those above specifically named, or physical defect of a nature which may affect his ability to earn a living, as contemplated in section 3 of the immigration act of 1917, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was so afflicted at the time of foreign embarkation, and that the existence of such mental or physical defect might have been detected by means of a competent medical examination at such time, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $250, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien for whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien who is excluded by the provisions of section 3 of this act because unable to read, or who is excluded by the terms of section 3 of this act as a native of that portion of the Continent of Asia and the islands adjacent thereto described in said section, and if it shall appear to the satisfaction of the Secretary of Labor that these disabilities might have been detected by the exercise of reasonable precaution prior to the departure of such aliens from a foreign port, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien on whose account assessed.

"If a fine is imposed under this section for the bringing of an alien to the United States, and if such alien is accompanied by another alien who is excluded from admission by the last proviso of section 18 of the immigration act of 1917 the person liable for such fine shall pay to the collector of customs, in addition to such fine but as a part thereof, a sum equal to that paid by such accompanying alien for his transportation from his initial point of departure indicated in his ticket, to the point of arrival, such sum to be delivered by the collector of customs to the accompanying alien when deported. And no vessel shall be granted clearance papers pending the determination of the question of the liability to the payment of such fines, or while the fines remain unpaid, nor shall such fines be remitted or refunded: *Provided*, That clearance may be granted prior to the determination of such questions upon the deposit of a sum sufficient to cover such fines or of a bond with sufficient surety to secure the payment thereof: *Provided further*, That nothing contained in this section shall be construed to subject transportation companies to a fine for bringing to ports of the United States aliens who are by any of the provisos or exceptions to section 3 of the immigration act of 1917 exempted from the excluding provisions of said section."

SEC. 22. Section 10 of the immigration act of 1917 is amended to read as follows:

"SEC. 10. (a) That it shall be the duty of every person, including owners, masters, officers, and agents of vessels of transportation lines, or international bridges or toll roads, other than railway lines which may enter into a contract as provided in section 23, bringing an alien to, or providing a means for an alien to come to, the United States, to prevent the landing of such alien in the United States at any time or place other than as designated by the immigration officers. Any such person, owner, master, officer, or agent who fails to comply with the foregoing requirements shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in each case of not less than $200 nor more than $1,000, or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment; or, if in the opinion of the Secretary of Labor it is impracticable or inconvenient to prosecute the person, owner, master, officer, or agent of any such vessel, such person, owner, master, officer, or agent shall be liable to a penalty of $1,000, which shall be a lien upon the vessel, whose owner, master, officer, or agent violates the provisions of this section, and such vessel shall be libeled therefor in the appropriate United States court.

"(b) Proof that the alien failed to present himself at the time and place designated by the immigration officers shall be prima facie evidence that such alien has landed in the United States at a time or place other than is designated by the immigration officers."

GENERAL DEFINITIONS

SEC. 23. As used in this act—

(a) The term "United States," when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands; and the term "continental United States" means the States and the District of Columbia;

(b) The term "alien" includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, or citizens of the islands under the jurisdiction of the United States;

(c) The term "visa certificate" means a certificate issued by a consular officer under the provisions of this act, together with the application therefor;

(d) The term "consular officer" means any consular or diplomatic officer of the United States designated, under regulations prescribed under this act, for the purpose of issuing visa certificates under this act. In case of the Canal Zone and the insular possessions of the United States the term "consular officer" (except as used in section 21) means an officer designated by the President, or by his authority, for the purpose of issuing visa certificates under this act;

(e) The term "immigration act of 1917" means the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States";

(f) The term "immigration laws" includes such act, this act, and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens;

(g) The term "person" includes individuals, partnerships, corporations, and associations;

(h) The term "commissioner general" means the Commissioner General of Immigration;

(i) The term "application for admission" has reference to the time of the application for admission to the United States and not to the time of the application for the issuance of the visa certificate.

(j) The term "permit" means a permit issued under section 7.

(k) The term "unmarried" when used in reference to any individual as of any time means an individual who at such time is not married, whether or not previously married.

(l) The terms "child," "father," and "mother" do not include a child or parent by adoption unless the adoption took place before January 1, 1924.

AUTHORIZATION OF APPROPRIATION

SEC. 24. The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized.

SEC. 25. The Secretary of Labor is authorized hereafter, under such regulations as he may deem advisable, to pay extra compensation to immigrant inspectors and other immigration employees when, at the request of any transportation company, corporation, or individual bringing aliens to the United States, such officers or employees are required to report for extra duty or to work overtime, or on nights, Sundays, or holidays in connection with the examination of alien passengers or crews; and the transportation company, corporation, or individual requesting such extra service shall pay to the Secretary of Labor as reimbursement the amounts expended by him for such extra service in accordance with his regulations, and such reimbursement shall be credited to the appropriation "Expenses of regulating immigration": *Provided*, however, That the provisions of this section relating to extra compensation shall not apply to ferry companies or international bridges or to transportation companies bringing aliens to the United States across the boundary from foreign contiguous territory.

ACT OF MAY 19, 1921

SEC. 26. The act entitled "An act to limit the immigration of aliens into the United States," approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder, and any alien who prior to July 1, 1924, may have entered the United States in violation of such act or regulations made thereunder may be deported in the same manner as if such act had not expired.

TIME OF TAKING EFFECT

SEC. 27. (a) Sections 2, 11, 12, and 13, subdivision (b) of section 8, and subdivisions (a) and (b) of section 10 shall take effect on July 1, 1924, except that visa certificates and permits may be issued prior to that date which shall not be valid for admission to the United States before July 1, 1924. In the case of immigrants of any nationality, the number of visa certificates to be issued prior to July 1, 1924, shall not be in excess of one-twelfth of the annual quota for such nationality, and the number of certificates so issued shall be deducted from the number which may be issued during the month of July, 1924.

(b) The remainder of this act shall take effect upon its enactment.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. REED of Pennsylvania. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. ERNST (when his name was called). I desire to announce my general pair with the senior Senator from Kentucky [Mr. STANLEY]. If that Senator were here, he would vote as I shall vote, so I am therefore at liberty to vote, and I vote "yea."

Mr. SIMMONS (when his name was called). I have a general pair with the Senator from Oklahoma [Mr. HARRELD]. I transfer that pair to the Senator from Colorado [Mr. ADAMS] and vote "yea."

The roll call was concluded.

Mr. SWANSON. I desire to state that my colleague [Mr. GLASS] is unavoidably detained from the Senate. He is paired with the junior Senator from Connecticut [Mr. MCLEAN].

Mr. WALSH of Massachusetts. The senior Senator from New Jersey [Mr. EDGE] is paired on this question with the junior Senator from New Jersey [Mr. EDWARDS]. If the senior Senator from New Jersey were present he would vote "yea," and if the junior Senator from New Jersey were present he would vote "nay."

I also desire to announce that the senior Senator from West Virginia [Mr. ELKINS] is paired with the junior Senator from New York [Mr. COPELAND]. If the senior Senator from West Virginia were present he would vote "yea," and the junior Senator from New York, if present, would vote "nay."

Mr. BROUSSARD (after having voted in the affirmative). I have a general pair with the Senator from New Hampshire [Mr. MOSES] who if present would vote "yea." I therefore am at liberty to vote, and permit my vote to stand.

Mr. WALSH of Massachusetts. The senior Senator from Arizona [Mr. ASHURST] is absent on account of illness in his family.

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from South Dakota [Mr. STERLING] with the Senator from South Carolina [Mr. SMITH].

I also wish to announce that the Senator from Wisconsin [Mr. LENROOT] is paired on this question with the Senator from Missouri [Mr. REED]. If the Senator from Wisconsin were present, he would vote "yea" and the Senator from Missouri would vote "nay."

I was also requested to state that the Senator from Illinois [Mr. MCCORMICK] would vote "yea" on the passage of the bill. He is necessarily absent.

The result was announced—yeas 62, nays 6, as follows:

YEAS—62

Borah	Fletcher	McNary	Simmons
Brandegee	George	Mayfield	Smith
Brookhart	Gooding	Neely	Smoot
Broussard	Hale	Norris	Spencer
Bruce	Harris	Oddie	Stanfield
Bursum	Harrison	Overman	Stephens
Cameron	Heflin	Pepper	Swanson
Capper	Johnson, Calif.	Phipps	Trammell
Caraway	Johnson, Minn.	Pittman	Underwood
Curtis	Jones, N. Mex.	Ralston	Wadsworth
Dale	Jones, Wash.	Reed, Pa.	Walsh, Mont.
Dial	Kendrick	Robinson	Warren
Dill	Keyes	Sheppard	Watson
Ernst	Lodge	Shields	Willis
Fernald	McKellar	Shipstead	
Fess	McKinley	Shortridge	

NAYS—6

Bayard	Gerry	Walsh, Mass.	Weller
Colt	King		

NOT VOTING—28

Adams	Edwards	Howell	Norbeck
Ashurst	Elkins	Ladd	Owen
Ball	Ferris	La Follette	Ransdell
Copeland	Frazier	Lenroot	Reed, Mo.
Couzens	Glass	McCormick	Stanley
Cummins	Greene	McLean	Sterling
Edge	Harreld	Moses	Wheeler

So the bill was passed.

Mr. REED of Pennsylvania. I move that the Senate insist upon its amendment, ask for a conference with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. REED of Pennsylvania, Mr. STERLING, Mr. KEYES, Mr. KING, and Mr. HARRIS were appointed conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes, will be indefinitely postponed.

UNITED STATES TARIFF COMMISSION

Mr. CURTIS. I desire to call the attention of the Senator from Arkansas to the fact that a unanimous-consent agreement provides that the Senate shall take up Senate Resolution No.

visions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United

naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed; or citizens of the islands under the jurisdiction of the United States;

[Mr. STANLEY]. If that Senator were here, he would vote as I provides that the Senate shall take up Senate Resolution No.

181, in which he his interested, but which, as I understand, he is willing to set aside. I will say to the Senator that I desire to move that the Senate proceed to the consideration of the adjusted compensation bill.

Mr. ROBINSON. Mr. President, the resolution to which the Senator from Kansas refers relates to the right of members of the Tariff Commission to sit in proceedings in which they or members of their families have a pecuniary interest. Recently the Senate concurred in a provision in an appropriation bill which denied salaries to members of the commission who sit in cases in which they or members of their families have a pecuniary interest, and there is pending before the Judiciary Committee a bill relating to the subject. For this reason, for the present, I ask that the order heretofore entered that the Senate proceed to the consideration of the resolution referred to be set aside.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the order is set aside.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

Mr. CURTIS. I move that the Senate proceed to the consideration of House bill 7959, being the adjusted compensation bill, so-called.

Mr. WARREN. Mr. President, I wish to make an inquiry of the Senator.

Mr. CURTIS. I yield.

Mr. WARREN. Is it the purpose of the Senator from Kansas to continue the consideration of that bill until it shall have been disposed of?

Mr. CURTIS. It was my intention, after my motion should have been put and agreed to, to move to take a recess until 12 o'clock to-morrow, and to go on with the bill, if possible, to-morrow.

Mr. ROBINSON. I hope that arrangement will be effected.

Mr. WARREN. I wish to say that we have an accumulation on the calendar of bills, particularly appropriation bills, some of which ought to be passed promptly, because, as Senators know, when such a bill passes it is really only half finished and must then go to conference. I want to ask the Senator if it is his opinion that the adjusted compensation measure will be passed in a few days or will it involve lengthy debate; and, if so, would he be willing to lay it aside in order that appropriation bills might be considered?

Mr. CURTIS. I am informed that the consideration of the bill will take but a short time. There will be some debate on the other side and some on this side in the Senate. If, however, the debate is strung out for any length of time I will gladly have it laid aside temporarily for the purpose of enabling the appropriations bills to be considered.

Mr. HARRISON. Mr. President, may I ask the Senator from Kansas a question?

Mr. CURTIS. I yield.

Mr. HARRISON. The Senator has just moved that the Senate proceed to the consideration of the soldiers' bonus bill. Can the Senator tell us what the views of the President are with respect to the matter?

Mr. CURTIS. I can not.

Mr. HARRISON. Can the Senator tell us whether if we should adopt the insurance features of the bill without the cash optional provision the President would sign it?

Mr. CURTIS. I can not.

Mr. ROBINSON. Mr. President——

Mr. KING. Mr. President, will the Senator permit a question?

The PRESIDING OFFICER. Does the Senator from Kansas yield; and if so, to whom?

Mr. CURTIS. I yield first to the Senator from Arkansas.

Mr. ROBINSON. Since the Senator from Mississippi has asked that question, I should like to ask another. Can the Senator from Kansas or any other Senator inform us whether if the adjusted compensation bill embracing a cash option were passed the President would veto it?

Mr. CURTIS. I do not know.

Mr. KING. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. KING. Does the Senator think, in view of the fact that the President and the Secretary of the Treasury have emphasized the necessity of tax reduction, and a bill has been prepared and is now upon the calendar looking to that end, that it is the part of wisdom or good statesmanship or good leadership for the Republicans to project the bonus bill in ahead of the tax bill?

Mr. CURTIS. I think it is very wise that the adjusted compensation bill be disposed of first, because if it shall be passed then we may know, after action is had by the President, whether or not we shall have to make changes in the revenue bill in order to provide additional sums.

Mr. KING. It seems as if we were more interested in spending money than we are in reducing taxes.

Mr. REED of Pennsylvania. Will the Senator yield for a question?

Mr. CURTIS. I yield.

Mr. REED of Pennsylvania. We have on the calendar Senate bill 2257, which is the bill to revise and liberalize the Veterans' Bureau code. That affects the disabled service men. I do not like to see compensation to the able-bodied men put ahead of compensation to the disabled.

Mr. KING. Then, why does not the Senator move to consider that bill first?

Mr. REED of Pennsylvania. Because I realize that the bonus bill is a disputed matter and probably the Veterans' Bureau code bill is not. Will the Senator from Kansas grant us for our veterans' code the same privilege that he has just agreed to accord to the appropriation bills?

Mr. CURTIS. Mr. President, we shall have an opportunity to consider the calendar on Monday morning, and I hope that the bill to which the Senator from Pennsylvania refers may be considered and acted upon at that time. If not, I will confer with the Senator and try to arrange matters so that the Veterans' Bureau bill may be considered.

Mr. REED of Pennsylvania. The bill is about 50 pages in length, and I doubt if it could be disposed of on the call of the calendar. All I ask of the Senator is, if the bonus bill provokes long debate and drags out, as the immigration bill has done, that he will allow it temporarily to be laid aside so as permit us to pass the bill for the disabled veterans.

Mr. CURTIS. If I am in charge of the bill for adjusted compensation, as I think I will be, I shall be very glad to do that.

Mr. SMOOT. Mr. President, I should like to say a word in regard to the bill to which the Senator from Pennsylvania has referred. That bill is not going to take a very long time for discussion, and I think that very little question will be raised as to it. The bill can be passed at any time. It is true it carries $27,000,000, but it will pass the Senate, and is not going to provoke prolonged discussion and will not be in conference very long.

Mr. REED of Pennsylvania. Will the Senator, then, permit us to take it up and have it passed on to-morrow morning?

Mr. KING. No.

Mr. SMOOT. We could not do that.

Mr. REED of Pennsylvania. Will the Senator from Massachusetts be here to-morrow?

Mr. WALSH of Massachusetts. I will.

Mr. HARRISON. Mr. President——

Mr. CURTIS. I yield to the Senator from Mississippi.

Mr. HARRISON. We have been talking about expediting legislation, but some of us are in a peculiar frame of mind relative to the soldiers' bonus measure. Rumor comes to us that the report is current among some of the heads of the American Legion that the President would sign the particular bonus bill that passed the House but that he would veto the bill probably if it contained the optional cash bonus provision. The Senator from Kansas is as close to the President as is anybody in the Senate, and if he could ascertain from the President whether those are his views we could expedite the bill very much and save much discussion here. I will say very frankly to the Senator that if I thought the President would veto the bill with the optional cash provision, I would vote against that proposition and stand by the insurance feature, if he would sign the bill in that shape. The Senator could help us very much to expedite the legislation if he would ascertain that for us.

Mr. CURTIS. Mr. President, I ask that the question be put on my motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kansas that the Senate proceed to the consideration of a bill the title of which will be stated.

The READING CLERK. A bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. KING. Mr. President, is a substitute motion permissible under the parliamentary procedure?

The PRESIDING OFFICER. The Chair understands not. The motion must be voted up or down.

Mr. KING. I wanted to move that the Senate proceed to the consideration of the Veterans' Bureau bill, which was referred to by the Senator from Pennsylvania [Mr. REED].

The PRESIDING OFFICER. That can be done if the motion of the Senator from Kansas is voted down. The question is on that motion.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7959) to provide adjusted compensaiton for veterans of the World War, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. WALSH of Massachusetts. I present an amendment, which I may decide to offer as a substitute for House bill 7959, and ask to have it printed.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. CURTIS. I ask that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The Chair hears none, and the unfinished business is temporarily laid aside.

RELIEF OF AGRICULTURAL DISTRESS IN NEW MEXICO

Mr. McNARY. I submit a conference report on the joint resolution (S. J. Res. 52) for the relief of the drought-stricken areas of New Mexico.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken areas of New Mexico having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to amendments numbered 1, 2, and 3, and agree to the same.

The committee of conference have not agreed upon the amendment of the House numbered 4.

C. L. McNARY,
ARTHUR CAPPER,
Managers on the part of the Senate.

G. N. HAUGEN,
CHARLES B. WARD,
J. B. ASWELL,
Managers on the part of the House.

Mr. McNARY. I move the adoption of the report.

The report was agreed to.

RECESS

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 7 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Saturday, April 19, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, *April 18, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In this most solemn moment O Lord God we wait on Thee, at Thy footstool, with all the reverence of our beings, in the name of Him who was the despised and rejected of men, a man of sorrows and acquainted with grief. Have mercy upon us as the chastisement of our peace was upon Him and by His stripes we are healed. O be with us dear Lord, as we pass through our Gethsemanes of sorrow and disappointment. Remember us O mighty One. Keep us so tenderly in Thy secret place that we may abide under the shadow of the Almighty. Sheltered and unafraid, support us that we may learn the lessons and the discipline of these chastisements. Help us to say this day "Thy will be done." Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

Mr. SNELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Will the gentleman withhold that for a moment?

Mr. SNELL. Yes.

BRYCE CANYON AND SCENIC SOUTHERN UTAH

Mr. COLTON. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a speech delivered last night by Mr. CRAMTON, of Michigan, over the radio descriptive of parks in the southern part of Utah.

The SPEAKER. The gentleman from Utah asks unanimous consent to extend his remarks by printing a speech delivered last night over the radio by Mr. CRAMTON, of Michigan. Is there objection? [After a pause.] The Chair hears none.

Mr. COLTON. Mr. Speaker, last night Hon. LOUIS C. CRAMTON, of Michigan, delivered an address over the radio in Washington, D. C., upon invitation of the American Automobile Association, giving a description of Bryce Canyon and other scenic wonders in southern Utah. This speech so impressed me that under the leave granted to extend my remarks I shall submit the speech delivered by Mr. CRAMTON, which is as follows:

BRYCE CANYON AND SCENIC SOUTHERN UTAH

"Scenic Southern Utah" seems too ordinary a phrase, entirely inadequate, to designate that great region of Nature's wonders through which I traveled last summer for nearly three weeks by motor and on horseback in company with Congressman DAN ANTHONY, with A. E. Demaray, of the National Park Service, as our chaperone, guide, and comforter. Cedar Breaks, Zion Canyon, the Kaibab Forest, the North Rim of the Grand Canyon, Bryce Canyon, Fish Lake, Capitol Gorge, the mighty Colorado, the Natural Bridges—these are the headline attractions, but every mile of the route we traveled, 1,200 by auto and 150 on horseback, the latter being much the longer, has its appeal to the eye and to the imagination.

Reaching Cedar City the last day of June by the Union Pacific, the journey began with a view of Cedar Breaks, a fit prologue for the trip. Ten minutes will not suffice to tell of 20 days, 1,400 miles of travel in the midst of the world's masterpieces—Zion Canyon, where the Makuntuweap River cuts through the Vermilion Cliffs, 3,000 feet in depth, narrowing to a gorge 50 feet wide, where flows the stream beneath overhanging walls of high rock; the Kaibab Forest, refuge of thousands of deer, hundreds of which you see coming into the open park spaces to graze at sunset; the North Rim, where you may look out over the Grand Canyon of the Colorado; the Capitol Gorge through which runs the motor road, its richly colored rocky walls rising precipitately several thousand feet and leaving a roadway, at times no more than 15 feet wide; the Natural Bridges, greatest spans over space produced by nature, three in number, the Carolyn, the Augusta, and the Edwin; the Augusta with its span of 261 feet and height to the bottom of the arch 157 feet, and to the top 222 feet, its arch 28 feet wide and 65 feet thick, symmetrical and imposing, the largest natural bridge in the world, a 15-story building would stand beneath it; the Edwin, said to be the oldest, the perfect bridge, over which the automobile road, when it comes, will cross, its arch having a span of 194 feet with an elevation of 108 feet, the bridge being only about 10 feet thick at its middle point and 25 feet wide, which geologists say a few more centuries may see worn away to destruction, but its grace and beauty now preeminent. Fifty miles of hard going through desert, mountain, and forest brings you to Blanding, through the scenes of the last Indian uprising in this country, that of 1923 when Old Posey met his death. Sixty miles more by motor would take you to the Denver & Rio Grande Railroad but our route was 176 miles to the Mesa Verde National Park and its wonderful ruins of the cliff dwellers. Time will come when a good motor road will open all this to the tourist and his flivver, with great unexplored areas for rougher side trips.

This rapid outline of the other wonders of this region must now suffice while I give my time to Bryce Canyon, so aptly termed by Prof. Frederick Pack, of Utah University, as Nature's "most delicate jewel."

An amphitheater 3 miles across and 500 feet deep, eroded result of countless ages, a forest of vermilion pinnacles, its forms fantastic, bizarre, and again as regular as the fashioning of mortal architect, it is not outclassed by any other spectacle that nature affords. It quickly won my enthusiasm, and in my short stay I paid constant tribute to its everchanging moods of beauty as hour by hour the daylight and darkness, the sunshine and shadow, by sun and moon and under the stars alone, marshaled each their own charms.

I want to tell you my impressions of the canyon as from its rim I saw the full succession of its inspiring contrasts, its richly beautiful panorama—by the glare of day, with the passing of the sun, in the dim starlight, at the rising of the moon at midnight, and at the dawning of another day. The ordinary schedule of my waking and sleeping was shattered, but that does not matter if you have but a day at Bryce. The maze of forms and outlines in the canyon gives fancy free rein and you are thrilled not only by what the eye perceives but by what it "half creates" as well, as Wordsworth has it.

Sit with me here near the chasm's brink as the sun drops low. Before you fancy presents to you the city beautiful, the myriad forms left in the disorder of chance after centuries of erosion resolve themselves into something planned; you seem to see before you in the late afternoon sun, striking directly upon the face of pillars and walls before you, stretching 3 miles across the canyon, the quiet of a great city at rest. Above is Table Cliff Plateau. Far to the left in dignified inaccessibility the old fortress, impregnable with its sheer walls. In

the center, far before you, the hill crowned by an ancient Acropolis. To the extreme right the great cathedral, with its two impressive bell towers equal in height. Filling in the picture are the buildings and streets, parks, and passageways of a metropolis. The buildings, all of the pastel shades of Mediterranean towns of Spain or Italy—light red, pink, cloudy white. Streets and parks lined with the green of many actual living trees, fir and pine. The architecture is all in harmony. Great buildings rising hundreds of feet, passageways, sometimes but a few feet wide, separating one structure from another, but the walls erect and accurate, story upon story. From Acropolis Hill see how the grade drops rapidly to the waterless river bed which is parked so plentifully with trees on either side of the watercourse. Rising then abruptly to the right from the river are vermilion cliffs, where the palace of the king appears, surrounded by great turreted walls, a steep approach leading to the castle itself, nestling close against the barren cliff.

There is no sound; no smoke arises; nothing in motion but the circling cliff swallow. It is simply the ideal of fancy.

The sun has gone. Darkness falls closer and deeper and the fine tracery of the architecture dims from sight, only the lighter shades of some of the buildings holding prominence. Still you can see the great commanding outline of the fortress and in the center the white of the crowning Acropolis. The swallows no longer are flying about. The fancied forms and figures that intrigue the imagination by day are no more. The carving and architecture that would give form to the eternal city of revelations have disappeared. There are no tones, no lights from below; only the splashes of white upon the dark background, set off with darker markings of the tree areas. The city of fancy is asleep.

At midnight we cautiously approach again the rim and watch, while far in the east over Acropolis Hill a glow enriches the horizon. Soon a silver point comes to view, like a star of hope for the darkened city. Rapidly rises the majestic moon that whitens the night and brings out formless shapes of the city but does not lighten. It mounts to the heavens and the city to the west of us reflects it dimly. It is a spectral city, and the watcher under the rays of moon, the million wonders of the Milky Way, and all the stars overhead, comes to imagine an occasional moving light in the tenantless homes. But there is nothing in the city but night.

Up again and to the watcher's post; the day is dawning. A rosy hue in the east; an orange glow over Table Cliff Plateau; to the right a group of clouds which simulate a snowclad range of peaks for a time and then revert to cloud banks, reflecting rosy tints, as mounts the orb of day. His majesty enters as he has for eons of time. His rays strike the cliffs at our feet, and the reflected light illumines the nearer yellow shapes. The shapes of imagery fall away to the outlines of actuality. The swallows soar and circle, basking in the sunlight. Far toward the sun great white pillars, enriched with reflected light, seem translucent.

See Cushing Point far to the right. And note how the castle wall is buttressed at regular intervals. To the left a great forest of spires. Commanding all the fortress in the distance, its perpendicular stockade of pillars, the steep incline, the wall itself rising direct to the level plateau.

Before you now in glare of day is a prehistoric city of Babylonish splendor. It seems to have been covered with the sands of ages and appears now as if largely revealed by recent excavations still to be completed, banks of earth still in part enshrouding edifices and walls, the impression mounting that further beauties are yet to be revealed.

Far in the east you see the modern Utah town of Tropic, surrounded by its fertile green fields, a touch of reality to bring fancy back to earth. But the spell of Bryce Canyon hangs long in your memory.

NO QUORUM—CALL OF THE ROLL

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. Obviously there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Byrnes, S. C.	Davis, Minn.	Hammer
Andrew	Carew	Deal	Haugen
Anthony	Casey	Dempsey	Hayden
Barkley	Celler	Dickstein	Hoch
Beers	Clancy	Dominick	Hooker
Bell	Clark, Fla.	Drane	Howard, Okla.
Bixler	Clarke, N. Y.	Eagan	Hull, William E
Black, N. Y.	Cleary	Edmonds	Hull, Iowa
Bloom	Cole, Ohio	Favrot	Hull, Tenn.
Boylan	Collins	Fenn	Kahn
Brand, Ohio	Connolly, Pa.	Fitzgerald	Kendall
Britten	Cooper, Ohio	Funk	Kent
Browne, N. J.	Corning	Gallivan	Kerr
Brumm	Crosser	Garber	Kiess
Buckley	Cullen	Gerau	Knutson
Bulwinkle	Curry	Gifford	Kurtz
Butler	Davey	Goldsborough	LaGuardia
Langley	Moore, Ill.	Reed, W. Va.	Tague
Larson, Minn.	Morin	Reid, Ill.	Taylor, Colo.
Lazaro	Mudd	Rogers, N. H.	Temple
Lee, Ga.	Nelson, Wis.	Rosenbloom	Tucker
Lehlbach	Newton, Mo.	Rouse	Vare
Lindsay	O'Brien	Sanders, Ind.	Ward, N. C.
Logan	O'Connell, N. Y.	Sanders, N. Y.	Ward, N. Y.
McClintic	O'Connor, La.	Schall	Wason
McFadden	O'Connor, N. Y.	Sears, Fla.	Weller
McLeod	Perkins	Seger	Welsh
McNulty	Perlman	Sherwood	Wertz
Magee, Pa.	Phillips	Sinclair	Williams, Ill.
Major, Ill.	Prall	Snyder	Wilson, La.
Mansfield	Purnell	Strong, Pa.	Woodrum
Martin	Quayle	Sullivan	Wurzbach
Mead	Rainey	Sweet	Wyant
Michaelson	Rathbone	Swoope	Yates
Mooney	Reed, N. Y.	Taber	Zihlman

The SPEAKER. Two hundred and ninety-two Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

THE PERMANENT POWERS OF CONGRESS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the constitutional relations between the Congress and the executive and judicial branches of the Government.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. McSWAIN. Mr. Speaker, there is much discussion now, both in and outside of Congress and at both ends of the Capitol and from the White House, regarding the constitutional rights of Congress to prosecute the investigations now being made by both Houses into certain executive departments. It is seriously contended that both the House of Representatives and the Senate have exceeded their constitutional powers. If this be so, it is a serious fault. Each Member of Congress takes a solemn oath to support and defend the Constitution. Let us inquire calmly with the Constitution before us, and having in mind its history, and especially having in mind the history of the English constitutional system, consider ideas we inherited, and furthermore remembering the debates that took place in the convention at Philadelphia in 1787 at which the Constitution was framed, seeking thus to ascertain the truth concerning the question of the power of Congress to investigate executive departments.

GOVERNMENT RESTS ON THE CONSENT OF THE GOVERNED

The fundamental proposition that we must lay down as a major premise is the principle of popular sovereignty. We must bear in mind that in America the people are supreme. Government exists for the people under our Constitution. The people not only created the Constitution, which in turn created the Government, but by their Constitution in Article V the people reserved to themselves the right to change the Constitution itself by amendments. And these amendments need not be limited, as some have argued, to perfecting and completing and amplifying powers originally conferred, but the people by amendment may not only add entirely new and distinct powers but they may repeal and annul powers previously conferred. By amendment the present framework of Government might be completely changed. The people could destroy completely either the executive, judicial, or legislative branch of the Government. The people could by the power of amendment completely wipe out either the House of Representatives or the Senate. The people could in their sovereign capacity either enlarge or restrict any of the powers of either House of Congress.

THE DECLARATION OF INDEPENDENCE IS THE CORNER STONE OF FREE GOVERNMENT

These ideas of the rights of the people to order or to amend their fundamental and organic law are axiomatic. They found clear and eloquent expression in the Declaration of Independence. When we are in doubt about the proper definition of American principles and when we want to know what is true 100 per cent Americanism, we need only to read the Declaration of Independence. It is the touchstone of Americanism; it is the standard and test of Americanism. It is Americanism. But that magnificent declaration of the rights of man, proceeding from the minds and hearts of men who had understood and felt the aspirations of such political philosophy as Locke, Montesquieu, Rousseau, Tom Paine, Benjamin Franklin, James Otis, John Adams, Patrick Henry, and George Mason. Lafayette warmly embraced these principles of human liberty, and they are to be found reflected, largely through his influence, in the French declaration of the rights of man.

Too many false deductions have been drawn from the many abstract assumptions of the complete equality and mutual independence of the three separate branches of our Government, respectively, the legislative, executive, and judicial. It is true that there is this strict equality and independence, but the exact limits of the equality and independence must be ascertained by reference to the Constitution itself. It has been assumed in the discussion both in Congress and outside that every executive department, and, therefore, every head and subordinate office in the executive departments, enjoys the same independence and equality of status toward the Congress that the President himself enjoys. This is not true, as we shall proceed to demonstrate by the very wording of the Constitution, and a reference to the debates in the Constitutional Convention and to the discussion had in the Federalist papers and the debates in the conventions of the several States called to consider ratification will show that too much is now claimed by way of immunity for executive departments from the supervisory investigations of Congress. It can be demonstrated and will be shown that Congress need not wait until it has already undoubted evidence of executive mismanagement or inefficiency or corruption before it investigates. Congress can investigate at any time, of its own motion, to ascertain if, perchance, these things do exist. It would be idle to say that Congress must have proof of that which it shall seek to prove by its investigation. It would be idle to say that Congress can by its investigation hear only that evidence which would be competent in a court of law proceeding according to the rules of evidence as they now prevail in this country. Not all nations have the same rules of evidence that we have. In the courts of many nations hearsay testimony is admitted for what it is worth. The rules of evidence now prevailing in this country may at legislative discretion be changed. Of course, we all agree that in the main, as the rules of evidence now exist, they are wise and proper for the control of the courts of law, and I do not favor changing them. I only mention this to illustrate that they are not immutable and are not infallible.

CONGRESS THE RESERVOIR OF FEDERAL POWER: THE FATHERS TRUSTED AND THE PEOPLE NOW TRUST CONGRESS

The Constitution supports the proposition that Congress was intended to be and is the great reservoir of governmental powers. It expressly provides that Congress shall have power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States, or in any department, or officer thereof." It is, therefore, manifest that Congress must enact the laws to govern the office of President itself. The Congress fixes the salary of the President. Under certain circumstances the House of Representatives may elect the President. The Congress has created each of the executive departments constituting the Cabinet of the President. The Congress may add to the number or may diminish the number. The Congress may abolish the office of Attorney General or Secretary of Commerce or Secretary of the Treasury or any other office. The Constitution says:

All legislative powers herein granted shall be vested in a Congress.

It further provides that the Constitution and the laws of the United States enacted by Congress and all treaties negotiated by the President and confirmed by a two-thirds vote of the Senate shall be the supreme law of the land. The Constitution creates the office of President for a term of four years and specifies briefly a few powers that he shall exercise. All the other powers possessed by the President are conferred by laws enacted by Congress, and, furthermore, there are laws regulating the exercise of his constitutional powers. Congress fixes his salary, and must levy the taxes to pay it, and must appropriate the money from the Treasury annually to pay it. Without congressional appropriation the Presidency would be penniless. Congress could fix the salary of President at $1 per year if the necessary two-thirds vote to override an Executive veto could be rallied in both Houses of Congress. The Congress can by impeachment remove any executive officer in the United States, and, in fact, can remove the President himself. Though the President has a veto, it is not final and can not stand in the face of a two-thirds vote of those who directly and immediately and personally represent the sovereign people. When the Constitution confers power upon either the Executive or judicial branches but does not define that power nor prescribe its limits nor fix the manner of its exercise nor impose sanctions and penalties for its violation, then it is the Congress that must prescribe all these things by appropriate legislation.

THE POWER TO INVESTIGATE EXECUTIVE DEPARTMENTS IS ABSOLUTE, UNCONFINED, AND RESPONSIBLE ONLY TO THE SOVEREIGN PEOPLE AT THE POLLS

In the discussion that has gone on inside and out of Congress respecting the constitutionality of the power being exercised by the Congress to investigate matters relating to the executive departments, and by such power I mean not an investigation by the consent of the departments themselves but an investigation with power to compel the attendance of witnesses and the production of papers, a power that has no limits except congressional discretion, and for the abuse of which there is no remedy except a political remedy by a final appeal to the supreme court of public opinion—in this discussion it has been so often stated as to be generally assumed that Congress has no such power to investigate except, first, to gain information looking to the formulation of general legislative policies, to assist Congress in framing laws, and to govern the future action of Congress in legislating, and in the next place with respect to necessary information to enable the House of Representatives to perform its constitutional power of impeachment. I respectfully submit that these assumptions are too limited in their application, and to that extent are false and unfounded. Congress has to do other all-important and peculiarly high prerogatives that carry with them the necessary implication of power to investigate the executive departments of the Government. These other powers are the powers of taxation and of appropriation of public funds. Taxation measures must originate in the House of Representatives, but the Senate may amend, and to enable either House of Congress to have the proper information regarding its annual duty to levy taxes it possesses the power to compel information as to how the laws that it previously has enacted are working in the production of revenue and how these executive officers charged with the administration of such revenue-producing laws are construing them and applying them not in general but in the acid test of particular instances. The Treasury Department has been created by the law of Congress. Every scrap of power that it exercises must be found in the language of the laws enacted by Congress. Congress alone can confer upon it the power to employ officers, agents, accountants, and clerks. Congress alone can prescribe their powers and fix their salaries. Congress alone can levy the taxes to raise the funds and appropriate the same from the Public Treasury to pay their salaries. Thus this department and every other department is the direct creature of Congress and a creature not of some general law enacted many years ago but depending perpetually and constantly upon the will of Congress for that life-giving compensation which is the mainspring of service.

THE POWER OF APPROPRIATION IS A CONSTITUTIONAL CHECK UPON EXECUTIVE AND ADMINISTRATIVE MALFEASANCE

Then, Congress must have information to enable it to appropriate public funds wisely. Is Congress to be dependent upon haphazard and uncertain information gathered from extra-departmental sources for its information as to how to appropriate? It must and does possess the power to compel every departmental head and every officer, clerk, and accountant in every department to appear in person, with all public records, to give Congress the information which in constitutional contemplation it must have. Whatever of secrecy may now exist as to the records in any department exists by virtue of some law enacted by Congress. Unless Congress by law takes from public records the right of every citizen to inspect the proceedings of his Government, then that right remains. The Constitution confers no immunity of secrecy. The Constitution places no shield of privacy about any department. The Constitution holds all governmental activities out in the broad sunlight of democratic publicity.

CONGRESS IS THE RESIDUARY LEGATEE OF ALL FEDERAL POWERS

It is Congress that provides who shall become President in case both the President and Vice President elected by the Electoral College shall either die, resign, or become unable to discharge the duties and powers of the office. It is Congress that prescribes how executive officers shall be appointed, and Congress may vest the President with the power to appoint certain inferior officers, but unless the Congress by law so enacts then every officer appointed by the President must be confirmed by the Senate. It is Congress that fixes the penalty for treason, and it is Congress that provides the laws to govern the Territories and all other property of the United States. It is Congress that initiates amendments to the Constitution, and it is Congress that must enact legislation enforcing every amendment to the Constitution. Thus it is manifest that our

Bulwinkle Curry Gifford Kurtz
Butler Davey Goldsborough LaGuardia

in the French declaration of the rights of man.

prescribe all these things by appropriate legislation.

amendment to the Constitution. Thus it is manifest that our

proposition that Congress is the reservoir of constitutional power is sustained.

The President must be able to point either to some specific constitutional power or to some specific congressional legislation to enable him to do anything; but if there be any power of any sort vested anywhere in any officer or in any department of the Federal Government whose exercise is not definitely provided for in the Constitution itself, then it is the Congress that must fix the manner by law in which this power may be exercised. In other words, if the Federal Government has the power, either expressed or by implication, to do such things as carrying on war, conducting foreign relations, regulating interstate and international commerce, taxing the people, appropriating public money, and if the Constitution does not expressly in definite words give any such power to either the President or the judiciary, then that power can be exercised only by Congress. It is therefore manifest that the Congress is a sort of "constituent assembly" representing the sovereign people in the exercise of these undefined sovereign powers.

ACTION BY CONGRESS NECESSARY TO GIVE LIFE AND MOTION TO FEDERAL JUDICIAL POWERS

What is true with reference to the office of President is preeminently true with reference to the judiciary. The Constitution briefly and in most general terms states the judicial power of the Federal Government, but the duty still rests upon Congress to provide the machinery by which this judicial power may be exercised. The Constitution provides that there shall be "one Supreme Court," but does not fix the number of justices on the court, nor their annual compensation, nor the manner in which they shall proceed, nor the time when they shall meet, nor the rules of court. The Constitution does provide that the justices of the Supreme Court and the judges of such inferior courts as may be established by Congress shall hold office during good behavior, but the fact still rests with the Congress by impeachment to remove any one or all of the judges of the Supreme Court or of the inferior Federal courts.

It is Congress, by taxation, that raises the money and appropriates the same for the payment of the salaries of the judges of the Federal courts and of all the other officers of the Federal courts. Subject to the provision that the salary of no judge shall be diminished during his term of office, Congress may fix the salaries of Federal judges at $1 per year and may thus indirectly destroy the judiciary. The Congress can not abolish the Supreme Court, but may reduce the number of judges as it sees fit and may reduce the salary as it sees fit as to future appointees, and, in fact, may fail to appropriate the money by which to pay the salaries of the existing members of the court.

THESE VAST POWERS ARE VESTED IN CONGRESS AS THE SUREST EXPONENT OF THE WILL OF THE MAJORITY

It may be answered that these are terrific facts resting in the hands of Congress; that they are dangerous. But no man who will read the Constitution will doubt the truth of the statements herein made. There was reason for conferring these great powers upon the Congress. Those who will read the debates in the convention will understand how the practical men, men who knew the extremes of British tyranny, men who knew the corruption of colonial executives, men who knew to what depth of depravity and to what pitches of power many executive or judicial officers will go unless restrained by the people, speaking through laws, and by the legislative power of appropriation for salaries and by the legislative check of impeachment. These men knew that Congress could never become dangerous to the liberties of the country. They prescribed that the Congress should keep a journal of its proceedings, and that one-fifth of the Members of either House might on any question demand that the yeas and nays should be entered in that Journal, and that this Journal should be published from time to time. They framed the Constitution knowing that the proceedings of the Congress would be in the open, where all men might hear with their ears and that the proceedings should be printed so that all men might read with their eyes.

The framers of the Constitution and the people by their conventions that ratified it knew that large bodies such as the two Houses of Congress, acting in perfect publicity, could not corruptly conspire to loot the open Treasury or to destroy the people's liberties. They knew that partisan zeal would always remain sufficiently alive to prevent the unanimous overriding of constitutional limitations. They knew that though a corrupt majority might temporarily obtain control of Congress, yet there would always be a minority which from self-interest, if not from patriotism, would be prompted to protest vigorously against majority despotism. They knew that this minority would come before the country to tell of the misdeeds of the majority, and they knew that the people would in the main be forever pure minded and patriotic and would drive from power such officers as may have breached their trust or exploited their official stations or abused their governmental powers. There is the great and only remedy for the congressional abuse of power. It lies in the appeal to the people. That is the reason that the convention prescribed in the Constitution that each House of Congress should be the judge of the elections and qualifications of its own members. It gave the President no right to dictate who should sit in Congress, though it gave the Congress the right to remove the President himself. The Constitution gave neither the Supreme Court nor any inferior court any power to say who had been elected to Congress or who possessed the qualifications for a seat in either the House of Representatives or the Senate, but the Constitution did give to Congress the right to remove any judge of any Federal court by impeachment for any such malfeasance in office as the sufficient congressional majority deems a just cause for impeachment.

A THREE-HEADED, DEADLOCKING GOVERNMENT WOULD PROVE IMPOTENT

The members of the Constitutional Convention were accustomed to the form of Federal Government existing under the Articles of Confederation. Such Government had no executive and no judiciary and all the powers were vested in the Congress. It was therefore entirely natural that the residuary depository of power under the new Federal Government to be erected by the Constitution of 1787 should be the Congress. It was furthermore recognized that complete equality of power and complete independence between departments would finally result in a deadlock. Power must exist somewhere. If the Executive had power to tax for its own support and to create its own rules and to function independent of the annual appropriation by Congress, then the framers fully realized that they would be exchanging a despot residing in England for a greater despot with greater power residing in America. The men who framed this magnificent Constitution knew that a government to be effective in a crisis, to have the power of defense and of self-perpetuation, must have large and extensive grants of power, and their problem was merely to place that power in such a repository as to insure the greatest possible degree of safety in its exercise—safety against destruction of personal liberty and popular freedom.

CONGRESS HAS MORE THAN MERE LAWMAKING DUTIES—IT IS THE NATION'S GRAND JURY OF INQUEST TILL THE NEXT ELECTION

The very word "Congress," as applied to the legislative department of the Federal Government, indicates that the framers regarded it as a successor to the "Congress" that existed under the Articles of Confederation where all Federal power, including legislative, executive, and judicial, was exercised by the Congress and by the Congress alone. During the discussions in the Constitutional Convention of 1787 the original resolutions and drafts all contained the word "legislature," in referring to the body exercising legislative power. But at the close of the convention, when the Committee on Style was making its final revision and harmonizing the parts, and arranging the provisions logically, the word "legislature" was changed to the word "Congress."

Manifestly, the idea in the minds of the committee and, through them, the convention, which adopted their report, was that the people of the States and the delegates in the State conventions would better understand the functions of the legislative branch of the new Government if the word "Congress" were employed. Furthermore, the "Continental Congress" merely implied a conference or an association or a convention. This same word was applied to the sole functioning body of the Federal Government under the Articles of Confederation, but in the minds of the Revolutionary statesmen this "Congress of the United States" was the American successor to the British Parliament in so far as international and interstate affairs were concerned. Therefore, to the American mind "Congress of the United States" was analogous in its relations to the executive and judicial branches to the Parliament of England. Under the British constitution the legislative, executive, and judicial functions are somewhat commingled and blended, and the supremacy of the legislative branch is thoroughly established and universally acknowledged. The legislative branch can by any act change the British constitution. According to the British constitution, the Prime Minister is the chief administrative officer of the nation—though the King is the nominal executive—and the Prime Minister is at the same time the majority leader in the national legislature. Furthermore, the House of Lords—somewhat analogous to the American Senate—then exercised, and still does the functions of a supreme judicial body. It is true that the actual decisions are prepared and rendered by the "law lords," but theoretically the decision is the decision of the whole House of Lords. If, therefore, to the mind of the American the word "Congress" brought up the idea of "Parliament;" if the word "Congress" implied something more than a mere legislative body, then it is entirely reasonable to conclude that the people who made the Constitution thought that the provisions of the Constitution to which I have already called attention would insure their liberty and freedom by the supremacy, in the final test of congressional power, over Executive authority and over judicial prerogative.

The President holds his office until he shall commit and be convicted of "high crimes and misdemeanors," or until he shall become "disqualified." But who shall decide when the President shall have committed "high crimes and misdemeanors" or shall have become "disqualified"? It is Congress that must decide. The judges of the Supreme Court and of all inferior courts hold their office "during good behavior." But who shall decide that a judge shall have ceased to demean himself with "good behavior"? It is the Congress. On the contrary, who can put a limit to the tenure of a Member of Congress? No one but Congress itself. Who can decide that Congress collectively, acting by a constitutional majority, has done wrong? Nobody but the people at public polls by electing other Members of Congress pledged to repeal the acts of the irregular and improper Congress. In other words, there is no limit that can be set to the power of Congress acting within its constitutional authority. No man nor set of men, no President nor any court can say that Congress has gone or is going too far in the exercise of its admitted powers. It can not be said that Congress has the power to investigate some acts and some offices about some things and to a certain extent, but that there is a limit beyond which the power of Congress does not go. It is like what Chief Justice John Marshall said about the power of Congress to tax:

The power to tax involves the power to destroy.

The power of Congress to act upon any of its constitutional rights and duties is a terrible and tremendous power. If the Congress acts unwisely, the country will suffer, but the country has a remedy. All Members of the House of Representatives must be elected every two years, and elected by the people. One-third of the Members of the Senate must be elected every two years, and elected by the people. So that the people have their remedies, and the Members of Congress are accountable to the people and to the people alone.

RAILROAD DISPUTES ADJUSTMENT

The SPEAKER. By special order of the House, the gentleman from Massachusetts [Mr. WINSLOW] is authorized to address the House for 30 minutes. [Applause.]

Mr. WINSLOW. Mr. Speaker, I ask that I be allowed to proceed without interruption until I have finished my first statement. My purpose is to end my first statement within 30 minutes in order to allow time for questioning, if possible.

Gentlemen of the House, my appearance here this morning is due to the fact that I am chairman of the Committee on Interstate and Foreign Commerce of the House. I desire to have whatever I say be regarded as an official utterance and devoid of any personal touch whatever. Some days ago a member of our committee, the gentleman from Kentucky [Mr. BARKLEY], who, I regret, is out of the city and so not here to-day, asked for permission to address this House on the subject of transportation for an hour. Two or three days ago he made his statement on a particular matter allied with the subject of transportation. He spoke of a bill which he had introduced on the 28th of February, by number H. R. 7358. It is not my intention to discuss the merits of that bill.

The gentleman from Kentucky set forth his ideas on the subject and explained it at considerable length and accurately, I dare say, as representing his own views, and he did it in a perfectly orderly way. In due time near the end of his speech he was moved by some spirit or another, maybe an inquiry, to say to the House that the proponents and the opponents of his bill had been gagged in respect of the consideration of that bill by the Committee on Interstate and Foreign Commerce. In the ordinary passing of persiflage on the floor of this House no one would mind such a statement as that very much; but when it carries with it the imputation of bad purpose and bad faith on the part of one of the largest committees of this House, numbering 21, and, so far as I know, representing, as I believe he did, the views of only one member of the committee, it is time to have the situation explained. Such is my purpose. The gentleman in his remarks called attention to the fact that the members of the Committee on Interstate and Foreign Commerce had not recognized the merits involved in this bill, as they should have, and that they passed it over with slight concern, and he referred to the fact that the Senate in its wisdom, through its regularly appointed Committee on Interstate Commerce, had given time to the consideration of the bill. The Senate has a committee of 17 to do part of the work which our committee of 21 is expected to do. The Senate committee of 17 gave the bill over to a subcommittee of 3 to handle, and that committee of 3 found that there was enough in it to warrant the publication of that much testimony—about 2 inches thick [illustrating]—covering a period of six or seven days. That subcommittee, while there were many witnesses still in the room and who had been hanging on there with a desire to say something in opposition to the bill, cut the hearings sharply off without notice. They said, "These hearings are over," and yet they had consumed some number of days in hearing testimony, with witnesses yet desiring to go on. I want you to mark that fact for the reason that the utterances of the gentleman from Kentucky [Mr. BARKLEY] would seem to indicate that this was a little fly-by-night matter which could be decided or run in at almost any time in order to please some one in particular or somebodies in particular.

Our committee is not a "by-guess and by-gosh" committee. [Laughter.] It lays out its work with care. We are not here to make a confession. I am not here in a spirit of aggression. But here is the House, made up, when all the membership is available, of 435 men, representing the whole country and some outlying possessions through Delegates. Here is a proposal involving one of the most sensitive problems which this country has to consider, the matter of railway labor, and it is not to be expected that our committee in its wisdom will flippantly handle such a bill and say, "All right; we will take it up to-morrow, or day after to-morrow, or sometime, to please you." A bill must be considered as to its merits. The committee must consider the amount of time likely to be occupied in consideration. This bill should be considered, and was considered by our committee, with reference to its connection with other allied transportation subjects, and with a further thought in mind of great importance, and that is the availability of the bill for possible legislation in this Congress.

We have in committee—I know it to my sorrow—a call every little while to bring out some bill to help some fellow please somebody else somewhere. That may be a fine thing to do in the case of a bridge bill. We do it. It may be a fine thing when reasonably possible to do in the matter of a subject not controversial. But when it comes to an underlying fundamental subject, it seems to me and I think to most of our committee that it is mighty unwise procedure. I do not believe that any committee is justified in holding prolonged, expensive hearings—expensive as to the cost of them, through stenography, and so forth; expensive as to the cost of time on the part of the members and the witnesses—unless they expect or have reason to believe that the reported legislation can possibly be considered by the Congress.

If you follow the other plan of holding long hearings to appease somebody, you are doing nothing more—and we all know it—than to put in a political plug somewhere; and so long as this committee that I am connected with is influenced by my suggestion, we shall not give ourselves over to the opportune method of doing things to appease elements, unless it appears that something substantial shall come out of our efforts and conclusions. [Applause.]

Just to show how things are going with our committee—and you had better know it—we are brought up on the carpet in a certain way, where we are obliged not to defend ourselves, but to furnish facts, so that when you come to further consideration later on you will have a knowledge of what we have had in mind.

You will remember that in the opening of this Congress we spent about a month dilly-dallying around, trying to organize. Our committee was organized as early as possible in the usual way on the 9th of January. From the 9th of January to the 16th of April, when this little matter now under discussion attracted attention, there were 85 what we call legislative days during which committees could meet in the usual and orderly manner. Out of those 85 days we held meetings to the

number of 60 out of 85 possible days; and in addition to that we had 23 meetings of subcommittees sandwiched in.

I merely want you to realize that that committee has occasion to count its minutes, to consider the wisdom of the bills they take up, with a due regard to the various essentials which I have enumerated.

During that time we have had pass through our committee's hands 156 bills. Thirty-three we transferred without any particular effort on the part of the committee to the Veterans' Bureau Committee, the new one, leaving 123 which we actually had in hand and to which we gave actual consideration. All of them would, I believe, appear to you to be important.

We come along, my friends, to a time when the miscellaneous bills which could be taken care of had been virtually considered, and we had a meeting, arranged not under pressure, to consider a program for the future. On the 8th of March we had a meeting for the purpose of taking up the bills before us with a view to arranging them as to subjects and importance and with a view to fixing plans for procedure. At that meeting—and I wish now to read from the transcript of our record—"Mr. BARKLEY moved that the meeting on Tuesday next be devoted to discussing, as far as possible, the future procedure of the committee, outlining its plans during the remainder of the session." That was the motion of the gentleman from Kentucky [Mr. BARKLEY] 10 days after introducing his bill. Following that on through, on the 11th of April, the Tuesday mentioned in the record, it was the understanding, after hearing Governor Morrow, beginning on March 12, the next day, the next meeting would be for the purpose of further considering the plans of the committee. Governor Morrow's testimony went on longer than we expected, but the first business taken up after he had finished his testimony was in regard to the bills already brought before the committee, and the record shows that on March 14, rather than on Tuesday the 12th, the chairman outlined to the members of the committee the bills now pending.

"Mr. BARKLEY moved that the committee meet at 10.30 a. m., Saturday, March 15"—for the purpose of taking up bills on which the committee has already held hearings and which were ready for action.

"Carried."

You will note that no mention was made of this Barkley bill, reported to be in a committee jam.

Our committee met on March 15, and we did not then take up the subject of procedure. We took up Panama Canal tolls and pushed them along for the reason that the governor of the canal was here waiting in order to testify, so that he might get away and go on home to his duty, as we would like to have him do. The next day we took up more Panama bills, and also one affecting the interests of Porto Rico, which government was represented here by delegates, in order that we might help them get on their way home. On the next day we considered Porto Rican matters again, and then we took up another, the Mississippi barge bill, in which the people living in the Mississippi Valley, the Southern States, along the Black River, and up as far as St. Paul, were interested, at the behest of the Secretary of War.

There was no objection as to procedure during all this time from anybody. We followed on with the barge bill for four days, and there was no objection. Then we went on to the 25th, and then took up a number of bridge bills to please a lot of Members of Congress. Then we came to March 26—and I want you to take notice of this, because it will show the extent to which this Barkley bill was jammed against the wall by our committee. I will read, not as a whole, but enough to give you the facts, from our committee records.

Mr. RAKER. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. RAKER. I understand the gentleman is reading from the minutes of the committee.

Mr. WINSLOW. I have been so far.

Mr. RAKER. All I ask now is that the Speaker rule whether or not a Member is entitled to use the minutes of a committee. I have tried it but never had a chance to have the Speaker rule on it. I would like to know so that hereafter I may be able to use the minutes of a meeting of a committee, if that should be the ruling; if not, that others may have a guide for their future actions. If the gentleman can use them, then I will withdraw my point of order. But I want a ruling from the Speaker, because it has been vital as to whether or not you can use the minutes of any committee of the House before the House.

Mr. WINSLOW. I am perfectly satisfied to have the gentleman try it out, and I do not say that unhappily at all.

Mr. RAKER. I have no objection to the gentleman going on if it is proper that they may be used. For one, I want to know.

Mr. TINCHER. Mr. Speaker, I do not think that question is before the House. The chairman of the committee representing the committee, acting for the committee, and speaking for the committee, as he stated in opening his address, is now giving certain information, and I do not think a point of order could be made against that.

Mr. RAKER. Mr. Speaker——

The SPEAKER. The Chair does not care to hear the gentleman from California at present. It is a well-known fact that it is not in order in the House to discuss and report what has transpired in committees. Whether it is in order to refer to the formal minutes of a committee, the Chair is not certain, and the Chair would like a moment to look that up.

Mr. CRAMTON. Mr. Speaker, let me ask the gentleman from California, if I may have his attention, whatever might be the rule, if he does not think, as a matter of fair play and good faith, when an attack is launched against a committee of this House charging it with dilatoriness and with lack of attention to a given bill, that it is proper for the House to have the real facts in the case.

Mr. RAKER. Will the gentleman yield for a question?

Mr. CRAMTON. The gentleman from California has the floor.

Mr. RAKER. Mr. Speaker, may I ask one question?

The SPEAKER. The Chair will hear the gentleman.

Mr. RAKER. There were two matters, and one in particular, where it was a matter of absolute fair play. I tried to get the minutes, and I went to every parliamentarian in the House to see whether or not I could use the record. I went to the Speaker's clerk and I went to Mr. CANNON, who was then working on the matter. They all looked it up for me and they said, "Well, it is a matter you ought to be permitted to do, RAKER, but you can not do it," and I had to quit. Now, I just want a ruling this morning, so that when I get in a pinch later or hereafter I may be in shape to present such things to the House in the orderly way.

Mr. CRAMTON. But, if the gentleman will permit, what the House is concerned about now and what the House is interested in now is not some trouble of the gentleman from California but particular charges of dilatoriness and lack of attention to important business which have been made against this particular committee. If anyone ever makes an attack upon a committee of which the gentleman from California might be the chairman and charges that he is not giving proper consideration to bills before his committee, I hope that no one would interpose an objection which would prevent his making a proper statement.

Mr. RAKER. If these charges are made against the committee and certain members personally, I want to submit it to the Speaker this morning. I am for fair play. I am not objecting to the gentleman from Massachusetts [Mr. WINSLOW] proceeding in this matter in his own way, but I desire this controversial question settled by the Speaker. Then we will all know to what extent one can go relative to the proceedings of a committee and the use of its records.

Mr. LONGWORTH and Mr. QUIN rose.

The SPEAKER. The Chair will hear the gentleman from Mississippi.

Mr. QUIN. Mr. Speaker, it occurs to me that there is more than the discussion indicates so far involved in this question. I voted for the proposition to have a bill taken from a committee by petition, and I even voted for 100, but it passed at 150. It is fundamentally wrong, it occurs to me, that a chairman of a committee, by having the majority with him, can shut out certain legislation by putting a number of bills ahead of it, some of them, perhaps, not worthy of taking up the time of the committee. It seems to me it is very vital that the point be ruled on by the Chair, the point as to whether or not the minutes of a committee can be brought out on the floor of this House.

Mr. LONGWORTH and Mr. CRISP rose.

The SPEAKER. The Chair will recognize the gentleman from Ohio.

Mr. LONGWORTH. Mr. Speaker, it has always occurred to me that the object of the rule which has been referred to was to prevent members from revealing the attitude of other members on a committee. That was the object of the rule and not to prevent the House from having knowledge of hearings on certain bills. What the chairman of the Interstate and Foreign Commerce Committee has said does not reveal the proceedings of the committee in the sense of giving the attitude of

members or votes on particular measures, but merely as to the volume of the work and the sequence of the work. It seems to me there can be no possible objection to it and that it does not fall within this rule.

Mr. CRISP. Mr. Speaker, I simply desire to present one or two thoughts to the Speaker in connection with this matter, for it is a matter of the utmost importance to the House. I think the gentleman from Massachusetts [Mr. WINSLOW] should be permitted, no matter what the ruling of the Speaker is in this case, to proceed, and I think the House would give unanimous consent for him to do it; but the question involved is one of importance. My own judgment is that the debates and matters of that kind that transpire in a committee are protected with a cloak of secrecy and should not be used in the House; but the public has a right to know the official action taken by a committee. Mr. Speaker, in my judgment that is the only reason why committees keep records or minutes of their proceedings; and it seems to me, undoubtedly, the official minutes of the committee are competent to be used in the House. I go further: I believe if a court proceeding arose as to the conduct of a committee, it would be legal and competent evidence to introduce in evidence in the trial of the case excerpts from the minutes of the committee; and in my judgment, undoubtedly, excerpts from the minutes of one of the committees of the House are legitimate subjects for discussion on the floor of this House.

Mr. LONGWORTH. Mr. Speaker, may I add just a word in addition to what the gentleman from Georgia [Mr. CRISP] has said? There is even more reason at this session of Congress for the production of minutes, on account of the new rule which we have adopted relating to petitions to discharge committees. It seems to me highly essential under those circumstances that an explanation can be given as to why a certain bill has not been reached in the orderly discussions of the committee.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. CHINDBLOM. In the event a petition has received sufficient signatures and the question of the consideration of the bill comes before the House, I presume it would not be contended it would not be then proper to discuss the conduct of the committee in the handling of that legislation.

Mr. LONGWORTH. Certainly not; and therefore why should it not be discussed in advance of that parliamentary situation?

Mr. CHINDBLOM. Exactly.

Mr. NEWTON of Minnesota. And while a petition is pending for the purpose of having the committee discharged, which is the case here.

Mr. LONGWORTH. Precisely. It seems to me that while I think the gentleman from Georgia is entirely right under ordinary circumstances, with this new rule he is even "more right," and there is even more reason why the chairman of a committee should make exactly the sort of statement that the chairman of the Committee on Interstate and Foreign Commerce is making now.

Mr. RAKER. Will the gentleman yield? Is it the gentleman's view that a Member would have the right to read before the House how Members voted in a committee?

Mr. LONGWORTH. No; not at all.

Mr. RAKER. That is a written record.

Mr. LONGWORTH. But that is not what the gentleman from Massachusetts [Mr. WINSLOW] is undertaking to do.

Mr. WINSLOW. Will the gentleman from Ohio yield a moment?

Mr. LONGWORTH. Yes.

Mr. WINSLOW. If it were of enough importance, the reporter could read the last utterance I made, which was to the effect that I now will give you some facts, but I will not read from the record—that is where the votes appear—these other matters I have referred to in order to meet a certain part of the statement of the gentleman from Kentucky [Mr. BARKLEY], which I shall later bring up.

Mr. LONGWORTH. Nothing that the gentleman has said has at all violated the spirit of the rule of privacy which ought to govern as to what transpires in committees where Members cast their votes on matters of legislation, which ought not to be made public.

Mr. GREEN of Iowa. Mr. Speaker, just a suggestion in line with the statement made by the gentleman from Georgia [Mr. CRISP]. It will be at times necessary to go to the record, possibly not to obtain the vote of the various Members but to determine in case of dispute whether a bill has been reported. A dispute might arise as to whether a bill had actually been reported, in which case there could be no way to determine it definitely except by appealing to the records of the committee, and there are other circumstances which might bring such matters into court, as the gentleman from Georgia has stated, in which event it would be necessary to appeal to the record.

Mr. MAPES. Mr. Speaker, this is an important point of order that has been raised by the gentleman from California [Mr. RAKER]. As has been suggested, the Members of the House desire to know what the pertinent facts are in regard to the consideration of this particular matter, regardless of the point of order, and I ask unanimous consent that the gentleman from Massachusetts [Mr. WINSLOW] may be allowed to proceed with his speech, giving the pertinent action of the committee on the subject under debate, without reference to the decision of the point of order at this particular time.

Mr. RAKER. Mr. Speaker, I reserve the right to object——

Mr. BANKHEAD. Mr. Speaker, I object to the unanimous-consent request, because I think this is a matter of sufficient importance, as a matter of procedure, to have a definite ruling by the Chair. I would like to submit an observation to the Chair if the Chair will hear me.

The SPEAKER. The Chair will be glad to hear the gentleman.

Mr. BANKHEAD. I think if the Chair had an opportunity to run down the precedents with reference to this matter the Chair would find that under certain circumstances the proceedings before a committee are entirely legitimate for production, but they are cases in which, I think, the precedents will show questions arise out of a direct attack upon the propriety of the immediate consideration of some measure brought up for consideration before the House upon the report of a bill by a committee. For instance, where a question is raised as to whether or not a majority of the committee were present and voted to favorably report a bill; but I very seriously doubt the propriety as a matter of practice of making it permissible to inject into a general debate proceedings before the committee, because of the fact that it is admitted that the proceedings of a committee are clothed with a certain amount of privilege and secrecy, and this very instance, if the Chair will permit, shows the possible lack of wisdom of that course. Now, as a matter of argument and as a matter of having an opportunity to reply to the criticisms of the gentleman from Kentucky [Mr. BARKLEY] in his speech a few days ago, I have no doubt from that consideration the gentleman from Massachusetts should have an opportunity to reply and to disclose to the House the record of the proceedings before his committee. That, however, does not go to the question now presented to the Chair.

But inasmuch as the question has been raised directly as a question of parliamentary procedure, it seems to me that under the consideration of the executive proceedings before the committees it would be very unwise to open up in general debate and in an ancillary matter like this the proceedings of the committee, and I believe the parliamentary clerk, on research, will find that to be the rule.

Mr. GARRETT of Tennessee. Mr. Speaker, in view of the importance of this question I would like to be heard for a moment. All that I can find in a hasty examination on this subject is contained in Jefferson's Manual, which, of course, is part of the rules of the House in so far as applicable. I read as follows paragraph 310, 311, and 312 of the Manual:

> Standing committees, as of Privileges and Elections, etc., are usually appointed at the first meeting, to continue through the session. The person first named is generally permitted to act as chairman. But this is a matter of courtesy, every committee having a right to elect their own chairman, who presides over them, puts questions, and reports their proceedings to the House.
>
> At these committees the members are to speak standing and not sitting, though there is reason to conjecture it was formerly otherwise.
>
> Their proceedings are not to be published, as they are of no force till confirmed by the House.

A minute upon that is as follows:

> In the House of Representatives it is entirely within rule and usage for a committee to conduct its proceedings in secret (IV, 4558–4564), and the House itself may not abrogate the secrecy of a committee's proceedings except by suspending the rule (IV, 4565). In one case the House authorized the clerk of a committee to disclose by deposition its proceedings (III, 2604). Where a committee takes testimony it is sometimes very desirable that the proceedings be secret (III, 1694), as in the investigation of the Bank of the United States in 1834, when the committee determined that its proceedings should be confidential, not to be attended by any person not invited or required (III, 1732). It is for the committee to determine, in its discretion, whether the proceedings

of the committee shall be open or not. Thus, in the case of Roberts the committee permitted its meetings to be attended by the public and allowed its proceedings to be published.

In Hinds' Precedents, volume 4, paragraph 4565, I find the following:

The rules do not permit the House to abrogate the secrecy of a committee's proceedings; but it was done by suspension of the rules. On January 6, 1873, Mr. William P. Frye, of Maine, proposed the following:

"*Resolved*, That the committee of this House appointed to investigate charges of corruption in the matter of stock in the Credit Mobilier be, and they are hereby, instructed to continue such investigation without secrecy as to either their past or future proceedings."

Mr. Luke P. Poland, of Vermont, having raised a question of order, The Speaker held that inasmuch as it is provided in Jefferson's Manual that "the proceedings of a committee are not to be published, as they are of no force till confirmed by the House," and by rule 144 that "the rules of parliamentary practice comprised in Jefferson's Manual shall govern the House in all cases to which they are applicable, and in which they are not inconsistent with the standing rules and orders of the House," etc., and whereas the provision of the manual was not contravened by any rule or practice of the House or joint rule of the two Houses, the said resolution was virtually a change of the rules and could not be submitted under the present call.

It seems to me, Mr. Speaker, that the question to be determined is whether the official minutes of the committee constitute a part of the executive proceedings of the committee. I am inclined to believe, reasoning by analogy, that they do, especially unless the committee itself agrees to make them public. When I speak of reasoning by analogy I have in mind a case which occurred in the last Congress wherein it was sought by a Member from Tennessee, Mr. Clouse, to secure testimony as to a vote and record in the Committee on Ways and Means of the gentleman from Tennessee [Mr. HULL]. The gentleman from Tennessee [Mr. HULL] was perfectly willing for this testimony to be taken, but the Clerk of the House, acting under the rules of the House, declined to give the testimony, although it occurred in a preceding Congress, until the House itself by resolution had authorized the Clerk to produce the records of the past Congress and testify in regard thereto.

There is somewhere to be found a decision to the effect that it is not out of order to refer in the House in debate to the proceedings of a committee in a prior Congress. I find that in a hasty examination of the manual. But in that case, even as to testifying relative to occurrences in a committee of a past Congress it was determined that it could not be done save by passing a resolution authorizing the Clerk to produce the record. Reasoning from that precedent, I am inclined to believe that unless the committee itself determines to make public the record they constitute a part of the executive proceedings and that the point of order made by the gentleman from California should be sustained.

Mr. SABATH. Mr. Speaker, all I desire to say is that there is a distinction between giving the House information as to the activities of a committee that might be read from the minutes and what has actually transpired in the committee. As I understand, the gentleman from Massachusetts merely uses the minutes to inform the House as to the activities of the committee and not what actually transpired in the executive meeting of the committee.

Mr. SHALLENBERGER. Mr. Speaker, I would not question the judgment of the experts in parliamentary law, but it seems to me a certain rule does apply here, and that is the rule of reason. [Applause.] We have a new rule that is now being invoked for the first time, which is to discharge the committee and bring this bill before the House for immediate consideration. I am sorry the gentleman from Kentucky is not present to speak for himself as to whether or not the committee did refuse consideration of the bill and whether or not it was the correct thing for him to do to invoke the new rule by filing the petition.

Whether or not this House shall consider this matter and act upon it is one question, but it seems to me that the Members are entitled to the information that the chairman of the committee is seeking now to give to the House; and, speaking as a member of the committee and for myself, I think that under the conditions that now confront the House, this rule never having been appealed to before, a new principle being now invoked, good judgment and good reason should decide that the chairman of our committee should be allowed to present the record, which will show to the House whether we have given consideration to the bill or opportunity has been given for the consideration of this measure. [Applause.]

Mr. CRAMTON. Mr. Speaker, the purpose of the rules, of course, is to secure due decorum in the transaction of business and promote well-considered legislation. As the gentleman from Alabama [Mr. BANKHEAD] has suggested, there have been cases where the citation of proceedings of a committee has been held in order. I recall in the last Congress, when a point of order was made against a rule reported by the Committee on Rules, the point of order being made that the rule was reported by a committee when a quorum was not present, the issue being raised as to whether or not a quorum had authorized the report, that the present Speaker held that for the purpose of determining that issue, which was properly before the House, the proceedings of the committee were the best evidence, and it was in order to have the proceedings referred to to establish that fact.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. In just a moment. The matter pending before the House constitutes an issue as to which the records of a committee afford the best evidence. We have a new rule that permits a motion to be made for the discharge of a committee from the consideration of a bill. Under that rule a motion has been filed and has been signed to some extent, which calls for the discharge of the Committee on Interstate and Foreign Commerce from further consideration of a bill. If this House is to continue the practice of legislating through committees, then the motion to discharge a committee from further consideration of a bill should be based only upon the theory that the committee is dilatory in the performance of its duty, that it is not giving the consideration to a particular bill that the bill merits in the opinion of the House. Therefore, the motion that has been filed as to this particular bill does challenge the conduct of the committee that has the bill in charge.

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. It does challenge the conduct of the committee as to whether it has been proceeding with due diligence, with a due consideration for the character and importance of the bill. In meeting that charge that is lodged against it the House, passing upon the question, is entitled to the best evidence there is as to the conduct of the committee and that is the evidence found in the proceedings, not the actions of individual members of the committee, but the conduct of the committee itself as a whole, as to whether it has been proceeding with due regard to the importance of the bill and with due diligence. Therefore, the line that the gentleman from Massachusetts [Mr. WINSLOW] has been following would seem to be entirely in order. To hold otherwise would largely, under the new rule, undermine the practice of legislating through committees, and throw onto the floor of this House, from time to time, bills undigested by any committee and with reference to which a committee had been proceeding with due diligence.

Mr. HUDDLESTON. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. HUDDLESTON. I call the gentleman's attention to the fact that the rule gives the right to discharge when the bill has been before a committee for 30 days, without report, and no question of delay or neglect is involved. It is merely the lapse of 30 days' time.

Mr. CRAMTON. The gentleman overlooks this fact. The rule permits the discharge of a committee within 30 days, but does not require it; but whether or not the House will require it under the rule will be based upon and ought to be based upon the conduct of the committee itself.

Mr. HUDDLESTON. I call attention also to the fact that it does not require the discharge of the committee, no matter how gross might be the neglect or how unreasonable the delay.

Mr. CRAMTON. That is for the House to determine in the light of the facts, and we are now seeking to get the facts before the House.

Mr. HUDDLESTON. But not upon that issue.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LONGWORTH. Take the matter of a tariff bill. A man most anxious to have such a bill reported would be absolutely certain that it could not be carefully considered within, say, 30 days. The mere fact that the rule permitted a certain number of the House to discharge a committee within 30 days does not argue at all that it ought to be done or that the House would do it.

Mr. CRAMTON. As a matter of fact, if the ruling contended for is correct, and the committee started its hearings the next day after its introduction, and the hearings were not completed, under the ruling contended for here, that information could not

be given to the House from the best authority, namely, the records of the committee.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. GARRETT of Tennessee. I suggest this for the consideration of the gentleman and for the consideration of the Chair. The discharge rule, by the way, is not a new rule. There has been a discharge rule in the rules for many years, but it is new now as to form. The adoption of that may present a reason that would induce the House to change the rules of the House, but it would not justify the Speaker in changing the rulings if the rulings of the past have been correct.

Mr. LONGWORTH. Under the precedent that the gentleman cited a short time ago with regard to the secrecy of proceedings, the gentleman stated, as I followed the reading of it, that the committee has a right to make its proceedings public. Would not the committee if it saw fit have the right to give its proceedings to the newspapers?

Mr. GARRETT of Tennessee. I do not know of any ruling about it, but I expressed the opinion myself that any committee did have the right if it chose to do so to make public its proceedings. I think so, undoubtedly, as a committee, but, of course, that is not this case.

Mr. LONGWORTH. It is in a sense this case, because the gentleman from Massachusetts says that he is here speaking not as an individual but as the chairman of this committee and by authority of this committee, showing to this House, as he might show to the country, that the committee has been diligent in the prosecution of all necessary legislation.

Mr. GARRETT of Tennessee. I do not understand that the committee has given any authority of that kind. I do not think this matter is so full of difficulty. I think the ruling is very important, but I do not think it is so full of difficulty, because, after all, the matter is within the control, first, of the Committee on Interstate and Foreign Commerce, if I am right in my view, and, second, in any event it is within the control of the House by a suspension of the rules.

Mr. BURTNESS. I simply want to make this suggestion, to emphasize, as I think it would, the argument which the gentleman from Michigan has already made—namely, in the interest of orderly procedure, with a petition pending for the discharge of a committee, the membership itself is entitled to information as to what the activities of the committee have been upon the question in order that the Members may be enabled to determine whether they ought to sign the petition which is pending or not.

The SPEAKER. The Chair is ready to rule. The Chair has always supposed that the main purpose of the rule forbidding the disclosure of what transpired in committees was to protect the membership of the committee so that discussions in the committee, where members were forming their opinions upon legislation, might be absolutely free and unembarrassed. Whereas, in this House men are making records in a committee, men ought to act with a consciousness that their attitude would not be published, so that they could consult and discuss with perfect freedom and the committee would have the first as well as the final judgment of all the members of the committee without fear of seeming inconsistent. The Chair has always supposed that was the real purpose, and it is extremely important that the members of the committee should in its proceedings be mutually confidential. But the Chair in inspecting the decisions finds that they go much further than that, and they hold not that simply what was said in the committee was confidential but that the records of the committee could not be quoted without the previous authorization of the committee. Now, it has been argued, and very plausibly, by the gentleman from Ohio and the gentleman from Michigan and the gentleman from Nebraska that the new rule makes it important for the House to know what transpired in the committee in order that the House could judge better whether or not action should be taken under the rule, and the Chair recognizes that certainly in equity that is very impressive; in fact, the Chair can not conceive of a case where the equities would seem to be more strongly in favor of citing the proceedings in committee than in this, where a member of the committee has made charges on the floor against the neglect of the committee and followed up those charges here by filing a petition under the new rule, and then when the chairman of the committee proposes to answer those charges to have the point of order raised that he can not state what the proceedings of the committee have been.

If it was a new question the Chair would be strongly inclined to hold that it is in order. But the decisions are very conclusive, from 1884, to the effect that the records of the committee are not available for comment in the House, and therefore the Chair under the precedents feels constrained to sustain the point of order.

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts have leave to refer to the minutes of the committee to such extent as he may deem advisable, and that the minutes be printed in the RECORD.

The SPEAKER. Is there objection?

Mr. MOORE of Virginia. Mr. Speaker, reserving the right to object——

Mr. SNYDER. Mr. Speaker, I object.

The SPEAKER. The gentleman from New York objects.

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONGWORTH. Would it be in order to move that the gentleman may proceed?

Mr. WINSLOW. If the gentleman will yield, this will undoubtedly be followed through by a roll call, and there will be great waste of good time. I do not want to——

Mr. LONGWORTH. I do not think——

Mr. WINSLOW. I can work it in just as well.

The SPEAKER. The Chair does not think it would be in order to move to change the rules of the House. This can only be done by unanimous consent.

Mr. LONGWORTH. Would it be in order to move to suspend the rules?

The SPEAKER. No; it would not be.

Mr. RAYBURN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAYBURN. Under the ruling of the Chair just delivered, which I think is proper under the precedents—it is going to be very cumbersome under the new rule adopted—would it be proper for the gentleman from Massachusetts to make a statement along the line that a motion had been made in the committee to take up the bill for hearing and consideration and that motion had been voted up or down?

The SPEAKER. The Chair does not think that would be in order.

Mr. BANKHEAD. Mr. Speaker, I hope the gentleman from New York will not insist upon his objection. I think, as a matter of fairness, the gentleman should have that privilege.

Mr. SNYDER. Mr. Speaker, it seems to be the opinion of the House that I do not object, and therefore I withdraw my objection.

Mr. MOORE of Virginia. Mr. Speaker, reserving the right to object, I would like to say just a word. I was very much impressed by the argument of the gentleman from Michigan [Mr. CRAMTON] with reference to the discharge rule that makes the practice laid down in Jefferson's Manual very difficult of application. I endeavored before the Committee on Rules in December to secure a modification of the practice we are discussing, because I knew it should be modified if we are to have a proper application of the discharge rule. But I have never been able to get the Committee on Rules to consider that or some other propositions that I submitted for its consideration.

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent to proceed for part of five minutes to make a statement apart from my intended remarks.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to proceed for five minutes apart from the lines he indicated. Is there objection?

There was no objection.

The SPEAKER. The gentleman has 12 minutes remaining.

Mr. WINSLOW. It is no part of my code to disrupt law and order in any particular. I would rather let the whole thing go by than be guilty of trying to do anything of that sort. But on the day when our fellow Member from Kentucky [Mr. BARKLEY] made his speech, in referring to the action of the committee, to which he did refer, and it went by, and without comment, and it was printed in the RECORD, he said:

All I know is that the Committee on Interstate and Foreign Commerce has not taken it up. It has refused to take it up.

Is not that an evidence of intent to report what took place in the committee? I took it for granted that if the gentleman's representation went by and became a matter of record, I could answer in the same tone and show, not merely by word out of my mouth, but from the real records of the committee, that the statement was not accurate. That is all I had in mind to do.

My friends, if we do not change these rules, particularly after this discussion to-day, it means that every time a man gets up here to tell something affecting a bill, from the standpoint of committee action, some man will say, "Point of order; you are telling something about the side you are interested

in." I "heard the master's voice" on this matter—that is, the right of the House to be informed—and I felt that this was of the first consideration. I mean to cover later this petition proposition. Later on I intended to refer to future proceedings in case there were any need. That is not what troubles me most. It is the bold statement of the gentleman from Kentucky, who has undertaken to tell what our committee has not done, while as indicated by our record his statement was inaccurate. I am perfectly certain that some people—not all, of course, but some people—who have signed this petition have done it under the misapprehension that the man who introduced this bill had been gagged by the committee—if that is the interpretation. I do not now intend to discuss the measure on its merits but later on. It has been pulled in, however, by the heels, as it were.

The question arises as to whether or not under the circumstances you want me in an easy running way to say it is not so, and let it go at that, or whether the House is entitled and almost obligated to get the facts. You want to get them. If you want me to do what you might call glossing it over, I can gloss it over, and in some way, without transgressing the rules, indicate the attitude of other people. It is subterfuge in one case and square off the bat in the other. The statement is made that we have a new order of things and, if it is going to wind up with less "bunk" and more frankness, I am glad that the time has come when we do get into a condition of that kind.

According to my recollection, between the 25th of March and the 16th of April, yea, even between the 25th of March and the 16th of April, inclusive, several times—I will not say exactly how many, but several times, as my recollection tells me—the committee had an opportunity to vote and bring out a bill which is of interest to us here. They voted the other way, as I remember it, three times. [Laughter.]

What are the reasons for that? I think that the policy of the committee was to clear its desk of bills which they had had under consideration, and I believe that the members of the committee felt that they should not have everything up in the air all the time, and I am further of the mind that the committee as a whole felt that they had better get partially finished bills out of the way and dispose of them one way or another. They proceeded to do it, and then in accordance with what has taken place since then in the committee, as everybody knows has happened, we have taken up several bills, and we have taken them up for the purpose of getting an open space free for new subjects. I remember one man on the committee told the others distinctly, in a friendly way, not too officially, that it would seem as if we should take the transportation matter up as a unit, because there are many bills on transportation that are more or less interwoven, all bearing on the general subject of transportation, and all must be considered, if it were to be done wisely, at the same time.

We have at the moment a beautiful illustration of this idea. We have a dozen bills affecting the "truth in fabric" and "merchandise misbranding." They differ more or less one from another and it seems to me, from my talks with the members of the committee, that it is their opinion that we are doing well to take these bills up together. I am not going to argue it now, but I think the course of wisdom would be to let the committee determine upon the course of procedure on transportation matters.

If we are to go on and have statements made to the public, to excite, it may be proponents or opponents of this and that and the other legislation, as to the attitude of the committee, it is clear enough that in a little while we shall be in an awful mess. We shall be accused of doing things that we do not do. Our committee is being represented by one of its members as having refused to do a certain thing. I do not remember it. I just do not remember it. [Laughter and applause.] As to our declining to give it consideration at any time, past, present, or future, I am of the same state of mind.

So much for that. I want all Members of the House to realize that while we are not thin-skinned as a committee or as individuals in the discharge of our duties, we do not like to have it go out, as affecting the Congress of the United States, that any committee of its own selection would be guilty of crowding to the wall any bill which had merit enough to be considered if it were properly available and otherwise qualified. I believe the committee is sorry, indeed, to put it mildly, that they have without warrant been held up to that censure.

To show you the interest which has been taken in these bills, Mr. Speaker, would I be regarded as working improperly if I took a chance on a little other information of a different character? I want to do the right thing. [Laughter.]

The SPEAKER. The Chair does not know to what the gentleman refers.

Mr. WINSLOW. In that case I would like to afford the Chair an opportunity to determine.

Mr. GARRETT of Tennessee. The gentleman has unanimous consent to do that.

Mr. WINSLOW. I did not understand that.

The SPEAKER. Unanimous consent was given to the gentleman to refer to the records of the committee.

Mr. WINSLOW. Well, I had not any more to refer to. [Laughter.] But as indicative, my brethren, of the extent to which this great country of ours is wild about the subject of this particular bill, I have brought in here the entire correspondence from the files of the committee. I will not read it, mind you, but there it is, and there are not over 12 communications, and if I have the right I will tell the facts. There were three letters in favor of the legislation; these are two, miscellaneous in character in the way of interrogations as to when the bill might be considered, and there are seven opposed to the bill, and five of those are from organized railway labor organizations. That would suggest that perhaps there is more than one point of view in respect of the merits of the Barkley bill.

In addition to that the chairman does not remember a single application for early consideration of this bill or any consideration except from a committee of four or five representing the four great brotherhoods of the railroad employees who came to see me 30 minutes before we went into session on the morning of the day we had set to determine a schedule, and they insisted that that morning, not the next morning, but that morning, we determine to take up this bill forthwith. Aside from that we have had no urgency whatever for the consideration of this particular bill.

I want to say further. Gentlemen, I have tried to give you straight facts.

Mr. RAYBURN. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. RAYBURN. When I attempted to ask this question of the chairman of the committee the Speaker ruled that the gentleman from Massachusetts could not answer a question as to the action of the committee, but now the gentleman from Massachusetts has unanimous consent. Did not this bill come up in committee and was not a motion made for a specific date upon which hearings should be begun upon the bill?

Mr. WINSLOW. Yes; or virtually so, as appears in record of the committee, as follows:

Mr. BARKLEY moved that, beginning with next Tuesday, April 1, the committee proceed to hold hearings on Mr. COOPER's bill for locomotive inspectors, Mr. HOCH's resolution with reference to survey of rates, and upon the railway labor act which Mr. BARKLEY introduced.

Mr. HUDDLESTON moved as a substitute that the committee take up the Cooper bill to-morrow morning, March 27, at 10.30 a. m.

Mr. GRAHAM moved as an amendment to Mr. HUDDLESTON's substitute that the hearings on the Cooper bill begin Friday, March 28, and that in the meantime representatives of the railroads be advised in respect of the hearings, which was carried as shown by the following roll-call vote requested by Mr. GRAHAM: Ayes, 16; nays, 5.

Mr. HUDDLESTON moved to amend his substitute as amended that as the first business following the conclusion of the Cooper bill the committee take up the Hoch resolution. Carried.

Mr. BARKLEY moved to amend the substitute as amended that upon conclusion of the consideration of the Hoch resolution the next order of business shall be hearings upon H. R. 7358. Lost, as shown by the following roll-call vote requested by Mr. BARKLEY: Ayes, 9; nays 11; absent, 1.

Mr. HAWES moved to amend the substitute as amended that following the consideration of the Hoch bill the next order of business of the committee be the consideration of the truth in fabric and misbranding bills jointly. Carried, as shown by the following roll-call vote requested by Mr. HAWES: Ayes, 13; nays, 7; absent, 1.

A vote was then taken on Mr. BARKLEY's original motion as amended which was carried.

A vote was then taken on Mr. BARKLEY's original motion as amended by Mr. HUDDLESTON's substitute as amended, which was carried.

Mr. RAYBURN. Well, that is quite accurate.

Mr. WINSLOW. I will show what seems to have been the minds of the members of the committee, and I will take occasion, as long as the gentleman has brought it up, to tell you the real facts which are of importance. On the 26th of March, when we had our meeting as to procedure, we voted that the first business to be taken up would be the Cooper bill. That was a bill to provide for an increase in the number of inspectors for the Interstate Commerce Commission in order

that locomotives which are in service in the country might be looked after more carefully.

The SPEAKER. The time of the gentleman has expired.

Mr. GARRETT of Tennessee. How much more time does the gentleman require? Five minutes? Mr. Speaker, I ask unanimous consent that the gentleman may have five minutes more.

Mr. MOORE of Virginia. Mr. Speaker, I ask that he may have 10 minutes.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the gentleman from Massachusetts may proceed for 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WINSLOW. The Cooper bill was urged by railroad employees of all classes; it was approved by the representatives of all railroads, big and little. There was no objection to it and we passed it promptly after two or three days inquiry and rewriting the bill.

Then our committee further voted on that day to take up the Hoch resolution, which was a transportation matter and did not indicate the likelihood of much contention. It affected the establishment of a rate structure and we tackled that; we have since considered it at great length and have not quite finished it.

The next day, after two or three discussions and votes, we virtually came to a direct contest in the committee as to whether we should proceed, after spending two or three days on a general lot of bills, with the Barkley bill, so-called, or the truth in fabric and merchandising bills grouped together, and the committee voted to take up the truth in fabric and merchandising bills, because I think they had come to know that those subjects had been long before the committee and they were very much agitated throughout the country by business people, by consumers, by woolgrowers, by cotton growers, by silk manufacturers, and so on.

There were great numbers of people interested and there were great quantities of correspondence. So we voted to wind up the miscellaneous bills which we were then discussing, and then to take up the truth in fabric and merchandising bills, which we are doing now, and it was the understanding of the committee, as I remember it—and I am speaking very earnestly to that effect—that after the truth in fabric and merchandising bills came up we would reopen the whole field of possible inquiry and consideration, with the understanding that when that time came this so-called Barkley bill would come up with other transportation bills for direct consideration as to procedure.

We have never declined to give hearings on the Barkley bill, and we have never refused to have the bill considered, but we simply decided to let it go along with bills on railway matters, such as 15-A and many others, and we expected to work it out in due time; but that is a question we will have to handle on another score. I will say to the gentleman from Texas [Mr. RAYBURN] that——

Mr. BURTNESS. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BURTNESS. Since the motion to establish an order of procedure with reference to bills, has not the committee met either five or six days every week?

Mr. WINSLOW. Oh, yes; they have been doing that every week for so long I can not remember when it started.

Mr. BURTNESS. Following the so-called Cooper bill, was not the next bill taken up for consideration the so-called Hoch resolution?

Mr. WINSLOW. Quite true.

Mr. BURTNESS. Which provides for a general survey of transportation questions with a view to a new rate structure, and that took several days of the time of the committee.

Mr. WINSLOW. Yes. It might be interesting to the House to know that this bill, which has been referred to by my friend from Kentucky so affectionately as considered in Senate subcommittee, after five or six days of hearings, when they shut off the hearings without allowing all the witnesses to testify, has not been heard of since by any action from the subcommittee or the general committee.

Mr. HUDDLESTON. Will the gentleman yield? The gentleman has stated he is speaking for the committee.

Mr. WINSLOW. No; I have not intentionally.

Mr. HUDDLESTON. The gentleman was understood by many of us to say that.

Mr. WINSLOW. I do not want to create that impression. I am speaking as chairman for the integrity of the members of the committee. I do not speak for them.

Mr. HUDDLESTON. And not by committee authority?

Mr. WINSLOW. No.

Mr. MOORE of Virginia. Will the gentleman allow me to ask him one question? If the gentleman does not find it inconvenient, will he not attach to his remarks a statement showing what bills reported by his committee have been considered thus far by the House; and, secondly, what bills have been reported by his committee and not yet considered by the House, always barring bridge bills, bills of a local character, and confining the statement to bills of a general character?

Mr. WINSLOW. I will try to do that.

Mr. MOORE of Virginia. And I will say to my friend—and he knows how much I respect him—that very early in the session I introduced a bill, not of any very extensive interest, perhaps, but a bill in which I have faith. I have endeavored to secure a hearing of that bill or some consideration of it for months and without success; nevertheless some interest in the bill is manifested throughout the country. The Boston Chamber of Commerce, for instance, has written to the gentleman with reference to that bill, and I think it is a measure which ought to be considered.

Mr. WINSLOW. I will say to the gentleman I think so, too, but there are about 173 others whose proponents think likewise.

Mr. MOORE of Virginia. I am afraid my friend is looking at the forest and not seeing the trees, and that we will never have any of the bills individually dealt with, with such a mass of bills pending in his committee, which it seems to be unable to handle.

Mr. WINSLOW. That is not quite the question under discussion, but I would like to say in answer to the gentleman from Virginia [Mr. MOORE] that I do see the forest and the trees, and can easily discriminate between the oak and the dogwood. [Laughter and applause.]

Mr. WATKINS. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. WATKINS. In view of the fact that the committee has many bills of great importance and in view of the further fact it has not time to consider even a small proportion of them, would it not be wise for the House to relieve the committee of that burden and discharge it from the consideration of this bill?

Mr. WINSLOW. That is a chestnut. We had better not get into that subject because we do not know where it will lead.

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to proceed for five minutes on the Barkley bill.

The SPEAKER. The gentleman from Alabama asks unanimous consent to address the House for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDDLESTON. Mr. Speaker, the Committee on Interstate and Foreign Commerce has probably the widest and most difficult jurisdiction of any committee of the House. We have pending before our committee at the present time something like 200 bills. There is not the slightest chance that the committee, by sitting 10 hours every day for four years, could hold hearings on all these bills.

Congress has now been in session for four and a half months. During that time, as the calendar of the House will show, the Committee on Interstate and Foreign Commerce has not reported a single bill of prime importance. As the minutes of the committee, which have been ordered by unanimous consent to be printed in the RECORD, will show, we have not even held hearings on any bill of prime importance.

The most important subject in the jurisdiction of our committee is transportation, and yet, although that is the prime reason for the existence of the committee and should properly comprise the bulk of its activities, we have not yet taken up that subject during the present session of Congress.

The committee discharge rule was particularly intended for just such a situation as that which exists in the Committee on Interstate and Foreign Commerce. It was particularly designed for just such bills as the railroad labor bill, the Howell-Barclay bill. The committee has had this bill for more than 30 days, as provided by the rule. The committee, by reason of its failure to take action on that bill, is now subject to discharge under the rules of the House.

Whether or not the committee has good reason for not having considered this bill I do not care to enter into. The majority in the committee "are wise and honorable men. What private griefs they have, alas, I know not what made them do it. They are wise and honorable and will, no doubt, with reasons answer you" and their constituents. Suffice it to say that they have flatly refused to consider this bill. Here is a bill championed by the two millions of railroad employees of this country and by all of the regular organizations of workingmen. It has been referred to our committee,

and its proponents have been denied the courtesy of even a hearing. The committee, as the gentleman from Massachusetts [Mr. WINSLOW] admits, has definitely and pointedly refused to set any day for its hearing and consideration. There is no chance that the bill will ever come before the House except by the operation of the "committee discharge rule." It is only if Members respond to the appeal of the workers and sign the petition to discharge the committee that the bill can ever be brought before the House for consideration.

I reveal no secret when I say that this bill was prepared by the representatives of the 20 labor organizations connected with transportation, and by their advisers. The bill has been under preparation for nearly two years and has been given most careful consideration. Hearings upon the bill have already been completed by a Senate subcommittee. Those hearings are now in print and will be ready for distribution very shortly. Any Member who wants to study the bill now has the same opportunity to read the record before the Senate committee that he would have if we had held the hearings before our committee.

Not only is this bill championed by the 20 labor organizations connected with transportation but by the American Federation of Labor and every regular labor organization in this country affiliated with it. The real question now is, shall the voice of these toilers of America be stifled? The question is, shall their bill upon which they have set their hearts and which they want enacted into law be considered by the House or shall it be pigeonholed by the Committee on Interstate and Foreign Commerce?

The SPEAKER. The time of the gentleman has expired.

Mr. HUDDLESTON. I ask for two minutes more.

The SPEAKER. Is there objection?

There was no objection.

Mr. HUDDLESTON. The representatives of the labor organizations had analyzed the Committee on Interstate and Foreign Commerce before their bill was introduced; they had studied its personnel; they knew the bill would never be heard; they knew that it never would be reported. There is no use pretending to the contrary. The bill was introduced with the knowledge that it would never be heard by the committee and never be reported, and that the only chance for its passage was to bring it before the House under the operation of the "committee-discharge rule." One hundred and forty Members of the House have already signed the petition for discharge. If there be 10 additional Members whose hearts warm to the call of men who labor, who do the hard, dirty, and disagreeable work of America—if there be 10 such Members, then let them show their friendship by putting their names on the petition. Let them respond and give the bill a chance to be considered in the House. Do not dodge the issue, gentlemen. That petition is a permanent record of the House, it will be circulated at a million firesides as "Labor's roll of honor." Are you a friend of the working man? I call upon those of you who profess to be to prove your faith by putting your names on the petition. That is the way you can serve him now. [Applause.]

STATE, JUSTICE, COMMERCE, AND DEPARTMENT OF LABOR APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8350, the Departments of State, Justice, Judiciary, Commerce, and Labor appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. TILSON in the chair.

The CHAIRMAN. The Clerk will read.

The Clerk, proceeding with the reading of the bill, read as follows:

BUREAU OF NAVIGATION

Salaries: For the commissioner and other personal services in the District of Columbia in accordance with "the classification act of 1923," $55,140.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I wish to refer briefly to the Commissioner of the Bureau of Navigation and to the salary that is paid to this official. Members of the House know that I have never proposed to increase the salary of any of these higher-paid officials, and I do not propose to do so at this time, more particularly because the matter was not brought before the committee or submitted to the House in a formal manner and is not in order under the rules.

The Commissioner of the Bureau of Navigation in the Department of Commerce is Hon. D. B. Carson, who comes from Tennessee. I think the administration is to be congratulated on the fact that it has been able to secure a gentleman of such high type and such splendid executive ability as Mr. Carson to head this very important bureau in the Department of Commerce. Mr. Carson is a gentleman who has always drawn a much larger salary than that that is being paid to him as Commissioner of the Bureau of Navigation, which is only $4,000 per annum. He took this position from a sense of public duty and in order to be able to render his Government a public service. There is not a man connected with this administration, or any other administration that we have had, who is a higher type of citizen than Mr. Carson, and he is a gentleman of great executive ability.

Under the reclassification law I understand the salary of this position will be fixed at $5,200, which is a pretty good salary in its way but not when compared with some salaries fixed by the Reclassification Board for other positions, certainly of no greater importance than this. I can not help but feel that in the consideration of the importance of this particular position and the type of man which should be placed at the head of it, the Reclassification Board has failed to give this position the consideration which its importance deserves.

As I said, the salary of the Commissioner of the Bureau of Navigation is $4,000 per annum. He is compelled to frequently make trips in the field on business connected with the bureau, and the per diem allowance is not sufficient to meet his actual expenses while away from headquarters in Washington. He is performing the service he is now rendering at a personal sacrifice.

Mr. McKEOWN. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. McKEOWN. Why should the United States Government not pay a man sufficient traveling expenses to keep him where he is out on business?

Mr. BYRNS of Tennessee. I think it should. I do not think the Government ought to ask any of its officials, whether high or low, to perform service for the Government at a personal financial sacrifice to themselves. I want to refer briefly to what Mr. Carson has done since he has been Commissioner of Navigation in the interest of the service and in the interest of the Government. The commissioner has recently proposed the collection of fees for services to vessels and in connection with the enforcement of navigation laws which would aggregate more than 25 per cent in the cost of the operation of our vessels.

Some months ago he made a thorough investigation of the harbors and prepared an extensive report pointing out the economies which could be effected amounting to approximately $400,000 per annum if put into effect.

As I stated, the commissioner of this bureau has under his direct supervision a very large force of men employed on navigation work at the various ports in the United States, and it is absolutely necessary, if the commissioner expects to be able to render the service that he ought to render, and to have that supervision of this large force that he ought to have, for him to visit these ports frequently. He must do so in order to be able to render such service as the people have a right to expect him to render.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Recently there has been transferred from the Navy Department to the Bureau of Navigation the settlement of international radio accounts, involving the handling of over $500,000 in settlements and the taking over of an additional force. It is also proposed to transfer the personnel engaged in the admeasurement of vessels from the Treasury Department to the Bureau of Navigation, which, of course, will increase materially the duties and responsibilities of the Commissioner of Navigation. The work in connection with radio has increased to a large extent during the past three years and is increasing daily, as we all know. There is employed a large number of inspectors throughout the country in the examination of the various broadcasting stations, which are steadily increasing in number, and it is also the duty of such inspectors to examine the instruments on various steamships in order to see that such instruments are in perfect working condition before sailing. In addition to his present duties, there is now pending in Congress a bill which, if it

becomes law, will transfer to the Bureau of Navigation the Steamboat Inspection Service.

In the same bill it is also provided that certain functions of the United States Shipping Board, which it is proposed to transfer to the Commerce Department, may become a part of the Bureau of Navigation. I cite this to show the very great importance of this particular bureau in the Department of Commerce, and the importance of having at the head of this bureau a man of the highest type and the greatest possible efficiency. You can not usually expect to get a man of that type and that efficiency to take charge of these very important duties and this large force and assume this great responsibility for the salary now being paid to the Commissioner of Navigation.

The duties of this position are highly specialized and technical, requiring an intimate knowledge of the code of navigation laws and a general knowledge of similar laws of other maritime nations. The decisions rendered directly affect vast public interests, the decisions under an administration of the mortgage act of 1920, for instance, affecting hundreds of millions in value, the prompt movement of water commerce, the safeguarding of the lives of millions of people using this means of transportation, extending to our vessels all possible benefits under the admeasurement laws, and administering the numerous laws for the benefit of seamen, both at home and abroad; also, the operation of a patrol fleet and the administration of the wireless laws, which amounts to the work of a bureau in itself. There can be no proper conception of the Bureau of Navigation work unless it is clearly understood that approximately one-third of the entire customs service of the country works under the direction of and in the administration of laws under the jurisdiction of the Commissioner of Navigation, this force being in addition to those estimated for directly by the bureau. Adequately to perform these duties requires a comprehensive grasp of the economic and industrial changes as they affect shipping and seamen here and abroad, and in the wireless communication field, that the commissioner may be prepared, as required by law, to draft legislation to meet the exigencies of the service.

Mr. Chairman, I have taken this time simply to call attention to the importance of the splendid work being rendered by Commissioner Carson. As I stated, it is not my purpose to offer an amendment to increase his salary, because it would not be in order under the rules of the House, and, in addition to that, it has never been brought properly to the attention of the committee from the Budget Bureau. I make this statement in the hope that the Reclassification Board, which has fixed higher salaries for chiefs of bureaus of certainly no greater importance than that of the Bureau of Navigation, may consider this matter and do justice to this position—not simply to the gentleman who now heads it, but in justice to the position itself, because this, I repeat, is one position in this Government among a number of others which should be paid a reasonably good salary in order that the Government may get just the type of man that the administration is now so fortunate in having at the head of this bureau. [Applause.]

The Clerk read as follows:

Admeasurement of vessels: To enable the Commissioner of Navigation to secure uniformity in the admeasurement of vessels, including the employment of an adjuster of admeasurements, purchase, and exchange of admeasuring instruments, traveling, and incidental expenses, $4,500.

Mr. HOWARD of Nebraska. Mr. Chairman, I rise to a legislative inquiry. On Tuesday of this week I asked unanimous consent that the House should adjourn over Good Friday. It was objected to by the administration leader. Thereupon I made the request that he should provide the House with the presence of a quorum on this Good Friday. He said he would. That is all.

The Clerk read as follows:

Preventing overcrowding of passenger vessels: To enable the Secretary of Commerce to employ, temporarily, such persons as may be necessary, of whom not more than two at any one time may be employed in the District of Columbia, to enforce the laws to prevent overcrowding of passenger and excursion vessels, and all expenses in connection therewith, $14,000.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. This is an appropriation of $14,000 to be used by the Secretary of Commerce. Can he apply any part of that appropriation to pay inspectors or attorneys? How is he to employ men to enforce the law in regard to the overcrowding of steamers and excursion boats?

Mr. SHREVE. Under this appropriation certain men are maintained in the service whose business it is to stand on the pier when the ship is being loaded with passengers, and with a counting machine ascertain how many people are going on the ship. They know also the number of people that the law allows the ship to carry. When that number is on the ship, then they close the doors and no more are allowed to go aboard.

Mr. WATSON. The appropriation is only for temporary employment?

Mr. SHREVE. It is only temporary. Originally there were 45 men employed, but owing to the increased excursion business, particularly around the ports of Philadelphia and New York, we had to increase the number up to 51.

Mr. WATSON. There are over 10,000 miles of coast line. How is it possible for 45 men to take care of all excursion boats, which includes not only small but large vessels?

Mr. SHREVE. The customs service works in conjunction with these people. There is a sort of comity between them for cooperation in this matter. Besides, in another portion of the bill patrol boats are taken care of.

Let me say that sum is not sufficient, but it does a great service. These men are used in the great, populous centers, where the need is great, where the people are likely in a few minutes to greatly overload the vessel—are rushing on 1,000 and 2,000 more than the boat is allowed to carry.

Mr. WATSON. There are a number of places where only small boats are in service. Accidents frequently occur on these waters.

Mr. SHREVE. We would like to overcome that if we could.

Mr. ACKERMAN. I will say the hearings show there were 924 counts made and the number counted was 6,143,441 passengers.

Mr. WATSON. I note within two or three years there have not been as many accidents on excursion boats as previously.

Mr. McKEOWN. Mr. Chairman, I rise to oppose the pro forma amendment. I would like to ask the Chairman if there is any provision whereby the steamship companies refund or pay the charges charged for this service?

Mr. SHREVE. No.

Mr. McKEOWN. I want to call the attention of the committee to this fact, that the Government of the United States renders enormous service to individuals through the country for which no charge is made. If the Congress of the United States, in my judgment, would appoint some committee of the House to study these departments to ascertain where reasonable charges could be made for services rendered, a very large revenue would result. Now, there is no reason why the Government should maintain many of the beneficent services that it does and give services for the benefit of individuals free. They should pay something for those services. Now these departments are constantly called upon for services that are simply beneficial to the applicant as an individual and if the Congress would make provision to charge a small fee, a reasonable fee, you would be astounded at the enormous amount of revenue that would be drawn into the United States Treasury. Now there is no reason why the steamship company should not pay something for this service. There is no reason why when an oil company in Oklahoma wants a certified copy of a lease in the department down here for its own special benefit and use that it should not pay the Government for that service. Now we have a provision in the Interior Department as to many instrumentalities that are in the department, and there are many departments of this Government rendering service every day requiring the employment of an unusually large clerical force whereby a small fee could be paid for the service rendered. It is true the Government is not run to make money, but there are many things where if we would charge a reasonable fee a great lot of money would be paid in and help to pay the cost of these clerks. Now we are constantly talking about the increase of clerks, increase of employees in the Federal Government, and there are an enormous number of people employed, but when you come to figure out the enormous services that the Government renders, free services to the public and individuals, then you can see where it becomes necessary to have an unusually large number of employees. We either ought to do one of two things. We ought to commence to curtail the great widespread services that are being given, and if we can not, then we ought to inaugurate a reasonable fee to be charged for these services. I just wanted to call this to the attention of the committee. I withdraw the pro forma amendment.

The Clerk read as follows:

Equipment: For apparatus, machinery, tools, and appliances used in connection with buildings or work of the bureau; laboratory supplies, materials, and supplies used in the construction of apparatus, machinery, or other appliances, including their exchange; piping, wiring, and con-

struction incident to the installation of apparatus, machinery, or appliances; furniture for laboratories and offices, cases for apparatus, $71,000.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to change the semicolon in line 3, page 61, at the end of the word "bureau," to a comma. This is current law.

The CHAIRMAN. Without objection, the correction will be made.

There was no objection.

The Clerk read as follows:

Contingent expenses: For fuel for heat, light, and power; office expenses, stationery, books, and periodicals, which may be exchanged when not needed for permanent use; traveling expenses (including expenses of attendance upon meetings of technical and professional societies when required in connection with standardization, testing or other official work of the bureau); street-car fares not exceeding $100; expenses of the visiting committee; expenses of attendance of American member at the meeting of the International Committee of Weights and Measures; supplies for operation, maintenance, and repair of passenger automobiles and motor trucks for official use, including their exchange; and contingencies of all kinds, $44,500.

Mr. SHREVE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SHREVE: On page 61, line 9, strike out the word "contingent" and insert in lieu thereof the word "general."

Mr. SHREVE. This is an error. We have another contingent appropriation, and this is for general expenses.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Testing structural materials: For continuation of the investigation of structural materials, such as stone, clays, cement, etc., including personal services in the District of Columbia and in the field, $230,000: *Provided*, That as much of this sum as necessary shall be used to collect and disseminate such scientific, practical, and statistical information as may be procured, showing or tending to show approved methods in building, planning, and construction, standardization, and adaptability of structural units, including building materials and codes, economy in the manufacture and utilization of building materials and supplies, and such other matters as may tend to encourage, improve, and cheapen construction and housing.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I notice you have an appropriation of $230,000 for the purpose of investigating building material. Now, to whom is this information disseminated, if the gentleman knows?

Mr. SHREVE. This information is disseminated first by the Bureau of Standards. They compile it and then put it in the hands of the document room, and most of that information is sold. It is in book or pamphlet form, and can be found in the document room.

Mr. McKEOWN. A charge is made?

Mr. SHREVE. A charge is made. I will say to the gentleman there is considerable revenue coming back. Following the suggestion the gentleman made a moment ago in regard to economy in this particular instance, we are getting back the cost of this material.

Mr. McKEOWN. That is my idea; if we are to spend this money to make the investigation, this information ought to be worth something to the man who wants it.

Mr. SHREVE. That is correct.

Mr. McKEOWN. I withdraw the pro forma amendment.

The Clerk read as follows:

Testing miscellaneous materials: For testing miscellaneous materials, such as varnish materials, soap materials, inks, and chemicals, including supplies for the Governmeent departments and independent establishments, including personal services in the District of Columbia and in the field, as authorized by law, $45,260.

Mr. SHREVE. Mr. Chairman, I ask leave to make a correction. In line 14, page 63, correct the spelling of the word "Government."

The CHAIRMAN. Without objection, the correction will be made. There was no objection.

The Clerk read as follows:

Standard material: For purchase, preparation, analysis, and distribution of standard materials to be used in checking chemical analyses and in the testing of physical measuring apparatus, including personal services in the District of Columbia and in the field, $10,000.

Mr. SHREVE. Mr. Chairman, I ask leave to change a word on line 11 of page 68. "Material" should be in the plural. It should be changed to "materials."

The CHAIRMAN. Without objection, the Clerk will be authorized to make the correction.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

During the fiscal year 1925 the head of any department or independent establishment of the Government having funds available for scientific investigations and requiring cooperative work by the Bureau of Standards on scientific investigations within the scope of the functions of that bureau, and which the Bureau of Standards is unable to perform within the limits of its appropriations, may, with the approval of the Secretary of Commerce, transfer to the Bureau of Standards such sums as may be necessary to carry on such investigations. The Secretary of the Treasury shall transfer on the books of the Treasury Department any sums which may be authorized hereunder, and such amounts shall be placed to the credit of the Bureau of Standards for the performance of work for the department or establishment from which the transfer is made.

Mr. WHITE of Kansas. Mr. Chairman, I would like to ask the chairman of the subcommittee if he can tell us what are the "fundamental problems involving industrial developments following the war"? That language is found on page 67, line 9, which we have passed over. I note in that paragraph an appropriation in the considerable sum of $173,820 is made. Is it for any technical development of any kind? Does the gentleman know what is contemplated?

Mr. SHREVE. This has reference largely to matters that developed during the war, the technical investigation of fundamental problems. We took this matter up very carefully with Mr. Burgess, the Director of the Bureau of Standards, and I propounded to him this question:

Mr. SHREVE. Here is a larger item for technical investigations and cooperation with the industries upon fundamental problems involved in the industrial development following the war, etc. That is an increase of $30,000. What are you doing under that appropriation, and what do you propose to do?

Mr. BURGESS. Regarding the increase on that, Mr. Chairman, the net increase is about $6,000, the rest of it being taken up on reclassification. We have some thirty-odd problems coming under that investigation, which of course is our fund which brings us in very close contact with a very considerable number of American industries. One, for example, is the question of the utilization of gas.

Mr. TINKHAM. That is a new American industry, is it? In other words, I want to bring out, if possible, what you mean by "new American industries."

Mr. BURGESS. The gas industry, I will agree with you, would hardly be considered as a new industry. We have interpreted this appropriation to be available for industrial research on problems which should be answered by a Government agency involving experimental work, where the industry was in such a situation that it needed us. In that sense it is new. For example, the gas industry is to-day in a situation that we are up against the case of a good many deaths due to the use of gas appliances, the situation being due to the coal situation a year or so ago. More and more gas appliances are being used. The proper development of the design of those gas appliances, the testing of them, and the proper use of gas in connection with household use, we thought was of sufficient urgency to go into this type of a problem. It is new in that sense, that the problem was relatively an insignificant one up until the recent coal situation, but it is now a very vital problem and of great public interest.

Mr. TINKHAM. It seems to me that the word "new" there is not very graphic.

Mr. BURGESS. You mean in this particular item?

Mr. TINKHAM. In this particular item.

Mr. BURGESS. That interpretation of the word "new" is subject, of course, to a difference of opinion.

Mr. SHREVE. It is new in the sense that it has never been considered before, isn't it?

Mr. BURGESS. Yes; in that sense. Take, for example, another item that we have been working on, the question of the performance and characteristics of batteries. The battery industry as such is in effect a new industry. Batteries were made, of course, before the advent of the automobile and the use of batteries more generally elsewhere. We have been able to save, for example, in this battery investigation—there is no question about it—a very large sum indeed to the country. The question of determining the specifications, the best types of batteries, the problems of batteries, their use for different purposes, the use of the characteristics of the acid involved, and the different metals going to make up the plates, that all makes for the economy of operation.

Mr. OLIVER. In other words, the conditions which you have detailed show the necessity of a study of this subject at this time?

Mr. BURGESS. Yes. Here is another one I might mention, the question of the properties of ammonia. The refrigeration industry, as industries go, is fairly a new industry. We have been able to determine

at the bureau the complete properties of ammonia. That has just been finished. It is on one sheet of paper. We can by curves graphically get everything that can be known about ammonia that is of interest to the refrigerating industry. That has just been completed.

Mr. TINKHAM. But that is not a new industry. It is a development of an old one.

Mr. BURGESS. Yes; if you emphasize the word "new," Mr. Tinkham, I agree with you, and I would have some difficulty in making an argument. You take the question of dye investigation. There, again, I think I would agree that, although clothes have been dyed ever since man has existed, pretty nearly that, nevertheless the dye industry in this country is a new industry.

Mr. TINKHAM. I think probably that would be true.

Mr. DRAKE. Do you think it would be advisable to make that word "newer"?

Mr. TINKHAM. Oh, of course, there is no necessity for that.

Mr. SHREVE. We will not be technical about that.

Mr. BURGESS. On the dye investigation we are working on the improvement and standardization of dyes in that connection. We are putting some of this fund into optical instruments, for example. Again, that is a new industry in this country, unquestionably, and that we are working at. Another item that has come up recently for the industry does not exist in this country practically, which we are working on, has a technical name of dielectric losses in cables. The cables up to the present time have all been manufactured in England, and they practically own the cable business. It is highly desirable for us to have a cable industry in this country. We have been working on the characteristics of gutta-percha substitutes and rubber modifications and the electric phenomena concerned.

Mr. TINKHAM. That is, submarine cables?

Mr. BURGESS. That is mainly submarine cables. That is practically a British industry at the present time. The question of high voltage investigations is treated under this appropriation. Here again, although the electric industry is an old one, the question of the very high voltages is relatively new in this country, and particularly in certain parts of it.

Mr. TINKHAM. Do you call very high voltages anything above 25,000?

Mr. BURGESS. I think that is a general acceptance. Even 10,000 is ordinarily considered high, and they run up now to over 100,000; but high voltages I would rate as between 1,000 and 100,000.

Mr. TINKHAM. We have quite a number of electric trunk lines that carry 52,000 volts, have we not?

Mr. BURGESS. Yes. Of course, in arid regions in California they have been highly developed, but the thing is to develop them in the nonarid regions.

Mr. TINKHAM. I think in Boston we have some main trunk lines which carry as high as 52,000 volts.

Mr. BURGESS. There is an industry which I want to mention, which we are putting in a little from this fund—the electroplaters industry. That industry has been in a purely empirical situation since metals were deposited from liquid. We have been able practically, in part at least, as far as copper plating is concerned, to put that industry on its feet. So we do know what we are doing when making a copper deposit. We are working on nickel and other materials at the present time. In other words, this is a particular industry that we have been able, so to speak, to bring out of the woods.

Mr. TINKHAM. Using the words "new American industries," how long will you need this appropriation, if you can state, as a continuing appropriation, with reference to the so-called "New American industries"?

Mr. BURGESS. Perhaps I should say the wording is not the best possible, but I consider that the work is of the greatest fundamental interest to American industry and of the greatest benefit to the American public.

Mr. TINKHAM. And should be, so far as you can see, continuous?

Mr. BURGESS. Most emphatically, because there are new phases coming up constantly. The projects under this appropriation are all definite projects, and continue until we have that project completed, and then we take up something else. I might cite another type of problem that we have under this, and that is in connection with metals and gases. We do not ordinarily think of metals as containing gases, but they do; and the effect of gases on metals in my opinion is one of the most important, and will be in the next few years determining, factors in the quality of metals. We are working on this appropriation in connection with that method of determining the presence of gases in metals, the method of detecting them, and the method of eliminating them. That in effect makes a new industry really—the production of steel as related to the elimination of entrained gases.

Mr. WHITE of Kansas. I am heartily in accord with the purpose of the appropriation sought to be secured, and I feel enlightened by the statement of the chairman of the subcommittee. Of course we have established many hundreds of new industries where we have the natural resources. I am heartily in favor of it. I was wondering what the specially new industries were, and the gentleman has answered my question.

Mr. SHREVE. The committee raised the question as to what was meant by new industries. They have, of course, to deal with both new and old industries. For example, the battery industry is a new industry. Improvements have been made in electric batteries, especially those made for the use of automobiles. Dyes, of course, were used before this investigation, and the same with respect to other things. Possibly the term "new industries," as I understand it, would be applicable to all these conditions.

Mr. WHITE of Kansas. The gentleman's answer is satisfactory. I was simply desirous of knowing.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

General expenses: For supplies, repairs, maintenance, and incidental expenses of lighthouses and other lights, beacons, buoyage, fog signals, lighting of rivers heretofore authorized to be lighted, light vessels, other aids to navigation, and lighthouse tenders, including the establishment, repair, and improvement of beacons and day marks and purchase of land for same; establishment of post lights, buoys, submarine signals, and fog signals; establishment of oil or carbide houses, not to exceed $10,000: *Provided*, That any oil or carbide house erected hereunder shall not exceed $550 in cost; construction of necessary outbuildings at a cost not exceeding $500 at any one light station in any fiscal year; improvement of grounds and buildings connected with light stations and depots; restoring light stations and depots and buildings connected therewith: *Provided*, That such restoration shall be limited to the original purpose of the structures; wages of persons attending post lights; temporary employees and field force while engaged on works of general repair and maintenance, and laborers and mechanics at lighthouse depots; rations and provisions or commutation thereof for keepers of lighthouses, working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons of the Lighthouse Service on duty on board of such tenders or vessels, and money accruing from commutation for rations and provisions for the above-named persons on board of tenders and light vessels or in working parties in the field may be paid on proper vouchers to the person having charge of the mess of such vessel or party; reimbursement under rules prescribed by the Secretary of Commerce of keepers of light stations and masters of light vessels and of lighthouse tenders for rations and provisions and clothing furnished shipwrecked persons who may be temporarily provided for by them, not exceeding in all $5,000 in any fiscal year; fuel and rent of quarters where necessary for keepers of lighthouses; purchase of land sites for fog signals; rent of necessary ground for all such lights and beacons as are for temporary use or to mark changeable channels and which in consequence can not be made permanent; rent of offices, depots, and wharves; traveling expenses; mileage; library books for light stations and vessels and technical books and periodicals not exceeding $1,000; traveling and subsistence expenses of teachers while actually employed by States or private persons to instruct the children of keepers of lighthouses; all other contingent expenses of district offices and depots; and not exceeding $8,500 for contingent expenses of the office of the Bureau of Lighthouses in the District of Columbia, $4,192,500.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BRIGGS. I would like to ask the chairman of the subcommittee if the amount carried here under the item of "general expenses" is the amount allowed and carried in the appropriation bill last year for that same purpose?

Mr. SHREVE. I will say to the gentleman that the Budget Bureau made a serious cut under the estimate of the Lighthouse Bureau—$140,000 in this item—and I am happy to say to the gentleman that the committee restored this item.

Mr. BRIGGS. I am glad you did, in view of the need of the Lighthouse Service and the great functions which it performs.

Now, on page 73, anticipating somewhat, there is another cut made in that item under the head of "public works." I would like to know why it was done by the committee.

Mr. SHREVE. We made a restoration there, which was referred to in the opening remarks of the chairman. I think we restored about $60,000.

Mr. BRIGGS. What was the other portion which was not restored?

Mr. SHREVE. Some new ships.

Mr. BRIGGS. But this provision that you have restored renders possible new work for necessary navigation aids to be carried on in the coming fiscal year?

Mr. SHREVE. We felt that it was sufficient to allow the bureau to function as it has done in the past, and that the

work will be kept up of the same character as it has been maintained for past years.

Mr. BRIGGS. You thought this would provide the amount necessary for all new navigation aids?

Mr. SHREVE. Yes. That was our intention.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Public Works: For constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service as may be specifically approved by the Secretary of Commerce not to exceed $100,000, and for establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, $473,000; in all, $573,000.

Mr. JOHNSON of Washington. Mr. Chairman, I offer an amendment to the paragraph.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 73, line 4, after the word "exceed," strike out "$100,000" and insert in lieu thereof "$200,000."

Mr. JOHNSON of Washington. Mr. Chairman and gentlemen of the committee, this is an amendment to add $100,000 for the use of the public works in connection with the construction, purchase, and equipment of lighthouse tenders, and other aids to navigation. The Budget Bureau slaughtered the Lighthouse Service to a considerable extent. The committee of which the distinguished gentleman from Pennsylvania [Mr. SHREVE] is chairman restored a part of the sums requested, but not enough.

In my opinion this additional sum is needed, and needed badly. It is for aids to navigation in all waters. Part of it should be spent in the Pacific Northwest. The district which I have the honor to represent here is nearly surrounded by several hundred miles of navigable water. The Columbia River runs on one side of my district for 200 miles, navigable for 140 miles, or until you reach the Cascade Locks, and is navigated by deep sea vessels for most of that distance. Fifty miles from the great city of Portland, Oreg., toward the Pacific Ocean, on the Columbia River, in the State of Washington, there has been established a new city, which in a year's time has grown from no persons to a population of perhaps 10,000 or 12,000 souls. The prediction is made that in a few years there will be 50,000 or 60,000 persons there. The Long-Bell Lumber Co., of Texas, Arkansas, Mississippi, and Missouri, are moving their holdings to that new city. Big vessels go and come from all parts of the United States and of the world. They depart loaded with great cargoes of lumber, so that aids to navigation are needed and lighthouse equipment of the kind mentioned in this paragraph is needed.

Mr. MILLER of Washington. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes; certainly.

Mr. MILLER of Washington. There are other large concerns which have gone in there?

Mr. JOHNSON of Washington. Yes, many of them, and at Vancouver, Wash., and elsewhere.

Mr. MILLER of Washington. The Kansas City Coal & Coke Co., which is a company of immense proportions?

Mr. JOHNSON of Washington. Yes. A little of the additional money will be used to help Vancouver, Wash., and Portland, Oreg., but the Columbia River only participates in a part of this, and the amount should be $500,000. The amendment we are offering to the paragraph of the bill affects improvements of this kind in all parts of the United States. We have ocean commerce, the Pacific coast, the Texas coast, and the Atlantic coast, and even places on the big navigable rivers.

You must remember that the Pacific Northwest is a comparatively new country, but it is growing very fast and developing rapidly in a commercial way. But it is woefully in need of every kind of aid to navigation.

Mr. McKEOWN. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. McKEOWN. How much is it anticipated will be required out of this sum?

Mr. JOHNSON of Washington. I am not able to say exactly, but it will probably provide for one lighthouse tender, which is badly needed in that river, and also provide for other harbors, some navigation aid for Grays Harbor and Willipa Harbor.

Mr. McKEOWN. Your shipping is increasing very rapidly?

Mr. JOHNSON of Washington. Oh, yes; by leaps and bounds. I would like to say for the information of those here that it is really sad for those of us who live in the far northwest corner of the United States that we are forced to compare our aids to navigation with those of our sister country of the north, across the Strait of Juan de Fuca, British Columbia, a great and growing Province of Canada. Although they have far less people than we have they pay much more attention to lighthouses and other aids to navigation. They want the world's ships.

Mr. HAWLEY. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes; I yield.

Mr. HAWLEY. Is it not true also that the recent dredging of the channel in the Columbia River has located the channel in places where it did not run before, and that these places cover many miles which have never been marked with lights or aids to navigation?

Mr. JOHNSON of Washington. Quite so—neither lights nor buoys, and they are badly needed.

Mr. MADDEN. Mr. Chairman and gentlemen, it is very natural that gentlemen representing different sections of the country will ask for what they think they ought to have for activities in their localities.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Washington. I want to say it is not only natural, but quite right.

Mr. MADDEN. Yes; I do not deny the right, and it is very natural. But there is an orderly way of procedure, and we have been proceeding in that orderly way. The only thing which came before the Committee on Appropriations was a recommendation of $511,500 for the activities referred to in the amendment offered by the gentleman from Washington, and the committee recommended a total of $573,000. The $511,500 is made up as follows—but before giving the items let me state this. Mr. Putnam said:

Would the committee like any further information about the 10 items that are specified here for public works?

The chairman of the subcommittee said:

I think you put these in the record last year. I will ask you to do this, to give us the items for the record where you propose to use this money this year.

Mr. Putnam said this:

I might say this list has been selected to cover the most urgent items out of a much larger list recommended by our district officers and the shipping interests, and they are arranged in what we consider their relative importance.

The items making up the $511,500 are as follows:

Lighthouse vessels	$100,000
Cape Spencer Light Station, Alaska	99,000
Depot, second lighthouse district	53,200
Aids to navigation, Fairport Harbor, Ohio	20,300
Aids to navigation, Galveston Bay and Houston Channels, Tex.	100,000
Aids to navigation, Ludington, Mich.	20,000
Radio fog signals	21,000
Aids to navigation, inland waterway, Norfolk, Va., to Beaufort Inlet, N. C.	25,000
Aids to navigation, Sandusky Bay, Ohio	23,000
Aids to navigation, Washington, Oregon, and California	50,000

Now, Oregon, Washington, and California under this distribution are getting their fair proportion of the amount.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Washington. I will ask the gentleman to remember that the Oregon, Washington, and California ocean coast line represents 2,000 miles, and it is the equivalent of many States on the Atlantic coast, while the sum provided for that great coast line is a mere trifle.

Mr. MADDEN. I realize that, but there are other places where the ocean coast line is long and important.

Then there is such a thing as there being a limit to the amount that can be expended for given activities. It must be realized that everybody in the United States is demanding economy while everybody in different sections of the United States is demanding additional appropriations. Take the different sections of the country, and when they join in the aggregate they demand economy, but when different sections are segregated they demand extravagance. So there is only one safe policy to pursue, and that is to make the policy nation-wide and in the aggregate and not in segments.

It is true, of course, that you can spend more money every day everywhere, but everybody is demanding that we shall spend less. Now, are we going to spend less or are we going to spend more?

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Washington. Aids to navigation come a little bit outside of the pinch of economy. We can pile one Shipping Board vessel up in the mouth of the Columbia River and lose more money in a jiffy than you are trying to save here.

Mr. MADDEN. But who is the one to decide this question?

Mr. JOHNSON of Washington. Congress is obliged to determine it.

Mr. MADDEN. Congress finally acts, but that question has not been determined here and it has not been given the kind of consideration that justifies affirmative action. It ought not to be considered seriously until it has been considered elsewhere and until the question of finances is given the kind of consideration that the public sentiment of the Nation demands.

I hope the amendment of the gentleman from Washington [Mr. JOHNSON] will not prevail. I would like to be able to favor what the gentleman wants and what every other gentleman wants, but we are charged here with the responsibility of conserving and not destroying the public financial integrity.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Washington. I have been in Congress 12 years.

Mr. MADDEN. So have I, and several more.

Mr. JOHNSON of Washington. In all that time I have been able to secure an authorization for but one public building; that was 10 years ago, and to this day I have not received the authorized appropriation, or any part of it.

Mr. MADDEN. Neither have I.

Mr. JOHNSON of Washington. Or anything of that nature, but have striven hard all the time for aids to navigation and by tremendous effort have secured in that enormous territory half a dozen lighthouses, and does anybody regret that?

Mr. MADDEN. When the gentleman talks about not getting a public building, I want to say this to him: I come from a city of over 3,000,000 people, where we have $50,000,000 of annual postal receipts, and where we have been handling the mail on the sidewalk for 12 years. We have not been able to get a building and we are not so unreasonable that we demand the impossible. We are willing to help.

Mr. JOHNSON of Washington. I have not been demanding that, either. I have had an authorization for a building for 10 years.

Mr. MADDEN. When the gentleman says he can not get it he is no differently situated from any other Member of this House.

Mr. JOHNSON of Washington. The reason is because I impress the importance of the things most needed for the most people.

Mr. MADDEN. Nobody gets all that they want.

Mr. MacLAFFERTY. Mr. Chairman, I move to strike out the last word.

Mr. MADDEN. I am not through yet.

Mr. MacLAFFERTY. I beg your pardon. The gentleman was talking about public buildings and I thought he had quit.

Mr. MADDEN. No; I have not quit. I say nobody gets all that he wants, and why should the gentleman from Washington be an exception, or the gentleman from California? Everybody knows there is a great dearth of public buildings for the transaction of the public business, but everybody also knows that if you undertake a public building program you will do it at the expense of the taxpayers and you will only get 50 cents worth of work for every $1.50 you pay out, and the time is not ripe to begin that, and it will not be ripe until the people themselves have got through with their building program to establish housing facilities for themselves. It would be a crime for the Government to enter upon a program in competition with the citizens who maintain the Government when the citizens have been struggling along at high prices to build roofs over their heads. All you will do, if you carry on the program that you outline, will be to make the cost to the people twice what it is, without accomplishing any purpose whatever.

Mr. MacLAFFERTY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen, to trip lightly from London to Paris, or in other words, from public buildings back to the little matter in hand, which has been mentioned in the amendment offered by the gentleman from Washington. I know the coast that it is proposed to protect by this amendment. I know it very well indeed, and in listening to my friend from Illinois proclaiming the necessity for economy—and he is right—I am wondering if, after all, it is economy when I remember how the steamship *Valencia*, a few years ago, because of inadequate lights on the coast off the State of Washington, went ashore at a sacrifice of 136 lives.

Mr. MADDEN. And there were a lot of destroyers went ashore without any reason whatever.

Mr. MacLAFFERTY. Yes.

Mr. WATKINS. All the more reason for the appropriation.

Mr. MADDEN. That was without any reason whatever.

Mr. MacLAFFERTY. That is true.

Mr. MADDEN. You do not say anything about the lives lost on them.

Mr. MacLAFFERTY. The district that it is proposed to protect here we in this House well know, as has been said, covers in the neighborhood of 1,500 miles, and we ask the protection that this House can give by raising this figure so that it is permissible to expend not more than $200,000. The bill reads $100,000, and if we who happen to live in that far section of our country—and there are mighty few of us—did not stand on this floor on an occasion such as this and try to impress upon you the necessity for saving American lives and American property we would be remiss in our duty. I do not propose to branch off into a discussion of public buildings, although I could talk about that; but this is a very important thing to us and we are here as the mouthpieces of that far section of our country and we want you to help us protect the lives of our people and the property of the American people.

Mr. MADDEN. Will the gentleman yield?

Mr. MacLAFFERTY. Yes; I yield.

Mr. MADDEN. I did not start the public building discussion.

Mr. MacLAFFERTY. Neither did I.

Mr. MADDEN. The gentleman from Washington started it and I just answered what he had to say about not being able to get something.

Mr. JOHNSON of Washington. What I undertook to say was that I was waiving those claims for appropriations of more vital and more general importance, and seem to have started the distinguished gentleman into action.

Mr. MADDEN. The gentleman would not have got the other, anyway.

Mr. JOHNSON of Washington. Maybe not.

Mr. WATKINS. Mr. Chairman and gentlemen of the committee, we are all for economy, but economy sometimes might be designated penny-wise and pound-foolish, and whenever lives are at stake or whenever property is in danger, if you can use a little money to save life or property, I claim it is a judicious investment, and not only that but it is the duty of this House.

I notice that the Appropriations Committee frequently cuts down an appropriation that the Budget has recommended, but usually whenever you want to go over that which the Budget has recommended it says, "Oh, no; stay within the Budget."

Mr. MADDEN. Will the gentleman yield?

Mr. WATKINS. Do you not frequently cut down the Budget?

Mr. MADDEN. We do, and it is our business to cut down when we have the facts to justify it.

Mr. WATKINS. With reference to whether the matter is justified I want to read the committee a statement which comes from the Commissioner of Lighthouses in the Bureau of Lighthouses, Department of Commerce, Mr. G. R. Putnam. It is as follows:

Regarding the need of additional aids to navigation on the Columbia River, I have to advise you that this subject has been given careful consideration, and a preliminary study has been made of desirable improvements in lights and other marks for this river between Portland and the sea. The Lighthouse Service considers that such improvements are desirable and justified by the traffic on this river, but funds are not available to permit taking up this work at the present time. I have pleasure in advising you, however, that it will be given due consideration in connection with the preparation of the next estimates to be submitted for the Budget.

That shows that it has been considered, and in view of the traffic and in view of the safety of human life, we ask for the approval of the amendment. I am saying to you that the Columbia River is the second largest river in the United States, and upon that river is located a city and seaport seventh in size in exports in this great country, and the customs district is fourth of all the customs districts of this great country.

Mr. GRIFFIN. Will the gentleman state where that statement was made that he just read?

Mr. WATKINS. That statement was from a letter to me dated February 29, 1924, and signed by Mr. Putnam, the Commissioner of Lighthouses.

Mr. RAKER. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. RAKER. Did the facts as stated in the letter get to the Budget or the Committee on Appropriations?

Mr. WATKINS. I am not able to say, but I do know this: I have been informed that last year the Budget and the Appropriation Committee gave $713,000 for this work.

Mr. MADDEN. That is true, I think, or it may be more, if the gentleman will permit; but we gave more this year than they asked for, $64,000 more than they asked for.

Mr. WATKINS. You should have given $164,000 more than they asked for, for the traffic justifies it. The vessels entering that port have increased 304 in 1923 over 1922.

Mr. ACKERMAN. Will the gentleman yield?

Mr. WATKINS. Certainly.

Mr. ACKERMAN. Seventy-five thousand dollars was all they asked for for the project, and we have given them $64,000.

Mr. WATKINS. Why did you not give them $75,000?

Mr. ACKERMAN. The economy problem entered into it.

Mr. WATKINS. You are going to endanger human life, you are going to endanger property, you are going to endanger the traffic on the second largest river in the United States because you fail to appropriate money enough to save and protect human life and property. Why do I say that human life and property may be endangered? Because of the increase of traffic in that district, because of the loss of human life in the past, because of the loss of property in the past. The Commissioner of Lighthouses says it is justified.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. JOHNSON of Washington. Ships come to these north Pacific ports from all over the world and from all parts of the United States.

Mr. WATKINS. Certainly. Every flag under the sun and from every port in the universe.

The CHAIRMAN. The time of the gentleman from Oregon has expired. The question is on the amendment offered by the gentleman from Washington.

The question was taken; and on a division (demanded by Mr. MADDEN) there were 34 ayes and 31 noes.

Mr. MADDEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. JOHNSON of Washington and Mr. MADDEN as tellers.

The committee again divided; and the tellers reported that there were 45 ayes and 54 noes.

So the amendment was rejected.

The Clerk read as follows:

COAST AND GEODETIC SURVEY

For every expenditure requisite for and incident to the work of the Coast and Geodetic Survey, including maintenance, repair, or operation of motor-propelled or horse-drawn vehicles for use in field work, and for the purchase of surveying instruments, including extra compensation at not to exceed $1 per day for each station to employees of the Lighthouse Service and the Weather Bureau while observing tides or currents, and the services of one tide observer in the District of Columbia at not to exceed $1 per day, and including compensation, not otherwise appropriated for, of persons employed in the field work, and commutation to officers of the field force while on field duty, at a rate not exceeding $3 per day each, to be expended in accordance with the regulations relating to the Coast and Geodetic Survey prescribed by the Secretary of Commerce, and under the following heads:

Mr. GRIFFIN. Mr. Chairman and gentlemen of the committee, thirteen years ago there was installed in the Coast and Geodetic Building, across the way from the House Office Building, a device of marvelous intricacy and of great value not only to the Coast Survey but to the people of the entire country and perhaps to the world. The device in question is called a tide-predicting machine. It is an aggregation of wheels and levers, cogs and pinions, over 14 feet long, taking up an entire room.

By that machine one man can do the work of 75 to 100 mathematicians, and it has been doing that for 13 years. Will you try to visualize the financial importance of that device aside from its wonderful effectiveness as a scientific instrument? I have made a brief calculation of the wages of the mathematicians employed by the Coast and Geodetic Survey ranging from $1,800 to $2,400 per year. Assuming that the salaries of the mathematicians who would otherwise have had to calculate and predict the tides tediously by logarithms and trigonometry were only $1,800 a year per man it would mean that this device has saved this Government $2,340,000 in salaries alone.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. ACKERMAN. Just at that point: I was at the Geodetic Survey yesterday and they said that in addition to the hundred mathematicians the expenses of probably 150 or 200 other employees were also saved to the Government by reason of this invention.

Mr. GRIFFIN. That is a new factor in the calculation that ought to be considered. My thought in bringing this to the attention of the House at this moment is to lay a tribute on this desk before this Congress and the American people to the energy, the zeal, the learning, and fidelity of three men, poorly paid, who devised and built this wonderful mechanism after long years of arduous study and toil.

First I mention Dr. Rollin A. Harris, now passed to his eternal rest. At the time that he gave his heart and soul to this work he was getting the munificent salary of $2,400 a year. He died on January 20, 1918, after a lifetime of faithful service to his country, and there is not a resolution, there is not a suggestion of acknowledgment anywhere of the magnificent service which he rendered. If he had been a native of France, his name would be enscrolled on the highest arch in the Academy of Science. During his life he would have received a ribbon and the medal of the Legion of Honor. Republics, however, are ungrateful. They are more than ungrateful, they are indifferent. I want in this feeble way to pay a tribute to this splendid man. I hope some time it may occur to the generosity of some man in this House, preferably the chairman of the appropriate committee, to introduce a resolution by which some testimony may be given to his kin of our recognition and appreciation of his splendid service.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GRIFFIN. Another of the men who were engaged in this work was Ernest Georg Fisher. He is now retired after a lifetime of faithful service, and is receiving the munificent sum of $60 a month as a pension. The other man engaged in this remarkable work was Leland P. Shidy. He is still in the bureau after years of long service, drawing the munificent salary, as a scientist and mathematician of $2,400 per year.

It is my hope that the Members of this House will give a little thought to the meager pay accorded by this Government to the faithful employees in the various scientific bureaus of our departments, and where they render, as in the invention and construction of this tide-predicting machine, some strikingly meritorious service there ought to be some special form of recognition and reward in addition to adequate increase of salaries. They belong to no organization, they belong to no union, but they devote their attention faithfully to the work intrusted to them without complaint or murmur. They take a delight in the work they are doing, and in their achievements they reflect great credit upon themselves, upon this Republic, and upon the age in which we live.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. McKEOWN. I have supposed that this reclassification would take care of these worthy men. They have no one to take any special interest in them, and I would think that the Reclassification Board would pick out men of this type and see that they had adequate compensation.

Mr. GRIFFIN. This tide-calculating device is nicknamed the brass brains of the Coast and Geodetic Survey. The reclassification act is also brass brained in the matter of its classifications. It does its work mechanically, without thought of comparative values or the importance of the work achieved. [Applause.]

Mr. McKEOWN. I agree with the gentleman, and I am in accord with what he is saying with reference to the necessity of taking some interest in the men who have no one specially to care for them or for what their compensation is. One of the most disconcerting things to an American citizen is to see a faithful servant, such as one of these men who has not been down here harassing Congress, being overlooked and not paid proper compensation.

The Clerk read as follows:

Pacific coast: For surveys and necessary resurveys of coasts on the Pacific Ocean under the jurisdiction of the United States, $250,000.

Mr. MILLER of Washington. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Washington: Page 74, line 10, after the words "United States," strike out "$250,000" and insert "$314,300."

Mr. MILLER of Washington. Mr. Chairman, this is putting the appropriation for 1925 exactly what it is this year. This is a very important piece of work. Only 15 per cent of the coast line of Alaska is surveyed. There is not a State on the Pacific seaboard where 50 per cent of the coast line is surveyed. In my own State less than 45 per cent of the coast line is surveyed. We have to-day out on the coast four coast survey steamers, the *Discoverer*, the *Surveyor*, and two others. One of those ships will have to be laid up unless this appropriation is made what it is this year. Under an arrangement with the Philippine Islands and the Insular Government, out of the $250,000 allowed they received $75,000. That leaves $175,000 for the entire Pacific coast, including Alaska.

Now there is great development on our coast. We are a new country. We have not had appropriations for 130 years for surveying our coasts as they have had along the Atlantic, for finding the rocks and shoals and ours is a far bolder coast than the Atlantic. Every few days, never a month passes but what some ship goes to the bottom, hung up on some bayonet rock that has never been located by a survey. It is to do this work, gentlemen, that we are asking for this little modest increase of $64,300, to put it back just exactly to what it is this year. This bill, gentlemen, is under the estimate of the Budget, and I wish that the committee could see its way clear to accept this and give us the same amount for next year that we have this year and at least keep these four vessels employed and let us get after a while our Pacific coast surveyed and the danger points marked similar to what you have on the Atlantic seaboard.

Mr. LEA of California. Will the gentleman yield?

Mr. MILLER of Washington. I will.

Mr. LEA of California. In this connection I would like to call attention that in the last 24 years there have been 286 vessels wrecked in the waters in which it is now proposed to retard this work.

Mr. MILLER of Washington. The gentleman from California [Mr. MACLAFFERTY] spoke a moment ago about the loss of the *Valencia*, going on the rocks on the way from San Francisco to Seattle, going upon an uncharted rock, and I think 138 lives were lost on that ship and a ship worth $3,000,000 went to the bottom because our coast is unsurveyed. There is altogether a different coast line on the Pacific. A thousand-fathom line runs to some 2 miles from shore, in other places half a mile from the shore, where you plunge off into a perfect gash in the earth and then pass on a shoal, or there may be a bayonet rock sticking up that no man has discovered. It can not be located other than by the wire dragnet, and it is that class of work that this Coast and Geodetic Survey is performing there. The Pacific coast from San Diego to Seattle is only 50 per cent surveyed and the 10,000 miles of Alaskan coast only 15 per cent. We ought to have next year the same amount we have this year, so the work may go on without delay, and it will not be necessary to take any vessels out of commission and tie them up.

Mr. SHREVE. Mr. Chairman and gentlemen of the committee, at first blush when we notice the reduction of $61,500, page 30 of our report, it looked a little formidable, but when you come to make an analysis of the situation it is not so bad. Now, I have in my hand a recapitulation that was made by the Bureau of the Budget. In the estimate for 1925 they made a reduction in personal services. In 1924 it was $48,750. The estimate for 1925 as provided in this bill is $34,000. Now, for supplies and materials there is another place where a cut was made. Last year it was $227,000 in round numbers, and this year $136,000. In communication service there was an increase from $450 in 1924 to $471 in 1925. Traveling expenses another increase, in 1924 $14,000 in round numbers, and in 1925 $15,000. And for transportation of things there is a reduction in 1924 $12,000, reduced to $7,000 in 1925. Printing and binding, a little item this year, $68, nothing in last year's appropriation. Now the item of furnishing heat and light, 1924 was $300. It is now $2,795. Rent item, 1924, $2,150, and now under our appropriation which we are provided for it is $3,601. Repairs, and here is another item; last year they had $100 for repairs, and this year we give them $16,452 for repairs. Supplies, miscellaneous, current expenses, last year $1,400. This year we give $3,079. In equipment in 1924 they had $8,700 and we are giving this year $29,627.

Mr. MILLER of Washington. Will the gentleman yield for a question?

Mr. SHREVE. In a minute I will answer. Now, gentlemen, explain to me where this $61,000 can be used, and which one of these items it is proposed to increase and how you are going to render the assistance you are clamoring for; if so, I will be glad to have that explanation.

Mr. MILLER of Washington. I can state to the gentleman right now. Colonel Jones, Chief of the Coast and Geodetic Survey, said if we did not allow this he would have to tie up one of these four steamers.

Mr. SHREVE. That is not stating——

Mr. MILLER of Washington. I am telling the gentleman that the Chief of Coast and Geodetic Survey told the gentleman in his hearings that if he did not allow this amount he would have to tie up one steamer. Now come across; I have told the gentleman one of the items.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. SUMMERS of Washington. This chart will have to be done sometime, will it not?

Mr. SHREVE. Certainly.

Mr. SUMMERS of Washington. Now, wrecks are occurring from time to time and will continue if this charting is not done.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWING. Mr. Chairman and gentlemen of the committee, I just want to emphasize the point made in the question asked the chairman of the committee by the gentleman from Washington that this work has got to be done, that it is going to be done, and must be paid for by the United States. It is only a question of what constitutes economy in doing it. Here is the testimony that if the money is not supplied this year in the amount it was last year—and they certainly must have convinced the committee last year they needed it or they would not have appropriated it—that one of these ships now operating will have to be tied up. You now have on the ground an organization that is engaged in doing this work. You will be dispersing this organization, and some time in the future when a larger appropriation is made you will have to make a new organization.

But that is not all. There is no economy in postponing for a year the work that you know you are going to have to do, and thereby invite unnecessary disasters in the loss of two or three ships a year and, may be, a large number of lives?

Mr. MADDEN. Mr. Chairman, will the gentleman yield for a question?

Mr. SWING. Yes.

Mr. MADDEN. Upon what ground does the gentleman make his statement that we are going to lose two or three ships?

Mr. SWING. I took my first ocean voyage last summer—it was not much of a voyage—only from San Diego to Seattle. But I was new on the sea water, and it caused me to read the ocean news quite carefully, and within the 20 days required to make that trip from San Diego to Seattle the newspapers carried reports of three ships that had gone on the rocks and two of them were reported to have gone on uncharted rocks. It was on that that I based my statement. There are large areas that are uncharted; and I think I have as much right to say that in that uncharted area there are dangerous rocks as anyone has to say that there are not, and each year, at a terrific loss of property and of life, we are finding out through disaster the location of these uncharted rocks. That is not an economic way to ascertain the whereabouts of these hidden dangers.

Mr. LEA of California. Mr. Chairman, will the gentleman yield?

Mr. SWING. Yes.

Mr. LEA of California. Is it not a fact that these three efficient ships that are now engaged in this work were put on the work in consequence of specific acts of Congress in the last two years, and that this provision in the bill will take off one of those ships that Congress authorized to be put there 18 months ago?

Mr. SWING. That is the effect of the testimony of Colonel Jones before the committee.

Mr. MADDEN. Mr. Chairman, I would like myself to quote Colonel Jones, who is in charge of this work. Colonel Jones is the best advocate of his own cause that there is in the world. He is one of the smartest men I have ever come in contact with. He is the best special pleader I ever knew. He can cry or laugh or act in any way that he thinks will accomplish his purpose. [Laughter.] He is an actor of the first class. He is a very enthusiastic man, a smart, bright, clean fellow. He is a good man for the job he occupies. But he is the best all-around pleader to get money out of the Treasury that I ever saw in my life. If the crowd of men on the Committee on Appropriations are not on their guard all the time, Colonel Jones will get all he can from the Treasury. [Laughter.] I do not mean that in an objectionable sense.

Mr. MILLER of Washington. I move that those objectionable words be cut out. [Laughter.]

Mr. MADDEN. I will take that out. It was not said in an offensive sense, either.

But let us see what Colonel Jones says about this. Mr. GRIFFIN wanted to know the period of time between the two maps that Colonel Jones presented for the consideration of the committee, and Colonel Jones answered:

It is eight years, from 1915 to 1923.

Then Mr. GRIFFIN asked—

Has your work been facilitated in any way during this period to show such a gain in area of surveys accomplished?

Now, let us see what Jones says. This is on page 384 of the hearings. I read:

Colonel JONES. Yes, sir; materially. In addition to our having these modern ships to speed up this permanent work, due to the ingenuity of one of our officers, the wire drag, which has been so vital in contributing to the progress and accuracy of the surveys, especially of southeastern Alaska, Commander Heck, who has been on this wire drag work for nine years, undertook when it was a very crude, undeveloped medium for surveying rocky waters, and at that time we used a drag of 2,000 or 2,500 feet in length and made two or three knots an hour, due to his ability and constructive mind, this drag has been developed so we can use it as long as 8,000 feet at 7 or 8 knots an hour. That has, in my opinion, brought this phase of our work to a conclusion in 8 years instead of 15 years.

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield for a short question right there?

Mr. MADDEN. Yes.

Mr. MILLER of Washington. Just where in that paragraph does Colonel Jones cry?

Mr. MADDEN. He was not crying then. [Laughter.]

Mr. CHINDBLOM. I want to ask the gentleman if that drag is with the committee?

Mr. MADDEN. They use the drag with the committee when they can. But they do not always succeed. Of course, there would not be so much complaint if they always succeeded. But I will say that if outsiders, not to speak of Members, succeeded in every case we would be swamped.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. May I have two minutes more?

Mr. MILLER of Washington. I ask unanimous consent that the gentleman from Illinois may have five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. Let me read another word from Colonel Jones:

There has been also a marked improvement in vessels, surveying instruments, sounding machines, and surveying methods. The following table gives an excellent idea of just how improved machinery, etc., expedite work and thereby decrease unit cost.

Now, I imagine, from the statement made by my distinguished friend from Washington [Mr. MILLER], than whom there is no man in the world that I think more about [applause]—I love him; his character is good; I love him——

Mr. MILLER of Washington. It depends on how you come through here——

Mr. MADDEN. But not $60,000 worth. [Laughter.]

Mr. SUMMERS of Washington. Does the gentleman mean to give the impression that this work is completed?

Mr. MADDEN. I mean to give the impression that it is being expedited and that the unit of cost is being lowered.

Mr. SUMMERS of Washington. If it is done at one time, it will not have to be done again.

Mr. MADDEN. There may be a flood some time and the waters may wash some rocks down.

Mr. MACLAFFERTY. Does the gentleman fear it is going to be completed too soon?

Mr. MADDEN. No. We might lose some more destroyers. We lost some out there, you know.

Mr. MILLER of Washington. I wish the gentleman would read page 382 of the hearings and see what Colonel Jones said.

Mr. MADDEN. What does he say?

Mr. MILLER of Washington. He says:

Colonel JONES. Now, you asked me some time ago what would happen under this appropriation. I would like to tell you, please.

As the appropriation stands this moment, all our ships, barring the *Pathfinder* in the Philippines, must be tied up for a period. If there is any further reduction the *Pioneer* must be tied up for 12 months.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. VAILE. Both parts of the statement are correct, are they not?

Mr. MADDEN. I want to answer what the gentleman asked about. A few years ago when they asked for $12,000,000 for fuel for the Navy I said they ought not to have it.

I proved they ought not to have it and they admitted they ought not to have it themselves after they had been on the witness stand for 30 minutes. They withdrew the application and then they made it again. Finally we gave them $6,000,000, and that was $1,500,000 more than they should have had and I knew it at the time. Finally the Secretary of the Navy sent me a letter saying they had saved $1,500,000 out of the $6,000,000 we gave them, and they said what they were proposing was to tie up every naval ship to the docks. Now, Jones says they will have to tie these ships up if we do not give them this money, but I call your attention to the fact that these ships are not sailing very much; they are out there with surveying parties and they are tied up most of the time while the surveying parties are out doing the surveying. Is not that true?

Mr. MILLER of Washington. No.

Mr. MADDEN. Of course it is true; they are tied up while the surveying parties are at work.

Mr. LEA of California. I think if the gentleman will read the testimony he will find that the ships are not tied up but that they go out as mother ships. I want to compliment the gentleman on the good work he has done with reference to these surveys, because he made it possible to provide modern ships which can do the work efficiently and cheaper. But these ships go out as mother ships and carry all of this material with them.

Mr. MADDEN. I am very grateful to the gentleman for his frank statement about what we have done. We have given them ships; we have given them men and money and everything they ought to have in every bill and in the bill now before us we are giving them everything they ought to have, so that this amendment ought not to be approved.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. SUTHERLAND. Mr. Chairman and gentlemen, I am not going to mention the interst Alaska has in this amendment, but I want to speak of the economy contained in the amendment submitted by the gentleman from Washington [Mr. MILLER].

There are two ships on the Pacific coast in the survey department and they were originally mine sweepers. At the close of the war these ships were taken over by the Coast and Geodetic Survey and converted into surveying boats. The expense of reconditioning and placing implements on board was in each case $100,000. The Government valued these mine sweepers at $500,000 each, so that the investment, as they stand today, in each ship is $600,000 and it requires $64,000 to keep them both in operation, and if that amount is not appropriated one will have to go out of commission. There is no property which deteriorates as rapidly from nonuse as ships.

Mr. MADDEN. Will the gentleman yield?

Mr. SUTHERLAND. Yes.

Mr. MADDEN. I deny the statement that the boats will have to go out of commission. I say they will not and I say they have all the money they need.

Mr. SUTHERLAND. Well, the Chief of the Coast and Geodetic Survey asserts that they will absolutely have to go out of commission, or, at least, that one will go out of commission.

Mr. MILLER of Washington. Please read this statement by Colonel Jones as found in the hearings.

Mr. SUTHERLAND. Will the gentleman from Illinois accept the statement or shall I read it?

Mr. MADDEN. I accept nothing, so read it.

Mr. SUTHERLAND. Colonel Jones, in reply to a question asked by the gentleman from Massachusetts [Mr. TINKHAM] said this:

Mr. TINKHAM. I notice you are reduced $64,000 from last year. What work will have to omit on account of that reduction?

Colonel JONES. Congressman TINKHAM, we will have to tie up one of our vessels for a whole year, and, in addition to that, we will have to curtail the activities of others. In other words, we will have to work them a number of months and then stop this work when the funds give out. This is carrying on the continuation of the program, no extra work, that we started last year, and which I have indicated on this chart by specific localities under the names of the ships.

Now, Mr. Chairman, if that one ship is placed out of commission and tied up to the docks at Alameda it will require four men to care for her, a petty officer and three of a crew. The cost of that will probably be $7,000 or $8,000. It is difficult to estimate the cost of that, but I think that is a very conservative estimate for the care of ships. Then the reconditioning of that ship when she is again put in commission, provided it is within a year, would amount to approximately $10,000.

Now, it can not be economy to say that that ship should go out of commission for the lack of a little over $40,000, when we consider the work which that $40,000 will do. So I submit that in the interest of economy it would be wise to adopt this amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Washington [Mr. MILLER].

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 36, noes 53.

So the amendment was rejected.

The Clerk read as follows:

Employees at fish-cultural stations: Thirty-four superintendents, at $1,500 each; foremen—13, at $1,200 each, 1 $1,080, 1 $1,000, 1 $960; fish-culturists—4 at $900 each, 36 at $900; apprentice fish-culturists—6 at $900 each, 1 $780, 7 at $720 each, 88 at $600 each; custodian of lobster pound, $720; custodian, $360; engineers—2 at $1,100 each, 1 $1,000; 2 machinists, at $900 each; firemen—2 at $720 each, 8 at $600 each; cooks—2 at $900 each, 1 $480; in all, $184,620.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent to insert the word "each" after the figures "$900" in line 17, page 79.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SHREVE: Page 79, line 17, after the figures "$900" insert the word "each."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

The Clerk read as follows:

Propagation of food fishes: For maintenance, repair, alteration, improvement, equipment, and operation of fish-cultural stations, including $15,000 for Saratoga, Wyo., of which not to exceed $8,000 shall be available for construction of buildings, general propagation of food fishes and their distribution, including movement, maintenance, and repairs of cars, purchase of equipment and apparatus, contingent expenses, temporary labor, and not to exceed $10,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith, $386,250.

Mr. RAKER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California moves to strike out the last word and is recognized for five minutes.

Mr. RAKER. I would like to ask the gentleman in charge of the bill what provisions are being made for protecting and saving food fish by the Bureau of Fisheries?

Mr. SHREVE. Does the gentleman have reference to the Alaska service?

Mr. RAKER. No; I am talking about the United States. You have provided a lot of money for the propagation of food fishes. I will illustrate what I am talking about. In Pyramid Lake, in Nevada, which is supplied by the Truckee River water coming from California, and a part of it from Lake Tahoe, in the latter State, there are thousands and, I think, tens of thousands of dollars' worth of fish being destroyed to-day—fine trout a foot to two and a half feet long—and if that continues much longer the trout in that Pyramid Lake, Truckee River, and Lake Tahoe will be entirely destroyed. The people of that country will be deprived of food fish as well as thousands of people who come into that country in the summer for food fish.

Mr. SHREVE. Will the gentleman yield?

Mr. RAKER. Yes; I yield to the gentleman from Pennsylvania.

Mr. SHREVE. What is causing the destruction of those fish?

Mr. RAKER. In the first place, there is a dam in the lower part of the river, and they are allowing another dam up above there, and there is a ditch taking the water out of the stream at Derby Dam, and then they are allowing to come into the stream refuse and sawdust and material from various factories, which is practically destroying all the fish in that stream.

Mr. SHREVE. In reply to the gentleman I will say that, in my opinion, that is purely a State matter. I know up in Pennsylvania we take care of all situations of that kind.

Mr. RAKER. But the stream is in two States.

Mr. SHREVE. Could not each State take care of it within its own boundaries?

Mr. RAKER. We have been trying to do that, and I have been wondering what the Bureau of Fisheries has been doing in that connection in the propagation of food fish.

Mr. SHREVE. I will say to the gentleman that I know of no legislative authority which would permit the Bureau of Fisheries to go into that work and protect the fish as suggested by the gentleman from California.

Mr. RAKER. That is what I wanted to know about.

Mr. SHREVE. I am not familiar with any law that would be applicable to that situation. As I understand it, it is purely a State matter with reference to the pollution of streams, care of fish, and so forth. I will say to the gentleman that we are conducting a fish-rescue station along the Mississippi River, which has become of very great value. After the high waters in the spring these little fishes are washed out into the bayous and the department then comes along and reclaims them and takes them to the rescue station.

Mr. RAKER. I ought to know more about this work than I do. I know about it on the Truckee, Lake Tahoe, and Pyramid Lake, but not about the work on the Mississippi. Do you take any account of the fish in the Mississippi River?

Mr. SHREVE. Oh, most assuredly, in connection with the reclamation work of rescuing these fish. Millions of fish are rescued in that way in the Mississippi Valley.

Mr. RAKER. Under what authority do you do that?

Mr. SHREVE. Under the authority of the appropriations contained in this bill.

Mr. RAKER. I am asking for information. Why do you not rescue the fish that are being destroyed in the Truckee River? It is an interstate stream just like the Mississippi.

Mr. SHREVE. I would say to the gentleman that I really think that is a matter of police regulation which comes within the jurisdiction of the State.

Mr. RAKER. No; it is more than a police regulation because you are taking care of the fish that come out of the Mississippi River, which is an interstate stream. The Truckee River is an interstate stream and the fish are being destroyed just like in the Mississippi River.

Mr. ACKERMAN. Will the gentleman yield?

Mr. RAKER. Certainly.

Mr. ACKERMAN. Mr. O'Malley, on page 418, says that the division of scientific inquiry is the one that has to deal with the biological work of the bureau, and he then goes on to state how they are tagging the salmon and also are investigating the fish in the Great Lakes and the oysters on Long Island Sound, and are also doing work in the South and are also treating the fish with improved fish-cultural methods.

Mr. RAKER. Under what authority do they do that? In other words, if they can take care of the fish that are driven out of the streams by virtue of various conditions and into these ponds and bays and rivers, will not the gentleman get busy with the Bureau of Fisheries and get them kindly to help us in seeing that the fish in Pyramid Lake and Lake Tahoe and the Truckee River are not destroyed?

Mr. SHREVE. We will be very glad to.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. I ask, Mr. Chairman, for one more minute.

The CHAIRMAN. The gentleman from California asks for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. This is not idle with me. I have had it up with every official in the State of California having charge of these matters. I have had it up with all the officials of the State of Nevada having charge of this subject. I have had it up with every official in the Federal Government, and my colleague from Nevada [Mr. RICHARDS] has done the same thing, because it affects our States where the two districts join; and I want to tell you that up until to-day the fish are being destroyed. I was in hopes that when the committee came in with this bill we would be in shape to start a real crusade that would save these food fish in Pyramid and Tahoe Lakes and the Truckee River for the people, as they ought to be saved, and I know the gentleman will help me to do that.

Mr. SHREVE. I will assure the gentleman of that. I have some knowledge of the situation to which the gentleman refers, having visited that country frequently, and I am in full sym-

pathy with him and will be very glad to assist in putting through some legislative program that will give the bureau some authority along that line.

Mr. RAKER. I thank the gentleman and I know that the people of both of these States will extend their hearty thanks for his statement and assistance. We must have it without much further delay, otherwise the fish will be destroyed.

Mr. ACKERMAN. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from California if the enactment into law of the Lineberger bill, introduced by his colleague from California to prevent the pollution of the waters on the coast, would not help the situation.

Mr. RAKER. It would help it to some extent, but you must remember that the trouble is that this river is in two States.

Mr. ACKERMAN. It would help so far as Lake Tahoe is concerned.

Mr. RAKER. Yes; we need some legislation on the matter in order to take care of the fish as they should be taken care of.

The CHAIRMAN (Mr. TILSON). Without objection the pro forma amendment is withdrawn and the Clerk will read.

Mr. RAKER. Mr. Chairman, I wonder if there is a quorum present.

Mr. BLANTON. I make the point of order that that is not a proper suggestion.

Mr. RAKER. I didn't expect the gentleman would.

The CHAIRMAN. The Chair entertains no opinion on that subject. Does the gentleman make the point of order?

Mr. RAKER. Yes; I make the point of order.

The CHAIRMAN. The gentleman from California makes the point of order that no quorum is present. The Chair will count.

Mr. RAKER. I withdraw the point of order.

Mr. SHREVE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

After the word "travel," in line 17, insert the following: "subsistence (or per diem in lieu of subsistence) of employees while on duty in Alaska."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was agreed to.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent that in the figures $2,000, in line 3, page 83, the Clerk may insert a comma.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

Regulating immigration: For enforcement of the laws regulating immigration of aliens into the United States, including the contract labor laws; cost of reports of decisions of the Federal courts, and digests thereof, for the use of the Commissioner General of Immigration; salaries and expenses of all officers, clerks, and employees appointed to enforce said laws, including personal services in the District of Columbia not to exceed $50,000, and per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; enforcement of the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," and acts amendatory thereof; necessary supplies, including exchange of typewriting machines, alterations and repairs, and for all other expenses authorized by said act; preventing the unlawful entry of Chinese into the United States by the appointment of suitable officers to enforce the laws in relation thereto; expenses of returning to China all Chinese persons found to be unlawfully in the United States, including the cost of imprisonment and actual expenses of conveyance of Chinese persons to the frontier or seaboard for deportation; refunding of head tax, maintenance bills, and immigration fines upon presentation of evidence showing conclusively that collection was made through error of Government officers; all to be expended under the direction of the Secretary of Labor, $3,300,000: *Provided*, That the purchase, exchange, use, maintenance, and operation of horse and motor vehicles required in the enforcement of the immigration and Chinese exclusion laws outside of the District of Columbia may be contracted for and the cost thereof paid from the appropriation for the enforcement of those laws under such terms and conditions as the Secretary of Labor may prescribe: *Provided further*, That not more than $12,000 of the sum appropriated herein may be expended in the purchase and maintenance of such motor vehicles.

Mr. JOHNSON of Washington. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 87, line 14, after the word "of," strike out "Chinese" and insert "aliens."

Mr. JOHNSON of Washington. Mr. Chairman, I have offered this amendment for the purpose of making certain that the sums intended in this paragraph will be used in an earnest effort to prevent the unlawful entry of all aliens into the country.

Mr. MADDEN. I want to say that we will accept that amendment.

Mr. JOHNSON of Washington. I shall offer other amendments for the purpose of carrying out the intent of that amendment and for the purpose of protecting the United States.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

Mr. MADDEN. The gentleman's amendment does not relate to the returning to China of Chinese persons?

Mr. JOHNSON of Washington. No; the amendment is to strike out the word "Chinese," in line 14, and insert "aliens," so that it will read "preventing the unlawful entry of aliens into the United States by the appointment of suitable officers to enforce the law in relation thereto." The provision in relation to returning Chinese to China is in the next sentence after the semicolon. Now, Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Page 87, line 24, strike out the figures "$3,300,000" and insert in lieu thereof "$4,300,000," and after the word "*Provided*," insert "That at least $1,000,000 of this amount shall be expended for additional land border patrol: *Provided further*."

Mr. JOHNSON of Washington. Mr. Chairman, this when read with the text of the bill is complete. For years Members of the House Committee on Immigration and Naturalization have known of the difficulties of the attempt to protect the borders against surreptitious entry of aliens and have tried to secure relief. We are not a privileged committee and can not get our proposed bills up on the floor as we please.

Mr. MADDEN. Will the gentleman yield for a statement?

Mr. JOHNSON of Washington. Yes; certainly.

Mr. MADDEN. If the gentleman from Washington will take my word, I would like to make a suggestion. I realize that something ought to be done on the border, but there has been no consideration of this question.

Mr. JOHNSON of Washington. Oh, yes; there has.

Mr. MADDEN. I mean that there has been no estimate, and this amendment will add a million dollars to the estimates already submitted. It is not fair to the House to have the committee charged with extravagant appropriations without estimates. If the gentleman will withhold his amendment, I give my word of honor to the House that I will be glad to call the proper subcommittee on appropriations together and give immediate hearings to anybody that wants a hearing and have a thorough understanding and report such legislation for due consideration as may be necessary to meet the situation that this appropriation provides for. That will be the orderly way, and I hope the House will do it.

Mr. JOHNSON of Washington. Mr. Chairman, the chairman of the Committee on Appropriations has been kind and has done the best he could to meet the situation, but information is not forthcoming just as it should be. Bureau chiefs can not talk freely, apparently. The Committee on Immigration and Naturalization has actually had to drag out the evidence which we have. We endeavored to have some fast work done in the last 24 hours so that we would have the printed hearings before you to show that the Immigration Service on the border, in their efforts not only to keep out the surreptitious immigrants but to maintain the laws generally, have, I believe, lost more lives of immigration inspectors in an effort to enforce the prohibition laws than have the prohibition enforcement officers themselves. In regard to what the gentleman says, this sum is not too large——

Mr. MADDEN. We do not know.

Mr. JOHNSON of Washington. The gentleman can take my word for it that it is not too large. Soon we hope to see some new immigration legislation coming before the House, if our committee can find time and obtain authority from this House for bringing out a bill for the protection of our borders, in the form of a joint patrol, to keep out the foot and mouth disease, or the animal diseases, the diseases of plants, for the enforcement of the quarantine law, for the protection of the public health, for the protection of the customs service, and for the protection of immigration service, and for half a dozen other services. We intend to have a combined control, and we intend, if we have the power, or if Members will see it as I see it, and will be able to get the Committee on Appropriations to agree, to see to it that a border patrol, to enforce a dozen or

more laws on the border, is equipped with automobiles, horses, even airplanes. We are through with this surreptitious entrance of aliens into the United States in violation of the laws of the United States, and the wanton breaking of other laws on our land borders, north and south. [Applause.] Our committee has given this a great deal of time and thought. We have figured it at a million dollars. I say now that immigration has been highly profitable to the Treasury of the United States. Everybody knows that. Our committee raised the head tax from $6 to $8. The poorly paid immigration inspectors are now begging for a chance to earn a little over-time money, paid to them indirectly by the steamship companies. I believe such a provision is in the immigration restriction bill now pending in another body. We do not think the principle is right. That is not the way the United States should pay its employees. We want this additional money for more border help, and also that when an immigration inspector in this service works for 20 hours at a stretch, as they frequently do at Ellis Island and elsewhere, they may have a decent lay-off even if they do not receive an extra dollar. But we want them properly and sufficiently paid. They are scrupulously honest, as a rule, against the most terrible temptations, as well as the most pitiful appeals that the human heart can utter. We want them properly paid, and their great services properly recognized, not only those at the great seaports but all along the land borders. [Applause.]

Mr. MADDEN. Mr. Chairman, I am thoroughly in accord with the purpose of the amendment. I am for the proposal in principle, as a diplomat would say, but I do not think we ought to carry it out in this bill. I think what we should do is to have the matter submitted to the Director of the Budget and have such an amount recommended for the employment of such force as may be required to accomplish the purpose indicated by the amendment, and then have the appropriations submitted in an orderly way to the Committee on Appropriations. I give you my word as Chairman of the Committee on Appropriations that the only object that I have in opposing this amendment now is that we shall not do in a haphazard way, without full knowledge, what should be done with all the knowledge that can be acquired on the subject. I do not think that it is fair to the Treasury or fair to the House or fair to ourselves as individual Members of the House to force an appropriation that has not been asked by the administration. What is the effect of that policy? To adopt this policy and appropriate regardless of whether it has been requested or not means simply that we go to the country approving a policy that pays no regard whatever to the administration needs, and while the administration can say that it is economical, and is conserving the Treasury and protecting the rights of the taxpayers, the House goes on record as saying that it does not care how conservative the administration may be.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Washington. The establishment of a sufficient patrol on the northern and southern borders will bring in enough money in the way of legitimate head tax to make a very considerable reduction in this particular million dollars which is asked for. The people of the country will like that.

Mr. MADDEN. But I am not making an unreasonable request. I do not deny that it would. I admit that it would; but while I am not denying and am admitting, I must assert that we should act so as not to invite the condemnation of the country that we are acting without consideration upon great problems affecting the Treasury of the United States. I am also saying that as chairman of the Committee on Appropriations I shall give immediate consideration to the problem when it is presented to us, and bring it in in an orderly way and protect the reputation of the House by doing so.

Mr. BACON. Can the gentleman assure the House that he will bring it in during this session of Congress?

Mr. MADDEN. Absolutely; if it comes to us, we will bring it in within a week after we get it. We never have delayed anything, and our committee does not shelve anything.

Mr. BACON. What assurance can the gentleman give us that the Budget will act at this session of Congress?

Mr. MADDEN. Oh, I do not control the Budget.

Mr. JOHNSON of Washington. But this is where Congress for once should rise above the Budget.

Mr. MADDEN. But I say this, that if the Secretary of Labor, who has the administration of this law, goes to the Budget he will get the recommendation of the Budget, and what can the gentleman say as to the attitude of the Secretary of Labor? Does the gentleman say that he is opposed to it?

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. GARNER of Texas. Do I understand that it is the policy of the gentleman's committee not to consider the advisability of making an appropriation unless the Budget first makes an estimate?

Mr. MADDEN. Not at all.

Mr. GARNER of Texas. Then it is not necessary for the budgetarian to make an estimate before this is considered?

Mr. MADDEN. No, it is not; but at the same time I think it would be wiser.

Mr. GARNER of Texas. Suppose the Budget does not make an estimate; will the gentleman's committee consider the question?

Mr. MADDEN. Yes. We will ask the Secretary of Labor to come down before us.

Mr. GARNER of Texas. While I am on my feet, I now ask the gentleman whether he is in accord with the gentleman from Washington [Mr. JOHNSON] as to the advisability of consolidating these various activities on the border?

Mr. MADDEN. I am.

Mr. GARNER of Texas. I happen to represent a district on the border of New Mexico, and when you come to cross from Mexico into the United States you run against about five or six fellows, and it looks to me as if the activities ought to be consolidated.

Mr. MADDEN. I have always said they should be consolidated. Now, we have as a matter of fact to-day looked out for quarantine, foot-and-mouth disease, plant diseases, and other diseases which we quarantine and fumigate at the border line, as the gentleman from Texas knows.

Mr. HUDSON. Did I understand the gentleman to say the administration is not in favor of this?

Mr. MADDEN. No; I did not say that.

Mr. HUDSON. I hope not. I think the administration has gone on record as being in favor of it.

Mr. MADDEN. I said that I did not think it was fair to the House to get the reputation of doing something the administration might say it did not want, and then have the country say that the House was extravagant while the administration was economical. That is what I said.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I ask that the gentleman's time be extended three minutes.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that the time of the gentleman from Illinois be extended three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Washington. Will the gentleman permit me to say this matter has been before the House Committee on Immigration and Naturalization over and over again. We have studied it in detail. Only this morning we had the Assistant Secretary of Labor before us, and also the Commissioner of Immigration, and we received some very strong statements as to what was happening on the border and as to the immediate necessity. We had these statements not only this year but last year and the year before that. We placed a border patrol bill on the House Calendar but we never got action in the House. It is a misfortune that the Committee on Immigration and Naturalization has never been a privileged committee. However, the appeals are always made to our committee and we are obliged to listen. That is why we feel we should have some relief.

Mr. MADDEN. I would be glad, as the chairman of the Committee on Appropriations, to reiterate what I have already said, and I hope the gentlemen here will let us have opportunity to make this study which we ought to have the opportunity to make.

Mr. MILLER of Washington. Does the gentleman think there will be any great outburst of the American people if we have an appropriation for a proper border patrol against undesirable immigration?

Mr. MADDEN. No, I do not think so; but I say it should not be done here in this way.

Mr. OLIVER of Alabama. Mr. Chairman, I am sure no Member of this House will for a moment doubt the sincerity of any statement made by the chairman of the committee, Mr. MADDEN. He states he is in sympathy with increasing this appropriation to such an amount as may be found necessary to adequately protect our borders. He insists that opportunity should be given the committee to consider the amount of this appropriation more at length and to secure an estimate from the Budget. The inquiry submitted by the gentleman from

Texas [Mr. GARNER] explains the position taken by the chairman of the committee. As Mr. GARNER states, there are several Government departments which maintain border guards, and the chairman of the committee feels that these Government forces can be so coordinated as to give better protection to the borders and at the same time probably reduce the number which the House now feels should be provided through a $1,000,000 increase in this appropriation. The subcommittee, you will find, has written into the hearings very full information for the guidance of the House, and there can be no question but that this appropriation should be increased.

Mr. RAKER. Will the gentleman yield right there?

Mr. OLIVER of Alabama. Yes.

Mr. RAKER. Notwithstanding the writing in the record of these facts, is it not quite true that the Budget committee not having recommended more than $3,300,000, there would be practically no possibility of the committee recommending more?

Mr. OLIVER of Alabama. No——

Mr. RAKER. Things change—there have been some things changed in the last week in reference to this matter.

Mr. OLIVER of Alabama. The facts developed by the Appropriations Committee and which appear in the hearings evidently stimulated inquiry by the Committee on Immigration and led to the offering of the amendment to increase the appropriation. There seems to be no doubt on the part of the Members present as to the necessity and importance of increasing this appropriation, and the chairman of the committee, Mr. MADDEN, now promises to go carefully into the matter within the next two weeks and report a supplemental bill carrying the required increase in this appropriation.

Mr. RAKER. Two years ago and last year on this appropriation did not the chairman and certain Members appear before the Committee on Appropriations and call attention to this condition which existed even two years ago and a year ago?

Mr. OLIVER of Alabama. I have no recollection of the parties you mention having appeared before the subcommittee.

Mr. RAKER. And even say to the officers, force them to testify before the committee as to the facts when they said they did not want to testify because they did not want to be in conflict with the rules in regard to the Budget?

Mr. OLIVER of Alabama. The gentleman is no doubt correct as to any statement he makes of which he has personal knowledge, but I have no recollection of anyone having appeared before our subcommittee on the subject to which he refers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLIVER of Alabama. May I have three minutes?

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. OLIVER of Alabama. The gentleman from California seems to feel that the Budget Bureau is not friendly to increasing this appropriation and thinks for that reason it may be difficult to secure any information from the Department of Labor. Now, I recognize that Government departments do feel embarrassed about giving testimony looking to an increase in the amounts recommended by the Budget, but the hearings on this bill disclose that in response to inquiries from members of the subcommittee representatives from the Department of Labor have testified as to the necessity for increasing the appropriation, and the chairman of the committee now only asks for an opportunity to have this matter submitted to the Budget for an estimate. He promises to bring back a bill providing an increase in this appropriation within the next two weeks and the House can then take such action thereon as it deems proper. The gentleman from Illinois [Mr. MADDEN] will carry out his promise and will in an orderly way present to the House a bill carrying the necessary increase.

Mr. MADDEN. I will be delighted to.

Mr. OLIVER of Alabama. We know the purpose the chairman has in mind, and I think the House should grant his request, since it may be that he can secure such cooperation between the different Government forces as to make unnecessary the large increase now asked for.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. JOHNSON of Washington. Will this result in the distinguished chairman of the Committee on Appropriations making a request as coming from the House of Representatives asking the Budget authorities to do this, or does he know how it will be done?

Mr. OLIVER of Alabama. The chairman will find the proper way to secure an estimate from the Budget, and to present by supplemental bill an increase in this appropriation, which all seem to be agreed is required. I feel sure the House will be satisfied with what the chairman of the committee later reports, and I wish to say that no one is more interested in the matter than I am, as the hearings will disclose.

Mr. RAKER. Mr. Chairman, will the gentleman yield there?

Mr. OLIVER of Alabama. Yes.

Mr. RAKER. Can the gentleman tell the committee how the chairman can get hold of this bill, even a supplemental bill, unless somebody outside has already gotten busy with the department and practically urged them to make a supplemental estimate? Is not that true? The chairman of the committee will not act unless the Budget approves it. Is that right?

Mr. OLIVER of Alabama. The gentleman need have no uneasiness as to the House being given an opportunity in the time indicated by the gentleman from Illinois [Mr. MADDEN] to vote for an increase in this appropriation.

Mr. RAKER. Is it not a fact that that can not be done unless pressure is now brought by the chairman of the Committee on Appropriations on the Budget Bureau, and if the Budget Bureau should turn it down there is no way on earth to get this matter back to Congress except on another bill? That is right, is it not?

Mr. OLIVER of Alabama. That is exactly what the gentleman from Illinois [Mr. MADDEN] intends to do, and this appropriation will be presented in a supplemental bill.

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield there for a question?

Mr. OLIVER of Alabama. Yes.

Mr. GARNER of Texas. I want to get clearly in my mind the position of the Committee on Appropriations as to a necessary appropriation. You would not hesitate to make a recommendation to the House for an appropriation that you thought was necessary, regardless of whether the Budget Bureau made an estimate or not?

Mr. OLIVER of Alabama. Certainly not; and the gentleman will find that I discussed that very matter on yesterday in connection with the pending bill.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. RAKER. Mr. Chairman, I do not ordinarily ask for any extra time; but in order that I may as clearly as possible present this to the House I ask unanimous consent that I may proceed for 10 minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman and members of the committee, I have listened to what the chairman of the Committee on Appropriations has said, and I commend him for his attitude in this matter. I know it is not the intention of Members of the House to try to do things other than in an orderly way, and that they want to get results.

As the chairman of the Committee on Immigration [Mr. JOHNSON] has said, the Committee on Immigration has had these matters brought to its attention for a number of years, and it has been stated to us that we collect more from those who come in than we pay for the enforcement of the immigration laws. That is true.

It has been demonstrated by testimony that the officials have been unable to administer the immigration laws on the borders because of a lack of money and a sufficient number of guards.

Mr. VAILE. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. VAILE. The gentleman does not mean that the guards who have been there have failed to perform their duties in any way?

Mr. RAKER. No; the difficulty is in the lack of a sufficient number of guards and patrolmen, but the office help in these various stations is sufficient; guards and patrolmen are what we need. You must remember that the southern, or Mexican, border has an extent of some 2,000 miles, and it is something over that on the northern, or Canadian, border.

The demand—illegally—to enter the United States has been much increased since the existence of the restriction laws during the last two years and a half.

The testimony before the committee shows that a large percentage of those who are coming across the border surreptitiously are those who have entered Mexico from foreign countries, and the same is true of those who go to Canada from foreign countries and then come over to the United States illegally, for want of a proper and sufficient force to cope with the work along and on these extended borders. That is made possible because there is no one at the borders to prevent them from coming across or to apprehend them.

Mr. BOX. Will the gentleman yield?

Mr. RAKER. Yes. I yield to the gentleman.

Mr. BOX. Is it not true that that condition has prevailed for some years and that the only difference is that more recently it has been growing worse?

Mr. RAKER. Yes. That is the fact.

Mr. BOX. And is it not also true that our committee reported a bill some two or three years ago by which we tried to remedy that situation?

Mr. RAKER. Yes. But we were unable to get action on it, because there was no legislative way to get it before the House. Other legislation crowded it out. That condition is growing more intense all the time, and the committee felt it was its duty to present the matter to the various committees and to the House, and this seemed to be our only opportunity to do it legitimately. We now have the opportunity. It is here, and now we should not let this chance pass without affirmative action.

Now, a part of this same testimony was taken before the Committee on Appropriations.

Mr. MADDEN. Will the gentleman yield?

Mr. RAKER. Yes; I yield to the gentleman.

Mr. MADDEN. Of course, the House ought to realize that the Immigration Service enforcement is only one thing for which money will be needed.

Mr. RAKER. Oh, yes; that is a fact.

Mr. MADDEN. I have a letter from the Secretary of State in which he sets out the fact that they will have to have money as the result of the bill we have just passed.

Mr. RAKER. I think so. It is quite certain we will need some more money for that purpose. But it will pay for itself in the fees we will collect by the new legislation.

Mr. MADDEN. And, of course, we will have to be getting ready to appropriate that money, and it ought to be done at once and in an orderly way. That is the reason why I have asked to postpone action and give us an opportunity to ascertain what ought to be done.

Mr. RAKER. Now, gentlemen, I made a statement on the floor of the House the other day, and one of the Members—I am glad he did it—wrote to the department to see whether or not my statement was correct. The matter appears in the RECORD, and the department has admitted that it is practically the fact. But when you read the statement it shows that I did not half state the facts as strong as they exist.

The records now before the House show that five times as many men are illegally crossing the Mexican border than are admitted legally. There is no question but that from 75 per cent to 90 per cent of those who cross the Mexican border are illiterates, and that they are unable to pay the head tax. In addition to that the contract labor law has been violated in practically 90 per cent of the cases.

The testimony before the committee this morning, as given by the Commissioner of Immigration and the Assistant Secretary of Labor, was to this effect: That they know of men in these various towns on the border whose business it is to get these men across the border. They know that agents from all over the United States seeking cheap labor are in those communities and they know that these agents cross the line and that these Mexicans are brought across the border. They are satisfied the contract labor law is violated, but they have not the money nor the men with which to make investigations, arrest, and convict the padrones who are bringing in these Mexicans to take the places of American citizens.

Mr. VAILE. And if the gentleman will pardon me, not only Mexicans but aliens from all over Europe are coming across the border in charge of these same persons.

Mr. JOHNSON of Washington. Under advertisements in foreign newspapers in foreign countries that they will be delivered into this country?

Mr. RAKER. Yes; both statements are correct. This applies to the Canadian as well as the Mexican border.

Mr. MACLAFFERTY. Not only that, but from Japan and China.

Mr. RAKER. I say so much about that that I do not want to be considered a crank, but I take them all in. The gentleman from California [Mr. MACLAFFERTY] is eminently correct in what he has said. We must act. Get the men on these borders who have courage and stamina and you will see how quick this general stream across the borders will stop or at least will be negligible. It is to the credit of this House, to the credit of the Senate, and to the credit of the American people that it seems that after some 14 years we are able to get on the floor of this House an opportunity to vote, and when we did get a chance to vote we had the American spirit that has always existed here, but had never had an opportunity to express itself in the House.

Mr. RANKIN. Will the gentleman yield?

Mr. RAKER. In just one moment.

With reference to the literacy test, gentlemen, I am not going to criticize that. The record shows that there were 63,000 who were admitted legally and examinations were held. Let me tell you what an officer told the committee this morning. It is in writing, and we will be able to present it to you as soon as we have it printed.

This gentleman stated that these fellows were tricky and so foxy that a card was given to them, and while he was advised they could not read, when they came up to the immigration official and presented the card they read the statement that they had committed to memory and crossed the border, and I would wager almost anything that practically 90 per cent of the 63,000 have been brought across in that way by these agents, who are receiving money from the people on this side to bring them across. He stated to the committee and presented to the committee sworn evidence this morning that $1,000,000 would place 460 guards——

Mr. VAILE. Four hundred and sixty guards?

Mr. RAKER. Yes; 460 guards on both borders.

Mr. VAILE. That is 230 on each border?

Mr. RAKER. Yes; and would then leave enough money for the rest of the administration, including vehicles and so forth, and he felt reasonably certain that there would be an opportunity then to enforce the law as it ought to be. These facts are all before us. We have been working and struggling on these matters before our committee, and I want to call your attention to-day to the fact that when we were considering the immigration bill the other day you asked why we did not keep out the Mexicans and we said that they could not come in now for three reasons, namely, they can not read; second, they can not pay the head tax; and third, beyond all question 90 per cent of that bunch come in as contract laborers.

Here is an opportunity for you to help to keep out the Mexican by placing in the bill a sufficient amount of money to hire the number of guards that the Secretary of Labor, the Commissioner of Immigration, and all the other officials say they need and ought to have, and they also state if they get them they can enforce the law.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. MACLAFFERTY. Did not the gentleman hear the chairman of the great Appropriations Committee offer as an objection to the immigration bill the fact that we were allowing the Mexicans to come in?

Mr. RAKER. Oh, I love the chairman of that committee. He is an honorable man——

Mr. MACLAFFERTY. That is not the question. I love him, too.

Mr. RAKER. You heard what he said. He is a fine gentleman, and is an able man, and is trying to do what he can, but he can not do it all. We have the opportunity now. We have got it in our control as American Congressmen. We have the facts before us, and let us put the money in the bill and give this great Labor Department an opportunity to enforce the law as they ought to enforce it.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH to the amendment offered by Mr. JOHNSON of Washington: Strike out "$4,300,000" and insert in lieu thereof "$4,500,000."

Mr. HUDSPETH. Mr. Chairman and gentlemen of the committee, this increase in the appropriation as provided in the bill by the committee will not cost the Treasury one dollar. The testimony in the hearings is that there is over $4,800,000 collected from head taxes, fines, and so forth. The testimony further shows by Mr. Husband, Director General of Immigration, and I think a very efficient one, that on the border between the United States and the Republic of Mexico to patrol a border of over 2,000 miles—how many inspectors do you gentlemen imagine patrol that border? Sixty-four.

Mr. JOHNSON of Washington. Sixty-one. There have been three killed in the last few weeks.

Mr. BACON. There are only 61 now. There were 65.

Mr. HUDSPETH. Yes. Three were killed in enforcing the prohibition law. They are engaged in enforcing the immigra-

tion law, in enforcing the prohibition law, and Mr. Husband says that his men cooperate with the customs officials in preventing smuggling, with the prohibition enforcement officers, and with the men who enforce the law against the illegal sale of narcotics on the border. The number should be increased and also the salary of those now in the employ of the Immigration Department should be increased. Likewise the salary of Public Health employees who cooperate with them should be increased.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. WHITE of Kansas. Taking the course of the Rio Grande from the Gulf to the Pacific Ocean there is one patrol to 33 miles.

Mr. HUDSPETH. I would figure something like that.

Mr. WHITE of Kansas. And there is a chance for them to come over every 3 feet.

Mr. HUDSPETH. Yes. Now, if you gentlemen know the topography of a great portion of this border, where it is so rough that a billy goat could not climb some of the hills without the aid of an airship, would you expect 61 men to patrol that border? Let me say that while I do not want a Mexican to come in illegally, Mr. Husband says that many Chinese and Japanese came into the country surreptitiously from Canada and Mexico during the last year.

Mr. RAKER. Mr. Husband testified before the committee that there were several thousands of them came over the borders from Europe—landed in Mexico and came across.

Mr. HUDSPETH. Yes; and over the Canadian border they come in. Now, I want to state that my friend from Alabama [Mr. OLIVER], who has taken a splendid interest in this matter, as the hearings disclose, said that they discussed this matter last year, and I had a bill before the Immigration Committee asking $500,000 to increase the immigration patrol on the Mexican and Canadian borders.

Mr. JOHNSON of Washington. It died on the calendar.

Mr. HUDSPETH. At any rate, it was not passed. I do not want a single Mexican to come across the border illegally. I want him to come across in the regular legal way. I do not care whether he is a "wet back," a "gray back," or what kind of a back. I want him to show his back—and all others who come—to the immigration inspectors at the port of entry; and if the law permits, admit him. That is why we are asking for this appropriation. If the friends of this amendment are willing to refer the matter back to the Appropriations Committee, I can not prevent it; but I am going to vote for it if it comes before the House to-night.

Mr. MADDEN. Will the gentleman allow me to make a suggestion?

Mr. HUDSPETH. I will yield to the gentleman.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MADDEN. I ask unanimous consent the gentleman may have three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HUDSPETH. I will yield to the gentleman.

Mr. MADDEN. The Secretary of State has indicated in a letter to me that he will need money in connection with the enforcement of the immigration law. There will be a good many things in connection with that law for which money will be needed. It is a matter that is referred to the Committee on Appropriations, and the committee will be able to coordinate the appropriations, and they will also be able to ascertain what compensation is going to be paid for the different classes of work that is to be entered upon. Whereas if we put this money into the bill now without any restriction, the department can use it for any purpose it sees fit, for anything they like to pay, or anything that they want to do. There will be no restriction in the use of the money, and it is not a business proposition. There will be no delay if the matter goes to the Committee on Appropriations. I will assure the gentleman. The only reason why I would like to have it go there at all is not that I care about the work but I simply do want to conserve the different interests of the country by conserving the Treasury to the extent that it can be done without doing any injustice.

Mr. HUDSPETH. I do not question the gentleman's sincerity in his statement. I say if the friends of this amendment want to refer it back I probably can not prevent; but if you want to vote on it this evening, I shall record my vote in favor of the amendment. This matter has been delayed too long.

Mr. MADDEN. It has not been before us.

Mr. HUDSPETH. No; but there have been many bills introduced in Congress asking for similar appropriations to keep out undesirable people. Now, do not delay it any longer. Mr. Husband said, in answer to the gentleman from Alabama [Mr. OLIVER], who asked if the appropriation of the additional sum were made if it could be used and made immediately available, said absolutely yes; he could put the force into effect at once. If these statements are to be believed—and I do believe them by such men as Mr. Husband, who, as I have said, has made a good record as Director General of Immigration—then the matter should not be delayed longer, because they are coming surreptitiously over the borders, and we do not want them to do so any longer. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the gentleman have one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER of Alabama. I asked the question which the gentleman read for this reason: If the House at this time desires to increase this amount by $1,000,000 over and above what is carried in the bill, it is important that we make it immediately available. Why? Because the very thing that we seek to protect and guard against is now occurring every day.

Mr. HUDSPETH. Absolutely.

Mr. OLIVER of Alabama. Because of the lack of funds; and if we justify an increase we can not justify a delay in making the money available.

Mr. HUDSPETH. Certainly. If the committee does not adopt my amendment, I will cheerfully support the Johnson amendment. What I declare, Mr. Chairman and gentlemen, is that I am in favor of increasing the appropriation to an amount as will enable the Commissioner of Immigration to put an adequate force on all the borders that will keep out every person who is not entitled to enter this country through legal channels. [Applause.]

Mr. SHREVE. Mr. Chairman, I move that all debate upon the pending paragraph and all amendments thereto close in five minutes. [Cries of "Vote!"]

Mr. SABATH. Mr. Chairman, I would like to have five minutes.

The CHAIRMAN. The gentleman from Pennsylvania moves that all debate on the paragraph and all amendments thereto close in five minutes.

Mr. SABATH. Mr. Chairman, I would like to be heard for five minutes.

Mr. SHREVE. Mr. Chairman, we must finish this bill to-night.

Mr. SABATH. I have not been taking up any time. I am entitled to five minutes, and the gentleman will lose more time than five minutes.

Mr. JOHNSON of Washington. I suggest that the gentleman make it eight minutes.

Mr. SHREVE. Mr. Chairman, I modify my motion to make it 10 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Pennsylvania that all debate upon the paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. SABATH. Mr. Chairman and gentlemen of the committee, I have the utmost confidence in my colleague, the chairman of the Committee on Appropriations, and I know that he is sincere and wants to do the right thing; also that it is his duty to safeguard the Treasury. I also have confidence in the Budget Committee, but I know that the Immigration Committee has thoroughly investigated this matter and has a great deal more information than that committee. I am in favor of this amendment because I know from the information given before the Committee on Immigration, and the knowledge I possess as to conditions on these borders, that this appropriation is necessary. I am not going to repeat the many conditions and reasons that warrant it, but all I desire is to read to you an article from yesterday's edition of the Chicago Tribune:

BUDAPEST, Hungary, April 16.—Emigrants in eastern Europe are now being taught to slip into the United States via the Canadian frontier.

Foreign shipping companies have just commenced a campaign to advertise Canada to Budapest, Bucharest, Belgrade, Warsaw, Danzig, Athens, and other big immigration centers and the unofficial word is being passed along that emigrants who can not get themselves included in the American quota will have no difficulty in entering the United States from Canada.

"The frontier is not guarded and all you will have to do to reach the United States is to walk across," runners of these steamship agents tell prospective emigrants.

From what has been stated on the floor about the Mexican border applies, beyond doubt, to the Canadian border. The report that I have read from the Chicago Tribune clearly justifies the charges I have repeatedly made against the British steamship lines. Not only have I charged the British steamship lines as to these practices but in the last several years I have called the attention of the Department of State, the Department of Labor, and the Bureau of Immigration to the methods employed in circumventing our immigration and inspection laws. However, nothing has been done to stop this practice. Within a few months the new restrictive immigration law will go into effect, and unless we will properly man our borders I am satisfied that the thousands that will be unloaded by these steamship companies in Canada and Mexico will endeavor to find their way into this country. As you all know, I have opposed the discriminatory immigration bill to the best of my ability, not because I do not believe in restriction but because it was a discriminatory measure. Desirous as I was to make the bill more liberal and humane, on the other hand I am just as anxious and desirous to prevent surreptitious and illegal entry. If they can not come in legally, they surely can not come in illegally. It is for that reason that I favor the appropriation that will increase the border patrol, and in that way put a stop to the profitable smuggling on the Mexican border as well as on the Canadian border. Not only that, but we should go on record to serve notice on the English steamship companies that we will not tolerate this deceitful and inhuman practice on their part, which not only takes advantage of the poor immigrant but of our friendliness. I am against the illegal entry of anyone, whether he be a Mexican, a Canadian, a Chinaman, or a Japanese. I think the laws should be enforced, and the sooner we put a stop to this illegal practice the better it will be for our country. I think we ought to act now, and I hope the proposed amendment will be adopted.

Mr. BOX rose.

The CHAIRMAN. Does the gentleman from Pennsylvania desire recognition?

Mr. SHREVE. I yield to the gentleman from Texas [Mr. Box].

Mr. BOX. Mr. Chairman, I want the House to proceed in an orderly way, but I also want something done now. As a member of the Committee on Immigration and Naturalization, I know that that committee has dealt with this troublesome question and worried over it for four or five years. We reported a bill to the House recommending the establishment of an additional border force. Advices coming to us show that from three to five times as many men as come through the ports, come in as smugglers. Many of those coming through the ports come illegally, in violation of the literacy, contract labor, and other restriction tests. It is a standing disgrace. It is a dishonor to the United States to have its laws trampled under foot as is now done on the Mexican border and on the Canadian border. Many of those entering are not natives of Canada or of Mexico, and many are. Great numbers are vicious and undesirable from every standpoint. It is intimated from official sources that Emma Goldman has recently entered in that way. What I say of the coming of dangerous numbers and undesirable characters may be true to the same extent of the Canadian border, but I have less information about that. A great many undesirable Europeans excluded by our laws are coming in and speaking and acting contemptuously. They came in disregard of the law and doubtless have less respect for our law because of their ability to treat it with contempt in entering. Congress ought to take early action; we ought to act now.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment offered by the gentleman from Texas to the amendment of the gentleman from Washington.

The question was taken; and on a division (demanded by Mr. HUDSPETH) there were—ayes 35, noes 31.

Mr. MADDEN. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. MADDEN and Mr. HUDSPETH) reported that there were—ayes 72, noes 58.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment as amended.

The question was taken, and the amendment as amended was agreed to.

Mr. JOHNSON of Washington. Mr. Chairman, I wish to offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 88, line 6, strike out the figures "$12,000" and insert in lieu thereof "$50,000," and in line 8, strike out the period and insert in lieu thereof a comma and the following: "*Provided further*, That not more than $38,000 of this amount shall be expended for the purchase and maintenance of motor vehicles for additional land border patrol."

The CHAIRMAN. Debate on this paragraph and all amendments thereto is limited to 10 minutes, 5 of which have been consumed.

Mr. JOHNSON of Washington. Mr. Chairman, all I want to say is that having appropriated the larger sum, this provides for a certain proportionate distribution——

Mr. MADDEN. Mr. Chairman, I make a point of order against the amendment that it is legislation.

Mr. JOHNSON of Washington. I do not think it is legislation.

Mr. BOX. Mr. Chairman, I make the point of order that the amendment has been discussed.

The CHAIRMAN. The gentleman from Washington has debated the amendment.

Mr. MADDEN. Mr. Chairman, I was on my feet waiting to make a point of order against it. The gentleman did not make a speech. I do not think it is fair to me to cut me out of my right to make a point of order if it is subject to a point of order.

The CHAIRMAN. The Chair certainly would be the last one to deprive the gentleman of the right to make a point of order.

Mr. JOHNSON of Washington. I have no desire to say anything further, but it strikes me that if a certain sum is appropriated with a limit of $12,000 to be spent for automobiles, and, knowing the territory we have to cover we appropriate a larger sum, it is clearly in our right to increase proportionately the use of automobiles.

Mr. MADDEN. I want to see whether it is subject to the point of order. I would like to have the amendment again reported.

The CHAIRMAN. Without objection the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. MADDEN. That is all right, it is not subject to the point of order.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

IMMIGRATION STATIONS

For remodeling, repairing (including repairs to the ferryboat, *Ellis Island*), remodeling buildings, and purchase of equipment, $100,000.

Mr. SHREVE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. SHREVE: Page 88, line 11, strike out the word "remodeling" and insert in lieu thereof the word "renovating."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

General expenses: For compensation, to be fixed by the Secretary of Labor, of examiners, interpreters, clerks, and stenographers, for the purpose of carrying on the work of the Bureau of Naturalization, provided for by the act approved June 29, 1906, as amended by the act approved March 4, 1913 (Stat. L. vol. 37, p. 736), and May 9, 1918 (Stat. L. vol. 40, pp. 542–548, inclusive), including not to exceed $52,000 for personal services in the District of Columbia, and for their actual and necessary traveling expenses while absent from their official stations, including street-car fare on official business at official stations, together with per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for such per diem together with actual necessary traveling expenses of officers and employees of the Bureau of Naturalization in Washington while absent on official duty outside of the District of Columbia; telegrams, verifications of legal papers, telephone service in offices outside of the District of Columbia; not to exceed $20,000 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; carrying into effect section 13 of the act of June 29, 1906 (34 Stat. p. 600), as amended by the act approved June 25, 1910 (36 Stat. p. 765), and in accordance with the provisions of the sundry civil act of June 12, 1917; and for mileage and fees to witnesses subpœnaed on behalf of the United States, the expenditures from this appropriation shall be made in the manner and under such regulation as the Secretary of Labor may prescribe, $541,500: *Provided*, That no part of this appropriation shall be available for the compensation of assistants to clerks of United States courts.

troduced in Congress asking for similar appropriations to keep out undesirable people. Now, do not delay it any longer. Mr. the United States is to walk across," runners of these steamship agents tell prospective emigrants.

Page 88, line 6, strike out the figures "$12,000" and insert in lieu thereof "$50,000," and in line 8, strike out the period and insert in no part of this appropriation shall be available for the compensation of assistants to clerks of United States courts.

Mr. CABLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 89, line 23, after the word "prescribed," strike out "$561,560," and insert in lieu thereof "$600,000."

MAKING CITIZENS DURING PEACE TIME AND WAR—A STIRRING INCIDENT FROM THE HISTORY OF THE THIRTY-SEVENTH DIVISION

Mr. CABLE. Mr. Chairman—

Aliens are made citizens at the rate of 15 a minute.

These headlines appeared in the New York Times last month.

The selection of our future citizens is a problem entitled to serious consideration, because it carries with it not only certain obligations but the right of participating in our Government and of determining its future policies as well as protection at home or abroad. It should be accompanied by a dignified ceremony to properly impress the aliens who are received as citizens as well as serving as a reminder to those who already have the great rights granted by our Constitution.

How is citizenship in this great country acquired?

It is determined by Federal law only. An alien may file his declaration of intention on the day of his arrival, but he must have resided within the United States continuously for five years prior to filing his petition for naturalization, the last year of which must have been continuously within the State in which he applies for citizenship.

Prior to filing his petition a preliminary application must be sent in to the chief examiner for the Bureau of Naturalization. On a date named the applicant with two witnesses appear at the office of the clerk of courts, where the Federal examiner questions the applicant and the witnesses. The alien must be able to speak English and sign his name in English. He must have a knowledge of our form of government, of our Constitution, our history and ideals, and a knowledge of local civic affairs. Residence outside the State may be shown by a deposition, but his residence within the State must be proven by actual witnesses.

If the examiner is satisfied that the applicant can qualify before the court, the petition is filed with the clerk and the alien's name is posted for 90 days. At the end of this time the final examination is held in open court and if, in the opinion of the judge, the applicant is qualified, he raises his right hand, renounces allegiance to his foreign ruler, and takes the oath of allegiance to the United States.

All children under 21 years of age and residing within the United States on the date of the parents' naturalization automatically become citizens of this country. By the act of September 22, 1922, commonly known as the Cable Act, women were granted independent citizenship. Alien women are now receiving the same attention and education as men and are becoming citizens independent of their husbands. An alien woman, however, whose husband is an American citizen, need not file her declaration, and only one year's residence instead of five is necessary.

Of the 14,000,000 foreign born in the United States less than half are naturalized. There are 2,000 State courts and 200 United States courts where hearings are held in naturalization proceedings. During the fiscal year ending June 30, 1923, 169,968 petitions were finally disposed of, of which number 145,084 were admitted to citizenship and 24,884 denied for various reasons.

Mr. NEWTON of Minnesota. What reason has the committee given for the cut from the appropriation for the current year?

Mr. CABLE. There is absolutely no reason given, and according to the record of the hearings before the Committee on Appropriations, Mr. Crist, Chief of the Bureau of Naturalization, said the service is now undermanned. My reason for the amendment is because of congested conditions, particularly in the State of Ohio, in naturalization work. Reports from large industrial centers of the State show unprecedented increases in declarations for citizenship. This is particularly true at Cleveland, Akron, Youngstown, and Toledo. My idea is that the acquisition of citizenship should be only by those thoroughly qualified, and unless proper examination may be made by the Federal examiners and their assistants the process of citizenship will not be as thorough as it should be.

Mr. RAKER. Will the gentleman tell the House that they are practically omitting the detailed examinations now and are putting men through by simply taking down a few words and "shooting" them into court? They naturalize them at the rate of 90 an hour.

Mr. CABLE. Up in New York, I understand, they naturalize them at the rate of 15 a minute.

Mr. Raymond T. Crist, of Washington, is the Chief of the Bureau of Naturalization, and is well qualified for the position. He is entitled to the whole-hearted support of the Members of Congress in carrying on this important work.

Not only in peace time has this bureau been a vital, functioning part of our Government, but in time of war as well. I refer to the work carried on in preparing aliens for overseas duty during the World War.

From Mr. Oran T. Moore, chief examiner of the Washington district, I learned of one of the most interesting and graphic incidents in connection with this work. It occurred at the time of the naturalization of aliens in the Thirty-seventh Division, a division which wrote its name in history in some of the hardest battles along the western front, and which was composed of National Guard troops from Ohio.

On May 9, 1918, Congress passed an act providing for the expeditious naturalization of men who were "serving in the United States Army during the time the country is engaged in the present war." War Department statistics had shown that there were many thousands of aliens in the service by virtue of membership in the National Guard, in the National Army, and by operation of the draft. Before these men should go overseas it was highly desirable that they be citizens. With this in view, the act was passed.

Of the 32 cantonments in the United States, 17 were in the Washington naturalization district, and there were more than 250 other military posts and camps. It became necessary to hurry the work for the naturalization of soldiers before the units to which they belonged might be moved to other camps or places of debarkation.

The first naturalization of soldiers in the camps where the court, by formal order, set up its machinery inside of military lines occurred in Camp Sheridan, Ala., where the Thirty-seventh Division, consisting of National Guard troops from Ohio, was in training under command of Maj. Gen. Charles S. Farnsworth. Hon. Henry M. Clayton, United States district judge, Montgomery, Ala., provided for a session of the court within the camp.

On the evening of Friday, May 18, 1918, Gen. Charles S. Farnsworth requested that immediate steps be taken to handle the naturalization of the men of the Thirty-seventh Division, as the following morning they were under orders to proceed to some point of debarkation for overseas service. By use of telegraph and telephone a corps of examiners was assembled at Montgomery, Ala., Saturday night and Sunday morning; and at 5 o'clock Sunday morning work was begun in the camp in preparation for the naturalization hearing on the following morning. Judge Clayton, General Farnsworth, and Mr. Moore, the representative of the naturalization service, planned the hearing for sunrise of such units as were under orders to entrain. It was necessary to outline the work, prepare the papers, and make all final preparations for the unusual ceremony of a session of court at sunrise on the open parade grounds in a military camp.

Lieutenant Colonel Albrecht was assigned by General Farnsworth as the military officer in charge, and through his able cooperation it was possible to file the naturalization papers. It was, to say the least, an impressive ceremony. Three hundred and sixty-six enlisted men of many nationalities, all petitioners for naturalization, in full marching equipment ready to cross the seas in defense of their adopted country, were drawn up in rectangular formation. At one end of the rectangle on a raised platform were seated the United States district judge, the court officials, and the commanding officer of the camp and his staff. At one side of the platform under a great live-oak tree were the officers of each company. On the opposite side under the headquarters flagstaff was the military band. As the sun was rising, at a military command one unit at a time was brought to attention before the judge. Interrogations to show their desire and qualifications for citizenship were made and the company officers in each case testified to the service and loyalty of each soldier. As each unit was completed it was moved back until finally the entire organization assumed the formation of a solid square.

In order to administer the oath by nationality groups, the former aliens of each nationality were in turn called forward, took the oath, and were ordered to step back into hollow-square formation, until group after group was disposed of and the entire body was arranged again in that formation.

After the formal part of the ceremony had been completed, Judge Clayton, who was for many years chairman of the Committee on the Judiciary in the House of Representatives, delivered a stirring patriotic address, which was followed by Maj. Ralph D. Cole, at that time one of the staff officers of the division, and formerly an associate of Judge Clayton on the House committee.

For three successive mornings sunrise ceremonies were held, in order that the entire Thirty-seventh Division might be moved on to debarkation. Men in many of the units were subjects of enemy countries. It is true many of them were reluctantly so, as they were Serbians, Rumanians, and Croatians by race but nationals of the Austro-Hungarian monarchy; Alsatians and Poles by race but subjects of Germany. Under the orders of the War Department it was necessary to leave these men behind unless their naturalization could be completed.

On Monday morning 366 men were naturalized, and on the following morning 297, and so on until 1,100 of the aliens in the Thirty-seventh Division had been clothed with citizenship and were in possession of certificates showing the fact.

In the meantime the command of the camp changed hands. General Farnsworth went with his division, and Gen. William R. Smith succeeded to the command. The ceremony described was repeated morning after morning with slight variations.

One of the most interesting situations that arose in connection with conferring citizenship on soldiers occurred on the second day at Camp Sheridan. The One hundred and twelfth Trench Mortar Battery, in command of Capt. A. S. Dillon, appeared for naturalization. It developed that the entire organization was made up of Rumanians born in Transylvania and former subjects of the Austro-Hungarian Empire.

The top sergeant was a fine, upstanding young Rumanian named Rudi Nan. He stood 6 feet, weighed 195 pounds, and was every inch a soldier. The captain was a modest young man who had little to say, but for whom every member of his company showed a deep respect that spoke of his ability as a commanding officer. I was able to piece together the story of the organization by conversation with various members as they were preparing for their naturalization. It appears that they were all from East Youngstown, Ohio. Just at the time of the outbreak of the war Nan made a speech and called upon his countrymen to show their loyalty to the cause to which both the United States and Rumania were devoted. As a result, practically the entire young manhood in the audience marched off and enlisted in the Army.

Nan would not have been required to serve by operation of the draft, even if he had been a citizen, as he left behind a wife and child. Subsequently these aliens became the organization under the command of Captain Dillon, and were naturalized at Camp Sheridan. If correctly recalled, many of the men had been employed in the manufacturing establishment operated by the father of Captain Dillon.

This incident was told to Judge Clayton while waiting for the naturalization to begin at sunrise on Tuesday morning, May 21. As the ceremony was completed that morning the judge called Sergeant Nan from the ranks and asked him to address the several hundred men assembled. The 10-minute speech that Nan delivered was one of the finest patriotic utterances of the war and was commented upon by the papers throughout the South.

With his foreign accent he said in part:

Men, most of you, like myself, are subjects of one of the Teutonic allies against whom the United States is engaged in the present war. For 1,000 years our forefathers have been subject to the tyrants' rule. We have been allowed to come here; to raise our families in peace; to educate our children; to practice religious liberty, and enjoy the privileges of this great Nation. We would indeed be ungrateful if we did not offer it our services in its time of greatest need. Through you, honorable judge, and you, our commanding officer, we express to the Government and the people of the United States our appreciation not only for this wonderful opportunity to so easily become citizens but also for the privilege of serving side by side with the native sons of America in the cause to which we are all dedicated. To us of foreign birth, it is a cause 1,000 years old.

Mr. MADDEN. Mr. Chairman, I do not think I have done anything to justify such calls as "vote." I am only trying to do the business with which the House has charged me. I want a respectful hearing. I will give everybody else a chance to be heard respectfully. If you do not want me to act as chairman, all you have to do is to say so. But I do ask for respectful treatment at the hands of the Members of the House while I am chairman.

Mr. STENGLE. We do not know what we would do without you. [Applause.]

Mr. MADDEN. I want to say that this bill carries every dollar that the Budget Committee has asked for. If you know more about it than I do and you are assured that it is needed, vote for it.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. SABATH. Was any evidence given to the committee of the fact that all the courts, like the various State courts in New York, Cleveland, and elsewhere, have withdrawn from this naturalization work because of lack of funds?

Mr. MADDEN. I have received some letters from the courts of record in the different States, but frequently we get letters from clerks of courts all over the United States and other people all over the United States concerning different things where they think they can get more money out of the Treasury for the employment of additional men in their offices, and we always do give consideration to such letters as those; such consideration as perhaps the importance of the cases may justify. At times men are put on the payrolls of these offices simply to fulfill some political obligation. My colleague from Illinois knows that as well as I do, so that generally I do not feel bound to be seriously impressed by any such letters. But if the department having jurisdiction of the work comes to us and says there is a serious situation that ought to be remedied, and it takes money to remedy that situation, we give serious consideration to that.

But if the responsible head of the Government says he wants only $500,000, we are not going to say he has made a mistake and ought to have $1,000,000. That is not what we are there for. We think the man at the head of the Government ought to know what he wants and we are not going to try to persuade him he ought to get more money than he wants.

Do you want us to ask him or everybody who comes before the committee to take $2 when they ask for only $1? How long do you suppose the Government would last if we did that?

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. NEWTON of Minnesota. The Budget estimates are the same as the estimates of the committee as reported to the House?

Mr. MADDEN. Exactly.

Mr. NEWTON of Minnesota. But the evidence discloses that the Budget Bureau did not give them what they thought they should have. That is what Mr. Crist testified.

Mr. MADDEN. The Budget never gives anybody what they think they ought to have, and neither does the committee. There is no person in any department of the Government who thinks he gets what he wants. If he had his say, instead of costing $3,400,000,000 a year to run the Government it would cost $34,000,000,000. [Applause.] What is the use of talking about it? All this tommyrot about men coming before our committee and saying the Budget Bureau did not give them what they asked is not worthy of much consideration, because they all say that.

Mr. SCHAFER. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. SCHAFER. The Budget Bureau did not give the Board of Managers of the National Military Homes what they asked and they did not ask a sufficient amount when they asked——

Mr. MADDEN. We do not know whether they did or not.

Mr. SCHAFER (continuing). Thirty-three cents a day to feed the men.

Mr. MADDEN. That is a question which is not before us now. But there is one thing that is always before us. The question before us always is: Are we going to listen to clamor and make appropriations on the basis of it, or are we going to conduct the Government of the United States in an orderly fashion? Are we going to listen to a clerk in some bureau and give his clamor or demand more weight than we give to the President? The President of the United States is the head of the Government; he is responsible for every request that comes before us, and I will always assume that the President will ask for all he needs, but I do not feel bound to give him all he asks even when he asks it.

Mr. KUNZ. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. KUNZ. Does the gentleman know that since there has been a change in procedure in Chicago, whereby the applicant for naturalization must apply to the Naturalization Bureau instead of applying at the offices of the clerks of the different courts, the Naturalization Bureau has gotten 6,000 behind?

Mr. MADDEN. I do not know how many they are behind. I am not here to attend to the business of naturalizing men in order that they may vote the Democratic or Republican ticket, but I am here to attend to the business of the people of the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I ask unanimous consent to proceed for one more minute, in order that I may make another statement.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. KUNZ. I would like to suggest to the gentleman that we ought to give them an opportunity to become naturalized and see that the help is adequate.

Mr. MADDEN. Everywhere within the jurisdiction of the United States the statement is made that it should be the policy of the Government to economize, but everybody here seems to think that nobody pays the bills when we make these appropriations, and so they demand greater appropriations. But you will hear from your constituents about this. Every once in a while I hear from mine and you hear from yours. On the one hand, I will get 1,000 telegrams demanding that a particular activity of the Government be continued and that it must not be curtailed; that it is vital and must be conducted at the highest standard of cost and not at the lowest standard of cost. Efficiency does not count for anything, but it is the cost. Then I will get 100 letters from the same people denouncing me for the extravagant policy of the Appropriations Committee. Then I come in here and try to economize, but you try to override the committee and put anything you want on the bill. Of course, that is your right; but everyone must realize, gentlemen, that all these bills have got to be paid. Who pays them? You pay them, I pay them, and the people pay them. The Government has no money of its own. We have no wellspring from which this money comes except the pockets of the people.

Mr. RAKER. Will the gentleman yield?

Mr. MADDEN. No; what is the use? The gentleman has been talking all the afternoon trying to load the bill up with dollars when I am trying to save them. [Applause.] Now, put on this other amendment and then you will have completed the work.

Mr. ACKERMAN. Mr. Chairman, I just wish to read one paragraph from page 69 of the hearings on this bill:

Mr. SHREVE. Have you statistics covering the number of applications?

Mr. CRIST. Yes, sir.

Mr. SHREVE. And those that have been acted on unfavorably?

Mr. CRIST. Yes; I have that.

Mr. SHREVE. Would you please give us a summary of that?

Mr. CRIST. During the fiscal year ended June 30, 1923, there were 160,968 petitions finally disposed of, of which number 145,084 were admitted to citizenship and 24,884 denied for various reasons.

The committee has not cut down the amount recommended by the Budget. So, according to that statement, there would be nearly 170,000 persons admitted to citizenship in the next fiscal year.

Mr. CABLE. Will the gentleman yield?

Mr. ACKERMAN. Yes.

Mr. CABLE. I just want to call the gentleman's attention to the statement of Mr. Crist on page 81, where he said the whole service had been undermanned; and that is with the present appropriation, and the Budget cuts it down $38,000.

Mr. JOHNSON of Washington. And one thing more: They have lately discovered there 10,000 applications for nunc pro tunc citizenship, the probability being that they are those who can not prove proper entry into this country.

Mr. MADDEN. And 10,000 applicants for jobs every morning.

Mr. JOHNSON of Washington. I am not talking about that. I am trying to tell you how they are trying to make themselves into voters.

Mr. SABATH. Mr. Chairman, I am for economy. I am against appropriating money unnecessarily and am not interested in creating jobs for applicants who might be recognized or appointed by the Republican administration. But I am interested in making it possible for deserving men and women to be naturalized. We hear that the foreign-born people in our country will not naturalize. They are charged with negligence; yes, with indifference. Only a few minutes ago the gentleman from Ohio stated that there were 14,000,000 foreign born in the United States and most of them were not naturalized. I believe that we should afford them an opportunity to become citizens if they are entitled to it, and the only way we can ascertain whether they are entitled to be naturalized is by proper investigation and examination. I am not in favor of making anyone a citizen unless I believe he is deserving of American citizenship.

As to the continuous publicity as to the numbers who are not citizens, I want to say to the gentleman from Ohio and to the other gentlemen that we have in this country 13,713,000 foreign born.

Mr. MADDEN. The other gentleman does not agree with his colleague on this committee, the gentleman from Ohio, who says there are 14,000,000.

Mr. CABLE. Foreign born.

Mr. SABATH. No; these are the actual figures. Of that number 6,479,159 are naturalized; 1,219,057 have first papers, making 7,698,216; leaving a balance of 5,223,715 who are not naturalized. The foreign born who are under 21 years of age number 1,304,034, and the persons whose citizenship is not reported is 790,823, so that the entire number who are not naturalized or who have not made application is only 3,919,681. As the average annual immigration in the last five years has been 165,000, the number of 900,000 for that period must be deducted, as these immigrants can not be as yet naturalized, not having lived here the length of time required under our naturalization laws. With this deduction the number is reduced to 3,019,681, and this includes women.

It matters not how anxious an alien is to become a citizen of our country, due to the many delays to which he is subjected it takes him from six and one-half to seven years. The insufficient help in the bureau, the lack of judges and investigators, together with the recent war are factors which are accountable for thousands upon thousands being delayed years in securing that high privilege. We also must consider that there are thousands who on account of old age and their inability to read and write or speak the English language can not be naturalized. Again, there are others who live in the rural sections of our country or who are employed on the railroads who find it hard to secure witnesses that can vouch for them, as is required by law. There are also large numbers of persons who have not become naturalized because up to a few years ago they had been permitted to vote on mere declaration of intention to become American citizens, or so-called first papers, as in Texas, Indiana, and several other States. We also find a great many who can not be naturalized because their wives are not living in the United States and, on the other hand, they are denied the privilege of sending for their wives because they are not American citizens.

Taking all these conditions into consideration, anyone who is not biased and prejudiced must admit that instead of 7,000,000 unnaturalized, as stated, the gentleman from Ohio will be obliged to concede that the number who are not naturalized and entitled to naturalization is small, and I will wager now that a majority of those are of the older immigration. The figures I have given will justify me in saying that the continuous attacks and charges that the newer immigration is indifferent and not desirous of being naturalized are unwarranted, and are only made to prejudice the minds of the American people against them.

Mr. Chairman, I am making this statement to-day not only for the purpose of securing a larger appropriation for the Bureau of Naturalization but also to show how unfounded are the charges that the newer immigration is indifferent to acquiring American citizenship.

Mr. CABLE. Will the gentleman yield.

Mr. SABATH. Yes; I will yield.

Mr. CABLE. I said that there were 14,000,000 foreign born here and that less than half of them were naturalized.

Mr. SABATH. I have given the figures and will insert in the RECORD the table from which I have quoted.

These figures are taken from the United States Census Report and prove that the gentleman from Ohio is in error when he states that more than half of the 14,000,000 are not naturalized. To stop in the future these charges as to the large number that it is claimed are not naturalized, I am inserting a compiled table giving the correct number.

[From 1920 United States Census Report, Pages 805–886]

Total foreign-born white population		13,712,754
Number naturalized	6,479,159	
Having first papers	1,219,057	
Total		7,698,216
Number unnaturalized		6,014,538
Citizenship not reported		790,823
Aliens under 21, ineligible for naturalization		5,223,715
		1,304,034
Aliens in United States less than 5 years (approximate)		3,919,681
		900,000
Total unnaturalized adult aliens		3,019,681

Mr. Chairman, of the total 3,019,681 unnaturalized aliens who are eligible for citizenship I can approximate that one-half that number are females and about 650,000 Mexicans and Canadians.

Mr. RAKER. Will the gentleman yield for just one question?

Mr. SABATH. Yes.

Mr. RAKER. It is stated here that this is done for the creation of jobs—now, just a moment—it makes no difference whether one is a Democrat or a Republican, all of them are classified under the civil service, are they not?

Mr. SABATH. I believe they are.

Mr. RAKER. That is true.

Mr. SABATH. I really do not know. I know at one time they were not, but I think now they are; but I am not interested in that.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. I ask for two minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Gentlemen, all I desire to bring home to you is this: There is no use to attack the foreign born because they do not naturalize and then go and make it impossible for them to be naturalized by refusing to appropriate for a sufficient number of examiners.

We should afford them all the opportunities we can so that they can be naturalized. I know that is the aim and the ambition of nearly all who can pass the examination to be made a citizen. This small additional amount asked will not cost the Government anything because every dollar that is expended by the Bureau of Naturalization is being collected from those who are being made citizens. The fees we collect are above the amount that it costs to run that department. Consequently there should be no objection on that point. I believe the amendment of the gentleman from Ohio should prevail. [Cries of "Vote!" "Vote!"]

The CHAIRMAN. The ears of the Chair are so attuned that he can not hear the cries of "Vote!" "Vote!" by Members, but he can easily hear a motion to close debate or a motion to amend; therefore gentlemen must not become impatient if the Chair does not obey the cries of "Vote."

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen, the interest of the House in immigration and naturalization was evinced this last week. I take it that no one here wants to impair the naturalization service or in any way to slow up the process of naturalizing aliens who desire to become American citizens. This last year the bureau had a certain amount of money. If you read the hearings it will show that it is the opinion of the responsible officials of the bureau that they did not have enough money last year and that the work was slowed up by reason of that fact.

Now the Bureau of the Budget cut their estimates and cut them between $38,000 and $39,000. I will defy anybody to go through the hearings and show one single instance in justification of the cut below the appropriations for the current year. Commissioner Crisp called attention to the fact that he was cut and that he could not explain it. He said, "I do not know why it has been made; I was not consulted."

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. NEWTON of Minnesota. I will.

Mr. JOHNSON of Washington. This is a most unfortunate thing. The gentleman, named Mr. Crist, is under the director and he has no recourse, and when I asked him to come before the committee this morning he could not get permission to come.

Mr. NEWTON of Minnesota. The bureau was cut $39,000, and he says he was not consulted about it at all. Furthermore, when he appears before the Committee on Appropriations—your committee and ours—he is asked about it and he does not know, but goes on to say, "I can not ask for any additional appropriation beyond what the Director of the Budget has put in, and I therefore do not intend to ask for any more." So under the regulations of this department he is precluded from asking for what he honestly thinks his department is entitled to.

Mr. MADDEN. I would like to correct the gentleman. It is not a regulation of the department; the law prohibits it.

Mr. NEWTON of Minnesota. All right; the law then.

Mr. MADDEN. We ought not to violate the law.

Mr. NEWTON of Minnesota. The gentleman does not mean that we ought never to raise the figures submitted by the Bureau of the Budget.

Mr. MADDEN. The gentleman has given no reason why we should.

Mr. NEWTON of Minnesota. The gentleman has set forth the printed hearings available to every Member and he has set forth the appropriation of last year and called attention to the fact that the hearings do not disclose any reason for the cut.

Mr. SHREVE. The recommendations of the Bureau of the Budget were followed by the commitee, and the Bureau of the Budget followed the recommendation of the President of the United States.

Mr. NEWTON of Minnesota. The gentleman knows that the President of the United States, while theoretically responsible, does not give attention to the items.

Mr. KUNZ. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. KUNZ. Is not this bureau self-sustaining in its operations?

Mr. NEWTON of Minnesota. Yes; and it seems to me that if there is to be a cut or a decrease there ought to be a reason for it in the hearings, and there is none there.

Mr. MADDEN. Mr. Chairman, I move that all debate upon the paragraph and all amendments thereto do now close.

The motion was agreed to.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to have printed in the RECORD a statement from the Department of Labor covering the subject that has just been discussed, showing the number of employees and the amount that has been paid for each year.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in the manner indicated by him. Is there objection?

There was no objection.

The matter referred to is as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, March 13, 1924.

Hon. JOHN E. RAKER,
Representative in Congress, Washington, D. C.

MY DEAR CONGRESSMAN: Your letter of February 22 to the Commissioner of Naturalization was duly received, but it has only been possible at this time to compile the information you requested.

The accompanying statement is made up in response to the questions you have presented in numerical order. I trust you will be able to find from the appended statement the information you desire.

Very truly yours, ROBE CARL WHITE,
Second Assistant Secretary.

(Inclosure.)

1. The number of employees in the Washington office, 89—70 statutory positions; 19 lump-sum employees.

2. There are 11 naturalization districts within the continental United States and Porto Rico. Alaska and Hawaii are not included. At Ellis Island, N. Y., there is a certificate of arrival division directly under the Bureau of Naturalization.

3. Employees in the respective districts are as follows (March 1, 1924):

	Filled	Authorized
Boston	14	14
New York	52	69
Philadelphia	14	18
Washington	14	14
Pittsburgh	25	25
Chicago	37	41
St. Louis	11	14
St. Paul	14	14
Denver	9	9
San Francisco	18	19
Seattle	10	12
Ellis Island	14	23
Total		272

4. The amount of salary paid to each employee, bureau and field service:

Bureau (Washington office)	Annual rate
1 (commissioner)	$4,000
1 (deputy commissioner)	3,250
1	3,000
3	3,500
2	3,000
3	2,500
2	2,400
1	2,340
1	2,300
2	2,200
3	2,100
9	1,800
12	1,600
16	1,400
16	1,200
10	1,000
2	900
1	840
2	720
1	480

Field service	Annual rate
1	4,800
1	4,000
10	3,500
1	3,250
1	3,000
1	2,750
16	2,500
6	2,400
4	2,340
4	2,200
10	2,220
1	2,160
9	2,100
4	2,040
3	1,980
2	1,920
8	1,860
17	1,800
11	1,740
4	1,680
35	1,620
1	1,600
2	1,560
14	1,500
9	1,440
3	1,400
5	1,380
7	1,320
8	1,260
49	1,200
4	1,140
22	1,080
1	960
1	540
3	480
Total	[1] 463,280
Statutory salaries, bureau	97,010
Lump-sum salaries, bureau	49,540
Lump-sum salaries, field	463,280
$240 bonus	68,020
Total salaries, annual rate	677,850

5. The amount of money expended for overhead charges, July 1, 1923, to January 31, 1924:

	Expenditures	Estimated expenditure February 1 to June 30	Total annual
Travel and subsistence	$40,479.08	$41,250.00	$81,729.08
Assistants to clerks of State courts	45,468.23	18,779.99	64,248.22
Rent of quarters	9,212.51	8,245.85	17,458.36
Communication service	1,840.99	9,121.15	15,881.14
Transportation (things)	394.92		
Supplies and materials	4,215.86		
Repairs and alterations	27.09		
Miscellaneous items	137.83		
Witness fees	143.30		
Total	101,919.81	77,396.99	179,316.80

6. Total amount expended, July 1, 1923, to January 31, 1924, fiscal year, 1924:

(a) For salaries (including $240 bonus)	$338,335.33
(b) For overhead	101,919.81

7. The number of employees in the service in 1917 and 1923:

1917	
In bureau at Washington	63
In Field Service	93
Total	150
1923	
In bureau at Washington	85
In Field Service	205
Total	290

8. Expenditures per fiscal year from 1917 to 1923, inclusive:

Fiscal year 1917	
Salaries, bureau (statutory appropriation)	$86,210.00
Salaries, Field Service	165,322.51
Increase of compensation	0.00
Assistants to clerks of United States and State courts	60,741.67
Travel and subsistence	42,672.42
Rent of quarters	4,050.00
Miscellaneous items	2,184.22
Total	361,180.82
Fiscal year 1918	
Salaries, bureau (statutory appropriation)	$89,610.00
Salaries, bureau (lump-sum appropriation)	1,491.18
Salaries, Field Service	177,717.63
Increase of compensation	8,254.07
Assistants to clerks of United States and State courts	61,618.46
Travel and subsistence	46,991.65
Rent of quarters	4,125.02
Miscellaneous items	17,630.12
Total	407,148.13
Fiscal year 1919	
Salaries, bureau (statutory appropriation)	$97,010.00
Salaries, bureau (lump-sum appropriation)	80,439.89
Salaries, field service	359,901.85
Increase of compensation	14,752.67
Assistants to clerks of United States and State courts	58,831.47
Travel and subsistence	109,356.33
Rent of quarters	5,110.00
Miscellaneous items	30,239.21
Total	753,622.42
Fiscal year 1920	
Salaries, bureau (statutory appropriation)	$97,010.00
Salaries, bureau (lump-sum appropriation)	80,880.92
Salaries, field service	297,374.94
Increase of compensation	52,967.01
Assistants to clerks of State courts	60,086.33
Travel and subsistence	95,063.81
Rent of quarters	7,000.00
Miscellaneous items	9,600.00
Total	699,971.61
Fiscal year 1921	
Salaries, bureau (statutory appropriation)	$97,010.00
Salaries, bureau (lump-sum appropriation)	49,712.56
Salaries, field service	308,725.64
Increase of compensation	58,685.98
Assistants to clerks of State courts	76,254.18
Travel and subsistence	80,982.08
Rent of quarters	11,690.00
Miscellaneous items	13,135.54
Total	690,195.98
Fiscal year 1922	
Salaries, bureau (statutory appropriation)	$97,010.00
Salaries, bureau (lump-sum appropriation)	49,986.72
Salaries, field service	319,734.04
Increase of compensation	58,248.58
Assistants to clerks of State courts	76,981.02
Travel and subsistence	69,320.27
Rent of quarters	13,200.00
Communication service	4,229.81
Transportation, things	1,547.14
Materials and supplies	7,553.75
Witness fees	1,231.40
Repairs and alterations	1,002.74
Special and miscellaneous current expenses	125.16
Distinctive paper (naturalization certificates)	3,000.00
Total	703,171.23
Fiscal year, 1923	
Salaries, bureau (statutory appropriation)	$97,010.00
Salaries, bureau (lump sum appropriation)	49,724.90
Salaries, field service	345,680.94
Increase of compensation	60,052.01
Assistants to clerks of State courts	75,602.94
Travel and subsistence	84,474.49
Rent of quarters	9,697.03
Communication service	3,455.06
Transportation, things	1,166.81
Materials and supplies	12,871.39
Witness fees	157.76
Repairs and alterations	549.44
Special and miscellaneous current expenses	221.20
Distinctive paper (naturalization certificates)	6,084.19
Total	746,182.16

[NOTE.—Bureau salaries (statutory appropriation) expenditures are the full amounts of the appropriation as lapses arising from resignations reverts to the Treasury immediately. Such amounts are comparatively small.]

Recapitulation

	Per attached statement	Estimated for July 1, 1924
Salaries, bureau (Washington office)	$146,550.00	
Plus additional amount allowable under $50,000 allotment to bureau, lump sum	460.00	$147,010.00
Salaries, field service	463,280.00	
Less temporary clerks, annual rate, to be dropped by June 30, 1924, and one position at $4,800 to be abolished	15,480.00	447,800.00
Travel and subsistence	81,729.08	
Estimated amount required for next fiscal year		90,000.00
Assistants to clerks of State courts	64,248.22	
Less amount required to carry supreme courts of Kings and New York Counties to March 15, and supreme court Bronx County and common pleas court, Jersey City	50,748.22	13,500.00
Rent of quarters	17,458.36	
Estimated amount required for next fiscal year		20,000.00
Miscellaneous items	15,881.14	
Less emergency purchases of furniture and equipment at New York due to the increase of personnel required in taking over the naturalization work of State courts, etc	5,881.14	10,000.00
Total	789,146.80	738,910.00
Less statutory appropriation		97,010.00
Lump-sum appropriation required for next fiscal year, 1925		641,900.00

[1] See foot note on "Summary of statutory and lump-sum appropriations for balance of present fiscal year."

Mr. CABLE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SABATH. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LOZIER. Mr. Chairman, I desire at this time to express my approval of that portion of the pending bill that appropriates $29,577 to defray our proportionate part of the expense incident to the International Institute of Agriculture. This institute has been of very great value to the agricultural classes not only in the United States but throughout the world. It was conceived and founded by an American citizen, David Lubin, a Polish Jew, who came to America a poor and friendless boy. For a time he worked in a jewelry factory at Attleboro, Mass. Drifting to California and working at odd jobs, he soon accumulated a little fund with which he began his business life as a merchant, dealing largely in overalls, in the sale of which he was brought into close contact with the farmers of California. He studied and learned their problems, and his keen mind was thenceforth very largely dedicated to their welfare. While engaged in fruit growing he conceived the idea of an international congress, whereby the people in each nation might have accurate knowledge as to what the people in other nations were producing. He collected statistics, studied plant and animal life, investigated their diseases, and sought remedies therefor. The farmers of America have received great benefits from the agricultural credit system, but few of them know that we are indebted to David Lubin for this beneficent and helpful policy.

David Lubin was also responsible for the extension of the Parcel Post System to farmers and he was the father of cooperative marketing in America, his system having been patterned after the German "Landwirtschafsrat." No other one person has contributed more for the upbuilding of American agriculture than David Lubin.

For a time he could not interest the United States Government or the agricultural classes of America in his plans for the creation of an International Institute of Agriculture. Many influential people to whom he unfolded his plans considered him an impracticable dreamer. They could not understand or appreciate the importance of the agency which had been conceived in the keen intellect of this far-seeing, future-looking friend of the farmers. Like all great benefactors he lived in advance of his age, seeing to-day what no one else sees but what all people will see and realize to-morrow. But he did not despair and persistently appealed to the nations to establish this institute which in all future generations would effectively and efficiently serve the agricultural classes. In 1904 he obtained the support of King Emanuel of Italy. Then other nations became interested, studied his plans, saw their merit, and accepted his proposals. As a result, in 1905, the International Institute of Agriculture was established by an international treaty to which the United States was a party. Forty nations participated in the first conference. That number has been enlarged until at the present time 62 nations of the world are members of this International Institute, annually make appropriations for its maintenance, and are the beneficiaries of its benevolent accomplishments. The King of Italy donated a splendid home in Rome, Italy, in which the institute is housed, and gave in addition 300,000 lire ($60,000). The institute has developed into the greatest crop-reporting agency in the world.

The United States Department of Agriculture draws heavily upon this institute for statistics and information as to crop production and prices throughout the world, because the institute comes in direct contact with practically every civilized nation in the world. It collects and distributes information relating to the acreage, condition of crops, wheat conditions affecting the harvest, and probable production of the principal agricultural products that enter into international trade. The importance of this information can not be overemphasized. I quote from a bulletin issued by the United States Department of Agriculture:

Markets for the great staples—wheat, cotton, wool—and many other agricultural products are world markets, and prices in these markets are determined by the relation of the world demand to the world supply of such products. Therefore information as to the production of crops and livestock in foreign countries is as important to farmers of the United States as is information about production in this country.

Article 9 of the international treaty creating this institute confines the operation of the institute to an international sphere and provides that it shall:

(a) Collect, study, and publish as promptly as possible statistical and economic information concerning farming, plant and animal products, the trade in agricultural products, and the prices prevailing on the various markets;

(b) Communicate to parties interested, also as promptly as possible, the above information;

(c) Indicate the wages paid for farm work;

(d) Make known new diseases of plants which may appear in any part of the world, showing the territories infected, the progress of the disease, and, if possible, the remedies which are effective.

(e) Study questions concerning agricultural cooperation, insurance, and credit in all their aspects; collect and publish information useful in the various countries for the organization of works connected therewith.

(f) Submit to the approval of governments, if there is need, measures for the protection of the common interests of farmers and for the improvement of their conditions.

By monthly bulletins and annual publications the institute disseminates the great wealth of information it accumulates from time to time and brings home not only to the governments but to the farming classes the agricultural conditions in every land. The 62 nations that have membership in this institute have 97 per cent of the world's population and 96 per cent of its total area.

The real work of the institute did not begin until January, 1909. David Lubin was the first delegate from the United States, having been appointed by President Roosevelt. Time will not permit me to discuss in detail the splendid accomplishments of this international institute, but I am not guilty of making an extravagant statement when I say that the institute has contributed materially to the welfare of the farming classes in every one of the 62 nations by which the institute is sustained. Especially in crop reporting and agricultural statistics the accomplishments of the institute have been very helpful to the American farmers. By these reports and statistics we ascertain the production of foodstuffs in each of the 62 nations. We ascertain the quantity of exportable surplus in each nation. This is important and necessary information, because we are thereby advised as to the competition that our farm products will meet in the great world markets. It is also very important that we should be informed as to crop conditions and the quantity of exportable surplus foodstuffs in other nations. The institute gathers all this data by telegraph from accurate sources, and in turn transmits it to the world. I quote again the Secretary of Agriculture:

When the International Institute of Rome receives its crop condition reports from different countries, it at once telegraphs them to the United States Navy station at Paris. The Navy radiographs the summarized report to Washington, where it is delivered to the United States Department of Agriculture. The department releases it to the press simultaneously from Washington and from various State offices throughout the country. At 5 o'clock on the day of arrival at Washington from the institute in Rome, information is also broadcast by radio from the Department of Agriculture, and all farmers having radio-receiving sets may listen in. In this way the reports from the International Institute of Agriculture are given wide distribution throughout farm and commercial centers in the United States.

Since I became a Member of this body I have missed no opportunity to emphasize the importance of enlarging our export markets for farm production, because I believe that the two big things the farmer needs are enlarged markets and better prices for his commodities. The International Institute of Agriculture is helping materially to accomplish these results. In the language of the Department of Agriculture—

Its purpose is to afford farmers and all concerned in the production, distribution, and marketing of agricultural staples with rapid, continuous, reliable, and impartial data on the factors which determine the formation of the prices of the staples on the world's markets, and to act as a world clearing house for information on economic, scientific, and technical problems as they affect the great industry of agriculture.

May I add in conclusion that wheat and corn are practically imperishable food products of which there has never been an overproduction. I mean by this that somewhere in the world there has at all times been a hungry mouth for every pound of foodstuff produced in the world. It is not so much a question of overproduction as faulty or inadequate facilities for

transporting our food supplies to the people who need and want them. So instead of sitting up at nights, planning and scheming to reduce production, we should sit up at night and plan and scheme to increase the transportation facilities to carry our farm products to the nations that need them. By improving our internal and external transportation facilities we automatically enlarge our markets and stimulate the demands for our surplus production. The great question, therefore, is not to radically limit production, but to radically enlarge our transportation system to carry our farm commodities at low rates to foreign lands to the end that we may be able to invade and appropriate the world markets. By this plan we will substantially increase the wealth of our agricultural classes, materially aid in satisfying the age-long hunger of mankind, and definitely establish our supremacy and preeminence in the production of grain and other foodstuffs.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. CABLE) there were—ayes 13, noes 65.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. SHREVE. Mr. Chairman, there was one paragraph as to which unanimous consent was granted to return for the purpose of offering an amendment.

The CHAIRMAN. On page 35, lines 4 to 11. This paragraph was passed over with permission to return to it at any time, with an amendment pending, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. OLIVER of Alabama: Page 35, line 11, after the word "Columbia," strike out the period, insert a colon, and add the following: "*Provided*, That the amount paid as compensation out of the funds herein appropriated to any person employed hereunder shall not exceed $10,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The paragraph referred to and just amended, is as follows:

For assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and for payment of foreign counsel employed by the Attorney General in special cases (such counsel shall not be required to take oath of office in accordance with section 366, Revised Statutes of the United States), $840,000, to be available for expenditure in the District of Columbia.

Mr. SHREVE. Mr. Chairman, I move that the committee do now rise and report the bill to the House, with the amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 8350) making appropriations for the Departments of State and Commerce and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SHREVE. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded upon any amendment? [After a pause.] If not, the Chair will put the amendments en grosse. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SHREVE, a motion to reconsider the vote by which the bill was passed was laid on the table.

DROUGHT-STRICKEN FARM AREAS OF NEW MEXICO

Mr. HAUGEN. Mr. Speaker, I submit a conference report on Senate Joint Resolution 52, for the relief of the drought-stricken farm areas of New Mexico, for printing under the rules.

WITHDRAWAL OF PAPERS

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to withdraw from the files of the House papers in connection with the bill, H. R. 13479, a bill introduced by myself in the Sixty-fourth Congress, there being no adverse report thereon.

The SPEAKER. Is there objection?

There was no objection.

ADDITIONAL APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE

Mr. MADDEN, by direction of the Committee on Appropriations, reported House Joint Resolution No. 247 (Rept. No. 533), making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925, which was read a first and second time and with the accompanying report referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. GARRETT of Tennessee. Mr. Speaker, I reserve all points of order.

The SPEAKER. The gentleman from Tennessee reserves all points of order.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to proceed for one minute to make a statement.

The SPEAKER. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Speaker, this report just filed is in connection with an application for $1,500,000 to meet an emergency which has arisen in California due to the prevalence of the foot-and-mouth disease in cattle. Some time ago this disease broke out in three or four counties in California and a million dollars was appropriated. That million dollars has been exhausted. The disease was eradicated in the location where it first broke out, but it jumped over about 100 miles, I believe, and broke out in another section of the State. There were 22,000 cattle which have recently been affected and which have had to be killed and buried in quicklime in order to prevent a further spread of the disease. This is a great emergency. The money they have had is exhausted, and I expect to ask unanimous consent to-morrow to call this resolution up for consideration, and that is why I asked permission to make this statement to-night.

FOREIGN MARKETS FOR AMERICAN FARM PRODUCTS

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill H. R. 7111, the Ketcham bill?

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none.

Mr. LOZIER. Mr. Speaker, the pending bill is designed to promote American agriculture by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries, and in promoting the sale of farm products abroad, to the end that the American farmers may adjust their operations and practices to better meet world conditions, and, in short, to open up new world markets for our agricultural products. This bill has the indorsement of practically all of the national farm organizations. The operations under this bill are to be in cooperation with American producers and farm organizations, associations, departments of Government, the primary object being to extend and strengthen the demand for agricultural products abroad. This bill, if properly administered, should open up new markets and create new demands for our grain and meat products. It contemplates establishing trade relations with nations and countries that heretofore have not bought our farm products. We need markets. New markets mean increased demands and better prices. Somewhere in the civilized world there is a hungry mouth for every peck of grain we grow and for every pound of our meat we produce. There is no surplus of wheat or foodstuffs in the world and there never has been. The problem is one of transportation—getting the foodstuffs to the people who need and want them. This bill looks to the future. Behind it is the unanimous recommendation of the Committee on Agriculture, the State Department, Department of Agriculture, and Department of Commerce. It is a sensible and wholesome measure and should receive the vote of every Member of this House.

INJUNCTIONS

Mr. WEFALD. Mr. Speaker, I ask unanimous consent to print in the RECORD an address delivered by Senator SHIPSTEAD, of Minnesota, upon the question of injunctions in labor disputes?

The SPEAKER. The gentleman from Minnesota asks unanimous consent to print in the RECORD an address delivered by Senator SHIPSTEAD on injunctions in labor disputes. Is there objection? [After a pause.] The Chair hears none.

Mr. WEFALD. Mr. Speaker, under leave granted to extend my remarks, I insert in the RECORD an address delivered by the Hon. HENRIK SHIPSTEAD, United States Senator from Minnesota, delivered at the Forty-first Annual Convention of the Illinois State Federation of Labor, September 10, 1923, which is as follows:

Senator SHIPSTEAD. Mr. Chairman, delegates of the Illinois State Federation of Labor, and visitors, when President Walker said he had asked me to appear before this convention for the purpose of discussing some of the things I consider to be a danger in the path of the future welfare of America, the idea came to me that possibly he asked me to come here for another purpose this morning. He may have known that I did not attend church yesterday morning, and so he asked me to come over here to have the benefit of the very wonderful and beautiful sermon that he preached here. And I am very glad to have heard that sermon. I appreciate very highly the honor you conferred upon me when you asked me to come here this morning for the purpose of discussing the so-called government by injunction that is gradually and persistently displacing government by law.

The history of America, past and future, is a history of the common people. When this Government was founded the people reserved to themselves certain rights that they said even the Government could not take away from them. Our forefathers when they founded this Government said a good deal about the rights of the people; and these rights were reserved to the people themselves in the so-called Bill of Rights, the first amendment to the Constitution, and these rights were, in short, the right to peaceably assemble, freedom of speech, freedom of press, and religious liberty.

It was the intention that this Government should be a government by law. Within recent years we have gradually drifted away from a government by law to a government by an individual, according to the will and pleasure and conscience of a man, the so-called government by equity courts through their power to issue restraining orders or injunctions.

I know there has been and is being persistently spread all over the United States a propaganda that we, the people, have no right to criticize the action of a judge sitting on the bench, and the condemnation of us when we so criticize is based on the assumption that a judge sitting on the bench has an infallible conscience and can do no wrong.

That idea has been handed down to us from the distant past when we had kings that were supposed to rule by divine power, and therefore had an infallible conscience and could do no wrong. But people learned by bitter experience that the king was only a human being and that his conscience and his judgment were subject to error. And so humanity out of dire necessity found it necessary to curb the power of the king, and I believe the American people will find it necessary—and they are gradually beginning to see it more clearly, that if the rights of the people of America are to be preserved, the assumed rights of equity courts to violate the Constitution must be curbed, and the only people in America who can curb these courts and restore government by law are the common people, because the foundation of government by law and American institutions rests upon the common people of America.

We have very good precedent from that point of view. I want to call attention to and quote from some speeches made by the great emancipator, your former statesman and neighbor in Illinois, Abraham Lincoln, who, in that great controversy that surged around the Supreme Court's decision before the Civil War, when the Supreme Court of the United States had been packed with judges because they held a certain point of view, came into prominence and laid the foundation of his political life.

We find in his campaign against those decisions of the Supreme Court, particularly that decision that they made when they denied the right of Congress to prevent the extensions of slavery into free territory, the Dred Scott decision, that Lincoln was very viciously attacked because he presumed to point out how the Supreme Court had violated the Constitution, how they had usurped to themselves the power to rule over the people in disregard to the will of the people and the provisions of the Constitution.

I want to quote to you from several of his speeches, in order that you and I together may start out from the premises of the point of view of Abraham Lincoln. I think that is good authority, that it is a good foundation upon which to stand. In a speech in Cincinnati on September 17, 1859, he made a statement that is very clear, a statement that every boy and girl attending school in the United States should read. It is very apropos of the times, because it shows who Lincoln believed was master in the United States. In that speech he said:

> "The people of these United States are the rightful masters of both Congress and courts, not to overthrow the Constitution but to overthrow the men who pervert the Constitution."

Lincoln believed that the Dred Scott decision was a misinterpretation of the Constitution and that every proper means should be used to induce the court to overrule it whenever a similar case should be presented to the court.

In a speech in Chicago, June 10, 1858, he said:

> "If I were a Member of Congress and a vote should come upon the question of whether slavery should be prohibited in a new territory, in spite of the Dred Scott decision, I would vote that it should. We mean to have the court decide the other way. The sacredness that Judge Douglas throws around this decision is a degree of sacredness that has never before been thrown around any decision. I have never heard of such a thing."

That shows that Abraham Lincoln did not believe the decision of a court was infallible, and if such a decision violated the provisions of the Constitution that the people have a right to deny it as a political rule and endeavor to have the decision reversed. At Quincy, Ill., October 13, 1858, Lincoln said:

> "We do not propose that when Dred Scott has been decided a slave by the court, we as a mob will decide to free him. We propose so resisting it as to have it reversed if we can and a new judicial rule established upon this subject."

I want to go into the history this morning, for a few minutes, of the so-called restraining order and injunction, to show where it originated, how it came to America, where it came from, where it was first used in America, and what time it became a weapon in the hands of those who are doing away with government by law and using it for the purpose of overthrowing government by law and to oppress labor.

As far back as 500 B. C. the plebeians of Rome found it necessary to elect annually two tribunes with extraordinary powers, to curb the political and economic oppression of the plebeians by the Romans. These tribunes had the power to say "I forbid," if appealed to in a judicial or legislative proceeding. And from that decision there was no appeal. But with the fall of the Roman Republic and the establishment of the Roman Empire the institution of the tribune was abolished.

In the tenth century we find it bobbing up again in England. Up until that time controversies had always been decided by the King in the absence of a constitutional law; but in controversies over property, where there was no remedy at law, the King could take jurisdiction and decide the questions at issue according to the dictates of his own conscience, on the assumption that his conscience was infallible, that he could do no wrong, because he ruled by divine right.

But the King was so busy a large part of the time drinking beer, hunting, and other things that he did not want to be bothered with these controversies that required the issuing of injunctions, and so he appointed a chancellor to take his place, and left in the care of this chancellor his conscience. And when the chancellor was appealed to in a controversy he would consult the king's conscience to find out what he said should be done, and render decisions accordingly.

In order to expedite business it was sometimes found necessary to appoint more than one chancellor, and these chancellors would interpret the king's conscience in accordance with their different points of view, and so their decisions would conflict. As keeper of the king's conscience and the great seal, with authority to issue mandatory write and injunctions, it was natural that the Lord Chancellor should gradually assume the functions and character of a judge holding distinct and independent court from the courts of common or statutory law.

The court of chancery takes its name from the fact that the first court of its kind was presided over by a chancellor. Some people seem to have the idea that it was called a chancery court because people take a chance when they appeal to its decisions. It is natural that a court or chancellor sitting on the bench taking jurisdiction in controversies where there is no adequate remedy at law, or could not be handled by the so-called law courts, should gradually take to himself the functions of a separate and individual court as distinct from courts of laws, and so it gradually came to be called a chancery court.

This institution was in the beginning used to protect the poor and weak against the strong and rich. Lord Ellsmere, who served under Queen Elizabeth, said, in describing his court and its functions: "It is the refuge of the poor and afflicted. It is the altar and sanctuary for such as against the might of rich men and the countenance of great men can not maintain the goodness of their cause and the truth of their title."

It became the basic principles of the British chancery or equity courts that: "It was to be exercised for the property rights only," since "he who would seek its aid must come with clean hands; there must be no adequate remedy at law; it must not be used to punish crime; it must never be used to curtail personal rights." Thus we see what was the origin and purpose of the court of equity.

That is why we are particularly interested in it, because at this time equity courts are using those powers to curb the personal rights of individuals, particularly labor, in the United States.

To go into the history of the origin and the original purpose of the so-called courts of equity: When the English Colonies were established in America the colonists brought over with them the English common law and the English judicial procedure. When the American Government was founded, there being no king with an infallible conscience to leave in the custody of a chancellor appointed by him, the

Constitution provided that the "people's conscience" should be vested in a judge sitting in an equity court to take jurisdiction where there was no adequate remedy at law.

I want to call this particularly to your attention, because Lord Birkenhead, of England, last week in Minneapolis, where he was attending the meeting of the American Bar Association, said a very significant thing. He was quoted in the newspapers as saying that the "English people had never permitted their free will to be shackled by a judicial oligarchy as the American people had." And it seems to me, my fellow citizens, that when we become so reactionary that we are too reactionary for an English lord, it is time for us to sit up and take notice.

Up to 1888 there were many controversies involving capital and labor in America, but they were settled before a court and jury. It was not until 1888 that equity courts took jurisdiction restricting the rights of individuals, and it was not until 1891 that a Federal court undertook to prevent groups from doing what they could do individually. From that time the courts have, upon gradually less and less provocation, and more and more frequently, taken jurisdiction away from courts of law and have used the restraining order to curtail the rights of American citizens that have been guaranteed them under the Constitution.

And that I consider one of the greatest dangers to a government by law. One judge's "conscience" will not permit him to issue an injunction when requested to do so by an employer because of his conviction that it would abrogate the wage earner's constitutional rights; that it would inflict a grave injustice; that it would permit his court to be used by an employer as an additional and weighty club with which to beat down labor.

Another equity judge becomes a partisan of the employers, and his "conscience" permits him to shackle labor's hands during an industrial dispute. He issues his injunctions, commanding the wage earners to refrain from certain acts and carrying out certain policies for their self-preservation, which the employees have an unquestioned right to do and enjoy without legal or judicial interference.

An interesting case was the Wonderland Theater case, in Minneapolis. The theater had discharged its union employees and employed nonunionists in their places. Trade-unions were restrained from conducting a boycott they had instituted. The court granted the injunction on the assumption that their action violated the State anti-injunction law in restraint of trade. The Minneapolis Labor Review was enjoined from printing the fact that this theater was unfair to labor. The editor of the Labor Review continued to print the fact that this theater was unfair to labor. He was haled before a judge and sentenced to jail.

Over in St. Paul—about 15 minutes' ride away—there was another case, but it was not on labor's side. The employers, bankers, and manufacturers of that city had been federated into the Citizens' Alliance for the purpose of conducting an open-shop campaign. A firm of employing plumbers, Delaney Bros., refused to put an "open-shop" card in their window. The employers called a boycott on Delaney Bros. Delaney Bros. went into court and asked for an injunction to restrain the Citizens' Alliance from conducting this boycott. The court refused to grant this injunction and said the Citizens' Alliance had a perfect right, as individuals, to sever business relations with Delaney Bros.; and having the right as individuals, two or more of them could also do the same thing.

Here we have, within 15 minutes' ride, two courts finding their "conscience" two entirely different things. In one case they were applied to labor and in the other to the employers. The conflict created by these un-American, unconstitutional judicial acts was eloquently and forcefully described by United States Circuit Judge Caldwell in the case of Hopkins against Oxley Stave Co., when he said:

"English history is replete with examples showing that the King and his dependent and servile judges have subverted the rights and liberties of the English people but for the good sense of the English juries. It is the verdict of juries and not the opinion of judges that the English people are chiefly indebted to for some of their precious rights and liberties.

"On the other hand, when laborers combine to maintain or raise their wages or otherwise better their conditions, or to protect themselves from oppression, or to attempt to overcome competition with their labor or the products of their labor, in order that they may continue to have employment and life, their action, however open, peaceful, and orderly, is branded as a conspiracy when done by labor."

What is called conspiracy when done by labor is called competition when done by the employer. They can not help knowing that organized capital is not so restricted; and when treatment apparently so unfair and discriminating is administered through the instrumentality of a court, the resulting discontent and resentment of employees are invariably intensified because the law itself seems to have gone wrong and, in some unaccountable manner, to have taken sides against them.

The various conflicting decisions referred to—and there are many, many more of the same character—prove conclusively that business men and wage earners are not considered equal before many courts of equity. As citizens of America they have equal rights under the Constitution, but as soon as these equal rights clash the civil rights of the employer are upheld and the civil rights of the wage earner are denied. No greater proof for creating class distinctions can be offered. Unscrupulously, certain injunction judges have laid the axe on the very roots of constitutional liberty in the Republic.

The constant encroachment of equity courts upon the province of the courts of law constitutes one of the gravest dangers to a government by law. Government by injunction is not government by law; it is government according to the will and pleasure or conscience of a man. Government by law is a government by the people; government by injunction is government by an autocrat.

If a man violates an injunction, he is guilty of contempt of court; he is haled before a judge who becomes a judge, jury, and executioner. The method and the idea are the same as in the old days of the king; they are both based on the assumption that the king had an infallible conscience and could do no wrong, and the same applies to the equity courts in America.

As I said in the beginning, the people in time found the king was only a human being, that his conscience and judgment were subject to error the same as other individuals; and here in America, if we are to preserve the rights of the people guaranteed under the Constitution, we must come to the conclusion—and the sooner the better—that the judge sitting in a court is also a human being whose judgment and conscience are subject to error—the same as all other human beings—and that the rights that have been reserved to the people themselves in the Constitution can not be taken away from them by so-called courts of equity.

As government by injunction advances and takes the place of government by law, government by law passes away, and then we go back to government by an individual, government by an autocrat. It is an un-American institution and it is an institution that goes back to the Middle Ages. It has no business on American soil.

There is one other thing I want to call your attention to that is involved in this government by injunction, and this is that labor—the power of a human being to labor—is a commodity, and as such has no more than equal rights with capital before the law. Since the overriding of the provisions of the Clayton Act by the courts the laboring man now stands before the law as a commodity, and his power to labor as a piece of property. That idea is involved in the question and the decision of the American people, whether we shall decide finally and for all time, whether or not America shall go back to the Middle Ages and the laboring man back to serfdom, or whether America shall be permitted to carry out her historic mission in the world, that this shall be a place where the golden rule shall be expressed in government, or whether we shall drift back to a government by an autocrat, a government by a man instead of a government by law.

Now, what is a piece of property? According to the dictionary a piece of property is something you can receive from some one as a gift, you can sell it and give title to it, you can bequeath it to your heirs. And this being so, can we make the labor of a human being a piece of property that can be put on the auction block and sold to the highest bidder?

What made the individual slave so valuable to the owner was the fact that he had the power to labor. The Good Book says that when the Lord created the earth He labored for six days, and on the seventh day He rested, and there is nothing to show that He ever labored since. But when He created man He placed in the heart and soul of man an infinite part of Himself. He gave unto that human being the power to labor with hand and brain to create things in order that the scheme of creation could go on, and that scheme of creation has been going on down all the pages of history.

In my time I have seen more miracles than were ever discovered in Holy Writ. The turbine engine, the telephone, the telegraph, the radio, the skyscraper; all these were created by man through the power given him by his Creator. And this thing that man has received from his Creator those who exploit labor would make a piece of property to be sold on the auction block. It can not be sold without selling the body of the laborer. It is inseparable from the body of the laborer. You can not receive it from your forefathers, you can not give it to a friend, you can not leave it to your heirs. It is an attribute of life received by the human being at birth and it goes back at death to Him who gave it, and he who would make of human labor a piece of property would buy and sell his Creator.

And the decision of this question whether the power of a human being to labor shall be finally and conclusively decided to be a piece of property will determine whether men and women in America shall be free men and women, upholding America's historic mission showing all the world that the people themselves have the right and the intelligence to own a government itself, to use it for the purpose for

which this Government was intended to be used, to promote the public welfare, to promote the happiness of the people and to protect and guard the rights of the people guaranteed them in the Constitution and in the Bill of Rights.

Upon whether or not we shall be able as citizens to decide this question from the point of view our forefathers decided it will depend whether America shall go back to be a government by the people, or whether we shall finally drift to become a government by judicial conscience and consolidated money power.

AMERICA'S SECOND DECLARATION OF INDEPENDENCE

Mr. VAILE. Under the general leave granted to extend remarks on the pending immigration bill I desire to insert in the RECORD a brief but admirable speech by Mr. JOHNSON of Washington, chairman of the House Committee on Immigration and Naturalization and author of the immigration restriction bill, delivered on Friday, April 18, before the annual congress of the Daughters of the American Revolution. This speech is a clear and ringing American statement fitly setting forth what I believe, and what a majority of the Congress of the United States believes, to be the true attitude of the American people. Mr. JOHNSON's speech is as follows:

Madame President and Daughters of the American Revolution: The Congress of the United States is this very day passing a restrictive immigration act, under the terms of which the United States ends forever the idea that it is the asylum for the oppressed of the world. This step has become necessary. We are about to require examination of immigrants overseas. This is to end misery and hardships, and is also for the welfare of the United States. We are about to reconstruct Ellis Island. This is an effort to give the limited number who may come under our 2 per cent of 1890 quota act a little better reception at the front door than others have received in the past.

We are about to end an arrangement which is not part of a treaty and which has caused endless misunderstanding between our people and those of a friendly nation in the Far East. We are *not* abrogating a treaty. If we desired to do that, our Government would give the required six months' notice. By the agreement our immigration from Japan is regulated by Japan. It is our sovereign right to regulate immigration to our shores. Our right to say who shall live among us and be of us has been challenged, and our Nation has been threatened with "grave consequences." I say to you that *no nation can or will compromise its sovereignty.* This Nation, born of the deeds of your ancestors, will never do that. To do so is to invite war. Not to compromise is to prevent war. It is the pride of our country that on great national issues the Congress of the United States has always abandoned party lines and risen to patriotic heights. It is our hope that the Congress always will. I know that Congress always will if the character and genius of those who founded this country is not overwhelmed.

Our new immigration law is written for all who are now within the United States, for all who come under the protection of our great Constitution, which begins with the magnificent words of the preamble, "We the people of the United States"—people, not citizens. We are all the children of immigrants, and our new immigration bill as written makes it clear that it makes no difference whether our ancestors came on the *Mayflower* or whether they missed the first boat.

Now that real restrictive immigration legislation is assured, our next step is the development of real Americanization. It is our duty to reach out to every last person in the United States of whatever race, to take him by the hand and let him know by word and deed that we are for him and that he must be for us. I congratulate the Daughters of the American Revolution on the work done along these humane and patriotic lines.

Madame President and ladies, our new immigration legislation, passed by decisive votes in each House, is America's second declaration of independence.

LEAVE OF ABSENCE

By unanimous consent, Mr. DOYLE was granted leave of absence for three days on account of important business.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.) the House adjourned until to-morrow, Saturday, April 19, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

439. A letter from the chairman of the Interstate Commerce Commission, transmitting a report of the operation of the railroad equipment act, approved March 3, 1923, for the year ending December 31, 1923; to the Committee on Interstate and Foreign Commerce.

440. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to authorize certain officers of the United States Marine Corps to accept from the Republic of Haiti the medal for distinguished service; to the Committee on Foreign Affairs.

441. A letter from the general secretary of the Near East Relief, transmitting report for the year ending December 31, 1923, consisting of reports for the calendar year 1923 by the executive committee, treasurer, auditor, general secretary, overseas observers, and officers and members who have served on the board of trustees; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. ELLIOTT: Committee on the Territories. H. R. 4825. A bill for the establishment of industrial schools for Alaskan native children; with amendments (Rept. No. 528). Referred to the Committee of the Whole House on the state of the Union.

Mr. BRITTEN: Committee on Naval Affairs. H. R. 8732. A bill to authorize the disposition of lands no longer needed, and the acquisition of other lands required, for naval purposes; without amendment (Rept. No. 529). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. J. Res. 229. A joint resolution authorizing the Secretary of Agriculture to purchase and distribute suitable medals to be awarded to exhibitors winning first and championship prizes at the twenty-fifth anniversary show of the International Livestock Exposition of Chicago, Ill.; without amendment (Rept. No. 531). Referred to the Committee of the Whole House on the state of the Union.

Mr. MADDEN: Committee on Appropriations. H. J. Res. 247. A joint resolution making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925; without amendment (Rept. No. 533). Referred to the Committee of the Whole House on the state of the Union.

Mr. CURRY: Committee on the Territories. H. J. Res. 60. A joint resolution authorizing the improvement of the system of overland communications on the Seward Peninsula, Alaska; without amendment (Rept. No. 530). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6387) granting a pension to Mary A. Johnson; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 8675) granting an increase of pension to Mary Ann Mathewson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DREWRY: A bill (H. R. 8753) to authorize the acquisition of a site and the erection thereon of a Federal building at Chase City, Va.; to the Committee on Public Buildings and Grounds.

By Mr. NEWTON of Minnesota: A bill (H. R. 8754) to amend section 206 of the transportation act, 1920, approved February 28, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. BURTON: A resolution (H. Res. 263) providing for expenses incurred in the Harding memorial exercises; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEERS: A bill (H. R. 8755) granting a pension to Mary L. Peck; to the Committee on Invalid Pensions.

By Mr. BROWNE of Wisconsin: A bill (H. R. 8756) granting

By Mr. CABLE: A bill (H. R. 8757) authorizing the appointment of Kenneth Little as an Infantry officer, United States Army; to the Committee on Military Affairs.

By Mr. CLARK of Florida: A bill (H. R. 8758) to require the Secretary of War to cause to be made a survey for a canal from Cumberland Sound to or near the mouth of the Mississippi River, and to make full and complete report to Congress of the most feasible route and cost of construction; to the Committee on Rivers and Harbors.

By Mr. DOYLE: A bill (H. R. 8759) for the relief of Frank Martin; to the Committee on Claims.

By Mr. FOSTER: A bill (H. R. 8760) granting an increase of pension to Annie C. Frazee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8761) granting an increase of pension to Rebecca Murray; to the Committee on Invalid Pensions.

By Mr. FREDERICKS: A bill (H. R. 8762) granting a pension to Sarah A. Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8763) granting a pension to Elmer Ware; to the Committee on Pensions.

By Mr. GIBSON: A bill (H. R. 8764) granting an increase of pension to Lurettie L. Morse; to the Committee on Invalid Pensions.

By Mr. HAWES: A bill (H. R. 8765) granting an increase of pension to Daniel McDonald; to the Committee on Pensions.

Also, a bill (H. R. 8766) granting an increase of pension to Patience A. Karnes; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 8767) granting an increase of pension to Rosaline E. Palmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8768) granting an increase of pension to Gerutia C. McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8769) granting an increase of pension to Isabell Congo; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8770) granting an increase of pension to Harriet Donohue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8771) granting an increase of pension to Sarah P. Deem; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 8772) granting a pension to Kate Irwin; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 8773) granting a pension to Augusta Chapman; to the Committee on Invalid Pensions.

By Mr. KELLY: A bill (H. R. 8774) to place the name of Edgar B. Ernst upon the retired roll of the United States Army; to the Committee on Military Affairs.

By Mr. LYON: A bill (H. R. 8775) authorizing the Secretary of War to make a survey of Elizabeth River, N. C.; to the Committee on Rivers and Harbors.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 8776) for the relief of Joseph W. Jones; to the Committee on Military Affairs.

By Mr. RAINEY: A bill (H. R. 8777) granting a pension to Lucinda Belle Burbridge; to the Committee on Invalid Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 8778) for the relief of Wynona A. Dixon; to the Committee on Claims.

Also, a bill (H. R. 8779) for the relief of Clarence Cleghorn; to the Committee on Claims.

By Mr. THOMAS of Oklahoma: A bill (H. R. 8780) for the relief of J. G. Mitchell; to the Committee on Claims.

Also, a bill (H. R. 8781) for the relief of H. D. Ingraham; to the Committee on Claims.

Also, a bill (H. R. 8782) for the relief of Anna Beaver; to the Committee on Claims.

Also, a bill (H. R. 8783) for the relief of John H. Ledgerwood; to the Committee on Claims.

Also, a bill (H. R. 8784) for the relief of C. J. Aurell; to the Committee on Claims.

Also, a bill (H. R. 8785) for the relief of S. J. Coffey; to the Committee on Claims.

Also, a bill (H. R. 8786) for the relief of Mrs. C. E. Bear; to the Committee on Claims.

Also, a bill (H. R. 8787) for the relief of Date Crabtree; to the Committee on Claims.

Also, a bill (H. R. 8788) for the relief of Joe Jacobson; to the Committee on Claims.

Also, a bill (H. R. 8789) for the relief of W. Garvin; to the Committee on Claims.

Also, a bill (H. R. 8790) for the relief of Dr. L. C. Knee; to the Committee on Claims.

Also, a bill (H. R. 8791) for the relief of Charles Fuson and J. E. Fuson; to the Committee on Claims.

Also, a bill (H. R. 8792) for the relief of Mrs. E. C. Swisher; to the Committee on Claims.

Also, a bill (H. R. 8793) for the relief of Ada Hammond and O. W. Northrup, partners; to the Committee on Claims.

Also, a bill (H. R. 8794) for the relief of Julia H. Burns; to the Committee on Claims.

Also, a bill (H. R. 8795) for the relief of E. L. Shanklin and E. L. Kelly, partners; to the Committee on Claims.

Also, a bill (H. R. 8796) for the relief of Mary E. Wooten; to the Committee on Claims.

Also, a bill (H. R. 8797) for the relief of Hannah Beaver; to the Committee on Claims.

By Mr. WILLIAMS of Illinois: A bill (H. R. 8798) granting a pension to Stella M. Webster; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2453. By Mr. BACHARACH: Petitions of numerous citizens and residents of Atlantic, Burlington, Cape May, and Cumberland Counties, N. J., protesting against sundry bills to amend the Federal prohibition act to legalize 2.75 per cent beer; to the Committee on the Judiciary.

2454. By Mr. COOPER of Wisconsin: Petition of officers and members of Morris Camp, No. 7, United Spanish War Veterans, Beloit, Wis., urging passage of the Bursum bill, S. 5; to the Committee on Invalid Pensions.

2455. Also, petition of members of Bancroft Auxiliary, United States War Veterans, Racine, Wis., urging passage of H. R. 5934, to pension soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition; to the Committee on Pensions.

2456. By Mr. GALLIVAN: Petition of John H. Putnam, 24 Thornton Park, Winthrop, Mass., and others, recommending favorable consideration of the Dill radio bill; to the Committee on the Merchant Marine and Fisheries.

2457. Also, petition of the Boston Association of Retail Druggists (Inc.), Boston, Mass., protesting against enactment of H. R. 6645, which proposes to place the supervision of industrial alcohol under the prohibition enforcement officers; to the Committee on the Judiciary.

2458. Also, petition of Mrs. E. Lynch, 7 Rozella Street, Dorchester, Mass., recommending favorable consideration of the Dill radio bill; to the Committee on the Merchant Marine and Fisheries.

2459. By Mr. GIBSON: Petition of 130 voters of the town of Derby Line, Vt., protesting against proposed legislation to modify the Volstead law and legalize 2.75 beer; to the Committee on the Judiciary.

2460. Also, petition of officers of the Woman's Christian Temperance Union of Bristol, Vt., protesting against proposed changes in the Volstead Act; to the Committee on the Judiciary.

2461. Also, petition of officers of the Woman's Christian Temperance Union of Rochester, Vt., protesting against legalizing of beer and legislation to weaken the prohibition act; to the Committee on the Judiciary.

2462. Also, petition of 36 citizens of Plainfield, Vt., protesting against legalizing of beer and against bills that propose to weaken the Federal prohibition act; to the Committee on the Judiciary.

2463. Also, petition of the secretary of the Woman's Christian Temperance Union of Windsor, Vt., protesting against modification of the Volstead law and legalizing beer; to the Committee on the Judiciary.

2464. Also, petition of the president of the Woman's Christian Temperance Union of Vermont, protesting against legalizing beer and a modification of the Volstead Act; to the Committee on the Judiciary.

2465. By Mr. MORROW: Petition of the Chamber of Commerce of East Las Vegas, N. Mex., Thomas A. Johnson, president, favoring the recommendation of the War Department for appropriations for the fiscal year of 1925; to the Committee on Appropriations.

2466. By Mr. PATTERSON: Petition of 110 residents of Westville, N. J., protesting against legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2467. Also, petition of 33 residents of Penns Grove, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2468. Also, petition of 103 residents of Blackwood, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2469. Also, petition of 76 residents of Newfield, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2470. Also, petition of 35 residents of Almonesson, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2471. Also, petition of 120 residents of Swedesboro, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2472. Also, petition of 261 residents of Woodstown, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2473. By Mr. ROGERS of Massachusetts: Petition of the foreign-trade committee of the Illinois Manufacturers' Association, favoring H. R. 6357 and H. R. 4517; to the Committee on Foreign Affairs.

2474. By Mr. SITES: Papers to accompany H. R. 8750, granting an increase of pension to Mary A. Bowman; to the Committee on Invalid Pensions.

2475. By Mr. WILLIAMS of Michigan: Petitions of the South Albion Women's Club, Albion, Mich., commending work of special commission on narcotics, and favoring appropriation for sending representatives to forthcoming international conference; to the Committee on Foreign Affairs.

SENATE

SATURDAY, *April 19, 1924*

(Legislative day of Thursday, April 10, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fess	Ladd	Sheppard
Ball	Fletcher	Lodge	Shields
Bayard	Frazier	McKellar	Shipstead
Borah	George	McKinley	Shortridge
Brandegee	Gerry	McLean	Simmons
Brookhart	Glass	McNary	Smith
Broussard	Gooding	Mayfield	Smoot
Bursum	Hale	Moses	Stanfield
Cameron	Harris	Neely	Stephens
Capper	Harrison	Norbeck	Sterling
Caraway	Heflin	Norris	Swanson
Colt	Howell	Oddie	Trammell
Curtis	Johnson, Calif.	Overman	Walsh, Mass.
Dale	Johnson, Minn.	Phipps	Walsh, Mont.
Dial	Jones, Wash.	Pittman	Warren
Dill	Kendrick	Ralston	Watson
Ernst	Keyes	Reed, Pa.	Willis
Ferris	King	Robinson	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill and joint resolution of the following titles, in which it requested the concurrence of the Senate:

H. R. 8350. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes; and

H. J. Res. 194. Joint resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, and United Spanish War Veterans, and the American Legion, for the use of the House and Senate.

PETITIONS AND MEMORIALS

Mr. OVERMAN. I present resolutions adopted by the Chamber of Commerce of Charlotte, N. C., in favor of adequate appropriations for the maintenance of the Army and Navy. I ask that the resolutions be printed in the RECORD and referred to the Committee on Appropriations.

The resolutions were referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

CHARLOTTE, N. C., *April 15, 1924.*

Be it resolved by the board of directors of the Charlotte Chamber of Commerce in meeting assembled:

First. That it is the duty of the Members of Congress to provide full and ample funds to afford the necessary police protection for the lives and property of the citizens of the United States Government;

Second. That sufficient appropriations should be made annually by Congress for the maintenance of a Navy and Army of sufficient strength and size to meet any emergency that may arise for the interest of the American people;

Third. That we heartily approve of the proposed defense act in the matter of providing the citizens army, and request and urge the Senators and Congressmen of North Carolina to support said act, and that a sum of not less than $6,000,000 be appropriated by Congress to meet the requirements as designated in said act.

T. L. KIRKPATRICK,
President.
C. O. KUETER,
Vice President and Business Manager.

Mr. WILLIS presented a petition, numerously signed, of sundry citizens of Akron and vicinity, in the State of Ohio, praying for the passage of drastically restrictive immigration legislation, with not greater than 2 per cent quotas based on the 1890 census, which was referred to the Committee on Immigration.

Mr. CAPPER presented a memorial of sundry members of the Woman's National Committee for Law Enforcement, of Clay Center, Kans., remonstrating against the passage of legislation modifying the so-called Volstead prohibition act, so as to legalize the manufacture and sale of beer, which was referred to the Committee on the Judiciary.

He also presented the memorial of the Frances Willard Woman's Christian Temperance Union, of Liberal Kans., remonstrating against the passage of legislation legalizing the the manufacture and sale of 2.75 per cent beer, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. BORAH, from the Committee on Education and Labor, to which was referred the resolution (S. Res. 202) directing the Secretary of Labor to furnish information as to number of nationals admitted into the United States during the past twelve months, reported it with an amendment striking out the preamble.

Mr. KENDRICK, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 2397) to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects, reported it with amendments.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 1785) to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof, reported it with amendments and submitted a report (No. 426) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 106) for the relief of Robert F. Hamilton, reported it without amendment and submitted a report (No. 427) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHIPSTEAD:

A bill (S. 3123) authorizing the Secretary of Commerce to convey certain land to the city of Duluth, Minn.; to the Committee on Commerce.

By Mr. DILL:

A bill (S. 3124) granting an increase of pension to Augusta J. G. Hall (with accompanying papers); to the Committee on Pensions.

By Mr. ADAMS:

A bill (S. 3125) to adjust water assessments and charges on land under the Uncompahgre reclamation project; and

A bill (S. 3126) to prohibit charges upon land under reclamation projects exceeding the estimates of the cost thereof; to the Committee on Irrigation and Reclamation.

AMENDMENTS TO STATE, JUSTICE, ETC., DEPARTMENTS APPROPRIATION BILL

Mr. REED of Pennsylvania submitted an amendment proposing to pay $4,200 to Leonore M. Sorsby, daughter and only child of William B. Sorsby, late envoy extraordinary and minister plenipotentiary of the United States to Bolivia, as reimbursement for extraordinary expenses incurred for medical attendance, nurses, hospital treatment, and transportation to the United States following a stroke of paralysis suffered by said William S. Sorsby at his post of duty, La Paz, Bolivia, from which he remained wholly disabled until his death, intended to be proposed by him to House bill 8350, the State,

Justice, Commerce, and Labor Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. LODGE submitted an amendment providing compensation at the rate of $10,000 per annum for the Undersecretary of State, intended to be proposed by him to House bill 8350, the State, Justice, Commerce, and Labor Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

Mr. JONES of New Mexico submitted six amendments intended to be proposed by him to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

REPORTS ON COTTON STATISTICS

Mr. HARRIS. I ask unanimous consent to have printed in the RECORD and referred to the Committee on Commerce two letters from the Secretary of Commerce in regard to reports on cotton statistics.

There being no objection, the letters were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, April 17, 1924.

The Hon. WILLIAM J. HARRIS,
United States Senate.

MY DEAR MR. SENATOR: Apropos of our discussion yesterday, I think we can get along with the world's survey of cotton for the present under the bill S. 2113.

Yours faithfully,
HERBERT HOOVER.

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, April 16, 1924.

The Hon. WILLIAM J. HARRIS,
United States Senate.

MY DEAR MR. SENATOR: With respect to your inquiry this morning, you will recollect that the recommendations of the committee of statisticians with regard to cotton statements were as follows:

1. That an additional report to show the quantity of cotton ginned prior to August 1 be introduced as provided in a bill now pending.

2. That in sections of the country where the entire crop has not been ginned by March 1 another ginning report be made for April 1 to ascertain the total amount of the crop.

3. That plans be developed to enumerate the cotton baled from samples and in pickeries, the so-called "city crops."

4. That the department be urged to take action to secure an enumeration of the cotton now brought in from Mexico but not appearing in the imports statistics.

5. That the bureau plan to collect statistics of cotton consumption and of cotton held in storage at various points in such manner as to diminish the danger of overstatement or understatement of the supply. The committee believes that this end can be secured only by substituting collection through paid agents in place of the present method of collection by correspondence.

6. Reports on cotton statistics are now issued by two bureaus in the Department of Commerce and by one in the Department of Agriculture. They are based in part on estimates and in part on enumerations; and the difference between them sometimes leads to serious confusion. These reports should, if possible, be coordinated under a committee or other harmonizing agency.

The department is, of course, adopting these recommendations in full so far as they apply to the department, and I am appointing a committee representative of all sides of cotton production and distribution interests which will review the methods of the service from time to time.

With respect to the form of statements to be gotten out from time to time as to cotton production, consumption, imports, exports, and stocks, you will recollect that this is approached from several directions and that they can not, from the nature of things, be in entire agreement. The first approach is a determination of the supply through the total production from the ginning reports and the imports of cotton. The second is a determination of the distribution from time to time as shown by the consumption from reports of the spinners, together with exports. The third is the enumeration furnished to us as to existing stocks.

You will realize that this material must be collected from upward of 30,000 people and that there are bound to be discrepancies; that is, between on one side taking the total production and deducting the exports and consumption and on the other side making an enumeration of the stocks from time to time. I believe it is the sense of the committee's report that the bureau should not introduce an estimated item of balance. I am indeed glad to accept this recommendation, because I wish to relieve the Census Bureau of the responsibility.

Yours faithfully,
HERBERT HOOVER.

Mr. HARRIS. Mr. President, in one letter he states that under a bill I introduced in the Senate recently, which is now a law, the Department of Commerce has authority to make a world survey of the amount of cotton on hand, and so forth, and that he would in future get this information and give it to the public for the use of cotton producers and consumers. Last year I introduced a bill requiring that the department give this information and it passed the Senate, but in the congestion in the House it was not voted upon. I then took the matter up with Secretary Hoover and urged him to use another appropriation available for this purpose, and he issued a report of cotton on hand in the world, which showed a relatively small amount, and it helped the cotton producers.

The other letter from Secretary Hoover deals with future reports of cotton produced, consumed, and stocks on hand. He will make changes in the reports which will greatly improve them and, in the opinion of southern Senators and Representatives in Congress, will prevent certain injustice to the cotton producers in the manner of issuing these reports. In the first place, he will appoint an an advisory committee men who live in the South and understand cotton production and manufacture. This committee will advise with officials of the Department of Commerce and Bureau of the Census in regard to how these reports should be issued so as to give full information. Hertofore many of those in Government service in charge of these reports have never lived in the cotton-producing section and are not familiar with methods.

The most important change in the statistics will be to leave off any attempt to balance any discrepancy in the reports as to the amount of cotton produced as against amount consumed and stocks on hand. Last year this amounted to 575,000 bales more on hand and consumed than the ginners' reports showed had been produced. Secretary Hoover will have the reports of cotton stocks made so as to be more reliable than in the past. This will prevent a great injustice to the cotton producers in these reports which have been heretofore issued.

On the advice of southern Senators the Secretary of Commerce recently appointed several expert statisticians to go over the last reports of the Census Bureau, which we insisted showed more cotton on hand than there really was. These experts recommended certain changes in the census statistics, which Secretary Hoover has adopted, and they will greatly improve the reports. Some of these recommendations had been incorporated in the bill I introduced which is now a law. As a former Director of the Census and living in the cotton-producing section I am naturally very much interested in these reports and it gratifies me very much that Secretary Hoover will make the improvements. I have also conferred with Mr. Steuart, the Director of the Census, in regard to these matters and he will make improvements in reports as provided by new law and the recommendations of statistical experts.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by title and referred as indicated below:

H. R. 8350. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes; to the Committee on Appropriations.

H. J. Res. 194. Joint resolution to print as a House document the proceedings of the national encampments of the Grand Army of the Republic, and United Spanish War Veterans, and the American Legion, for the use of the House and Senate; to the Committee on Printing.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

Mr. CURTIS. Mr. President, I ask that the unfinished business, House bill 7959, be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. CURTIS. I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that the formal reading of the bill be dispensed with, and that the bill may be read for amendment, the committee amendments to be considered first. Is there objection? The Chair hears none, and it is so ordered.

Mr. CURTIS. Mr. President, it is not my intention to take up any great amount of time because I believe every Senator practically has made up his mind how he intends to vote on the measure. I desire to take just a few minutes in telling about the provisions of the bill and then shall yield the floor.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Nevada?

Mr. CURTIS. I yield.

Mr. PITTMAN. Will the Senator at the conclusion of his remarks ask to have the entire bill printed in the RECORD?

Mr. CURTIS. If it is desired.

Mr. PITTMAN. I suggest that in order that the remarks of the Senator may be more clearly understood by ready reference to the bill itself.

Mr. CURTIS. Under the provisions of the bill there is a cash payment to every soldier to whom $50 or less is due. It is estimated that it will require $14,000,000 to meet the obligations of this provision of the bill.

Mr. OVERMAN. Is that the total cost?

Mr. CURTIS. That means the total cost, I will say in reply to the question of the Senator from North Carolina, to pay those who are entitled to $50 or less. The estimate has been made as low as $8,000,000, but I have given the highest figure in round numbers that has been estimated.

Mr. OVERMAN. I wish to inquire also of the Senator how much it will take annually to pay the veterans what they are to get in cash under the bill?

Mr. CURTIS. What they get in cash will all be paid the first year, amounting to about $14,000,000, except to the dependents of those who have died, who are to be paid in 10 quarterly payments.

Mr. McKELLAR. Did I correctly understand the Senator to say that $14,000,000 was the highest amount estimated?

Mr. CURTIS. In round numbers, for those who are entitled to $50 or less, to whom cash will be paid.

To the soldiers of the World War who are entitled to more than $50, a 20-year endowment insurance certificate is to be issued. The basis of the adjusted service credit is $1 a day for each day of home service and $1.25 a day for overseas service, not to exceed in any case $500 for home service or $625 for overseas service. It is estimated that the maximum certificate for overseas service will amount to $1,000, and the maximum for home service will be $1,300. The average amount of the policies will be $962.

Provision is made for borrowing upon the certificates after two years. The provisions for borrowing are such as to prevent their becoming frozen assets in the hands of the banks.

A sinking fund of $100,000,000 a year is provided to meet the claims arising upon the certificates by reason of the death of the soldier. I might add that the first year the amount required, outside the cost of administration, will probably be about $50,000,000.

This fund is to be used first to pay death losses as they occur, and, second, the surplus to be invested to provide for payment of the remaining certificates upon maturity.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from South Carolina?

Mr. CURTIS. I yield.

Mr. SMITH. I did not catch the explanation of the manner in which the sinking fund or surplus is to be accumulated.

Mr. CURTIS. The amount of $100,000,000 is to be appropriated annually by Congress for 20 years and placed in the sinking fund.

Mr. SMITH. That is for meeting the death claims?

Mr. CURTIS. It is for meeting death claims. It may also be used in the hands of the Director of the Veterans' Bureau in buying up the notes which may be placed in the hands of the banks; and whatever notes are taken up by him draw, as the bill provides, 6 per cent interest up to the time the settlement is made, either with the veteran or with his dependents.

Mr. BAYARD. The notes so taken up depreciate the final value of the policy, do they not?

Mr. CURTIS. Certainly. Every soldier of the World War entitled to relief under this bill will receive the equivalent of a paid-up 20-year endowment insurance policy for the amount of his adjusted service plus 25 per cent would purchase at his age of an insurance company in accordance with accepted actuarial principles and based upon American experience tables of mortality, with interest at 4 per cent per annum compounded annually.

If the insured soldier dies before the expiration of 20 years, his beneficiary or his estate receives the full amount of the policy. At maturity the face value of his policy is payable in full, less any claim, for sums borrowed which the Government may have taken up under the provision of this act.

Mr. SMITH. Does the Senator from Kansas mean if the veteran has given a note to a bank, the amount of the note is deducted?

Mr. CURTIS. If he has given a note to a bank, and the note has not been paid when it becomes due and is presented to the Director of the Veterans' Bureau, the Director of the Veterans' Bureau takes up the note. He then carries it until it is paid by the soldier; or if the soldier dies, then the amount, plus 6 per cent interest, is deducted from the amount due the dependents on his insurance policy.

Mr. President, it is estimated that it will require $50,318,772 to adjust the compensation due the dependents of those who have died prior to the enactment of this measure. This amount will be required if all such veterans left dependents. The payments to the dependents will be made in 10 equal quarterly installments.

Mr. SMITH. What is the period of the quarterly installments?

Mr. CURTIS. It is three months.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the junior Senator from South Carolina?

Mr. CURTIS. I yield.

Mr. DIAL. Is there any way to collect such a note unless the soldier voluntarily pays it, or does the payee of the note have to wait until the soldier's death?

Mr. CURTIS. There is no provision made for foreclosing the note, but it is carried at 6 per cent interest; and as the Government is borrowing money at less than 6 per cent, it is supposed, of course, that the Government will in that way be more than reimbursed.

Mr. FLETCHER. May I inquire of the Senator if there is any power to change the beneficiary under any of these policies? For instance, suppose the soldier should die without dependents?

Mr. CURTIS. There is no provision for an assignment of the policy; that is prohibited.

Mr. BAYARD. May I ask the Senator a question with regard to the $50,000,000 fund for dependents of soldiers who have died? When that is paid out, does that end the dependent's claims for all time?

Mr. CURTIS. It ends the claims of dependents of soldiers who have died prior to the passage of this proposed act.

Mr. BAYARD. It is a complete cancellation of such claim?

Mr. CURTIS. It is.

Mr. FESS. Mr. President, I should like to inquire of the Senator whether the borrowing provision would permit a soldier to dissipate his entire policy so that there would be nothing left when the policy became due?

Mr. CURTIS. No; under the borrowing privilege the soldier is permitted to borrow not to exceed 90 per cent of the reserve for the current year of the certificate or 60 per cent of the face value at any time. If the Senator from Ohio will turn to page 8 of the report he will find the amount to which the soldier would be entitled to borrow. For instance, the first year in which he was permitted to borrow, which would be really the third year of the existence of the policy, the value of the loan would be $87.93 on a thousand-dollar policy, and the amount increases every year until the twentieth year, when it would be $900.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from North Carolina?

Mr. CURTIS. I yield.

Mr. SIMMONS. How much can the soldier borrow at the time of the first borrowing; and when is that time fixed in the bill?

Mr. CURTIS. I have stated that. After the existence of the policy for two years, the soldier may borrow on the policy.

Mr. SIMMONS. How much may he borrow?

Mr. CURTIS. He may borrow 90 per cent of the reserve value for the current year of the certificate but at no time shall the amount borrowed exceed 60 per cent of the face value at any time.

Mr. SIMMONS. Take a policy showing a cash value of $400; how much could the holder of the policy borrow upon that?

Mr. CURTIS. I have not figured out the amount which might be borrowed on a $400 policy, but it has been figured in the report on a thousand-dollar policy. The value of the sinking fund at the end of the third year is $97.71, while the loan value of 90 per cent would be $87.93.

Mr. SIMMONS. That would be on a thousand-dollar policy?

Mr. CURTIS. That would be on a thousand-dollar policy.

Mr. SIMMONS. How much may a policyholder borrow on such a policy the next year?

Mr. CURTIS. He might borrow $119.99.

Mr. SIMMONS. Would that include the $87.93 which he had already borrowed or would it be exclusive of that amount?

Mr. CURTIS. That would be inclusive of the $87.93. If the policyholder borrowed no money until the next year he could borrow $119.99.

Mr. SIMMONS. Suppose the policyholder should borrow $87.93; how much could he borrow the next year?

Mr. CURTIS. He could borrow the difference between $87.93 and $119.99, which would be $32.06.

Mr. SIMMONS. That is, during the third year of the existence of the policy he could borrow $32.06. Then he can continue to borrow at that rate each year until he has borrowed up to the limit?

Mr. CURTIS. The next year the loan value of the policy would be $153.52, and the soldier could borrow the difference between $119.99 and $153.52. The borrowing value of the policy increases every year.

Mr. SIMMONS. In other words, on the first occasion when he might borrow, which would be the third year of the life of the policy, for it is two years before he can borrow anything, then he could borrow on a $1,000 policy about $88.

Mr. CURTIS. To be exact, $87.93.

Mr. SIMMONS. The next year he could borrow at the end of the year about $40 more, and at the end of the fourth year he could borrow $40 more?

Mr. CURTIS. I will say to the Senator that if he will turn to page 8 of the report the loan value is given from the third to the twentieth years.

Mr. SIMMONS. I was anxious to have the Senate understand, as the Senator proceeded with his argument, the amount that could be borrowed on a $1,000 policy. Assuming that the soldier borrows all at the end of two years that he can borrow, how much could he borrow at the end of the third year, and then at the end of the fourth year, and so on. I think that it is very important to understand that.

Mr. CURTIS. The amount would be increased $32.06 the second year. The following table gives the loan value:

TABLE 4.—*Illustration of loan values adjusted service certificate*

Endowment 20 years:
Amount of certificate $1,000
Age at issue ..... years 32

Year	Value of sinking fund end of year	Loan value, 90 per cent
3	$97.71	$87.93
4	133.33	119.99
5	170.58	153.52
6	209.57	188.61
7	250.36	225.32
8	293.06	263.75
9	337.76	303.98
10	384.58	346.12
11	433.62	390.25
12	485.01	436.50
13	538.88	484.99
14	595.38	535.84
15	654.66	589.19
16	716.92	645.22
17	782.33	704.09
18	851.14	766.02
19	923.59	831.23
20	1,000.00	900.00

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Iowa?

Mr. CURTIS. I yield.

Mr. BROOKHART. In reference to this borrowing proposition, is there any provision whereby the loans may be made by the Veterans' Bureau itself?

Mr. CURTIS. No. The first loan must be made by a bank, but the loans are made eligible for rediscount by the Federal reserve system. If they are not redeemed within six months, they may be presented to the Director of the Veterans' Bureau, who may take them up and carry them for the soldier.

Mr. BROOKHART. These loans may be made at 2 per cent above the Federal reserve rediscount rate, which would make them 7 per cent loans?

Mr. CURTIS. But the Government carries them, the Veterans' Bureau takes them, at 6 per cent to the soldier.

Mr. BROOKHART. To the soldier?

Mr. CURTIS. Yes.

Mr. BROOKHART. Why should not the loans be made direct by the Veterans' Bureau? It is a part of the insurance business, and why would it not be legitimate?

Mr. CURTIS. The Veterans' Bureau might not have the money at the time in the fund. We only provide a fund of $100,000,000 a year.

Mr. BROOKHART. The Veterans' Bureau is collecting other insurance money all the time on converted policies, which would be available for this kind of loans.

Mr. CURTIS. But the notes taken up by the Veterans' Bureau are to be paid out of the sinking fund that has been provided under the act.

Mr. BROOKHART. The funds could be invested just as well in these policies as in Government bonds for that matter.

Mr. CURTIS. That question was not considered by the committee.

Mr. BROOKHART. It seems to me that this is rather a "hold up" and is pretty much of a bankers' proposition, inasmuch as it allows them 2 per cent interest.

Mr. CURTIS. This bill was prepared and submitted by the friends of the veterans themselves, and they prepared the kind of measure that they thought would be for the best interests of the soldier.

Mr. BROOKHART. That does not prevent us, I presume, from getting at the real merit of it, and that is what I am trying to do.

Mr. CURTIS. I was simply answering the suggestion of the Senator that this was probably a bankers' bill. It is not so at all.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. CURTIS. I yield.

Mr. SMOOT. I wish to say to the Senator from Iowa that on a loan of $87 a month or $100 a month, 2 per cent above the Federal reserve rates would not pay a bank for the expense of keeping track of the loan and the bookkeeping; and if we undertook to have the Veterans' Bureau handle all of the little loans that may be asked for, then we would need about 2,000 more employees and about 95,000 or 100,000 square feet of additional floor space, for which expense would be involved, whereas the banks can take care of the business without additional help. The Veterans' Bureau, I think, was perfectly right in deciding that the cheapest way for the soldier was to have the banks handle the obligations. In other words, I take it for granted that three-fourths of all of the loans that will be made by the soldier will never come to the Veterans' Bureau, and under the bill none of them can come there until six months after the issue of the note and the soldier fails to pay.

Mr. BROOKHART. These restrictions are what I am objecting to. Every insurance company in the United States is making such loans all the time as a regular part of its insurance business.

Mr. SMOOT. This is not insurance; this is a donation.

Mr. BROOKHART. But it is in the form of insurance.

Mr. SMOOT. Not at all, I will say to the Senator; it is in the form of giving the money by way of insurance.

Mr. BROOKHART. That is what I mean. It is not different, so far as its merits are concerned, from any other insurance policy.

Mr. CURTIS. Mr. President, it is estimated that 1,942,633 men with overseas service and 1,309,760 men with home service will be eligible under the provsions of this bill.

Mr. SMITH. Mr. President, there was such confusion that I could not hear whether the Senator from Iowa had asked a question or not.

Referring to these notes that are made permissible under this law for a percentage of the amount due on the policy, is there any provision in the bill regulating or attempting to regulate the rate of interest that may be charged by any of the member banks, or do they have to pay the regular rate of discount that may obtain in whatever State the soldier finds himself?

Mr. CURTIS. They will only be made to the veteran upon the adjusted-service certificate in accordance with the provisions of this act. I will read the provision on the subject:

Any national bank or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia * * * is authorized, after the expiration of two years from the date of the certificate, to loan to any veteran upon his promissory note secured by his adjusted-service certificate * * * any amount not in excess of the loan basis * * * of the certificate. The rate of interest charged upon the loan by the bank shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located.

Mr. ROBINSON. Mr. President, will the Senator from Kansas yield for a question?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Arkansas?

Mr. CURTIS. Certainly.

Mr. ROBINSON. What, in all probability, will be the approximate rate of interest that the borrower will have to pay under that provision of the bill?

Mr. CURTIS. The Senator from Iowa stated——

Mr. ROBINSON. I ask for order in the Chamber.

The PRESIDING OFFICER. The Senate will be in order. The Chair desires to say that there seems to be a great deal of confusion in the galleries. The Chair hopes the doorkeepers will see to it that there is as much quiet as possible in the galleries.

Mr. ROBINSON. I will repeat my question. I ask the Senator from Kansas what will be the approximate rate of interest, under the provisions of the bill that he has just read, which the borrower will be compelled to pay?

Mr. CURTIS. Seven per cent on the basis of the rate to-day, as I understand; and that is what the Senator from Iowa stated a moment ago.

Mr. ROBINSON. Did the committee investigate the question as to whether it would be possible to reduce the 2 per cent which is authorized over the commercial interest rate?

Mr. CURTIS. It did not, because of the short time of the loans, and the fact that provision is made for the Veterans' Bureau to take them up at 6 per cent after six months.

Mr. SMOOT. I will say to the Senator——

Mr. ROBINSON. Just a moment; I want to ask the Senator from Kansas another question. Then it is contemplated that the Veterans' Bureau shall advance the funds necessary to provide these loans after six months?

Mr. CURTIS. They are not required to do it, but the Director of the Veterans' Bureau may take them up after the six months and carry them for the soldier. The provision is as follows:

If the veteran does not pay the principal and interest of the loan upon its maturity, the bank holding the note and certificate may, at any time after maturity of the loan, but not before the expiration of six months after the loan was made, present them to the director. The director may, in his discretion—

This answers the Senator's question—

accept the certificate and note, cancel the note (but not the certificate), and pay the bank, in full satisfaction of its claim, the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The director shall restore to the veteran, at any time prior to its maturity, any certificate so accepted, upon receipt from him of an amount equal to the sum of (1) the amount paid by the United States to the bank in cancellation of his note, plus (2) interest on such amount from the time of such payment to the date of such receipt at 6 per cent per annum, compounded annually.

Mr. ROBINSON. That is the very point. In order to get the benefit of a low rate of interest from the Veterans' Bureau the borrower must default in the payment of his note in the first instance to the bank. May I inquire if the committee gave consideration to the question of policy involved there, and whether it would not be better to premiumize prompt payment of the loan by the borrower rather than to offer him an advantage if he fails to meet his note?

Mr. CURTIS. This provision was carefully studied, both in the House committee and in the Senate committee, and the Senate committee accepted the House provision. They thought, under all the circumstances, as these notes could be renewed by the Federal reserve system, that it would be better to provide for the first loan, because, in the first place, the bill provides only for a contingent fund of $100,000,000 a year.

Mr. ROBINSON. This is the effect of the arrangement as it is carried in the bill. I do not know whether it can be improved or not:

The service man secures a loan at approximately 7 per cent. That is the rate that he would have to pay now if the bill were in force and he made an application for a loan and secured it. If he defaulted in the payment of his loan, and threw the burden on the Veterans' Bureau, he could secure the advantage of a lower rate, namely, 6 per cent. The inevitable result, it seems to me, will be that many of the loans will finally fall upon the Veterans' Bureau; and the question which I ask is: Why should not that be done in the first instance?

Mr. CURTIS. The committee thought that the result of making it discretionary upon the part of the director would be that he would take only such amount as he thought he could carry properly.

Mr. ROBINSON. The difficulty about that would be that one soldier would get a low rate of interest from the Veterans' Bureau and be relieved of the pressing character of his obligation to the bank, and another soldier would be compelled to pay the higher rate of interest to the bank and suffer the discomfort and inconvenience of early payment of the obligation.

Mr. McLEAN. Mr. President——

Mr. CURTIS. Let me ask this question: Does not the Senator believe that the fact that there is an increased borrowing value of the certificate the second year makes the soldier more apt to take up his note and make a new loan with his neighboring bank, rather than to let the certificate be taken up and carried by the Director of the Veterans' Bureau? Is it not likely that the men who let the certificate go into the Veterans' Bureau will let it stay there for some time?

Mr. ROBINSON. I should think it would be doubtful whether a soldier would take up his certificate in order to make an application for a new loan when the increased amount would be only $30, which, I believe, is the statement of the Senator from Kansas.

Mr. CURTIS. I yield now to the Senator from Connecticut.

Mr. McLEAN. Mr. President, the Senator should bear in mind that this 7 per cent is the maximum rate which can be charged upon any loan.

Mr. ROBINSON. Oh, no, no. That is not true. I am sure the Senator knows that is an incorrect statement.

Mr. McLEAN. It is probable that 7 per cent would be the maximum rate.

Mr. ROBINSON. No; the maximum rate would depend upon the current rate of discount at the Federal reserve bank. If that were 6 per cent, the maximum rate would be 8 per cent.

Mr. McLEAN. We do not expect a 6 per cent discount rate——

Mr. ROBINSON. The discount rate has been higher than 6 per cent, if I remember correctly.

Mr. McLEAN. And the chances are that the rate will not exceed 5 per cent for some time to come; but I want to say, further, that that provision applies to rediscounts. It is altogether probable that 90 per cent of these notes will be taken care of by the member banks, and I think it is safe to say that the rate will not exceed 6 per cent.

Mr. ROBINSON. But what I think will prove true is that these being small loans, and attended with consequent disadvantages, the maximum rate of interest will be the prevailing rate. I think that will be found to be the case.

Mr. McLEAN. I think very few of these loans will be rediscounted.

Mr. ROBINSON. Why must 2 per cent be added to the discount rate in order to make certain that the loans will be made?

Mr. SMOOT. Mr. President, before I answer that question I want to state one reason why most of the soldiers will not allow their notes to be rediscounted, if they can help it. After they are rediscounted, no matter what condition they are in, they are charged the 6 per cent to the end of the 20 years.

The object of the bill is to allow the soldier to borrow the amount provided for in the bill temporarily if he wants it, and that is often the case. He may want it for three months, and in that event all he would have to do would be to pay interest at the rate of 7 per cent for three months and then repay the loan, and then he is not charged with any further interest. If this default in the payment of it occurs after six months, however, and it goes to the Veterans' Bureau, then the note is destroyed, the certificate is kept, and that goes on, and he is charged 6 per cent on all that may come to him at the end of 20 years, compounded annually, whereas if he makes a loan at 7 per cent through a bank he makes it for 3 months or 60 days or 30 days, but not to exceed 6 months

under the bill, and if it is paid he pays no interest at all thereafter.

Mr. ROBINSON. If that is true, and his paper is to be short-time paper, why should the banks be allowed to make 2 per cent profit on the loans to these soldiers?

I take it for granted that no one wants to make this legislation distinct for its possible profits to banks. The primary purpose, of course, is to serve the soldier, and the only object in allowing an increased rate of interest over the prevailing discount rate is to make certain that the banks will not refuse to make the loan. If the paper is to be short-time paper, and if the soldiers are in nearly every instance certain to take up their paper, I am interested to know why there should be a 2 per cent profit over the discount rates coming to the bank. The bank could take the soldier's note, in effect, and discount it at 6 per cent and charge the soldier 8 per cent, or discount it at 5 per cent and charge the soldier 7 per cent. Why should that be true?

Mr. SMOOT. Mr. President, these loans will all be for small amounts. Take on the average a certificate for a thousand dollars. The loan value is $87 at the end of three years, and each year thereafter it increases about $30 up to the end of the 20 years. Those are all small amounts. It will not pay a bank to make a loan of $87 at 7 per cent and put that paper through all of the entries in the bank and carry it forward daily for less than 2 per cent. I think it is absolutely impossible to do it. In other words, the expense of carrying an $87 note, as far as the expense of the employees in the bank is concerned, is just as great as it would be if the note were $87,000 or $8,000,000.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. OVERMAN. I want to ask this question: Is there a prohibition against having these loans made by individuals? Are the soldiers bound to borrow from a bank or a trust company? Suppose I have $50,000, and I want to make a loan to a soldier.

Mr. ROBINSON. Mr. President, I do not want to get away from the proposition that the Senator from Utah is discussing, if the Senator from North Carolina will pardon me just a minute.

Banks do not regulate their rate of interest according to the amount of the loan in every instance. There is severe criticism, and I think just criticism, of the loan provision in this bill. It appears to me, from the statement which the Senator from Utah has just made, that it has very little value. If the loans are small—and admittedly they will be—that would necessitate a high rate of interest. It is of no particular value to the soldier to provide for the loans, because, as the Senator from Utah has stated, he is required to furnish absolute collateral.

Mr. SMOOT. I do not say that 7 per cent on an $87 loan is excessive. You could not get any bank to lend money on a smaller basis. The 2 per cent is simply to cover the cost to the bank of coming to the Federal reserve system and rediscounting the note and getting the money. The bank is involved in this only to the extent of 2 per cent.

Mr. ROBINSON. It is the difference between what the bank pays for the money which it lends to the soldier and what it charges the soldier. Two per cent is a very big difference in interest rates.

Mr. SMOOT. We gave the Federal farm-loan banks and the joint-stock land banks the power to collect 1 per cent, and their loans will run from a thousand dollars up to $25,000.

Mr. ROBINSON. And they have all made enormous profits, every one of them. There is not a joint-stock land bank in the United States that has not made enormous profits, and it is due to that very spread in the interest.

Mr. SMOOT. Only yeserday one of them failed in Portland, Oreg., and I know some others that are not making much. There is no better investment in the world than in joint-stock land banks, if they can sell their bonds and protect their loans, if they are in good districts. I have said right here on this floor that I never could understand why Congress should authorize the organization of a joint-stock land bank with five individuals issuing bonds that are tax exempt.

Mr. ROBINSON. Of course, that is an entirely collateral question, and has only an incidental relationship to the subject under discussion.

Mr. SMOOT. If the banks were dealing with thousands of loans, they could easily handle the business for 1 per cent.

Mr. ROBINSON. It will be dealing with hundreds of men, if not thousands of men. The number of its loans will compensate, in part, for the difficulty in handling the small loans. But it is unfortunate, to say the least, that it should be found necessary to charge the borrower in these cases 2 per cent more than the lender pays for the money which it loans him.

Mr. CURTIS. Mr. President, answering the question, first, of the Senator from North Carolina, there is no provision in the bill for individuals borrowing upon these notes. The provision is that any bank or trust company——

Mr. OVERMAN. Is there any prohibition? Suppose a soldier wanted to borrow from me on his certificate, and I had the money to lend him at 6 per cent. Then there would be no loan at the bank.

Mr. SMOOT. The Senator can do it if he wants to; but an individual can not bring his note to the Veterans' Bureau and have it paid.

Mr. OVERMAN. But he can lend the money at 6 per cent if he desires?

Mr. SMOOT. If he wants to.

Mr. ROBINSON. I am not sure of that. Under this bill I do not think that is true, although I would not like to commit myself to the contrary proposition. This bill authorizes loans from banks on these certificates under certain conditions. According to the general rule applicable to the interpretation of statutes, the authorization of that method of loaning means the exclusion of other methods of loaning, and I think if Senators will study the question they will reach the conclusion that the method of loaning provided for in the bill is exclusive of all other methods of loaning, and for that reason a soldier could not go to a private citizen or to anyone else than a bank and procure a loan.

Mr. SMOOT. Mr. President, may I say to the Senator——

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Kansas yield?

Mr. CURTIS. I yield.

Mr. SMOOT. The Senator is wrong about that. The only object of putting this provision in the bill is to give the privilege of rediscounting the note, and it can only be rediscounted through a bank. There is no prohibition, and there could be no prohibition, against a soldier borrowing money from any individual in the United States, whether he wanted to borrow it without putting up security of not.

Mr. ROBINSON. The statute could prevent him from assigning his certificate.

Mr. SMOOT. But it does not do that.

Mr. GEORGE. May I say that in the report accompanying this bill it is expressly stated that no loan can be made on the certificate, except by some bank incorporated under the laws of a State, Territory, or the District of Columbia.

Mr. SMOOT. That is to give them the privilege of rediscounting. That is true. But there is nothing in the bill saying that they can not assign these insurance certificates to anybody to whom they desire to assign them.

Mr. GEORGE. There is no prohibition in the bill?

Mr. SMOOT. No.

Mr. GEORGE. Suppose a service man borrows 90 per cent of $87 at the end of six years and defaults on the loan. The loan is then taken over by the Veterans' Bureau. Is there a provision in the bill for the redemption——

Mr. CURTIS. By the soldier, yes; when he pays up the amount due and the interest.

Mr. GEORGE. After it goes into the hands of the Veterans' Bureau?

Mr. CURTIS. After it goes into the hands of the Veterans' Bureau he may redeem it by paying up the amount due and the unpaid interest.

Mr. ROBINSON. Coming back to the question as to whether the provision for loans from banks in this bill is exclusive of all other methods of loaning, I find that the bill itself expressly provides that loans shall be made to a soldier on his adjusted-service certificate only in accordance with the provisions of this section. Then follows the section which authorizes the loans from national banks upon conditions specified. That means, as near as human language can express, that the soldier can not borrow from a private citizen. He must borrow from a bank if he negotiates a loan. Read the language in section 502, paragraph (a):

> A loan may be made to a veteran upon his adjusted-service certificate only in accordance with the provisions of this section.
>
> (b) Any national bank, or any bank or trust company incorporated under the laws of any State—

And so forth.

Then follow provisions which specify the details of how the loans shall be made from the banks. Clearly, under the express provision of the statute, a soldier can not procure a loan on his certificate except from a bank.

Mr. BAYARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Delaware?

Mr. CURTIS. I yield.

Mr. BAYARD. In addition to what the Senator from Arkansas has said, may I say that not only does it force the soldier to go to a bank, and thereafter application may be made by the bank to the Veterans' Bureau for rediscount of the loan, but no provision whatever is made, if there is a borrowing by the soldier from an individual, for the individual to go to the Veterans' Bureau and rediscount.

Mr. CURTIS. That is true.

Mr. BAYARD. In other words, the soldier is forced into one place to make his loan.

Mr. CURTIS. The Senator realizes fully why that is done. While a great many individuals would loan the money, and loan it fairly, there are some of them who would get the certificates and charge as much as possible.

Mr. BAYARD. I think that is true.

Mr. CURTIS. That is one of the reasons why we have incorporated this provision.

Mr. BAYARD. That being so, and the bank having absolutely good collateral, the United States, back of it, why increase the interest rate on the loan by 2 per cent?

Mr. CURTIS. I think this is the reason, largely: There is a desire to make sure that the soldier can borrow money on his certificate, and a lot of these little banks will have to borrow this money and pay 4 and 5 per cent interest on their deposits.

Mr. BAYARD. Do they not make small loans to other individuals besides the soldiers?

Mr. CURTIS. They make small loans, but I do not know what rate they charge.

Mr. BAYARD. They can not charge more than the legal rate.

Mr. CURTIS. I mean I do not know what they charge at the bank.

Mr. OVERMAN. It is against the law to charge more than 6 per cent in my State.

Mr. SMOOT. They do it.

Mr. OVERMAN. They do it, but they violate the law when they do it.

Mr. CURTIS. Mr. President, I would like to get back to the line of my argument for a moment.

Mr. RALSTON. Mr. President——

Mr. CURTIS. I yield to the Senator.

Mr. RALSTON. Is it not feasible to put a provision in the bill making noncollectible any interest rate beyond a certain figure? That withstands the legal contest, I know.

Mr. CURTIS. I think that could be enforced; but would the veterans contest a matter of that kind? In our State we have a law prohibiting the collection of interest above a certain rate. I remember when I was in the practice of the law a man came into my office who had been robbed, you might say. He had paid his note over three or four times in a high rate of interest, and it was very hard to get him to contest, because he said that if he brought suit he could not get any more money if he ever wanted to borrow again from that lender, or anybody else.

Mr. ROBINSON. The same proposition would apply to all usury laws, would it not?

Mr. CURTIS. Certainly it would, but I am telling what the man might go up against who wanted to borrow only a few dollars.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Nevada?

Mr. CURTIS. I yield.

Mr. PITTMAN. If they are afraid the soldier will be unable to borrow the money unless they give this large interest rate to the banks to induce them to lend, and the desire is not to help the banks but to protect the soldier, why do they not provide that this fund in the hands of the Veterans' Bureau may be loaned directly at a reasonable rate of interest; at the same proportionate rates?

Mr. CURTIS. The trouble with that plan is that you would have to increase your sinking fund, because you would not have enough money in the sinking fund to take care of these applications. The soldier might file his application and there would be no money to take care of it, and the application would be returned to him. Under this plan he knows he can go to the bank and the bank can carry it. It may take it to the director after the time fixed in the law has expired, and the director may, if he has the money, take up the note.

Mr. PITTMAN. Let us see the theory. You do not lend to the soldier directly from the Veterans' Bureau at a reasonable rate of interest because it would require a larger sinking fund. In other words, that would mean more of a tax on the people of the country. So you allow the soldier to be charged more, which means a tax on the soldier. In other words, you are willing to tax the soldier the additional 2 per cent interest, but you are not willing to tax the people of the country the additional rate.

Mr. CURTIS. That is not it at all. I am telling the Senator the theory of the bill. The bill was prepared by the friends of the soldiers and introduced in the House, and a sinking fund of a hundred million dollars was provided.

Mr. PITTMAN. Is this the exact bill the friends of the soldier wanted?

Mr. CURTIS. I understand so. I introduced another measure which I had prepared after going over the McCumber bill and I was urging it when I was informed by those who represented the soldiers that they preferred this bill, and at my suggestion this bill was substituted and considered in the place of my bill.

Mr. PITTMAN. Do the officers of the Legion make no complaint about charging this 2 per cent?

Mr. CURTIS. They do not. I thought it only fair to the Senate to give in the report the different estimates. The experts have not agreed at all in reference to what it would cost the Government if this bill should become a law. The House committee, in its report, states that the total cost will be $2,025,888,696.

Mr. HARRIS. The Senator said the experts have not agreed. What experts?

Mr. CURTIS. I will give their names to the Senator in a moment. I refer to the actuaries. I do not know the actuary for the House in the first instance. The second actuary was Mr. Brown, who appeared before the committee of the Senate and submitted to us an estimate, after getting new figures in reference to the man days, and his new estimate was $2,202,467,420.

Mr. Hess, of New York, who was employed by the Veterans' Bureau, taking the same figures, gave the total cost as $2,382,760,000. Mr. McCoy, actuary of the Treasury Department, who has been there for many years, taking the same figures as to man days or days of service furnished by the department, gave the amount as $3,631,047,691.

On yesterday I was furnished with some figures by an expert, an actuary who had figured from the basis of the daily returns to the staff officers, which he claimed was the most accurate method. The figures which he gave me yesterday fixed the amount at $2,270,044,000.

I thought it only fair to the Senate that all these figures should be given. Which is right I do not know. My own judgment is, after going over the matter very carefully, that it will cost about $2,500,000,000.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. SMOOT. That is without a cent of interest and without a cent of administration cost.

Mr. CURTIS. There is a dispute about the cost of administration. The Senator from Utah, I think, claims that the administration will cost about $20,000,000, does he not?

Mr. SMOOT. Does the Senator mean the total?

Mr. ROBINSON. Does the Senator mean $20,000,000 per year?

Mr. SMOOT. The Senator means the first year would cost $20,000,000, but I do not think so. I think Mr. McCoy's figure was $20,000,000. I think the first year will cost at least $15,000,000.

Mr. CURTIS. But the testimony of the War Department and the Navy Department was that it will cost about $1 per man, or about $5,000,000.

Mr. SMOOT. I have on my desk a letter from the Secretary of War advising me, as chairman of the Building Commission, that if the bill becomes a law he wants me to furnish him just as quickly as possible with 95,000 square feet of floor space to take care of 2,000 employees. I do not know where to get the space. That is without the Navy and without the Marine Corps.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Georgia?

Mr. CURTIS. I yield.

Mr. HARRIS. The Secretary of War, I imagine, simply means for one year, during the time they are working in The

Adjutant General's office gathering the information with reference to the time each man served.

Mr. SMOOT. We were talking of the first year. No one expects that after the first year it will cost more than $4,000,000.

Mr. HARRIS. That is what I wanted to know.

Mr. CURTIS. Mr. President, I deem it is not necessary for me to tell of the splendid service of our soldiers in the World War. They did splendid work, displayed wonderful courage, and made great sacrifices. They won the admiration and applause of the civilized world. Many of the privates who gave up good positions received a dollar a day, and when they returned a large number of them found their places filled by others and it was some time before they again found employment. Those who had been given the places of the men who made up our great Army were paid large salaries and this fact should be recognized in the consideration of the measure. I believe the World War veterans are fairly and justly entitled to the adjusted compensation given in the bill as reported to the Senate, and I hope the bill will pass.

Mr. SMITH. Mr. President, before the Senator takes his seat I want to ask him some questions in reference to the matter which the Senator from Arkansas [Mr. ROBINSON] has been attempting to develop.

Mr. CURTIS. I yield to the Senator from South Carolina.

Mr. SMITH. We all know that under the Federal reserve system the stockholders of the several regional banks are restricted by law to a dividend rate of 6 per cent. Upon an average of discount rate of 5 per cent, according to the information furnished Senators and the Senate, there was something like 150-plus per cent made by the rediscounting of the commercial paper of the country, which indicated that the rate per cent of rediscount at the regional banks was not graduated for the purpose of making the 6 per cent allowed the stockholders under the law, but was made for the purpose of regulating the volume of currency and to take care of the tendencies in trade. It is very evident that the board of governors are an official body, subject to the control of Congress. They control the rate of rediscount in the several regional banks.

Upon absolute Government-secured paper why may not they fix a rate of rediscount to these special certificates at such a rate that the local banks handling it may make the 2 per cent and yet give the soldier the benefit of that process rather than putting his paper in the category of commercial paper, which may or may not be secured. For instance, a regional bank under the authority of a law such as this could rediscount this paper at 2 per cent and still make a splendid profit for the Government, because all in excess of the 6 per cent paid the stockholders of our regional banks is covered into the Treasury under appropriate law. It evidently was a profit amounting to something like 150 per cent. I believe that it is that much now or perhaps in excess of it. Why does the Government want to make a profit out of what they ostensibly say is a compensation to the soldier? I believe, and I do not think I may be contradicted successfully, that the regional bank could rediscount this paper at 1 per cent and make a profit to the Government and provide for the 6 per cent dividend on the capital stock investment.

Mr. FESS. Mr. President, will the Senator from Kansas yield?

Mr. CURTIS. I am perfectly willing to yield the floor.

Mr. ROBINSON. Before the Senator yields the floor I want to ask him some other questions about the bill.

Mr. SMITH. I want to know whether the committee——

Mr. FESS. I would like to ask the Senator from Kansas a question.

Mr. SMITH. Just a minute. We are in earnest about this matter. There is no cavil about it. The Federal reserve system is an instrumentality of the Government. Upon an average rediscount rate for 12 of the regional banks of 4½ per cent on commercial paper, they made 150 per cent plus.

Mr. FESS. My observation was simply this. The 2 per cent additional theory prevails, because there is no necessity or obligation on the part of the banks to loan to the soldier. The soldier wanted to be sure that he could use his certificates to get money. The Government could not say to the bank, "You must loan the money," but in order to insure that the soldier would be able to use the collateral for money the Government permitted 2 per cent additional.

Mr. SMITH. I am not discussing the 2 per cent. I am discussing the rates of discount at banks which we practically control, which are our regional banks that issue the Federal reserve notes and other forms of currency. The point I am making is this: We have no control over the local banks or the member banks, but we have control over each regional bank. Upon a 4½ per cent rediscount rate on commercial paper they made 150 per cent profit. If upon a 4½ per cent rediscount rate, handling the commercial paper of the country, they made 150 per cent, they could accept this particular paper at a rate of 2 per cent and let the local bank charge 3 if desired.

Mr. FESS. May I ask the Senator a question? Would the soldier in possession of this certificate be able to get the loan from any bank without an additional rate per cent?

Mr. SMITH. Here is the point I make——

Mr. FESS. Could he do that?

Mr. SMITH. Yes; of course he could.

Mr. FESS. If he could, why give the additional per cent? If he could get it for 1 per cent additional, why give any more?

Mr. SMITH. I am not talking about an additional rate of the local bank. Let me illustrate. Suppose the Senator from Kansas was a local bank and a soldier brought him a certificate and he knew that under the law he could send that to his regional bank in his district and that the regional bank was instructed under the law to accept the certificate upon a rediscount rate of 2 per cent. I, the local banker, could charge the 3 per cent and the soldier would thus get his paper rediscounted at 5 per cent. But it is proposed to put the soldier's paper in the same category with 90-day commercial paper and subject it to the exigencies of change in the rediscount rate, as though it were subject to the law, whereas it is not.

Now, get my point clearly. The regional bank could, under the law and by the direction of the board of governors, fix a rate of rediscount at the regional bank upon this paper at 2 per cent and make a profit if the figures they send to us are true. The Senator from Utah will not deny that the regional banks of the country made more than 100 per cent upon an average rate of 4½ per cent.

Mr. SMOOT. The Senator leaves out one phase of the question entirely.

Mr. SMITH. I would like to know what that phase is.

Mr. SMOOT. If the Senator from Kansas will yield, I will tell the Senator from South Carolina.

Mr. CURTIS. I yield.

Mr. SMOOT. When these notes are taken up by the Government of the United States they must draw a rate of interest of at least 4½ per cent every year of the time during the 20 years in order that they may pay the face of the certificate at the end of that time.

Mr. SMITH. What must draw a rate of 4½ per cent to pay the principal?

Mr. SMOOT. Every obligation the Government buys with the money that would be appropriated here by Congress has to draw at least 4½ per cent so as to bring a sufficient return to enable them to pay the face of the certificate.

Mr. SMITH. The Senator is going upon another theory that does not approximate this. Does the Senator pretend to say that the money we are proposing to lend the soldiers or the insurance we are going to give them shall pay a return in 20 years equal to the principal at the end of that time and the Government will not pay him anything?

Mr. SMOOT. I did not say that.

Mr. SMITH. That is the Senator's argument.

Mr. SMOOT. No; it is not my argument, and I never had any such idea.

Mr. CURTIS. Has the Senator from South Carolina concluded?

Mr. SMITH. I just want the Senator to answer my question as to whether he has considered the propriety of having the regional bank grant a lower rate of discount on this particular kind of paper.

Mr. CURTIS. If the Senator will read the amendment, he will notice that we gave it such careful consideration that we put in a provision compelling the board, upon a vote of a majority of the members, to rediscount.

Mr. SMITH. But I am not talking about rediscounting. Of course, we can force them to rediscount, but the Senator would leave this paper open to the exigencies of commercial paper, it seems to me.

Mr. SMOOT. What the Senator wants is to strike out the provision for the rate of interest charged upon the loan by the bank and provide that it shall not exceed by more than 2 per cent per annum the discount rate. In other words, he would strike out the rate charged at the date of the loan for the discount of 90-day notes drawn for commercial paper under section 13 of the Federal reserve act and substitute for that a definite rate of 2 per cent.

Mr. SMITH. That is right. It has been demonstrated—and I want the Senator from Arkansas [Mr. ROBINSON] to get this point—that the 12 regional banks, upon an average rediscount rate on prime commercial paper of 4½ per cent, made 150 per cent that was covered back into the Treasury

of the United States. Now, upon this particular paper why not be satisfied with a reasonable profit to the regional bank by putting it at 2 per cent?

Mr. ROBINSON. Mr. President——

Mr. SMITH. I shall offer an amendment to that effect.

Mr. CURTIS. I yield to the Senator from Arkansas.

Mr. ROBINSON. I want to ask the Senator from Kansas some questions about the provision in the bill which relates to the appointment of employees created by the bill.

Mr. CURTIS. To what section does the Senator refer?

Mr. ROBINSON. Section 701. The language is, after providing for such officers as may be necessary to execute the purposes of the act:

> With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil service laws; but for the purposes of carrying out the provisions of section 305 such appointments may be made without regard to such laws until the services of persons duly qualified under such laws are available. In all appointments under this section preference shall, so far as practicable, be given to veterans.

That paragraph provides for the appointment of certain agents and employees outside the classified service. It has been very severely assailed by the representatives of the national Civil Service Reform League. This morning I received a letter from William D. Foulke, who is the president of the organization named, bitterly complaining about the language and its effect and asserting that it opens the way for a repetition of the scandalous instances of incompetency and inefficiency which have been demonstrated to exist formerly in the administration of the affairs of the Veterans' Bureau. Let me ask the Senator from Kansas what is the purpose of providing for the appointment of these employees outside of the classified service and of thus challenging the censure and criticism of the Civil Service Reform League and others who are interested in the subject?

Mr. CURTIS. Personally I favor employing persons from the civil service and think it should be done, but if the Senator from Arkansas will turn to section 305 of the bill he will find that the Secretary of War and the Secretary of the Navy are required immediately to furnish certain statistics. It would take some little time before they could get men and women certified from the civil service to perform that work. The bill contemplates that those persons shall be employed outside of the civil service temporarily or until employees may be certified from the civil service.

The bill provides:

> Immediately upon the enactment of this act the Secretary of War and the Secretary of the Navy shall ascertain the individuals who are veterans as defined in section 2.

It is required that the Secretary of War and the Secretary of the Navy shall perform this work at once. Of course, if they should have to wait for certification of employees from the civil service it would take some little time.

Mr. ROBINSON. The language is somewhat ambiguous. It reads:

> With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil service laws.

That would apparently take all special experts out of the civil service.

Mr. SMOOT rose.

Mr. CURTIS. The Senator from Utah [Mr. SMOOT] has some letters on that subject and I should like to have him answer the question of the Senator from Arkansas.

Mr. SMOOT. Mr. President, I wish to say in this connection that the language of this particular provision, which has been referred to by the Senator from Arkansas, was originally written by the representatives of the American Legion; but since the passage of the bill by the House of Represenatives I have received a letter from the Civil Service Commission, I have received a letter from the Secretary of War, and I have also received a letter from the Secretary of the Navy, in which they claim, after an investigation has been made, that they have come the the conclusion that it is not necessary to have this provision in the proposed law. That information, however, was received after the Senate committee had passed upon the bill.

Mr. ROBINSON. I was about to offer——

Mr. SMOOT. I will say to the Senator——

Mr. ROBINSON. I shall yield in just a moment. I was about to offer an amendment to strike out this section, and to leave the appointment subject to civil-service rules, unless the Senators in charge of the bill could state a justification why it should be retained.

Mr. CURTIS. I will state that if the letters referred to by the Senator from Utah [Mr. SMOOT] had been brought to my attention, I should have suggested an amendment to the bill, but they had not been, and I have not even yet seen them.

Mr. SMOOT. I will say to the Senator from Arkansas that it is my intention to offer such an amendment unless the Senator from Kansas shall do so.

Mr. ROBINSON. I myself intend to offer such an amendment.

Mr. SMOOT. I have no objection to any Senator offering the amendment.

Mr. ROBINSON. Unless the Senator in charge of the bill asks to modify it as I have suggested I shall offer an amendment having that object in view. In view of the discussion on this subject I shall ask to have printed in the RECORD, as a part of my interruption of the Senator from Kansas [Mr. CURTIS], the letter of Mr. Foulke, to which I have referred.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Is there objection? The Chair hears none.

The letter is as follows:

NATIONAL CIVIL SERVICE REFORM LEAGUE,
New York, April 18, 1924.

Hon. JOSEPH T. ROBINSON,
United States Senate, Washington, D. C.

MY DEAR SENATOR ROBINSON: In the bill providing for adjusted compensation for veterans of the World War (H. R. 7959), which is now before the Senate, there appears a clause, which, if enacted into law, would except from civil-service examination any number of employees of this bureau who may be designated under the title of "special expert."

On behalf of the league I take this opportunity of vigorously protesting against this exception. It has appeared in other statutes where new bureaus have been created, and in almost every case such bureaus have been the subject of investigation as the result of serious charges of graft and maladministration. Perhaps the best example is the Veterans' Bureau, in which hundreds of political appointments were made under the title of "special expert." These "special experts" have been assigned to various duties ranging all the way from mere filing work to positions of great responsibility. The qualifications of the incumbents, however, have, in the majority of instances, been totally inconsistent with what might properly be understood as the duty of a special expert. As a mater of fact, on the face of it this title is incapable of accurate description, but a few examples of the kind of qualifications that are stated by the incumbents of such positions in the Veterans' Bureau may be enlightening. These are given on the attached sheet.

I hope you will agree that this exception from the rule of competition should be struck from the bill, and that you will do all within your power to eliminate it.

Respectfully yours,

WM. D. FOULKE, *President.*

Mr. FLETCHER. I understand the Senator has some illustrations as to the character of "special experts" referred to in the letter?

Mr. ROBINSON. Yes; I have some such illustrations.

Mr. FLETCHER. I do not know whether those should go in or not.

Mr. ROBINSON. I have a number of illustrations of what happened under the administration of a similar provision applicable to the Veterans' Bureau, but I am not going to put them into the RECORD at this time. They may be discussed further if the necessity shall arise. The Senators in charge of the bill, both the Senator from Kansas and the Senator from Utah, having conceded that an amendment should be adopted striking out the section and thus making all employees subject to appointment within the classified service, I shall treat that feature as having been disposed of and pass to another subject about which I desire to ask the Senator from Kansas some questions.

The Senator recalls, of course, that former bills which passed the Senate and which met with Executive veto contained what is known as the "four-option plan." I believe the Senator from Kansas himself introduced a bill embodying that plan as representing the attitude of the advocates of adjusted compensation legislation and particularly of the American Legion. Why did the Senator abandon that bill?

Mr. CURTIS. I introduced the measure to which the Senator from Arkansas refers after consulting with the heads of the veterans' organization here in Washington, telling them that it was my intention to do so. Some time after I had introduced the bill, and before any hearings were arranged, the insurance plan was suggested in the House of Representatives, and the

Upon a 4½ per cent rediscount rate on commercial paper they made 150 per cent that was covered back into the Treasury

representatives of the veterans' organization advised me that they would prefer the straight insurance to the bill introduced by me. So I asked the committee to consider the House bill and not to consider the bill which I had introduced.

Mr. ROBINSON. May I make a further statement preliminary to the question which I intend to ask the Senator from Kansas?

Mr. CURTIS. Certainly.

Mr. ROBINSON. About the time the House bill passed that body representatives of the American Legion stated that they preferred the "four option" bill proposed by the Senator from Kansas. They stated, however, that it was feared that such a measure would again meet with an Executive veto and that it would be found impossible to pass the bill over the President's objection, and that they did not wish to take the responsibility for defeating the House bill, which embodies the insurance plan. The next notice that I had on the subject was a somewhat widespread complaint that a proposal was to be advanced by Senators on this side of the Chamber, for partisan reasons, contemplating the insertion of a cash option in the bill, and that it was feared if such an amendment should be agreed to and remain in the bill it would provoke another veto from the Executive.

I wish to say, with the permission of the Senator from Kansas, that there is no disposition on the part of any Senator on this side of the Chamber who favors adjusted compensation to embarrass the final disposition of this subject or to provoke a veto by the President. There are a number of Senators who have given considerable study to the subject who entertain the opinion that a cash option would not increase the cost of adjusted compensation legislation to the Government, but, on the contrary, would diminish it, and that it would afford immediate relief to veterans in a number of cases which would not be reached by the insurance method of adjusted compensation. For that reason they assert that the Senate should give consideration to the question of whether a cash option should be carried in the bill. My state of mind upon the subject is that it would be well to compare the two methods, but that it would be unwise to adopt the cash option if it is certain that the President would veto the bill and thus prolong the already too long deferred settlement of the subject of adjusted compensation. If the Senate could be assured that the President would sign the House bill, with such amendments as may be found necessary to perfect it, I would be very strongly disposed to support the House bill and to vote against an amendment providing for the cash option.

My information is that the representatives of the American Legion and many veterans themselves favor the passage of the House bill and are not in favor of a cash option, for the reason that they have been led to believe that the President would sign a bill carrying the insurance plan but would certainly veto the measure if it incorporated in it a cash option.

This question has been before the country for a long time. It is high time it should be finally disposed of. When President Harding appeared before the Senate and expressed the opinion that the then pending McCumber bill should not be enacted because of the lack of sufficient funds in the Treasury to meet its requirements, I said on this floor that the sooner this subject was disposed of the better it would be not only for the veterans themselves but for every interest in the Nation. If the attitude of the Executive toward the legislation is such that to incorporate a cash option would make certain a veto and to leave it out would make probable the approval of the measure and thus finally close the issue, I am of the opinion that many Senators who have studied the subject and who believe that a cash option is in many respects calculated to improve the bill, because it will confer additional advantages and immediate benefits to the veterans, will be disposed to support the House measure without the cash option. How does the Senator from Kansas regard the question of the cash option? Does he favor such a proposal?

Mr. CURTIS. I do not.

Mr. ROBINSON. Does the Senator oppose it because he regards it as an unwise, unjust, or improper provision, or because of questions of policy relating to a possible veto?

Mr. CURTIS. I think the insurance policy is better for the soldier.

Mr. ROBINSON. The Senator has not been influenced by the possibility of a veto?

Mr. CURTIS. I have not talked with the President, and no member of the veterans' organization has told me of any conversation with the President as to his attitude on the House bill.

Mr. ROBINSON. Can the Senator inform me as to whether the representatives of the American Legion were prompted to assume their present attitude in favor of the House bill and against any optional plan by the information conveyed to them by Senators on the majority side that if the cash option should be incorporated in the bill they themselves and many other Senators who would vote for the House bill would oppose the passage of the bill over the Executive veto in case the President should veto it?

Mr. CURTIS. I do not know what influenced them. The only conversation I have had with them in reference to the matter was to the effect that they believed that the time had come to stop vocational training; that the vocational training as now provided for was sufficient, and that it was not resulting in as much benefit as they had anticipated. Their objection to the home settlement was that they doubted if as much benefit would be derived from that as they had expected; and therefore they favored the House bill instead of the bill introduced by me.

Mr. ROBINSON. The Senator, no doubt, has seen statements and press reports that the incorporation of a cash option in the bill will cause a veto?

Mr. CURTIS. I have.

Mr. ROBINSON. Does the Senator believe that the bill will be signed if it is passed in substantially the same form as it passed the House of Representatives?

Mr. CURTIS. I should not want to pass judgment on that matter.

Mr. ROBINSON. I know that the Senator can not commit the President, but——

Mr. CURTIS. I do not know the President's attitude.

Mr. ROBINSON. Mr. President, it is perfectly competent, as all Senators know, for the President to inform the Senate of his views respecting legislation that may be pending. The late lamented President Harding came to the Senate while the McCumber bill for adjusted compensation was under consideration and urged the Senate not to pass the bill, because he said that the condition of the revenues was such that it would occasion a very great embarrassment to the Treasury. The President said in his message to Congress at the beginning of the present session that he was opposed to adjusted compensation for able-bodied soldiers.

Mr. BRANDEGEE. Not quite; he said, "I do not favor the bonus."

Mr. ROBINSON. Yes; and I think in some of his addresses upon the subject he has made mention of the fact that he did not favor adjusted compensation for able-bodied former service men, distinguishing, of course, between them and sick or afflicted or wounded former service men.

I can not understand why this whole controversy can not be simplified. This bill could pass the Senate very promptly and would soon go to the President, although I understand there are some amendments that the representatives of the American Legion think should be incorporated, within a few days, not to say hours, if the President would simply define, as he has the right to do, his attitude upon the subject.

We want to end this question. We who favor adjusted compensation on this side of the Chamber desire to secure the passage of a measure which will be reasonably satisfactory to the beneficiaries of the legislation, and which at the same time will not necessarily, unwisely, or unduly disturb financial conditions throughout the country. If the President intends to sign the House bill and to veto the measure if it includes a cash option, the controversy can be ended now by furnishing the Senate that information.

Of course the Senate can not formally ask the President to state what his course will be, but in view of his declaration that he is opposed to bonus legislation—which, I take it, ordinarily would be construed to mean any bonus legislation—and the further fact that those who seek to improve the bill by amendments are criticized by advocates of the measure for pursuing a course calculated to provoke a veto I think the Senate should be informed whether the incorporation of a cash option will result in a veto, and whether, if it is not included in the bill, the President would sign the measure.

Is there no Senator on the majority side of the Chamber who can furnish the Senate that information? Have not the friends of this measure, those in charge of it, taken the precaution to inquire into the subject? The statement is made, though not publicly proclaimed, that representatives of the American Legion have been prompted to oppose the incorporation of options with the insurance plan on the information furnished them by majority Senators that if the House bill is materially changed, if it is amended to include any other plan than the insurance plan, the bill will certainly fail of passage over the President's veto in the event it should be vetoed, and that if the measure should be passed substantially as the House passed

it, if the President sees fit to veto it, it will be passed over his veto.

If that has occurred, or if anything in the nature of that has happened, those who want to do the right and fair thing by the veterans, and who at the same time do not desire to be put in the attitude of contributing to the defeat of all relief for them, ought to be put in possession of reliable information concerning the subject. I ask, Does any Senator know whether the passage of this bill with a cash or other option included will result in a veto, and whether the President will sign the bill if we take it substantially as it came from the House? The Senate ought not to be put in the position of endeavoring to improve the bill if to do this will cause an Executive veto over which it would be impossible to pass the bill.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. ROBINSON. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. As an illustration of some of the imperfections of this bill, I think I ought to call the Senator's attention to the financial aspect of this subject.

It is estimated that the cost of this proposition to the Government will be $3,631,047,691. That is the complete, total cost of this insurance plan. It is proposed to finance this plan by establishing a sinking fund into which $100,000,000 a year will go, and bonds will be purchased, and the interest upon those bonds will be allowed to accumulate for 20 years, and at the end of 20 years the Government will have in bonds in its sinking fund to meet the payments upon this insurance plan about $3,000,000,000, and this sum of $3,600,000,000 contemplates that there can be dumped upon the market $3,000,000,000 worth of bonds in 20 years without any loss or any shrinkage to the Government, and that they will be disposed of for par.

No man can foresee how much more the loss will be under this bill by reason of the Government being compelled at the end of 20 years to raise the money to dispose in one fell swoop of all this large accumulation of bonds; so I think it ought to be noted that the cost may be greatly in excess of the amount stated by the actuary.

I suppose the Senator from Utah does not disagree with that proposition.

Mr. SMOOT. I do not.

Mr. WALSH of Massachusetts. The Senator agrees that the attempt to dispose in 20 years of over $3,000,000,000 worth of bonds may result in a very great loss to the Government?

Mr. SMOOT. I take the position that the Government, buying its own obligations, will have to make some kind of an arrangement to get that amount of money at the end of 20 years.

Mr. WALSH of Massachusetts. Exactly.

Mr. SMOOT. And I want to say to the Senator that I believe absolutely in the figures that were given by Mr. McCoy in his first estimate, where he figured interest to take care of the amount at the end of 20 years.

Mr. WALSH of Massachusetts. And what was that figure?

Mr. SMOOT. That figure was $4,827,444,274.

Mr. WALSH of Massachusetts. The Senator will agree with me that if we pay all these veterans in cash, the total cost to the Government will be $1,493,768,695? The Senator agrees to that, of course?

Mr. SMOOT. Approximately that.

Mr. WALSH of Massachusetts. Approximately that. Now, if we provide a bill which will give an option to the veteran to take either cash or the insurance plan, the total cost will be one-half the actuary's figures for the cash plan and one-half for the insurance plan, assuming that 50 per cent take the cash plan and 50 per cent the insurance plan, with the result that under such a plan there will be a saving over the actuary's figures of $1,000,000,000 and a saving over the figures just given by the Senator from Utah of nearly $2,000,000,000.

In other words, an optional plan of cash or insurance extending over a period of 20 years, as against a plan that provides for insurance alone, will mean a saving to this Government of $1,000,000,000 in 20 years, and it seems to me we can not afford to fail to consider that in undertaking to pass legislation of this kind.

Mr. SMOOT. The Senator ought to qualify that statement by saying that if they do not count the interest on the $500,000,000 during the period of 20 years and the interest upon the interest which they pay, then his statement is absolutely correct.

Mr. WALSH of Massachusetts. Absolutely.

Mr. SMOOT. But if the Government has to arrange for the payment of the interest on that interest for the full time, it will come to about the same thing.

Mr. WALSH of Massachusetts. I think the Senator is mistaken. I agree with the Senator that if interest has to be paid on the $1,400,000,000, there will be a yearly outlay, in case 50 per cent of these men take the cash plan, of about thirty or thirty-two million dollars a year, but the insurance plan requires the Government to borrow or issue bonds for $100,000,000 a year, and the interest upon that $100,000,000 a year will in 20 years offset the interest on a straight bond issue of $700,000,000 for cash payment. Does the Senator agree to that?

Mr. SMOOT. Certainly, Mr. President.

Mr. WALSH of Massachusetts. So it comes to this—that there is a difference of about $1,000,000,000 in favor of the optional plan.

Mr. SMOOT. There would be a difference in favor of the optional plan of approximately $1,000,000,000, provided the appropriations were made by Congress every year of $100,000,000—that is, made outright and no consideration whatever given the interest upon that amount—in other words, if we did not appropriate the $100,000,000 as a sinking fund to meet these obligations, then we could borrow $100,000,000 on bonds.

Mr. WALSH of Massachusetts. In other words, the $100,000,000 that must be provided under the committee bill must either be borrowed on short-time notes or through a bond issue.

Mr. SMOOT. That is right.

Mr. WALSH of Massachusetts. Or it must be appropriated out of the funds available from taxes.

Mr. SMOOT. The taxpayer pays it anyhow.

Mr. WALSH of Massachusetts. Is not that true?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. So that if 50 per cent is a cash payment, the $700,000,000 has either to be appropriated, like the $100,000,000, or it has to be borrowed and interest paid on it. Is not that true?

Mr. SMOOT. That is true.

Mr. WALSH of Massachusetts. If we borrow the $700,000,000, we have to pay interest for 20 years. If we borrow the $100,000,000 each year, we have to pay on the first $100,000,000 interest for 20 years, and in the seventh year we have $700,000,000 which begins to bear interest and will bear interest for 13 years more, and in the tenth year we will have more than the cash disbursement of $700,000,000 that has to bear interest. So I do not see how the Senator can escape the conclusion that, any way you view this question, under a plan to give an option of cash or insurance, assuming that 50 per cent of the veterans take cash and 50 per cent insurance, there will be a saving in 20 years of $1,000,000,000 or more to the Government.

Mr. SMOOT. I agree with the Senator entirely, if we do not take into consideration the question of interest; he is approximately correct. But what we have to look out for is what will be the actual cost to the Government, and the actual cost to the Government is what the amount appropriated under this bill will be if it is a direct cash payment, and what interest will be paid out, and until it finally reaches the end of the 20-year period whatever interest is paid upon the amount of the original obligation, together with the interest that would have to be paid upon the yearly payments to meet the requirements of the law, will amount to about what the Senator says.

Mr. BRANDEGEE. Mr. President, I would like to ask the Senator from Utah a question.

Mr. ROBINSON. I have the floor.

Mr. BRANDEGEE. Will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. BRANDEGEE. If Congress appropriates a hundred million dollars annually, on what theory does the Senator from Utah claim that we must figure that that is costing the Government interest on a hundred million dollars? After it is spent, why does the Government have to pay any interest on it?

Mr. SMOOT. If we do not figure that amount, then at the end of 20 years we would have only the amount of money that was actually appropriated.

Mr. BRANDEGEE. The Senator means to have it laid up for a sinking fund?

Mr. SMOOT. We have to do that.

Mr. BRANDEGEE. I know; but is that what the Senator is figuring interest on—for the purpose of a sinking fund?

Mr. SMOOT. Absolutely; and unless that is done we would not have the money to pay the obligation.

Mr. BRANDEGEE. Certainly not.

Mr. ROBINSON. Mr. President, when I was interrupted I was discussing the attitude of the Executive toward this legislation and its effect upon the legislation. The statement of the Senator from Massachusetts [Mr. WALSH] and the admission, if I may so refer to it, of the Senator from Utah [Mr.

Mr. ROBINSON. Can the Senator inform me as to whether the representatives of the American Legion were prompted to

President's veto in the event it should be vetoed, and that if the measure should be passed substantially as the House passed

Mr. SMOOT. But if the Government has to arrange for the payment of the interest on that interest for the full time, it will come to about the same thing.

SMOOT] in connection with the comparative costs of the insurance plan and the so-called cash plan are interesting and invite further attention; but why can not the Senate be informed of the President's attitude respecting this legislation, particularly in view of the history of the controversy and of former expressions concerning the measure by the President? It would seem to me that some Senator on the other side of the Chamber should be possessed of enough information to answer my question, and I am wondering whether the failure of Senators of the majority to say whether the President would veto a bill carrying a cash option and sign a bill carrying only the insurance plan is due to lack of information or fear that after they supplied the information the President would find it necessary to repudiate their statements. It would simplify this question very much, produce quick results, and do harm to nobody.

Mr. FERNALD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Maine?

Mr. ROBINSON. I yield to the Senator from Maine.

Mr. FERNALD. I had supposed my esteemed friend from Arkansas had by this time acquainted himself with the President sufficiently well to know that when he said he opposed any bonus legislation, that was about the end of it; and I doubt if his nearest friend would ever get much more. He said that in his message, and I suppose his attitude is the same now.

Mr. ROBINSON. Mr. President, if I construe the statement of the Senator from Maine correctly, it is a serious statement of what Abe Martin is said to have uttered in humor—

Careful Cal has broke his silence, and hain't said nothin' yit.

[Laughter.]

Does the Senator from Maine speak with authority and mean to say that the President will veto any adjusted compensation bill which the Congress may pass and send to him?

Mr. FERNALD. Mr. President, I certainly do not speak with authority. I have never mentioned this to the President, and all I know about the matter is what he has already said in his message to Congress.

Mr. ROBINSON. Does the Senator believe the President will veto a bill carrying only the insurance plan?

Mr. FERNALD. I have no means of knowing.

Mr. ROBINSON. But the Senator has said that the Senator from Arkansas ought to understand the President's attitude upon the subject because of his statement that he is opposed to bonus legislation. Now, the Senator declares that he himself has no opinion as to whether the President would sign an adjusted compensation bill if it embraced only the insurance plan. Does the Senator from Maine think that the President's message commits him unalterably to the veto of any adjusted compensation bill which the Congress may pass?

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. ROBINSON. I have asked the Senator from Maine a question, which I know he will be glad to answer.

Mr. FERNALD. I will be very glad to answer. I have no idea at all of what the President's attitude on this measure will be. I have never asked him, and he has never asked me.

Mr. ROBINSON. Mr. President, I suggest that it would be an interesting performance if either the Senator or the President would ask the other. I yield now to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I was going to remark that perhaps the insurance plan would not be considered a bonus.

Mr. HARRISON. Mr. President——

Mr. ROBINSON. I yield to the Senator from Mississippi.

Mr. HARRISON. I just entered the Chamber, and did not hear all the Senator said. He has asked a question of Senators on the other side several times——

Mr. ROBINSON. And I had quite an illuminating answer from my friend the Senator from Maine.

Mr. HARRISON. Yes; it is just as clear as mud. When the Senator propounded that question to the Senator in charge of the bill [Mr. CURTIS] he promptly left the Chamber, and then when he asked it again of the Senator from Massachusetts [Mr. LODGE] he retired from the Chamber. I see now the distinguished chairman of the Finance Committee [Mr. SMOOT], who has had a good deal to do with the proposition. He is close to the Secretary of the Treasury. He is closer still to the President. Has he made any reply?

Mr. ROBINSON. Of course we all know that the Senator from Utah really knows, if he would only take the Senate and the country into his confidence. There can not be any doubt

Mr. SMOOT. If the Senator from Utah had his way the bill would not pass at all.

Mr. ROBINSON. Mr. President, I asked the Senator from Utah, or was just about to ask him, whether the President would sign an adjusted compensation bill which carried only the insurance plan?

Mr. SMOOT. I will answer the question. I did not know the Senator asked me that question.

Mr. ROBINSON. Oh, yes.

Mr. SMOOT. I will answer it. I do not know, and I have not asked the President. [Laughter.]

Mr. ROBINSON. Well, Mr. President, for a moment after I asked the question I held my breath in suspense, and other Senators did. We thought we were to receive information, authentic information, but the Senator from Utah disappointed us. As I said before, the Senator from Utah knows the President's mind on this subject if anyone does.

Mr. SMOOT. I will say to the Senator that the Senator from Utah does not know the mind of the President, and I am not interested in seeing that this bill passes, either.

Mr. ROBINSON. Mr. President, no personal issue can arise between the Senator from Arkansas and the Senator from Utah about what the Senator from Utah knows or does not know.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from North Carolina?

Mr. ROBINSON. I yield.

Mr. SIMMONS. Somebody, a Senator or some one else, evidently told the veterans or their representatives that the President would veto any other bill except the insurance bill, and their attitude in favor of the insurance bill is based, as I understand it, upon the understanding that the President would so act.

Mr. SMOOT. Of course the Senator from North Carolina will absolve me from any such statement as that. The Senator knows I voted against the bill before.

Mr. SIMMONS. I did not mention the Senator from Utah.

Mr. SMOOT. But the Senator went so far as to take in every member of the committee.

Mr. SIMMONS. No, I did not say members of the committee. I said that some Senator or somebody else had evidently told the representatives of the veterans in this country that the President would veto any legislation except the bill which carried only the insurance plan, and I draw that inference from the fact that their support of the insurance plan, as I understand it, is based upon the idea that the President will sign that and will veto anything else.

Mr. ROBINSON. The only information I have been able to obtain was in the answer of the Senator from Maine [Mr. FERNALD], which, if I misinterpret, the Senator will kindly correct. I understood him to imply that the President's message on the subject commits him unalterably to a veto of any adjusted compensation bill.

Mr. FERNALD. Oh, no; I did not say that. I said that was all I knew about the attitude of the President.

Mr. ROBINSON. But the Senator did say that the Senator from Arkansas is familiar with that message and that he understands its clear import. Now the Senator declares that he himself does not understand what it meant.

Mr. FERNALD. I am sure that the Senator will yield again?

Mr. ROBINSON. I yield to the Senator from Maine.

Mr. FERNALD. It seems to me there ought to be somebody who knows about this.

Mr. ROBINSON. That is the way it seems to me! [Laughter.]

Mr. FERNALD. It appears to me very much like a great deal of the evidence that is appearing before the investigating committees. Somebody told somebody else something——

Mr. ROBINSON. Oh, Mr. President. I hope the Senator from Maine will not start in the Senate this Saturday afternoon a controversy about investigations.

Mr. FERNALD. Not at all.

Mr. ROBINSON. If the Senator admits that he has no information and that some one should procure and give the information to the Senate, he has admitted what I started out to prove in that particular, except I thought perhaps he might be able to tell the Senate the President's attitude.

Mr. FERNALD. Will my friend yield again?

Mr. ROBINSON. Oh, with pleasure.

Mr. FERNALD. I base my judgment on the remarks of my friend from North Carolina [Mr. SIMMONS]. He said that somebody had told somebody else that he did know that the President would do certain things under certain conditions.

Mr. WALSH of Massachusetts. Absolutely.

Mr. ROBINSON. I see the spokesman for the President, the senior Senator from Indiana [Mr. WATSON], has arrived in the Chamber and I would like to propound to him inquiries similar to those I have submitted to the Senator from Kansas [Mr. CURTIS] and the Senator from Utah [Mr. SMOOT]. I would like to know if the Senator from Indiana is informed whether, if the adjusted compensation bill includes a cash or other option, it will meet with the Executive veto?

Mr. WATSON. The Senator and I both belong to the Methodist Church, but I did not know this was an experience meeting. [Laughter.]

Mr. ROBINSON. Is that all the answer the Senator cares to make?

Mr. WATSON. Why does the Senator choose to catechise me?

Mr. ROBINSON. I will say that in so far as the reference to religion is concerned this is the first information I had that my friend the Senator from Indiana had any religion whatever. [Laughter on the floor and in the galleries.]

The PRESIDING OFFICER. Under the rule of the Senate, manifestations of approval or disapproval are prohibited in the galleries. The Chair feels that he must admonish the occupants of the galleries to observe the rule.

Mr. ROBINSON. The Senator from Indiana was not in the Chamber when I presented a subject which I think is of importance in connection with the adjusted compensation legislation. After reference to the prolongation of the issue and the desire of those who favor legislation in behalf of former service men to see it properly enacted, reference was made to the statement that if a cash option is incorporated it will certainly result in an Executive veto, and the implication that if no cash option is embraced in the bill the President would sign it.

Now, I know that the Senator from Indiana is the one unrepudiated spokesman of the White House in good standing, although in a precarious situation perhaps, and I want to be informed, if possible, and the Senate would like to be informed, whether that declaration is well founded and whether the President would sign the bill as passed by the House and veto a bill embracing a cash option?

My purpose in seeking the information is serious. Frankly, if the fears of the representatives of the American Legion that the inclusion of a cash option would make certain a veto, and the omission of it would make probable the President's signature to the bill, I would be disposed, and some other Senators would be disposed, to refrain from voting for a cash option, even though it appeared to have advantages over the plan contained in the bill as passed by the House. I know that the Senator from Indiana will be glad to inform the Senate as to the President's attitude upon the subject.

Mr. WATSON. Mr. President, inasmuch as the Senator from Arkansas asks me seriously, I shall answer him in the same frame of mind. I have never discussed that question with the President at all. I have never heard him discuss it. I have not the slightest idea in the world what his notions are concerning it. I only know that certain Senators have said to the President that if he saw fit to veto a cash bonus measure they would vote to sustain his veto, whereas if he saw fit to veto the other proposition they would not vote to sustain his veto, but would vote to pass it over the veto.

Mr. ROBINSON. I would be interested to know how many Senators and who they are?

Mr. WATSON. Enough to do the business.

Mr. ROBINSON. Very well, then. The Senator from Indiana has furnished the information that I sought.

Mr. WATSON. Oh, no; that is not the information the Senator asked me to furnish at all.

Mr. ROBINSON. Oh, yes; it is in part.

Mr. WATSON. The Senator asked me to furnish information as to what the President thought. That I can not furnish. But I can furnish him what I think about it. I am one of the Senators who would vote to sustain the President if he vetoed a cash bonus bill, whereas if he vetoed the other bonus bill I would vote to override his veto.

Mr. ROBINSON. Yes; I understood the Senator's statement. It is very frank and quite illuminating upon the issue before the Senate. By indirection it gives me the answer to my question and furnishes the country the justification for the attitude of the representatives of the American Legion who have declared that if a cash option is incorporated in the bill and vetoed by the President, it would fail of passage over the veto, but if the insurance plan alone is passed and the President should see fit to veto that, it would be passed over the Executive veto. So at last we come to the

Mr. ROBINSON. Oh, the Senator must not be too modest.

Mr. WATSON. It is not a question of modesty. If it were a question of modesty I would disclaim it.

Mr. ROBINSON. The Senator would not need to do that.

Mr. WATSON. It is a question of truthfulness. I have no authority whatever to speak for the President of the United States on any proposition at any time under any circumstances. I announce only my own ideas.

Mr. ROBINSON. The Senator has repudiated himself. As we understood him he spoke for the President the other day about the special message relating to the investigation of the Bureau of Internal Revenue, and he spoke perhaps once too often, too long, and too loud. But the conviction has been carried to the many advocates of the adjusted compensation legislation, and that seems to be the outgrowth of the declaration of purpose by the Senator from Indiana and his associates on the other side of the Chamber, that the only thing that can be passed is the plan embraced in the House bill for insurance certificates to former service men. No matter what better plan may exist or be presented, or how much less other plans may cost or how much more satisfactory and beneficial they might prove to the former service men, the policy has been agreed on, a policy concerning which rumors have been spread but which has never before been definitely declared, to kill any adjusted compensation legislation except that which has been passed by the House of Representatives.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. ROBINSON. I yield.

Mr. BROOKHART. I would like to get a little information from the other side of the Chamber.

Mr. ROBINSON. I do not know whether it is possible.

Mr. BROOKHART. How many votes will there be in the other side to pass the bill over the President's veto in case it contains a cash provision?

Mr. ROBINSON. I am unable to furnish the Senator the information. Frankly, I am convinced that such a bill could not pass over the President's veto after the statement of the Senator from Indiana.

Mr. BROOKHART. Then what about passing it over his veto if he vetoes the other form of bill?

Mr. ROBINSON. I think it probable that it would pass in view of the pledge of the Senator from Indiana and the Senators who support his position in that particular.

Mr. HARRISON. Mr. President, will the Senator from Arkansas yield?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Mississippi?

Mr. ROBINSON. Certainly.

Mr. HARRISON. I want to ask the Senator from Arkansas if he can see any consistency in the position of the senior Senator from Indiana [Mr. WATSON] in stating that he would vote to override the President's veto of the insurance provision alone if the President should veto it, but would vote to sustain the President's veto should a cash bonus optional plan be included, when on September 20, 1922, after we had passed the adjusted compensation bill and President Harding had vetoed it, the Senator from Indiana voted to override the President's veto?

Mr. ROBINSON. I hope the Senator from Mississippi will not impose upon me the impossible task of vindicating the consistency of my good friend, the Senator from Indiana.

Now, Mr. President, I would like to ask my friend the Senator from Ohio [Mr. WILLIS], who I know is in good faith supporting the adjusted compensation legislation, whether he can tell the Senate if the President would veto a bill embracing a cash option and sign a bill including only the insurance plan?

Mr. WILLIS. Mr. President, I have not talked with the President on this subject. I do not know what his attitude on the matter is. I regret that I can not give my friend the information.

Mr. ROBINSON. Mr. President, it is a remarkable circumstance that no Senator on the other side of the Chamber, either one of the opponents of the proposed legislation or one of the advocates of it, has the slightest conception of the attitude of the Executive respecting this important issue.

Mr. SMOOT. Mr. President——

Mr. ROBINSON. I yield with pleasure to the Senator from Utah. Now we are going to get the real information.

Mr. SMOOT. Yes; so far as the Senator from Utah is con-

about that. I have been drawing nearer to the Senator from Utah for some minutes, in a figurative sense, and now I propound to the Senator from Utah the question——

Now, as my friend knows who that somebody is, it seems to me we ought to be able to trace back and find out who it is and have him subpœnaed here.

on the bonus bill is. No matter what answer he might give, I should follow what I thought was right, whether it was in accord with or contrary to his position. Therefore, I never seek counsel where I am not going to try to follow it. I have made up my mind on this subject, and no matter whether the President shall state he will veto the bill or that he is going to sign it, I am going to vote the way I think I ought to vote, and for the best interests of my country.

Mr. ROBINSON. Mr. President, of course all that is true; we all know that the Senator from Utah is unswervable from his views and ideas, but with all due recognition of the outstanding characteristics which distinguish the Senator I say there has been raised in the country an issue that adjusted compensation legislation must be passed in a certain form or it will encounter a presidential veto and thus the issue be prolonged. A few Senators, led by the Senator from Indiana [Mr. WATSON], have taken the attitude that if the proposed legislation is limited to an insurance provision they will do everything in their power to force its passage, the objection of the Executive to the contrary notwithstanding, but if the Senate sees fit to perfect or to improve the bill, to incorporate into it additional provisions calculated to prove helpful to the former service men, and the President then vetoes the bill, the organization which clusters so coherently about the great leader from Indiana will exert its power to sustain the Executive veto and to defeat the final enactment of the legislation.

In that view of the matter, with those facts disclosed before the Senate, it would not be belittling the dignity of the Senator from Utah, it would not be an act of unfairness or injustice to the President or to anyone else, if the Senator from Utah should ask the Executive what is his attitude upon the subject.

Mr. WATSON. Mr. President, may I ask my friend from Arkansas a question?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Indiana?

Mr. ROBINSON. I yield with pleasure to the Senator from Indiana.

Mr. WATSON. I thank the Senator. The Senator has very freely questioned some of us on this side of the Chamber as to our views on this question. I should like to ask him what are his views? Under those conditions what does the Senator propose to do?

Mr. ROBINSON. Under those conditions, Mr. President, I should favor the passage of the House bill. That is the reason I have taken the floor—to develop the facts which have been held secret and which have an important bearing upon the issue now before the Senate. I said in the beginning of my speech, what the Senator from Indiana did not hear because he was not then in the Chamber, that if the Senate could be assured of the Executive attitude on this subject, if it could ascertain that the cash option would be vetoed and fail to pass over the veto and that the insurance plan would be signed or passed in spite of a possible veto, the controversy would be ended now so far as this side is concerned.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from North Carolina?

Mr. ROBINSON. I yield.

Mr. SIMMONS. I wish to say to the Senator from Arkansas that he has correctly stated the attitude, as I understand it, of every member of the minority of the Finance Committee. We therefore want definite information as to what the attitude of the President is. It is known to all of us that the advocates of this proposed legislation who assume the right to speak for the veterans are under the impression, gained, as they claim, by representations made to them by leaders upon the majority side of the Chamber, that the President will beyond question veto any bonus legislation which contains the cash plan but that the President will sign any legislation of that character which merely contains the insurance plan.

The Senator from Arkansas has been trying very diligently to find out the authority for that statement of the President's position. The authority that the veterans give for their belief is assurances given to them by majority Senators. I have had evidence of that this morning from a representative of the American Legion. The Senator from Arkansas has asked the Senator from Indiana, who is generally recognized as a spokesman of the President in this Chamber, and he has also asked the Senator from Ohio, who is also recognized as a spokesman of the President in this Chamber, both being Senators supposed to enjoy the confidence of the President, and they have replied to him that they have never discussed this matter with the

Somebody on the majority side of the Chamber has discussed it with him or the Legion men would not have this assurance.

I suggest to the Senator from Arkansas that if he will ask the Senator from Indiana or the Senator from Ohio or any other Senator on the majority side who, like them, has never discussed the question with the President, if he has any knowledge of any Senator on the majority side who has discussed it with the President, in that way possibly the Senator will get a lead and will be able to apply to the proper source to get the information.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Indiana?

Mr. ROBINSON. I yield.

Mr. WATSON. Would it be in order to suggest that we have an investigating committee appointed?

Mr. SIMMONS. This is an investigation, Mr. President, that is very important in connection with legislation that is pending, and it seems that we can probably get the information upon the floor of the Senate without having to go outside, because, as I am advised, the source of the information which has been conveyed to the veterans and upon which they base their insistence that we adopt the insurance plan came from leading Senators on the Republican side of the Chamber.

Mr. ROBINSON. Mr. President, I have elicited all the information that I think can be obtained as to the attitude of the Executive on this proposed legislation. The discussion has disclosed that a few Senators associated with the Senator from Indiana are responsible for bringing about a condition which renders it exceedingly difficult, if not impossible, for the Senate to consider and act upon amendments to this bill which many Senators believe will improve the bill. The opportunity to secure a cash option is denied to the former service men by reason of that influence and that combination.

Mr. DILL. Mr. President——

Mr. ROBINSON. I yield to the Senator from Washington.

Mr. DILL. If it be true that certain Senators on the Republican side will only vote to override an Executive veto if it be a certain kind of bill, and those Senators have long been opposed to the bonus, then, if Senators who believe in the cash proposition support that provision, are they not allowing the opponents of the bonus to dictate its terms?

Mr. ROBINSON. In a measure that is undoubtedly true.

Mr. HARRISON. Mr. President, but the Senator from Indiana [Mr. WATSON] voted to override the President's veto in 1922.

Mr. ROBINSON. Undoubtedly.

Mr. HARRISON. And there may be other Senators on the other side of the Chamber who are in the same attitude.

Mr. ROBINSON. So did the leader of the majority, the Senator from Massachusetts [Mr. LODGE]. The Senator from Massachusetts made one of the most eloquent and forceful speeches in favor of the McCumber adjusted compensation bill that was delivered in the Senate or elsewhere, and it is said that he has joined the combination with the Senator from Indiana for the purpose of preventing the service men having a cash option.

Mr. BROOKHART. Mr. President——

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. BROOKHART. I do not have quite the understanding from the Legion representatives that some Senators have expressed. As I understood their suggestion, it was that the bill would be vetoed by the President, but that there were a sufficient number of Senators like the Senator from Indiana who would vote under those conditions to override the veto, and therefore they urged us to support the bill as it came from the House.

Mr. ROBINSON. Yes; some have expressed the belief that the President will sign a bill embodying the insurance plan, but veto any other bill, and all would, so far as I know, concur in the opinion that there is no chance of passing a cash-option bill over the President's veto. Many believe that the insurance plan can be passed over the Executive veto if the President shall see fit to veto it.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. ROBINSON. I yield.

Mr. WALSH of Massachusetts. Do I understand that the only reason given in opposition to the cash plan is that the soldiers will misuse the money if paid in cash to them?

Mr. ROBINSON. I do not say that is the only reason given. Indeed, in justice to the Senator from Kansas [Mr. CURTIS], whom I interrogated upon that subject, I think it should be said that he justified his opposition on the ground that the

Mr. WALSH of Massachusetts. In view of the fact that the optional plan saves the Government a billion dollars in 20 years it seems to me that some good reason ought to be advanced for waiving aside the optional plan for the insurance plan.

Mr. ROBINSON. The Senator from Massachusetts has at least made a prima facie case for the cash-option plan; and if it is not considered seriously by the Senate, the reason will be the fear that to incorporate it in the bill would defeat any legislation whatever for adjusted compensation.

Mr. HARRISON. Mr. President——

Mr. ROBINSON. I yield to the Senator from Mississippi.

Mr. HARRISON. The Senator from Kansas [Mr. CURTIS] and the Senator from Ohio [Mr. WILLIS] have now returned to the Chamber. Two of the Senators, as I understand—the Senator from Indiana [Mr. WATSON] and the Senator from Massachusetts [Mr. LODGE]—have now said that although they voted before to override the President's veto, they would not vote to override the President's veto should the cash optional feature be attached. Has the Senator been advised how the Senator from Kansas [Mr. CURTIS] and the Senator from Ohio [Mr. WILLIS] feel about that matter?

Mr. WILLIS. Is the Senator directing his question to me? I did not get the question.

Mr. HARRISON. I was asking the Senator from Ohio and the Senator from Kansas, through the Senator from Arkansas, that question.

Mr. WILLIS. What was the question? I thought the Senator was asking the Senator from Arkansas a question.

Mr. HARRISON. Will the Senator from Arkansas permit me to ask the question in his time?

Mr. ROBINSON. I yield to the Senator from Mississippi.

Mr. HARRISON. Is it the Senator's frame of mind that if the insurance bill as it passed the House should be passed by the Senate without the cash optional feature attached, and the President should veto it, he would vote to override the President's veto?

Mr. WILLIS. It is.

Mr. HARRISON. If the cash optional feature should be attached to the House bill, and it should go to the President, and the President should veto it, would the Senator then vote to override the President's veto?

Mr. WILLIS. The Senator would not.

Mr. HARRISON. So, that is three Senators that have joined.

Mr. ROBINSON. Mr. President, I have not any doubt that the statement made by the Senator from Indiana that there are enough to do the work is correct. The Senator from Indiana, when he makes a declaration of that nature, is usually well informed.

Mr. McKELLAR. Mr. President, will the Senator yield for just a moment? I want to ask the Senator from Kansas, if I may, in the Senator's time, whether he occupies the same position that the Senator from Massachusetts [Mr. LODGE] occupies.

Mr. CURTIS. Oh, Mr. President, I do not think the Senator ought to keep asking questions of this kind.

Mr. McKELLAR. If the question is embarrassing to the Senator, I will not ask it.

Mr. CURTIS. It is not at all embarrassing. I shall vote for what I think is proper when the matter is presented here. I said to the Senator from Arkansas that I was not in favor of the cash bonus.

Mr. SMITH. That is the same thing.

Mr. ROBINSON. Mr. President, that the proposal of the Senator from Indiana to make certain the defeat of any bill carrying options has carried conviction to the advocates of adjusted-compensation legislation is evidenced by a number of telegrams which I have received from representatives and former representatives of the American Legion; and as showing also that it is clear that the attitude of the legislative representatives of the Legion and the chairman of the legislative committee is to favor the House bill and oppose the adoption of the cash option amendment, I submit letters and telegrams received from Mr. Taylor and Mr. Sapiro, who respectively fill those positions. I ask to have these inserted in the RECORD, together with a statement attributed by the newspapers to Mr. Taylor of March 19, 1924, a letter to me of April 19, 1924, in which Mr. Taylor defines clearly the attitude of National Commander Quinn and himself respecting the issue, and telegrams from representatives of the American Legion in the State of Arkansas.

I have also a message received from Mr. Sapiro stating that the House bill in its present form is not satisfactory to meet

dive veto. So at last we went to the right source for information—to the authorized spokesman for the White House.

Mr. WATSON. Oh, no; Mr. President.

cerned.

Mr. President, it seems to me that it would be very improper, for me at least, to ask the President what his attitude

the demands of justice for ex-service men, and that important amendments are necessary. Some of the amendments are referred to in a telegram which I intend to have printed in the RECORD.

Mr. CURTIS. Mr. President, I will state that the committee has recommended a large number of amendments, and I hope they may cover the matters suggested.

Mr. ROBINSON. Are they in addition to those reported with the bill?

Mr. CURTIS. No. I expect to offer three amendments not listed in the bill as reported, and then I expect to offer the amendment suggested by the Senator from Arkansas in regard to civil service, making four.

Mr. ROBINSON. Perhaps those amendments will include some of the amendments referred to by Mr. Sapiro. I do not know.

Mr. CURTIS. Mr. President, let the Senator have them printed, and I will look them over in the morning or as soon as they are printed.

Mr. ROBINSON. I can refer to them somewhat specifically. They are mentioned in his telegram of the 17th instant:

First. Elimination of 60-day deduction.

Second. Removal of two-year filing limit.

Third. Increase addition to service days as compensation basis from 25 per cent to 35 per cent.

Fourth. Permit written waiver of compensation by any ex-service man.

Fifth. Permit assignment of compensation to any patriotic organization chartered by Congress.

Sixth. Reduce time limit of application for loan to two years from date of passage of act.

Seventh. Remove provisions discriminating against dependents of injured or disabled men.

Eighth. Remove funding features not necessary to bill.

Ninth. Include all ex-service women in all benefits.

Several other minor features are suggested.

Mr. President, I ask leave to have these several communications printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

CHICAGO, ILL., *April 17, 1924.*

Senator JOE T. ROBINSON,
United States Senate, Washington, D. C.:

Somebody has been taking the name of American Legion in vain. I am chairman of national legislative committee of American Legion, and therefore stand as its one accredited spokesman on legislative matters, together with Taylor, our salaried representative at Washington. We are convinced that inclusion of cash option in adjusted compensation bill will insure veto and will cause several important Senators to vote against entire bill and sustain veto. Thus we fear cash option clause will defeat any real chance for securing adjusted compensation already long overdue. Legislative committee is satisfied with House bill amended on points presented by our legislative committee and summarized in personal letter to you particularly. First, elimination of 60-day deduction; second, removal 2-year filing limit; third, increase addition to service days as compensation basis from 25 per cent to 35 per cent; fourth, permit written waiver of compensation by any ex-service men; fifth, permit assignment of compensation to any patriotic organization chartered by Congress; sixth, reduce limit application for loans two years from date passage of act; seventh, remove provisions discriminating against dependents of injured or disabled men; eighth, remove funding features not necessary to bill; ninth, include all ex-service women in all benefits. Several other minor features suggested in writing by committee to Senate Finance Committee. Committee urges you use your influence as leader Democratic Senators to have cash option feature withdrawn and to secure immediate passage insurance certificate bill with these amendments. This wire not confidential. Kindest personal geetings.

AARON SAPIRO,
Chairman National Legislative Committee American Legion.

MARIANNA, ARK., *April 17, 1924.*

Senator JOE T. ROBINSON,
Washington, D. C.:

Adjutant Claude Brown called my attention to your telegram. American Legion, the only organization of ex-service men of State, has referred the matter to its membership. Less than 5 per cent favor the cash bonus plan, 95 per cent favor the plan as introduced in Congress. Arkansas service bureau of Little Rock not in accord with policy of American Legion. Strongly urge you to support the bill.

ELGAN C. ROBERTSON,
Department Commander.

President and that they do not know the President's attitude in reference to it.

insurance plan is better for the soldiers than the double plan—insurance with cash option.

LITTLE ROCK, ARK., *April 17, 1924.*

Hon. JOE T. ROBINSON,
United States Senate, Washington, D. C.:

Sapiro statement represents sentiments Legionnaires of Arkansas poll recently conducted over State. Shows less than 5 per cent favored cash option. We feel amendment proposing same would jeopardize measure and regret efforts made to divide veterans on issue. Eight thousand veterans in 430 Arkansas towns counting on your continued cooperation.

CLAUDE A. BROWN.

——

CHICAGO, ILL., *April 18, 1924.*

Senator J. T. ROBINSON,
United States Senate, Washington, D. C.:

Regarding adjusted compensation bill. Have just seen form of bill reported out by Finance Committee and feel that legislation not yet in shape to satisfy demands of justice for ex-service men. Can I see you in your office Monday morning about 11 o'clock? Please wire Chicago. Greetings.

AARON SAPIRO.

——

MARIANNA, ARK., *April 18, 1924.*

Senator JOE T. ROBINSON,
United States Senate, Washington, D. C.:

American Legion of Arkansas strongly in accord with policy advocated by national headquarters, American Legion, as presented by Aaron Sapiro, chairman national legislative committee.

ELGAN C. ROBERTSON,
Department Commander.

——

ELDORADO, ARK., *April 18, 1924.*

Senator JOE T. ROBINSON,
United States Senator from Arkansas, Washington, D. C.:

Press reports adjusted compensation bill out of Finance Committee with preference over tax measure. Urge your support of this measure as passed by House, with few amendments suggested by Finance Committee and national legislative committee of the American Legion. Cash feature as suggested by some Senators will mean defeat, and after five years of watchful waiting it would be criminal to use this indirect method of securing defeat of adjusted compensation. Last two national conventions of the American Legion indorsed the fivefold plan without specifying any cash optional feature. A poll of legionnaires in this State is favorable to insurance plan as provided in House bill. Legionnaires in this State appreciate your support in the past and are looking to you to counteract movement of certain Senators to load down this bill with cash optional feature. Don't let this bill fail when so near success. If it is to be defeated, let responsibility rest on President and not on Democratic minority. Please wire. Am wiring Senator CARAWAY to same effect.

O. L. BODENHAMER.

——

AMERICAN LEGION NEWS SERVICE,
Washington, D. C., March 18, 1924.

(For release Wednesday morning newspapers, March 19, 1924)

STATEMENT BY JOHN THOMAS TAYLOR, OF THE NATIONAL LEGISLATIVE COMMITTEE OF THE AMERICAN LEGION, ON THE PASSAGE OF THE ADJUSTED COMPENSATION BILL BY THE HOUSE OF REPRESENTATIVES

The American Legion is gratified by the spirit shown by the House of Representatives in passing an adjusted compensation bill by the largest majority, nearly 7 to 1, which it has given in the five times it has voted favorably on the soldiers' measure.

The Members of the House come up for election every two years, and are, therefore, responsive to the desires of their constituents. The huge majority is evidence that the Representatives of the people know that sentiment among the citizens of the Nation has been continually growing, and has finally become insistent, that the Congress delay action on this just measure no longer.

The bill now goes to the Finance Committee of the Senate, where prompt action upon it is expected by the veterans.

——

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., April 19, 1924.

Hon. JOSEPH T. ROBINSON,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of April 17 requesting that the attitude of Commander Quinn and the legislative representative of the Legion be given you on the proposal to insert a cash option in the adjusted compensation bill from the floor of the Senate. You state that there is a division among the friends of the legislation, and that, therefore, you desire information on this subject for your own guidance and that of your associates.

I have just discussed your request with Commander Quinn over the telephone. He asks that I inform you that the Legion desires no amendments to the bill from the floor; that the bill as reported by the Finance Committee can become a law regardless of a veto; but that amendments from the floor, and in particular the cash option, might seriously endanger this prospect.

The bill as it passed the House a month ago has received the general approval of the veterans. The question of a cash option has not been before the Legion for two years. Our membership overwhelmingly favors insurance features, with loan privileges, as shown in all national conventions, and more recently through a national poll covering every State in the Union.

Commander Quinn desires me to state further that the Legion appreciates the friendly attitude which yourself and associates have displayed toward this legislation, especially when a partisan attitude might have imperiled ultimate enactment at this session.

With this official assurance, in which I heartily concur, any existing confusion in the minds of friends of the legislation should be cleared up. Both Commander Quinn and I hope that you will convey this message to your associates, and that the bill will be passed by the Senate to-day.

Very respectfully yours,

JOHN THOMAS TAYLOR,
National Legislative Committee.

CASPER-ALCOVA IRRIGATION PROJECT, WYOMING

Mr. WARREN obtained the floor.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to his colleague?

Mr. WARREN. I do.

Mr. KENDRICK. Out of order, I ask unanimous consent to report back favorably without amendment from the Committee on Irrigation and Reclamation Senate Joint Resolution 114, authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the report will be received.

Mr. WARREN. Mr. President, I did not rise to address myself to that measure; but it is very important that it should pass, and I ask unanimous consent to have the joint resolution taken up at this time.

The PRESIDING OFFICER. The Senator from Wyoming asks unanimous consent for the present consideration of the joint resolution just reported by his colleague. Is there objection?

Mr. ROBINSON. What is the joint resolution?

Mr. WARREN. It is simply a joint resolution asking the Secretary of the Interior to give us, before we meet at the next session, information about an irrigation project. There is no money appropriated.

Mr. ROBINSON. I have no objection to its consideration. The Senator from Wyoming has explained its purpose.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to prepare and submit to Congress at the beginning of the next regular session plans and estimates of the character and cost of structures necessary for the construction and completion of the proposed Casper-Alcova irrigation project, in Natrona County, Wyo.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ANNUAL REUNION OF UNITED CONFEDERATE VETERANS

Mr. SHEPPARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Texas?

Mr. WARREN. I had risen to address myself to the subject before the Senate, but I will yield for a moment.

Mr. SHEPPARD. I should like to ask permission to present a matter which I do not think will lead to debate.

Mr. WARREN. I yield to the Senator for that purpose.

Mr. SHEPPARD. From the Committee on Military Affairs I ask unanimous consent to report back favorably, with an amendment, House Joint Resolution 163, authorizing the Secretary of War to loan certain tents, cots, chairs, and so forth, to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924; and I ask unanimous consent for its present consideration.

Mr. WARREN. It will lead to no long debate?

Mr. McKELLAR. No; it is the usual report on a bill of this sort.

Mr. WARREN. I yield for that purpose.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 9, after the word "stools," to strike out "and so forth," so as to make the joint resolution read:

Resolved, etc., That the Secretary of War be, and is hereby, authorized to loan, at his discretion, to the executive committee of the United Confederate Veterans, for use in connection with the thirty-fourth annual reunion of the United Confederate Veterans, to be held in Memphis, Tenn., June 4 to 6, 1924, such tents, with necessary poles, ridges, and pins, cots, blankets, pillows, chairs, or camp stools as may be required at said reunion: *Provided,* That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered to said committee designated at such time prior to the holding of said convention as may be agreed upon by the Secretary of War and Thornton Newsum, chairman of said executive committee: *And provided further,* That the Secretary of War shall, before delivering such property, take from said Thornton Newsum a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "A joint resolution authorizing the Secretary of War to loan certain tents, cots, and chairs to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924.

Mr. SHEPPARD. I thank the Senator.

Mr. McKELLAR. I thank the Senator, also.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. WARREN. Mr. President, I rise to support the bill that is before the Senate as reported by the Committee on Finance, and, as nearly as possible, as it passed the House.

During the last Congress, when the bill providing for adjusted compensation for veterans of the World War was under consideration, I did not support the measure because, in my judgment, it was imperfect and inapplicable and would prove unsatisfactory to both the proposed beneficiaries and the Government.

No way was provided in that bill for raising revenue to fulfill its conditions, or for assurance to the veterans that they might obtain loans upon their certificates, and it seemed certain to lead to endless confusion in administration.

If another bill of like character should be offered, I doubtless would oppose it.

The present bill, as it was passed by the House and amended by the Senate Committee on Finance, is one that I shall take pleasure in supporting if it may be passed by the Senate in its present form, because it provides direct life-insurance protection to the families and dependents of the ex-service men. It introduces a system of what might be called "safety-deposit installments," and provides that the veteran who lives for the period of 20 years may receive in cash, at the expiration of that period, 3.015 times the amount calculated at the rate of $1 a day to those who served in this country and $1.25 a day to those who served overseas, not to exceed $500 in the former case and $625 in the latter case. These per diem and maximum amounts have been the basis of computation suggested in almost all of the 200 or more proposed compensation bills.

The bill now under consideration, the adjusted compensation or bonus bill, seems to promise adjustment of long-continued matching of wits to evolve a plan acceptable to a majority of our American Legionnaires and to Congress and the people.

We can never reward fully with cash alone those veterans who risked everything and suffered loss of time, funds, health, and even life itself to carry to victory our flag and honor in the war on foreign shores for humanity and world peace; but we can undertake to encourage our young veterans to commence planning and building for the future, and we can insure to all of them care for their dependents in case of death.

This the bill before us proposes to do. It enables each of these young men to venture in business, homemaking, or employment with a certainty behind him that wife, children, or parents will not be entirely bereft of immediate relief, in some measure, in case of the passing away of the protector.

I wish at this time to express pleasure and satisfaction at what seems to promise the final conclusion of a subject that has been with us for consideration during the last five years and one which I think in its various stages has finally reached the best possible solution, everyone and all things considered.

The veterans were not the ones who first sought a bonus. It was the Congress which first moved in granting the 60-day or $60 bonus as a necessity for immediate use in a clean-up and home-coming.

Congress itself, having initiated the bonus business some six years ago, should no longer delay when a nearly or quite faultless measure, as this one seems to be, is before it, suitably planned to discharge or fulfill its promises.

Whatever dissatisfaction may have existed meantime among a part or perhaps a majority of the veterans will be dispelled, and thoughts of injustice upon their part and upon the part of the people will pass away, is my belief.

According to the report of Mr. GREEN, chairman of the Ways and Means Committee of the House, more than 200 bills bearing on this question have been offered in this session of Congress.

I regard this bill—H. R. 7959—as the best for the United States at large and the most useful for the ex-service men among all that have been proposed. Its provisions require about one hunded and sixty-five millions in cash the first year, and a little over a hundred million dollars per annum thereafter for 20 years. This does not compel us to involve the Government in a bonded loan, nor does it add an extravagant rate of taxation. It takes the money from one of Uncle Sam's pockets and places it in another. In this way a liberal insurance policy is furnished by the Government without incurring the expense of advertising, commissions, and other expenses that life-insurance companies must collect from their policyholders over and above the real risks of insurance.

So much for the Government.

To the young men who were in the service of our country during the late war, it furnishes to each, in case of his death, immediate protection and relief for his family and dependents, if he has any. If the man lives, he enjoys the satisfaction of continued protection of his relatives throughout the 20 years, and at the end of that period, while he is in middle life, settled down, and perhaps in need of funds to invest in the problems of business or profession that he must meet in obtaining a livelihood for himself and his family, it will add to his savings or will serve as capital in his business or will enable him to commence along new lines.

In the State of Wyoming several of the most important American Legion posts have within the past few weeks taken a vote of their membership, and from 75 to 90 per cent have voted for insurance, as against any other form of adjusted compensation.

Recently at a meeting of one of Wyoming's most prominent legion posts the following resolutions were adopted:

Resolved, That it is the sense of this meeting that some form of compensation for ex-service men is a matter of right and justice; but it is the unanimous sense of this meeting to forego the bonus in favor of proper care and attention to our disabled comrades: Be it further

Resolved, That the American Legion withdraw from any further activities for the passage of the bonus and concentrate all their efforts for the proper care of the aforementioned disabled veterans.

I am proud of the unselfish spirit of the young men who participated in the adoption of those resolutions.

I am gratified by the knowledge that in connection with the bonus question little or no selfishness has been evident in my State, and I glory in the belief that Wyoming's young men of the World War generation are remaining loyal to the traditions of the West, where the vast, almost limitless spaces foster broad minds and generous hearts and do not restrict the view to one's own immediate environment and petty interests.

Wyoming sent an unusually high type of men into the service, the majority native-born citizens, well educated, stalwart in physique, inured to the hardships incident to life and work in the open; courageous, good fighters, accustomed to firearms and hence apt in learning the use of other weapons of warfare. The State points with pride to the records made by her sturdy sons. She has already given them a good measure of relief through generous exemption from State taxation, and hence has not waited for the Federal Government to shoulder all the

cares. Her citizens approve of the plan proposed by the pending measure and are ready to do their share in "footing the bill."

Mr. President, I may say, in conclusion, that it is my opinion that the bill presented to us from the Finance Committee is the only one that could have a possibility of final issue in this Congress. Therefore I support it heartily, although I have said that I could not support a bill calling upon this country for taxation amounting to more than this bill now provides.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House disagreed to the amendment of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JOHNSON of Washington, Mr. VAILE, Mr. VINCENT of Michigan, Mr. SABATH, and Mr. RAKER were appointed managers on the part of the House at the conference.

PROSECUTION OF CLAIMS BY EX-OFFICIALS (S. DOC. NO. 91)

The PRESIDING OFFICER. The Chair lays before the Senate a letter from the Secretary of the Navy in response to Senate Resolution No. 176. The Clerk will read the Secretary's letter.

The reading clerk read as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, April 18, 1924.

The PRESIDENT PRO TEMPORE OF THE SENATE.

SIR: I have the honor to acknowledge the receipt of the resolution of the Senate dated February 26, 1924 (S. Res. 176), requesting the following information:

"*Resolved*, That the Secretary of the Navy be, and he is hereby, directed to furnish the Senate the following information:

"1. Give the name of any ex-Member of the House of Representatives or of the Senate, or of any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the Executive Government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent before the Navy Department or any of its bureaus, divisions, or subdivisions in advocacy of any claim of any kind against the Government of the United States.

"2. If there has been any such appearance as outlined in paragraph 1, then give in full and in detail the nature of the claim; the amount of money involved; the amount of money, if any, allowed such claimant; and the final disposition of the matter involved.

"3. If there has been any correspondence between the Navy Department or any of its branches, divisions, or officials, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof."

An examination of the records of the Navy Department, its bureaus and offices, discloses that the Hon. William Gibbs McAdoo, former Secretary of the Treasury; the Hon. James Hamilton Lewis, ex-Senator; and the Hon. Hoke Smith, ex-Senator, appeared before this department in advocacy of claims against the Government of the United States, and who at the time of their advocacy came within the provisions as set forth by Senate Resolution 176, above quoted.

The Hon. William Gibbs McAdoo appeared in behalf of Albert C. Burrage, owner of the steam yacht *Astee*, in the advocacy of the claim of Mr. Burrage arising out of the leasing of the steam yacht by the Navy Department during the World War. The amount of money involved in the claim was $325,000 as the cost of repairs, plus $60,000 for loss of the use of the vessel, a total of $385,000. The sum of $300,000 was the final settlement of this claim. This sum has been paid.

The Hon. James Hamilton Lewis appeared before this department in the advocacy of the claim of the Edward Valve & Manufacturing Co., Chicago, Ill., for reimbursement on account of partial cancellation of Navy Department contract No. 2010 for 3-inch projectiles, work under which was terminated after the signing of the armistice. The amount of money involved in the claim was $2,259,783.27. The amount of money finally allowed, and which was the final settlement of the claim, was $574,291.42. This amount has been paid.

The Hon. Hoke Smith appeared before this department in advocacy of the claim of the Federal Sugar Refining Co. for additional compensation under Navy Order No. 6273, dated April 15, 1920. This claim was based upon the claimant's assertion that it should be paid 25 cents a pound, less 2 per cent f. o. b. refinery, instead of $0.175, as fixed by the Bureau of Supplies and Accounts of the Navy Department, on 420,000 pounds of granulated sugar delivered by the plaintiff company under Navy Order No. 6273. Payment was made to the Federal Sugar Refining Co. at the preliminary price of 14 cents per pound, amounting to a total of $58,800, slightly more than the price fixed by the Paymaster General of the Navy for said sugar. The amount of the claim in behalf of which the Hon. Hoke Smith appeared before this department was $37,350, together with interest from May 12, 1922. This claim has not been settled. The claimant has now instituted suit before the Court of Claims, which suit is still pending.

The correspondence as called for in Senate Resolution 176, with reference to the claims hereinbefore referred to, is attached as inclosures.

An examination of the records of this department has failed to disclose the name of any other ex-Member of the Senate or of any other ex-Cabinet officer who, within two years after retirement from office and since the 1st day of January, 1918, has appeared before this department as attorney or agent, or who has been a member of any firm or partnership appearing as attorney or agent before the Navy Department, its bureaus or offices, in advocacy of any claim against the Government of the United States.

In consequence of the remarks of Senator NORRIS, as set forth in the CONGRESSIONAL RECORD of March 1, 1924, relative to eliminating from consideration under the resolution ex-Members of the House of Representatives, I have caused no thorough and complete examination of the records of this department to be made with a view to ascertaining whether ex-Members of the House of Representatives have appeared as attorneys in the advocacy of claims against the Government. Should a report in respect to ex-Members of the House of Representatives be requested, I shall endeavor to furnish the desired information.

Respectfully,

CURTIS D. WILBUR,
Secretary of the Navy.

The PRESIDING OFFICER. There are some very long exhibits attached to the letter.

Mr. NORRIS. I ask that the letter of the Secretary of the Navy be printed as a Senate document in the usual way, and that the exhibits, together with the letter, be referred to the Committee on Naval Affairs.

The PRESIDING OFFICER. The Senator from Nebraska asks that the letter of the Secretary of the Navy be printed as a Senate document, and that the letter, with the accompanying papers, be referred to the Committee on Naval Affairs. Is there objection?

Mr. KING. May I inquire of the Senator from Nebraska if it is customary to have printed as Senate documents communications of this character?

Mr. NORRIS. My understanding is that it is. The communication is in response to a resolution of the Senate.

Mr. CARAWAY. What is the purpose in having the letter printed as a Senate document? To distribute it as a campaign document?

Mr. NORRIS. Oh, no. I think it is customary, and I think that without any such request it would be done, although unless somebody desires it I do not want to have the exhibits included. The letter of the Secretary of the Navy fully answers the resolution. I think that under the rules of the Senate it is permissible to have it printed. I do not know whether it is called a Senate document, but I think it is.

Mr. CARAWAY. I was just curious to know, because nobody will ask for a copy of it. What is the use of expending a lot of money to embalm the statement?

Mr. SMOOT. We have done the same thing many times before.

Mr. CARAWAY. Just because we have done a lot of foolish things before is no reason why we should continue to do them. That is all; I merely wanted some reason for it and it seems there is none in existence. However, I shall make no objection.

The PRESIDING OFFICER. Without objection, the request of the Senator from Nebraska is granted.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. WALSH of Massachusetts. Mr. President, I had intended to address the Senate to-day upon the pending bill, but I think time can be saved by permitting the amendments that are offered by the committee to be disposed of to-day.

Mr. CURTIS. I would like to do that, if possible.

Mr. WALSH of Massachusetts. I think that would save a good deal of time, and the Senate would be in better condition to hear discussion on the merits of the bill on Monday. I also understand the Senator from Kansas desires to have an executive session this afternoon.

Mr. CURTIS. If the Senator from Massachusetts will yield, I thought we could get through with the amendments proposed by the committee and with four amendments that I desire to offer, not indorsed by the committee, but brought to my attention since the report was made. Then I desire to move an executive session.

Mr. WALSH of Massachusetts. I give notice that on Monday I shall address the Senate on the pending measure.

Mr. KING. Mr. President, may I inquire of the Senator from Kansas whether under his interpretation of the bill it contains provisions under which soldiers and sailors who were in the service of the country at the outbreak of the war and whose enlistment carried them beyond the period of the war will come within the bill?

Mr. CURTIS. Does the Senator mean officers of the Regular Establishment?

Mr. KING. Yes.

Mr. CURTIS. It does not apply to them.

Mr. KING. It does not?

Mr. CURTIS. I think not. That is my understanding.

Mr. WILLIS. Mr. President, I desire to ask the Senator from Kansas what his plans are with reference to Monday? Is it the purpose to go on with the bill on Monday, or does he propose to give an opportunity for work on the calendar?

Mr. CURTIS. The intention is to adjourn this afternoon. That would give us a morning hour on Monday and two hours on the calendar under the rule. At 2 o'clock on Monday I want to go on with the adjusted compensation bill, because I would like to have it passed as soon as possible. There are appropriation bills waiting for action; the revenue bill is ready to be taken up, as is the bill providing for codification of the Veterans' Bureau laws. Those should all be acted upon as soon as possible.

Mr. WILLIS. I fully agree with the Senator in his desire.

Mr. WALSH of Massachusetts. Did I correctly understand the Senator from Kansas to say, in reply to a question of the Senator from Utah [Mr. KING], that there is a difference in the bill between privates and officers in the regular service during the war and those who volunteered or were drafted?

Mr. CURTIS. Not the privates, but the officers above the rank of captain.

Mr. WALSH of Massachusetts. So a man who served in the Army or Navy or Marine Corps in rank lower than captain is entitled to the adjusted compensation, whether he was in the service at the outbreak of the war or enlisted during the war as a member of the Regular Army or Navy organization, the same as if he had volunteered or been drafted?

Mr. CURTIS. Yes; that is my understanding.

Mr. KING. May I inquire of the Senator, without expressing any opinion, if the theory of the bill is that those who were drafted or who volunteered because of the exigency were entitled to compensation because they were denied the right to continue their employment under which their earnings would have been greater than that which they received in the Army, upon what theory does the Senator justify the payment to soldiers and sailors who were in the Army and in the Navy at the time of the outbreak of the war and whose terms of enlistment did not expire until after the war was over?

Mr. CURTIS. They might have been able, under conditions or under the rules and regulations, to leave the service and earn more outside. As the Senator well knows, boys who were of the serviceable age and who were left out because of some little physical defect earned as much as six or seven or eight dollars a day during the war.

Mr. KING. The Senator does not mean to assert that the Secretary of War and the Secretary of the Navy after the outbreak of the war would have permitted resignations from the Army and from the Navy?

Mr. CURTIS. Only for cause, and just cause, too. I think that all the men in the same class who received the same pay should be treated alike, and that is what the bill proposes to do.

Mr. KING. I am expressing no opinion; but I understood that the theory of the bill was that men had been taken from civil life, drafted or volunteered because their country was in danger, and that if they had remained at home they would have been able to earn more than the compensation received in the service of the Government, and it was intended to adjust their compensation. If that is the theory, then, manifestly, to be logical, we may not apply that theory to those who were in the Regular Army and in the Navy and whose terms of enlistment carried them at least to the 12th of November, 1918.

Mr. CURTIS. Would the Senator treat those who got $30 a month any differently because they happened to be in the Regular Army or the Navy?

Mr. KING. I am expressing no opinion at all. I am opposed to the theory of the bill, I am opposed to the bill itself, and I intend to vote against it. I was trying to understand the reason that prompted the Senator to include those who were not drafted, and who did not voluntarily enlist, but who were regular soldiers and sailors. I was trying to get his reason for including them within the provisions of the bill.

The PRESIDING OFFICER. The Secretary will proceed to read the bill.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Finance was, under the heading "Title II.—Adjusted-service credit," in section 202 (c), on page 4, line 3, after the word "cadet," to insert "or cadet engineer," and in line 11, after the word "Navy," to strike out "Indian Scout, female yeoman of the Navy, or female marine of the Marine Corps in," and to insert "or Indian Scout in," so as to make the paragraph read:

(c) Any civilian officer or employee of any branch of the military or naval forces, contract surgeon, cadet of the United States Military Academy, midshipman, cadet or cadet engineer of the Coast Guard, member of the Reserve Officers' Training Corps, member of the Students' Army Training Corps (except an enlisted man detailed thereto), Philippine Scout, member of the Philippine Guard, member of the Philippine Constabulary, member of the Porto Rico Regiment of Infantry, member of the National Guard of Hawaii, member of the insular force of the Navy, member of the Samoan native guard and band of the Navy, or Indian scout—in each case for the period of service as such.

The amendment was agreed to.

The next amendment was, under the heading "Title III.—General provisions," on page 7, after line 19, to strike out the subhead "Proof of right to adjusted-service certificate," and to insert "Transmittal of application."

The amendment was agreed to.

Mr. KING. Mr. President, may I inquire of the Senator from Kansas under what theory public health officers are included? If I am advised correctly, provision is made for public health officers, particularly those who remained in the United States and were discharging the same character of duties that they would have discharged if there had been no war, and that they are included within the bill. My understanding is that a large number of public health officers were in the service of the Government at the outbreak of the war, who were continued in their various positions rendering the same service or service of the same character.

Mr. CURTIS. They are not included. They are excluded. Any member of the Public Health Service is excluded for any period during which he was not detailed with the Army or the Navy.

Mr. KING. Is the Senator sure that is so?

Mr. CURTIS. It is so provided in lines 21, 22, and 23, on page 4 of the bill.

Mr. KING. The reason why I made the inquiry was that I have been advised by one who claims to be familiar with the bill that these medical men were included within the provisions of the bill.

Mr. CURTIS. If the Senator will turn to page 4 of the bill and read lines 21, 22, and 23, he will find that they are excluded.

Mr. SMOOT. They are not all excluded. They are excluded where not detailed for duty. If they were detailed for duty with the Army or the Navy, they fall within the provisions of the bill, but those who were not detailed do not receive any benefit from the bill.

Mr. KING. It is clear that the statement made by the Senator from Kansas needs modification, and I will ask my colleague——

Mr. CURTIS. Oh, no, Mr. President. I read the provision to the Senator from Utah. It reads:

Any member of the Public Health Service—for any period during which he was not detailed for duty with the Army or the Navy.

That was my answer.

Mr. KING. May I inquire of the Senator what portion of those officers were detailed for service with the Army and the Navy?

Mr. CURTIS. That information I am unable to give the Senator, I am sorry to say.

Mr. KING. I presume—and this is information which was conveyed to me—that substantially all were detailed for serv-

ice and therefore the overwhelming majority of them come within the provisions of the bill.

Mr. SPENCER. Mr. President, will the Senator yield?

Mr. KING. I yield to the Senator from Missouri.

Mr. SPENCER. Where a member of the Public Health Service was actually detailed to the work of a soldier or sailor, does the Senator object that he should receive the same consideration that the soldier or sailor receives? What difference in principle is there if a man were detailed to duty or drafted from the shop? If they were doing the military or naval work they ought to have the bonus. If they were not doing that duty they ought not to have it.

Mr. KING. Of course the Senator from Missouri and myself differ so radically upon the theory of the bill or the reason for this character of legislation that I presume there would be no ground of rapprochement between us. But may I say in reply to the suggestion of the Senator that the public health officers were receiving large salaries, many of them receiving compensation greatly beyond that which they would have received in private life. They sought positions with the Public Health Service. Hundreds and thousands of doctors, some of whom had not succeeded in their professional careers within their respective homes, sought these positions because of the large compensation. The presumption was that they would render service to the Government as employees of the Government in protecting the public health, not only of soldiers and sailors but of the people of the United States, so far as the duty rests upon the United States to have them perform medical or sanitary work.

The Senator asked, "Would you deny to them the same compensation or the same bonus that you would give to soldiers and sailors?" Why, of course I would. The theory upon which we pay soldiers and sailors is entirely different from the theory upon which we pay a medical officer of the Public Health Service of the United States. Indeed, the bill before us denies the bonus to captains and those above the grade of captain, as I understand it.

Mr. SPENCER. The Senator is mistaken. It allows it to captains.

Mr. KING. But above the grade of captain it denies it. I submit, and the Senator from Kansas or the Senator from Utah will correct me if I am in error, that the compensation of public health officers was as great or greater than the next higher grade to the grade of captain. Now it is proposed to deny the bonus to those above the grade of captain. I repeat, the public health officers were in the employ of the Government. They sought those positions. It was immaterial to them whether they were looking after the bubonic plague in some part of the United States or serving the public health in some part of the United States or whether they were ministering to the needs of the soldiers in some part of the United States or beyond the seas. They were discharging duties which they had undertaken to discharge and for which they were well compensated by the Government of the United States. So that those who believe in a bonus for the boys who fought in the trenches and for the sailors who risked their lives upon the sea may not, it seems to me, find justification for a bonus for the officers of the Public Health Service.

Mr. President, I do not have the bill before me, and if the Senator from Kansas has no objection I shall not offer the amendment now to strike the provision out, but shall do so on Monday.

Mr. CURTIS. I understand that after the committee amendments shall have been acted upon amendments by individual Senators will be in order, and the Senator can offer his amendment on Monday.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 303 (a), on page 7, line 24, after the word "Bureau," to strike out "if the veteran is entitled to an 'adjusted-service certificate,'" and to insert "(hereinafter in this act referred to as the 'director')," so as to read:

SEC. 303. (a) As soon as practicable after the receipt of a valid application the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the Director of the United States Veterans' Bureau (hereinafter in this act referred to as the "director") the application and a certificate setting forth—

The amendment was agreed to.

The next amendment was, in section 303 (a), on page 8, at the end of line 5, to insert "and," and after line 5, to strike out:

(4) That he is entitled to an adjusted-service certificate; and.

So as to read:

(1) That the applicant is a veteran;
(2) His name and address;
(3) The date and place of his birth; and
(4) The amount of his adjusted-service credit.

The amendment was agreed to.

The next amendment was, in section 303 (b), on page 8, line 11, after the word "Title," to insert "IV or," so as to read:

(b) Upon receipt of such certificate the director shall proceed to extend to the veteran the benefits provided for in Title IV or V.

The amendment was agreed to.

The next amendment was, under the subhead "Publicity," in section 304 (a), on page 8, line 13, after the word "the," to strike out "Secretary of War and the Secretary of the Navy," and to insert "director"; in line 15, before the word "prepare," to strike out "jointly," and in line 18, before the word "prepare," to strike out "jointly," so as to make the paragraph read:

SEC. 304. (a) The director shall, as soon as practicable after the enactment of this act, prepare and publish a pamphlet or pamphlets containing a digest and explanation of the provisions of this act; and shall from time to time thereafter prepare and publish such additional or supplementary information as may be found necessary.

The amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator in charge of the bill whether he offered this morning during his address a table showing the amount of money that beneficiaries could borrow upon their certificates during the 20-year period?

Mr. CURTIS. I gave that information in answer to one of the questions propounded to me.

Mr. WALSH of Massachusetts. I know the Senator did that, but I think some tables were prepared by the committee. If I am correct in that, I think those tables ought to be put in the RECORD.

Mr. SMOOT. I understand, Mr. President, that those tables are in the report presented by the Senator from Kansas.

Mr. CURTIS. No; I merely used the tables found in the House report. I suggest to the Senator from Massachusetts that he have those tables printed in the RECORD.

Mr. SMOOT. Does the Senator mean the table showing the expenditure which will be necessary should the bill become a law?

Mr. WALSH of Massachusetts. I should like to have that table printed also. I have in mind particularly, however, the table which shows how much money may be borrowed by a beneficiary at a given period during the 20 years.

Mr. CURTIS. Those figures were given partially in my statement this morning, and they are also in the report of the committee.

Mr. WALSH of Massachusetts. I think the Senator read from the table which he had in his hand, but I should like to have the Senator put the table to which I refer in the RECORD. Will he do that?

Mr. CURTIS. I shall be very glad to do that.

Mr. SMOOT. That is the same table from which I read, and is in the report.

Mr. WALSH of Massachusetts. I understand that; but I should like to have it put in the RECORD, because I think it will then be more widely read.

Mr. CURTIS. I ask unanimous consent to have printed in the RECORD the table referred to in my remarks earlier in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

TABLE 4.—*Illustration of loan values, adjusted-service certificate*

Endowment 20 years:
Amount of certificate $1,000
Age at issue ..... years 32

Year	Value of sinking fund end of year	Loan value, 90 per cent
3	$97.71	$87.93
4	133.33	119.99
5	170.58	153.52
6	209.57	188.61
7	250.36	225.32
8	293.06	263.75

TABLE 4.—*Illustration of loan values, adjusted-service certificate*—Con.

Year	Value of sinking fund end of year	Loan value, 90 per cent
9	$337.76	$303.98
10	384.58	346.12
11	433.62	390.25
12	485.01	436.50
13	538.88	484.99
14	595.38	535.84
15	654.66	589.19
16	716.92	645.22
17	782.33	704.09
18	851.14	766.02
19	923.59	831.23
20	1,000.00	900.00

Mr. WALSH of Massachusetts. I thank the Senator. Mr. President, I should like now to ask the Senator from Utah to tell me what the other table was to which he referred.

Mr. SMOOT. It related to the cost of the bill.

Mr. WALSH of Massachusetts. I do not think that will be necessarily helpful, because it is rather complicated.

Mr. SMOOT. There are three tables embodied in the report.

Mr. WALSH of Massachusetts. The Senator from Kansas stated in his remarks what the actual cost of the bill would be should it become a law.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 304, on page 8, after line 20, to strike out:

(b) The Director of the United States Veterans' Bureau shall transmit to the Secretary of War and the Secretary of the Navy as soon as practicable after the enactment of this act full information and explanations as to the matters of which such officer has charge, which shall be considered by the Secretary of War and the Secretary of the Navy in preparing the publications referred to in subdivision (a).

The amendment was agreed to.

The next amendment was, in section 304, on page 9, at the beginning of line 3, to strike out "(c)" and to insert "(b)"; in line 5, before the word "may," to strike out "Secretary of War and the Secretary of the Navy" and to insert "director"; and in line 6, after the word "veterans," to insert "and their dependents," so as to make the paragraph read:

(b) The publications provided for in subdivision (a) shall be distributed in such manner as the director may determine to be most effective to inform veterans and their dependents of their rights under this act.

The amendment was agreed to.

The next amendment was, under the subhead "Statistics," in section 305, on page 9, line 17, after the words "of the" to strike out "War and Navy Departments," and to insert "United States Veterans' Bureau," so as to read:

SEC. 305. Immediately upon the enactment of this act the Secretary of War and the Secretary of the Navy shall ascertain the individuals who are veterans as defined in section 2, and, as to each veteran, the number of days of overseas service and of home service, as defined in section 2, for which he is entitled to receive adjusted-service credit; and their findings shall not be subject to review by the General Accounting Office, and payments made by disbursing officers of the United States Veterans' Bureau made in accordance with such findings shall be passed to their credit.

The amendment was agreed to.

The next amendment was, under the subhead "Exemption from attachment and taxation," in section 308, on page 10, line 7, after the word "veteran," to insert "or his dependents," so as to read:

SEC. 308. No sum payable under this act to a veteran or his dependents, or to his estate, or to any beneficiary named under Title V, no adjusted-service certificate, and no proceeds of any loan made on such certificate, shall be subject to attachment, levy, or seizure under any legal or equitable process, or to National or State taxation.

The amendment was agreed to.

The next amendment was, under the subhead "Unlawful fees," in section 309, on page 10, line 17, after the word "veteran," to insert "or his dependents," so as to read:

SEC. 309. Any person who charges or collects, or attempts to charge or collect, either directly or indirectly, any fee or other compensation for assisting in any manner a veteran or his dependents in obtaining any of the benefits, privileges, or loans to which he is entitled under the provisions of this act shall, upon conviction thereof, be subject to a fine of not more than $500 or imprisonment for not more than one year, or both.

The amendment was agreed to.

The next amendment was, under the heading "Title IV.—Adjusted-service pay," in section 401, on page 10, line 23, after the word "veteran," to insert "by the director"; on page 11, line 2, after the word "this," to strike out "act) and" and to insert "act)"; and in line 3, before the words "in pursuance of law," to strike out "him" and to insert "such veteran," so as to make the section read:

SEC. 401. There shall be paid to each veteran by the director (as soon as practicable after receipt of an application in accordance with the provisions of section 302, but not before the expiration of nine months after the enactment of this act), in addition to any other amounts due such veteran in pursuance of law, the amount of his adjusted-service credit, if, and only if, such credits is not more than $50.

The amendment was agreed to.

The next amendment was, on page 11, after line 5, to strike out:

SEC. 402. Payment shall be made by the Secretary of War or the Secretary of the Navy, dependent upon whether the veteran's service for which he is entitled to receive adjusted-service pay was with the military forces or with the naval forces. If such service of the veteran was in both forces, he shall be paid by the Secretary of War or the Secretary of the Navy according to the force in which he first served during the compensable period.

The amendment was agreed to.

The next amendment was, on page 11, line 14, to change the section number from "403" to "402"; in line 18, after the word "void," to strike out "The Secretary of War and the Secretary of the Navy" and to insert "Except as provided in Title VI, the director"; and in line 21, after the words "veterans as," to strike out "the Secretary of War and the Secretary of the Navy shall jointly" and to insert "he shall," so as to make the section read:

SEC. 402. No right to adjusted-service pay under the provisions of this title shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. Except as provided in Title VI, the director shall not pay the amount of adjusted-service pay to any person other than the veteran or such representative of the veteran as he shall by regulation prescribe.

The amendment was agreed to.

The next amendment was, under the heading "Title V.—Adjusted-service certificates," in section 501, on page 11, line 25, after the word "director," to strike out "of the United States Veterans' Bureau (hereinafter in this title referred to as the 'director')," so as to read:

TITLE V.—ADJUSTED-SERVICE CERTIFICATES

SEC. 501. The director, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 305, is hereby directed to issue without cost to the veteran designated therein a nonparticipating adjusted-service certificate (hereinafter in this title referred to as a "certificate") of a face value equal to the amount of 20-year endowment insurance that the amount of his adjusted service credit increased by 25 per cent would purchase, at his age on his birthday nearest the date of the certificate, if applied as a net single premium, calculated in accordance with accepted actuarial principles and based upon the American experience table of mortality and interest at 4 per cent per annum, compounded annually.

And so forth.

The amendment was agreed to.

The next amendment was, under the heading "Loan privileges," in section 502 (b), on page 13, line 24, before the word "commercial," to insert "90-day"; on page 14, line 8, after the word "any," to strike out "bank and," and to insert "bank, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and"; in line 17, after the word "bank," to insert "offering the note for discount or rediscount"; in line 19, after the word "instance," to insert "from the veteran"; on page 15, line 1, before the word "notes," to insert "90-day"; in line 2, after the word "purposes," to strike out "Any such note secured by a certificate may be offered as collateral security for the issuance of Federal reserve notes under the provisions of section 16 of the Federal reserve act"; in line 5, after the words "authorized to," to strike out "permit a," and to insert "permit, or on the affirmative vote of at least five members of the Federal Reserve

Board to require, a"; in line 11, after the words "note is," to strike out "sold the," and to insert "sold, discounted, or rediscounted the"; and in line 12, before the word "shall," to strike out "sale," and to insert "transfer," so as to read:

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank") is authorized, after the expiration of two years after the date of the certificate, to loan to any veteran upon his promissory note secured by his adjusted service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate. The rate of interest charged upon the loan by the bank shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located. Any bank holding a note for a loan under this section secured by a certificate (whether the bank originally making the loan or a bank to which the note and certificate have been transferred) may sell the note to, or discount or rediscount it with, any bank authorized to make a loan to a veteran under this section and transfer the certificate to such bank. Upon the indorsement of any bank, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and subject to regulations to be prescribed by the Federal Reserve Board, any such note secured by a certificate and held by a bank shall be eligible for discount or rediscount by the Federal reserve bank for the Federal reserve district in which the bank is located. Such note shall be eligible for discount or rediscount whether or not the bank offering the note for discount or rediscount is a member of the Federal reserve system and whether or not it acquired the note in the first instance from the veteran or acquired it by transfer upon the indorsement of any other bank. Such note shall not be eligible for discount or rediscount unless it has at the time of discount or rediscount a maturity not in excess of nine months exclusive of days of grace. The rate of interest charged by the Federal reserve bank shall be the same as that charged by it for the discount or rediscount of 90-day notes drawn for commercial purposes. The Federal Reserve Board is authorized to permit, or on the affirmative vote of at least five members of the Federal Reserve Board to require, a Federal reserve bank to rediscount, for any other Federal reserve bank, notes secured by a certificate. The rate of interest for such rediscounts shall be fixed by the Federal Reserve Board. In case the note is sold, discounted, or rediscounted the bank making the transfer shall promptly notify the veteran by mail at his last known post-office address.

The amendment was agreed to.

The next amendment was, in section 502 (c), on page 15, line 16, after the word "may," to strike out "after," and to insert "at any time after maturity of the loan but not before," so as to make the paragraph read:

(c) If the veteran does not pay the principal and interest of the loan upon its maturity, the bank holding the note and certificate may, at any time after maturity of the loan but not before the expiration of six months after the loan was made, present them to the director. The director may, in his discretion, accept the certificate and note, cancel the note (but not the certificate), and pay the bank, in full satisfaction of its claim, the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The director shall restore to the veteran, at any time prior to its maturity, any certificate so accepted, upon receipt from him of an amount equal to the sum of (1) the amount paid by the United States to the bank in cancellation of his note, plus (2) interest on such amount from the time of such payment to the date of such receipt, at 6 per cent per annum, compounded annually.

The amendment was agreed to.

The next amendment was, in section 502 (f), on page 17, line 13, after the word "bank," to insert "or the Federal reserve bank," so as to make the paragraph read:

(f) If the veteran has not died before the maturity of the certificate, and has failed to pay his note to the bank or the Federal reserve bank holding the note and certificate, such bank shall, at the maturity of the certificate, present the note and certificate to the director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the maturity of the certificate. The director shall deduct the amount so paid from the face value (as determined in section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

The amendment was agreed to.

The next amendment was in section 502 (g) on page 18, line 5, after the word "annual," to insert "level net," so as to make the paragraph read:

(g) The loan basis of any certificate at any time shall, for the purpose of this section, be an amount which is not in excess of either (1) 90 per cent of the reserve value of the certificate on the last day of the current certificate year, or (2) 60 per cent of the face value of the certificate. The reserve value of a certificate on the last day of any certificate year shall be the full reserve required on such certificate, based on an annual level net premium for 20 years and calculated in accordance with the American Experience Table of Mortality and interest at 4 per cent per annum, compounded annually.

The amendment was agreed to.

The next amendment was, under the heading "Title VI.—Payments to veterans' dependents," on page 20, after line 13, to insert the subhead "Order of preference."

The amendment was agreed to.

The next amendment was, in section 601 (a), on page 20, line 23, after the word "shall," to insert "(as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before the expiration of nine months after the enactment of this act)," so as to read:

SEC. 601. (a) If the veteran has died before making application under section 302, or, if entitled to receive adjusted-service pay, has died after making application but before he has received payment under Title IV, and if the United States has not made, or is not obligated to make, any payments to any person on account of his death (either as compensation under the war risk insurance act or as insurance under such act), then the amount of his adjusted-service credit shall (as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before the expiration of nine months after the enactment of this act) be paid to his dependents in the following order of preference:

Mr. WALSH of Massachusetts. Mr. President, does the Senator from Kansas think that it will be possible to have the administration of this act so organized as to commence payments nine months after the passage of the act?

Mr. CURTIS. I am told that the records are in such shape that they can be prepared within nine months.

Mr. WALSH of Massachusetts. I thought it was better when I was preparing a substitute bill to make it a definite period, say, July 1, 1925.

Mr. CURTIS. Why not let the Senator offer an amendment to that effect, and we will adopt it, and it will then be in conference, and the question may be determined?

Mr. WALSH of Massachusetts. I have been informed, as the Senator was, that they would probably be prepared to make payments in nine months, but I think it is very doubtful. What does the Senator from Utah think as to that?

Mr. SMOOT. I, myself, think it is very doubtful, I will say to the Senator, but the bill was expected to be passed before this time, and it was desired to have it go into effect at the first of the coming year; that is, the calendar year beginning January 1, 1925.

Mr. WALSH of Massachusetts. I should also like the view of the Senator from Utah and the Senator from Kansas as to whether it would not be better, in view of the fact that there may be a change of administration March 4 next, to fix a date some time after March 4, 1925, rather than about the time when there may be a shift or a change in the administrative officers. I merely suggest that with no partisan idea at all, but simply as a question of administration in the event there should be a change of administration on March 4.

Mr. CURTIS. The question will be in conference, as the Senator realizes, and we will consider it there.

Mr. WALSH of Massachusetts. I merely make the suggestion for consideration. If we should make the bill apply in nine months, and it should become a law, it would become operative just about the time when there might be a change in the administration on March 4 next.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the subhead "Dependency," in section 602 (a), on page 21, line 18, after the word "individual," to strike out "was dependent" and to insert "depended," so as to read:

SEC. 602. (a) No payment shall be made to any individual under this title unless at the time of the death of the veteran such individual depended upon him for support.

The amendment was agreed to.

The next amendment was, on page 22, line 3, to insert the subhead "Payment in installments."

The amendment was agreed to.

The next amendment was, in section 603 (a), on page 22, line 4, before the word "The," to strike out "(a)"; and in line 13, after the numerals "601," to insert "All payments under this title shall be made by the director," so as to read:

SEC. 603. The payments authorized by section 601 shall be made in 10 equal quarterly installments, unless the total amount of the payment is less than $50, in which case it shall be paid on the first installment date. No payments under the provisions of this title shall be made to the heirs or legal representatives of any dependents entitled thereto who die before receiving all the installment payments, but the remainder of such payments shall be made to the dependent or dependents in the next order of preference under section 601. All payments under this title shall be made by the director.

The amendment was agreed to.

The next amendment was, in section 603, page 22, after line 14, to strike out:

(b) Payment shall be made by the Secretary of War or the Secretary of the Navy, dependent upon whether the veteran's service for which he is entitled to receive adjusted service credit was with the military forces or with the naval forces. If such service of the veteran was in both forces, he shall be paid by the Secretary of War or the Secretary of the Navy according to the force in which he first served during the compensable period.

The amendment was agreed to.

The next amendment was, in section 604 (b), on page 23, line 5, to strike out "Such application shall be made on or before January 1, 1928, and if not made on or before such date shall be held void" and to insert:

Applications for such benefits, whether vested or contingent, shall be made by the dependents of the veteran before January 1, 1928; except that in case of the death of the veteran during the six months immediately preceding such date the application shall be made at any time within six months after the death of the veteran. Payments under this title shall be made only to dependents who have made application in accordance with the provisions of this subdivision.

The amendment was agreed to.

The next amendment was, at the top of page 24, to insert:

TRANSMITTAL OF APPLICATION

SEC. 605. (a) As soon as practicable after the receipt of a valid application the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the director the application and a certificate setting forth—

(1) The name and address of the applicant;

(2) That the individual upon whom the applicant bases his claim to payment was a veteran;

(3) The name of such veteran and the date and place of his birth; and

(4) The amount of the adjusted service credit of the veteran.

(b) Upon receipt of such certificate the director shall proceed to extend to the applicant the benefits provided in this title if the director finds that the applicant is the dependent entitled thereto.

Mr. WALSH of Massachusetts. Mr. President, the new section 605 (a), as I understand, simply transfers to the Director of the Veterans' Bureau powers lodged by the House bill in the Secretary of War and the Secretary of the Navy. In fact, all the way through the bill amendments offered by the Senate committee take away from the Secretary of War and the Secretary of the Navy powers and obligations which those officials are given under the House bill and transfer them to the Director of the Veterans' Bureau?

Mr. CURTIS. That is correct.

Mr. WALSH of Massachusetts. That concentrates the administration of the act in one man, the Director of the Veterans' Bureau, which, I think, is preferable.

Mr. CURTIS. I agree with the Senator.

Mr. WALSH of Massachusetts. Section 605 (a) simply directs the Secretary of War and the Secretary of the Navy to furnish certain information to the director.

Mr. SMOOT. In other words, it is to conform with the amendments that have already been agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 24, after line 16, to strike out:

UNLAWFUL FEES

SEC. 605. Any person who charges or collects, or attempts to charge or collect, either directly or indirectly, any fee or other compensation for assisting in any manner a dependent in obtaining any of the payments to which he is entitled under the provisions of this title shall, upon conviction thereof, be subject to a fine of not more than $500 or imprisonment for not more than one year, or both.

The amendment was agreed to.

The next amendment was, under the subhead "Assignments," in section 606, on page 25, line 5, after the word "The," to strike out "Secretary of War and the Secretary of the Navy" and to insert "director," and in line 9, to strike out "Secretary of War and the Secretary of the Navy shall jointly" and to insert "director shall," so as to make the section read:

SEC. 606. No right to payment under the provisions of this title shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. The director shall not make any payments under this title to any person other than the dependent or such representative of the dependent as the director shall by regulation prescribe.

The amendment was agreed to.

The next amendment was, on page 25, after line 10, to strike out:

EXEMPTION FROM ATTACHMENT AND TAXATION

SEC. 607. No sum payable under this title to a dependent shall be subject to attachment, levy, or seizure under any legal or equitable process, or to National or State taxation.

The amendment was agreed to.

The next amendment was, under the subhead "Definitions," on page 25, line 17, to change the section number from "608" to "607," and in the same line, after the word "this," to strike out "title" and to insert "act," so as to read:

SEC. 607. As used in this act.

The amendment was agreed to.

The next amendment was, on page 26, line 2, after the word "child," to insert "and," so as to read:

(b) The term "child" includes (1) a legitimate child; (2) a child legally adopted; (3) a stepchild, if a member of the veteran's household; (4) an illegitimate child, but, as to the father only, if acknowledged in writing signed by him, or if he has been judicially ordered or decreed to contribute to such child's support, or has been judicially decreed to be the putative father of such child; and

(c) The terms "father" and "mother" include stepfathers and stepmothers, fathers and mothers through adoption, and persons who have, for a period of not less than one year, stood in loco parentis to the veteran at any time prior to the beginning of his service.

The amendment was agreed to.

The next amendment was, under the heading "Title VII.—Miscellaneous provisions," in section 703, on page 27, line 13, after the word "Director," to strike out "of the United States Veterans' Bureau," and in line 19, after the word "Director," to strike out "of the United States Veterans' Bureau," so as to make the section read:

SEC. 703. The Secretary of War, the Secretary of the Navy, and the director shall severally submit in the manner provided by law estimates of the amounts necessary to be expended in carrying out such provisions of this act as each is charged with administering, and there is hereby authorized to be appropriated amounts sufficient to defray such expenditures. The director shall also submit estimates for appropriations for the fund created by section 505.

The amendment was agreed to.

The PRESIDING OFFICER. That concludes the committee amendments.

Mr. WILLIS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a telegram which I have just received from Mr. John R. Quinn, national commander of the American Legion. It relates directly to the pending bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. F. B. WILLIS,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day; for more than four years they have patiently awaited action; the bill

overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion; it meets approval of members of legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country, we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk to come in on page 2, line 3, after the word "conditions."

The PRESIDING OFFICER. The Senator from Kansas offers an amendment, which the Secretary will state.

The READING CLERK. On page 2, line 3, after the word "conditions," it is proposed to insert "or who was discharged or otherwise released from the draft."

Mr. WALSH of Massachusetts. What is the purpose of that amendment?

Mr. CURTIS. That amendment was brought to my attention, and I thought it ought to go to conference at least. It is designed to cover those who might have been held in the camps some little time, then released or transferred to some other service, and really did not render such service as would entitle them to compensation.

Mr. SMOOT. Mr. President, I think that is rather a dangerous amendment.

Mr. WALSH of Massachusetts. It broadens the exceptions, and I do not think the Senator will object to it when he appreciates its purport.

Mr. SMOOT. Let me apply it to the bill.

Mr. FLETCHER. I do not quite understand the amendment. It is proposed to be inserted after the word "conditions." The paragraph now reads:

> Any individual at any time during such period or thereafter separated from such forces under other than honorable conditions.

Mr. CURTIS. The object of the amendment is this: If a man was drafted and filed application for discharge for some reason or other and that application was not acted upon in such time as to bring him within the 60-day period, but he was afterwards relieved, discharged, or transferred to a service that would not entitle him to compensation or allowances under this bill, then he would not be considered as coming within the provisions of the measure.

Mr. WALSH of Massachusetts. In other words, it is narrowing the definition of "veterans"?

Mr. CURTIS. Yes.

Mr. WALSH of Massachusetts. And, therefore, making the law applicable to fewer people than otherwise?

Mr. CURTIS. Yes. Although I have offered the amendment I have not had time to make inquiry, but desire that if should go to conference. If it is not proper, I shall then ask to have it stricken out.

Mr. WALSH of Massachusetts. It is not broadening but narrowing the scope of the law?

Mr. SMOOT. I notice that the amendment applies to a class that is not included in the term "veteran."

Mr. WALSH of Massachusetts. Exactly.

Mr. SMOOT. I have no objection, Mr. President.

Mr. WALSH of Massachusetts. I thought the Senator would not object to the amendment when he understood it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. FLETCHER. I ask that the amendment may be again read.

The PRESIDING OFFICER. The amendment will be again stated.

The READING CLERK. On page 2, line 3, after the word "conditions," it is proposed to insert the words "or who was discharged or otherwise released from the draft."

So that it will read:

> Any individual at any time during such period or thereafter separated from such forces under other than honorable conditions or who was discharged or otherwise released from the draft.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, on page 9, line 14, I move to strike out the word "and," and also to strike out line 15, and the words "accounting office," in line 16.

The PRESIDING OFFICER. The Senator from Kansas offers an amendment, which will be stated.

The READING CLERK. On page 9, in lines 14, 15, and 16, it is proposed to strike out "and their findings shall not be subject to review by the General Accounting Office."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

Mr. WALSH of Massachusetts. I inquire what is the purpose of that amendment?

Mr. FESS. That is very important.

Mr. CURTIS. It has been brought to my attention that under this provision the judgment of the officers would be final, and that the general accounting officer who now passes upon it would have no right to review it. I have not given the matter sufficient consideration to determine whether or not it is a good amendment.

Mr. WALSH of Massachusetts. I suggest that we let it stand until Monday.

Mr. CURTIS. I will do that, and offer it Monday.

Mr. WALSH of Massachusetts. We found, in our efforts to recodify the general veterans' act, that there was a request that we remove the power of review from the comptroller, which would give the director absolute authority in findings of fact which led to the distribution of disbursements from the Public Treasury. We thought that it was a good idea to keep a check upon payments made out of the Public Treasury by disbursing officers, and this appears to me to be an attempt to prevent a review by the accounting officer. I do not know.

Mr. CURTIS. The provision as it is prevents a review, and the amendment I offer would permit a review.

Mr. WALSH of Massachusetts. Then I misunderstood the purpose of the amendment.

Mr. CURTIS. As I state, I have not had time to study the amendment. I am perfectly willing to withhold it until Monday. It was brought to my attention late last evening.

The PRESIDING OFFICER. The Senator withdraws the amendment and will offer it on Monday.

Mr. WALSH of Massachusetts. Mr. President, I think, upon reflection, that the amendment is the reverse of what I thought it was, and probably it is a good one.

Mr. CURTIS. I will withhold it until Monday anyhow.

Mr. SMOOT. The Senator thinks there ought to be a review, does he not?

Mr. WALSH of Massachusetts. I do.

Mr. CURTIS. This permits a review.

Mr. WALSH of Massachusetts. I thought it was removing the power of review.

Mr. CURTIS. Then I ask for a vote on the amendment. It will go to conference anyhow.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Kansas offers an amendment, which will be stated by the Secretary.

The READING CLERK. It is proposed to strike out lines 24 and 25 on page 21 and lines 1 and 2 on page 22 and to insert in lieu thereof the following words:

> The widow or widower shall be presumed to have been dependent upon the veteran upon showing by them, respectively, the marital cohabitation; the father and mother, respectively, shall submit their statement under oath of the facts of dependency, together with the affidavit of one or more disinterested persons having knowledge thereof, all to be filed with the application.

Mr. SMOOT. That simply means that they must prove that they are dependents?

Mr. CURTIS. That is all.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Now, Mr. President, on page 26, to carry out the suggestion of the Senator from Arkansas [Mr. ROBINSON], I move to strike out line 22, and the words "necessary for the conduct of the work" in line 23, and to change the small letter "a" to a capital letter in the word "all."

Mr. ROBINSON. As I understand, that amendment will leave all the appointees under the bill to be selected within the classified service?

Mr. CURTIS. Under the civil service.

The PRESIDING OFFICER. The Senator from Kansas offers an amendment, which will be stated by the Secretary.

Mr. CURTIS. The amendment stops at the word "work," in line 23, including that word.

The READING CLERK. It is proposed to strike out, on page 26, in lines 22 and 23, the words "With the exception of such special experts as may be found necessary for the conduct of the work."

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I offer several amendments to the pending bill, which I ask may be printed and lie on the table.

The PRESIDING OFFICER. That order will be made.

Mr. CURTIS. Mr. President, I desire to offer another amendment.

On page 26, to carry out the object of this amendment, I move to put a period after the word "laws" in line 24, and to strike out the words "but for the" in line 24, all of line 25, all of lines 1 and 2 on page 27, and the words "are available" on line 3.

Mr. WALSH of Massachusetts. What is the purpose of that?

Mr. CURTIS. That is to carry out the view of the Senator from Arkansas as to putting them all under the civil service.

Mr. McKELLAR. And it ought to be done.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Kansas.

The READING CLERK. On page 26, line 24, after the word "laws," it is proposed to strike out the semicolon and the words "but for the purpose of carrying out the provisions of section 305 such appointments may be made without regard to such laws until the services of persons duly qualified under such laws are available."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. CURTIS. I yield.

Mr. McKELLAR. I wish to ask the Senator about an amendment on page 24, where the section headed "Unlawful fees" is stricken out. Why did the committee strike that out? It appears to me, on the face of it, to be a very wise amendment. The section stricken out reads as follows:

UNLAWFUL FEES

> SEC. 605. Any person who charges or collects, or attempts to charge or collect, either directly or indirectly, any fee or other compensation for assisting in any manner a dependent in obtaining any of the payments to which he is entitled under the provisions of this title shall, upon conviction thereof, be subject to a fine of not more than $500, or imprisonment for not more than one year, or both.

It seems to me that that affords a very excellent protection to the soldier, especially against designing people, and it seems to me it should have stayed in. What I fear is that there will be a set of compensation attorneys, as there is in other lines.

Mr. CURTIS. This section is stricken out because it is covered in a previous provision of the bill.

Mr. McKELLAR. Will the Senator state where it is?

Mr. CURTIS. It is on page 10, section 309. The Senator will find the same provision there. This is only a duplication of that provision, and that is why it is stricken out.

Mr. FLETCHER. May I ask the Senator if there is any duplication in the case of any of the other provisions stricken out?

Mr. CURTIS. I do not know of any.

Mr. FLETCHER. What about the provision on page 25, section 607, exempting the beneficiaries from all attachments, and so forth?

Mr. CURTIS. Yes; there is a provision on that subject.

Mr. McKELLAR. I see that the one to which I referred is a duplication, so it is all right. I was just wondering why a very laudible provision like that should be stricken from the bill.

Mr. FLETCHER. It seems to me that the provision on page 25 should be inserted somewhere in the bill.

Mr. CURTIS. The Senator will find that covered on page 10, line 8. The insertion in line 17 of the words "or his dependents" made the section in reference to unlawful fees applicable to all. The provision stricken out on page 25 applies to dependents; and the addition of the words "or his dependents" in line 8, which was done, puts them all under one section.

Mr. McKELLAR. Mr. President, may I ask the Senator about one other matter before he concludes? As I understand the reading of the report, on page 8, there is no loan value on these policies until the third year.

Mr. CURTIS. Virtually the third year. They are not issued for nine months, which makes it virtually three years.

Mr. McKELLAR. In other words, this will be of no value to any soldier—except those entitled to amounts under $50, which are to be paid in cash—until the third year, and then they will be able to borrow only $87?

Mr. CURTIS. On $1,000, the first year that there is a loan value.

Mr. McKELLAR. Of course, the $50 will be paid in cash?

Mr. CURTIS. That will be paid in cash, and the heirs of those who died prior to January 1 will be paid in 10 equal installments.

Mr. McKELLAR. But the great body of the men will come under the loan provisions, which are as follows:

The third year, $87.93.
The fourth year, $119.99.
The fifth year, $153.52.
The sixth year, $188.61.
The seventh year, $225.32.
The eighth year, $263.75.
The ninth year, $303.98.
The tenth year, $346.12.
The eleventh year, $390.25.
The twelfth year, $436.50.
The thirteenth year, $484.99.
The fourteenth year, $535.84.
The fifteenth year, $589.19.
The sixteenth year, $645.22.
The seventeenth year, $704.09.
The eighteenth year, $766.02.
The nineteenth year, $831.23.
The twentieth year, $900.

Is that the loan value for each one of the years?

Mr. CURTIS. That is right.

Mr. McKELLAR. And they have to pay 7½ per cent interest. The ruling rate now is 5½ per cent in most of the districts.

Mr. CURTIS. It is 5 per cent in most of the districts, so that the average rate now would be 7 per cent.

Mr. McKELLAR. But the soldier would have to go to a bank and borrow the money at 7 per cent, and when the loan fell due, 90 days afterwards, if he took up the loan, of course, he would not pay any further interest on it; but if he did not take it up it would then pass to the bank here, and he would pay 6 per cent.

Mr. CURTIS. It runs for six months, and then is taken up here.

Mr. McKELLAR. Yes; six months.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 48 minutes p. m.) the Senate adjourned until Monday, April 21, 1924, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 19 (legislative day of April 10), 1924

PROMOTIONS IN THE NAVY

Ezra G. Allen to be commander.
Chapman C. Todd, jr., to be lieutenant commander.
Laurence A. Abercrombie to be lieutenant (junior grade).
Harold L. Meadow to be lieutenant (junior grade).
Emil F. Lindstrom to be chief machinist.
Jacob F. Matsch to be chief machinist.

MARINE CORPS

Benjamin W. Gally to be captain.
Earl A. Thomas to be second lieutenant.

POSTMASTERS

CALIFORNIA

Alexander R. Thomas, Ukiah.

IDAHO

William L. Killpack, Driggs.
Auston A. Lambert, Hailey.

LOUISIANA

Harry Preaus, Farmerville.

NEW MEXICO

Earl McMinimy, Roy.

NORTH DAKOTA

James H. McNicol, Grand Forks.
Redmond A. Bolton, Jamestown.

OREGON

George W. Enloe, Sheridan.

contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circum-

value as milk cows after having once had the disease, so it

Mr. MADDEN. I do not know anything about that.

OREGON

George W. Epley, Sheridan.

PENNSYLVANIA

Herald H. Spaide, Ashland.
Thomas J. Richards, Avella.
William T. Davies, Forest City.
Laura M. Peacock, Houston.
Alice B. Thomas, New Eagle.

HOUSE OF REPRESENTATIVES

SATURDAY, *April 19, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The Lord is my shepherd; I shall not want. He maketh me to lie down in green pastures; He leadeth me beside the still waters. He restoreth my soul; He leadeth me in the paths of righteousness for His name's sake. Yea, though I walk through the valley of the shadow of death, I will fear no evil; for Thou art with me; Thy rod and Thy staff they comfort me. Thou preparest a table before me in the presence of mine enemies; Thou anointest my head with oil; my cup runneth over. Surely goodness and mercy shall follow me all the days of my life, and I will dwell in the House of the Lord forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 655. An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had insisted upon its amendment to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, had requested a conference with the House of Representatives thereon, and had appointed Mr. REED of Pennsylvania, Mr. STERLING, Mr. KEYES, Mr. KING, and Mr. HARRIS as the conferees on the part of the Senate.

COMPARATIVE PRINT OF THE IMMIGRATION BILL

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to have a comparative print ordered of the bill H. R. 7995, the immigration bill, showing the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from Washington? [After a pause.] The Chair hears none, and it is so ordered.

ADDITIONAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take up for consideration House Joint Resolution 247, making an additional appropriation of $1,500,000 for the eradication of foot-and-mouth disease, in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take up for consideration House Joint Resolution 247, which the Clerk will report by title.

The Clerk read as follows:

Joint resolution (H. J. Res. 247) making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925.

The SPEAKER. Is there objection to the present consideration of the resolution in the House as in Committee of the Whole?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the sum of $1,500,000 is appropriated, out of any money in the Treasury not otherwise appropriated, for personal services and other expenditures in the District of Columbia and elsewhere in connection with the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations, and including necessary investigations to determine whether such diseases have been completely eradicated in districts where they previously existed; such sum to be expended by the Secretary of Agriculture when in his judgment an emergency exists which threatens the livestock industry of the country and to remain available until June 30, 1925: *Provided*, That the payment for animals hereafter purchased may be made on an appraisement based on the meat, dairy, or breeding value; but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat or dairy value, and, except in case of an extraordinary emergency, to be determined by the Secretary of Agriculture, the payment by the United States Government for any animal shall not exceed one-half of any such appraisement.

Mr. MADDEN. Mr. Speaker, early in this session of Congress the Department of Agriculture reported, through the Director of the Budget, a very serious outbreak of the foot-and-mouth disease among cattle, hogs, sheep, and goats in three counties of California. They had on hand out of previous appropriations at that time an unexpended and unobligated balance of $273,000. The committee reported favorably an appropriation of $1,000,000 additional, and the House and Senate ratified that. The use of that money enabled the Department of Agriculture to eradicate the foot-and-mouth disease among the cattle in the counties where it first originated, and it was believed that it had been eradicated entirely. But it is one of those diseases that spreads very rapidly by contact with anything that has been touched by a diseased animal. For example, if a man walks through a field where the disease existed and cattle were grazing on the field he might carry that disease on his shoes to the place where he might go, or if cattle were shipped on cars through the infected territory and any part of the food supply of the cattle in the infected district were in any way contaminated that might carry the disease, and that might happen after they had eradicated the disease in the place of its first origin. In one day it broke out 100 miles away in one section of California where it now exists, and the result is that more than 22,000 cattle have been killed and buried in quicklime, and paid for by the Government and the California authorities.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. HUDSPETH. My information is that up to date 40,000 cattle have been killed.

Mr. MADDEN. No; 22,000 and some odd. We have the record in the hearings.

Mr. HUDSPETH. I got my information from the gentleman from California.

Mr. MADDEN. Well, the gentleman from California has not got the right information.

But there is danger. They have discovered that cattle from the infected territory were shipped to San Francisco and other cattle shipped to Los Angeles. They have been able, however, to disinfect the trains and cars on which these cattle were shipped, and they hope that they have prevented any further spread. What they are afraid of is that the cattle that are infected or that have been in contact with cattle that were infected may carry the disease into the ranges of California where there are hundreds of thousands of cattle. And if that should happen nobody knows the hundreds of millions of dollars that might be required to be expended in order to eradicate it.

Mr. SHALLENBERGER. Will the gentleman permit an interruption?

Mr. MADDEN. Yes.

Mr. SHALLENBERGER. I think it might be of interest to the House to know that this Government is the only Government I know of that has been able to stamp out this disease when once it has invaded the country, while in Europe they have constant infection.

Mr. MADDEN. That is true, and I understand that in Europe they do not kill the infected cattle.

Mr. SHALLENBERGER. And the same thing is true in South America. In 1915, when we had a great attack of that disease, the United States Government spent about $2,500,000 and did stamp out the disease.

Mr. MADDEN. And we think it will now be stamped out through the expenditure of this money.

Mr. SHALLENBERGER. It has been proven, as the gentleman knows, that the American plan has worked well and has resulted in stamping out the disease.

Mr. MADDEN. Yes; and it is very important that the plan should be followed up because I understand, from the investigations we have made, that the cattle lose one-half their value as milk cows after having once had the disease, so it is very important that no cattle should be allowed to live which may have been infected.

Mr. HUDSPETH. Will the gentleman permit a question?

Mr. MADDEN. Yes.

Mr. HUDSPETH. I will state to the gentleman from Illinois that my information is that this disease is now prevalent in South America, and if South America is shipping cattle into Mexico it might be brought across into this country.

Mr. MADDEN. That is very likely. Let me state to the Members of the House that I understand there are now 500 tourists held on the border line between California and Arizona under quarantine, and they will not be allowed to cross the border line of those States because they are coming from the infected territory where these cattle are. I understand that Los Angeles County, for example, has 500 deputy sheriffs employed to guard the highways of entrance to and from the county; their purpose is to prevent tourists from entering the county who may come from the infected territory. The Government of the United States is doing all it can to quarantine everybody and everything, and it is very important that this resolution should be acted upon early, otherwise I would not have brought it in as a separate proposition, because not only is the value of the cattle affected but there is great danger of a continuation of the disease which will result in great expense to the business of the country by preventing travel either on the trains or the highways throughout all this section of of the country, and, of course, it would be apt to cover the whole country if it continued very long.

Mr. SABATH. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. SABATH. Is it not also a fact that they are obliged not only to stop the shipment of cattle out of these counties but fruits and everything else?

Mr. MADDEN. Yes; that has been stopped everywhere.

Mr. BLANTON and Mr. GRIFFIN rose.

Mr. MADDEN. I will yield first to the gentleman from Texas.

Mr. BLANTON. I did not raise a point of order against the gentleman's resolution; of course, I could have done it and prevented its being taken up, because it is not privileged.

Mr. MADDEN. I realize that.

Mr. BLANTON. Will the gentleman yield me five minutes for general discussion?

Mr. MADDEN. Yes, indeed; but, as I understand, we are under the 5-minute rule. I will now yield to the gentleman from New York.

Mr. GRIFFIN. May I ask the gentleman whether all the States of the Union cooperate with the Federal Government in bearing half the burden of this expense?

Mr. MADDEN. Yes. Whenever we are called upon to appropriate money it is appropriated with the distinct understanding that the States pay half the cost, not only half the cost in the payment for the cattle but half the cost of administration and all the cost of the local quarantine service that is necessary.

Mr. BLANTON. Mr. Speaker, this resolution comes from the Committee on Appropriations, but it is not privileged.

Mr. MADDEN. No; it is not, and I knew that.

Mr. BLANTON. I could have made a point of order against it and stopped its consideration, but I did not see fit to do it, because I thought it was a matter the House ought to pass on.

But I want to say now just what I said the other day. When this House voted $1,000,000 to New Mexico I called attention then to the fact that this was election year; that primaries are to come on and the general election is to come on this fall, and we have got to have votes. Here was $1,000,000 that went into New Mexico the other day and I said then:

You will find some more resolutions to send other millions of dollars into other States during this election year.

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. Not now; I am sorry; the gentleman can get time. I do not want to be abrupt, but I want to use these five minutes. This $1,500,000 is to be spent not in one State but in just three counties in one of the pivotal States that may decide the election this fall, the State of California.

Mr. MADDEN. Will the gentleman yield to me?

Mr. BLANTON. Yes; if the gentleman does not take up too much time.

Mr. MADDEN. I will not take much of the gentleman's time. I hope the gentleman does not think this resolution is being reported for political reasons. If I thought it was, I would be against it.

Mr. BLANTON. Well, California is a pivotal State, is it not?

Mr. MADDEN. I do not know anything about that.

Mr. BLANTON. The gentleman is too good a politician not to know it. California is a pivotal State and this $1,500,000 is to be spent in three counties of it. I now yield to the gentleman from Oklahoma [Mr. McKEOWN].

Mr. McKEOWN. I just wanted to call the gentleman's attention to the fact that in the President's message to the Congress he recommended that when relief was needed Congress immediately grant it.

Mr. BLANTON. I will now yield to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. I agree with the gentleman with reference to the appropriation for New Mexico. I was opposed to that resolution, although I do not say it was passed for political purposes. But I want to say to the gentleman from Texas that there are no politics in this resolution. It is an absolute necessity.

Mr. BLANTON. I know; we Democrats want votes out of California the same as our Republican brethren.

Mr. BYRNS of Tennessee. But there are no politics in this; it is for the protection of this country.

Mr. BLANTON. I am just taking this opportunity to call attention to the fact that this kind and class of resolutions come up mostly in election years and just before the primaries.

Mr. MADDEN. They only come up when the disease calls for them.

Mr. BLANTON. Oh, yes; but was not the disease going on all last year?

Mr. MADDEN. No.

Mr. BLANTON. And part of this year?

Mr. GREEN of Iowa. No.

Mr. BLANTON. How does the gentleman know?

Mr. GREEN of Iowa. I have been examining the report.

Mr. HUDSPETH and Mr. CARTER rose.

Mr. BLANTON. Look at our Agricultural appropriation bill last year. I yield first to my colleague from Texas.

Mr. HUDSPETH. I will state to my colleague that I view this expenditure as an expenditure of money in behalf of the cattle industry of the United States—your State, your district, my district, and the entire country.

Mr. BLANTON. Yes; I know that. You understand I did not object to it. I could have objected to it. It is going to come to a vote and it will pass. I probably am not going to vote against this measure, but I just wanted to call your attention to the fact that you are going to have some more similar measures besides this one before we adjourn and there are going to be some others here that probably we will not agree to, and we ought to watch them. They can be called up here in five minutes, and the Members think because the chairman of the Appropriations Committee brings it in it is privileged.

Mr. MADDEN. Oh, no.

Mr. BLANTON. There are lots of bills he brings in that are not privileged and there are lots of bills that other committees bring in that are not privileged. We ought to watch them, and when they are improper we ought to stop them with points of order.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for one minute more, Mr. Speaker, to yield to the gentleman from Oklahoma.

Mr. HUDSPETH. I ask that the gentleman may have two minutes additional, because there are one or two others who want to ask him a question.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. I yield to the gentleman from Oklahoma.

Mr. CARTER. What I wanted to say to the gentleman from Texas was this: It is certain that the foot-and-mouth disease has been in the country for several years, but it breaks out sporadically here and there, and whenever it does you have got to kill off the herd and get rid of them.

Mr. BLANTON. Of course.

Mr. CARTER. It has now broken out in California. The fact that it has been there before and has been eradicated does not necessarily mean that it will not break out again.

Mr. BLANTON. I understand that. I was just cautioning the Members to be careful about other measures.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BYRNS of Tennessee. Mr. Speaker, I am very much surprised at the gentleman from Texas [Mr. BLANTON]. If he regards this as a resolution which has been offered for the purpose of gathering votes in California, it was certainly his

duty to have objected to it when unanimous consent was requested for its consideration.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. UNDERHILL. The gentleman from Texas was not in the Chamber when it was brought up.

Mr. BYRNS of Tennessee. I was taking his word for it that he was here and could have objected to it if he had wanted to.

Mr. SABATH. The gentleman from Tennessee does not believe the Democrats will need the State of California so badly in the next election?

Mr. BYRNS of Tennessee. No; I think the Democrats——

Mr. BLANTON. We would like to have it.

Mr. BYRNS of Tennessee. I think the Democrats will get the electoral vote of the great State of California, and, of course, we want it very much.

Mr. SABATH. The gentleman does not think the election will depend alone on the vote of the State of California?

Mr. ABERNETHY. The cattle do not vote in California, do they?

Mr. BLANTON. Will the gentleman yield for just one question?

Mr. BYRNS of Tennessee. I will yield if the gentleman does not take up all my time.

Mr. BLANTON. I just want to remind the gentleman that the Coolidge-Johnson primary comes off on May 5 in California.

Mr. LONGWORTH. Will the gentleman from Tennessee yield for a question?

Mr. BYRNS of Tennessee. I yield to the gentleman.

Mr. LONGWORTH. Having in mind speeches that are sometimes made on this floor, does not the gentleman think it might be wise to examine into the fact as to whether the CONGRESSIONAL RECORD is capable of spreading the mouth disease? [Laughter.]

Mr. BYRNS of Tennessee. I think it would be rather unfortunate if the people should become infected by some of the matter we sometimes see in the RECORD. [Laughter.]

Mr. SNYDER. I might suggest that if that was so, there would be a great demand for quicklime.

Mr. BYRNS of Tennessee. Mr. Speaker, as the gentleman from Illinois has stated, this disease broke out on February 24 in three counties of California. An appropriation of $1,000,000 was made for the purpose of eradicating it and that amount of money with what was on hand at the time—$273,000—was found sufficient and did eradicate the disease in those three counties. At a later date it appeared in Merced County, which is a range county, so to speak, where there are thousands of cattle on the ranges, and before it was discovered by the county veterinarian some of those cattle were shipped to Los Angeles, and perhaps to San Francisco, and therefore it has appeared in those regions, comprising another three counties in the State of California.

This amount of money is considered sufficient or it is thought it will be sufficient to eradicate it in those three counties. As the gentleman from Illinois has stated, it will save—if properly used, as it will be—millions of dollars to the country. This resolution is proposed simply and solely for the cattle industry of the country and for the benefit of the people, and if the disease is not stamped out in California, I dare say that the great State of Texas, where they have so many cattle, will probably be the first State to suffer outside of the State of California.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. HUDSPETH. The Governor of Texas has already inaugurated a strict quarantine against even the passengers coming from California into Texas, on account of this foot-and-mouth disease.

Mr. BYRNS of Tennessee. Yes.

Mr. HUDSPETH. Will the gentleman yield for one further question?

Mr. BYRNS of Tennessee. Yes.

Mr. HUDSPETH. If this sum is found inadequate to stamp out the foot-and-mouth disease in California, I take it the Appropriations Committee would appropriate $5,000,000?

Mr. BYRNS of Tennessee. There is not any question about it; or twice that amount, if necessary.

Mr. HUDSPETH. Exactly.

Mr. BYRNS of Tennessee. Because millions of dollars are involved. The health of the people is involved, and the cattle industry of the country is involved, because, as stated by the representative of the Agricultural Department, if this is not stopped it may involve $25,000,000 or $50,000,000 of loss. No one could estimate accurately just what would be lost on account of it. That is the sole reason for this resolution. The committee was unanimous in its action upon the resolution; and I am quite sure the House will be unanimous, because, as I understand it, even the gentleman from Texas [Mr. BLANTON], while he says he thinks there may possibly be something of a political nature involved which brought about the reporting of the resolution, intends to vote for it.

Mr. BLANTON. Yes; I am going to vote for it.

Mr. BYRNS of Tennessee. Then I am rather surprised at the gentleman's criticism.

Mr. BLANTON. I was just cautioning the Members to watch other measures.

Mr. McLAUGHLIN of Michigan. Mr. Speaker——

Mr. MADDEN. Mr. Speaker, I ask for the regular order.

The SPEAKER. The regular order is five minutes' debate. The gentleman can move the previous question whenever he wishes to.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that all debate close in 15 minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all debate close in 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, this is a very important resolution, and I trust the House will pass it promptly, in order to enable officials of the Department of Agriculture to pursue their very effective methods without delay. It has been said that foot-and-mouth disease has prevailed in this country a long time. That is not entirely true; it has made its appearance in the country several times, but each time it has been completely stamped out. It is chronic in some countries, but whenever it has made its appearance here it has been eradicated by prompt, efficient, and in some respects very severe methods employed by the officials of the Department of Agriculture.

We remember that only a few years ago there was an outbreak of the foot-and-mouth disease in the southwestern part of Michigan. An error was made in the early diagnosis of it, by which it was pronounced not to be foot-and-mouth disease, but the first opportunity scientists of the Department of Agriculture had to diagnose it they determined it to be foot-and-mouth disease. The early, incorrect diagnosis was very unfortunate, in that the disease was permitted to spread and did spread to some extent before the Department of Agriculture, following its correct diagnosis, was prepared to act. We appropriated money promptly and the disease was effectively attacked and stamped out. There was severe criticism of the department on account of the severity of its methods, but they were absoluely necessary.

The statement that these methods were necessary, certainly were justified, and not open to severe criticism, is supported by the fact that ours is the only country in the world where the foot-and-mouth disease, having made its appearance and obtained a foothold, has ever been entirely overcome and removed. The plague now here was evidently brought into this country from some foreign country, as was the case in Michigan, when it came in hides brought, as I remember, to a local tannery. The source was traced, clearly showing where the hides came from. The disease can be stamped out, but it requires a lot of money, also scientific methods and severity of operation, to which our people must submit if efforts of Federal and State authorities are to be successful.

Mr. BARBOUR. If the gentleman will yield, I want to say that the local authorities, both State and municipal, are cooperating to the fullest extent in this matter.

Mr. McLAUGHLIN of Michigan. I am glad to know that, because a few years ago, when this terrible disease made its appearance, some local authorities, also many owners of cattle, were loath to act with the Department of Agriculture because it was thought that its methods were unnecessarily severe. Severe methods are necessary—quarantine, embargo, must be enforced. I can say nothing more directly in support of this statement than to repeat what I have said, that in many countries of the world this disease is chronic. It continues, and authorities of those countries are either unwilling or unable to pursue methods absolutely necessary to stamp it out. This is the only country where the disease has ever been eradicated and entirely removed, which fortunate result is highly creditable to the Department of Agriculture and justifies our confidence in it, also early passage of this resolution.

Mr. GREEN of Iowa. Mr. Speaker, there is nothing more nonsensical than this talk that bills of this character are brought up for political purposes or for the purpose of catching

votes. How can this be done for that purpose when these bills are supported by both sides without regard to party and without paying any attention to party ties or party fealty?

Mr. LEA of California. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LEA of California. I would say this, not being on the gentleman's side of the House, that in making these appropriations the Congress is doing its duty to this country, and if there be politics in doing our duty to the country, let that be politics.

Mr. GREEN of Iowa. The gentleman is right; that is the only way there could be any politics in it. There would not be 100 men in the district or State of the gentleman from Texas or Tennessee who would know anything about this bill if it passes and thereby the foot-and-mouth disease was stamped out in California. But if it is not stamped out but allowed to spread over the whole country, undoubtedly all of us would hear of it, because they would say that we had been derelict in our duty in not taking up and passing this bill.

This disease is the most dangerous, the most insidious, and the hardest disease to eradicate that is known among all the animal diseases. It has cost Great Britain hundreds of millions of dollars. It has cost us millions of dollars, and if it should once get scattered over the whole country the amount that it would cost this country would be almost incalculable. Fortunately Congress so far, without regard to party, without reference to the consideration of votes, has always taken up the matter as soon as the disease appeared in some locality and stamped it out without permitting it to further spread.

Mr. LEA of California. Will the gentleman further yield?

Mr. GREEN of Iowa. Yes.

Mr. LEA of California. I would like to say that the Governor of California has made arrangements by which the State has agreed to expend $2,000,000 to cooperate with the department.

Mr. GREEN of Iowa. Of course, the State is quite ready to cooperate. It would make no difference to the vote of California, except, as I say, if the disease was allowed to spread over the United States not only the gentleman from Texas but everybody else in Congress would hear of it.

Mr. BLANTON. Let me say to the gentleman I did not know that I hit such a sore spot.

Mr. GREEN of Iowa. The gentleman must be talking about his own sore spots. I do not know of any others.

Mr. FREDERICKS. Will the gentleman yield?

Mr. GREEN of Iowa. I yield.

Mr. FREDERICKS. The great State of California is not for sale in that manner.

Mr. GREEN of Iowa. Certainly not.

Mr. ABERNETHY. And the cattle do not vote. [Laughter.]

Mr. GREEN of Iowa. This is of interest not only to that State but to the country. As for the measure the other day for the relief of the people of New Mexico I did not vote for it because I was not here, and I do not know whether I would have voted for it if I had been, but the Members who supported that did not do it for political purposes, because outside of that State it could not help anyone. They voted for it because they believed it was for the interest of the whole country, and I can easily see how a good argument could be made for it from that standpoint.

Mr. SHALLENBERGER. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. SHALLENBERGER. The gentleman will recall that in 1915 when there was an epidemic of the foot-and-mouth disease, although it never touched the State of Nebraska, yet an embargo was placed upon the sale of livestock in the city of Omaha, which entirely tied up that market and the ability of the cattlemen to move their cattle out of that market. The whole country is affected by a thing like this, not only the State of California but Nebraska and Iowa and every other State in the Union.

Mr. GREEN of Iowa. The gentleman is quite correct. Thousands and thousands of dollars were lost by men from all parts of the country at that time by reason of the disease getting a start in certain portions of the country.

Mr. HUDSPETH. Just a few years ago we passed the same kind of a bill for Missouri and Illinois.

Mr. GREEN of Iowa. Yes; and stamped out the disease there.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. BUCHANAN. Mr. Speaker, I rise merely to say that political expediency did not dictate the course or vote of any member of the committee. So far as I am concerned, if I had known that every vote in California would be cast for the Republican ticket, I should have voted for this resolution just as promptly. Further, if the outbreak had occurred in Texas, in three of the counties of the district of my distinguished colleague, Mr. BLANTON, I say that this committee and the chairman of it would have brought this resolution in just as promptly as it was brought in for the "pivotal" State of California. [Applause.]

Mr. RAKER. Mr. Speaker, this is not merely confined to three counties, but it has spread to others—down to Fresno. Fresno is so located that the cattle across the mountains may start it up into Nevada and from the Sacramento Valley up north into Oregon. If it gets out on the range the great cattle and sheep and hog industry of California will be practically ruined. That is not a starter, however. All of the avenues of exportation leading to the States of the East, both coming and going, would be affected.

Mr. GREEN of Iowa. If it gets on the range it will be a question whether it ever could be eradicated.

Mr. RAKER. Absolutely. That is what men say who are familiar with the situation. We are receiving telegrams and letters every day in regard to this. Every county in the State of California, with its board of supervisors, is actively engaged in the matter, and they are ready and willing to spend their money. Fifty citizens, irrespective of political parties, appeared at Sacramento for the purpose of getting the governor to call an extra session of the legislature to appropriate $1,500,000 for the purpose of eradicating this disease. The governor has not yet determined whether he will call the extra session or not. If he does not, the banking interests and the people in California will underwrite this money to meet the amount the Federal Government will appropriate so as to eradicate the disease.

Mr. FREDERICKS. The banking interests have already underwritten this to the extent of $2,000,000.

Mr. RAKER. That is the situation. It is unfortunate that any man would question the motives of either party on a matter of this kind, which affects not only the property of citizens of the United States but their lives as well. I can not believe that any man would say that it is done for political purposes. This resolution should pass without delay.

The SPEAKER. The time of the gentleman from California has expired.

Mr. MADDEN. Mr. Speaker, I move the previous question on the joint resolution to final passage.

The previous question was ordered.

IMMIGRATION

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and agreed to.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference.

The SPEAKER. The gentleman from Washington asks unanimous consent to take from the Speaker's table the immigration bill, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. JOHNSON of Washington, Mr. VAILE, Mr. VINCENT of Michigan, Mr. SABATH, and Mr. RAKER.

AGRICULTURAL APPROPRIATION BILL

Mr. MAGEE of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes. Pending that, I ask the gentleman from Texas [Mr. BUCHANAN] whether we can not agree on a time for general debate.

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. LONGWORTH. Mr. Speaker, a great many gentlemen have asked me about the legislative program for next week, particularly with a view to finding out when a vote may be reached on the proposed amendment to the Constitution affecting child labor, which it is expected will follow the passage of the Agriculture appropriation bill. It is difficult to forecast exactly because of the uncertainty in respect to the time to be taken in the consideration of the Agricultural appropriation bill. I think it very essential that the child-labor amendment

should be taken up certainly not later than Friday of next week. With that thought in view, I suggest, in the first place, that some arrangement be arrived at which will conclude general debate upon this bill to-day and that time be given for its consideration on Monday. Therefore I ask unanimous consent that on Monday, after the consideration of the pension bill providing an increase in pensions for the veterans of the Civil War and the Spanish War, which will be brought up under suspension of the rules, the Agricultural appropriation bill be taken up, and that the Consent Calendar be taken up on Monday night at 8 o'clock, with the qualification that those bills be considered which the Speaker has not agreed to take up under suspension of the rules in case they be objected to. I understand there are two or three bills of that kind. That would leave for consideration on Monday night only those bills which are practically questions for unanimous consent.

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I do not know whether the gentleman has conferred with the chairman of the Committee on Rules since the adjournment of that committee a few moments ago. A request is pending before that committee for a rule upon a proposition, and after discussion the committee thought the matter in question might properly be submitted to the Speaker with a request for its consideration under suspension of the rules. Of course, that is merely tentative. I understand the gentleman to suggest that there is only one matter for suspension in view?

Mr. LONGWORTH. I was not aware of the fact to which the gentleman from Tennessee has just referred.

The SPEAKER. The Chair will state that the matter was brought to the attention of the Chair. The Chair said that he thought it was a proper matter for suspension, but that it seemed to the Chair that the bills on the Consent Calendar were bills in which a great many people are interested and that they ought to be cleared off. There are a couple of those bills as to which, as the Chair remembers, if objection be made to them, he has said he will grant recognition for suspension of the rules.

The Chair fears if the other bills are taken up it would not leave time to clear the Consent Calendar of bills which seem important.

Mr. GARRETT of Tennessee. Would it be agreeable to the gentleman from Ohio to submit the request later in the afternoon? I do not wish to interfere——

Mr. LONGWORTH. I would be perfectly willing to confine my request to such bills, the proponents of which the Speaker has agreed to recognize.

Mr. GARRETT of Tennessee. What I really understand the gentleman desired was this, after all: A night session to consider bills on the Consent Calendar and to leave the other matter open.

Mr. LONGWORTH. Exactly; but I am advised that the Speaker has agreed to recognize gentlemen in the case of one or two bills to suspend the rules in case they are objected to, and I desired to reserve those——

Mr. GARRETT of Tennessee. And have consideration at the night session.

Mr. CRISP. No; no motion to suspend the rules to come up at the night session.

Mr. GARRETT of Tennessee. What I want to get clear in my mind—and I am sure gentlemen around me want to get clear—is whether or not at the night session it will be the purpose to ask for anything except unanimous consent?

Mr. LONGWORTH. No: nothing except unanimous consent.

Mr. GARRETT of Tennessee. Then I would suggest the gentleman simply make the request for a night session for the consideration of bills on the Consent Calendar.

Mr. BLANTON. Unobjected to.

Mr. MADDEN. If the gentleman will permit one suggestion. While I have not conferred with the Speaker about what I am going to say, I expect to confer with him and ask him to recognize me to move to suspend the rules on the salary readjustment bill of the legislative branches of the Government on Monday. Everybody in the House is interested in that bill. They did not all vote for it the other day because I do not think they understood it. However, it ought to be gotten out of the way, because we can not complete the appropriation bills which must carry appropriations for these employees.

Mr. CARTER. If the gentleman will yield, we have the legislative appropriation bill for the legislative establishment before the subcommittee of which I am a member, and we are unable to go further with that bill, but are sitting waiting on account of this other bill to which the gentleman refers.

Mr. MADDEN. It ought to be passed under suspension of the rules, because if it is thrown open to the House nobody knows what will happen to it, and it is of sufficient importance to preserve the integrity of the bill in order that the integrity of the Treasury may be preserved that the Speaker should recognize somebody to move to suspend the rules.

The SPEAKER. The Chair will state that his present feeling is that the bill having been once before the House and the House having rejected it that it ought not to be presented again under suspension of the rules, but that some rule ought to be brought in in regard to the matter.

Mr. MADDEN. It does not seem to me we ought to do that. I think it is of such importance that there ought not to be any question of what the procedure should be in connection with it. I think it ought to be taken up under suspension of the rules and the bill passed as it is written, because if we do not pass it that way nobody knows how far you are going into the Treasury with it.

Mr. LONGWORTH. I will modify my request to this effect, that it shall be in order Monday evening at 8 o'clock to consider bills on the Consent Calendar, and under that arrangement certain bills on Monday morning——

Mr. CARTER. There will be no unanimous consent until at the night session?

Mr. LONGWORTH. Possibly a bill or two might be taken up to see whether or not anybody objects to their consideration.

Mr. JOHNSON of Kentucky. Does the gentleman mean there will be no motion to suspend the rules at the night session?

Mr. LONGWORTH. No motion to suspend the rules at the night session.

Mr. SMITH. Do I understand we are not to consider bills on the Consent Calendar on Monday?

Mr. LONGWORTH. Monday night, but not to consider them during the day.

Mr. SMITH. In that case it seems to me many bills on that calendar which should be considered would not be reached.

Mr. LONGWORTH. I think we ought to dispose of those bills which might be objected to and those whose proponents the Speaker has agreed to recognize to suspend the rules.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. MOORE of Virginia. Does the gentleman think, in view of the fact in all human probability the Senate will be kept occupied a long time in considering measures which are now before it for consideration——

Mr. LONGWORTH. Mr. Speaker, I can not even hear the gentleman from Virginia, owing to the prevailing disorder.

Mr. MOORE of Virginia. I am trying to ask the gentleman this question: Does he think it is reasonable to have night sessions when it is quite evident that the Senate is not going to be prepared for an adjournment on the 1st of June, or on the 1st of July, or until some time in the fall?

Mr. LONGWORTH. It is not given to me to even guess what the body at the other end of the Capitol may do or fail to do; but I do want to show to the country that this body has proceeded to do its business and is doing it. [Applause.]

Mr. MOORE of Virginia. And in that connection you are willing to work some of the Members almost beyond endurance by taking up all their time in the daytime and then driving them into night sessions.

Mr. LONGWORTH. No. I have no desire to work Members beyond endurance, but I feel that if we keep on with reasonable diligence we will have passed every bill necessary to make adjournment possible early in June [applause]; and that is what we can do and ought to do. Now, if the other body is unable to do it, through dilatory processes of any sort, it is not the fault of this House, and I want the country to know it. [Applause.]

The SPEAKER. The gentleman from Ohio asks unanimous consent that there be an evening session on Monday at 8 o'clock, and that Monday afternoon only those bills on the Consent Calendar shall be considered for which suspension might be granted, and that in the evening there shall be no suspension. Is there objection?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, it is understood, I take it, that there will be no bills objected to taken up that night. Is that the understanding?

The SPEAKER. They can not be taken up that night.

Mr. BLANTON. Well, they could be taken up by action of the House itself that night, unless there was an agreement to the contrary.

The SPEAKER. It will not need unanimous consent. The rules of the House provide for that.

Mr. BLANTON. I want to make this observation: If we are going to be given time to consider legislative matters of importance, then we ought to have night sessions. But if we

are going to hurry legislative measures through under suspension, without opportunity for debate, I can not see the necessity of a night session. I understand numerous measures will be brought up under suspension, under the rule cutting off legitimate debate on matters; but I shall not object to night sessions.

Mr. WINGO. I do not think the Speaker got the force, possibly, of his statement. Bills could be considered at the night session otherwise than by unanimous consent. They could be considered under the amended unanimous-consent rule. There might be some bills objected to heretofore. I do not want anybody to be misled. The intention is to consider them under the unanimous-consent rule?

Mr. LONGWORTH. Under the present rule.

The SPEAKER. Is there objection?

Mr. FULLER. Reserving the right to object, Mr. Speaker, I understand this is not to interfere with motions to suspend the rules.

The SPEAKER. That has been stated. Is there objection?

There was no objection.

AGRICULTURAL APPROPRIATION BILL

Mr. BUCHANAN. Mr. Speaker, pending the motion of the gentleman from New York, will the gentleman from New York advise us as to his desire with respect to the time to be allotted to general debate?

Mr. MAGEE of New York. I ask unanimous consent that the general debate on this bill be limited to five hours, one-half to be controlled by the gentleman from Texas [Mr. BUCHANAN] and half by myself.

The SPEAKER. The gentleman from New York asks unanimous consent that the general debate on this bill be limited to five hours, one-half the time to be controlled by the gentleman from Texas and one-half by himself. Is there objection?

Mr. LONGWORTH. Reserving the right to object, would the gentleman object to coupling with that request the idea that general debate shall be concluded this afternoon?

Mr. MAGEE of New York. That is satisfactory to me. I do not know whether it is to the gentleman from Texas or not.

Mr. BUCHANAN. The only question is, I do not know when we are going to adjourn Saturday evening.

Mr. LONGWORTH. We will try it.

Mr. MAGEE of New York. That will be satisfactory to me as far as I am concerned.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from New York moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7220, the Agricultural appropriation bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Iowa [Mr. DOWELL] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, with Mr. DOWELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7220, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for an hour.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MAGEE of New York. Mr. Chairman and members of the committee, before entering into a brief résumé of the bill, I wish at this time to extend my thanks and appreciation to the other members of the Subcommittee on Appropriations in charge of the Agricultural bill. The gentleman from Texas [Mr. BUCHANAN], the gentleman from New Hampshire [Mr. WASON], and the gentleman from Georgia [Mr. LEE] have been most kind and helpful. Through their extreme courtesy and aid we have been able to bring out a bill which I trust will be satisfactory to the members of the committee.

The gentleman from Minnesota [Mr. ANDERSON], the chairman of the subcommittee, after very ably conducting the hearings and presiding over the subcommittee during the marking up of the bill, has since been confined to his home on account of illness, and I am sure that if he were present he would join me in thanking the members of the subcommittee, just as we are grateful to him for his aid and assistance in preparing the bill. We all trust that he will rapidly regain his former health and vigor.

Representative ANDERSON is one of my warm personal friends. He is a fine parliamentarian; he is one of the ablest men in the House, and I am sure we all feel that the country will sustain a distinct loss when he leaves the Congress.

I have a memorandum here as to some of the features of this bill. It has been prepared in large part by Mr. Barta, the efficient clerk of the subcommittee, and I want to give him full credit for his labors and efforts in helping the subcommittee to prepare and draft this bill.

I was unable to attend the early hearings on this bill because I was engaged as a member of the subcommittee in drafting the Treasury-Post Office Departments bill. When the hearings on that bill were finished, I then attended the hearings upon this bill. This is Mr. ANDERSON's bill, and I hope that every Member of the House will constitute himself a committee of one to aid in putting his bill through the House.

This bill covers the regular annual appropriations for the Department of Agriculture. The total of such appropriations for the fiscal year 1924 amounted to $72,841,453, of which the sum of $3,304,800 was for the payment of increased compensation—$240 bonus—and $32,300,000 for the cooperative construction of rural post roads and forest roads and trails. Deducting the amount appropriated for road construction—$32,300,000—the remainder—$40,541,453—represents the total of the appropriations for the Department of Agriculture proper.

The amount recommended in this bill for the fiscal year 1925 for the department proper is $39,058,513. However, this amount does not include increased compensation—$240 bonus—for field employees, which during 1924 amounted to $2,408,060.

For comparative purposes this amount should be added to the $39,058,513 recommended in the pending bill, together with an appropriation of $200,000 for printing the publications entitled "Diseases of the Horse, and Diseases of Cattle," which was carried for the one year only. The total of these three items aggregates $41,666,573, which compared with the total available for the department proper during the fiscal year 1924, represents a net increase of $1,125,120. Some of the more important items making up this increase in department appropriations for the ensuing fiscal year are as follows:

The classification act	$393,932
Meat inspection	240,970
Tuberculosis indemnities	400,000

OFFICE OF THE SECRETARY

Under the Office of the Secretary of Agriculture, increases are recommended in salary appropriations, all of which are in accordance with the classification act of 1923. An increase of $20,000 is recommended in the item for the payment of rent in the District of Columbia, which is necessary because of additional space needed by the Bureau of Agricultural Economics in making up cotton standards. A new paragraph is also recommended which permits the payment of rent at not to exceed $10,000 for the use of the Ohio Building, at the American University, from funds provided to the Fixed Nitrogen Research Laboratory by the War Department under Executive authority.

WEATHER BUREAU

Minor changes in the amounts recommended, and the elimination of volcanology from the work of the Weather Bureau, are provided in the accompanying bill. The paragraph appropriating for the frost warning service has been amended, with an increased appropriation, and extended to horticultural interests throughout the country as to frost, harvest weather, and fruit-spraying conditions. This was to meet the demands of the fruit growers throughout different sections of the country.

BUREAU OF ANIMAL INDUSTRY

Under the Bureau of Animal Industry the committee recommends in the pending bill several important projects, which have been increased over the appropriations available for the current fiscal year. The first is the appropriation for the

knows what will happen to it, and it is of sufficient importance | importance, then we ought to have night sessions. But if we

eradication of tuberculosis in cattle. The amount for operating expenses is recommended at $850,000, and an appropriation of $2,427,000 is recommended for the payment of indemnities. This amount is $400,000 in excess of appropriations for the current year, but is believed desirable because of the appropriations now being made by the States in cooperative eradication work. To reduce this sum would hamper and restrict to a marked degree the tuberculosis campaign.

An appropriation of $660,000 is recommended for the eradication of the southern cattle tick. Most of the infested territory has now been cleaned up; and to make niggardly appropriations at this time would invite a renewed infestation, with consequent increased appropriations in future bills.

Mr. HUDSPETH. Would the gentleman mind an interruption there?

Mr. MAGEE of New York. No.

Mr. HUDSPETH. That was all that was recommended by the Department of Agriculture, was it not?

Mr. MAGEE of New York. I understand so.

Mr. HUDSPETH. For the eradication of the southern cattle tick?

Mr. MAGEE of New York. I do not want to mislead the gentleman, but that is my understanding.

The appropriation for meat inspection has also been increased to provide for the employment of additional inspectors at the larger packing establishments. During the war much overtime was necessary on the part of these inspectors, and the Government made an arrangement with the packers for the payment of this overtime work. It is an unsatisfactory arrangement, and it is believed that these men should be paid by the Government, rather than by the packers, and likewise that it would be better to provide sufficient employees to eliminate overtime payment.

BUREAU OF PLANT INDUSTRY

An increase of $78,480 in the appropriation for the control of the white-pine blister rust is recommended in the pending bill. This is to enable the bureau to control and arrest the ravages of blister rust in the western white-pine areas.

An estimate of $70,000 was submitted for rubber-plant research, an amount which your committee did not believe necessary, and consequently reduced the same to a recommended appropriation of $20,000 to maintain projects already started. In view of the very careful survey and work of the Department of Commerce, and the fact that several experiments are now being carried on by the Department of Agriculture, increased appropriations for this work are not deemed warranted.

The paragraph appropriating for field stations of the Department of Agriculture under the jurisdiction of the Bureau of Plant Industry has been increased over the Budget estimates to provide sufficient funds for the maintenance of stations now in existence, and your committee further recommends the adoption of a provision which provides that no part of the appropriation shall be used in the establishment of any new field stations.

FOREST SERVICE

Your committee followed the recommendations of the Bureau of the Budget with but two exceptions in the appropriations for the Forest Service. For miscellaneous forest wages and administration an increase of $70,000 is recommended. It is estimated by the Chief Forester, Colonel Greeley, that with this increase surveys and sales of timber ready for market can be expanded to such an extent as to increase receipts by not less than $500,000.

The second exception recommended by your committee is an increase of $10,000 in the appropriation for sanitary facilities and fire-protective measures in the public camp grounds. This is a real necessity due to the increasing number of people visiting the national forests each year, and is essential to the health and welfare of the public.

Under the paragraph appropriating for the construction of forest roads and trails, a new provision is recommended which will permit the Secretary of Agriculture to purchase telephone lines, cabins, fences, etc., erected by logging companies and others, when direct purchase will be more economical than construction.

BUREAU OF CHEMISTRY

The appropriation for the study and improvement of methods of dehydration of fruits and vegetables is recommended to be discontinued by the committee. This work has progressed to such a state that commercial organizations, if sufficiently interested, can carry on their own experiments and investigations.

A new paragraph is recommended in this bill for the investigation and demonstration of methods of preparing naval stores, and for the enforcement of the naval stores act, which carries an appropriation of $20,000.

BUREAU OF ENTOMOLOGY

An increase of $116,000 over the appropriations for the current fiscal year is recommended in the paragraph appropriating for the investigation of insects affecting deciduous fruits. This increase is for the purpose of controlling the Japanese beetle, which is spreading quite rapidly into Pennsylvania, New Jersey, and Delaware, and new language is inserted in the paragraph which permits the Bureau of Entomology to cooperate with the Federal Horticultural Board in promulgating and enforcing quarantines established by that board.

For the investigations of insects affecting southern field crops your committee recommends an increase of $41,920 over the appropriations for the current fiscal year, which is to be used in the investigation and experimentation of machines and appliances for the control and eradication of the cotton boll weevil.

For preventing the spread of moths the committee recommends an increase of $41,360 over the 1924 appropriation. It may be possible, with this increased appropriation, to control the moth in the infested territory during the coming season. It is now along the eastern border of New York State, and, if controlled along this line and prevented from entering the Appalachian Mountains, parasites already introduced and actively engaged in extermination of the moth may be able to control it eventually, without help from the Bureau of Entomology.

BUREAU OF PUBLIC ROADS

A new paragraph providing funds for the study of farm irrigation and farm drainage problems is recommended by the committee. This paragraph is a consolidation of two items formerly carried in the bill for this line of work.

The current appropriation of $15,000 for supervising the preparation and distribution of surplus war explosives has been eliminated from the bill, and a new paragraph providing that not to exceed $15,000 may be used from the administrative fund provided by the Federal aid road act for this purpose is recommended.

BUREAU OF AGRICULTURAL ECONOMICS

The appropriation for the market inspection of perishable foods has been increased $33,000 over the sum available for 1924. This service is six-sevenths self-supporting, and in view of the increased demand for this service your committee feels that this work should be extended, not only to market inspection, but also to shipping point inspection. Of this sum recommended, $5,000 is made immediately available.

A new provision is recommended in the paragraph appropriating for crop and livestock estimates which provides that no part of the funds appropriated in the bill shall be used in ascertaining or publishing a report stating the intentions of farmers as to the acreage to be planted in cotton.

For the administration and enforcement of the warehouse act, the committee recommends an appropriation of $163,000 for 1925. This is an increase of $26,600 over the sum available for 1924, but is deemed necessary because of the increased number of licensed warehouses throughout the United States.

MISCELLANEOUS ITEMS

An appropriation of $600,000 is recommended for the acquisition of additional forest lands at headwaters of navigable streams. This is a decrease of $400,000 in the Budget estimate, but your committee feels that until some permanent policy is adopted with respect to the acquisition of these lands, no large appropriation should be made. The amount recommended will keep the organization intact, and surveys and appraisals will be carried on.

For the purchase and maintenance of passenger-carrying vehicles your committee recommends that $130,000 of the lump-sum appropriations in the bill be expended for this purpose. A new provision is also recommended which permits the Secretary of Agriculture to expend not in excess of $25,000 from the funds provided for carrying out the provisions of the Federal highway act, in the purchase and exchange of motor vehicles in the place of those transferred from the War Department, which are now unserviceable.

A new paragraph is also recommended which provides for the appointment of delegates to the International Seed Testing Congress to be held in England in 1924. The payment of the expenses of the delegates representing the Department of Agriculture will be paid from general expense appropriations, but it

of the Agricultural bill. The gentleman from Texas [Mr. | current fiscal year. The first is the appropriation for the

is desired that all delegates shall be appointed by the President to give them official recognition at the seed testing congress.

For carrying out the provisions of the Federal highway act the committee recommends an appropriation of $17,700,000 for the fiscal year 1925. Compared with the appropriation for 1924, this sum represents a decrease of $14,600,000, and is $800,000 less than the Budget estimates. The committee feels that appropriations sufficient to cover actual cash withdrawals from the Treasury should be made, rather than appropriations to the extent of the authorizations, and the sums recommended are believed to be sufficient. I have a more detailed statement relating to the status of Federal aid road funds, which I shall insert in the RECORD as a part of my remarks.

The statements referred to follow:

FOREST ROADS AND TRAILS FUNDS

The act of June 19, 1922 (post office appropriation act, 1923), authorized appropriations for the cooperative construction of forest roads and trails, as follows:

For the fiscal year ending June 30, 1924	$6,500,000
For the fiscal year ending June 30, 1925	6,500,000
Total authorized appropriations	13,000,000

Appropriations to carry out the above authorizations were made as follows:

Act of February 26, 1923	$3,000,000
The pending bill	4,700,000
Total cash	7,700,000

The above act and pending bill provide that the remainder of the authorizations first given should be obligated by the Secretary of Agriculture in approved projects. These contractual obligations are as follows:

Act of February 26, 1923	$3,500,000
The pending bill	5,300,000

The appropriation recommended in the accompanying bill, $4,700,000, is to be used in extinguishing the contractual obligations incurred during the present fiscal year 1924, which amount to $3,500,000, and which were authorized in the act of February 26, 1923. The remainder of the recommended appropriation ($1,200,000) will apply upon the authorization of $6,500,000 for the fiscal year 1925, and the remainder of the authorization ($5,300,000) is made available for contractual obligations in the pending bill.

To summarize, the situation for the two fiscal years, 1924 and 1925, is as follows:

Total amount authorized to be appropriated for the two years at the rate of $6,500,000 each year	$13,000,000
Total appropriated in cash for the two years, $3,000,000 for 1924, and $4,700,000 in the pending bill for 1925	7,700,000
The difference between these two sums is made available in the pending bill for contractual authority, and amounts to	5,300,000

Authorized to be appropriated	Actually appropriated	Obligated but remaining to be appropriated
$6,500,000	$3,000,000	$3,500,000.
$6,500,000	$4,700,000, of which $3,500,000 is to pay former obligations, and the remainder $1,200,000 is to apply on the amount authorized to be appropriated, which leaves.	$5,300,000, which will be obligated during 1925.

PUBLIC ROAD FUNDS

The act of June 19, 1922 (Post Office appropriation act, 1923), authorized appropriations for the cooperative construction of rural post roads as follows:

For the fiscal year ending June 30, 1923	$50,000,000
For the fiscal year ending June 30, 1924	65,000,000
For the fiscal year ending June 30, 1925	75,000,000
Total authorized appropriations	190,000,000

Appropriations to carry out the above authorizations were made as follows:

Act of January 22, 1923	$25,000,000
Act of February 26, 1923	29,300,000
The pending bill	13,000,000
Total cash	67,300,000

The above acts provided that the remainder of the authorizations first given should be obligated by the Secretary of Agriculture in approved road-building projects. These contractual authorizations are as follows:

Act of January 22, 1923	$25,000,000
Act of February 26, 1923	35,700,000
The pending bill	62,000,000
Total	122,700,000

The total, therefore, of the contractual obligations, plus the actual cash appropriations, equals the authorizations first given and contained in the Post Office appropriation act, 1923, as follows:

Total of cash appropriations	$67,300,000
Total of contractual obligations authorized	122,700,000
Total as authorized	190,000,000

Authorized to be appropriated	Actually appropriated	Obligated but remaining to be appropriated
$50,000,000	$25,000,000	$25,000,000
$65,000,000	29,300,000	35,700,000
$75,000,000	13,000,000	62,000,000
$190,000,000	67,300,000	122,700,000

Beginning with the fiscal year 1924, there was an unexpended balance of $132,120,708.39, which, together with the appropriation of $29,300,000 carried in the 1924 agricultural act, made a total of $161,420,708.39 available for cooperative road construction. To this should be added the $13,000,000 recommended in the pending bill, which makes a total of $174,420,708.39 available for the fiscal years 1924 and 1925. The estimated cash withdrawals from the Treasury for these two years will amount to $175,000,000, of which it is estimated $85,000,000 will be withdrawn during the fiscal year 1924 and the remainder, $90,000,000, in the fiscal year 1925.

Mr. MAGEE of New York. I am going over these matters in detail and putting them in the RECORD so that information relative thereto will be available for Members of the House between now and Monday, when we expect to take up the reading of the bill.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. MAGEE of New York. I will.

Mr. WILLIAMSON. I notice on page 25 of the bill you make an appropriation of something more than $400,000 for the location and destruction of barberry bushes and other vegetation from which rust spores originate, and you expressly reserve 111,000 of this amount as available only for expenditure when an equal amount shall have been appropriated or contributed by the States, counties, or local authorities or by individuals or organizations. I am wondering why that particular amount was set out.

Mr. MAGEE of New York. That follows existing law. I want to say to members of the committee that any Member desiring information in regard to this bill can get it from any member of the subcommittee or from Mr. Barta, the clerk. We will furnish any information that can be obtained.

Mr. COLTON. Will the gentleman yield?

Mr. MAGEE of New York. I yield.

Mr. COLTON. I notice a large reduction in the appropriation for public highways. Is the gentleman informed whether this will curtail the building program of the department?

Mr. MAGEE of New York. I do not understand that it will at all. I was much interested in this important matter and have given it special investigation. I have communications from the Department of Agriculture along the lines suggested by the gentleman, which I will read into the RECORD when we come to the consideration of the bill under the five-minute rule.

Mr. COLTON. I am glad that the gentleman will do that, because there seems to be a feeling that the building program will be curtailed.

Mr. MAGEE of New York. I think we can satisfy any gentleman within reason that the bill carries appropriations sufficient to meet all demands.

I want to say that detailed information on every part of the bill will be found in the hearings and the report accompanying the bill. There are over 1,000 printed pages of the hearings covering a period of four weeks, representing the activities of your subcommittee in the preparation of this bill. The members of the subcommittee will be glad, as I have said, to aid any Member in securing any information he may desire on any item in the bill; and if we do not have the desired information, we will get it. The statement of salaries for 1924, together with the increased compensation of the $240 bonus compared with the same positions under the reclassification act, will be found set out at the end of the hearings.

That, gentlemen, covers the general presentation of the bill. We shall be glad to furnish detailed information on any item when the bill is taken up for consideration under the five-minute rule.

I do not wish to take up any time of the House unnecessarily. This is the first time that the responsibility of having

charge of this bill has fallen upon me, and perhaps it may be well to make a few general remarks in reference to my own personal views, because I feel that there is no bill that is nearer to the Members of the House than this agricultural bill, and perhaps no bill that is considered here that is any more far-reaching.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. MAGEE of New York. I yield.

Mr. LAZARO. There is in the bill an appropriation of $17,700,000 for the fiscal year 1925 to carry out the Federal aid roads law. I notice that this appropriation is $14,600,000 less than last year and $800,000 less than the Budget estimate. Will the gentleman tell us why they have cut it down that low?

Mr. MAGEE of New York. If the gentleman will examine the report and hearings, he will find as a matter of fact that there will be as much money available for the coming year as for the current year. If the gentleman will look at the report, pages 9 and 10, he will find an explanation of the appropriations carried in this bill. As I stated in answer to the gentleman from Utah who asked a question, when we come to read the bill the items in question will be further explained.

Mr. LAZARO. The gentleman is aware of the fact that there are many important roads to be built throughout the country in which the Federal Government is interested, and it would not do to run out of money before the roads are completed, because if that were done it would mean a waste of money and an increase of appropriations later on.

Mr. MAGEE of New York. I understand that, but the gentleman's fears are entirely groundless. In other words, we have given the department all the money the department says it needs for road construction for the coming fiscal year.

Mr. LAZARO. The reason I was uneasy about this item is because you are appropriating $800,000 less than the Bureau of the Budget recommended, and we know that the Bureau of the Budget, as a rule, is very close.

Mr. MAGEE of New York. They have not spent all the money that has been appropriated; they still have a large unexpended balance.

Mr. BUCHANAN. If the gentleman will permit me, at the end of the fiscal year they will have $72,400,000 in the Treasury to meet the obligations of the next fiscal year. We appropriate $13,000,000, making $85,400,000 to meet maturing obligations next year. That is about $6,000,000 a month for maturing obligations, as it has been in the past. So in the estimate you take $85,000,000 to meet maturing obligations and we have $400,000 leeway, and even if we did not they could not spend one-third of it before the latter part of the next fiscal year, and Congress will then be in session. Certainly they will not let any maturing obligations go unpaid.

Mr. MAGEE of New York. I understand that sufficient money has been provided. I want to say that as far as I am concerned I will do everything I can in cooperation with the Department of Agriculture to meet all reasonable needs.

I was born and brought up on a farm myself, and while I have difficulty sometimes in making people believe it, I have done all kinds of work on a farm, and my sympathies are wholly with the agricultural interests of the country. Because the matter will come up, undoubtedly, in the discussion of the bill, I shall state my position in reference to the recommendations of the Director of the Bucget. I speak only for myself and upon my own responsibility and reflect only my own views. I feel I might better inform the Members of the House now how I feel on the proposition. I do not feel myself bound by the recommendations of the Director of the Budget as to necessary appropriations for any particular purpose, and because I feel that way it does not seem to me that this view can be regarded as a criticism or reflection in any way, directly or indirectly, upon the recommendations of the Director of the Budget. General Lord, the Director of the Budget, is one of my personal friends and a very efficient public servant, but suppose he cuts a recommendation of the Secretary of the Department of Agriculture, and during the hearings we feel that the department needs more money than the director recommended. Under such circumstances we are in a better position to determine what the department needs for some particular item than the Director of the Budget could possibly be, because we have extended hearings, come in personal contact with the experts in the department, and study each particular item. In this bill gentlemen will find a number of items where we have made appropriations in excess of the amounts recommended by the Director of the Budget. My own notion is that the responsibility for the efficient conduct of the Department of Agriculture rests upon the Secretary of the department, and I am not going to assume any part of his responsibility. For instance, take the appropriation to prevent the ravages of the Gypsy moth.

Infestations have been found in the eastern part of the State of New York, and if this moth should get into the Catskill or the Adirondack Mountains, Congress would be called upon to appropriate millions and millions of dollars to check its ravages. We appropriated what the Secretary of the department recommended, which was something over $40,000 in excess of the recommendation of the Director of the Budget. That is the way I feel about it. I do not think that I would vote for an appropriation in excess of that recommended by the Secretary of the department, because if we should do that it seems to me that we would weaken the Budget system, and if we kept on doing that in time we would absolutely destroy it. My position is that I want to vote for appropriations which are reasonably sufficient in amount to meet the needs of the Secretary of Agriculture, to whom the country looks for the efficient conduct of the department.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. BUCHANAN. Speaking of the Budget system, does not the gentleman think it would work better if the Budget Bureau would send the Committee on Appropriations a concise statement of the reasons for their cut or increase of recommendations. As it now stands we get just their bare figures, and we do not know what reason actuated the Budget in cutting or increasing a recommendation from the Secretary of a department. Therefore we must go into the hearings as if the matter were a new thing altogether, and we can not profit by any reasons they have evolved from their investigations. Does not the gentleman think it would be an improvement if they would give us the reasons that actuated them in cutting or increasing recommendations?

Mr. MAGEE of New York. I think the gentleman's remarks have great force.

Mr. LAZARO. Mr. Chairman, will the gentleman from New York yield for me to ask a question of the gentleman from Texas?

Mr. MAGEE of New York. Yes.

Mr. LAZARO. If I understand the gentleman from Texas, he states that the Department of Agriculture has asked for all of the money it needed to carry out the Federal good roads law. Is that correct?

Mr. BUCHANAN. The department asked for all of the appropriations it needed; yes.

Mr. LAZARO. But in this report you are appropriating $800,000 less than the Budget estimates. It seems to me a little unusual that the Director of the Budget should ask for $800,000 more than the department.

Mr. BUCHANAN. Oh, we very often decrease the estimate of the Budget on many items. It is not unusual at all in the Appropriations Committee for us to decrease items, and sometimes it happens that we even exclude a whole item which has been approved by the Budget.

Mr. SINNOTT. Mr. Chairman, will the gentleman from New York yield?

Mr. MAGEE of New York. Yes.

Mr. SINNOTT. I understood the gentleman in his reply to the inquiry of the gentleman from Utah [Mr. COLTON] to say that the highways were provided for in the bill, and that the Agricultural Department had so indicated to the gentleman, and that he had a letter from the department.

Mr. MAGEE of New York. Yes.

Mr. SINNOTT. And that he is going to insert the letter in his remarks?

Mr. MAGEE of New York. Yes.

Mr. SINNOTT. Will the gentleman insert the letter in his remarks?

Mr. MAGEE of New York. Yes.

Mr. SINNOTT. Would the gentelman insert it in his remarks at this time?

Mr. MAGEE of New York. I have not the communications with me.

Mr. SINNOTT. Does that cover the item on page 71?

Mr. MAGEE of New York. Forest roads and trails? I have a communication in reference to that and a communication in reference to the other item, which is entitled "Cooperative construction of the Federal highway system."

Mr. SINNOTT. How recent is the communication about the forest roads and trails?

Mr. MAGEE of New York. I received the communications yesterday.

Mr. SINNOTT. I wish the gentleman would put it into the RECORD now.

Mr. MAGEE of New York. I do not think I shall do that, because I got these communications from the department along the line which I suggested—that the responsibility for the efficient conduct of the department rests upon the Secretary—and I asked if I might use the communications when we reach those provisions in the bill. I was given that permission, and I shall produce them at that time.

Mr. SINNOTT. There is a great deal of uncertainty in the forest-roads States about the sufficiency of the fund, and if the gentleman has a communication from the Forest Service or the Agricultural Department it would set a great many at ease.

Mr. MAGEE of New York. I shall produce the communications in due time. As I stated to the representative of the department who gave them to me, when we reach those provisions in the bill I shall produce those communications. If the gentleman wants to see them before that time, and will come to my office, he can see them there.

Mr. SINNOTT. I will be glad to see them.

Mr. MAGEE of New York. Any information available we will be glad to give.

Mr. SINNOTT. I think it would be better for the membership of the House if they were printed now.

Mr. MAGEE of New York. Well, I did not say to the representative of the department that I would put them in the RECORD at this time. I asked if I might be permitted to use them in the discussion that might arise when we reach that part of the bill.

Mr. SINNOTT. There are many of us who would like to quiet the apprehension of a good many of our constituents who have been wiring to us about this particular matter.

Mr. MAGEE of New York. Well, I do not think there is any ground at all for apprehension. Now, so much for the bill. I desire to take this opportunity to say just a word to the country, outside of the bill, in the form of a brief message.

In these days of partisan turmoil and strife, in this atmosphere of assassination of character by insinuation, rumor, and suspicion, do not mistake the glitter for the gold. Rather let us pledge anew our devotion to our country. Those guilty of wrongdoing will be duly punished. It is sufficient for us to know that we have the best Government "the sun in heaven ever shone upon." Let us have faith in this Government; let us have abiding faith in the perpetuity of our institutions; let us have confidence in the efficiency and integrity of those upon whom the responsibility of government rests.

Gentlemen, I thank you for your patient attention. [Applause.]

Mr. Chairman, I reserve the remainder of my time.

The CHAIRMAN. The gentleman has consumed 41 minutes.

Mr. BUCHANAN. Mr. Chairman, I yield 30 minutes to the gentleman from Virginia [Mr. TUCKER]. [Applause.]

Mr. TUCKER. Mr. Chairman and gentlemen of the committee, if the morning papers to-morrow should carry the headlines that the Volstead law had been amended, how many of you would believe it? What would be the effect of such a declaration in the morning press? I am here to-day to discuss that question with you for a few moments. The Volstead law, passed by this House and Senate and signed by the President, has been attempted to be amended without the action of this House. I am getting letters beseeching me to see that no change of the law shall be made, and yet I am here to declare that an attempt has been made to amend the Volstead law by a treaty, without the action of this House. I have a resolution which I propose to ask this House to adopt asking the Committee on the Judiciary of this great body to determine in fact whether a law, a criminal law, passed by the Congress and signed by the President, can be repealed, modified, or changed *by the substitution of Great Britain* for the House of Representatives. That is my proposition. It took the House, the Senate, and the President to make the Volstead law.

We are now proposing—indeed it has been done, on the 13th of March last—to amend the law, not by the action of the House and Senate and President, but by substituting a foreign country, substituting Great Britain for the House of Representatives; and my resolution is founded upon the right, duty, and the power of this House to participate in all legislation. Why, gentlemen, this is the most remarkable thing I have ever seen attempted in this Government. This treaty, which was ratified on the 13th of March, declares that no penalty shall attach to liquors, to vessels, or to persons coming from Great Britain on British vessels, provided the liquors remain sealed and are not opened here except as sea stores for the crew. That is, the treaty undertook to take away the penalty of the law, and if it takes away the penalty the law is still there, but most people do not mind a law that has no penalty attached to it. What is the fact? Mark you, under this treaty one of the parties who consents in the treaty to remitting the penalty is Great Britain, remitting a penalty on herself, which, I suppose, was not difficult for her to agree to. Any criminal or any lawbreaker who has power to remit a penalty under the law he is breaking is very apt to agree to it. Here is a treaty, which is called the law of the land, made by Great Britain and the United States, that says that when Great Britain brings liquors into this country in violation of the Constitution, in violation of the Volstead law, and in violation of the Supreme Court's decision, the penalty of the law is remitted. Article III of the treaty embracing this subject is as follows:

> No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories, or possessions, on board British vessels voyaging to or from ports of the United States or its territories or possessions or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unladen within the United States, its territories, or possessions.

Under this treaty, I can see dear old Uncle Sam, as he stands at the wharf at New York, wrapped in the American flag, the emblem of the Constitution, welcoming John Bull as he comes sailing into port on some great vessel filled with liquor with all flags flying, as he says, "John Bull, we welcome you; no penalty for your violating the Volstead law. It is true we have a Constitution which says you can not do this; it is true we have a law to carry out this prohibition amendment that says you can not do it; it is true the Supreme Court has declared that sealed liquors can not be brought into our territory; but we have ratified a treaty down in the catacombs of one end of the Capitol, in secrecy, negotiated originally in secrecy by the President, and we have arranged by the treaty that you can come in without any offense, free from guilt and the penalty of the law." Just then comes a French frigate loaded with champagne; I hate to mention it. Here comes a French vessel loaded with it, and the same Uncle Sam who walks up to welcome John Bull walks up and puts handcuffs on the wrists of the French commander, and says, "You come and go to jail, for you have violated the Volstead law." That is what is attempted to be done by this treaty. That is what I am bringing to the attention of the House. We have been taught that America grants the equal protection of the law without any favorites, but there is John Bull who comes and brings in these liquors against the decision of the Supreme Court, against the Constitution, against the Volstead law, which is denied the Frenchman. See how the equality of the law operates: If a boy, or a man, or a woman in the mountains of North Carolina—it could not happen in Virginia, of course—but in the mountains of North Carolina, brings down a half pint of moonshine to one of the Representatives here, sealed it may be, bound up as tight as these liquors that are brought from England; if he is caught and yanked up, he is put into jail and fined. Is that the equal protection of the law to the French commander or the North Carolina mountaineer? Why should the act of the one be innocent and that of the other criminal? It is because, under this remarkable treaty, Great Britain, whose vessel and commander violates the law and the Constitution, in defiance of an express decision of the Supreme Court of the United States, is one of the parties to the treaty, the United States being the only other, while the House of Representatives which would never sanction such inequality is excluded from any participation in the matter.

Mr. MACLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. TUCKER. Certainly.

Mr. MACLAFFERTY. Why did our Government negotiate a treaty of this kind with Great Britain? What do we receive in return?

Mr. TUCKER. I would not intimate that the gentleman occupies such a position, but that is just the position of the bootlegger who so often bribes the revenue officers.

Mr. MACLAFFERTY. That is not my point. I was asking that question in order that I might lead up to another.

Mr. TUCKER. Let us have the other.

Mr. MACLAFFERTY. The gentleman in his statement implied that the United States had favored Great Britain and would not be willing to favor France in a similar manner. Would not the United States be willing to make a similar treaty with France if France conceded certain things to us,

and was not this treaty with Great Britain made in order to enable us to enforce the eighteenth amendment? I am asking for information, not in an argumentative way at all.

Mr. TUCKER. What I am trying to bring before this House is this, that you can not trade a broken Constitution for anything, however great or important the consideration may be. When the bootlegger bribes the revenue officer with money, the officer trades the violated law for money.

Mr. COLTON. Mr. Chairman, will the gentleman yield?

Mr. TUCKER. Yes.

Mr. COLTON. Does not the Constitution make treaties the supreme law of the land?

Mr. TUCKER. Oh, yes; and does not the Constitution make this House of Representatives one of the bodies that must take part in all legislation? Does not the Constitution declare that all legislative power resides in the Congress of the United States? And how can you amend or repeal a law of Congress except by the action of the House and Senate?

Mr. COLTON. The treaty-making power is not in this House.

Mr. TUCKER. No. I want to get it into this House.

Mr. COLTON. Then the gentleman would want to change the Constitution.

Mr. TUCKER. I want to get the treaty into this House to perfect it, if possible. I want to know has the time come when this House is to surrender its power? Did we not make the Volstead law? It took three parties to make it, and now you are going to let it be amended by the Senate and the President and Great Britain. Can that be done? Can these things be in America? Never in the world.

Mr. MacLAFFERTY. Then does the gentleman propose a constitutional amendment making the lower branch of Congress a part of the treaty-making power?

Mr. TUCKER. No. You will see what I want to do. Gentlemen of the House, we are considering one of the most difficult and important questions that can arise in our Government. But two questions akin to this have been finally settled that should settle this one. One of you gentlemen asked me the question, "Is not a treaty the supreme law of the land?" Yes; the Constitution says:

> This Constitution, and the laws that shall be made in pursuance thereof, and all treaties made, or that shall be made, shall be the supreme law of the land.

Which one is supreme over the other? The same words infuse supremacy into this House, that is, into laws of Congress, as into treaties.

Mr. COLTON. I do not want to interrupt; but they are not given to this House in connection with the making of treaties.

Mr. TUCKER. Very true. If the gentleman has any doubt about it, I think I will convince him before the half hour is over. There are two points that I say have been settled indisputably under this Government by practice and by decisions of the courts, and they are that the power given to Congress to legislate is an exclusive power, and that, if a treaty may need legislation to carry it out, it can not be done unless Congress acts.

Now, if it was necessary for Congress and the President to unite to make the Volstead law—a criminal law,—is it possible that it can be repealed or amended by substituting for the lower House of Congress Great Britain—I will not say the criminal, but the party that has been charged with violating the law? This treaty gives Great Britain, the offending party, the power to participate in remitting this penalty. It can never be done.

But, gentlemen, this treaty has another point of view. The treaty remits the penalty of a criminal law. If a treaty has the power to remit the penalty in a criminal law, it has the power to impose a penalty. Can a treaty, then, make the criminal law of this country? Can Great Britain, or Haiti, or Mexico, or any other country, by agreeing to a treaty with the United States, make a criminal law that will bind American citizens? Is that (the law of the land) that the Magna Charta guarantees? When the criminal is brought up charged with an offense under the law made by Great Britain or Haiti and the President and the Senate—is that the law of the land, when partly made by Great Britain or Haiti, foreign countries, under which you may try him? Oh, no.

Mr. DICKINSON of Iowa. Mr. Chairman, will the gentleman yield?

Mr. TUCKER. Yes.

Mr. DICKINSON of Iowa. Suppose a citizen has in his possession liquor under the terms of this treaty, which you contend is in violation of the law as it was passed by Congress, and he was arrested and charged with the violation of this law as passed by Congress, and sets up the treaty as a defense. Do you not think our Supreme Court would have the right to determine which was the superior law?

Mr. TUCKER. Oh, yes. It would have the right, and very quickly determine it, I have no doubt.

Mr. DICKINSON of Iowa. Then do you think anybody has lost any of his rights by reason of this treaty?

Mr. TUCKER. It is not a question of how ultimately it would be decided, but what is the duty of this House? Is it not our duty to fix it right if we can by passing a bill through Congress, as where a treaty carries an appropriation, remitting the penalty in the Volstead law as to Great Britain if we think it right? I have had a resolution pending before the Committee on Foreign Affairs for two months, trying to get that treaty before the House, to take it up and discuss it, but we had a polite note from the Secretary of State saying it was not compatible with the public interests to furnish it, and as I went for the second time before the committee to argue that question I took with me a newspaper which had printed in it the whole treaty. It was not the Secretary's fault, of course. This treaty is unconstitutional for this reason: It removes the penalty of the Volstead law. That does not repeal the law but only the penalty. It attempts to amend the law in that respect, but, suppose this treaty wiped out entirely not only the penalty but the whole Volstead law? Would we be perfectly free, then, to go along and carry out its provisions by having removed the Volstead law which is in its way? No; for the Volstead law is a mere pebble on the beach compared to the Constitution, which it would run squarely up against.

The eighteenth amendment declares that no liquor shall be manufactured, sold, or *transported*, does it not? The Volstead law says that no liquor shall be manufactured, sold, or *transported*—exactly the same words—and provides a penalty. Now, if the treaty eliminated the Volstead law, then you are up against the Constitution itself.

Mr. COLTON. Will the gentleman yield?

Mr. TUCKER. Yes.

Mr. COLTON. Will the gentleman distinguish between the bonded liquors, say, that are exempted in the Volstead Act, and the bonded liquors which this treaty permits to be brought in?

Mr. TUCKER. Oh, I do not think that is necessary, for the Supreme Court has decided the question in Two hundred and sixty-second United States Reports. Read what the decision of the court is in Two hundred and sixty-second United States, where it discusses this matter, the very question we have here. I have not very strong sympathy with that decision, but it is the law of the land—that you can not bring sealed liquors as ship's stores or a cargo due to another country passing through the United States; that that is transportation that can not be allowed under the law. So that if this treaty should absolutely destroy the Volstead law there is the great rock of the Constitution, against which it runs, and I am one of the old-time Democrats who believe that when anything runs up against the Constitution it is going to be smashed.

But there is another reason why this treaty will not prevail. The Constitution declares that the President shall have power to grant pardons and reprieves, which is an exclusive power in the President, but this treaty takes it away and grants the pardoning power to the President and the Senate. Are you going to permit that? That can not be done. Look at the great foundations of American liberty as found in the constitutional amendments—the right to trial by jury, habeas corpus, due process of law, and so forth. All of these are embedded in the Constitution in order to preserve our liberties. Can a treaty take any one of those away and yet be valid? Clearly not. Gentlemen of the House, as Judge Storey says, there is no one power in the Constitution that can obliterate any other power. They must be considered together, and by usage and by decisions two points on this subject have been finally settled: That a treaty which carries an appropriation is not self-executing and is not a valid and complete treaty until the appropriation is passed by Congress. And the other that no reciprocity involving tariff duties is valid until sanctioned by Congress.

We are having these reciprocity treaties all the time, and yet since 1854, beginning then and running down to 1913 and even later, as Crandall, an authority on treaties, says, from 1854 down to the present time it has been recognized that reciprocity treaties can not be carried into effect until the House and the Senate pass laws giving effect to them. And yet this treaty is attempting, not to change an ordinary civil law, but it is attempting to change a criminal law without the sanction of this House. The fifth amendment secures life, liberty, and property by due process of law. The latter by the decisions of the courts is equivalent to the law of the land under Magna Charta. It is

a long and devious way from Magna Charta to a law partly made by a foreign country.

Now, gentlemen, I have never been one of those, as many of you know, who has blindly worshipped at the shrine of Volstead, but I recognize the Volstead law as a law of my country, as one to be upheld, and as one to be enforced as any other law; but, gentlemen, when we are constantly urged to go after the bootlegger for corrupting the officers of the Government by bribing in order to get whisky out of bond, when we are chasing them and trying to enforce the law, here, up in the higher atmospheres, we find a treaty already ratified which makes a contract by which a criminal law of this land is amended and the criminal given freedom from punishment for a consideration. Is not that exactly what the money of the bootlegger does to the faithless public officer? I care not what the consideration is, as the gentleman asked me a few moments ago. It may have been a good consideration, but the principles of this treaty seem to me strikingly like those we apply to the bootlegger who uses the same sort of tactics to get officers of the Government to debauch themselves and sell their souls for a mess of pottage.

The one is by the humble and debased, the other by the high and exalted. But how can those high in authority expect anything else with such an example as they afford in this treaty?

Now, Mr. Chairman, I want to ask to be read a resolution which I have introduced. I shall ask, when the committee rises and we get into the House, to have that resolution adopted. I may be wrong in my propositions, but, gentlemen, consider with me in all seriousness for one moment that we represent in this House the greatest instrumentality for the advancement of the people of America and for the protection of the liberties of this people—a greater instrumentality than any other agency in the Government—and yet here is undoubtedly an attempt to take from us the power and obligation which the Constitution has imposed upon us, and if we permit the powers of this House thus to be taken from us we will deserve, as we will receive, the just condemnation of all liberty-loving Americans.

Here is an extract from a letter from a woman who wrote me only a day or two ago and it is a pathetic letter:

> We, the members of the Buena Vista Woman's Christian Temperance Union, wish to enter our vigorous protest against any modification of the national prohibition laws.

What must I write her? She is living under the delusion that this House actually had some right to pass laws. I shall write her that though I was never strong for the Volstead law that I will use my utmost powers to prevent it being amended or repealed in secret, but if it is to be repealed or modified, that it shall be brought here before the representatives of the people in the open and that whatever is done shall be done in the daylight. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. TUCKER. May I ask time enough in which to have this resolution read?

Mr. MAGEE of New York. I gladly yield one minute to the distinguished gentleman.

The CHAIRMAN. The gentleman from Virginia is recognized for one additional minute, and the Clerk will read in that time the resolution submitted by the gentleman.

The Clerk read as follows:

> Whereas the Senate of the United States has recently ratified a treaty between the United States and Great Britain regulating the rum traffic on the Atlantic coast, in which the criminal law of the United States is attempted to be changed by the President, the Senate of the United States, and Great Britain in contravention it may be of the Constitution of the United States and of the principles of Magna Charta: Therefore be it
>
> *Resolved by the House of Representatives*, That the Judiciary Committee of the House is hereby directed to examine said treaty and report to this House at the earliest possible moment whether the same is in conformity with the Constitution of the United States, and if not, what legislation is necessary and proper by Congress to effect the objects of the treaty, and to make the same conformable to the Constitution.

The CHAIRMAN. The gentleman's time has again expired.

Mr. MAGEE of New York. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. WILLIAMS].

The CHAIRMAN. The gentleman from Michigan is recognized for 30 minutes.

Mr. WILLIAMS of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMS of Michigan. With great suddenness deflation came upon industry and agriculture in 1920. Industry sustained a great loss in the actual operation of business, in depreciated inventories, and in the shutting down of plants. Within eight months, however, it had regained its feet. Agriculture remains in distress. Some readjustment, of course, has already taken place, but present prospects indicate that several long years will yet ensue before it will regain a normal position. I will not at this time attempt to portray the misery and the hardship of these four years as affecting the farmer. We are all aware of the economic condition facing him at this time. We know that hundreds of thousands of farmers have been compelled to give up the fight and to leave their homes and seek employment elsewhere. That is a story that has frequently been told us. We are all anxious to extend help to the farmer because of the great importance of this underlying industry. The farmer's condition is greatly affected by the fact that his local and State taxes are extremely high and by the scarcity and high price of labor. He has previously passed through periods of depression, but without these accompanying conditions that have so greatly complicated his present situation. The complaint of the farmer, however, strongly and properly stresses the fact that many of the products of the farm bring a very low price as compared with what he has to pay for the things he buys.

Why is it that agriculture has been so slow in recovering and that the farmer is yet in a most unhappy condition as compared with industry and business in general? Is there not a fundamental question to which we should address ourselves with the hope of extending permanent relief? The facts are that industry was better organized than was agriculture when the crisis occurred in 1920.

At that time the farmer was somewhat better organized than ever before, but yet his advancement had not reached a point where he was able promptly to cope with the conditions that were presented. A year or two at most should have been sufficient for the farmer to have accomplished readjustment, even though he has a 12 months' instead of a 3 months' turnover, as is the usual case with the manufacturer. The reason that he was not able to do this and has not yet been able to do it is because of his inability to adjust production to demand. As a rule a few hundred at most, and oftentimes a much smaller number, constitute the manufacturers in any given line. They can more readily adapt production to the prospects for the sale of their goods. There are approximately six and one-half million farmers in the United States. Individual adjustment will not accomplish anything. The producers of any particular farm product are very many in number, and nothing but a better understanding and a more complete cooperation will materially affect the situation during any period of overproduction. What is required is an organized agriculture. Otherwise considerable time must necessarily elapse before any such adjustment can be accomplished.

The farmer is confronted, the same as he always has been, with the great problem of finding an adequate market for his products. He is compelled to take what he can get for the things that he produces, and has practically nothing to say as to the price at which his produce shall be sold. Because of urgent needs, he is usually compelled to turn his produce into money as soon as it is available for market. He can not store his goods and await market demand as can the manufacturer. He can not close down his factory without abandoning his business. He must offer his products for sale, as a rule, whether there is a ready market for them or not, and take what the buyer is willing to pay. He must do this without regard to whether he receives even the cost of production, to say nothing about a profit. That is the predicament in which the majority of our farmers are placed, and is the condition that has existed for four seasons with reference to most of their more important crops. What other consequence could be expected than disaster and ruin? I appeal to the manufacturers and business men of the country to arouse themselves and to take an interest in these conditions for the sake of the farmer as well as for their own interests. I ask them how they would feel if they were doing business year after year upon such a basis as that?

The farmer plainly needs a coordinated sales organization. A good sales organization is intimately in touch with demand. It knows the extent and location of demand. It should have, and does have, in the case of all manufacturing enterprises, everything to say with reference to the kind and quantity of production. The disorderly, haphazard, and unscientific way in which the farmer is offering his products for market should be discontinued. His present methods of sale are antiquated and entirely out of harmony with his needs. He should be placed in a position where the known and tried principles of

as passed by Congress, and sets up the treaty as a defense. equivalent to the law of the land under Magna Charta. It is

mous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

business can be brought into operation for his benefit. The products of the farm should reach the consumer at a minimum of handling charges and with less spread between the producer and consumer. The consumer is paying very high prices for his foodstuffs, and in general all that he should pay under any circumstances, but there is an economic waste going on in bringing these foodstuffs to him which, if eliminated and the savings permitted in part to reach the farmer, would greatly benefit him.

Practically everyone who has studied the farmer's difficulties agrees that cooperative marketing offers a permanent medium of relief. While the cooperative movement has made encouraging progress, it has not sufficiently developed so as to cause an appreciable improvement in the general situation. At the close of the year 1923 the Department of Agriculture had on its classified lists the names of some 8,000 active associations, and it is estimated that there are, in all, upward of 10,000 of these associations. Information compiled by this department shows the estimated amount of cooperative sales by 8,313 associations for 1923 as follows:

	Amount	Per cent
Grain	$490,000,000	28.8
Dairy products	300,000,000	17.6
Live stock	220,000,000	12.9
Fruits and vegetables	280,000,000	16.5
Wool	3,000,000	.2
Cotton	100,000,000	5.9
Nuts	12,000,000	.7
Poultry	18,000,000	1.1
Forage	2,000,000	.1
Tobacco	132,000,000	7.8
A small quantity of a large number of commodities	92,000,000	5.4
Broom corn, maple products, honey, cane syrup, forest products, etc	4,000,000	.2
Total	1,653,000,000	

The cooperative marketing of farm products is no longer an experiment. It is a logical development of the times. Other elements of society are organized for purposes of mutual protection and helpfulness. The farmers are the most important element in our national life and remain inadequately organized.

The question is presented as to why farmers have not been more thoroughly organized into cooperative associations. The reasons are numerous. There have been a good many failures among the cooperative organizations resulting from inadequate capital, inefficient management, or dishonesty. A large part of the farmers are suspicious and fearful of these enterprises. Mistakes have been made in the character of the organizations. Experience has thoroughly demonstrated that commodities must be separately organized and that widely different kinds of products can not be successfully handled and sold through identically the same channels of distribution. The greatest difficulty of all, however, that has tended to prevent a better organization among farmers is the fact that there are such a large number of them engaged in producing any one commodity and that they are so widely separated. The farmer is essentially an individualist. As a rule he has not had wide contact with the business world. The problem of bringing the farmers together is a serious one and not easy of solution. If all of the wheat or apples or potatoes, for instance, were produced by a few hundred men, it would have been very easy for them to have arranged for adequate production and orderly marketing. To bring together hundreds of thousands of producers living in many States so that they may better govern their business and not indulge in disastrous production competition with each other is an entirely different problem. This is the reason that I urge that it is not sufficient merely to have extended to the farmers the right to cooperate in the sale of their products in interstate and foreign commerce, as was done at the last session of Congress. The farmers need guidance and help in getting together to do the things that are obviously necessary, if they are to be put in a position where they can successfully meet conditions such as are confronting them at this time. Because it is certain that similar conditions will exist again and again in the future, it is incumbent upon Congress to survey the whole situation and determine as to whether or not a permanent remedy can be found.

During the month of January I introduced a bill (H. R. 6136) to establish a Federal cooperative marketing system for the orderly marketing of farm products. Since the bill was introduced, further study of the question and contact with those having information upon this subject have led to a revision and extension of the bill, and I have recently introduced H. R. 8679. This latter bill carries the essential features of the previous one, but it has been worked out in much greater detail so as to accomplish more definitely the objects intended. I desire now to invite your attention to H. R. 8679.

For the better understanding of the plan for relief which I am presenting, permit me to call your attention briefly to some of the features with reference to the distribution and marketing of farm products that should be corrected:

(1) The waste in transportation of unsalable products.

(2) Deterioration resulting from car shortages, inadequate terminals, delayed movements, repeated handling, and resales.

(3) Oversupply and undersupply and consequent destructive fluctuation in prices in any given market.

(4) An unnecessary number of turnovers and links in the distribution chain.

(5) Unnecessary crosshauls in search of customers.

(6) Speculation incident to present methods of marketing and especially the carrying of any crop surplus, which enhances costs and must be paid for either by the producer or the consumer.

(7) The uncertainty and suspicion in the minds of shippers as to inspection and treatment at terminal marketing points and the hazards with reference to condition and quality undertaken by buyers at terminal marketing points in dealing at long distances with shippers.

In approaching this subject, we should endeavor to construct a plan by which distributing and marketing wastes and hazards may be obviated so far as possible. The remedy can only come through cooperative organizations, and these associations can only function properly when they are under some system of Government regulation and where all parties in interest can be protected by a law of Federal scope. The greatest difficulty in carrying on the work of cooperatives lies in the great number and separation of forwarding units and their distance from terminal markets. The citrous-fruit growers in California, for instance, have been very well organized, but growers of similar products in Florida are indifferently organized. It is not at all likely that the growers in these two widely separated States will ever unite in one primary cooperative organization. The cooperative organizations in each State, however, might easily be brought into a joint clearing-house association so as to control and direct shipments and avoid an oversupply or undersupply in any one market, as is continually occurring at this time. The same condition applies to most of the other agricultural products. Heretofore efforts to secure common action among producers in widely separated areas have not been very successful. The only sound basis of organization is the creation of local cooperative associations that will gradually extend their field of activity by collective action in order to bring the whole commodity under a coordinated sales policy.

One of the first difficulties encountered is in bringing producers in a restricted locality together in the initial or primary organization. A few public-spirited farmers usually get together and inaugurate the organization. They invite other farmers to join them, but oftentimes they lack organizing ability, the time necessary to give to the promotion, or the funds with which to accomplish the objects desired. They are met by the suspicions of the farmers growing out of the knowledge of the failure of some certain cooperatives and by the feeling that the whole situation is not surrounded with adequate protection to insure efficiency and honesty in management and coordination of effort with other like cooperatives so as to create a volume necessary for the successful carrying out of the enterprise. Many cooperatives have failed in this initial stage because of a lack of information as to the capital that will be required and as to many other necessary features.

It is conceived that some system is essential whereby a nation-wide experience in cooperative marketing can be brought to the farmers in any given locality; that approved distribution channels should be provided for the local cooperatives; and that proper regulation, reports, and inspection should be had under the direction of a governmental agency, so as to give the farmer more confidence in the probable permanency and effectiveness of the organizations and in the efficiency and honesty of managers. The local cooperatives should have provided for them a source of authoritative information as to the best practices and methods of business.

Destructive overproduction can only be overcome by efficient cooperation between farmers. It is not desired to impose any compulsory reduction in the quantity of any farm product, but by timely advice and by bringing the producers more closely into contact with the problems of marketing to cause them to have a better understanding of the need for diversification and

the adaptation of production to domestic and export demand. It is desired in this connection to induce a greater degree of restraint and confidence upon the part of the farmer in order to obviate conditions arising out of overproduction, as is the case now with wheat, hogs, and many perishables.

Under the plan proposed grades and standards will be established or adopted for all agricultural products and Government inspection made at points of origin and, if required, in transit and at terminal marketing destination. Inferior products will be rejected at the point of origin, and only products of standard quality will be sent on to market. This will avoid rejection at destination, loss in freight and handling charges, and will tend to force the consumption of inferior products upon the farm and in local markets where they can be sold at the least possible expense for what they are really worth. There will be opened up to the farmer a greater opportunity for the sale of his commodities before shipment. At present a large part of the shipments by cooperatives are consigned to market and must await inspection as to condition or grade at a distant point, thereby giving the buyer an undue advantage over the shipper, at least in the opinion of the latter. The result is a large amount of misunderstanding and a reluctance upon the part of the producer to have his products sent forward to market in this way. The grading of commodities can not be intrusted to the individual producer, nor should these products be left to unregulated inspection at destination points. Under the system of inspection through the Department of Agriculture, as now practiced, the buyer is not bound by the certificate of inspection, and disputes are apt to arise between the seller and buyer. Disputes between shippers and buyers who are distantly removed from each other should not be settled by the forced acceptance of arbitrary demands or uncertain and expensive court action. Prompt arbitration of such disputes through an accepted and agreed governmental agency would provide a much better and less expensive method of handling these matters.

Farmers' products are usually ready for market at certain seasons. An oversupply at market ruins the price, while an undersupply limits consumption. In meeting this demand there should be eliminated so far as possible the elements of reconsignment and deterioration and surplus of products in order to do away with the consequent loss and speculation that now naturally follow. The marketing of perishables is particularly a matter which should be brought within strict control so as to protect both the producer and consumer.

Mr. YOUNG. Will the gentleman yield?

Mr. WILLIAMS of Michigan. I will be glad to yield.

Mr. YOUNG. I presume the gentleman is referring now to perishable products?

Mr. WILLIAMS of Michigan. Principally that; yes.

It matters not how thoroughly the producers of farm products are organized into local cooperatives, the objects desired can not be accomplished unless there are established for their benefit agencies for further distribution. Certain defined production territories should have clearing houses or associations organized by local cooperatives to act as a common agency in selling and forwarding. As to some commodities, perhaps, additional joint selling and handling agencies would have to be established by clearing-house associations. In any event terminal marketing associations are an important and necessary feature of this plan. These latter organizations should have as permitted members not only cooperative associations but wholesalers, brokers, and commission men, and other firms and corporations engaged in the distribution of food products, as well as large consumers, located in the natural consuming territory covered by such terminal markets. There is no thought of eliminating any of the present distributing and marketing agencies. They will continue to function alongside of the agencies created under this plan so long as they satisfactorily render any required service.

The bill in question has been prepared to carry out the thought thus outlined. Under it a Federal marketing board is created to consist of seven members, five of whom shall be appointed by the President and confirmed by the Senate. The other members are to be ex officio the Secretary of Agriculture and the Secretary of Commerce. One of the appointed members shall be named by the President as chairman. He will receive a salary of $12,000 per annum, and the other appointed members will receive $10,000 per annum.

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. WILLIAMS of Michigan. I will be glad to yield.

Mr. DICKINSON of Iowa. Under your proposed plan would you expect that any new firms would enter into either the grain business or the commission business in grains, or would this scheme gradually absorb the grain business of the country?

Mr. WILLIAMS of Michigan. My opinion is that it would gradually absorb the grain business of the country, and it would be left to the future to determine whether the marketing agencies set up under this bill fill the wants of the public better than the present grain exchanges.

Mr. DICKINSON of Iowa. Would this be in conflict with the Bureau of Markets of the Department of Agriculture in any way?

Mr. WILLIAMS of Michigan. I do not think it would.

Mr. DICKINSON of Iowa. Would it be in conflict with any of the bureaus of the Department of Agriculture?

Mr. WILLIAMS of Michigan. I think not.

Mr. DICKINSON of Iowa. What effect would this have on the proposed McNary-Haugen bill and its proposed plans?

Mr. WILLIAMS of Michigan. I do not think it would have any effect on that bill. That bill is one designed to fill the needs of the country during an emergency, and it is limited in operation to five years. This bill is one which would naturally supplement the McNary-Haugen bill and would, during the five years, it is hoped, or much sooner than that, set up machinery that would take over the things that are attempted to be done under the McNary-Haugen bill, but in a very greatly different way.

Mr. DICKINSON of Iowa. There is one more question that occurred to me while you were explaining the plan. What provision have you here for any control of the exportable surplus?

Mr. WILLIAMS of Michigan. We have a provision in the bill for the clearing-house associations to either join or unite in establishing export corporations under the Webb-Pomerene law.

Mr. PEERY. Will the gentleman yield?

Mr. WILLIAMS of Michigan. I will be glad to yield.

Mr. PEERY. I would like to ask how the plan would apply to the handling of livestock and whether or not it would tend to eliminate the livestock commission men?

Mr. WILLIAMS of Michigan. I do not believe it would interfere particularly with them. There is a large amount of livestock now handled by cooperatives. The packing houses, of course, would continue in business. They are performing, as I look at it, a great service at a minimum of expense, and it would not in any way interfere with the packing houses or their operation. It is quite possible in time this plan might supersede the present livestock exchanges.

Mr. PEERY. The bill does contemplate, though, the formation of cooperative associations for the handling of livestock?

Mr. WILLIAMS of Michigan. Yes; it covers the whole field of agricultural products.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. WILLIAMS of Michigan. Yes; for a brief question, and then I think I must after that decline to yield.

Mr. SUMMERS of Washington. I am greatly interested in what the gentleman is saying in regard to this plan. As the gentleman has thought it out, how long do you anticipate it would take to bring under the operation of this proposed measure the marketing of a crop that is produced by two or three million farmers scattered throughout the United States? Just the period of time is what I have in mind.

Mr. WILLIAMS of Michigan. In the first place, I know of no such crop that is produced by two or three million farmers.

Mr. SUMMERS of Washington. Wheat, for instance. There are two and a quarter million wheat farmers, to be exact.

Mr. WILLIAMS of Michigan. I do not know where the gentleman gets his figures. I have from the Department of Agriculture an estimate as to the number of farms raising wheat in 18 of the principal wheat States, and that totals 1,184,000. I am sure that will be very much more than one-half of the entire wheat producers of the country, and my own belief is that 1,500,000 farmers raising wheat would about cover the number.

Mr. SUMMERS of Washington. The figures I have been furnished show two and a quarter million, but take it at one million and a half. I am not asking this in any critical way, but simply as a matter of information.

Mr. WILLIAMS of Michigan. I understand that, of course. When I come to it a little later, if I have time to reach that point in my statement, I will tell you about the amount of money we ask to be appropriated under this bill. I believe there will be in the neighborhood of from $4,000,000 to $5,000,000 available each year for the purpose of assisting in the extension of the membership of cooperatives and the development of new ones. That much money, or even one-fourth of that much money, I believe would go a long way in organizing the wheat farmers of the country in the course of a year. If you put $1,000,000 or $2,000,000 back of that work, intelligently directed, in 12 months' time, with the start that has already

been made in that field, I feel that the wheat farmers, for instance, could be pretty thoroughly organized, and enough of them would organize to make the matter a success from the standpoint of the wheat farmer.

I was referring to the Federal marketing boards.

Three of the members of the board appointed in the first instance shall be from persons who are interested in the cooperative marketing movement and are known to be in sympathy with it and shall be designated to represent the chartered cooperative marketing associations; two of such members shall be designated to represent the chartered terminal marketing associations. Thereafter as vacancies occur in the membership of the board designated in the first instance as representing the cooperative marketing associations, nominations shall be made to the President by such associations, from whom a selection may be made to fill any such vacancy, and, in like manner, the governors and directors of terminal marketing associations shall suggest names from whom the President may make a selection to fill any vacancy on the board arising among the members designated in the first instance as representing the terminal marketing associations.

Provision is made in the bill for the granting of a so-called charter to each of the various associations mentioned in the bill. These charters are merely certificates of approval indicating that the association in question has duly qualified under the terms of the bill, and has agreed to the conditions set forth in the bill as being necessary in order to secure a charter. There are three different kinds of associations mentioned in the bill, which are as follows: Chartered cooperative marketing associations, which are the local cooperatives; chartered clearing house associations, formed by the cooperative marketing associations in any production territory as defined by the Federal marketing board; and chartered terminal marketing associations. In each association each member shall have only one vote. In the case of chartered terminal marketing associations, rules and regulations approved by the Federal marketing board shall be adopted, looking to the financial responsibility and business conduct of its members as a protection to shippers. The terminal marketing associations will act more in the nature of an exchange for sales by shippers to its members.

The scheme of the bill is all based upon the idea of providing methods for the handling and sale of farm products by commodities. To carry out this feature, the Federal marketing board is authorized to appoint commodity boards of one or three members, whose duty it shall be to encourage and aid in the formation of commodity organizations and to promote the interest of those engaged in the marketing of any such commodities. The members of these commodity boards are to be paid a salary of $5,000 per annum, aside from the chairman, who will receive $7,500 per annum; with the provision that if there is only one member on such board he will receive the latter sum. The Federal marketing board is given the power to define what products shall be included as a particular commodity and to group and regroup any such commodities under any one board. These commodity boards shall not continue for a longer period in any case than three years, and may be discontinued at an earlier time if the commodity in question is sufficiently well organized to sustain its own board. In cases where commodities are sufficiently well organized to do so, the cooperative organizations engaged in the handling of such commodity may appoint their own commodity board in the first instance.

The chartered cooperative marketing associations shall agree as a condition for their receiving a certificate of approval (or charter) that they will establish and maintain their own commodity boards at the end of the three-year period.

The chartered clearing-house associations are given the right to unite in establishing or joining marketing agencies in common for domestic trade and the same right to unite in establishing or join associations organized under the Webb-Pomerene law for the purposes of export trade. The Federal board is empowered to arrange private wire service between clearing houses and terminal markets and pay the expense of the same in whole or in part for one year.

Provision is made in the bill for the adoption of all standards and grades established now or hereafter by the Department of Agriculture, and until such grades are so established in any given case for the establishing of standards and grades applying to any agricultural product; and also for inspection by inspectors under the jurisdiction of the Department of Agriculture, or, when necessary, by those appointed by the Federal marketing board, at points of origin, and, if required, in transit or at destination. Each association joining the system, for itself and its members, agrees that it will abide by such standards and grades and by such inspections, and in the event of any dispute with reference thereto, to submit the same to arbitration as may be prescribed by the Federal marketing board and accept the award so made. Each chartered association also must agree to keep its books in a uniform way, as prescribed by the board, make a report as to its affairs upon prescribed forms, mail a copy of such report to each of its members, and, if required, submit to an audit by the board at any time.

The Federal marketing board is given broad powers within prescribed limits in administering the act. It is also authorized to assemble from the various governmental agencies and activities, now or hereafter established, the facts affecting production, diversification, yields, unconsumed stocks, distribution, transportation, financing, and adaptation of supply to meet consumer requirements and consumption of agricultural products in the United States and in foreign countries, together with the estimated acreage of such products to be planted during the next growing season by States and countries, the estimated production as based upon such information and the estimated demand for such products at home and abroad, and such other matters as may bear upon the subject of marketing and distribution of agricultural products in the United States and foreign countries, to analyze and classify such information and to disseminate the same to the chartered associations, and to make recommendations for action by any governmental body having jurisdiction over such matters, including the Department of Agriculture, the Department of Commerce, and the Interstate Commerce Commission; and from time to time to report to Congress the needs as to any further legislation.

The bill also provides that any chartered association may use as a part of its title the word "Federal," and may use the term "member of Federal marketing system" on its stationery and advertising, and no other association of a like nature or with similar activities and dealings or engaged in the shipping of any agricultural products in interstate or foreign commerce shall, after the passage of the bill, use these words or terms in any way.

The public is protected under the bill against monopolies or restraints in trade which may unduly enhance the price of any agricultural product in the same language which is expressly set out as is contained in the Capper-Volstead law that passed Congress at the last session. For the purpose of carrying out the provisions of the bill an appropriation of $7,500,000 is authorized for each of the next two fiscal years.

The Federal marketing board is also given the power to use any of the money so appropriated that may not be required to take care of the necessary expenditures under the bill by way of a revolving fund in making loans to chartered cooperative marketing associations and chartered clearing-house associations, such loans to be used in extending their membership. Such loans to be repaid with interest at 5 per cent per annum within eight years in the case of the cooperative marketing associations, and in the case of clearing-house associations within five years from the date that such loans are made. Each association receiving a loan shall agree to impose a small charge upon shipments with which to repay the loan. Any payments on these loans to be covered into the Federal marketing loan fund to be created in the Treasury and to be available until June 30, 1934, for the use of the board in making loans of a similar character.

Mr. BURTNESS. If the gentleman has the time, will he tell us how the producer would ship his carload of stock, how the shipment would be made, how this machinery would operate.

Mr. WILLIAMS of Michigan. The carload would be sent forward and routed by the clearing-house association that handled this particular commodity—the clearing house might handle a number of commodities. It would go to the terminal market either to be purchased at the terminal market or it could be sold by wire, because the buyer at the distant point would know just what he was getting.

Mr. BURTNESS. Would the clearing-house organization determine the route and the terminal?

Mr. WILLIAMS of Michigan. The clearing-house organization has the right to route care or reroute them and allocate them.

Mr. BURTNESS. And the settlement would be made through the clearing house?

Mr. WILLIAMS of Michigan. Yes.

It will be observed that in this bill there is no price-fixing scheme, that the Government does not buy or sell anything, and that the fundamental law of demand and supply is not interfered with. Furthermore, the profits of the cooperative marketing associations and the clearing-house associations are strictly limited, and each producer is given the financial benefit arising out of this method of marketing commensurate with the volume of products furnished by him. Definite functions are to be performed by each association, because it is recognized that cooperative marketing in itself and without the proper performance of these functions would be unavailing. Every member of any of these organizations is protected and is kept fully informed as to its activities. A definite status is given to each chartered association with such restrictions upon its activities as will prevent conflict with the activities of other associations within the system. Under this system there will be information available to the public as to the operations of the various organizations within the system such as has not heretofore existed. At the same time ample opportunity is given for initiative and development without harmful and crippling regulations. The functions of the Federal marketing board are promotive, advisory, and regulative. Under the plan presented there are specific objects aimed at. Commodity organizations are given their rightful place, and the movement of agricultural products to the place of ultimate sale to the consumer is provided for with the least possible handling expense.

Mr. LINEBERGER. Will the gentleman yield?

Mr. WILLIAMS of Michigan. I yield.

Mr. LINBERGER. I want to ask the gentlman whether or not this is at all similar to the Danish cooperative market system about which we have heard so much.

Mr. WILLIAMS of Michigan. It is as near that system as could be adopted under the conditions in this country. We have studied the Danish system, of course.

Mr. QUIN. What expense is there in relation to these market organizations?

Mr. WILLIAMS of Michigan. There is the expense of organization. I discussed that. You have to have somebody to go around and get the farmers interested and get them to join. It takes selling ability, and it takes some expense—an expense to pay the men who solicit the farmers to join.

Mr. QUIN. What is the fee for the farmer to join?

Mr. WILLIAMS of Michigan. That can be settled by each local cooperative organization.

The service now performed by wholesalers and retailers is in no way interfered with. When the plan comes into full and final operation the business of distributing agricultural products under this proposal will be in the hands of producers and their representatives, entirely free from any control by the Government, except such as may be beneficially exercised through the defined activities of the Federal marketing board. This board will remain for the purpose of exerting a required influence in maintaining the cohesiveness of the system and the coordination of its various elements, and it will be a court of last resort to dispose of difficulties arising in connection with the operation of the plan by the cooperatives themselves and a safeguard to the public in all matters affecting the administration of the proposed law. The structure erected under this proposal is believed to be directly in line with the best thought and experience of those who have had more intimately to do with these matters. The various organizations contemplated are of the particular business character necessary for the full and complete success of a plan of nation-wide scope looking to the carrying out of cooperative marketing of farm products.

We have commendable laws providing for the extension of credit for the carrying of farm products by cooperative organizations. This legislation has not yet accomplished what was hoped for it, because the cooperative machinery necessary to handle the products of agriculture has not been set up and put in motion. If a law were to be adopted of the kind proposed, the farmer would have this machinery available to him, and the funds required to finance the carrying of agricultural products could easily be made available.

For a long time the Government has spent many millions each year through the Agricultural Department in teaching the farmer how to increase the quantity and improve the quality of his products and to meet the attacks of the various natural enemies of agriculture. The problems pertaining to the marketing of agricultural products are fully as important as those that have to do with production. Oftentimes they are of paramount importance. Is it not proper therefore that the Government should take a vital interest in guiding and assisting the farmers in organizing to properly market their products? This can be done without lessening any required governmental interest in the matters that have to do with production.

There are those who will say that this plan is too paternalistic. I do not agree with this suggestion, but favor the proposal partly for the reasons already stated, and further because of the fact that the promotive features involved are only of a temporary nature designed to assist the farmers in getting together and perfecting organizations which they are not able to effect unassisted. In this whole discussion we must face facts and not be led away by theories. In the last analysis, the proposal advanced is not widely different from what we have done in establishing a banking system for the country. The only difference is the fact the Government does not in the first instance take such a great interest in the organization of banks. After the banks are organized they conduct their own business just as the chartered cooperatives under this plan will do, but they are brought into a general system where there is regulation and inspection and where safeguards are applied not only for the protection of depositors and stockholders in these institutions but the general public as well. Without a scientific banking system and these regulatory practices, the banking business of the country would be unsafe and chaotic. This is true even though bankers generally have had wide business experience and are of the highest type of ability. How much more true is it that the millions of farmers living in the various sections of this vast country and without this wide contact generally with the business world need the assistance and protection of the Government in working out this great problem of distributing and marketing of their products.

President Coolidge in his message to Congress last December, in discussing the condition of the farmer, said:

> He must organize. His customer, with whom he exchanges products of the farm for those of industry, is organized, labor is organized, business is organized, and there is no way for agriculture to meet this unless it, too, is organized.

There are those, of course, who would object to the creation of another Federal board. So far as I am concerned I agree with the proposition that we should have Federal boards only where it is absolutely necessary, but in dealing with the subject under consideration it is urged that such a necessity does exist. The mere objection to another Federal board can not be taken seriously if the establishing of such a board will enable the objects desired to be accomplished. This board should be on an independent basis and have contact with all of the departments, and especially the Departments of Agriculture and of Commerce, so that it will stand out distinctly in the public mind and have an unhampered field within which to operate. The expense involved in this proposal will also be objected to by some, but the amount of money contemplated is entirely insignificant as compared with the importance of the subject dealt with.

There are those who feel that if the farmers should become thoroughly organized they would be in a position to demand excessive prices and dangerously curtail production. There need be no fear of this, because at best those tilling the soil from now on will be largely in the minority. The majority will have it in their hands at all times to govern the importation of food products and to fix tariffs and to regulate any industry such as this that might attempt any coercive or improper methods. It must not be lost sight of that unduly high prices with respect to any agricultural product would stimulate the selfish desires of enough individual farmers so that production would be increased in order to secure the advantage of such prices. This in turn would tend to hold prices in check. In fact one of the great difficulties in influencing production of agricultural products is the fact that the selfish desires of the individual farmer are likely to run counter to any advice that may be given him. There is no danger for many years to come of an underproduction of food products in this country. That can only come, if ever, when our population becomes so great that it will be impossible to produce the required amount of such products.

More intensive methods applied to the vast areas of present indifferently cultivated land will insure ample production. Furthermore, the farmer receives no return from his investment and has no means of taking care of his many overhead and current expenses, except through the means of normal production. Cooperative marketing when put into full effect would mean the production of the greatest amount of farm products for which an adequate market could be secured, but it would also mean a higher degree of diversification and adaptation of farm products looking to the best and most available markets. It is to be hoped that it would also mean an opportunity for the farmer to sell his products at a fair profit. This is the desire and the aim of those who are advocating this method of distribution and sale. No one can have any sound objection to the tillers of the soil having this opportunity in life.

The problems of the farmer are in reality the problems of all of us. The future prosperity of everyone is dependent very largely upon his prosperity. If those engaged in agriculture are allowed only a mere subsistence, which the majority of farmers are not even obtaining, and a condition of permanent agricultural decay prevails, the very foundation of our governmental structure will crumble. It makes no difference what our calling in life may be, we can depend upon it that if we lend a helping hand to the farmers we will, in the long run, be helping ourselves as much as we are helping them.

This subject is a very large one. It is important enough to receive the best thought of everyone in a position to exert an influence with reference to it. We must not hesitate to take such sound and well-based action as will insure the prosperity of all of our people, to say nothing about the contentedness and happiness of 30,000,000 who are seeking a livelihood from farming. Charity is not asked in behalf of the farmers, nor do they desire it, nor would they accept it. They are entitled, however, to the fair opportunities that come with a position of reasonable self-reliance.

Mr. BUCHANAN. Mr. Chairman, I yield 30 minutes to the gentleman from Mississippi [Mr. LOWREY].

Mr. LOWREY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. LOWREY. Mr. Chairman, before I begin this discussion I want to show to the Members here a family portrait. It is a portrait of my Uncle Reuben. All you men from the agricultural districts know Uncle Reuben and most of you claim kin with him. I want you to see the picture before you leave the House. It is a cartoon that came out recently in the Memphis Commercial-Appeal. It is a picture of a farmer sitting at the door of this Congress. On the door it says "Busy saving the country. Take a seat and wait." Uncle Reuben has taken his seat and is waiting there patiently. We will all want to stand in with Uncle Reuben during this summer and share his fried chicken and get his political support. But I fear he will not smile on us unless we do something for him now.

I believe it is recognized, however, by this Congress possibly that the most important thing before us now is to do something for the relief of agriculture. I think Uncle Reuben would be somewhat encouraged if he saw the spirit of this Congress just as I think I see it. The number of bills that have been proposed for the relief of agriculture shows that gentlemen are thinking earnestly along that line, and it is time to think along that line.

The gentleman from New Jersey [Mr. ACKERMAN] gave us a very instructive speech a few days ago, to which I have once referred, about the enlarged export trade of this country, but it was mostly on manufactured goods that were exported. We all know that in manufacturing and in the building trades, and even now with the railroads, we are in a time of encouraging prosperity; but we all know that agriculture is evidently and unquestionably in the worst shape that it has seen in this country for many years. We have just listened to the gentleman from Michigan in a discussion of his market plan. We are hearing of the McNary-Haugen bill, and he states that his bill and the McNary-Haugen bill are not in any way incompatible. My bill, if I can call it my bill, is not incompatible with either. My bill refers especially to the question of maintaining and stabilizing and increasing our foreign market for agricultural products.

The gentleman from Virginia [Mr. TUCKER], a constitutional lawyer—and he is a great constitutional lawyer—referred a few days ago on this floor to the fact that just after the Civil War a preacher went to Missouri and tried to convert some wicked Missourians. He did not state whether he ever had any converts or not, or whether any other preacher ever went there; but it is interesting, if true, that one preacher did go there and tried to do something for the sinners of Missouri. [Laughter.] If he had had more converts than he did have and other preachers had followed him——

Mr. RUBEY. Let me say to the gentleman that was a long time ago; but we do not need them now for we have all been converted. [Laughter.]

Mr. LOWREY. The trouble about that is I have been to Missouri and seen the folks. That statement will not stand the test. [Laughter.] I was going to say that I think if other preachers had followed and the people had listened to the message proposed by those who followed that there might have been a Christian culture and civilization built up in that State so that they would not all have to be shown everything. [Laughter.]

They would perhaps by this time have been really prepared to take some things on faith; but the gentleman from Missouri [Mr. LOZIER] really demonstrated the other day in a speech on the wheat market question that some of the Missourians do see things without very much showing, and are able to show some of the rest of us lots of things. I must hand that to Missouri. Following my speech on foreign markets in which I viewed the matter from the standpoint of the cotton grower, Mr. LOZIER discussed the wheat growers' interest, and the foreign wheat market, especially the Canadian export trade and the way that trade has grown, and the way our trade is in jeopardy at the present time, a demonstration, by the way, of the fact that great minds run in the same channel. I made the first speech and he made the second and there was no collusion between us, but we talked along the same general lines.

In my speech I gave you some statistics, and I may refer to some of them again, but I have before me now a clipping from the New York Journal of Commerce headed "Germany as a buyer in the United States before and after the war." I wish I might have everyone's attention for a moment while I read two or three quotations from that discussion:

> In its yearly survey of present economic conditions the Federal Reserve Board has pointed out recently "the incompleteness of agricultural revival as compared with the recovery which has recently taken place in the industrial world is partly explained by the disorganization of European markets, since the prices of agricultural products are more dependent on the export demand than the prices of other classes of commodities."

Omitting some lines, I read further on:

> While the correctness of these statements is generally conceded, and while the weakened buying power of Europe is equally recognized as one of the main reasons of the weakened buying power of the American farmer, it is not always borne in mind that the serious impairment of Germany's buying power is one of the main reasons of the diminishing agricultural exports from the United States, accompanied by a corresponding fall of prices, for Germany before the war was the second best buyer from the United States. As a result of the economic and financial condition of Germany after the war she had not only to cut out from her imports all more or less superfluous items but she had even to restrict her imports of necessary foodstuffs or to import cheaper and less nourishing foodstuffs than before the war.
>
> Thus Germany was able in 1922 to buy only about two-thirds of the amount of wheat she could buy in 1913, supplementing this in part by buying a larger amount of corn. Of cotton she could buy in 1922 less than two-thirds of the quantity bought in 1913.
>
> Aside from these essential products, the impaired buying power of Germany is still more clearly shown in her imports from the United States of foodstuffs and other products that are not necessary to human existence. Imports of lard, for instance, fell in 1922 to about one-half the amount of what they had been in 1913. Oleomargarine was reduced to almost the same quantity in comparison with 1913. Of apples, for instance, less than 50 bushels were imported from the United States in 1922 against 450,000 bushels in 1913. The imports of cottonseed oil dwindled down to about the thirtieth part of what they had been in 1913. Of oil cake, oil-cake meal, etc., about 4,500,000 hundredweight were imported to Germany from the United States in 1913 against 160,000 hundredweight in 1922.

Those are some interesting and rather startling figures. There are some other figures that I want to give you. For instance, in cotton before the war Germany was importing two and a quarter million bales from the United States and since the war 1,000,000. France before the war imported one and a half million bales from the United States and since the war 1,000,000 bales. England before the war imported about 5,000,000 bales from the United States and now about 3,000,000 bales. I gave you the other day some facts about the increase of cotton production in England's dependencies. I want to add to that the statement that I have before me here, that Brazil in the last year produced 1,000,000 bales of cotton, that China produced anywhere from two and a half million to four million bales of cotton—the statistics are not well kept in China—and that Japan is producing some cotton. We discussed the other day the production in Australia, Turkey, and the fact that England is adding 7,000,000 acres to her cotton lands in Africa now under her present plan. I bring those things before you to show our need of cultivating our export trade in agricultural products with the European nations, and especially with Germany, because just now England is helping Germany with credits, largely, as are other countries helping Germany, going to her rescue at this critical

time, taking that trade which we not only need now, but which we will need badly as the years go by and which will slip away from us and be gone finally unless we look after it now.

The bill which I shall discuss has been called the Dial-Lowrey bill. As I stated the other day, it was brought up by a committee of five appointed at a sort of mass meeting of the representatives in the House and the Senate from the agricultural districts. A committee of five was appointed at that time to draft this bill, of which committee I had the honor to act as chairman; and Senator DIAL, of the committee, introduced the bill in the Senate.

The Alien Property Custodian, as it will be remembered, has twice in his report stated that in the United States Treasury there is about $179,000,000 of funds belonging to Germany, Austria, and Hungary. About $15,000,000 of that amount belongs to Austria and Hungary. He has suggested that as that fund will doubtless lie in the Treasury for a long time yet, and is idle, it might be used as a revolving fund, under proper guaranties, to increase our trade with those countries; that the German fund should be used only in Germany and the Hungarian fund only in Hungary and the Austrian fund only in Austria. He suggested, furthermore, although that point in the bill has not been finally settled, that it might be done only by the consent of the nationals to whom those funds really belong. It was brought out in the hearings before the Senate committee that some of those German nationals whose funds were held have expressed a great anxiety to be allowed to use their own funds under some guarantee of trusteeship to continue their business.

One tobacco purchaser who owns several million dollars that are being held here states that he could renew his business and conduct a very large tobacco business with this country if in some way it could be arranged so his own funds could be used for such business under proper guaranty. Of course, there is also the question of a guaranty to our own nationals who hold claims against Germany. If any difference, their interests must be guarded more closely than the interests of the foreign owners. Now, I am going to read to you a few items from the bill. The bill provides that a corporation shall be formed called the "alien property trade investment corporation," and that the Secretary of the Treasury and Alien Property Custodian and three other men appointed by the President shall form that corporation.

The bill says:

> That the authorized capital stock of the corporation shall not be in excess of $150,000,000, all of which shall be subscribed by the Alien Property Custodian, and such subscriptions shall be subject to call in whole or in part upon the vote of three-fifths of the board of directors of the corporation.
>
> That the three directors of the corporation appointed as hereinbefore provided shall receive annual salaries, payable monthly, of $7,500—

And so forth. Then there are further provisions in regard to the salaries—

> That the corporation shall be empowered and authorized to make advances or give credit upon such terms not inconsistent herewith as it may prescribe for periods not exceeding one year from the respective dates of such advances or credits to any person, partnership, association, or corporation, in Germany, purchasing raw material or other products exported from the United States, but in no case shall any of the money so advanced or credited be expended without the United States.
>
> Said board shall also determine the rate of interest not to exceed 6 per cent per annum charged on such advances or credits. The corporation shall retain power to recall any advance or credit or to require additional security at any time. Except in the case of foodstuffs, to the extent hereinafter provided, the security aforesaid shall in every case, in addition to a note, trade acceptance, or other commercial paper, include a lien upon the raw material or other products, which lien shall continue until the purchase price is fully liquidated in American dollars.

Let me stop again and say there is such a trusteeship now operating in the Netherlands and they have transacted $50,000,000 worth of business on this plan following these raw materials with the trusteeship and a lien until the materials are manufactured and the goods sold and the materials paid for. They have done $50,000,000 worth of business and had no losses whatever. There is one other safeguard.

> The corporation shall not give credit or make advances when there are outstanding overdue repayments of credits or advances previously made, which overdue repayments aggregate $7,500,000.

That is 5 per cent of the total amount of $150,000,000.

> In no case shall the aggregate amount of the credits or advances made under this act to any one person, firm, corporation, or association exceed at any one time an amount equal to one-half of 1 per cent of the authorized capital stock of the corporation.

Those are precautions, of course, to prevent the possibility of large losses.

> Losses, if any, shall be allocated to said sum approximating $27,000,000, representing undivided interest.

It means simply this, that to these funds have accrued an accumulated interest of $27,000,000, and if any losses shall occur for the time being they are charged to that interest fund, and therefore can not touch the principal.

Now, I believe I wish to say just a word about the present status of this bill, and if gentlemen want to ask me questions I will answer them if I can. I introduced the bill in the House and Senator DIAL introduced it in the Senate. The Senate committee has held hearings on it and has appointed a subcommittee consisting of three very able Senators to work the bill over and tighten up some of the safeguards at certain points. I had a letter this morning indicating to me, the authority I shall not quote, that the prospects seemed good for it to be reported favorably from the Senate committee at a very early date upon the modifications which are being made now by this committee. Now, if anybody wishes to ask me questions, I shall be glad to answer them if I am able to do so.

Mr. TILSON. The gentleman in opening his remarks spoke of being pleased at the spirit displayed by the Congress and the general desire evidenced by the membership of Congress to relieve agriculture so far as it is possible to do so. I think the gentleman did not overstate the case and that he is not too sanguine so far as the spirit of Congress is concerned; but there is great difficulty in the way, and I thought that the gentleman might be able to help remove it. There is a wide divergence of opinion as to what ought to be done. There are many different bills, which seem to be an encouraging circumstance to the gentleman, but so many bills are discouraging to some of us because we do not know which way to turn in order to help. I think that the gentleman is entirely right in thinking that we all wish to help agriculture so far as it is possible to do so by any legislative process. And this is so, whether we come from constituencies which are largely consuming constituencies or from strictly agricultural constituencies. Now, what would the gentleman say as to the dilemma in which we are placed in trying to select the right one from among these different bills coming from able gentlemen like the gentleman from Mississippi? We do not know which one is really the remedy for the disease, and fear that if we take all the remedies the patient will surely die.

Mr. LOWREY. To an able gentleman like the gentleman from Connecticut I would say I believe that this bill coming from that splendid Senate committee, with the safeguards and balances that are being arranged, at least gives a splendid prospect for stabilizing and holding European markets, and the gentleman will agree that is at least one thing we want to accomplish.

Mr. TILSON. That would help.

Mr. LOWREY. I said in my speech three days ago we did not consider this a perfect bill or a final remedy. It is a temporary remedy. While we hold these funds and they are not in use, we believe it will help, and help materially just now, to use them in such a way as to keep our trade relations with the Teutonic peoples to hold our European markets which are slipping away and help feed the Europeans and open up their industries, so as to give them a chance to again become happy and prosperous.

One gentleman who has just spent three months in Germany tells me that he finds there many, many small factories, and especially cotton factories, that are closed, simply because they can not get credit and can not buy cotton, but that the larger factories are running. This plan is needed to reach the small buyer.

Mr. TILSON. Mr. Chairman, will the gentleman yield again?

Mr. LOWREY. Yes.

Mr. TILSON. I believe that I speak the sentiments of my own people and of the constituents of those who come from districts largely industrial, although even in Connecticut we have more agricultural interests than my colleagues generally think we have——

Mr. LOWREY. You have some tobacco that we might sell to the people I have referred to in Germany.

Mr. TILSON. Yes; we have some tobacco and a number of other things. Then we are interested not only in our own farming but we are also concerned in the farming interests of

the rest of the country. We feel that we are all in one big boat—in fact, one big family—and that what concerns the purely agricultural districts also concerns us. Therefore, representing such a constituency, I am willing to lean backward so far as almost to touch the floor in order to be fair to agriculture. I am willing and eager to do anything practical that will really help the farmer. But, of course, the gentleman will pardon us if we all come from that unconverted State that the gentleman spoke of, Missouri, and wish to be shown.

Mr. LOWREY. Yes. We do not want you to vote for it until you are shown.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LOWREY. Yes.

Mr. BURTNESS. As I understand it, the bill you are discussing is intended to help out with one particular line and is not intended as a measure of general relief to all agricultural districts. But all these bills are intended to help out Uncle Reuben—who is shown so well in the cartoon that the gentleman has exhibited to us—and if he is helped, then everybody is helped.

Mr. LOWREY. Yes; along the line that everybody needs to be helped.

Mr. BURTNESS. Does not the gentleman think the Uncle Reubens of the country to-day believe that one of the bills that would give us considerable relief is the McNary-Haugen bill, and does not the gentleman believe we ought all to unite on its passage, because the farmers have practically agreed on that?

Mr. LOWREY. So far as I have heard from the farmers, I do not know that they are unanimous in favor of that bill. I am in favor of its consideration, but I think, perhaps like my own bill, it needs some doctoring before it is made perfect. I think we are all ready to give cordial consideration to any bill that even seems to promise relief to the discouraged and unfortunate farmers of America.

But finally for my bill I must urge this definite claim: It will help in a large way to reopen the markets from the loss of which the prices of our farm products are so sadly suffering, and which markets we absolutely must have to give our farmers and our country permanent prosperity.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BUCHANAN. Mr. Chairman, I yield 30 minutes to the gentleman from North Carolina [Mr. DOUGHTON].

The CHAIRMAN. The gentleman from North Carolina is recognized for 30 minutes.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Chairman and gentlemen of the committee, I appreciate very much this oportunity of calling the attention of Congress and the country to what I deem some significant facts in connection with the building of public roads in the United States in the recent past.

It was not until during the Sixty-third Congress in June, 1913, that the rules of the House were changed providing for the forming or creating of a Committee on Roads. Prior to that time little had been done by Congress or the Federal Government by way of giving encouragement to the building of public highways. Before the Committee on Roads was formed such bills as were introduced on the subject of road legislation were referred to different committees of the House and usually received slight consideration. The original or first Committee on Roads consisted of the following members:

Shackleford, of Missouri (chairman); Saunders, of Virginia; Barnhart, of Indiana; Davenport, of Oklahoma; Byrnes of South Carolina; Connelly, of Kansas; Stephens, of Mississippi; Whitacre, of Ohio; Doughton, of North Carolina; Keating, of Colorado; Tavenner, of Illinois; Ten Eyck, of New York; Aswell, of Louisiana; Dershem, of Pennsylvania; Slemp, of Virginia; Prouty, of Iowa; Dunn, of New York; Sutherland, of West Virginia; Shreve, of Pennsylvania; Browne, of Wisconsin; and Woodruff, of Michigan.

The first act of Congress carrying appropriations to be used in connection with public highways was approved August 4, 1912, Sixty-second Congress. This provided for the appointing of a Joint Committee on Post Offices and Post Roads, consisting of five Members of the Senate and five Members of the House. The duties of this committee were to make inquiry into the subject of Federal aid in the construction of post roads and report at the earliest practicable date. This bill appropriated $25,000 for the purpose of inquiry and investigations and $500,000 to be expended by the Secretary of Agriculture, in cooperation with the Postmaster General, in improving certain roads to be selected by them over which rural delivery mail was being carried or might be carried. The Postmaster General and the Secretary of Agriculture were directed to report to Congress within one year after the ratification of the act the number of miles of road improved, cost of same, and such other information as they had acquired. They were also directed to make such recommendations as to them seemed wise for formulating a general plan of national aid for the improvement of post roads in cooperation with the States and counties.

The next act providing that the United States should aid the States in the construction of rural post roads, was passed by the Sixty-fourth Congress. This provided that the Secretary of Agriculture was authorized to cooperate with the States through their respective State highway departments in the construction of rural post roads. This act also provided that no money appropriated under its provisions to any State should be expended therein until its State legislature should have assented to the provisions of the act. This act appropriated for the year ending June 30, 1917, the sum of $5,000,000; for the year ending June 30, 1918, the sum of $10,000,000; for the fiscal year ending June 30, 1919, the sum of $15,000,000; for the fiscal year ending June 30, 1920, the sum of $20,000,000; for the fiscal year ending June 30, 1921, the sum of $25,000,000. This act was approved July 11, 1916.

In the Sixty-fifth Congress the act of July 11, 1916, was amended and appropriations were authorized as follows:

For the fiscal year ending June 30, 1919, $50,000,000; for the fiscal year ending June 30, 1920, $75,000,000; for the year ending June 30, 1921, $75,000,000. These amounts were in addition to the appropriations authorized in the act of July 11, 1916, which made a total of $65,000,000 for the fiscal year 1919; $95,000,000 for the fiscal year 1920; $100,000,000 for the fiscal year 1921. In addition to these amounts, appropriations were also made for the survey, construction, and maintenance of the roads in the national forests. This act was approved February 28, 1919.

The act of July 11, 1916, was again amended in the Sixty-seventh Congress in many vital respects, and for the purpose of carrying out the act as thus amended $75,000,000 was appropriated. So it will be seen from these acts that the last appropriation for public roads, not including the forests, made by a Democratic Congress, was $100,000,000, while the first appropriation made by the Republican Congress was $75,000,000 for the year 1922, or a falling back of $25,000,000. This act was approved November 9, 1921.

On June 19, 1922, Sixty-seventh Congress, the following authorizations were made:

Fifty million dollars for the fiscal year 1923, which shows another drop of $25,000,000 from the year 1922, and $50,000,000 drop as compared with the year 1921, the last appropriation authorized by a Democratic Congress; $65,000,000 for the fiscal year 1924; $75,000,000 for the fiscal year 1925, making a total of $190,000,000 for the three years of 1923, 1924, and 1925.

Since the passage of the Federal aid road act on July 11, 1916, Federal-aid appropriations and authorizations apportioned to all the States have been as follows:

For the fiscal year 1917, $4,850,000; for the fiscal year 1918, $9,700,000; for the fiscal year 1919, $63,050,000; for the fiscal year 1920, $92,150,000; for the fiscal year 1921, $97,000,000; for the fiscal year 1922, $73,125,000; for the fiscal year 1923, $48,750,000; for the fiscal year 1924, $63,375,000; total appropriations for all the States, 1917 to 1924, inclusive, $452,000,000. Of this amount authorized and appropriated the State of North Carolina received a total of $10,597,004.84. While the amount received from the Federal Government by the State of North Carolina has been most helpful and is highly appreciated by the people of that State, yet the amount received from the Federal Government has been but a small percentage of the amount actually expended in that State for highway construction. The General Assembly of North Carolina in 1921 provided for the raising of $50,000,000 for road construction, and the general assembly of 1923 supplemented this amount by an additional authorization of $15,000,000, making a total of $65,000,000 for the State, which, added to the $10,597,004.84 of Federal funds, made a total of both State and Federal funds for North Carolina of $75,597,004.84. In addition to this the counties of North Carolina are building county highways at the cost of many millions of dollars additional. It will be seen that our State is going forward in the construction of one of the most progressive and comprehensive highway systems of any State in the Union.

I feel that no legislation enacted by the American Congress during the last quarter of a century has brought such universal benefits to the entire people of the United States as has

the legislation providing for the cooperation by the Federal Government with the several States and the appropriation of money for a uniform and comprehensive system of road building.

It is expected that this Congress will provide for continuing the present program and will authorize the appropriation of adequate sums of money, which, in my judgment, should be at least $100,000,000 per annum, and for not less than two years. The present authorization will expire with the fiscal year of 1925, and unless there is legislation before that time the splendid work that is now being done will be stopped. I have every reason to believe, however, that Congress will not fail to see the necessity of going forward with this work and of providing adequate funds, so that no delay will be caused in the continuation of what is being done and finally reaching the ultimate aim of those who started this movement—that is, a complete and uniform system of dependable highways throughout the entire United States.

Mr. QUIN. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. QUIN. Will the gentleman tell us how the State of North Carolina finances its road improvements?

Mr. DOUGHTON. Yes. North Carolina finances its road system by a bond issue. We have a license tax on motor vehicles and a gasoline tax, and from the revenue derived from those two sources we receive sufficient funds to pay the interest on our bonds and keep up our roads and also set aside a sinking fund to retire the bonds. We raised $5,000,000 last year in this way. We have one of the best road systems in the United States.

Mr. QUIN. You do not have to impose a special tax?

Mr. DOUGHTON. No. This Congress and the country are fortunate in having for its present chairman of the Committee on Roads the distinguished and able gentleman from Iowa [Mr. DOWELL], who is in hearty accord with the policies established some years ago, whereby the Federal Government is aiding the States in highway construction.

The committee has been holding hearings recently, and it is expected that a bill will soon be reported to the House, making appropriations for continuing the present splendid program. In my judgment no money expended by this Congress for any purpose will bring greater benefits and blessings to the entire country than adequate appropriations for roads.

The CHAIRMAN. The gentleman from North Carolina yields back 16 minutes.

Mr. TUCKER. Mr. Chairman, I ask unanimous consent to extend and revise some remarks which I made earlier in the day.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. BUCHANAN. Mr. Chairman, I yield seven minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD. Mr. Chairman, it was stated by a leading Republican in a speech a few days ago that investigations in Washington were being conducted by "insolent groups." The gentleman should have said the investigations were being made by "indignant groups." In fact, the entire country is filled with righteous indignation, not at the investigations but at the disclosures.

Those being investigated and upon whom most shocking disclosures are being made are most anxious to stop all investigations and to discredit those being had. Some evidence goes in which is not true. This will not injure the innocent. Much evidence is being adduced which points definitely at the guilty. This does hurt the guilty and is helping to some extent to clear the official atmosphere here. There is much propaganda in favor of stopping all investigations and turning all attention to legislation. I realize that there is much legislation which is very necessary. There are vital appropriations which should be made. There are many good measures which this Congress will ignore, regardless of what else is done.

Just here let me say that the country is not very favorable to legislation which only gives more money and more power to spoilsmen, many of whom are still in harness. We need legislation, but we also surely need purification of government. It is infinitely better for us to not pass a single additional bill and not make a single new appropriation and clean out by investigation, exposure, and removal all corruption rather than feed that corruption by more power and more of the people's money. Corruption is gradually getting a death hold on the very vitals of our form of government. We must free ourselves while we have power left or the time will come when our vitality will be too low and the corrupt influences will be too powerful and will have too strong a hold on our throat. Even in matters of legislation here the people's money is offered for the purpose of getting votes for individuals or for parties.

The so-called "German relief bill" is simply a bid for pro-German votes. Why vote cash for German women and children and tax to the limit the clothing, the pins, the buttons, and everything which the poor women and children of America must buy in order to live to raise the money we are giving away?

Mr. TILSON. Will the gentleman yield?

Mr. LANKFORD. I yield.

Mr. TILSON. Does not the gentleman realize that there have been some people so severe as to say that those who voted for a bonus for the soldiers were also doing it for votes? Ought not the gentleman to consider the matter somewhat before stating that those who voted for the German relief bill did so simply for votes?

Mr. LANKFORD. Regardless of whatever vote is cast here, that accusation may be made, but you can only judge whether the accusation is true or not by the vote and by the measure for which the vote is cast. When we see people voting to give money to the women and children of Germany and see those same people voting to tax to the limit the poor of this country in order to raise that money, then we are justified in saying that the vote to give that money to Germany was cast for the purpose of getting the votes of German sympathizers.

Mr. WEFALD. Will the gentleman yield?

Mr. LANKFORD. In just one moment. I have only seven minutes and if I have time when I get through, I will be glad to yield to the gentleman. Before my time expires I want to read an editorial which I have in my hand.

Mr. Chairman, why rob our poor widows and orphans of men who died fighting Germany in order to give to the very people which killed our boys and which would have destroyed us except for the bravery of the men now so soon forgotten?

Why vote our boys insurance and German people cash? Why vote German people cash on which to live and vote our brave boys and their people, a form of funeral expense? Oh! the shame of it. In the few additional minutes allowed me at this time I wish to read to the House a most excellent editorial which appeared in the Valdosta Times of my district in the issue of the 15th of April of the present year:

CONGRESSMEN DEFICIENT

There is need of carrying the congressional investigations much further, even to the examination of the mental caliber of men who will vote against a bonus for the veterans of the World War and for a bonus for German children, and especially at a time when Germans are sending their own money out of the country and the rich are squandering their wealth in Italy and southern Europe, and also when the German Government is planning to refuse the admission of American flour to Germany because of the abundance of flour and other foodstuffs in Germany.

There is something lacking in Congressmen who will thus neglect their own and force their philanthropy upon others, especially when such acts cost them nothing, and which may, on the other hand, set them right with the agriculturists, who expect to sell their products to the Government at fancy prices. The Congressmen expect by this stroke of statesmanship (?) to get in right with their constituencies and insure for themselves a return to Washington. Enough is enough, and the people generally know when they have had enough of such business as is at the present time directing the eyes of the world to Washington in wonderment at what the next American governmental development will be.

We have been pointing across the water to the European Governments and pointing out their shortcomings with pride in the belief that the officials of the Government of the United States were less corrupt. In the light of the present-day political activities we have been laboring under an hallucination that humbles that pride and fills the soul with shame; for we can see in the dim distance the finger of scorn pointed toward America and the great institution we have prided ourselves in believing was the model of excellence in government; not perfect, to be sure, but much nearer perfection than any other government in the world.

The fact is that the American people have been too busy with their personal affairs to pay much attention to what kind of a government we really had. The principles we know to be sound; the laws are models of excellence; and yet the very lawmakers themselves are the worst violators.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LANKFORD. Can the gentleman yield me two more minutes?

Mr. BUCHANAN. I yield the gentleman two more minutes.

Mr. LANKFORD. Mr. Chairman, on at least two former occasions during the present Congress I have made remarks on

this floor along the line of this most excellent editorial and along the line of my present observations. I hope the investigations now taking place may be the beginning of a "house cleaning" which will make our Government clean in every respect.

We must stop the spoilsman and eradicate all corruption, or we will lose all. Mr. Chairman, I firmly believe that the combined armies and navies of the rest of the world can not defeat us from the outside if our Nation is pure, perfect, and strong on the inside. If our Government and our Nation, though, rots at the center, it will collapse of its own weakness at the slightest pressure.

Let us investigate our weakness as a nation, and let us trim out every cancerous growth. Let us not have a government of the people by the spoilsmen and corruptionists for the favored and unpatriotic few who put money and political preferment ahead of country and people. Let us have a government "of the people, for the people, and by the people," not only in name but in truth, for with such a government unspotted and unblemished we will never know defeat, and the Government which our fathers gave us will not perish from the earth. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Chairman, as long as the agricultural bill is before this House, I do not think it out of order to advert to some of the causes which to-day make the produce of the farmer sell for less than its cost to produce it. It is my judgment that the farmers of the United States have been laboring for many years under serious handicaps. The capital, aggregately speaking, engaged in agriculture produces more wealth than any similar proportion of capital in any other industry.

There is more labor engaged in agriculture than any other industry, because most of the people who actually work on the farms own their own land, stock, and farm implements, but mostly under a deed of trust or mortgage.

But the profit that comes to the farmer who produces this wealth is less than that of the man engaged in any other industry. In my travels over this country I have studied the farming situation all the way from the Atlantic coast to the Pacific coast, and from the Great Lakes to the Gulf of Mexico. It is manifest that the man on the farm is really a laboring man. It is manifest that the man who has capital invested in land, farming implements, farm machinery and stock is a capitalist who can not expect any large percentage upon his investment. The people who produce the farm products in this country, who actually till the soil, have no 8-hour day, but they labor from early in the morning until the sun sets and darkness covers the earth.

I know what farm life is because I was brought up on a farm myself. It may be unbelievable, but at that home where I was raised we were awakened at 4 o'clock in the morning. Some of us went out to feed the horses and mules to be ready for the day's plowing, some would go to the cow pen and milk the cows and then go eat breakfast by lamplight. I have gone to the field myself and had my hands on the plow handles waiting for the daylight to come in order that I might plow a straight furrow. I know the life of a farmer. In every section of the United States the farmers work that way and still they do not receive a just reward for their labor and have the same type of home and comfort as other men who work eight hours a day engaged in other occupations.

Now, there must be some reason for it. What is it? I lay down the proposition that our system is wrong. Wrong how? In the first place we will take the legislation that has been enacted within the last 11 years since I have been in Congress. Congress has done much for the farmer. It gave him the Federal farm loan system so that he can borrow money for a great number of years at a low rate of interest. That is a fine thing. We established the Finance Corporation and many other things. We have established a Bureau of Marketing, and yet he can not get a proper price for his products. He is handicapped, in my judgment, by this vicious protective tariff system that the Republican Party believes in wherein all of the provisions or articles that he must have in order to make his crop, his farm implements, his wagons, his harness, everything that he must use, the clothes that he and his wife and children wear are made in protective factories where all competition is shut off until a certain per cent is earned, and what the farmer raises and what he disposes of, his price is gauged by supply and demand.

All artificial methods of increasing the price of products, as far as fixing the price is concerned, are artificial and can be but temporary.

Congress must legislate for the permanent help to the agricultural class in this country. It can not be done as long as you are going to have a tariff wall built up where he must buy all of the articles that he uses in a protective market and as to the products that he produces he can not be helped by a protective tariff. They put a tariff on wheat, and under the provision of the Fordney-McCumber tariff law President Coolidge raised it, and the price of wheat went down 9 cents a bushel in two weeks' time. That is the falderal of fooling the farmers with protective-tariff talk all these years.

Another thing that is wrong is the transportation rates. The farmer who toils day in and day out must transport his products to market. The railroads haul the stuff to market, and you have given the bondholders of the railroads and the owners of the railroads a guaranty of a specific percentage upon their investment. The farmer can not pass that freight rate on to the man to whom he sells. He must pay it the very day he sells the product of his labor and capital and he does pay it, and that comes out of the price of his produce.

Another thing that is wrong is that we have not established a Federal cooperative market system to include the farmer and his products in this country. I have advocated that for years. The gentleman from Michigan [Mr. WILLIAMS] discussed a bill on the floor to-day which, in my judgment, comes nearer to a proper market system for the farmers' products than any bill that has been presented to Congress since I have been here.

Our present Bureau of Markets system does some good. We have in the Cotton Belt a cooperative cotton-market system where the individuality of the producer of cotton is the only thing that goes to make it a success. You have it in the tobacco-growing section. All of these things go to aid the farmer in receiving a just price for his product. It is so in the vegetable section.

Mr. SNYDER. Will the gentleman yield?

Mr. QUIN. I have but a few minutes.

Mr. SNYDER. The gentleman wants to be fair. He said the farmer had to pay a duty on agricultural implements. Is that a fact?

Mr. QUIN. Yes. He pays a trust price. There is a tariff on all the raw material.

Mr. SNYDER. Is it not a fact that there is no duty on agricultural implements coming into this country? The gentleman said the railroads were guaranteed 5½ per cent on their income. Is that a fact?

Mr. QUIN. Section A of the transportation act contains that. They are guaranteed a profit on water and all.

Mr. SNYDER. Oh, no.

Mr. QUIN. Certainly. Every child knows that under the provisions of the Esch-Cummins Railroad Act the Interstate Commerce Commission of the United States is fixing the rates based on that section guaranteeing the transportation companies these exorbitant freight rates, and the farmers of the United States will never get a just price for their products so long as they are paying a double freight. Take the vegetable-growing business, it suffers from the same burden. I live in a section of the country where land is cheap. The climate is fine. They can raise sugar cane, poultry, sheep, goats, cattle, and hogs, and every kind of vegetable known. They can raise cotton and corn. It is a fine dairying section of the country. My people have been aroused to the fact, because of the advent of this pest known as the boll weevil which destroys the cotton crops, that they must diversify and depend upon other crops. They are engaged in diversified farming. The ones who were planting cotton last year had a bad season. It rained all of the time, and when the rain ceased along came the boll weevil and it took the balance of the crop. But my folks did not come running and hollering to Congress like you fellows from the Northwest saying that they wanted the Government of the United States to come and give them food and raiment. We did not ask the Government to buy what we had at an expense to the Government and hold it at a high price to the rest of the people and sell the surplus at a low price in Europe, and charge the loss to the taxpayers and prevent anybody else in Europe from sending any stuff into this country. Our people, good Americans, buckled down to work. They did on less, they did without wearing fine clothes, they kept away from the picture shows, they managed to get enough to eat, they managed to let their children go in poor clothing to school, but they were too brave, they were too proud to come to the United States Treasury and beg Congress to feed them. They would not humiliate themselves to such an extent that they would have been ashamed of themselves if they had done it. All they ask is for the United States Congress to give them justice, to give them a marketing system by which all these rake-offs along the road, known as middlemen, commission men, brokers, and other parasites, might be prevented from taking the profits which belong to the farmer. They ask you to give them a fair and a just freight rate, to give them fertilizer at a

reasonable and just price so that they can put it upon their soil and produce food and raiment for the American people and for the balance of the world that may need it.

Any section of the country that depends upon one crop, just growing that one thing alone, the farmers will wear poor people's hats all of their lives. A man who will start out and just raise wheat alone and nothing else will scratch a poor man's head as long as he lives, or he will be trotting down here to Congress asking us to do an unwise and foolish thing for him at a cost to the rest of the people of the United States. The farmers must diversify, must raise different types of crops. They can raise some of one crop and some of another. In a vegetable section they can raise vegetables on part of the land, and all of them can have dairy cows. No man should be ashamed to go out and milk 4 or 5 or 10 cows in the morning and have that milk put along by the roadside and carried into a creamery where he can go and get cash money every week in the year. No man should be ashamed to raise some sugar-cane molasses. No man should be ashamed to raise a few hogs and cattle. Yet when he ships them to the markets, or where the stockyards are located, the freight rate that is paid to the transportation systems takes everything except the horns and the hide. No profit can there be for the farmer raising cattle or hogs in my country. The reason for it is not that the land is high, not that the labor is high, but it is the marketing system, the transportation costs to the market added to it, and another thing, the fertilizer which he must use on his land in order to produce a proper crop in that section of the country. I believe that condition applies to all sections of the United States. I was in the rich vegetable sections of the West, and the same situation as I see in my own country confronted me. I rode through the State of Iowa, where the corn looked to me to be 10 feet high, and yet that farmer's land was too high in value. People can not make a profit on $250 an acre land by raising corn at 50 bushels to the acre. In my country the land can be bought at $10 to $25 an acre, and, if you put fertilizer upon it and work it in a proper way, you can make 250 bushels of corn to the acre. One of the corn-club boys actually did raise 232 bushels on an acre last year. Without fertilizer it will not average over 6 or 8 or 10 bushels to the acre. Nitrate of soda and acid phosphate put on the land are what makes it valuable.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BUCHANAN. Mr. Chairman, I yield three minutes more to the gentleman from Mississippi.

Mr. QUIN. Mr. Chairman, it is just as important to put fertilizer on the soil as it is to till the soil, and that is one reason why I urged before this Congress—and you gentlemen were good enough to vote for it—that we pass the bill in relation to Muscle Shoals.

As long as the farmers of the United States are handicapped by these things which I have mentioned here to-day, so long will hard times abound. Taxes are high, but this Congress can not help the taxes they put upon themselves locally. Good roads and consolidated schools are voted in the locality by the people who reside there, but the Federal Government taxes which come in an indirect way upon them bear heavily and will continue for some time to bear heavily upon the men on the farms in this country.

I do not care whether the farmer lives in Mississippi, in Nebraska, Iowa, or California, I am for him. I propose to vote for every honest, legitimate measure that will protect and help the farmer, but I am never going to put myself in a false position and vote some paradoxical, chimerical scheme that is put up simply to fool the farmer. We must go at it fundamentally. Agriculture is the basic industry of this Republic. The gentleman from Michigan [Mr. KETCHAM] said a few moments ago that 29,000,000 people are engaged in farming, but I think there are 34,000,000, and that 35 per cent of all the wealth of the country is produced by the farmers of the country. How much of that wealth goes into the pocket of the farmer? A man with his wife and children, all working in the field, from January 1 to December 31 will have maybe enough money, in some sections, to buy a calico dress for the wife and an orange and a piece of red stick candy for the children at Christmas. That is one of the hardships of farm life. We can not expect the people to stay on the farms and work like slaves unless they receive just compensation for their labor, and they are entitled to the same luxuries and privileges that anybody else in this Republic is entitled to.

I only hope that the Congress of the United States will act fundamentally. We have passed a law loaning them money for a long period of years, but the farmers will not be able to pay that money back as long as you let the marketing system remain as it is wherein the middlemen hold him up and the protective tariff robs him on everything he buys, and he can be ground down by freight rates from the time he takes the stuff to the station until it gets to its destination. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BUCHANAN. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman and gentlemen, several farm relief measures are now pending before the Committee on Agriculture, some of which will probably be reported soon, and I hope favorably considered and adopted. Until they are reported, and until we know definitely their provisions, it will serve no useful purpose to discuss them. I shall whole-heartedly support such of these measures as offer substantial or even temporary relief to the agricultural classes. But in the limited time at my command this afternoon I desire to analyze some of the remedies suggested by the President and others and show how inadequate these proposed remedies are. I shall speak frankly, but in all charity and kindness, because I believe the time has come to quit quibbling and look the situation squarely in the face. A few weeks ago the President, under the flexible provisions of the Fordney-McCumber tariff law, increased the duty on wheat from 30 cents to 42 cents per bushel, from which we are justified in concluding that the President considered a high tariff on wheat as an immediate and the most effective remedy for existing agricultural distress.

The President in his December message, in calling attention to the nation-wide agricultural distress, said:

> The distress is most acute among those wholly dependent upon one crop. Wheat acreage was greatly expanded and has not yet been sufficiently reduced. A large amount is raised for export, which has to meet the competition in the world market of large amounts raised on lands much cheaper and much more productive.

Here we have a frank admission from the President that our surplus wheat must and does compete in the world markets with the surplus stocks of wheat from all other lands. And obviously the price of our exportable surplus is determined by supply and demand and by the strength of the competition in these world markets.

But the President goes farther and says:

> No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods put under operation by the farmer himself are the only real sources for restoration.

I construe this language to indicate that the President is opposed to the withdrawal or use of any money from the United States Treasury to finance plans to increase and stabilize prices of farm products. The language of the President further justifies the conclusion that in his opinion the farmers must work out their own salvation with fear and trembling, and without Government aid, because our President says "simple and direct methods put into operation by the farmer himself are the only real sources for restoration."

In reply I most respectfully call the attention of the President to the obvious fact that the farmer is not responsible for his present economic plight, but is the victim of adverse, artificial economic conditions, largely the result of discriminatory legislation, which have limited his markets from year to year and compelled him to sell his commodities at prices far below the cost of production, and which at the same time, through the operation of high tariff laws, compel him to buy his supplies in an exceedingly high and artificially stimulated market.

The President further stated:

> The acreage of wheat is too large. Unless we can meet the world market at a profit, we must stop raising for export. Organization would help to reduce acreage.

Here we have a suggestion from the President that the farmer limit his activities, reduce production, and withdraw from the world market. I assert that this is not wholesome advice, but, on the contrary, we should improve conditions so the farmer can sell his wheat in the world market at a profit. To give up our export market is to place the farmer at the mercy of the consuming public in the United States and bring about a condition under which the grain exchanges and speculators would manipulate and control the market price of wheat and other farm products. The export demand is now the only thing that prevents the grain speculators and grain exchanges from arbitrarily manipulating and completely controlling the market price of grain. If we give up our export market we

take from the American farmer the last prop by which grain prices in the United States may be supported and protected from baneful and sinister manipulation by grain gamblers.

In his special message of January 23, the President reiterated the suggestions made in his annual message, mentioned some temporary relief for the western wheat growers, but committed himself to no definite policy and sanctioned no plan for general relief, except such as could be obtained from the War Finance Corporation in the way of loans; and to this good hour the President has not definitely declared his attitude toward any of the general farm relief measures now pending, and no one knows whether he favors any of the bills that have been introduced and which are intended to remedy the present unbearable agricultural conditions. The President has dealt only in broad generalities, but has proposed no general constructive legislation to relieve the present deplorable and long-existing agricultural distress.

In all fairness may I say, in view of the extreme gravity of the situation, it seems to me that our President owes it to the people of the United States to suggest some definite, concrete, and practical remedies to relieve the nation-wide agricultural anemia, or he should at least indicate which of the pending bills he favors. The farmers want relief. They are not particular from what source that relief comes, so it comes, and comes quickly. Congress is desirous of enacting legislation that will bring this relief, but many Members are in doubt as to which of the pending bills will best meet the situation and furnish the greatest relief to the greatest number. The farmers are not agreed on which of the pending bills will best solve the present perplexing problems, but they are agreed that some constructive legislation is necessary, and unless relief comes quickly disaster is inevitable.

Many faithful men in the House and Senate are diligently studying these agricultural problems, sincerely seeking light from every possible source, because they want to support each and every bill that will directly or indirectly aid the farmer and rehabilitate American agriculture. I am sure that this is the honest desire of a majority of the Members of Congress, both Democrats and Republicans. But there is a diversity of opinion as to what legislative measures will furnish the desired relief. Is it demanding too much when we ask the President to help us decide on a measure that will afford the greatest degree of relief to the agricultural classes? So far no definite and comprehensive plan for the relief of agriculture has been suggested or approved by the President. As one Member of Congress, sincerely desiring to support legislation for the relief of the agricultural classes, I want the advice, counsel, and aggressive cooperation of the President. I want him to "talk turkey" and tell us what legislation he favors.

I say in all kindness that the present administration should busy itself more actively in formulating legislation that will help the farmer, and help him speedily.

I would like for the President to inform Congress and the people which of the pending bills, in his opinion, will best aid the farmers. But aside from a few indefinite suggestions made by the President we are in the dark as to what plan, if any, for the relief of the agricultural classes the President favors or will approve.

While we are largely left to conjecture as to the President's attitude toward farm-relief legislation, judging from his somewhat ambiguous utterances, the President's program is limited to the following negative and, may I say, do-nothing policies:

(a) Maintenance and possible increase of the present high tariff on wheat.

(b) Diversification of crops.

(c) Abandonment of the export market and reduction of acreage so as to produce only enough wheat to feed the people of the United States.

(d) Cooperative marketing.

(e) No price fixing, directly or indirectly, no aid from the Government, and no assistance from the United States Treasury.

These suggestions I will now consider in detail, so far as my time will permit.

For the last generation the advocates of a high protective tariff have unceasingly told the farmers that the welfare of agricultural classes would be promoted and the market price of farm commodities increased by imposing a high tariff on wheat and other farm products. The tariff barons and beneficiaries of special privileges have deluded and deceived the American farmers into the belief that a tariff on wheat would increase and maintain the market price of wheat. The failure and fallacy of this policy are now clearly demonstrated. The emergency tariff of 35 cents per bushel on wheat failed to raise the market price of wheat as much as 1 cent per bushel, and from the day the emergency tariff went into effect, May 27, 1921, the market price of wheat in the United States steadily declined.

On September 21, 1922, the Fordney-McCumber Tariff Act became operative, under which the duty on wheat was fixed at 30 cents per bushel. From that time to the present there has been a steady decline in the price of wheat in our domestic markets. It is now a matter of history that these high tariff laws have failed to "turn the trick," stimulate the domestic demand, or substantially increase the market price of wheat.

When the farmers of this Nation realized that they had been "buncoed" by the so-called high tariff on wheat, they called the party in power to task, showed that the tariff on wheat was a joke, and demanded relief from the horrible condition into which they had been plunged by the low price at which they were compelled to sell their commodities and the high price they were forced to pay for their supplies.

How did the President and his party answer this appeal? Have the farmers received any substantial relief from the present administration or is the present administration committed to any definite program for the enactment of constructive legislation which will relieve the American farmers from the present intolerable conditions? What is the reply of the President and his party to the appeal that comes up from every agricultural district in our Nation? Why, the President says, in effect, The tariff on wheat is a good thing; it protects the American farmer, it stimulates the demand for and increases the market price of our wheats; but the only trouble is, the tariff is not high enough; we will give you more tariff, raise the duty from 30 cents to 42 cents per bushel and then you will see the price of wheat advance. Such in substance, but not in words, was the reply and logic of the President and his party.

So with flourish of trumpets the President, by Executive proclamation, increased the tariff on wheat from 30 cents to 42 cents per bushel. This additional tariff of 12 cents per bushel was added on the theory that it would automatically stimulate demand and increase the domestic price of wheat at least 12 cents per bushel. Mr. President, your rule sounds good but it has not worked and will not work. The American farmers now realize that the tariff on wheat is a confidence game which the party in power has played upon the agricultural classes. The so-called tariff on wheat is a delusion and a snare intended by those who advocate it to lull the farmers of America into a sense of security—put them to sleep as it were—while the manufacturer systematically extorts from them hundreds of millions of dollars annually in the form of increased cost on the necessary supplies bought by the farmers.

The American farmers now realize that a tariff on wheat, however high, will not solve the farmers' troubles, because we produce a surplus of wheat and its price is regulated by the natural law of supply and demand in the open markets of the world. No thoughtful person who has studied the first principles of sound economics and who will take the time to observe market conditions, will now seriously contend that a tariff of 30 cents or 42 cents per bushel on wheat will materially help the farmer out in his present predicament, because our surplus is sold in Liverpool, England, and other great world markets, where it comes into competition with the surplus wheat from Argentina, Canada, Egypt, Russia, India, and the Balkan States.

In this statement I am supported by President Coolidge, who in his annual message said:

> A large amount (of wheat) is raised for export which has to meet the competition in the world market of large amounts raised on lands much cheaper and much more productive.

Secretary Wallace in his annual report for 1923 said:

> The world wheat production is too great in proportion to the restricted consumption. The great wheat producing area in the United States, Canada, Argentine, and Australia increased their annual exports 336,000,000 bushels. At the present time the exports of wheat from these countries are more than twice their pre-war exports and more than compensate the former exports from Russia and the Danube Basin and the decreased Indian exports.

Secretary Wallace recognized that the increase of production the world over vitally influenced and materially reduced the price of wheat in the United States.

In a report made November 30, 1923, by Secretary Wallace to the President on "the wheat situation" the Secretary uses this significant language:

> The price which the farmer of the United States receives for his wheat is determined largely by the world's supply of wheat. As exporters, farmers in the United States receive for wheat the price paid

> in the world markets less the cost or charges for placing wheat or flour in those markets. Chicago prices follow closely the price in Liverpool and other large world markets, and farm prices follow closely Chicago prices.

This is not Democratic testimony, but the official statement made by Secretary Wallace, an orthodox Republican, to President Coolidge, an orthodox Republican President. But, nevertheless, the Secretary states the rule very accurately and very forcibly, which is that the farm prices of wheat are determined by the Chicago prices, and the Chicago prices are determined by the prices which prevail in Liverpool and other world markets.

Mr. George N. Peek, president of the Moline Plow Co., recently broadcasted from the radio stations of the Corn Belt farm dailies a series of lectures in which he advocated the enactment of legislation to relieve the acute agricultural distress. These lectures were also printed in many farm and livestock papers. I quote from the eighth of the series, in which Mr. Peek said:

> The real trouble with the American farmer is that the price he receives for the great products of which we export a surplus, such as wheat, cotton, livestock, etc., is determined in the markets of the world where the American farmer must meet the competition of the cheap laborer in foreign countries, where the standards of living are far below ours. It is the price of the surplus that determines the price of the whole crop. Everything the farmer buys, he must buy in America, where industry and labor are protected by the tariff and the restriction of immigration. No amount of diversification will cure this basic fault.

Here we have a very clear and comprehensive statement of the universal rule which determines the price our farmers receive for their surplus products.

I quote from Trade Information Bulletin No. 177, issued by the United States Department of Commerce, over which the Hon. Herbert Hoover, a distinguished Republican, presides:

> Northwest Europe is the principal market for farm products from the United States. * * * Farm products from the United States meet in northwest Europe the keenest competition from the farm products of other countries. * * * Agricultural products are the most valuable crop in the export trade from the United States. They comprise approximately 50 per cent of the value of all domestic exports. Of the value of all agricultural exports about 80 per cent go to Europe. * * * The United Kingdom is by far the chief market for agricultural products from the United States.

And yet our President suggests that we reduce our wheat production to such an extent as to have no wheat for export.

I quote from resolutions adopted at a meeting of the Equity Cooperative Exchange, with a membership of 17,500 farmers, at a convention in Fargo, N. Dak., January 16, 1924:

> Under present conditions the grain grower has no control over his cost or over his selling price. He must sell in the world's markets, but is not permitted to trade in the same markets. He must buy in a narrow market and pay profit margin guaranteed by a tariff from which he derives no benefit. * * * Stabilization of domestic prices of all industrial products, except farm products, was secured by special tariff legislation admittedly in excess of industrial requirements. The farmer, though the chief victim of such legislation, secures none of its benefits. He must sell his grain in the world's markets in competition with foreign costs of production, but he is not permitted to buy or exchange his products in the same markets for the articles which enter into his own cost of production.

In this connection I call attention to a quotation from the manager of the Montana Wheat Growers' Association as follows:

> It is a well recognized fact that the price received for the farmer's exported surplus determines the price of that portion going on the domestic market.

In an appeal recently issued by the Colorado Wheat Growers' Association it was said:

> American farm products, necessarily produced in surplus quantities, must therefore be sold at low world's prices, while all other articles of American products are carefuly protected on a higher price basis. The farmer sells on a world basis, buys on a much higher protected basis, and fails.

I quote from resolution of the North Dakota Wheat Growers' Association:

> It is a well known fact, which recently was again demonstrated with respect to the duty on wheat, that a tariff is inoperative with an unregulated and uncontrolled surplus, maintained in the hands of independent dealers scattered through the country, all selling basic Liverpool prices, in competition with each other in the world's market. This in time fixes the domestic price, regardess of the tariff.

It would be a waste of time to elaborate further on this self-evident and universal economic rule.

Wheat grown by the high-priced intelligent laborer of Illinois, Missouri, Kansas, Nebraska, the Dakotas, or Minnesota, on land worth $200 or $300 per acre, must be sold in the world markets in competition with wheat grown on the cheap lands of Argentina or produced by peasants or pauper labor in Europe and Asia. Except as to gluten content there is but little, if any, difference in the food value of wheat grown on high-priced American land and that grown on the vast plains of Russia by an ignorant peasantry whose backs have borne the burden of unspeakable tyranny for a thousand years. Indeed, in the world market, to which all surplus stocks of wheat find their way, it is practically impossible to distinguish wheat grown in America from wheat grown elsewhere, except by a chemical analysis which only millers, and but few millers, make.

As unrestrained flood waters from rivers overflow the valleys and are so mingled with waters from the melting mountain snows, the summer showers, and perennial springs that they lose their identity, become indistinguishable, and meet on a level and are mingled in mother ocean, so the surplus food products of all nations become indistinguishable and are measured by the same price standards in the great markets of the world.

Mr. SNYDER. Will the gentleman yield?

Mr. LOZIER. My time is limited. When I have presented what I have in mind, then I will yield.

It is very evident that the American farmer can not continue to produce wheat at present prices, which not only afford no profit but fail to return the cost of production. What, then, is the solution of this perplexing problem? From the President and some other sources comes the suggestion that the farmer grow less wheat and use his land for the growing of other crops.

There is some merit in this plan, but it will afford no adequate relief for obvious reasons—first, if a very considerable portion of the land now devoted to wheat growing should be planted to other crops, there would be a surplus of such other crops and a consequent decline in their market value. Under this plan, while we might avoid producing an excessive surplus of wheat, we would most certainly produce an excessive surplus of some other crops, which would unstabilize the market price of such other crops. In other words, the farmer would then have too great a surplus of other crops, which would mean a loss as sure and certain as his losses from overproduction of wheat.

The President loses sight of the fact that the wheat farmers have already diversified their crops as much as soil and climatic conditions will permit. I quote from resolutions adopted at a convention of the Equity Cooperative Exchange, an organization consisting of 17,500 farmers:

> It is urged in some quarters, as a remedy to the agricultural depression, that farmers curtail production, withdraw from the foreign wheat market, and engage in stock raising and dairying—in other words, diversify. This suggestion ignores the fact that most wheat growers are already diversifying as much as the nature of their soil, climatic conditions, the help at their disposal, and marketing facilities will permit. Our surplus packing products must also be liquidated in foreign markets, and present returns to the stock raiser leave him in no better position than the grain grower. Yet agricultural production in the United States has barely kept up with the increase in population. Outside of the United States millions of people are clamoring for bread and foodstuffs, and hundreds of millions have never tasted wheat bread. Other industries, through their sales agencies, are extending their markets abroad. Why not the farmer? Individually he is helpless, but collectively and through the agency of a Government export corporation the farmer's foreign market could be materially improved and extended.

In the second place, millions of acres of land now utilized for and adapted to wheat growing are not adapted to the growing of other grain crops and are not suitable for diversified farming. While in many portions of the United States the lands may be profitably used for diversified farming, there are vast stretches of "wheat lands" primarily adapted to the growing of wheat but practically valueless for dairying or for the growing of corn or for diversified farming. This is particularly true as regards the semiarid region of the West, the far-flung southwestern plains, and the almost limitless plateaus in the Northwest. To cease to grow wheat on this character of lands is to allow them to revert to their primeval state, and where now golden grain glimmers in the sunshine and bends before the restless winds, human habitations will disappear, the inhospitable desert will return and claim its own.

Millions of acres of what are now productive wheat lands were considered valueless for any agricultural purpose until seeded to wheat. Then it was discovered that these far-

and fallacy of this policy are now clearly demonstrated. The emergency tariff of 35 cents per bushel on wheat failed to raise

porters, farmers in the United States receive for wheat the price paid

Liverpool prices, in competition with each other in the world's market. This in time fixes the domestic price, regardless of the tariff.

were considered valueless for any agricultural purpose until seeded to wheat. Then it was discovered that these far-

flung arid and seemingly nonproductive lands were well adapted to the profitable growing of wheat. By experimentation we learned that these were "wheat lands." Men began to stir this seemingly lifeless soil and it responded with rich harvests that not only satisfied the hunger of millions but tremendously increased the wealth of the world.

Soil and climatic conditions render this land suitable for the profitable growing of wheat, but not for the growing of other grain crops or for diversified farming. The owners of these lands have no choice, and no other alternative; they must either grow wheat or grow nothing on these lands.

If the farmers in central and western Kansas and throughout the semiarid West follow the advice of these would-be economic experts and discontinue the growing of wheat, millions of acres of land will go to pasturage, with a resultant loss of nine-tenths of the rural population in those regions. Ranch lands that in years gone by supported only one family will now support a dozen families when utilized for wheat growing, if the farmer had a stable market and is freed from the handicap under which he now labors. It is supreme folly to suggest diversified farming as a remedy for the acute distress of the wheat farmers, because relentless climatic and soil conditions and the scarcity of rainfall set immovable barriers to the introduction of diversified farming in practically all of the great wheat belts of America.

It is amusing to read some of the panaceas suggested by hothouse economists to alleviate existing acute and chronic agricultural distress. One learned gentleman advises the Kansas farmers to quit growing wheat and grow cantaloupes. He reveals to a distressed and wondering world the secret of how much money a certain Kansas man made on 20 acres of cantaloupes, and he would have Kansas cease to be a great wheat producing State and become the cantaloupe center of the universe. This is a sample of the medicine many college professors and quack political economists are making for the consumption of the people of the great wheat growing districts of America. Probably it has not occurred to this wise economic specialist that not one out of ten thousand acres of western wheat land is adapted to the profitable growing of cantaloupes; and if only a comparatively small portion of the wheat lands in Kansas and the Northwest could be profitably used for growing cantaloupes and should be utilized for that purpose, the crop in one year, if it could be preserved in cold storage and marketed as needed, would be more than sufficient to supply the world with cantaloupes for a generation. This wise economic diagnostician would have 100,000,000 cantaloupes grow where only one had grown before, and if Kansas land were adapted to the profitable and extensive growing of cantaloupes, and if his advice should be followed, he might prevent an overproduction of wheat, but he would bring about an overproduction of cantaloupes that would tax the transportation, cold storage, and warehouse facilities of the Nation, and make these luscious melons so cheap that the Harvey eating houses could serve cantaloupes at a cent each, or 10 cents a dozen.

We are asked to listen to President Coolidge, Julius Barnes, industrial magnates, Wall Street operators, protective tariff barons, and hothouse professional politicians discourse on the necessity of diversified farming which they offer as a panacea for all agricultural ills. Little they know about the subject. Tell me, I pray you, how the Wisconsin dairy farmer can diversify his farming operations? What a stupendous failure he would make if he should attempt to grow wheat and corn in commercial quantities. He may make a success in dairying because his lands are adapted to dairying purposes and are not adapted for the growing of wheat and corn in commercial quantities. In like manner the wheat farmer on the great Western and Northwestern uplift are forced to grow wheat because soil and climatic conditions render dairying or diversified farming impracticable and unprofitable, while the lands are particularly adapted for the growing of wheat.

Who knows best what crops the lands are best adapted to growing, the President, the Wall Street money kings, the college professor, the professional politicians, the candidate for office, or the practical farmer who lives on the land, tills it, nurses it, and coaxes it into productivity? These professional politicians and would-be agricultural experts would have us believe that the western and northwestern farmers are so dense and dull that in 50 years they have not found out what their lands are best adapted to produce with profit.

Another class of economic experts, many of whom have no practical experience and probably could not tell the difference between a growing crop of wheat and a crop of soy beans, tell the farmers that they must reduce the production of wheat. The suggestion that the farmers produce only enough wheat to supply the domestic demand—that is, feed the people of the United States—if followed would afford no worth-while relief for obvious reasons. In the first place, the farmers can not definitely determine in advance the amount of wheat they will produce from year to year. Of course, they can reduce the acreage, but they can not control the seasons and conditions which vitally affect production. It is fundamental that the yield of any crop largely depends on the weather—rainfall, snows, the seasons, and crop conditions generally. The season may be a bad one—too little or too much rainfall, no snow to protect the wheat from excessive cold, and alternate freezing and thawing; the growth may be impaired and the production reduced by red rust, black rust, or other factors resulting from unfavorable weather conditions. The growing crop may be attacked by the green bug, the chinch bug, Hessian fly, or other pests. One or more of these causes will be sufficient to materially reduce production.

It follows, therefore, that, plan as they may, the farmers can not determine in advance the amount of wheat or other grain crops that may be produced in any given year. The manufacturer can definitely determine in advance just what the production of his mills shall be in any given year. He can plan to produce a certain quantity of commodities and no more, but the farmer is very differently situated, because the element of chance enters very largely into the problem of grain production.

This advice to curtail production will not only work the economic ruin of the farmers, but the adoption of this policy would be a crime against humanity. As I have shown, the farmer can not control seasons, moisture, crop conditions, or the quantity of grain that may be produced from a given acreage. If the farmers should attempt to follow the advice of these economic quacks, materially reduce the acreage, and plan to produce only sufficient foodstuffs to feed the people of the United States grave consequences must inevitably result. Under such a plan when the harvest is over the farmers and the consuming public would learn that the production per acre and the gross production fall far short of the anticipated yield, and the total production might not be over a third or one-half of the expected production. As a result, instead of there being enough grain to feed the people of the United States we would probably have not more than one-half or two-thirds enough for that purpose. What results? Famine, hunger, widespread distress, and national calamity. We would then have to import wheat from Canada, Argentina, and other countries to feed our people. Do you want to be responsible for a condition of this character? Will you advocate a policy that will probably cause gaunt famine to stalk abroad over our fair land, as it periodically visits India, China, Russia, and other nations, taking as its toll millions of men, women, and children made in the image and after the likeness of the God of all the earth?

While the great farm organizations are laboring zealously to establish our domestic markets on an American basis and far in advance of the present market prices, none of these organizations favor an abandonment of our export markets. They recognize that supply and demand in the world markets are vital factors in the fixation of domestic prices, but they are seeking to minimize the hitherto dominating influence of world market conditions, in so far as that is possible, and to stimulate our domestic markets, all of which is commendable, and, within reasonable limits, workable. In fact, relief is being sought under plans which will dispose of our surplus farm products in the world markets at the best possible prices obtainable; but no matter what legislation may be enacted world conditions and world markets will continue to be important factors in the profitable marketing of our domestic agricultural products.

Those who advocate this policy of radical, restricted production are sanctioning a system which will often, in all probability, result in the production of a supply of foodstuffs wholly inadequate to satisfy the hunger of our domestic population. The national welfare and every sound principle of public policy cry out in opposition to a plan which, if followed, may bring our people face to face with famine.

When this proposal is carefully analyzed, its hideous consequences are so apparent that he who runs may read. When fully understood, I believe this policy will not be advocated by any persons except those whose hearts are void of human sympathy and whose souls are seared with the white-hot branding iron of selfishness.

No, gentlemen, we must not unduly and unnecessarily limit or restrict the production of grain and foodstuffs in the United States. Every principle of reason, common sense, and prudence suggests that we should produce each year more food-

stuffs than are reasonably sufficient to supply our domestic demands. Unless we plan to produce a very considerable surplus each year we will not be assured of a sufficient supply to feed our own people. It should be the fixed policy of this Nation to produce a surplus of foodstuffs each year—to use such part as may be necessary for our own needs and for the surplus we should provide markets abroad.

The American farmer, when he considers the consequences not only to himself but to the people of the United States, will never sanction our withdrawal from the world markets. Let us encourage the farmer to produce not only enough grain and other foodstuffs to feed the people of the United States but a surplus to sell in the great markets of the world. To give up the export markets is to curtail radically farming activities.

If the farmer makes a profit it must be on his surplus products. The larger the surplus the greater his profit, and the smaller his surplus the smaller his profit. Under normal conditions this rule is dependable and fundamentally sound.

In every line of business, until the output has reached a certain point, the cost of production and overhead expense exceed the returns from the sale of the manufactured products. If the production be increased to a certain point, the returns equal the cost of production and the overhead expenses; and if the production be further increased, the business will, under normal conditions, show a profit, and thereafter the greater the production the greater the profit. To illustrate: Very frequently on the first $100,000 worth of goods a factory turns out, the cost of production and overhead expense exceed the sale price of the factory output. When the production reaches the $200,000 mark the returns equal the cost of production and overhead expenses combined, and thereafter profits accrue from all additional production, and the greater the production thereafter the greater the profit.

The manufacturer dares not limit the output, because quantity or capacity production affords him his only reasonable chance to make a profit; that is, the only method by which his profits can be made to outrun the cost of production and overhead expense. Most manufacturing plants are constructed to produce a certain volume of commodities. If a plant is operated only to one-half of its capacity, a loss is inevitable. What would the manufacturers say if the President should advise them to reduce their output to one-half, one-third, or one-fourth of the capacity of their plants? They would reply that only by quantitative production and by running their plants to their full capacity could their business be conducted profitably. The manufacturers would say, and properly so, "Instead of reducing the output from our plants, thereby inevitably increasing the cost of each article produced, let us enlarge our market and increase our sales so the fixed overhead expense may be apportioned to 50,000 rather than 25,000 manufactured articles."

In like manner the farmer's profit depends on the surplus he produces and sells. Up to a certain point the cost of production and overhead expense exceed the return from the sale of his commodities. By increasing his surplus products to a certain point he is able to balance his budget; that is, the overhead expense and cost of production equal the returns from the sale of his commodities. Beyond this point, by increasing production he begins to earn a little profit, and thereafter the more commodities he produces and markets the greater his net earnings.

This rule is immutable so long as a farmer is able to sell his commodities above the cost of production; but if times are so abnormal that his commodities sell for less than the cost of producing them, he registers a loss on all he produces, whether that production be great or small. To ask a farmer not to produce a surplus is to deny to him equal rights and equal opportunities in the race for gain. Every farm is capable of producing a certain amount of food products. The farm has a capacity limit the same as a mill, factory, or other business plant; and the farmer is as much interested in operating his plant to its full capacity as is the merchant or manufacturer, and he is as much interested in quantitative production as is the man engaged in other industrial or commercial pursuits. To insist on a farmer giving up his right to operate his plant to its full capacity is to deny him a fundamental and necessary economic privilege withheld from no other occupation.

By such a policy you are discriminating against the farmer and denying him equal rights and equal opportunity. You say to those engaged in manufacturing and commerce, "You may operate your factories and plants to their full capacity and produce large surplus stocks, to dispose of which you may not only enlarge the domestic demand but you may carry your commodities to foreign lands and sell them in the markets of the world."

You then turn around and tell the farmer that he must go on a vacation, take a rest, curb his initiative, limit his industry, take his hands from the plow, no longer produce a surplus, no longer run his farm plant to its full capacity, forego the great world markets, and limit his energies so as to produce commodities sufficient only to feed the American people. To invoke this system is to place the American farmer in a strait-jacket and to limit, yea, destroy, his productive capacity; and this at a time when millions of starving men, women, and children are stretching their bony hands across the seas, crying for the bread the American farmer could and would produce if such production did not mean an ever-increasing loss.

For 75 years the manufacturing classes have thus erected a Chinese wall around the United States, denying to the common people—the consumer—the God-given right to buy their commodities in the cheapest markets. Now, the representatives of this same favored class seek to close the doors of export to the farmer and build a Chinese wall around the United States which will shut out the American farmer from the markets of the world and compel him to depend entirely for the sale of his products on the domestic demand. Instead of further restricting the markets for American farm products let us enlarge these markets. As the American manufacturer, operating his plants to full capacity, increasing his production enormously, is now invading the markets of the world and selling his manufactured products in the remote corners of the earth, so the American farmer has the God-given and inalienable right to operate his farm to its full capacity and to produce an ever-increasing surplus of grain and other foodstuffs not only to supply the domestic demand but to sell in foreign markets to which the surplus commodities of all nations inevitably flow in obedience to sound economic principles and immutable natural laws. You have no right to shackle the productive energies of the agricultural classes. You have no right to circumscribe the activities of the farmer. You have no right to set arbitrary limits to the quantity of grain and other foodstuffs that he may produce. It is an insult to say to the farmer "Produce just enough foodstuffs to feed the people of the United States." It is an outrage to deny him access to the world markets. This policy will inevitably reduce the American farmers to a condition of servitude and hopeless impotence.

Therefore let us enlarge the farmer's markets; let us give him a chance to sell his food products in every land to which our manufactured commodities go. Let our ships, that carry the finished products of our industrial skill to South America, Europe, and the Orient, also carry in their holds the food products from the American farms, thereby bringing to the pockets of our farmers a substantial part of the wealth that other nations are each year paying for foodstuffs.

May I repeat what I have several times stated on the floor of this House, that in the future the wealthiest nation will be the nation that captures and holds the greatest portion of the world's commerce? If our country is to maintain her present exalted station as the financial mistress of the world, it behooves us to plan quickly and wisely a conquest of the world's markets. Our agricultural, industrial, and commercial supremacy depend on our sending the products from our farms, factories, mountains, mines, and plains overseas in exchange for the tremendous wealth and treasure now in process of development in the remote regions of the world.

Providence gave to the American people a far-flung region of boundless productivity. It was never intended that the resources of this great Nation should slumber in an undeveloped state when there is a world-wide demand for the products of our soil. The present generation of American farmers have not only the legal but the moral right to stir our fertile fields into generous productivity. By no legal or ethical principle should we expect the agricultural classes to limit their activities and produce merely a sufficient quantity of foodstuffs to satisfy the appetite of the people of the United States alone. We should not deny to them the priceless privilege of contesting with the farmers of other nations for a substantial division of the markets of the world. The commercial, industrial, and professional classes in the United States should cooperate with the agricultural classes in this struggle for the world markets. We should seek out and open up new markets for our agricultural commodities and make adequate provision for economical transportation of those commodities to both old and new markets.

In closing let me state two propositions which to me appear to be self-evident:

First, we have reached the period in our national development where the output from our mills and factories can not longer be absorbed by the American people, and the manufacturing in-

terests of this Nation, if they are to continue to grow, must look out foreign markets to absorb their surplus products.

Second, we have reached the point in our agricultural development where our production of grain and other foodstuffs is and will continue to be largely in excess of the needs of our domestic population, and if American agriculture is to prosper in the future we must stimulate the foreign demand for our agricultural commodities and we must open up new markets in regions to which we have not heretofore shipped our farm products. Moreover, we must provide more efficient and less wasteful marketing facilities, and a cheaper system for the transportation of our farm commodities to our domestic and foreign markets.

We are standing now at the forks of the road; one leads to agricultural decay and industrial and commercial isolation; the other leads to permanent agricultural, industrial, and commercial prosperity. By following this last-mentioned road we may with reasonable assurance hope for a conquest of the world's markets and thereby establish for all times the preeminence of the United States in those activities on which the welfare and happiness of mankind depend. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none.

Mr. BUCHANAN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman and gentlemen, I have been here 7 years and I have been a pretty close observer. I have witnessed to-day one of the most ridiculous situations that has risen in this House's membership since I have been reading its history.

We have on the District of Columbia Committee 21 members; it is one of the 21-member committees. There are 12 Republicans, less one vacancy, and 9 Democrats and we had a bill up here the other day where there was quite a difference of opinion concerning it. There was a minority report against it filed by the distinguished gentleman from Massachusetts [Mr. UNDERHILL]; there was a minority report filed against it by the distinguished gentleman from Missouri [Mr. JOST] and there was about a 27-page printed minority report filed against it by myself. There was another member of the committee, the distinguished gentleman from Illinois [Mr. KUNZ], who is unalterably opposed to it; there was another Member of this House from Illinois, the distinguished gentleman [Mr. SPROUL], who until recently has been a hard-working member of that committee, who is likewise unalterably opposed to the bill. And we asked on a 35-page bill two hours for general debate. We were denied it and we were forced to consider that bill without one single minute of general debate against it. Not a minute. We were not allowed one minute of general debate on a bill which has been denominated by at least a half dozen members of the committee as Bolshevistic, and we resorted to our rights; we used the rules of this House, the parliamentary rules, to keep that committee from ramming that vicious legislation down the throat of Congress.

What are the rules for? They are good rules, they have been in existence 100 years. They are to protect just such a situation as this, a minority against a brute majority that is trying to deprive them of their rights. We resorted to the rules, the rules of the House that you Members have passed for our benefit.

They are our tools, just as much our tools here as the saw and hammer are the tools of a carpenter. They are what we daily use in transacting business here, and we resorted to those rules and kept them from passing that pernicious bill that day. What did they do? Did they wait regularly to take it up some other time? No; the newspapers said they were going to the Rules Committee this morning to get a rule, and I appeared before the Rules Committee this morning to see what kind of a rule they were asking for, and, to my surprise, they were not asking for a rule to make in order any legislation from the Committee on the District of Columbia, if you please, and not a member from that District of Columbia Committee appeared before the Committee on Rules in behalf of a rule, not one. But who did I find there? The gentleman from Ohio [Mr. BEGG] asking for a rule, not to make a bill in order that came from the District of Columbia Committee but to make in order an entirely different special bill of his own that he had introduced as a substitute, if you please. Mr. BEGG is not a member of the District Committee. Not a member, I say not one of the 11 Republicans and not one of the 9 Democrats on the committee appeared there in behalf of any rule to make in order Mr. BEGG's substitute, but Mr. BEGG, an outsider, appeared and asked the committee to give a rule to make in order not District legislation from the District of Columbia Committee but a certain substitute of his own that embraced District legislation that should be first considered by the District Committee, and in that connection there appeared before the Rules Committee this morning four members of the District of Columbia Committee urging them not to give a rule.

Four to nothing, it was. There was Mr. UNDERHILL. Mr. UNDERHILL appeared, asking them not to give the rule.

Mr. SNELL. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. Yes.

Mr. SNELL. I think you had better state it as it is.

Mr. BLANTON. How was it different?

Mr. SNELL. He said he was in favor of the rule, and that it should be considered and the House should have a chance to vote on it.

Mr. BLANTON. I am going to put his minority report in my remarks to show you. He says, "It is a Bolshevik bill."

Mr. SNELL. Your original statement was wrong, was it not?

Mr. BLANTON. No. My original statement was that he is just as much against that Begg bill as the other. He would vote against the bill.

Mr. SNELL. It is not necessary for you to yell at me in that way. I can hear you without your yelling. Your original statement was wrong.

Mr. BLANTON. No; it was not wrong. You are not going to put that in my remarks, because I did not yield to you for it.

Mr. SNELL. Now will the gentleman yield?

Mr. BLANTON. No; I will not yield for a question, because the gentleman is discourteous.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. Of course, the chairman of the Committee on Rules ought to be courteous if he asks a gentleman to yield. He is chairman of the Committee on Rules.

Mr. SNELL. Will the gentleman yield for a question?

Mr. BLANTON. If it is a courteous question I will yield.

Mr. SNELL. You do not need to yield to me unless you have a mind to.

Mr. BLANTON. I do not yield to the gentleman if he asks it in that way.

I know why Mr. UNDERHILL said what he did. He knew he was going to be "steam rollered." He said if the Rent Commission was to be extended at all he thought it ought to be extended for only a year. But he is just as much against that bill as ever. You read his remarks that I will put in the RECORD. He says it is unconstitutional, in the first place, and it is depriving people of their property without due process of law. He says it is Bolshevistic and ought not to pass.

I am talking to the people of the United States, not to this little handful of Members here. I want this RECORD to go out to the people of the United States to see what Congress is pushing down their throats by a rule. The people read the RECORD. Forty thousand of them will read this RECORD. They will find out what you are doing.

Mr. WEFALD. Mr. Chairman, will the gentleman yield there for a question?

Mr. BLANTON. Yes; because I know the distinguished gentleman will ask a question that is pertinent.

Mr. WEFALD. Does the gentleman think that the country is going to believe that the committee is going to pass out a rule that will foster Bolshevism?

Mr. BLANTON. Yes, sir.

Mr. WEFALD. Thank you.

Mr. BLANTON. You know why? They would not have done it until lately. But we have two delegations here now that are running things, Wisconsin and Minnesota. The newspapers say that they have formed a bloc to pass this piece of bolshevistic legislation, and with two whole State delegations forming a bloc, God knows what is going to become of the Rules Committee.

Mr. WEFALD. That means they have captured the Rules Committee?

Mr. BLANTON. Of course they have got a generalissimo on the Rules Committee.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, may I have two minutes more?

Mr. BUCHANAN. Mr. Chairman, I yield to the gentleman two minutes more.

Mr. BLANTON. You have got your main generalissimo of your bolshevistic delegation on that committee. He is a fine man, however, and he has courage, and he has got the guts to vote for many things that are right.

Mr. WEFALD. Then if the gentleman is right, the tendency of Congress is bolshevistic?

Mr. BLANTON. They are continually passing laws of a bolshevistic character that our forefathers never dreamed of when they framed the Constitution. I ask my colleagues to read every word that I shall put in the RECORD to-night in regard to this matter. I want you to see the different position that the gentleman from Ohio [Mr. BEGG] took in 1919 on this bill. He was a distinguished statesman then. He said the wildest Bolshevik in the United States would not propose legislation as wild as this was, and for help he yielded to our friend from Maine [Mr. HERSEY]. I wish you would read the sound doctrine he gives.

Read Mr. HERSEY's speech. He had Mr. Moon's speech before us and quoted wise advice from that splendid statesman from Tennessee whom we used to have here. I want you to read what Mr. Moon said about it then—bolshevistic doctrine that would sooner or later destroy the Constitution of the United States if it were kept up. [Applause.]

From a personal standpoint, I know that every Member of Congress feels that he has been outraged and robbed by the landlords of Washington. All of us have paid more rental than we should. All of us have been imposed upon. It is human nature to want to get even. It is human nature to want to hit back at them. But as legislators can we afford to do it? Can we afford to be guided by personal spleen and animosity?

I know that the Rent Commission has lowered the rental of some prominent Congressmen and some prominent Senators. And it is charged that the Rent Commission has raised the rental on other tenants who are not persons of influence. If the Rent Commission has lowered the rent for any of us, are such Members in a position to vote on this question wholly without bias and without prejudice? No judge or juror can sit in a case where he has had the slightest pecuniary interest, or where he has the slightest bias in favor of or prejudice against any of the parties whose interests are involved.

THE SOLE QUESTION

There is but one question. Is this proposed legislation wise, and is it needed? That is what we must answer to the country. Is a rule needed? In asking for reasonable debate, were the opponents unreasonable? And in denying all debate, were the proponents unreasonable? And is the bill so important that it should displace other legislation?

Let us look to the record of Congress and to previous positions on this question taken by leading statesmen of the country. I find none stronger against the principle of it than that so logically taken and expressed by the gentleman from Ohio [Mr. BEGG] in October, 1919. The Rent Commission bill had gone to conference and the conferees had put into it provisions that shocked this expounder of the Constitution from Ohio. On October 4, 1919, the following occurred:

RENTS IN THE DISTRICT OF COLUMBIA

Mr. HAUGEN. Mr. Speaker, I call up the conference report upon the bill H. R. 8624, to amend an act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supplies, and controlling the distribution of food products and fuel," approved August 10, 1917.

The SPEAKER. The gentleman from Iowa calls up a conference report upon the bill H. R. 8624, which the Clerk will report.

The Clerk reported the title of the bill.

Mr. BEGG. Mr. Speaker, I reserve all points of order against the bill and each section thereof.

The SPEAKER. The gentleman from Ohio reserves all points of order.

I quote certain excerpts from positions then taken, illustrative of the fact that not only the winds, but statesmen from Ohio as well, radically change from straight ahead to right about face.

WHAT MR. BEGG SAID IN OCTOBER, 1919

Mr. BEGG. Mr. Speaker and gentlemen of the House, * * * I have had some experience in going about this city in trying to find a home in which to keep my little family. I visited no less than 50 or 60 apartments. The prices that they ask for a little four or five room apartment is twice as much as it is in New York City or Chicago, and on investigation and in going to the bottom of the thing I have discovered in every single instance it it not the individual who has his dollars invested in the property with whom you deal, but almost always some irresponsible agent who has leased the property prior to this time and now he is holding it out for subleasing. I should like to pass this bill with an amendment so as to kill the sublessor of this city instanter. [Applause.] As this bill is drawn the sublessee has tenure of life for three more years. As this bill is drawn the owner of the property surrenders his control as to who shall occupy it; and I do not believe this Congress has gone so far astray or has become so blinded to the sacredness of property rights that it is willing to surrender a man's control of his property to an irresponsible sublessor for a period of three years. I can cite you instances in this town where I tried to find a home for myself where the owners of the property have had arbitrarily taken over from them the control of their property, and have had arbitrarily forced upon them a contract of lease to an irresponsible sublessor for 30 apartments in this apartment house, and this sublessor is paying $65 a month and has furnished those apartments with a lot of cheap furniture, and I will guarantee to furnish every single apartment she has in there at $500 per apartment, and I will make money, and this woman is subleasing those apartments for $175 a month and is having them filled by transients.

* * * * * * *

I know that the proponents of the bill will come in and say to us, well, this commission and this bill prevents subleasing for any more than the amount paid by the lessor unless you get specific permission of the commission. Now, I grant that is true in this bill, but I ask you men, most of whom are attorneys, how long will it take the legitimate owners of this property of which I am speaking—and it is only a specimen of a condition—how long do you think it will take them to get control of their own property away from this sublessor if they have to go through the hands of the commission and then it is carried on appeal to the courts of the District of Columbia?

Why, they will be in control of that property for a longer time than this law is written for—three years. * * * If I rent a property for a family residence, and the man converts it into a boarding house, I maintain that the sacredness of property rights ought to permit me to dispossess him at the end of the contract period I have rented it for.

* * * * * * *

Let me show you what happens when a sublease has control of a number of apartments against the owner's will, if you please. The contract being forced upon the owner of the property is not a contract, according to the definition given to us in all the books of law, to the effect that a contract means the mutual agreement of two minds getting together on a proposition for a specified time. That is not the condition in this city to-day with these sublettors under the law as it is written, because the owners of the buildings do not want to sublet; they do not want to dispossess the bona fide people that are in there, if they are the right kind of people. But I maintain, * * * we are going too far when we say to the property owner "You shall have no right to discriminate as to the kind of people that live in your building."

The SPEAKER. The time of the gentleman has expired.

Mr. BEGG. Mr. Speaker, may I have a couple of minutes more?

Mr. HAUGEN. I would be very glad to grant it, but there is such a demand for time——

Mr. BEGG. I would like to have two minutes more.

Mr. HAUGEN. Go ahead.

Mr. BEGG. Here is what happens: The subleasers are not caring at all about the damage to the property. All they are after is the rent. In order to keep every one of those apartments full all the time, they will rent to anybody who comes along. Now, if you have rented property at home, you know that some tenants will turn that property back to you in as good repair as it was in when given to them, while other tenants will take that property and the damage they will do to it will offset all the income that you have received from it. * * * I am after cases where the owners of the property have had the control taken away from them by the sublessor, and who is in control of a number of new houses in this town, and is filling them with all kinds of riffraff just so they pay the rent. The moral tone of some of these apartments has been lowered, and the caliber of the house has been degraded, and all because the owners have no redress or recourse. If they take it up with the occupants, they say, "We are not renting from you. What are you going to do about it?" I say that it is a pernicious proposition to take the control of the property away. You are not dispossessing the rightful occupant, but the man who has got his dollars invested and who ought to have something to say if property rights mean anything in this country any more.

BEGG POINT OF ORDER

And the gentleman from Ohio [Mr. BEGG] made a point of order against the entire conference report:

Mr. BEGG. Mr. Speaker, I make the point of order that the conferees have gone outside of their jurisdiction and have included new matter, in that they have taken in rents of lands and services.

The SPEAKER. Will the gentleman specify in what particular?

Mr. BEGG. I will take first section 118. They have absolutely taken away all control of the individual over his property, and they so admit in their statement, in which they say:

> "This section prohibits subletting at an advanced rate of charge without the consent of the commission. This varies the Senate amendment, which prohibited all subletting without the consent of the owner or of the commission."

They have absolutely taken away all the rights of the owner in this bill that they are submitting, and it is not the result of a compromise or a conference.

SPEAKER SUSTAINED POINT OF ORDER

From the extended debate that followed, let me quote the following excerpts from Mr. Walsh, than whom there was no better parliamentarian in the House.

Mr. WALSH. * * * It is hitched up and conjoined with the service agreed to be furnished therewith or required by the commission. I read further:

"The term 'service' includes the furnishing of lights, heat, water, telephone or elevator service, furniture, furnishings, window shades, screens, awnings, storage, kitchen, bath and laundry facilities and privileges, maid service, * * * making all repairs suited to the type of building or necessitated by ordinary wear and tear."

Clearly under that definition where the "rental service" means not only the land, buildings, and services, vacant land can not be included, and neither can agricultural land be included, because under the definition, which includes lands, building, and service, they do not need maid service for agricultural lands nor elevator service.

The SPEAKER. Does the gentleman mean to indicate "service" necessarily means all of those?

Mr. WALSH. All or any of them.

The SPEAKER. Suppose it is water. Vacant land might need water.

Mr. WALSH. But, Mr. Speaker, it says—

* * * "and any other privilege or service connected with the use or occupancy of any rental property, apartment, or hotel."

If the Chair will read the entire Senate amendment and the entire report which the conferees have submitted upon that amendment, he will see that the whole purpose of this is to control and regulate the use of property for dwelling purposes.

MR. BEGG FORCED SPEAKER TO SEND BILL BACK TO CONFERENCE

The SPEAKER. Then to save time the Chair is ready to rule.

The Chair appreciates the importance of sustaining a conference report, and the Chair has been anxious from the beginning here to be able, preserving his mental integrity, to rule that this conference report was in order. But presuming the authority of the rules of the House is more important than the inconvenience of sending a bill back to a conference, the Chair stated in the beginning of the discussion the difficulty which occurred to the Chair, hoping that that difficulty would be met and removed by argument. The Chair regrets to say that that difficulty still confronts him and seems insuperable. The gentleman from Massachusetts [Mr. Walsh] stated correctly that the question at issue is whether the conference report has gone beyond the subject matter of the Senate amendment. * * * It broadens the scope of the Senate amendment by an entirely distinct subject matter, it seems to the Chair; and so the Chair feels constrained to sustain the point of order.

Mr. JOHNSON of Kentucky. Mr. Speaker, for the purpose of ascertaining the judgment of the House, I respectfully appeal from the decision of the Chair.

The SPEAKER. The gentleman from Kentucky appeals from the decision of the Chair.

Mr. Walsh and Mr. Campbell of Kansas moved to lay the appeal on the table.

The SPEAKER. The motion is made to lay the appeal on the table. The question is on agreeing to that motion.

The question was taken, and the motion to lay the appeal on the table was agreed to.

BECAUSE HOUSE HAD NOT HAD CHANCE TO PROPERLY DEBATE IT

Thus it will be observed that because a proposition was put on a bill by the Senate which the gentleman from Ohio believed was taking away the rights of property owners and which the House had not had time to properly debate, Mr. BEGG tied up the whole proceeding with a point of order and forced the bill to be ordered back to conference by the Speaker.

AND THEN WHAT HAPPENED

The committee did just exactly what the gentleman from Ohio [Mr. BEGG] is now doing; it went before the Rules Committee and persuaded the Committee on Rules to grant it a rule to make the conference report in order despite Mr. BEGG's point of order. And the Rules Committee granted the rule, for let me quote from the RECORD of October 11, 1919, to wit:

FOOD PRODUCTS, FUEL, AND RENTS (H. RES. 329)

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

"House Resolution 329

"*Resolved*, That immediately upon the adoption of this resolution the House shall proceed with the consideration of the conference report agreed upon by the managers on the disagreeing votes of the two Houses on H. R. 8624, being an act to amend an act entitled 'An act to provide further for the national security and defense by encouraging production, conserving the supply, and controlling the distribution of food products and fuel,' approved August 10, 1917. That all points of order on said conference report shall be considered as waived. That there shall be one hour of debate, to be divided equally between those favoring and those opposing the conference report. That at the conclusion of debate the previous question shall be considered as ordered upon the conference report, without intervening motion except one motion to recommit."

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The gentleman from Kansas [Mr. Campbell] is recognized.

Mr. CAMPBELL of Kansas. Mr. Speaker, the rule I have submitted makes in order the consideration of the conference report on the bill from the Committee on Agriculture. * * *

LEADERS PLEDGED THAT NO OTHER SUCH RULE WOULD EVER BE GRANTED AGAIN

Mr. CAMPBELL of Kansas. * * * I do agree with the gentleman from Tennessee [Mr. GARRETT] and with others that this is not the proper way to legislate, and that conferees should not be encouraged to bring in legislation in conference reports that has not been considered by either House. * * * We are all almost worn to a frazzle. The House is tired; the Senate is tired; and if we keep on the country will be tired of what we are doing. It is important that we conclude our business at the earliest date possible, and it is important that the subject matters considered in this conference report be adjusted before Congress takes a recess or adjourns.

Mr. BEGG. Will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. Yes.

Mr. BEGG. Assuming that what he has just said is exactly the truth, is that any justification for passing legislation at this time and at this moment?

Mr. CAMPBELL of Kansas. I am not justifying the passage of the legislation. I am justifying the right of the House to dispose of the matter one way or the other, and do it finally.

SOUND POSITION OF PRESENT MINORITY LEADER

Mr. GARRETT of Tennessee. Mr. Speaker, * * * for the convenience of the conferees we are asked to take this extraordinary method of passing a rule which prevents the House from considering legislation, in any proper sense of that term, that the conferees have themselves put into this bill. I am opposed to that. It involves a dangerous principle of legislation, and in this particular matter, as a practical proposition, it is worse than even that of yesterday, and for this reason: Let gentlemen recall the history of the legislation which is really in dispute here, namely, the rent legislation applying to the District of Columbia. That has not been before this body in any form for actual consideration. What occurred? The food bill reported from the Committee on Agriculture and passed by the House was sent to the Senate. There, under some sort of peculiar rules, which I do not understand—the gentleman from Missouri, the former Speaker of this House, once expressed it, probably very accurately, when he said that that body had no rules and did not observe what they did have—but under some sort of rule they take up a bill concerning rents in the District of Columbia and put it on an agricultural bill. That comes back to this body. And what occurs? The amendments are disagreed to informally, theoretically considered, but practically never read to the House. No chance to amend, no opportunity to perfect that legislation. And in that crude form it goes to conference, and the conferees find themselves in a condition where to give vitality and vigor to the very purpose or supposed purpose of the other body they must change the language of that particular bill or that particular part of the bill that was in dispute. * * * I am pleading for the integrity of legislative procedure; I am pleading for the opportunity of this House to pass upon this legislation in a way that it would have the opportunity to amend it if in its wisdom it thought it was desirable to amend it. That opportunity does not exist here now, because this conference report must be voted up or down as a whole, and there is no chance to place upon this legislation any amendment, however germane it may be or however desirable it may be. Against this sort of policy I protest. I realize that it is futile now, probably, so far as this particular rule is concerned; but I desire to give my support to the notice which the gentleman from Kansas [Mr. Campbell] served upon the House yesterday, which he has reiterated again to-day, and I desire to assure him that he will have my support in the future against rules of this character.

MR. BEGG CONTROLLED TIME OF OPPOSITION

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for a vote on the resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. Accordingly the Clerk will report the conference report.

Mr. BEGG. Mr. Speaker, I desire to speak in opposition to this bill.

The SPEAKER. The Chair recognizes the gentleman. The rule provides that there shall be one hour's debate, to be equally divided between those favoring and those opposed to the report.

Mr. BEGG. May I inquire for what time the Speaker recognizes me?

Mr. WALSH. I ask unanimous consent that the gentleman from Iowa [Mr. HAUGEN] may control 30 minutes in favor of the report and the gentleman from Ohio [Mr. BEGG] 30 minutes against it.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the gentleman from Iowa [Mr. HAUGEN] control 30 minutes in favor of the report and the gentleman from Ohio [Mr. BEGG] control 30 minutes against it. Is there objection?

There was no objection.

Mr. BEGG. Mr. Speaker, * * * I think I have possibly been misunderstood in my attitude in opposing what I believe to be vicious legislation. * * * Under the guise of the emergency that seems to exist, I honestly fear that instead of alleviating the conditions that confront us in the District of Columbia to-day they have only created the machinery that will either cause this law to be declared unconstitutional by the courts of the District of Columbia—which I am very frank to say, not as a lawyer but as a layman, I think will happen—or else I can see nothing other than the creation of the machinery to prolong in power the subletter, who is the very individual that is the curse of the District of Columbia to-day. In spite of all that has been claimed for this act, you have not given the subletter the death blow which he so richly deserves. You have created the machinery whereby you have robbed the legitimate, honest, bona fide investor in real estate in this town; and if you can do it in the city of Washington, you have certainly set a precedent that is going to confront you in other cities in the United States. You have robbed the legitimate owner of property, whether he be the owner of a thousand-dollar cottage or a million-dollar apartment house, of the control of his own property. You have taken it away from him and given it to the subletter.

WILDEST-EYED BOLSHEVIST WOULD NOT ADVOCATE WILDER DOCTRINE

What is a lease? The word "lease" is used repeatedly in this bill. Now, if it is anything, it is a contract. I will submit to the lawyers of this House if that is not a fair statement that will stand in any court. A lease is a contract. Any contract, in order to get recognition in any court, must be founded on the fundamental and basic principle of a coming together of two minds on some subject for a consideration, for a limited time. That is a contract; and if this bill does not destroy the contract and give the lessee unlimited time, in violation of the will of one party to the contract and the mutual agreement with the lessor, then I can not read the English language. Why, the wildest-eyed Bolshevist that ever spoke from a soap box in the city of New York never advocated any wilder doctrine than this; and I want to say to you men that you will be confronted with this same proposition when you go to your homes, with having set up a precedent for taking away from a property owner the right to determine who shall live in his house. * * * In the name of God, men, does the property right founded in the Constitution and the bill of rights of the Constitution mean anything, or can you legislate it away? The only excuse that the proponents of this bill have is that they say the property owners of the District of Columbia are a bunch of thieves and robbers, and that they do not deserve any consideration or any rights. I challenge you men who are in favor of this bill in this form to go back home and pass such a bill for your State. If you do, you will never get another vote from any man who owns property valued at as much as $500. If there is a thing that America is going to be confronted with—and it is going to be the dead line inside of five years' time—it is a showdown between the man who through industry and perseverance and economy has saved out of a mere pittance enough to acquire something, and the profligate and the waster who has spent his all and to-day has nothing. I know what it means to be poor. I have always been poor, and I have rented nearly every year of my life. I expect to rent every day that I live in Washington, and I have not a dollar to-day other than that which I have earned by hard work and the economy of my wife and my children and myself. But do you think I will stand on the floor in the Hall of the United States Congress, or any other spot, and vote away the sacredness of the interest of the man who owns his house as to who shall occupy it? * * *

I submit to every fair-minded man if that is asking anything more than is guaranteed by our Constitution. I stand here to prophesy that the courts will call this law unconstitutional; but, if they do not, I have lost my confidence in the old teaching of the sacred protection that is thrown around every man by that old mantle, the Constitution of the United States. I want to say to you that the fear of being punished does not deter me from defending the sacred principles that I believe made this country what it is to-day.

I want to submit this final question and then I am willing to turn over some time to some other gentleman: Who made this country to-day what it is, from the time of the adoption of the Constitution until now? Was it the man who was industrious, the man who saved, the man who acquired, or was it the other element of society? Think it over. Now, will you take away from him one of the fundamental rights guaranteed by the Constitution of the United States, and make that first step in the Capital?

NOT AFRAID OF VOTELESS WASHINGTON, BUT WOULD NOT VOTE IT ON HOME FOLKS

The reason, and I do not have any hesitancy in saying it, why some of you are so ready to take it away from the people of the District of Columbia is because you think they can not get after you. They do not have a vote. You will not go back to your homes and talk that kind of stuff that you are now talking on the floor of the House.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. BEGG. I will.

Mr. HUDDLESTON. In line with what the gentleman has just said, permit me to call his attention to the fact that the Committee of the Whole House in considering this bill originally voted by a vote of seventy-odd to about sixty to incorporate an amendment to apply this same principle against which the gentleman complains to the whole United States. That is to say, we adopted an amendment which included rentals and made it a crime for the tenant or owner to charge more than a reasonable rate for the premises, and it was applicable to the whole United States.

Mr. BEGG. I have no quarrel with the man who wants to fix a price where the law of supply and demand can not function properly. But when it comes to saying to the owner you shall let John Jones occupy your premises instead of Sam Smith, you are transgressing the sacredness of property rights.

Mr. HUDDLESTON. But the gentleman said we would not dare to go home and make that kind of talk. I want to call his attention to the fact that the majority of the Committee of the Whole did do it.

Mr. BEGG. But it is not on the statute books.

Mr. HUDDLESTON. No; it did not pass in the House, but at least 79 Members of the House were willing to "talk that kind of stuff" with reference to the people at home.

Mr. BEGG. I would suggest to the gentleman from Alabama that he go home and work for that in his legislature and see what happens after the public understands what he is doing.

MR. BEGG'S SUPPORTING SPEECHES

Now, remember that the gentleman from Ohio [Mr. BEGG] controlled the entire time in opposition, although he was not a member of the committee. He could yield his time to such Members as he wished to speak. It is presumed that he would yield to those who most strongly supported his position. Now let me quote a few excerpts from the remarks made by some of Mr. BEGG's supporters, to whom he yielded:

MR. BEGG YIELDED TO MR. HERSEY, OF MAINE

Mr. HERSEY. Mr. Speaker and gentlemen of the House. * * * I do not understand how it was possible for the conference committee to secure from the Rules Committee the necessary power to deprive the House of the right to give proper consideration to new and important legislation. It will not happen again, we are informed, for the able chairman of the Rules Committee, the gentleman from Kansas [Mr. Campbell], in presenting the rule apologized for the rule and said he would never do it again. This is his statement from the RECORD:

"Mr. CAMPBELL of Kansas. I agree with the gentleman from Tennessee [Mr. GARRETT] and with others that this is not the most desirable procedure on a conference report, and I want to serve notice now upon conferees that they must not bring conference reports to the Committee on Rules with a request that their provisions be made in order contrary to the ordinary rules of the House."

Mr. Speaker, in the few moments I have remaining I want to bring before you some of the features of this vicious and unconstitutional rent bill. What does this "Ball rent bill" propose?

It provides a court composed of three commissioners, to be known and called "the rent commissioners of the District of Columbia," to be appointed by the President, to hold office for three years, and receive each a salary of $5,000 a year. The commission shall appoint a secretary, who shall receive a salary of $3,000 a year, payable in like manner; it may appoint and remove such officers, employees, and agents and make such expenditures for rent, printing, telegrams, telephone, law books, books of reference, periodicals, furniture, stationery, office equipment, and other supplies and expenses as may be necessary to the administration of this Ball rent bill.

The assessor of the District of Columbia shall serve ex officio as an advisory assistant to the commission, but he shall have none of

the powers or duties of a commissioner. The assessor shall receive a salary of $1,000 per annum, payable monthly, in addition to such other salary as may be prescribed for his office by law.

The only qualifications required of these commissioners is that none of them "shall be directly or indirectly engaged in, or in any manner interested in or connected with, the real estate or renting business in the District of Columbia." In other words, this court shall be made up of renters; owners of real estate are disqualified. I would like to have a photograph of this bunch of irresponsibles that exercise arbitrary power and control over all private property in the District of Columbia.

Now what is the jurisdiction and power of this Rent Commission? I have only time to call your attention to a few of the many arbitrary and unconstitutional powers granted to this court over the 470,000 persons that live in the District of Columbia.

These rent commissioners have by this Ball rent bill full control and authority over all the rental property, land or building or part thereof, in the District of Columbia, rented or hired and the service agreed or acquired by law or by determination of the commission to be furnished in connection therewith, hotels or apartments. Also over the tenant, subtenant, lessee, sublessee, or other person, not the owner, entitled to the use or occupancy of any rental property, hotel, or apartment. Also over any hotel or apartment, or part thereof, in the District of Columbia, rented or hired, and the land and outbuildings appurtenant thereto, and the service agreed or required by law or by determination of the commission to be furnished in connection therewith. Also over the owner, lessor, or sublessor, or other person entitled to receive rent or charges for the use or occupancy of any rental property, hotel, or apartment, or any interest therein or his agent. Also over the service, furnishing of light, heat, water, telephone or elevator service, furniture, furnishings, window shades, screens, awnings, storage, kitchen, bath and laundry facilities and privileges, maid service, janitor service, removal of refuse, making all repairs suited to the type of building or necessitated by ordinary wear and tear, and any other privilege or service connected with the use or occupancy of any rental property, apartment, or hotel.

Further, the commission or any officer, employee, or agent duly authorized in writing by it, shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any books, accounts, records, papers, or correspondence relating to any matter which the commission is authorized to consider or investigate; and the commission shall have power to require by subpœna the attendance and testimony of witnesses and the production of all such books, accounts, records, papers, and correspondence relating to any such matter. Any member of the commission may sign subpœnas, administer oaths and affirmations, examine witnesses, and receive evidence.

This new court for the District of Columbia provides and furnishes an attorney free of charge for the benefit of the tenant and pays all his costs in the lawsuits in all matters of rents and real estate and contracts with real estate owners; but the owners or landlords get no free services or benefits, but pay the costs of the proceedings before a court organized to look after the interests of the tenants only.

This prejudiced court has the power and authority to make its own rules of procedure, and at the hearing or trial they are not even bound by the usual and ordinary rules of evidence. Trial by jury, provided and guaranteed by the Constitution, is denied to the owners of real estate. They are to be robbed of their property without a jury trial and in total disregard of the rules of evidence.

From the decision of these autocratic commissioners on a question of fact there is no appeal. They shall fix and determine the amount of rent charges and services and all the terms and conditions of a lease or other contract for the use or occupancy of any rental property, hotel, or apartment, and from their decisions there is no appeal. They can change all contracts and leases of real estate in the District, permit the tenant to sublet in violation of his contract, and when the lease has expired and the tenant, under his contract, has no further right to occupy the premises this commission is authorized and empowered, against the wish of the landlord, to extend the lease for two years more, and from this decision there is no appeal.

And this is not all. This unconstitutional commission shall make all contracts between landlord and tenant in the District of Columbia; they draw the forms, agreements, covenants, and terms between the parties and provide that no other forms shall be used and no other contracts or agreements made by the owners of real estate under a penalty of a fine not exceeding $1,000 or by imprisonment for not exceeding one year, or by both.

Under this Ball rent bill these commissioners have power and authority within the District to demand that the owner of every hotel or apartment shall file with the commission plans and other data in such detail as the commission requires, descriptive of the rooms, accommodations, and service in connection with such hotel or apartment, and the commission shall determine and fix the rates and charges for such rooms, hotel or apartment, for two years, and from this decision the owners of the real estate shall have no appeal.

Such a despotic use of unbridled power is clearly unconstitutional, and the authors of this so-called Ball rent bill know it; but they seek to escape by invoking the war powers of the Constitution after the war is ended. They say:

"SEC. 122. It is hereby declared that the provisions of this title are made necessary by emergencies growing out of the war with the Imperial German Government, resulting in rental conditions in the District of Columbia dangerous to the public health and burdensome to public officers and employees whose duties require them to reside within the District and other persons whose activities are essential to the maintenance and comfort of such officers and employees, and thereby embarrassing the Federal Government in the transaction of the public business. It is also declared that this title shall be considered temporary legislation, and that it shall terminate on the expiration of two years from the date of the passage of this act, unless sooner repealed."

In the meantime the courts will declare this vicious Ball rent bill unconstitutional. These three wise commissioners will lose their jobs and salaries and be forced to seek some honest employment and pay a reasonable rent and be bound to keep their contracts. Property rights will still be held sacred at the Capital of the Nation. Congress will recover from its hysterical condition and legislate in a sane and lawful manner, and the good people of the District of Columbia, although they have no vote, will still be entitled to "life, liberty, and the pursuit of happiness."

QUOTED JUDGE MOON, OF TENNESSEE

And in the time of the gentleman from Ohio [Mr. BEGG], the gentleman from Maine [Mr. HERSEY] then quoted the remarks made a few days previous by one of the wisest sages then in the House of Representatives, our former lamented colleague, the very distinguished jurist, parliamentarian, and statesman, Judge Moon, of Tennessee, whose sound speech Mr. HERSEY offered in support of Mr. BEGG, to wit:

Mr. MOON. Mr. Speaker, I am not concerned in the ad hominem arguments that have been made to-day. But I believe this bill to be thoroughly unconstitutional in every way, and therefore I would not support it under any circumstances. It is an invasion of the rights of property that the Constitution does not authorize. To say that Government employees must be housed does not carry with it the right to say to the citizen that he shall furnish the housing at such figures as a commission may fix. You may take private property for public uses and public purposes, but I deny the right under the Constitution of this Congress to take private property of a citizen and turn it over at figures fixed by a commission in the interest of another citizen.

When you have said that the man who owns a piece of property has no longer the right to control it, has no longer the right to say who shall occupy it, no longer the right to say what the price shall be, it is such an invasion of the private rights and interests of a citizen as comes directly in conflict with the provision of the Constitution that guarantees the protection of property in this country.

It is a beginning of that system of legislation, the fixing of rates and prices about everything, that you will find the most dangerous and pernicious that has ever been undertaken. There should be general laws controlling all things, but when the Congress goes down to the private citizen and says you shall handle your property this way, that you shall fix this price and no other, Congress has assumed an undertaking that it can not very well carry out.

I insist, Mr. Speaker, that the best interests of this country require that life, liberty, and property under the Constitution shall be protected by the Congress, and you shall not pass any of these Bolshevik laws affecting the property rights of the people of this country. If I own a house, have I not the right to say who shall go into it; if I want to rent it, shall I not have the right to say what the price shall be; if I want to leave it vacant, have I not the right? What right have you under the Constitution to destroy the rights of property which the law gives the citizen? It is an infamous suggestion. [Applause.]

In the three minutes I have I can not discuss this bill nor the constitutional limitations on the powers of Congress in time of war or peace on the questions involved. The mere statement that no power can be found in the Constitution to force the citizens of the District of Columbia to make unwilling contracts as to the use of their property ought to be sufficient for all just men to oppose this measure. Congress can not impair, by express terms of the Constitution, the obligations of contracts in the State, and under the spirit of the Constitution it can not make contracts for the private citizen to accommodate another private citizen in the District of Columbia, however desirable it might be to reduce rents. If it can be done as to rents, it can be done as to all things; and you become the masters and not the servants of the people, and you rule the District as only masters can rule slaves.

POSITION OF MR. UNDERHILL, OF MASSACHUSETTS

Our colleague from Massachusetts [Mr. UNDERHILL] is a member of the District Committee. He has given close study

to this question. He filed a minority report against this proposed legislation. I want our colleagues to carefully note the reasons he gave for opposing the extension of this Rent Commission, which I now quote:

Mr. UNDERHILL, from the Committee on the District of Columbia, submitted the following minority report:

"We respectfully dissent from the majority report favorably reporting H. R. 7962 and will as tersely as possible state reasons:

"1. Such a law as this is utterly incompatible with and destructive of the liberty of contract. It carries Government intrusion into and control over purely private affairs to the point of intolerance. If persisted in and insisted on as a fixed principle in our policy, it means a Government paternalism that bespeaks the end of business freedom.

"2. Even the most that its advocates ever claimed for it is that it was made necessary by the exigencies of the late war. Such was the reason assigned in the majority opinion of the Supreme Court sustaining the original law. (256 U. S. 135; 10 L. R. A. 165; 41 Sup. Ct. Rep. 458.) The Government was under the necessity of housing an unprecedented number of new emergency employees necessary to do the Government business in the carrying on of the war. Such was the condition which for the moment impressed rental property in Washington with a public interest. With the passing of the war passed all possible reason or justification for such a law.

"The vigorous dissenting opinion of Mr. Justice McKenna and his three associates, including the Chief Justice, clearly demonstrated the fallacy of the majority opinion, and that necessity, however great, can never justify the appropriation of private property except through the agency of eminent domain which legally implies proper compensation.

"The dissenting opinion also maintains to the satisfaction of the candid mind that the so-called police power can never be exercised against an individual or his property in the teeth of express constitutional prohibitions.

"Only two members of the court participating in the majority opinion are now on the bench. Three of the four dissenting judges are fortunately still in the judicial service of the Nation. The new judges who have mounted the bench since that opinion was handed down, if one may judge by their previous professional connections, are not likely to align themselves with the pronouncement of Mr. Justice Holmes, but may be expected to support the sane American principles enunciated by Mr. Justice McKenna. We confidently assert that the present court will repudiate the opinion of Mr. Justice Holmes at the very first opportunity and relieve the community of the baneful effects which ensued and still exist as a result of that judicial pronouncement.

"3. Such principles as are found in this act and find expression in the majority opinion referred to above are abhorrent to any lover of American liberty. They should not receive the further deliberate sanction of the legislative assembly. We should emancipate business, not further enslave it."

POSITION OF MR. JOST, OF MISSOURI

Our distinguished colleague from Missouri, Mr. JOST, was mayor of Kansas City, Mo., for a number of years. He has had much experience in dealing with municipal problems. He is a hard-working member of our District Committee. I quote his position against this proposed legislaton, as follows:

Mr. JOST. Mr. Chairman and gentlemen, I do not know whether gentlemen have given attention to this bill or not, but I am sure that the average man in this House, if he has read this proposed original measure and applied his common sense to it, will not vote for it. [Applause.]

It is the most remarkeable burden that has ever been imposed by any legislative assembly upon the use of property in this Nation. [Applause.] There is not another parallel in all the length and breadth of this land, under any jurisdictions which comprise this Union, where such arbitrary interference with the right of property has been interposed.

This is the most un-American measure that ever found its way into any American assembly. The last place in which it should be asserted is this high council of the Nation. [Applause.]

I am not afraid for my country, men, when the bugles are sounding and the echo comes through the hills and valleys of men marching with martial step and holding that flag aloft in defiance of the world, because when we are awake and alert there can be no danger; but I am afraid in times of peace like this and in places of quiet like this, when some theorist, well meaning though he may be, brings forward some specious and showy article with which he tries to displace the jeweled doctrines of our fathers and turn us over to a sovietism which will ultimately destroy the very essence of American freedom and liberty. [Applause.] There can be no freedom in this country if this kind of legislation is to be placed and kept on our books.

I am pleading with you, men; nay, I beg you to look into this. Truth does not need to be borne along by dark-lantern methods. If this bill be good, it will bear the sunlight of discussion.

I will say this: There was just one excuse for this legislation in the first place and just one excuse assigned by the majority opinion of the Supreme Court of the United States. The court held the act constitutional because we were engaged in a war and had to import and bring into the city of Washington an unprecedented number of employees to handle the public business, and the Government had to house those employees. It was on that basis, and on that basis alone, that Justice Holmes, writing the majority opinion, said, and I quote his language:

"That the provisions of Title II are made necessary by emergencies growing out of the war, resulting in rental conditions in the District dangerous to the public health and burdensome to public officers, employees, and accessories, and thereby embarrassing the Federal Government in the transaction of the public business."

That was the reason why this law was first approved by the court, but even under that pressing necessity four justices out of the nine said there could never be any necessity, no matter how great, which would override the plain mandate of the Federal Constitution. [Applause.]

I want to say this to the gentlemen who think that they can by virtue of their power put this law upon the books; and I want to say this to you men on this side [Republican] of the House: Whatever may be said of the late President, he made some grand contributions to the supreme judicial tribunal of this Nation. He made some fine nominations—Butler, Sanford, Sutherland, and our own inimitable Taft. Not one of them will ever by their judicial pronouncement O. K. the socialist doctrine that is contained in this majority opinion; and I want to say to my good friend from North Carolina [Mr. HAMMER] that even before Thomas Jefferson penned his immortal declaration the first notes of American liberty rang over tree tops and through the vales of North Carolina, and that is the last place from which a doctrine like this should receive support.

Listen to this. Here is what these four dissenting judges say:

"The grounds of dissent are the explicit provisions of the Constitution of the United States; the specifications of the grounds are the irresistible deductions from those provisions, and we think would require no expression but for the opposition of those whose judgments challenge attention."

We should overthrow this proposition. Why, men, of what moment were the upturned faces on Lexington field; what does the constructive labor of Marshall and the splendid and gripping eloquence of Webster matter; what was the use of the vast expenditure of blood and tears in the sixties and the heartaches and the supreme sacrifices of the last world strife, if American liberty is simply to be an empty phrase and not a thing of substance? [Applause.]

WORTHY SUBSTITUTE PROPOSED BY MR. JOST

And the gentleman from Missouri [Mr. JOST] offered a splendid substitute for this Bolshevist measure, which substitute would put out of existence any and all unlawful combinations formed for the purpose of keeping up rents, to wit:

The Clerk read as follows:

Mr. JOST offers the following substitute for H. R. 7962:

"A bill (H. R. 7962) making it unlawful to conspire to fix rental values of real estate, or to enter into or become a party to any agreement or understanding, with a view of preventing or lessening competition in the renting of real estate, or to fix rents, within the District of Columbia, and providing punishment therefor.

"*Be it enacted, etc.*, It shall be unlawful for any corporation, firm, or individual to enter into or to become a party to any contract, agreement, or understanding, or in any manner whatsoever to confederate, combine, and act with another or others, for the purpose and with the design of lessening or preventing, or tending to lessen or prevent, full and free competition in the renting of real estate, or to fix rents within the District of Columbia.

"SEC. 2. Any corporation, firm, or individual convicted of violating the provisions of this act shall be punished by a fine of not less than $50 nor more than $500 or by imprisonment not less than 30 days nor more than 1 year, or by both such fine and imprisonment."

Now, why does not the foregoing proposal made by Mr. JOST meet all present necessities? It would break up every unlawful combination. It meets all requirements. My only criticism of it is that the punishment is not great enough, as the minimum should be a fine of $300 and imprisonment for not less than six months, requiring both fine and imprisonment, which would soon break up all combinations.

WHY SHOULD COMMITTEE ON RULES INTERFERE?

Why does not the Committee on Rules permit the Committee on the District of Columbia to attend to its own business? As said before, not one single member of the Committee on the Dis-

trict of Columbia appeared in behalf of any rule at its hearing before the Committee on Rules this morning. The gentleman from Ohio [Mr. BEGG] was the only person who appeared asking for such rule, and he is not a member of the District Committee. Why should he appear from the District Committee? Is the Committee on the District of Columbia so weak and impotent and incompetent that it can not find some one of its own members to appear in behalf of its majority when its majority wants a rule? Do they have to go to an outsider for help? Must they go to an outsider to find a leader?

FOUR MEMBERS OF DISTRICT COMMITTEE APPEARED AGAINST MR. BEGG

While not a single member of the District of Columbia Committee appeared before the Rules Committee, and Mr. BEGG alone asked for his rule, four members of the District Committee unalterably opposed to the bill appeared before the Rules Committee, stating they were against this bill. And remember that 40 per cent of all of the expenses of this Rent Commission comes out of the Public Treasury, paid by the taxpayers of the whole United States.

PRESENT 60–40 FISCAL RELATION

Under the present system now in force the people of Washington pay a total tax of only $1.20 on the $100, on both real and personal property, with a personal property exemption of $1,000 free of all taxation, and with their property assessed at about half valuation, and the whole people of the United States then pay all the balance of their expenses under this ridiculous 60–40 fiscal system, under which the Government makes numerous appropriations for the District of Columbia local civic matters, in numerous supply bills, where the appropriation is taken out of the United States Treasury 100 per cent.

AFFECTS ENTIRE PEOPLE OF THE UNITED STATES

This is not a bill that affects merely the people living in the District of Columbia. It affects all of the people in the whole United States, for the whole people of the Nation pay 40 per cent of all the salaries of the officers and employees of this Rent Commission and of all of the other expenses of the District of Columbia. And the people of Washington pay a total tax rate of only $1.20 on the $100, assessed at about half valuation, while, counting the State, county, school, and other civic taxes, all of the other cities of the United States, both small and large, pay taxes running from $2.75 to $6 and $7 per $100.

THE OLD SLOGAN HAS WORN THREADBARE

Whenever a Member of Congress seeks to change the unjust system of allowing the people of Washington to pay the ridiculous tax rate of only $1.20 on the $100, the newspapers and citizens' associations immediately resort to their old battle cry—.

That Washington is the Nation's Capital and must be made the most beautiful city in the world; that the Government should pay a big part of the local city expenses because it owns so much property here.

Washington is the Nation's Capital and should be made the most beautiful city in the world, and I will go just as far as any other man through all legitimate and proper means to make it the most beautiful city in the world. Before the Government built all of its fine institutions here Washington was a mere village. Property here was of little value. It is because of the fact that the United States has spent its millions here that has caused some lots to jump in value from $100 to $100,000. Every piece of property owned by the Government in Washington is daily enjoyed by the people of Washington.

The local pay roll of the Government is a bonanza to the merchants and business enterprises of Washington. The Government pays its nearly 100,000 employees in Washington their wages promptly every two weeks in new money that has never been spent before. Chicago, or any other big city in the United States, would gladly exempt the Government from paying all taxes on its property to get it to move its capital to such city.

Because we want to make it the most beautiful city in the world is no reason why the Government should pay for building million-dollar school buildings and employing 2,500 teachers and buying the schoolbooks for the 70,000 school children of the thousands of families living in Washington who have no connection whatever with the Government except to bleed it on all occasions and to grow rich on the Government pay rolls expended here.

Because we want to make Washington the most beautiful city in the world is no reason why the Government should pay for the army of garbage gatherers, the army of ash gatherers, the army of trash gatherers, the army of street cleaners and sprinklers, the army of tree pruners and sprayers, and the street-lighting system for the several hundred miles of private residences owned by rich tax dodgers who have no connection whatever with the Government; nor is it any reason why the Government should pay for their water system, their sewer system, their police protection, their fire protection, for playgrounds for their children, for parks for their enjoyment, for their municipal golf grounds, for their numerous public tennis courts, for their bathing beaches, for their skating ponds, for their cricket grounds, for their baseball and football grounds, for their horseback riding paths, for paving the streets in front of their residences and maintaining and keeping them in repair, for building their million-dollar bridges, furnishing million-and-a-half-dollar market houses, their municipal trial and appellate courts, their jails and houses of correction, their municipal hospitals, asylums for their insane, special asylum schools for their deaf and dumb, asylums for their orphans, a university for their 110,000 colored people, their municipal libraries, their municipal community-center facilities, salaries of all their municipal officers, employees, buildings, furnishings, equipments, sanitary and health departments, and the hundreds of other things that all other cities of the United States must furnish and pay for themselves, but a very substantial part of which the people of Washington have been getting out of the Federal Treasury for years.

The magnificent Capitol and its beautiful grounds are daily enjoyed by Washington people. The Congressional Library, which cost $6,032,124, in addition to the sum of $585,000 paid for its grounds, and for the upkeep of which Congress annually spends a large sum of money, is daily enjoyed by the people of Washington. The Government furnished and maintains the magnificent Botanic Garden here for the pleasure and enjoyment of Washington people. The Government furnished and maintains the wonderful Zoo Park with all of its interesting animals for the instruction and amusement of Washington children. The Government furnished and maintains the extensive and most beautiful Rock Creek Park, with its picturesque picnic grounds, its miles of wonderful boulevards, its incomparable scenery, all for the pleasure of Washington people. Congress has spent millions of dollars reclaiming and purchasing the lands now embraced in the Potomac Parks and Speedway, daily used and enjoyed by Washington people. The Government has spent several million dollars building the various bridges spanning the Potomac River and huge sums for the bridges spanning the Anacostia River, and spent $1,000,000 building the beautiful "million-dollar bridge" on Connecticut Avenue. The Government has spent millions of dollars on the Lincoln Memorial, grounds, and reflecting pools, the Washington Monument Grounds, Lincoln Park on East Capitol Street, and the numerous beautiful little parks scattered all over the city, all for the pleasure and benefit of Washington people.

During the recess of Congress I wrote to the mayor of every city of any size in the United States and asked them to advise us of their local tax rate, of the charges for water, sewer, paving, and so forth, and what rate, in their judgment, they thought Washington people should pay as a minimum. I want to insert just a few in this report. The consensus of opinion was that the rate here should be at least $2.50 per $100, and there was a large per cent who were in favor of it being much higher, and the rates for taxation ranged from $2.75 to over $6.50, and in all these cities the people were charged more for water, sewer, and paving.

Let me again quote a few excerpts from the letter sent me by the mayor of the city of Peoria, Ill.:

[City of Peoria, Ill. Mayor's office. Edward N. Woodruff, mayor]

NOVEMBER 1, 1923.

Hon. THOMAS L. BLANTON,
Representative, Washington, D. C.

DEAR SIR: Answering your questionnaire of October 15, concerning relative tax rates of the cities of Washington and Peoria:

The tax rates on each $100 taxable valuation levied against the real and personal property of the citizens of Peoria for the year 1922 is itemize as follows:

City corporate tax, including library, tuberculosis, garbage, and police and fire pension fund	$1.94	
Street and bridge	.24	
School district	2.70	
Park district	.41	
		$5.29
State	.45	
County	.59	
County highway	.25	
		1.29
Total, all purposes		6.58

Unless there is a tremendous revenue derived from sources other than from taxes, the rate of $1.20 for Washington is ridiculous. While I have never had my attention called to this disparity, I am amazed that the light has not been let into financial affairs of the Capital City long before this time.

You should be supported by every colleague in your effort to compel the citizens of Washington to do their, even as every citizen outside the District is doing his.

Wishing you success, I am,

Very truly yours, E. N. WOODRUFF, *Mayor.*

The foregoing statement from the mayor of Peoria, Ill., fairly indicates the sentiment of the people over the United States. It might be enlightening to quote from a few of the letters received the tax rates of some of the cities over the United States as certified to me by the mayors of such cities.

When I speak of the tax rate of these cities I, of course, mean their total tax—State, county, school, and municipal—which is the total tax citizens of those respective cities have to pay on their property, as compared with the $1.20 on the $100 rate Washington people have to pay in the District of Columbia.

The tax rate paid by the people in Baltimore, Md., $3.27 on the $100; in New Orleans, La., $3.10½ on the $100; in Portland, Oreg., $4.52 on the $100; in my birthplace, Houston, Tex., $4.29½ on the $100; in Ogden, Utah, $3.33 on the $100; in Cheyenne, Wyo., $3.75 on the $100; in Fort Smith, Ark., $3.32 on the $100; in New Bedford, Mass., $3.13; in Burlington, Vt., $3.10 on the $100; in Pittsburgh, Pa., $3.22 on the $100; in St. Louis, Mo., which is a distinct political subdivision of the State, the city tax is $2.43 on the $100; in Boston, Mass., $2.47 on the $100; in Rochester, N. Y., $3.36 on the $100; in Portland, Me., $3.40 on the $100; in Boise City, Idaho, $4.29 on the $100; in Mobile, Ala., $3.40 on the $100; in Detroit, Mich., $2.75 per $100; in Duluth, Minn., $5.79 on the $100; in Atlanta, Ga., $3.15 on the $100; in Kansas City, Mo., $2.93 on the $100; in Minneapolis, Minn., $6.52 on the $100; in Salt Lake City, Utah, $3.18 on the $100; in Oakland, Calif., $4.02 on the $100; in Austin, the capital of Texas, $3.54 on the $100; in Denver, Colo., $2.78 on the $100; in Trenton, N. J., $3.22 on the $100; in Racine, Wis., $2.87 on the $100; in Nashville, Tenn., $2.60 on the $100; in Charlottesville, Va., $2.85. And let me illustrate as the tax rate runs generally over Texas: In Paris, Tex., $4.10 on the $100; in Port Arthur, Tex., $3.54 on the $100; in Tyler, Tex., $4.61 on the $100; in Denison, Tex., $3.32 on the $100; in Waco, Tex., $3.63 on the $100; in Amarillo, Tex., $3.55 on the $100; in Temple, Tex., $3.15; in Wichita Falls, Tex., $5.05 on the $100; in Beaumont, Tex., $4.04.

Mr. Edward F. Bryant, tax collector for San Francisco, Calif., has sent me a statement certifying that the following is the tax rate paid by the citizens in the following cities: In Seattle, Wash., $8.80 on the $100; Chicago, Ill., $8 on the $100; in Reno, Nev., $7.38 on the $100; in New York, N. Y., $5.48 on the $100; in Philadelphia, Pa., $6 on the $100; in Detroit, Mich., $4.48 on the $100; in San Francisco, Calif., $3.47 on the $100; in Los Angeles, Calif., $3.89 on the $100.

What excuse have we to offer to our constituents back at home who are paying the above tax rates for permitting by our votes here the 437,000 people in Washington, D. C., to continue paying the measly little pittance of only $1.20 on the $100, based on a half to two-thirds valuation, when our constituents have to pay all the balance of the expenses of this great city?

THIS VERY UNFAIR, RIDICULOUS FISCAL SYSTEM MUST CEASE

No Congressman or Senator here can give any good reason why our people at home should continue to pay 40 per cent of all the expense of running the schools of Washington; of paying the salaries of 2,500 teachers; of furnishing free schoolbooks to 70,000 Washington children; of building million dollar school buildings; of buying numerous playgrounds. If our people at home all knew about it, and knew that they were paying 40 per cent of all of the other expenses of this great city, they would not keep any of us here much longer, if we voted to continue it.

I gave notice some time ago that I have drawn my sword against this pernicious system, and shall keep it unsheathed and continue this fight until it is changed and until the people of Washington pay a fair rate of taxation, just the same as the people of every other city, large and small, in the United States have to pay; and I am going to raise this question in every bill that comes up which seeks to make the whole people pay the civic expenses of Washington people.

OUR FULL DUTY

What we should do is to pass the substitute proposed by the gentleman from Missouri [Mr. JOST] and then let the Rent Commission die a natural death on May 22, 1924, which has been the intention and promise ever since the original act was passed in 1917. And thus we will return to the rightful owners property which Congress has kept from them by law since August, 1917.

Mr. MAGEE of New York. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, it would not be necessary for me to take this time except that the gentleman from Texas would not yield to me. I am perfectly willing that the gentleman should make any statement he wants to make, but I think he should make statements exactly as they were made, and he must when he refers to the Rules Committee. The gentleman from Massachusetts [Mr. UNDERHILL], in his public statement before the Rules Committee, said that he was opposed to the legislation but he thought the Rules Committee should do something to bring it on the floor, give the House a chance to vote on it, and have it disposed of. That was the statement he made and it is an absolutely correct statement. Mr. BLANTON himself told me a moment ago that the Rules Committee had done exactly right and that he approved of their action.

Mr. BLANTON. Tell them what you have done.

Mr. SNELL. That is all I care to say now. I do not have to tell that now, but I will tell it at the proper time. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from New York yields back two minutes.

Mr. MAGEE of New York. Mr. Chairman, I yield one minute to the gentleman from New Jersey [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the gypsy-moth provision of this bill.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to extend his remarks in the RECORD on the gypsy-moth provision of this bill. Is there objection? [After a pause.] The Chair hears none.

Mr. ACKERMAN. Mr. Chairman and gentlemen, I am venturing to advance some information concerning the desirability of the increased appropriation for use in the extermination of the gypsy moth.

This increase, while it is not all that it should be, is welcomed by those who are engaged in the fight to eradicate this enemy of agriculture, and by the use of the funds thus appropriated it is hoped a stop will be obtained to the ravages that this moth has made in the eastern section of the United States. My own State of New Jersey sent an able body of scientists and others interested in the moth's extermination to Washington last winter, and we thank the Subcommittee on Appropriations, having charge of the Agricultural bill, for the patient and exhaustive hearing that was had on the subject, during which time many interesting facts were brought out. I am appending herewith the arguments of those who have made this subject one of study:

The gypsy moth has been long in this country, and has been held to a gradually enlarging area in New England. In parts of this area enormous damage has been done to forests, and many millions have been expended for the purpose of protecting shade trees and valued ornamental plantings. The gypsy moth has in recent years from time to time appeared outside this area. It either has been or is now being exterminated. The gypsy moth is as yet limited to a small portion of the area of the United States. Should this insect become generally distributed over the United States, the damage to shade trees, fruit orchards, ornamental plantings, and forests would be incalculably large. It should by all means be held to present main area until parasites catch up with it and destroy it.

The group of men best informed on the gypsy-moth problem has met and formulated a country-wide plan for attacking this problem. This plan should be followed until a better one is offered.

This plan involves the following action: (1) Extermination of the gypsy-moth infestation now in New Jersey; (2) erection and maintenance of a barrier zone along the western and southwestern edges of the great infestation in New England. This barrier zone extends from Long Island Sound to the Canadian border, and follows approximately but not exactly the line of the Hudson River and Lake Champlain; (3) extermination of any infestations of gypsy moth that may occur westward or southwestward of this barrier zone; (4) the prevention of escape of infestation from the New England area by proper restriction of the movement of nursery stock and other products likely to carry the gypsy moth beyond this barrier zone; (5) vigorous prosecution of the introduction, encouragement, and spread of efficient natural enemies of the gypsy moth within the infested area in New England.

The gypsy moth is injurious in the caterpillar stage. It is capable of feeding on and defoliating practically all species of trees and shrubs, including evergreens.

This insect has been costing Massachusetts about $1,000,000 a year for control alone.

It is now present throughout more than three-quarters of the entire area covered by the New England States—at certain points reaching the New York border—and in a 250-square-mile area in north central New Jersey.

The area in New England is enlarging and reaching farther westward and southwestward. The area in New Jersey, where extermination work has been going on since 1920, is decreasing; the 15 small infestations located outside the main area have been wiped out and the main area reduced to one-half its original size. If the work is properly continued, it looks as if the New Jersey infestation would be exterminated.

The financing of this work for the fiscal year, beginning July 1, 1924, was planned last fall, as follows: New Jersey, $125,000; New York, $150,000; and the United States Department of Agriculture, $650,000. The absolutely necessary $650,000 item for the United States Department of Agriculture has been trimmed to $531,000, which is $119,000 less than the work can properly and efficiently be done for. This action is most serious and promises, unless corrected, to render the work ineffective, and to invalidate in part past expenditures.

Mr. BUCHANAN. Mr. Chairman, I will not undertake to review this bill. The gentleman from New York [Mr. MAGEE] has done that well. It is late and we all want to go home, so I will content myself with such consideration as I may be able to give the bill under the five-minute rule.

However, I feel I should say to the membership of this House that the subcommittee of the Appropriations Committee in dealing with the agricultural appropriations for the Nation has acted harmoniously on everything. The question of politics was never injected into its consideration, the question of sections was never injected into its consideration, and when it came to marking up the bill both the Democrats and Republicans who compose that subcommittee, with an eye single but to one purpose, the agricultural welfare of the Nation, agreed on every recommendation we made in the bill without the necessity of having a vote in the subcommittee.

We feel we have taken care of all worthy enterprises and we feel we have trimmed where trimming was justifiable. So we present the bill to the House and will ask for its favorable consideration. [Applause.]

Mr. MAGEE of New York. Mr. Chairman, I do not desire to use any more time, but will ask the Clerk to read the bill. I will say, however, Mr. Chairman, that it is only the intention to read a few lines down to the office of the Secretary, and then I will make a motion that the committee rise.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending June 30, 1925, namely:

Mr. BLANTON. Mr. Chairman, I make the point of no quorum.

Mr. BUCHANAN. Let me say to my colleague from Texas that we are just reading one section; that is all.

Mr. BLANTON. Then, I withdraw the point of no quorum.

Mr. MAGEE of New York. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. SNYDER having assumed the chair as Speaker pro tempore, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, and had come to no resolution thereon.

ADJOURNMENT

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p. m.) the House adjourned until Monday, April 21, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNYDER: Committee on Indian Affairs. H. R. 7887. A bill to provide for quarters, fuel, and light for employees of the Indian field service; without amendment (Rept. No. 534). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUTLER: Committee on Naval Affairs. H. R. 8687. A bill to authorize alterations to certain naval vessels and to provide for the construction of additional vessels; without amendment (Rept. No. 535). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 3913. A bill to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States; with amendments (Rept. No. 536). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 6424. A bill to amend the packers and stockyards act, 1921, and for other purposes; with an amendment (Rept. No. 537). Referred to the Committee of the Whole House on the state of the Union.

Mr. JARRETT: Committee on the Territories. H. R. 6070. A bill to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the district of Hamakua, on the island and county of Hawaii, Territory of Hawaii; without amendment (Rept. No. 538). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JARRETT: Committee on the Territories. H. R. 6303. A bill to authorize the governor and commissioner of public lands of the Territory of Hawaii to issue patents to certain persons who purchased government lots in the district of Waiakea, island of Hawaii, in accordance with act 33, session laws of 1915, Legislature of Hawaii; without amendment (Rept. No. 539). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 8701) granting a pension to Joe Townsend, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MILLER of Washington: A bill (H. R. 8799) to authorize an appropriation of $20,000 for the purchase of certain lands in Seattle, King County, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. OLDFIELD: A bill (H. R. 8800) granting the consent of Congress to the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct bridges across the White River in Prairie County, State of Arkansas; to the Committee on Interstate and Foreign Commerce.

By Mr. FAIRCHILD: A bill (H. R. 8801) to make the Star Spangled Banner the national anthem of the United States, and to punish any disrespect to said national anthem or to the national flag of the United States of America; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H. R. 8802) to amend the provisions of the act of Congress approved June 30, 1922, relative to the elimination of commissioned personnel; to the Committee on Military Affairs.

By Mr. JOHNSON of South Dakota: Resolution (H. Res. 264) authorizing the appointment of a janitor to the Committee on World War Veterans' Legislation; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN: A bill (H. R. 8803) authorizing the Secretary of War to donate to the town of Fort Seybert, in Pendleton County, W. Va., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. COOPER of Wisconsin: A bill (H. R. 8804) granting an increase of pension to Elizabeth Corkett; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 8805) granting a pension to Morris S. Cushman; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 8806) granting a pension to Jacob Schmidt; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 8807) granting an increase of pension to Mary H. von Brandis; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 8808) granting a pension to Elizabeth A. Harrington; to the Committee on Pensions.

By Mr. WELSH: A bill (H. R. 8809) for the relief of David J. Hammet; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2476. By Mr. BIXLER: Petition of Garland Woman's Christian Temperance Union, Garland, Pa., protesting against any change in the prohibition act; to the Committee on the Judiciary.

2477. Also, petition of Conewango Heights Woman's Christian Temperance Union, Warren, Pa., requesting the House of Representatives to vote against amendment to the Federal prohibition act to legalize 2.75 per cent beer and light wines; to the Committee on the Judiciary.

2478. By Mr. COLE of Ohio: Petition of sundry citizens of Marion, Ohio, urging the passage of H. R. 164, providing for maintaining and encouraging the raising of canary birds, and to provide revenue; to the Committee on Ways and Means.

2479. By Mr. COOPER of Wisconsin: Petition of members of Bancroft Camp, No. 16, United Spanish War Veterans, Racine, Wis., urging passage of H. R. 3934, a bill to pension soldiers and sailors of the war with Spain, the Philippine insurrection, and the China relief expedition; to the Committee on Pensions.

2480. By Mr. HUDSON: Petition of 4,280 citizens of Pontiac, Mich., opposing the recommendations of Postmaster General New and indorsing the Edge-Kelly bill for an increase of postal salaries; to the Committee on the Post Office and Post Roads.

2481. By Mr. KELLER: Petition of members of the First Christian Church, St. Paul, Minn., protesting against modification of the present prohibition law or Volstead Act; to the Committee on the Judiciary.

2482. Also, petition of the Transportation Club of St. Paul, urging the repeal of section 28 of the merchant marine act or the enactment of H. R. 8091; to the Committee on the Merchant Marine and Fisheries.

2483. By Mr. PATTERSON: Petition of 322 residents of the city of Camden, N. J., and vicinity, protesting against the legalization of 2.75 beer; to the Committee on the Judiciary.

2484. Also, petition of 240 residents of Haddonfield, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2485. Also, petition of 559 residents of Salem, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

SENATE

MONDAY, *April 21, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we thank Thee for Easter day and all its hallowed associations. We thank Thee for its inspiration. We think of this checkered life of ours and the manifold questionings that naturally arise, so that now we believe with an increasing certainty in the Christ risen, living, loving, and saving. We ask that in all the duties which come to us there may be had the consciousness that in the companionship of that great Elder Brother we can fulfill our obligations to Thee and to our country. Magnify Thy grace continually. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Thursday, April 10, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Curtis	Gerry	Ladd
Bayard	Dale	Glass	Lodge
Borah	Dial	Gooding	McCormick
Brandegee	Dill	Hale	McKellar
Broussard	Edwards	Harris	McKinley
Bruce	Elkins	Harrison	McLean
Bursum	Ernst	Heflin	McNary
Cameron	Fernald	Howell	Mayfield
Capper	Ferris	Johnson, Minn.	Moses
Caraway	Fess	Jones, N. Mex.	Neely
Colt	Fletcher	Kendrick	Norbeck
Copeland	Frazier	Keyes	Norris
Cummins	George	King	Oddie
Overman	Shields	Stanfield	Walsh, Mass.
Pepper	Shipstead	Stephens	Walsh, Mont.
Phipps	Shortridge	Sterling	Warren
Ralston	Simmons	Swanson	Watson
Reed, Pa.	Smith	Trammell	Willis
Robinson	Smoot	Underwood	
Sheppard	Spencer	Wadsworth	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigation committee of the Senate.

Mr. GERRY. I desire to announce that the senior Senator from Arizona [Mr. ASHURST] is absent on account of a death in his family. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 247) making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. McLEAN. I ask to have read a telegram which I have received from the department commander of the American Legion of Connecticut.

There being no objection, the telegram was read and referred to the Committee on Finance, as follows:

NEW HAVEN, CONN., *April 19, 1924.*

Hon. GEO. P. MCLEAN,
United States Senate, Washington, D. C.:

Please oppose any amendments from floor of Senate and in particular cash option and support adjusted compensation bill as reported by Senate Finance Committee. Thanks.

E. P. ARMSTRONG,
Department Commander American Legion of Connecticut.

Mr. FLETCHER. I desire to have read a telegram which I have received from John R. Quinn, the national commander of the American Legion.

There being no objection, the telegram was read and referred to the Committee on Finance, as follows:

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. D. U. FLETCHER,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion. It meets approval of members of Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country, we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

Mr. FLETCHER. I present another telegram, from the department adjutant of the Florida Legion, which I ask to have printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

PALATKA, FLA., *April 19, 1924.*

Senator DUNCAN U. FLETCHER,
Washington, D. C.:

Florida legionnaires entirely contented with adjusted compensation bill as it stands. Will appreciate your opposing any amendments coming from floor of Senate. Have never been in favor of cash option. Please support bill as reported by Senate Finance Committee.

C. HOWARD ROWTON,
Department Adjutant.

Mr. KING. Mr. President, I suppose that all Senators have received telegrams similar to the one just read from Mr. Quinn.

I have received one. I present a telegram which I have just received, which reflects another view upon the bonus question. I ask that it may be read. It is very brief.

The telegram was read and referred to the Committee on Finance, as follows:

OGDEN, UTAH, *April 19, 1924.*

Hon. W. H. KING,
United States Senate, Washington, D. C.:

The Weber County tax committee, representing all interests in Weber County, is unalterably opposed to payment of any bonus to those who were in the service who remained physically sound, but indorses the principle that any person in military or naval service who has become disabled, incapacitated, or impaired, due to such service, shall receive from the Government ample and generous support, care, and compensation, and that adequate consideration shall be given to dependents of all persons who made the supreme sacrifice in such service.

J. W. ABBOTT, *Chairman.*

Mr. KING. Mr. President, that telegram indicates that the taxpayers of the United States——

The PRESIDENT pro tempore. Debate is not in order.

Mr. KING. Then I shall complete the sentence later.

Mr. McKELLAR. I ask unanimous consent to have printed in the RECORD certain telegrams on the subject of adjusted compensation. I do not ask that they be read.

There being no objection, the telegrams were ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

NASHVILLE, TENN., *April 20, 1924.*

Senator KENNETH McKELLAR,
Washington, D. C.:

Your wire 19th. I think the adjusted compensation bill as passed the House is an insult to the ex-service men and will be a great disappointment when they learn what it really is. However, in view of the fact that it seems to be the only bill which we are sure of passing at this time and the ex-service men want the so-called bonus bill forever disposed of, I think we should disregard the cash option. The American legislative committee together with Commander Quinn has full authority to speak for the Legion in Tennessee.

GUY H. MAY.

CHATTANOOGA, TENN., *April 20, 1924.*

Senator KENNETH McKELLAR,
Washington, D. C.:

In reference to wire from State Legion headquarters, my views are that House bill recognizes justness of Legion claims and the question should be settled, provided present bill guarantees Executive approval or if sure of strength to override veto. I feel that ex-service men desire that you expedite passage. My personal views as to bill contained in last letter to you.

J. G. SIMS,
Department Commander American Legion.

KNOXVILLE, TENN., *April 20, 1924.*

Senator KENNETH McKELLAR,
Washington, D. C.:

If twofold insurance-cash bill was passed, majority ex-service men here would take cash provision. They feel that present House bill is a lukewarm compromise of a just claim. However, they fear for safety of any bill with cash provision and are willing to accept House bill with no amendments in order to get matter settled this Congress rather than make the question the political football of another presidential campaign.

CHAS. D. WALTERS.

DYERSBURG, TENN., *April 20, 1924.*

Senator KENNETH McKELLAR,
Senate Office Building, Washington, D. C.:

Telegram received. It is my opinion that majority of ex-service men prefer cash provision with insurance option in bonus bill.

L. JERE COOPER.

UNION CITY, TENN., *April 21, 1924.*

Senator KENNETH McKELLAR,
United States Senate, Washington, D. C.:

Poll all available thinking ex-service men shows that majority favor paid-up insurance plan. Do not think that it would be wise add cash provision. Urge that you give all possible attention to bills giving relief to disabled, and advise us when they pass.

IRA PARK, *Executive Committeeman.*

MEMPHIS, TENN., *April 19, 1924.*

Senator KENNETH McKELLAR,
Washington, D. C.:

Ex-service men generally want cash option amendment. They want something while still alive. If national Legion officers insist on insurance bonus only, fix responsibility on them definitely of record.

W. M. STANTON.

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. KENNETH McKELLAR,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion. It meets approval of members of Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

Mr. SHORTRIDGE. I ask that the two telegrams which I send to the desk may be read and printed in the RECORD. They are upon the same subject.

Mr. BRUCE. I object.

Mr. SHORTRIDGE. They are very brief.

Mr. BRUCE. Mr. President, some of us would like to get to the regular order of business.

Mr. SHORTRIDGE. They are from California and——

Mr. BRUCE. I repeat we want to get to the regular order of business, and I object.

Mr. HEFLIN. Mr. President, I do not think the Senator from Maryland objects to having them printed in the RECORD but to taking the time to read them.

Mr. BRUCE. I do not object at all to having them printed in the RECORD without reading.

The PRESIDENT pro tempore. The Senator from Maryland makes objection to the reading of the telegrams but not to the printing in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

LOS ANGELES, CALIF., *April 19, 1924.*

Senator SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.:

Urge passage of adjusted compensation legislation as approved by Legion and passed by House.

MARTHA S. DECKER,
President American Legion Auxiliary Department of California.

SAN FRANCISCO, CALIF., *April 19, 1924.*

Hon. SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.:

American Legion approves adjusted compensation bill reported out by Senate Finance Committee. Urge that you aid us in voting down any amendments to bill from floor of Senate which are designed to ultimately defeat the bill. We urge you particularly oppose cash bonus amendment. Kindest regards.

JAMES F. COLLINS,
Department Commander Morgan Keaton Department Adjutant.

Mr. WILLIS. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram from Mrs. Thomas J. Maxwell, department president of the American Legion Auxiliary, in regard to the adjusted compensation bill.

There being no objection, the telegram was ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

FREMONT, OHIO, *April 19, 1924.*

FRANK B. WILLIS,
United States Senate, Washington, D. C.:

The Department of Ohio, American Legion Auxiliary, urges you to oppose any amendment to adjusted compensation bill on floor of Senate, especially opposed cash option; support bill as reported by Senate Finance Committee. This department has 10,000 members.

Mrs. THOMAS J. MAXWELL,
Department President.

Mr. MAYFIELD. I ask unanimous consent to have printed in the RECORD four telegrams which I have received regarding the bonus.

There being no objection, the telegrams were ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

AUSTIN, TEX., *April 19, 1924.*

Hon. EARLE B. MAYFIELD,
The Senate, Washington, D. C.:

Members American Legion Auxiliary, Department of Texas, insist you oppose any amendments from floor of Senate in regard to adjusted compensation bill, in particular cash options, and to support the bill as reported by Senate Finance Committee, same as passed by House.

Mrs. S. E. HUDSON,
Department President.

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. EARLE B. MAYFIELD,
Washington, D. C.:

Behalf of 200,000 women of American Legion Auxiliary, I appeal to you to pass adjusted compensation bill now before Senate as reported by Senate Finance Committee. Service men and women have awaited passage this just measure and sincerely feel further delay is unnecessary.

Mrs. HELEN A. BISHOP,
National President American Legion Auxiliary.

DALLAS, TEX., *April 19, 1924.*

Hon. EARLE B. MAYFIELD,
United States Senate Building, Washington, D. C.:

Support adjusted compensation bill as reported by Senate Finance Committee. Oppose any amendments made from floor of Senate, more especially cash option. Thanks.

AMERICAN LEGION OF TEXAS,
M. W. SHERWOOD, *Department Commander.*

INDIANAPOLIS, IND., *April, 19, 1924.*

Hon. EARLE B. MAYFIELD,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion, it meets approval of members of Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country, we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

Mr. SMITH. I ask unanimous consent to have printed in the RECORD three telegrams which I have received regarding the so-called soldiers' bonus.

There being no objection, the telegrams were ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

CHARLESTON, S. C., *April 20, 1924.*

Senator E. D. SMITH,
Washington, D. C.:

Recent poll of ex-service men in South Carolina favored insurance for adjustment of compensation. Commander urges enactment of bill as submitted by committee.

E. HENRY CAPPELMAN,
Department Adjustment, American Legion.

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. E. D. SMITH,
Washington, D. C.:

Behalf 200,000 women of American Legion Auxiliary I appeal to you to pass adjusted compensation bill now before Senate as reported by Senate Finance Committee. Service men and women have awaited passage this just measure and sincerely feel further delay is unnecessary.

Mrs. HELEN A. BISHOP,
National President American Legion Auxiliary,

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. ELLISON D. SMITH,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion. It meets approval of members of Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country we ask your support of bill as reported by Senate Finance Committee, without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander The American Legion.

Mr. SMITH. I present a memorial of members of the Woman's Christian Temperance Union, of Bishopville, S. C., respecting a modification of the so-called Volstead Act, which I ask may be referred to the Committee on the Judiciary and printed in the RECORD without the signatures.

There being no objection, the memorial was ordered to be printed in the RECORD without the signatures, and referred to the Committee on the Judiciary, as follows:

To the President and Members of the Senate of the United States:

The undersigned citizens of the State of South Carolina, members of Bishopville Woman's Christian Temperance Union, respectfully petition your honorable body not to enact any legislation modifying the present Volstead Act either by allowing the sale of wines and beer or by permitting the alcoholic content to be increased in any liquids intended as beverages.

We also ask that full provision be made for a strict enforcement of the Volstead Act by such increase as may be necessary in the number of enforcement agents and by such other measures as may be necessary to enforce respect for the Constitution and laws of our country.

Mr. WILLIS presented a resolution of the Chamber of Commerce, of Dover, Ohio, favoring adequate appropriations for the Army and Navy, and so forth, so as to carry out the intent of the national defense act, which was referred to the Committee on Appropriations.

Mr. CURTIS presented a memorial of sundry citizens and members of the Woman's Christian Temperance Union, of Dalton and Sumner County, Kans., remonstrating against the passage of legislation modifying the so-called Volstead Prohibition Act, so as to allow the manufacture and sale of light wines and 2.75 per cent beer, which was referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Peabody, Rossville, and Silver Lake, and of members of the Atheneum Reading Club, of Parsons, all in the State of Kansas, praying for the passage of restrictive immigration legislation, with quotas based on the 1890 census, which were referred to the Committee on Immigration.

Mr. LADD presented the memorial of Mrs. Jennie M. Leamer and 43 other citizens of Ellendale, N. Dak., remonstrating against the passage of legislation amending the Federal prohibition act, so as to legalize the manufacture and sale of 2.75 per cent beer, which was referred to the Committee on the Judiciary.

He also presented the petition of Richard C. Ike and nine other clerks and carriers of the Williston, N. Dak., post office, praying for the passage of the so-called Kelly-Edge postal compensation bill in its original form, which was referred to the Committee on Post Offices and Post Roads.

He also presented the petition of Mrs. Muzia Englehart and 18 other members of the Sorosis Club, of Harvey, N. Dak., praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented the petition of Lawrence Svabada and 13 other citizens of Hamilton, N. Dak., praying for the passage of Senate bill 2600, to amend section 1 of an act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, which was referred to the Committee on Patents.

He also presented the memorial of Thomas D. Smith and 144 other members of the Associated Organization of Shop Craft Employees of the Great Northern Railway, of Devils Lake, N. Dak., remonstrating against the passage of the so-called Howell-

Barclay railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the petitions of Calfee Williams and 28 other citizens of Woodworth and of H. W. Anderberg and 38 other citizens of Homer, all in the State of North Dakota, praying for the passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

He also presented the petition of H. G. Beuris and 45 other citizens of Inkster, N. Dak., praying for the passage of the soldiers' adjusted compensation bill, which was referred to the Committee on Finance.

He also presented the petition of John J. Behles and 14 other citizens of Garrison, N. Dak., praying an increased tariff duty on wheat to 60 cents per bushel, also the repeal of the drawback provision and the milling-in-bond privilege of the Fordney-McCumber Tariff Act, which was referred to the Committee on Finance.

He also presented the petition of Mrs. K. L. Glotboch and 24 other citizens of Anamoose, and of Helene Murray and 127 other citizens of Stanley, all in the State of N. Dak., praying for the passage of legislation removing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which were referred to the Committee on Finance.

COTTON STATISTICS

Mr. HARRIS. I ask unanimous consent to place in the RECORD a statement by the senior Senator from South Carolina [Mr. SMITH] in regard to the law requiring the Department of Agriculture to abandon the "intention-to-plant" cotton report.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The statement referred to is as follows:

INTENTION-TO-PLANT REPORT ATTACKED

WASHINGTON, April 19.—In answer to criticism of the law requiring the Department of Agriculture to abandon the intention-to-plant cotton report, Senator SMITH, Democrat, South Carolina, to-day issued the following statement:

"We had a taste of 'intention-to-plant' last year. The object of issuing this information, or prediction, as alleged by the department, was to inform the planters of the intention of their colleagues in reference to the acreage of a given crop and if such report indicated excessive acreage they would be in a position to curtail acreage.

EFFECT IS DISASTROUS

"Now, what is the practical condition? This preliminary statement is made, let us say, in April and it indicates an excessive acreage. The market is immediately affected, adversely, of course. No subsequent statement, under the law, is allowed until the 1st of July, therefore the adverse effect is not counteracted by any official and dependable data until the 1st of July, at which time the actual number of acres under cultivation is given to the public. The real facts as to acreage were not obtained last year, according to my recollection, until some time in the late fall. Therefore, in any event, there is approximately three months, during which time the market is disastrously affected, if the prediction is for an excessive acreage.

"If, on the other hand, the prediction is for a moderate acreage, the trade will assume, as it has generally done, that farmers will be encouraged by such prediction to increase their acreage and the likelihood is that the market will again be depressed. I am unalterably opposed to the Government making estimates and predictions. It is their function to give facts. Facts are the things upon which everything depends.

REASON FOR LAW

"The reason that the law prohibits the publication of the acreage report previous to the 1st of July, is because by experience we learned that a vast amount of cotton land was abandoned even after being planted and abandoned as late as the middle and latter part of June. The acreage that was cultivated the 1st of July was really the acreage from which the crop was to be gathered.

"We all know that each farmer determines his acreage according to his own deductions and conditions and will not, to any appreciable extent, be governed by any prediction as to 'intention to plant.' Therefore the only thing that will be really affected is the market, and that, of course, most probably to the detriment of those who have cotton on hand. In view of these facts, I can not understand why certain of our friends insist that this is such a wise, economic procedure."

Mr. HARRIS. Mr. President, in connection with the foregoing statement of the Senator from South Carolina [Mr. SMITH] I wish to say that under a bill which I introduced, which has passed the Senate and is now pending in the House, the cotton-acreage statistics and estimates affecting cotton production furnished by the Agricultural Department will be greatly improved. That bill was recommended by the Senators and Representatives from the cotton-growing States. One of the improvements it will bring about will be to omit the report on the "intention to plant," to which the Senator from South Carolina refers in his statement.

REPORTS OF COMMITTEES

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 102) authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal, reported it without amendment and submitted a report (No. 428) thereon.

Mr. STERLING, from the Committee on Education and Labor, to which was referred the bill (S. 2590) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," reported it without amendment and submitted a report (No. 429) thereon.

Mr. NORRIS, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, reported it favorably without amendment and submitted a report (No. 448) thereon.

Mr. McNARY, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 2836) relating to the deposit of funds available for maintenance of reclamation projects, reported it with an amendment and submitted a report (No. 430) thereon.

Mr. CURTIS. From the Committee on Indian Affairs, and for the junior Senator from Oklahoma [Mr. HARRELD], the chairman of that committee, and in his name, I report the bills which I send to the desk and ask that they may be placed on the calendar.

Mr. CURTIS (for Mr. HARRELD), from the Committee on Indian Affairs, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 694) to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910 (Rept. No. 431);

A bill (H. R. 2881) to compensate three Comanche Indians of the Kiowa Reservation (Rept. No. 432);

A bill (H. R. 2887) to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma (Rept. No. 433);

A bill (H. R. 3800) to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska (Rept. No. 434);

A bill (H. R. 3900) to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California (Rept. No. 435);

A bill (H. R. 4462) to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes" (Rept. No. 436);

A bill (H. R. 7913) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes (Rept. No. 437); and

A joint resolution (S. J. Res. 103) authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States (Rept. No. 438).

Mr. CURTIS also (for Mr. HARRELD), from the Committee on Indian Affairs, to which were referred the following bills, reported them severally with amendments and submitted reports thereon:

A bill (S. 2526) providing for an allotment of lands from the Kiowa, Comanche, and Apache Indians Reservation, Okla., to J. F. Rowell, an enrolled member of the Kiowa Tribe (Rept. No. 439);

A bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may

have against the United States, and for other purposes (Rept. No. 440); and

A bill (H. R. 6355) to authorize the Secretary of the Interior to issue certificates of citizenship to Indians (Rept. No. 441).

Mr. BRUCE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 51) for the relief of the owner of the schooner *Itasca* and her master and crew (Rept. No. 442);

A bill (S. 785) for the relief of the Eastern Transportation Co. (Rept. No. 443);

A bill (S. 1038) for the relief of the Brooklyn Eastern District Terminal (Rept. No. 444);

A bill (S. 1039) for the relief of the owner of the scow *W. T. C. No. 35* (Rept. No. 445); and

A bill (S. 1040) for the relief of the owners of the New York Sanitary Utilization Co. scow *No. 14* (Rept. No. 446).

Mr. BRUCE also, from the Committee on Claims, to which was referred the bill (S. 773) to extend the benefits of the employers' liability act of September 7, 1916, to Harry Simpson, reported it with an amendment and submitted a report (No. 447) thereon.

SURG. GEN. HUGH S. CUMMING

Mr. SWANSON. From the Committee on Foreign Relations, I report back favorably without amendment the joint resolution (H. J. Res. 222) granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland. It is similar to a Senate joint resolution reported from the Foreign Relations Committee of the Senate recently. The joint resolution proposes to permit Surgeon General Cumming, of the Public Health Service, to accept certain decorations on account of his services. I ask unanimous consent for its immediate consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to the consideration of the joint resolution, which was read, as follows:

Resolved, etc., That Hugh S. Cumming, Surgeon General of the United States Public Health Service, be authorized to accept and wear the decoration of officer of the Legion of Honor of France, tendered by his excellency the French ambassador, in the name of the Republic of France; and the decoration of the Order of Polonia Restituta, grade commander with the star, tendered by his excellency the minister from Poland, in the name of the Republic of Poland, both of which decorations have been conferred upon Surg. Gen. Hugh S. Cumming by the Republics mentioned for scientific service, and that the Department of State is hereby authorized and permitted to deliver the above-mentioned decorations to Hugh S. Cumming, Surgeon General of the United States Public Health Service.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. SWANSON. I move that the joint resolution (S. J. Res. 100) granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland, be taken from the calendar and indefinitely postponed.

The motion was agreed to.

ADDITIONAL APPROPRIATION FOR DEPARTMENT OF AGRICULTURE

The PRESIDENT pro tempore laid before the Senate the joint resolution (H. J. Res. 247) making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925, which was read twice by its title.

Mr. WARREN. Mr. President, the Committee on Appropriations has had under consideration the joint resolution which has just been laid before the Senate and reports it favorably. I ask unanimous consent for the present consideration of the joint resolution.

The PRESIDENT pro tempore. The Senator from Wyoming asks unanimous consent for the immediate consideration of the joint resolution just reported by him from the Committee on Appropriations.

Mr. KING. Let the joint resolution be read.

Mr. ROBINSON. What is the joint resolution?

Mr. WARREN. It is House Joint Resolution 247, proposing to appropriate a million and a half dollars for the suppression of the foot-and-mouth disease which is prevalent in certain sections of the country.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Resolved, etc., That the sum of $1,500,000 is appropriated, out of any money in the Treasury not otherwise appropriated, for personal services and other expenditures in the District of Columbia and elsewhere in connection with the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations, and including necessary investigations to determine whether such diseases have been completely eradicated in districts where they previously existed; such sum to be expended by the Secretary of Agriculture when, in his judgment, an emergency exists which threatens the livestock industry of the country, and to remain available until June 30, 1925: *Provided*, That the payment for animals hereafter purchased may be made on an appraisement based on the meat, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat or dairy value, and, except in case of an extraordinary emergency, to be determined by the Secretary of Agriculture, the payment by the United States Government for any animal shall not exceed one-half of any such appraisement.

Mr. WALSH of Massachusetts. Mr. President, I desire to make an inquiry of the Chair. Did not the Senate adjourn on last Saturday to meet at 12 o'clock to-day?

The PRESIDENT pro tempore. The Senate adjourned on Saturday.

Mr. WALSH of Massachusetts. Then what has become of the morning business?

The PRESIDENT pro tempore. Morning business is now being conducted.

Mr. WALSH of Massachusetts. I have not heard a call from the Chair for the presentation of petitions or the introduction of bills and resolutions.

The PRESIDENT pro tempore. The Chair called for petitions and then for reports of committees. The Senate is now in the order of reports of committees.

Mr. WALSH of Massachusetts. But it seems we are now proceeding to pass a joint resolution.

The PRESIDENT pro tempore. The Chair very distinctly called for the presentation of petitions and memorials and then announced the order reports of committees.

Mr. WALSH of Massachusetts. I ask for the regular order.

The PRESIDENT pro tempore. Unanimous consent having been given for the consideration of the joint resolution, that is the regular order.

Mr. WARREN. Mr. President, I assume the Senator from Massachusetts does not wish to take me from the floor while a joint resolution is under consideration?

Mr. WALSH of Massachusetts. I shall permit this joint resolution to go through, and then I shall ask that the business of the morning hour be proceeded with so as to permit Senators who have come in with morning business to present to have an opportunity to do so.

Mr. WARREN. The joint resolution which is now under consideration is the report of a committee and is a part of the morning business.

Mr. WALSH of Massachusetts. But it can not be morning business until it shall have been reached.

The PRESIDENT pro tempore. The Senator from Wyoming asked and obtained unanimous consent for the immediate consideration of the joint resolution which is now before the Senate as in Committee of the Whole, and it is open to amendment.

Mr. KING. Mr. President, I shall not interpose to prevent the passage of the joint resolution, but I wish to say to the Senator from Wyoming [Mr. WARREN] that from information which I have received there is a great deal of hysteria back of this measure and some proceedings have been taken by officials of the Government, and, perhaps, by the officials of the State of California, which have not been warranted by law and will subject the Government of the United States to demands for damages in very large amounts. I think that if some higher scientific men were to make an investigation of the situation in California—a situation which has prompted the introduction of this joint resolution—a part of the hysteria would be abated, and, perhaps, the passage of the joint resolution would not be deemed necessary.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, and read the third time.

The PRESIDENT pro tempore. The question is, Shall the joint resolution pass?

The joint resolution was passed.

Mr. WALSH of Massachusetts. I now request that the regular order of business be proceeded with.

The PRESIDENT pro tempore. The regular order of business is reports of committees. If there are no further reports of committees, the introduction of bills and joint resolutions is next in order.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 3127) granting a pension to Julia Darling;

A bill (S. 3128) granting a pension to Elizabeth Estes (with accompanying papers); and

A bill (S. 3129) granting an increase of pension to Henrietta Buswell Brown; to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 3130) granting a pension to Arabella Williams (with accompanying papers);

A bill (S. 3131) granting a pension to Lillian Batdorf (with accompanying papers);

A bill (S. 3132) granting a pension to Nancy Monroe (with accompanying papers);

A bill (S. 3133) granting a pension to Anna Fry (with accompanying papers); and

A bill (S. 3134) granting an increase of pension to Ella L. Gilluly (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3135) granting a pension to William L. Curry; to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 3136) for the relief of Harry E. Stevens (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 3137) for the relief of E. L. Moore; to the Committee on Claims.

By Mr. McCORMICK:

A bill (S. 3138) granting a pension to John W. Ferris; to the Committee on Pensions.

UNITED STATES VETERANS' BUREAU

Mr. ODDIE submitted an amendment intended to be proposed by him to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act as amended, and the vocational rehabilitation act as amended, which was ordered to lie on the table and to be printed.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

Mr. BROOKHART submitted an amendment intended to be proposed by him to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, which was ordered to lie on the table and to be printed.

WITHDRAWAL OF A PETITION

On motion of Mr. CAPPER, it was—

Ordered, That a telegram in the nature of a petition from Spearville Lodge, No. 388, Ancient Free and Accepted Masons, of Spearville, Kans., on the subject of immigration, presented to the Senate on March 21, 1924, and referred to the Committee on Immigration, be withdrawn from the files of the Senate.

MOLLIE WHITE

Mr. CURTIS submitted the following resolution (S. Res. 214), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to Mollie White, widow of Robert White, late an employee on the maintenance roll, Senate Office Building, a sum equal to six month's salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

INVESTIGATION OF INTERNAL REVENUE BUREAU

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The reading clerk read the resolution (S. Res. 210) submitted by Mr. WATSON on the 10th instant, as follows:

Resolved, That the special committee to investigate the Bureau of Internal Revenue, appointed under authority of Senate Resolution 168, agreed to March 12, 1924, be, and it is hereby, discharged from further consideration of the matter under inquiry by the said committee.

Mr. WATSON. Mr. President, I am not ready to have that resolution taken up to-day, and I ask that it may go over.

The PRESIDENT pro tempore. If there be no objection, the resolution will go over without prejudice.

SALE OF COTTON FUTURES

The PRESIDENT pro tempore. Morning business is closed. The calendar, under Rule VIII, is now in order.

Mr. CARAWAY. Before the Chair makes that announcement I wish to say that there is lying on the desk of the President pro tempore a motion to discharge the Committee on Agriculture and Forestry from the consideration of a certain bill. The motion has gone over and would be in order this morning.

The PRESIDENT pro tempore. The Chair was not advised of the fact.

Mr. CARAWAY. I understand.

The PRESIDENT pro tempore. The Senator from Arkansas calls up for consideration the motion submitted by him to discharge the Committee on Agriculture and Forestry from the further consideration of the bill (S. 626) to prevent the sale of cotton and grain in future markets.

Mr. CARAWAY. Mr. President, I wish to say in connection with the motion that, so far as I know, every member of the committee, except one, agrees that the motion should be adopted and the committee discharged from the consideration of the bill; but that member of the committee, the senior Senator from Louisiana [Mr. RANSDELL], does not seem to be present to-day. I do not care to have it taken up in his absence, because he has expressed some desire to oppose it. I wanted to call the attention of the Chair to the motion and then allow it to go over without prejudice.

The PRESIDENT pro tempore. The motion will lie over without prejudice.

Mr. NORRIS. Why does the Senator ask that it go over?

Mr. CARAWAY. I was doing that out of deference, without having been so requested, to the Senator from Louisiana, who is very bitterly opposed to it, and who does not seem to be present this morning.

Mr. NORRIS. Very well; I understand the situation.

Mr. ROBINSON. Mr. President, I am glad that my colleague has taken that course, because the Senator from Louisiana before leaving here asked me to speak to him about it and to request him to let it go over until his return, and I had overlooked doing so. I apologize for my failure to mention it to him.

Mr. NORRIS. I was not aware that the Senator from Louisiana is absent.

Mr. CARAWAY. I do not want to take it up in his absence, although I do want to have it considered.

Mr. NORRIS. It should go over at the request of the Senator from Louisiana.

THE CALENDAR

The PRESIDENT pro tempore. Morning business is closed. The calendar under Rule VIII is now in order.

The first business on the calendar was the bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

NAVAL OIL LEASES

Mr. WALSH of Montana. Mr. President, I desire to submit a few remarks concerning a matter which seems to be engaging the public attention now.

The papers of Thursday last carried a reference to a speech made by a former Secretary of the Treasury, Mr. Leslie M. Shaw, in which the work of the committee investigating the naval oil reserves is attacked—a part of the general propaganda, of course, to discredit its work, and a part of an effort to establish that the naval oil leases which have been the subject of consideration here, although possibly subject to criticism by reason of the way they were executed, were, as a matter of fact, great business transactions in which the interests of the United States were very carefully guarded; indeed, that the sagacity and skill and business acumen of the officers of the Government who negotiated these leases, as compared with the business capacity on the other side, enabled

the Government to make some extraordinarily fine bargains with Mr. Doheny on the one side and Mr. Sinclair on the other.

Ex-Secretary Shaw is reported in the press to have said as follows:

The assertion that the Senate for campaign purposes investigated oil leases of the Republican administration, but turned its back upon less profitable leases for the Government made by the last Wilson administration was made to-night by Leslie M. Shaw, Secretary of the Treasury in the Roosevelt administration, in an address to the Republican Club of New Brunswick.

Leases entered into by the Wilson administration netted the Government 18 per cent of the oil obtained, while Secretary Denby obtained 27 per cent in addition to pipe-line and storage-tank concessions from Doheny, Mr. Shaw declared.

"Everybody is informed about these facts," he said, "except the public. If you ask why the Senate made no objections when Secretary Denby explained about the leases in 1922, you may be able to answer your own question. There was no presidential campaign in progress then."

It was also strange, he said, that the Senate had not sought to repeal the statute requiring all oil reserves to be developed directly or by contract or lease.

I want to go back for a moment to the statement:

Leases entered into by the Wilson administration netted the Government 18 per cent of the oil obtained, while Secretary Denby obtained 27 per cent in addition to pipe-line and storage-tank concessions from Doheny, Mr. Shaw declared.

And then he asserts that everybody knows these facts.

Mr. President, merely so that this kind of thing shall not be imposed upon the public I want to advert to what the facts are.

In the first place, no lease was made prior to March 4, 1921, of any area in either naval reserve No. 1 or naval reserve No. 3—none whatever. The only leases within the naval reserves prior to March 4, 1921, were within naval reserve No. 2, which everybody admits is of such a character that it is the proper policy to take out the oil.

But what is the fact about these leases, Mr. President? I speak only of the leases within the naval reserves and within naval reserve No. 2. They show the following leases executed prior to March 4, 1921:

09174. The royalty being 12½ to 25 per cent.

09175. The royalty being flat 25 per cent.

The royalties subsequently secured are as follows:

Twelve and one-half to twenty-five per cent.

Twelve and one-half to twenty-five per cent.

Twelve and one-half to twenty-five per cent.

And every one of them was 12½ to 25 per cent until we jumped to one which is 12½ to 61, and another 12½ to 56, and another 25 to 50.

In this connection, Mr. President, the statement has been broadcast that while it may be true that the lease to the Mammoth Oil Co. of naval reserve No. 3 produces a net royalty of but 16 to 17 per cent, one-third of which, something less than 6 per cent, goes into the tanks for the use of the Navy—that is to say, that the Navy gets 1 barrel in every 16 barrels that is taken out of the reserve—it is contended that Mr. Doheny, however, in his great lease of naval reserve No. 1 pays to the Government a royalty, according to his statement widely published, and doubtless that is what Mr. Shaw relies upon, of 31 per cent.

Of course, if 31 per cent were paid, there would be only one-third of 31 per cent, or a little over 10 per cent, going into the tanks; but as a matter of fact the Pearl Harbor tanks cost more than 2 barrels for 1 barrel of storage. Indeed, they cost more than 3 barrels; so that if there were 31 per cent paid, only one-fourth of 31 per cent, or somewhere between 7 and 8 per cent, would go into the tanks for the use of the Navy.

But what is the fact so far as the leases of naval reserve No. 1 are concerned? We have a fair average of the royalty of the Teapot Dome naval reserve No. 3, because that has been pretty generally drilled up, and we can form a fair estimate, and that is the estimate, 16 to 17 per cent. Indeed, that is the actual return; but you will bear in mind that Mr. Doheny never has drilled a well on naval reserve No. 1 under his great lease of the entire 30,000 acres. His wells have all been drilled under his contracts which gave him leases of small tracts in the southeastern part of naval reserve No. 1, which you will remember to have seen illustrated upon the map.

The first lease that he got was given to him in June, 1921. That was the lease for the 22 offset wells, and that lease was executed because just outside of the reserve, in sections 35 and 36, great gusher wells, producing enormously, bonanza territory, were developed, and, of course, a lease given to drill wells in that very territory called for a high royalty; and Mr. Doheny was obliged to pay, in order to get the contract to drill those 22 wells, a royalty of 55½ per cent. That, however, covers only those 22 wells.

Subsequently he got another small contract calling for 55½ per cent, another for a minimum of 12½ and a maximum of 25, another for a minimum of 12½ and a maximum of 45, another for a minimum of 12½ and a maximum of 45, another for a minimum of 12½ and a maximum of 45, and another for a minimum of 12½ and a maximum of 35. The average of 31 per cent is the average royalty paid for the leases in this bonanza territory, and no one is able to say what the average royalty will be over the entire naval reserve No. 1 until test wells are drilled pretty generally over that territory.

Mr. KENDRICK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Wyoming?

Mr. WALSH of Montana. I yield to the Senator.

Mr. KENDRICK. I should like to ask the Senator if these minor leases were made on a competitive basis.

Mr. WALSH of Montana. They were.

Mr. KENDRICK. And the lease of naval oil reserve No. 1 was not made on a competitive basis?

Mr. WALSH of Montana. It was not.

So much for the statement by the ex-Secretary, who tells us that the public knows these facts; but the leases entered into by the Wilson administration, he says, netted the Government 18 per cent of the oil obtained.

I have given you the figures and the royalty provided therein, but of course that means that that was the highest royalty secured by the so-called Wilson administration. Let us get the facts about the matter, Mr. President.

Prior to March 4, 1921, there were leased upon competitive bidding all of the lands adjacent to naval reserve No. 3 within the Salt Creek field, and those leases all carried a royalty—bear in mind, the immediately adjacent territory—of 33⅓ per cent flat, with a large bonus in the case of many of them and some bonus in the case of practically every one of them. The story about that is as follows:

Direction was given under the statute to offer that territory to competitive bidding on a basis of 25 per cent royalty with a bonus. Secretary Payne approved the letter, but struck out 25 and inserted 33⅓ per cent, and the territory was leased under that arrangement—33⅓ per cent for the inside tracts and 30 per cent for the outside tracts, but they were secured upon bidding bonuses as follows:

For the first lease a bonus of $26,700 was secured on a flat royalty of 25 per cent.

On the next lease a bonus of $279,000 was secured upon a flat royalty of 33⅓ per cent.

On the next lease a bonus of $2,000 was secured upon a flat royalty of 25 per cent.

On another lease a bonus of $226,000 was secured upon a flat royalty of 33⅓ per cent.

The lands adjacent to the Teapot Dome were thus leased under an arrangement for competitive bidding by which the Government secured a total bonus of $1,680,000 and an average royalty of 28.76 per cent.

These are the facts about the matter as disclosed in the testimony. Now the late Secretary Denby is going about the country, after having told us before the committee that he did not know anything at all about the matter, retailing facts such as these to which I have directed the attention of the Senate. For instance, in a speech reported in the papers on Saturday last he tells us, as follows:

Meanwhile the hundreds of oil wells upon private lands within and adjoining the reserve were draining the oil from under the Government lands in the reserves, the total number of these wells, as stated by the Bureau of Mines March 4, 1921, being 785.

That means there were 785 wells up in the Salt Creek field, the total number of wells there.

Mr. KENDRICK. Will the Senator yield again?

Mr. WALSH of Montana. I yield.

Mr. KENDRICK. Can the Senator tell us whether or not the territory adjoining or contiguous to the oil structure, the naval reserve, was leased after Secretary Fall became Secretary of the Interior?

Mr. WALSH of Montana. Some were leased afterwards and some before.

Mr. KENDRICK. But those wells on the territory between Salt Creek, we may say, and the naval reserve, were actually leased by Secretary Fall himself?

Mr. WALSH of Montana. I think that is so; but the proceedings were instituted, as I have indicated, under the administration of Secretary Payne.

Mr. KENDRICK. I may say further that except for a small tract of school land in the State of Wyoming, upon which the production was very limited, there is not a single acre of privately owned land in that part of the structure, as I recall.

Mr. WALSH of Montana. That is quite right. This remarkable speech of Secretary Denby, in which he gives to the public what is called information, concludes as follows, as it is reported in the print:

The highest royalty secured by the Wilson administration under any laws was 25 per cent, while the royalties secured by the succeeding administration ranged from maximums of 25 to 77 per cent, most of them being from 35 to 55 per cent.

I offer for the RECORD at this time, Mr. President, a record of the royalties upon all leases within the naval reserves, and I offer also a record of the royalty and bonus secured for the leases on the lands within the Salt Creek field immediately adjacent to the Teapot Dome.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Leases and agreements in naval reserve No. 1

Lease No.	Date authorized	Present holder	Acres	Royalty
VISALIA				Per cent
09264	July 8, 1921	Pan American Petroleum Co.	52.70	55½
010032	July 12, 1921	do	92.20	55½
010042-43-97	Dec. 14, 1921	do	660.98	12½-25
010056	Feb. 8, 1922	do	142.18	12½-45
010142	Apr. 24, 1922	Belridge Oil Co	142.18	12½-45
010188	June 5, 1922	Pan American Petroleum Co.	160.00	12½-45
Lease agreement of Dec. 11, 1922, covering remaining portion of naval reserve No. 1 made to Pan American Petroleum Co.				12½-35

	Per cent
(1) For all oil produced of 30° Baumé or over:	
On that portion of the average production per well not exceeding 50 barrels per day for the calendar month	12½
On that portion of the average production per well of more than 50 barrels and not more than 100 barrels per day for the calendar month	16⅔
(1) For all oil produced of 30° Baumé or over—Continued.	
On that portion of the average production per well of more than 100 barrels and not more than 150 barrels per day for the calendar month	20
On that portion of the average production per well of more than 150 barrels and not more than 200 barrels per day for the calendar month	25
On that portion of the average production per well of more than 200 barrels and not more than 500 barrels per day for the calendar month	30
On that portion of the average production per well of more than 500 barrels per day for the calendar month	35
(2) For all oil produced of less than 30° Baumé:	
On that portion of the average production per well not exceeding 50 barrels per day for the calendar month	12½
On that portion of the average production per well of more than 50 barrels and not more than 100 barrels per day for the calendar month	14⅔
On that portion of the average production per well of more than 100 barrels and not more than 150 barrels per day for the calendar month	16⅔
On that portion of the average production per well of more than 150 barrels and not more than 200 barrels per day for the calendar month	20
On that portion of the average production per well of more than 200 barrels and not more than 500 barrels per day for the calendar month	25
On that portion of the average production per well of more than 500 barrels per day for the calendar month	30

Leases on naval reserve No. 2

Lease No.	Present holder	Date authorized	Acres	Royalty
VISALIA				Per cent
09174(b)	Boston-Pacific Oil Co	Aug. 23, 1920	160	12½-25
09175	do	Aug. 20, 1920	(1)	25
09208	Honolulu Consolidated Oil Co.	Mar. 28, 1920	3,057.27	12½-35
09233	Union Oil Co. of California	Aug. 2, 1920	(1)	12½-25
09233(b)	do	Dec. 5, 1921	320	12½-25
09296(b)	General Petroleum Corporation.	Nov. 22, 1920	80	12½-25
09305	Buena Vista Oil Co	Feb. 14, 1921	(1)	12½-25
09312(c)	Consolidated Mutual Oil Co.	Feb. 16, 1921	280	12½-25
09313(c)	United Oil Co	June 17, 1921	80	12½-25
09314(b)	Caribou Oil Mining Co	July 30, 1921	80	12½-25
09315(b)	Record Oil Co	July 18, 1921	40	12½-25
09334(b)-010177-78-79-80	North American Oil Consolidated.	May 8, 1922	1,385.62	12½-25
09495(a)	Buena Vista Oil Co. and Union Oil Co.	Dec. 5, 1921	40	12½-25
09495(b)	Boston-Pacific Oil Co	do	40	12½-25
010026	Associated Oil Co	July 29, 1920	1,080	12½-25
010026(a)	do	Apr. 4, 1923	160	12½-25
010037	Murvale Oil Co	Mar. 1, 1921	1,281.38	12½-25
010092	United Oil Co	Feb. 17, 1922	330	12½-25
010131	North American Oil Consolidated.	July 24, 1922	320	12½-35
N. R. 21	Naval Reserve Oil Co	Nov. 6, 1923	320	12½-61
N. R. 22	Equitable Petroleum Co	Sept. 4, 1923	640	12½-55
N. R. 23	A. H. Heller	do	480	25-50

[1] Well lease.

Production, royalty, bonus, and royalty value to September 30, 1923, of tracts in Salt Creek field auctioned by Secretary Fall and Commissioner Spry June 15, 1921, at Douglas, Wyo

Lease No.	Tracts	Bonus	Acreage	Bonus per acre	Total production to Sept. 30, 1923.	Royalty rate	Royalty	Royalty value
						Per cent	Barrels	
029175	U, NC, MB	$96,700.00	480	$55.63		25		
029177	P, J, M, A	279,000.00	600	465.00	$236,981.15	33⅓	74,976.10	$124,025.69
029179	K7	2,000.00	160	12.50	3,232.89	25	800.80	1,161.16
029180	LA	2,700.00	160	16.88		25		
029181	JY, IX, HW	14,600.00	480	30.42	85,687.97	25	21,399.93	35,742.46
029186	HQ, Z	58,750.00	320	183.59	225,304.88	25	54,740.91	85,591.34
029189	Y	13,400.00	160	83.75	11,023.36	25	2,016.65	3,191.60
029190	T	5,000.00	160	31.25	17,178.22	25	4,427.51	5,870.42
029192	GV	12,000.00	160	75.00	26,941.87	25	5,742.43	9,914.65
029193	OD	3,200.00	160	20.00	1,466.42	25	356.65	555.21
029194	X, S	18,000.00	320	56.25	18,428.40	25	4,940.18	7,893.67
029196	C	226,000.00	160	1,412.50	644,891.95	33⅓	176,017.03	273,693.09
029197[1]	N	18,000.00	160	112.50	131,427.70	33⅓	39,949.04	64,171.76
029197[1]	AP, W, V	81,000.00	400	202.50	231,714.94	25	55,959.68	86,859.18
029200	D, F, H, B	332,000.00	640	518.75	194,255.61	33⅓	65,098.97	110,953.98
029204	K (part)	[1] 52,000.00	100	520.00	38,884.34	33⅓	12,669.59	22,169.36
029204	Q	1,000.00	160	6.25	66,682.82	25	17,225.63	28,384.18
029205[1]	R (part, L)	[2] 51,000.00	220	231.82	540,172.04	33⅓	178,745.99	268,874.17
029205[1]	Fu, R	36,600.00	320	114.38	93,794.93	25	24,825.19	40,242.61
029208	ET	21,000.00	160	131.25	137,282.67	25	33,393.60	55,497.77
029210	I, G, E, O	341,500.00	600	566.92	147,332.78	33⅓	47,559.23	78,763.28
029214	DS, CR	91,550.00	320	286.09		25		
	Total	1,687,000.00	6,400	257.61	2,852,684.94	28.76	820,416.13	1,307,204.58

[1] This bonus was for 160-acre tract that was split in drawing leases and parts included in two separate leases along with other tracts.
[2] Part of this bonus included in second line above.

THE CALENDAR

The PRESIDENT pro tempore. The Secretary will call the next bill on the calendar.

The bill (S. 1181) naming the seat of government of the United States was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator who introduced this bill, or the Senator who reported it, explain it? What is the reason for changing the name of the city of Washington?

Mr. CURTIS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1786) to amend sections 5, 6, and 7 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes, was announced as next in order.

Mr. McKELLAR. That is a long bill, and I think it ought to be taken up some other time than in the morning hour.

The PRESIDENT pro tempore. The bill will be passed over.

VETERANS' BUREAU HOSPITAL, CORPUS CHRISTI, TEX.

The bill (S. 2100) authorizing the sale of the United States Veterans' Bureau Hospital at Corpus Christi, Tex., was announced as next in order.

Mr. WILLIS. I think the Senator from Pennsylvania [Mr. REED] is interested in that measure, and I suggest that in his absence it probably ought to go over.

Mr. ROBINSON. The bill was held up a number of times when heretofore called in the Senate, because no written report or other information explaining it accompanied the bill; but I find that since the bill was last called on the calendar a formal report has been submitted, and that the Director of the Veterans' Bureau recommends the passage of the bill in the following language:

Taking into consideration these facts—

That is, facts recited previously in his letter—

and also the expense of restoration, I respectfully recommend that authority be granted to sell and convey the property and to have the proceeds thereof paid into the Treasury of the United States as miscellaneous receipts, and request your favorable consideration of the bill.

The buildings on the property were wrecked by a very severe storm. No attempt has been made to restore the buildings, and the property is now in charge of a caretaker and is not being used for a hospital. In view of the location of the property it is not regarded as suitable for hospital purposes by the director. So I think, unless some Senator knows something to the contrary, the bill ought to pass.

Mr. WILLIS. I shall not object, Mr. President.

Mr. NORRIS. Mr. President, I understood the Senator to object.

Mr. WILLIS. I said I would not object. In view of what was said by the Senator from Pennsylvania, I thought perhaps it should go over, but I have nothing against the bill, and if the Senator from Arkansas has examined it thoroughly and thinks it all right I shall not object.

Mr. ROBINSON. I have read the report of the director. I myself was responsible for the bill going over on another occasion, not understanding why it was desired to sell the property; but the director states that the location is unsuitable for a hospital; that the buildings heretofore constructed there have been wrecked by a storm and have not been restored; and that it is not desired on the part of the bureau that they shall be restored. For these reasons he thinks the sale ought to be authorized.

Mr. NORRIS. I understand there has been no written report made on this bill.

Mr. FLETCHER. Yes; there is a written report filed with the bill. The bill provides for public advertisement and a sale to the highest bidder.

Mr. NORRIS. I do not believe the Government ought to sell any property unless it is clearly established that it has no further use for it, either for the purpose for which it was purchased or for any other Government purpose. I have no information that would justify me in opposing the bill, but it does seem just a little queer to me that after we have bought property and improved it we should dispose of it, because some of it has been injured. I am wondering why the hospital was located there to begin with. It may have been all right. I am not charging that there was anything wrong, but I would like to be advised about it.

Mr. WALSH of Massachusetts. This was not property purchased by the Veterans' Bureau. It was property transferred to the Veterans' Bureau, and was formerly property of the Public Health Service.

Mr. NORRIS. What was the Public Health Service doing with it?

Mr. WALSH of Massachusetts. It was used for hospital purposes.

Mr. NORRIS. It must be that our Public Health Service supposed it to be a good location for a hospital.

Mr. WALSH of Massachusetts. It was used for temporary hospital purposes during the war, but became useless to the Government and was no longer considered suitable for hospital purposes.

Mr. NORRIS. How much land is connected with it?

Mr. WALSH of Massachusetts. I do not know.

Mr. NORRIS. Does the Senator know how much it cost the Government?

Mr. WALSH of Massachusetts. I do not know exactly. It has been in the possession of the Government for a long period of time. It was not purchased recently.

Mr. FLETCHER. The report of the director says:

This reservation has not been used as a hospital by the United States Veterans' Bureau since its transfer to the bureau. It was first held and used by the Public Health Service under a lease made by the War Department. In pursuance of the authority granted by the act of March 3, 1919 (40 Stat. 1303), the Treasury Department entered into a contract purchasing the property at a stipulated price of $140,000. Before the title was conveyed to the United States a severe tropical storm caused considerable destruction and damage to the buildings and other property, and as a result of this destruction and damage the purchase price was reduced to $120,000.

The property was transferred to the control of the United States Veterans' Bureau by Executive order dated April 29, 1922. No attempt has been made to restore the buildings.

They state that they do not need the buildings.

Mr. NORRIS. It appears that the Government bought the property for $120,000 or something more than that.

Mr. FLETCHER. For $120,000.

Mr. NORRIS. And that really before the title was perfected in the Government, or a transfer made, it is proposed that the Government shall offer it for sale. If it is not a good location for a hospital on account of sanitary conditions, it seems to me the Public Health Service were at fault in leasing it to begin with. I want to hear more of an explanation of the bill, and, as the Senator from Pennsylvania [Mr. REED] is not here, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Ramon B. Harrison was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

F. J. BELCHER, TRUSTEE

The bill (S. 1014) for the relief of F. J. Belcher, jr., trustee for Ed Fletcher, was announced as next in order.

Mr. KING. Reserving the right to object, let the bill be read.

Mr. SHORTRIDGE. I hope the Senator will withhold his objection. This bill was introduced at a former session, went to the Committee on Claims, and was unanimously reported favorably.

Mr. KING. Will the Senator permit an interruption?

Mr. SHORTRIDGE. Certainly.

Mr. KING. This is the bill to which the Senator from Georgia [Mr. GEORGE] called attention some time ago, involving payment for alleged injury to lands which were leased to the Government. I understand the Senator from Georgia desires to address himself to this measure, at least to have further explanation of it, and in his absence I ask that it go over until he returns.

Mr. SHORTRIDGE. I was not aware that there was any other objection. Of course I shall not press the measure now.

The PRESIDENT pro tempore. The joint resolution will be passed over.

CHANGE OF NAME OF THIRTY-SEVENTH STREET, WASHINGTON, D. C.

The bill (S. 1932) to change the name of Thirty-seventh Street, between Chevy Chase Circle and Reno Road, was announced as next in order.

Mr. BRUCE. Mr. President, I want to make a few observations on this bill, with a view to securing its defeat, if I can.

The PRESIDENT pro tempore. The Senator from Maryland will have the privilege of the floor for five minutes on the bill.

Mr. BRUCE. Mr. President, this bill is a proposition to change the name of the upper or northern end of Thirty-seventh Street, in the city of Washington, to "Chevy Chase Drive." The locality is in Chevy Chase, in the city of Washington. Just a mile away in Montgomery County, Md., there

is a short street with exactly that name, "Chevy Chase Drive," and this name that street has borne for 13 years.

I submit to the Senate that to allow the upper end of Thirty-seventh Street to have the same name as the street in Mongomery County, Md., that is to say, "Chevy Chase Drive," would inevitably lead to confusion, and to no little confusion. Believing this, the residents on Chevy Chase Drive, in Montgomery County, are protesting against the proposed change. They say that their street has borne the name of "Chevy Chase Drive" for 13 years, that property has been bought and sold on it under the name of "Chevy Chase Drive," that it is platted as "Chevy Chase Drive" on the land records of Montgomery County, and that they receive their mail from exactly the same branch post office of the city of Washington post office as do the residents along the upper end of Thirty-seventh Street.

Mr. ROBINSON. Will the Senator from Maryland yield to me for a question?

Mr. BRUCE. Provided my five minutes does not slip away from me too rapidly.

Mr. ROBINSON. I will not interrupt the Senator.

Mr. BRUCE. Certainly I will yield. I will take my chances on the time.

Mr. ROBINSON. That is all right.

Mr. BRUCE. Therefore my constituents think that this bill ought to be defeated. As I have said, it is in the same locality as the street known as Thirty-seventh Street, only 1 mile away, and is served by the same branch post office. While the street is a short one, it has some very valuable properties on it. There are a number of houses on it each costing as much as $25,000, and several that cost as much as $75,000. So the locality is one of some little importance.

I know something of the inconvenience that is likely to be produced by a confusion of names. When I was a boy a man resided in the same region with my father, Charles Bruce, who had the same name as my father, and constant vexation and annoyance resulted. My father was continually receiving mail intended for his neighbor, and express matter as well, and vice versa. Finally, the man was so irritated at the incessant confusion that he went down to Richmond and had his name changed by the legislature from Charles Bruce to another name. That is an illustration of what is likely to happen with Chevy Chase vicinage if the proposed change of name is effected.

Mr. ROBINSON. Mr. President, notwithstanding the argument presented by the Senator from Maryland, there appears a real necessity for a change in the name of this street. The Chevy Chase Drive, to which the Senator from Maryland refers, is in the State of Maryland. This street is in the District of Columbia. It is called Thirty-seventh Street, and residents on the street advise me and have written the committee that the name is not in harmony with the system of numbering streets in the city of Washington. As every one knows, the streets that run north and south are given numbers. This street is curved in shape. Many persons have complained that it is difficult, if not impossible, to locate house numbers on Thirty-seventh Street. It is not consistent with the method of street naming and numbering which prevails in the city of Washington or in Chevy Chase, Md., for that matter. I had not been advised before the statement of the Senator from Maryland that there exists in the State of Maryland a lane or road or street which is now called Chevy Chase Drive. I am informed, however, that that is true.

Mr. BRUCE. Yes; and for 13 years it has borne that name.

Mr. ROBINSON. The street that is officially named Thirty-seventh Street and the name of which it is sought to change has been called Chevy Chase Drive by the residents there for about 30 years.

Mr. BRUCE. Oh, the Senator is mistaken about that.

Mr. ROBINSON. I have my information from a person who is present, who lives on the street, and owns property there, and I am almost sure the statement is correct.

Mr. BRUCE. All I can say is that that is hopelessly inconsistent with the information which has been brought to me, by three or four people who live on Thirty-seventh Street, and who are interested in the passage of this bill. I will state what I think gives color to the information that the Senator has, if he will pardon an interruption?

Mr. ROBINSON. I take pleasure in yielding to the Senator from Maryland, even though it may consume some of my five minutes.

Mr. BRUCE. I desire only to say that it is true, as far as I can gather, that a good many years ago what is now called Thirty-seventh Street was called Chevy Chase Drive. Afterwards, however, the name was completely abandoned and was assumed by this street in Maryland and has been borne by it for the last 13 years.

Mr. ROBINSON. The proceedings before the committee show that residents of the street have signed a petition asking that the name be changed. The statement is made in the committee report that citizens state that it is difficult, almost impossible, to secure the delivery of household goods and other things because of the confusion which exists arising out of the name.

Mr. McLEAN. Mr. President, if there is a street in the vicinity that carries the same name would it not be possible to avoid the confusion by changing the name to some other name than Chevy Chase Drive? Has that been considered?

Mr. ROBINSON. I made that suggestion to some of the persons interested in the matter after I heard the statement of the Senator from Maryland. They think they are entitled to use the name, however. The Chevy Chase Drive referred to by the Senator from Maryland is in Maryland and this street is in the District of Columbia. If the Senate thinks that action should not be taken to-day I am willing to have the bill go over.

Mr. McLEAN. There are more important matters than this pending. The bill is evidently going to occasion some debate, so I object to its further consideration.

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

Mr. ROBINSON subsequently said: Mr. President, this morning the Senate had under consideration Senate bill 1932, to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road. There was objection to the consideration of the bill by the Senator from Maryland [Mr. BRUCE] for reasons which he stated. I have concluded that the bill requires an amendment, in view of the representations made by the Senator from Maryland, and, if there is no objection, I would like to have that bill disposed of now.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. ROBINSON. I offer the following amendment to the bill.

The READING CLERK. On line 5, page 1, the Senator from Arkansas proposes to strike out the word "Drive" and insert in lieu thereof the words "Parkway," so as to make the bill read:

Be it enacted, etc., That the name of the street now known as Thirty-seventh Street between Chevy Chase Circle and Reno Road be, and the same is hereby, changed to Chevy Chase Parkway, and the surveyor of the District of Columbia is hereby directed to enter such change on the records of his office.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STIMULATION OF CROP PRODUCTION

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was announced as next in order on the calendar.

Mr. WADSWORTH. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

GORDON G. MACDONALD

The bill (S. 1013) for the relief of Gordon G. MacDonald was announced as next in order.

Mr. KING. Let the bill go over.

Mr. SHORTRIDGE. Mr. President, this bill was reported favorably by the committee. Lieutenant MacDonald met with permanent injury when in the discharge of his duties in the line of duty in the Army. He fell from the sky and was permanently injured. The Navy Department, the committee, all who have looked into the facts, report favorably. I hope the Senator will permit the bill to be taken up and disposed of. The report is here for Senators. There is no question as to the facts. The purpose of the bill is to permit him to be placed upon the retired list with the rank and three-quarters of the pay of the grade held by him at the time the physical disability was incurred. I hope the bill may be disposed of now.

Mr. KING. It grieves me more than it grieves the able Senator from California, but I feel compelled to object. I do not care to enter into any discussion of the matter. The principle has been debated on other bills.

Mr. SHORTRIDGE. On some other occasion, perhaps on the next call of the calendar, I shall move to take up the bill. I shall not now detain the Senate by making such a motion.

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

ADJUSTMENT OF DISTRICT OF COLUMBIA ACCOUNTS

The bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia was announced as next in order.

The reading clerk proceeded to read the first amendment proposed by the Committee on the District of Columbia.

During the reading,

Mr. McNARY. I object.

The reading clerk continued the reading of the amendment and was interrupted by,

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oregon will state the parliamentary inquiry.

Mr. McNARY. I do not know of any rule of the Senate under which a bill must be read if there is objection made to its present consideration.

The PRESIDENT pro tempore. The reading clerk was reading an amendment.

Mr. McNARY. It does not matter whether it is an amendment or whether it is the substance of the bill. I propose to object to the consideration of the bill to-day, so why take up the time of the Senate reading a bill that can not come up for consideration? I would like to know if there is a rule permitting that to be done.

The PRESIDENT pro tempore. Does the Senator object?

Mr. McNARY. I rose to object and objected.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. PHIPPS. The bill has been called two or three times previously, and I desire now to give notice that at an early opportunity I shall move to take it up for consideration.

RAILROAD PROPAGANDA

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. REED of Pennsylvania. Let the resolution go over.

Mr. GOODING. I hope the Senator will not object to the present consideration of the resolution. It was approved unanimously by the Interstate Commerce Committee, and it only requires the Interstate Commerce Commission to secure evidence in regard to railroad propaganda. Every Senator must be fully aware that it is going on and that the country is saturated with it at the present time. If the Senator will permit the reading of the resolution, I am quite sure he will be for it.

Mr. REED of Pennsylvania. I would like to have an opportunity to look into it.

Mr. GOODING. Does the Senator object?

Mr. REED of Pennsylvania. I would like to look into it.

Mr. BRUCE. I would like to say that the Senator is mistaken in saying that the action of the Interstate Commerce Committee in reporting the resolution was unanimously favorable. I stated distinctly at the time that I reserved the right to object to the resolution when it came to the floor of the Senate.

Mr. McLEAN. I call for the regular order. Objection has been made.

The PRESIDENT pro tempore. Objection is made.

Mr. GOODING. I give notice that the next time the calendar is called I shall move to take up the resolution for consideration.

The PRESIDENT pro tempore. The resolution will be passed over.

BILLS PASSED OVER

The bill (S. 185) to promote agriculture by stabilizing the price of wheat was announced as next in order.

Mr. DIAL. Let the bill go over.

The PRESIDENT pro tempore. Objection is made. The bill will be passed over.

The bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy was announced as next in order.

Mr. KING and Mr. DIAL. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

PACIFIC COMMISSARY CO.

The bill (S. 2357) for the relief of the Pacific Commissary Co. was announced as next in order.

Mr. KING. I wish to have some explanation of the bill. It seems from a reading of the bill that the beneficiaries furnished meals to officers of the United States. I presume if they did so, the officers of the United States who had the meals were paid for the same and are ready to pay any obligation they incurred.

Mr. STANFIELD. That is true, I will say to the Senator from Utah; but these officers were moved out of their quarters oftentimes without notice that they were to be moved. There was a loss on account of their being moved overseas without any opportunity for them ever to pay, and there was no opportunity for the commissary company to collect. There was an understanding with the commanding officers that the concern would be protected in any loss that it might sustain. It was not a contract enforceable, but under the circumstances, in the early days of the war and in the rush of affairs, those who were in charge of the commissary company accepted the word of the officers that they would be reimbursed. Their accounts have been carefully audited, and it has been determined that the amount contained in the bill is their exact loss. There was a similar bill passed by the Senate during the last Congress, but it was not reached in the House. Therefore it is one of those lame bills that come back so often for reconsideration. I hope the Senator will not object to its consideration at this time.

Mr. KING. Mr. President, I shall not object to the consideration of the bill, but, with the information which I now have, I shall feel constrained to vote against it. As I understand the explanation of the Senator from Oregon, in brief it is this: That the Government of the United States had a post at a certain point within his State during or immediately before the war, and that at that post a number of Army officers, as well doubtless as soldiers, were stationed, and that this commissary company was organized for profit and to feed, if it could get the contract, the soldiers and the officers.

Mr. STANFIELD. Mr. President, if the Senator will yield at that point, I should like to enlighten him. The commissary company was not organized for that purpose, but was there taking care of the contractors and their employees who were building the camp. The officers were suddenly thrown upon the camp; there was no provision made for their care or keep. So the commanding officer went to the commissary company that was taking care of the builders of the camp and asked, as an accommodation to the commanding officer and the officers at the place, that the company take care of the officers. The company did so, and suffered a loss that is set forth in the bill. If the Senator desires, I will go into the report more fully. It is quite lengthy, and I presume the Senator has read it.

Mr. KING. May I ask the Senator whether there is anything in the report showing that an authorized officer of the Government entered into a contract to compensate this company for feeding the officers?

Mr. STANFIELD. There is nothing to show that an authorized officer entered into a contract. There is a statement of one of the officers that he would protect the company from loss if they would take care of the officers during this period. It was many miles from Tacoma to Camp Lewis, and the only recourse which they had at that time was for this commissary company to take care of the officers who were stationed there. The facts are fully set forth in the report.

Mr. KING. Is there a statement of the officer who, it is alleged, made this parol contract that the Government would take care of the company?

Mr. STANFIELD. That is in the report. A statement of Col. David L. Stone is there, and also a statement of Capt. Charles Emery Hathaway. The whole matter is set out in the report.

Mr. KING. Why did not the commissary company obtain payment from the officers themselves? They receive comparatively reasonable compensation; they have provision made for their food, for their quarters, and so on. The Government takes care of its officers, furnishes them quarters, and, if it does not, it allows them a certain amount for quarters. It is apparent that the Government paid the officers stationed at the camp whatever under the law they were entitled to, and they, according to the statement of the Senator, went away without paying their obligations. Why did not the company look to the officers?

Mr. STANFIELD. The commanding officer assured the commissary company that he would look after that and take care of it.

The PRESIDENT pro tempore. The time of the Senator from Utah has expired. The Senator from Oregon has already spoken once upon the bill, and can not, without unanimous consent, speak again.

Mr. FLETCHER. Mr. President, in my time I should like to inquire of the Senator from Oregon whether this matter was considered by the Contract Adjustment Board. There was a regular board appointed by the War Department to take into consideration questions of this sort. What was their recommendation, if any?

Mr. STANFIELD. I think it was considered by them that there was no contract except a verbal statement of the commanding officer that the commissary company would be protected. The officers of the camp were moved secretly, as the Senator well knows, and as they were from other camps, to the place of embarkation. The commissary company, I repeat, through the commanding officer, was assured that the company would be protected, that they would be reimbursed. There having been no formal contract, the matter could not come before the Contract Adjustment Board, to which the Senator has referred, for they had no authority to act on it. It is not right, however, that this commissary company, which in this instance was not working for a profit at all, should not be reimbursed for the actual expenditures incurred by it.

Mr. FLETCHER. The Contract Adjustment Board could not report on the technical ground that there was no valid contract?

Mr. STANFIELD. There was no valid contract; exactly so.

Mr. FLETCHER. Still a hardship exists.

Mr. STANFIELD. I wish to explain further to the Senator that the expense the commissary company incurred on this account bankrupted the company and that the proceeds of this settlement will not go to a single stockholder of the commissary company, but will go to the creditors of that company, which, as I have said, was made bankrupt by carrying on this work. It certainly seems to me it is an obligation which should be met by the Government.

Mr. DIAL. Mr. President, in my time let me ask the Senator what report did the War Department make?

Mr. FLETCHER. There seems to have been some litigation about it.

Mr. STANFIELD. No, Mr. President; the Senator is mistaken as to that.

Mr. DIAL. Mr. President, I have not been able to read all the report, but could not the company recover this amount from the officers? Would not that be the right course to pursue?

Mr. STANFIELD. No; it would be an impossibility to collect the amount in that way. There were many of these officers. Some of them are dead and others are scattered practically all over the world. Of course, as the Senator will notice, only a portion of the amount was directly chargeable to the officers. The commanding officer agreed with the commissary company for $1 a day, which was a very economical charge, and that the company would be reimbursed for the expense of feeding the officers if the cost exceeded that sum. The company rendered a statement, which appears on page 5 of the report, which has been audited by the Government's auditors, and it is known to be a statement of the actual losses incurred. A portion of the loss was by reason of officers failing to pay.

Mr. DIAL. Of course, Mr. President, the amount ought to be paid by whoever is responsible for it. I do not like, however, to see a precedent established that the Government will pay the debts of its officers where they have left them unpaid, unless there is obligation on the part of the Government. I confess that I have not been able to study the very long report in this case during the time which has been at my command.

Mr. STANFIELD. Following up that, I remind the Senator that the Government was responsible for creating a condition that made it impossible for the officers to meet that obligation, because, perhaps at nightfall, they would receive an order to embark, and they were gone, and had no opportunity to go around and settle any obligations. Furthermore, there was a general understanding that it would be taken care of.

Mr. DIAL. Is the report of the committee unanimous?

Mr. STANFIELD. The report of the committee is unanimous. The bill, as I have said, passed the Senate at the last session of Congress, but failed in the House by reason of the expiration of the session.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is, authorized and directed to pay the Lumbermen's Mercantile Co., of Seattle, Wash., or to its receiver, trustee out of court, or other legal representative, the sum of $31,847.87 in settlement of the claim of said company against the United States under an understanding and agreement between the officers of said company and the officer in command of the Army cantonment at Camp Lewis, Wash., whereby said company was to be compensated by the United States for any losses that should be sustained by said company in furnishing meals to Army officers at said camp during the months of August, September, October, and November, 1917, at the price fixed by the Government.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL RELIEF

The bill (S. 2012) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes was announced as next in order.

Mr. McNARY. I move that that bill be indefinitely postponed, for the reason that there is now on the Calendar another bill introduced by me similar in its provisions to Senate bill 2012, but fashioned along little better lines.

The PRESIDENT pro tempore. The Senator from Oregon moves that the bill, the title of which has just been stated from the desk, be indefinitely postponed. The question is on that motion.

The motion was agreed to.

THE MILITARY ESTABLISHMENT

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1974) providing for sundry matters affecting the Military Establishment, which had been reported from the Committee on Military Affairs with amendments.

Mr. KING. Mr. President, this is a very long bill. It would consume, perhaps, 15 minutes in its reading. If the Senator from New York [Mr. WADSWORTH] could offer an explanation of the bill, it might obviate the necessity of consuming so much time as would be consumed in its reading.

Mr. WADSWORTH. Mr. President, I very much hope that the Senate will permit this bill to be considered this morning. The bill has been on the calendar for six weeks, and I have as yet to learn of any opposition to any of its features. It is merely the length of the bill which seems to discourage or to dismay some Senators. It might be termed an omnibus measure. It contains a number of legislative proposals which are quite unrelated one to the other. It will take me but a few moments to sketch them. Let me say, however, before doing so, that the length of the bill is, in part, due to the necessity of repeating existing statutes, but I think I can point out the amendments which are proposed by the different sections of the bill.

The first section of the bill has to do with the court martial procedure in the Army. Under the Articles of War as at present even the very minor cases of punishment when found to have been based upon insufficient evidence must, in order to be corrected, be presented to the President of the United States. This bill, on page 5, proposes to insert new language in Article of War No. 50½ in order to permit in such comparatively unimportant cases the Secretary of War, or Acting Secretary of War in the absence of the Secretary, to vacate, in whole or in part, the proceedings which the Judge Advocate General's Department have found to be incomplete and improper. It is merely a simplification of that article of war, and, if adopted, will relieve the President of a totally unnecessary burden, without, however, depriving the President of the right to act if he chooses so to do.

The second section the committee proposes to strike out of the original bill because we believe that it proposes to give to the Secretary of War a power too large and wide sweeping, in that it gives him power to grant easements of rights of way across military reserves for gas, water, oil, and sewer pipe lines and for other uses of a similar nature to any citizen.

Section 3 of the bill permits the payment of travel allowances to enlisted men of the Philippine Scouts. For many years the War Department has been paying travel allowance to enlisted men of the Philippine Scouts when discharged. Our friend the comptroller, however, has ruled that the word "pay," as applied to the act establishing the Philippine Scouts, does not include the payment of travel allowance. The War Department believes that these soldiers should receive the same treatment as soldiers of the Regular Army proper, and that these payments made in good faith should be validated. This proposed legislation seeks also to provide that in the future the Philippine soldiers shall get exactly the same treatment as do the American regulars, in that when they travel they shall get the Regular Army travel-pay allowances.

The fourth section of the bill permits the Secretary of War in his discretion to class as secret certain apparatus and equipment pertaining to the Signal Corps and the Air Service of the Army and to purchase such equipment without public advertisement and public specifications. The Secretary of War has that same power in connection with certain secret equipment of the Ordnance Department. It develops in the course of time that the Signal Corps and the Air Service desire certain equipment, the character and design of which they do not want given to the public, which would necessarily have to be done if the Secretary of War were compelled to award contracts on public bidding.

The matter is an exceedingly small one as translated in dollars and cents, but may be of great importance when considered from the viewpoint of national defense.

The committee has added an amendment to the bill, which reads:

Provided, That such purchases and contracts shall not be made or awarded, except under circumstances where it shall be impracticable to procure such articles in Government establishments.

Section 5 establishes a department of economics, government, and history at the United States Military Academy at West Point and authorizes the appointment of a professor for that place. That is a measure which was recommended by the board of visitors to West Point and also by the superintendent of the academy. I wish to say that it does not increase the personnel at West Point because, while this is being done, another department now headed by a professor, detailed from the Army, is being abolished.

Mr. KING. If we would abolish several more it would be a good thing.

Mr. WADSWORTH. Not at West Point.

Section 6 adds to existing law the words "Enlisted Reserve Corps," so that members of the Enlisted Reserve Corps in the District of Columbia may have the same right of leave of absence from their duties, if Government employees, when attending maneuvers and exercises, as have members of the National Guard. Members of the National Guard who are employed by the departments of the Government here as clerks receive under existing law leave of absence without prejudice and without loss of time or efficiency while attending National Guard maneuvers. It is believed that the members of the Enlisted Reserve Corps should receive exactly the same privilege when attending training camps.

Mr. KING. Mr. President, is that opposed by the Civil Service Commission or by any of the administrative branches of the Government?

Mr. WADSWORTH. It is not opposed by any branch of the Government.

Section 7 brings up the question of the retirement of Army field clerks. Here is the situation:

Prior to 1916 there was no such position in the Army as Army field clerks or field clerk Quartermaster Corps. There were headquarters clerks, and they were all under civil service. Their status was not satisfactory in that they were not subjected to a sufficient degree to military discipline; so the Congress in 1916 changed their status and named them as Army field clerks and field clerk Quartermaster Corps and gave them a military status in part, put them in uniform, in effect, and subjected them to all the Articles of War and the orders of their commanding officers. It deprived them, by so doing, of their civil service status; and when the Congress thereafter passed the civil service retirement law these men, who had always been civil servants, but who had been taken out of that class in 1916, found themselves without any retirement privilege offered to them. Then in 1920 the Congress, in the army reorganization act, abolished grades of Army field clerk and field clerk Quartermaster Corps and established the grade of warrant officer. It provided at the same time that a field clerk of that day could be appointed as warrant officer upon proper examination and that after that day no additional field clerk should be named or appointed, thus allowing the field clerks to pass gradually out of it through age or physical disability, or death. No more are to be appointed.

Mr. President, the number of Army field clerks has been reduced down to 237, and of Quartermaster field clerks down to 175. None have been appointed since 1920. Forty-seven of them have been in the service over 30 years, and 23 are over 64 years old. They have no future whatsoever. There is no retirement provision for them in any statute. The grade of warrant officer is full to-day. They can not become warrant officers and have the retirement privilege as the result of holding that position. This section is to give these old men, whose status was changed in 1916 and who have spent their lives in or with the Army, first as civil servants and later as field clerks, the same right of retirement as a warrant officer. To my mind it is just. They have given just as much as the warrant officers; they have given just as much as any civil servant of the Government; and I remind the Senate that every civil servant of the Government to-day has the retirement privilege.

Mr. BURSUM. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from New York yield to the Senator from New Mexico?

Mr. WADSWORTH. I yield.

Mr. BURSUM. I desire to ask the Senator if this bill in any way changes the status of officers detailed to colleges?

Mr. WADSWORTH. Oh, no; this is for field clerks only.

Mr. BURSUM. But is there any other provision on the subject in the bill?

Mr. WADSWORTH. There is no other provision of this bill which changes the status of Reserve Officers' Training Corps officers. The Senator is thinking of a bill already passed by the Senate, in which, in my judgment, the Senate made a very grave error in that regard, and the House committee has cured the error in its report to the House.

Mr. BURSUM. Oh, it has?

Mr. WADSWORTH. Yes.

Mr. KING. Mr. President, may I ask the Senator what privileges of retirement or otherwise the warrant officers get?

Mr. WADSWORTH. Three-fourths of their pay at the date of retirement. That is a matter of statute.

Mr. KING. How many years do they serve?

Mr. WADSWORTH. They must serve 30 years before they can be retired at all, and they must retire at 64. There are no retirement privileges applicable to field clerks. Some of them are far over 64 years of age.

The next section—section 8 as originally printed—relates to the issue by the Secretary of War of arms and ammunition for the protection of public property to other departments of the Government. The Senate will remember that when we had some holdups of mail trains the War Department loaned to the Post Office Department pistols and ammunition, cartridge belts, and various equipment. The Secretary of War wants to know how far that policy is to extend, and very properly he suggests language which will be found in the middle of page 11:

Provided, however, That if such arms or ammunition be desired for an indefinite period, or a period exceeding 90 days, their issue and retention is authorized, in the discretion of the Secretary of War, subject to payment by transfer of funds from the requisitioning department or independent agency to the credit of War Department funds.

In other words, under this proposal the War Department may lend arms and ammunition, in the discretion of the Secretary, temporarily to another department; but if that other department makes up its mind that it is going to keep those articles, then under this bill that other department must pay the War Department for them, transferring the funds from its appropriations to the War Department.

Section 9 brings up an interesting situation. Senators will recollect that under a law passed during the war the War Department was authorized to settle all claims brought against it abroad due to operations of the Army during the war; but it so happens that in the description of the claims which might be settled in that way claims due to operations of the Army Transport Service were omitted, with the result that, although damage was done abroad in the ports of France and in other places to the property of citizens of other countries by collisions or otherwise in the operation of American transports, cargo, and troop ships, there is no method by which the War Department can settle those claims; and surely they should be settled. The report from the department indicates that the total of those claims would amount to about $900,000 if they are settled promptly.

Mr. KING. Mr. President, I do not quite understand. Does this authorize them to make payment, and is there any appropriation made?

Mr. WADSWORTH. Appropriations will have to be made later to meet those obligations.

Mr. KING. Does the Senator believe that there are legitimate claims that may aggregate anywhere near that sum?

Mr. WADSWORTH. Oh, yes; there is no doubt of it. This is authority given to the Secretary of War exactly such as has been given to him in all other classes of claims due to the operations of the Army abroad during the war.

Mr. KING. Then we have not yet discharged all of the obligations resulting from the war?

Mr. WADSWORTH. No; but nearly so.

Mr. SHORTRIDGE. No, Mr. President; there is one pending here in the bill that I introduced, which has gone over.

other legal representative, the sum of $31,847.87 in settlement of the

in his discretion to class as secret certain apparatus and equip-

Mr. KING. No; I do not regard that as quite one.

Mr. WADSWORTH. The next section, original section 10 of the bill, permits the Secretary of War to withhold temporarily funds received by the Washington-Alaska military cable and telegraph system in order that that system, which is operated by the enlisted men of the Signal Corps, may meet the demands of customers who come into one of the telegraph offices and ask to telegraph money from that office to another office.

Under existing law, as fast as the receipts come into this military telegraph office from civilian customers, they must be turned into the Treasury of the United States. They may not withhold them temporarily in whole or in part. The result is that there being no money in the cash drawer of the telegraph operator, a civilian customer—and nearly all of their business is civilian—finds that he can not telegraph money from one office to his correspondent in another; and this provision is to permit the Secretary of War to withhold temporarily from the receipts of the cable in order to make payments of money transferred from and to Alaska and between points within Alaska, to be accounted for accordingly.

In other words, if the Senator from Utah wanted to telegraph me some money from Alaska, and I were in Seattle, he would go into the Alaska office and telegraph the money; but when the telegram reached the office in Seattle, and I went to collect the money, there would not be my in the cash drawer, because the receipts would have been transferred to the Treasury. This amendment would permit that operator in Seattle to withhold a portion of his receipts in order to meet that demand.

Mr. KING. I hope the Senator has taken steps to guard the Government against loss, because he knows that at every session we have scores of claims presented for embezzlement or for loss of money resulting from theft or burglary.

Mr. WADSWORTH. I have never heard of a case of Signal Corps officers or men being guilty of anything wrong in the management of that cable. Furthermore they are under bond. Enlisted men sit in the offices running the cable.

Mr. KING. I had in mind the question of burglary, and they probably do not have safes, and so on; and we have had a good many cases where we have felt that the obligation rested upon the Government to pay these claims.

Mr. WADSWORTH. Section 11 relates to the sale of arms and equipment to Cuba. The Secretary of War to-day is authorized by statute to sell ordnance materials to the Cuban Government. Restricting that privilege to ordnance materials has worked to the disadvantage of the Cuban Government. Our Government stands perfectly willing to sell other sorts of Army supplies and equipment to the Cuban Army. They very much desire it. The Cuban Army, small as it is, of course, is equipped exactly like the American Army. Its tactical organization is just like ours; its general rules and regulations and articles are much like ours; and it is to the advantage of the United States, when one considers the interest of the United States in Cuba, that the Cuban Army shall be well equipped and well organized. This is a matter of importance to the Cuban Government, because they desire to purchase equipment from us.

Mr. KING. Mr. President, does the Senator believe that it is wise for us to maintain manufacturing plants, some of which perhaps might be closed, in order to manufacture munitions to be shipped abroad?

Mr. WADSWORTH. We are not manufacturing any munitions to speak of to-day. This is practically all out of surplus or reserve stocks.

Mr. KING. Will it be limited to surplus and reserve?

Mr. WADSWORTH. No, Mr. President; it will not be limited. It is a general authority, but the matter is very small. The Cuban army, I think, is composed of four or five thousand men. They are fairly well equipped now.

Section 12 authorizes the President of the United States to detail officers of the Army, Navy, and Marine Corps to assist the Governments of the Republics of North America and Central America and South America and the Republics of Cuba, Haiti, and San Domingo in military and naval matters. That provision follows a precedent which has existed for a good many years, but never has been set forth completely in a statute. We have, at one time or another, by special act loaned to a South American government an Army officer or naval officer to help in the reorganization of their respective military services. If we do not do it, Mr. President, European nations will. Already several of these nations to the south of us have asked the American Government to loan or detail to them an American Army officer or an American naval officer. The reply has gone back in most instances that our Government has no authority under which to do that. "Very well," says the South American government, "if we can not get a good officer from you, we will have to go to France or England or Italy or Germany."

It is a matter of sound public policy to have whatever military establishments exist in South America imbued as much as possible with the nonmilitaristic spirit of the American Navy and the American Army, and that spirit can best be encouraged by the presence of American officers as instructors and organizers.

Section 13 provides as follows:

That the Secretary of War be, and hereby is, authorized and empowered for such compensation and subject to such terms and conditions as are deemed advisable by him, to permit the use of Government-owned electric transmission, telephone and telegraph lines, water, gas, oil, and sewer conduits under his control by any citizen, association or corporation of any State, Territory, or possession of the United States for a period not exceeding 10 years.

These are revocable permits. It so happens that in several Army reservations there are established power plants the output of which is not consumed by the Army personnel itself, and it is also true that surrounding communities would be glad to purchase that surplus electric power. This permits the Secretary of War to make arrangements with them. There is one important instance of it at Camp Humphreys, Va., where the Government Army power plant produces a surplus of power, and people in that vicinity want the right to purchase power to light their houses. This would give the Secretary of War the right to sell it to them on permits or contracts not to exceed 10 years in duration. The committee has seen to it that the permits shall be revocable at any time, without liability on the part of the United States.

Section 14 provides:

That, under such regulations as may be prescribed by the Secretary of War, property and disbursing officers of the National Guard, accountable for public moneys, may intrust money to other officers of the National Guard for the purpose of having them make disbursements as their agents, and the officer to whom the money is intrusted, as well as the officer intrusting the same to him, shall be held pecuniarily responsible therefor to the United States and the agent officer shall be subject, for his official misconduct, to all the liabilities and penalties prescribed by law in like cases for the officer for whom he acts as agent.

Mr. DIAL. Mr. President——

Mr. WADSWORTH. I yield.

Mr. DIAL. I would like to ask the Senator if this bill makes any disposition of surplus Army supplies which are suitable for road building?

Mr. WADSWORTH. None at all. It does not touch that question.

Section 15 of the original bill has to do with absence from duty in the Army or Navy as the result of venereal disease. There are peculiar medical problems involved in this change which are highly important but which, I may say, are somewhat difficult to discuss. The committee is convinced that that section will be beneficial to the discipline of the Army and Navy and at the same time be absolutely fair to the unfortunate individuals.

Mr. KING. It discriminates between individuals?

Mr. WADSWORTH. It discriminates between cases.

Mr. KING. Between those who are purposeful in their wrongdoing and those who may be innocent?

Mr. WADSWORTH. In a sense, yes. Section 16 of the original bill provides:

That the Secretary of War be, and hereby is, authorized in his discretion to enter into and execute, upon such terms and conditions as he considers advisable, a lease or leases, joint or several, to the Bush Terminal Railroad Co. and the Long Island Railroad authorizing, for the interchange of freight between said railroads during the term thereof, such use of the tracks of any Government railroad as may be maintained within the limits of the Army supply base at South Brooklyn, N. Y.

Mr. President, that relates to the great Army supply base at Brooklyn. When the Government acquired the land and property and built the huge storage project which has been constructed there, with docks, it had to use a portion of a railroad which was connected with this storage project owned by the Bush Terminal Railroad Co. The question as to whether the Government should go ahead and spend more money to acquire that road, or whether it should come to an agreement for joint use, has been hanging fire some time. To acquire the road would be highly expensive. This bill would authorize the Secretary of War to make an agreement with the road for its use jointly by the Government and the road, with full pro-

or with the Army, first as civil servants and later as field clerks,

Mr. SHORTRIDGE. No, Mr. President; there is one pending here in the bill that I introduced, which has gone over.

tection afforded to the Government in the matter of reaching the Army base by rail at all times. It would be most difficult to condemn it and purchase it. With such an agreement the Government can accomplish its purpose without expense.

Mr. KING. It can be used by the Government and the terminal company?

Mr. WADSWORTH. By both; yes.

Mr. FLETCHER. The bill is really intended to straighten out a lot of details?

Mr. WADSWORTH. To clear up several little matters of detail.

Mr. FLETHCER. We went over it very carefully in the committee.

Mr. WADSWORTH. I have tried to explain several of the details that have occurred to me. The committee struck out some of the provisions, and made safer the language in several regards.

Mr. KING. I would like to ask the Senator whether there are many provisions in the bill which curtail the power of the Comptroler General of the Government?

Mr. WADSWORTH. None at all that curtail his power.

Mr. KING. I feel that his services have been very valuable to the Government.

Mr. WADSWORTH. In many directions; yes.

Mr. KING. It is a good thing to have an independent officer, beyond the political control of the Government, to scrutinize the various appropriations which are made.

Mr. WADSWORTH. There is no doubt about that. One of the provisions which refers to a decision of the comptroller is that relating to the travel pay of the Philippine Scouts. Certainly they should have the same travel pay as that given regular soldiers.

Mr. KING. That is the only case where there is validation?

Mr. WADSWORTH. That is the only one, I think.

The bill had been reported from the Committee on Military Affairs with amendments, on page 6, line 20, to strike out from line 20 to line 25, inclusive, and on page 7 to strike out lines 1 to 11, inclusive, being section 2, as follows:

SEC. 2. That the Secretary of War be, and hereby is, authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant an easement for rights of way over, across, in, and upon public military reservations and other lands under his control, for railroads and for gas, water, oil, and sewer pipe lines, and for other uses of a similar nature, to any citizen, association, or corporation of any State, Territory, or possession of the United States: *Provided*, That such rights of way shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States in the property affected thereby: *Provided further*, That all or any part of such rights of way may be forfeited and annulled by the Secretary of War for failure to comply with the terms or conditions of any grant hereunder or for nonuse or for abandonment of rights granted under the authority hereof.

On page 8, line 14, after the word "that" and the comma, to insert the words "in addition to authority heretofore granted"; on line 17, after the word "to," to insert the words "the Signal Corps and Air Service of"; on line 21, after the words "trade," to insert a colon and the words, "*Provided*, That such purchases and contracts shall not be made or awarded, except under circumstances where it shall be impracticable to procure such articles in Government establishments"; on page 11, line 15, after the word "authorized," to insert the words "in the discretion of the Secretary of War"; on page 13, line 20, to strike out the words "military service" and to insert the words "Army, Navy, and Marine Corps"; on line 22, after the words "North America," to insert the words "Central America," and after the words "South America," to insert the words "and of the Republics of Cuba, Haiti, and Santo Domingo"; on line 24, before the word "matters," to insert the words "and naval"; on line 25, after the word "accept," to insert the words "from the government to which detailed"; on page 14, line 1, after the word "offices," to strike out the words "from the government to which detailed with" and to insert the word "and"; on line 4, after the word "War," to insert the words "or by the Secretary of the Navy, as the case may be"; on line 9 to insert the words "Navy, and Marine Corps," and to strike out the word "they" before the word "shall"; on line 10, after the word "credit," to strike out the words "while so detailed"; on page 15, line 7, after the word "time" to insert the words "without liability on the part of the United States"; on line 16, after the words "United States," to insert the words "and the agent officer shall be subject, for his official misconduct, to all the liabilities and penalties prescribed by law in like cases for the officers for whom he acts as agent"; on page 19, to strike out section 19, as follows:

SEC. 19. That for the purpose of providing a more adequate defense of the Philippine Islands, and in order to prepare the Philippine people for an increasing measure of self-government, all existing laws pertaining to the Organized Reserves of the United States, including the Officers' Reserve Corps and the Enlisted Reserve Corps, and all existing laws pertaining to the Reserve Officers' Training Corps and civilian military training camps, are hereby extended and made applicable to the Philippine Islands, and citizens of the aforesaid islands are hereby made eligible for membership in the foregoing organizations either in the United States or in the Philippine Islands, as hereinafter provided: *Provided*, That in the application thereof to, and administration thereof in, the Philippine Islands, pay and allowances of whatsoever kind, whether the latter be in kind or otherwise, wherefor existing or supervenient law may provide, shall be, in respect of citizens of the Philippine Islands, as prescribed from time to time in regulations on the subject to be made by the Secretary of War, the same not to exceed in amount the pay and allowances authorized for officers and enlisted men of corresponding grades of the Philippine Scouts.

That under such regulations as the President may prescribe citizens of the Philippine Islands who have received training in a Reserve Officers' Training Corps or in civilian military training camps, or whose services as officers in the Philippine Scouts, the Philippine Constabulary, or the Philippine National Guard have been honorably terminated, are hereafter eligible for appointment and commission in the Officers' Reserve Corps; citizens of the Philippine Islands who have received military training under control of the United States in the Reserve Officers' Training Corps or in civilian military training camps, or who have been honorably discharged from the Regular Army, the Philippine Scouts, or the Philippine Constabulary, are hereby made eligible for enlistment in the Enlisted Reserve Corps, and citizens of the Philippine Islands are hereby made eligible for membership in the Reserve Officers' Training Corps and civilian military training camps, either in the United States or in the Philippine Islands, equally with citizens of the United States.

That in addition to any funds which may be appropriated by the United States for the purpose of carrying out the provisions of this legislation, the President is hereby authorized to use any funds which may be appropriated by the Government of the Philippines for the purpose of organizing, training, and employing such forces as may be created in the Philippine Islands under the provisions of this act.

To insert at the end of the bill two new sections, to be known as section 19 and section 20, so as to make the bill read:

Be it enacted, etc., That article 50½ of chapter 2 of an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920, be, and the same is hereby, amended to read as follows:

"ART. 50½. Review; rehearing: The Judge Advocate General shall constitute in his office a board of review, consisting of not less than three officers of the Judge Advocate General's Department.

"Before any record of trial in which there has been adjudged a sentence requiring approval or confirmation by the President under the provisions of article 46, article 48, or article 51 is submitted to the President, such record shall be examined by the board of review. The board shall submit its opinion in writing to the Judge Advocate General, who shall, except as herein otherwise provided, transmit the record and the board's opinion with his recommendation directly to the Secretary of War for the action of the President.

"Except as herein provided, no authority shall order the execution of any other sentence of a general courtmartial involving the penalty of death, dismissal not suspended, dishonorable discharge not suspended, or confinement in a penitentiary, unless and until the board of review shall, with the approval of the Judge Advocate General, have held the record of trial upon which such sentence is based legally sufficient to support the sentence; except that the proper reviewing or confirming authority may upon his approval of a sentence involving dishonorable discharge or confinement in a penitentiary order its execution if it is based solely upon findings of guilty of a charge or charges and a specification or specifications to which the accused has pleaded guilty. When the board of review, with the approval of the Judge Advocate General, holds the record in a case in which the order of execution has been withheld under the provisions of this paragraph legally sufficient to support the findings and sentence, the Judge Advocate General shall so advise the reviewing or confirming authority from whom the record was received, who may thereupon order the execution of the sentence. When in a case in which the order of execution has been withheld under the provisions of this paragraph, the board of review holds the record of trial legally insufficient to support the findings or sentence, either in whole or in part, or that errors of law have been committed injuriously affecting the substantial rights of the accused, and the Judge Advocate General concurs in such holding of the board of review, such findings and sentence shall be vacated in whole or in part in accord with such holding and the recommendations of the Judge Advocate General thereon and the record shall be trans-

mitted through the proper channels to the convening authority for a rehearing or such other action as may be proper. In the event that the Judge Advocate General shall not concur in the holding of the board of review the Judge Advocate General shall forward all the papers in the case, including the opinion of the board of review and his own dissent therefrom, directly to the Secretary of War for the action of the President, who may confirm the action of the reviewing authority or confirming authority below, in whole or in part, with or without remission, mitigation, or commutation, or may disapprove, in whole or in part, any finding of guilty, and may disapprove or vacate the sentence, in whole or in part.

"When the President or any reviewing or confirming authority disapproves or vacates a sentence the execution of which has not theretofore been duly ordered, he may authorize or direct a rehearing. Such rehearing shall take place before a court composed of officers not members of the court which first heard the case. Upon such rehearing the accused shall not be tried for any offense of which he was found not guilty by the first court, and no sentence in excess of or more severe than the original sentence shall be enforced unless the sentence be based upon a finding of guilty of an offense not considered upon the merits in the original proceeding: *Provided*, That such rehearing shall be had in all cases where a finding and sentence have been vacated by reason of the action of the board of review approved by the Judge Advocate General holding the record of trial legally insufficient to support the findings or sentence or that errors of law have been committed injuriously affecting the substantial rights of the accused, unless, in accord with such action and the recommendations of the Judge Advocate General thereon, the findings or sentence are approved in part only or the record is returned for revision or unless the case is dismissed by order of the reviewing or confirming authority. After any such rehearing had on the order of the President the record of trial shall after examination by the board of review be transmitted by the Judge Advocate General, with the board's opinion and his recommendations, directly to the Secretary of War for the action of the President.

"Every record of trial by general court-martial, examination of which by the board of review is not hereinbefore in this article provided for, shall nevertheless be examined in the Judge Advocate General's Office; and if found legally insufficient to support the findings and sentence, in whole or in part, shall be examined by the board of review, and the board, if it also finds that such record is legally insufficient to support the findings and sentence, in whole or in part, shall, in writing, submit its opinion to the Judge Advocate General, who shall transmit the record and the board's opinion, with his recommendations, directly to the Secretary of War or the Acting Secretary of War, for his action. In any such case the Secretary of War, or the Acting Secretary of War, may approve, disapprove, or vacate, in whole or in part, any findings of guilty, or confirm, mitigate, commute, remit, or vacate any sentence, in whole or in part, and direct the execution of the sentence as confirmed or modified, and he may restore the accused to all rights affected by the findings and sentence, or part thereof, held to be invalid; and the necessary orders of the Secretary of War, or the Acting Secretary of War, to this end shall be binding upon all departments and officers of the Government.

"Whenever necessary, the Judge Advocate General may constitute two or more boards of review in his office, with equal powers and duties.

"Whenever the President deems such action necessary, he may direct the Judge Advocate General to establish a branch of his office, under an Assistant Judge Advocate General, with any distant command, and to establish in such branch office a board of review, or more than one. Such Assistant Judge Advocate General and such board or boards of review shall be empowered to perform for that command, under the general supervision of the Judge Advocate General, the duties which the Judge Advocate General and the board or boards of review in his office would otherwise be required to perform in respect of all cases involving sentences not requiring approval or confirmation by the President."

SEC. 2. That the last sentence of the second paragraph of section 36 of the act entitled "An act to increase the efficiency of the permanent Military Establishment of the United States," approved February 2, 1901, be, and the same is hereby, amended to read as follows:

"The pay and allowances of whatever nature and kind to be authorized for enlisted men of the Philippine Scouts shall be fixed by the Secretary of War, and shall not exceed or be of other classes than those now or which may hereafter be authorized by law for enlisted men of the Regular Army: *Provided*, That payments of travel pay and of commutation of quarters, heat, and light heretofore made to enlisted men of the Philippine Scouts, if not in excess of those authorized at the time for enlisted men of the Regular Army, be, and the same are hereby, validated: *Provided further*, That any such payment of travel pay and of commutation of quarters, heat, and light which have been collected back from enlisted men of the Philippine Scouts to whom originally paid, shall be refunded to them, and disbursing officers are hereby authorized to make such refundment to Philippine Scouts in the service regardless of whether a discharge and reenlistment has intervened: *And provided further*, That the appropriation for 'Pay, and so forth, of the Army' now current, together with any available balances of the appropriations for 'Pay, and so forth, of the Army' for the fiscal years 1922 and 1923, be, and the same are hereby, made available in making the refundments herein authorized."

SEC. 3. That, in addition to authority heretofore granted, the Secretary of War be, and hereby is, empowered at his discretion to class as secret certain apparatus and equipment pertaining to the Signal Corps and Air Service of the Army of the United States, and may authorize purchases and award contracts for the development, manufacture, and procurement thereof without public advertising for bids or due notice to the trade: *Provided*, That such purchases and contracts shall not be made or awarded, except under circumstances where it shall be impracticable to procure such articles in Government establishments.

SEC. 4. That a department of economics, government, and history be established at the United States Military Academy, at West Point, N. Y., the head of which department shall have the same status as the permanent professors at the head of the other departments of instruction at the United States Military Academy, and the President of the United States is hereby authorized, by and with the consent of the Senate, to appoint a professor of economics, government, and history at the United States Military Academy with the rank, pay and allowances, title, and status of the other professors at the United States Military Academy: *Provided*, That so much of chapter 174 of the act of Congress of April 19, 1910, as provides for the establishment of a "department of English and history," at the Military Academy to be amended to read: "Department of English."

SEC. 5. That the proviso entitling members of the Officers' Reserve Corps to leave of absence during military duty periods not exceeding 15 days per annum, contained in the act of May 12, 1917 (40 Stat. L. p. 72), be, and hereby is, amended to read as follows:

"That all officers and employees of the United States or of the District of Columbia who shall be members of the Officers' Reserve Corps or Enlisted Reserve Corps shall be entitled to leave of absence from their respective duties, without loss of pay, time, or efficiency rating, on all days during which they shall be ordered to duty with troops or at field exercises, or for instruction, for periods not to exceed 15 days in any one calendar year."

SEC. 6. That the Secretary of War be, and hereby is, authorized to appoint and immediately thereafter retire as warrant officers of the Regular Army, whenever eligible therefor as hereinafter provided, all persons now and at time of appointment serving as field clerks, Quartermaster Corps, and such persons now and at time of appointment serving as Army field clerks as were constituted Army field clerks by the act of August 29, 1916 (39 Stat. L. p. 625). The requisite for appointment and retirement of aforesaid persons as warrant officers hereunder shall be age, length of service, or disability, as now or hereafter provided by law for the retirement of warrant officers of the Regular Army: *Provided*, That in determining length of service for retirement and for longevity pay purposes hereunder the said field clerks, Quartermaster Corps, and Army field clerks shall be credited with and entitled to count all military and civil service in or with the Army of the United States and in the various offices, bureaus, and branches of the War Department.

SEC. 7. That the provision relating to issue by the Secretary of War of arms and ammunition for protection of public money and property contained in the act of March 3, 1879 (20 Stat. L. p. 412), be, and the same is hereby, amended to read as follows:

"That upon the request of the head of any department or independent agency of the Government, the Secretary of War be, and hereby is, authorized to issue arms and ammunition whenever they may be required for the protection of public money and property; such arms and ammunition to be delivered to any officer designated by the head of the requisitioning department or independent agency and to remain in War Department control; to be accounted for to the Secretary of War under regulations to be prescribed by him, and to be returned when the necessity for their use has expired: *Provided, however*, That if such arms or ammunition be desired for an indefinite period, or a period exceeding 90 days, their issue and retention is authorized, in the discretion of the Secretary of War, subject to payment by transfer of funds from the requisitioning department or independent agency to the credit of War Department funds: *Provided further*, That funds arising from such payments shall be available to replace with similar articles the articles so disposed of: *Provided further*, That the arms or ammunition paid for by transfer of funds as above provided shall, upon such payment, become subject to the control of the requisitioning department or independent agency: *And provided further*, That nothing herein contained shall be construed as modifying existing laws governing sales of ordnance and ordnance stores."

SEC. 8. That the first section of an act entitled "An act to give indemnity for damages caused by American forces abroad," approved April 18, 1918, be, and hereby is, amended to read as follows:

"That claims, including claims in admiralty arising from operations of the Army Transport Service in connection with American forces abroad, of the nationals of any foreign government not an enemy or ally of an enemy for damages caused by American military forces may

be presented to any officer designated by the President, and when approved by such an officer shall be paid under regulations made by the Secretary of War."

SEC. 9. That hereafter such amount as may be authorized by the Secretary of War may be withheld temporarily from the receipts of the Washington-Alaska military cable and telegraph system by the auditor of said system as a working balance from which to make payments of money transfers from and to Alaska and between points within Alaska, to be accounted for accordingly; and the expenses of procuring necessary official bonds, as determined by the Secretary of War, of enlisted men employed in connection with such money transfers shall be paid out of the receipts of such system as an operating expense.

SEC. 10. That the provision relating to sale of ordnance stores to Cuba, contained in the act of August 29, 1916 (39 Stat. L. p. 642), be, and the same is hereby, amended to read as follows:

"The Secretary of War is hereby authorized to sell, at average current prices as determined by him, plus the cost of overhead, packing, handling, and transportation to the Government of Cuba such articles and quantities of individual and organization equipment as may be desired by that Government for the equipment of its troops and as may be in accordance with the policy approved by the President of the United States: *Provided*, That funds arising from such sales shall be available to replace articles disposed of and services rendered hereunder with similar articles and services."

SEC. 11. That the President of the United States be, and hereby is, authorized, upon application from the foreign governments concerned, and whenever in his discretion the public interests render such a course advisable, to detail officers of the United States Army, Navy, and Marine Corps to assist the Government of the Republics of North America, Central America, and South America, and of the Republics of Cuba, Haiti, and Santo Domingo in military and naval matters: *Provided*, That the officers so detailed be, and they are hereby, authorized to accept, from the government to which detailed, offices and such compensation and emoluments thereunto appertaining as may be first approved by the Secretary of War or by the Secretary of the Navy, as the case may be: *Provided further*, That while so detailed such officers shall receive, in addition to the compensation and emoluments allowed them by such governments, the pay and allowances whereto entitled in the United States Army, Navy, and Marine Corps, and shall be allowed the same credit for longevity, retirement, and for all other purposes that they would receive if they were serving with the forces of the United States.

SEC. 12. That the Secretary of War be, and hereby is, authorized and empowered for such compensation and subject to such terms and conditions as are deemed advisable by him, to permit the use of Government-owned electric transmission, telephone and telegraph lines, water, gas, oil, and sewer conduits under his control by any citizen, association, or corporation of any State, Territory, or possession of the United States for a period not exceeding 10 years: *Provided*, That any permits hereunder shall grant only so much of the capacity of such facilities as is not needed for governmental purposes: *Provided further*, That such use shall be permitted only upon a finding by the Secretary of War that the same will not in any way interfere with the use of the facilities for governmental purposes: *Provided further*, That no permit for the use of the facilities provided for herein shall be granted in any case where such use would be in competition with commercial companies dealing in facilities of the same character: *And provided further*, That any permit granted under the terms of this act may be revoked by the Secretary of War, at any time without liability on the part of the United States.

SEC. 13. That, under such regulations as may be prescribed by the Secretary of War, property and disbursing officers of the National Guard, accountable for public moneys, may intrust money to other officers of the National Guard for the purpose of having them make disbursement as their agents, and the officer to whom the money is intrusted, as well as the officer intrusting the same to him, shall be held pecuniarily responsible therefor to the United States and the agent officer shall be subject, for his official misconduct, to all the liabilities and penalties prescribed by law in like cases for the officer for whom he acts as agent.

SEC. 14. That hereafter no person in active service in the military or naval service, who shall be absent from his regular duties for more than one day at any one time on account of the effects of a disease, as distinguished from injury, which is directly attributable to and immediately follows his own intemperate use of alcoholic liquor or habit-forming drugs, shall, except as hereinafter provided, be entitled to any pay, as distinguished from allowances, for the period of such absence: *Provided*, That hereafter no person in active service in the military or naval service, who shall be absent from his regular duties for more than one day at any one time on account of the direct effects of a venereal disease due to his own misconduct, shall, except as hereinafter provided, be entitled to any pay, as distinguished from allowances, for the period of such absence, provided that such absence is within a period of one year following the appearance of the initial symptoms of such venereal disease and regardless of whether the appearance of the initial symptoms occurs prior or subsequent to the date of entry into the service: *Provided further*, That for all purposes with the scope of this act the period of absence and the cause thereof shall be determined under such procedure and regulations as may be prescribed by the Secretary of War or the Secretary of the Navy, and such determination shall be final and conclusive for all purposes: *Provided further*, That each person whose pay, as distinguished from allowances, is forfeited for a period in excess of one month at any one time pursuant to the provisions of this act shall be paid for necessary personal expenses the sum of $5 for each full month during which his pay is so forfeited: *And provided further*, That the acts approved April 27, 1914 (38 Stat. L. pp. 353 and 354), August 29, 1916 (39 Stat. L. p. 580), and July 1, 1918 (40 Stat. L. p. 717), so far as relates to forfeiture of pay on account of absence from duty due to injury, sickness, or disease resulting from the intemperate use of drugs or alcoholic liquors, or other misconduct, are hereby repealed.

SEC. 15. That the Secretary of War be, and hereby is, authorized in his discretion, to enter into and execute, upon such terms and conditions as he considers advisable, a lease or leases, joint or several, to the Bush Terminal Railroad Co. and the Long Island Railroad authorizing, for the interchange of freight between said railroads during the term thereof, such use of the tracks of any Government railroad as may be maintained within the limits of the Army supply base at South Brooklyn, N. Y., as will not interfere with the proper and necessary use of said tracks by the Government in the transaction and operation of its own business at said Army supply base: *Provided*, That any such lease to the Bush Terminal Railroad Co. shall become effective only upon waiver and surrender by the Bush Terminal Railroad Co. of any and all claims against the United States in any manner accruing from, connected with, or growing out of the use, occupation, or curtailment by the United States of the franchise rights of said railroad company, and of any and all claims of any character whatsoever against the United States, except for any balance which may be due such railroad company for the physical value of track and overhead appropriated and retained by the United States. The term of any such lease shall be for such period as the Secretary of War shall determine not in excess of the unexpired portion of any franchise so appropriated or any renewal thereof.

SEC. 16. That the President of the United States be, and hereby is, authorized to appoint, by and with the advice and consent of the Senate, Curtis L. Stafford, a captain of Cavalry in the Regular Army of the United States with rank from July 1, 1920: *Provided*, That no back pay or allowances shall accrue as a result of the passage of this act, and there shall be no increase in the total number of captains of the Regular Army now authorized by law by reason of the passage of this act.

SEC. 17. That when an enlisted man of the Philippine Scouts shall have served 30 years either in the Army (including the Philippine Scouts), Navy, or Marine Corps, or in all, he shall, upon making application to the President, be placed upon the retired list, with 75 per cent of the pay and allowances he may then be in receipt of, and that said allowances shall be as follows: $6.35 per month in lieu of rations and clothing, and $4.15 per month in lieu of quarters, fuel, and light: *Provided*, That in computing the necessary 30 years' time, all service in the Army (including the Philippine Scouts) Navy, and Marine Corps shall be credited: *Provided further*, That the retirement privilege hereby extended to enlisted men of the Philippine Scouts and the allowances herein prescribed shall govern in all cases of retirement of such enlisted men in lieu of any right or allowances which may previously have been authorized by the provisions of any existing law concerning the retirement of personnel of the Military Establishment.

SEC. 18. That section 6 of the act of March 4, 1923, be, and the same is hereby, amended to read as follows:

"SEC. 6. That officers, warrant officers, and enlisted men of the National Guard injured in line of duty while at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the national defense act of June 3, 1916, as amended; members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army injured in line of duty while on active duty under proper orders; and persons hereinbefore described who may now be undergoing hospital treatment for injuries so sustained shall be entitled, under such regulations as the President may prescribe, to medical and hospital treatment at Government expense, and to a continuation of the pay and allowances, whether in money or in kind, they were receiving at the time of such injuries, until they are fit for transportation to their homes, and upon termination of such medical and hospital treatment shall be entitled to transportation to their homes at Government expense. Officers, warrant officers, and enlisted men of the National Guard injured in line of duty when participating in aerial flights prescribed under the provisions of section 92 of said national defense act as amended, shall, under regulations prescribed as aforesaid, be entitled from the date such injury was sustained to the same medical and hospital treatment at Government expense, pay and allowances, and transportation to their homes, as if such injury had occurred while in line of duty at encampments, maneuvers,

or other exercises under aforementioned section 94 of the national defense act. Any person hereinbefore described, injured as aforesaid, who shall remain disabled for more than six months, shall, during the period of disability in excess of six months and until fit for transportation to his home, be entitled to medical and hospital treatment and to subsistence at Government expense, and when fit for transportation shall be entitled to transportation to his home at Government expense, but shall not during such period in excess of six months be entitled to other compensation. Any expenditures heretofore made by the Government in caring for persons injured under the conditions specified herein are hereby validated. Members of the Reserve Officers' Training Corps and members of the civilian military training camps, injured in line of duty while at camps of instruction under the provisions of sections 47 (a) and 47 (d) of said national defense act, as amended, shall be entitled to medical and hospital treatment and transportation to their homes as in the case of persons hereinbefore described, and subsistence at Government expense until furnished such transportation, under such regulations as the President may prescribe."

SEC. 19. That when, in the opinion of the Secretary of War or the Secretary of the Navy, the exigencies of the service so require, disbursing officers of the Army, Navy, and Marine Corps may, with the approval of the head of their executive department and the consent of their surety or sureties, if any, designate deputies for the purpose of having them make disbursements as their agents, sign checks drawn against their disbursing accounts with the Treasurer of the United States, and discharge all other duties required according to law or regulation to be performed by such disbursing officers, and the agent officer shall be subject, for his official misconduct, to all the liabilities and penalties prescribed by law in like cases for the officer for whom he acts as agent.

SEC. 20. Section 11 of the national defense act of June 3, 1916 (39 Stat. L. pp. 173–174), as restated in modified form in section 11 of the act of June 4, 1920 (41 Stat. L. p. 768), is hereby amended by striking out the words "one assistant" and inserting in lieu thereof the words "two assistants," and by adding to said section the following: "*Provided*, That one of said two assistants shall be legally eligible for assignment in charge of the public buildings and grounds in the District of Columbia, shall be legally eligible for assignment as superintendent of the State, War, and Navy Department Building, and shall also be legally eligible for service in the exercise of any or all functions heretofore exercised by the officer detailed to act as officer in charge of the public buildings and grounds in the District of Columbia or as superintendent of the State, War, and Navy Department Building." That portion of the act of March 3, 1873 (17 Stat. L. p. 535), which prescribes that the officer in charge of the public buildings and grounds in the District of Columbia shall have the rank, pay, and emoluments of a colonel is hereby repealed.

The amendments were agreed to.

Mr. WADSWORTH. I ask that the section numbers be changed to conform with the amendments which have been agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KING. There is just one question I would like to ask the Senator. He has made a very clear and to many doubtless a very satisfactory explanation as to our policy in furnishing military and naval officers upon request to the countries to the south of us. The Senator recalls that recently Argentina showed considerable resentment because we furnished a naval officer to Brazil. I understood the Senator to say there was no authority by which we could furnish officers at the present time. May I say that while there is very much to be said in favor of the proposition, I am afraid it would be construed as a purpose to encourage militarism and navalism upon the part of our neighbors to the south, and would be provocative of a good deal of resentment and criticism.

Mr. WADSWORTH. In reply to that, my observation is somewhat similar to that I made a few minutes ago. If the countries to the south of us wish to maintain military and naval establishments—and I think we could do nothing to prevent them doing so, even if we should want to prevent them—I believe it is highly desirable that they should maintain military establishments somewhat along the lines of the American establishment, and imbued with the spirit that dominates the American military establishment rather than the European.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE A. NICKLES

Mr. DIAL. I ask unanimous consent that we take up House bill 3761, for the relief of George A. Nickles. It calls for an appropriation of only $100, and is recommended by the Secretary of the Treasury and the Secretary of War. It relates to a case where a man paid for a bond but did not get the bond sold him.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George A. Nickles, of Charleston, S. C., out of any money in the Treasury not otherwise appropriated, the sum of $100 to reimburse him for a bond of the fourth Liberty loan, for which he paid cash at the port of embarkation, Hoboken, N. J., and for which he received a receipt from the proper authority, and which bond has never been delivered to him.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHANGE OF NAME OF MOUNT RAINIER

Mr. DILL. Mr. President, I ask unanimous consent that we take up the joint resolution (S. J. Res. 64) to change the name of "Mount Rainier" to "Mount Tacoma," and for other purposes. The joint resolution affects only my own State. It was passed over before because of my absence. It designs to change the name of "Mount Rainier" to "Mount Tacoma."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

Mr. BORAH. I ask to have the joint resolution read.

Mr. ROBINSON. I hope the joint resolution will pass.

The PRESIDING OFFICER. The Secretary will read the joint resolution.

The joint resolution was read, as follows:

Whereas it is the universal practice, out of respect for the American Indian, to perpetuate, wherever possible, in the geographical nomenclature of the United States the names used by the American Indians; and

Whereas the man for whom Mount Rainier was named, as the commander of a British ship, engaged in depredations along the Atlantic seaboard in armed opposition to the Government of the United States; and

Whereas perpetuating the name "Rainier" is contrary to the wishes of the sovereign State of Washington, as expressed in a memorial passed by the legislature of said State in the session of 1917 and addressed to the members of the United States Geographic Board, petitioning the board to substitute for the name "Rainier" the most appropriate name that the board might, after a hearing, select: Therefore be it

Resolved, etc., That from and after the passage of this resolution the mountain heretofore known as "Mount Rainier," the national park heretofore known as "Mount Rainier National Park," and the national forest heretofore known as "Rainier National Forest," shall be known and designated on the public records as "Mount Tacoma," "Mountain Tacoma National Park," and "Tacoma National Forest," respectively.

SEC. 2. That all records, surveys, maps, and public documents of the United States in which such mountain, park, or forest is mentioned or referred to under the name of "Mount Rainier," "Mount Rainier National Park," or "Rainier National Forest," respectively, shall be held to refer to such mountain, park, or forest under and by the name of "Mount Tacoma," "Mount Tacoma National Park," and "Tacoma National Forest," respectively.

Mr. BORAH. Mr. President, does this change of name represent the wishes of the people of the State of Washington?

Mr. DILL. I may say to the Senator that the State legislature in 1917 passed a memorial by a vote of nearly two to one asking that the name be changed, but the Board of Geographic Names has never acted on it. The opposition formerly came from Seattle, but at the present time all the newspapers of Seattle favor the change, and the mayor favors it. I think there is no opposition except from a few older residents who have the old prejudice.

Mr. BORAH. I only interrupted the proceedings because I have had a great many letters in regard to the matter. I do not recall whether they came from the State of Washington or where they came from, but there seems to be a division of opinion. If it represents the views very generally of the State, I do not know that I ought to interpose my objection, but apparently there are a great many people in some parts of the country who think that the old name ought to remain. It is a pioneer name.

Mr. DILL. I may say to the Senator that the original name, Mount Takoma, was an Indian name. The peak was later named after an English general by Admiral Vancouver, who saw it from the ocean.

Mr. BORAH. How long has it borne the name "Mount Rainier"?

Mr. DILL. It has been disputed between the two cities for many years, and in 1890, I think, Senator Squire, who was a Seattle resident, and I think one of the first Senators from the State, had that name adopted.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

INTERPARLIAMENTARY UNION MEETING IN 1925

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 7959, the adjusted compensation bill.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and I further ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 104) requesting the President to invite the Interparliamentary Union to hold its annual meeting for the year 1925 in the city of Washington and authorizing an appropriation to meet the expenses of the assembly.

Mr. CURTIS. If it will lead to no debate, I have no objection, but if it leads to debate I shall have to object.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none. The unfinished business is temporarily laid aside, and the joint resolution is before the Senate.

The Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 104) requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting, which was read as follows:

Whereas the Congress, in an act approved June 30, 1914, requested the President to extend an invitation to the Interparliamentary Union to hold its annual meeting for the year 1915 in the city of Washington, and in the same act appropriated the sum of $40,000 to defray the expenses of the said meeting; and

Whereas when the World War led to repeated postponements of the said meeting the Congress repeatedly extended the appropriation: First, the act of July 1, 1916, extended it and made it available for the calendar years 1916 and 1917; second, the act of March 3, 1917, extended the appropriation and made it available for the calendar year 1918; third, the act of April 15, 1918, extended the appropriation and made it available for the calendar year 1919; and

Whereas this appropriation, repeatedly extended, has lapsed, and no part of it having been expended, and the meeting thus arranged for in Washington City has not been held: Therefore be it

Resolved, etc., That the President be requested to invite the Interparliamentary Union to hold its annual meeting for the year 1925 in the city of Washington.

SEC. 2. That for the purpose of defraying the expenses incident to said meeting the appropriation of $50,000, to be expended under such rules and regulations as the Secretary of State may prescribe, is hereby authorized.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

ALWAYS FAVORED PRINCIPLE OF ADJUSTED COMPENSATION

Mr. KENDRICK. Mr. President, from the beginning of the discussion for and against adjusted compensation I have been in favor of such legislation, and I have hoped that when a measure was finally agreed to and passed by Congress it would be of a kind that would be as nearly as possible universally acceptable to the great army of ex-service men for whose benefit and relief it was intended.

PROPOSED MEASURE NEITHER EQUITABLE TO SOLDIER NOR ECONOMICAL TO GOVERNMENT

The debates on the bill now under consideration have, from my viewpoint, shown conclusively that it will not prove fair and equitable or satisfactory to the great majority of ex-service men, and it will not even prove economical to the Government, as shown conclusively by the figures given on Saturday by the Senator from Massachusetts [Mr. WALSH] and, as I believe, practically agreed to by the Senator from Utah [Mr. SMOOT].

MANY CASES NOT REACHED BY INSURANCE PLAN

The insurance plan provided in this bill will no doubt prove satisfactory to a great many of those for whom its benefits are intended, and it is probably true that to those who are in position to take advantage of the insurance plan it will prove more beneficial than a cash-payment system, but the difficulty is found in the hundreds of thousands of ex-service men who would be benefited more by a cash payment than by insurance. In thousands of these cases it will not even be discretionary with the men; they must have the cash as soon as it is obtainable.

It is also true that many thousands of soldiers will never, during their lifetime, benefit to the extent of a single dollar through the insurance plan, and a great many of these will very naturally be without dependents of close relationship, and in such cases they would not choose to forego the benefit of the compensation themselves in order that people of remote relationship might enjoy those benefits.

ARGUMENT OF CREDIT VALUE OF INSURANCE

It will be argued, of course, that the soldiers will have the privilege of borrowing on their insurance policies, but the faith in the benefit to be derived from the credit value of insurance is truly, in the language of Saint Paul—

the substance of things hoped for, the evidence of things not seen.

Mr. BORAH. Did I understand the Senator to say the bill is "the substance of things hoped for, the evidence of things not seen"?

Mr. KENDRICK. Yes; the credit feature of it.

Mr. BORAH. I think Saint Paul describes it exactly, and the soldier will never be permitted to see it, as he must die in order to get it.

Mr. KENDRICK. The Senator is right.

VOTE FOR THIS MEASURE IS ADMISSION OF OBLIGATION

Now, a vote for this bill is an admission as to an obligation on the part of the Government; and if we admit the obligation, we can not deny the fact that the payment is now already too long overdue.

Under such circumstances the Congress might well hesitate to pass a law that would still further delay the maturity of this obligation for a period of 20 years, and in many cases, no doubt, as already stated, it will be deferred beyond the lifetime of its supposed beneficiaries.

ADVANTAGE OF INCLUDING OPTIONAL CASH PAYMENT

By the incorporation into this bill of an optional cash payment plan it would, in all probability, meet with almost universal approval on the part of the ex-service men, and personally I have no doubt whatsoever as to the ability of the Nation to discharge the obligation without any disturbance whatsoever to the country's finances.

Mr. HARRIS. Mr. President, will the Senator let me interrupt him?

Mr. KENDRICK. Certainly.

Mr. HARRIS. I was interested in the Senator's statement that the Government could pay the cash bonus without disturbing financial conditions. Whether we pass a bill providing for insurance or a bill providing for cash payment, just as soon as the bill is signed by the President it becomes a liability of the Government and that liability will affect our bonds and our financial standing just as much as if we should pass a bill providing for the cash bonus. I wish to ask the Senator if that does not accord with his understanding?

Mr. KENDRICK. I believe that is true; but the Senator from Massachusetts [Mr. WALSH] on Saturday indicated rather clearly, to me at least, that the total amount required to make the cash payment would be $1,500,000,000. It is reasonable to assume, as I understand it, that those who would prefer insurance and would be more benefited by it would include perhaps one-half of the beneficiaries. That would reduce tremendously the amount of ready cash necessary.

Mr. HARRIS. If I may interrupt the Senator further, I heard the statement made by the Senator from Massachusetts to which he has just referred. The Senator from Massachusetts said we would save, as I recall, $1,000,000,000 if we paid the cash instead of granting the insurance. That was on the supposition on the part of the Senator from Massachusetts

that only one-half would take cash and the others would take insurance. If all took cash, I wish to ask the Senator from Massachusetts or the Senator from Wyoming, if that would not save $2,000,000,000 to the Government of the United States?

Mr. WALSH of Massachusetts. That is my opinion.

Mr. KENDRICK. That it would save $2,000,000,000 instead of $1,000,000,000?

Mr. WALSH of Massachusetts. Yes.

Mr. HARRIS. That was my understanding, if they should all take the cash.

Mr. KENDRICK. According to the information given us by the Senator from Massachusetts, the entire payment would involve a billion and a half dollars in cash. It is presumable one-half of our soldiers would choose the insurance. The amount would thus be reduced to a bond issue of $750,000,000, and bonds for this amount could be sold overnight at par and drawing a very low rate of interest.

ARBITRARY ACTION OF CONGRESS MAKING DRAFT

In making the draft of our Army, calling our men to service and fixing their compensation, the Government acted as both the judge and the jury. Under such conditions it is highly important that Congress at least deal liberally with our soldiers. It will not be denied that the pay fixed by Congress during the war was a meager amount in proportion to the Nation's ability to pay. I think it may as safely be said that this adjusted compensation is not magnanimous. It can hardly be called generous.

CONSCRIPTION OF WEALTH AS WELL AS MEN

I think it is generally agreed that in the years to come when the safety of this Nation is at stake it will never again call its young men to arms to render their service on the battle field without at the same time commandeering the earnings of the wealth of the country with which to discharge the unusual expense of such a campaign. Under such conditions there would probably be more justification for the contentions of those who oppose any kind of a bonus bill.

It has been my privilege to vote for every bonus measure that has been presented on the floor of the Senate. It is my purpose to vote to incorporate in this bill an optional cash plan, and failing to secure such provision I shall vote for the bill as it is, as promising some, though by no means adequate, relief.

It is my intention to vote for the pending measure, not because I believe that it adequately compensates the ex-service men or that it will satisfy them, but because we are receiving here daily from the authorized spokesman of the Legion requests that we support it on the ground that there is every reason to believe it is the only measure that will be approved. But, so unsatisfactory is the measure, in my judgment, that I want to add my prediction that within a few months' time Congress will amend this bill by including the cash option. The passage of this measure will not dispose of the question, because, as every Senator knows, it does not meet the issue.

Finally I want to say to those advocating this bill without a provision under which the soldier might accept either cash or insurance, let them gain what comfort they may by forcefully attributing to themselves peculiar virtues in what they are doing; for, in my judgment, the great majority of ex-service men in the country will render them scant approval and still less appreciation for such efforts in their behalf.

Mr. WALSH of Massachusetts obtained the floor.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from North Carolina?

Mr. WALSH of Massachusetts. I yield.

Mr. SIMMONS. I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Ladd	Shields
Bayard	Fernald	Lodge	Shipstead
Borah	Ferris	McCormick	Shortridge
Brandegee	Fess	McKellar	Simmons
Brookhart	Fletcher	McKinley	Smith
Broussard	Frazier	McLean	Smoot
Bruce	Gerry	McNary	Spencer
Bursum	Glass	Mayfield	Stanfield
Cameron	Gooding	Moses	Stephens
Capper	Hale	Neely	Sterling
Caraway	Harris	Norbeck	Swanson
Colt	Harrison	Norris	Trammell
Copeland	Heflin	Oddie	Underwood
Cummins	Howell	Overman	Wadsworth
Curtis	Johnson, Minn.	Pepper	Walsh, Mass.
Dale	Jones, N. Mex.	Phipps	Warren
Dial	Jones, Wash.	Ralston	Watson
Dill	Kendrick	Reed, Pa.	Wheeler
Edwards	Keyes	Robinson	Willis
Elkins	King	Sheppard	

Mr. HEFLIN. I wish to announce that the junior Senator from Georgia [Mr. GEORGE] is absent on business of the Senate.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present. The Senator from Massachusetts is entitled to the floor.

Mr. WALSH of Massachusetts. When circumstances led America on Good Friday, April 7, 1917, to declare war and join the countries of Europe that were battling desperately and almost hopelessly against Germany, we were totally unprepared. The outcome of the cause to which we consecrated ourselves by our declaration of war looked dark and gloomy. France was bleeding profusely; Great Britain, while holding at bay the powerful naval fleets of the enemy, was staggering under the fire of the powerful German artillery; Belgium, brave and unyielding, was so hemmed in by the enemy that her resistance was negligible; Italy was being pressed to the limit by the fierce onslaughts of Austria on her northern frontier; Russia was steadily failing to resist the German attacks on her Polish frontier.

Something more than the moral support of America to the allied cause was necessary. Immediate, direct, and extensive aid, financial and military, was required. We had declared war! It was imperative that we should actually participate—on the soil of France and in European waters—with all the military and naval power we could summon. The undertaking demanded our every resource.

For the encampment and training of our troops camp sites and cantonments were needed. We purchased and constructed them without thought of actual values or cost. We needed munitions. We purchased them at excessively high prices. We enlarged our arsenals; built munitions factories; expanded our navy yards without heed of expense. We needed ships to carry our supplies, munitions, and military forces to Europe. Every seaworthy vessel was commandeered, and we paid for them double and triple the normal price. Transportation facilities were necessary to speed up the transmission of supplies from camp to camp, from mines to munitions factories and arsenals, from the Nation's food supply centers to the ports of embarkation. We assumed control of the railroads and paid for it at an enormous cost. We were at war! The war must be won! Value and cost were secondary to the importance of supplying our immediate needs.

Mr. President, with almost unlimited financial resources, with every type of highly efficient industries at the disposal of the Government, with the bounteous gifts of nature's God with which America is blessed, with all these we could not have won the war. Something more was needed; it was man power. Human as well as material resources were requisite to achieve success in the war—human beings willing to stand in rank formation, line behind line, facing, always facing, the bayonets, bullets, and gases of the enemy; human beings to virtually transform themselves into bulwarks to defend the men, women, and children left at home. Something more than money, more than munitions, was essential—human lives ready and willing to enter and engage in the deathly struggle being waged in that part of the world which for three years had been converted into a hell on earth.

We commandeered the material resources; we conscripted the man power. Not the aged, not the middle-aged, but the youth of the land. It was the young men who had enthusiasm, courage, hope, and boundless opportunity before them to whom we turned for protection. We conscripted the youth, whose age and inexperience make them unconscious of danger, indifferent to the value of life, and possessed of bravery that in the face of danger and trial assumes the sublime heights of reckless disregard of oneself.

Our youth alone answered the call to death. The camps overflowed with our young men. Ships, from hold to hurricane deck, laden with American youths, the sons of American mothers, crossed the seas in a continuous procession. On, on they went to face the enemy and receive the shot and shell being fired at you and me, at every American.

But let us pause at this point. What heed paid we to the cost of our man power? We have seen how extravagantly, how recklessly we compensated for the material resources we used. But, oh, how complete a reversal was our attitude when we came to consider compensating for man power. Yes; we gave without question to pay for guns, ammunition, airplanes, ships, railroads, food, clothing, clerical assistance—everything and every person employed on our activities at home—but what of our battle-line defenders?

You say that here a different principle is involved; that man power or that part of the population capable by reason of age and physical condition of furnishing military man power must

not be spoken of in terms of monetary compensation. Compensation for what? Compensation for leaving home, the hardships of camp, the weariness of drill and march, the rough sea voyage, the homesickness, the insanitary and indescribable existence in the front trenches, the nerve-racking hours and days under enemy fire, the constant worry and anxiety, the frenzied and desperate advances against the enemy, the constant danger to limb and life—compensation for all this? No American soldier ever asked one penny for such service. We are now speaking of patriotic service and duty. All these personal discomforts were endured in a spirit of sacrifice, proudly and unstintingly. You who scoff at the suggestion of compensating man power in time of war must not assume that any American asks for compensation for the kind of patriotic service which I have described.

But, Mr. President, we did deign to speak in terms of monetary compensation to our fighting forces. We did by law specify an amount which was to be paid out of the Public Treasury to those who served in the military and naval forces. Upon what principle did we pay our soldiers $30 per month? Upon what principle did we give our lieutenants, captains, majors, colonels, and generals compensation for their services ranging from about $175 per month to lieutenants to $1,000 per month to generals?

If the word "compensation" is not to be associated with military service, I ask you why you permitted a single dollar to be paid out of the Public Treasury to the soldiers and officers who served you in the patriotic and arduous service of war? If it is commercializing patriotism to speak of military service in terms of pecuniary compensation, why have you lowered your standard and ideal?

Mr. President, we have not lowered our standard or our ideal. Compensation has always been paid to those who gave to the military service, not upon the theory of payment for courage, personal sacrifices, or exposal to dangers, but upon the theory that those who are taken from civilian life in time of war are entitled to be compensated in part at least for the economic loss which they sustained by reason of their absence from home and the loss of opportunities for present and future income. Upon this theory we have paid our officers and our service men compensation, and we have done it by taxing somewhat the economic gains enjoyed by those at home.

Why did you fix a private's compensation at $30? Why not $5 or $50? You had the power to make it any amount. You made it $30 without knowing whether the war would last two months or two years. You made it $30 without knowing whether you would have famine in America or whether you would have prosperity without measure. It was a pure guess. It was an estimate of what you thought, because of the uncertainties of the war, would be a fair tax to place upon the American people who remained at home, and thereby enjoyed unrestricted economic opportunities. It might have been too much had bread lines been necessary throughout the land.

Once you accept the principle of paying man power in part for economic losses you do not dare, in the light of the unsurpassed prosperity enjoyed by those who remained at home, assert that $30 was fair and just compensation to meet in part the economic losses of a citizen soldier.

Mr. President, I put to the country this question: Have the representatives of the American people the right, after a war is over, to review all the circumstances relating to economic losses suffered by those in the service, and economic gains realized by those at home in ease and comfort with the idea of adjusting the compensation fixed before the war upon the basis of reducing to the lowest possible degree the economic losses of our fighting forces? Are we helpless to prevent penalizing economically military service in time of war?

No citizen can ask more, no citizen can expect more in the name of patriotism than that a man of military age should give himself to the military life, its dangers, and its sacrifices without thought of compensation; but there is no principle which he can invoke which will justify compensating adequately a general or a colonel or a major for military service that does not apply to the private in the ranks.

Let us briefly review the economic situation in this country during the period of the war. I shall not refer to the enormous sums deposited in the savings banks by those who remained out of the military service. I shall not refer to the excessive extra profits made by those who sold the very necessaries of life to the mothers and brothers and sisters and even wives and children of our fighting men. I shall not refer to the enormous increase in fortunes, far more than in any other like period in our history, during the 19 months of the war. I shall ask you if you are moved by a spirit of justice to analyze dispassionately the salaries paid by our Government to its civilian employees.

During the World War we paid our soldiers $30 per month, or $1 per day. At the time the Government was paying its soldiers in camps $1 per day and overseas $1.10 per day it paid its employees working in its navy yards, living at home in safety, from $6 to $12 per day; in its arsenals, from $6 to $10 per day; on its 10-per-cent-plus contracts, from $5 to $12 per day. To its over 500,000 civil-service employees, receiving $2,500 per year or less, it has paid each a bonus of $240 per year for the last five years in addition to their regular salary, or a total sum of $1,200 each. This is what the Government did in the payment of wages and bonuses to its employees who remained at home. I do not believe it was fair for the Government to pay the men at home $10 per day for working on its ships and to pay the men fighting on the ships only $1.10 per day. I do not believe employees in its arsenals should have received $10 per day and the men on the battle field $1.10 per day.

The high wages at home were not only paid by the Government but by private businesses as well. Bricklayers, masons, plumbers, carpenters, and other skilled laborers received from $8 to $14 per day for eight hours' work. Common labor in all its various forms, including labor on the farm, was paid from $4 to $6 per day.

It is true the soldier received his clothes and board in addition to his wage, but that advantage was in part neutralized by the unusual requirements compelling him to deduct so much for insurance. Private enterprises pay for the insurance of their employees. Our Government required the soldiers to pay for the insurance they took out to protect themselves and their families against the probable consequences of the dangers into which we sent them. From the $30 per month they received there was also deducted $15 which the soldier was required to allot to his dependents, in addition to the cost of his insurance, leaving him a balance of from $7 to $9 per month with which to pay his sundry expenses. In the light of our prosperity, what a miserable pittance?

When he received the $60 payment on his discharge from the service to begin civilian life anew he was without sufficient money at the then existing prices to purchase the necessary civilian clothes. He was without employment to earn even a competency. Stripped of everything he had, tangible and prospective, he was required to make new arrangements and incur new obligations to enter again the industrial and social world from whence he had been so arbitrarily taken.

Mr. President, in view of the economic prosperity of the country during the war, righteousness requires that an adjustment of the soldiers' compensation be made which would not be justified had the economic conditions at home collapsed.

On the theory that justice and truth and honor require that our Government take some steps to lessen the material losses sustained by our soldiers by reason of their being deprived of the boundless and unlimited opportunity for financial gain and prosperity, an adjusted compensation law is urged.

Upon what theory of justice, Mr. President, I ask you, can the Government place its hands upon the shoulder of one youth and say, "Because you are physically fit, sound, and courageous, you shall enter the most arduous and hazardous service," and to another youth of the same age, less physically fit, "You shall serve at home in a place of security," and to the former the Government gives compensation at the rate of $1 per day and to the latter $5 or more?

It is the consciousness that whatever else we may ask from our youth in time of war we can not punish them economically that has led to the agitation in the country and the demand in this Congress for an adjustment of the compensation paid our fighting man power. It is this fair and right principle and honest conviction that has caused a measure similar to the one before us to pass three times by an overwhelming majority of the other branch of the Congress and twice by an overwhelming majority here in this body, and, once passed by both branches, to be later vetoed by the former President.

Mr. President, the agitation has not stopped. It will not stop. It will go on and on, because it has behind it that momentum which has always broken through the barriers of misunderstanding and misconception and finally triumphs.

Mr. President, I come now to the consideration of the measure before us. The bill is disappointing, unsatisfactory, and imperfect in form and principle. If there has been any one idea out of this long struggle that has gripped the friends of this principle it has been this: That no soldier or friend of the soldier should be placed in a position of accepting a bonus from his Government. Bonus is from the Latin, meaning

good—something to the good. No veteran wants any gift or

to receive it, and you must have it in the way in which we

should be made was that of adjusting the inadequate compensation paid the soldier during the war. We urged an increase in the compensation paid in order to make less severe the economic losses of our soldiers, in order to equalize, or rather to put in a less perpendicular extreme the financial benefits enjoyed by those who remained at home compared with those who were in active service.

Adjusted compensation means adjusted pay, and nothing else. It does not mean an insurance policy or a certificate of credit payable at some future time.

Senators, you who have been counted among the friends of the soldier and who have supported adjusted-compensation measures that have been here during previous sessions, why have you abandoned your former position? Why have you chosen to become a bonus advocate rather than an adjusted-compensation advocate? Why have you accepted a solution of this question that in your heart of hearts you know is not satisfactory to the rank and file of ex-service men, and which will put them in an apologetic position?

Do I exaggerate? Does not your bill compute the amount of adjusted compensation due the ex-service men, and do you not say, having agreed to that, "I can not pay you now, so I am presenting you with a gift of an amount equal to 25 per cent added to your compensation and 4 per cent interest compounded annually on condition that you wait 20 years?

Mr. President, it is not compensation; it is a tombstone that we offer our veterans. If they die, we will give their beneficiaries the compensation due them for services during the war, or if they happen to live we will pay them in 1945.

Why have you done this? Why have you departed from your former position? The only reason I can define is in order that you may make a plausible, temporary, good financial showing; that you may appease those who are opposing the adjusted compensation bill, because they can not get their taxes reduced as much if their protectors are given an increase in their compensation. In your efforts to please both you have pleased neither. In a word, this bill has been drafted for the benefit of the financial interests to prevent at the present time any Government bonds being put on the market. This temporarily might affect the sale of their securities.

You say the officers of the veterans' associations approve this bill. Of course they approve of it, because you have told them that you would vote for no other. They approve it under compulsion. They approve it because of their very natural and commendable desire to rid the American people of further anxiety resulting from the continuous agitation of this question. Your bill has this one saving grace—a political one—it will lessen somewhat the condemnation of the selfish taxpayers who denounce this whole principle.

Perhaps you think the President may sign this bill. You who have any doubt about the President's attitude either do not know his character or are unable to comprehend what he has repeatedly said and written. Did he not say to the country in the first public utterance that he made after taking the solemn oath of office in that tragic hour of the Nation's mourning that he would carry out the policies of his predecessor? Was there any policy of his predecessor more pronounced than his attitude against this measure or any measure seeking to recognize the payment of compensation to the veterans of the war? Did he not again on the first occasion of his addressing Congress declare his policy through you to the American people, and in no uncertain words, declaring, "But I do not favor the granting of a bonus."

Your position, therefore, is this: Either you do not believe the President meant what he said and that you consider him a vacillating man, or because you want to minimize the ire of the denunciators of the compensation principle you offer this makeshift bill, this apology for your former position. With the prospects of a veto being overridden, you have made a bill least objectionable to the money power.

Mr. President, not only is this bill objectionable because of its repudiation of the principle of adjusting the pay of our veterans but it is objectionable because it will be disappointing and is unsatisfactory to the rank and file of the veterans of the war. It says, in substance, to the veteran, "No matter what your present needs may be, no matter what your plans for the future may be, no matter how much a few dollars can help you in the heyday of life to establish a home or to establish a business to improve your present economic position, you can not have it, you must wait until we think it is opportune for you the beneficiary of this legislation: A man who is entitled to about $400 adjusted compensation, for example, will receive a certificate that will have a face value of about $1,000 if he holds it 20 years. At the end of two years from the time when he receives the policy the amount of the sinking fund that may be applied to his policy will be about $63; I believe it is $63.67. He can borrow 90 per cent of that $63.67, or the grand sum of $57.30. And upon that loan he must, of course, pay compound interest. At the end of the third year he can borrow about $30 more; at the end of the fourth year, about $32 more; at the end of the fifth year, about $34 more; and so on each year he may borrow in little driblets. Paying interest every year on all that he has borrowed, and his annual interest may finally amount to enough to eat a big hole in all that he can borrow each year, if, indeed, it would not altogether eat up the new amount that he could borrow.

Take, for example, the case of a man who is due about $100 adjusted compensation, and gets a certificate which will have a face value of about $250 if he lives 20 years. Of course, he must wait the two years after he gets the certificate before he can borrow on it, no matter how badly he may need that adjusted compensation of $100 that the Government admits is rightfully due him, and then at the end of the two years all that he can borrow is the handsome sum of about $14.

Mr. President, this measure from the standpoint of good business, from the standpoint of the American taxpayer, from the standpoint of sound economics is also indefensible. The cost to the American Government is estimated by your own actuary to be $3,631,047,691, and it is estimated by the chairman of the Senate Finance Committee, the Senator from Utah [Mr. SMOOT], that it may be $4,827,444,274. Your actuary says that if you declare for a cash payment of the amount due the veterans, it would cost you $1,493,768,695.

Mr. President, I have proposed a bill uniting in one measure the cash plan and the insurance plan, giving every veteran an option as to which better fits his needs and desires. This proposal will save about a billion dollars to the Government.

Under the bill as reported by the Finance Committee the veteran has no choice of benefits. If his adjusted-service credit is in excess of $50, the veteran will receive the equivalent of a paid-up 20-year endowment policy for the amount which his adjusted-service credit plus 25 per cent would purchase, at his age, of such insurance computed in accordance with accepted actuarial principles with interest at 4 per cent per annum, compounded annually.

If the veterans' adjusted-service certificate is $50 or less, he will receive a cash payment only.

The substitute bill prepared by the minority recognizes that the majority bill is arbitrary and in part contrary to the theory of adjusting compensation, and it seeks to correct it by offering to the veterans a choice of two plans, as follows:

(1) Cash in the total amount of his adjusted-service pay, whether it is more or less than $50; or

(2) Insurance, the terms of which are identical with that of the majority bill.

The maximum benefits under the substitute bill are $625 in cash if the veteran served overseas, and $500 in cash if he did not serve overseas; or if he chooses the insurance plan, the benefits are the same under both bills.

The minority substitute provides (in secs. 704, 705, and 706) new fiscal means for carrying out the purposes of the bill in its proposed optional form. Section 1 of the second Liberty bond act, as amended, authorizes the Secretary of the Treasury to borrow, on the credit of the United States, an amount not in excess of $20,000,000,000, and to issue bonds therefor at a rate of interest not to exceed 4¼ per cent per annum.

This section is amended by increasing by $1,500,000,000 the amount authorized to be borrowed and providing that bonds, to be known as veterans' compensation bonds, may be issued in such additional amount to meet such obligations and may bear interest at a rate not in excess of 4¼ per cent per annum in lieu of interest at the 4¼ per cent per annum rate.

Estimates of the cost of the substitute bill made by the Government actuary are as follows:

If all veterans choose the cash plan the cost to the United States would be approximately $1,493,768,695.

If all veterans choose the insurance plan the United States would have to expend approximately $3,631,047,691.

If 50 per cent of the veterans choose the cash plan and the remaining 50 per cent choose the insurance plan, which is the best estimate of what is likely to happen, the cost would be as follows:

Total 2,562,408,193.00

The cost under the bill reported by the Finance Committee (the insurance plan alone) would be $3,631,047,691. Therefore a saving of about $1,048,639,498 would be effected by the adoption of the option plan proposed by the minority, and in all probability it will not be necessary to issue bonds for more than $700,000,000. The best proposition for both the Government and the veterans is the cash-option plan.

I am not going to insist upon the measure I prefer, and urge it or nothing. The information has come from across the isle that Senators who have stood on other occasions for an option plan which included a cash payment or its equivalent now state that they will not vote for any such measure. They give notice that even if the majority of this body and the House of Representatives prefer this plan they will prevent it from becoming law because the President will veto it and they will sustain the veto. Your position is clear—your measure, or death once more to the cause of adjusted compensation. Your measure, or more disappointment and more remorse and more agitation. Your measure, even if a better measure is offered and one which sincere friends of the veterans will support, or you will attempt to fasten upon the minority the responsibility for the defeat of adjusted compensation in this Congress.

Mr. President, an unusual question has arisen here. The test that is here confronting each of us is, Which of us shall show ourselves the real and true friends of the veterans? Personal choice and preference should be inconsequential. Somewhat of the spirit of sacrifice exemplified by the soldier is necessary on the part of the real friend of the soldier. Are we prepared to make it? If so, when the roll is called we shall say, "My desire to do justice, to right the wrong, to settle this question is so intense and sincere that I shall vote for an imperfect bill in the hope that we may reach an end to this agitation and prevent present defeat to the cause by insisting upon a measure which appears to be better for the veterans and for the Government."

I give notice that if the present bill is enacted into law I shall offer a bill in the form of an amendment to the adjusted compensation law that may be adopted. Then without our motives being misjudged we can urge upon the majority of both branches of the Congress the acceptance of an amended plan, financially sounder and better for the soldiers and the Government.

This bill, I repeat, has been framed to make a good temporary financial statement and showing. No one can dispute the fact that in the long run it will cost this Government from $1,000,000,000 to $2,000,000,000 more than if we adopt a cash-option plan. The actuaries' figures are available. The report made by the minority is on the desk of every Senator, showing that the cash payment would cost the Government somewhat less than a billion and a half dollars, while the plan proposed by the majority of the Finance Committee will cost the Government $3,600,000,000, and, according to the chairman of the Finance Committee, $4,800,000,000.

But the purpose of it all is that the bill reported by the Finance Committee will require the raising or the borrowing of only $100,000,000 this year, while the all-cash plan would involve the borrowing this year of a billion and a half dollars, and the cash-option plan proposed by the minority members of the Finance Committee would involve the borrowing of $700,000,000 this year. But it is not the ultimate cost, it is the present cost, that the majority is most interested in. The cash-option plan requires the raising of $700,000,000 the first year by a bond issue. The bill proposed by the majority requires the borrowing or the appropriating of only $100,000,000 the first year.

Mr. FLETCHER. May I interrupt the Senator?

Mr. WALSH of Massachusetts. I yield.

Mr. FLETCHER. The Senator has said that the cash plan would require the raising of practically a billion and a half dollars this year, either by taxation or otherwise. I assume the Senator has no idea that such a sum would be raised by taxation.

Mr. WALSH of Massachusetts. Of course not.

Mr. FLETCHER. That would involve the issuing of bonds.

Mr. WALSH of Massachusetts. Yes. But the cash-option plan would probably require only about $700,000,000. And right here is the reason for this kind of a bill: It is because between now and the November election there will be less of a shock to the finances of the country than there would be by issuing a large amount of bonds.

trate with a specific case. A man who is entitled to about $400 adjusted compensation will receive a certificate that will have a face value of about $1,000 if he keeps it for 20 years. At the end of two years from the time when he receives the policy the amount in the sinking fund that will be applied to that policy by that time will be about $63. I believe it is $63.67. He can borrow 90 per cent of that $63.67, or the large sum of $57.30. So a soldier who has $400 due him for adjusted compensation can, at the end of two years, borrow $57.30, and in the third year he can borrow $30 more, and in the fourth year about $31 or $32 more, and in the fifth year $30 more. Mere yearly trifles.

Mr. ADAMS. The Senator says that he can borrow so much at the end of two years. When does that two years begin? Is it not more nearly three years?

Mr. WALSH of Massachusetts. The Senator is correct.

Mr. ADAMS. The two years does not begin until 1925.

Mr. WALSH of Massachusetts. The Senator is correct. It is more nearly three years.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New York?

Mr. WALSH of Massachusetts. I yield.

Mr. COPELAND. May I ask the Senator if he has any suspicion that the Republicans have any interest in this bonus? I notice that there are four Republicans now in the Chamber, and I was wondering if this is to be discussed only by the Democrats, or have the Republicans any interest in it?

Mr. CURTIS. Mr. President——

Mr. WALSH of Massachusetts. I yield.

Mr. CURTIS. The Republicans, like the Democrats, have their minds made up on the bill and would like to vote right now. That is how much they are interested.

Mr. COPELAND. I have a suspicion that the Republicans have their minds made up to have a bonus bill which no service man who went through the war cares to have.

Mr. CURTIS. Mr. President, this bill is advocated by the service men and by their organization; it is their measure.

Mr. COPELAND. I dislike to interrupt the Senator longer, but if my mail indicates anything, if the telegrams I receive mean anything, the service men of this country do not want the sort of a bill which the Republicans purpose putting over in the Senate.

Mr. KING. Mr. President——

Mr. WALSH of Massachusetts. I yield.

Mr. KING. I suggest to the Senator from New York that the papers have conveyed the news that the Republicans caucused upon this measure and it comes out as a partisan measure. They have ignored the "foolish" Democrats who have been trying to collaborate with them in drawing a bill, and they project this as a partisan measure. Of course, those who went into a party caucus would like to see the bill passed without the dotting of an "i" or the crossing of a "t." It is a party measure, and the Senator must be advised of that fact.

Mr. NORRIS. May I interrupt the Senator from Massachusetts?

Mr. WALSH of Massachusetts. I yield.

Mr. NORRIS. I dislike to see anybody attempt to make a party measure out of this. I do not think we ought to make a party measure out of anything, as far as that is concerned, but particularly not a measure of this kind. If the Republicans have caucused and bound themselves on it, they have violated a principle of legislation that is fundamental. They have numerous precedents set by the Democratic Party, as well as by the Republican Party, however, to vindicate them in such a course. I do not approve it.

If Senators on the other side think this is a party measure and want to make it better by an amendment, let us have the amendment and have a roll call and see how Senators will line up, find out whether anybody is bound by a caucus on the one hand and whether the Democrats have a solid following on the other hand. Test it. I welcome it any way the Senator may want to test it.

Mr. WALSH of Massachusetts. Mr. President, adjusted compensation means adjusted pay and nothing else, and when a business man has to adjust the pay of some one who has rendered him service, if he is financially sound he does it immediately and does not postpone action for 20 years. This bill amounts to saying to the soldier, "We do not care what your present need is; we do not care how much benefit the adjusted compensation may be to you; we are not concerned about your economic condition, but it best serves our interest to handle this

question by giving you an insurance certificate payable in 20 years."

Mr. DIAL. Mr. President, the Senator has spoken of a cash option. What is the other option besides the acceptance of cash? Is it an insurance policy?

Mr. WALSH of Massachusetts. Insurance certificate.

Mr. DIAL. That has not been explained.

Mr. WALSH of Massachusetts. It was explained on Saturday. Some things have developed here in the past few days which make the issue, not as to which is the best bill but as to who is the best friend of the service man. That is the issue now. Senators upon the other side of the Chamber have notified us that they will, with Democratic support, or the support of the friends of the soldiers on this side, put through this bill and give a two-thirds vote to override the President's veto and make it a law if he should veto it. That is what they have said to us, and they have also said, "We will have this bill and no other." I ask Senators who are the best friends of the soldiers, those who say "This bill or no other," or those who say, "Let us sacrifice our conviction about which is the best bill, if we can first get a ratification of the fundamental principle of adjusted compensation." A vote for any other bill than this bill which the majority have brought before us means a defeat of this principle indefinitely. No matter how perfect, how much better, any other bill is, upon the information furnished us it will not be listened to; it will not be considered; but this bill, as bad as it is, because it financially helps the Republican Party temporarily, must be put through.

What are we going to do about it—offer another bill and have a roll call, and have the friends of the soldiers here vote for the better bill, and no one else? Would the 25 opponents of a bonus bill vote for it? Shall we substitute it? The bill would go into conference, would be tied up, and would be vetoed if it got to the President, and the Senators upon the other side have already notified us that they would not vote to override the President's veto.

Whether we like it or not, we will be put in the position, if we attempt to correct this bill, of postponing indefinitely and killing the measure for the present session.

Mr. NORRIS. May I interrupt the Senator again?

Mr. WALSH of Massachusetts. Certainly.

Mr. NORRIS. The Senator is making some assertions now which, in my humble opinion, if I may be permitted to express it, are not warranted. I say that in perfect good friendship and respect to the Senator who has the floor. It may be there would not be enough votes in the Chamber to override the President's veto; I can not say. I believe there would be. But if the Senator is correct, why should those of us who want a cash feature connected with the bill be driven into the hole the Senator seems to admit we are going into?

Mr. WALSH of Massachusetts. We will not be driven into a hole. We will accept the present bill, enact it into law, and then come here with our cash-option proposition and seek to amend the law, which will not become effective for nine months. We will have many months to urge an improvement in the law, once the adjusted-compensation principle is declared to be the law.

Mr. NORRIS. That may be the right course, but why should the Senator make the broad statement that Senators on this side will not vote to override the veto?

Mr. WALSH of Massachusetts. I will inform the Senator. I do not know whether the Senator was in the Chamber on Saturday or not when four of the leading Republicans upon the other side of the Chamber made that public announcement here.

Mr. NORRIS. Suppose they do——

Mr. WALSH of Massachusetts. I will inform the Senator that all the Republican members of the Finance Committee feel exactly that way, and the Senator knows that the question of overriding the President's veto is a matter of three or four votes in this Chamber. We can not be indifferent to figures. We must be practical. The number of Senators opposed to the cash-option plan is without doubt sufficient to sustain a veto.

Mr. NORRIS. I do not know whether we can override the veto or not, but my idea would be for us to assume our responsibility and put through the kind of a bill the majority of the Senators think ought to be put through.

I think the House would vote at once to concur in that kind of an amendment. I have no doubt of it. I have been informed of that fact by a great many Members of the House, and that they would not only be able to do that but would have sufficient votes to carry it over a presidential veto if it came back. Personally I have not tried to make a canvass. Why not put through that kind of a bill?

Mr. WALSH of Massachusetts. Because, just as surely as the Senator is standing on the floor of the Senate at this moment, such a bill would not become a law. First of all, it would be vetoed by the President. This cash-option proposition can only be adopted by the Senate through the votes of the enemies of the bonus who will vote for a cash option in order to confound the situation, and, when once voted, these same Senators will vote to sustain the veto.

Mr. NORRIS. Let us assume that the President would veto it. We would have, at least, an opportunity of voting on the passage of it over the veto. Let us assume further the very worst, that we would not have votes enough to pass it over the veto. It would take not more than three days, then, if we failed that far, to pass the bill as we have it now, which the Senator himself admits would become a law if we passed it now. Neither on this side of the aisle nor on the other side would any Senator with an election staring him in the face be in favor of an adjournment of Congress until they had done something of the kind.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New York?

Mr. WALSH of Massachusetts. I yield.

Mr. COPELAND. So far as I am concerned I purpose presenting just such a substitute as the Senator from Nebraska has mentioned. I have already prepared it. I think the Senate should decide whether it is going to give this stone in the shape of the pending bill or whether it is going to give the ex-service man his choice between cash, which he has time and time again indicated he wants, and an insurance plan. I purpose giving the Senate a chance to vote and decide whether they will take the pending bill or whether they will vote for the cash option. That is exactly what I had in mind.

Mr. WALSH of Massachusetts. Everybody who has heard the discussion in this Chamber during the last four years knows that the enemies of the bill want one thing—delay, postponement, and again delay and postponement. They would prefer nothing better than a break between the supporters of this principle. It is preposterous to believe if the bill is vetoed and the veto sustained that the Congress will take up another bill.

When we had this fight here before every amendment that was proposed that would make it more embarrassing to those who favored the bill, every amendment that was proposed that might lead to a certain veto of it, was voted for by every opponent of the adjusted-compensation principle. Now we are confronted with exactly the same situation, and the attempt is being made to lead those of us who claim to be sincere friends of the soldiers into the position of going into the next election responsible for the defeat of an adjusted compensation measure. I do not propose to accept that responsibility. I propose to do everything possible to help get the principle recognized. Then when the law is upon the statute books we can improve it by amendments which will bring such benefits to the soldiers which we believe they ought to enjoy.

Mr. NORRIS. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Nebraska.

Mr. NORRIS. I would like to call the attention of the Senator to the fact that it develops right now that even on the Democratic side of the Chamber, for whose membership the Senator has never had a single sigh of complaint, there is a disagreement between the Senator from Massachusetts and the Senator from New York [Mr. COPELAND] as to what is the proper course to pursue. Personally I concede both of those Senators are perfectly honest and conscientious. I myself am inclined to go with the Senator from New York, notwithstanding the great respect I have for the opinion of the Senator from Massachusetts, who is a member of the committee.

I wish, if he will permit me, to call his attention to the fact that if an adjusted compensation bill is vetoed by the President because it contains an amendment providing for a cash option, I do not believe that the Senate then, even though they failed to pass it over his veto, would adjourn this session of Congress without passing a bill with the objectionable feature left out. So we would still have it enacted into law at this session of Congress and the program of the Senator, which he has outlined, could be continued at the next Congress and could be carried out. I will be one, if I am here long enough, to help the Senator carry it out. But if we pursue that course we have lost all opportunity of doing the thing right at this session. Does the Senator think, assuming that we put on the amendment and the House agrees to it and it is vetoed and we should fail to pass it over the President's veto, that in that condition of affairs Congress would adjourn without passing it in the form of the pending bill, a form to which the President's objections would not apply?

Mr. WALSH of Massachusetts. The Senator must recognize first of all that there are on this side of the Chamber several Democrats who are opposed to the bill and who would join with the majority in any move to postpone, delay, or prevent action on the bill. The Senator knows from his experience here that if we attempt to substitute a cash-option bill it could be held in conference, because the majority party will be in control in the conference, and it never would be reported out. The Senator knows that any effort made by the group of Democrats who are fighting for the soldiers would be met not only by united opposition from the Republican side of the Chamber but joined by those on this side of the Chamber who are opposed to a bonus measure. There would be a group of us here trying to get action on a measure upon which it would be impossible to get action. We are a minority when pitted against the Republican majority and the antibonus Democrats and antibonus Republicans.

Mr. NORRIS. I had been informed by those who have followed the matter in the House that if we put on the amendment about which the Senator from New York [Mr. COPELAND] has made a statement—a cash-option amendment—it would never get into conference, because they have the votes in the House to agree to the amendment, and it would be in order under their rules to make that kind of a motion.

Mr. WALSH of Massachusetts. I would be disposed to think sympathetically of the Senator's suggestion if the question were left alone to those on both sides of the Chamber who believe in adjusted compensation. But the Senator knows and I know where the votes of those who are opposed to a bonus are going to go. In fact, one of them has notified us that he intends to offer the cash-option plan as an amendment so as to help kill the whole bill. Indirect methods of attack are often most effective in preventing legislation. That is the strategy of the situation. In the last few days, with my associates on the committee, I have gone through all the doubts and all the considerations to which the Senator has been giving utterance and we have come to the conclusion that the part of wisdom, the sound and safest course to pursue, the best thing in the long run for the principle of adjusted compensation, is to accept the pending bill and postpone the pressing of a cash-option plan until the principle is recognized by receiving two-thirds of the votes of the House and the Senate and actually becomes the law of the land notwithstanding a presidential veto.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Washington?

Mr. WALSH of Massachusetts. I yield.

Mr. DILL. If the Senator's plan is followed, will the Senate and the House be in any better position to adopt the cash-option plan and enact it into law than they are now?

Mr. WALSH of Massachusetts. No; they may not be.

Mr. DILL. In other words, the same majority of opposition and the same opposition that can prevent the bill being passed over the President's veto with a cash-option plan incorporated in it could prevent the cash-option plan becoming a law if the bill is vetoed?

Mr. WALSH of Massachusetts. We would be in the position of saying to the President of the United States that the bill which was passed by a two-thirds vote over his veto is economically unsound, and that a majority both of the House and of the Senate desire him to accept the bill in modified form and make it more acceptable to the soldiers of the country.

Mr. DILL. Does the Senator think the President would listen to such an argument?

Mr. WALSH of Massachusetts. I do not know that he would, but I do know the alternative would be to kill the bill by opposition among the friends of the soldiers, and that is what the antibonus group desire. I also know we could go on record for a cash-option plan without defeating the general principle of compensation.

Mr. DILL. Would not the enemies of the proposition have us in the position that, having adopted one bonus plan and enacted one bonus law, we would then be coming forward with a second one?

Mr. WALSH of Massachusetts. It would simply be an amendment to existing law.

Mr. DILL. Would it not be a better proposition to put the whole question up, amend it with a cash plan in it, and if the President vetoes it and we can not pass it over his veto, then elect a new President, who would sign a bill of the proper kind?

Mr. WALSH of Massachusetts. What assurance has the Senator that the Democrats will nominate a probonus candidate? Will the Senator agree that in view of declarations made upon the floor here on Saturday, and the well-known sentiment across the aisle, that it is impossible to get a two-thirds vote of this body to pass at this session over the President's veto a cash-option bill?

Mr. DILL. I rather think it would be impossible if those Senators hold to their position, but I would rather be in the position of failing to pass a bonus bill than to pass what is called a bonus bill, but which in reality is a fraud on what the soldiers of the country expect. When they talk about a bonus they mean cash, and the bill gives them no cash for two years, and then not enough to pay their rent for more than a month.

Mr. WALSH of Massachusetts. I would not call the bill a fraud. It is very unsatisfactory to me. It is, I believe, unsatisfactory to the rank and file of the veterans, but it has been accepted by their spokesmen, by the officers of the veterans' associations, by the members of their legislative committee, and we would be putting ourselves, claiming to be their friends, in the position of jeopardizing the principle for an indefinite period of time, dependent upon the election of a President who may be friendly to the bonus or not, and dependent upon many other contingencies that may or may not occur in the future among them, the possibility of the next and the next Congress witnessing this same division among the friends of the soldiers.

Mr. DILL. When I used the term "fraud" I meant a fraud on those who think they are going to get a cash bonus. That was my meaning.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. WALSH of Massachusetts. I yield.

Mr. KING. I dislike to take issue with the logic of my friend, for whom I entertain such profound admiration, but it does seem to me that if the Senator believes—and I know he does, and that belief is shared by many other Senators—that a cash bonus is the only rational, feasible, and just plan to offer he is doing violence to his own convictions and the convictions of those who share his views if he consents to the acceptation of a different proposition until he has demonstrated upon the floor of the Senate the impossibility of securing the adoption of his views. It occurs to me that the Senator, famous gladiator and fighter that he is, owes it to himself and to those who believe in the cash-bonus system, rather than the one which is tendered in the bill, to contend stoutly for the adoption of that policy.

It has been said that perhaps it will carry through the House and the Senate and the President will veto it. The Senator does not know what the President of the United States will do. The Senator stated a moment ago that the President is a man of his word. There are many men of their word who for political exigency, particularly where they are the representatives of a party or the spokesmen of a party, yield to political exigency and conform their political course to that which is dictated by the party leaders.

I do not think the Senator can say that the President of the United States would veto any kind of a bonus bill. The statement that he was opposed to the bonus does not argue that a veto will follow the passage of a cash bonus bill or any other kind of a bonus. Of course, I am not in the dilemma of those who want a bonus bill. Not favoring service pensions generally and not supporting bonus measures, I am not so much concerned as to the manner of paying a bonus as are Senators who have sponsored bonus legislation.

Mr. WALSH of Massachusetts. I recognize the fact that there are a great many service men who believe in the insurance plan, and the sentiment of the ex-service men is not unanimous for a cash payment; that the situation, whether we like it or not, is that the Republican majority offers one form of adjusted compensation, which is not acceptable to us. We believe it can be improved upon. They say, "You can not change it; we will not accept it." Are we going to refuse to compromise, join with the enemy, and kill the bill and next year, with a Democratic President and a Democratic Senate have the Republicans saying, "We will not give way to you. You have a bill, yes; but we will not give way and you can not get it through. We will not support your bill." With the enemies of adjusted compensation joining with any divided group in favor of the veterans we never, never would get an ad-

justed compensation bill passed. Divided friends of the measure can do more harm than open opponents.

There is only one way in which the adjusted compensation bill may be passed by the Senate, and that is for the friends of the soldier on the Democratic side and the Republican side of the Chamber to get together and write the best kind of a bill which may be written in the interest of the soldiers and in the interest of the country. For the first time, namely, this session, that has not been done; and I have tried to explain the reasons why it has not been done. However, the result of it all is that any Senator who offers any kind of a substitute bill to the one which the majority have declared themselves in favor of will be responsible for the defeat of any adjusted compensation measure at this session of Congress. That is just as sure as that the sun shines. That fact can not be disputed. The Senators on the other side who have declared themselves are men of their word. We have sat on the Finance Committee with them; we know how all of them feel; we know what their position is; we know what their influence upon the other side is; and some of them, who are only half-hearted in their bonus support, would like nothing better than to have a substitute bill offered here which would tie up all legislation on the subject, and once more, for the fourth time, send this measure of relief to its death.

Mr. COPELAND and Mr. KING addressed the Chair.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Massachusetts yield; and if so, to whom?

Mr. WALSH of Massachusetts. I yield first to the Senator from New York.

Mr. COPELAND. I wish the Senator from Massachusetts would discuss this aspect of the case: What objection is there to our first testing the Senate and the President by passing the two-option bill? If the President should veto that bill, have we not then the opportunity of passing the aborted bill which has been presented to us by the House of Representatives?

Mr. KING. That is the question I desired to ask.

Mr. WALSH of Massachusetts. As the Senator from New York knows, I am not in control of the legislative program of this body; but I do know that a majority can prevent any legislation they see fit to stop. I also know that a majority on the other side of the Chamber, with the antibonus Senators in this side of the Chamber, can kill any bill or any measure which is proposed here by any Senator. Do not lose sight of the figures. There are many Senators on this side of the Chamber who will vote with any group in this body to kill or postpone or defeat any soldiers' adjusted compensation bill. I respect those Senators, because they are honest and sincere in their conviction, and they intend to bring about the defeat of this measure in any way in which they can bring it about. I know that when those Senators, like the distinguished Senator in charge of this bill, say they will not support any other kind of a measure than this measure, and when the distinguished leader of the majority, my colleague, the senior Senator from Massachusetts [Mr. LODGE], says that I know that the substitution of another bill would be a triumph for the enemies of the soldiers' bonus and mean no legislation this session.

Mr. NORRIS. Mr. President, may I again interrupt the Senator from Massachusetts?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Nebraska?

Mr. WALSH of Massachusetts. I yield.

Mr. NORRIS. What the Senator from Massachusetts refers to might be a triumph, but, in my opinion, it would be of a very temporary nature. The Senator from New York [Mr. COPELAND] asked the question much better than I could have done, although I tried to ask the Senator the same question, and tried to point out to him what seemed to me to be the proper course to pursue. If the bill were amended by the insertion of a cash option and should meet with the presidential veto and we failed to pass it over the veto, that failure would be demonstrated after the veto in very short order, because the veto message would go directly to the House of Representatives, and that body very likely would vote on the question on the same day on which the message was received.

Mr. WALSH of Massachusetts. May I interrupt the Senator from Nebraska?

Mr. NORRIS. If the Senator will permit me, what I desire to lay before the Senator is this: Assuming that all that I have stated shall occur—and I think there is a chance of getting the President's signature to the bill, though we may fail on that—there is the chance again of passing the bill over the President's veto in that form. We may also fail on that; but, assuming that the Senator is right and that we shall fail in that effort, the bill having come back with the President's veto on account of the cash-option amendment having been added to it, and an adjournment of Congress being contemplated some time during the summer—at least, before the election—does the Senator from Massachusetts think that the leaders to whom he has been referring who are backing the pending bill would then vote against this identical bill?

Mr. WALSH of Massachusetts. I think they would prevent action. I believe they would blame the minority party for the defeat of this measure. The rules of this body make it possible to sidetrack any measure that a fighting majority desire to suppress.

Mr. NORRIS. The Senator from Massachusetts thinks that?

Mr. WALSH of Massachusetts. They perhaps would not vote against this identical bill, if the Senator will pardon me, but they can prevent it from being taken up for consideration.

Mr. NORRIS. That, however, would be the bill which would be before us. As the Senator from New York has stated, the debate would have been ended; everything would be over; and it would not take a day for both the House and the Senate to vote on the bill in the form in which we now have it. So it seems to me by trying to get all those things, even though we fail on every one of them, that in the end we should get at least the same thing that the Senator wishes to get by a surrender.

Mr. WALSH of Massachusetts. The Senator from Nebraska assumes one very important thing. The Senator assumes that you can get a bill of this magnitude through here in a day with 24 bitter enders here—also what the action of the House may be in or out of conference.

Mr. NORRIS. But I assume it will not get into conference.

Mr. WALSH of Massachusetts. But assume that this bill will go into conference containing the substitute cash plan. The Senator from New York and the Senator from Nebraska and I may get up here a hundred times and move for a report from the committee of conference, but what will happen? The roll is called; the majority Senators vote to keep the bill in conference; the antibonus Senators on both sides of the Chamber join with them; the bill is kept in conference; Congress adjourns; and the Senator from Nebraska and the rest of us who vote for a substitute bill will be responsible for the defeat of some legislation during this session. I ask the Senator from Arkansas if I have correctly stated the situation that is more than likely to occur?

Mr. ROBINSON. Mr. President, in my opinion, the Senator from Massachusetts has made an accurate statement. I may also suggest to him further that, in view of the very large vote in the Senate which is opposed to any adjusted compensation bill, it is not conceivable to a Senator who is familiar with the procedure of this body to imagine that if one adjusted compensation bill passes the Senate and is vetoed by the President and fails to pass Congress, the objections of the Executive to the contrary notwithstanding, the Senate will subsequently pass another adjusted compensation bill during the same session.

Mr. NORRIS. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Nebraska.

Mr. NORRIS. I wish to call the attention of the Senator from Massachusetts to what I believe he has assumed that is not correct. He has assumed that this bill is going to get to conference. I do not think it would stay in conference, as the Senator has stated, but my impression is—and I get it from conversation with friends of the bill in the other House——

Mr. WALSH of Massachusetts. If the bill should not go to conference but should be concurred in by the House, it would be vetoed by the President and would then fail to get a two-thirds vote and would be dead.

Mr. NORRIS. I am coming to that. My idea is that if we put the amendment on the bill in the Senate as it now stands, the bill will never see a conference. When the bill gets to the House, a motion will be made to concur in the Senate amendment. That motion will be in order and will take precedence over a motion to send the bill to conference, because, under parliamentary law, such a motion has a tendency to bring the Houses together. So I do not look to see this bill ever get into conference if we shall attach to it the amendment which the Senator from New York suggests.

Now let me say a word about what the Senator from Arkansas has said. I have forgotten what particular bill it was, but since I have been in the Senate a bill was vetoed by the President—I do not remember now who the President was—on account of an objection to a particular provision in the bill—which would be a parallel case, I take it, if in this instance the President should veto the bill on account of a cash provision inserted in it—and that bill immediately, as I remember now, on the same day that the veto message was received was voted on with the objectionable amendment left out, was passed, and became a law within three or four days' time after the veto was sent to Congress. I think that would happen in this case.

Mr. WALSH of Massachusetts. Mr. President, I wish I could think so; I wish I could think that it would be easy to get a second adjusted compensation bill through the Senate and through the Congress as the Senator thinks. For four years we have been trying to get an adjusted compensation measure passed——

Mr. NORRIS. I understand that.

Mr. WALSH of Massachusetts. Although there have been nearly two-thirds of both branches—more than two-thirds of the House and nearly two-thirds of the Senate—in its favor, and there is now almost a two-thirds vote, yet I have seen the bill killed. The majority party has permitted nearly a dozen sessions to adjourn without pressing for a second time in any session adjusted compensation bills. It would not be pressed now but for the presidential elections, and even if the Democrats win, unless their President is pledged before election, I doubt if we seriously hear of bonus bills for four more years.

Mr. NORRIS. I admit all that, Mr. President, but I want the Senator to consider that even politicians—to go back now to those who have no interest except a partisan interest in it—are not going to have this Congress adjourn without passing some kind of an adjusted compensation bill, perhaps this bill, which is the one they want to pass. If they succeeded in preventing any other kind of a bill passing for political reasons, if for no other, those who are looking at it in that kind of a spirit would pass this bill before we adjourn.

Mr. WALSH of Massachusetts. If we are looking at it from a political angle, I do not see why, from a Republican standpoint, it would not afford them an admirable opportunity to say that they passed a bill through the House, but that after it reached the Senate the bill was amended by antibonus and Democratic votes, perhaps with the addition of some independent votes, and that it was defeated in the jam of legislative business here; and the blame will be put upon those responsible for preventing the bill going through in the way the majority desires it to pass.

Mr. NORRIS. If the Senator will allow me, I should like to suggest another idea along the political partisan line. As I said awhile ago, there ought to be no partisanship in this question in any way; there ought to be nobody trying to get an advantage for a political party out of the adjusted-compensation measure, but right now the politicians in the Republican Party are hoping and praying that Coolidge will not be asked to veto the adjusted compensation bill; he does not want to do that, and from a political standpoint, that is a dangerous condition to be in.

Mr. WALSH of Massachusetts. That is the very reason why I suggest that it would be killed in conference if it should get there.

Mr. NORRIS. Exactly; and that is the reason I say it will not get into conference. It will be kept out of conference, and if it is kept out of conference and Congress shall adjourn without getting it through conference, it will mean the condemnation of all of the people of the country, regardless of their position on the bonus. Nothing could happen that would come nearer to driving the Republican Party to defeat than that thing alone.

Mr. WALSH of Massachusetts. I do not agree with the Senator that the officers of the veterans' organizations have not got some influence, and we know where they are in this fight. They are apparently agreed; they are for the majority bill, and they intend to fix the blame upon those who attempt to modify or change this bill in this body or in the other branch of Congress. There is no mistake about their influence; there is no mistake about what their opinion is; there is no mistake about what they will say; there is no mistake about their support of this bill.

Mr. President, I have already occupied a great deal longer time than I had intended.

Mr. COPELAND and Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. WALSH of Massachusetts. I yield first to the Senator from New York.

Mr. HEFLIN. I thought the Senator had concluded.

Mr. COPELAND. Mr. President, I want to suggest to the Senator from Massachusetts that while I do not know much about politics, I venture to say that if the President signs the bill which is now pending in the Senate, when the 4,000,000 service men in this country read it and come to realize what has been handed to them, the President will never get a vote from that group, no matter when he may run. It does not make any difference from my standpoint, as I view it, whether he vetoes any bill or whether he signs this particular one.

I know this, Mr. President, that the soldiers have demonstrated that they do not want insurance. I want to call the attention of the Senator from Massachusetts to the fact that 4,683,000 veterans applied for and were granted war risk insurance at the beginning of the war, amounting to $40,000,000,000. How much of that insurance do you think is in force to-day? Instead of having 4,683,000 policies in force, there are 534,000 policies in force. Over 4,000,000 policies have lapsed or been cashed in on, and instead of having $40,000,000,000 of this insurance in force to-day we have less than $3,000,000,000.

The soldiers of this country do not want this insurance. They will not be satisfied with it; and any President who signs this bill, or who vetoes a better one, is doomed to defeat, in my judgment.

Mr. WALSH of Massachusetts. Mr. President, the Senator refers to an insurance plan that required the soldiers to pay premiums, and the insurance lapsed in the large amounts indicated by him because of the fact that the soldiers neglected to pay their premiums after the war. It is not a parallel case at all.

This bill is not such a bad bill that one can not vote for it. It is not as satisfactory to me or to many of the soldiers as it should be made, but it has some merit in it. It does recognize the principle of adjusted compensation. It does give a man credit for $1 a day during the period of his service, and provides for increasing that amount if he lets the amount remain with the Government for 20 years. There are a good many soldiers in favor of this bill. All the officers and leaders of the organizations are in favor of it, and I do not agree with my friend from New York that there is going to be an uprising among the rank and file of the soldiers and that they will repudiate the advice of their leaders and repudiate the men whom they have sent here to serve on their legislative committee to advise Congress as to the kind of bill which they would accept. I do not share that opinion.

I believe that the soldiers on the whole will be grateful even for this measure, but that there will be disappointment that it is not more liberal, a more immediate recognition of their needs, and that it is not possible for the ex-service men to get immediately the benefits of their adjusted compensation.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Nebraska?

Mr. WALSH of Massachusetts. I do.

Mr. NORRIS. I should like to say to the Senator that in anything I have said I do not want to be understood as saying that there is no good in this bill. Personally, if we had the cash bonus attached to it and any soldier asked my advice, I would do everything I could to get him to take the insurance feature of it. I like the insurance part of it; but it seems to me it is perfectly plain that whether he ought to have cash or insurance is something that he ought to decide for himself. I realize that thousands of them may be so situated that the insurance has no attractions whatever; and we ought not, therefore, to deprive them of an option.

I think insurance is a great thing. I always have thought it was a great thing; but there are a lot of people who do not insure, and there are people who have no dependents. They do not expect to have any and they do not want any insurance, and it would be of no particular benefit to them. They ought to have the right, it seems to me, to take cash instead.

Mr. WALSH of Massachusetts. Mr. President, let me say in conclusion that if I were expressing my own opinion, and if I had reached these conclusions by considering solely my own views on this question, I would have doubt about the advice which I have attempted to give those who have been courteous enough to listen to me; but this conclusion has been reached after long deliberation by my associates on the Finance Committee who believe in the principle of an adjusted compensation.

Several of us who have gone through this fight for four years, who are disappointed and dissatisfied with this bill, who regret that the bill is in this form, have come to the conclusion that the best service we can render our country and the veterans of the war is at this time to accept this measure and to enact it into law and then try to improve the law by amendments thereafter.

I want to say, more than that, that this conclusion has been reached not only in conference with the minority members of the Finance Committee but in conference with the leader on this side and with various other Senators. These Senators are experienced parliamentarians, and I feel bound to accept their opinion that a cash option substitute bill will kill the whole

measure. Regretting as I do that the bill is inadequate, rather than see defeat come again, rather than see another triumph for its opponents, rather than see this question postponed indefinitely, rather than have further confusion and doubt I am prepared to vote for the bill reported by the majority, in the hope that it will be perfected after it is enacted into law.

Mr. McCORMICK. Mr. President, may I ask the Senator a question?

Mr. WALSH of Massachusetts. I yield.

Mr. McCORMICK. The Senator has of course taken into consideration the prospect of the bill being signed or vetoed by the Executive?

Mr. WALSH of Massachusetts. Why, I have no doubt but that the President will veto the majority bill. The President is a man of his word. He is a man of character. He said he will veto a bonus bill, and he is not going to repudiate his reputation for doing what he says.

Mr. McCORMICK. Then, I say, the Senator has taken into consideration the question of passing the bill over a veto?

Mr. WALSH of Massachusetts. That is what led me to the conclusion I have come to, that there are Members on the other side of the Chamber in overwhelming number who will not vote to pass over a veto any bill that contains a cash-option plan; and rather than have this question continue from session to session, never ending, because of seesawing between the friends of the soldier on the Republican side and on the Democratic side, some of us feel so deeply upon this question, and so sincerely believe in the principle of adjusted compensation, that we are willing to temporarily sacrifice our personal views and opinions and take this measure, imperfect as it is, enact it into law, have the country declare for the principle of adjusted compensation, and then seek to perfect the law by amendments later.

Mr. FRAZIER. Mr. President, personally I am strongly in favor of an optional cash compensation, but I share the opinion of many on both sides that such an amendment would ultimately defeat the measure.

I have received telegrams from the American Legion of North Dakota and the Legion Auxiliary favoring the present form of the bill, and I am willing to vote for it, and vote for it at once.

I ask unanimous consent to have printed in the RECORD a telegram from the department adjutant of the American Legion of North Dakota and a telegram from the department secretary-treasurer of the American Legion Auxiliary of North Dakota.

There being no objection, the telegrams were ordered to be printed in the RECORD and referred to the Committee on Finance, as follows:

FARGO, N. DAK., *April 19, 1924.*

Senator FRAZIER,

United States Senate, Washington, D. C.:

The ex-service men of North Dakota are most heartily in favor of the adjusted compensation bill as passed by the House. We ask that you give your undivided support to bill as reported by Senate Finance Committee and that you oppose any amendments from floor of Senate; in particular, cash option.

JACK WILLIAMS, *Department Adjutant.*

FARGO, N. DAK., *April 21, 1924.*

Senator LYNN J. FRAZIER,

Washington, D. C.:

Four thousand members of the American Legion Auxiliary in North Dakota join the American Legion members in urging your opposition to any amendment from the floor of the Senate to the adjusted compensation bill as reported by the Senate Finance Committee and to support the bill as reported without further delay. Any amendment, particularly a cash-option amendment, will mean delay and defeat at present session. Cash option has not received indorsement of Legion and will be for purposes of delay only. Every effort will be made by opponents to prevent action by making amendments, which is unfair to our service men who have awaited an adjustment for over five years. Your support and influence in the immediate passage of the bill as reported is requested by the officers and members of our organization in North Dakota. Thank you.

ADDIE M. HURLEY,

Department Secretary-Treasurer of North Dakota.

Mr. HEFLIN. Mr. President, a good deal has been said about what the President would or would not do in regard to signing a bonus bill. If those of us who favor a bonus or adjusted compensation bill could see the President, perhaps we could find out what his position is on that question. I presume that in spite of what has happened at the White House we could arrange with his secretary, Mr. Slemp, to see him. I do not know that the order issued last week applies to Members of Congress. I understand that a new order has gone into effect up there that during the remainder of Mr. Coolidge's term American citizens are not going to have the opportunity to shake hands with their President.

Mr. CARAWAY. Mr. President, may I interrupt the Senator for just a second?

Mr. HEFLIN. I am glad to yield to my friend from Arkansas.

Mr. CARAWAY. I think, in exchange for the privilege of shaking hands with him, they are to see him at work.

Mr. HEFLIN. That, I understand, is the plan, Mr. President.

Mr. CARAWAY. Will not that be a great deal more novel?

Mr. HEFLIN. My friend has suggested what has really happened at the White House. The Washington Post of yesterday contained this article on the front page:

Visitors now see President but do not shake his hand. New custom, evolved by Slemp, conserves Mr. Coolidge's arm and time. Executive seen in action while tourists pass through office.

And then this remarkable announcement follows:

A new custom has been initiated at the White House Executive Office. President Coolidge, it is understood, believes that the people of the United States have a right to see their President, and he is not going to deny them that privilege. But when it comes to taking them all by the hand—well, that is a different matter. The Chief Executive doesn't mind being looked upon—posing, as it were—while the crowd files past and observes him busily at work. He must, however, take care of his good right hand and conserve his strength. He may need it in the campaign.

Secretary Slemp conceived a brilliant idea to solve the situation. Why not let 'em see the President even if they shouldn't touch him? They could observe how the head of the Nation does his work. So the scheme was put into effect last week.

Some 200 men and women, and not a few sweet girls out of school, formed a line and passed through the President's workshop, where they had the privilege of seeing the Chief Executive reading a letter.

Mr. Coolidge didn't look up as the crowd filed past, and not a word was said. True, some of the visitors did not know they had looked upon their President; but that wasn't the President's fault.

Oh, Mr. President, it is comforting to feel even at a time like this that there is always something to be thankful for. American citizens, we are told, may yet be permitted to see their President. American citizens who come here, many of them only once in a lifetime, visiting their Capital, have long enjoyed the privilege of shaking hands with their President, looking him squarely in the face, and saying a word in behalf of good government as they pass along. According to the new order of things at the White House under Republican rule this privilege is to be denied him now. Cleveland, McKinley, Roosevelt, Taft, Wilson, and Harding, all of them, so far as I know, delighted to shake hands with the men and the women and the boys and the girls who wanted the privilege of shaking hands with their President. It is quite an event in the lives of many boys and girls. I have read stories since I was a boy where a number of American women had pointed with pride to the fact that when they were schoolgirls they visited the Capital of the Nation, went to the White House, and shook hands with the President.

They told the story to their children, and it was passed on down the line to their grandchildren; but this proud privilege, born of an old American custom, is to be enjoyed no more. Boys grown to manhood have told their children and their children's children of the joy they experienced visiting the White House and being ushered into the presence of a real Chief Executive, a virile President, and shaking his hearty hand, and have him say a word of appreciation to them as they passed along. These boys and girls constitute the strength and glory of the Nation. They are the priceless jewels of the American household. But no more, we are told, during President Coolidge's term will they be permitted to enjoy that time-honored American privilege.

But, Mr. President, according to the White House order mentioned in the Washington Post on yesterday, they may still be permitted to look in on the President, but the article says they must not touch him. They will be allowed to glimpse him from a distance as they walk quietly by with their fingers on their lips as the President, without even looking up, continues to look down as he fumbles with his papers on his desk.

This arrangement is probably one of Secretary Slemp's greatest achievements. Oh, for the virile days of old Jackson, Cleveland, Roosevelt, and Wilson. There were men in those days. They could stand up and shake hands with American citizens

visiting the White House, and they delighted to do it. They regarded it a privilege to shake hands with those who thought enough of their President to come here from the sovereign States to pay their respects to the man who had been honored with the highest office within their gift. But Mr. Slemp has suggested a brilliant idea, this article tells us, and this American custom is to be abandoned during the remainder of this administration.

Mr. President, last week this Capital was honored with the convention of the Daughters of the American Revolution. Surely they should have been permitted to invoke the American custom and have the privilege of shaking hands with the President; but they, too, were quietly marched through the large room and looked in the direction of the President. They saw the President but they did not catch his eye. Some of them, we are told, did shake his hand, but others did not have that privilege as they passed through.

Some men may be averse to shaking hands with people because they just do not like it or because they are poor handshakers, and the surest way in the world to get a line on the real character of a man or a woman is by or through the handshake. I know of a man who was once a Democratic candidate for the nomination for President. I know of a company of gentlemen who called on him and who shook hands with him, and every one of them came out of the room against him because of his indifferent or unsatisfactory handshake.

So, Mr. President, there is a good deal in the sincerity of a handshake—a handshake speaks for itself—and if a man is afraid that it would hurt his popularity to shake hands with people who come and go in Washington, Secretary Slemp has probably done a wise thing in shutting off handshaking for the present at the White House.

The President, however, stills feels, we are told—be it said to his credit—that they, the American citizens, should still be permitted to see the President, for a moment at least, from a distance. While denying American citizens the right to shake the hand of the President, the President, be it remembered, is still inclined to the opinion that they should be permitted to see him. And that of itself is comforting. No steps have been taken, so far as the public knows, to prevent American citizens from seeing or visiting the White House.

I wonder what is the matter with this generation of Republicans that they can not produce a man strong enough to stand up and shake hands with patriotic American citizens who come to Washington.

By chase our long-lived forefathers earned their food;
Toil strung their nerves and petrified their blood.
But you produce a timid and pampered man
Who can not grasp and shake an American hand.

Our sweet girl graduates who walk in and ask for that privilege shall enjoy that pleasure no more until after the 4th of March, 1925, and after that time there will be a virile Democrat in that place, and Secretary Slemp's no-handshaking order will be canceled. [Laughter.] The picture of a President sitting at a desk looking over papers quietly while people slip through without even whispering a word will then disappear from the White House forever. [Laughter.]

Mr. President, it is a glorious privilege to shake hands with the sovereign men and women of a nation, a glorious privilege to shake hands with these sweet girls, the future mothers of the country, and these fine boys, the future fathers of the country, to shake hands with their fathers and their mothers; because, as Henry Grady, of Georgia, once said, the strength of this Nation is not in the Capitol, not in the Supreme Court and the Congress, not in the Treasury, not in the Army and the Navy, but it is in the people out in the States. The hearthstone, he said, is the true altar of liberty; and these people who come in from the various hearthstones of the country, traveling hundreds of miles to get to see the Capitol and the President and shake his hand, will now go away disappointed because of the brilliant idea conceived by Bascom Slemp, the Secretary to the President, who has recently returned from Florida, where he knew not what he was going for and did not know anything when he got back. [Laughter.] He answers no questions in the detail, I presume, because he might incriminate himself.

I thought of the poem, Jim Bludso, when this no handshaking order came forth from the White House. Of him it was said:

He weren't no saint—but at jedgment
I'd run my chance with Jim,
'Longside of some pious gentlemen
That wouldn't shook hands with him.

I love to see a President who is really interested in and who loves the people, who likes to come in close contact with them, who wants to give a hearty handclasp to those who make up this Nation's strength, those who contribute to its support and perpetuity. These people are living in a great Republic, we think so at least, and not in a kingdom. Have we gotten into a situation here that makes it harder for the American citizen to see the President of the United States than it is for people to see the king in a monarchy?

Now, Mr. President, I want to say a word about this cash bonus or adjusted compensation. I am for paying to those who want and need it now the real coin of the realm. I know we have received a number of telegrams from officers of the American Legion who see the awful predicament they are in during a Republican administration. They know that whatever measure the other side will pass will be passed for political purposes, pure and simple. An emergency has arisen. A campaign is on. A President is to be elected this year. Five years and more have come and gone since our boys came back from the war, and nothing has been done for them. Now, you are seeking to put over some sort of a proposition, and they have gotten the word to these officers time and time again that the only thing that can pass is an insurance arrangement. I know, and I believe the country knows, that these boys, the rank and file, in their heart of hearts want the money, and if they want the money and need the money, they need it now. Let us give it to them.

How can we sit silent here and permit Mr. Mellon, the Secretary of the Treasury, to refund taxes, and we know not why, to big taxpayers in a sum amounting to over $200,000,000 in about 16 months' time, and then refuse to give any cash to these boys, who were poorly paid for service rendered—they offered to die for our country—many of them are in distress now? Why is it that you ask us to vote for a makeshift gotten up that will in a way please certain Republican leaders? I would vote for a cash bonus as adjusted compensation if I were the only Senator in this body who voted for it.

I voted to call these boys to the colors. I said then, and I desire to repeat, I supported them at the battle front as best I could when I was in the House during the war. I have sympathized with them in their righteous demands since their return home. I have tried to help them in every way I could. I want to help them. They need help, and now, because certain officers of their organizations see a political exigency arising which might shut off any sort of legislation on the subject I do not want them to feel that the Congress of the country has no sympathy for the cause they really espouse. I will vote for the insurance proposition if that is the only thing we can get, but in the first place I am going to vote for adjusted compensation on the cash basis. If that proposition is defeated, then we can put the other proposition over or accept whatever is passed.

I do not agree altogether with the able minority leader in the statement that if we should pass it and the President should veto it we could not get another measure through. I think ordinarily that would apply in other lines of legislation, but I believe there is so much sentiment in the country for some sort of an adjusted compensation bill for our soldiers that those in control of Congress would not dare let this Congress adjourn without putting some sort of legislation upon the statute books along that line. At least, I want my record to show to them, to the public, to my son, and his children, that I never proved unfaithful or deserted these boys at any place along the way; that while I voted to send them to the colors, I voted for every just and legitimate demand they made after they returned, because I believe that this country owes, outside of fair compensation, a debt of gratitude to these boys that it can never pay. I am not willing to palm off on them some unfair and half-baked proposition, something that depends on some future contingency, as to whether or not they get anything.

Their loved ones may profit by an insurance policy. Very well, I would like to benefit the soldiers now, and I am going to vote for a cash bonus or adjusted compensation. If that is defeated, of course, I can not help it, but I am going on record as supporting it. I have always been for it, and I hold now that if we were to pass that bill and put into circulation the money that it would require in the first payment it would do more to bring about prosperity in this country than anything else that could happen. The country is suffering now because currency has been contracted and credit deflated, and just as the country is trying to reach out and get on its feet again these highbrows in New York, the speculators and gamblers who oppose the bonus, and who now, under Republican rule, control the money supply and credit of this Nation, will say, "You had better reduce the volume of the circulating medium"—that is, take out of circulation millions of money now serving the needs of the people. What a crime!

If we could put this so-called bonus money into circulation it would help the country generally. It would not only bless and benefit the soldier boys themselves, but it would do more than anything that the Congress now contemplates doing to bring prosperity to the country. I am going to vote for the cash-bonus plan.

Mr. SPENCER. Mr. President, I want to lay before the Senate some of the reasons that have convinced me that adjusted compensation for ex-service men is just. Everything I have to say would apply equally as well to a cash payment as it would to an insurance plan. But I am so clear in my own mind that the cash payment is not a practical proposition at this time, and so equally clear that the insurance plan is acceptable to ex-service men, that I shall devote my attention entirely to the plan which is proposed by the Finance Committee and which has to do with insurance. It is the only plan which promises immediate recognition of the rights of ex-service men.

It is one of the glories of our country that in the World War we promptly and efficiently and with practically universal approval and cooperation raised an Army of 24,000,000 men. It was one of the greatest achievements in all history. Two million of this American Army were sent overseas, and two and one-half million more were in training on this side, being made ready to go overseas, and twenty-odd million more were included in the selected-service draft to be called if the need required their active participation in the mighty struggle. No better or braver or more enthusiastic and patriotic body of men ever marched under any flag than the four and one-half million of Americans in active service. They were eager and ready to fight for the honor of their country, and no money can or ought to pay them for this loyalty and patriotism.

The Government can not and ought not to compensate its citizens for their love of country or their loyal performance of duty. Such loyalty is the Nation's greatest treasure, but it can not be measured in money. There is no legitimate argument for the bonus to be made because of the wonderful patriotism of the American soldier. Neither does it appeal to me to bestow a bonus on the ground of a gift to the ex-service men or as a gratuity because of our gratitude to them for their great service. The Government can not and ought not to bestow gifts to those who render public service. It would involve the United States in a great financial difficulty, and create a situation hard to handle if we attempted to bestow money gifts to all those who in Red Cross work or in Liberty loan drives or in activities for the comfort and relief of the soldiers or in any other of the many most deserving and efficient activities rendered signal and self-sacrificing service to our country.

Nor, in my judgment, is there any force to the argument sometimes made against the bonus that we ought to do everything we can for the wounded—the disabled ex-service men. Of course, we should. It is a prior right. It deserves first consideration and it has received such consideration. The Government is bound to make good, so far as medical skill and money and training can reasonably accomplish it, the suffering or incapacity of every soldier resulting from the war.

The question before Congress rather is this: Are we in honor and in justice called upon to provide some form of adjusted compensation for the able-bodied ex-service man? I can best state the case as it appeals to me with convincing power by illustration of a situation that happened in the city where I live. There were two boys working in a factory side by side, in St. Louis. Each of them had a mother whom he loved dependent upon him. They were each receiving $25 a week as wages. When the war came the Government took one of the boys for active service. He was glad to go. He was eager to do his full duty. The Government paid him $33 a month, because he at once went overseas. Out of this amount he sent back to his mother $15 every month, which was all he could afford to send her; and the Government gave to his mother $15 additional, so that she had $30 each month for her own care. It was difficult from the start; but, with the rise in rents and all supplies which immediately occurred, it became impossible for her to live on $30 a month. She tried to take in washing. She tried to do one thing and another while her boy was overseas. It broke down her health.

The other boy was allowed to remain in the factory. His wages jumped from $25 a week to $75 a week. The two boys lived on opposite sides of a hall in an apartment house. When the ex-service boy returned home in good health, proud of his experience, glad to have done what he did, he found his mother sick from overwork, with doctor bills and bills for living expenses unpaid and with the furniture mortgaged. He started in to remedy the condition. After two or three months he secured his old place back and began to work again by the side of his companion in the shop. Every night when that soldier boy returns home to his mother, half sick, with the bills yet unpaid, with the furniture yet mortgaged, he hears from the other side of the hall, where his companion in the shop lives with his mother, the victrola playing, sees the new rugs upon the floor and flowers in the window, and knows that not debt but money in the bank is the result of his shop companion having been allowed to stay at home; and he says every night, in far more forcible language than I quote, "Oh, that the Government should have made this difference between Bob and his mother and myself and my mother!" He knows that a great financial injustice has been done to him.

Mr. President, we know that we were wrong in the plan of the selective-service draft that made such financial inequality possible because the plans are already drawn so that if we are ever in another war, when we take the young manhood of the Nation within certain limits of age we shall draft them all and have them as nearly as possible upon the same financial basis, so that the financial inequality that is illustrated by what I have said—and that is illustrative of thousands of similar cases—shall not again occur.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. SPENCER. Certainly.

Mr. CARAWAY. As I understand, then, the plan now has already been drawn to draft labor as well as men for the Army?

Mr. SPENCER. The plan is drawn to draft manhood and resources.

Mr. CARAWAY. To draft wealth?

Mr. SPENCER. Manhood and resources, capital and manhood.

Mr. CARAWAY. There will be no more sales of Liberty bonds, but when a man has a bank account that will be drafted along with the boy?

Mr. SPENCER. I know of no such plan.

Mr. CARAWAY. That is what I was trying to get at.

Mr. SPENCER. As I understand the plan it is that every man between 18 and 25, or between 18 and 30, or between 18 and 45 years of age, if the need were so great, would be drafted and available for service. Prices would be frozen and there would be no rise in prices. At a given date when we entered into the war the cost of materials would be fixed. The drafted army could not all be sent overseas. Those who were sent overseas would receive the soldiers' allowance. Those who were allowed to remain would be allowed to remain only long enough—for they also would be drafted and they would not be exempt as they were in the last war—to allow someone above the draft age to be substituted in their place and to take their place and to allow them to go into active service. Thus the inequality that existed in the last war would be impossible in another one.

Mr. CARAWAY. But the dollar would be permitted to work at whatever rate of profit it could find, as it did in the last war.

Mr. SPENCER. It would be hard to regulate that entirely.

Mr. CARAWAY. I do not know why.

Mr. SPENCER. We would come very much nearer doing it than we did, because we have had the experience of the last war.

Mr. CARAWAY. I am curious to know what makes money so much more sacred than blood.

Mr. SPENCER. It certainly ought not to be.

Mr. President, the bonus is intended to recognize this financial inequality to which I have referred and in part at least to make it good. Most of the Government employees who remained at home were given $240 a year bonus to help them pay the increased cost of living, and we are paying it yet. Those who had war contracts with the Government when the war stopped have been compensated for any loss they suffered by the stopping of the war, and we have paid over $500,000,000 in such losses. The Government drafted the railroads during the war, and we have already paid over a thousand million dollars to make good the financial losses which arose out of that draft. Did not the ex-service man suffer financial loss by being required to leave his work and enter the Army at $33 a month, and do we not owe him recognition of such loss?

In other wars the Government has given a substantial bonus to the soldier. In the Mexican War we gave 160 acres of land or $100 in money to every enlisted man, and that would amount, by comparison of values, to several times $100 at this date. During the Civil War bounties were paid by counties and by municipalities to those who enlisted, and in some cases the bounties exceeded $1,000 in amount. Some of the ex-service men to-day do not need the bonus. There is no reason why any who do not need it should accept it. It is entirely voluntary with them. Some of the ex-service men will squander it, but this does not affect the question as to whether in honor and in justice we owe it. England and Canada, Australia, France, and Italy have already paid a bonus to their soldiers.

Soon after the World War there were many who believed in a bonus who thought that the Government at that time was not in a financial condition to maintain the burden. We had a surplus in the Treasury last year of over $300,000,000 and we shall have another additional surplus of over $300,000,000 this year. We are receiving from Great Britain alone on account of her debt to us $179,000,000 a year, and that payment will continue every year for more than half a century to come. That amount alone is more than sufficient to take care of the bonus. We are reducing our public debt every day by over a million dollars, each 24 hours. All this means that though we still have a debt of approximately $22,000,000,000, we are forging rapidly ahead financially, and taxes, whether a bonus be adopted or not, will be reduced. The bonus will not prevent a reduction in taxation.

Mr. President, in honor and in justice we do owe something, not as a gift but as a debt, to our ex-service men. If we owe that debt, some fair form of adjusted compensation—and I like the term better than the word "bonus"—ought to be enacted by Congress now; and, in my judgment, the bill as reported from the Finance Committee provides for such recognition. It ought promptly to be enacted into law.

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to present the views of the minority members of the Finance Committee on the pending bill and I ask that they may be printed as part 2 of the report of the committee.

The PRESIDING OFFICER (Mr. BURSUM in the chair). The Senator from Massachusetts asks unanimous consent to present the views of the minority on the pending bill. In the absence of objection, they will be received and printed as Report No. 403, part 2.

Mr. DILL obtained the floor.

PRINTING OF TAX REDUCTION BILL, ETC.

Mr. SMOOT. Mr. President, I send to the desk a Senate concurrent resolution for which I ask immediate consideration. The reason I do this is that I desire to have the bill therein referred to, together with the other documents mentioned in the resolution, printed to-night if possible.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that the concurrent resolution presented by him may now be considered. Is there objection?

Mr. ROBINSON. Just one moment. I understand from the Senator from Utah that he has submitted the resolution to the Senator from North Carolina [Mr. SIMMONS], the ranking Democratic Member of the Finance Committee, and that the resolution has the approval of that Senator?

Mr. SMOOT. The Senator from Arkansas states the fact correctly.

Mr. ROBINSON. And the Senator from Utah has stated that it is necessary that the action which he asks be taken promptly, in order to supply the Senate with printed copies of the report on the bill to which he refers?

Mr. SMOOT. It is necessary in order to supply copies of both the report and the bill.

Mr. CURTIS. If there is to be any debate on the pending measure, I ask unanimous consent that the unfinished business be temporarily laid aside for that purpose.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The Chair hears none, and the unfinished business is temporarily laid aside.

Mr. DILL. What is the request of the Senator from Utah? I have the floor.

The PRESIDING OFFICER. The request of the Senator from Utah is for the present consideration of the concurrent resolution which he has submitted.

Mr. SMOOT. If the resolution leads to any discussion, I shall not insist on it.

Mr. DILL. I am willing to yield if the resolution shall lead to no discussion, and if I do not lose the floor.

Mr. SMOOT. The Senator will not lose the floor.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Con. Res. 7), which was read as follows:

Resolved by the Senate (the House of Representatives concurring), That the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, as reported to the Senate, be printed as a Senate document, together with an index thereof and the report to the Senate made in connection therewith and the three amendments offered by the minority, and that 2,500 additional copies be printed, of which 500 shall be for the Senate document room, 1,000 for the House document room, 800 for the Committee on Finance of the Senate, and 200 for the Committee on Ways and Means of the House.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. SMOOT. I thank the Senator from Washington for yielding.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. BROOKHART. Mr. President, will the Senator from Washington yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Iowa?

Mr. DILL. I yield.

Mr. BROOKHART. I desire to offer an amendment to the pending bill and ask that it may be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

Mr. DILL. Mr. President, I desire to take just a few minutes of the Senate's time in order to explain my position in connection with the proposal of a cash bonus. I believe that in the light of the bonuses which have been voted by the various States of the Union a large majority of the individual ex-service men understand by a bonus that they will receive payment in cash. I wish just for a moment to call attention to what this bill will mean to them if it passes and becomes a law. According to statements which were placed in the RECORD on Saturday last, which I take it are correct, the passage of this bill will mean——

Mr. WALSH of Massachusetts. Does the Senator refer to the table which is printed on the RECORD?

Mr. DILL. I refer to the table.

Mr. WALSH of Massachusetts. I think the table is incorrect. The bill provides that the minimum amount that at any time may be borrowed shall be 60 per cent of the face value of the policy. The table would indicate that in the nineteenth year on a thousand-dollar certificate the beneficiary could borrow $900. I do not understand, however, that he could borrow more than $600.

Mr. DILL. That only makes it worse. The figures that I was going to quote are the figures which were placed in the RECORD, which, according to the Senator from Massachusetts, are even more favorable to the cash proposition than is indicated on their face. So if the bill shall pass, the ex-service men who want cash are in this position:

After waiting for two years they can go to a banker and secure less than one-tenth of the face value of their policy on 7 per cent interest; and the average policy being about $1,000, they will get $87.93, according to the statement. That is in the third year. The fourth year they can get about one-third of the amount that they could get in the third year; in the fifth year another one-third of that, less than 10 per cent; in the sixth year another one-third; and so on for 20 years. When the 20 years were up they would have left about 10 per cent of the original policy which they could get in cash.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Washington permit an interruption?

Mr. DILL. Yes.

Mr. WALSH of Massachusetts. The process to which the Senator refers can go on until the fourteenth or fifteenth year; then the 60 per cent face value of the policy will be reached and there can be no more borrowing.

Mr. DILL. The Senator from Massachusetts, then, is correct in the statement which is published in the RECORD to the effect that the beneficiaries will get in cash $50 or $60 the last few years.

Mr. WALSH of Massachusetts. The statement is misleading, in that it is too favorable to the veterans.

Mr. DILL. Mr. President, I was in favor of a bonus before I came to the Senate. I promised the ex-service men and the people of the State of Washington that if I were elected I should vote for a bonus. They understood, and I understood, that that bonus meant that the veterans would have a right to get a certain amount of cash.

If I have an opportunity—and I think I shall have an opportunity, for, if no other Senator introduces it, I shall introduce an amendment embodying a cash option—I am going to keep my record straight and vote for a cash option to those men.

The Senators on the Finance Committee on this side of the Chamber justify their position in withdrawing their support of the cash option on the ground that if the cash option should be defeated, and the bill should fail, then the Democrats would

be responsible for its failure. I have much respect for their study and their experience and their political wisdom, but in

or other record of the veteran: $1.25 for each day of oversea service, and $1 for each day of home service; but the amount of the credit

forces; or with the Secretary of the Navy, if he is serving in, or

not pay the amount of adjusted service pay to any person other than

be responsible for its failure. I have much respect for their study and their experience and their political wisdom, but in this case I beg to differ most widely from them. If this bonus bill passes the Senate and the House, with a cash option or without a cash option, and the President vetoes the bill, and it does not become a law, the President will be responsible for the failure of the bill to become a law; and if the bill passes without a cash option, and if the boys must wait three years before they can borrow 10 per cent of the face value of their policy, while the ex-service men may not understand the parliamentary situation, they will understand that they are not getting a cash bonus. For my part I intend to do all I can to see that they are given the option to get a cash bonus when this bill becomes a law, if it shall become a law.

If the Senators on the other side of the Chamber who want a bonus are in earnest about a bonus, as are those of us who have always been for it, if they are really in earnest about it, they will do what we will do; they will vote for the best that they can get; and if the President vetoes it they will vote to pass it over his veto.

I am not very much influenced by certain political leaders who smile because they have created a parliamentary situation that forces Senators on this side of the Chamber who want a cash bonus to vote against what they themselves believe in. For my part, I shall not vote against my judgment or my belief. If this bill passes with a cash option in it, and the President vetoes it and we can not pass it over his veto, the responsibility will be on his head. Then I should be in favor of electing a new President who would sign the next bonus bill, and we should not then need a two-thirds majority.

I want a law passed on the bonus question in such terms that the ex-service men of this country who want a cash bonus and who have been promised a bonus in cash will be able to get it; so that when they ask for bread we will not be giving them a stone and when they ask for fish we will not be giving them a serpent.

The Senator from New York [Mr. COPELAND] has stated here that he will submit as a substitute for this measure a bill in practically the same terms as the bill we now have, with the exception that it will provide a cash option. I hope he will do so; and I hope that bill will pass by a majority vote of the Senate in order that the ex-service men of this country may know that those of us who came here pledged to vote for the bonus are going to keep faith with them as they kept faith with the flag and with the country which they went across the ocean to serve.

Mr. COPELAND. Mr. President, I desire to offer an amendment to the pending bill, to strike out all after the enacting clause and to insert in lieu thereof what I send to the desk.

The PRESIDING OFFICER. The Senator from New York offers an amendment to the bill.

The amendment submitted by Mr. COPELAND is as follows:

Amendment in the nature of a substitute by Mr. COPELAND to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, viz: Strike out all after the enacting clause and insert in lieu thereof the following:

TITLE I.—DEFINITIONS

SECTION. 1. This act may be cited as the "World War Adjusted Compensation Act."

SEC. 2. As used in this act—

(a) The term "veteran" includes any individual, a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918; but does not include (1) any individual at any time during such period or thereafter separated from such forces under other than honorable conditions, (2) any conscientious objector who performed no military duty whatever or refused to wear the uniform, or (3) any alien at any time during such period or thereafter discharged from the military or naval forces on account of his alienage;

(b) The term "oversea service" means service on shore in Europe or Asia, exclusive of China, Japan, and the Philippine Islands; and service afloat, not on receiving ships; including in either case the period from the date of embarkation for such service to the date of disembarkation on return from such service, both dates inclusive;

(c) The term "home service" means all service not oversea service;

(d) The term "adjusted service credit" means the amount of the credit computed under the provisions of Title II; and

(e) The term "person" includes a partnership, corporation, or association, as well as an individual.

TITLE II.—ADJUSTED SERVICE CREDIT

SEC. 201. The amount of adjusted service credit shall be computed by allowing the following sums for each day of active service, in excess of sixty days, in the military or naval forces of the United States after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran: $1.25 for each day of oversea service, and $1 for each day of home service; but the amount of the credit of a veteran who performed no oversea service shall not exceed $500, and the amount of the credit of a veteran who performed any oversea service shall not exceed $625.

SEC. 202. In computing the adjusted service credit no allowance shall be made to—

(a) Any commissioned officer above the grade of captain in the Army or Marine Corps, lieutenant in the Navy, first lieutenant or first lieutenant of engineers in the Coast Guard, or passed assistant surgeon in the Public Health Service, or having the pay and allowances, if not the rank, of any officer superior in rank to any of such grades—in each case for the period of service as such;

(b) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces, or (while holding such commission or warrant) serving under a temporary commission in a higher grade—in each case for the period of service under such commission or warrant or in such higher grade after the accrual of the right to pay thereunder. This subdivision shall not apply to any noncommissioned officer;

(c) Any civilian officer or employee of any branch of the military or naval forces, contract surgeon, cadet of the United States Military Academy, midshipman, cadet or cadet engineer of the Coast Guard, member of the Reserve Officers' Training Corps, member of the Students' Army Training Corps (except an enlisted man detailed thereto), Philippine Scout, member of the Philippine Guard, member of the Philippine Constabulary, member of the Porto Rico Regiment of Infantry, member of the National Guard of Hawaii, member of the insular force of the Navy, member of the Samoan native guard and band of the Navy, or Indian Scout—in each case for the period of service as such;

(d) Any individual entering the military or naval forces after November 11, 1918—for any period after such entrance;

(e) Any commissioned or warrant officer performing home service not with troops and receiving commutation of quarters or of subsistence—for the period of such service;

(f) Any member of the Public Health Service—for any period during which he was not detailed for duty with the Army or the Navy;

(g) Any individual granted a farm or industrial furlough—for the period of such furlough; or

(h) Any individual detailed for work on roads or other construction or repair work—for the period during which his pay was equalized to conform to the compensation paid to civilian employees in the same or like employment, pursuant to the provisions of section 9 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes," approved February 28, 1919.

SEC. 203. (a) The periods referred to in subdivision (e) of section 202 may be included in the case of any individual if and to the extent that the Secretary of War and the Secretary of the Navy jointly find that such service subjected such individual to exceptional hazard. A full statement of all action under this subdivision shall be included in the reports of the Secretary of War and the Secretary of the Navy required by section 307.

(b) In computing the credit to any veteran under this title effect shall be given to all subdivisions of section 202 which are applicable.

(c) If part of the service is oversea service and part is home service, the home service shall first be used in computing the 60-day period referred to in section 201.

(d) For the purpose of computing the 60-day period referred to in section 201, any period of service after April 5, 1917, and before July 1, 1919, in the military or naval forces in any capacity may be included, notwithstanding allowance of credit for such period, or a part thereof, is prohibited under the provisions of section 202, except that the periods referred to in subdivisions (b), (c), and (d), of that section shall not be included.

(e) For the purpose of section 201, in the case of members of the National Guard or of the National Guard Reserve called into service by the proclamation of the President dated July 3, 1917, the time of service between the date of call into the service as specified in such proclamation and August 5, 1917, both dates inclusive, shall be deemed to be active service in the military or naval forces of the United States.

TITLE III.—GENERAL PROVISIONS

BENEFITS GRANTED VETERANS

SEC. 301. Each veteran shall be entitled to choose either of the following plans:

(1) To receive "adjusted service pay" as provided in Title IV; or

(2) To receive an "adjusted service certificate" as provided in Title V.

APPLICATION BY VETERAN

SEC. 302. (a) A veteran's choice between the plans enumerated in section 301 shall be made by application filed with the Secretary of War, if he is serving in, or his last service was with, the military forces; or with the Secretary of the Navy, if he is serving in, or his last service was with, the naval forces.

(b) Such application shall be made on or before January 1, 1928, and if not made on or before such date shall be held void.

(c) An application shall be made (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making of a personal application, then by such representative of the veteran and in such manner as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe. An application made by a representative other than one authorized by any such regulation shall be held void.

(d) The Secretary of War and the Secretary of the Navy shall jointly make any regulations necessary to the efficient administration of the provisions of this section.

TRANSMITTAL OF APPLICATION

SEC. 303. (a) As soon as practicable after the receipt of a valid application the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the Director of the United States Veterans' Bureau (hereinafter in this act referred to as the "director") the application and a certificate setting forth—

(1) That the applicant is a veteran;

(2) His name and address;

(3) The date and place of his birth;

(4) The amount of his adjusted service credit; and

(5) The plan chosen.

(b) Upon receipt of such certificate the director shall proceed to extend to the veteran the benefits conferred by the plan chosen, as provided for in this act.

PUBLICITY

SEC. 304. (a) The director shall, as soon as practicable after the enactment of this act, prepare and publish a pamphlet or pamphlets containing a digest and explanation of the provisions of this act; and shall from time to time thereafter prepare and publish such additional or supplementary information as may be found necessary.

(b) The publications provided for in subdivision (a) shall be distributed in such manner as the director may determine to be most effective to inform veterans and their dependents of their right under this act.

STATISTICS

SEC. 305. Immediately upon the enactment of this act the Secretary of War and the Secretary of the Navy shall ascertain the individuals who are veterans as defined in section 2, and, as to each veteran, the number of days of oversea service and of home service, as defined in section 2, for which he is entitled to receive adjusted service credit, and their findings shall not be subject to review by the General Accounting Office, and payments made by disbursing officers of the United States Veterans' Bureau made in accordance with such findings shall be passed to their credit.

ADMINISTRATIVE REGULATIONS

SEC. 306. Any officer charged with any function under this act shall make such regulations, not inconsistent with this act, as may be necessary to the efficient administration of such function.

REPORTS

SEC. 307. Any officer charged with the administration of any part of this act shall make a full report to Congress on the first Monday of December of each year as to his administration thereof.

EXEMPTION FROM ATTACHMENT AND TAXATION

SEC. 308. No sum payable under this act to a veteran or his dependents, or to his estate, or to any beneficiary named under Title V, no adjusted service certificate, and no proceeds of any loan made on such certificate, shall be subject to attachment, levy, or seizure under any legal or equitable process, or to National or State taxation.

UNLAWFUL FEES

SEC. 309. Any person who charges or collects, or attempts to charge or collect, either directly or indirectly, any fee or other compensation for assisting in any manner a veteran or his dependents in obtaining any of the benefits, privileges, or loans to which he is entitled under the provisions of this act shall, upon conviction thereof, be subject to a fine of not more than $500 or imprisonment for not more than one year, or both.

TITLE IV.—ADJUSTED SERVICE PAY

SEC. 401. If the veteran has chosen adjusted service pay, there shall be paid to him by the director (as soon as practicable after receipt of an application in accordance with the provisions of section 302, but not before the expiration of nine months after the enactment of this act), in addition to any other amounts due such veteran in pursuance of law, the amount of his adjusted service credit.

SEC. 402. No right to adjusted service pay under the provisions of this title shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. Except as provided in Title VI, the director shall not pay the amount of adjusted service pay to any person other than the veteran or such representative of the veteran as he shall by regulation prescribe.

TITLE V.—ADJUSTED SERVICE CERTIFICATES

SEC. 501. If the veteran has chosen an adjusted service certificate, the director, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 303, is hereby directed to issue without cost to the veteran designated therein a nonparticipating adjusted service certificate (hereinafter in this title referred to as a "certificate") of a face value equal to the amount of 20-year endowment insurance that the amount of his adjusted service credit increased by 25 per cent would purchase at his age on his birthday nearest the date of the certificate if applied as a net single premium, calculated in accordance with accepted actuarial principles and based upon the American Experience Table of Mortality, and interest at 4 per cent per annum, compounded annually. The certificate shall be dated, and all rights conferred under the provisions of this title shall take effect, as of the 1st day of the month in which the application is filed, but in no case before January 1, 1925. The veteran shall name the beneficiary of the certificate and may from time to time, with the approval of the director, change such beneficiary. The amount of the face value of the certificate (except as provided in subdivisions (3), (d), (e), and (f) of section 502) shall be payable out of the fund created by section 505 (1) to the veteran 20 years after the date of the certificate, or (2) upon the death of the veteran prior to the expiration of such 20-year period, to the beneficiary named; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, the amount of the face value of the certificate shall be paid to the estate of the veteran. If the veteran dies after making application under section 302, but before January 1, 1925, then the amount of the face value of the certificate shall be paid in the same manner as if his death had occurred after January 1, 1925.

LOAN PRIVILEGES

SEC. 502. (a) A loan may be made to a veteran upon his adjusted service certificate only in accordance with the provisions of this section.

(b) Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank"), is authorized, after the expiration of two years after the date of the certificate, to loan to any veteran upon his promissory note secured by his adjusted service certificate (with or without the consent of the beneficiary thereof) any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate. The rate of interest charged upon the loan by the bank shall not exceed, by more than 2 per cent per annum, the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located. Any bank holding a note for a loan under this section secured by a certificate (whether the bank originally making the loan or a bank to which the note and certificate have been transferred) may sell the note to, or discount or rediscount it with, any bank authorized to make a loan to a veteran under this section and transfer the certificate to such bank. Upon the indorsement of any bank, which shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively, and subject to regulations to be prescribed by the Federal Reserve Board, any such note secured by a certificate and held by a bank shall be eligible for discount or rediscount by the Federal reserve bank for the Federal reserve district in which the bank is located. Such note shall be eligible for discount or rediscount whether or not the bank offering the note for discount or rediscount is a member of the Federal reserve system and whether or not it acquired the note in the first instance from the veteran or acquired it by transfer upon the indorsement of any other bank. Such note shall not be eligible for discount or rediscount unless it has at the time of discount or rediscount a maturity not in excess of nine months exclusive of days of grace. The rate of interest charged by the Federal reserve bank shall be the same as that charged by it for the discount or rediscount of 90-day notes drawn for commercial purposes. The Federal Reserve Board is authorized to permit, or on the affirmative vote of at least five members of the Federal Reserve Board to require, a Federal reserve bank to rediscount, for any other reserve bank, notes secured by a certificate. The rate of interest for such rediscounts shall be fixed by the Federal Reserve Board. In case the note is sold, discounted, or rediscounted the bank making the transfer shall promptly notify the veteran by mail at his last known post-office address.

(c) If the veteran does not pay the principal and interest of the loan upon its maturity, the bank holding the note and certificate may, at any time after maturity of the loan, but not before the expiration of six months after the loan was made, present them to the director. The director may, in his discretion, accept the certifi-

cate and note, cancel the note (but not the certificate), and pay the bank in full satisfaction of its claim, the amount of the unpaid principal due it, and the unpaid interest accrued, at the rate fixed in the note, up to the date of the check issued to the bank. The director shall restore to the veteran, at any time prior to its maturity, any certificate so accepted, upon receipt from him of an amount equal to the sum of (1) the amount paid by the United States to the bank in cancellation of his note, plus (2) interest on such amount from the time of such payment to the date of such receipt, at 6 per cent per annum, compounded annually.

(d) If the veteran fails to redeem his certificate from the director before its maturity, or before the death of the veteran, the director shall deduct from the face value of the certificate (as determined in section 501) an amount equal to the sum of (1) the amount paid by the United States to the bank on account of the note of the veteran, plus (2) interest on such amount from the time of such payment to the date of maturity of the certificate or of the death of the veteran, at the rate of 6 per cent per annum, compounded annually, and shall pay the remainder in accordance with the provisions of section 501.

(e) If the veteran dies before the maturity of the loan, the amount of the unpaid principal and the unpaid interest accrued up to the date of his death shall be immediately due and payable. In such case, or if the veteran dies on the day the loan matures or within six months thereafter, the bank holding the note and certificate shall, upon notice of the death, present them to the director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the check issued to the bank; except that if, prior to the payment, the bank is notified of the death by the director and fails to present the certificate and note to the director within 15 days after the notice, such interest shall be only up to the fifteenth day after such notice. The director shall deduct the amount so paid from the face value (as determined under section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(f) If the veteran has not died before the maturity of the certificate, and has failed to pay his note to the bank or the Federal reserve bank holding the note and certificate, such bank shall, at the maturity of the certificate, present the note and certificate to the director, who shall thereupon cancel the note (but not the certificate) and pay to the bank, in full satisfaction of its claim, the amount of the unpaid principal and unpaid interest, at the rate fixed in the note, accrued up to the date of the maturity of the certificate. The director shall deduct the amount so paid from the face value (as determined in section 501) of the certificate and pay the remainder in accordance with the provisions of section 501.

(g) The loan basis of any certificate at any time shall, for the purpose of this section, be an amount which is not in excess of either (1) 90 per cent of the reserve value of the certificate on the last day of the current certificate year, or (2) 60 per cent of the face value of the certificate. The reserve value of a certificate on the last day of any certificate year shall be the full reserve required on such certificate, based on an annual level net premium for 20 years and calculated in accordance with the American Experience Table of Mortality and interest at 4 per cent per annum, compounded annually.

(h) No payment upon any note shall be made under this section by the director to any bank, unless the note when presented to him is accompanied by an affidavit made by an officer of the bank which made the loan, before a notary public or other officer designated for the purpose by regulation of the director, and stating that such bank has not charged or collected, or attempted to charge or collect, directly or indirectly, any fee or other compensation (except interest as authorized by this section) in respect of any loan made under this section by the bank to a veteran. Any bank which, or director, officer, or employee thereof who, does so charge, collect, or attempt to charge or collect any such fee or compensation shall be liable to the veteran for a penalty of $100, to be recovered in a civil suit brought by the veteran. The director shall upon request of any bank or veteran furnish a blank form for such affidavit.

SEC. 503. No certificate issued or right conferred under the provisions of this title shall, except as provided in section 502, be negotiable or assignable or serve as security for a loan. Any negotiation, assignment, or loan made in violation of any provision of this section shall be held void.

SEC. 504. Any certificate issued under the provisions of this title shall have printed upon its face the conditions and terms upon which it is issued and to which it is subject, including loan values under section 502.

ADJUSTED-SERVICE CERTIFICATE FUND

SEC. 505. There is hereby created a fund in the Treasury of the United States to be known as "The Adjusted-Service Certificate Fund," hereinafter in this title called "fund." There is hereby authorized to be appropriated for each calendar year (beginning with the calendar year 1925 and ending with the calendar year 1946) an amount sufficient as an annual premium to provide for the payment of the face value of each adjusted-service certificate in 20 years from its date or on the prior death of the veteran, such amount to be determined in accordance with accepted actuarial principles and based upon the American Experience Table of Mortality and interest at 4 per cent per annum, compounded annually. The amounts so appropriated shall be set aside in the fund on the first day of the calendar year for which appropriated. The appropriation for the calendar year 1925 shall not be in excess of $100,000,000.

SEC. 506. The Secretary of the Treasury is authorized to invest and reinvest the moneys in the fund, or any part thereof, in interest-bearing obligations of the United States and to sell such obligations of the United States for the purposes of the fund. The interest on and the proceeds from the sale of any such obligations shall become a part of the fund.

SEC. 507. All amounts in the fund shall be available for payment, by the Director, or adjusted-service certificates upon their maturity or the prior death of the veteran, and for payments under section 502 to banks on account of notes of veterans.

TITLE VI.—PAYMENTS TO VETERANS' DEPENDENTS

ORDER OF PREFERENCE

SEC. 601. (a) If the veteran has died before making application under section 302, or, if he has chosen adjusted-service pay and has died after making application but before he has received payment under Title IV, and if, in addition, the United States has not made, or is not obligated to make, any payments to any person on account of his death (either as compensation under the war-risk insurance act or as insurance under such act), then the amount of his adjusted-service credit shall (as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before the expiration of nine months after the enactment of this act) be paid to his dependents, in the following order of preference:

(1) To the widow or widower if unmarried;

(2) If no unmarried widow or widower, then to the children, share and share alike;

(3) If no unmarried widow or widower, or children, then to the mother;

(4) If no unmarried widow or widower, children, or mother, then to the father.

(b) For the purposes of this section payments made under paragraph (2) of subdivision (g) of section 301 of the war-risk insurance act shall not be considered payments made by the United States on account of the death of the veteran.

DEPENDENCY

SEC. 602. (a) No payment shall be made to any individual under this title unless at the time of the death of the veteran such individual depended upon him for support.

(b) For the purposes of this section:

(1) A child of the veteran shall be presumed to have depended upon him at the time of his death if at such time such child was under 18 years of age;

(2) The widow, widower, father, or mother of the veteran shall be presumed to have depended upon him at the time of his death, upon filing an affidavit to that effect with the application.

PAYMENT IN INSTALLMENTS

SEC. 603. The payments authorized by section 601 shall be made in 10 equal quarterly installments, unless the total amount of the payment is less than $50, in which case it shall be paid on the first installment date. No payments under the provisions of this title shall be made to the heirs or legal representatives of any dependents entitled thereto who die before receiving all the installment payments, but the remainder of such payments shall be made to the dependent or dependents in the next order of preference under section 601. All payments under this title shall be made by the Director.

APPLICATION BY DEPENDENT

SEC. 604. (a) A dependent may receive the benefits to which he is entitled under this title by filing an application therefor with the Secretary of War, if the last service of the veteran was with the military forces, or with the Secretary of the Navy, if his last service was with the naval forces.

(b) Applications for such benefits, whether vested or contingent, shall be made by the dependents of the veteran before January 1, 1928; except that in case of the death of the veteran during the six months immediately preceding such date the application shall be made at any time within six months after the death of the veteran. Payments under this title shall be made only to dependents who have made application in accordance with the provisions of this subdivision.

(c) An application shall be made (1) personally by the dependent, or (2) in case physical or mental incapacity prevents the making of a personal application, then by such representative of the dependent and in such manner as the Secretary of War and the Secretary of the

Navy shall jointly by regulation prescribe. An application made by a representative other than one authorized by any such regulation shall be held void.

(d) The Secretary of War and the Secretary of the Navy shall jointly make any regulations necessary to the efficient administration of the provisions of this section.

TRANSMITTAL OF APPLICATION

SEC. 605. (a) As soon as practicable after the receipt of a valid application the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the director the application and a certificate setting forth—

(1) The name and address of the applicant;

(2) That the individual upon whom the applicant bases his claim to payment was a veteran;

(3) The name of such veteran and the date and place of his birth; and

(4) The amount of the adjusted service credit of the veteran.

(b) Upon receipt of such certificate the director shall proceed to extend to the applicant the benefits provided in this title if the director finds that the applicant is the dependent entitled thereto.

ASSIGNMENTS

SEC. 606. No right to payment under the provisions of this title shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. The director shall not make any payments under this title to any person other than the dependent or such representative of the dependent as the director shall by regulation prescribe.

DEFINITIONS

SEC. 607. As used in this act—

(a) The term "dependent" means a widow, widower, child, father, or mother;

(b) The term "child" includes (1) a legitimate child; (2) a child legally adopted; (3) a stepchild, if a member of the veteran's household; (4) an illegitimate child, but, as to the father only, if acknowledged in writing signed by him, or if he has been judicially ordered or decreed to contribute to such child's support, or has been judicially decreed to be the putative father of such child; and

(c) The terms "father" and "mother" include stepfathers and stepmothers, fathers and mothers through adoption, and persons who have, for a period of not less than one year, stood in loco parentis to the veteran at any time prior to the beginning of his service.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. The officers having charge of the administration of any of the provisions of this act are authorized to appoint such officers, employees, and agents in the District of Columbia and elsewhere, and to make such expenditures for rent, furniture, office equipment, printing, binding, telegrams, telephone, law books, books of reference, stationery, motor-propelled vehicles or trucks used for official purposes, traveling expenses and per diem in lieu of subsistence at not exceeding $4 for officers, agents, and other employees, for the purchase of reports and materials for publications, and for other contingent and miscellaneous expenses as may be necessary efficiently to execute the purposes of this act and as may be provided for by the Congress from time to time. With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil service laws; but for the purposes of carrying out the provisions of section 305 such appointments may be made without regard to such laws until the services of persons duly qualified under such laws are available. In all appointments under this section preference shall, so far as practicable, be given to veterans.

SEC. 702. Whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of Title III, IV, V, or VI, or of any regulation made under any such title, shall, upon conviction thereof, be fined not more than $1,000, or imprisoned not more than five years, or both.

SEC. 703. The Secretary of War, the Secretary of the Navy, and the director shall severally submit, in the manner provided by law, estimates of the amounts necessary to be expended in carrying out such provisions of this act as each is charged with administering, and there is hereby authorized to be appropriated amounts sufficient to defray such expenditures. The director shall also submit estimates for appropriations for the fund created by section 505.

VETERANS' COMPENSATION BONDS

SEC. 704. The first paragraph of section 1 of the second Liberty bond act, as amended, is amended by striking out "$20,000,000,000" and inserting in lieu thereof "$21,500,000,000."

SEC. 705. The second paragraph of section 1 of the second Liberty bond act, as amended, is amended by adding at the end thereof the following: "$1,500,000,000 of the bonds to be issued under the first paragraph of this section as amended by the World War adjusted compensation act shall be designated as 'veterans' compensation bonds.' The maximum rate of interest upon veterans' compensation bonds may be 4½ per cent per annum in lieu of 4¼ per cent per annum. The proceeds of veterans' compensation bonds shall be paid from the Treasury solely in pursuance of appropriations made for carrying out the provisions of the World War adjusted compensation act for the fund created by section 505 of such act."

SEC. 706. Subdivision (a) of section 1328 of the revenue act of 1921, as amended, is amended by inserting, after the words "Liberty bonds," the words "and veterans' compensation bonds."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. COPELAND. Mr. President, the substitute which I have presented differs somewhat from the bill which I introduced some weeks ago, but it embodies the identical language of the majority bill, and, in addition, gives an option so that the ex-service men may elect to receive in cash the amount of money to which they are entitled.

Mr. President, when we owe a man money we do not offer to pay him by giving him a life insurance policy. The whole theory of adjustment of compensation is that we owe these men this additional amount of money. If we do owe them, it is an insult to their intelligence and to their integrity if we do not give them the money which we owe them. We individually do not pay our debts in this roundabout way, and it is not right to pay these men, who did for us what we could not do for ourselves, in any such abnormal manner.

Insurance is a good thing; personally I believe in it and have kept myself poor all my life paying premiums on life insurance policies. I hope many of the ex-service men will select the insurance option; I think if I had my choice, if I were one of them, I should do it if I had any dependents; but what have we talked about all the time when we have discussed the adjustment of compensation? We have talked always about a plan which would give these men the immediate use of funds. In the history of our country, since the very earliest times we have chosen to give bounties.

When we gave a bounty to Mr. Lincoln and General Grant and General Sherman and General Sheridan and General Lee and Admiral Farragut, we did not give then the promise of a piece of ground that we would turn over in 20 years or in 40 years. We gave them the land, we gave them the bounty, and they had the immediate use of it.

Through all of our discussions we have talked about what the veteran could do with the money. We have said that he might use this money to pay the overdue interest on a piece of ground up in the West or the Northwest. We know that the farmers of this country are on the verge of bankruptcy. We have been told that time and time again in this Chamber. We do not seem to do much to relieve them. I have not seen any anxiety on the part of the Republican Party to find a means of relief for these farmers. In the strongest possible terms, Members of the Senate have presented the needs of the farmer. They have spoke about the failures in the Northwest, how in the past four months or five months 400 banks have failed in four States of the Northwest. We have heard about how eight banks failed on one day in one city. We have heard how anxious the men of the Northwest are to diversify their farming. We have not seen any effort made by the dominant party to find a means of relief. So far as I can see, no real effort is under way to relieve them.

We have thought that perhaps by the passage of this bonus act many a farm in this country might be saved from foreclosure of the mortgage, by reason of the fact that the ex-soldier would have a little available money to pay the interest.

We have talked about how these men were going into business of some sort, how with this money a man might start a barber shop or a store; he might start on his way to college; he might begin his career; he might even use it to get married—a very desirable thing for a young man to do if he can find the right sweetheart to accept him.

We have talked about these things and have proposed that these men should be helped; and then what do we do when the time comes to act? We say, "My good man, you are not old enough to be trusted with this money. You might use it to buy a phonograph or to buy a Ford automobile. You might waste it in riotous living. You might spend it all in one week." We have not trusted them. We have not treated them as men. We have not been willing to give them their money and to trust them with it.

So far as I am concerned, if I am the only Member of this body to vote for a bonus, which is what we have talked about—

an actual adjustment of compensation, a return to these men of some of the money which they have earned—if I am the only man here to vote for it, it is my purpose to do that very thing.

So, Mr. President, without detaining the Senate longer at this time I present this substitute; and once more, in presenting it, I desire to call attention to the thing which I believe is a fact, namely, that the veterans do not want insurance.

I can quite understand the feeling of the officers of the Legion who have waited through these years while the Republican Party was in power; discouraged and disappointed and downhearted. They say, "For heaven's sake give us anything; give us any kind of a bonus, and adjourn, and go home." That is their spirit; but I say it would be positively immoral for any Member of the Senate to vote for a bonus plan which he knows is not the sort of a bonus that these men are entitled to receive and the sort of a bonus that they had expected to receive, and the fact that they have thrown aside the insurance policies which were given them at the beginning of the war is proof conclusive to me that they have no desire for that sort of a bonus.

A few moments ago I put into the RECORD a fact which I desire to repeat now: That at the beginning of the war 4,683,000 veterans applied for and were granted war-risk insurance amounting to $40,532,000,000, an enormous amount of money.

The number of term-insurance policies in force to-day, however, belonging to ex-service men, is only 198,839, representing a sum amounting to only a billion and a half dollars, in contrast with the forty billions originally issued in the form of insurance. Of the men still in the service only 21,000 have continued their insurance. The number of converted policies in force now is 336,051, representing a total amount of insurance of $1,298,000,000, held both by ex-service men and by men still in the service. So this number of over four and a half million policies that were in force at the beginning of the war has now dwindled to a small fraction of the original number.

We have had a lot said to us about what the President of the United States is going to do with the bonus bill. I assume that in this matter, as in many others, he is going to be guided by the advice of "the greatest Secretary of the Treasury this country has ever had." We have heard on all occasions oratorical outbursts from men who told about the great Secretaries of the Treasury from the time of Alexander Hamilton down to the present.

Mr. BROOKHART. Mr. President——

Mr. COPELAND. I yield to the Senator from Iowa.

Mr. BROOKHART. I should like to call attention to a matter in connection with the Senator's reference to the present Secretary of the Treasury.

I find in the Agricultural Year Book of 1918 that there was twenty-four billion and odd million dollars of net income of the United States in that year, and there was collected $4,286,000,000 of income tax and excess-profits tax, both being in force. The net income during the first year of the present Secretary of the Treasury was $23,913,000,000, nearly $24,000,000,000, and there was only $1,420,000,000 collected on the same tax. If the Secretary of the Treasury would collect the tax on the incomes of all the big fellows, there would be enought to pay a cash bonus, it seems.

Mr. COPELAND. I thank the Senator from Iowa for the suggestion. I hope we can get the Secretary of the Treasury to do the thing suggested by the Senator from Iowa.

Mr. BROOKHART. That is a reduction of 66.8 per cent in the amount collected during the first year of the present Secretary of the Treasury as compared with 1918.

Mr. COPELAND. I thank the Senator from Iowa; but I did want to quote from this authority on finance.

I hold in my hand a Senate document, a letter from the Secretary of the Treasury, which is headed: "Views of the Secretary of the Treasury on a bill providing for cash bonus." I find here this interesting statement;

> Many of the other bonus bills—
>
> Which would include the insurance bill—
>
> Many of the other bonus bills which have been submitted to me contain provisions the cost of which to the Government would undoubtedly be in excess of their value to the veteran, and the complete cost of which can not now be determined.

The cash feature of the amendment which I propose to-day, Mr. President, will cost the country about a billion and a half. According to the figures shown by this report from the Secretary of the Treasury, it would be $1,439,000,000. If this money were realized by the sale of bonds—and I am assured by the banking houses of New York that these bonds bearing 4¼ per cent interest would be readily absorbed—if these bonds were issued, this amount would be taken care of with a total annual payment, including interest and a payment of at least $25,000,000 on the principal, of less than $100,000,000. My original proposal was that these bonds should be 60-year bonds, but the advice of the Secretary of the Treasury to me was that it would be a better system to continue paying the same amount right along; that instead of lessening the annual payment each year as the payments are made it would be better to continue to pay $100,000,000 per year, which would take care of the principal and interest of the bonds in 30 years.

The Government actuary estimates the cost of the insurance plan at $3,600,000,000. In other words, we can pay these men in cash, every one of them if they choose to take the cash, for an amount a billion dollars less than the insurance would cost; and the Senator from Massachusetts [Mr. WALSH] estimates it at two billion less; and every soldier would have the privilege of using his money as he chose, whether to buy insurance with it or to use it for some other equally good purpose.

Mr. President, I came here pledged to vote for a bonus bill for these men. I know perfectly well that when the ex-service men learn that the proposal of the Republican Party is to give them a bonus payable 20 years from now, when many of them will be dead—money which could be used to buy a monument in a cemetery, or for some equally remote purpose—they will be most unhappy. I am here to say that when they realize what the majority proposal is, and that under the substitute I am presenting they can choose between insurance and actual cash in hand, there is no question that the approval of the ex-service men of this country will be given to the substitute. Therefore, Mr. President, I present for the consideration of the Senate the substitute which I have sent to the desk.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 11 o'clock to-morrow morning.

Mr. BRUCE. I am very sorry, Mr. President, but I desire to be present while this measure is being considered, and it will be impossible for me to get here at that hour. I would like to be present when such an important measure is pending.

Mr. CURTIS. The first couple of hours probably will be devoted to debate. The Senator from New Hampshire has an amendment which he desires to discuss, and the Senator from Idaho desires to occupy some time.

Mr. ROBINSON. There is no likelihood that a vote will be taken before the hour of noon, certainly, and I hope the Senator from Maryland will not object. I would like to see the proposed agreement entered into.

Mr. BRUCE. I have not the slightest desire to delay matters——

Mr. CURTIS. There will probably be no vote before 1 or 2 o'clock.

Mr. BRUCE. There will be no vote on the amendment offered by the Senator from New York [Mr. COPELAND]?

Mr. CURTIS. The Senator from New Mexico intends to offer an amendment, which he will debate at some length, and the Senator from Idaho desires to occupy some time, and the Senator from Utah [Mr. SMOOT] desires to speak.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. UNDERWOOD. Is it understood that the pending amendment will not be voted on before 12 o'clock?

Mr. ROBINSON. No amendment will be voted on before 12 o'clock.

Mr. UNDERWOOD. Of course, the important amendment is the cash bonus amendment offered by the Senator from New York, which is now pending and which must be disposed of before any other amendment is acted on.

Mr. CURTIS. I am willing to have an agreement that there will be no vote on that amendment before 12 o'clock.

Mr. UNDERWOOD. Just include that in the agreement.

Mr. CURTIS. I will include that in the agreement.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that at the conclusion of business to-day the Senate take a recess until 11 o'clock to-morrow, and that no vote on the substitute offered by the Senator from New York [Mr. COPELAND] shall be taken prior to 12 o'clock. Is there objection? The Chair hears none, and it is so ordered.

Mr. CURTIS. I give notice that upon to-morrow I shall ask the Senate to stay in session until it passes the bill. I would like to have it passed to-morrow if possible.

Mr. HARRISON. Mr. President, the remark of the Senator from Kansas [Mr. CURTIS], who is in charge of this legislation, prompts me to make one or two observations. He stated to the

Senate that he expects the Senate to stay in session to-morrow night until late in the night, I believe, so that we can vote on the bonus bill, unless we vote on it before that time.

Some of us are very much concerned as to the best course to pursue with respect to the cash option amendment. I wanted to suggest to the Senator from Kansas, or to some one on the other side of the aisle who is close to the President, in the meanwhile to find out from the President how he feels about this legislation. I am not asking an unprecedented thing in making that simple request. If the President is going to veto a cash option proposition, we ought to know it. If he is going to veto an insurance plan, we ought to know it. We ought to know what the President's views are respecting this very vital question.

I say that it is not unprecedented, because the Senate is quite familiar with the fact that President Coolidge's predecessor, President Harding, came before the Senate when we were considering an adjusted compensation bill before, a bill which contained the four-option plan, and asked that it be sent back to the committee. He conferred with the leadership on the other side, at least those who were against an adjusted compensation bill, and, acting on his suggestion, the proposition was sent back to the committee. So the President interjected himself into that matter, and I do not think he set a precedent in doing it. It was just one of the incidents of history.

At another time when President Harding was in the White House there was a controversy as to the rates of the surtaxes in a tax bill, and the President wrote a letter, which I have before me as it appears on page 7861 of the CONGRESSIONAL RECORD of November 17, 1921.

He wrote that letter to Mr. Fordney, chairman of the Ways and Means Committee, and suggested a compromise of that difficulty. His suggestion was not accepted, but he offered his advice. He wanted to advise the Congress as to his opinion with respect to that controversy.

This is a question that is important. It is important to the soldiers, as well as to the people of the country, and certainly Senators who are to-morrow to vote upon the proposition are very much concerned. I want to vote for a cash-option plan, because I have promised the soldier boys in my constituency that I would vote for such a plan. So when it is presented, if I am then in the frame of mind in which I now find myself, I shall vote for it; but I would like to know what the views of the President are touching this matter.

I do know this, and the country will know this—there will not be a soldier boy in the country who will not know it—that there are 67 Senators in this Chamber who have pledged themselves to support and who have expressed themselves as being in favor of bonus legislation—67—quite enough to pass any bill over the President's veto. In the Senate to-day there are only 25 Senators who have expressed themselves as against it or who are in the frame of mind of being opposed to the legislation. If the membership here really wants to put over soldier bonus legislation and will carry out their pledges to the soldiers, we can join hands here, put over the cash-option feature; and if the President vetoes it, we can pass it over his veto, with many votes to spare.

I look now into the benign countenances of my good friend from Ohio [Mr. WILLIS] and of the Senator from Kansas [Mr. CURTIS], who I know are sincerely for the soldier-bonus legislation, who voted to pass a bonus bill over the President's veto, and it is a puzzle to me to know why this change of front upon their part. I am aware that they have stated they would vote to sustain the President if he vetoed the cash-option proposition should it pass the Congress; but why do they say they will do that? Why does the Senator from Indiana [Mr. WATSON] say that he has changed front upon the proposition? Why does the distinguished leader of the Republican Party in the Senate [Mr. LODGE] want to change front on the proposition? The four Senators I have named—the Senator from Ohio, the Senator from Kansas, the Senator from Indiana, and the Senator from Massachusetts—voted to override the President's veto when he vetoed the cash-bonus proposition. If they will just be consistent and stand up for the pledges they have made, we 67 Senators here who are under obligations to the soldiers, not only those in the American Legion but those not members of the American Legion, can put over any bill which the President might veto.

I can not understand, if the President is against a bonus bill—and he has expressed himself as opposed to it—why he would favor this insurance proposition, because it must be construed as a bonus, and why it would not be as acceptable to him to sign the cash-option plan, if he is going to sign the insurance proposition, because it would save the taxpayers of the country, as has been stated, over a billion dollars.

Mr. CURTIS. Mr. President——

Mr. HARRISON. I yield.

Mr. CURTIS. Has the Senator read the bill that was vetoed by President Harding?

Mr. HARRISON. Yes; it was a four-option plan.

Mr. CURTIS. Was there a cash option in it?

Mr. HARRISON. There was a cash option up to a certain amount.

Mr. CURTIS. Only up to $50.

Mr. HARRISON. No; it was for $625.

Mr. CURTIS. Fifty dollars.

Mr. HARRISON. That makes it so much worse. Then the Senator——

Mr. CURTIS. There is a provision in this bill for a cash payment up to $50.

Mr. HARRISON. Then the Senator would override the President's veto if we were giving the soldiers the measly amount of $50, but he would not go to the extent of giving them a bonus of $500 or $625? That is what I understand the Senator's position to be. He would override the President's veto on that proposition, and I can not understand why the change of front.

I think we ought to stand together. Yet I realize that those four Republican Senators—and there may be more over there—would vote to sustain the President's veto if the cash-option proposition were vetoed. I do not believe there is a single Senator on this side of the aisle who believes in soldier-bonus legislation who would not vote to override the President's veto if the cash option feature were attached to the bill, and in the end, if legislation is defeated, it will be on the heads of those Senators who have professed to be in favor of adjusted compensation, but who, when they have a chance to put it over, fail to come up and put it over.

I must call attention to the fact that practically every Republican Senator who voted against the adjusted compensation bill in the last Congress was defeated. There are still a few left who voted against it, but their terms of office have not expired, and they have not gone before the people yet. I call attention to the fact, too, that of the nine Senators who voted against this proposition and who are not in the Senate now, in the majority of instances their successors have been pledged to adjusted compensation legislation.

I call to your attention also that of the number who voted for the soldiers' adjusted-compensation bill in the last Congress and who are not in this Congress, in practically every instance—I do not know of an exception—their successors favor soldiers' adjusted compensation. So it seems to me, with the sentiment as it is in the Senate, having been expressed by Senators in favor of the legislation, that we should not lay down simply because we do not know the President's position on a cash-optional plan.

I appeal to the senior Senator from Massachusetts [Mr. LODGE], the leader of the Republicans in this Chamber, and to my friend from Indiana, who sits near him and by his side, will you not see the President and find out how he feels about the proposition? You have seen him when other controversies came up. When the Denby resolution was up you saw him, and you have seen him time after time on other matters. This is one time when the President should express himself forcibly as to whether he would veto or sign the cash-optional plan or the insurance plan.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. HARRISON. I am glad to yield to my friend from New York.

Mr. COPELAND. I would like to ask the Senator whether he thinks it necessary for this legislative body to know what the Executive thinks about this, that, or the other thing before we can take any action? Are we going to turn over all our activities in the future to the President of the United States and let him determine whether we shall or shall not vote for this or that measure?

Mr. HARRISON. It is necessary for those on the other side of the Chamber to do it, because the President has held out the hoop and they have jumped through. Ordinarily we do not pay any attention to it over here, but we are just now in such a peculiarly parliamentary status that it is well for us to know in this instance what the President thinks about the proposition.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, announced that the House had passed the bill (S. 5) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children

tary of the Treasury, it would be $1,439,000,000. If this money

prompts me to make one or two observations. He stated to the

of said soldiers and sailors and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish war soldiers, and certain maimed soldiers, and for other purposes.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed bills and a joint resolution of the following titles:

On April 15, 1924:

S. 107. An act for the relief of John H. McAtee;

S. 303. An act authorizing the conveyance of certain land to the city of Miles City, State of Montana, for park purposes;

S. 306. An act granting to the county of Custer, State of Montana, certain land in said county for use as a fairground;

S. 646. An act for the relief of Ethel Williams;

S. 661. An act for the relief of Fred Hurst;

S. 1219. An act for the relief of Thomas Nolan;

S. 2146. An act to amend section 84 of the Penal Code of the United States;

S. 2147. An act to complete the construction of the Willow Creek ranger station, Montana;

S. 2164. An act to repeal that part of an act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1912," approved March 4, 1911, relating to the admission of tick-infested cattle from Mexico into Texas;

S. 2686. An act to authorize the Federal Power Commission to amend permit No. 1, project No. 1, issued to the Dixie Power Co.;

S. 2690. An act to transfer jurisdiction over a portion of the Fort Keogh Military Reservation, Mont., from the Department of the Interior to the United States Department of Agriculture for experiments in stock raising and growing of forage crops in connection therewith; and

S. J. Res. 72. Joint Resolution authorizing the Secretary of War to lease to the New Orleans Association of Commerce New Orleans quartermaster intermediate depot unit No. 2.

On April 17, 1924:

S. 514. An act authorizing the Secretary of War to grant a right of way over the Government levee at Yuma, Ariz.;

S. 2332. An act granting the consent of Congress to the State of South Dakota for the construction of a bridge across the Missouri River between Hughes County and Stanley County, S. Dak.;

S. 2436. An act granting the consent of Congress to the Board of Supervisors of Leake County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 2437. An act granting the consent of Congress to the Board of Supervisors of Leake County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 2488. An act to authorize the city of Minneapolis, in the State of Minnesota, to construct a bridge across the Mississippi River in said city;

S. 2538. An act to revive and reenact the act entitled "An act authorizing the counties of Aiken, S. C., and Richmond, Ga., to construct a bridge across the Savannah River at or near Augusta, Ga.," approved August 7, 1919;

S. 2656. An act granting the consent of Congress to the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.;

S. 2825. An act to extend the time for commencing and completing the construction of a bridge across Detroit River within or near the city limits of Detroit, Mich.; and

S. 2914. An act authorizing the construction of a bridge across the Ohio River approximately midway between the city of Owensboro, Ky., and Rockport, Ind.

On April 18, 1924:

S. 1861. An act authorizing the Court of Claims of the United States to hear and determine the claim of Elwood Crissinger; and

S. 2597. An act to authorize the construction of a bridge across the Fox River in St. Charles Township, Kane County, Ill.

On April 19, 1924:

S. 1724. An act to amend section 4414 of the Revised Statutes of the United States, as amended by the act approved July 2, 1918, to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., Steamboat Inspection Service.

FEDERAL RECLAMATION BY IRRIGATION (S. DOC. NO. 92)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read:

To the Congress of the United States:

I would respectfully urge on Congress the immediate necessity of revising the present reclamation law.

The Secretary of the Interior appointed a special advisory committee of six members to study reclamation and make report to him. That committee has completed its work and has made its report to the Secretary of the Interior, and he has transmitted that report to me. I herewith transmit it to you.

Many occupants of our reclamation projects in the West are in financial distress. They are unable to pay the charges assessed against them. In some instances settlers are living on irrigated lands that will not return a livelihood for their families and at the same time pay the money due the Government as it falls due.

Temporary extensions of time and suspension of these charges serve only to increase their debts and add to their hardships. A definite policy is imperative, and permanent relief should be applied where indicated. The heretofore adopted repayment plan is erroneous in principle, and in many cases impossible of accomplishment. It fixes an annual arbitrary amount that the farmers must pay on the construction costs of projects regardless of their production.

In its place should be substituted a new policy providing that payments shall be assessed by the Government in accordance with the crop-producing quality of the soil.

The facts developed by the special advisory committee show that of the Government's total investment $18,861,146 will never be recovered. There will be a probable loss of an additional $8,820,000. These sums represent expenditures in the construction of reservoirs, canals, and other works for the irrigation of lands that have proven unproductive. I recommend that Congress authorize the charging off of such sums shown to be impossible of collection.

Because of high rates of interest and other agricultural difficulties existing farmers are often unable to borrow money for temporary relief. The establishment of a credit fund by the Government from which farmers on projects may secure capital to make permanent improvements, buy equipment and livestock, should be considered.

More than 30,000 water users are affected by the present serious condition. Action is deemed imperative before the adjournment of Congress, that their welfare may be safeguarded.

The probably loss and the temporary difficulties of some of the settlers on projects does not mean that reclamation is a failure. The sum total of benefit results has been large in the building up of towns and agricultural communities and in adding tremendously to the agricultural production and wealth of the country. Whatever legislation is necessary to the advancement of reclamation should be enacted without delay.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 21, 1924.*

Mr. McNARY. Mr. President, in connection with the presentation of the report and the message from the President of the United States, I ask that the Secretary read the letter which I send to the desk, containing a request from the Secretary of the Interior.

The PRESIDENT pro tempore. The letter will be read, as requested.

The reading clerk read as follows:

THE SECRETARY OF THE INTERIOR,
Washington, April 21, 1924.

Hon. CHARLES L. McNARY,
Chairman Committee on Irrigation and Reclamation,
United States Senate.

MY DEAR SENATOR McNARY: The President is transmitting to Congress report of the special advisory committee on reclamation which I appointed some months ago and which has now completed its work.

In view of the importance, not only to the water users but to the general public, of the findings, conclusions, and recommendations embodied in it, I respectfully request that the same be printed as a public document.

Respectfully, HUBERT WORK.

Mr. McNARY. In view of the importance of the general subject matter treated in the report, I ask that the report be printed as a Senate document.

Mr. CURTIS. Does the Senator want it referred to the Committee on Irrigation and Reclamation?

Mr. McNARY. Yes; I ask that the report also be referred to the Committee on Irrigation and Reclamation.

The PRESIDENT pro tempore. Without objection, the message and accompanying papers, with the illustrations, will be referred to the Committee on Irrigation and Reclamation, and printed as a public document.

SENATOR ROBERT N. STANFIELD

Mr. McNARY. Mr. President, a few days ago a member of the metropolitan press wrote an article in which it was stated that my colleague [Mr. STANFIELD] had borrowed from the War Finance Corporation large and excessive sums. I am advised that this statement is entirely erroneous.

From the record it appears that the War Finance Corporation became effective on the 15th day of October, 1921, and that from that date until March 1, 1924, it has loaned to the farmers of the country $291,219,834. During that same period of time applications have been made and loans approved in the sum of $473,000,000.

It is charged by this paper that my colleague has borrowed this money for his personal use and that of his companies. I have here a letter from Mr. Mondell, a former Member of the House of Representatives and leader of that body, under date of April 11, 1924, with an appended note, which I desire to have read from the desk.

I may state, Mr. President, that this money that was loaned to the Portland Cattle Loan Co. was secured by a collateral note of the R. N. Stanfield Co., but I am told on the best advice that this money was used for the benefit of a great many sheep growers in the western part of the country; and I know personally, as one interested in that legislation, that my colleague was active in getting relief for the sheep and cattle growers of the West. For the sake of accuracy, I ask at this time that the Secretary read this letter and the appended statement.

The PRESIDENT pro tempore. The Secretary will read as requested.

The reading clerk read as follows:

WAR FINANCE CORPORATION,
Washington, April 11, 1924.

Hon. R. N. STANFIELD,
United States Senate.

MY DEAR SENATOR: I am handing you herewith a statement made by our assistant treasurer, in the absence of the treasurer, with regard to the loan made to the Portland Cattle Loan Co. secured by the collateral note of the R. N. Stanfield Co. I think this gives you the information you desired, and hope it will be satisfactory.

Your truly,

F. M. MONDELL.

WAR FINANCE CORPORATION,
Washington, April 11, 1924.

Subject: Portland Cattle Loan Co., Columbia Basin Wool Warehouse Co., collateral note—R. N. Stanfield Co.

Under date of November 15, 1921, the War Finance Corporation made an advance of $250,000 to the Portland Cattle Loan Co. which was secured by the collateral note of the R. N. Stanfield Co. for that amount and a mortgage on livestock. This note was reduced to $161,000 by subsequent payments as follows: April 25, 1922, $80,000; May 17, 1922, $9,000. Under date of July 14, 1922, the Stanfield note, which at that time had an outstanding balance of $161,000, was withdrawn and two notes in the amounts of $76,000 and $85,000 were substituted therefor. The note for $76,000 was paid in full September 19, 1922, and the note for $85,000 was retired by payment October 27, 1922.

U. WELLS,
Assistant Treasurer.

PROHIBITION ENFORCEMENT

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD an article which appeared in the May issue of Hearst's International Magazine, entitled, "What is behind the liquor probe?" by Louis R. Glavis.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

The article is as follows:

(Washington for months has been torn wide open with investigations into the conduct of officials and we are now on the eve of having liquor brought into this excitement. The following article will help our readers follow the situation. It gives some of the leading cases that will be brought out in Congress:)

WHAT IS BEHIND THE LIQUOR PROBE

(By Louis R. Glavis)

Since the Fall scandal started investigations have branched in many directions. Prohibition enforcement is already being discussed, and we give here some of the cases that are likely to stand out.

Many members, both Republicans and Democrats, have been reluctant to let the investigations extend to this field, for several reasons. Some think that with so much extension the punishment of Fall, Doheny, and Sinclair is less likely and the lesson less clear. Others think it difficult to say where failure to carry out the law is due to officials and where to community refusal to accept this amendment. Many sincere temperance people believed that we were moving forward fast toward temperance by education and experience before the amendment, and that such education is now stopped and the country suffering from energy spent in defeating an unwelcome law. Others believe that the people generally accept the amendment and that the officials are to blame.

The matter is sadly complex and is no part of this article. We are simply giving the news of a few phase of the general inquiry into governmental morals now being conducted by Congress.

Last December President Coolidge pardoned Philip Grossman, a wealthy Chicago saloon keeper. First, there was a Federal injunction restraining Grossman from selling intoxicating liquors. Grossman continued to operate his saloon at Wells and Madison Streets, and it was later proven in open court, to the complete satisfaction of United States Judge Kenesaw M. Landis that Grossman had ignored the writ and was continuing to sell intoxicating liquors. Judge Landis thereupon on February 7, 1921, sentenced Grossman to serve one year in the Chicago House of Correction and to pay a fine of $1,000.

From this sentence Grossman appealed, but the United States Court of Appeals affirmed the lower court in an opinion dated February 7, 1922. More than a year later, Grossman filed a petition to set aside the sentence, and asked a rehearing of the case. One paragraph of this petition reads:

> "* * * Your petitioner further representa to the court that the capias for his arrest and commitment has never been served upon him, and that no part of said sentence has been served."

This petition was denied by United States Judge Wilkinson, and order made to take Grossman into custody.

The United States marshal failed to carry out the order of the court, claiming he understood that Grossman had fled to Germany. Actually, Grossman was at his saloon virtually all the time.

Meanwhile, Grossman changed attorneys. His new attorney, Louis J. Behan, is a law partner of Homer K. Galpin, chairman of the Republican Central Committee and leader in the McCormick-McKinley-Brundagee faction of the Republican Party.

On or about December 17, Senator McKinley received a telegraphic request to arrange an appointment with the President for Homer K. Galpin and another for the following day. The Senator arranged this appointment, and Galpin saw the President on the 18th. Upon his return from Washington, Mr. Galpin denied that his trip to Washington was in Grossman's behalf. In an interview Mr. Galpin is quoted as saying, "We were in Washington all right, but just on sanitary district business. Our visit had nothing to do with the Grossman pardon."

However, before the end of the month President Coolidge granted the pardon without Grossman being inside the jail.

In Chicago there is an organization known as The Better Government Association. It wrote to President Coolidge:

> "Grossman refused to obey an order of Judge Kenesaw Landis. He was ordered to prison for disobedience to the court's order in persisting in running his saloon in violation of the law. High paid attorneys, whose political influence was counted upon quite as much as their legal ability, carried this case to a higher court.
>
> "* * * We hope that in view of the circumstances surrounding this case the President may find a way to withdraw the pardon extended to this fugitive from justice and let him serve his term."

Judge Landis referring to the pardon says:

> "Just why may we expect $1,800-a-year prohibition agents to stand up four square for law enforcement with the President of the United States granting a pardon in such circumstances? It is a grave misfortune that with the announcement is carried the statement of the activities of the two political gentlemen in Grossman's behalf. Political power has just as much right to influence executive action after conviction as it has to influence judicial action before conviction."

As Congress goes further with liquor investigations, the departments that are put on the defensive, because having to do with this subject, are the Attorney General's office and the Treasury. Pennsylvania is a hot center in this controversy, partly because of Governor Pinchot's activity, partly because it is the home of the Secretary of the Treasury. One of the most important cases politically is the Fatkins-Goodman case.

There are other cases in Pittsburgh which include violations by influential Republican politicians and implicate large distilleries and breweries. Most of these liquor frauds were unearthed during the brief time the Pittsburgh office was under the supervision of John N. English, a capable and courageous lawyer of Pittsburgh.

Mr. English, although a lifelong Republican, was appointed by the Wilson administration upon the request of the Federated Temperance Committee, in which are represented the several organizations working for law enforcement.

George Fatkins was the superintendent of the bottling works of the Overholt Distillery at Broad Ford, Pa., and Morris Goodman had a saloon at Beadling, Pa., a town of a few hundred population.

The Federal grand jury indicted Fatkins and Goodman on a charge of conspiracy to defraud the United States. The indictment alleged that Fatkins had knowingly accepted a forged liquor permit by which 2,950 cases of whisky were removed from the Overholt distillery and turned over to Goodman.

The forged liquor permit on which the indictment against Fatkins and Goodman was returned is reproduced herewith, 2,950 cases of Overholt whisky were released on this permit; but the prohibition agents seized 750 cases before they were unloaded.

We know exactly what evidence the Federal agents collected. Their report shows Goodman got away with 2,200 cases of this shipment; that they succeeded in seizing 750 cases of the whisky; that, armed with a search warrant, they

* * * "visited the saloon of Morris Goodman at Beadling, Pa., and found in the cellar of his saloon 496 cases of Overholt whisky in quarts, nonbeverage, with serial numbers apparently tallying with the shipment to Beadling, Pa., on the January 4, 1921, fake permit. This whisky was seized by the Federal prohibition enforcement office, it being illegally in the possession of Goodman.

* * * "The records show that from September 3, 1920, to January 6, 1921, that Morris Goodman withdrew in all 42,000 gallons from this one distillery.

* * * "In all, Morris Goodman withdrew 4,359 on his own permit and 4,629 cases on permits belonging to others. He also withdrew 380 barrels on permits of other names."

When the agents asked Fatkins, the Overholt superintendent, for these permits, they were informed that Goodman took them back to deliver to the distillery's main office in the Frick Building, Pittsburgh. However, instead of finding them there the agents discovered that these faked permits, properly belonging to the files of the Overholt distillery, were in the Mellon bank. The agents then called at the Mellon national bank and requested that the permits be turned over to them. They were referred to De Wald Hicks, who at first asked the agents to return the next day. This they refused to do and insisted on immediate delivery. Hicks then turned them over.

The evidence involving the removal of this whisky from the Overholt distillery was submitted to United States Attorney D. J. Driscoll, who promptly subpœnaed 32 witnesses before the Federal grand jury, resulting in the indictments referred to. These indictments were returned on March 9, 1921.

At the same time other liquor indictments were returned involving prominent men and politicians.

On March 19, 1921, Mr. Driscoll was very suddenly removed from office and Walter Lyons was appointed United States attorney.

On December 29, 1921, the new United States attorney, without consulting Mr. English, prohibition agents Walker or Gregg, who worked up the Fatkins-Goodman case, dismissed all these indictments for "insufficient evidence."

The United States attorney did not stop with the dismissal of these indictments, but also dismissed other very important prohibition cases. Two of these were:

Edward Townsend, D. M. Werner, et al., charged with illegal sale of 210 cases of whisky and illegal possession of 206½ barrels of whisky and 16 cases. Among those indicted were a Republican leader and employees of the Marine Club, a Republican organization.

A. M. Hanauer and W. V. Winans, owner and manager of the Hamburger distillery, respectively, and others. The defendants were charged with shipping 85 full barrels of whisky from the distillery under the guise of shipping empty barrels. To conceal the shipment 71 empty barrels were shipped, the waybill being for 156 empty barrels, which were consigned to a fake corporation.

In one case dismissed the defendants had offered to pay a substantial fine, provided they would not be sent to prison. This offer was made to the former United States attorney, who refused to consider the offer or to recommend to the United States judge that they be permitted to escape with a fine. Also, in another case dismissed the bribe money offered to an agent is still in the safe-deposit vault of the Pittsburgh Trust Co., where it was placed by former United States Attorney Driscoll for use as evidence in the trial.

After a wholesale dismissal of the important prohibition cases the leaders of the Federated Temperance Committee went to Washington and personally presented the matter to the Department of Justice and the Treasury Department and requested the immediate dismissal of United States Attorney Walter Lyons.

Governor Pinchot has been very active on the side of enforcing the amendment in his State. In an address before the convention of the Anti-Saloon League last January he called for a congressional investigation of prohibition officials. He said:

"Take it by and large, I know of no scandal in our national history to compare with it. A scandal of half these proportions in any other branch of the Government's work would lead at once to a congressional investigation. In the name of the citizens of this country who believe in its Constitution and laws, and who propose to support and enforce them, I voice the general demand for such an investigation."

The last example we shall give of the sort of material that is likely to figure in this investigation has to do with Chicago. For a big city Chicago made a hard fight to enforce the law—something comparable to that Philadelphia is making under Butler. Bill Dever, the mayor, although not a dry himself, believes in law enforcement and did his part. Our story, however, deals with the Federal judiciary.

What is known as the "Hotel Sherman case" is on file in Washington as "S I 718." In the report the agent states:

"Complaint having been made to this unit by United States Attorney Clyne, of Chicago, that the Sherman Hotel Co. was being frequently reported to him as engaged in extensive bootlegging, and as paying money to Federal employees for protection, an investigation was ordered March 11, 1921, by the chief of the Special Intelligence Unit, to which the writer (Special Agent J. A. Tatro) was assigned.

"* * * It was next ascertained:

"1. That a stock of liquor of the value of nearly $100,000 was as yet on hand.

"2. That they were extensively operating under three stamps: 25 Retail Liquor Dealer's No. 1132, dated July 15, 1920; 100 rectifier's of less than 500 barrels, No. 18014, dated July 15, 1920; and 100 Wholesale Liquor Dealer's, No. 303, dated July 15, 1920.

"3. That they were not 'pharmacists' in any sense of the word, as required by section 6, title 11, national prohibition act, hence not entitled to operate as 'Retailer's.'

"4. That they had neglected to obtain 'Permit to rectify as required by section 50, Reg. 60, and section 6, title 11, national prohibition act.'" * * *

The Sherman Hotel appears to have disposed of great quantities of choice wines, including champagne, under the pretense of its being sold for sacramental purposes. Most of the sales of wines were on the order of three rabbis in Chicago—but when these rabbis were interviewed all stated that they had not approved of orders aggregating over 10 gallons in a Jewish year for anyone.

Sixteen pages of the report relate to the sales of sacramental wine. In a single day to one business firm, under an alleged order of a rabbi, which the rabbi later repudiated having approved, we find this delivery:

"* * * The address above given is that of the Bach Fur Co., of which Doctor Schanferber has no interest in, other than that the owners are members of his congregation, and that he did sign an order for each of them on the Sherman Hotel for 10 gallons of wine, to be delivered to their homes."

Then there are numerous deliveries of champagne.

To F. BARNES (Doctor Hirschberg's orders),
45 Roslyn Place:

December 30, 1920, 4 cases champagne (9.60 gallons)	$300.00
December 31, 1920, 8 cases champagne (19.20 gallons)	600.00

Barnes stated that he only received four cases. Doctor Hirschberg states that he does not know Barnes and never signed any orders for him.

To MAX STERN (Doctor Hirschberg's orders),
618 Wellington Avenue:

March 26, 1920, wine, 9.60 gallons.	
April 1, 1920, 11 pints Sauterne	$5.50
April 1, 1920, 2 bottles Goldnik	4.00
April 1, 1920, 2½ bottles Goldnik	2.00
April 1, 1920, 1 case Collisani	24.00
April 1, 1920, 1 case Rhinewine	24.00
April 1, 1920, 1 case Macon	15.00
April 1, 1920, 1 case Red cap	50.00
April 1, 1920, 1 case Tessey	40.00
April 1, 1920, 1 case Bouchard	40.00
April 1, 1920, 1 case Protin	50.00
April 1, 1920, 1 case Budai	14.00
April 1, 1920, 3 bottles Boliseader	6.00
September 30, 1920, 2 cases Devriot	100.00
September 30, 1920, 2 cases Protin	120.00

Doctor Hirschberg states that he signed no such orders for Stern. Stern was manager of the liquor department of the Sherman Hotel during the period these shipments were made, hence these shipments were made to himself.

As to the transactions in champagnes and other wines, the investigation revealed by a tabulation of the Hotel Sherman records that 4,753 gallons of wine had been received by them, out of which they sold 5,001.20 gallons and had as yet 2,405.20 gallons on hand.

These are alleged shipments of whisky to New York:

"* * * 2,400 cases of whisky—7,200 gallons entered in the Sherman Hotel books as having been sold to, paid for, and shipped to the Park Drug Co., 205 East One hundred and first Street, New York City, on February 18, 1921, for $57,600. The permits on file at the Sherman Hotel as covered for this shipment have been

pronounced to be forgeries by the director at New York and by the Park Drug Co. A. P. Larson, F. W. Bering, Gus Bering, Ernest Byfield, Harry S. Freeman, Richard Marholz, and Eugene Byfield, of the Sherman Hotel Co., reluctantly admitted to agents Melahn, George, and Tatro, when severely and persistently questioned in the matter, that Lewis T. Cox, as agent for the Park Drug Co., had bargained for, purchased, paid for, and obtained possession of these 2,400 cases. No one of the above-named persons would enlighten the agents as to whether Cox had carted this whisky away from the Sherman Hotel premises by private trucks, via the tunneled railway under the Sherman Hotel, or by express teams. Irving Hirschowitz and Louis Klatzoie, president and secretary-treasurer, respectively, of the Park Drug Co., have given affidavits to the effect that they never had anyone in their employ by the name of Schwarz, such as signed the permits in the name of the Park Drug Co.; that neither of them know Cox or had ever previously heard of the Sherman Hotel; that the Park Drug Co. had never received any liquor from Chicago or from anywhere else in such quantity. It was also ascertained that none of the railroads nor the express companies in Chicago had received such a shipment for transportation. * * *

"Affidavits in a complete chain were obtained from the vendors, railroads who transported and teamsters who delivered from the railroads to the Sherman Hotel."

We find also this bold statement in the agent's report:

"It appears to the writer, as it must appear to all reasonably minded persons, that such gigantic illegal operations can not have been carried on for 18 months, as they were, without the knowledge and it must perhaps be added the protection of the Federal officials that were variously charged with the enforcement of these laws."

This case was finally submitted to a Federal grand jury in Chicago during November and December, 1921. It was such an important case that a stenographer was furnished the grand jury to preserve the testimony of the witnesses. Thirty-seven witnesses appeared before the grand jury, and eight days of this grand jury's time were used in hearing the evidence. One hundred more witnesses were available, but as further witnesses were not called, a number of the grand jurors became suspicious that they would not be given an opportunity to vote indictments, which they were anxious to do. The grand jurors therefore appointed, among themselves, a committee to call upon United States Judge George A. Carpenter and express their desire to return indictments in this case, and their fear that the United States attorney did not intend to give them an opportunity to do so. The letter we print later from the foreman shows the result.

Mr. Cannon, collector of internal revenue, suggested that the foreman write a letter and send the letter special delivery to Attorney General Daugherty.

"We know," said a grand juror, "that they built the ——— Hotel and added three stories on top of the Sherman House with the profits they received from the sale of this liquor. * * *

"I believe with the facts we have in this case that we could go before some other Federal judge and demand that we be reinstated to allow us to fully investigate Mr. Clyne's office. That would mean, of course, that the judge would give us permission to choose our own attorney.

"If we ever needed a vigilance committee in Chicago, we need it now to put a stop to this graft and corruption."

Here is a letter from the foreman of the jury:

AUGUST 24, 1922.

Federal Judge GEORGE A. CARPENTER,
Federal Building, Chicago, Ill.

DEAR SIR: Last December, as foreman of the Federal grand jury, I had a conference with you on the matter of the large hotel liquor case that apparently was taken away from our jury after we had been given a great deal of evidence in the matter. At that time you outlined a policy to me and sent District Attorney Clyne to tell our jury that we would be continued and later called back in the matter. That was the last that we heard of it, excepting that we noticed a case against this hotel company in the papers and that they were fined a few thousand dollars.

I have had several letters from jurymen who are anxious to know why the program as outlined to them was not carried out. As I have no explanation to offer them myself, I take the liberty of writing you, trusting that you may set me right in the matter.

I noted from the papers that Joseph A. Tatro was dismissed from the service. The impressions that I received while there were that he was one of the best men in the department and am sorry to note his discharge.

Very truly,

CHAS. H. WILLIAMS.

The foreman, together with other members of the grand jury, when they learned that they would not be given an opportunity to vote indictments in this case, made complete reports of the matter to Attorney General Daugherty. Mr. Charles H. Williams, a prominent business man of Streator, Ill., was the foreman. He wrote:

FEBRUARY 27, 1922.

Attorney General DAUGHERTY,
Washington, D. C.

DEAR SIR: I was foreman of the November Federal grand jury in Chicago, working under Judge Carpenter's court and the direction of District Attorney Clyne.

Mr. Clyne stated to us that he had one extremely important case where the offenders had undoubtedly made millions out of the illicit liquor traffic. The examining of witnesses was in charge of Assistant District Attorney Monaghan. He stated that the Volstead Act had not been broken but had been ignored.

We were furnished a stenographer and all the evidence taken down in shorthand. For approximately eight days we were given a series of the most startling facts of law violation. Then the ninth day the witnesses were very unimportant and the assistant attorney seemed very indifferent.

We then had a week of other cases and heard nothing from this one, so I hunted up Assistant Attorney Monaghan and found him and Mr. Clyne together. I asked Mr. Monaghan as to when he would finish up the Sherman House case, as we were nearly through our six weeks of service. He looked at Mr. Clyne and Mr. Clyne told me that this case was so important that he felt it necessary to send to Washington for a special attorney to draw the indictments and that he probably would have to let it go over to the next Federal jury, as he did not believe this attorney would get to Chicago for our grand jury to finish the matter. This sounded very fishy to me and I investigated what I could, and from some of your special men was advised that the Sherman House case would never be heard of again unless our jury got very busy.

I have not as yet taken the matter up with Judge Carpenter, as we feel that nothing substantial will be accomplished with the present district attorney in charge of Chicago. If he has not been bought and paid for by the defendants, he at least in every phase of this case appears to be for them.

One of our jurors, Mr. O. M. Krembs, of 173 North Green Street, Chicago, has just seen Mr. Clyne, and Clyne tells him that the case was taken out of our hands because they did not have sufficient evidence to prosecute. From memory I can not give you but a small portion of the evidence submitted, but some of the items are these:

"(1) 177 barrels of whisky shipped from a Kentucky distillery and delivered to the Sherman House and nothing entered on their books.

"(2) Passageways connected their storage vault underneath the Sherman Hotel with the Fidelity vaults just west of the hotel. These were sealed up after the investigation began.

"(3) Shipment of 3,000 cases of bottled liquor to New York, these cases being marked, "Glass—with care—this side up," and no other marks on them.

"(4) Delivery in one day to a wealthy Jewish furrier, on orders from two different rabbis, each calling for 10 gallons of sacramental wine, of a shipment of wine that was billed at $5,800.

"(5) Record of 2 barrels of whisky sold to a druggist who testified that he was out of business at the date they claimed delivery and received no whisky.

"(6) Dozens of cases of the necessary acknowledgments being taken by the Sherman House notaries without the parties appearing; in some cases the whisky was delivered to the druggists and other cases it was charged up as delivered and never received by them."

I am told that this typewritten evidence has been gone over by Mr. Pagan, so possibly you may have it in detail. At any rate, to have this case taken away from our jury and now to be told that there is not sufficient evidence to convict these parties whom we believe have made millions out of the illicit traffic in liquor and then pinch some fellow who was found with one quart bottle, looks to us like undermining the very foundations of representative government.

I am submitting this letter to four of the big business men of our grand jury, none of whom is a radical on the liquor question but all of whom believe in justice, and am asking them to verify the above statements or add any that occur to them before submitting the letter to you. These gentlemen are: Mr. Ottmar M. Krembs, 173 North Green Street, Chicago; M. C. W. Winters, 415 South Dearborn Street, Chicago; Mr. F. O. Walmsley, 2275 South Lumber Street, Chicago; Mr. S. J. Haight, Mendota, Ill.; and am attaching their letters to mine. * * *

Yours very truly,

CHAS. H. WILLIAMS.

Notwithstanding these reports to the Attorney General, nothing was done other than to dismiss from the service a few months later the special agent who made the investigation. This agent had been in the service for 15 years and had a very fine record.

Other cases are before us, but these will suffice to give our readers an idea of this new issue as it is framing itself up before Congress.

DEATH OF WOODROW WILSON

Mr. ROBINSON. Mr. President, I request that there may be printed in the RECORD some lines entitled "The passing of Woodrow Wilson," by Mrs. M. A. Dorsey, of Newport, Ark.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the request is granted.

The poem is as follows:

[From Candid Opinion, Prescott, Ark., March, 1924]

THE PASSING OF WOODROW WILSON

(By Mrs. M. A. Dorsey, of Newport, Ark.)

A tolling bell, the rumble of a gun,
A radio message circling round the world,
And through the Sabbath stillness comes the word,
"The soul of Woodrow Wilson has passed on."
Upon the city that he loved so well,
There is a solemn hush through all the streets;
Within the churches there is reverent prayer,
While men and women, out there in the snow,
Upon the pavement kneel, with heads bowed low,
And tears upon their cheeks; and sobs are heard,
Because they love him so—their great war President!
This man whose greatness no one could deny—
Great scholar, statesman, ruler, patriot—
The man who strove so mightily for peace!
Hence was it meet that there should be for him
No boom of cannon, no salute of guns,
No strains of martial music, muffled drums,
No measured tread of soldiery,
None of the pomp and pageantry of war;
Because he hated war.
For him no hours of state within the Hall
Beneath the dome of the great Capitol,
Where curious crowds might come to gaze upon
The still white face of him who once had stood
Within these walls and thrilled the souls of men
With burning words of truth and righteousness;
Striving with all the strength of heart and mind
To save the nations of the earth from war,
And from the hateful passions that make war—
Greed, arrogance and spite, and lust of power,
His soul abhorred these things!
But when he found there was no other way
To save for men what they must hold most dear,
Then he commanded war! He called for men!
Four millions of our youth answered that call.
The streets of Washington were thronged with men;
The air was rent with cheer on cheer for him.
Then sadly would he turn his face and ask,
"Why do they cheer? All this means death for them"—
The very soul of Woodrow Wilson hated war,
For he could not forget the Nation's sacrifice.
Fathers and mothers weeping o'er their sons;
The grief of fair young brides most pitiful;
The wreckage of young life that he had seen
In these same streets of Washington.
The weary waiting in the training camps;
The horrors of the ships that crossed the seas;
The rows of tents at Brest and St. Nazaire;
The white beds in the hospitals of France;
The little mounds beneath a wooden cross;
The ravaged earth of the great battle fields;
The shells, the trenches, barbed entanglements;
Nameless atrocities; anguish untold!
Yes; he remembered all. For six long years
These memories had tortured soul and sense.
No wonder that at last the great heart stopped;
The wonder is that we so soon forgot.
And because we did forget, could not see,
Nor comprehend his purpose and his plan;
Because we did not know and love as he,
We called him dreamer, failure, autocrat;
And cruel partisans did on his name
And service cast a slur. Oh, shame!
Oh, shame! Oh, shame!
Then stricken sore in heart and frame, he longed for rest,
And to the quiet of his home withdraw;
Where faithful love, and loyal friendship gave
Unfailing care, and walked, from day to day,
Upon those heights serene, where he had learned
The lessons that endure through endless years;
The faith and hope and courage for life's work.
And there remained 'til he was borne hence,
Beyond all strife and partisan debate.
I wonder if at last he saw and knew,
The multitudes that lined those silent streets?
The little band of war-scarred veterans,
Who made his guard of honor on the way?
And if he saw the flowers that filled his home,
Bearing mute message of a boundless faith
In many hearts, with whom he still was first,
Among the Nation's wise and great?
I wonder if he knew the thrill of joy,
Those flowers would give to men in hospitals?
Poor, broken men, who knew his love for them.
I wonder if there gathered overhead,
An escort of the Nation's mighty dead,
Who gave salute unto this man of peace,
As from the portal of his home he passed,
With the pale orchids lying on his breast.
Not on the sunny slopes of Arlington,
Beside the unknown soldier will he lie,
But in the great cathedral's crypt,
Whose walls, unfinished yet, will rise in strength,
Giving a noble tomb to such as he;
America's great abbey, yet to be.
The Nation's head, and men of every creed,
The noble and the great from many lands,
Were of the company assembled there,
To honor Woodrow Wilson's sacrifice.
Then as they heard the solemn service read,
And listened to the words of Holy Writ,
Their hearts were filled with all the imagery;
They saw the "Resurrection and the Life."
The body sown in weakness, raised in power;
The countless stars, all differing in glory;
The change that cometh, swift and suddenly;
The loosening of the silver cord, the broken bowl;
The empty pitcher left beside the fountain.
And then they knew the source of this man's power,
The living Word, that gave his vision true,
They said, "'Tis well! This is a worthy sepulcher
For him who worthily has served his race."
They know the structure he had wisely planned
Will grow till there shall be in every land
A citadel of peace for all mankind.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session, the Senate (at 5 o'clock and 15 minutes p. m.) under the order previously entered, took a recess until to-morrow, Tuesday, April 22, 1924, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate April 21, 1924

PROMOTIONS IN THE REGULAR ARMY

To be major

Capt. Harold Eugene Small, Coast Artillery Corps, from April 11, 1924.

To be captains

First Lieut. William Huffman Young, Infantry, from April 11, 1924.

First Lieut. Gottfried Wells Spoerry, Infantry, from April 15, 1924.

To be first lieutenants

Second Lieut. Hilton Edward Heineke, Infantry, from April 11, 1924.

Second Lieut. Galen Magnus Taylor, Coast Artillery Corps, from April 13, 1924.

Second Lieut. John Francis Lavagnino, Infantry, from April 15, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

FIELD ARTILLERY

Lieut. Col. Thomas Pitcher Bernard, Cavalry, with rank from June 21, 1921.

COAST ARTILLERY CORPS

First Lieut. Beverly Carndine Snow, Corps of Engineers, with rank from June 25, 1919.

POSTMASTERS

ALABAMA

Annie L. Pittman to be postmaster at Shawmut, Ala., in place of T. F. Pate. Office became third class January 1, 1924.

Griffin G. Guest to be postmaster at Fort Payne, Ala., in place of W. V. Jacoway. Incumbent's commission expired February 11, 1924.

COLORADO

Charles E. Baer to be postmaster at Steamboat Springs, Colo., in place of W. S. Kemmer. Incumbent's commission expired February 18, 1924.

ILLINOIS

Verda M. Mulhall to be postmaster at Davis, Ill., in place of E. R. Ditzler. Office became third class October 1, 1922.

Charles E. Hartman to be postmaster at Mount Carroll, Ill., in place of F. S. Smith. Incumbent's commission expired March 9, 1924.

Harold E. Ward to be postmaster at Sterling, Ill., in place of A. M. Clavin. Incumbent's commission expired March 9, 1924.

John F. Shimkus to be postmaster at Westville, Ill., in place of J. F. Shimkus. Incumbent's commission expired March 9, 1924.

IOWA

Loys E. Couch to be postmaster at Newell, Iowa, in place of N. A. Jensen, resigned.

MINNESOTA

Ralph Moody to be postmaster at Wykoff, Minn., in place of Ralph Moody. Incumbent's commission expired February 18, 1924.

MISSOURI

Walter L. Meyer to be postmaster at Auxvasse, Mo., in place of F. H. Gordner. Incumbent's commission expired March 9, 1924.

NEBRASKA

Arthur H. Logan to be postmaster at Ponca, Nebr., in place of H. T. Davey, resigned.

Harold L. Mackey to be postmaster at Eustis, Nebr., in place of John Grabenstein. Incumbent's commission expired April 9, 1924.

Hannah Price to be postmaster at Bennet, Nebr., in place of Hannah Price. Incumbent's commission expired April 9, 1924.

Arvid S. Samuelson to be postmaster at Axtell, Nebr., in place of J. E. McClure. Incumbent's commission expired April 9, 1924.

Milton R. Cox to be postmaster at Arapahoe, Nebr., in place of C. M. Evans. Incumbent's commission expired April 9, 1924.

NEW HAMPSHIRE

Charles H. Tarbell to be postmaster at South Lyndeboro, N. H., in place of W. D. Foote, resigned.

NEW YORK

George A. Hager to be postmaster at Watertown, N. Y., in place of A. R. Cornwall. Incumbent's commission expired February 4, 1924.

Herbert J. Crandall to be postmaster at Silver Creek, N. Y., in place of J. O. Bennett. Incumbent's commission expires April 28, 1924.

Harry M. Lanpher to be postmaster at Lowville, N. Y., in place of J. D. Betting. Incumbent's commission expired February 14, 1924.

Clarence E. Snyder to be postmaster at Glenfield, N. Y., in place of S. E. Burdick. Incumbent's commission expired February 14, 1924.

NORTH CAROLINA

Herbert O. Sink to be postmaster at Sanatorium, N. C., in place of L. B. McBrayer, resigned.

NORTH DAKOTA

John W. Campbell to be postmaster at Ryder, N. Dak., in place of J. W. Campbell. Incumbent's commission expired January 23, 1924.

OHIO

Harry L. McClarran to be postmaster at Wooster, Ohio, in place of F. C. Gerlach. Incumbent's commission expired February 24, 1924.

SOUTH DAKOTA

Norman Lockwood to be postmaster at Doland, S. Dak., in place of C. H. Stevenson, deceased.

Emmett O. Frescoln to be postmaster at Winner, S. Dak., in place of F. E. Goode. Incumbent's commission expired April 7, 1924.

John B. Goff to be postmaster at Philip, S. Dak., in place of G. V. Welch. Incumbent's commission expired April 7, 1924.

Floyd Twamley to be postmaster at Alexandria, S. Dak., in place of Floyd Twamley. Incumbent's commission expired April 7, 1924.

TENNESSEE

Retha Fortner to be postmaster at Cumberland Gap, Tenn., in place of A. C. Williams. Office became third class October 1, 1923.

TEXAS

Othello Lewin (Mrs.) to be postmaster at Remlig, Tex., in place of W. T. Edgar. Incumbent's commission expired September 5, 1922.

Duane B. Scarborough to be postmaster at Oakwood, Tex., in place of D. B. Scarborough. Incumbent's commission expired March 3, 1924.

Arthus E. Davis to be postmaster at Blue Ridge, Tex., in place of A. E. Davis. Incumbent's commission expired March 3, 1924.

VERMONT

Charles A. Robinson to be postmaster at Milton, Vt., in place of A. E. Barrett, resigned.

VIRGINIA

Sam P. Bowen to be postmaster at Duffield, Va., in place of J. D. Bledsoe. Office became third class July 1, 1923.

Thomas T. Weddle to be postmaster at Floyd, Va., in place of C. F. Ratliff, resigned.

Frank G. Jones to be postmaster at Montvale, Va., in place of M. V. Givens, resigned.

WEST VIRGINIA

Alphonse Leuthardt to be postmaster at Grafton, W. Va., in place of J. H. S. Barlow. Incumbent's commission expired February 11, 1924.

WISCONSIN

Charles L. Calkins to be postmaster at Rhinelander, Wis., in place of C. L. Calkins. Incumbent's commission expired March 22, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 21, 1924

POSTMASTERS

ALABAMA

Charles H. Ramey, Akron.
Lansing T. Smith, Anniston.
Dyer B. Crow, Collinsville.
William K. Cooper, Northport.
Zula L. Davis, Prichard.
Walter Morgan, Woodward.

CALIFORNIA

Curtis C. Maltman, El Monte.
Ida McClaskey, Hobart Mills.
Harry H. Chapman, Hornbrook.
Grace E. Patterson, Samoa.
Warren A. Woods, Suisun City.
Mary S. Rutherford, Truckee.

FLORIDA

Ernest V. Turner, Macclenny.
Alonzo A. McGonegal, Yalaha.

KANSAS

Jemima Hill, Arma.
Harold H. Brindley, Peabody.
Rufus J. Miller, Selden.

MICHIGAN

Sadie Curran, Caseville.
Arthur Dillon, East Tawas.
Carrie M. Colegrove, Remus.

MINNESOTA

Carroll O. Hallstrom, Braham.
Thomas Considine, Duluth.
Louis O. Lund, Farwell.
Omer C. Heys, Glyndon.

MONTANA

Philip G. Peterson, Bigfork.

NEBRASKA

George G. Bruckert, Bruning.

NEW JERSEY

Charles E. Bishop, Elizabeth.

NORTH DAKOTA

Marie Siverts, Dodge.
Paul M. Bell, Elgin.
Thomas G. Kellington, New Rockford.
Gilbert A. Moe, Sheyenne.
Agnes L. Peterson, Washburn.
Andrew M. Hewson, Wimbledon.

OHIO

Carl E. Richardson, Baltic.
Emmanuel M. Flower, Blackfork.
Edwin H. Hayman, Murray City.
Reinhard H. Curdes, Napoleon.
Louise S. Lovett, Wickliffe.

PENNSYLVANIA

Mary G. Smith, East Waterford.
Thomas V. Partridge, Houtzdale.
Frank P. Lightner, Loysville.

PORTO RICO

Jose Monserrate, Salinas.

RHODE ISLAND

David Ross, Ashton.

SOUTH DAKOTA

Christopher J. Johnson, Centerville.
Lottie M. Whalen, De Smet.
William F. Reinard, Fairburn.
Edmund A. Barlow, Oacoma.
Carl O. Steen, Veblen.

UTAH

Arthur H. Reeve, Hinckley.
Benjamin F. Caffey, Sunnyside.

WASHINGTON

J. Kirk Carr, Sequim.

WISCONSIN

Orestes K. Hawley, Baldwin.

WITHDRAWAL

Executive nomination withdrawn from the Senate April 21, 1924

POSTMASTER

Herbert A. Harvey to be postmaster at Newell, in the State of Iowa.

HOUSE OF REPRESENTATIVES

MONDAY, *April 21, 1924*

The House met at 12 o'clock noon.

The Rev. Jason Noble Pierce, D.D., offered the following prayer:

O Thou in whom we live and move and have our being and do our work and from whom all blessings come, we ask forgiveness for our sins and strength for our duties. Bless our country, the boys and girls playing about the lawns of the Capital on this day, and all citizens, and may Thy life and Thy truth lead on Thy people here and throughout the wide world, to the glory of Thy holy name. Amen.

The Journal of the proceedings of Saturday, April 19, 1924, was read and approved.

SURCHARGE ON PULLMAN CARS

Mr. DALLINGER. Mr. Speaker, I ask unanimous consent to extend my remarks by having inserted in the RECORD, for the information of the House, in connection with H. R. 6295, introduced by me on January 28, and similar bills introduced by other Members of the House, providing for the abolition of the present surcharge on Pullman cars, a comprehensive brief prepared by the experts for the National Council of Traveling Salesmen's Associations of America.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. DALLINGER. Mr. Speaker, the Pullman surcharge has come to be regarded by the public as an onerous and irritating exaction, for the imposition of which there is no justification. It was first instituted, although under a different name, and swallowed patriotically by the public, by the Hon. William G. McAdoo, then Director General of Railroads, as a war measure for the purpose of curtailing travel. Save for this purpose it would never have originated, and in consonance with this purpose it was removed directly after the armistice. It was reinstated by the Interstate Commerce Commission in the Increased Rates 1920 case, though not requested by the carriers when that case was originally instituted. The carriers insist that this surcharge must be maintained for the present and indefinitely for the future in the face of experience and justice, although it is a war-time measure unsupportable now.

The railroads in 1900 paid the Pullman Co. $1,990,707 mileage charges and received no payment at all from the Pullman Co. In about 1905 the contracts with the Pullman Co. were altered. Mileage payments made by the carriers in 1922 were but $473,496. On the other hand, the contract revenues paid the railroads rose from zero in 1900 and $142,908 in 1905 to $11,616,866 in 1920, and after the surcharge were $8,241,313 in 1921 and $7,930,064 in 1922. Without going back to the time when the railroad companies were contented to receive no extra revenue from the Pullman Co. from that traffic, but instead to pay the Pullman Co. for the privilege of using its cars, it may be noted that the precentages of the total Pullman revenues received by the railroads were in 1915, 6.95 per cent; in 1916, 6.67 per cent; in 1917, 8.99 per cent; an average of 7.53 per cent; were in 1920, 13.68 per cent; in 1921, 11.61 per cent; in 1922, 10.90 per cent; an average of 12.06 per cent. In addition the Pullman revenues themselves in these last three years were 20 per cent greater for each passenger-mile because of the 20 per cent increase in Pullman rates in 1920. Thus in 1920, 1921, and 1922, without the surcharge, the railroads received 192.19 per cent (this percentage is obtained by dividing the average for 1915, 1916, and 1917, that is, 7.53 per cent, into the average for 1920, 1921, 1922, that is, 12.05 per cent, and multiplying the quotient by 1.20 per cent to account for the increase in Pullman revenue per passenger-mile) of the amount derived by them in 1915, 1916, and 1917 from every mile of Pullman travel.

Long after the hearings in increased rates, 1920, had begun, the surcharge not having been among their original demands for increases, the brilliant idea occurred to the carriers that Pullman traffic could afford them additional revenue of many millions of dollars a year, to be obtained by increasing the Pullman charges previously unquestioned by them 50 per cent for the benefit of the carriers, in addition to the share of Pullman revenues they were already receiving. The carriers wanted all they could get, and what source was more logical than the Pullman passenger, as to whom a precedent was found ready made in the calm way he had borne such a charge during the war? What if the railroads had for many years found no objection to the much lesser sums received by them from the Pullman Co.

What if they had at one time been content to pay the Pullman Co. without receiving any compensation in addition to the ordinary fare. What if under their peculiar contracts with the Pullman Co. they were already deriving from the Pullman passenger enormously more in 1920 than they had before the war. Here the war time precedent opened to them a new source of revenue and they determined to draw on it. They have without the surcharge been reaping during the last three years almost twice the revenue, about 192 per cent, they were satisfied with in the three years preceding Federal control, not to make a comparison with the years before that. With the surcharge they have increased their profits from the use of Pullman facilities nearly tenfold, to be exact 989 per cent of their average profits per passenger mile in 1915, 1916, and 1917 from this source. (The percentage is obtained by dividing the average for 1915, 1916, and 1917, that is 7.53 into the surcharge percentage of Pullman revenues, that is 50, and multiplying the quotient by 1.2 per cent to account for increase in Pullman revenue per passenger mile, the result being 796.81 per cent to which is added 192.19 per cent representing the relation of contract revenue in the two periods giving a total of 989 per cent as the relation of the amount taken by the carrier for Pullman facilities in 1920, 1921, and 1922 to that taken by them in 1915, 1916, and 1917 per passenger mile.)

CARRIER'S CONTENTIONS

The carriers are obliged, of course, to offer some reasons for the continuance of a war charge in peace times. They contend that they have never made the return on investment

allowed under the Esch-Cummins law by the Interstate Commerce Commission, that the cost of Pullman service is greater to them because they carry extra weight for Pullman passengers, since the cars are heavier and the passengers per car fewer, and that they are rendering an added service to the public.

The data adduced as to this matter is of great volume. This résumé consequently must be confined to some of the more salient features. It is impossible in this space to point out the fallacies of much specious or irrelevant data tending to obscure the main issues. More detailed discussion can readily be given if occasion warrants. (The matters of fact stated herein where they are not of common knowledge are from the testimony and exhibits before the Interstate Commerce Commission, to which we shall be glad to give particular reference where same is requested.)

CONTENTIONS OF THE PUBLIC

ALLEGED DEFICIENCY OF GENERAL REVENUE

The carriers admit that in the first four months of this year their return was 5.49 per cent, as against the allowed return of 5.75 per cent. In making this computation, the factor allowed for the usual great increase of business in the last six months of any year over the first six months is questionable. The operating expenses upon which the showing of return is based do not allow for the abnormal expenses incurred by taking up the undermaintenance during Federal control, for which the carriers have made immense claims and toward which great sums of money have been paid them by the Government, nor does the showing of 5.49 per cent make allowance for accrued depreciation in investment, and other matters unnecessary to refer to here. It is sufficient to say without impugning the percentage set up by the carriers, and accepting for the moment the figures furnished by them, that no showing whatever is made of the return on investment devoted to passenger service, nor of the return on investment devoted to Pullman service. This claim of alleged deficiency in revenue leaves out of account entirely that if there were any deficiency, that is no justification in itself for making up the shortage from a single class of patrons.

The carriers can not ignore the accepted principle that each service must stand on its own bottom and pay its own way, so far as the traffic will bear it.

LOSS TO CARRIERS INCURRED BY SURCHARGE

But even if we assume that there is a deficiency in return on investment and that it should be made up from one class of travel, it must be apparent that the railroads lose more revenue than they gain by the surcharge. It is claimed by the carriers that Pullman traffic since the surcharge has increased somewhat more than coach traffic, but this claim does not take into account the fact admitted by them that travel in automobiles and busses has had a much greater effect in depleting short-haul coach travel than Pullman travel; that ever since its inception many years age Pullman travel has increased at a much greater rate than coach travel; that since the surcharge new opportunities for Pullman travel have been afforded by great increases in Pullman facilities, simultaneous with a reduction of coach facilities; that Pullman traffic would have increased in a much greater ratio had the surcharge not been imposed.

The outstanding and inescapable fact is that in the first year following the surcharge there was a decrease of 2,271,731,566 Pullman revenue passenger miles, as compared with the year immediately preceding; that in the next year; that is, the last four months of 1921 and the first eight months of 1922, there was a further decrease of 953,488,724 Pullman revenue passenger miles, or a deficiency for such year as against the year immediately preceding the surcharge of 3,225,202,290 Pullman revenue passenger miles; that is, a total loss for the two years immediately following the surcharge as against the year preceding its institution of almost five and one-half billion Pullman revenue passenger miles. Moreover, the last four months of 1922 and the first four months of 1923 show a deficiency of 1,220,700,886 Pullman revenue passenger miles as against the last month preceding its inception.

Every Pullman revenue passenger mile lost means a loss of 3.6 cents to the railroads, not to speak of the additional loss to them of the contract revenues they would have derived from the Pullman Co. The very revenue they claim to need would be more than provided by the removal of the surcharge instead of by its continuance, and at the same time added service would be furnished the public.

EXTRA COSTS OF PULLMAN SERVICE

ERRORS IN CARRIERS' DATA

The carriers contend that the average Pullman car weighs approximately 145,000 pounds and the average coach approximately 110,000 pounds for the country as a whole. They have further attempted to show that taking the United States as a whole the average occupancy in Pullman cars is 12.82 passengers per car mile and the average occupancy in coaches is 15.88 passengers per car mile, and from these figures it is calculated that the weight hauled per Pullman passenger is 11,310 pounds, while that per coach passenger is 6,927 pounds. As against these figures of the western carriers for the country as a whole, the eastern and southern carriers have made certain tests of one week's duration on roads and trains selected by them in their districts, showing in the South somewhat greater divergence, and in the East much less divergence in the weight of cars than the data above mentioned, while in both the South and East the tests show entirely different figures for occupancy with a very much larger excess of coach over Pullman occupancy than is shown by the data of the western carriers for the United States.

Because travel fluctuates from month to month and even more so from week to week, because the road and car mileages chosen in these tests are totally insufficient and unrepresentative, as well as for many other reasons, which a detailed analysis makes apparent, it is not unfair to say that these tests present an unfounded selection and combination of figures, patently lacking in significance, rather than an earnest and enlightening statistical analysis, and are not entitled to any probative force whatever.

Like criticism can be made of the statistics offered by the carriers upon which their conclusions as to dead weights are based for the country as a whole. It is sufficient to say that the data submitted by them as to weight and occupancy of cars is merely a guess, and one shown on its face to be incorrect. For they assert that they have not and can not obtain, just as they did not obtain in the tests, comparative weight of Pullman cars and coaches on a mileage basis; that the weights they rely on are simply lump averages of the weights of certain cars selected by them without regard to the amount of use of the various classes of equipment included in the average. In other words, in getting the average weight of coaches and Pullman cars they have, for example, taken weights of old-fashioned light coaches that are used but seldom if at all; they have taken lighter-weight coaches on smaller lines and given them as much or more influence in arriving at the average than the heavier coaches on lines having greater road mileage and operations, in some instances many times greater. They admit, further, that they have not accurately excluded heavy commutation occupancy from the coach occupancy in comparing it with the Pullman. Although the capacity of Pullman cars is not as great as that of coaches, it must be remembered that their capacity can be utilized to a much greater extent, because it is possible to require reservations in advance. More important, however, the carriers' guess leaves out of account the fact that almost every coach ordered in recent years, and especially those used in the same general distance operations as Pullman equipment, have been of steel practically as heavy as Pullman cars, so that the carriers justify the continuance of this rate in the future upon conditions which are obsolete. Again, they omit the fact that Pullman occupancy would almost surely be much greater if the operation of wasteful and unnecessary Pullman trains and cars for the sake of competition with other lines were eliminated.

The existence of this wasteful competition, because of which the carriers operate duplicating and superfluous trains between the same points in order that other lines may not obtain the business, is now made the basis for justifying this increased rate. Moreover, they omit to consider that Pullman occupancy would be much greater if the surcharge were removed. Before the surcharge the occupancy of Pullman cars was higher by several passengers per car-mile than it is to-day, and it is admitted that where the surcharge does not prevent people from traveling altogether, it tends at least to drive them from the Pullman into the coach, and thus to create the very divergence in occupancy given as the reason for its existence.

ADVANTAGES TO THE RAILROADS OF PULLMAN TRAVEL

SAVINGS TO THE RAILROADS

In considering the claim of extra expense the carriers neglect to remind us that they do not own the cars in which Pullman passengers ride, nor do they mention that they do not even maintain them, and that in the eastern district the Pullman Co. also bears a great preponderance of the operating expenses.

This represents a saving to the roads of great amounts in interest on investment, maintenance, and operating expenses in addition to the taxes paid by the Pullman Co., all of which the carriers themselves have to pay in the operation of coaches, not to speak of the revenue they derive under their contracts with the Pullman Co., amounting to $27,788,743.65 in 1920, 1921, and 1922. Moreover, the Pullman Co., by supplying the cars as it must under the contracts, as and when demanded by the roads, enables them to take care of flexible demands and peak business, which would otherwise be lost without a large additional investment in cars that would in normal times lie idle.

APPORTIONMENT OF OTHER EXPENSES

But laying aside this most important element for a moment, the expense of railroad operations does not at all vary in direct proportion as the dead weight per passenger. Purely from the standpoint of distributing the common expenses incurred between coach and Pullman service, the Pullman has features tending to make it much cheaper for the railroads than coach service. The enormous terminal expenses can not be properly divided according to dead weight but only according to the number of passengers using the terminals.

Since the Pullman traveler makes an average journey about ten times as long as that of the average passenger, not only the large terminals but intermediate short interval stations are maintained chiefly for the coach passenger. Wear and tear on roadbed and even fuel consumption, which is the item most directly affected by weight hauled, are largely governed by the number of stops and starts made, and there can be no doubt from the average length of journey that many more of these are made for the sake of coach passengers than for Pullman. Again, Pullman passengers move chiefly in the heavier lanes of traffic, where train occupancy is greater and more trains pass over the rails, thus netting more revenue to the carriers on their investment than coach traffic, for while it is true that goodly portions of coach travel also move in the heavier lanes, in general coach traffic must have attributed to it the heavy investment and maintenance expenses of roadbed and facilities, with the comparatively small returns of the light lanes of travel. In other words, not nearly as much investment and expense per passenger is for the Pullman traveler as for the average coach traveler. This is the first time that the carriers have attempted to justify a rate upon weight and occupancy. In other matters involving passenger rates the carriers have endeavored to allocate to the service for which a rate is made the expenses reasonably incident to that service.

VALUE OF PULLMAN PATRONAGE

The most glaring fallacy in the carriers' theory for the surcharge is the failure to consider the fact that Pullman travel, because of the long distances made, approximately ten times as great as that for the average passenger, is the most valuable type of patronage to the railroads and that from which they make the greatest net return. Of course, the carriers must admit that, although Pullman facilities are a benefit to the public, without them passenger transportation would be enormously curtailed. Moreover, the fact that Pullman travel is in great preponderance night traffic relieves daytime facilities of the carriers and makes it possible for them to use their property 24 hours a day.

This furnishes the carriers an immensely greater return on investment, even assuming that all this night travel would be transferred to the daytime. So, even if there were any extra weight per passenger, which as already pointed out is not the fact and not supported by any probative data, and ignoring the features involved in Pullman service which are most advantageous to the carriers as shown before, what the surcharge really does is to make the passenger, and the most valuable passenger to the railroads from a revenue standpoint, pay extra for the very things that are of extraordinary benefit to the carrier.

If there were real merit in the contention of the carriers that the Pullman passenger costs them more than the coach passenger, is it possible to believe that they would not have made appropriate provision for this condition in their contracts with the Pullman Co.? For many years they were satisfied with immensely less than they now receive without the surcharge and at one time even paid the Pullman Co. for the privilege of using its facilities. The surcharge was an afterthought, proposed not even at the outset, but long after the inception of the hearings in increased rates 1920, and it is inconceivable that the carriers during all these years have forgotten this item of $33,000,000 annually.

The theories advanced by the carriers are the specious and superficial arguments usually put forward where real reasons are lacking to justify an obsolete precedent.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.

SENATE JOINT RESOLUTION REFERRED

Under clause 2, Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 114. Joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; to the Committee on Irrigation and Reclamation.

HOSPITAL BILL

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent to address the House for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ELLIOTT. Mr. Speaker, I desire to have read in my time a telegram from Hon. JOHN W. LANGLEY, chairman of the Committee on Public Buildings and Grounds.

The Clerk read as follows:

FRANKFORT, KY., *April 19, 1924.*

Hon. R. C. ELLIOTT,
House of Representatives, Washington, D. C.:

Thought when I left Washington that I would return immediately to press for early action on my hospital bill, but situation here renders it imperative to remain and get prompt vindication in home State. Trial set for May 6. Do not desire action on bill delayed. Please take charge of it as ranking majority member of the committee, and press for speedy action, and have this wire read into RECORD.

JOHN W. LANGLEY.

TREATY BETWEEN THE UNITED STATES AND GREAT BRITAIN

Mr. TUCKER. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the desk.

The SPEAKER. The gentleman from Virginia asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

Whereas the Senate of the United States has recently ratified a treaty between the United States and Great Britain regulating the rum traffic on the Atlantic coast: Be it

Resolved by the House of Representatives, That the Judiciary Committee of the House is hereby directed to examine said treaty and report to this House at the earliest possible moment whether the same is in conformity with the Constitution of the United States, and, if not, what legislation is necessary and proper by Congress to effect the objects of the treaty, and to make the same conformable to the Constitution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. LONGWORTH. Mr. Speaker, it seems to me that is a rather important resolution to bring up in this way and ask unanimous consent. I feel I shall object for the time being, at least, until I have had an opportunity to examine it.

Mr. TUCKER. May I ask the gentleman a question? I understood the gentleman to say "for the time being."

Mr. LONGWORTH. Until I have had time to examine the resolution. I think it is too important to pass by unanimous consent.

Mr. TUCKER. I really feel it is too important not to pass.

Mr. ROGERS of Massachusetts. Mr. Speaker, of course the rest of the membership of the House will not be concluded or precluded in the matter by any decision reached by the gentleman from Ohio. It seems to me this is essentially a matter, as I caught the reading of it, that ought to be considered by the committee of the House established for that purpose.

Mr. LONGWORTH. It seemed, at first blush, that the resolution should go to the Committee on Foreign Affairs and take the ordinary course of being referred. I should not object to that.

Mr. ROGERS of Massachusetts. I want an opportunity to be heard before any other course is taken, at all events.

Mr. TUCKER. I will just say, Mr. Speaker, in a word, that I would have no objection to its going to the Committee on Foreign Affairs; but as it involves a legal and constitutional question, I thought it was the proper thing that it should go to the committee that has charge of those questions.

Mr. LONGWORTH. I think it should be referred to some committee, either the Foreign Affairs Committee or the Judiciary Committee, and take the ordinary course. I do not believe, as a general proposition, in passing resolutions of this sort by unanimous consent before consideration by the proper committee.

The SPEAKER. Objection is made. To-day is suspension day. The Clerk will report No. 164 on the Consent Calendar.

CHINA TRADE ACT

The Clerk read as follows:

H. R. 7190. A bill to amend the China trade act, 1922.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOWARD of Nebraska. Mr. Speaker, I do not know what it is. I rather think, if it deals with the sending of gunboats to the Chinese rivers, I might object.

Mr. BLANTON. Mr. Speaker, I object.

Mr. HOWARD of Nebraska. I do not object, Mr. Speaker.

Mr. RANKIN. I will object, for one, Mr. Speaker.

PENSIONS AND INCREASE OF PENSIONS TO CERTAIN SOLDIERS AND SAILORS OF THE CIVIL WAR, ETC.

Mr. FULLER. Mr. Speaker, I move to suspend the rules and discharge the Committee of the Whole House on the state of the Union from the consideration of Senate bill No. 5, granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars, and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes, and pass the same.

The Clerk read the bill, as follows:

An act (S. 5) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes.

Be it enacted, etc., That any officer or enlisted man who served in the Army, Navy, or Marine Corps of the United States for 90 days or more during the Civil War between April 12, 1861, and August 20, 1866, inclusive, and was honorably discharged from such service, or regardless of length of service was discharged for a disability incurred in service and line of duty, and every person who served 60 days or more in the war with Mexico, or on the coasts or frontier thereof, or en route thereto during the war with that nation, and was honorably discharged therefrom, who is now, or may hereafter be, placed on the pension roll under this or any other law, public or private, shall be paid a pension at the rate of $72 a month.

SEC. 2. That the widow of any officer or enlisted man who served in the Army, Navy, or Marine Corps of the United States for 90 days or more during the Civil War, between April 12, 1861, and August 20, 1866, inclusive, and was honorably discharged from such service, or regardless of length of service was discharged for, or died in service of, a disability incurred in service and line of duty, such widow having been married to such soldier, sailor, or marine prior to June 27, 1905, and having attained the age of 60 years, shall be paid a pension at the rate of $35 a month; having attained the age of 74 years, $45 a month, and in case there be no widow or a widow not entitled to pension under any law granting additional pension to minor children or in the event of the death or remarriage of the widow leaving a child or children of such officer or enlisted man under the age of 16 years, or helpless child or children, such child or children under the age of 16 years or helpless child or children shall be paid a pension at the rate of $30 a month: *Provided*, That in case a minor child is insane, idiotic, or otherwise mentally or physically helpless the pension shall continue during the life of such child, or during the period of such disability, and this section shall apply to all pensions heretofore granted or hereafter granted under this or any former statute, public or private: *Provided further*, That the additional pension herein granted to the widow on account of the child or children of the husband by a former wife shall be paid to her only for such period of her widowhood as she has been, or shall be, charged with the maintenance of such child or children; for any period during which she has not been, or she shall not be, so charged, it shall be granted and paid to the guardian of such child or children: *Provided further*, That a widow or guardian to whom increase of pension has been, or shall hereafter be, granted on account of minor children, shall not be deprived thereof by reason of their being maintained in whole or in part at the expense of a State or the public in any educational institution, or in any institution organized for the care of soldier's orphans: *Provided further*, That no pension shall be allowed or paid under this act to a widow or a former widow whose marriage to the soldier, sailor, or marine on account of whose service pension is claimed took place subsequent to March 3, 1899, unless such widow or former widow lived with such soldier, sailor, or marine continuously from the date of the marriage to the date of his death, or unless the continuity of the cohabitation was broken by soldier having deserted her or by conduct on his part compelled her to leave him.

SEC. 3. That the rate of pension for the widow of an officer or enlisted man who served in the Army, Navy, or Marine Corps of the United States in the War of 1812, or for 60 days or more in the war with Mexico, or on the coasts or frontier thereof, or en route thereto during the war with that nation, and was honorably discharged therefrom, shall be $50 per month, and this section shall apply to any pension heretofore allowed or which may hereafter be allowed under any law, public or private.

SEC. 4. That the former widow of any officer or enlisted man who served in the Army, Navy, or Marine Corps of the United States for 90 days or more during the Civil War between April 12, 1861, and August 20, 1866, inclusive, and was honorably discharged from such service, or who, regardless of length of service, was discharged for, or died in service of, a disability incurred in the service and line of duty, such widow having married the officer or enlisted man prior to June 27, 1905, and having remarried either once or more than once after the death of the soldier, sailor, or marine, if it be shown that such subsequent or successive marriage or marriages has or have been dissolved, either by the death of her husband or husbands or by divorce without proof of adultery on the part of the wife, shall be entitled to and be paid a pension at the rate of $30 per month: *Provided*, That where a pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, a widow or former widow shall not be entitled to pension under this act until the pension of such child or children terminates, unless such child or children be a member or members of her family and cared for by her; and upon the granting of pension to such widow or former widow payment of pension to such child or children shall cease; and this proviso shall apply to all claims arising under this or any other law.

SEC. 5. That any widow, remarried widow, minor child or children, or helpless child or children, who has been, or shall hereafter be, allowed a pension under this or any other law, public or private, shall be paid an allowance at the rate of $8 a month on account of each of the minor children under sixteen years of age and helpless children of the soldier, sailor, or marine: *Provided*, That the marriage of a child shall terminate the allowance and the child's right and title to pension.

SEC. 6. That the provisions, limitations, and benefits of this act shall be extended to and shall comprehend and include each and severally the classes of persons enumerated in the first, second, third, fourth, and fifth paragraphs of section 4693, Revised Statutes of the United States, who served during the Civil War, and also any person who is now or may hereafter become entitled to pension under the acts of June 27, 1890, February 15, 1895, and the joint resolutions of July 1, 1902, and June 28, 1906, on account of service during the Civil War, and the widows and minor children under 16 years of age and helpless children of such persons: *Provided*, That the period of service performed by the soldier, sailor, or marine as enumerated in the provisions of this act shall be determined by reports from the records of the War Department or Navy Department, where there is such a record, and by the reports from the records of the General Accounting Office showing payment by the United States where there is no record of regular enlistment into the service of the United States, or showing reimbursement of the State by the United States on account of such service.

SEC. 7. That all Army nurses of the Civil War who have been or who may hereafter be allowed a pension under existing laws shall be entitled to and shall be paid a pension at the rate of $50 per month.

SEC. 8. That from and after the passage of this act the rate of pension to the soldiers of the various Indian wars and campaigns who are now on the pension roll, or who may hereafter be placed thereon under the acts of July 27, 1892, June 27, 1902, May 30, 1908, or under the act of March 4, 1917, shall be $30 per month; and upon attaining the age of 72 years, $40 per month; and upon attaining the age of 75 years, $50 per month, and that the rate of pension to the widows of soldiers of the various Indian wars and campaigns who are now on the pension roll or who may hereafter be placed thereon under said acts shall be $20 per month: *Provided*, That the provisions, limitations, and benefits of the acts enumerated in this section be, and hereby are, extended to the widows of the surviving officers and enlisted men of the organization known as Tyler's Rangers, recruited at Black Hawk, Colo., 1864, for service against the Indians, and to the officers and enlisted men of the Texas Volunteers who served in the defense of the frontier of that State against Indian depredations from 1878 to 1880, inclusive, and to the widows of such officers and enlisted men who were married to the officers or enlisted men prior to March 4, 1917.

SEC. 9. That all persons who served 90 days or more in the military or naval service of the United States during the war with Spain, the

are seeking to justify an obsolete precedent.

to the committee that has charge of those questions.

Philippine insurrection, or Chinese Boxer rebellion, between April 21, 1898, and July 4, 1902, inclusive, service to be computed from date of enlistment to date of discharge, and was honorably discharged from such service, or, regardless of length of service, was discharged for a disability incurred in the service and line of duty, and who are now or may hereafter be suffering from any mental or physical disability or disabilities of a permanent character not the result of their own vicious habits which so incapacitates them from the performance of manual labor as to render them unable to earn a support, shall, upon making due proof of the fact, according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of invalid pensioners of the United States and be entitled to receive a pension not exceeding $50 per month and not less than $20 per month, proportioned to the degree of inability to earn a support; and in determining such inability each and every infirmity shall be duly considered, and the aggregate of the disabilities shown be rated, and shall continue during the existence of the same: *Provided*, That any such person who has reached the age of 62 years shall, upon making proof of such fact, be placed upon the pension roll and entitled to receive a pension of $20 a month; in case such person has reached the age of 68 years, $30 per month; in case such person has reached the age of 72 years, $40 per month; and in case such person has reached the age of 75 years, $50 per month: *Provided*, That all leaves of absence and furloughs under General Orders, No. 130, August 29, 1898, War Department, shall be included in determining the period of pensionable service.

That the provisions, limitations, and benefits of this section be, and hereby are, extended to and shall include any woman who served honorably as an Army nurse, chief nurse, or superintendent of the Nurse Corps under contract for 90 days or more between April 21, 1898, and February 2, 1901, inclusive, and to any such nurse, regardless of length of service, who was released from service before the expiration of 90 days because of disability contracted by her while in service and line of duty so as to preserve their military and pensionable status as provided in section 2 of the act of September 1, 1922, and entitled them to the increased rates: *Provided further*, That any and all laws, whether relating to pensions or any other subject, applicable to women who belonged to the Nurse Corps of the Army after February 2, 1901, shall apply equally to any women who served honorably as nurse, chief nurse, or superintendent of the Nurse Corps between April 21, 1898, and February 2, 1902.

SEC. 10. That from and after the passage of this act all persons now on the pension roll, and all persons hereafter granted a pension, who, while in the military or naval service of the United States, and in line of duty, shall have lost one hand or one foot, or have been totally disabled in the same, shall receive a pension at the rate of $85 per month; that all persons who in like manner shall have lost an arm at or at any point above the elbow, or a leg at or at any point above the knee, or have been totally disabled in the same, shall receive a pension at the rate of $90 per month; that all persons who in like manner shall have lost one hand and one foot, and in addition thereto shall have lost a portion of the other hand or foot, or shall have been totally disabled in the same, shall receive a pension at the rate of $100 per month; and that all persons who in like manner shall have lost both arms or both legs, or have been totally disabled in the same, or shall have lost the sight of both eyes, shall receive a pension at the rate of $125 per month.

SEC. 11. That the pension or increase in the rate of pension herein provided for, as to all persons whose names are now on the pension roll, or who are now in receipt of a pension under existing law, shall commence at the rates herein provided on the fourth day of the next month after the approval of this act; and as to persons whose names are not now on the pension roll, or who are not now in receipt of a pension under existing law, but who may be entitled to a pension under the provisions of this act, such pensions shall commence from the date of filing application therefor in the Bureau of Pensions after the approval of this act in such form as may be prescribed by the Secretary of the Interior; and the issue of a check in payment of a pension for which the execution and submission of a voucher was not required shall constitute payment in the event of the death of the pensioner on or after the last day of the period covered by such check, and it shall not be canceled, but shall become an asset of the estate of the deceased pensioner.

SEC. 12. That nothing in this act contained shall be held to affect or diminish the additional pension to those on the roll designated as "The Army and Navy Medal of Honor Roll," as provided in the act of April 27, 1916, but any increase herein provided for shall be in addition thereto, and no pension heretofore granted under any act, public or private, shall be reduced by anything contained in this act.

SEC. 13. That no claim agent, attorney, or other person shall contract for, demand, receive, or retain a fee for services in preparing, presenting, or prosecuting claims for the increase of pension provided for in this act; and no more than the sum of $10 shall be allowed for such services in other claims thereunder, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall directly or indirectly otherwise contract, for, demand, receive, or retain a fee for services in preparing, presenting, or prosecuting any claim under this act, or shall wrongfully withhold from the pensioner or claimant the whole or any part of the pension allowed or due to such pensioner or claimant under this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall for each and every such offense be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

SEC. 14. That all acts and parts of acts in conflict with or inconsistent with the provisions of this act are hereby modified and amended only so far and to the extent as herein specifically provided and stated.

The SPEAKER. Is a second demanded?

Mr. BLACK of Texas. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BLACK of Texas. Yes.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULLER. Mr. Speaker, the time for debate being so limited, I ask unanimous consent that those who speak on the bill may have leave to revise and extend their remarks, and that all other Members may have five legislative days in which to extend their remarks on the bill.

THE SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none.

Mr. FULLER. Mr. Speaker, I do not think any extended discussion is needed in order to justify the passage of this bill. The provisions of the bill are undoubtedly well understood by every Member of the House, and I think every Member has heard from some of his constituents who are very much in favor of the passage of the bill.

At the time of the great review at the close of the Civil War a banner was placed across the front of this Capitol reading:

> The only debt we can never pay is the debt we owe to our victorious soldiers, sailors, and marines.

This bill is a proposition to pay another installment upon that debt. This Government has been more liberal to its defenders in matters of pension than any other government on the face of the earth, and it is well that that should be so because the country that does not protect its defenders is not worthy to exist.

Under this bill it is proposed that every survivor of the Civil War now receiving less than $72 per month shall be paid a pension of $72 per month. There are something like 150,000 veterans whose names are still on the roll. Many of them are already receiving $72 per month under the act of May 1, 1920, which gives $72 to those who are in such physical or mental condition as to require personal aid and attendance. The act of May, 1920, now in force gives to all widows of Civil War soldiers pensions of $30 per month. This bill proposes that at the age of 60 years the pension shall be increased to $35, and at the age of 74 to $45 per month. What we do for any of these old soldiers of the Civil War, or for their dependents, we must do very soon. It will not be long until the last one of the survivors of that great struggle will have passed away. The records of the Pension Bureau show that an average of 140 Civil War pensioners die every day. The surviving soldiers to-day are over 80 years of age on an average. The widows of those who have passed away are nearly 75 years of age on the average. A great majority of the widows now on the roll are over 74 years of age, and under this bill they will be granted the maximum pension of $45 per month.

A great many seem to think that young women marry old soldiers for the sake of getting their pension, but an examination of the pension roll shows that of the more than 250,000 widows on the roll only about 11,000 are under 60 years of age to-day, and they get no increase under this bill. The bill also gives a proportionate increase to the maimed soldiers of the Civil War. It gives an increase to the veterans of the Spanish War and some of the Indian wars.

I do not think it necessary to take up further time, so far as I am concerned. I think the bill which has passed the Senate by almost a unanimous vote should pass this House to-day by a unanimous vote.

Mr. DENISON. Will the gentleman yield?

Mr. FULLER. I will.

Mr. DENISON. Can the gentleman state briefly the difference between this bill and the bill that passed the last Congress and which was rejected by the President?

Mr. FULLER. This bill makes a very much less charge on the Treasury than the bill that passed in the last Congress that was vetoed by the President. That bill would have cost

something over $100,000,000 annually, and this bill will cost about $55,000,000. That bill proposed to give to the widows $50 a month, and it also brought the limitation as to date of marriage down to the passage of the bill. This bill does not change in any respect the limitation as to the date of marriage, which is left at June 27, 1905. So it is impossible under this bill for any widow to obtain a pension unless she was married at least 19 years ago.

Mr. TILLMAN. And all of the soldiers get $72 a month without limit as to age.

Mr. FULLER. Yes.

Mr. RAMSEYER. Will the gentleman yield?

Mr. FULLER. I will.

Mr. RAMSEYER. Is the bill now before the House identical with the bill that passed the Senate? Did the committee make any change?

Mr. FULLER. It is identical with the bill that passed the Senate by a vote of 51 to 10. There are no changes made. The bill was referred to the Committee on Invalid Pensions, and inasmuch as it contains some matters within the jurisdiction of the Committee on Pensions we called a joint meeting of the two committees, and the bill is reported with the unanimous recommendation of the Committee on Invalid Pensions, and is concurred in unanimously by the Committee on Pensions.

Mr. RAMSEYER. If we pass this bill to-day there will be no necessity of its going to conference?

Mr. FULLER. No; if it passes to-day it goes to the President, without amendment, and I have no doubt that it will be promptly approved.

Mr. BARBOUR. Will the gentleman yield?

Mr. FULLER. Yes.

Mr. BARBOUR. Will it be necessary for those now on the pension rolls to file a new application?

Mr. FULLER. It will not, they will be paid these rates automatically.

Mr. FOSTER. Will the gentleman yield?

Mr. FULLER. I yield.

Mr. FOSTER. What does the bill provide for in relation to the widows of the Spanish War soldiers?

Mr. FULLER. There is no provision in this bill for the widows of Spanish War veterans. That was taken care of by the bill passed in the last Congress. Mr. Speaker, I reserve the balance of my time, and will later yield to others who desire to be heard in favor of the passage of the bill.

Mr. BLACK of Texas, Mr. Chairman, during the Sixty-seventh Congress a bill of a very similar nature to this we now have under consideration was passed by the House and Senate, and when it came before us on a conference report I took opportunity, as did some other Members of the House, to express our opposition. I remember that in the brief remarks which I made in opposition to the bill I estimated that if it were passed it would cost at least $100,000,000 annually. That estimate was confirmed after the bill passed and President Harding vetoed it. No effort was made to pass it over his veto.

We now have part of the same bill before us, though I will admit that it does not go as far, and will not involve as great a charge on the Treasury, as the bill that was passed during the Sixty-seventh Congress. But it is a fact, gentlemen, which should not be overlooked by those who are in favor of some measure of economy, that the provisions of this bill will impose on the Treasury an annual additional charge of at least $55,000,000. It becomes a question, in view of the finances of the Government and in view of the amounts which are now already being paid to these pensioners—it becomes a question for Members to decide whether we are justified in voting so large an additional amount as $55,000,000 out of the Treasury.

Mr. O'CONNELL of New York. Mr. Speaker, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. O'CONNELL of New York. Just to ask the gentleman from what source he gets that information?

Mr. BLACK of Texas. From the committee's report, filed by the chairman of the Committee on Invalid Pensions, the gentleman from Illinois [Mr. FULLER]. What is the situation? We passed the tax reduction bill through the House recently assuming that there would be a surplus in the Treasury at the end of the next fiscal year of something more than $300,000,000. We discounted that fact for all that it would bear in the tax reduction bill. And if we vote this bill, by one stroke we will take $55,000,000 from that supposed surplus, and having observed the various instances of extravagance on the part of this Congress I predict that before Congress is over that the supposed surplus will be cut at least $200,000,000. Therefore the expected reduction in taxation will not take place. Some other method of raising revenue will have to be found to cover the deficit which is bound to develop.

Mr. Speaker, I know that a Member of Congress does not add anything to his political strength when he opposes a pension bill. I entertain no delusions whatever on that subject. I have told the people of my district on numerous occasions that my experience has been since I have been a Member of Congress that the easiest thing to do in this body and get away with it successfully as a matter of politics is to vote money out of the Public Treasury without limitation or stint. I have also told them that the thing which the Member gets the least credit for, so far as politics is concerned, is for trying to protect the interest of the taxpayers. Every day that I spend as a Member of this legislative body serves to confirm me in that conviction.

Section 1 of this bill provides that all veterans of the Civil War who served more than 90 days shall receive $72 per month. That assumes that all Civil War veterans are now totally disabled.

At the present time we have a law permitting veterans of the Civil War who are totally disabled to make proof of such fact and get a pension of $72 a month. More than 40,000 of them have done so and are on the pension rolls at that rate. I do not think that the assumption that all of them are totally disabled is justified. To make that assumption, as this bill does, will impose an additional expense for the next fiscal year of $17,000,000 on that one item alone. I think there are a considerable number—and I am glad of it—of these veterans who are men of affairs and are still able to attend to their business and are doing so with good ability. We have in this House a gallant veteran of the Civil War, General SHERWOOD, for whom I have the highest admiration and respect. [Applause.] No Member of the House has a keener intellect than has that able gentleman from Ohio. He is 88 years of age, and I hope the House will enjoy the honor of having him as a Member for many years to come. I am perfectly willing that every Civil War veteran who makes proof before the Bureau of Pensions that he is totally disabled shall become the recipient of a pension of $72 per month, as now provided by law, but I do not feel justified in voting for section 1 of the bill and saying that as a matter of law—as we certainly do—every one of these veterans is totally incapacitated and unable to carry on his vocation.

Mr. COLTON. Mr. Speaker, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. COLTON. Does not the gentleman believe that this will enable a good many men who are now in soldiers' homes to get out and earn a little, and not only help themselves but directly relieve the Treasury from the expense now attendant upon their support in these homes?

Mr. BLACK of Texas. No; I would doubt that. Most of the inmates of the soldiers' homes, I think, are there because they feel that under the circumstances it is the best place for them. I am willing at all times to vote liberally for the support of these old soldiers' homes in order that they may be comfortable and desirable places for the veterans to live.

Mr. HERSEY. Mr. Speaker, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. HERSEY. A young man who was 21 years of age when the war closed is now 80. Is not that disability?

Mr. BLACK of Texas. Of course it is but not total disability. We recognize that fact by giving a service pension of $50 per month to all Civil War veterans.

Mr. HERSEY. I think it is total disability.

Mr. BLACK of Texas. I do not think so. I know that it is not because there are men of my acquaintance, like General SHERWOOD, who are 80 years of age, with an intellect as clear and bright as that of any man in this House. I am not unfriendly to pensions for veterans of the Civil War. I want that distinctly understood. I base my whole opposition to this bill upon the promise that I made my constituents, with the full intention of keeping it, that I was going to stand for economy in this House, and I think the provisions of this bill go entirely too far. Some of the sections of the bill I would like to support. These relating to Spanish-American War veterans, for example, seem to be reasonable and fair. But taking the bill as a whole, its enactment will impose entirely too great a charge on the Public Treasury, and I shall feel it my duty to vote against it.

Mr. FULLER. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION], acting chairman of the Committee on Pensions.

Mr. ROBSION of Kentucky. Mr. Speaker, some persons in Congress and out express the belief that this bill ought not to pass. They say that we ought not to add this additional burden to the taxpayers of the Nation; but, Mr. Speaker and gen-

tlemen of the House, to consider this bill fairly and justly we must go back 62 years, when shot and shell went screeching across Mason and Dixon's line, when the clouds hung dark and heavy over this Republic. Those were times that tried men's very souls. It is not my purpose to revive any of the issues and animosities of that period of our history. No one goes before me in admiration for those brilliant leaders of the gray—Lee, Jackson, and Johnson. They were worthy foes of those distinguished and brilliant leaders of the blue—Grant, Sherman, Hooker, Sheridan, Meade, Thomas, and others. I am sure that the survivors of those who wore the gray, their sons, and their grandsons rejoice that it was a "lost cause," and they can and do join with us to-day in our boast of having the greatest man power of the world; our coffers are filled with gold; our natural resources are beyond computation; 48 great sovereign States—each an empire within itself—with rich foreign possessions; the recognized leader of the world, and, best of all, 110,000,000 people with one great mind, one great heart, one great purpose, and one destiny, with one flag and one loyalty; but, Mr. Speaker and gentlemen of the House, we could not boast of these if the men who are the beneficiaries of this legislation and their comrades had not upheld the Stars and Stripes and held the lines at Vicksburg, Gettysburg, and a hundred other bloody battle fields. If the principle of secession had been once established, no doubt we would have made further divisions, and to-day we would be divided into many petty, jealous States, fighting among ourselves. The average age of these veterans is about 81 years. It is shown by the records that between 25,000 and 30,000 will answer the last roll call this year. This may be our last opportunity to show our gratitude to them. It fills my heart with sorrow to think in a very few brief years not one of them will remain to be a benediction to the Nation. Seventy-two dollars per month is not too much. I would like to make it more for those without means. Perhaps they have heard that republics are ungrateful. Let this Republic prove that it is not ungrateful. This Republic should see to it that not one of them or their widows or dependent children want for the necessities and comforts of life. To provide and care for them tenderly in their declining years should be a labor of love to this mighty, rich Republic.

WORTHY CAUSE OF FAR-REACHING RESULTS

I find many people who have greatly underestimated the services of the Spanish-American War and Philippine veterans. Their cause was most worthy. It was the first time in our history that American soldiers and sailors were called upon to go to foreign soil and to distant seas to fight for the freedom of other people. It was the first American war in which all the soldiers were volunteers. President McKinley called for volunteers. They came pouring in from every section of the Nation. The young manhood of America wanted to avenge the *Maine* and free Cuba. Thousands more offered their services than could be accepted. There never was a more generous response to the call of the country. The Spanish Government had nearly 30,000 trained veterans in Cuba. We placed about 20,000 of these splendid Americans there, and in about 30 days Spain had been brought to her knees. The *Maine* had been avenged and Cuba was free. In a few brief weeks the American soldiers, sailors, and marines at Manila Bay, San Juan Hill, and Santiago by their dash, courage, and blood had written a new and brilliant chapter in American history. America had been talked of as a world power. Our American boys made it a recognized fact and the record shows that there were more casualties according to the number of men involved than there were in our forces in the Civil War or the World War. These boys won for us most valuable possessions, but, best of all, they bridged the chasm of the Civil War. The sons of the blue and the gray from the North and South and East and West healed forever the scars of 1861 and united this Nation as it had not been united before, and they continue to promote the spirit of a free, mighty, and united people; that was 26 years ago. Their average age is 49 years. Many of them fought in the Civil War and thousands of them served their country nobly in the World War. What I have said about the veterans of the Civil War I want it understood I am saying for the veterans of this war. Let us cherish them, their widows, and dependent children. They are no longer boys; many are gray, worn, and broken with disease. This pension is not too much.

CIVIL AND MEXICAN WARS

This bill grants $72 per month to all those who served 60 days or more in the Mexican War and received an honorable discharge and to all persons who served 90 days or more in the military or naval service of the United States or in what is known as the State militia between April 12, 1861, and August 20, 1866, and received an honorable discharge. The 60 or 90 day limitation does not apply to those who were discharged for disabilities incurred in the service and in line of duty. It provides $85 per month for those who lost one hand or one foot or have become totally disabled in one hand or one foot as the result of the service in line of duty; $90 per month for those who lost a leg above the knee or an arm above the elbow, or have become totally disabled in either of same by reason of the service and in line of duty; $100 per month for those who have lost one hand and one foot or have become totally disabled in one hand and one foot, and disabilities received in the service in line of duty; and $125 per month to those who have lost both arms or both legs or have become totally disabled in same, or have lost the sight of both eyes as the result of service in the line of duty.

WIDOWS OF CIVIL WAR, MEXICAN WAR, AND WAR OF 1812

This bill provides for a pension of $50 per month for the widows of the soldiers and sailors of the War of 1812 and the Mexican War. There are about 252,000 widows of the soldiers and sailors of the Civil War now on the pension roll. Less than 12,000 of these are under 60 years of age, and they will continue to receive $30 per month. All widows of Civil War veterans who are now on the pension roll or may be placed on the pension roll, 60 years of age or over, are allowed $35 per month; those who are 74 years of age or over are allowed $45 per month. I might add that 149,000 of these widows are now 74 years of age or over. None of the widows on the roll are less than 48 years of age, and less than 12,000 of them are under 60 years of age. There has been no change in the law as to the date of marriage. These pensions can only be allowed to those widows who married the veteran prior to June 27, 1905. I strongly favored $50 per month for all the widows 60 years of age or over and that the date of marriage be changed from 1905 to 1915. I am sure this was the desire of Senator BURSUM, but it appears this is the best bill that can be gotten through at this time. This bill does give very substantial relief to the veterans of all wars, their minor children, and widows, and I am very anxious to see it passed by the House and signed by the President.

Mr. FULBRIGHT. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. FULBRIGHT. I want to make this statement, and I make it because of what I take to be the inference that the gentleman drew from his remarks.

Mr. ROBSION of Kentucky. Oh, no; I was going to say that, as I recall, the Democrats on the Committee on Invalid Pensions, as well as on the Committee on Pensions, with perhaps one or two exceptions, I believe, are a unit for this bill.

Mr. FULBRIGHT. A unit, and is this not further the fact, that they insisted, in lieu of what is provided for the widows of Civil War veterans in this bill, that the sum be advanced to $50 per month?

Mr. ROBSION of Kentucky. I have heard that this is true. Many others and myself favor $50 per month. This is a splendid bill and I think the best bill that could be gotten through at this time. I was about to say that my distinguished friend from Texas [Mr. BLACK] in his speech of opposition does not express the sentiment of all the Democrats.

SPANISH-AMERICAN WAR, PHILIPPINE INSURRECTION, AND CHINA BOXER REBELLION

Under the act of June 5, 1920, and the amendment of September 1, 1922, all those who served 90 days or more in the Military or Naval Establishment of the United States between April 21, 1898, and July 4, 1902, during what is known as the War with Spain, the Philippine insurrection, or the Boxer rebellion and are disabled by reason of mental or physical disabilities to perform manual labor are entitled to a pension ranging from $12 to $30 per month according to the degree of disability. The Pension Bureau in administering the act of June 5, 1920, fixed the rates at $12, $15, $18, $24, and $30 per month. Our Committee on Pensions in the House some time ago reported favorably H. R. 5934, and it provides a two-thirds increase all along the line. It fixes the minimum at $20 instead of $12 per month, the maximum at $50 instead of $20 per month. Our bill provides that those on the rolls now receiving $12 per month would be increased to $20 per month; those now receiving $15 per month would be increased to $25 per month; those receiving $18 would be increased to $30 per month; those receiving $24 would be increased to $40 per month; and those receiving $30 per month would be increased to $50 per month; those 62 years of age, although without disability, would be increased to $20 per month; those 68 years of age would be increased to $30 per month; those 72 years of age would be increased to $50 per month.

There are about 80,000 pensioners on the roll under the act of June 5, 1920, and the amendment of September 1, 1922. Our committee desired to avoid the time, labor, and expense that would be necessary in filing new applications for these increases and our bill therefore provided for these automatic increases. It would mean a great saving to the Government and a great saving to the pensioners, and it would likewise avoid delays. The Bursum bill now before us fixes the minimum at $20 per month and the maximum at $50 per month, the same as the House bill, but it does not expressly set out the intermediate rates. When this came to our attention we took the matter up with the Interior Department and the Pension Department, and they assured us that in the event that the Bursum bill was adopted the increases would be made automatic by regulation and would take care of these increases in the same manner as provided in the House bill. The bill before us, the Bursum bill, does automatically provide for increases for all the other pensions provided for in this bill of those who are on the pension roll, and we wanted the Spanish-American War soldiers to be placed in the same position. Our House bill also carries a provision to allow $72 per month to a Spanish War, Philippine insurrection, or China Boxer rebellion veteran, in the event that he needed the regular aid and attendance of another person, and we were very anxious to see this provision go into the law at this time.

DELAY MIGHT BE FATAL

The Bursum bill now before us has already passed the Senate. Because of the parliamentary and legislative situation in the Senate Senator BURSUM had great difficulty in getting this bill through the Senate. If the House now passes this bill without amendment, it will go direct to the President for his approval, and we can get final action in a very few days. If we should amend this bill in any respect, it would have to go back to the Senate and be acted upon by that body again and more than likely would then have to go to conference. This delay might defeat the bill at the present session. Since the departments have assured us that these 80,000 Spanish-American War veterans will not be required to file applications to secure their increase, we feel that it is wise not to offer any amendments and jeopardize the passage of this legislation at the present session of Congress. Judge Alcorn, William L. Mattocks, Spanish War editor National Tribune, and other leaders and friends of the Spanish-American War veterans, were extremely anxious that the $72 provision go in for the Spanish-American War veterans, yet neither they nor other friends of this measure were willing to jeopardize this legislation. I think they have acted very wisely. This is a most splendid bill for the Spanish-American War veterans and their minor children. The veterans of no war and at no time have been able to get a better measure through Congress.

Mr. LOWREY. Will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. LOWREY. I want to say to the gentleman that my most critical objection is that it underestimates those men when we put the pension of the Spanish War soldiers 75 years of age at $50 and a Civil War soldier at $72.

Mr. ROBSION of Kentucky. Permit me to say to the gentleman that this bill for the Spanish-American War soldiers and sailors is the best bill that has ever been written for the soldiers of this country of any war. It has been 62 years since the Civil War began and 26 years since the Spanish-American War started. The average age of the Spanish-American War soldier is about 49 years. The average age of the Civil War soldier is about 81 years. Only a few years ago the Civil War veterans were granted less than half the rate of pension carried in this bill for the Spanish-American War soldiers. This bill is strongly indorsed by the Spanish-American War soldiers and their organizations.

Mr. O'CONNELL of New York. I was going to ask if the Spanish-American War organization has not accepted the bill.

Mr. ROBSION of Kentucky. The national organization and other organizations of the Spanish-American War soldiers have accepted it and are actively supporting the bill, and they have urged all of their friends in Congress to support it. This bill also provides an increase of pension from $4 per month to $8 per month for each minor child under 16 years of age of a deceased Spanish-American War soldier. There are about 80,000 Spanish-American War soldiers and sailors on the pension rolls. This bill provides for an automatic increase in their pensions. They will not have to go to the expense of filing new applications, and there will be no delay and the Government will not have to be put to the expense of considering these new applications. If the President signs the bill in April, these increases will begin on May 4, 1924, and if he signs it in May the increases will begin on June 4, 1924, and this will be without expense or delay to the soldiers, widows, and their children who are on the pension roll.

Mr. DENISON. Considering the allowance we have made to soldiers of the World War, is it not a fact that there is an existing inequality in the way we are treating the soldiers of the Spanish-American War compared with those others and that it is corrected in a way in this bill?

Mr. ROBSION of Kentucky. This bill does give great relief to the Spanish-American War soldiers, but the gentleman must not lose sight of the fact that the World War soldier must prove that his disability was contracted in the service in line of duty, whereas the Spanish-American War soldier merely has to prove he is disabled, and it may be he received his disability or disease since he returned from the Army. We passed a similar bill for the Civil War soldiers about 25 years after the Civil War, and in due time Congress no doubt will pass a like measure for the veterans of the World War.

Mr. TILLMAN. The gentleman and myself both come from the South. He is a Republican and I am a Democrat. He has stated that the Civil War with its bitterness has passed away and the blue and the gray join in fraternal greetings and good fellowship. This spirit commends itself to me. Just after the war the United States Governemnt levied and collected a tax of 2 cents per pound on the cotton in the South. It was believed then and is now believed by many that this was an illegal tax. Does not the gentleman think it would be just and right for the majority to join with the minority and provide for a return of this tax, amounting to more than $60,000,000, and distribute it as a pension to those who wore the gray and thereby cause a real reunion of spirit and sentiment among the blue and the gray?

Mr. ROBSION of Kentucky. The suggestion of the gentleman is very interesting indeed, but there is no such question before the House.

$8 EACH FOR MINOR CHILDREN

Under this bill the minor children under 16 years of age of deceased veterans who served in the military or naval forces of the United States in the Mexican War, Civil War, Indian War, Spanish-American War, Philippine insurrection, and China Boxer rebellion will receive $8 per month. This is likewise true as to minor children of those who served in the regular establishment whose deaths are due to service in line of duty. If there be no surviving widow, or she has married, the minor or idiotic children will receive $30 per month.

Under the present laws the minor children of the various soldiers and sailors in the various wars receive $6, $4, and $2 per month. You will note that the bill before us places the minor children of all deceased veterans on the same footing. There never was any good reason for this discrimination. The minor children of one class of veterans need the same attention as the minor children of other classes of veterans.

INDIAN WARS

This bill gives the Indian-war soldier $30 per month. He will receive $40 per month when he reaches 68 years of age and $50 when he reaches 75 years of age. It gives their widows $20 per month and $8 per month for each minor child under 16 years of age of deceased veterans. These veterans should not be neglected. They protected our frontiers and had to undergo many hardships.

GREAT SERVICE TO THE VETERANS AND DEPENDENTS

Both Pension Committees of the House, as I recall, unanimously indorsed this measure, and each and all of the members have given it their earnest, active, and loyal support, and I want to thank each one of them personally on behalf of the veterans for their splendid cooperation. I trust it will not appear unseemly to express the appreciation of myself and other friends of veterans in Congress for the information that has been brought to us as to the needs of the veterans and their dependents and the necessity for this legislation. The veterans can never repay the National Tribune and its distinguished editor and friend, Col. John McElroy, for their great service of a half century or more for the veterans of the Civil War and their dependents. This is likewise true as to Sergt. William L. Mattocks, official editor for the United Spanish War Veterans on the National Tribune; Hon. Gaylord M. Saltzgaber, former Commissioner of Pensions and now national commander of the Grand Army of the Republic; Gen. John Clem, the legislative representative for the Grand Army of the Republic, the drummer boy of Chickamauga; Mrs. Belle Bliss, president general of Women's Relief Corps; and Mrs. Eliza

Brown Doggett, secretary general of Women's Relief Corps; all have been untiring in bringing information to the Congress and urging action in behalf of the Civil War veterans and their dependents. Maj. Albert D. Alcorn, the distinguished national commander of the United Spanish-American War Veterans, and Col. Carmi Thompson, the legislative representative for this organization; Mrs. Florence M. Clark, president General Auxiliary Spanish War Veterans; and Mrs. Anna K. Juneau, chairman legislative committee; and Sergeant Mattocks, have been very active and earnest, and in a dignified way have brought to the Pension Committees and to the Congress the needs of the Spanish War veterans and their dependents. These leaders of these organizations have been most reasonable and conscientious in presenting the claims of our defenders and their dependents, and I desire to thank each one of them for the splendid manner in which they have presented their cause.

REPUBLICAN PARTY FRIEND OF VETERANS AND THEIR DEPENDENTS

The Republican Congress in enacting this most splendid piece of legislation has again given evidence of its friendship and tender regard for the defenders of this Republic and their widows and dependent children. I wish to congratulate Senator BURSUM for his most splendid efforts in behalf of our veterans and their dependents. There is no more able, active, and loyal friend of the soldiers in Congress or out than the distinguished Senator from New Mexico [Mr. BURSUM]. These veterans and their dependents owe to him a debt of gratitude. It was a Republican Congress that passed the act of May 1, 1920, for the Civil War, Mexican War veterans and their dependents. It was a Republican Congress that passed the act of June 5, 1920, for the Spanish War veterans and their dependents. It was a Republican Congress that passed the act of September 1, 1922, greatly increasing the pensions for the widows, children, and dependent parents of the Spanish-American War veterans, and now within a brief period of four years, we are passing this measure that gives about $55,000,000 in increases to the veterans, their widows, and their dependent children of all our wars. When the Republicans got control in 1919, they found a compensation law on the statute books, placed there by a Democratic Congress, giving to the service men of the World War with a 10 per cent disability incurred in the service, the pitiful sum of $3 per month, and if he was totally disabled, he received $30 per month. It was a Republican Congress that passed what is known as the Sweet amendment for the soldiers of the World War in which we fixed the minimum at $8 instead of $3 per month, and fixed the maximum at $100 instead of $30 per month. We extended the time three years for tubercular and mental cases. We put into effect millions of dollars of insurance that had lapsed. A Republican Congress provided for rehabilitation for World War veterans. Made it possible to retain and rehabilitate 200,000 World War heroes who were disabled in the service. We provided a single man should receive $100 per month in cash and free tuition while taking the training, a married man with a wife only $120 per month and free tuition, and a man with a wife and two children $152.50 per month in cash and free tuition while taking the training. Under this splendid law countless thousands of our heroic defenders have been retained and made self-sustaining, self-supporting citizens. A Republican Congress has appropriated millions of dollars to build splendid hospitals throughout the Nation to take care of our boys.

The Republican Party has always adhered to the policy of protecting our protectors and defending our defenders. No country will be or should be protected and defended if it fails to protect and defend its veterans.

Mr. BLACK of Texas. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, under the Constitution of the United States all citizens, soldiers and otherwise, are presumed to have equal rights; no special privilege for one as against the other. I want the chairman of this committee or the gentleman from Kentucky [Mr. ROBSION], or any other Member of this House, to tell me why the discrimination has been made in this bill against the rangers and Indian fighters of the country, the men who went to the frontier and protected this country and made the growth of this great Republic possible. They are of the same age. You will find them among the men who are now helpless, having reached 70 years of age and over. Why do you pay them under this bill only $30 a month and pay their brothers who performed service elsewhere and under different conditions $72 per month? Why do you pay the widows of one $35 to $45 and pay the widows of the Indian fighters only $20 a month? I ask one of the Members to explain that discrimination.

Mr. TILLMAN. Will the gentleman yield right there?

Mr. BLANTON. In just a minute. The gentleman from Arkansas can not explain it because he is on the same side of the question I am. He thinks an injustice has been done. There is not a man in this House who can satisfactorily explain it. I want to say this, this country is great because the brave American citizens had the courage and the fortitude and the hardihood to go to the West and the South on the frontiers and, with their courageous wives, face the dangers that existed. They made the growth of this Republic possible. Had it not been for them there would have been no great United States now. They went to danger without being heralded by a brass band. Their commissary wagons sometimes did not show up at mealtime. They underwent every kind of hardship that is known to Indian frontiers, and now in their old age, when they have reached 70 years of age, their country in the bill now before us pays them $30 a month and their widows $20 a month, and at the same time pays the soldiers that went to battle on other fields $72 and their widows $35 to $45 a month.

Mr. Speaker, this bill says that the 70-year old ranger and Indian fighter shall get $30 a month. If he is 72 years old, he gets $40; if he is 75, he get $50. But if the Civil War veteran is 75 years old, he gets $72, as against $50. Why do you pay the Civil War veterans $22 a month more?

Mr. ROBSION of Kentucky. They require more, and——

Mr. BLANTON. Oh, Mr. Speaker, the gentleman from Kentucky knows the rules. He takes up his own 10 minutes and then wants to take up somebody else's 5 minutes.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. FULLER. Mr. Speaker, will the gentleman from Texas [Mr. BLACK] use the balance of his time?

Mr. BLACK of Texas. I yield one minute to the gentleman from Missouri [Mr. FULBRIGHT].

The SPEAKER. The gentleman from Missouri is recognized for one minute.

Mr. FULBRIGHT. Mr. Speaker, I desire to state in behalf of the Democratic members of the Committee on Invalid Pensions that we voted unanimously to favorably report the pending bill. In fact, we even wanted to go further than the bill provides and give the widows of Civil War veterans a pension of $50 per month. It was our hope that the bill would pass the House without a dissenting vote. It is intended to give relief to the soldiers of various wars who responded to their country's call in time of peril. Questions of partisanship are not involved and it should be supported by Democrats and Republicans alike.

Mr. Speaker, in my opinion no appropriation or expenditure of the revenues of the Federal Government goes for a more worthy purpose, affords more genuine relief, or contributes more to the welfare of the people throughout the Nation as a whole than the money disbursed for pensions to the veterans of our various wars, their widows, and helpless children. This distribution of funds not only assists those who are the direct beneficiaries but being distributed in practically every municipality and neighborhood in the Nation it is at once put into circulation and has a tendency to stimulate business. The pending bill is not just what I think it should be in every detail, but it is seldom, if ever, that a measure of any importance meets in every respect the wishes of the entire membership of a great body like this. As a result, legislation is usually the result, to a certain extent, of compromise. As a member of the Committee on Invalid Pensions I have consistently advocated and favored a liberal pension policy, and while the Bursum bill is not as liberal in some respects as I think it should be, especially to widows of Civil War veterans, yet I think it possesses sufficient merit to entitle it to the support of the entire membership of this body. If there is any class of individuals in this country to whom we are obligated more than to another, it is to those who fight our battles and defend the Nation in times of peril. This bill is intended for the relief of the soldiers of the Civil War, the Mexican War, the Spanish-American War, and various Indian wars, their widows and children—a bill which grants relief to the men who at various times left their homes, families, and friends to give their lives, if necessary, in defense of their country's flag and in the interest of humanity.

I never have believed that the soldiers of the Spanish-American War have been given the credit they deserve or the recognition due them at the hands of the American people. I remember well when the call to colors came. The brutal treatment accorded the people in Cuba by their Spanish oppressor had shocked the civilization of the world. The arrogant and insulting conduct of the Spanish Government at the very threshold of the American Republic had kindled the fires of resentment

to the danger point. The sinking of the *Maine* gave us a battle cry, and under the inspiration "Remember the *Maine*" America went to arms. Without mercenary motives, but prompted solely by the desire to relieve a distressed and oppressed people and avenge the sinking of the *Maine*, our Army and Navy rushed to the scene of action. We can see the intrepid Roosevelt and his Rough Riders at San Juan Hill, and Dewey with his fleet on Manila Bay, exhibiting a courage and bravery that has become the subject of poetry and of song. The unconquerable spirit of the American soldiers pulled down the banner of Castile, crushed the merciless oppressor, and upon Habana's heights he reared aloft the banner of the free. We saw the Cuban people lifted from their bondage, rescued from the iron hand of oppression, and witnessed the once haughty Spanish Don stand with uncovered head and bended knee at the feet of the Goddess of Liberty. By the enactment of this law we go one step further in recognition of the boys who followed the flag in this war for humanity by increasing their pensions to a minimum of $20 and to a maximum of $50 per month, an increase that is fully deserved. The soldiers of the Mexican and Indian Wars and the War of 1812 rendered faithful and valiant service and are justly entitled to the increases given.

Pensions of soldiers of the Civil War are increased to $72 per month. The number of Civil War soldiers on the pension roll on December 31, 1923, was 158,851. The number of Civil War widows on the roll on the same date was 257,320. The estimated average age of Civil War veterans is approximately 81 years. The average age of the widow is estimated at approximately 75 years. These old veterans are dying at the rate of approximately 25,000 per year, and their widows in proportion. It will thus be seen that time will soon deplete the ranks of that once magnificent army who offered their services to the country in the Civil War between the States, and I do not think we should hesitate to grant the increase herein provided. While I do not want to be understood as measuring our obligation to these old soldiers and their widows in dollars and cents, and while, as before stated, I am heartily in favor of this bill, I feel that I would be derelict in my duty if I did not call the attention of the House to the fact that it was the opinion of the Democratic members of the committee that in justice to the widows of the Civil War veterans the date of marriage should have been extended and their pensions increased to $50 per month.

No one has rendered a more patriotic service to the Government than the widows of the Civil War veterans. While the dark demon of civil strife was still grappling with the destiny of the Republic many of these noble women, amid the shadows and dark forebodings that hovered around them, with tender and sympathetic hands placed garlands of glory over the graves of those who had died in order that the Republic might live. Through privation and want she continued to toil, undaunted by misery and suffering, until the war clouds were dispelled and the Union was saved. She has continued to care for the heroes who survived the conflict, and, whether blessed with luxury and plenty or clothed with poverty and misfortune, she has been a source of sunshine in the home. She has rejoiced with him in prosperity, shared his sorrows in adversity, walked with him down into the valley of the shadow of death, folded and laid away his faded coat of blue, and listened to the cold, dull thud of the clay as it fell upon the casket of him who fought to save our country and our flag. Through all these ordeals she has been the bulwark of the home, a loving mother, devoted wife, patient, faithful, loyal to the end.

Gentlemen, to my mind no conflict in the world's history reflects more sublime courage than was exhibited by both the soldiers of the North and the soldiers of the South during the Civil War. The soldiers of the South fought for a cause they thought to be right but which the arbitrament of war and the verdict of mankind decreed to be wrong. We are all glad that the Union was preserved and our hearts beat with sympathy and patriotic pride for those who made possible the preservation of the Union. To-day they are few in number. Time is rapidly depleting their ranks. But a few years and they will be no more. I thank God that a few still remain to remind us by their presence of the blood and tears that have been shed in the defense and preservation of this Republic. So far as I am concerned, there is nothing too good for these old heroes of the Civil War, their widows, and helpless children. It is the duty of the country they served to make their closing years as pleasant, happy, and comfortable as possible. For my part, whether in public or private life, I shall always endeavor to make their paths easy and their burdens light.

Mr. BLACK of Texas. Mr. Speaker, I yield one minute to the gentleman from Indiana [Mr. COOK].

The SPEAKER. The gentleman from Indiana is recognized for one minute.

Mr. COOK. Mr. Speaker, the soldiers of the Union—the number that remain—have one foot in the grave and the other foot uplifted to step in; and if this body ever gives them more than they are receiving now and that to which they are entitled, it will pass this bill. Every Democratic member of the Committee on Invalid Pensions was in favor of this bill and have been in favor of granting $50 a month to the widows. [Applause.]

I hope that no one will vote against this measure. I think after the blue and the gray met on the old battle field at Gettysburg a few years ago and there tented together and communed together we should forget all the strife between the North and the South and stand for that flag which stands for the Union. [Applause.]

I ask unanimous consent, Mr. Speaker, to extend my remarks in the RECORD.

The SPEAKER. The gentleman has that right.

Mr. FULLER. Mr. Speaker, I yield half a minute to the gentleman from Massachusetts [Mr. CONNERY].

The SPEAKER. The gentleman from Massachusetts is recognized for half a minute.

Mr. CONNERY. Mr. Speaker, on behalf of my colleague from Massachusetts, Mr. GALLIVAN, who is prevented from being present by illness, I wish to say that if he were here he would be glad to speak and vote for this bill.

Speaking for myself, Mr. Speaker, I am only too happy to speak and vote for this bill. [Applause.]

Mr. MACGREGOR. Mr. Speaker, I am unreservedly in favor of this legislation and think it should have been passed long ago. No money can repay the sacrifices that have been made by the boys who have been ready to spring to arms whenever the trumpet call has sounded for American manhood to "rally round the flag" and offer their youthful strength and courage in their country's cause.

We will never have a huge standing Army. The old militaristic policies of Europe will never take root and flourish in this fair land of ours, where the avocations of peace call to us with promises of fulfillment and reward, far transcending the Old World lure of military conquest.

When we must take arms for defense or principle we will again have to depend on the boys from the farm, the shop, and the home to rush to the colors as they always have done in the past. Fitting and proper it is, therefore, that we always prove by our care of them in their need that the old adage, "Republics are ungrateful," does not apply to this glorious Republic of ours.

The men who fought to preserve the Union, the men who protected our frontiers in the West from the Indians, the men who rushed to the front in the war for humanity which freed Cuba are now all past the vigorous productive years of their life. Many of them still bear the marks of ill health resulting from the stress of their campaigns. Many are old and feeble, and each year sees thousands of them passing into the great beyond and out of reach of our loving care and attention.

Let us make the twilight of their lives happy in the knowledge that their courage and sacrifice has been appreciated by the country they served.

Mr. THOMPSON. Mr. Speaker, I am for the Bursum bill which originated in the Senate. Senator BURSUM, of New Mexico, is the author, and deserves credit for his untiring efforts on behalf of the defenders of the Union. I want it passed by the House to-day and sent to the President for his approval. If not approved we have the votes to pass it over his veto. It is proposed that every survivor of the Civil War now receiving less than $72 per month shall automatically be increased to and receive a pension of $72 per month. There are approximately 150,000 veterans still on the roll.

As to widows, this bill provides that at the age of 60 years the pensions shall be increased to $35 per month. When a widow reaches the age of 74 years she receives $45 per month. It is impossible, however, for a widow of a soldier to obtain an increase of pension under this bill unless she was married at least 19 years ago, or June 27, 1905.

This bill also gives an increase to the married soldiers of the Civil War. It also gives an increase to the veterans of the Spanish and Indian wars.

It is high time we were passing this pension legislation for Civil War soldiers. They are responding rapidly to the grim reaper. The records at the Pension Bureau show an average rate of 140 every day. The surviving soldiers are over 80 years of age. Most of the widows of those who have passed away are nearly 75 years of age.

It has been 62 years since the Civil War. The clouds hung dark over the Republic. The boys in blue saved the

Republic. The 48 great States are united and cemented into one union by the blood and loyalty of those men. Each State is an empire within itself. Our Republic is to-day the recognized leader of the world.

We are 110,000,000 people with one great mind, one great heart, one great purpose, one great destiny with one flag and one loyalty. Do you think we could boast of this if the Stars and Stripes had not held the lines on the battle fields of the Republic. Let this Republic prove it is everlastingly grateful to its defenders. Let it not prove ungrateful. This Republic should see to it that the survivors of the Civil War and the widows and dependent children do not want for the necessities and comforts of life.

SPANISH-AMERICAN SOLDIERS

The Spanish-American soldiers are not forgotten in this bill. It has been 26 years since the *Maine* was blown up in Habana Harbor. It has been 26 years since, for the first time in the history of the Republic, our American soldiers were called upon to fight on foreign soil. All the soldiers were volunteers. Spain had nearly 30,000 trained soldiers in Cuba. We sent 20,000 volunteers there and in about 30 days Spain had been brought to her knees. The *Maine* had been avenged and Cuba was free.

These boys in both Cuba and the Philippines won for the American Republic imperishable renown. They created us a world power. They brought us valuable possessions beyond continental America. But best of all, they bridged the chasm of 1861 and healed the scars of the blue and the gray. They united us in a Nation as we had not been united before, and they continue to promote the spirit of a free and mighty Nation.

MEXICAN WAR

This bill grants $72 per month to all who served 60 days or more in the Mexican War. It also provides the same rate to all persons who served 90 days or more in the naval or military service of the United States, or what is known as the State Militia, between April 12, 1861, and August 20, 1866.

TO THE MAIMED

The bill also provides $85 per month for those who lost one hand or one foot in the service and in line of duty; $90 per month for those who have lost a leg above the knee or an arm above the elbow; $100 per month for those who have lost one hand and one foot; and $125 per month for those who have lost both arms or both legs, or who have been totally blinded in both eyes. All injuries must have been incurred in the line of duty.

It was a Republican Congress that passed the act of May 1, 1920, for the Civil War and Mexican War veterans and their dependents. It was a Republican Congress that passed the act of September 1, 1922, for the Spanish-American War veterans and their dependents, greatly increasing the pensions for the widows, children, and dependent parents of the Spanish-American War veterans. Now, within a brief period of four years we are passing this measure which gives about $35,000,000 in increases to the veterans, their widows, and dependent children of all wars.

COMPENSATION TO EX-SERVICE MEN

When the Republicans got control in 1919 they found a compensation law on the statute books, placed there by a Democratic Congress, giving to the service men of the World War (with a 10 per cent disability incurred in the service) the pitiful sum of $3 per month, and if totally disabled he received $30 per month.

What is known as the Sweet amendment changed that. It fixed the figure at $8 per month instead of $3 and raised the total disability figure from $30 to $100 per month. The time limit was also extended to three years for tubercular and mental cases. We put into effect millions of dollars of insurance that had lapsed. It was a Republican Congress that provided for rehabilitation for our World War veterans and made it possible to rehabilitate 200,000 World War heroes who were disabled in the service. It was provided that a single man should receive $100 per month in cash and free tuition while taking training; a married man with a wife, $120 per month cash and free tuition; and a man with a wife and two children, $132.50 cash and free tuition while taking training. A Republican Congress has appropriated millions of dollars to build splendid hospitals throughout the country to take care of the boys.

The Republican Congress and the Republican Party has always adhered to the policy of protecting our protectors and defending our defenders.

Mr. O'SULLIVAN. Mr. Speaker, no measure of a more meritorious nature will be acted on by this Congress than that now before us for consideration, which is popularly known as the Bursum bill. Of the cold facts with reference to its beneficiaries it is worth while to mention a few.

The names of 158,851 veterans of the Civil War were on the pension roll at the close of the last year, while 257,320 widows of Civil War veterans were on the roll at that time. These figures are being decreased with startling rapidity, for the average age of the veteran is over 80 and that of the widow is well into the seventies. It has been stated by the Pension Bureau that approximately 100 names are taken daily from the veterans' list by reason of their deaths. When it is realized that this means a total of over 30,000 veterans who die each year, the ravage which death is making in the ranks of the Grand Army becomes strikingly apparent. And while I have not the figures available to show the number of widows who are dying yearly, it is manifest that it will not be many years hence when the last of these noble women shall have passed away.

Under authority of the act of May 1, 1920, certain veterans were entitled to a monthly pension of $72. Of the total number on the roll only about 40,000 were able to take advantage of this provision of the existing law. In order, therefore, that all may receive a similar amount each month this bill provides a monthly pension of $72. For the widows some increase has been granted, not as liberal an increase as I would like to see written in the bill, however. In the future, when they reach the age of 60, their monthly allowance will be $35 instead of the present $30; when they reach the age of 74, the amount will be further increased to $45.

In similar manner increases have been granted to the veterans of the Spanish-American War, the Philippine insurrection, and the Boxer rebellion. Under this bill the minimum monthly pension will be $20 instead of the present $12; those receiving $15 receive an increase to $25; those receiving $18 are increased to $30; those receiving $24 are increased to $40; those receiving $30 are increased to $50. There are other features applicable to these veterans or their dependents, as, for example, the increase to be granted to the children of deceased veterans.

There should be no opposition to a measure of this character. It is an expression of that tardy gratitude that our Government owes to those of its soldiers who assisted in their humble way in the various wars in which we have been involved.

The situation holds for me, however, a bit of pathos. In so far as the veterans of the Grand Army are concerned, it is sad to observe this great and powerful country wait until the evening of their lives to grant to its defenders the increase which will add innumerable little comforts to its soldiers. These men, who carried to complete success the purposes of the immortal Lincoln, should long ago have received the consideration which is now to come to them. So, while it is late, too late in fact for many of them, let us grant ungrudgingly this little mite to add to the happiness of the rear guard of that great army.

And of equal merit is the claim of the veteran of the Spanish-American War, the Philippine insurrection, and the Boxer rebellion. I have always believed that the soldier of the Spanish-American War never received the credit that was his due. Perhaps it was because the Army was small as armies go, or perhaps it was due to the speed with which that Army completed the mission it set out to perform. But whatever the cause, it is indisputable that the praise ordinarily showered on the fighting man never fell on the veteran of that war. It should not be forgotten that the Army of 1898 was made up entirely of volunteers. The best that the country could furnish went into its make-up. From all States they came, eager and happy to join in a cause dedicated to punish those responsible for the destruction of the *Maine* and to wipe out the curse of Spanish oppression in Cuba. Hence, it is particularly pleasing to assist in this movement to grant to those veterans an added increase in pension. I trust that in the years to come we may as a Nation appreciate to a fuller extent than we appear to do at present the splendid service which the soldier of the Spanish War exhibited in all his undertakings.

Mr. LOWREY. Mr. Speaker, this bill proposes the following schedule of monthly pensions:

To men who were enlisted for 60 days in the Mexican War	$72
To men who were enlisted for 90 days in the Civil War	72
To widows of veterans of the War of 1812	50
To widows of veterans of the Mexican War	50
To widows of veterans of the Civil War married before June 27, 1905:	
If more than 60 years old	35
If more than 74 years old	45

To widows of veterans of the Civil War remarried and the marriage again dissolved	$30
To minor or helpless children of Civil War veterans	30
To Civil War Army nurses	50
To Indian war veterans under 72 years of age	30
To Indian war veterans between the ages of 72 and 75	40
To Indian war veterans over 75 years of age	50
To widows of Indian war veterans	20
Invalid pensions to Spanish-American War and Boxer rebellion veterans, depending on degree of disability	20 to 50
To veterans of Spanish-American War and Boxer rebellion above 62 years	20
To veterans of Spanish-American War and Boxer rebellion above 68 years	30
To veterans of Spanish-American War and Boxer rebellion above 72 years	40
To veterans of Spanish-American War and Boxer rebellion above 75 years	50

For the sake of charity let us rearrange some of these items, with a little running commentary on them. Suppose a man who enlisted in the Mexican War in New York City, lived there in comfortable quarters for 45 days, then spent 15 days going to Pittsburgh, and was there discharged, without ever having been within 2,000 miles of a battle field. He gets $72 a month. A man who at exactly the same time was fighting Indians in the upper Mississippi Valley, and going through some of the hardest and most heroic campaigning in our history, gets $50 a month. The widow of the first man gets $50 a month. The widow of the second man gets $20.

A Civil War veteran, whether he enlisted and stayed in Boston for 90 days and was then discharged, or whether he fought all the way from Bull Run to Appomattox, gets $72. A veteran of the Spanish-American War who is exactly the same age (and there are some of them exactly the same age) gets $50. The widow of the Civil War veteran, even though she married him 40 years after his service, gets from $35 to $45 a month. The widow of an Indian war veteran, who may have gone with him into the reaches of the Far West and lived there with him in an ill-constructed post, exposed to all the dangers and anxieties of such a life, gets $20 a month, $15 to $25 less than a woman who married a Civil War veteran in 1905 and lived with him a few years in a modern apartment house.

Another thing which I fear many gentlemen here will not comprehend, but which is nevertheless true: Two men, brothers, living in Kentucky or Virginia or Tennessee or Maryland, wherever you please, went to war in 1861, each to a different side, each to defend what he believed to be his rights under the same Constitution. They fought the war out, and since that time they have been living together in the same community, under the same Constitution, and the loyalty of neither has been impeached. Under this bill one of them gets nothing at all and helps to pay the other $72 per month. That situation has existed for 40 or 50 years and will continue to exist.

Mr. Speaker, no single item in this bill is consistent within itself or with any other item, singly or collectively, or with any abstract principle of equity or justice or community interest. It is not consistent with anything except with the idea that a certain organization of veterans of one of our ancient wars is politically powerful, or a certain fancied and mistaken sentimentality. This bogey of the soldier vote is a fearful and wonderful thing. I wonder if it will be as potent for the next 50 years as it has been for the last 50. Of course, I believe in compensating soldiers of any war who have actually suffered loss. But I say to you frankly that it is outrageous and vicious and subversive of all safe principles of government to propose that simply because a man once wore a uniform he and all his dependents are entitled to Government support for the rest of their lives. It is one thing to give a man immediate compensation for immediate loss and a vastly different thing to put him on the Government pay roll for life, regardless of his sacrifice, his service, or his need, as if the Government were a perennial Santa Claus who could pay money to him without taking it from his neighbors.

In the 59 years since Lee's surrender we have spent nearly six billion dollars for Civil War pensions, and now we are by this bill adding fifty-five million a year to our pension budget; fifty-five million more under this schedule than under the old schedule, which in 1922 amounted to about $254,000,000.

Think what it will mean in the next 50 years if we pursue a similar policy with reference to the 4,500,000 men enlisted in the recent World War. For illustration, I recently talked with a woman who as the widow of a Civil War veteran was receiving a pension of $30 a month. From her appearance I judge she was born either during the war or soon after. She really did not look to be 60 years old. Some years after the war, as a young woman, she had married a widower veteran who was decidedly her senior in age.

For some time she had been supported by him, sharing, I judge, his pension. When he passed away she herself was placed on the roll for a pension. She did not do anything toward winning the war. Her only ground for claim was that she married a veteran years after the war was over. And if the conditions of her married life were normal she had received material benefit from that. Yet she had come to feel that her country owed her a living, and was complaining that her allowance was insufficient and urging on me that Congress ought to increase her pension. It evidently had never occurred to her that she had not done anything for which anybody owed her a living. She was accepting it as a matter of course that she should receive a free support at the hands of her fellow citizens and was "peeved" because they were not making it more abundant.

I have met several similar cases. But let us suppose a case. Here is a boy 15 years old. He is the orphaned son of a former Union soldier. In 1865, 60 years ago, his father volunteered for service in the Union Army, then little older than this boy himself now is. The father trained for 90 days, but Lee surrendered, the company disbanded, and the gallant young fellow never got to the front.

All the soldier experience he had was that he received his blue uniform, his "care and keep and pay" for three months, got drill and development and experience that were valuable to him for the rest of his life, and enjoyed the approval of his conscience and his community upon having done what was considered his duty. But 43 years after the close of the war, then a brisk widower nearing 60 years, he married a young wife. The orphan boy, now receiving $30 a month pension, is the son of that marriage. His father had accumulated a reasonable estate and left it to him. He does not really need this $30, but it is available to him because his father 44 years before his birth served 3 months in an army training camp. And it is perfectly human that he should take it. Millions of struggling people are taxed for the funds out of which such pensions are paid.

But suppose another case—and this case is not altogether supposition. I saw him and heard him talk on an electric car recently. He could not have been more than 76 or 77, he looked 10 years younger. He said he was a veteran, but what service he saw he must have seen very near the close of the war. He was smug and well dressed, and he was severely criticizing President Harding for vetoing the pension bill a year ago.

Seventy-two dollars a month is twice the average American income, but this gentleman seemed convinced that his fellow citizens should be taxed to provide the fund from which he might have that amount added to his already sufficient fortune.

Finally, the conclusion to which I am driving is this: We need a complete revision of our principles and policies on the soldier pension question. It is not consistent that a citizen should expect his fellow citizens to spend their lives working to give him a free support simply because he at some time back in the past met his duty to respond when his country called. Again, it is not consistent that a man who loves his country well enough to fight for her should be willing to spend the rest of his life needlessly increasing tax burdens and keeping his country in financial troubles.

I believe in caring abundantly for a really disabled and needy soldier, and I am willing to pay any reasonable tax for that purpose. Yet I believe we ought to reach the time when a soldier himself shall feel that it is humiliating and discreditable to accept a living at the hands of his fellow citizens unless he is actually in need on account of his service.

The views that I have here expressed may not agree with your sentiments or your ideas of political expediency, but I believe you will admit that they are in accord with the highest principles of manhood, equity, and justice. Benjamin Franklin, the practical philosopher, said, "Be just before you are generous." How often we need to be reminded of that when we face the proposition of voting large sums of public money to make the road easy for somebody. Our generous impulse is to help the prospective recipient. But we need to be reminded that no man can receive money until somebody else pays it.

Mr. FULLER. Mr. Speaker, I yield the remainder of time to the distinguished gentleman from Ohio [Mr. SHERWOOD]. [General applause, the Members rising.]

Mr. SHERWOOD. Mr. Speaker and gentlemen of the House, I am for this bill because I believe it merits the support of every patriotic American.

I am responsible for the principle of service involved in this bill. One of the gentlemen who preceded me criticized it the gentleman from Indiana [Mr. COOK].

hung dark over the Republic. The boys in blue saved the

because it discriminates between the soldiers of the Spanish-American War and those of the Civil War. That discrimination is based on service. Up to the year 1906 we were legislating on disability and age. I introduced a bill for a pension based on service. After a struggle of four years I put that bill through the Congress of the United States. I claimed that there is no merit in being old. Consequently, there should be no pension for age. As I then said on the floor of the House, I was the oldest man on the floor at that time, and under that system I would be the most virtuous man on the floor of the House. [Applause.] I stand by that doctrine now.

It has been stated here that $72 a month for soldiers at the soldiers' homes is too much. I have numerous letters from the Sandusky Home and the National Home at Dayton, Ohio, to the effect that if these soldiers are given $72 a month they will abandon the home and live where they have old comrades and friends and where they will have the touch of children. [Applause.]

My time is limited, but I wish to say that when I put through the service bill—the $1 a day pension bill—it was said on the floor of the House that I would get the largest pension of any man on the floor. There were present a number of soldiers on the floor then. I said at that time that if they passed that bill I would never apply for a pension. I was the most disinterested man in the world. I never did apply. [Applause.] I said, "I will take care of myself," and I proceeded to take care of myself. I want to say that same thing now; but when I get old I may change my mind. [Applause.]

The SPEAKER. The question is on agreeing to the motion of the gentleman from Illinois [Mr. FULLER] to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The SPEAKER. Without objection, the similar bill, H. R. 7063, will be laid on the table.

There was no objection.

INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS

The SPEAKER. The Clerk will report No. 190 on the Consent Calendar.

The Clerk read as follows:

A joint resolution (S. J. Res. 79) to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications, to be held in Mexico City beginning March 27, 1924.

The SPEAKER. Is there objection to the present consideration of this joint resolution?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, may I ask the gentleman from New York [Mr. FAIRCHILD] what is the estimated cost of this?

Mr. FAIRCHILD. Thirty-three thousand dollars. No part of that will be paid in salaries, but only for expenses.

Mr. BLANTON. Why will $33,000 be needed?

Mr. FAIRCHILD. The report itemizes how the disbursements will be made.

Mr. BLANTON. How many are going to this meeting?

Mr. FAIRCHILD. The delegation is limited to three. Then they will have stenographers, a secretary, and experts, but it is purposed that the experts and all the employees who will be sent down there will be officials, so that no salaries will be paid, excepting as specifically mentioned in the report. The per diem allowance of $13,680 contemplates a per diem of $12 to the delegates, a per diem of $10 to the secretaries and technical experts, and a per diem of $6 to the interpreters and stenographers, all in lieu of subsistence.

Mr. BLANTON. Will the gentleman state exactly what benefit we are hoping to derive from this expenditure of $33,000?

Mr. FAIRCHILD. I would rather have that told by the Secretary of State, and I will ask that the letter from the Secretary of State to Congress be read.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. BLANTON. I object, Mr. Speaker.

Mr. FAIRCHILD. Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 79, as amended by the Committee on Foreign Affairs of the House.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass Senate Joint Resolution 79, which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 79) to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $33,000, to be expended under the direction of the Secretary of State, to defray the cost of representation of the United States at the meeting of the Inter-American Committee on Electrical Communication to be held in Mexico City, Mexico, in 1924: *Provided, however,* That the principal delegates shall not exceed three in number and shall be appointed by the President by and with the advice and consent of the Senate: *Provided further,* That no person engaged in any private business related to the subject matter of said meeting shall be appointed as delegate, technical expert, secretary, or assistant secretary.

The SPEAKER. Is a second demanded?

Mr. BLANTON. I demand a second, Mr. Speaker.

The SPEAKER. Is there any member of the committee opposed to the bill who desires to demand a second? The gentleman from Texas demands a second.

Mr. FAIRCHILD. Mr. Speaker, I ask that a second may be considered as ordered.

The SPEAKER. The gentleman from New York asks unanimous consent that a second may be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. FAIRCHILD. Mr. Speaker, I ask that the Clerk read the communications from the President of the United States, the Secretary of State, and the Director of the Bureau of the Budget.

The Clerk read as follows:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State concerning a meeting of the Inter-American Electrical Communications Committee, which will open at the City of Mexico on March 27, 1924, pursuant to a recommendation adopted by the Fifth International Conference of American States held at Santiago, Chile, March 25 to May 3, 1923. I request of Congress legislation authorizing an appropriation of $33,000, or so much thereof as may be necessary, for the purposes of participation by the Government of the United States in the said meeting, in the manner recommended by the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE,
Washington, February 7, 1924.

The PRESIDENT:

The Fifth International Conference of American States held at Santiago, Chile, from March 25 to May 3, 1923, adopted a resolution reading in part as follows:

"To recommend to the States belonging to the Pan American Union that in regulating their electrical communications they be guided by the following general principles:

"1. International electrical communications are intrinsically a public utility and therefore should be under supervision of the Governments concerned.

"2. Internal electrical communications, in so far as they affect or form a part of international communications, should be under Government supervision.

"3. In exercising such supervision the Governments should be guided by the principle of maximum efficiency in communications.

"4. Electrical communications for the use of the public, either national or international, should be open to all alike without discrimination of any kind.

"Second. To establish under the name of Inter-American Committee on Electrical Communications an inter-American technical committee to study the cooperation which might be established between the American States with regard to electrical communications, which committee shall be composed of not more than three delegates from each State member of the Pan American Union and shall meet at the time and the place which the governing board of the Pan American Union may determine.

"1. The Inter-American Committee on Electrical Communications shall study the best manner of applying, within each State, the general principles included in paragraph 1 of this resolution and shall draft conventions in which the principle of equity and due proportion in rates shall be recognized and which shall provide for uniformity in the rules of inter-American electrical communications, including radio, submarine cables, land telegraph lines, and land and submarine telephone lines.

"2. The meetings of the Inter-American Committee on Electrical Communications shall not last more than three months from the date of the first meeting. The conclusions at which it may arrive shall be presented to the governing board of the Pan American Union, so that this board may submit same to the consideration of the States which compose the Pan American Union."

In pursuance of the second section of the resolution, the governing board of the Pan American Union, at its regular session of November 7 last, agreed to have the meeting of the Inter-American Committee on Electrical Communications meet in the Mexican Republic. This decision being acceptable to the Mexican Government, that Government has designated the City of Mexico and March 27, 1924, as the place and time for the meeting of the committee, and has extended to the Government of the United States a courteous and formal invitation to appoint delegates to represent it at the meeting of the said committee.

The Department of State understands that practically all the Latin-American Governments will participate in this meeting; and the subject matter to be considered would seem to be of such importance to the interests of the United States as to necessitate this Government being well represented in the meeting. The delegation should be composed of 3 delegates, 6 technical experts, 2 secretary, 1 assistant secretary, 2 interpreters (to be obtained in Mexico City), 2 Spanish-English stenographers (to be obtained in Mexico City), and 2 stenographers (to be taken from Washington).

I have the honor, therefore, to recommend that the Congress be requested to authorize an appropriation of $33,000, or so much thereof as may be necessary, for the purposes of United States representation at the meeting of the Inter-American Committee on Electrical Communications at Mexico City on March 27, 1924.

This estimate of appropriation is based on the possible duration of the meeting for three months, and is itemized as follows:

Salary of secretary of delegation	$2,500
Salaries of 2 interpreters and 4 stenographers	3,000
Hotel accommodations for personnel and office rooms	4,110
Per diem allowance	13,680
Railway and Pullman fares	4,104
Miscellaneous (including stationery, entertaining, and printing)	5,006
Total	33,000

The per diem allowance of $13,680 contemplates a per diem of $12 to the delegates; a per diem of $10 to the secretaries and technical experts; and a per diem of $6 to the interpreters and stenographers, all in lieu of subsistence.

I inclose a copy of a letter from the Director of the Budget stating that the request is not in conflict with the financial program of the President.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, February 1, 1924.

BUREAU OF THE BUDGET,
Washington, January 25, 1924.

MY DEAR MR. SECRETARY: I have your letter of January 23, 1924, inclosing a copy of a proposed report to the President requesting that he recommend to Congress the authorization of an appropriation in the sum of $33,000, or so much thereof as may be necessary, for the purposes of United States representation at the meeting of the Inter-American Committee on Electrical Communications to open at Mexico City on March 27, 1924, and asking whether the proposed action is in harmony with the financial policy of the President.

It gives me pleasure to advise you that the proposed request for legislation authorizing an appropriation of $33,000 for the purpose stated is not in conflict with the financial program of the President.

Sincerely yours,

H. M. LORD, *Director.*

The SECRETARY OF STATE.

APRIL 9, 1924.

MY DEAR MR. PORTER: On February 7, 1924, the President transmitted to the Congress a report which I had sent to him under date of February 1, concerning the meeting of the Inter-American Electrical Communications Committee to be held at the city of Mexico, and requested of Congress legislation authorizing an appropriation of $33,000, or so much thereof as might be necessary, for the purposes of participation by this Government in the said meeting. A joint resolution authorizing the appropriation of this sum for the purposes mentioned passed the Senate on March 11, 1924.

The date for the meeting was originally set for March 27, 1924, but has been postponed and it is expected that it will now take place in Mexico City on May 27, 1924. I understand that practically all the Latin-American governments will participate in this meeting, and I consider the subject matter which will be discussed there to be of the greatest importance to the interests of the United States. I am sure that you will agree with me that if this Government is to be properly represented at the meeting in question early steps should be taken looking to the appointment of the principal delegates and technical advisors, in order that they may meet and consider together the problems to be dealt with at the meeting, and that arrangements should be made for the proper housing and functioning of the delegation. Such steps can not, of course, be taken until Congress has authorized the appropriation requested. I am therefore writing to you in order to bring to your attention the urgency of the matter, with the hope that it may be possible to expedite the consideration of this proposed legislation.

I am, my dear Mr. PORTER,
Very sincerely yours,

CHARLES E. HUGHES.

Mr. FAIRCHILD. Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. CHINDBLOM). The gentleman has used 10 minutes of his time.

Mr. BLANTON. Mr. Speaker, I have asked a number of prominent Members of this House to tell us something about the necessity for this resolution, but I can not find any who can tell me. I notice that the chairman of our great Appropriations Committee has just asked for the report, so that he may find out something about it. It behooves him to find out something about it, because he must furnish this money.

I want to ask the distinguished gentleman from New York to tell us who is going down here to Mexico on this trip.

Mr. FAIRCHILD. I will answer that by saying this: It is understood that only officials who are already in the pay of the Government will go.

Mr. BLANTON. What officials?

Mr. FAIRCHILD. The officials who will be, of course, designated appropriately by the department.

Mr. BLANTON. And the gentleman does not know who they are?

Mr. FAIRCHILD. Of course not.

Mr. BLANTON. I thought so.

Mr. FAIRCHILD. Nor would it occur to the gentleman from New York to ask the Secretary of State in advance whom the President would appoint.

Mr. BLANTON. If I had been on the committee, I would have asked those questions and I would have found out.

Mr. FAIRCHILD. Of course, the gentleman from Texas——

Mr. BLANTON. I do not yield except when I ask a question. My question has been answered, and I do not yield further. But we are not in such a hurry but what we can stop and find out something about what we are passing on. We are now holding night sessions. We are going to have a night session to-night, and I shall be here; but we have a right to stop and ask about the measures we are called to pass upon, measures which take money out of the Treasury, when our constituents at home have to pay the bill.

Now, I want to show you something about the extravagance contained in this resolution, and you can not change it by your vote. You can not cut one penny off of this resolution calling for the expenditure of $33,000 even if you should think it was too much. You can not stop it, because it is taken up under suspension of the rules, which prevents all amendments.

Mr. MADDEN. We may be able to cut something off when we appropriate.

Mr. BLANTON. Not if the House now authorizes it?

Mr. MADDEN. Oh, yes.

Mr. BLANTON. But the gentleman from Illinois is too good a citizen to deny the will of Congress when it speaks through a law.

Mr. FAIRCHILD. Will the gentleman yield?

Mr. BLANTON. In a moment. When Congress speaks through a law the gentleman from Illinois, the chairman of the Committee on Appropriations, always furnishes the money.

I want to show you the extravagance in this resolution, this junketing trip, mostly, and we do not even know who the junketeers are. Here is the salary of the secretary of the delegation, and we do not know whether the secretary is to be a man or a woman. The salary of the secretary is fixed at $2,500.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GARRETT of Tennessee. Let me ask the gentleman what difference it makes as to the personnel of the commission? Are not the merits of the proposition to be determined independent of the personnel?

Mr. BLANTON. Yes; but I am going to show you something about some of the personnel here, because some personnels require more miscellaneous items than others.

Mr. GARRETT of Tennessee. Is not the organization limited?

Mr. BLANTON. Yes; but in lump sums. For instance, the salary of the secretary is $2,500; the salary of the interpreters and stenographers is fixed at $3,000; the hotel accommodations are $4,110; and the per diem allowance is $13,680.

Mr. GARRETT of Tennessee. The gentleman can be sure it will all be used?

Mr. BLANTON. Oh, yes, and it will be appropriated, too, every dollar of this $33,000.

Mr. FAIRCHILD. The gentleman from Texas wants to be fair?

Mr. BLANTON. Just wait a minute.

Mr. FAIRCHILD. I know the gentleman wants to be fair; he wants to be fair to-day.

Mr. BLANTON. If it is going to save time I will yield.

Mr. FAIRCHILD. The gentleman stated that the per diem allowance is $13,680, but the gentleman neglected to state what immediately follows that item, namely, that it is all in lieu of subsistence and they are not to receive any salaries.

Mr. BLANTON. Now, wait a minute. I was reading right down the column without skipping a word. Let us see whether I was fair. I read "per diem allowance $13,680" and the gentleman from New York [Mr. FAIRCHILD] said I did not read what follows. Here is what follows in the next line: "Railway and Pullman fares $4,104." Was I skipping anything?

Mr. FAIRCHILD. No; but one thing at a time. You were referring to an item of $13,680. Here is the statement about that.

Mr. BLANTON. Mr. Chairman, I refuse to yield further.

The SPEAKER. The gentleman declines to yield.

Mr. BLANTON. It is the gentleman from New York who is wrong. I am going to read this column over consecutively and I will not skip a word.

Mr. FAIRCHILD. Read the explanatory paragraph.

Mr. BLANTON. I will read that when I get ready. The gentleman is not going to make my speech for me. I am going to make my own speech.

Mr. FAIRCHILD. You want to make an accurate speech.

Mr. BLANTON. My speech is accurate.

The SPEAKER. Gentlemen must not interrupt without getting consent.

Mr. BLANTON. Of course, the gentleman should not, Mr. Speaker; but the gentleman is a rather new Member and will learn after a while. [Laughter.]

I am going to read this column over, and I am not going to skip one word and you can see whether I read correctly. Salary of secretary of delegation, $2,500; salaries of two interpreters and four stenographers, $3,600; hotel accommodations for personnel and office rooms, $4,110; per diem allowance, $13,680; railway and Pullman fares, $4,104; miscellaneous—including stationery, entertaining; I want you to get that, "entertaining" and printing—$5,006; making a total of $33,000.

I am going to let the gentleman from New York [Mr. FAIRCHILD] read all the explanatory notes he wants. I have read all that is in this column of $33,000.

Do you know how these resolutions are prepared? Do you think the President sent this to us? No. There are always a few friends of ours connected with the Government in the executive departments who have planned this trip down to Mexico. They have gone to the President and had him sign this little note to us. They knew that was necessary to get this bill passed. They have had Mr. Secretary Hughes send his little letter to Congress saying it is necessary, and they knew that the first thing the gentleman from Illinois [Mr. MADDEN] would ask them for was an indorsement from the Budget. So they went to General Lord and got his indorsement, and the thing is now fixed, and they bring it up here under a suspension of the rules, without even the chairman of the Appropriations Committee knowing anything about it, without even the minority leader knowing anything about it, without any of the membership, except a little handful, knowing anything about it, and they expect us to swallow it like we do everything else they bring on the floor. I am not going to do it. I am going to have enough nerve to get up here and protest against this continual spending. You say, "Oh, the President indorses it." He has indorsed about a three and a half billion dollar administration, has he not? Because every bill that is taking that three and a half billion dollars out of the Treasury has been signed by the President, and it would probably have been the same if there had been a Democratic President. Presidents sign things lots of times that are stuck under their noses by prominent politicians under a demand, which under ordinary circumstances they would not sign at all, and somebody ought to get up here and protest against it if we are ever going to stop such expenditures. Every time they bring a resolution in here that takes $33,000 out of the Treasury, that even smacks of a possible junket, I am going to get up here and protest against it. And after a while we are going to stop it.

The SPEAKER. The question is on the motion of the gentleman from New York to suspend the rules and pass the bill.

The question was taken; and there were on a division (demanded by Mr. BLANTON)—ayes 58, noes 20.

So two-thirds having voted in favor thereof, the bill was passed.

NORTHERN PACIFIC LAND GRANTS

The SPEAKER. The Clerk will report No. 229 on the Consent Calendar.

The Clerk read as follows:

H. J. Res. 237, directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read as follows:

Joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes

Resolved, etc., That the Secretary of the Interior is hereby directed to withhold until March 4, 1927, his approval of the adjustment of the Northern Pacific land grants under the act of July 2, 1864, and the joint resolution of May 31, 1870, and he is also hereby directed to withhold the issuance of any further patents and muniments of title under the said act and the said resolution or any legislative enactments supplemental thereto or connected therewith until after Congress shall have made a full and complete inquiry into the said land grants and the acts supplemental thereto for the purpose of considering legislation to meet the respective rights of the Northern Pacific Railroad Co. and its successors and the United States in the premises: *Provided*, That this act shall not prevent the adjudication of any claims arising under the public land laws where the claimants are not seeking title through the grants to the Northern Pacific Railroad Co., or its successors, or any acts in modification thereof or supplemental thereto: *Provided further*, That the inhibition against the approval of said land grants and the issuance of patents and muniments of title thereunder shall terminate on March 4, 1927, unless on said date said land grants and the proceedings thereunder are being adjudicated in the courts, in which event the approval of said land grants and the issuance of patents and muniments of title shall await the final adjudication thereof.

SEC. 2. The Secretary of the Interior is hereby directed to advise Congress of the status of the said Northern Pacific land grants, recommending such action as he believes right and proper for the further adjustment thereof.

SEC. 3. That a joint committee of both Houses of Congress is hereby created to be composed of four Members of the Senate to be appointed by the President thereof, and four Members of the House of Representatives to be appointed by the Speaker of that body. Any vacancy occurring on the committee shall be filled in the same manner as the original appointment. The said committee is hereby empowered and directed to make a thorough and complete investigation of the land grants of the Northern Pacific Railroad Co. and its successor, the Northern Pacific Railway Co., under the act of July 2, 1864 (13 Stat. L. p. 365), and the joint resolution of May 31, 1870 (16 Stat. L. p. 378), and any other acts of Congress supplemental thereto or connected therewith, and the facts and the law pertaining thereto and arising therefrom, and to report to Congress its conclusions and recommendations based thereon. Said committee or any subcommittee theeroof is hereby empowered to sit and act during the session or recess of Congress or of either House thereof; to require by subpœna or otherwise the attendance of witnesses and the production of books, documents, and papers; to take the testimony of witnesses under oath; to obtain documents, papers, and other information from the several departments of the Government or any bureau thereof; to employ stenographers to take and to make a record of all evidence taken and received by the committee and to keep a record of its proceedings; to have such evidence, record, and other matter required by the committee printed and suitably bound; and to employ such assistance as may be deemed necessary. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or the chairman of any subcommittee thereof. And in case of disobedience to a subpœna this committee may invoke the aid of any court of the United States or of the District of Columbia within the jurisdiction of which any inquiry may be carried on by said committee in requiring the attendance and testimony of witnesses, and the production of books, papers, and documents under the provisions of this resolution. And any such court within the jurisdiction of which the inquiry under this resolution is being carried on may in case of contumacy or refusal to obey a subpœna issued on any person under authority of this resolution issue an order requiring such person to appear before said committee and produce books and papers, if so ordered, and give evidence touching the matter in question, and any failure to obey such order of the court may be punished by such court as a contempt thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared refuses to answer any question pertinent to the investigation herein authorized, shall be deemed guilty of a misdemeanor and upon conviction thereof be punished by a fine of not more than $1,000 and imprisonment for not more than one year.

The sum of $50,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treasury

not otherwise appropriated, to pay the necessary expenses of said joint committee, the sum to be disbursed by the secretary of the committee upon vouchers to be approved by the chairman of the committee.

With the following committee amendments:

Page 2, line 23, strike out the word "four" and insert the word "five"; page 2, line 25, strike out the word "four" and insert the word "five"; page 3, line 16, after the word "thereof," insert the words "in the District of Columbia or elsewhere in the United States."

The SPEAKER. The question is on agreeing to the committee amendments.

The question was taken, and the committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote by which the bill was passed was laid on the table.

COMPENSATION OF LEGISLATIVE OFFICERS AND EMPLOYEES

Mr. MADDEN. Mr. Speaker, I move to suspend the rules and pass H. R. 8262, a bill to fix the compensation of officers and employees of the legislative branch of the Government.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman withhold that just a moment and give me permission to make an announcement? I desire, Mr. Speaker, to announce for the benefit of many Members who are interested, that the petition to withdraw the Barkley bill from the committee has received the necessary 150 signatures. [Applause.]

The SPEAKER. The gentleman from Illinois moves to suspend the rules and pass the bill H. R. 8262, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government

Be it enacted, etc.

SECTION 1. The following positions and annual (except where specified otherwise) rates of compensation are hereby established:

SENATE

OFFICE OF THE VICE PRESIDENT

Secretary to the Vice President, $4,200; clerk, $1,940; assistant clerk, $2,060; messenger, $1,310.

CHAPLAIN

Chaplain of the Senate, $1,520.

OFFICE OF THE SECRETARY

Secretary of the Senate, including compensation as disbursing officer of salaries of Senators, and of contingent fund of the Senate, $6,500; assistant secretary, Henry M. Rose, $5,500; reading clerk, $4,500; financial clerk, $4,500; chief clerk, $3,420; assistant financial clerk, $3,600; minute and Journal clerk, $3,600; principal clerk, $3,150; librarian, $3,000; enrolling clerk, $3,150; printing clerk, $3,000; executive clerk, $2,890; file clerk, chief bookkeeper, and assistant Journal clerk, at $2,880 each; first assistant librarian, and keeper of stationery, $2,780 each; assistant librarian, $2,150; skilled laborer, $1,520; clerks—3 at $2,880 each, 2 at $2,590 each, 1 $2,460, 1 $2,100, 1 $1,770; assistant keeper of stationery, $2,360; assistant in stationery room, $1,520; messenger in library, $1,310; special officer, $2,150; assistant messenger, $1,520; laborers—3 at $1,140 each, 3 at $1,010 each, 1 in stationery room, $1,440.

DOCUMENT ROOM

Superintendent, $3,500; first assistant, $2,880; 2 clerks at $1,770 each; skilled laborer, $1,520.

COMMITTEE EMPLOYEES

Clerks and messengers to the following committees: Agriculture and Forestry—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Appropriations—clerk, $6,000; assistant clerk, $3,300; assistant clerk, $3,000; 3 assistant clerks, at $2,700 each; 2 assistant clerks, at $2,100 each; messenger, $1,440. To Audit and Control the Contingent Expenses of the Senate—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Banking and Currency—clerk, $3,300; assistant clerk, $2,150; 2 assistant clerks, at $1,830 each. Civil Service—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Claims—clerk, $3,300; assistant clerk, $2,570; assistant clerk, $2,360; 2 assistant clerks, at $1,830 each. Commerce—clerk, $3,300; assistant clerk, $2,590; assistant clerk, $2,150, assistant clerk, $1,830. Conference Minority of the Senate—clerk, $3,300; assistant clerk, $2,150; 2 assistant clerks, at $1,830 each. District of Columbia—clerk, $3,300; assistant clerk, $2,480; assistant clerk, $1,830; additional clerk, $1,520. Education and Labor—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Enrolled Bills—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Expenditures in the Executive Departments—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Finance—clerk, $3,600; special assistant to the committee, $3,150; assistant clerk, $2,590; assistant clerk, $2,460; assistant clerk, $1,940; 2 assistant clerks, at $1,830 each; 2 experts (1 for the majority and 1 for the minority), at $2,360 each; messenger, $1,520. Foreign Relations—clerk, $3,300; assistant clerk, $2,590; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Immigration—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Indian Affairs—clerk, $3,300; assistant clerk, $2,570; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Interoceanic Canals—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Interstate Commerce—clerk, $3,300; 2 assistant clerks, at $2,150 each; assistant clerk, $1,830. Irrigation and Reclamation—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Judiciary—clerk, $3,300; assistant clerk, $2,590; 2 assistant clerks, at $2,150 each; assistant clerk, $1,830. Library—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Manufactures—clerk, $3,300; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Military Affairs—clerk, $3,300; assistant clerk, $2,590; additional clerk, $1,940; 3 assistant clerks, at $1,830 each. Mines and Mining—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Naval Affairs—clerk, $3,300; assistant clerk, $2,590; 2 assistant clerks, at $1,830 each. Patents—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Pensions—clerk, $3,300; assistant clerk, $2,150; 4 assistant clerks, at $1,830 each. Post Offices and Post Roads—clerk, $3,300; assistant clerk, $2,460; 3 assistant clerks, at $1,830 each. Printing—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Privileges and Elections—clerk, $3,300; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Public Buildings and Grounds—clerk, $3,300; assistant clerk, $1,840; assistant clerk, $1,830; additional clerk, $1,520. Public Lands and Surveys—clerk, $3,300; assistant clerk, $2,360; assistant clerk, $2,150; 2 assistant clerks, at $1,830 each. Revision of the Laws—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Rules—clerk, $3,300, to include full compensation for the preparation biennially of the Senate Manual under the direction of the Committee on Rules; 2 assistant clerks, at $2,150 each; assistant clerk, $1,830; additional clerk, $1,520. Territories and Insular Possessions—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520.

CLERICAL ASSISTANCE TO SENATORS

Clerical assistance to Senators who are not chairmen of the committees specifically provided for herein, as follows: Seventy clerks at $3,300 each, 70 assistant clerks at $1,940 each, and 70 assistant clerks at $1,830 each. Such clerks and assistant clerks shall be ex officio clerks and assistant clerks of any committee of which their Senator is chairman.

Seventy-one additional clerks at $1,520 each, 1 for each Senator having no more than 1 clerk and 2 assistant clerks for himself or for the committee of which he is chairman.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Sergeant at Arms and Doorkeeper, $6,500; Assistant Doorkeeper, $4,200; Acting Assistant Doorkeeper, $4,200; 2 floor assistants, at $3,600 each; messengers—5 (acting as assistant doorkeepers, including 5 for minority), at $2,150 each; 38 (including 1 for minority), at $1,770 each; 1, $1,310; 1 at card door, $1,940; clerk on Journal work for CONGRESSIONAL RECORD, to be selected by the official reporters, $2,800; storekeeper, $2,740; stenographer in charge of furniture accounts and records, $1,520; upholsterer and locksmith, $1,770; cabinetmaker, $1,520; 3 carpenters, at $1,390 each; janitor, $1,520; 5 skilled laborers, at $1,310 each; laborer in charge of private passage, $1,340; 3 female attendants in charge of ladies' retiring rooms, at $1,240 each; 3 attendants to women's toilet rooms, Senate Office Building, at $1,010 each; telephone operators—chief, $2,040; 4, at $1,200 each; night operator, $1,010; telephone page, $1,010; laborer in charge of Senate toilet rooms in old library space, $950; press gallery—superintendent, $2,740; assistant superintendent, $1,840; messenger for service to press correspondents, $1,240; laborers—3, at $1,100 each; 34, at $1,010 each; 21 pages for the Senate Chamber, at the rate of $3.30 per day each, during the session.

Police force for Senate Office Building under the Sergeant at Arms: Sixteen privates, $1,360 each; special officer, $1,520.

POST OFFICE

Postmaster, $2,740; chief clerk, $2,150; 8 mail carriers and 1 wagon master, at $1,520 each; 3 riding pages, at $1,220 each.

FOLDING ROOM

Superintendent, $1,940; foreman, $1,940; assistant, $1,730; clerk, $1,520; folders—7 at $1,310 each; 7 at $1,140 each.

The Clerk read as follows:

hereby authorized to be appropriated, out of any money in the Treasury

rolled Bills—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,520; folders—7 at $1,310 each; 7 at $1,140 each.

CAPITOL POLICE

Captain, $2,150; 3 lieutenants, at $1,520 each; 2 special officers, at $1,520 each; 3 sergeants, at $1,410 each; 44 privates, at $1,300 each.

JOINT COMMITTEE ON PRINTING

Clerk, $4,000; inspector, $2,490; stenographer, $1,740.

OFFICE OF ARCHITECT OF THE CAPITOL

Architect of the Capitol, $6,000; chief clerk and accountant, $3,150; civil engineer, $2,770; construction draftsman, $2,360; 2 clerks, at $1,520 each; laborers—2 at $1,010 each, 2 at $950 each; forewoman of charwomen, $760; 21 charwomen, at $410 each; 48 elevator conductors, at $1,520 each.

HOUSE OF REPRESENTATIVES

OFFICE OF THE SPEAKER

Secretary to the Speaker, $4,200; clerk to the Speaker's table, $3,600, and for preparing Digest of the Rules, $1,000 per annum; clerk to the Speaker, $1,940; messenger to the Speaker's table, $1,520; messenger to the Speaker, $1,440.

CHAPLAIN

Chaplain of the House of Representatives, $1,520.

OFFICE OF THE CLERK

Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, $6,500; journal clerk, and two reading clerks, at $4,200 each; disbursing clerk, $3,570; tally clerk, $3,470; file clerk, $3,420; enrolling clerk, $3,200 and $1,000 additional so long as the position is held by the present incumbent; property custodian and superintendent of furniture and repair shop, who shall be a skilled cabinetmaker or upholsterer and experienced in the construction and purchase of furniture, $3,600; two assistant custodians at $3,000 each; chief bill clerk, $3,150; assistant enrolling clerk, $2,880; assistant to disbursing clerk, $2,780; stationery clerk, $2,570; librarian, $2,460; assistant librarian, $2,240; assistant file clerk, $2,250; assistant librarian, and assistant journal clerk, at $2,150 each; clerks—one $2,150; three at $2,020 each; bookkeeper, and assistant in disbursing office, at $1,940 each; four assistants to chief bill clerk, at $1,830 each; stenographer to the Clerk, $1,730; locksmith and typewriter repairer, $1,620; messenger and clock repairer, $1,520; assistant in stationery room, $1,520; three messengers, at $1,410 each; stenographer to Journal clerk, $1,310; nine telephone operators, at $1,200 each; three session telephone operators, at $100 per month each; substitute telephone operator, when required, at $3.90 per day; laborers—three at $1,200 each, nine at $1,010 each.

COMMITTEE EMPLOYEES

Clerks, messengers, and janitors, to the following committees: Accounts—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Agriculture—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Appropriations—clerk, $5,000, and $1,000 additional so long as the position is held by the present incumbent; assistant clerk, $4,000; six assistant clerks, at $3,000 each; assistant clerk, $2,440; janitor, $1,440. Banking and Currency—clerk, $2,360; assistant clerk, $1,520, janitor, $1,010. Census—clerk, $2,360; janitor, $1,010. Claims—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Coinage, Weights, and Measures—clerk, $2,360; janitor, $1,010. Disposition of Useless Executive Papers—clerk, $2,360. District of Columbia—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Education—clerk, $2,360. Election of President, Vice President, and Representatives in Congress—clerk, $2,360. Elections No. 1—clerk, $2,360; janitor, $1,010. Elections No. 2—clerk, $2,360; janitor, $1,010. Elections No. 3—clerk, $2,360; janitor, $1,010. Enrolled Bills—clerk, $2,360; janitor, $1,010. Flood Control—clerk, $2,360; janitor, $1,010. Foreign Affairs—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Immigration and Naturalization—clerk, $2,360; janitor, $1,010. Indian Affairs—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Industrial Arts and Expositions—clerk, $2,360; janitor, $1,010. Insular Affairs—clerk, $2,360; janitor, $1,010. Interstate and Foreign Commerce—clerk, $2,880; additional clerk, $2,360; assistant clerk, $1,830; janitor, $1,310. Irrigation and Reclamation—clerk, $2,360; janitor, $1,010. Invalid Pensions—clerk, $2,880; stenographer, $2,560; assistant clerk, $2,360; janitor, $1,240. Judiciary—clerk, $2,880; assistant clerk, $1,940; janitor $1,240. Labor—clerk, $2,360; janitor, $1,010. Library—clerk, $2,360; janitor, $1,010. Merchant Marine and Fisheries—clerk, $2,360; janitor, $1,010. Military Affairs—clerk, $2,880; assistant clerk, $1,830; janitor, $1,310. Mines and Mining—clerk, $2,360; janitor, $1,010. Naval Affairs—clerk, $2,880; assistant clerk, $1,830; janitor, $1,310. Patents—clerk, $2,360; janitor, $1,010. Pensions—clerk, $2,880; assistant clerk, $1,940; janitor, $1,010. Post Office and Post Roads—clerk, $2,880; assistant clerk, $1,730; janitor, $1,310. Printing—clerk, $2,360; janitor, $1,310. Public Buildings and Grounds—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Public Lands—clerk, $2,360; assistant clerk, $1,520; janitor, $1,010. Civil Service—clerk, $2,360; janitor, $1,010. Revision of the Laws—clerk, $3,000; janitor, $1,010. Rivers and Harbors—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Roads—clerk, $2,360; janitor, $1,010. Rules—clerk, $2,360; assistant clerk, $1,830; janitor, $1,010. Territories—clerk, $2,360; janitor, $1,010. War Claims—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Ways and Means—clerk, $3,600; assistant clerk and stenographer, $2,360; assistant clerk, $2,250; janitors—one $1,310, one $1,010. World War Veterans' Legislation—clerk, $2,880; assistant clerk, $2,150.

OFFICE OF SERGEANT AT ARMS

Sergeant at Arms, $6,500; Deputy Sergeant at Arms, $2,880; cashier, $4,000; two bookkeepers, at $2,640 each; Deputy Sergeant at Arms in charge of pairs, $2,150; pair clerk and messenger, $2,150; messenger, $1,730; stenographer and typewriter, $1,200; skilled laborer, $1,140.

Police force, House Office Building, under the Sergeant at Arms; Lieutenant, $1,520; 19 privates, at $1,300 each.

OFFICE OF THE DOORKEEPER

Doorkeeper, $5,000; special employee, $2,040; superintendent of House press gallery, $2,240; assistant to the superintendent of the House press gallery, $1,520; janitor, $2,040; messengers—17 at $1,500 each, 14 on soldiers' roll at $1,520 each; laborers—17 at $1,010 each, 2 known as cloakroom men at $1,140 each, 8 known as cloakroom men, 1 at $1,010, and 7 at $890 each; 2 female attendants in ladies' retiring rooms at $1,440 each; superintendent of folding room, $2,880; foreman of folding room, $2,340; chief clerk to superintendent of folding room, $2,150; three clerks at $1,940 each; janitor, $1,010; laborer, $1,010; 31 folders, at $1,200 each; shipping clerk, $1,520; 2 drivers, at $1,140 each; 2 chief pages at $1,740 each; 2 telephone pages, at $1,440 each; 2 floor managers of telephones (1 for the minority) at $2,400 each; assistant messenger in charge of telephones, $1,830; 42 pages during the session at $2.30 per day each; laborer, $1,100; superintendent of document room, $3,050; assistant superintendent of document room, $2,460; clerk, $2,040; assistant clerk, $1,940; 8 assistants at $1,600 each; janitor, $1,220; messenger to pressroom, $1,310.

SPECIAL AND MINORITY EMPLOYEES

Special employee (Joel Grayson) in the document room, $2,240.

Six minority employees at $2,150 each, authorized and named in the resolution of December 5, 1923.

Assistant foreman of the folding room, authorized in the resolution of September 30, 1913, at $4.76 per day.

Laborer, authorized and named in the resolution of April 28, 1914, $1,140.

Laborer, authorized and named in the resolution of December 19, 1901, $1,140.

Clerk, under the direction of the Clerk of the House, named in the resolution of February 13, 1923, $2,740.

Successors to any of the employees provided for in the five preceding paragraphs may be named by the House of Representatives at any time.

Office of the majority floor leader: Legislative clerk, $3,600; clerk $2,880; assistant clerk, $1,830; janitor, $1,310.

Conference minority: Clerk, $2,880; assistant clerk, $1,740; janitor, $1,310. The foregoing employees to be appointed by the minority leader.

Two messengers, one in the majority caucus room, and one in the minority caucus room, to be appointed by the majority and minority whips, respectively, at $1,520 each.

POST OFFICE

Postmaster, $4,200; assistant postmaster, $2,570; registry and money-order clerk, $1,830; 34 messengers (including 1 to superintend transportation of mails) at $1,520 each; substitute messengers and extra services of regular employees, when required, at the rate of not to exceed $105 per month each; laborer, $1,010.

OFFICIAL REPORTERS OF DEBATES

Six official reporters of the proceedings and debates of the House, at $6,000 each; assistant, $3,000; 6 expert transcribers, at $1,520 each; janitor, $1,220.

COMMITTEE STENOGRAPHERS

Four stenographers to committees, at $6,000 each; janitor, $1,220.

CLERK HIRE, MEMBERS, DELEGATES, AND RESIDENT COMMISSIONER

The clerk hire for each Member, Delegate, and Resident Commissioner shall be at the rate of $4,000 per annum, and shall be paid in accordance with the act of January 25, 1923 (42 Stat. ch. 43, p. 1217): *Provided*, That no person shall receive a salary from such clerk hire at a rate in excess of $3,300 per annum.

SEC. 2. This act shall take effect on July 1, 1924.

The SPEAKER. Is a second demanded?

Mr. BYRNS of Tennessee. Mr. Speaker, I demand a second.

Mr. MADDEN. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Illinois asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Speaker, this bill came up under a motion to suspend the rules two weeks ago to-day. It provides for

a readjustment of the compensation of all the employees in the legislative branch of the Government. It includes the clerks to Members of the House and the clerks to Members of the Senate; it includes committee clerks of both the House and the Senate; it includes the watchmen, the Doorkeeper's force, the force of the Architect of the Capitol, and all persons employed under legislative jurisdiction.

The compensation received by clerks to Members of the House has been by appropriation $3,200 per annum for each Member. In addition to that we have been paying $240 bonus to each employee. It has been within the power of House Members to employ more than one clerk to be paid out of the $3,200. The clerks so employed receiving less than $2,500 per annum have been entitled, under the practice, to receive $240 bonus, so that a Member employing two clerks receiving a basic compensation of $3,200 would really be receiving $3,680. There is no legislative authority for this.

The compensation I have just described has all been done by annual appropriation. I think the only legislative authority for compensation of clerks to Members is $1,500 per annum. If this bill fails the Appropriations Committee will feel compelled to go back in making the appropriations to $1,500 for each Member's clerk hire. If the bill passes it will give $4,000 for each Member's clerk hire except in cases where only one clerk is to be employed, and in that case it will carry $3,300. There will be no bonus to be paid to them. It would be a maximum and minimum.

We have heard it complained that Senators draw very much more compensation for clerk hire than Members of the House. It is true they do, and I also say that they should. There is no question about that, but the maximum clerk hire to be paid for the chief clerk of any Senator is to be $3,300. In addition to the chief clerk there would be three other clerks, and the total for clerk hire to Senators is about $7,700. Under this bill the total to Senators will be about $8,400. To-day the Senator draws 47.4 per cent of all the money appropriated for clerk hire. Under this bill a Senator will draw 45.4 per cent, so that a Senator would be cut in the amount he could pay below what he is doing at the present time.

This bill does not come from the Appropriations Committee. It comes from the joint committee authorized by Congress, of which I happen to be a member. When we were authorized to do this work we immediately proceeded to the task and worked as diligently as we knew how for many weeks to adjust this compensation. What was the basis of our adjustment? I think the House is entitled to know that. You have already had what is known as the classification act. That act provided for the appointment of a board of three members. That board had the power to classify all administrative employees within the District of Columbia. The classification of the employees engaged in the administrative branches of the Government provided that the existing base pay, that is, the base pay for each class which existed before the reclassification act was passed, should be one of the considerations, to which should be added a $240 existing annual bonus, and then whatever the per cent might amount to would bring them up to the standard fixed under the act by the Classification Board. It so happens that the average per cent of increase fixed by the Classification Board to the existing base pay and the bonus for employees engaged in the administrative positions of the Government was about 5 per cent; that is, the base pay of $240 and 5 per cent on the aggregate of these two.

Then the question arose, would the committee that had jurisdiction over the adjustment of compensation for the legislative employees pay these employees more or less than the administrative employees were receiving. Our committee decided, very properly, I think, that the people employed in the legislative branch of the Government should receive as good treatment and as high compensation as those who are engaged in the other branches of the Government service. This bill provides for all employees the existing base pay, the bonus where the bonus applies, and about 8 per cent above the aggregate of these two. But where the compensation is $4,500 or more the committee made no increase whatever. And more than that, wherever a person in the legislative service received an increase in compensation within the last year or two no increase whatever was granted in such case.

The joint committee felt that if a man had influence enough to get his compensation increased he was fortunate, and that he had been drawing increased compensation a year in advance of his fellows. Therefore we felt that he ought not to get any increase under this bill, and the committee recommends no increase in such cases.

We submit the work of the committee as a reasonably fair business conclusion of a subject to which was given both painstaking care and consideration in the preparation of the report and the bill which is now before the House for its consideration. I reserve the remainder of my time.

Mr. BYRNS of Tennessee. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, it is a pretty difficult proposition when one fellow is forced into the lead all of the time to oppose such bills as this. Somebody ought to say something against this bill. This is not the kind of a bill that ought to be brought up under suspension of the rules, which prevents all amendments from being offered. It is not the kind of a bill that the distinguished gentleman from Illinois [Mr. MADDEN] usually would bring up under those circumstances. We voted on this bill two weeks ago and defeated it, and on a record vote it lacked one vote of passing. There were 207 votes for it and 105 votes against it, which was one vote less than the necessary two-thirds majority. It is true that if one of those 105 had changed over it would have had a two-thirds majority and would have passed. So that it was the vote of one man that stopped it and everyone of those 105 men may claim the honor—and it was an honor—of stopping a bill like this from passing under suspension of the rules.

I understand that the gentleman from Illinois [Mr. MADDEN] is using psychology in bringing this bill up again to-day. It is the first time since I have been in Congress that within two weeks after the House killed a bill it is brought up again.

Mr. MADDEN. Mr. Speaker, will the gentleman yield? One reason I am bringing it up now is this——

Mr. BLANTON. Oh, please do not take up my time, because I can not get any more. Gentlemen know the psychology that he is using. Our clerks and secretaries are getting a bonus now, and on July 1 that bonus will stop, and the gentleman from Illinois [Mr. MADDEN] knows that we know that, and he knows that we know that our allowance for clerk hire in this bill has been raised, and the word has been passed out among us that if we kill this bill at this time our friend from Illinois is going to let us go to, and is not going to bring this bill up any more this session. That sword is being held over us here to force us into voting for a bill that we do not think ought to be brought up under suspension of the rules. I am not going to vote for it, and I am going to see to it that the gentleman has a roll call on this bill and I am going to see that every man who votes for it goes on record for it.

Mr. MADDEN. Every man that votes for it will be on record.

Mr. BLANTON. Yes. I think everyone of us ought to be on record every time we vote on anything, so that the people may find out which of us are voting right and which of us are voting wrong. I wish it were so that on every bill that comes on this floor for passage we could have a record vote so that we could go down in black and white "yea" and "nay," and let the people know exactly how we are voting on the various measures. I imagine if that were so some bills would not be passed.

I know that Members hate to lose this bonus. I know that we are worked very hard in our offices. I know there is a strong temptation here to Members to save their clerks and their office hire this bonus, and I do not think it is fair to put us in that sort of situation where we either have to deprive them of it or vote for a bill like this under suspension of the rules. Why can not the gentleman from Illinois and the steering committee of this House arrange to take this bill up under the regular rules of the House and give us a chance to amend it where we see fit, and change the items and iron out the inequalities and inequities that exist in the bill? Why does he not do that?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BYRNS of Tennessee. Mr. Speaker, when this bill was under consideration two weeks ago I explained my reason for opposition to it at some length. I do not care to repeat those reasons now, and unless some gentleman desires time I yield back the remainder of my time.

Mr. RANKIN. Mr. Speaker, inasmuch as there is going to be a point of no quorum made in any event, I make that point of order now.

Mr. BLANTON. Oh, do not do that. We will not have any record vote if the gentleman does that, and he knows it.

Mr. RANKIN. No; I do not. A sufficient number can demand a record vote. Members should be here to hear this debate.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. Evidently there is not.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Doyle	Lehlbach	Sanders, Ind.
Anderson	Drane	Little	Sanders, N. Y.
Andrew	Drewry	Logan	Schall
Anthony	Edmonds	Luce	Scott
Bacharach	Favrot	McClintic	Sears, Fla.
Barkley	Fenn	McLeod	Shreve
Beers	Foster	McNulty	Sproul, Kans.
Bell	Gallivan	MacGregor	Sullivan
Bixler	Geran	Magee, Pa.	Swoope
Black, N. Y.	Goldsborough	Merritt	Taber
Boylan	Green, Iowa	Michaelson	Taylor, Colo.
Brand, Ga.	Griest	Miller, Ill.	Temple
Britten	Griffin	Mills	Thatcher
Brumm	Hammer	Morin	Tucker
Bulwinkle	Hill, Md.	Mudd	Vare
Butler	Howard, Okla.	Paige	Ward, N. Y.
Byrnes, S. C.	Hull, Tenn.	Patterson	Ward, N. C.
Campbell	Johnson, Wash.	Perlman	Wason
Casey	Kahn	Phillips	Watres
Clark, Fla.	Keller	Prall	Watson
Cleary	Kelly	Purnell	Weller
Cole, Ohio	Kendall	Quayle	Welsh
Connolly, Pa.	Kent	Ramseyer	Wertz
Croll	Kerr	Ransley	Wingo
Cummings	Kiess	Rathbone	Wood
Curry	Knutson	Reed, W. Va.	Woodruff
Darrow	Kurtz	Reid, Ill.	Wurzbach
Deal	Langley	Rogers, N. H.	Wyant
Dempsey	Larson, Minn.	Rosenbloom	Yates
Dickstein	Lee, Ga.	Rouse	Zihlman

The SPEAKER. Three hundred and eleven Members have answered to their names; a quorum is present.

Mr. MADDEN. Mr. Speaker, I move to dispense with further proceedings under the case.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The question is on the motion of the gentleman from Illinois to suspend the rules and pass the bill.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. BLANTON. I ask for a division, Mr. Speaker.

The House divided; and there were—ayes 197, noes 34.

Mr. BLANTON. I ask for the yeas and nays.

The SPEAKER. Eleven gentlemen have arisen, not a sufficient number, and the yeas and nays are refused.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

INDIAN LANDS, FORT HALL INDIAN RESERVATION IN IDAHO

The SPEAKER. The Clerk will call No. 184 on the Consent Calendar.

The Clerk read as follows:

A bill (H. R. 6864) authorizing the use of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project.

The SPEAKER. Is there objection to the present consideration of the bill.

Mr. BLANTON. I object, Mr. Speaker.

Mr. SMITH. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2902) with the accompanying amendments, which I send to the Clerk's desk.

The SPEAKER. The gentleman from Idaho moves to suspend the rules and pass with amendments the Senate bill which the Clerk will report.

The Clerk read as follows:

A bill (S. 2902) authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project

Be it enacted, etc., That subject to payment being made as provided herein, there is hereby granted to the United States, its successors and assigns, for the proposed American Falls Reservoir on the Snake River under the Minidoka Federal irrigation project, in Idaho, all right, title, and interest the Indians have to the tribal and allotted lands within that section of the Fort Hall Indian Reservation commonly referred to as the Fort Hall Bottoms, which lands will be inundated by the impounding of 1,700,000 acre-feet of water within said proposed reservoir, together with a 5-foot freeboard, the elevation of which shall be established, using as a basis the 1,500,000 acre-foot contour line as shown in what is known as the Dyer-Dietz-Banks appraisal of Indian lands dated December 30, 1922, and on file in the Department of the Interior subject to the reservation of an easement to the Fort Hall Indians to use the said lands for grazing, hunting, fishing, and gathering of wood, etc., the same way as obtained prior to this enactment, in so far as such uses shall not interfere with the use of said lands for reservoir purposes.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to acquire by agreement or condemnation proceedings the area of allotted lands described in section 1. The value fixed by agreement with the allottees, and in any case where it may become necessary to institute condemnation proceedings for such purpose, the value of the allotment or allotments involved as determined by such proceedings, shall be paid out of the sum deposited to the credit of the Fort Hall Indians as provided in section 3 hereof.

SEC. 3. That in consideration of the rights granted in section 1 hereof of both tribal and allotted lands there shall be deposited in the Treasury of the United States to the credit of the Fort Hall Indians the total sum of $700,000, which sum shall be taken from moneys appropriated for the construction of said reservoir: *Provided*, That the said sum of $700,000, when so deposited, shall draw interest at the rate of 4 per cent per annum.

SEC. 4. Should any lands above the 5-foot freeboard, as provided in section 1, be damaged on account of the reservoir, the amount of the damage shall be determined by a board consisting of three members—two of which shall be appointed by the Secretary of the Interior—one from the Bureau of Indian Affairs and one from the Bureau of Reclamation, the third member, who shall be a disinterested party, to be selected by the two so appointed. The amount of damage as fixed by the board shall be taken from moneys appropriated for the construction of said reservoir and deposited in the Treasury of the United States to the credit of the Fort Hall Indians.

SEC. 5. That there is hereby authorized to be appropriated not to exceed $100,000 of the money when deposited to the credit of the Fort Hall Tribe of Indians for use in relocating, enlarging, and reconstructing the main canal of the Fort Hall irrigation project to provide irrigation facilities for Indian lands situated in the southern portion of the Fort Hall Reservation, commonly known as the Michand Flats, which amount so expended shall be reimbursed to the tribe by the Indians whose lands are benefited on a per acre basis in accordance with such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That in all cases where the Indian title becomes extinguished prior to total reimbursement of the sum assessed against any particular allotment the party acquiring title to such allotment shall be required to execute an agreement before any water will be furnished therefor, providing for the payment of construction charges assessed against such lands, and for the payment of the annual operation and maintenance charges.

The SPEAKER. Is a second demanded? If not, the question is on suspending the rules and passing the bill.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The SPEAKER. Without objection, H. R. 6864 will lie on the table.

There was no objection.

RELIEF OF THE DROUGHT-STRICKEN AREAS OF NEW MEXICO

Mr. HAUGEN. Mr. Speaker, I call up the conference report on Senate Joint Resolution 52.

The SPEAKER. The gentleman from Iowa calls up a conference report on the joint resolution which the Clerk will report by title.

The Clerk read as follows:

Senate Joint Resolution 52, for the relief of the drought-stricken farm areas of New Mexico.

The conference report was read, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken areas of New Mexico having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to amendments numbered 1, 2, and 3, and agree to the same.

The committee of conference have not agreed upon the amendment of the House numbered 4.

G. N. HAUGEN,
CHARLES B. WARD,
J. B. ASWELL,
Managers on the part of the House.

C. L. MCNARY,
ARTHUR CAPPER,
E. D. SMITH,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas in New Mexico, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment No. 1: Strikes out the preamble of the resolution; and the Senate recedes.

On amendment No. 2: Strikes out "seed, feed, food, and" and inserts in lieu thereof "seed and feed."

On amendment No. 3: Strikes out "expenses" and inserts in lieu thereof "purposes."

The effect of these two amendments is to prevent this fund from being used in the purchase of food or for farming expenses and limits its use to the purchase of seed and feed for actual farming purposes; and the Senate recedes on the two amendments.

On amendment No. 4: This amendment strikes out a section carrying an appropriation of $1,000,000 and a clause making that appropriation immediately available, and inserts in lieu thereof a new section authorizing an appropriation of $1,000,000; and on this amendment the committee in conference have not agreed.

G. N. HAUGEN,
C. B. WARD,
J. B. ASWELL,
Managers on the part of the House.

Mr. HAUGEN. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that the conferees recede on House amendment No. 4.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the conferees recede on House amendment No. 4. Is there objection? [After a pause.] The Chair hears none.

APPROPRIATIONS, DEPARTMENT OF AGRICULTURE

Mr. MAGEE of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7220.

The motion was agreed to; accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7220, with Mr. DOWELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7220, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PRINTING AND BINDING

For all printing and binding for the Department of Agriculture, including all of its bureaus, offices, institutions, and services, located in Washington, D. C., and elsewhere, $738,000, including the annual report of the Secretary of Agriculture, as required by the act approved January 12, 1895, and in pursuance of the Joint Resolution No. 13, approved March 30, 1906, and also including not to exceed $250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct, but not including work done at the field printing plants of the Weather Bureau and the Forest Service authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I want to ask a question of the gentleman in charge of the bill. Here are two items in this paragraph that involve practically a million dollars for printing for the Department of Agriculture. Why should that money be appropriated out of the Treasury when the work is done by the Government Printing Office, and for all of the expenses of this Government Printing Office other appropriations are made out of the Treasury? Why should we not merely provide that the Agricultural Department shall be permitted to have printing done at the Government Printing Office under a certain maximum amount without appropriating a million dollars and having the department pay it to the Printing Office and it in turn to pay it to the Treasury Department, which it does under the law?

Mr. MAGEE of New York. We have to appropriate the money for this printing, and how it shall be done and who shall do it is at the discretion of the Secretary of Agriculture.

Mr. BLANTON. I was merely calling attention to the archaic method we have of duplicating appropriations for the same thing. We have a Government Printing Office plant with 4,000 employees, approximately, and we appropriate in another bill money to pay every dollar they spend in the operation of that plant. We pay the men their salaries, we pay for the equipment, we pay for the paper, and other fixtures which they use, and then, instead of authorizing the Department of Agriculture to go there and have so much printing done, we make another appropriation of nearly a million dollars and turn it over to the Agricultural Department and let them go down there and pay it to the Printing Office and let the Printing Office pay that back into the General Treasury.

It occurs to me that there is a lot of duplication. It takes lots of bookkeeping and it takes lots of clerks to carry on that bookkeeping.

Mr. DICKINSON of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DICKINSON of Iowa. The gentleman is entirely mistaken. The legislative bill simply carries a portion of the salaries for the employees of the Printing Office. That portion is only a small percentage, and this printing shop down here would only function for a short time if it were not for the allocations on each bill, whereby the bureaus and departments are to pay to the printing plant the amount of their printing bill, as required under the law.

Mr. BLANTON. Is the gentleman sure about that?

Mr. DICKINSON of Iowa. I am pretty sure about it.

Mr. BLANTON. I have been down there several times within the last seven years to find out exactly how the business is handled, and I find out down there that every dollar that comes into that Printing Office is turned into the Federal Treasury. Every dollar of it. They do not pay the expenses out of their receipts. They depend upon appropriations that the Congress makes for their own expenses. Every dollar that they take in down there, as it should be done, is paid into the Treasury.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DENISON. How else could you determine what amount of printing each department should have? If you did not do that, every department would try to take up all the resources of the Printing Office.

Mr. BLANTON. The gentleman was not listening, I imagine, when I opened up this argument. I said that instead of making a double appropriation, we merely ought to authorize the Department of Agriculture to have a certain amount of printing done at the Government Printing Office.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. We could handle it this way: Simply authorize them to call on the Printing Office and have that much printing done. That saves a double appropriation. We ought to get out of these archaic methods of handling the Government business. Before the next year's bill comes I hope the committee will investigate, and I am confident that they will find out that they can save the Government a whole lot in clerk hire and bookkeeping.

Mr. DICKINSON of Iowa. I am charged with the legislative bill. In the legislative bill we appropriate only for the overhead, the Public Printer and certain of his employees, and the rest of the employees are paid out of the allotments given to these different departments for printing.

Mr. BLANTON. If the gentleman investigates, I am sure he will find out that all these sums are paid by the Government Printing Office into the Treasury.

Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

OFFICE OF EXPERIMENT STATIONS

Salaries: For chief of office and other personal services in the District of Columbia in accordance with the classification act of 1923, $39,188.

Mr. KINCHELOE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky moves to strike out the last word.

Mr. KINCHELOE. I would like to get some information. I notice this bill is different from the appropriation bill of last year in the fact that in nearly all of these bureaus the salaries were enumerated and itemized in last year's bill. In this same section in last year's bill you gave salaries to clerks and assistant clerks, and so forth. Here you insert a lump sum. Why do you do that?

Mr. MAGEE of New York. You are referring to page 2?

Mr. KINCHELOE. Yes.

Mr. MAGEE of New York. That is because of the classification act.

Mr. KINCHELOE. That is what I wanted to know. Is it by reason of this classification act that you do not itemize it?

Mr. MAGEE of New York. Yes. The same provision here identically was incorporated in the Interior Department appropriation bill and the Post Office appropriation bill and each of the other appropriation bills.

Mr. KINCHELOE. Hereafter, when the reclassification act is permanently established, will these items be set out in detail, as heretofore?

Mr. MAGEE of New York. I understand that they are likely to be. It is not feasible to do so in the present state of the work under the classification act.

Mr. KINCHELOE. This is just a lump-sum appropriation to the various bureaus of the department to spend as they want to?

Mr. MAGEE of New York. No. The classification act takes care of that. We threshed this question out in Committee of the Whole three or four times. I think the gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, has explained it on at least two different occasions.

Mr. KINCHELOE. Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. The gentleman from Kentucky withdraws his pro forma amendment. The Clerk will read.

The Clerk read as follows:

For inspection and quarantine works, including all necessary expenses for the eradication of scables in sheep and cattle, the inspection of southern cattle, the supervision of the transportation of livestock, and the inspection of vessels, the execution of the 28-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon; the inspection work relative to the existence of contagious diseases, and the mallein testing of animals, $518,000: *Provided*, That no part of this sum shall be used for the manufacture, preparation, or distribution of blackleg vaccine.

Mr. PEERY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PEERY: Page 15, line 1, after the colon, strike out the remainder of line 1 and all of lines 2 and 3.

Mr. PEERY. Mr. Chairman and gentlemen of the committee, the words appearing here, which this amendment seeks to strike out, are a prohibition against the use of any part of this fund of $518,000 by the Secretary of Agriculture for the manufacture, preparation, or distribution of blackleg vaccine.

Up to a few years ago the Department of Agriculture devoted a certain amount of money to the manufacture, preparation, and distribution of this blackleg vaccine. I understand from members of the committee that the position of the committee with reference to the continuance of this appropriation is this, that other concerns—private concerns—are now engaged in the production of this vaccine, and that they are producing a vaccine that is as potent and perhaps more potent than that produced by the Department of Agriculture.

Now, if that be true, I have no quarrel with the principle that the Government should not go into business in opposition to private enterprise, but this situation confronts the livestock producers in my section: The Government vaccine proved to be very effective. The vaccine that they now get from the drug stores is not effective, and they say it fails to do the work.

The main thing that we are interested in is to get a vaccine that is potent and effective. This disease of blackleg, which attacks cattle, is very disastrous, and a great many of the cattle are lost on account of it if they are not properly safeguarded against it.

And a great many cattle are lost if the vaccine is not applied and if they are not vaccinated against this disease.

The object of the amendment I am offering is merely to strike out this language and leave it within the discretion of the Secretary of Agriculture as to whether any part of this fund of $518,000 shall be used for the manufacture and preparation of this blackleg vaccine. It seems to me, inasmuch as it does not mean an increase in the appropriation, that it is but fair to the livestock producers to leave this matter to the discretion of the Secretary of Agriculture and let him determine whether any part of it shall be used for that purpose. With that end in view I offer this amendment. It seems to me it can not hurt the private concerns engaged in its manufacture, because if they are producing a vaccine that is potent and effective, they will continue to do so; it simply leaves it within the discretion of the Secretary of Agriculture as to whether or not any part of this fund shall be used for that purpose.

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. PEERY. Yes.

Mr. DICKINSON of Iowa. If this language were stricken from the bill, would it not be interpreted by the Department of Agriculture as directing them to prepare themselves to furnish blackleg vaccine?

Mr. PEERY. I do not think so, and for this reason: There is no prohibition in the bill against the manufacture and preparation of any other vaccine.

Mr. DICKINSON of Iowa. But would not the gentleman feel that it would direct them to prepare this vaccine and make them feel it was their duty to furnish it in case some one else did not furnish the proper kind of vaccine?

Mr. PEERY. My thought is to leave it within the discretion of the Secretary of Agriculture, and that is what I seek to accomplish by means of this amendment.

Mr. DICKINSON of Iowa. The fact that you take out the limitation would be interpreted by the department as making it mandatory for them to prepare themselves to do the very thing they think they should not do.

Mr. PEERY. Let me ask this question: You appropriate a certain amount, $518,000, for inspection and quarantine work and for the eradication of certain contagious diseases. Now, why should there be a prohibition against one disease and not against others?

Mr. DICKINSON of Iowa. Because the other fields have been sufficiently covered and the department thinks this field has been sufficiently covered so that they should not engage in the manufacture of this vaccine.

Mr. PEERY. If that be true—and, as I say, I have no quarrel with that principle—no harm could come from the adoption of this amendment. I do not think the Government should enter into competition with private enterprise provided private enterprise is meeting the situation.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. PEERY. Mr. Chairman, I ask unanimous consent to proceed for one more minute.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause]. The Chair hears none.

Mr. PEERY. But if private enterprise is not producing—as the farmers in my section say it is not—a vaccine that will accomplish the best results, what is the objection to leaving it within the discretion of the Secretary of Agriculture as to whether or not the department should enter into the manufacture of this vaccine?

Mr. WILLIAMSON. Will the gentleman yield?

Mr. PEERY. Yes.

Mr. WILLIAMSON. The gentleman's amendment, then, simply provides for the striking out of the proviso?

Mr. PEERY. Yes.

Mr. WILLIAMSON. In my judgment that would not give the Secretary of Agriculture authority to have this vaccine made, even though he should think it necessary.

Mr. PEERY. I think he already has the authority, and it would leave it to the discretion of the Secretary of Agriculture as to whether or not any part should be devoted to that particular purpose.

Mr. WILLIAMSON. The gentleman thinks that under the law as it now stands, with the proviso stricken out, the Secretary of Agriculture would have authority to produce this vaccine if it should be deemed necessary?

Mr. PEERY. That is what I think; yes.

Mr. YOUNG. Where is the language which gives him that authority?

Mr. PEERY. Well, this appropriation is carried for the purpose of inspection and quarantine work.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. MAGEE of New York. Mr. Chairman, I rise in opposition to the amendment. As I understand the situation, the Department of Agriculture takes the position that it can not attempt to manufacture this vaccine unless a very material appropriation is made so that the department can carry it on in a large way and compete with commercial organizations. Congress determined two years ago that the department should not be given the money with which to do this. The hearings on this proposition were very short, but for the information of the members of the committee I will read a question put by Mr. ANDERSON to Doctor Mohler, of the Department of Agriculture:

Mr. ANDERSON. Is it necessary to continue this language to keep it up?

Doctor MOHLER. I do not think so. We have that understanding that we are not going to go into it any further.

Mr. RUBEY. Will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. RUBEY. To what language does the gentleman refer?

Mr. MAGEE of New York. The distribution and preparation of blackleg vaccine, found on page 98 of the hearings of 1924.

Mr. JONES. Will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. JONES. Did the department give any reason for not wanting to distribute this vaccine?

Mr. MAGEE of New York. The gentleman will understand that this is Mr. ANDERSON's bill and I do not want to mislead them, but as I understand it, the position of the department is that it is not advantageous for the department to go into the manufacture of this blackleg vaccine unless a very material appropriation is made and an attempt is made to do it on a large scale, the department contending that it can not manufacture this vaccine in competition with commercial organizations.

Mr. JONES. I had the matter up with the department a year or two ago, especially with reference to changing and utilizing what is commonly known as the Kansas vaccine, which the people in my country, and I understand in many other sections, believe is the best type of vaccine, but the department said they could not do it without a materially increased appropriation. That being so, I was wondering whether it would not be a good idea to appropriate the necessary funds to make it possible to prepare this vaccine and distribute it, because this is a terrible malady.

Mr. MAGEE of New York. I understand that, but I further understand there is no difficulty about anyone getting this vaccine at a reasonable price as produced by commercial organizations.

Mr. JONES. But some of it produced by commercial organizations is good and some is not, and I understand there is a good deal of worthless vaccine distributed.

Mr. MAGEE of New York. In the hearings of 1923 when this subject matter was up, Doctor Mohler stated as follows:

I remember, Mr. Chairman, that two years ago I came before the committee and requested that we either be given enough money to make an improved blackleg vaccine or else let this $5,000 appropriation for blackleg vaccine lapse entirely. I stated that there was better blackleg vaccine on the market than that which the Government was distributing free of charge.

Mr. JONES. That is the information they gave me, and they stated that to make this improved style of vaccine they could not use the dead or worthless animals but had to have live animals out of which to make it, and would have to have appropriations enough to cover the purchase of such animals, and that it would take a materially increased appropriation and they did not want to make a second-grade article. But he conveyed to me the information that they would be delighted to continue the process of distribution if the Congress would make the necessary appropriation to take care of the production of the improved type of vaccine.

Mr. MAGEE of New York. I can only give the gentleman my understanding.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MAGEE of New York. Mr. Chairman, I ask for two additional minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MAGEE of New York. To answer the gentleman from Texas, my understanding is, speaking for myself, that the department is not anxious to get into the manufacture of this vaccine, and the people can buy a better product on the market than the department could hope to make. That is my understanding of the proposition.

Mr. HUDSPETH. Mr. Chairman, I move to strike out the last word. Gentlemen of the committee, when the Government did manufacture this vaccine free of charge here was the condition: They manufactured a kind of vaccine that did not in every instance eradicate what is commonly known as the blackleg, or, to be more explicit, prevent the disease from infecting the animal. As I see it, the difficulty in regard to this matter is that the commercial organizations who are manufacturing the vaccine to-day manufacture, in many instances, a kind of vaccine that instead of preventing the blackleg kills the animal. There is a kind of vaccine manufactured in Kansas that has been used throughout the Southwest that is considered the best that can be used, and that vaccine prevents this disease of blackleg.

Mr. PEERY. Will the gentleman yield?

Mr. HUDSPETH. Yes; I yield.

Mr. PEERY. Right in that connection, I would like to say that in my section of southwest Virginia there is a preparation or vaccine that is sold from the drug stores that is intended to be effective in this disease, but the livestock producers say it is not effective and does not do the work.

Mr. HUDSPETH. I will state to the gentleman from Virginia that that is the condition in many portions of the United States with reference to the vaccine they get from drug stores and private individuals.

It occurs to me that this amendment ought to prevail, and then there should be an additional amendment offered that a sufficient portion of this appropriation you are making here of $518,000 should be used by the Government to experiment and make the best class of vaccine for the prevention of blackleg.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. HUDSPETH. In just a moment. When you do that, then the people will use the Government vaccine and they will not be duped by the many companies that are now putting on the market the various kinds of vaccine for blackleg. If you give them sufficient money, they will manufacture the proper vaccine. As they stated to my colleague, the gentleman from Texas [Mr. JONES], it is on account of lack of sufficient money that they do not do that now. I know from my personal knowledge of many hundreds of cattle being killed by this fake stuff which numerous companies and individuals sent out for the prevention of blackleg. There was considerable dissatisfaction with some of the Government vaccine, but as stated to Mr. JONES and to myself, and to others, they did not have a sufficient appropriation to manufacture the right kind of vaccine that would in all instances prevent this dread disease of blackleg, which is second only to the foot-and-mouth disease in its disastrous effects upon livestock, as described by the chairman of the Appropriations Committee Saturday. Now I yield to the gentleman.

Mr. WILLIAMSON. Is there no Government supervision to-day over the manufacture of blackleg vaccine?

Mr. HUDSPETH. No; I do not think there is at the present time. I will state to the gentleman, and I think we ought to adopt the amendment of the gentleman from Virginia. If there is any such supervision, I do not think the people of my section know anything about it, and I understand the department has quit the manufacture of vaccine.

Mr. TILSON. The amendment of the gentleman from Virginia only strikes out the proviso.

Mr. HUDSPETH. It strikes out the proviso, "that no part of this sum shall be used for the manufacture, preparation, or distribution of blackleg vaccine."

Mr. TILSON. Does the gentleman understand that the Department of Agriculture would be compelled, in case this proviso was stricken out, to manufacture and distribute this vaccine?

Mr. HUDSPETH. No, sir; under the proposed amendment it is left within the discretion of the Secretary of Agriculture.

Mr. TILSON. That would seem to be the way it would read.

Mr. HUDSPETH. But I understand there will be an amendment offered that will authorize and direct the Secretary of Agriculture to manufacture a first-class vaccine.

Mr. TILSON. How will the amendment get by a point of order if there is anyone opposed to it?

Mr. HUDSPETH. I am just stating that as the fact. It may be legislation. I am not sure, but surely a portion of this appropriation could be used by the Department of Agriculture for the manufacture of vaccine.

Mr. MADDEN. We would not agree to any legislation on this bill.

Mr. HUDSPETH. But I will state to the gentleman that there was a time when the Government did manufacture vaccine, and it certainly did so under some authority of law.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I have a substitute—

Mr. HUDSPETH. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause]. The Chair hears none.

Mr. SUMMERS of Washington. I was under the impression that under the pure food and drugs act all these vaccines that are distributed are certified by a laboratory established by the Government. I have been in such a laboratory and my understanding is that every lot of vaccine is tested before it is permitted to go on sale.

Mr. HUDSPETH. That may be true, I will state to the gentleman from Washington, but they did send out a certain vaccine manufactured by the Government that did not do the work, and in some instances it killed the animals.

Mr. SUMMERS of Washington. Manufactured by the Government?

Mr. HUDSPETH. Manufactured by the Government. As I understand it, that is the reason the vaccine known as the Kansas process had such a great run throughout the livestock sections. That vaccine has never been known to be a detriment to the animal, but, on the other hand, prevented the blackleg unless the disease had already permeated the body and system of the animal.

I think the gentleman's amendment ought to be adopted and then some further amendment ought to be placed on the bill authorizing the Government to make the best class of vaccine, and providing a sufficient appropriation for that purpose, because, gentlemen, I will state to you that hundreds of the prime calves of the country are being destroyed. It is always the best-graded and the best-blooded animal that is attacked by the blackleg. I have known it to kill hundreds of them in one day, and I think it is very important that this amendment should be adopted.

Mr. BUCHANAN. Mr. Chairman, this Congress might just as well define its policy now not only on blackleg vaccine but every other remedy intended for the eradication of disease in all animals and plants, including the whole field. As I understand, the object and purpose of the Agricultural Department is to investigate diseases, ascertain or evolve correct and efficient remedies, and then let private enterprise manufacture such remedies under regulations and inspection by the department. Otherwise there would be no end to the appropriations that would be demanded at your hands for every conceivable remedy for every class of animal and plant. And, then, is not man more important than animals and plants? They would claim that we ought to go into that and furnish remedies for the diseases of man in every part of the United States.

Now, let us see; they say that blackleg vaccine manufactured by private enterprise is not potent. It is manufactured, every bit of it, by licensed manufacturers, licensed by the Agricultural Department. It is all inspected by experts of the Agricultural Department. If one manufactures an inferior article, then they cancel his license.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. BUCHANAN. I will.

Mr. WHITE of Kansas. I want to ask for the information of the House—is it required of these manufacturers that they shall manufacture strictly in accordance with the Government formula?

Mr. BUCHANAN. It is required that they shall manufacture the remedy that the Government pronounces good and sufficient. They keep inspectors who inspect the product, and when they find one that can not or does not do it, they cancel his license.

Mr. WHITE of Kansas. What prompted me to ask the question is that the gentleman's colleague stated that the vaccine sold at the drug stores was not efficient.

Mr. BUCHANAN. Well, I told the gentleman that he was wrong when he made it. He relies on hearsay from some stock raisers who did not know how to use the vaccine. The question is whether the cattlemen are getting good serum.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. HUDSPETH. I want to state to my colleague that he is mistaken, and if the gentleman will read the statement of the chairman of the Texas cattle raisers a year or two ago he would know that it is not hearsay.

Mr. BUCHANAN. I am not talking about a year or two ago, I am talking about the system in vogue in the Agricultural Department at this time, where they have 97 manufacturers and they make a regular inspection and condemn a manufactured serum that is not potent and does not come up to the requirements and regulations. They cancel the license of a manufacturer of serum that does not prove efficient.

Mr. HUDSPETH. It is stated by the gentleman from Virginia that they are selling some at the drug store that is not efficient and is killing livestock.

Mr. BUCHANAN. Well, is the gentleman from Virginia an expert? Where did he get his information? From whom did he get it? Perhaps it came from a gentleman who did not know how to administer it.

Mr. BLANTON. I want to say that my colleague from Texas owns more cattle on his range than all the rest of the agricultural committee own put together.

Mr. BUCHANAN. That may be; but is he a doctor, is he a veterinary, has he administered it himself?

Mr. HUDSPETH. Yes, and I have found one class that comes from Kansas that is effective.

Mr. PEERY. Will the gentleman yield?

Mr. BUCHANAN. I will.

Mr. PEERY. I will state that I am not an expert, but I am interested in livestock. I am not a livestock producer, but I have reliable information from them that some of this vaccine sold by the drug stores will not do the work—that it is administered to the cattle and they are lost by blackleg.

Mr. BUCHANAN. I do not doubt that the gentleman has that information, but does he know whether the man that administered it administered it properly? That is the trouble with amending such measures on the floor. These amendments that look to large appropriations on appropriation bills of this kind ought to go to an investigating committee so that the facts can be gone into, so that they can hear experts from the Agricultural Department as to whether or not this can be economically manufactured, the same as it can by private enterprise—so that the committee can go into it thoroughly and the people's money not be wasted.

Mr. HUDSPETH. Will the gentleman yield further?

Mr. BUCHANAN. Yes.

Mr. HUDSPETH. When the gentleman was prosecuting attorney in the courts of Texas he knew how to draw up an indictment?

Mr. BUCHANAN. Some I did and some I did not. I made some mistakes.

Mr. HUDSPETH. The man who administered it to the cattle owned livestock on the range and he shot the virus behind the right shoulder, and that is the place where the Government says it should be used.

Mr. BUCHANAN. The question involved here is, shall the Government manufacture these various vaccines, these various serums, and furnish them to the people at the expense of the Government, not only for blackleg but for hog cholera and everything else? If it does, your appropriations will go mountain high if you undertake that policy. Is it not better for us and for the Government to discover the remedies, disseminate the knowledge, and permit the enterprising manufacturers to manufacture it under strict regulations and inspection of the Government? That is the policy I followed in voting for this bill and that is the policy I am going to follow while in Congress. It is a sound policy. It is an economic policy. It is a democratic principle and should be espoused by all who are not paternalistically inclined.

Mr. RUBEY. Mr. Chairman, I offer the following substitute for the amendment offered by the gentleman from Virginia.

The Clerk read as follows:

Substitute by Mr. RUBEY for the amendment offered by Mr. PEERY: Page 15, line 1, after the word "animals," strike out the remaining part of the paragraph and insert: "$548,000: *Provided*, That of this sum $30,000 shall be used for the manufacture, preparation, or distribution of blackleg vaccine."

Mr. BUCHANAN. Mr. Chairman, I reserve the point of order.

Mr. MAGEE of New York. Mr. Chairman, I make the point of order against the proposed amendment.

Mr. RUBEY. Mr. Chairman, will the gentleman reserve it for a minute and a half?

Mr. MAGEE of New York. Yes.

Mr. BLANTON. Mr. Chairman, I do not think it is subject to the point of order. The organic act authorizes that.

Mr. MADDEN. Let the Chair decide.

Mr. RUBEY. Mr. Chairman, for a number of years we had the Department of Agriculture distributing this vaccine for the benefit of the farmers of the country. It has been successful. My friend from Texas [Mr. BUCHANAN] says that all this vaccine is inspected by the Department of Agriculture, and that the department in inspecting it declares as to its efficiency. The inspection system is for the purpose of finding out in respect to its purity, whether or not there is anything in it that is deleterious to the animal. It does not inspect as to its efficiency. If the department did, they would have to make a test of it on the animal of every bit of vaccine that is manufactured. They do not do that. They simply inspect it as to its purity to determine whether it contains anything that would injure the animal. We are going back here to what the Government has been doing through the Agricultural Department for many years.

Mr. SUMMERS of Washington. In their experimental laboratory down here they have large numbers of animals on which they test these vaccines.

Mr. RUBEY. I understand that.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. RUBEY. Yes.

Mr. BUCHANAN. I quote from the testimony of Doctor Mohler:

The purpose of the work has been to protect the livestock industry against the danger of infectious diseases from contamination of biological products, as well as to insure the potency of an ample supply of anti-hog-cholera serum and hog-cholera virus and other products.

Mr. RUBEY. Of course, that is true of hog-cholera serum; but let me tell the gentleman something: There is no doubt, as the gentleman from Texas [Mr. HUDSPETH] has stated, that lots of this vaccine is not effective. Complaint is made of it all over the country; and let us go to work and appropriate the money and let the department do as it has done for many years. Let them keep up this work. It has been a good work. Therefore I hope the point of order will not be sustained.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. RUBEY. Yes.

Mr. HUDSPETH. When the Government did manufacture this vaccine there was not nearly the dissatisfaction or the loss in life that there is to-day.

Mr. RUBEY. There was no complaint.

Mr. HUDSPETH. And dozens and dozens are now manufacturing to-day under supervision; but, as was so well stated by my colleague, they do not go out and make an actual test on the animal, but simply test the purity of the material used.

Mr. RUBEY. And when it comes from the Government the people believe in it, because the Government is back of it. People believe in it, and there is a whole lot in that. I do not think the point of order is well taken. This is simply an amendment, containing the same language, increasing the appropriation. It is practically the same language that has been in the bill for many years.

Mr. MAGEE of New York. Mr. Chairman, I make the point of order.

Mr. BLANTON. Mr. Chairman, this is not subject to the point of order. I call the Chair's attention to the language to the organic act creating the Bureau of Animal Industry, which reads as follows:

That the Commissioner of Agriculture shall organize in his department a bureau of animal industry, and shall appoint a chief thereof, who shall be a competent veterinary surgeon and whose duty it shall be to investigate and report upon the condition of the domestic animals of the United States, their protection, and use, and also inquire into and report the causes of contagious, infectious, and communicable diseases among them, and the means for the prevention and cure of the same, and to collect such information on these subjects as shall be valuable to the argicultural and commercial interests of the country. And the Commissioner of Agriculture is hereby authorized to employ a force sufficient for the purpose, etc.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just one moment. I want to offer the gentleman from Illinois [Mr. MADDEN], our distinguished chairman of the Committee on Appropriations, as Exhibit A against this point of order, because yesterday under this very clause——

Mr. MADDEN. Oh, let me ask the gentleman a question.

Mr. BLANTON. Yes.

Mr. MADDEN. Wherein does the language that the gentleman just read provide that the Government shall engage in the manufacture of vaccine?

Mr. BLANTON. I am going to show that in a minute. Under the various decisions of Chairmen, under the organic act, the distinguished gentleman from Illinois brought in a bill yesterday to send a million and a half dollars into three counties of California.

Mr. MADDEN. Oh, that was the day before yesterday.

Mr. BLANTON. When I said yesterday I had in mind the last legislative day. That was to eradicate the foot-and-mouth disease of cattle in California.

Mr. MADDEN. That was under the general welfare clause.

Mr. BLANTON. When I raised the question about doing it my distinguished colleague from Texas [Mr. BUCHANAN] on this committee had the following to say, and I quote his exact language from the RECORD:

Further, if the outbreak had occurred in Texas, in three of the counties of the district of my distinguished colleague, Mr. BLANTON, I say that this committee and the chairman of it would have brought this resolution in just as promptly as it was brought in for the "pivotal" State of California.

The blackleg can strike a herd of cattle and destroy overnight, perhaps, some of the most beautiful calves that exist in the entire herd. My colleague [Mr. HUDSPETH] knows that on his ranch and on other ranches adjoining him he has seen the very choicest out of bunches of the finest white-face calves, weighing from 250 to 300 and 400 pounds, in beautiful shape, that would be dead the next morning without any notification whatever of the existence of this dread disease. They might be some of the finest in the herd. There is no way to stop it after the animal becomes affected.

This is a matter that affects not only the State of Texas but the States of New Mexico and Arizona and Colorado and Kansas and Virginia and various other States, and why shall we not provide for it under this organic act? Why should we not provide a little bagatelle of an appropriation to protect these cattle? You can not get the desired vaccine from a private commercial enterprise. There has not been a cowman in the United States who said one word against this provision before the committee.

Mr. MADDEN. Oh, nobody has been asking for it.

Mr. BLANTON. We are now asking for it here, the representatives of the people.

Mr. MADDEN. I know; but the gentleman does not know the facts.

Mr. BLANTON. The gentlemen of the committee have heard from a few manufacturing experts who are selling vaccine.

Mr. MADDEN. We are not buying any now——

Mr. BLANTON. You are now hearing from experts on this disease of cattle, because our constituents have to deal with this problem.

Mr. GRAHAM of Illinois. I make the point of order that the gentleman is not speaking to the point of order.

Mr. BLANTON. I submit that under the organic act that this amendment is in order and the point of order ought to be overruled.

Mr. TILSON. May we have the amendment read, so we may have the language of it before us in the consideration of the point of order?

The CHAIRMAN. The Chair is ready to rule. The provision in the amendment reads as follows:

Provided, That of this sum, $30,000 shall be used for the manufacture, preparation, and distribution of blackleg vaccine.

The Chair is clearly of the opinion that the amendment is a direction to the Secretary of Agriculture and is legislation and sustains the point of order.

Mr. MADDEN. Mr. Chairman, I move to strike out the last two words. Now, Mr. Chairman and gentlemen of the committee, it seems to me that inasmuch as we have experts whose knowledge and experience we have to guide us we should be careful not to jump into a scientific question haphazard without any knowledge or without any facts. Every Member of the House realizes that this bill is a bill to appropriate, and under the rules of the House we are not permitted to legislate under this bill. We have been careful not to recommend any legislation on any of these bills. We are anxious to comply with the rules of the House. We shall resist from whatever source legislation that may be recommended on any of these bills to the extent of our ability. We want, first, to know before we appropriate what the obligation is going to be. We do not want, and I am sure you do not want, to create obligations the amount of which nobody can foretell. We do not want to create definite obligations unauthorized in these bills unless we know that the creation of these obligations is justified by the facts in the case. Now, everybody here who has taken the pains to look it up knows that the Secretary of Agri-

is mistaken, and if the gentleman will read the statement of the chairman of the Texas cattle raisers a year or two ago he would know that it is not hearsay.

Mr. BLANTON. Mr. Chairman, I do not think it is subject to the point of order. The organic act authorizes that.

Mr. MADDEN. Let the Chair decide.

Mr. BLANTON. I am going to show that in a minute. Under the various decisions of Chairmen, under the organic act, the

culture to-day is by authority of his license in a position to regulate the conduct of those who are authorized to manufacture vaccine, and further knows that the vaccine manufactured under the license issued by authority of the Agricultural Department is examined as to its quality and efficacy.

Mr. BLANTON. Will the genial gentleman yield?

Mr. MADDEN. Yes; I will.

Mr. BLANTON. I take it from what the gentleman says all he wants is that we do not add anything to the bill.

Mr. MADDEN. We do not want anything added to the bill.

Mr. BLANTON. But suppose the gentleman has too many words in the bill, he will not mind striking some of them out, will he?

Mr. MADDEN. I always agree with whatever will make the language of the bill more easily understood; more simplified is good legislation.

Mr. BLANTON. Well, I shall——

Mr. MADDEN. But if in the introduction of such simplification you undertake to legislate affirmatively I think that it would not be in order on this bill. Now let me proceed a little further, and then I will yield. There are 97 places, I understand, where vaccine is being manufactured. The Agricultural Department is not asking us to authorize them to manufacture vaccine, and it has all the authority now that it wants. It is exercising the power we gave it and is exercising it with great care and with great success. It is exercising the power in the interest of the agricultural section of the United States. There is no department of the Government presided over by a man who is more vitally interested in the activities of the department over which he presides than the Secretary of that department. [Applause.] Henry Wallace is an agriculturist; he knows agriculture; he is interested in it; he believes in the farmer; he believes in his prosperity; he believes in the protection of his stock, of his crops; he believes in maintaining prosperity among the agricultural people of the country, and that nobody can deny.

Mr. BLANTON. The gentleman is not nominating him.

Mr. MADDEN. No; I am not nominating him, but I am trying to show the absurdity of the proposal that is pending here. You add to the bill something that is unnecessary and unjustifiable.

Mr. BLANTON. Mr. Chairman, I offer a substitute——

Mr. RUBEY. Mr. Chairman, in view of the gentleman's speech I offer the following amendment.

The CHAIRMAN. There is an amendment pending. Is this in the form of an amendment or a substitute?

Mr. RUBEY. It is a substitute.

The CHAIRMAN. The gentleman offers a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. RUBEY to the amendment offered by Mr. FESS: Page 15, line 1, after the word "animals," strike out the remaining part of the paragraph and insert: "$548,000: *Provided*, That of this sum, $30,000 shall be used for the manufacture, preparation, or distribution of blackleg vaccine."

Mr. MAGEE of New York. I make the point of order, or I will reserve the point of order.

Mr. RUBEY. Mr. Chairman, I have no speech to make. I simply offer this amendment because the other substitute which I offered was declared to be out of order. I do not believe this will be declared out of order.

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

Mr. MAGEE of New York. I make the point of order that it is legislation on an appropriation bill.

The CHAIRMAN. The point of order is overruled.

Mr. MADDEN. Mr. Chairman, I want to argue against the amendment. In the first place, it ought not to be necessary to make a further argument as to the unreasonableness of this amendment. First, we add $30,000 to an item that is sufficiently large to meet every need of the department. We are asked to add $30,000 under this amendment to do a thing that the department itself does not want to do. Who should judge? We?

Mr. RUBEY. The department does want to do it. They say if you will give them the money they would do it.

Mr. MADDEN. But there is no need for them to do it.

Mr. RUBEY. That is the gentleman's opinion.

Mr. MADDEN. Everybody knows that no business function can be conducted by the Government as economically as it can be conducted in some other way. The Government has complete supervision over the manufacture of this vaccine. Does anyone deny that? Will anyone on the floor deny that the Government has complete jurisdiction?

Mr. BLANTON. With 97 manufacturers of vaccine, how does the farmer know which is the good and which is the bad?

Mr. MADDEN. The Government tells the farmer, because it has the Government stamp of approval on it. No vaccine is allowed to go onto the market unless it has the Government stamp of approval; so that I hope, in view of the fact that the Government already has every facility for doing the thing that this amendment proposes to authorize, the amendment will be defeated.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. Gentlemen, in this bill you provide for the purchase of samples of serums and antitoxins. I do not understand what your method is, but it is certain that if they are going to make serums under the license granted by the Department of Agriculture the Government ought not to be forced to buy samples from these domestic manufacturers.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. SUMMERS of Washington. That is in order that they may go into the open market and purchase, unknown to the manufacturer, and have supervision in that way.

Mr. McKEOWN. I know that is true. But what is done after they find it is not satisfactory serum?

Now, here is a proposition: The question before you is whether it is economy now to appropriate $30,000 for the Government to manufacture this serum, if it sees fit, or whether you will wait until after the blackleg breaks out in the country and come here and appropriate two or three millions, as was done in the case of this foot-and-mouth disease?

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BLANTON. This $30,000 will save $5,000,000 worth of cattle. If the gentleman will interrogate John R. Moore, the chief of this bureau, he will tell you that he has had many applications for this vaccine in the last year, and he told them he could not furnish it because Congress would give him the money.

Mr. MAGEE of New York. The Government does not want to make the vaccine. Do you say that the Government wants to go into a business that the department is not disposed to go into? It is not supposed to go into business.

Mr. McKEOWN. Congress has been shortsighted in the matter of appropriations for serums for the prevention of diseases in domestic animals. That has been demonstrated year after year.

Let us look at the food problem just for a moment. The cattle of the country are decreasing, and the cattle ranges are going. Everyone knows that. New York City to-day gets the bulk of its meat food within 300 miles; that is, for instance, its meats consist principally of mutton, and they raise sheep within a limit of 300 miles and the freight rates are so great that it costs too much to bring the beef a far distance from the West. Now, if you pursue this shortsighted policy of not providing sufficient funds against the diseases that beset the cattle industry, you are going to find in this country a shortage of food. You may be tired of hearing that announced time after time, but it is going to come to you one of these days as a reality. The question of food shortage is going to be an acute question in this country before long. You can not believe it now, because you say there is an overproduction of wheat and other farm products. But you will find the time come in New York City when you will have to go block after block to find a place that will serve you a real beefsteak, a real piece of beef.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield there?

Mr. McKEOWN. Yes.

Mr. LAGUARDIA. You can not afford to eat a real piece of beefsteak in New York now.

Mr. McKEOWN. Well, that shows you that there is too much difference between what the cowman gets for his beef and what you pay for it when it is on the table and served to you. Gentlemen, the ranches are passing away. There are no more great ranches in the western country where they used to raise unnumbered herds.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. DOUGHTON. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from North Carolina moves to strike out the last two words.

Mr. DOUGHTON. Mr. Chairman, in this Congress especially we have heard a great deal about the relief of the farmer. A great many bills have been introduced proposing panaceas for the many ills with which the farmer is afflicted. Some of them doubtless are meritorious, and others no doubt are bogus and worthless.

I think I know something of the cattle industry. I live in a section of North Carolina where cattle raising is the chief industry. In fact, it is quite an industry throughout the entire State. It is the chief reliance of many people for a support—for money with which to educate their children, support their families, pay their taxes, and meet their many expenses.

There is no disease known to the cattlemen of North Carolina that is so fatal to their herds and so dreaded as the disease of blackleg.

For a good many years—I do not remember how long—the Government manufactured and distributed free of cost blackleg vaccine, and the cattle raisers learned to rely and depend on that vaccine. They knew where they could get it; they knew its efficacy; they knew they could rely on it; they knew it was not fraudulent, and that they could write to their Representatives in Congress and in return could get this remedy. It is not a treatment for the cure of blackleg, but it is a preventive; it makes cattle immune so that they will not contract blackleg. There is no known remedy for the cure of blackleg, and when a herd of cattle becomes infected with blackleg they die like flies. I have seen splendid herds of cattle almost wiped out in a few days and the cattle raiser himself made bankrupt.

Now, it may be that we can rely upon private individuals and corporations to manufacture and distribute this vaccine, but it is a medicine that is short-lived; its efficacy lasts only a few months, and it gets stale and its efficacy is lost.

I do not believe that any appropriation this Congress can make will be of greater benefit, be more highly appreciated, and do more for the farmer than this appropriation. If you want to relieve the farmer, here is one instance where you can certainly benefit him.

I know from experience—and I know every man here who has had that experience knows—that this is an amendment which we should pass, and it will be of immense benefit to the farmer.

Mr. HUDSPETH. Will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. HUDSPETH. We made an appropriation of $1,500,000 Saturday for the purpose of eradicating the foot-and-mouth disease, and the chairman of the Appropriations Committee spoke very eloquently for it. Does not the gentleman from North Carolina consider blackleg almost as serious a disease in cattle as the foot-and-mouth disease?

Mr. DOUGHTON. I do. We acted wisely when we made an appropriation for the eradication of the foot-and-mouth disease.

Mr. HUDSPETH. And does not the gentleman consider it just as important to make an appropriation for the blackleg disease?

Mr. DOUGHTON. Yes; and perhaps it is more important, because the foot-and-mouth disease breaks out only once every 10 or 15 years, and of course, is very fatal, while the blackleg disease is of frequent occurrence, and it will wipe out whole herds of cattle in a few days. To fight that disease we need the help of the great National Government, and this is an instance, where, with a negligible sum, you can help the farmer. We hear a great deal about helping the farmer, and if you really want to help him here is an opportunity.

Mr. DICKINSON of Iowa. Will the gentleman yield?

Mr. DOUGHTON. Yes; I yield.

Mr. DICKINSON of Iowa. Is there not a cure for blackleg? Has not such a cure been discovered by the Government and is it not known to those engaged in the cattle business?

Mr. DOUGHTON. It may be a theoretical cure, but in my experience I have never heard of any real cure.

Mr. DICKINSON of Iowa. And is not that remedy known to the veterinary profession?

Mr. BLANTON. But we have some cattlemen who are 500 miles from a veterinarian.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. WHITE of Kansas. Has the gentleman ever known of a single instance, in his observation of those things, in which blackleg has ever been cured after an animal has once been infected with the disease?

Mr. DOUGHTON. I have not, and such an instance is not within my knowledge. I do not believe any man who knows anything about the cattle industry would make that contention. That must come from a theorist who knows nothing about the subject. As I say, I have known of whole herds of cattle being destroyed in a few days, and our people need help; and if you want to help the farmer, this is the time and place to help him. This calls for only a negligible appropriation. We need the help of the farmers from the different States and even the men from the cities in this matter, because if you could realize what we have realized and experienced you would not hesitate or quibble about this matter, but you would be anxious and enthusiastic about passing this amendment. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman——

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. BLANTON. Accept the amendment; it is a good one.

The CHAIRMAN. The gentleman from New York asks unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes. Is there objection?

Mr. JONES. Reserving the right to object, I would like to have five minutes.

Mr. MAGEE of New York. Then, Mr. Chairman, I make it 10 minutes, 5 minutes to be used by the gentleman from Michigan [Mr. McLAUGHLIN] and 5 minutes by the gentleman from Texas [Mr. JONES].

The CHAIRMAN. The gentleman from New York asks unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes. Is there objection. [After a pause.] The Chair hears none.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I am opposed to this amendment because I believe the appropriation is not necessary, and because I believe it will provide for an activity in which the Department of Agriculture ought not to engage.

The Department of Agriculture is a great investigating and experimenting organization and for disseminating information helpful to agriculture, organized for that purpose not to engage in business of manufacturing and selling goods and products as do private interests. It performs the highly satisfactory duty of making investigations, carrying on experiments, and reporting results so that private interests can take up and carry on the work of production.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. GRAHAM of Illinois. Does the Agricultural Department manufacture for distribution any other vaccine or serum that the gentleman knows of?

Mr. McLAUGHLIN of Michigan. Not that I know of; but it does experiment, and it has reached wonderful results in many, many of these matters. I have some knowledge of the activities of the Department of Agriculture, as I was for a long time a member of the Committee on Agriculture. There are few, if any, activities of this bureau more efficiently conducted than is the work of investigating to discover and work out serums, vaccines, dopes, remedies, and preventives of one kind and another. Its work in this line is entirely satisfactory to those who use it and to the country, so I am confident that this appropriation is not necessary, nor would it be proper as it directs or permits practical work of manufacturing or compounding and selling these remedies, it being work in which a Government ought not to engage.

Mr. COLTON. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. COLTON. What is the reason for the proviso on page 15, which the amendment of the gentleman from Virginia seeks to strike out? It seems to prevent the Department of Agriculture from manufacturing or distributing a particular vaccine, and why limit it to a particular vaccine?

Mr. McLAUGHLIN of Michigan. I do not know; do not remember enough about it to speak definitely.

Mr. COLTON. Was that the only vaccine being distributed?

Mr. McLAUGHLIN of Michigan. Several of the gentlemen who have spoken before me have voiced my sentiments and expressed the views I would express. When a work of this kind is to be undertaken careful investigation ought to be made to know whether the department wishes to do it, also whether it ought to do it. They are able and ambitious, even enthusiastic, in the performance of every duty imposed or permitted, but it may be they are sometimes too much so, and it may possibly be the duty of the committees and of the Congress to suggest less activity. I admire their qualities. They

are efficient and faithful men, devoted to their work. Yes, they would undertake this work, but in my judgment it is not necessary nor is it proper for the Government to engage in it. Leave it to private industry, under such regulation and such inspection by the bureau as the law provides, and I am confident that kind of work will be effectively done.

Mr. BLANTON. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I yield.

Mr. BLANTON. Suppose the Department of Agriculture should say that they did not want to print and distribute any more bulletins, you would not agree with them on that, would you?

Mr. McLAUGHLIN of Michigan. I would not; nor would I authorize officials of the department to run all over the country to perform manual labor, build and operate shops and factories, operate farms, buy and breed animals for the market, or permit it to do many things which people without industry or independence might wish it to do.

Mr. LOZIER. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I repeat and emphasize, it is an investigational department and for experimental and educational work, not for engaging in business or doing the kind of work proposed by this amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired, and the Chair recognizes the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Chairman, I want to say a few words in reference to the statement that has been made by two or three members of the committee as to the attitude of the department.

Some two years ago while at home, I heard a number of the stockmen complaining that the Government had not adopted the improved form of vaccine which had been discovered. They said they had been compelled to buy this vaccine, even though the Government was then distributing another vaccine, and they asked me to request the department to adopt what was known as the Kansas vaccine. I took the matter up with the department when I arrived here and they told me they recognized its superiority, would be delighted to utilize it, but that it took good, live, healthy animals from which to make it, and if the Congress would give them the necessary appropriation they would be glad to do it. I want to read Doctor Mohler's testimony this year, as follows:

Mr. Chairman, two years ago I came before the committee and requested that we either be given enough money to make an improved blackleg vaccine or else let this $5,000 appropriation for blackleg vaccine lapse entirely.

That is the position which they stated to me and it is the position which Doctor Mohler takes now—that they should have an adequate appropriation or not have any at all. They did not say they did not want to do it. They did not say in their testimony before the committee they did not want to distribute this blackleg vaccine.

Gentlemen, there are millions of cattle in this country. With this $30,000 a vaccine which is a preventive of blackleg may be prepared. This improved form is an absolute preventative, in almost every case. The men who have frequently used it tell me that there is rarely a case of death occurring if the blackleg vaccine is used within the proper period of time.

With just a small appropriation you will be able to do something that means a great deal—many million dollars, perhaps—in the way of conservation of the food products in this country. We are always talking about what we are doing for the farmer and the stock raiser. The total appropriation in this bill is $56,758,000 for all purposes, and yet farming is the greatest single business in the land. The Congress will come along, without batting an eye, and raise the appropriation $100,000,000 to build a few extra battleships. Some other appropriations they may raise many millions of dollars without seeming to stop to bother about the added expense, but when it comes to adding $30,000 to prevent a disease which is fatal to cattle all over the United States they begin to howl economy. I say it is a poor form of economy in peace time that will add appropriations of almost indefinite amounts along some other lines and will not add a paltry sum of $30,000 for the distribution, not of a medicine which is a treatment for a disease—perhaps we should not go into that—but a vaccine that is a preventive of the disease. This Congress should show that it means business when it talks so much of what it is going to do for the farmer and the stock raiser by allowing this distribution to continue as was so uniformly and usefully done in the years that have gone by. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired and the question now is upon the substitute of the gentleman from Missouri [Mr. RUBEY] to the amendment of the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. MAGEE of New York) there were—ayes 40, noes 39.

Mr. MAGEE of New York. Mr. Chairman, I ask for tellers.

Mr. BLANTON. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN (after counting). More than 20 have arisen.

Mr. BLANTON. But, Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The Chair will count.

Mr. BLANTON. I withdraw the point, Mr. Chairman, now that the Members have come in.

The Chair appointed as tellers Mr. MAGEE of New York and Mr. RUBEY.

The committee again divided; and the tellers reported that there were—ayes 49, noes 44.

So the substitute was agreed to.

The CHAIRMAN. The question now is on the amendment as amended by the substitute.

The question was taken; and on a division (demanded by Mr. MADDEN) there were—ayes 42, noes 32.

So the amendment was agreed to.

The Clerk read the bill from line 4, page 15, to line 26, page 16, inclusive.

Mr. HILL of Alabama. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address by the gentleman from North Carolina [Mr. ABERNETHY] at the unveiling of the tablet on the Francis Scott Key Bridge, which took place to-day.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, under leave granted me, I wish to extend my remarks by placing in the RECORD the address of that splendid statesman and distinguished son of North Carolina, Hon. CHARLES L. ABERNETHY, delivered to-day at the unveiling of the tablet on the Francis Scott Key Bridge by the National Society United States Daughters of 1812:

ADDRESS OF HON. CHARLES L. ABERNETHY, MEMBER OF CONGRESS, AT THE UNVEILING OF THE TABLET ON FRANCIS SCOTT KEY BRIDGE ON APRIL 21, 1924.

Ladies and gentlemen, when Francis Scott Key's imagination took fire from the bombardment of Fort McHenry in the year 1814, and his inspired brain gave birth to the immortal song we come here to-day to commemorate, little did he think his name, as a result thereof, would be forever enrolled upon the scroll of fame and that his song would be sung by countless generations and that it would become the national anthem of a great and patriotic people. Such was the song he wrote that was to inspire the souls of Americans with love of home and country. It was a song that on its mighty pinions takes every living American soul and lifts it to the highest realm of patriotism.

It is well, in this era of our country, when there is such a mad rush for the sordid and material things of life, that there still remain patriotic women who desire to perpetuate the high ideals of our people in tablets of marble and as an encouragement to the present and future generations to hold fast to the highest and noblest impulses of the human heart and soul.

The patriotic women who compose the National Society United States Daughters of 1812 have marked the graves of hundreds of men who served in the War of 1812, and they have placed innumerable tablets of brass, bronze, and marble; monuments, bowlders, and memorial windows, not only in this country but in England, recounting the brave deeds and valor of the heroes of the War of 1812.

This tablet they place here to-day upon this memorial bridge has a broader meaning and purpose than commemorating the valor and virtues of the sailor and soldier of the War of 1812. It has for its purpose to perpetuate the immortality of the man and his song, which symbolizes the patriotic heart of America.

These patriotic women by placing this tablet here to-day, and by these exercises are serving their country worthily and well in these days when the whole world is such a seething mass of human unrest. This act and this occasion is an act and occasion for our country's good.

It is well for us to here and now recall the immortal words of Daniel Webster:

> "Let our object be our country, our whole country, and nothing but our country. And by the blessings of God may that country itself become a vast and splendid monument, not of oppression and terror but of wisdom, of peace, and of liberty, upon which the world may gaze with admiration forever."

The Clerk read as follows:

For all necessary expenses for investigations and experiments in animal husbandry; for experiments in animal feeding and breeding, including cooperation with the State agricultural experiment stations, including repairs and additions to and erection of buildings absolutely necessary to carry on the experiments, including the employment of labor in the city of Washington and elsewhere, rent outside of the District of Columbia, and all other necessary expenses, $295,440: *Provided*, That of the sum thus appropriated $55,640 may be used for experiments in poultry feeding and breeding: *Provided further*, That of the sum thus appropriated $8,000 is made available for the erection of necessary buildings at the United States sheep experiment station in Clark County, Idaho, to furnish facilities for the investigation of problems pertaining to the sheep and wool industry on the farms and ranges of the Western States.

Mr. SHALLENBERGER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 18, line 10, at the end of the paragraph strike out the period and insert a semicolon and the following language:

"*Provided further*, That of the above appropriation not more than $1,000 shall be used for the purpose of furnishing medals to be distributed by the Secretary of Agriculture to exhibitors showing champion and first-prize winners at the international livestock exposition to be held at Chicago, Ill., in December, 1924, for the purpose of stimulating livestock production along purebred lines and to commemorate the twenty-fifth anniversary of this great international exposition."

Mr. SHALLENBERGER. Mr. Chairman, this amendment I offer was to be offered by the gentleman from Minnesota [Mr. ANDERSON], who on account of illness is unable to be here. As the amendment states, the medals that are to be provided and distributed by the Secretary of Agriculture are to commemorate the twenty-fifth anniversary of the international livestock show at Chicago, the greatest livestock show held in the world. It has the indorsement of the Secretary of Agriculture and also the hehd of the Bureau of Animal Industry.

Mr. RUBEY. If the gentleman will yield, I will say it also has the indorsement of the Committee on Agriculture, who gave it their unanimous support.

Mr. SHALLENBERGER. I thank the gentleman for the statement.

Mr. MAGEE of New York. And the $1,000 is to come out of this appropriation?

Mr. SHALLENBERGER. Yes; and the sum is a very modest sum.

A letter to Chairman HAUGEN, of the Agricultural Committee, from Dr. J. R. Mohler, Chief of the Bureau of Animal Industry, reads, in part, as follows:

Hon. G. N. HAUGEN,
House of Representatives.

DEAR MR. HAUGEN: Referring to House Resolution No. 239, which provides $1,000 for suitable medals or emblems to be awarded to exhibitors of purebred livestock in connection with the Twenty-fifth International Livestock Exposition, to be held in Chicago, November 29 to December 6, 1924, it is believed that this action would meet with the hearty approval of all breeders of purebred livestock as well as the livestock industry in general. It would be in keeping with the action of other countries in recognizing the contribution to the livestock industry of breeders who were not only able to develop animals that were good enough to win grand championship and other leading prizes at such expositions, but who through their efforts were able to make such a material contribution to an important industry. Livestock expositions have been a potent factor in the development and progress which the industry has made during the past 25 years. * * * The prizes offered by such shows offer great incentive to livestock breeders to strive for greater improvement in the livestock they are breeding and feeding not for the monetary value alone but for the honor and recognition which such an achievement merits.

The proposal, therefore, to award suitable medals to the winners of grand championship and other important prizes in connection with the silver centennial exposition of the international in this country is a most worthy endeavor for this Government to thus recognize one of our most important industries.

Very truly yours, J. R. MOHLER, *Chief of Bureau.*

The Secretary of Agriculture, Hon. Henry C. Wallace, recognizing the great educational value of the International Livestock Exposition, expressed his wish that it might have national recognition and encouragement in a letter to Mr. B. H. Heide, the general manager of the show, from which I quote below.

Hundreds of winners of boys and girls' livestock clubs and other agricultural educational organizations attend this great show for study and as a reward for their triumphs in young people's clubs in which they have competed at fairs and expositions in every part of the United States. The Secretary comments upon this feature as follows:

Were it not for this great show and school, which draws the best animals, the leading breeders and feeders, and farm boys and girls from all States, our livestock would not have the uniformity now found to a considerable extent in high-class stock. We would still be struggling with problems now solved through a wide understanding made possible by the international.

One of the finest things and one of the most farsighted was done when the directors of this show decided to give a prominent place to competitions among the members of boys and girls' clubs. That was not so long ago, but already there are young stockmen making a success, which is much greater because of the inspiration and training gained in the arena of this exposition.

No one interested in the betterment of livestock and the improvement of farm conditions has any doubt at all of the value of the international. If this were not true thousands of persons would not make an annual pilgrimage of hundreds of miles to attend it.

It is my earnest wish that more farmers than ever before will take advantage of this opportunity.

Sincerely yours,

HENRY C. WALLACE.

The management of this great international show does not ask for expensive medals. The men who win these medals will prize them not for their intrinsic value but because they represent prizes won in the greatest agricultural show in the world and are given by the Government of the United States to commemorate the twenty-fifth anniversity of this show.

This will be the first recognition, so far as I know, by this Government of this great show. Each year 10,000 animals are exhibited at the International Stock Show by exhibitors from every part of the United States and Canada. Hundreds of thousands of people come each year to see the show. The judges are brought from different countries in the world interested in agriculture—from Australia, South America, Great Britain, and Canada come world-famous judges to award the prizes for the winners in the more than 800 classes that are competing. From this country and Canada are collected the highest-fitted animals that the farmers and growers of livestock can produce. After the State fairs and expositions are held in the different States, then at Chicago this great show is held as the court of last resort to determine the animals most fitted to wear the crown of livestock perfection. Other nations have similar livestock shows. The King of England is a regular exhibitor at the royal agricultural show in Great Britain, and, as you know, the Prince of Wales has established a breeding farm in Canada. They do this to show that the Government of Great Britain recognizes livestock production is a thing to be encouraged. It would be a good thing for agriculture and for the country as well if the President of the United States would take a day off and visit the international show at Chicago. So I think it is a very fitting thing for this Congress to pass this amendment and appropriate this modest sum of money. The International has never asked for a cent of money from any State or from any Government. It is supported entirely by the livestock men themselves and those organizations interested in the livestock industry. Therefore they will feel very much honored that this amendment has been accepted by this House. I hope the amendment will be adopted, and it will be an appreciation of the fact that in America we have the greatest livestock show in the world and will be a recognition by the American Congress of that fact. [Applause.]

Mr. MAGEE of New York. Mr. Chairman, I have no objection to the amendment; in fact, I favor it because it is for a very worthy purpose.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

In all, general expenses, $5,727,766.

Mr. MAGEE of New York. Mr. Chairman, an amendment having been made adding $30,000 to the bill, I ask that the Clerk may be authorized to correct the total amount and also to correct all totals in the bill.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the Clerk be authorized to correct the totals throughout the bill. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also in-

formed the House of Representatives that the President had on April 16 approved and signed bill of the following title:

H. R. 593. An act authorizing the issuance of service medals to officers and enlisted men of the two brigades of Texas Cavalry organized under authority from the War Department under date of December 8, 1917, and authorizing an appropriation therefor; and further authorizing the wearing by such officers and enlisted men on occasions of ceremony of the uniform lawfully prescribed to be worn by them during their service.

AGRICULTURAL APPROPRIATION BILL

The committee resumed its session.

The Clerk read as follows:

For the Chief Forester and other personal services in the District of Columbia in accordance with the classificaton act of 1923, and for personal services in the field, $2,500,833.

The CHAIRMAN. Without objection the Clerk will correct the spelling of the word "classification" in line 8, page 29.

There was no objection.

Mr. LEAVITT. Mr. Chairman, I move to strike out the last word. On page 29 of the bill, line 23, there is a limitation of $1,000 specified as the total that can be expended for the construction, purchase, or improvement of any Government building on a national forest. I understand that no amendment of this amount can be offered at this time, because the thousand dollars is fixed by statute, but I rise to call attention to its inadequacy and to ask gentlemen to have in mind for favorable consideration a measure which has been favorably reported and will be presented by the Committee on Agriculture, I think, within a very few days, increasing the limit to $2,500 in the case of a dwelling. This amount of $1,000 has been the limit for a long period of years on buildings within the national forests, although perhaps 200 of these buildings are year-around residences of forest rangers and their families. Considering the fact that these buildings are mostly in the mountains where the winter weather is severe, and considering further the fact that no dwelling can be constructed in these times for $1,000 that will be adequate for the housing of any family, I am sure that the Congress will be in a state of mind to act favorably upon the proposed increase of this amount.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. LEAVITT. Yes.

Mr. SIMMONS. Do I understand the gentleman's proposal to limit the increase only to a dwelling?

Mr. LEAVITT. I think the bill says so.

Mr. SIMMONS. Why not make it so that they can use up to that amount in other classes of buildings? I have in mind where, instead of one large barn to take care of the needs for a reserve of horses, they have been compelled to build a series of small barns on account of this provision. I think the increase ought to apply to all buildings.

Mr. LEAVITT. In a case of that kind it perhaps ought to apply, but the need for the increase is principally in connection with dwelling houses. The measure which is to be reported, as I understand it, gives a graduated scale. Some classes of buildings would have a maximum of $500, others of $1,000, and in the case of a dwelling house, $2,500.

Mr. KETCHAM. Mr. Chairman, if the gentleman will yield, that measure has already been reported by the Committee on Agriculture, and it has in contemplation only the extension of the limit of $2,500 for a dwelling house, and at the same time limiting the number of dwellings to cover the cases the gentleman has mentioned.

Mr. LEAVITT. These dwellings would number about 200 and they are year-around homes of men in whose hands is placed the responsibility for the preservation of the forests, their protection from fire, the handling of timber sales, the survey of claims, the handling of the grazing of sheep and cattle, in fact the administering of millions of dollars' worth of property of the United States. Of course the families of these men are entitled to much better conditions than can be provided under this limitation of $1,000 which has been for years written into the law, and I ask, as an old member of the Forest Service, your favorable consideration of this increase to $2,500 which has been reported by the Committee on Agriculture when it comes before the House for passage within a few days.

The CHAIRMAN. The time of the gentleman from Montana has expired.

The Clerk read as follows.

In national forest district seven, Arkansas, Alabama, Florida, Oklahoma, Georgia, South Carolina, North Carolina, Pennsylvania, Tennessee, Virginia, West Virginia, New Hampshire, Maine, Porto Rico, and Maryland, $168,633.

Mr. TAYLOR of West Virginia. Mr. Chairman, I move to strike out the last word. In view of the fact that the National Government has been adding to its forest reserves very largely in the State of West Virginia, and I presume in some of the other States enumerated in the paragraph, I ask the chairman in charge of the bill whether there has been any increase in the appropriation this year over the preceding year? I refer to forest district No. 7.

Mr. TILSON. Mr. Chairman, there seems to be a $22,000 increase at least over the appropriation for last year. It was $146,073 last year, and this year for the same item it is $168,633.

Mr. MAGEE of New York. Yes; those are the figures. There has been an increase of something over $22,000.

Mr. TAYLOR of West Virginia. I am very glad to hear that, because, as I say, the Government is adding to its reserves in my State and I presume in others in district No. 7, and I thought if the appropriation were not increased it would not be sufficient to take care of the added acreage. In West Virginia there is no expense for reforestation. If we can keep down the destructive forest fires, nature does the rest; and the mountain land, once cut over, will bear merchantable timber again in a surprisingly short time compared with other sections of the country.

The Clerk read as follows:

For enabling the Secretary of Agriculture to carry into effect the provisions of the act approved March 2, 1897, entitled "An act to prevent the importation of impure and unwholesome tea," as amended, including payment of compensation and expenses of the members of the board appointed under section 2 of the act and all other necessary officers and employees, $36,110.

Mr. BLANTON. Mr. Chairman, I offer an amendment. Page 39, line 12, I move to strike out "unwholesome." Mr. Chairman, this is simply a pro forma amendment. I just want to congratulate this committee as being the first committee in Congress for 50 years that has kept out of the Agricultural bill, when bringing it on the floor, the usual $360,000 appropriation for free garden seeds. I think this committee deserves commendation.

When I first came here it was impossible to get more than 10 men to vote against free garden seed, but the membership has been improving on that proposition each year. They have found out that the people back home do not approve of it; in other words, that it was "unwholesome" legislation, and I think that this committee deserves the thanks of the taxpayers of the country. This is one bill now that they can not even offer an amendment to providing such an appropriation, because we have passed even the place where such an amendment could be offered. I would not have mentioned this subject half an hour ago, but having passed that place in the bill where it could be offered I thought I ought to say these few words.

Mr. DICKINSON of Iowa. Is there danger of anybody offering a motion to recommit?

Mr. BLANTON. If they did, the Speaker would hold it was out of order, for the House supported his decision to that effect last year by about a 2 to 1 vote upholding the ruling of the Speaker that such a motion was out of order, and you have a precedent against the motion to recommit.

Mr. KETCHAM. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. KETCHAM. Would not the gentleman be kind enough to include in his words of commendation the Committee on Agriculture?

Mr. BLANTON. No; unfortunately, I can not do it, because the Committee on Agriculture has already reported such a bill seeking to have appropriated $360,000.

Mr. KETCHAM. I want to ask the gentleman if he is not mistaken?

Mr. BLANTON. There is such a bill—the Langley bill—now on the calendar, favorably reported by the Committee on Agriculture.

Mr. KETCHAM. Is not the gentleman mistaken?

Mr. BLANTON. The gentleman does not keep up with the calendar like I do. That bill is on the calendar with a favorable report. The chairman of the Committee on Agriculture [Mr. HAUGEN] will admit it. Has it not been reported?

Mr. HAUGEN. We have reported a bill——

Mr. BLANTON. Authorizing an appropriation of $360,000, and it is on the calendar. My friend ought to understand what is on the calendar——

Mr. KETCHAM. I do.

Mr. BLANTON. Because I keep up with it, and I know what I am talking about.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. SHALLENBERGER. I recall some years ago that Victor Murdock, the famous agriculturist in Congress, said he tried both sending out speeches and garden seed, and was rather in favor of garden seed because his constituents wanted him to send more garden seed but never more speeches. Has the gentleman ever tried to send out speeches in competition with garden seed?

Mr. BLANTON. I want to say to the distinguished gentleman from Nebraska, former governor of that State, I send my speeches to Nebraska and other States. Maybe that is why my constituents keep me in Congress. I send more of my speeches into other States than I do into my own, because I am trying to let the people know what is going on in Washington. That is one reason, I honestly believe, why the people have asked us to stop this garden-seed distribution.

On January 3, 1923, when a motion to recommit the agricultural appropriation bill was made by the gentleman from Oklahoma [Mr. CARTER], to appropriate the usual $360,000 for free garden seeds for the present fiscal year, I quote the following from the CONGRESSIONAL RECORD for that date to show what happened, to wit:

Mr. BLANTON. Mr. Speaker, I make the point of order against the motion to recommit.

Mr. ANDERSON. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BLANTON. Mr. Speaker, I make the point of order against the motion to recommit on the ground that the amendment is legislation unauthorized on an appropriation bill and it is a change of existing law. Especially I call the attention of the Chair to that part of the amendment embraced in the motion to recommit which authorizes the Secretary of Agriculture to make seed contracts for a period as long as five years, extending the contracts through the life of more than two Congresses. It is unauthorized, and it should not be permitted on an appropriation bill.

And after debate the following is the Speaker's ruling, sustaining my point of order:

The SPEAKER. The Chair prefers to rule. The Chair has heard the gentleman. The Chair thinks he ought to suggest that preserving the authority and binding force of parliamentary law is as much the duty of each Member of the House as it is the duty of the Chair, that the rights of every one of us here depend upon it, and that each Member ought to vote on such a question not as his interest or desires in respect to the particular subject may sway him but as he thinks is really the law. It is unquestionably true that several times the Committee of the Whole House has overruled the decision of the Chairman of that committee and has held that an amendment like this is in order. That, however, has never been done in the House. If the House should take that action, of course the Chair would bow to the opinion of the House and follow it; but until then the Chair thinks that he is bound to follow the rules of parliamentary law, and the Chair thinks the same duty rests upon every individual Member of the House. The Chair sustains the point of order.

Mr. LANGLEY. Mr. Speaker, much as I respect the Speaker's judgment and fairness, I must respectfully appeal from the decision of the Chair.

Mr. ANDERSON. Mr. Speaker, I move to lay the appeal on the table.

The SPEAKER. The gentleman from Kentucky appeals from the decision of the Chair, and the gentleman from Minnesota moves to lay the appeal on the table. The question is on the motion of the gentleman from Minnesota to lay the appeal on the table.

The question was taken, and the Chair announced himself in doubt.

Mr. ANDERSON. Mr. Speaker, I demand the yeas and nays.

Mr. CARTER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 173, nays 85.

Thus my colleagues will see that on January 3, 1923, by a vote of 173 to 85—over two to one—the House sustained the Speaker when he held that this $360,000 free-seed appropriation was subject to a point of order, and thus struck a death blow to free garden seeds. Let me show you what your constituents at home think about this free garden seed proposition:

WHAT THE PEOPLE AT HOME THINK.

Here is a protest I received from one part of Jones County:

LUEDERS, TEX., *December 17, 1923.*

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

DEAR TOM: We have noticed in the public press that there is to come before the House a bill to try to start again the garden-seed graft and thus increase taxes on the people. We, the undersigned citizens in your district, ask that you do all in your power to prevent its passage, as we feel that we have all the expenses in the way of taxation that we are able to bear. We ask that you do all you can to get your worthy colleagues to defeat it:

I. Z. Brown, M. D.; Berry M. Campbell, druggist; M. G. George, farmer; S. W. Seaman, oil driller; J. A. Wilbito, merchant; C. A. Deutitt, ginner; W. F. Terry, restaurant; N. J. Tosh, druggist; Mrs. M. J. Brown, gardener; J. N. Loop, farmer; J. H. Lee, bookkeeper; Charles Stiflemire, banker; B. U. Fox, merchant; H. L. Brown, restaurant; B. E. Compton, farmer; Frank H. Herrick, editor; J. E. Powell, teacher; Charles Webb, clerk; J. J. Gentry, pastor Baptist church; T. B. Putnam, merchant; Ray Rushing, farmer; Albert Hansen, clerk; W. C. Smart, farmer; H. E. Herrick, merchant; T. M. Smart, druggist; R. Dunlap, M. D.; E. L. Loudder, M. D.; J. R. Carrell, merchant; Mrs. T. M. Smart, clerk; G. W. Price, farmer; W. C. Herrington, farmer; Oscar F. Seth, farmer; T. F. Murry, restaurant; O. B. Cotton, clerk; G. F. Vaughn, shoemaker; A. Fitzgerald, merchant; C. G. Covery, farmer; B. J. Fickel, machinist; Mrs. Sarah Sharbutt; R. W. Harper.

The above list fairly represents the citizenship of this splendid community. The following comes from San Saba County:

SAN SABA, TEX., *December 28, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

MY DEAR MR. BLANTON: I am herewith inclosing you a protest against the reenactment of the free garden seed bill.

This protest is signed by the very best element of citizenship of this county, representing nearly every avocation. Nearly every man, woman, and child here would sign this protest eagerly. The spirit an expression of the people are against this foolish proposition. This extravagant expenditure of the people's money is a mock pretense of Congress to do benefit to the people of the country. A majority of us are strictly against this measure and hope that it will be defeated.

With best wishes and kind regards, I am,

Yours truly,

W. C. EDWARDS.

PETITION.

SAN SABA, TEX., *December 19, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

DEAR SIR: There has recently appeared in press reports a strong intimation that the "free garden seed" act would at this session of Congress be attempted to be reenacted.

We the undersigned wish to protest against this useless bill because in our opinion the benefits are not commensurate with the expenditures.

Respectfully,

W. C. Edwards, ranchman; B. J. Breen, county surveyor; C. A. Harkey, county treasurer; George W. Horton, secretary chamber of commerce; G. L. Hucknby, county school superintendent; A. B. Wilson, county attorney; W. A. Smith, editor the News; W. V. Dean, county judge; Edgar T. Neal, sheriff of county; E. L. Rector, ex-State senator; T. A. Murray, president City National Bank; Mrs. Eddie Williams, clerk district court; J. K. Rector, attorney; Mitch Johnson, attorney; Dr. Ira O. Stone; Dr. J. L. Dailey; Dr. William S. Bickham; Leonard A. Skaggs, druggist; W. A. Ashley, ranchman; J. E. Rainey, farmer; T. J. Burnham, farmer; W. H. Kimbrough, merchant; James W. Cummins, merchant; W. G. Jarvis, optometrist; G. A. Walters, jr., abstractor; H. B. Clark, clerk; W. R. Hines, merchant; B. D. Sullivan, merchant; O. L. Gray, ranchman; W. L. White, clerk; H. D. Chadwick, clerk; Rev. E. E. Giesler; C. B. Lambert, farmer; W. W. Whitley, ranchman; R. Terry, farmer; Arch Woods, clerk county court.

I think that includes every officer in that county.

I have a protest sent me by Mr. E. C. Brand, of Hamlin, Tex., in which he says:

I hope to see the day when Congress will be filled with men who will try to preserve the finances of our country as they do their own, or, in other words, before they spend a dollar of the people's money, ask themselves the question, if the dollar belonged to them in person, would they expend it in such a manner.

With reference to this garden seed, we think that it is money thrown away. For instance, in talking with three men in my office yesterday two of them told me that they had received garden seed from the Government and they were stored away unused. The writer in a clean-up at home two or three days ago ran across several packages. I sincerely hope that if this seed graft bill comes up again you will use every effort to defeat it. Attached you will find a petition signed by a few of our leading citizens who ask that you protest against this graft. I believe that 90 per cent of the farmers in your district are against it.

PETITION.

HAMLIN, TEX., *December 18, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

DEAR SIR: We the undersigned farmers and business men petition that you use every effort to defeat the garden seed bill, as we believe that it is a waste to the taxpayer. We think that it is a useless expenditure and doubt that over one-third of the seed are ever planted. Your efforts will be appreciated.

T. F. Holman, C. S. Low, E. C. Brand, Lewis Boyd, W. R. Townsend, J. A. Feagan, J. C. Bledsoe, O. H. Berry, D. M. Poe, J. B. Eskin, Fred Sledge, G. L. Barnett, H. M. Payne, W. L. Hunter, D. O. Sauls, Lennie Greenway, G. H. Tumlin, R. G. Bowdry, Pat Henry, S. C. Ferguson, J. P. Terrill, H. Fields, Dr. J. F. Taylor, T. Cooper, W. M. Hinton.

The following, Mr. Chairman, was received from Taylor County:

To the Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

We, the undersigned citizens and qualified voters of Taylor County, Tex., respectfully ask that you exert every legitimate effort in opposing the free seed bill when it comes up in Congress.

G. T. Robinson, B. W. Ellison, F. A. Walden, R. L. Shepard, W. R. Gilbreth, B. T. Chrane, M. C. Rampy, J. H. Kading, R. E. Longacre, A. B. Lewis, C. E. Taylor, J. R. Hardwick, W. C. Davis, J. E. McCarty, S. C. Bright, D. Booth, J. A. Labett, H. M. Stevens, T. C. Tibbs, G. C. Welch, T. J. Colley, J. L. Richardson, J. P. Davis, Lon Lockley, Sam Gilbreth, C. K. Kirkendall, J. W. Smith, F. M. Smothers, M. R. Street, W. M. Webb, J. D. Ayres, P. H. Hollingshead, T. C. Cox, C. B. Bynum, Luther Rogers, J. M. Plowman, C. M. Bell, H. C. Callaway, W. D. Ross, W. J. Hodges, G. A. Chrane, W. T. Lindley, R. P. Bright, W. E. Carter, M. E. Williams, T. J. Key, J. D. Rodgers, Ben Holmes, R. J. Donald, J. W. Caton, J. L. Reynolds, Wm. Slaughter, sr., C. F. Latham, A. Hefferman, N. A. Cummings, W. E. Biggers, L. A. Petree, V. T. Babston, S. B. Brannan, A. B. Smothers, L. F. Spencer, J. P. Davis, D. F. Downing, C. D. Varnell, J. C. Putman, H. A. McMinns, E. E. Wood, W. O. Mobley, C. P. Abbott, S. C. Eager, B. P. Smothers, J. D. Abbott, T. A. Fuqua, W. F. Utzman, M. C. Bynum, B. C. Plowman, J. F. Reed.

I received the following protest from Mr. R. E. Bradbury, editor of the Lometa Reporter, and who formerly edited the Mullin Enterprise:

LOMETA, TEX., *December 19, 1923.*

Congressman THOMAS L. BLANTON,
Washington, D. C.

DEAR MR. BLANTON: From press reports we learn that Congress will soon take up for consideration the measure to appropriate an exceedingly large sum in order that the people might be supplied with a few free garden seeds, a practice that is considered very foolish by most every person receiving them. From a sensible and economical standpoint we hope the measure will be defeated this time as it was during the last session. It is a needless waste and we feel confident that you will fight it to a cold finish. Multitudes of others are of the same opinion.

I have talked to hundreds of people living in Brown, Mills, and Lampasas Counties about this waste and not one appreciates the seeds that are usually sent out, and the Congressmen who fosters such a proposition is surely to be pitied.

Find a better use for the people's money than buying a few packages of garden seeds that, if planted, will never come up.

Wishing you and family a merry Christmas and a happy New Year, and may you live to give a century more of service in Congress.

I am, yours sincerely,

R. E. BRADBURY.

The following protest was sent me by one of the leading citizens of Anson, Tex.:

ANSON, TEX., *December 15, 1923.*

Hon. THOMAS L. BLANTON,
Congressman, Washington, D. C.

DEAR SIR: We, the undersigned citizens of Jones County, Tex., learning that there will be an attempt made to again pass a bill or get an appropriation for the distribution of garden seed, do hereby protest against such action on the part of Congress, and call upon you to defeat same if possible.

We understand that this matter costs the Government about a half a million dollars annually, or something near that sum, and by itself it probably would not affect to any great extent the vast number of taxpayers in the United States, yet it is one item among many items of the kind which is useless, and when taken together with all such items in the aggregate constitutes a big sum, which eliminated from the annual appropriation bills would relieve the taxpayers of this country. Besides it is not good policy or good morals to waste the public money for any purpose, and we hereby call upon you to use your best endeavors to defeat such a bill.

Barrett Brasher, John B. Thomas, T. J. Barrett, W. O. Wornack, J. C. Edwards, R. L. Smith, J. H. Barrett, T. J. Stubbs, Frank Powell, Claude Grace, Ed Altman, C. F. Harper, A. L. Cole, Charles F. Murray, M. C. Meyers, J. L. Neville, George H. Baker, E. J. Byrd, J. H. Holt, J. R. Thompson, J. A. Mills, W. F. McDuff, F. A. Arnold, W. S. Pope, Sid L. Castle, Clyde S. Brooks, G. A. Gray, Owen Thomas (district clerk), Lee McCaleb, S. A. Palmer, O. W. Lasebee, A. M. McCraight, P. F. Willis, R. L. Alexander, A. McK. Jones, M. D., J. C. Ingran.

The following protest was sent me by one of the leading citizens of Bradshaw, Tex.:

BRADSHAW, TEX., *January 5, 1924.*

To the honorable body of Representatives of the Sixty-eighth Congress of the United States:

We do hereby petition you as follows:

"From press reports some Members of Congress are again organizing their forces to pass at this Congress their $360,000 garden seed graft bill, which was defeated last year. These seeds are practically worthless, and a great expense is attached to sending them out. We must curtail expenses if we desire a tax reduction. If this $360,000 is expended annually for these seed, there must necessarily be collected a like amount in taxes from the people to pay the bill. Therefore we, the undersigned citizens and taxpayers of this town, do hereby enter our protest against this bill and petition you to defeat it, as it is a useless expenditure—one that is sapping the American taxpayer's pocketbook."

N. B. Bailey, J. T. Boon, M. D.; Joe Poindexter, C. J. Pfor, W. M. Oldham, S. W. Browne, W. J. Harrington, J. H. B. Pollock, W. P. Hancock, H. Grissett, J. M. Smallwood, W. G. Daniel, Homer Traylor, Guy Taylor, L. J. Hardin, W. L. Pratt, R. W. Smith, E. G. Allen, W. H. Cochran, H. A. Parris, J. J. Watts, A. F. Benge, B. Y. Howze, H. B. Turner, F. P. McCarland, J. S. Thornton, A. I. Bagmell, J. D. Halsell, Joe Floyd, L. F. Turnbow, L. H. Turnbow, J. F. Crow, C. F. Smith, L. H. Smith, J. F. Sanders, Geo. Lent, A. J. Ware, P. R. Gerlach, M. R. Bagmell, J. B. Berton, R. C. Malone, C. B. Poindexter.

I received the following protest from Dr. T. Richard Sealy, one of the leading physicians of Coleman County:

SANTA ANNA, TEX., *December 22, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

MY DEAR MR. BLANTON: From recent press dispatches we note that there will be an effort made to reestablish the old custom of spending about one-half million dollars of the Government money so that each and every Congressman may send to Bill Jones or Sy Smith free garden seed.

From my own personal experience and that of many hundreds of your constituents with whom I have talked, we believe this to be a wasteful expenditure of money and should not be permitted. We further believe that if Congress would assist to cut out entirely and cut down immensely, particularly in the number of unnecessary Government employees, that it would be unnecessary for the Government to assess the present high tax rate, for by your plan you are cutting down expenses and when you do that you make it unnecessary for so much income.

Please let me have a personal letter from you concerning your campaign for Congress in your old district next year, if you have decided to make the race again. If you do decide to run again, I am for you, as always in the past, even though we do have an avowed candidate here in my own county, who is my neighbor and friend.

Very truly yours,

T. RICHARD SEALY.

I received the following protest from one of the leading merchants and business men of Brown County:

BROWNWOOD, TEX., *December 21, 1923.*

Mr. THOMAS L. BLANTON,
Washington, D. C.

DEAR MR. BLANTON: I have been noticing for several years the comments of the press on the practice of Congressmen distributing garden seed over the country. I consider this an absolute waste of the people's money, and am writing you to ask that you register a protest against this for the people.

There may be some short-sighted people who receive these seed thinking they have gotten something for nothing, who are pleased with this pork-barrel system of trying to get votes, but any man with brains enough to think knows that these seeds cost more than if raised by private individuals or corporations, and each individual certainly should select the seeds needed in his garden to a better advantage and to his liking than his Congressman could possibly do. Besides, seed shipped over the country by freight is certainly a more economical way of distributing than to dribble them out through the mails. I assure you that there are very few people ignorant enough in these enlightened times to think this wasteful system does not cost them anything.

I believe that it is the duty of the people in charge of our affairs to put a stop to this awful humbug business.

I am inclosing the names of several of my friends who join me in this protest, and I will say to you frankly that not a single individual approached on this subject has favored the continuance of Congressmen dishing out garden seed.

Yours truly,

W. G. BAXTER.

Hon. THOMAS L. BLANTON,
Washington, D. C.

DEAR SIR: We, the undersigned citizens of Brownwood, Tex., ask that you please do all in your power to stop the wasteful practice of distributing garden seed over the country at the expense of the people. We do not believe that the people receive benefits to justify the amounts expended by this practice.

H. G. Baxter, Glennie Patterson, Erva Sinclair, Mrs. Fred L. Hayes, B. H. Baxter, Mrs. W. R. Cooper, Henry Keith, W. F. Anrich, J. Waldo Carson, B. F. Anthony, Eba Carson, H. F. Hunter, T. P. Kelly, J. L. Lane, Geo. Gardenhire, Mrs. B. F. Anthony, Mrs. B. H. Baxter, H. F. Hunter, Mrs. H. F. Hunter, J. F. Hunter.

The following protest was sent to me by Mr. C. T. Beckham, one of the leading farmers and citizens of Trent, Tex.:

TRENT, TEX., *December 15, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

DEAR SIR: We notice from the press dispatches that Congress may soon again be called on to pass appropriations for the distribution of garden seeds, etc.

May we, as citizens of the country, be permitted to express our disapproval of all these unnecessary expenditures and to respectfully suggest to you that you use your utmost influence against the passage of such bills. We know from our own experience and observation that the money spent for seeds is largely wasted, as the garden seed from the post office is a huge joke with many of us. Assuring you that we appreciate your efforts in your endeavor to eliminate all such expenses of the Government, we are,

Very respectfully,

L. E. Adrian, C. T. Beckham, Jas. Bright, J. K. P. Winn, A. Williamson, T. J. Williamson, H. W. Beckham, H. M. Scott, O. L. Dowchy, M. G. Scott, J. O. Walter, Mrs. Billings, R. B. Johnson, Joe Winter, W. F. Steadman, W. J. Armour, J. S. Reid, E. Kegans, Carl Edwards, Ross Campbell, L. Z. Petsworth, C. Murdock, J. S. Campbell, Jackson Bright, Isaac Bright, C. Whitfield, J. M. Jones, A. J. English, R. R. Meets, Mrs. E. L. Mangum, Mrs. Jas. G. Waters, H. Kelso, R. B. McKee, C. C. McKee, C. L. McLeod, R. B. McKee, jr., A. C. Terry, H. N. Smith.

The following was sent to me by Mr. M. W. Oldham, one of the leading farmers of Avoca, Tex.:

AVOCA, TEX., *December 22, 1923.*

Congressman THOMAS L. BLANTON,
Washington, D. C.

DEAR JUDGE: As farmers and voters we appeal to you as our Representative to oppose the garden seed bill. We understand that it is to come up before Congress again soon. We oppose any such law, because we consider it of no value whatever.

These seed that are sent out by the Government to all parts of the United States are of no benefit to us, because our climate and soil do not suit these seeds sent out.

We, as taxpayers, do not think it right to spend money for this, which is of no benefit to us.

We appeal to the United States Congress to oppose any such law or matter that comes before you.

We earnestly ask that this matter be considered seriously.

Yours truly,

M. W. OLDHAM.
N. B. OLDHAM.
J. H. EVETTS.
P. H. GIFFORD.
JOHN GIFFORD.
W. W. FARMER.

The foregoing are just a few of many protests I have received from my constituents against Congress distributing free garden seed. I insert them here that you gentlemen of the committee may know that your action leaving garden seed out of this bill meets with general approval from the people. Note that most of these people are farmers.

Mr. TAYLOR of West Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment. Mr. Chairman and gentlemen of the committee, some years ago I remember there was a lady who lived in the great State of Texas, from which our genial colleague comes, who had a farm of such gigantic proportions that it was 13 miles from her front door to her front gate. Now, I am willing to concede that on a farm of that kind that a package of Government garden seed would not make much of a show. I am also told that farmers there start out in the spring of the year and plow a straight furrow until fall and then they turn round and harvest back; that they build drift fences eight or ten miles in length, and that cattle never get around the fence evidently thinking that they are in the inclosed field. There are farms in my State that are not so gigantic; there are thousands of hillside patches of half an acre or so and for these small tracts the people of West Virginia are very glad to get garden seed and I have had hundreds of requests this year from persons in my State to send garden seeds for spring planting.

While I did not offer an amendment to the appropriation bill in order to give free garden seed to the people of West Virginia, believing that it was useless to do so in view of the position taken by the committee reporting this bill, it is my firm conviction that many people in this country felt that about the only interest they had in Government was the free seed which came regularly each year from their Congressman. I find that a great many people in this country, because of their remoteness, feel that Government exists only at Washington and they do not realize that Government exists under their own rooftrees and by their own firesides, and we must remember that we are not the Government entirely, but representatives of the people. When a person receives a package of Government garden seeds which he can plant and see the seed spring up, it serves to give him an abiding faith in Government. Some one has said that—

He who plants a seed and waits to see it push away the sod,
Believes in God.

The man or woman who plants a package of Government garden seeds and watches them sprout to life believes not only in God but in the Government, and the distribution of garden seeds was a reminder to the people at home that Government was in their hands. I am personally rather sorry that the appropriation was stricken from the bill last year, and that it is not continued in this year's bill.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of West Virginia. Yes.

Mr. BLANTON. I wish the gentleman would read the petitions that I received from farmers down in Texas asking that this system of seed distribution be abandoned.

Mr. TAYLOR of West Virginia. What kind of farmers are they?

Mr. BLANTON. They are real "dirt" farmers, I can assure the gentleman.

Mr. TAYLOR of West Virginia. I am of the opinion that the gentleman once said that the farmers of his section were large cotton growers and that cotton was the principal crop. Cottonseed was not included in the list of free seeds. Am I right?

Mr. BLANTON. No; I think not.

Mr. MAGEE of New York. Mr. Chairman, I will ask unanimous consent that the Clerk read down to the bottom of this page, and then I will move that the committee rise.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For the investigation and demonstration of improved methods or processes of preparing naval stores, the weighing, handling, transportation, and uses of same, in cooperation with individuals and companies, including the employment of necessary persons and means in the city of Washington and elsewhere, and to enable the Secretary of Agriculture to carry into effect the provisions of the naval stores act of March 3, 1923, $20,000.

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MAGEE of New York. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from New York moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend my remarks made this afternoon on the agricultural bill.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

PRESIDENT'S MESSAGE—REVISION OF THE RECLAMATION LAW (S. DOC. NO. 92)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Irrigation and Reclamation and ordered to be printed:

To the Congress of the United States:

I would respectfully urge on Congress the immediate necessity of revising the present reclamation law.

The Secretary of the Interior appointed a special advisory committee of six members to study reclamation and make report to him. That committee has completed its work and has made its report to the Secretary of the Interior, and he has transmitted that report to me. I herewith transmit it to you.

Many occupants of our reclamation project in the West are in financial distress. They are unable to pay the charges assessed against them. In some instances settlers are living on irrigated lands that will not return a livelihood for their families and at the same time pay the money due the Government as it falls due.

Temporary extensions of time and suspension of these charges serve only to increase their debts and add to their hardships. A definite policy is imperative, and permanent relief should be applied where indicated. The heretofore adopted repayment plan is erroneous in principle and in many cases impossible of accomplishment. It fixes an annual arbitrary amount that the farmers must pay on the construction costs of projects, regardless of their production.

In its place should be substituted a new policy providing that payments shall be assessed by the Government in accordance with the crop-producing quality of the soil.

The facts developed by the special advisory committee show that of the Government's total investment, $18,861,146 will never be recovered. There will be a probable loss of an additional $8,830,000. These sums represent expenditures in the construction of reservoirs, canals, and other works for the irrigation of lands that have proven unproductive. I recommend that Congress authorize the charging off of such sums shown to be impossible of collection.

Because of high rates of interest and other agricultural difficulties existing, farmers are often unable to borrow money for temporary relief. The establishment of a credit fund by the Government from which farmers on projects may secure capital to make permanent improvements, buy equipment and livestock should be considered.

More than 30,000 water users are affected by the present serious condition. Action is deemed imperative before the adjournment of Congress that their welfare may be safeguarded.

The probable loss and the temporary difficulties of some of the settlers on projects does not mean that reclamation is a failure. The sum total of beneficial results has been large in the building up of towns and agricultural communities and is adding tremendously to the agricultural production and wealth of the country. Whatever legislation is necessary to the advancement of reclamation should be enacted without delay.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 21, 1924.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted—

To Mr. GALLIVAN (at the request of Mr. CONNERY), for an indefinite period, on account of illness.

To Mr. CANFIELD, indefinitely, on account of attending a funeral.

To Mr. ACKERMAN, for three days, on account of attendance upon New Jersey presidential primaries.

RECESS

Mr. LONGWORTH. Mr. Speaker, I move that the House now stand in recess until 8 o'clock.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p. m.) the House stood in recess until 8 o'clock.

EVENING SESSION

The recess having expired at 8 o'clock p. m., the House was called to order by the Speaker.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

BRIDGE ACROSS THE ST. MARYS RIVER AT WILDS LANDING, FLA.

The first business on the Consent Calendar was the bill (H. R. 6725) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River at or near Wilds Landing, Fla.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LANKFORD. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice, and retain its place on the Calendar.

The SPEAKER. The gentleman from Georgia asks unanimous consent that this bill be passed without prejudice and retain its place on the Calendar. Is there objection? [After a pause.] The Chair hears none.

QUIETING TITLE TO LAND IN THE MUNICIPALITY OF FLOMATON, STATE OF ALABAMA

The next business on the Consent Calendar was the bill (H. R. 4437) to quiet titles to land in the municipality of Flomaton, State of Alabama.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc, That all the right, title, and interest of the United States of America in and to the lands situated in the municipality of Flomaton, State of Alabama, being 40 acres of land described as southwest quarter of the southwest quarter of section 34, township 1 north, range 8 east, of St. Stephens meridian, be, and the same are hereby, granted, released, and relinquished by the United States to the equitable owners of the equitable titles thereto and to their respective heirs and assigns forever, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided,* That the confirmations granted hereby shall amount only to a relinquishment of any title that the United States has or is supposed to have in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, and interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to those persons, estates, firms, or corporations who would be the true and lawful owners of said lands under the laws of Alabama, including the laws of prescription, in the absence of said interest, title, and estate of the United States.

With the following committee amendment:

Page 2, line 12, strike out the word "proscription" and insert the word "prescription."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is now on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

PROMOTION OF THE WELFARE OF MATERNITY AND INFANCY

The next business on the Consent Calendar was the bill (H. R. 6142) amending an act for the promotion of the welfare of maternity and infancy, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. I object, Mr. Speaker.

COTTON CROP REPORTS

The next business on the Consent Calendar was the bill (S. 2112) authorizing the Department of Agriculture to issue semimonthly cotton-crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, which I do not intend to do, about every second day we have from one to a half dozen bills for taking the census of the cotton situation, and there are two or three of them on this calendar. Could some one give us something of a comprehensive picture of the situation, so that we may know whether we are doubling on this census taking, and so forth?

Mr. SWANK. I will say to the gentleman from Michigan that on the first day of last December Members from the cotton States called a conference, of which the gentleman from Arkansas [Mr. TILLMAN] was the chairman. He appointed a committee on cotton crop reporting, consisting of the gentleman from Mississippi [Mr. RANKIN] chairman, Senator HARRIS, of Georgia, the gentleman from Arkansas [Mr. WINGO], the gentleman from Alabama [Mr. OLIVER], the gentleman from North Carolina [Mr. BULWINKLE], and myself, to draft legislation on cotton crop reporting. We had several conferences with representatives from the Agricultural Department; this bill was agreed upon and is unanimously reported by the Committee on Agriculture. A bill from the Census Committee regulating reports from the Census Bureau was passed some time ago. The Census Bureau makes reports of ginning, and they are the actual number of bales of cotton ginned, and the Department of Agriculture makes estimates of cotton production, and the two do not conflict in any way.

Mr. CRAMTON. Will the gentleman yield?

Mr. SWANK. Yes.

Mr. CRAMTON. I recall that bill. It was a bill that the gentleman from Mississippi [Mr. RANKIN] had charge of, and I notice that a little later on this calendar we come to a bill by the gentleman from South Carolina [Mr. BYRNES] with reference to a census of the cotton situation by the Director of the Census. What I want to be sure of is that there is no overlapping.

Mr. SWANK. I will say to the gentleman that there is not any overlapping.

Mr. CRAMTON. But there is always this danger: If you have two censuses taken of the same subject you are pretty sure to have two different sets of figures, and neither one of them good for anything.

Mr. SWANK. I will say to the gentleman, further, that this bill was approved by the Census Bureau.

Mr. CRAMTON. If the gentleman will permit, what is the distinction between these census takings? The other day we had Mr. RANKIN's bill before us for one purpose, we have Mr. BYRNES's bill on this calendar and this one.

Mr. SWANK. The bill the gentleman mentions, of which Mr. RANKIN had charge, regulates the taking of a census by the Department of Commerce. The census they take is of the actual ginnings, the number of bales ginned, and they have agents all over the Cotton States getting reports from the ginners, and those reports are not estimates, but they are reports showing the actual bales ginned, while the Department of Agriculture makes estimates of the number of bales they think will be ginned, according to acreage, weather conditions, boll weevil, and so forth.

Mr. BURTNESS. Will the gentleman yield?

Mr. SWANK. Yes.

Mr. BURTNESS. The bill which is now under consideration is a bill that relates very largely to the publication of crop estimates, is it not?

Mr. SWANK. Yes; that is all it is.

Mr. BURTNESS. And to that extent it is entirely different from the other bill?

Mr. SWANK. Altogether different.

Mr. BURTNESS. Is not that the main distinction?

Mr. SWANK. Yes.

Mr. BURTNESS. I notice that this bill provides for semimonthly reports. Are there any other crops as to which reports are issued that often?

Mr. SWANK. I will say to the gentleman that I do not know about that.

Mr. BURTNESS. Estimates as to the yields of potatoes, wheat, and other crops are usually issued monthly, and I took it for granted that the cotton-crop estimates had been issued monthly.

Mr. SWANK. This provides for semimonthly reports, because oftentimes the production will change on account of certain weather conditions and the boll weevil within a period of two weeks.

Mr. BURTNESS. Undoubtedly that is true, and it might be true as to other crops. So, if I understand the situation correctly, the main purpose of this bill is to get your reports twice a month instead of once a month and also to have the reports issued the same day the ginners' reports are issued.

Mr. SWANK. From the Bureau of the Census; that is correct.

Mr. BURTNESS. So that you get the commercial aspect at the same time you get the estimate of the amount of the crop.

Mr. SWANK. That is right.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the bill, as follows:

Be it enacted, etc., That hereafter the Secretary of Agriculture shall discontinue acreage reports based upon farmers' intention to plant cotton and shall cause to be issued between July 1 and December 1 semimonthly reports as to the condition, progress, and probable production of cotton. No such report shall be approved and released by the Secretary of Agriculture until it shall have been passed upon by a cotton crop reporting committee or board consisting of five members or more to be designated by him, not less than three of which shall be supervisory field statisticians of the Department of Agriculture located in different sections of the cotton-growing States, experienced in estimating cotton production and who have first-hand knowledge of the condition of the cotton crop based on recent field observations, and a majority of which committee or board shall be familiar with the methods and practices of producing cotton: *Provided,* That the foregoing reports as of the following dates, Agust 1, August 16, September 1, September 16, October 1, October 18, November 1, November 14, and December 1, shall be released simultaneously with the cotton-ginning reports of the Bureau of the Census relating to the same dates, the two reports to be issued from the same place at 11 o'clock a. m. of the eighth day following that to which the respective reports relate. When such date of release falls on Sunday or a legal holiday, the report shall be issued at 11 o'clock a. m. of the next succeeding workday.

SEC. 2. All laws and parts of laws inconsistent with the provisions of this act are hereby repealed to the extent of such inconsistency.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill just passed.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. RANKIN. Mr. Speaker, last year the farmers of the cotton-growing States probably lost many millions of dollars as a result of the inaccurate and inconsistent reports given out by the Department of Agriculture at Washington.

In the first place, the department gave out an estimate in April, 1923, of the number of acres of cotton the farmers "intended" to plant. There was no law for such report, and in my opinion there was no reason for it. That estimate, which was nothing more than a guess, or a collection of guesses, as to what the farmers of the country "intended" to do, showed that there would be above 38,000,000 acres planted in cotton during the year 1923, which indicated a crop of 11,810,000 bales, or about 1,700,000 bales more than was actually made. The buying public accepted this estimate at face value, with the result that the price of cotton was held down until after it was practically all gathered and out of the farmers' hands.

This acreage estimate was not finally corrected until November, when practically the entire crop had been ginned and

reported to the Bureau of Census. Then the Department of Agriculture proceeded to "check up" its estimate by dividing what it considered to be the average number of pounds of lint cotton made per acre in 1923 into the number of pounds it estimated were actually made, and then took the result to be the number of acres actually planted, after allowing for the number of acres abandoned. In that way the department finally worked out what they considered to be the number of acres of cotton cultivated during the year 1923, to my mind a most senseless procedure. They divide a guess into an estimate to get the number of acres planted. If the result does not suit them, they can guess and divide again. Get the point?

On October 2, 1923, the Department of Agriculture estimated the crop at 11,015,000 bales, or nearly 1,000,000 bales more than was actually made. This, of course, helped to depress the price. When the true situation finally became known to the purchasing public, cotton jumped to about 35 cents a pound. Had the real facts been known throughout the country, as they were known to us of the South, I dare say the farmers would have averaged around 5 cents a pound more for their cotton than they actually received, or $25 more for each bale.

Instead of making 11,015,000 bales, we actually made about 10,160,000 bales, almost 1,000,000 bales less than was estimated by the Department of Agriculture as late as October 2, 1923.

The American spinners relied upon these reports, or estimates, and delayed buying until the true facts became known, when they realized that foreign spinners had purchased their supplies, leaving the American spinners without sufficient raw cotton to operate their mills until another crop could be grown and placed upon the market. Thus the southern cotton growers and the American spinners both lost heavily as a result of these inaccurate reports.

When we returned to Washington at the beginning of the present session of Congress early in December I attended a meeting of Representatives and Senators from the cotton-growing States, at which I called attention to these facts and offered a resolution to have the situation investigated and legislation prepared to correct the existing evils and prevent a repetition of the disasters of last year. The resolution was adopted unanimously, and I was appointed chairman of a committee consisting of myself, Senator WILLIAM J. HARRIS, of Georgia; Representatives W. B. OLIVER of Alabama; OTIS WINGO, of Arkansas; F. B. SWANK, of Oklahoma; and A. L. BULWINKLE, of North Carolina, charged with the duty of making the investigations and preparing and introducing the necessary legislation.

After weeks of study and investigation we came to the unanimous conclusion that the "intention to plant" cotton estimates or reports should be abandoned.

Therefore we inserted in the bill which we introduced and which has just passed the House a provision prohibiting the "intention to plant" reports.

The Department of Agriculture began attempting to get Congress to override our recommendations and permit them to publish them. If every farmer in the South had realized the danger of these "intentions" reports, southern Congressmen would have been flooded with letters protesting against them.

Instead of discouraging the farmers from planting a large acreage in cotton, as the Department of Agriculture contends these reports of the number of acres farmers "intend" to plant would do, they would have little or no effect on the farmers themselves, but they would mislead the cotton-consuming public into believing that a much larger crop was being made than that actually produced, thereby driving the price down and doing our people infinitely more harm in the loss of price than they would do them good in the reduction of acreage.

We also provided in this legislation that during the time the crop is developing and being put on the market a condition report be made every two weeks, instead of once a month; so that when one of those radical changes adversely affecting the cotton crop sweeps over the South we will not have to wait another month before that change is reflected in the condition report and in the cotton market. If the rains and boll-weevil conditions, which wrought such havoc to the cotton farmers last year, had been reflected in the crop-condition reports immediately, the chances are that cotton would have gone to 35 cents a pound at least 40 or 60 days earlier than it did, and the farmers would have got the benefit of the rise. If these condition reports are worth anything at all, they ought to be made often enough to keep the public informed as to the real condition of the cotton crop, especially during the critical period when these abrupt changes are likely to occur; and if they are not worth anything, they ought to be abandoned entirely.

The ginners' reports being the most accurate reports made, being based on the number of bales actually ginned, should be made twice a month, so as to serve as a check on the situation in case the Department of Agriculture should again go as far astray as it did last year. Therefore, we provide that the ginners' reports be made every two weeks also, and that they come out on the same day and at the same hour and place the crop-condition reports are made. This will prevent such disastrous fluctuations in the market as took place last year, when one of these reports came out in the morning, running the price up, and the other one in the afternoon, running it down. These reports thus tied together, as it were, will tend to produce accuracy and at the same time help to stabilize the cotton market.

We are also demanding that at least three of the members of the cotton-crop estimating board shall be from the three principal sections of the South, and familiar with cotton production, in order that their practical knowledge of the cotton-growing industry may help to render these reports more accurate in the future and hereafter save the cotton farmers of the South from the adverse consequences which have resulted from not having these men on this board in the past.

After four and a half months of hard work, we have secured the passage of this legislation, through both the House and the Senate. These bills will now become law, and the cotton growers of the South will have at least a measure of protection from those unfriendly influences which have done them so much harm in the past; and even from those supposedly friendly influences which have done them possibly as much harm, but perhaps without injurious intent.

TO AMEND THE ACT OF FEBRUARY 13, 1913

The next business on the Consent Calendar was the bill (H. R. 4168) to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same," approved February 13, 1913 (37 Stat. L. p. 670).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, I would like to ask the necessity for this change of existing law.

Mr. DYER. Mr. Speaker, I will state to the gentleman that it is due to the construction of the law by one of the United States district courts and also by one of the circuit courts. It is simply to meet that decision and to add to the law certain language.

Mr. CHINDBLOM. Does it carry out the original purpose of the existing law?

Mr. DYER. Absolutely. It only adds certain words, "including wagon, automobile, truck, or other vehicle" and defines what that means.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the bill as follows:

Be it enacted, etc., That the act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same," approved February 13, 1913 (37 Stat. L., p. 670), be, and the same is hereby, amended to read as follows:

"SECTION 1. That whoever shall unlawfully break the seal of any railroad car containing interstate or foreign shipments or freight or express, or shall enter any such car with intent in either case to commit larceny therein; or whoever shall steal or unlawfully take, carry away, or conceal, or by fraud or deception obtain from any railroad car, station house, platform, depot, wagon, automobile, truck, or other vehicle, or from any steamboat, vessel, or wharf, with intent to convert to his own use any goods or chattels moving as or which are a part of or which constitute an interstate or foreign shipment of freight or express, or shall buy or receive or have in his possession any such goods or chattels, knowing the same to have been stolen; or whoever shall steal or shall unlawfully take, carry away, or by fraud or deception obtain with intent to convert to his own use any baggage which shall have come into the possession of any common carrier for transportation from one State or Territory or the District

of Columbia to another State or Territory or the District of Columbia or to a foreign country, or from a foreign country to any State or Territory or the District of Columbia, or shall break into, steal, take, carry away, or conceal any of the contents of such baggage, or shall buy, receive, or have in his possession any such baggage or any article therefrom of whatever nature, knowing the same to have been stolen, shall in each case be fined not more than $5,000 or imprisoned not more than 10 years, or both, and prosecutions therefor may be instituted in any district wherein the crime shall have been committed. The carrying or transporting of any such freight, express, baggage, goods, or chattels from one State or Territory or the District of Columbia into another State or Territory or the District of Columbia, knowing the same to have been stolen, shall constitute a separate offense and subject the offender to the penalties above described for unlawful taking, and prosecutions therefor may be instituted in any district into which such freight, express, baggage, goods, or chattels shall have been removed or into which they shall have been brought by such offender. The words 'station house,' 'platform,' and 'depot,' as used in this section shall include any station house, platform, or depot, of any person, firm, association, or corporation having in his or its custody therein or thereon any freight, express, goods, chattels, shipments, or baggage moving as or which are a part of or which constitute an interstate or foreign shipment.

"SEC. 2. That nothing in this act shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof; and a judgment of conviction or acquittal on the merits under the laws of any State shall be a bar to any prosecution hereunder for the same act or acts.

"SEC. 3. That to establish the interest or foreign commerce character of any shipment in any prosecution under this act the waybill of such shipment shall be prima facie evidence of the place from which and to which such shipment was made."

With the following committee amendments:

Page 3, line 24, strike out the "and" and after the word "depot" insert "wagon, automobile, truck, or other vehicle"; on page 4, line 1, strike out the word "or" and after "depot" insert "wagon, automobile, truck, or other vehicle"; and in line 13 strike out the word "interest" and insert in lieu thereof the word "interstate."

The SPEAKER. The question is on the committee amendments.

The question was taken, and the committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 6815. An act to authorize a temporary increase of the Coast Guard for law enforcement.

CHINA TRADE ACT

Mr. DYER. Mr. Speaker, the next bill is H. R. 7190, a bill to amend the China trade act, 1922. I ask unanimous consent that this bill may be passed over without prejudice, retaining its place on the calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

CENSUS OF COTTON IN MANUFACTURING ESTABLISHMENTS AND WAREHOUSES

The next business on the Consent Calendar was the resolution H. J. Res. 231, a joint resolution directing a census to be taken of bales of cotton now held at various places.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none.

The Clerk read the resolution, as follows:

Resolved, etc., That the Director of the Census be, and he is hereby, directed to take a census, and at the earliest possible date issue a report, showing the number of bales of cotton now held in the cotton mills and warehouses, and the grades of such cotton.

SEC. 2. That it shall be the duty of every owner, president, treasurer, secretary, director, or other officer or agent of any manufacturing establishment, warehouse, or other place where cotton is manufactured or stored, whether conducted as a corporation, firm, limited partnership, or by individuals, when requested by the Director of the Census or by any special agent or other employee of the Bureau of the Census acting under the instructions of said director, to furnish completely and correctly, to the best of his knowledge, the information concerning the quantity and grades of cotton on hand. The request of the Director of the Census for this information may be made in writing or by a visiting representative, and if made in writing shall be forwarded by registered mail and the registry receipt of the Post Office Department shall be accepted as evidence of such demand. Any owner, president, treasurer, secretary, director, or other officer or agent of any cotton manufacturing establishment, warehouse, or other place where cotton is stored, who, under the conditions hereinbefore stated, shall refuse or willfully neglect to furnish any of the information herein provided for or shall willfully give answers that are false shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than $300 or more than $1,000 or imprisoned for a period of not exceeding one year, or both so fined and imprisoned, at the discretion of the court.

Mr. CRAMTON. Mr. Speaker, I move to strike out the last word in order to ask the gentleman from Mississippi if this is a continued story and when we will get the last chapter and the last episode. The gentleman has a bill to take a census of the cotton about once every two weeks.

Mr. RANKIN. Mr. Speaker, I can not say how many of these episodes it will take to educate the gentleman from Michigan on the subject of the cotton census, cotton growing, and crop reporting.

Mr. CRAMTON. I will say, if the gentleman will yield, that they do not need to take this census for my benefit, because I am afraid it will not be effectual for that purpose.

Mr. RANKIN. I will say to the gentleman from Michigan that we are taking this one for the benefit of the country generally. The first bill which he refers to, which passed some time ago, was to readjust the system of taking a census of the number of bales of cotton as they were ginned. The bill that was passed from the Agricultural Committee awhile ago was a bill to readjust the crop-reporting system of the Department of Agriculture. Those two bills have nothing to do with the measure now before the House. This bill is to take a recount of the number of bales of cotton now stored in warehouses in the United States, for this reason: The Department of Commerce recently gave out a statement to the world, or to the country, of the number of bales of cotton in store in the United States. After a careful investigation, some of the best-informed men on the cotton situation in the world, including Mr. Wannamaker, of the American Cotton Association, submitted proof to show that that statement was something like 600,000 bales too high. In other words, they were publishing to the world an estimate of the number of bales of cotton now available in the United States which was a little more than half a million bales more than was actually on hand. The result of that was that, in the first place, it misled the American spinner into believing that this cotton was available, when, as a matter of fact, it was not, according to these experts; and, in the next place, it tended to beat down the price of cotton.

We come in and ask for the passage of this bill in order that the Bureau of the Census, through its machinery now available, can get an exact report from every warehouse as to the number of bales of cotton now on hand.

Mr. CRAMTON. If the gentleman will yield, I can understand why the gentleman and his constituents would want to demonstrate that there was an undersupply of cotton. As I understand, this alleged inaccurate estimate was based upon the report received by the department under the law the gentleman is amending in the other bill.

Mr. RANKIN. No.

Mr. CRAMTON. And in the other bill the gentleman is trying to increase the number of reports which have been said to be worthless, in the estimation of the other gentlemen.

Mr. RANKIN. No. The gentleman is not stating the facts. The gentleman is worse off than he was before I made my statement.

Mr. CRAMTON. I do not want to blame the gentleman for that.

Mr. RANKIN. I appreciate the gentleman's leniency, and I am sorry that I have not made the proposition more clear. They were supposed to get this information from some other source than the ginners' report. They were supposed to report the number of bales of cotton on hand in the United States—that is, the number that had been produced, the number manufactured or exported, and the number that had been reimported; and somewhere in the mixup, somehow, they made a mistake, so the leading cotton men say, of about half a million bales. Now, a half a million bale mistake in a 10,000,000-bale crop is sufficient to disrupt the cotton market. For that reason the Bureau of the Census asked for this bill to be passed. The gentleman from South Carolina [Mr. BYRNES] introduced it, and my recollection is that he stated that the Director of the Census Bureau stated to him that they had the machinery and could take the estimate without additional cost to the Government.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

SENATE BILL 2112

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker and gentlemen of the House, it is right interesting to listen to the discussion of certain gentlemen whenever we have any legislation affecting cotton. I am very glad, however, to know that in all of our troubles connected with the production of cotton when we appeal to the Congress for legislation conducive to help in my section that we have quite a lot of friends from the various sections of the country other than the South ready to lend a helping hand, especially those of you from the West. I appreciate this splendid spirit, for when you help agriculture in any section of the country you are building stepping-stones to prosperity in every vocation of life.

Senate bill 2112 is a companion to a bill that passed both Houses several days ago relating to ginners' reports by the Census Bureau. Both of these bills are the outcome of a certain conference held by Senators and Representatives from the cotton States in the early days of the Sixty-eighth Congress, at which time certain gentlemen were appointed to frame and introduce this legislation.

This bill directs the Secretary of Agriculture to discontinue the issuance of what is known as "the intentions to plant." This intention-to-plant report was first issued last year on April 20 without the knowledge of those directly interested in producing and manufacturing cotton. Due to its showing quite an increase in acreage "intended to be planted," the speculator took advantage of the situation and played havoc with the farming and manufacturing interests of the South. We of the South well remember that when this report came out cotton was holding a very strong position as to price but was soon hammered down about 7 cents per pound, or approximately $35 per bale. While this harmed the farmers, cooperative associations, and cotton mills of the South, it worked well with the New England mills, which needed cheap cotton but had refused to buy at the higher prices. It also worked well with the speculator, who made millions by depressing the market by harping on this very bullish report. It was shown that the acreage of cotton for 1923 would be around 38,000,000 acres, or about 4,000,000 acres more than was planted in 1922, indicating a yield of 11,800,000 bales, or about 1,700,000 more than was produced, as was shown by final report.

On or about July 1 the Department of Agriculture gave out an estimate of 11,412,000 bales; about August 1 an estimate of 11,516,000 bales; on August 31 the estimate dropped to 10,788,000 bales; on October 2 it jumped back to 11,015,000 bales; on November 2 it again dropped back to 10,282,000 bales; and on December 12 dropped again to 10,081,000 bales. These various reports were based on "intention to plant" and on the condition of the growing crops at the time these reports were given out. I contend that they are purely guesswork, and to my mind do more harm than good as far as the farmer and legitimate business are concerned.

The very idea of estimating the number of bales of cotton that will be produced based on intentions of farmers before a cotton seed is planted in the ground is absurd, indeed. Hundreds of things can change the purposes of farmers between the 15th of December and the time the seed is cast into the ground. Thousands of farmers depend largely upon the liberality of supply merchants and of banks who regulate the extent of supplies, cash, and fertilizers advanced to them in order that they may be able to make a cotton crop. Again, condition reports issued, beginning June 1 and continuing for several months can not be depended on to make total-crop estimates, for so many changes may take place in a growing crop during these months. The critical period in the growth of a cotton crop lies between July 1 and September 1. About the last of July of last year I had a field of cotton containing about 110 acres, and to all appearances it looked as if I would gather about 125 bales. A wet spell, however, followed, the boll weevil was active, and I gathered only 75 bales.

The Secretary of Agriculture, Mr. Wallace, is, I believe, a very splendid man; but I find that the various governmental departments at Washington are getting top-heavy, being loaded with men in the various bureaus and departments who do not have a practical knowledge of agriculture and farming. Yet these bureaus are largely running things and the men who they call in conference on agricultural matters are of the same type as themselves, men who do not see these matters from the viewpoint of the average business man or farmer. In other words, we need more men of actual farming experience in these conferences to consider these matters from a practical standpoint.

Now, let us see how the Crop Reporting Board of the United States Department of Agriculture proceeds and who dictates in connection with crop reports and other matters pertaining to this department. The following is taken from a booklet entitled "The Agricultural Outlook," issued April, 1923, by the Bureau of Agricultural Economics, Department of Agriculture, which bears out my statement made a few minutes ago:

The Crop Reporting Board of the United States Department of Agriculture issued at 11 a. m. April 20 a summary of reports from many thousands of farmers in all parts of the United States, setting forth their intentions regarding crop acreages to be planted this spring.

In connection with the issuance of this summary it is felt that a comprehensive estimate of the general agricultural outlook would be of special value to producers at this time.

At the request of Secretary Wallace, Dr. H. C. Taylor, chief of this bureau, invited a group of well-known economists and statisticians to meet at Washington to consider the report on "intended crop plantings" and to prepare a statement on the general factors now underlying the agricultural situation with a view to furnishing all possible basis for intelligent adjustment of production to demand.

This group met at the department on the morning of April 20. It divided into subcommittees for consideration of specific subjects, and the first day was devoted to work of these subcommittees.

The following day, April 21, the entire group assembled in the Crop Reporting Board room in executive session. The "committee of the whole" thereupon considered the subcommittee reports and drafted a condensed general statement on agricultural outlook, which was made public at 3 p. m.

The character and well-informed status of the men who comprised this group make this report of considerable significance to extension men.

The economists and statisticians participating in the conference were:

George E. Roberts, National City Bank, New York City.
Carl Snyder, Federal Reserve Bank, New York City.
Wesley C. Mitchell, Bureau of Economic Research, New York City.
B. M. Anderson, jr., Chase National Bank, New York City.
E. W. Wentworth, Research Department, Armour Co., Chicago, Ill.
B. W. Snow, Bartlett-Frazier Co., Chicago, Ill.
Wm. G. Reed, Geo. H. McFadden & Bro., Philadelphia, Pa.
Warren M. Persons, Harvard University, Cambridge, Mass.
Geo. F. Warren, Cornell University, Ithaca, N. Y.
F. A. Pearson, Cornell University, Ithaca, N. Y.
Thos. S. Adams, Yale University, New Haven, Conn.
H. A. Wallace, Corn Belt Meat Produce Association, Des Moines, Iowa.
H. W. Moorhouse, Farm Bureau Federation, Chicago, Ill.
H. G. Moulton, Institute of Economics, Washington, D. C.
Walter W. Stewart, Federal Reserve Board, Washington, D. C.
Wm. T. Foster, Pollock Found. Research, Newton, Mass.
F. M. Surface, Department of Commerce, Washington, D. C.
E. G. Montgomery, Department of Commerce, Washington, D. C.

From this you will observe that not a single man from the South or cotton States was invited to this conference while six men from New York, six big bankers, one representative from the biggest meat packing concern in the world, one representative of George H. McFadden & Bro., cotton factors and exporters, whose concern made, I suppose, millions when cotton took its tumble after "intentions to plant" report was made, one representative of Bartlett-Frazier Co., and several professors from New York, Massachusetts, and Connecticut, were present and participated in the conference. No wonder that agriculture is in such a deplorable condition. Look who runs things while thousands of men, women, and children on the farm, living from hand to mouth, are being robbed by big business, high freight rates, and a tariff that has practically closed our foreign markets.

Here are some of the figures given out in the intentions to plant, 1923, cotton. These were no doubt gladly received by the speculator:

	Per cent
Per cent of five-year average acreage, 1909–1913	108.7
Per cent of five-year average acreage, 1918–1922	109
Farmers' intentions as reported Apr. 20, 1923	112

With this kind of statement issued the speculator certainly would not want better bear meat, and evidently this statement was put out for no other purpose than to bear the market. Here is a list of the Crop Reporting Board, Washington, D. C.: W. A. Schoenfeld (chairman), W. F. Callander, G. K. Holmes, S. A. Jones, J. A. Becker, and L. M. Harrison. Not even one of these gentlemen is from the South or from the cotton States, yet they have the last word in crop reporting. They have the privilege and right to revise reports coming in from the field which in their opinion appear to be biased because of the pecuniary interest of the reporter in cotton farming.

The only man connected with the department from the South is Mr. Meadows, of Alabama, whom I know personally to be deeply interested in this work, but who is leaving this department to go with the Department of Commerce. Mr. Meadows is a practical man with plenty of common sense. Because of his actual experience in producing and marketing cotton he is loaded with knowledge of southern agriculture. I am sorry to see him go, and since hearing of the change I have been wondering why he is making it. Certainly I can not believe that it is because of his desire to get away from his life work and his first love. Perhaps it is because he is lonely and unsupported in his efforts to serve not against any interest but that the great agricultural interest might get a square deal.

Mr. Schoenfeld and others were before our committee—Committee on Agriculture—and testified in connection with Senate bill 2112. I am going to insert in the RECORD a part of the hearings.

Mr. Schoenfeld, chairman Crop Reporting Board, Department of Agriculture, testifying:

Mr. RANKIN. There is no opposition anywhere to this bill except on the intentions-to-plant reports?

Mr. SCHOENFELD. That is the only one. Of course, if the bill is passed, some provision must be made to provide ways and means.

Mr. RANKIN. To provide the funds necessary to carry it out?

Mr. SCHOENFELD. Yes.

Mr. ASWELL. How much money would it take to carry it out, Mr. Schoenfeld?

Mr. SCHOENFELD. About $70,000.

Mr. KINCHELOE. I take it, from the excerpt you read from the Secretary's annual report, that he is against the discontinuance of these intentions-to-plant reports.

Mr. SCHOENFELD. Absolutely, and the department as a whole feels, after an unbiased review of the situation, the same way.

Now, I want to refer back to the statement that the intentions-to-plant reports had a bearish effect on the market.

Mr. ASWELL. That is the crux of the whole situation.

Mr. SCHOENFELD. Yes; that seems to be the sore spot. As I have mentioned, the farmers had last year very little cotton in their hands at that time. Most of the cotton held by farmers was in the hands of the cooperatives, and they have come out strongly in favor of this.

Mr. FULMER. You mean last year?

Mr. SCHOENFELD. This last year's crop; yes.

Mr. FULMER. Was that in the hands of the farmers?

Mr. SCHOENFELD. I mean April, 1923. Very little of the cotton was in the hands of the farmers; less than 4 or 5 per cent was in the hands of the farmers at that time.

Mr. FULMER. That is a mistake, so far as South Carolina is concerned. They had considerably more cotton than the cooperative associations.

Mr. ASWELL. Do the farmers hold the cotton later than April?

Mr. FULMER. A great many of them did at that time on account of the depressed prices. Very few of the farmers belong to the cooperative associations, as compared with the number of farmers, and they had on hand a considerable amount of cotton; considerably more than the cooperative associations.

Mr. SCHOENFELD. Two hundred thousand bales were held in April by all the farmers.

Mr. FULMER. How did you get the information as to how many bales the farmers had in their possession?

Mr. SCHOENFELD. I will ask Mr. Agelasto to answer that.

Mr. AGELASTO. That is gotten by the Department of Commerce in these monthly statements, and the item "elsewhere" is the amount of cotton which the farmer has which is on the farm and in the country warehouses. Warehouse stocks and mill stock of course are in addition to that.

Mr. FULMER. That is exactly where the department is absolutely wrong. In South Carolina we have a State warehouse system, and the farmers hold their cotton through that system. I haven't the figures at this time, but it is ten times the amount of cotton that the cooperatives held. As a matter of fact the cooperatives have held very little cotton. Under this warehouse system the farmers take advantage of it and hold their cotton, bank the receipts, and carry the cotton. That is in addition to the number of bales held in their own barns, sheds, and on the farm.

Mr. AGELASTO. There was a small amount of cotton held by farmers in South Carolina on account of the small crop and high price.

Mr. FULMER. There was a lot of cotton carried over from 1920 because of a slump in price. The farmer actually had more cotton produced in 1920 at that time than he produced in 1923.

Mr. SCHOENFELD. I think you are right on that in so far as 1921 and 1922 are concerned, and I will bring that point out later.

Drag into June and through July of 1923 it became a well-known fact that it had become necessary to increase by at least 500,000 bales the quantity of cotton on hand in order to balance the supply and distribution for the season 1922–23, which amount of cotton would be ample to cover the needs of the American mills for the month, which had a tendency to make the mills assume a waiting policy before taking additional stocks of raw material during the month of July, at which time cotton was selling at about 8 cents a pound above the new crop cotton, which would become available in September and October.

Mr. ASWELL. How did it happen that 500,000 bales had been kept a secret; why hadn't it been reported?

Mr. SCHOENFELD. I will ask Mr. Agelasto to answer that.

Mr. AGELASTO. It appears from the reports that were issued in February and March there was indication that the supply and distribution of cotton would not balance. The attention of the Department of Commerce was called to this fact and it was taken up by them, and it developed that there existed 500,000 bales of cotton which in some way had not come into sight or had not been counted.

Mr. ASWELL. The absence of a report on that 500,000 bales had a tendency to raise the price up to that time?

Mr. AGELASTO. The absence of it indicated a small supply.

Mr. ASWELL. It raised the price.

Mr. AGELASTO. It raised it for a period. When it was brought out, together with the shrinkage of exports——

Mr. ASWELL. Whose fault was that, the Department of Commerce?

Mr. AGELASTO. The Department of Commerce——

Mr. ASWELL. Why didn't they get the facts?

Mr. AGELASTO. Their reports didn't indicate it.

Mr. ASWELL. Who was responsible for that?

Mr. AGELASTO. It is difficult to say; it might have been the fault of the machinery in the field; it might have been lack of accurate reports of ginning for the season ending July 31, 1922, and in that respect the department is about to issue a statement this month.

Mr. SCHOENFELD. Now, as to the effect of the intentions to plant report upon the farmer himself, I assure you that, representing the Department of Agriculture, we should consider first of all the cotton producer. Of course, this affects the cotton producer, but to my mind the cotton producer is not considered solely—we must consider the entire cotton industry.

* * * * * * *

Mr. SCHOENFELD. Now, I want to say at this point that the intention-to-plant idea is quite old. An intention-to-plant report by the Government is something new; but I can show you much evidence, going back for previous years, where private interests have been issuing these intention-to-plant reports. The trade and people affected by it get the information, but the cotton producer has not had until last year this information.

Mr. FULMER. Does the gentleman mean that the cotton manufacturer has been putting out that kind of information?

Mr. SCHOENFELD. They have been gathering it for their own use.

Mr. FULMER. I understood you to say that they have been collecting it and giving it out to the manufacturers.

Mr. SCHOENFELD. It has been going out in the trade.

Mr. FULMER. Isn't it a fact that it has been coming from the speculator and the exchanges?

Mr. SCHOENFELD. It has been coming from everyone.

Mr. KETCHAM. Would you be willing to, or have you the information that would enable you to give us an idea as to how accurate these reports are that are given out by private concerns?

Mr. SCHOENFELD. I was just coming to that point.

Mr. KETCHAM. All right.

Mr. SCHOENFELD. I have before be a photostat copy of Cotton and Cotton Oil News, dated February 12, 1923, which contains an article by Mr. J. S. Wannamaker, "Exhaustive report on economic situation of cotton growers, exodus of farm labor, and symposium of letters." In the questionnaire he asked this question, "What percentage of cotton acreage will be planted, cultivated, and harvested as compared to 1922?" which is quite similar to the one asked by the Government as to what percentage of cotton acreage will be planted. That question was put to the cotton growers. In other words, What does the farmer intend to do at that time, prior to February 1, 1923?

Mr. FULMER. When was that issued?

Mr. SCHOENFELD. This came out February 12, 1923, in the Cotton and Cotton Oil News. The summary table in this article showed a decrease in probable acreage of 4.4 per cent under the preceding year's plantings. This intention-to-plant report issued by Mr. Wannamaker, was from 15 to 20 per cent lower than several other private intention-to-plant reports, and 16 per cent lower than the Government's statement of intentions to plant issued about two months later. If we had had an average year, based upon these figures of Mr. Wannamaker, we would have had a crop of 8,200,000 bales. Now, right alongside of this article, paralleling it, in fact, is

a forecast of intentions, as shown by Prof. John A. Todd, in the Manchester Guardian-Commercial. He is an Englishman. We consider him one of the ablest cotton statisticians in the world. He makes this forecast: "The probabilities are that the acreage in 1923, in spite of the inducement of a high price, will hardly be record breaking, and it would be a pretty safe guess to say that it will not exceed 37,500,000 acres." Even that would be an increase of fully 10 per cent on the 1922 acreage, according to the latest figures. Then he goes on to say that on the basis of an average yield of only 140 pounds per acre, the same as 1922, this would mean a crop of about 10,250,000 bales. As a matter of fact, he hit it within a very small fraction of a per cent of what the actual outturn was. Were I to have a choice I would be inclined to follow the man who has been able to hit the mark, hit the price, and hit the production about as accurately as anyone I know of in the trade.

Mr. RANKIN. Who was that?

Mr. SCHOENFELD. Prof. John A. Todd, who is connected with the English textile industry.

Mr. KETCHAM. You referred to Mr. Wannamaker.

Mr. SCHOENFELD. We have Mr. Wannamaker's opinion——

Mr. KETCHAM. Would you be willing to state who he is?

Mr. SCHOENFELD. The first contact I had with Mr. Wannamaker was when I was assistant director of agricultural extension and had charge of the county agricultural agent's work in Tennessee. At that time there was an organization known as the American Cotton Growers' Association, which was launched in a number of the Southern States. They came into west Tennessee and enlisted the cooperation of our county agricultural agents. We assisted as much as was possible and permissible, but we began to part company when it was reported that recommendations were being made—this was September, 1920—that the cotton planter hold his cotton for 50 cents a pound. As you all know, if you are interested in the cotton trade statistics, instead of getting 50-cent cotton the subsequent price was below 10 cents a pound. I have no statement as to how much money cotton planters lost at that time, but I know that it ran into the millions because of such advice predicated on what the market might do. It looked like an awful poor stab at a probable market price.

Mr. KETCHAM. What is the nature of his organization as contrasted with the ordinary farm organization?

Mr. SCHOENFELD. I do not know. I have never seen the statistics published.

Mr. FULMER. May I answer the question?

Mr. KETCHAM. Certainly.

Mr. FULMER. Mr. Wannamaker is president of the American Cotton Association, covering the United States. He is connected with every State in the Union, and with every interest, manufacturing interests and farming interests, and his association is doing more, in my opinion, than any other association has done. They are combating the boll weevil. They are going out and working directly with the farmers to defeat the boll weevil. Mr. Wannamaker has given his life to this work. He was reared on a farm and is still a large farmer, and to my mind is the best-posted man on the cotton industry of any man in the United States.

Mr. KETCHAM. Will you permit one more question? How does the association receive its means of support?

Mr. FULMER. They are receiving thousands of dollars, especially from New York and various other sections, to fight the boll weevil.

Mr. KETCHAM. Contributed by farmers, manufacturers, and those who are interested?

Mr. FULMER. From every line of work; yes.

Mr. SWANK. The statistical department, of which Mr. Wannamaker is president, investigated the cost of production of cotton in the different States and estimated that the cost to raise cotton in 1923 was about 29 cents a pound.

Mr. FULMER. Yes.

Mr. SCHOENFELD. I understand that Mr. Wannamaker's committee received $25,000 a year for three years from the United States Steel Corporation to help in the boll-weevil proposition?

* * * * * * *

Mr Schoenfeld continuing says:

Now, gentlemen, in fairness to some of the criticisms that have come to us from the field, from Members of Congress, and which we bump into wherever we go in the great cotton-growing sections, we did make a mistake in sending out the intentions-to-plant report too late. We will admit that. We had the material, but it was not until we had thought over the advisability of issuing these reports that we released it. We will admit that that first report did come out too late. That is one admission, and it is a fair criticism that the trade and others make of us. Another point is that the intentions-to-plant report contained nothing more than intentions to plant, the increase or decrease over previous years for all crops of an imporant nature, but it did not contain supplementary data as to probable carry-over of stocks, probable world demand and consumption, and all the other necessary information which would enable the planter or textile operator or trader to act wisely in accordance with the figures presented. Those are admissions which we make. We are sorry that that happened, but we do believe this year, if Congress sees fit, we will put out something which we won't have to constantly explain and apologize for.

Mr. ASWELL. It is late now. Do you have that data ready to give out before April? It is now the middle of February.

Mr. SCHOENFELD. We have agreed with Mr. RANKIN's subcommittee that no intentions-to-plant cotton report will be issued this year unless Congress thought it advisable, and we will not issue it unless advised to the contrary.

You will observe that Mr. Schoenfeld says that—

we had the data, the material, but it was not until we had thought over the advisability of issuing these reports that we released it.

You will recall that in a statement brought to your attention a few minutes ago this report was released at 11 a. m. April 20, on the very morning that this bunch of lawyers, doctors, big bankers, cotton exporters, meat packers, and professors met in conference.

I wish to reread right here into the RECORD that we may not be mistaken about this. [Reading from the Agricultural Outlook:]

At the request of Secretary Wallace, Dr. H. C. Taylor, chief of this bureau, invited a group of well-known economists and statisticians to meet at Washington to consider the report on intended crop plantings; and to prepare a statement on the general factors now underlying the agricultural situation with a view to furnishing all possible basis for intelligent adjustment of production to demand.

This group met at the department on the morning of April 20. This is the day that the report was released.

The following day, April 21, the entire group assembled in the Crop Reporting Board room in executive session. The "committee of the whole" * * *—

Whatever that is—I presume that was when and where these economists and statisticians congratulated the board for its splendid work.

Continuing further the hearings before our committee:

Mr. CALLANDER. The acreage figures are always more accurate. The forecasts made in July or in September are simply statements that, from present indications, if weather conditions are average, the crops will be such and such.

Mr. JONES. I understand that; but why is it for the past nine years you have always had estimates too high during July, August, and September, with the exception of two years?

Mr. CALLANDER. Not in September. They have been more often low in September than otherwise.

Mr. JONES. I have taken the reports of the Department of Agriculture for the past nine years, from 1915 to 1922, inclusive, and in July, taking the average for the nine years, your July prediction has been a million bales too high, and more than a million.

Mr. CALLANDER. That began in 1915?

Mr. JONES. Yes.

Mr. CALLANDER. We have been consistently high in July, except for two years, when we were too low, one year 15 per cent and the other year 4 per cent.

Mr. JONES. With the exception of two years; yes. Now, why were you too high during seven of those nine years?

Mr. CALLANDER. The situation in cotton is this, that since the advent of the boll weevil the averages for previous years on which the forecasts are based have been destroyed to a certain extent, so that it has been much more difficult to forecast. There are several factors to consider; the weather, the boll weevil—weather affects the boll weevil and affects the cotton—and then there is the third, unknown factor, very difficult not only for ourselves but for all the private estimators to discount, the effect of the weevil on the cotton under various weather conditions.

Mr. JONES. It looks to me like, taking the average for those nine years, that we can get a pretty good estimate of whether your crop reports are worth anything to the producer. Take the average for the nine years. I have added up your own figures, taking the totals for nine years and dividing them by nine. Your average estimate for July during the nine years was 11,839,000 bales, the average estimate for August over the nine years was 11,673,000—coming down a little—and the average estimate in September was 11,060,000; for October, 10,773,000, and the final estimate for December is 10,765,000 bales, or a million and a quarter bales less on the average for December, for the nine years than you have in July. In other words, these excess reports would tend to reduce the price during the selling season to the producer, wouldn't they?

Mr. CALLANDER. That would depend on whether they were higher or lower than the private reports.

Mr. JONES. Then what are they worth to the farmer?

Mr. CALLANDER. We have raised the question in our own minds as to whether we should make the early forecasts. We were forced into it because of the fact that the trade makes such forecasts, and their average has been on the whole higher than ours.

Mr. FULMER. That is absolutely all right for the trade, because they find that that depresses prices.

Mr. JONES. Surely.

Mr. FULMER. As a matter of fact, those reports are absolutely guesswork until they get the actual ginning reports.

Mr. JONES. Are not the ginners in better position than the statisticians to get a real estimate on the cotton production?

Mr. CALLANDER. The ginners?

Mr. JONES. Yes.

Mr. CALLANDER. We use that information.

Mr. JONES. You, of course, get the ginners' reports of actual ginning, and I have been told about the report of the American Ginners' Association, or some such organization.

Mr. CALLANDER. They haven't any association.

Mr. JONES. They have an organization, haven't they?

Mr. CALLANDER. They used to have at one time, but I understand there isn't any now. One man issues the reports under the name of the National Ginners' Association.

Mr. JONES. They were a good deal more accurate than you were this year.

Mr. CALLENDER. No, sir. You can see the estimates on this sheet here.

Mr. JONES. The point that occurred to me was this: During seven of these nine years, beginning with 1915 and running to 1923, inclusive, you have been from a million to a million and a half over in your estimates, gradually coming down during the season when the farmer usually sells his cotton, but you have had an overestimate each year, and an overestimate on the average from a million to a million and a quarter bales. How can that be of any benefit to the farmer, even though you increase the number of forecasts from monthly to semimonthly, if you can not get them any more accurate than that?

Mr. CALLANDER. The average from 1915 to 1922, the total forecast in July, was 11,900,000, and the average of the final ginnings was 11,070,000.

Mr. JONES. According to the figures I have here, it is 10,765,000, and I have your own figures.

Mr. CALLANDER. Those are possibly the running bales, and these are the 500-pound bales.

Mr. JONES. This is the Yearbook of the Department of Agriculture for 1922, giving your own statistics, Table 225, being the table I have taken the figures from.

Mr. CALLANDER. I am making a comparison of the final ginnings and you are making a comparison with December estimates.

Mr. JONES. I am contrasting the July, August, September, October, November, and December estimates, and you gradually went down every year, with the exception of two years during the nine years, and in each of those years during which you made an overestimate it would naturally tend to depress prices, when most of the farmers were compelled to sell their cotton.

Mr. CALLANDER. The average of our estimates for September compared with final ginnings had been exactly the same—that is, we have been four years above and four years below the final ginning. In October we have been 3 per cent below for this period. Those are the times when the farmer would be selling his cotton. Our December estimates for eight years have been, on the average, within 1 per cent of the final ginnings. We have been below four times, the greatest difference being in 1921, when we were 5 per cent.

Mr. JONES. But you have just picked out certain months.

Mr. CALLANDER. This is a complete record.

Mr. JONES. But taking all the months and averaging them, you have been overestimating during every month in the whole nine years.

Mr. CALLANDER. We have for July and August but not for September, October, and December.

Mr. JONES. I have added up the columns of figures in Table 225, and on an average in July you have overestimated 1,250,000 bales. In August you have overestimated more than 1,000,000 bales. In September you have overestimated a little over 250,000 bales, and in October you have overestimated just a small amount, but an overestimate in every month.

Mr. KETCHAM. What difference does it make about the overestimation, except at the time when the farmer goes to sell his cotton?

Mr. JONES. That is exactly the point. They are making an overestimate during the picking and selling season of the farmer.

Mr. KETCHAM. What are the picking and selling seasons?

Mr. JONES. The main selling months are August, September, October, and November.

Mr. KETCHAM. When do the heavy sales occur?

Mr. JONES. Possibly September and October.

Mr. RANKIN. About 60 per cent of the cotton, I believe, is sold by the 18th of October. I think that is correct.

Mr. CALLANDER. Your figures are compared with December. The ones I am reading are taken from the original reports and are compared with the final ginnings.

Mr. ASWELL. But December is too late for the farmer.

Mr. JONES. I have given the months in which the cotton farmer is most interested.

Mr. CALLANDER. I am sure this record is right. In 1915 we were 5 per cent above.

Mr. ASWELL. When?

Mr. CALLANDER. In September. In 1915, 1916, and 1917 we averaged about 6 per cent above. In 1919, 1920, and 1921 we were as high as 8 per cent once, 2 per cent once, and 5 per cent, and about 2 per cent below the final ginnings.

Mr. JONES. I have given the average for July, August, September, October, November, and December. The overestimates of the department on the average for the whole nine-year period have maintained more or less of a range from a quarter of a million to a million and a quarter bales during every month.

Mr. CALLANDER. I have not analyzed that particular table.

Mr. ASWELL. You say those figures are incorrect and these others are not. Which set of figures do the public get?

Mr. CALLANDER. They get both.

Mr. ASWELL. Where else are those figures printed that you have just now shown, and where have they been distributed, those that you have just read?

Mr. CALLANDER. They have been printed.

Mr. JONES. Those are the figures that cotton is sold on. It gives an estimate each year. I have added that up, the estimates by the department for July, August, September, October, November, and December, and for seven of the years there were overestimates and in two years there were underestimates. I have then taken the figures for each month, added them up and divided the total column for each month by nine to get the average.

Mr. CALLANDER. You will remember that our December estimates have been consistently under, except one or two years, and you are comparing the earlier months with an underestimate in December——

Mr. RUBEY. What do you mean by "consistently"?

Mr. CALLANDER. A majority of the time.

Mr. RUBEY. Do you mean you had to be over in order to be consistent?

Mr. CALLANDER. Absolutely not.

Mr. RUBEY. You mean consecutively?

Mr. CALLANDER. If I may be permitted, I would like to make this statement: This gentleman is comparing earlier estimates with December. I am comparing all of our estimates with the final ginning, which is the figure we measure against all the time. Now, in 1915, in December, our estimate was exactly the same as the final ginning. In 1916 it was 1 per cent above.

Mr. JONES. Have you the final figures on production for each of those years since 1915?

Mr. CALLANDER. Yes; and I would like to submit them.

Mr. FULMER. Your final figures are largely made up from the ginning returns?

Mr. CALLANDER. Yes, sir.

Mr. FULMER. That is the reason you get an accurate report at that time, and the others are not accurate?

Mr. CALLANDER. It helps materially.

Mr. JONES. In the meantime in these months the farmer is selling at a low price.

Mr. CALLANDER. As compared with the final ginnings; our September, October, and December estimates have averaged below the final ginnings for nine years.

Mr. JONES. But during the nine years, through July, when they first begin selling, your July estimates have been a million bales too high on the average.

Mr. CALLANDER. As compared with the final ginnings; yes.

Mr. JONES. That is, when the market first starts off that would tend to make a slump the minute the farmer puts his production on the market?

Mr. KINCHELOE. Does the Agricultural Department feed your farmers with those different figures all the time——

Mr. CALLANDER. He has exactly the same figures I have.

Mr. JONES. I am reading from the Yearbook.

Mr. CALLANDER. Mr. JONES has exactly the same figures I have, and he is using the same figures I am, but he is comparing the preceding months with December. I am comparing all of the months with the final ginning, which is the measuring stick. Our December estimates have been low.

Mr. KINCHELOE. But that is when the farmer has sold most of his cotton.

Mr. SINCLAIR. That assists the textile manufacturers. A low estimate in December, compared with the final ginnings, that would help the farmer——

Mr. JOHNSON. How would that help the farmer when his cotton is all gone in this country, when you make the final report?

Mr. FULMER. Wouldn't that prove that your previous reports are largely guesswork?

Mr. CALLANDER. In the last five or six years, as you know, we have had abnormal weather conditions in the cotton-growing district, and we haven't had our expectancy fulfilled as to crops. That has affected our forecasts, and we have raised the question ourselves as to whether the Government, in July and August, should make a forecast. But the department was forced into that because of the fact that the trade of the country at large was making its own forecasts, and you will find by a study of this chart that Mr. Schoenfeld showed you that in July of last year more of the private estimates were above the department's estimates than were below it. It is the same way this year.

Mr. KETCHAM. I wish you would make that statement again. That is worthy of repetition.

Mr. CALLANDER. If you will watch this chart—the black one is the department and the others are the private—and if you will study the chart, you will find that in most cases the average of the private reports in July and August is above the average of the department reports.

Mr. KINCHELOE. That is in July?

Mr. CALLANDER. In July, August, and September. Now, if there were no department reports, you can see what would happen.

Mr. ASWELL. Who makes the private reports?

Mr. CALLANDER. McFadden & Co., Joy & Co., and Wannamaker, and several others.

Mr. ASWELL. Are they interested in the trade or in the farmer?

Mr. CALLANDER. Most of them are interested in the trade, of course.

Mr. FULMER. The Government report is the last one, and when they come out they back up the private statements.

Mr. JONES. I would like to read in that connection the final ginning reports for each year, comparing them with July.

Mr. RANKIN. Might I say something right at this point?

Mr. JONES. Yes.

Mr. RANKIN. On the 25th day of September your department made an estimate, which I believe was given out the 2d day of October, showing 11,015,000 bales of cotton?

Mr. CALLANDER. Yes.

Mr. RANKIN. As a matter of fact, on the 21st of September didn't Fenner & Bean, a cotton firm in New Orleans, give out their private reports, which showed only 10,273,000, or nearly three-quarters of a million closer to what the actual crop was than yours was?

Mr. CALLANDER. Yes; and I think several other firms did also, and then some other equally reliable firms were above the department's estimates.

Mr. KINCHELOE. If these reports are wrong and these others are nearer right, how do you help the farmer, in view of all the money you spend in getting them out?

Mr. CALLANDER. We have an organization to get as accurate information as can be had. We were practically forced to make some sort of forecast; but, as I say, weather conditions in the country have been abnormal for several years, making it difficult to forecast production.

Mr. JOHNSON. What do you mean when you say you were practically forced to make a report?

Mr. CALLANDER. There was such a demand over the country.

Mr. JOHNSON. A demand by whom?

Mr. CALLANDER. This was before my time. I see that in the department records. I am simply quoting from what I have read.

Mr. FULMER. The real farmers haven't been demanding it. They have been cussing out the report.

Mr. KETCHAM. Suppose there had been no Government crop report service; that none of the estimates had been published of the crop anticipated; and the producer had had to depend upon private sources of information, what would have been the effect upon price?

Mr. CALLANDER. The average of the others is higher than the department.

Mr. JOHNSON. How much higher?

Mr. CALLANDER. I don't know. I have worked it out, but I haven't it here.

Mr. JONES. For each of those years I want to give you the July estimate as compared with the final ginning report.

In 1915 the July estimate was 12,381,000; the final ginning report 11,192,000, or 1,250,000 too big an estimate in July.

In 1916, in July, the estimate was 14,266,000, and the final ginning report 11,450,000, nearly 3,000,000 too large an estimate in July.

In July, 1917, the estimate was 11,633,000 and the final ginning report 11,302,000; 300,000 too high in July.

In 1918 the estimate in July was 15,327,000 bales and the final ginning report 12,641,000, or 3,000,000 too high in July.

In 1919 the July estimate was 10,986,000 and the final ginning report 11,421,000, one instance of an estimate in July that was too low.

In 1920 the July estimate was 11,450,000 and the final ginning 13,440,000, which was the second time when your July estimate was too low.

In 1921 the July estimate was 8,433,000 and the final ginning 7,954,000; too high that year.

In 1922 the July estimate was 11,065,000 and the final ginning 9,762,000.

So, for seven of the nine years the July estimate was at least 1,000,000 bales, on the average, above the final ginning report. I do not see how the farmer could get any benefit from that.

Gentlemen, I believe that if you will read the hearings before our committee, take the statements and figures given by those representing the Government, you will agree with me that these reports are largely guesswork. This line of work is costing thousands of dollars, and should be discontinued unless there is a marked improvement in the near future.

Some weeks ago a Government station in Louisiana gave out a statement that we would not have near so many boll weevil this year compared with last year, another bright statement in the way of a report coming from the Government, which means nothing, but could be used to help bear the cotton market.

But going back to the bill, if it is necessary to have reports as to conditions this bill, giving a report every two weeks instead of monthly, should help to some extent. Reports every two weeks will give more nearly any immediate change taking place in crop conditions due to boll weevil or any changes in weather. This bill also provides that reports thus issued from August 1 to and including December 1 shall be released simultaneously with the ginners' reports, and from the same place and at the same date, 11 a. m. Heretofore they were issued sometimes two hours apart while in the meantime the speculators would push the market $10 a bale, either up or down.

We also provide in this bill a crop reporting committee or board consisting of five members to be designated by the Secretary of Agriculture. Not less than three of this number shall be located in the different States of the cotton-growing belt. Further provision is made that a majority of this board shall be familiar with the methods and practices of producing cotton. The selection of these men comprising this board or committee and their requisite qualifications as above stated is to my mind one of the most important features of this bill in so far as the cotton farmer is concerned. I wish that it were possible for the cooperative associations of the South who are deeply interested in the cotton farmer and who represent his interests to have some voice in the selection of these men.

The following is a letter printed in the hearings, written by Mr. Pryor, of Mississippi, to Mr. McCandliss, statistician, Department of Agriculture, on the subject:

FEBRUARY 19, 1924.

Mr. D. A. MCCANDLISS,
Statistician, United States Department of Agriculture,
Gulfport, Miss.

DEAR MR. MCCANDLISS: I am in receipt of your letter of the 18th instant in which you ask me to give my reasons for objecting to making a report on the bureau's "intentions to plant" report on cotton. I am giving below some of these objections, and I imagine that similar ones could be found for all crops upon which the bureau makes "intentions to plant" estimates.

In the first place, I have always held that estimates should differ from guesses, and I think you will bear me out in this. Furthermore, when the Government makes an estimate it should be as free from guesswork as possible. The entire world formerly placed more credence in a Government report than that of a private firm or individual, and this should be the case always. There is more money spent on Government crop reports than on any private estimate, and as a consequence Government reports should be the most accurate all the time; but you know this can not be said of them, especially our cotton reports. I get many of the private reports concerning cotton and regret to say that, early in the season especially, our Government reports are often far from accurate.

An "intention to plant" report has too many ifs in it. For example, I know that if the weather is favorable for breaking the land; if the farmers as a whole can purchase fertilizer for their cotton; if the necessary farm labor can be secured; if the first planting is not killed and a second planting is unnecessary with seed scarce; if the price remains comparatively high at planting time; if rains at planting time do not keep farmers from planting a part of their crops (and probably half a dozen other "ifs" could be enumerated); if some of these things, or several of them, perhaps, do not happen, we will have a full cotton acreage planted this year. But for me to say that some of these things will happen, or all or some of them will not happen, is too much for me to say at this time. I have seen some of them happen every year, and last year most of them happened in some of the cotton States, and there is every reason to believe they will happen again and again from year to year.

If an "intention to plant" acreage report is issued before a crop is planted it not only warps the opinions of crop reporters but will

have its influence on future acreage reports of the Crop Reporting Board. I believe this thoroughly, for having watched acreage-reduction propaganda, and other kinds, during my 18 years' service in crop-reporting work, I found that it has its influence not only on crop reporters but on the Crop Reporting Board, no matter how honest the members are and no matter how they try to arrive at correct information.

I believe the "intention to plant" report last spring influenced the Crop Reporting Board in overestimating the acreage in July last year and caused them the embarrassment of having to issue a report in October, when everyone knew that the acreage report was too large and the interpreted yield too high.

Acreage estimates have always been the most difficult reports for the bureau to arrive at, even after the crop is planted; and reports of "intentions to plant" are simply piling up additional difficulties for the reporter and statistician. In my opinion, it is a case of "fools rushing in where angels fear to tread," trying to estimate or guess weeks in advance of planting time what a farmer will do, when no one but the Almighty can know in advance the many influences that can enter into planting a crop.

While I am on this subject I want to state that I think it is equally as bad judgment to make forecasts of cotton production from condition reports before the middle of August. We can not correctly forecast cotton acreage before it is planted; neither can we forecast boll-weevil damage before the weevils appear in force. Everyone knows that with weevil infestation now spread over the entire Cotton Belt the weather in June and July determines very largely the size of a cotton crop. Weather is now the chief factor in profitable cotton-crop production. This is admitted by every intelligent planter. Until it is possible to forecast weeks in advance the kind of weather we are going to have in June and July, no one can make an intelligent estimate of cotton production from a condition report before August 15 or September 1, and even then it is more or less a hazardous guess.

Let private concerns interpret condition reports months in advance if they wish, but it should be no province of the Crop Reporting Bureau of the Department of Agriculture. When the Government makes an estimate it should be worth something to the farmer and the cotton trade, and no early condition forecast can be worth much. I opposed this proposition when I was in the Government service. My protest had no influence, however, with Mr. Murray, who originated the idea. The world would have far more confidence in the bureau's cotton reports now had it never attempted to interpret cotton estimates made before August 15 or September 1, or made estimates on the farmers' "intentions to plant" a crop.

I trust that these errors of judgment on the part of officers in the bureau can yet be seen and the practice abandoned. My only desire is to see the reports of the bureau as accurate as possible and to see confidence restored in the Government cotton reports. I gave 18 of the best years of my life to cotton-reporting work in the Bureau of Crop Estimates and every official in the bureau has my warm personal regards. However, in my opinion, a serious error of judgment has been made by those in charge of the crop-reporting work, and I hope that the practices above mentioned will yet be abandoned for the good of the future usefulness of the bureau.

I have gone into this matter at some length to show you how I feel in regard to the matter and to explain why I failed to make the report requested by you recently on the farmers' "intentions to plant."

With kindest personal regards, I remain,

Yours very truly, W. L. PRYOR.

RELIEF OF THE BOLL-WEEVIL, DROUGHT, AND FLOOD-STRICKEN FARM AREAS OF OKLAHOMA

The next business on the Consent Calendar was H. J. Res. 202, for the relief of the boll-weevil, drought, and flood-stricken farm areas of Oklahoma.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I called attention yesterday to the fact that we had sent a million dollars to New Mexico and we had sent a million and a half to California, and I told my colleagues there would be more resolutions to come up and we had better be on the watch. Here is a million dollars to go to Oklahoma. I was wondering where the lightning would strike next during this election year.

Mr. McKEOWN. Mr. Speaker, I want to say to the House that this bill is one of great merit. I have gone through quite a bit of embarrassment over this bill.

Mr. BLANTON. Will the gentleman yield to me in my own time?

Mr. McKEOWN. Certainly.

The SPEAKER. The gentleman from Oklahoma has not the floor.

Mr. BLANTON. I thought reserving the right to object I was entitled to time.

The SPEAKER. Nobody has the floor, each Member is talking by unanimous consent, and can not yield time.

Mr. McKEOWN. The President's message to Congress when we assembled in December pointed out specifically this method of rendering relief to the distressed farmers of the United States. I am not here asking you to give the farmers of Oklahoma anything. Oklahoma has been trying to carry her part of the burdens of the Government, trying to carry her part of whatever inflictions may have come, and whatever conditions may have arisen. I want to say that recently a very destructive storm swept that State, coming around through the central part of Oklahoma, destroying many lives, a great deal of farm property, houses, cattle, horses, and all kinds of livestock.

This bill was introduced primarily to assist those unfortunate farmers who live along the river where the flood-waters came down last fall in unprecedented volume and which not only destroyed all the growing crops but destroyed the land itself by washing the sand down upon it.

Gentlemen, I say to you now that this little aid that you are asked to extend to Oklahoma is not going to be a loss to you, it will be repaid.

Mr. BEGG. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BEGG. Has the gentleman taken this up with the Department of Agriculture?

Mr. McKEOWN. Yes; and we have a favorable report and also one from the Bureau of the Budget. They have examined into the conditions in Oklahoma and they went to the extent of sending out for reports from their agents all over the State.

Mr. BEGG. Has the gentleman a report of that kind? I have not my report here.

Mr. CHINDBLOM. The gentleman will find it on the second page of the report.

Mr. O'CONNELL of New York. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. O'CONNELL of New York. I have no report of the committee on this bill; will the gentleman inform us how much is involved in the appropriation and whether it is a donation or a loan?

Mr. McKEOWN. It is simply a loan.

Mr. O'CONNELL of New York. How much?

Mr. McKEOWN. A million dollars, or whatever is needed out of the million dollars.

Mr. O'CONNELL of New York. On what security?

Mr. McKEOWN. A first mortgage on the crop to be taken and the money is to be loaned under the direction of the Secretary.

Mr. O'CONNELL of New York. I have no objection.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BLANTON. Does the gentleman know how much we carry in the agricultural bill for the present fiscal year for boll-weevil extermination?

Mr. McKEOWN. I do not know the amount carried, but that is something in the future. I am talking about the present.

Mr. BLANTON. Does the gentleman know how much the present bill under consideration this afternoon carries for boll-weevil extermination?

Mr. McKEOWN. No.

Mr. BLANTON. That is for general work for the whole United States. This bill of the gentleman's is to loan to farmers down there in Oklahoma just what was loaned to the farmers in New Mexico—$6 per acre.

Mr. McKEOWN. No; it is to be loaned not to exceed $6 an acre.

Mr. BLANTON. Yes; not to exceed $6 an acre. I can remember when some land in Oklahoma was not worth $6 an acre.

Mr. McKEOWN. Our bad agricultural conditions out there on the farm are not due to any fault of the farmers nor is any decrease in the land value due to their fault.

Mr. BLANTON. Where is this to end?

Mr. McKEOWN. The men who borrow this money will pay it back, and they will return in value to the Government not only in wealth but in satisfied citizenship, and it will be of great value to the Government by way of increasing the property and letting these men save their homes.

Mr. BLANTON. The gentleman knows, because he was here, how hard a bunch of us had to work this afternoon to get a little $30,000 appropriation to exterminate blackleg in cattle which was threatening thousands of head of cattle in the United States. How is he able to get a million dollar bill like this by the committee?

Mr. McKEOWN. I would say to the gentleman that the committee gave it consideration because they saw the merit of the bill. They deliberated upon it and had hearings.

Mr. BLANTON. If those in charge of the administration of this Government let it go by, I am not going to object.

Mr. BEGG. Mr. Speaker, I think this has gone far enough.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. TILSON. Is not this boll weevil trouble very general over a great many portions of the South? Are not a number of other sections in the South suffering just as badly or nearly as badly as this particular portion?

Mr. McKEOWN. No; and I will tell the gentleman why.

Mr. TILSON. If other sections of the South are injured by the boll weevil, would not they have the same right to come here and ask for a similar amount of money?

Mr. McKEOWN. If the gentleman will hear me a minute, I will explain the situation. In the southern part of Oklahoma and in Texas they had a good crop of cotton. The boll weevil operated in different parts of Oklahoma. That was not our worst trouble, however. This is designed to help poor fellows who live near the long watercourses that flow all the way from New Mexico and Texas clear across the State of Oklahoma. These streams overflowed their banks and caused $20,000,000 worth of damage last year. If the gentleman has any doubt about it, I can refer him to the hearings and show him that this territory where these streams come down was flooded when the crops were matured and the crops were washed away. Not only that, but the floods destroyed the land and these men are helpless. The President of the United States in his message to this Congress said that whenever these conditions existed he wanted the Congress to make these loans.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BEGG. Why do they not go to the bank and borrow the money where the rest of the people have to go, if they are not asking for a gift?

Mr. CHINDBLOM. The gentleman seems to have overlooked that that is the exact question upon which the Secretary of Agriculture lays stress. He says that banks are scarce and that they have loaned up to their limit. This money is to pay the money back to the bank.

Mr. BEGG. Mr. Speaker, I object.

STOCK-RAISING HOMESTEADS

The next business on the Consent Calendar was the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act approved December 29, 1916, entitled "An act to provide for stock-raising homesteads, and for other purposes" (39 Stat. L. p. 862), be, and is hereby, amended to read as follows:

"SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate as stock-raising lands subject to entry under this act lands the surface of which is, in his opinion, chiefly valuable for grazing and raising forage crops, do not contain merchantable timber, are not susceptible of irrigation from any known source of water supply, and are of such character that 640 acres are reasonably required for the support of a family: *Provided*, That where any person qualified to make original or additional entry under the provisions of this act shall make application to enter any unappropriated public land which has not been designated as subject to entry (provided said application is accompanied and supported by properly corroborated affidavit of the applicant, in duplicate, showing prima facie that land applied for is of the character contemplated by this act), such application, together with the regular fees and commissions, shall be received by the register and receiver of the land district in which said land is located and suspended until it shall have been determined by the Secretary of the Interior whether said land is actually of that character. That during such suspension the land described in the application shall not be disposed of; and if the said land shall be designated under this act, then such application shall be allowed, otherwise it shall be rejected, subject to appeal. Where, after application for designation under this act, the applicant establishes and maintains residence on the land until final action on such application, the settler may, if the land be not designated under this act, change his application to one under the enlarged homestead law if such lands be designated thereunder, or to one under the ordinary provisions of the homestead law: *Provided further*, That if the settler shall change his application he shall embrace therein the lands upon which his principal improvements are located, and conform to the provisions, limitations, and conditions of the applicable law."

With the following committee amendments:

Page 2, line 22, after the word "appeal," strike out the period and the word "where" and the comma, insert a semicolon and the words: "but no right to occupy such lands shall be acquired by reason of said application until said lands have been designated as stock-raising lands: *Provided, however*, That where."

Page 3, line 1, after the word "applicant," insert the word "actually."

Page 3, line 2, after the word "land," insert the words "which he is hereby authorized to do."

Page 3, line 9, after the word "him," insert the words "residence and."

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

TRANSFER OF PORTION OF FORT LEAVENWORTH MILITARY RESERVATION

The next business on the Consent Calendar was the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. I object.

Mr. HERSEY. Mr. Speaker, will the gentleman reserve his objection?

Mr. BLANTON. Yes.

Mr. HERSEY. This is a very simple bill and should pass, and I shall make a statement to the House in respect to it.

Across the river from Leavenworth Prison is this property of the Government which should be used, as you will note, by turning to the report, page 2, where it says:

The purpose of this bill is to provide suitable labor for the prisoners in the Fort Leavenworth Prison. It is in line with the recommendation of the joint congressional committee created in the sixty-seventh Congress for the purpose of determining employment for Federal prisoners, and, if approved, it will greatly aid prison activities in giving men employment in the open air.

Turning to the report, you will find that the Committee on Military Affairs recommended the passage of this bill, and the War Department making the report said it should be referred to the Judiciary Committee for report. It was referred to us, we made a favorable report upon it, and it is approved by the War Department. John W. Weeks, Secretary.

Mr. BLANTON. Will the gentleman yield?

Mr. HERSEY. I will yield to the gentleman from Texas.

Mr. BLANTON. How many acres of land does this involve?

Mr. SUMNERS of Texas. About 940.

Mr. BLANTON. That is a pretty good-sized farm.

Mr. HERSEY. It belongs to the United States Leavenworth Prison, and simply transfers the land to the prison for the development of the farm.

Mr. BLANTON. What is the value of this bridge that is also transferred?

Mr. HERSEY. That is all part of the Government property; I do not know.

Mr. BLANTON. Well, it is a bridge across the river?

Mr. HERSEY. Certainly.

Mr. ANTHONY. I will be able to give the gentleman the information.

Mr. BLANTON. And it transfers $50,000 in cash. Did not the gentleman know that so as to be able to answer off the bat? It transfers $50,000 in cash.

Mr. ANTHONY. Yes.

Mr. BLANTON. The gentleman did not know that, I guess.

Mr. HERSEY. I will yield to Mr. ANTHONY to explain the matter. It is in his district.

Mr. TILSON. If the gentleman will permit, I would like to have the gentleman explain about the bridge. It seems to me a very good thing to transfer this land there but——

Mr. ANTHONY. If the gentleman will yield to me, I would like to make a statement about the proposition. The problem at the Leavenworth Penitentiary, as the gentleman from Maine stated, is to secure employment for the prisoners. There are 3,000 prisoners in the Federal penitentiary there. There is

absolutely no employment for them at the present time beyond a few hundred, and that is on construction work of the prison itself. This House passed a bill a few weeks ago to build a shoe factory to employ 500 or 800, but it will be nearly a year before that factory can be put in operation. The prison warden has been in charge about two years now, and when he came in he was able to secure about four or five hundred acres of the military reservation there for farm purposes for prisoners, and he secured some marvelous results from the operation of that farm land. Three years ago he was able to turn back into the Treasury $97,000 appropriated for maintenance of the prison largely from the operation of these few hundred acres of farm land on the Kansas side. The next year he was able to turn back $71,000. He tells me this year he will be able to turn back $42,000. He has earned all that money from the labor of the prisoners on about 300 acres of farm land on the Kansas side of the river. The gentleman from Texas is a practical farmer, and I will state that last year on the prison farm they raised and killed 1,280 hogs, with an average weight of 300 pounds apiece, and they canned 8,000 gallons of tomatoes in gallon cans, and provided an abundance of food products of that kind. Now, just as to this proposition: The transfer of these 1,000 acres of land on the Missouri side of the river to the Federal prison there will enable them to use the labor probably of 200 prisoners and, as will be seen by the employment of these prisoners on the Kansas side, it is fair to assume the Government will receive not less than $150,000 from the use of this land.

Mr. BLANTON. Will the gentleman yield?

Mr. ANTHONY. Yes.

Mr. BLANTON. The gentleman will remember when we had up the bill here a month or so ago to put the Attorney General into the factory business—the shoe-factory, the broom-factory, and brush-factory business—I suggested then that it would be much better if these convicts could be worked on the farms. My friend from Maine [Mr. HERSEY], if I remember aright, thought that was rather ridiculous.

Mr. HERSEY. The gentleman is mistaken. The statement I made was that we needed some farm land for those prisoners who did not work in the factories.

Mr. ANTHONY. But we are transferring over 900 acres of land, and we are transferring a bridge across the river, and we are transferring $50,000 in cash by this bill. Why do we not just make an appropriation?

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. ANTHONY. Let me proceed a little further first; then the gentleman will understand the proposition. Back during the war, in 1918, it was proposed by the Secretary of War, Mr. Baker, to use some thousand acres of this land and to use the men confined in the disciplinary barracks—that is a military reservation, you will remember—and there was an abandoned bridge there, and the Government took over that bridge under Mr. Baker, for which we afterward paid $35,000.

But immediately after the war the population of the disciplinary barracks went down, and the men were discharged, and we did not have men sufficient to work that land. Last year we passed in the appropriation bill an item of $50,000 to repair that bridge. Now we are transferring the appropriation for the bridge to the Department of Justice, and the War Department says that that amount will put the bridge in repair and enable the men to go over it and work on this land.

Mr. BLANTON. But it will still be in the possession of the Government after its need is ended.

Mr. O'CONNOR of New York. To what use is the land put now?

Mr. ANTHONY. To no use. It is a thousand acres of bottom land covered with a growth of timber that is of little value now. If the timber is cut away it will be the most valuable land in the world.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield for a question?

Mr. ANTHONY. Yes.

Mr. CHINDBLOM. I think this is a proper and beneficial procedure, no doubt, to secure this land for the benefit of those confined in the penitentiary. But I want to call the gentleman's attention to the form of the bill with reference to this $50,000 appropriation. Transferring the appropriation is in fact a new appropriation, and I think it is a violation of the rules of the House in that respect.

Mr. BLANTON. No point of order is made against it.

Mr. CHINDBLOM. I will say to the gentleman that in my opinion it would be best for the War Department to do that work.

Mr. ANTHONY. The War Department can not do it because they have not the men there. The intention was to have the work done by the men confined in the disciplinary barracks. At the disciplinary barracks there is an abundance of labor which is used to this class of work.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to transfer to the jurisdiction of the Department of Justice for use as a farm in connection with the United States penitentiary, Leavenworth, Kans., all of that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and including the bridge across the Missouri River. And $50,000 of the appropriation for roads, walks, wharves, and drainage contained in the War Department appropriation act for the fiscal year 1924, which was appropriated for the repair of said bridge, shall be transferred to the Department of Justice for use in making necessary repairs to said bridge and the approaches thereto.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

CLAIMS OF SIOUX INDIANS IN SOUTH DAKOTA

The next business on the Consent Calendar was the bill (H. R. 7400) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine certain claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. CRAMTON. I object.

The SPEAKER. Objection is made.

Mr. WILLIAMSON. Mr. Speaker, will the gentleman withhold his objection?

Mr. CRAMTON. Yes; I will withhold it as a matter of courtesy, but I am going to object in a little while.

Mr. WILLIAMSON. Mr. Speaker, 465 head of these horses were killed back in 1895, 1896, and 1897. Under the act of February 7, 1907, Mrs. Esther Rousseau, one of the Indians whose horses had been killed, was authorized to sue in the Court of Claims to recover the value of her horses. The number of horses for which Mrs. Rousseau recovered damages was 288, leaving 177 head for which no settlement has ever been made. They have never been settled for. There is no question, gentlemen, but that these horses were killed without any authority of law whatsoever by the United States Government, and these Indians have never been repaid for 177 head.

Mr. TAYLOR of Tennessee. How were the horses killed?

Mr. WILLIAMSON. By the Government. They ordered a veterinarian to go out there to kill them. They were shot.

Mr. SNYDER. This bill ought not to be objected to. These horses were killed by order of the Government because they were said to have glanders. It turned out after investigation that they did not have glanders. The Government paid for 246 horses. The owners of the rest of them at that time could not be found, or they would have been paid before. It is claimed that they have found the owners now. This bill does not pay out a cent. It merely gives the Secretary of the Interior authority to go out and find the facts.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. CRAMTON. It gives the Secretary of the Interior authority "to investigate and adjust and determine." His findings will be final.

Mr. WILLIAMSON. Who else would you give it to?

Mr. CRAMTON. The gentleman was intimating that this would not necessarily cost any money.

Mr. WILLIAMSON. No. I said some one will determine the value of the horses, and then the Government will be prepared to pay a fair value on them.

Mr. CRAMTON. But this does throw some doubt upon the justness of the claim, the fact that the Government sent Dr. John W. Elliot, a veterinarian, out to inspect these horses; this Doctor Elliot was the man who ordered these horses killed.

And this is the same Doctor Elliot who 30 years ago made a finding that they had an infection which warranted their being destroyed, but in 1921, three years ago, he makes up his mind that they did not have that disease. It took that Doctor Elliot

30 years after the killing of these horses to make up his mind that they were not diseased.

Mr. SNYDER. Well, granting that is true, does that help the man whose horses were killed?

Mr. CRAMTON. But it raises a doubt in my mind as to what were the facts in the case.

Mr. SNYDER. I want to say this: If the gentleman will withhold his objection——

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. HOWARD of Nebraska. But the gentleman from Michigan has yielded to me. I am quite sure that the gentleman from Michigan regards an American Indian as a citizen and wants to treat him on a par with white folks; is not that so?

Mr. CRAMTON. The gentleman from South Dakota [Mr. WILLIAMSON] has the floor, but I will answer the gentleman from Nebraska by saying certainly, yet I do not want any donation parties to anybody.

Mr. HOWARD of Nebraska. I thought so. Does not the gentleman recall that only yesterday we voted about $1,000,000 to white folks to pay for cattle killed because they had the foot-and-mouth disease?

Mr. CRAMTON. Yes; but there was no question as to the facts in those cases.

Mr. HOWARD of Nebraska. And there is no question here.

Mr. CRAMTON. But I hope that 40 years from now some one does not come in and say that those registered animals which were killed on the theory that they had the foot-and-mouth disease are discovered not to have had any infection at all; that they should not have been killed, and hence full value should be paid.

Mr. SNYDER. That is very true, but the horses were killed, and it is entirely immaterial to me whether the gentleman objects to the bill or not.

Mr. HOWARD of Nebraska. If my colleague from New York will give me a chance, I am quite sure I can make my colleague from Michigan understand. [Laughter.] And then he will withdraw his objection. When I make him understand I know he will.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, I am constrained to object for the present.

Mr. HOWARD of Nebraska. Of course the gentleman from New York would not give me a chance to make the gentleman from Michigan understand.

NATIONAL M'KINLEY BIRTHPLACE MEMORIAL ASSOCIATION

The next business on the Consent Calendar was the bill (S. 2821) to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARRETT of Tennessee. Reserving the right to object, what is the purport of the amendment?

Mr. HERSEY. I can tell the gentleman in a moment. The original incorporation of the McKinley Birthplace Memorial Association provided for five trustees, and this bill asks for one more in order to make a quorum under certain conditions, and that is the only purpose of the bill.

Mr. GARRETT of Tennessee. Is it a corporation of the District of Columbia?

Mr. HERSEY. I am not sure whether it was incorporated here or not.

Mr. COOPER of Ohio. It was incorporated by an act of Congress.

Mr. GARRETT of Tennessee. I know that.

Mr. HERSEY. The gentleman's question was whether it was incorporated in the District of Columbia. I do not know; but this is simply an amendment to the law passed March 4, 1911.

Mr. GARRETT of Tennessee. This adds nothing to the powers of the corporation?

Mr. HERSEY. It adds one trustee, that is all; and makes no other change.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911, be amended to read as follows:

"SEC. 3. That the management and direction of the affairs of the corporation and the control and disposition of its property and funds shall be vested in a board of trustees, five in number, to be composed of the individuals named in section 1 of this act, who shall constitute the first board of trustees. Vacancies caused by death, resignation, or otherwise shall be filled by the remaining trustees in such manner as shall be prescribed from time to time by the by-laws of the corporation. The persons so elected shall thereupon become trustees and also members of the corporation: *Provided*, That if the interests of the association hereinbefore named shall at any time in the judgment of the incorporators named in section 1, their associates and successors, require the services of an additional trustee, said incorporators, their associates and successors shall have authority to elect an additional trustee, so that the total number of trustees at any time may not exceed six."

Mr. GARRETT of Tennessee. Mr. Speaker, may I ask this question of the gentleman from Maine: What is the difficulty about getting a quorum with five trustees?

Mr. COOPER of Ohio. I will answer that and say to the gentleman from Tennessee that the law only permits five trustees.

Mr. GARRETT of Tennessee. I say, what is the difficulty about getting a quorum with the five?

Mr. COOPER of Ohio. These men are scattered in different parts of the United States, and sometimes it is pretty hard to get them all together.

Mr. GARRETT of Tennessee. What number does the original act provide shall constitute a quorum?

Mr. COOPER of Ohio. Well, I do not know what the original act provides. There are five trustees now, and I suppose three would constitute a quorum.

Mr. GARRETT of Tennessee. If they have six, what number will constitute a quorum?

Mr. COOPER of Ohio. Well, I suppose it would take four.

Mr. CONNALLY of Texas. This new trustee will bring the other one with him.

Mr. COOPER of Ohio. It may be that if there were only five men present at a meeting three would constitute a quorum even though they have six trustees.

Mr. GARRETT of Tennessee. Well, of course, I have no objection to the bill or to the sentiment of the bill, but I am just wondering whether or not it is going to help out the difficulty by having another trustee. If they can not get a quorum with five trustees, how are they going to get one with six?

Mr. COOPER of Ohio. They would very much like to have this bill passed.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

SUBMISSION OF CLAIMS TO THE COURT OF CLAIMS BY THE WICHITA AND AFFILIATED BANDS OF INDIANS IN OKLAHOMA

The next business on the Consent Calendar was the bill (H. R. 731) authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I want to ask a question of the gentleman from New York [Mr. SNYDER]. I do not intend to object to the bill, but I note that in all of these bills on the calendar providing for a reference of certain Indian matters to the Court of Claims that they are given five years in which to file their claims. Of course, what happens is this: Immediately after this bill becomes a law—if it has not already been going on—the lawyers who make a specialty of this kind of business will hotfoot it out to these reservations to get the business, and they will try to trump up some claims if there are not any now. Does not the gentleman think that five years is an unnecessarily long time, and that two years or three years would certainly be ample to give them a chance to begin their cases?

Mr. SNYDER. I will say to the gentleman that in many cases it would be, but the gentleman, I think, overlooks this fact. No attorney can do any work on any of these cases unless he first has made a contract with the Bureau of Indian Affairs, and this particular one is a claim of long standing, as most of these claims are, and the gentleman will recall that for about seven years, ever since the war started, the Indian Affairs Committee, to be frank with the House, has been holding up all these claim matters with the various tribes, but this session we adopted a different policy, and thought it was only fair to let those who could substantiate their claims by full and careful hearings before the committee, such as have been held on this bill, where there was a treaty—and there is no bill on this calendar where the claim is not based on a treaty right——

Mr. CRAMTON. As to that, the gentleman from Washington has a bill with reference to two classes of claims, one class

being of certain tribes based upon treaties and in the other the bill expressly states it is without treaties.

Mr. SNYDER. In that bill we permit individuals to also make claims, but that is the only one of that character.

Mr. CRAMTON. I do not want to go into that, but want to ask one or two more questions generally. The gentleman's committee then has adopted the policy of referring these matters to the Court of Claims, and I take it you have pretty nearly agreed upon the standard form of bill?

Mr. SNYDER. Yes; we have.

Mr. CRAMTON. And in none of these bills is it the intention to do away with any of the Government's defenses.

Mr. SNYDER. Not at all.

Mr. CRAMTON. It is not the intention in any of them to acknowledge that there is a valid claim.

Mr. SNYDER. Absolutely not.

Mr. CRAMTON. I have noticed that there are perhaps a dozen bills of this character on the calendar——

Mr. SNYDER. There are not as many as that.

Mr. CRAMTON. Is the end in sight?

Mr. SNYDER. There is only one other that I know of and that we have refused to report favorably upon, but I understand it is now coming before the committee, and I will say to the gentleman further that there is not a bill on here that has not had a careful and intensive hearing and all the Government safeguards have been thrown around it and no bill has been permitted to go on this calendar unless in the judgment of the committee there was a reasonable basis for the claim.

Mr. CRAMTON. In one report from the gentleman's committee—and I am stating this now because I do not intend to ask about each one of the bills as they come along—but in one of them the gentleman's committee reports that the Indians have been shabbily treated and the report goes on to use very strong language, giving the opinion of the committee that they have a valid claim. I do not know that the report of the committee would ever have any legal, binding effect, but it did occur to me that if we send it to the Court of Claims, it would be just as well if the Congress and the committee were not committed by prejudging the case.

Mr. SNYDER. I do not recall the particular bill the gentleman has in mind.

Mr. CRAMTON. It was in Oregon, I think.

Mr. SNYDER. I do not recall assisting in formulating any such report.

Mr. CRAMTON. We will come to it in the course of the evening.

Mr. TILSON. Will the gentleman yield in order to answer a question in regard to the amount of the fee?

Mr. SNYDER. Yes.

Mr. TILSON. I notice that the Secretary of the Interior expressly recommends that no fee larger than $25,000 shall be allowed in any case. The committee in meeting that situation has placed this language in the bill: "and in no event shall such fee amount in the aggregate under one attorneyship for each tribe to more than $25,000." Just what is meant by "one attorneyship"?

Mr. SNYDER. There are several tribes involved in this litigation, and no one attorney could take the case on a fixed fee of $25,000. No one would take it up, to start with. It will take at least three or four years to prepare the case to bring it before the Court of Claims, and so instead of putting in an amount of $50,000, which they all fought for, we divided it so that no one attorney could represent more than one band of Indians and he could not receive more than $25,000, as the maximum fee, and we have had the hardest fight of all in the case that the gentleman from Washington has.

Mr. TILSON. Will each attorney that appears in the case be allowed $25,000?

Mr. SNYDER. No; only the attorney of record for the tribe or band that he represents.

Mr. TILSON. And for his services from beginning to end?

Mr. SNYDER. From the beginning to the end of the case, if it takes 5 years or 10 years or 15 years.

Mr. BEGG. Will the gentleman yield?

Mr. SNYDER. Yes.

Mr. BEGG. I want to ask the gentleman a question right on that same point. Who is anxious about these matters and instigating the gentleman's committee to report out this kind of a bill? Is it the Indian or is it the attorney?

Mr. SNYDER. I will say to the gentleman that we usually find some attorney goes out where there is a band of Indians and organizes an association and points out to them that they have certain rights under certain treaties that the Government has not fulfilled, and when they bring those matters before the committee, we find that is a matter of fact.

Mr. BEGG. Is not that usually the case?

Mr. SNYDER. It is more than usual, it is the regular thing.

Mr. BEGG. I have been advised that the attorneys even pay the expenses of the Indians to Washington to trump up these cases.

Mr. SNYDER. I will say to the gentleman that I have not found any cases of that kind.

Mr. BEGG. I will say to the gentleman that I think I can find cases of that kind.

Mr. SNYDER. That might be, but these cases that are on this calendar are put on after full investigation as to whether the tribe has a reasonable right to go to the Court of Claims.

Mr. BEGG. Mr. Speaker, I think I am going to object.

Mr. HASTINGS. Will the gentleman yield just a moment to me, and if I do not satisfy the gentleman, then I am through. If the gentleman will read the report he will find that these Indians in 1891 or 1892—I may be in error about the date—sold the Government of the United States some land and made a treaty and there is a section in that treaty, which the gentleman can read in the report, and it is either section 4 or 6, in which the Government agreed with these Indians that they might present all of these claims.

Mr. BEGG. I will say to the gentleman that I think we can do something better than to pass bills for attorneys to get $25,000 fees. If he will accept an amendment for $10,000 or even $15,000, I will let it go by.

Mr. HASTINGS. We will accept that.

The SPEAKER. Is there objection?

Mr. BEGG. With the understanding that you strike out "$25,000" and insert "$15,000."

Mr. HASTINGS. There are two sets of attorneys, of course.

Mr. BEGG. Yes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. ROACH. Will the gentleman from Ohio withhold his objection. I want to state——

Mr. BEGG. The gentleman can not change my mind, but I have no objection to his making a statement.

Mr. ROACH. I want to state that this is the one case that has been before the Committee on Indian Affairs which it occurred to me from the testimony that it was not being urged by attorneys but was a claim that has been presented and urged by the Indians themselves for these many, many years, based on the statute to which the gentleman from Oklahoma [Mr. HASTINGS] has called your attention. It is written in the law that the Indians shall have the right, and were granted the right, to make the claim, and they have constantly insisted on that claim for years.

Mr. BEGG. But Congress had no idea that the attorneys would go out and drum up this case.

Mr. ROACH. The attorneys did not drum up the case; these claims were presented to Congress by the Indians. If under these circumstances the gentleman wants to object, he has the right to do so, but I want to state to the gentleman that in a case of this character no reputable attorney would take the case for $15,000.

Mr. BEGG. Was the committee unanimous for $25,000?

Mr. ROACH. They were unanimous.

Mr. BEGG. I understood that some of the committee wanted to make it as low as $10,000.

Mr. ROACH. It was shown that the claims were of such a character and would require such exhaustive preparation that no reputable attorney would waste the time.

Mr. HUDSON. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. HUDSON. The gentleman from Ohio I think misunderstood me. I said that in some cases they contended for $10,000 fee, but it was not in this individual case.

Mr. BEGG. Mr. Speaker, I insist on my amendment.

Mr. SNYDER. We will accept the amendment.

The SPEAKER. The preamble and much of the bill is eliminated by the committee amendment. Without objection the Clerk will read the bill with that part eliminated by the committee amendments.

There was no objection.

The bill as proposed to be amended was read as follows:

Be it enacted, etc., That all claims of whatsoever nature which the Wichita and affiliated bands of Indians in Oklahoma may have against the United States may be submitted to the Court of Claims for determination of the amount, if any, due said tribes or bands of Indians from the United States under any treaties, agreements, or laws of Congress, or for the misappropriation of any of the funds of said tribes or bands, or for the failure of the United States to pay said tribes or bands any moneys or other property due; and jurisdiction is hereby

conferred on the Court of Claims, with the right of either party to appeal to the Supreme Court of the United States, to hear and determine as right and justice may require and upon a full and fair arbitration all legal and equitable claims, if any, of said tribes or bands against the United States, and to enter judgment thereon.

SEC. 2. That if any claim or claims be submitted to said court, it shall settle the rights therein, both legal and equitable, of each and all the parties thereto, notwithstanding lapse of time or statutes of limitation, and any payment which may have been made upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as an offset in such suits or actions, and the United States shall be allowed credit for all sums, including gratuities heretofore paid or expended for the benefit of said tribes or any band thereof.

The claim or claims of the Wichita and affiliated bands may be presented separately or jointly by petition, subject, however, to amendment, suit to be filed within five years after the date of the passage of this act; and such action shall make the petitioner or petitioners party plaintiff or plaintiffs and the United States party defendant, and any band or bands of the said Wichita and affiliated bands or any other tribe or bands of Indians the court may deem necessary to a final determination of such suit or suits may be joined therein as the court may order. Such petition or petitions shall be verified by the attorney or attorneys employed by the Wichita and affiliated bands or any tribe or band thereof under contract approved in accordance with existing law and no other verification shall be necessary. Official letters, papers, documents, and public records, or certified copies thereof may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said tribes or bands thereof to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys for said tribes of Indians.

SEC. 3. That upon the final determination of such suit or cause of action the Court of Claims shall decree such fees as it shall find reasonable to be paid to the attorney or attorneys employed therein by said tribes under contracts negotiated and approved as provided by existing law, but in no case shall the fees decreed by said court amount to more than 10 per cent of the amount of the judgment recovered in such cause, and in no event shall such fee amount in the aggregate under one attorneyship for each tribe to more than $25,000, and shall be paid out of any judgment that may be recovered; and the balance of such judgment shall be placed in the United States Treasury to the credit of the Indians entitled thereto, where it shall draw interest at the rate of 4 per cent per annum.

Mr. SNYDER. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Page 5, line 10, strike out "$25,000" and insert "$15,000."

Mr. CHINDBLOM. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CHINDBLOM. While only the suggested changes in the bill have been read, ought not the bill to be acted upon in the form in which it appears until the committee amendments are agreed to?

The SPEAKER. The amendment just offered by the gentleman from New York is to a committee amendment and should first be adopted.

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The other committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

TO PROHIBIT THE IMPORTATION AND INTERSTATE SHIPMENT OF CERTAIN ARTICLES CONTAMINATED WITH ANTHRAX

The next business on the Consent Calendar was the bill (H. R. 6425) to prohibit the importation and interstate shipment of certain articles contaminated with anthrax.

The Clerk read the title to the bill.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc, That it shall be unlawful for any person to import into the United States from any foreign country any shaving brush containing horsehair.

SEC. 2. That any shaving brush containing horsehair, whether imported separately or contained in packages with other goods entitled to entry, shall not be admitted to entry; and all such articles shall be proceeded against, seized, and forfeited in manner prescribed by law.

SEC. 3. That it shall be unlawful for any person to ship any shaving brush containing horsehair from one State or Territory in the United States or the District of Columbia to any other State or Territory in the United States, or to the District of Columbia.

SEC. 4. That the word "person" as used in this act shall mean natural persons, firms, associations, copartnerships, and corporations.

SEC. 5. That any person violating any of the provisions of this act shall, upon conviction, be punished by a fine of not more than $1,000 or imprisonment for not more than one year, or by both such fine and imprisonment, in the discretion of the court.

SEC. 6. That this act shall not be effective in the case of goods actually in transit at the time of the passage of this act.

Mr. GARRETT of Tennessee. Mr. Speaker, I should like to make an inquiry about the bill. The title to it seems to have been somewhat misleading. The title is to prohibit the importation and interstate shipment of certain articles contaminated with anthrax. I did not catch anything in the reading of the bill that indicated that the articles therein described were made of materials that were contaminated with anthrax. This seems to be a bill for the prevention of the shipment of horsehair brushes or brushes made of horeshair.

Mr. NEWTON of Minnesota. If the gentleman will yield, the chairman of the committee was unable to be here and asked me to attend to it. The spores or germs of anthrax are germinated in horsehair and are found in horsehair shaving brushes.

The suggestion for the legislation came from the Bureau of Public Health and was based upon some very extensive and general observations made both during the war and following the period of the war. The anthrax germ is not found with the bristle brush or with the badger-hair brush, but only with the horsehair brush.

Mr. GARRETT of Tennessee. What character of brushes do these horsehair brushes come into competition with? What is the purpose of it? It is not anthrax. What competition are they trying to break down?

Mr. NEWTON of Minnesota. The Bureau of Public Health proposed this legislation and they were asked that question almost specifically. The answer was that the idea originated with them and was based upon the investigations made both during the war and following the period of the war.

Mr. GARRETT of Tennessee. That is an answer, but not a very satisfactory one. Did they say that all of the brushes made of horsehair had anthrax in them?

Mr. NEWTON of Minnesota. No; but they said that they never knew of a case of anthrax coming from a shaving brush that did not come from a horsehair brush; that they never found the anthrax germ save in horsehair brushes.

Mr. GARRETT of Tennessee. Mr. Speaker, I can not get away from the suspicion that somehow, some way, this is an effort to destroy competition upon the part of manufacturers of some other character of brushes. I hope the gentleman will withdraw this bill. Of course, consent has been given for its consideration, but the bill can be defeated, and I hope that he will withdraw it.

Mr. NEWTON of Minnesota. If the gentleman will turn to the hearings, he will find that those appearing there were from the Public Health Bureau. There were three representatives of the bureau—Doctor McCoy, Doctor Leake, and Doctor Schereschewsky. All of them, as I say, were representatives of the Public Health Bureau. The bill was introduced in the Sixty-seventh Congress. It was favorably reported out of the committee in the Sixty-seventh Congress upon the testimony of the public health officers. It failed of favorable action in the Sixty-seventh Congress, and we again communicated with the Public Health Bureau during the present Congress and were informed by them that there was still need of that legislation, in their judgment.

Mr. GARRETT of Tennessee. I remember that the bill was reported at that time. The bill escaped my attention when the consent was requested to-night, because the title was misleading as it was stated on the calendar. I hope the gentleman will be willing to withdraw this bill from consideration and let it retain its place on the calendar.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. BEGG. I do not believe that the gentleman need be unnecessarily alarmed about any ulterior motive being back of the bill, because I happen to know intimately one of these doctors, and I know by political training that he would not be in favor of any such move as this. I believe it to be a bona fide case of health protection.

Mr. GARRETT of Tennessee. The political training of the gentleman has nothing to do with it.

Mr. BEGG. I am afraid that that is what is interesting the gentleman from Tennessee.

Mr. GARRETT of Tennessee. Not at all. This is an effort to prevent the shipment in interstate commerce and the

importation from foreign countries of hairbrushes, shaving brushes, made out of a certain material.

Mr. NEWTON of Minnesota. Out of horsehair especially.

Mr. GARRETT of Tennessee. Out of horsehair upon the theory that it might have anthrax about it. As a matter of fact, I can not escape the belief that it is designed to put these brushes out of competition with brushes made from some other material.

Mr. BEGG. Two years ago, if the gentleman remembers, there were numerous items in the newspapers about an infection anthrax, here and there, all traceable directly back to imported horsehair brushes.

Mr. NEWTON of Minnesota. Including a Member of Congress who died from it.

Mr. BEGG. Including a Member of Congress, and certainly the gentleman would not want to permit a condition that might infect even one.

Mr. GARRETT of Tennessee. Mr. Speaker, hairbrushes and shaving brushes have been made out of horsehair from time immemorial.

Mr. NEWTON of Minnesota. This does not apply to hairbrushes, but only to shaving brushes.

Mr. GARRETT of Tennessee. I hope the gentleman will withdraw the bill from consideration.

Mr. NEWTON of Minnesota. On page 21 of the hearings there is a statement with reference to that particular matter. Doctor Schereschewsky there says:

In our experience horsehair is practically the only hair used in brushes which is liable to be contaminated with anthrax. The other hairs that are used either undergo a process of manufacture or come from such sources that they are not found infected—we have never found them infected with anthrax, but we do find horsehairs very extensively infected with anthrax.

Now, all this bill aims to do, of course, is to put an end to a certain source of anthrax infection, namely, the use of the shaving brush, the cheap shaving brush made of horsehair. It is not a satisfactory shaving brush; other shaving brushes are much better and much more durable.

Mr. GARRETT of Tennessee. That is it exactly. Does the gentleman intend to press the bill?

Mr. NEWTON of Minnesota. No; the gentleman does not, but the gentleman wants to say this, that the gentleman from Tennessee is clearly in error in contending that the proponents of this measure have some ulterior motive. We got this idea from the Bureau of Public Health and we accepted it in good faith and acted upon it in the Sixty-seventh Congress and in the Sixty-eighth Congress.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. NEWTON of Minnesota. We try to go thoroughly into the measures that come before our committee. The particular proposition that the gentleman has stated was taken up in the course of the hearings and pressed and we could find nothing of that kind whatsoever.

Mr. RANKIN. Has the Department of Public Health ever issued a bulletin condemning articles made of horsehair and given it out to the public?

Mr. NEWTON of Minnesota. Possibly the gentleman from Mississippi may have read all of the Public Health bulletins; the gentleman from Minnesota has not; but the gentleman from Minnesota knows that the Bureau of Public Health ever since 1917, during the war, has been consistent in endeavoring to stamp out anthrax and they have been able to find it only in shaving brushes made of horsehair. There is not anything in this except that.

Mr. RANKIN. The bill includes other kind of brushes besides shaving brushes, as I understand it, and the statement here in the calendar is misleading.

The SPEAKER. Does the gentleman withdraw the bill?

Mr. NEWTON of Minnesota. I ask to have it retain its place on the calendar in view of the request which was made, but I wish again to reiterate there is nothing whatever in the contention of the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota? [After a pause.] The Chair hears none.

AUTHORITY TO CERTAIN INDIANS, ETC., TO SUBMIT CLAIMS TO THE COURT OF CLAIMS

The next bill on the Consent Calendar was the bill (H. R. 2694) authorizing the Indian tribes and individual Indians, or any of them, residing in the State of Washington and west of the summit of the Cascade Mountains to submit to the Court of Claims certain claims growing out of treaties and otherwise.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, I can not see, as far as I am concerned, any difference between this bill and the other in regard to attorney fees. In order to show I am entirely fair in the matter I am perfectly willing to strike out all that part of the bill referring to the fee and leaving it to the court to set the fee. I do not believe a court drawing $8,500 will allow a $25,000 fee. Otherwise, I shall insist on the $15,000.

Mr. CRAMTON. Will the gentleman yield?

Mr. BEGG. I will.

Mr. CRAMTON. Let me ask the gentleman before he turns this thing wide open and makes the sky the limit—has the gentleman given full consideration that in no event shall the fee recovered be more than 10 per cent of the judgment to be recovered?

Mr. BEGG. I will insist on the same amendment——

Mr. CRAMTON. Will the gentleman from Ohio yield?

Mr. BEGG. Yes.

Mr. CRAMTON. Has the gentleman given full consideration to this, that in no event shall the fee collected be more than 10 per cent of the judgment?

Mr. BEGG. Yes; I have.

Mr. CRAMTON. In other words, in order to get a fee of $25,000 there must be a $250,000 judgment.

Mr. BEGG. I will say I have marked all of these bills to do one of two things, either cut the fee or object to it.

The SPEAKER. Is there objection to the consideration of the bill with the amendment?

Mr. CRAMTON. Which amendment?

The SPEAKER. Fifteen thousand dollars.

Mr. HADLEY. Will the gentleman yield?

Mr. BEGG. I will.

Mr. HADLEY. The gentleman from Ohio will note when this bill was introduced it was proposed the fee be limited to such amount as the court might determine, limited, however, not to exceed 10 per cent of the recovery. Now, I think that perhaps is what the gentleman from Ohio had in mind when he was suggesting an arrangement other than the one that was mentioned a while ago. I am not familiar with the facts in the Oklahoma case at all. That may satisfy those interested, but in this case the circumstances are such that if you cut the fee I fear it would not be satisfactory and feel that the other arrangement as originally carried in the bill would be eminently fair. I think it is a mistake to undertake to limit the judgment of the court where there are many tribes and bands and varying interests involved. These suits will be carried through from year to year and there will be firms of attorneys coming and going before these trials are concluded, and various substitutions will have to be made.

Mr. SNYDER. Now let us get at this thing quickly. I would like to say to the gentleman from Ohio and the rest of the gentlemen that this bill would not be here if we had not written into it $25,000. The very suggestion the gentleman from Ohio makes was the thing that kept the bill from coming before the House, because we could not agree on the amount the attorneys were satisfied with. If you leave it wide open instead of taking $25,000, they might get a hundred thousand dollars.

Mr. HADLEY. I want to make this observation before passing from the subject. Contrary to the suggestion of the gentleman from Ohio that these cases are hunted up by attorneys, in this case the proof is absolutely to the contrary and they had to hunt up their attorney. I know him; he lives in the city of Seattle, was formerly judge of the superior court there, a man of eminent station in the practice of the law in that State. He did not hunt up this case, but they went to him. I am very fearful that the suggestion the gentleman makes will amount to a practical denial of justice if it is applied here, as was done in the other case. I do not want to see them denied the remedy that the measure gives them.

Mr. BEGG. I suggest that the gentleman ask that the bill be passed over.

Mr. SNYDER. I think it is a mistake. I think that the $25,000 item here is a minimum, and there is no question but that if this claim is allowed at all it will be at least a million dollars. It is limited to 10 per cent, but any court would allow 10 per cent unless you take the limit off.

Mr. HADLEY. The limit is here. The $25,000 minimum is fixed by the committee. I accept that.

Mr. SNYDER. You might as well object to it entirely unless you put that fee in.

Mr. HADLEY. I am not suggesting that. I just say that the limitation recommended by the committee is objectionable,

Mr. SNYDER. I am only urging the bill in the interest of the gentleman from Washington [Mr. HADLEY]. The committee has no interest in it.

Mr. HADLEY. If the gentleman will withdraw his objection. I would much prefer that it should not go over.

Mr. BEGG. I can not let it go by. I objected to the other one. If the gentleman wants it passed over, all right.

Mr. ROACH. There is a difference between this and the other claim?

Mr. HADLEY. Yes.

The SPEAKER. Is there objection?

Mr. BEGG. I object.

Mr. HADLEY. So far as I am concerned I am willing that it should go over, as the gentleman suggested. I ask unanimous consent, Mr. Speaker, that the bill be passed over and retain its place on the calendar. I ask that it go over for two weeks.

The SPEAKER. Is there objection?

There was no objection.

PAYMENTS TO VARIOUS WISCONSIN POTTAWATOMI INDIANS

The next business on the Consent Calendar was the bill (H. R. 7239) authorizing the Secretary of the Interior to pay certain funds to various Wisconsin Pottawatomi Indians.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. I reserve the right to object, Mr. Speaker. I would like to ask members of the committee, and particularly the gentleman from Oklahoma [Mr. HASTINGS], or the other gentleman from Oklahoma [Mr. CARTER], about this bill.

Mr. HASTINGS. The report here indicates that at one time $100,000 was appropriated. Most of this money has been used.

Mr. BLANTON. Is the gentleman from Oklahoma interested in this bill?

Mr. HASTINGS. Yes.

Mr. BLANTON. I withdraw my objection, Mr. Speaker.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the unexpended balance of approximately $2,973.05 of the appropriation in the act of March 2, 1917 (39th Stat. L., p. 991), for the support and civilization of the Wisconsin Band of Pottawatomi Indians residing in the States of Wisconsin and Michigan, as reappropriated by the act of February 14, 1920 (41 Stat. L. p. 432), may, in the discretion of the Secretary of the Interior, be paid proportionately to such of said Indians as have not received their full shares of the benefits of the appropriation.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

RELIEF OF ALLOTTED INDIANS OF NISQUALLY RESERVATION, WASH.

The next business on the Consent Calendar was the bill (H. R. 6490) for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This bill proposes to appropriate out of the Treasury $85,000. Are these Indians without property or funds in the Treasury?

Mr. LEAVITT. Mr. Speaker, the Nisqually Indians for a great many years occupied lands that, during the war, were needed by the Government at Camp Lewis, and in order to secure their tribal lands, which included valuable fishing rights and the burial places of their ancestors and the homes of about 25 families, the Government made a compromise offer, with the understanding that more money would be paid if it cost them more to become located and self-supporting elsewhere.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. Without objection, a similar Senate bill will be considered in lieu of the House bill.

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $85,000, in full settlement of the claims against the United States of 25 heads of families of the Nisqually Reservation in Washington, said sum being compensation for the difference between the appraised value and the compromise price paid for approximately 3,300 acres of allotted Indian land taken for military purposes, and for surrender of treaty rights and removal expenses, as set out in Senate Document No. 243, Sixty-sixth Congress, second session, containing the report dated February 23, 1920, of the Acting Secretary of the Interior, pursuant to the act of Congress approved June 30, 1919 (41 Stat. L. pp. 3–28).

SEC. 2. That said sum of $85,000 hereby appropriated shall be immediately available and shall be expended, in the discretion of the Secretary of the Interior, for the benefit of the said dispossessed families, or individual Indians, under such rules and regulations as he may prescribe.

The SPEAKER. Without objection the bill will be amended to correspond with the provisions of the House bill.

The following amendments were severally adopted:

Page 1, line 3, after the word "hereby" insert "authorized to be."

Page 2, line 5, after the word "hereby" insert "authorized to be."

Page 2, line 6, strike out the words "shall be immediately available and."

The SPEAKER. The question is on the third reading of the Senate bill as amended.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the similar House bill will be laid on the table.

There was no objection.

The SPEAKER. The Clerk will report the next bill.

CLAIMS OF THE COWLITZ TRIBE OF INDIANS, WASHINGTON

The next business on the Consent Calendar was the bill (H. R. 71) authorizing the Cowlitz Tribe of Indians, residing in the State of Washington, to submit claims to the Court of Claims.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Reserving the right to object, Mr. Speaker, I put this in the same class as the other unless it is amended.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice and retain its place on the calendar.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

PRELIMINARY SURVEY OF SUNDRY STREAMS

The next business on the Consent Calendar was the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Reserving the right to object, I would like to ask a question or two of whomever is interested in the bill. Is it the customary policy of the Government to make these surveys of all rivers in connection with flood control?

Mr. WILSON of Louisiana. Yes; these surveys are authorized under section 3 of the flood control act.

Mr. BEGG. I understand that as regards surveys of rivers, but does that include surveys of all creeks in the United States other than the big navigable streams?

Mr. WILSON of Louisiana. Yes. The greater portion of these, of course, are navigable streams and come under the flood control act. In all but two cases these are preliminary surveys, of which the Chief of Engineers probably has the greater portion of the data already in his possession, and this makes very little draft upon the Treasury. It is a matter of very great importance.

Mr. CHINDBLOM. Further reserving the right to object, I would like to ask the gentleman whether these authorizations, based upon the various bills which have been introduced by various Members of the House, are made as a matter of course or whether the committee makes an investigation as to the merits?

Mr. WILSON of Louisiana. Yes; the committee has held hearings upon all these bills.

Mr. CHINDBLOM. Have bills been introduced upon which no survey has been authorized?

Mr. WILSON of Louisiana. No survey?

Mr. CHINDBLOM. Or where a preliminary examination and survey have been authorized?

Mr. WILSON of Louisiana. All except two. Nearly every item in this bill was reported favorably in the last Congress, but it was just before the close of Congress and the items were not considered. But there have been hearings on each one of them and there have been estimates from the Chief of Engineers, based on the data he already has, as to how much it would take to make a full report and make a preliminary survey and a report on how much it would cost to make a preliminary examination.

Mr. CHINDBLOM. Then we are to understand that in each instance the committee is of the opinion that there is merit in each request for a survey or examination?

Mr. WILSON of Louisiana. Yes; for a preliminary survey.

Mr. O'CONNELL of New York. And is recommended by the Army engineers as being very necessary?

Mr. WILSON of Louisiana. Yes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause preliminary examinations to be made of the following streams with a view to the control of their floods in accordance with the provisions of section 3 of "An act to provide for the control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917:

Trinity River, Tex.; Brazos River, Tex.; Canadian River, North Fork Canadian, and Little River, Okla.; Cimarron River, N. Mex. and Okla.; Wolf and Fox Rivers, Wis.; West Fork of White River, Ind.; Guadalupe River, Tex.; Columbia River, between Martins Bluff and mouth of Lewis River, Wash.; Skagit River, Wash.; Pond River, Ky.; Colorado River, Tex.; Red River, Ark.

The sum of $4,700, or so much thereof as may be necessary, is hereby authorized to be expended out of any funds heretofore appropriated for examinations, surveys, and contingencies of rivers and harbors to carry out the provisions of this section.

Mr. WILSON of Louisiana. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Louisiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WILSON of Louisiana: Page 1, line 11, after the word "River" insert "New Mexico, Texas, and Oklahoma," and after the word "Canadian" insert "Texas and Oklahoma."

Mr. CHINDBLOM. Mr. Speaker, I call attention to the fact that the word "River" occurs twice.

Mr. WILSON of Louisiana. The first word "River" then.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WILSON of Louisiana. Mr. Speaker, I offer another amendment.

The SPEAKER. The gentleman from Louisiana offers another amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, line 11, after the word "Canadian," insert "Deep Fork, Virdigris."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. That the Secretary of War is hereby authorized and directed to cause surveys to be made of the following streams with a view to the control of their floods in accordance with the provisions of section 3 of "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917:

North Branch of the Susquehanna River, Pa. and N. Y., and the sum of $8,000 is hereby authorized to be appropriated for this purpose.

Allegheny and Monongahela Rivers, and the sum of $25,000 is hereby authorized to be appropriated for this purpose: *Provided*, That no money hereby authorized to be appropriated shall be expended unless and until assurances have been given satisfactory to the Secretary of War that the Commonwealth of Pennsylvania will contribute a like sum of $25,000 for the purpose of making the survey hereby authorized; and the Secretary of War is hereby authorized to receive from the Commonwealth of Pennsylvania such sum of $25,000 and to expend the same as the $25,000 hereby authorized to be appropriated may be expended.

Mr. WINGO. Mr. Speaker. I want to ask the gentleman from Louisiana a question, and I should have asked it as to the first section. Where the bill refers to the Red River, Ark., it is the intention of the committee that that shall take in all of the river in Arkansas up to the southeast corner of the State of Oklahoma?

Mr. WILSON of Louisiana. Yes; it takes in all of the river that is in the State of Arkansas up to the Oklahoma line.

Mr. WINGO. The gentleman understands the reason why I am asking that. The river forms the boundary between Arkansas and Texas and between Oklahoma and Texas, and it was intended by the committee not simply to stop at Fulton, which is in the State of Arkansas, but to go on up to the southeast corner of the State of Oklahoma.

Mr. WILSON of Louisiana. Yes. The bill reads for all the Red River in the State of Arkansas.

Mr. HASTINGS. If the gentleman will permit, I would like to ask whether or not in the second amendment which he offered, "Deep Fork Virdigris," there ought not to be a comma in between.

Mr. WILSON of Louisiana. There is a comma.

Mr. DENISON. Why did the committee make a distinction between these two classes of rivers? I notice that in one of them a contribution is required from the States and in others such a contribution is not required.

Mr. WILSON of Louisiana. I will say to the gentleman from Illinois that the provisions for the Susquehanna River, Pa., and the Allegheny and Monongahela Rivers, are for surveys while the others are simply for preliminary examinations.

Mr. DENISON. What is the difference?

Mr. WILSON of Louisiana. When a survey is made by the Corps of Engineers of the Army they pass upon the question as to the advisability of adopting the project, and also make recommendations as to how much of that shall be borne by the Government and how much shall be borne by the local interests, and in that case they recommend that 50 per cent be borne by the Government and 50 per cent by the State of Pennsylvania. Pennsylvania has already provided—that is, the Pittsburgh Flood Control Commission has already provided—its $25,000.

Mr. DENISON. Has that ever been done before?

Mr. WILSON of Louisiana. Oh, yes; that has been done in other instances. For instance, in the surveys for some places, where streams are made navigable, they are adopting that system in a great many cases.

Mr. DENISON. You mean to require the State government to contribute the same amount to make a survey?

Mr. WILSON of Louisiana. Yes; that is not an uncommon occurrence.

Mr. GARRETT of Tennessee. I notice that the bill provides that the Commonwealth of Pennsylvania must put up dollar for dollar and I understand that has already been provided.

Mr. WILSON of Louisiana. I understand that contribution has already been made.

Mr. PORTER. Yes; that contribution has already been made.

Mr. GARRETT of Tennessee. I understand it has been provided by the Pittsburgh Flood Control Commission. Does that go through the avenues of the State treasury?

Mr. PORTER. The $25,000 was appropriated by the State of Pennsylvania about four years ago to pay one-half of the cost of this survey.

Mr. GARRETT of Tennessee. The only reason I asked the question is this: The bill expressly provides that the State must put it up, and if the State has provided for it that ends it.

Mr. PORTER. The State has appropriated the money, and it was a voluntary matter with the State.

Mr. GARRETT of Tennessee. Of course, the gentleman understands the purpose of my inquiry. It was for the purpose of preventing any difficulty.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. WILSON of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks on this subject.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. PORTER. Mr. Speaker, I make the same request.

Mr. BRIGGS. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the requests? [After a pause.] The Chair hears none.

Mr. WILSON of Louisiana. Mr. Speaker, section 3 of the flood control act of March 1, 1917, makes provision for examinations and surveys relating to flood control under which the bill which has just passed the House was prepared by the Committee on Flood Control. The Inland Waterways Commission

in its report of February 3, 1908, called attention to the fact that some 77,000,000 acres of land in the United States is rendered unproductive on account of flood conditions, and that if this area could be reclaimed it would afford homes for 10,000,000 people if divided into 40-acre farms. The bill referred to (H. R. 8070) provides in the main for preliminary examinations of 20 rivers in 10 States. In two instances, the Allegheny and Monongahela Rivers and the north branch of the Susquehanna River, complete surveys are ordered, preliminary surveys having already been made and reported by the Chief of Engineers. The hearings before the Committee on Flood Control indicated that losses from recent floods of the rivers covered in this bill amounted to some $70,000,000.

Section 3 of the flood control act referred to provides in substance—

1. All provisions of existing law relating to examinations and surveys and to works of improvement of rivers and harbors shall apply, in so far as applicable, to examinations and surveys for works and improvements relating to flood control.

2. All expenditures of funds hereafter appropriated for works or projects of flood control shall be made in accordance with and subject to the law governing expenditures of funds appropriated for improvement of rivers and harbors.

3. All examinations and surveys of projects relating to flood control shall include a comprehensive study of watershed or watersheds; and a report thereon, in addition to any other matter required, shall give information, in so far as practicable, in regard to—

a. The extent and character of the area to be affected by the proposed improvement.

b. The probable effect upon a navigable water or waterway.

c. The possible economical development and utilization of water power.

d. Such other uses as may be properly related to or coordinated with the project. In this connection the several departments of the Government may, within their own discretion, or upon the request of the Secretary of War, assist in making such examinations and reports.

In consideration of all projects of flood control that may be submitted to the Board of Engineers for Rivers and Harbors for consideration and recommendation, said board shall, in addition to any other matters upon which it may be required to report, state its opinion as to—

1. What Federal interest, if any, is involved in the proposed improvement.

2. What share of the expense, if any, should be borne by the United States.

3. The advisability of adopting the project.

The Committee on Flood Control is given the power to request and provide for examinations and reports relating to flood control in the same manner as the Committee on Rivers and Harbors is authorized to do relating to works of navigation.

All reports upon preliminary examinations are to be submitted to the Secretary of War by the Chief of Engineers and by the Secretary of War to the House of Representatives. The report on such preliminary survey will indicate the land area affected, the cost of a complete survey, the Federal interest, if any, involved, the portion of the cost of the complete survey that should be borne by the Federal Government, and the advisability of undertaking further examination and the work of flood protection, together with any other information deemed by the Chief of Engineers or the Secretary of War to be advisable or useful.

The report on this bill indicates very clearly the value and necessity of such surveys and reports. A number of the streams included traverse more than one State, and in such instances it is more than probable that unity of action and coordinated efforts for flood protection could be brought about only by the advice and assistance of the Federal Government and upon plans formulated after a comprehensive investigation and report.

In this particular bill a complete survey is ordered for the Allegheny and Monongahela Rivers. The cost of this survey is fixed at $50,000, one-half to be borne by the Federal Government and one-half by the Commonwealth of Pennsylvania. The share to be paid by Pennsylvania is already appropriated and available. This division of cost may be an indication of the course to be followed with respect to other surveys, and this action followed a report of the preliminary examination.

When the report is made upon the complete survey of the Allegheny and Monongahela Rivers Congress will be advised as to whether or not, in the opinion of the Chief of Engineers and the Secretary of War, the project should be adopted and the entire cost thereof, and as to how this cost should be apportioned between the Federal Government and the local interests. This is the procedure contemplated by the flood control act in all projects relating to flood control. The importance of such a program is at once apparent. These surveys may deal with the question of reservoirs, water storage, and every known means of stream control. Making available for cultivation and settlement rich areas by protection against floods should be made an important part of the national program of reclamation. The Government is committed to the policy of reclaiming arid lands and very properly so, and it will, no doubt, be found upon investigation that areas just as valuable and of equal fertility may be reclaimed at less cost under a proper program for protection against floods. With a view to such a program the Committee on Flood Control has acted favorably upon the bill providing the preliminary surveys now under consideration.

SEVENTH PAN AMERICAN SANITARY CONFERENCE

The next business on the Consent Calendar was the Senate Joint Resolution 77, authorizing the appointment of delegates to represent the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba, in November, 1924.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none. Without objection the Clerk will report the amended resolution.

The Clerk read the amended resolution, as follows:

Senate Joint Resolution 77

Joint resolution (S. J. Res. 77) authorizing the appointment of delegates to represent the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba, in November, 1924

Resolved, etc., That the President is hereby empowered to appoint not to exceed four persons, including not less than two officers of the United States Public Health Service, as delegates to represent the United States at the seventh Pan American Sanitary Conference to be held in the city of Habana, Cuba.

For the expenses of such delegates in attending the conference, including the assembly of necessary data, the employment of interpreters, and the preparation of a report, $3,000, to be available during the fiscal year 1925, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, to be expended under the direction of the Secretary of State.

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The title of the bill was amended to read as follows: "Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba."

CLAIMS OF PONCA TRIBE OF INDIANS

The next business on the Consent Calendar was the bill (H. R. 4275) authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Mr. Speaker, I will object unless they will accept a limitation of $15,000 on the fee.

Mr. BLANTON. I object, Mr. Speaker.

PATENT AND TRADE-MARK LAWS

The next business on the Consent Calendar was the bill (H. R. 21) to amend the patent and trade-mark laws, and for other purposes.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, is this bill of such minor importance that it should be taken up now and passed?

Mr. LANHAM. Mr. Speaker, I can explain the import of this bill to the gentleman. This bill was passed by the House in the last Congress.

Mr. BLANTON. It contains how many pages?

Mr. LANHAM. Two and a half pages.

Mr. BLANTON. Would my colleague mind making a brief statement about the bill?

Mr. LANHAM. I will be glad to. The purpose of this bill is to save time and money and also promote efficiency in the operation of the Patent Office. The Patent Office is issuing approximately 40,000 patents a year. There are 15 linotype machines at the Government Printing Office engaged in doing

nothing but the necessary printing for the Patent Office. Naturally, in the work at the Government Printing Office, and also in the work at the Patent Office itself, in such voluminous printing, certain typographical errors appear and patents are frequently issued under seal with these errors. There has been a custom prevailing in the Patent Office for 30 years, whenever these errors are detected, which are clearly clerical errors, to append a certificate of correction to the patent to show that the error was a typographical error, and the certificate explains this, and the certificate obviates the necessity of reprinting the entire patent.

Mr. BLANTON. Does this require any additional employees?

Mr. LANHAM. No additional employees.

Mr. BLANTON. Or any additional expense?

Mr. LANHAM. No; it saves expense. It saves the reprinting of patents and allows the offering of these amended patents, with these certificates in them, in evidence rather than requiring a reprint of the entire patent. The same provision is provided here with reference to trade-marks.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That whenever a mistake in a patent or trade-mark registration incurred through the fault of the Patent Office is clearly disclosed by the records or files of the office a certificate stating the fact and nature of such mistake, signed by the Commissioner of Patents and sealed with the seal of the Patent Office, may be issued without charge and recorded in the records of patents or trade-marks, and a printed copy thereof attached to each printed copy of the patent or trade-mark registration, and such certificate shall thereafter be considered as part of the original, and every patent or trade-mark registration, together with such certificate, shall have the same effect and operation in law on the trial of all actions for causes thereafter arising as if the same had been originally issued in such corrected form. All such certificates heretofore issued in accordance with the rules of the Patent Office and the patents or trade-mark registrations to which they are attached shall have the same force and effect as if such certificates had been specifically authorized by statute.

SEC. 2. That section 892 of the Revised Statutes be, and the same is hereby, amended to read as follows:

"SEC. 892. Written or printed copies of any records, books, papers, or drawings belonging to the Patent Office, of letters patent, of certificates of registration of trade-marks, labels, or prints, authenticated by the seal of the Patent Office and certified by the commissioner thereof, or in his name attested by a chief of division duly designated by the commissioner, shall be evidence in all cases wherein the originals could be evidence; and any person making application therefor and paying the fee required by law shall have certified copies thereof."

SEC. 3. That section 11 of the trade-mark act of February 20, 1905 (33 Stat. L. p. 724), be, and the same is hereby, amended to read as follows:

"SEC. 11. That certificates of registration of trade-marks shall be issued in the name of the United States of America, under the seal of the Patent Office, and shall either be signed by the Commissioner of Patents or have his name printed thereon and attested by an Assistant Commissioner of Patents or by one of the law examiners duly designated by the Commissioner of Patents, and a record thereof, together with printed copies of the drawing and statement of the applicant, shall be kept in books for that purpose. The certificate shall state the date on which the application for registration was received in the Patent Office. Certificates of registration of trade-marks may be issued to the assignee of the applicant, but the assignment must first be entered of record in the Patent Office."

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

USE OF GOVERNMENT BUILDINGS AT FORT CROCKETT, TEX.

The next business on the Consent Calendar was the bill (S. 2736) authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during the State convention of Texas Shriners.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the El Mina Temple, Ancient Arabic Order of Nobles of the Mystic Shrine, Galveston, Tex., be, and hereby is, authorized to use the buildings on the United States reservation at Fort Crockett in that city for the occupancy by members of the 10 Shrine temples of Texas during their coming convention and joint ceremonial, said use to continue from the 1st to the 16th of August, 1924; provided a bond satisfactory to the Secretary of War is given by the said El Mina Temple against any damage to the property used.

Mr. DENISON. Mr. Speaker, I would like to inquire if there is anyone present who can give us a little information about this bill?

Mr. BRIGGS. I can and will be glad to.

The SPEAKER. Consent has already been given for the consideration of the bill.

Mr. DENISON. What kind of buildings are on this reservation that it is proposed to lend to the nobles of the shrine?

Mr. BRIGGS. This is simply to allow the use by the Shriners of unoccupied buildings on the Government reservation during the period of their State convention from the 1st to the 16th of August.

Mr. DENISON. What kind of buildings?

Mr. BRIGGS. They are Government buildings—the barracks at Fort Crockett.

Mr. DENISON. Barracks for sleeping quarters, and so forth?

Mr. BRIGGS. Precisely; there is a very large attendance expected at the convention and the capacity of the locality being taxed, they sought this permission and the Secretary of War has given his permission and has recommended it.

Mr. DENISON. Does the gentleman think the buildings are suitable to take care of the nobles of the shrine?

Mr. BRIGGS. They are perfectly satisfied with them, so I do not imagine there will be any objection on that score.

Mr. BEGG. Will the gentleman from Tennessee permit a question? This is the gentleman's bill, is it not?

Mr. BRIGGS. No; it was reported by the gentleman from Texas [Mr. GARRETT].

Mr. BEGG. I was simply going to ask the gentleman if there was enough sand there for the purposes.

Mr. BRIGGS. Plenty of it, I think, and plenty of opportunity for a good time.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

CONSTRUCTION OF A HIGHWAY FROM THE KANSAS STATE LINE TO CHILOCCO INDIAN SCHOOL

The next business on the Consent Calendar was the bill (H. R. 5714), a bill authorizing an appropriation for the construction of a highway from the Kansas State line to Chilocco Indian School, Okla.

Mr. SNYDER. Mr. Speaker, this bill is on the calendar by mistake; it was included in another bill and was passed by the Senate.

The SPEAKER. Without objection the bill will be laid on the table.

There was no objection.

ADDITIONAL HOSPITAL FACILITIES FOR PATIENTS IN THE UNITED STATES VETERANS' BUREAU

The next business on the Consent Calendar was the bill (H. R. 5209) to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide for the construction of additional hospital facilities and to provide medical, surgical, and hospital services and supplies for persons who served in the World War, the Spanish-American War, the Philippine insurrection, and the Boxer rebellion, and are patients of the United States Veterans' Bureau.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I think there ought to be an explanation of this bill.

Mr. ELLIOTT. Mr. Speaker, this bill is designed to carry out the recommendations of the hospital plan which the Government has established for the veterans of the World War. This bill authorizes an appropriation of $6,500,000.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. LaGUARDIA. Is $6,500,000 the total appropriation or is it just an initial appropriation?

Mr. ELLIOTT. It is the total appropriation they ask for in the Veterans' Bureau. In our report, on page 2, you will find a detailed statement of what they expect to do in building and where they expect to put them.

Mr. BLANTON. Will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. BLANTON. I have a report from the various hospitals showing the number of vacant beds and it is absolutely an-

tounding. What are we going to do with all of the hospitals when we rehabilitate the soldiers?

Mr. ELLIOTT. That is not the question. In all these beds there are 5,500 of these patients that are hospitalized in State hospitals and civil hospitals. In addition they have 4,000 beds not suitable.

Mr. BLANTON. Does the gentleman know how many vacant beds we have?

Mr. ELLIOTT. According to this statement that we have got from the bureau there are 7,963 beds and 5,500 of these beds are in State hospitals. There is also complaint about that proposition and the design is to build Government hospitals to take care of those.

Mr. BLANTON. What safeguard has been thrown around this matter to see that the men for whom we are making the appropriations are going to get the benefit of them?

Mr. ELLIOTT. The same safeguards that are thrown around any other hospital appropriation.

Mr. BLANTON. The gentleman knows how the money has been squandered.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. ELLIOTT. I yield.

Mr. LAGUARDIA. Does the gentleman believe that the ex-service men want to go into military hospitals under discipline?

Mr. ELLIOTT. This is for the veterans, but not in military hospitals except at Walter Reed.

Mr. BLANTON. Mr. Speaker, I am going to object because this is not the kind of a bill that should be passed by unanimous consent.

Mr. GARRETT of Tennessee. Will the gentleman from Texas withhold his objection?

Mr. BLANTON. I will.

Mr. GARRETT of Tennessee. This matter was developed before the Committee on Rules to a considerable extent a few days ago. I think the bill ought to be passed and I will be glad if the gentleman will withdraw his objection.

Mr. BLANTON. I shall be glad to yield to the request of the minority leader, and, Mr. Speaker, I withdraw my objection.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, I believe that this bill involves the whole policy of the Government in the treatment of the veterans, and I do not believe that we ought to pass it by unanimous consent. We ought to pass it under a proper rule where time for consideration can be given.

Mr. NEWTON of Minnesota. I hope that the gentleman will not object; we have a situation that I know personally about, and the bill should be considered——

Mr. LAGUARDIA. You can not properly consider it in five minutes.

Mr. LANHAM. Does the gentleman understand that one-half of this amount is to be expended in the State of New York to relieve tubercular and psychiatric patients?

Mr. LAGUARDIA. Yes; and we want to discuss it intelligently.

Mr. KINDRED. Will the gentleman yield? Regardless of the policy which the gentleman refers to, and probably with good reason, it is a fact that there is required at this time an increase of hospitalization for the cases that have been referred to, namely, the insane and the neuropsychiatric. There are 2,000 neuropsychiatric patients and an equal number of tubercular patients who require special hospital treatment. The point I make is that there is a large number of vacancies in the medical and surgical hospitals; but to the knowledge of the gentleman from New York and to my knowledge and the knowledge of many others who have had personal familiarity and have studied the question, the fact is there is a very sad lack of proper hospitals properly equipped for tubercular and neuropsychiatric cases.

Mr. LAGUARDIA. The gentleman is aware of the fact that in 1921 the city of New York offered to give to the Government land for a hospital, but no action has been taken on it since.

In the light of past experience in hospitalization and contracts with the Veterans' Bureau, does the gentleman believe that we ought to pass snap judgment on this in this way and agree to a bill like this in five minutes?

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I object.

LEASING OF UNALLOTTED LANDS OF INDIANS FOR OIL AND GAS

The next business on the Consent Calendar was the bill (H. R. 6298) to permit the leasing of unallotted lands of Indians for oil and gas purposes for a stated term and as long thereafter as oil or gas is found in paying quantities, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, in this bill and in others it appears to me that the important provision is that with reference to the taxation of the royalties, the Indians' income, from oil development. I would be glad if the gentleman from Oklahoma would make some statement as to the legality of that course and what the situation is.

Mr. HASTINGS. Mr. Speaker, we have developed that policy with reference to two bills that we passed in 1920. One of those was with reference to the Quapaw Indians in northeastern Oklahoma, and the other with reference to the Osages, and in both of those cases we required that they pay the gross production tax to the State; and so it was thought nothing but fair, inasmuch as that same kind of legislation was going to be extended, perhaps, into various States that have oil developed in paying quantities, that the gross-production tax should go to the upbuilding of the State.

Mr. CRAMTON. Has the legality of that been passed upon by the Federal courts in Oklahoma?

Mr. HASTINGS. I believe there is a case pending before the Supreme Court, but I do not know whether any case has been finally passed on by other courts in Oklahoma.

Mr. SNYDER. Mr. Speaker, if the gentleman will permit, there are two kinds of taxation. One is a gross production tax, and in the act of 1921 we went one step further and taxed the Osages 1 per cent in addition for the purpose of using that money on the roads in Osage County. That 1 per cent tax has been attacked in the courts, but there has been no action brought so far as I know, at least it has not developed before our committee, to attack the tax on the gross production by the State. All this bill does is to give the Department of the Interior the right to lease unallotted Indian lands under the same provisions that we lease the Osage lands, and it is giving the State the same kind of taxes as it does in the Osage section.

Mr. CRAMTON. The gentleman's committee has given careful attention to this tax feature?

Mr. SNYDER. Yes. This bill has the unanimous vote of the committee.

Mr. CRAMTON. And there are two or three others that are very similar on the calendar?

Mr. SNYDER. Yes.

Mr. HASTINGS. The gentleman will notice that this is to be at public auction.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That tribal lands of Indians not allotted in severalty, other than lands of the Five Civilized Tribes and Osage Reservation, may be leased for oil and gas purposes by authority of the council, business committee, or other agency speaking for such Indian tribe, for a term of 10 years and as long thereafter as oil or gas is produced in paying quantities, and upon such terms as the agent in charge of such reservation may recommend, subject to the approval of the Secretary of the Interior, and in like manner and subject to the same approval any existing oil and gas lease may be amended by extending the term thereof to as long as oil or gas is found in paying quantities.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That unallotted land on Indian reservations other than lands of the Five Civilized Tribes and the Osage Reservation subject to lease for mining purposes for a period of 10 years under the proviso to section 3 of the act of February 28, 1891 (26 Stat. L. p. 795), may be leased at public aution by the Secretary of the Interior, with the consent of the council speaking for such Indians, for oil and gas mining purposes for a period of not to exceed 10 years, and as much longer thereafter as oil or gas shall be found in paying quantities, and the terms of any existing oil and gas mining lease may in like manner be amended by extending the term thereof for as long as oil or gas shall be found in paying quantities: *Provided*, That the production of oil and gas and other minerals on such lands may be taxed by the State in which said lands are located in all respects the same as production on unrestricted lands, and the Secretary of the Interior is hereby authorized and directed to cause to be paid the tax so assessed against the royalty interests on said lands: *Provided, however*, That such tax shall not become a lien or charge of any kind or character against the land or the property of the Indian owner."

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the priviso to section 3 of the act of February 28, 1891."

BILLS PASSED OVER

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that the next three bills on the calendar, H. R. 7077, H. R. 4818, and H. R. 7453, may be passed over without prejudice, and retain their places on the calendar.

The SPEAKER. Is there objection?

There was no objection.

ADDING LANDS TO SANTIAM NATIONAL FOREST

The next business on the Consent Calendar was the bill (H. R. 8366) to add certain lands to the Santiam National Forest.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. What is the necessity for this bill?

Mr. SINNOTT. The necessity for this bill is the fact that the lands in question are very valuable timberlands, worth something like $520,000.

Mr. BLANTON. And they involve how many acres?

Mr. SINNOTT. Two thousand eight hundred and forty acres. The lands were formerly patented to a certain timber company, but in suits brought by the Government the patents were canceled for fraud. Now the parties have filed application under the scrip act for these lands.

Mr. BLANTON. And this will stop those filings?

Mr. SINNOTT. Yes.

Mr. BLANTON. Are there not rights that have accrued?

Mr. SINNOTT. No; the rights have not accrued. The lower courts have decided against the scrippers, and they are appealing the case to the Supreme Court of the United States.

Mr. BLANTON. How large is this national forest?

Mr. SINNOTT. The forest itself is a large forest, and these lands are strictly timberlands. They run 10,000,000 feet stumpage to 160 acres. They are some of our most valuable lands.

Mr. BLANTON. And it is going to require us to spend so much more every year to prevent fires?

Mr. SINNOTT. Not any more than we are spending now, because the Government is protecting them now as public lands, as distinguished from forest lands.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the following-described lands, to wit, the southeast quarter of section 24 and the northeast quarter and the southwest quarter of section 26, township 14 south, range 2 east, Willamette meridian; the east half of section 10; all of section 14; the north half of section 20; the northwest quarter of section 22; the west half of section 24; the northwest quarter of section 28; the northeast quarter of section 31; and all of sections 34 and 35, township 14 south, range 3 east, Willamette meridian, be, and they are hereby, withdrawn from all disposition and made a part of the Santiam National Forest.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

CERTAIN APPOINTMENTS IN POST OFFICES OF THE FIRST CLASS

The next bill on the Consent Calendar was the bill (H. R. 579) providing for the appointment of a superintendent and two assistant superintendents of delivery in certain post offices of the first class.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. I object.

Mr. O'CONNELL of New York. I hope the gentleman will not do that.

Mr. BLANTON. I will reserve the right to object.

The SPEAKER. This has been objected to once, and it requires three objections.

Mr. BLANTON. I reserve the right to object.

The SPEAKER. But it takes three to object.

Mr. BLANTON. Well, there will be two others.

Mr. GARRETT of Tennessee. Mr. Speaker, the author of the bill is not present and I ask that it may go over and retain its place on the Calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. Mr. Speaker, I ask that the next bill (H. R. 8261) may be passed without prejudice.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

EXTENDING PERIOD RELIEF ACCOUNTABLE OFFICERS OF THE WAR AND NAVY DEPARTMENTS

The next bill on the Consent Calendar was the bill (H. R. 8369) to extend the period in which relief may be granted accountable officers of the War and Navy Departments, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the act approved April 21, 1922 (42 Stat. L. p. 497, ch. 136), be, and is hereby, amended to read as follows:

"That the Comptroller General of the United States be, and hereby is, authorized, through such officers as he may designate, and within four years from the passage of the act of April 21, 1922 (a) to relieve disbursing officers or special disbursing agents of the War and Navy Departments from accountability or responsibility for losses occurring between April 6, 1917, and November 18, 1921, of funds, or of accounts, papers, records, vouchers, or data pertaining to said funds, for which said officers or agents were accountable or responsible; and (b) to allow credits, in the settlement of accounts of said officers or agents, for payments made in good faith on public account during said period, notwithstanding failure to comply with requirements of existing law or regulations pursuant thereto: *Provided*, That in cases of losses or payments involving more than $1,000, the Comptroller General shall exercise the authority herein only upon the written recommendation of the Secretary of War or the Secretary of the Navy, which recommendation shall also set forth the facts relative to such loss or payment: *Provided further*, That the Comptroller General in all cases shall certify that the transactions, expenditures, losses, or payments appear to be free from fraud or collusion."

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

CONSTRUCTING WATER MAINS ON THE NATIONAL CEMETERY ROAD, VICKSBURG, MISS.

The next business on the Consent Calendar was the bill (H. R. 4816) authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. NEWTON of Minnesota. Mr. Speaker, reserving the right to object, I would like to ask a question of whoever has the bill in charge. What sort of road is this, a gravel or a paved road?

Mr. COLLIER. This is a gravel road owned by the United States Government. The waterworks are owned by the city of Vicksburg. The purpose of this bill is to get permission at the expense of the city of Vicksburg to put water mains under that road, which is the only feasible way of getting to a little village that the road connects with so as to supply them with water and also to supply the national cemetery with water.

Mr. NEWTON of Minnesota. What safeguards will be provided for putting this road back in exactly the same condition it is now in?

Mr. COLLIER. Well, as far as that is concerned, the road will be put back in as good condition as it is now. There will be no trouble about that.

Mr. O'CONNELL of New York. Does the gentleman from Minnesota imagine that they will open up the road and leave it that way?

Mr. NEWTON of Minnesota. I know in the District of Columbia we have numerous instances where roads have been torn up and never replaced.

Mr. COLLIER. This is the worst road in the county, and I would think that any sort of tearing up would help some.

Mr. NEWTON of Minnesota. Well, after listening to the gentleman's explanation——

Mr. CHINDBLOM. Will the gentleman yield?

Mr. NEWTON of Minnesota. I will.

Mr. CHINDBLOM. I call attention to the fact that the bill contains these words, "under such terms and conditions as

are deemed advisable by him." That is, by the Secretary of War, and I presume he may be trusted to look after the Government's interest.

Mr. COLLIER. I will say further, a Government official is in charge of the national cemetery, and he is also charged with the maintenance of this road, and he is under the War Department, and the bill has received the approval of the War Department, and a unanimous report from the committee.

Mr. NEWTON of Minnesota. I withdraw the reservation.

Mr. DENISON. Will the gentleman yield?

Mr. COLLIER. I will.

Mr. DENISON. Do I understand the road is in bad condition?

Mr. COLLIER. Always in bad condition. It connects between paved streets of the city of Vicksburg on the one hand and a brick road in Warren County on the other. It is a gravel road. Now, Congress has dealt generously, but by reason of its geographic location and the fact they continue to put gravel on it and the heavy traffic, the road is nearly always in a bad condition.

Mr. DENISON. I hope the gentleman from Mississippi will call the attention of the proper committee to see that that condition may be remedied.

Mr. COLLIER. I thank the gentleman for his advice and desire to state that I have repeatedly called the attention of the committee to it. As I have said, Congress has been generous with the road, but it really ought to be paved, and I hope at some future day Congress will be generous enough to pave that road with something substantial.

Mr. DENISON. I will be glad to cooperate with the gentleman to that end.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to permit the city of Vicksburg, Miss., to construct, operate, and maintain water mains in connection with the waterworks of said city, on and under the National Cemetery Road at Vicksburg, Miss.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

PROVIDING TERMS OF COURT AT DURANT, OKLA.

The next business on the Consent Calendar was the bill (H. R. 6646) providing for the holding of the United States district and circuit courts at Durant, Okla.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object—and I shall not object—I want to ask the chairman of the Committee on the Judiciary why it is that every time provision is made for holding a Federal court in any of the small Western States and Southwestern States the people down there are forced to provide their courthouse and court facilities? It is not done up here in this country. It looks to me as if it were a discrimination against these people, and I resent it.

Mr. GRAHAM of Pennsylvania. I will say to the gentleman that in nearly every instance they offered to do it.

Mr. BLANTON. But if they are entitled to a court, this Government is rich enough and strong enough to be able to furnish adequate court facilities.

Mr. CHINDBLOM. It might be said, of course, that in the centers of population it is not necessary to send the court around to a large number of places, but in the sparsely settled portions of the country the people want the courts to go to them.

Mr. BLANTON. Oh, at one time all the country was sparsely settled, for that matter.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Mr. Speaker, I want to ask a question. How many different places for holding court have been provided for in Oklahoma? We have passed at least four bills for that State. This is the fifth or sixth. I am wondering, if we grant this, whether it will be convenient to hold court in that number of places in Oklahoma?

Mr. BLANTON. There are a lot of good little towns in Oklahoma.

Mr. BEGG. I am addressing my question to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. In every case we have had letters from the Department of Justice, and letters from the judge who would be inconvenienced if the court were compelled to hold sittings in another place, and in some instances we have had letters from the members of the bar of that locality. The idea was that we should bring the courts closely to the people, and in most instances they are willing to provide a place where the court may be held, because it is not a question of holding a court in a building by itself, but to accommodate these people with a few weeks of court.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That a term of the district and circuit courts of the United States for the eastern district of Oklahoma shall be held in each and every year in the town of Durant, Okla.

SEC. 2. That the clerk of the United States district and circuit courts at Muskogee, Okla., shall be the clerk of the United States district and circuit courts at Durant, Okla., until provision be made by law for the appointment of deputy clerks at the several places of holding United States district and circuit courts in the State of Oklahoma.

With the following committee amendments:

Page 1, line 3, after the word "district," strike out the words "and circuit courts" and insert in lieu thereof the word "court."

The same amendment in lines 7 and 8.

The same amendment in line 9.

On page 2, in line 2, after the word "Oklahoma," strike out the period and insert a colon and the words "*Provided*, That suitable rooms and accommodations for holding court at Durant are furnished free of expense to the United States."

The SPEAKER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

RURAL MAIL SERVICE

The next business on the Consent Calendar was the bill (S. 2111) authorizing the Postmaster General to conduct an experiment in the rural mail service, and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. I object.

The SPEAKER. Objection is made.

The Clerk will report the next bill.

PUBLIC SCHOOL BOND ISSUE, CORDOVA, ALASKA

The next business on the Consent Calendar was the bill (H. R. 6950) to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the incorporated town of Cordova, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in the town of Cordova, Alaska.

SEC. 2. That before said bonds shall be issued a special election shall be ordered by the common council of the town of Cordova, at which election the question of whether such bonds shall be issued shall be submitted to the qualified electors of the said town of Cordova whose names appear on the last assessment roll of said town for municipal taxation. Thirty days' notice of such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election.

SEC. 3. That the registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as near as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued only upon condition that a majority of the votes cast at such election in said town shall be in favor of issuing said bonds.

SEC. 4. That the bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate to be fixed by the common council of Cordova, not to exceed 8 per cent per annum, payable semiannually, and shall not be sold for less than their par value, with accrued interest, and shall be in denominations not exceeding $500 each, the principal to be due in 15 years from date thereof: *Provided, however*, That the common council of the said town of Cordova may reserve the right to pay off such bonds in their numerical order at the rate of $5,000 thereof per annum from and after the expiration of five years from their date. Principal and interest shall be payable in lawful money of the United States of America at the office of the town treasurer or at such bank in the city of New York, in the State of New York, or such place as may be designated by the common council of the town of Cordova, the place of payment to be mentioned in the bonds: *Provided further*, That each and every bond shall have the written signature of the mayor and clerk of the said town of Cordova and also bear the seal of said town.

SEC. 5. That no part of the funds arising from the sale of said bonds shall be used for any purpose other than specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed for the purposes hereinbefore mentioned and under the order and direction of said common council from time to time as the same may be required for said purpose.

With committee amendments, as follows:

Page 2, line 20, strike out the figure "8" and insert in lieu thereof the figure "7."

Page 3, line 1, after the word "order," strike out "at the rate of $5,000 thereof per annum from and after the expiration of five years from their date" and insert in lieu thereof "on such date or dates prior to the expiration of said 15 years and in such a manner or number of said bonds as said common council may deem best."

The SPEAKER. The question is on agreeing to the committee amendments.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. I want to ask our colleague [Mr. SUTHERLAND] how many people are in Cordova, Alaska?

Mr. SUTHERLAND. About 1,200.

Mr. BLANTON. It has grown rapidly in the last year, has it not?

Mr. SUTHERLAND. No; it has been about that size for some time. I say 1,200, but the census gives Cordova 900.

Mr. BLANTON. I was talking to a very distinguished gentleman who had the good fortune to visit out there and he was under the impression it had about 300 people.

Mr. SUTHERLAND. No; the census gives it 900, but there are 1,200 people in Cordova and in the immediate vicinity.

Mr. BLANTON. I do not object to this bill, because I think the people out there ought to have a $100,000 school building.

Mr. SUTHERLAND. It is a fine, substantial town, and it is the headquarters of the copper industry in the Territory.

Mr. DENISON. Do they have any school district to run the schools there? Why do we authorize the municipality to borrow the money?

Mr. SUTHERLAND. Well, it is a municipal school, a school within the municipality of Cordova, and Cordova is an incorporated town.

Mr. DENISON. They do not have a school district separate from the municipality?

Mr. SUTHERLAND. No; the Territory is the school district, the entire Territory, and the municipalities provide their own schools.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on H. R. 5209.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks on H. R. 5209. Is there objection?

Mr. GARRETT of Tennessee. On what bill is that?

Mr. LAGUARDIA. The hospital bill.

Mr. GARRETT of Tennessee. The gentleman objected to the consideration of the bill.

Mr. ELLIOTT. I think I shall object to the gentlemen's request.

The SPEAKER. Objection is heard.

CODIFICATION OF THE LAWS RELATING TO THE JUDICIARY

The next business on the Consent Calendar was the bill (H. R. 169) to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 73 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved June 12, 1916, be, and the same is hereby, amended to read as follows:

"SEC. 73. That the State of Colorado shall constitute one judicial district, to be known as the district of Colorado. Terms of the district court shall be held at Denver on the first Tuesday in May and November, at Pueblo on the first Tuesday in April, at Grand Junction on the second Tuesday in September, at Montrose on the third Tuesday in September, at Durango on the fourth Tuesday in September, and at Sterling on the second Tuesday in June: *Provided*, That if at the time of the holding of a term of said court in any year in either of said cities of Grand Junction, Durango, and Sterling, Colo., there is no business to be transacted by said court the term may be adjourned or continued by order of the judge of said court in chambers at Denver, Colo.: *Provided further*, That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside at and who shall maintain an office at each of the five said places where said court is to be held by the terms of this act."

With the following committee amendment:

Provided further, That suitable rooms and accommodations for holding court at Sterling are furnished free of expense to the United States.

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE TUG FORK OF BIG SANDY RIVER NEAR NOLAN, W. VA.

The next business on the Consent Calendar was the bill (H. R. 5218) granting the consent of Congress to authorize the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Pittsburgh Coal, Land & Railroad Co., of Pittsburgh, Pa., and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Tug Fork of Big Sandy River at a point suitable to the interests of navigation at or near Nolan, in the county of Mingo, State of West Virginia, to the Kentucky side, in the county of Pike, State of Kentucky, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky."

BRIDGE ACROSS THE TENNESSEE RIVER AT KNOXVILLE, TENN.

The next business on the Consent Calendar was the bill (H. R. 5727) to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. TAYLOR of Tennessee. Mr. Speaker, there is a Senate bill similar to the House bill.

The SPEAKER. Without objection, a similar Senate bill will be considered instead of the House bill, which the Clerk will report.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Southern Railway Co., and its successors and assigns, to maintain and operate a bridge and approaches thereto, originally constructed by the Knoxville & Charleston Railroad Co., across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill was laid on the table.

BRIDGE ACROSS THE CUMBERLAND RIVER, IN MONTGOMERY COUNTY, TENN.

The next business on the Consent Calendar was the bill (S. 431) to extend the time for the construction of a bridge across the Cumberland River, in Montgomery County, Tenn.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved August 31, 1919, to be built by the county of Montgomery, State of Tennessee, across the Cumberland River at a point suitable to the interests of navigation and within a distance of 7 miles from Clarksville, in said county and State, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

CREATION OF FOREST RESERVES IN NEW MEXICO AND ARIZONA

The next business on the Consent Calendar was the bill (S. 377) limiting the creation or extension of forest reserves in New Mexico and Arizona.

Mr. MORROW. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice.

The SPEAKER. The gentleman from New Mexico asks unanimous consent that this bill be passed without prejudice. Is there objection? [After a pause.] The Chair hears none.

BRIDGE ACROSS THE MISSISSIPPI RIVER

The next business on the Consent Calendar was the bill (H. R. 8229) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of St. Paul, Minn., and its successors and assigns, to construct, maintain, and operate a temporary bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation at or near the point where Jackson Street, in said city of St. Paul, crosses the Mississippi River in the county of Ramsey, in the State of Minnesota, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That all parts of the said temporary bridge shall be removed from the waterway within one year from the date that the new Robert Street Bridge, authorized by act of Congress approved January 31, 1923, is opened to traffic.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS CALUMET RIVER AT CHICAGO, ILL.

The next business on the Consent Calendar was the bill (H. R. 8304) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, county of Cook, State of Illinois.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River, at a point suitable to the interests of navigation, at or near One hundredth Street, in the city of Chicago, in the county of Cook, in the State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

TERMS OF COURT AT BARTLESVILLE AND PAWHUSKA, OKLA.

The next business on the Consent Calendar was the bill (H. R. 64) to amend section 101 of the Judicial Code as amended.

The Clerk read the title of the bill.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask unanimous consent that this bill be passed over without losing its place on the calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

PURCHASE OF PUBLIC LAND FOR PARK PURPOSES BY THE TOWN OF SILVERTON, COLO.

The next business on the Consent Calendar was the bill (H. R. 3927) granting public lands to the town of Silverton, Colo., for public-park purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. I reserve the right to object. Mr. Speaker. How much land does this involve, may I ask? There does not seem to be anybody here in charge of the bill.

Mr. RAKER. Mr. Speaker, I do not remember the number of acres of land, but this bill was taken up by the full Committee on the Public Lands and was unanimously agreed upon.

Mr. BLANTON. I object, Mr. Speaker. I ask unanimous consent that it retain its place on the calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

TO FIX THE TIME FOR THE TERMS OF THE UNITED STATES DISTRICT COURTS IN THE WESTERN DISTRICT OF VIRGINIA

The next business on the Consent Calendar was the bill (S. 1609) to fix the time for the terms of the United States District Court in the Western District of Virginia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the committee why it is necessary to fix the time by law.

Mr. GRAHAM of Pennsylvania. Because the law has already fixed it, and this is simply to change existing law. The bill was reported by the gentleman from Virginia [Mr. MONTAGUE].

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the terms of the United States District Court for the Western District of Virginia shall be held at Lynchburg on the first Monday in January and July; at Charlottesville on the first Monday in February, and on Wednesday after the first Monday in August; at Danville on the first Monday in March and the second Monday in September; at Harrisonburg on the third Monday in March and the fourth Monday in October; at Abington on the second Monday in April and November; at Big Stone Gap on the first Monday in May and October; at Roanoke on the first Monday in June and the fourth Monday in November. This act shall become effective on March 31, 1924.

With the following committee amendments:

On page 1, line 10, strike out the word "Abington" and insert in lieu thereof "Abingdon"; on page 2, line 2, after the word "November," strike out the words "This act shall become effective on March 31, 1924."

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

PLUMAS AND LASSEN NATIONAL FORESTS, CALIF.

The next business on the Consent Calendar was the bill (H. R. 656) to add certain lands to the Plumas and to the Lassen National Forests in California.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the following-described lands are hereby added to the national forest indicated and made subject to all laws applicable to that national forest: To the Plumas National Forest—township 26 north, range 7 east, section 6, southeast quarter; township 27 north, range 7 east, section 22, south half northeast quarter; section 23, south half northwest quarter; township 27 north, range 6 east, section 4, northeast quarter northwest quarter; township 28 north, range 6 east, section 33, west half southwest quarter, southeast quarter southwest quarter, all of Mount Diablo base and meridian. To the Lassen National Forest—township 29 north, range 7 east, section 21, northwest quarter northeast quarter, north half northwest quarter, southeast quarter northwest quarter; section 29, northeast quarter northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter; section 34, northeast quarter southeast quarter, southeast quarter northeast quarter, northeast quarter northwest quarter, west half northeast quarter, northeast quarter northeast quarter, all of Mount Diablo base and meridian.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

CHANGING THE NAME OF JEWETT STREET TO CATHEDRAL AVENUE

The next business on the Consent Calendar was the bill (H. R. 6628) to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Reserving the right to object, Mr. Speaker, which bill is this?

The SPEAKER. A bill changing the name of Jewett Street. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the name of the street now known as Jewett Street west of Wisconsin Avenue be, and the same is hereby, changed to Cathedral Avenue, and the surveyor of the District of Columbia is hereby directed to enter such change on the records of his office.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

TRANSPORTATION AND IMPORTATION OF LABOR

The next business on the Consent Calendar was the bill (H. R. 7698) to regulate the transportation and importation of labor from one State to any point in another State where a labor disturbance or strike is then in progress.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

Mr. WOLFF. Will not the gentleman withhold his objection until I can explain the bill?

Mr. BLANTON. I shall object, but I am willing that the gentleman should make a statement.

Mr. WOLFF. Mr. Speaker, I want to say to the gentleman from Texas and to the gentlemen of the House that there is nothing vicious in this bill. It simply says that when a man is being taken into a district where a strike is on he must be notified that he is being taken into that district. In every great strike that we have had where there has been a loss of life and destruction of property these men have testified at the trial that they did not know that they were being taken into a strike district. In my own country time and time again men who have been brought in there have had to be sent out, and some of them have been beaten up and abused.

Mr. BLANTON. Will the gentleman yield? I happen to know that down in my own State, during the last strike on the big Katy system of railroads traversing the entire State of Texas, it was being tied up to the detriment of not only the people but of the railroad employees themselves, some of whom wanted to work, but were being tied up by just one portion of the employees. The railroad brought men in there so it could conduct its business, so it could carry the United States mails, so it could carry its passengers, and the men that they brought in were beaten up just as the gentleman says; but these men knew what they were going up against.

Mr. WOLFF. This bill prohibits taking the men into a strike district unless they are notified that they are going into the strike district.

Mr. BLANTON. I know; but not in the interest of any little individual class of men, but in the interest of 110,000,000 people of the United States, I am going to object to this class legislation.

Mr. WOLFF. It is not class legislation. Mr. Speaker, I ask that the bill be allowed to retain its place on the calendar.

Mr. BLANTON. It does that anyway. This is the first objection.

The SPEAKER. Does the gentleman from Missouri desire that the bill retain its place on the calendar?

Mr. BLANTON. I want to say to the gentleman that he will lose something by it. If he lets it remain on the calendar, it only takes one objection, but if it goes off and he puts it on again it takes three.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? The Chair hears none.

INTERNATIONAL STATISTICAL BUREAU AT THE HAGUE

The next business on the Consent Calendar was S. J. Res. 76, authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WOLFF. I object.

The SPEAKER. It requires three objections. Is there any other objection? If not, the Clerk will report the bill.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of State is hereby authorized and directed to contribute such a sum as may be annually appropriated by Congress to the International Statistical Bureau at The Hague, to enable the United States to maintain a membership therein.

With the following committee amendments:

Page 1, after the resolving clause, strike out all the language appearing on lines 3, 4, 5, 6, and 7, and insert in lieu thereof the following:

"There is hereby authorized to be appropriated, out of any sums in the Treasury not otherwise appropriated, sums not exceeding $2,500 per annum to enable the United States to maintain membership in the International Statistical Bureau at The Hague, such sums to be expended under the direction of the Secretary of State."

Amend the title so as to read: "Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

HOSPITAL AT NATIONAL HOME FOR DISABLED VOLUNTEER SOLDIERS, SANTA MONICA, CALIF.

The next business on the Consent Calendar was the bill (H. R. 2821) authorizing the erection of a sanitary fireproof hospital at the National Home for Disabled Volunteer Soldiers at Santa Monica, Calif.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. CRAMTON. Reserving the right to object, is the gentleman's heart particularly set on section 3 which, to my mind, serves no purpose unless it is to authorize the department to enter into contracts and obligations before any appropriation is made.

Mr. FREDERICKS. I will explain that. My heart is not set on that. The reason of it is this. The provision is:

SEC. 3. That in carrying the foregoing authorization into effect the Board of Managers of the National Home for Disabled Volunteer Soldiers is hereby authorized to enter into contracts for the construction of the plant, or to purchase materials in the open market or otherwise, and to employ laborers and mechanics for the construction of the plant complete, etc.

Mr. CRAMTON. I think the first part of the bill is all the authorization that is necessary.

Mr. FREDERICKS. I think so.

Mr. CRAMTON. There is a possibility that it would permit the department to enter into obligations and contracts before any appropriation was made, which would not be good practice.

Mr. FREDERICKS. I am willing that the bill should be amended.

Mr. BLANTON. Mr. Speaker, is the gentleman from Ohio going to let a bill of this kind go through under unanimous consent, involving a million and a half dollars?

Mr. BEGG. The gentleman from Ohio has no more responsibility than has the gentleman from Texas.

Mr. BLANTON. But the gentleman from Ohio is in the majority.

Mr. BEGG. I am only in the majority part of the time.

Mr. BLANTON. I am going to object if nobody else does.

Mr. Speaker, I object.

INCORPORATING UNITED STATES BLIND VETERANS OF THE WORLD WAR

The next business on the Consent Calendar was the bill (H. R. 4526) to incorporate the United States Blind Veterans of the World War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, let us have the bill reported.

The SPEAKER. It is a very long bill, the Chair suggests to the gentleman from Tennessee, and consists mostly of a recitation of names.

Mr. GARRETT of Tennessee. Does it make it a corporation of the District of Columbia or is it a general incorporation?

The SPEAKER. It is a general incorporation.

Mr. GARRETT of Tennessee. Mr. Speaker, I think the corporation ought to be given a situs. That is the only suggestion that I have to offer. I think in line 11 on page 3, after the word "corporate" we should insert the words "of the District of Columbia" so that it will have a local habitation.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, we all felt, after Mr. Schall, our blind colleague, came and presented the bill and the representatives of the blind soldier veterans came to advocate it, that as little as we could do for the men who suffer from this terrible affliction is to give them in the shape of a compliment from Congress power to incorporate the blind veterans of the World War. It will be noted that this incorporation dies when the last blind veteran dies. There is no power to extend it to sons or associates. We struck out "associates." It is simply a compliment to these men who have suffered so much, and I would like very much to see the House pass the bill in its present form.

Mr. GARRETT of Tennessee. Mr. Speaker, I share the feeling that the chairman of the Committee on the Judiciary has just expressed. I have not the slightest disposition to antagonize the bill. I merely suggest that in the interest of good legislation it should be given a situs.

Mr. GRAHAM of Pennsylvania. What difference can it possibly make?

Mr. GARRETT of Tennessee. That is, make it a corporation of the District of Columbia.

Mr. GRAHAM of Pennsylvania. What difference can it possibly make?

Mr. GARRETT of Tennessee. Because of the precedent.

Mr. GRAHAM of Pennsylvania. We have made corporations without giving them a situs in the District of Columbia, and if there is any one class of men that appeals to my heart above another, it is those men so afflicted. The vice president of this association has both hands off and his eyes put out—blinded. I do hope the gentleman will not make an objection, but will let us pay this compliment to the blind.

Mr. GARRETT of Tennessee. Mr. Speaker, the gentleman should not by his remarks place me in the attitude of objecting. I do not object. I do think that it should be given a situs. That is in the interest of the organization itself.

Mr. GRAHAM of Pennsylvania. It does not help the organization.

Mr. GARRETT of Tennessee. It should be given a local inhabitation.

Mr. GRAHAM of Pennsylvania. It does not help the organization. This is simply a patriotic recognition. It is like a vote of compliment from this Congress to these men, who in my opinion are the worst sufferers to come from the war.

Mr. GARRETT of Tennessee. Mr. Speaker, it is conceivable that this organization will acquire some property.

Mr. GRAHAM of Pennsylvania. No; it is not.

Mr. GARRETT of Tennessee. It is authorized by section 4 to have perpetual succession, with power to sue and to be sued.

Mr. GRAHAM of Pennsylvania. That is only the usual form, but they are not going to have any property. They merely are associating together to protect their rights and secure what benefits are due to them.

Mr. DENISON. We give them power in this bill to acquire property.

Mr. GRAHAM of Pennsylvania. Undoubtedly; but there is no possible chance of their acquiring any.

Mr. DENISON. It is customary in the organization of all corporations to give them a place of location for the purpose of suit.

Mr. GRAHAM of Pennsylvania. We have incorporated a number of corporations without any definite situs or place.

Mr. GARRETT of Tennessee. Mr. Speaker, if that is correct, it was a mistake. A corporation created either by special act of Congress or under the general law ought to have a situs, and there can not possibly be any objection to it. It can not destroy in any way the respect which the Congress desires to show to these men to give to the corporation a local habitation as well as a name.

Mr. CRAMTON. Will the gentleman yield?

Mr. GARRETT of Tennessee. It might save trouble and embarrassment.

Mr. RANKIN. It might save their being harassed or bringing suits in different States if they should acquire property in the future.

Mr. CRAMTON. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will.

Mr. CRAMTON. Is not this to be said—the gentleman may have stated it, I have not followed it closely enough—but the authority of Congress to grant an act of incorporation is based upon its having a situs in the District of Columbia.

Mr. BLANTON. Oh, no; that is not the case.

Mr. CRAMTON. The gentleman will find it pretty well ties up to that.

Mr. GARRETT of Tennessee. I agree with the gentleman it ought to be the theory upon which we proceed.

Mr. CRAMTON. I have not examined the cases recently, but my recollection——

Mr. BLANTON. There are lots of corporations.

Mr. CRAMTON. There may be lots of corporations, as the gentleman in his seat over there remarked, but to get a charter from the Congress that is valid and constitutional you have got to tie it up with the District of Columbia, with headquarters here at least. A charter without it is very questionable.

Mr. GARRETT of Tennessee. I do not know; there are court decisions on that question. I have had occasion to look these matters up to some extent back in the past, but I can not see where the proponents of this proposition can possibly object.

Mr. GRAHAM of Illinois. If the gentleman will yield for a question. If the gentleman will offer an amendment to make the situs in the District of Columbia, I will not object.

Mr. GARRETT of Tennessee. I prefer the gentleman should offer the amendment, but I will be glad to do it myself.

Mr. CHINDBLOM. Will the gentleman yield? Might it not perhaps be better to say the head officers of the corporation shall be in the District of Columbia?

Mr. GARRETT of Tennessee. Oh, the corporation, whether eleemosynary or whether it is paternal, or whether it is of purely business character is a citizen of some place.

Mr. CHINDBLOM. It has a domicile.

Mr. GARRETT of Tennessee. Either State or District of Columbia or of a Territory.

Mr. DENISON. If the gentleman will yield, I will say that question arose in another bill pending before the Committee on Interstate and Foreign Commerce where we referred it to the legislative drafting bureau and they informed our committee that the custom was to name the situs of the corporation when Congress created it.

Mr. GARRETT of Tennessee. Oh, undoubtedly.

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, and I shall not object, but I understood the chairman of the Committee on the Judiciary that it is rather the exception than the rule, because I personally have refused to introduce several bills asking for incorporation and I would like to have it understood that the character of this corporation is such that an exception is made.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the following persons, to wit: James P. Funk, of Pennsylvania; Bernard Corcoran, of New York; James Kozeluh, of Arkansas; Earl Booher, of Kansas; Carl Bronner, of Michigan; Samuel Hendrickson, of Cincinnati; Harvey E. Gilbert, of Illinois; Quiller Cole, of Georgia; Lawrence A. Bunce, of Colorado; Ludwig Gumnish, of New York; Richard H. Miller, jr., of Maryland; Charles R. Fenr, of Pennsylvania; Oscar M. Simpkins, of Oklahoma; Everett L. Radford, of Texas; Thomas H. Huskey, of Missouri; Lee M. Brame, of Alabama; Frank O. Berg, of Wisconsin; Henry G. Beggs, of Georgia; Lawrence V. Morrow, of Missouri; Charles R. Leguerrir, of Missouri; Walter Taylor, of Missouri; Leigear Antee, of Louisiana; Alois F. Greene, of Illinois; Loyal M. Holmes, of Maryland; Newton A. Kulp, of Pennsylvania; Roswell D. Pitman, of New York; Connie L. McLean, of Texas; Hamilton C. Miles, of Ohio; John J. Austin, of South Dakota; Irvine E. Barnes, of Missouri; Bertie W. Randall, of Missouri; Max N. Kujawski, of Indiana; Charles Freeland, of Illinois; James M. Daniels, of Tennessee; William E. Yates, of Texas; Mike Kerell, of Ohio; Peter Lioudakes, of Utah; Vaclav T. Jesek, of Texas; Samuel Hilliman, of Ohio; Herbert S. Journeau, of Michigan; Charles F. Ross, of New York; Morgan Rose, of New York; Walter F. Develing, of Illinois; Rudolph E. Frye, of Maryland; Steve D. Tanner, of Montana; Joseph Hulin, of North Carolina; Blaine G. Yeoman, of Oklahoma; Thomas Williams, of West Virginia; William J. Murray, of New York; Ivan E. Bushong, of Washington; Raymond Washburn, of Ohio; William P. Alexander, of Kentucky; Burl Glover, of Ohio; John H. Williams, of Washington; Joseph L. Herver, of Oklahoma; Daniel Carbone, of Pennsylvania; John J. Varga, of Connecticut; John J. Rapp, of Pennsylvania; Charles S. Bennett, of Arkansas; Richard Knigge, of Idaho; Walter Mnu, of New York; Domenico Capuczi, of New York; John Kosic, of Massachusetts; Raymond S. Day, of Pennsylvania; Harry Herring, of Pennsylvania; Samuel Singer, of Massachusetts; George Graves, of Missouri; Abe Kittay, of New York; John Halahan, of Pennsylvania; Frank J. Lhota, of Pennsylvania; Edward J. Paulson, of Pennsylvania; Ellis DeWitt, of the District of Columbia; Bernard Cady, of Maryland; John Marzullo, of Illinois; Joe Brew, of Pennsylvania; Lloyd Pierson, of Nebraska; Philip N. Harrison, of Pennsylvania, and their successors, are hereby created and declared to be a body corporate. The name of this corporation shall be "The United States Blind Veterans of the World War."

Mr. GRAHAM of Pennsylvania. Mr. Speaker, page 3, line 11, after the word "corporate" add the words "of the District of Columbia."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GRAHAM of Pennsylvania: Page 3, line 11, after the word "corporate" insert the words "of the District of Columbia."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 5. That any honorably discharged American veteran of the allied forces who participated in the World War and whose vision has become defective to such an extent that he is eligible for training under supervisor for the blind of the United States Veterans' Bureau, and any ex-service man who is eligible for such training shall be eligible for "active membership" in the United States Blind Veterans of the World War. The members of this corporation shall have the power to admit such other persons to "associate" and "honorary" membership as they may see fit.

The committee amendment was read, as follows:

Page 5, lines 2 and 3, strike out the words "associate and."

The question was taken, and the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. MORROW. Mr. Speaker, I would like to have the privilege of the House to extend my remarks on the bill H. R. 8070, the flood bill, and the bill H. R. 7111, the Ketcham bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, it is 11 o'clock; is it not time for adjournment?

The SPEAKER. There has been no limit placed——

Mr. BLANTON. But there is a limit to human endurance.

Mr. BEGG. Mr. Speaker, part of the men want to adjourn and part of them want to go on. If a majority want to stay, they can vote down my motion, which I now make, to adjourn——

Mr. CRAMTON. If the gentleman will withhold that, would it not be fair to read through the balance of the Calendar with the understanding that when we come to a bill to which anyone has objection that disposes of it without having a lot of talk?

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BEGG. If they do not get up and object and kill another hour, all right. Some of us have been on the floor since 12 o'clock to-day. If they go to reserving the right to object, without objecting, I will renew my motion.

The SPEAKER. The Clerk will report the next bill.

LANDS IN COLUMBIA OR MOSES RESERVATION, WASH.

The next business on the Consent Calendar was the bill (H. R. 7109) to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That from and after the passage of this act all unreserved public lands within the former Columbia or Moses Reserve in the State of Washington, made subject to acquisition under the homestead laws by the act of Congress approved July 4, 1884 (23 Stat. p. 76), be, and they are hereby, made subject to acquisition under the isolated tract (act of March 28, 1912), desert land (act of March 3, 1877), and other acts applicable generally to the public domain: *Provided*, That lands may be disposed of under the act of March 28, 1912, in tracts not exceeding 640 acres for not less than 50 cents per acre.

SEC. 2. That all patents heretofore erroneously issued for lands embraced in section 1 of this act, which would have been valid had this act been in force and effect at the time of initiating title thereto, are hereby validated and confirmed.

With a committee amendment, as follows:

Page 2, strike out line 2, after the word "domain," and all of lines 2 to line 10, inclusive.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

FORT MACON (N. C.) MILITARY RESERVATION

The next business on the Consent Calendar was the bill (H. R. 7145) granting the Fort Macon (N. C.) Military Reservation to the State of North Carolina.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the bill be passed over without prejudice. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

COURT OF APPEALS AT SAN JUAN, P. R.

The next business on the Consent Calendar was the bill (H. R. 704) to authorize the Court of Appeals for the First Circuit to hold sittings at San Juan, P. R.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Court of Appeals for the First Circuit shall, when in its judgment the public interests require, hold a sitting of such court at San Juan, P. R.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

PRACTICE OF OPTOMETRY IN THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (H. R. 3236) to regulate the practice of optometry in the District of Columbia.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BEGG. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

UNALLOTTED LANDS IN THE KAW RESERVATION, OKLA.

The next business on the Consent Calendar was the bill (S. 2798) to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation, in the State of Oklahoma.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to lease for mining purposes lands reserved from allotment to be used as a cemetery and not needed for that purpose and lands reserved for school and agency purposes in the Kaw Reservation, in the State of Oklahoma, and for the use and benefit of the members of the Kansas or Kaw Tribe of Indians, at public auction, upon such terms and conditions and under such rules and regulations as he may prescribe.

With a committee amendment, as follows:

Page 2, line 3, after the word "prescribe," strike out the period and insert a colon and the following: "*Provided*, That the production of oil and gas and other minerals on such lands may be taxed by the State in which said lands are located in all respects the same as production on unrestricted lands, and the Secretary of the Interior is hereby authorized and directed to cause to be paid the tax so assessed against the royalty interests on said lands: *Provided, however*, That such tax shall not become a lien or charge of any kind or character against the land or the property of the Indian owner."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill as amended.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

CONVEYANCE OF A STRIP OF LAND TO THE CITY OF ASTORIA, OREG.

The next business on the Consent Calendar was the bill (H. R. 7821) to convey to the city of Astoria, Oreg., a certain strip of land in said city.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that that bill be passed.

The SPEAKER. Without objection, the bill will be passed and retain its place on the calendar.

There was no objection.

ELECTRIC CURRENT FROM A GOVERNMENT-OWNED TRANSMISSION LINE

The next business on the Consent Calendar was the bill (H. R. 526) authorizing the Secretary of War to enter into an arrangement, on behalf of the United States, with the Alexandria Light & Power Co. whereby civilians may obtain electric current from a Government-owned transmission line extending from Alexandria to Fort Humphreys, Va.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I reserve the right to object, and I shall object unless the bill is passed over.

Mr. MOORE of Virginia. Then the gentleman had better object.

Mr. BEGG. Then I do object.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that the bill may be passed over.

Mr. BLANTON. But the gentleman from Virginia does not want it passed over.

Mr. MOORE of Virginia. I ask that objection be made if objection is to be made.

Mr. BEGG. Mr. Speaker, I object.

CUSTOMHOUSES, OFFICES, AND WAREHOUSES IN PORTO RICO

The next business on the Consent Calendar was the bill (H. R. 6143) to purchase grounds, erect, and repair buildings for customhouses, offices, and warehouses in Porto Rico.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, there is an amendment I would want, and in view of the lateness of the hour I ask unanimous consent that the bill may be passed over.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the bill be passed over and retain its place on the calendar. Is there objection? [After a pause.] The Chair hears none.

PROHIBITING THE IMPORTATION OF CRUDE OPIUM

The next business on the Consent Calendar was the bill (H. R. 7079) prohibiting the importation of crude opium for the purpose of manufacturing heroin.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 2 of the act of February 9, 1909, as amended by the acts of January 14, 1914, and May 26, 1922, entitled "The narcotic drugs import and export act," be further amended by the addition of the following sentence:

"*Provided*, That no crude opium may be imported for the purpose of manufacturing heroin."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That subdivision (b) of section 2 of the act entitled 'An act to prohibit the importation and the use of opium for other than medicinal purposes,' approved February 9, 1909, as amended, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a comma and the following: 'but no crude opium may be imported or brought in for the purpose of manufacturing heroin.'"

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ACCEPTANCE OF CERTAIN LAND IN THE DISTRICT OF COLUMBIA

The next business on the Consent Calendar was the bill (S. 1971) to authorize the Commissioners of the District of Columbia to accept certain land in the District of Columbia dedicated by Charles C. Glover for park purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker. I ask unanimous consent that the bill be passed.

Mr. WOLFE. I object.

Mr. BLANTON. I object to the bill, Mr. Speaker.

The SPEAKER. Objection is heard.

SCHOOLHOUSE IN THE TOWN OF KETCHIKAN, ALASKA

The next business on the Consent Calendar was the bill (H. R. 6255) to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. May I ask the Delegate from Alaska how many people are in this little town of Ketchikan?

Mr. SUTHERLAND. They have a sort of flexible population.

Mr. BLANTON. I think a $100,000 schoolhouse up there——

Mr. SUTHERLAND. It is a splendid town of about 3,500 population and the census returns show that.

Mr. BLANTON. But the gentleman's party has been objecting to so many bonds being issued.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SPROUL of Illinois. I am sure that if the gentleman went up to that little town and saw the conditions there he would be willing for a $200,000 schoolhouse.

Mr. BLANTON. I withdraw my objection for my friend from Illinois.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," be, and the same is hereby, amended to read as follows:

"SECTION 1. That the incorporated town of Ketchikan, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $150,000 for the purpose of constructing schoolhouses in said town and equipping the same."

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. That is the last bill which is entitled to consideration to-day.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that we may return to H. R. 6143.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum. We have finished the calendar; it is quarter past 11, and we have to be back here to-morrow.

Mr. DAVILA. Will the gentleman please withhold his point of no quorum?

Mr. BLANTON. I can not, because this bill involves a lot of expenditures for public buildings that have been against the policy of the Government.

THE KETCHAM BILL

Mr. MORROW. Mr. Speaker, I desire at this time to express my approval of H. R. 7111, known as the Ketcham bill and having for its purpose the dissemination of information concerning international economics, farm agricultural marketing, and in learning conditions concerning foreign supplies and foreign conditions, so as to better our trade without the United States with foreign countries. In my humble opinion this is a class of legislation if rightly handled will bring great benefit to the people of the United States and especially to that class that needs this market, "our American farmer."

The class of men employed in this work should be carefully selected and held under proper civil-service rules, selected by a rigid and proper examination along the lines that their work is to be followed, and our country will have taken a very advanced step in adjusting the disposition of our surplus farm products.

I believe, as has been stated many times upon the floor of this House, that what the American farmer needed is a market for his surplus products.

If this bill is put in operation under the right conditions by qualified men who possess the knowledge and ability of commercial trade, learn the needs of Europe and other foreign countries that can be induced to come into our market for our surplus product, our own market will become a more orderly market for our home products.

My belief is that the American farmer has no orderly market to-day for either grain or livestock, but under the stress of conditions the American farmer is compelled to sell his grain and livestock in a market exploited by existing conditions until he is compelled to sell his produce, not in a well-regulated natural market, but one directly manipulated by the speculative shark.

This applies to the wheat farmer and also with equal emphasis to the livestock farmer; in fact their marketing conditions go hand in hand under present haphazard forced sales.

The farm rush of grain and livestock to the market under debt conditions must be relieved and remedied; if these Agricultural attachés can, by learning the conditions in other countries, find an opening for the placing of our products in countries without the boundaries of our own country, and relieve the pressure of forced markets, a long step has been taken toward lifting the depressed agricultural price at home. There can be no argument that farm products can be successfully marketed under existing conditions in our country and this country maintain an agricultural nation of producers.

Under present conditions it is only a question of just a few years of existing agricultural depression and the American farmer is going to refuse to plant farm produce and to till the soil. When that day shall come and this condition prevail—and it certainly will unless some method is soon solved and a turn for an uplift in prices of farm products is brought about—the man with the hoe is going to lay down the hoe, and your food for this Nation, instead of being produced at home, will have to be imported into the United States.

The condition that now confronts the American farmer is that serfdom is his if he remains as a producer.

Every other interest has its home protection, the manufactured products with a heavy protective tariff. The farmer must take, under existing conditions, less for his products than the cost of production, nothing for his labor, no interest upon his investment.

This brief act of Congress, if put into operation under proper conditions, should do much to furnish this Government a method to find a better knowledge of outlet for our products.

While this should be a real effort of securing proper knowledge of conditions in other countries to secure a market and improve trade conditions for our people abroad, it is indeed a right step, but regulation of market conditions must also be sought at home. If the farmer was compelled to market his farm products in 1923 for seven and one-half billion dollars and the same products were retailed at twenty-two and one-half billion dollars, there must be something wrong in home conditions. Should not the American producer realize 50 per cent at least of the entire amount his product is finally sold for upon the market?

It would appear to the layman that, while this creates additional employees and necessarily creates additional Government outlays, the attachés can, through a rightfully well-organized department of agriculture, be made one of the most valuable assistants in the orderly marketing of our surplus products and also in regulating the proper and regular method of our products in the home market.

TREATMENT OF DISABLED AND SICK VETERANS

Mr. LAGUARDIA. Mr. Speaker, I renew my request to extend my remarks in the RECORD on H. R. 5209.

The SPEAKER. The gentleman from New York renews his request to extend his remarks on H. R. 5209, the hospital bill. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. Mr. Speaker, amplifying my remarks concerning H. R. 5209, I desire to make clear that this bill is of great importance and with it we practically decide the future, if not permanent, policy of the treatment of our disabled veterans. It is unfair to attempt to pass a measure of this magnitude under the stress of rush and speed of bills coming before the House from the Consent Calendar on suspension day. A casual glance at the calendar and the bills that are considered on suspension days, such as authorization to States and municipalities to construct bridges over navigable streams, authority to sue in the Court of Claims, minor bills of every description, and a review of the objections that are made on the floor to important bills that find their way to the floor through this calendar, will convince anyone of the impropriety of attempting to pass a hospitalization bill in this manner.

Mr. Speaker, H. R. 5209 carries an appropriation of $6,500,000. It also involves, I understand, the disposal of property costing millions of dollars. It does not specifically provide where new hospitals are to be constructed or what hospitals are to be abandoned. Perhaps the membership of the House is willing to allow unlimited discretion to the Veterans' Bureau, but at least the membership of the House should know what it is doing.

I have spoken and consulted with several of my colleagues on the question of compensation and treatment of disabled veterans and I do not hesitate to say that there is difference of opinion as to what should be done.

A reading of the bill now before us will not disclose the entire program of the Veterans' Bureau. A hurried reading of the report just prior to the call of the calendar is not sufficient to form an opinion as to the complete hospitalization plan covering the entire country contemplated by the bureau.

I submit that this bill is of such importance that a day should be set aside for its consideration, and, if a rule is brought in, ample time should be allowed for complete discussion and deliberate consideration.

Then there is a grave doubt in my mind whether we should appropriate millions of dollars for hospitals, in the light of past experience. Hospitals that you were told were indispensable, locations that you were told were carefully selected, we now find are to be abandoned or that they do not suit the purposes for which they were constructed. That in itself suggests at this time careful study of the bureau's present plan and careful consideration before appropriating additional millions of dollars. It is not helping the disabled veteran if we legislate with our eyes shut. It is of no help to disabled veterans if we build hospitals that they do not care to live in. It is of no benefit to the disabled veteran if we squander money in buying land and building hospitals one year and abandon

them the next, thereby using funds which should have gone direct to the veteran.

At this time I am not opposing the Veterans' Bureau plan, neither am I supporting it, but I am urging a careful, complete study of the proposed plan involved in this bill; a careful study of the location of the new hospitals and the disposal of existing hospitals. I wonder how many realize that a veteran entitled to hospitalization—for instance, a tubercular patient—costs the Government to be kept in a hospital about $4 a day, or $120 a month. If the veteran is temporarily totally disabled, he receives $80 a month compensation while in the hospital. If he is permanently totally disabled, he receives $100 while in the hospital plus insurance. Now, then, we should stop to consider whether or not it would be more beneficial to the tubercular veteran if we allowed him the compensation and the cost of maintaining him in the Government hospital and permitting him to go to a sanitarium or health resort of his own choosing anywhere in the country.

Gentlemen, I happen to know to my sorrow something about the attitude and restlessness of a tubercular patient. I have had sorrow caused by this disease right in my own family. I recall when I would go at frequent intervals to Saranac I had occasion then to talk to a large number of tubercular veterans, and I recall distinctly how satisfied were those who were allowed to board with private families or with their own wives or own families. I recall how they dreaded to be sent to any of the Government hospitals to live under the restraint of military discipline and the feeling that they were not allowed to go where they desired. Yet, I will submit to the better judgment of medical advice based upon past experience with these veterans. My mind is open, but I will have to be convinced by facts based upon actual experience of the past four or five years that the best thing to do is to construct new hospitals and force these men to remain in locations and in hospitals under conditions that are not conducive to their happiness.

The question was asked as to available beds. From a chart given me by the Veterans' Bureau, I find that the total number of tubercular patients in hospitals are 9,534; of these 1,843 are in contract hospitals—that means they are placed in State or private institutions under contract with the Government. In Government hospitals we find 7,691 veterans with 4,295 vacant beds in Government hospitals. Of the neuropsychiatric cases the chart shows a total of 9,567, of which 3,073 are in contract hospitals; 6,494 veterans are in Government hospitals with 859 beds unoccupied. Of general and surgical cases there are a total of 4,494, of which 338 are in contract hospitals; 4,156 veterans in Government hospitals with 2,570 unoccupied beds in Government hospitals. Taking the grand total of these figures, I find that there are 23,595 cases, of which 5,254 are in contract hospitals; 18,341 in Government hospitals, with 7,724 beds available in all Government hospitals.

I want to recall to my colleagues who served with me in the Sixty-fifth Congress the appropriation for the construction of a hospital at Dawsonsprings, Ky. The record will show that it was recommended as a hospital for tubercular veterans. While the bill was defeated or failed to pass in the House the appropriation was finally inserted in the other side of the Capitol in a deficiency appropriation bill, and in that way the appropriation was passed. It was either in the last session of the Sixty-fifth Congress or the special session of the Sixty-sixth Congress. At any rate, it cost the Government about $1,500,000, and with an additional $100,000, which was spent recently, a total of about $1,600,000. At this time we have at this hospital 252 patients and 166 beds unoccupied, with a total capacity of 418 beds. Perhaps this hospital later on might be converted for other purposes, but as a tubercular hospital it has always had vacant beds, and in all likelihood it will continue to have vacant beds unless we authorize treatment of all veterans, regardless of whether their disability has service connection.

Members who served in the Sixty-fifth and Sixty-sixth Congresses will recall the opposition to appropriation for the acquisition of the Hines Hospital in Maywood, Ill. That hospital, if I remember correctly, cost over a million dollars, and we have there now 181 patients, 40 vacant beds, and yet there is need in the eighth district for additional accommodation for tubercular veterans. I point this out to show the danger of hasty legislation, instead of a complete study of a comprehensive plan and the needs of each district.

If this bill is brought before the Committte on Rules, I trust the Committee on Rules will give the matter some consideration. I would prefer—and I am sure every real friend of the disabled veteran will agree—that this matter should be referred to the newly created Committee on World War Veterans' Legislation. Let that committee take up not only this bill but take up a study of what should be the policy of the Government in the treatment of disabled veterans. Do we want to keep them in Government hospitals, or do we want to give them sufficient allowance to go to private hospitals or private sanitariums of their own choosing? Do we want to select the place for tubercular veterans and compel them to go there, or do we want to give them sufficient to properly nourish and care for themselves and to select the climate and the surroundings which will be most conducive to their health and happiness? Should the committee decide that we are in need of more hospitals, then let us not make the mistakes of the past by building a hospital here and there, or a small hospital where we need a large one, or a large hospital where we need a small one. Let the committee take each district and work out a comprehensive plan covering the 14 Veterans' Bureau districts and come in with a bill which will cover all of the needs of the bureau. There is no argument or difference of opinion as to the desire of the American people and the wishes of this House to do everything that is possible for the benefit of the disabled veterans. Then let us do it, and let us do it intelligently.

I am only concerned with the welfare of the disabled veterans, and I will do all in my power not to have them used for any land scheme, contract profits, or any other selfish purpose.

FLOOD CONTROL

Mr. MORROW. Mr. Speaker, the subject of flood control is certainly one subject that should receive the attention of our lawmaking body. Water is one of the most necessary elements in nature; without it no life can exist. Then, why should not man control it? Harness it, so to speak, to use this vast element of power for useful purposes.

The necessity of flood control so as to prevent destruction and waste is dawning more and more upon our citizenship who believe in conservation. The necessity for protecting and conserving the waters of our streams is daily proving of importance.

The immense power that can be successfully harnessed and applied to beneficial use has just recently been brought to the attention of our people. The greatest source of known activity, wealth, and power is water. It takes care of all forms of life. It is this uncontrolled power falling upon the earth in the high altitudes, uncontrolled in the melting of snows or in the downpour during the rainy season, that erodes the fertile soil and inundates the lowlands, causing destruction of crops, property, and frequently human life.

This destruction of property and the continual impoverishing of the soil can be prevented by impounding the mad rush of waters in the mountain canyons where rock walls and rock beds of streams are found, by building dams and there impounding the waters for beneficial use.

Human ingenuity has devised means for handling the water in many cases now for beneficial use in the irrigation of land and the growing of crops. This policy is being broadened into a general utility of using the water of streams rising in the mountains by harnessing the power not only for irrigation but for various other purposes to which this stored power can be successfully applied.

The great rivers of the Nation that finally flow to the ocean, or the arms of the ocean, annually carry millions of dollars of valuable soil, washed from the farm lands tributary. The time will arrive when the mad rush of these rivers will be stemmed by dams and will be utilized, and instead of rushing on to the Gulf in a mad rush it will be utilized by inland canals carrying commerce, and result in cheapening the present cost of transportation. It has been said by representatives who are familiar with the subject that heavy commodities can be transported from inland towns by waterway to the seaboard at $2 per ton cheaper than by rail transportation.

By the utility of water for the growing of crops in the regions that do not receive a steady rainfall this flow of surplus water can be utilized to increase the output at least twofold. The water that falls upon the earth and flows away was intended for utility, and it is up to man to utilize it.

The destruction of property that goes on each year in the waste of capital by flood destruction would supply ample funds to construct dams to impound the waters of these maddened streams, would furnish power for vast manufacturing plants, light, heat, vast storage for the irrigation of millions of acres of fertile land for the growing of food and fodder crops, that would in turn feed and fatten millions of animals for the support of mankind.

The flood upon the Canadian River in Oklahoma during 1923 is said to have destroyed millions of dollars in crops, estimated as high as $20,000,000. The Chicago, Rock Island & Pacific Railway Co. was damaged, according to the statement of one of its officials, to the extent of approximately $1,000,000. Oklahoma during several years past has lost crops and destruction

to farm property running into the millions, besides removing from the tax rolls of the State many thousands of acres of valuable land destroyed by floods. Crops and property alone were destroyed during 1923 in Oklahoma and Texas sufficient in value to have built the impounding dams to have conserved water that would have furnished reclamation for at least a quarter of a million acres of virgin soil, that would have produced agricultural products for 1,000,000 people, besides untold power for manufacturing purposes.

The same argument can be advanced for nearly all the streams in the southwestern country. The Cimarron River, while not so destructive as the Canadian River in washing out and destroying crops, has done a vast amount of destruction in both New Mexico and Oklahoma. It, too, can be harnessed by the building of impounding dams and its water used to reclaim the land and furnish food and homes for thousands of people.

The solution of flood control by finding a method of financing the construction of dams to reclaim the vast bodies of fertile land that lie along the tributary to these streams is the problem for solution. Should the survey disclose a reasonable cost of impounding the water for irrigation in this territory then the problem will be partially solved. The combined losses that have occurred from flood destruction for the past six or eight years would have built the dams that would have impounded water for irrigation sufficient to have provided homes for many people, and this property that met with destruction would have been saved.

The undertaking to protect the property of the settler in Oklahoma from destruction and to reclaim the property of the settler of New Mexico and the Pan Handle of Texas should not be delayed. The Legislature of Oklahoma has passed legislation looking to this end. A united effort upon the part of the States interested should bring a successful solution of the problem of flood control by the utility of conserving this vast waste water for beneficial use.

This wonderful water power belongs to the people, and should be utilized for real farming results, coupled with the power that also could be used in real community building. This same power now is a destructive one. Let it be changed to a constructive power to people this vast region of northeastern New Mexico, Texas, and Oklahoma.

Mr. PORTER. Mr. Speaker, while I am primarily interested in that section of H. R. 8070 which deals with the flood problem in the Pittsburgh district and which provides for the making of a survey of the Allegheny and Monongahela Rivers, I am firmly impressed with the necessity for the enactment of the entire bill as reported by the Committee on Flood Control.

For many years I have been interested in the general subject of river regulation; and since I visited Dayton, Ohio, two years ago I have made an intensive study of the entire subject. While in Europe on two occasions last year attending the narcotic conferences I took advantage of the opportunity thus afforded to examine into the methods of flood relief applied to the streams over there. In addition I have made a careful examination of the history of this subject in America.

Dayton is close to Pittsburgh, my home city. In 1913 both cities were visited by particularly disastrous floods. In the case of Dayton, it was the most disastrous flood in its history. In the case of Pittsburgh, there were three floods that year, one of which was the second most disastrous in its history. The losses from these floods in Dayton and Pittsburgh were sufficient, in the judgment of many, to have built the works required to prevent such floods. The people of Dayton set to work immediately after the flood waters receded, and since then storage reservoirs have been constructed, which are now in operation and which will prevent a recurrence of a similar disaster. The Dayton problem was comparatively simple, because the Miami and its tributaries are all in one State.

INTERSTATE RIVERS INVOLVED

The situation at Pittsburgh is vastly different. There navigable rivers are involved, which, with their tributaries, are located in five States—Pennsylvania, New York, Maryland, Ohio, and West Virginia—and no flood prevention works can be constructed until a survey of the whole proposition has been made by the Federal Government.

Since 1917 the Flood Commission of Pittsburgh has been asking Congress to provide the small appropriation required to have the survey made. To spur Congress into action, and as an evidence of local interest in the survey, an appropriation of $25,000 was made by the Pennsylvania Legislature in 1917 as a contribution to the Federal Government in the cost of making the survey. The section of the present bill referred to makes an appropriation of $25,000 to match the amount which Pennsylvania has waiting for us in its treasury at Harrisburg.

Since this bill was reported out by the Flood Control Committee another disastrous flood has visited the Pittsburgh district and other places in western Pennsylvania, Maryland, West Virginia, and Ohio. This flood occurred on March 30 this year. It was the third greatest flood in the history of Pittsburgh. More than $2,000,000 of damage was done, two lives were lost and incalculable sickness followed in its wake. The sum lost in this particular flood would not be enough to build the corrective works, but it is only a very small percentage of the money lost in that flood which it is now asked that Congress shall appropriate for the survey. In addition to this rather serious flood, the Pittsburgh district experienced two other prior floods this year which were lesser in extent and in the amount of damage done. All three floods caused serious interference to navigation.

A GREAT NATURAL RESOURCE

As I shall point out later herein, the control of floods is merely an incident in the regulation of the rivers. It is a demonstrated fact that water is a great natural resource. We are standing by and watching this resource go to waste, and worse than go to waste, we watch it destroy property, lives, and values. The plan which I am supporting, which has been carefully studied out, relates to the conservation of this great natural resource, the prevention of the floods that it creates, and the use of this excess water for the benefit of navigation, for the development of water power, for increase in water supply for domestic use, and for the improvement of sanitary conditions in the rivers.

The plan of the flood commission of Pittsburgh, which the provision in the bill under discussion seeks to put into effect, was devised by engineers of national standing, who did their work without compensation and as a patriotic duty to the great industrial community centering at Pittsburgh, in which they live.

In 1908 the citizens of Pittsburgh, through the flood commission, which was created by the Chamber of Commerce of Pittsburgh, raised a fund of $124,000 through private subscriptions following the great flood of March 15, 1907, and set about to determine what, if anything, could be done to prevent a recurrence of such disasters. This particular flood reached the unheard-of height of 35.5 feet, the stage of 22 feet being the safety mark. The damage of that one flood, carefully estimated, was over $10,000,000. Many of the principal business streets in the down-town district were under water for several days.

Under the direction of the flood commission, corps of engineers were placed in the field and a detailed survey of the entire 19,000 square miles of the watershed of the Allegheny and Monongahela Rivers was consummated after two years of work. In the meantime, other valuable data bearing on the general subject, both in this country and abroad, was carefully examined by the flood commission's engineers. The result of all this was a recommendation contained in a published report by the flood commission engineers for the construction of 17 storage reservoirs, natural sites for which exist at the headwaters of the two streams, and in addition, the construction of a wall around part of the low-lying portions of the river bank.

ENTIRE OHIO VALLEY AFFECTED

In the studies for the preparation of the report, the problem was looked at from every point of view. It was treated as a local problem, with local benefits only, and as the problem of all the communities along the Allegheny, Monongahela, and Ohio Rivers and their tributaries. The carrying out of the plans of the commission would be the important beginning of the construction of a comprehensive reservoir system upon all the tributaries of the Ohio River, and such an extension of the system would prevent floods throughout the entire Ohio Valley.

The experience of other countries, as well as other parts of the United States, was brought to bear upon these studies. Through the courtesy and cooperation of the Department of State consular reports describing methods of flood relief were received from all parts of the world. Two members of the commission, and also one of the commission's engineers, visited the principal European countries and examined methods of river regulation and flood control.

When the commission was created to determine the extent of flood damage and suggest methods of relief therefrom, the broad aspect of the problem and its national scope were realized by only a few. As the investigations developed it became evident that the flood problem was not peculiar to Pittsburgh, but that Pittsburgh's floods had a direct bearing upon the flood troubles

Let that committee take up not only this bill but take up a study of what should be the policy of the Government in the making the survey. The section of the present bill referred to makes an appropriation of $25,000 to match the amount of its officials, to the extent of approximately $1,000,000. Oklahoma during several years past has lost crops and destruction Pittsburgh's floods had a direct bearing upon the flood troubles

of other communities. Further studies disclosed the fact that the high water at certain parts of the year bore a close relation to the low water at other parts; that inseparable from the flood problem were the problems of navigation, sanitation, water supply, and water power. In short, it was realized that not only Pittsburgh but the entire valleys of the Allegheny, Monongahela, and Ohio Rivers could be benefited by the construction of storage reservoirs; and that flood relief must be looked upon, not as a local, but as a State and National problem.

The studies developed the fact that from 1872, when authentic records began, to January 1, 1912, 53 floods, ranging from 22 to the 35.5 foot stage, have occurred. An examination of the distribution of these floods shows that the principal flood months are January, February, and March and that no floods occurred in September or October during this period.

PRECIPITATION PRINCIPAL CAUSE

It has been found that the principal natural cause is heavy and concentrated precipitation. The artificial causes may, in general, be of two kinds—the one causing a higher rate of run-off for a given rainfall and the other causing a higher stage for a given discharge. It is believed that extensive deforestation of the drainage area of the two rivers, by giving a higher rate of run-off, has been the cause in part of the increase in the frequency and height of floods along the Allegheny, Monongahela, and Ohio Rivers.

The records show that floods are increasing in frequency and height. It is the opinion of the Flood Commission, moreover, that the worst is yet to come in the way of flood damage, and that it is not improbable that Pittsburgh may some day experience a 40-foot flood, and perhaps may even reach 45 feet.

It has been found that the Kiskiminitas and Youghiogheny Rivers are the most important tributaries in producing floods at Pittsburgh. These two streams, both entering one of the main rivers from the east a short distance above the mouth, drain extensively deforested areas of about the same size, with heavy precipitation and a high rate of run-off; and in consequence both collect and move their flood waters to Pittsburgh in about the same time. This was the case in the flood of March 22, 1913, when each of these tributaries had a very high stage and both delivered their flood waters at Pittsburgh in the early morning, at the time of the crest.

BUSINESS DISTRICTS OVERFLOWED

The topography of the Pittsburgh region, with its stretches of low territory along the river banks, and its high bordering hills, has of necessity concentrated the various railroad and industrial interests upon these low lands within reach of inundation. Over 50 per cent of the 3,000 acres of low land bordering the rivers within the city limits was covered by water during the great flood of March, 1907. The greater part of this low ground is used for the business life of the city, while a considerable portion is covered with steel and other manufacturing plants, which are generally located along the river bank. In the aggregate, about 15 miles of river-front land within the city limits are occupied by industrial works of various kinds, while within the so-called Pittsburgh district a total of about 27 miles is used for similar purposes. To handle the enormous business of these plants the railroads have established a vast network of tracks along the river bottoms.

As the investigations of this problem progressed, it became evident that unless some adequate method of flood relief could be devised and carried out the larger portion of the flood-affected area could never be properly developed, and the capital invested therein would continue to suffer. The general needs of building operations and of city improvements will, of necessity, keep pace with the advance of population, and the flood damages, which in their effect involve the home conditions and business life of the entire city and surrounding communities, will become correspondingly greater. Nearly 1,600 acres of the low-lying business and industrial districts within the city limits were covered by the flood of 1907, while a considerable additional area was affected by seepage and by backwater from the sewers. The assessed valuation of the real estate thus affected by overflow amounted to about $160,000,000, and real estate experts estimate that this property is nearly $50,000,000 lower in value than it would be if protected from floods. The river regulation works on the Miami River enhanced the value of real estate in Dayton and other benefited cities from 25 to 50 per cent.

The canvass of the flood districts for the purpose of ascertaining flood damages was made in a most painstaking and thorough manner, and it is probable that no census of similar data has been made with such accuracy, at least in this country. The investigations were confined to the three floods occurring within a period of one year and five days, namely, March 15, 1907, 35.5 feet; February 16, 1908, 30.7 feet; and March 20, 1908, 27.3 feet. The flood-affected areas were districted in accordance with the character of the business, and the direct losses of the various interests were collected under their respective classifications. The total direct loss for the three floods above mentioned amounted to about $15,000,000, and ranged from about $750,000 for the 27.3-foot flood to about $10,000,000 for the record flood of 35.5 feet.

DANGERS AND LOSSES FROM FLOODS

Following are a few of the details showing the character of the flood damage at Pittsburgh, and will give some idea of the dangers, losses, and serious inconvenience experienced in the flooded districts in the great flood of 1907:

1. The entire city was in imminent danger of being without water supply during this flood. Had the water risen 6 inches higher, the main pumping station would have been put out of commission.

2. Approximately 105 office buildings were affected, and in some of these buildings the elevators had to discontinue service, in a few cases for a period of one week.

3. The approaches of seven of the principal city bridges were surrounded by water, and all vehicle traffic thus cut off between the north side and Pittsburgh.

4. Numerous manufacturing plants were obliged to close down. Seventeen miles of main railroad tracks were submerged to a maximum depth of 16 feet, and over 33 miles of streets and alleys, many having street-car tracks, to a maximum depth of 14 feet.

No estimate is at hand regarding the flood losses of communities situated along the rivers above Pittsburgh. It is known that many are seriously affected, the property loss being frequently very considerable. At Pittsburgh alone, for example, extensive investigations show that the direct losses due to flood damage have amounted in the last 20 years to about $25,000,000, over $12,000,000 of which occurred in the 10 years preceding January, 1911. The damage along the Ohio River below Pittsburgh is enormous. It has been estimated by authorities that the loss at Wheeling, W. Va., 90 miles below Pittsburgh, in one flood was upward of $1,000,000, and that the total loss along the Ohio Valley during the January and March floods of 1907 amounted to more than $100,000,000. This is indicative of the vast losses occurring annually all over the country.

In the studies of methods and costs of local measures of relief, without storage reservoirs, careful consideration was given to the amount of reduction in flood heights that could be obtained by dredging. It was found that the cost of dredging would not be warranted. The relatively small reduction in flood heights to be obtained thereby would not prevent overflow, and as a wall would still have to be built it would be cheaper to build the wall a few feet higher than to carry out the dredging work, which would require, in addition, a certain amount of additional dredging each year in order to maintain the adopted area of cross sections.

The studies showed that without storage reservoirs built about 25.4 miles of wall would be required along the river front within the city limits to furnish relief to Pittsburgh alone. The cost of this wall would be about $18,670,000.

RECLAIM VALUABLE LAND

It was found, however, that by making certain changes in the alignment of the river channels large areas of land could be reclaimed. At the same time the channels would be improved both as carriers of flood water and for navigation purposes. The total value of the land reclaimed along the rivers would amount to about $4,380,000, making the net cost of the flood relief measures about $14,290,000.

If this method were employed, the benefit of flood relief would be local only. Communities along the rivers above and below Pittsburgh, should they desire similar relief, would have to work out their own salvation through similar local methods of flood protection. Moreover, as there would be no considerable lowering of the flood levels the troubles experienced by the navigation interests owing to high velocities in the rivers, to insufficient clearances under the bridges, and to wide fluctuations in water levels during floods would continue.

It is also true that flood relief would be the only benefit to be obtained by this method, for there would be no increase in the low-water flow of the rivers and their tributaries, and hence no benefit to navigation and no improvement in the quality of the water for domestic and industrial supply.

Flood prevention deals with floods at their source and, by holding back the damaging part of the flood water, lowers the crest of the floods to below the danger line. In other words, it prevents the occurrence of floods and partly or wholly removes the necessity of purely local works for flood protection.

Prevention is obviously the rational and comprehensive treatment of the flood problem, going as it does to the source of the trouble and extending its benefits throughout the entire river valleys, not only in the form of flood relief, but by the improvement of the low-water flow due to the release of the impounded flood waters during the dry season. The ideal river is one having uniform discharge the year round, and any approach to that condition very largely adds to its usefulness.

The damaging flood waters can be entirely held back by means of storage reservoirs on the various tributaries above Pittsburgh. The flood commission has made extensive surveys and studies to determine the location, the cost, and the effect upon floods of such reservoirs

STORAGE RESERVOIRS NO EXPERIMENT

The use of storage reservoirs for flood prevention is not an experiment. This method has been successfully employed and its effectiveness actually demonstrated in European countries to an extent that has led to the adoption of numerous additional reservoir projects now planned or under construction for this purpose. Nor is this means for flood relief a new idea in our country. During the past 60 years the prevention of floods by means of storage reservoirs has been written upon and discussed by a number of eminent American engineers, and the nearly unanimous opinion has been that floods could be prevented by this means. These engineers, however, have with a few notable exceptions expressed the opinion that the probable cost of the necessary reservoirs would not be warranted by the benefits to be derived from the system for flood protection only. Detailed estimates based upon actual surveys of reservoir sites on the one hand, and complete information as to the extent of the flood damage, on the other, were unfortunately not available to guide those engineers in their opinions. In the light of such complete data as the flood commission has obtained, however, it is possible to state positively that floods in the Ohio River and its tributaries can be completely controlled by storage reservoirs, and that the cost would be far outweighed by the enormous value of the benefits that would result.

Exhaustive investigations and surveys for the purpose of determining the storage possibilities on the Allegheny and Monongahela Basins, comprising a total drainage area of about 19,000 square miles, have been made. A thorough preliminary examination, in which practically all tributaries of 50 square miles or over were given consideration, led to the selection of the 43 most favorable sites, 21 on the Allegheny and 22 on the Monongahela Basin.

The studies showed that at certain sites the maximum storage feasible was greater than necessary for flood control. The excess capacity, if constructed, could be used for navigation purposes and for power development in addition to that part of the flood capacity which, with proper manipulation of the reservoir system, could safely be used for these purposes.

If all 43 reservoirs were constructed to flood-control capacity, the total capacity of the Allegheny project would be 49,725,800,000 cubic feet and of the Monongahela project would be 30,772,000,000 cubic feet, or a total of 80,497,800,000 cubic feet. These reservoirs would control 8,454 square miles, or 73 per cent of the Allegheny drainage area, and 3,379 square miles, or 46 per cent of the Monongahela drainage area, or a total of 11,833 square miles, or 62 per cent of the total drainage area above Pittsburgh.

COMPLETE STORAGE NOT NECESSARY

Flood prevention by storage reservoirs does not necessitate the storage of the entire flood wave. The object is to prevent the flood from rising above the "danger line," or stage at which flood damage begins. If all floods were exactly alike in their origin—that is, if the various tributaries invariably entered into the formation of the main flood crest in the same proportion and in the same relative position with reference to the peak or highest point of the flood—the solution of the problem would be comparatively simple and inexpensive. The storage could be constructed upon those tributaries which invariably delivered their flood waters to the main crest during the critical interval of damaging flood height, the respective capacities being determined by a study of the maximum flood. Thus in the 1907 flood at Pittsburgh the total volume of the flood wave was about 76,000,000,000 cubic feet, whereas the volume above the danger line, or 22-foot stage, was only about 26,000,000,000 cubic feet.

Investigation of this general subject leads directly to a most important national phase of the problem and shows the manner in which flood relief would be extended along the rivers and their principal tributaries above Pittsburgh and down the Ohio River below the city. It shows that the greatest recorded flood at Wheeling, W. Va.—that of 1884—would have been reduced 13 feet, and the next greatest flood—that of March, 1907—would have been reduced 14.5 feet.

Proceeding farther down the Ohio, it is evident that, as other important tributaries enter, this storage would become a less factor in reducing the Ohio floods. In so far as they originate above Pittsburgh the storage would be effective, but complete control of floods at these lower points would necessitate the construction of additional storage on the tributaries entering the Ohio between Pittsburgh and the point where flood relief is desired. A similar solution of the problem on the other tributaries of the Ohio would extend the flood relief throughout its entire valley.

Above Pittsburgh, the Allegheny River from Oil City to the mouth, a distance of about 134 miles, would be relieved from the frequent disastrous floods. Flood levels on the Kiskiminitas River, for a distance of 41 miles above the mouth, would also be considerably lowered. On the Monongahela River floods would be greatly reduced from Fairmont, W. Va., to Pittsburgh, a distance of 127 miles. On the West Fork River floods would be controlled for a distance of 38 miles above the mouth. On the Youghiogheny River floods would be considerably lowered for a distance of 83 miles above the mouth.

FLOOD PREVENTION AND NAVIGATION

The system of storage reservoirs could be operated primarily for flood prevention during the flood season and for increasing the low-water flow during the low-water season. A study of the flood records show that 80 per cent of the floods occurred in the months of November to March, inclusive, and that 20 per cent occurring in the period from April to October, inclusive, have been of relatively less severity, and could have been prevented from doing damage by the low wall that is proposed in combination with the reservoirs.

With the amount of flood water that could by this method be safely retained in these reservoirs until needed in dry weather, combined with the surplus spring and early summer flow that could be gathered, a notable improvement in the low-water flow of the main rivers and their tributaries could be effected. The low-water flow of the Allegheny at Pittsburgh could be increased to about three and one-half times its minimum throughout the entire dry-weather season and of the Monongahela to about six times its minimum. That of the Kiskiminitas River could be increased to about six times its minimum and of the Youghiogheny River to about ten times its minimum. The above increases of low-water flow are those that would obtain with only the 17 selected projects constructed, and would, of course, extend down the Ohio. At Wheeling the low-water discharge could be maintained at three times the present minimum, corresponding to an increase in stage of 2.3 feet.

The extent of these improvements in low-water flow will be appreciated when it is realized that 267 miles of main rivers and 386 miles of tributaries, or a total of 653 miles of stream channels above Pittsburgh, would have their low-water discharge considerably increased and made uniform during the dry weather.

CHEAP TRANSPORTATION INVOLVED

The benefits to navigation, sanitation, water supply, and water power that would result from such considerable improvement in low-water flow would naturally be very considerable. Cheap transportation afforded by the navigable rivers above and below Pittsburgh is of tremendous importance commercially and industrially, not only to Pittsburgh but to the entire Ohio Valley and even to the trade centers of the Mississippi Valley.

The Monongahela is slack-watered from its mouth to a point on the West Fork about 4 miles above Fairmont, W. Va., or a total distance of 131 miles. The Ohio, with the assistance of the locks and dams already constructed, is navigable, except at low water and during part of the winter season, throughout the 967 miles from Pittsburgh to Cairo, and according to present plans will be completely canalized in about five years.

Under present conditions there are serious troubles with shortage of water on the Monongahela River during dry weather. During the summer and early fall the pools, especially in the upper reaches, are drawn down considerably

below the crest of the dams owing to evaporation and losses through leakage and lockages. This shortage of water during dry weather will then be of longer duration and more severely felt as commerce on the Monongahela increases. It is evident, therefore, that if commerce on the Monongahela ever becomes great enough to operate the locks to their full capacity the shortage of water will be so very severely felt that the construction of storage reservoirs to increase the dry weather flow will become an absolute necessity. For even assuming that there were no losses by leakage, evaporation, and pumpage, the minimum discharge of the Monongahela, 160 cubic feet per second, is only about two-thirds of the discharge necessary to supply water to operate the locks at their full capacity.

SLACK-WATER SYSTEM NOT ENOUGH

Conditions in the Monongahela are important, for the reason that it is a river which has been completely slack-watered for many years. It affords a striking example of the fact that the slack-water system of river improvement can not be successfully and uninterruptedly operated on the rivers in that part of the country without being supplemented by storage reservoirs to provide a sufficient flow during dry weather.

On the Allegheny River the present intermittent open-river navigation above the head of the slack-water system would be greatly improved by reservoir assistance. In the event of the extension of the slack-water system farther up the river, moreover, the increase in the low-water stage furnished by the reservoirs would reduce the number of locks and dams required and would insure a pool-full stage and uninterrupted navigation throughout the year.

It is obvious that the increase in low-water flow of the Ohio River would remove all possibility of inadequate water supply for slack-water purposes, and insure a pool-full navigation at all times from Pittsburgh to a considerable distance below Wheeling. If the reservoir system should be extended to other tributaries of the Ohio below Pittsburgh, this increase of low-water flow could be made so considerable that the period of open-river navigation would be considerably lengthened.

There would also be a great improvement in the condition of the rivers for navigation purposes on account of the reduction in flood heights that would be obtained by the storage reservoirs. The reduction in the velocity of the current, due to a lowering of the high stages, would greatly facilitate the safe handling of river traffic. Moreover, the wide fluctuations in water levels at river ports would be to a large extent removed and the expeditious and economical handling of cargoes to and from river boats greatly facilitated.

REVIVAL OF NAVIGATION

An enterprise that used to flourish in the olden days, which sank into insignificance with the advent of the railroads but to-day is reviving and expanding but under new and modern conditions, is the transportation of freight on the streams of the Mississippi Valley. In the beginning of our history as a Nation the Ohio and Mississippi and their tributaries were the natural highways. With the invention of the steamboat their use for transportation of passengers and freight became universal. But the Civil War broke in twain these lines of communication between North and South, and the westward-pushing railroad systems attracted and took the business, offering facilities cheaper and more convenient than the rivers.

However, another war, the World War, has again shifted the scenes. High freight rates, crippled condition of railroad operation and expansion, failure of the rail system to speedily arise and flourish again, and other consequences of that tremendous conflict have given the rivers their opportunity to stage a "come back." The general inability of our railroads to adequately handle at reasonable rates the great volume of traffic originating within the country even during normal times plainly indicates the necessity for the fullest use of the rivers.

The result is that the rivers are being utilized now as never before in their history. The largest manufacturers and producers have turned to them for low cost distribution of great quantities of materials, using them, however, strictly as supplements to the railroads, not as competitors. Shipping long distances by river and transferring the commodities to railroad cars for even longer conveyance inland is the system now experimentally being developed and which bids fair to become an established and very great transportation facility, enlarging the scope of distributing services and eventually aiding to reduce the costs of living.

Steel, oil, gasoline, coal, wheat, corn, cotton, tobacco, and even pork and beans are some of the commodities now finding low-cost outlet through the great 6,000-mile system of trunk-line waterways in the Mississippi Basin.

GREAT SHIPMENTS OF STEEL

Thousands of tons of steel go South from Pittsburgh every month. Thousands of barrels of oil and gasoline come North. Wheat from the great farms in the Northwest finds its way to export out of New Orleans in barges from St. Louis. Cotton goes South to ships from Memphis and may eventually come North through Pittsburgh and be reshipped here to New England by rail.

On this matter of shipping cotton northward in barges from Memphis, the great cotton concentration point of the Mississippi Valley, to Pittsburgh, to be transferred there to rail and sent on into New England, eastern Pennsylvania, New York, New Jersey, and other textile-mill regions, I took the trouble of having freight rates gone into by a traffic expert and am prepared to state that it is entirely feasible to ship cotton this way and save money. At present this cotton goes down the Mississippi from Memphis in barges to New Orleans and is there transferred to steamers and conveyed to Philadelphia and Boston for distribution inland by short-rail hauls.

The rate on this method of shipping is something over a dollar a hundred pounds. On the other hand, by shipping from Memphis upriver to Pittsburgh in barges and transferring there to the railroads, the movement can be made for something under a dollar a hundred pounds, with a profit to the water carrier and a long haul to the railroads. There was a time before the Civil War when cotton moved in this direction and when Pittsburgh itself had cotton mills. This movement can, I assure you, be restored with profit to all concerned—to the cotton grower, to the water and rail carriers, and to the mill operators and their employees in the Eastern and New England States. Consideration of a movement of this kind has already been taken up by important interests engaged in river traffic. An additional incentive is the fact that during the past year or two experiments have proven that it is possible to grow cotton in southern Illinois and other Northern States bordering on the rivers which hitherto were considered above the Cotton Belt. With the movement of cotton growing northward and the development of the Ohio River into an all-year transportation facility, I venture to predict that the day is not far distant when a tremendous volume of cotton will move northward and eastward by river and rail.

A recent shipment of Indianapolis canned pork and beans, consisting of nearly 40 freight-car loads, was made by river from Cairo, Ill., to New Orleans and thence by freighter through the Panama Canal to the Pacific coast, twice the distance of rail shipping, yet effected at an appreciable saving in transportation costs.

USE OF RIVERS SAVE IN FREIGHT

A heavy tonnage of sugar, sugar products, and molasses came north on the Mississippi and Ohio Rivers the latter part of April this year from New Orleans to Pittsburgh, a distance by river of 2,000 miles, at very appreciable savings in freight costs to both shipper and receiver.

A self-propelled barge of the Mississippi-Warrior service recently came up the Ohio to Louisville, Ky., and loaded 2,000 tons of bathtubs and plumbing fixtures from a manufacturer there, which were transported by river to New Orleans for distribution by rail and for export to South American ports, as well as for transshipment in vessels to Pacific coast points.

Gasoline distilled in California will shortly be arriving in Pittsburgh in tank barges filled from tank steamers in New Orleans Harbor, and be distributed out of Pittsburgh by tank cars and trucks to service stations through the tri-State territory.

Steel pipe, nails, farm fence, tin plate, structural shapes, and other products of Pittsburgh mills used on the farms and oil fields of the South and Southwest are now regularly moving out of Pittsburgh on the Ohio in tows of steel barges carrying a total of 5,000 to 10,000 tons each, to Louisville, Evansville, St. Louis, Memphis, and New Orleans. At these cities these products are transferred to rail and distributed far inland. There have been tows of steel whose cargoes traveled a thousand miles by river and another thousand by rail, being distributed to customers at interior points in 12 or 13 States.

The first large manufacturer to adopt this sysem for distribution to customers was the Jones & Laughlin Steel Corporation, of Pittsburgh. The twentieth down-river shipment of hundreds of carloads of steel went south in March in especially designed barges with one of their own fleet of several steamboats. Jones & Laughlin adopted this delivery system about two years ago, and since then has been followed by most of the other large steel companies.

Uncle Sam himself owns and operates the largest of these services. It is the Mississippi-Warrior service, established

during the war [illegible] auxiliary to rail transportation, and now operating at a profit as a common carrier between St. Louis and New Orleans. Last year it transported 595,116 tons of freight at an aggregate freight saving of nearly $900,000 to the shippers and receivers, and through them to the public.

TOWS ON THE MISSISSIPPI

A record for tonnage handled in a single tow on the Mississippi River was recently set up by the Federal barge line steamer *Memphis*, which brought more than 15,000 tons from Cairo to New Orleans in 10 steel barges, the distance being approximately a thousand miles. It would have required 400 freight cars to transport this same tonnage, which would have made about 7 or 8 trains of the average mixed-train length and would have employed 25 or 30 locomotives and train crews.

All this work was done in a single easy movement on the broad and powerful current of the Father of Waters with one towboat and its crew. Such a movement of freight by river in the old packet-boat days would have required not less than 12 or 15 steamboats. Included in the cargo were 19 carloads of glucose for export to London and Liverpool, 211 bales of cotton, 420 hogshead of tobacco, 52 carloads of miscellaneous merchandise, and more than 400,000 bushels of grain, mostly corn. The grain weighed 11,633 tons.

The time made in river shipping is said to surpass that averaged by rail. A Carnegie Steel Co. tow of ten 1,000-ton barges loaded with steel recently made the run of 2,000 miles to New Orleans at an average rate of better than 150 miles a day. A Jones & Laughlin tow last fall made the thousand-mile run to Cairo, where the Ohio flows into the Mississippi, at an average rate of better than 200 miles a day.

It is a well-known fact that water transportation is cheaper than railroad transportation. It is impossible to indicate the exact savings, because the rates for water-borne transportation are not fixed in the same manner as the railroads are, except in the single instance of the Mississippi-Warrior service. I am quoting from an advertisement occurring on page 12 of the March issue of the Mississippi Valley Magazine, relating to the claims made for saving by water-borne transportation:

The value of river navigation in bringing lower freight rates has been significant. Up to last November, the Mississippi River barge line, which for several years has been operated by the Government in connection with the Mississippi-Warrior service, had carried a total of nearly 1,750,000 tons of freight, at a cost to shippers of slightly more than $7,000,000. The Government's barge line experiment since it was established in 1918 has actually saved in freight charges to the shippers the sum of nearly $9,000,000; and this does not take into account the millions of dollars the shippers have saved on freight shipped by rail at potential water rates made by the railroads to meet water competition.

SAVINGS BY THE BARGE LINE

Below are given a few illustrations of recent freight savings on commodity shipments via the barge line. These examples have been selected to show the diversity of tonnage handled and the substantial savings accruing to the shippers taking advantage of this more economical system of transportation.

Nine thousand tons steel tank plates, Chicago to California—freight savings, $12,700.

Three hundred tons pianos, Rockford, Ill., to Pacific coast—freight savings, $1,500.

Four hundred tons malted milk, Racine, Wis., to Memphis-New Orleans—freight savings $1,780.

Two thousand tons agricultural implements, Chicago to New Orleans—freight savings, $3,200.

Two hundred and fifty tons refrigerators, Muskegon, Mich., to New Orleans—freight savings, $920.

Six hundred tons condensed milk, Reedsburg, Wis., to New Orleans; freight savings, $1,230.

Thirteen thousand six hundred and seventy-three tons ore concentrates, East St. Louis, Ill., to New Orleans; freight savings, $16,407.60.

Eighty-one thousand five hundred and ten tons bauxite ore, New Orleans to East St. Louis, Ill; freight savings, $122,265.

Rubber rings, St. Louis to Pacific coast; freight savings, $4,000.

Thirty-four carloads canned goods, Indianapolis to San Francisco; freight savings, $1,638.

One hundred and twenty-seven thousand five hundred and twelve tons sugar, New Orleans to Central Western States; freight savings, $267,775.20.

Two hundred and eighteen thousand six hundred and thirty-one tons wheat and corn, Western States to New Orleans; freight savings, $284,220.30.

One million three hundred and sixty-four thousand seven hundred and seven bushels wheat, Western States to New Orleans; freight savings, $55,223.50.

At the present time water-transportation service is not dependable, and various elements arise from time to time entering into the cost of transportation. Thus, when conditions in the rivers are favorable, the savings are great. When conditions in the rivers are unfaverable, the savings are not so great. In fact, during periods of low water or floods in the rivers, shipments by freight have been shown to have been accomplished at a positive loss. It should be borne in mind in connection with the plans to utilize the waterways of the Nation that in no sense is it proposed that such use will be to the detriment of the railroads. It is not the intention to take anything away from the railroads which they are properly equipped to handle. Water transportation must always be as a supplement to railroad transportation. In other words, the waterways exist, and if properly developed will add an additional highway for the transportation of the freight of the Nation.

PITTSBURGH A SHIPPING CENTER

The importance of Pittsburgh as a shipping center can not be overestimated. One or two figures from official sources may help to give a clearer idea of the tremendous importance of the rivers in the Pittsburgh district to industry and commerce. The United States Engineer's office in the Pittsburgh district is authority for the following data:

Products shipped on the rivers in the Pittsburgh district in the calendar year 1921 totaled 17,352,782 tons; 1922, 18,211,062 tons; 1923, 28,234,000 tons. The increase of 1923 over 1922 is almost 10,000,000 tons.

The tonnage of the three rivers converging at Pittsburgh for 1923 was as follows: Monongahela, 23,560,000 tons; Allegheny, 4,613,000 tons; Ohio, 7,286,000 tons. This makes a total of 35,459,000 tons.

The difference between this figure and the total tonnage figure given for the district is due to the fact that part of the same tonnage is handled by more than one of the three rivers.

The tonnage of the Pittsburgh district in 1923 exceeded the tonnage of the Panama Canal by 3,173,455 tons, and exceeded that of the Suez Canal by 5,457,000 tons. The Monongahela River alone handled about 1,600,000 tons less than the Panama Canal and 783,000 more than the Suez Canal.

In this connection I wish to point out the significant fact that the only completed waterway in the Mississippi Basin is the Monongahela River, which arises in the southeast among the Appalachian Mountains and flows into the Ohio at Pittsburgh, and that this is the river whose annual tonnage is nearly as great as that of the Panama Canal and greater than that of Suez. Its tonnage is nearly twenty times greater than the far-famed Manchester Canal, and it is safe to say that there is no other watercourse in the world and mighty few harbors comparable with it in tonnage of traffic. The natural question, therefore, is: What might develop on the Ohio, Mississippi, and some of their principal tributaries if their channels were ever completed, for year around transport service like the Monongahela?

Because of three floods experienced during the first quarter of 1924, the tonnage fell behind that for the same period of 1923 by about 200,000 tons. During the first quarter of 1924 the average daily tonnage on the three rivers was about 52,000 tons. This daily average was reduced while the three floods were being experienced to 12,000 tons, 19,000 tons, and 20,000 tons.

BETTER WATER TRANSPORT SERVICE

With this tremendous tonnage thus indicated, to be handled annually and with anything like the same rate of increase showing from year to year for the next several years as for the last two years, it is self-evident why Pittsburgh is vitally interested in any project which looks to insuring better water-transport service.

If tonnage were the basis for computing the importance of a port, Pittsburgh would be entitled to rank in second place. Tonnage figures of the United States show New York Harbor alone exceeding the Pittsburgh district waters in traffic tonnage. The harbors of Philadelphia, New Orleans, Baltimore, and Boston are each reported as moving from 3,000,000 to 10,000,000 of tons less freight than the Pittsburgh district totals for a given year.

In March, 1924, there was established a barge service between Memphis and St. Paul and Minneapolis, small, self-propelled barges being employed. They are operated by the River Transit Co., St. Paul, and are the first through movement of river carriers to the Twin Cities since the palmy river days preceding the Civil War. The distance is about 1,200 miles, or the same as between Pittsburgh and Memphis.

Another service lately established is between Nashville, Tenn., on the Cumberland River, and St. Louis, on the Missis-

sippi, via the Ohio River from near Paducah, Ky., to Cairo, Ill. This line is about 900 miles long.

There has also recently been opened up a freight service out of New Orleans to points on the Ouachita and Red Rivers, a distance of approximately 700 miles. Two big oil companies have just begun to use the rivers.

Other similar services are springing up all along the 6,000 miles of navigable streams in the vast Mississippi Basin; and it is freely predicted that if these rivers were made navigable all the year around the traffic upon them would grow to enormous proportions and lead to an industrial, agricultural, and commercial development in their valleys which would be unprecedented.

ADEQUATE TERMINALS REQUIRED

In considering water freight routed on the rivers, the most important factor to insure success, next to channel, of course, is the establishment of adequate terminals. Many a project to utilize the rivers has failed because the costs of loading into and out of barges was so excessively high and had to be accomplished under such slow and discouraging conditions that the utilization of the river as a freight route was abandoned. Today, under the modern plan of using barges and steamboats like freight cars and locomotives, the importance of efficient, low-cost, and speedy terminal equipment is of the first magnitude. Many of the larger cities in the Mississippi and Ohio Valley have recognized this fact and have installed modern terminals which are able to handle freight to great advantage.

The city of Memphis, for instance, has invested more than $2,000,000 in rail and river terminals and has the latest and most modern of any on the rivers. The Memphis terminals include not only unloading facilities but freight-car classification yards back from the river, locomotive switching engines, storage building, and a general layout that would make many a railroad envious. St. Louis likewise has a modern terminal plant—three of them, in fact—and so have Cairo, Vicksburg, Helena, Baton Rouge, and, of course, New Orleans. Louisville and Cincinnati are in course of establishing modern interchange terminals, and some of the smaller cities on the Ohio already have fairly good installations in operation.

There are two handlings of commodities encountered in rail-and-river shipping not encountered in all-rail; these are the transfer from car or truck to barge at point of origin and from barge to car or truck at the end of the river haul. If the cost per ton or per pound of these two operations is high it can very well consume all the money saved by river transport.

Some of the steel from Pittsburgh has been handled at these modern down-river terminals for as low as 15 cents a ton net cost. I am told that in general the river-shipping interests are satisfied if transfer can be made for not over 50 cents at a terminal.

The Standard Sanitary Manufacturing Co. has recently shipped 58 carloads of bathtubs and plumbing fixtures all-water route from Louisville, Ky., to New Orleans and Pacific coast points. The shipment was made in the self-propelled barge *Birmingham*, of the Mississippi-Warrior service, which went up the Ohio to Louisville for the purpose, the first time this service has gone into the Ohio. Fifty-eight carloads would constitute a full train, yet all was conveyed in the one barge. There was a large saving in freight, although the western merchandise was transferred at New Orleans to steamship for transport through the Panama Canal to the Pacific coast, the distance being about twice as far by water as by rail across the country. The barge *Birmingham* averaged a hundred miles a day down river. The average daily movement of freight in railroad cars is about half that.

FUTURE WATER SUPPLY A FACTOR

In addition to the navigation feature, the Allegheny, Monongahela, and Ohio Rivers are extensively used as a source of water supply for domestic and industrial purposes. Their waters are dangerously polluted with the sewage of the thickly populated valleys and impregnated with mine drainage and manufacturing wastes. The acidity of the water corrodes boilers and considerably shortens the life of exposed iron and steel parts of boats and on the locks of the navigation dams. This quality, as well as the hardness of the water, requires its treatment in water-softening plants before use for steaming purposes. At certain times of the year the hardness is sufficiently marked to be objectionable in water used for domestic supply.

An increase in the low-water flow of the rivers by releasing water from the reservoirs during the dry season would very greatly improve these conditions and effect an estimated annual saving of about $600,000, or, at 5 per cent, the interest on $12,000,000. At the same time the possibility of a nuisance from too great a concentration of sewage in the rivers at Pittsburgh would be removed far into the future.

There is also a close relation between storage reservoirs and water power. There are a number of places, particularly in the drainage area of the Monongahela River, where steep slopes in the channels of the principal tributaries occur below the sites of some of the large storage reservoirs that are proposed. At such points a uniform low-water flow of many times the present minimum would be assured and power development of considerable magnitude would become feasible. If the storage reservoirs as designed for flood control should be enlarged to maximum capacity, a large amount of additional power would thus be made available. Private interests have already located power dams in the streams affecting floods at Pittsburgh.

The flood commission, in addition to spending $124,000 for a survey, has spent over $100,000 in its constructive campaign looking toward the carrying into effect of its plans. The city of Pittsburgh has spent several million dollars in the raising of streets to get them out of the flood danger. The erection of the wharf, while proposed by the flood commission, is being seriously discussed at the present time, and it is likely that a bond issue will be submitted to the people shortly in an amount sufficient to erect this construction.

RIVERS CAN BE CONTROLLED

The engineers of the flood commission have proven beyond all doubt that the Allegheny and Monongahela Rivers can be controlled through the construction and operation of storage reservoirs. Their plans have been examined by the engineers of the United States Army and declared to be practicable. The Army engineers have recommended that the detailed survey provided in this measure be made without delay. The National Waterways Commission, which came into existence following a series of disastrous floods all over the country, approved of the plan and recommended its adoption.

Acting upon a suggestion contained in the flood control act of March 1, 1917, which indicated a basis of cooperation between the United States Government and the local interests, the flood commission secured the enactment of a bill by the Legislature of Pennsylvania, under which the sum of $25,000 is contributed to the survey proposed herein. This is one of the very few cases on record where a State has indicated its willingness to defray part of the expenses of the Federal Government in surveys of this kind.

It is the claim of those who have studied this question that the Ohio River can be controlled. It is a well-known fact that most of the Mississippi floods come from this river. The plan, as proposed in Pittsburgh, has been fully demonstrated in the Miami Valley following the great flood at Dayton in 1913. The people of that community made an intensive study of the situation, and arrived at practically the same conclusion that the flood commission's engineers arrived at, namely, construction of storage reservoirs. The Dayton reservoirs have since been constructed and are now in successful operation.

The subject of control of floods is by no means a new one so far as the Federal Government is concerned. The records show that in the case of the Mississippi River alone Congress has appropriated millions of dollars for flood protection, examinations, and surveys, and in expenses of commissions in connection with flood problems. Additional millions have been expended for flood relief.

The first act of Congress on record in connection with the improvement of the Mississippi is that of February 20, 1811. By the act of February 5, 1819, Congress began the appropriation of moneys for surveys and the creation of commissions to study the general question of floods. The act of February 21, 1871, is the first of record passed by Congress for flood protection on the Mississippi. Congress began with the act of May 13, 1874, to appropriate moneys for the relief of flood sufferers. Similar acts for all four purposes have been passed from time to time down to the present.

TURN FLOODS INTO BENEFITS

The point about all of this legislation is that moneys spent by the Federal Government for flood protection, examination, commissions, and for the relief of flood sufferers could have been properly spent to prevent floods and to construct reservoirs whereby the flood waters, instead of doing damage, would have been put to some beneficial use.

A careful study of Pittsburgh floods, covering a long period, showed that there is an average annual loss in that district of over $1,000,000, mostly due to ordinary floods. The National Waterways Commission estimated that there is an average annual loss from floods in the Ohio Valley of over $100,000,000. The prevention of floods at Pittsburgh will not only remove the possi-

bility of loss from that district but also reduce the annual loss in the entire Ohio and Mississippi Valleys.

That the Federal Government has indicated its interest in the general subject of flood prevention is evidenced in the report of the National Waterways Commission, Senate Document No. 469, Sixty-second Congress, second session. This commission was created by the river and harbor act of March 3, 1909, and its report was issued in March, 1912. This commission was composed of Senators Theodore E. Burton, Ohio, chairman; Jacob H. Gallinger, New Hampshire, vice chairman; Samuel H. Piles, Washington; William Alden Smith, Michigan; F. M. Simmons, North Carolina; James P. Clarke, Arkansas; William Lorimer, Illinois; and Representatives D. S. Alexander, New York; Frederick C. Stevens, Minnesota; Irving P. Wanger, Pennsylvania; Stephen M. Sparkman, Florida; John A. Moon, Tennessee. On pages 23, 24, and 25 of the report of the National Waterways Commission the following occurs:

In recent years the utilization of storage reservoirs to prevent floods has been strongly advocated in this country and their benefits for certain streams carefully studied, but as yet none has been constructed primarily for this purpose. In some cases, however, reservoirs intended for other purposes have incidentally been operated so as to aid in preventing floods. This has been especially true of the reservoir built for irrigation purposes at the headwaters of Salt River in Arizona.

A reservoir system intended for flood prevention should be more extensive than where intended primarily to benefit navigation or the development of water power. This is due to the fact that floods are caused by the combination of many factors, and these combinations are never twice alike. A stream may exercise an important influence on the flood peak at one time and have little or no appreciable influence at another. For example, in the Ohio River flood of March 22, 1905, the upper Allegheny and its tributaries, the Clarion and French Creek, were the principal contributors, while in the flood of March, 1907, they had little effect on the flood peak. The influence of a stream in a particular instance is not known until the flood is over. It depends upon the amount of precipitation in its watershed and upon various other factors which affect the time when its flood waters are emptied into the main stream. This makes it necessary to control a considerable proportion of the run-off on almost every important stream in a river basin in order to be sure of adequate protection.

SEVERAL USES FOR RESERVOIRS

It is perfectly possible to operate a reservoir system if its capacity is sufficient so as to benefit navigation, develop power, and prevent floods. But in such a case its utility for any one of these purposes is necessarily diminished. To obtain the maximum effectiveness for flood prevention, the reservoirs should be lowered as soon as possible after a heavy rain sufficiently to afford storage capacity to catch the water from the next storm. This means less power development and less benefit to navigation. It is quite possible that reservoirs operated solely for flood prevention would be found practically empty during the summer months when the water which had been released earlier was needed for increasing the flow of streams. If reservoirs are operated primarily for navigation, they are filled during the rainy season and the water is held until needed during the summer months. If after they are filled a heavy rain should come, they would not be in a position to catch and hold any of it, and therefore could exercise no influence upon the flood level.

A plan for avoiding this difficulty has been suggested by Mr. M. O. Leighton, of the Geological Survey. A reservoir system intended for flood prevention and also for aiding navigation should have a twofold capacity. It should have permanent storage in order to keep the summer flow as uniform as possible and, in addition, it should have an excess capacity equivalent to the maximum flood run-off in order to take care of the largest floods. Such a plan has been advocated by the Water Supply Commission of New York State in the case of a proposed reservoir on the Genesee River. The proposed dam would be 152 feet in height. The first 32 feet of water would be held permanently or for very infrequent use. The next 45 feet of water would be held in storage until needed to compensate low-water conditions in dry seasons. The next 55 feet would be used for new power development and to increase the capacity of the power plants already established along the river. Of the remaining 20 feet of reservoir capacity 15 feet would be used for flood catchment and 5 feet would be held in reserve for extreme floods. The water caught in flood periods would be released as soon as the condition of the river below permitted, to the point of permanent storage, leaving the reservoir ready for the next flood, while the water stored for navigation purposes would be held until the summer months.

PUBLIC AUTHORITY MUST OPERATE

A reservoir system, in order to be utilized simultaneously for flood prevention, aiding navigation, and power development, must be controlled or operated by some public authority.

There is practically a unanimity of opinion that reservoirs can accomplish the purpose for which they are intended, providing that they have sufficient capacity. The main criticism has always been that the cost of constructing such a system would be prohibitive. This criticism, however, becomes less applicable as the country develops and greater benefits can be obtained from the proper improvement and control of streams.

Thus far the improvement of rivers in this country, except in the arid regions, has been almost solely for the purpose of navigation. The other purposes have been almost entirely disregarded. The position of the Corps of Engineers, who have supervision over river improvements, has been that an increased depth of a stream for navigation could be secured much more cheaply by the use of dams, diverting walls, and other devices than by constructing reservoirs at headwaters, and in this view the engineers have in general been right, particularly when it is recalled that the existing or prospective commerce on few of our streams has justified extensive expenditures for this purpose, and only on a comparatively few streams do suitable reservoir sites exist. When, however, the improvement of a stream is considered from the standpoint of all its beneficial uses, as well as the prevention of damage by floods, the policy of constructing reservoirs may become, in particular cases, more feasible. The combined benefits from flood prevention, from additional power development, and from a more uniform flow of the stream may warrant the adoption of a system of reservoirs which, if intended for any one of these purposes alone, would not be practicable.

The commission has given special consideration to the feasibility of constructing reservoirs on the tributaries of the Ohio River. From the information obtained it appears that such a plan has greater prospects of success here than in any other part of the United States. The damages caused by frequent floods in the Ohio Valley are enormous. In the second place, investigations show that a large number of unusually good reservoir sites exist on the principal tributaries. Thirdly, the Ohio and Monongahela Rivers have a larger traffic than any other rivers in the United States and the Government is now spending more than $60,000,000 to secure a 9-foot navigation from Pittsburgh to Cairo.

It is quite possible that when the commerce of the Ohio becomes greater there may not be water enough during dry seasons to properly operate the locks which are being constructed. Such has already been the case on the Monongahela, where it has sometimes been found necessary to empty the upper pools in order to obtain sufficient water to make the lockages in the lower pools. Fourthly, the great industrial region around Pittsburgh would doubtless offer a profitable market for water power that might be generated in connection with the establishment of a reservoir system. Finally, because of extensive investigations, more is known about the reservoir possibilities of this river basin than of any other.

PLANS THOROUGHLY INVESTIGATED

The plan of impounding reservoirs on the tributaries of the Ohio to prevent floods and improve navigation was pointed out by Mr. M. O. Leighton in his report to the Inland Waterways Commission in 1908. Since that time the subject has been thoroughly investigated by the Flood Commission of Pittsburgh, which will soon publish an exhaustive report. This commission, composed of prominent engineers, examined in detail 48 reservoir sites on the Allegheny, Monongahela, and their tributaries, with special reference to the prevention of damage from floods at Pittsburgh. They recommend the adoption of a system composed of 17 reservoirs, costing $21,672,600.

The findings of the National Waterways Commission are set forth on pages 26 and 27 of the report, as follows:

After careful consideration of the problem of utilizing storage reservoirs for flood prevention, the commission has arrived at the following conclusions:

1. As the country develops, the necessity for controlling floods becomes of greater importance, both in respect to improved property in thickly populated districts and to valuable unimproved lands which are needed for agricultural or manufacturing purposes. Losses from floods are not confined alone to the destruction or damage of property, but also result from the inability to utilize large areas threatened by floods. In the case of many streams the adoption of some means of flood prevention has already become most urgent, because of the constantly increasing losses due to floods.

2. The use of storage reservoirs as a means of controlling floods, although expensive, becomes more practicable where the value of property liable to damage is great and where the reservoirs can be used simultaneously for other beneficial purposes, such as power development and aiding navigation. The question of feasibility of storage reservoirs depends upon the relation between the cost of construction and the benefits to be derived in each particular case, and the benefits increase rapidly as the country develops. The time has already come, especially

in the more thickly settled river valleys, when a stream must be considered with a view both to minimizing its harmful influences and to securing the maximum benefit from all its uses.

3. The lack of adequate information makes it impossible for the commission to specify on what streams the construction of reservoirs would result in benefits commensurate with the cost. In most cases little is known concerning stream flow and the physical conditions causing floods, or whether there exist reservoir sites suitable to afford the necessary relief. The extent of damages caused by floods on different streams has not, as a rule, been accurately determined, nor have investigations been made to ascertain the relation of the cost to the benefits that would be derived from the construction of reservoir systems. The commission is of the opinion that each case must be considered on its merits, after a thorough investigation of all the facts, and strongly urges the necessity of careful studies, such as the one recently made by the Flood Commission of Pittsburgh.

On page 82 of its report the commission states:

WATER GREAT NATIONAL ASSET

In providing for the future development of the country, consideration must be given to the fact that water as well as land is an asset which makes up an integral part of our natural wealth. Waters must ultimately be utilized not merely for navigation but also for irrigation and for power when available for these purposes; also all practicable means must be used for their clarification and for the prevention of floods and droughts.

It is desirable that whenever navigation is improved the most careful attention be given to these other associated objects, and while it is not the opinion of the commission that waterway improvements for the development of navigation should be deferred until a comprehensive and final plan for the utilization of waters can be devised, on the other hand subjects pertaining to the control and most beneficial utilization of water should at all times be considered, and improvements looking to the promotion of navigation should as far as possible harmonize with the general uses and beneficial control of waters. All reasonable means for the prevention of floods should be utilized. Water when uncontrolled becomes a most destructive agency.

The next step necessary in the solution of this important problem is the making of the survey provided in the bill under discussion. After this survey is completed, legislation will be introduced in Congress to provide for the construction of flood-prevention works. This legislation will provide an apportionment of the cost among the Nation, the State of Pennsylvania, and the local interests particularly and specially benefited by the regulation of the Allegheny and Monongahela Rivers. The Federal Government will be asked to provide only that proportion of the total sum required based upon the Federal interests involved. The balance will be provided by the other two interests. Pittsburgh already has evidenced its willingness to do its share by spending about $250,000 on this project up to its present stage. The State of Pennsylvania already has appropriated $25,000 to pay half of the sum necessary for the survey now under discussion. The Federal Government should do its share toward solving this important interstate problem.

The time has come for us to make a radical change in our national policy. We must cease spending money on flood damage and for flood sufferers; we must stop floods at their source. One-tenth of all the moneys spent because of floods after they had occurred, would have been ample to have constructed all the corrective works required to prevent them. We used to spend millions for the relief of cholera and yellow-fever victims, and then decided to eradicate the Stegomyia mosquito, which caused the infection. So it must be with floods. An ounce of flood prevention will be worth a pound of flood relief after the damage has been done.

ADJOURNMENT

Mr. BEGG. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Tuesday, April 22, 1924, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

APRIL 15, 1924.

TO THE CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of Rule XXVII, I, ALBEN W. BARKLEY, move to discharge the Committee on Interstate and Foreign Commerce from the consideration of the bill (H. R. 7358) entitled "A bill to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes," which was referred to said committee February 28, 1924, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

Alben W. Barkley, Tom D. McKeown, Edgar Howard, W. B. Oliver, O. J. Kvale, Samuel E. Cook, James O'Connor, D. H. Kincheloe, Elton Watkins, Ralph Gilbert, James A. Frear, Arthur H. Greenwood, W. F. Stevenson, John McSweeney, Edward E. Browne, W. D. Boies, J. D. Beck, Roy O. Woodruff, A. C. Shallenberger, C. R. Davis, Geo. J. Schneider, W. W. Hastings, W. D. Upshaw, W. A. Oldfield, Percy E. Quin, E. B. Howard, J. Alfred Taylor, Victor L. Berger, Carl Hayden, C. B. Hudspeth, F. B. Swank, Chas. I. Stengle, Frank R. Reid, Ralph F. Lozier, J. W. Collier, John J. Casey, C. D. Carter, W. W. Arnold, Fred M. Vinson, W. M. Morgan, John C. Schafer, Lister Hill, T. A. Doyle, Jas. M. Mead, Scott Wolff, Sam B. Hill, Frank C. Sites, Geo. W. Johnson, R. E. L. Allen, George Huddleston, W. A. Ayres, Charles A. Mooney, Wm. M. Croll, Mell G. Underwood, Edward J. King, Ross A. Collins, T. Webber Wilson, Hubert H. Peavey, Knud Wefald, John M. Nelson, Clarence Cannon, Oscar E. Keller, J. H. Sinclair, Daniel F. Minahan, Walter F. Lineberger, Florian Lampert, Stanley H. Kunz, Ed. B. Almon, John E. Raker, A. J. Sabath, John H. Morehead, Joseph W. Byrns, A. H. Gasque, John M. Evans, Gordon Browning, W. Frank James, J. E. Rankin, R. Lee Moore, J. F. Fulbright, Elmer Thomas, M. A. Romjue, Sam. C. Major, Henry T. Rainey, Royal H. Weller, Hubert F. Fisher, R. Y. Thomas, jr., Miles C. Allgood, Frank Clague, C. C. Dickinson, William P. Connery, Jr., C. H. Brand, Lamar Jeffers, M. C. Garber, Edward Voigt, J. L. Milligan, Tilman B. Parks, Heartsill Ragon, H. W. Cummings, C. R. Crisp, Frank Gardner, W. C. Lankford, S. F. Glatfelter, Everett Kent, Thos. L. Rubey, Henry E. Barbour, William E. Wilson, J. B. Reed, Edw'd W. Pou, Guinn Williams, S. D. McReynolds, W. C. Salmon, W. B. Bankhead, R. Walton Moore, H. S. G. Tucker, Jeremiah E. O'Connell, Mae E. Nolan, Chas. L. Richards, Jeff Busby, John N. Sandlin, Henry Allen Cooper, Jos. W. Morris, Harry C. Canfield, Frank Park, Zebulon Weaver, Anthony J. Griffin, M. Clyde Kelly, P. B. O'Sullivan, Willis G. Sears, Carl Vinson, Meyer Jacobstein, Gordon Lee, Guy E. Campbell, Cordell Hull, J. Earl Major, H. L. Lyon, D. J. O'Connell, Charles F. X. O'Brien, Emanuel Celler, John J. Kindred, John J. O'Connor, Robert Crosser, Thos. H. Cullen, J. M. Hooker, H. P. Fulmer, George W. Lindsay, Ben Johnson, Sol Bloom, C. A. Woodrum, Geo. Peery, R. L. Doughton, A. J. Montague, Morgan G. Sanders, John F. Carew, F. LaGuardia.

This motion entered upon the Journal, printed in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees April 21, 1924.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEA of California: Committee on Interstate and Foreign Commerce. H. R. 8308. A bill authorizing the Coast and Geodetic Survey to make seismological investigations, and for other purposes; without amendment (Rept. No. 540). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the District of Columbia. H. R. 8524. A bill to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof; with an amendment (Rept. No. 541). Referred to the Committee of the Whole House on the state of the Union.

Mr. YATES: Committee on the Judiciary. H. R. 7523. A bill designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes; with amendments (Rept. No. 542). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. VINCENT of Michigan: Committee on Claims. H. R. 3477. A bill for the relief of J. B. Porter; with amendments (Rept. No. 543). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 8444) granting an increase of pension to Hannah Wiles, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 8810) to repeal schedule 5 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

By Mr. OLDFIELD: A bill (H. R. 8811) granting the consent of Congress to the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct bridges across the White River in Prairie County, State of Arkansas; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: A bill (H. R. 8812) to provide for the purchase and acquirement by the United States of certain lands within the Superior National Forest, and certain other lands within the counties of Cook, Lake, and St. Louis, which lie north of Township 60 north, and between range 4 east of the fourth principal meridian and range 22 west of the fourth principal meridian, in the State of Minnesota; to the Committee on the Public Lands.

By Mr. CARTER: A bill (H. R. 8813) to amend section 101 of chapter 5 of the Judicial Code; to the Committee on the Judiciary.

By Mr. VOIGT: A bill (H. R. 8814) declaring an emergency with respect to foreign commerce in wheat, stabilizing the price thereof, creating the United States Wheat Corporation, and for other purposes; to the Committee on Agriculture.

By Mr. BROWNE of New Jersey: A bill (H. R. 8815) to provide for the erection and equipment of a Federal building at Princeton, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. KINDRED: A bill (H. R. 8816) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. VINSON of Kentucky: A bill (H. R. 8817) making an appropriation for the payment of special assessment for paving, curbing, and guttering of Lock Avenue, Louisa, Ky., adjacent to real estate owned by the United States and occupied by the Government Lock No. 3; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8818) making an appropriation for the paving, curbing, and guttering of Webster Street, Oakland Avenue, and Alley No. 4, Catlettsburg, Ky., adjacent to real estate owned by the United States; to the Committee on Public Buildings and Grounds.

By Mr. PORTER: Joint resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 249) to authorize certain officers of the United States Marine Corps to accept from the Republic of Haiti "The medal for distinguished service"; to the Committee on Foreign Affairs.

By Mr. THOMPSON: Resolution (H. Res. 265) to pay the daughter of William S. McGinniss, late a bookkeeper of the House of Representatives, a sum equal to six months' salary and $250 for funeral expenses; to the Committee on Accounts.

By Mr. HOLADAY: Resolution (H. Res. 266) to pay Ora I. Overhue, widow of William H. Overhue, late enrolling clerk of the House of Representatives, a sum equal to one year's salary and $250 for funeral expenses; to the Committee on Accounts.

By Mr. McDUFFIE: Memorial of the Legislature of the State of Alabama, extending greetings to the President of Mexico, its congress, and the people, with best wishes for its peace, happiness, and development of its industrial life; to the Committee on Foreign Affairs.

By Mr. GABALDON: Memorial of the Philippine Legislature, expressing the gratitude of the Philippine Legislature for the introduction of the Cooper resolution and requesting the Congress of the United States for the prompt approval of said resolution; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 8819) granting an increase of pension to Eugene Augustus Gosling; to the Committee on Pensions.

By Mr. BRAND of Ohio: A bill (H. R. 8820) granting an increase of pension to Anna Louise Phelps; to the Committee on Pensions.

By Mr. CANFIELD: A bill (H. R. 8821) granting a pension to Mary L. Danforth; to the Committee on Invalid Pensions.

By Mr. CHRISTOPHERSON: A bill (H. R. 8822) granting a pension to Barbara Grant; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 8823) granting a pension to David H. Holliday; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 8824) granting an increase of pension to Catherine B. Bittle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8825) granting an increase of pension to Catherine Hikes; to the Committee on Invalid Pensions.

By Mr. GREENE of Massachusetts: A bill (H. R. 8826) authorizing the Secretary of the Treasury to pay a certain claim of Terrence L. McGee, of Somerset, County of Bristol, Commonwealth of Massachusetts, for damages caused to his wharf on or about August 4, 1923, by the United States lighthouse ship *Pansy*; to the Committee on Claims.

By Mr. HOLADAY: A bill (H. R. 8827) granting a pension to Laura B. Smith; to the Committee on Invalid Pensions.

By Mr. JACOBSTEIN: A bill (H. R. 8828) granting a pension to Mary P. Gourlay; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 8829) granting an increase of pension to Theresa A. Hunter; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 8830) granting an increase of pension to Harriet E. Gould; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8831) granting an increase of pension to Jeannette E. Ferris; to the Committee on Invalid Pensions.

By Mr. MORRIS: A bill (H. R. 8832) granting an increase of pension to John G. Murphy; to the Committee on Pensions.

By Mr. MURPHY: A bill (H. R. 8833) granting a pension to William G. Hamilton; to the Committee on Invalid Pensions.

By Mr. SWEET: A bill (H. R. 8834) granting an increase of pension to Florence A. Rathbun; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2486. By the SPEAKER (by request): Petition of T. A. Brown, United States district attorney for the northern district of West Virginia, complaining of the official conduct of William E. Baker, judge of the United States District Court for the Northern District of West Virginia, praying that the subject of his complaint might be inquired into by Congress; to the Committee on the Judiciary.

2487. By Mr. BLOOM: Petition of members of the Holy Name Society, in behalf of the letter carriers for increased pay; to the Committee on the Post Office and Post Roads.

2488. By Mr. CRAMTON: Petitions of the Ellington Almer Farmers' Club, Caro, Mich., protesting against any increase in parcel-post and fourth-class postage rates; to the Committee on the Post Office and Post Roads.

2489. By the SPEAKER: Petition of 43 citizens of the town of Ware, Mass., for the passage of the Swing-Johnson bill providing for the erection of the Boulder Canyon Dam and the control of the Boulder Canyon project of the Colorado River; to the Committee on Irrigation and Reclamation.

2490. By Mr. PERKINS: Petitions of J. Gaston Drew, Wanaque, N. J., and 55 signers; Cassie M. Chapman, of Bogota, N. J., and 127 signers; Mrs. J. K. Overocker, of Hasbrouck Heights, and 143 signers; Mrs. V. Weingartner, of Hackensack, and 18 signers; Mrs. Jos. V. Stout, of Delaware, N. J., and 14 signers; Mrs. Kate S. Gausmann, of Leonia, N. J., and 34 signers; Mrs. F. A. Linaberry, of Vienna, N. J., and 72 signers; W. W. Thompson, of Englewood, N. J., and 22 signers; Carrie B. Ackerly, of Sussex, N. J., and 116 signers; Wm. Reynold, of Phillipsburg, N. J., and 22 signers; Joseph Breen, of Newton, N. J., and 59 signers; Irving E. Smith, of Oradell, N. J., and 60 signers; Thomas H. Currie, Hasbrouck Heights, N. J., and 8 signers; Mrs. Charles Mannes, of Newton, N. J., and 43

signers; Mrs. Camille M. R. De Bow, of Bloomingdale, N. J., and 155 signers; Mrs. Eva N. Taylor, of Rutherford, N. J., and 296 signers; Eliza M. Beck, of Hackettstown, N. J., and 140 signers; Ola H. Roe, of Newton, N. J., and 143 signers; Percival Clow, of Ridgewood, N. J., and 51 signers; total signatures 1,578, all residents of the sixth congressional district of New Jersey, protesting against any modification of the Federal prohibition act, and particularly opposed to any legislation authorizing alcoholic contents of 2.75 per cent in beverages; to the Committee on the Judiciary.

2491. By Mr. STEES: Petition of the Order of Railroad Telegraphers, Pennsylvania System, Division No. 17, approximating 5,000 voters of the State of Pennsylvania, urging the early enactment into law of the Howell-Barkley bill (S. 2646; H. R. 7358), to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, *April 22, 1924*

(Legislative day of Monday, April 21, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	King	Shipstead
Bayard	Fernald	Lodge	Shortridge
Borah	Ferris	McCormick	Simmons
Brandegee	Fess	McKellar	Smoot
Broussard	Fletcher	McKinley	Spencer
Bursum	Frazier	McLean	Stanfield
Cameron	George	Mayfield	Stephens
Capper	Gerry	Moses	Swanson
Caraway	Glass	Neely	Trammell
Colt	Gooding	Norbeck	Underwood
Copeland	Hale	Oddie	Wadsworth
Cummins	Harris	Overman	Walsh, Mass.
Curtis	Harrison	Phipps	Walsh, Mont.
Dale	Heflin	Ransdell	Warren
Dial	Howell	Robinson	Watson
Dill	Johnson, Minn.	Sheppard	Weller
Edwards	Jones, N. Mex.	Shields	Willis

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

I was requested to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. MCNARY], the Senator from New Hampshire [Mr. KEYES], the Senator from South Carolina [Mr. SMITH], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Indiana [Mr. RALSTON] are absent on business of the Senate.

I was also requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are absent, attending a hearing before a special investigating committee of the Senate.

Mr. ROBINSON. I wish to announce that the Senator from Arizona [Mr. ASHURST] is absent on account of a death in his family. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Sixty-eight Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the House to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico, and that the House had receded from its amendment No. 4 to the said joint resolution.

The message also announced that the House had passed the following bills of the Senate:

S. 431. An act to extend the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn.;

S. 2108. An act to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River, at Knoxville, in the county of Knox, State of Tennessee;

S. 2112. An act authorizing the Department of Agriculture to issue semimonthly cotton-crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce;

S. 2736. An act authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during State convention of Texas Shriners; and

S. 2821. An act to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911.

The message further announced that the House had passed the bill (S. 2798) to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed bills and joint resolutions of the following titles, severally with amendments, in which it requested the concurrence of the Senate:

S. 381. An act to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862);

S. 1609. An act to fix the time for the terms of the United States District Court in the Western District of Virginia;

S. 1704. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.;

S. 2902. An act authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project;

S. J. Res. 76. Joint resolution authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing the appointment of delegates to represent the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba, in November, 1924; and

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City beginning March 27, 1924.

The message further announced that the House had passed bills and joint resolutions of the following titles, in which it requested the concurrence of the Senate:

H. R. 21. An act to amend the patent and trade-mark laws, and for other purposes;

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 704. An act to authorize the Court of Appeals for the first circuit to hold sittings at San Juan, P. R.;

H. R. 731. An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims;

H. R. 4168. An act to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same," approved February 13, 1913 (37 Stat. L. p. 670);

H. R. 4437. An act to quiet title to land in the municipality of Flomaton, State of Alabama;

H. R. 4526. An act to incorporate the United States Blind Veterans of the World War;

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.;

H. R. 5218. An act granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.;

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes;

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its

bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 6646. An act providing for the holding of the United States district and circuit courts at Durant, Okla.;

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska;

H. R. 7079. An act prohibiting the importation of crude opium for the purpose of manufacturing heroin;

H. R. 7109. An act to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes;

H. R. 7239. An act authorizing the Secretary of the Interior to pay certain funds to various Wisconsin Pottawatomi Indians;

H. R. 8070. An act authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 8366. An act to add certain lands to the Santiam National Forest;

H. R. 8369. An act to extend the period in which relief may be granted accountable officers of the War and Navy Departments, and for other purposes;

H. J. Res. 231. Joint resolution directing a census to be taken of bales of cotton now held at various places; and

H. J. Res. 237. Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes.

PETITIONS AND MEMORIALS

Mr. FESS presented a petition, numerously signed, of sundry citizens of Toledo and vicinity, in the State of Ohio, praying for the passage of the so-called Dill bill (S. 2600) to amend section 1 of an act entitled "An act to amend and consolidate the acts respecting copyrights," approved March 4, 1909, which was referred to the Committee on Patents.

He also presented a resolution adopted by the Akron (Ohio) Bar Association, favoring the enactment of legislation providing for a board of tax appeals, to be appointed by the President, and to be entirely separate from the Treasury Department, such board to entertain appeals taken by taxpayers from decisions of the Treasury Department with respect to all questions arising under the revenue laws passed and effective since 1915, which was referred to the Committee on Finance.

He also presented a resolution adopted by Lodge No. 4, of the Pennsylvania System Fraternity, of Crestline, Ohio, protesting against the passage of legislation restricting the management of railroad systems in the operation of their roads, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the City Commission of Sandusky, Ohio, protesting against the passage of the so-called Hull bill, or any similar legislation, seeking to divert a considerable volume of water from Lake Michigan into the Chicago Drainage Canal, etc., which was referred to the Committee on Commerce.

He also presented a petition, numerously signed, of sundry citizens of Dayton, Ohio, praying for the participation of the United States in the world court, which was referred to the Committee on Foreign Relations.

Mr. McLEAN presented a petition of sundry citizens of Stratford, Conn., praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented the petition of the Roger Sherman Chapter, Daughters of the American Revolution, of New Milford, Conn., praying for the passage of Senate Joint Resolution 64, proposing to change the name of "Mount Rainier" to "Mount Tacoma," which was ordered to lie on the table.

He also presented the memorial of the board of directors of the New Haven (Conn.) Chamber of Commerce, remonstrating against the passage of the so-called Gooding bill (S. 187) to amend section 4 of the interstate commerce act, which was referred to the Committee on Interstate Commerce.

He also presented a telegram in the nature of a petition from members of the St. John Evangelist Lutheran Church, of New Britain, Conn., praying for the passage of House Joint Resolution 180, for the relief of the distressed and starving women and children of Germany, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Fifth District Republican Club (Inc.), of Bridgeport, Conn., favoring the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of New Haven, Conn., praying for the passage of the pending adjusted compensation bill for World War veterans, which was referred to the Committee on Finance.

He also presented the petitions of Hartford Lodge, No. 723, Loyal Order of Moose, and the Liederkranz Singing Society, both of Hartford, Conn., praying for the passage of legislation legalizing the manufacture and sale of beverages with a 2.75 per cent alcoholic content, which were referred to the Committee on the Judiciary.

He also presented the memorials of the Woman's Christian Temperance Unions of Canterbury and East Danbury, both in the State of Connecticut, remonstrating against the passage of legislation legalizing the manufacture and sale of liquors with a 2.75 per cent alcoholic content, which were referred to the Committee on the Judiciary.

He also presented papers in the nature of petitions of the Lions Club and the chamber of commerce, both of Greenwich, in the State of Connecticut, praying for the participation of the United States in the forthcoming international conference for the suppression of the narcotic traffic, etc., which were referred to the Committee on Foreign Relations.

He also presented the petition of the Greenwich (Conn.) Chamber of Commerce, praying for the passage of Senate bill 1005, to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented the memorial of sundry members of the Woman's Christian Temperance Union of Scott City, Kans., remonstrating against the passage of legislation increasing the alcoholic content allowable in beer to 2.75 per cent, which was referred to the Committee on the Judiciary.

He also presented the memorial of sundry citizens of Oberlin, Kans., remonstrating against the passage of legislation legalizing the sale of beer and light wines with increased alcoholic content, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Oberlin, Kans., praying for the adoption of the so-called McCormick child-labor amendment to the Constitution, which was referred to the Committee on the Judiciary.

Mr. WILLIS presented a resolution adopted by the council of the city of Cleveland, Ohio, protesting against the passage of the so-called Hull bill, or any other measure which would authorize the sanitary district of Chicago to increase the amount of water diverted by it from Lake Michigan and so result in the further lowering of the level of Lake Erie, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the council of the city of Cleveland, Ohio, favoring a Federal appropriation for dredging that portion of the Cleveland Harbor which lies within the Cuyahoga River, and its several branches and arms, which was referred to the Committee on Commerce.

Mr. NORBECK presented petitions, telegrams, and papers in the nature of petitions of the Farmers' Elevator Co., the Farmers' Security Bank, and the State Bank, of Seneca; of O. P. Huetson, secretary of Clay County Farm Bureau, of Vermillion; of the Fall River County Farm Bureau Board, of Hot Springs; of the Bowdle Community Club, of Bowdle; of the Clark County Farm Bureau, of Clark; of Samuel Fahlberg, chairman, Pleasant Township Community Club, of Beresford, Lincoln County; of Edward E. Peterson, secretary, Vienna Livestock Shipping Association, of Vienna; of J. M. Tucker, chairman, Coffee Flat Farm Bureau, of Edgemont; of a special committee of farmers of Butler Township, Sanborn County; of the Hamlin County Farm Bureau, of Hayti; of C. L. Chase, secretary of a committee representing nine townships in Clark County; of Wilson Local, No. 369, American Cooperative and Educational Union of America, of Platte; of Carl Froomm and

to issue semimonthly cotton-crop reports and providing for | thorize the incorporated town of Ketchikan, Alaska, to issue its

Tacoma," which was ordered to lie on the table.

| Educational Union of America, of Platte; of Carl Proomm and

50 other citizens of Corsica; of Frank Petrig, of Ardmore; of Henry Scharnhorst and 55 other citizens of Egan, Trent, and Flandreau; of Joe Swancutt and 36 other citizens of Sioux Falls, Valley Springs, Harrisburg, Ellis, Hartford, Humboldt, Canistota, Lennox, and Oldham; of J. A. Rogness and 9 other citizens of Astoria; of R. K. Rasmusson and 51 other citizens of Astoria, Brandt, and Gary; of Selmer Kirkvold and 15 other citizens of Deuel County; of F. H. Puppen and 12 other citizens of Desmet, Bancroft, and Manchester; of L. S. Haugen, chairman, Federal Farm Loan Association, of Sisseton; of A. Kopperud, president of the South Dakota Bankers' Association, of Webster; of Harry J. Boyts, secretary, South Dakota Export Commission League, of Aberdeen; of D. J. Reints, director of the South Dakota Wheat Growers' Association, of Britton; of the Bankers' Association of Roberts County; of the Commercial Clubs of Redfield, Mitchell, Tyndall, Mobridge, Gregory, Lake Andes, Lemmon, Sisseton, and Groton; all in the State of South Dakota, praying for the passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

Mr. FLETCHER presented resolutions of the Board of County Commissioners of Collier County, Fla., respecting a national park, which were referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

Resolutions of Board of County Commissioners of Collier County, Fla., respecting a national park

Mr. Taylor offered the following resolution:

"Whereas Barron Collier purchased from the Southern States Land & Timber Co. a large acreage of lands in what is now Collier County, Fla., and in such purchase there was reserved by Southern States Land & Timber Co. approximately 150 acres of land located in township 54 south of range 27 east, and known as Royal Palm Hammock, to be later conveyed and used for public-park purposes; and

"Whereas such lands are within the territory of Collier County, and Lee County has relinquished any claims or title to said lands, and through its board of county commissioners has passed a resolution urging the establishment of a national park, using the said Royal Palm Hammock as a nucleus; and

"Whereas Barron Collier has this day appeared before this board and has stated that he wishes to have a national park in Collier County, to be named and designated as Lincoln-Lee Memorial National Park, and to be supported and maintained by the Federal Government, and in order to accomplish such purpose is willing to give and deed to the Federal Government sufficient lands, from 500 to 1,000 acres, contiguous to the 150 acres known as Royal Palm Hammock, for the purpose of establishing a national park, and is willing to assume the responsibility of erecting a beautiful entrance to said park and suitable statues of Abraham Lincoln and Robert E. Lee, and desires the cooperation of this board in presenting the matter to the Congress of the United States and in the working out of the details incident thereto; and

"Whereas this board is in hearty accord with the suggestion made by Mr. Collier and believes that the establishment of a national park in Collier County will be of benefit to this county and to the State of Florida and to the Nation at large; and

"Whereas this board believes, there being only one national park east of the Mississippi River, known as Lafayette National Park, in the State of Maine, that there should be preserved a section of the territory of this county typical of its growth and of the Everglades areas and of this section for the benefit of the citizens of the United States at large: Now, in order to carry out such plans, be it

"*Resolved by the Board of County Commissioners of Collier County, Fla., as follows:*

"1. That the Southern States Land & Timber Co., a corporation, be, and it is hereby, required to deed and convey approximately 150 acres of land, known as Royal Palm Hammock, to Barron Collier, as trustee, for the purpose of establishing a national park in Collier County, Fla.

"2. *Be it further resolved*, That in order to bring the matter before the Congress of the United States, that a committee from Collier County comprised of Gen. W. B. Haldeman, of Naples, Fla., and Barron Collier, of Everglades and New York, be, and they are hereby, designated as such committee, with others to be named thereon;

"3. *Be it further resolved*, That we do hereby request our Senators and Representattives in Congress to use their best endeavors to have the Federal Government accept said 150 acres known as Royal Palm Hammock, and such additional acreage as shall be given by Barron Collier, and to there establish a national park, naming and designating the same as 'Lincoln-Lee Memorial National Park,' and to maintain the same thereafter;

"4. *Be it further resolved*, That we express our appreciation to Barron Collier for his generous offer to give such lands for a national park, which will be a great benefit to south Florida in particular and the State of Florida and the Nation at large;

"5. *Be it further resolved*, That a certified copy of this resolution be given to Barron Collier, the Southern States Land & Timber Co., the Board of County Commissioners of Lee County, Fla., Hon. Thomas A. Edison, and Henry Ford, who have been designated as the committeemen from Lee County, and our respective Representatives in Congress."

Upon motion of Taylor, seconded by Barfield, called and carried, the foregoing resolution was unanimously adopted.

STATE OF FLORIDA, *County of Collier:*

This is to certify that the foregoing is a true and correct copy of the resolution adopted by the Board of County Commissioners of Collier County, Fla., at their regular meeting held April 9, 1924, and duly recorded in the minutes of said date.

Witness my hand and official seal this 16th day of April, A. D. 1924.

[SEAL] W. B. LANIER, *Clerk.*
By E. W. RUSSELL, *D. C.*

REPORTS OF COMMITTEES

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes, reported it with an amendment and submitted a report (No. 449) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, reported it with amendments and submitted a report (No. 450) thereon.

Mr. JONES of New Mexico, from the Committee on Finance, submitted the views of the minority on the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, which were ordered to be printed as Report No. 398, Part 2.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SWANSON:

A bill (S. 3139) for the relief of Fannie M. Higgins; to the Committee on Claims.

By Mr. KING:

A bill (S. 3140) for the relief of Rachel Parke; to the Committee on Claims.

By Mr. NORRIS:

A bill (S. 3141) granting a pension to Margaret Oram; to the Committee on Pensions.

By Mr. NORRIS (for Mr. LA FOLLETTE):

A bill (S. 3142) for the relief of Lieut. George H. Hauge, United States Army; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 3143) to authorize an appropriation of $20,000 for the purchase of certain lands in Seattle, King County, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. PEPPER:

A bill (S. 3144) for the relief of Delaware River Towing Line; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 3145) to authorize a hearing for certain former officers of the Army discharged therefrom without honor; to the Committee on Military Affairs.

By Mr. BURSUM:

A bill (S. 3146) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Elizabeth Wright Cox; to the Committee on Claims.

A bill (S. 3147) granting a pension to Manuel Baca;

A bill (S. 3148) granting a pension to Jennie Cooney; and

A bill (S. 3149) granting a pension to Carlos Conklin; to the Committee on Pensions.

By Mr. PEPPER:

A joint resolution (S. J. Res. 115) to provide for the free transmission through the mails of certain publications for the blind; to the Committee on Post Offices and Post Roads.

AMENDMENT OF AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. LODGE submitted an amendment intended to be proposed by him to House bill 7220, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 37, after line 3, to insert the following:

"There is hereby authorized to be appropriated annually the sum of $3,000,000, to enable the Secretary of Agriculture to carry out the land-purchase provisions of the act of March 1, 1911 (36 Stat. L. p. 961), as amended."

INTERNATIONAL STATISTICAL BUREAU AT THE HAGUE

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 76) authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague, which were to strike out all after the resolving clause, and to insert:

That there is hereby authorized to be appropriated, out of any sums in the Treasury not otherwise appropriated, sums not exceeding $2,500 per annum to enable the United States to maintain membership in the International Statistical Bureau at The Hague, such sums to be expended under the direction of the Secretary of State.

And to amend the title so as to read: "Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague."

Mr. LODGE. Those are only verbal changes in the joint resolution passed by the Senate, and I move that the Senate concur in the amendments of the House.

The motion was agreed to.

SEVENTH PAN AMERICAN SANITARY CONFERENCE

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 77) authorizing the appointment of delegates to represent the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba, in November, 1924, which were to strike out all after the resolving clause and to insert:

That the President is hereby empowered to appoint not to exceed four persons, including not less than two officers of the United States Public Health Service, as delegates to represent the United States at the seventh Pan American Sanitary Conference to be held in the city of Habana, Cuba.

For the expenses of such delegates in attending the conference, including the assembly of necessary data, the employment of interpreters, and the preparation of a report, $3,000, to be available during the fiscal year 1925, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, to be expended under the direction of the Secretary of State.

And to amend the title so as to read: "Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba."

Mr. LODGE. I make a statement similar to the last, that the changes made by the House are only verbal; the substance is the same; and I move concurrence in the House amendments.

The motion was agreed to.

INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 79) to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City beginning March 27, 1924, which were on page 1, line 5, to strike out all after "$33,000" down to and including "1924" in line 8, and to insert: "(to be expended under the direction of the Secretary of State), to defray the cost of representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City, Mexico, in 1924: *Provided, however*, That the principal delegates shall not exceed three in number and shall be appointed by the President by and with the advice and consent of the Senate: *Provided further*, That no person engaged in any private business related to the subject matter of said meeting shall be appointed as delegate, technical expert, secretary, or assistant secretary."

And to amend the title so as to read: "Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924."

Mr. LODGE. I move that the Senate concur in the House amendments.

The motion was agreed to.

UNALLOTTED LANDS IN THE KAW RESERVATION, OKLA.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2798) to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma, which was on page 1, line 11, after the word "prescribe," to insert the following proviso:

Provided, That the production of oil and gas and other minerals on such lands may be taxed by the State in which said lands are located in all respects the same as production on unrestricted lands, and the Secretary of the Interior is hereby authorized and directed to cause to be paid the tax so assessed against the royalty interests on said lands: *Provided, however*, That such tax shall not become a lien or charge of any kind or character against the land or the property of the Indian owner.

Mr. CURTIS. The amendment simply provides that the royalties derived from the leasing of the oil land shall be taxable to the State without a lien upon the land. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated below:

H. R. 21. An act to amend the patent and trade-mark laws, and for other purposes; to the Committee on Patents.

H. R. 4168. An act to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same," approved February 13, 1913 (37 Stat. L. p. 670); to the Committee on Interstate Commerce.

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue; to the Committee on the District of Columbia.

H. R. 7079. An act prohibiting the importation of crude opium for the purpose of manufacturing heroin; to the Committee on Finance.

H. R. 6255. An act to amend an act entitled "An act to authorize the incorporated town of Ketchikan, Alaska, to issue its bonds in any sum not to exceed $100,000 for the purpose of constructing a schoolhouse in said town and equipping the same," approved February 7, 1920; and

H. R. 6950. An act to authorize the incorporated town of Cordova, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of constructing and equipping a public-school building in said town of Cordova, Alaska; to the Committee on Territories and Insular Possessions.

H. R. 4816. An act authorizing the Secretary of War to permit the city of Vicksburg, Miss., to construct and maintain water mains on and under the National Cemetery Road at Vicksburg, Miss.; and

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes; to the Committee on Military Affairs.

H. R. 731. An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891; and

H. R. 7239. An act authorizing the Secretary of the Interior to pay certain funds to various Wisconsin Pottawatomi Indians; to the Committee on Indian Affairs.

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 4437. An act to quiet title to land in the municipality of Flomaton, State of Alabama;

H. R. 8366. An act to add certain lands to the Santiam National Forest;

H. R. 7109. An act to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes; and

H. J. Res. 237. Joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 704. An act to authorize the Court of Appeals for the first circuit to hold sittings at San Juan, P. R.;

H. R. 4526. An act to incorporate the United States Blind Veterans of the World War;

H. R. 6646. An act providing for the holding of the United States district and circuit courts at Durant, Okla.; and

H. R. 8369. An act to extend the period in which relief may be granted accountable officers of the War and Navy Departments, and for other purposes; to the Committee on the Judiciary.

H. R. 5218. An act granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.;

H. R. 8070. An act authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, County of Cook, State of Illinois; and

H. J. Res. 231. Joint Resolution directing a census to be taken of bales of cotton now held at various places; to the Committee on Commerce.

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government; ordered to lie on the table.

MUSCLE SHOALS

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial appearing in the Washington Daily News of April 9, 1924, entitled, "Changing times; changing mind."

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The matter referred to is as follows:

CHANGING TIMES; CHANGING MIND

This paper has been rather in favor of accepting Henry Ford's offer for Muscle Shoals.

Changed conditions have changed that opinion.

To begin with, when the Ford offer was first made the Government was utterly in the power of a plunderbund in full control of Congress and of the administration.

Albert Fall personified the governing policy toward national natural resources.

The big idea was to give everything that could be given to private exploiters, with free and unlimited right to tax the public.

Muscle Shoals was to be given away to the Alabama Power Co. or to the budding and fast-developing Power Trust, which in 50 years or less would have had a tighter stranglehold on the public than the Coal Trust has had for the past 25 years.

As an alternative evil the Ford plan was the lesser.

But times have changed. The danger isn't past, and Secretary Work is a worthy successor to Fall as an anticonservationist, while Secretary Weeks, Fall's political and business partner, is still on the job with "more business in Government" as his watchword.

The public is slightly awakened, however, and reasserts with increasing emphasis its belief in the conservation policies of Roosevelt, Pinchot, and Wilson.

When the Ford plan passed the House, amendment after amendment was offered which would protect the public interest. Each was voted down on threat that "Ford would not stand for it."

The only thing that made the Ford plan pass the House was a feeling of confidence in Henry Ford's good faith. But Ford will not live more than 15 or 20 years, and his heirs and successors are to be given Muscle Shoals for 100 years.

From the beginning Senator NORRIS and those who believe with him have refused to be swept off their feet by the Ford illusion. NORRIS is prepared to make a fight in the Senate against the Ford offer and in favor of the Government keeping the great water power.

It is to be hoped and expected that Senator NORRIS will win his fight. It is to be hoped that true conservation applied to Muscle Shoals will end the orgy of loot of the water powers of the country.

As a unit in a nationally owned and operated superpower system, Muscle Shoals can be made to reduce the cost of living of our children and our grandchildren. At least one less monster trust will feed upon the body of the public.

How many of us would favor the gift of hundreds of millions of dollars to Ford if the bill frankly stated its intent and belief thus: "A bill to turn Muscle Shoals over to Henry Ford and his son Edsel and his grandchildren and great-grandchildren for 100 years, this Nation being convinced that Henry Ford is an able, unselfish, and public-spirited citizen and that his methods and ideals are hereditary"?

Not many.

Thank Heaven, the Teapot has pointed the way to a return to the wiser, safer, and more patriotic ways of the conservationists. It may mean fewer multimillionaires, but it will also mean lower cost of living for everybody.

Read this in the light of your last winter's coal bill.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. SHEPPARD. Mr. President, if adjusted compensation for the American soldier in the World War had not been based on justice and on right it would long ago have lost its appeal for the American people. It has been subjected to the bitterest, most prolonged, and most powerful attack ever directed against a legislative measure. And yet it survives, a tribute to the unconquerable sense of right that still dwells in the hearts of the masses.

Observe, Mr. President, how the cause of our brave defenders has outlived tremendous obstacles and formidable delays. The pronounced discrepancy between the pay of the soldier and that of civilian labor during the war, the losses incurred by the surrender of positions when men were called to the colors and the difficulty of resecuring them or of obtaining others of equal value; the damage to life programs and careers due to the sudden separation from school and college, from business, and profession; the spectacle of readjustments by Congress of the compensation of contractors, railroads, manufacturers, shipbuilders, corporations, and so forth, growing out of war services and war conditions, all created a feeling among the soldiers, their families, friends, and undoubtedly a majority of the American people that the Government should take some step in the matter of readjusted compensation for ex-service men.

These men had cheerfully responded at a dollar a day, plus Army allowances of food and clothing, when those at home were receiving for ordinary labor from three to five times the equivalent of that pay and allowance, cheerfully responded to the summons which meant agony and death and deprivation in the cause of country and flag and God, perished by thousands in a distant land, were maimed and disabled by thousands, faced loss of employment and actual want by thousands on their return, offered their bodies that liberty might be preserved in the spirit illustrated by the divine martyrdom almost 2,000 years ago upon the crest of Golgotha.

In the Congress that had been elected during the war a bill providing various forms of adjusted compensation passed the House and came to the Senate before the adjournment of the second session of that Congress, the Sixty-sixth, in June, 1920. The bill produced the funds it proposed to distribute by additional surtaxes on incomes, a stock and bond tax, a produce exchange tax, a real-estate tax, additional taxes on tobacco and cigars, and a stock-dividend tax. The cash option carried in the bill meant the equivalent of $1 a day for home service, $1.25 a day for overseas service, excepting 60 days in each case which were held to have been covered by the payment of $60 which each soldier had received on discharge. Other options included interest-bearing 20-year certificates, vocational training aid, aid in acquiring farm or home and land settlement aid.

The Senate took no action before adjournment and the matter was postponed until after the national election. The Republican Party was in control of both branches of Congress and could have passed the measure if it had so desired. The impression was carefully cultivated that the bill would pass the following winter. It seemed to have general support both in and out of Congress. A number of States had voted liberal recognition to their own troops. Petitions with millions of signatures flooded Congress. The third and last session of the Sixty-sixth Congress, Republican, I repeat, in both branches, expired, however, and with it expired the first adjusted compensation bill.

During the first session of the Sixty-seventh Congress, overwhelmingly Republican in both branches, with a Republican President in the White House, another adjusted compensation bill was introduced in the Senate and soon favorably reported. It was substantially similar to the bill which failed in the preceding Republican Congress but with the provisions for special taxes to raise the needed funds omitted. The Senate by an almost unanimous vote proceeded to its consideration. It seemed certain of adoption by that body unless some unexpected influence should intervene. That influence materialized in the

appearance in person of President Harding before the Senate, and in his address to the Senate in the course of which he urged the recommitment of the bill. His chief argument was that the bill was too severe a burden on the Treasury. He favored the principle of adjusted compensation. The bill was then recommitted by the Republican Senate and went back to the Finance Committee to enter the eternal sleep. But the matter would not down.

The bonus Banquo began to haunt the murderous Republican Macbeth at every turn. The sense of injustice deepened among the soldiers and the people in general. Appeals to Congress multiplied. The commercial and financial interests of the country became so alarmed by the vitality of a measure they could not secretly kill that in desperation they ceased to fight under cover, dropped the weapons of subtle and clandestine manipulation, and began a course of active, open, and violent opposition. The President notified the Republican leaders in Congress that he would veto any further bill that did not provide a special tax, suggesting a sales tax as a proper and practicable means of producing the necessary funds. In the face of this notice Republican House leaders prepared and reported in March of 1922—that is, during the second session of the Sixty-seventh Congress—a third adjusted compensation measure without special tax provisions. It followed the same general lines of the former bills, except that the cash option was almost entirely eliminated and the cost to the Government spread over a period of 40 years. It passed the House and Senate by large majorities. True to his word, and as the Republican majority in Congress knew he would do, the Republican President vetoed the bill. The House turned down the veto by much more than the required two-thirds, but in the Republican Senate sufficient votes were found to prevent the overturn of the veto there. Thus wealth again scored against humanity.

I shall not pause to review at length the arguments that have been advanced in Congress to show that this country is entirely able to accord just treatment to its saviors. It is only necessary to point out that the total national indebtedness, twenty-one and a half billions, in round numbers, is less than 7 per cent of our estimated national wealth of $320,000,000,000; that the total cost of the last adjusted compensation measure, taking the Treasury's figures of $4,000,000,000, would not add 2 per cent to that proportion. With the cost of adjusted compensation added to our existing national debt, the total would be far less, in proportion to our national wealth, than the debt of any of the principal nations participating in the World War, with the sole exception of Japan.

I wish to refer a moment to the suggestion that adjusted compensation is an attempt to commercialize patriotism. If that be true, it was an attempt to commercialize patriotism to fix any compensation for the soldier at all. When Congress increased the pay of the private soldier from the pre-war figure of $15 per month to $30, it figured that with subsistence and clothing added the soldier would receive the equivalent of about $3 per day, thinking that this represented the average renumeration of ordinary labor. Inflation of living costs and wages, however, set in to such an extent that civilian labor rose to $5, $8, $10 a day, and in certain instances even higher. Nobody claimed that it was an insult to the soldier to fix his compensation in the first instance at some figure and on some basis at once reasonable and fair.

And no one may fairly claim now that an endeavor to redress whatever injustice was involved in that first adjustment is a reflection on his integrity or love of country.

The Republican President who succeeded President Harding declared against adjusted compensation in his initial message to the Congress. The Republican Party can not escape responsibility for the failure to provide adjusted compensation for our veterans of the World War, the preservers of our civilization. The Republican Party failed to pass an adjusted compensation measure which provided special taxes for the needed funds. At the command of a Republican President it recommitted an adjusted compensation measure with the special taxes eliminated, and then, in the face of his statement that he would veto any further proposal with the taxes omitted, it sent to him such a bill, literally challenging his veto and conspiring with him for its destruction. Now, in a desperate effort to present a bill to the new Republican President in such form as to be but little more than an apology and a shadow, in the form of an insurance measure which can hardly be called a genuine compensation bill, prompted either by the hope that in such form it may cause him to repudiate the position he has already taken, or by the knowledge that he will kill it anyhow, the Republican Party adds another chapter to the perfidious drama it has enacted in connection with this subject. The whole procedure bears the earmarks of an unholy Republican game, a game to deceive the former soldiers on the one hand, and to keep the favor of the great financial interests on the other.

Mr. President, I shall support this measure when offered for final passage if efforts to amend it fail, but I shall support it under protest, and only because at this time it embodies the only prospect of action of any kind.

Mr. BURSUM. Mr. President, the pending bill which has been reported out by the Finance Committee is probably not in accord in its details with the judgment of many Members of the Senate. I should have liked to have had a little different arrangement. I introduced a bill which represented conception of the obligations of the Government to the veterans of the World War. I believed it would have been a more satisfactory bill, and I am still inclined to that opinion. It provided for a cash option distributed over four years, so that the financing of the bill would not have disturbed the industrial conditions of the country. However, to my mind any Member of Congress who is the real friend of the veterans and desires legislation on the subject will vote for the bill as reported by the Finance Committee.

The bill as now presented to the Senate is far superior to the bill which was presented at the last Congress. Many of the very objectionable and expensive features of the former bill have been eliminated. When I say "expensive features" I refer to the loan provisions of the bill which was submitted at the last Congress, which would have entailed a very heavy rate of interest to the borrower, which, in turn, would have been suffered by the veterans. Those features have been eliminated in the pending bill, which makes a more businesslike measure.

Again, there is this to be said: I see no reason why a Member of the Senate or of the House should set himself up as a spokesman for the veterans of this country as against the judgment of the organizations which have a right to represent the veterans. The American Legion, which has posts and organizations in nearly every hamlet of the country, almost unanimously indorsed the provisions of the bill as reported by the Finance Committee. I have received similar communications from the several posts in my State on behalf of the veterans. These organizations approve the bill as brought out by the Finance Committee.

The present bill features the insurance plan.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. BURSUM. I yield.

Mr. SIMMONS. The statement just made by the Senator is quite an interesting one. I have not understood the representatives of the Legion as going quite so far as the Senator's observations would indicate. He thinks they have gone in support of the bill reported by the Finance Committee. I have not understood the representatives of the organization as stating that this bill was satisfactory to the Legion or that it was what the ex-service men desired. I have understood them as taking the position that the ex-service men were willing to accept it because it was all they thought they could get at this time, and not that they thought it was what they are entitled to. Am I mistaken as to that?

Mr. BURSUM. Mr. President, I will say to the distinguished Senator from North Carolina that his conception about the wishes of the ex-service men is to some extent probably true. So far as the organization is concerned, and posts which belong to the American Legion, I have received absolute and definite requests by telegram and by letter asking my support for the bill, and referring to it by number, so that there is no question in my mind but that the American Legion and the posts in that whole organization, which is the most potential in this country representing the ex-service men, have indicated their approval of the bill and a desire for its passage.

Mr. SIMMONS. Mr. President, if the Senator will pardon me further, I have received a great many telegrams myself, chiefly from representatives of the Legion, asking my support of this measure; but the communications I have received have seemed to me to stress the idea that the senders were for this measure because they were led to believe that they could not obtain through the party now in power anything that was more satisfactory. It has seemed to me that they have tried, in their telegrams and in their representations, to make it clear that this bill did not give them what they wanted, that it was in the nature of a makeshift, and that they were accepting it because they did not expect at this time to be able to get any more.

"A bill to turn Muscle Shoals over to Henry Ford and his son Edsel | fluence should intervene. That influence materialized in the

drama it has enacted in connection with this subject. The | more.

I have been impressed with that running all through the telegrams that have been read here, and I have been impressed with it running through all the telegrams that I have received. Now, Mr. President, I want to say—and I am not saying it in any controversial spirit—that I think there is a reason why these representatives of the Legion have indicated to Senators that they want them to support this measure because it is the best that they think they can get at this time, and that reason is this: They know, as I think they must know, that the vast majority of service men in this country will not be satisfied with this measure. They will either feel that they are taking something less than they are entitled to, something less than they want, or they will feel that hereafter the doors will be thrown more widely open to them, and they can come back to Congress and get the full measure of relief to which they think they are entitled.

Mr. BURSUM. Mr. President, my experience does not coincide with the statement of the distinguished Senator from North Carolina. I do believe that there are many ex-service men who would prefer a different kind of a bill, and will not be entirely satisfied with this one. That is perfectly true. So far as the organized ex-service men of this country are concerned, however, there is no question in my mind that this bill meets their approval. The best evidence is their own statements.

I desire to call the attention of the Senator from North Carolina to a portion of a telegram dated Indianapolis, April 19, directed to Hon. D. U. FLETCHER, Washington, D. C., from John R. Quinn, National Commander of the American Legion. A portion of this telegram is as follows:

> The bill overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion. It meets approval of members of Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country, we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

That is the explicit, specific, perfectly plain statement of the commander of the Legion, who represents the ex-service men belonging to that organization all over this country.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BURSUM. I yield.

Mr. COPELAND. What is the date of the telegram that the Senator read?

Mr. BURSUM. April 19.

Mr. COPELAND. The Senator will be interested in a telegram which is dated April 21, from the head of the soldiers in Arkansas, addressed to me at the Senate Office Building:

> Notice by press dispatch you have introduced soldiers' bonus bill with cash item. More power to you. Sentiment in Arkansas overwhelmingly in favor of cash option.

Mr. BURSUM. By whom is that signed?

Mr. COPELAND. It is signed by John H. Stewart.

Mr. BURSUM. Representing whom?

Mr. COPELAND. The head of the soldiers in that State.

Mr. BURSUM. The commander? Is he the commander of the Legion?

Mr. COPELAND. I do not know what his office is, but the Senator from Arkansas [Mr. CARAWAY] will be glad to tell the Senator who this man is.

Mr. BURSUM. Did he sign the telegram as commander?

Mr. COPELAND. He did not.

Mr. BURSUM. Or as an official of any post?

Mr. COPELAND. He did not; but he said that the sentiment in Arkansas was overwhelmingly in favor of this cash bonus.

Mr. BURSUM. No doubt that boy stated his desires within his conception, but I dare say that a great many posts in the State of Arkansas have officially indorsed this bill.

Mr. SIMMONS. Mr. President, I have no doubt about that. It was explained to them, no doubt, that this was all they could get at this time, and they officially indorsed it.

I have had some experience with reference to this matter. The commander of a certain Southern State called on me only a few days ago and exhibited to me a telegram from Mr. Quinn, directed to him, which urged him as the commander to approve this bill, and to try the best he could to induce his Senators to support it. In that telegram his argument was that this was the best measure that could be had at this time, and that if an attempt should be made to obtain anything else it would undoubtedly meet with a veto from the White House, and that there were not sufficient votes available to override that veto.

Instead of answering Mr. Quinn, the commander of the Legion in the State to which I refer came to see me to talk with me about it. It was his idea, not that this measure was what was demanded by the service men, but that the service men had been led to believe that it was all they could get and that any effort to enlarge its benefits to the soldiers would meet with a veto, and that an enlarged bill could not command enough votes in the Senate to override the veto but that this bill would probably command sufficient votes to override the veto.

Mr. BURSUM. Mr. President, I do not feel that we ought to be concerned as to whether or not the bill will be vetoed. The right to object to legislation is a constitutional right of the President. The right to enact legislation is constitutional on the part of the Congress. The Congress should exercise its judgment, the Executive should exercise his, independent of any influence from the other branch of the Government.

So far as the chances of passing a cash option at this time are concerned, I call the attention of the Senator from North Carolina to the fact that the House threshed out that question pretty well. Both sides of that question were presented to the House committee. The question was argued there. It was finally won out upon the lines of this bill by a majority vote of the committee. Taking that as a basis, I say we may well conclude that the chances of changing this bill at this late date are slight, and such a course would be hazardous. It might result in the loss of the bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BURSUM. I yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator says that he thinks this body ought to do its conscientious duty and the President of course ought to be left to do his?

Mr. BURSUM. Yes.

Mr. McKELLAR. In that I think the Senator is correct. I want to ask him, though, is he conscientiously in favor of a cash bonus?

Mr. BURSUM. I will say to the Senator that I am conscientiously in favor of solving this problem. I am conscientiously in favor of passing this bill and disposing of it.

Mr. McKELLAR. Is the Senator in favor of a cash bonus?

Mr. BURSUM. If I believed that it would come to something, that it would become a law, that it would not be the means of defeating this legislation, that it would not be the means of keeping this question open forever and forever, I would vote for it.

Mr. McKELLAR. Then, as I understand the Senator, he really believes in a cash bonus, but he is going to yield to what he considers the political exigencies of the occasion and vote against the cash bonus at this time? Is that correct?

Mr. BURSUM. Not at all; far from it.

Mr. McKELLAR. Well, I want to ask the Senator——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield further to the Senator from Tennessee?

Mr. BURSUM. I do.

Mr. McKELLAR. I want to ask the Senator if he did not vote for a cash bonus in September, 1922?

Mr. BURSUM. I did, and I proposed it, and it was voted down. It was voted down in this Chamber, and I apprehend that there is no more chance now than there was then of passing it.

Mr. McKELLAR. Why, there was a cash-bonus provision in the bill of 1920.

Mr. BURSUM. Never.

Mr. McKELLAR. And then, in addition to that, the Senator also voted to pass it over President Harding's veto, did he not?

Mr. BURSUM. I did.

Mr. McKELLAR. And now the Senator is repudiating both of those votes?

Mr. BURSUM. No, sir; far from it. This is a far better bill than the bill to which the Senator from Tennessee refers. The bill which was passed at that time, and which President Harding vetoed, contained no cash provision except the $50 provision which we have here. It had a very objectionable, expensive loan provision, which is greatly improved by the provisions of this bill. This is a better bill than the bill which President Harding vetoed.

Mr. McKELLAR. And yet the Senator would not be willing this time to pass a bill with a cash option in it over the President's veto——

Mr. BURSUM. Oh, I have not said that.

Mr. McKELLAR. Although in 1922 the Senator did vote to pass such a bill over the President's veto?

Mr. BURSUM. No; it was not contained in the bill of 1922.

Mr. McKELLAR. That was the five-option plan.

Mr. BURSUM. Not at all. There was no cash provision in that bill other than the $50 provision. The bill which was vetoed by President Harding contained a loan provision which was far inferior to the loan provision of this bill and more expensive.

Mr. McKELLAR. It was a provision, however, under which the soldiers could get the cash. This is a bill under which the soldiers can not get the cash, but they will have to wait three years before they can borrow even $87 on the certificate, and in addition to that they will have to die before they can get anything if they do not want to borrow on it.

Mr. BURSUM. Oh, no; that is not quite the fact. The soldier might have obtained cash under the bill which was vetoed by President Harding by borrowing and paying a high rate of interest.

Mr. McKELLAR. Mr. President, I want to ask the Senator——

The PRESIDENT pro tempore. Does the Senator yield to the Senator from Tennessee?

Mr. BURSUM. I yield.

Mr. McKELLAR. I want to ask the Senator why this change of front on his part?

Mr. BURSUM. There is no change of front.

Mr. McKELLAR. Having advocated, to the extent of overriding the veto of the President belonging to his own party in 1922, a bill with five different alternative plans, all compensating the soldier, now the Senator is unwilling to vote for more than one of the five plans that he voted for then. How does the Senator explain that remarkable change of position?

Mr. BURSUM. Let me say to the Senator from Tennessee that I will vote for any bill having a chance to pass, whether it provides for all cash, a cash option, or any other kind of a reasonable bill, and will vote to override the President's veto should one be interposed.

Mr. McKELLAR. If that is so, why is the Senator——

The PRESIDENT pro tempore. The Senator from Tennessee has not addressed the Chair.

Mr. McKELLAR. The Senator from New Mexico has yielded.

Mr. BURSUM. The trouble is not with the President; the trouble is with Congress. You can not pass that kind of a bill. That is your trouble.

Mr. McKELLAR. Mr. President, the Senator has yielded to me——

The PRESIDENT pro tempore. The Senator from Tennessee.

Mr. McKELLAR. And the colloquy is going on. I hope the Chair will permit the Senator to yield to me if he is willing to do so. Of course, if the Chair objects, I shall not press the matter.

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. BURSUM. I yield.

Mr. McKELLAR. The Senator says the trouble is with Congress. Of course, when the former friends of the bonus, such as the Senator from New Mexico was, now take the position that it must be an insurance policy or nothing for the soldier——

Mr. BURSUM. Not at all. If the Senate passed a bill carrying the cash option and it went to the House, and the House passed it, I would vote for it over the President's veto; but I say——

Mr. McKELLAR. I am glad to know that the Senator will do that.

Mr. BURSUM. I say the Senator from Tennessee is entirely wrong in his premise. The trouble is not with the President; the trouble is in passing the bill through Congress. That has already been thrashed out.

Mr. HARRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Georgia?

Mr. BURSUM. I yield.

Mr. HARRIS. I was very much interested in what the Senator said about voting for this bill because it is the only way to help the soldier. I am going to vote for the cash bonus, with the idea that if that is voted down, or if the President vetoes it, we will then offer the insurance plan on the tax bill which has been reported to the Senate, and I want to know why the Senator is not willing to support that action.

Mr. BURSUM. The Senator from New Mexico is not in favor of entering into any kind of a procedure which would be calculated to defeat the object and purpose of the legislation which is pending. Furthermore, the Senator from New Mexico is not willing to place his judgment above the judgment of those who are legally constituted to represent and who have a right to speak for the veterans, and a much better right than any Member of this body.

Mr. McKELLAR. Mr. President, if the Senator will yield——

Mr. BURSUM. I yield.

Mr. McKELLAR. I want to ask him this question: I was greatly interested in the Senator's statement just a moment ago that even though a cash provision were inserted in the bill, the Senator would still vote for the bill and would vote to override the President's veto of the bill if it were interposed.

Mr. BURSUM. Absolutely.

Mr. McKELLAR. In other words, the Senator does not take the position which is taken by the Senator from Massachusetts [Mr. LODGE], the Senator from Kansas [Mr. CURTIS], the Senator from Indiana [Mr. WATSON], and the Senator from Ohio [Mr. WILLIS], that they would not vote to override the President's veto in the event one were interposed to a cash bonus. To that extent I congratulate the Senator. I think the Senator should not make a stand against a provision in the bill which he says he is perfectly willing to support, even to the extent of voting to override the President's veto if one should be interposed.

Mr. BURSUM. Mr. President, my concern is not about what the Chief Executive will do. That is his business. My concern is about what Congress will do. We know what the House has done, and we have no reason to believe that the House will reverse itself. After all, the regularly constituted organizations representing the veterans, who have a right to speak for the veterans of this country, have said that they are satisfied with the bill, and give it their approval, and have asked us to pass the bill. I submit that it would be highly improper on our part to substitute ourselves as superior authorities as to what is best for what is desired by the veterans of this country.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from New York?

Mr. BURSUM. I yield.

Mr. COPELAND. Does the Senator believe that the individual Members of the House had a fair chance to express their views on the bonus? Was it not presented to the House in such a way, under their rules, that a Member had to choose whether he would vote for the particular measure which was presented or vote against the bonus? Did the individual Member have a fair chance to express himself?

Mr. BURSUM. It is not up to the Senator from New York, or within his power or within my power, to reconstruct the House. The same rules which were in effect a month ago, when this bill was passed, are still in effect. The same House is sitting. There is no reason to expect that any different handling of this bill will be had if the matter is sent back to the House.

Mr. COPELAND. But the Senator made the point against the cash option here that the House had taken certain action. If the Senate were to adopt the pending amendment, it would give the House a chance to vote on the cash option. That measure would go to the House and they would have a chance to express their views on a cash bonus, which they have not had up to this time.

Mr. BURSUM. The House had that chance, and had ample opportunity. It was presented very ably by the champions of that feature of the question.

Mr. President, something has been said about the political phase of this question, and an effort has been made to place responsibility on the Republican Party for the failure of the passage of the bonus. This is not a partisan question. Politics can not legitimately enter into the proposition of whether or not veterans of the country shall be paid that which those of us who favor the proposal believe is honestly and legitimately due them. That can not be a partisan question. Men of both parties have differed, and will differ.

It is not a partisan question, and I say God pity the man who votes for an amendment because he may be championing the cause of the veterans and thinks that by so doing he will initiate or will earn any political claim on the veterans on that account. If we pass this bill, we will pass it because we believe it just, because we believe it an obligation, and we will not pass it for political gain.

Mr. HARRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Georgia?

Mr. BURSUM. I yield.

Mr. HARRIS. The Senator speaks of making this a political question. On our side there has been no caucus; nothing has been done to try to line up the Democrats for any one bill.

Mr. BURSUM. Permit me to call the attention of the Senator from Georgia to the fact that mention of the responsibility being placed upon the Republicans as a party has been made here on the floor no less than two or three times this morning.

Mr. HARRIS. But I believe the Senator's party caucused on this question, while the Democrats did not.

Mr. BURSUM. May I advise the Senator from Georgia that not once has this question ever been brought up in caucus by the Republicans.

Mr. HARRIS. I am very glad to hear that. It never has been, on this side.

Mr. BURSUM. Every Member on this side of the Chamber I am sure is perfectly free to vote his convictions.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. BURSUM. I yield.

Mr. SIMMONS. In his statements in the colloquy between himself and the Senator from Tennessee the Senator from New Mexico made it perfectly clear to me that he himself is not satisfied with this Senate committee bill; that he has heretofore voted for a cash proposition, and that he is still in favor of a cash proposition; but that he is accepting this, just as I said the Legion people are accepting it, because he can not get what he wants, what he would prefer, and what he thinks would be a full measure of justice to the service men.

Mr. BURSUM. I am perfectly free to say to the Senator that if I had been preparing a bill, and it were within my power to say the kind of a bill which should be passed, it probably would not agree with the bill which is before us.

Mr. SIMMONS. That is what I understood the Senator's position to be, and that is what I say is the position of the service men throughout the country. That is the ground upon which they are urging us to pass this bill. The Senator says that he not only voted for a cash payment, but that he offered an amendment, as I understand——

Mr. BURSUM. No; it was a bill. The bill is before the Finance Committee, of which the Senator from North Carolina is a member, and has never been reported.

Mr. SIMMONS. The Senator says he introduced that bill, but that it did not pass, because the Senate was opposed, as I understand him to say, to the cash proposition. Now the Senator says he is still in favor of payment in cash and would still vote for a proposition of that kind. He says that the trouble is not at the White House, but that the trouble is in Congress. That is, the Senator means to say, as I understand him, that the Congress would not vote for a cash proposition, and he bases that opinion upon the fact that some time ago they voted down his proposition. I want to say to the Senator that I am absolutely satisfied that if the Senate could get a bona fide vote upon the question of a cash option, disconnected from the apprehension that the President would veto it, there would not be the slightest trouble in the world about getting not only a majority in the Senate in favor of a cash proposition, but a very large majority in favor of it.

Then the Senator says he is afraid of the House upon this question. The House has passed this insurance bill, but, as the Senator from New York [Mr. COPELAND] has stated, the House had no opportunity, as I understand it, to vote upon the alternative proposition or to vote upon a combination of the two methods of payment. They were precluded, by their peculiar rules, as I understand it, from a vote of that sort.

In confirmation, however, of the impression which I have, amounting to a conviction, that the House would now vote to attach a cash-option proposition to this bill, it has been stated upon the floor of the Senate, if my recollection is not at fault—I think it was stated by the Senator from Nebraska [Mr. NORRIS] yesterday—that if the Senate would add this cash-option proposition, and it should go over to the House, there would not be any conference, because the House is so strongly in favor of that proposition that they would accept the amendment of the Senate without sending it to conference.

I believe from what I have heard that that is about the situation with reference to the attitude of the House toward the question at this time.

Mr. BURSUM. I suggest that what the House will do is purely speculative on the part of the Senator from North Carolina.

Mr. SIMMONS. But the Senator must remember that he said the trouble was in the two Houses and not at the White House.

Mr. BURSUM. It is, and I am justified in saying so, because we have before us the evidence of their works. We have before us the bill which they passed.

Mr. SIMMONS. Let me ask the Senator if he believes, if a cash proposition were presented to the Senate as an alternative proposition or as an optional proposition, that the Senate would adopt it?

Mr. BURSUM. I believe absolutely, and I am satisfied, that if any great change is made in the bill it will be the means of delaying the passage of the bill at this session.

Mr. SIMMONS. But the Senator means at the White House, does he not?

Mr. BURSUM. No; I mean in Congress. Let me say to the Senator from North Carolina that there is no enemy of the liquidation of obligations so forceful as time, delay, time, delay. Time is of the essence of this whole proposition. If we fail to pass the bill at this session, in my judgment we will never pass such a bill.

Mr. SIMMONS. May I interrupt the Senator again?

Mr. BURSUM. I yield.

Mr. SIMMONS. I think the Senator has the thing absolutely reversed. Time is of the essence to a certain extent, but time will not operate against the ex-service men in this matter. The ex-service men could probably not have secured the legislation they wanted; the service men probably could not have secured even the minimum of legislation that is offered to them in this bill much earlier than the present time. Every day adds to the strength of the demand of the Legion forces in the country to the support of the bonus proposition.

If we pass the measure to-day, and it is felt to be inadequate by the service men and by their friends in the country, I venture the statement that the sentiment for additional legislation, in order that the soldier may receive full justice, will result in the speedy return of the representatives of that organization to Congress for additional legislation.

If we defeat their demands to-day, when they come next time they will come nearer to getting what they are entitled to than they are going to get to-day. My own judgment, from a careful study of the sentiment in my own State and other sections in the country with reference to the demands of the Legion and the ex-service men, is that the strength of their cause, the justice of their cause, the righteousness of their demands are growing stronger and stronger; that every day and every year in the hearts and the minds of the American people the sentiment is getting stronger and stronger, and we can not by any makeshift legislation put it down. We can now give them a medicum. We can now give them what is a mere sop, but in the end, I do not care how long the representatives of certain interests in the country may prevent it, the overwhelming sense of justice in this country toward these men will finally assert itself and they are going to get what they want.

The PRESIDENT pro tempore. The Chair, for its own guidance, inquires of the Senator from New Mexico whether he has yielded the floor to the Senator from North Carolina.

Mr. SIMMONS. The Senator from New Mexico did yield to me, and I do not think the Chair ought to object to it.

The PRESIDENT pro tempore. The Chair must know who has the floor.

Mr. McCORMICK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Illinois.

Mr. BURSUM. I yield.

Mr. McCORMICK. I ask permission of the Senator from New Mexico to offer three telegrams which seem to me somewhat pertinent to the remarks of the Senator from North Carolina, and I ask that they be incorporated in the RECORD at the end of the speech of the Senator from New Mexico.

Mr. BURSUM. I ask that the telegrams be read now.

The PRESIDENT pro tempore. Without objection, they will be read.

Mr. HEFLIN. I did not know they were to be read; I thought they were to be printed in the RECORD.

Mr. BRUCE. The Senator from New Mexico asked that they be read.

Mr. BURSUM. Let them be read.

The PRESIDENT pro tempore. The telegrams will be read as requested.

The reading clerk read as follows:

BLOOMINGTON, ILL., *April 19, 1924.*

Senator MEDILL McCORMICK,
Washington, D. C.:

Illinois legionnaires request you oppose any amendments to compensation bill and support bill as passed by House.

J. J. BULLINGTON,
Commander American Legion, Department of Illinois.

Mr. WALSH of Massachusetts. Mr. President, I object to any more of these telegrams being read or printed in the RECORD. Every one of us has received similar telegrams from

commanding officers of the Legion and it is simply delaying the progress of the bill.

Mr. BURSUM. I think the Senator ought not to object. I asked that the telegram be read for the information of the Senate. It is a matter which appertains to the debate, and if there is any objection to having them read at the desk I shall read them myself.

Mr. WALSH of Massachusetts. Every Senator has received dozens of such telegrams. The RECORD is to-day filled with pages of telegrams of a similar character.

Mr. BURSUM. Let the RECORD be filled. The RECORD is also filled with arguments against the very proposition which these telegrams support.

The PRESIDENT pro tempore. Does the Senator from Massachusetts object to the reading of the telegrams?

Mr. WALSH of Massachusetts. I do, because they are similar to other telegrams now in the RECORD. Every Senator has had communications of a similar kind.

The PRESIDENT pro tempore. The Senator from New Mexico will proceed.

Mr. BURSUM. Mr. President, the important telegram here has already been read. It is from the Illinois legionnaires who request that any amendment to the compensation bill as passed by the House be opposed. It is signed by the commander of the American Legion, Department of Illinois. Another telegram is one from Commander Quinn, which has already been read and appears in the RECORD.

Mr. SIMMONS. Mr. President, may I interrupt the Senator? I know the Senator from Illinois thought the telegrams would disconcert me.

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. BURSUM. I can not yield at this time.

Mr. SIMMONS. The only reason why I ask the Senator to yield is that the Senator from Illinois, when he presented the telegrams, said he wanted my attention called to them.

Mr. BURSUM. I will yield in a moment. I want to be courteous to the Senator.

Mr. SIMMONS. My question has reference to the telegrams that the Senator is reading.

Mr. BURSUM. I have here another telegram, just handed to me by the Senator from Connecticut [Mr. BRANDEGEE]. It is from New Haven, Conn., addressed to the Senator from Connecticut, and reads as follows:

Please oppose any amendments from floor of Senate, and in particular cash option, and support adjusted compensation bill as reported by Senate Finance Committee.

E. P. ARMSTRONG,
Department Commander American Legion of Connecticut.

Mr. SIMMONS. Mr. President, will the Senator yield now?

Mr. BURSUM. I yield.

Mr. SIMMONS. I suppose that bushels of these telegrams have been received by Senators. It will be noted, however, that all of the telegrams which the Senator has just read couple their statement with the request that the Senator to whom they are directed shall vote against any amendment to the bill. Now, why should they put their request in that form?

Mr. BURSUM. Mr. President——

Mr. SIMMONS. The Senator who asked that the telegrams be read urged that my attention be called to them.

Mr. BURSUM. I submit that the Senator has a perfect right to take the floor in his own time.

Mr. SIMMONS. If the Senator does not want to yield to me, of course I would not insist upon the courtesy.

Mr. BURSUM. I am willing to yield to any reasonable extent, but not for a speech.

So far as the question of righteousness and justice to the veterans and ex-service men who served this country so nobly and well in time of need, I yield to no one in my admiration, my allegiance, and my sympathy. But I submit that the bill which is pending is a better bill than the one for which the Senator from North Carolina and most of the Senators in this Chamber voted and which was vetoed by President Harding. It is a better bill in every way. True, the insurance is a feature of the bill, but after all it is a good feature. The man who takes care of his family and provides for them is a pretty good citizen. The man who takes out an insurance policy is taking an effective measure to provide for his family in case of need, in case of accident, in case of something happening to take him away as the support of that family.

I would not personally say to these boys, "We are going to give you insurance, because it is not safe to trust you with money." I do not believe in that doctrine, but I do say that the representatives of the ex-service men have a right to speak and to say what they desire, and to give their approval. They have given their approval of the pending bill, and we have a right to respect their judgment, and not to set up our own personal judgment upon policies which will better please or satisfy the veterans as against the judgment of the organizations which represent the ex-service men of the country.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. BURSUM. I yield.

Mr. KING. I was attracted by the last sentence of the Senator to the effect that it is our duty to have no judgment of our own. That was the substance of it.

Mr. BURSUM. Oh, no. The Senator carries that a little too far.

Mr. KING. Was not that the inference of the Senator, that we must have no judgment of our own?

Mr. BURSUM. Oh, no.

Mr. KING. That we must abdicate and do whatever the Legion tells us to do?

Mr. BURSUM. Not at all; not at all. Nothing that I said could justify that kind of a construction.

Mr. KING. The Senator will not object if later I obtain from the reporter a transcript of his remark and read it into the RECORD?

Mr. BURSUM. What I said was that we had no right to set ourselves up as authority as to the kind of policy which would most benefit the ex-service men.

Mr. KING. Then the Senator thinks that we ought not to have any judgment of our own as to whether the policy is beneficial or otherwise?

Mr. BURSUM. Oh, yes; we might object to the whole proposition; but as for the right of the ex-service men to indicate the kind of policy which would be of greater benefit to them, I say they have the absolute right to do that.

Mr. KING. Mr. President, will the Senator from New Mexico yield to me?

Mr. BURSUM. I yield.

Mr. KING. If the Senator's position is the correct position for legislators, it seems to me there is no necessity of having a Senate and a House of Representatives; but we should let the various groups and blocs and organizations of the United States determine what they want and then let them send their particular representatives here and pass the bill which they desire. Why have Senators and Representatives? Why not change our form of government?

Mr. BURSUM. The Senator from Utah has drifted away from a legitimate construction of what I said. I am perfectly willing to let my language stand as recorded, and the Senator may place such interpretation upon it as will gratify him.

Mr. KING. I shall have no gratification whatever in placing an interpretation upon the Senator's remarks; but let me say to the Senator that I shall be very much delighted if the Senator will assume the position which I am sure his conscience dictates that he shall assume, and will legislate here as his conscience and his judgment dictate upon all questions rather than upon the demands of any organization or any faction or any section or any class.

Mr. BURSUM. I will state to the Senator from Utah that my conscience is not troubling me any just now.

Mr. KING. No; I am afraid it does not. I wish it would trouble the Senator a little more.

Ms. BURSUM. Mr. President, I look upon what is generally termed a bonus, or referred to as such, as an obligation. I do not look upon the proposed benefit as a mere bestowal or a gift to the soldiers. I should not favor a gift or a mere bestowal. I do not believe that the ex-service men of this country have come to Congress to ask or to plead for alms or charity. They have come pursuant to a legitimate demand for the settlement of an obligation which is justly and morally due them. They have come for a refunding and a settlement of that of which we wrongfully deprived them while they were in the service.

Mr. McKELLAR. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. BURSUM. I shall yield in just a moment. For instance, during the World War we initiated the program of giving a bonus of $20 a month to every Government employee who received a salary of less than $2,500 a year. The soldiers earned less than $2,500 a year, and why were they made an exception to that rule? There can be no valid, legitimate reason for excepting the soldiers.

Further, we deducted from the soldier's wage the insurance premium while he was in the war. That was simply an out-

rageous exaction, which was not justified under any reason or precedent. In nearly every State in the Union whenever employment is had in hazardous occupations the laws of the several States impose upon the industry the payment of the insurance premium to cover that hazard. Can there be anything more hazardous than war? By what principle of right or ethics or decency did we deduct from the soldier's wage the premium of insurance in order to carry the insurance while he was engaged in service in the war? That premium amounted to six or eight dollars a month. Now, I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, the bill for which the Senator from New Mexico previously voted carried a loan provision by which the soldier at any time within three years could borrow 50 per cent of the amount of insurance; in other words, if a $500 policy was carried, the soldier could borrow on that policy $250; and subsequently he could borrow 85 per cent, which would have been $425. Those provisions, however, were not satisfactory to the Senator from New Mexico.

Mr. BURSUM. They were not.

Mr. McKELLAR. The Senator from New Mexico took the position that the soldier should have more cash. The Senator is now arguing against the cash provision. I now call his attention to the statement which he made on August 30, 1922.

Mr. BURSUM. I did take that position.

Mr. McKELLAR. The Senator offered a substitute for the bill which was then pending, and this is what he said in support of the substitute which he then offered:

> The substitute provides for the payment within a year, or as soon as may be practicable after the passage of the proposed act, of 50 per cent of the allowance for the service of the ex-service man and of the other 50 per cent within five years thereafter. The deferred payment carries with it interest at the rate of 3½ per cent.

Thereupon the Senator made an argument at that time in favor of the cash provision for the soldiers of the war, but to-day the Senator is making an argument against any cash provision for the soldiers of the country. How does the Senator explain it?

Mr. BURSUM. Mr. President, that is very easily explainable. I made that argument, and I was gloriously defeated on the floor of the Senate. There is no better chance, to my mind, to obtain a change, so far as improving the principles of the bill to-day are concerned, than there then was. Inasmuch as I feel very keenly that no remedy has been had up to this date, and, furthermore, that the proposal which is submitted at this time is far superior to the one which was submitted two years ago, and which was vetoed by President Harding, and in view of the fact that the veterans themselves, through their own organization, have expressed a preference for this bill, I am convinced that, as a friend of the veterans, I am in duty bound to vote for it just as it has been reported by the committee.

Furthermore, I wish to say concerning the reference that the Senator from Tennessee has made to the loaning provision under the bill which was sent to President Harding that that was a pawnbrokers' proposition. The veteran would have received very little money under that bill. He would have received 4½ per cent from the Government and probably would have been compelled to pay 15 or 25 per cent for 50 per cent of the amount of money which was due him, and that would have ended the whole proposition. This bill is a far better bill. There is no chance under this bill for the veteran to be defrauded out of anything to which he is entitled, while there was such an opportunity under the bill which was vetoed by President Harding as it passed the Congress two years ago.

Mr. President, a few moments ago I was about to discuss the justification for the passage of this bill. I regard it as based upon at least a strong moral obligation. The discrimination on account of the $20 bonus paid to other Government employees, the deduction from the soldier's wage of the Government insurance premiums, the deduction without his consent of the enforced allotments, which amounted to $200,000,000, the practical coercion of the veterans immediately preceding the war in obtaining subscriptions for Liberty bonds, all justify the payment of adjusted compensation to the soldiers of the World War.

As to Liberty bond subscriptions, the veterans paraded in camps and anyone failing to subscribe was publicly disgraced for so failing. They did subscribe and payment was made by deducting in monthly installments $5, and in some cases $10, from the soldier's wage until the bonds were paid for. The veterans sold those bonds for 20 and 25 per cent less than what they were obliged to pay. I submit, Mr. President, that it is unfair to ask a citizen not only to fight for his country, to hazard his life, and at the same time to finance out of his meager wage a part of the cost of the war.

Mr. NORRIS. Mr. President——

Mr. BURSUM. I yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I should like to know from the Senator, if he can give the information, how general that practice was? I have known that that occurred a good many times among the people in various communities, but I was not aware that the Government had resorted to the practice of disgracing soldiers who would not subscribe according to the program laid down.

Mr. BURSUM. I had definite information of that fact two years ago.

Mr. NORRIS. It seems to me that is a course of conduct that can not be defended.

Mr. BURSUM. I had a number of affidavits regarding the matter; I have not those affidavits at the present time.

Mr. NORRIS. I wondered if that were general, or was it confined to some particular camp?

Mr. BURSUM. It was quite general.

Mr. SMOOT. I never heard of it before.

Mr. NORRIS. I never heard of it before, but if it be true—and, of course, I accept the Senator's statement that it is true—the practice can not be defended or excused of deducting from the wages of men who were enlisted monthly sums in order to pay for bonds against their consent.

Mr. BURSUM. If bonds are sold in public before the whole world and the soldiers are lined up and are called upon to subscribe, the Senator will understand how many of them if they failed to subscribe would feel humiliated and disgraced.

Mr. NORRIS. Yes; I can see that plainly.

Mr. BURSUM. Furthermore, the officers were taking a hand in the selling of the bonds. I say that that was a loss the veteran ought not to suffer. It was wrong.

Mr. President, for these reasons, and on account of those particular items, I justify the passage of an adjusted compensation act. To my mind, it would have been better for the world had the items to which they are entitled been identified in the bill so that the world might know why we made this adjustment; but that has not been done so far as the form is concerned, and I do not know that, after all, it makes any great difference, for the amount is substantially what they would have been entitled to. The form of the bill is not the ordinary form that a debtor would submit to a creditor; but, as I have heretofore stated, the form of settlement has the approval of the organizations in this country representing the ex-service men, and we have, I think, perfect justification in accepting that approval in good faith and at par value.

Mr. McKELLAR. Mr. President——

Mr. BURSUM. I yield.

Mr. McKELLAR. Does the Senator believe that the rank and file of the ex-service men are opposed to a cash bonus?

Mr. BURSUM. Oh, I would not say that they are; no.

Mr. McKELLAR. Does not the Senator believe that the rank and file of the ex-service men of the country are in favor of a cash bonus—90 per cent to 95 per cent, maybe 99 per cent of them?

Mr. BURSUM. To tell the truth, Mr. President, I have not canvassed the rank and file. I have not talked with them. They are too numerous.

Mr. McKELLAR. I have, and the Senator will probably hear from them before this is over.

Mr. BURSUM. Perhaps the Senator from Tennessee is acquainted with all of the ex-service men of this country. Perhaps he has facilities for knowing and being possessed of better information; but so far as I am concerned I should say that the information coming from their representatives ought to be considered pretty representative and reliable.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico further yield to the Senator from Tennessee?

Mr. BURSUM. I do.

Mr. McKELLAR. Then, as I understand the Senator, on the basis of the recommendation of the representatives of the ex-service men, he is going to vote against a cash bonus at this time, and he is opposed to it, and is speaking against it?

Mr. BURSUM. I am going to vote for the bill as it comes from the committee, as reported by the committee. Of course, if the Senate should pass a cash bonus and the House should pass it I should still be for it, because I am for a settlement of this matter.

Mr. McKELLAR. But, Mr. President, the Senator is against it now? I am interested in the attitude of the Senator.

Mr. BURSUM. I am against it for the reason that unless we do take this bill, in my judgment, Congress will pass no bill——

Mr. McKELLAR. And therefore the Senator is opposed to the cash bonus now?

Mr. BURSUM. And I am not in favor of keeping the bonus question as an eternal issue, forever; and I say, Mr. President, that it is not for the public welfare that 4,000,000 men should feel a grievance against their Government. We ought to close out this matter and have it settled, and unless it is settled now I fear that we will never pass legislation on the subject.

Mr. KING subsequently said: Mr. President, in order that I may do no injustice to my esteemed friend from New Mexico I have had the Reporter transcribe the sentence to which I called attention a moment or two ago.

The sentence is as follows:

> I do not believe in that doctrine, but I do say that the representatives of the ex-service men have a right to speak and to say what they desire, and to give their approval.

To which doctrine I most cordially assent.

Then follows this sentence of the able Senator:

> They have given their approval of the pending bill, and we have a right to be amenable to their judgment, and not to set up our own personal judgment as against the judgment of the organizations which represent the ex-service men of the country.

I submit that the proper interpretation of the statement of the Senator is that we have no right to have a judgment of our own upon this question in opposition to that entertained by representatives of the ex-service men of the United States. Of course, I may say, if the Senator will pardon me, that if we should apply that principle to all legislative matters we would become mere automatons. We should have no judgment whatever adverse to the judgment of interests that might be the proponents of legislation. I fancy that there would be some difficulty in the mind of the Senator from New Mexico in determining which way to vote if there were adverse interests, and I am rather curious to know what his position would be in such a case.

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter directed to me by Mr. Sperry, the head of the Private Soldiers' and Sailors' Legion.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The letter is as follows:

NATIONAL HEADQUARTERS PRIVATE SOLDIERS AND SAILORS' LEGION OF THE UNITED STATES OF AMERICA,
Washington, D. C., April 22, 1924.

Hon. GEORGE W. NORRIS,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: In behalf of the Private Soldiers and Sailors' Legion, an organization of former enlisted men of the United States Army, which it is my honor to represent, I am impelled to protest against the so-called soldiers' bonus bill now pending before the Senate as wholly inadequate and unrepresentative of the wishes of those who served well and faithfully their Nation in its hour of need.

That bill is a straight insurance policy proposition—nothing else. Its loan features are merely those pertaining to any life-insurance policy, and the veteran who by accident, disease, or bad fortune is forced to borrow on the policy will lose the insurance. It covers none of the ground of a disability pension, although if the veterans accept it they will relinquish any claim they may have to disability pensions.

The impression that has been gained by hundreds of thousands of deserving veterans is that Congress throughout this entire so-called "bonus" discussion has been motivated by other than a straightforward desire to deal with the matter, with the candor and sincerity it commands.

Instead of dealing fairly and justly with the soldiers, this bill, on its face, is a palpable subterfuge. Without any desire to criticise unjustly, or to asperse the good faith of Members who are supporting this bill simply because they believe it is the best legislation that can be secured, I am constrained to express the deliberate conviction that the measure is simply an effort to give the veterans a minimum of benefits, with total disregard of the justice of their claims.

The bill is undesirable from the standpoint of the soldiers themselves and from the broader public interest.

It gives the soldiers something they do not want and imposes upon the public a wholly unnecessary burden.

It is conceded by proponents of the pending measure that its cost to the Federal Treasury will aggregate approximately $4,000,000,000.

This organization has consistently advocated that the men who made up the American armies shall be paid, as adjusted compensation, a lump sum of $500.

The immediate outlay that would be entitled by the adoption of this demand would be $2,000,000,000.

Were this sum borrowed by the Government and amortized over a period of 20 years, its total under no circumstances would exceed $3,000,000,000, or $1,000,000,000 less than will be expended to defray the cost of the unsatisfactory insurance plan.

Adjusted compensation was originally designed by Congress and claimed as right by the service men as an adjustment for their losses during the war period. It was an adjustment for what had taken place, but an adjustment for all time to come. The bill before your honorable body practically abandons any thought of payment for the economic loss of the veteran during the war and offers him instead a chance to quitclaim all disability and pension rights for himself and dependents for the future.

In its essentials it is not an adjusted compensation bill at all but a palpable blow at war-risk insurance and disability claims that are due to develop from year to year.

If Congress seeks sincerely to respond to the overwhelming wish of the soldiers of the World War—especially the enlisted men who gave so much for so little in return—it will incorporate into the pending measure a provision whereby those who desire may accept in lieu of insurance a cash adjustment of $500. This option should be accorded as a matter of right and justice.

Soldiers who cheerfully responded to their country's call to fight for its safety and the liberty of the world are entitled to their Government's guaranty of their economic liberty which will permit them a voice in the determination of the form in which that Government shall acquit its obligation to them.

I respectfully and very earnestly appeal to you to use your great influence to secure an amendment to the pending bill that will make it possible for the veterans themselves to say whether they desire a cash adjustment of their former sacrifices or a reward which can not be recovered during their lifetime.

It scarcely needs argument to demonstrate that these veterans will not be greatly impressed with the generosity or the justice of a law that grants them something which they must die to claim.

Respectfully yours,

[SEAL.] MARVIN GATES SPERRY,
National President Private Soldiers and Sailors' Legion.

Mr. GOODING. Mr. President, I ask unanimous consent to have printed in the RECORD two telegrams from Legion organizations in my State, asking for the passage of the bill now before the Senate without amendment.

The PRESIDENT pro tempore. Is there objection?

Mr. BRUCE. I object to any reading of telegrams on this subject, whether they are in favor of the bonus or whether they are against it.

Mr. GOODING. Does the Senator object to their being printed in the RECORD?

Mr. BRUCE. No; not at all.

Mr. GOODING. That is all I have asked—that they be printed in the RECORD.

Mr. BRUCE. I beg the Senator's pardon; I misunderstood him.

The PRESIDENT pro tempore. If there be no objection, the telegrams will be printed in the RECORD. The Chair hears none.

The telegrams are as follows:

BOISE, IDAHO, *April 19, 1924.*

Hon. F. R. GOODING,
United States Senate, Washington, D. C.:

Thousands of ex-service men favor adjusted compensation bill as passed by House and reported by Senate Finance Committee. We are against any amendments from floor of Senate, and urge you to oppose such, particularly cash option. We are placing our hope and trust in you to support bill as reported by Senate Finance Committee.

LESTER F. ALBERT, *Department Adjutant.*

IDAHO FALLS, IDAHO, *April 19, 1924.*

Senator FRANK GOODING,
Washington, D. C.:

The American Legion Auxiliary, Department of Idaho, pleads for your support on the adjusted compensation bill as passed by Senate Finance Committee. You oppose from the floor all amendments, especially cash option. By so doing will win the greatest respect of 2,000 members in this State.

MRS. JENNIE BRANDL,
Department President.

Mr. FERNALD. Mr. President, in opposing the bonus, or so-called adjusted compensation bill, I feel it my duty to state the reasons for so doing.

I am sure no man in this country more fully appreciates the splendid and patriotic service of the American soldier on the battlefields of France than I. Indeed, I would not confine this appreciation to the soldier on the battlefields of France; but

meager wage a part of the cost of the war.

bill——

the American soldier has never been found wanting in loyalty, patriotism, or courage in any of the wars from the day of Washington to Pershing, and for this we owe them endless homage. No man feels more indebted to or more interested in the welfare of the ex-service men than I, but in a matter of so great import our judgment must be based upon something more than mere sentiment or a desire to express ourselves by waving the American flag and singing pæans of praise of our accomplishments on the fields of battle.

This is not only a question of patriotism; it is also a question of commerce, on which the prosperity of our country depends; and just how the 112,000,000 people of the United States are to be affected by legislation of this character must be taken into consideration. It is only fair in presenting this case to make some comparisons of what our Government has done in the past as well as what it may properly do now in establishing a precedent for the future.

In presenting these facts I do not wish to be understood to imply that too much has been done for the soldier of the late war.

I indorse every movement toward making more comfortable and providing for the disabled who served on the battle field. To quote a great general, "War is hell," and anything a government can do to lessen its evils should and will be done by the people of our country.

While the late war was the most destructive in the annals of history, and fought on a scale of warfare hitherto unknown, yet it is doubtful if the actual suffering inflicted was any greater than that experienced by the soldiers of Washington or Grant. We now have greater facilities for providing them with food and drink; a better provision of ambulance and hospital service, while various organizations on the battle field give first aid and minister to the needs of the soldiers. War prisoners are treated less brutally than in earlier days. While it has been said that comparisons are odious, they are sometimes necessary for explanation, and in the adjustment and settlement of a question so far-reaching as the one we have before us it is only fair to those who early fought for the flag of this Republic to state the conditions under which they fought and the compensation which they received. In the consideration of the bill now before the Senate I wish to call attention to the attitude of Congress and the public with reference to the original acts and those presented at this time.

The first soldiers' pension legislation ever proposed in this country was prepared and passed by the Colony of Virginia in 1624; but this failed to become a law because it was not ratified by the Government in England. The first pension legislation actually enacted into law in this country was passed by the Plymouth Colony in 1636. Gradually each of the colonial governments passed some sort of crude pension legislation. These laws were all general in their terms, not fixing any amount to be paid to the soldiers, but leaving the amount of each pension to be determined by local courts and the funds to be raised by local taxation.

It is interesting to note that all of the colonial pension legislation was enacted for the purpose of inducing or encouraging settlers to fight the Indians, and generally these laws provided that no soldiers could receive their benefits except such as were so disabled as to become public charges or objects of charity. No soldier who was merely wounded or injured in defending the Colonies against the Indians or against their enemies in other Colonies was considered eligible for a pension unless his injuries or disabilities were of such a nature as to render him incapable of earning a living and make him a public charge.

As the Revolutionary War approached—and, indeed, after it had been in progress for some time—the Continental Congress failed or refused to enact soldiers' relief legislation until some of the States, particularly Virginia and Pennsylvania, passed laws of their own making liberal provision for disabled soldiers and for the widows of those who were slain.

On August 26, 1776, the Continental Congress passed the first Nation's pension law in the United States. This act allowed half pay for life or during disability to every officer, soldier, or sailor losing a limb in battle or being so disabled in the service of the Government as to render him incapable of earning a living.

The administration of the act, as well as its enforcement, was left entirely to the different State governments. They were to examine the applications of their own soldiers, pay the pension to those who were found qualified, and deduct the amount paid from the State's quota due to the Federal Government.

There was a further act passed for the encouragement of enlistments. Commissioned officers, when disabled so as to be wholly incapable of earning a livelihood, were allowed half pay during life. Privates and noncommissioned officers, when so disabled as to be wholly incapable of earning a living, were allowed $5 a month, with proportionate allowance for partial disability.

There is some criticism of the delay of Congress in enacting legislation, but it may be interesting to know that the Continental Congress were considering legislation of this character from the beginning of the war until May 15, 1778, when a bill was passed granting adjusted compensation in the face of repeated warnings from Washington that unless such legislation was enacted the Army would be deprived of its officers and unfit to fight. The bill was then deferred, however, and a compromise made limiting the half-pay gratuity of officers to the period of seven years after the end of the war.

This was the first bonus bill ever passed by Congress. So from the beginning of the Revolutionary War until the act of April 24, 1816, more than 40 years, no wounded or disabled soldier who fought to win our independence received a pension of more than $5 a month, and that only in case of disability which disqualified him for the performance of manual labor. Not until 1818, 42 years after the beginning of the Revolutionary War, was any person allowed a pension except for injuries or disability incurred in the service, and for more than 53 years no widow of a soldier who served in the war for independence was ever allowed a pension.

In the War of 1812 soldiers receiving total disability received but $5 a month until the act of 1816, which increased their pension to $8 a month, this applied also to the soldiers of the Revolution.

The soldiers of the War of 1812 received pension only for disability incurred in the service until 1871, or more than 60 years after the war. At that time a bill passed Congress granting a pension of $8 per month during life to all soldiers survivors of the war. No widow of the soldier of the War of 1812 received a pension until 1816, when, by act, the widows of the soldiers of that war who were killed in the service were allowed half pay. In the Mexican War no soldier except those who were wounded or disabled received a pension until 1877, 40 years after the close of the war.

On July 14, 1862, Congress passed what is known as the general pension law for the benefit of the soldiers of the Civil War and of subsequent wars and their dependents. But under that act only soldiers who incurred disabilities in the service as a direct result of the performance of military duty were entitled to pension. Pensions for Civil War veterans remained substantially the same under this law until the act of June 27, 1890, when the first Civil War service pension law was enacted. So that no soldier of the Civil War who was not injured or disabled by military service received any pension from the Government until the act of 1890, 25 years after the close of the war.

Now, this bill provides payment of a bonus to all veterans who served in the World War, regardless of disability or nature of service. I would not suggest that they wait 25 years before they be given attention, but that they receive compensation in a reasonable time, or when our Government again shall have returned to a normal commercial basis. But based on the Civil War schedule it would be 25 years before they received a pension. This I would deem unreasonable because our great country will return to normal much more rapidly now than at the time when the Government was itself upset by Civil War, and a united people can restore normal conditions much more quickly than when rent asunder by internal dissention.

Under the act of June 27, 1890, all the soldiers of the Civil War who served 90 days or more and who were suffering from mental or physical disability of a permanent character which incapacitated them for the performance of manual labor in such degree as to render them unable to earn a support received a pension not exceeding $12 a month and not less than $6 according to their degree of inability. Under this act soldiers who served 90 days and who were unable to earn their support were entitled to the pension, and it was not necessary that their disability should be of service origin. These rates were increased in 1907 to $12 per month for those 62 years of age, $15 for those 70 years of age, and $20 for those 75 years of age.

On May 11, 1912, Congress passed an act known as age and service act, under which pensions were granted in varying amounts, according to age and length of service, ranging from $13 a month for those who were 62 years of age to $30 a month for those who were 75 years of age and had served three years. Finally, the act of May 1, 1920, known as the Fuller Act, granted pensions to all Civil War veterans who served 90 days, without regard to age or length of service, of $50 per month. And the recent so-called Bursum Act grants pensions of $72 a month to all Civil War veterans. But of course all the Civil

War veterans are now approaching or have passed 80 years of age.

I have endeavored to present as nearly as possible—without going into detail as to the widows, children, and so forth, of the different wars—the pension legislation since the first war of the Republic. I shall now insert a table showing detailed amounts paid out by the Government in pensions for all of the different wars.

Revolutionary War	$70,000,000
War of 1812	46,094,572
Indian wars	20,017,949
Mexican War	64,471,001
Civil War	5,742,030,450
War with Spain and Philippine insurrection	76,007,333
Regular Establishment	57,302,421
Unclassified	16,508,447
World War	99,402
Total	6,089,531,551

It will be readily observed that the United States Government has never been niggardly or penurious with its defenders but has always been liberal and just, and it may be depended upon now, as always, to do its full duty toward those who carried arms in its defense.

Let me also insert the amount paid per month for food and clothing by the armies in the great World War.

	Private	Corporal	Sergeant	Regimental sergeant major
Australia	$43.50	$72.90	$76.50	$94.80
New Zealand	36.60			
Canada	33.00	36.00	45.00	54.00
United States	30.00	36.00	38.00	51.00
Great Britain	11.40	15.30	19.20	24.60
Germany	3.00	9.00	15.00	18.30
France	1.50	3.32	6.00	13.30
Austria-Hungary	.96	1.50		
Japan	.78	2.32	2.90	9.90
Italy	.55	1.43	9.55	25.19

This proves what I have endeavored to show, that our Government paid nearly three times as much as Great Britain, ten times as much as Germany, twenty times as much as France, thirty times as much as Austria, forty times as much as Japan, and nearly sixty times as much as Italy.

I do not contend that we have done too much; and in every instance where appropriations have been asked for disabled men, invalids, or for the building of hospitals, I have very gladly given my support, and shall continue to do so. We can not do too much for those who have lost limbs or health; but to those robust, husky young men, whose experience overseas has made them even better citizens, as many of them write me that it did, no bonus should be granted. It is no time now to discourage or dishearten those patriotic citizens who because of age or lack of health were left at home and did their full duty in working the farms and the industries. Their service was just as important for the carrying on of the war as the bearing of arms overseas in defense of the Republic. The soldiers had to be fed; they had to be clothed; they had to be furnished with arms, with munitions, and all the implements of warfare, and those men and women who worked and wrought diligently at home deserve the same consideration at the hands of the Government and of this Congress as their brothers and sons who went overseas.

I have endeavored to show that these boys have received more generous treatment by the Government than their sires and grandsires who fought for liberty and the Union in former wars ever received. Now what seems to me the best thing for the boys—and I know a large number of them agree with me in this—is to see to it that our industries are kept active, that our Government expenses be kept as low as consistent, that economy be practiced in the management and affairs of our Government, and then at the proper time, when our Government is in financial condition, that they be adequately, yes, liberally compensated.

I am sure that every good citizen has a feeling of the highest respect for those who served the country in time of war; and those 4,500,000 who constituted the American Army are not a distinct group that can be segregated from those more than 100,000,000 civilians. They are indeed an integral part of the social and economical affairs of the Nation. They are taxpayers and voters. Whatever contributes to the national welfare is for their best interests, as they have the obligations of citizenship. If the burden of taxation can be lightened and the public debt reduced, it helps them, as a part of the great body of American citizens.

It is impossible to tell from the best actuaries the exact cost of a bonus bill. The Senate Finance Committee in 1922 estimated the probable cost to be somewhere near $4,000,000,000, the maximum to be $4,486,000,000. But these estimates are very far from covering the actual cost, because these figures do not include the expense of administering such a bill. It has been well estimated that it would require at least 2,000 employees. The expense of this army of workers would be something more than $20,000 a day for probably the next 50 years, basing the estimate upon the expense of the Civil War. Neither is there any room in Washington for such an army as this to function, and it would be absolutely necessary to erect buildings, because an army like this would occupy at least 95,000 feet of office space; so that it is reasonable to expect that the maximum cost of this bill would be more than $5,000,000,000.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Utah?

Mr. FERNALD. I yield.

Mr. KING. The Senator referred to 2,000 employees. My recollection of the testimony is that the 2,000 additional employees were required by the War and Navy Departments merely for the purpose of obtaining the names of the soldiers. As to the number that will be required for the administration of this bill, no one, so far as I can remember the testimony, ventured to hazard a guess. Instead of 2,000, in my judgment it would be greatly in excess of 2,000, and the cost of the administration of this bill, conservatively stated, I think, would be from $10,000,000 to $20,000,000 annually.

Mr. FERNALD. There is no doubt but that the Senator is correct. I made a very careful estimate as to the number now engaged in the war service, but these men are even better adapted to that work, and on the basis the Senator suggests it doubtless would begin with more than twice that number. But I wanted to be very conservative in all my figures. I think it is an exceedingly conservative estimate to say that for the next 50 years it would cost more than $20,000 per day. So Senators can get some small idea of the amount of the expense involved in administering this bill.

If this bill is passed, it must be acknowledged that provision for administration must be taken into consideration. There are already 3,400,000 people on the Government pay roll, and on this basis each 11 workers in the United States are paying the salary of 1 Government employee.

Is it possible that now the Congress of the United States, in this year of our Lord 1924, desires to increase the number of employees of the Government and make the burden of taxation even higher than at the present time? We have listened sympathetically to the distressed condition of the farmer, and I share with those who have brought these conditions to the attention of Congress the belief that what has been said of his burdens is all too true. They are burdened and deserve speedy relief. But are we now to impose another burden of $4,000,000,000 or $5,000,000,000, which they must share, on our citizens and make taxation even higher than at present?

We have made marvelous progress in the past four years in the adjustment of our financial problems. The national debt, which but a few years since was nearly $29,000,000,000, has been reduced to $21,600,000,000 on March 31, 1924. This has been accomplished largely through the efforts and wisdom of that greatest Secretary of the Treasury in my time, Andrew W. Mellon. In every crisis Providence seems to intervene and bring forward the man for the place. And Mr. Mellon's master mind has worked out scientifically a plan for the reduction of taxes which if adopted will straightway put this country on its feet. I can not speak too highly of his service to this Nation. I am not personally acquainted with Mr. Mellon. I have spoken to him but once in my life. I speak of him in an impersonal way, and what I have to say will be from a general knowledge of his activities in the office which he holds. But I can not forego the opportunity to say that the service he has rendered to the taxpayers of this country is a service which should be recognized. He is an authority on the great problems of finance, and the tax-revision plan which he suggests is so closely connected with the question under discussion that I can not discuss the one without touching on the consequences of the other.

There are those who believe that we may pass a bonus bill and still reduce taxes. I can not understand the philosophy of such argument. There are those who say that if we defer the payment of the bonus for 20 years, the Government can still reduce taxes as suggested by the Secretary of the Treasury. To me this is a puerile statement. As a matter of fact,

the longer we defer the payment of any bonus, the more it will cost the Government. I think I can agree with the junior Senator from Massachusetts [Mr. WALSH] that if it must be paid, the sooner it is paid the less it will cost. But how can we incur an indebtedness from three to five billion dollars and still reduce taxes if we are to go on reducing our indebtedness as we ought to do? The indebtedness of the Government at this time, a little more than $21,000,000,000, can be reduced fully one-half, in my judgment, in the next 10 years in case this bill be not enacted. We have already adjusted our indebtedness from Great Britain of nearly $5,000,000,000 and have the same arrangement with a few other smaller governments; and I believe we are now in the way of a settlement with the larger powers. If this can be consummated it will bring us back to a financial standing whereby we can begin to pay reasonable pensions to those boys at a time when they will most need them.

As I have already stated, in all of the estimates of the cost of the plan no one has included the cost of administration. The total expense of all pensions paid up to June 30, 1921, to the veterans of all wars in which the United States has been engaged is something over $6,000,000,000. The estimated maximum cost of the proposed bonus is a trifle more than $5,000,000,000, which would be approximately 83 per cent of the total pension payment made to all veterans of all previous wars during the life of the United States Government.

The extent of the expenditures made by the Federal Government during and since the World War for veterans and their dependents is indicated in the following table:

Vocational rehabilitation	$589,866,370
Care of patients	258,572,840
Hospital facilities	51,695,000
Bonus on discharge ($60 each)	256,239,000
Insurance	134,235,000
Compensation for death and disability	683,150,000
Military and naval family allowances	$298,615,000
Administration	140,791,594
Total	2,413,165,704

The sum to be expended by the Veterans' Bureau during the fiscal year ending June 30, 1924, in the interest of the disabled of the World War is 13 per cent of the total national Budget and is a greater net sum than is spent by any other department or bureau of the Government. The total expenditures this fiscal year for veterans of all wars will amount to $630,000,000, or approximately 20 per cent of the National Budget.

The Government's continuing interest in the disabled veterans is shown by the following activities carried on by the Veterans' Bureau: Vocational training is being given to 65,000 veterans, and nearly 50,000 have already been rehabilitated; 23,000 veterans are being cared for in hospitals; compensation for disabilities is being paid monthly to 180,000 veterans, and in addition there are 55,000 dependents of veterans receiving compensation for death.

A national bonus of $60 awarded to every man upon discharge from the service totaled $256,239,900. This, with the State bonus paid ex-service men, amounts to more than $633,000,000, which has been paid or authorized. This sum is more than the combined bonus paid by England and France to their veterans for a service of 52 months' duration as against the 19 months' period in which our soldiers were actively engaged. More than 2,000,000 men of the American Army were enlisted six months or less before the armistice was signed, and few of these men left their training camps in this country.

At the beginning of the Great War the United States doubled the previous pay of our soldiers, paid out $300,000,000 in allowances to families of men in the service, carried $40,000,000,000 of life-insurance policies, and in addition the American people subscribed over $460,000,000 for relief work through the Red Cross and other relief agencies. Appropriation bills carrying these amounts were gladly enacted into law by the American Congress, but these represented but a small part of the burdens carried by the American people. Old men who had long since retired from service, again engaged in the carrying on of the different industries; and particularly was this true with those engaged in farming. Young women from college returned to their homes and helped the old folks carry on the burdens made necessary by the absence of their brothers. Boys and girls of tender age were mustered into the service and were sent about offering Liberty loans and savings stamps, which were eagerly taken by every loyal and patriotic citizen of the Government.

These people should now have the same consideration as those of robust health and in the prime of life who have received no injury, but returned again to take up the responsibility of citizenship; and it is my firm belief that they, as well as all other citizens, will receive larger benefit by keeping the industrial and commercial condition of the country along the same course we have been traveling than to upset the financial conditions, discourage business, and retard industry, because it is certainly true that if so large an amount of money is to be distributed among our people, it will encourage idleness and retard industrial activities, discourage the business of the country, and in the end work great hardship to those whom we desire to assist.

Citizenship in a democracy entails obligations, including that of military service; and while foreign governments insist upon military training in their youth, our Government has felt secure in the fact that in all wars of the past our young men have sprung to the defense of the flag with a patriotic spirit so noble and courageous that it has not been deemed necessary up to this time to insist upon military training. I am still convinced that that spirit exists to-day and will continue to exist, and that we need have no fears for the future, but that our young men of to-day and of to-morrow and for all time to come will continue to exhibit that splendid character and patriotism which has been the bulwark of our American institutions.

To my mind any monetary benefit for one who in the vigor of young manhood is engaged in gainful pursuit would be lost through the dislocation of our economic structure, the slowing down of industrial activity, and consequent lowering of wages and less opportunity for work. The disastrous effect of a bonus, in my judgment, would be the raising of the cost of living by causing an increase of buying and a decrease of production, which would benefit those who have a stock of commodities to sell but would impose a corresponding hardship upon those in limited or straitened circumstances.

Once more I wish to state that I believe I have given sufficient reasons why the bonus bill, so called, should not be enacted into law. I favor a reduction of taxes because it seems to me necessary in order to maintain the prosperity of our Government. Reduce appropriations, reduce the number of Government employees, hold strictly to a budget, live within our reasonable means, and we will have reduced taxation. This I believe is the urgent and ardent desire of every American.

I can not close without stating that in the hundreds of letters I have received from the splendid boys in Maine who saw overseas service a majority of them favor my attitude in this matter and have approved my course. This I say as a deserved compliment to the boys of my State.

Mr. DIAL. Mr. President, I do not desire to make a speech on the subject at this time, as I explained my views quite fully when the bill was up before. I merely want to state that the origin of the idea of a bonus or adjusted compensation was not with the soldier, but elsewhere. Personally, I am opposed to a bonus or adjusted compensation for able-bodied soldiers.

We have seen that the experts differ greatly as to the cost of the two plans—cash or insurance. It is claimed that under the cash-option plan it would cost the Government about $1,500,000,000, while under the insurance plan it would cost about $4,000,000,000. I feel that the bill as now drawn, comprising the insurance plan, is a makeshift. Since we have to take a choice between these two plans, I expect to vote for the cash option, and then I shall vote against the bill.

Of course, there is nothing too good for the Government to give to the wounded and disabled soldier and his dependents. I realize that the bill will pass in some shape; and if it does pass, it ought to be not a politicians' bill, but a bill expressing gratitude to the soldier. If the Government owes the boys, it ought to pay them, and they ought not to be treated like minors and have payment deferred to such a far-distant day as is provided in the pending makeshift measure.

Mr. BRUCE. Mr. President, the junior Senator from Massachusetts [Mr. WALSH] said yesterday that there were 20 opponents of the soldiers' bonus on this side of the Chamber. I do not know whether that enumeration is correct or not, and I care but little. If there are 20 on this side of the Chamber who are antagonistic to the measure, I am one of the 20. If there are only two, I am one of the two; and if there is only one, I am he. Never in my life have I formed stronger or deeper convictions in relation to any subject than I have with respect to the subject of the soldiers' bonus.

So far as our soldiers during the World War were called upon to do their duty they did it faithfully and well. I doubt whether any soldiers in the history of the United States have ever been endowed with a higher degree of discipline and military training than were they. At St. Mihiel, in the Argonne, at Chateau Thierry, they showed that they were worthy of their sires who participated in the Battles of Long Island and the Cowpens, of Lundy's Lane and New Orleans, of Chancellorsville and Gettysburg. Nothing could induce me to say a word in the slightest degree derogatory to the military character of the brave men who saw actual service during the World War in the lousy trenches of France or on its blood-soaked plains. But, Mr. President, the first obligation of every man is to the truth; it is that, we are told, which makes us free.

The fact is that except to the limited extent that he was actually involved in war no American soldier has ever had a slighter claim to a bonus than has the American soldier of the World War. Nearly one-half of our World War soldiers never left our shores at all; nearly one-half of them never did anything but don a uniform and go through military exercises on the training field. Only 50,280 of them perished upon the battle field or from wounds received in battle. Little Belgium lost twice as many. After the Battle of Gettysburg more men were found to be killed, wounded, and missing than were found to be killed, wounded, and missing during the whole World War. Even after Chickamauga, a battle not of the same bloody dignity as Gettysburg, some 34,000 men were ascertained to be killed, wounded, or missing.

Never in the whole history of the world was any body of soldiers maintained in such a high degree of physical comfort as were our World War soldiers. Indeed, thousands of them were maintained in a far higher degree of physical comfort than they had ever been in their own homes. The average term of service of the American soldier during the World War was only one year. To many of them the war was simply a valuable school of instruction and an agreeable recreation field.

Of course, I would not have a feeling heart if I did not entertain the keenest sense of sympathy with, and the deepest sense of gratitude to, every American soldier who was disabled by sickness contracted, or by wounds received, in the World War. Every such soldier is entitled not simply to a sentimental recognition, but, so long as his disability lasts, to pecuniary support from the Federal Treasury. And when was the disabled soldier ever so generously dealt with as he has been dealt with by our Government? The Senator from Maine [Mr. FERNALD] pointed out a few moments ago that in the year 1922 the expenditures of the Veterans' Bureau were some $479,000,000, and in the year 1923 some $470,000,000. Altogether, since the World War we have expended no less than two and a quarter billion dollars in taking care—the tenderest care—of our World War disabled soldiers; and it is thought by the Treasury Department that the acme of our annual disbursements on behalf of our disabled veterans has not yet been reached. We have founded homes and hospitals for their physical relief; we have established a system of pecuniary compensation for their material succor. We have even devised a system of vocational training for their restoration to the active pursuits of life. But for the able-bodied young soldier, in the prime of physical life, who comes to the Senate or to the House of Representatives at this time, when the whole people of the United States are solicitous in the highest degree of bringing about some material degree of tax reduction, and asks for a mere gratuity, something akin to "the bread and the circus" for which the Roman populace clamored, I am bound to say that I for one have only a scant degree of consideration.

Five years or more have elapsed since the end of the World War. Never, except for a short period in 1921, has any country in the history of the human race been so prosperous as has been our country since that time. If there is any able-bodied American soldier of that war who has not reestablished himself in industrial or business life during this period and is really in need of a bonus, it must be either because he has not been willing to earn an honest living by his own manly exertions or has had no return of any kind to make to society for an income.

But, as I was saying, no soldier was ever better taken care of than was the American soldier during the World War. He was allowed $30 a month if he was still in this country and $33 a month if he was abroad. He was given his food and clothing free of charge, of course; he was given medical attendance of the very best kind free of charge; his life was insured at premiums far below the ordinary rates of insurance. If he had a wife an additional allowance of $15 a month was made to him; if a wife and one child an additional allowance of $20 a month; if a wife and two children an additional allowance of $22.50 a month; if a wife and three children an additional allowance of $30 a month; if a wife and more than three children an additional allowance of $5 a month for every child in excess of three, until a maximum of $50 was reached. Never has the pay of a private soldier so closely approximated the highest wages paid to civilian workers in time of war.

What pay did the sturdy German soldier, whose courage, at least upon the field of battle, we must all admire, receive; what pay did the incomparable French soldier receive; what pay did the other soldiers of continental countries receive? That of the German soldier was only $3 a month; that of the Belgian soldier only $2 a month; that of the French soldier only $1.45 a month; that of the Czechoslovakian soldier only $1.45 a month. In other words, the American soldier received ten times the pay that the German soldier did and twenty times the pay that the French soldier did.

Mr. President, I propose to say but little on this occasion with respect to the moral side of the question under discussion. I addressed myself to that when I spoke in this Chamber on this same subject some weeks ago. I may, however, say that I was astonished to hear the Senator from New Mexico [Mr. BURSUM] exclaim today, "No; this bill is not clothed with the form of the ordinary relationship of debtor and creditor"; and I was equally astonished to hear the junior Senator from Massachusetts [Mr. WALSH] say yesterday that the old idea that it was the duty of a soldier to give his services freely to his country, without regard to the adequacy of his compensation, was an exploded one. These statements, it appears to me, are rooted in a complete misconception of the true nature of the military obligation. That obligation does not rest upon contract; it does not belong to the province of bargaining and selling. It springs from the paramount allegiance that every citizen owes to the country that has borne him or that has sheltered him when he was born elsewhere than within its confines. When his country calls and the trumpet sounds, and—

> The sweet clarion's breath
> Stirs the soldier's scorn of death—

he has no right to ask whether that country will pay him a liberal wage or not.

Some time ago an insulting miscreant wrote to me a letter censuring my stand with respect to the soldiers' bonus, and asking me whether I would have gone into the war as a soldier for $30 a month. "Yes," I replied; "at 30 cents or 3 cents a month." My Confederate kinsmen served for very little more in the last stages of the Civil War, and yet I can truly affirm that when the unpensioned soldiers of the South issued from that war and moved about again among their neighbors they were respected and honored and beloved as no soldier ever will be who receives such a squalid gratuity as that for which this bill provides.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

Mr. BRUCE. A little later, if the Senator will allow me. The last time I spoke on this subject the continuity of my remarks was so broken by interruptions that I scarcely recognized them afterwards when I read them in the RECORD. A little later I shall gladly yield to questions.

The force of all this is felt by the friends of this bill. "But, no," they say, "we are not asking for any monetary reward for our military services. We are not seeking any pecuniary compensation for our patriotic exertions. We are requesting only that our pay during the World War shall be increased to such an extent as to put us upon a footing of pecuniary parity with the civilian worker in the United States during the World War."

Why, then, I ask, does this bill provide that the soldier during the World War who never left our shores shall be compensated at the rate of $1 a day and that the soldier who faced the bayonet and machine gun in France shall be compensated at the rate of $1.25 a day? To what can that difference be attributable except to a recognition of the fact that the soldier who saw service in France incurred military sacrifices and hardships that the cis-Atlantic American soldier never incurred?

No; such a distinction as that is beyond the reach of human subtlety or casuistry. What is being sought here is a pecuniary compensation, and one so eagerly sought that beyond doubt the great majority of our ex-service men would far rather receive a cash bonus than an insurance bonus.

In this connection I might further say that if the compensation sought by this bill is in truth nothing but such a compensation, as the probonus soldier contends, it is a mere mockery to speak of it as "adjusted compensation." The bill is utterly arbitrary, illogical, and unequal in the distribution of its benefits. Except as respects the distinction, of which I have already spoken, between the American soldier who is to receive only $1 a day and the American soldier who is to receive only $1.25 a day, this bill makes no sort of distinction between the differ-

ent classes of American soldiers who saw service in the World War.

It makes none, to begin with, between the young soldier who volunteered at the very beginning of the war and offered all that was precious in his life upon the altar of his country and the draftee who did not volunteer only because he had good domestic or other reasons for not doing so, and the reluctant draftee who never would have seen service at all if he could have helped it and who was dragged into the war as a cat might be drawn backward across the surface of a carpet. Nor does the bill draw any distinction between the service man who had a wife and child that worked at high wages in some munition or other factory during the war and the service man who had no such wife or child to add to the family income; nor between the service man whose family was assisted by friends or relations during the war while he was in the Army and the service man whose family received no such assistance; nor between the skilled artisan who was earning anywhere from $5 to $8 a day and the unskilled laborer who was earning only, say, $1 a day when the call to the colors came; nor between the unskilled laborer who was earning, say, $1 a day when this call went out and the youth or shiftless fellow who was earning nothing a day at that time; nor between the soldier who came back to the United States scarred with honorable but disabling wounds and the soldier who never smelt a whiff of powder except in camp from one end of the war to the other; nor between the soldier who has received a State bonus and the soldier who has received none; nor between the soldier who went into the Army as early as 1917, before the era of high wages began, and the soldier who did not go into the Army until 1918, after he had been receiving high wages as a civilian worker; nor between the private soldier who lost $1 to $8 a day by becoming a soldier and the officer who lost an income of $2,500 to $25,000 a year by becoming an officer.

So it will be seen, as I have said, that the bill is based on no fair, no just, no equitable principle of apportionment and that is a mere abuse of terms to speak of such compensation as that for which it provides as "adjusted compensation." Moreover, Mr. President, in instituting this comparison between the pay of the soldier and the wages of the civilian worker during the war there are other things, Mr. President, that we must not forget.

Of all the soldiers who constituted class 1 during the World War, 87 per cent were single men—that is to say, without any families to provide for—and of all the soldiers who made up the first draft, 63.5 per cent were unskilled laborers or mere office subordinates. And there is still another thing to remember: The civilian worker during the war has no pension to expect as time goes on—none whatever—but if the activity of the probonus soldier as shown in his relations to this bill is any augury of the future, he will be here 5 years hence, or 10 years hence, or 15 years hence, though I doubt whether his coming bill will be so long postponed, to ask for a service pension in addition to the donative for which he now asks.

Indeed, it is possible that before he comes asking for a service pension, he may solicit another bonus from Congress. He has already received a bonus in most of the States of the Union, for he has never stopped to ask to what source he really had a right to look for a bonus, whether to the State governments or to the National Government.

Mr. KING. Will the Senator yield?

Mr. BRUCE. He simply solved that question by applying to both governments for a bonus. I yield to the Senator.

Mr. KING. I have received a communication from a soldier who came from a State where there was no State bonus, and he insists that a differentiation be made in this bill; that those soldiers who have not received a State bonus shall receive, under the terms of this bill, a larger bonus than those who came from the State-bonus States.

Mr. BRUCE. If such a thing as a sound principle could enter into a bonus bill at all, I should say that that man was right.

It may be that after these bonuses shall have been paid out of the State and National Treasuries, the next demand of the probonus soldier will be for a contribution from the treasuries of the great cities of the country. Why not? Why should he not apply to the city as well as to the State of New York for a bonus, or to the city of Detroit as well as to the State of Michigan, or to the city of Chicago as well as to the State of Illinois? It is not such a long step from State and Federal bonuses to bonuses derived from the municipal subdivisions of the country.

So, I say, Mr. President, this bill is not defensible from any point of view, not from the military point of view nor from the economic point of view. Nor is it defensible because of any precedent furnished by American history nor because of any analogy arising out of adjustments made by the Government after the World War with the railroads or contractors or others.

The junior Senator from Massachusetts [Mr. WALSH] said that after the World War a bonus was given to our regular soldiers and sailors, and to all the employees of the Government who received salaries of less than $2,500 a year. That statement, with due deference to the Senator, is not correct. Take the amount that was added to the salary of the Government employee. There was nothing retrospective about that. Commonly speaking, the amount is dubbed a "bonus," but it was not intended as a bonus. It was a mere increase of pay given to the faithful civil employees of the Government on account of the high cost of living that set in after the World War began.

And, let me ask you why, when the probonus soldier is seeking a proper standard for his compensation, he does not repair to the average pay of the Government employee during the World War, or to the average salary of the State teacher during the World War, rather than to the swollen wages of the arsenal worker or the shipyard worker, or of any other industrial worker during the World War? During the World War the average salary of the Government employee was only some $895 a year, which, when expressed in the terms of the pre-war dollar, meant a purchasing power of only some $567 a year; and the average salary of the State teacher during the same period was only some $718 a year, which, when expressed in the terms of the pre-war dollar, was only some $505 a year. Surely if these Federal employees and teachers could without repining submit patiently to such limited compensation, the soldier, with his much more exacting standards of professional obligation, should be able to submit to his Army pay with an even greater degree of patience.

The fact is that when the probonus soldier resorts to the inflated wages of the arsenal worker or the shipyard worker, or other industrial worker during the World War, for the standard of his compensation, he is finding his standard in the misfortunes of his country. That is what it comes to. Everybody knows that these high wages were paid because of the abnormal conditions created by the remorseless economic laws which operate during a state of war. The Government paid those wages only because it could not help itself. The Senator from New York [Mr. COPELAND] admitted that the other day in one of his speeches upon the subject of the bonus. The high wages paid by the Government to civilian workers during the war—some extorted by States—were just as much a part of the extraordinary losses of the war as the loss of life or property suffered by the American people on the battle field.

I say without hesitation that if the probonus soldier is disposed to set up the inflated wages of the civilian worker during the war as his standard of compensation, he runs the risk of having applied to him the term "profiteer," which he is so in the habit of applying to others.

To repeat, I am inflexibly, irrevocably opposed to this bill. It subverts the settled immemorial principles upon which the military obligation has always rested; it dishonors the military character; it tends to undermine in the future the morale and the efficiency of the American soldier. Already, it seems to me, a change has come over the character of our people in many fundamental respects in their attitude toward war. The attention of all of us has recently been called to a body of young college men in the Northwest who are contending that even when our country is invaded it should do nothing to repel the invader; but that we should, not to express myself too coarsely, turn not our faces, but our rumps, to the foe. The spirit of the people, it seems to me, is undergoing a profound alteration of which this bonus bill is but a symptom. The idea seems to have gotten abroad that the soldier is not bound to do anything that he is not paid, and abundantly paid, for.

If such a state of mind continues, the United States may simply not be able to go to war at all, because to the ordinary penalties that follow war—the waste of blood and the waste of treasure—would be added crushing contributions levied upon it by its own soldiers. If one of the accountants who has figured out the cost to be entailed by this bill is correct, it will mean a burden to the people of the United States of some $3,600,000,000, a sum only a little less than the entire cost of the Civil War. Think of that, a bonus, a gratuity, almost tantamount to the entire cost of the Civil War! It is a sum in excess by $2,500,000,000 of the indemnity that Germany wrung from France after the Franco-Prussian War, and equal to one-fifth or one-sixth of the enormous debt imposed upon this country by the World War.

If such burdens as these are to be placed upon the bowed back of the American people, perhaps they had all better become pacifists. The whole tendency of the bill is bad, and I wish I could believe that it does not denote some radical transformation in the character of our people.

There are many other things that I could say upon this subject, but I have said all that I have a right to say at this time. My vote will be cast against this bill even should it be the only one to be so cast.

Mr. HARRIS. Mr. President, to those of us who are in favor of the bonus there are two propositions presented. One is the cash bonus, to be paid immediately, that would cost the Government about $1,500,000,000. The other is the insurance plan, payable 20 years from now, that would cost the Government about $4,500,000,000. I shall support the cash plan, because I believe the veterans prefer this plan; they are entitled to it, and I believe it is the best thing for the veterans, also our Government. Under the insurance plan the veterans will have to wait 20 years for the amount due them. The cash bonus will not only be a good thing for the veterans by giving them cash to pay on debts, make payments on buying a home or farm, but it will mean a saving of about $2,000,000,000 to the Government. When the President signs the bill and it becomes a law, if we should pass the insurance plan, it would mean a financial liability of $4,500,000,000, and that would have its effect on the sale of bonds that we issue.

It would be much easier for us to float $1,500,000,000 in bonds and pay in cash to the soldiers who deserve it than it would be to have a deferred indebtedness of $1,400,000,000. The Government can borrow money on its bonds at 3½ per cent, but under the provisions of the insurance plan the veterans will have to pay about 6 or 6½ to 7 per cent, or 2 per cent above the rediscount rate of the Federal reserve system. If the matter is settled on the insurance plan it means that it will be an issue in the political campaign this fall. The cash plan is going to be enacted during the next session of Congress if it is not during this session. I believe in settling the matter now and getting rid of it.

I am not going to be influenced by what the President may do or by what some other Senators may do about overriding the President's veto. They have their responsibilities, and I am not criticizing them in the least. The other day, when we voted on the Japanese-exclusion provision of the immigration law, we did not fail to vote because of what the President thought about it or whether he would veto the bill or because the Secretary of State advised us against its passage. We did not vote on that or any other question because of what certain Senators said or certain other people have said they will do under certain circumstances if we should pass the measure and then the President should do certain things. I am not going to allow my vote to be influenced in any such manner. The President has his responsibility and we have ours.

If we adopt the insurance plan, it means that there will be for 25 years at least 1,000 clerks employed in the administration of the law. It will cost hundreds of millions of dollars to carry out the provisions of the law; it will give great trouble to the veterans, and delay settlement with them. For these reasons and others the veterans prefer the cash to the insurance plan.

In my section of the country there are thousands of veterans who, if they could get a few hundred dollars in cash, could buy a small home or pay that amount on a small home or farm or on the debts that their fathers incurred while they were away during and after the war. If we allow them to borrow a certain amount under the insurance plan, it would be so small that it would not help them and would be wasted by some. The amount would be so small that they could not buy a home or anything very much. For that reason I think we ought to let them have it all in cash at one time. If the Government owes them, they should be paid in cash. Of course, the banks would benefit by the insurance plan and its adoption would mean a great deal to them. Mr. President, I visited the battle fields in France just after the armistice and I saw what the soldier boys had gone through. It is a wonder that any of them lived through it. As long as I am in the Senate or out of it, I am going to do what I can to help those brave boys.

I have no criticism of those Senators who want to make this a party measure; it is their responsibility; but I am glad to say that on this side of the Chamber Senators have not made it a party matter. We have had no caucus or conference, but each Senator is voting his own conscientious conviction.

I am not going to take more of the time of the Senate, because I hope we can get a vote to-day on the measure. I am in favor of the cash plan. I think some Senators here who have changed their minds about it have been misled. I know that the head of the American Legion is a splendid, brave, honorable man, and I think he, too, has been misled. Certainly, Senators ought to know what the legislative situation is. I shall vote for the cash plan, and if it carries and the President vetoes it, then I shall vote to override his veto.

If we fail in that, then we shall offer the insurance plan as an amendment to the tax bill, just as we did two years ago. No one can prevent us from doing it, and we will get a vote on the insurance plan at that time.

It is claimed by Senators who are now opposing the cash plan that we have sufficient votes to override the President's veto if he vetoes the insurance plan. There are a majority of Senators here who feel so much interest in passing some kind of legislation for the veterans that we will stay here until December if necessary. For my part I am not uneasy about that. Commander Quinn wired me as he did other Senators. The commander of the Legion of my State, a young man all Georgia is proud of, who has been a friend of mine, as was his father before him, honorable, brave people all of them, has also wired me. I went through my State last fall from March until December and I stated in speeches in every county that I believed in the cash bonus and gave the reasons that I have given here to-day. I feel sure that, regardless of what the leaders of the Legion may be lead to believe, 9 out of 10 of the soldiers of my State would prefer the cash plan, and I am going to vote for it on that account as well as for the reason that it is the best business plan and what the veterans wish. It will save the Government $2,000,000,000 and it will save us hundreds of millions of dollars of expense in carrying out the provisions of the insurance plan. I hope that the plan that is incorporated in the amendment offered by the Senator from New York [Mr. COPELAND], which leaves it optional for the veterans to select either the cash or the insurance plan, may be adopted. If that is defeated in the Senate or vetoed by the President, I shall actively support the insurance plan and will vote to override the President if he sees fit to veto either of the measures.

Mr. President, I have been in the Committee on Appropriations as a member of a subcommittee and have heard little of this debate, but I was fortunate in hearing the able, useful, and conscientious junior Senator from Wyoming [Mr. KENDRICK]. He did not make a long speech; he never does; but he always says something worth while, and I agree with his splendid statement on this question. He does not make much noise, but he first started the Teapot Dome investigation as well as the meat packer—Kenyon-Kendrick—bill, besides other useful measures.

Mr. FLETCHER. Mr. President, I do not intend now to discuss this subject with any degree of thoroughness or fullness. It is a very important subject. Some observations made by the Senator from Maryland [Mr. BRUCE] lead me to state very briefly my position. It is well enough to be frank and candid and give the facts, so far as we can, as bearing upon the question.

I have before me a statement made November 17 last, somewhat out of date now, but I take it that the figures are substantially as they would be given now. The statistics compiled by the Chamber of Commerce of the United States show that the States have paid or have authorized to be paid, up to November 1, 1923, bonuses to World War veterans totaling $380,000,000

The bonus paid by the Government to the veterans at the time of their discharge from service aggregated $270,000,000. This gives a total of $650,000,000 in bonuses up to that time. The study of the Chamber of Commerce of the United States shows that 2,848,655 of the 4,582,393 men called to the service benefited by the bonuses paid or authorized by the States. There are some 19 States that have provided for a bonus. The others have not yet, and, so far as I know, there is no immediate prospect that they will provide any bonus.

The Senator from Maryland referred to the splendid treatment which the American soldier received from his Government, and I quite agree that never in any war in all history were the soldiers, as to their health, their physical well-being, their comfort, their care in every respect, so well looked after as were the American soldiers during the World War. That is to be said to our credit. It was no more, however, than we ought to have done and provided and furnished.

Some comment was made about the small pay of the soldiers of other countries as compared with the pay of the American soldier. No reference was made to what other countries have

any point of view, not from the military point of view nor from this country by the World War.

done for their soldiers since the war. The statement to which I have just referred shows that the bonuses paid by other nations are as follows:

Great Britain	$275,910,446
France	373,371,150
Canada	147,000,000
Australia	105,000,000
New Zealand	18,290,650
Belgium	10,522,250

So that other countries have shown some degree of consideration for their soldiers. Compared to their wealth and to their ability to pay, they have done measurably as well as we propose to do now.

I shall vote for the proposition, first for the cash plan. I agree with the Senator from Georgia [Mr. HARRIS] that there are two reasons for so doing. First, a great majority of the veterans would prefer that plan. The commander says that it ought not to be adopted, because it may endanger the measure entirely and perhaps defeat the whole plan and purpose. But he admits that the matter has not been submitted to the various posts and to the American Legion members individually or generally. I am quite sure that it means a great deal more to some of the former soldiers to have even a small amount of cash now than it would mean to have postponed for a period of years—perhaps 20 years—any benefit under the insurance plan contemplated by the legislation. That is the first reason.

The second reason is that it is very much more economical for the Government. It has been estimated by those who are better posted than I am as to the statistics and figures that the cash provision would mean a saving of over $1,000,000,000 to the Government. Some say $2,000,000,000, but suppose it is only $1,000,000,000; that is worth considering. It seems to me, upon that ground alone, that the amendment providing for the cash benefits should be adopted.

If we estimate that the total cost of the cash plan would aggregate $1,500,000,000, we can easily float Government bonds at 4 per cent. The Senator from Georgia said 3½ per cent. We could provide a sinking fund at 1 per cent more, which would be 5 per cent per annum. Five per cent on $1,500,000,000 would be $75,000,000 a year; so that the total cost under that arrangement would be $75,000,000 a year for 20 years. We can easily reduce taxes; it is estimated that we can reduce them this year by at least $230,000,000 or $300,000,000. Suppose we paid $75,000,000 a year and reduced taxes $300,000,000 a year, we would still be taking care of the adjusted compensation and at the same time reducing the taxes of the people. I am in favor of tax reduction, of course.

There are a large number of ex-service men who disclaim any sort of approval of this proposed legislation; they even denounce it. Of course, the answer to that is that none of them are obliged to avail themselves of any of the benefits of the proposed legislation. If they disapprove of the whole idea, the whole principle, all they will have to do is not to file their applications and for themselves decline any benefits under the bill if it shall become a law.

Mr. President, I was a member of the Committee on Military Affairs in 1914, and from then on, and I am so still. I did my part as best I could toward organizing and bringing into existence the Army upon a proper fighting basis. I favored and urged, so far as I was able, what was known as the draft law. I think now that it was a splendid step; if not an absolutely necessary one, a very wise and proper one, and a plan that was admirably conceived and worked out. If I make a contract with a man, he is at perfect liberty to suggest his terms, and I am at perfect liberty to agree with him about them. If he renders the service and I pay him according to the terms of the contract, I feel that that should be an end to the matter. He has no further claim on me, and I none on him.

We have entered into an agreement; he has performed his part; I have performed my part; and he has no right to come to me and say the contract was a hard one, not a good one, and to ask further consideration in connection with it. When, however, I lay my hand on a man and say, "Whether you like it or do not like it, you have got to serve in this war," as did the Government in this case, it presents a different question. When the Government drafted these men it said to them, "Whether you approve or do not approve, whether you feel that you can afford it or do not feel that you can afford it, you must shoulder your gun and take your chances and fight the battles of your country." In those circumstances I should apply the same rule to the Government that I would to myself, and I should feel that I ought to satisfy the man whom I had forced into the service, had the power to require and did require that he serve, whether with his will or against his will. I drafted him; I did not consult him at all. For instance, I said, "You can not do as you would like in this matter, but you must do as your Government demands and requires." In those circumstances, I feel conscientiously and morally bound to satisfy that man so far as I can when he comes afterwards and says, "You forced me into this work; I took all the chances."

Of course, the disabled and the crippled and the maimed we must take care of; nobody questions that. It must be done properly and fully, as we are able to do it. This is a great country and is able to do that and also to meet the demands of this measure without practically feeling it at all. When even those who returned safe and sound feel that there is still some consideration due them; that there is some recognition which they ought to have and which they have not had; that there are claims upon the Government which they feel they are entitled to assert, and they come forward and do assert them, and make those claims and call upon the representatives of the Government to do what they consider the fair and square thing, as one individual Senator, I feel that I ought to meet them, so far as it is possible for me to do so, upon a basis that is reasonable and just and fair according to their estimation. They have figured the pending measure out as being the proper thing to be done; they have said, "We shall be satisfied when this is done, but we shall not be satisfied if it is not done." Having obliged them to suffer these losses and to undergo these hazards and hardships, these risks, and these trials I feel that I ought, in these circumstances, to put myself in the position of doing what they feel is the right and proper thing to do.

Therefore, Mr. President, I am going to vote, first, for the provision for a cash compensation, and then later on, unless that provision shall be adopted, I shall vote for the bill without the amendment.

Mr. KEYES. Mr. President, I have no intention of detaining the Senate at this time, for I recognize that this body is apparently ready to act on the bill now before it, and which we all recognize, I think, involves a matter which should be promptly and finally settled.

In the Sixty-seventh Congress, when the bill providing for adjusted compensation for veterans of the World War was under consideration, I felt compelled to oppose the measure for several reasons which I do not think it necessary to mention at this time.

During the consideration of the then pending legislation the Senator from Utah [Mr. SMOOT] proposed a substitute for the bill reported from the Committee on Finance which was practically the same as the bill recently passed by the House of Representatives and which is now before us.

Let me say that I then heartily approved the insurance plan suggested at that time and am recorded as having voted in favor of it. To me this plan seemed then and seems now to be a fair and just solution of this long-standing question.

It so happened that I held the office of governor of my State during the years of the World War, and I have never forgotten the assurances, both personal and official, made to the men from my State who went into the service, and I feel gratified to find myself at last in a position to keep faith with these men who so splendidly served their country. So, Mr. President, if the bill remains substantially in the form in which it came from the Committee on Finance, I shall support it.

Mr. BORAH. Mr. President, I understand that a very large majority of my colleagues here are in favor of either one or the other of the two propositions which are now before the Senate. It seems certain the measure in some form, either providing a cash payment or an insurance feature, or both, will pass and ultimately become a law. Knowing that fact, one might well, I presume, refrain from trespassing upon the time of the Senate to express views which are out of harmony with the program, but I have certain opinions in connection with this matter which it seems to me ought to go along with my vote.

Mr. President, economy in public expenditure is perhaps the great unsolved problem of government. I have long thought that it is the most vital question in American politics. I do not regard it as a party matter but rather as a national problem. I repeat it is not a party question. To say that one party is for economy and the other for extravagance is simply to trifle with a great subject in the presence of 110,000,000 distressed and dissatisfied people. But that it is a national problem can hardly be doubted.

Our indebtedness in this country at the present time, State and National, is about $32,000,000,000, and by the time this Congress shall have adjourned it will be from thirty-five to thirty-six billion dollars, a sum of money which is inconceivable when it is undertaken to be measured, especially in foot pounds of human toil. A Congress which was pledged in every way to the reduction of obligations and to the curtailment of expenditures will adjourn and go back to its constituency after having added from $3,000,000,000 to $4,000,000,000 of additional obligations.

We shall pass a tax bill, so it is said, reducing taxes some $250,000,000 or $300,000,000, increase our obligations some $4,000,000,000, and go home to report to our constituencies that we have lightened their burdens.

Thirty-six billion dollars, Mr. President, is a larger indebtedness than any nation in the history of the world having no greater age than this Republic has ever carried. With natural resources illimitable, with vast public lands available until within the last few years, with an energetic, industrious, frugal people, we find that at the end of less than 150 years there has been imposed upon the people of the United States a burden the like of which no people have ever carried in the history of the world, when age is considered. That it is beginning to have its effect in this country upon the morale and standing of the citizenship of this country one can scarcely doubt; and somewhere or at some time we must deny ourselves the privilege of doing that which sentimentally we would like to do, which ordinarily it would be a pleasure to do, in order to adopt another program—a program of relief and of economy to the taxpayers of this country.

Mr. President, let us look at some of these figures and the growth of these burdens during the last few years, and draw what we can in the way of a lesson from our examination. I do not think anyone will be able to dispute the figures which I am going to give; and if it is impossible to dispute the figures, I leave those who hear me and those who may read to refute the logic of my conclusions if they can.

In 1894 our taxation was $12.50 per capita. In 1922 it was $64.63 per capita, and in some of the cities $91.

In 1913 our tax bill, State and Federal, was $2,194,000,000. Eight years thereafter, and four years after the close of the war, when many of the war expenditures should have been eliminated, it was $7,061,000,000, and it is about that sum now. In other words, in some eight years, speaking in round numbers, we increased our tax bill from $2,000,000,000 to $7,000,000,000.

In 1903 our taxes per capita were $17.03. In 1922 they were $64.63.

In 1913 we were taking 6.4 per cent of our national income in the way of taxes. In 1922 we were taking 12.1 per cent of the national income for taxes.

Mr. President, our tax bill for either 1922 or 1923 was larger than the entire running expenses of the Government for the 20 years from 1873 to 1893.

Let us now select a particular class in order that we may see in another way how the taxes have increased.

The farmers' tax bill in 1913 was $624,000,000. In 1922, eight years thereafter, it was $1,436,000,000, an increase upon the farmers of the country in eight years of a billion dollars in the way of a tax bill.

Measured by the ratio of income, the farmers' taxes in 1913 were 10.16 per cent on return of income, as compared with 4.1 per cent of the remainder of the community.

In 1922 the ratio for the farmer was 16.6 per cent, leaving the balance of the community at a ratio of 11 per cent.

Taxes on farm lands in 1922 were 126 per cent higher than in 1914. In other words, where a farmer paid $100 taxes in 1914, in 1922 he paid $226 taxes.

I clipped from a newspaper the other day an item with reference to a great wheat-raising county in one of the great wheat-raising States of the Union in the far Northwest. The taxes of that county for this year were $259,886, while the wheat crop sold for $225,000. The taxes of the county were some $35,000 more than the entire value of the wheat crop.

Mr. President, as I said a moment ago, the effect of these taxes upon the morale of our citizenship is deeper and more widespread than we ordinarily are willing here to admit. Some days ago the Agricultural Department put out a statement with reference to the condition of the farming interests in 15 of the great Northwestern States. Let us look at it for a moment.

More than 8½ per cent of those owning farms in the 15 corn and wheat producing States lost their farms without legal process between 1920 and 1923. More than 8½ per cent of those who had accepted the agricultural life as their vocation, and in all probability had devoted the better part of their lives to building up their farms, lost their homes in two years. More than 15 per cent of the owners were in fact temporarily insolvent, but held out through the leniency of creditors. Add that to the 8½ per cent, and you have 23½ per cent of the farmers of these great Northwestern States who are on the very verge of bankruptcy, some of them having passed over it.

Out of 69,000 farmers who owned their farms in these 15 States, 2,800 lost their farms through foreclosure and tax sales; 3,000 lost their farms without legal process; 10,400 farmers held on through the leniency of creditors.

Of 28,000 farmers in the areas covered, 1,900, or more than 7 per cent, lost their property through formal proceedings; 2,000, or more than 7 per cent, went under without legal formality; and 5,500, or 21 per cent, were spared through the leniency of creditors.

Out of a total of 2,289,000 owners and tenant farmers more than 108,000 lost their farms through foreclosure or tax sale; over 122,000 lost their property without legal proceedings; and 373,000 retained their property only through the leniency of creditors.

Of course I realize, Mr. President, that other things than taxes alone enter into this condition of affairs; but when we go into these great agricultural communities and pick up the county paper and see page after page covered with items of tax sales of agricultural land, we are advised as to the predominating effect of these increased taxes toward bankrupting these agriculturists.

Doctor Ely has made a statement upon this subject. In a statement printed some time ago he said:

> While the farmers' land in the 40-year period increased in value in Ohio from an average of $45.97 in 1880 to $113.17 in 1920, the tax per acre increased in the 8-year period, 1913–1921, alone from 65 cents to $1.15. * * * The percentage of increase in the very short period in Ohio is 177 and in Kansas 271.
>
> * * * * * * *
>
> In 1850, according to the most accurate estimate, the rent of land in the United States exceeded taxes, local, State, and National by somewhat more than $70,000,000. From 1890 to 1915 the increases are closely parallel. After 1915 to 1920, while there is a slight increase in the annual land values or rent of land, the cost of government increases from $4,300,000,000 in 1915 to $19,000,000,000 plus in 1919, and then drops to $9,000,000,000 plus in 1920. In 1920 the taxes exceeded the rent by over $4,000,000.
>
> In other words, the taxes in these States upon the lands covered by this survey exceed the income by more than $4,000,000.
>
> Figures ordinarily, Mr. President, are dull and tedious things; they tell us little of the forces which move multitudes or change the current of events. But these figures sound the whole gamut of human passions and plumb the very depth of human misery and despair. Homes abandoned, families separated, and the plans of a lifetime shattered, and shattered after it is too late to form others. Nothing could be of greater moment, nothing of deeper significance. Men will fail in every calling and homes will be sacrificed and plans will be broken because of incapacity or improvidence. This is to be expected, and becomes a commonplace in the struggle for success. But that is not the situation which these figures so vividly reveal. To regard it as such is to close our eyes to as serious a problem as can confront legislators. These figures tell a different story, they present a wholly different problem; they tell the story of industry robbed of its reward, of frugality stripped of its compensation, of men and women, patient, persistent, and capable, deprived of their savings and separated from their property through a wasteful and cruel exaction in the name of government, an exaction, sir, which results not only in ruin to the individuals but, if long continued, ruin to the community and to the State. These figures tell us not of the few, the incidental failures of life; they tell us of the many, of the tendency in communities, of the trend of the times; they tell us of a disease which is rotting away the moral fiber of great Commonwealths and undermining the manhood and womanhood of a citizenship upon which alone our institutions may rest. In these conditions is revealed a national problem in the solution of which enters our whole future as a people and as a Government.
>
> I would rather read of the loss of a battle than to read the facts and figures I have just given you showing the conditions in those 15 great States. What it means to the individual farmer and his family, the demoralizing and deadening effect upon the persons immediately involved, is serious enough; that alone ought to justify the most vigilant effort to remedy conditions. But viewed in the light of the public's interest of national health and prestige, that begins from the farm to the city, from the field to the crowded room on the alley, is a menace we can not ignore and dare not belittle.
>
> If this is not a national problem, there can be no national problem. We are so situated geographically, so circumstanced, so endowed with natural wealth as to be able to defy those scourges and visitations which the incidents in nature and the accidents of politics bring even to the most advanced and enlightened peoples. But we can no more withstand the enervating and corroding effect of waste and public prodigality upon the character and fortunes of our citizens than other peoples whose history is now a closed book.

quire that he serve, whether with his will or against his will. I drafted him; I did not consult him at all. For instance, I

will adjourn and go back to its constituency after having added from $3,000,000,000 to $4,000,000,000 of additional obligations.

I have seen some efforts of late designed apparently to minimize the evil of tax burdens, telling us how great we are, and how rich we are as a nation, and that these complaints of which we hear are from people never satisfied, who would be complaining of something else if there were no taxes. I do not subscribe to the doctrine so generally put out as a defense to dereliction in public service that people will complain regardless of whether they have been ill or well treated. On the other hand, it is an assuring fact, revealed both by history and observation, that the people pursue uncomplainingly their daily avocations until overtaken by that form of injustice, economic or political, which puts in jeopardy their rights as citizens or challenges their security as a people. Upon this question of Government expenditures, city, State, and Federal, the time has long since passed when the taxpayer should remain silent. Resentment is not only due but belated.

The private citizen should not, under the plea of loyalty to the Government, be silenced upon matters which involve his physical and moral well-being, to say nothing of the institutions under which he lives. Neither is patriotism a virtue which sleeps until aroused by a foreign foe. We do not always pay the tribute to civic vigilance and courage that we do to martial prowess, but it is just as essential to good government and to the maintenance of national power. If any criticism is due to the people, it is not that they have complained or that they are now aroused, but that they have been patient too long. They have had debts piled upon them and taxes imposed, they have been made to carry unnecessary officials and unnecessary employees, they have worked and worried and borrowed and paid taxes until good citizenship and efficient government are involved, and in my opinion no rebuke which they may register can be too severe. The complaints of an industrious and naturally loyal people, Mr. President, are an infallible index to unwise and unjust laws or inadequate and incompetent administration.

I recognize, of course, that much of this burden of which I am speaking comes from local taxes. We here, of course, can not deal with that problem, we can not lift that weight. But an economical Government at Washington, an example here at the Nation's Capital, will give much direct relief and indirectly the effect would be of tremendous benefit to all. The authorities in the States point to the waste at Washington and tell the taxpayers there is the source of their ills. The authorities at Washington say to the voters: It is your city and State which weigh you down. This is the diaphanous plea of men who know of the wrong to the taxpayer and shrink from putting forth the effort to remedy it. The fact is the blame is both double and single and can be lifted only by double and single efforts. But the lead in the crusade for economy should come from Washington. It is up to those in power here to establish a new standard in public expenditures. Anything which brings economic health to the country as a whole will help the farmer and the small business man and every honest toiler in the land. Anything which encourages new enterprises, invites capital into lines of building and development, will help the business man, the plantation owner, and the rancher alike.

In these days there are countless remedies being proposed to help the farmer, but give him a market for that which his indefatigable industry produces and the farmer will neither ask for nor accept the remedies born of political fright. And the way to build his market is to unchain the latent energies which taxes have greatly sterilized and unleash the initiative which shameless waste has all but destroyed. Let us not confuse the issue by pointing to the extravagance of cities and States. It will be time enough to denounce them after we have done our full duty here. What we need is a beginning, a manifestation of invincible purpose, something which in the estimation of the people will lift the Government at Washington out of this eternal circle of appropriations and taxes, around which we are lashed in monotonous mediocrity year after year. The duty rests upon us here to curtail expenditures wherever we can do so, even if we have to do so by failing to do some things which, as I said a few moments ago, personally and sentimentally might be a most pleasurable thing to do. Unless we make up our minds, as a people, not only as a Senate and as a House of Representatives, but as a people, that we shall deny ourselves, and that we shall cut, regardless of personal consequences, there is no hope for the alleviation of this condition.

Burdensome taxes reach the citizen from almost every conceivable source. One of the most vital questions of this country is the exorbitant freight rates. With us, living in the portion of the country which is known as the Far West, it is one of the most important questions touching our economic life, and the question of taxes is a very great item in these constantly increasing freight rates. In 1892 railroad taxes were $209 per mile; in 1902, were $277; in 1912, $485 a mile; in 1922, an average of $1,241 a mile. Another statistician has placed it in this way: In 1911, railroads paid in taxes $98,626,848; in 1922, they paid $301,034,923, an increase of 205 per cent. You can not lay these burdensome and crushing taxes without affecting the citizenship of the country in every walk of life. One of the most fatuous and demagogic policies that was ever advocated is the idea that you can put heavy taxes upon a certain class and not affect anybody outside of that class.

I know, of course, that there is scarcely a proposition which comes before this body with reference to the appropriation of money which has not behind it a laudable and most commendable sentiment or purpose. You could find sufficient reason for taking every dollar out of the Treasury of the United States and not violate any of the Ten Commandments; but we can not conduct governmental affairs on that basis. This money is not ours. We are trustees for a season, and we ought to bear in mind we are dealing with other people's money.

Of course, I realize that it is perhaps too much to expect that either one of the great political parties, under the exigencies which exist at this time, would be willing to place itself in a position before the country of refusing the demands of those who served their country. Individuals may be willing to do so, but political organizations which control government, acting en masse and from the influence of mass power, are not to be expected, I presume, as parties or as those who are in power, to assume that attitude. It ought to be otherwise, but it is not otherwise. But I am not sure that even as a matter of expediency, as a matter of mere politics, we are upon very safe ground. Let us consider the question a moment.

Mr. President, I perfectly understand and greatly appreciate the value of political parties. There is nothing to take their place in a Government like ours. I quarrel with no man because of his party zeal. Partisanship may be close to patriotism, and sometimes they are one and the same thing. The old Democratic Party, led by Jefferson, with its platform of principles and its inspiring policies, arousing the faith and commanding the devotion of its adherents, was commensurate in aims and purposes with the aims and ambitions of the Republic itself. The party of Lincoln, born of a great moral revolution, with its platform of freedom for all, and led by men of uncommon power, was synonymous with union; it stood not only for a new dispensation of liberty but for a Nation disenthralled and reunited. Parties measured by these standards stand next to our laws and our institutions, and any man may well take pride in being a part of such a political organization. To serve them is, in a large measure, to serve your country.

But, my friends, while we may here be reluctant to admit it, the people feel, and feel with disquietude, that we have fallen on different days. Party lines are shadowy and uncertain. The voters are distrustful. Party appeals excite no enthusiasm. And yet there never was a time in the history of our country when there was such dire need of great political organizations or when the people were more deeply and profoundly interested in public questions, or more eager for information touching political problems. The underlying, fundamental vice of American politics at this time consists in playing the game on too low a standard—far below the level of both the intelligence and patriotism of the voter. The great majority of the people swing backwards and forwards between the parties, giving tremendous majorities one year and the opposite the next, in the vain hope of finding a way out of their present dissatisfied and distressing conditions. Give the people issues and a program and the splendid days of the past in party politics will return. The weakness of our present position, I repeat, is that we underestimate the sincerity, the capacity, and the willingness of the voters to do great things and make great sacrifices for their country. A Democrat in the days of Jackson was a crusader. It can be so again. A Republican in the days of Lincoln was an apostle. It can be so again.

History may not repeat itself, but there are pages from which we can pick both a warning and a lesson. In 1852 both the Whigs and the Democrats met at Baltimore. Both declared in effect for the Missouri compromise. Both treated the slavery question as forever settled. The Whigs and the Democrats were about as near alike on the slavery question as the Republicans and Democrats now are on appropriations and the waste of public money. Both parties in those days seemed to be under the impression that by simple decree in the party platform they could settle a great moral question before it was solved and that they could satisfy the demands of millions of sincere men and women for an unfortunate race. Stephen A. Douglas went home declaring that he never expected to make another speech

farmers held on through the leniency of creditors.

upon the character and fortunes of our children than other peoples whose history is now a closed book.

on slavery. As a matter of fact he wore his life out making just that kind of speeches. But while the leaders resolved and declared, the people reflected and were dissatisfied. The great problem would not down. It was unsettled and every voter North and South knew it.

One day there appeared in the political arena a strange figure from the prairies of Illinois, the true child of democracy. He raised the politics of his day to a level with the brain and the conscience of the average citizen. He spake as one having authority. He was what men would now sometimes call an idealist, because he believed in doing the right thing regardless of consequences. One by one the dexterous devotees of political expediency either disappeared or lost their identity among the hosts who arrayed themselves behind the new leader. The old Whig Party died of sheer political cowardice. The Democratic Party shortly thereafter went into retirement, bankrupt both in morals and courage. The men who have raised politics to the highest level in morals and in intelligence have been our greatest party leaders. The people have followed them. The fault at this time is not with the people.

It is true slavery was a great moral problem. It was also a great economic problem. When great economic and moral questions combine, become one, they have a way of sweeping into the dust heap of history those who disregard them or break in pieces political parties and individuals who challenge their onward sweep toward adjustment. Public expenditures, and thereby the inevitable increase of taxes, is no longer merely an economic question, no longer nothing more than extracting from the pockets of the people an increased sum of money, it has already reached the point where it may, and must be, regarded as a great moral question. It involves not only the material welfare but the moral stamina of our citizens. These increased burdens mean imperiled and forfeited homes, mean less educational advantages for the coming citizen, mean separated and demoralized families, they mean energy thwarted and enterprise sterilized, and, last of all, they mean thriftlessness and improvidence and moral breakdown of a great and proud people. We have reached the point where danger signals are out. Men and women are beginning to feel a deep sense of wrong. Faith in the Government is giving way.

And whose record is this which we read in the budgets of cities, States, and the Nation? Whose record is this which tells of increased tax burdens all the way from 300 per cent to 500 per cent in the last 15 years? It is the record of the two parties which have divided power for 50 years in this country. You can not in the study of the census report, the rise of expenditures, as shown by those records, tell me which party was in power in any particular city or State or which party was in power during any particular period in the Nation. In that accusatory record there are no party lines. And what is either, or both parties, proposing to do about it? What is the relief? Here in the Congress both parties vie with each other and vote heavier and still heavier obligations. Take warning from the gatherings at Baltimore in 1852. The people of this country will not give up their homes or deny their children schooling or suffer indefinitely the rigors of economic peonage for the sake of party; they will some day, and in my opinion at no distant day, turn upon their torturers. So far as I am concerned, I am in that frame of mind, sir, that I welcome relief from whatever source. If it is not to come through the party of which I am a member, still I shall rejoice at its coming. I want the relief. I know it has got to come. How many parties will be wrecked or how many will go homeless before it comes I do not know, but certainly relief must come. The men who will stop the waste from the Public Treasury, who will call for and secure a return to the simple and sound principles of public economy, if is not too much to say, will be the second founders of this Republic.

We are now passing through a season of humiliation. It ought also to be a season of contrition and repentance. For days and weeks and months there has been going out from this Capital the revolting, nauseating story of carelessness, of incompetency, of venality, of the low, sordid practices and conceptions of public duty. Among all the seats of governmental power in the world to-day, the beautiful city on the Potomac bearing the sacred name of the father of our country, and made dear to 110,000,000 people through the historic triumphs of exalted public service—among them all, Washington at this hour stands out in the news columns conspicuous, isolated, solitary, corrupt, and contented. Here where Washington planned and built; where Jefferson strove for a wider and more universal democracy; where Lincoln for more than four long years trod the wine press in solitude and sorrow; and where at last he gave up his life for the country he loved—here peculation and corruption have dared to come, and in their insolence presume to direct public affairs. This situation calls for something more than the canceling of a few illegal contracts or the punishment of a few individual betrayers of public interest. The evil has its roots deeper down in the social and political strata. It calls for more than a change of administrations. It is only a more virulent outbreak of a disease that affects the whole body politic. Extravagance is only one step on the hither side of corruption. They are both plants from the same putrid soil and flourish in the same infected atmosphere. Both in the end dissipate public property, exploit and impoverish the citizens, and undermine and destroy free government. It makes little difference in the last analysis to the taxpayer whether his property and his interests are dissipated and destroyed through individual corruptionists or through an unconscionable disregard of sound laws which protect his rights and guarantee his success as a citizen.

And who is more interested in renovating and remedying this situation, in arresting the trend of affairs than the same young men whose interests we are now considering? It is peculiarly their fight, and these precedents which we are now establishing they will have to uproot, the obligations we are imposing they will have to meet, these evils and the ensuing burdens they will have to face. These young men and their families will advantage but little by the proposal before us. Their prosperity and their success must be won in the future and that prosperity and that success will be gauged according to the general conditions and environments and according to the kind of public policies amidst which and under which they must contend. Who is more interested in staying the increase of taxes, in clean and economic government, in avoiding the mortgaging of the coming days, and upon whom will fall most heavily the whole program than those who are now just taking up the wider and deeper concerns of life? I venture to say to these soldiers that they will learn as others have learned, sometimes to their sorrow, sometimes to their joy, that the most vital rule in the battle for supremacy, whether as an individual or as a state, is putting aside the temporary advantage for the permanent, the short aim for the long.

I would like, in all candor, to ask these young men to look back over the last 30 years—brief, fleeting years—a fugitive shadow upon the dial when considered as a mere matter of time, but a century when measured by their effect upon our Government. The bonds piled up, the bureaus built up, the offices created, the constant mounting of the tax burden, the spread and waste of prodigality; let them review this record with care and reflection. Then, assuming that this fateful tendency is to continue—and there is every evidence that it is to continue—protrude themselves into the future for 30 years.

There will be an officer for every 10 persons in the Republic. Every conceivable activity of mind and body will be under the direction and surveillance of a bureau. Inspectors and spies will leer upon the citizen from every street and corner and accompany him hourly in his daily avocation. Taxes will be a hundred dollars per capita. Forty per cent of the national income will be demanded for public expenses. We will still have a Republic in name but a bureaucracy in fact—the most wasteful, the most extravagant, the most demoralizing and deadly form of government which God in His inscrutable wisdom has ever permitted to torture the human family. This is not the picture of a disturbed imagination; it is the remorseless logic of the present drift of things. All you need to do is to take up the last 30 years and lay them down upon the next 30 and you have it all as I have indicated. It seems to me time to take stock. The rarest as well as the most profound incident in free government is when "a great people turn a calm and scrutinizing eye upon itself." And it is time that we brace ourselves for that ordeal. The influences against which sound principles of government have to contend come to us unannounced or in friendly guise.

"The stroke of the clock tells of the change from hour to hour," the sunset tells of the departing day, the season change advises us of the fleeting months, but no stroke, no warning tells us of these silent but fateful changes in a nation's life, these subtle transformations in government upon which turn a people's destiny. These changes must be searched for among the customs and habits and tendencies of a whole people and can only be stayed or turned aside through the high resolves and self-denial of an entire nation. I repeat, the time has come to take stock. "It is a vain hope that by cheerfully ignoring danger we shall avoid it."

This morning before a committee of the Senate we were considering an appropriation of $11,000,000 to feed the hungry children of a foreign land. Every instinct of humanity pleads their cause. While we sat considering this proposal there came an amendment to appropriate for the hungry of three other

nations. We adjourned the committee meeting and hastened here to this Chamber to consider the voting of a $3,000,000,000 obligation upon the taxpayers of this country. Is the taxpayer to have no consideration? Is he presumed to be without limit as to funds? Who is to pay all these bills? One may well exclaim, "Watchman, what of the night!" We sit here and flatter our humanitarianism and augment in our own eyes at least our patriotism by voting away millions of the taxpayers' money and obligating him beyond all capacity to pay. But what about the harassed citizen? What about the man who must find the means to pay the bills? I venture to say in all sincerity that these very young men whose interests we are now considering are far more interested in changing this ruinous course than either myself or any Member who sits in this Chamber. The future is theirs, and it is the future that we are presuming to mortgage. It is that future with which we are trifling.

Mr. JONES of New Mexico. Mr. President, I am sure that we have all been very greatly impressed with the attractive and eloquent speech of the distinguished Senator from Idaho [Mr. BORAH]. I can quite understand that he is the spokesman of a very considerable element of the people of the country. From his premise his logic leads to the irresistible conclusions which he has just announced. The defect, however, in his very able presentation goes to the very basis of the proposition which the Senate is now considering. His argument, his illustrations, and even his express language designates the present measure as a bonus bill. I can quite understand how anyone looking upon the measure as a mere gratuity, as a bonus, would be opposed to it.

The Senator from Idaho has expressed himself to-day in a manner consistent with his previous position upon this great subject. He looks upon the measure as a bonus, a gratuity, and from that standpoint I quite agree with him. If we are to concede the premise, his conclusion is irresistible. He has pictured to us how we would corrupt the good citizenship of the men mentioned in this measure, whom we are attempting to serve. If this were a mere gratuity, if I believed that premise, I should certainly agree with the conclusions reached by the Senator from Idaho; but I do not accept the basis of his argument. I do not believe that is a gratuity. Certainly many of us, at least I for one, look upon it from an entirely different viewpoint. I believe that this is a debt which is due to these men, and I do not believe the young men of this country will be corrupted when this great Nation of ours undertakes to pay its debt. So I do not believe that the evil effects which the Senator from Idaho has pictured in such eloquent language are at all consequent upon the act which we are proposing here in this Chamber.

We need only recall, Mr. President, the circumstances under which these men entered into the service of the Government in order to reach the conclusion that we not only owe them this compensation, but that from every moral point of view, from every standpoint of equity and justice, it is just as much a debt of this Government as are the bonds which were purchased by the people who were able to purchase them in this country and to whom we are annually paying to-day about $1,000,000,000 in interest.

The Great War which we participated in was fought out by this Nation in a manner somewhat different from that which had ever prevailed in this country in the history of any previous war. We concluded that we would bring into the service of the Nation a large number of men; in fact, all of the men whose age would permit them to serve in the ranks of the Army. We adopted what was called the draft law, the selective-service program. Under that legislation there were enrolled something more than 24,000,000 men. All of that great number were thus by law made subject to the call of their country. It so happened that only about four and a half million of them were needed. The other 20,000,000, who were subject to the call, who had been recorded, and whose names and residences and occupations were known, were not called. They were permitted to go into the ordinary walks of life; they were permitted to wear civilian clothing; they were permitted to get the pay of civilians. In that great time of activity they received wages which they had never before received; but these four and one-half million men were taken by this great Government of ours without a question as to whether or not they desired to enter into this great program, and they were put into the ranks; they wore the uniform of their country, and not at a rate of pay to which they had agreed but for the meager sum of $1 a day, which the law of the country said that they should have and no more. Even out of that pittance they were expected to contribute about one-half for insurance against the eventualities of war for the protection of their dependents, and in order to reduce the number of dependents which should thereafter be supported by this Government.

In addition to that, they had to send back a portion of their pay to support their dependents, and were permitted to retain only a very meager sum for their ordinary expenses.

In those circumstances, when this Government took those men, when the Government fixed the pay, and when it fixed it at less than others who were subject to the same order received, it seems to me that in passing legislation of this sort we are not conferring upon them a bonus, a gratuity, but that we are merely paying an honest, a solemn, and a just debt. Viewing the subject from that standpoint—and I believe, Mr. President, that that is the view of the vast majority of the people of America—I am confident no evil effect can come from this proposed legislation.

Mr. President, I think it worth while that we should make a brief note of the sentiment of the country as expressed by the representatives of the people in the two Houses of Congress. This question has been pending before Congress for a long time. On May 29, 1920—almost four years ago—the House of Representatives by a vote of 289 to 92 passed what was known as the adjusted compensation bill. That bill provided for various options, among them being a payment in cash. It also contained a provision for education, a provision for obtaining homes, and other options. The bill came over to the Senate soon after its passage in the other House. For some reason, which I have never been able to learn, the bill was not finally reported to the Senate until in February, 1921, only a few days before that Congress was to adjourn.

It is true that the Republican Party controlled both the House of Representatives and the Senate at that time, but there was a Democratic President. It was stated, at least around the cloakrooms, that the purpose of deferring the consideration of that bill after its passage by the House in 1920 was to allow it to go over until after the change in the political complexion of the Chief Executive of the Nation. At any rate, it did go over. It came to the Senate too late for consideration at that Congress.

The bill was considered during the summer of 1921, being reported to the Senate on the 25th of June, 1921, and finally reaching the stage of consideration. After the Senate had discussed it for a day or two it was quite apparent that if a vote were had it would pass this body by an overwhelming majority. Then it was that the President of the United States came into the Chamber and requested that the bill be recommitted. It was recommitted on July 15, 1921, by a vote of 47 to 29.

However, the measure would not down. In 1922 the House of Representatives took up the question again and on the 16th of March, 1922, reported to the House another bill containing very much the same provisions as the bill which had previously been reported to the Senate. The bill passed the House by a vote of 373 to 70 on March 23, 1922. It was reported to the Senate on the 8th of June, 1922. It passed the Senate by a vote of 36 to 17 on September 15, 1922. It was vetoed by the President in a message of September 20, 1922. It went back to the House, where the House passed it over the veto of the President by a vote of 258 to 54 on September 20, 1922. It then came to the Senate, but failed to pass the Senate over the President's veto, although there voted for such passage over the veto 44 Senators, as against 28 opposed to it. Then, during this year on the 18th of March this bill, practically as it is now reported to the Senate by the Finance Committee, passed the House by a vote of 355 to 54, and is now before the Senate.

Of course it will be observed that there is a vast difference between this bill as reported to the Senate and the previous bills. This bill is only an endowment insurance bill, except as to those who would be entitled to receive $50 or less. To my mind, if this bill should be adopted as reported by the Finance Committee it would be the consummation of a legislative tragedy; not only that, but it would be the consummation, in my humble judgment, of the spirit of insidious avarice which has surrounded this measure from the time it was introduced in Congress until the present hour. We have only to look back over its history to realize the subtle and insidious methods which have been employed before Congress and the country for the purpose of defeating the payment of this honest debt from this great Government of ours to those who served it in its hour of need.

Mr. President, what has been the opposition to this adjusted-compensation legislation? From whence has come the argument, the continuous propaganda, against this legislation? The finger must point to the one great central source, to him high in the official life of this Government, the Secretary of the Treasury of

the United States. It was he who undertook to lay the foundation for the defeat of this most beneficent legislation. We go back to the first time when the House of Representatives was considering the legislation, in the spring of 1921, and there we find the finger marks of the Secretary of the Treasury; and it will not suffice to pass by what is apparent to all of us here and to the understanding of the people of this country—the spirit which presses forward and which enters into the various activities, recommendations, and even the laws of economics of the Secretary of the Treasury.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FERNALD in the chair). Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield just for a question.

Mr. KING. The Senator has suggested that the head of the opposition to the bonus was the Secretary of the Treasury. If the Senator will pardon me, a number of years ago the Legion itself and many of the posts throughout the States announced their opposition to the bonus, and the overwhelming majority of the soldiers and sailors of the World War were then outspoken in their opposition; but, if I may be pardoned, some Senators and some Congressmen and some persons who were seeking political preferment throughout the United States injected this question into the political arena, and in my humble opinion they are largely responsible for the propaganda in favor of the bonus, and by their efforts they have magnified the matter and induced many of the soldiers to become proponents of the measure.

Mr. JONES of New Mexico. Mr. President, I have not yet had time to develop the thought which I had in mind. I agree that a large number of very able, honest, thorough American citizens have opposed the so-called bonus, and they are entitled to their view; but those people, I am sure, including the distinguished Senator from Utah, do not consider this measure as providing adjusted compensation. It is looked upon as a mere gratuity. I have reference now to those who have not raised that great argument but who have yet undertaken to oppose this measure; and of all those who have presented the poverty of the country as the excuse for opposition it has centered itself in the Secretary of the Treasury—a man who, I understand, is perhaps quite as well able, if not more able, to bear some of the burdens of the Government than any other individual citizen.

What do we find? On April 30, 1921, in a letter addressed to the chairman of the Ways and Means Committee of the House, we find this statement from him, the controller of the finances of this Nation, the one who assumes to recommend what appropriations shall be made, what revenue laws shall be passed, and even what their provisions shall be. Thus early after his incumbency of that great office, which occurred on the 4th of March preceding, on the 30th day of April we find this most remarkable letter—remarkable in the light of the actuality which has developed since that date.

He says:

> The estimates of receipts and expenditures for both 1921 and 1922 show clearly that while this Government has definitely balanced its Budget, the surplus of current receipts over current expenditures will not quite provide for what may be termed the fixed public-debt redemptions, and that unless expenditures are sharply reduced there will be practically no funds available in these years for the retirement of the floating debt represented by loan and tax certificates outstanding. The estimated current surplus in both 1921 and 1922 will be absorbed (1) by current redemptions of war-saving securities, redeemable substantially on demand, (2) by purchases for the cumulative sinking fund, (3) by acceptance of Liberty bonds and Victory notes for estate taxes, and (4) by miscellaneous other debt retirements which must be made each year in order to comply with existing law or with the terms of outstanding securities.

That was his doleful statement on April 30, 1921. That statement was reiterated by the Secretary of the Treasury on July 2, 1921, when he wrote to a Member of this body, Mr. Frelinghuysen, a reiteration and a reaffirmance of his statements made in the letter which I have just read. The Secretary stated:

> I have already submitted to Congress, in my letter of April 30 to the chairman of the Committee on Ways and Means, a detailed statement of the condition of the Treasury, the latest estimates of the receipts and expenditures of the Government for the fiscal years 1921 and 1922, and an outline of the Treasury's program for dealing with the short-dated debt. The figures given in that letter show that even without any expenditures on account of adjusted compensation under the proposed bill there is grave danger that the necessary expenditures of the Government in the near future will exceed its current receipts, thus leaving deficits to be met by new taxes or further borrowings.

That was on the 2d of July; and it was undoubtedly the recommendation of the Secretary of the Treasury which caused President Harding to come before this body and ask that the adjusted compensation bill be recommitted. Unquestionably he was advised from that source; and so we find the then President making this remark in his notable speech to this body.

He says:

> I would be remiss in my duty if I failed to ask Congress to pause at this particular time rather than break down our Treasury, from which so much is later on to be expected.

Mr. President, that was the doleful picture which the Secretary of the Treasury brought to the Congress and which he undoubtedly inspired the President of the United States to reaffirm and to sponsor. I think it advisable at this time, however, to indulge in some statements as to what actually occurred, and to the prospects as they appeared at that time.

Mark you, this letter from the Secretary of the Treasury was dated April 30, 1921, only two months before the end of the fiscal year 1921. The letter affirming his previous statement was addressed to Senator Frelinghuysen on the 2d of July, 1921, two days after the expiration of the fiscal year 1921. The President's remarks were made on the 12th of July, 12 days after the end of the fiscal year; and if the Secretary of the Treasury knew what was going on in his office, I submit that his statements were absolutely unjustified.

Mr. OWEN. Mr. President, what were the facts?

Mr. JONES of New Mexico. The facts are these: It will be recalled that the great depression began in this country along the latter part of 1920.

Mr. OWEN. Does the Senator refer to the manufactured depression?

Mr. JONES of New Mexico. The manufactured depression, through the deflation policy and other policies following; but here is what actually occurred:

On the 30th of June, 1920, the gross debt of the United States was $24,299,000,000. The cash in the Treasury was $357,000,000. I am leaving out the thousands and hundreds of dollars. On the 30th of June, 1921, that gross debt was reduced, after applying the net balance, to $23,443,000,000—a net reduction of the debt during the fiscal year 1921 of $498,000,000. That, however, is not the whole story. During the fiscal year of 1921 this Government paid out in unusual expenses, in capital investments and to settle its indebtedness to the railroads, $930,000,000, and it received from capital investments $402,000,000, making excess capital and special expenditures of $527,000,000. If we add these two together—the amount of reduction of the public debt and the amount of the unusual expenses—we find that the total debt reduction and the capital expenditure during the fiscal year was $1,025,000,000.

Mr. OWEN. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Oklahoma?

Mr. JONES of New Mexico. I yield.

Mr. OWEN. In other words, as I understand, if the redemption of the public debt were postponed for two years, it would settle this adjusted compensation?

Mr. JONES of New Mexico. The Senator is quite accurate in his estimate, as I shall undertake to show a little later.

Mr. OWEN. Mr. President, I wish to call the attention of the Senate and the Senator to the fact that we extended accommodation to the British taxpayers by permitting them to take approximately 60 years in the settlement of their war debt to the United States. With an amortization plan we could do the same thing with this adjusted compensation, and practically relieve the country of the undue taxation going on now, as well as pay the adjusted compensation.

Mr. JONES of New Mexico. I believe the Senator is quite accurate and a little later on I will speak in support of the statement which he has made.

So much for the fiscal year 1921. I think we might well analyze to some extent the situation in 1922. It will be recalled that the letter of the Secretary of the Treasury to Senator Frelinghuysen, and the President's speech, all included in their references the fiscal year 1922.

In addition to that, on November 28, 1921, the Secretary of the Treasury again referred to that letter of April 30, 1921, and presented a new estimate of what the situation of the Treasury would be for the fiscal year 1922, and that estimate was that there would be a deficit of $24,468,000.

On April 14, 1922, in another letter from the Secretary of the Treasury to the chairman of the Finance Committee [Mr. McCumber], he estimated the excess of receipts at only $47,000,000, whereas the actual excess of receipts for that fiscal year, ending June 30, 1922, was $318,802,000.

In his annual report for 1922, which was dated in the fall of the calendar year 1922, and during the fiscal year 1923, the Secretary of the Treasury said that in the fiscal year 1922 the indebtedness of the country had been reduced by a billion twenty-six million dollars, and after reducing the debt to that extent $272,000,000 was left in the Treasury.

As to the fiscal year 1923, which ended on the 30th of June last, in the annual estimate of December 5, 1921, there was an estimated deficit of $167,000,000. In the letter to Mr. McCumber dated April 14, 1922, there was an excess of expenditures, or a deficit, anticipated of $359,000,000, but there was an actual excess of receipts of $309,000,000, making a combined error in that estimate of $760,000,000.

On July 11, 1922, it was estimated that for the fiscal year 1922 there would be a deficit of $822,000,000. The President vetoed the adjusted compensation bill on September 20, 1922, something more than two months after the estimate of July 11. The President then said that the deficit for that fiscal year would be more than $650,000,000.

There was another estimate made. On December 5, 1922, the estimated deficit was $274,000,000. January 29, 1923, the estimated deficit was $93,000,000. April 1, 1923, there was an estimated deficit of $180,000,000. May 1, 1923, there was an estimated surplus of $62,000,000. Treasury estimate, May 7, 1923, showed an estimated surplus of $150,000,000. June 18, 1923, there was another estimated surplus of $200,000,000, and only 12 days later the actual surplus was $310,000,000.

Just a few days ago it was stated by an official even of the present administration that there had been a juggling of the figures in the Treasury Department. It is somewhat difficult to conceive of an adequate definition of the word "juggle," but if I have any conception of it, it does seem to me that the statement made by that official, one of the ex-service men of the country, was absolutely justified when applied to these various and inconsistent estimates. Why should there have been these differences? Why was it that when the President was about to veto the adjusted compensation bill an estimate should have been made which indicated the largest deficit that had ever been estimated by anybody, and instead of the deficit of $822,000,000, estimated at the beginning of the fiscal year, there was an actual surplus for the year of $310,000,000, an error, if you might dignify it by such a term, of $1,120,000,000.

Not only that, but during the calendar year 1923 there was a further reduction of a vast share of the present indebtedness of the country. That total reduction was $1,078,785,806.79, according to the figures furnished me by the Treasury Department on yesterday. That is the astounding fact; and I should like to know how the Secretary of the Treasury can reconcile his estimates and the actual facts as they have developed from the very day that he made his first error until this good hour.

Speaking in round numbers, the indebtedness of this Government, which reached the peak August 31, 1919, has been reduced by about $5,000,000,000. Under the previous administration there was a reduction of about half that sum, and the reduction of the other half, about two and a half billion dollars, has occurred under this administration, notwithstanding these very pessimistic and doleful statements coming from the Secretary of the Treasury.

What does this mean as applied to this bill, and especially applied to the bill if we were to provide for a payment in cash?

Mr. OVERMAN. Will the Senator yield to me?

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. JONES of New Mexico. I yield.

Mr. OVERMAN. In referring to the reduction in expenditures, the Senator means only those things growing out of the war, I suppose?

Mr. JONES of New Mexico. The reduction in expenditures, of course, came largely and almost entirely from the vast reductions which were made subsequent to the war, in matters which were raised up by reason of the war activities.

Mr. OVERMAN. I wanted the Senator to make that clear.

Mr. JONES of New Mexico. I hope some day to have the opportunity to present just that question to the Senate, in connection with a remark of the Secretary of the Treasury and statements of some others who have pointed out the vast reductions in appropriations in their claims for economy in government.

Mr. OVERMAN. The Senator is on the Committee on Appropriations, and he remembers a statement I had put into the RECORD, showing that instead of expenditures, in running the departments here in Washington, decreasing they had increased.

Mr. JONES of New Mexico. That itself furnishes a very fertile field for investigation, because only just recently the chairman of the Appropriations Committee of the House prepared a statement for the press of the country attributing all of the reduction of taxation to the economy measures which the administration has taken, a statement, however, which I believe will be considerably discounted before it is accepted by the masses of the people of the country.

As I said, last year, the calendar year 1923, there was a reduction of the public debt of more than $1,078,000,000. It is estimated that if this entire compensation to the ex-service men should be paid in cash, it would not require more than a billion and a half dollars. It is estimated by some that if the optional plan were to be adopted, not more than one-half of the ex-service men would exercise the option to take cash. If that were so, the excess return of the public debt of this country for the last calendar year would have more than paid the entire cash bill. Seven hundred and fifty million dollars deducted from $1,078,000,000 would leave more than $300,000,000 with which to retire an adequate portion of the public debt. So, in these circumstances, I wonder why it is that there has been such an effort to defeat this bill.

It appears that in the early days of the administration they talked of an empty Treasury as a means of defeat. They undertook to say that it would break the Treasury. But the time finally came when the people of the country realized, when the ex-service men themselves realized, that that argument would no longer suffice, and then what do we find? We find this same Secretary of the Treasury still determined to defeat the measure with the greatest propaganda ever known in the country, saying that the time has now arrived when we may reduce taxation, but we can not do it if we pay an adjusted compensation.

The thought of a reduction of the burdens of government is always an enticing thing. It is something which we all desire.

Mr. WALSH of Massachusetts. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. The Senator has not any doubt, has he, that the reason why a bill in this form has been reported rather than a cash option bill is because the moneyed interests of the country have had such influence with the administration as to prevent any bill going through which would require an issue of bonds being placed upon the American market at this time?

Mr. JONES of New Mexico. I have no doubt of the truth of the statement just made by the Senator from Massachusetts. It is a statement which I think is borne out by the history of the proposed revenue legislation, to which I shall refer in just a moment.

Mr. BRUCE. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Maryland.

Mr. BRUCE. I merely wish to say to the Senator from Massachusetts that it is hardly fair to some of us that he should ascribe our opposition to this bill to the Secretary of the Treasury or to the influence of mere wealth.

Mr. JONES of New Mexico. If the Senator will pardon me I think I can answer him. The Senator from Massachusetts is looking at the question solely from a monetary point of view and the Senator from Maryland has in mind the opposition to the idea of a bonus altogether; so from the two points of view both Senators are correct, in my opinion.

Mr. WALSH of Massachusetts. My question related only to the form of the legislation. In my opinion the reason why this form was chosen at this time and the whole principle of the cash basis rejected is that the financial interests of the country are opposed to a large bond issue being floated at this time. There may be no ground for that position, but that in my opinion is the reason why they are attacking the plan as they do.

Mr. BRUCE. I understand the Senator's position better now.

Mr. JONES of New Mexico. As I said, there has never been such a propaganda in the country as I have observed in connection with the subject of tax reduction. The thought has gone out, and, if I may be permitted the expression, was sent out for the express purpose of making the great body of taxpayers in the country believe that they were to get some benefit from tax reduction; that it was to help everybody; that we were all going to feel lighter; that we would be more buoyant to go forward in the conduct of affairs of life.

But what do we find in the proposal of the Secretary of the Treasury? He submits a plan to Congress which does to some extent relieve individual income taxpayers of the lower brackets, but his great thought, his great purpose, was that the principal relief should be brought to those people of the country who are best able to bear the burdens of government. His position now is consistent with the position which he took in 1921, when the Congress passed the revenue law of that year. What did he do at that time? He insisted, and his will was carried out by the Congress, that all the excess-profits taxes should be absolutely repealed; that there should be one flat tax only upon corporations; that the tax which the corporations of moderate earnings had been paying should be increased, and those corporations earning the highest profits should have their taxes diminished about one-half. In 1921, in the year of extreme depression in business in the country, the excess-profits taxes paid for that year just about equalled the normal tax paid by the corporations, and by a repeal of the excess-profits tax at the instance of the Secretary of the Treasury there was a gift of almost 50 per cent of just taxes upon those corporations which were profiteering during the war and continuing to do so after the war.

Now, when we come to the revenue bill of this year we find that the Secretary of the Treasury insists that the surtaxes upon those with the greatest incomes shall be reduced by one-half, and that, too, is consistent with the attitude which he took in 1921. When the surtaxes reached as high as 65 per cent he went before the Congress, then as now controlled by a Republican majority, and insisted that those surtaxes should be cut from 65 per cent to 32 per cent. The House passed such a bill. It was reported to this body by the Finance Committee, but in the Senate we increased the surtaxes to 50 per cent. Now he comes again and wants to make another slice, and recommends and urges that the surtaxes shall be reduced from 50 per cent to 25 per cent. In a prepared statement he said that of all the questions involved in the situation the cutting in half of the high surtaxes is the one which shall and must be insisted upon. So it seems to me that the purpose behind the measure is easily discernible. At the very time the present Secretary of the Treasury entered upon his duty almost the first thing he did was to send a letter to the Congress opposing legislation of this sort.

Mr. President, I listened carefully to the Senator from Idaho [Mr. BORAH]. I saw him paint a picture of the distress of the farmers of the country. I say to him that this debt will not be paid by the farmers of the country. But the burdens they are suffering are not these burdens. The taxes which they pay are almost entirely the taxes imposed by the States, taxes which they can not evade, which they can not shift, taxes which they must pay out of capital if they have no net earnings. But the taxes with which we are dealing in the proposed revenue bill and out of which we propose to pay the adjusted compensation come from those who have net incomes. The tax upon net incomes is not shifted. It is borne by the person who pays the tax. It is from that source that we expect this revenue. We expect it from the corporations which profiteered during the war and are continuing to this good hour, and from those who have the real ability to pay.

In this situation shall we undertake to say to the men to whom we believe we owe adjusted compensation that they shall have an insurance policy? If we owe a debt why should it not be paid? Why shall this great Government of ours stoop so low as to say to the men it drafted into the service of their country that they shall only receive their just deserts when they are dead? It is absolutely inconsistent with the very fundamental basis of the proposed legislation. My only desire is that the people of the country, the Nation itself, and this body which represents the people of the country shall say that we owe this debt, we have the ability to pay, and, God willing it, we intend to perform our duty.

Mr. SMITH. Mr. President, I have never before voiced my sentiments on the question of adjusted compensation. At first it seemed to me that perhaps the obligation of the citizen to save his country was one that did not partake of anything like a material reward. Rereading the history of the wars that have taken place in our country, I came to the conclusion that those who had criticized those who favor a compensation for the ex-soldiers had their terminology wrong.

I have had Senators on this floor speak to me about a soldier, an American citizen capable of bearing arms, being paid for his patriotism. That is not what I am standing here to advocate. I am advocating the righteousness of paying while fighting for his country—not for fighting for it but while fighting for it. We stand here and talk as though those who have been called upon to go out in the defense of their country ought to do it at their own expense and at the risk of their lives and ask no consideration of those who can not, under the very nature of the case, participate in the conflict on the battle field, but who nevertheless are as much and as vitally interested in the outcome as the man who bears the shock of the conflict.

The hour is late, but I think, unless the debate shall close or some agreement is reached by which I can not express myself at length, I shall avail myself of the privilege of making a further statement as to the obligation of all the citizens to act for the salvation of the common country. I take it for granted that there is not a man on the floor of the Senate but knows that when war was declared between the United States and Germany it was a war declared on the part of all Americans against all of Germany. Had the conflict gone against us everyone in America would have suffered the consequences. The boys on the battle field were the first line of defense; they were the machinery which we had organized for the purpose of doing on the battle field what we hoped would redound to the safety of all the people and all the property in America.

When war was declared, what did we do? We sat down here in this Chamber and in the different departments of our common country and figured out what was necessary in order to win the war. First, so many men would be essential. Now, just let us get the material side of this question. It was not a question of voluntary enlistment. I sat in my place in this Chamber and voted for a draft law just as I would vote the rate of interest to be paid on the public debt. I voted from the material standpoint, regardless of what household or fireside my vote would affect, to draft so many human units for the purpose of performing the material part of that warfare. Then it became essential for us to decide how much property it would take. Now listen. I am speaking of the purely material side of the war; the things which were essential in order to win it; not the sentimental element, not the patriotic element, but the pure, cold calculation as to what material things would be essential in order to win the war. First, was the man power; and without any regard to the flame of patriotism right at the beginning we sat in this Chamber and voted to draft between certain specified ages so many human units to go into the war and to do the fighting. We then provided for sufficient material units of a different kind.

We said to the human units, "We propose to send you abroad and to give you just enough to keep the machine running. If you are killed your material value to your family and to your community is no concern of ours. If it takes two years to win the war, the amount you will lose in actual material wealth to yourself is no concern of ours. We are going to furnish just enough lubrication in the form of a dollar a day to keep the machine running. If you are killed"—as I have stated, we said—"it is no concern of ours. If you are a total loss, it is no concern of ours. We are going to draft"—and we did draft—"for the immediate shock of battle 1,000,000 or 2,000,000 human units of a commercial value which is easily calculable." Any actuary, any statistician, can figure the average value and money worth of every man who went to the battle fields of France. We made no provision to pay any interest on what might be the commercial value of 2,000,000 human units.

Then we turned to the money. This is the comparison I want to make: We needed twenty-odd billion gold units. We had the human units; we selected the kind of human units we needed; but we did not calculate or make any arrangement about their commercial value. We simply took the human units. When we came to the gold soldiers or the gold units we wanted 25,000,000,000 of them. What did we say to them? We said to the gold soldiers, the gold units, "We will enter into a sacred bond with you that not one of you will be wounded or your fecundity impaired; we will enter into a bond that we shall bring every single gold unit back to its owner, bearing four and one-quarter children for every one hundred units; we will enter into a bond that every man, woman, and child in America shall see that that bond is satisfied."

I have before me a statement from the Treasury Department that we are paying this year $940,000,000 in "pensions" to the "gold soldiers," who simply furnished the material that the human soldiers utilized, which brought about the glorious outcome of the war with Germany.

The Senator from New Mexico [Mr. JONES], who has just taken his seat, gave us a long and elaborate statistical account of the Nation's finances and of the tremendous drain which, according to Mr. Mellon, the Treasury has been compelled to meet. What burden is this that we are bearing here to-day that Mr. Mellon says is an intolerable load and one to which the

ernment.

to go forward in the conduct of affairs of life.

called upon to go out in the defense of their country ought to that Mr. Mellon says is an intolerable load and one to which the

American people can not stand the addition of another straw for fear it will break the camel's back? It is a pension on gold. We are willing to tax America to the last limit of endurance of the American people to pay the interest on bonds furnished by the beneficiaries of this war, and yet what is it proposed to do for the human units who have lost two years of their earning capacity when they come and say, "Pay us for the time lost—the material time lost while winning this war"? I do not say, mark you, "for winning the war," for we have not pencils enough or brains enough to calculate the relationship that an American citizen bears to the country he loves. So I do not put it in the category of patriotism, but as a debt that we owe the soldier to reimburse him for the time he lost, while we are reimbursing money for the time it lost or for our use of it. The idea of our standing here, with an interest total of $1,062,000,000 on the gold we used, and refusing to pay $1.25 a day additional to the men who made the gold possible.

We have two kinds of patriotism in this country. We have one kind spelled p-a-t-r-i-o-t-i-s-m and another one spelled p-a-y-t-r-i-o-t-i-s-m, and the army of the latter class of patriots is bigger than the army of the other class. We have plenty of "p-a-y-t-r-i-o-t-s," and our Secretary of the Treasury is one of those glorious "paytriots." Mr. President, it is a shame and a burning disgrace to the American Senate that we sit here and haggle about paying $1.25 as a part of the compensation to the boys who lost two years of their glorious youth and manhood in making possible the splendid "paytriotism" of Mr. Mellon and others.

I have heard the statement in the cloakrooms, "My boy does not want it." That is maudlin sentiment. If my family were beleaguered in some place where I might not go to their succor, and the Senator from New York [Mr. COPELAND] was earning $10 a day, and it would take him two days to go and relieve my family, and if I were to apply to him and he were to go and bring them back safe to me, could I calculate the debt of obligation that I should owe him? Never would any mention be made of the value of my returned family to me. No; but COPELAND lost two days, and he was earning $10. I could pay him for that two days lost without ever compromising or even entering into the question of the obligation that I felt to him. We will never pay the boys that reflected such glory on America; a man would be a fool to try it. They are not asking us to pay them for what they did, but to pay them for the time lost while they were doing it. They are entitled to receive that much.

I had hoped that when we come to the discussion of this question we would lay aside all figuring and discard the fine-spun statistical abstracts laid on our desks designed to show whether or not we could spend a little bit more without batting an eye or having agitation of the heart. We are straining every nerve and going even into the devises of the dead in the shape of inheritance taxes to find money to pay the interest on the bonds—the "gold soldiers" that were obtained from the corporate mothers and fathers of this country. I had hoped that when we came to a discussion of this question we would view it from the standpoint of what was really due to the boys who did the work during the two years and lost that time, and consider it as a common-sense debt, an obligation that we owed to them. I have heard some men say, "Well, some of the boys are rich and do not want it." If I owe a millionaire $5, it does not relieve my obligation one bit that he is a millionaire; a debt is a debt, it makes no difference to whom it is owed, whether he is worth a penny or whether he is worth a million dollars. So the question with us should be, What do we owe these boys for the time they lost on an average while they were abroad doing this work for us?

I had hoped we would come to the discussion of that, but we have not. We have not devised the most skillful method of paying the very least and taking the longest time and returning the most possible to the banking interests of this country. Take this bill, get a man skilled in the banking and insurance business, have him analyze it from start to finish, and you will find that it is the finest scheme by which the banking interests of this country may be indirectly promoted and the Government itself will pay out the least possible amount.

There is just one feature of this thing to which I want to call attention. Section 502 of the bill provides how the soldier may get a little pittance on his certificate. It provides that a member bank or any bank, trust company, or national bank may lend him a certain amount on his certificate, which may be rediscounted at what, for better definition, we call a regional bank. The regional bank may discount it at the rate then in effect for discounting prime commercial paper. I have made some calculations on that. I have before me a table showing the amount of money that our 12 regional banks have made since the inauguration of the Federal reserve system. One of the Senators said to me that the amount being made by them now was inconsiderable; that they were hardly meeting expenses. I hope that the Senators on this floor who want to deal fairly with the question will analyze what I am now saying, or if not here, will do so in the RECORD.

Under our new banking and currency system we provide that the 12 regional banks shall not be allowed more than 6 per cent on the capital invested and that all in excess of 6 per cent upon the capital invested, after having met certain conditions which they have already met, shall be covered into the Treasury of the United States as miscellaneous receipts. We did not inaugurate these banks for the purpose of making money. We instituted them as great reserves that might meet, without oppression to the commercial world, the necessities of a great clearing house. Now, listen to what has occurred:

We inaugurated the system. It went into effect in 1914–15. The total interest they made on the capital invested that year was 1.18 per cent. In 1916 it was 4.99 per cent on the capital invested. In 1917 it was 18.9 per cent. In 1918 it was 72.6 per cent. In 1919 it was 98.2 per cent. In 1920 it was 160.7 per cent.

Let me pause right there for one moment so that you may appreciate what this thing means. Deducting from 160.7 per cent the 6 per cent they were allowed under the law for dividend purposes, there was covered back into the Treasury 154.7 per cent on the capital stock paid in, and the capital stock paid in was $110,869,000. So that there was paid back into the Treasury a tax collected from the commercial organizations and from the business people of the country in the amount of something over $220,000,000 in excess of 6 per cent upon the capital invested in the 12 regional banks.

Mr. ADAMS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Colorado?

Mr. SMITH. I yield.

Mr. ADAMS. That profit was largely earned, was it not, upon the reserves carried by other banks with the Federal reserve banks?

Mr. SMITH. To be sure.

Mr. ADAMS. And upon which up to the present time no interest has been paid?

Mr. SMITH. Exactly.

Mr. ADAMS. It is not perhaps pertinent here, but it was suggested by the Senator's figures that perhaps the banks that furnish the capital ought to have some return upon the money that is earned on their reserves.

Mr. SMITH. Mr. President, this is just one of the ramifications of the juggling of the finances of this country that is making multimillionaires at the expense of the people who want to develop the wealth of this country. As the Senator from Colorado says, a large percentage of this amount was made because the law required the member banks to deposit with these regional banks a certain reserve on which they receive no interest, but which is a part of the working capital of the regional banks. That, however, is not germane to what I am driving at now.

In 1921 the money earned on the capital invested in our 12 regional banks dropped to 85.1 per cent. In 1922, strangely enough, it was 19.9 per cent, and in 1923 it was 19.2 per cent.

Now, listen: We propose, in section 502 of the nondescript thing that we have here, the following manner in which the soldiers are to avail themselves of cash on their certificates:

> A loan may be made to a veteran upon his adjusted service certificate only in accordance with the provisions of this section.

What are the provisions of the section?

> Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank"), is authorized—

To do what? To do this:

> The rate of interest charged upon the loan by the bank—

That is, the bank that takes the note—

> shall not exceed, by more than 2 per cent per annum, the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located.

That means that if the rate of discount at the regional bank is 5 per cent, then, the local bank charging 2, the soldier discounts his certificate at 7 per cent. Under an average of 5 per cent discount at the regional bank, they have made the fabulous sums that I have here shown, and they go back into the Treasury of the United States. If they make an average of as low as 20 per cent upon a rediscount rate of 5 per cent upon a rediscount rate of 2 per cent, they would make more than enough to meet the 6 per cent allowed as a dividend on the capital invested. Therefore if the people who drafted this bill had wanted to deal fairly with the soldier they should have said that the bank, trust company, State or national bank that received the note and the certificate as security might have 2 per cent, but that the regional bank accepting the paper for rediscount should not charge over 1½ or 2 per cent. Why? Because the amount of money earned by our regional banks has already demonstrated that 2 per cent would more than pay a profit of from 10 to 12 per cent upon the capital invested; and as this does not come in the category of prime commercial paper—it is a Government obligation—why should the Government want to make money out of its soldiers after it has provided even this niggardly method of helping them?

Mr. OWEN. We are in the money-making business.

Mr. SMITH. Yes; we are in the money-making business, and that is the reason why the soldier has no more hope than the famous snowball in Africa.

Mr. President, I have an amendment. The reason why I am not going to pay any attention to this bill is because I see every evidence that this bill has been fixed up by the majority party, and I presume that they have some telepathic way of knowing what His Excellency in the White House is going to do, for I heard the strangest argument here this morning from the Senator from New Mexico [Mr. BURSUM]. He said it did not make any difference if every man in the Senate and every man in the House voted for the cash option; for some sort of reason it would not become law. When asked by another Senator if that meant that the President would veto it, he said he was not referring to the President. Somehow or other it would just take foot-and-mouth disease and die on the way. It could not become law.

Of course he was not going to have the President held responsible for doing anything against the soldier. His party will need the soldier's vote in the coming election; and they have gerrymandered this thing until they have bamboozled some people into believing that they are going to get it.

I say that I am not even going to stand here and advocate a cash bonus, because since these telegrams have come from the leaders of the Legion saying that they want the bill just as it is, without dotting an "i" or crossing a "t," verbatim et literatim et spellatim, I am going to let them have it just as they want it. I want it understood, however, that it is purely, unadulteratedly the result of Republican conception. This is the child born of the generous womb of the Republican Finance Committee, and I want the soldiers to see the fruit of it; and two years from to-day, when an overwhelming Democratic Senate shall be here, and a Democratic House, and a Democratic President, I expect us to amend this bill and to give the soldiers what in justice, reason, and common sense they are entitled to.

But I am going to risk even going against some of the soldiers—no, I beg the soldier's pardon, I did not mean that; I mean some of the gentlemen who are speaking for them, their commanders. I am going to offer the following amendment, and I hope the secretary will take it down, for I have not written it out. I want to offer the amendment now so that it may be pending, amending section 502, as follows: On line 22, page 13 of the bill, to strike out the words "more than"; on line 23, after the word "charged," to strike out all down to and including the word "act" in line 25; and on line 2, page 14, after the word "located," to insert the following proviso:

"*Provided*, That the rate of discount by the Federal reserve bank on the promissory notes secured by adjusted service certificates, as provided in this section, shall not exceed a rate of 2 per cent per annum."

So that the regional bank rediscounting the paper can charge but 2, and the bank which accepts the note secured by the certificate may charge 2, and the soldier will get his loan at a discount of 4 per cent. Upon a calculation, if a billion dollars of the possible $3,000,000,000 which it is calculated this may cost is rediscounted in this manner, that saving of 3 per cent will amount to $90,000,000 saving annually to the soldier if, under the terms of the bill, he must rediscount every nine months.

As I said, I had hoped that we were going to approach this question in a nonpartisan spirit, and settle it as we, in our judgment, thought the boys ought to be settled with, but since the statements made by Senators on the other side, it appears that this is a purely partisan administration bill, and the power of the Executive is such, and the necessity for a two-thirds vote to pass it over his veto, according to the statements of certain Senators on the other side, is so small, that I want here and now to record myself as reluctantly acquiescing in this thing; no, I do not want to put it that way. I mean I submit to the requests of the officers of the Legion and the power of the other side, and let this purely partisan "paytriotic" Republican majority take charge of it and run it until such time as we get a chance to change things.

The PRESIDENT pro tempore. Will the Senator from South Carolina state whether the changes proposed by him are to be considered as a single amendment?

Mr. SMITH. They are, Mr. President, because they are all offered as an amendment to section 502, and all pertain to identically the same matter.

The PRESIDENT pro tempore. The proposed amendment will be printed and lie on the table.

Mr. BROOKHART. Mr. President, the eloquent and impressive speech of the Senator from Idaho [Mr. BORAH], together with the economic theory which he advocated, have impelled me to a brief reply. If his great and eloquent picture of the whole economic situation were complete, I should agree with his conclusions, but he has drawn only a corner of the economic situation as it exists in the United States. It is the agricultural corner which he has painted. With that picture of agriculture I entirely agree. His description is complete. But while he is announcing the distress of agriculture, what is the picture of other business in the United States?

As I take up the morning paper and the evening paper, I read the most glowing accounts of prosperity ever printed in the history of our country. The United States Steel Corporation takes profits as great as they have ever been. The whole steel industry is in line with this dominant leader in that field. If you go into the oil industry, you find the same story and the same picture of prosperity, alongside of this picture of distress among the farmers.

To-day we took testimony in the investigating committee concerning the great lumber industry which affects every home builder in the United States, and their prices are more than 200 per cent of the pre-war prices, as compared with the farmers' prices slightly below the pre-war level. The prosperity of the railroads is unequaled and except where affected by agriculture, the banks are reaping a golden harvest.

The Senator from Idaho, in drawing his wonderful picture, has omitted all this. I could take hours in describing the prosperity of other business and other enterprises in the United States, but these few minutes will suffice. I will total it all up by calling attention to the fact, as shown by the yearbook for 1921, these other enterprises in our country had a net profit of $21,000,000,000, while agriculture sustained a loss.

It is not fair for the distinguished Senator from Idaho to pick out one portion of depression in our country and base his whole conclusion as to taxation upon the conditions of that one portion of our people. Along with these farmers that have been brought to the distress which he so truthfully described are the men drafted at $30 per month. Four million of those boys, a large percentage of them farmers, and another large percentage of them laborers, were drafted and taken by their Government to serve at an arbitrary compensation, regardless of the economic value of the service. While they were performing that service this great industrial America was reaping the greatest profit ever taken in the history of the world. These excess profits are another system of taxation—taxation without representation and paid by the toil of those who work.

This burden of taxation which the Senator so eloquently mentioned is not altogether taxation levied by the power of the Government. The farmers of this country, now paying 65 per cent, on an average, more than they paid before the war, selling at less than they received before the war, were brought to this unequal condition, not alone by the taxation levied by State and National Governments, but more, ten times more, by the taxation through profits levied by the power of monopoly. That great proposition is entirely overlooked by the distinguished Senator from Idaho. He saw the one corner of the picture and forgot all the rest.

Since this taxation through profits, reaping these vast billions from the farmers, from the soldiers, and from the common people of the country, is levied by the private power of economic organizations, I stand ready to equalize that injustice by a form of Government taxation that will do something toward justice for the soldiers of the United States. I stand ready to even up somewhat of that discrimination.

We can no longer sit back and assume that the economic organizations of this country are just and right to everybody

in everything. The source of their income and of their profits must be analyzed, and in the taking of the evidence to-day in regard to the lumber industry we found that in the very letters they wrote to one another they said, "We had better hold our meetings in jail, where we belong."

These combinations are often organized in violation of law. Yet in the day when the soldier is without a job, when the soldier is without a few hundred dollars to start his course in life, these gigantic profits and this wonderful prosperity of every other business are evident everywhere. I say that the danger is not in overtaxation by the power of government. The danger is in the great private institutions which, by their power, are able to levy profits as a government levies taxes.

I am in accord with what the Senator from South Carolina [Mr. SMITH] has said in reference to the Federal reserve banking system. I know that its policy of deflation contributed more than any other one cause to this inequality between agriculture and other business. Timed as it was, striking the farmer at harvest time, I know that it produced a panic in his prices, and from that panic he has never recovered to this moment.

Under that situation I do not come before the Senate or the country to advocate a taxation of farmers. What farmer pays an income tax in these days? The farmer who did would be a curiosity in a museum now. The farmer has no income. His profits are on the red side of the account.

We are to vote in a few days upon a tax bill which will determine who will pay the bonus to the soldiers. I stand for figuring out in our economic situation those who owe the bonus to the soldiers of the World War. I want to figure out those profiteers who took profits during the war, and building their fortunes upon those profits continue to take profits in peace. I shall offer an amendment—in fact, I have already offered an amendment—to the tax bill to put back the excess-profits taxes. The curse of this generation is excess profits. It is excess profits that are driving us to all of our troubles. It is excess profits which the statesmen of this generation must remedy. The old competitive system of business, organized as it is upon a theory of taking all it can grasp, taking it lawfully if it can, and unlawfully if it must, must be ended in this country. That is the system of taxation that threatens to throw down the American Government. That is the system of taxation that is overturning hopes, filing petitions in bankruptcy, and upsetting the calculations of political logic. That is the system of taxation which the great American people will no longer tolerate. They will revise it, and they will tax the great combinations to pay a little bit of the compensation that justly belongs to the soldiers of the World War.

Mr. WARREN. Mr. President, I have in my hand a telegram from the American Legion commander of Wyoming, which I ask may be read at the desk.

The PRESIDENT pro tempore. The Secretary will read as requested.

The reading clerk read as follows:

CHEYENNE, WYO., *April 22, 1924.*

Hon. F. E. WARREN,
United States Senate, Washington, D. C.:

Department of Wyoming American Legion requests you oppose vigorously inclusion cash option in bonus bill. We stand squarely for bill as passed by House.

M. S. REYNOLDS,
Department Commander.

Mr. OWEN. Mr. President, it is my purpose to support the adjusted compensation bill as it came from the House. When the matter of adjusted compensation in the previous Congress came before the Senate and was vetoed by President Harding, I voted to sustain the veto because of the representations made at that time by Secretary Mellon that the country was facing a very large deficit; because there was no proper provision made in the bill by which the funds required by the United States Treasury to meet the charges were to be supplied; and for the further reason that I did not feel at liberty to impose so large a tax upon the people of my own State without any expression from them. Since that time a vote has been taken in my State, and, of those who voted upon the question of a soldiers' bonus, so called, a majority voted for the bonus. It was a State bonus which the people of Oklahoma proposed to tax themselves to pay. The Oklahoma bonus was defeated, however, because it required a majority of all those who voted in the election and that majority was not obtained.

I think the soldiers' bonus or adjusted compensation is justified as a matter of common right and common sense. These men are not to be paid for fighting for the country. They are to be paid for the period of time during which they were fighting for their country, and they are being paid a very small sum, indeed, considering the character of the service upon which they were engaged.

I am also in favor of a most substantial reduction of taxes in the country.

Mr. McKELLAR. Mr. President, will the Senator yield before he passes from the bonus question, if he is going to discuss the tax question?

Mr. OWEN. I yield to the Senator from Tennessee.

Mr. McKELLAR. Does not the Senator think that the bill passed by the House, providing as it does that only after a few years any soldier can even borrow as much as $87, is but poor recompense and hardly sufficient to be considered very seriously by the American people?

Mr. OWEN. I regard the bill as inadequate.

Mr. McKELLAR. I think it is very inadequate.

Mr. OWEN. I regard the measure as inadequate, but if we insist upon an amendment at this time which is more generous it means defeat of the measure itself in view of the President's veto and the probable result.

Mr. McKELLAR. Why does the Senator say that?

Mr. OWEN. I say that because I am convinced that there will not be enough votes to pass the bill over the veto with the money payment proposed included.

Mr. McKELLAR. I am rather inclined to differ with the Senator about that.

Mr. OWEN. I do not want to take any chance about it. When the bill is passed and becomes a law it may be amended by a future Democratic Congress under a Democratic President.

Mr. McKELLAR. Will it not happen that the moment the bill is passed there will be a desire on the part of the ex-soldiers and the ex-service men of the country to amend the law so as to provide a real compensation instead of this makeshift?

Mr. OWEN. I think there may arise a demand for having the certificates made negotiable upon a better basis and to give an option to receive cash in lieu of insurance.

I favor the present adjustment because it is the best which seems to be certain of being passed over the President's veto. I assume he is going to veto the bill. I fear if the bill is loaded down it may fail to get a two-thirds vote here and in the other House and will thus be defeated. I want the bill to pass and become a law. I want it to become an accomplished fact. Then the friends who want to have the law modified afterwards will have their chance under more favorable circumstances.

Mr. President, there is in my judgment no reason why there should not be a very large reduction of taxes even to the extent in volume as proposed by the Mellon bill, so called, because the only thing necessary to enable that to be done, and to pay a cash bonus besides for that matter, is to deal with the public debt of the United States on the same generous terms that we accorded to the taxpayers of Great Britain in paying the British debt to the United States. We all remember very well what that basis was. There was a plan by which it was extended about 60 years. If the American people were taxed on the basis of 4½ per cent on the debt with one-half of one per cent used as amortization, in 50 years the sum would be liquidated and we would only be paying interest at 4½ per cent on the amount of the current debt instead of liquidating the principle of the debt by over a billion annually.

But there are those—and I think the view is strongly represented here in the Senate and it is certainly represented strongly by Mr. Mellon, the Secretary of the Treasury—who demand the earliest possible liquidation of the war debt or as rapidly as it can be extorted from the taxpayers of America. That is their policy. I suppose I may say the Republican policy. That is why we were compelled to face an alleged deficit. It is because a part of the calculations from which the deficit arose was a submerged, out-of-view consideration that we had to pay not less than a billion dollars a year on the principal of the war debt.

That is the policy of those who have wrecked the business of the country by bringing on the terrible industrial depressions of 1920–1923 and have ruined agriculture in the country in the manner so eloquently portrayed by the Senator from Idaho [Mr. BORAH]. It was the stand-pat Republican deflation of credit and of currency. They have surely deflated the currency as well as credit. Look at the bills in your pocket now, if you have any of them, and you will find they are gold certificates, in effect. Why? Because the Federal reserve notes are being taken out of circulation and gold certificates being substituted. Why? It is to make the dollar more difficult to get. That is the policy of those who have much against the interests of those who have little.

It is an old story. There is nothing new about it. It is a policy of making the dollar as difficult as possible to get. It is a like policy which the great monopolists pursue of making goods difficult to get by raising the prices so high that the consumers, having difficulty in getting them, will pay an extortionate profit in the purchase.

Mr. President, the greatest need of America is production. Those who stand in the way of production ought to be treated as those who are obstructing the national prosperity and the national welfare. They ought to be induced by proper processes, moderate and gentle but firm, to be content with a reasonable profit on turnover, so that the consumption of the country shall increase and thereby production increase, because it must be remembered that consumption and production, like the Siamese twins, are inextricably bound together of necessity. Unless men can consume, other men need not produce. Men can not consume unless they themselves are producing. When we have deflation of credit and currency, as was put on in this country, as under the declared policy of the Republican platform of 1890, it has the effect of paralyzing the consuming power of those engaged in agriculture.

Their production brought not a sufficient amount to enable them to buy freely of the production of those engaged in the manufacturing enterprises of the country, and that brought a period of depression and stringency for the producers of the whole country.

So I insist we should not require the war debt to be treated as if it were an inflation of credit requiring speedy deflation. It was not truly an inflation of credit. Inflation of credit means the unjustified expansion of credit. It was not an unjustified expansion of credit when we used the credit of the Nation to save the life of the Nation. It was a fully justified expansion of credit and thoughtful statesmen ought not to treat it as requiring deflation. The fact is, however, that this false policy has been pursued vigorously and is still being pursued. Liquidation is not complete in the country. It is going on now, and the harmful effect still being felt throughout the country, while if that policy be persisted in it will naturally retard for a while the natural reaction from depression to prosperity.

I am of opinion that if the Nation should adopt the policy of postponing the liquidation of the debt of the United States by an amortization policy such as I have suggested, practically upon the same lines that we have extended to British taxpayers, we could make a reduction in taxes of over a half billion more than proposed in the United States and pass the soldiers' bonus bill as well.

But I will go further than that, Mr. President. It is not the proper remedy in dealing with the monopolies of this country to tax their excess profits. That is standing by and profiting by sharing with them in a policy which is fundamentally and economically false. When they are preventing production in obtaining these excess profits they should be restrained. Unless the Senate can comprehend what it means, and how to prevent it, when the policy is pursued by the great enterprises of this country which prevents production, we shall not have relief. That problem must be understood. It is not well understood now. The great thing in this country is production and the stimulation of production—"to make things, to grow things, to carry," and merchandise things. That comprises the activity of modern life, and the men who do not understand that that is the real problem can not be as useful as they could be in helping to bring about the prosperity which the intelligence and activity of the American people justify.

Mr. CURTIS. I ask unanimous consent that when the Senate concludes its session to-day it take a recess until 10 o'clock to-morrow.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kansas?

Mr. ADAMS. Mr. President, is it essential to make the hour of meeting to-morrow 10 o'clock rather than 11 o'clock?

Mr. CURTIS. I think it is, because we would like to get a vote upon the pending bill early to-morrow. I intend to make another request for unanimous consent, after the one I have made shall have been acted upon, in order to see if we can not get through with the bill early to-morrow. I hope the Senator from Colorado will not object to our meeting at 10 o'clock to-morrow.

Mr. ROBINSON. Mr. President, I join in the hope expressed by the Senator from Kansas. Arrangements which were effected two months ago make it necessary for me to leave the city to-morrow afternoon, and I should very much like to have a vote on the pending bill prior to leaving. Full opportunity has been and will be afforded for debate. I wish to suggest to the Senator from Kansas that he couple with his request for unanimous consent a suggestion, or submit another request for unanimous consent, which will contemplate a final disposition of the pending bill to-morrow.

Mr. CURTIS. It was my intention, if the unanimous consent which I have asked shall be agreed to, to ask that after 11 o'clock to-morrow debate on the bill be limited to five minutes and that on all amendments to the bill debate be limited to 10 minutes.

Mr. ROBINSON. That arrangement would suit me entirely.

Mr. CURTIS. In that way we can get through with the bill by 3 o'clock or half-past 3 o'clock to-morrow. I renew my request for unanimous consent that when the Senate concludes its business to-day it take a recess until 10 o'clock to-morrow morning.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. CURTIS. Now, Mr. President, I ask unanimous consent that beginning at the hour of 11 o'clock to-morrow all debate on House bill 7959 be limited to 10 minutes on amendments, and that the debate be limited to five minutes on the bill.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent that after the hour of 11 o'clock to-morrow debate be limited to 10 minutes upon any amendment which may be offered and to five minutes upon the bill itself. Is there objection?

Mr. SHEPPARD. The Senator refers to debate by each Senator?

Mr. CURTIS. To debate by each Senator, with no Senator speaking more than once.

The PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

Mr. CURTIS obtained the floor.

Mr. ROBINSON. Mr. President——

Mr. CURTIS. I yield to the Senator from Arkansas.

INVESTIGATION OF INTERNAL REVENUE BUREAU

Mr. ROBINSON. Mr. President, there are pending before the Senate two resolutions relating to the investigation of the Bureau of Internal Revenue. It is my hope that an arrangement may be effected for the consideration and disposition of both those resolutions. As I stated a moment ago, it is my intention, in pursuance of arrangements made some months ago, to leave the city to-morrow for a necessary absence of 10 days.

I have discussed the matter with some of the Senators on the other side of the Chamber and some on this side, and, in pursuance of that consultation, I ask unanimous consent that on the 6th day of May when the Senate shall convene it shall proceed to the consideration of the resolution submitted by the Senator from New Mexico [Mr. JONES] to authorize the select committee charged with the investigation of the Bureau of Internal Revenue to employ counsel, experts, and accountants, and that upon the disposition of that resolution, if the author of the resolution decides to do so, the Senate shall proceed at once to the consideration and disposition of the resolution offered by the Senator from Indiana [Mr. WATSON], providing for the discontinuance of the investigation, my object being to secure from the Senate an expression of opinion upon both of the resolutions. If the resolution of the Senator from New Mexico should be agreed to, and the committee be authorized to employ counsel, I apprehend that the resolution of the Senator from Indiana probably would not be pursued. On the other hand, if the Senate should decline to give permission for the employment of counsel, the Senate in all probability would want to dispose of the resolution of the Senator from Indiana.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

Mr. CURTIS. If the Senator will modify his request so as to make the consideration of the resolution commence immediately after the routine morning business, I think it would be better.

Mr. ROBINSON. I will be glad to do that. I modify my request so that the resolution shall be taken up for consideration immediately after the conclusion of the routine morning business.

Mr. CURTIS. I will state that I have talked with the Senator from Indiana [Mr. WATSON], and the proposal is satisfactory to him.

The PRESIDENT pro tempore. The Chair understands that the request is that at the conclusion of the routine morning business on the morning of May 6 the Senate shall proceed to the consideration of Senate Resolution No. 211, offered by the Senator from New Mexico, and that upon the disposition of that resolution the Senate shall proceed to the consideration of

Senate Resolution No. 210, offered by the Senator from Indiana [Mr. WATSON].

Mr. CURTIS. If the Senator who submitted that resolution so desires.

Mr. ROBINSON. Yes; I made it conditional for the reasons I have already stated; so that if the author of Senate Resolution No. 210, the Senator from Indiana [Mr. WATSON], desires to proceed to the consideration of his resolution, the Senate shall do so at once upon the conclusion of the consideration of the resolution of the Senator from New Mexico [Mr. JONES].

The PRESIDENT pro tempore. The modification will be included in the request. As so modified, is there objection?

Mr. JONES of Washington. Mr. President, I have not had an opportunity to examine the resolution of the Senator from New Mexico. Does it do anything except authorize the committee to employ counsel?

Mr. ROBINSON. To employ counsel, experts, and accountants.

Mr. JONES of Washington. It covers nothing but that?

Mr. ROBINSON. It covers nothing but that subject.

Mr. JONES of Washington. May I ask the Senator if his proposal for unanimous consent contemplates the disposition of the resolution on that day?

Mr. ROBINSON. No; it contemplates a final disposition of both resolutions under the conditions that I have stated, but it does not limit the time in which the Senate may act upon them.

Mr. JONES of Washington. Might not that interfere with the consideration of appropriation bills and other measures of considerable importance? I think the resolution ought to be disposed of that afternoon.

Mr. ROBINSON. I have no objection if an agreement to that effect may be reached. It would suit me very much better.

Mr. CURTIS. We can not enter into that kind of an agreement for the final disposition of the resolution without a quorum being called.

Mr. ROBINSON. That is why I put the request in the form I have stated.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

Mr. JONES of Washington. If other Senators have considered the situation and the proposal is agreeable to them, I shall not interpose an objection. I think, however, the resolutions ought to be disposed of on the afternoon of the day they are taken up, as I do not believe their consideration ought to proceed indefinitely.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

INDIANS OF NISQUALLY RESERVATION, WASH.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1704) for the relief of the dispossessed allotted Indians in the Nisqually Reservation, Wash., which were on page 1, line 3, after the word "hereby" to insert "authorized to be"; on page 2, line 5, after the word "hereby," to insert "authorized to be"; and on page 2, line 6, to strike out the words "shall be immediately available and."

Mr. JONES of Washington. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 40 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, April 23, 1924, at 10 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 22 (legislative day of April 21), 1924.

JUDGE OF THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA

Robert E. Mattingly to be judge of the municipal court.

PROMOTIONS IN THE ARMY.

Jack Hayes to be colonel, Quartermaster Corps.
Frank Geere to be lieutenant colonel, Coast Artillery Corps.
John Hobert Wallace to be major, Field Artillery.
Truman Wike Allen to be captain, Air Service.
Charles Humphrey Swick to be captain, Corps of Engineers.
Victor Leander Oleson to be captain, Field Artillery.
Harold Allen Brown to be first lieutenant, Infantry.
Albert Sidney Johnston Stovall, jr., to be first lieutenant, Cavalry.
Donald Carson Hardin to be first lieutenant, Infantry.
Wayne Clifton Zimmerman to be first lieutenant, Infantry.
John Thomas Keeley to be first lieutenant, Infantry.
Cornelius Emmett O'Connor to be second lieutenant, Air Service.
Richard Briggs Evans to be second lieutenant, Cavalry.
George Leftwich Wertenbaker to be lieutenant colonel, Coast Artillery Corps.
Raymond Marsh to be major, Field Artillery.
Walter Buford to be captain, Cavalry.
Joseph Conrad Odell to be first lieutenant, Infantry.
Josiah Toney Dalbey to be first lieutenant, Infantry.
Logan Osburn Shutt to be first lieutenant, Infantry.
John Albert Chambers to be second lieutenant, Corps of Engineers.
Franklin Mitchell to be second lieutenant, Ordnance Department.
Frank Curtis Mellon to be captain, Field Artillery.
Auby Casey Strickland to be first lieutenant, Air Service.
Hugo Peoples Rush to be second lieutenant, Air Service.

POSTMASTERS

ILLINOIS

Annette G. Ferguson, Annawan.
George W. Fritz, Duraad.
Mary Slocum, Franklin Park.
Fred W. Newman, Grand Ridge.
Rose C. Auth, Rankin.
John Van Antwerp, Sparland.

IOWA

Melvin V. Smith, Akron.
Celia T. Green, Mystic.

NORTH CAROLINA

Christopher C. Snead, Laurel Hill.
Herbert O. Sink, Sanatorium.

OKLAHOMA

William T. Bratton, Guymon.

TENNESSEE

William J. O'Callaghan, Nashville.
Rufus N. McCaslin, Dickson.
William R. Williams, Bells.
Retha Fortner, Cumberland Gap.
James F. Toney, jr., Erwin.
Alice L. Needham, Trimble.

WEST VIRGINIA

Michael H. Duncan, Crumpler.

WYOMING

Edna M. Booth, Sunrise.

HOUSE OF REPRESENTATIVES

TUESDAY, *April 22, 1924*

The House met at 12 o'clock noon.

The Rev. Joseph Dawson, pastor of the Trinity Methodist Church, Washington, D. C., offered the following prayer:

Our Heavenly Father, we thank Thee for all Thy goodness to us, for the way Thou hast led us as individuals and as a Nation. We ask for Thy guidance to continue. We pray that wisdom may be given us at all times and under all circumstances that we may follow in the right path and do that which will enrich the world and bring us into closer fellowship with Thee. We pray Thee to give wisdom to our President, to his Cabinet, to the Houses of Congress, and to all who seek to uplift and enrich the world morally and materially. We ask it in the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE STAR-SPANGLED BANNER—MAKE IT OUR NATIONAL ANTHEM

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of a bill pending to make the Star-Spangled Banner the national anthem. These remarks were made before the Judiciary Committee and also over the radio.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, on December 10, 1923, I introduced the following joint resolution as House Joint Resolution 69, proposing the adoption of the Star-Spangled Banner as the national anthem:

Whereas the Star-Spangled Banner for more than a century of use has become deeply enshrined in our hearts as the anthem of our country; and

Whereas tradition and history have always associated the melody and words of this immortal song with heroic deeds and patriotic endeavor; and

Whereas both the Army and Navy have adopted it as their anthem; and

Whereas on occasions certain musical conductors have been guilty of refusing to play it: Therefore be it

Resolved, etc., That the Star-Spangled Banner be adopted and authorized as the national anthem of the United States of America, and that recognition be given to it as such on all appropriate occasions.

I offered the resolution at the request of the American Legion, New York State Department. My colleague, Mr. LINTHICUM, of Maryland, has likewise introduced a measure for this purpose, namely (H. R. 6429). Either measure seeks to give long-withheld official recognition to the song—seeks to rescue it from treasonable attacks recently made upon it in newspaper advertisements—seeks to protect it against aspersions cast upon it by certain unpatriotic people. The song, however, has endured all onslaughts. It is century old. Such age-worn choice of the people is irrevocable. It will not down. It is as deathless as the flag which bears its name. It requires official status. Passage of either measure will dramatize its importance and will forever still its detractors. Congressional and presidential approval would merely be the concrete expression of the national wish. Then, indeed, will have been realized the cherished hope of our late lamented President Harding to have this undying song the hymn of the Nation.

The Star-Spangled Banner was written by Francis Scott Key, an eminent lawyer of Georgetown-Washington, during our second war with Great Britain. Great Britain had contemplated a threefold attack upon the United States—by way of the Chesapeake against Baltimore, by way of the Delaware against Philadelphia, and by way of the Hudson against New York. The enemy had already forced its way into Washington, and the Capitol itself was in flames. The people were alarmed and truly distressed.

Admiral Cochrane, in command of British forces, was now attacking Fort McHenry, which guarded Baltimore; and Francis Scott Key, a temporary prisoner on a British cartel ship, anxiously watched through the night of September 13, 1814, the attack upon the fort.

To visualize better the situation: Suppose you were held upon a tiny vessel in New York Bay off Staten Island and the enemy ships were firing their guns upon the fort at Governors Island. Only the bravery and stout hearts of its garrison and the resistance of its batteries stands between the British and capture of New York. You, like Key, would indeed be terror stricken and fearful of the outcome. And so Key watched and waited.

Ofttimes the smoke from the shells and mists from the sea completely hid the flag over the fort. During the night the darkness blotted it out entirely, except when "the rockets' red glare gave proof * * * that the flag was still there." Thus his joy knew no bounds when he saw the British withdraw. Their plans were frustrated. The country was spared defeat. While still on the cartel boat he began to write on the back of an old letter and envelope the lines of that inspiring song that is sung wherever Old Glory is unfurled.

Some one once said:

Let me write the songs of a people, and I care not who makes their laws.

Nothing truer has come from the wit of man. For songs of a people are the embodiment of their finer instincts. They come trippingly to the tongue, without guile, without sophistry. And thus they are handed down from generation to generation in all purity and innocence. This truth is completely demonstrated in the appeal which the Star-Spangled Banner has made to the American people from the day it came from the poet's pen.

Of course, if we make the song our national anthem, thus following the examples of many other nations, it must be remembered we do not provide punishment for failure to sing the song.

At this point I desire to insert my statement before the House Judiciary Committee and colloquy with its members:

For that reason I, in my resolution, do not go as far as Mr. LINTHICUM does in his bill. He has made this a regular bill, to be passed by both Houses and signed by the President. But I think that this proposition does not rise to the dignity of a statute or a bill.

I think that it must take an inferior course in this sense. My idea was to simply get the National Legislature to approve this song, with the President's signature, and for that reason I made my proposition in the form of a House joint resolution.

I think there is a great deal of precedent for it, with all due respect to Mr. LINTHICUM, who introduced the bill. I find in the manual that there is quite a distinction, as you all know, between a bill, a concurrent resolution, and a joint resolution. But we find this very clear language with reference to a House joint resolution:

> "They are used for what may be called the incidental, unusual, or inferior purposes of legislation, as extending the national thanks to individuals, the invitation to Lafayette to visit America, the welcome to Kossuth, or notice to a foreign government of an abrogation of a treaty, or the correction of an error in an existing act of the legislature."

In other words, instead of making this a bill, like a bill for an appropriation, or something akin to that, we simply go on record, if we adopt this resolution, as saying to the people of the country, "This is our national anthem, worthy of every man, woman, and child to sing, and we suggest to you that you do sing it."

Now, there is plenty of precedent for an enactment of that sort in other lands.

Mr. DYER. There is no difference between the two, in effect?

Mr. CELLER. There probably is no difference, except that I have in mind there might be a great deal of difficulty in getting a bill enacted. This very question I adverted to might be raised; one form of enactment, I presume, is of greater weight than another; not actually, but probably potentially, and for that reason I thought it might be more apropos to make this a House joint resolution. They probably would have the same effect, but there must be some distinction, otherwise we, who are working in the House, would not make that distinction, one a House joint resolution and one an ordinary bill.

Mr. MONTAGUE. A joint resolution is a resolution passed by the House and the Senate, is it not?

Mr. CELLER. A joint resolution is passed by the House and the Senate and signed by the President.

Mr. MONTAGUE. And a concurrent resolution?

Mr. CELLER. Is not signed by the President, but is passed by both Houses.

Mr. MONTAGUE. Your resolution, then, has to go through the exact procedure——

Mr. CELLER (interposing). As the passage of a bill, but I did not think it well to make it a concurrent resolution, because I thought it would be well to have the approval of the President for all that it might be worth. His approval, of course, carries with it a great deal of conviction and encouragement.

Mr. LINTHICUM. I want to suggest, Mr. Chairman, that the flag was enlarged by an act providing for additional stars on April 4, 1818. I do not see any difference between an act and a resolution—a joint resolution.

Mr. CELLER. I imagine there might be the necessity in order to have an additional star to have it in the form of a bill. There would be the necessity for it there, because it was something, I presume, which would be of greater importance to the country at large than the mere approval given to a national anthem.

Mr. PERLMAN. What is the need for your fourth "whereas" clause?

Mr. CELLER. I have no penchant for any language there. It could be readily amended. That probably might be a little scheme of mine to bring before those who consider it, at first glance, the fact that the Army and the Navy have adopted it as their national anthem.

Mr. PERLMAN. That is the third "whereas" clause. I have reference to the next "whereas" clause.

Mr. CELLER. There again it is informative, because I have in mind the fact that Doctor—I do not remember his name, the leader of the Boston Symphony Orchestra, in New York and elsewhere, refused to play the song.

This was during the war. He was a German, and he claimed that the rythm and the meter was unmusical. That, of course, was found to be mere subterfuge and a cloak to disguise his real feelings in the matter.

He did not want to play the national anthem for reasons best known to himself.

I have in mind also the fact that a musician in Central Park, N. Y., hired by the municipal authorities to play concerts there, refused likewise to play it for reasons best known to himself. There have been innumerable instances of that sort, and that is why I put those words in that "whereas" clause, so as to give the gentleman some information on the subject. Probably it has no place there, but that is the explanation of it.

I have taken the trouble to find out what has been the practice of other nations with respect to national anthems.

I have before me, which I will be glad to read, a letter from Ambassador Jusserand, with reference to the Marseillaise. He writes me as follows, in part:

After various vicissitudes, the song having been strictly barred and forbidden during the second empire, on the 4th of February, 1879, a bill was introduced before our parliament for a recognition of the Marseillaise being henceforth the national hymn of our country. But it was recalled in the same sitting of the chamber that the decree of the Year III had never been formally abrogated and that it was deemed better to simply acknowledge that it continued in full force, which was done.

He had in mind the fact that the Marseillaise had been declared the national anthem of France by a decree of Messidor the twenty-sixth, Year III of the Republic; so we have France on record as having adopted a national anthem.

I have a letter here from the ambassador from Italy. He writes me to state that they have no official national anthem, although the Royal March has been recognized as such in the King's regulations.

The situation, of course, in Italy is somewhat anomalous, because we have only had the unification of Italy for a comparatively short period. Italy, of course, you may recall, before the unification was a medley of small provinces and nations and each one of those provinces, like the Province of Piedmont and the city of Venice and the island of Sicily and Calabria, etc., had their individual national anthem.

Of course, there would be great difficulty, which you can easily recognize, in trying to reconcile that heterogeneous group of people, with all their different national aims and aspirations in singing one song. For that reason it might be difficult, and has always been difficult, for the Italian Chamber of Deputies to pass a national anthem.

But the King, within his rights, has issued edicts that the Royal March shall be deemed the national anthem of Italy.

The situation with reference to Japan is set forth in a letter which I received from the ambassador. I should like to have the letter incorporated in the RECORD.

The letter is as follows:

DECEMBER 27, 1923.

Hon. EMANUEL CELLER,
51 Chambers Street, New York City.

DEAR SIR: I am directed by the ambassador to acknowledge the receipt of your letter dated December 21, and in reply I wish to inform you that Kimigayo was authorized as the national anthem of Japan officially in 1890. The words are by an old anonymous poet. The poem is found in the Kokin-waka-shu, an old book of verse, compiled in 902–907 A. D. The music was composed by Hiromori Hayashi in 1879. The song was originally used by the Japanese army and navy as the national anthem. In 1890 the department of education issued a proclamation pertaining to the adoption of Kimigayo as the national anthem. Since then the song has been sung widely and generally on various occasions by the Japanese nation. Incidentally, I am sending you a copy of Kimigayo.

Hoping this information will serve you, I am,

Very truly yours,

S. TAKETOMI, *Secretary.*

The German ambassador informs me that although there is no official or legislative authority as such, nevertheless, in the various kingdoms of Germany before the war there was official recognition given to Deutschland, Deutschland, Uber Alles, as the national anthem of Germany.

Mr. MONTAGUE. There was no legislative recognition?

Mr. CELLER. No national legislation recognition. There is, I am informed, in the local kingdoms, but not in the national Bundesrath, or Reicharath, before the war. I do not know the situation after the war.

I also received a letter from the Legation of Poland, telling me Poland Is Not Yet Lost is officially recognized as the national anthem of Poland.

I am informed by the consul from Czechoslovakia in New York that they have two national anthems, one for the Bohemian population of Czechoslovakia and one for the land that has been given them under the treaty of Versailles. I should like to have that letter in the record.

The letter is as follows:

DECEMBER 31, 1923.

Hon. EMANUEL CELLER,
House of Representatives, Washington, D. C.

HONORABLE SIR: In reply to your inquiry of December 21, sent to me under the address of the Czechoslovak Legation, please be advised that in the Czechoslovak Republic two songs are recognized as national anthems; one of them Kde domov muj has a Bohemian text and the other Nad Tatrou so blyska has Slovak words. Both are being played at official occasions, the anthem Kde domov muj being in precedence. There is, however, no legislative provision concerning same.

Very respectfully yours,

B. BARTOSORY, *Consul.*

With reference to England, I am informed that "God Save the King" is the available national anthem for England.

The letter I received from the consul general is as follows:

DEAR MR. CONGRESSMAN: In reply to your letter of the 21st of December, which has been referred to us by the British Embassy, we desire to say that the national anthem is God Save the King, the words of which will be readily available in the Library of Congress, and the tune of which is the same as that to which the hymn My Country 'Tis of Thee is sung in the United States.

The usage of national anthem appears to be of comparatively recent growth. In the case of Great Britain it has not received legislative sanction by act of Parliament, but receives an official status in the King's regulations, which are issued by virtue of various acts of Parliament. The King's regulations are doubtless available at the Library of Congress, and full particulars of the official requirements with respect to the national anthem can be found in paragraphs 1776 and 1777. Regulation No. 1118 fixes the authorized arrangement and the tempo.

The playing of the national anthem on special occasions, irrespective of the presence of the sovereign, and the respect paid to it are purely a matter of custom.

Several of the great Dominions have anthems which are recognized as local national anthems; for example, The Maple Leaf Forever in Canada, and the Volkslied in the Transvaal. So far as we know, however, these have no legislative status. They do not supersede God Save the King.

If you desire, we shall be very glad to make further inquiries in London on this question.

Believe me, dear Mr. Congressman,

Very truly yours, _____.

So that with reference to England, although they have no legislative enactment by Parliament, yet they have something which is very much akin to it, because the King, under authority given to him by an act of Parliament with the right to promulgate such a regulation, has already done so.

Mr. SUMNERS. Are you sure about that, that the act of Parliament has given the King the right to promulgate that regulation, which carries with it the force of law?

Mr. CELLER. Yes. The letter of the consul general says:

"In the case of Great Britain, it has not received legislative sanction by act of Parliament, but receives an official status in the King's regulations, which are issued by virtue of various acts of Parliament."

Of course, Mr. LINTHICUM has adverted to the fact that the Army and the Navy have already adopted the Star-Spangled Banner as their national anthem, and there is some significant language used in the Army and Navy Regulations.

Mr. HERSEY. Did the Army adopt that as part of the regulations?

Mr. CELLER. Yes. I received a letter from the Secretary of the Navy and the Secretary of War to that effect, giving the chapter and page of the Army and Navy Regulations.

There is very significant language in the Navy Regulations to the effect that not only shall the Star-Spangled Banner be deemed the national anthem but it shall be deemed such to the exclusion of all national airs.

Mr. HERSEY. That is, they dispense with the singing of "America"?

Mr. CELLER. I presume that is what is meant by that. Of course, there is very good reason for that, as was pointed out in the letter of the British consul general. "America," of course, has the music of "God Save the King." If, for example, you were in London and you asked them to play the American national anthem and they played "America," of course all the British marines and soldiers and sailors would stand at attention, because they would think that what was being played was the British national anthem.

That confusion should be avoided. That is one reason, at least, why there has never been any action taken to adopt "America" as our nation anthem, because it would tend to create that confusion.

Mr. SUMNERS. If the Army and the Navy have adopted the Star-Spangled Banner as the national anthem and the public attitude in America leans toward that song, why, in your judgment, the necessity for the adoption of either of these propositions?

Mr. CELLER. Your question is well taken, and I think the answer lies in the fact that there should be some impetus given to the anthem by our National Legislature, by you and by me, who, I presume, are men of considerable influence in our communities. If, for example, it is generally known that the Congress of the United States has

stamped its approval upon the Star-Spangled Banner, there would be no question about it and there will be more and more people singing it.

Lots of people, it is charged, do not know the words of the Star-Spangled Banner. President Harding, in his wisdom, before the National Flag Conference, said that he would like to see everybody know the words and learn the music of the Star-Spangled Banner.

But that is a fallacy to my mind. If you are in any assembly and they play the Star-Spangled Banner, I am sure that 9 out of every 10 persons can sing it. I am sure you can sing the first verse if you can not sing the fourth.

Mr. HERSEY. Are you speaking to Judge SUMNERS?

Mr. CELLER. I am speaking to all of you. I think you can all sing it, as a matter of fact, despite any doubts to the contrary.

The CHAIRMAN. I shall have to rule, as a matter of order, that they shall not attempt to sing it here. [Laughter.]

Mr. SUMNERS. Right on that point, the history of this matter, of course, appeals to us all; that is, the place that the national anthem plays in the life of the people appeals to us all. But I never have been so sure and I am becoming less sure of the wisdom of undertaking to give direction to the drift of public opinion by legislation rather than have that drift come up naturally. That is the thing in my mind.

Mr. CELLER. That leads us to several schools of thought. There are some who say that the legislature should be in advance of public opinion. Others say that legislation should follow public opinion. I do not want to enter into a controversy with you on that score, and I think I know your views on the subject, because I have discussed them with you, Judge. But I think the situation is a whole lot different here. I think we must be actuated by patriotic motives and try to instill in the hearts of the people some idea of—not the necessity, but of the benefits to be accrued from the widespread use of this song.

Mr. SUMNERS. The idea of a governmental guardianship of the people everywhere and all the time may not be involved here, but it is a thing that disturbs me.

Mr. CELLER. I must perforce differ with you on whether or not we are drifting into a paternalistic form of government or otherwise. I do not think we ought to enter into that debate here at this present time.

Mr. MONTAGUE. We are not drifting; we have arrived.

Mr. CELLER. I think we have gone beyond the arrival. I think we have been into it for a long while, and I am inclined to agree that we may have been going too far, but I hope you are not going to call a halt at this particular time.

Mr. SUMNERS. Here is what I have in mind. Let us take a concrete situation. Suppose in a given community there live 10 people, and 8 of those people recognize the desirability of singing this song on some patriotic occasions. Two have not yet agreed, but they may soon come to agreement, because it is pretty hard for two to stand out against eight in a community. But when you enact legislation which carries persuasive force, if I may use that expression, do you think those two will come around quicker with that sort of an act than if you let them ease along a bit?

Mr. CELLER. I would rather let them ease along a bit, but your proposition could apply to every bit of legislation. I, for example, do not believe in prohibition, but I must abide by it because it is the will of the majority. Every law will find some people who are opposed to it, but they must bow down to the greatest number—"The greatest good for the greatest number," as Prof. William James, of Harvard, so succinctly stated.

Mr. SUMNERS. I am trying to get your views on that point, because I think that is the point the committee will consider.

Mr. CELLER. It is well worth considering.

Mr. SUMNERS. I am not antagonistic on that proposition. I am trying to bring you out on that point.

Mr. CELLER. We have jogged along for a century and most people want this song. I am sure they do. I have letters here from all over the country, from all kinds of organizations.

Mr. SUMNERS. There is nothing to keep them from singing it. I want you to bear in mind I am not opposed to your position. But the Army and Navy have it. The Navy keeps you out of difficulty and the Army keeps you out of difficulty through their adoption of it in the case which you cited; that is, the possibility of confusion in foreign countries. Folks sing it whenever they get ready in the country.

Mr. CELLER. I pointed out to you a number of cases which have been typical here of some musical conductors refusing to play it. If we enact this, they are running up against something which is stronger than they ran up against before, and I do not think they would dare to refuse to play it or sing it.

Mr. SUMNERS. Do you think it is stronger than public opinion? This can not penalize anybody.

Mr. CELLER. No; it can not; but I think it will solidify public opinion, which is somewhat scattered at the present time. It was for that reason that the bill has been introduced.

The CHAIRMAN. May I ask a question without interrupting your argument?

Mr. CELLER. Certainly, Mr. Chairman.

The CHAIRMAN. Simply calling your attention to some of the communications that have come to our committee, one from an estimable lady, with a patriotic purpose, who says that the third stanza of this poem is a hymn of hate. I will read it:

And where is that band who so vauntingly swore
That the havoc of war and the battle's confusion
A home and a country should leave us no more?
Their blood has wash'd out their foul footsteps' pollution.
No refuge could save the hireling and slave
From the terror of flight or the gloom of the grave,
And the Star-Spangled Banner in triumph doth wave
O'er the land of the free and the home of the brave.

Mr. CELLER. I think I know the lady you speak of.

The CHAIRMAN. I do not care anything about that. I am merely pointing out to you her point of view.

Mr. CELLER. I know her objection, and I do not think, Mr. Chairman, her objection is well taken. This song was written in 1814, when our country was in her greatest peril.

The CHAIRMAN. Yes; I understand.

Mr. CELLER. If you, for example, were gifted—and I presume you might be—with patriotic inspiration and you would write a song against Germany during the war, you would use words of similar import, if not the same.

The CHAIRMAN. The objection is that this language is not calculated to promote an harmonious and good feeling between two countries who are approaching each other and whose usefulness together will be so much greater than their singleness. That is the point.

Mr. CELLER. I know that point and know the force of her argument, and I say that her difficulties are more imaginary than real, and why?

That song was aimed at England a century ago; but it does not necessarily follow, with the history of the song and with the history of our own country, that those words to-day have the same connotations and the same meanings and associations they had a century ago.

There have clustered around that song and there are attached to it entirely different associations. They do not mean any particular foe. "The foul footsteps' pollutions" are not Albion's now. What was particular then is only general now, and for that reason nothing now is aimed at England at all.

I would be the last person to do anything that would mar our friendly relations by the adoption of a national song which would have for its purpose something derogatory of England.

But I do not think it has that purpose. It is entirely changed, and I think the lady is quite mistaken with reference to the present import of those words.

The CHAIRMAN. You believe now that this has become a patriotic allusion to any foe that may attack the welfare of our country?

Mr. CELLER. Correct.

The CHAIRMAN. And that their footsteps would be the ones that are being wiped out in this section?

Mr. CELLER. You have got my answer to it correctly, sir.

Mr. BOIES. Let me ask you this question: If the liberty-loving people of this country can stand for any country adopting a national anthem which sings to the Almighty the same hymn we do here, the English can stand for this national anthem?

Mr. CELLER. I think so.

The CHAIRMAN. You understand, I am only calling your attention to this communication, so that you may say what you have already said about it.

Mr. CELLER. I am glad you reminded me of it, because I intended to revert to it, and I might have forgotten.

Mr. SUMNERS. May I ask you a question? You said if we had written this song during the war with Germany, we might have put such language as this in it. Suppose we had written it and 25 years afterwards we go over to Germany, after we have become peaceful with Germany. Our band would play that song and our musicians would sing that song in Germany. Do you think possibly they might not appreciate the fact that we were using what you call patriotic language?

Mr. CELLER. I suppose after 25 years the memories would still be fresh, but after——

Mr. SUMNERS (interposing). One hundred years.

The CHAIRMAN. One hundred and fifty years.

Mr. CELLER. I do not think we can say those words mean or convey a feeling of hatred and venom against England. If you examine any patriotic song, it has similar words. If you examine the words of numerous national anthems, they speak of venom and hatred against enemies and those who are attacking its land and its sovereignty.

All patriotic songs are born of some mighty endeavor.

Mr. YATES. It is true, is it not, Mr. CELLER, that the British national anthem mentions the enemies of the country? It is true, isn't it, that there is a verse in the national anthem of Great Britain, which reads:

O, Lord, our God, arise,
Scatter his enemies,
And make them fall.
Confound their politics,
Frustrate their knavish tricks,
On thee our hopes we fix,
God save the King.

Mr. CELLER: The Britannia Ruling the Waves, which is a national song in England, is the acme of self-aggrandizement and says anathema to its enemies.

You will find that situation in every country and I do not think Miss Kitty Cheatham, who, I think, wrote that letter, or Mrs. Stetson, is wholly right or is following the right track.

As to the origin of the song, I do think, from what I can gather from data and from a very interesting book on the subject which I got from the Congressional Library, written by Oscar G. T. Sonneck, that the music was written by John Stafford Smith. The music comes from an old English song, a very ancient English song, To Anacreon in Heaven, a song which became very popular during our colonial period.

The CHAIRMAN. Some people say it was a barroom ballad.

Mr. CELLER. To Anacreon in Heaven speaks of Bacchus and Venus. These same people voice this objection you adverted to, and say, "Why should we have a song which will pollute the minds of little children when they sing it? There will be aroused in their minds the idea of Venus and Bacchus, and the old gods and demigods of the old Grecian days, because the song harks back to an old drinking-bout song of some roustabouts in London of the Anacreon Club."

But that, of course, is far-fetched, and, as a matter of fact, we are told by a great many musicians there are no original melodies. Every melody can be traced to some other melody, and if we are going to yield to that absurd argument, we will probably find even America or our favorite church hymn can be traced to some roustabout songs. I do not think there is anything to it, because it is so far-fetched.

The CHAIRMAN. I do not think so, either.

Mr. BOHN. Isn't it a fact that the churches some years ago came to the conclusion that the devil had the best tunes and they have adopted some of them?

Mr. CELLER. There isn't any question about that. To carry that out a little further, I will read to the gentleman the lines of the old English song, To Anacreon in Heaven, set in juxtaposition to lines of the Star-Spangled Banner, and you will see the exact similarity in rythm and meter:

"To Anacreon in heaven, where he sat in full glee;

Here is the first line of the Star-Spangled Banner:

Oh say can you see by the dawn's early light,
A few sons of harmony sent a petition.
What so proudly we hail'd at the twilight's last gleaming.
That he their inspirer and patron would be.
Whose broad stripes and bright stars through the perilous fight,
When this answer arrived from the jolly old Grecian.
O'er the ramparts we watched were so gallantly streaming.
Voice, fiddle, and flute, no longer be mute.
And the rocket's red glare, the bombs bursting in air.

I herewith set forth the first verse of each song:

TO ANACREON IN HEAVEN

To Anacreon in heaven, where he sat in full glee,
A few sons of Harmony sent a petition,
That he their inspirer and patron would be,
When this answer arrived from the jolly old Grecian:
"Voice, fiddle, and flute,
"No longer be mute,
"I'll lend ye my name and inspire ye to boot;
"And, besides, I'll instruct you, like me, to entwine
"The myrtle of Venus with Bacchus's vine."

THE STAR-SPANGLED BANNER

O say, can you see by the dawn's early light,
What so proudly we hailed at the twilight's last gleaming?
Whose broad stripes and bright stars through the perilous fight,
O'er the ramparts we watched, were so gallantly streaming?
And the rocket's red glare,
The bombs bursting in air,
Gave proof through the night that our flag was still there;
O say, does that Star-Spangled Banner yet wave
O'er the land of the free and the home of the brave?

In the sweep of the words and rhythm and meter of the two songs there is an exactitude that is unmistakable.

I was going to say before, this song, To Anacreon in Heaven, had a great vogue during the colonial period, so much so that we are told, for example, Thomas Paine had written a poem called "Adams and Liberty" and set his words in that poem to this very same music which we now sing in the Star-Spangled Banner.

In conclusion, I simply want to state, whenever you see the flag you always speak of the Star-Spangled Banner. The very name of the anthem is the name of our flag. We have taken from the anthem itself the words "Stars and Stripes." They are inseparable. When you see one you hear the words and the music of the other. The song is sung at all occasions—at the grave, in camp, on ship, in the lodge room, in the church, in the schoolroom; whenever there is some patriotic inspiration its inception always is in the Star-Spangled Banner.

Mr. HERSEY. Do you think that if we should adopt this bill or resolution making this the national anthem that it would detract anything from the flag?

Mr. CELLER. I do not think it would detract from the flag.

Mr. HERSEY. Would it add anything to the flag?

Mr. CELLER. No; it would not add anything to the flag. I simply tried to show by a few words that the terminology of the flag to a great extent has really come from the Star-Spangled Banner.

Mr. HERSEY. I want your opinion on another point. This is a military anthem, of course?

Mr. CELLER. I should say it would be; yes.

Mr. HERSEY. In the age in which we live, striving for peace with all nations and peoples and among ourselves, do you think it is exactly proper to adopt a national anthem which is a military anthem?

Mr. CELLER. It is not military in that sense. It is not military in the sense that it arouses military furies or military passions. Every song of patriotic spirit is military.

Mr. HERSEY. Oh, no.

Mr. CELLER. Every national anthem is military in a way.

Mr. HERSEY. You mean of other nations?

Mr. CELLER. Yes.

Mr. HERSEY. That is no reason why we should adopt a military anthem.

Mr. CELLER. I do not for one moment imagine that if a child were to sing the Star-Spangled Banner there would be aroused in its mind feelings or passion akin to war.

Mr. HERSEY. I just want your views.

Mr. CELLER. I do not think it would have that effect. There have been a great many other songs. For example, we know "Dixie" was a national air in a way, but it is too sectional to adopt. During the Spanish-American War we had "There will be a hot time in the old town to-night." That seemed to have died by the wayside.

During the World War we had "Over there," but that was only ephemeral and lasted for a short period of time. But somehow or other this song simply endures. It is deathless. It keeps on and on and on, and I am sure that we would do well by giving it official recognition as our national anthem.

To conclude: I have communications of indorsement of my resolution from these national organizations: The American Legion, Veterans of Foreign Wars, Disabled American Veterans of the World War, Daughters of the American Revolution, Sons of the American Revolution, Daughters of the War of 1812, as well as letters of approval from State chapters, posts, and departments of these national societies.

COMMITTEE TO INVESTIGATE PAYMENT OF MONEY TO TWO MEMBERS OF CONGRESS

Mr. MACGREGOR. Mr. Speaker, I call up privileged House Resolution 251.

The SPEAKER. The gentleman from New York calls up the privileged resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 251

Resolved, That the select committee appointed under the provisions of H. Res. 217, adopted March 12, 1924, to investigate the allegations of a grand jury of the district court for the northern district of Illinois, southern division, that certain evidence has been submitted to them involving the payment of money to two Members of Congress, is hereby authorized to expend for stenographic, legal, and clerical assistance as it may deem necessary, in addition to the moneys already appropriated, the sum of $10,000, which shall be paid out of the contingent fund of the House of Representatives on vouchers ordered by said committee, signed by the chairman of said select committee, and approved by the Committee on Accounts, evidenced by the signature of the chairman thereof.

With the following committee amendment:

On page 1, line 9, after the word "appropriated," insert the words "not exceeding."

Mr. BLANTON. Will the gentleman yield?

Mr. MACGREGOR. Yes.

Mr. BLANTON. On this committee there are some of the strongest lawyers in this House. The gentleman from New York is one of the best business men of this House. I am appealing to him to tell me why it is necessary to appropriate $10,000 for them to employ legal services?

Mr. MACGREGOR. This committee is not employing any lawyer, and according to our information by the gentleman from Ohio [Mr. BURTON], it is not the intention to employ a lawyer.

Mr. BLANTON. Then why put in the word "legal"?

Mr. MACGREGOR. We did not want to deny them the right if they thought it necessary.

Mr. BLANTON. Surely the committee will not employ a lawyer. Will not the gentleman be willing to take the word "legal" out of the resolution?

Mr. MACGREGOR. I do not think we ought to limit the committee on the proposition.

Mr. BLANTON. Just such resolutions as this are costing the Government thousands of dollars every year.

Mr. MACGREGOR. I think this committee will not go beyond what is absolutely necessary.

Mr. BLANTON. All of this money that is expended has to be raised in taxes.

Mr. BURTON. If the gentleman from New York will yield, we have a secretary who is a young lawyer but is not engaged to do legal work except to subpœna witnesses. If that word "legal" was cut out we might have to dispense with his services. It is not the intention to employ legal assistance.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The resolution as amended was agreed to.

JOURNAL OF THE HOUSE OF REPRESENTATIVES, 1836

Mr. MONTAGUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an extract from the American Historical Review of April 3, 1924, relating to the Journals of the House of Representative of 1836. They are of great interest to the students of the Journal and perhaps to the parliamentarians of the House.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. MONTAGUE. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

[Reprinted from The American Historical Review, Vol. XXIX, No. 3, April, 1924]

3. ON THE JOURNALS OF THE HOUSE OF REPRESENTATIVES, 1836

The following two letters, addressed to James K. Polk, as Speaker of the Twenty-fourth Congress, and preserved in volume 22 of the Polk Papers in the Library of Congress, were brought to the editor's attention by Prof. John S. Bassett. It is thought that they will be of interest to students of the House Journals. The occasion which elicited the letters can be understood by examining the Journal for June 13 and 15, 1836, and the Register of Debates for the same days. On June 13, the House having taken up the bill for the admission of Arkansas, John Quincy Adams moved an amendment. Sherrod Williams, of Kentucky, moved the previous question.

"Mr. Adams objected to the right of Mr. Williams to the floor on the ground that he [Adams] had not yielded the floor after having submitted his motion to amend, but had remained standing while the Clerk was reading his amendment."

The Speaker ruled against him and was sustained by the House. On June 15 Adams sought to amend the Journal in respect of the passage just quoted, but was overruled by the House. Adams in his Memoirs, IX, 296, relates the matter thus:

"Fifteenth. I obtained a copy of the original draft of the Journal of the day before yesterday, with the erasures and alterations in it, and after the reading this morning of the Journal of yesterday I moved that the Journal of the day before be made to read as it had already been drawn up by the assistant clerk. This occasioned a debate of an hour, * * * and my amendment was rejected by yeas and nays."

Col. Walter S. Franklin was Clerk of the House of Representatives from 1833 to his death in 1838. Samuel Burch, whom Adams (X, 45) speaks of as "the most efficient clerk in the office," had been there since 1805 at least (Journal, April 17, 1806), and was now assistant clerk of the House. In the Works of James Buchanan (III, 194), appended to Buchanan's speech on the expunging resolution, is a letter from Burch to Franklin, April 6, 1836, stating that, from the first days of the House until 1823, the "rough journal" had not been preserved after the printed version had been made, though a manuscript journal was made up by copying from the printed text; but that from 1823 on he had caused the "rough journal" to be preserved and bound in volumes.

WALTER S. FRANKLIN TO JAMES K. POLK

OFFICE OF THE CLERK OF THE HOUSE OF REPRESENTATIVES,
Washington, June 15, 1836.

SIR: Mr. Adams having on yesterday stated that he intended making some motion in relation to the Journal of Monday last (June 13), it becomes me to state the usual practice in making up the Journal of the day.

Mr. Burch, the journalizing clerk, makes up the Journal from my minutes and submits it to me before handing it to the Speaker for his correction. I make such alterations in it as are necessary or as suggest themselves to me as proper, after which it is, agreeably to the rule of the House, handed to the Speaker for his correction.

Erasures and interlineations are invariably made when the first draft of the Journal as written out by Mr. Burch is altered either by the Speaker or myself before it is read to the House, and scarcely a Journal is made up and read to the House that does not contain them. It would be impossible to have a fair copy of it made between the time it is submitted to the Speaker and the meeting of the House, and, of course, the Journal read in the House is the one approved of by the House, and from which the jour[nal] of the House is printed.

In relation to the Journal of Monday, Mr. Burch wrote the first draft of the Journal and submitted it to the Speaker. The Speaker sent for me, and after consultation as to the best mode of expression to be used in relation to the fact, it was concluded that the mode made use of in the paragraph referred to by Mr. Adams, as read in the House, was the best, and adopted accordingly.

The Journal of that day was made up and corrected in the way that it has always been done since I have had the direction of it, and as it now stands was read to the House.

Your obedient servant,

W. S. FRANKLIN,
Clerk House of Representatives of United States.

SAMUEL BURCH TO J. K. POLK

HOUSE OF REPRESENTATIVES,
Washington, June 15, 1836.

SIR: In compliance with your desire expressed to me this morning, I give you the following statement:

I have exclusively made up the Journals of the House of Representatives of the United States for the last 22 years, and occasionally before that time. I write it up from the short minutes (which are a species of shorthand) taken at the table and from the papers which come before the House.

In fulfilling this duty it necessarily often, indeed daily, happens that I have, upon revising and comparing, to erase lines and sometimes whole entries. Changes are occasionally made by the Clerk where (not being usually in the House) I have mistaken the course of proceeding. The rules require the Speaker to examine and correct the Journal daily before it is read in the House. I submit it to him every morning. He examines it with care, and if he discovers anything on it which he deems proper to have changed or corrected, the changes or corrections are made. All the alterations which are made appear on the face of the paper.

It is the original rough draft which is read in the House, and is preserved. It can not be examined until within a few minutes of the hour of meeting; it is therefore wholly impossible to copy it before it is time to read it in the House; a dozen clerks could not do it, and, indeed, I think it proper that the original draft should be the official draft.

I speak advisedly when I say that from the commencement of the Government it has been the practice to make the alterations on the face of the paper and that the original rough draft is the one which has been always read to the House; and I will further state that my drafts of late years are much more perfect and contain less alterations than those of former days.

During the present session, in consequence of the fact of the Journal seeming to excite more attention on the part of the Speaker and Members than usual, I have been more than usually careful in constructing the entries. I frequently write them fuller than I deem necessary or even proper, as in making alterations or corrections it is much easier to erase than to insert. This was the case

with respect to the entry about Mr. Adams's appeal on Monday last. That paragraph now stands as, upon advisement, it was supposed to contain a more explicit statement of fact than as originally drawn out by me, having placed in it remarks which it was supposed a Journal of proceedings had nothing to do with.

S. BURCH.

NORMAN E. IVES

Mr. MACGREGOR. Mr. Speaker, I call up a privileged resolution, House Resolution 152.

The Clerk read as follows:

House Resolution 152

Resolved, That there be paid out of the contingent fund of the House $1,200 to Norman E. Ives, for extra and expert services to the Committee on Invalid Pensions from September 23, 1922, to December 3, 1923, including the second and third sessions of the Sixty-seventh Congress, as assistant clerk to said committee, by detail from the Bureau of Pensions, pursuant to law.

The resolution was agreed to.

WALTER C. NEILSON

Mr. MACGREGOR. Mr. Speaker, I call up House Resolution 148, which I send to the desk.

The Clerk read as follows:

House Resolution 148

Resolved, That there be paid out of the contingent fund of the House $1,200 to Walter C. Neilson for extra and expert services to the Committee on Pensions from September 12, 1922, to December 3, 1923, and during the second, third, and fourth sessions of the Sixty-seventh Congress and to December 3, 1923, as the examiner to said committee, by detail from the Bureau of Pensions, pursuant to law.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1932. An act to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road;

S. 2357. An act for the relief of the Pacific Commissary Co.;

S. 1974. An act providing for sundry matters affecting the Military Establishment;

S. J. Res. 64. Joint resolution to change the name of Mount Rainier to Mount Tacoma, and for other purposes; and

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to hold its annual meeting for the year 1925 in the city of Washington and authorizing an appropriation to meet the expenses of the assembly.

Senate Concurrent Resolution 7

Resolved by the Senate (the House of Representatives concurring), That the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, as reported to the Senate, be printed as a Senate document, together with an index thereof and the report to the Senate made in connection therewith, and the three amendments offered by the minority, and that 2,500 additional copies be printed, of which 500 shall be for the Senate document room, 1,000 for the House document room, 800 for the Committee on Finance of the Senate, and 200 for the Committee on Ways and Means of the House.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 3761. An act for the relief of George A. Nickles;

H. J. Res. 222. Joint resolution granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland; and

H. J. Res. 247. Joint resolution making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925.

The message also announced that the Senate had passed with amendment the following resolution, in which the concurrence of the House of Representatives was requested:

H. J. Res. 163. Joint resolution authorizing the Secretary of War to loan certain tents, cots, and chairs to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Under clause 2, Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2357. An act for the relief of the Pacific Commissary Co.; to the Committee on War Claims.

S. 1974. An act providing for sundry matters affecting the Military Establishment; to the Committee on Military Affairs.

S. J. Res. 64. Joint resolution to change the name of Mount Rainier to Mount Tacoma, and for other purposes; to the Committee on the Public Lands.

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to hold its annual meeting for the year 1925 in the city of Washington and authorizing an appropriation to meet the expenses of the assembly; to the Committee on Foreign Affairs.

Senate Concurrent Resolution 7

Resolved by the Senate (the House of Representatives concurring), That the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, as reported to the Senate, be printed as a Senate document, together with an index thereof and the report to the Senate made in connection therewith, and the three amendments offered by the minority, and that 2,500 additional copies be printed, of which 500 shall be for the Senate document room, 1,000 for the House document room, 800 for the Committee on Finance of the Senate, and 200 for the Committee on Ways and Means of the House.

To the Committee on Printing.

EXTERMINATION OF INSECTS, MICE, ETC., IN CAPITOL

Mr. MACGREGOR. Mr. Speaker, I call up House Concurrent Resolution No. 19, which I send to the desk and ask to have read.

The Clerk read as follows:

House Concurrent Resolution 19

Resolved by the House of Representatives (the Senate concurring), That the Architect of the Capitol be, and he is hereby, authorized and directed to make a contract for the extermination and banishment of insects, mice, and rats from the House Office Building, the Capitol, and the Senate Office Building at an expenditure not to exceed $4,500. That the expenditures in carrying out the contract be paid from the contingent funds of the House and Senate in equal proportions and upon vouchers authorized by the respective committees having control of the contingent funds of the Senate and House of Representatives and approved by the chairman thereof.

Mr. BLANTON. Mr. Speaker, I make the point of order that this concurrent resolution is not privileged, coming from the Committee on Accounts. That committee has privilege concerning only our own contingent fund.

Mr. MACGREGOR. I do not know whether that is so or not, but does not the gentleman want to exterminate these cockroaches and things?

Mr. BLANTON. Oh, I am objecting to this annual appropriation of $4,000.

Mr. MACGREGOR. What is the gentleman going to do with them?

Mr. BLANTON. That is a rather large sum.

Mr. MACGREGOR. But this is divided up.

Mr. CHINDBLOM. Has the committee any notion of the population of these insects?

The SPEAKER. The Committee on Accounts is privileged to report resolutions concerning the contingent fund of the House only, the Chair thinks.

Mr. BLANTON. I hope the gentleman will not call this resolution up at this time.

Mr. MACGREGOR. Very well, Mr. Speaker, I withdraw the resolution.

The SPEAKER. The gentleman from New York withdraws the resolution.

AIR SERVICE INVESTIGATION

Mr. MACGREGOR. Mr. Speaker, I call up House Resolution 243, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 243.

Resolved, That the select committee appointed under the provisions of House Resolution 192, adopted March 24, 1924, to make inquiry into the operations of the United States Army Air Service, United States Naval Bureau of Aeronautics, United States Mail Air Service, or any agency, branch, or subsidiary of either, is hereby authorized to employ such stenographic, legal, and clerical assistance, including accountants and statisticians, as it may deem necessary, and is further authorized to have such printing and binding done as it may require.

Resolved further, That all expenses incurred by said committee under the provisions of House Resolution 192, including the expenses of such committee or any subcommittee thereof when sitting outside of the District of Columbia, shall be paid out of the contingent fund of the House of Representatives on vouchers, ordered by said committee,

signed by the chairman of said select committee, or by the chairman of a subcommittee where such expenses are incurred by such subcommittee, and approved by the Committee on Accounts, evidenced by the signature of the chairman thereof.

With the following committee amendment:

Page 2, line 1, after the word "Columbia," insert the words "not exceeding $25,000."

Mr. UNDERHILL. Mr. Speaker, I offer an amendment to the committee amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. UNDERHILL offers an amendment to the committee amendment, as follows: Strike out "$25,000" in the committee amendment and insert "$15,000."

Mr. UNDERHILL. Mr. Speaker, my purpose in offering this amendment is twofold. One is to call to the attention of the House that when we vote unanimously for investigating committees we seldom take into consideration the amount of money of the taxpayers that is to be spent on the investigation and the lack of results which usually follows. This particular investigation is for the Air Service. Within the last three or four years we have had four investigations of similar character, and all of the data that has been collected by these various committees is at the disposal of the House, for the information of any of its Members. This is only one of some four or five or six investigating committees for which the House has appropriated amounts ranging from $11,000 to $25,000. I call attention to the fact that a few days ago we appropriated $25,000 for an investigation of the Shipping Board, and that less than three years ago we had a very exhaustive investigation of the Shipping Board which cost something like $42,000, at which time recommendations were made both to the Shipping Board and to the House of Representatives for reforms which never have been adopted by either the House or the Shipping Board. It is a duplication of work which has grown enormously even in the short time I have been a Member of the House. I think something should be done to put a stop to it. Consequently, I am offering this amendment lowering the amount from $25,000 to $15,000, with the expectation that this committee when they have spent $15,000 will come back to the Committee on Accounts and tell us what they have accomplished. Then if they have not accomplished anything I think the Committee on Accounts will be justified, and the House will uphold them, in refusing further appropriations. On the other hand, if they bring in any information which is of service and value in the saving of money to the Treasury, the Committee on Accounts would not think of limiting or hampering them by refusing the appropriation. As a matter of fact, the amount should be less than $15,000 in all of these cases, and in some of them we have made it less than $15,000 with that idea in view, but because we had established a temporary precedent in granting to the Shipping Board investigating committee $25,000 the members of this committee, with whom I have no quarrel whatever, came before us and asked us for $40,000, and we cut that down to $25,000. It would be very much better if we would limit these amounts by action of the House to a specific certain sum, $10,000, $15,000, or even $20,000 and then stick to that amount.

This resolution goes far afield. It allows this committee to sit during the recesses and such subcommittees thereof to sit outside of the District of Columbia. It is an unusual provision to allow this committee or subcommittee to travel throughout the length and breadth of this country to spend whatever money they want to—legitimately, I assume, and I am not casting any reflections upon the committee or upon its chairman or the personnel of the committee. However, I think we ought to have an established policy, and I trust that the offering of this amendment will result in making these committees seek in the first place $15,000, with the idea that later on they shall come before this Committee on Accounts and show results if they can, when they may secure further appropriations. I hope the amendment will prevail.

Mr. MACGREGOR. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. NELSON].

Mr. NELSON of Wisconsin. Mr. Speaker, I hope this limitation will not be approved.

Personally I have no other interest in this matter, as the proponent of the resolution than to serve the country. If the gentleman from Massachusetts [Mr. UNDERHILL] knew what my purpose is, I am sure that he would not try to hamstring the investigating committee, although I think the gentleman has been opposed to anything being done from the beginning.

Let me just present to you the larger and then briefly touch upon the more limited view. We are appropriating, I am told by a good authority, something more than $60,000,000 a year for the Air Service. We, the trusted representatives of the people's purse, blindly, as it were, through the Committee on Appropriations, appropriate these large sums of money every year. I am not criticizing the Committee on Appropriations. Members on that committee have a large field to investigate; they make inquiries, but they can not know in detail the use to which these moneys are put. We are very busy on the appropriating end of the matter, but we do not function when we come to looking into the expenditures.

Mr. UNDERHILL. Mr. Speaker, will the gentleman yield?

Mr. NELSON of Wisconsin. If I have five minutes more.

Mr. MACGREGOR. I do not think this ought to be unduly prolonged.

Mr. NELSON of Wisconsin. I want to answer any questions, but I would like to have five minutes without interruption.

Mr. UNDERHILL. If the gentleman will just answer one question. Every appropriation that we make for every department is subject to the point which the gentleman makes, that we ought to provide an investigating committee to find out how the money is being spent which we appropriate.

Mr. NELSON of Wisconsin. If there is any reform in the rules to which I am going to devote myself, it is to make the expenditure committees as important as the appropriating committees in this House, so that the expenditure committees will find out what the administrative officials are doing with these funds, and not simply appropriate without looking into what we are getting out of the moneys that we appropriate.

Mr. BEGG. Will the gentleman yield for a question?

Mr. NELSON of Wisconsin. Yes.

Mr. BEGG. Is there any reason why the gentleman after he has used $15,000 could not come back and make such a showing as to get the other part?

Mr. NELSON of Wisconsin. Yes; there is reason——

Mr. BEGG. One other thing, and the gentleman can answer both. Will the gentleman tell us what he is going to do with the whole $25,000, not in detail?

Mr. NELSON of Wisconsin. Gentlemen, I have had several experiences with resolutions of this kind. It is the hardest thing in the world to undertake to get a resolution through this House to find out what we do with the people's money. First, you have to run the gauntlet of the Committee on Rules, the steering committee, and the other powers that be, and then of the House itself. Then you have to go to the Committee on Accounts to get the means to employ clerical and expert help, for members of the committee have not the time, and it takes all of a man's time to do these things. To get a resolution through the Committee on Accounts is not an easy matter because the committee is busy and it is difficult frequently to get a quorum of its Members to attend. You will have two or three meetings to explain over and over, which makes it such a tremendous job. I wish, therefore, to avoid this burden; and also to be able to plan better for the investigation.

Now, briefly, I have made two different speeches on this subject. I do not wish to take up your time to go over these matters again, and I have not time anyway in five minutes to explain, but here we have three air services, one in the Navy, and one in the Army, and one as to the Post Office Department. These are all of growing importance; we should coordinate them, we should see to it that commercially they are successful, and that for the purpose of defense they are trustworthy. Now, as the aftermath of the war, when we spent billions of dollars on the Air Service and got not one fighting plane in France, we have still bad conditions existing in these services. I have explained these heretofore fully. I am certain that the House, having authorized the investigation, will see that it is successful.

Mr. MACGREGOR. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, we are fortunate in having the gentleman from Wisconsin at the head of this special select committee. He is not only an experienced successful attorney——

Mr. NELSON of Wisconsin. I am not on the committee. The gentleman is mistaken.

Mr. BLANTON. I thought the gentleman was. [Laughter.] Whenever I find a man asking for $25,000 expense money I think he is chairman of a committee. [Laughter.]

Mr. CHINDBLOM. The other gentleman from Wisconsin [Mr. LAMPERT] is the chairman.

Mr. BLANTON. But we ought to cut this down. What the gentleman said is true. If our 11 committees on expenditures

in the various departments would do their duty, we would not have to be creating special committees, with special dispensation, and special expense accounts. These committees on expenditures ought to get to work, and, Mr. Speaker, there is not a bit of sense on earth of allowing over $10,000 to this committee, not a bit of sense in it. You are granting blanket authority to this committee to employ all the attorneys they want, all the statisticians they want, all the accountants they want, all the stenographers they want, and everything else they want, and it is too much money.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. And I am going to offer an amendment to cut it down, not only from $25,000 to $15,000, but to $10,000. I offer an amendment to strike out $15,000 and insert $10,000.

Mr. NELSON of Wisconsin. Mr. Speaker, I raise the point of order on the amendment.

The SPEAKER. The gentleman will state his point of order.

Mr. NELSON of Wisconsin. It is an amendment in the second degree.

Mr. BLANTON. It is an amendment to that amendment as a substitute, and is in order.

The SPEAKER. No substitute has been offered.

Mr. BLANTON. I offer it as a substitute for the amendment offered by the gentleman from Massachusetts.

The SPEAKER. The gentleman from Texas offers a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute amendment to the amendment offered by the gentleman from Massachusetts [Mr. UNDERHILL]: Strike out "$15,000," and insert in lieu thereof "$10,000."

The SPEAKER. The question is on agreeing to the substitute.

The question was taken, and the substitute was rejected.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Massachusetts [Mr. UNDERHILL].

The question was taken, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. BLANTON) there were—ayes 41, noes 26.

Mr. NELSON of Wisconsin. Mr. Speaker, I ask for tellers. I make the point of order there is no quorum present, and I object to the vote on that account.

The SPEAKER. Does the gentleman withdraw his request for tellers?

Mr. NELSON of Wisconsin. Yes, sir.

Mr. BLANTON. I make the point of order that the point of order comes too late for a quorum to get a roll call. The gentleman having asked for tellers——

The SPEAKER. The Chair does not see why that is so and overrules the point of order.

Mr. BLANTON. I mean to get a record vote.

The SPEAKER. The Chair thinks not. The gentleman makes the point of order there is no quorum present. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 104, nays 193, answered "present" 1, not voting 134, as follows:

YEAS—104

Aldrich	Denison	MacLafferty	Snyder
Allen	Evans, Iowa	Madden	Sproul, Ill.
Bacon	Fairchild	Magee, N. Y.	Sproul, Kans.
Beedy	Fleetwood	Manlove	Stalker
Begg	Frothingham	Mapes	Stephens
Black, Tex.	Fuller	Moores, Ind.	Strong, Kans.
Bland	Funk	Morehead	Summers, Wash.
Blanton	Gibson	Morris	Sumners, Tex.
Briggs	Gifford	Morrow	Taber
Browne, N. J.	Graham, Ill.	Nelson, Me.	Taylor, Tenn.
Browning	Greene, Mass.	Parker	Taylor, W. Va.
Buchanan	Hastings	Parks, Ark.	Thatcher
Burdick	Hersey	Purnell	Tillman
Burton	Hill, Md.	Rayburn	Tilson
Byrns, Tenn.	Howard, Nebr.	Reece	Timberlake
Cable	Hudson	Roach	Tincher
Carter	Hull, Morton D.	Robsion, Ky.	Tinkham
Chindblom	Johnson, Ky.	Rogers, Mass.	Treadway
Christopherson	Johnson, Tex.	Salmon	Underhill
Clarke, N. Y.	Johnson, W. Va.	Sanders, Tex.	Vincent, Mich.
Cleary	Leatherwood	Scott	Vinson, Ky.
Cole, Iowa	Longworth	Seger	Williams, Mich.
Colton	Lowrey	Sherwood	Williamson
Cooper, Ohio	Luce	Simmons	Wingo
Cramton	McLaughlin, Mich.	Smith	Winslow
Dallinger	McReynolds	Snell	Woodrum

NAYS—193

Abernethy	Aswell	Barbour	Boies
Allgood	Ayres	Beck	Bowling
Almon	Bankhead	Berger	Box
Boyce	Garner, Tex.	Lindsay	Reed, N. Y.
Boylan	Garrett, Tenn.	Linthicum	Richards
Brand, Ga.	Garrett, Tex.	Little	Robinson, Iowa
Brand, Ohio	Gasque	Lozier	Romjue
Browne, Wis.	Gilbert	Lyon	Rubey
Buckley	Green, Iowa	McDuffie	Sabath
Burtness	Greenwood	McFadden	Sanders, Ind.
Busby	Griffin	McKenzie	Sandlin
Cannon	Hadley	McKeown	Schafer
Celler	Hammer	McSwain	Schneider
Clague	Hardy	McSweeney	Shallenberger
Clancy	Harrison	MacGregor	Sinclair
Collier	Hawley	Major, Ill.	Sinnott
Collins	Hayden	Major, Mo.	Smithwick
Connally, Tex.	Hickey	Martin	Speaks
Connery	Hill, Ala.	Mead	Steagall
Cook	Hill, Wash.	Michener	Stedman
Cooper, Wis.	Holaday	Miller, Wash.	Stengle
Crisp	Hooker	Milligan	Stevenson
Crosser	Huddleston	Minahan	Swank
Crowther	Hudspeth	Montague	Swing
Cullen	Hull, Iowa	Moore, Ga.	Tague
Davey	Hull, William E.	Moore, Ohio	Thomas, Ky.
Davis, Minn.	Humphreys	Morgan	Thomas, Okla.
Davis, Tenn.	Jacobstein	Murphy	Tydings
Deal	James	Nelson, Wis.	Underwood
Dickinson, Iowa	Jeffers	Newton, Mo.	Upshaw
Dickinson, Mo.	Jones	O'Brien	Valle
Doughton	Kearns	O'Connell, N. Y.	Vinson, Ga.
Dowell	Keller	O'Connell, R. I.	Voigt
Driver	Ketcham	O'Sullivan	Wainwright
Dyer	Kincheloe	Oldfield	Watkins
Eagan	Kindred	Oliver, Ala.	Weaver
Elliott	King	Park, Ga.	Wefald
Evans, Mont.	Kopp	Peavey	White, Kans.
Fairfield	Kunz	Peery	Williams, Tex.
Faust	Kvale	Perkins	Wilson, Ind.
Favrot	LaGuardia	Pou	Wilson, La.
Fisher	Lampert	Quin	Wilson, Miss.
Frear	Lanham	Ragon	Winter
Freeman	Lankford	Rainey	Wolff
French	Larsen, Ga.	Raker	Wright
Fulbright	Lazaro	Ramseyer	Young
Fulmer	Lea, Calif.	Rankin	
Garber	Leavitt	Rathbone	
Gardner, Ind.	Lilly	Reed, Ark.	

ANSWERED "PRESENT"—1

White, Me.

NOT VOTING—134

Ackerman	Drewry	Lineberger	Rouse
Anderson	Edmonds	Logan	Sanders, N. Y.
Andrew	Fenn	McClintic	Schall
Anthony	Fish	McLaughlin, Nebr.	Sears, Fla.
Arnold	Fitzgerald	McLeod	Sears, Nebr.
Bacharach	Foster	McNulty	Shreve
Barkley	Fredericks	Magee, Pa.	Sites
Beers	Free	Mansfield	Strong, Pa.
Bell	Gallivan	Merritt	Sullivan
Bixler	Geran	Michaelson	Sweet
Black, N. Y.	Glatfelter	Miller, Ill.	Swoope
Bloom	Goldsborough	Mills	Taylor, Colo.
Britten	Graham, Pa.	Mooney	Temple
Brumm	Griest	Moore, Ill.	Thompson
Bulwinkle	Hangen	Moore, Va.	Tucker
Butler	Hawes	Morin	Vare
Byrnes, S. C.	Hoch	Mudd	Vestal
Campbell	Howard, Okla.	Newton, Minn.	Ward, N. C.
Canfield	Hull, Tenn.	Nolan	Ward, N. Y.
Carew	Johnson, S. Dak.	O'Connor, La.	Wason
Casey	Johnson, Wash.	O'Connor, N. Y.	Watres
Clark, Fla.	Jost	Oliver, N. Y.	Watson
Cole, Ohio	Kahn	Paige	Weller
Connolly, Pa.	Kelly	Patterson	Welsh
Corning	Kendall	Perlman	Wertz
Croll	Kent	Phillips	Williams, Ill.
Cummings	Kerr	Porter	Wood
Curry	Kiess	Frall	Woodruff
Darrow	Knutson	Quayle	Wurzbach
Dempsey	Kurtz	Ransley	Wyant
Dickstein	Langley	Reed, W. Va.	Yates
Dominick	Larson, Minn.	Reid, Ill.	Zihlman
Doyle	Lee, Ga.	Rogers, N. H.	
Drane	Lehlbach	Rosenbloom	

So the amendment was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. Patterson with Mr. Draine.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Langley with Mr. Clark of Florida.
Mr. Vare with Mr. Byrnes of South Carolina.
Mr. Michaelson with Mr. Gallivan.
Mr. Wyant with Mr. McClintic.
Mr. Williams of Illinois with Mr. Arnold.
Mr. Vestal with Mr. Bulwinkle.
Mr. Swoope with Mr. Barkley.
Mr. Mills with Mr. Moore of Virginia.
Mr. Porter with Mr. Carew.
Mr. Ransley with Mr. Tucker.
Mr. Johnson of South Dakota with Mr. Weller.
Mr. Anthony with Mr. Hawes.
Mr. Bacharach with Mr. Taylor of Colorado.
Mr. Kendall with Mr. Mooney.
Mr. McLeod with Mr. O'Connor of New York.
Mr. Shreve with Mr. Ward of North Carolina.
Mr. Wurtz with Mr. Kent.
Mr. Reid of Illinois with Mr. Mansfield.
Mr. Wurzbach with Mr. Oliver of New York.
Mr. Magee of Pennsylvania with Mr. Cummings.
Mr. Darrow with Mr. Casey.

Mr. Kiess with Mr. Sites.
Mr. Ackerman with Mr. Howard of Oklahoma.
Mr. Graham of Pennsylvania with Mr. Hull of Tennessee.
Mr. Bixler with Mr. Dominick.
Mr. Butler with Mr. Glatfelter.
Mr. Fenn with Mr. O'Connor of Louisiana.
Mr. Kurtz with Mr. Black of New York.
Mr. Morin with Mr. Bloom.
Mr. Beers with Mr. Quayle.
Mr. Free with Mr. Geran.
Mr. Johnson of Washington with Mr. Sullivan.
Mr. Watson with Mr. Dickstein.
Mr. Strong of Pennsylvania with Mr. Prall.
Mr. Kahn with Mr. Sears of Florida.
Mr. Griest with Mr. Drewry.
Mr. Brumm with Mr. Goldsborough.
Mr. Connolly of Pennsylvania with Mr. Croll.
Mr. Edmonds with Mr. McNulty.
Mr. Fish with Mr. Canfield.
Mr. Phillips with Mr. Corning.
Mr. Temple with Mr. Bell.
Mr. Foster with Mr. Jost.
Mr. Curry with Mr. Logan.
Mr. Fitzgerald with Mr. Kerr.
Mr. Lehlbach with Mr. Lee of Georgia.
Mr. Perlman with Mr. Doyle.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the resolution as amended.

The resolution as amended was agreed to.

AGRICULTURAL APPROPRIATION BILL

Mr. MAGEE of New York. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7220, making appropriations for the Department of Agriculture.

The motion was agreed to.

The SPEAKER. The gentleman from Iowa [Mr. DOWELL] will please resume the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7220, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, with Mr. DOWELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7220, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. The Clerk will proceed with the reading of the bill for amendment.

The Clerk read as follows:

For physical investigations of the important properties of soil which determine productivity, such as moisture relations, aerations, heat conductivity, texture, and other physical investigations of the various soil classes and soil types, $13,145.

Mr. MOREHEAD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last word.

Mr. MOREHEAD. Mr. Chairman and gentlemen of the committee, in the consideration of the agricultural bill, my home State being an agricultural State which but a few years since was considered as the "Great American Desert," I am reminded of the fact that to one man perhaps more than any other citizen, Nebraska has been remade and almost revolutionized in its changes. I want here to occupy just a few moments in paying my respects to one of the great citizens of our State, who not only took a great interest in the affairs of Nebraska, but took a great interest in national affairs. I refer to the Hon. J. Sterling Morton.

In my home State, Nebraska, to-day is Arbor Day, the birthday of J. Sterling Morton, the founder of Arbor Day, and a man closely connected with Nebraska's early history, but not unknown in other States; as almost without exception every State in the Union now has enacted laws relating to tree planting and has a day set aside for that purpose. In 1872, the first Arbor Day in Nebraska, one Lancaster farmer planted 10,000 trees. At that time many parts of Nebraska were absolutely treeless. To-day many of the smaller cities look like forests as the streets are lined with trees.

J. Sterling Morton was active in public affairs, holding many positions of trust in the State, and was Secretary of Agriculture during President Cleveland's second administration. He opposed the distribution of free seeds, denouncing it as a graft and useless expense, and returned to the Treasury $200,000 or 20 per cent of the total appropriation made by Congress for the Agriculture Department. It was also during his term that corn was introduced to the people of Europe.

There are many other things connecting J. Sterling Morton with Nebraska's early history, but I believe he himself consided the leaving to his State the heritage of trees his greatest achievement. It is well to recall his closing words in 1894 at the end of the tree-planting exercises in this city when he said:

So every man, woman, and child who plant trees shall be able to say, on coming as I have come, toward the evening of life, in all sincerity and truth, if you seek my monument look around you.

To-day J. Sterling Morton's home, Arbor Lodge and Morton Park, belongs to the State of Nebraska, presented by his son, Joy Morton. The old Morton homestead with all its grandeurs will be used for a museum of natural history and surrounding grounds for a State botanic garden; a State park for the pleasure of future generations and to the memory of one of Nebraska's most historic men. Truly Nebraska City may well be proud of so useful a citizen.

Lives of great men all remind us
We can make our lives sublime,
And departing, leave behind us
Footprints on the sand of time.

And in this connection I repeat the lines of the old poem—

Woodman, spare that tree!
Touch not a single bough!
In youth it sheltered me,
And I'll protect it now.

[Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

In all, general expenses, $301,600.
Total, Bureau of Soils, $391,600.

Mr. RAKER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California moves to strike out the last word.

Mr. RAKER. Mr. Chairman, out of order, I ask unanimous consent that I may have printed in the RECORD an amendment which I propose to offer to-morrow to the bill H. R. 4830.

The CHAIRMAN. The gentleman from California asks unanimous consent to have printed in the RECORD an amendment to a bill, as indicated.

Mr. LONGWORTH. Mr. Chairman, I did not hear any indication at all.

Mr. RAKER. My request is to have printed in the RECORD a proposed amendment to the bill H. R. 4830, which is going to be considered to-morrow. I wish to insert it for the benefit of the membership.

Mr. ASWELL. Mr. Chairman, I shall have to object to that.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

For investigations of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, sugar cane, etc., and the cigarette beetle and Argentine ant, $206,920.

Mr. LARSEN of Georgia. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Georgia moves to strike out the last word.

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, in 1892 the cotton-boll weevil entered the United States, and thus began the greatest agricultural devastation in the history of this Government, if not in the history of the world.

If the financial losses involved in this great problem could be regarded as passed and we could look to the future with certainty of hope, I would not claim the attention of the House at this time. But when optimists are in doubt and admit that the peak of devastation has not been reached and that the end of the evil day can not be seen, it is time for conservatives to become alarmed.

I shall incorporate in my remarks a table compiled from data furnished by the Departments of Agriculture and Commerce, showing cotton acreage, production, and average price received by the producer from 1891, which marks the year preceding the advent of the weevil, to 1923, inclusive. I shall also incorporate statements showing cotton surplus from 1921 to 1923, inclusive,

and Federal appropriations for weevil infestation, and cotton production under boll-weevil conditions. But it is my purpose at this time to call attention to results for specific years within the period.

Cotton acreage for 1891, the year prior to the advent of the weevil, was 19,058,704 acres; our production of 9,018,000 bales. Our acreage for last year, 1923, was 38,287,000 acres, or more than twice that of 1891, yet latest available information discloses a yield little more than 10,000,000 bales. According to production for 1891, our yield for last year should have been 18,000,000 bales instead of 10,000,000.

For the 10-year period following weevil advent our average cotton harvest was 22,540,633 acres and our average yield was 9,038,540 bales. The average harvest for the past 10 years has been 34,413,400 acres, but still our average production is only 11,469,541 bales. These are actual results obtained with expert knowledge, increased fertilization, intensive cultivation, and so forth.

An analysis of these figures show that for the year preceding weevil advent, with one-half the acreage, our yield was practically as great as that produced last year. We then received an average price of 7.3 cents per pound and managed to exist. Latest available figures indicate that we have received an average price of 31 cents per pound for the 1923 crop, yet most of the growers in the weevil belt have "gone broke." For the five-year period following weevil advent our average harvest was 13,800,000 acres less than the average for the past five years, yet our production was practically the same. For the first five-year period the average price received was 9.62 cents, but for the last period of five years it has been 24.38 cents. The net results for the two periods show an annual loss of 13,000,000 acres of cultivated land, fertilized at a cost of about $16,000,000 per annum. It shows a labor loss of 750,000 persons, a working force more than five times as great as our National Army. It also means a permanent investment loss of 750,000 farm animals, with feed and equipment for same.

With weevil infestation and known methods of control the present price for cotton can never be greatly reduced. High prices are made necessary not alone for cost of calcium arsenate poisoning, for its distribution, machinery, and so forth, but also on account of the high fertilization, intensive and prolonged cultivation, as well as for dependable and intelligent labor required for production under weevil conditions.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LARSEN of Georgia. May I have eight minutes additional? I can finish in that time. The subject is rather important.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for eight minutes more. Is there objection?

There was no objection.

Mr. WILSON of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. WILSON of Louisiana. Does the gentleman think that under normal conditions last year we could have produced 18,000,000 bales?

Mr. LARSEN of Georgia. We should have.

Mr. WILSON of Louisiana. Does the gentleman think it would be profitable for the South to produce 18,000,000 bales?

Mr. LARSEN of Georgia. Just at this time it might be, because the world's shortage is so great. Under ordinary conditions it would not be profitable.

The average farmer is not governed so much by acreage as he is by the amount of money needed for operation of business. Under weevil conditions large acreage is necessary to produce the amount of money which the farmer needs and the amount of cotton which the world must have. Demand for cotton will regulate the acreage to be planted under any conditions. Without the weevil we would only plant a sufficient acreage to produce the amount of cotton required. The acreage of cotton would be regulated by demand, just as the acreage of wheat, corn, and other commodities are now regulated. Without the weevil we would only plant sufficient lands in cotton to meet the world's demand for cotton, and surplus lands would be planted in other crops. The trouble is we are now planting twice the acreage to cotton that would be required without the weevil, and yet we are neither producing sufficient cotton for the world's needs or clearing enough money on the crop to meet necessary expenses.

For two generations the southern farmer, especially in the Cotton Belt, has endured hardships, occasioned first by Civil War and later by weevil infestation. He has never received subsidies or bounties from his Government and expects little from that source. He is not inured to hardships, but has become accustomed to bear his burdens with little complaint. Again, as the spread of the weevil has been slow and gradual, the alarm to the country has not been so great as it might otherwise have been.

It is difficult to estimate in dollars just what damage the boll weevil has done, but, all told, the loss from infestation, and so forth, amounts to at least $10,000,000,000. Conservative estimates place the annual loss at this time at $500,000,000. At the present rate of damage the loss will soon amount to more than the national cost of the World War, and still the future will hold no more of promise than the past.

Who must pay these bills? The consumer, of course. He is now paying four times more for cotton than he did before the advent of the weevil. The schedule of prices incorporated in my remarks show that this increase has been gradual, but continuous and sure, since weevil infestation. If the American citizen understood the situation upon the principle of conservation and economy, instead of permitting an attempt at weevil control he would demand weevil eradication.

When the sea pirates destroyed our commerce and demanded tribute as a price for resistance the reply of our forefathers was—

Millions for defense, but not one cent for tribute.

This slogan and spirit put an end to piracy and made our commerce forever free. With the same determination to-day and sufficient funds for eradication, instead of meager appropriations for control, the Nation might rid itself of this expensive weevil pest within five years. The amount expended would probably be saved to the consumer within that period, and large savings would thereafter result.

It is not my purpose to adversely criticize the Department of Agriculture or anyone, but I do desire to emphasize the fact that it is not my belief that demonstration methods for combating the weevil or any method of weevil control short of ultimate eradication are really worth while or are in keeping with the policy and progress of this Nation in dealing with a matter of such vital interest.

The Government has made appropriations as follows:

For weevil infestation, 1905 to 1924, inclusive	$954,100
For production under weevil conditions, 1907 to 1924, inclusive	458,020
Total	1,412,120

These appropriations have been helpful. I am sure they have been deeply appreciated by the cotton growers of the South, but they have not met the demands of the situation. Weevil control will never solve the problem. Eradication is the only economic solution. It is the only guaranty to production and price reduction.

Mr. WILSON of Louisiana. Will the gentleman yield for a question?

Mr. LARSEN of Georgia. Yes.

Mr. WILSON of Louisiana. Has the gentleman any plan of complete eradication that he can suggest?

Mr. LARSEN of Georgia. Yes; I will come to that.

Mr. ALMON. In that connection, will the gentleman explain what they are doing with this appropriation except to furnish demonstration agents?

Mr. LARSEN of Georgia. Demonstration agents and investigations as to insects is all of which I know.

Mr. ALMON. They do not furnish any poison, do they?

Mr. LARSEN of Georgia. No; none at all.

No appropriations have been made for weevil eradication. As proof of this assertion, I direct attention to language used by the Department of Agriculture in which it is said:

None of the cotton boll weevil appropriations made available to this department have been provided or used for eradication campaigns as such, but entirely for the investigation and demonstration of methods of combating the weevil.

We have never entered upon a weevil eradication program, but why should we not do so? Why should we not have done so ere this? Of course, weevil control is beneficial, but eradication is better if it can be obtained, and I believe it can. The brains and money of America can do anything humanly possible. Eradication is certainly necessary and I believe it can be accomplished. Do you ask whether I can do it? I may have an idea regarding the matter, but I would not foolishly attempt to impose it upon others. I believe I can suggest legislation that will enable others to do it. I have prepared a preliminary draft of a bill and shall submit it to those interested in the proposition and who should be in a position to determine not only as to the value of relief legislation, but also as to effective methods for weevil eradication. If it does not meet with approval, or afford constructive suggestions,

perhaps it may serve the purpose of interesting some one capable of intelligent action.

When we consider that the world's supply of cotton has for years steadily declined, that the surplus is less than half what it was three years ago; that America's surplus is less than one-third what it was even in 1921 and this, together with the fact that under the present system it has become necessary to double the cotton acreage in order to obtain previous production, even at four times the cost per pound, it appears to me that a continuance of the present system is inadvisable.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LARSEN of Georgia. May I have just one minute more?

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. If there are those who feel that weevil infestation is a local problem, that it concerns only the producer, and at most the spinners, their vision is indeed limited. Certainly the problem is no longer a local one. It is more than national. Involving both the physical and financial comforts of humanity, it has become world-wide in its effect and interests. Even those of most limited knowledge and foresight should readily understand that while the population of America and of the world continues to increase, that while the surplus of cotton in the United States and the world continues to disappear, and that while the weevil continues to spread and certain devastation follows in his wake, the problem can not become local, but must remain national, world-wide, and alarming.

Mr. Chairman, I shall not at this time move to increase the proposed appropriation. I believe we should first create a commission to study the weevil question and to recommend remedial legislation. As already indicated, I have made the first draft of a bill for this purpose. [Applause.]

Cotton acreage, production, and price, 1891 to 1923, inclusive

Year	Acres harvested	Bales (500 pounds gross weight)	Average price per pound
			Cents
1891	19,058,704	[1] 9,018,000	7.3
1892	15,911,361	[1] 6,664,000	8.4
1893	19,525,000	7,493,000	7.5
1894	23,687,950	9,476,435	5.9
1895	20,184,808	7,161,094	8.3
1896	23,273,209	8,532,705	7.3
1897	24,319,584	10,897,857	5.6
1898	24,967,295	11,189,205	4.9
1899	24,327,000		7.6
1900	24,933,000	10,123,027	9.3
1901	26,774,000	9,509,745	8.1
1902	27,175,000	10,630,945	8.2
1903	27,052,000	9,851,129	12.3
1904	31,215,000	13,438,012	8.7
1905	27,110,000	10,575,017	10.9
1906	31,374,000	13,273,809	10.0
1907	29,660,000	11,107,179	11.5
1908	32,444,000	13,241,799	9.2
1909	30,938,000	10,004,949	14.3
1910	32,403,000	11,608,616	14.0
1911	36,045,000	15,692,701	9.6
1912	34,283,000	13,703,421	11.5
1913	37,089,000	14,156,486	17.5
1914	36,832,000	16,134,930	7.3
1915	31,412,000	11,191,820	11.2
1916	34,985,000	11,449,930	17.3
1917	33,841,000	11,302,375	27.1
1918	36,008,000	12,040,532	28.8
1919	33,566,000	11,420,763	35.4
1920	35,878,000	13,439,603	15.8
1921	30,509,000	7,953,641	16.9
1922	33,036,000	9,761,817	22.8
1923	38,287,000	[1] 10,000,000	31.0

[1] Approximately.

Surplus cotton, 1921 to 1923, inclusive

1921 American surplus	9,172,000
1922 American surplus	5,123,000
1923 American surplus	3,065,000
1921 world surplus	14,540,000
1922 world surplus	9,536,000
1923 world surplus	6,341,000

APPROPRIATIONS FOR COTTON-BOLL WEEVIL WORK MADE SINCE MARCH 4, 1905

None of the cotton-boll weevil appropriations made available to this department has been provided or used for "eradication" campaigns as such, but entirely for the investigation and demonstration of methods of combating the weevil. The department's activities have been pursued along different lines—(1) the direct attack against the insect itself under the Bureau of Entomology and (2) the work of the Bureau of Plant Industry in the development of types of cotton which might be successfully produced in the presence of, and in spite of, the weevil * * *. The amounts appropriated by Congress for these purposes since March 4, 1905, are as follows:

1. BUREAU OF ENTOMOLOGY

The following amounts were allotted for cotton-boll weevil investigations from appropriations made available to the Bureau of Entomology:

Total for Bureau of Entomology for boll weevil investigations, 1905 to 1923

Act	Date of approval	Amount
Agricultural appropriation act:		
1905	Apr. 23, 1904	$16,955
1906	Mar. 3, 1905	53,105
1907	June 30, 1906	85,000
1908	Mar. 4, 1907	40,000
1909	May 23, 1908	10,145
1910	Mar. 4, 1909	11,065
1911	May 26, 1910	23,111
1912	Mar. 4, 1911	24,865
1913	Aug. 10, 1912	19,071
1914	Mar. 4, 1913	24,117
1915	June 30, 1914	28,637
1916	Mar. 4, 1915	28,787
1917	Aug. 11, 1916	30,688
1918	Mar. 4, 1917	49,524
1919	Oct. 1, 1918	48,211
1920	July 24, 1919	63,605
1921	May 31, 1920	89,661
1922	Mar. 3, 1921	84,282
1923	May 11, 1922	100,581
Third deficiency appropriation act, 1923	Mar. 3, 1923	40,000
Agricultural appropriation act, 1924	Feb. 26, 1923	102,750
Total for boll weevil investigations		954,100

* * * * * * *

2. BUREAU OF PLANT INDUSTRY

The following allotments were made for the investigation of improved methods for cotton production under boll weevil conditions, from the appropriation "crop acclimatization and adaptation investigations, general expenses, Bureau of Plant Industry," carried in the agricultural appropriation act for the fiscal years indicated. No funds were used for this purpose prior to the fiscal year 1907.

Total for Bureau of Plant Industry, for investigation of cotton production under boll-weevil conditions

Act	Date of approval	Amount
Agricultural appropriation act:		
1907	June 30, 1906	$6,000
1908	Mar. 4, 1907	7,000
1909	May 23, 1908	7,000
1910	Mar. 4, 1909	6,700
1911	May 26, 1910	15,500
1912	Mar. 4, 1911	16,000
1913	Aug. 10, 1912	14,250
1914	Mar. 4, 1913	14,300
1915	June 30, 1914	17,500
1916	Mar. 4, 1915	17,500
1917	Aug. 11, 1916	20,500
1918	Mar. 4, 1917	25,500
1919	Oct. 1, 1918	28,300
1920	July 24, 1919	37,530
1921	May 31, 1920	47,580
1922	Mar. 3, 1921	47,580
1923	May 11, 1922	47,580
1924	Feb. 26, 1923	71,710
Total for investigation of cotton production under boll weevil conditions		458,020

Bureau of Entomology, for cotton boll weevil investigation	$954,100
Bureau of Plant Industry, for investigation of cotton production under boll weevil conditions	458,020
Total for boll weevil investigations	1,412,120

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WILSON of Louisiana. Mr. Chairman, I rise in opposition to the amendment to strike out the last word. My colleague from Georgia [Mr. LARSEN] presents the boll weevil situation in a very alarming way, but did not suggest, as I requested, a means by which we were to reach the eradication of the boll weevil.

Mr. LARSEN of Georgia. I would have done so, but I did not have the time.

Mr. WILSON of Louisiana. Of course, I can not agree with my colleague that it would be a profitable or proper thing for

the South, if it could, to plant 38,000,000 acres in cotton and produce 18,000,000 bales per annum.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. WILSON of Louisiana. Yes.

Mr. LARSEN of Georgia. But would not the gentleman say it was a good thing for the South and a good thing for the country if the South could plant one-half of that acreage and produce the same amount of cotton that it does produce?

Mr. WILSON of Louisiana. Yes.

Mr. LARSEN of Georgia. But it is not likely we would plant more than we would under weevil conditions.

Mr. WILSON of Louisiana. I do not believe it would be profitable for the South to carry on an annual production of cotton of 18,000,000 bales.

Mr. LARSEN of Georgia. But the gentleman must get away from the South and consider the country at large.

Mr. WILSON of Louisiana. I am speaking in the interest of the producer, because that would be a production which would run ahead of the world demand for cotton. We produce 60 per cent of the world's supply.

Now, as to the question of the eradication of the boll weevil. If the gentleman from Georgia has a bill which he proposes to introduce that would provide a means of doing that, of course that would be news which would be profoundly and gladly received by the country, and especially by the South. But the investigations that have been made by the Department of Agriculture, and the increase in this appropriation of some $41,000 to continue those investigations, has convinced the South, the cotton producer, and the country that there is no method by which the boll weevil may be exterminated, abolished, or eradicated. That is the view of those who have studied it most closely.

Mr. KING. Will the gentleman yield?

Mr. WILSON of Louisiana. Yes.

Mr. KING. I have been sitting here listening to the discussion of the boll weevil, and is it a fact that the gentleman is contending that the boll weevil is a benefit to the cotton producers of the South in price?

Mr. WILSON of Louisiana. No; I do not take that position, but I do take the position that we have come to the point where we have reached the conclusion that the boll weevil can not be eradicated.

Mr. LARSEN of Georgia. Who has reached that conclusion?

Mr. WILSON of Louisiana. And the production of cotton has become so expensive that the southern farmer has found it more profitable to carry on the best means of boll-weevil control—because without control he could not produce any cotton at all—and crop diversification; that is the system he has adopted. Under the investigations made by the Department of Agriculture it is practicable to control the boll weevil and produce cotton to meet average demands on a smaller acreage than 38,000,000 acres per year.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. WILSON of Louisiana. Yes.

Mr. LARSEN of Georgia. There has been no appropriation for eradication; eradication has never been entered upon, and no one has ever attempted to eradicate the boll weevil; so how does the gentleman say we have reached the conclusion that it can not be eradicated when no effort has ever been made to do it?

Mr. WILSON of Louisiana. Because the investigations show that wherever the boll weevil has appeared in cotton-growing districts complete eradication has been impossible, and the only method by which that might be accomplished would be to absolutely suspend all cotton production for a number of years, because cotton is the only plant upon which the boll weevil lives.

Mr. LARSEN of Georgia. Would not the gentleman say one year instead of a number of years?

Mr. WILSON of Louisiana. Well, I do not know whether one year would be sufficient. But the methods adopted for boll-weevil control, as worked out through the assistance of the Department of Agriculture, have shown that it is practicable to produce cotton under boll-weevil conditions. It is an uphill fight, and it is very expensive. At the Tallulah station, in my district, the method of control by the use of powdered calcium arsenate has been worked out, and that is approved by the Department of Agriculture.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILSON of Louisiana. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WILSON of Louisiana. It has been shown that the production of cotton may be increased from 25 to 30 per cent where this method of control by the use of powdered calcium arsenate, is properly carried out under the department's instructions.

The appropriation recommended by the committee is an increase over what the department asked, but if all the activities in contemplation were carried out probably this appropriation should be increased.

The main thing concerning the cotton farmer is the proper control of the boll weevil in cotton production. In experiments which have been made it is shown that by the expenditure of from $5 to $6 per acre the production may be increased from 25 to 35 per cent, and that would be in value from $25 to $30 per acre.

I have made a personal inspection of places where this system of poisoning was carried on, and the results have been, in the poisoned cotton, from a half bale to three-quarters of a bale per acre, where probably the production would not be over a quarter of a bale when there was no control of boll weevil at all.

We might as well accept it as a practical proposition that the boll weevil is here and that we must adopt some practical method of boll-weevil control, and that to completely eradicate is not possible.

The production in cotton of 10,000,000 bales, of course, does not meet the world's demand upon the South, but I believe the situation would be better if we could keep the production somewhere below 15,000,000 bales and diversify our crops. That is the slogan all over the country. The safest figure for the producer would be 12,000,000 bales.

The additional studies requested for the poisoning of the boll weevil are, first, for new types of calcium arsenate. The next is some manner by which the production of calcium arsenate may be increased and then sold to the farmer at a lower cost. It is selling now from 20 to 22 cents a pound. That is about the price paid last year.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. WILSON of Louisiana. Yes.

Mr. LARSEN of Georgia. In that connection, will the gentleman state what it was worth when it was first discovered to be effective in the control of the boll weevil, some four years ago?

Mr. WILSON of Louisiana. I do not recall the exact figures.

Mr. LARSEN of Georgia. About 3 cents a pound, was it not?

Mr. WILSON of Louisiana. I say I do not recall; but now it ranges around 20 cents a pound. It is estimated that if the production of calcium arsenate could be increased so that it could reach the farmer at 10 cents a pound the owner of the plantation and the owner of the small farm by the use of dusting machines—the high-powered dusting machines for the large plantation and a hand duster for the small farm—the entire Cotton Belt could adopt the method recommended by the Department of Agriculture.

Mr. DENISON. Will the gentleman yield?

Mr. WILSON of Louisiana. Yes.

Mr. DENISON. The gentleman comes from one of the Southern States where they raise a great deal of cotton, and I wonder if they have ever experimented to ascertain if the boll weevil will disappear if they cease raising cotton for a number of seasons.

Mr. WILSON of Louisiana. No; I do not know any place where that has been tried. When the boll weevil first crossed the Texas border there was a zone laid off for a short while, but I do not think any satisfactory experiment has been made. However, it has been found that the cotton-boll weevil feeds only upon the cotton plant, and investigations are now going on to find out just what quality there is in the cotton plant that attracts the boll weevil, hoping through that investigation to reach some way of ascertaining exactly the information that would answer the gentleman's question.

Mr. DENISON. I do not know whether the gentleman knows it or not, but in southern Illinois, which has always been considered, of course, a northern State, we are turning our fields into cotton, and they are raising as fine cotton as I have ever seen. The same thing is true in Missouri. We are there entirely free from the boll weevil, because the temperature is such, they say, that the boll weevil can not live. I was wondering if it might not be found that a solution of the boll-weevil problem would be to cease raising cotton for a certain number of years.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. WILSON of Louisiana. Mr. Chairman, I ask for two minutes more.

Mr. MAGEE of New York. Mr. Chairman, I ask that all debate on this paragraph and all amendments thereto close in two minutes.

Mr. ALMON. Mr. Chairman, reserving the right to object, will the gentleman make it four minutes? I would like to have two minutes.

Mr. MAGEE of New York. I will amend the request and make it four minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WILSON of Louisiana. I am acquainted with the situation in Illinois and Missouri where cotton is being raised and where the boll weevil has not infested that territory. I am not sure the gentleman can feel safe against the appearance of the boll weevil. However, long winters and differences in climatic conditions will relieve them somewhat from the disaster which will follow if it does appear. The entire belt, outside of that particular section, is now affected. The only argument I know of, that you might exterminate the boll weevil by ceasing cotton production, is based upon the fact that that is the only plant upon which it feeds; but I want to state that the use of powdered calcium arsenate, as outlined by the Department of Agriculture, to my mind, is the only satisfactory method of boll-weevil control. I think we should feel indebted to the Committee on Appropriations for increasing the amount for this investigation.

Another thing that is now under consideration is the matter of cooperation between the State agricultural colleges or other activities of the States and the Department of Agriculture. For instance, in South Carolina the legislature appropriated $25,000 to be used in connection with $25,000 from the Government to carry on a station suitable to the particular location. If this is carried out in every State with every agricultural college, where young men would be trained, it will be a great advantage because you will find, if you ever investigate the matter personally, that very few farmers know what the degree of infestation of the boll weevil is at any period. You need an agent to go and gauge the infestation, to give instructions in the use of calcium arsenate, and an inspector always to see that you get the pure article.

Therefore I simply hold out the hope to my fellow Congressmen and citizens from the Cotton Belt that it is strictly a question of boll-weevil control. Extermination of the boll weevil without the abolishment of cotton growing is simply an impossibility.

Mr. Chairman, I wish to repeat that the prosperity of the South depends upon the successful and profitable production of cotton. Boll-weevil infestation makes it more difficult to produce this staple, hence it becomes necessary to so diversify our crops as to adjust matters to a smaller production. It also becomes necessary to adopt methods of boll-weevil control so as to reach a reasonable production per acre. Therefore, whether the South chooses to do so or not, conditions necessitate reduction of acreage planted to cotton.

It is my opinion, after very careful investigation, that the South will be more prosperous if it can limit cotton production to not more than 12,000,000 bales per year on about 75 per cent of the acreage now planted to cotton, using the excess acreage for other crops.

The carry-over of cotton is smaller than usual and has been diminishing for the past three years, but it would be a mistake to use this as an incentive for an increase in cotton acreage. The world is not in financial condition to consume cotton at the normal rate and this disordered state of affairs has no prospect of being adjusted for several years to come.

We are facing a situation in agriculture as well as in industry that can be solved only by patience, good judgment, common sense, and proper management. Even with a 12,000,000-bale cotton crop the producer must have some kind of cooperative and coordinated marketing facilities, and this, in my judgment, should be financed in the South, in the cotton-producing States, controlled and directed by the producers, the banks and business organizations financing the same. Whenever this marketing control is centralized and removed to Washington, placed under the direction of some Government bureau, the spinners and speculators will gain control and the producer, I fear, will be forgotten. For the first time in our history since the Civil War the South has sufficient banking interests and capital to control the marketing of its crops, and it is simply a question of whether we may so cooperate as to take advantage of that opportunity.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. LARSEN of Georgia. I make the same request, Mr. Chairman.

The CHAIRMAN. The gentleman from Louisiana and the gentleman from Georgia ask unanimous consent to extend their remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD as indicated a while ago.

The CHAIRMAN. The Chair thought the gentleman had that privilege.

Mr. RAKER. No; somebody objected.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks as indicated a moment ago. Is there objection?

Mr. MAGEE of New York. I did not understand, Mr. Chairman.

Mr. RAKER. It is just to print a short amendment on another bill, which will only take about 4 or 5 inches of printed space.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman, under the permission given, I am herewith submitting a proposed amendment, which I will offer as a new section to H. R. 4830 at the proper place in said bill, which proposed amendment reads as follows:

SEC. —. (1) That when used in this section, unless the context indicates otherwise, the term "lands of the United States" means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled "An act to repeal timber culture laws, and for other purposes," and acts amendatory thereof and supplemental thereto, or obtained or acquired under the act of March 1, 1911 (36 Stats. L., p. 961), and acts amendatory thereof and supplemental thereto.

(The term "Secretary" means the Secretary of Agriculture.)

(2) That the United States Government hereby assumes, subject to the conditions of the section, or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals.

(3) That the Secretary shall, as soon as practicable after the passage of this act and annually thereafter, at such time of the year as the legislature of the State may designate, send a statement to the governor, or such other officer as the legislature may designate, of every State in which such lands are located, describing the location, size, and character of all lands of the United States within the border of such State, together with such information respecting such lands as he may possess which may be useful in properly determining their value.

(4) That no payments shall be made to any State under the provisions of this section until such State has, with respect to the lands of the United States in question, acting through its officers and agents duly authorized therefor—

(a) Properly assessed such lands of the United States at a rate no higher than that at which other similar lands within such State are assessed.

(b) Applied to such assessed valuation a factor no higher than the tax rate applied to the assessed value of other similar lands within such State.

(c) Secured in this manner a figure from which shall be deducted any allowances made by such State to its taxpayers in similar cases for prompt payment of taxes or for any other reason.

(d) Certified the figures so reached with respect to each piece of such lands of the United States, accompanied by statements as to the methods employed in arriving at such figures, to the secretary.

(e) Furnished the secretary with such further information as he may request respecting the methods employed in valuing and assessing such lands of the United States and in assessing and taxing other similar lands within the State.

(f) Complied with such rules and regulations as the secretary may prescribe for carrying out the provisions of this section.

(5) That the Secretary shall receive and examine the figures submitted by the States under the provisions of subdivision 4 of this section. In the event that any State shall submit figures with respect to any lands of the United States based (1) on a higher valuation than the Secretary believes to be the actual value of such lands, or (2) on a higher rate of assessment or of taxation than he believes is

employed in the case of other similar lands within such State, or (3) in whole or in part on any other improper consideration he shall so revise and reduce such figures as to allow and compensate for such error or miscalculation. Such revised and reduced figures shall be final and conclusive when so determined by the Secretary, except that he may, in his discretion, permit any State affected by such revision or reduction to offer such evidence and argument respecting the matters in question as he may deem advisable, after which the Secretary may change his determination in such manner as he shall deem proper.

(6) That the Secretary shall certify to the Secretary of the Treasury annually and as promptly as practicable with respect to every State receiving benefits hereunder the amounts to which such State is entitled under the provisions of this section. The Secretary of the Treasury shall thereupon cause such amounts to be paid to the designated officers of the States indicated. Whenever the Secretary shall determine that any State has, for any reason, been paid more than the amounts to which it is entitled under the provisions of this section, he shall deduct such overpayments from the next amounts certified to the Secretary of the Treasury for payment to such State.

(7) That no payments shall be made to any State, under the provisions of this section, with respect to any such lands of the United States which do not remain such for the entire tax year of the State in which they are located, nor with respect to any such lands of the United States which the State might lawfully tax by reason of the fact that the beneficial interest in such lands is not vested in the United States.

(8) That the Secretary shall have power to prescribe rules and regulations for carrying out the provisions of this section.

(9) That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of the Treasury from time to time to make the payments required by this section.

Mr. ALMON. Mr. Chairman, I am in favor of this appropriation, but I am wondering what the Secretary of Agriculture or the Department of Agriculture is going to do for the farmer in the way of the control or eradication of the boll weevil in the cotton-growing States, more than has already been done, through this increased appropriation of more than $40,000. I am wondering if some member of the subcommittee, probably Mr. BUCHANAN, of Texas, can give us some information on that subject.

Mr. BUCHANAN. The increase of $44,920 is intended to be used, first, in experimentation. The department claims they have reason to believe that they have evolved manufacturing machinery for calcium arsenate which can be put up for $8,000, thereby reducing the cost of calcium arsenate two-thirds of what it now costs. That is one of the purposes for the increased appropriation. The second purpose is in connection with the use of the calcium arsenate. By experiments with the airplane in poisoning cotton with calcium arsenate they discovered that the poison left the airplane charged with positive electricity. It is all charged with the same character of electricity; and as like repels like, therefore the particles of poison were separated, and each particle would stand off to itself and settle on the cotton to itself. They also discovered that the cotton plant was charged by nature with negative electricity, so that the negative electrically charged cotton plant attracted to it the positive electrically charged poison and caused it to adhere to the plant.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, we ought to get the balance of this statement, and I ask unanimous consent that my colleague may finish the enlightening remarks he is making.

Mr. MADDEN. I ask that it be limited to five minutes.

Mr. BLANTON. Oh, he only wants two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BUCHANAN. Of course, it has been known for a long time that plant life was charged with negative electricity, and through the operation of the airplane they learned that the poison left the airplane charged with positive electricity. The department came in and requested an appropriation of $235,000 for the development of a special type of airplane with which to poison cotton. At this time this process is impracticable. The sentiment of the farmer has not reached the stage where universal poisoning would be approved. Neither would an airplane be within the financial reach of the farmer. Therefore the committee saw proper to vote down this request, but made an additional appropriation so that they might experiment with ground machinery in order to charge this poison with positive electricity, so that it would be attracted to the plant when it was sought to be applied.

Gentlemen who do not live in cotton communities do not understand that the ordinary method of poisoning cotton with calcium arsenate can not be done unless the cotton leaf is damp with dew or rain. Therefore the farmers of the South when they are applying calcium arsenate have to poison at night while the plant is damp so that the poison will stick.

Now, if this new development in the scientific world is true and they find they can charge this poison with positive electricity, the plant being charged with negative electricity, the plants will attract the poison and then they can poison at any time of day and in any climate, whether dry or damp.

Mr. LARSEN of Georgia. Will the gentleman yield? That assumes you will use the airplane for the distribution.

Mr. BUCHANAN. No; it does not.

Mr. LARSEN of Georgia. It means the use of some other——

Mr. BUCHANAN. No; it does not.

Mr. LARSEN of Georgia. The gentleman did not let me finish—the use of some other high-powered machine.

Mr. BUCHANAN. No; it does not.

Mr. LARSEN of Georgia. It is a fact, I believe, that the airplane would cause it to adhere.

Mr. BUCHANAN. Yes; they have established that as a fact. Here is what it means: It means that if you manufacture the poison so that when it leaves the manufacturer it will be charged with the positive electricity, it can be applied with any ordinary machine.

Mr. ABERNETHY. Does the gentleman think that would be an absolute cure for the boll weevil?

Mr. BUCHANAN. No; we have no absolute cure. We will never have an absolute cure. We have the boll weevil with us for all time.

Mr. ABERNETHY. But this will be very helpful the gentleman thinks?

Mr. BUCHANAN. Yes.

Mr. MADDEN. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. MADDEN. I would like to say that in a former deficiency bill we appropriated $40,000 for experimental work in the operation of airplane work for the eradication of the boll weevil. I was wondering what success came of it.

Mr. BUCHANAN. That is what I have been speaking of. They borrowed five Army airplanes for experiments, and they succeeded in spreading the poison splendidly; as far as it went from the machine to the cotton it was a success. By reason of these experiments they ascertained that the poison would stick to the plant because it was charged with electricity opposite to that of the plant.

Mr. MADDEN. Does it injure the plant?

Mr. BUCHANAN. No; if it is properly mixed no amount will injure the plant.

Mr. WILSON of Louisiana. If the gentleman will yield, I want to say to my friend from Illinois, chairman of the Committee on Appropriations, who recommended that $40,000, that it was spent in my district, and they found that the great force with which the calcium was driven through the airplane made it mingle better and it stayed much better on the cotton plant.

The water supply for the boll weevil is the dew that is on the cotton. That is when he comes out to drink. We have got that much from the airplane experiments and found that we could run as high as 400 or 500 acres an hour, while 70 or 80 acres a day is all that you could cover with the big power dusting machine.

Mr. BUCHANAN. Another purpose of this increased appropriation is to evolve a cheaper ground machine to apply the poison. To-day it costs $350, and they believe they can manufacture a ground machine to poison the cotton for a great deal less. If they do, it will put the poison machines within the reach of the ordinary farmer, the farmer who cultivates from 25 to 100 acres. If they do that, it will be a commendable work. That is the purpose of this increase in the appropriation.

Mr. Chairman, may I have leave to insert in the RECORD a table of 102 experiments conducted by the Bureau of Entomology showing the field tests, cost per acre, number of applications, and increased production of the six leading remedies for the boll weevil?

The CHAIRMAN. The gentleman from Texas asks unanimous consent to insert a table. Is there objection?

There was no objection.

The table is as follows:

Summary of United States Bureau of Entomology 1923 field tests comparing certain suggestions for weevil control

TALLULAH, LA.

Method	Average number applications	Season's total cost per acre			Seed cotton production per acre				Method over checks per acre	
		Material	Applying	Total	Untreated checks	Treated plats	Increase over check: Gain	Increase over check: Loss	Profit	Loss
Home-made molasses mixture	7.9	$1.98	$1.32	$3.30	949	1,035	86		$5.67	
Florida method	1.4	.70	2.25	2.95	243	234		36	.78	
Hill's mixture	7.7	7.51	1.57	9.08	1,086	1,067		19		$10.98
Weevilisp	6.5	4.57	1.57	6.14	1,034	1,045	11			5.60
Boll-we-go	4.0	8.07	.48	8.55	1,124	1,183	59			2.85
Dusted calcium arsenate	5.4	4.32	.63	4.95	1,067	1,293	226		18.65	

Total number of plats in this series of experiments, 102.

The Clerk read as follows:

For investigations of insects affecting truck crops, including insects affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, etc., and insects affecting stored products, $145,000.

Mr. UPSHAW. Mr. Chairman and gentlemen of the committee, the wisdom of our fathers in launching this Republic is still a marvel and an inspiration. But they were pathfinders. They sailed an uncharted sea in nation building. They could not foresee everything. They could not compass all eventualities. Their national perspective was inevitably restricted by the limitations of their colonial experience, out of which they constructed the framework of an infant nation. This fact was recognized by Washington in his Farewell Address.

The burdens upon the President of the United States are increasingly intolerable. He ought to be relieved, as far as possible, from the stupendous personal and official responsibility of Cabinet selection and Cabinet action. I have introduced a bill providing that all Cabinet officers shall be elected by the people on the same ticket with the President under the same laws and regulations governing the election of President and Vice President of the United States, with the proviso that in case of death, resignation, or vacancy from any other cause the President shall fill such vacancy for the unexpired term by appointment, with the advice and consent of the Senate.

Why should this not be done? It is a proposal of governmental sanity and safety. It is broadly, fundamentally, and inspiringly American. Have not the people a right to know who will compose the President's official family before they vote for him? If not, why not? Cabinet officers are certainly as vitally connected with the interests of the people as Congressmen and Senators and other elective officials.

It is an age-long custom—a custom almost mandatory—for sheriffs and other county and State officials to name their deputies, and the strength or weakness of a candidate's cabinet makes largely for his victory or defeat. In most States the heads of all State departments are independently elected.

To have a presidential candidate name the proposed members of his Cabinet for ratification at the polls would be taking the American people into a very wholesome confidence. Certain it is that the preelection selection of Cabinet officers by the President and the people would guarantee deliberation and locate responsibility in a way thoroughly satisfactory to a discriminating public; and certainly, too, this change, which might seem at first revolutionary, would relieve the incoming President of any preelection obligation. And certainly, again, the geographical distribution of Cabinet candidates over the Nation would largely remove the temptation and the supposed necessity for such stupendous campaign contributions.

The Napoleon of some great scheming campaign or convention scramble would be forever unknown as a White House liability in our future political life. Can we bring ourselves to visualize this essential and refreshing national relief? The people? The people! They would be in the saddle as never before, first-hand and forever. This vital change would help to strike the fetters from our present executive system and prove a practical safeguard in the march of real democracy. [Applause.]

Mr. MADDEN. Will the gentleman yield?

Mr. UPSHAW. I will yield.

Mr. MADDEN. How does this subject which the gentleman has been discussing relate to the item under consideration?

Mr. UPSHAW. Because I moved to "strike out the last word," as countless other Members have done "out of order," and I had the consent of the chairmen of both sides that I might proceed with this tremendously vital matter, worth perhaps more to our reputation and national safety than this agricultural discussion right now. [Laughter.]

Mr. BLANTON. Will the gentleman yield?

Mr. UPSHAW. All right.

Mr. BLANTON. The newspapers report that the distinguished gentleman from Georgia is going to be one end of one of the national tickets. I was wondering if he would not prefer to choose his own running mate with respect to the Cabinet. [Laughter.]

Mr. UPSHAW. I would suggest to the genial gentleman from Texas in reply to his generous interruption that I am not responsible for what some newspapers say. [Laughter.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. UPSHAW. I ask for one minute more to reply to the gentleman from Texas.

Mr. CLARKE of New York. Make it two minutes; I want to ask the gentleman a question.

The CHAIRMAN. The gentleman from Georgia asks for one minute more. Is there objection?

There was no objection.

Mr. UPSHAW. The people of America would be tremendously relieved, I think, if they knew the Cabinet members beforehand, and the President would often be saved from great embarrassment. Better the searchlight of campaign scrutiny before holding the office than the spotlight of shocking revelations afterwards. Certainly no man ought to be considered or voted for on a national ticket who is not willing to show his hand and name his Cabinet advisers and executives in a great democracy like ours. As I said in the beginning, it would relieve the President of a tremendous responsibility and give great satisfaction to a discriminating American public. [Applause.]

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

To investigate and encourage the adoption of improved methods of farm management and farm practice, $275,000: *Provided*, That of this amount $150,000 may be used in ascertaining the cost of production of the principal staple agricultural products.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee what progress the department is making in determining the cost of the production of the principal staple agricultural products. That is a matter which has been discussed for a long time. The wisdom of the appropriation has been questioned largely on account of the difficulty of reaching anything like satisfactory results. I should be pleased to learn from the chairman of the committee that real progress is being made in this most difficult matter.

Mr. MAGEE of New York. Mr. Chairman, I am unable to state just how much progress has been made, but the department I should say is making progress. There probably will always be room for more progress.

Mr. McLAUGHLIN of Michigan. It is true as a general proposition that we naturally hope for progress; but I am one of those who have doubted whether much progress could be made—real progress—in ascertaining the cost of the production of the staple agricultural products. So much depends upon climate, the nature of the soil, the manner in which the soil is treated, the kind of seed used, when and how it is put into the ground, the practice and habit, the skill and industry or otherwise of those who cultivate the soil; so many different

matters enter into this proposition that while conditions may seem to be the same, yet they are entirely different, even on neighboring farms. I have doubted whether real progress is being made or could be made in this matter about which we hear so much talk and on which we spend so much money. If even reasonably accurate results can be reached, or results that are reasonably satisfactory, the expenditure of a large sum of money is justified. I am not opposing this appropriation, in the first place, because I do not know what the department is doing and because we often find that in the most unpromising fields good results are reached. I wanted to know what is being done with this money.

We continue to appropriate the same amount in each appropriation bill for this department. It may be my fault altogether, but the data prepared by the Department of Agriculture did not come to my attention.

Mr. MAGEE of New York. We had very extensive hearings on the subject, and the gentleman may get some of the information he desires if he would read the statement made on this particular matter.

Mr. McLAUGHLIN of Michigan. As I said and as I believe, it is largely my fault. I should have gathered the information from the hearings.

Mr. KETCHAM. Mr. Chairman, I rise in opposition to the pro forma amendment. I regard this feature of the work in the department as one that is most important. It seems to me that looking toward improving the conditions of agriculture, when you get down into determining the cost of the production, you are doing work that is of very vital importance.

I have had the privilege of looking over several bulletins that have been prepared, not only by our own Department of Agriculture but by various departments of agriculture in the various States, and they give valuable and helpful information along this line. They indicate that very substantial progress is being made. As far as I am personally concerned, I am not only heartily in favor of this amendment but wish that the appropriation might be increased.

Consideration of this appropriation bill forces us to face a problem which has many difficult phases. To deal justly with any one of them all of them must be studied together. This I have been endeavoring to do and should like to submit a few observations concerning the general agricultural situation, and for this purpose I ask unanimous consent to extend my remarks in the RECORD.

Mr. Chairman, it is probably true that there is no theme more widely discussed in the United States to-day than that of agriculture. Our papers, both farm journals, weekly newspapers, and even the great metropolitan dailies, have carried in their editorials, as well as in their news columns, splendid discussions—constructive discussion for the most part—of the many problems that surround this great fundamental business, there is scarcely a platform to-day from which men speak where they do not include, in the subjects they present to the public, discussions of this great business. The very fact that our great Chautauquas and our great lecture courses find places on their programs for constructive discussions on this great business indicates very clearly the unusual interest that is taken in this great subject, not only by the people who live in the country but also those who live in the cities.

When anyone rises to-day to discuss the subject of agriculture there are two viewpoints that may be presented. One is negative and destructive in its character, finding no sort of comfort or consolation and but little hope in the present situation, and finding fault with everything that has been done to advance agriculture. The other viewpoint is a positive and constructive one; one that does find in the situation something of hope, something of promise, and then endeavors, as best it can, to present some means by which the condition may be improved, although not as good as it should be.

Now, if I were minded to do so this afternoon, I think that without any great amount of trouble I might make something of a speech of the first character, a negative one, a destructive one; in fact, I think possibly I might express the voice of a great many farmers to-day if I should indulge myself in that sort of an argument and in that kind of a discussion. But whenever I am inclined to find fault, whenever I am inclined to be negative or destructive in discussing the problems of agriculture I am reminded of an experience of years ago in listening to one of the great lecturers of the country, whose subject I have forgotten, whose outline has completely left my mind, but who left with me one illustration, which I always recall in this connection. Said he, "Any mule can kick over a structure but it takes an architect to build it up." "Mule" was not exactly the term he used but it is the society name for the animal. Whenever I am inclined to be destructive, I am reminded of that illustration. Therefore, for the few moments that I shall occupy, I want to attempt something in the way of constructive discussion.

In the first place, may I attempt a definition of what the agriculture of the United States really is? Measured in terms of arithmetic as applied to the number of farms, we find that they number 6,500,000. Living upon these farms are approximately 29,000,000 people, constituting almost exactly 27 per cent of our population and representing, according to the census of 1920, a wealth of $77,000,000,000.

From the standpoint of the nationality of the men and women who live upon the land, I am very glad to say that the discussions of the last week or 10 days upon the immigration bill have developed the fact that nearly 90 per cent of those living upon the farms of the United States are native-born American citizens. In the light of the stress that is being put upon our institutions in these days and in the light of the rapidly increasing proportion of foreign-born citizens in the great centers of population I want to say to the members of this committee that the statement that 90 per cent of the people who live upon the farms of the United States are native born is a consideration that ought not to be passed lightly by. Remember that out there in the open country is a force, a strong force, of native-born citizenship, steeped in the traditions of this beloved land of ours, that will "stand to and abide by" in the days of storm and stress.

In the matter of home ownership a statement can be made with reference to the farmers of the United States that is also of unusual significance. Sixty per cent of the men and women who live in the open country own their own homes. The average for the whole United States is but 40 per cent.

If the average for the whole United States is 40 per cent and that out in the open country is 60 per cent, what must be the condition in the great centers of population? I do not want to be an alarmist, but I do think it is worthy of a moment's emphasis to point to the greatest of our cities, the great city of New York, and to make the statement that not quite 10 per cent of the people who live within the borders of that great city own their own homes. Among the larger cities of the country that have the highest percentage of home ownership is the home city of the distinguished chairman of the committee at this time the city of Des Moines, Iowa, but the percentage of home ownership in that fine city is but slightly above 50 per cent. The city of Grand Rapids, Mich., enjoys the distinction of being the second in the United States of the larger cities in its proportion of home ownership, but its percentage is slightly under 50 per cent. With these facts in mind, I am sure you will agree that the 60 per cent of home ownership out in the open country is a tremendously important factor in these days, when the currents of life are moving so rapidly that we scarcely know from one day to another what will be the shift in public sentiment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KETCHAM. May I have five minutes more?

Mr. MAGEE of New York. I yield the gentleman five additional minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for five additional minutes.

Mr. KETCHAM. If the nationality of the men and women who live in the open country is important, if the percentage of home ownership is a vital consideration, and if their wealth and the proportion of population that they bear to the rest of the country are important factors, then one or two other things ought to be brought to your attention.

They do things in the open country. It is not my purpose this afternoon to rehearse the war record of the men and women who live on the farms, but it will always be a very great matter of pride to recall that 35 per cent of the fine young men who answered the call to the colors in the days of the World War came from the farms; it will always be a matter of the extremest pride to me to note that the fathers, mothers, sisters, and younger sons of the family produced crops 130 per cent above normal, in spite of the fact that nearly 2,000,000 of their finest and best manpower had been taken away. Such is the patriotism of the men and women who live upon the farms of the United States. [Applause.] Not only in times of war do they respond, but in times of peace. I would like the members of this committee to stop and think for a moment when men sometimes standing upon this floor speak in rather light terms, sometimes even approaching a sneer, of the farmers who call upon Congress for legislation. I would like to have them note that the farmers of the United States represent but 2 per cent of the population of the whole round world, and yet in the last year for which we have the record this 2 per cent produced 24 per cent of the agricultural wealth of the whole world. So that in times of

peace, as well as in times of war, these men and women are not wanting when it comes to doing things that are significant.

But from another viewpoint, particularly related to the business interests of our country, agriculture should be defined. Farmers not only produce the necessities of life in the way of food and the raw materials that go into manufacture but they offer a market of no inconsiderable proportion for the manufactured goods of the country. I wish that more of our friends from New England were upon the floor this afternoon. I am glad that a number of them are present, and especially pleased to hear the distinguished Member from Connecticut [Mr. TILSON] indicate his interest in this problem and offer his support to any constructive legislation which will correct the situation. The men from New England ought to bear in mind this fact, which is very intimately and closely related to the welfare of that great manufacturing center, namely, that the farmers of the country constitute 35 per cent of the buying power, and when they are out of the market there is a very material dent made in the prosperity of that great section of the country.

Mr. Chairman, this little survey, this little attempt at a definition of what agriculture means, would certainly indicate that agriculture is entitled to an important place in our legislative program and is a vital factor in the scheme of things as we have worked it out here in the United States.

In my opinion just this hurried and incomplete sketch should be sufficient to silence the criticisms that are sometimes directed at farm legislation under the general charge of "class" legislation. It is hard to conceive anything more intimately related to our national welfare than the progress and prosperity of the farmers, and I am confident that this Congress in both its branches will give strong indorsement to such a program of legislation as will contribute to this end.

If this be granted, it is certainly in order to determine specifically what needs to be done to locate the trouble so that a proper remedy may be applied.

What is the difficulty with agriculture? Hours could be consumed in answering this question and bitter controversy possibly aroused as to the whys and wherefores of it. I shall not weary the committee with a long-drawn-out discussion but come straight to the point. The farmer's trouble centers around the lack of an adequate price for his products. Measured by its comparative commodity value his dollar is a 72-cent dollar. In other words, the exchange value of his commodities is upon that basis. He can not survive under such conditions, and the best thought of the country should concentrate on this problem and devise ways and means by which this great disparity may be removed.

The pre-war ratio of corn and pig iron was 18 to 1 (18 bushels of corn to a ton of pig iron in market value). In 1917 this ratio was 28 to 1. In February of 1921 when deflation had done its worst for the farmers it was 47 to 1 and in December of 1923 it had reached 29 to 1. Corn and pig iron are standard examples of price levels in agriculture and in industry and show graphically the present price disadvantage at which the farmer is placed.

What shall be done? How shall the price of farm products be put on a parity with general commodity prices? What sound program can be devised to accomplish this result? Mr. Chairman, in my opinion the answer will not be found in wild charges and threats, in demagogic appeals, or in partisan flub-dub. It will be found in a clear apprehension and a frank acknowledgment of the situation on the part of all our people, both city and country, and an equally sincere and earnest effort to meet it fairly and justly. It will be found in a careful study of the experience of others who have met and mastered like difficulties as they have developed in recurring cycles through the years. Such experience seems to point out clearly a few steps that can and should be taken.

First, continued emphasis must be placed on reducing farm production cost by improved methods and management. Wonderful progress has been registered by the American farmer in this regard in recent years. He is the best farmer the world knows, whether judged by his individual production or by production per unit of land. Every help and encouragement should be given him to continue this progress. Not only must his best thought be given to economical production but a method must be found to regulate or handle the surplus of agricultural products. It is surely an unsound national policy to force farmers to restrict production of foodstuffs in order to secure an adequate price, but if another way can not be found to meet the situation that course will be the only one open to them.

Economical production and the avoidance of surpluses is but one phase of the farm rehabilitation program. Orderly and economical marketing of farm products must go along with it. The "spread" between producer and consumer is the vital consideration here. How can this be lessened? One thing must be done and that is to remove speculation, price control or manipulation from our processes of food distribution. Service in food distribution, whether performed by individuals, corporations, or cooperative associations, is deserving of adequate pay. The rapid development of the cooperative movement among farmers is an effort to lessen distribution costs at one end of the line and bring a larger net return for farm products back to the producer. This constructive step on the part of farmers should likewise receive every encouragement at the hands of Congress. The very comprehensive measure introduced recently by my colleague, Mr. WILLIAMS of Michigan, goes right to the point of this great question and undoubtedly points the way to Federal legislation that will stimulate cooperative marketing.

When it can be said that $2 is required to get $1 worth of farm products from producer to consumer, the necessity for action becomes overwhelming. This necessity has caused the widespread growth of the cooperative plan of marketing farm crops. So universally has it been adopted that Federal legislation is demanded and will undoubtedly be enacted.

The third step in a rehabilitation program for agriculture is a general Federal legislative one. Here two extremes must be avoided. One, the cry for Congress or State legislatures to "do something about it" in the way of legislation whenever a disagreeable situation arises; the other that classic of the conservative, "economic ills can not be cured by legislation." What is the plain truth? Many unhappy conditions can not be improved by legislation. Climate, seasons, soils, location, and management are outside the law. On the other hand, it is foolish to assert that legislation has not effected our economic situation. The echoes have scarcely ceased in this Chamber from the discussion of one such piece of legislation. No laboring man needs anyone to tell him the effects of millions of immigrants on his wage scale and his standard of living. No railroad man needs to be told of the economic effect of the Adamson or the Esch-Cummins laws. The tariff is possibly our oldest illustration. In short, these laws have effected our economic life. World conditions have made them necessary. We have built up a standard of living that leads the world. We are all for it and propose to maintain it. It costs more, but it is worth it. Because the farmer is not able to pass on the added costs which increased transportation rates impose on him and that higher wage scales demand of him, much of the new legislation has affected him unfavorably, however. The tariff is not fully effective in raising price levels on his export surplus. He produces a surplus of a number of the basic commodities which must find a market under world conditions from which much of our legislation has been designed to protect us. He buys by the American market and sells by the world market. If he is to survive he must be put on an American basis in his selling as well as his buying. To put him on such a basis is not doing him a favor. It is simply putting him on a par with the rest. It is plain justice. To acclaim the virtues of these higher standards of American life in one breath and in another to deny their practical application to all our people alike is a strange performance. It recalls some stirring references to "intellectual integrity" in other debates. The McNary-Haugen bill, now so widely discussed, is directed straight at this price inequality which the farmer suffers under because of his production of a surplus which must be exported. The widespread demand for this legislation is based on our American gospel of the "square deal."

The farmer in supporting it is simply asking that he be put on equal terms with the rest of the country who have been made the beneficiaries of Federal legislation. His attitude is well summed up in the words of Henry Van Dyke:

> In the game of life, as we play it here in America, the rules must be the same for all; the penalties must be the same for all; the prizes of life, so far as we can make them so, must be the same for all—and may the best man win.

In the historic language of this Chamber, the farmer wants to "go along" on equal terms with the rest and not trailing along in the rear.

This is what the American farmer wants. [Applause.]

But, Mr. Chairman, this does not complete the program for agricultural rehabilitation. Organization must be added to the other suggestions that have been offered for the improvement of farm conditions. Living in the midst of organized effort on every hand, the farmer has learned its value, and the last few years have seen the greatest development in our history along this particular line. In this revival of farm or-

name for the animal. Whenever I am inclined to be destruc- | agricultural wealth of the whole world. So that in times of

ganizations a new purpose and motive have developed that give promise of making both the new forms of organization as well as the old ones which have caught the idea more lasting and more effective. The old idea in many farm organizations was to fight something that some one else had started. The new idea is to lay out a program of your own and put it through. True it is that things still have to be opposed, but if an organization is to do its best, it must have a constructive program of its own to forward, and this makes its power to oppose hostile efforts all the more effective. Organization in agriculture is absolutely essential in these days of concerted effort in all other lines of endeavor. It is vital to the individual farmer whose whole training and daily experience put the emphasis on the individual side. It is an essential factor in the building of the best community life and the most effective means by which he can give expression to his views upon public questions. There was never a time when farm organizations could serve so useful a purpose as now, and every farmer ought to be actively interested in supporting them.

In the last analysis, Mr. Chairman, the problem of rehabilitated agriculture must get back to the individual farmer himself. All the best farm practice in production, all the newest plans for improved marketing of farm crops, all the laws, both State and Federal, that can be enacted, and all the farm organizations that can be developed can not bring success to the farmer unless he has within himself the necessary elements to achieve it. Public interest can not be charged with the guardianship of those who are wasteful and inefficient and who are doomed to failure under any circumstances and in any occupation, but it must take a very real interest in providing conditions so that the farmer's returns from the capital, time, brains, and effort he puts into this great fundamental business will match those of other callings and professions. This viewpoint, Mr. Chairman, justifies the active support we should give this appropriation bill and other measures that will upbuild and advance agriculture.

The Clerk read as follows:

For acquiring and diffusing among the people of the United States useful information on subjects connected with the marketing, handling, utilization, grading, transportation, and distributing of farm and nonmanufactured food products and the purchasing of farm supplies, including the demonstration and promotion of the use of uniform standards of classification of American farm products throughout the world, independently and in cooperation with other branches of the department, State agencies, purchasing and consuming organizations, and persons engaged in the marketing, handling, utilization, grading, transportation, and distributing of farm and food products, $524,628.

Mr. ASWELL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. ASWELL: Page 54, line 3, at the end of the paragraph insert: "Purchase and distribution of vegetable, field, and flower seeds, plants, shrubs and vines, bulbs and cuttings of the freshest and best obtainable varieties, adapted to general cultivation, $360,000, or so much thereof as may be necessary. The Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supply of printed packets and envelopes and the packeting, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States."

Mr. MADDEN. Mr. Chairman, I make the point of order that there is no law authorizing this activity and the amendment is not germane to this part of the bill.

Mr. BLANTON. Mr. Chairman, I make the further point of order that the amendment seeks through an order from this Congress, which expires on March 4, 1925, to give authority to the Secretary of Agriculture to purchase seeds for the next five years, which extends his authority nearly four years beyond the life of this Congress, which is unauthorized by law. I make the further point of order that not only is the amendment not germane to this paragraph, but it is not germane to any paragraph in the bill.

Mr. ASWELL. Mr. Chairman, the purpose of this bill is to make appropriations for the Department of Agriculture. This language follows the language of the organic act. A bill similar to this amendment has been reported by the Committee on Agriculture. This is an appropriation for the coming year. It seems entirely just that the House should be permitted to discuss this point of order and to vote upon the proposal at this time. I insist that this is in line with the language of the organic act and is entirely in order at this point.

Mr. CONNALLY of Texas. Mr. Chairman, I rise to discuss the point of order. I quote from Barnes Federal Statutes, not appropriation acts but permanent law. Article 618 provides for the establishment of the Department of Agriculture; and in defining the duties of the Department of Agriculture it uses this language:

The general design and duties of which shall be to acquire and diffuse among the people of the United States useful information on the subject connected with agriculture in the most general comprehensive sense of that word, and to procure, propagate, and distribute among the people new and valuable seeds and plants.

That is section 618 of the permanent statutes. Now, section 639 of the permanent statutes is in the exact language of this amendment except one word, and that word does not change the meaning. Now, if the Chair will permit me, I will read the statute, and the Chair may read the amendment and see whether or not it follows the act:

SEC. 639. Purchase and distribution of seeds and plants: Purchase and distribution of vegetable, field, and flower seeds, plants, shrubs, vines, bulbs, and cuttings shall be of the freshest and best obtainable varieties and adapted to general cultivation. The Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packeting, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States.

I call the attention of the Chair to the fact that the amendment which has heretofore been held out of order—the one held on one occasion by the Speaker of the House out of order—was a wholly different amendment from this. It did not follow this language. It deviated from this language in many particulars. I should like for the Chair to peruse the statute on this subject. Now I call the attention of the Chair to another statute, a permanent statute. I hold in my hand the compilation of statutes that was compiled under the direction of the gentleman from Kansas, chairman of the Committee on the Revision and Codification of the Laws, and it contains this language, identical with the language I have quoted from Barnes as the permanent statutes of the United States. Article 808 in the new revision states, among the duties of the Department of Agriculture:

The purchase and distribution of vegetable, field, and flower seeds, plants, shrubs, vines, bulbs, and cuttings shall be of the freshest and best obtainable varieties and adapted to general cultivation.

Mr. ASWELL. A point of order. Can not we have the attention of the Chair to this argument?

Mr. CONNALLY of Texas. That is all right; I am not criticizing the Chair, because I know he is getting very good information from the gentleman from Oklahoma, and I am not complaining, but I want to quote the exact statute. Here is the language of the statute compiled by the committee on the compilation of the laws. Article 808:

The purchase and distribution of vegetable, field, and flower seeds, plants, shrubs, vines, bulbs, and cuttings shall be of the freshest and best obtainable varieties and adapted to general cultivation.

Now, article 809 says:

The Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packeting, assembling, and mailing of seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States.

Article 770 of this same compilation, in defining the duties of the Department of Agriculture, says:

And to procure, propagate, and distribute among the people new and valuable seeds and plants.

Now, if the Chair pleases, so far as that clause authorizing the Secretary to make a contract for five years, I may say that is the statute, that is already the statute. That practice is followed by the Government in building battleships, authorizing contracts extending over long periods of years. It is followed in the Treasury Department in the erection of public buildings, and it is followed in many of the Government departments, in the construction of roads and in the construction of all public works. So it is not for the Chair to say whether the statute is constitutional or not, but it is only for the Chair to decide whether or not that is the statute, and I would like to exhibit to the Chair, if I may, these acts so he can verify them.

Mr. BLANTON. We are entitled to know what is going on ourselves.

Mr. MADDEN. Mr. Chairman, if the gentleman from Texas has finished I would like to argue the point of order. Mr. Chairman, the amendment offered by the gentleman from Louisiana is as follows:

Insert "purchase and distribution of vegetable, field and flower seeds, plants, shrubs, vines, bulbs, cuttings of the forests."

And so forth.

So far that is the language of the law. The first paragraph of the amendment cites the law. Then the amendment follows, after "$360,000, or so much thereof as may be necessary":

The Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes, and the packeting, assembling, and mailing of seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States.

Now, Mr. Chairman, all of this second part of the amendment is new legislation and is not authorized by law.

Mr. ASWELL. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. ASWELL. That is the exact language of the law.

Mr. MADDEN. No; not the second part.

Mr. ASWELL. Absolutely.

Mr. MADDEN. It is not authorized by law.

Mr. ASWELL. I can show the gentleman the language exactly.

Mr. MADDEN. The appropriations are not authorized for five years.

Mr. ASWELL. This does not authorize an appropriation for five years.

Mr. MADDEN. This authorizes the letting of contracts for five years, which necessitates an appropriation. It provides an obligation against the Government which involves an appropriation. Now, Mr. Chairman, it is not germane to the bill nor any part of the bill, in my judgment.

It is a change of law beyond doubt, and since the rules of the House prohibit the enactment of substantive legislation on an appropriation bill I maintain that the amendment of the gentleman is not in order.

Mr. CONNALLY of Texas. Mr. Chairman, may I submit this one suggestion?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. CONNALLY of Texas. That latter part that provides for the contract is simply a repetition of existing law. It does not add anything to it. That part could be stricken out of the amendment, if necessary, without curtailing its operation at all. It is merely a repetition of existing law.

Mr. GRAHAM of Illinois. Mr. Chairman, let me suggest to the Chair a certain matter; I do not know whether the Chair has noticed it or not. I have looked through this bill, and I can not find anywhere a provision for the distribution of seeds except that paragraph on page 28 of the bill which provides for the purchase and distribution of certain rare seeds. It seems to me that this, being under the Bureau of Agricultural Economics, is on a different subject. If this amendment had been proper, it ought to have been offered to that portion of the bill where the purchase and distribution of seeds is taken care of. That portion has been passed. Gentlemen sat here without offering it.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. ASWELL. I call attention to the fact that this follows that paragraph which teaches people the use of food. It teaches them of something to grow.

Mr. GRAHAM of Illinois. That may be an argument on the merits of the proposition, Mr. Chairman, but it certainly is not an argument in favor of its being in order at this time.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Louisiana [Mr. ASWELL] offers the following amendment:

Purchase and distribution of vegetable, field, and flower seeds, plants, shrubs, vines, bulbs, and cuttings of the freshest and best obtainable varieties adapted to general cultivation, $360,000, or so much thereof as may be necessary. The Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supply of printed packets and envelopes and the packeting, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States.

To the amendment the point of order is made that the amendment is not germane, that the amendment proposes legislation on an appropriation bill and appropriates for an object unauthorized by law.

The Revised Statutes, sections 526–527, provide:

The Commissioner of Agriculture * * * shall collect new and valuable seeds and plants; * * * and shall distribute them among agriculturists.

The purchase and distribution of seeds by the Department of Agriculture shall be confined to such seeds as are rare and uncommon to the country, or such as can be made more profitable by frequent changes from one part of our own country to another; and the purchase or propagation and distribution of trees, plants, shrubs, vines, and cuttings shall be confined to such as are adapted to general cultivation and to promote the general interests of horticulture and agriculture throughout the United States.

The Chair believes that in the proper place in this bill this amendment would have been in order. However, the paragraph under consideration is—

For acquiring and diffusing among the people of the United States useful information on subjects connected with the marketing, handling, utilization, grading, transportation, and distributing—

and so forth, and the Chair holds that the amendment proposing to distribute seeds is not germane to the paragraph. The Chair therefore sustains the point of order.

Mr. ASWELL. Mr. Chairman, with profound respect to the Chair and in view of the fact that another distinguished chairman has twice submitted this question to the committee, I most respectfully appeal from the decision of the Chair.

Mr. GRAHAM of Illinois. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. CONNALLY of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CONNALLY of Texas. Would the Chair hold that this amendment would be in order at the end of the bill as an independent section?

Mr. MADDEN. That is not in order.

Mr. GRAHAM of Illinois. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. Under the statute the department has the right to purchase seeds. But there was a better place in the bill where, in the opinion of the Chair, the purchase would be germane. But the Chair rules that at this point it is not germane.

Mr. BLANTON. The gentleman from Illinois made the point that there is no quorum present.

The CHAIRMAN. The gentleman from Illinois [Mr. GRAHAM] makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighteen Members—a quorum—are present.

Mr. ASWELL. Mr. Chairman, I respectfully appeal from the decision of the Chair.

The CHAIRMAN. The gentleman from Louisiana appeals from the decision of the Chair. The Chair will ask the gentleman from Connecticut [Mr. TILSON] to take the chair.

Mr. TILSON assumed the chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. ASWELL. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Louisiana calls for a division.

The committee divided; and there were—ayes 57, noes 42.

The CHAIRMAN. On this vote the ayes are 57 and the noes are 42; so the decision of the Chair stands as the judgment of the committee.

Mr. ASWELL. I ask for tellers, Mr. Chairman.

The CHAIRMAN. Tellers are demanded.

Tellers were ordered, and the Chairman appointed Mr. MAGEE of New York, and Mr. ASWELL to act as tellers.

The committee again divided; and the tellers reported—ayes 79, noes 46.

The CHAIRMAN. On this vote the ayes are 79 and the noes are 46; and the decision of the Chair stands as the judgment of the committee. The Clerk will read.

The Clerk read as follows:

For collecting, compiling, abstracting, analyzing, summarizing, interpreting, and publishing data relating to agriculture, including crop and livestock estimates, acreage, yield, grades, stock, and value of farm crops, and numbers, grades, and value of livestock and livestock prod-

uets on farms, in cooperation with the Extension Service and other Federal, State, and local agencies, $409,960: *Provided*, That $65,000 shall be available for collecting and disseminating to American producers, importers, exporters, and other interested persons information relative to the world supply of and need for American agricultural products, marketing methods, conditions, prices, and other factors, a knowledge of which is necessary to the advantageous disposition of such products in foreign countries, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the transportation, marketing, and distribution of farm and food products, including the purchase of such books and periodicals as may be necessary in connection with this work: *Provided further*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intentions of farmers as to the acreage to be planted in cotton.

Mr. DOWELL resumed the chair.

Mr. SHALLENBERGER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last word.

Mr. SHALLENBERGER. This section of the bill provides for the payment of agricultural commissioners and attachés who go to foreign countries and seek to find a market for our agricultural products. New and better markets for the products of the American farm is the thing that in my judgment is most essential to a restoration of agricultural prosperity.

I find this bill provides for the payment of something like $10,000,000 for agricultural experts of one sort and another to assist the farmer in production. But the farmer, in my opinion, needs but little instruction so far as the production of agricultural products is concerned. The vital thing that confronts him now is the securing of a profitable market for his products. I think sometimes that the agricultural expert who comes to the farmer to teach him how to increase production may work him an injury rather than a benefit. The problem that confronts the wheat farmer now is the fact that we produce more of that product than we consume. The result is we must accept the foreign price, which is unprofitable to the American farmer.

About every fact of value to the farmer in his business of food production has been discovered by the farmer himself. The agricultural expert learns of something that the farmer has known ever since the days of Abraham and then tells him about it in language that he can not understand. The farmer himself is the greatest and only agricultural expert in the world.

Mr. MADDEN. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. MADDEN. He is a good deal like the reformer who is talking about something that somebody else has been doing all his life.

Mr. SHALLENBERGER. Yes. Then we call him an expert because he talks in more or less complicated language about those things which the farmer had long before learned from the greatest teacher of all, Mother Nature.

But here is a provision of this bill which is intended to provide agents of the Government to find a market for the products of the farmer. That is where he needs expert help. After, by industry and intelligence, he has produced a crop he must find a market.

Now, we had a bill here the other day—I think introduced by the gentleman from Michigan, Mr. KETCHAM—that authorized the appropriation of money to increase the number of men who go to other lands to find a market for agricultural products. I am glad to know it passed, and the Committee on Interstate and Foreign Commerce has reported a bill—and is soon, I hope, to have it before the House—to increase the number of commercial attachés of the Bureau of Foreign and Domestic Commerce who will be sent to other countries seeking to find markets for our products.

As an illustration of what may be done by such commercial agents, I want to tell the House, for its information, of something that came to the Committee on Interstate and Foreign Commerce a short time ago dealing with this very subject. A fact I was not aware of, until this report was made to our committee by the president of the California Rice Growers' Association, is that the greatest agricultural crop that is grown by man as a food product is not wheat, nor corn, nor rye, nor oats, but it is rice. Rice is the greatest in the volume of production and in the value of the product of any food grain crop that grows out of the ground. There are many, many millions of dollars' worth of rice grown in this country.

About three years ago, following the war and when the deflation of agriculture was brought about, the rice growers of California found themselves with a surplus of over 4,000,000 sacks of rice and no market for their rice. The business men of California who had furnished credit to these men were faced with bankruptcy because the rice growers could not pay their debts, and the banks that had furnished credit to these men were confronted with disaster, and apparently there was no market to be found for this rice. Then these men appealed to the foreign attachés of the Bureau of Foreign and Domestic Commerce, and in 40 days, gentlemen, this department had solved the problem for the rice growers of California. They found a market for that rice where we would have, perhaps, least thought such a market would be found. They did not find it in the East and South, where it would have had to compete with the rice growers in the South and East; nor did they find it in Europe, but they found it in Asia.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHALLENBERGER. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. SHALLENBERGER. They found in Japan a market for their rice, with the result that in 1922 they sold to a country where we had never sold any rice before 148,000,000 pounds of rice, and uncovered there the greatest foreign market for rice we have ever been able to find. The volume of rice now exported to Japan from San Francisco is greater than that exported from the great port of New York, and greater than the export of rice from the southern port of New Orleans, although those two ports had exported rice for over 60 years. The result was that the rice growers of California were enabled to pay their debts, the banks were relieved, and prosperity came to those people who had been confronted with bankruptcy.

Now, the thing which impressed me about this report which was brought to us from the rice growers of California was that it all turned upon a thing seemingly small in substance but great in the results that flowed from it. It developed that there are three principal kinds of rice in the world—the long-grained rice, which is grown in the South and southern countries of America; the short-grained rice, grown in India; and the round-grained rice, which is the kind grown in California. It seems that the manner of cooking rice is essential to its being appreciated as food and is a great factor in finding a satisfactory market for it. When the American housewives of the East and South prepared the rice that was grown in California as they were taught to cook it they could not produce a food that was palatable or acceptable to the family that must eat it. It further developed that at the time we were trying to find a market for this California rice there were rice riots going on in Japan, not because there was not enough rice there but because the rice which supplied the annual deficiency in rice in that country was shipped to Japan from India, from Burma, and from Siam, where they grow the short-grained rice. So that when the Japanese housewife cooked her rice according to the cookbook rules of Japan that rice would not respond to her cooking, and the consequence was that she got mad about the rice and the way it performed; the husband was disgusted at his food and scolded the cook, quarreled with his wife, and at last went out on the street and threw a brick through some one's window, and as a consequence there was trouble in the home, threatened overthrow of the Government, and rice riots all over Japan.

Then came the attaché from America and convinced the people of Japan, and the housewives of Japan in particular, that the round-grain rice of California would respond to the cooking of the cooks of Japan, which it did, with the result that we now have the greatest foreign market for rice we have been able to find in the world, all as a result of the work of the commercial attaché, who by being on the ground and understanding the situation was able to solve it to the advantage of everybody.

This shows that, after all, gentlemen, we can change the trade currents of the world, we can change treaties, we can make new laws, but we can not change the laws and rules of the cooks of the world. And I will say in closing, gentlemen, that as I read of the differences we are having with Japan about restricted immigration and alien ownership of land, I want to express the hope that the housewives of Japan and the rice growers of California have woven a bond of mutual sympathy and common interest between our two na-

tions so strong that neither the warrior nor the statesman will be able to break it. [Applause.]

The Clerk read as follows:

For enabling the Secretary of Agriculture to investigate and certify to shippers and other interested parties the quality and condition of fruits, vegetables, poultry, butter, hay, and other perishable farm products when offered for interstate shipment or when received at such important central markets as the Secretary of Agriculture may from time to time designate, or at points which may be conveniently reached therefrom, under such rules and regulations as he may prescribe, including payment of such fees as will be reasonable and as nearly as may be to cover the cost for the service rendered: *Provided*, That certificates issued by the authorized agents of the departments shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained, $308,000, of which $5,000 shall be immediately available.

Mr. BUCHANAN. Mr. Chairman, I offer two amendments and I will ask that they both be read at once as they involve the same subject matter.

The CHAIRMAN. Without objection the Clerk will read the amendments offered by the gentleman from Texas.

The Clerk read as follows:

Amendments offered by Mr. BUCHANAN: On page 55, line 2, after the word "the" insert the word "class"; then on page 55, line 3, after the word "of" insert the words "cotton and"; and on page 55, line 14, strike out the figures "$308,000" and in lieu thereof insert the figures "$333,000."

Mr. BUCHANAN. Mr. Chairman and gentlemen of the House, this subject is very important to the agricultural interests of the United States. Not until two years ago did Congress by enactment undertake to set up a governmental agency of experts, qualified men in line with their business engagements, to act as an impartial classifier of a few of the agricultural products of the United States.

The service does not cost the taxpayer, because it provides that an inspection fee shall be charged to meet the cost of the service. Last year 100,000 cars of fruits and vegetables under this provision were inspected, and but 77 objections were made to the inspection and only 37 of them were not sustained. Seventy-two thousand carloads were inspected at shipping points where the products are loaded on the car, and $12,500 was appropriated by the Federal Congress. The balance of $280,000 was assumed and appropriated by the States, all of which was reimbursed by the inspection fees of the service.

Mr. GREEN of Iowa. Will the gentleman yield to a question?

Mr. BUCHANAN. Yes.

Mr. GREEN of Iowa. Is this a standard fee?

Mr. BUCHANAN. It is a regulation of the department. They have been charging $4 per car. If they charged $5 they would make a big profit out of it.

In the inspection of fruits and vegetables in Arkansas or Colorado—I do not remember which—the Government inspected thousands of carload shipments, and when the season was over the Government had realized a profit of $1,000 on the operation. I do not think the Government ought to realize a profit. It is a public service. It ought to be provided by the Government of the United States without profit for all the agricultural products of the Nation, for they constitute a national interest. I do not mean it to apply to fruits and vegetables only, as now provided, but to whatever enters into interstate or foreign commerce. We can well afford to set up an impartial governmental agency that has no interest in selling the product; an agency that has no interest in the man who buys the product and is authorized to inspect and certify to class and quality of the product and then give a certificate to that effect under the terms of the law, which certificate is prima facie evidence in all the courts of the United States as to the class and quality therein stated.

Mr. GREEN of Iowa. Will the gentleman yield again?

Mr. BUCHANAN. Yes.

Mr. GREEN of Iowa. I know of some instances in my district or close by where they have used these certificates under this system and it has been very beneficial to the shipper, because it has protected him against claims of commission men and others that the product was under quality when, in fact, it was really of standard quality.

Mr. BUCHANAN. Absolutely; in other words, in the few agricultural products covered by this section now, the dishonest commission man, who has been swindling the farmer out of his products on quality and on class, has been put out of business. Not only that, but any merchant or any dealer who is honest wants to buy only the class he orders. He does not want to get the best of it.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. GRAHAM of Illinois. I do not know much about cotton, and this amendment is for the purpose of including cotton and having it subject to inspection. How many commercial varieties of cotton are there, as to quality and grading, and so on?

Mr. BUCHANAN. In the standards prescribed by the Department of Agriculture there are 20 boxes, each holding 9 white and 11 colored standard grades. These have now been accepted by all the cotton purchasers as the standards of the world in the cotton trade. These standards are based only on two factors—the color of the cotton and the absence of foreign matter; that is, the quantity of trash in it. The length of the staple and the strength of the staple are not considered in these standards at all, but the length of the staple and the strength of the staple—fiber—are the most valuable qualities in cotton.

Mr. ABERNETHY. Will the gentleman yield for a question?

Mr. BUCHANAN. Yes.

Mr. ABERNETHY. Would the gentleman mind explaining just how this would work with reference to cotton, according to the gentleman's idea?

Mr. BUCHANAN. Yes; I will do that if I get the time; but let me first finish this other discussion.

Under this system of inspection at shipping points and terminals which has been in operation two years, let me tell you how it has operated and then you can understand better how it will operate on cotton. During the past year a system has grown up known as the auction system by reason of this service. What is it? A producer in California would load a carload of oranges or a carload of cantaloupes or a carload of cabbage or whatever he produces out there——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. O'CONNELL of New York. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 10 minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the gentleman from Texas may proceed for 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BUCHANAN. The producer will load his car in California, request a Federal inspector, who inspects the contents of the car and gives him a certificate of quality and grade, which is immediately wired to auction companies in New York, Chicago, Boston, Philadelphia, and other large cities, and by which such company immediately sells the carload of produce at auction on the Government certificate alone. The farmer or producer who loads the car gets his money before the car leaves the State of California or by the time it gets a few hundred miles away.

Now, how will it operate with cotton, the gentleman asks? A cotton mill in Massachusetts or foreign country will advertise in the papers of the South, or send a telegram to some industrial organization, chamber of commerce, or farm cooperative association, saying:

Wanted, 10,000 bales of middling cotton, length of staple, 1⅛ inch; strength of staple, No. 1. Government certificate as to class and quality required.

This will reach the farmers who have cotton in the warehouse or cooperative organizations, who, having had their cotton inspected, classified, and certified by this governmental agency, and therefore know the grade and value of their cotton, will wire back, "Will fill your order for so much a pound." Your trade is made, and five or six middlemen are eliminated. Not only that, but the farmer gets the actual value of his cotton. Why? You gentlemen in the noncotton-producing States do not understand what is required to classify cotton. It takes years of study and experience to graduate an "expert classer." The farmer does not know the quality of his cotton. He can not know it without years of study and experience, for which he has no time. It takes all his time to raise his cotton, so that the farmer is at the mercy of the cotton buyers as to the value of his cotton, both as to class and price. It is rather paradoxical that the farmer is the only large element of our population, constituting the foundation of all our financial and industrial enterprises, raising the products to feed and clothe the Nation, who has no say in fixing the price and class of his own products; and, what is still worse, those who buy his products fix the class and price, contrary to all principles of honest and fair commercial dealing in other industrial and commercial enterprises.

With this governmental service of inspection, classification, and certification at his command, he will be fully informed of the valuable marketable factors of his cotton; that is, color, absence of foreign matter, length and strength of staple, and other valuable spinning factors that may be essential in a quality of a special type or class of cotton produced.

With this knowledge, he can demand and receive its just value. He will be placed on an equal footing with the cotton buyer. This the cotton farmer has the right to demand. He asks nothing more.

To illustrate the number of middlemen who live and profit upon the cotton farmer's toil, let me cite you to an actual illustration which occurred just before the war under the administration of Mr. Redfield, Secretary of Commerce of the United States, and which is recorded in the hearings of the Appropriations Committee.

Through the Commerce Department during the Redfield administration a foreign attaché of that department ascertained that a Russian mill wanted to purchase 40,000 bales of cotton. This trade opportunity was advertised in one of the publications of the Commerce Department.

The Russian mill bought the cotton from a Russian broker, who bought it from a German cotton broker. The German cotton broker bought the cotton from an English cotton broker. The English cotton broker bought the cotton from an American cotton broker, the American cotton broker bought the cotton from the local cotton buyer in the South, and the local cotton buyer bought the cotton from the merchants, and the merchants bought the cotton from the farmer.

Mr. MADDEN. And the farmer can not know the grade of his wheat or corn.

Mr. BUCHANAN. True; as I said to the gentleman from Illinois, this service will come; it is manifest destiny that this service will ultimately take in every agricultural product in the United States that enters interstate commerce. It ought to be in grain; you have supervision of grain and inspection, but you have not the Government certification that you ought to have. It will eventually take in every agricultural product.

Mr. BLANTON. Will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. BLANTON. I think the twenty-odd thousand dollars the gentleman is asking for will do the farmers of the country more good than all of the $6 an acre which Congress has been setting a precedent by lending them on the land.

Mr. BUCHANAN. I agree with the gentleman. A week ago I introduced a bill covering every agricultural product entering into interstate and foreign commerce, including livestock, and that bill has the approval of the bureau administering the law. I have had requests from various sections of the country asking for a copy of the bill. But before I conclude I want to read you what has been said by men who have had experience with the Federal inspection and certification service. This is from the Valley Fruit Co., wholesalers, Walla Walla, Wash., December, 1923:

To sum up briefly, we find that the State and Federal inspection is working out about as follows:

First. It is teaching the farmer standardization.

One of the most important things yet to be attained in the interest of agriculture is the standardization of agricultural products; that is, the establishment of standard grades according to marketable value of each agricultural product and acceptance by the people of such standardized grades. When this has been accomplished, each farmer will strive to produce what will be classed in the higher and more valuable standardized grades, and thus by process of evolution the inferior types of agricultural products will be eliminated, and only the best types will be cultivated and placed upon the market.

But to continue the statement of the Valley Fruit Co.:

Second. Improving the quality of the offerings of perishable produce.

Third. Eliminating an enormous waste by reason that inferior produce is not finding its way to the market at the expense of the consumer.

Fourth. It protects the buyer, for he can now safely purchase produce at most any point within the United States, with the assurance he will get what his contract specifies.

Fifth. It protects the producer, for he is no longer at the mercy of the unscrupulous dealer.

Sixth. The honest producer, the conscientious dealer, and the consumer all get a fair deal.

Seventh. The inspection certificate is an unbiased and disinterested witness of the quality and condition of merchandise at the time and place of inspection, and serves to iron out friendly differences arising within the trade that, prior to the enactment of this legislation, quite often resulted in expensive litigation.

The great value of governmental inspection, grading, and certification of all agricultural products, in the protection given the producer and consumer, is inestimable and undisputed. The brief period of its application has won unstinted recognition and praise. But to cotton, the great textile commodity of mankind, is due specific notice and distinctive consideration, because it has afforded by its peculiar character a unique opportunity for the ever vigilant and rapacious middleman, and that favored class has too long preyed and prospered upon the unprotected victim of governmental neglect.

When the gantlet of the planter has been run and he has laid by his crop and defeated the hordes of voracious and destructive insects, has ginned and weighed and sampled his bales, and wonders and waits the final reward, he must ignorantly accept the appraisement and payment by the interested, unscrupulous, and cold-blooded agencies of the market. Whatever the dictum of the intermediaries which, without explanation, determines the price and disposes of his full year of sacrifice, he must accept it without negotiation and without the opportunity of appeal.

It is my ambition, and I am anxious to be instrumental through this amended bill to cooperate with the cotton farmer in producing a cotton, standardized by seed, culture, preparation, and marketing procedures, that will enable him to realize for himself his full and true measure in the sale of the commodity produced by his own ingenuity and hard work. It is his most righteous reward for the sacrifice of his time and the wear and tear of his faculties, and he ought to enjoy a fair and ample remuneration.

If the cotton planter can negotiate the entire marketing of his own husbandry and profit equitably, as he deserves, the advancement of his own and the common welfare will be a surprise, for the middlemen, who live and fatten by handling the great staple, are parasites who contribute nothing to the common good but derive for selfish purposes the sustenance which, by every essential right, should go to the interest of "the man with the hoe," whose time and toil extracted it from the bosom of Mother Earth.

The advisable governmental inspection, State and Federal, has borne satisfactory proof, beyond the peradventure of a doubt; and its pronounced value is attested by the indorsement of the growers and localities who have experienced its blessing. The Secretary of Agriculture sees in it an indispensable benefit. Many of the fruit and vegetable growers of the State of Washington and elsewhere have testified in forceful terms indorsing the governmental inspection and praying for continuance and increase of appropriations. These and all perishable products have benefited by the Federal interest in their behalf. Cotton, though not of the perishable class, has troubles all its own, and its pleadings are patent and intensive. If an enactment and appropriation as set forth in this amended bill were in force, and the cotton grower could sell his cotton directly to the manufacturer and consumer, the great cost of manipulation by the selfish agencies of the market would be saved to the producer, who is entitled to the right to price his own product and enjoy its richest reward.

Mr. Chairman, according to the last census there are 105,710,620 people in the United States. Of this number 31,614,269 are living on the farms. Of those living on the farms there are 8,138,070 under 10 years of age, and 7,828,106 between 10 and 20 years of age; thus you will see that 15,962,177 of the farm population are minors under 20 years of age, who, we all agree, should be in school preparing for the trials and tribulations of life. Subtracting this minor element of the farm population from the total farm population leaves 15,652,090 adults living on the farm. One-half of these are women and should not be compelled to do manual labor, which leaves 7,826,046 adult males living on the farm. Of this number, at least one and one-half million are in their declining years, too old for great manual labor. This will leave 6,326,046 able-bodied men engaged in gainful farm operations.

Statistics show that there are 1,000,000 more people moving from the farm to the city each year than there are from the city to the farm. What will be the ultimate result of the continuation of this process under our industrial system and economic laws no man can safely predict.

One thing, however, is certain; we should by effort of head, hand, and heart strive to aid the agricultural interests of the Nation and better the conditions of those who are engaged therein by passing every constructive piece of legislation that will reasonably tend to equalize the opportunities of the farmer with the other classes of our citizenship.

The burdens of government should rest equally upon the shoulders of all, and its blessings, like the dews of heaven, should descend alike upon the heads of all.

My bill and my amendment is one little step in the right direction. Let us approve them and take all future steps to promote and safeguard the agricultural interests of the Nation consistent with the fundamental principles of our representative democracy.

Mr. MAGEE of New York. Mr. Chairman, as I understand, this service, rendered as stated by the gentleman, has been very satisfactory, and I agree in the views of my distinguished colleague from Texas and hope that his amendment will be adopted.

Mr. SUMMERS of Washington. Mr. Chairman, two years ago I prepared and offered an amendment to the appropriation bill providing for Federal inspection of perishable farm products at shipping point. You may recall that my amendment had but few friends and was strenuously opposed at that time by those who could not see that it was a practical solution of the fruit growers', the berry growers', and the truck farmers' big problem. However, after vigorous debate the amendment was adopted and has been carried in the bill from year to year since.

Those in Congress who scoffed at Federal inspection then are pleading for it now.

It has proven a great success as we predicted at that time. More than 7,200 cars were inspected at shipping points in 1922 and all but 27 stood final tests in eastern markets. That shows the remarkable efficiency of this service.

It costs the shipper but 25 or 50 cents in addition to State inspection.

I want you to know what the growers and shippers themselves think of it. This information will be of great benefit to Congress and to shippers throughout the country.

WORTH MILLION DOLLARS TO THE FRUIT GROWERS

Some of the big shippers have said that this thing was worth a million dollars to the fruit growers of the State of Washington because of its preventing suits in distant cities when the market has dropped or a question has arisen as to whether fruit has arrived in good condition; and if it was not in good condition, whether it was the fault of the railroad company or the fault of the shipper. So they consider it very valuable and as performing a function which the State inspection can not perform because a State inspection certificate has no legal status beyond the borders of the State in which it is issued.

The Yakima Fruit Growers' Association, Yakima, Wash., December 19, 1922, say:

All the shippers of Washington, especially the two large fruit shipping districts, look on this service as one of the longest steps forward which the Government has taken in assisting in the distribution of foodstuffs during recent years.

From the Associated Fruit Co., general distributors of fruits and vegetables, Yakima Valley district office, Yakima, Wash., December 21, 1923:

The coming of Federal inspection to the shippers and growers of this valley marks a new era in the shipping of perishables, and had we not been protected by its benefits this season, I dare say that the rejections due to a falling market would have been ten times greater. It would be a hard blow to the growers and shippers if the United States Government decided to discontinue this service inasmuch as we have become accustomed to picking and shipping under its regulations. It would simply mean that the fruit industry would go backward instead of progressing.

From the Valley Fruit Co. (Inc.), wholesalers, Walla Walla, Wash., December 18, 1923:

To sum up briefly, we find that the State and Federal inspection is working out about as follows: First, it is teaching the farmer standardization; second, improving the quality of the offerings of perishable produce; third, eliminating an enormous waste, by reason that inferior produce is not finding its way to the market at the expense of the consumer; fourth, it protects the buyer, for he can now safely purchase produce at most any point within the United States, with the assurance he will get what his contract specifies; fifth, it protects the producer, for he is no longer at the mercy of the unscrupulous dealer; sixth, the honest producer, the conscientious dealer and the consumer, all get a fair deal; seventh, the inspection certificate is an unbiased and disinterested witness of the quality and condition of the merchandise at the time and place of inspection, and serves to iron out friendly differences arising within the trade that prior to the enactment of this legislation quite often resulted in expensive litigation.

From Benz Bros. & Co., car-lot shippers, fruits, hay, and grain, potatoes and onions, Toppenish, Wash., December 17, 1923:

As far as the farmer is concerned, this service makes it easier for him to sell at reasonable prices inasmuch as the dealer to whom he sells need not figure for himself wide margins of profit to cover losses arising from rejections. This at least is the way the thing operates in the Yakima Valley.

From the Puget Sound Berry Growers' Association, producers of Marshall strawberries, Seattle, Wash., December 15, 1923:

The elimination of distrust alone in our case and it must be in thousands of others in the same position does more for the good feeling between buyer and shipper than anything else, and to take away Government inspection would bring back the old-time distrustful feeling that existed between shipper and receiver.

From Lloyd Garretson Co., growers and shippers of fruit and produce, Yakima, Wash., January 28, 1924:

There can be no doubt that this is one Government service in connection with the distribution of perishable farm products that is of real value. It is the only impartial way that there can be furnished a clear and acceptable report of the condition which in fact represents the value of these products when they are turned over to the transportation company for shipment; hence the only method of establishing value without dispute. We hope that the time will come when no inbeled product of the Northwest will be permitted to be removed to market unless they are covered by Federal certificates of inspection.

From the Perham Fruit Co., buyers and shippers of Northwest fruits, Yakima, Wash., December 17, 1923:

Nothing has happened in the fruit and vegetable industry in many years that has had a tendency to stabilize and standardize our products as has this Federal inspection and it has placed our business on a very much safer basis than heretofore.

From the Winthrop Fruit Co., handlers of fruits and growers' supplies, Yakima, Wash., December 17, 1923:

We are heartily in favor of your upholding the continuance of this service, as we ourselves use the Federal inspection on the majority of the shipments of both soft fruits and apples from this territory. It is very essential for the industry here, in view of the fact that we are so far from eastern markets that it is very necessary to establish the true condition of our fruits without question at time of shipment.

From John P. Hartman, of the law firm of Hartman & Hartman, Seattle, Wash., December 18, 1923:

What you are doing is striking directly at the root of the evil, which is excessive charges that the middlemen have been able to add to the agricultural product between the producers' shipping point and the consumers' receiving place. You will be fought very hard by this intervening and perfectly arranged organization, and possibly through its manipulation of facts some producers and consumers may join them. You will be kept steadily on the job and I am sure will win. Let me help you.

From Richey & Gilbert Co., Yakima Valley fruits, Yakima, Wash., December 17, 1923:

It would be a very serious step backward if the Government were to reduce or withdraw this service. We believe the Government inspection of perishable shipments has done more and is doing more to put the shipment of perishables on a stable basis than has been accomplished through any other medium.

From the Earl Fruit Co., northwest division, packers and distributers of northwestern fruits and vegetables, Spokane, Wash., December 17, 1923:

We have availed ourselves to a considerable extent of Federal shipping-point inspection and are strongly in favor of its continuance. We will handle annually about 3,000 cars of perishable fruit and vegetables from Oregon, Washington, and Idaho, and am safe in saying that 50 per cent of these shipments have been inspected at shipping point.

From A. G. Craig, grower and shipper of "Donkey" brand apples, East Farms, Wash., December 17, 1923:

This inspection has simplified many of the difficulties of marketing fruit. It is not only a protection to the shipper but it is also a protection to the honest buyer.

From the Walla Walla Gardeners' Association, Walla Walla, Wash., December 28, 1923:

We wish to commend you on the success of Federal inspection at shipping point. We certainly approve of this Federal inspection, and only trust that it will be strengthened and not weakened.

From the Highland Apple Co., Underwood, Wash., December 27, 1923:

We consider it one of the best pieces of legislation which has been enacted for the benefit of northwestern fruit growers, and would be very sorry to see any change made.

From the Yakima Valley Traffic and Credit Association, Yakima, Wash., January 14, 1924:

The growers and shippers of Yakima Valley are vitally concerned in this matter, and since the service is self-supporting there does not seem to be any good reason why it should not be continued.

Federal inspection at shipping point, as provided by my amendment to the appropriation bill two years ago, has proved of great value to growers, shippers, and consumers, and should be put into more general operation.

The CHAIRMAN. The question is on the first amendment offered by the gentleman from Texas, which the Clerk will report.

The Clerk read as follows:

Page 55, line 2, after the word "the," insert the word "class"; page 55, line 3, after the word "of," insert "cotton and."

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the other amendment of the gentleman from Texas.

The Clerk read as follows:

Page 55, line 14, strike out the figures "$308,000" and insert in lieu thereof the figures "$333,000."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of livestock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $682,480.

Mr. BEGG. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 56, line 12, after the word "products," strike out the figures "$682,480," and insert in lieu thereof the figures "$742,480."

Mr. BEGG. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BEGG. Mr. Chairman, it is not often that I offer an amendment to increase an appropriation of any kind, but I have been convinced beyond any question of doubt that this money is needed, if any of the $682,000 is needed. I do not mean by that at all that I think any of it ought to be stricken out, but if it is worth while to spend $682,000 annually for the purpose of furnishing the dairy market report to the livestock producers of this country, and the $682,000 fails to be a sufficient amount to get that report and information out of the five big market centers in the eastern territory, then it is justifiable to offer an increase of $60,000 to provide that service.

I have no criticism to make of the committee at all. It is impossible for the committee to get all of the information that there is about everything. My criticism is not leveled toward the committee, but I do believe that whoever is responsible for the information that should be furnished to the committee on an article or item as important as the livestock report for the cooperative societies of this country, that individual or organization has failed in his duty.

For information I want to read the organizations representing the farmers who are interested in this amendment and want it incorporated in the bill. I give the committee this information not with a view to convincing or changing their minds but solely with a view to showing that the interest in this item of $60,000 was spontaneous, because I say to my friends on the committee that I have not written a letter nor telephoned to a soul in respect to it. Every one of these communications came to me, and I am merely the agency that has to present them to the House. With the permission of the committee I shall insert these communications in the RECORD at this point, because they are all short, the majority of them being five and six line communications. They are from the Department of Agriculture, the Ohio Farm Bureau, the Ohio State Grange, the Indiana Farm Bureau, the Pennsylvania Farm Bureau, the Iowa Farm Bureau, the Michigan Farm Bureau, the New York State Grange, the West Virginia Farm Bureau, the National Farm Bureau, the Illinois Agricultural Association, the Michigan Livestock Exchange, the Ohio Livestock Cooperative Association, the National Livestock Producers' Association of Chicago, and the National Grange, and they are as follows:

COLUMBUS, OHIO, *April 21, 1924.*

Hon. JAMES BEGG,
Member of Congress, District 13, Ohio, Washington, D. C.:

Last year we shipped 25,000 cattle, 50,000 calves, 125,000 sheep, and 634,000 hogs to markets, made and reported by middlemen themselves or their agencies. We seriously need Government reporting service which is accurate, complete, impartial, and honest. Same service furnished western farmers on small markets if provided large eastern markets will enable intelligent marketing and save us money. Prospects passage Begg amendment agricultural appropriation look good. Promises appreciated. Votes now required. Please be present and support amendment above. Wire to all Ohio Congressman. Note our shipments 1923. Your efforts appreciated. Wire results.

F. G. KETNER, *Ohio Farm Bureau.*

DEPARTMENT OF AGRICULTURE,
Washington, April 19, 1924.

Mr. F. G. KETNER,
The Ohio Farm Bureau Federation, Columbus, Ohio.

DEAR MR. KETNER: I have your letter of April 14 in which you express the desire of livestock producers to have the Federal market news service extended to cover more of the eastern livestock markets, and also concerning my attitude toward a proposed amendment to the agricultural appropriation bill to provide for such service.

We recognize the importance of the eastern markets to which you refer, namely, Buffalo, Pittsburgh, Cleveland, Cincinnati, and Indianapolis, which are now not included in our regular market news service on livestock and meats. During the war these markets were covered, but following the war the reduction of expenditures for market news service made it necessary to close the offices in these cities, and while appropriations for Market News Service have been increased from year to year since then, we have not been able to restore our offices at these points.

The addition of $60,000 to which you refer, as provided by a proposed amendment, would enable us to establish the reporting service in at least some of these markets. The appropriation bill as reported to the House carries the Budget item of $682,480 for market news service for the next fiscal year. This is a net reduction of $26,100 below the amount provided for this year. It will be necessary, of course, to make some curtailment to meet this reduction. To maintain the present work, and also to open offices as you desire, would involve an increase in appropriations, which if made should probably first provide for the reduction from the current year and then for such new work as possible to be done.

Answering specifically your inquiry as to the department's attitude toward the amendment proposed, I will state that the extension you ask undoubtedly would be of service to the livestock producers in the region concerned and that the Department of Agriculture is in favor of extending this and similar useful services to the agricultural industry whenever the state of the national finances will permit. You understand, however, that the Budget figure is based upon consideration of the general financial situation of the Government as a whole. In view of the necessity for economy in governmental expenditures, which, under present Budget procedure, involves keeping the estimates of this and the other departments within a stipulated figure for each, the department is not in position to advocate increases for this and numerous other items of unquestioned merit, many of which would be urged if the fiscal situation were different. The present question, therefore, is one for Congress to determine. I do not need to state that the department stands ready to extend its market news service and any other useful service in which it is engaged as rapidly as Congress deems wise and in keeping with the general policy of economy.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

COLUMBUS, OHIO, *April 18, 1924.*

G. F. KETNER,
Care Harrington Hotel, Washington, D. C.:

Ohio State Grange recommends approval of Begg amendment providing market news service for eastern markets. State membership, 100,000.

C. A. DYER,
Chairman Executive Committee Ohio State Grange.

INDIANAPOLIS, IND., *April 18, 1924.*

F. G. KETNER,
Care Gray Silver, American Farm Bureau,
Munsey Building, Washington, D. C.:

A very large proportion of Indiana livestock goes to markets without market news service. The Indiana Farm Bureau, speaking for more than 60,000 of these producers, asks that they be granted this service at Indianapolis, Buffalo, Pittsburgh, Cleveland, and Cincinnati.

W. H. SETTLE.

HELLERTOWN, PA., *April 18, 1924.*

F. G. KETNER,
American Farm Bureau Federation, Munsey Building,
Washington, D. C.:

Pennsylvania Farm Bureau Federation, 5,000 members, strongly urges Federal market-news service. See Hon. EVERETT KENT, Congressman. Have wired him.

HOWARD MITTMAN, *Treasurer.*

IDAGROVE, IOWA, *April 18, 1924.*

F. G. KETNER,
Harrington Hotel, Washington, D. C.:

The Corn Belt Meat Producers' Association does hereby give their unqualified indorsement and support of an appropriation of $60,000 by Congress for Government market-news service for eastern livestock markets.

A. SYKES, *President.*

LANSING, MICH., *April 17, 1924.*

F. G. KETNER,
Harrington Hotel, Washington, D. C.:

Michigan State Farm Bureau, representing 75,000 leading Michigan farmers, urges everything possible be done to secure passage of appropriation for market-news service, eastern markets. Favorable replies received to date from Congressmen KETCHAM and WOODRUFF.

MICHIGAN STATE FARM BUREAU.

CASTLE, N. Y., *April 16, 1924.*

F. G. KETNER,
Hotel Harrington, Washington, D. C.:

New York State Grange, representing 140,000, thoroughly approve appropriations for livestock-marketing field service.

S. L. STRIVINGS, *State Master.*

CHARLESTON, W. VA., *April 18, 1924.*

F. G. KETNER,
Care Gray Silver, Munsey Building, Washington, D. C.:

Have communicated with number influential farm bureau members and livestock producers regarding Federal marketing-news service which would be provided by Begg amendment. The West Virginia Farm Bureau Federation, comprising more than 7,500 farmers, gives their hearty approval to this appropriation and urges Congress to give eastern farmers same consideration heretofore extended other markets.

J. B. MCLAUGHLIN,
Secretary West Virginia Farm Bureau Federation.

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., April 18, 1924.

Some years ago Congress decided that it was wise and necessary to establish livestock market-news services in the large livestock marketing centers. This was desirable because conditions had become such that a nonpartisan, unbiased market-news service was necessary. However, when the work was actually established the reporting service was put in only in the western markets. This is an injustice to the eastern markets, which are just as much entitled to a market-news service as the western. The United States Department of Agriculture intended this year to establish the service in the East, but it can not do this unless more money is appropriated for the work without discontinuing the valuable service in the West, which, of course, would not meet with the livestock interests. The State farm bureaus in the East, as well as the American Farm Bureau Federation, voicing the sentiment of many of its leaders, request Congress to provide in the appropriation for next year adequate funds for this work.

AMERICAN FARM BUREAU FEDERATION,
GRAY SILVER, *Washington Representative.*

ILLINOIS AGRICULTURAL ASSOCIATION,
Chicago, Ill., April 16, 1924.

Our livestock farmers ship considerable livestock to the eastern stock markets. We are therefore very desirous of having the Government reporting service, on which we rely on our central market, established on the eastern markets to guide us in our consignment to those markets.

ILLINOIS AGRICULTURAL ASSOCIATION,
J. D. HARPER, *Assistant Secretary.*

DETROIT, MICH., *April 16, 1924.*

The 80,000 members of the Michigan Livestock Exchange respectfully plead for an appropriation sufficient to provide Federal market news service on our adjacent livestock markets, namely, Indianapolis, Cleveland, Buffalo, Pittsburgh, and Cincinnati.

The proper development of our cooperative livestock marketing program and the protection of the best interests of our producers require this accurate and impartial reporting service.

MICHIGAN LIVESTOCK EXCHANGE,
JOHN H. O'MEALY, *Secretary.*

OHIO LIVESTOCK COOPERATIVE ASSOCIATION,
Columbus, Ohio, April 18, 1924.

We have a very great need for the Federal livestock market news service on the major eastern markets. Our 60,000 livestock producer members respectfully request the extension to our major eastern markets of the service now available to the western farmers. The Federal market news service will furnish a complete, unbiased picture of the livestock markets we patronize. This we do not now have.

OHIO LIVESTOCK COOPERATIVE ASSOCIATION,
E. T. TAYLOR, *President.*

OHIO FARM BUREAU FEDERATION,
Columbus, Ohio, April 19, 1924.

The Ohio Farm Bureau Federation, with a membership of 65,000 farmers, is intensely interested in having Federal livestock market news service provided on the larger eastern livestock markets. Intelligent livestock marketing makes necessary this accurate, impartial, and complete reporting service. Standardization, so essential to proper marketing, will be made possible by this uniform reporting service.

OHIO FARM BUREAU FEDERATION,
L. B. PALMER, *President.*

NATIONAL LIVESTOCK PRODUCERS' ASSOCIATION,
Chicago, Ill., April 16, 1924.

Scientific and advantageous marketing of livestock depends largely on complete and accurate market information. Experience has demonstrated that the Government reporting service is thorough, impartial, and accurate. Livestock producers of the Central and Eastern States have need of and should be provided with the same Federal service furnished the producers of the Western States. This is particularly true of the Indianapolis, Cleveland, Buffalo, Pittsburgh, and Cincinnati markets, on which large volumes of livestock are marketed annually.

NATIONAL LIVESTOCK PRODUCERS' ASSOCIATION.

THE NATIONAL GRANGE, PATRONS OF HUSBANDRY,
OFFICE OF THE MASTER,
Columbus, Ohio, April 22, 1924.

Hon. JAMES T. BEGG,
House Office Building, Washington, D. C.

MY DEAR MR. BEGG: Allow me to call your attention to the need for better market reporting service for the livestock markets of Buffalo, Cleveland, Pittsburgh, Cincinnati, and Indianapolis.

I wish to assure you that any efforts which you can make to secure sufficient appropriation to conduct this service will be of value to the producers of livestock in this territory.

Yours very truly,

L. J. TABER,
Master the National Grange.

Every one of them has asked this Congress to put the $60,000 in so that the service that is provided for with the $682,000 in the western part of the United States will be available in Indianapolis, Cincinnati, Cleveland, Pittsburgh, and Buffalo.

What are some of the facts? If this service is worth the investment, it should be extended to the high points where the market is best for livestock east of the Mississippi. This service is available at Atlanta, Ga., but it is not available unless the $60,000 be granted at Cleveland, Ohio. Nevertheless, Cleveland handles five times as many hogs, eight times as many sheep, and four times as many cattle as Atlanta. It is fair to deduce from those figures that there are practically fifteen times the farmers served out of the Cleveland stock market that there are out of the Atlanta. I submit that if the committee is justified in maintaining this service at Atlanta, it ought not to stand back on the prerogative that we have not come through the Budget in denying this service for a market that will benefit fifteen times as many producers. Buffalo, N. Y., has no service, and Salt Lake City has. Yet Buffalo has twice as many hogs, three times as many sheep, seven times as many cattle as Salt Lake. The same reasoning can be deduced as in the comparison with Cleveland and Atlanta. If the farmers who sell to the Salt Lake stock market reap a benefit from that money that is invested in putting out the daily market reports, available to the producer so that he will know where best to sell his product, then there will

the Iowa Farm Bureau, the Michigan Farm Bureau, the New York State Grange, the West Virginia Farm Bureau, the Na-

A very large proportion of the Indiana Farm Bureau, speaking for more market news service.

Cleveland, Buffalo, Pittsburgh, and Cincinnati.

be seven times the number of farmers benefited if this service is extended to Buffalo.

Mr. MADDEN rose.

Mr. BEGG. I will yield only when I am through. Indianapolis has no service, and Los Angeles has, yet Indianapolis, without this service handles twelve times as many hogs, twice as many sheep, twice as many cattle as Los Angeles. The same deductions can be made there. Pittsburgh has no service and Ogden has, yet Pittsburgh handles eleven times as many hogs, and just the same amount of sheep, and six times the number of cattle that Los Angeles does. Cincinnati has no service and Denver has, yet Cincinnati handles three times the number of hogs, but she handles only one-sixth of the number of sheep and one-half the number of cattle. Lest you think, perchance, that I am making this drive to help the livestock producers in Ohio, let me say to you that the statistics show that the State of Iowa marketed in Buffalo last year 300,000 head of hogs.

Mr. WHITE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Only when I am through with this statement. If the producers of hogs lost, we will say, 25 cents a hog by not knowing the best market in the United States to unload the hogs at, then the State of Iowa lost to the farmers of that State $15,000 more than enough to supply this service in all five of the big centers of the United States east of the Mississippi River.

What percentage of the total stock coming into the market is handled by cooperative societies?

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I would rather finish first.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BEGG. Mr. Chairman, I ask unanimous consent to continue for 10 minutes more.

Mr. MADDEN. Oh, I must object to that. We have to get on with the bill.

Mr. BEGG. I have not had one minute of the time heretofore.

Mr. MADDEN. I shall not object to five minutes.

Mr. BEGG. Then I shall ask for five minutes more.

Mr. BLANTON. Reserving the right to object, the gentleman from Illinois ought not to close debate on the gentleman from Ohio.

Mr. MADDEN. There are others who are going to debate this question, but I shall not object to the 10 minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that he may proceed for five minutes. Is there objection?

There was no objection.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent that he may have 10 minutes.

Mr. BEGG. I would like to present this case, as I am convinced I am right in this.

Mr. MAGEE of New York. I am going to answer the gentleman, and I would like for the gentleman to have full opportunity to present his side.

The CHAIRMAN. The gentleman from Ohio has been granted five additional minutes.

Mr. MADDEN. Ten minutes I said; I do not object.

Mr. BLANTON. Mr. Chairman, reserving the right to object—and I shall not object—I would like to ask the gentleman from Ohio if he has the Supreme Court on this question?

Mr. MADDEN. But I object to any colloquy about it.

The CHAIRMAN. Is there objection to the extension? [After a pause.] The Chair hears none.

Mr. BEGG. Mr. Chairman and gentleman of the committee, I thank you for the indulgence, and I will not take any further time after that.

Now, with reference to cooperative societies. What percentage of the total sales of the livestock markets of the East do these societies furnish? The statistics of 1923 show in the eastern markets that they furnish about an average of 20 per cent of all the livestock that comes into these five eastern points brought in there by the cooperative organization. Now, the opponents of this measure, and our good friends on the committee, are going to argue they have this privilege now to use the daily market report, but my information from all these organizations, farmers' associations, the grange and cooperative market associations, is to the effect that if the cooperatives oversell the private commission house to-day to-morrows' report never mentions that fact, but if the cooperatives undersell, then the fact is blazoned forth in big type by the private commission house reports next day.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. BEGG. I want to finish the statement.

Mr. MADDEN. I hope the gentleman will yield to the gentleman from Kansas, who is a farmer himself.

Mr WHITE of Kansas I simply want to ask the gentleman from Ohio this question: Do the Government reports give the sales of cooperative associations?

Mr. BEGG. It does, wherever the service is furnished under this provision, and that is just exactly the thing I am trying to get the five eastern——

Mr. WHITE of Kansas. I never saw it.

Mr. BEGG. I can not help the fact the gentleman has never seen it. That is all this money is appropriated for. How do we get the service out of Pittsburgh, Cleveland, and all places where they do not have any Government agency for collecting this data? Why all these reports are collected by one private commission house and it is contributed to by all the other private concerns, and every one of them are driving against the cooperatives. Now, I do not claim to be the best friend of the farmer in this House, by the protestations I have heard on this floor, but I am just so good a friend that if I could subscribe to the doctrine like the gentleman from Illinois and the gentleman from New York, my good friend MAGEE, that we ought to exempt them from prosecutions under the law for organizing to control prices, I would go further and prove my sincerity and give them a square deal and not let the private commission houses kill them by unfair competition. The private houses have even resorted to what is known as the "mark-up price" in making their reports of sales, and thereby reporting fictitious and fraudulent sales from the private concerns as against the cooperatives in the daily market reports. My good friend MAGEE will tell you we are already getting this service radioed out of Washington daily. My answer to that is this: How can the Department of Agriculture radio yesterday's sales out of Pittsburgh, Buffalo, Cincinnati, Indianapolis, if there is no agency there to gather the data and make reports to Washington so as to radio?

If MAGEE is right in that assertion, why not cut down this $682,000 to $42,000 and just radio out of Washington for all cities. I think it is absolutely unfair, from the standpoint of five market centers, or else the service is not what we try to make the farmer believe it is. That is the only conclusion I can come to on the whole proposition. And here is one other thing: My friend, Mr. BUCHANAN, made a strong argument in reference to the standardization of farm products, and I agree that the standards of the five eastern centers are all different on hogs, sheep, calves, steers, or beef. They all grade differently. One stock market might grade light, heavy, and medium, and another grade some other way. If the Department of Agriculture is given $60,000, they will compel the standardization of grades; and when the news is radioed or broadcast to-morrow that in Buffalo hogs grading A were sold at 6½ cents and there were 100,000 head on the market, but at Pittsburgh there was a shortage of hogs and the price was 6¢, why, then the farmer knows whether he ought to ship his hogs to Buffalo or Pittsburgh.

Mr. MADDEN. When did the Department of Agriculture get authority to grade?

Mr. BEGG. The Department of Agriculture does not need it.

Mr. MADDEN. They do.

Mr. BEGG. I beg the gentleman's pardon.

Mr. MADDEN. They can not do it now without authority.

Mr. BEGG. They will get authority if you give them the money.

Mr. MADDEN. They can not if we give them the money.

Mr. BEGG. Well, answering the gentleman, they do issue standard reports where you have appropriated $682,000.

Mr. MADDEN. But they can not grade.

Mr. BEGG. Such an argument as that, there is nothing to it.

Mr. MADDEN. But the gentleman says they have power to grade.

Mr. BEGG. I said their reports——

Mr. MADDEN. The gentleman knows they have not got power to grade.

Mr. BEGG. There is not any argument in that at all.

Mr. MADDEN. You do not need an argument when you are stating a fact.

Mr. BEGG. The report put out by the Department of Agriculture makes a report of a standard grade, and it is not any different in any of the markets or any of the cities where the gentleman from Chicago has already appropriated $682,000, and they have it in his city now. Ask him if he wants to surrender it and he will tell you no.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. TINCHER. What is a grade A hog?

Mr. MADDEN. The laws of the United States authorize the Department of Agriculture to do the things it is doing.

Mr. BEGG. Here are the trunk lines that go through. They do not hit the big markets. It goes through Columbus, Ohio, and does not go through Buffalo. It misses Buffalo and Pittsburgh and Cleveland and Cincinnati. It misses Indianapolis. Those are the five biggest livestock markets east of the Mississippi River except Chicago. And what will be the cost? Simply a branch line, and then a man to put in those markets to collect the data and put it out in the daily report. And I leave it to the gentlemen of the committee whether or not that service is worth while to the farmer. If it is worth while——

Mr. WEFALD. Mr. Chairman, will the gentleman yield for a question?

Mr. BEGG. I yield.

Mr. WEFALD. Will the gentleman please tell us whether the farmers who have been shipping their hogs or cattle to these five yards have been receiving for them more than those shipping to Chicago and Kansas City?

Mr. BEGG. I can not give that.

Mr. WEFALD. The idea in asking for the appropriation is that it will benefit the farmer?

Mr. BEGG. Yes. I will answer the gentleman's question. Supposing the market in Buffalo is overloaded to-day and at Pittsburgh there is a shortage, and you live in Iowa or Indiana or Ohio and to-morrow you want to ship a couple of carloads of hogs, as a cooperative, to Buffalo where the market is crowded. Is there an equal chance to get as good price there as there would be in Pittsburgh, where the market is not overcrowded? Would it not be of advantage to you to know that the Buffalo market is crowded and the Pittsburgh market is not overcrowded?

Mr. DICKINSON of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I yield.

Mr. DICKINSON of Iowa. I can not quite understand the necessity of reporting from Cleveland, Cincinnati, and Indianapolis; they are points so close together.

Mr. BEGG. The answer is my proposition to the gentleman from Minnesota [Mr. WEFALD]. Unless there is somebody to collect the data, how do the people in Iowa know whether the market at Cincinnati or Cleveland or Indianapolis is crowded?

Mr. WHITE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. WHITE of Kansas. I would like to give the gentleman a little information.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WHITE of Kansas. I ask that the gentleman from Ohio may have five minutes longer.

Mr. MURPHY. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may have five minutes more.

The CHAIRMAN. The gentleman from Kansas and the gentleman from Ohio ask unanimous consent that the gentleman from Ohio [Mr. BEGG] may proceed for five minutes more. Is there objection?

There was no objection.

Mr. BEGG. I yield to the gentleman from Kansas.

Mr. WHITE of Kansas. I will ask the gentleman if he is familiar with all these markets, including Chicago and Kansas City? If so, he knows that every evening it is known how many hogs and how many cattle were in all these markets on that particular day. The gentleman knew that?

Mr. BEGG. Yes.

Mr. WHITE of Kansas. That is absolutely right. I will say further to the gentleman that the information that there is a big run at Buffalo would not be worth anything to the Iowa shipper.

Mr. BEGG. Why not?

Mr. WHITE of Kansas. Simply because before he got his hogs there, there would not be a big run. These things are just as sensitive as the magnetic needle.

Mr. BEGG. Why, then, would it not be fair to say that if you got a report that there is a crowding at Buffalo the place to ship them then would be to the crowded market? Because by the time you got them there the market would be scarce.

Mr. WHITE of Kansas. The gentleman has no real concrete conception of the way this business is done.

The gentleman knows further that the Iowa farmer as a rule, with rare exceptions, never ships hogs to Buffalo or Cincinnati, and the Iowa farmer ships millions of hogs to Chicago.

Mr. BEGG. They get the benefit of the service there.

Mr. WHITE of Kansas. The shippers in Indianapolis and Buffalo and Cincinnati wire Chicago and Kansas City and get what they need. There is a shortage in those cities, and they are not billed direct. The gentleman knows all that.

Mr. BEGG. Yes. We want the service.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. MORGAN. As I understand it, we have become somewhat confused as to the purpose of the amendment. If I understand the purpose of the amendment, it is to——

Mr. BEGG. To expand the service. I am afraid the gentleman is going to use all my time. I would like to yield to the gentleman from Kansas [Mr. WHITE]. I would like to answer him.

Mr. MORGAN. Now, concerning the necessity of the different markets mentioned, is it not for the purpose that they may know the sales made of the cooperative market shipments in order that they may regulate their shipments to the various markets?

Mr. BEGG. That is true.

Mr. MORGAN. Is it not further a fact that the stock shippers ship their stock from Buffalo to Pittsburgh, or from market to market, according to the conditions that prevail?

Mr. BEGG. Yes. Everybody knows that whoever did any business in the livestock market, that the market congests and opens up, and the man gets the long price who gets into the open market. Everyone knows that.

I believe the service provided to the producers of livestock through the use of the $642,000 is good, and I believe the money is well spent; I also believe it is justifiable to add $60,000 more to it in order that the five great livestock centers east of the Mississippi, save Chicago, will be provided with the same service, so that the farmers will know which market is the best market to which to ship and in which to sell.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. MAGEE of New York. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Ohio [Mr. BEGG].

The CHAIRMAN. The gentleman from New York offers a substitute, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAGEE of New York as a substitute for the amendment offered by Mr. BEGG: On page 56, line 2, strike out the figures "$682,480," and insert in lieu thereof the figures "$708,580."

Mr. MAGEE of New York. Mr. Chairman, this is an important service, as described by the gentleman from Ohio [Mr. BEGG], and I have no feeling in the matter at all except that of doing my duty. It is no concern to me how the members of the committee may vote, but while I have the responsibilities of this bill I deem it is my duty to give to the members of the committee the facts in the premises.

The first appropriation made for this purpose was in 1917 and amounted to $136,000; in 1918, $184,740; in 1919, $196,000; in 1920, $250,000; in 1921, $300,000; in 1922, $300,160; in 1923, $405,000; and in 1924, $700,000.

I have no favorites to play and I would like to accommodate my friend from Ohio [Mr. BEGG], but I feel that it is my duty to present the facts. I have no policy except the public policy and no interest except the public interest.

Mr. MORGAN. Will the gentleman yield?

Mr. MAGEE of New York. I would like the privilege of making a statement, if it pleases the gentleman, so that I may give the committee the facts. You will note that the difference between the appropriation for 1923 of $405,000 and the appropriation for this fiscal year of $700,000 is nearly $300,000. This appropriation was made in order that the Department of Agriculture might establish trunk lines. I want you to bear that in mind—trunk lines—because it seems to me there is a policy involved here that is a most important one.

The gentleman from Ohio [Mr. BEGG] seems to complain because one of these trunk lines went to Atlanta. Well, I do not know why the city of Atlanta is not entitled to the service. Another trunk line, under this increased appropriation, was extended through to the coast, to San Francisco. I want you to bear in mind that there are different trunk lines. There is a trunk line for fruit and vegetables and also a trunk line for livestock-market news. These trunk lines are operated because we lease wires from the telegraph companies. Out of the appropriation of $700,000 for the current year we are paying $275,000 for leased wires.

The gentleman from Ohio [Mr. BEGG] wants the service extended to Indianapolis, Cincinnati, Cleveland, Pittsburgh, and Buffalo. He assumes to speak for a city in my State. I have

then the fact is blazoned forth in big type by the private commission house reports next day.

and they have it in his city now. Ask him if he wants to surrender it and he will tell you no.

rule, with rare exceptions, never ships hogs to Buffalo or Cincinnati, and the Iowa farmer ships millions of hogs to Chicago.

tended to Indianapolis, Cincinnati, Cleveland, Pittsburgh and Buffalo. He assumes to speak for a city in my State. I have

had no communication from anybody in my State in reference to the necessity of establishing the service which the gentleman talks about in the city of Buffalo.

The fruit and vegetable trunk line of the West goes through Pittsburgh and Cincinnati, and the trunk line for the livestock service goes through the city of Columbus, Ohio. It is all in the discretion of the Department of Agriculture as to where these lines shall go and to what cities the service shall be extended. If the department desires it could just as well send this livestock wire through Pittsburgh and Cincinnati.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAGEE of New York. Mr. Chairman, I ask for 10 additional minutes, or as much as may be necessary to give the facts.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MAGEE of New York. As I understand, the gentleman from Ohio says Columbus is not a livestock center. We are not to blame for that. Let the department send this trunk line through a livestock center; if Pittsburgh is one send it through Pittsburgh.

Mr. BEGG. Will the gentleman yield?

Mr. MAGEE of New York. I would like to make my statement of the facts. The gentleman from Ohio has consumed his own time and I would like to consume mine. When I get through with my statement I will be glad to yield, but I want to get the facts before the members of the committee in order that they may vote intelligently in the premises. What I mean is this: The whole foundation of the structure is leased trunk lines, and if you are going to put lines all over this country, instead of having an appropriation of $700,000, as you have now, in a few years you will have an appropriation of $7,000,000.

I think that it was a wise policy on the part of the department to establish these trunk lines to the South and West, but literally from its trunk lines they have come to depend on the radio and nobody can tell what the development of radio may be. My friend from Ohio [Mr. BEGG] says this radio business does not amount to anything. I do not know whether it does or not, because I do not know of anybody who knows less about radio than I do. But we have to depend upon the experts in the department as to how this service shall be operated.

Let me read from the hearings, page 708, with reference to the use of radio:

Supplementing the leased wire, as pointed out here, we have introduced the use of radio. We found it dependable between here and Rochester.

That is a city 81 miles west of my home city of Syracuse. I get paid for mileage for 435 miles. That is probably not in a direct line, but the city of Rochester must be, I should estimate, at least 400 miles from the city of Washington.

So dependable that the daily reports transmitted by our operator in Washington are taken by our receiving operator at Rochester from the wire with the same average accuracy as is received over the leased wire.

They radio this service from the city of San Francisco south to Los Angeles 370 miles, and from the city of San Francisco north to Portland, Oreg., 555 miles.

Let us now take the five cities which are mentioned by the gentleman from Ohio.

Mr. McKEOWN. Will the gentleman yield for a question as to the southwest service?

Mr. MAGEE of New York. The southern service goes to Atlanta and Jacksonville, then there is a line to Fort Worth and Austin, Tex.

Mr. McKEOWN. Do they serve that country out there?

Mr. MAGEE of New York. That is what we made the additional appropriation a year ago of about $300,000 for.

Mr. McKEOWN. That is what I thought.

Mr. MAGEE of New York. The service to Atlanta is on fruits and vegetables, primarily. In my opinion, the Congress should establish, through the department, trunk lines and from these trunk lines this service should be radioed. The gentleman claims you can not radio this news except from a city into which hogs and cattle and sheep are shipped. We do not have those shipments to Washington, and yet this service is radioed from Washington to the city of Rochester, and they say that it is entirely satisfactory.

Take Columbus, Ohio, where this livestock wire line goes through—why not establish a radio station there? Cleveland is only 130 miles away—I am giving approximate distances—Indianapolis, 175 miles; Cincinnati, 146 miles; Pittsburgh, 165 miles; and Buffalo, 269 miles.

Mr. MURPHY. Will the gentleman yield there?

Mr. MAGEE of New York. Let me make a statement, if the gentleman please.

Mr. MURPHY. Right here is where I want to ask the question.

Mr. MAGEE of New York. I respectfully decline to yield just at this time.

The CHAIRMAN. The gentleman from New York declines to yield.

Mr. MAGEE of New York. If Columbus is not a livestock center and they want a livestock center from which to radio this news, the Department of Agriculture can change its trunk line from Columbus and have it go through Pittsburgh and Cincinnati, striking two of the cities to which the gentleman would give this service.

What my amendment does is to restore the existing appropriation. As I told you before, while most of these hearings were being held, as a member of the subcommittee on the Post Office Department bill, I was not present, and therefore I do not know why this amount was cut, but it was cut $26,100, and the substitute which I have offered restores the appropriation of the existing year. I do not want to injure this service. It is a very important service. I told the gentleman from Ohio that I would take the matter up with him and the Department of Agriculture and try to solve the problem satisfactorily to everybody, but they can not wait a minute. They have got to get this money from the Treasury now, and that I am opposed to. The gentleman from Ohio need not charge me with being identified with any particular body, because I am not. The only interest I serve is the public interest. My sympathies are with the agricultural interests of this country. If anybody can point out to me any way that I can help them through any means which can be regarded as sound economically, I will be for that. That is my position in the matter.

I have offered this substitute to restore the amount of the existing appropriation because I do not want to take the responsibility of possibly restricting their present operations.

What the gentleman has said is that they want one man in Indianapolis and one man in the other cities to take care of this work. I have not any criticism to make of anybody, because I do not have complete information. I am here, like the rest of the Members, seeking information. Since the distinguished chairman of the Committee on Appropriations designated me to take charge of this bill, on account of the illness of the gentleman from Minnesota [Mr. ANDERSON], I have devoted myself assiduously to a study of the hearings and of the problems, and I am trying to digest them just as fast as I can.

Mr. MADDEN. And I want to say to the gentleman and to the House that there is no man who could do a better job. [Applause.]

Mr. MAGEE of New York. I thank the gentleman for his kind words. I do not mention what I am going to say in any spirit of criticism, because I do not know the facts, but if I have the responsibility of this bill at the next session I will go into this matter in the greatest detail and give to the Members of the House all the facts in the premises and my conclusions after a most thorough investigation.

Turning to page 713 of the hearings, this is what Mr. Marquis, of the department, says:

There are not more than three or four men at a station. There is a man in charge of the reporting, and if there are two or three classes of livestock—

Now listen to this—

to be reported, like we have in a big market, there may be a specialist to report on hogs, another one on cattle, and another one on sheep.

Mr. MORGAN. Will the gentleman yield for a question at that point?

Mr. MAGEE of New York. I decline to yield until I have made a statement of the facts to the members of the committee.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. MAGEE of New York. Mr. Chairman, I ask for five minutes additional, or as much thereof as I may need.

The CHAIRMAN. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

Mr. MAGEE of New York. If they are going to have a specialist for hogs and one for cattle and one for sheep, and then an operator in addition, they have got to have four men, have they not, in each of these cities instead of one? If you carry that out, perhaps, to a logical conclusion, as is suggested to my mind, we might have an expert for turnips and one for

onions and one for cherries and one for every other vegetable that grows.

Mr. JEFFERS. And one for bananas.

Mr. MAGEE of New York. Yes; and one for bananas.

In other words, you have here a question of policy which you must determine now, and the only way to do it, in my judgment, is to continue along the lines already laid down by the Congress, that all we can do is to establish these trunk lines, and then from the trunk lines, laterally, this valuable information must be radioed.

I thank you, gentlemen, for your attention.

Mr. MORGAN. Will the gentleman yield?

Mr. MAGEE of New York. Certainly.

Mr. MORGAN. Has the gentleman visited the livestock markets and observed the methods of reports?

Mr. MAGEE of New York. I am not a livestock expert.

Mr. MORGAN. Is it not a fact that Chicago——

Mr. MAGEE of New York. If the gentleman wants to ask me about livestock practices let him get a little time and state them himself.

Mr. WEFALD. Will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. WEFALD. I have listened to gentlemen here, and I would like to ask whether or not we can not get the weather observers to attend to this. I have noticed according to reports that the prices fluctuate up and down like the weather. [Laughter.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I do not question but that this appropriation is of some value to the farmers. But I question whether or not it is of the great value that some attach to it. I agree with the gentleman from Kansas that frequently when this information gets to the farmer he is two or three or five days, possibly, from the market where the scarcity of the supply occurs, and by the time he could get his product to that market the conditions might be entirely changed.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. WHITE of Kansas. I dislike to interrupt the gentleman, but I want to say in this connection that the supplies and estimates of supplies and conditions of the market—the fluctuations—are noted every morning on the bulletin board in all the great markets and it is accessible to every man and every cooperative society at once.

Mr. BYRNS of Tennessee. I agree with the gentleman. As the gentleman from New York says, in the last few years they have increased this appropriation from $136,000 to $700,000, and we are now asked to appropriate $60,000 or $70,000 more.

But I rose particularly to say something with reference to the argument of the gentleman from Ohio [Mr. BEGG]. The gentleman from Ohio in the course of his argument, not perhaps with the intention of criticizing, referred to the fact that Atlanta had a leased wire. I hold in my hand a map prepared by the Agricultural Department showing the location of these leased-wire stations. I find that there are 33, as shown on this map, and there are only 11 of them in the South and the West. In other words, there are 22 north of the Ohio River and east of the Mississippi, including 2 at St. Paul, Minn., and possibly at some other station west of Chicago. The gentleman from Ohio says his amendment is for the express purpose of adding six more leased-wire stations to this congested center to which I have referred, and which now has two-thirds of all the leased-wire stations established under this appropriation and paid for by all the taxpayers of the United States.

Mr. BEGG. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. BEGG. The gentleman misunderstood my argument entirely if he thinks I was attempting to criticize. I was only comparing. I said if it was good for Atlanta, with one-sixth or one-eighth of the livestock handled in these other great cities, I thought it was good for those from the purchasers' standpoint.

Mr. BYRNS of Tennessee. If the policy that the gentleman from Ohio speaks for should prevail, it will cost several million dollars to maintain this service.

Mr. BEGG. Oh, that is absurd.

Mr. BYRNS of Tennessee. The gentleman wants to establish two more in his own State and one at Indianapolis and one at Pittsburgh, and if you undertake to establish them all over the country I say it will cost many million dollars.

Mr. McKEOWN. I want to say that there are none in Oklahoma.

Mr. BYRNS of Tennessee. No; and none likely to be. I take the position that we are now at that period of time when wireless is being rapidly developed and extended and we ought not to add to this already large appropriation which has been increased four or five times within the last five or six years, for in the course of another year or two it may be that all this information will be secured by radio and the Government saved the tremendous expense that will be involved if we establish leased-wire stations in all sections of the country.

Mr. MURPHY. Mr. Chairman, it sounds indeed strange to find so many who are friends of the farmer forgetting the great farming interests of Indiana, Illinois, Ohio, New York, and Pennsylvania. It seems very strange indeed that all the arguments that have been advanced have been on the line of trunk lines. They have failed at this time to say to you that the Government sends reports in these five great market governmental agencies for the gathering of State statistics and sending them out with the Government approval, and that is all we want. We want to send reports from Pittsburgh, we want to send them from Buffalo, we want to send them from Indianapolis, and all the other places where these wonderful markets are for the farmers of Indiana, the farmers of Ohio, the farmers of Pennsylvania, and New York, and we are only asking $60,000, while you are spending $700,000 and more to give the information to the farmers who live in other States. I am wondering if you appreciate that service and whether you marvel at us even daring to want it in Ohio, in Pennsylvania, in New York, and in Indiana. That is what we want this money for. It is to establish reliable gatherers of statistics, to establish reliable figures from which the farmers of these States where these cities are located may benefit through the Government stamp of authenticity. That is what we want, and I think that this committee will see the fairness of the proposition advanced by the gentleman from Ohio [Mr. BEGG].

Mr. TINCHER. Mr. Chairman, I certainly do not want to be in the attitude of voting against an appropriation that would be of any benefit to any farmer, but this has been a comedy to me. There is just as much sense in the amendment as there is in JIM BEGG trying to instruct HAYS WHITE with reference to agriculture. Of course we all know that Congressman BEGG is a very learned man. I learned the other day that he was the great constitutional lawyer, and I was surprised beyond measure to-day when I heard him tell perhaps the oldest and one of the largest farmers that ever took part in the deliberations of this Congress something about agriculture.

Mr. BYRNS of Tennessee. And he was a great auctioneer a few weeks ago.

Mr. TINCHER. Yes.

Mr. BLANTON. And this afternoon's News says that he is going to pay no attention to the Supreme Court decision and that on Monday he is going to pass the rent bill just the same.

Mr. TINCHER. Yes; and he may overrule the Supreme Court. [Laughter.] At any rate, he is a delightful fellow and we all love him. I did feel a little sorry for Mr. WHITE when he sat on him so roughly and told him about the enormous quantity of hogs and cattle and things that he had shipped out of Chicago, and I hope that some time he will give my friend WHITE the benefit of his valuable information on the subject of agriculture.

Mr. MURPHY. And he wants good figures to base it on, too.

Mr. TINCHER. I will say this for Mr. BEGG. Mr. BEGG knows just as much about agriculture as my delightful manufacturing friend from Ohio [Mr. MURPHY] does, which is not much. [Laughter.]

Mr. Chairman, this is not a proposition for agriculture. It is a proposition to make a few places for a few employees. The farmers get this information now. There is not a little shipping station in the United States where in the morning, before you ship, you can not find out what the arrivals were at the various markets.

This is just a scheme to get some more money, and it will grow. It has grown to almost $700,000 in a few years; and in 10 years the $700,000 will be a joke, because every time you let it get out from the trunk lines to a few more places it adds to the amount of money enormously. Of course, it may be a means of sustaining the Western Union Telegraph Co. in spite of the radio if we will pay the taxpayers' money to them for sending out telegrams to be delivered some six or eight hours after the radio message has given us the facts. Of course, it is too bad that about one-third of that information goes to that portion of the country that produces the livestock, and only about two-thirds of it goes to the big cities.

Just wait. Inside of a week these big-town boys will have a chance to vote for something for agriculture, and they will forget all about this. These fellows who know about the grading of class A hogs, who have read a few agricultural reports and the reports of the Secretary, I would like to have them tell me where they grade the hogs?

Mr. MADDEN. Mr. Chairman, of course the gentleman from Kansas ought to tell the House that the Secretary of Agriculture has no power to grade hogs at all.

Mr. TINCHER. Oh, I assume that Mr. BEGG is the only gentleman in the House who has produced hogs to such an extent that he knows what a grade class A hog is in Cleveland. [Laughter.]

Mr. GRAHAM of Illinois. I was under the impression that when a farmer out in my country got ready to send a load of hogs to town he got the Chicago Drovers' Journal and all of the information every morning.

Mr. TINCHER. Why, in the little home towns you go into a bank every morning before you leave, and the radio people will tell you what the supply was in all of the principal markets the day before. What we ought to be doing is reducing this appropriation and using the radio and not subsidizing the Western Union Telegraph Co. [Applause.]

Mr. MORGAN and Mr. MURPHY rose.

Mr. TINCHER. Let me see, to which shall I yield? If I yield to Mr. MORGAN, I am afraid he will take up all of my time, so that I will yield to the shoe manufacturer from Ohio.

The CHAIRMAN. The gentleman's time has expired.

Mr. TINCHER. Then I shall gladly yield the floor. [Laughter.]

Mr. MADDEN. Mr. Chairman, I move that all debate upon this amendment and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. COOK. Mr. Chairman, I do not know as much about hogs as the gentleman from Kansas, and I do not mean Mr. WHITE, either. I spent 26 years of the first part of my life on a farm, and yet I do not know as much about livestock as some of these gentlemen have stated here to-day that they know. I do know a few things, however. I know that since I have been here we have been voting for Muscle Shoals, we have been voting millions of dollars to nearly every western section of the country, and it will not be very long until the Eastern States and, in fact, all of the States that have harbors will want large appropriations. Some gentleman will rise and want an appropriation for them. I remind gentlemen that when you look at this bill, the State of Indiana, with its nearly 3,000,000 of population, you will find, is left out entirely—and we have not asked for any other appropriations. The gentleman from New York [Mr. MAGEE] undertakes to tell you that this matter will not amount to anything; that it is of no account at all. If that be true, why not strike out the $682,000 entirely and wipe it all out? [Applause.] The very fact that it is in the bill is proof that it is of value. There sits my friend from Indianapolis [Mr. MOORES]; he comes from the heart of Indiana, the greatest State in the Union, and yet it is left out. We sell our livestock at Buffalo and Cleveland, and we are entitled to this service. [Applause.]

What is wrong with the farmers of the West? They have no market. Do you want to bottle them up and not let them have any market? They are bottled up as far as the markets of the world are concerned. Their products are a drug upon the market, and they can not get anything for them, and yet gentlemen do not want them to have access even to the eastern markets. I say it is an important matter. The people of the State of Indiana are not asking an appropriation, but they think that by increasing this $60,000 Indianapolis and these other cities will be accommodated. They say there is nobody asking for it but the telegraph companies. I wonder if the gentleman from Kansas wants to help the radio companies——

Mr. WHITE of Kansas. Oh, no.

Mr. COOK. I meant the other good-looking gentleman from Kansas. [Laughter.] What he does not know about livestock and things of that kind would not make a primer.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. COOK. I will.

Mr. UNDERWOOD. Is it not a fact that this same service is furnished western farmers on small markets?

Mr. COOK. Certainly.

Mr. UNDERWOOD. In the State of Ohio we market daily several hundred thousand dollars worth of livestock.

Mr. COOK. In these States we raise as much livestock as any other section.

Mr. UNDERWOOD. If the gentleman will yield further, last year we marketed 25,000 cattle, 50,000 calves, 125,000 sheep, and 634,000 hogs to markets made and reported by middlemen themselves or their agencies. Does not the gentleman think we are entitled to the same unbiased, accurate, and complete Government-reported marketing service that is given the western farmer?

Mr. COOK. Yes; we want equal facilities.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITE of Kansas. Mr. Chairman [applause], I think I may say what I care to say in three minutes. I think probably the argument is closed now. Really, I have not thought at any time that the service under discussion was of great utility to the stock raisers and stock feeders of the country. I made the statement on the floor of the House something like two years ago that we had the market as quickly from Chicago in the Daily Drovers' Journal as we had it from the reports of the Agricultural Department here in Washington. That statement was questioned by Mr. ANDERSON, the then chairman of the subcommittee. Now, I want to state the facts. There is no sound and fury in this talk. Every man who is a stockman, who has had experience, who has been on the market, who has handled stock for years, knows that all the information that is sought to be secured through this amendment is available to every stockman in the United States every day. He knows that on the bulletin board in the Kansas City lobby is set down the receipts at every great market in the United States every morning.

Mr. MURPHY. Will the gentleman yield right there?

Mr. WHITE of Kansas. I will be glad to do so.

Mr. MURPHY. Does not the gentleman know that the large cities that are asking this service do not have governmental reports and no one to gather the governmental statistics to send out?

Mr. WHITE of Kansas. Well, then, I will modify my statement and say every livestock market of any importance in the United States [laughter] has on the bulletin board every morning a statement as to the condition of the market, the fluctuations in swine, sheep, and cattle.

Mr. MORGAN. Will the gentleman yield?

Mr. WHITE of Kansas. In a moment. Now, the gentleman from Ohio [Mr. BEGG], who has handled so many cattle from Chicago, I do not know how many millions [laughter], tells us about the different grades of stock, how they are graded at different markets; that one class of cattle of a certain weight are graded at one market differently from the manner in which they are graded at another market. Surprising information. However, I think everyone knows who has had any experience with livestock that there is much more in the quality than in the weight. Let me ask some of the short-grass men from Texas——

Mr. HOWARD of Nebraska rose.

Mr. WHITE of Kansas. Everything is in the quality and in the breeding. Now I will claim the five minutes for which I have been recognized, although I may not need it. I do not understand, gentlemen, there is any discrimination against the cooperative organizations. I do not understand that the farm bureau to which the gentleman referred in his speech as having filed so many memorials on this subject is a corporation for the transaction of business at any place in the United States. It is an association, as I understand it, for advancing the interests of agriculture through conferences and dissemination of information, as all lines of industry and business have associations.

Mr. BEGG. Will the gentleman yield?

Mr. WHITE of Kansas. I will be glad to yield to my good friend.

Mr. BEGG. The farm bureau and cooperative associations, according to their information to me, are working hand in hand in putting this stock on the market—one-half a second and I am through—and they claim that these reports that they get from the stock markets in these centers are biased against the cooperatives.

Mr. WHITE of Kansas. Well, if there is any corporation engaged in business that is guilty of unfair practices, his amendment will not cure it. It will not help it in the least. Now, I say the quotations from the Daily Drovers Telegram and Drovers Journal, of Chicago, are not accredited to any commission house or any cooperative society. The sales are collected from different firms and printed for the benefit of the country at large. But I have never believed this Government service was in any sense superior to the service furnished by the publications especially devoted to that work.

I do not believe to-day that it is an organization of any particular utility to agriculture in this country. I know of no unjust discrimination against the cooperative organizations; and I will say further and unqualifiedly that I want to see the cooperative salesman, both as a commission salesman and as a

country dealer handling the products of the farmer, to have a fair chance and a square deal with a regular corporation, and I believe they have it, and they ought to have it, without any discrimination. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired. The question is on agreeing to the substitute of the gentleman from New York [Mr. MAGEE] to the amendment of the gentleman from Ohio [Mr. BEGG].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. MAGEE of New York. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 35, noes 56.

So the substitute was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Ohio.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BEGG. A division, Mr. Chairman.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 35, noes 56.

So the amendment was rejected.

Mr. BEGG. Mr. Chairman, I offer an amendment to strike out the paragraph.

The CHAIRMAN. The gentleman from Ohio offers an amendment to strike out the paragraph. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Strike out the paragraph beginning on line 16, page 55, and ending on line 2, page 56.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BEGG. A division, Mr. Chairman.

The CHAIRMAN. A division is asked for.

Mr. BLANTON. Mr. Chairman, I make the point of order that no man can demand a division unless he rises.

Mr. BEGG. I am up. What is the matter with the gentleman from Texas? [Laughter.]

The CHAIRMAN. The question is on the motion of the gentleman from Ohio to strike out the paragraph.

The committee divided; and there were—ayes 27, noes 64.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COMPLETION OF WOOLWORK

To enable the Bureau of Agricultural Economics to complete the work of the Domestic Wool Section of the War Industries Board and to enforce Government regulations for handling the wool clip of 1918 as established by the wool division of said board, pursuant to the Executive order dated December 31, 1918, transferring such work to the said bureau, $11,290, and to continue, as far as practicable, the distribution among the growers of the wool clip of 1918 of all sums heretofore or hereafter collected or recovered with or without suit by the Government from all persons, firms, or corporations which handled any part of the wool clip of 1918.

Mr. BYRNS of Tennessee. Mr. Chairman, I make the point of order on the paragraph on the ground that it abounds in legislation and is not authorized by existing law.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BYRNS of Tennessee. Mr. Chairman, this paragraph appropriates $11,290 "to enable the bureau to complete the work of the Domestic Wool Section of the War Industries Board, and to enforce Government regulations for handling the wool clip for 1918 as established by the wool division of said board, pursuant to the Executive order dated December 31, 1918, transferring such work to the said bureau." There is no authority of law, I insist, for this paragraph, and certainly not for the provision providing for the enforcement of regulations made by the War Industries Board.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. McKEOWN. The purpose of this provision is to assist, is it not, in the recovery of funds due to the woolgrowers from the allocation of the wool?

Mr. BYRNS of Tennessee. I think so.

Mr. McKEOWN. It is not meritorious.

Mr. BYRNS of Tennessee. I insist that this money should not come out of the Treasury. We have appropriated $105,500 since 1920 to enforce the regulations made by the War Industries Board in 1918. In other words, it is a hang-over war proposition.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. BLANTON. I think if the gentleman will ask my colleague from Texas [Mr. HUDSPETH], who represents a wool district, he will tell you, and I can affirm myself, since I represent partly a wool district, that this is just to pay a bunch of employees who have never been worth a cent to the woolgrowers of the Southwest, and we have been carrying it here for five years.

Mr. BYRNS of Tennessee. Absolutely, for the purpose of maintaining certain places and paying certain employees six years after the war has come to a close. There ought to be an end to these war boards.

Mr. HUDSPETH. Does the gentleman know of any woolgrower who ever received a dollar from this distribution?

Mr. BYRNS of Tennessee. There may have been some. But I will say to the gentleman this: They have collected over $730,000, so the hearings show. They distributed about $350,000, or about half the amount that they have collected, and the average amount paid to a woolgrower is $3. They paid in some cases checks for $100 and checks for $10, and other amounts have been paid, but it is admitted that in a great many cases it is only a few cents that is paid to the woolgrower. The expense involved does not justify such an expenditure. Even if $3 is the average amount refunded, I submit that it does not justify spending $105,500 of the people's money. There ought to be an end to this proposition.

Mr. HUDSPETH. If the average is $3, that would be equivalent to 3 pounds of wool.

Mr. BYRNS of Tennessee. I want to address myself to the question of whether this was authorized by law or not.

The CHAIRMAN (Mr. CHINDBLOM). Let the Chair ascertain whether it is contended that there is authority of law for this appropriation. The Chair will ask the chairman of the subcommittee whether it is contended that there is authority of law for this appropriation?

Mr. MAGEE of New York. I do not know whether there is authority for it or not, but it has been carried in the agricultural appropriation bill for a number of years. I would ask the gentleman from Tennessee [Mr. BYRNS] to reserve his point of order for the present. There are suits pending to collect the balance of the money and some $753,000 is in the hands of the Department of Justice for collection. What are you going to do? Drop the cases?

Mr. BYRNS of Tennessee. I will say to the gentleman from New York that this will not interfere with those cases. If those suits are founded in law certainly the failure to make an appropriation of $11,290 to pay somebody a salary in the Agricultural Department will not serve to defeat those lawsuits.

Mr. MAGEE of New York. I will say to the gentleman from Tennessee that I do not understand that one cent of this $11,000 goes to pay anybody's salary. As I understand from the hearings, these are moneys for the purpose of meeting the expenses occasioned by the litigation that is pending. It seems to me that it would be very foolish to stop the collection of these moneys. So far as the Treasury is concerned, money is going into the Treasury all the time and there now remains in the Treasury $138,935 which can not be distributed. If the gentleman's discernment is so keen that he has found one source of revenue to the Treasury, a little money going into the Treasury, and the gentleman wants to stop it, all right, but here is one place where something is going into the Treasury.

Mr. BYRNS of Tennessee. Will the gentleman permit me to make a remark right there?

Mr. MAGEE of New York. Yes.

Mr. BYRNS of Tennessee. The gentleman is not going to contend that this money is in the Treasury of the United States?

Mr. MAGEE of New York. That is what I understand.

Mr. BYRNS of Tennessee. The hearings show exactly to the contrary.

Mr. MAGEE of New York. Let me read the gentleman the facts.

Mr. BYRNS of Tennessee. But I have the facts right here as shown by the hearings. The gentleman himself developed the fact that this is a special fund of the Agricultural Department and has never been paid into what we call the "miscellaneous fund" of the Treasury and placed to the credit of the Treasury of the United States.

Mr. MAGEE of New York. The amount that I stated is credited to the woolgrowers who can not be found, and all of the amount so credited is in the Treasury to-day, and eventually will be placed to the credit of this Government.

Mr. BUCHANAN. I will read to my colleague what appears in the hearings:

There remains in the Treasury, which we know to be undistributable, $138,935.83, which you will see is a great deal more than the attempt to collect and distribute has cost the Goverment up to this time, or will cost the Government.

They claim they can not find or locate the people to whom that money is due—$138,935.

Mr. BYRNS of Tennessee. Then why pay it all out in salaries? Mr. Chairman, the statement is made, and the facts I have before me show, that this money has never been paid into the Treasury of the United States. It is spoken of here as being in the Treasury of the United States. The authorities in the Agricultural Department have placed the fund that has been collected in a special fund to the special credit of this particular activity. It has never been paid into miscellaneous receipts of the Treasury and is not there now.

I insist that if you are going to continue to collect this money, and if you are going to continue to pay salaries to employees for this hang-over war proposition—which should have been settled several years ago—then pay the salaries out of that special fund, and do not take it out of the Treasury of the United States. You have already appropriated $105,500 out of the Treasury in order to carry on this work, and yet you say you have $138,000 which has not been distributed because you have not been able to find the wool growers. My information from these hearings is that you have only distributed $350,000, and yet you have collected $738,000. I say that if you are going to carry on this work, then let the work pay for itself and do not take it out of the Treasury of the United States. If we are going to listen to those who are drawing these salaries, we will probably be here for the next 10 years paying these salaries while these lawsuits in the United States Supreme Court and other places are being settled. This appropriation has been made every year for over four years for the completion of the wool-section work, and yet we are as far from having it completed now as we ever were.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order, the Chair will say to the gentleman from Texas, is the determination of this point of order.

Mr. BYRNS of Tennessee. I was discussing the merits of the proposition, having been led astray. If the Chair wishes to hear anything on the point of order, I think I can show that Mr. Sherman himself admits that this is subject to a point of order.

The CHAIRMAN. The Chair would suggest, if he may, that one important question will be the original act under which the War Industries Board operated, and then if there is any authority of law the legal authority pursuant to which the Executive order was issued transferring this work to the Bureau of Agricultural Economics.

Mr. GRAHAM of Illinois. Mr. Chairman, I want to address myself to that particular point when the gentleman from Tennessee concludes.

The CHAIRMAN. If the gentleman from Tennessee desires to discuss the point of order further, the Chair will be glad to hear him.

Mr. BYRNS of Tennessee. Mr. Chairman, I want to read the Chair what Mr. Sherman, who appeared before the committee on behalf of this appropriation, had to say upon the subject of whether or not this was authorized by law, as follows:

The War Industries Board made a promise to the grower before they went out of office that they would make an effort to collect and return the excess profits. We fell heir to that promise, and Congress has aided us every year in making appropriations to help us carry out that promise, and the courts have held that while the War Industries Board may have exceeded its powers in promulgating this regulation, it did not exceed the powers which Congress could have granted it, and that Congress by appropriation of money year after year for this purpose completely ratified and cured any legal defect that might have existed in the beginning.

Mr. ANDERSON. That is a very curious doctrine.

Mr. SHERMAN. Some lawyers have told us that it was a very curious doctrine, but every judge has upheld it.

There is an admission from Mr. Sherman himself that the appropriation bills enacted from year to year have, in the judgment of the courts, ratified the regulation. But the Chair very well knows an appropriation bill holds good only from year to year, and here we are seeking to make a new appropriation which, if Mr. Sherman be correct, would have the effect of ratifying these regulations adopted eight years ago, and I am insisting, of course, that while he may be correct that they were ratified and approved by Congress for the year for which the appropriation bill was passed, yet on July 1 the ratification which was given by the current appropriation bill will have expired, and therefore that can not be cited as an authority for this particular appropriation for the coming fiscal year.

The Chair will recall that in 1918 the Government undertook to take over the purchase of wool. It established certain regulations as an incident to the taking over or the control of wool. By these regulations it was provided that dealers in distributing centers should have a certain percentage over their gross profits, and that dealers who bought directly from the growers of wool should have 1½ cents per pound over their gross profits. I know of no law which would permit the Government to undertake to fix prices in this country except by the process of commandeering. The Government had the right during the war to commandeer the wool and then pay the party from whom it was commandeered such price as the Government thought was reasonable; and if that party was dissatisfied, then he had the right to appeal to the courts and secure a proper adjustment of the price; but here we are six years after the war has come to a close. They have collected, it is true, $738,000 from dealers who, they say, exceeded the price attempted to be fixed by the Government—and I may say here that I know of some cases of very small dealers who have been called upon to make payments when they had no profits, because it had been held by the Government or those in charge of this work that where a dealer buys from another dealer, and that dealer bought from a grower, and that dealer made his one and a half cents profit, then the second dealer from whom they are now demanding these profits shall not be entitled to any profit whatsoever. In other words, his rent, all of his overhead, all of the expenses of his clerks and help in the handling of the wool and the freight and everything of that sort shall be at a loss to him.

I insist that there is no law which would justify these regulations, and yet this provision undertakes to ratify them for the next year by saying, "To enable the wool section to enforce the regulation promulgated by the War Industries Board in 1918." Neither is there law or regulation for the distribution proposed. This is a matter which requires legislation, and that legislation should be proposed by the regular legislative committee and not by way of a rider on an appropriation bill. I submit that the point of order is well taken.

Mr. GRAHAM of Illinois. Mr. Chairman, I do not care to say anything about the merits of this matter. The probabilities are that there is a great deal of force in the suggestions made by the gentleman from Tennessee, but that is not the question now involved. The question is whether it comes within the rules and is in order, and anything else is extraneous. This comes under paragraph 2 of Rule XXI:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law.

The question, therefore, is whether this expenditure had been previously authorized by law. I think there is no doubt about that matter, Mr. Chairman. The paragraph says:

To enable the Bureau of Agricultural Economics to complete the work of the domestic wool section.

The appropriation is made to the Bureau of Agricultural Economics. Will anyone contend that that bureau is not authorized by law to expend any sums of money that might properly be given to it?

So, the authorization going to a bureau of the Government, this authorization by law certainly is good in that respect. Now, what are they authorized to do? They are authorized to complete the work of the domestic wool section of the War Industries Board and to enforce Government regulations for handling the wool clip of 1918 as established by the wool division of said board, pursuant to the Executive order dated December 31, 1918, transferring such work to the said bureau.

Now, the question is whether the authority to transfer that work from the War Industry Board to the Bureau of Agricultural Economics was with legal authority or whether it was not. There can be no question on that, because under the national defense act of 1916 certain extraordinary powers were given to the President of the United States in time of war.

If the Chair will look at that act, he will find in the provisions for the organization of the national defense act——

Mr. BYRNS of Tennessee. If the gentleman will yield, I make no question on the right of the Executive to transfer the work of the War Industries Board to the Agricultural Department. My point is that the War Industries Board had no right to make the regulation for which this bill undertakes to make

the appropriation. It is a question of transfer, and I think the transfer was legal.

Mr. GRAHAM of Illinois. All right, bring the thing down to that issue. Admit that the transfer was legal and made in pursuance of the law. The only remaining thing for the Chair is the question of whether there was any authority in the War Industries Board to do what the gentleman says they have done and to continue it. I think there is no question as to that proposition. I will read from section 10151 of Barnes's Code, page 2428:

The President is hereby authorized, in his discretion, to appoint a board on mobilization of industries essential for military preparedness, nonpartisan in character, and to take all necessary steps to provide for such clerical assistance as he may deem necessary to organize and coordinate the work hereinbefore described.

The President in time of war or when war is imminent is empowered, through the head of any department of the Government, in addition to the present authorized methods of purchase or procurement, to place an order with any individual, firm, association, company, corporation, or organized manufacturing industry for such product or material as may be required, and which is of the nature and kind usually produced or capable of being produced by such individual, firm, company, association, corporation, or organized manufacturing industry.

And so on; it is not necessary to read the whole section, but in this is a specific authorization to the President to at any time take possession of any industry, any business, any manufacturing establishment, at any place in the country. There is ample authority given in the first section of the act and in the succeeding sections of the act so the President might, if he desired, take the product of any particular industry or business and use it for war purposes.

In pursuance of that authority plainly contained in the provisions of that statute, the President made an order taking over the whole wool products of the country for war purposes. We can not question the authority at this time. Everyone admits that he did so. The best evidence that the President had the power is that the President did exercise it. If anyone says that he did not have that authority, it seems to me that he ought to be compelled to establish it. Where an order such as this has been made by one in Executive authority, then the presumption must be that the order was legally made.

Mr. BYRNS of Tennessee. If the gentleman will yield, I want to say that the gentleman has entirely missed my point. I said expressly that I did not question the right of the President to commandeer the wool for Government purposes during the war. That was done and nobody questions it. It is not a question of the action of the President. This is a proposition now to enforce regulations that were made in 1918, made without legal authority, and which have no application to the commandeering of wool by the Government.

Mr. GRAHAM of Illinois. Will the gentleman permit me to answer that?

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

Mr. BYRNS of Tennessee. And in addition to that it provides for continuing as far as practicable the distribution among the growers of the wool crop of 1918 of all sums heretofore or hereafter collected or recovered with or without suit by the Government from all persons, firms, or corporations. I say to the gentleman that neither he nor anyone else can find a regulation providing for this and adopted by the War Industries Board, save the direction of the chairman, that if it was possible the money should be redistributed.

Mr. BLANTON. Mr. Chairman, I shall make one point of order that is good, and that is that there is no quorum present.

Mr. GRAHAM of Illinois. Just a word and I shall conclude.

Mr. BLANTON. We were here until 11.15 o'clock last night and we ought to quit.

Mr. HOWARD of Nebraska. I think the gentleman is right about that.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present, which seems to be seconded by the gentleman from Nebraska. The Chair will count. [After counting.] Fifty-nine Members present, not a quorum.

Mr. MAGEE of New York. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. GRAHAM of Illinois having assumed the chair as Speaker pro tempore, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7220 and had come to no resolution thereon.

The SPEAKER resumed the chair.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota, from the Committee on Appropriations, reported the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. BLANTON. Mr. Speaker, I reserve all points of order on the bill.

AGRICULTURAL APPROPRIATION BILL

Mr. BECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the agricultural bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. BECK. Mr. Speaker, when it comes to appropriating public money for the Department of Agriculture I do not believe we can afford to be stingy, especially if that department is using the money to enhance the greatest of all industries—agriculture. That was the purpose for which the department was created. When agriculture is prosperous, so is every other legitimate industry prosperous. When it is not, we are met with industrial failures everywhere.

But should the Agricultural Department not function as its founders intended, should it divert public money appropriated by Congress to uses other than those directed by the Congress, I believe we can well afford to ask what are the people getting in return for the money expended? The people are willing to pay a dollar in taxes if they can get $2 in return, but they are not willing to pay a dollar and get only 50 cents in return.

On August 15, 1921, an act passed by the Sixty-seventh Congress, known as the packers and stockyards act, went into effect. I shall not go into any lengthy discussion of what led to the passage of that act. I will only quote briefly from the report of the Federal Trade Commission of July, 1918, after this commission had made an exhaustive investigation of the meat-packing industry. Speaking of the five big meat packers, the report says (page 24):

If the five great concerns owned no packing plants and killed no cattle and still retained control of the instruments of transportation, of marketing, and of storage, their position would not be less strong than it is.

The producer of livestock is at the mercy of these five companies, because they control the market and the marketing facilities and, to some extent, the rolling stock which transports the products to the market.

The competitors of these five concerns are at their mercy, because of the control of the market places, storage facilities, and refrigerator cars for distribution.

The consumer of meat products is at the mercy of these five, because both producer and competitor are helpless to bring relief.

To remedy these conditions the commission recommended that the Government take over all stock and refrigerator cars, stockyards, branch houses, and cold-storage plants for the chief purpose of encouraging competition in the packing industry. Competition seems to be the one thing needed to relieve the monopolistic hold the packers seemed to have over the food supply of the country. That idea is not put forward by the Federal Trade Commission alone, but it is the central idea running all through the hearings on the packers and stockyards bill.

It is true farmers complained of a great many fraudulent practices at the livestock terminals, such as short changing, underweighing, dockage, crippling stock in order to supply rendering plants, and so forth, but with the establishment of competition in buying and selling at the livestock terminals it was thought by Congress that most of these practices would disappear.

What has been the result? The very practices Congress tried to abolish appear to have continued unabated until Minnesota, a year and a half after the packers and stockyards act went into effect, asked for the repeal of this act in order that that State could offer some protection to the livestock producers of the Northwest at the South St. Paul terminal. This was an appeal made to Congress by the Minnesota Legislature in January, 1923.

This was followed April 4, 1923, by a statement coming from the Department of Agriculture to the effect that in checking

up the books of the commission men at one of the large livestock terminals of the Middle West it was found that six commission firms had been making improper account sales, and "when these shortcomings were called to the attention of the livestock exchange at that market these firms were fined a total of $1,600," and one of them retired from the market. This criticism is made against the old-line commission men, the men who had been guilty of short changing the farmers, cheating on weights, overdockage, crippling livestock for the rendering plants, and so forth.

The audit, however, included legal agents of farmer customers. Contrast the polite criticism of the old-line commission firms above with that of the farmers' shipping associations farther on in this same release of April 4. It says:

On one of the large markets, where a large percentage of livestock is consigned by cooperative shipping associations, it was found that commission men had been making a bid for business by giving a "rake-off" to the managers of local shipping associations. Investigation by the representatives of the packers and stockyards administration showed that bogus sales slips were being made out which did not show the actual amounts paid for the livestock by packers or other buyers. The commission men themselves did not profit by these shady transactions, except that by giving attractive terms to managers of shipping associations they were able to increase their business. The Government men found that on this particular market many of these managers made it a practice to "shop" around among commission men to get the biggest "rake-off" possible. Needless to say, this practice very suddenly stopped.

In other words, for a commission firm to short-change a farmer as much as $450 on a shipment of stock, or to underweigh a car of stock 3,000 pounds, or to cripple two or three hogs in order to send them to a rendering plant where the packers were making over 700 per cent on invested capital, these were called "shortcomings." But for a farmer to load a shipment of cattle belonging to himself and neighbors and go into market where he tried to get the best terms possible for his shipment, he was accused of "shopping around" and trying to get a "rake-off." He was accused of "shady transactions." Absolute stealing on the part of the old-line commission men is a "shortcoming." Trying to create competition in buying, on the part of the farmer, is a "shady transaction." Think of a farmer being accused of "shady transactions" for doing the very thing the law gave him a right to do, while a commission firm that absolutely steals from the farmer is merely guilty of a "shortcoming."

But the release of April 4 did not seem to help much, because the farmers continued to complain about the way the act was working out. So in July, 1923, the Livestock Exchange came to the rescue of the Department of Agriculture and published the fact that instead of six firms at this terminal being guilty of "shortcomings" there were 16, and instead of the exchange fining them $1,600 it fined them about $6,000. But even that did not allay the criticism, so about a month later the Secretary of Agriculture went to Atlantic City or somewhere and delivered a speech. About two months later, however, he was forced to follow the law and hold hearings on a few cases of illegal practices.

Suppose Congress had passed this law and placed its administration in my hands, and suppose, further, that I was opposed to meddling with the practices of the packers and commission firms at all, and suppose I was determined they should continue their illegal practices with as little hindrance as possible. The first thing I would do would be to surround myself with administrative officials who were also opposed to the act and did not desire to have it enforced. To make sure that I got that kind of officials I would prescribe such qualifications to the Civil Service Commission as would bring men out of the employ of commission firms themselves. I would provide that they must know: "1. Theory and practice or accounts as applied to livestock commission merchants," and "2. Education and experience." If I felt there would be the least doubt about my getting men from among the commission firms, I would explain that "under the second subject applicants must show that they have had at least four years of practical experience on the books of account of livestock commission merchants. This experience must have involved the keeping of double-entry books of account and must have included the preparation of trial balances, profits and loss statements of balance sheets."

This is exactly the qualifications asked for by the Civil Service Commission, and the language I have used is taken verbatim from the civil service circular No. 340, advertising the examination.

I have been told that every accountant of the Packers and Stockyards Administration has been taken out of the commission firms, and all the supervisors at the livestock terminals, with few exceptions, have formerly been commission men or employees of the commission firms and packers. One of the supervisors was formerly the chief lobbyist in the State of Minnesota against any packer or stockyards legislation.

In order to verify these stories I went to Mr. Chester Morrill, head of the Packers and Stockyards Administration, and asked if I could see the St. Paul file. He said I could, but before he showed it to me he said he would have to give me a little of the background of the case so I would understand it. But when he discovered I already had considerable of a background of the case I was informed I could not see it unless I would keep it confidential. I told him I was a member of the Committee on Expenditures in the Department of Agriculture, and, whatever information I received, I would lay it before this committee. He then informed me he had no authority to permit me to see the file. I then asked him for a list of supervisors and other employees in the Packers and Stockyards Administration, together with their salaries and expenses, and he informed me he had no authority to give that to me. I then asked for copies of the weekly reports of work performed by the supervisors, and he said he had no authority to give me that. In other words, the people of the United States are spending $410,500 a year, and next year they will spend over $452,540 in administering the packers and stockyards act, and they have no right to know what they are getting for their money.

But I have discovered some things they are getting. I have a few weekly reports of the supervisors, general superintendents, and other titled nobility in the department showing some things they do for the money they receive. I am told they receive between $4,000 and $5,000 a year salary and expenses; but I could not verify this, because Mr. Morrill had no authority to give me the facts.

One supervisor reports for a week's work: A hearing was held on a complaint about watering facilities and weighing services, and the conditions complained of shows an improvement.

Another reports for his week's work: Water supply comes from artesian wells and city hydrants and is first class. The stockyards company has two tanks holding 60,000 gallons.

Another reports for his week's work: The sale of "soft hogs," guaranteed to kill "hard," but they did not, and the commission firm selling the hogs lost $200.

The supervisor suggested that the interested parties work out a definite plan for handling cases of this sort. His suggestions met with approval of officials of both the packer and commission firm and a definite plan will be put forward at the proper time.

Another reports: 120,797 more hogs received than for the same month in 1922, and that only one minor complaint has been received this week, and it has been investigated and adjusted.

Another report says: Nothing of very great significance has transpired at this market this week.

Another reports that his time was well taken up with adjusting complaints and making investigations.

Another spent the week in endeavoring to influence the interested parties in lowering their deduction of $2 per hundred on crippled hogs.

Another weekly report says:

The price of horses is higher this week, good horses bringing $130 to $135, and better horses bring a better price.

Another supervisor reports:

I have been more active this week than last, as I have visited Buffalo, Cleveland, and Detroit.

At Buffalo he found the salesmen trying to force the buyers to assume all the risk of reactors. At Cleveland he found the physical condition of the property "showed marked improvement." At Detroit he spent his time trying to locate six hogs the packer claimed to have lost.

Another supervisor reports that he notified the superintendent of the yards that he had received a complaint about the water pressure at the south end of the yard, and he proceeded to investigate. He found the water of good quality. He also said he was "considering some things that he would report on later."

Another weekly report says—

great improvement is noticed in the bedding of stock cars.

It continues—

It looks as if our efforts are bearing fruit.

Another reports for his week's work:

Triplicate sales tickets have been ordered.

He also reports that a—

commission firm, through mistake, weighed to a trader a fat heifer instead of a feeder cow, and the Traders' Exchange and the supervisor brought the parties together in the office of the stockyards administration, and after going over the case in detail it was agreed each should stand half the loss. Both parties appeared satisfied.

Another supervisor reports he—

attended a conference this week where railroad officials were adjusting rates and congested conditions on their lines, and one of these officials said "the number of officials present is due to the presence of a representative of the Department of Agriculture," and that "his presence contributed to the favorable outcome of the conference." The supervisor was asked to attend the next conference also.

Another reports:

I had occasion to listen in on a conversation between a packer and a commission man, and both expressed unqualified approval of the way the act is administered. One said, "We know now that we are all going to be treated alike."

Another reports:

Your supervisor was again complimented by the stockyards company on the fine train service he was instrumental in bringing about—

And that—

the railroad officials are keen to know of cases where trains are unduly late in reaching their destination.

Ye gods! There has not been a day or an hour in 25 years that a railroad company has not known exactly where its trains are and whether they were late.

Another spent a whole week in trying to find a heifer that had been lost in transit by some shipper. And so it goes.

I laid these facts before the Committee on Expenditures in the Department of Agriculture. I had been told that these committees never functioned except when the House and the committees were of a different political complexion from the administration, and they only functioned then when it was desired to dig up something against the administration to be used in campaigns. But it occurred to me that Congress and the people have a right to know what is being done with the money we are appropriating, whether the House and the administration are of a different political complexion or not. The committee felt the same way, and its chairman and myself appeared before the Committee on Accounts and asked for a clerk to enable us to look into the expenditures of the Department of Agriculture. We laid before that committee the information I have here given. We made it plain we were not starting out on a muckraking campaign, but that we hoped to be able to render some assistance to the Secretary of Agriculture in his endeavor to be of service to the farmers of this country. That was three weeks ago and the committee has no clerk yet. The Democratic members of the Committee on Accounts were in favor of giving us a clerk. The chairman of the committee was noncommital. The Republican member from Massachusetts [Mr. UNDERHILL] thought if there was anything which ought to be looked into it should be done by a special committee.

Another Republican Member was opposed to any investigation, saying:

We have too many investigations now.

But the Committee on Expenditures in the Department of Agriculture has gone ahead with the inquiry as best it can without a clerk. We asked for the pay roll of the packers and stockyards act about three weeks ago, and the Secretary of Agriculture said he would get it for us. I am informed by a clerk in the department that it has been ready for us over two weeks, but the committee did not receive it until to-day, since which time I have not been able to examine it.

Up to date we have had three witnesses from the department testify. The most important is John M. Burns, of the solicitor's office in the Department of Agriculture. Mr. Burns is well known to congressional committees. His work is directly connected with the administration of the packers and stockyards act. He testified that those who are administering the act—

have moved contrary to the letter and spirit of the antitrust laws; they have set up a public policy and a self-constituted authority that is entirely out of harmony and out of line with the spirit and purpose of the legislation they were acting under, and they have diverted public funds to the accomplishment of an illegal purpose.

He further testified—

that if the department had exerted its influence to bring about competitive action in the stockyards rather than to stifle it it would have been worth many millions of dollars annually to the livestock producers of this country.

Mr. Burns then related how the commission firms at the various terminals were not permitted to file individual rates for selling livestock but were required to file their rates in bloc, and these rates were kept right up to the war-peak level while livestock prices are less than one-third what they were during the war. A bloc of commission firms has the stamp of governmental approval, while a farm bloc is condemned as bolshevistic, communistic, and sovietistic, but a business men's bloc is business.

Believing the rates charged by commission men for selling livestock were outrageously high, the farmers in the vicinity of one of the livestock terminals formed a cooperative selling agency and attempted to file a lower rate with the Department of Agriculture. Mr. Morrill, administrator of the packers and stockyards act, refused to receive the rates of this association in the following language:

In accordance with subdivision D of section 306 of the packers and stockyards act, tariff No. 1 of Producers' Commission Association for Kansas City has been rejected and refused for filing because it does not provide and give lawful notice of its effective date, as it was not filed in Washington until February 16, and purports to be effective February 22. Also, schedule departs from current market rates and would be suspended during pendency of proceedings involving reasonableness of Kansas City market rates if it had been properly filed.

But Mr. Morrill's legal department advised him that he had acted contrary to law; that the rates did provide lawful notice of their effectiveness and should have been received, filed, and permitted to become effective. Nevertheless, this agency has never been permitted to do business.

Later another cooperative agency was formed at another terminal. This agency was permitted to file its rates. These rates were lower than the old-line commission men were charging. But at once Mr. Morrill and his associates directed their guns against this concern and began arbitrating the question. Just what there was about this question to "arbitrate" I am not able to say, but it was "arbitrated" for weeks and weeks, with the final result that this association was permitted to do business at the same high rates charged by the old-line commission men. It is permitted, however, to declare patronage dividends, and it writes:

This will acknowledge receipt of your letter of March 12, and we are pleased to give you the information asked for, and it is open for publication. We, as a farmers' organization, owned and controlled by farmers, have no secrets. We will stand full investigation.

Total amount of commissions collected in 1923	$265,000
Percentage of patronage dividend in 1923 per cent	57
Total amount of patronage dividend in 1923	$152,323

In the arbitration of this case I find this significant language in the report of the arbitrators:

6. No publicity shall be given to the information gathered by said arbitrators by either the complainants or defendants herein, and no public statement or interview with respect thereto given out unless by authority or direction of said arbitrators.

In other words, the public has no right to know how its business is being conducted. It has no right to know how its money is being expended. Everything must be done in some secret, mysterious way. Everything must be carried on just as big business conducts its affairs—behind closed doors in the dark.

Had the Department of Agriculture administered the packers and stockyards act as Congress intended it should be administered, had it encouraged competitive selling at the terminal markets by encouraging farmers' cooperative selling agencies on the basis of what the above cooperative agency is able to do, it would be a saving to the livestock producers of this country of over $22,000,000 a year in lower selling rates.

But instead of the department encouraging competitive selling, it is stifling it. Instead of its protecting the farmers against the unlawful acts of commission men, it is protecting the commission men against the farmers.

It is true the department has done something toward putting a stop to "short changing," but this is perhaps overbalanced by the $22,000,000 taken from the farmers in excessively high commission rates. It need not cost the Government $410,500 to put a stop to "short changing," and no part of it should be used to protect the commission men against the farmer. They

have always done a pretty good job of protecting themselves. I am therefore opposed to increasing this appropriation.

In 1922 the livestock producers' organizations of the country filed a joint protest with Secretary Wallace against the wartime commission rates for selling livestock, urging him to exercise the authority Congress had given him to reduce them. On this point Mr. Burns said:

Had they not been hindered, obstructed, and deprived of their rights through Mr. Morrill's administration of the packers and stockyards act, I believe these rates would have been materially and substantially reduced long ago through competitive conditions. That arbitration proceeding was utterly illegal. There was not a shred of authority for it in the act. I say that, in my humble opinion, it has cost millions of dollars, and it has stabbed competition in the heart. That whole arbitration proceeding should be publicly repudiated and those rates should be gone into honestly and thoroughly by impartial minds. It is a duty the Government owes to 8 per cent at least of the producers of the country.

Mr. Burns condemned, in the strongest terms, the policy of Mr. Morrill in referring cases of crookedness of commission men to livestock exchanges for corrective action instead of exposing it to the light of day and proceeding according to law.

I set forth these facts as indicating that we are not getting our money's worth out of what we are already expending for administering the packers and stockyards act. Everything that the department has so far accomplished could be done for much less than we are now appropriating, and most of what the department is doing can be done for no appropriation at all. The commission men appear to be administering the act and they need no appropriation from Congress to do it. They fix their own selling charges and if these charges are not high enough the department encourages them to make them high enough. They can do that without the aid of Congress. When the commission men or packers lose stock they use the department supervisors as chore boys to find it. They can use their own chore boys for that purpose. When commission firms misrepresent the quality of a carload of cattle to the packer the supervisor is called upon to adjust the matter, when it should be a matter of adjustment between the interested parties. As Mr. Burns says, the department has diverted its funds from creating competitive conditions at the terminals to the stifling of competition; from protecting livestock producers against unlawful practices of commission firms to protecting the commission men against the producers. The departments should first see what it can do toward administering the act with the funds we are now giving it instead of trying to find ways to not administered it, and asking for more funds with which to do it.

ADJOURNMENT

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Wednesday, April 23, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

442. A letter from the Postmaster General transmitting claim of Mr. A. B. Ewing, postmaster at El Dorado, Kans., for credit on account of losses sustained in the burglary of the post office on December 5, 1923, with recommendation that authority be granted to credit said postmaster with $29,895.06, and that appropriation be made therefor; to the Committee on Claims.

443. A letter from the Secretary of War transmitting a draft of proposed legislation "For the relief of sufferers from earthquake in Japan" (H. Doc. No. 242); to the Committee on Military Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DAVIS of Minnesota: Committee on Appropriations. H. R. 8839. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes; without amendment (Rept. No. 548). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER: Committee on the Public Lands. H. R. 5555. A bill to include certain lands in the county of Eldorado, Calif., in the Eldorado National Forest, Calif., and for other purposes; with an amendment (Rept. No. 550). Referred to the Committee of the Whole House on the state of the Union.

Mr. CUMMINGS: Committee on the Territories. H. R. 5066. A bill to authorize the incorporated town of Sitka, Alaska, to issue bonds in any sum not exceeding $25,000 for the purpose of constructing a public-school building in the town of Sitka, Alaska; without amendment (Rept. No. 549). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 8220) granting an increase of pension to Sylvester B. Brott, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LEATHERWOOD: A bill (H. R. 8835) authorizing appropriations from the reclamation fund to provide for the investigation and construction of certain Federal irrigation works; to the Committee on Irrigation and Reclamation.

By Mr. SMITH: A bill (H. R. 8836) to provide safeguards for future Federal irrigation development, and an equitable adjustment of existing accounts on Federal irrigation projects, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. McLEOD: A bill (H. R. 8837) to regulate the parking of vehicles in the District of Columbia; to the Committee on the District of Columbia.

By Mr. UPSHAW: A bill (H. R. 8838) providing for the election of Cabinet officers by the people; to the Committee on the Judiciary.

By Mr. DAVIS of Minnesota: A bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. YOUNG: A bill (H. R. 8840) to provide that jurisdiction shall be conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and certain bands of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. NEWTON of Minnesota: A bill (H. R. 8841) to prohibit the importation of certain hides and furs or packages thereof from Canada, unless marked so as to indicate the country of origin, and empowering certain State officers to inspect and mark such articles and packages; to the Committee on Ways and Means.

Also, a bill (H. R. 8842) to amend section 206 of the transportation act, 1920, approved February 28, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. BUTLER: A bill (H. R. 8843) to authorize certain officers of the United States Marine Corps to accept from the Republic of Haiti "The medal for distinguished service"; to the Committee on Foreign Affairs.

By Mr. RAKER: A bill (H. R. 8844) to provide compensation in lieu of taxes for the several States with respect to certain lands of the United States within the borders of said States, and for other purposes; to the Committee on the Public Lands.

By Mr. CRAMTON: A bill (H. R. 8845) to amend sections 20 and 21 of an act entitled "An act to prevent the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes," approved March 3, 1917, as amended; to the Committee on the District of Columbia.

By Mr. BRAND of Georgia: Joint resolution (H. J. Res. 250) to stimulate crop production in the United States; to the Committee on Agriculture.

By Mr. TUCKER: Resolution (H. Res. 267) questioning the constitutionality of the treaty between the United States and Great Britain for the prevention of smuggling intoxicating liquors into the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KOPP: A bill (H. R. 8846) granting a pension to Rohama Crosley; to the Committee on Invalid Pensions.

By Mr. LAZARO: A bill (H. R. 8847) granting a pension to Catharine S. Wakefield; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 8848) granting an increase of pension to Hester Thomas; to the Committee on Pensions.

By Mr. PARKER: A bill (H. R. 8849) granting a pension to Almaria Hemstreet; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 8850) making an appropriation to compensate the Carolina Provision Co. for wood furnished the United States Government during the war; to the Committee on War Claims.

By Mr. WILLIAMS of Michigan: A bill (H. R. 8851) granting a pension to Ida E. Wilkinson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2492. By Mr. CHINDBLOM: Petition of Fred W. Alwart and 243 other citizens of Chicago, for repeal of all unfair war excise taxes, including tax on motor vehicles and parts therefor; to the Committee on Ways and Means.

2493. By Mr. CULLEN: Petition of the Harry Boland Council; also petition of the Patrick Henry-Joe McKelvey Council; also petition of the Christopher Farrell Council of the American Association for the Recognition of the Irish Republic, praying the release of the Hon. Eamon De Valera; to the Committee on Foreign Affairs.

2494. By Mr. FULLER: Petition of the Prairie Club, of Chicago, Ill., favoring the McNary-Clark bill (S. 1182 and H. R. 4830) for the reforestation of denuded areas; to the Committee on Agriculture.

2495. Also, petition of the Illinois Manufacturers' Association, favoring House bills 4517 and 6357, relating to improvement of the foreign service; to the Committee on Foreign Affairs.

2496. Also, petition of the Illinois Association of Postmasters, favoring the Paige bill (H. R. 7016); to the Committee on the Post Office and Post Roads.

2497. By Mr. KVALE: Petition of Mr. Cush Tibbetts, Linker Hotel, La Crosse, Wis., asking that he be given an opportunity to present to Congress alleged evidence of widespread nonenforcement of law; to the Committee on the Judiciary.

2498. Also, petition of Mrs. R. H. Doe and 239 other residents of Olivia, Minn., protesting against any modification of the national prohibition act that would legalize the use as beverages of beer, cider, and other alcoholic drinks; to the Committee on the Judiciary.

2499. By Mr. LEATHERWOOD: Petition of the Utah State Farm Bureau, Salt Lake City, Utah, favoring House bill 5563; to the Committee on Agriculture.

2500. By Mr. PATTERSON: Petition of 190 residents of Gloucester County, N. J., protesting against legalizing of 2.75 beer; to the Committee on the Judiciary.

2501. Also, petition of 436 residents of Camden, N. J., protesting against legalizing 2.75 beer; to the Committee on the Judiciary.

2502. By Mr. TAGUE: Petition of Ukrainian-American citizens of Boston, Mass., protesting against enactment of legislation requiring registration of alien workers in the United States; to the Committee on Immigration and Naturalization.

2503. By Mr. TINKHAM: Petition of Maritime Association of the Boston Chamber of Commerce, favoring the improvement of harbor of refuge at Assateague, Va.; to the Committee on Rivers and Harbors.

2504. By Mr. YOUNG: Petitions of Methodist Episcopal Church, Valley City, N. Dak.; Methodist Episcopal Church, LaMoure, N. Dak.; Woman's Club, Rugby, N. Dak.; Women's Foreign Missionary Society, Glover, N. Dak.; Mothers' Club, Crystal Springs, N. Dak.; Methodist Church of Dawson, N. Dak.; Woman's Christian Temperance Union of Crystal Springs, N. Dak.; Lutheran Ladies' Aid of Berwick, N. Dak.; Lutheran Ladies' Aid of Tunbridge, N. Dak.; Woman's Christian Temperance Union of Jamestown, N. Dak.; First Methodist Church of Jamestown, N. Dak.; First Baptist Church of Jamestown, N. Dak.; First Presbyterian Church of Jamestown, N. Dak.; First Congregational Church of Jamestown, N. Dak.; and Congregational Church of Valley City, N. Dak., against any modification of the Federal prohibition act; to the Committee on the Judiciary.

SENATE

WEDNESDAY, *April 23, 1924*

(Legislative day of Monday, April 21, 1924)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

PETITIONS AND MEMORIALS

Mr. HARRISON presented a petition of sundry citizens of Hollandale, in the State of Mississippi, praying for the passage of drastically restrictive immigration legislation with quotas based on the 1890 census, which was referred to the Committee on Immigration.

Mr. WILLIS presented a petition of sundry citizens of Washington Court House, Ohio, praying an amendment to the Constitution granting equal rights to women, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented the petition of the Home Missionary Society of the First Methodist Episcopal Church, of Topeka, Kans., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. ROBINSON presented a letter from John R. Kuhn, of Brooklyn, N. Y. (accompanied by newspaper clippings), in advocacy of an appeal to Congress for the passage of legislation guaranteeing a minimum price to producers of wheat and cotton, payable directly to the producers, upon delivery of the product at a Government agency, which was referred to the Committee on Agriculture and Forestry.

Mr. SHIPSTEAD presented the petition of E. N. Melgard and 56 other citizens of Hart Township; of Nels Brusuth and 18 other citizens of New Hartford Township; of Henry Speitz and 26 other citizens of Norton; of G. M. Smith and 29 other citizens of St. Charles Township; of William J. Steckhansen and 18 other citizens of Mount Vernon Township; of H. H. Niemeyer and 15 other citizens of Homer Township; of Edward A. Campbell and 16 other citizens; of Frank W. Lucas and 25 other citizens; of Ed. J. Overland and 18 other citizens, all of Hart Township; of J. A. Snook and 19 other citizens of Dale Township; and of Glenn L. Ashcroft and 60 other citizens of Whitewater Township, all in the State of Minnesota, praying for the passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

He also presented the memorial of Rev. Aug. Samuelson and 522 other citizens of Brainerd, Minn., remonstrating against the passage of legislation legalizing the manufacture and sale of 2.75 per cent beer, or otherwise modifying the so-called Volstead Prohibition Act, which was referred to the Committee on the Judiciary.

He also presented the petition of Howard E. Evans and 33 other citizens of Rochester, Minn., praying for the passage of legislation drastically restricting immigration, with quotas based on the census of 1890, which was referred to the Committee on Immigration.

Mr. CAMERON. I present a telegram from Mrs. R. L. Royal, department president of the American Legion Auxiliary, Department of Arizona, at Grand Canyon, relative to the soldiers' bonus bill, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the telegram was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[Telegram]

GRAND CANYON, ARIZ., *April 19, 1924.*

Hon. RALPH CAMERON,
United States Senate, Washington, D. C.

The American Legion Auxiliary, Department of Arizona, urges your unqualified support adjusted compensation bill as reported by Senate Finance Committee. Urge you oppose any amendments from floor of Senate, particularly oppose cash option and that you support bill as reported. We will remember and appreciate this action.

Mrs. R. L. ROYAL,
Department President.

REPORTS OF COMMITTEES

Mr. LADD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 5218) granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky. (Rept. No. 451);

A bill (H. R. 8229) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River (Rept. No. 452); and

A bill (H. R. 8304) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street in the city of Chicago, county of Cook, State of Illinois (Rept. No. 453).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1638) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions (Rept. No. 455); and

A bill (S. 1740) to provide relief for the victims of the airplane accident at Langin Field (Rept. No. 456).

Mr. JONES of Washington, from the Committee on Appropriations, to which was referred the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, reported it with amendments and submitted a report (No. 457) thereon.

Mr. STANFIELD, from the Committee on Civil Service, to which was referred the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, reported it with amendments.

BRIDGES IN ARKANSAS

Mr. SHEPPARD. From the Committee on Commerce I report back favorably with amendments the bill (S. 3116) to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River, near the city of De Valls Bluff, Ark., and I submit a report (No. 454) thereon. The Senator from Arkansas [Mr. ROBINSON] is very much interested in the bill and I call his attention to it.

Mr. ROBINSON. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments of the Committee on Commerce were, on page 2, line 3, after the word "point," to insert "suitable to the interests of navigation"; in line 4, after the name "Arkansas," to strike out "and to construct, operate, and maintain railroad bridges and approaches thereto at such other points on said river or on other navigable rivers as may be selected by said railroad companies or company and approved by the Secretary of War"; on page 2, line 9, to strike out "Sec. 2. Said bridge or bridges shall be constructed or reconstructed"; and in line 13, to change the section number from 3 to 2, so as to make the bill read:

Be it enacted, etc., That the Choctaw, Oklahoma & Gulf Railway Co., a corporation created and existing by virtue of the laws of the United States, its successors and assigns, and the Chicago, Rock Island & Pacific Railway Co., a consolidated corporation organized under the laws of the States of Illinois and Iowa, its successors and assigns, or either one of said railroad companies, be, and they are hereby, authorized to construct or reconstruct, maintain, and operate a railroad bridge and approaches thereto across the White River at a point suitable to the interests of navigation, near De Valls Bluff, Ark., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark."

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EDGE:

A bill (S. 3150) for the relief of the Ancona Printing Co.; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 3151) for the erection of a Federal building at the city of Georgetown, Tex.; and

A bill (S. 3152) providing for the erection of a Federal building at the city of Taylor, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. FERNALD:

A bill (S. 3153) to authorize the construction of a nurses' home for the Columbia Hospital for Women and Lying-in Asylum; to the Committee on Public Buildings and Grounds.

By Mr. CAMERON:

A bill (S. 3154) granting a pension to Edward M. Foltz; to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 3155) to provide for public education upon political questions and for the dissemination of information upon political issues and matters of a political nature of public interest by an authorized publicity pamphlet; to the Committee on Privileges and Elections.

A bill (S. 3156) to establish a department of health, and for other purposes; to the Committee on Appropriations.

A bill (S. 3157) to create the department of education; to the Committee on Education and Labor.

A bill (S. 3158) to prevent the use of the mails and of the telegraph and telephone in furtherance of fraudulent and harmful transactions on stock exchanges; to the Committee on Banking and Currency.

A bill (S. 3159) to establish a sanitary reserve corps for the Public Health Service; to the Committee on Military Affairs.

A bill (S. 3160) to establish a national bulletin; to the Committee on Printing.

By Mr. FERNALD:

A joint resolution (S. J. Res. 116) providing for survey of the Potomac River banks from Washington, D. C., to Great Falls, with a view to possible extension of the District park system; to the Committee on Public Buildings and Grounds.

PRINTING OF POSTAL SALARY HEARINGS

Mr. EDGE submitted the following concurrent resolution (S. Con. Res. 8), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the printing act approved March 1, 1907, the Committee on Post Offices and Post Roads of the Senate and the Committee on the Post Office and Post Roads of the House of Representatives be, and are hereby, authorized and empowered to have printed 5,000 additional copies of Part I of the hearings before a joint subcommittee of the Sixty-eighth Congress, first session, on salaries and compensation of employees in the Postal Service.

ADDRESS OF THE PRESIDENT IN NEW YORK CITY (S. DOC. NO. 94)

Mr. LODGE. Mr. President, I ask to have printed in the RECORD, and also as a document, the speech which was delivered by the President on yesterday before the annual luncheon of the Associated Press in New York City.

There being no objection, the address was ordered to be printed in the RECORD, and also as a document, as follows:

The gathering and publication of news has a deeper significance than is sometimes realized. No large enterprise can exist for itself alone. It ministers to some great need, it performs some great service, not for itself, but for others; or, failing therein, it ceases to be profitable and ceases to exist. This is the case with the Associated Press. It is one of the eyes of mankind which never slumbers. Without ceasing, it assembles each day the events of each part of the world, and transmits them to every other part. The fundamental reason for this lies in the fact that it is felt to be of vital importance to each man and each community to know what other men and other communities are doing. The news is printed and read, not for the mere purpose of entertainment, amusement, and recreation, but almost entirely for the practical purpose of information, in order that by means of accurate knowledge of what others are doing a course may be laid out of accurate and successful action.

Faith in the American people means a faith in their ability to form sound judgments when once the facts have been presented to them clearly and without prejudice. It is this educational work, national in its scope, that the Associated Press performs, and upon its integrity and fairness depends in large measure the course of public opinion in the United States. This work is done without any tinge of personal or political opinion. A very practical need exists, and it is met by a very practical service. It is individual in its nature. It is a personal service for each one of us, making its appeal entirely to the intelligence of the individual and recognizing fully the American ideal of intellectual independence.

CHERISHED AMERICAN IDEAL

This conception is not exactly at variance with, but certainly supplementary to, the long-cherished American ideal of the independence of the individual and the independence of the Nation. Granted that the largest possible independence is a desirable goal, the consideration at once arises as to how such independence can best be secured. The work of the Associated Press, both necessary and logical, indicates that the true method would appear to lie in recognizing the broad principle of our individual and national dependence, calculating the requirements which flow from that condition, and governing ourselves accordingly. Complete independence means complete coordination and cooperation. From this principle arises the oft-repeated law of service—we can help ourselves only as we help others. A knowledge and an understanding of others become absolutely necessary in order to make our ideals practical. One of the preeminent requirements of our country at the present time is to reestablish and emphasize in the public mind this law of service. The danger to America is not in the direction of the failure to maintain its economic position, but in the direction of the failure to maintain its ideals.

The principle of service is not to be confounded with a weak and impractical sentimentalism. It does not mean that either the individual or the Nation is to assume the burdens which ought to be borne by others. It is warranted in considering self to the extent of recognizing that it is justifiable to accumulate and hold the resources which must necessarily be used to serve ourselves, our own household, and our own Nation. But it does not stop there. It recognizes also the necessity of serving others, and when the need arises for meeting a moral requirement, of making individual and national sacrifices sufficient to maintain the cause of righteousness.

OLD STANDARDS SUSPENDED

Some of the recent developments in Washington have revealed the dangers to which I refer in a very dramatic way. Beginning nearly 10 years ago, our country entered a period when conditions were altogether artificial and abnormal, culminating in the strained and lurid events of our participation in the war. The old standards of action were either suspended or entirely cast aside. Altogether too many of those in a position to do so began to take advantage of the necessities of the situation for their own profit. Finally, nearly all of those in responsible positions throughout the entire civilized world had but one main object in view, which was the winning of the war. They began to make almost every consideration and motive subsidiary to that great effort. Totally inconceivable amounts of money were raised and expended with a lavishness which a few months before would have been believed impossible, and which now seems like some wild nightmare.

Notwithstanding the great wave of patriotic fervor which swept over the land; notwithstanding the tremendous sacrifices which the people in every walk of life made, and stood ready to make; almost unconsciously these conditions developed, which I mention not for any purpose now to criticise, where the least scrupulous became the greatest gainers and a considerable part of our population was thrown into a morbid financial state of mind, which even the best intentioned did not wholly escape. The desire for profits and more profits kept on increasing, and the quest for easy money became well-nigh universal. All of this meant an attempt to appropriate the belongings of others without rendering a corresponding service.

This condition began to subside nearly four years ago, but it left along its course a trail of vicious and criminal selfishness which in diminishing degree has ever since been attempting to gratify an appetite grown all the sharper through indulgence, and a general credulity to rumors of large sums of money demanded and paid on account of every motive and action.

GOVERNMENT SUFFERED

From all of this sordidness the affairs of government, of course, suffered. In some of it a few public officers were guilty participants. But the wonder is not that this was so much or so many, rather that it has been so little and so few. The encouraging thing at present is the evidence of a well-nigh complete return to normal methods of action and a sane public opinion. The gravity of guilt of this kind is fully realized and publicly reprehended. There is an exceedingly healthy disposition to uproot it altogether and administer punishment wherever competent evidence of guilt can be produced. That I am doing and propose to continue.

Another phase of lingering extravagance, from which the country has not yet fully recovered, is revealed by a consideration of the bills which are pending before the Congress calling for an expenditure of public money. Exceedingly great efforts have been put forth to reduce the cost of government. Hundreds of thousands of public employees have been released and every department has been thoroughly defeated and placed under most competent financial supervision. The country as a whole is demanding with great vigor every possible relief from the burden of every unnecessary public expenditure. Yet, notwithstanding this, minority groups of one kind or another and organizations, sometimes almost nation-wide in their ramifications, are making the most determined assaults upon the Public Treasury. I am advised by the Director of the Bureau of the Budget that careful computation discloses that there are bills pending that are seriously pressed for passage, not including the bonus, which would increase the expenditures of the Federal Government for next year by about $3,000,000,000.

EXPENDITURES WOULD BE DOUBLED

This would mean that, outside of the Post Office Department, which is practically self-sustaining, the present rate of expenditure would be more than doubled. Each one of these items taken by itself is not large, and its supporters argue that certainly the Government can afford to make this small additional payment. But taken in the aggregate, they make the stupendous sum I have mentioned, and their assumption by the Government would mean nothing less than financial disaster to the Nation. The law of service must be applied to this situation. Our country is very rich, but were its possessions increased manyfold, it would not be warranted in paying out money except for value received. Value received on the part of the Government is estimated by a general consideration of all the attending conditions. At present our country does not need a greater outlay of expenses but a greater application of constructive economy.

The same state of mind is revealed again in the determined resistance which is made to the adoption of a sound method of taxation. The main argument of the opposition can all be reduced to the supposition that the general public can be relieved of taxation and a greater proportion of taxes laid on the rich. I shall not examine the soundness of this proposal, the economic injury which it would inflict, or its impossibility as a working principle. I mention it as another example of an attempt to minister to a supposed desire to evade the law of service. It seems as though the public is assumed to desire to have the advantages of a government without paying its part of the cost of maintaining it. Besides being convinced that such a result is utterly impossible of accomplishment, I am even more firmly of the belief that it misrepresents the general attitude of the public mind. Moreover, the success of the Government does not lie in wringing all the revenue it can from the people, but in making their burden as light and fairly distributed as possible, consistent with the proper maintenance of the necessary public functions. The Government itself, in order to be successful, and all of those connected with it, must put all of their energy upon what they can do for the people, not upon what they can get out of them.

PART OF COMMON COUNTRY

These are some of the reasons which reveal to us why, in our domestic affairs, we must be possessed of accurate information of the doings and needs of others, in order that we may best serve ourselves by serving them through appropriate action. We are all a part of one common country. To be in a healthy and successful condition economically means a free interplay of competition in service, based upon that mutual faith in each other which we term public confidence. Notwithstanding the disturbing character of recent revelations, notwithstanding the enormous pressure for the passage of legislation which would greatly increase the cost of maintaining the Government of the United States, notwithstanding the failure of a majority of the Congress up to the present time accurately to comprehend and expeditiously to minister to the need of taxation reform, I believe that the requirements of economy and reduced taxes will be met in a way not inconsistent with the great resources of our country.

While I have thought it desirable to point out dangerous tendencies, I know that with few exceptions the management of our Government has been and is in honest and competent hands, that its finances are sound and well managed, and that the business interests of the Nation, including the owners, managers, and employees, are representative of honorable and patriotic motives, and that the present economic condition warrants a continuation of confidence and prosperity. Fundamentally, America is sound. It has both the power and disposition to maintain itself in a healthy economic and moral condition. But it can not do this by turning all its thought in on itself, or by making its material prosperity its supreme choice. Selfishness is only another name for suicide. A nation that is morally dead will soon be financially dead. The progress of the world rests on courage, honor, and faith. If America wishes to maintain its prosperity, it must maintain its ideals.

NOT A QUARRELSOME COUNTRY

When we turn to our foreign relations we see the working out of the same laws. If there is one ideal of national existence to which America has adhered more consistently than to any other, it has been that of peace. Whatever other faults may be charged to our country, it has never been quarrelsome, belligerent, or bent on military aggrandisement. After all, the main support of peace is understanding. It is a matter of accurate information by one government and one people about other governments and other peoples. There is likewise involved the same law of service.

If our country is to stand for anything in the world, if it is to represent any forward movement in human progress, these achievements will be measured in no small degree by what it is able to do for others,

A bill (S. 3100) for the relief of the Ancona Printing Co.; to the Committee on Claims.

Up to a little more than 25 years ago America gave almost its entire attention to self-development. In that it achieved an unequaled success. The service which it rendered to others was to a considerable degree one of example. It revealed the ability of the people to take charge of their own affairs. It demonstrated the soundness and strength of self-government under free institutions, while affording a refuge for the oppressed of other lands. The great influence which the mere existence of American institutions exercised upon the rest of the world would be difficult to overestimate. At the end of a long period of steady accomplishments of this nature came the war with Spain, which left our country a world power with the world responsibilities. It is not too much to say that in meeting and bringing to a successful conclusion that conflict our country performed a world service.

MANY GREAT CONSOLIDATIONS

This was followed by a period of most remarkable industrial development. There were great consolidations of properties, enormous investments of capital, and a stupendous increase of production, all accompanied by a growth of population reaching many millions. This was our condition at the outbreak of the World War. For a long time we sought to avoid this conflict, on the assumption that it did not concern us. On that subject we were lacking in accurate information. We found, at last, that while it was also the grave concern of others, it did concern us intimately and perilously. We took our part in the war at length, in the defense of free institutions. We believe, while acknowledging that we were only one of the contributing elements, that our participation was a decisive factor. The result was a demonstration of the strength of self-governing peoples and a victory for free institutions. Our action at this time was distinctly a world service. America made its sacrifice for what it believed was a cause of righteousness.

The sacrifices made on these occasions, which resulted in a benefit to others, resulted likewise in a benefit to ourselves. Even the evil effects which always arise from war and its aftermath have only tempered, not obliterated, these results. A flow of material resources set in toward our country, which is still going on. The general standards of living were raised. In the resulting plenty many of the old hardships of existence were removed. Our country came into a position where it had greatly increased opportunity for world leadership. In moral power it took a higher rank.

There can be little doubt that our presence at the treaty table softened the terms and diminished the exactions of the victorious nations, where joint covenants of defensive alliance were in part substituted for the usual territorial transfers. Our country refused to adhere to the covenant of the League of Nations with a decisive rejection which I regard as final. Following this came a continuing effort to collect reparations, which the economic chaos of Germany after a time caused to be suspended. This resulted in the French seizure of the Ruhr, with allied conferences, plans, and discussions for renewing payment of reparations under some settled method of permanent adjustment.

FUNDAMENTAL QUESTIONS INVOLVED

Although indirectly interested by reason of our commerce, and more especially because of the debts due to us, in having a European settlement, our Government felt that the fundamental questions involved in all these discussions were the direct political concern of Europe. Our policy relative to the debts due to us from European countries was well known, and we refused to submit them to these discussions. This never meant that America was not willing to lend its assistance to the solution of the European problem in any way that did not involve us in their purely political controversies whenever opportunity presented a plan that promised to be just and effective. But we realized that all effort was useless until all parties came to a state of mind where they saw the need to make concessions and accept friendly counsel.

In December of the year 1922 our Secretary of State, Mr. Hughes, set out the American proposal in an address which he delivered at New Haven. That proposal has now become historic. He recognized that settlement of the reparations question was probably impossible if approached after the method of a political problem. It was not so much a question to be dealt with by public officers or diplomatic agencies, which must reflect to a very marked degree the political state of mind of the various countries, but was represented as one which could be solved by the application of pure business talent and experienced private enterprise. To such an effort of business men, unhampered by every unnecessary political consideration, Mr. Hughes expressed the belief that competent American citizens in private life would be ready to lend their assistance. This position was consistently maintained. Its correctness was finally demonstrated when Mr. Dawes, Mr. Young, and Mr. Robinson were invited by the Reparations Commission for that purpose and consented to serve.

SOLUTION FOR THE REPARATIONS PROBLEM

The finding of the experts, which is known as the Dawes report, has recently been made and published. It shows a great deal of research and investigation and a broad comprehension of the requirements of the situation. It has been favorably received by the Reparations Commission. It is gratifying to understand that the Allies are looking upon it with full sympathy, and Germany has expressed a willingness to cooperate in the execution of the plan. There appears to be every reason to hope that the report offers a basis for a practical solution of the reparations problem. I trust that it may commend itself to all the European governments interested as a method by which, through mutual concessions, they can arrive at a stable adjustment of the intricate and vexatious problem of reparations and that such an outcome will provide for the restoration of Germany and the largest possible payments to the other countries.

If this result is secured, the credit which will be due to the Secretary of State, Mr. Hughes, to President Harding, for adopting it and supporting it, and to the three Americans and their assistants, by whose wisdom and discretion it was formulated and rendered so acceptable, will be sufficient to warrant the lasting approbation of two continents. A situation at once both intricate and difficult has been met in a most masterful way. Our countrymen are justified in looking at the result with great pride. Nothing of more importance to Europe has occurred since the armistice.

Part of the plan contemplates that a considerable loan should at once be made to Germany for immediate pressing needs, including the financing of a bank. I trust that private American capital will be willing to participate in advancing this loan. Sound business reasons exist why we should participate in the financing of works of peace in Europe, though we have repeatedly asserted that we were not in favor of advancing funds for any military purpose. It would benefit our trade and commerce, and we especially hope that it will provide a larger market for our agricultural production. It is notorious that foreign gold has been flowing into our country in great abundance. It is altogether probable that some of it can be used more to our financial advantage in Europe than it can be in the United States. Besides this, there is the humanitarian requirement, which carries such a strong appeal, and the knowledge that out of our abundance it is our duty to help where help will be used for meeting just requirements and the promotion of a peaceful purpose. We have determined to maintain, and can maintain, our own political independence, but our economic independence will be strengthened and increased when the economic stability of Europe is restored.

BEGINNING OF ENDURING PEACE

We hope, further, that such a condition will be the beginning of a secure and enduring peace. Certainly it would remove many of the present sources of disagreement and misunderstanding among the European nations. When this adjustment is finally made and has had sufficient time of operation to become a settled European policy, it would lay the foundation for a further effort at disarmament in accordance with the theory of the Washington conference. Although that gathering was able to limit capital battleships, it had to leave the question of submarines, aircraft, and land forces unsolved. The main reason for this was the unsettled and almost threatening condition that still existed in Europe. A final adjustment for the liquidation of reparations ought to be the beginning of a new era of peace and good will.

In the event that such a condition develops, it becomes pertinent to examine what can be done by our own country, in cooperation with others, further to rid ourselves and the rest of the world of the menace and burden of competitive armaments and more effectively insure the settlement of differences between nations, not by a recourse to arms but by a recourse to reason; not by action leading to war but by action leading to justice. Our past experience should warn us not to be overconfident in the face of so many failures, but it also justifies the hope that something may be done where already there has been some success, and at least we can demonstrate that we have done all that we can.

As a result of American initiative there is already in existence The Hague Tribunal, which is equipped to function wherever arbitration seems desirable, and based in part on that, and in part on the league, there is the International Court of Justice, which is already functioning. A proposal was sent to the last Senate by President Harding for our adherence to the covenant establishing this court, which I submitted to the favorable consideration of the present Senate in my annual message. Other plans for a world court have been broached, but up to the present time this has seemed to me the most practical one. But these proposals for arbitration and courts are not put forward by those who are well informed with the idea that they could be relied upon as an adequate means for entirely preventing war. They are rather a method of securing adjustment of claims and differences, and for the enforcement of treaties, when the usual channels of diplomatic negotiation fail to solve the difficulty.

CODIFICATION OF INTERNATIONAL LAW

Proposals have also been made for the codification of international law. Undoubtedly something might be accomplished in this direction, although a very large body of such law consists in undertaking to establish rules of warfare and determining the rights of neutrals. One of the difficulties to be encountered would be the necessity of

ideal of intellectual independence.

tions, sometimes almost nation-wide in their ramifications, are making

will be measured in no small degree by what it is able to do for others,

securing the consent of all the nations, but no doubt the agreement of the major powers would go very far in producing that result.

I do not claim to be able to announce any formula that will guarantee the peace of the world. There are certain definite things, however, that I believe can be done, which certainly ought to be tried, that might relieve the people of the earth of much of the burden of military armaments and diminish the probability of military operations. I believe that among these are frequent international conferences suited to particular needs. The Washington Conference did a great deal to restore harmony and good will among the nations. Another purpose of a conference is the further limitation of competitive armaments. Much remains to be accomplished in that direction. It would appear to be impractical to attempt action under present conditions, but with a certain and definite settlement of German reparations firmly established I should favor the calling of a similar conference to achieve such limitations of armaments and initiate plans for a codification of international law, should preliminary inquiries disclose that such a proposal would meet with a sympathetic response. But the main hope of success lies in first securing a composed state of the public mind in Europe.

It is my firm belief that America is in a position to take the lead in this direction. It is undoubtedly too much to suppose that we hold very much of the affectionate regard of other nations. At the same time we do hold their respect. Our position is such that we are trusted and our business institutions and Government considered to be worthy of confidence. If there is disappointment in some directions that we do not enter alliances with them, it is more than overbalanced by the knowledge that there is no danger that we shall enter alliances against them.

NOT SEEKING TERRITORY

It must be known to every people that we are seeking no acquisition of territory, and maintaining no military establishment with unfriendly and hostile intent. Like our political institutions, all of this is a powerful example throughout the world. Very many of the nations have been the recipients of our favor, and have had the advantage of our help in some time of extremity. We have no traditional enemies. We have come to a position of great power and great responsibility.

Our first duty is to ourselves. American standards must be maintained, American institutions must be preserved. The freedom of the people politically, economically, intellectually, morally, and spiritually must continue to be advanced. This is not a matter of a day or a year. It may be of generations, it may be of an era. It is for us here and now to keep in the right direction, to remain constant to the right ideas. We need a faith that is broad enough to let the people make their own mistakes. Let them come unto knowledge and understanding by their own experience. Little progress can be made by merely attempting to repress what is evil; our great hope lies in developing what is good. One newspaper is better than many criminal laws. One schoolmaster is better than a legion of bailiffs. One clergyman is better than an army of banners. These are our guaranties of internal peace and progress.

OUR STRENGTH IS MORAL POWER

On what nations are at home depends what they will be abroad. If the spirit of freedom rules in their domestic affairs, it will rule in their foreign affairs. The world knows that we do not seek to rule by force of arms; our strength is in our moral power. We increase the desire for peace everywhere by being peaceful. We maintain a military force for our defense, but our offensive lies in the justice of our cause. We are against war because it is destructive. We are for peace because it is constructive. We seek concord with all nations through mutual understanding. We believe in treaties and covenants and international law as a permanent record for a reliable determination of action. All these are evidences of a right intention. But something more than these is required to maintain the peace of the world.

In its final determination it must come from the heart of the people. Unless it abide there we can not build for it any artificial lodging place. If the will of the world be evil, there is no artifice by which we can protect the nations from evil results. Governments can do much for the betterment of the world. They are the instruments through which humanity acts in international relations. Because they can not do everything they must not neglect to do what they can. But the final establishment of peace, the complete maintenance of good will toward men, will be found only in the righteousness of the people of the earth. Wars will cease when they will that they shall cease. Peace will reign when they will that it shall reign.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

Mr. UNDERWOOD obtained the floor.

Mr. CURTIS. Mr. President, will the Senator from Alabama yield to me that I may suggest the absence of a quorum?

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Alabama yield for that purpose?

Mr. UNDERWOOD. I yield.

Mr. CURTIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Edwards	Keyes	Shields
Ashurst	Ernst	King	Shipstead
Ball	Fernald	Lodge	Shortridge
Bayard	Ferris	McCormick	Simmons
Brandegee	Fess	McKellar	Smith
Brookhart	Fletcher	McKinley	Smoot
Broussard	Frazier	McLean	Spencer
Bruce	George	McNary	Stanfield
Bursum	Gerry	Mayfield	Stephens
Cameron	Glass	Neely	Sterling
Capper	Hale	Norbeck	Swanson
Caraway	Harris	Oddie	Trammell
Colt	Harrison	Overman	Underwood
Copeland	Heflin	Pepper	Wadsworth
Curtis	Howell	Phipps	Walsh, Mass.
Dale	Johnson, Minn.	Pittman	Walsh, Mont.
Dial	Jones, N. Mex.	Ralston	Warren
Dill	Jones, Wash.	Robinson	Willis
Edge	Kendrick	Sheppard	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Nebraska [Mr. NORRIS] and the Senator from Louisiana [Mr. RANSDELL] are absent, being engaged on official business.

Mr. SPENCER. I wish to announce that the Senator from North Dakota [Mr. LADD] is necessarily absent, being engaged on business of the Senate, and therefore prevented from attending the session this morning.

The PRESIDING OFFICER. Seventy-five Senators having answered to their names, a quorum is present. The Senator from Alabama is entitled to the floor.

Mr. LODGE. Mr. President, will the Senator from Alabama yield to me for a moment?

Mr. UNDERWOOD. I yield to the Senator from Massachusetts.

Mr. LODGE. I simply desire to submit a request for unanimous consent. I ask unanimous consent that Senate Joint Resolution 1, the child labor constitutional amendment, so called, be taken up on the conclusion of the consideration of Senate Resolution 211, about which the Senate made a unanimous-consent agreement yesterday. I ask the senior Senator from Arkansas [Mr. ROBINSON] if there will be any objection to entering into such an agreement?

Mr. ROBINSON. Personally I would have no objection to such an arrangement, but I suggest to the Senator from Massachusetts, at the instance of Senators about me, that perhaps the arrangement had best be deferred for the present until some consultation may be had.

Mr. LODGE. Very well; I shall not press it at this time, but will take it up later. I thank the Senator from Alabama.

Mr. WARREN. Mr. President, I wish to say in connection with the requests for unanimous consent to farm out time in the future that we are getting far afield. So far as I am concerned I shall consider it my duty to object to such proposals until we can get further along in the matter of disposing of appropriation bills that are piling up one on the other, with no opportunity for Senators in charge of those bills to get the floor, because with matters of immigration, the bonus, and so forth, the floor is occupied all the time, and it would seem now to be proposed to reach into the future and dispose of the time next week and the week after that. I shall object to that kind of a procedure.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Utah?

Mr. UNDERWOOD. I yield.

Mr. KING. I suggest to the able Senator from Wyoming that he should consider the political exigencies of his party, as the action just now proposed indicates that it is a mere political movement.

Mr. UNDERWOOD. Mr. President, when the Great War ended, every man and woman in America wanted to do something for the soldier who had defended our flag on the battle fields of France. It was a natural sentiment that would come from the breasts of a grateful people. Many expedients were offered, many proposals made, and among others it was conceived that a soldier could be paid with money for his sacrifices. When the proposal was first made I was in a campaign for reelection to the Senate, and I announced to my constituency that if elected I would not vote for a bonus bill.

The reason why I made the statement was that I have always opposed a service pension, though I have voted for many pensions bills.

I believe that when a soldier in the service of his country has returned home suffering injuries contracted either on the battle field or in line of duty his country should take care of him, should make good the injury he has received in its service. More than that, I believe when a man has served his country on the line of battle he has a distinction that stands him apart from other citizens and that he is entitled to a recognition that other men may not claim. Therefore I believe that when the man who has served his country on the battle line from disease or old age or other cause reaches the time of life when he is not able to battle for a living and when help is needed his country should not allow him to be a charge on the public, but a grateful country should, I believe, grant him a pension to take care of him in his old age. But, on the other hand, I have never seen the reason why a man who had the privilege and the honor of serving his country's cause as a soldier, of defending his flag on the front line, when he returned sound and well, in no way injured by his service, should accept or claim pecuniary compensation for the mere loss of time. If we are going to establish the standard in this country that men shall only be expected to serve their Government when the pecuniary reward is satisfactory, there will be a lack of service all along the line.

I see men sitting before me now who are serving at a very small salary compared to what men of their capacity earn in ordinary walks of life. I could call the roll here of the lawyers, the doctors, or the other professional men, and the business men of the Senate, and which one of them if he served himself instead of serving his country would not earn more than $7,500 a year?

More than that, many of the men I face on the floor of the Senate to-day came to the Senate to serve their country for $7,500 a year when the purchasing power of the dollar before the Great War was twice what it is to-day, so that Senators are serving their country to-day not for $7,500 a year but for $3,750 a year, measured by the dollar of 1913 in its purchasing capacity. Senators do not ask for themselves that they shall be paid an adequate compensation to serve their country. They feel that the greatest reward that they have for service is the honor of service itself, the privilege of service, and not that they are paid in dirty dollars. So it is through the whole line. When the World War came on we had hundreds of patriotic citizens, men of great ability and capacity, who abandoned their own business or their own remuneration and came here to serve their Government for $1 a year; they contributed their service free.

Senators say they are going to pass an "adjusted compensation bill"; that by paying these men a few hundred dollars they are going to "adjust" their claims against the Government. That is impossible. Men who offered their all—life itself—in defense of home and country can never have their claim adjusted by the payment of dollars. I had on the battle lines of France those who were near and dear to me, who served their country for their country's sake and not for any man's dirty dollars. I am not prepared to admit that they may be compensated for their service by contributing to them at this time a few hundred dollars or an insurance policy in lieu of that. I think we dishonor them when we make the offer. Should the time come when misfortune overtakes them in their old age and they are unable to serve themselves, I think it would be a credit to them to accept remuneration from their Government, but that would be for injuries suffered or for the high privilege of having been soldiers and not as pay for having done their duty.

Mr. President, when this bill was originally presented to the Senate I made the first speech that was made against it; I cast one of the five votes that were first recorded against it in this Chamber. That was not because of the charge the bill proposed to make on the Public Treasury; it was not because of the cost to the country, but it was because I believed that the service of those men on the field of battle could not be measured in dollars and cents; that we could not "adjust" their compensation. So this bill is a farce and a fraud, in proposing to say that for a few hundred dollars we can "adjust" the sacrifices these men made for country's sake on the battle lines of France and of other countries.

But we may consider the proposed legislation from the other side; we may consider the equation from the standpoint as to whether or not it will be beneficial to the men themselves to add this great burden of indebtedness to the already heavy burden that the taxpayer of America is carrying.

Some may say that we will levy taxes so that they will fall on the backs of the rich. That is an easy assertion, but it never rings true. We can not levy a tax that falls alone on the backs of the rich. In the first place, the great wealth of this country has already gone into hiding; the great wealth of this country is already invested in nontaxable securities and it can not be reached to-day by taxation. We may be able to levy taxes on men who are moderately wealthy, but if we do, as a rule, those men have their money invested in great buildings, in real estate; they have it invested in industry; they have it invested in lines of development that make it perfectly easy for them to hand on down to the ultimate consumer any taxes that may be levied on them.

So long as human nature remains as it is, whether you, Mr. President, be that man or I be that man, the tax will be handed down and driven away from us just as naturally as when a burning brand falls from a building and you strike it off with your hand that it may not fall in your face. So in the ultimate decision of this question the taxes of the Government will be paid by the men and women of America who toil for their daily bread; I do not mean to say entirely; there are exceptions; but in the main the toilers of America carry on their backs the great burden of taxation that is levied by the Congress of the United States.

And who are the toilers of America and who will be the toilers of America for the next 20 years? Not you and I, Senators. Before many years the bell will ring, our time will be out, and we will pass off the stage. The men who will be the toilers of America for the next 20 years, the great toilers of America, the men who will carry the substance of this Nation on their backs will be the same soldiers who served their country on the first line of battle. And, more than that, in order to be sure that they are going to carry it, so that there may be no mistake about putting the burden of this bonus on the men who fought our battles, it is proposed to adopt an insurance plan instead of a cash bonus, most of which will not have to be paid for 20 years. The average age of the soldiers who fought in the World War is 32 years. Twenty years from now they will be 52. To-day they stand in the very prime of life, in the period of their greatest earning capacity for themselves and their Nation, which is between the ages of 32 and 52. So, you very cunningly adjust your bill so that you will not carry this burden, but they, the soldiers of your country, shall bear the burden for the 20 years to come.

More than that, what these men want is a right to work. A man who is not afraid to fight is not afraid to work. The courage that caused a man to cross unflinchingly the top of the trench at the zero hour is the same courage that makes him a breadwinner and a fighter on the industrial battle line for his wife and his children and those who are near and dear to him.

There may be exceptions, but these 4,000,000 men are the battling men of America. They are the men who in the next 20 years will be fighting their way onward and upward in the financial affairs of the Nation. They are the men who will accumulate and pay the taxes, and what they want primarily is an opportunity to work, not to idle.

You may read the political journals, you may read the claptrap of political propaganda, and say that this country is steadily making progress toward good times; but, if you are not blind, you know it is not true. Any man who will look at conditions and read the industrial journals of this country knows that we have never come out of the dull days of the first year of the Harding administration, and that instead of moving onward we are slipping backward. There is no better test of industrial conditions in the world than the price of pig iron, because pig iron is the one necessity of civilization, the one necessity of life that you can postpone buying longer than any other. You must buy your bread daily, you must buy your clothes yearly, but you can put off buying your plowshare or your stove for a very long time, although in the end you have to have it or civilization will not move on. So there is no better test than pig iron, and yet within the last year the price of pig iron has diminished nearly a third. It has gone off $9 a ton, and there is no indication of any recovery in the market.

That is true of many other products. You do not hear the pig-iron masters, because there are but few of them, complaining at the Halls of Congress. There are not enough to make a noise; but, nevertheless, it is a fact.

Mr. SIMMONS. Mr. President, will the Senator permit me to ask him a question?

Mr. UNDERWOOD. I yield.

Mr. SIMMONS. How much was the price of pig iron above the pre-war level when it started to lose this $9?

Mr. UNDERWOOD. It was considerably above the pre-war level. I think the pre-war level in Pittsburgh, say, was probably about $20 a ton. When it started to lose the $9 it was somewhere near $30 a ton; but, of course, the Senator must remember that at the pre-war level it was measured in a dollar that had double the purchasing capacity, that the cost of labor in making the ton of pig iron was very much less, that the cost of all supplies was very much less, so that, measured in the dollar of to-day as compared with the dollar of yesterday, the day before the war, pig iron to-day is far lower in price than it was in pre-war times.

Mr. SIMMONS. And how low would the Senator put farm prices to-day as compared with pre-war prices, upon the same basis of reasoning?

Mr. UNDERWOOD. I can not say accurately, but there is no doubt the same condition applies.

Mr. SIMMONS. Yes; but if the proposition the Senator has made—that on account of the depreciation in the purchasing power of the dollar the difference is much greater—should be applied to present farm prices, how low would we get present farm prices?

Mr. UNDERWOOD. I say I have no doubt that they have diminished in the same degree; but as I have not the figure in my head I can not tell the Senator accurately. He is clearly right, however. What he says is only in line with what I am arguing, that the tendency of this country is downward. We are facing a downward market all along the line in agricultural products, in manufacturing, and in everything else, and yet taxes are pyramiding. Taxes are not coming down. Taxes are going up.

Since the war taxes have doubled in State and Nation. Now it is claimed that we will benefit these soldiers by putting another burden of taxation on them. Of course, the doctors disagree as to how much this is going to cost. Some of the doctors say it will cost only two billion some hundred million dollars, and then the Treasury Department experts say it will cost $3,600,000,000, and the Treasury is probably right; but, whether it costs one or the other, to an already overburdened, overtaxed country you are adding, under this legislation, an enormous burden of taxation.

What does that mean? It means that these very men who served their country on the first line must pay this bonus in the next 20 years; but it means more than that. It means that the tax on industry, the tax on farming, the tax on every gainful occupation, is so great that it will slow it down. If the soldier is seeking daily employment on the wage scale, he finds his job gone or the opportunity of obtaining one lessened. If he himself is in business, he finds his business slowed down and the opportunity for a gainful return taken away from him by the burden of taxation that is placed on his back by the representatives of his own Government under the claim that they are serving the soldier himself.

Mr. President, I think we should understand clearly what our obligation to the Government is. Without government we would have anarchy. Without government we would not have business. Without government we would have no employment. Without government men could not earn their daily bread. That was illustrated even when a bad government fell in Russia and chaos took its place. So that government is the greatest essential of civilization. Government is the first essential of home and happiness of the individual. New, for government we must pay, as we pay for everything else that is worth having. I never yet have seen anything in this life that was worth getting that sooner or later you did not have to pay the price for, and government is on the same basis, and it is worth having. It is the whole basis of Christianity and civilization. Abandon your Government, and sooner or later you abandon all.

What do you pay for this Government? You pay not only in taxes; that is the least you pay. You pay in loyalty to your flag; you pay in the duty you owe to your Government; you pay in service.

Here is the contract that you made when you were born or when you became a naturalized citizen. Section 8 of Article I of the Constitution of the United States carries the bond—the bond of service—and that gives to Congress the power to raise and support armies, to provide and maintain a navy, to provide for calling forth the militia to execute the laws of the Union or to defend the country, and to provide for organizing, arming, and disciplining the militia.

There is the contract. There is the contract that every citizen of this country is born under, no matter how old or how young, no matter whether man or woman. Under that contract of government the Congress, which is vested with the power, can command every living soul subject to the flag to respond for duty; and that is not a duty that can be measured in dollars and cents. It is a duty that can be measured only in patriotism to one's country, and you are discrediting that service when you offer to pay for it in dirty dollars.

Mr. President, that is all I desire to say in reference to the direct issue, but there is another question involved to which I wish to address myself for just a few words.

When this proposal first came before the Congress it was proposed that the veteran should be paid a dollar a day for each day he served during the war, with 25 cents added for foreign service. We have before us an invention that might be called, in the language of the street, an organized effort to "pass the buck" away from this generation and on to the generation that served on the battle line; in other words, to provide a life-insurance policy payable 20 years from now, except as to those few who die in the meantime, so that the policy will mature after all we who stayed at home and slept in our own beds and ate by our firesides are dead and gone—or practically all of us—and only the soldier remains to pay. That is the purpose of this bill. They have substituted this for the payment in cash.

Mr. President, I am not in favor of a bonus and never have been, and I want it distinctly understood that I shall vote against any bonus bill, no matter what form it comes in, because I am not going to reflect on the honor and glory of my son by voting for any payment in cash for patriotic service rendered.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Iowa?

Mr. UNDERWOOD. I yield.

Mr. BROOKHART. Does not the Senator think it is more of a reflection on his son to sustain those war profiteers in what they grafted during the war than it would be to tax them a little and turn a little over to the soldiers?

Mr. UNDERWOOD. Yes; if that were true; but it is not true. I have said nothing about sustaining war profiteers. This has nothing to do with that proposition. The war profiteer was taxed during the war. If he was dishonestly a profiteer, he ought to have been sent to jail; and some of them ought to be in jail now. It is the fault of the party in power that they are not in jail to-day.

Mr. BROOKHART. Still the Senator is in favor of letting him hold on to what he took during the war?

Mr. UNDERWOOD. If the Senator had been attending to his duties and had been here when I first addressed the Senate, he would have understood that I said that you could not put this tax on the war profiteer or men of that class, because he had already hidden himself behind nontaxable securities.

Mr. BROOKHART. Nontaxable securities are only a small percentage of what he took in profits during the war.

Mr. UNDERWOOD. Of course, I can not keep pace with my friend's imagination. Nontaxable securities run into billions, many billions, and of course I am trying to discuss this question from the standpoint of pure fact and not from the standpoint of imagination.

Mr. BROOKHART and Mr. JONES of New Mexico addressed the Chair.

Mr. UNDERWOOD. Now, as I have only a limited time, I must ask my friends not to interrupt me.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield?

Mr. JONES of New Mexico. Will the Senator yield for me to just make a statement regarding the tax-exempt securities?

Mr. UNDERWOOD. I will ask the Senator to make it in his own time, if it is a statement.

Mr. JONES of New Mexico. I just wanted to state that in 1922 the total amount of tax-exempt securities held by over 12,000 decedents whose estates made returns for that year were not sufficient to pay funeral expenses and the cost of administration of the estates.

Mr. UNDERWOOD. That may have been true at that time, but nevertheless we have in State and Nation an enormous amount of tax-exempt securities that have been absorbed. That must be acknowledged by anyone who will look at the issue. There is no other country absorbing our tax-exempt securities. They are absorbed by American citizens. Nobody else can buy them, and the issue runs up into the billions of dollars. I can not recall it right now, but I think it is over $10,000,000,000 in State and Nation. A Senator near at hand tells me it is eleven billion. They have been absorbed by the American people. They are owned by the American people to-day, and the man of moderate means has not taken them. He is looking for a better interest rate. It is self-evident that

the great wealth of this country has absorbed them, and in absorbing them is not paying the taxes, or any part of them.

What I want to discuss now is what is proposed by this bill. Although I am not in favor of any bonus bill, if a bonus is to be paid, I believe in being honest about it. If you promise the soldier to pay him a bonus, pay him what a bonus means, which is cash. You can do it just as well as giving an insurance policy. In fact, it will cost a billion and a half dollars less, in the end, to pay this bill in cash, than to pay it in these long-time insurance policies. It will cost the Nation less, and we can sell our 4 per cent bonds and pay it. It may jar the price of some of these tax-exempt securities in the market a little until the billion and a half is absorbed, and that is probably why the fathers of this bill do not want any more bonds to be issued, because it would jar the price of their securities. Nevertheless, we can pay the bonus, and the soldier will get it, the man who bared his breast on the front line will get it, not somebody else. It will not be the doubtful issue of an insurance policy. The man will get next year whatever the Government is to give him, and although I do not stand for a bonus, if I have to determine as to whether you are honestly going to keep your promise, or whether you are going to fool the soldier, I shall vote for the substitute which provides for the payment of a cash bonus.

What are you going to give the soldier under this bill which has been brought before us, this insurance bill? He is not to be given anything unless he lives; I mean, of course, to make the RECORD correct—of course Senators understand it—any man who served less than 110 days will get cash. It is cheaper for the Government to pay cash to the man who has a claim of only $50 than to give him a life insurance policy, and more convenient. So these short-time service men will be wiped out, and that is preferred. In other word, if, when the war was closing, in September, 1918, I joined the colors, you will pay me $1 a day in cash, but my friend Senator HARRISON, if he had joined the colors on the 6th day of April, 1917, when the bugle sounded the call for country, and served on the battlefields of France, will get no cash. He bared his breast on the front line; he offered his life as a sacrifice for his country, but he will be given no cash. He will be given a life insurance policy, out of which he may get something in 20 years, if he can.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Tennessee?

Mr. UNDERWOOD. For a question.

Mr. McKELLAR. I am very much interested in what the Senator is saying, and I am wondering how many of the veterans who will be paid the $50 in cash or less are ex-service men who went overseas.

Mr. UNDERWOOD. I think practically none of them.

Mr. McKELLAR. Practically none?

Mr. UNDERWOOD. Of course, it was for only 110 days, and probably the man who came in late did not go overseas. There may have been one here and there.

Mr. McKELLAR. I just wanted to bring that out.

Mr. UNDERWOOD. They are the men who did not serve abroad. I am not saying that as a reflection on them. Probably most of them would have been very glad to go abroad, but they did not; and under this bill the last shall be first and the first shall be last. That is the basis of the bill.

What are you doing for these men? I will assume that the report of the committee is correct. I have not worked out the figures myself, but this is what the proponents of the bill say: The average age of the men who served is 32 years, and the average amount which will be paid them as adjusted compensation is $362. That is, excepting the man who gets the $50 in cash now, the average pay will be only $362.

For that these men are asked to adjust their compensation and to sign a receipt in full. Of course, I do not think this country will be so unpatriotic in the years to come, if any of these soldiers need an old-age pension, as not to respond and pay them pensions. Nevertheless, that is what this bill says. The bill says, "You are to sign a final receipt and adjust your account with the United States, and move on, for an average of $362."

They say this bill meets with the approval of the soldier. I do not believe it. I do not believe that any soldier who understood what was in this bill ever gave his consent to its passage in this form.

There is something more. When you get your insurance policy, what do you get? You get a policy which is payable to your wife when you die, if she is dependent on you, or to your children, if they are dependent on you and under 18 years of age, or, if neither wife nor children, to your father or mother, if they are dependent on you, or to your estate.

If you do not die and you want some cash, what do you get? You can not get anything for four years, or nearly four years, for, although the bill says three years, it is not to take effect until next January, so it is pretty nearly four years. At the end of that time you can borrow on your certificate $87. You can not borrow it from anybody or everybody, no; you can borrow it only from a banker under this bill, and then under this bill they very carefully protect you against the exaction of usurious interest by providing that the banker shall not charge you more than 2 per cent in addition to the usual charge for commercial paper in the district as fixed by the Federal reserve bank. In other words, if you come from my country in the Southland the rate of interest is fixed by the Federal reserve bank at Atlanta, and if they have fixed a rate of interest at 5 per cent, which is sometimes done, then the banker can not charge you more than 7 per cent when you borrow the money from him, and, of course, he will charge you that amount. In other words, here is a certificate of a Government, an insurance policy, as good as a Government bond, and commercial paper which is, of course, more or less fluctuating, which is probably good, but about which there is some doubt, will bear an interest rate of 4 or 5 per cent at the bank, but they say, "You can borrow on the Government bond at 6 or 7 per cent, Mr. Soldier." That is what they are giving to you under this bill. Your credit in the bank, with the Government of the United States behind you, is not as good as that of the holder of a piece of commercial paper, and your interest rate will be higher.

Then if you fail to pay that note when it comes due, this $87 which you can borrow after waiting three and a half years, what do they do? The banker can send it in to the Federal reserve bank and the Federal reserve bank will turn it over to the Veterans' Bureau, and then the Veterans' Bureau commences charging you 6 per cent compound interest on that loan. That is what would happen under the provisions of this bill. They would charge 6 per cent compound interest, and eat up your loan. When they are providing for your annuity under this bill the accumulations of this fund which you have with them to stay there for 20 years, they allow you only 4 per cent straight interest—just 4 per cent straight interest—and yet if your loan is not paid, and it comes back to the Government, the Government is to charge you 6 per cent compound interest, and compound interest will eat the life out of anything in the way of a loan. Before the end of the period it will be double what straight interest would have been. This is a fine morsel that this administration is handing to the soldier under the guise of giving him a bonus.

On pages 20 and 21 of the bill, section 601, Title VI, reads as follows in part:

> If the veteran has died before making application under section 302, or if entitled to receive adjusted service pay, has died after making application but before he has received payment under Title IV—

which provides for the payment to veterans' dependents. Now, of course, you understand that if the average man lives for 20 years and does not borrow money on the certificate, but leaves it alone, at the end of 20 years he will get, in lieu of his compensation, $362. That is what the average man would get, but he has to sit down and leave it alone for 20 years and forget that he has it—forget for 20 years that there is any bonus—if he wants to get it in that way. I have told you what will happen to you if you borrow on it. Now, let me tell you what will happen to those who die within a few years before making application. The certificate is limited if you die. You can not say to whom it shall go under the section I have just referred to. You may have your pal who served in the trenches with you, who is now sick or wounded, and you might want to give him the benefit of the certificate to help him out in case of your death. You can not do that. The only place the benefits from the certificate can go is to your widow, if you leave a widow, or to your children if they are under 18 years of age, and if you have no widow or children, then to your father or mother. But that is not all. Let us see what the bill defines as "dependents." Listen to this:

> SEC. 602. (a) No payment shall be made to any individual under this title unless at the time of the death of the veteran such individual depended upon him for support.

Now, the House was a little more liberal than that. The House bill read:

> "No payment shall be made to any individual under this title unless at the time of the death of the veteran such individual was dependent upon him for support.

But when the bill came to the Senate the Senate committee proposes to strike out the words "was dependent" and insert the word "depended," so it will read—

> unless such individual depended upon him for support.

Now, what does that mean? Let us see.

You who are not lawyers may not draw the distinction between "dependent" and "depended." "Dependent," is a legal term. It means one who is entitled to your support. Your mother may be dependent upon you and you may never have given her a dollar. Somebody else may have supported her. However, she might secure a pension. Your wife may be dependent upon you, but she may have supported herself by working. So when the bill says "depended upon him for support at the time of the death of the veteran," it means that at the time of death you must have been paying money for that support. The courts have sustained that view. It is nothing new; it is nothing disputed. It has been decided in the courts that the word "depended" means that at the time you died you were giving part of your earnings to your wife or your mother or your children, or whoever depended upon you for their support; and if you were not, notwithstanding the fact that you carry the insurance for 20 years, it would lapse and go back into the Treasury and nobody would get it.

Now, is not that a fraud? Is there any man on the floor of the Senate—and I challenge contradiction now—who will stand here and face these veterans and his country and say that this provision in the bill is not a fraud on the very men it pretends to help, put there as a fraud and put there as a deception, to pretend it is giving something under the certificate when in the end it will rob them even of the promise to pay? That is the whole proposition.

I am not for a bonus, and I have said so. I have said so in the open. I do not believe in paying for service rendered in that way. But I am not going to hide under a mock and a sham and a fraud and pretend to serve the soldiers of my country while at the same time robbing them of what they think they are going to get. When the proposed amendment of the Senator from New York [Mr. COPELAND], to strike out all of the bill except the enacting clause and substitute a cash bonus for this sham and fraud and shame, is before the Senate I shall vote for it. If that amendment is adopted, of course I shall not vote for the bill as then amended, as I am opposed to any bonus. I am not going to commit a fraud.

I hope that the Senate will not let the bill go through. I hope it will strike it from its files as it would strike a viper from its hand, that it will not dishonor the men who trust it, men who are not represented here, men who do not know. I am told that the veterans are wiring in asking Senators to pass the bill. The veterans do not know what is in the bill and will not know what is in it until it is enacted into law. Therefore, Mr. President, I hope for the honor of my country, for the loyalty due the men who were loyal to us, that no such shame and fraud may be written on the statute books of my country.

Mr. BRUCE. Mr. President, I ask unanimous consent to have inserted in the RECORD and referred to the Committee on Finance a memorial just received from ex-service men.

There being no objection, the memorial was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

[Telegram]

NEW YORK, *April 22, 1924.*

Hon. WM. CABELL BRUCE,
Washington, D. C.:

Statement of Legion commander that 4,500,000 veterans ask for bonus and want bill passed as reported by Finance Committee absolutely unauthorized. Legion has neglected all opportunities to poll its membership. Less than 15 per cent of veterans are members of Legion. In sheer presumption, therefore, for Legion officials to claim to represent all ex-service men and women. Legion membership has fallen off every year since it undertook to compel Congress to enact bonus legislation. If Senate will act without thought of veteran vote solely for best interests of veterans and of country, it will give its entire attention to legislation now sidetracked for disabled. Ex-Service Men's Anti-Bonus League claim as much right to represent veteran sentiment as Legion officials. Strongly resent idea expressed in debate yesterday that service to their country is to be placed on a wage basis. Consider as fundamentally dangerous to country organized effort of any group of citizens to compel payment by Government of alleged claim under threat of voting strength.

EX-SERVICE MEN'S ANTI-BONUS LEAGUE.

Mr. McKELLAR. Mr. President, in my campaign in Tennessee two years ago for reelection to the Senate I announced to the people of my State that I would support a bonus bill. There was then a readjusted bill providing for five options before the Senate. It was this bill that I had in my mind. In making the statement to my constituents that I favored a bonus I was sincere and in earnest, but I meant a real bonus, not a makeshift like the House bill. I meant I would vote for that plan of payment which I believed they wanted. I meant I would vote for what I believed would do them the most good—a bill that would be fair and just alike to the soldiers and to the Government. Therefore I am in rather an awkward predicament, being confronted with the proposition of voting for a makeshift bonus bill such as comes over to us from the House and one that will do the soldiers very little good. Under these circumstances I propose to vote for the substitute offered by the Senator from New York [Mr. COPELAND], the so-called cash-bonus option plan. If that is defeated, I shall have to vote for the bill as it came from the House, though I regret that it is not a better one, and hereafter I will support amendments to the law providing for a fair readjustment of the soldiers' pay.

Mr. President, in reaching my conclusion about the bonus, I tried in the first place to find out what is the right of the question. This is or should be always the first question to be determined by any legislator: Are the soldiers who fought in France especially, and those who were willing to do so, justly entitled to a readjustment of their compensation? In my judgment they are. Why? Mr. President, the Government made no voluntary contract with those soldiers. In substance and effect the Government reached out its hand and took those boys by the nape of the neck and said, "Come with me and fight for your country," and they came. They had no voluntary contract about compensation. The Government said, "We will pay you $30 a month and your keep, and out of that you must pay your dependents $15 a month and you must pay $6 additional for insurance," reducing the net in probably 90 per cent of the cases to $9 a month, or 30 cents a day.

What did the soldiers do for that 30 cents a day? They went into the camps of the country and took the risk that always follows the concentration of men. They took the risk of disease in the camp for 30 cents a day. They underwent training for 30 cents a day. Then 2,000,000 of them went across the ocean, across German submarine infested seas, and took that risk for 30 cents a day. There is not a Senator in this body who would voluntarily have assumed that risk for thousands of dollars, perhaps, in those days of the war; and yet there were 2,000,000 of our service men who assumed the risk for 30 cents a day from their Government. Who will say that 30 cents a day is just compensation for our soldiers during the war? I say it was not adequate. If it was not, then we ought to make it adequate.

Mr. BRUCE. Mr. President——

Mr. McKELLAR. I decline to yield. I have not the time; otherwise I would do so gladly.

For the 30 cents a day they assumed that risk and then all the other risks that are attendant upon such service. What did they lose? While they were getting the 30 cents a day, every man and almost every woman back home was making the largest wages in their history. Every corporation, bank, trust company, mercantile house, and industry was making the greatest profits not only in the history of this Republic but in the history of the world. Never in all of our history were greater profits made back home by those who stayed at home. Skilled and unskilled laborers made all the way from five or six dollars a day for the latter as a minimum to as high as $50 a day for some of the more skilled labor. While these back home, taking no risks, were piling up enormous profits, the soldiers were required, involuntarily or voluntarily, as you please, to serve the Government at 30 cents a day.

We have set some precedents here in the Congress. We took over our railroads. We conscripted our railroads, not in the same way that we conscripted our soldiers, but we made a contract with our railroads and agreed to pay them the highest pay that the railroads have ever received in their history. This was done by voluntary contract, and not by involuntary contract. Yet as soon as the war was over here came the railroads back to Congress and said, "We want our pay readjusted." Congress readjusted the pay of the railroads of the country and gave to them, in round numbers, in all something like $2,000,000,000 of readjusted pay. I am not criticizing the railroads. I am merely stating the facts.

Then came the war profiteers, those who had made more money than they had ever made in their history before. It is claimed by some statisticians that there were 23,000 millionaires created by the war. Those profiteers immediately came back to the Congress and said, "Although we have received the highest prices for our products in all history, although we

have asked and received these marvelous prices from you, we still want more. We want our pay readjusted."

The Government readjusted the pay of the war profiteers of the country and gave them in round numbers something like $700,000,000. Then came the civilian employees of the Government, and they also were granted a bonus. From the very beginning of the war the Government has paid its civilian employees who remained at home and took no risks, something like $1,500 each as a bonus, and they are still being paid a bonus or its equivalent. I am not criticizing these acts. I am merely stating the facts.

Oh, Mr. President, when we come to think of what is right and just, why is it that we are willing to readjust in this bountiful manner the compensation of the railroads, of the war profiteers who furnished materials with which to prosecute the war, and provide a bonus for the civilian employees of the Government, and reject only the soldiers of the country who made all the prosperity back home possible? What has the Congress against the soldier that it is willing to treat him in this shabby way, while treating other classes of its citizens so generously?

The PRESIDING OFFICER. The time of the Senator from Tennessee to speak on the amendment has expired. He now has five minutes more in which to speak on the bill.

Mr. McKELLAR. I shall occupy five minutes more and then conclude.

I say, Mr. President, as a matter of right, justice, and fairness to the soldiers who earned net but 30 cents a day while they were in the Army, they are entitled to a readjustment of their pay, a fair readjustment, not in the form of a paltry insurance policy running over 20 years on which they can not even borrow at the usurious rates of interest provided in the bill more than $87 in the next 4 years, but something substantial, something real, something that will be of some use to them now. For these reasons I am going to support the amendment providing for a cash option.

Furthermore, Mr. President, while our Government has refused to pay our soldiers any adjusted compensation, it has furnished money to nearly all of our allies in sufficient sums to permit them to pay their soldiers a bonus. We furnished the money to Great Britain for that purpose, and Great Britain has already paid her soldiers who fought in the war a sum larger than that which we propose to pay our soldiers in the next four years under the plan proposed in the pending bill. France also out of funds which she borrowed from the United States has paid her soldiers a bonus. Italy has paid her soldiers a bonus, and Belgium also has paid her soldiers a bonus out of borrowings from the United States Government, and no one knows whether or not we shall ever get back even any part of the amounts loaned except in the case of Great Britain, which has already agreed to pay her debt to us. Think, Mr. President, of the situation of a great, rich Government like ours which has furnished money with which to pay a bonus to the soldiers of foreign nations and has yet declined to pay a bonus to its own soldiers! It is not fair; it is not just, it is indefensible conduct, as it seems to me, on the part of our Government, not to pay the soldiers who so well and so patriotically and so successfully fought the greatest war of all ages and who I believe saved the civilization of the world.

But it is said that the soldiers are commercializing their patriotism when they ask for adjusted compensation. Oh, Senators, how can we accept an argument of that kind? Were the railroads commercializing their patriotism when they demanded and received $2,000,000,000 in readjusted pay? Were the war profiteers capitalizing their patriotism when they received $700,000,000 in readjusted compensation from the Congress? Are the bondholders of the country commercializing their patriotism by collecting interest on war bonds? Are the civilian employees capitalizing their patriotism in asking and receiving a bonus? None of us think so; no one says so; but when the claims of the soldier, who received but 30 cents a day as his compensation, are presented Congress has been telling him steadily for four years—and though I say "Congress" I include the Congress and the President together, for the President vetoed the last adjusted compensation bill, and it is said that the President will veto this bill in whatever shape it may be passed—"Oh, no; you are commercializing your patriotism and we kick you out. We are not willing to pay you; you got 30 cents a day and you ought to be satisfied with that; it is not right to pay you any more. You will commercialize your patriotism if you receive a readjusted compensation."

Mr. President, I am in favor of real readjusted compensation for the World War veterans, because I honestly, conscientiously, and earnestly believe that they are entitled, not as a matter of gratuity but as a matter of right, to have their pay readjusted and their compensation increased; they are right under the precedents which we have already established in the Congress, and they are also right in the innate justice of their cause.

Mr. PHIPPS. Mr. President, I have favored paid-up endowment insurance ever since the question of additional compensation was first raised. The plan for insurance for all service men adopted at the opening of the Great War did not appeal to many of the veterans at its close. In fact, the great majority of them allowed their policies to lapse because they found it inconvenient to spare the money required for premium payments. Most of them carry no life insurance at the present time; so that the granting of paid-up insurance, as proposed in the bill now under consideration, will supply these men with something that all should have.

The bill provides that each policy shall be paid in full to the veteran 20 years from date of issue or to his dependents shortly following his death. It carries the privilege of borrowing upon security of the policy on terms that have been carefully worked out. It seems to me that these provisions will prove to be in the best interests of the beneficiaries and will be accepted by the ex-service men generally as being satisfactory.

The measure will, to some extent at least, take the place of pension payments, which will certainly be expected and voted by the Congress if this bill does not pass. And once the doors are opened to pensions, no one can estimate the amount that would be involved.

Mr. SIMMONS. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Does the Senator from Colorado yield to the Senator from North Carolina?

Mr. PHIPPS. I yield.

Mr. SIMMONS. First, I should like to ask the Senator what will become of the amount due the soldier under this endowment insurance policy at the end of 20 years if he is dead and has no dependents? Where will the proceeds of the policy then go?

Mr. PHIPPS. The proceeds will go to his estate; that is my understanding from reading the bill.

Mr. SIMMONS. Does the Senator mean that?

Mr. PHIPPS. That is my understanding of the bill.

Mr. SIMMONS. Why, then, does the bill say that the amount shall be paid to his dependents?

Mr. PHIPPS. It says that, but according to the context of the bill it will then go to the next in line, although they may not necessarily be dependents.

Mr. SIMMONS. The bill says "dependents."

Mr. PHIPPS. That is true, but I believe it also covers his estate. The Senator will find the clause in the bill.

Mr. SIMMONS. Then that is the Senator's idea? I merely wish to get his opinion.

Mr. PHIPPS. That is my understanding of the terms of the bill.

Mr. SIMMONS. Now, I wish to ask the Senator another question. Does the Senator regard this endowment policy as being in the nature of a pension paid to the soldier?

Mr. PHIPPS. No; I do not at this time.

Mr. SIMMONS. I understood the Senator to so state.

Mr. PHIPPS. No; I do not take it as being a direct pension. It is a recognition of services, a so-called "adjusted compensation," but I think more properly called a "bonus." I have always considered it a bonus.

Mr. SIMMONS. But I understood the Senator in the statement he made a few moments ago to indicate that it was in part at least to take the place of the soldier's possible future claim for pension.

Mr. PHIPPS. Yes; I believe that Congress will eventually pay pensions to the ex-service men, and I think the amount that would otherwise be paid in pensions will be reduced, at least to that extent and perhaps to a greater extent, by the payments under the pending measure.

Mr. SIMMONS. That is, the Senator thinks that the soldier's pension claim will be reduced to the extent of the amount that he may receive by virtue of the policy under the pending bill?

Mr. PHIPPS. Yes; at least by that amount.

Mr. SIMMONS. If that be true, I should like to ask the Senator if he is not treating this endowment policy as at least a partial payment of any pension that may hereafter be due the veterans?

Mr. PHIPPS. I hope the Senator and I will both have an opportunity to deal with the question of pensions later. At the present time we are dealing with the question of so-called adjusted compensation or bonus.

Mr. SIMMONS. That is what I thought. I thought that this bill was for the purpose of adjusting the compensation of

the soldier; that it was in payment of something that the Government owed him for services already rendered. Now to say that it shall be taken out of his pension or shall be regarded as a partial payment upon any claim that he may have hereafter in the nature of a pension, it seems to me, is aside from the purpose of the measure.

Mr. PHIPPS. I made no such statement. The Senator may make his statement in his own time. My time is very limited, of course; otherwise I should be glad to discuss the matter with him.

Mr. SIMMONS. I do not wish to occupy the Senator's time.

Mr. PHIPPS. Mr. President, the former bill, which was passed by both Houses and met with the President's veto, did not have my support. The so-called compensation certificates for which it provided were a poor substitute for actual cash, and, in my opinion, they would have been traded off at heavy discounts on their face value, notwithstanding the fact that they were not negotiable and were supposed to be so safeguarded as to prevent the passing of title or ownership by assignment. Their owners would have found it so troublesome to borrow money on them that they would no doubt have preferred to dispose of them outright, even if it meant selling them for fifty cents on the dollar.

Last year a deficiency of revenue needed to meet current expenditures was expected, although happily the receipts proved to be much larger than had been estimated, while at the same time expenses were materially reduced. Thus the Treasury is now in much better condition to meet the requirements of the plan before us.

Mr. President, I have always been opposed to the payment of a cash bonus, as it has been my belief that the awarding of paid-up insurance would be of much greater benefit to the recipients. Without regard to any possible effect which my action may have on my personal political future, I shall be glad to vote for the bill in its present form.

Mr. COPELAND. Mr. President, in the short space of 15 minutes it will be impossible to say all the things I have in my heart.

We listened yesterday to a remarkable speech made by the Senator from Idaho [Mr. BORAH]. He placed before us many unpleasant facts. He pictured the evils of overtaxation in America. He pointed out the carelessness exhibited by the appropriating bodies; but, more impressive than all the rest, was his picture of corruption in public office. The Senator from Idaho said that the country should have a period of contrition and a determination to do better.

I am sure that every man in public life feels humiliated because of what the investigations have brought out in this Capital during the winter, but in my judgment the surgery must be made complete. The investigations must go on until every dishonest act has been uncovered, and until every dishonest man in public life is removed and an honest man put in his place.

I agree with the Senator from Idaho that we should dedicate ourselves to a better public life. I think, too, we may well give evidence of that determination to live a better public life by giving these young ex-service men the money which is their due.

Both during the war and after the war we paid the great war profiteers. Thousands of new millionaires were created during this time. We have offended and wounded these young ex-service men by reason of our delay in doing for them a fair degree of justice when we have gone so far out of our way to do for the war profiteers.

I think, to use the figure of speech of the Senator from Idaho, that we may well begin our work of repentance by giving to the ex-service men their due, and certainly we should not begin that work of repentance by robbing them of their money.

I was much interested in what the Senator from Alabama [Mr. UNDERWOOD] said this morning about the industrial conditions in our country. Giving these ex-service men what we owe them will change the situation very little, and depriving them of what is their due will not solve the problem at all. It is the failure of the Republican Party to assist in an economic reconstruction on the other side of the ocean, to reopen the streams of trade and commerce, and to restore the business of our country; that is the reason why we are having industrial depression. The thing we are discussing to-day has no relation whatever to the industrial and commercial problems.

In connection with this matter of the bonus, I have been booed and hissed by some of the rich in New York because of my attitude with regard to it. I have been criticized by the public press. I think there was not a New York paper that did not on yesterday complain of me because of my attitude in presenting this cash bonus provision. Be that as it may, I have already explained to the Senate that I am a convert to the bonus. Most of us now say that we owe this money. When we owe a man money we do not say, "My good man, I owe you $20, but I can not trust you with this money. I will give you a life-insurance policy payable in 20 years." We do not do that. We pay the man the money; and if this really is an adjustment of compensation and not an effort on the part of the Government to dodge pensions which may later be called for, we will give each man the amount of money due him and let him decide for himself what he will do with the money.

The idea of a bonus is not new or novel. It is not a thing unknown to-day in the business world. There is not a bank in the city of New York but distributes every year to its employees large sums of money by way of an annual bonus. Many business houses do the same thing. The various States have voted bonuses for the soldiers, and not one of them has undertaken to pay it in insurance, but every such bonus has been paid in cash.

We have two bills before us. The pending bill, the bill presented by the majority of the committee, provides for life insurance. It has been brought out in the discussion this morning that if an ex-service man wanted to borrow on this insurance—provided he is entitled to the full amount; provided he served the maximum number of days which will be paid for under the terms of the bonus—at the end of the three years he can borrow 90 per cent of the face value of his policy. According to the statement made by the Senator from Kansas [Mr. CURTIS] and given out to the press this morning the maximum loan that the man could receive after three years is $87—about $30 per annum.

I am here to say that when the soldiers know exactly how they have been imposed upon there will be trouble. Just now a soldier called me to the door of the Senate Chamber and said he was a representative of a large group of ex-service men in this city. He came to congratulate me upon this effort to get a cash bonus and to say that the soldiers universally, so far as he knows, are in favor of it.

My desk is covered with telegrams from every part of the country. Here is one from a post commander down in Oklahoma saying that the local service men are against the "tombstone bill," and that they want a vote on a cash and loan option.

Here is one from a leading ex-service man in Arkansas, John H. Stewart, saying:

> Notice by press dispatch you have introduced soldiers' bonus bill with cash item. More power to you. Sentiment in Arkansas overwhelmingly in favor of cash option.

I have here a letter from the Private Soldiers' and Sailors' Legion, signed by the national president, commending the stand of the minority in recommending a cash bonus.

Here is a petition signed by an endless number of soldiers from Albany, N. Y., demanding that there should be a cash option.

Let nobody in this Chamber fancy for a moment that the majority of the ex-service men are in favor of this aborted plan. I am here to say that the majority of the soldiers are in favor of the cash option.

When we consider this matter simply from the selfish standpoint, the greater economy of the cash plan, I do not see how anybody in this Chamber who has at heart the interests of his country can for a moment favor the insurance plan. It is going to cost the Government from one to two billion dollars more than the cash plan.

The immediate availability of the money is a matter not to be disregarded. It will help the ex-service man to establish himself. My friends in New York who oppose a bonus say, "Pay it in cash if it must be paid."

I am sorry, Mr. President, that I have to hurry along over this subject, because there are so many things that I should like to say. I should like to speak of the visit to me yesterday by a mother, begging me that her son might be given this money. I have here a letter from a mother down in Arkansas speaking about what could be done to save their farm and save them from disaster if this money should be made available.

We are hesitating here. Why? A poll of the Senate which I assisted in making a few weeks ago indicated that 70 men in this Chamber are in favor of a bonus, and almost every one, so far as I could discover, was in favor of a cash bonus.

Now, we are hesitating to vote the cash bonus. Why? Because the word has come to us that the White House will interfere.

I am here to say for myself that so long as I am a Member of this body I shall not be diverted from my course by any sug-

and earnestly believe that they are entitled, not as a matter of

this bill was for the purpose of adjusting the compensation of

ing this cash bonus provision. Be that as it may, I have already

of this body I shall not be diverted from my course by any sug-

gestion which comes to me regarding the wish of the Executive on a matter which is purely legislative. It is the business of this body to determine for itself whether to pass one kind of a bonus or another. I speak for myself alone when I say it would be an immoral act for me to vote for the insurance bill just because of a possible veto on the part of the Executive.

I suppose expediency would say, "Drop everything else and pass the House bill." The officers of the Legion, sick of the debate, are anxious to end the discussion. But I consider, as I have said, that to yield to expediency would be a betrayal of trust on my part, in view of the promises which I have made in this matter. I can not vote against my convictions. I prefer to do what I conceive to be my duty.

I know that the interests of the country demand that a cash bonus be paid, because it is more economical. The insurance plan means a new governmental department, with an army of employees and the chance of another Veterans' Bureau scandal.

The cash bonus is what the ex-service men want. I know that is what the mothers of the men want. So my own feeling is that we should give this money to the boys, that we should trust these soldiers and sailors; that we should let each individual service man determine for himself what he shall do with his own money.

So, Mr. President, I do hope that when the Members of the Senate come to vote they will not consider this matter in the light of political expediency, they will not consider any of the artificial objections raised in the discussion of the bill, but that they will consider it as a matter of justice to these men—these men who did for us what we could not do for ourselves; these men who feel that we owe them the money; these men who know that they are entitled to it.

Let us be generous; let us be just; let us do our duty as Senators; and let us give each man the sum of money to which he is entitled, and let him determine in his own way as to how he shall spend it.

Mr. SMITH. Mr. President, yesterday I called attention to what I considered the salient features of the measure under discussion; but I was interested in what the Senator from Alabama [Mr. UNDERWOOD] said this morning. I have a proposition to make that I can not put in the form of a resolution or an amendment, but it is a proposition to the bondholders of this country.

According to the statement of the Senator from Alabama [Mr. UNDERWOOD], and according to figures that I have on my desk, we have about $11,000,000,000 of tax-exempt bonds. The average interest on these bonds is about 4 per cent.

We are groaning under a burden of taxation to meet the interest on the indebtedness incurred in saving this country. Since we have had so much to say about patriotism, and that these boys ought to have given their time willingly without compensation, I make this proposition to the holders of these $11,000,000,000 in bonds, that they remit for four years the interest on those bonds, in order to provide the money with which to adjust the compensation of the boys who made their bonds worth the paper they are written on. Mark you, it does not impair their capital, it does not jeopardize any of the value of the bonds, outside of the remittance for four years of the interest, but if they would remit the interest it would amount to $1,600,000,000 in four years. Get the point of that. To the bondholders who have been circularizing the country with propaganda that we could not put another straw on the camel's back, the Government is paying $400,000,000 a year in the form of interest on tax-exempt bonds which were issued to prosecute the war. If they are the patriots they demand the soldiers shall be, let them remit just for four years the interest on this $11,000,000,000 of bonds, and it will pay the cash bonus without costing the Government a penny, without impairing the capital value of the bonds, and the balance of the 30-year life of the bonds they can then draw the interest.

Mr. SIMMONS. The Senator is looking at me. Is he appealing to me to do that?

Mr. SMITH. I am appealing to the bondholders.

Mr. CARAWAY. May I ask the Senator a question?

Mr. SMITH. Certainly I yield to my friend from Arkansas.

Mr. CARAWAY. I was just reflecting, as I came in, and heard the remarks of the Senator, that those people who are opposed to a bonus say it is such a trifling sum that it will do the soldiers no good, but that it is such a great weight that it will break the rich. I want to know if the Senator can explain the logic of that. It will ruin the rich people if they have to pay it, but it will do the soldiers no good if they get it.

Mr. SMITH. Exactly; and taking that very line of argument, they can remit the interest on the $11,000,000,000 of bonds for only four years and pay the soldiers $1,600,000,000, and then take up the pleasant task of collecting the interest for the remainder of the life of the bonds.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Massachusetts?

Mr. SMITH. I yield.

Mr. WALSH of Massachusetts. I suggest that the Senator make his appeal to the bondholders in the Senate and see what their response will be.

Mr. SMITH. I expect the papers this afternoon to carry the reponse "aye" of every bondholder in this body. Of course I do. They would not have the face to stand here and denounce a soldier who had stood in the mud, covered with vermin and shot at every day, for a dollar a day, while they were collecting 4 per cent interest on nontaxable bonds, which that boy saved. Of course I expect every one of them, before the sun goes down, to indicate that he is willing to remit the interest on these bonds, the pension on his patriotism, which he is collecting so religiously every year, which amounts to $1,062,000,000 of a burden on the American people. Let us have a show-down on this question.

Mr. WALSH of Massachusetts. It is for only four years?

Mr. SMITH. For only four years, involving the $11,000,000,000 tax-exempt bonds.

Mr. CARAWAY. That is just twice as long as the soldier had to stay in the trenches.

Mr. SMITH. Only twice as long, and, mark you, that is only one-fourth of the time that this miserable subterfuge says he will not get anything at all. Let us have a show-down on patriotism and stop the cavilling.

Mr. WALSH of Massachusetts. I will start the show-down. I think I have an income of about $200 a year from Liberty bonds. I will remit mine for four years.

Mr. SMITH. Good! That is No. 1. I am a good Methodist, and I have a good notion to call for mourners. Let them come up to the altar and stop this caviling about patriotism, collecting out of the American people a billion dollars a year.

Mr. CARAWAY. May I suggest to the Senator that he will not be on speaking terms with a lot of Senators in this body if he continues that argument. [Laughter.]

Mr. SMITH. Mr. President, there is not a man in this body, nor is there an American citizen, who does not see the logic of what I am saying.

Mr. WALSH of Massachusetts. The Senator from Maryland [Mr. BRUCE] is looking at the Senator from South Carolina.

Mr. BRUCE. If I may interrupt the Senator a moment, I have one Liberty bond, on which I collect about $10 a year, and I will be very glad to remit that, because I think that is all to which an able bodied soldier is entitled.

Mr. SMITH. That is two. No matter what the Senator's sentiments are, the logic of the situation is enough to make every man hang his head in shame when it is urged that we must bond this Government with an intolerable burden of debt and then sit down complacently and collect a billion dollars, taken out of the soldiers themselves, when a remittance of the interest on the bonds for four years would pay the proposed cash bonus without costing the Government a penny or impairing the capital value of the bond itself. Where are the patriots who fill our press with their slithering nonsense about the Government being burdened, and that a patriot would not allow his vote to be cast for adjusted compensation to the boys, shell shocked, vermin ridden, in a foreign country, many of whom never came back; but he sits here and in a bombproof office issues his money, and then exacts an intolerable burden from the people whom those boys saved.

I am asking no great sacrifice; simply four years of the remittance of the interest on the $11,000,000,000 of tax-exempt bonds. Now, let the papers send that propaganda abroad and see if we have patriots in this country in the bondholding class. Two have already indicated that they are willing to remit theirs; and it is significant that those bonds are small. Surely does the patriotism of the country remain in the poor.

Mr. HEFLIN. Mr. President, the Senator from South Carolina has hit on a very vital question. The Senator from Idaho [Mr. BORAH] yesterday told the Senate how much taxes the people have to pay, and he pointed out in what great distress the country finds itself in the matter of tax burdens at this time, and the tax burden is a great one.

I think the suggestion of the Senator from South Carolina is very timely. If the country is in this distress, as was pointed out by the able Senator from Idaho, why should not these big bondholders remit for a period of at least four years the interest that is being paid on their bonds from year to year?

It would save to the Government a billion and a half dollars, as the Senator from South Carolina has pointed out, and I submit that since the ex-service men have been denied adjusted compensation already for more than four years, and have received nothing practically, and these men have been drawing that money, the interest on the bonds, why would it not be a praiseworthy and patriotic thing for them to turn that money back into the Treasury?

Have we not found the Government, under Republican rule, paying nearly $700,000,000 on questionable war contracts? Did we find the Government offering to pay the profiteers with insurance policies? Not at all. Did we find Mr. Mellon, in refunding taxes to himself to the extent of a few millions, we are told, asking the Government to give him an insurance policy? Not once. In the $300,000,000 that he has refunded to the big taxpayers of the country since he has been Secretary of the Treasury, have we found him sending insurance policies to them? No, Mr. President; he has sent the coin of the realm to them, every one of them—and who are they? They are men who stayed at home during the war, who charged the Government high prices for everything they sold to the Government. They made money out of the distress of their Government in time of war, and after the war is over he is refunding taxes to them and paying them in money. No insurance policy was offered to them.

I submit that if it is right to pay money to the big profiteers in refunding taxes, it is right for the Government to pay money in the settlement of an obligation to the soldiers who saved just and fair basis. We are not giving him a bonus as just part of the war expense. It is settling with the soldier upon a just and fair basis. We are not giving him a bonus. As just men, representing the country for which he fought and for which he offered to die, we are saying, "We did not pay you enough. You did not receive enough per day, and we are going to adjust this whole thing by paying you what you claim you are entitled to now and what we believe you are entitled to receive."

I heard the Senator from Idaho yesterday discussing the awful condition that we are in on account of high taxes. I regret to have to call attention now to the fact that I have not heard a Republican on the other side condemn a Republican Congress for paying $700,000,000 on questionable war contracts. I have not heard one of them lift his voice in condemnation of taking off the profiteers in taxes $450,000,000 a year for the last three years, making $1,350,000,000. I have not heard their voices lifted condemning the taking off of $90,000,000 from the big income-tax payers each year for the last three years during a Republican administration, amounting in the two instances to $1,640,000,000, and this, added to the $700,000,000 paid on questionable war contracts, makes a total of $2,340,000,000.

I have not heard them condemn the ship subsidy program of the Republican Party. A ship subsidy bill passed a Republican House, and you tried to pass it through the Senate. You had the votes to do it, and but for the Democrats who would not let you vote on it, it would have been passed; and what were you doing in that bill?

You were giving to the Shipping Trust $2,800,000,000 in that deal. You were bartering to them a fleet of merchant ships that cost the Government $3,000,000,000, and you were selling them to the Ship Trust for $200,000,000. You were giving back to the Ship Trust $50,000,000 a year in money, and in four years you would have given them back $200,000,000, and thus they would have had the whole purchase price returned, and the fleet of merchant ships, costing $3,000,000,000, would have been gone.

I do not hear able and eloquent Republicans talking about that, but when we come and ask for an honest settlement with the boys who dared to fight, and, if need be, to die for their country, you are telling us that they are commercializing their patriotism and that the country is hard up and needs every dollar it can get.

The Government under Republican rule has failed utterly to discharge its duty to the soldier unless it pays the adjusted compensation in Government money. Senators tell us about how much taxes may be 20 years from now. What did the Kaiser say on the battle field of France? He said: "If we win this war I am going to demand of the United States $40,000,000,000 indemnity." But for those boys this country would be paying that indemnity now. They saved all of that money to the country. They saved the wealth of the profiteers who are moving heaven and earth now to defeat an adjusted compensation bill.

Mr. President, it is a shame that the party in power has offered such a miserable makeshift as it has in the insurance features of the pending bill. One boy wired here to the Senator from New York [Mr. COPELAND] that they did not want any "tombstone plan." Payment is being put off until the soldier is dead. I have just received a telegram from an ex-service man in my State saying they favor a cash bonus. I knew they did not support the miserable makeshift that the Republicans had brought in here. Senators, we ought to be honest with these boys. If there is one class of people under the sun with whom the Congress ought to deal honestly, it is with the men who offered to die for our country. I have not any patience with this kind of performance that would put him off, put him aside, and at the same time refund money by the millions through the Republican Secretary of the Treasury, and having these boys going around the country in distress.

I want to say to the Senate that on yesterday, when the Senator from Idaho [Mr. BORAH] was speaking about the distressful condition, I was reminded that during that very day I met a poor ex-service man in this city, out of a job and in distress, with a wife and a 5-months-old babe. I took $5 out of my own pocket and gave it to them to help them in their distress. That is an example of what is going on.

These men who clip their coupons and sit back making their millions and having millions more refunded by Mr. Mellon do not know of the dire distress that haunts the homes of the struggling masses of America. Millions of people are in distress, poverty stricken. A favored few under Republican rule are rising high in the financial world, making millions, and the dollar aristocracy of this administration is trampling upon the democracy of the human in the United States. I appeal for these boys. They are entitled to be heard here. They spoke, and spoke effectively, for us all over yonder. God bless them; and I am in favor of giving them a fair deal now at the hands of the Congress that called them to the colors. Let this Congress dare to do justice by them and pay them a cash adjusted compensation.

Mr. BROUSSARD. Mr. President, in my campaign in 1920 I had two candidates against me in the primaries. During that campaign the matter of adjusted compensation was made an issue and all three of us were pledged to the payment of an adjusted compensation to the World War veterans. At that time there was some confusion and no one pretended to propose to compensate the boys on the basis of any particular plan. If I recall, soon thereafter we proposed to give him a fivefold option. Later, after I came here, I voted for an adjusted compensation bill which carried four options.

I have received a number of communications from my State. In order to show exactly the views that are taken by the leaders of the American Legion I desire to read one telegram. This is from the commander of the American Legion in Louisiana, the national committeeman, and the adjutant. It reads as follows:

NEW ORLEANS, LA., *April 22, 1924.*

EDWIN BROUSSARD, *Washington, D. C.:*

Understand adjusted compensation bill being loaded with amendments to insure defeat. Please use your efforts to defeat amendments and proposed cash option in order that original bill might pass.

LOUISIANA HEADQUARTERS AMERICAN LEGION,
HERMANN MOTSE, *Commander,*
GUS BLANCHARD, *National Committeeman,*
A. R. CHRISTOVICH, *Adjutant,*
E. A. GROVES, *Commander New Orleans.*

I shall not take the time to read the other telegrams, but will ask unanimous consent that they may be inserted in the RECORD. They are all along similar lines.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The telegrams are as follows:

NEW ORLEANS, LA., *April 19, 1924.*

Hon. EDWIN S. BROUSSARD,
Senate, Washington, D. C.:

We understand that the adjusted compensation bill is now before you for consideration. You have known the Legion's attitude toward this bill for some time, and recently we completed a survey of a percentage of the ex-service men of this State, in which survey 85 per cent of the expressions indicated a desire to see the present bill as reported by the committee enacted. This is bill with the insurance feature. We believe you have been made acquainted with this survey by our legislative committee. We are afraid that the proposed amendments are made, not for assistance to the legislation, but merely a delay in order to prevent passage. The bill as recently passed so

overwhelmingly by the House should be passed, and we earnestly request you to use your best efforts to have it passed without the amendments now being proposed. We appreciate your past fine cooperation.

LOUISIANA DEPARTMENT HEADQUARTERS,
HERMANN MOYSE, *Commander.*
GUS BLANCAND, *Committeeman.*
A. R. CHRISTOVICH, *Adjutant.*
E. A. GROVES, *Commander New Orleans Post.*

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. E. S. BROUSSARD,
Washington, D. C.:

Behalf 200,000 women of American Legion Auxiliary, I appeal to you to pass adjusted compensation bill now before Senate as reported by Senate Finance Committee. Service men and women have awaited passage this just measure, and sincerely feel further delay is unnecessary.

Mrs. HELEN A. BISHOP,
National President American Legion Auxiliary.

NEW ORLEANS, LA., *April 19, 1924.*

Senator EDWIN BROUSSARD,
Senate Chamber, Washington, D. C.:

Please oppose any amendments from floor of Senate. Particularly oppose cash option to the adjusted compensation bill. Support bill as reported by Senate Finance Committee 100 per cent.

Mrs. STEPHEN E. SMITH,
President American Legion Auxiliary of Louisiana.

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. E. S. BROUSSARD,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincerely hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill overwhelmingly passed by House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion; it meets approval of members of Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

Mr. BROUSSARD. I have been informed by other Senators that they have received similar telegrams from their own States. Referring to the measure which they are so insistent be passed without any amendment, I read from page 12:

The certificate shall be dated and all rights conferred under the provisions of this title shall take effect as of the first day of the month in which the application is filed, but in no case before January 1, 1925.

In other words, no certificate will be issued before January 1, 1925, and we are not told how much longer it may take to issue them all after that date. Then I find that the certificates proposed are negotiable only two years thereafter; in other words, they can be taken to the bank and money borrowed on them. I find on page 13 of the bill this provision:

Any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia (hereinafter in this section called "bank"), is authorized, after the expiration of two years from the date of the certificate, to loan to any veteran upon his promissory note, etc.

In other words, the bill proposes that the veteran shall be unable to obtain any kind of a loan on his certificate until three years after the passage of the bill.

It will be realized that our great army was drafted and recruited from all classes of people. By classes I mean that the poor boy was taken, forced into the Army, with the boy belonging to the middle classes and the boy belonging to the wealthy or well-to-do classes. Now, if we come to devise some method of compensating those boys, it is perfectly natural that we can not do it properly under one plan.

Those who are of independent means can well afford to take an endowment plan of insurance. Even those who belong to the moderately well-to-do class may do so. They are the ones who are in less need of any of the three classes to which I have referred. But what adjustment are we going to give to the boy who is now at home without any capital, without any assistance from anyone to start him in business, or, if he has started in business, who has dependents for whose care he must invest all of his present earnings? We are absolutely ignoring that class in the endowment insurance plan.

Therefore I wish to say that although I would like very much, if I believed that the various officials of the Legion represented nearly all of the World War veterans, to comply with their request. But as a representative of the State of Louisiana I am not representing classes in Louisiana, and I can not vote for an adjusted compensation that is satisfactory to but one or two of the three classes and entirely ignore the third class, which is the most needy. Therefore, so far as I am concerned, even though that third class be only 10 per cent, I conceive it to be my duty to register something in their favor in the bill, and for that reason, although I might be convinced that only 10 per cent of the very poor of the world veterans in my State would accept a cash compensation, I would still feel bound to represent that portion of them.

It is not compulsory or mandatory upon those who do not care to have the cash payments to accept the cash. No one is trying to force them to do that. They may take the insurance certificate and still let those who are in need of cash have the cash. Therefore, much as I dislike not to comply with the request of the very eminent gentlemen who are at the head of the various associations of the Legion, I conceive it to be my duty to allow another option or alternative, to permit the boy who is in need of money to accept it, especially in view of the fact that it has been demonstrated and not disputed that that particular plan, varying according to the number who would elect to accept one or the other, is capable, if every veteran accepts the cash bonus, of saving to the Government of the United States over a billion dollars in the adjustment proposed.

I do not know what the President's attitude may be. I do not know what information these gentlemen have who say that the adjusted compensation bill is being loaded with amendments to defeat it. The only amendment I have heard of is the amendment proposed by the Senator from New York [Mr. COPELAND]. I do not think there is anyone engaged here in trying to bring about the defeat of the adjusted compensation bill. I shall cast my vote for the amendment offered by the Senator from New York, and if that meets with the disapprobation of the Chief Executive and he vetoes it, I shall vote to pass it over his veto. If that is not successful, I think there are enough Members in both Houses, after it has been demonstrated that we can not have a cash compensation bill, to introduce and enact into law such a bill as under the circumstances will permit it to be approved by the Chief Executive.

The PRESIDENT pro tempore. The time of the Senator from Louisiana has expired.

Mr. BRUCE. Mr. President, if any Senator who has not spoken desires to speak at this time I shall be glad to refrain from taking the floor. If not, there are a few suggestions that I wish to make in reply to remarks that have just emanated from several Senators.

I mean no disrespect, but I can truly say that I have never in a grave debate heard more of what can justly be called extravagance than I have heard in this debate. When I was a boy in southern Virginia there was no theme more common in conversation than the pension system of the United States, and no system was ever held up more strongly to reprobation than was that system on the hustings and at every fireside in the South. Indeed, one of the favorite themes of conversation in the Southern States was the iniquity and the oppression of the pension system, and, of course, much of that criticism was abundantly justified. Now, I find that the most extreme, the most vehement advocates of the soldiers' bonus come from the old Confederate States, with the exception of Virginia, God bless her!

The real truth about the compensation of the American soldier of the World War was that his yearly average pay was $1,287 a year, exclusive of the allowance that was made to his wife and his children. It is a further fact that most of the soldiers who went into the World War from the South were young farm tenants or hired men. The South is an agricultural region, only to a limited extent, and that but here and there, is it an industrial region. For years I was the owner of a plantation in southern Virginia and grew large crops of corn and tobacco on it. This plantation I sold only a few days ago. There was not a single unassisted young tenant on it who during the World War, after the payment of all his expenses, made more than $400 a year. The Senator from South Carolina [Mr. SMITH], who is especially friendly to the bonus, stated only a few days ago that the wages of a farm laborer in his State is about $1.10 a day. There are 313 working days in the year, and, on a basis of $1.10 a day, the annual income of one of these farm laborers would be only $344.30. There was a tenant on my plantation in the years 1917 and 1918, an honest, upright, active man, who afterwards became my manager. I wrote to him a few days ago and asked him to let me know what his net income as a tenant was from corn and tobacco and other sources of income during the years 1917 and 1918.

I will read his reply to the Senate for its edification, and for the purpose of counteracting some of the unfounded extravagance of statement to which I have referred. This man replied:

Your letter of 26th received. I feel safe to say that $369 a year is above the income any single tenant ever received in cash money in the year of 1917 and the year of 1918. I can only judge by myself. Of course, my brother and myself worked together, but after dividing our income I say it did not amount to $369 for my share. I do not remember what I drew in cash those two years, but I am sure it was less than $369.

Of course he had a house free of rent; he had fuel gathered from the property free of charge; he raised wheat and took it to the mill and had it converted into flour for himself and his family; he raised corn and took that also to the mill and had it converted into meal for himself and his family; he had a range for his pigs, and he raised poultry, too; but he had nothing in the way of maintenance that the World War soldier did not have in one form or another in addition to his pecuniary pay.

Indeed, several things that the World War soldier was given free of cost the tenant on the plantation of which I speak had to pay for, such as clothing and medical attendance. Moreover, there was no kind Government to insure the life of the tenant for him at the very lowest premium rates.

Mr. CARAWAY. Mr. President, may I ask the Senator from Maryland a question?

Mr. BRUCE. I regret my time is so short that it is impossible for me to answer the Senator from Arkansas.

What I have stated is the real situation. At the very time that on my plantation L. G. Lipscomb, the man who wrote me that letter, was earning a net income of only $369 a year as a tenant, there were private soldiers from that same plantation in the World War who were receiving a pay amounting to $1,287 a year. Let any Senator here from the South, who comes from a region similar in character to that in which that plantation of mine is situated, deny what I say. Most of the young men who left southern tobacco or cotton plantations to go into the World War were never as well off in their lives in a material sense as they were during that war.

Is the mere fact—and I come now to another form of extravagance in this debate—that a man is drafted, dons a uniform, takes a rifle in his hands, and goes through military exercises in camp any reason why his country should entertain such an extraordinary degree of profound gratitude to him as to express it in the form of a pure gratuity? No. Even the American Legion in the beginning felt that what I am saying is unanswerable. When the proposition that it should lend its support to the bonus movement was first made to it the proposition was tabled by it. I am speaking now of the St. Louis caucus of 1919. Afterwards, at its Minneapolis convention, it did not go any further than meekly to say that it could not be expected to suggest any legislation in its own selfish interest and that it left it to Congress to say whether the Congress would discharge the bonus obligation or not. Then, later on, becoming bolder and bolder, when it found there were politicians in both parties ready—indeed, only too eager—to play into its hands, it came out at its San Francisco convention and flatly demanded a bonus.

The PRESIDENT pro tempore. The time of the Senator from Maryland has expired.

Mr. BRUCE. Mr. President, has my time on the bill also expired?

The PRESIDENT pro tempore. The Senator has five minutes remaining in which to speak upon the bill.

Mr. BRUCE. Then, yet later, becoming still bolder, it proceeded to subject every antibonus soldier in the United States to a process of ruthless proscription, dissolving antibonus branches of the Legion which were opposed to the bonus and condemning in the most denunciatory terms every service man who had the manhood to lift his voice in protest against the insult that was being inflicted upon his military honor by the proffer of such a douceur.

Only a day or so ago there was actually a suggestion made by certain members of the Legion that the sum of $60 which was paid as extra pay to every soldier at the conclusion of the World War should not be debited to the service man under this bill. The truth is that the Legion has largely become a political machine and is being conducted to no little extent at present for purely selfish purposes. So true is this that it does not, perhaps, contain one-fifth of all the American soldiers who served in the World War. Thousands of soldiers who have become disgusted with its advocacy of the bonus have left it. They felt as did the young service man in Maryland who declared some time ago that the soldier who was the first to take up arms in the war is the last to take up the bonus. No greater truth was ever uttered.

I was astonished to hear the Senator from Tennessee [Mr. MCKELLAR] ask whether any of the soldiers who had been forced into service, as he expressed it, would have gone across the submarine-infested ocean for 30 cents a day if they could have helped it——

Mr. MCKELLAR. Oh, no.

Mr. BRUCE. And he asked Senators in this Chamber whether any of them would have served in the war for 30 cents a day. I answer him without a moment's hesitation for one Senator and I say that I would have served for 3 cents a day.

Mr. MCKELLAR. Did the Senator do so?

Mr. BRUCE. No; but only because my country thought that I did not have the degree of physical fitness to serve. However, I am glad to say that I had two children, both sons, and that both of them volunteered at the very beginning of the war. One of them gave up a position that he had in connection with the American Embassy at Rome as soon as war was declared by us and came back home to serve as a soldier. When our ambassador pleaded with him not to resign the position, urging that some one would have to fill it, he said simply that he felt it to be his duty to resign and to volunteer as a soldier; and that he knew that, even if he did not feel that way, his father would. I would have considered him more or less discredited for the rest of his life if he had not come home and incurred all the hazards of war.

Mr. President, I have said enough on this subject; I have said more than I really had any right to say; and I now yield to some other Senator.

Mr. CARAWAY. Mr. President, I think the distinguished Senator from Maryland is more candid than others who are opposing the adjusted compensation measure. He boldly announces that the soldiers were overpaid; that they were not worth $1 a day, and therefore they have no claim upon the Government or upon the gratitude of the country. I wish he would be consistent and offer an amendment that every soldier shall be required to return one-half of what was paid to him for following the flag. I should like to see how many Senators in this Chamber would be courageous enough to follow him.

I think the Senator honestly believes that the country conferred a great favor upon its young manhood by declaring a condition of war to exist between this country and the Imperial Government of Germany and therefore giving the young men a chance to sacrifice time, opportunity, and even life in demonstrating the fact that the country is ungrateful, for that is what it means.

It makes no difference to me, Mr. President, what a man may think with reference to the pay the soldier received and whether it was more profitable to follow the flag than to serve on the plantation in Virginia of the distinguished Senator from Maryland.

Mr. President, this is the third chapter in this miserable farce. It may be the last one. I do not know. I recall that when the adjusted compensation bill came into the Senate in 1921, the then President of the United States, Mr. Harding, appealed to the Senate to recommit the bill—not that it was not just, not that the parties had not promised it, not that he himself was not in favor of it, but that the time was inopportune. "Let the soldiers wait until the rich in the country have had their taxes reduced, until wealth has gorged itself at the public expense until it is satisfied, and then the soldier may knock at the door again and be more cordially received." That was the effect of his statement.

The measure came up again. I know that everybody understood—and the President's message is in the RECORD, so that if anybody has any question about it he can read it—that the

who are in less need of any of the three classes to which I | who during the World War, after the payment of all his ex-

President had never pretended to say to the Senate that he was not in favor of adjusted compensation, or that the country would not pay it, but that it was inopportune. It came here again, and was vetoed for a slightly different reason. The measure was introduced in both Houses at the commencement of this Congress, and finally we have the measure here presented.

Mr. President, I have endeavored to make up my mind that I could keep my self-respect and vote for this measure, but I shall try to preserve my self-respect by voting for some amendments to it.

Here is the fact: We are told by Senators on the other side—who, I presume, speak for the President—that he will veto the bill if it is presented with a cash option, and that he will sign it if it is presented without it. Recently the President sent a message to the Senate in which he described the encroachments of the Senate upon the Executive and pledged himself to respect the rights of the legislative branches of the Government. The President has no right to tell us in advance of action here that if we dare exercise our judgment as Senators that he will disapprove our act. He has no right to ask Senators on the other side to sustain him in a veto before he shall make it. He has no right to enter into a concert with Senators that if they will force legislation to follow certain suggested ideas of his it will be signed, but if the Senate does not accept his views he pledges them in advance to sustain his veto.

I do not know, I do not care, Mr. President, what other Senators may do. I shall not bow to any man in a cause where each has to act on his own judgment, whether he be President or doorkeeper, in order to have him sign or veto a measure like this. I would not let the President, if he were a President of my own party, tell me that I must accept his views or the legislation will fail. I do not ask to tell him what he should do in reference to legislation pending, nor shall I accept his commands. Mr. President, I feel that the time has come when we will have to assert our right to write legislation or yield it for all time and part with our self-respect.

Recently I heard Senators on the other side of the Chamber justify themselves on their change of front on the immigration bill because the Japanese ambassador had written a tactless note, and the country approved them for having courage enough to refuse to be driven. Those same Senators supinely bow to the Executive now because he says, "If you write certain provisions into the legislation, I will disapprove it."

I do not know what has changed the front of the American Legion officials. I take it for granted that the great majority of the organization does not know what the proposed legislation is; and what arguments were adduced to change the position of the national officers of the American Legion here I have no right, possibly, to know.

We speak about this bill being passed because the American Legion asks it. The telegrams that I had were to vote for it as it came from the House, without amendment, and yet it is full of amendments that were written into it in the Finance Committee in the Senate. Evidently the members of the Legion at home did not know that, because the telegrams from the States ask us to support it as it came from the House.

The PRESIDENT pro tempore. The time of the Senator from Arkansas has expired.

Mr. CARAWAY. I believe I have five minutes more, Mr. President.

The PRESIDENT pro tempore. The Senator has five minutes upon the bill.

Mr. CARAWAY. There is an amendment on this bill as to the origin of which I should like to know what particular friend of the soldiers suggested it. It is possibly not so material. Certainly, if they shall live out the 20 years it has nothing to do with this legislation, but if they should die prior to that time it might become very material.

On page 21, in line 18, Mr. President, originally the bill provided that certain people who were dependents might receive certain benefits under the bill. That was the provision of the House bill. Some "real lover" of the soldier and his dependents changed that language and made it read "depended upon him for support." Everybody knows the difference between "was dependent" and "depended upon him for support." In other words, some real patriot changed this language so that after the soldier should have nursed this bond for 19 years, and should die, if somebody who was dependent upon him could not show that at the time of his death he was actually contributing to his support this policy would lapse.

Of course, I know that some real friend of justice put that little joker into this bill. Some soldier will carry the policy, nurse his grievance, and die at the end of 19 years, and those dependent upon him will not receive any benefit under it at all, because the language has been changed so that it reads "depended upon him for support."

Oh, well, Mr. President, I think this amendment becomes important only for this reason: It shows the spirit that actuates those back of this particular bill.

I know now, and everybody knows, that if the soldier is not entitled to adjusted compensation we ought to take the attitude of those who oppose it and say "No." That is the only courageous and manly thing to do. If he is entitled to adjusted compensation, this Government ought not to pay him in a duebill payable 20 years from date, if he should live so long.

There is not anybody so feeble-minded, even in the Senate, that he believes that it is conferring any great benefit on some one to permit him to borrow money at 7 per cent. Why, anybody can do as well as that in any bank. Therefore we are bestowing nothing upon the soldier now. We are giving him a duebill that he may collect 20 years from date, if he shall live that long; or somebody may collect it in his stead if he can show that at the time of the soldier's death he was actually dependent upon him for support.

I take it for granted that there is not a man, even the Senator from Maryland, who, if one had worked for him at $30 a month and demanded his money, would try to pay him with a duebill, due 20 years after date, or having done it, I seriously doubt if he would have been able to satisfy even his tenant with that proposition in payment for services rendered.

I do not entertain the very great contempt for the soldiers that some here profess. I had the good fortune when the war was going on to have seen some of it—oh, not on the front lines. I was about where a colonel would linger, I presume, in a place of reasonable safety, 4, 5, or 6 miles out of range of the longest gun; but, anyway, from what I did see I entertain a very great respect for the soldiers who went to the front and want to do partial justice, at least, to them.

The PRESIDENT pro tempore. The time of the Senator from Arkansas has expired.

Mr. NEELY. Mr. President, the eloquent Senator from Idaho [Mr. BORAH] and the able Senator from Maryland [Mr. BRUCE] have apparently sounded all the depths and shoals of available learning and logic in the preparation of their argumentation against adjusted compensation for the veterans of the World War.

The basis of the objections of the Senator from Maryland are set forth in the following paragraph from a speech he made in this Chamber yesterday afternoon:

> Never in the whole history of the world was any body of soldiers maintained in such a high degree of physical comfort as were our World War soldiers. Indeed, thousands of them were maintained in a far higher degree of physical comfort than they had ever been in their own homes. The average term of service of the American soldier during the World War was only one year. To many of them the war was simply a valuable school of instruction and an agreeable recreation field.

Mr. President, if that is a sound premise, the Senator's conclusion is irresistible. If his indicated position is tenable, the Senate should vote a bonus for the Kaiser for having started the war and having given the American soldiers an opportunity to enjoy a healthful and delightful vacation in a pleasant environment of bursting bombs, exploding shells, asphyxiating gas, and liquid fire. If we accept the statement of the Senator from Maryland as gospel, we should provide compensation, not for our own soldiers but for their enemies, who by their incessant and frequently well-directed machine-gun and cannon fire saved the American doughboys from the miserable monotony of a "calm, secure, inglorious life."

It was the boast of Napoleon that he could always defeat the arguments of the orators of the assembly by declaring the somewhat trite and perfectly obvious truth that "two and two make four." The contention that our soldiers are entitled to no adjusted compensation on the ground that "the war was simply a valuable school of instruction and an agreeable recreation field" calls for no further refutation than a repetition of the Napoleonic formula.

The Senator from Idaho [Mr. BORAH] opposes the compensation bill before us because its enactment into law means an additional expenditure of money by the Government. It is an astounding fact that in the opinion of many money is dearer in the year 1924 than humanity was in the year 1917. To some of those who are opposing this compensation legislation the American pocketbook is more sacred than the flesh and blood of an American boy.

During the war I attended a number of the sad and solemn ceremonies conducted in public places as expressions of grate-

ful appreciation to the bravest and best of the Nation's manhood who were about to go to war. I saw thousands of boys in the morning time of life, when every door in the world of infinite opportunity was open wide to receive them, when every breeze was bringing them promises of future glory, lay their last hope and their last ambition upon the altar of their country and, with a spirit of consecration never before equaled, leave every treasure of heart and home behind them and enter the welter of war to fight, to suffer, and, if need be, to die in defense of their country.

I saw thousands of mothers, with ashen lips and breaking hearts and tear-stained cheeks, kissing these boys good-by, and embracing them, as many believed and all feared, for the last time on this side of the grave.

But neither mother nor boy in that critical hour of the Nation's history protested, on the ground of cost, against the sacrifice then being made. No orator or statesman suggested a cessation of hostilities because of the waste of life required to win the war.

And since the time these soldiers magnificently fought our battles and gloriously won our victory we have seen this Government, which our heroes saved from Prussian control, adjust the compensation of the railroads, the Army contractors, and the profiteers to the extent of billions and billions of dollars. And, strange to relate, some of those who are now protesting most loudly against compensation for the boys who did the fighting were enthusiastically in favor of adjusting the compensation of every corporation that made a demand against the Government. We hear the bitter protests of opposition and the wailing cries of holy horror only when we seek to pay a pittance of what we have so long and so justly owed the soldiers who were drafted at a dollar a day and sent to the front, where 2,000,000 of them lived for many months in a hell such as Doré never painted and Dante never described.

Eight months after the armistice was signed I followed the footsteps of the American boys who trod the wine press at Belleau Wood, Chateau-Thiery, along the River Somme, all over the Argonne Forest, at Verdun, at San Mihiel sector, and at Dead Man's Hill. I saw the gruesome memorials of their struggle and their sacrifice, and I concluded then, and I believe now, that all the money in the world could not compensate those boys for the tortures they endured in fighting to a successful conclusion a war that was more barbarous and deadly than any other ever recorded in the history of the world.

I have received a number of written protests against adjusted compensation. The most of them, and particularly the most vigorous of them, have come from those who stayed at home and made money beyond the dreams of avarice during the war. Nearly all of these protests have reminded me of the following story:

A horse, an ox, and an ass engaged in an argument as to which of the three had done the most to win the war. The horse said, "I plowed up the fields of the farmer, hauled to market the grain with which the soldiers were fed, and was ridden by the cavalryman into the very jaws of death. I did the most to win the war." The ox next said, "With a yoke on my neck I dragged to the mills the logs that were sawed into lumber to build the cantonments; my skin was tanned into leather to make shoes for the soldiers; and last of all, I gave my flesh to feed the soldiers on the fields of battle. I did the most to win the war." Thereupon the ass said, "You both look like 'pikers' to me." And with one accord the horse and the ox inquired, "Who are you and what did you do?" And the long-eared creature replied, "I am the ass that stayed at home and bought the Liberty bonds."

Very few of those who went to the World War, or who have ever gone to any war, have objected to the paying of adjusted compensation. My own experience impels me to believe that ninety-nine out of every hundred who are against compensation stayed at home and bought Liberty bonds. If they had been conscripted, they would have died from heart disease before reaching the place of mobilization. Those who did not fight ought at least to be brave enough and generous enough to pay out of their enormous profits a little to those who won the war.

Mr. President, I purpose voting for the amendment providing a cash option for the soldiers, because personally I know that multitudes of them need money more than they need insurance policies. And I will not be swerved from my duty by any threat from the other side of the Chamber, either express or implied, to the effect that President Coolidge will veto any compensation bill that we pass providing immediate relief for the veterans.

Let us discharge our duty and leave to the President the responsibility of doing or disregarding his at his pleasure or his peril. In taking this position I am doing no injustice to the soldiers, for if the President vetoes a just compensation bill we will elect a Democratic President next November who will approve such a measure.

If the amendment proposing the cash option is defeated, then I shall vote for the House bill, in spite of the fact that it does not provide the full measure of relief to which the veterans are entitled. Necessity impels me to pursue this course for the reason that the Republicans are in complete control of both the House and the Senate, and they are obviously determined to defeat any measure that provides compensation that would be satisfactory to the soldiers and their friends.

Regardless of the fate of the pending legislation, I hope that all World War veterans will read the RECORD of the proceedings in this Chamber during the last three days and learn for themselves that a majority of the Democratic Members of the Senate have gallantly fought for them, while a majority on the other side of the aisle have just as stubbornly fought against them.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from South Carolina [Mr. SMITH].

Mr. KING. Let it be reported, Mr. President.

Mr. FLETCHER. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Elkins	King	Sheppard
Ashurst	Ernst	Ladd	Shields
Ball	Fernald	Lodge	Shipstead
Bayard	Ferris	McCormick	Shortridge
Borah	Fess	McKellar	Simmons
Brandegee	Fletcher	McKinley	Smith
Brookhart	Frazier	McLean	Smoot
Broussard	George	McNary	Spencer
Bruce	Gerry	Mayfield	Stanfield
Cameron	Glass	Neely	Stanley
Capper	Gooding	Norbeck	Stephens
Caraway	Hale	Norris	Sterling
Colt	Harris	Oddie	Swanson
Copeland	Harrison	Overman	Trammell
Cummins	Heflin	Owen	Underwood
Curtis	Howell	Pepper	Wadsworth
Dale	Johnson, Minn.	Phipps	Walsh, Mass.
Dial	Jones, N. Mex.	Pittman	Walsh, Mont.
Dill	Jones, Wash.	Ralston	Warren
Edge	Kendrick	Ransdell	Wheeler
Edwards	Keyes	Robinson	Willis

The PRESIDENT pro tempore. Eighty-four Senators have answered to their names. There is a quorum present. The question is on agreeing to the amendments offered by the Senator from South Carolina [Mr. SMITH], which will be stated.

The READING CLERK. On page 13, in line 22, strike out the words "by more than."

On page 13, in lines 23, 24, and 25, strike out the words "at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act."

On page 14, in line 2, after the word "located," insert the following proviso: ": *Provided*, That the rate of discount by the Federal reserve bank on the promissory notes secured by adjusted-service certificates as provided in this section shall not exceed a rate of 2 per cent per annum."

Mr. SMITH. Mr. President——

The PRESIDENT pro tempore. The Senator from South Carolina has already spoken on the amendment.

Mr. SMITH. I have not spoken on my amendment. I simply offered it yesterday.

The PRESIDENT pro tempore. The Senator from South Carolina is recognized to speak for five minutes on the bill.

Mr. SMITH. In explanation of the amendment, the bill as it now reads provides that the local bank or member bank—that is, any bank or trust company—may charge not in excess of 2 per cent for the handling of this paper, so they are restricted in any event to 2 per cent. I propose to provide that if it is rediscounted at a regional bank—and I use the word "regional" to differentiate it from the confusing term ordinarily used, "Federal reserve bank"—the rate of rediscount on this paper shall not exceed 2 per cent, so that the net discount to the soldier would be 4 per cent.

I restrict the regional bank to 2 per cent, because prime commercial paper, in which there is an element of risk, has averaged about 4½ per cent, and the earnings of our banks have been far in excess of any 6 per cent that is necessary to pay dividends. In other words, all our regional banks have made a profit on the handling of prime commercial paper at 4 per cent, and by figuring it out I find that they could charge the soldier 2 per cent and still make a profit that would go into the Treasury of the United States.

nurse his grievance, and die at the end of 19 years, and those ceremonies conducted in public places as expressions of grate-

sponsibility of doing or disregarding his at his pleasure or ' ury of the United States.

Mr. JONES of Washington. Mr. President, may I ask the Senator a question?

Mr. SMITH. I yield to the Senator from Washington.

Mr. JONES of Washington. How can we prohibit a State bank from making a loan?

Mr. SMITH. I do not touch the proviso about the State banks at all.

Mr. JONES of Washington. But the paragraph to which the Senator offers his amendment starts out by saying "any national bank or any bank or trust company incorporated under the laws of any State," and so forth.

Mr. SMITH. My amendment does not touch that. My amendment is the clause beginning in line 21, where it refers to the rate of interest charged.

Mr. JONES of Washington. It relates to the rate of interest charged by the loaning bank, and that refers to all the banks mentioned above.

Mr. SMITH. Precisely.

Mr. JONES of Washington. So that it prohibits the State bank from making the loan.

Mr. SMITH. Oh, no; I do not touch that at all.

Mr. JONES of Washington. Then may I ask the Senator another question? Is the Senator in doubt, if his provision is adopted, that the banks may not loan the money to the soldier? That is an important question.

Mr. SMITH. My amendment does not affect the local bank or trust company or the national bank that handles it, because if the Senator will read the clause he will see that it provides:

The rate of interest charged upon the loan by the bank shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act.

Mr. JONES of Washington. I think the Senator is doing exactly what I have called to his attention.

Mr. SMITH. Oh, no. The point I am making is that they are going to discount the paper. I get the point the Senator makes, and possibly there should be an amendment covering that. I will perfect my amendment by providing where the paper is discounted at a regional bank, and so forth.

I think I shall not change that wording and leave my proviso just as it is. It will accomplish the object that I have in view. It would then read:

The rate of interest charged upon the loan by the bank shall not exceed by more than 2 per cent per annum the rate charged at the date of the loan for the discount of 90-day commercial paper under section 13 of the Federal reserve act by the Federal bank of the Federal district in which the bank is located.

I will just ask for a vote on the proviso, as follows:

Provided, That the rate of discount by the Federal reserve bank on the promissory notes secured by adjusted-service certificates as provided in this section shall not exceed a rate of 2 per cent per annum.

The proviso is what I desire rather than any amendment of the preceding language. I am obliged to the Senator from Washington for calling my attention to it. It would mean that if the paper was rediscounted at a regional bank the rate of the rediscount would not exceed 2 per cent, so that the member bank, if it were to accept the paper, could not exceed the rate of rediscount on this paper, and then the soldier could get it at 4 per cent.

Mr. SMOOT. Does the Senator propose to compel the Federal reserve bank to rediscount the paper?

Mr. SMITH. Oh, no; I do not propose to compel that at all.

The PRESIDENT pro tempore. The time of the Senator from South Carolina has expired. The Secretary will state the amendment offered by the Senator from South Carolina.

The READING CLERK. On page 14, line 2, after the word "located," insert the following proviso:

Provided, That the rate of discount for the Federal reserve bank on the promissory notes secured by adjusted-service certificates as provided in this section shall not exceed a rate of 2 per cent per annum.

Mr. HEFLIN. Let us have the yeas and nays on the amendment. It is a very important provision.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES], who on this particular bill is paired with some other Senator, and I am therefore at liberty to vote. I vote "yea."

I wish to have this announcement stand for the rest of the day.

Mr. FERNALD (when his name was called). On this legislation I am paired with the senior Senator from Indiana [Mr. WATSON]. However, on this particular amendment I understand that he would vote as I am about to do, and I am therefore at liberty to vote. I vote "nay."

Mr. CURTIS (when Mr. LENROOT's name was called). I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

Mr. SIMMONS (when his name was called). I have a general pair with the Senator from Oklahoma [Mr. HARRELD]. I transfer that pair to the senior Senator from Missouri [Mr. REED] and vote "yea."

The roll call was concluded.

Mr. BAYARD (after having voted in the negative). I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. He is absent to-day. I should have stated when I voted that under an understanding with him I am free to vote as I please on this legislation. I therefore allow my vote to stand.

Mr. GLASS (after having voted in the affirmative). I voted under a complete misapprehension. I desire to change my vote from "yea" to "nay."

Mr. SIMMONS (after having voted in the affirmative). I am afraid that I, too, have voted under a misapprehension. I shall not change my vote, but will withdraw it.

The result was announced—yeas 38, nays 41, as follows:

YEAS—38

Adams	Fletcher	Mayfield	Smith
Ashurst	Frazier	Neely	Stanley
Borah	George	Norris	Stephens
Brookhart	Harris	Overman	Trammell
Broussard	Harrison	Ralston	Underwood
Caraway	Heflin	Ransdell	Walsh, Mass.
Copeland	Johnson, Minn.	Robinson	Walsh, Mont.
Dial	Jones, N. Mex.	Sheppard	Wheeler
Dill	Kendrick	Shields	
Ferris	McKellar	Shipstead	

NAYS—41

Ball	Edwards	King	Shortridge
Bayard	Elkins	Ladd	Smoot
Brandegee	Ernst	Lodge	Spencer
Bruce	Fernald	McCormick	Stanfield
Cameron	Fess	McKinley	Sterling
Capper	Glass	McLean	Wadsworth
Colt	Gooding	McNary	Warren
Cummins	Hale	Oddie	Willis
Curtis	Howell	Owen	
Dale	Jones, Wash.	Pepper	
Edge	Keyes	Phipps	

NOT VOTING—17

Bursum	Johnson, Calif.	Pittman	Watson
Couzens	La Follette	Reed, Mo.	Weller
Gerry	Lenroot	Reed, Pa.	
Greene	Moses	Simmons	
Harreld	Norbeck	Swanson	

So Mr. SMITH's amendment was rejected.

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from New York [Mr. COPELAND].

Mr. WALSH of Massachusetts. Mr. President, I move, on page 11, in lines 1 and 2, to strike out the words "the expiration of nine months after the enactment of this act."

The purpose of the amendment, briefly stated, is as follows: By section 401 of the bill it is provided that when cash payment to a veteran is less than $50 he shall be paid "not before the expiration of nine months after the enactment of this act." That would mean that the payments under the act would probably be made just at the beginning of the new administration next March, which would be an inconvenient time. It is very doubtful if the proper machinery can be set up to make the payments at that time anyway. Furthermore, whatever financial program it may be necessary to work out to make it effective, this legislation should not be determined before the next administration is inaugurated.

There is another reason why the date should be changed, and that is because it is very likely that there will be some agitation in the next election for a cash-option amendment to this bill. If so, when Congress meets in December next the question of amending the bill can be discussed and action taken in ample time before the pending bill shall finally go into effect. This change in date will give opportunity for the electorate next November to decide whether they desire to change the bill to make provision for cash payments, which is the real desire of most of the veterans. Therefore it seems to me that the date for making the cash payment and also the date of the certificate of insurance should be fixed as of July 1 next. If this

amendment be adopted, I shall move in other parts of the bill to insert the date July 1 instead of January 1 next. I should like to ask the Senator from Kansas [Mr. CURTIS], in charge of the bill, if he has any objection to the change which I have proposed.

Mr. CURTIS. Mr. President, as I understand, it will be impossible to collect the information in the Treasury in time for the purpose desired by the Senator from Massachusetts, and I therefore hope his amendment will be defeated.

Mr. SMOOT. Mr. President, I desire to say to the Senator from Massachusetts that the question which the amendment suggests came up before the committee at the time we were discussing the pending measure, and the officials of the Navy and War Departments assured the committee that it would take the length of time provided in the bill to get the facts as to the time of service of the soldiers. It might seem to be comparatively easy to separate the names of those soldiers who would be entitled to receive less than $50, but the department officials will have to go through the files relative to all of the soldiers before they could collect the desired information, as they do not know just where the names may be. I hope the Senator from Massachusetts will not insist upon his amendment.

Mr. WALSH of Massachusetts. Mr. President, I do not understand the position of the Senator from Kansas. My amendment seeks to extend the time for preparing the proper vouchers and for making the payments.

Mr. SMOOT. If the Senator's amendment changes the date to July 1, 1925, I was speaking under a misapprehension.

Mr. WALSH of Massachusetts. I thought I had stated that my amendment is to change the date to July 1, 1925. Therefore the reason for objecting to the amendment which was given by the Senator from Kansas is not applicable.

Mr. CURTIS. I have no objection to extending the time to July 1, 1925.

Mr. WALSH of Massachusetts. The purpose of my amendment is to change the date to a longer period than nine months by inserting in lieu of the words proposed to be stricken out the words "July 1, 1925."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Massachusetts.

The amendment was agreed to.

Mr. WALSH of Massachusetts. Now, in order to correct the bill, and to make its language throughout conform to the amendment which has just been agreed to, I move the following amendments: On page 12, line 16, to strike out the word "January" and to insert in lieu thereof the word "July"; on page 13, line 4, to strike out the word "January" and to insert in lieu thereof the word "July"; and on page 13, line 7, to strike out the word "January" and to insert in lieu thereof the word "July."

The PRESIDENT pro tempore. Without objection, the amendments suggested by the Senator from Massachusetts are agreed to.

Mr. CURTIS. On page 12, line 6, after the word "amount," I move to insert the words "in dollars." That is proposed to be done so as to save time and so that the accounting will have to be done in dollars instead of in cents. The change is recommended by the Director of the Veterans' Bureau.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Kansas.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, first let me say that in all probability my opposition to this bill is known to be comprehensive and complete, but I do want to call the attention of the Senate, and especially of the supporters of the bill, to what in my mind is a very grave inconsistency. Perhaps the Senator in charge of the bill will explain it.

Section 202, which commences on page 3, consists of a list of those persons who are excluded from the benefits of the bill. Among them are the soldiers of the Philippine Scouts and the soldiers of the Porto Rican regiment of infantry. I have never heard any explanation as to why those soldiers of the United States—and that is what they were—are excluded from this bill.

The Porto Rico Regiment of Infantry has been a part of the military forces of the United States for something like 20 years. The men enlist voluntarily, take an oath of enlistment exactly like that of the soldiers of the Regular Army; they are subject to the Articles of War just as American regulars proper are subject to them; they are subject to all the rules and discipline of the Army; and they may be sent to any point where the Army is sent. As a matter of fact, the Porto Rico Regiment of Infantry was sent to the Panama Canal Zone immediately upon the entrance of the United States into the war to guard the canal. This bill excludes those men from participation in its alleged benefits.

Mr. CURTIS. Is the Senator sure of that fact?

Mr. WADSWORTH. I think so.

Mr. CURTIS. The bill says:

The term "oversea service" means service on shore in Europe or Asia, exclusive of China, Japan, and the Philippine Islands.

Mr. WADSWORTH. That is only a definition of the term "oversea service," but I call the attention of the Senator to page 3, section 202, which provides:

In computing the adjusted service credit no allowance shall be made to * * * any * * * Philippine Scout * * * member of the Porto Rico Regiment of Infantry.

Mr. CURTIS. Where does the Senator find that?

Mr. WADSWORTH. On page 4, in subparagraph (c).

I am eliminating the language which it is unnecessary to repeat in order to bring the point out which I wish to bring out. Now, why are those soldiers of the United States left out of this bill? It is true they do not live in the United States and do not vote here.

Mr. SMOOT. Does the Senator mean the Philippine Scouts or the Philippine Guard?

Mr. WADSWORTH. No; not the Philippine Guard; I mean the Philippine Scouts, who are a part of the Army of the United States and have been a part of it ever since they were formed.

Mr. SMOOT. But they never did any service in the war other than the service they performed in the Philippines.

Mr. WADSWORTH. Neither did the Regular Cavalry which spent the entire period of the war on the Rio Grande River; yet they are let in under this bill. The Philippine Scouts and the Porto Rico Regiment of Infantry performed just as much service for the United States as the regulars who were left in this country patrolling the Mexican border.

Mr. BROOKHART. There were 12 divisions of regulars that never went overseas at all.

Mr. WADSWORTH. Yet they are all included in the bill.

Mr. BROOKHART. Every one of them is included.

Mr. WADSWORTH. Yes; every one of them. All of the soldiers of the United States who remained in the United States come under the terms of this bill, but the Philippine Scout is not under the terms of this bill and is deliberately excluded. Why?

Mr. BROOKHART. I served to a limited extent with some of the Philippine Scouts and some of the Porto Rican soldiers, and they are entitled to come in under the terms of the bill.

Mr. WADSWORTH. Why is the Porto Rican soldier left out? He is a soldier of the United States just as much as is the white soldier in the Regular Army.

Mr. JONES of Washington. Mr. President, will the Senator yield to me?

Mr. WADSWORTH. I yield.

Mr. JONES of Washington. I have not been able to hear very much of the debate on this bill because I have been engaged in committee work, but I can not understand why the members of the Regular Army should be included in this bill at all. I do not think they ought to be.

Mr. WADSWORTH. I did not draft the bill. I am merely pointing out an inconsistency.

Mr. KING. I hope the Senator will press that question. I asked the Senator from Kansas the other day how he justified that.

Mr. WADSWORTH. I think I can answer the Senator, although I am not a defender of this bill. The soldier who enlisted in the Regular Army drew exactly that same pay, against which there is so much complaint, as the men who were drafted, and went through the same dangers and risks, and why should he not get the same benefit as the man who was in the National Army or the National Guard?

Mr. CURTIS. That is the answer that was made the other day.

Mr. WADSWORTH. That is perfectly true, but why does the bill leave out the Philippine Scouts and the Porto Rico regiment of infantry?

Mr. CURTIS. Mr. President, this bill, as the Senator knows, was prepared in the House. There was no showing made before the committee and no evidence was before the committee as to the service of the Philippine Scouts.

Mr. WADSWORTH. I can understand that there was no showing made and no evidence presented in their behalf.

Mr. CURTIS. Not a word was suggested, even by the War Department or anyone else, with reference to their inclusion in the bill.

Mr. WADSWORTH. These men do not vote in the United States. They were soldiers, but no one appeared for them.

Mr. President, I now wish to offer an amendment.

The PRESIDENT pro tempore. In order to keep the record straight, the Chair will say that the Senator from New York has been speaking upon the amendment offered by his colleague from New York [Mr. COPELAND]. There is no other amendment pending.

Mr. WADSWORTH. Is it in order for me now to propose an amendment?

The PRESIDENT pro tempore. The Senator from New York may offer an amendment, of course, and speak upon that.

Mr. WADSWORTH. I offer an amendment, on page 4, lines 6 and 7, to strike out the words "Philippine Scout."

Mr. CURTIS. I will offer no objection to that amendment in order that it may be considered in conference. The conferees may make some inquiry with reference to it.

Mr. WADSWORTH. I regard it as a test of the fairness of the supporters of this bill.

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from New York.

Mr. NORRIS. Does the Senator intend to discuss the amendment? I should like to hear the amendment debated.

Mr. ODDIE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Nevada?

Mr. WADSWORTH. I yield.

Mr. ODDIE. Mr. President, I thoroughly approve of what the Senator from New York has said. I am familiar with some of the conditions that surrounded the Philippine Scouts, and I know that a grave injustice has been done them. To show the attitude of the department toward them some of their officers have been kept in the Philippines for over 20 years, to the serious detriment of their health, when Regular Army officers are supposed to stay there for only two or three years on account of the climatic conditions.

Mr. WADSWORTH. Mr. President, I appreciate the support of the Senator from Nevada, but the men to whom I refer are not the officers of the Philippine Scouts but the enlisted men in the Philippine Scouts.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from New York.

Mr. KING. Mr. President, may I ask the Senator a question?

M. WADSWORTH. Certainly.

Mr. KING. Are these native Filipinos who have enlisted in the Army of the United States?

Mr. WADSWORTH. They are. We have had them since 1902, I think, and they are a part of the Regular Army of the United States.

Mr. KING. If the Senator will permit me, they were enlisted for a given period of time, and I presume their periods of enlistment had not expired during the World War, and that they were then in the Army under their enlistment as regular soldiers?

Mr. WADSWORTH. Just as the other regulars.

Mr. KING. They were not deprived of their occupations—and that seems to be the basis of this bill—as the men who went from the United States and were in the Army of the United States were deprived of their occupations. I was wondering, if that is the basis of the bill, how the Senator could ask that the Philippine Scouts should be entitled to compensation.

Mr. WADSWORTH. I did not understand the Senator's question.

Mr. KING. If the basis of the bonus is that they were deprived of their occupation—that is, of the opportunity to earn large wages, which it is claimed were paid during the war—then those soldiers were not deprived of that opportunity, for the reason that they had already enlisted and could not have returned to private life.

Mr. WADSWORTH. Many of these men enlisted in the Philippine Scouts during the war in the great hope of being sent to Europe. They were a most patriotic body of men. The desire of the Philippine Scouts to get into the war actively was well known in the War Department at that time; and, indeed, there were serious discussions carried on in the War Department at the time as to whether it would not be wise to use this excellent body of troops, thoroughly disciplined and trained. Finally, however, it was deemed wiser to keep them on garrison duty in the Philippines. Now they are left out.

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Montana?

Mr. WADSWORTH. I yield.

Mr. WALSH of Montana. Did I understand the Senator to say that any body of regular soldiers were not availed of for actual service in the war?

Mr. WADSWORTH. Oh, yes; several Cavalry regiments were left in this country on the border.

Mr. WALSH of Montana. On the border?

Mr. WADSWORTH. Yes.

Mr. WALSH of Montana. The Philippine Scouts never were availed of?

Mr. WADSWORTH. No. They stood ready for service like any other soldiers, however.

Mr. WALSH of Montana. They were really organized in the first place as a defensive force for the Philippines, were they not?

Mr. WADSWORTH. That was the original object of the organization.

Mr. WALSH of Montana. And they never——

Mr. WADSWORTH. Just a moment; let me answer the question entirely. They are liable to service anywhere the Commander in Chief, the President, chooses to send them.

Mr. WALSH of Montana. But the Commander in Chief never has chosen to send them out of the Philippines?

Mr. WADSWORTH. It so happened that he did not send them to France.

Mr. WALSH of Montana. He did not send them anywhere?

Mr. WADSWORTH. No.

Mr. WALSH of Montana. At any time?

Mr. WADSWORTH. No.

Mr. WALSH of Montana. The original purpose, then, has been consistently adhered to, to keep them as a defensive force in the Philippines?

Mr. WADSWORTH. That is true. Some troops were kept in some places, and some were sent to other places.

Mr. WALSH of Montana. So that, in view of that fact, one enlisting in the Philippine Scouts might reasonably expect that he would remain in the Philippines?

Mr. WADSWORTH. No, sir; that is not true.

Mr. WALSH of Montana. I am speaking about the practice. Of course he could have been sent anywhere by the Commander in Chief.

Mr. WADSWORTH. The men enlisted, especially during the war, in the fond hope that they would be sent to France.

Mr. WALSH of Montana. Many of them indulged in that hope, I am sure.

Mr. WADSWORTH. And enlisted for that purpose.

Mr. WALSH of Montana. But the hope was not realized.

Mr. WADSWORTH. It was not.

Mr. WALSH of Montana. And they did not go.

Mr. WADSWORTH. Just as that hope was not realized by 2,000,000 American soldiers who stayed in America.

Mr. WALSH of Montana. Exactly; but if a man enlists in the Regular Army of this country, he can not indulge in any hope whatever that he is going to remain within continental United States.

Mr. WADSWORTH. He can indulge in any hope that he sees fit to indulge in.

Mr. WALSH of Montana. Oh, yes; but, I mean——

Mr. WADSWORTH. And some of them stayed in the United States, and they are to be benefited by the bill.

Mr. WALSH of Montana. Yes; but they were ordered into Mexico, were they not, in the punitive expedition, and in the Vera Cruz expedition?

Mr. WADSWORTH. Not during the World War.

Mr. WALSH of Montana. No, no; I understand; but they were sent out of the United States—that is, the regular soldiers enlisted in the United States?

Mr. WADSWORTH. Back in 1913; yes.

Mr. WALSH of Montana. Is it not a fact, then, that there is a distinction between the two—namely, that the Philippine Scouts might reasonably expect that they were going to be kept within the bounds of the Philippines for defensive purposes, while the regular soldiers enlisting in the United States might reasonably expect to be sent anywhere that the Commander in Chief saw fit to send them?

Mr. WADSWORTH. I think that is scarcely a fair comparison. Let me remind the Senator that the soldiers of the Coast Artillery of the Regular Army have no reason to expect that they will be sent outside of United States territory, and numbers of them were not, but they are beneficiaries under this bill.

Mr. LODGE and Mr. BROOKHART addressed the Chair.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from New York yield, and if so to whom?

Mr. WADSWORTH. I yield to the Senator from Massachusetts.

Mr. LODGE. Mr. President, I was chairman of the Committee on the Philippines when this body was organized, and I think I am right in saying that they have been a very valuable and brave and well-organized body of men, of great importance for the defense of the islands, ever since.

Mr. WADSWORTH. May I interrupt the Senator? They manned the Corregidor fortifications during this war.

Mr. LODGE. They were engaged in military duty during this war——

Mr. WADSWORTH. All the time.

Mr. LODGE. And, of course, they were ready to go; and many a brave man was kept at home because there was duty he had to do. The grief of his life was that he could not go; and I can see no possible reason for cutting out these men, who are members of the Army of the United States.

Mr. WADSWORTH. They are cut out for some reason.

Mr. BROOKHART and Mr. McCORMICK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield, and if so to whom?

Mr. WADSWORTH. I yield to the Senator from Iowa. I do not want my time to expire. My time is limited.

Mr. BROOKHART. I will not take more than a moment of the Senator's time.

The PRESIDING OFFICER. The Senator has three minutes left.

Mr. BROOKHART. There were 20 regular divisions organized during the war. Eight of them only went into the war. Twelve of those divisions—a division means 27,000 men—remained in service, just the same as the Philippine Scouts did, throughout the war. I was training the Nineteenth Regular Division in marksmanship myself up to within three days of the armistice, and I know.

Mr. McCORMICK and Mr. FESS addressed the Chair.

The PRESIDING OFFICER. Does the Senitor from New York yield, and to whom?

Mr. WADSWORTH. I yield to the Senator from Illinois.

Mr. McCORMICK. Mr. President, if I understood the discussion as I entered the Chamber, it is contemplated to add other forces than those which were included in the bill as reported.

Mr. WADSWORTH. The Philippine Scouts and the Porto Rican regiment of infantry.

Mr. McCORMICK. What is to be done about the Marine Corps who were in Haiti and San Domingo in action at that time?

Mr. WADSWORTH. The entire Marine Corps, wherever it served, is included in this bill.

SEVERAL SENATORS. How about the Coast Guard?

Mr. WADSWORTH. The Coast Guard is included wherever it served.

Mr. FESS. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Ohio.

Mr. FESS. Is not the theory of the bill to apply it only to citizens of the United States?

Mr. WADSWORTH. I do not know what the theory of this bill is. I have wondered for a long time.

Mr. FESS. Is it the practice, then, to pay a bonus or anything of this sort to one who is not a citizen of the country? All of our legislation in reference to Porto Rico and the Philippine Islands and Hawaii is under special acts, while legislation, such as Federal aid to the States, has always excluded the Philippine Islands, and also Porto Rico, and also Hawaii.

Mr. WADSWORTH. Mr. President, if the Senate believes that a technicality of that character should be raised against these soldiers of the United States, the Senate, of course, is the best judge of its own action.

Mr. FESS. I think that is the theory upon which they are excluded.

Mr. WADSWORTH. But these organizations for more than 20 years have been part of the Army of the United States, subject to service anywhere, willing and ready to go to the front. We sent the Porto Rican regiment to Panama to guard the canal during the war, and yet they are deliberately excluded.

Mr. LODGE. Mr. President, many of these men have lost their lives during the last 20 years in the service of the United States.

Mr. WADSWORTH. Yes; they died of disease during this last war.

Mr. EDGE. Mr. President, is it not true that many of the members of the Army who are included in this bill are aliens—that is, members of the Regular Army that was raised at the time?

Mr. WADSWORTH. My recollection is that an alien was not denied enlistment in the Army. He could not be drafted, but he was not denied the right to enlist voluntarily in the United States Army.

Mr. LODGE. He had that right.

Mr. WADSWORTH. We had several aliens in the Army, and they are included under the terms of this bill.

Mr. BROOKHART. Mr. President, at one time I had command of 2,000 aliens serving in the Army of the United States.

Mr. WADSWORTH. I offer that amendment, and will follow it with an appropriate amendment for the Porto Rican Regiment.

Mr. NORRIS. Mr. President, I can not myself conceive how any fair-minded man can vote against the amendment offered by the Senator from New York. Personally I have no knowledge on this subject except what has been stated in debate, because, like some other Senators, I have been compelled to be in attendance upon committees and have to get my information here upon the floor after 12 o'clock; but, Mr. President, I do not care whether these men were citizens or aliens. If they served the same as citizens, they ought to have the same rights as citizens. If we are going to adjust the compensation of one soldier or give him a pension, and exclude another one who was in the same service and subject to the same commands merely because he is not a citizen of the United States, then we are doing something that can not be defended upon any ground of justice.

If this bill is framed for the purpose of excluding part of the soldiers on a technical ground like that, it ought before it is passed to be put in such shape that no such exclusion will take place. To my mind, it is utterly unreasonable to say that because these men are not citizens of the United States, or because they remained in the Philippine Islands and were not sent to France, therefore they should be excluded.

We had to have soldiers in the Philippine Islands. It was necessary to have soldiers there during the war. It was necessary to have soldiers at a great many places where they did not come in contact with the enemy, because no man knew or could foresee what the contingencies might be, or how soon they might be called upon to fight where they were located.

I can not myself see a single, solitary reason why these men are excluded from the benefits of this bill. If a Filipino has served the same as an American citizen, and performed the same patriotic duty, he ought to get the same pay; he ought to have the same pension; he ought to have the same treatment in every detail that every other soldier is given. If we exclude them, then, to be reasonable, we should exclude the American soldiers who did not go to France; and, as has been said, it was not their fault that they did not go. Most of them were anxious to go. It was not the Filipino's fault or the Porto Rican's fault that they were not sent over. Some of these Porto Ricans, I understand, lost their lives in service down at the Panama Canal. The enemy was not down at the Panama Canal, but it does not require an expert in war matters to understand that it was necessary during the war to maintain soldiers at the Panama Canal; and any commanding officer who had neglected to do that would have been severely criticized and censured, and justly so, for a neglect of duty.

Mr. STANLEY. Mr. President——

Mr. NORRIS. I yield to the Senator from Kentucky.

Mr. STANLEY. The able Senator from Nebraska has overlooked a very practical consideration. On the question of principle there is no debate. On the question of expediency there is a very, very serious question. We want to practice all the economies we can. These fellows, a great majority of them, have no vote. If they do not get any bonus, they can not make any kick.

Mr. NORRIS. Mr. President, I can hardly conceive that any Member of this body is going to vote to exclude these men because they are not voters. I do not believe that any one would do that, and I do not charge such a thing. There must have been some other reason for it.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Kansas?

Mr. NORRIS. In just a moment. Those of us who believe in this kind of legislation, however others may think, are not moved by the fact that some of these men have votes. We are in favor of it because of a principle that we think is involved. However erroneous we may be in our judgment, we believe we are right; and that principle will never permit us to do one thing for one soldier and deny the same privilege to another.

I now yield to the Senator from Kansas.

York yield to the Senator from Montana?

Mr. WADSWORTH. I yield.

the chair). Does the Senator from New York yield, and if so to whom?

members of the Army who are included in this bill are aliens—that is, members of the Regular Army that was raised at the time?

to another.

I now yield to the Senator from Kansas.

Mr. CURTIS. Mr. President, I stated a moment ago that the question of the service of these men had not been brought to the attention of the committee by anyone representing them, or by the department, and therefore the committee had not given that question consideration. So far as I am concerned, in charge of the bill, I am willing to accept the amendment so far as I can.

Mr. NORRIS. I would not have said anything had it not been for a remark the Senator made a while ago, that it should go to conference. I do not want this matter to go in as a matter of form only. I want it to go in because we believe in it, and because we want it to stay, and I would expect the conferees to insist that it stay in. In my judgment, the House conferees will concede it at once.

Mr. CURTIS. I merely made that statement so that those who have not information about it would understand that it should go to conference and be considered by the conferees. I had no idea of saying that it would go in merely as a matter of form. If I should be one of the conferees, I should obey the instructions of the Senate.

Mr. NORRIS. I do not want the Senator from Kansas to understand that I have intimated that he would neglect his duty, but that remark would have been in the RECORD uncontradicted, and other conferees might have assumed that the Senate put that in merely as a matter of form, expecting it to go out in conference. As far as I am concerned, I would be in favor of sending the bill back to conference if it came back with this stricken out, unless some good reason could be given, which I can not conceive as possible.

Mr. KING. Mr. President, under the order entered limiting discussion upon the bill to 5 minutes and debate upon any amendment to 10 minutes, I shall be unable to enter upon a discussion of the bill or give my views in regard to its provisions or state my attitude generally upon the question of bonus or adjusted compensation. I have not shared the views of Senators who have advocated this measure as well as other bonus bills which have been brought before the Senate for consideration.

I have no criticism of the position taken by the supporters of bonus legislation, but I have felt and still feel that the reasons advanced are not sufficient to call for the large appropriations which any bonus bill will require.

In my opinion economic conditions pronounce legislation of this character not only unsound but unsafe. The Government is owing approximately $22,000,000,000 and the indebtedness of the States and their political subdivisions approximates $10,000,000,000. Corporate and private indebtedness added to these enormous sums bring the indebtedness of the people of the United States, including, of course, the Government and the States, to approximately $120,000,000,000. The interest upon the obligations of the National and State governments approximates $1,500,000,000 annually.

Notwithstanding the professions of economy of the party in power, the appropriations for the next fiscal year by the Federal Government will be between four and five billion dollars, and the expenses of the States and their political subdivisions will be substantially $5,000,000,000.

The total tax bill—State and Federal—in 1913 amounted to but $2,194,000,000. In 1919 the appropriations of the Federal, State, and municipal governments exceeded $8,000,000,000.

Unfortunately, the spirit of retrenchment and reform has not taken possession of the local governments or of the National Government, and throughout our country the appropriations by States and counties and municipal subdivisions are increasing, and the Federal Government refuses to return to the ways of economy. Colossal debts press heavily upon the people, and throughout the land the cries of distress, arising from the burdens of taxation, daily assail ears of public officials. But the cries are in vain, and appeals for relief are denied consideration. Political parties loudly proclaim fidelity to policies of reform and to comprehensive measures for the relief of the overburdened people, but platform pledges and party pronunciamentos are treated with derision and contempt. Congress is passing measures that will consume the enormous revenue collected from the people and create for the next fiscal year a deficit of hundreds of millions of dollars.

The mounting burdens of taxation are not only the contributing but, indeed, it may be said the proximate causes of many of the economic evils from which our country is suffering. In many sections of the country, particularly the agricultural sections, the tax burdens are so heavy that the people are unable to meet them. There is not only unrest, but there is despair in many parts of the land. Instead of there being billions of dollars annually for investment, for the construction of railroads and factories and plants, the amounts available for these important purposes are dwindling, thus arresting the industrial progress and development of the Nation. Exorbitant taxes prevent saving, and without savings there can be no investment. And when there is no capital for investment, atrophy comes to the industrial and economic life of the State.

There should be an insistent demand from the people for economy in every department of the Government. Instead of increasing the burdens there should be drastic reductions in taxation. Every dollar spent by the Federal Government and every obligation incurred is a direct lien upon all the people. It is folly to say that any revenue system can be so adjusted as to place the burden solely upon the rich. Direct and indirect taxes will fall upon all the people.

Those who are supporting bonus legislation must know that no plan has been projected to meet payments to be made to ex-service men that will not rest upon all the people of the land. It is easy to say that the profiteers will pay the billions to be distributed to ex-service men. The facts are that whatever sums may be appropriated for adjusted compensation will rest like an overhanging weight upon every home throughout the land. The four or five billions of dollars called for by the pending measure will, in part, be paid by the ex-service men themselves. Their fathers and mothers, their relatives and friends, they and their families will be called upon to meet the demands that the bill before us calls for. The nearly $5,000,000,000 which will be distributed at the end of 20 years will not be paid by a few individuals or corporations, but all of the people of the United States will have tribute laid upon them to discharge this colossal sum. This bill will increase the burden of taxation and be an obstacle to prosperity and to the economic and industrial development of our country. In my opinion the little gain derived by the ex-service men will be lost by the inevitable consequences attending the passage of this bill.

But, Mr. President, any effort to defeat its passage is futile. I predict that those who are so zealous in its advocacy, whether Legion men or Senators, will sooner or later learn that they have made a most serious mistake; that there has been no advantage to the ex-service men and no political benefit to the protagonists of the bonus cause. Those who are unable to support this legislation are not prompted by any selfish motives or a disregard of the fine and heroic service rendered by the soldiers and sailors who formed the mighty armies of this great Republic. Those who met the foes of our country upon sea and upon the battle fields of Europe will forever live in the hearts of the American people, and those who entered the military and naval service of our country in its hour of peril will be the recipients of the gratitude of the American people in this and in succeeding generations.

I repeat many who are unable to support probonus legislation believe that such legislation will prove of no advantage to the ex-service men and may not find support upon ethical or moral or sentimental ground. It has been urged during this debate that the philosophy of this bill is that those Americans who did not enter the military and naval service of the Government obtained large wages and made large profits and that those who did enter the Army and the Navy have been denied such opportunities and should have their compensation adjusted—that is, increased.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Colorado?

Mr. KING. I regret that in the limited time I can not yield. Mr. President, it appears that a large part of those who entered the military service of our country were agriculturists and many had not engaged in any business activity. Many thousands were in the Regular Army and were enlisted in the Navy, and therefore were not free to engage in private enterprises. In other words, by their enlistment they were denied the opportunity to follow their professions or occupations and could not therefore derive profits such as persons not in the military service of the Government might obtain from their labor and business activities. The claim is made, however, that all ex-service men would have made profits, or obtained high wages, if they had remained at home. Of course, this position is untenable. As a matter of fact, available data demonstrate that even those who obtained high wages were at the close of the war no better off financially than they were when hostilities commenced. The increases in prices, the great inflation which occurred, deflated their profits and materially reduced the value, measured by commodity prices, of their earnings.

But assume, Mr. President, that the theory of adjusted compensation is to be the basis of legislation for the ex-service men, then I submit that a rational and a just policy demands a different measure from that under consideration. If the ex-service men are to receive compensation for their services to their country, if that which they did receive from the Government is to be supplemented by contributions from the Federal Treasury in order that they may be put upon the same level as those individuals who were engaged in private activity during the war, then any bill that is passed should contain provisions to ascertain just what each ex-service man would have received had he not entered the military service of the Government and what his profits during the period of such service would have been.

It is certain that many ex-service men would have remained in school or continued in employment which would have given them no great increase in wages, or certainly no profits. Others left important positions where they were receiving high wages, or they were engaged in business from which they were deriving annual incomes many times greater than the amounts paid them by the Government.

But if adjusted compensation is the desideratum, then the theory of this bill is unsound and its results will not be just. But the fact is that the average earning in the factories during 1917 and 1918 were less than $1,150, and the average wages in all the mining industries of the United States during the entire period of the war ranged between $1,000 and $1,280 per year.

The PRESIDING OFFICER. The time of the Senator from Utah, on the amendment, has expired.

Mr. KING. Mr. President, I will address myself to the bill. There has been much loose talk in regard to the enormous wages paid to the employees of the railroads, particularly under the administration of Mr. McAdoo. The fact is that the wages paid such employees have been increased twice since Mr. McAdoo's retirement from the control as Director General of the Railroads. When railroad wages were at the highest level during the war, they averaged less than $1,285 per annum. The wages of the farmers and those engaged in agriculture, as everybody knows, were much lower than the figures which I have just given. And I think the statement can not be challenged that following the period of deflation after the war, the farmers of the United States were less prosperous and had less property, measured by the dollar standard, than immediately prior to the war.

In determining adjusted compensation many factors are to be taken into consideration, and I feel sure that a proper appraisal of the condition of the American people after the war, and particularly in 1920 and 1921, will reveal that there had been no general gain by the great mass of the people, and that the high prices of labor during and immediately following the war brought no material advantage or tangible accretions to the workers and to the overwhelming majority of the business interests of our country. Of course, there were some profiteers whose conduct was reprehensible. There were many whose war profits were fictitious, resting oftentimes upon paper values.

However, I am not defending, but, upon the contrary, I condemn all who did profit at the expense of their country. But I am calling attention to these matters for the purpose of showing that the theory of adjusted compensation is one of the most difficult to sustain, or at least to apply, and that if it is applied, this bill, which pretends to provide adjusted compensation for ex-service men, is deceptive, not to say fraudulent. Certainly it is inequitable; it does not deal fairly with the ex-service men; it utterly fails to consider the factors involved in the equation and which must be considered in awarding to the ex-service men the advantages and benefits which would come to each respectively. If the ex-service men are to be compensated, then their conditions prior to the war, the tangible losses which they sustained, the certain and direct benefits which they were deprived of and which they would have enjoyed had they remained at home, must be taken into account. However, I have not time to pursue this subject.

Reference has been made to the cost to the Government under the terms of this bill. Mr. President, in my opinion the figures submitted are not only inaccurate but are misleading. Mr. Joseph S. McCoy, actuary of the Treasury, using the incomplete and, as I believe, wholly inaccurate figures as to the number of "man-days" of the ex-service men as the basis of his computations, estimated the cost as $3,631,047,691. These figures do not include the cost of administration for the 20 years of the life of the bill. If we may judge by the experiences of the various bureaus of the Government, it is certain that the cost of administration will be between ten and twenty millions of dollars annually.

From computations which I have made and from information obtained from the War and Navy Departments, it is my opinion that the cost to the Government will be at least $5,000,000,000. The expenditures for the personnel pay of the Army for the fiscal years 1917, 1918, 1919, and 1920 amounted to $2,671,145,683, of which sum $273,635,844 was paid in the fiscal year 1920, so that the expenditures for the fiscal years 1917, 1918, and 1919, in round numbers, amounted to $2,400,000,000.

The appropriations made specifically for the pay of enlisted men for the fiscal years 1917, 1918, and 1919 are as follows: Army appropriations for the fiscal year 1917, $51,027,315; for the fiscal year 1918, $638,375,227; for the fiscal year 1919, $1,131,655,599; total, $1,821,058,141. The expenditures for pay of enlisted men serving in the Navy for the fiscal year 1917 were $34,830,430.76; for the fiscal year 1918, $135,058,341.67; for the fiscal year 1919, $247,595,722.09, making a total of $417,484,494.52.

The expenditures for the pay of the enlisted men of the Marine Corps for the fiscal years 1917, 1918, and 1919 amounted to $48,931,613.06.

The total of these appropriations amounts to $2,287,481,248.58.

Eliminating the personal pay of enlisted men for all branches of the service for the fiscal year 1917, which ended June 30 of that year, amounting to $89,756,366, we will still have for the fiscal years 1918 and 1919 total pay for enlisted men for all branches of the service approximately $2,200,000,000. This does not include the bonus credit of $1 a day for service in the United States and $1.25 for overseas service, which the bill accords to captains, lieutenants, and second lieutenants in the Army and the Marine Corps and to the various officers in the Navy, nor does it include bonus credits to various other classes of persons temporarily assigned to the military or naval service and who are allowed the benefits of the bonus under the terms of this bill. A conservative estimate of the amount to be added to the $2,200,000,000, above referred to, for the various classes just enumerated, will amount to at least $300,000,000. Upon the cash base of $2,200,000,000, the face value of the insurance certificates, at $496.62 per thousand, will be $4,428,000,000. Add to this sum the cash base to be allowed for the other classes above referred to and it is apparent that the face value of the insurance certificates to be issued under this bill, at the rate just stated, will approximate $5,000,000,000.

It would be the part of wisdom if all the facts in regard to this measure were submitted to the people. When the ex-service men and the people of the United States become familiar with this bill, and when they realize the burdens which it places upon them and upon the ex-service men themselves, there will be, in my opinion, a revolt against it, which will increase in volume until those who have procured its passage will be filled with regret, if not dismay. And, Mr. President, the ex-service men, when they learn that no provision is made for a cash bonus, and that any material benefits to be derived from this bill are to be postponed for 20 years, will experience not alone disappointment but bitter resentment.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. TRAMMELL. Mr. President, is the pending amendment the amendment offered by the Senator from New York?

The PRESIDING OFFICER. It is.

Mr. TRAMMELL. I will take 10 minutes on that amendment. Since the signing of the armistice on November 11, 1918, I have been firmly convinced that the American people owed to the soldiers who served them in the greatest conflict of all the wars of history not only a debt of gratitude as expressed in the sentiments in their hearts but that the American people, acting through its Congress, should give them recognition in the way of adjusted compensation. It is well known throughout the land that the very flower of the young manhood of this country responded with patriotism and loyalty to the call of their country; that they went forth and defended their country with honor, with integrity, with courage, and with bravery.

It is well known also to all who have given any thought or consideration to the question that the American soldier received much less for his hazardous occupation, if we may call it that, than those who were left at home to serve in private employment. The soldier received his pittance of $1 a day for service in the homeland and $1.25 a day for foreign service. After deducting the expense of insurance and other allowances a very large majority of the soldiers had only a few dollars a month left in the way of compensation.

We should be fair with the soldier. We should try to adjust any sacrifices that were brought upon him by his Government

and his country. We should do this even though we had no other precedent upon which to base such policy than that of right and justice.

We must remember, however, that the smoke of battle had scarcely cleared away before Congress began to make adjustments with all other kinds of interest on account of financial losses or sacrifices that were made during the war. We have made adjustments of that character running into the millions and into the billions of dollars.

When the Government took over the railroads of the country they did not draft the railroads with the understanding that they should receive only the earnings which they had made previous to the war, but they made a guaranty to the railroads of a certain income on the basis of their earnings during the three years immediately preceding the war. Then, when the Government was ready to turn the railroads back to the private owners, it guaranteed a fixed income for a period of six months. That ran into the millions and millions of dollars. In different committees on which I have served ever since the war claims have arisen on account of losses that were alleged to have been experienced or suffered during the war.

Congress has tried to adjust those losses, tried to be fair with all other interests, and yet when it comes to the question of dealing with the soldier, it seems that every possible character of plan has been adopted to try to avoid giving him a reasonable adjusted compensation for his services.

Talking about the finances of the country, some say it would not be the patriotic thing to do to pay an adjusted compensation, but would be a reflection upon the patriotism of the soldier, and are begging the question in different ways. We have before us now a bill that proposes to give the veteran an insurance policy. The bill in my opinion is going to be very disappointing to at least 90 per cent of our ex-service men. Of course, some of their officers have wired here urging that the bill be supported as a matter of expediency; but when the soldier ascertains the real provisions of the bill and learns what he will receive under the guise of the so-called adjusted compensation to him, he is going to be disappointed. In my opinion many of them will say that they would have much preferred that Congress, if it was necessary to do so, should have allowed the subject to pass over until another session of Congress and then try to adjust the matter as it should be and give them proper compensation.

I think they should have the privilege of a cash option as well as the insurance feature. I do not think that Congress should merely give them an insurance policy and deprive them of the privilege of taking a cash option such as was embraced in previous measures before the Senate, one of which passed both Houses of Congress and was vetoed by the President. I am going to support the cash option feature because I think the soldiers want it, and I know they deserve it. In doing so I am acting as a friend of the soldier. I have endeavored ever since the armistice, so far as my vote and my influence were concerned, to bring about legislation which would give to the soldier a fair and reasonable adjusted compensation. If we only give him an insurance policy as contemplated by the pending bill, in my opinion we have not treated him fairly and we have not treated him justly. We should adopt the cash payment provision.

It has been claimed by members of the committee that to have adopted the policy of a cash option would not have involved the Government in any greater expense; that in fact it would have involved the Government in less expense. I know that many who are supporting the insurance idea are going to claim that it is a question of saving taxes, but the facts do not support their contention. The facts and the figures cited by members of the committee reporting the bill are to the effect that if we had adopted a cash-option plan, together with the insurance feature, allowing a choice as the soldier might prefer, that in the course of time it would entail much less expense upon the Government than the adoption of the insurance feature alone. So why should not Congress try to adopt a plan which would have met the wishes and the desires of the soldiers and at the same time would have conserved to an extent the finances of the country, and would have prevented taxation from being so large and extensive as it will be under the insurance plan alone? I do not see where there is anything to be gained by excluding the cash-option plan from the bill. Such policy would cost the Government no more than the insurance plan, and it would not necessitate any greater tax burden.

The PRESIDING OFFICER. The time of the Senator from Florida has expired. The question is on the amendment offered by the Senator from New York [Mr. WADSWORTH].

The amendment was agreed to.

Mr. WADSWORTH. I move to amend on page 4, in lines 8 and 9, by striking out the words "member of the Porto Rico Regiment of Infantry."

The amendment was agreed to.

Mr. WADSWORTH. In order to make certain that the definition of "overseas service" shall be clear with respect to the service of the members of the Porto Rico Regiment of Infantry, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be reported.

The READING CLERK. On page 2, after line 13, insert the following proviso:

Provided, That in the case of a member of the Porto Rico Regiment of Infantry service in the Panama Canal Zone shall be considered as oversens service.

The amendment was agreed to.

Mr. CURTIS. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Kansas offers an amendment, which the Secretary will report.

The READING CLERK. On page 27, line 4, after the period, insert a new sentence, to read as follows:

For the administration of the provisions of this act the President may except from the operation of subdivision (c) of section 24 of the national defense act as amended, or of any act amendatory thereof, or supplemental thereto, not more than seven officers of the Army.

Mr. WADSWORTH. Will the Senator from Kansas explain the purpose of the amendment?

Mr. CURTIS. It is only for this purpose: There are a few officers in the Judge Advocate General's office who have had the handling of this matter and their term for the performance of duty away from their troops has about expired. If they are sent back to their troops now, new men would have to be put on the work, while if the amendment is agreed to the men who have handled the papers and made out the reports will continue with the work. I do not care anything about it as far as I am personally concerned, but it is a suggestion of the department that these men, who are experienced with the work, could do it more quickly than new men, and therefore I have offered the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

The amendment was agreed to.

Mr. BROOKHART. Mr. President, on April 21 I offered an amendment which was ordered to be printed and to lie on the table. I now present that amendment.

The PRESIDING OFFICER. The Senator from Iowa has offered an amendment which will be reported.

The READING CLERK. On page 13, strike out line 9 and down through line 24 on page 18, and insert in lieu thereof the following:

SEC. 502. (a) The director is authorized, after the expiration of two years after the date of the certificate, to loan, for not more than the remainder of the 20-year endowment period and at a rate of interest not in excess of 4½ per cent per annum, to any veteran, upon his promissory note secured by his adjusted-service certificate (with or without the consent of the beneficiary thereof), any amount not in excess of the loan basis (as defined in subdivision (g) of this section) of the certificate. A loan may be made to a veteran upon his adjusted-service certificate only in accordance with the provisions of this title.

(b) The Postmaster General is hereby authorized and directed to instruct postmasters of the first, second, and third classes to take applications of veterans for Government loans.

(c) Applications for Government loans may be made at any post office of a first, second, or third class. Such loans, secured by the adjusted-service certificate, shall be made by the director, under rules and regulations to be prescribed by him. The director shall supply postmasters of the first, second, and third classes with blanks upon which veterans may make applications for Government loans. Such applications shall be in the form prescribed by the director and have attached thereto a form of promissory note to be executed by the veteran, and a receipt to be delivered to the veteran, which shall be signed by the postmaster receiving the application, and which shall acknowledge the receipt of the note and the certificate, and contain a description of each. The postmaster shall thereupon transmit to the director the application, note, and certificate. Upon the approval of the loan by the director, he shall transmit to the veteran a check

for the amount of the loan. The director shall make such loans out of any moneys in the adjusted-service certificate fund created by section 505 of this act.

(d) If the veteran fails to pay the principal and interest of the loan upon its maturity, the director shall cancel the note, and shall restore the certificate to the veteran at any time prior to its maturity, upon receipt from him of an amount equal to the sum of (1) the amount of the unpaid principal and the unpaid interest on such loan to the date of maturity, plus (2) interest on such amounts from the date of maturity to the date of such receipt, at the rate of 4½ per cent per annum, compounded annually.

(e) If the veteran fails to redeem his certificate before its maturity, or before the death of the veteran, the director shall deduct from the face value of the certificate (as determined in section 501) an amount equal to the sum of (1) the amount of the unpaid principal and the unpaid interest on the loan to the date of its maturity, plus (2) interest on such amounts from the date of the maturity of the loan to the date of maturity of the certificate or of the death of the veteran, at the rate of 4½ per cent per annum, compounded annually, and shall pay the remainder in accordance with the provisions of section 501.

(f) If the veteran dies before the maturity of the loan, the director shall cancel the note in respect thereof, and shall deduct from the face value of the certificate the amount of the loan and interest thereon at 4½ per cent per annum to the date of the death of the veteran, and shall pay the remainder in accordance with the provisions of section 501.

(g) The loan basis of any certificate at any time shall, for the purpose of this section, be an amount which is not in excess of either (1) 90 per cent of the reserve value of the certificate on the last day of the current certificate year, or (2) 60 per cent of the face value of the certificate. The reserve value of a certificate on the last day of any certificate year shall be the full reserve required on such certificate, based on an annual level net premium for 20 years and calculated in accordance with the American Experience Table of Mortality and interest at 4 per cent per annum, compounded annually.

Page 20, line 11, strike out "to banks."

Mr. WALSH of Massachusetts. Mr. President, I would like to ask the Senator from Iowa if his amendment would give a beneficiary under the bill an opportunity to borrow any more money than the provisions of the reported bill would give?

Mr. BROOKHART. I think it is the same amount of money that is provided for under the bill.

Mr. WALSH of Massachusetts. It does not offer the opportunity to borrow more money?

Mr. BROOKHART. I think it might well be amended to include an opportunity to borrow more money. I am a little conservative, however, and adopted the amount provided in the bill, so as to avoid as many controversial propositions as possible. This bill provides, as the Senator knows, that he may borrow 90 per cent of the reserve value or 60 per cent of the face value.

Mr. WALSH of Massachusetts. What are the advantages in the Senator's proposed amendment over the bill as it was reported by the committee?

Mr. BROOKHART. The advantages are that under my amendment the Veterans' Bureau will make loans at 4½ per cent. That is a margin of one-fourth of 1 per cent over what is allowed under the law in order to take care of the administration expenses.

Another advantage is that it can be handled through the post offices, so there would be a service for every veteran at his own home town to take care of the loan proposition. I think a similar amendment was adopted by the Senate in the McCumber bill substantially in the form in which I have offered it here. I think it is quite an important item.

Under the provisions of the bill itself the Veterans' Bureau really underwrites all of the certificates and becomes responsible for all of them indirectly in case of default, so there is no greater liability put on the Veterans' Bureau than there is under the provisions of the bill itself. But my amendment would provide a direct service at a lower rate of interest to the veteran, and it is convenient in every way and will not put any great burden upon the Post Office Department to handle the loans. I think it is very important. I do not think it will interfere with the decree of any of the Senators who say the bill shall be vetoed under certain conditions and shall not be passed over the veto. I think there is no change such as to warrant that stand by any Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa.

Mr. BROOKHART. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). Making the same announcement as before regarding my pair with the senior Senator from Indiana [Mr. WATSON], I vote "nay."

Mr. SIMMONS (when his name was called). I have a general pair with the Senator from Oklahoma [Mr. HARRELD], which I transfer to the Senator from Missouri [Mr. REED] and vote "yea."

The roll call was concluded.

Mr. BAYARD. Making the same announcement as to my pair as on the preceding vote, I vote "nay."

The result was announced—yeas 35, nays 43, as follows:

YEAS—35

Adams	Frazier	Mayfield	Simmons
Ashurst	Harris	Neely	Smith
Borah	Harrison	Norbeck	Stanley
Brookhart	Heflin	Norris	Stephens
Caraway	Howell	Owen	Trammell
Copeland	Johnson, Minn.	Pittman	Underwood
Dill	Jones, Wash.	Robinson	Walsh, Mont.
Ferris	Ladd	Sheppard	Wheeler
Fletcher	McKellar	Shipstead	

NAYS—43

Ball	Dial	Kendrick	Ralston
Bayard	Edge	Keyes	Shortridge
Brandegee	Edwards	King	Smoot
Broussard	Elkins	Lodge	Spencer
Bruce	Ernst	McCormick	Stanfield
Burnum	Fernald	McKinley	Sterling
Cameron	Fess	McLean	Wadsworth
Capper	Gerry	McNary	Walsh, Mass.
Colt	Glass	Oddie	Warren
Curtis	Gooding	Pepper	Willis
Dale	Hale	Phipps	

NOT VOTING—18

Cousens	Johnson, Calif.	Overman	Swanson
Cummins	Jones, N. Mex.	Ransdell	Watson
George	La Follette	Reed, Mo.	Weller
Greene	Lenroot	Reed, Pa.	
Harreld	Moses	Shields	

So Mr. BROOKHART's amendment was rejected.

Mr. HARRISON. I desire to offer an amendment. On page 16, line 5, I move to strike out the words "compounded annually," leaving the interest rate at 6 per cent per annum when the soldier borrows on his certificate.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Mississippi.

Mr. HARRISON. I ask for the yeas and nays on the amendment.

Mr. SMOOT. Mr. President, I merely wish to take a moment in order to explain to Senators what the amendment proposed by the Senator from Mississippi means.

Mr. ROBINSON. What is the amendment which has been proposed by the Senator from Mississippi, Mr. President?

Mr. SMOOT. The Senator from Mississippi, as I understand, offers an amendment on page 16, in lines 14 and 15, to strike out the words "compounded annually."

Mr. HARRISON. No; I did not offer that amendment. The amendment I offered is on line 5, page 16.

Mr. SMOOT. But if the Senator's amendment shall prevail, then some other Senator will offer the other amendment.

Mr. HARRISON. The Senator from Utah has a copy of the bill, which is different from the one which we are considering.

Mr. SMOOT. The principle is the same as to both items in the bill.

Mr. President, if the words "compounded annually" shall be stricken out it will mean that the rate of interest shall only be charged for the one year; that the next year there shall be no interest on the defaulted payment, and that the next year there shall be none, and so on. Of course, under those circumstances it would be to the advantage of the soldier never to repay the money borrowed.

If those words shall be stricken out, when the 20-year period shall have expired there will not be sufficient money to pay the certificates on the rate of interest imposed under the bill. I could not say offhand how much would be involved, but it would amount to perhaps $750,000,000 should the soldiers avail themselves of the loaning privilege contained in the bill. Of course, it would be just that much more money which it would be necessary for Congress to appropriate and which would have to be raised at that time.

Mr. HARRISON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as before in regard to my pair and its transfer, I vote "nay."

Mr. FERNALD (when his name was called). Making the same announcement as before in relation to my pair, I vote "nay."

Mr. SIMMONS (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "yea."

The roll call having been concluded, the result was announced—yeas 42, nays 38, as follows:

YEAS—42

Adams	Gerry	Mayfield	Simmons
Ashurst	Glass	Neely	Smith
Brookhart	Harris	Norris	Stanley
Capper	Harrison	Overman	Stephens
Caraway	Heflin	Pittman	Trammell
Copeland	Johnson, Minn.	Ralston	Underwood
Dill	Jones, N. Mex.	Ransdell	Walsh, Mass.
Ferris	Kendrick	Robinson	Walsh, Mont.
Fletcher	King	Sheppard	Wheeler
Frazier	Ladd	Shields	
George	McKellar	Shipstead	

NAYS—38

Ball	Dale	Jones, Wash.	Shortridge
Bayard	Dial	Keyes	Smoot
Borah	Edge	Lodge	Spencer
Brandegee	Edwards	McCormick	Stanfield
Broussard	Elkins	McKinley	Sterling
Bruce	Fernald	McLean	Wadsworth
Bursum	Fess	McNary	Warren
Cameron	Gooding	Oddie	Willis
Colt	Hale	Pepper	
Curtis	Howell	Phipps	

NOT VOTING—16

Couzens	Harreld	Moses	Reed, Pa.
Cummins	Johnson, Calif.	Norbeck	Swanson
Ernst	La Follette	Owen	Watson
Greene	Lenroot	Reed, Mo.	Weller

So Mr. HARRISON's amendment was agreed to.

Mr. HOWELL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 8, line 8, following the word "credit," it is proposed to strike out the period and insert a comma in lieu thereof, and to add the following:

together with the facts of record in his department upon which such above conclusions are based.

Mr. HOWELL. Mr. President, the purpose of this amendment is to complete the machinery of the bill and make it clear. It places with the files in the director's office the necessary information.

Mr. CURTIS. Mr. President, in my judgment the matter is taken care of in another part of the bill; but, in case it is not, I have no objection to the amendment, so far as I am concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I have heretofore proposed some amendments to the bill. There are three amendments which relate to the same subject.

The bill puts a limitation upon the period of service ending with July 1, 1919. If any of the emergency men or other soldiers entitled to benefits under this bill remained in the service after July 1, 1919, they will derive no benefit from this bill for that service.

I know that there were a number of men in the service in the emergency Army who were anxious to get out of the service and return home from Europe. They were unable to do so, however; and, in fact, there was no general order for the discharge of these men until August 25, 1919. At that time this general order for demobilization was made, and there were a number of men in the service at that time who were unable to get a discharge from the service.

I have not heard anyone give any reason why the date July 1 was inserted in the bill, except that they did not want to extend the privileges of the bill to those who served after that date. I have here the order of the War Department, dated August 25, 1919. That was the time when the general demobilization was ordered. A great many of the soldiers remained in Europe because they could not get home.

On the 1st of July, 1919, there were still in the forces of the United States 725,000 soldiers. On the 1st of August there were 362,000. On the 1st of September there were 208,000. On the 1st of October there were 132,000. On the 1st of November there were 97,000. On the 1st of December there were 77,000. Then the Army got down to the point where they were seeking enlistments.

Senators perhaps will recall the fact that during the summer of 1919 they were calling for enlistments of soldiers to remain in the service, and a great many of them did request that they be permitted to remain in the service, but there were others who did not, who were trying to get out of the service; and I submit that no good reason can be given why we should deduct the period of service after July 1, 1919. I propose as another amendment a proviso that any soldier who requested to remain in the service shall not receive any benefit from the service after the 1st of July, 1919, or from the date when they indicated their willingness to remain in the service.

So the first three amendments which I propose relate to this one subject. The first and the third amendments propose to eliminate the date July 1, 1919, and the second amendment adds the proviso that any veteran who requested in writing permission to remain in the service after August 25, 1919, shall not be entitled to adjusted compensation for the days served by him after the date of such request.

The PRESIDING OFFICER. The Senator's time has expired on the bill.

Mr. JONES of New Mexico. I speak on the amendment.

The PRESIDING OFFICER. There is no amendment pending.

Mr. JONES of New Mexico. I offer this amendment.

The PRESIDING OFFICER. The Senator can offer an amendment, and then speak upon the amendment.

Mr. JONES of New Mexico. I now offer the amendment which provides that, on page 2, line 25, and page 3, line 1, the words "and before July 1, 1919," shall be stricken out.

The PRESIDING OFFICER. The Senator from New Mexico offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 2, line 25, and page 3, line 1, it is proposed to strike out "and before July 1, 1919."

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. WALSH of Massachusetts. Has the Senator from New Mexico, or any other Senator, figures showing how much increased cost to the Government this amendment will entail if adopted?

Mr. JONES of New Mexico. Nobody knows, I may say.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Kansas?

Mr. JONES of New Mexico. I do.

Mr. CURTIS. I asked the actuary of the Treasury Department to give me a statement on that subject, and he makes it $145,000,000.

Mr. JONES of New Mexico. One hundred and forty-five million dollars at what period?

Mr. CURTIS. For the men who served between July and October, which this amendment would cover.

Mr. JONES of New Mexico. Does that mean adjusted pay?

Mr. CURTIS. It would make a difference of $145,000,000.

Mr. JONES of New Mexico. In the adjusted-pay provision and not in the actual cost of the bill?

Mr. CURTIS. Yes.

Mr. JONES of New Mexico. Mr. President, I submit that the statement made by the Senator from Kansas shows the importance of the amendment which I propose. If it is just at all to give any compensation based on the period of service in the Army, then it should be extended to the entire period of service until after the general order of demobilization had gone out and after the men had an opportunity to get out of the Army. According to the statement of the Senator from Kansas, the bill as it stands would deprive these men of $145,000,000. I submit that the amendment is an important one and a just one. These men were kept in the Army after that date for service in Germany—a very important service—and they had no opportunity to get away; and I submit that there is no justification for establishing this arbitrary date, which has no relation in principle to the thing for which we are trying to compensate.

I hope this amendment will be agreed to. Amendment No. 1 proposes to strike out the date July 1, 1919, and that will be followed by amendment No. 2, adding a proviso to the effect that it shall not apply to those who indicated their willingness to remain in the service.

Mr. SMOOT. Mr. President, I trust the Senate will not agree to this amendment, not because it would take $145,000,000 to meet the requirements of the amendment but because the men involved, outside of a very few men indeed, wanted to remain in Germany, and never made any effort to get home until they were ordered home. They had American money; they lived in Germany like kings; they were not involved in war in any way, shape, or form, and there was no chance of a war.

I received a good many letters from our soldiers in Germany telling how they were living. The ordinary soldier

would take the $30 a month which he received, and he could live there in fine style, and he wanted to live there, because he was considered a person of affluence. He could get anything he wanted. He lived on the fat of the land, and he ran no chance whatever. Yet now it is asked that those men be included in the benefits of this bill.

Mr. JONES of New Mexico. Will the Senator reveal the source of his information that these men desired to remain in Germany?

Mr. SMOOT. Everybody knows it. That is true of the soldiers there, with the exception of some few. Perhaps the Senator knows of a very few who wanted to come home, and they held certain positions from which they could not be relieved at that time.

Mr. JONES of New Mexico. The Senator knows that the Army invited requests from those who desired to remain so that they might discharge those who did not want to remain, and that those who did that are excluded from the provisions of the bill. This reference to "everybody knows" I submit is not sufficient basis for legislation.

Mr. SMOOT. When they were invited, they did not make any response whatever, and I think everybody in the country who has any information in relation to the soldiers who remained there on the border in Germany knows that they did not want to come home. I have talked to many of them since they returned, and they have told we how they lived and how they hated to leave their posts there.

The armistice was signed on November 11, 1918, and we have included in the bill every soldier who was in the Army up to July 1, 1919; in other words, every one who was in the Army even seven months after there was any fighting at all is included. There has been so much care taken to cover every man who wanted to get out of the Army that the date has been fixed at July 1, 1919. No compensation bill has ever been presented to the Congress fixing a date further ahead than July 1, 1919.

I do not know whether the Senator proposes to offer the amendment which he discussed in the committee, but if he does I shall want to call attention to what it means. I refer to the amendment which would make this bill cover the men who served on the Mexican border. Does the Senator intend to offer that amendment?

Mr. JONES of New Mexico. If I have an opportunity, I hope to bring it up a little later.

Mr. SMOOT. Then I will not speak of that now, but I will address myself to it when it is offered.

Mr. SHORTRIDGE. Mr. President, I shall detain the Senate for but a few moments. In the Senate and elsewhere I have given reasons for the views I entertain concerning this proposed legislation. The hour has come for us to act.

Mr. President, something more remains to be done for the soldiers and sailors of this Republic before we shall have performed our full duty to those who planted its flag on the heights of victory and eternal glory.

To those who fought the good fight and contributed to the righteous victory and providentially returned unhurt in body and mind but who suffered and suffer in loss of time and opportunity we owe a duty which we should promptly and gladly perform, and this duty we intend to perform by the enactment of this bill into law.

In promptly and cheerfully performing that duty we honor ourselves no less than we recognize heroic and loyal service rendered.

Let me ask the Senate to pause for a moment to recall the Great War. The earth trembled beneath the tread of mighty armies. The Old World, which should have been wiser, for wisdom accompanies age, was in arms. Statesmanship, so called, diplomacy, secret and sinister, had failed. Above fertile fields red with brothers' blood, above fragrant meadows wet with women's tears, above ruined cottages and palaces, profaned temple and cathedral, above but within hearing of the carnage and agony of war angels hovered and cried:

Peace on earth; good will toward men.

But the roar of cannon, the shriek of shell, drowned those heavenly voices, and death smote the young and fair, the old and feeble. The fields of Europe were furrowed by war's hot plowshare. The very structure of civilization, erected by the toil and genius of centuries, trembled and tottered to its fall. At first the danger to us was remote. We stood aloof and maintained a strict neutrality. But the danger came nearer, and finally we were engulfed. We called upon the manhood of the Nation. They—these young men to reward whom this bill is designed—responded to their country's call. They came from city and village, from factory and farm, from mine and forest, from all ranks and conditions of life, from every State in the Union. We sent them forth with our blessing and our prayers.

Many of them crossed the ocean; they fought; God, how they fought; through dangers and darkness, with undaunted courage and unsurpassed devotion to duty, under great leaders they carried on; they knew no such word as retreat or failure; they welcomed death if death could contribute to victory; they carried on and on until the radiant morning of victory again blessed the undefeated flag of our country. They returned home to the land they had defended. We welcomed them with outstretched arms; we strewed flowers in their way to tread upon; reverently we thanked God that He had led them through the "valley and shadow of death" and brought them in safety home.

Mr. President, we can not pay the debt we owe—the debt of gratitude, the debt of honor, the debt a mighty Nation, saved by their valor, owes to its sons. But we can try to do so; we can in part discharge our obligation, and this we can do in manner contemplated by this bill without emptying our Treasury or impairing our credit.

Let us no longer hesitate; let us no longer delay; let us, as becomes a great and prosperous, a righteous and grateful Nation, recognize the incalculable service rendered to the Republic by its soldiers and sailors.

Mr. President, this is not a political bill; it is not a partisan measure. I am not speaking as a Republican; above all party distinctions and party faith I am standing here as an American and an American Senator. The boys of California, did they go as Republicans or as Democrats? The boys of Virginia, did they go as Democrats or Republicans? No, Mr. President, even as the mothers and the fathers, regardless of party, gave, so the boys, the young men, Americans all, patriots all, served their country as Americans; they returned as Americans; they stand as Americans, and this measure is designed to recognize and in part reward the glorious service rendered by them as Americans. Let us pass this bill as a great American measure, recognizing American valor, recognizing American heroism, and we shall have done our duty, and our country and history will applaud.

Mr. WALSH of Massachusetts. Mr. President, I regret very much not only to have to vote against the amendment offered by the Senator from New Mexico but to raise my voice against it.

We have gone very far in this bill. I have been a consistent and persistent advocate of the adjusted compensation principles. But I think the scope of this bill is too broad. I think we have included too many beneficiaries. I do not think this theory of adjusted compensation can be really applied to anybody but a private. If I had my way, I would take out of the bill all the officers and everybody else except the plain private soldier, who got only $30 a month.

Mr. President, a time had to be fixed to determine the period when this obligation of adjusted compensation should end. Of course, whatever time we fixed, it will work a discrimination against some persons in the service. If it were November or December, 1919, there still would be some people left out who perhaps ought to be included. There is no doubt but that many of the men in the service after July 1, 1919, are just as much entitled to adjusted compensation as those who left the service before July 1. But we had the same trouble in fixing the limit on the obligations of the Government under the disabled veterans' acts. A time had to be fixed in those acts in order to end our obligations, and so a time has to be fixed in this bill, and, of course, some persons must be left out.

I believe that July 1 is just and fair to all concerned. I think we ought to be very careful not to broaden the scope of the bill to such an extent as to put unreasonably excessive burdens upon the American people. There is a reasonable limit to which we can make drafts on the Treasury even for adjusting soldiers' compensation. I have believed from the first to the last that privates, and privates alone, should receive adjusted compensation, and that it should be confined to the actual period of real war service. Therefore I feel that the amendment offered by the Senator from New Mexico, while having some merit, would not absolutely free us from working some possible injustice, because there were men in the service even after the time named in his amendment. I think, all in all, that July 1 is just as fair a time as any day that could be named, and that we should not too lightly consider the proposition to add over $100,000,000 more.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico.

The amendment was rejected.

Mr. JONES of New Mexico. In view of the vote which has just been taken, I shall not offer the other amendment on the

same subject. However, I now send to the desk an amendment, which I ask may be stated.

The PRESIDING OFFICER. The Senator from New Mexico offers an amendment, which the Secretary will report.

The READING CLERK. On page 6, strike out lines 7 to 14, inclusive, and insert in lieu thereof the following:

(e) That for the purpose of section 201, in the case of members of the National Guard or of the National Guard Reserve called into service by a proclamation of the President, the time of service between the date of call into the service as specified in such proclamation or April 6, 1917, whichever be the later date, and August 5, 1917, both dates inclusive, shall be deemed to be active service in the military or naval service of the United States.

Mr. JONES of New Mexico. Mr. President, I am offering this amendment because of the date fixed for the beginning of the service recognized under the bill. The National Guard of the country—at any rate, certain units of the National Guard of the country—were called into service in April, 1917. They entered into the service of the Government. The only question is whether those men shall have the benefit of the time they served prior to the arbitrary date fixed in the bill. I submit that there can be no sound argument made against the amendment.

The bill as it reads now would take into consideration only the services rendered after July 3, 1917. These members of the National Guard were called into service before that time, and the amendment which I have offered would give them the benefit of that period of service. I know it may be said that the National Guard units were doing service, or perhaps some of them, on the Mexican border or somewhere else, but nevertheless they were called into the service and were brought into the service because of the conditions which existed at the very beginning of the World War and before we had an opportunity to enact legislation providing for the raising of the vast armies which we knew must subsequently be raised. I think the amendment is only a matter of justice to those members of the National Guard who were thus brought into the service of the Government.

Mr. SMOOT. The committee took this amendment into consideration and I think, with the exception of one or two members of the committee, the vote was unanimously against it. The amendment previously offered by the Senator from New Mexico would have advanced the date in order to take in some men who remained in the Army in Germany. The amendment which he now offers proposes to carry the date back so as to take in some men who were in the Army, called for the purpose of serving in patrolling the Mexican border. There was no thought and no intention, when they were called into the service and sent down to patrol the Mexican border in 1917, that they should receive a bonus for such service. So in my opinion the amendment offered by the Senator from New Mexico should be rejected.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. I yield.

Mr. BROOKHART. The Mexican border service was in 1916. The National Guard troops were called out in 1917 for the World War.

Mr. SMOOT. Oh, they never served in the World War. They never left the United States. They were not called for that purpose. They were patrolling along the Mexican border just the same as our regular soldiers who have been there, and also the National Guard who had been there years before.

Mr. BROOKHART. The One hundred and sixty-eighth Regiment of the Rainbow Division was called in about April, or somewhere along there, and served continuously throughout the war. Of course that division made one of the best records of the whole war.

Mr. SMOOT. They are provided for in the bill itself. That is simply a matter of the time between July 3, 1917, and August 3, 1917. Now, the Senator from New Mexico wants to go back to April 6, 1917, the day of the declaration of war.

Mr. BROOKHART. Will the service of those troops be counted under the provisions of the bill from April up to July, or does the time begin to count from July?

Mr. SMOOT. They are not counted in the bill itself, but the Senator's amendment proposes to count them in and allow them to come within the provisions of the bill.

Mr. BROOKHART. During that time they were in the service and participated just as energetically as any troops as at any time.

Mr. SMOOT. The Senator is certainly mistaken, or else the reports we have had from the War Department are wrong. That is all I can say about it. Neither the War Department nor any members of the Legion ever thought of including those men. There was no such request made. The first time we ever heard the idea was advanced was when the amendment was offered in the committee by the Senator from New Mexico.

Mr. BROOKHART. When the other amendment offered by the Senator from New Mexico was voted on I was absent from the Chamber; but I was mustered out with troops from Siberia, and I know they were held over there against their will. That was in October, 1919.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico.

The amendment was rejected.

Mr. JONES of New Mexico. I send to the desk another amendment, and ask that it be reported.

The PRESIDING OFFICER. The amendment will be read.

The READING CLERK. On page 20, line 18, after the word "Title IV," strike out down to and including the word "act," and the parenthesis in line 22, in the following words:

And if the United States has not made, or is not obligated to make, any payments to any person on account of his death (either as compensation under the war risk insurance act or as insurance under such act).

Mr. JONES of New Mexico. Mr. President, the amendment which I am offering now is quite an important one. The bill as reported to the Senate, in describing the circumstances under which the benefits of the endowment insurance policies may be paid, is restricted. We all know that a number of ex-service men took out life insurance during the war. About 350,000 of them are maintaining that life insurance. I am satisfied that Senators will be surprised to find that the bill provides that if they are getting any benefit under those life-insurance policies they are not to receive any benefits from this measure. The language of the section is as follows:

SEC. 601. (a) If the veteran has died before making application under section 302, or, if entitled to receive adjusted service pay, has died after making application but before he has received payment under Title IV, and if the United States has not made, or is not obligated to make, any payments to any person on account of his death (either as compensation under the war risk insurance act or as insurance under such act), then the amount of his adjusted service credit shall (as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before the expiration of nine months after the enactment of this act) be paid to his dependents.

That simply means that if he be getting any compensation under any other act, including the insurance act, the benefits of this bill shall not be paid to his dependents. It means that if it means anything, so I am proposing to strike out that limitation.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Ohio?

Mr. JONES of New Mexico. I yield.

Mr. FESS. I read that section to mean that in case a soldier who has no insurance should die before the act is passed his dependents would be the beneficiaries of the act because of the section. If the clause shall be stricken out, what provision will there be in the bill for the dependents of soldiers who have died without any insurance?

Mr. JONES of New Mexico. That is just the matter to which I refer. If there are dependents now getting any benefits under any existing law, they will not receive any under the provisions of this proposed act?

Mr. FESS. But if this provision be stricken out, then the dependents of those soldiers who made no provision for insurance will get no benefit.

Mr. SMOOT. They will get none at all. That is not what we wish to do.

Mr. JONES of New Mexico. I submit that we do not wish to deprive the dependents of ex-service men who have died and whose dependents are now getting the benefit of some insurance act for which the veteran has paid of any benefit which may accrue under this act. As the bill reads now benefit would be given to the dependents of a soldier who died and who did not take out insurance.

Mr. SMOOT. But if the provision which the Senator wishes to strike out should be stricken out, then the dependents of the veteran of whom the Senator just spoke would not be entitled to any insurance whatever. I entirely agree with the statement which the Senator has just made, but if his amendment shall be adopted the condition will be just the reverse.

Mr. JONES of New Mexico. I do not so read the language.

Mr. SMOOT. Then I do not understand it, I will say to the Senator from New Mexico.

Mr. JONES of New Mexico. Then, will the Senator explain to me what is intended by the provision as it now reads?

Mr. SMOOT. It is intended to take care of just such a case as that to which the Senator has referred. Unless those words within the brackets be retained the dependents would not come under the provisions of the bill. The language is inserted there for the purpose of taking care of that one class of persons.

Mr. CURTIS. In cases where the veteran has died?

Mr. SMOOT. In cases where the veteran has died, of course.

Mr. JONES of New Mexico. The Senator from Utah must be mistaken. Section 601 reads as follows:

If the veteran has died before making application under section 302—

That is, under this bill—

or, if entitled to receive adjusted service pay, has died after making application but before he has received payment under Title IV, and if the United States has not made, or is not obligated to make, any payments to any person on account of his death (either as compensation under the war risk insurance act or as insurance under such act), then the amount of his adjusted service credit shall be paid to his dependents.

Mr. SMOOT. Certainly; that is correct.

Mr. JONES of New Mexico. That is, if the Government has not made some other provision, and is not obligated to make any other as compensation under the war risk insurance act or as insurance under such act, then it shall be paid; but if the United States Government has made and is obligated to make payments to any person on account of the veteran's death, either as compensation under the war risk insurance act or as insurance under such act, then no payment can be made to his dependents. There is not any question about it. Why was the language referring to obligation or compensation under the insurance act inserted if it was not intended to be exclusive of those who had taken out such insurance?

Mr. FESS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Ohio?

Mr. JONES of New Mexico. I yield.

Mr. FESS. If this section shall be stricken out, what provision will there be in the bill for the dependents of those who die before the law shall take effect?

Mr. JONES of New Mexico. It will read in just this way:

If the veteran has died before making application under section 302, or, if entitled to receive adjusted service pay, has died after making application before he has received payment under Title IV, * * * then the amount of his adjusted service credit shall be paid to his dependents.

Mr. FESS. Now, strike that out and what happens?

Mr. SMOOT. If that be stricken out, what would be the result?

Mr. JONES of New Mexico. I am not proposing to strike out what I have read; that is what would remain if my amendment should be adopted.

Mr. SMOOT. I suggest that the Senator read it with the language stricken out. Then I think he will see it will not have the effect he imagines.

Mr. JONES of New Mexico. I have just read it with the language stricken out which I desire to strike out.

Mr. SMOOT. I mean the remainder of section 601. Let me ask the Senator the question that was asked by the Senator from Ohio: What would the Senator desire to do if a veteran who had died before the passage of this act was not carrying insurance or had not received any compensation in any shape?

Mr. JONES of New Mexico. I would favor paying his dependents, and I would also favor paying the dependents of the veteran who had insurance and who had received compensation under any other law of Congress.

The question of adjusted compensation should stand upon its own merits. We should not deprive any one of the ex-service men of any benefits of this insurance, because, perchance, he shall have taken advantage of some other act of the Congress, because he shall have taken advantage of the insurance provision or of any other compensating provision; but that is just what would be done by this section as it now reads. So I propose to strike out the limitation. If a man has carried insurance his dependents are getting the benefit of the insurance, they are getting the benefit of something for which he has paid. We are now seeking to adjust the compensation or make some recognition of their service in the Army, but by this language we would deliberately penalize those who took out insurance during the war. There can not be any question about it. I wonder if there is any Senator here who is willing to take the position that because a man has availed himself of the provisions for insurance for his dependents we should penalize him or penalize his dependents because he paid for something which his dependents are getting before he made application under this bill?

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. NORRIS. Mr. President, I should like to ask the Senator from New Mexico a question, and he can answer the question in my time. I am only seeking to secure information. As I understood the amendment read by the Secretary, it proposes to strike out commencing with line 15.

Mr. JONES of New Mexico. No, Mr. President; I changed the amendment.

Mr. NORRIS. Then, I did not understand the Senator's amendment.

Mr. JONES of New Mexico. On line 18, after the words "Title IV," I move to strike out down to and including the word "act," in line 22.

Mr. NORRIS. That makes it plain to me. I was laboring under a misapprehension.

Mr. JONES of New Mexico. The amendment as I originally proposed it was prepared before the committee inserted in italics the provision as to the time of payment, and so I changed it, but not to interfere with the committee amendment.

Mr. NORRIS. The question asked by the Senator from Ohio [Mr. FESS] it seemed to me implied, as I thought was the fact at the time, that the Senator was proposing to strike out that entire section.

Mr. JONES of New Mexico. Oh, no; not at all.

Mr. NORRIS. I get the Senator's idea and it seems to me it is perfectly plain now since I understand what his amendment is.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New Mexico. [Putting the question:] In the opinion of the Chair the ayes have it.

Mr. CURTIS. I ask for a division.

Mr. JONES of New Mexico. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as on the previous vote regarding my pair and its transfer, I vote "nay."

Mr. FERNALD (when his name was called). Making the same announcement as before with regard to my pair, I vote "nay."

Mr. SIMMONS (when his name was called). I make the same announcement as I have heretofore made with reference to my pair, and vote "yea."

The roll call having been concluded; the result was announced—yeas 41, nays 37, as follows:

YEAS—41

Adams	Frazier	McKellar	Smith
Ashurst	George	Mayfield	Stanley
Borah	Gerry	Neely	Stephens
Brookhart	Harris	Norris	Trammell
Broussard	Harrison	Overman	Underwood
Capper	Heflin	Pittman	Walsh, Mass.
Caraway	Johnson, Minn.	Ralston	Walsh, Mont.
Copeland	Jones, N. Mex.	Sheppard	Wheeler
Dill	Jones, Wash.	Shields	
Ferris	Kendrick	Shipstead	
Fletcher	Ladd	Simmons	

NAYS—37

Ball	Dial	King	Shortridge
Bayard	Edge	Lodge	Smoot
Brandegee	Edwards	McCormick	Spencer
Bruce	Elkins	McKinley	Standfield
Bursum	Ernst	McLean	Wadsworth
Cameron	Fernald	McNary	Warren
Colt	Fess	Norbeck	Willis
Cummins	Gooding	Oddie	
Curtis	Hale	Pepper	
Dale	Howell	Phipps	

NOT VOTING—18

Couzens	Keyes	Ransdell	Swanson
Glass	La Follette	Reed, Mo.	Watson
Greene	Lenroot	Reed, Pa.	Weller
Harreld	Moses	Robinson	
Johnson, Calif.	Owen	Sterling	

So the amendment of Mr. JONES of New Mexico was agreed to.

Mr. JONES of New Mexico. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

the reports we have had from the War Department are wrong.

Mr. JONES of New Mexico. I do not so read the language.

The READING CLERK. On page 21, line 16, after the words "Sec. 602," it is proposed to strike out down to and including line 19.

Mr. JONES of New Mexico. Mr. President, it seems to me this is one of the most unusual provisions that could possibly be included in a bill of this kind. The language proposed to be stricken out is as follows:

(a) No payment shall be made to any individual under this title unless at the time of the death of the veteran such individual depended upon him for support.

I ask you to reflect for a moment on that. Just think of it! Here is an endowment policy made payable to the dependent, to the wife or the child or the mother or some other relative, but the policy shall not be paid unless at the time of the death the beneficiary depended upon the veteran for support!

What kind of an endowment insurance policy is that? If the veteran is getting an endowment, and dies before its maturity, why should not the amount of the policy go to the estate? If this is adjusted compensation, why should it not belong to the veteran to dispose of as he sees fit, just the same as any other life insurance? Under this language, however, the beneficiary must be dependent upon the veteran for support at the time of the death.

Mr. CURTIS. Mr. President, I think the Senator from New Mexico does not understand the provision, or he would not have made the statement that he has made.

There are two provisions in this bill relating to this subject. One applies to veterans who have filed applications and named beneficiaries. If the Senator will turn to "Adjusted service certificates," Title V, on page 12, he will find the following:

The certificate shall be dated, and all rights conferred under the provisions of this title shall take effect, as of the 1st day of the month in which the application is filed, but in no case before January 1, 1925. The veteran shall name the beneficiary of the certificate and may from time to time, with the approval of the director, change such beneficiary. The amount of the face value of the certificate (except as provided in subdivisions (c), (d), (e), and (f) of section 502) shall be payable out of the fund created by section 505 (1) to the veteran 20 years after the date of the certificate, or (2) upon the death of the veteran prior to the expiration of such 20-year period, to the beneficiary named; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, the amount of the face value of the certificate shall be paid to the estate of the veteran.

That takes care of the cases where the veteran has filed his application. That takes care of a veteran or of the beneficiaries where the certificate has been issued. The provision in the other section, in Title VI, which the Senator seeks to strike out, provides for dependents in case the veteran has died before making application and receiving the adjusted pay, or where he dies after making application but before receiving payment under Title IV. Therefore, under this title, the amount would not be paid to anyone but a dependent. Under the other section, where the veteran makes application and names his beneficiary, the amount goes to the beneficiary. If the beneficiary has died, and no new one has been named, then it goes to the veteran's estate; and the bill is drawn to take care of the two classes of cases.

Mr. UNDERWOOD. Mr. President, I want to say just a word in reference to this amendment.

The Senator from Kansas [Mr. CURTIS] is right in saying that there are two classes of cases named in this bill. One is the class where the veteran has made his application and named his beneficiary. That is true, and that takes care of itself. The amendment of the Senator from New Mexico applies to the other class of cases, however, to which I called attention this morning, and that is where the veteran has not made the application and named his beneficiary.

It is true that there are two classes here; but why should we discriminate in favor of one class against another? It may be that the amendment of the Senator from New Mexico will apply only to a minor class of cases, or only to those who are on the insurance list between now and 1925. That may be true; but they are insured under the terms of this bill from the hour it is signed by the President of the United States.

Unfortunately there are a number of these veterans who, of necessity, will die within that period. Why should we, by force of law, by indirection, deprive them of the benefits of this act, when if they lived a longer period and had a chance to make application they might come within the other terms of the bill?

The Senator from Kansas is correct. This provision does not cover the entire terms of the bill, but it does apply to a portion of it; and if a soldier dies, and he is not dividing his salary with any of his beneficiaries in the meantime, the condition is just as the Senator from New Mexico [Mr. JONES] has said. His insurance lapses, and nobody gets the benefit of his insurance, and his pay—if you want to call it pay—is gone.

So the Senator from New Mexico is absolutely right. This amendment should be adopted. It may not be as broad as the terms of the bill, but it undoubtedly applies to the veterans of the war.

Mr. ADAMS. Mr. President, I want to inquire of the Senator from New Mexico whether the amendment that he offered, and which was just adopted, does not contain a provision that in the event there are no dependents the insurance shall go to the estate? Is not that really contained in the amendment which has already been adopted?

Mr. JONES of New Mexico. The section which I have read relates to the payments to veterans' dependents and gives the order of preference, and so on, and states who those dependents are. It gives their order; but the provision which I seek to strike out is that they shall not be paid unless they depended upon the veteran at the time of his death.

Mr. ADAMS. The Senator has not apprehended my question. As I understood, he offered an amendment, which was adopted, directed to section 601, a preceding section under this same title; and in that amendment, as I have it, there is a provision that the amount of the veteran's adjusted-service credit shall be paid to his dependents in the following order of preference, if there be any, or if there are no dependents, then to his estate. In other words, I am asking whether the Senator has not already met this condition?

Mr. JONES of New Mexico. The bill in the preceding section defines the word "dependents," and here it is stated that those dependents shall not receive anything unless they actually depended upon the veteran at the time of his death. Perhaps I do not yet comprehend the point which the Senator has in mind.

Mr. ADAMS. As I understand, the Senator a few moments ago offered an amendment which was adopted. That amendment applied to section 601. Am I correct as to that?

Mr. JONES of New Mexico. Yes.

Mr. ADAMS. In that amendment the Senator included a specific provision that in case there are no dependents the insurance shall go to the estate.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ADAMS. Yes.

Mr. CURTIS. The Senator from Arkansas [Mr. ROBINSON] wants to get away, and I want to get a vote on this bill. I think the Senator from New Mexico probably will be on the conference committee, and I am willing to accept the amendment with the understanding that I think he is wrong, and we will work it out in conference, and see whether or not he is right.

Mr. JONES of New Mexico. That is entirely satisfactory to me.

Mr. ADAMS. May I suggest that the whole section should go out.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Mexico.

The amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, I offer the following amendment: On page 18, line 2, strike out the words:

Or (2) 60 per cent of the face value of the certificate.

Mr. President, the amendment offered affects the loan basis of the insurance certificate. Under the proposed bill, the loan basis is an amount not in excess of either (1) 90 per cent of the reserve value of the certificate or (2) 60 per cent of the face value of the certificate.

This definition of the loan basis results in a period being reached—about the fifteenth year—when 90 per cent of the reserve value and 60 per cent of the face value are about the same figure. As the borrowing limit is 60 per cent of the face value, it is apparent that no more money can be borrowed in the years between the fifteenth and twentieth than in the fifteenth. My amendment, if adopted, would permit the graduated increase in the borrowing value to continue after the fifteenth year. The amendment removes the maximum borrowing limit of 60 per cent of the face value.

Mr. CURTIS. Mr. President, I understand that the Senator offers that amendment because he thinks that the table given in the House report may not be correct, and that this pro-

vision may not cover just what it is intended to cover. Therefore, I accept the amendment, in order that it may go to conference, so far as I am personally concerned.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I am not going to take any time of the Senate, but I simply ask that there may be printed in the RECORD the telegrams which I send to the desk.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. W. L. JONES,
Washington, D. C.:

The soldiers' adjusted compensation bill is before the Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill, overwhelmingly passed by the House and as reported by the Senate Finance Committee, is in accordance with resolutions adopted at the last two national conventions of the American Legion. It meets the approval of members of the Legion. The question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in the name of ex-service men and women of our country, we ask your support of the bill as reported by the Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

SEATTLE, WASH., *April 21, 1924.*

Senator WESLEY L. JONES,
United States Senate, Washington, D. C.:

American Legion Auxiliary urges support of compensation bill as passed by House.

Mrs. WALTER B. BEALS,
State President.

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. W. L. JONES,
Washington, D. C.:

Behalf 200,000 women of American Legion Auxiliary, I appeal to you to pass adjusted compensation bill now before Senate as reported by Senate Finance Committee. Service men and women have awaited passage this just measure and sincerely feel further delay is unnecessary.

Mrs. HELEN A. BISHOP,
National President American Legion Auxiliary.

SEATTLE, WASH., *April 19, 1924.*

Senator WESLEY L. JONES,
Washington, D. C.:

American Legion, department of Washington, urges that you support adjusted compensation bill as reported by Senate Finance Committee and that you oppose any amendments from the floor of Senate, particularly cash option.

J. KELLY DE PRIEST.
Adjutant American Legion, State of Washington.

Mr. COPELAND. I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. GERRY. Mr. President, I desire to say only a word in regard to this amendment. I am in favor of an adjusted compensation plan that would allow the soldier to choose either insurance or cash payment; but after the statements made the past few days on the other side of the Chamber by recognized Republican leaders, I feel that it is not safe to jeopardize the chance of the veterans receiving any adjusted compensation, and therefore I shall support the majority bill, although I am in favor of the plan supported by the minority members of the Finance Committee and the Copeland amendment.

Mr. WALSH of Massachusetts. Mr. President, I do not suppose there is any Senator here who has a constituency among the soldiers more anxious for a cash compensation bill than mine. I think particularly the industrial workers who served in the war are anxious to receive cash rather than an insurance certificate. I believed whole-heartedly in the cash-option principle, and I think it is a mistake not to adopt a bill which will provide for it. But I am not blind or indifferent to the situation here, and I want very briefly to refer to it, and thus explain my vote.

This question has become a political one now. The Republican side of the Chamber is committed to the insurance plan; the Democratic side, so far as I can estimate, are in favor of a cash-option plan. What will that situation lead to?

Mr. GLASS. Mr. President——

Mr. WALSH of Massachusetts. Of course, I except those Senators who are opposed to the principle of adjusted compensation.

Mr. GLASS. I hope the Senator will agree to except the junior Senator from Virginia, because I am opposed to all bonuses. I shall vote for the cash provision, and then I shall vote against the bill.

Mr. WALSH of Massachusetts. I am referring to those——

Mr. SHIELDS. Mr. President, I am going to vote against the cash bonus. I voted against it two years ago, and I see no difference in the conditions. I think it is as objectionable now as it was then. I am going to vote against the bill whether that plan is adopted or not.

Mr. WALSH of Massachusetts. I am, of course, referring to those Senators who are committed to adjusted compensation on both sides of the Chamber.

What is the situation now? The situation is this: That so long as this issue is a political one the power to prevent any legislation is in the hands of that group in this body who are against any adjusted compensation.

It is argued that if we who believe in it support the cash-option plan, and it is defeated, we can make an issue of it in the fall election and in the next session of Congress have the cash-option plan adopted.

Let us see if we can do that. We can not do it, because it takes a two-thirds vote to pass any adjusted compensation bill over the veto of a President, and a two-thirds vote can not be had in this Chamber for the cash plan, nor can even a majority vote be had for any bill if this issue is to be treated in a partisan spirit by Democratic and Republican procompensation Senators. If the Senate becomes Democratic in the next Congress, and the Democratic Members and Democratic President believing in adjusted compensation offer the cash-option plan, all that would be required to defeat it then would be a combination of the opponents of the cash plan, namely, those in favor of the insurance plan and the irreconcilable opponents of the bonus. So we have come to an impasse, unless there is a temporary surrender of convictions by some Senators.

It is clear there can be absolutely no bonus legislation so long as the Democratic Members favoring a bonus take a position in favor of a cash option and nothing else, and the Republicans take a position in favor of an insurance plan and nothing else. That is the impasse. Never can a bill pass the Senate with the control in the hands of the antibonus Members, to throw it against the side that may be for one or the other of these plans; and to-day, if the antibonus men vote in a unit for the cash plan, the bonus bill is killed for this session, for a veto is certain, and a two-thirds vote can not be obtained in this Congress to override the veto. Next session, if the Democrats control the Congress and the antibonus and insurance-plan Senators vote against the cash plan, the bonus will be again killed. It is evident that with divided ranks no progress can be made, and the group of antibonus Senators will control indefinitely the fate of adjusted compensation legislation.

Therefore I propose by my vote to assist in getting upon the statute books some kind of an adjusted compensation measure, even if unsatisfactory, and I shall vote reluctantly, almost apologetically, for the plan offered by the majority, in the hope that when it becomes a law we can improve the law by amendment. We can amend the law by a majority vote after the principle is once adopted. We shall not need to worry about the possibility of a two-thirds vote in Congress to amend this measure after it is enacted into law. After this present bill, adopted by the House and reported by the majority of the Senate Finance Committee, is the law I shall seek to amend it. If necessary, it can be made an issue in the next election, so that the next Congress can convene with instructions from the people for a cash plan. My amendment just adopted fixing the date for this bill to become effective, July 1, 1925, makes this possible. It gives the friends of the cash-option plan over a year to elect a Congress and a President favorable to their amendment. As between no law now or in the future, I shall support an imperfect bill that can be enacted now and can be improved later.

The PRESIDENT pro tempore. The question is upon agreeing to the substitute offered by the Senator from New York

[Mr. COPELAND]. The yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as on the previous vote in regard to my pair, I vote "nay."

Mr. FERNALD (when his name was called). Making the same announcement as before regarding my pair with the Senator from Indiana [Mr. WATSON], I vote "nay."

Mr. NORBECK (when the name of Mr. JOHNSON of California was called). I wish to announce that the senior Senator from California [Mr. JOHNSON] is paired with the senior Senator from New Hampshire [Mr. MOSES]. If the Senator from California were present he would vote "yea," and the Senator from New Hampshire would vote "nay," if he were present.

Mr. PEPPER (when the name of Mr. REED of Pennsylvania was called). My colleague [Mr. REED] is unavoidably absent. I am authorized to state that if he were present he would vote "nay" on this question.

Mr. SIMMONS (when his name was called). Making the same announcement heretofore made with reference to my pair and its transfer, I vote "yea."

The roll call was concluded.

Mr. CURTIS. I have been requested to announce that the Senator from Maryland [Mr. WELLER], the Senator from Wisconsin [Mr. LENROOT], and the Senator from Indiana [Mr. WATSON] would all vote "nay" on this question if present.

The result was announced—yeas 37, nays 48, as follows:

YEAS—37

Adams	Frazier	Ladd	Stanley
Ashurst	George	McKellar	Stephens
Borah	Glass	Mayfield	Swanson
Brookhart	Harris	Neely	Trammell
Broussard	Harrison	Norris	Underwood
Caraway	Heflin	Overman	Walsh, Mont.
Copeland	Johnson, Minn	Owen	Wheeler
Dial	Jones, N. Mex.	Pittman	
Dill	Kendrick	Sheppard	
Fletcher	King	Simmons	

NAYS—48

Ball	Edwards	Lodge	Shields
Bayard	Elkins	McCormick	Shipstead
Brandegee	Ernst	McKinley	Shortridge
Bruce	Fernald	McLean	Smith
Bursum	Ferris	McNary	Smoot
Cameron	Fess	Norbeck	Spencer
Capper	Gerry	Oddie	Stanfield
Colt	Gooding	Pepper	Sterling
Cummins	Hale	Phipps	Wadsworth
Curtis	Howell	Ralston	Walsh, Mass.
Dale	Jones, Wash.	Ransdell	Warren
Edge	Keyes	Robinson	Willis

NOT VOTING—11

Couzens	Johnson, Calif.	Moses	Watson
Greene	La Follette	Reed, Mo.	Weller
Harreld	Lenroot	Reed, Pa.	

So Mr. COPELAND's amendment was rejected.

Mr. HARRISON. On page 16, lines 14 and 15, I move to strike out the words "compounded annually." That is carrying out the theory contained in the amendment which was adopted on a roll call a little while ago.

The PRESIDENT pro tempore. The amendment offered by the Senator from Mississippi will be stated.

The READING CLERK. On page 16, lines 14 and 15, strike out the words "compounded annually."

Mr. SMOOT. I know the Senator from Mississippi is very anxious to have the amendment agreed to. It is only another political amendment and therefore, in order to make the bill conform——

Mr. WADSWORTH. Did I correctly understand the Senator from Utah to say that this is a political amendment?

Mr. SMOOT. Oh, absolutely. To make the bill conform in all its particulars to the amendment that has already been adopted, this amendment ought to be agreed to. The former amendment offered by the Senator from Mississippi was agreed to.

Mr. HARRISON. Mr. President, I would not now discuss the proposition had it not been for the remark of the Senator from Utah, who said this is a political amendment. He can do me no greater honor than to say that. Here is what the amendment does, and the Senate, by a large vote, adopted a similar amendment a few moments ago. It merely restrains in this instance the avaricious hand of the Government from compounding the interest on these boys when they borrow any money on their insurance policies. Yet because we try to prevent that, and the best judgment of the Senate is that we should prevent it, the Senator from Utah says it is a political amendment. I can not understand why the Senator wants to say there is any politics in this proposition and charge it to us over here on this side of the Chamber.

Mr. BORAH. Mr. President——

Mr. HARRISON. I yield to the Senator from Idaho.

Mr. BORAH. I resent the fact that a political amendment is being put upon a nonpolitical bill.

Mr. HARRISON. I knew the Senator would resent it. The Senator for once in his life stands with the Senator from Utah [Mr. SMOOT]. It is at least interesting to see them getting together.

Before we take the final vote, and merely for the record, let us trace the history of the proposed legislation a little bit. A long time ago adjusted-compensation legislation was offered, and the President came before the Congress and spoke against it, but during this Congress I have seen in the papers statements to the effect that the Senator from Kansas [Mr. CURTIS] had gone to the White House and announced that this Congress would pass a soldiers' adjusted-compensation measure. I have noticed also in the press that the distinguished Senator from Indiana [Mr. WATSON] has given out statement after statement that legislation for the soldiers would be passed at this session.

The soldiers believed you were going to give them a bonus, and yet when the time came to put it over what have you done? You have adopted a plan never before thought of by the Senate of the United States. It found its way into another part of the Capitol.

I know that I can not criticize the other branch of Congress, but I may say that there are two unusual ways in the other House of getting a matter before it. One is under a rule reported out of the Rules Committee, and it then takes a majority to adopt it. It is ordinarily in that case open to amendments. A majority of the House controls. Another is to move to suspend the rules and pass the bill. When that motion is made it takes a two-thirds vote to pass it and the proposed legislation can not be amended.

The leadership of this administration in the other end of the Capitol did not go to the Rules Committee in order to get a rule to bring it out so that the matter could be fairly considered and a free expression given in that body, but they resorted to a motion to suspend the rules. Why did they do that? Because they knew that under a suspension of the rules the bill could not be amended and it had to go through in that form or not at all. In other words, you gagged the free expression on the part of those who believe in bonus legislation, not only in the other end of the Capitol, but you seek to do it here as well. Over here, because we have no rules that could restrict the legislation and proposed amendments, certain leaders of the Republican Party, notably the Senator from Kansas [Mr. CURTIS], the Senator from Massachusetts [Mr. LODGE], the leader of the Republican Party in this Chamber, the Senator from Indiana [Mr. WATSON], and my good friend the Senator from Ohio [Mr. WILLIS], although they have been the friends of the soldiers and voted once to override the President's veto on the proposition of legislation of this character, now say that in the event we put on a cash-option plan and the President vetoes it, they would vote to sustain the President's veto.

There has been a decided change of front. It is a new assumption of responsibility. There has been some dealing from under the table with respect to this whole matter. The boys after awhile will conclude that there is some "sleight-of-hand" performance here. When it was being considered by the Senate Finance Committee the men who represented the American Legion in Washington offered no objection to an effort on the part of the minority of that committee to consider and offer an amendment contemplating a cash-option proposal. The only time we have heard of it is in response to telegrams that have gone out from Washington to the leaders of the American Legion in the various States, who have been asking us within the last few days to vote for the insurance plan and to vote against any amendment providing for a cash-option plan.

I want to believe in the national representatives of the American Legion, but they have been misled by the leaders of the Republican Party, in the other House as well as here, and I do not know but what the conspiracy was entered into by somebody somewhere else.

I pledged to go through for these boys back home and give them a cash-option plan. I am not going to be dictated to by the leadership on the other side of the Chamber in this matter or by the national representatives of the American Legion. I shall not go back upon my promise made to these men. I intend to keep it in letter and spirit.

In passing this piece of legislation you are opening a Pandora's box. It will rise to plague you. Disapproval, discontent, dissatisfaction will inevitably follow your action. You will have to explain it to every boy in the United States, whether he

belongs to the American Legion or not. What are you going to say to him when you go back to your State and he says to you, "There were seventy-odd of you in the Senate who were said to believe in soldiers' bonus legislation and who pledged themselves to it, and yet when you had 20 more than enough to pass it over any presidential veto you voted down the cash-option proposition and gave us a tombstone"? Upon it you are now writing your epitaph.

Mr. STANFIELD. Mr. President, at one time I was in favor of the cash-option plan. However, I am not going to discuss it now. I have received a number of telegrams from Legion men and others in my State, which I ask may be printed in the RECORD without reading.

There being no objection, the telegrams were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *April 19, 1924.*

ROBERT N. STANFIELD,
Washington, D. C.:

Oregon ex-service men urge you to oppose any amendments from floor of Senate and in particular cash option and to support adjusted compensation bill as reported by Senate Finance Committee.

FRED E. KIDDLE,
Commander Oregon American Legion.

ROSEBURG, OREG., *April 19, 1924.*

Senator ROBERT N. STANFIELD,
Washington, D. C.:

Oregon Department American Legion Auxiliary urges your support of adjusted compensation bill as passed by House and requests your opposition to any amendments, particularly to any effort to include cash option.

MRS. CARL E. WIMBERLY,
State Legislative Chairman.

EUGENE, OREG., *April 19, 1924.*

Hon. ROBERT N. STANFIELD,
United States Senator from Oregon, Washington, D. C.:

Women's Auxiliary Lane County Post American Legion urges you support adjusted compensation bill as reported by Senate Finance Committee and ignore dangerous amendments such as cash option.

GRACE M. TUTTLE,
President.

EUGENE, OREG., *April 19, 1924.*

Hon. ROBERT N. STANFIELD,
Senator from Oregon, Washington, D. C.:

Wish to urge Oregon Senators to vote for adjusted compensation as reported by Senate Finance Committee and to urge opposition to destructive amendments, particularly cash option.

MRS. E. P. DOMAIS,
State President American Legion Auxiliary,
Department of Oregon.

EUGENE, OREG., *April 19, 1924.*

Hon. ROBERT N. STANFIELD,
Washington, D. C.:

Lane County Post, No. 3, American Legion, with over 400 members, urges you to oppose any amendments from the floor of the Senate to the soldiers' adjusted compensation bill and to oppose cash option. Your earnest support of the bill as reported by Senate Finance Committee is sincerely urged.

GEORGE E. LOVE,
Commander Lane County Post, No. 3, American Legion.

INDIANAPOLIS, IND., *April 19, 1924.*

Hon. ROBERT NELSON STANFIELD,
Washington, D. C.:

The soldiers' adjusted compensation bill is before Senate to-day. Four and one-half million men and women who served their country in its hour of need have their eyes upon Washington and sincere hope in their breasts that this bill will be enacted into law to-day. For more than four years they have patiently awaited action. The bill, overwhelmingly passed by House and as reported by Senate Finance Committee, is in accordance with resolutions adopted at last two national conventions of the American Legion. It meets approval of members of the Legion. Question of immediate cash has not been before ex-service men and women for two years. My dear Senator, in name of ex-service men and women of our country, we ask your support of bill as reported by Senate Finance Committee without amendment. Your active support will receive sincere appreciation of ex-service men and women of our country.

JOHN R. QUINN,
National Commander the American Legion.

Mr. SIMMONS. Mr. President, I wish to detain the Senate only a few minutes. The result of the vote we have just taken is what I expected it would be, but I am sure the result of the vote upon the amendment for a cash option does not express the deliberate bona fide judgment of the Senate upon that question.

Unfortunately, the situation which has confronted us in connection with the matter has been of such a character as to restrain and suppress, if not to make impossible, an expression of the honest and bona fide sentiment of this body upon the question of a cash bonus as an optional proposition.

But there will be another opportunity to vote upon that subject. There will be an opportunity—and it will not be long delayed—for the Senate to vote upon the subject when the minds of Senators will not be hampered, fettered, and restrained or coerced by threats coming from the White House. That opportunity will come very quickly, I hope and believe.

I shall vote for the bill as presented by the Finance Committee and as so far amended by the Senate as the best we can get just now, but I shall vote for it with the feeling and the conviction that it does not do full justice to the ex-service men. I shall vote for it with the belief and the assurance that when the ex-service men have had an opportunity to investigate and understand what the bill really is and what it really means, they will demand additional legislation in order that justice may be done them.

I know that many telegrams have been received apparently indicating that the ex-service men of America were satisfied with the insurance scheme and device provided in the bill. But I am entirely convinced, from the character of those telegrams and from information that has come to me, that the ex-service men in sending these telegrams have been moved thereto by the belief that if they did not insist upon the passage of the measure without amendment, and a bill should be passed which did justice to them, the President would veto it and they would get nothing from this Congress.

Indeed, many of the telegrams show they were predicated. Furthermore, they have been led to believe that the bill contains provisions that will enable them presently to make borrowings on their certificate. They will have their eyes opened when they do discover, as they will discover in the near future, that under the terms of the bill those who need money will not get it—not a cent for three long years. That the soldiers who are in need—and they constitute the majority of the ex-service men, farmers' boys, sons of laboring men, who need money, want money, and expect money, the pay they so well earned—when they discover that they can not get a dollar for three years, and then only a small amount and the next year a still smaller amount, they will then realize that they have been handed a gold brick, just as did the farmers of the country when it was too late that the tariff measure, which pretended to be in their favor, was not what they expected to get but only a gold brick, which meant little or nothing to them.

Mr. President, I recall the circumstances that surrounded the tariff legislation. The farmers were in distress. The farmers were looking to the Republican Party to come to their relief. They became insistent in their demands, and the Republican Party said, "Yes; we will relieve you. We will take you into partnership between the industries and the Government, and we will give you your share of protection, as we have given it heretofore to the manufacturing industries, and that will help you out of your dilemma. It will afford you the relief which you are demanding." They led the farmers to believe that that was true, and the farmers got behind the legislation. They came here through their representatives then, just as the ex-service men have come here through their representatives, and demanded the legislation. They said they were led to believe and did believe that it would give them the relief they wanted. We on this side of the Chamber told them at that time that it was a fake and a fraud; that it was a makeshift and a gold brick; but they did not believe us.

The legislation was enacted into law, and now, in the light of experience, the farmers of the country have come to the conclusion that the Republican Party did give them a gold brick and misled them to believe that they were going to get something of value.

Now, the ex-service men have been mislead in the same way. They have been here demanding something—something to which they are entitled. What did the Republican Party say with reference to it? The President said, "I am against the bonus." The Secretary of the Treasury said, "There is certain money which we can return to you in the way of tax reduction, but we can not return it if you are to have a bonus." A propaganda nation-wide was started against the bonus at the instance largely of the Treasury Department. The effect of the propaganda was to arouse the ex-service men of the country. They resented

it as they properly should have done. They demanded that justice should be done for them. Their demands became so insistent that the Republican Party knew that it had to do something to satisfy them or lose the support of that great and influential body of the citizenship of the country, and so this miserable makeshift was resorted to in order to accomplish that purpose.

If the President, after his declaration that he was against the bonus, signs this bill, I assert that it will be because he does not think it does what is demanded and expected in behalf of the veterans of the war.

I give the pending bill my vote because it has a shadow of value, and is all the Republican majority and the Republican President of the United States will grant to the American soldiers at this time; but I vote for it with the conviction and the determination to continue to do all I can to the end that the soldiers of the United States shall yet receive full justice in the future enactments of the Congress. We shall endeavor as soon as practicable to amend the law—if this bill becomes the law—by adding to it a provision for a cash option.

The PRESIDENT pro tempore. The time of the Senator from North Carolina upon the amendment has expired.

Mr. JONES of New Mexico. Mr. President, I do not care to detain the Senate for any considerable time. I merely wish to say a few words regarding my position upon the bill as it now stands.

I was very greatly surprised on last Saturday to receive from the commander of the American Legion a telegram which contains the language which I shall read. Of course, the telegram is couched in the same words as telegrams which have been received by many other Senators, but I have heard no reference made to this language which it contains:

The bill overwhelmingly passed by the House and as reported by Senate Finance Committee is in accordance with resolutions adopted at last two national conventions of the American Legion. It meets approval of members of the Legion.

Mr. President, I do not recall and have not at hand a copy of the resolutions as passed by the American Legion in its convention, but I do know that the members of that Legion in my State do not so understand the situation. In the last campaign in New Mexico in nearly every speech which I made I stated my position upon the question of adjusted compensation. The various provisions which had been incorporated in the bill theretofore were, in many instances, specifically referred to, and in conversation with the veterans of my State I learned that they did not expect that they would receive only a provision to compensate them after they were dead but that they expected to receive the compensation as adjusted compensation for services which they had performed.

It is true that the various other bills on this subject have contained provisions for insurance, but they have also contained other provisions which would give the veterans some benefit while they lived. I need not refer to the various telegrams which I have received from New Mexico, but I am told that not less than 95 per cent of the ex-service men in that State would prefer to see this bill defeated than that it be limited to this subterfuge, this misnomer for an adjusted compensation bill, which we have now presented to us and which will be passed by the Senate.

Mr. President, I do not believe that we are acting fairly to these men. Some Senators may have forgotten the responsibility which they assumed when they voted for the resolution declaring war against Germany. I have not. I shall never forget that eventful day, the 6th of April, 1917, when in this Chamber I cast my vote for that war resolution. I realized what would be the result of that vote. I could see those young men coming from the various walks in life going into the service of their country at the time when their country needed them. They performed their duty; and at that very moment I pledged myself to serve them when they needed aid; and, so long as I am in part representing a constituency in this Chamber, I still pledge myself to be of what service I can to those who served their country. I am not willing to give them this pitiful subterfuge; and I predict that it will come home to plague those who are responsible for it when they go back to their constituents and try to tell them that they passed an adjusted compensation bill. Many a time they will blush with shame for what they are now trying to ram down the throats of the veterans who served their country.

I am going to vote for the bill because it is apparent that it is all we can get, but I wish it now understood that I believe it will be considered absolutely a rebuke to the ex-service men of the country, notwithstanding the statement in the telegram from the commander of the American Legion, which I have just read.

I wish to say, further, that when this bill shall have been passed the question which it involves will not be settled. It will not be settled until it is settled right, and if I can have my way about it, before this session of Congress adjourns there will be another measure brought before the Senate for action. I am willing to stay here during the entire summer, if that shall be necessary, to see that something more is done for those men than this pitiful subterfuge which we are now going to pass.

Mr. TRAMMELL. Mr. President, I propose an amendment to the pending bill.

The PRESIDENT pro tempore. The Chair must advise the Senator from Florida that there is an amendment pending which was offered by the Senator from Mississippi [Mr. HARRISON].

Mr. TRAMMELL. I ask that the amendment be stated.

Mr. HEFLIN. What is the pending amendment?

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Mississippi.

Mr. KING. The Senator from Florida has asked that the amendment be stated.

The PRESIDENT pro tempore. The Secretary will state the pending amendment.

The READING CLERK. On page 16, lines 14 and 15, the Senator from Mississippi [Mr. HARRISON] proposes to strike out the words "compounded annually."

Mr. CURTIS. That amendment is simply designed to make the section conform to a similar amendment which was made awhile ago.

Mr. KING. I am familiar with that fact. Of course, Mr. President, I can appreciate the great anxiety of the conspirators upon the other side to speedily pass this bill.

If it were done when 'tis done, then 'twere well it were done quickly.

Mr. President, the die is cast, and this bill will pass. No amendments will be permitted, no improvement will be allowed, no change in its provision, no matter how meritorious, will receive the approval of those who have confederated together to pass this bill. Any efforts to make it more workable or to accord more liberal terms to the ex-service men will meet with signal defeat. If all the facts could be laid bare to the public which have brought the bill to its present situation, there would be a universal revulsion which would compass its defeat.

I submit that it is here in its present form as a result of bargain and political deals not at all creditable to those concerned. It has been somewhat remarkable, not to say humorous (though I confess disheartening), to see the agility with which gallant and distinguished Senators have changed their positions with respect to bonus legislation. Of course, I want to be parliamentary and hope not to be personal, but I can not refrain from calling attention to the remarkable volt-face upon the part of some courageous Senators who have been known for their hostility to bonus legislation and who in private and in public have not hesitated to express their disapproval of the various plans for so-called adjusted compensation. Manifestly, such changes were not the result of political expediency, and of course no fortunes of war led to these departures from the firm foundations upon which the Senators referred to have stood in the past.

Mr. President, I can not help but refer to the able Senator from Wyoming [Mr. WARREN], who has stood like the Rock of Gibraltar against the various bonus bills that have been brought to the attention of the Senate. Has the Rock of Gibraltar become a sand bank, which sinks away as the waves of propaganda in favor of bonus legislation have dashed against it?

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Wyoming?

Mr. KING. I yield to the former "Rock of Gibraltar."

Mr. WARREN. I thank the Senator. The Senator makes a charge against me. I made one against him. For six years, from time to time, in a manner that some men might call felicitous, he stated that he would never, never run again for the Senate. Finally, when he fell from grace and did run for the Senate without consulting me, I owed him one, and I paid it in this way. So our accounts are even. We both seemed to have changed our minds. Not so. We changed because conditions changed. This bill is entirely different from the one I opposed.

In the Senator's case he changed because Utah could not do without him. So there we are!

Mr. KING. Mr. President, the Senator chides me because I was averse to returning to the Senate, but finally did consent to run and was elected. I might add that there are some who wanted to and did run who were not elected. The Senator

says "that he 'owed me one' and I paid him in this way," meaning, I presume, that I became obligated to him by stating that I was not a candidate for the Senate or that I was reelected to the Senate; and because of his obligation to me he felt constrained to discharge it by changing his position in regard to the bonus and giving support to the pending measure. Well, Mr. President, I am glad that the Senator is able in such a naïve manner to pay his debts. As stated, Mr. President, I was reelected to the Senate; it may be possible that the Senator from Wyoming may not be reelected because of his vote for this bill.

But, Mr. President, I would not be unkind enough to say that any Senator, even including my friend from New Hampshire [Mr. KEYES], who in the past has been brave in his opposition to bonus measures, as well as other distinguished Republican leaders whom I see before me, will support the bill under consideration because of the approaching election. Far be it from me to say that any of these courageous and gallant Senators, who have affirmed that adjusted compensation and bonus bills were impolitic and unwise, would change their position because of the approach of the ides of November.

But I do say, Mr. President, with the utmost sincerity, and I say it to both Democrats and Republicans, that those who believe they are strengthening their chances for election because of their support of this lame and halting and impotent measure will realize, sooner or later, that an egregious blunder was committed by them.

The American people may be fooled for some time, they may give their support temporarily—indeed, for too long a time—to unwise and sometimes improper measures, but when full opportunity is given them to weigh legislation and measure policies they will usually reach the right conclusion and plant themselves upon impregnable ground. A democracy may sometimes be easily stirred, it may sometimes respond too quickly to gusts of passion and to fantastic schemes and projects, but ultimately the calm and reasoned judgment of the people asserts itself and sweeps away that which is false and untrue.

I make this statement, Mr. President, without particular reference to the legislation before us. If this legislation is just and politic and right, it will stand and meet, as the years go by, increased approval at the hands of the people. But if it may not be defended upon principles of justice and righteousness, if it does not square with the policies of a government founded upon a constitution such as ours, then, as its provisions shall become known to the people, condemnation will be inevitable.

But, I say, Mr. President, in all good feeling to Senators who are supporting this measure, they will soon discover that this bill is neither acceptable to the people nor to the ex-service men. Mr. President, in my opinion, a majority of the ex-service men do not approve of bonus legislation; but there have been politicians—of course, they were outside of Congress, and certainly not in the Senate—who for several years last past have assiduously devoted themselves to developing a bonus sentiment, not only among the ex-service men but throughout the country.

Following the Civil War there were some who gained political success by keeping alive the flames which burned during that war. They tried to ride into power upon the waves of a rekindled war spirit. They projected the Civil War veterans and their organizations into the political arena and attempted to create issues, local and national, which died at Appomattox.

Mr. President, in my opinion the American boy went into the World War to vindicate the honor of our flag and with a patriotic desire to serve his country. He did not think of bonuses. He desired to do his duty and to return to the paths of peace and enter into the industrial and political life of his country, there to perform the responsibilities which come to free men in a nation dedicated to human liberty.

Mr. President, it is pertinent to inquire what has changed the attitude of Republican leaders. A short time ago these same leaders, or most of them, were opposing bonus legislation. They supported President Harding in his opposition to the adjusted compensation measure which passed the Senate and the House and they supported him in his veto of such measure. Why have they changed?

Have they been consorting with some Republicans who are officers or important figures in the Legion with a view to obtaining political advantage in the coming election? Has there been a deal by which efforts are to be made to coerce ex-service men into supporting the Republican Party? Have these Republican leaders been frightened because of the hostility of President Coolidge to bonus legislation, and does the arrangement which has been made, if one has been made, contemplate that Mr. Coolidge will sign this particular bonus bill and none other?

I call attention to the fact that the Senator from Mississippi [Mr. HARRISON] has declared that this bill, which the Senator from Wyoming now differentiates from other bills, and which he now warmly espouses, is the result of a conspiracy. Mr. President, can there be any doubt but that Senators upon the other side, the leaders of the Republican Party, at their conferences in the White House and elsewhere, have determined to make the bonus question a political one and secure some political advantage by forcing through this particular measure before the Republican convention meets in June? It would seem that this conspiracy is in the interest of Mr. Coolidge. It is to help him. Hence we have this sudden haste to push this bill through and to deny consideration to any amendments or measures that might be offered to secure, if a bonus is to be granted, a rational, legitimate, and proper bonus, one that might be of some benefit to the ex-service men.

The Senator from Indiana [Mr. WATSON], who has been hostile to bonus measures, has indicated upon the floor of the Senate that he is for this so-called "tombstone bill."

Mr. President, this measure did not meet the approval of leading Republicans at the other end of the Capitol. I read from the CONGRESSIONAL RECORD of March 18, page 4440.

Mr. TREADWAY. Mr. Speaker——

Mr. CARAWAY. Mr. President, may I interrupt the Senator for just a minute?

Mr. KING. Yes.

Mr. CARAWAY. Is this gentleman a Member of Congress?

Mr. KING. He is.

Mr. CARAWAY. Is he the gentleman who introduced a resolution over on the other side of the Capitol stating that I had said something about the Speaker at one time?

Mr. KING. I am inclined to think that the Senator has identified him.

Mr. CARAWAY. I just wanted to identify him; that is all.

Mr. KING. Mr. TREADWAY is an important leader in the Republican ranks. He says:

Mr. Speaker, this bill—

Referring to the one which is now before us—

evidently is not satisfactory to either those in favor of a cash bonus or those who opposed adjusted compensation. It seems to be supported here in the hope that changes will be made when it reaches the other branch of the Congress.

But when the bill came to the other branch of the Congress, not being approved by the friends of adjusted compensation in the House or those who were in favor of a cash bonus, by some deft manipulation—I shall not characterize it as Machiavellian—it comes out of the Committee on Finance substantially in the same form as it entered the Committee on Finance.

When it comes here, lo and behold, our Republican friends, marshaled under the leadership of the Senator from Massachusetts [Mr. LODGE] and the Senator from Kansas [Mr. CURTIS] and the Senator from Indiana [Mr. WATSON], two of whom at least have signified in the past their opposition to bonus legislation, press with great zest the passage of the bill. They marshaled the Republican cohorts and charged the ramparts and say that "this bill must be passed or no bonus legislation will be permitted." Why? Manifestly because they conceive that the exigencies of party politics demand it. They must remove, they think, the view that Mr. Coolidge is opposed to a bonus. Their attitude is such as to bring conviction that the President will support this bill. The wishes of Congress are not to be considered. Those Democrats who have sincerely and earnestly sought to obtain proper legislation, as they conceived it, for the ex-service men have not been consulted—indeed, they have been ignored. The fact is that Republican leaders have been playing politics. They think they have played clever politics. I take the liberty of assuring them that the people and the ex-service men will discover—shall I say the perfidy of their conduct; at any rate, they will perceive that it was a game that the Republicans were playing, using the ex-service men as pawns.

I predict, Mr. President, that their course will rouse indignation among hundreds of thousands of the ex-service men, and our Republican friends will awaken to the realization of the fact that their course in dealing with this legislation has contributed to Democratic success, which will come to the country in November next.

Mr. HEFLIN. Mr. President, the Senator from Utah [Mr. KING] speaks about the soldier not thinking about a bonus when he went into the war. Of course, he did not think of a bonus. He did not have time to think of anything but to get his hat and his little belongings, and we sent him off to training camp, and then across the sea and out on the battle front.

Of course, when he stood there fighting for his own country and the liberty of the world he was not calculating, like some of those who speculated on the misfortune of their country back at home calculated, as to how to make money. He was thinking about doing the thing he went there to do, thinking about winning the war, thinking about protecting the homes and firesides of the country that he represented, and he was out there ready to die for his country. Now, since he has come back they have dallied and fooled with him and deceived him and misrepresented the situation in many ways. They have come now to a show-down, and they have presented a makeshift and asked him to accept that as adjusted compensation.

I hold in my hand a telegram from one of the Legion officers of my State saying that they respectfully request that I vote for the adjusted compensation bill as it passed the House.

Mr. President, that is what these officers think we have before us here. It is not so. The committee that had the measure in charge amended it in 55 places before it was brought upon the floor of the Senate. It has been amended here, and when these boys are wiring to us to vote for it as it passed the House they are being deceived and misled. They do not know what is in this bill, and we who are here and understand it ought to use our best judgment as to what should be done.

I know what is for the best interest of the soldier, and I voted a little while ago to give him cash adjusted compensation. I know that he wants that.

The Senator from Utah [Mr. KING] suggests that a majority of the soldiers would not have it and do not want it. Why, Mr. President, some Senators show that they do not know, and some of them, maybe, do not care, anything about what these boys stand for. These boys are entitled to the remainder of the debt that the Government owes them, and they would not be intelligent if they did not want what the Government owes them.

I know that there are sons of millionaires whose fathers are exceedingly rich, some of whom made their wealth out of the war, and these boys do not have to even want for money. They are rich to start with, and their fortunes, many of them, were increased by profiteering while the war was on. On the other hand, thousands of these boys—maybe two or three millions of them—left positions where they were working with their hands and employing their brains, making a livelihood, and they were taken out of these places and sent to the war and given $1 a day; $6 a month was taken out of that to keep up their insurance; $15 of their pay was sent back home; and $9 was left to pay these brave, upstanding boys for daring to go out upon the firing line and offering to die for their country. It disgusts me to hear these men talking against these boys—these men who think more of money, more of wealth, than they do of the life of an American boy.

Mr. President, that is not all. I never knew the Republican side to submit a measure since I have been in Congress without tying strings to it in some way to permit certain bankers, the speculators, and plunderers in some way to make money out of it.

In this bill they have left it open so that one bank can charge a rediscount rate of a certain per cent, and another one still more, and make it cost these boys from 8 to 10 per cent to borrow money on their Government policies.

We sought here to limit that, to make it so that under no condition would they have to pay more than 4 per cent, and I saw the Republican side murder that amendment. Then you talk about doing something for the American soldier. I saw the other side with its deflation policy and a Republican President produce a panic when it deflated credits to the extent of $2,500,000,000, and take out of circulation $928,000,000 in currency. They destroyed property values to the extent of $25,000,000,000. They depressed the price of Liberty bonds, and forced the fathers and mothers of the ex-service boys to throw their bonds upon the market and accept $80 aand $85 on the hundred; and these bond sharks in New York who made their millions out of that dirty deal are fighting this bonus bill to the death.

Now, we come with a show-down and a roll call as to whether we will pay these boys what we owe them in cash, or whether we will pay them in the tombstone insurance policy 20 years hence. It is a shame, a crying shame upon the patriotism of those who foist this ugly, crooked thing, upon the country instead of giving them a cash bonus plan. You are seeking to fool the soldier on the one hand and the taxpayer on the other. That is what your insurance plan does.

The cash plan settles the whole thing for a billion and a half dollars. The insurance plan settles it for four and a half billion dollars, 20 years away. The cash plan pays the soldier now, gets rid of the matter, relieves him of his need, takes him out of his distress, and wipes the slate clean of its obligation to the bravest boys that ever battled.

Senators stand around here and talk about how we ought not to pay him, and say that he is commercializing his patriotism and cheapening himself, and that he had a glorious pastime over there, according to the speech of the Senator from Maryland [Mr. BRUCE].

Yes; it was pastime! I see them walking the streets of this city now on crutches. I see them about here with both eyes out. I have seen some with both legs off at the hip, carried around on little trucks with rollers, with somebody pushing them around; and I think of the boy 19 or 20 years of age who stood on the firing line with uplifted rifle battling for his country; and then Senators who think more of clipping coupons than they do of their obligations to those who would die to save their country speak of them as having a holiday, nice physical training, and a good time generally, on the battle front in France.

Senators, you are not going to get away with this thing. If these boys have the courage to vote as they had the courage to fight, they will remember the Democrats at our party primaries, and the Republicans, too, who forget them in an hour like this. I am a partisan. I believe that the Democratic Party holds the right solution for all the questions that affect government. Partisan as I am, I would not put party considerations above the patriotism, the courage, the valor, the self-sacrificing spirit displayed by these boys in the gravest hour of the Nation's history, and those who forget them and all that they have done for our country ought to be lashed out of this Chamber. In my judgment, when election day comes they will be.

The idea of saying that because the President might veto this bill you are not going to do your duty!

The PRESIDENT pro tempore. The time of the Senator from Alabama has expired.

Mr. HEFLIN. Let us do our duty; and let me say this, Mr. President: The cash bonus amendment was defeated by Republican votes from New England, the section from which the President comes—nine of them. If they had voted for the bill the cash provision would have gone in instead of the insurance-policy provision.

Mr. COPELAND. Mr. President, I notice that when the President of the United States leaves the Capital to make a speech he goes over to my city of New York; but he is careful always to stay in Manhattan. He goes to a section of the city where he can have all the capitalists of Wall Street and the people from Fifth Avenue, his natural constituents, the particular and supporting friends in the Republican Party, about him.

I would like to suggest that the next time he goes to New York he go out to East New York, or that he go up to the Bronx, or that he go out to Queens. Let him go to any of these places and see what kind of a reception he will get.

Let any Republican go out into these sections and ask a question about the immigration bill which is going to be passed through this Congress, a bill which discriminates against the fireside friends of three-fourths of the citizens of New York City. Let him go out and meet these folks. Let him go down to Coney Island and see a lot of the soldiers who have to swallow the kind of a bonus bill which the Senate purposes passing. Let him go into certain sections of the city where people are forced to live in tenements, frequently unsanitary and overcrowded. Let him go there and hear the questions they are asking about the tariff laws passed by the Republican Party, no attempt being made to lower the cost of living of these people.

Mr. President, next fall, when Mr. Coolidge runs for election as President of the United States, he will lose the city of New York by 750,000, and he will lose the State of New York by at least a half a million.

Gentlemen on the other side may feel that they have done a very clever thing to-day, but I want to say to them that they can not fool young men. They can not do it. For 25 years I was a teacher in a medical school, associating with such boys as these soldiers. I know, in the language of the street, that you can not "put over any bunk" on young men. They will see through this bill and its authors. They know that the bill does not mean any money now. They know that all it means is that their heirs will have money enough to buy graveyard lots and tombstones. That is what they have said in their telegrams. They understand you and your purposes.

Mr. President, I feel sorry to-day for the Republicans. I was not the only one spoken of unkindly in the metropolitan

press to-day. I notice that the editorials in the New York papers said the President's speech was not a great success. The Republicans are going to have a hard time because of yesterday and to-day, I venture to say.

Go out to the West. I was born there——

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Iowa?

Mr. COPELAND. I yield to the Senator from Iowa.

Mr. BROOKHART. That expression that the President's speech was not a great success comes from most of the New York papers?

Mr. COPELAND. It did come from the New York papers, but I saw also some of the provincial papers, and I am more governed, I will say to the Senator, by what such papers say than by what the majority of the New York press says.

Mr. BROOKHART. The fact that that came from the New York papers is the best thing I have heard about the President.

Mr. COPELAND. Mr. President, if I saw in the New York Herald, and if I saw in some other of the New York papers, any praise of my activities, I would agree with the Senator from Iowa that that certainly would be a criticism of the quality of my work. But I have seen some of the provincial papers as well, and I fear, in spite of the laudatory hint of the Senator from Iowa, that the President did not have a happy time yesterday.

I want to talk just a little about the farmers. I want to ask Senators on the other side when they are going to bring out a farm relief bill? When are they going to give consideration to the McNary bill, or to the Norris bill, or to some of these other bills?

Senators on this side of the Chamber are ready to join in the consideration of those bills, but we do not find any activity on the other side. I warn you it will be necessary to show that activity if you are expecting to offer any evidence of a sincere desire to aid agriculture.

So far as I am concerned, I am well satisfied with the day's work. On this side we made an honest effort to modify the bonus bill, to make it worthy of the support of the Senate. We did the best we could to help the ex-service man, and you have deliberately turned it down.

Mr. RALSTON. Mr. President, I do not rise to make a speech, but only to offer a word of explanation.

The bill now before the Senate, for which I am intending to vote, does not, in my judgment, do all that should be done by this Government for our World War veterans. I have been urged, however, by the officials of the American Legion to support it and not to do anything which may contribute to its defeat.

It is my opinion that unless this bill becomes a law no compensatory legislation will be enacted by this Congress for the boys who suffered and fought so bravely in order that the institutions of this country might be made more secure and the civilization of the world preserved.

While this bill is very insignificant evidence of my country's appreciation of the services of these splendidly upstanding patriots, still for the reason that nothing better can now be done for them, I am going to support it, and I will at the proper time vote "yea."

Mr. WILLIS. Mr. President, in view of the very evidently sincere grief of the Senator from New York [Mr. COPELAND] because of the alleged failure of the President's speech in New York, and because of the ill-concealed joy of my friend from Iowa [Mr. BROOKHART] over what he believes to be its success, I think it will be useful to have in the RECORD what the President did actually say, and I therefore ask unanimous consent to have printed in the RECORD——

The PRESIDENT pro tempore. The Chair advises the Senator from Ohio that the address has already been placed in the RECORD.

Mr. WILLIS. Very well. Then it is not necessary to have it printed again. It would be good for the Senator from New York [Mr. COPELAND] to have it printed twice, but I desist.

Mr. HARRISON. I did not catch just what the Senator wanted. Was it the speech of the Senator from California [Mr. JOHNSON] that the Senator wanted to have printed in the RECORD?

Mr. WILLIS. No; I did not see any speech of the Senator from California.

Mr. DILL. Mr. President, I voted for the cash-option amendment to this bill with a great deal of pleasure and pride, and I shall vote for the bill as it now is with regret that it is so unsatisfactory to the soldier boys. I shall vote for it only because to vote against it would seem to be voting against a bonus bill. But I want again to call attention to the fact that this is not a bonus bill. This is nothing but an adjusted insurance bill. It is not even an adjusted compensation bill.

The bill provides for adjusted insurance, to be paid after the soldiers are dead. Had they been killed on the battle field, their estates would have been paid the insurance that was paid by the Government then. The only possible cash they can get out of this measure is under a provision that after it has been in effect three years, the Government will go security for them to borrow from $50 to $75 the first year, and $30 to $40 in addition every year thereafter.

I think it a farce to call it a bonus bill. It is a makeshift. It is a pretense. It is not a real bonus bill. Yet under the parliamentary situation we face here those of us who want a real bill can do nothing except vote for this, in the hope that we may yet be able to pass some other legislation that will really give these boys the bonus which they have so long asked and deserved.

Mr. KING. A parliamentary inquiry. Is there a motion pending?

The PRESIDENT pro tempore. There is a question pending.

Mr. KING. I shall wait until that is disposed of.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. HARRISON].

The amendment was agreed to.

Mr. TRAMMELL. I offer the following amendment.

The PRESIDENT pro tempore. The Senator from Florida offers an amendment, which the Secretary will state.

The READING CLERK. On page 6, line 23, the Senator from Florida proposes to add the following proviso:

Provided, That each veteran may, at his option, receive $50 in cash as a payment, to be deducted from his adjusted service certificate.

Mr. TRAMMELL. Mr. President, I was astounded, in looking over this bill to-day, to find that under its provisions a soldier who was entitled to only $50 could receive that amount in cash, but that a soldier who served a longer period of time and was entitled to four or five hundred dollars was not to be allowed to receive one penny in cash under the provisions of the bill. We force upon him an insurance certificate and do not give him the option of even receiving as much money as the short-service man, who can receive $50 in cash. It seems we should treat them all alike and not penalize a man who rendered long service or extend favoritism to the soldier who rendered a short period of service. The effect of the bill, if we allow it to remain just as it is, will be to penalize the long-service man.

I offer this amendment and hope it will be adopted, so that every soldier who comes within its provisions will enjoy to an extent a little participation in the cash benefit. If he does not get that, he has nothing coming to him except an insurance policy. That will be all.

As a matter of fact, Mr. President, when we calmly and deliberately consider the pending bill, without any intention to reflect upon anybody, we must realize that this measure is so formulated and so prepared as to try to deceive the taxpayers of the country, and also to deceive the soldiers. The object of it is to make the soldier believe he is getting some adjusted compensation, on the one hand, and on the other hand, those who are fostering this measure tell the taxpayer that you handled the situation very diplomatically from a taxation standpoint. "We are just giving these fellows insurance, and we have so arranged that it will not interfere with a tax reduction."

In other words, you propose to carry water on both shoulders. You want to fool the taxpayer on the one hand and the soldier upon the other hand. That is really the upshot of the whole proposition. If you sincerely want to pass a law giving adjusted compensation to the soldier, then we should have conferred with them as to their wishes in the matter. We should have allowed them some optional privilege in regard to whether they should be entitled to cash, or part cash payable in installments, or an insurance policy. But the door is absolutely closed to every avenue for them to receive any assistance except through an insurance plan.

On the other hand, you have not done anything for the taxpayers. The taxpayers are going to have to contribute and furnish the funds in course of time for the purpose of meeting the insurance policy plan, whether they have to do it to-day or to-morrow. If you can arrange a plan for financing this two and one-half billion dollar undertaking so as not to have the tax burden fall within a year or two—and nobody would favor any such hardship upon the taxpayers—then you could have arranged a plan of financing so as to have given the soldier the privilege of a cash option and arranged it in such way

as not to impose—all within one or two or three years—an undue financial burden upon the American people.

There was no eagerness and no zealousness displayed looking to the idea of arranging taxation and finances so as to give the soldiers the benefit of a cash optional plan. That could have been done just as well as not. The taxpayers are going to have to defray the expenses of your insurance plan in the course of time. That expense, according to statements made by all who have discussed it, especially members of the committee, is going to be an amount in excess of what it would have been if you had allowed a cash optional plan. That being true, you are not giving the taxpayers any relief; you are not practicing economy upon the one hand, and on the other hand you are not giving the soldiers what, in my judgment, they are entitled to have.

You are not giving them any option as to whether they shall have cash or an insurance plan. Heretofore in considering the subject we have felt that we should allow some privilege and some option to the soldier.

I shall vote for the bill in its present form, because it is the best we can get, but I honestly believe that the taxpayers are going to be fooled and that the soldiers are going to be very sadly disappointed in the measure. I hope the amendment I have proposed will be adopted. Then each soldier will be benefited to the extent of being allowed $50 cash at least. That is the purpose and object of the amendment.

Mr. SMOOT. Mr. President, I wish to say just a word about the amendment. I would like to speak on the bill, but I shall not take the time to do so.

This, of course, is apparently only a little amendment, but it means $200,000,000 would have to be raised. I want to say to Senators now that the bill we have reported for revenue purposes falls short of meeting the actual recommendations of our Budget for the expenses of our Government for the coming year. I have not any doubt that there will be passed at this Congress legislation that will require nearly $400,000,000 more than the revenue that will be raised for the coming year under the provisions of the revenue bill reported to this body. Of course, the amendment of the Senator from Florida would mean $200,000,000 more than that. There is a limit to all things, and I think we have reached the limit.

Mr. HEFLIN. Mr. President, the opening statement of the Senator from Utah [Mr. SMOOT] expresses the spirit that stands out boldly in opposition to any sort of legislation that would settle with the soldiers now. The Senator began his speech by saying, "The amendment would be all right, but"——

Mr. SMOOT. Oh, no, I did not say that.

Mr. HEFLIN. Well, something like that, and then he said, "But it would require $200,000,000 to pay this cash to the soldiers." I wonder if Senators are not thinking of these boys and what they have done for us and what the obligation of the country is to them? I would like to see the Senator from Utah [Mr. SMOOT] and others on that side of the Chamber rise up and protest against the wholesale refunding of taxes by Mr. Mellon to the extent of over $300,000,000. Not one of them protested against that. That was $300,000,000, including some millions to Mr. Mellon and his companies. It is all right, you seem to think, in a presidential year for the big bosses of the Republican Party to reach into the Treasury and pass tax-refunding checks out to the big financiers who will support the Republican ticket this fall. There is not a word said over there against that sort of thing, but $200,000,000 suggested by the amendment of the able Senator from Florida [Mr. TRAMMELL] finds a protest from the other side of the Chamber because we would have to raise the $200,000,000 to meet the obligation we owe to men who have already offered to make the supreme sacrifice for their country.

What have these other men done? They remained at home making money out of the Government, speculating on its distress, and cleaning up millions of dollars; but now the Secretary of the Treasury can refund taxes to them by the millions and hundreds of millions and no Republican Senator lifts his voice in protest.

As has been pointed out by the Senator from Florida, the bill as it stands puts a premium upon short-time service and little risk, and it puts a penalty upon long-time service and great risk. That is exactly what it means. The boy who served 40 or 50 days can get his $50 if he wants it, but the boy who has seen service for 150 days or more on the deadliest battle line ever stretched across the earth can not get a dollar. He must take insurance payable in 1944. He has to wait 20 years. Oh, Mr. President, it will be a wholesome thing for this country when these things are disclosed to the intelligent men and women of the country.

The Senator from Utah talks about this amendment costing money. What do we find has happened? The oil-lease investigation has shown where his party leadership bartered the oil reserves throughout the United States worth hundreds of millions of dollars, and they have already displayed signs on that side of the aisle of defending those leases. The former Secretary of the Navy who bartered those leases with Mr. Fall comes out and boldly states that he is going to defend them. There hundreds of millions of dollars were lost to the Government and nobody but one on your side protested, but when we rise up here and ask for something to be done that will relieve the soldiers of the Nation by paying them what we owe them then we are met with the cry that it would cost money. The position of the Senator from Utah simply is this in a nutshell: The plan they are offering is a makeshift and will not cost anything much in the lifetime of the soldier boys, but the plan suggested by the Democrats is worth something; and now the amendment of the Senator from Florida has teeth in it and would cost something, but it would relieve an obligation that the country owes to the boys who never failed it, but who left their homes and loved ones and went across the seas to fight and if need be to die in a strange land in obedience to the call of their country. God forbid that I shall ever prove recreant in my obligations to them.

Mr. UNDERWOOD. Mr. President, at this late hour I am going to detain the Senate but a moment. The amendment offered by the Senator from Florida [Mr. TRAMMELL] calls to our attention again the unfairness and inequity of the bill. If a man has served only so long as to earn $50 at $1 a day for his service he gets his $50; but if he served one day longer and is entitled to $51 what does he get? He can get an insurance certificate which at the end of 20 years will be worth $128. In other words, his reward for his service will be an insurance certificate which at the end of 20 years will cash out for $128; but he has a borrowing value on it, and if he will wait three and one-half years, under the terms of the bill he can take that certificate to a bank and can borrow something like $12 on it.

That is what the bill means. If he only served so he has earned $50 he gets $50 in cash and walks off and says good-by to the legislation. But if he earned $51 by one day's service more than his colleagues, his asset on the proposition, without he waits 20 years to get $128, is that he has a borrowing capacity of $12. I think it demonstrates as clearly as anything could demonstrate that the gentlemen who wrote the bill ought to take it back into the committee and see if they can not work out something better.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. TRAMMELL].

On a division, the amendment was rejected.

Mr. HEFLIN. Let us have the yeas and nays.

Mr. GLASS. Mr. President, I demand the yeas and nays.

Mr. ASHURST (at 5 o'clock and 15 minutes p. m.). I move that the Senate adjourn.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Arizona that the Senate adjourn.

The motion was rejected.

Mr. McKELLAR. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Tennessee offers an amendment, which will be stated.

Mr. HEFLIN. Mr. President, the yeas and nays were demanded on the amendment of the Senator from Florida. That is a very important question; and I would like to have a roll call on it, because I shall want to refer to these records some time in the future. [Laughter.]

The PRESIDENT pro tempore. The Chair, unfortunately for the Senator from Alabama, did not hear his request until after the Chair had announced the result of the division. The Senator from Tennessee offers an amendment, which will be stated.

Mr. SIMMONS. Mr. President, I ask the Senator from Tennessee to yield to me.

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. Mr. President, before the Chair had announced his decision with reference to the vote on the amendment of the Senator from Florida [Mr. TRAMMELL] I think the Senator from Virginia [Mr. GLASS] rose in his place and asked for a yea-and-nay vote.

Mr. GLASS. Yes, Mr. President. It was suggested here in the rear of the Chamber that those of us who voted against the

proposition did not want to go on record upon it, and I do want to go on record.

Mr. SMOOT. I should like to go on record.

Mr. HEFLIN. Let us accommodate Senators, Mr. President. Let us have the yeas and nays.

Mr. EDGE. Regular order!

The PRESIDENT pro tempore. The Chair has announced his ruling in that respect, but there is a way his ruling may be corrected.

Mr. HEFLIN. I can get a yea-and-nay vote on the proposition when the bill comes into the Senate. I reserve the right to ask for a yea-and-nay vote on the proposition when the bill is in the Senate.

The PRESIDENT pro tempore. The Chair desires to state to the Senator from Alabama that it is impossible to reserve a separate vote on the amendment to which he refers because the amendment was not agreed to. The Senator from Alabama, however, can secure a separate vote by offering the amendment when the bill reaches the Senate and he can then have a yea-and-nay vote on it.

Mr. HEFLIN. Very well; I will do that.

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from Tennessee [Mr. McKELLAR].

The READING CLERK. On page 6, line 23, it is proposed to insert the following:

> Each overseas veteran may, at his option, receive $50 in cash as a payment to be credited on his adjusted service certificate.

Mr. McKELLAR. Mr. President, just a word about the amendment. It does seem extraordinarily unfair that we should pay to boys who served only a few days at home a cash bonus of $50 and should not permit even a similar cash bonus to be paid to those who went overseas and took all the risk of the fighting. The pending bill is what might properly be called a "bonusless bonus." There is not anything real or substantial about it. It is going to cost the Government an immense sum of money and will do the soldiers but little good. I think that the men who did the fighting, the men who went across the sea, should be considered to some extent, and the mere pittance which the amendment proposes to give them seems to me is as little as we can do for those soldiers.

I ask the Senator in charge of the bill and other Senators to agree to the amendment. If adopted, it will involve in the first year an expenditure of $100,000,000, it is true, but, Mr. President, in my judgment, it would be the most worthy part of this measure. We should do something for those who actually did the fighting. I ask for the yeas and nays on the amendment.

The PRESIDENT pro tempore. The yeas and nays are demanded upon the amendment proposed by the Senator from Tennesssee.

Mr. SMOOT. Mr. President, I think the Senator from Tennessee desires to perfect his amendment so as to have it reach the object which he has in view. The Senator provides in his amendment:

> Each overseas veteran may, at his option, receive $50 in cash as a payment to be credited on his adjusted service certificate.

The veteran could not receive cash and also have credit on the certificate; it would have to be charged.

Mr McKELLAR. Why can it not be done?

Mr. SMOOT. It would have to be charged on the certificate; it could not be credited on the certificate.

Mr. McKELLAR. I modify the amendment so as to provide that the cash payment shall be deducted from the certificate. I offer the amendment, Mr. President.

The PRESIDENT pro tempore. The Chair will again ask is the demand for the yeas and nays seconded? In the opinion of the Chair it is, and the yeas and nays are ordered.

The reading clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement as on previous votes in regard to my pair, I vote "nay."

Mr. SIMMONS (when his name was called). Making the same statement as on previous ballots with reference to my pair, I vote "yea."

The roll call having been concluded, the result was announced—yeas 33, nays 44, as follows:

YEAS—33

Adams	Dial	George	Johnson, Minn.
Ashurst	Dill	Harris	Jones, N. Mex.
Caraway	Ferris	Harrison	Kendrick
Copeland	Fletcher	Heflin	King
McKellar	Ralston	Stanley	Walsh, Mont.
Mayfield	Sheppard	Stephens	Wheeler
Neely	Shipstead	Trammell	
Norris	Simmons	Underwood	
Overman	Smith	Walsh, Mass.	

NAYS—44

Ball	Curtis	Hale	Pepper
Bayard	Dale	Howell	Phipps
Borah	Edge	Jones, Wash.	Shields
Brandegee	Edwards	Keyes	Shortridge
Brookhart	Elkins	Ladd	Smoot
Bruce	Ernst	Lodge	Spencer
Bursum	Fernald	McCormick	Stanfield
Cameron	Fess	McKinley	Sterling
Capper	Frazier	McLean	Wadsworth
Colt	Glass	McNary	Warren
Cummins	Gooding	Oddie	Willis

NOT VOTING—19

Broussard	Johnson, Calif.	Owen	Robinson
Couzens	La Follette	Pittman	Swanson
Gerry	Lenroot	Ransdell	Watson
Greene	Moses	Reed, Mo.	Weller
Harreld	Norbeck	Reed, Pa.	

So Mr. McKELLAR's amendment was rejected.

Mr. KING. Mr. President, the proponents of bonus legislation have insisted that they were anxious to have adjusted compensation and that the basis of adjusted compensation was to be determined, in part at least, by the amount received by the ex-service men and the amount they would have received as wages and profits had they not been drafted into the service of their country. I am afraid that the proponents of this bill have forgotten their pledges and the promises made to the ex-service men of the country. For the purpose of reminding them of their solemn pledges, their unperformed promises, and to call them back to the path of duty I beg leave to offer the following motion:

I move to recommit the bill to the Committee on Finance with instructions to report back a measure providing for adjusted compensation based upon the loss of earnings or profits sustained by those coming within the terms of the bill.

Mr. President, the Senators who are so solicitous for the welfare of the ex-service men, who have pretended to have fought, bled, and died with them in their speeches, and who have shed here a multitude of tears during the past three years because the ex-service men did not have the opportunity to make as much money when in the Army as if they had been at home, will have an opportunity by voting for my motion to vindicate their professions and in behalf of an honest adjusted compensation measure. I submit the motion.

SEVERAL SENATORS. Vote!

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah to recommit the bill to the Committee on Finance with instructions.

The motion was rejected.

Mr. KING. Mr. President, another class of those who have favored adjusted compensation, so called, have frequently alluded to the bravery and the heroism of those who fought upon the fields of Flanders and those who traversed the submarine-infested sea and took part in naval combats. They have said that they should be compensated for their heroism and for their courage. Now, in order to demonstrate how sincere they are—and, of course, they are sincere—I beg leave to offer the following motion:

I move to recommit the bill to the Committee on Finance with instructions to report the same back with provisions for additional compensation for all veterans who belonged to the combat forces engaged on land and sea.

I ask the Senators who are so solicitous for the brave soldiers who did fight in the trenches and who did participate in naval engagements upon the sea to show their friendship for such ex-service men by supporting a proposition that will accord them recognition for their services in behalf of this country. If we are to believe the statements of some who have been advocating adjusted-compensation legislation, then this motion will receive their support.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah to recommit the bill to the Committee on Finance with instructions.

The motion was rejected.

Mr. KING. Mr. President, I had several other motions to recommit to make for the purpose of testing the sincerity of Senators who have professed such great devotion to the soldier, but in view of the fact that they have demonstrated a lack of sincerity in some of these votes I shall refrain from further challenging their attention to them.

Mr. HEFLIN. The same order, Mr. President. Can we have the same order?

The PRESIDENT pro tempore. The Senator from Alabama.

Mr. HEFLIN. I was just suggesting that it would save time if we could have the same order.

Mr. KING. Mr. President, I ask the attention of the Senator in charge of the bill.

The PRESIDENT pro tempore. Does the Senator from Utah offer an amendment?

Mr. KING. For the purpose of asking a question, I move to strike out lines 21 to 23, on page 4, and I ask the Senator in charge of the bill whether he will not consent to that? May I say that I have spoken to the Public Health Service——

Mr. CURTIS. They are not included.

Mr. KING. The Senator is in error.

Mr. CURTIS. No; they are excluded.

Mr. KING. Those who are detailed for service are included. The Senator admitted the other day that those who were detailed for service are included within the bill.

Mr. CURTIS. They are.

Mr. KING. Will the Senator consent to an amendment eliminating that?

Mr. CURTIS. This is not the clause dealing with it.

Mr. SMOOT. Mr. President, I call my colleague's attention to page 3 of the bill, section 202, where it says:

> In computing the adjusted-service credit no allowance shall be made to—

And then, on that page and the next, it specifies the various persons who shall not receive allowances.

Mr. KING. If my colleague will permit me, I had planned to follow that amendment by another on page 4, which would be a necessary complement to it; but perhaps I can accomplish the same result—and I ask the Senator's attention to the matter—by striking out the words "for any period during which he was not detailed for duty with the Army or the Navy."

The PRESIDENT pro tempore. Does the Senator from Utah withdraw his former amendment?

Mr. KING. No; I will not withdraw it for the moment.

The PRESIDENT pro tempore. The Senator can not offer two amendments at the same time.

Mr. KING. I am not offering another amendment. If the Chair will just wait a moment in patience, we will soon reach a conclusion.

Mr. CURTIS. Mr. President, that amendment would not accomplish what the Senator desires. The provision of the bill under which the members of the Public Health Service are paid is where they perform service. This excludes those. The amendment the Senator offers is to the provision which excludes them from the benefits of the bill. They are excluded under that provision.

Mr. KING. If the Senator will pardon me, the bill provides that members of the Public Health Service who are detailed for service with the Army or Navy or the Marine Corps may come within the provisions of the bill.

Mr. CURTIS. That is right.

Mr. KING. Now, I ask the Senator if he will not consent to the elimination of that?

Mr. CURTIS. I can not consent to that.

Mr. KING. Mr. President, the facts are that the members of the Public Health Service receive compensation. They were in the service of the Government, and the minimum compensation they received was approximately $2,000 to $2,500, running up to $6,000. We employ men. They are in the service of the Government. They are receiving as a minimum $2,000 to $2,500, and a maximum of $6,000; and we merely detail them in the line of their duty for other activities in connection with the Public Health Service of the country. It seems to me that we can not justify giving them the benefit of the provisions of this bill, and that the Senator ought to be willing to eliminate them from the bill.

I move to strike from the bill those words, eliminating those members of the Public Health Service who were detailed for service with the Army and the Navy.

Mr. SMOOT. The Senator wants to strike out the word "detailed," does he?

Mr. KING. Yes; on page 4, lines 21, 22, and 23, I move to strike out the words "for any period during which he was not detailed for duty with the Army or the Navy."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Utah.

The amendment was rejected.

The PRESIDENT pro tempore. The bill is still before the Senate as in Committee of the Whole and open to amendment. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. TRAMMELL. Mr. President, I desire to propose the amendment which I offered a while ago.

The PRESIDENT pro tempore. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. On page 6, line 23, it is proposed to insert the following proviso:

> *Provided*, That each veteran may, at his option, receive $50 in cash as a payment to be deducted from his adjusted-service certificate.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Florida.

Mr. TRAMMELL and Mr. HEFLIN called for the yeas and nays.

The PRESIDENT pro tempore. The Senator from Florida asks for the yeas and nays. Is the demand seconded?

Mr. HEFLIN. We can have the yeas and nays much quicker than the time it will take to make a couple of speeches.

The PRESIDENT pro tempore. We can have the yeas and nays if the demand is seconded according to the rule.

Mr. HEFLIN. I am willing to vote on the amendment now if we can get the yeas and nays.

The PRESIDENT pro tempore. Is the demand seconded? [After a pause.] The Chair is of the opinion that it is not sufficiently seconded.

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. The Senator from Alabama.

Mr. HEFLIN. I hope the Senate will adopt that amendment.

Mr. CURTIS. Mr. President, I rise to a point of order. The Senator spoke on this amendment, I understand, for 10 minutes when the amendment was pending as in Committee of the Whole. It is the same amendment.

The PRESIDENT pro tempore. The Chair is advised by the clerks at the desk that the Senator has already exhausted his 10 minutes upon this amendment.

Mr. HEFLIN. Not according to the President's ruling.

The PRESIDENT pro tempore. The Chair may be permitted to say that the Senator can speak for five minutes on the bill.

Mr. HEFLIN. The President ruled a little while ago that this amendment could not be brought in from the Committee of the Whole to the Senate and voted on here; that it had to be offered again. I submit that under that ruling this is a new amendment, offered after the Committee of the Whole had disposed of the bill, and therefore that I have the right and any other Senator who wants to discuss it has the right to speak 10 minutes on it.

The PRESIDENT pro tempore. The Chair is inclined to hold that an amendment offered in the Senate can not be debated by a Senator who has exhausted his time upon the same amendment when offered in Committee of the Whole.

Mr. CURTIS. Mr. President, I hope the Senator will withdraw his request anyhow. He had a yea-and-nay vote on an amendment that was even stronger than that.

Mr. HEFLIN. The Senator from Kansas is right in a way. The record vote had on the McKellar amendment does go to the principle involved in this amendment, but this amendment covers more ground and takes in more of the ex-service men. I am not inclined to go along and discuss it, however, if we can not effect anything by it. I am willing to stay here until midnight, if necessary, to fight for what I think is right for these boys, but if some Senators are getting impatient and want to get away, even with the makeshift we have, I will not insist on a record vote.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. TRAMMELL].

The amendment was rejected.

Mr. SMOOT. Mr. President, I want to refer again to an amendment that was offered by my colleague, the junior Senator from Utah [Mr. KING], on page 4, striking out the words "for any period during which he was not detailed for duty with the Army or the Navy."

That means only the detailed men. I understand that the officials of the Public Health Service do not care to have any members of the Public Health Service included in the provisions of the bill; and in order that it may go to conference I suggest to my colleague that we agree to the amendment as follows: On page 4, strike out "for any period during which he was not detailed for duty with the Army or the Navy," so that the provisions of the bill will not apply to any member of the Public Health Service.

The PRESIDENT pro tempore. The Senator from Utah offers an amendment, which will be stated.

The READING CLERK. On page 4, lines 21 to 23, it is proposed to strike out:

> For any period during which he was not detailed for duty with the Army or the Navy.

Mr. CURTIS. Mr. President, in view of the statement made by the Senator from Utah that the officials of the Public Health Service have told him that they have not requested this, and had no desire to have it placed in the bill, I am willing to accept the amendment, so far as I am concerned, and take the matter to conference.

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from Utah [Mr. SMOOT].

The amendment was agreed to.

Mr. GLASS. Mr. President, I have no desire to detain the Senate at this late hour, as it is obviously impatient for a vote on this question. I do ask unanimous consent, however, to include in the RECORD as a part of my remarks a statement which I made on October 4, 1919, while Secretary of the Treasury, before the Budget Committee of the House of Representatives, against a bonus of this or any other character to the ex-service men of the country; and I may say, just in a moment, that I feel complimented that the officers of the American Legion did not send any telegrams to me, thereby indicating that they imagined that they might swerve me from my position against a bonus of any description. As is well known, I have been against it. I fired the first shot against it on the date indicated, and I have not turned aside from that position to this day and shall not when the roll is called on this bonus bill.

I do not very seriously regard the utterances of those Senators who asperse the motives of their colleagues on either side of this question. I impute the same motives to those Senators who very earnestly and sincerely advocate a bonus, or—as they are better pleased to call it—adjusted compensation, that I claim for myself in my uncompromising antagonism to the bonus, or adjusted compensation.

I oppose the bonus both on sentimental grounds and for economic reasons. I will not detain the Senate to discuss either of these considerations beyond the mere statement that I find no difficulty whatsoever in ascertaining to my complete satisfaction that a bonus carrying an obligation of approximately $4,000,000,000 upon the Treasury of the United States will in the end be paid by every thrifty man among the soldiers who were drafted in the war. It is not very difficult to figure out that every one of those men who to-day contributes a farthing toward the support of his Government will in the end bear this burden himself, not only with respect to his own compensation but that he will in the end have to shoulder the burden of some thriftless man among his comrades.

Feeling from the sentimental viewpoint that it is an affront to the service man and being convinced from the economic point of view that it will mean an actual burden upon him which he and his children after him will have to endure and meet, I shall, when the roll is called, vote against the bill.

The PRESIDENT pro tempore. The Senator from Virginia has requested permission to insert certain matter in the RECORD. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. CARTER GLASS, SECRETARY OF THE TREASURY, ON OCTOBER 4, 1919, BEFORE THE BUDGET COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

Let us now get back to bedrock. Let us remember that there can be no spending by the Government without paying by the Government, and that the Government can not pay except out of the pockets of the people. Let us remember, too, that in the last analysis taxes and the cost of Government loans are borne by 100,000,000 people. The burden of taxation, the burden of credit expansion is inevitably shifted to the whole people of the United States. Some methods of finance are better than others. Some taxes are less readily adapted to being shifted from the backs of the original taxpayers, presumably better able to bear them, to the backs of the people as a whole, but in the long run the burden of governmental waste and extravagance falls more heavily upon the poor than upon the well-to-do and more heavily upon the well-to-do than upon the rich. By graduated income taxes we tend to mitigate this consequence, but we can not wholly avoid it. Let us not fail to remember that the Government of the United States is simply a name for the people of the United States, and that all of the people of the United States will pay in inverse order to their ability for extravagances of the Government perpetrated in the interest of a portion of the people.

* * * * * * *

To-day the credit of the United States is imperiled by projects initiated and supported on the floor of Congress with a view to capturing the so-called soldier vote. I do not believe for a minute there is any such thing as the soldier vote. I do not believe that that magnificent body of strong, brave, lusty young men who went out to France or were ready to go want to see the people of the United States exploited in order that each of them may receive a donation. I do not believe these fine young men, if they realized what it is that is proposed in their behalf, would accept a gift made at the expense of their fathers and mothers and sisters and the children that are to come after them. While of course you can not commit to terms of money the value of the service rendered by the Army of America, I call your attention to the fact that the actual pay of our soldiers was doubled at the outset of the war, that our soldiers have been paid with liberality never dreamed of in the history of this or any other country, and that the projects now advocated so lavishly and with so little regard for the welfare of the American people are not limited to those heroic men who suffered injury or death at the hands of the enemy, not even to those who actually saw the front, not even to those who were sent to France. These projects extend to every one of some 4,500,000 men, mostly young men, who were included in the military and naval forces of the United States, even to those of their number who sought and obtained employment of a character which would relieve them from being exposed to personal risk.

It has been the disheartening task of the Treasury to examine scores and scores of bills drawn and presented with a view to benefiting a section of the country or a portion of its citizenship at the expense of the whole. Many of these bills were apparently devised to avoid the appearance of an appropriation by requiring the Secretary of the Treasury to issue bonds, notes, or certificates of indebtedness to meet the expenditure involved, and all of these bills were such as would not be reached by a purely executive budget.

I have said the finances of the United States are in excellent condition. I have said in substance that I do not anticipate a deficit in the current fiscal year in excess of $1,000,000,000, and that that deficit is covered by deferred installments of the Victory loan, payable within the fiscal year. I have said that there need be no more Liberty bonds. But I say to you in all solemnity that if a prompt and immediate halt is not called to this great peril, there must be another Liberty loan, and you gentlemen will have to go out to the people of the United States and call upon them to subscribe for bonds, the proceeds of which are to be given away to the well and strong young men who you and I and the American people know went out in a spirit of unselfishness, not one of self-seeking, to fight for their country. You may ask the old men and the widows, the school children, the rich and the poor, who responded to the call of their country to the number of 20,000,000 during the period of the war to respond again to this call for a donation. I hope I shall never shrink from the performance of any public duty, yet I do not covet the task of making such an appeal, and I shall not willingly be a party to offering this affront to the generous, heroic, unselfish Army and Navy of America that saved the freedom of the world.

The Congress may propose to pay this gift in bonds themselves; but that should not fool anyone. If bonds are given away to the soldiers, the issuance in that manner of those bonds will depress the prices of existing bonds so gravely as to imperil the credit of the United States and force additional sacrifices from the 20,000,000 people who participated in financing the war, in providing the pay, food, and munitions which made it possible for our splendid Army to contribute decisively to the great victory.

The PRESIDENT pro tempore. The question now is, Shall the amendments concurred in by the Senate be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BAYARD (when his name was called). Making the same announcement with regard to my pair as on the previous vote, I vote "nay."

Mr. FERNALD (when his name was called). As I have already stated, I am paired on this measure with the senior Senator from Indiana [Mr. WATSON]. If he were present he would vote "yea." I transfer that pair to the senior Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. NORBECK (when the name of Mr. JOHNSON of California was called). I wish to announce that the senior Senator from California [Mr. JOHNSON] is paired with the senior Senator from New Hampshire [Mr. MOSES]. If the Senator from California were present he would vote "yea" and the Senator from New Hampshire would vote "nay."

Mr. PEPPER (when the name of Mr. REED of Pennsylvania was called). On this question my colleague [Mr. REED] is paired with the junior Senator from Wisconsin [Mr. LENROOT].

I am advised that if present my colleague would vote "nay" on this question, and the Senator from Wisconsin would vote "yea."

Mr. CARAWAY (when Mr. ROBINSON's name was called). My colleague [Mr. ROBINSON] is unavoidably detained from the Senate. If he were present we would vote "yea."

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. HARFIELD], who is absent. I transfer that pair to the senior Senator from Missouri [Mr. REED], and vote "yea." I wish to say, however, that I think that if the Senator from Missouri [Mr. REED] were present, he also would vote "yea."

The roll call was concluded.

Mr. CURTIS. I was requested to announce that the Senator from Maryland [Mr. WELLER] is paired on this vote with the Senator from Michigan [Mr. COUZENS]. If present the Senator from Michigan [Mr. COUZENS] would vote "yea," and the Senator from Maryland [Mr. WELLER] would vote "nay."

I also desire to announce that the junior Senator from Oklahoma [Mr. HARFIELD] is unavoidably absent and if present and not paired he would vote "yea."

The result was announced—yeas 67, nays 17, as follows:

YEAS—67

Adams	Fess	Lodge	Sheppard
Ashurst	Fletcher	McCormick	Shipstead
Brandegee	Frazier	McKellar	Shortridge
Brookhart	George	McKinley	Simmons
Broussard	Gerry	McLean	Smith
Bursum	Gooding	McNary	Spencer
Cameron	Hale	Mayfield	Stanfield
Capper	Harris	Neely	Stanley
Caraway	Harrison	Norbeck	Stephens
Colt	Heflin	Norris	Sterling
Copeland	Howell	Oddie	Trammell
Cummins	Johnson, Minn.	Overman	Walsh, Mass.
Curtis	Jones, N. Mex.	Owen	Walsh, Mont.
Dale	Jones, Wash.	Phipps	Warren
Dill	Kendrick	Pittman	Wheeler
Elkins	Keyes	Ralston	Willis
Ferris	Ladd	Ransdell	

NAYS—17

Ball	Edge	King	Underwood
Bayard	Edwards	Pepper	Wadsworth
Borah	Ernst	Shields	
Bruce	Fernald	Smoot	
Dial	Glass	Swanson	

NOT VOTING—12

Couzens	Johnson, Calif.	Moses	Robinson
Greene	La Follette	Reed, Mo.	Watson
Harreld	Lenroot	Reed, Pa.	Weller

So the bill was passed.

TAX REDUCTION

Mr. SMOOT. I move that the Senate proceed to the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. NORRIS. I wish to inquire if it is contemplated that the Senate shall take a recess. If so, I want to be heard on the motion of the Senator from Utah.

Mr. SMOOT. Does the Senator desire that we shall have a morning hour to-morrow?

Mr. NORRIS. If we have a morning hour, I shall be able to secure the attention of the Senate for a sufficient time to pass a bill which has been unanimously reported by the Committee on Agriculture and Forestry and which the members of that committee are anxious to have disposed of. We do not think it will take any considerable time. I do not know of any objection to it.

Mr. SMOOT. If there is no objection to it, I would prefer to have the Senate pass the bill now, and then we can take a recess.

Mr. NORRIS. I am willing to have it taken up now, but the hour is late; we have been in session since 10 o'clock this morning, and I anticipate Senators would not want to take it up at this hour.

Mr. FLETCHER. I think we had better adjourn and have a morning hour to-morrow.

Mr. NORRIS. If the Senate contemplates adjourning, I shall have no objection, of course.

Mr. SIMMONS. I hope the Senator from Utah will move an adjournment.

Mr. SMOOT. I am willing, if the revenue bill is made the unfinished business, to have the Senate adjourn until 12 o'clock to-morrow.

Mr. NORRIS. That will be satisfactory.

The PRESIDENT pro tempore. The Senator from Utah has moved that the Senate proceed to the consideration of House bill 6715, an act to reduce and equalize taxation, to provide revenue, and for other purposes.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill.

CLAIMS OF THE GOVERNMENT OF CHINA (S. DOC. NO. 96)

The PRESIDING OFFICER (Mr. JONES of Washington in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report from the Secretary of State regarding two claims presented by the Government of China against the Government of the United States arising out of the negligent or unlawful acts in China of persons connected with the military and naval forces of the United States, and I recommend that as an act of grace and without reference to the question of the legal liability of the United States an appropriation in the amount of $1,100 be made to effect settlement of these claims, in accordance with the recommendation of the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 23, 1924.*

Enclosure: Report from Secretary of State.

REPORT OF ARLINGTON MEMORIAL BRIDGE COMMISSION (S. DOC. NO. 95)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Commerce and ordered to be printed:

To the Congress of the United States:

In accordance with section 23 of the public buildings act, approved March 4, 1913, I am transmitting herewith the report and recommendation of the Arlington Memorial Bridge Commission on the project to construct a memorial bridge across the Potomac from the vicinity of the Lincoln Memorial to the Arlington estate on the Virginia side of the river. The report and recommendation of the commission have my approval.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 23, 1924.*

[NOTE.—Report accompanied similar message to the House of Representatives.]

FOREIGN OIL CONCESSIONS TO AMERICAN CITIZENS (S. DOC. NO. 97)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

THE WHITE HOUSE,
Washington, April 23, 1924.

TO THE SENATE:

I transmit herewith a report from the Secretary of State, with accompanying papers, in response to the Senate's resolution of February 13, 1924, requesting him "to furnish the Senate with copies of all diplomatic correspondence, if not incompatible with the public interest, in connection with the securing of oil concessions for American citizens or for corporations organized and doing business in the United States, between this Government and the Government of Great Britain regarding oil concessions in Burma, Mesopotamia, and Palestine; with the Government of Holland regarding oil concessions in the Dutch East Indies; with the Government of Portugal regarding oil concessions in Portuguese East Africa; with the Government of Persia regarding oil concessions in Persia; with the Government of Costa Rica regarding oil concessions in Costa Rica; with the Government of Argentina regarding oil concessions in Argentina; with the Government of Venezuela regarding oil concessions in Venezuela; with the Government of Czechoslovakia regarding oil concessions in Czechoslovakia; with the Government of Mexico regarding oil concessions in Mexico; and with the Government of Russia or with any other foreign government regarding oil concessions in Russia, since March 4, 1921."

CALVIN COOLIDGE.

TERMS OF COURTS IN WESTERN DISTRICT OF VIRGINIA

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1609) to fix the time for the terms of the United States District Court in the Western District of Virginia, which were, on page 1, line 10, to strike out the word "Abington" and to insert in lieu thereof the word "Abingdon"; and on page 2, line 2, to strike out all after "November" down to and including "1924" in line 3, page 2.

Mr. GLASS. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ARIZONA STATE MEMORIAL STONE

Mr. CAMERON. Mr. President, on the 15th day of April, 1924, a stone presented by the State of Arizona was placed in the Washington Monument in this city, and certain proceedings were had upon that occasion. I ask unanimous consent that these proceedings may be printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

PROCEEDINGS HELD IN THE WASHINGTON MONUMENT, WASHINGTON, D. C., APRIL 15, 1924, UPON THE DEDICATION OF A MEMORIAL STONE PLACED IN THAT MONUMENT BY THE STATE OF ARIZONA

ADDRESS BY SENATOR CAMERON

Hon. RALPH H. CAMERON, junior Senator from the State of Arizona, who presided during the ceremonies, made the following introductory remarks:

Mr. President, ladies, and gentlemen: Arizona is young in statehood but old in the history of the great Southwest, and we are here to-day to pay an everlasting tribute to the memory of the Father of his Country. In this massive Monument we, as representatives of Arizona, have met to place a stone from the petrified forests of Arizona, insignificant in size but mighty in patriotic sentiment. It shall henceforth symbolize Arizona's part in this great memorial which stands as a mighty sentinel, silently speaking to all peoples of the blessings of liberty and justice.

For more than a half century our pioneers struggled against the greatest obstacles of man and nature, hoping always to overcome these difficulties and become a real part of the United States. Our hope has at last become a reality, Arizona's star is the last to have been set in our flag, and we are here to-day, after realizing our dream, proudly and formally placing and dedicating Arizona's contribution to this great Monument, which will stand forever to the glory of him who founded this Nation.

Mrs. Thomas A. Edison, chaplain general National Society Daughters of the American Revolution, offered the following invocation:

Great God, our Maker, as we stand here impressed by the great work of man and realize that it has been erected to the memory of one of our great men, we worship Thee, our Heavenly Father, as the Maker of all things.

As Arizona, the last State to come into this wonderful Union of States, places this block of wood as her tribute of love, we stand in awe of Thy great Majesty.

Make us worthy of our Creator, and to-day we ask Thy particular blessing upon this State in all her undertakings.

In Christ's name. Amen.

ADDRESS BY MRS. SMITH

Mrs. Hoval A. Smith, State regent, Arizona, Daughters of the American Revolution, representing Hon. Geo. W. P. Hunt, Governor of the State of Arizona, delivered the presentation address. In presenting the stone she said:

Mr. President, Madam President General, Daughters of the American Revolution, and distinguished guest, it is my honor and privilege to-day to represent the Hon. G. W. P Hunt, Governor of the great State of Arizona, and to present this our State stone for him and the citizens of Arizona to the Government of the United States.

Arizona's heart is filled with pride to-day—proud that the President of the United States has honored us; proud that the President General, Mrs. Anthony Wayne Cook, and the splendid national officers of the Daughters of the American Revolution from every State in these great United States, and other distinguished guests are gathered here with us to witness this dedication; proud that Arizona can to-day add her tribute to this greatest of all memorials to the greatest of all Americans, Washington.

Former Gov. Thomas E. Campbell, Governor Hunt, and our State legislature intrusted to the Daughters of the American Revolution of Arizona this sacred and patriotic duty. Although this was an unusual procedure, does it not seem most fitting, for are we not the lineal descendants of that great Army of which Washington was the Commander in Chief? Is it not the highest aim of our society to keep ever alive in the hearts and souls of our fellow-countrymen the sacrifices, ideals, and epochal accomplishments of our Revolutionary fathers and their immortal leader, Washington?

It has not been an easy task to move from our Petrified Forest 3,000 miles away, a petrified tree weighing 6,000 pounds. This has been done not by the State but by the people of the State as individuals, right from their hearts. No one has given more time, aid, and energy than Senator RALPH H. CAMERON and Col. O. C. Sherrill, to whom we feel the deepest gratitude.

Arizona embraces within her boundaries practically all of the last area added to continental United States. Arizona was the last State admitted to the Union. The placing of Arizona's star within the constellation made complete our glorious flag, and the dedication of Arizona's State stone to-day will in sentiment complete this monument, "the most beautiful structure ever erected by a nation as a tribute to one of its own people."

Arizona, a land of possibilities beyond any man's comprehension, is the land of the blest, the land of sunshine, the healing spot for the ills of people from the world over. Our wonderful mountains yield the richest minerals of the earth. Our swiftly flowing rivers have within them vast sources of power, the waters of which are sufficient to irrigate an empire and provide a glorious livelihood for millions yet unborn.

Arizona possesses within her boundaries the most wonderful works of God. The Grand Canyon of Arizona is known throughout the world as one of its greatest shrines. The Petrified Forest is also one of the unique wonders of the world. From it we have selected the heart of one of the former giant sentinels that lived and died in the ages long past, and when fallen and buried for centuries upon centuries was resurrected through time's agencies of wind and storm. It seems that nature has uncovered this wonderful work of God, destined for a place in this great memorial, where it will forever typify the deep reverence and love that Arizona cherishes for the "Father of our Country."

In the heart of this tribute can be seen the matchless blues of Arizona's skies, the wonderful purple and tints of her morn and twilight, the warmth of her glorious sunshine, and radiating therefrom in ever-increasing intensity can be felt the desire and hope of our citizenship toward the ideals of Washington, which are so fittingly symbolized by the matchless majesty of this Monument.

MRS. JOHN A. PARKER UNVEILS THE STONE

The Arizona State stone was unveiled by Mrs. John A. Parker, who was formerly Miss Dorothy Packard, a native-born Arizonian.

This stone was hewn from a tree in the Petrified Forest of Arizona, and on its face is carved the word "Arizona."

After the unveiling Mrs. Parker, accompanied by the United States Marine Band, sang Arizona, the State song of the State of Arizona, as follows:

ARIZONA

[March song]

Come to this land of sunshine,
To this land where life is young;
Where the wide, wide world is waiting,
Songs that will now be sung;
Where the golden sun is flaming
Into warm, white, shining day,
And the sons of men are blazing
Their priceless right of way.

Chorus:

Sing the song that's in your hearts,
Sing of the great Southwest,
Thank God, for Arizona
In splendid sunshine dressed,
For thy beauty and thy grandeur,
For thy regal robes so sheen
We hail thee, Arizona,
Our goddess and our queen.

Come stand beside the rivers
Within our valleys broad.
Stand here, with heads uncovered,
In the presence of our God!
While all around about us
The brave, unconquered band,
As guardians and landmarks,
The giant mountains stand.

Not alone for gold and silver
Is Arizona great,
But, with graves of heroes sleeping,
All the land is consecrate!
Oh, come and live beside us,
However far ye roam.
Come help us build up temples,
And name these temples "home."

ACCEPTANCE BY LIEUTENANT COLONEL SHERRILL

Lieut. Col. Clarence O. Sherrill, United States Army, in charge of public buildings and grounds and Washington Monument, accepted the Arizona State stone with the following remarks:

Mr. President, Senator CAMERON, Mrs. Hoval A. Smith, ladies, and gentlemen, as custodian of the Washington Monument and on behalf

tiated and supported on the floor of Congress with a view to capturing

paired with the junior Senator from Wisconsin [Mr. LENROOT].

of the Government and the people of the United States, I hereby accept from the State and people of Arizona this stone, dedicated as a memorial and a tribute of love and respect to the memory of George Washington, Father of his Country.

ADDRESS BY SENATOR ASHURST

Hon. HENRY F. ASHURST, senior Senator from the State of Arizona, delivered the following address:

(As Senator ASHURST was called away from the city on account of illness in his family, his address was read by Mr. John C. Crockett, reading clerk of the United States Senate.)

This Monument of unsurpassed dignity, beauty, and simplicity, erected as a symbol of the veneration in which America holds the immortal name of George Washington, is the embodiment of the struggles and aspirations of our race. No matter what robes of glory may be woven for our Nation in the days that are to come, the future can not give a blessing richer or more ample than the liberty which Washington's valor and wisdom bequeathed to us.

Within the past decade science has given us steeds with lungs of steel and wings of silk, and with them we have made the highways of the eagle the highways of our commerce, but science can never give to us anything more valuable than our American system of government.

Neither iron quill, neither music's myriad voices, nor eloquent lips ardent with truth and opulent with images of splendor can give adequate utterance to the pageantry of the memories and the hopes that rise before us when we reflect upon what this Monument signifies.

Liberty is like unto a coral island—built from the deeps, built by the dying of the builders until finally its truths greet the surface and the sun. Millions of men have suffered and died in order that freedom, typified by this Monument, might live.

The stone set by Arizona into this Monument is chalcedony—petrified wood—that which St. John the Divine in describing the foundations of the walls of the city called a "precious stone," and this stone dedicated to-day is a section of tree which lived its green millenium millions of years ago. It is the section of a tree whose structure has resisted the gnawing tooth of time and whose beauty has not been corrupted by the moths of eternity. So may it be with the American Government.

ADDRESS BY MRS. COOK

Mrs. Anthony Wayne Cook, president general National Society, Daughters of the American Revolution, delivered the following address:

It is a privilege to have a part in this historic occasion, as the representative of the Daughters of the American Revolution.

In the placing of the one hundred and eighty-third memorial stone within this shaft, Arizona typifies in the century-enduring product of her State her own and America's unchanging faith in the principles exemplified in the life and achievements of the great American in whose memory this imposing monument endures.

Throughout the 125 years that have elapsed since the death of Washington we are remembering that his was the faith that never wavered; his the courage that was not dismayed by defeat; his the wisdom that was broader than any taught in schools; and his the loyalty that kept unselfish purpose subordinate to the demands of patriotism and honor. Could this latter phase of his character better be emphasized than it is in a pathetic note written by Martha Washington? Replying to a communication addressed to her in connection with the memorial resolution for a monument introduced in Congress by John Marshall the day after her husband's death, she says, "Taught by the great example which I have so long had before me, I have learned never to oppose my private wishes to the public will."

It is fitting that the imposing testimonial selected by the Nation to show its gratitude should overlook both Washington's beloved home on the Virginia shore and the Capital City, named in his honor, whose growth and expansion with that of the United States has so justified its founder's vision.

Every memorial stone within the Washington Monument has its story and its "sermon." In becoming a part of a splendid whole, this Arizona stone reminds us that "out of disconnected fragments" George Washington "molded a whole and made it a country." Let the "sermon" in this stone be the urge which its dedication gives us to rededicate ourselves to the well-being of the Nation which George Washington established in an enduring frame of constitutional government.

ADDRESS BY CONGRESSMAN HAYDEN

Hon. CARL HAYDEN, Representative from the State of Arizona, delivered the following address:

Mr. Chairman, as a member of the Society of the Sons of the American Revolution I am proud to speak under the auspices of the Daughters of the American Revolution on the occasion when another stone is added to this Monument to the greatest hero of the Revolution. As one born in Arizona it is my happy privilege to be here when my State presents this tablet as a tribute to the memory of George Washington. Though Arizona was the last to enter the Union the people of no State exceed ours in the reverence they bear his name nor in loyalty to the ideals for which he fought.

To-day we bring to this shrine one of Arizona's most ancient treasures whose polished surface discloses how it was formed. Ages ago a magnificent forest was submerged in Arizona. The great trees sank beneath the water but by a miracle of nature their form has been perpetuated. The rough bark, the sapwood, and the rings to the very heart can all be seen. When this tree became petrified the Tower of Babel had not been built and Egypt was without her Pyramids. The change that took place produced a stone worthy of a place in this massive and majestic Monument.

The soil of the State from which this stone was taken became American by conquest and by purchase. The blood and treasure of the American people paid the price which gave them dominion over it. They acquired a land rich in natural resources, of pine-clad mountains, of vast mineral deposits, of grass and browse for the herdsman, of desert valleys to become gardens under irrigation, of matchless scenery, of pure air and sunshine over all of it. It was the haunt of savage Indians who for more than two centuries had successfully defied the Spaniards and the Mexicans. The Apaches were subdued and the way opened to settlement by people from every State in the Union. The pioneers brought with them the seeds of constitutional government, and we rejoice that the planting has grown into a Commonwealth which is true to the American type and a credit to the Nation.

Arizona is new as a State, but many of her people are descended from those who fought for freedom, who suffered with Washington at Valley Forge, and who took part with him in the final victory at Yorktown. We have not lost our zeal for the institutions which his valor and wisdom made possible. We love liberty and are ready to defend it whenever the occasion shall arise. The history and the traditions of the War for Independence are ours equally with all other Americans.

With modest pride we assert our right, based upon the true faith and allegiance which we bear to the Nation of which we are a part, to do as the people of other States have done and cement a stone from Arizona into the Washington Monument as a symbol of unity and of our common devotion to the memory of the Father of his Country.

Hon. Thomas E. Campbell, former Governor of the State of Arizona, was next on the program. As he did not deliver a prepared address but made some extemporaneous remarks, no record was kept thereof.

ADDRESS BY THE PRESIDENT

Hon. Calvin Coolidge, President of the United States, made the following address:

We have come this afternoon to dedicate, as part of the noble shaft which has been reared in memory of the Father of His Country, the stone which will stand for Arizona, the latest State to be admitted to the Union which Washington made possible. It is an occasion of peculiar historical significance, because it recalls to us some of the curious anomalies of our national history. Although Arizona was last of the 48 States to take its place in the Union, it is able to make a very well founded claim that white men had settled on its soil a long time before they had established themselves in any of the original thirteen States. So ancient was the beginning of migration in the far Southwest that there seems little doubt that to this region is due the distinction of having the earliest settlements of white men. Yet, despite that, we may very safely doubt whether George Washington ever heard of Arizona. Far less can we imagine his vision of the Nation which he had founded, including so soon these distant regions of the continent's Pacific side.

The teeming millions and restless energies of the nineteenth century expanded our country to its present magnificent proportions and gave to us Arizona, now ranking as the latest addition to the family of States. So it comes to claim, as we are proud to accord, its representation in the national memorial to the Great Founder.

Most fittingly, this occasion has brought together representatives of nation-wide and historic patriotic organizations. The placing of a State stone involves a tribute to Washington, the man, the leader, the founder. The symbolism is altogether different from that of adding a star to the flag when a new State is admitted. Here to-day we are paying another tribute to the man whose vision and courage made possible our national existence. It was a fine conception, this, of placing a stone for every State in the monument to Washington. Who among us will venture to guess how many more times this ceremony will be performed? On the day when Arizona, only a little over a decade ago, took its place in the Union, one might have been forgiven the venture that it would be for many decades, perhaps for all time, the last of the States. Yet even now, turning our eyes around the circle of American possessions, we perceive the evidences, I think we may almost say the assurance, that before many more years our successors will gather here again and once more survey the wonder of American development as they dedicate the stone of the forty-ninth State. After that, the story of the States will be written

by the finger of destiny on the scroll of the long future. It is not for us to know what that story may be. I hope it can be of duty done to the world, but without aggrandizement, without imperialism.

I have thought of to-day's ceremony as a sort of home gathering of the States in honor of the coming of age of the youngest member of the family. It is Arizona's day, and to Arizona we bring our congratulations, our tributes, our affection, and our good wishes for her future. With a landed estate so vast as to be comparable with the areas of some of the greatest nations of the world, Arizona is certain to be one of the imperial commonwealths of the future. Do we fully realize that the valley of the Nile, producing sustenance for the mother of civilizations, and long afterwards serving as the granary of imperial Rome, was not to be compared for area or productive possibilities to the great valleys of semitropic Arizona when they shall presently have been watered by the works of engineering as the Nile Valley was watered by the works of nature.

The Arizona of the future will be the world's marvel as an area of agricultural production. Beyond that, its riches in forests, in metals and minerals, in the inviting glories of the world's most wonderful scenery will make it one of the wealthiest States.

Here in this great Southwest we will see builded one day a social structure, based on such a variety of resources and interests, that it will command a place among the foremost communities of our America.

It is to this Arizona of to-morrow, to this greater Southwest which the not distant future will know, as we can not yet fully conceive it, that we to-day extend the hand of welcome. We dedicate its stone in this national monument, knowing that its destiny is to represent here a commonwealth the like of which we shall not find unless we go back to study the wonders of Egypt and of Babylon. And yet it is only one of the 48 imperial communities which make up our Nation, in which the people hold the proud distinction of being at once the citizens and the sovereigns.

This occasion has its important and impressive symbolism. Just as this stone and its associates when joined together make a new and altogether different structure than is represented by each standing alone, so the joining of the States makes a new and different political structure. Yet, as in this Monument, each stone must remain intact, or the structure falls, so in our Nation each State must remain intact, or the political edifice falls.

If we are to maintain the Nation and its Government, institutions with a fair semblance of the principles on which they were founded, two policies must always be supported. First, the principle of local self-government in harmony with the needs of each State. This means that in general the States should not surrender but retain their own sovereignty and keep control of their own government. Second, a policy of local reflection of nation-wide public opinion. Each State must shape its course to conform to the generally accepted sanctions of society and to the needs of the Nation. It must provide a workable similarity of economic and industrial relations. It must protect the health and provide for the education of its own citizens. This policy is already well recognized in the association of the States for the promotion and adoption of uniform laws. Unless this policy be adopted by the States, interference by the Nation can not be resisted.

Throughout our whole Nation there is an irresistible urge for the maintenance of the highest possible standards of government and society. Unless this sentiment is heeded and observed by appropriate State action, there is always grave danger of encroachment upon the States by the National Government. But it must always be realized that such encroachment is a hazardous undertaking and should be adopted only as a last resort. The true course to be followed is the maintenance of the integrity of each State by local laws and social customs, which will place it in comparative harmony with all the others. By such a method, which can only be the result of great effort constantly exerted, it will be possible to maintain an "indestructible Union of indestructible States." The maintenance of this position rises in importance above the hope of any other benefits which constant changes would be likely to secure. The Nation can be inviolate only as it insists that Arizona be inviolate.

Music for the occasion was furnished by the United States Marine Band.

THE FOSSIL FORESTS OF ARIZONA

(By F. H. Knowlton, United States Geological Survey)

The fossil forests are located in the southern part of Apache County, Ariz., and were discovered more than half a century ago. The forests are now reached from Adamana, a station on the Santa Fe Railroad, and are located to the southward within a distance of less than 15 miles. The "first forest," so called, is about 6 miles south of Adamana, the "second forest," 2½ miles beyond the first, the "third forest" some 13 miles southwest of Adamana and the "Rainbow forest" about 2 miles northwest of the last. There is also a small forest north of the railroad and some 8 or 9 miles northwest of Adamana. This is known as the "North" or "Sigillaria" forest.

The forests south of the railroad and the ones most frequently visited by the tourist, are embraced in the Petrified Forest National Monument, a national reservation created by proclamation of President Roosevelt on June 8, 1906, and was reduced by proclamation of President Taft in August, 1911, to an area of 40½ square miles.

In the "first" and "Rainbow" forests few of the trunks are in the position in which they were entombed, but have been eroded from slightly higher horizons and have rolled in the greatest profusion to the lower levels. As one views these forests from a little distance with their hundreds, even thousands, of segments of logs, it is difficult to realize that they are really turned to stone and now exhumed from the earth. The appearance is not unlike a "log drive" that has been stranded by the receding waters and left until the bark had disappeared and many fallen into partial decay. Trunks of all sizes and lengths are now mingled and scattered about in the wildest confusion, while the surface of the ground is carpeted with fragments of wood that have been splintered and broken from them.

The "second" and "third" forests have suffered less from the effects of erosion; and as most of the trunks lie in their original positions, one may here gain a better impression of actual sizes and lengths. One measured by the writer was over 7 feet in diameter and 120 feet in length. The average diameter is perhaps 3 or 4 feet, while the length may vary from 60 or 80 to 100 feet.

All from the area south of the railroad that have been examined prove to belong to a single species which has been described by the writer under the name Araucarioxylon arizonicum; that is, it is simply the wood of an ancient Araucaria, which, it is well known, does not now live in the Northern Hemisphere. In this wood the annual or growth rings are not apparent to the naked eye, but under the microscope they are observed to be present, though rather poorly developed and somewhat obscure, the yearly growths being separated by a layer of 2 to 5 tangentially compressed cells.

As may be presumed from what has already been said, none of the fossil trees now stands upright in the position in which it grew, nor has any been found which retained the branches, though petrified limbs and small twigs are not infrequently associated with them. The evidence seems indisputable that they have all been transported for a greater or less distance by the agency of water.

It may also be of interest to note that the ancient Pueblo Indians, who once inhabited the region including the fossil forests, occasionally built their habitations out of these fossil logs. They selected such pieces as were of equal size and could be handled by a single man, and these were cemented with clay into a veritable "log house." An engaging fable concerning these Indian houses was widely circulated in American newspapers a few years ago to the effect that the houses had been built out of then living wood and were subsequently "petrified."

The question is very frequently asked: How old are the fossil forests of Arizona? It is, of course, quite impossible to answer this question in terms of years.

The Arizona fossil forests flourished in the Triassic period and were entombed in the minor division, probably in the Upper Triassic known as the Shinarump conglomerate and in the beds immediately overlying. The Triassic stands not far above the middle of the geologic column, though in the matter of actual thickness of deposits it is far above this point. When it is known that since the close of Triassic time probably more than 50,000 feet of sediments have been deposited, it is seen that the age of the Triassic forests of Arizona can only be reckoned in millions of years—just how many it would be mere speculation to attempt to estimate. Undoubtedly other forests as great or greater than those now exposed lie buried beneath the later formations.

EPITOME

Former Gov. Thomas E. Campbell, Governor Hunt, and our State legislature intrusted to the Daughters of the American Revolution of Arizona this sacred and patriotic duty of providing and presenting a memorial stone commemorating the State of Arizona to the Washington National Monument, in Washington, D. C.

Our petrified forest being one of the unique wonders of the world, from it we have selected the heart of one of the former giant sentinels that lived and died in the ages long past, and when fallen and buried for centuries upon centuries was resurrected through time's agencies of wind and storm. It seems that nature has uncovered this wonderful work of God, destined for a place in this great memorial, where it will forever typify the deep reverence and love that Arizona cherishes for Washington, "The Father of Our Country."

NINA ROBERTS SMITH,
State Regent, Arizona Daughters of the American Revolution.

ADJOURNMENT

Mr. SMOOT. I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 6 o'clock p. m.) adjourned until to-morrow, Thursday, April 24, 1924, at 12 o'clock meridian.

tion. As one born in Arizona it is my happy privilege to be here when my State presents this tablet as a tribute to the memory of wonder of American development as they dedicate the stone of the forty-ninth State. After that, the story of the States will be written

HOUSE OF REPRESENTATIVES

WEDNESDAY, *April 23, 1924*

The House met at 12 o'clock noon.

The Rev. Joseph Dawson, pastor of the Trinity Methodist Church, Washington, D. C., offered the following prayer:

Our Heavenly Father, we thank Thee for this beautiful day and for the opportunity of serving Thee, for doing the work that Thou hast planned for us to do. We pray that every faculty and every power of ours may be employed in doing that which will be good for humanity and for the world. We pray Thee to bless our Nation. Bless our young people from the high schools who are visiting our city. May no accident befall them. May they return to their homes enriched with ideas that will help them to be better citizens of this great country. Be with our legislators. Grant that everything may be done that will enrich our own country and be an influence wherever our name is known. This we ask in the name of Chirst Jesus our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to bills and resolutions of the following titles:

S. J. Res. 76. Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba;

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924;

S. 2798. An act to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma; and

S. 1706. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico.

CHILD LABOR

Mr. SNELL. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. SNELL. In order to present a special report from the Committee on Rules.

The SPEAKER. The Clerk will report it by title.

The Clerk read as follows:

Report of the Committee on Rules for the consideration of H. J. Res. 184, proposing an amendment to the Constitution of the United States.

VALIDITY OF THE RENT COMMISSION

Mr. BLANTON. Mr. Speaker, in connection with the report I ask unanimous consent to print the opinion of the Supreme Court handed down yesterday on the validity of the Rent Commission.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, under leave granted to extend my remarks, I insert the following opinion of Mr. Justice Holmes, of the Supreme Court of the United States, on the validity of the Rent Commission of the District of Columbia:

Supreme Court of the United States

(No. 467. October term, 1923)

The Chastleton Corporation and Felix Lake and Claude H. Hahn, appellants, v. A. Leftwich Sinclair, Clara Sears Taylor, and William F. Gude, Rent Commission of the District of Columbia, et al.

Appeal from the Court of Appeals of the District of Columbia

Mr. Justice Holmes delivered the opinion of the court.

This is a bill in equity brought to restrain the enforcement of an order of the Rent Commission of the District of Columbia cutting down the rents for apartments in the Chastleton apartment house in this city. The defendants are the Rent Commission and the tenants of the building. The order was passed on August 7, 1922, and purports to fix the reasonable rates from the preceding 1st of March. The bill seems to have been filed on October 27, 1922, and seeks relief on several grounds. The first and most important is that the emergency that justified interference with ordinarily existing private rights in 1919 had come to an end in 1922, and no longer could be applied consistently with the fifth amendment of the Constitution. Subordinate ones are that the plaintiff Hahn bought the premises on September 25, 1922, it would seem under foreclosure of a preexisting mortgage or deed of trust, and that he and his grantee, the Chastleton Corporation, were strangers to the proceeding before the commission and not bound by it, but that the tenants not only were relying upon it but were making it a ground for demanding repayment from the corporation of rents paid in excess of the sums fixed by the commission after March 1, 1922, although the corporation did not receive them. On motion the bill was dismissed by the courts below, the court of appeals, in view of Block *v.* Hirsh (256 U. S. 135) leaving it for this court to say whether conditions had so far changed as to affect the constitutional applicability of the law. The allegations do not make the position of the Chastleton Corporation and Hahn sufficiently clear and therefore we feel bound to consider the constitutional question that the bill seeks to raise.

It is objected that the plaintiffs have an adequate remedy at law by way of repeal. But apart from the fact that it is doubtful whether the Chastleton Corporation and Hahn were not entitled to treat the order as a nullity, so far as they were concerned, it is open to equal doubt whether in a proceeding under the law they could assail its validity. There are many tenants to be dealt with. However looked at, a bill in equity is the natural and best way of settling the parties' rights. (See e. g. Marcus Brown Holding Co. *v.* Feldman, 256 U. S. 170.)

The original act of October 22, 1919 (ch. 80, title 11, 41 Stat. 297, considered in Block *v.* Hirsh), was limited to expire in two years. Section 122. The act of August 24, 1921 (ch. 91, 42 Stat. 200), purported to continue it in force, with some amendments, until May 22, 1922. On that day a new act declared that the emergency described in the original Title II still existed, reenacted with further amendments the amended act of 1919, and provided that it was continued until May 22, 1924. (Act of May 22, 1922, ch. 197, 42 Stat. 543.)

We repeat what was stated in Block *v.* Hirsh (256 U. S. 135, 154) as to the respect due to a declaration of this kind by the legislature, so far as it relates to present facts. But even as to them, a court is not at liberty to shut its eyes to an obvious mistake when the validity of the law depends upon the truth of what is declared (256 U. S. 154; Chas. Wolff Packing Co. *v.* Court of Industrial Relations, 262 U. S. 522, 536.) And still more obviously, so far as this declaration looks to the future, it can be no more than prophecy and is liable to be controlled by events. A law depending upon the existence of an emergency or other certain state of facts to uphold it may cease to operate if the emergency ceases or the facts change, even though valid when passed. (Perrin *v.* United States, 232 U. S. 478, 486, 487; Missouri *v.* Chicago, Burlington & Quincy R. R. Co., 241 U. S. 533, 539, 540.) In Newton *v.* Consolidated Gas Co. (258 U. S. 165) a statutory rate that had been sustained for earlier years in Willcox *v.* Consolidated Gas Co. (212 U. S. 191) was held confiscatory for 1918 and 1919.

The order, although retrospective, was passed some time after the latest statute and long after the original act would have expired. In our opinion it is open to inquiry whether the exigency still existed upon which the continued operation of the law depended. It is a matter of public knowledge that the Government has considerably diminished its demand for employees that was one of the great causes of the sudden afflux of people to Washington, and that other causes have lost at least much of their power. It is conceivable that, as shown in an affidavit attached to the bill, extensive activity in building has added to the ease of finding an abode. If about all that remains of war conditions is the increased cost of living, that is not in itself a justification of the act. Without going beyond the limits of judicial knowledge, we can say at least that the plaintiff's allegations can not be declared offhand to be unmaintainable, and that it is not impossible that a full development of the facts will show them to be true. In that case the operation of the statute would be at an end.

We need not inquire how far this court might go in deciding the question for itself, on the principles explained in Prentis *v.* Atlantic Coast Line Co. (211 U. S. 210, 227). See Gardner *v.* Barney (6 Wall. 499); South Ottawa *v.* Perkins (92 U. S. 260); Jones *v.* United States (137 U. S. 202); Travis *v.* Yale & Towne Manufacturing Co. (252 U. S. 60, 80). These cases show that the court may ascertain as it sees fit any fact that is merely a ground for laying down a rule of law, and if the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate. Here, however, it is material to know the condition of Washington at different dates in the past. Obviously the facts should be accurately ascertained and

carefully weighed, and this can be done more conveniently in the Supreme Court of the District than here. The evidence should be preserved so that if necessary it can be considered by the court.

Judgment reversed.

CALENDAR WEDNESDAY

The SPEAKER. To-day is Calendar Wednesday, and the Clerk will call the committees.

Mr. LONGWORTH (when the Committee on Agriculture was called). Mr. Speaker, I do not see the gentleman from Iowa here.

The SPEAKER. There is a bill which is the unfinished business. It ought to be called up, the Chair thinks.

Mr. BLANTON. Mr. Speaker, I make the point of order there is no one here to call it up, and the next committee should be called.

Mr. SNELL. Mr. Speaker, I make the point of order there is no quorum present.

Mr. GRIFFIN. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. It is clear there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Drane	Langley	Reid, Ill.
Ayres	Drewry	Larson, Minn.	Rogers, N. H.
Bacharach	Edmonds	Lee, Ga.	Rosenbloom
Barkley	Fairfield	Lehlbach	Rouse
Beers	Fish	Linthicum	Schafer
Bell	Fitzgerald	Logan	Schall
Bixler	Fredericks	McClintic	Schneider
Black, N. Y.	Freeman	McFadden	Sears, Nebr.
Bloom	Funk	McNulty	Sears, Fla.
Brand, Ohio	Gallivan	Magee, Pa.	Sites
Britten	Geran	Michaelson	Sullivan
Browne, N. J.	Goldsborough	Miller, Ill.	Swoope
Brumm	Greenwood	Mills	Taylor, Colo.
Burdick	Harrison	Morin	Upshaw
Butler	Hoch	Mudd	Ward, N. Y.
Byrnes, S. C.	Howard, Okla.	Nelson, Wis.	Ward, N. C.
Campbell	Hull, Tenn.	O'Connor, La.	Wason
Casey	Johnson, Wash.	Oliver, N. Y.	Watres
Clark, Fla.	Jost	Patterson	Wertz
Collins	Kahn	Perlman	Winslow
Connolly, Pa.	Kearns	Phillips	Wood
Gorning	Kelly	Porter	Woodrum
Croll	Kent	Prall	Wurzbach
Cummings	Kerr	Purnell	Wyant
Curry	Kiess	Quayle	Yates
Davis, Minn.	Kindred	Ransley	Young
Dominick	Knutson	Reed, N. Y.	
Doyle	Kurtz	Reed, W. Va.	

The SPEAKER. Three hundred and twenty-six Members have answered to their names, a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The SPEAKER. To-day is Calendar Wednesday, and the Clerk will call the committees.

Mr. HAUGEN (when the Committee on Agriculture was called). Mr. Speaker, I call up the bill H. R. 4830.

PROTECTION OF FOREST LANDS, ETC.

The SPEAKER. The gentleman from Iowa calls up the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.

The SPEAKER. The House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of this bill.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4830, with Mr. CHINDBLOM in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4830, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.

The CHAIRMAN. The Chair will state the parliamentary situation: When the committee rose a week ago to-day there was pending an amendment then offered by the gentleman from California [Mr. RAKER], against which a point of order had been made, and the point of order was then pending.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to withdraw the pending amendment and offer an amendment in place of it.

The CHAIRMAN. The gentleman from California asks unanimous consent to withdraw the amendment which he offered a week ago and to offer in its stead another amendment, which the Clerk will report. Is there objection? [After a pause.] The Chair hears none. The Chair is advised the Clerk does not have the amendment.

Mr. RAKER. Mr. Chairman, I wish to call attention to the fact that this amendment is printed in the RECORD of yesterday on page 6907.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

SEC. —. (1) That when used in this section, unless the context indicates otherwise, the term "lands of the United States" means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled "An act to repeal timber culture laws, and for other purposes," and acts amendatory thereof and supplemental thereto, or obtained or acquired under the act of March 1, 1911 (36 Stats. L. p. 961), and acts amendatory thereof and supplemental thereto.

(The term "Secretary" means the Secretary of Agriculture.)

(2) That the United States Government hereby assumes, subject to the conditions of the section, or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals.

(3) That the Secretary shall, as soon as practicable after the passage of this act and annually thereafter, at such time of the year as the legislature of the State may designate, send a statement to the governor, or such other officer as the legislature may designate, of every State in which such lands are located, describing the location, size, and character of all lands of the United States within the border of such State, together with such information respecting such lands as he may possess which may be useful in properly determining their value.

(4) That no payments shall be made to any State under the provisions of this section until such State has, with respect to the lands of the United States in question, acting through its officers and agents duly authorized therefor—

(a) Properly assessed such lands of the United States at a rate no higher than that at which other similar lands within such State are assessed.

(b) Applied to such assessed valuation a factor no higher than the tax rate applied to the assessed value of other similar lands within such State.

(c) Secured in this manner a figure from which shall be deducted any allowances made by such State to its taxpayers in similar cases for prompt payment of taxes or for any other reason.

(d) Certified the figures so reached with respect to each piece of such lands of the United States, accompanied by statements as to the methods employed in arriving at such figures to the Secretary.

(e) Furnished the Secretary with such further information as he may request respecting the methods employed in valuing and assessing such lands of the United States and in assessing and taxing other similar lands within the State.

(f) Complied with such rules and regulations as the Secretary may prescribe for carrying out the provisions of this section.

(5) That the Secretary shall receive and examine the figures submitted by the States under the provisions of subdivision 4 of this section. In the event that any State shall submit figures with respect to any lands of the United States based (1) on a higher valuation than the Secretary believes to be the actual value of such lands; or (2) on a higher rate of assessment or of taxation than he believes is employed in the case of other similar lands within such State, or (3) in whole or in part on any other improper consideration he shall so revise and reduce such figures as to allow and compensate for such error or miscalculation. Such revised and reduced figures shall be final and conclusive when so determined by the Secretary, except that he may, in his discretion, permit any State affected by such revision or reduction to offer such evidence and argument respecting the matters in question as he may deem advisable, after which the Secretary may change his determination in such manner as he shall deem proper.

(6) That the Secretary shall certify to the Secretary of the Treasury annually and as promptly as practicable with respect to every State receiving benefits hereunder the amounts to which such State is entitled under the provisions of this section. The Secretary of the Treasury shall thereupon cause such amounts to be paid to the designated officers of the States indicated. Whenever the Secretary shall

determine that any State has, for any reason, been paid more than the amounts to which it is entitled under the provisions of this section, he shall deduct such overpayments from the next amounts certified to the Secretary of the Treasury for payment to such State.

(7) That no payments shall be made to any State, under the provisions of this section, with respect to any such lands of the United States which do not remain such for the entire tax year of the State in which they are located, nor with respect to any such lands of the United States which the State might lawfully tax by reason of the fact that the beneficial interest in such lands is not vested in the United States.

(8) That the Secretary shall have power to prescribe rules and regulations for carrying out the provisions of this section.

(9) That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of the Treasury from time to time to make the payments required by this section.

Mr. SANDERS of Indiana. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Indiana makes the point of order against the amendment. The Chair will state the gentleman from California handed a copy of this amendment to the Chair on yesterday. The Chair has had opportunity to study it and there was some discussion of the point of order a week ago. There is no substantial difference as far as the point of order goes between this amendment and the amendment then proposed. Does the gentleman from California care to be heard further on the point of order?

Mr. RAKER. I do. Not knowing the views of the Chair, I just desire to call the Chair's attention to a few matters involved in the bill and in the amendment which I think are worthy of consideration in passing upon the point of order.

The point I desire to make to the Chair is that the amendment is germane to the bill. The bill provides, according to its title, "for the protection of forest lands" and, second, "for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on land chiefly suitable therefor."

The bill provides in section 3 for a tax examination and all things that relate to it. Section 4 provides for the disposition and handling of seeds and trees. Section 5 provides for dealing with small tracts of land. Section 6—and I want particularly to call the attention of the Chair to section 6—provides for the acquisition of any land under the Weeks Act of March 1, 1911, and, in addition, of lands different from those provided in the Weeks Act, which may be reported upon favorably by the National Forest Reservation Commission and experts appointed by the Secretary of Agriculture; lands for the production of timber. I want to get the language of the bill clearly before the Chair. Note the language of the bill, "production of timber."

Section 7—and this is a most remarkable section—provides "that to enable owners of lands chiefly valuable for the growing of timber crops to donate or devise such lands to the United States in order to assure future timber supplies for the agricultural and other industries of the State or for other national-forest purposes," allowing the owner to deed the land to the United States, to retain the timber on the land, to retain the grazing on the land, to retain the mineral in the land, to retain all other things necessary to the land, but relieving him from taxation, as the Federal Government takes over the land, so that there will be no taxes in the county or in the State in which the land is located.

Now the next section, section 8, to which I want to call the attention of Members, provides, beginning on line 22 of page 6, "public lands chiefly valuable for stream-flow protection or for timber production." I want to call the attention of the Chair to what that means. That repeals all the laws on the statute books—of which there are now many—regarding the setting aside of land in a State by the President without any action of Congress, and there are bills now pending to put in Arizona and New Mexico and other States. It repeals all those laws and allows the department to set aside all the public domain remaining in 16 public-land States, so that those lands will be handled and disposed of under this provision.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. SANDERS of Indiana. Is there anything in this bill which provides that the United States Government shall pay the taxes?

Mr. RAKER. There are no taxes involved in my amendment.

Mr. SANDERS of Indiana. According to my reading I am led to believe that the sum and substance of the gentleman's amendment is to provide that the United States Government shall reimburse to the States the taxes they otherwise would not obtain.

Mr. RAKER. We use that as a unit, a yardstick.

Mr. SANDERS of Indiana. That is not the purpose of the gentleman?

Mr. RAKER. Oh, no. The purpose of the amendment is to have the Federal Government repay to the States and counties what they now would lose by virtue of the land not being under taxation.

Mr. SANDERS of Indiana. That is what I meant. There is not anything in the bill with reference to that. There is in the amendment.

Mr. RAKER. There is in the bill everything involved in my amendment.

Now, Mr. Chairman, in section 9—and it is vital to the bill—section 9, on page 8, commencing on line 8, we find the following; and here is the crux which makes my amendment, in addition to the other reasons, germane:

> All receipts from the sale of products from or for the use of lands in such national forests shall be covered into the Treasury as miscellaneous receipts, forest reserve fund, and shall be disposed of in like manner as the receipts from other national forests as provided by existing law.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. CLARKE of New York. You realize what the other fundamental principles are before you can put these lands into a forest?

Mr. RAKER. Yes.

Mr. CLARKE of New York. They have got to have the approval of the President, and all that.

Mr. RAKER. Yes. I have discussed that with our people for the last 15 years. We have discussed it in the Committee on the Public Lands, every feature involved in this legislation.

I want to say to the gentleman that I am disappointed in studying the hearings which you took upon the bill. I sent my clerk up to the committee room this morning for a copy of the hearings, and I find there is not a word in the hearings in regard to section 7 of this bill; at least, I can not find it now. Instead of saying something else with regard to the receipts, here you provide simply for their disposition in the Treasury. Now, we just add a further provision and say that the receipts coming from these lands are placed in the Treasury and part of them are used for the purpose of reforestation.

Now, Mr. Chairman, to show what my friends who reported this bill think of my amendment, I want to read the language from page 5 of the report.

The CHAIRMAN. Does it relate to the point of order?

Mr. RAKER. It relates to the point of order exclusively, as to the production of timber and taxation and adjustment of methods of taxing land. I read:

> The adjustment of the methods of taxing forest lands, particularly lands bearing young growth, is widely recognized as a second essential step in bringing about reforestation on an adequate scale on the private lands of the United States.

The CHAIRMAN. Where is the gentleman reading from?

Mr. RAKER. From the bottom of the last paragraph on page 5 of the report. I read further:

> In many localities the effect of existing laws and methods of application is to debar landowners from engaging in the growing of timber.

Now, this committee recognized that the growing of timber and production is clearly allied here with the question of taxation, and that is the second most vital point involved, relative to the question of reforestation.

Mr. BLANTON. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. BLANTON. The gentleman objects very strenuously to section 7 because he says it permits men to donate their lands to the Government and still retain all grazing rights, all mineral rights, and all timber rights, and permits the Government to reforest the land for them—they retaining all those rights—and in the next breath he offers an amendment to let the Government pay back to the States the taxes which he says they would escape.

Mr. RAKER. The gentleman did not quite understand me.

Mr. BLANTON. Well, that is the way I understood the gentleman. I was with the gentleman on his objection to section 7, and I think section 7 ought to come out of this bill.

Mr. RAKER. When we get to section 7 we will discuss it.

Mr. BLANTON. But the gentleman seems to think it will be all right to let the Government pay to the States the taxes which the people should pay.

The CHAIRMAN. The Chair will suggest that the discussion is drifting away from the point of order.

Mr. RAKER. I am not discussing that, Mr. Chairman, but the gentleman asked a question and I did not want to stop him.

The question of reforestation is one of the main things involved and the amendment I have offered involves the very life and existence of reforestation. As the committee itself says, you have got to dispose of something regarding the land when the Federal Government owns it or you will never get any of it and none will ever be handled. Therefore, this amendment legitimately and properly adjusts the question of taxes which is discussed in section 3, and it is discussed in the hearings on this bill. The committee, of which Senator McNARY is chairman, held hearings, and I have extracts from those hearings. The testimony before that committee shows that the taxation feature—that is, to repay the counties—is the vital crux of this entire legislation. Therefore, under its own report, it disposes of and handles properly the question of reforestation by virtue of the Federal Government paying the counties or the States for the land that is deeded to the Federal Government, not for administrative purposes but for the purpose of conservation, for the purpose of securing a timber supply, and for the purpose of encouraging the development of tree growing for all the people as a national asset. Therefore I think the amendment is germane.

The CHAIRMAN. The Chair is ready to rule. The gentleman from California has, the Chair thinks, correctly stated the purpose of H. R. 4830. It is, as stated in the title—

> To provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests—

And also, although not specifically stated in the title of the bill, for the acquisition of new public lands, all in the interest of the production of timber on lands suitable therefor.

The amendment offered by the gentleman from California deals, in the opinion of the Chair, with an entirely different subject. Its purpose is to procure contributions by the Federal Government to the States out of the Federal Treasury in order to reimburse the States for the amount of taxes which is lost to the States by reason of these lands having become public lands.

It is true that the amendment as drawn tries to evade and avoid the question of taxing these public lands, but it does provide that there shall be reimbursement to the States of the amount of money which would be paid in taxes if these lands were privately owned.

It is significant that the amendment does not provide that any portion of the money thus secured by the States shall be used for the purposes of the bill pending before the committee. It goes into the treasuries of the States for such purposes as the States may desire to use that money.

It has been well settled that to one specific subject it is not in order to propose another specific subject by way of amendment. Related subjects are not necessarily germane. For example, in Hinds' Precedents, Volume V, section 5877, it was held that to a bill concerning the sale of lands an amendment to donate lands to settlers instead of selling them to settlers was not germane. In the Sixty-third Congress, third session, page 109 of the RECORD, it was held that an amendment relating to the purchase of land to a bill accepting land as a gift was not germane; and in Hinds' Precedents, Volume V, section 5878, it was held that to a bill relative to the sale of public lands an amendment limiting alien ownership of lands other than public lands was not germane.

It seems clear to the Chair that the amendment offered by the gentleman from California does not relate to the subject matter of the pending bill and is not germane to the pending bill. Therefore the Chair sustains the point of order.

Mr. RAKER. The Chair's view is that it is not germane to any point in the bill. I understand that to be the Chair's ruling?

The CHAIRMAN. The Chair has examined the various sections to which the gentleman referred and does not believe it is germane to any one of those sections, although, of course, it may be a little premature for the Chair to rule on that point. Specifically, the Chair rules that at this time the amendment is out of order.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that I may extend my remarks in the RECORD, which will be quite extensive on this taxing feature.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. McLAUGHLIN of Michigan. Mr. Chairman, reserving the right to object, I have no objection to the gentleman extending his own remarks, but so many times gentlemen who have permission to extend their remarks put in pages and pages of personal letters, telegrams, editorials, speeches made by others, and so forth. There ought to be some limit; so I will say to the gentleman from California that I have no objection whatever to his extending his own remarks.

Mr. RAKER. I will state to the House that I want to put in the RECORD the law of various States. I want to put in the RECORD what has been done relative to the States paying the counties where they have national forests for the purpose of getting before the House sooner or later the question which I have presented.

Mr. McLAUGHLIN of Michigan. I dislike to do so, Mr. Chairman, but I object to the extension by which the matter which the gentleman suggests would be included.

Mr. RAKER. Do I understand that is to be the rule of the gentlemen on the other side, that upon these matters you are not permitted to extend anything except your own remarks?

Mr. McLAUGHLIN of Michigan. I am speaking only for myself and not for anyone else on this side or on that side.

Mr. RAKER. The gentleman knows it would be almost foolish for me to try to argue this matter without using the laws of Pennsylvania, Massachusetts, and other States upon the subject involved, and I am not going to be so childlike as to state to the House that I am going to extend altogether my own remarks.

Mr. SNELL. Regular order, Mr. Chairman.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, at this time I object.

The Clerk read as follows:

> SEC. 3. That the Secretary of Agriculture shall expend such portions of the appropriations authorized herein as he deems advisable to study the effects of tax laws, methods, and practices upon forest perpetuation, to cooperate with appropriate officials of the various States or other suitable agencies in such investigations and in devising tax laws designed to encourage the conservation and growing of timber, and to investigate and promote practical methods of insuring standing timber on growing forests from losses by fire and other causes. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $2,500,000 to enable the Secretary of Agriculture to carry out the provisions of sections 1, 2, and 3 of this act.

Mr. GRIFFIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen, the other day I received a certain magazine, and on the back page there was a very elaborate advertisement of southern pine, urging its more extensive purchase and use in building. It mentioned that there were 260,000,000,000 feet of timber in this tract, and assuming the consumption to be in the neighborhood of 12,000,000,000 feet a year, they said very naively that their forest tract will last for at least 20 years, a wonderful assurance, indeed; but I am thinking what will become of that country when that entire forest tract is destroyed.

Coming from the city of New York, I can have only a more or less academic interest in this proposition, for in studying history I have had the thought that ancient nations distinguished for their progress and civilization must have been built up in a fertile land, with forests and streams and plains and meadows. What is the condition of those lands to-day? They are deserts with nothing to mark them but the crumbling monuments of their ancient civilization, and if we have no forethought of the future we will face not only deforestation but the elimination of our streams and the destruction of our entire civilization.

I want to read into the RECORD, with your permission, an extract from a poem which seems to be relevant and pertinent to this occasion:

> The forest shade that dulled the sun's fierce ray
> And tempered winds that blew from ice-chilled lands;
> Whose gnarled and tangled roots upheld the soil
> And stayed the angry rivers' ruthless flood;
> Whose verdure drew the welcome rain and made
> The earth to smile in beauty and abundance;
> Ungrateful man, unmindful of the past,
> Has burned in willful waste, or hewed for greed
> To fill the gaping jaws of industry.
>
> Oh, man improvident! insensible that fate
> Condemns the least infraction of the law,
> That wisdom throughout nature hath ordained,
> And for each trespass, soon or late, exacts
> Without a qualm, her meed of punishment.

to believe that the sum and substance of the gentleman's amendment is to provide that the United States Government shall

Mr. RAKER. When we get to section 7 we will discuss it.

unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

And for each trespass, soon or late, exacts
Without a qualm, her meed of punishment.

Ye have lacked in every age the foresight to preserve
The source from which your greatest gifts have come,
And now behold your cherished cities meet,
With all their art, their learning, and their wealth,
The doom of Nineveh and Babylon!

[Applause.]

Mr. SNELL. Mr. Chairman, I move to strike out the last two words. I am very much interested in this general reforestation legislation. I have been interested in the proposition for the last 25 years, as originally I was engaged in the lumber business and naturally became interested in the general proposition of reforestation.

I believe I introduced in the House one of the first general measures introduced on this subject. The measure that I originally introduced was given extensive hearings by the Committee on Agriculture in the Sixty-sixth and Sixty-seventh Congresses. While the present bill does not go quite as far as the bill I originally introduced, I think it embodies the main principles of that original legislation, and I shall support the present bill, although it does not bear my name, as I believe that it embodies the main principles that are absolutely essential in reforestation.

This is truly a national proposition. There is no part of the country that is interested to the exclusion of any other one part. Lumber is almost a necessity in the everyday life of the people of this country, and the people from the States where they do not grow it are fully as much interested as the people from the States where originally they did grow this important part of our national wealth, and in fact everyone is vitally interested in supplying our future demands within our own confines.

During my lifetime I have seen the Adirondacks, which were supposed to be inexhaustible as far as the timber supply was concerned, almost entirely depleted. The softwood is entirely gone, and in the next few years the hardwoods will be gone. Unless something is done in a national way, and in a general way, to interest the people of the whole country, there will be one vast wilderness there that will not produce anything, for the land is of little value except to raise forest products.

There has always been a general feeling in the country that the lumberman was to blame for the destruction of the forests. I think if we could get an actual inventory of the forest products and the destruction of the forests for the last 100 years, we would find that fires have actually destroyed more timber in the United States in the last 100 years than the lumbermen have ever cut and used. One of the principal provisions in this bill is for assisting in forest-fire protection. I know personally the importance of this proposition, for I have seen my own land burn up, and when a forest fire really starts there is nothing this side of God that can put it out.

Under the improved method in various States, especially in New York State and several other States, they are watching fires very carefully and the principal thing is not to let them get started. In order to do that you must have considerable money and quite a number of men stationed about in forest areas in order to look after the proposition, and one of the main features of this bill is cooperation by State and Nation in prevention of forest fires.

The question of reforestation, of course, is a very broad and big one and presents many long complications. While personally I have no doubt that if a man owns land of no value for anything else he would receive better returns in planting trees and waiting for their growth than he would to put the money in the bank, yet the mere fact that it takes so long to realize on it the average man will not take the chance. It is a question of taxation, a question of fires, a question of various other matters, insects and pests which destroy forests, and, taken all together, the private individual will not take the chance.

However, I believe if the Federal Government once establishes a fixed general policy, the people throughout the United States knowing the Federal Government is really interested in it and is going to protect them in various ways in raising forest products, that eventually a great deal of the land throughout the United States, absolutely worthless for anything else, will be put to raising forest products.

I am sure that the bill as a whole is a start in the right direction, and while I would have been glad to have the bill go further in some specific cases, nevertheless that can come later. This does establish a safe and sane forest policy for the United States, and I hope the bill will be passed. [Applause.]

Mr. RAKER. Mr. Chairman, I rise in opposition to the pro forma amendment. Mr. Chairman and gentlemen, I desire that there shall be no misunderstanding in regard to my attitude on forestation and reforestation and general timber growth. I say advisedly that under the agricultural bill you are authorized to expend any amount you want to acquire new land. This Agriculture appropriation bill authorizes you to expend $600,000, and under the Agricultural appropriation act and others you are expending large amounts for reforestation, planting trees, and otherwise. Under the Agricultural appropriation bill everybody knows that it is only a question of the amount of money, the amount of the appropriation for fire protection. So this bill does not in the slightest way change or give any greater power than now exists for the Department of Agriculture. All it needs is more money to do the work. Give them the money and they will do it.

There have been many efforts made in order to reforest our lands, and many of us are interested in it. There is one thing vital to the purpose of having a real honest-to-God reforestation and the turning over of cut-over lands, and that is what this is. Lands purchased under the Weeks Act are cut-over lands. The conservation of timber in the natural forests which have been reserved, placed there by the Members of the West in order to add additional parks to those where the courts have recovered them from those who claimed them, so that they may be handled for future use and present use to the highest extent. But when you take great tracts of land from the assessment roll for the purpose of general use of the public—and that is the main argument in this bill—that is another matter. The great printing interests said in the hearing on this bill that they wanted cheap print paper, and therefore they wanted the Federal Government to expend this money for their use. We are for conserving the timber, but when these great interests desire to expend the public money for their private individual use, when they want us to take the lands from the tax rolls of the counties and the States that have been maintaining the local government, the money it pays so that the forest ranger and the Government officials can live in that country and exist, we say that they ought to pay to these counties the same amount of money that they would have received were the lands permitted to remain in private ownership.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. RAKER. I will.

Mr. CLARKE of New York. The gentleman knows that in the counties where there are national forests 25 per cent of the receipts go back to those counties.

Mr. RAKER. Yes; but that does not cover the point. In all these activities the State and county government does the work and the National Government gets the benefit. The private individual pays his taxes.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. CLARKE of New York. Reserving the right to object, I want to say that we would like to extend the courtesy to the gentleman from California, but the Agriculture Committee has some more very important bills to take up.

Mr. RAKER. And I shall help you.

Mr. CLARKE of New York. All right, then.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. I do not think the gentleman from New York or any member of the committee is any stronger conservationist or believes in building up the forest interests more than I do. I have been giving years of study to it; I have traveled thousands of miles over the Western States, where I had an opportunity to see and study the operation of these national forests.

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. RAKER. I will.

Mr. LEATHERWOOD. To what extent are privately owned lands being placed in forest reserves?

Mr. RAKER. Oh, some little bit of it, and this bill throws the field wide open.

Mr. LEATHERWOOD. The thing the gentleman complains of could not have a very wide application—that of putting lands that are paying taxes into the reserves.

Mr. RAKER. The two and a half million acres obtained in the Eastern States, the Southern States, and the Northern States, and the land that may be bought under this act will be private lands, and all donated land will go in under these two acts and will be relieved from taxation.

Mr. LEATHERWOOD. What is the gentleman's view with reference to the segregating of lands from forest reserves and selling them?

Mr. RAKER. I am in favor of forest reserves. I am in favor of their administration and of their conservation. We have been doing good work, but the point that I am getting at is that the 25 per cent of which the gentleman from New York [Mr. CLARKE] speaks, is simply for the administrative features. Every individual takes care of his own property and in addition to that pays taxes. The Federal Government could well afford to maintain the national forests, the entire equipment and overhead charge, and then pay to the counties and the States the same amount of taxes that the private individual pays for a like piece of land lying side by side in the same State and the same county. There are two or three amendments in this bill that we ought to get at. Yesterday the House voted down the seed proposition and still you have in here a provision that $100,000 shall be spent for seed every year, and you say that that is all right. You tell the farmer that you will give him seeds for trees, but that you will not give him seed for anything else, and that he is not entitled to it, that that is just a matter of congressional distribution.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. BLANTON. Every lumberman in the United States is behind this bill?

Mr. RAKER. He could not be otherwise under the language of the bill as it now is.

Mr. BLANTON. Ought it not to be called the lumberman's bill?

Mr. RAKER. I am not accusing anybody. I am going to assist in getting this legislation into shape. I have been giving a lot of study to this, and I am not opposed to the general principles carried in the bill. I read the hearings, every word, and I sent and got the hearings before the Senate committee, and I was so surprised that I sent my clerk back to see whether or not he had gotten the right hearings, because I thought there must be a mistake about them. There is not a single syllable in those hearings in regard to section 7, in respect to taxation.

Mr. CLARKE of New York. Did the gentleman read the hearings of the Sixty-seventh Congress addressed to this very same bill?

Mr. RAKER. That is so long ago that I did not look at them.

Mr. CLARKE of New York. But that is the base for this. The gentleman ought to do that, because that is a part of this information on this bill.

Mr. RAKER. It must be pretty base. This permits the donation or the willing of land to the Federal Government in large tracts. The owner retains the merchantable timber, and he retains the pasturage land and all of the mineral land, and every other right in the land, but is relieved of taxation. Who would not deed his land to the Federal Government and get out of taxes if he retained all of the timber upon it and all of the pasturage rights upon it? He could then lay back for years and get the value of all of the mineral on it and let the Federal Government or anybody else own it. He would get out of paying taxes under this bill.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. CLARKE of New York. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 3, lines 10 and 11, strike out the word "annually."

Mr. BLANTON. Mr. Chairman, "sufficient unto the day is the evil thereof." This committee seems to think that this is the only Congress that is ever going to be in session, and they are providing that the $2,500,000 in this paragraph shall be appropriated every year as long as the Republic stands. I am not in favor of that kind of legislation. The gentleman from New York [Mr. GRIFFIN] read from a splendid little poem, from which I quote the following:

Ungrateful man, unmindful of the past,
Has burned in willful ways or bewed for greed
To fill the gaping jaws of industry.

That poem is against the lumberman. It is in criticism of the timber barons of the United States, and yet it is these self-same timber barons who now want the Government of the United States to reforest these cut-over lands.

In the Agricultural appropriation bill every year we have been giving funds for this project. We have not voted them down. The Congress each succeeding year will continue to give the proper funds, but each Congress ought to pass upon the matter every year according to the annual necessities of Government. I do not believe that we ought to legislate for all eternity in one bill. Let us take it up annually as the years come along.

Section 7 of this bill, as the gentleman from California [Mr. RAKER] has pointed out, gives these timber barons the right to deed their cut-over lands to the Government, retain all of the timber interests on them, have the Government reforest them, retain all of the minerals and the oil and other valuable commodities that are underneath the surface, retain all of the grazing rights, retain every right of value that there is in the land except ownership, and then escape all taxation. Land is valuable only for what you can get out of it. It is valuable only for what grazing you can get upon it or the use to which you can put it or for the minerals that are underneath or the timber that grows on its surface. If men can retain all these valuable rights and escape taxation, you will find lots of them wanting to deed their cut-over lands to the United States.

I remember just a few years ago when we had two bills here one afternoon. One was to continue giving free garden seed and another was to buy a million dollars worth of worthless mountain tops out in the Appalachians. Temporarily that afternoon we defeated both of those bills, but during the night-time the garden seed men got together with the million dollar mountain top men, and they formed a bloc, and the next morning they came back in here and voted that $1,000,000 for the mountain tops and also the $360,000 for garden seed.

Mr. CLARKE of New York. Was that during a time when the gentleman was following the hounds?

Mr. BLANTON. I was on the floor trying to stop them on that occasion, as they were after the people's money in the Treasury, but we were outvoted. We ought to change this section 7. I submit to gentlemen on the committee, in the interest of the burdened taxpayers of the country, that we ought to change this section 7.

And we ought to strike out this word "annually" from section 3; we ought to strike out the word "annually" from section 4; we ought to strike out this word "annually" from section 5 and leave it to the Congress thereafter to say how much money should be spent each year and not fix it on all the Congresses that come hereafter, so that they will have to repeal this law to stop this authorization of an annual appropriation.

Mr. WATKINS. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. WATKINS. This is not an appropriation, it is just an authority; Congress will appropriate every year if it desires to do so.

Mr. BLANTON. That kind of a suggestion is ridiculous because whenever you authorize an appropriation the committee across the hall always gives it. This becomes legislation that will require the Appropriations Committee to appropriate $2,500,000 annually each year hereafter.

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. BLANTON) there were—ayes 18, noes 32.

So the amendment was rejected.

Mr. CRAMTON. Mr. Chairman, I move to amend page 3, line 12, by inserting after the word "appropriated" the words "not more than."

Mr. CLARKE of New York. The committee has no objection to that.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 3, line 12, after the word "appropriated," insert the words "not more than."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 4. That the Secretary of Agriculture is hereby authorized and directed to cooperate with the various States in the procurement, production, and distribution of forest-tree seeds and plants, for the purpose of establishing forests upon denuded or nonforested lands within such cooperating States, under such conditions and requirements as he may prescribe to the end that forest-tree seeds or plants so procured,

that there shall be no misunderstanding in regard to my attitude on forestation and reforestation and general timber reference to the segregating of lands from forest reserves and selling them?

produced, or distributed shall be used effectively for planting denuded or nonforested lands in the cooperating States and growing timber thereon: *Provided*, That the amount expended by the Federal Government in cooperation with any State during any fiscal year for such purposes shall not exceed the amount expended by the State for the same purposes during the same fiscal year. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $100,000, to enable the Secretary of Agriculture to carry out the provisions of this section.

The committee amendment was read as follows:

Page 3, line 18, after the word "forests," insert the words "wind breaks, shelter belts, and farm wood lots."

The question was taken, and the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment. On page 4, line 5, strike out the word "annually."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 4, line 5, strike out the word "annually."

Mr. BLANTON. Mr. Chairman, I submit it without argument. That word "annually" ought to come out of there.

The question was taken, and the amendment was rejected.

Mr. CRAMTON. Mr. Chairman, I move to amend by inserting after the word "appropriated," in line 6, page 4, the words "not more than."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 4, line 6, after the word "appropriated," insert the words "not more than."

The question was taken, and the amendment was agreed to.

Mr. KINCHELOE. Mr. Chairman, I move to amend the section by striking out, in line 18, page 3, the word "forests."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, line 18, strike out the word "forests."

Mr. KINCHELOE. Mr. Chairman, I am very much for the principle of this bill, but I do not want to see it weakened, and as it is section 4 would provide for the distribution of forest-tree seeds and plants for the purpose of establishing forests, windbreaks, shelter belts, and farm wood lots. I do not think this Congress ought to go far enough to say that parties who own forest lands shall be furnished forest-tree seeds and plants. I think it is highly important to enable the reforestation of these windbreaks, shelter belts, and farm wood lots, and I think it ought to be encouraged to the extent if it is necessary to give tree seeds and tree plants for that purpose, because that makes for reforestation all over this country so as to get timber that is grown close to the market; but I think we are going pretty far afield when we undertake to say to the owners of the forest land in order to encourage them we are to give them free seeds, shrubs, and so forth, for the purpose of doing that. That is my purpose in offering the amendment. That is all that I desire to say.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 5. That the Secretary of Agriculture is hereby authorized and directed, in cooperation with appropriate officials of the various States or, in his discretion, with other suitable agencies, to advise and assist the owners of farms or of lands suitable chiefly for timber production in establishing, improving, and renewing wood lots, shelter belts, windbreaks, and other valuable forest growth and in growing and renewing useful timber crops: *Provided*, That, except for preliminary investigations, the amount expended by the Federal Government under this section in cooperation with any State or other cooperating agency during any fiscal year shall not exceed the amount expended by the State or other cooperating agency for the same purpose during the same fiscal year. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, $100,000 to enable the Secretary of Agriculture to carry out the provisions of this section.

Mr. CRAMTON. Mr. Chairman, I move to amend line 24, page 4; after the word "appropriated," insert the words "not more than."

The question was taken, and the amendment was agreed to.

Mr. HAUGEN. There is a committee amendment.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 4, line 12, strike out the words "advised and."

Mr. McLAUGHLIN of Michigan. Mr. Chairman, in order to get recognition, I rise in opposition to the amendment. It seems to me the committee in advising this amendment strikes out the wrong words. The bill as printed, section 5, page 4, line 12, proposes to "advise and assist" owners of land. The committee would strike out the words "advise and" and leave the word "assist." In my judgment, it then would not be the duty of the department to offer advice, but to go out and assist. There would be no limit to the amount of assistance that might be given, no limit to the amount or character of the work the department and its employees might do, much, if not all, of which, in my judgment, ought not to be done by the department. I think it is entirely proper for the department to experiment, investigate, determine, and advise proper methods to be used, but not to undertake to do the work itself.

Mr. HAUGEN. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. HAUGEN. The limitation, of course, is $100,000.

Mr. McLAUGHLIN of Michigan. I do not care what the limitation is. If it costs $100,000 or $1,000,000, it is not proper for a department of the Government to do this work.

Mr. HAUGEN. Well, if it is not the province to encourage the reforestation of wood lots, it is certainly not proper to do it on the denuded lands.

Mr. McLAUGHLIN of Michigan. Encourage! The gentleman does not grasp my idea at all. I would encourage in every possible way by advice and investigation, and advise to the limit, but I would not have the department go out and assist, which means doing the actual work of tree planting, cultivation, and so forth [applause].

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I yield.

Mr. SANDERS of Indiana. According to the gentleman's idea, you would like to modify the amendment by striking out the words "and assist" and leave in the word "advise"?

Mr. McLAUGHLIN of Michigan. That is my idea, to advise the owners on the farms, instead of assisting them by performing manual labor.

Mr. HAUGEN. The result of the amendment would be to have an army of people traveling over the country giving advice, and no assistance would be rendered except advice. I think it would be all right to leave in the words "assist and advise." If you take out the word "assist," it would not be of any help. They have too much advice as it is.

Mr. McLAUGHLIN of Michigan. As it is, perhaps that is true. But I have a very high regard for the Department of Agriculture and the investigational, experimental, and educational work it does. I have little use for a lot of the work that the department has done under appropriations by Congress in going out and doing common, ordinary physical work for the people of the country. I again express my approval of the scientific, experimental, investigational, and educational work of the department and emphasize my disapproval of laws and appropriations for the purpose of having officials and employees of the department perform ordinary physical labor throughout the country. If the department can be helpful by investigating and working out proper methods and giving advice to owners of lands who need advice and who would not otherwise raise timber, it will be all right, but I would not have it go out and do the work of planting and otherwise caring for the trees.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GRIFFIN. Mr. Chairman, I rise to oppose the amendment in order to ask the gentleman who has just spoken [Mr. McLAUGHLIN of Michigan] whether, if we retain both words, his objection would not be overcome? I realize fully the importance of the objection that he has made, but I think if we allow the term to stand as it was originally written into the bill, "advise and assist," the word "assist" may then be construed as being merely an explanation of the word "advise."

Mr. McLAUGHLIN of Michigan. Yes. "Advise" is a word of very broad meaning, and it can be used by the industrious and ambitious gentlemen connected with the department to engage a lot of men to go out and do the work.

Mr. GRIFFIN. At the same time the word "assist" may only go to the extent of authorizing the department in its judgment to send them a package of seed or advise them how to plant. The two words together may not be as broad in meaning as the word "assist" standing alone would convey.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. LAGUARDIA. If we accepted the language of the gentleman from Michigan [Mr. McLAUGHLIN], would it not result

in long-distance, swivel-chair advice instead of practical assistance?

Mr. GRIFFIN. Yes. That is what I suggest—that the gentleman confine his amendment to the language as it was written originally in the bill, to "advise and assist."

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield there?

Mr. GRIFFIN. Yes.

Mr. WILLIAMSON. It seems the very purpose of the bill is that you shall send men out to the farms and show the owners how to do this actual work. Some men do not understand how to put in these wind brakes and how to improve these wood lots.

Mr. GRIFFIN. The gentleman from Michigan [Mr. McLAUGHLIN] thinks it will give too much authority and involve too much expense.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. CLARKE of New York. In New York State to-day, in 48 or 49 counties, our farm-bureau agents are going out and showing the farmers how to plant these trees, showing them how to plant them at the proper distance apart, and looking after the soil, and making suggestions to them.

Mr. GRIFFIN. I am for retaining both terms, "advise and assist."

Mr. WATKINS. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. WATKINS. The fact that the paragraph provides an appropriation of $100,000 to enable the Secretary of Agriculture to carry out the provisions of this section shows that the intention is to advise as well as assist.

Mr. GRIFFIN. That is true; and that is why both words should be preserved in the text.

Mr. HAUGEN. Mr. Chairman, I believe it is generally conceded that Congress has been very generous in giving advice. What the country wants now is some assistance. If you simply provide an appropriation to advise, as stated by the gentleman from New York, you provide for a few soft berths in the public crib for people to hold down swivel chairs. What should be done would be to go out and demonstrate and instruct—not only advise but demonstrate how it shall be done.

Mr. GRIFFIN. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. GRIFFIN. Why not provide for both?

Mr. HAUGEN. I am heartily in accord with what the gentleman suggests, to leave in the words "advise and assist."

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I have never understood that it took very much assistance on the part of learned, scientific men from Washington to plant a tree. That is one trouble throughout the country to-day. It is the trouble in our own State of Michigan, where there are millions of acres of land that could easily be reforested, but encouragement has been given them—as it has been given to other sections of the country—to believe that pretty soon the Federal Government would come along with a bunch of money, a bunch of men, a bunch of trees, and do all the physical work that any man with half a head can do himself. It is idle to talk about the scientific knowledge that is necessary to plant a tree or to take care of it and protect it against fire. If the Federal Government is going into that kind of stuff the cost of the reforestation proposition will be far beyond the conception of any of those who have suggested the matter to us.

That is all I wish to say. The disposition seems to be to send men out to do work that others can easily do, and they ought to be ashamed of themselves for not doing it.

Mr. CLARKE of New York. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. BLANTON. Not in five minutes, because I have a very important amendment to offer.

Mr. CLARKE of New York. Will 10 minutes answer?

Mr. BLANTON. Yes.

Mr. CRAMTON. I would like one minute.

Mr. RANKIN. I would like five minutes of the time.

Mr. CLARKE of New York. Then I will make it 11 minutes.

The CHAIRMAN. What is the motion of the gentleman from New York?

Mr. CLARKE of New York. That all debate on this paragraph and all amendments thereto close in 11 minutes.

The CHAIRMAN. The gentleman from New York moves that all debate on this paragraph and all amendments thereto close in 11 minutes.

The question was taken, and the motion was agreed to.

Mr. RANKIN. Mr. Chairman, I rise to make a suggestion to the gentleman from New York [Mr. CLARKE], chairman of the subcommittee. In this bill you provide for assistance to the States, without any reference to any territorial possessions. I am going to give my reasons for that observation. Last summer I went through the island of Porto Rico, an island of 3,600 square miles and with a population of 380 people to the square mile. All the timber there has been taken away, and it is practically a barren land.

The only place I have ever seen where artificial reforestation seems to have been a success is in California, where those eucalyptus trees, imported from Australia, have been planted on those mountains where the original timber had been cut away, and they have produced a most wonderful growth. They say we can not use those trees here because the frost will kill them, but in Porto Rico, where they have no frost, these trees, it seems to me, could be made to grow on those mountainsides, just the same as they do in the State of California.

At present there is practically no timber in the island of Porto Rico, and it seems to me that if this bill is worth anything to anybody it would be worth something to those people if we would start some kind of a movement to reforest that island. Those people are under our flag, and we are more or less responsible for their condition; so it seems to me that we ought to do everything we can to help them reclaim that island, which is not sufficient to-day, under present conditions, to enable them to make a livelihood at home.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. LAGUARDIA. The gentleman from Mississippi used the word "reforest." Does the gentleman use that word advisedly, and did they ever have forests there?

Mr. RANKIN. Yes; I made an inquiry of the people of Porto Rico, and I read some of the literature describing and giving the history of the island. That literature stated, and I was so advised by men there if I am not mistaken, that at one time there was an abundant growth of timber covering the island.

Now, when I say there are 380 people to the square mile, that includes the entire island, about half of which is mountainous and not suited to agriculture. Therefore it seems to me that some assistance should be rendered in this connection, if this reforestation is to help anywhere. I just wanted to call the gentleman's attention to that situation.

Mr. CLARKE of New York. My reply to the gentleman is simply this: I believe the important thing is not to preach but to practice, and once we practice by putting this law through, then we can go out into the islands which belong to us and establish the same policy for those islands.

Mr. RANKIN. It seems to me that we ought to establish such a policy to begin with, because they are more in need of it than are the people of any of the States.

Mr. BLANTON. Mr. Chairman, I offer an amendment. On page 4, line 23, strike out the word "annually."

The CHAIRMAN. The Chair would suggest that perhaps it would be best to dispose of the committee amendment. This is not an amendment to the committee amendment, is it?

Mr. BLANTON. Of course, the Chair has the right to do that.

The CHAIRMAN. The question is on agreeing to the committee amendment.

Mr. GRIFFIN. Mr. Chairman, may we have the committee amendment reported?

The CHAIRMAN. Without objection, the Clerk will again report the committee amendment.

There was no objection.

The Clerk read as follows:

Committee amendment: Page 4, line 12, strike out the words "advise and."

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 42, noes 8.

So the amendment was agreed to.

The CHAIRMAN. There is another committee amendment pending, which the Clerk will report.

The Clerk read as follows:

Page 4, line 13, strike out the words "or of lands suitable chiefly for timber production."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 50, noes 4.

So the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 4, line 23, strike out the word "annually."

Mr. BLANTON. Mr. Chairman, my idea of the duty of a legislator is that whenever he believes there is a part of a proposed bill vicious, it is his duty to try to get it stricken out. It does not make any difference whether he is successful at it or not, it is his duty to propose the striking out of vicious legislation in the bill. Of course, if he is outvoted, he can not help it. The difference between the gentleman from Michigan [Mr. MCLAUGHLIN] and myself is that he thinks when a majority of those present are against him he ought to sit down and not propose an amendment. The gentleman from Michigan [Mr. MCLAUGHLIN] offered a good suggestion a while ago when he proposed to stop the great horde of Government advisers and "assisters" that are now going all over the country every day with regard to every kind of a proposition imaginable. It will not be long until you will have half the people of the United States taxed to support the other half on the Government pay roll. When the gentleman found out the committee was going to vote him down, the gentleman would not offer the amendment. I know the committee is going to vote this down, but I am going to put it up to you gentlemen and put the responsibility on you, because this word "annually" ought to come out of this bill in sections 3, 4, and 5. We ought not to be providing by legislation for an annual appropriation of $2,700,000 from now until eternity. It will take an act of Congress repealing this law to stop this appropriation that is going to be made annually hereafter.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LAGUARDIA. An appropriation of $1 would satisfy this bill.

Mr. BLANTON. No; we are directing the gentleman from Illinois [Mr. MADDEN], as long as he is chairman of the Committee on Appropriations, and his successor thereafter, to bring in, under section 3, an appropriation every year of $2,500,000, and under section 4, $100,000, and under section 5 another $100,000, and the gentleman from Illinois [Mr. MADDEN] and his successor will bring them in.

Mr. LAGUARDIA. The gentleman is in error about that.

Mr. BLANTON. No; I am not in error.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SANDERS of Indiana. The gentleman is not quite accurate in his statement when he says we are directing the gentleman from Illinois [Mr. MADDEN]. We are merely authorizing him, and there can not be a cent paid out, as the gentleman from New York just said, in any year hereafter unless Congress, by legislation, directs it to be done.

Mr. BLANTON. I want to ask the gentleman from Indiana this question: The gentleman has been here a long time and has had years of experience, and the gentleman knows what has been done here in this Congress and I want him to name me one single legislative authority for an appropriation that has been passed since he has been here that has not been fulfilled by the Committee on Appropriations.

Mr. WATKINS. I will name the gentleman one.

Mr. BLANTON. I am asking the gentleman from Indiana [Mr. SANDERS] who is soon to become a distinguished jurist, probably, of his State, to tell me about this matter.

Mr. SANDERS of Indiana. The gentleman is entirely in error about that so far as I am concerned.

Mr. BLANTON. Well, he would be distinguished if he was a jurist at all.

Mr. SANDERS of Indiana. Let us stick to the text. I will say to the gentleman that a question like that was asked on the floor of the House the other day and I said to the gentleman from Illinois [Mr. MADDEN], "You do not always appropriate all you are authorized," and the gentleman from Illinois [Mr. MADDEN] said, "We do not; we depart from the authorization on many occasions." That is the statement of the chairman of the Committee on Appropriations.

Mr. BLANTON. I know you can always answer generally, but I asked for a specific answer.

Mr. WATKINS. I would like to give the gentleman a specific instance.

Mr. BLANTON. I am asking the gentleman from Indiana for a specific instance, and the gentleman has answered me generally.

Mr. WATKINS. One instance is as good as another.

Mr. BLANTON. This question is up to you gentlemen. I have done my duty when I have proposed the amendment. If I am voted down, all right; but the vote is up to you and the responsibility is with you.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 10, noes 48.

So the amendment was rejected.

Mr. CRAMTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 4, line 24, after the word "appropriated," insert the words "not more than."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

SEC. 6. That section 6 of the act of March 1, 1911 (36 Stat. L. p. 961), is hereby amended to authorize and direct the Secretary of Agriculture to examine, locate, and recommend for purchase such forested, cut-over, or denuded lands within the watersheds of navigable streams as in his judgment may be necessary to the regulation of the flow of navigable streams or for the production of timber and to report to the National Forest Reservation Commission the results of such examination; but before any lands are purchased by the commission said lands shall be examined by competent examiners employed by the Secretary of Agriculture, and a report made to him showing that the control of such lands by the Federal Government will promote or protect the navigation of streams or will promote the production of timber thereon.

With the following committee amendment:

In line 12 on page 5, after the word "agriculture," insert the words "in cooperation with the Director of the Geological Survey."

Mr. GRIFFIN. Mr. Chairman, I move to strike out the last word of the committee amendment.

This is merely a pro forma amendment. My idea is to go back and say a word about the committee amendment in line 13 of page 4. I did not understand it was the object of the gentleman's motion to limit debate on that amendment. I thought it referred to a limitation of debate on the amendment in the twelfth line, "advise and."

In the thirteenth line of this bill, on page 4, there is a phrase which is stricken out, and I will read the context so you will be able to grasp its purport and intent:

That the Secretary of Agriculture is hereby authorized and directed, in cooperation with appropriate officials of the various States or, in his discretion, with other suitable agencies, to advise and assist the owners of farms—

This is the phrase I am referring to—

or of lands suitable chiefly for timber production.

Why is this language stricken out?

Mr. KINCHELOE. Will the gentleman yield?

Mr. GRIFFIN. I would be glad to find out the reason it is stricken out, because it seems to me to limit the activities of the department.

Mr. KINCHELOE. Does the gentleman want to know the reason it was stricken out?

Mr. GRIFFIN. Yes.

Mr. KINCHELOE. Simply to do away with having Government employees running all over the country assisting people who own hundreds of thousands of acres of this land. You would have a swarm of Government employees running over such land. The purpose of this section is to encourage the growing of wood lots, shelter belts, and windbreaks, and we do not want the Department of Agriculture to have carte blanche and have thousands of employees running over the country assisting and advising people who own millions of acres of this land. That is the reason that language was stricken out.

Mr. GRIFFIN. That may have been the intention of the committee, but I am inclined to believe that it is going to have the contrary effect in allowing the department to engage in activities with land not suitable for timber production. Let gentlemen read that section over with the language stricken out and see its effect.

Mr. HAUGEN. Will the gentleman yield?

Mr. GRIFFIN. I will.

Mr. HAUGEN. We appropriate two million dollars and a half, and in the other section $100,000. There is $2,600,000 for the forests. One hundred thousand dollars is appropriated for the wood lots on the farm exclusive of forests. I believe that in the gentleman's State there are a number of large tracts

being planted in connection with school districts, and so forth. A hundred thousand dollars is available only for wood lots on the farm, and the $2,600,000 for the forests.

Mr. GRIFFIN. This section provides a $100,000 appropriation, but with the words stricken out to which I have called attention it permits the Agriculture Department to improve lands that are not suitable for timber production. I hope the committee will give this some consideration, as I do not think that that is at all your intention. The clause "lands suitable chiefly for timber production" ought to be left in the bill—otherwise the department might proceed to develop and improve lands that are not suitable for timber production. They ought not to waste public money in experimenting on lands unsuitable for timber production.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I move to amend section 6 by striking out all of lines 11 to 16 and insert in lieu thereof the language I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 5, beginning with line 11, strike out the remainder of the paragraph and insert in lieu thereof the following: "Examined by the Secretary of Agriculture in cooperation with the Director of the Geological Survey, and the report made by them to the commission showing that the control of said land by the Federal Government will promote or protect the navigation of streams, or by the Secretary of Agriculture showing that such control will promote the production of timber thereon."

Mr. CRAMTON. Mr. Chairman, I will say that the object of the amendment is to clarify the language and not to change the purpose. As I read the section in the bill it is a little difficult to determine just what is intended in the way of cooperation with the Director of the Geological Survey. As I have drafted it, it makes it clear that before the commission acts there must be an examination of the land by the Secretary of Agriculture in cooperation with the Director of the Geological Survey; and following that examination, if it is a watershed that is in question, the report must be signed by the Secretary and the director; if it is simply the production of timber that is to be promoted, then the report would be by the Secretary alone. I understand that the amendment is acceptable to the committee.

Mr. HAUGEN. Is the gentleman's amendment a limitation on the purchase of land?

Mr. CRAMTON. It does not change the purpose of the language in the bill. It provides that before the commission can purchase lands that are necessary to the regulation of the flow of navigable streams there must be a report by the Secretary and the director, but if the purchase is simply of lands necessary for the production of timber, then the report is by the Secretary of Agriculture alone. The present language is a little indefinite as to whether the cooperation refers to the examination or to the employment of examiners.

Mr. LAGUARDIA. Does not the gentleman's amendment require the director himself to make a physical examination?

Mr. CRAMTON. Oh, no; no one would expect that. Of course, there is no expectation that the Director of the Geological Survey or the Secretary of Agriculture will personally make the examination, and it is not necessary to provide specifically as to that.

Mr. KINCHELOE. I have not the gentleman's amendment before me; but the gentleman's amendment does not deprive the Director of the Geological Survey of any authority in reference to land in the purview of the Weeks Act?

Mr. CRAMTON. I am not an expert on the Weeks Act, but I think not. My amendment requires a favorable report from the Director of the Geological Survey, together with the Secretary of Agriculture, in connection with the purchase of land necessary to regulation of flow of streams and in the production of timber.

Mr. TREADWAY. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. TREADWAY. Does the Director of the Geological Survey now have anything to do with the question of whether or not the timber cut has anything to do with the navigable streams?

The CHAIRMAN. The time of the gentleman has expired.

Mr. TREADWAY. I ask unanimous consent that the gentleman have one minute more in order to answer a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TREADWAY. I was wondering whether or not you are not complicating the question of navigable streams, in view of the fact that the Chief Engineer of the Army is in charge of the improvement of navigable streams.

Mr. CRAMTON. There is nothing in my amendment intended to change the purpose of the section to which it is offered. The section was not quite clear, and I have tried to clarify it. I understand that the amendment as I have clarified it is agreeable to the committee.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, this section of the bill is offered as an amendment to the act of March 1, 1911, known as the Weeks Act. That act authorizes the purchase of forest land solely for the purpose of protecting the sources and watersheds of navigable streams. This amendment would authorize the purchase of land for the further purpose of producing timber. I shall comment upon that a little later, but I think the section will complicate the operation of the Weeks Act in that it would give the Secretary of Agriculture authority to investigate and report, recommend, and so forth, lands to be purchased by the commission for the protection of the sources of navigable streams. That Weeks law provides for a commission, and we have two distinguished Members of this House on that commission who have served from the first and until this time, the gentleman from Oregon, Mr. HAWLEY, and the gentleman from Georgia, Mr. LEE. I do not now recall the names of the other members of the commission. The matter of the purchase of land is brought to the attention of the commission, and the first thing done, and I understand the law authorizes this to be done, is to refer the matter to the Geological Survey to make an investigation to determine and to report whether or not the lands are necessary or their purchase is advisable for the purpose of protecting the sources or watersheds of navigable streams.

That being the Weeks law, as I understand it, and the operations under it, it strikes me as not advisable to provide that the Secretary of Agriculture shall intervene and take part in the execution of that law. Of course, if we are to permit the words to remain in the bill—"or for the production of timber," found in lines 7 and 8 and a part of lines 15 and 16—there may be good reason for providing that the Secretary of Agriculture shall take part in the investigation.

I do not care to speak again on this matter, and while I am on my feet I shall inquire whether or not the legal question involving the question of the constitutionality of this section has been investigated to determine whether or not the Congress has a right under the Constitution to purchase land for forest purposes independent of the idea of protection of sources of navigable streams. When the Weeks bill, which became the act of March 1, 1911, was before the House it was seriously urged that the Congress has no authority to purchase land for general forest purposes, but that it might properly under the law and our form of government buy land for the protection of the sources of navigable streams. That matter was referred to the Committee on the Judiciary of the House at that time. It was considered important by the Congress in 1911, and the Committee on the Judiciary after an investigation reported that the Congress had no authority to buy forest lands simply for forest purposes or for purposes other than the protection of navigable streams.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CLARKE of New York. Mr. Chairman, I ask unanimous consent that his time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MCLAUGHLIN of Michigan. Without any idea of objecting to this section, if it is to remain in the bill, I ask that question. I wish to see the bill passed and made just as comprehensive and effective as it can be, because I join and fully agree with those who point out the seriousness of the forestry proposition in this country and the need of a broad, comprehensive law to provide for reforestation.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. MCLAUGHLIN of Michigan. Yes.

Mr. SNELL. Does the gentleman not think that the language in the center of the section will practically cover the land that it would be necessary to take over in any event? Most all of this land comes within the watersheds of navigable streams.

Mr. MCLAUGHLIN of Michigan. No; I think that is not the intention of the words found on lines 7 and 8, page 5. This would carry us far beyond and outside of the Weeks Act and provide for the purchase of lands in other places than at the sources of navigable streams and for other purposes than the protection of the sources of such streams. There are immense areas of cut-over lands, purchase of which has been suggested. I do not know about the gentleman's own State, New York; but

in the so-called pine States of what we used to call the Northwest—Michigan, Wisconsin, Minnesota—there are immense areas of cut-over land, and the purchase of land in those States by the Federal Government for reforestation purposes has been suggested.

Mr. SNELL. Would not the purchase and reforestation help some streams in that locality?

Mr. McLAUGHLIN of Michigan. Indirectly or remotely; but that would be an evasion of the Constitution, if it does intervene and prevent the legal purchase of lands for other purposes than the protection of navigable streams. I am not opposed to it. I am just asking if the legal phases of the proposition have been investigated by the committee and if a conclusion has been reached.

Mr. CLARKE of New York. Mr. Chairman, the gentleman has asked the question. May I answer it now?

Mr. McLAUGHLIN of Michigan. Yes; pleased to have the gentleman answer.

Mr. CLARKE of New York. In the first place, the gentleman from Oregon, Mr. HAWLEY, who is a member of this forest commission, came before the committee and strongly indorsed the bill and this particular paragraph. In the second place, regarding the supplementing of the Weeks Act by the added authority in this bill, I have in my hand a letter from the solicitor of the Forest Service, who has given serious thought to this question, and he says there is no doubt as to the constitutionality of the paragraph.

Mr. McLAUGHLIN of Michigan. I am pleased to have the information. I heartily approve the bill, but I thought the question ought to be asked and answered.

Mr. RAKER. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Michigan, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RAKER to the amendment offered by Mr. CRAMTON: Add at the end of the Cramton amendment the following: "and approved by the Congress."

Mr. RAKER. Mr. Chairman, there will be two conditions. None of these lands could be purchased, and before any lands could be purchased the land will be examined, and so forth, under the provision, and then this amendment of mine would provide that the lands could not be purchased until this report had been made to Congress and received its approval. It seems to me that the Congress ought to keep some restraint on an undertaking of this kind.

Mr. RUBEY. Is that the gentleman's method of repealing the Weeks Act, for that is what it does?

Mr. RAKER. This does not repeal that.

Mr. RUBEY. That is practically what it does.

Mr. RAKER. This adds to what is already put in the bill.

Mr. RUBEY. And come to Congress every year?

Mr. RAKER. Not at all. The Weeks Act extends up streams, and this bill here authorizes and extends it, namely—

to locate and recommend for purchase such forests, cut-over denuded land within the watersheds of navigable streams as, in his judgment, may be necessary for the regulation of the flow of navigable streams.

Then it goes on to say—

or for the production of timber.

There is now no limitation or regulation except the United States, and Alaska is the limit where you can buy timberlands and go into the timber business. Now, if you are going to do that, there ought to be some restraint, at least, and the House ought to know what land is desired to be purchased, the price, and so forth, and, if it is possible, then the Congress can approve the contemplated purchase.

Mr. KINCHELOE. Will the gentleman yield?

Mr. RAKER. I will.

Mr. KINCHELOE. Then, if the gentleman's amendment is adopted, whenever this commission wants to buy some land when Congress adjourns they would have to wait until December?

Mr. RAKER. Absolutely; that is it.

Mr. KINCHELOE. And they would have to bring here the proposed purchase for Congress to act upon.

Mr. RAKER. Because we have six months——

Mr. KINCHELOE. The gentleman will agree with me that that will put this to sleep.

Mr. RAKER. I do not; but they are admitting that this is a question of the purchase of timber, that the Government going into private business is not recognized anywhere, and, as the gentleman said, it was definitely determined when the bill passed before that Congress did not have the power to go into private business in the raising of timber.

Mr. CRAMTON. Will the gentleman yield?

Mr. RAKER. I will.

Mr. CRAMTON. I call the attention of the gentleman from California, leaving aside the question of the merit of the amendment, that the form in which it is offered is very dubious—"before any such lands are purchased by the commission said lands shall be examined and shall be approved by Congress."

Mr. RAKER. That is the point exactly.

Mr. CRAMTON. It is not the land you want to approve, but it is the purchase of these lands for these purposes that you want to approve.

Mr. RAKER. The commission covers it; I am satisfied a good Websterian scholar might make it a little smoother than I have, but the result is what I am after.

Mr. TREADWAY. Will the gentleman yield?

Mr. RAKER. I will.

Mr. TREADWAY. If the gentleman's suggestion is practical, why would not the same method of procedure of referring it back to Congress apply to any contract between a Government agency just as well as for the purchase of land?

Mr. RAKER. Here is an authority as broad as the United States, without any limitation on earth to purchase land, to go into the timber business. Now it seems to me that there ought to be a little restraint at least upon the commission that is going to go into this enormous business—nothing like it in the history of our Government.

Mr. TREADWAY. Will not the gentleman agree if such progress is made in the purchase of land under the amendment as there is in other kinds of legislation a greater part of the country that is desired to be preserved might be burnt over before it would get back to Congress for approval?

Mr. RAKER. There is a law now authorizing an appropriation to protect forests; 29 States are assisting, and when this Congress adjourned last year for failure to give an appropriation to put into operation the keeping of airplanes going you destroyed more forests last year than ten times what it would have cost to do the work, all for the want of proper appropriation.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment to the amendment offered by the gentleman from California.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs upon the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, lines 7 and 8, strike out the words "or for the production of timber."

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 7. That to enable owners of lands chiefly valuable for the growing of timber crops to donate or devise such lands to the United States in order to assure future timber supplies for the agricultural and other industries of the State or for other national forest purposes, the Secretary of Agriculture is hereby authorized, in his discretion, to accept on behalf of the United States title to any such land so donated or devised, subject to such reservations by the donor of the present stand of merchantable timber or of mineral, grazing, or other rights as the Secretary of Agriculture may find to be reasonable and not detrimental to the purposes of this section, and to pay out of any moneys appropriated for the general expenses of the Forest Service the cost of recording deeds or other expenses incident to the examination and acceptance of title. Any lands to which title is so accepted shall be in units of such size or so located as to be capable of economical administration as national forests either separately or jointly with other lands acquired under this section, or jointly with an existing national forest. All lands to which title is accepted under this section shall, upon acceptance of title, become national forest lands, subject to all laws applicable to lands acquired under the act of March 1, 1911 (36 Stat. L., p. 961), and amendments thereto. In the sale of timber from national forest lands acquired under this section preference shall be given to applicants who will furnish the products desired therefrom to meet the necessities of citizens of the United States engaged in agriculture in the States in which such national forest is situated.

Mr. LEATHERWOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LEATHERWOOD: Page 6, line 1, after the word "mineral" strike out the word "grazing."

Mr. WATKINS. Mr. Chairman, I have a perfecting amendment.

Mr. CLARKE of New York. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from New York reserves the point of order.

Mr. WATKINS. I have a substitute here.

The CHAIRMAN. The gentleman from Utah is entitled to recognition upon his amendment.

Mr. LEATHERWOOD. Mr. Chairman, I offer this amendment for the purpose of calling the attention of the gentleman in charge of the bill to what I believe to be a condition that ought to be remedied before this bill is enacted into law. As a general proposition I am in favor of the general purposes of the bill. Under this section the Government may acquire title to certain lands, but the grantor reserves among other things the grazing privilege. You will note that it is further provided that the administration of the tract so acquired may be had separately under the Forest Service rules and regulations or it may be administered jointly with an existing national forest. Now, gentlemen, I call the attention of the committee to this condition, and if you have had any experience and made any observations upon the national forests I think you will readily see my point.

You are confronted with one of two situations: Either you must greatly increase the number of forest rangers and maintain a practically constant patrol of the line between the acquired lands and the forests now existing, or else the grantor who transfers to the Government these lands, reserving unto himself the grazing privilege, will hold not only the grazing of the reserved lands but will take advantage of the grazing on the forest reserve. If you will let me have a reservation of that kind in lands that I have transferred to the Government that are contiguous to a national forest, I will undertake to show to you that my cattle and my stock will be the favored ones in that locality.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. LEATHERWOOD. Yes.

Mr. RAKER. The statement of the gentleman and his splendid argument on the grazing feature have interested me; but what distinction does the gentleman make with regard to the reserving of the mineral and the timber on the land when the deed is given to the Government?

Mr. LEATHERWOOD. The easement or right to remove the mineral is entirely different from what I am discussing. There will be no objection to reserving the right or easement on the land to remove the mineral. But here you lay down the bars to the men who sell their lands and have a grazing right reserved to get the benefit of the national forest grazing in many cases without paying for it unless you increase the number of forest rangers.

Mr. RAKER. The man who deeds his land to the Government can lie back and let somebody find the minerals, and then he gets them.

Mr. LEATHERWOOD. There is one other thing that I want to call to the attention of the committee, and that is the expense you incur by administering these lands separately. Now, if you have half a dozen men who have deeded separate tracts, but all contiguous, you must protect all six tracts; otherwise one man might range his stock over the other five. It should be limited somehow so that a man can not use his reserved right as a pretext to allow his stock to range out over forest lands the grazing rights to which have been paid for by others.

Mr. BOX. Mr. Chairman, I move to strike out section 7.

Mr. OLIVER of Alabama. Mr. Chairman, I have a perfecting amendment.

The CHAIRMAN. That will be considered as pending. The perfecting amendments will have the preference.

Mr. WATKINS. I have a perfecting amendment.

The CHAIRMAN. There is an amendment pending, that of the gentleman from Utah [Mr. LEATHERWOOD].

Mr. WATKINS. I have a substitute at the Clerk's desk.

The CHAIRMAN. The gentleman from Texas [Mr. BOX] is entitled to recognition if he desires it.

Mr. BOX. Mr. Chairman, I want to discuss the amendment and let it be pending.

I call the attention of the House to what appears to me to be a very serious element in this paragraph. With the purposes of the bill I am in full accord. The effect of this paragraph, however, seems to be to enable the owner of privately owned lands to denude them and then convey them to the Government, retaining the grazing, mineral, and timber rights, and thereafter have the Government reforest them. I think the effect of the paragraph as it is now written would be to let the Government be the owner of the timber reproduced by it. I am not sure about that. But the effect, I think, necessarily results that these bodies of land, that have been constituting half or three-fourths of the lands in some of the counties in the timber belt now subject to taxation, would thereby be withdrawn from the power of the State and local authorities to tax them, and correspondingly burden the small farms and all other taxable property in the counties. The men who own other small farms and small bits of property would have to pay the taxes necessary for the construction and maintenance of roads, bridges, and for all other municipal purposes. The financial effect on those counties having a great part of their property consisting of cut-over lands, many of them valuable for purposes of cultivation, would be that all those lands would be withdrawn from taxation and the local authorities left without power to tax them, forcing a corresponding increase in the taxes on other taxable property in the counties.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BOX. Yes.

Mr. MOORE of Virginia. Does the gentleman know of anybody who ever made an investigation for the purpose of forecasting to what extent the privately owned lands of the country will be put in the position you indicate in case this section should be adopted?

Mr. BOX. I have no accurate information on that subject. I know that the amount of such land is very large. I think I know that there are counties in my State where three-fourths of the lands in a county are thus owned. I think the effect would be to bankrupt all counties in timber belts such as that or burden other taxpayers ruinously.

Mr. LEAVITT. Mr. Chairman, will the gentleman yield?

Mr. BOX. Yes.

Mr. LEAVITT. Has the gentleman noticed at the beginning of section 7 that these lands must be chiefly valuable for the growing of timber crops? They would not include agricultural lands.

Mr. BOX. It would include many. Whether or not a particular parcel of land would or would not be included will depend upon what estimate men may make of present and future values. One man might think the chief value would be to put the land under cultivation now, whereas another might prefer to let the timber grow for a hundred years. While I believe in reforestation, and that the purposes of this bill are wise, I hope it will be put in such shape that we can all vote for it. I believe we are guilty of a crime against posterity in the manner in which we are allowing our forests to go to ruin. That is an unpardonable blunder. But I insist that this section contains a serious vice which should be eliminated.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. BOX. Yes.

Mr. CLARKE of New York. I suggest that if these lands are worthless, nobody would pay taxes on them, would they?

Mr. BOX. They are not worthless. They are the source from which much of the revenue of some counties now comes to the small counties in the timber belt. Many of the big companies will not sell their lands after the timber is cut off. They hold them for speculative purposes or for their families during succeeding generations.

Mr. CLARKE of New York. If the State or Government promotes the growth of timber there, under the policy of the Government 25 per cent of the gross revenue derived from the receipts of the national forests will go back to those States.

Mr. BOX. There will be no revenue, as I see it, from those lands. The private owner retains the grazing rights and the mineral rights, which are in many cases prospective, so that they can not now be taxed to any substantial extent, but they may in the future become very valuable. For instance, in my territory we are finding great oil fields. Individuals or corporations will pay no taxes on oil undiscovered.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BOX. May I have five additional minutes?

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Will the gentleman yield?

Mr. BOX. Yes.

bill passed before that Congress did not have the power to go into private business in the raising of timber.

Mr. LEATHERWOOD. Mr. Chairman, I offer an amendment.

be a very serious element in this paragraph. With the pur-

Mr. BOX. Yes.

Mr. BLANTON. Is it not a fact that most of these owners are nonresidents who sometimes live several thousand miles away from the land?

Mr. BOX. A great many of them are, and few of them live in the counties where the lands are located. Some are unwilling to help bear the burden of the cost of improving the roads, which adds value to their land. They allow a scattered, growing population to make these improvements for them and thereby increase the values of their property. Under the provisions of section 7 it is possible for them to hold all substantial value in the lands without paying tax on them.

I insist that the Members of this House consider this proposition before they vote to retain section 7 as it now is.

Mr. KINCHELOE. Will the gentleman yield?

Mr. BOX. Yes.

Mr. KINCHELOE. If those lands are as valuable as the gentleman says they are—and I am sure they are—they would not donate them to the Government.

Mr. BOX. They will donate the land to the Government where they have cut away the timber, worth $50 or $100 per acre. The land is now worth from $5 to $10, but in 20 or 30 years it may be worth much more because of the timber, which will grow; and oil or other mineral may be found and the land made vastly more valuable. They hold them now. Under this clause they may escape taxation and speculate on what the future may develop without carrying a burden they now carry. These large landowners are not given to making donations for the interest of Uncle Sam. He gets the worst of his dealing with them. "Beware of Greeks bearing gifts."

Mr. BLANTON. And because of the oil and minerals.

Mr. KINCHELOE. If that be true, I do not believe these people would give the land to the Government.

Mr. BOX. The Government is to grow timber on these same lands, and the present owners are to retain the present timber—that is, the young timber which is good for piling, for mine props, and for wood and every other purpose. That will all be mixed up with the other timber which the Government is to grow on the same lands, which are to be thus exempted from taxation. It is a very serious matter for some of my people and for other sections. This proposition should be given serious consideration by the Members of the House.

Mr. CARTER. Will the gentleman yield?

Mr. BOX. Yes.

Mr. CARTER. As a matter of fact, is it not a fact that under section 7 practically everything of value in connection with the land that may be devised is retained in the owner by this reservation in the bill, and there is nothing of value to be transferred to the Federal Government?

Mr. BOX. Nothing of present productive value.

Mr. CARTER. That is it. The grazing and mineral, or other rights, as the Secretary of Agriculture may find to be reasonable, are all retained, so that the effect of it would be, it seems to me, that the owners of the land would be permitted to shift the burden of taxation over on the Federal Government and yet retain everything of value in the land. In other words, they would keep everything the hen laid except the shell?

Mr. BOX. Yes; and they would hold the land for speculative purposes, for the growth and development of these elements which now have little or no taxable value, but which have great prospective value, and the local authorities will be unable to derive any considerable amount of revenue from timber that is to be merchantable 50 years hence, or from oil that is to be discovered 25 years hence. They will be deprived of the right to tax the land, and counties thus made up will be deprived of a great portion of the revenue which now supports the local government.

The CHAIRMAN. The time of the gentleman from Texas has again expired. The Chair will call attention to the fact that there is an amendment pending offered by the gentleman from Utah [Mr. LEATHERWOOD].

Mr. WATKINS. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Utah [Mr. LEATHERWOOD].

The CHAIRMAN. The gentleman from Oregon offers a substitute for the amendment offered by the gentleman from Utah [Mr. LEATHERWOOD], which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. WATKINS for the amendment offered by Mr. LEATHERWOOD: Page 5, line 24, after the word "devised," strike out the balance of line 24 and all of line 25 on said page, and all of lines 1 and 2 and to and including the word "section," in line 3 on page 6.

The CHAIRMAN. In the opinion of the Chair that is not a substitute.

Mr. TINCHER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The amendment offered by the gentleman from Utah [Mr. LEATHERWOOD] is to strike out a single word in the language which the gentleman from Oregon proposes to strike out in its entirety. The question is on agreeing to the amendment offered by the gentleman from Utah.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. The amendment offered by the gentleman from Utah [Mr. LEATHERWOOD] proposes to strike out the word "grazing," and the gentleman from Oregon [Mr. WATKINS] offers a substitute to strike out other words in addition to that. Is not that a substitute?

The CHAIRMAN. The Chair is of the opinion that it is not a substitute, and in support of that view the Chair will say that if the amendment offered by the gentleman from Utah should be adopted the committee might then conclude that the text as it exists is ample and probably would not accept an amendment to strike out the other words.

Mr. WATKINS. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. WATKINS. In case the amendment offered by the gentleman from Utah is not adopted——

The CHAIRMAN. Then the gentleman's motion will be in order. The question is on agreeing to the amendment offered by the gentleman from Utah.

Mr. TINCHER. Mr. Chairman, I want to be heard before the question is taken.

The CHAIRMAN. The gentleman from Kansas is recognized on the amendment offered by the gentleman from Utah.

Mr. TINCHER. Gentlemen of the committee, I think this is a vital part of the bill and that section 7 is a complicated and important section in the bill. I do not think you want to think about striking the section out, because the committee gave this matter careful consideration. I think it affords an ideal arrangement, because the lands that are contemplated as going into the forestry by reason of this section are lands that are cut over and lands which the owners have practically abandoned; they are lands on which they do not pay taxes and they are willing to give them away.

Mr. DAVEY. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. DAVEY. Then why would it not be a good plan to let them give the lands outright?

Mr. TINCHER. A man would not do that, because he might strike oil or coal there some day, and he will keep that cut-over forest up against the virgin forests of the Government or against the Government forest reserves and thus provide a fire trap for the Government forest reserves.

Mr. DAVEY. Will the gentleman yield further?

Mr. TINCHER. Yes.

Mr. DAVEY. It then seems, according to the gentleman's statement, that the man who gives his land to the Government gives merely the burden of taxation to the Government and keeps everything that is worth while himself.

Mr. TINCHER. Oh, no; the Government gets the timber that grows on the land, and the man who is in favor of the forestry proposition advocated by this bill will not vote to take away from the Government the privilege of taking, free of charge, lands on which to grow forests, so that we may preserve the national forests of this country. In addition to that, the advantage of having section 7 is that we are able to take as a gift land that is necessary in stopping the fires that are now devastating the national forests on the west coast.

Mr. GRIFFIN. Will the gentleman yield there?

Mr. TINCHER. Yes.

Mr. GRIFFIN. The gentleman says these lands are cut-over lands and in the next breath says the Government will have the timber that is upon them. Evidently there is no timber upon them.

Mr. TINCHER. Whom do you mean by "the gentleman"—me?

Mr. GRIFFIN. Yes, sir.

Mr. TINCHER. The idea in taking the lands is to have the timber that the lands produce.

Mr. GRIFFIN. After the Government spends the money in growing the timber, you say the Government can have that timber.

Mr. TINCHER. Certainly. After the Government has the land and grows the timber it will be ours.

Mr. GRIFFIN. Where do we come in, in the meantime?

Mr. TINCHER. Does the gentleman want the man who gives us land to give us something in addition to that?

Mr. GRIFFIN. He ought to give it without a string tied to it.

Mr. TINCHER. Then you say that we will either buy land outright or we will have it given to us without a string. Is this a forestry bill or an oil bill? Is it a mining bill or a forestry bill? What objection could there be to letting a man reserve the mineral rights. I agree with the gentleman from Utah [Mr. LEATHERWOOD] that it would create complications to reserve the grazing rights, and I do not think they ought to have that privilege.

I think his amendment ought to prevail, but, so far as the mineral rights are concerned, if the Secretary can get a valuable tract of land and protect the national forests by having it given to the Government and then get the timber produced on that land, I think he ought to be enabled to do it.

Mr. CARTER. Will the gentleman yield?

Mr. TINCHER. Certainly.

Mr. CARTER. The gentleman, perhaps, has had a great deal more experience in seeing the production of oil in his State than he has in reference to the forests. I want to ask him whether he has taken into consideration the liability to fire and the peril that the forests might be placed in through fire by having an oil field discovered and developed in the midst of a forest, under the supervision of an individual rather than under the supervision of the Government?

Mr. TINCHER. Yes. I would like it if we could get these tracts of land given to us with the oil rights, not for the purpose of producing the oil but for the purpose of keeping anyone else from producing oil on such lands while we were growing forests. However, I do not believe anyone is going to give these forest lands to us in that way, and why not give the Secretary of Agriculture the power to accept a gift with that string to it? What objection can there be to it? One gentleman from New York [Mr. GRIFFIN] objects because the owners have already cut off the timber. Of course the owner will cut off the timber before he offers to give it to us.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CLARKE of New York. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 25 minutes.

The motion was agreed to.

Mr. LEAVITT. Mr. Chairman, I rise in opposition to the amendment, having in mind the proposal to strike out the section.

There are some things in connection with this matter that should be more carefully considered. To begin with, we must remember that this provision refers only to the present stand of merchantable timber. It is too much to expect the owner of a stand of merchantable timber to give that away to the Government. But there are areas lying close to the national forests, strategic in their position and necessary in the protection of the forests, that do have standing timber upon them. We could not expect standing growths of merchantable timber to be given to us, but we would wish in the future to acquire ownership to the land. Consequently, we should be in position to accept the gift of them now subject to the removal of the present stand of merchantable timber by the present owner. In that connection let us have in mind that in several of the States there are separation taxes, so that the standing timber becomes taxable when it is removed and made valuable and States can pass laws to levy other taxes. That can still apply, and it can apply with regard to mineral when it is taken out of the ground. The only thing that would be withdrawn from taxation would be the surface of the ground itself when it passes into the ownership of the Government and becomes public land. All of the privately owned products of the land would still be subject to taxation.

Mr. RAKER. Will the gentleman yield?

Mr. LEAVITT. Pardon me for just a moment.

In addition to that, let us have in mind that this land becomes a part of a national forest. I would say that the amendment of the gentleman from Utah should prevail, so that grazing could go on under the supervision of the Forest Service just the same as the grazing on the other portions of the national forests is carried on. It would then begin at once to return a certain amount of money into the Federal Treasury, 25 per cent of which would go back to the counties, and to some extent take the place of the loss in taxation. Forest road money will also be available thereon.

In addition to that, let us keep in mind that there are 81,000,000 acres of denuded forest lands in the United States, great portions of which are passing back to the States for nonpayment of taxes. Some of them are being paid for because of the hope they will ultimately become valuable. It is only areas of land that can be gathered together in sufficient areas for proper administration that the Secretary of Agriculture will accept.

Mr. RAKER. Will the gentleman yield?

Mr. LEAVITT. I yield.

Mr. RAKER. Will the gentleman tell the committee where there is any of these cut-over lands now going back by virtue of the nonpayment of taxes?

Mr. LEAVITT. There is considerable in Michigan and some in Montana. I can not say as to other States. I happen to have been born in one State and live in the other, and I know the situation in these two States. I have in mind that we can meet the objection that has been raised in a way that will not weaken the bill at all. This is an amendment which will limit the time during which the private ownership of the standing timber may be retained and during which rights of any kind can be retained 20 years. During that time the Government will, through the protection of the land from fires, restore them, and all rights of those who are now owners will naturally have passed away.

With regard to the mineral rights, when these become public lands they will be under the mining laws and will not be bottled up.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. LEATHERWOOD].

Mr. CLARKE of New York. I will say, Mr. Chairman, that the committee has no objection to the amendment offered by Mr. LEATHERWOOD.

The CHAIRMAN. The question is on the amendment of the gentleman from Utah.

The question was taken, and the amendment was agreed to.

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. OLIVER of Alabama: Page 6, line 20, after the word "situated," strike out the period and insert the following: "*Provided*, That all property rights, easements, and benefits authorized by this section retained by or reserved to owners of land donated or devised to the United States shall be subject to the tax laws of the State where such lands are located."

Mr. OLIVER of Alabama. Mr. Chairman, I would like to ask the committee if the amendment just read is objected to. It simply subjects private property to State taxation. Is the committee friendly to that amendment?

Mr. CLARKE of New York. I see no objection to it right now, but I would want some little time to study the language.

Mr. KINCHELOE. Would not the State already have the right?

Mr. OLIVER of Alabama. Probably it would. I understand that was the belief of the committee, but I wanted to make it clear. In other words, the sole purpose of the amendment is to enable the States to impose a tax on all interests owned by private parties.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was agreed to.

Mr. WATKINS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 5, line 24, after the word "devised," strike out the balance of lines 24 and 25 and lines 1, 2, and 3, including the word "success," in line 3 on page 6.

Mr. WATKINS. Mr. Chairman and gentlemen of the committee, I want to say as prefatory to my remarks that I am for the principle of this bill. Coming from a State that has great quantities of the standing timber of this country, I would naturally be for the principle, but I am not for the joker in this measure. I want to get the committee, if I can, to strike out the joker in this bill. I believe that my amendment does that. There is no reason for the Government taking over land that has standing merchantable timber now.

Mr. BOX. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. BOX. Does the gentleman believe that this incipient, undeveloped value which is to be reserved under this section, undiscovered minerals and timber not yet grown, is or will be of such value and in such shape that it will be capable of being assessed for taxes to any considerable extent now or for many years? Will the counties and States be able to reach it to any substantial extent?

Mr. WATKINS. Not at the present time, no; but here is the situation. A man who owns 1,000 or 100,000 acres standing timber with all the mineral, grazing, and other rights can deed it to the Government, and the State can not tax that land

substitute.

gives us land to give us something in addition to that?

the hope they will ultimately become valuable. It is only

a single dime. I think that observation is accurate, I think it is true, and if it is not, I want to get right. Timber until it is severed from the land is a part of the real estate and you can not tax the timber unless you have a severance. The State of Oregon can not tax real estate if the title is in the Federal Government.

Mr. KINCHELOE. The gentleman said he wants to strike out the joker. If he should strike out this language how many people in the United States are going to donate to the Government without reserving the things that are set out here?

Mr. WATKINS. I do not know that anybody will, but every last timber baron and every man that has got any land in that condition will deed it to the Federal Government, and no State can tax the land as long as the title is in the Federal Government.

The Government will be holding the sack, and whenever a foot of timber grows on that land, whenever they discover mineral rights, or other rights become of value, the owner under his reservation can claim it, and during all of that time, whether it is 10 years or 15 years, the State has not had any taxes from it, and the owner can come in and get the property.

Mr. OLIVER of Alabama. But the amendment which the House has just adopted clearly makes every interest retained by the owner or which he may hereafter find taxable under the laws of the State where the land is situated.

Mr. WATKINS. But I question that.

Mr. CLARKE of New York. That is my understanding of the Oliver amendment.

Mr. WATKINS. I am for saving all of these equities the owner may have. In Oregon we have one-fifth of the standing timber in the United States, and four-fifths of that is owned by the Government. One-fifth is owned by private owners, and that one-fifth can be deeded to the Federal Government under this bill, thereby taking said land off the tax rolls of the State.

Mr. TREADWAY. But is there any obligation on the part of the Government authorities to accept the land.

Mr. WATKINS. No.

Mr. TREADWAY. The gentleman says that the owners will give it to the Government. They will not unless it corresponds to the requirements of this bill, and the authorities of the Government take it over.

Mr. WATKINS. They might. Other Federal officers have done worse than that, and they have been Cabinet officers in this administration, and for aught I know they will take this land and protect these timber barons, and the States will not get any taxes.

Mr. GREEN of Iowa. But suppose a man who is the owner of this timber sells the timber to another party. Does the gentleman mean to say that the timber that was the value of the sale to the other parties could not be taxed?

Mr. WATKINS. I would like to have the gentleman tell me how you are going to tax the standing timber that is considered real estate, the title to which is in the Government.

Mr. GREEN of Iowa. But when you buy the land the timber is on it.

Mr. WATKINS. The standing timber is on it.

Mr. GREEN of Iowa. But the timber belongs to the other man. That has been sold to him.

Mr. WATKINS. It does.

Mr. GREEN of Iowa. Then the gentleman means to say in a case like that the timber can not be taxed at all?

Mr. WATKINS. I am saying that the State of Oregon and the State of Iowa and every other State will not get a square deal unless this bill is amended.

Mr. GREEN of Iowa. Oh, the gentleman need not fear about the State of Iowa.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. DAVEY. Mr. Chairman, let me ask the gentleman in charge of the bill if he would accept an amendment limiting the period of claims to these reserved rights to a certain fixed time, say, 10 or 15 or 20 years?

Mr. CLARKE of New York. Twenty years would be perfectly agreeable.

Mr. DAVEY. If that is so, it seems to me it will eliminate the real objections to this section. Personally I have been very much disturbed about it.

Mr. LEAVITT. I propose to offer such an amendment.

Mr. DAVEY. I have been considerably disturbed over this particular section, because of these everlasting reservations, and if a time limit is placed upon it for 10 or 15 or 20 years, it would be entirely reasonable, and I think the real objection to the section would be then removed.

Mr. RAKER. Will the gentleman yield?

Mr. DAVEY. Yes.

Mr. RAKER. The gentleman from Iowa [Mr. GREEN] suggested that you could assess this timber because the man did not deed it. Can you assess it as personal property, and if you do, how would you collect the taxes, and if you assess it as real estate, and the man does not pay the taxes, could you get an interest in the land by selling it for taxes?

Mr. DAVEY. I would not attempt to answer the question as to taxation, but would like to get a thought or two into the RECORD on the bill. It seems to me that the whole plan of accepting land free of cost is the wrong way to go about it. There is pending before one of the House committees the so-called Wason bill, H. R. 6986, which provides for an appropriation of $3,000,000 a year for a period of five years with which land can be purchased under the so-called Weeks law. I understand that a similar bill has been introduced in the Senate by the distinguished Senator from Massachusetts [Mr. LODGE]. This particular bill that authorizes the appropriation of $3,000,000 per year for purchase of land has the entire approval of the Chief Forester of the United States. I had a talk with him this afternoon and he said that he would be very happy if this provision would be incorporated into the present bill. It is perfectly true that there is a staggering total acreage in this country which is practically worthless for other purposes, that is very cheap, and it could be purchased for a very low price per acre. If you provide the Secretary of Agriculture with the money with which to buy this land, he can take over enormous quantities and start processes of reforestation in a businesslike way. I propose to offer the so-called Wason bill as an amendment to the present section after the section has been amended limiting the time.

The CHAIRMAN. The amendment offered by the gentleman from Oregon [Mr. WATKINS] is pending.

Mr. RAKER. Mr. Chairman, I desire to be heard upon that amendment.

The CHAIRMAN. The Chair will recognize the gentleman from California.

Mr. RAKER. Mr. Chairman, this same subject has been under discussion and was thrashed out by the committees and the House, and it was unanimously voted down on the forest exchange bill that passed some two years ago, and some private bills where the matter was up before the Department of the Interior and the Department of Agriculture. Extended hearings were had, and it was determined finally that it was not the proper policy to leave reservations in lands of the kind named turned over to the Government.

Let us take this viewpoint. A man turns over his land to the Government, it has been said here, because it is worthless. You do not find any of them letting it go for a tax sale, do you? You do not find any of them selling it, do you? No. They are hoping there will be some way by which they can get more out of it. There might be some coal in it in these eastern States, and there might be some oil, but you have forgotten the great big thing that involves the western lands, and that is the gold and silver, where there are millions of acres of timber cut over, and on some lands there have been as fine mines as produced in the United States. Now, what do these fellows want? They want to put it in a national forest under the national forest law, and a man may go on there in an honest belief that he can prospect for a mineral. There may be an old tract of land lying aside of it. He has spent his money; he has spent the best part of his life; he has discovered a mine. He wakes up in the morning and finds some fellow living in New York has had transferred 100,000 acres of his land to the Government reserve, and we are going to protect that fellow and going to give him a chance to gamble on a future interest in the gold and silver in the land.

You are going to give him an opportunity to gamble upon the oil that may be in the land. You are going to give him an opportunity to gamble upon all the other minerals that may be in the land of any value. It has been argued here to let it go to the tax sale and be sold, and somebody else will take it. But you do not find anybody doing it.

Mr. WATKINS. If the gentleman will yield there, if they had this reservation in a tax-sale deed; yes.

Mr. RAKER. Why, bless your heart; yes. It is not a forest reserve section, it has no part, it is not intended for reforestation. That provision is intended solely and entirely for the lumber companies who have cut over the land, have obtained the cream of the land, have got the timber and sold it; and now they see there may be some prospect, they want to graze, they want the timber, they want the minerals, and will not pay taxes. Just one other thing. There is reference

to merchantable timber. What is it? Some places it is a tree 4 inches, and in some other places 6 inches which can be used for merchantable purposes, and here you have fellows claiming every tree that grows upon the land and for the next 25 or 50 years they will be claiming every stick of timber reserved from taxation. I want to tell you it is not a forest reserve provision. It is intended for the large lumber companies; it is intended for the purpose of keeping them from paying taxes. I am for the forest reserves; I am for conservation; I believe in building up our timber interests; but I am absolutely opposed that after a man has once cut over the timber and has gotten the money out of it and become rich and now he saves himself from having to pay taxes upon the land. [Applause.]

Mr. LEAVITT. Mr. Chairman, I offer an amendment which I ask the Clerk to read.

The CHAIRMAN. It can be read for information only. Without objection it will be read for information.

There was no objection.

The Clerk read as follows:

Amendment by Mr. LEAVITT: Page 6, line 1, after the word "rights" insert the words "for a period not exceeding 20 years."

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Oregon [Mr. WATKINS].

Mr. CLARKE of New York. Mr. Chairman, that is acceptable.

SEVERAL MEMBERS. Oh, no!

Mr. CLARKE of New York. I understood that was Mr. LEAVITT's amendment. That is the one I was referring to.

Mr. KINCHELOE. Did I understand the gentleman to say it was acceptable?

Mr. CLARKE of New York. I did not refer to the Watkins amendment; I was referring to the Leavitt amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. WATKINS].

Mr. CARTER. A point of order, Mr. Chairman, did I understand the gentleman accepts the amendment?

Mr. CLARKE of New York. I said I misunderstood it, I thought it was the Leavitt amendment that was under consideration.

Mr. BURTNESS. I ask unanimous consent that the amendment be reported.

The CHAIRMAN. Without objection the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. KINCHELOE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. If the motion of the gentleman from Oregon prevails, what becomes of the amendment of the gentleman from Montana just offered?

The CHAIRMAN. That motion is not pending. It was read for information.

Mr. CARTER. It was read for information only? Is not that a preferential motion, it being to perfect the text?

Mr. TREADWAY. Is not the amendment of the gentleman from Montana a perfecting amendment?

Mr. CARTER. That is the point I am making.

Mr. TREADWAY. A perfecting amendment to the paragraph.

The CHAIRMAN. The Chair will inspect the amendment.

Mr. CARTER. As I recall it is not a perfecting amendment.

The CHAIRMAN. The amendment offered by the gentleman from Montana [Mr. LEAVITT] is a perfecting amendment to the language that is proposed to be stricken out, and is therefore entitled to precedence. The question first comes on the amendment offered by the gentleman from Montana which was read only for information and will be now read for consideration by the committee.

Mr. TREADWAY. The gentleman from Montana endeavored to offer it.

The CHAIRMAN. The Chair did not know at the time what the amendment was.

Mr. CLARKE of New York. May I suggest that the amendment is one which is agreeable to the committee?

The CHAIRMAN. The Chair will say that the Chair did not know what was the purport of the amendment being offered by the gentleman from Montana and at that time stated it might be read for information. Without objection, the Clerk will again report the amendment offered by the gentleman from Montana.

The Clerk read as follows:

Page 6, line 1, after the word "rights," insert the words "for a period not exceeding 20 years."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Montana [Mr. LEAVITT].

The amendment was agreed to.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Oregon [Mr. WATKINS] to strike out certain language.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. WATKINS. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 40, noes 49.

Mr. WATKINS. Tellers, Mr. Chairman.

The CHAIRMAN. The gentleman from Oregon demands tellers.

Tellers were ordered, and the Chairman appointed Mr. CLARKE of New York and Mr. WATKINS to act as tellers.

The committee again divided; and the tellers reported—ayes 46, noes 59.

So the amendment was rejected.

Mr. BOYCE. Mr. Chairman, I offer an amendment.

Mr. CLARKE of New York. Mr. Chairman, I ask unanimous consent that the debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. There is already an order by which debate shall close in 20 minutes, and 2 minutes remain.

Mr. RAKER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. The gentleman from Oregon made a motion to strike out the section, and the gentleman from Montana moved to amend that motion.

Mr. TREADWAY. Oh, no; to amend the text of the bill.

The CHAIRMAN. The Chair will state that the motion of the gentleman from Montana was preferential, because it was to perfect the text that it was sought to strike out.

Mr. BOYCE. Mr. Chairman, may my amendment be reported?

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The committee informally rose; and Mr. LONGWORTH having taken the chair as Speaker pro tempore, sundry messages in writing from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On April 21:

H. R. 6815. An act to authorize a temporary increase of the Coast Guard for law enforcement.

On April 23:

H. R. 655. An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes.

PROTECTION OF FOREST LANDS, ETC.

The committee resumed its session.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Delaware.

The Clerk read as follows:

Amendment offered by Mr. BOYCE: Page 5, line 23, after the word "land," at the end of line 23, insert "not covered by growing merchantable timber"; after the word "of," the second word in line 25, strike out the words "the present stand of merchantable timber or of."

The CHAIRMAN. Without objection, the amendment will be corrected where it is defective in its wording.

There was no objection.

The CHAIRMAN. The Clerk will report the corrected amendment.

The Clerk read as follows:

Amendment offered by Mr. BOYCE: Page 5, after the word "land," at the end of line 23, insert "not covered by growing merchantable timber"; after the word "of," the second word in line 25, strike out the words "the present stand of merchantable timber or of."

The CHAIRMAN. The gentleman from Delaware is recognized for two minutes.

Mr. BOYCE. Mr. Chairman, section 7 of the bill is not confined to denuded lands. It may include any and all kinds of lands. It may include fertile as well as denuded lands, on which timber may grow.

It seems to me that if the proposed amendment be accepted it will remove the objections which have been urged to the effect that lands covered by growing, merchantable timber may

be donated or devised for the purpose of relief from the payment of taxes thereon.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Delaware.

The question was taken, and the amendment was rejected.

Mr. DAVEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DAVEY: Page 6, line 20, after the period insert: "That there is hereby authorized to be appropriated, out of any moneys in the United States Treasury not otherwise appropriated, to be expended under the provisions of section 7 of the act of March 1, 1911 (36 Stats., p. 961), as amended by the acts of March 4, 1913 (37 Stats., p. 828), and June 30, 1914 (38 Stats., p. 441), for the fiscal years ending June 30, 1926, not to exceed $3,000,000; June 30, 1927, not to exceed $3,000,000; June 30, 1928, not to exceed $3,000,000; June 30, 1929, not to exceed $3,000,000; and June 30, 1930, not to exceed $3,000,000; in all $15,000,000 to be available until expended.

Mr. MADDEN. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Illinois makes a point of order against the amendment. It is clear to the Chair that this amendment is subject to a point of order. This section 7, now under consideration, relates to lands that may be donated for public-land purposes. We have already passed the section relating to the acquisition of lands where the amendment would have been in order, if at all.

Mr. MADDEN. It would not have been in order at all.

The CHAIRMAN. The point of order is sustained.

Mr. RAKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from California.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 5, line 25, after the word "timber," strike out the words "or of mineral."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. RAKER. Mr. Chairman, I offer the following amendment:

On page 5, line 25, strike out the words "the present stand of merchantable timber or of."

Mr. COLTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. COLTON. That was just offered by the gentleman from Delaware, was it not?

The CHAIRMAN. The Chair will state that that language, together with other language, was offered by the gentleman from Delaware. The Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 5, line 25, strike out the words "the present stand of merchantable timber or of."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California [Mr. RAKER].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Texas [Mr. BOX] to strike out the section.

The question was taken; and on a division (demanded by Mr. BOX) there were—ayes 45, noes 56.

Mr. BOX. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. CLARKE of New York and Mr. BOX.

The committee again divided; and the tellers reported—ayes 46, noes 61.

So the motion was not agreed to.

The Clerk read as follows:

SEC. 8. That the Secretary of Agriculture is hereby authorized to ascertain and determine the location of public lands chiefly valuable for stream-flow protection or for timber production, which can be economically administered as parts of national forests, and to report his findings to the National Forest Reservation Commission established under the act of March 1, 1911 (36 Stat. L. p. 961), and if the commission shall determine that the administration of said lands by the Federal Government will protect the flow of streams used for navigation or for irrigation, or will promote a future timber supply, the President is hereby authorized, in his discretion, to add said lands to existing national forests, thereby making them subject to all laws and regulations applicable to national forests.

Mr. SMITH. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SMITH: Page 7, line 7, strike out lines 7, 8, and 9 and insert in lieu thereof the following: "shall lay the findings of the commission before the Congress of the United States."

Mr. SMITH. Mr. Chairman, on general principles I am very much in favor of this legislation and the forest-reserve policy of the Government. I think the joint committee of Congress which has been traveling over the country during the recess collecting data and the Committee on Agriculture which has been at work framing this bill have rendered a real service to the country, but they are undertaking, in section 8, to destroy a policy which was adopted by Congress nearly 20 years ago, providing that new reserves or additions to existing reserves should not be made by Executive order but by direct authority of Congress. When the forest policy was first adopted, in 1891, the President was given authority to withdraw public lands which were valuable for timber or for stream protection and by Executive order establish the boundaries of these national forests. A great quantity of land was withdrawn in all the public-land States and covered into forest reserves by Executive order. Later it was found some of the land was not valuable for forest purposes, and Executive orders were issued restoring some of these lands to the public domain. But other additions were made by Executive order from time to time until in some of the States, notably Idaho, nearly 50 per cent of the public domain was withdrawn from the application of the land laws and placed in the national forests.

There was a great deal of objection to the operation of this policy, and on March 4, 1907, Congress took away from the President the authority to establish these forests by the following act:

Provided further, That hereafter no forest reserve shall be created, nor shall any additions be made to one heretofore created within the limits of the States of Oregon, Washington, Idaho, Montana, Colorado, or Wyoming, except by act of Congress.

On August 24, 1912, California was also protected in this way, and there are bills pending in the Public Lands Committee providing that this act shall be applied to other States.

Mr. RAKER. Will the gentleman yield?

Mr. SMITH. Yes.

Mr. RAKER. The bill has passed the Senate and is now on the calendar of the House for consideration, with a favorable report by the Secretary of the Interior.

Mr. SMITH. The committee framing this bill has undertaken to repeal a law which was passed nearly 20 years ago, which made it incumbent upon the Department of Agriculture to submit to Congress any recommendation they wished to make with reference to establishing new reserves or adding to existing reserves.

It seems to me the item objected to is very unwise legislation. In many sections of the West there is a controversy among the people as to whether certain lands should be added to the national forests or certain land eliminated, and it is not fair to those interested to have an executive department undertake to decide a dispute of that kind among the people, which should come before Congress in the form of a bill and referred to a committee where hearings can be held, and then have Congress determine whether or not the proposed additions should be made.

I wish to call the attention of the members of the committee to the map of Idaho on the easel, from which it will be observed that nearly 50 per cent of the area of my State is in the national forests.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that the gentleman from Idaho may proceed for five additional minutes.

Mr. KINCHELOE. Mr. Chairman, reserving the right to object—and I am not going to object to this request—I just want to say to the chairman of the committee and those in charge of the bill that this being the last day we will have, the time of gentlemen should not be extended if it is desired to pass the bill this afternoon.

Mr. MADDEN. I presume it would be well to object now.

Mr. SMITH. If I may have another minute I will conclude.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SMITH. I wish to say that there have been 12 acts of Congress passed since 1907 proposing additions to the national forests, and my amendment will permit this commission to gather information with reference to the necessity of adding to the national forests and have that information made available to the Congress, so that Congress can consider the facts and the evidence on which they may base their action.

Mr. MADDEN. Mr. Chairman, I would like to have the amendment offered by the gentleman from Idaho again reported.

The CHAIRMAN. Without objection the Clerk will again report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Idaho: Page 7, line 7, strike out lines 7, 8, and 9 and insert in lieu thereof the words "shall lay the findings of the commission before the Congress of the United States."

Mr. MADDEN. Of course, Mr. Chairman, we ought never to legislate in such a way as to grant authority to the Secretary of Agriculture, or any other Secretary, to take over lands and turn them into forest reserves, because that is a function that should always be held by Congress. I agree that for once the gentleman from Idaho is right and I compliment him on having reformed.

Mr. SMITH. Of course, I recognize that the gentleman is quite a humorist and does not speak seriously.

Mr. MADDEN. If I may be permitted to go back to section 5 and say what I have to say about the bill I would like to speak about that section.

Section 5 provides that the Secretary of Agriculture is authorized, and even directed, in cooperation with appropriate officials of the various States, or, in his own discretion, with other suitable agencies—whatever that may mean—to assist the owners of farms in establishing, improving, and renewing woodlots, shelter belts, windbreaks, and other valuable forest growth, and in growing and renewing useful timber crops. What are we getting to? Have we reached that stage in the Nation's progress where everything that anybody ought to do for himself is to be turned to the Government?

Has it reached the point where we must even get the Government to sneeze for us, because we can not do anything for ourselves? Does anybody assume to say that the Government of the United States at the expense of the general taxpayers of the country ought to plant forests on my farm or on yours? Why, it is an outrage. It ought not to be tolerated for a minute. I do not want the Government to plant forests on my land. If I want a forest there I will pay for the forest myself, and surely you ought not to want one planted on your land, and no matter who may want it, it ought not to be done. What right have we to say that you and I and other citizens who have no special interest in this matter shall pay through the Public Treasury for planting trees on the private lands of citizens of the United States for the use of such citizens.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. MADDEN. Yes; I yield.

Mr. CLARKE of New York. May I suggest to the gentleman that if he had been here he would have known that the word "forest" has been stricken out.

Mr. MADDEN. All the language is in there except the word "forest" and you still have the forest notwithstanding you have stricken out that word because you give the Secretary of Agriculture the power to plant trees and to pay for them out of the Treasury of the United States, and you give him the power to plant those trees on privately owned lands to be used by the owner of the land as that owner pleases. Are we ever going to stop to consider the rights of the general taxpayer or are we forever to be subsidizing somebody that owns an acre or two of land? Has the Committee on Agriculture of the House forgotten that there are people in the United States who have no land and who must pay the taxes to do the things which they are providing in this bill?

Mr. KETCHAM. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. KETCHAM. Are not those the people who would be directly and very specifically benefited by a wise proposition of this kind?

Mr. MADDEN. If you can show me how you will be benefited by any forest that I raise on my land, paid for at Government expense, to be used by me to sell to anybody I please, I would like to have you do so. [Applause.]

Mr. KETCHAM. Will the gentleman yield further?

Mr. MADDEN. Yes.

Mr. KETCHAM. You are suffering and I am suffering now because this very policy has been neglected in the days gone by.

Mr. MADDEN. We should let everybody pay his own bills.

Mr. CLARKE of New York. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

Mr. CLARKE of New York. Mr. Chairman, may I suggest that the amendment is agreeable to the committee?

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 9. That the President, in his discretion, is hereby authorized to establish as national forests, or parts thereof, any lands within the boundaries of Government reservations, other than national parks, national monuments, and Indian reservations, which in the opinion of the Secretary of the department now administering the area and the Secretary of Agriculture are suitable for the production of timber, to be administered by the Secretary of Agriculture under such rules and regulations and in accordance with such general plans as may be jointly approved by the Secretary of Agriculture and the Secretary formerly administering the area, for the use and occupation of such lands and for the sale of products therefrom. That where such national forest is established on land previously reserved for the Army or Navy for purposes of national defense the land shall remain subject to the unhampered use of the War or Navy Department for said purposes, and nothing in this section shall be construed to relinquish the authority over such lands for purposes of national defense now vested in the department for which the lands were formerly reserved. Any moneys available for the maintenance, improvement, protection, construction of highways and general administration of the national forests shall be available for expenditure on the national forests created under this section. All receipts from the sale of products from or for the use of lands in such national forests shall be covered into the Treasury as miscellaneous receipts, forest reserve fund, and shall be disposed of in like manner as the receipts from other national forests as provided by existing law. Any person who shall violate any rule or regulation promulgated under this section shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than one year, or both.

Mr. RAKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 7, line 12, after the word "Government," insert the words "Army or Navy," and strike out all of line 13 and the word "reservations" on line 14 of said page.

Mr. RAKER. Mr. Chairman, may I get the attention of the chairman of the committee and the author of the bill? The gentlemen will agree to that amendment, will they not?

Mr. CLARKE of New York. No.

Mr. RAKER. What does this section mean, then—section 9?

Mr. CLARKE of New York. The gentleman has a mind that he wants to use a little bit now, has he not? Proceed with your own analysis of it.

Mr. RAKER. I ask the gentleman the question.

Mr. CLARKE of New York. This is not language that is intended to conceal.

Mr. RAKER. I wish to ask the gentleman how you can set off a reserve within a reserve in a national forest when it is already set apart?

Mr. CLARKE of New York. The gentleman must use his own imagination and figure it out.

Mr. RAKER. I trust the gentleman will not be funny. The gentleman ought to be fair and frank with the House. Read the provision that—

The President, in his discretion, is hereby authorized to establish as national forests, or parts thereof, any lands within the boundaries of Government reservations other than national parks, national monuments, and Indian reservations.

What do you mean by that?

Mr. SANDERS of Indiana. What is the objection to that language?

Mr. RAKER. Why not take all of that out, because you can not establish a national forest within a national forest, can you?

Mr. SANDERS of Indiana. The gentleman is confusing the meaning of the language. It talks about establishing national forests in connection with the national parks. A national park is an entirely different thing and under another jurisdiction.

Mr. RAKER. Oh, no; can you establish a national forest within a national forest? That is what the section means, and

regulations applicable to national forests.

of Congress passed since 1907 proposing additions to the national forests, and my amendment will permit this commis-

you do not intend that. You simply want it to apply to the Army and Navy reservations.

Mr. SANDERS of Indiana. I do not see any language in the section that means what the gentleman states.

Mr. RAKER. The language is Government reservations other than national parks, national monuments, and Indian reservations. The only others are those relating to the national forests.

Mr. KINCHELOE. All the Government reservations are not national forests.

Mr. RAKER. What are the ones that are not?

Mr. KINCHELOE. It is proposed to establish national forests in Government reservations other than national parks, national monuments, and Indian reservations.

Mr. RAKER. What are they? Where is there any public reservation except those named outside of the naval and military reservations?

Mr. KINCHELOE. There are millions of acres of Government reservations in this country that are not national parks or national forests.

Mr. RAKER. Where?

Mr. CLARKE of New York. May I suggest to the gentleman game preserves, game paradises, and so forth?

Mr. RAKER. Reserved by the Federal Government?

Mr. KINCHELOE. For instance, the Government reservation at Hot Springs.

Mr. RAKER. That is a national park.

Mr. KINCHELOE. It is a Government reservation, and there are millions of acres of land in this country that are not in the national parks.

Mr. RAKER. Of course, it is now getting late and we are going to get no attention, I realize that, because the gentleman having charge of the bill will not even attempt to explain it.

Mr. KINCHELOE. I might suggest to the gentleman that Indian reservations constitute another case.

Mr. RAKER. Indian reservations are excepted, national parks are excepted, and national monuments are excepted. Now, tell us what your bill will apply to in this respect.

Mr. SMITH. Mr. Chairman, if the gentleman will yield, we have bird reservations.

Mr. RAKER. My, are you going to work and extend a national forest in a bird reserve?

I am in earnest about this matter. I know the committee does not intend it, and I hope the chairman will agree to strike out these words.

Mr. MADDEN. Mr. Chairman, I move to strike out the last two words. I have seen a good many compositions, Mr. Chairman and gentlemen, but I have not seen any quite as mysterious as this. I do not wonder that the gentleman from California, with his far-seeing vision, was unable to decipher what this means. I was rather surprised to notice that the gentleman from New York [Mr. CLARKE] refused to tell the gentleman from California what the section was written for. I was wondering whether the gentleman from New York knew himself. It seems to me the thing ought to be clear enough so that the ordinary man in the House, as well as experts like the gentleman from New York, could understand what it means. I confess that I do not know what it means. But perhaps I have no right to expect to understand language that is written so volubly as this. Here we have a provision—

That the President, in his discretion, is hereby authorized to establish as national forests, or parts thereof, any lands within the boundaries of Government reservations, other than national parks, national monuments, and Indian reservations, which in the opinion of the Secretary of the department now administering the area and the Secretary of Agriculture are suitable for the production of timber, to be administered by the Secretary of Agriculture under such rules and regulations and in accordance with such general plans as may be jointly approved by the Secretary of Agriculture and the Secretary formerly administering the area, for the use and occupation of such lands and for the sale of products therefrom.

And so on. What is the proposition?

Mr. CLARKE of New York. Will the gentleman permit?

Mr. MADDEN. Yes; I am looking for light.

Mr. CLARKE of New York. We have the reserves for lighthouses and naval reserves.

Mr. MADDEN. Where will the lighthouse be located? Will it be open to the vision of the ordinary Member of Congress or be hidden away somewhere on a forest reserve, or on the boundary lines of national tracts or some Indian reservation? Or will it be taken down to the State of New York into the territory represented by the distinguished gentleman from New York, where even the ordinary wayfarer passing by will not be able to see it? What is the purpose of this section of the bill? Does the gentleman say to the House that the only purpose of this is to create a lighthouse? I thought the Lighthouse Service was in the Commerce Department; that lighthouses were built to guide ships as they headed for port; that a lighthouse was not a part of the farm; that we did not need a lighthouse on the farm of the ordinary farmer to enable him to plow or to sow or to reap.

A bill like this dealing in mystery intended to befog the mind of the most intelligent farmer to prevent him from understanding when he was to sow, when he was to reap, ought not to be given serious consideration by serious-minded men like we have before us. [Laughter and applause.]

Why, gentlemen talk about erecting a lighthouse on a farm, erected by order of the President of the United States on Government reservations, except national parks and Indian reservations. [Laughter.] What are we coming to? Has prohibition so befogged the mind of the ordinary American that he can not see without a lighthouse? [Laughter.] Are we to be told that we must be guided in the way we are to go by a lighthouse erected up in the jurisdiction of the Committee on Agriculture? It is no longer thought necessary for those who control the lighthouses to realize that lighthouses are intended to prevent ships from running onto the rocks, that lighthouses are not needed to guide people, but that they are needed to guide a ship.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BLANTON. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. BLANTON. I want to say that all this demonstrates one thing conclusively—that we ought to pass the appropriation bills and go home.

Mr. MADDEN. Of course, it is manifest to everybody that every day we stay here after we perform the legitimate functions of this body we are going to make ourselves ridiculous by passing such bills as this.

Mr. LEAVITT. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. LEAVITT. In answer to the question that the gentleman asked, there are about 1,000,000 acres of forest land now included in lighthouse reservations, military reservations, and naval reservations. The purpose of this is, when the Secretaries agree that the land is not needed for its present purpose, to allow it to be put into a national forest.

Mr. MADDEN. Is there any oil on it, and are we going to have any Teapot Domes in connection with it? I want to know what it means. I want to know whether anybody is going to lease this land to Doheny, or to Fall, or to anybody else.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. RAKER. Does not the gentleman believe that this section ought to go out of the bill?

Mr. MADDEN. I think the whole bill ought to go up in smoke. We do not need any lighthouses on forest reserves. We do not need any lighthouses to guide us in our efforts to cultivate the soil and we do not want to accept without full knowledge the statement of the Agricultural Committee that nothing is to be done except to build lighthouses on present military and naval reserves no longer needed for the oil there is in the land. We are trying to preserve the oil crop in the soil. Will the construction of a lighthouse on any of this land lead some corrupt citizen to the point where he can take that oil away, or do you want him to work in the dark?

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. RAKER. Is it not a fact that under this amendment we could go on an oil reserve and establish a national forest?

Mr. MADDEN. It would not be so bad if they did, but if they get on a national forest and established an oil reserve, it might be very serious, and if they built a lighthouse anywhere on the oil reserve, and the oil should be pumped out by some designing person to whom a lease had been granted, we might blow up the lighthouse, and then what would we do? [Laughter.]

Mr. HUDSON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. HUDSON. Could the gentleman conceive of any lighthouse for the Muscle Shoals project, possibly?

Mr. MADDEN. Oh, I do not think there is any need of a lighthouse for the Muscle Shoals project. That is its own light. That is real agriculture, that is laying the foundation for the development of prosperity among the people who till the soil, and we do not need any lighthouse to point the way for them. [Applause.] If everybody here and everywhere else do what ought to be done in reality and in earnest for the development of agriculture, they will get behind the Muscle Shoals proposition. There is one thing that speaks for itself. No lighthouse is needed there to point the way. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KINCHELOE. Mr. Chairman, I am sure that we have all just heard the "last word" on reforestation, uttered by a man whose knowledge of these matters is unquestioned—the distinguished chairman of the Committee on Appropriations [Mr. MADDEN of Illinois]. He lives in a district in Chicago that is conductive to knowledge of reforestation. I heartily agree with him in one thing he said, that the longer this Congress and the administration stays here the worse off the country will be. [Applause.] I think the longer the Congress under this administration stays here, the less money there will be left in the Treasury. I think there is no doubt about that. Oh, the gentleman can refer facetiously to the Committee on Agriculture, but I remind him that we are not all fortunate enough to be on the great Committee on Appropriations which is supposed to be the watchdog of the Treasury, with the gentleman himself as the high dog of them all. I notice when the gentleman from Illinois, the chairman of the great Committee on Appropriations, takes a notion to bring in some kind of bill for political purposes, which would take $10,000,000 out of the Treasury of the United States——

Mr. MADDEN. Oh, I beg the gentleman's pardon.

Mr. KINCHELOE. I refuse to yield.

Mr. MADDEN. I would like to have the gentleman know that I had nothing to do with the bill he refers to, and I hope the gentleman will yield long enough for me to make that statement.

Mr. KINCHELOE. No; I will not yield. The gentleman refused to yield to me. That bill voted $10,000,000 out of the Treasury.

Mr. MADDEN. But I did not vote for it.

Mr. KINCHELOE. I did not hear the gentleman's voice quite as conspicuously—in fact, not at all—against it as we have to-day against this bill. That bill was to feed the children of Germany, but when we bring in a reforestation measure, which is for the benefit of American children yet unborn, in order that they may have comfortable homes in which to live, a bill which represents the combined thought of the best authorities on reforestation in America, then comes the gentleman from Illinois, and he says that we ought to defeat the whole bill, notwithstanding the fact that the members of the Committee on Agriculture have conducted hearings for weeks. The gentleman says that we know nothing about it, but the gentleman from Illinois, who comes from a "great timber district" in the city of Chicago, knows all about it. The gentleman once said that as soon as this administration got in power that for one time in the history of this Republic the people who live east of the Mississippi and north of the Ohio were going to run this Government.

Mr. MADDEN. I deny that.

Mr. KINCHELOE. The gentleman will have to deny it in the newspapers. That is where I saw it.

Mr. MADDEN. I deny it anywhere. There is not a word of truth in it.

Mr. KINCHELOE. Whether the gentleman said it or not, that prediction by him or somebody else has proved absolutely true. When we come in here with a great national policy to build future homes in this Republic, not only for the present generation, but, as I say, for the generations yet to follow, the chairman of the great Committee on Appropriations comes howling as the watchdog of the Treasury, but on some other occasions I notice that I did not hear the clarion voice of the gentleman raised against the appropriation of $10,000,000 for the Imperial Government of Germany, notwithstanding the fact that 50,000 of our boys are sleeping under the sod to-day, who gave up their lives in defense of that flag against the Imperial Government of Germany. The gentleman from Illinois may not have voted for that bill, but I did not hear his voice raised in opposition to it. One hundred and eighty thousand more of our boys with empty pants legs and empty sleeves or inhabiting hospitals of this Republic made the sacrifices they did in order that civilization might endure and that that flag might continue to wave. When we talk about a bonus for them that is not patriotism.

The watchdogs of the Treasury fail to rise up when you take $10,000,000 out of the Treasury, out of the pockets of the people of the country, if you please, for the Imperial Government of Germany. The gentleman from Illinois, while he may not have voted for it, did not loudly sound his voice against it. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Chairman, I want to say to the gentleman from Kentucky [Mr. KINCHELOE] that I make no apology for any position I take in this House or elsewhere. I yield to no man in my loyalty to the flag; no man supported the war against Germany more loyally than I. That has got nothing to do with this question of reforestation. Every man in this House knows last fall, on account of the work I had been doing here, I nearly lost my life. Everybody knows that I have never saved myself, and I was compelled to go away, under my doctor's orders, without any knowledge that the resolution that he describes was coming up for consideration. It did not come from the Committee on Appropriations; it came from the Committee on Foreign Affairs. I was not here when it came up. If I had been here, I would have denounced the resolution. The gentleman from Kentucky knows it. I think it is ill-advised for him, in response to what I said in connection with the pending bill, to have brought extraneous matter that had no relation to the bill at all on the floor of the House in reply to what I have said. That is all. [Applause.]

Mr. TINCHER. Mr. Chairman, I am sorry there is any unpleasant feeling on the floor of the House over this bill. I am sorry, too, that parties have found it necessary to take a rather inconsistent position in opposing the bill. I believe that the bill represents the best thought of men who have studied the means for reforestation better than any other bill that has ever come before the Congress, and I believe that more people in the United States to-day are in favor of conserving the national resources and especially the national forests than any other form of conservation. I am sorry my friend from Illinois [Mr. MADDEN] has come in at this late hour and taken a position against the bill, but I think maybe the thing can be explained. Our friend from Illinois does not shoot in the dark. He knows that he is not going to defeat this bill. He knows how to look at the clock and see what time it is. He knows that if he can go along and have a lot of fun in reference to lighthouses everywhere else on earth save and except Muscle Shoals it will be so late when we get through passing this bill that we may not have a chance to take up the bill that follows on the calendar, in which we propose to protect the cooperative associations from the commission men in the city of Chicago. [Applause.] I want to say to the credit of the gentlemen he always represents his constituents when he does make a speech, which appears inconsistent with his record in Congress, which is a magnificent one. If you will look at the next bill to come up you will find what he is talking about. He would not have come in here this afternoon and bothered the Committee on Agriculture in the passage of this bill if it had not been for the word received from his own people. He is looking out for the next bill from that committee, and I think we ought to pass this bill and get to work on the next bill.

Mr. SANDERS of Indiana. As a matter of fact this matter was submitted to the Budget Committee and had their approval.

Mr. TINCHER. Absolutely. And the gentleman from Illinois is strong for the Budget Bureau ordinarily.

Mr. MADDEN. I wish to say the Budget Bureau does not cast my vote or express my views.

Mr. KETCHAM. Was the lighthouse——

Mr. TINCHER. The lighthouse which the gentleman is thinking about was his mail from Chicago that has an absolute organization among the commission men to keep the "cooperatives" out. And we are about to pass a little bill here later that will allow the cooperative farmers to exist, and I am going to quit talking now so that we can pass this bill and get to work on the other. [Applause.]

Mr. HAUGEN. Mr. Chairman, I move that debate on this section and all amendments thereto close in 10 minutes. [Cries of "Vote!"]

The CHAIRMAN. The gentleman from Iowa moves that debate on this section and all amendments thereto close in 10 minutes.

Mr. BLANTON. I offer an amendment.

New York, where even the ordinary wayfarer passing by will not be able to see it? What is the purpose of this section of

Mr. HUDSON. Could the gentleman conceive of any lighthouse for the Muscle Shoals project, possibly?

patriotism.

Mr. BLANTON. I offer an amendment.

Mr. FRENCH. I have offered an amendment which I sent to the Clerk's desk on this section, and I ask that it be reported.

Mr. BLANTON. I offer an amendment to the amendment to close in 15 minutes.

The CHAIRMAN. The gentleman from Texas offers an amendment to the amendment that debate on this section and all amendments thereto close in 15 minutes.

Mr. MADDEN. Mr. Chairman, I move to amend by making it 30 minutes.

Mr. SANDERS of Indiana. Unless it is offered as a substitute——

Mr. MADDEN. I offer it as a substitute. I will accommodate the gentleman in any way he wishes.

The CHAIRMAN. The gentleman from Illinois moves as a substitute amendment that all debate on this section and all amendments thereto close in 30 minutes.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. MADDEN) there were—ayes 21, noes 73.

Mr. MADDEN. I ask for tellers.

The CHAIRMAN. Seventeen gentlemen have risen; not a sufficient number, and tellers are refused. The question is on the amendment offered by the gentleman from Texas.

Mr. KINCHELOE. Mr. Chairman, I offer a substitute. I move as a substitute that debate close in five minutes. [Applause.]

The CHAIRMAN. The gentleman from Kentucky moves as a substitute that all debate on this section and all amendments thereto close in five minutes.

The question was taken, and the Chair announced the ayes appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division on that.

SEVERAL MEMBERS. Too late.

The CHAIRMAN. The Chair does not think it too late. The question is on agreeing to the amendment to the amendment.

The committee divided; and there were—ayes 95, noes 19.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The CHAIRMAN. The question now is on agreeing to the motion as amended.

Mr. MADDEN. What is that?

The CHAIRMAN. Providing for five minutes debate.

The question was taken; and the Chairman having expressed himself as in doubt, on a division there was—ayes 97, noes 20.

So the motion as amended was agreed to.

Mr. FRENCH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Idaho.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: On page 7, line 13, after the word "parks," insert "reservations for phosphate, mineral, and other deposits or water-power purposes."

Mr. BLANTON. Mr. Chairman, I make the point of order that it is not germane to the purpose of the bill.

The CHAIRMAN. The point of order is overruled.

Mr. FRENCH. Mr. Chairman, I hope the gentlemen of the committee will pay special attention to the amendment that has been read and the suggestions that I want to make, because they are of tremendous importance. What is a reservation? The language of the bill does not say. I do not believe the members of this committee realize that the exceptions that have been made of lands that may not be included within a national forest limit, national parks, national monuments, and Indian reservations include all the exceptions that ought to be made of lands that should not be included at the discretion of the President in a forest reservation.

Briefly I shall mention one or two illustrations. Let me call your attention to the fact that in the southern part of the State, as indicated on this map before you, we have 2,000,000 acres of phosphate land set apart as a reservation for phosphate and with that exception subject to all the land laws. It may be entered by the homesteader or acquired under other land laws. The committee surely did not mean to give to the President authority to add these lands to a national forest. Yet unless my amendment shall prevail he may do so.

Or, again, we have all along the Snake and Salmon Rivers [indicating] water-power reservations. In Utah there are helium and oil reservations, and there may be other reservations for mineral purposes. Surely the members of the committee who reported the bill did not intend to provide in a blanket way authority for the President to include those lands by proclamation. I hope my amendment may prevail.

The CHAIRMAN. The Chair will state that there was a prior motion pending, and therefore the amendment of the gentleman from Idaho will be considered as having been read for information until the amendment offered by the gentleman from California [Mr. RAKER] is acted upon. The question is on agreeing to the amendment offered by the gentleman from California.

Mr. HAUGEN. Mr. Chairman, may we have that reported?

The CHAIRMAN. Without objection, the amendment of the gentleman from California will again be reported.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 7, line 12, after the word "Government," insert the words "Army or Navy," and strike out all of line 13 and the word "reservations" on line 14.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. RAKER. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] offered an amendment which is now in order for consideration. The Clerk will report the amendment offered by the gentleman from Idaho.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: On page 7, line 13, after the word "parks," insert "reservations for phosphate, mineral, and other deposits, or water-power purposes."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LARSEN of Georgia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LARSEN of Georgia. Is there time left for debate that has not been used?

The CHAIRMAN. The recollection of the Chair is that all debate on the section and amendments thereto was closed five minutes prior to the time the gentleman from Idaho [Mr. FRENCH] was recognized. The Chair is advised by the timekeeper that the gentleman from Idaho consumed three minutes. There will be two minutes remaining.

Mr. LARSEN of Georgia rose.

The CHAIRMAN. For what purpose does the gentleman from Georgia rise?

Mr. LARSEN of Georgia. To use those two minutes; and that will be sufficient time for me.

The CHAIRMAN. Does the gentleman move to strike out the last two words?

Mr. LARSEN of Georgia. Yes.

The CHAIRMAN. The gentleman from Georgia is recognized for two minutes.

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, I wish to advise members of the committee as to a matter that was called to my attention by the gentleman from New York, Doctor KINDRED. He suggested a defect, and an examination of the bill convinces me that an amendment should be made to the bill. We have, however, passed the point at which it should be offered. It is the policy of the Federal Government in the sale of land to fix a minimum price at which the lands may be sold. It occurs to me that it might also be well to fix the maximum price at which the lands may be purchased. Especially is this true in view of the fact that this seems to be an age of graft and corruption. For the protection of officials, for the protection of the public, and for the wholesome effect it will have on the country I believe it well to limit the maximum price at which lands may be purchased by the Secretary of Agriculture or others acting under the bill.

We are appropriating, or rather authorizing the appropriation, of $2,500,000, and the Secretary may, so far as the provisions of the bill are concerned, buy 1,000 acres of land and pay out the entire sum. Inasmuch as we have fixed the minimum price for the sale of land at $1.25 an acre probably it might be well to fix a maximum price for the purchase of cutover lands and other lands to be purchased at something like $1.25 an acre.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RAKER. Mr. Chairman, I offer a new section to the bill. This is the same amendment I offered to the other part of the bill. [Cries of "Regular order!"] Such tactics will only

delay matters. I was going to ask unanimous consent that this amendment be considered as having been read, and that the reading be dispensed with.

Mr. MADDEN. I am sorry, but I shall have to object to that, because I know there is a lot of meritorious matter in the gentleman's amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

Mr. TINCHER. Mr. Chairman, the gentleman having announced that the amendment is the same as the one he offered a while ago and the Chair having sustained a point of order against it, I now make a point of order against it.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. I call the Chair's attention to the fact that since the amendment was ruled out on a point of order the bill has been amended in many features and that this amendment is now in order.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. RAKER as a new section:

"SEC. —. (1) That when used in this section, unless the context indicates otherwise, the term 'lands of the United States' means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled 'An act to repeal timber culture laws, and for other purposes,' and acts amendatory thereof and supplemental thereto, or obtained or acquired under the act of March 1, 1911 (36 Stat. L. p. 961), and acts amendatory thereof and supplemental thereto.

"(The term 'Secretary' means the Secretary of Agriculture.)

"(2) That the United States Government hereby assumes, subject to the conditions of the section, or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals."

Mr. TINCHER. Mr. Chairman, I make the point of order that the Clerk has read sufficient to disclose that the amendment is not in order.

The CHAIRMAN. The Chair thinks the Clerk has read sufficient to disclose to the Chair the nature of the amendment, and the Chair does not believe there has been any change in the situation.

Mr. RAKER. Before the Chair rules will the Chair hear me? [Cries of "Rule!" "Rule!"]

The CHAIRMAN. The Chair will hear the gentleman very briefly.

Mr. RAKER. May the RECORD show that this is the same amendment as was offered before and printed in the RECORD, so that the RECORD will be straight? May I have unanimous consent?

The CHAIRMAN. The gentleman from California asks unanimous consent to have the RECORD show that this is the same amendment he offered previously during this session of the committee. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Now, Mr. Chairman, I call your attention particularly to this: This is at the end of the bill, and what I said this morning now applies, but in addition to that——

Mr. MADDEN. I wish the gentleman would repeat what he said this morning, because I was not here. [Laughter.]

Mr. TINCHER. I make the point of order that the Chair has already ruled on it.

Mr. RAKER. The Chair has not ruled on this. The chairman has consented, as all chairmen should, to hear a Member of the House on a point of order, and I hope gentlemen will not become so impatient and unreasonable that a man can not present a legitimate point of order to the Chair.

I just want to be heard a moment, Mr. Chairman, and for the benefit of the Chair only. Since this amendment was offered this morning and passed on by the Chair, the bill has been amended, and the committee has placed in the bill a provision in regard to taxation and in regard to the laws of the State. Now, having placed that provision in the bill I say, Mr. Chairman, that unquestionably the amendment now offered must be in order for the purpose of permitting the House to consider this vital and important question.

The CHAIRMAN. The Chair is ready to rule.

Mr. MADDEN. May I ask the gentleman a question? Just how does the amendment the gentleman offers at this point in the bill affect the vitals of the bill?

Mr. RAKER. Well, this amendment will give it some heart and life.

Mr. MADDEN. In what way?

Mr. RAKER. It will make it workable.

Mr. SANDERS of Indiana. It takes money out of the Treasury, that is what it really means.

Mr. MADDEN. Does it provide lighthouses?

Mr. RAKER. No; but it makes the bill workable.

The CHAIRMAN. The Chair is ready to rule. No amendments have been adopted to the bill that, in the opinion of the Chair, affect this point of order or tend to make the amendment germane at this point or at any point in the bill. The amendment that was adopted with reference to taxes related only to the exemption of certain property from taxation within the States. This is an entirely different proposal, as the Chair stated awhile ago, and in deciding the point of order the Chair will refer to the opinion rendered when this amendment was first proposed.

The point of order is sustained.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MADDEN. Mr. Speaker, I make the point of order that there is not a quorum present.

Mr. HAUGEN. Mr. Speaker, I move the previous question.

The SPEAKER. The gentleman from Illinois makes the point of order there is not a quorum present.

EXTENSION OF REMARKS

Mr. MAPES. Mr. Speaker, may I ask the gentleman from Illinois to withhold his point of order until I submit a request for unanimous consent?

Mr. MADDEN. Yes; I withhold it.

Mr. MAPES. Mr. Speaker, at the request of the chairman of the Committee on Interstate and Foreign Commerce [Mr. WINSLOW] I ask unanimous consent that he may be given permission to extend his remarks in the RECORD in order to file a statement giving the information requested by the gentleman from Virginia [Mr. MOORE] showing the bills considered and the action taken by that committee in this Congress.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the gentleman from Massachusetts [Mr. WINSLOW] may extend his remarks in the RECORD for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

PROTECTION OF FOREST LANDS, ETC.

Mr. RAKER. Will the gentleman withhold his point of order?

Mr. MADDEN. No; I can not withhold it any longer.

The SPEAKER. The gentleman from Illinois makes the point of order that there is not a quorum present. It is clear a quorum is not present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Ackerman	Collins	Harrison	McNulty
Anderson	Connolly, Pa.	Hoch	Magee, Pa.
Andrew	Corning	Holaday	Michaelson
Anthony	Croll	Hull, Tenn.	Miller, Ill.
Ayres	Crowther	Hull, William E.	Mills
Bacharach	Cummings	Johnson, Wash.	Morin
Barkley	Curry	Johnson, W. Va.	Mudd
Beers	Dickstein	Kahn	Nelson, Wis.
Bell	Dominick	Keller	Newton, Minn.
Bixler	Doyle	Kelly	Nolan
Black, N. Y.	Drane	Kent	O'Connor, N. Y.
Bloom	Edmonds	Kerr	O'Sullivan
Brand, Ohio	Fenn	Kiess	Oliver, N. Y.
Britten	Fish	Knutson	Patterson
Browne, N. J.	Frear	Kunz	Perlman
Bruckner	Fredericks	Kurtz	Phillips
Buckley	Freeman	Langley	Porter
Byrnes, S. C.	Funk	Larson, Minn.	Prall
Campbell	Gallivan	Lee, Ga.	Purnell
Carew	Geran	Lehlbach	Quayle
Casey	Gifford	Linthicum	Ramseyer
Celler	Glatfelter	Logan	Rathbone
Clark, Fla.	Goldsborough	McClintic	Reed, Ark.

tions for mineral purposes. Surely the members of the com- of the bill. [Cries of "Regular order!"] Such tactics will only

Mr. MADDEN. In what way?

Reed, W. Va.	Schall	Ward, N. Y.	Wood
Reid, Ill.	Sears, Fla.	Ward, N. C.	Woodrum
Rogers, N. H.	Sites	Wason	Wurzbach
Rosenbloom	Sullivan	Watres	Wyant
Rouse	Swoope	Wertz	Yates
Sabath	Taylor, Colo.	Winslow	Zihlman

The SPEAKER. Three hundred and fifteen Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

Mr. HAUGEN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, and was read the third time.

Mr. BOX. Mr. Speaker, I move to recommit the bill.

The Clerk read the motion to recommit, as follows:

Mr. Box moves to recommit the bill (H. R. 4820) to the Committee on Agriculture with instructions to report the same forthwith amended by striking out section 7.

Mr. BOX and Mr. KINCHELOE moved the previous question on the motion to recommit.

The previous question on the motion to recommit was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to recommit the bill.

Mr. BOX. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. All those in favor of taking the yeas and nays will rise. [After counting.] Fifty-nine Members have risen, not a sufficient number.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and there were on a division (demanded by Mr. BLANTON)—ayes 193, noes 32.

Mr. BLANTON. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. All those in favor of taking the yeas and nays will rise. [After counting.] Twenty-three Members have risen, not a sufficient number. The yeas and nays are refused, and the bill is passed.

On motion of Mr. HAUGEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

WORK OF INTERSTATE AND FOREIGN COMMERCE COMMITTEE DURING SIXTY-EIGHTH CONGRESS

Mr. WINSLOW. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Statement furnished by Mr. Winslow, chairman Committee on Interstate and Foreign Commerce, showing bills reported by the committee in the Sixty-eighth Congress (not including 80 bridge bills and bills of a local character also reported out by the committee) as requested by Mr. Moore of Virginia on April 18, 1924 (Congressional Record, p. 6661)

Bill number	Subject	Introduced	Hearings held	Ordered reported	Passed House	Consideration of bills
H. R. 4	Blue sky	1923 Dec. 5	None	1924 Jan. 29		Considered in Committee of Whole House on the state of the Union on Mar. 31, 1924, but not completed.
H. R. 3933	Cape Cod Canal	Dec. 17	do	Feb. 4		
H. R. 4160	Inland waterways	Dec. 20	Feb. 26, 28, 29; Mar. 1, 3, 4, 5, 6, 7, 1924.	Mar. 22		
H. R. 6647	do	1924 Feb. 5				
H. R. 8209	do	Mar. 25				
H. R. 6142	Maternity, Porto Rico	Jan. 24	Feb. 19, 1924	Mar. 21		
H. R. 6815	Law enforcement (Volstead law)	Feb. 9	Feb. 20, 1924	Feb. 21	1924 Mar. 13	
H. R. 6816	Panama Canal, warrant officers	Feb. 9	Mar. 12-13, 1924	Mar. 15		
H. R. 7105	Panama Canal supplies	Feb. 15		Mar. 18		
H. R. 7308	Panama Canal tolls	Feb. 26		Mar. 18		
H. R. 7762	do	Mar. 8				
H. R. 5836	Railroad inspectors	Jan. 21	Mar. 28, 29; Apr. 1, 1924	Apr. 10		
H. R. 8578	do	Apr. 10				
H. J. Res. 94	Railroad rate, survey	1923 Dec. 17	Apr. 3, 4, 5, 9, 12, 13, 1924			
H. J. Res. 141	do	1924 Jan. 16				
H. R. 4517	Foreign commerce service	Jan. 3	Feb. 7, 8, 9, 12, 13, and 14	Feb. 19		
H. R. 7634	do	Feb. 15				
H. R. 4515	Coast and Geodetic Survey	Jan. 3	None	Apr. 10		
H. R. 8308	do	Mar. 29				
H. R. 6425	Anthrax	Jan. 30	do	Mar. 25		
H. R. 6817	Dixie Power Co.	Mar. 24				
S. 2686	do	Mar. 22	do	Apr. 2	Apr. 7	
H. R. 8488	do	Apr. 7				
H. R. 6817	Coast Guard Cutter (Bear)	Feb. 5	Feb. 20, 1924	Feb. 20	Mar. 19	

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolutions of the following titles; when the Speaker signed the same:

H. R. 3761. An act for the relief of George A. Nickles.

H. J. Res. 247. A joint resolution making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925.

H. J. Res. 222. A joint resolution granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland.

ARLINGTON MEMORIAL BRIDGE (S. DOC. NO. 95)

The SPEAKER laid before the House the following message from the President of the United States, which was read as follows:

To the Congress of the United States:

In accordance with section 23 of the public buildings act approved March 4, 1913, I am transmitting herewith the report and recommendation of the Arlington Memorial Bridge Commission on the project to construct a memorial bridge across the Potomac from the vicinity of the Lincoln Memorial to the Arlington estate on the Virginia side of the river. The report and recommendation of the commission have my approval.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 23, 1924.*

CLAIMS AGAINST THE UNITED STATES BY CHINA (S. DOC. NO. 96)

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith a report from the Secretary of State regarding two claims presented by the Government of China against the Government of the United States arising out of the negligent or unlawful acts in China of persons connected with the military and naval forces of the United States, and I recommend that as an act of grace and without reference to the question of the legal liability of the United States an appropriation in the amount of $1,100 be made to effect settlement of these claims, in accordance with the recommendation of the Secretary of State.

Inclosure: Report from Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 23, 1924.*

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. RUBEY) there were 26 ayes and 28 noes.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman can not do that on a motion to adjourn. The gentleman can make a point of no quorum at any time, but not on a motion to adjourn.

Mr. BLANTON. But, Mr. Speaker, I can make the point of no quorum.

The SPEAKER. It does not take a quorum to adjourn. The gentleman from Texas makes the point that no quorum is present, and evidently there is no quorum present.

Mr. BEGG. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. RUBEY) there were 47 ayes and 41 noes.

Mr. RUBEY. Mr. Speaker, I demand tellers.

The SPEAKER. The gentleman from Missouri demands tellers. All those in favor of tellers will rise. [After counting.] Thirty-four Members rising, not a sufficient number, and tellers are refused.

Mr. RUBEY. Mr. Speaker, I demand the other side.

The SPEAKER. There is no other side on the demand for tellers. Tellers are refused and the House decides to adjourn.

Accordingly (at 5 o'clock and 14 minutes p. m.) the House adjourned until to-morrow, Thursday, April 24, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

444. Under clause 2 of Rule XXIV, a letter from the Assistant Secretary of Labor, transmitting a copy of a letter from the Director of the Bureau of the Budget with recommendation for the relief of James R. Hawkins, a special disbursing agent for the Department of Labor, who accompanied a commission to investigate labor conditions in Europe, was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FAIRFIELD: Committee on Insular Affairs. S. 2573. An act to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; with amendments (Rept. No. 551). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLTON: Committee on the Public Lands. S. 667. An act granting to the State of Utah the Fort Duchesne Reservation for its use as a branch agricultural college; without amendment (Rept. No. 553). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNELL: Committee on Rules. H. Res. 268. A resolution providing for the consideration of H. J. Res. 184; without amendment (Rept. No. 552). Referred to the House Calendar.

Mr. COLTON: Committee on the Public Lands. S. 668. An act to establish the Utah national park in the State of Utah; without amendment (Rept. No. 554). Referred to the Committee of the Whole House on the state of the Union.

Mr. VAILE: Committee on the Public Lands. H. R. 7998. A bill granting public lands to the city of Golden, Colo., to secure a supply of water for municipal and domestic purposes; without amendment (Rept. No. 556). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER: Committee on the Public Lands. H. R. 103. A bill for the inclusion of certain lands in the Plumas National Forest, Calif., and for other purposes; with an amendment (Rept. No. 557). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER: Committee on the Public Lands. H. R. 104. A bill for the inclusion of certain lands in the Eldorado National Forest, Calif., and for other purposes; with amendment (Rept. No. 558). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER: Committee on the Public Lands. H. R. 105. A bill for the inclusion of certain lands in the Stanislaus National Forest, Calif., and for other purposes; with an amendment (Rept. No. 559). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER: Committee on the Public Lands. H. R. 106. A bill for the inclusion of certain lands in the Shasta National Forest, Calif., and for other purposes; with an amendment (Rept. No. 560). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAKER: Committee on the Public Lands. H. R. 107. A bill for the inclusion of certain lands in the Tahoe National Forest, in the States of California and Nevada, and for other purposes; with an amendment (Rept. No. 561). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. COLTON: Committee on the Public Lands. H. R. 1442. A bill authorizing issuance of patent to Charles Swanson; without amendment (Rept. No. 555). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 8808) granting a pension to Elizabeth A. Harrington, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SWEET: A bill (H. R. 8852) for the purchase of a site for a public building at Phoenix, Oswego County, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. CELLER: A bill (H. R. 8853) to increase the compensation of Senators, Representatives, Delegates, and Resident Commissioners; to the Committee on the Judiciary.

By Mr. JACOBSTEIN: A bill (H. R. 8854) to create an additional judicial district in the territory embraced within the present western district of New York; to the Committee on the Judiciary.

By Mr. SWEET: A bill (H. R. 8855) to provide for an authorization of money to be used in the construction of a public building at Oneida, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. FAIRFIELD: A bill (H. R. 8856) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands, and to provide for the future political status of the same; to the Committee on Insular Affairs.

By Mr. WAINWRIGHT: A bill (H. R. 8857) to authorize the Secretary of War to sanction the use of certain titles on tablets and other memorials; to the Committee on Military Affairs.

By Mr. BYRNS of Tennessee: A bill (H. R. 8858) to suppress the sale of pistols, revolvers, and other firearms of like form, size, and description, commonly used in the commission of felonious homicides and assaults, and to provide punishment for violation of the provisions of the same; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 8859) granting a pension to Maggie Robinson; to the Committee on Invalid Pensions.

By Mr. FREDERICKS: A bill (H. R. 8860) for the relief of the Los Angeles Building & Contracting Co.; to the Committee on Claims.

By Mr. PURNELL: A bill (H. R. 8861) granting an increase of pension to James N. Beasley; to the Committee on Invalid Pensions.

By Mr. SWEET: A bill (H. R. 8862) granting a pension to Emma Spooner; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 8863) granting an increase of pension to Daniel Burkett; to the Committee on Invalid Pensions.

By Mr. WATKINS: A bill (H. R. 8864) granting a pension to George W. Hillis; to the Committee on Invalid Pensions.

By Mr. WILLIAMSON: A bill (H. R. 8865) granting a pension to John Means; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2505. By the SPEAKER (by request): Petition of Karl H. M. Gardner, founder and chief priest of the Holy Rosikrucian Church, Los Angeles, Calif., asking Congress to take action to insure to this church the right of obtaining sacramental wines the same as extended to other religious sects; to the Committee on the Judiciary.

2506. By Mr. GALLIVAN: Petition of Rogers & McClellan, Boston, Mass., protesting against enactment of House bill 6645, which proposes to place the supervision of industrial alcohol under the prohibition enforcement officers; to the Committee on the Judiciary.

2507. Also, petition of Maritime Association of the Boston Chamber of Commerce, Boston, Mass., recommending the establishment of a harbor of refuge at Assateague, Va.; to the Committee on Rivers and Harbors.

2508. By Mr. GARBER: Petition of citizens of Alfalfa County, Okla., protesting against any amendment legalizing the manufacture of beer or wine; to the Committee on the Judiciary.

2509. Also, petition of citizens of Perry, Okla., indorsing the 1890 quota to be used as a basis for determining the number of aliens to be admitted from each country; to the Committee on Immigration and Naturalization.

2510. By Mr. GRIFFIN: Petition of the Church Peace Union, requesting Congress to reconsider its action relative to exclusion of Japanese and adopt some method which will result in the good will and friendship between the two countries; to the Committee on Immigration and Naturalization.

2511. By Mr. JACOBSTEIN (by request): Petition of various citizens of the State of New York, for an equal rights amendment; to the Committee on the Judiciary.

2512. By Mr. KING: Petition of Lucretia Leffingwell Chapter, D. A. R., of Knoxville, Ill., in regard to changing the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2513. By Mr. MOONEY: Petition of the council of the city of Cleveland, indorsing a Federal appropriation for dredging Cleveland Harbor; to the Committee on Rivers and Harbors.

2514. Also, petition of the council of the city of Cleveland, protesting against the Hull drainage bill; to the Committee on Rivers and Harbors.

2515. By Mr. PATTERSON: Petition of 237 residents of Camden County, N. J., protesting against legalizing of 2.75 per cent beer; to the Committee on the Judiciary.

SENATE

THURSDAY, *April 24, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we thank Thee for the morning which Thou hast given unto us, for its brightness and inspiration. And we do ask Thee that we may be with high endeavor moved by Thy gracious spirit to do the things that shall be agreeable in Thy sight. Help us to understand that our times are in Thy hands, and that we ought to live and love and serve according to Thy good pleasure. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, April 21, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Principal Clerk called the roll, and the folowing Senators answered to their names:

Adams	Cummins	Frazier	Kendrick
Ball	Curtis	George	Keyes
Bayard	Dale	Gerry	King
Borah	Dial	Glass	Ladd
Brandegee	Dill	Gooding	Lodge
Brookhart	Edge	Hale	McCormick
Bruce	Edwards	Harris	McKellar
Bursum	Elkins	Harrison	McKinley
Cameron	Ernst	Heflin	McLean
Capper	Fernald	Howell	McNary
Caraway	Ferris	Johnson, Minn.	Mayfield
Colt	Fess	Jones, N. Mex.	Neely
Copeland	Fletcher	Jones, Wash.	Norris
Oddie	Sheppard	Stanfield	Walsh, Mont.
Overman	Shields	Stanley	Warren
Owen	Shipstead	Stephens	Watson
Pepper	Shortridge	Sterling	Wheeler
Phipps	Simmons	Swanson	Willis
Pittman	Smith	Trammell	
Ralston	Smoot	Under wood	
Ransdell	Spencer	Walsh, Mass.	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

The PRESIDENT pro tempore. Eighty-one Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker of the House had signed an enrolled bill and joint resolutions of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 3761. An act for the relief of George A. Nickles;

H. J. Res. 222. An act granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland; and

H. J. Res. 247. An act making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925.

POST-OFFICE BUILDING AT CINCINNATI, OHIO

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, relative to the bill (H. R. 4200) to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio, which was referred to the Committee on Public Buildings and Grounds.

REPORT OF THE NEAR EAST RELIEF

The PRESIDENT pro tempore laid before the Senate a communication from the general secretary of the Near East Relief submitting the report of the Near East Relief for the year ended December 31, 1923, which was referred to the Committee on Foreign Relations.

REPORT ON CONDITION OF RAILROAD EQUIPMENT

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Interstate Commerce Commission, transmitting, in compliance with Senate Resolution 438 (agreed to February 26, 1923), a report for the month of March, 1924, showing the condition of railroad equipment and related information, which was referred to the Committee on Interstate Commerce.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a resolution of the District of Columbia Society of the Sons of the American Revolution, of Washington, D. C., protesting against the passage of legislation appropriating money or granting relief by the United States to the civilian population of Germany until that nation shall have shown its good faith and made a fair and reasonable effort to meet its obligations, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Philadelphia Federation of Churches, favoring the participation of the United States in the World Court, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a paper in the nature of a petition of the American Civil Liberties Union, of New York City, N. Y., praying that Congress issue a declaration of complete independence for the Philippines, effective as soon as the civil and military representatives of the United States can be withdrawn, which was referred to the Committee on Territories and Insular Possessions.

Mr. LODGE. Mr. President, I present various petitions from the women of Iowa, containing 35,000 signatures, in favor of a permanent court of international justice as established by the League of Nations. I ask that the petitions may be properly referred.

The PRESIDENT pro tempore. The petitions will be referred to the Committee on Foreign Relations.

Mr. KING. May I ask the Senator whether his committee expects to report out soon what may be called the Harding plan providing that the United States shall become a member of the International Court?

Mr. LODGE. I can not tell the Senator. We have just begun the hearings.

Mr. KING. I commend to the chairman and the committee the attitude of former President Harding and President Coolidge.

Mr. KEYES. I present resolutions adopted by the Junior Order of United American Mechanics of New Hampshire, which I ask may be referred to the Committee on Immigration and printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Resolutions adopted by Junior Order of United American Mechanics of New Hampshire

Whereas we have knowledge of the action taken by the United States Senate yesterday regarding our relations with Japan and our immigration laws; and

Whereas the Junior Order of United American Mechanics is an order composed of members of American birth believing in the restriction of immigration and firmly adhering to our principles of liberty and patriotism; and

Whereas, without meaning to offend any nation, we do sincerely approve of the action of the Senate upon the so-called gentlemen's agreement and the letter of a certain ambassador, also we approve and commend to posterity the "declaration of precedent" by Senator LODGE in open executive session: Therefore be it

Resolved, That the State legislative committee of the order in New Hampshire in a union meeting assembled at Newton, N. H., do declare that the proceedings of the Senate on April 14 were entirely proper, necessary, and in defense of the principles our order holds dear, and for the best interests of our country.

Resolved further, That we register our appreciation of the Senate's action taken, regardless of consequences, by transmitting this copy of our resolves to the Senate through our Senator KEYES, so that they may appear in the CONGRESSIONAL RECORD.

Signed at Newton, N. H., April 15, 1924.

HARRY W. FLANDERS, *Chairman*,
HENRY L. BURBECK,
CHOATE E. MCKENZIE,
State Legislative Committee of Junior Order of United American Mechanics of New Hampshire.

Mr. SHIPSTEAD. Mr. President, I present various petitions brought to me by a committee of the League of Women Voters from Minnesota relating to legislation looking to the entry of the United States into a world court.

The PRESIDENT pro tempore. The petitions will be referred to the Committee on Foreign Relations.

Mr. McCORMICK. The presentation of the petitions by the honorable Senator from Minnesota [Mr. SHIPSTEAD] and the honorable Senator from Massachusetts [Mr. LODGE] leads me to ask if these are petitions for purebred, three-quarter bred, half-bred, or quarter-bred league plans? Can the Senator answer?

Mr. SHIPSTEAD. I can say to the Senator that so far as I am concerned——

Mr. McCORMICK. This is a very material inquiry, of course.

Mr. SHIPSTEAD. Of course, but I am not aware of any collusion between the Senator from Massachusetts and myself.

Mr. McCORMICK. I did not mean that the plans were originated by the Senator from Massachusetts or the Senator from Minnesota. I do not doubt that they originated far from the National Capital. What I want to know is if those who delivered them here told the Senator what manner of plans they were?

Mr. LODGE. I only know that they are petitions which were handed to me by women of Iowa, containing 35,000 signatures as they told me, and they are in favor of the Permanent Court of International Justice as established by the League of Nations.

Mr. McCORMICK. They were handed to the Senator and he has passed the buck to the Senate, as I gather.

Mr. LODGE. I never knew anything to be done with a petition except to present it. If the Senator has any other idea about petitions, I should be glad to know it.

Mr. McCORMICK. I do not mean to imply, either, that the Executive has passed the buck to the Senate with some frequency.

Mr. SHIPSTEAD. I will say to the Senator from Illinois that I believe in the constitutional right of petition and I am simply carrying out the spirit of that right by presenting the petitions in behalf of the signers, the signatures having been obtained by the League of Women Voters of Minnesota. The petitions speak for themselves.

I am not prepared at this time to tell the Senator just what I think of this particular court or any other court. I understand that there is a prevailing opinion amongst many people that men who want oil wells and iron mines and coal mines will use the military forces of a nation in order to get them. Now there is a proposition that, instead of going with armed forces to take property that belongs to other people, the hold-up man shall be asked to go into court to find out whether or not he will be allowed to go and hold up other peoples and other nations. There is a question in my mind if you can get a hold-up man into court before committing the crime.

Mr. McCORMICK. I remember very well that when there were being conducted the pourparlers which led to the Washington conference, not merely limitation of armament and mutual regard for possessions in the Pacific were included in those pourparlers but oil also; that, whether it appeared of record or not, our officials were assured that American exploiters of oil fields would have a fair—a fair, I say—show in Mesopotamia.

Mr. President, I have not been led afield. It is only because the sponsors of these petitions have failed to describe them that I have spoken so long. I recognize, as every Senator must recognize, the right of petition on the part of the people is inalienable like the right of equivocation on the part of the State Department.

Mr. WARREN presented a telegram in the nature of a memorial from the Douglas Community Club, of Douglas, Wyo., remonstrating against any amendment to the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. FLETCHER presented a petition of sundry citizens of West Palm Beach, Fla., praying for the adoption of the so-called Shortridge-Foster child labor constitutional amendment, which was referred to the Committee on the Judiciary.

Mr. LADD presented the memorial of W. A. Samski and 25 other citizens of Dunseith and vicinity, in the State of North Dakota, remonstrating against the passage of legislation reducing the tariff on eggs, which was referred to the Committee on Finance.

Mr. WILLIS presented a petition, numerously signed, of sundry citizens of Ostrander, Delaware, Galena, Sunbury, Powell, Leonardsburg, Ashley, and Westerville, all in the State of Ohio, praying for the passage of drastically restrictive immigration legislation, with quotas based on the 1890 census, which was referred to the Committee on Immigration.

Mr. CURTIS presented a resolution of the Chamber of Commerce of Dodge City, Kans., favoring reduced transportation rates, but opposing amendment of the transportation act of 1920 at the present time, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Oberlin, Kans., praying for the adoption of the so-called McCormick child labor amendment to the Constitution, which was referred to the Committee on the Judiciary.

He also presented memorials of the Woman's Christian Temperance Union of Scott City; members of the Woman's National Committee for Law Enforcement of Clay Center; and of sundry citizens of Oberlin, all in the State of Kansas, remonstrating against the passage of legislation modifying the Volstead Prohibition Act so as to legalize the manufacture and sale of beers and wines, which were referred to the Committee on the Judiciary.

Mr. FRAZIER presented a petition of sundry members of the Sorosis Club (a women's literary club) of Harvey, N. Dak., praying for the participation of the United States in the World Court, which was referred to the Committee on Foreign Relations.

He also presented the petition of Frank L. Glotzbach and 24 other citizens of Anamoose, N. Dak., praying for the removal or reduction of the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented the petition of Otto Rude and one other citizen of Pekin, N. Dak., praying for the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of members of the Roland Township Community Club, of Bottineau; of the Niagara-Shawnee Agricultural Club, of Niagara; of the Pierce County Farm Bureau, of Rugby, and of Gilbert Thompson and 41 other citizens of Makoti, all in the State of North Dakota, praying for the

Colt Fess Jones, N. Mex. Reed
Copeland Fletcher Jones, Wash. Norris

ferred to the Committee on Foreign Relations.

that I believe in the constitutional right of petition and I am of Sakoth, an in the State of North Dakota, praying for the

passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

He also presented a memorial of members of the Associated Shop Craft Employees of the Great Northern Railway, of Devils Lake, N. Dak., remonstrating against the passage of the so-called Howell-Barclay railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented resolutions of the Williston Commercial Club, of Williston, and the Association of Commerce, of Minot, both in the State of North Dakota, protesting against any amendment to the transportation act of 1920 at the present time, which were referred to the Committee on Interstate Commerce.

He also presented memorials of Harry L. Simpson and 7 other citizens (being members of the International Association of Supervisors of Mechanics), of Axel Bloom and 34 other citizens, of W. E. Tufford and 24 other citizens, and of John G. Morrison and 53 other citizens (being members of the Associated Organization of Shop Craft Employees of the Great Northern Railway), all of Devils Lake, N. Dak., remonstrating against the passage of the so-called Howell-Barclay railway labor bill, which were referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 147) for the relief of Albert Wood, reported it with an amendment and submitted a report (No. 458) thereon.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 1574) for the relief of John O'Neil, reported it with amendments and submitted a report (No. 459) thereon.

Mr. CURTIS (for Mr. HARRELD), from the Committee on Indian Affairs, to which was referred the bill (H. R. 2879) to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont., reported it without amendment and submitted a report (No. 460) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 1230) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, reported it without amendment and submitted a report (No. 461) thereon.

Mr. SMOOT, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 7500) to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes, reported it without amendment and submitted a report (No. 462) thereon.

Mr. NORRIS, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1642) to provide for the purchase and sale of farm products, reported it with amendments and submitted a report (No. 463) thereon.

INTERNATIONAL COUNCIL OF WOMEN

Mr. PEPPER. I report back favorably from the Committee on Foreign Relations without amendment the joint resolution (S. J. Res. 99) authorizing an appropriation to defray, in part, the expenses of the sixth quinquennial convention of the International Council of Women, to be held at Washington, D. C., in May, 1925, and I ask for its immediate consideration.

Mr. SMOOT. Mr. President, may not the joint resolution be read?

Mr. KING. I object. Let it go to the calendar. Then it may be considered later.

The PRESIDENT pro tempore. Objection is made.

Mr. PEPPER. May I ask the Senator from Utah merely to permit the joint resolution to be read before making his objection?

Mr. KING. Very well.

The PRESIDENT pro tempore. The joint resolution will be read.

The Secretary read the joint resolution, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 for the purpose of defraying, in part, the expenses of the sixth quinquennial convention of the International Council of Women, to be held at Washington, D. C., in May, 1925.

Mr. PEPPER. Mr. President, this organization is an international organization, representing organized societies of women in this and other countries, which has held heretofore, at Stockholm and Rome and other places in Europe, meetings of the quinquennial international convention. Washington has been selected for the ensuing, or sixth quinquennial, which will meet next year. This is a joint resolution which, if adopted, will merely signify, on the part of the Congress, good will toward this great organization, which represents 10,000,000 women in this country and a great many more millions in other countries. The joint resolution authorizes a nominal appropriation for defraying the expenses which are to be met at large by private or popular subscription.

I very much hope that immediate consideration may be given to the joint resolution, and that favorable action may be taken without objection, because it is in line with such suggestions as we made recently in favor of the meeting of the interparliamentary union here and measures of a similar sort. I hope the Senator from Utah will not press his objection.

Mr. KING. Mr. President, of course we all sympathize with the humanitarian and social activities of these organizations, but I suggested that the joint resolution ought to go to the calendar in order that it might be considered in connection with other measures that are on the calendar and pressing for consideration. We shall reach it a little later during the morning hour.

The PRESIDENT pro tempore. Objection is made, and the joint resolution goes to the calendar.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Pennsylvania a question. Has this matter been before the Committee on Appropriations? It seems to me that the Committee on Appropriations authorized an appropriation for this purpose just a day or two ago. I am not sure about it, and I am merely asking the Senator from Pennsylvania.

Mr. PEPPER. No; my understanding is that it was suggested that an item covering an appropriation for this purpose be inserted in the State Department appropriation bill, but the committee thought it should be made the subject of a separate bill.

Mr. McKELLAR. I may be mistaken about it. I thought, however, that it had already been done. I think the joint resolution ought to pass.

Mr. SWANSON subsequently said: Mr. President, in reference to Senate Joint Resolution No. 99, which was reported unanimously from the Committee on Foreign Relations by the Senator from Pennsylvania [Mr. PEPPER] a few moments ago, authorizing an appropriation of $10,000 for the entertainment here of the International Council of Women, I wish to say that it has been customary whenever a large international gathering is held in Washington for the Government to appropriate a certain sum of money to help entertain the delegates. This is one of the largest women's organizations in the world and is largely represented in America. I hope the Senator from Utah will not object to the immediate consideration and passage of the joint resolution. If it should go to the calendar, it might be some little time before it could be passed.

Mr. KING. Mr. President, there will be such an enormous deficit anyway as a result of the extravagance of this Congress that the $10,000 asked for now will not add very much to the sum total. I withdraw the objection.

The PRESIDENT pro tempore. The Senator from Utah withdraws his objection.

The Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 99) authorizing an appropriation to defray in part the expenses of the sixth quinquennial convention of the International Council of Women, to be held at Washington, D. C., in May, 1925.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 3161) to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes; to the Committee on Commerce.

By Mr. STERLING:

A bill (S. 3162) authorizing the Postmaster General to make monthly payment of rental for post-office premises under lease; to the Committee on Post Offices and Post Roads.

By Mr. SHORTRIDGE:

A bill (S. 3163) authorizing the Postmaster General to investigate and continue star-route contracts now in operation on routes between Redding and Weaverville, Calif., and between Redding and Bieber, Calif.; to the Committee on Post Offices and Post Roads.

By Mr. ADAMS:

A bill (S. 3164) for the relief of Lewis H. Easterly; and

A bill (S. 3165) for the relief of George A. McKenzie, alias William A. Williams; to the Committee on Military Affairs.

By Mr. SHIELDS:

A bill (S. 3166) authorizing the Secretary of War to donate to the State of Tennessee four brass cannons with carriages; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 3167) for the relief of James Francis McDonald and Sarah Elizabeth McDonald; to the Committee on Claims.

By Mr. EDWARDS:

A bill (S. 3168) to amend the act of Congress approved March 1, 1920, entitled "An act to regulate the height, area, and use of buildings in the District of Columbia, and to create a zoning commission, and for other purposes"; to the Committee on the District of Columbia.

By Mr. PHIPPS:

A bill (S. 3169) to provide for the payment of construction charges upon the Uncompahgre Federal irrigation project at the rate of $1 per acre per annum; to the Committee on Irrigation and Reclamation.

By Mr. WADSWORTH:

A bill (S. 3170) for the relief of Edgar William Miller; and

A bill (S. 3171) for the relief of sufferers from earthquake in Japan; to the Committee on Military Affairs.

FISH-RESCUE STATION ON THE MISSISSIPPI RIVER

Mr. CURTIS (for Mr. LENROOT) submitted an amendment intended to be proposed by him to House bill 8350, the State, Justice, etc., Departments appropriation bill, which was ordered to lie on the table and to be printed, as follows:

On page 88, after line 19, to insert the following:

"The appropriation of $40,000 for the fiscal year 1923 for the establishment of a fish-rescue station on the Mississippi River made by the deficiency appropriation act approved July 1, 1922, is hereby continued and made available during the fiscal year 1925."

HOUSE BILLS REFERRED

The bill (H. R. 4830) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor, was read twice by its title and referred to the Committee on Agriculture and Forestry.

The bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government, which had previously been read twice by its title and ordered to lie on the table, was, on motion of Mr. WARREN, referred to the Joint Select Committee on Adjustment of Compensation of Officers and Employees of Congress.

SALE OF COTTON FUTURES

Mr. CARAWAY. Mr. President, there is on the desk of the President of the Senate a motion to discharge the Committee on Agriculture and Forestry from the consideration of Senate bill 626. I should like to have that motion laid before the Senate.

The PRESIDENT pro tempore. The Senator from Arkansas calls up the following motion, which will be stated.

The READING CLERK. On April 10 a motion was entered by the Senator from Arkansas as follows:

I hereby enter a motion to discharge the Committee on Agriculture and Forestry from the further consideration of the bill (S. 626) to prevent the sale of cotton and grain in future markets.

The PRESIDENT pro tempore. The question is upon agreeing to the motion.

The motion was agreed to.

The PRESIDENT pro tempore. The Committee on Agriculture and Forestry is discharged from the further consideration of the bill.

Mr. NORRIS. Mr. President, I think it ought to be announced by the Chair that by virtue of the motion having been agreed to the bill automatically goes to the calendar.

Mr. CARAWAY. I have no objection to the bill going to the calendar.

The PRESIDENT pro tempore. It is the opinion of the Chair that the bill must go to the calendar.

Mr. NORRIS. Yes; that is my understanding.

ADDRESS BY SENATOR ROBINSON, OF ARKANSAS

Mr. CARAWAY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by my colleague, the senior Senator from Arkansas [Mr. ROBINSON], at the Annual Convention of the National Association of the Daughters of 1812, at Washington, D. C., April 22, 1924.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. ROBINSON. The delegates and visitors attending this annual convention of the National Association of the Daughters of 1812 are representative of the patriotic and progressive elements in American citizenship. The organization appropriately perpetuates popular appreciation for an important period in American history, a period crowded with names and achievements worthy to be commemorated.

It required a second clash of arms with the British Empire—the War of 1812—to establish the complete independence of our ancestors, for in spite of the triumph of the colonists, signalized by the firm establishment of the Union under the Constitution, Great Britain sought forcibly to compel American seamen born in Britain to serve in her navy.

The untrained, ill-equipped, and half-fed armies of the Union which advanced to battle against thoroughly trained and well-supplied soldiers overcame the disadvantages under which they fought by stubborn purpose and unyielding courage. Our fighting men at sea proved worthy of the cost and effort made in their behalf. Through the smoke and thunder of fierce and unequal combats their valiant hands uplifted in victory a new emblem, the ensign of the American Navy.

About 110 years have passed since the close of the War of 1812. These years have been filled with revolutions. The map of the world has been made anew. Improved processes of communication have accomplished radical changes in the habits of civilized peoples. The Battle of New Orleans, the most decisive land engagement of the war, resulting in complete victory to the United States, was fought long after the technical close of the war through the treaty of Paris. Such an incident would be impossible now. A treaty signed in Paris at noon to-day would be published in New Orleans within an hour, and its details would be transmitted by telegraph, by telephone, by wireless, and by radio to the remotest villages before sunset.

These changed conditions have brought nearer to every citizen the problems of his neighbors and to our Government the difficulties which other peoples seek to overcome. It is both a privilege and a responsibility to live in the present, when the obligations of citizenship are augmented by expanded opportunities and multiplied facilities for service. The membership of this organization is demonstrative of the highest standards of ability and character. The women who compose the National Association of the Daughters of 1812 are devoted to the principles upon which this Government is framed. They believe in freedom and helpfulness. With nonpartisan patriotism and unselfish sacrifice they cherish freedom of religion, freedom of speech, freedom of the press, and of the person. They can be trusted to perform their part in making these principles known in every sphere.

PROFOUND INTEREST IN HONEST GOVERNMENT AND THE PROMOTION OF PEACE

Two reforms are close to the hearts of good women everywhere—clean government and world peace.

It is a common mistake when evil conditions are found to seek new laws for their elimination. The true remedy is not additional statutes but the honest enforcement of existing laws. Crime is an offspring of contempt for law. There exists a general lack of respect for authority which constitutes a serious menace to happiness throughout the United States. The public conscience needs to be aroused. Every wholesome influence must be exerted to cultivate sincere regard for the principles on which our system of justice rests. You deserve encouragement and support from private citizens and public officers in the firm stand of your association for sane and honest law enforcement. The issue is of supreme importance. Justice can not be impartially administered when favoritism and bribery are common. The task of exposure is always distasteful and frequently provokes misunderstanding and resentment, but honest citizens can not whitewash those who disgrace their offices by corrupt practices. The best reliance for the preservation of our institutions is found not in the concealment of fraud and dishonesty but in its exposure and prevention. Who has not been disgusted by notorious violations of the prohibition laws? The task of compelling respect for these statutes in many communities is necessarily difficult. The whole-hearted cooperation of all who desire that our Government shall be properly respected is needed to avert disgraceful failure. The illicit liquor business must be made unpopular before it can be terminated. Bootleggers will go out of business when respectable citizens cease to patronize them. What more harmful thing can come than the breakdown which present conditions respecting prohibition enforcement threatens? New laws are not required. What the country needs is straightforward enforcement of the laws we have. This can not come if those charged with enforcement profit from violations. The only effective remedy is to be found in vitalizing and giving expression to public sentiment in favor of maintaining respect for all laws, including those pertaining to prohibition. The problem is easily stated but

quite difficult to solve because of the combinations of secret interests and influences constantly at work to cause confusion and to prevent enforcement.

PROMOTION OF THE CAUSE OF PEACE

The promotion of the conditions which make for permanent peace has been disappointingly slow. During the World War it was frequently said that the aim of the United States and our associates in the conflict was to end wars; to establish a reign of reason and justice which would compensate for the suffering and loss attending the conflict. Into the maelstrom of wrath and destruction the nations poured their best blood and richest treasures. The hope was almost universal that the future would be safeguarded against the recurrence of international wars. That hope mitigated the pain of the wounded, sustained the dying, and consoled the bereaved. No such result has come nor is it in immediate prospect. A casual survey reveals the alarming fact that military power is still the chief reliance of the nations for the settlement of their disputes.

COMPARISON OF PRESENT WITH ARMIES BEFORE THE WAR

A study of national armaments gives rise to the fear that fiercer struggles may come in spite of the efforts and sacrifices to prevent them. The standing armies of Germany, Austria, Hungary, and Bulgaria have been reduced from approximately 900,000 in 1913 to 200,000 men in 1922, but in spite of this reduction the aggregate strength of the standing armies of Europe has been increased during the same period by approximately three-quarters of a million soldiers. This means that in the remaining States of Europe the number under arms had increased in 1922 by more than 1,300,000 as compared with 1913. In spite of the fact that few European States have been able to balance their budgets, the majority are annually increasing their debts because of military expenditures. The active forces of France, Great Britain, and Italy have been slightly reduced, but this has been more than offset by increases in the standing armies of the smaller and particularly of the new sovereignties established through the war. The armies of France, Great Britain, and Italy number approximately 1,100,000 men, while those of the remaining States of Europe exceed 3,250,000. The small States bordering upon the western frontier of Russia maintain 650,000 men. This growth has come in spite of the agitation in favor of disarmament and world peace.

REVIEW OF PROPOSALS FOR PEACE AND DISARMAMENT

In spite of efforts emanating from The Hague, the Interparliamentary Union, the Washington Conference, and the League of Nations, military power in Europe has grown rather than diminished. Underlying this remarkable and appalling fact are national jealousies, hatreds, and fears which, while they last, make moral peace impossible and actual wars exceedingly probable.

THE WASHINGTON CONFERENCE

Two years ago the President, at the request of Congress, convened the Washington Conference, primarily to promote the limitation of naval arms. Its deliberations brought to the surface hitherto hidden or unrecognized difficulties. The results of the conference were disappointing, merely causing the destruction of 68 capital ships and a limitation on the construction of aircraft carriers and capital ships. The nations were left free to compete as to other forms of naval armament, including light cruisers, flotilla leaders, destroyers, and submarines. One writer has said that the naval treaty is comparable to a dam which extends only part way across the river of naval competition, thus concentrating the flow of the current in the unrestricted part of the channel. For this fraction of success the United States agreed not to further fortify our insular possessions and naval bases west of the Hawaiian Islands and Alaska in order to secure the concurrence of Japan in the capital-ship limitation.

THE LEAGUE OF NATIONS' PLAN FOR PEACE AND DISARMAMENT

The scheme for world peace incorporated in the League of Nations' covenant embraces an agreement among its members to reduce all classes of armament, so that it will be adequate only to prevent internal disorder and to enable the respective nations to fulfill their international obligations.

Under this contract the Council of the League, February 5, 1921, voted to create a temporary mixed commission on reduction of armament. The commission first met at Paris in July of that year, and throughout the period that has since elapsed has gathered information and studied the problem from every standpoint. It has identified certain obstructions in the way of prompt reduction. The unsettled state of reparations and of interallied debts, the fluctuation and depreciation of the exchanges, and the confused and numerous economic problems, added to the survival of war hatreds and the perpetuation of racial and national animosities, have prevented agreement on a plan for disarmament, and probably will continue to do so for an indefinite period. Every financial and moral consideration calls for reduction and limitation. The excessive tax burdens imposed by present military establishments, the excess of expenditures over revenues in nearly all the nations, and the consequent impairment of national credit, the poverty and misery of many peoples, and their desire for relief are, however, overcome by fear of potential enemies who themselves dread attack from others.

The Assembly of the League of Nations enunciated four definite principles as essential to the reduction of armaments:

1. That no plan for disarmament can be fully successful unless it is general.
2. Before the nations will reduce their armaments they must receive a satisfactory guaranty of safety.
3. Such a guaranty may be provided in defensive agreements, general or regional.
4. That a treaty of mutual guaranty can only be justified if previous consent to reduction is given.

The plan for regional guaranties called forth reports by various States revealing the dread that partial treaties of guaranty would sanction a return to the system of military alliances, which instead of insuring peace have usually caused States to increase their armaments.

THE UNITED STATES SHOULD PARTICIPATE

The United States should participate whole-heartedly in the enlightened movement for the reduction of armaments and the peaceful settlement of international disputes.

We have refused to join the League of Nations, largely from fear of again becoming involved in European wars. No substantial sentiment in the United States would leave to any European influence a voice in determining when this Government shall engage in war or how we shall prosecute future conflicts.

With this in mind and accepted by all other nations, we may wisely cooperate with the League of Nations for the consummation of the major purposes which prompted its creation.

The league has functioned in a surprising way to both its proponents and its foes. It has become a gigantic clearing house for international complications. The foremost publicists and profoundest students of our time participate in its proceedings. Champions of the league now know that it can not compel unwilling nations to submit their disputes to its arbitrament. At the same time, those who at first feared the league would become a superstate, criticize it now as too feeble to be effective in maintaining peace.

Our Government, in a quasi official way, is cooperating with agencies of the league for the suppression of the trade in opium, the white-slave traffic, and to prevent the spread of disease. It has sanctioned and encouraged efforts by experts to work out the reparations problem, which seems preliminary to stabilizing the exchanges and readjusting economic conditions.

The United States should enter the Permanent Court of International Justice, not because it is an ideal tribunal or calculated in the immediate future to become a decisive factor in promoting peace, but because in so doing we will contribute to the substitution of understanding for hatred and the replacement of suspicion and antagonism by good will and that friendliness of feeling which are indispensable to effective cooperation.

By participating in the court we will strengthen it in the confidence of mankind and make it potential for the administration of world justice.

Not only should we join the Permanent Court of International Justice; we should also participate in the league's efforts for disarmament. Partisanship and prejudice must not prevent our Government from using the information obtained by the League of Nations' commission on disarmament. We may wisely avail ourselves of the wisdom of the great thinkers attracted to Geneva by the noblest cause which can engage the minds of men—the cause of peace.

ADDRESS BY HON. WILLIAM G. M'ADOO AT SALT LAKE CITY, UTAH

Mr. KING. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Hon. William G. McAdoo, former Secretary of the Treasury, at Salt Lake City, Utah, on April 7, 1924.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The women who conceived the idea of the "school of democracy" have made a distinctly valuable contribution to progress. There is no more interesting study than democracy, and there is no more valuable education for the American citizen than a knowledge of the meaning, purposes, and principles of democracy. Next to Christian training, education is the essential foundation of good citizenship. This is becoming increasingly manifest, because the growth of population and the complex developments of civilization are constantly making the tasks of democracy more intricate and serious.

Self-government is the most difficult of all human institutions. In no other form of government is it necessary to maintain so high a standard of citizenship as in a democracy, because democracy rests upon the character and quality of its citizenship. Illiterate people are incapable of self-government. Illiteracy is the chief foe of democracy, because an ignorant electorate is easily dominated by classes or

powerful groups or by the influence of money, and when that conditions arises, democratic government exists in form only. The fundamental problem of democracy, therefore, is the individual citizen.

Success of democratic institutions must proceed from the individual. The continuous problem, therefore, is the development of individual character and intelligence. Success in any democratic undertaking is possible only when the process of perfecting the individual is constantly pursued. We must create in every citizen that essential self-respect and self-restrain which, in a democracy, is the substitute for the external restraint imposed upon the citizen by the will of the autocrat under arbitrary forms of government.

The development of the individual in a democracy is obtained mainly through the processes of common living, and in those processes there must be a constant cultivation of the highest moral standards and spiritual qualities because they are the indispensable guaranties of Christian conduct and democratic citizenship. The struggle for citizenship is in itself the struggle for democracy, and the success of the struggle for citizenship means the success of the struggle for democracy. It is, primarily, the task of the church, because it is through the teachings of Christ as expounded by the church that the spiritual and moral forces of humanity are constantly strengthened and replenished. It is, secondarily, the task of the schools and colleges, because it is through the diffusion of knowledge and the cultivation of the human mind that the citizenship of a democracy can be bulwarked against ignorance and intolerance.

Good citizenship begins with moral character and the church is a great teacher. The religion of Christ and the Ten Commandments are the very foundation of Christian character and the very Gibraltar of democracy and democratic citizenship.

The granting of full political rights in 1920 to women was a step of profound importance. It was the application of the fundamental principle of the Democratic Party—equal opportunity for all. Women had been discriminated against throughout the centuries in the matter of political rights, and even in our great democracy it required 131 years to convince men that women were entitled to equal rights or full citizenship in this great democracy. This emancipation of women from political inferiority thrust upon them suddenly a political power and influence, the significance and effect of which is not yet fully appreciated. How will women exercise that power? Certainly they can not exercise it effectively and righteously unless they study and understand the principles and problems of democracy. Your "schools of democracy," therefore, serve a high and admirable purpose. Never was there a time in the life of the Republic when good citizenship was more needed than now and never had women a greater opportunity to help create the right kind of citizenship. Never was there a time when the church had a greater mission to perform in stimulating and maintaining high standards of moral character and righteousness than now. A great crusade of the women of America for individual and political righteousness is more needed than ever before in our history, because there has been an alarming deterioration of spiritual and moral force in the United States since the World War was ended.

The Republican element in our leadership has condemned idealism and has exalted materialism to such a degree that there has been a marked debasement of public and private standards of morality since the war. Men's thoughts seem to be centered almost wholly upon the material things of life under the impulse of false political and economic doctrines. This has resulted in a growing indifference to the church and to that fine idealism which always indicates the highest spiritual qualities and the nobler aspirations of a people. The imperative need of America to-day is to reincarnate and dynamitize the spiritual and moral forces of our country, to elevate our political standards, and to institute an irresistable crusade for righteousness which will bring the people back to those finer and higher conceptions of duty and responsibility which are at once the very essence and the absolute safeguard of democratic institutions.

The shocking scandals at Washington are conclusive proof of the debasement of public morality of which I speak. If the crime of Secretary Fall had been a sporadic case of dishonesty and faithlessness of a high administration official, it would not be fair to indict Republican leadership in its entirety. But Secretary Fall's was not a sporadic case. He was only one of the leading figures in the carefully organized conspiracy on the part of sinister influences to despoil the Nation of the great oil reserves which had been scrupulously preserved by the Wilson administration for the protection and security of the Nation in time of war. This oil scandal is a striking exhibition of the subordination of patriotism and idealism to the base cupidity of materialism and selfishness. It is only one of a number of painful and humiliating scandals as disclosed by the investigations now in progress at Washington. Other great departments and bureaus of the Government are permeated with graft, corruption, and incompetence.

We pass from the oil scandal to the Veterans' Bureau scandal, than which no meaner or more contemptible crime against the innocent and helpless can be found. In every hospital in the land disabled veterans of the World War are dependent upon the honest and efficient administration of the Veterans' Bureau. In these hospitals are to be found men without legs, men without arms, men without eyes, men without tongues, men without reason, hopelessly and irretrievably disabled and deprived of sanity never to be regained, enduring sacrifices greater than death itself, and yet robbed of the care and the comforts—even the essential medicine and supplies—which had been generously provided for them by the American people through thefts and faithlessness of those appointed by this administration to operate the Veterans' Bureau.

The prohibition scandals are obnoxious and humiliating to every lover of law and order and to every good citizen who respects the majesty of our Constitution. Graft and corruption stalk through the administration of these laws like a menacing shadow over the land. A witness on the stand a few days ago before the Senate committee confessed to the payment of $150,000 to secure illegal permits from the Department of Justice and the Treasury Department to carry on illicit and bootlegging operations. What a prostitution of justice and what a debauchery of public and private morals is involved in these indefensible offenses! Among those most responsible for this state of affairs are wealthy and highly educated classes who boast of law evasions and set an example to the people of contempt of law which can not fail to produce hurtful reactions. These wealthy classes are chiefly responsible for the nefarious trade of the bootlegger. A proper regard for a high standard of citizenship and morality would make these wealthy classes set a worthy example to their fellow countrymen of respect for law and patriotic cooperation to enforce the law.

The Department of Justice scandal, now in process of exposure, is a crown of shame upon the Republican leadership. The Attorney General of the United States, the Secretary of the Navy of the United States, driven out of office by the censure of the Senate of the United States, Republicans joining with Democrats in passing resolutions of censure and investigation!

These high crimes and misdemeanors against democracy must be punished so mercilessly that no man hereafter will dare to commit them. They strike at the very life of the Republic. The punishment fixed by law is wholly inadequate to the gravity of these offenses against the State. Traitors in time or war are no worse than traitors in time of peace who undermine, in this sinister fashion, the very foundations of our institutions. These crimes could not have been committed unless there had been a debasement of private and political morals of far-reaching character. It is not because Republican leadership and a Republican administration is responsible for these grave offenses against the nation that Democrats have exposed them and demanded punishment of the guilty. It is not a question of partisan politics. It is a question of morals. What Democrats condemn and every good citizen condemns, regardless of political affiliations, is the debauchery of public morality which has made possible under this administration these crimes against the public welfare. Through purity of government, through incorruptible government alone, can the life of democracy be saved. Republicans are just as much concerned as Democrats in preserving the life of the Nation. The heritage of liberty is common to us all and no more sacred duty rests upon the people of this generation than to transmit that heritage untainted and untarnished to our children and to our childrens' children in order that they too may enjoy the benefits of the glorious institutions we inherited from our fathers.

It is because these grave scandals and offenses against the public weal have occurred exclusively under a Republican administration that the Republican administration must bear the responsibility and pay the penalty. Our first duty is to purify the Government, to restore those high moral standards and conceptions of duty which make public office truly a public trust to be administered in the interest of all the people. Republican leadership can not purify the Government. It is too seriously enmeshed in the difficulty. The Republican organization is controlled by the very men and predatory influences which have brought about the present disastrous state of affairs at Washington. They can not be intrusted with its reformation. These influences consist of a combination of the great financial powers, big business, organized railroad executives, and corrupt political bosses which have a direct stake in Government, and which have transformed our Government into a plutodemocracy.

What is a plutodemocracy? The dictionaries define it as government through the influence of money under the forms of a democracy. This is exactly what we have to-day at Washington! Do not the revelations in the various investigations prove it? It is the influence of money operating in legislation and in the great departments and bureaus at Washington that has prostituted government to private ends.

It was the influence of money that caused the downfall of Mr. Fall and his betrayal of the public interest. It was the influence of money that corrupted the Veterans' Bureau. It was the influence of money in the Department of Justice that debauched the administration of justice. It was the influence of money that controlled the action of the Republican National Convention in 1920, and subsequently do-

termined the character of the administration at Washington. It was the influence of money, represented by the unparalleled $7,000,000 Republican campaign fund in 1920 that caused the enactment of the Fordney-McCumber tariff bill, which is taxing every American home in the land—men, women, and children alike—for the enrichment of the great trusts, monopolies, and combinations of finance and transportation, which contributed to that campaign fund and dominate the Republican Party. It was the influence of money that gave to the men of great incomes in the United States the principal benefit of the tax reductions made in the revenue bill of 1921.

It is the influence of money operating upon the Government at Washington which has demoralized and unmoralized great departments and bureaus to the injury of the public. It is the influence of money that has brought idealism into contempt and exalted materialism and gain as the right standards of private and national life. It is the influence of money that has sterilized righteousness and exalted isolation and selfishness as the policy of the Nation.

What could more strikingly demonstrate the supremacy of materialism in the Government over idealism and humanity than to contrast the demand for the Mellon plan of tax reduction with the indifference to the demand for the prompt enactment by the Congress of a law submitting a constitutional amendment for the protection of child labor? It is painful to see how the administration has put forward tax reduction, a purely materialistic thing, as the paramount and leading measure, to the neglect of American childhood with its compelling appeal for protection. The pleading of the mothers of America that immediate action be taken to preserve from selfish exploitation the children, to whom we must look for that healthful and righteous citizenship upon which the continuance of democracy depends, has been disregarded. Saving of taxes or saving of American childhood! Shall materialism triumph with reduced taxes or humanity be victor with child labor abolished? God grant that the moral fiber and the Christian spirit of America may not become so impaired that the preservation of American childhood may not take precedence over tax reduction or any other demand of materialism or greed.

There are other things more important to the welfare of the Nation than money. Among these are further measures to secure to women equal economic and civil rights with men. Equal political rights they have, but those are not enough to give them that full equality of citizenship to which they are entitled under our democratic form of government. A grave economic wrong has long been practiced against women in the payment to them of less compensation than is paid to men for the same work performed. I trust I may be pardoned for illustrating this point by a page from my own experience.

In 1909, when the great downtown Hudson River tunnels in New York were about to be opened by the company of which I was president, my superintendent suggested that women ticket agents be employed. I asked his reasons. He said that women in these positions would help carry out the policy of "the public be pleased," which I had declared to be the policy of the tunnel system; that they became more expert than men in making change when they had learned the business; and to clinch the argument he said, "they are cheaper." I said, "If they are as good or better than men, why should we pay them less?" He replied, "I thought you wanted to run the road economically?" I said, "I do, but not at the expense of justice. Employ women as ticket sellers, but pay them the same rates that we pay men for the same work." This was done as a matter of social and economic justice. It was the first time in the history of this country that a corporation or large employer had formally established the principle of equal pay for equal work performed, regardless of sex.

When I became Director General of all the railroads of the United States in 1918 I found that large numbers of women were employed in all kinds of positions, many of them unhealthful and unsuited to their sex, and that they were discriminated against in the matter of pay, receiving less for the same work performed than men. I created a women's welfare department and established suitable conditions of employment and service. I also struck down the discriminations against women by providing that they should receive the same pay as men for like service performed. I mention these matters because they bring to light an economic abuse. Women must have that equal opportunity, politically, economically, and civilly, to which they are entitled as equal partners in this great institution of democracy. And I mention it also to emphasize the point that the base materialism which takes advantage of the weaker sex to compel them to receive less pay than men for like service performed must give way to that higher law of justice and idealism which puts the welfare of human beings above greed and sordid considerations.

The growing influence of money and materialism, with all of the sordid influences that follow in their train, is lowering the tone and quality of American citizenship to the grave imperilment of the Republic. It is the influence of money which has brought upon us the evils of plutodemocracy. The Democratic Party is the one political party uncontaminated by high finance, big business, and monopoly, capable of destroying plutodemocracy and of restoring militant and progressive democracy with all of its force and power to serve the genuine interests of the American people. The Democratic Party is the one political party capable of providing that equality of opportunity for all and that impartial administration of justice upon which alone the prosperity, welfare, and happiness of a great people can securely rest.

Under the Presidency of that immortal statesman, Woodrow Wilson, the American people experienced the finest example of progressive Christian democracy applied to government. There were no scandals, no betrayals of public trust under the Wilson administration. The rights of the people were jealously guarded and every important measure was based upon the true principle of democracy—equal opportunity for all, special privilege to none. Credit was reformed for the benefit of all classes. The interests of agriculture were conserved by numerous enlightened measures. The political emancipation of women was achieved. A law was enacted declaring labor a human attribute to be protected as such; that it was not a material commodity, as it had theretofore been treated. A law to protect child labor against abuse and peonage was passed but declared unconstitutional by a majority of one vote in the Supreme Court. The rights of legitimate business were safeguarded by laws designed to protect the little business men and consumers against oppression and the unfair practices of big business. Social justice was advanced in every direction. The greatest war of all the ages was fought to victory in an incredibly short space of time, and liberty was preserved to the people.

Christian democracy under Woodrow Wilson stood for world peace, for disarmament, for cooperation between the nations to advance the interests of humanity and bring new hope to the people of the world.

Plutodemocracy under Harding and Coolidge stands for isolation, materialism, selfishness, indifference to world peace and to the interests of humanity throughout the world.

Under the Christian democracy of Woodrow Wilson this Nation was elevated to new heights of morality and righteousness and the people enjoyed unparalleled prosperity.

Under the plutodemocracy of Harding and Coolidge the Nation has regressed. Not one step for social justice has been taken. Not one measure for the benefit of all the people has been passed. Privilege has held sway and is the sole beneficiary of the two leading measures enacted under this administration—the revenue act of 1921 and the Fordney-McCumber tariff law. Prosperity has not been equally diffused. It has been a prosperity of classes and not of the masses. Agriculture has been prostrated and farm prosperity destroyed by unwise laws and policies. Amazing corruption and scandals abound, impairing the confidence of the people in the integrity of the administration and in the soundness of our institutions. Discontent and unrest, widespread and deep, prevail throughout the country. This the plutodemocracy has achieved in the short space of three years.

Shall we restore progressive Christian democracy to power or shall we have four more years of plutodemocracy and the corruption and inefficiency now prevailing at Washington?

The great exemplar of Christian democracy, the militant soldier in the cause of social justice and humanity, has gone to his immortal rest. His was a lofty soul, his was a sublime conception of the rights of humanity. He was the champion of peace. He was the benefactor of mankind. The grandeur of his moral character, the courage of his Christian spirit, the nobility of his idealism make him one of the greatest figures of all time. There was no moral decadence while he was President, nor did the forces of reaction and materialism gain sway or advantage. He gave his life for his ideals and set an example of heroism for principle which will forever remain an uplifting force in American life—Woodrow Wilson.

The clarion call of a new crusade of moral and political righteousness rings out in the land. It calls to women particularly to put on their armor and enlist in the fight. It will not be an easy battle. It can not be won without sacrifices; it can not be won without adherence to principles; it can not be won without enthusiasm. It can be won if the hosts of democracy, men and women alike, subordinate selfish interests, exalt righteousness, and unite in an irresistible drive against corruption, incompetence, and materialism to plant the standard of democracy, justice, and God so high upon the Capitol at Washington that it can never be touched again by tainted hands or plutocratic power.

THE WORLD COURT AND LEAGUE OF NATIONS

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial which appeared in the Wheeling Register, of Wheeling, W. Va., on the 22d day of April, 1924, which is entitled "The Reasons."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE REASONS

No move has been made by a Republican-controlled Senate to adopt the League of Nations or to modify it for adoption in the next five years, although in 1920 it was promised by Mr. Harding that the "best of the league" would be included in an association of nations which the United States would join, while 31 eminent Republican leaders solemnly declared unto the American people that the surest way into the league lay in electing Mr. Harding.

The league promises were totally abandoned, but as President Mr. Harding sought membership in the World Court as established under the League of Nations. President Coolidge, upon taking office, indorsed the Harding plan, but Senator LODGE, head of the Senate Foreign Relations Committee, made no effort to act on this all-important matter. A few days ago the nonpartisan League of Nations Association, tiring of such faithlessness, addressed an open letter to Sir Henry demanding to know why nothing had been done relative to the court, wherewith Senator PEPPER introduced a resolution bringing up the subject and Senator LODGE graciously announced that hearings would be held immediately. He had been reminded that Congress is soon to adjourn and that the following organizations are on record as favoring the league and court and that they vote in the next election:

Federal Council of Churches of Christ (representing 125,000 churches with a membership of more than 20,000,000), American Federation of Labor, Chamber of Commerce of the United States, American Bar Association, National League of Women Voters, American Association of University Women, Central Conference of American Rabbis, National Federation of Business and Professional Women's Clubs, the House of Bishops of the Protestant Episcopal Church, National Council of Women, National Council of the Congregational Churches, Methodist Episcopal Clergy Annual Conference, and Church Peace Union, National Woman's Christian Temperance Union, World Peace Foundation, United Society of Christian Endeavor, General Federation of Women's Clubs, American Unitarian Association, Union Ministers' Meeting, American Federation of Teachers, National Board of Young Women's Christian Association, National Service Star Legion, National Council of Jewish Women, Girls' Friendly Society in America, National Congress of Mothers and Parent-Teacher Association (legislative department), Baptist World Alliance, World Christian Citizens' Conference, National Association of Credit Men, All-Nations Association, International Missionary Union, Women's International League for Peace and Freedom, New York Council for International Cooperation to Prevent War, Association to Abolish War, Convention of the Protestant Episcopal Diocese of Pennsylvania, Woman's Missionary Union of Friends in America, Northern Baptists' Convention, New York City Federation of Women's Clubs, Bar Association of the City of New York, Foreign Policy Association, Woman's Pro-League Council and Peace Association of Friends in America.

It may, however, be predicted right now that the Lodge hearings will result in nothing concrete. Another Republican promise of certain affiliation with the court in event of a Coolidge victory will be all.

Will the people again be fooled?

PORTO RICAN SOLDIERS

Mr. WADSWORTH. I ask unanimous consent to have printed in the RECORD a letter addressed to me by the Delegate from Porto Rico [Mr. DAVILA] in which he discusses the present and former status of our Porto Rican soldiers.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 24, 1924.

Hon. JAMES W. WADSWORTH, Jr.,
The United States Senate, Washington, D. C.

MY DEAR SENATOR WADSWORTH: On behalf of the people of Porto Rico, I desire to thank you for the splendid tribute which you paid her soldiers on the floor of the Senate yesterday during the discussion of the bill providing for adjusted compensation for the veterans of the World War.

That tribute was all the more noteworthy because the incident that gave rise to your remarks was altogether unexpected. The fact that you detected the injustice and applied the remedy immediately upon it being brought to the attention of the Senate will always be gratefully remembered by our people.

Your amendment, in the one case striking out the words "members of the Porto Rican Regiment of Infantry" from the list of troops that are debarred from participation in the benefits of the so-called "bonus"; and, in the second instance, your amendment recognizing duty in the Canal Zone as overseas service, are both dictated by a sense of justice and fair play.

Yesterday's discussion discloses that there still exists in the minds of some Members of the Senate a misconception regarding the status of the Porto Rican troops. Thus, there was repeated reference to the Porto Rican Regiment of Infantry. This same mistake in nomenclature was made when a bill was before the House Committee on Appropriations some months ago. Repeated reference was made to that organization, although it has ceased to exist as such for several years, having been expanded and merged into the Forty-second and Sixty-fifth Infantry Regiments. The mistake was corrected in the House committee, but it cropped out again yesterday in the Senate, several of those who participated in the discussion apparently being unaware of the fact that this regiment has been merged with the other units in the Infantry arm of the Regular Establishment.

As a matter of fact there is no more occasion now for referring to the Porto Rican Regiment than there is for citing the regiments of dragoons that were once a part of the Regular Army, or certain other units that have ceased to exist. The Porto Rican Regiment of Infantry ceased to exist by reason of an amendment which I advocated when the national defense act was before the House on March 8, 1920, reading as follows:

"The Porto Rico Regiment of Infantry and the officers and enlisted men of such regiment shall become a part of the Infantry branch herein provided for, and its officers shall, on July 1, 1920, be recommissioned in the Infantry with their present grades and dates of rank unless promoted on that date in accordance with the provisions of section 23 hereof."

That amendment was adopted and became a part of the act June 4, 1920. Under its terms the Porto Rican Regiment became the Sixty-fifth Regiment of Infantry, and I believe I am warranted in saying that the records of the War Department will disclose that it compares in point of discipline and efficiency with any unit in the Regular Army.

Another matter upon which there appeared to be a lack of information, as disclosed by the debate, was the status of Porto Ricans as citizens. To illustrate, the question was asked you: "Is it the practice, then, to pay a bonus or anything of this sort to one who is not a citizen of this country?" The speaker then proceeds to argue, apparently on the theory that the Porto Ricans are not citizens, but places them and the people of Hawaii in the same category with the inhabitants of the Philippine Islands with respect to citizenship.

Surely the distinguished Senator must have overlooked the fact that under the terms of the Jones Act, passed in 1917, American citizenship was conferred upon the people of Porto Rico and that in this regard there is no difference between the people of Porto Rico and the inhabitants of any of the sovereign States.

I wish to make clear that it is not my intention to criticize any of those who participated in the debate, but only to keep the record straight. The original error in this terminology was made in the House; and if I did not take any steps to correct the same at the time, it was because it escaped my notice, and I could not imagine how such an error could occur after the merging of the Porto Rican Regiment into the Regular Army.

Again thanking you on behalf of the people of Porto Rico, I am,

Very truly yours,

FELIX CORDOVA DAVILA.

THE FREEPORT PLAN

Mr. COPELAND. I ask unanimous consent to have printed in the RECORD an address by John M. Harrington on the Freeport tariff plan.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE FREEPORT PLAN—A BRIEF IN BEHALF OF THE AMERICAN PEOPLE AND THEIR DESCENDANTS

The obligation to find out in advance what principle one is about to vote to uphold and to reach a conclusion thereon without prejudice or selfish motive is a patriotic duty of the first importance.

The Freeport plan: A four-year national campaign, to be conducted through the agency of and at the expense of small clubs throughout the United States, to encourage the study and discussion of public questions, and especially to spread the knowledge that so-called "protection" by high-tariff rates amounts in actual practice simply to a license to rob the mass of the American people for the benefit of a favored few.

The tariff issue can never be taken out of politics until the people shall have acquired a more thorough understanding of the subject and shall have expressed their conclusion in a manner not to be misinterpreted by the special interests.

There are millions of men and women in this country not among the favored few who in the past have voted to uphold so-called "protection," but who in future would surely insist upon equality of opportunity among all the people and special privileges to none, if they would but ascertain for themselves just what "protection" in actual practice really means.

It is essential, therefore, to afford to the American people, including our adversaries, ample opportunity of realizing the accuracy of the following nine propositions:

1. Under so-called "protection" the American consumers have heretofore been, and will again be, compelled to pay 20 per cent to upward of 100 per cent more than they would have to pay otherwise not merely for products imported from abroad but also for articles produced in the United States, and that, too, for the benefit of foreign as well as American investors.

progressive democracy with all of its force and power to serve the genuine interests of the American people. The Democratic Party is

"best of the league" would be included in an association of nations which the United States would join, while 31 eminent Republican

fifth Infantry Regiments. The mistake was corrected in the House as well as American investors.

(See The Tariff and the Trusts, by Franklin Pierce, late of the New York bar, at pp. 26, 30–31, 42, 63–65, 73, 236, 280, 282; The Tariff, by Lee Francis Lybarger, of the Philadelphia bar, at pp. 15, 18, 21, 21–26, 28, 167–170, 172–179; The Tariff in Our Times, by Ida M. Tarbell, of New York, at pp. 23, 30, 31, 59, 61, 105, 149, 161, 262–263, 269–270, 278, 290–291, 292, 333, 334; Tariff History of the United States, 5th ed., by Dr. F. W. Taussig, one-time professor of economics in Harvard University, and formerly chairman of the Federal Tariff Commission, at pp. 398–399, and Some Aspects of the Tariff Question, by the last-named author, at pp. 9–10.) The foregoing authorities will hereinafter be referred to by mentioning the author's name, except that Doctor Taussig's two books will be distinguished as Tariff History and Tariff Questions. (See also, generally, Doctor Taussig's Tariff Book, published in 1920; Wealth of Nations, by Adam Smith, sometimes called the "father of modern political economy," and a volume, copyrighted in 1889 by Worthington & Co., and containing what the compiler, H. W. Furber, of New Hampshire, considered the best arguments for and against "protection" that had theretofore been written. Public libraries and club libraries should contain some authorities upon the tariff question.)

The proposition stated above is one of the usual practical results of a "protective" tariff (Tarbell, 292–293), and a few illustrations will be sufficient: While "protective" tariff laws were in force, steel rails, selling here for $28 a ton, were sold in Europe for $20; sewing machines were sold here for $45 and $50 and in South America for $25; agricultural machinery was sold abroad for 20 per cent less than the farmer paid here (Lybarger, 167–168; Pierce, 73); the Borax Co., an English corporation, mined borax in California and Nevada, and in 1904 sold its product here at 7½ cents a pound while the export price was only 2½ cents, thus compelling Americans to pay to foreigners over three times as much as foreign consumers paid for a product found in this country (Pierce, 64–65; Lybarger, 199); Mr. Keene, a New York jeweler, found it profitable to buy American-made watches in London, reship them to this country, and sell for $6 a watch, for which others charged $20, and the watch manufacturers compelled the retailers in this country to agree to sell at $28 or $32.50 the same watch that was offered in the Balkan States for $10 (Tariff Hearings (1913), Committee on Ways and Means, House of Representatives, at pp. 1750–1753; see also Lybarger, 170).

Money is invested wherever the largest and safest profit is expected; and when the Alien Enemy Property Custodian shall have finished his work the American people will be in a better position to imagine the extent to which foreign investors of all countries have been benefited by the "protective" tariff acts enacted by our Congress. The facts and figures already published indicate to some extent the amount that had been invested here by Germans alone.

Besides, over 90 per cent of American producers are engaged in occupations that can not possibly be affected by foreign competition. (Test this assertion by United States census records or by canvassing any gathering.) Assuming that foreign competition might injure the remaining 10 per cent (though, in fact, it would not), ought we, in any event, to permit all to be robbed in order that 10 per cent may be enriched unjustly?

The fact that the consumer's vote has been captured at each succeeding election by successfully concealing knowledge from him that he has been thus plundered has merely added insult to injury. And it is substantially correct to say that the only necessary or comfort of life that was immune from being enhanced in price by the practical effect of the "protective" tariff system in force prior to 1913 was the air we breathed (Pierce, 217, 234–237; Lybarger, 20–26, 170–180); and the same condition arises under the Fordney-McCumber Tariff Act. The effect of that act in bringing about high prices of iron and steel products is pointed out in a pamphlet published in January, 1923, under the direction of H. E. Miles, of 2 Rector Street, New York, N. Y.

It is true that section 315 of the present tariff act empowers the President to decrease rates of duty to the extent of 50 per cent, but, clearly, American consumers will thereby be afforded no relief; for the President has declined to reduce the tariff on sugar, even in the face of the fact that the Canadian reduction of the tariff rate on raw sugar has resulted in the reduction of the price of refined sugar to Canadian consumers.

So-called "protection" interferes with the operation of the natural law of supply and demand; and since the American consumer suffered because the conflict in Europe added to the demand and diminished the supply of the necessaries of life, it is but right that he should, in turn, be permitted by the operation of the same factors to enjoy the benefit of lower prices when strife in Europe ceases and normal production is resumed.

II. Under "protective" tariff acts in force in the past the Government received in revenue less than 10 per cent of the amount that was wrung from the American people by means of so-called "protection," and the balance went toward swelling the profits of those who were thus placed in a position to raise the prices of their products sold in this country; and a similar condition is brought about under the Fordney-McCumber Tariff Act.

(Pierce, 138, 217; Lybarger, 66, 180–185, 270–271; see also Tariff Questions, 9–10.)

The result thus stated arose in the past from the facts (1) that while tariff duties were collectible not at all from articles of commerce produced in the United States but only from such commodities as were imported from abroad, yet the prices to the American consumer of domestic products were raised by an amount substantially equal to the "protective" tariff upon foreign articles that would otherwise have competed in price therewith (Lybarger, 270–271); and (2) that the American people consumed a far greater quantity of domestic products, which were thus subjected to an artificial increase in price (though the Government received no part thereof), than they consumed of foreign products, upon which a tariff duty was actually paid to the Government, the amount of our domestic commerce having been about thirty-five times the value of imports (Lybarger, 121, 133; Pierce, 18–19, 138; Tariff Questions, 9–10).

Certainly no system of taxation can be just that requires the taxpayer to part with a dollar in order that the Government may receive less than a dime.

Is it not far better to raise the revenue required by direct taxation in order that the people may know what is being exacted by way of taxation and that the entire amount collected will reach the Federal Treasury? Besides, the Federal Government now raises the major part of the revenue required by taxing corporations, decedent estates, and incomes, and only a smaller fraction thereof from tariff duties on imports.

Moreover, the object of "protection" is not to raise revenue but to shut out foreign commodities from this country, thereby preventing the collection of tariff duties thereon. In fact, the McKinley "protective" tariff act is frankly entitled "An act to reduce the revenue," etc. (U. S. Stat. L., 1890, chap. 1244; see also Lybarger, 278, 273, 294).

III. The imposition by "protective" tariff acts of specific duties based upon weight, measure, or number of lines (as in the case of buttons), where different grades of the same product have been affected, resulted in compelling the American consumers of the cheaper grades of hundreds of articles to pay a tax of 111 per cent to 280 per cent, while the purchasers of the more expensive grades were required to pay but 60 per cent to 84 per cent.

(Pierce, 26, 42, 289–290; Lybarger, 175–179, 171–174, 280–281, 296.)

Over 1,900 years ago Julius Cæsar imposed tariff rates of only 3 per cent upon the "barbarians" he conquered (Lybarger, 204), yet for nearly 50 years prior to 1913 the patient American people submitted to the extortions and injustice hereinabove mentioned. The average tariff rate under our first tariff act of 1789 was 6½ per cent. Thus Alexander Hamilton considered 6½ per cent sufficient to give all necessary protection to our then infant industries, and he doubted the wisdom of the long continuance of the policy (Lybarger, 249; Pierce, 5, 216). The highest rate in the tariff act of 1816 was 25 per cent. Duties were then imposed to encourage infant industries and to establish a more diversified industrial condition in our country, were intended to be removed within three years, and affected a list of articles so brief as to be printed on a page about a foot square (Pierce, 253–257; Lybarger, 248–253). At the beginning of the European war England, where there had been no so-called "protection" since 1849 (Pierce, 330), certainly had industries as diversified as our own, although her natural resources were not comparable to ours; and, besides, she had the greatest tonnage in merchant ships afloat, while our once great merchant fleet, because of the effect of our "protective" tariff policy, had been driven from the seas (Pierce, 99–100, 105–106, 108–109; Tarbell, 255, 61–62, 203). The American people now know how necessary ships are to the conduct of modern warfare. And let it always be remembered that it is the American consumer, not the foreign or domestic merchant, that ultimately pays not merely the amount of the tariff duty but, in addition, a profit based thereon to each middleman through whose hands the merchandise has passed (Lybarger, 62, 66, 263, 270–271; Tarbell, 150, 151; Pierce, 42, 138, 216).

4. While it is quite true that, under "protective" tariff laws, a few men, including foreigners, thus licensed to levy tribute from the American people, have amassed large fortunes, general prosperity has come, never because of "protection," but in spite of it.

Prosperity, in the last analysis, is derived from "mother earth," though our people's energy, resourcefulness, inventive genius and adaptability to the use of improved machinery and methods, as well as the unrestricted commerce we enjoy among our 48 States have also contributed thereto. (Pierce, 215, 223, 240, 244, 294; Tariff Questions, 40–49; Lybarger, 196–200, 206–209; see also Wealth of Nations, book 4, ch. 2, p. 354; Tariff Questions, 40–41, 43, 48, 194–195, 201, 280–281, 284.)

Panics and business depressions have heretofore arisen, not by reason of low tariff rates, but because of conditions entirely distinct therefrom

(Tariff History, 107–108, 121, 216–218, 287, 319–320; Lybarger, 289–293; Pierce, 261–264, 273–274; Tarbell, 238, 239, 254). Yet a majority of the American people have been deceived into the fantastic belief that the panic of 1893 was caused by an event that took place a year thereafter, namely, by the passage of the tariff act of August 28, 1894 (Lybarger, 285, 289–290; Tarbell, 238–240, 236; Tariff History, 319–320). The truth is that the McKinley "protective" tariff act had then been in force since October 1, 1890, and that the industrial depression had commenced in the fall of 1890 (Lybarger, 290, 273). The worst of all the panics, that of 1907, came during a period when "protectionists" had been in control of the Government for upward of 10 years and while the Dingley "protective" tariff act of 1897 was still in force (Lybarger, 291). However, it should be noted at this point that the Federal reserve act will obviate a recurrence of a financial panic like that of 1907 and will make it very difficult for the special interests to bring about a "hand-made" panic to intimidate the mass of the people.

The removal of so-called "protection" does not stop the prosperity of a lawful business, but merely eliminates extortion and brings about a just result, e. g.: In 1878 quinine sold here for $4.75 an ounce; in 1879 the "protective" tariff duty thereon was removed; the price of quinine fell to $1.23 an ounce in 1883 and to 16½ cents in 1906, and yet the business prospers (Tarbell, 280, 93–94; see also Tariff History, 359, 360).

5. The contention that "protection" raises wages and benefits the American laborer will never become convincing until human nature ceases to control the motives of men, since, whether there be high tariff, low tariff, or no tariff, the employer will secure the labor he requires as cheaply as he can.

(Lybarger, 111–120, 189–194; Pierce, 182–219; Tarbell, 338–346; 349–350; Tariff Questions, 31–34, 34–35; 36–37. Taussig's tariff book published in 1920, pp. 48–51; 140–141.)

The reader knows that he himself does not pay more than the prevailing rate of wages for a day's work. Why should he think that the "protected" industries make a practice of presenting to their employees a part of the "spoils"? Indeed, in 1912, Theodore Roosevelt declared that a "protective" tariff does not appear in the "pay envelope" of the American wage earners (Lybarger, 189–190). But, even if such were the fact—it is not—there is no justification for compelling, by statute, the great mass of the people to contribute to a fund to pay the employees of the various trusts and manufacturers in this country.

Wages were higher in this country than abroad before any "protective" tariff was levied here (Lybarger, 113, 114). In the early days that fact furnished an argument against "protection," and it was not until 1840 that anyone even contended that "protection" benefited labor (Tariff History, 65–66; Lybarger, 111–113). High tariff rates usually make high prices, but high wages are not the result of high prices (Tariff History, 365). Wages depend, not upon any "protective" tariff, but upon the operation of the law of supply and demand, the energy, intelligence, and efficiency of the employee, and the effectiveness of the services rendered (Pierce 213, 215; Tariff History, 365–367; Tariff Questions, 31, 32, 34; Lybarger, 111–120). While the woolen and cotton goods industries were among the most highly "protected," the wages paid by those industries were among the lowest for labor of the character of services required (Tarbell, 342), but carpenters, brick masons, and other similar artisans, though not employed in any "protected" industry, have always received among the highest pay for their work. Besides, when measured by the labor cost per unit of product—that is, by the cost per ton, yard, or other measure, particularly where large quantities of the same pattern are produced—the American labor, notwithstanding the higher rate of wages, is, because of its greater effectiveness, the cheapest in the world (see Tariff Questions, 39–41, 43, 49, 194–197, 200–201, 280–281, 284; Lybarger, 329–331). The late Andrew Carnegie, in 1909, quoted the steel corporation's latest report, showing an average profit of $15.50 per ton, and, referring to the plant at Gary, Ind., added: "The cost of producing rails at Gary won't be half as much as in England, notwithstanding the cheaper cost of labor abroad."

It should also be borne in mind that labor is but a small part of the cost of production. In 1900, when the Dingley "protective" act was in force, 17½ per cent of the cost of manufactured articles was the proportion paid for labor, but the average rate of "protection" afforded to the manufacturers was then at least 50 per cent upon the entire value. Thus "protection" operated to give the manufacturer the labor he required free of cost and to present him with a bonus of 32½ per cent besides (Pierce, 211–212). The condition of laborers in England steadily improved after 1849, when "protection" was abandoned there, while the condition of laborers in countries where so-called "protection" was in force steadily grew worse (Pierce, 218; Lybarger, 114, 329). Moreover, in normal times wages in England are higher than those in any "protectionist" country in Europe (Lybarger, 329–340).

6. While our farmers, in common with other consumers, have been, and will again be, systematically plundered by the operation of so-called "protection," high tariff rates upon farm products are not beneficial, but positively detrimental to the interests of farmers, excepting wool and sugar growers, and the duties on farm products have been included in "protective" tariff acts merely to deceive the farmers and to capture votes.

(Pierce, 223–229, 230–237, 240, 242; Tariff Questions, 30–40; Tarbell, 196, 197, 201, 202, 203, 204; Lybarger, 104–110, 88, 89, 96, 100–102.)

Our farmers, except the sugar planters and woolgrowers (Pierce, 225; Tariff Questions, 97–99), have a comparative advantage in practically everything they raise, produce more than enough to supply the home market at a cost lower than other countries, and must export a large yearly surplus for sale abroad, and, in the nature of things, tariff or no tariff, the prices of their products could not be affected by foreign competition (see also The Tariff and the Farmer, by J. G. Carlisle, published in the Forum, January, 1890, vol. 8, pp. 475–488).

In the American Farm Bureau Federation Weekly News Letter of January 11, 1923, published in the CONGRESSIONAL RECORD of March 15, 1923, at page 5828, the annual net loss to American agriculture by reason of the operation of the Fordney-McCumber Tariff Act is estimated at $300,000,000, without adding anything at all for the "pyramiding" of duties between the producer or importer and the final consumer. Yet we all know that each middleman exacts his percentage of profit based upon what he pays for the merchandise itself and because of the tariff as well. Thus, clearly, the loss is even greater than the estimate. Obviously, the remedy is to eliminate from the Federal statutes so-called "protection," to the end that the farmer (1) may, like other consumers, procure what he requires at a fair price without artificial enhancement, and (2) may, like other producers, have wider foreign markets for his products under a condition permitting American credits to pay therefor continually to arise in foreign countries from the proceeds of imports into this country from abroad.

VII. So-called "protection" is fundamentally dishonest and even destructive of the moral fiber of the Nation; for any process by which property is taken or permitted to be taken without consideration from one individual for the benefit of another is contrary to equity and good conscience.

(Pierce, 63–65, 118, 120, 124–132, 135, 138, 235–240; Tarbell, 329–330, 356, 357; Lybarger, 42–44, 64–67.)

Besides, "protection" does not create any wealth. It accomplishes the distribution of wealth by taking it from the masses and placing it into the hands of a few (Lybarger, 70–74, 200); and it ought to be self-evident to us all that a people may not "be enriched by their own taxation," particularly when that taxation is not for the public benefit but for the enrichment of a few private individuals, including foreign investors. (Lybarger, 64–67; Pierce, 138, 217.)

VIII. So-called "protection" results in an irreparable yearly national loss to our country.

(Lybarger, 195–200; see also the authorities cited under subdivision I hereof.)

Bearing in mind that some localities and conditions are better adapted than others to the production of certain articles of commerce, let us answer the question as to whether we should, if we could, build a tariff wall around our county in order that there might be established in the county an industry lucrative to its owners alone for the cultivation (in hothouses) and the canning of pineapples, and thus impose upon all residing in the county, and upon no others, the necessity of paying from 50 per cent to 150 per cent more than we should otherwise have to pay for pineapples, while the people residing in adjoining counties could purchase the same product at a price reduced by the amount of the tariff rate imposed.

Would it not be more reasonable to permit the capital and the labor that would be required in the pineapple industry to engage in the production of something that would require less capital and less labor to create an article of equal or greater value in the markets of the world and then to purchase pineapples at the lower price paid elsewhere? (See Wealth of Nations, Routledge Ed., p. 346; Pierce, 202, 203.)

For over 70 years England imposed import duties for revenue only upon such articles as tea and coffee and received freely the products of the cheapest labor of India, the Orient, and the rest of the world. Yet England grew in financial strength, and its industries prospered, notwithstanding the far higher rate of wages paid there. (See Taussig's Tariff Book of 1920, p. 51.)

As far back as July 2, 1820, Daniel Webster warned us that protection was "a policy that could not be followed without great national injury." (Pierce, 257; Lybarger, 252.)

Theodore Roosevelt declared in his Life of Thomas H. Benton:

> "Political economists have pretty generally agreed that protection is vicious in theory and harmful in practice."

(See American Statesmen, Standard Library Edition, Vol. XXIII, p. 00.)

If there be any industries in this country that are now unable to compete upon equal terms with similar industries in other countries, without requiring the American people to submit to the injustice that

and the balance went toward swelling the profits of those who were thus placed in a position to raise the prices of their products sold in

Panics and business depressions have heretofore arisen, not by reason of low tariff rates, but because of conditions entirely distinct therefrom

and will again be, systematically plundered by the operation of so-called

without requiring the American people to submit to the injustice that

necessarily results from so-called "protection," that fact establishes that some other country has a comparative advantage over ours in those industries, either because of climatic conditions or for some other reason, and that it would be far better to divert the capital and the labor thus employed here at a disadvantage to the conduct of one of our many industries in which our country excels all others (see "Tariff Questions," 30–49). The truth is, however, that few, if any, industries in this country are now really dependent upon "protection" in order to be prosperous. ("Tariff History," 359.) "Protection" serves merely to permit the special interests to control the home market and thus to plunder the home folk.

IX. Though hitherto a debtor nation and one with an inconsequential mercantile marine, our country has, as between it and any other country, emerged from the war a creditor nation, with a large tonnage in merchant ships, and thus since the war foreign commerce is of far greater importance to the producers (as well as to the consumers) of our country than ever before, for those ships must be kept busy in order to yield a return on the vast amount of capital invested and to furnish employment to our stalwart men who during the war have been employed in shipping enterprises, and our industries must find outlets for their products in the markets of the world.

(See Pierce, 109–116, 181; Tarbell, 61–62, 203, 255; Lybarger, 120–124, 125–135; "Tariff History," 22.)

International trade amounts but to the exchange of commodities. Money is merely a medium of exchange. It is not possible for us to export our products for an indefinite period without also importing commodities from other countries. The rate of exchange would render such one-sided intercourse unprofitable and would cause our exports to cease by diverting the business to other countries between which the rate of exchange would be more favorable.

While "protection" has not completely cut off international trade from our country, the damage to our commerce wrought by the policy of "protection" merely varies in degree and not in principle. The fact that in future large yearly interest payments and freight charges will accrue in favor of our country but emphasizes the necessity of importing in order that we may export. As between individuals, so as between nations, trade breeds trade and friendship. Exports and imports, under normal conditions, increase or diminish at the same time. Consequently, if by high "protective" tariff rates, we legislate to prevent foreign countries from selling to us, we at the same time hamper the exporting of our products to them; and, besides, by such legislation we invite similar legislation on their part to prevent the sale of our commodities in their markets. Plainly, such a course results in a national loss of enormous proportions, not only because our ships thus stand idle and unproductive, but also because foreign markets for our products are thus cut off. Prior to the European war we exported only about 5 per cent of our annual production and our imports were in an even smaller proportion to our total annual consumption (Lybarger, 121), the difference being made up by the amount of interest, dividends, rents, and freight charges we were then paying to foreigners (see Lybarger, 137–138). Besides, high tariff rates restricting commerce between nations nourish animosity, which often results in war (Pierce, 134).

The fact that, notwithstanding the higher wages paid in this country, the products of our factories are, under normal conditions, sold in every quarter of the globe demonstrates that, upon equal terms, we can and do successfully compete with foreign countries in the markets of the world (Pierce, 233–234; Lybarger, 120–125; "Tariff Questions," 36–37, 39, 194–198, 200–201; Tarbell, 92–94; 104–105; "Tariff History," 359).

CONCLUDING REMARKS

Manifestly, it is unfair to the people to limit a discussion of public questions to the short period that measures the duration of a presidential campaign. Comparatively few attend political meetings held by a party other than their own; and, during the 1916 campaign, it was found that men, ordinarily intelligent, though under an entire misapprehension as to the effect of the "protective" tariff system they contemplated voting to uphold, would listen to nothing and investigate nothing that was inconsistent with their blind partisan prejudices. Our campaign is founded upon an appeal, not to the prejudices, but to the intelligence and sense of justice of the voters. The theory of the campaign is so to arouse the interest of the people that they at once will look into the tariff question and, without haste, decide it for themselves. The public's sole protection against "protection" is the power of its combined votes. For the blessings of freedom we owe to our Government more than we can ever repay. But our form of Government can not endure if, as has too often been the case, the vast majority of the American people supinely permit all the thinking to be done by a selfish few. Before November, 1924, let no one be able to make the humiliating admission that he or she intends to vote with any given party, irrespectively of the principle involved, merely because his or her father did so or because such, in his or her opinion, tends toward his or her own selfish, social, financial, or political advancement.

The fact that enormous sums of money must be raised to meet the expense of the war makes it imperative at this time to demonstrate to the American people that the raising of revenue by high tariff rates is the most iniquitous method of taxation that has yet been devised. The responsibility upon each of us in the premises is measured by the influence, which, by a determined effort, it is possible for him to exert upon the intelligence and sense of justice of his friends, acquaintances, and others of whatever party toward inducing them to investigate and to understand what so-called "protection," in actual practice, really means.

The temptation is now very great to resort to indirect taxation in order to raise the revenue required. It was the expense due to the Civil War that was the primary circumstance and excuse that enabled the selfish interests (including some foreign capitalists) to fasten upon our country the incubus of "protection" with which the American people were burdened for about 50 years prior to 1913 ("Tariff History," 193, 228; Lybarger, 248, 261–262; Pierce, 44, 216, 217; Tarbell, 26–27, 30, 172). It should also be noted that after his election President Lincoln declared that he had "by no means a thoroughly matured judgment upon" the tariff question and that the tariff acts passed during the Civil War were for "revenue only" (Tarbell, 19, 20, 26; Lybarger, 261) and were enacted to preserve the ante bellum state of international competition, since usually an internal revenue tax had first been levied on domestic products (Tarbell, 30; Lybarger, 261). Both internal and external taxes were then understood to be temporary. The difficulty arose after the Civil War when the selfish interests procured the reduction or removal of internal revenue taxes and the gradual increase of tariff duties on foreign products (Lybarger, 261, 262).

Let each advocate of just government undertake for himself "to spread the knowledge" by attempting to induce citizens of all parties to read this pamphlet and to make a study of the tariff issue and of other public questions. No embarrassment need be felt in approaching any voter upon this subject; for, though deceived into the belief that so-called "protection" is a necessary evil, essential, and not harmful to our national welfare and that it is beneficial to American labor, our adversaries, with the exception of a selfish few (some of whom may not have been conscious of a selfish motive), are as patriotic as ourselves, and desire as earnestly to render justice to the mass of the American people.

JOHN M. HARRINGTON.

Dated, FREEPORT, N. Y., October, 1923.

NAVAL APPROPRIATIONS

The PRESIDENT pro tempore. The morning business is closed.

Mr. HALE. Mr. President, I move that the Senate proceed to the consideration of House bill 6820, the naval appropriation bill.

Mr. FLETCHER. Mr. President, I am wondering if we could not take that up a little later and have a few minutes on the calendar first.

Mr. NORRIS. Mr. President, if the Senator from Maine will yield to me——

Mr. HALE. I yield.

Mr. NORRIS. Last night, just before we adjourned, I stated—in fact, the Senate took an adjournment because I called attention to the matter—that I wanted to get up a bill from the Committee on Agriculture and Forestry, House bill 7111. It was my idea then that there would be no opposition to the bill and that there would be no difficulty in passing it during the morning hour. I find this morning quite a number of Senators who are opposed to the bill, at least at the present time, and I have reached the conclusion that it would be an impossibility to pass the bill during the morning hour. These Senators tell me that if they look into it a little further they may not object to it. While the Committee on Agriculture and Forestry had no hearings on this bill, they were unanimous in reporting the bill to the Senate.

Personally, while I do not think the bill is of very great importance, I believe that it has considerable importance and ought to pass; but under the circumstances I feel constrained not to make an attempt to get it up this morning, because I am practically assured that I could not get it through during the morning hour, and I am hopeful that those Senators who are opposed to it and have signified their opposition may change their minds upon an examination of it.

Mr. OVERMAN. May I inquire what the bill is?

Mr. NORRIS. It is a bill to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways.

I have made up my mind, therefore, that I shall not move to take up the bill this morning.

Mr. BORAH. Mr. President, I am glad the Senator is not going to move to take up the bill, because it will take some time to dispose of it. We have gathered about all the statistics and all that sort of data that we need until we adopt a policy in this country which will enable us to enjoy the foreign markets rather than to know what they are; and I shall want to have something to say about the bill when it comes up.

Mr. SWANSON obtained the floor.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. SWANSON. I yield.

Mr. NORRIS. While this question is up I should like to ask the indulgence of the Senate for just a moment to make a statement with regard to the bills that have been reported by the Agricultural Committee.

Mr. KING. Mr. President, will the Senator yield to me for just a moment? I beg the Senator from Maine, the chairman of the Committee on Naval Affairs, not to ask for the consideration of the naval bill during the limited time this morning. The Senator knows that I am a member of that committee. I have been so busy on other committees that I have not had time to examine the bill. I am not a member of the Appropriations Committee reporting this bill, and I will say to the Senator that if he insists upon taking it up this morning he will not make any headway. I ask, therefore, that he let it go over until to-morrow. Then I will join with him in asking for the consideration of the bill.

Mr. HALE. Mr. President, the unfinished business is the tax reduction bill, and I understand that the Senator from Utah [Mr. SMOOT] is going ahead with that measure at 2 o'clock. The naval appropriation bill has been on the Senate Calendar for at least two weeks, and I have been trying to get consideration for it, because it is necessary to get the appropriation bills out of the way. The Army appropriation bill is waiting for us now, and two or three other appropriation bills are ready. Unless we do some work on these appropriation bills we can not make any progress at all, and they must all go through before the end of the session.

Mr. KING. Mr. President, I understand that very well. I know the procedure that ought to be adopted.

Mr. WARREN. Mr. President, will the Senator allow me?

Mr. KING. I am trespassing on the time of the Senator from Virginia.

Mr. WARREN. I wish very much to get the naval appropriation bill started. We are completely overslaughed. If there is anything that the Senator wishes to have passed over, I presume the chairman of the Naval Affairs Committee will allow it to go until later on.

Mr. HALE. Certainly.

Mr. WARREN. We would like to get as far as we can with the bill before 2 o'clock.

Mr. HALE. Will not the Senator from Utah be satisfied with letting us go ahead and make what progress we can, and, if there is anything he objects to, put it over until some future day?

Mr. KING. I shall be glad to hear the Senator from Nebraska, and I beg the Senator's pardon for having taken him from the floor.

Mr. SWANSON. Mr. President, I believe I have yielded to the Senators.

The PRESIDENT pro tempore. The Senator from Virginia is entitled to the floor.

Mr. SWANSON. I simply wish to ask the Senator from Maine to yield to me for the consideration of a bill that has passed the House and that ought to pass the Senate very soon if it is going to be available this year. It is a bill loaning to William and Mary College, one of the oldest colleges in the United States, two cannon that were captured at Yorktown. The bill has passed the House unanimously, the committee of the Senate has recommended its passage, and we should like to get the cannon there in time for the commencement exercises this year, which will be held before very long. Consequently, I should like to have the bill passed at this time. It is Order of Business No. 378. If there is the slightest debate or objection to it, I will withdraw it.

Mr. HALE. The Senator will withdraw the bill in that event?

Mr. SWANSON. If there is the slightest objection to it. There is no objection to it. It simply loans to the college two cannon that were surrendered at Yorktown. They are of no use, and are now at Fort Monroe, and Williamsburg is the place for people to see them.

Mr. HALE. If that is done, I must take the position now that I can not allow the same thing to be done with other bills. We must have some action on the appropriation bills. I yield to the Senator.

Mr. SWANSON. I ask unanimous consent——

The PRESIDENT pro tempore. Does the Senator from Maine withdraw his motion?

Mr. HALE. No, indeed. I simply yield to the Senator from Virginia.

Mr. SWANSON. The Senator lays aside his motion temporarily. I ask unanimous consent that House bill 1831 be considered at this time.

Mr. HALE. I move first, Mr. President, that the Senate proceed to the consideration of House bill 6820.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Maine.

Mr. NORRIS. Mr. President, a parliamentary inquiry. Is the motion debatable?

The PRESIDENT pro tempore. It is not debatable at this hour.

Mr. SWANSON. The Senator can speak on the bill.

Mr. NORRIS. I did not hear the Chair's reply.

The PRESIDENT pro tempore. The motion of the Senator from Maine to take up the naval appropriation bill is not debatable at this time. The question is on the motion of the Senator from Maine.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. SWANSON. Now, Mr. President, I ask the Senator to yield to me a minute.

Mr. HALE. I yield to the Senator from Virginia.

LOAN OF CANNON TO WILLIAM AND MARY COLLEGE

Mr. SWANSON. I ask unanimous consent for the consideration of House bill 1831, Order of Business 378. If there is the slightest objection to it, I will withdraw it. It simply loans to William and Mary College two cannon captured at Yorktown. The commencement exercises will be held there soon.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 1831) to loan to the College of William and Mary, in Virginia, two of the cannon surrendered by the British at Yorktown on October 19, 1781, which was read, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, directed to loan to the College of William and Mary, in Virginia, two of the cannon surrendered by the British at Yorktown on October 19, 1781, which are now at Old Point Comfort, Va., the same to be held by said college subject to the right of the Congress at any time to amend or repeal this act: *Provided*, That the War Department shall not incur any expense because of the loan of the cannon authorized herein.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment.

AGRICULTURAL [illegible] LEGISLATION

Mr. NORRIS. Mr. President, I suppose that bill is debatable, at least.

Mr. SWANSON. Only for five minutes.

Mr. NORRIS. The bill does not come up under the call of the calendar.

The PRESIDENT pro tempore. The bill is debatable at any length.

Mr. NORRIS. Then I hope the Senator will not try to get me off the floor if I talk more than a minute.

Mr. President, I undertook a while ago to make just a brief statement about some of these bills that have been reported from the Agricultural Committee. I think I ought to make that statement, as there are so many inquiries being made in regard to them.

The Agricultural Committee have had under consideration a great number of bills more or less directly or indirectly affecting agriculture. They had before them two bills of general scope. One is known as the McNary-Haugen bill, and the other is a bill introduced by me. Upon these bills we had very extensive hearings. The committee finally reported the so-called McNary-Haugen bill with various amendments, and a minority report was made. While it was not at all antagonistic to the other bill, it showed a preference on the part of

the minority of the committee for the other bill, Senate bill 1642, ordinarily known as the Norris-Sinclair bill.

The difference in opinion in the committee arose not from any opposition, except on the part of a very small minority of the committee, to either of the bills, but the committee upon a roll-call vote decided by a very substantial majority that they preferred the McNary-Haugen bill, and it was reported. Afterwards those behind that bill agreed upon quite a series of amendments, and they were referred to the Committee on Agriculture and Forestry, and the Committee on Agriculture and Forestry went into session and considered those amendments, and recommended various amendments to the Senate.

To shorten what might be otherwise a complex situation, the committee authorized the Senator from Oregon [Mr. MCNARY] to introduce a new bill, which was the old bill before reported with the committee amendments, and that bill was introduced and then was reported from the committee without amendment, and is now Senate bill 2012, so that that bill is the amended McNary-Haugen bill.

After that bill was reported it was discovered that there was a technical point involved that probably made it impossible for the Senate to consider that bill until the House had first acted on it, because it contains, and to carry out the idea of the bill it must contain, some revenue provisions; and under the clause of the Constitution which provides that the House must first pass such bills it was thought by those favoring the bill that it would be subject to a point of order if we undertook to take it up here before the House bill came over. So those in favor of the bill decided to wait until the House had acted.

Mr. President, I have acquiesced in that because I am not opposed to the bill, although I prefer the other one; but it has seemed that we have waited almost long enough, and I wanted to state to the Senate that if the House does not act within a reasonable time after the revenue bill is disposed of I intend to move to take up my bill, which, I ought to add, was afterwards authorized by the Agricultural Committee to be reported to the Senate, and I shall probably make the report some time to-day. I have been so busy that I have not been able to make a report, although I was authorized to make it a week or 10 days ago.

I wanted to make this statement. It seemed to me that there was great opposition to both these bills, a very decided disagreement as to the merits of both of them. The Committee on Agriculture and Forestry has rather favored them both, but a majority preferred the McNary-Haugen bill, as I have outlined. But as one who favors the other bill, I do not believe that we are called upon to wait very much longer before we take a step that will let the Senate at least pass on the merits of this bill and see whether it should be enacted into law.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator yield to the Senator from Idaho?

Mr. NORRIS. I yield to the Senator from Idaho.

Mr. BORAH. Do I understand the Senator from Nebraska to say that he will shortly move to take up the Norris-Sinclair bill?

Mr. NORRIS. I will not do it, at least, until after the revenue bill is out of the way, and I will say to the Senator that if at that time there is an indication that the other bill can be brought before the Senate, I will not get in the way of that, because a majority of the Committee on Agriculture and Forestry have indicated they prefer that bill, and I feel bound to have the McNary-Haugen bill taken up if an opportunity is afforded to do so.

Mr. BORAH. Without expressing at this time my preference between the two bills, I sincerely hope that if there is any way the Senator can push this matter, so that there will be something before the Senate upon this subject, he will not feel a delicacy about doing so. If we are going to legislate upon this subject at all, it is long past the time when we should have done so. It is apparent that the other bill is not going to be considered here very soon, from what I can see, and there ought to be some means adopted by which to push the subject matter of agricultural relief before the Senate. The situation demands it. We have only about 40 days yet in which to do business, and to me there is every indication there is not going to be anything done at all with reference to agricultural relief.

Mr. NORRIS. I agree with what the Senator from Idaho has said. I would have done this long ago; in fact, if I had had my way about it, my bill would have been reported more than six weeks ago, and we would have had an opportunity to pass on it. When the Committee on Agriculture and Forestry took the action it did take, of course I felt in honor bound to let the matter proceed as it had been outlined by that committee. I would not attempt to interfere with that procedure, if we can ever reach a time when that procedure can be started; but I have about reached the conclusion, like the Senator from Idaho, that if we are ever to do anything, we will have to take some action here rather than to wait an indefinite length of time for the House to act on the other bill. So unless it looks as though we might be able to follow out the plan outlined by the committee, which I feel bound to follow if it can be done, I am going to move to take up my bill, to which there can be no technical objection, after the revenue bill is disposed of.

Mr. DIAL. Mr. President, may I ask the Senator what progress the committee is making toward reporting out a bill I introduced, the Alien Property Custodian bill?

Mr. NORRIS. In answer to the Senator from South Carolina let me say that the committee had hearings upon the bill to which he refers. It is a very important bill, and I think the committee were unanimously in favor of reporting it; but we agreed, likewise unanimously, that it needed some amendment. A subcommittee was appointed a week ago to consult with some of the officials in one or two of the departments with reference to some of those amendments, and they have not yet reported to the full committee. I have been expecting a report every day. My own judgment is that the bill will be reported, and I will not try to outline the bill now, but it is an important bill.

Mr. DIAL. I think it would afford great relief to agriculture, and it ought to be passed quickly.

Mr. NORRIS. I think it will be a help, although it is a temporary measure only.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. I yield.

Mr. JONES of Washington. I want to concur in the suggestion made by the Senator from Idaho [Mr. BORAH], except in the suggestion that we have only 40 days to do this work. I know what he means by that, but I do not believe the Congress should finally adjourn until it has attempted, at least, to take care of the agricultural situation, and has either done it or shown that it can not do it; and we have more than 40 days to do that.

I have here a copy of a letter from a constituent of mine whom I know personally, and whom I know to be a very careful, conservative man, and that adds weight to the statements he makes in this letter. This is a copy of a letter sent to Congressman HILL from our State. I ask that it may be printed in the RECORD, and I request that Senators read it, if they have time, because it shows the conditions in eastern Washington.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 12, 1924.

Hon. SAM B. HILL,
Washington, D. C.

DEAR SIR: I have been reading numerous articles on the farming situation and have just finished one which occupied seven pages in the Saturday Evening Post, in which the writer assigns every reason in the category for the existing troubles and finally ends by acknowledging that he doesn't know what to do about it.

All this senseless drivel is helping to put the finishing touches to a situation that is now so bad that the future has no terrors. Most of the articles berate the farmer for his past shortcomings. They say he went crazy over the price of land. Many sections did. He spread out too far in the wheat game. He did, and at the earnest request of his Government.

He bought automobiles when he couldn't afford them. So did you and I. He was too extravagant in all his expenditures when he should have been saving. So was all the rest of the world.

He has been guilty of all kinds of sins, of both omission and commission, and he knows it better than any of the magazine writers; but that does not change the fact that, as a class, he is facing ruin to-day, and the only thing that will save him is to find some way of making a fair profit on what he has to sell, and that at once. While Nero fiddled Rome burned, and while Congress is wrangling over its political scandals the farming sections are being depopulated. Most of the writers locate the worst of the agricultural troubles in the Dakotas and Montana. If they are in worse shape than eastern Washington, may God pity them.

As I wrote you before, fully one-half of the ranches in this county are abandoned, and most of the others are mortgaged for more than they will sell for to-day and will very shortly share the fate of the others. These mortgage debts were not all incurred at once but have

been added to for the past six years to cover continuing losses, until to-day the limit is reached and passed.

New loans will not help them, as they can not pay operating expenses, let alone interest and taxes, and the result is that every few days we hear of another farmer who has thrown up the game and gone out looking for work. No more money is coming in from outside banks to finance operating expenses. Each year has put the borrowers deeper into the hole, and the banks have been forced to quit and are cleaning up and taking their losses.

Let me quote two or three of the many instances, with all of which you may be familiar:

Barney Burke had three quarters (480 acres) all summer fallowed and ready for seeding. A Spokane bank—you know the name—which had become the owner of his paper through the defunct Mansfield Bank, had been financing his operating expenses for three years. When Barney asked them for the advancements for his spring work he was informed that they were through; that each year made their losses greater; that they could see no help in the immediate future; and they were going to clean up and take their loss now. Barney replied, "So am I; come out and get your stuff," and he was fortunate enough to get a job working on the road to support his 10 children.

Dell Lytle, as you know, a few years ago bought the Carroll land for $13,500, on which he paid down $7,500 cash and assumed a mortgage for $6,000. Last week he threw it up and walked out.

Six years ago he was considered worth $60,000. You know that he is a hard-headed, careful farmer, has never been extravagant, and has never speculated, except in buying this land, but the whirlpool has sucked him down, as it is getting all the rest that are left.

One more example is Clyde Gallaher, whom I have always considered one of the best and most conservative farmers in this county. He never spends a nickel foolishly, has a good head, and is a working fool. Case knocked off a lot of his back interest and gave him every show imaginable to stay on the land.

He diversifies as much as any man can in this dry-land farming; keeps several cows and sells cream; keeps a bunch of good chickens; raises his own pork; has a wife that works her head off to help him; has two boys big enough to run plows and help about the place. He told me all this last summer and said he was going to make it if humanly possible.

Believing in his ability to make good, the mortgagee financed him last summer; advanced only the minimum amount necessary to carry on the work; received and sold every bushel of grain raised on the place, which averaged about 24 bushels per acre, and on the final accounting Clyde lacked $800 of returning the money that had been advanced for expenses.

His experience settles it with me. If Clyde Gallaher can not make it, we are through in this section. And what does this mean? Simply that the county will be depopulated and that soon. The towns are going with the country; the merchants are either broke or living on their own fat, and the end is in sight. Out here we understand that the President and Secretary Hoover are against the McNary-Haugen bill on the ground that it is economically unsound. They may be right, but it seems to us that any legislation that will avert the catastrophe confronting the farmers will be justified. We vote millions to the suffering Germans and keep a steady stream of money going to the Armenians, who have been yelling for and getting help from us for 50 years, but we can not help our own flesh and blood because it is uneconomic. To hell with such theories.

If we wait until overproduction has been changed into a famine, the farmers will be gone, the agricultural sections depopulated, and the industrial sections up against it for food. Even if all the contentions against it are right, which they are not, this country can afford to gamble the paltry amount involved where the winnings will be so enormous.

We can not stand any more theories or arguments. We must have action at once.

Congress did not hesitate in tinkering with economic laws when they got the farmers into the hole on raising more wheat and then deflating them into bankruptcy.

Now, let them do enough more tinkering to get them out of the hole and on a par with the rest of the workers of the country. Isn't there some way of forcing Congress to act?

This letter may do no good, but I send it that you may know of the discouraged and desperate feeling that exists all through this section.

I know you are doing everything in your power in our behalf, and I want you to know that it is appreciated by all of our farmers, and especially by your humble servant.

M. B. HOWE,
Waterville, Wash.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New York?

Mr. NORRIS. Let me just make another brief statement and I will yield the floor, unless the Senator wants to ask me a question.

Mr. COPELAND. I want to join in the appeal of the Senator from Idaho that no feeling of modesty on the part of the chairman of the Committee on Agriculture and Forestry will prevent him from bringing out his own excellent bill. I am sure that on this side we are very anxious to have a chance at the earliest possible moment to show our friendliness to any workable plan for farm relief. So I appeal to the Senator to bring the bills before us as soon as possible in order that we may assist in their passage.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. NORRIS. Not just now. Let me make a statement in answer to the Senator from New York.

I think I ought to say in behalf of the Committee on Agriculture and Forestry that in all my experience in public life I have never known of a committee spending as much time and working as industriously on various agricultural propositions that have been presented to the committee as has the present standing Committee on Agriculture and Forestry. Some of us had been devoting a great deal of time before to this question. We were presented with what I think was a problem more difficult than the Members of the Senate appreciate or understood, more difficult than the people of the country understood. It has been discouraging in a great many respects, and yet in all the deliberations of the committee there has never once been anything to indicate that any member of the committee who was present—and all the members were not always able to be present—was moved by any other idea than to do something to improve the condition of agriculture.

The committee are divided. As a matter of fact, the farmers of the country are likewise divided. We realize that the Senate is divided. It has been impossible to get the farmers of the country or the Committee on Agriculture behind any one proposition, and we have been in session, not on the two bills I have mentioned alone but on agricultural bills in general practically every day since the beginning of this session. Every day from 10 o'clock until 12 we have either been in executive session discussing some of these bills or listening to representatives of various kinds of organizations, mostly agricultural, from all sections of the United States, and we now find ourselves divided to a great extent.

I have a firm belief, of course, in the bill I introduced, and which the committee has authorized me to report; but I realize that many Members of this body are going to oppose it very bitterly and very conscientiously. So I want the Senate and would like to have the country understand the real situation.

Personally I have felt handicapped because of the action of the committee, taken in the very best of faith, and have felt that I should not move to take this bill up; but I think I have waited about as long as I could be expected to wait for the other bill to be gotten in such shape that it could be taken up without running counter to a provision of the Constitution of the United States.

I now yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I want to say to the Senator from Nebraska that I am very glad he made his statement this morning. We who come from States that are largely or wholly agricultural have had considerable criticism directed toward us because we have from time to time yielded and given preference to legislation not related to agriculture. We have been criticized, and the Committee on Agriculture and Forestry has been criticized, because no legislation for the relief of agriculture has been reported by the committee. But we have waited patiently, because we have had faith and confidence in the Committee on Agriculture and Forestry and its chairman. We have realized to some extent the controversy that has been going on in the committee. But sooner or later that controversy must come to an end. The country feels that the question of agricultural relief is paramount, and that the Senate must act upon it before final adjournment. So I am sure I speak for a large share of the country when I say that the Senator's remarks this morning were very timely.

Mr. COPELAND. Mr. President——

Mr. NORRIS. I yield to the Senator from New York.

Mr. COPELAND. Since this matter must come before the Senate anyhow, and since the committee has discussed the matter at such length, may I venture to suggest that it might be well to bring it before the Senate in order that any difference which may exist may be ironed out. I realize with the Senator that undoubtedly very bitter differences of opinion

let the matter proceed as it had been outlined by that com-

Nebraska yield to the Senator from New York?

Senator that undoubtedly very bitter differences of opinion

may be found in the Senate, but there must be found some way of solving this problem, and I want the Senator to know that from our standpoint over here we are anxious indeed to do everything we can to facilitate the formulation of some sensible plan for farm relief. So I feel like urging the chairman of the committee to bring the matter before the Senate at the earliest possible moment in order that it may be taken care of.

Mr. NORRIS. Following the action of the majority of the committee, it was my intention, when the McNary-Haugen bill was brought before the Senate, to offer the other bill as a substitute, so that they would both be before the Senate, and the Senate could act in any way it saw fit. If it had not been for the fact I have mentioned, this matter would have been disposed of long ago, because at the time it was reported I do not think it occurred to any member of the committee that a technical objection would lie in the Senate against the McNary-Haugen bill.

I have my doubts now, as a matter of parliamentary law, whether any such objection is good; but the Senator from Oregon, who reported the bill, and parliamentarians of the Senate who have looked into the matter feel, I am informed, that a point of order made on the floor of the Senate would be good against it on account of the constitutional limitation of the Senate as to originating revenue legislation. That is the reason why this delay has occurred. The McNary-Haugen bill has been on the calendar a long, long time.

If we had been able to take it up, I would have immediately offered the other bill as a substitute, and they would both have been before the Senate. With that condition before us, knowing that the same bill was pending in the Committee on Agriculture in the House, those who favored the legislation, since it had to pass both Houses anyway, thought we would let the House act first. I am not complaining because the committee felt that way, because, as I said, the committee were acting in entire good faith; but the delay has come about from the reason I have stated.

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Oregon?

Mr. NORRIS. I yield.

Mr. McNARY. I am in sympathy with the attitude of the chairman of the committee, and agree with all he has said. There is one ray of hope I may extend to him this morning, namely, that the House Committee on Agriculture have reported the McNary-Haugen bill to-day——

Mr. NORRIS. When did they report it?

Mr. McNARY. This morning, at 12 o'clock; and next week they will take it up for consideration, and when it comes over here probably the two bills will be before us, no doubt, so that the Senate can indicate its preference.

Mr. FRAZIER. Mr. President, I desire to say just a word in regard to the attitude of the Senator from Nebraska [Mr. NORRIS], chairman of the Committee on Agriculture and Forestry. The farmers of the Northwest are very anxious, indeed, for some legislation looking to the relief of the situation out there. They feel and expect that Congress should do something toward helping to put the farmers on their feet and to help farming to get upon a paying basis. They have been waiting anxiously for a long time. The President in his message recommended that something should be done for the benefit of agriculture.

Our farmers feel that a great deal of time has been wasted and that the subject is of sufficient importance to have justified action upon it long before this. Seeding time is at hand and the farmers are discouraged because with present prices they can not get the cost of production and anything for their work which they are starting at the present time. They do not know what to do. They are going broke by the hundreds and hundreds throughout the Northwest. Banking and business institutions are going broke also. They feel that the Congress should and must do something to help them, and they are anxiously and patiently waiting for some action to be taken here.

I am very glad the Senator from Nebraska has made the statement which he did and I trust that action will be taken in the very near future looking to some relief of the agricultural situation.

LOAN OF CANNON TO WILLIAM AND MARY COLLEGE

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1831) to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

NAVAL APPROPRIATIONS

The PRESIDENT pro tempore. The Senate will now proceed with the naval appropriation bill, House bill 6820.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. DIAL. Mr. President, I ask unanimous consent to call up a resolution to which I think there will be no objection.

The PRESIDENT pro tempore. The Senator from South Carolina asks unanimous consent to call up a resolution. Is there objection?

Mr. HALE. I have announced already that I could not yield to my other requests if we are going to get any action on the naval appropriation bill. I hope the Senator will not insist.

Mr. DIAL. Very well. I withdraw the request.

The PRESIDENT pro tempore. The Senator from South Carolina withdraws his request.

Mr. DIAL. I understand that the naval appropriation bill is before the Senate?

The PRESIDENT pro tempore. It is.

Mr. DIAL. Mr. President, we are making appropriations here from day to day increasing the expenses of the people. Therefore it might not be out of place to consider where we expect to realize the funds with which to meet the obligations which we are creating.

I read a day or two ago in the Washington Post a very encouraging statement from the Belgian Government about the debt of that Government due to the United States. I ask to have inserted in the RECORD at this point as a part of my remarks an interview with the Premier of Belgium upon that subject.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article referred to is as follows:

BELGIUM DECIDES TO FUND ITS WAR DEBT TO AMERICA—INTRODUCTION OF BILL FOLLOWS LONG CONVERSATION AT LUNCHEON BETWEEN PREMIER TEUNIS AND GEN. CHARLES G. DAWES

BRUSSELS, April 10 (by A. P.).—The funding of Belgium's foreign debt, especially that portion particularly concerning the United States, was virtually decided upon in the course of a conversation to-day between Charles G. Dawes, Premier Theunis, and Minister of Economics Van de Vyvere.

Emile Francqui, who is regarded as the sponsor of the measure and was one of the fellow members of General Dawes on the experts' committee, was ill with grip and was unable to attend the luncheon at which the proposal was discussed, but kept in constant communication by telephone.

Premier Theunis told General Dawes the Belgian Government was grateful to the United States for its decision of 1919, which postponed the capital and interest reimbursement of Belgium's debt to the Washington Government.

"The great American Republic," said the Premier, "gave us evidence of its precious friendship, but Belgium will pay her debts, never fear.

"You must first give us time to reorganize our finances and put our house in order, so that our francs in the exchange market will be in such a position that we will not be considered a 'poor country cousin.' At last, through your great report, we are beginning to see clear through the reparation problem. We have given our word and Belgium keeps her word either in war or in peace.

"We have no doubt," continued the Premier, "that when negotiations are opened concerning the interallied debts the United States will take into account the fact that our financial situation has been cruelly affected by the war, and that she will not request us to pay beyond our capacity. Coincident with Germany's acceptance of your report and her payments on reparations we can begin to pay our debts to America."

Premier Theunis repeated the same declarations in the chamber amid applause and followed this by introducing a bill for the funding of Belgium's foreign debt, which will be referred to the finance committee of the chamber for a recommendation.

Mr. DIAL. Mr. President, we should take stock to see where we stand financially. When we consider that the United States Government owes over $21,000,000,000 and that we are appropriating millions and millions and hundreds of millions more and that the taxes are higher than the people can bear, we should try to put our house in order. We have had a very good commission appointed to look after the collection of the debts which foreign countries owe the United States. I

hope that they will proceed to bring about a settlement of those foreign debts as quickly as possible.

At this point I ask to have inserted in the RECORD as a part of my remarks an extract from a table showing the debts of the other countries to the United States, as set forth at page 255 of the annual report of the Secretary of the Treasury.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Obligations of foreign governments held by the United States Treasury, together with interest accrued and remaining unpaid thereon, as of the last interest period prior to or ending with November 15, 1923

Country	Obligations representing cash advanced under Liberty bond acts		Obligations received from the Secretary of War and the Secretary of the Navy on account of sales of surplus war material (act of July 9, 1918)		Obligations received from the American Relief Administration on account of relief supplies furnished (act of Feb. 25, 1919)		Obligations received from the United States Grain Corporation on account of sales of flour (act of Mar. 30, 1920)		Total		Total indebtedness
	Principal	Interest (including interest due Nov. 15, 1923)	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
Armenia					$8,028,412.15	$1,605,682.44	$3,931,505.34	$997,596.50	$11,959,917.49	$2,303,278.94	$14,263,196.43
Austria							24,055,708.92	4,330,027.62	24,055,708.92	4,330,027.62	28,385,736.54
Belgium	$347,210,808.68	$77,433,602.90	$29,818,761.38	(1) (2)					377,029,570.06	[1] 77,433,602.90	454,463,172.96
Czechoslovakia	61,974,041.10	13,234,843.87	20,604,302.49	$3,988,408.38	6,428,089.19	1,285,617.84	2,873,238.25	517,182.90	91,879,671.03	19,026,052.99	110,905,724.02
Esthonia			12,213,377.88	2,442,675.60	1,755,767.72	346,907.35			13,969,145.60	2,789,582.95	16,758,728.55
Finland					[3] 8,261,926.17	718,073.83			8,261,926.17	718,073.83	9,000,000.00
France	2,933,265,231.96	650,051,228.67	407,341,145.01	(1)					3,340,606,376.97	650,051,228.67	3,990,657,605.64
Great Britain	[4] 4,600,000,000.00								4,600,000,000.00		4,600,000,000.00
Greece	15,000,000.00	1,500,000.00							15,000,000.00	1,500,000.00	16,500,000.00
Hungary							1,655,835.61	303,450.42	1,655,835.61	303,450.42	1,959,286.03
Italy	1,647,997,050.16	367,062,346.73							1,647,997,050.16	367,062,346.73	2,015,059,396.89
Latvia			2,521,869.32	378,107.66	2,610,417.82	522,083.56			5,132,287.14	900,191.22	6,032,478.36
Liberia	26,000.00	4,818.85							26,000.00	4,818.85	30,818.85
Lithuania			4,159,491.96	831,898.40	822,136.07	164,427.20			4,981,628.03	996,325.60	5,977,953.63
Nicaragua			175,590.28	(1)					175,590.28	(1)	175,590.28
Poland			79,946,692.24	12,044,000.47	51,671,749.36	10,334,349.88	24,312,514.37	4,161,997.53	155,930,955.97	26,540,347.88	182,471,303.85
Rumania	23,205,819.52	5,065,993.98	12,922,675.42	2,584,535.12					36,128,494.94	7,670,529.10	43,799,024.04
Russia	187,728,750.00	48,559,853.07	405,062.30	30,456.18	4,465,465.07	711,465.81			192,601,297.37	49,301,775.06	241,903,072.43
Yugoslavia	26,059,865.40	5,918,019.27	24,978,020.99	4,631,250.84					51,037,886.39	10,549,270.11	61,587,156.50
Total	9,842,468,566.82	1,168,870,707.34	595,088,009.27	26,931,332.65	84,093,963.55	15,688,607.91	56,858,802.49	10,010,254.97	10,578,509,342.13	1,221,500,902.87	11,800,010,245.00

[1] No interest due on Nicaraguan notes until maturity, as is also the case of certain Belgian obligations aggregating $2,284,151.40.
[2] Interest has been paid as it became due.
[3] Agreement providing for refunding of these obligations as to both principal and interest executed, subject to approval of Congress, on May 1, 1923. Bonds of Finland amounting to $9,000,000 will be delivered to the Treasury in exchange for the obligations now held if the agreement is approved.
[4] Refunding bonds received under terms of agreement concluded pursuant to the act of Congress approved Feb. 9, 1922, as amended by act of Congress approved Feb. 28, 1923.

Mr. DIAL. The table shows that the principal debt of the foreign countries to the United States is $10,578,509,342.13. In addition the enormous sum of $1,221,500,902.87 in interest has already accrued. It is encouraging to see the efforts of certain of those countries in the matter of funding those debts. Great Britain has refunded her debt and some of the other countries like Belgium are proceeding to refund th[illegible] congratulate the people of Belgium [illegible] should cause Members times of peace and times of war. [illegible] legislation, and that is the Even the small country of F[illegible] will be reached by the great read in the press that other [illegible] that those who support it debts, but it is claimed th[illegible]ions. Their motives because such an act migh[illegible] man on the street, that the report is without [illegible] vote in our country be, I think our commission[illegible] presence of foreign bring about a complete settle[illegible] West, who have

Just yesterday the Senate vo[illegible] demand for it, dollars for ex-service men, and now we [illegible]uld already be[illegible] see where the money is to come from. I voted [illegible]olitics and[illegible] proposition. We have now before us a resolution [illegible] Germany[illegible]ing $10,000,000 for the alleged purpose of helping [illegible] and children of Germany. I feel that there is no con[illegible] right and no authority anywhere for us to donate the [illegible] the people of this country to be used by the people of other countries. We have no legal right and no moral right to go into our Treasury for any such purpose. It establishes a bad precedent. I spoke and voted against even the donation to Russia. I think, perhaps, I am the only Senator who took that stand, but I believe that the wisdom of my position at that time has since been demonstrated. I stated then that if we made that appropriation it would not be long until they would be back here asking for more, and I understand they did come back and ask for $15,000,000 additional. We do not have to go to Russia or Germany to find poor people.

It is a wrong principle for one government to donate the hard-earned money of its taxpayers to support the people of other governments. It is absolutely unconstitutional, according to my way of thinking. Even under the general welfare clause of the Constitution we could not do it legally. That clause does not refer to the welfare of the people of other countries, but to the welfare of the people of this country.

The proposition of appropriating $10,000,000 to take care of the women and children of Germany is a peculiar one. How in the world can we separate the benefits to be derived from that money for t[illegible] from the benefits that w[illegible]

Mr. DIAL. [illegible] New York.

Mr. COPELAND. [illegible] or [illegible] presumptuous [illegible] to discuss [illegible] especially with a

Mr. DIAL. [illegible] the Senator that even if we had the a[illegible] means that as to donate the people's mo[illegible] that the commission that we ha[illegible] of foreign nations to the United [illegible] tries that it is now time to begi[illegible] refund those debts. Of course, we [illegible] under at once, but the debtor [illegible] well their indebt[illegible] those children [illegible] to prescribe; but, to [illegible] street, he covers too much territory. [illegible] working people of the United States would approve [illegible] the results of their toil spent to keep up the children of all the nations of the world. By all means, we ought not to go to Germany, the nation which a few years ago sold, I believe, some $3,000,000,000 of its currency to the people of the United States, and then the currency went down practically to nothing. There is the nation that brought on the war, and not a single foot of her territory was invaded during the war. Her people to-day I am told live as well as the people of almost any country, and yet they come here and appeal to this Government to take our money and give it to their women and children. Under such a camouflage of helping the women and children we certainly would be helping the men of that country also.

Mr. COPELAND. I am sure the Senator does not intend to convey the impression that the starving babes over there started the war.

Mr. DIAL. No; but their ancestors did.

Mr. COPELAND. So far as I am concerned, whenever a babe cries I do not care in what language it cries, I want to help it if I have the opportunity.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

very good commission appointed to look after the collection of the debts which foreign countries owe the United States. I

That clause does not refer to the welfare of the people of other countries, but to the welfare of the people of this country.

Mr. COPELAND. So far as I am concerned, whenever a babe cries I do not care in what language it cries, I want to help it if I have the opportunity.

Mr. DIAL. The Senator touches a very tender cord when he speaks about a babe crying. I am the father of 10 and I have had some experience with the wails of babies, but my ear is not so keen as to hear the cry of babes all around the world. I have eight living children, and the more we have the more we are blessed. In Germany or elsewhere there had to be daddies before there were babies, and German daddies should also be put to work.

Mr. President, the proposition before Congress is absolutely indefensible. This is presidential election year and it is intended merely to buy votes for somebody. The proposition ought never to have been introduced in Congress. It ought never to have been considered. We are bringing ourselves into contempt of all the business of the country. If Congress were to adjourn now, it would give more relief and more pleasure to the business of the country than any other act that could be performed by the Congress of the United States.

We do not have to go to Germany to hear of poverty. We hear of it all over this country. Here are the wheat growers of the West who have been wailing and knocking at the Treasury and have finally succeeded in taking a few million dollars out of the Treasury. Here are the farmers from the irrigated lands of the West appealing to the President and the President sending us a message suggesting the cancellation of $27,000,000 of loans that those people owe the Government of the United States, and that is about what I expected.

I believe during the first year after I took my seat in the Senate one of those irrigation propositions to borrow $50,000,000 was presented here. I am glad that I had a part in defeating it. There was another one right behind it proposing to borrow $100,000,000, but its proponents got frightened and it did not come to the front, I believe, at that session. Here we find that, by the Government going into business, doing what it has no right to do, we have lost $27,000,000 out there, and possibly will lose $8,000,000 more. It is time for us to stop doing what we are not authorized under the Constitution to do and that we should stop doing what our constituents did not elect us to do.

Mr. President, it is easy to vote taxes, but it is hard to meet the obligations. I fear Members of Congress, with all the ability that is here, do not fully realize that it is very easy to place taxes on people, that it is easy to sell bonds, but that pay day will come. I fear we forget that the taxpayer is not stationary. It is true one can not move land or railroads, but when taxes become too burdensome banks may be closed, trust companies and insurance companies may be closed, and merchants can sell out and retire from business. Then the taxes will be [illegible] can not get away from paying the[illegible] and a burden upon [illegible] add to the wealth of [illegible]

What we should do [illegible] Mr. anything [illegible] of a For- That would [illegible] the relief of the situa- and [illegible] expect that Congress should step [illegible] to put the farmers on their of [illegible] get upon a paying basis. They tee [illegible] for a long time. The President hands [illegible] that something should be done export tax [illegible] people of [illegible] could then turn their [illegible] employment and [illegible] people, people who would not want to [illegible] at the hands of anybody. We have [illegible] they so much desire and need. Under my bill surplus cotton would be exported and we would get a better price for the next crop.

So, until we get back to the old-fashioned rule of work, and hard work, producing something and supporting ourselves, we shall not have such a country as we should have. We have splendid, efficient labor who want to work.

Mr. President, since my distinguished friend the Senator from New York [Mr. COPELAND] has spoken of the constitutional question, I desire to say that I have a brief on that question which was written by Mr. Lanier, showing that such donations are absolutely without authority. The author of this article is a lawyer of 25 years' active practice, a member of the bar of the Supreme Court of the United States, and was assistant to the attorney general of the Philippines for nearly five years, and an officer of the General Staff of the American Army in the World War. I ask that this brief may be inserted in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Virginia Law Register for April, 1924]

APPROPRIATION OF MONEY BY CONGRESS TO FEED THE GERMANS—AN UNPUBLISHED LETTER TO THE FOREIGN AFFAIRS COMMITTEE OF THE HOUSE OF REPRESENTATIVES [1]

I am advised you concluded a hearing yesterday on the Newton bill, and another of similar purport, having for their object the appropriation by Congress of from twenty-five to seventy millions of dollars to feed "the starving people of Germany"; and that notwithstanding the adjournment of further hearings on these bills I may file a protest, which will be duly considered by you and given a place in your printed report.

I desire, as a taxpayer, a veteran of the World War, and a loyal American citizen to enter my earnest and emphatic protest against these bills upon the three following grounds primarily, though there are other objections that can be urged against them:

First. Because I believe them unconstitutional;

Second. Because, conceding their constitutionality, there is no justifiable necessity for the appropriations; and

Third. Because they would be an unjust imposition and burden upon our already overtaxed people.

UNCONSTITUTIONALITY OF BILLS

There is but one provision of the Constitution under which a claim of authority for these bills can be set up, and that is found in section 8 of Article I, which provides:

"The Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts and provide for the common defense and general welfare of the United States."

Congress can not assume to act under the preamble of the Constitution, for the Supreme Court has decided in Jacobson v. Massachusetts (197 U. S. 42); Dorr v. United States (195 U. S. 140) that no power is derived from the preamble of the Constitution to enact any statute; and that the Constitution itself is the only source of power authorizing action by any branch of the Federal Government.

The question therefore is, Has Congress the power to enact these bills, or either of them, under the provisions of section 8, Article I, above cited? It can not be claimed that the money thus appropriated is to pay any debt of the United States or to provide for the common defense. Therefore its proponents must rely for its constitutionality upon the ground that it is a provision for, and necessary to, the "general welfare of the United States."

Fortunately we are not without some decisions of the courts construing the powers of Congress under this section. Some years ago Congress passed an act whereby the Secretary of Agriculture was empowered to have made a careful inspection of cattle, sheep, and hogs at slaughterhouses located in the several States, which were [illegible] the products of the which were intended for [illegible] tion by telephone. [illegible] countries. Inspectors were duly ap-

Premier Theunis told Gene[illegible] of whom accepted a bribe in discharge grateful to the United States fo[illegible] indicted and set up the un- the capital and interest reim[illegible] defense. The indictment was Washington Government [illegible] without constitutional war-

"The great A[illegible] the offense as charged could evidence of it[illegible] no legal existence. In this debts, never [illegible] 420) the Government contended

"You mus[illegible] power under section 8, Article I, put our ho[illegible] of the United States." In passing will be i[illegible] d, among other things, that this gen- country [illegible] no provision of power, of itself, to enact begin[illegible] on the contrary, the words "and provide for [illegible] and general welfare," is a limitation of the [illegible] United States, and that only. The opinion [illegible] and at length the opinion of Mr. Justice Story, set forth in his Commentaries on the Constitution (secs. 907-908), that the words, "pay the debts and provide for the common defense and general welfare," are words qualifying the powers of taxation, and that any tax laid by Congress for neither of these objects would be unconstitutional, as an excess of its legislative authority.

In Martin v. Hunter's Lessee (1 Wheat. 326), the Supreme Court, speaking through Chief Justice Marshall, said:

"The Government of the United States can claim no powers which are not granted to it by the Constitution, and the powers actually granted must be such as are expressly given, or given by necessary implication."

In the Legal Tender Cases (12 Wall. 457), the court enunciated its attitude toward legislation that should cause Congress to deliberate with great care upon proposed legislation to make sure that it is within the constitutional power, for they, like the court, are sworn

[1] In publishing this letter this magazine does not intend it as an expression of its opinion upon the merits of the questions involved.

to support the Constitution, and it is only under a clear and indisputable showing that the court will hold acts of Congress unconstitutional, notwithstanding that they may work great hardship and injustice to those they effect. The court said:

"A decent regard for a coordinate branch of the Government demands that the judiciary should assume, until the contrary is clearly shown, that there has been no transgression of power by Congress, *all the members of which are under the obligation of an oath of fidelity to the Constitution.*" [Italics are mine.]

But as correlative to this statement is the following doctrine announced by Chief Justice Marshall in the justly celebrated case of McCulloch v. Maryland (4 Wheat. 405):

"Should Congress, in the execution of its powers, adopt measures which are prohibited by the Constitution, or should Congress, under the pretext of executing its powers, pass laws for the accomplishment of objects not intrusted to the Government, it would be the painful duty of this tribunal, should such a case requiring such a decision come before it, to say that such an act was not the law of the land."

UNJUST BURDEN ON OUR PEOPLE

These proposed appropriations—carrying seventy millions of dollars in the Newton bill, for example—which are to be wrung by taxation from our already overburdened people, are certainly not to pay the debts of the United States or to provide for the common defense, and upon what hypothesis they can be defended as being for the general welfare of the United States is beyond comprehension. It is quite a stretch of imagination to say that by conserving the welfare of the German people we will be gaining their good will and promoting and securing a market in future for our surplus products, and thereby be providing for "the general welfare of the United States." In the first place, good will that has to be bought is precarious and never lasting, and commercial markets have to depend upon other things than mere good will, for they are subject to the inexorable law of competition.

In whatever aspect this proposition is regarded it appears as a mere pretext for the execution of a power for the accomplishment of an object not intrusted to Congress by the Constitution.

There is no power of government of which the people are more justly jealous than the power of taxation, or one that is more subject to abuse. Its abuse was never more manifest than it is to-day by Federal, State, and municipal governments. Each of them are engaging in activities that lie outside of their legitimate scope. The Federal Government is building up in Washington a bureaucracy that will be crushed some day by its own weight and costliness. Bonds have been issued by our States and cities until they have almost exhausted their credit, and between the three our people are now under a per capita taxation of nearly $300 annually, to say nothing of the excessive costs of living to which these tremendous taxes contribute.

POLITICAL ASPECTS OF THE MATTER

There is another phase of this matter that should cause Members of Congress to pause before they pass this legislation, and that is the certain and unavoidable conclusion that will be reached by the great majority of our people, justly or unjustly, that those who support it are being moved to do so by political considerations. Their motives may be pure and their purpose altruistic, but the man on the street, remembering that there is a very large pro-German vote in our country, and that owing to overproduction and the absence of foreign markets for our surplus wheat our farmers of the West, who have much wheat to sell, are suffering because there is no demand for it, will conclude, and the charge will be made as it has already been made, that the supporters of these bills are actuated by politics and are bartering away the people's money for votes of the pro-Germans and wheat growers of the West.

NO NEED FOR APPROPRIATION

I have presented the legal phases of the question, touched upon the political, and indicated the injustice of this additional burden upon our taxpayers.

The final question, Are the conditions in Germany such as to make this appropriation imperatively necessary upon the grounds of humanitarianism? President Hibbin, of Princeton University, and some other gentlemen equally trustworthy, who recently returned from Germany, have stated that the conditions are not as bad as they have been represented, and that statements that the people are starving are pure buncombe. There is undoubtedly a bad situation among the professional classes in Germany, such as lawyers, teachers, doctors, and scientists. These are the future leaders of Germany, particularly the student body, and it is they who carry the torch of civilization, and upon whom depend the future of Germany in all those fundamentals that go to make up and advance what we call modern civilization. Their needs are, however, being looked after by organizations in our own and in other countries. Help is in particular being extended to the students in the universities, aid to them being given even by the French.

In the consideration of this question there are certain facts that should not be lost sight of. We should remember that the German Government, with the full approval and the hearty support of the German people, made an unprovoked attack upon the civilization of the world, and for universal domination, conducting their military operations with a brutality and ruthlessness worthy of Jenghis Khan and his Mogols, known in history as "scourges of God," and who killed 18,500,000 people in 12 years.

When the Germans met with defeat, after almost destroying the resources and civilization of Europe, and which they would have done but for our timely intervention, they refused to accept the adverse decision of the sword. Instead of manfully and with the spirit of the true sportsman accepting the results of the fortunes of war, and trying in good faith to make recompense for their wanton destruction, they have welched and whined, and sought in every possible way to avoid their just obligations. Such conditions as exist among the people to-day have been deliberately produced by their leaders and men of wealth to avoid and if possible to escape payment of their just obligations. With premeditation they debased their currency to the vanishing point; robbed their own people and hundreds of thousands in other countries, especially our own, who had invested in their marks and other securities, while their people of means have hidden their wealth in foreign countries. There is to-day ample means among the industrialists of Germany to relieve their own people, to whom they owe this duty—especially since they have evaded every other obligation, including that first duty of citizenship, which is to make their just contributions to the support of their government. They have avoided and refused to pay taxes for the maintenance of their government and the discharge of its obligations, and this burden of theirs has fallen upon the m[illegible] of Germany, who are in no condition to bear it, because of the ve[illegible] situation brought about by these leaders and men of wealth.

The Germans are unreconciled to their defeat and will not admit it. They are still defiant and unrepentant, and have clearly indicated their intention to wage a war of revenge when the opportune time shall come.

God Himself neither forgives nor helps the unrepentant and the unregenerate or those who refuse to help themselves. Are we under any moral or other obligation to be more generous or merciful than He?

I have been uncompromisingly opposed to the soldier bonus on principle, and because it is unsound economically and would do the veterans more harm than good in the long run, though I would be a beneficiary of it; but if Congress can make a gift of $70,000,000 of the taxpayers' money to a foreign people, but recently our enemies, and who by the war for which they were responsible thrust upon our people an expenditure and indebtedness of $33,000,000,000, Congress can no longer deny this gratuity to our soldiers, who fought to protect us from German domination.

ALEXANDER SIDNEY LANIER.

WASHINGTON, D. C.

Mr. DIAL. Mr. President, certainly as a matter of policy, even if we had the authority, we should not go to such an extent as to donate the people's money for these purposes. So I hope that the commission that we have appointed to settle the debts of foreign nations to the United States will notify those countries that it is now time to begin to come together and to refund those debts. Of course, we can not collect them all at once, but the debtor countries can begin to pay interest on their indebtedness and to put that indebtedness into proper shape.

I do not like to see my Government owe so much money; and therefore I should like for the debts which are due us to be put into proper shape, in order that we may begin to reduce our indebtedness and see where we now stand. I am glad we are going to discuss the tax reduction bill, and I hope that we shall give the people some speedy relief. If we stop making long speeches and do a little more voting, we ought to pass the tax reduction bill in a week, and we should thereby encourage every industry in the United States.

When the people realize out of every 100 cents of taxes paid 93 cents goes to pay for past wars and to pay for preparation for future wars, a protest will be made that will be heard by every legislator.

Mr. COPELAND. Mr. President, I had expected when the matter of German relief actually came before the Senate to say something about it; not perhaps to make a long speech, such as has been condemned by the Senator from South Carolina, but, at least, to place in the RECORD some reasons why, in my judgment, this money should be voted. I do not think it makes any difference whether or not Germany was our enemy during the war. Eighty per cent of the people who now live in Germany are women or children. If we are going to hate we should solely hate the other, the 20 per cent.

However, Mr. President, I desire to say that I can not view this problem simply in the light of dollars and cents. I have seen thousands of those little children, thin, emaciated, every bone showing, children 10 years of age who have not cut a tooth. I wish to say to my distinguished friend from South Carolina, who has had experience with 10 babies, that it is an unusual thing for a child to arrive at 10 years of age without cutting a tooth. His children cut teeth in the first months of life, because, like the father, they were well nourished; but there are thousands of children in Germany who are so debilitated, so undernourished, so diseased, by reason of the lack of food that even up to the age of 8 or 10 years they have not had nourishment enough to cut teeth. Children have been born in central and eastern Europe without finger nails because of the undernourishment of the mothers.

I spoke about the constitutional question, the question as to whether or not we have a right to use our money to take care of those children. I had occasion a couple of years ago to speak to a large audience of persons on the lower East Side of New York City. As I looked into their faces it seemed to me that every one had just landed in the United States.

I wondered about the children. So the next day I sent one of the experts of the health department over to the schoolhouse nearest to this meeting place, and in one schoolroom there were found 11 children with incipient tuberculosis. Nine of those children had just landed in the United States. Some may say that that showed carelessness on the part of the quarantine officials. It did not. It is very difficult, indeed, to determine in the time which is at the disposal of the doctors at quarantine whether or not a child has incipient tuberculosis; but when there are brought into one section of the city nine cases from the other side of children with this disease, it will only be a question of a little time when tuberculosis will rage in that region. So I say if by the expenditure of $10,000,000 we can to some extent relieve undernourishment of children in the central empires we shall be protecting our own children at the same time.

What is going to be done with this money? As I understand, we are not going to send a single dollar over there. We are going to spend that $10,000,000 for grain and foodstuffs from the United States, packed in cotton bags made from the cotton raised in South Carolina. We are going to spend all of that money here. That is what was done with a large part of the money that we loaned foreign nations during the war. So, after all, I am not sure, I may say, Mr. President, but in spending the $10,000,000 to relieve undernourishment and to save from starvation the children of Germany, we will be helping to relieve some starvation and certainly to prevent disease in the United States of America. Therefore, when the time comes for this bill to be presented to the Senate and to be acted upon, so far as I am concerned, I shall vote for it very cheerfully, feeling that in so doing I am living up to the oath which I took when I assumed my seat in this body.

Mr. KING obtained the floor.

Mr. HALE. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Utah yield to the Senator from Maine?

Mr. KING. I yield.

Mr. HALE. Before proceeding with his speech, will the Senator allow me to ask that the formal reading of the bill be dispensed with?

Mr. KING. I yield for that purpose.

Mr. HALE. I ask unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. The Senator from Maine asks unanimous consent that the formal reading of the bill may be dispensed with and that the bill be read for amendment, the committee amendments to be first considered.

Mr. KING. That is consented to so far as I am concerned, with the understanding that the bill shall be read in full and not skipped over. I want every provision of the bill read.

The PRESIDING OFFICER. Without objection, the request for unanimous consent by the Senator from Maine is granted.

AFFAIRS IN RUSSIA

Mr. KING addressed the Senate in continuation of his speech of January 22, 1924. After having spoken for several minutes,

Mr. WALSH of Massachusetts. Mr. President——

Mr. KING. I yield to the Senator.

Mr. WALSH of Massachusetts. Would not the Senator like to have a quorum call?

Mr. KING. No; I do not care for that. Senators are absent at luncheon. The understanding was that we would take up the naval appropriation bill, and none of the members of the Naval Affairs Committee seemed to be interested in the bill. So I am trespassing upon the Committee on Naval Affairs, of which I am a member.

Mr. WALSH of Massachusetts. I am sure the address of the Senator from Utah will be well worth listening to, as are all the addresses delivered by him.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. COPELAND. The chairman of the Committee on Naval Affairs is present, but I do not see any other Republicans upon the floor.

Mr. KING. I think there are a number of Senators present on the other side. Usually when we consider a bill very few members of the committee having it in charge are present.

Mr. WALSH of Massachusetts. What is the particular subject matter the Senator is going to discuss?

Mr. KING. I intend to discuss the question, Shall the United States recognize the Bolshevik Government or enter into trade relations with it?

Mr. WALSH of Massachusetts. I agree to abide by the Senator's decision, but I really think that the question is of such importance as to make desirable the presence of more Senators than are now in the Chamber.

Mr. KING. I think it is an important subject, but if the Senator will respect my wishes I shall not ask that the roll be called.

Mr. WALSH of Massachusetts. I shall respect the Senator's wishes.

CONDITIONS IN RUSSIA

Mr. KING resumed and concluded the speech begun by him on January 22, 1914. The speech in full is as follows:

January 22, 1924

Mr. KING. Mr. President, the Russian question has been the subject of frequent discussion in the Senate during and since the World War. It has provoked great interest not only in the executive and legislative departments of our Government but among the American people. Not only in the United States but throughout the world the situation in Russia under Bolshevik rule has profoundly affected the people and has been the cause of serious disquietude, if not grave alarm. Russia's vast territory, her unnumbered millions of population, her dominating position in Europe and Asia, her menacing attitude toward the governments and social system of the world—all conspire to make the Russian problem one of the most important with which the world has had to deal. This problem is not a local one; it is a world problem. The future of Asia is involved in the future of Russia; and Europe's future can not be dissociated from the Russian people. While Russia is in part oriental, she reaches far into the Occident, and a Pan-Slav movement draws within its circle many States of Europe. It is not Pan-Slavism alone which compels the attention of the world, but it is the proposed schemes and avowed policies of Bolshevism that produce international apprehension.

With the triumph of Bolshevism, the overthrow of the Kerensky government, and the establishment of a cruel and despotic Bolshevik régime which announced its purpose to overthrow all governments and establish world communism, Russia took on a new aspect and to many became an object of terror—a devouring and destroying monster. Bolshevism is still a mystery to many. So much of myth and fable have been published throughout the world concerning the Soviet Government and Russia under the Bolshevik régime that many honest people who have sought the truth have been unable to learn what was the truth.

Perhaps thousands of volumes have been written about Russia during and since the war; most of them have dealt with communism and Bolshevik leaders, and conditions in Russia particularly as affected by the Bolshevik régime. Many writers attempted to study the questions involved objectively. Some were concerned in establishing the thesis that the world was ripe for social and economic changes and that Russia under Bolshevik rule presented a most interesting experiment. There were some who examined the experiment critically—others sympathetically. Some books and pamphlets were so manifestly unfair to the Soviet Government and so inaccurate and prejudiced in the presentation of the facts as to call for criticism. They misrepresented conditions and gave currency to falsehoods against which Bolsheviks and fair-minded persons had the right to protest.

Pamphlets and books in ever-increasing numbers have been published for the purpose of not only defending Bolshevism but propagating the communistic faith. Most of these publications have disregarded economic and political conditions, the facts of history and the events which were transpiring in Russia. The zeal of their authors in behalf of Bolshevism led them to pervert the facts, falsifying the records, and support a propaganda intended to deceive the world.

As stated, the Russian question is not settled. In various European chancelleries statesmen are seeking to deal with Russia in a manner compatible with the honor of their country and conducive to the peace of the world. China has been shaken by Bolshevik intrigue, and radical movements in Japan are being fostered by emissaries of Russian communists. What shall be done with Russia is a question not yet answered to the satisfaction of most nations. It is perceived by most that both European and Asiatic problems can not be finally and satisfactorily determined unless Russia participates in the settlement. Recent congresses between various European nations and Turkey found that the specter of Russia was at every council table, and the uplifted hand of Russia was a warning against every contemplated movement. And the chief executives of this Republic and the State Department under Democratic and Republican administrations have been brought face to face with the question "What shall the attitude of this Republic be toward the Bolshevik Government?" A resolution is now pending before the Senate Foreign Relations Committee declaring in favor of de jure recognition of the Bolshevik Government by the United States.

Mr. President, I have upon a number of occasions presented to the Senate my views in regard to Russia and have submitted what I believed to be the facts as to conditions in Russia. My interest in Russia is not new. I have for many years believed that Russia was destined to play a most important rôle in the history of the world. The Slav race, with its genius and strength, its patience and resignation, its capacity for suffering and endurance, its remarkable qualities—subtle, stolid, evanescent, incongruous, and irreconcilable—will powerfully influence the future history of mankind. There are those who believe that as the scepter of authority and greatness has passed from races and nations in the ceaseless tread of the centuries, so sooner or later the scepter of power will be held by the Russian people as the representatives of the Slavic race.

However, it is unprofitable to speculate upon this matter; the important question is, What shall be the attitude of our Government toward the Soviet régime? Mr. President, because of my deep interest in the Russian people and in order that I might more intelligently act upon matters brought to the attention of the Senate, involving the relations of our Government to Russia and her people, I seized the opportunity a short time ago of visiting Russia. Early in July of 1923, in company with the Senator from North Dakota [Mr. LADD] and Prof. A. A. Johnson, of New York, I sailed from New York for Russia. We spent a few days in Germany, where we were joined by Congressman FREAR of Wisconsin. With the party were Mr. Frank Connes, a linguist of ability, who has for many years been interpreter for the Supreme Court of the State of New York (he was familiar with Russia, having been there at various times and also knew the Russian language); Mr. Isaac Don Levine, a journalist of ability and intellectual integrity (having been born in Russia and having traveled extensively throughout that country, he was in a position to be of great assistance in our efforts to obtain a knowledge of conditions in Russia); and Dr. George A. Bowen, of Washington, a young man of ability, who acted as secretary for Senator LADD; Congressman FREAR; Mr. Johnson; and myself.

Leaving Berlin we proceeded to Warsaw, where we remained for a few days and then by train departed for Moscow. We crossed into Russia in the latter part of July, stopping at Minsk and then continued our journey to Moscow. We spent 10 days at this ancient capital of Russia. There we met the Bolshevik leaders, practically all of them except Lenin, whose precarious physical condition made it impossible for him to see visitors. We held numerous conferences with the political leaders and the important officials of the Soviet Government. We spoke with them frankly and freely about conditions in Russia and asked for data showing the industrial, economic, social, religious, and political conditions of the people. We visited churches and mingled with the worshipers. We visited the shops and factories and plants and conversed with the workmen and sought to learn their views and to obtain the facts as to wages paid and the conditions, industrial, social, and economic, by which they were surrounded. To the leaders, as well as to the people, in public and in private and in interviews given to the Bolshevik papers, we stated that our object was to learn the political, industrial, economic, religious, and social conditions existing throughout Russia. It was known in Russia that I had opposed recognition, and Mr. Chicherin had stated when application was made for permission to enter Russia that I was regarded as an enemy of the Bolshevik Government. I stated to him, as I did to hundreds of Bolshevik leaders, that I differentiated between the Bolshevik Government and the Russian people, that I disapproved of communism, and that if the Bolshevik régime persisted in its efforts to enforce it upon the people of Russia, the sorrows of the Russian people would be multiplied and the rehabilitation and development of Russia would be postponed for an indefinite period.

Permit me to state at this point that our party traveled freely without the slightest restraint in all parts of Russia. We were subjected to no annoyances, to no espionage, and no obstacles were placed in our pathway to prevent the fullest and most searching inquiry into the conditions to be found in Russia. We went when and where we pleased, without direction from any Soviet authorities. We were permitted to see substantially everything we asked to see, and there appeared to be no hesitation in replying to all questions propounded, or in furnishing information in regard to any matters of which the Soviet Government had knowledge. I should qualify this by saying that I was not satisfied with the information in regard to the number who had been killed and imprisoned by the Bolshevik Government, nor with the information given as to the activities of the cheka; nor was I satisfied with the information in regard to the propaganda carried on by the Bolshevik Government, the Communist Party, and the Third International. But generally speaking, with reference to conditions in Russia, questions were answered, in most instances, in a frank and satisfactory manner.

Leaving Moscow we proceeded by train easterly to Kazan, the center of the Tartar republic. From there we continued easterly to Ekaterinburg, near the border line separating Siberia and Russia. We visited the building in which the Czar and his family were living at the time of their murder and met some who were familiar with that awful tragedy. If time permitted, it might not be improper to describe the rooms in which the Czar and his family lived, and their surroundings and treatment during their last days, the cellar in which they were killed, and the manner in which they met their death. But others have told the story, which perhaps, is not pertinent to the discussion at hand, so I shall not enter into a description of these matters.

Leaving Ekaterinburg we proceeded southeasterly to Chilyabinsk, crossing the line into Siberia. We visited smelters and mills and mines and learned much of the mineral wealth of the Ural Mountains. From the point just mentioned we proceeded Zlatoust and from thence to Ufa.

Passing on we reached the city of Samara upon the Volga River. It is the center of the famine area in which millions of persons suffered incredible hardships and hundreds of thousands met death from starvation. May I add, in passing, that the horrors of that period have not yet been told. Starvation, cannibalism, death, and awful tragedies swept away villages and almost depopulated provinces.

There our party divided, and a number of us went by boat down the Volga River, stopping at various points, including the city of Saratov. At the important city of Tsaritsen we left the boat and were there joined by Senator LADD. In the journey thus far we had crossed Russia, traveling thousands of miles, had penetrated and passed through the Ural Mountains into Siberia, had crossed through the Tartar States and met with millions of Mohammedans, and had been carried by boat upon the majestic bosom of Mother Volga, beloved by all Russians and regarded with much the same reverence as the Ganges River is by the people of far-off India. From Tsaritsen we went by train to Rostov on the Don River, a beautiful city situated at the head of the Sea of Azov. From there we proceeded southeasterly to the trans-Caucasus district. Leaving the train at Vladikavkaz, we crossed by auto the range of mountains separating Asia from Europe.

The Caucasus Mountains are famed for their beauty and grandeur. To the ancient world heroes, gods, and demigods inhabited them, and they were the silent witnesses of sanguinary conflicts between savage and contending armies many hundreds of years before the Christian era.

Emerging from the mountains we soon entered the city of Tiflis, often called the "Paris of the trans-Caucasus." We visited Armenia, the little State which has been absorbed by the Bolshevik Government. We went to Alexandrapol, and there saw thousands of orphans who were being cared for by the charity of the American people. Their fathers and mothers had been victims of the war and the cruelties of Turkish armies and fanatical Moslems. We approached the boundary separating

at luncheon. The understanding was that we would take up

but propagating the communistic faith. Most of these pub-

and social conditions existing throughout Russia. It was

fanatical Moslems. We approached the boundary separating

Turkey from Armenia, and looked toward the south where could be seen the shining heights of Mount Ararat. Traveling eastward we reached Baku, the center of the famous oil fields, a most interesting city, which looks proudly out upon the Caspian Sea.

The trans-Caucasus district is full of interest. Here are the descendents of peoples whose origin is lost in the shadows of the past. Here are the remnants of the Armenian race, whose origin can be traced hundreds of years before Athens reached the zenith of her glory. Here are to be found the Georgians, a heroic and proud people, who trace their lineage back to a period before civilized man appeared in Europe. Tartars and Turks, and Kurds and Persians, and peoples of many tribes and races inhabit this ancient and mysterious land, over which for centuries passed the invading and retreating forces, which had their origin in the deserts and mountains of Asia. The changing scenery, the physical beauty of the country, the polyglot population, the variety of life and customs and habits—all these are inviting subjects upon which one might dwell if time permitted.

After examining the Baku oil fields and mingling with the Tartar and Turanian peoples who so greatly preponderate in Azerbaijan, we continued our journey along the borders of the Caspian Sea for hundreds of miles. Leaving this beautiful sea we continued by train northwesterly to Rostov on the Don. From there we went to the Donetz coal basin, where we visited coal mines, conferred with miners and peasants, and studied industrial conditions. We spent some time at Harkov, a city of importance and the Bolshevik capital of the Ukraine; then proceeded westerly to the renowned city of Kiev. This was the former capital of the Ukraine, the richest agricultural section of Russia. If time permitted much could be said concerning this vast territory with its rich, black soil, its hundreds of villages and towns, and its millions of people.

From there we proceeded northwesterly to Moscow where we remained for some time. From Moscow I proceeded to Petrograd, then by boat, sailing out upon the Baltic Sea, I continued my journey to Germany.

Our party separated at various points in Russia in the endeavor to cover as much territory as possible and come into contact with as many people as possible. I remained in Russia some days longer than Senator LADD and Congressman FREAR. Our travel through Russia and into Siberia consumed more than eight weeks, and covered the most important parts of European Russia. An examination of the map will show that we traveled approximately 8,000 miles and visited the most populous and, as stated, the most important parts of Russia. We spent weeks among the peasants, visiting their homes and their villages, and seeing with our own eyes their condition and learning from their lips their views and opinions upon the various matters which we were investigating. We saw their poverty and squalor and learned of the hardships which they had encountered and the tragedies through which they had passed. I visited their fields, examined their crops, handled their primitive agricultural implements, and learned of the obstacles which they have to encounter and the problems which confront them. They told me of the wrongs which they had endured; of the burdensome taxes and illegal exactions to which they had been subjected; the horrors of the famine through which they had passed; and the hopes and the fears which they had for the future.

I saw little patches of land which were being cultivated by men, women, and children, who had no horses or suitable agricultural implements, and would do with their hands and rude implements what should have been done with modern machinery, tractors, and horses. I visited men in the factories and mills and mines, and went into the homes of workmen, conversed with their wives and children and learned something of their sorrows and problems. I talked with the droshky men upon the streets and with men and women who were repairing railroad tracks—and may I add that women were doing most of such work. I visited residences and apartment houses in cities and towns and learned how the people lived, and obtained information as to their wages, employment, habits, and social conditions. I visited shops and talked with the proprietors and those who were purchasing commodities. I went into the Government stores and factories and institutions and met hundreds, if not thousands, of employees of the Government who worked therein. I visited railroad shops and stations, and various Government institutions, including post offices, telegraph, and telephone stations. I mingled with students in the universities and schools and talked with them and learned their views concerning Russia and Bolshevism and upon questions affecting Russia and the world. I met professors and doctors and lawyers and publicists and teachers and men and women of culture and education whose lives, since the war, had been an unending series of sorrows and unspeakable tragedies.

I met Tichon, head of the Greek Orthodox Church, and leading prelates who were supporting him. I talked to Krasnitczky, who was the principal figure in the Living Church, and conferred with priests who were giving support to the new church movement. Throughout Russia I met priests of high and low degree and learned of their views and of the issues which confronted the church. I visited priests who were imprisoned, and many who had escaped death and had been freed from dungeons and the hands of the cheka.

In the Moslem region through which we passed, I met thousands of Mohammedans; I visited them in their mosques, at their fairs and market places and talked with their religious teachers, learned their attitude toward the Bolshevik Government and the economic and political problems which they were called upon to encounter.

I visited military stations, conversed with officers and soldiers, talked with officers who served under the Czar and were now occupying positions in the red army. I saw military maneuvers, both of infantry and cavalry; I met Bujenny, perhaps the most famous cavalry leader of Europe, and witnessed the movement of some who had followed him in his swift and victorious attacks. I visited leaders of the Bolshevik Government and discussed with them in the frankest possible manner the history of Bolshevism, its mistakes, its crimes, its inefficiency, and the economic confusion and industrial chaos which was to be found in Russia. I criticized their confiscation of property, their oppressive measures, their denial of the right of free speech, and of the press, and what I believed to be reactionary economic and political policies which they pursued. I attended banquets given by the Bolshevik leaders in various parts of Russia and spoke frankly and plainly to them pointing out what I conceived to be the weaknesses and imperfections in their system of government and the evil consequences which inevitably must result. I listened to eloquent speeches from able and cultured Bolsheviks and was convinced of the sincerity and earnestness of many and their desire to bring about better conditions than had prevailed under the Czar and to promote peace and happiness among the Russian people.

Mr. President, I think it can be truthfully stated that no party visiting Russia since the Bolsheviks came into power had as favorable opportunities to see Russia and learn of the conditions of the Russian people as did the party of which I was a member. We had able American interpreters who were acquainted with Russia and the Russian people, and we could thus obtain trustworthy interpretations of our interviews with those whom we met, but who did not speak our language. Our extensive travels brought us into contact not only with the cities and industrial and manufacturing sections of Russia but indeed with all parts of the country. We saw perhaps millions of Russians and conversed with thousands. We traveled both day and night and did not spare our strength, and indeed jeopardized our health by the constant, unremitting, and strenuous efforts which were put forth. With carts and primitive means we went into the rural districts, seeking to learn the minds and psychology of that part of Russia's people, the peasants, who constitute perhaps 85 per cent of Russia's population and whose power will ultimately determine Russia's fate.

Much might be said concerning the Soviet leaders and their qualifications and our interviews with them. Chicherin, Krassin, Kalinin, Trotski, Tomsky, Schmidt, Radek, Rykov, these and many others with whom we spoke are most interesting types and possess ability and qualities which challenge the attention of all who come in contact with them.

My interview with Kerensky, who is now in Berlin, where he edits a paper devoted to the interests of Russia, was not without interest and profit. I was impressed with his ability and his intellectual strength. He believes in Russia and exhibits no doubt as to her progress and ultimate emancipation from Bolshevik rule. However, he is opposed to any interference by other nations in the internal affairs of Russia. He stated that the Russian people must and would solve their own problems and that the evolutionary forces operating in Russia would push back Bolshevism until it would be lost in the great tide of progress which would sweep over the land.

If Kerensky had been less a Menshevist and had possessed more of audacity and perhaps a little more of cruelty at the critical juncture, his government would have been saved, and the Bolsheviks would have failed in the successful coup which they executed. In Berlin I met many Menshevists and Social Revolutionists and Russian intellectuals and bourgeoisie who had been driven by the Bolsheviks from Russia and who were

awaiting, some with patience, many with impatience, the day when they might return to their beloved Russia.

While in Russia I also met many who had been members of the Menshevik, Social Revolutionary, and Social Democratic Parties. Most of them had been silenced and lived in fear, content, for the moment at least, to be left alone and to be permitted to obtain food for themselves and families and clothes to hide their nakedness. I conversed with some who were in prisons; and also there met anarchists who had been convicted, or who were awaiting trial.

Mr. President, I have mentioned these matters to show the opportunities presented to learn the truth about Russia and to ascertain the facts as to conditions there existing. I want to repeat that the members of our party had the fullest liberty to study the situation in Russia. The Bolshevik leaders were courteous and considerate. They gave full opportunity to see Russia and learn of the weaknesses, imperfections, mistakes, and evils of Bolshevism. Undoubtedly they would have been gratified if each member of our party had approved of the Soviet Government and its policies, but they believed that we had gone there to learn the facts and that we intended to discover them with our own eyes and see them in our own way. Foolish statements were wired by irresponsible newspaper reporters to the effect that the Bolsheviks were "staging," or "setting up," situations to deceive members of our party, or were making efforts to conceal shocking conditions or matters which would be offensive and distateful to us.

Nothing of this character occurred. We saw Russia as she is. The picture has many ugly and hideous features. There were dark shadows, and there were rays of sunshine. The picture is so huge, Russia is so vast, the forces operating are so numerous, and their courses are so sinuous and labyrinthine that one is bewildered. One can learn much in Russia, vast and mysterious as she is, with the opportunities which I enjoyed, but to know Russia, to be a true interpreter of the Russian people, one must spend not months but perhaps years in that country.

I went to Russia with a feeling of profound sympathy, indeed with a deep affection, for the Russian people. I left Russia with still greater sympathy for the people and with undiminished affection for the millions of struggling people whose pathway, for many years to come, will be strewn with thorns and upon which will be left the impress of their bloody feet, recording the march of Russia toward the heights where there is sunlight and where peace abounds.

Mr. President, since my return from Russia I have been requested by Senators and a number of persons to address the Senate upon the Russian question. The pendency of the resolution declaring in favor of recognizing the Soviet Government, and the fact that the Senator from Idaho [Mr. BORAH] has spoken in favor of the resolution, as well as the fact that hearings will soon be had before the Committee on Foreign Relations, together with the requests to which I have just referred, induce me to take the floor and to present at some length my views concerning the Russian situation and some of the facts which I learned upon the occasion of my visit to that country. In the views I express I speak only for myself, not for other members of the party.

For more than a thousand years what is now known as Russia has been a land of fable and mystery, of sorrows and tragedies. For hundreds of years, when under Mongol rule, it was cut off from Western Europe and, indeed, from the world. It has been the theater of titanic conflicts between different races. Asiatic hordes—Mongollans, Tartars, and Turks—have swept through its forests and over its steppes and deserts and plains, and for many generations exercised control from the Baltic Sea to the Pacific Ocean and from the Arctic Ocean to Peking and the Himalayas, and the nations of western and southern Europe as they emerged from medievalism felt the influence of this fabled land and its extraordinary people.

From the days of Peter the Great to the World War Russia made nations tremble and created fear and anxiety among the peoples of two continents; and, whether from unfounded fear or from a true prognosis of the revolution and its consequences, there are still many nations that regard it under Bolshevik rule as a sinister and malignant force in the world.

A brilliant writer, Mr. Henry C. Norman, former member of the British Parliament, asks the question, "What is Russia?" and in part replies:

> Siberia is Russia—5,000,000 square miles in which whole countries are a quivering carpet of wildflowers in spring, a rolling grain field in autumn, an icebound waste in winter, stored full of every mineral, crossed by the longest railway in the world, and largely inhabited by a population of convicts and exiles. * * * It would be easier to say, "What is not Russia?" In world affairs wherever you turn you see Russia, whenever you listen you hear her; she moves in every path; she is mining in every claim; the "creeping murmur" of the world is her footfall—the poring "dark" is her veil. To the challenge of the nations as they peer from their borders, comes the same reply—"Who goes there?" "Russia."

The territorial extent of Russia is so vast as to be bewildering. Without the Caucasus district European Russia contains nearly 2,200,000 square miles. Before Turkestan, Bukhara, and Khiva passed under its control Russia's area was more than 8,000,000 square miles. When it is remembered that the whole of Europe, excluding European Russia, contains but 1,724,300, and that Russia's area approximates 8,500,000 square miles, the immensity of Russia becomes apparent and compels the admission that she is and will continue to be a mighty force and power in the world. An examination of a map of Asia and Europe will surprise even careful geographers, because it will so strongly emphasize the bigness and vastness of this Bolshevik State. From the Ural Mountains, which divide European from Asiatic Russia, to the Pacific Ocean, which washes the eastern coast of Russia's possessions, is a distance of nearly 4,000 miles, and from the Arctic Ocean to the boundary separating the Chinese Empire from Russian territory it is nearly 2,000 miles. Great rivers rising in China flow northerly and find outlets more than 3,000 miles from their source. Before the war these rivers bore upon their bosoms great merchant fleets carrying to European nations not only the products of Asiatic Russia but also important commodities produced in China.

Russia is not only of the West but also of the East. While preeminently a Slav state, partaking in particulm of the spirit and culture of Europe, she is of the East and is caught within the subtle and mysterious influence of the Orient.

Adventuresome sons of Russia but a few centuries ago—1581—passed beyond the Urals. The Stroganoffs, a powerful Russian family, sought to penetrate that unknown land. Vasaff, the Boatman of the Volga, began the conquest of western Siberia. He seized the city of Sibir, which constituted the capital of a Tartar chief, and brought extensive territory under the domain of the Russian Crown. Others followed the advancing Russian tide, and within 70 years the Arctic Circle had been reached, and the banks of the Amur River, the waters of which find their way into the Pacific Ocean, constituted the eastern boundary of the Russian Empire. The outposts of the Chinese Empire were challenged by a new power. A new force was at their door and the Orient was threatened by a new master.

No further Asiatic conquests were made until the time of Alexander I. He brought tribes and peoples under his dominion, extended his power to the trans-Caucasian States, and then turned his eyes to the east, where he sought further conquest. In 1847 General Muraliev became governor general of eastern Siberia. He pushed onward, carrying the flag of Russia until the Pacific was reached, and the outermost bounds of Siberia brought under the dominion of the Czar of all the Russias. And to-day Siberia, containing nearly 5,000,000 square miles, lies like a crouching lion over torn and distracted China. The trans-Caucasian states have been added to Russia's imperial domain. Turkestan has been annexed; Bukhara and Khiva acknowledge the supremacy of Russia; Persia, like ripe fruit upon the tree, sooner or later will be gathered by this expanding nation; Afghanistan is in the pathway of Russia's development. Turkey, Mesopotamia—are they not but passing figures, yielding to Pan Slavism, which many believe to be the coming power not only in Europe but in the Far East? Notwithstanding the claimed pacific character (by some) of the idealogy of communism, the Bolshevik Government is a militant force, pushing forward and onward the flag of Russia, whether it be red, as the symbol of revolution and conquest, or whether the sunlight of peace and freedom transforms its color into golden sunlight.

Japan's recent catastrophe, while it excited profound sympathy among the Russians, was by some regarded as the removal of an obstacle to Russia's expanding power in Asia and in the Pacific.

The fanatical and doctrinaire communists, when they obtained control of Russia, believed that the proletarian movement would encircle the earth. They envisaged capitalistic nations in ruins, through the revolutionary outbreaks of proletarian forces, and the establishment of proletarian dictatorships in all lands, integrating and uniting with the Bolshevik Government of Russia. They sought to arouse the "class consciousness" and incite hate against the bourgeoisie; they extensively propagandized in many States and expended liberally of the funds which they had seized to overthrow the struggling republican Government of Germany, the new government in Hungary, and the constituted authority in other

States. Their call for a world revolution was not answered as they had expected; and as the working classes in Europe and in other countries rejected Bolshevism they reluctantly came to the conclusion that their paramount immediate task was to tighten their grip upon Russia and the Russian people and consolidate the gains which they had made. Nevertheless, they continued their propaganda wherever possible and unintermittingly proclaimed their purpose to destroy the capitalistic governments of the world. To many countries they sent their emissaries and expended large sums to spread communist principles, foment industrial strife, paralyze economic development, overthrow governments, and promote world communism. As the triumph of communism in the world appeared more remote there was developed in Russia, even among Bolshevists, a "nationalistic spirit," a spirit which for centuries has been in the Russian heart, which even Bolshevism could not eradicate, and to which it not only has succumbed, but added strength. Some of the leaders of the Bolshevik Government perceived that the gains of the Bolsheviks in Russia would be lost and the government overthrown unless concessions to capitalism and the normal processes of life were made, and unless the government developed sufficient strength to meet internal evolutionary forces and impress external powers with the vitality and vigor of its organization and system.

The economic chaos which existed in Russia, they had the perspicacity to see, would end in revolutionary movements, not only by the peasants but by the workingmen and the submerged bourgeoisie. Therefore, many of them, with zeal but not with intelligence, addressed themselves to the economic and industrial revival of the State and to its preservation as a political entity. They concluded that to save Bolshevism from destruction involved the saving of Russia. Perhaps they did not know this meant a repercussion of capitalism and nationalism, and that if Russia was saved, saved economically and morally, Bolshevism would in the end be destroyed. While there was a flood of pamphlets published by the Bolshevik rulers in which the theories of Marxian communism were explained and elaborated and glorified, and while conferences and conventions were frequently held at which Bolshevik orators proclaimed their abhorrence of nationalism and of any policies calculated to preserve states as such and races and peoples from an international gregarious mass, they nevertheless gave heed to some rational plans suggested by a few men who foresaw ruin to Russia and to the Bolshevik régime if the fantastic views of the Marxian internationalists were adhered to.

And so, much of the enthusiasm which had been devoted to the exposition of the communistic creed and to the bringing about of a world revolution was transferred to the task of strengthening locally the Bolshevik régime and developing the languishing and, in most cases, the destroyed industries of Russia, although in so doing it meant the awakening of the old and the inextinguishable spirit of Russian nationalism and Pan-Slavism. Representations were made that the capitalistic nations of the world were arrayed against Russia and only waited the favorable moment to devour it, and that it was imperative that the Russian people should unite, under the leadership of the Bolsheviks, to strengthen and rehabilitate it industrially and economically, and so enable it to protect the Russian people and save the country from the wicked designs of imperialistic and capitalistic nations.

The paradox was presented of a governing group which denounced nationalism and patriotism and love of country and sought by world revolution to destroy all nations and establish throughout the world a class government, developing a nationalistic spirit among those whom it governed.

The Russian people, long before the days of Peter the Great, sought to build a powerful state, to extend its boundaries, and to be a dominating force in the world. With the expulsion of the Mongolian rulers the succeeding Czars added territory to their possessions, extended their authority over Tartar tribes and divers people, and inculcated in the hearts of the people an imperialistic spirit which has always remained with the Russian people, whether peasant, or priest, or intelligentsia. Mensheviks and social revolutionists, as well as Bolsheviks and those professing devotion to an internationalist creed, have great pride in the territorial gains of Russia and the expanding power of the Russian State.

The present course of the Bolshevik Government is based upon the formula that a great and powerful Russia is desired, primarily to advance the cause of world communism, but also to preserve communistic gains in Russia. The Bolshevik régime is proud of its power, elated over its conquests, and is planning for further territorial gains and is asserting strong nationalistic policies. There can be no criticism of a policy which seeks to develop among the people a love of country and that fine spirit of patriotism which is always found among those who love liberty and justice and have courage to defend the same, and if the communists were guided by that spirit many of their problems would soon be solved.

I encountered some internationalists in Russia of whom it could be truthfully said they were not patriotic Russians, nor did they possess that proper nationalistic spirit which finds expression in devotion to country and loyal service to the state. But speaking generally, the Russian people are passionately devoted to their country; their sorrows and tragedies have only intensified their love for their motherland, which to them is the promised land.

THE COMMUNIST PARTY AND THE BOLSHEVIK GOVERNMENT

When the Menshevik government of Kerensky was overthrown, Lenin had a political organization, compact and determined, which seized all authority and set up a communist government. There was no pretense that the will of the people should be regarded or that the wishes of the majority should prevail. Repeatedly, since the seizure of authority, the Bolshevik leaders have declared that the government was, and would continue to be, a dictatorship and that it would be directed by members of the Communist Party.

They scoffed at the idea of a democratic form of government, or of submitting to a vote of the people any question relative to the form of government under which the people were to live. Euphemistically, it was stated that it was a "soldiers and workman's government," and more recently it is declared to be a government of the "peasants and workmen." In fact, it was, and is, a government of the Communist Party. At no time have the wishes of the people been consulted. It is not intended now or in the future that their voice shall be heard in the affairs of the government under which they live.

The existence of any other political party is not possible. Indeed, none would be permitted. I asked Chicherin, Kamenev, and other Bolshevik leaders whether a democratic party or any other political party would be permitted, and in every instance the reply was in the negative. Meetings or gatherings for the discussion of political or governmental or economic questions in opposition to the policies or program of the Bolshevik Government are regarded as counter-revolutionary and subject the participants to immediate arrest and imprisonment, and perhaps execution. Thousands of the Menshevik Party and the Social Revolutionary Party have been driven from Russia, many banished to Turkestan or to the Arctic regions, large numbers are in prison, and many have been executed.

Members of these parties suffered cruel persecutions at the hands of the Czar's government. But most of them sought only legitimate and proper reforms and greater liberty for the people. The Mensheviks were followers of Karl Marx, but interpreted Marxian philosophy differently from the Bolsheviks. Some members of the Menshevik and Social Revolutionary Parties, when the Bolsheviks triumphed, and particularly when persecution came, joined the Bolshevik Party; still others, fearing persecution, concealed or denied their faith and have scrupulously abstained from any political activity, content to live and to be let alone, and to have opportunity to procure food and clothes for their families.

When in Tiflis a conference was being held with considerable ostentation and no little journalistic display in the Bolshevik press, of a number of so-called Mensheviks and Social Revolutionists—some of whom it was reported had just been released from prison—for the purpose of "disbanding" any remnants of these organizations. The gathering had the appearance of having been "staged," and a number of intellectuals who were opposed to Bolshevism and who had been former liberals and Mensheviks stated to me that the gathering had been arranged by and under the direction of the Bolshevik Government. There was a formal resolution of dissolution of the parties.

There is in Russia no freedom of speech or freedom of press; nor can there be, under the present régime, any public or free discussion of political or governmental questions. Several of the Bolshevik leaders were asked whether the publication of a newspaper would be permitted that did not support, either actively or negatively, the Bolshevik régime. Their answer in every instance was "no." One leader justified the suppression of free speech and free press and the exercise of the despotic power wielded by the Bolshevik Government by saying that the Bolshevists regarded the situation as "still one of war." That this fiction will be adhered to for an indefinite period is manifest, but the flower of liberty is growing and the people will ultimately compel reforms. When asked if a constitutional convention or a national assembly was to be called to draft a constitution or agree upon a form of government, the Bolshevik leaders unanimously declared that there was no such intention.

A strict censorship extends to all letters and written communications as well as to telegraph and telephone messages. All letters written or received by me while in Russia passed through the hands of the official censors. No business activities can be carried on by private persons, even though they have concessions from the Government, or special contracts or privileges (which involve the use of the mails or the telephones or telegraph), without the censors knowing of the same. This knowledge of the condition and business of all who are engaged in private enterprises is imparted to those officials who are conducting governmental concerns of the same character, and this places the private business man at a serious disadvantage.

Any act upon the part of any person or group of persons which is interpreted by the Bolshevik leaders or the local Soviets as inimical to the Communist Party or the Bolshevik Government, is regarded as counter-revolutionary and results in imprisonment and often death. The writing of a letter in Baku to a person who had made inquiry concerning property which had been confiscated by the Bolshevik Government was considered a counter-revolutionary act and led to a death sentence by the Cheka. Intercession by a number of persons secured a reprieve.

A hopeful sign is found in the fact that there is a steady increase in the number of newspapers published in Russia. The number of daily newspapers is 900, and there are 35 weekly and 60 monthly publications. The aggregate circulation of all papers is 2,000,000 copies. The Isvestia's daily circulation is 200,000. This paper is the organ of the Bolshevik Government. None of these publications oppose the Government. All are subject to its control. All printing plants and equipment were nationalized and are operated and controlled by the Government. Not only the newspapers and magazines, but also all books that are published, are printed in the Government establishments. It should be added, however, that from some of these printing establishments excellent literature is now emanating. Whitman, Jack London, O. Henry, and Upton Sinclair are read more extensively than any other American authors, and some of their works have been translated into Russian and issued from the Government printing houses.

No private printing presses of any kind are or would be permitted, so that nothing can be printed that is not approved by the Government. To print or circulate any paper, pamphlet, or book not authorized by the Government is a counter-revolutionary act the punishment for which may be death.

In all cities and towns numerous bookstalls and stores are found. In Moscow there are scores of small stands and shops where pamphlets and magazines are sold. These publications relate almost exclusively to the revolution, giving the Bolshevik view, or are devoted to the exposition of Marxian philosophy and the achievements, aims, and purposes of the Bolshevik régime. In a few book stores were found a variety of books, published before the war, a few in English, many in French, some in German, and others in Russian.

Foreign newspapers are not admitted into Russia, although a short time before my departure it was learned that a few German newspapers were admitted. However, no impediments are offered to the introduction into Russia of revolutionary papers published in Germany or other countries. Various Bolshevik departments, however, receive leading newspapers published in Europe, the United States, and other countries.

The membership of the Communist Party varies. The largest membership was approximately 700,000; it is now about 400,000. Many have been expelled from the party, and communist officials stated another "purging" of the party would soon take place, as many members had violated party discipline or had been accepting bribes or had been guilty of graft and corruption in connection with their official duties or had found the obligations of the party too onerous to be performed. Members of the Communist Party are subjected to iron discipline. They are, in every sense of the word, soldiers subject to orders which may not be disregarded. Frequently communists were met who had been ordered to remote parts of Russia or had been brought from distant points for service in Moscow or in other parts of the country. Most of the commissars of the local Soviets were nonresidents of the provinces or districts which they served, but had been sent for official work, theoretically by the government but actually by the Communist Party.

The key positions in the government are held by communists, and practically the heads of all trusts and industrial enterprises are members of that party. In visiting an important coal mine, where skilled engineers and operators were required, a youthful communist, lacking in technical knowledge or experience, was at the head. No matter how important the industry, an active communist will have charge of its operations, though he may lack technical skill or the requisite executive ability. The government is compelled to rely upon noncommunists to furnish the technical knowledge and administrative ability in substantially all activities, whether political or industrial.

The communist leaders have been careful and discriminating in selecting members for admission into the party. They have preferred a limited membership, believing that the organization could thus act more effectively in the execution of the common purpose and in retaining undisputed political power.

There are in Russia, however, perhaps tens of thousands of persons who believe in communism and declare that they are communists. Many have sought and are seeking admission into the Communist Party organization, but their admission is deferred pending a probationary period, in which the applicants may conclusively demonstrate their devotion to the communist creed, their loyalty to the Bolshevist Government, and their fitness for service in the party. A further reason for restricting admission is because, as stated, the communist leaders desire a small, thoroughly disciplined, fighting, militant organization.

That communism is growing in Russia is undoubtedly true. The disintegration of the other political parties added to the strength of the communists. Moreover, as was stated frequently by workmen and others, the communists have privileges denied to others, and those employed in the Government service who are in the party or who are communists and seek admission into the party are greatly favored over the so-called "nonpartisans." When forces are reduced, as they have been in many departments, the bourgeoise and noncommunists are the first discharged. Members of the party are always sure of positions, and the active communists outside the party feel assured that their interests will be better guarded and protected than if they did not evince interest in communism and faith in its creed. It is not infrequent to find persons of the communist faith replacing former employees of the Government, or those who were known to be unsympathetic toward the philosophy of Marx.

An active campaign is being carried on to increase the membership of the Young Communist Party and it was frequently told me that the number exceeded 1,000,000. Many inducements are offered to young men to become members of this organization. Many beautiful and commodious buildings which had been confiscated by the Bolsheviks have been converted into clubhouses for workingmen and young communists. They become the centers of amusements and recreational activities and movements for the teaching and glorification of Marxian philosophy and the leaders of the Bolshevik Party. Many young men, first out of curiosity, visit these clubs, and later, for various reasons, become members. Gratuities and rewards of various kinds are often given to stimulate membership. And the sons of workers in the factories and shops and railroads, as well as the members of these clubs, are favored in making selections for entrance into the higher schools and educational institutions.

Political and communist teachers are active in these organizations, the result being that the children in the larger villages and towns and cities live constantly in contact with communist teachings and are brought within the influence of communist organizations. In the smaller villages and in the homes of the peasants the communistic influence is not so pervasive, although in the village schools, as well as in all schools, its teaching is compulsory. And in villages where communists are found they constitute the political or governmental officials and administrative officers. In this situation it is not surprising that many Bolsheviks express supreme faith in the conversion of the children of this generation to the creed of communism. The conferences of the Communist Party are devoted principally and almost entirely to a discussion of what the policies of the Bolshevik Government shall be, and how the will of the Communist Party as expressed shall be enforced through the Bolshevik Government in Russia and elsewhere. Likewise the international aspect of communism is considered, and how and in what manner the capitalistic governments of the world may come under the control of an international Communist Party.

A committee with supreme authority is selected by the Communist Party. That committee at present consists of Trotski, Dzerzhinsky, Bukharin, Stalin, Rykov, Kamenev, Zinoviev, and Tomsky, and alternates are chosen to act with the executive committee and to take the places of any who may be disqualified or absent. Among this number are Kalanin and

Radek. I should state, however, that several officials in the Soviet Government told me that this committee consisted of but seven members. Lenin, who died but a few hours ago, was a member of the committee.

An examination of a list of the officials in the Bolshevik Government will show that they are, in the main, the executive committee of the Communist Party. Trotski is the Commissar of Military and Naval Affairs; Dzerzhinsky is Commissar of Transportation and Acting Commissar of the Interior; Rykov is chairman of the supreme economic council and also acting premier and acting president of the council; Lenin was president of the council of commissars; Kamaneff is the acting president of the council and acting premier, and also head of the Moscow soviet; Kalinin is president of the central executive committee of the soviets and usually called the president of the Bolshevik Government. It is the Communist Party which selects individuals for the various positions in the Bolshevik Government and for the various soviets or local organizations in all parts of Russia. The foreign or domestic policies of the Government are determined not by officials of the Government as such, but by the Communist Party, which is the source of authority and power and from which emanate the final orders to govern the conduct of Bolshevik officials and the course of the Bolshevik Government. Krassin as Commissar of Foreign Trade in the federal Government and Chicherin as Commissar of Foreign Affairs, and Sokolnikov as Commissar of Finance for the Government; indeed, all officials, high and low, are amenable to the Communist Party and must act conformably to its instructions. The communists state that they made and won the revolution, that they set up the present Government, and that they intend to control it and to control Russia and her people and to enforce the political and economic doctrines of Karl Marx.

There are no scruples in the use of force or the military arm of the Government to execute their purposes. They frankly state that the people are not competent to govern themselves; that a dictatorship is needed; and that the communist principles can only be made effective in Russia or elsewhere through a coherent, well-organized, and thoroughly disciplined minority who are ready and willing to fight to maintain their power and to enforce their policies. The so-called autonomous Republics of Ukraine, Georgia, and others are powerless before the central government and execute its orders.

It has been said that the new constitution adopted July 6, 1923, has resulted, or will result, in material changes in the political structure of Russia. A critical examination of the new constitution will demonstrate that the power of the Communist Party is not diminished or the rights of the people extended. Under the constitution Russia is still a communist state governed by the Communist Party. It uses the machinery provided by the new constitution to execute its will.

It states that:—

The Russian Socialist Federal Soviet Republic (R. S. F. S. R.), the Ukrainian Soviet Republic (U. S. S. R.), the White Russian Socialist Soviet Republic (W. R. S. S. R.), and the Transcaucasian Socialist Federal Soviet Republic (the Socialist Soviet Republics of Azerbaijan, Georgia, and Armenia) hereby unite into one Federal State—the Union of Socialist Soviet Republics.

Theoretically these political states or Republics are independent, but the constitution gives them no greater power than they have enjoyed in the past. An analysis of this new constitution shows but little authority is possessed by the associating states, and how perfectly the instrument is drawn to perpetuate in power the communist group and their successors who are in political control of Russia. This constitution was not ratified by the people, but it is, nevertheless, superimposed upon them. The important provisions of the constitution were directed toward the creation of a small body of individuals with supreme executive, legislative, and judicial power. The so-called "contracting republics" are required to modify their constitutions to conform with the one under consideration.

Executive committees are created by the constitution, and these are then selected by the Communist Party. These committees govern Russia under the Communist Party. The constitution provides for a supreme court for the "maintenance of revolutionary law," but it is made the creature of the executive committee, which may also "suspend or set aside decrees, regulations, and orders of its presidium, the soviet congresses, and the central executive committees" of the so-called Republics constituting the union, as well as of other governing bodies throughout the entire territory of Russia.

One of the darkest pages in the history of the Bolshevik Government relates to the extraordinary commission, or what is known through the land as the "Cheka." This was a political organization or agency which spread terror throughout Russia, arrested, imprisoned, and executed tens and, indeed, hundreds of thousands of persons, and ruthlessly reduced the Russian people to a condition of terror and slavery. It had a most perfect system of espionage and executed the orders of the leaders pitilessly, silently, and effectively. Men, women, and children disappeared and no one knows whither they have gone; many never returned. Relatives and friends were afraid to make inquiry. They were the victims of the Cheka. No one will ever know the number of victims. The figures published by the London Times and other newspapers—European and American—state that the official figures of the Cheka show executions up to February 22, 1922, to have been 1,766,168. Of these 6,675 were professors and teachers, 8,800 doctors, 355,250 other intellectuals, 1,243 priests, 54,860 officers, 260,000 soldiers, 59,000 policemen, 12,950 landowners, 192,360 workmen, and 815,000 peasants.

Numerous inquiries made by me of Bolshevik officials, as to the number of executions, elicited no satisfactory reply. Some stated that it was impossible to determine the number imprisoned, banished, or executed, and that many executions attributed to the Cheka ought rather be charged to the civil war and the excesses which it developed. They also stated that most of the peasants executed met their death in resisting the execution of food levies ordered by the government and in revolts precipitated by peasants in many villages against the Soviet Government. Undoubtedly it would be unfair to attribute to this political organization (Cheka) the execution of all of the numbers within the various classes above referred to.

That hundreds of thousands were executed by the Cheka there can be no doubt. It had an army at its command and its spies and agents were in every part of Russia. There were local and provincial Chekas, and they were often under the control of cruel and inhuman monsters. That was notably true in Petrograd, where a woman for a time ordered the executions, and in Odessa, where, following the occupation of the city by the Red army, more than 20,000 were butchered within two or three days. The trail of the Cheka is a sinuous and a bloody one, and its crimes weigh heavily upon Russia.

The time came when even the Bolsheviks who had created this dreadful monster became afraid of it. Instead of its being a Saturn, devouring its own offspring, it threatened to be a monster seeking to devour its own mother. And so its powers in all parts of Russia, except the trans-Caucasian States, were curbed, and by decree its power to decree death was abolished. However, in Georgia, Armenia, and Azerbaijan the Cheka still flourishes. Eighty-four men were executed at one time but a few weeks before our party reached Tiflis.

The head of the Trans-Caucasian Soviet Government seemed bored when interrogated as to the activities of the Cheka. He defended it and its arrests and executions of individuals without trial and in secret. At a banquet given by the soviet organization, at which a communist from America and a Japanese communist—both representatives of the Third International—were present, our party was introduced to the "Head of the cheka" of the Georgian state. Of the 84 just referred to who were executed, some were intellectuals and men of unblemished reputation. They had criticized Bolshevism, and others were a few of the hidden and scattered remnants of the Menshevik Party. It was charged that others of the number had been arrested in the woods and mountains where they had been hiding to escape arrest and death, and upon discovery they were promptly executed as bandits.

Assurances were given our party, however, that the purpose was to restrict the authority of the trans-Caucasian Cheka and limit the power of the organization as it had been limited in other parts of Russia.

There was great rejoicing throughout Russia when the power of the Cheka was restricted, and it was with profound regret that some communists and all the Russian people found that in the new constitution a provision was inserted which revived the Cheka, though with diminished authority. Article IX—paragraphs 61 and 62—of the constitution is as follows:

61. In order to unify the revolutionary action of the contracting republics in their struggle with the political and economic counter-revolution, espionage, and banditism, a joint state political department is established, attached to the Union Council of People's Commissaries; the chairman of this department is a consultative member of the Union Council of People's Commissaries.

62. The Union state political department controls the work of the local branches of the State political department through its representatives in the Council of People's Commissaries of the contracting Republics; these representatives act in accordance with special and legally ratified regulations.

This constitutional provision did not meet the progressive spirit which was slowly developing throughout Russia and was

a triumph of the extreme left of the Communist Party and a backward movement toward the shadows and the horrors of the past; it perpetuates the fiction that the Bolshevik Government is still at war, not only with capitalistic nations but with the Russian people, and thus becomes the pretext for despotic and cruel edicts and the subjection of the people to a system of espionage and military oppression intolerable to those who have any love of freedom or regard for justice.

Under this constitutional provision Dzerzhinsky, who perfected the Cheka organization and directed its cruel and sanguinary activities, was placed at the head of this so-called "State political department." He has organized this department precisely as the Cheka was organized. There are tens of thousands of his agents and spies throughout Russia. The organization is known as the "G. P. U." There is also a branch of this organization, or a minature or parallel one, connected with the transportation system, of which Dzerzhinsky is also the head.

This vast army constitutes the eyes and ears and the silent but powerful hand of the Bolshevik Government. The very walls seem to be its listening ear, and the footfall of approaching night is discovered by its omnipresent forces. It provides nocturnal domiciliary visitors who terrify the innocent as well as the guilty and furnishes inquisitorial agents who without warrant or authority arrest, imprison, and exile.

In all parts of Russia where our party went there were not only soldiers and militia but the silent and compelling forces of the G. P. U. And these three organizations, the army, militia, and the G. P. U., unite to uphold the Bolshevik Government and execute its decrees.

In a village of four or five hundred inhabitants in the Caucasus Mountains, a man of fine appearance and intelligence, in reply to questions by two members of the party, stated that there were only three communists in the village, two of whom had been sent there; that the people were not communists and were not satisfied with the communist government. When asked how the three men could govern so large a number of people against their wishes, he replied that they and the Bolshevik Government were "supported by Russian bayonets."

As herein indicated, acts or omissions, which reasonably may not be interpreted as revolutionary, become such in Russia, and are dealt with by this extraordinary political department, notwithstanding there is a criminal code and courts and executive officers to enforce the orders and decrees of the courts.

This powerful, unrestrained, and terrifying agency is made a law unto itself, accountable to no superior political or governmental body or authority, and is the sole judge of its own conduct. Any act or omission it may declare to be a part of the revolutionary struggle or political or economic counter-revolution. Criticism of any law or policy of the government is a revolutionary act against the government. Views or acts which the G. P. U. may think or affect to believe do not coincide with the economic theories or policies of the Bolshevik Government, or the Communist Party, are counter-revolutionary. The most innocent acts became crimes, construed, as they often are, as attempts to overthrow or undermine the Bolshevik régime. And in all the States and Provinces local G. P. U. branches are set up and are controlled by a representative of the central organization. These local organizations are often manned by fanatics who regard as enemies of the Government all who are not communists; and so there are still many innocent victims of this despotic organization which belongs to the dark ages. It is an anachronism, even in Russia.

Under a law or decree any person may be arrested by the G. P. U. without a warrant, and may, without trial or information as to the character of the offense, be exiled to Turkestan or the Arctic regions or to any other remote part of Russia for three years. Many cases were brought to my attention where individuals had been arrested and held for many months without any charge or hearing.

To many it is incomprehensible how a mere handful of communists retain control over more than 140,000,000 people. First, it must be remembered that the Russian people are somewhat different from the Anglo-Saxons and have for centuries been under an autocratic government. The overwhelming majority were illiterate, and perhaps 85 per cent lived in villages and paid reverence to the Czar and devotion to the church. They were satisfied with their condition, their village, and local affairs; they were controlled in a somewhat patriarchal way, but were not much troubled by the affairs of state or the great world beyond their limited horizon. Given sufficient to satisfy their limited wants, the mass of the Russian people were satisfied.

Obedience to authority was ingrained in them; and so, when political power was seized and exercised by Lenin and a few communist associates, the people, while dazed and bewildered, lacked the initiative, that vigorous militant spirit which was necessary to organize resistance or promote a revolution.

The World War had brought great sorrow and suffering. Knowledge of the horrors of the western front had been brought back to the people, and there was a longing for peace. The boldness and audacity of the Bolsheviks stupified the people, and they dumbly submitted to their rule.

Later, when the armies of Kolchak and Wrangel and Denekin were advancing, the Bolshevik leaders shrewdly appealed to the people, declaring that the plan was to restore the czaristic rule and deprive the peasants of the land. And it is freely said by many in Russia that these military leaders opposing Bolshevism would have been victorious and overthrown the Bolshevik Government if they had been less reactionary and had shown greater consideration for the people in the districts where they operated. But in many parts of Russia the peasants actively supported the revolutionary forces of these generals and constituted the bulk of their armies. With the defeat of the Wrangel movement, the Bolsheviks controlled Russia. War had exhausted the resources of the country and the people were in misery and want. It was apparent that production must be had or starvation was inevitable. Even those who hated Bolshevism and suffered from its ruthless exactions and its oppressive policies were constrained to a sullen but pacific course. The whole population were intent only upon one thing and that was to get enough to save themselves from starvation.

The sufferings of the people from hunger and exposure and lack of clothes during the past five or six years can scarcely be exaggerated. There was not sufficient energy or strength left among the people to oppose the governing power. The strength of the government, aside from the Communist Party, rested with the workers in the various factories and plants. It is true that they were not satisfied with existing conditions; and revolts often occurred which were suppressed, oftentimes with great cruelty by the Bolshevik Government. But the workers were told that it was their government and that, while conditions were difficult, they would be worse under a return of the monarchy.

Notwithstanding the military triumph of the Bolsheviks, and the lifeless and impotent condition of the people, conditions became so intolerable that a formidable revolt occurred at Kronstadt among the sailors and later, because of the repressive measures pursued by the government against the peasants and the seizure of their limited crops, revolutionary outbreaks occurred in various parts of Russia. This situation threatened the overthrow of the Government, and undoubtedly would have resulted in its destruction except for the concessions which were promptly made through the dominating personality of Lenin.

He perceived that further attempts to enforce the doctrinaire principles of communism would lead to the overthrow of the Government. Communism had failed. The confiscation of all property and the attempt to compel production by the military enslavement of the people had brought Russia and her people to the very depths of misery and sorrow. The peasants wanted their own land and to be their own masters and to enjoy the benefits of their own toil. Factories were closed, the transportation system collapsed, cities were deserted, farms untilled. The hand of death rested over the land. The conscription of the people and of labor and the military orders and cruel and oppressive decrees could not bring life into the state or make communism a success.

Lenin, notwithstanding his idealism, was preeminently a practical man, and when he perceived the fallacies of Marxian philosophy when applied in a concrete way and its indaptability in the existing situation, he promptly ordered a retreat, which alone saved the Bolshevik Government.

In November, 1922, he reported to the eighth session of the fourth congress of the International Communists at Moscow the results of the new economic policy which he had forced upon the communist leaders of Russia. It was a remarkable apology for abandoning the doctrines and policies of the communists and a clever and unanswerable justification for so doing. He referred to the fact that a crisis compelled the changes made, the crisis reaching the breaking point, as he said, "when the broad masses of the peasantry were against us." He referred to the collapse of the finance system under the former policy; the "quadrillions" of paper money issued; the destruction of commerce; the failure of production and ensuing famine, misery, and want. And he emphasized the "strategic position" now held by the Bolshevik Government.

political organization or agency which spread terror throughout Russia, arrested, imprisoned, and executed tens and, indeed,

This constitutional provision did not meet the progressive spirit which was slowly developing throughout Russia and was

satisfied.

"strategic position" now held by the Bolshevik Government.

It is clear from his speech that he ascribed the improved conditions and the salvation of the Bolshevik Government to the policy which permitted trading and a movement by the people in the direction of capitalism and the normal processes of business and the realities and fundamentals of life.

The Bolsheviks still say they are communists and many argue that their Government is communistic. Marx is still their patron saint, and his philosophy is the textbook of the schools, and so far as the Bolshevik leaders can enforce their will, the guide of the people. But economically State capitalism enforced in a ruthless manner by a small minority and an obedient army and not communistic philosophy prevails. Of course, politically, as indicated, the Government is a dictatorship by a few men, whether it be called a Soviet Republic or given any other name.

With the adoption of the new economic policy, it was as if a ray of light were shot into a dark dungeon. The light has increased, and to-day the dungeon has several windows and many shafts of light are streaming in to purify the air and to bring a slight measure of happiness to the people.

Two years ago Russia was a madhouse, and the people were dying from madness and starvation. Since then progress has been made, not because of Bolshevism but in spite of it; and whatever progress has been made has been the result of departure from communism and from predetermined Bolshevik policies. The new economic policy was not accepted by all communists, and it caused a schism in the party. But it saved the Bolshevik régime, and the capacity of that régime to modify its principles and predetermined policies still saves it from destruction.

The heavy taxes imposed upon the peasants in 1921 and 1922 brought not only complaints but produced incipient revolts. Everywhere that I went peasants protested against the exactions made by the Government. They were taxed according to the number of dessiatines of land they held and the crops they produced and the animals they owned and the chickens they raised and the eggs that were laid, and there were labor and cartage taxes and a house tax by the central government. Then there were a multitude of provincial taxes imposed by the local authorities on the peasants for various purposes—hospitals, schools, public bureaus, and so forth.

But there are clever and able men among the Bolshevik leaders. They perceived that a continuation of such oppressive levies would provoke revolts, if not a revolution, among the peasants, which might overthrow the Soviet régime. Accordingly, they projected a revenue plan which afforded some relief to the peasants, though it still weighed heavily upon them. Moreover, it had discriminating features and bore with crushing force upon all persons who were endeavoring to take advantage of the new economic policy and establish private enterprises and engage in private trade. Indeed, many such were destroyed and their new business or industrial enterprises taxed out of existence.

Mr. OVERMAN. The Senator has stated, as I understood one of his statements, that the Bolsheviks seek the destruction of capitalistic nations. Does that include our own Nation also?

Mr. KING. Yes.

Mr. OVERMAN. I should like to ask the Senator if it be true that Lenin is dead, who will succeed him?

Mr. KING. As I came into the Senate Chamber this morning I was advised of the death of Lenin. It has been known for more than a year that he was seriously ill and his death was not unexpected. Authentic reports were published from time to time concerning the nature of his ailment, and when I was in Russia I made inquiry of Bolshevik leaders who confirmed statements that I had read many months ago as to the serious nature of his illness. Not only was he suffering from paralysis and other ailments but for a time his mind was affected.

The Senator asks who will succeed him. In my opinion there is no communist competent to fill his place. It can be said of him that he founded the Bolshevik Government and is its outstanding figure. Early in his life he became a devoted follower of Karl Marx, and was one of the revolutionary leaders who for a number of years before the World War sought to modify, if not destroy, the Russian Government. He played an important part in weakening the morale of the Russian people in the closing hours of the Czar's régime, and led the forces which overthrew the Kerensky government and established the despotism which has controlled Russia since that period. His dominating personality, his audacity, his commanding ability, and his iconoclastic work assure him a primacy among the Bolsheviks which none dare challenge.

The waves of the French Revolution carried upon their crest Mirabeau, Danton, Robespierre, Marat, and others whose names will long survive. That revolution was an important epoch in the history of mankind. The Russian Revolution by historians of the future will undoubtedly be regarded as an event unique, unparalleled without precedent as to its purposes and results, and important in its reactions upon contemporary conditions, if not upon succeeding generations. And Lenin, his character, motives, and work, will produce an increasingly large bibliography with diverse and irreconcilable views as to his character and achievements and upon all matters with which he was concerned. Many Russians stated to me that without Lenin the provisional government of Kerensky would have succeeded, a constitutional government would have been established, Russia would have continued with the Allies in the great world contest, and the woes and tragedies which have overwhelmed the Russian people would have been averted. But it is of no advantage to speculate upon these matters. Lenin, by his genius, his courage, his cunning, his profound knowledge of the psychology of the Russian people, struck down the Kerensky régime, hurled back the rising tide of democracy, and seized the reins of authority and drove his country into the destructive and deadly experiment of Bolshevism. He and many of his associates, because of their former revolutionary activities, had been imprisoned and exiled. They were familiar with history, with the slow progress which humanity has made toward the summit of liberty and justice; they ignored the teachings of history, and sought by violence to strike down all governments, destroy the social and economic structures existing throughout the world, and upon the ruins of the great temples which centuries had erected, establish a new order, the principles of which had been ably presented, at least academically, to the world by Karl Marx. Undoubtedly many of these communists were sincere and believed that their philosophy would free the world of social inequalities and establish a new and better social and political system among mankind. Of course, there were mountebanks and characterless persons who attached themselves to the Bolshevik organization. Vicious and criminal elements without morality or religion, saw in Bolshevism the overthrow of society and the triumph of licentiousness, and so sought and obtained positions of power where they preyed upon the people and committed brutal crimes and hideous excesses. Many, filled with hatred of the cultured and better elements of society, as well as all ruling classes, believed that the mission of Bolshevism was to subjugate, if not destroy these classes, and to place in power those who had dwelt in the shadows.

Lenin determined to establish communism, no matter what the cost might be. He and his followers were insensible to the sorrows and tragedies and horrors which their purposes and activities brought to the Russian people. The opportunity had come to found a communist state, and the communists of Russia were to establish it and carry the torch of communism to set the world on fire. They determined upon the destruction of all governments and the reorganization of society upon new lines. Whatever obstacles stood in the way of their plans were to be removed. Human life was unimportant. The old order of things was to be destroyed, root and branch, with a thoroughness and a ruthlessness that would prevent any possible recrudescence of the spirit which had directed and controlled the movements of the past.

Lenin was not naturally a cruel or pitiless man. Indeed, he had a kindly nature and possessed generous impulses. He had sympathy for the oppressed and a desire for social order. He had the paradoxical nature found in many great men, and those conflicting traits that so baffle the interpretation of their mental processes and purposes. He had denounced the Government of the Czar as being cruel and undemocratic. He and other communists had bitterly assailed governments, particularly the Russian Government and its efforts to prevent revolution and to neutralize the activities of those who were seeking its overthrow. And yet Lenin and the Bolsheviks resorted to the most cruel persecution to perpetuate themselves in power. They erected as brutal a tyranny as the world ever beheld. Human life was sacrificed without remorse and the most hideous crimes were perpetrated, crimes which for cruelty and barbarity have scarcely ever been equalled and seldom surpassed.

But Lenin perceived that the ambitions of the Bolsheviks could not be realized, that communism could not be forced upon the world. He ordered retreats while still proclaiming his devotion to communism; he explained conditions to the Russian people by declaring that communistic policies could not be fully realized in Russia until other nations accepted them. Against the views of many of his associates he intro-

duced policies which were at variance with communism, and when he was stricken he was projecting further changes which would have been of advantage to the Russian people.

Replying to the Senator's inquiry, may I say that Lenin held various positions. He was a member of the political bureau of the Russian Communist Party, which practically controls the Bolshevik Party. This political bureau theoretically is not a part of the Bolshevik Government, and it carries out the policies and mandates of the Communist Party, and the Communist Party controls the Bolshevik Government and its officials. Lenin was also a member of the central committee of the Communist Party, and a member of the All-Russian Central Executive Committee of the Russian Soviet Republic. Under the new constitution, the Soviet Government is called the Federation of the Soviet Republics, and Lenin was a member of the central executive committee of this federation. He was also president of the Soviet of the People's Commissars in the Russian Soviet Republic, and also held the same position in the Federation of Soviet Republics. He was also president of the Soviet of Labor and Defense, and held the position of alternate in the Cummunist Internationale, commonly called the Third Internationale. The chart or diagram submitted by the Senator from Massachusetts [Mr. LODGE] in his address a few days ago shows the integration of these various organizations and the manner in which the final power is vested in the political bureau of nine men of whom Lenin was the controlling figure.

Undoubtedly the vacancies caused by Lenin's death in these various committees will be filled. Theoretically Lenin had the same power as other members of these various committees possessed, but, as stated, he was the dominating and directing force.

Kalinin is the President of the Presidium of the Central Executive Committee of the Federated Republics, and is commonly spoken of as the President of Russia. It is an empty title and gives him no particular authority.

But no one can take the place of Lenin as the leader in the Bolshevik Government. I learned while in Russia that his influence over the Bolsheviks was very great and many of the Russian people were beginning to regard him in a more favorable light. There were those who believed that if he had not been incapacitated during the past year and a half greater reforms would have been inaugurated, and more liberal policies would have been adopted. I met Russians bitterly opposed to communism who spoke in kindly terms of Lenin. His picture appeared in many homes and in every public place. Streets were named after him. Institutions of learning have been given his name, and in public squares and public buildings busts of Lenin are to be seen. He was already becoming the patron saint of the Bolsheviks, and appeals on behalf of schemes and policies made by communist leaders were fortified by solemn asseverations that they were desired or would have been desired by Lenin. I might add that perhaps the busts and pictures of Karl Marx were as often seen in some cities as those of Lenin. Many streets and squares were also given the name of Marx, and some were named after the German communist, Leibnicht.

The house in which the Czar and his family were killed faces a large square in the city of Ekaterinburg, and my recollection is that the statue of one of the Czars had been removed and one of Karl Marx erected in its place. The square now bears the name of the "Square of the People's Revenge."

Perhaps Tsiurupa may be assigned a position with the political bureau and the central committee and other committees upon which Lenin served. That, however, would not give Tsiurupa or any other person the power exercised by Lenin. I met most of the Bolshevik leaders and talked with them freely and frankly about conditions in Russia, and expressed my disapproval of the Bolshevik Government and its oppressive and cruel conduct. Perhaps Rykov is the ablest economist and undoubtedly would be a more liberal and progressive leader than others who might be selected. Rykov is regarded as honest, courageous, and sincere, but his modesty and impediment of speech will militate against his selection as the active leader in the Government. I was impressed with his knowledge of public affairs and his apparent desire to promote the welfare of Russia and her people. Many with whom I talked expressed the view that Trotski would more nearly carry out the policies of Lenin than any other Bolshevik leader.

Krassin impressed me as a man of ability and dynamic force. In my opinion, if the Bolsheviks would give greater heed to his views, Russia's development would be more certain. He does not take the cloister view held by so many Bolsheviks. He and other Bolshevik leaders perceive that Russia's period of isolation must end if she is to survive economically. And I have no doubt that they sense the importance of recognizing private capital and of removing many of the obstacles interposed by the Bolshevik Government to freer trade among the Russian people and between Russia and other countries.

Trotski possesses great versatility. He is a brilliant writer and earnest student. He has displayed considerable ability in organizing the military department of the Government. He has a cosmopolitan mind, but has a strongly nationalistic view when dealing with Russian problems. I confess to being favorably impressed with Trotski and can understand the firm hold which he has upon the affections of communists and the great interest which the Russian people feel in his personality.

Mr. OVERMAN. He was at the head of the Red army, was he not, and was the brains of the army?

Mr. KING. For some time Trotski has been the Commissar of War and as such he may be said to be the head of the Red army. Reports have been published of late that he is seriously ill, but he looked to be in perfect health when I saw him a few days before leaving Russia.

I am inclined to believe that Trotski or Rykov or Kamenev will take the place of Lenin—that is, will be selected as the head of the Communist Party—and that ipso facto gives him the position of authority in the Bolshevik Government. In view of the more liberal attitude which Trotski has recently taken and the representations made to me by many Bolsheviks, that he was seeking to carry into effect the more progressive policies of Lenin, I am inclined to the view that it would be best for Russia if the responsibilities of Lenin were placed upon Trotski, if leadership is to be selected, as it will be, from the left wing of the Communist Party. Senators will observe that I classify the communists of Russia. Broadly speaking, there are the left and right wings; and the left can be properly subdivided, the extreme portion containing the fanatics and visionary doctrinaires who would destroy all governments, and even civilization itself, to establish communism. Then there are the moderates, who still adhere to communism, but will make concessions when they regard them as imperatively required to save the Bolshevik Government. They reluctantly permit the new economic policy, and for the present allow small capitalistic enterprises to be established. Within the last-named category, I should place Rykov, Trotski, Chicherin, perhaps Stalin, who was the alter ego of Lenin and his secretary for some time, Sokolnikov, Schmidt, Lomanov, Lunacharsky, Kalinin, Tsiurupa. To the extreme section I should assign Zinoviev, Kamenev, Tomsky, Bukharin, Litvinov, Radek, Chubar, Rudzutak, Dzerzhinsky, and Krylenko. The moderates of the left wing shade into the right wing. There are able men, such as Krassin, who, while communists, perceive that neither Russia nor the world is ready for applied Marxian principles, and that concessions and departures from orthodox communism must be made or the whole fabric of Bolshevism will be laid in the dust. Within this group are to be found those who will seek to entrench the Bolshevik Government behind state capitalism, based upon the ownership and control by the state of the "key" industries.

Mr. OVERMAN. Did Trotski give forth the teaching of which the Senator has spoken, namely, that the Communists were to overthrow all governments?

Mr. KING. Trotski took the same position that the Bolsheviks have taken from the beginning, namely, that the proletariat in all countries should unite and overthrow existing governments and establish a dictatorship of the proletariat.

Mr. OVERMAN. And still the Senator hopes that he will be the head of the Russian Government?

Mr. KING. I have attempted to convey the view that Trotski is more liberal than some Bolshevik leaders, such as Bukharin, Zinoviev, Dzerzhinsky, Radek, and Tomsky, and that it would therefore be for the best interests of Russia if Lenin's mantle should fall upon him rather than upon one of the extremists. I do not contend that he is the most liberal of the Bolshevik leaders. Upon the contrary, there are others whom I regard as more progressive than Trotski. I might say to the Senator from North Carolina, that where there are two evils, it is better to choose the lesser. Trotski is to be preferred, as I regard the situation, to many others who belong to the extreme left of the left wing of the Communist Party. From all that I could learn while in Russia, the Communist Party has factions. However, when a policy is agreed upon, generally the factions unite to execute such policy. There are, as might be expected, various forces within the Communist group. There are some such as Zinoviev, Bukharin, Radek, Dzerzhinsky, who are ruthless, cruel, and reactionary; they resist all progress and seek to "row up the stream." Others, as I have stated, are more temperate and rational in their views.

Of course, Trotski is a communist. He advocates the dogmas of communism; and he and all communists would rejoice

in the destruction of capitalism and the overthrow of all governments.

The reforms which have taken place in Russia under the Bolshevik rule, as I have indicated, were not desired by the Bolsheviks. They resisted every movement in the direction of capitalism and away from the idealogy of communism. But there were those among them (of whom Lenin had the clearest vision) who perceived the weakness of communism, or, at any rate, its inadaptability to existing conditions, and had the sagacity to urge upon their followers such modifications as would prevent the absolute destruction of Russia and the complete overthrow of the Bolshevik régime. Trotski gave some support to Lenin in this forward movement, as did Krassin and Chicherin and Rykov. Others opposed these reforms and still contend for a return to the earlier days of Bolshevism, with its fantastic, cruel, and destructive policies.

Mr. BROOKHART. Mr. President.

The PRESIDING OFFICER (Mr. Moses in the chair). Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. Yes.

Mr. BROOKHART. In conversation with Colonel Haskell last night, he and I had the opposite impression with reference to Trotski that the Senator has. We had the impression that he represented the radical crowd and that the others are in opposition to him and more in accord with the ideals of Lenin.

Mr. KING. If the Senator means that he and Colonel Haskell are of the opinion that Trotski belongs to the most radical wing of the Communist Party, then I am not in accord with their view. That there are some of the Bolsheviks who are more liberal than Trotski, I concede, but from my conversations with such leaders as Chicherin, Krassin, Kamenev, Tomsky, Tsiurupa, Radek, Schmidt, Noreteva, and Orkhalashvili, and from all that I could learn from various sources in Russia, I reached the conclusion that Trotski was opposed by the extreme communists in his efforts to introduce more freedom among the members of the Communist Party. It was also my view that Trotski had a more comprehensive knowledge of world affairs, and realized the present impossibility of founding a State upon purely communistic theories.

Mr. BROOKHART. Colonel Haskell had two years of close association with all of those men, and I value his judgment very highly.

Mr. KING. I also have great confidence in Colonel Haskell, and I concede his superior opportunities to learn conditions in Russia. However, I am giving my impressions and expressing my views, based upon what I learned in Russia. The Senator and Colonel Haskell may be right, but my opinion is as I have expressed it; and I still think that Russia's progress would be greater under Trotski than under Zinoviev and the extreme left wing of the Communist Party.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Florida?

Mr. KING. I do.

Mr. FLETCHER. May I inquire of the Senator how this committee of nine of whom he has spoken is elected?

Mr. KING. It is selected by the Communist Party which, as the Senator knows, is a compact organization and limited to approximately 400,000 members.

Mr. FLETCHER. I mean in what way. What composes the Communist Party? Is there any election or ballot, or how does the Communist Party express itself?

Mr. KING. A majority of the communists reside in Moscow and the cities and large towns. The party is thoroughly organized and so functions as to provide for periodical conferences or conventions. The local units send delegates to provincial conventions, which select representatives to the central conference at Moscow. The last conference was held (as well as earlier ones) in the large throne room of the Czar's palace in the Kremlin. I visited this room and saw the rude platform which was still in place, with a few chairs thereon; and over the platform were red banners and flags and streamers with appeals to the proletariat of all the world to unite. At this conference the nine delegates referred to were selected, and they serve until the next general conference or convention of the Communist Party. I was told that at this congress only tried and true Bolsheviks were present.

Mr. FLETCHER. Then they are selected at a convention?

Mr. KING. Yes; a convention or conference of the party. Of course, there are no elections in Russia, as we understand the term. The political bureau of nine, who direct the policies of the Bolshevik Government, are not elected by the Bolshevik Government, but by this extraneous and outside organization known as the Communist Party; and the Communist Party provides its own machinery for the selection of representatives or delegates to the national conference or convention, at which the program of the Communist Party is framed and the policies which the Bolshevik Government are to pursue are determined upon and the political bureau of nine selected. This political bureau then carries out the wishes of the Communist Party and controls the Bolshevik Government. The officials of the Government are not responsible to the people, but to the Communist Party, and may be disciplined by or removed from office by it. In other words, the Bolshevist officials are the creatures of the Communist Party. Even though they may be selected by what is called the "All-Russian Soviet Congress," or by the various local and provincial soviets, they are amenable to the Communist Party and are controlled by the agencies which it establishes.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. BROOKHART. Those elections as I found them out to be were something like a caucus. They would meet in a town meeting and somebody would get up and move that Bill Jonesky be sent as a delegate to the district meeting. They would hold up hands and vote him in. He would go over there and move that John Smithsky be sent up to the state meeting. Then from there another delegate would be sent on to the All-Russian Congress, and they would elect Lenin, and this committee would have charge of the Government. The system as I have figured it out seems to me to be just about like our system of nominating a President of the United States, and I was against it because I am for the primary.

Mr. KING. Mr. President, I can not see the rosy picture my friend has painted as to the character of the elections in Russia. First, let it be understood that there are two organizations (at least in theory)—the Communist Party and the Bolshevik Government. There is also the Third International, to which I shall refer later, but it is the child of the Communist Party and has been organized and largely supported by it. As I have stated, wherever there is a local communist organization it selects one or more delegates to attend a convention of one or more Provinces, at which convention delegates are selected to the parent or central conference held in Moscow. The party determines upon its own machinery and permits none but communists to participate in its meetings.

At the various local and provincial meetings and conferences the rule is for the head of the communist organization to arise and name the person or persons to be sent to the convention. There is no voting by ballot, and the demand of the leader is usually acceded to. At the congress of the Communist Party the will of the communist leaders (and that was notably true when Lenin was alive and active) determined the policies of the party.

In addition to these conventions and meetings there are gatherings for the selection of local officials who constitute a part of the Soviet Government. For instance, in a village or town there will be a local soviet. The head of the soviet is always a communist. The communists are always active and attend these meetings. I talked with hundreds of Russians who had been at various soviet meetings in cities and towns and political subdivisions of Russia. They were unanimous in stating that the communists controlled the meetings. The communist leader would announce that delegates were to be elected to some provincial convention at which representatives would be chosen to attend the All-Russian Soviet conference at Moscow. This leader would name the persons to be selected, and his action was acquiesced in by those assembled.

I recall speaking with an intelligent and educated engineer who was attached to one of the Government plants. He was not a Bolshevik. I asked him if he attended the various meetings of the soviet and the gatherings for the selection of delegates to the All-Russian Soviet Congress. He stated that he did and that there were others not communists who occasionally attended these meetings. In reply to my question as to how the elections were conducted, he said that there was no such thing as an election. Whatever the occasion, a communist would take charge of the meeting and declare its purposes and the program which should be carried out, and would then say, "Are there any opposed?" He had never seen any persons signify any opposition, though perhaps there would be many in attendance who were not communists.

At another place I recall asking a gentleman as to the manner of conducting elections, and he stated that the communist leaders would send notice to workingmen and others that there was to be a meeting and that their attendance was desired. The number of communists would often be less than the nonmembers of the party, but the latter would never take any part, and the communists would preside, announce the purpose of the meeting, state the names of the persons who were to be

elected (either as officers of the local soviet or as delegates to conventions) and then ask if there was any opposition. No one ever ventured to indicate any negative view. I asked him why the people submitted to the rule of a few communists. He stated that if there were any opposition it would promptly be met with persecutive measures from the Bolshevik Government. Those who signified any disapproval of the proceedings would lose their positions or be denied liberties and rights to which they were entitled, or, if they carried their opposition to the extreme, they would be imprisoned. He said that the people had discovered that the only thing to do was to submit to the dictation of the Communist Party. Leaders of the Bolshevik Government stated to me that they intended that the party should control the Government.

As I have heretofore stated, the Communist Party is a disciplined army. The leaders designate communists to go into all parts of Russia and take charge of the cities and towns and Provinces and of the local soviet governments. In most of the Provinces visited I found that the soviet leaders were not residents of the district in which they were officiating. Changes are frequently made, trusted communist officials being sent to Siberia as well as other Provinces in the state, and others being brought from remote parts of Siberia and assigned positions in European Russia and trusted communists sent to Siberia; and I met communists who had just been ordered to Turkestan and to Provinces of Russia in which they were strangers.

There are no elections—no freedom of action in the selection of officials of the Government. The people so understand, and they submit to the dictatorship, knowing that opposition would bring upon their heads imprisonment or banishment or cruel persecution. Mr. Tomsky, the head of the labor union, stated to me that the communists had won the revolution and they intended to maintain control of the Government. I asked him, "How is it possible that with more than a million members in the union, a few communists can hold the positions and control the union?" He replied, "That is what we (meaning the Bolsheviks) fought for."

Most communists have audacity, and many are courageous. Some are sincere and are willing to make sacrifices to defend Bolshevism. Others are subtle, intriguing, insincere opportunists, and are more concerned in retaining power than establishing communism. They preserve, as I have stated, the fiction that Russia is still in a state of war and that military rule must prevail. Bolsheviks scoff at the suggestion of a constitutional government or a constitutional convention to frame a constitution, and they jeer at the mention of free elections and secret ballot. If an election were held in the manner obtaining in the United States and the people understood that they could secretly vote for such persons as they pleased for positions of responsibility, the communist government would quickly be displaced.

Mr. OVERMAN. Did the Senator find any Americans over there? It was stated before a committee of which I was a member, in an investigation conducted a year or two ago, that some Americans who were traveling in Russia recognized the head of the transportation division as a person whom they had seen working in an East Side restaurant in New York. This person recognized the American party and said "Hello, boys! Are you going to Brooklyn?" He turned out to be an American.

Mr. KING. Mr. President, in the various Provinces visited I met the soviet leaders as well as hundreds of people. We addressed a number of meetings at which political leaders and leading citizens were present. I do not recall seeing in all my travels in Russia more than a dozen persons who were holding political positions and who had been in America. There were a number of Americans in Russia; some engaged in business, and some seeking concessions and opportunities for trade and commerce, while a few were visiting Russia to obtain information. There were also a number engaged in charitable work, and a few were liquidating the relief organizations which had accomplished so much good, particularly in the famine-stricken areas. I was surprised to find so few who had been in America occupying positions in the Bolshevik Government or engaged in business activities. I recall meeting a few who had been in America, among them being Mr. Trotski, Gregory Winestein, Mr. Naureteva, the president of a bank at Rostov (his name has just escaped me), and the I. W. W. leader, Bill Haywood. I met Mr. Haywood in the office of one of the Bolshevik commissars. He did not seem particularly happy, and upon investigation I learned that he possesses but little influence in the Bolshevik Government. He is attached to the Third International and claims to be the representative of the United States to the Third International.

Mr. OVERMAN. Did the Senator see Mr. Williams?

Mr. KING. I presume the Senator refers to Mr. Rhys Williams, who testified before the committee investigating Russian propaganda in the United States of which the Senator was chairman. I met Mr. Williams and had a very interesting conversation with him. I obtained considerable information from him, and he spoke frankly and intelligently of conditions as he found them.

While not responsive to the questions suggested by the Senator, I am prompted to suggest that there are many false statements published in American papers and in the press of Europe regarding conditions in Russia. Many fantastic and foolish stories have been printed in regard to the Bolshevik leaders and the political and social conditions in Russia. I found much to admire in the Russian people and much that confirmed the view which I have entertained for many years, that they will play an increasingly important part in the affairs of the world. That Russia will make progress I have no doubt. The submerged and inarticulate masses will respond to enlightened forces that will be developed among the Russian people, and Russia—not in this generation, but in the near future—will occupy a proud place among the nations of the earth.

THIRD INTERNATIONALE

Mr. OVERMAN. Mr. President, will the Senator tell us what connection there is between the Third Internationale and the Communist Party and the Bolshevik Government?

Mr. KING. Mr. President, I shall not attempt a comprehensive reply to the Senator's question, but will state in a most general way that the Communist International, or, as it is more frequently called, the Third Internationale, is so closely allied with the Bolshevik Government and the Communist Party that it is somewhat difficult to determine where the functions of each begin and where the authority of each terminates. I have stated that the Communist Party controlled the Bolshevik Government. Indeed, it is more accurate to say that the Bolshevik Government is the creature of the Communist Party. Theoretically the Third Internationale is no part of the Communist Party or the Bolshevik Government, but in a practical sense it is a coadjutor of the Communist Party and thus impresses itself upon the policies and course of the Bolshevik Government. The Communist Party which set up the Bolshevik Government also organized the Third Internationale. It has furnished funds for propaganda and the necessary sinews of war to carry on its destructive operations. It has supplied the Third International with one of the most commodious buildings in Moscow, where its activities are centered and from which go forth directions to guide communists in all parts of the world. I visited the headquarters of the Third Internationale and there discussed with Radek its policies and activities. Representatives of communists from various countries find positions with the Third Internationale and occupy offices in the building which I have just referred to. The literature printed by this organization comes from the printing presses of the Bolshevik Government. The plans and policies of the Communist International are determined by the Russian Communist Party.

In other words, both the Bolshevik Government (comprising the Russian Soviet Republic and the Federation of Soviet Republics) and the Third Internationale are dominated, controlled, and directed by the Russian Communist Party. As stated, the Third Internationale was organized to carry on a world-wide propaganda in behalf of communism and to promote the destruction of all organized governments. Senators are familiar with the fact that soon after the Communist Party seized control of Russia, Lenin and other Bolshevik leaders perceived the impracticability of the communistic scheme and sought to appease their followers by declaring that the goal of communism could not be reached until all nations had accepted the communistic creed. Thereupon they organized the Communist International, and the Russian Communist Party has masqueraded behind it in the international activities and propaganda carried on for the destruction of the so-called capitalistic governments of the world. The Russian communists have subsidized the Third Internationale have directed its movements, and have absolute control of its activities.

Its officers are the important officials in the Russian Communist Party as well as in the Bolshevik Government. Zinoviev, the most reactionary and cruel of the Bolshevik leaders, is a member of the political bureau of the Russian Communist Party which controls the Bolshevik Government as well as the Third Internationale. He is a member of the central committee of the Russian Communist Party and a member of the Central Executive Russian Soviet Republic, and also holds a similar position in the Federation of Soviet Republics. He is president of the Communist International and a member of its executive committee.

Zinoviev, as president of the Third Internationale gets his instructions from the political bureau of the Communist Party,

of which he is a member. Lenin was an alternate member of the executive committee of the Third Internationale, as was Trotski, who still holds the same position. Bukharin is a member of the executive committee and of the praesidium of the executive committee of the Third Internationale; and is also one of the political bureau of nine controlling the Russian Communist Party and the Bolshevik Government. He is also a member of the executive committees of the Russian Soviet Republic and the Federation of Soviet Republics.

Radek is a member of the executive committee and also of the praesidium of such committee of the Third Internationale. He is also connected with the political bureau of the Russian Communist Party, is a member of the central committee of the Russian Soviet Republic, and holds a similar position in the Federation of Soviet Republics.

Litvinov occupies a position in the Third International and is the second in command of the foreign office of the Bolshevik Government and holds important positions in the Communist Party as well as in the Soviet Government.

If time permitted, I could show that the Russian members of the Third International are members of the Russian Communist Party and are connected in various ways with the Russian Bolshevik Government. The Third International has a newspaper organ which is published in Moscow, in the printing establishment of the Soviet Government. Its editors and managers and most of its contributors are members of the Russian Communist Party. A few articles appear from time to time written by communists beyond the borders of Russia.

When conferences or meetings of the Third International are held, they are dominated by the Russian Communist Party and are under its auspices. The Third International would have disappeared except for the Russian Communist Party. Perhaps I should qualify this statement by saying that there are a few communists in various countries—and they might be able to maintain a skeleton of an international organization without the aid of the Russian communists; but whatever strength the Third International has must be attributed to the communists of Russia and to the support, financial and otherwise, which they have given it. The fact is that the Third International is merely a torch in the hands of the Russian Communist Party which it employs to work destruction and havoc throughout the world.

I spoke frankly to Chicherin and other Bolshevik leaders in regard to the Third International and suggested that they could not expect the Bolshevik Government to be recognized by this Republic so long as freedom of speech and freedom of the press was denied, and it pursued its present course, and particularly so long as an alien and extraneous organization, like the Communist Party, controlled the Soviet Government, and that government gave countenance and support to the Third International and its sinister propaganda. I called attention to the activities of the Russian communists, to the millions of pounds which had been paid to the communist newspaper published in London, and to the fact that money had been sent to the United States from Russia to spread sedition and to organize the workers for the overthrow of our Government. In various parts of Russia, where I addressed local Soviet leaders, I challenged attention to the Third International and to its close connection with the Bolshevik Government and to the propaganda which was being carried on in various countries by the Russian Bolsheviks and members of the Third International. A number of Soviet leaders admitted that such propaganda had been carried on, and that protests had come from Great Britain and other countries against the revolutionary activities of Russian Bolsheviks, and in my interviews with Soviet leaders I referred to the fact that Litvinov had been expelled from Great Britain because of his offensive propaganda in behalf of communism. I also referred to other Bolshevik emissaries who had been expelled from various countries because of their violation of conventions and their intriguing and corrupting influences aimed at the destruction of industry and the overthrow of existing governments. Chicherin contended that the Third Internationale bore no different relation to the Soviet Government than did the Second Internationale, whose headquarters are in Belgium, to the Government of that country.

It is manifest that the comparison suggested by Chicherin is without basis, and this I attempted to demonstrate in my conversations with him, as well as with other Bolshevik leaders. I also said to them if the communists of Russia and the Bolshevik Government were not behind the propaganda of the Third Internationale they could quickly convince the world of that fact by withdrawing subsidies and support and, finally, by denying a home to the organization.

The confessions, admissions, and pleas in avoidance made by soviet leaders furnish convincing evidence of the fact that the Russian communists are hoping for a world revolution and expect to aid the so-called proletarian movement for the overthrow of existing governments and the establishment of a communistic world régime.

I learned from Bolshevik leaders while in Russia that they were in touch with communistic forces throughout the world and were contributing financially and morally to impending revolutionary movements.

I shall refer later in my remarks to the visit of German communists to Russia while I was in Moscow. Bolshevik and communist leaders, who were also members of the Third Internationale, held prolonged sessions in the Kremlin, where the question was considered of the extent to which the Bolshevik Government would give financial aid to the communists of Germany who were organizing for the purpose of overthrowing the German Republic.

In the trans-Caucasus district I learned of the activities of the Bolsheviks in Persia and Afghanistan as well as in India, China, and Japan. There seemed to be no concealment among the communists of Russia of the fact that the Bolshevik Government was supporting movements to bring the world to the communist faith. There was frank discussion concerning the Bolshevik propaganda in India and among Mohammedan countries; and Russian Bolsheviks seemed arrogant and proud in the knowledge that they were carrying the banner of communism to many nations.

Mr. President, I have been diverted from the line of my address by the questions of Senators and in my replies have covered in part, at least, matters to which I have referred and which I may elaborate further before concluding. I have no objection to being interrupted, but this may lead to some repetition, for which I crave indulgence.

CONDITIONS IN RUSSIA UNDER THE NEW ECONOMIC POLICY

With the announcement of the new economic policy, private domestic trade was slowly introduced among the people. Prior to that time it was a crime, which might be punished with death, to engage in the purchase or sale or exchange of commodities. To sell upon the streets grain or the products of the farm brought punishment to the peasant. Communism meant not only the ownership of all property but its operation and control and the control of all production. The people were conscripted, assigned to their places of labor, and were given cards which it was represented would provide them the necessities of life. But such a condition was impossible, and the Bolshevik leaders were compelled to modify their program.

The change that followed inspired hope in the people and they began to work and to produce. In the cities and towns stores and business buildings which had long been closed were opened and shops appeared in which a limited number of commodities were offered for sale. Peasants brought their wares into the cities and freely exposed them for sale. Markets were provided where commodities of all sorts were bought and sold. This freedom of trade among the people soon wrought important changes, socially and industrially. Goods and commodities which had been secreted were brought from their hiding places and exchanged or sold. Thousands of individuals with but little, if any, capital traversed the country buying and selling and bartering and trading.

These conditions called for banks and for credit and for the things found in so-called capitalistic countries. With the increase in trade more stores and buildings were required, and to make them available for use improvements and repairs were necessary. In the cities and towns not only private residences and apartment houses but the buildings which had been used for stores and banks and business generally had deteriorated and in many instances, without large expenditures, could not be occupied.

Following the decree of confiscation under which all property was taken over by the Government, the buildings within the cities and towns were given over to the control of the local soviets. The Soviet of Moscow under this policy found itself in possession of all real property within the city, including all buildings, public and private, numbering many thousands, and of enormous value. Scores of the most costly and beautiful buildings were used by the officials of the central government and by the various organizations of the Moscow Soviet. Many commodious and beautiful buildings were turned over to communists' organizations, to the Third International, and to the Soviet Government for use in its business enterprises.

Thousands of persons from other parts of Russia crowded into Moscow, so that the population became and is now greatly

congested. The owners of all buildings, as has been stated, were deprived of their property. Many of them were driven from Russia. Many were lost during the revolutionary period. Persons who owned apartment houses or other fine structures often found themselves with no home in which to live, or at most with one or two rooms, depending upon the size of their families, in some poorly constructed and practically valueless building. Many tragic cases came to my attention where persons who had erected beautiful homes or valuable apartment houses were turned into the streets and the buildings filled with the lowest types of society.

Visits to a number of residences and apartment houses which when in repair would be a credit to the finest cities in America found them occupied by workmen from the streets and factories or persons who never owned property and whose habits under any industrial or political system would have prevented them from acquiring the same. The owners and former tenants had been expelled and the rooms had been allotted in many cases to persons who would not make repairs, and the Soviet Government had no funds with which to make needed repairs or keep the buildings in habitable condition. As a result many fine structures were practically wrecked or were so deteriorated as to require large expenditures in order to make them suitable for further occupancy. The occupants not owning the property were indifferent to its protection or preservation. As a result the injury to and indeed the destruction of buildings confiscated by the Bolsheviks was enormous.

Evidence was brought to my attention that in allotting rooms to the people the soviet officials discriminated against the owners, the intellectuals, and the bourgeoisie, and these classes have been the greatest sufferers under the Bolshevik régime.

The soviet leaders finally awakened to the fact that property worth hundreds of millions of rubles (gold) had lost much of its value, and that it would soon be destroyed unless extensive improvements were made.

I was told by communists that a proper use of the buildings in possession of the Moscow soviet would make the municipal government of that city the richest in the world if there were an industrial revival in Russia. When it is remembered that Moscow had a population exceeding 2,000,000, and business structures, private residences, and apartment houses that compared favorably with those found in most cities in the world, one can easily understand something of the wealth which was confiscated and which is now controlled by the Bolsheviks of Moscow.

As stated, a change in policy was necessary to save the buildings. Accordingly, many of them are now being leased for periods varying from 1 to 49 years. But no modification of the principle that the Government owns the land has been made. It was perceived that some plan must be adopted to give value to the land and to bring the appurtenances thereof into use. Under the new policy important repairs are being made and dilapidated and useless buildings put into shape for occupancy. No new buildings, however, are being erected and practically none have been constructed since the Bolsheviks came into power. Only at Baku and at the fairgrounds in Moscow did I observe any new buildings being erected.

Where important improvements are required of lessees the rents demanded are unimportant, and in some cases, because of the magnitude of the improvements contracted for, no rent is required, the theory being that the costs incurred by the tenant are equivalent to a reasonable rental during the demised period. Under this policy Moscow and other cities which but a few months ago were dilapidated, and in part almost in ruins, have taken on new life. The repairs call for labor and materials, and this has given employment to thousands and called for the reopening of plants and factories which had been closed, in order to meet the growing demands for materials and other supplies and commodities.

There were more than 20,000 stores and shops in Moscow in August last, most of which had sprung into existence within the six or eight months preceding. It is true the stocks of merchandise in most of them were limited, but great artistic skill had been exercised in exhibiting the wares to the best possible advantage, so that, to the superficial observer, the shops had the appearance of abundant supplies.

An absence of six weeks by our party from Moscow showed remarkable improvement within that period. More buildings had been opened, streets had been repaired, houses had been painted and renovated, and a general air of business activity prevailed throughout the city.

Petrograd, which before the war was one of the most beautiful cities in the world, presents a melancholy appearance. Its glory has departed and ruin and desolation abound. Indeed, there was much unemployment and considerable discontent; many buildings were unoccupied, and in many parts of the city there was evidence of neglect, deterioration, and decay. However, business houses were being opened and considerable trade and commerce was being carried on. The population of Petrograd has been increased from the low level of six or seven hundred thousand, but its present population is perhaps 1,000,000 less than it was prior to the war. In Kiev, Rostov, Tiflis, Baku, and other cities visited by the party there were marked signs of business improvement. The spirit of depression and despair was giving way to hope and faith. The initiative of the people, which had been submerged—in many instances almost destroyed—was again appearing and new ventures and small business enterprises were being started. But much of the business was artificial and brought no material gains to the people.

Hundreds of persons were engaged in exchanging articles and commodities or in buying the same for the purpose of moving the products to other parts of Russia for exchange or sale. It was a system of barter, an exchange of articles and commodities, such as old clothes, household utensils, small parcels of leather, hides, cheap jewelry, fragments of cloth (cotton and woolen), food products, ill assortments of an infinite number of small and inconsequential articles, many of which of the pre-war vintage, and the exchange of which did not add to the wealth of the community. In the cities large markets had been opened, and there immense throngs gathered to buy and sell products of farm and factory. During the nights the roads leading from the country to the cities were filled with carts and small vehicles laden with vegetables and fruits and wood, drawn by small oxen or horses lacking strength and size, beside which plodded through the darkness the silent and patient peasants who hoped to be able to buy a little sugar or tea or cotton cloth or, perchance, shoes for the bare feet which would soon be exposed to the snows of winter. There were some shrewd and active traders and merchants who were making large profits, and there was being developed a nouveau riche class, called in Russia the "Nepman." As the number of private stores and shops increased the taxes and burdens placed upon the owners increased. These burdens became so oppressive that private trade was menaced. In the month of August 5,000 private shops and stores were closed in Moscow alone, some of the owners stating to me that the taxes and demands of the Government, local and general, were so exorbitant it was impossible to meet them. One individual who was engaged in a small manufacturing undertaking employing 10 men stated that he had been asked to pay the equivalent of 10,000 rubles in gold for a tax or license for six months, and that the entire assets of his business would not pay the tax, and he had, therefore, closed the doors and abandoned the enterprise.

Complaints were frequent by merchants that enforced contributions to various causes, such as the fund for airplanes, the bread loan, and other governmental enterprises, were made by the Bolshevik Government. The Government was attempting to float a domestic loan of approximately $100,000,000, and a very vigorous campaign was being waged to induce not only employees of the Government but all other persons to subscribe to this loan. The law or decree which related to the loan provided that those who purchased bonds could not dispose of them or use them as collateral.

Private merchants were also subjected to the handicap resulting from the Government being engaged in domestic trade. Government stores and shops and merchandising institutions are numerous throughout Russia. Indeed, before the new economic policy, as stated, the Government controlled all trade and commerce, whether foreign or domestic, and in order to carry out such policy it established warehouses and shops and stores throughout the country. In addition to the Government stores, which are in competition with private stores, there are many cooperative organizations engaged in furnishing commodities to their members as well as to the public.

I was unable to obtain information sufficient to definitely determine whether cooperative stores were successful. The evidence as to the Government stores was that they were not economically or skillfully managed and sustained great losses. One of the burdens of the Soviet Government arises from the deficits resulting from its operation of various industries, including the stores and trading establishments which it conducts. Complaint was also made that the Government favored its own stores and business enterprises and discriminated in many ways against private concerns. The best buildings were supplied to Government enterprises, and the rents, it was claimed by many persons were relatively less than those charged private institutions. Complaint was also made that the Government furnished banking credits to its business enterprises but denied them to private business; and there was

considerable evidence to support the complaint that the taxes collected from private business were much higher than those levied upon similar governmental institutions. This situation has provoked considerable resentment against the Government, and many persons believe that it was the beginning of the end of private business in Russia and that a return to governmental operation of all activities was soon to come. Undoubtedly those who are endeavoring to establish private enterprises and to introduce private trade and to save Russia from economic destruction will encounter fierce opposition from the extreme Bolshevists, and many will be ruthlessly destroyed, but the movement toward private ownership of property and the capitalistic system can not be defeated. It may be checked and halted, but it will in the end triumph. I should add, however, that state capitalism in exaggerated form will persist for an indefinite period in Russia. Even under the Czar the state owned and controlled some enterprises and engaged in some business activities.

A controversy exists among the Bolshevik officials as to the program to be followed respecting internal trade. A number of the leading Bolshevik officials stated to me that they would be glad to see all private trade in the hands of the Government or of cooperative organizations which would function under the direction of the Government and in contact with Government enterprises. They also oppose the policy which permits private stores and shops and banks and other private business organizations. Other Bolshevik officials stated that the new economic policy would not be repealed; and Trotski, in answer to my question, said that this policy was an "imperative necessity for 90,000,000 peasants," and that "if we wanted to smash our heads, we would abandon that policy. The conditions in internal life fully demand its stability."

A soviet official said that one of the important sources of revenue was and would continue to be that derived from the shops and stores and the private enterprises that would be developed, and that to tax them out of existence or to project the Government again into the entire field of private endeavor, and thus destroy what the new economic policy had gained, would be "to kill the goose that lays the golden egg."

However, under this new policy private enterprise has gained but little in the industrial and manufacturing fields. As stated, the peasants are free to buy and to sell, and the shopkeepers have gained a foothold from which they will not be dislodged; but the mines and mills and factories and plants and railroads and all "heavy industries" are owned and operated by the Government. In 1912 there were 1,100 important manufacturing and industrial concerns within Russia, 198 being metallurgical, 146 being denoted as metal industry, 248 textile, and others relating to the cotton, wood, mineral, chemical industries, and also animal products and foodstuffs. This number had greatly increased at the time the World War began. Hundreds of millions of rubles were invested in these large enterprises, which were rapidly increasing, and Russia's industrial progress during the 10 years preceding the war was remarkable.

Many of the plants and factories have been closed by the Bolsheviks and others have fallen into decay or have been destroyed and still others are producing but a small per cent of their former output. Before the war there had also been developed a large number of small business enterprises. There were thousands of mills and brick plants and business concerns which employed an aggregate of tens of thousands of persons, and constituted no inconsiderable part of the wealth as well as the business activity of the state. Most of these enterprises and concerns have been blotted out.

Wherever our party went I saw dismantled buildings which had been devoted to industry. Plants and factories were in ruins and gave melancholy evidences of Russia's industrial degradation. A few of the smaller plants seized by the Government have been leased to private persons, but the soviet officials repeatedly declared that the key industries would remain in the hands of the Government.

But the disappointing results experienced in state ownership and operation may lead to further concessions and greater retreats from communism. This is the belief of well-informed persons in Russia, and is my opinion.

Small residences of but limited value (10,000 rubles or less) are being restored to their former owners. However, the title to the ground remains in the state, and the occupants may not mortgage or sell the same or do anything to injure the land or impair the title. Rents for business properties are very high. Six hundred gold rubles per year are charged for some buildings for each 50 square feet. As much as 3,000 rubles (gold) are being paid in Moscow for the privilege of taking over the lease of an apartment consisting of but a few rooms. Those who have made extensive repairs upon apartment houses or business blocks are renting the same, receiving therefor very large sums. The city soviets controlling houses give preference and advantage, both in choice of buildings and in rents, to communists and members of labor unions. Lessees pay for light, heat, and water, and become responsible for pavement and street charges.

Where houses have been repaired by lessees the Government requires that 10 per cent of the space be furnished free for the use of its officials and employees. Complaints were made that the Government was not scrupulous in keeping its contracts, and one instance was called to the attention of the party where large expenditures were made to convert a dilapidated building into one which was habitable. Under the contract the person making the repairs was entitled to its use for two years, but when the repairs were made he was informed that the occupancy must terminate at the end of one year.

During the Czar's time all corporations organized in Russia were special and had to receive the approval of the Czar. Corporations may now be organized by filing articles with the proper officials of the Government and obtaining certificate of approval. The council of labor and defense has control of corporations. Stock may be issued and private ownership of the stock is recognized. This stock may be sold or mortgaged or disposed of by will. While there are the obstacles and impediments usually encountered in bureaucracies, the obtaining of certificates of incorporation are not insuperable. Corporations are limited to such activities as are permitted to private individuals and to such business enterprises as are not controlled by the Government. However, corporations may be formed to engage in foreign trade and commerce, but there are very stringent requirements imposed, as conditions precedent, and they are subject to Government regulation and control.

Under the law property exceeding 10,000 rubles (gold) in value upon the death of the owner goes to the state. If a person were the owner of a business which was worth more than 10,000 rubles, upon his death the state would be entitled to all above that amount. Provisions are being made, however, for the continuing of the business, the state being regarded as a partner therein. In the event of concessions or grants by the state, or leases, the heirs of the lessee may succeed to the same, and a more liberal policy is being followed with regard to the disposition of the property of decedents.

As stated, corporations are being formed which hold the title to personal property and the stock is negotiable, and they may sell, transfer, or use it as collateral, substantially as in the United States. A man by will may not dispose of his property beyond the limit of 10,000 rubles (gold), and then only to his wife and children, and in some instances to dependent parents. Irritating and oftentimes insuperable obstacles are interposed by an officious bureaucracy to the control by individuals of their personal property, and complaints occur of the costs and delays and obstacles in effecting the settlement of the estates of decedents and accomplishing a distribution of the same to those entitled by law thereto.

It was evident that more and more the right of private ownership of property is being recognized and the control of such property respected and protected. With the recognition of private ownership of property, progress is inevitable. The initiative of individuals is stimulated, the desire to acquire is developed, and the departure from communism is more rapid. Giolitti, the Italian statesman, remarked that the communists of Russia have "stored their communism in the attic." He refers, of course, to what extreme Marxians contend communism means, not state capitalism.

The courts are resorted to to protect property rights. Actions corresponding to claim and delivery and damages for injuries to and destruction of property are maintained with reasonable assurance that justice will be done in the premises. A statute of limitations bars suits of various kinds, the provisions not being greatly different from the statutes of limitations enacted in other countries.

The three years' statute of limitations has deprived many owners of personal property which was seized by the Government or perhaps by individuals. Accordingly many persons are confirmed in their possession of household effects, books, a great variety of tools and farming utensils, as well as jewelry, pictures, and more or less valuable bric-a-brac, and the plea of the statute is met if the present possessor and claimant may piece together the periods of possession by others, providing the aggregate makes the three years. This effectually prevents recovery by the former owners, because substantially all property involved was seized more than three years ago or has been out of the possession of the owner for three years or more.

PEASANTS AND LAND HOLDINGS

The condition of the Russian peasant is still pathetic and indeed tragic. His poverty and in many cases his physical weakness, resulting from a long period of hardships, are obstacles to vigorous and effective toil. The revolution has not wrought the change in his relation to the land that many have thought. The view has been prevalent outside of Russia that prior to the revolution all lands within the Russian state belonged either to the crown or to the state or to a limited number of landowners. Mr. Norman, the British member of Parliament to whom reference has been made, in his book on Russia states that as early as 1892, 50 per cent of the arable lands in European Russia were owned by the peasants, either individually or in community form. Before the war there were millions of acres held by village communities, the title being in the community. In some instances there was tenancy in common, in others a sort of joint tenancy, and in still others the land was regarded as the property of the inhabitants of the village or community and could not be alienated, but title passed to succeeding generations of those who lived in the community.

In 1905 the lands of European Russia were owned and held as follows: Lands belonging to the state, 138,086,168 dessiatines; allotments to peasant communities, 138,767,587 dessiatines; private owners (large landed estates), 101,735,343 dessiatines; Crown and imperial family, 7,843,015 dessiatines; monasteries, 739,777 dessiatines; municipalities and towns, 2,043,570 dessiatines; Kossack troops, 3,459,240 dessiatines; different institutions, 646,885 dessiatines; making a total of 395,192,442 dessiatines. A dessiatine equals 2.67 acres.

Substantially all land within the above category of peasant allotments was inalienable and belonged to the village communities. More than four and one-quarter millions of dessiatines, prior to January 1, 1905, were owned by peasants individually, with the right to sell, mortgage, or make any disposition of the same that the holder of an indefeasible title enjoys. Associations or groups of peasants had purchased prior to January 1, 1905, 7,054,000 dessiatines, and their title to the same was without restriction or limitation. There were also peasant communities who had acquired full title to 3,729,352 dessiatines, which they held in communal private ownership in contradistinction to allotments in communal ownership holdings.

Between the years 1905 and 1915 peasants acquired a fee simple title to 9,851,444 dessiatines of land, substantially all of which was owned by them individually. Of the 138,086,168 dessiatines owned by the state, to which I have referred, 124,000,000 were in the north of European Russia, bordering upon the White Sea and the Arctic Ocean, and to the east of the Volga River. Not more than 5,000,000 dessiatines of this were arable lands.

In 1917 there belonged to the imperial family (Crown domain) only 6,584,928 dessiatines, of which not more than 2,000,000 were arable lands, the remainder being under forests.

Not more than 2,000,000 dessiatines of the land belonging to the churches, ecclesiastical bodies, and monasteries in 1905 were arable. Of the 101,735,343 dessiatines belonging to private owners—landed estates—January, 1905, 27,000,000 were acquired by the peasantry, or the banks and associations controlled by or for the benefit of the peasants prior to January 1, 1916, and on this date 25,000,000 dessiatines were under forests. Not more than twenty to twenty-five million dessiatines of the area of 101,000,000 plus were cultivated by the owners, the remaining arable parts being leased to peasants.

It will thus be seen that the amount of arable land in European Russia available for distribution by the Bolshevik Government to the peasants was not as great as has been supposed. The fact should also be stated that many large landed estates had for many years been mortgaged. Many Russian landowners were profligate and wasted their substance. In 1899 the Agrarian Banks of Russia had advanced more than 1,300,000,000 rubles upon landed estates numbering 89,084, with a total area of over 117,000,000 acres. Most of these estates were lost by their impoverished owners and millions of acres were acquired by peasants and peasant communities. The number of mortgages given by the nobles and landed proprietors constantly increased, so that in 1916 nearly 50,000,000 dessiatines were mortgaged to the banks to cover loans to the owners, amounting to 2,291,000,000 gold rubles. The value of these lands was approximately double the mortgage obligations.

In 1861 there were 54,150,000 peasants; in 1916, 100,000,000. This increase in the population brought the average allotment of land to the peasants from 4.8 dessiatines in 1861 to 2.6 dessiatines per man in 1900.

Land reforms were projected by Stolypin, the great Russian statesman, whose assassination prevented the completion of his plan. It was intended to abolish the communal land ownership and allot the communal lands to individuals, giving each an indefeasible title. The execution of this plan was slow, and in 1916 only two and one-half million peasants who had applied for the fixation of their individual rights to the lands they were cultivating had been allotted their respective parcels of land, the aggregate quantity being approximately 16,000,000 dessiatines. However, many other communities had effected divisions of communal lands aggregating many million dessiatines, and the peasants therein were severally in possession and control of such lands. And early in 1917 four and one-half million peasants had received their allotments in severalty to more than 38,000,000 dessiatines of land.

In 1887 among the rural population the arable lands allotted to them individually, or in communal organizations, the allotments, according to population, were as follows: Forty per cent of the population had allotted and were in possession of 2 to 4 dessiatines per head; 29 per cent, 4 to 6 dessiatines per head; 11 per cent, 6 to 8 dessiatines per head; 5 per cent, 8 to 10 dessiatines per head; 3 per cent, 10 to 15 dessiatines per head; less than 3 per cent, 18 dessiatines per head; 8 per cent, 1 to 25 dessiatines per head; and 1 per cent more than 15 dessiatines per head.

For a number of years before the revolution many of the peasants were demanding more lands. Siberia was an outlet, and the migration from various parts of Russia was annually increasing. The primitive methods employed in agriculture, the lack of necessary farm implements, together with the restricted markets, lack of transportation, and the backward condition of the country, conspired to keep the peasants in a condition of poverty and intellectual torpor.

The lands available for distribution by the Bolshevik Government, even after its confiscatory decrees, did not provide for the peasants the amount which they expected to receive. There were many so-called "rich" peasants, with holdings of from 20 to 50 or 100 dessiatines. The possessory rights now enjoyed by them are no greater than other peasants in the same neighborhood. Considerable dissatisfaction exists among those peasants who prior to the war had bought and paid for their lands, and also among a large number of peasants who occupied communal lands, the title to which was in their community centers or organizations.

Great progress before the war was being made toward peasant private ownership, and community holdings were being divided so that the peasants were becoming individual landowners. This policy encouraged individual effort, developed initiative, and brought about marked progress and improvement among those having such individual ownership. There was developing a sense of personal responsibility, a spirit of pride and independence; improvements became more permanent, better homes were built, and a general strengthening morally, intellectually, and otherwise was evident. The title to all of these lands, by the decree of nationalization, was swept away. Title may not now be obtained by the peasants to any land, not even their own homes. Their tenure is a precarious one, depending, as stated, upon the will of the Government. This fact is an obstacle to lasting and permanent improvements and leaves always in the minds of the peasants the fear that some contingency may arise which may result in an attempted expulsion from the lands which they occupy.

Under the decree of the Government peasants may not occupy land, even though possession may be given them, unless it is cultivated. In some instances it was discovered that this policy of the Government had the opposite psychological effect intended; it did not increase production, and many peasants felt that it was additional evidence of the insecurity of their tenure.

My attention was directed to a few cases that caused considerable criticism of the Government when it had made allotments to individuals of parcels of land which had formerly been owned or occupied by other peasants, communally or individually. The unsettled condition of the country or their service in the army, which when terminated did not promptly restore them to their former homes, led the allotting commissions to treat the land as vacant or abandoned, and it was therefore assigned to others. Perhaps such lands had been in the family for many years; and, as stated, in some instances the land was actually owned by the person who was now deprived of the same.

The quantity of land allotted by the Bolshevik Government to the peasants is surprisingly small. It was rare to find an allotment exceeding 3 to 5 dessiatines, no matter how large the family. In some instances the amount of land assigned was from half a dessiatine to 1 dessiatine per family. Perhaps the average throughout European Russia is between 2 and 3

dessiatines per family. But small though the area is, contact with the peasants showed that in many instances the entire amount was not cultivated.

The condition of the peasants is such that, even if they had the will, it would be almost impossible for them to cultivate more. Reference has been made to their physical exhaustion resulting from the years of undernourishment and hardships. And in addition they have been stripped of substantially all of their farming implements and in many instances are without animals. There are thousands of peasants who are without a single horse or cow, and peasants are regarded with envy who are fortunate enough to have two horses. Nearly all horses are small and not sufficiently strong to draw suitable plows or heavy loads. The poverty of the peasants and the primitive implements which they have result in indifferent cultivation and limited harvests.

Investigations show that in productive parts of Russia the pre-war condition of many peasants was much superior. Many would cultivate 5 dessiatines and collect a harvest of approximately 285 poods. In the same sections, for 1922 and 1923, the average land farmed was 1.8 dessiatines, with a total yield of 68 poods.

There is but little artificial fertilization of the soil, and the importance of fertilizers of any character has not been sufficiently understood by the peasants. There is no irrigation, and the limited amount of precipitation in many parts of Russia contributes to the uncertainty of the harvests, as well as the small yield so often noted.

There were some complaints because the peasants were deprived of the use of the forests, which for generations had been the source of their fuel supply. A few sections of Russia are supplied with coal for domestic purposes, but the forests have been the principal sources to which the people have resorted for timber for building and farm uses, as well as for fuel. But in very large districts of the agricultural sections of Russia there is but little timber and in extensive areas none is available. All forest lands are controlled by the state, even those which were owned by the peasants prior to Bolshevist nationalization and from which they obtained their supply of fuel. With the mounting prices of fuel and the falling prices of farm products, the peasants are unable to make needed improvements in their homes and upon their farms or to obtain fuel to meet the rigors of the present winter.

The catastrophic decline in production in all lines of industry and the importance of furnishing credits, or of providing exports to meet imports, have reduced the people of Russia to a most deplorable situation. In the villages and all agricultural sections visited the lack of clothing was specially noticeable. Practically all children were without shoes; many were in rags which did not conceal their nakedness, and few had sufficient clothes to protect their bodies. Peasants often alluded to the approaching winter and to the fact that they were without shoes and clothing for themselves and their families and without means with which to procure them. They viewed the approaching winter with dismay and fear. Many peasants provided a rude covering for their feet out of vegetable or wood fiber woven into a moccasinlike form. The peasants appeared to be industrious, although there was a lack of system, and, with their limited implements, their accomplishments were not great. They possess considerable ingenuity, and with an ax build structures which in America would call for various kinds of machinery.

Men and women work together in the fields and one or both often are seen taking their limited products to the cities. Seldom did I see men working upon the railroad tracks. The work performed by what are known as "section men" in the United States is usually performed by women. They are often seen in the cities and towns working upon streets, repairing buildings, and carrying heavy burdens. In the midst of their sorrows and hardships they seem patient and, indeed, cheerful. They manifest devotion to their children and are faithful to their marital obligations.

In calling attention to the poverty of the peasants and their lack of clothing, it is not intended to infer that the urban population is much better situated. The fact is that in the cities there is great distress. Hundreds of thousands are denied proper food, and orphan children, undernourished and without protection, are to be seen in large numbers, and lack of food and clothing can be found in all parts and among all classes.

As I have bereinbefore indicated, the present winter, owing to the shortage of fuel, food, and clothing, will bring incredible hardships, intense suffering, and great mortality, not only to millions of peasants but also to great numbers within the cities and towns. Even among the peasants milk and butter are almost unknown, and the food provided consists almost entirely of black bread, sunflower seeds, sunflower oil, and vegetables. There is an entire lack of sanitation in the rural sections, and in most of the cities the sewage system is inadequate or imperfect, or so out of repair as to fail to serve its purpose.

I noted with surprise the lack of sheep, hogs, and chickens, as well as other domestic animals. In some parts of Russia the fields showed intelligent care and the application of more improved methods of tillage, but, generally speaking, the reverse was true, and more of the peasants' homes were cheaply constructed and the surroundings drab and squalid.

The area planted to crops during 1923 did not reach the expectations of the soviet authorities. In 1922, 41,000,000 dessiatines were planted to crops in European Russia; in 1913 the acreage was 79,000,000 dessiatines; in 1920 it was less than 56,000,000 dessiatines; in 1921, 49,000,000 dessiatines. It was stated in Economic Life, one of the leading Bolshevik papers, that the planted area for 1923 was approximately 42,000,000 dessiatines.

Contrary to the general belief, the crop production for 1923 is not as favorable as that of 1922. Russia is exporting some grain, but many facts were brought to my attention which led to the belief that the domestic needs of the people were such as to require the entire crop.

The Commissar of Agriculture stated to members of our party that the 1923 grain exports would be 220,000,000 poods (132,000,000 bushels), but that to export that quantity would be "imprudent," and only the "necessities of the people compelled such action." An interesting statement by the same official was that the Russian peasants received but 50 to 60 per cent of these products, the remainder, either in kind or in proceeds, being absorbed in transportation, taxes, and so forth. Up to October 1 of this year there had been sold of Russian agricultural products, to wit, rye, wheat, barley, corn, oil cake, and other crops, a total of 19,500,000 poods. Kalinin, President of the Soviet Government, stated to our party that he thought there would be 300,000,000 poods for export. In my opinion, based upon observations and reports of crop conditions, any export of grain from Russia of the 1923 crop will take from the people what is needed for their sustenance and to provide sufficient seed for the coming year.

The soviet authorities affected to believe that Russia's economic redemption would be speedy as a result of increased agricultural production. What I have stated does not support the optimistic statements so often repeated by Bolsheviks and their friends outside of Russia. The fact is that the peasants are in a most critical condition, and their sufferings for lack of necessities of life are very great.

The Pravda, under date of September 14, 1923, states that cereal production for 1923 will be but 2,153,000 poods—a pood is 36 pounds—a decrease of 90,000,000 poods, or 4 per cent, over the production of 1922. The cereal production between the years of 1910 and 1914 in the same area of Russia was more than 4,000,000,000 poods. In the Economic Life for January 6, 1923, Professor Ognovsky states that the grains and agricultural products from which the greatest exports were derived prior to the war continued to decrease in area.

The area devoted to the production of grains for local consumption has not shown so great a decrease. In 1913 nearly 21,000,000 dessiatines were devoted to the growing of summer wheat, but in 1922 only 5,500,000 dessiatines produced the same crop. In 1913 more than 9,500,000 dessiatines produced barley, while in 1922 less than 3,000,000 dessiatines were devoted to the production of barley.

I discovered that the yield of agricultural crops was less per dessiatine than prior to the war; and there has been an unsatisfactory yield, per dessiatine, during the past few years. In 1922 the average yield of grain per dessiatine was nearly 50 poods; while in 1923 it was estimated at less than 43 poods per dessiatine. The decline in the acreage as well as in yield is largely attributable to the weakened physical condition of the peasants and to their lack of agricultural implements; and, as I have indicated, there was in many parts of Russia a feeling of uncertainty among the peasants as to the security of their land titles. Indeed, they know they have no title and many labor under the apprehension that they may be despoiled of their possessory rights. This feeling of insecurity is reflected in diminished production and in a lack of energy, as well as in a disinclination to make permanent improvements upon the land. From all that I could learn in my interviews with representatives of the Government, and from translations of Russian newspapers such as the Izvestia, the Economic Life, the Pravda, Trud, and others, I feel confident that Russia's agricultural exports for 1923 will be very much less than predicted by the soviet authorities.

The average annual exportations of cereals alone, between 1909 and 1913, were approximately 800,000,000 poods. In 1922 Russian exports of the same crops were about 25,000,000 poods. In my opinion the agricultural exports for 1923 will not exceed 100,000,0000 poods, and, as I have indicated, to accomplish this result many of the people of Russia have been and will be deprived of bread. Notwithstanding the limited agricultural production of the Russian peasant, he has been compelled to witness an increasing disparity between the prices received for his products and the manufactured commodities which he has been compelled to purchase.

For instance, as stated by the Economic Life in its issue of February 9, 1923, a yard of calico, prior to the war, was worth 5½ pounds of rye flour. In January, 1923, it required 18 pounds to purchase one yard, and when I left Russia in October, the prices of all manufactured articles had advanced to a much higher level, measured by the value of agricultural products. This catastrophic decline in the value of agricultural products, measured by industrial commodities, has a most dispiriting effect upon the peasants and if continued will result in reduced production. The peasants content themselves with producing only sufficient to satisfy their own needs.

Reference has been made to the helpless condition of many of the peasants because of the calamitous loss in domestic animals. Figures brought to my attention show that in many of the most important agricultural sections of Russia the number of animals found upon the farms in 1923 was less than 20 per cent of the pre-war period.

The soviet officials admitted that the taxes imposed upon the peasants had been excessive, considering their desperate plight. Reference has been made to the multiplicity of taxes imposed upon them and the growing discontent which had arisen as a result of their collection. To meet this situation for the present year the single rural tax system was devised. Under this system the tax imposed upon the peasants is to be paid in money, except in certain remote districts where it may be paid in grain. In determining the tax to be paid the peasants are divided into nine groups, based upon the number of persons having arable land and the number of animals which they possess. It is stated that the tax will produce 670,000,000 poods, the highest tax for any peasant under this system being 25 poods of grain.

Mr. Popov, member of the Soviet Central Statistic Department, has stated in the Economic Life that "under the applied plan of taxation, and pursuant to the budget for the fiscal year of 1922 and 1923, the peasants will be required to pay more than 400,000,000 gold rubles, and for the following fiscal year this will be increased to 600,000,000 gold rubles. If this be true, then the taxes imposed upon the peasants will be greatly in excess of the levies made upon them before the war."

However, in many of the districts visited peasants stated that the taxes paid by them were less than those collected under the Czar's régime. One need not be surprised at complaints by the peasants of the burdens of taxation when it is recalled that, until recently and since the new economic policy has been in force, the Bolshevik Government had no source whatever from which to obtain revenue except from the crops of the stricken and starving peasants.

Prices of all commodities increased materially during the time our party was in Russia. Both the commodity ruble and the Government ruble constantly declined, measured by the gold ruble. Early in August the dollar would purchase 247,000,000 rubles. Prices of many commodities more than doubled in that period. A pair of ordinary shoes in Moscow brought from $15 to $25. Prices in the restaurants and in the few Government hotels were based upon the gold ruble or chervonetz, and the value of all commodities reached such enormous heights that the people were plunged into despair. With the increasing disparity between the selling price of his products and the selling price of all other commodities the peasant's situation becomes intolerable. This will result in serious discontent among the peasants as well as among the people, which will be reflected in sullen hostility toward the Government.

I was unable to discover any feeling favorable to the return of the monarchy. Seldom was any reference made to the fate of the Czar or the whereabouts of any of the royal family. The chapter seemed to be closed.

When asked whether they were satisfied with the Bolshevik Government, many peasants did not reply. Others stated that they did not care what kind of a government prevailed if they could have peace and reasonable prosperity. President Kalinin, in replying to the same question, stated that he would not say that the peasants were "satisfied" with conditions, and he added, nor will they be, because of the very high cost of manufactured articles.

In the Cossack districts there was marked dissatisfaction with the Government. This grew out of the heavy taxes imposed and the limitation in acreage allotted to the peasants. Under the Czar the Cossacks had been favored and were regarded as somewhat of a privileged class. Many of them owned the lands which they farmed, and it was not uncommon for a Cossack to have title to from 8 to 15 dessiatines of land.

Much has been said about the Russian peasant, his melancholy nature, and his fatalistic attitude toward life. There are some who affirm that the peasants are simple-minded and childlike, free from passion or cruelty, easily led, and dominated absolutely by the priests. Others say that they are sullen, rather stupid, but cunning and revengeful, and without capacity for intellectual advancement.

Speaking of the peasants, Mr. Norman, the English writer to whom I have referred, says:

> Their poverty does not prevent them from being happy in their melancholy Slav fashion. They live in dirt and are verminous, yet they luxuriate regally in the village vapor baths. Black rye bread, cabbage, buckwheat, mushrooms, and eggs are the chief items of the mushik's fare. He is a fluent liar, generally from amiable motives. He is religious in every fiber of his being, but his religion is wholly of the letter. He is convinced that the priest has the evil eye. He gets wildly drunk at Easter from joy to think that Christ is risen, and at other times for no reason at all. The soldier, typical of his class, is a great child and is treated as such.

This rather unfriendly view of the peasant fails to credit him with many virtues which he possesses. Some homes which I entered were found scrupulously clean, though the furnishings were simple and of the most primitive character. In every home visited one or more icons occupied honored places in the most imposing room.

The Russian peasants are a bundle of paradoxes and incongruities. They are amiable and gentle, and yet many of them are cruel and insensible to pain, either when subjected to it themselves or when they inflict it upon others. Suffering does not affect them as it does some races, nor do cruel punishments by the Government or brutal crimes resulting in death stir them. They regard with a stolidity that is remarkable good fortune or the most awful catastrophes and woes. It is "nitcheva"—"it is nothing," whether it be life or death, sunlight or darkness. They are emotional, and at times deeply moved by stirring appeals or religious exhortation, and yet they are stolid and apparently indifferent to the most violent changes and overwhelming disasters. While most of them are illiterate, they possess great mental strength. The texture of their brain is sound and their capacity for intellectual growth and development is extraordinary. Their children who have enjoyed opportunities for study have readily absorbed knowledge and demonstrated fine moral and mental qualities. They exhibit a childlike disposition, inconsistent in the view of many, with the strong and primitive passions which they often display. To them God is an ever-present Being, whose all-seeing eye they can not hide from. He is a God of power, rather than of mercy—a Being to be propitiated by devotion and sacrifice.

These peasants and their descendants hold the destiny of Russia in their hands, and will determine, if they do not control, the future of the nations of two continents.

While there is a strong national feeling and an ineradicable love of Russia, there is with many of the peasants not that deep-rooted affection for home which might be expected. Doubtless the communal life, the frequent changes in the spot of ground which they till, in part account for this trait. Moreover, the squalid surroundings and the temporary character of so many of their homes conspire to develop a roving or migratory spirit. Conflagrations are frequent in the villages, and it has been stated that more than 75 per cent of the homes of the peasants are destroyed by fire every seven years. Recurring famines not infrequently produce extensive migratory movements. The few household possessions and farm utensils can quickly be placed upon small vehicles which the peasants own, and within a few hours they start upon long treks without certainty or information as to the road to be traveled or the destination to be reached.

Many caravans of peasants in their battered and rickety wagons were encountered in the extensive travels of our party. Men, women, and children would painfully but patiently and uncomplainingly follow lumbering carts or fragile vehicles drawn by small and undernourished horses or poor and undersized oxen.

SELSKOSOYUS (ALL-RUSSIAN UNION OF AGRICULTURAL COOPERATIVES) AND CENTROSOYUS (ALL-RUSSIAN CENTRAL UNION OF CONSUMERS)

COOPERATIVE SOCIETIES

Prior to the war the Centrosoyus was a powerful cooperative society, the membership of which was reported to have been between 10,000,000 and 20,000,000 persons. This organization combined hundreds of cooperative societies existing throughout Russia and carried on an extensive business in buying and distributing agricultural products and various commodities. It owned warehouses, large supply stations and depots, grain elevators, stores, and merchandise establishments. It also had banks and credit associations for the financing of its members. Its resources went into the hundreds of millions of rubles, and its annual business constituted a very important part of the entire trade and commerce of Europe. Its contacts with the peasants and the inhabitants of the rural parts of Europe, who constituted an important part of its membership, were exceedingly helpful and educative to the people and enabled them to more readily and at better prices dispose of their products and to obtain, under conditions more favorable than otherwise would be obtained, supplies and commodities which were imperatively needed by them.

The value of this great organization to the economic and social life of Russia can not be overestimated. Unfortunately, when the Bolsheviks came into power, the heavy hand of the Government was laid upon this agency, with all its subsidiary branches and cooperative societies, and they were absorbed into the Bolshevik organization and all assets confiscated. It possessed real estate, banks, credit organizations, with valuable assets, warehouses, transportation facilities and instrumentalities, large and small, mercantile assets; but all were appropriated by the Government.

The association was preserved in form, but it became a part of the Government, and decrees were issued which attempted to bring all the consumers in Russia into membership in the association. Undoubtedly, the Government perceived that this organization was the antithesis of communism, and that to permit it to function and to preserve intact its resources would interfere with the enforcement of communistic policies. Accordingly, the organization was destroyed and its assets dissipated.

Under the more enlightened policy now prevailing, it is perceived that an organization of this character will contribute to the economic regeneration of Russia. Accordingly, it is being revived and is now functioning somewhat along the lines of its former activity, but greatly restricted and still closely watched, and indeed controlled, by the Soviet Government. A member of the Communist Party heads the organization, and its operations are limited so as not to conflict with the monopolies and trusts of the Government. It may engage in foreign trade, but only under license and permission of the foreign trade department of the Soviet Government. It may not export or import without such license, and its transactions relating to foreign trade and commerce, whether initiated or consummated in Russia or in foreign countries, must meet with the approval of the Moscow Government.

The Selskosoyus is another organization which is of growing importance. It was organized in 1918 as a purchasing agency of agricultural cooperatives. It is claimed by some of its representatives that it was the direct successor of the goods section of the Moscow National Bank, which was brought into being in 1912. This cooperative society, and such the Selskosoyus is, contains share capital, consisting of the contributions of member unions and of the members of special centers of agricultural cooperators. It unites or coordinates societies organized in districts and in gubernias in order to combine the purchasing functions of various agricultural cooperations and associations, and to organize for the sale of agricultural products and procure funds to supply credit to the entire cooperative agricultural system. In its earlier days it exported agricultural products and imported agricultural implements and other commodities required by the business of Russia. During the war it was practically in suspension.

The Bolshevik Government, in 1920, transferred its moribund form to the agricultural section of the Centrosoyus, but in 1921, following the promulgation of the new economic policy, the work of regenerating this organization began. In January of this year it had a membership of more than 2,000,000, and combined hundreds of local agricultural cooperative societies. Up to October 1 of this year its foreign trade amounted to 5,800,000 gold rubles, and it is expected that for 1924 its foreign trade will approximate 25,000,000 gold rubles. These cooperative organizations I regard as of great importance in the restoration of Russia; and if they are emancipated from the domination of the Government they will be a potential force for the economic rehabilitation of Russia and for the development of a spirit of freer trade and unrestricted intercourse among the people of Russia and with other nations. There are unmistakable evidences that their vigor and vitality and influence are increasing. They constitute one of the most hopeful signs which I encountered for Russia's expansion and industrial and political freedom.

RELIGIOUS SITUATION AND THE GREEK ORTHODOX CHURCH

The religious and church question in Russia is a living and vital one, and no study of Russia is complete without an intensive investigation of the Greek Orthodox Church and its relation, or perhaps it should be said the relation of the Bolshevik Government to it. To understand the Russian people one must know something of the Greek Orthodox Church and its influence upon the history of Russia as well as upon the lives of the Russian people.

Long before the Roman Empire was divided into the East and the West, religious differences arose between members of the Christian Church who lived under the civilization of Greece, and those who looked to Rome for political as well as intellectual and religious guidance. The church at Rome had a legalistic viewpoint and emphasized the question of authority. The East regarded Christianity as a philosophy to be comprehended. The contemplative and devotional side of religion was emphasized by the East. These differences became so acute and were regarded as so irreconcilable that the church divided into the Roman Catholic Church and the Greek Catholic Church, one with its seat at Rome, the other at Constantinople.

About the year A. D. 868 Christian missionaries, Cyril and Methodius, entered Russia, which at that time was pagan. Later Vladimir struck down the image of the powerful god Peroun at Kiev, and warriors and people went down into the waters of baptism, forsaking idolatry and entering into the Orthodox Church. From Kiev the faith and creed of the church was carried by priests and monks to all parts of Russia, and constituted a gravitational force which drew and held together remote peoples and nationalities and constituted the most potent power in creating and developing a Russian national spirit.

Tartars and Mongols came out of Asia and overwhelmed the Slavs and remained in power for two centuries. Under the Christian banner Russia between the days of Vladimir and the Tartar conquest had made industrial and intellectual progress and had advanced in culture until it was the peer of most countries of Europe. But with Asiatic control Russia was cut off from the west and from the civilizing forces there so rapidly developed and applied. The fiery zeal of the priests and prelates of the church armed the Russian people, who drove out foreign invaders and repelled their succeeding assaults. The priests became pathfinders and pioneers. They penetrated steppes and deserts and forests, founding monasteries and building churches and gathering around them small bands of people, whose numbers continually increased. Thus villages and communities and cities and Provinces were founded. But also there was the religious impulse and the thought that they were one people with a common destiny, bound together by the same spiritual ties and entitled to the same communions.

When enemies were met and battles fought, priests carried the cross and inspired warriors to heroic and valorous deeds. As the power of Russia grew, the influence of the church increased. A patriarch of the church was more powerful than his son, who was a Russian Czar. With the death of Patriarch Adrian, Peter the Great refused the selection of a successor and provided for the administration of the affairs of the church by a council called the Holy Synod. This great ruler sought to curb the power of the church, and required the bishops to recognize the difference between the autocratic power of the Czar and the ecclesiastical authority of the church. The eastern patriarchates finally recognized the governing synod which had been established by Peter the Great. The ober-prokuror appointed by the Czar in effect became the head of the church. Shielded by the head of the state, he exercised supreme authority in the church. He named the members of the Holy Synod and bishops and other ecclesiasts. So powerful did he become that he often influenced the affairs of state, and constituted a danger to the peace and welfare of the people. Nevertheless, the church, as indicated, had developed a national spirit and had welded the heterogeneous and discordant elements, tribes, and people together, as a result of which the foundations of the State were strengthened.

And the church was an important factor in developing architecture, music, painting, and other progressive and educational forces which slowly but effectively advanced Russian civilization. The church established schools in villages, cities, and

towns, and maintained theological universities and schools in which Greek, Latin, and Hebrew were taught, as well as law and history and science and all branches of knowledge that were taught in the leading universities of Europe.

Many of the priests going from these universities were men of great learning, but the procedure of the church and its devotion to the creed and liturgy and ceremonials handed down from past centuries arrested their intellectual development and pressed them into an unresponsive existence. The ecclesiasts were scrupulously observant of the forms of the church and attended with meticulous care to the services—beautiful and inspiring as they were—but which changed not with the passing years and centuries.

The intellectual needs of the people were not provided for by the church. It is true the village priests, most of whom were married, entered more or less into the lives of the peasants, but their poverty and their limited education and their narrow outlook upon life inadequately prepared them for social service or educational activity.

The church encouraged the worship of relics, and in many of the churches the remains of eminent saints and pious priests were preserved, and peasants from far and near visited them to pay homage to these unburied figures. It was claimed that deception was practiced and that many of the shrines and caskets alleged to be the receptacles of sacred relics or the bodies of holy men contained nothing but stones or shapes of wood. A caste system grew up in the church which was encouraged by the Czar; and under the direction of the Ober-prokuror, who was the creature of the monarch, the church became a powerful prop of the Czar and a defender of his policies.

However, as stated, many schools were established and conducted by the priests and their services reduced the illiteracy throughout the Empire. The state made provision in its annual budget for support of the church. This close union, of necessity, brought the church to the support of the political policies of the Government. Political reforms sought by the people and opposed by the Government likewise met the opposition of the church. The church became, therefore, the defender of repressive and reactionary policies of the Czars, and it was allied to the nationalistic spirit and zealously supported all imperialistic policies of the government.

When the Czar was overthrown the church was bewildered and seemed incapable of adjusting itself to new conditions. The Kerensky government abolished the office of ober-prokuror but created a "Minister of Confessions," who was to protect the interests of all religious faiths, with no preference to the Orthodox Church. A decree was issued closing all parochial schools and placing all educational institutions under the Government. In January, 1918, after the Bolsheviks seized the government, a decree declared the church and state separate and forbade further aid in support of the church. The annual contributions given for support of the church in the latter years of the Czar's reign approximated 100,000,000 rubles. Under the Kerensky reign a general council of the church was called, the first in 200 years. To this council came bishops and clergy and also laymen, the latter exceeding in number the former.

This conference was what might be called the constituent assembly of the church. It was provided that the supreme power of the church should be vested in a Sobor or General Council, which should meet at fixed intervals and which should be composed of laymen and ecclesiasts of the church.

The patriarchate, which had been abolished, was restored, and the holder of the title of the office was constituted primus inter pares of the church leaders. The Patriarch of Moscow was named as the executive head of the church and intrusted with the authority to represent it. Two elective bodies were provided, known as the Holy Synod and the Supreme Church Council, the former consisting of the patriarch and 12 bishops, 6 chosen by the sobor and 5 others, 1 from each of the 5 districts into which Russia is divided, for the purpose of church government. The synod's work relates rather to the discipline of the church; and the supreme council, consisting of 3 bishops chosen from its members, 5 members of the lower clergy and 6 laymen and a monk elected by the Sobor, controls the business and legal affairs of the church.

At this conference some noblemen and bourgeoise attended, having been selected under the canons of the church. The conference was composed of many able men, who appreciated that reforms must be made in the church, and that it must accommodate itself to new conditions and be flexible enough to meet the political and social revolution which had occurred. A liberal program was projected, but before its execution Kerensky was overthrown and the Bolsheviks came into power.

During the conference the liberal and reactionary tendencies in the church were manifest, but the large number of laymen, together with the enlightened views of a majority of the clergy, resulted in the adoption of a program for the church calculated to effect reforms. There were those who contended for the old administrative and procedural system with the power in the ruling hierarchy. The majority of the conference "demanded greater democracy in the management of the church and an expanding policy which would emphasize the spirit of service as the vital force in the community and social life of the people."

The compromise agreed upon protects the clergy and all legitimate and proper rights, but democratizes the church and places in the hands of laymen the control of the general council—the governing and controlling body of the church. The system of local self-government was provided for each diocese, and these local organizations are likewise democratic in formation, the laymen of the diocese being in the majority.

"An important change was also made in the method of selecting archbishops. There had long been a controversy between the monastics and the married clergy, because the higher members of the clergy were exclusively taken from the monastic branch of the clergy. Under the new rule they may be selected also from the married clergy or laymen. Undoubtedly, the admission to the archiepiscopal offices of members of the white clergy was an important step in the direction of liberalism in the church."

The manifest purpose of the communists to destroy the church and extirpate religion created a reaction within the church. Many of the communists, heated and made more fanatical by their victory, assailed with great bitterness the church and its leaders, and avowed their purpose to take over the churches and convert them into communist and workingmen's clubs, into schoolhouses, and, in some instances, into places of amusement. These assaults, together with the atheism of the communists, drew the clergy and the laity together in a defensive attitude.

Undoubtedly Tichon, the head patriarchate of the church, as well as many bishops and priests, believed that Bolshevism was an ephemeral thing and would soon pass away. Some of the priests, when civil war came, took sides with the forces arrayed against the Bolsheviks. Some of them went with the armies of Kolchak and Denikin and Wrangel, as did large numbers of the Russian people themselves. Thousands of priests were arrested by the Bolsheviks, many were executed, great numbers imprisoned, and very many driven into exile. Some fled from Russia and still remain in foreign lands. There are now in Turkestan, Archangel, and other parts of Russia many priests ordered to these various places by the Bolshevik Government. Some are in prisons, others have some liberty, but are under restraint and forbidden to return to their respective homes. Accurate information as to the number of priests executed was not obtained. Some who were hostile to the communists stated that many thousands were executed. A number of priests, some of whom were in a position to have a fairly accurate knowledge, reported that the number exceeded 3,000. The Soviet Government admits the execution of more than 1,200.

At this point it may not be inappropriate to report that priests of the Roman Catholic Church were also executed, some exiled, and others imprisoned. Archbishop Zepllack, one of the most distinguished Roman Catholic prelates in Russia was arrested, as was also Archbishop Butkiewicz, who was sentenced to death. The sentence was carried into effect. Archbishop Zepllack's sentence was commuted to 10 years' solitary confinement.

The Bolshevik persecutions of the church continued with unabated vigor until at last the peasants became exasperated and assumed an attitude which caused the Bolsheviks to fear a revolt which might topple over their Government. Thereupon a change in policy was adopted. Churches which had been seized were restored and some which had been closed were reopened.

But this situation in the church became more confused, threatening its unity and its strength. In the meantime Tichon had been arrested and this act had been provocative of an outburst of religious fervor in all parts of the land. The reactionary forces within the church clung tenaciously to the old formula and seemed unwilling to respond to what obviously the changing conditions demanded for the people's welfare and for their spiritual development.

Many priests and ecclesiastical leaders, having suffered from arrest and fearing further arrests and punishment, dared not, or, at least, did not, take steps to meet the active propaganda of the Bolsheviks against religion and in behalf of atheism. For a period it looked as though the church was paralyzed and could not meet its powerful and vigorous enemy. Many of the priests were dissatisfied with the static and reactionary

the domination of the Government they will be a potential

tion. The church established schools in villages, cities, and

in the church were manifest, but the large number of laymen,

of the priests were dissatisfied with the static and reactionary

attitude of the church hierarchy and agitated for reforms in church procedure, if not in doctrine. This liberal movement gained considerable force and added to the confusion in the church and to the perplexity of the people. The anti-religious activities of the Bolshevists, together with the poverty of the people, led in a number of places, particularly where the people were workers in factories and large manufacturing plants, to the closing of churches. Many priests, having no means of support, were compelled to seek land in the country from which they might obtain bread for themselves and starving families. There is still great poverty and destitution among the priests.

The Bolshevik Government has forbidden any religious instruction whatever to persons under the age of 18 years, and priests, both of the Roman Catholic Church and of the Greek Orthodox Church, stated to me that they dared not visit their parishioners, particularly where there were children, for fear that their conversation, no matter how guarded, might be construed as having a religious tinge.

Much has been said, and much might be said, about the great number of churches—perhaps too many for the present needs of the people—their architectural beauty and the richness of their interior decorations, and the fine paintings found therein. Many of the churches, particularly the smaller ones, were erected by individuals. Rich landowners and noblemen would often build churches for their own families or for village communities, and it was stated to me repeatedly that much of the so-called "church treasures" the icons, the gold and silver vessels and the altars, were the gifts of the people and not the result of appropriations from the Russian treasury.

During the famine, the communist government ordered that certain treasures of the church should be delivered over to the Government to be sold to purchase food for the people in the famine-stricken areas. This order was opposed by the church. The value of the ornaments and other church property which the Bolshevik Government ordered seized was greatly exaggerated. Reports were common that priceless jewels and vessels of gold and silver and other personal property were in the church, and that their sale would bring millions of rubles. Information was lacking as to the value of such church property, and also what was actually seized and the value of the same. A number of persons stated that it did not exceed $25,000,000; some placed the value as high as two hundred millions; others reported that the property seized was more than that sold, and that no accounting had ever been made by the Bolshevik Government. I was informed that the Roman Pontiff advised the Bolshevik authorities that the Roman Catholic Church would promptly pay in gold to the Soviet Government, to be used to purchase food for the Russian people whatever amount a Bolshevist commission should determine was the value of the jewels and other property subject to seizure. No reply was made to this proposition, and the Catholic churches were invaded, the same as the Greek Orthodox churches, and gold and silver vessels and other church property seized.

In some churches, both Roman Catholic, and Greek Orthodox, the priests, and in some instances the people, offered either passive or active resistance to the soldiers and officials who entered the churches to seize and remove the so-called church treasures. In many instances priests were wounded and some were killed, likewise some of the people. Many arrests of priests followed the execution of this confiscatory order.

Tichon, the patriarch of the Greek Orthodox Church, reported to the Bolshevik Government that the church would surrender the property called for without protest, providing a committee were appointed upon which the church should have representation, to inventory the property taken, determine its value, sell and dispose of the same, and control the distribution of the funds derived therefrom, with a view to securing the best results and obtaining and properly distributing food supplies to the starving people. This proposition was rejected. In many churches, where the clergy belonged to the extreme liberal faction of the church, no trouble occurred in the seizures of church property.

This episode was made the occasion of further attacks upon the church by the ruling power. It was charged that the church was hostile to the Soviet Government and therefore, counter-revolutionary. Any antirevolutionary movement brings upon the heads of those charged therewith prompt arrest and frequently speedy execution. An expressed disapproval of the Government or its laws or policies is regarded as antirevolutionary, and often brings swift punishment upon the offender.

During this period, and following it, many of the communists increased their activities against the church. The young communists and other elements attempted to break up meetings and exerted their efforts to bring religion and the church into contempt. All church property had been confiscated, even the church buildings and cathedrals and the ground upon which they stood.

Taxes were and still are imposed upon the buildings, and vexatious regulations often imposed, calculated to embarrass the priests and to close the churches. With no means whatever of support and no funds with which to repair the churches, many of the priests were found in a most desperate plight and some of the churches were closed. I might add that numerous beautiful and imposing churches will soon, because of deterioration and lack of needed repairs, be unfit for service and unsafe for occupancy.

In the meantime and within the church there were manifestations of revolt against Tichon and the controlling church authorities. Some priests took the position that the revolution must be carried into the church, and that the reforms provided for in the general conference of 1917 were wholly inadequate. Factional strife developed among the clergy. The Bolshevik Government was quick to take advantage of the situation. It encouraged the liberal and radical forces in the church and aided them in securing greater power.

Many priests who were timorous and believed that the Bolshevik Government was supporting the radical movement outwardly gave it support. This movement became more formidable and finally a conference was called for May, 1922. The Bolshevik Government actively supported the project and assisted the liberals and radicals to control the conference. Accordingly many bishops and priests were arrested and imprisoned or exiled to various parts of the country and other persons, in contravention of the canons of the church, placed in their positions. In many cities and villages meetings of the congregations were called to elect delegates to the conference, which the so-called reactionaries in the church opposed, and the calling of which they declared to be illegal. In some instances the people, bewildered and often frightened, assented to the demands of the radical priests, and delegates—including such priests—were chosen to attend the conference. In other instances the opposition was so great that the meetings adjourned without action.

Notwithstanding such course, the radical priests would convene a few of their followers and select delegates, giving credentials, proper in form, to those selected. In some instances representatives of the political department of the Government—and it has many thousands throughout Russia—would intervene in behalf of the movement. The idea was disseminated that the Soviet Government was supporting the new movement and that opposition to it would be regarded as hostility to political authority. Many priests refused to call meetings or to take cognizance of the movement. In some instances meetings would be called, of which a majority of the members of the congregation had no notice, and delegates elected to the conference. The result was that when the conference was opened in Moscow most of those in attendance, both priests and laymen, belonged to the so-called radical or reform wing of the church, or at least represented the revolutionary movement in the church. Some who appeared as bishops had but recently been appointed, their appointment being under the rules and procedure of the church illegal. Some laymen who were delegates to the conference were either communists or in sympathy with the Bolshevik Government. There were many in the conference who were actuated by a sincere desire to effectuate reforms within the church, to detach it in part from the old spirit of formalism and to make it a more active force for righteousness and bring it more in harmony with the social and intellectual needs of the people; and notable prelates were there, some who had journeyed far to aid in what they believed to be a spiritual awakening in the church.

Bishop Blake, from America, addressed the conclave, delivering an impressive message. The conclave proceeded to effect an organization which bears the appellation of "The Living Church." The movement was equivalent to a secession from the Greek Orthodox Church, although, perhaps, some participating in the movement, as well as others who have followed it, regard the new organization as in reality the old church revivified and stripped of some outworn dogmas, church procedural forms, and nonessential features.

The fundamental doctrines of the Greek Orthodox Church—those dealing with the Trinity and the vicarious atonement of Jesus Christ and others—were not renounced or departed from, and, indeed, so far as I was able to discover, the liturgy and church ceremonials and form of worship were adhered to.

The rise of the Living Church following this conclave was greeted with considerable enthusiasm in some parts of Russia.

Many priests believed that the Bolshevik Government was supporting the Living Church and hastened to attach themselves to the movement.

Members of our party visited Krasnitczky, the head of the Living Church, soon after their arrival at Moscow. With him was Lvoff, who had been the last procurator of the church under Kerensky. Krasnitczky declared with great assurance that the Living Church would triumph; that in many of the cities a majority of the priests adhered to it, and that in the villages a large majority of the priests, as well as the peasants, were following the Living Church.

Speaking of Patriarch Tichon, the head of the Orthodox Church—who had but recently been released from prison and was under surveillance and forbidden to depart from Moscow—he said, "Tichon is extinguished." He exhibited an arrogant and rather bombastic attitude, and asserted with evident satisfaction that the Living Church had the moral support of the Bolshevik Government. He exhibited a photograph of himself taken in the uniform of a captain in the Red army and seemed proud of the fact that he had served in the army. He announced his belief in communism, and in reply to the question as to whether he supported the program of the Third International and its avowed purpose to destroy capitalistic governments, including the United States, he frankly answered that he did. When asked if the Bolshevik Government was carrying on a propaganda against religion and in behalf of atheism, he replied in the affirmative, and also said that it was teaching atheism and communism in the schools and building up a strong young men's communist party. When asked as to whether the Living Church was doing anything to neutralize the materialism and atheism being taught, he replied in the negative, stating that it had many problems and had to consolidate its gains before it could engage in that task.

The members of our party visited Patriarch Tichon, the venerable prelate, whose sincerity and devotion to the church none could question. He spoke of the schism in the church but believed that in time, through mutual concessions, a union would be effected. His statements indicated his grief over the religious situation in Russia. He referred to the bewilderment of the people because of the controversies in the church and the activity of the agencies which were trying to destroy the religious faith and bring about the destruction of the church. He referred to the destitute and starving condition of the priests, the fact that some of the churches were being closed for want of support and the poverty of the people, and the general confusion and demoralization which existed in the minds of many regarding moral and spiritual values.

In many parts of Russia inquiries brought the information to the party that some of the priests with their congregations which had a few months before followed the Living Church had returned to what they denominated the "Tichon Church," and the statement of Krasnitczky as to the success of the Living Church movement was not verified. Indeed, the great majority of the priests and the people in the villages still clung to the Orthodox Church and were grieved at the Living Church movement. In the Ukraine, which contains nearly 30,000,000 of people, a majority of the priests adhered to what some called the Independent Orthodox Church. Conference with the metropolitan of the church and other prelates led to the opinion that only in the matter of local church government was it to be distinguished from the Orthodox Church. Indeed, its creed and liturgy and ritual and symbols are the same. The priests, generally speaking, were superior, intellectually, to those in other parts of Russia. They seemed more alert and mentally active and more alive to the responsibilities of the church as well as the obligations resting upon the clergy.

There were, however, in Ukraine, a number of beautiful church edifices which were controlled by followers of the Living Church. In some sections information was obtained that the G. P. U. (that is the representatives of the political department) were submitting inquiries to the priests, asking whether they belonged to the Living Church or whether they were supporting Tichon. It was pitiful to see the distress and bewilderment upon the part of some country priests. They seemed to be sheep without a shepherd. Not infrequently priests would draw aside a member of the party and inquire as to the condition of Tichon and whether he and other prelates were arrested and whether the Living Church was gaining ground. Many of them seemed to be without contacts with archbishops or other prelates. They were left with rumors and fantastic stories about Russia and seemed to have no means of authentic information either as to the condition of the church or what was going on in other parts of Russia or throughout the world.

In various parts of Russia I learned that priests were still being arrested and some banished. In one city a priest was arrested, as it was claimed by his friends, because he had called the Living Church the "Red" Church. Many acts which to persons outside of Russia would seem quite innocent are regarded as counter-revolutionary by the political organization, which has its spies and agents in every part of Russia; and, accordingly, arrests are often made for alleged counter-revolutionary activities. In Tsaritzen the evidence which I obtained showed that 11 priests had recently been arrested and were in prison, no sufficient explanation being offered for their arrest. Devout members of the Orthodox Church declared that many of these arrests were for the purpose of strengthening the Living Church and disintegrating the Orthodox Church, and that the Living Church was subservient to the wishes of the Bolshevik Government. There is much evidence to support the view that the Bolshevik Government is equally hostile to all forms of religion and would as quickly oppose the Living Church as the Orthodox Church if it regarded it as a continuing and vital force for religious thought and development.

About six weeks after the interview with Krasnitczky, above referred to, he was arrested by the G. P. U. without warning and banished from Moscow. Inquiries failed to elicit the reason for such arrest. But it confirmed the information brought to my attention, that the Government will raise up and then destroy church prelates, whenever by so doing it can affect the unity of the church or weaken its hold upon the people. Schisms in the church are fomented by the soviet authorities for the purpose of destroying the faith of the people in the doctrines of the church and in its administrative and priestly bodies. It may be that Krasnitczky after being sufficiently punished by the Government will be reinstated by it.

Efforts were in progress in the latter part of September to compose the differences between the Orthodox Church and the Living Church. I conferred with a representative of Tichon and with some of the highest prelates in the Living Church and learned of the negotiations and the obstacles which were being encountered, some of which it was alleged by the prelates seemed insuperable.

However, the representatives of both factions declared that the church would not disintegrate or be overwhelmed with confusion, that the Russian people were naturally religious and devotional, and that centripetal forces, both in the Government and in the state, were strong. The general view was that a more liberal and progressive spirit would enter into and guide the Orthodox Church and that eventually the two factions would be united upon a platform that would preserve the essentials of the faith of the church and give to it greater vigor and power for righteousness and capacity for real service among the people. Leading prelates of the Orthodox Church confessed that it was not sufficiently responsive to the needs of the people and that it must accommodate itself to the new social and political order. It has been charged that the Greek Orthodox Church is as rigid as her icons, which do not speak or move; that her dogmas do not change; nor is her form or spirit modified. Whatever view may be taken no one can examine the creed and the work of this great church without being impressed with its devotion and its ideal of holiness. The statement of Mr. Donald A. Lowrie, a brilliant writer, who has in Russia examined with fidelity and seriousness the history and structure of the Orthodox Church, presents a view which to many will prove most illuminating and helpful.

> If religion consists wholly of spiritual worship, adherence to belief in ancient customs, reverence for holiness in every age, and a sincere desire to spread the name of Christ, then Protestants have nothing to teach Russia. But if it means a growing activity and a service of mankind, a keen appreciation of the needs of modern life, and a desire to educate its youth to minister unto the future, then Protestantism has a message to Russia. In Russia there are Byzantine elements in religion, emphasizing the mystic in the teaching about Christ. This idea should, perhaps, give way to that of joyous activity and the sense of blessedness of Christian service and the reality of the personal comradeship of Christ.

That statement is pregnant with meaning as to some of the aspects of the controversy between the Living and the Orthodox Church.

That the propaganda for atheism is having its effect was conceded by all. The students and the members of the workmen's organizations are the most fruitful fields for materialistic development. Among the peasants but little progress has been made, and in my opinion but little will be made.

Mr. Lowrie reports an incident which occurred in 1919, which reveals the nature and effects of Bolshevik propaganda at that

time. In one of the cities the soviet officials called a meeting to discuss religion, to which the communist leaders and priests were invited. One of the Bolshevik speakers explained—

the Christ myth, attempting to show that the Savior was but a man and had not been resurrected—

And concluded his speech by declaring that—

all superstitions concerning Christ should be put away—

And shouting—

long live the Communist International.

There was liberal applause. A Jewish speaker attacked the stories concerning the birth of Christ, and in conclusion declared "that Mary was but a woman of the streets." There was less applause. A priest then arose, standing silently before the people, and made the sign of the cross. It was Easter week, and the priest pronounced the Easter greeting: "Christ is risen." The multitude swayed toward him by way of reply, and said, "He is risen indeed." The priest repeated, "Christ is risen," and the people again responded, "He is risen indeed." Again the priest repeated "Christ is risen," and with a mighty response the audience replied, "He is risen indeed!" "What more is there to say? Let us to our homes," answered the priest after a moment of silence. Thus ended the meeting.

During the spring and summer of this year Vedensky, one of the brilliant leaders of the Living Church movement, delivered lectures in various parts of Russia. While defending the Living Church and its program, he lifted his voice against atheism and defended the fundamentals of the church. On one occasion, in a debate against two communists, the former defending the existence of God and the latter speakers denying it, the audience gave greater applause to Vedensky than to the communist debaters.

Instances are not uncommon of intellectual men becoming priests with a view of combating the materialism in the land and of aiding in making the teachings of the Christ a living and vital force among the people. A writer who has spent several years in Russia and who has written sympathetically of the Bolshevik uprising stated to me that the activities of communists in behalf of atheism were not as successful as had been expected or desired, and that one communist declared with great bitterness that he despaired of the destruction of the church. This same writer mentioned that a communist woman had stated to him that her daughter, 12 years of age, had rebuked the mother, declaring that she believed in God. And the same woman stated that among many children receiving communist instructions a religious and devotional spirit is found.

Communists explained that the philosophy of communism was antireligious and that churches were obstacles to communistic development. They stated that the view of the church concerning marriage and the family and divorce were at variance with communistic philosophy.

In a number of cities churches were seen which had been converted into communists' clubhouses. In the city of Tiflis, a magnificent cathedral was in process of transformation when I visited it.

The beautiful pictures upon the walls and the dome of the church were being covered with whitewash. The altar and icons and the beautiful church banners and symbols had been removed. Busts of Karl Marx and Lenin stood where the altar had rested. Soon this great cathedral would resound with the harangues of young communists and teachers of Marxian philosophy. In Moscow, a beautiful church had been similarly despoiled of its symbols and decorations and altar, and Marx and Lenin received the adulation of the Bolshevik crowds who there assembled, and who paid homage to their busts, which had taken the place of the altar.

The statement often made that very many of the churches have been permanently closed by the Bolshevik régime is not accurate. During the early days of the civil war, doubtless many were closed. Some of the priests who were with the white armies left their churches without ministers, and in many places after the war the poverty of the people caused the closing of churches. That the Bolsheviks would like to close all churches they freely admit. That they would close them if they dared can not be denied. The Russian people at heart are devotional and religious, and the forcible closing of the churches would provoke a revolution which would destroy the Bolshevik power.

There has not been the same effort by communists to spread atheistic teachings among the Mohammedans as among the Christians. Mohammedan mosques have not been closed, and the Moslem religious teachers have not been molested. The lines separating the Mohammedans from the Christians are sharply drawn, and in Provinces such as Kazan, where there are large numbers of Tartars (nearly all of whom are Mohammedans) intermarriages are exceedingly rare, and social intercourse and association is limited.

The minarets glisten in the sunlight side by side with the rich domes of the orthodox churches, and while the Mussulman is at prayer under the minarets, devout Christians cross themselves and make obeisance before icons in churches over which golden crosses resplendently shine.

There are 2,000,000 Roman Catholics within Russia, and the greater portion of them are of the Polish race. Inquiries seemed to indicate that the membership was not increasing. There are several hundred thousand members of the Baptist Church and perhaps a million persons who belong to other Protestant denominations. Various other sects which broke off from the Orthodox Church exist, but their adherents are few. A number of representatives of the Y. M. C. A. were actively engaged in religious and charitable work prior to and during a portion of the civil war, but it was claimed by the Bolshevik Government that they sympathized with and were found in the White armies, and all members of the organization were ordered to leave Russia. This organization is rendering important aid to young Russian students who are in Germany and Czechoslovakia, and who are without means of support.

A careful review of the situation in Russia convinces me that the antireligious work of the communists and the Bolshevik Government will not be successful in destroying religion or the churches there found. The opposition of the Government to religion will produce there, as it has done in other countries and in other days, a reaction which will develop strong defenders of the faith and of the religious ideals of the people. Large numbers of people have been weaned away from the church; many more will follow them; but Russia will remain a Christian nation, and out of the confusion and the uncertainties of the hour will come a purified faith and a stronger people, with broader visions and loftier ideals.

The Greek Orthodox Church, while emphasizing the spirit of devotion and holiness, and continuing its appeals to the emotional nature, will take on a spirit of service and of activity, and make remarkable contribution to the social, intellectual, and ethical growth and development of the people.

EDUCATION

Reports from time to time have come from Russia to the effect that successful efforts were being made by the Bolshevik régime to educate the Russian people; and there has been a rather widespread belief that great advancement has been made in education and culture under this régime. Even communists and the admirers and apologists for Bolshevism are compelled to confess that these claims are unfounded. An impartial investigation of educational conditions in Russia will reveal that there were fewer schools and less students attending schools during the last school year than in 1912, 1913, or 1914; but in 1920 there was a considerable increase in the school attendance over pre-war years.

Lunacharsky, the Commissar of Education in Russia, in December, 1922, stated that "even to provide schools for 50 per cent of the children, to learn to read and write, would call for the immediate establishment of 20,000 additional institutions." However, the deplorable condition of the schools is not due to the lack of desire upon the part of Lunacharsky, nor to leading communists of the soviet régime. Lunacharsky is a brilliant man of good impulses and with a sincere desire to ameliorate the condition of the people and to advance the cause of education. He possesses literary talents of a rather high order, but lacks, as is thought by many communists—and that was the opinion I formed—executive and administrative ability.

The educational debacle is the result of Bolshevistic rule and the financial and economic collapse of Russia. With limited production, inconsiderable trade, an exhausted treasury, and dried-up fountains of revenue, it was inevitable that the plans projected for increased educational activity should fail, and indeed, that there should be retrogression instead of advancement.

The national census as of August, 1920, taken under the auspices of the Soviet Government showed 68 per cent of illiteracy throughout all Russia; that is, 680 people out of every 1,000 could neither read nor write. Of the entire able-bodied working population 73 per cent of the males were unable to read or write. Lenin was so impressed with the showing of illiteracy and the failure of Government to improve educational conditions that, in an article published in the Pravda January 4, 1923, the paper being the official organ of the Russian Communist Party, he refers to the illiteracy and lack of culture and the unfounded claims made by communists. In this article he says:

While we go about blubbering about "proletarian culture" as compared with the "bourgeois culture," we are being handed a set of matter-of-fact figures which show that even in the matter of bourgeois culture our affairs are extremely bad. It appears, as might well have been expected, that we are still a long way off from universal literacy, and even our progress from the dark old Czarist days—1897—has been very slow. This should serve as an ominous warning addressed to those who have been and are even now soaring in the empyrean clouds of our "proletarian culture." They show just how much more rough and pressing work we have to face in order to reach the mere level of an ordinary civilized country of western Europe.

The writer then declares that but little has been done toward providing in the budget to satisfy, "in the first line, the demands of primary schools." He condemns the inflated personnel in the Commissariat of Education, and indirectly the bureaucratic inefficiency in other departments.

Lunacharsky submitted a report, as Commissar of Public Education, to the Tenth Congress of Soviets, which appears in the Izvestia, the organ of the Soviet Government, in its issue of December 26, 1922. This article is a confession that the educational system has suffered a complete collapse. Among other things, the commissar states in this report:

As long as the schools are destitute, as long as the schools are hungry, it is idle to speculate as to whether our theoretical attitude toward the schools is correct or not. * * * Thus far there has been a ceaseless struggle for the very existence of our schools.

He refers to the fact that during the revolution the number of schools and the enrolled school children kept growing more rapidly than at any period of Russian history, but that during this period no one considered where the means for their support would be derived from nor how they were to exist; that the chief source of support was the central government budget, and that the government was compelled to this course at a time when "its only revenues were grain levies and paper currency emission." He then refers to the fact that the teachers, as well as the provincial and county departments of education, were expecting that the promises for relief would be fulfilled, while—

on every side arose lamentations and complaints over the backward condition of our schools.

When we commenced to use the budget system attention was also directed, among other items of our state budget, to that of the people's commissariat of education. It was decided that it should in every possible way be reduced, because, as it then stood, it was beyond the means the state was able to afford. Such a reduction, in the opinion of the Government, was to be effected, not by reducing the extent of public instruction but by transferring the chief burden to the local authorities. All schools, kindergartens, and children's homes were taken off the hands of the central government's financing organs and handed over to the care of the local authorities, together with the teaching personnel, leaving on the hands of the people's commissariat of education about 90,000 teachers, i. e., about 50 per cent of the then already greatly reduced school system. As a temporary measure the people's commissariat of finance contemplated gradually reducing the appropriation of funds for the local authorities for the needs of schools, kindergartens, and children's homes.

What was the result of this transfer, whose effects became manifest in 1922, leading to what we know as the collapse or crisis of the school system? The result was that the local authorities began to reduce the number of schools and children's homes, in some instances directly prescribing just how much there was to be reduced, and in some cases acquiescing in the flight of the teachers and in having padlocks put on the school gates. Owing to this feverish, panicky reduction, by April, 1922, we had left only 68,000 schools with 5,300,000 pupils. In October of last year (1921) we had but 55,600 schools with 4,750,000 pupils. The decrease in the number of pupils proceeded somewhat more slowly, but on the whole, as you see, the decline in the number of schools as well as pupils has not stopped at these figures but continues at such a rate that, taking into account the variations for different Provinces, we may state that the shrinkage amounts to from 40 to 60 per cent, and even higher. As regards the number of schools, we have now reached a level that is even considerably lower than that of 1914. As for the number of pupils, we still seem to stand a little above the level of 1914. Here, then, you have that catastrophic decline that has met with no barrier thus far.

Turning now to the figures of school attendance in relation to the total of the child population of corresponding age, we observe the following situation: While we had in 1920, as already stated here, 75 per cent of all children under 11 years of age at school, there was only 44 per cent there in April, 1922, and this figure has now still further shrunk until it is to-day only a little over 38 per cent. It appears, therefore, that we have fallen very far behind our ideal of assuring to every Russian child a place at school. If we should to-day attempt to bring our school system to such a state as to enable even only one-half of our children to learn reading and writing we would require 75,000 schools with room for 6,000,000 pupils; in other words, we should have to open at once not less than 20,000 new schools.

In speaking of the kindergarten system Lunacharsky states that the situation is—

still worse than the one just depicted. We reckoned the maximum number of children who were at one time actually attending our kindergartens at 207,000. But in April, 1922, there were only 86,000 such children left, and even this figure has since been reduced by more than 50 per cent.

He states that the last congress of the provincial departments resolved to attempt to keep open at least two kindergartens in each Province, and continues:

We thus witness at present the most complete collapse of this whole system.

Speaking of the social training department, which has charge of the children's homes, he states that there are more than 600,000 children in the homes, although—

If we were to assemble all the children who stand in need of a roof over their heads and food to eat there would be a great many more than that. We are, however, unable to maintain even these 600,000 children. The Government has allotted funds for the maintenance of 320,000 children, while the other 280,000 are supposed to be fed from local resources.

He then mentions the complaints because of the inadequate allowances and the extraordinarily high death rate of the children in the homes. He speaks of the "oceans of homeless children" as the reason for the inability of the Government to care for more.

Lunacharsky then turns his attention to the teachers and asks that the Government consider "the martyrdom of our teachers." He declares that he "might for a long time torture the comrades with the staggering facts, which seem more like fiction than reality." He continues:

We have among our teaching personnel horrible cases of destitution, premature death, widespread sickness, suicide, prostitution, and other things. The picture presented by the living conditions of our teachers at the present period is appalling. No one should be surprised that these teachers have been fleeing from us in every possible direction. Nor should one wonder that we have found it impossible to recruit new teaching staffs among elements that would be half way valuable to us.

He refers to the fact that 12 per cent of the minimum subsistence represents the pay of the teachers; that while communal workers receive 55 per cent of the minimum, and woodworkers 81 per cent, postal and telegraph workers receive but 24, and school workers but 12. He refers to the large per cent of appropriation for education in the state budget of 1920, it being 10.4 per cent, but that in 1922 it had fallen to 4.2 per cent, owing to the transfer of schools to local authorities. However, as was stated by Lunacharsky, and as observations and inquiries made by members of the party demonstrate, the local communities in 1921–1923 made but slight contribution to the schools, as a result of which conditions remained substantially as described in the report of the Commissar of Education.

In the report Lunacharsky further states that before the war the expenditure for public education amounted to 238,000,000 gold rubles by the state, and 76,000,000 by local governments, not including the expenditures for private schools. He then adds:

During 1922 the total all-round expenditure for education in Russia amounted to only 36,000,000 gold rubles. This makes it clearly apparent that we have no business talking about the efficiency of our system of school organization, whether the teaching personnel is good or poor—in other words, about anything pertaining to internal organization of our school system—in view of the fact that we receive only one-tenth of the meager allowance which was afforded to it before the war, and remembering that Russia was never very far advanced in the matter of education at that.

It will be perceived that with but $18,000,000 for educational purposes for 1922 for the entire state there must have been retrogression. Many cities of the United States spend a larger sum each year in support of their public schools.

The commissar, to prevent further decadence of the schools, recommends the legalizing of tuition fees, stating that 31 out of 37 Provinces had already introduced such practice.

Replying to the question as to whether private schools would be permitted, the commissar declared that—

No private school of general education would be admitted by us. All Russian schools must remain in the hands of the state.

the Moslem religious teachers have not been molested. The lines separating the Mohammedans from the Christians are

culture and the unfounded claims made by communists. In this article he says:

to every Russian child a place at school. If we should to-day attempt

All Russian schools must remain in the hands of the state.

It is interesting to note that the Izvestia, under date of July 7, 1922, published an article stating that reports from the Vologda government indicated that—

> One hundred and fifty primary schools have been closed because of lack of funds, and that in many schools where formerly there were two or three teachers only one is left.

The article further sets forth that a letter from the superintendent of education in Ialutrovsk County states that—

> Since February he has received 23,000,000 rubles—of the money of 1921, which is equivalent to 2 rubles and 30 kopecks of the money of 1923—and on this he has had to support all his teachers, feed all his childrens' homes—

and to further purchase fuel for the school and homes, repair the buildings, and so forth. Speaking of the teachers, it proceeds:

> They come with tragic faces, swollen from hunger, with hands trembling and eyes weeping, asking for help, and there is no help. Many have already died of hunger. Some steal, others speculate, and none are fit to teach.

In the issue of August 6, 1922, an article appears in the Izvestia showing the poverty and starvation among the teachers and the closing of the schools. It states that—

> For 80 pupils the school had a dozen and a half pencils and not a sheet of paper.

The Pravda, August 10, 1922, states that:

> In Voronezh, as everywhere else, there is a financial crisis. It is absolutely impossible to secure money for the needs of all departments of the government. * * * The state department of education is selling what school property it can and is nevertheless billions in debt; communal organizations sell kerosene and buildings. In many departments the employees have quit their work and have busied themselves with field work so as to get something to eat. * * * We seldom get more than 5 per cent of our needs anyway.

In the gubernia of Ivanova-Vosnesensk, it is stated in the Pravda, August 13, 1922, that the schools are going through a crisis:

> In order to keep up the schools as they are now we need for the use of the personnel one hundred and twenty billions and an equal amount for other expenses monthly, but we have actually received from ten to twenty billions a month. Our educational department owes the teachers 170,000,000,000 rubles.

Mr. OWEN. Mr. President.

The PRESIDING OFFICER (Mr. EDWARDS in the chair). Does the Senator from Utah yield to the Senator from Oklahoma?

Mr. KING. I yield.

Mr. OWEN. I take it from the anxiety expressed by these officials for the advancement of the schools that it must be that there is a lack of revenue to carry them on rather than a lack of desire to educate the people. What is the Senator's view of that?

Mr. KING. Perhaps the Senator was absent from the Chamber when I discussed, as I thought, the point raised by his question. I stated that in my opinion there was a general desire upon the part of the Bolshevik leaders to extend the benefits of education to the people. However, their view of education is somewhat different from that prevailing in the United States. They have challenged the educational system of the past, as they have challenged the economic and political system of the past. They are iconoclasts and extend their activities to the demolition of everything that was or is a part of what is called the bourgeois or capitalistic form of government. They have been eager to reach the plastic minds of the young and to plant therein the communist faith. They have abandoned the hope of converting the peasants to communism, with its attendant atheism; but they hope through their educational system to destroy the faith of the present and future generations in God and in those principles and policies which have been accepted by civilized and Christian nations. They are giving particular attention to those schools which prepare young men and women for propaganda work in behalf of communism beyond the boundaries of Russia. There are a number of schools which specially prepare young men and women to attack the existing governments and the social order as found throughout the world.

My attention was called this morning to an article appearing in some of the American newspapers written by Mr. Mackenzie, one of the ablest correspondents who has visited Russia. I met him in Russia, and obtained much valuable information from him. May I add that he has written a most admirable book dealing with Russia, and he is now in Russia studying, in a comprehensive way, the problems which Russia presents. His intellectual honesty and his fairness can not be questioned. In his article he refers to the work of these colleges where students are prepared for propaganda activity and refers to the fact that students from Lithuania, Esthonia, and other European countries, and also from various oriental countries, are being instructed in communism and prepared to return to their respective homes there to propagate communism and to cooperate with the Bolshevik régime in Russia in its efforts to establish a world-wide communistic system.

Further replying to the question of the Senator, it should be stated that the revenues of Russia are inadequate for the maintenance of needed schools. Russia was greatly exhausted by reason of the World War as well as the civil war. Bolshevism dried up the fountains of industry and contributed to the poverty and distress of the people. With the nationalization of property and the subjection of the people to a military communistic dictatorship production was impossible and starvation and industrial chaos were inevitable. The Red army, at all hazards, the Bolshevik contended, must be preserved; and the little that the peasants produced was seized by the Red army to feed the communists and the army of officials, as well as the soldiers of the Red flag. Of course, under such conditions, no matter how strong the desire for schools and education, progress along educational lines was impossible.

Mr. OWEN. I should like to ask the Senator whether or not under the direction of the state capitalism system, which they seem to be establishing there now, the revenues were substantially increased.

Mr. KING. Mr. President, I have canvassed that question somewhat and will allude to it further when I reach another branch of my address. I will add, however, that there has been marked advancement since the new economic policy has been adopted. New sources of revenue are now being developed. There are thousands of private stores and shops being opened, and small industrial enterprises projected, from which some revenue is derived. But there is danger of the Government destroying, by taxation, these private enterprises. In the city of Moscow 5,000 shops were closed within a period of six weeks while I was in Russia, because of the heavy burden of taxation imposed upon them by the Government. Doubtless some of the shops and stores would have failed in any event for lack of capital and because of the limited purchasing power of the people. I should add, too—and shall discuss that later—that many of the officials of the Government look with disfavor upon the recrudescence of any form of private capitalism, believing that the state should not only control and operate the "big" industries, as they are called, but all business, unless, perhaps, that related to agriculture.

For a number of years the Bolshevik Government had no revenue, except, as I have stated, that which they took from the starving peasants. They issued unlimited amounts of paper money to meet the operating expenses of the Government. However, there has been such improvement that, for the fiscal year ending in October, 1923, the deficit will not be greater than between 60 per cent and 70 per cent. Of course, such deficit will be met by further emissions of paper money.

Mr. ROBINSON. Sixty or seventy per cent of what?

Mr. KING. Perhaps I did not make myself clear. What I meant to say was that notwithstanding the heavy burdens of taxation—heavy because of the small production and the limited sources from which revenue may be obtained—the Government has been able to collect only between 30 per cent and 40 per cent of its expenditures for the fiscal year ended October 31, 1923; and it will be compelled to issue fiat money to the extent of between 60 per cent and 70 per cent to meet the deficit. I was assured by a number of leading Bolshevik officials that the Government would collect at least 60 per cent or 70 per cent of its expenditures, leaving a deficit of not to exceed 40 per cent; but the information which I have received since my return indicates that the assurances were valueless. Of course, this showing, bad as it is, is noteworthy, because a few years ago the Bolshevik Government met substantially all of its operating expenses by issues of paper money. Lenin stated these issues reached "astronomical figures."

A brief reference to the condition of education prior to the war will afford some little light upon the claim made by many that great advances have been made by the Bolsheviks along the lines of education. In 1904 the number of schools in Russia was 110,231, with a total number of pupils and students of 6,200,172. Of this number, 5,344,747 were in village schools, which numbered 90,942. In 1905 the number of schools had increased more than 1,000 and the number of students more than 200,000. In 1910 the total number of schools was 119,743 and the number of students in attendance was 7,548,192. Of these,

6,159,379 were pupils in village schools and 424,618 were pupils in what are called the middle or graded schools and 235,296 were in technical schools. In addition to these nearly 500,000 students were in private schools and 200,000 were receiving education in other places. In European Russia, without Poland, Finland, or the Caucasus district south of the Caucasus Mountains, there were in 1910, 87,434 schools, with 5,989,686 pupils. A special school census of 1911 showed the number of pupils in village schools to have been 6,180,510 and the number of village schools to have been 100,295. The teachers in these village schools numbered 154,177.

In 1912 the number of public schools in the Russian Empire amounted to 125,723, with an attendance of 8,263,900. Of this number 6,697,385 were pupils of the village schools. In the same year 467,558 students attended the intermediate schools and 251,732 the technical schools. Sixty-eight thousand six hundred and seventy-one students were found in higher schools and 550,000 students in attendance upon private schools. More than 232,000 were receiving education in other departments.

In 1914 the total number of schools in Russia had increased to 135,223, and the number of students in attendance amounted to 9,053,300. Of this number 7,410,633 were in village schools; 529,552 were in the middle schools; and 599,398 were in attendance upon private schools. In the same year in European Russia, without the Caucasus, Poland, Finland, Siberia, and Middle Asia (Turkestan), the number of public schools was 102,377, with an attendance of 7,224,853; the number of students attending the higher schools was 73,321.

Between 1880 and 1911 the population of Russia doubled and the number of pupils in the public schools quadrupled. Between 1860 and 1905 66,850 schools were established and between 1906 and 1910 24,581. After the constitutional changes which occurred between 1905 and 1908 the educational work was advanced with greater vigor. For the erection of schoolhouses in villages 103,000,000 rubles (gold) were appropriated in 1907 and measures were taken for the introduction of universal education. In most of the Russian local governments, consisting at that time of 441 district zemstvos and 789 municipalities, provisions were made for universal schooling. The data obtained indicate that the number of schools in Russia in 1922 and in 1923 was considerably less than the number in 1920 and also less than the number in the same territory in 1914. For instance, in 1914, within a certain territory, the village or primary schools numbered 66,217, in 1921 64,529, and in 1923 55,000.

In 1921 the number of professional schools, as they were called, amounted to 1,340, and in 1923 to but 810. In the Province of Tula, in 1914, the number of schools was 1,881, and in 1922, 1,685. In the Samara Province, in 1914, the number of schools was 1,951, and in 1922, 1,163. The number of pupils in these schools in 1914 was 165,320, and in the school year 1922–23, 120,288. It should be added that there were no private schools in this last-named year.

In the Vologda district the number of schools in 1914 was 1,204; in 1921–22, 1,288; and in 1923, 591. The decrease in school attendance was 37 per cent.

The salaries paid school-teachers throughout Russia (gold) averaged in October, 1922, 5 rubles 71 kopecks monthly, and in December of the same year 5 rubles 39 kopecks. In October of the same year, in 24 gubernias, the salaries were less than 5 rubles, and in 6 Provinces lower than 4 rubles monthly. In Moscow the teachers averaged 7 rubles 7 kopecks; whereas in Petrograd they were paid 4 rubles and 80 kopecks monthly. The acting president of the Harkov University, when I visited that institution, was receiving about 90 rubles per month, and the president a sum slightly in excess of that amount. The professors were receiving approximately 30 rubles per month, and the head of the economic department 42 rubles per month.

Several teachers who were met in rural districts of Russia stated that their compensation the past school year had been 3 rubles per month.

The compensation paid to the professors and teachers in the schools of the Ukraine was somewhat greater than that paid in other parts of Russia, and the fact should be stated that the Ukraine, as an autonomous state, has certain privileges, among them being that the educational system is controlled largely by the soviet of the Ukraine and the parent Government at Moscow makes no financial contribution to the educational work therein.

In the Province of Tsaritsen Professor Zilensky, who had been head of the educational system there for one year and prior to that had charge of education in Rostov, furnished the party information respecting the schools and the difficulties and problems which were encountered. He is an active, militant communist and a man of vigor, intellectual force, and honesty. He evinced sincere interest in educational reform and in the moral and material welfare of Russia. Thirty per cent of the limited budget at his disposal came from the central organization at Moscow, and 70 per cent was collected in the Province by the people. Special meetings of the peasants were often held at which they voluntarily taxed themselves in order to maintain schools.

He stated that in the kindergarten children were received up to the age of 8 years, and in the primary and elementary schools up to 13 years, with 18 years as a maximum. In the entire Province 100,000 students attended during the school year 1922–23, although there were more than 200,000 children between the ages of 6 and 18 years. Prior to the war there were 998 schools in the Province. In 1920 the number increased to 1,500. In the last year the number diminished to 853. Seventy per cent of the budget is paid to teachers, of whom there are 2,000 in the Province, the average salary of professors and teachers being approximately 18 rubles per month.

In the Province there are schools attended only by Tartars and in which the Tartar language is taught. There are some German districts, and the German language is taught in the schools there provided, and in some sections, where the Ukrainians predominate, the Ukrainian language is taught in addition to the Russian language.

In the workmen's schools there are 240 students, who entered between the ages of 16 and 17 years. Graduation from these schools permits entrance into the universities or institutes without examination. It was also stated that there are more than 25,000 students in the workmen's schools throughout Russia, the studies there pursued, during the first year, being comparable to those found in the first year of the ordinary high school.

Before the war teachers in the schools, in the colleges, and in the universities were 90 per cent women. Now between 20 and 25 per cent are males. Both male and female teachers receive the same compensation for the same class of work.

In view of what Russia has passed through since 1914, and the hardships to which children have been exposed, it was surprising but gratifying to find the school children and the students in the higher educational institutions in such excellent physical and mental condition. It is true that many of them showed evidences of malnutrition and others that their growth had been materially retarded. But, generally speaking, they were vigorous and alert and among many there was an eagerness to obtain knowledge that was most commendable. In the institutes an astonishingly large number were studying forestry, scientific agriculture, and medicine. Indeed, in the medical institutes the professors and facilities were wholly inadequate and many students were being denied admission. Unfortunately the standards for admission have been so lowered that large numbers were admitted who should have been in preparatory or high schools. But, as indicated, the political revolution—it was felt by the soviet leaders—must be carried into the social organism and the educational system. Accordingly, the hammer of the iconoclasts was used in battering down the fine spirit of culture and scientific investigation and, indeed, scholarship which were the glory and pride of the pre-war Russian universities.

Notwithstanding the enthusiasm exhibited by many students in their educational work, there is yet too much of the effervescence of Bolshevism and an inflated view that the world waits upon Russia, which waits upon the young men and women who are to go out from the institutes to challenge and conquer the world.

There is too much of superficiality and too much of the spirit which is satisfied with a veneering and does not compel deep and searching inquiry for the foundations of truth. And this spirit is encouraged by bigoted and oftentimes ignorant soviet leaders, national and local, who aim to quickly convert all educational institutions into schools for Marxian philosophy and communism. Accordingly, immature and incompetent persons are pushed into professorships and as instructors, and their narrow prejudices and heated enthusiasm, based upon a most shallow foundation, are communicated to the students with whom they come in contact. This is a sinister and, indeed, a menacing force which threatens the development of Russia, and if persisted in must bring her educational system to an ignoble end. Fortunately there are some brave men and fearless souls in Russia who see the perils alluded to, and there are students and young men and women who are and will be endowed with the purpose to brush aside the fallacies and falsehoods and to reach the bedrock upon which alone rest the things that endure.

The point of view of so many of the students is quite comprehensible. In the Czaristic days the doors of the universities

seldom opened to the sons of the peasants, the workingmen, or the Jews. Now it is felt that their doors should be closed to those classes of society who formerly monopolized the higher institutions of learning. The political change wrought by the Bolshevik revolution, which has profoundly affected the social system and the educational institutions, it is argued, was a forward movement, and the beneficiaries of the change must preserve the aims of the revolution and the communist principles upon which it was founded; and this spirit, unfortunately, tends to strengthen the class consciousness possessed by many students and to develop an antipathy, indeed a hatred, for the bourgeoisie, for capitalism, so called, and for all Governments which do not accept Bolshevism.

The central government at Moscow keeps its hand upon the educational system, even in so-called autonomous Republics, such as the Ukraine, and in most of the universities and institutes the names of the directors, selected by the local soviets or by the local soviets and the faculties and students, and communist leaders in the Province, must be submitted to Moscow. If disapproved, other selections are made by the local organizations, and if these also are disapproved by the Moscow Bolshevik authorities, then the latter name the directors.

It should be said, however, that in some Provinces the local soviets and communist leaders are less liberal and are more fanatical and intolerant than the Moscow leaders, and instances were not infrequently brought to my attention where appeals to the leaders at Moscow from oppressive and cruel edicts of local communists brought prompt relief.

Attention should be directed to the fact that in pre-war times ecclesiastical schools flourished and ecclesiastical universities attained high rank. Because of the eminence of their professors, none of whom were priests or within the circle of the clergy, their scholarship was recognized by all, and many who came from their portals were recognized as men of great learning and ability.

Of the money appropriated for educational purposes by the Soviet Government it was reported by some that at least 30 per cent was used for what is called "political enlightenment and social education," which is the high-sounding and euphemistic name for Bolshevistic teaching.

With increased revenues undoubtedly efforts will be made to increase the number of schools and improve the educational system. There is no lack of desire upon the part of the people of Russia to multiply the number of schools and increase the attendance, and among many of the young there is marked enthusiasm for educational progress. The universities and institutes are crowded to such an extent that many applicants have been denied admission. It has been the aim of the Bolshevik leaders to establish what are called technical schools, where it is claimed the students can specialize. Vocational training is emphasized and the curriculum largely adjusted to meet the new spirit and plan. As is known, Russia before the war had a number of universities which ranked with the highest in the world. Russian scholarship belonged to the first order, and the scientific men of Russia took front rank in the world. In art, in literature, in music, in philosophy, and in the sciences the universities of Russia set a very high standard. Many of the professors in these universities were recognized the world over for their ability and scholarship.

After the revolution, and under the Bolshevik rule, the intellectuals of Russia were among the greatest sufferers. Many were killed, thousands imprisoned, and great numbers driven from Russia. As late as June of last year several hundred of those who are called "intelligentsia," among them being teachers and professors, were requested by the Bolshevik authority to leave Russia.

In the universities some of the old professors are still found, but communists are placed at the heads of the universities and institutes as well as the technical and high schools. At the head of the Ekaterinburg College (or University) is a communist who constituted one of the governing group when the Czar was arrested and killed. At Harkov and at Moscow communists head the universities. At the Saratov University there is more of the university atmosphere and the professors enjoy greater liberty. Nevertheless here, as in the other universities and institutes and technical and higher schools, the communist spirit prevails, and communist students exercise a powerful influence, if they do not control, the workings of these institutions.

The student organizations are controlled by young communists, and they select one or more representatives who participate in the selection of a number of the directors or trustees who govern the university; and they also take part in the meetings of the faculties and enforce the demands of the communist students.

The head of the University of Moscow is a journalist of no great ability or standing. At the meetings of the faculties the communist students largely dictate the policies of the institution. The old professors who are permitted to remain at these meetings are practically ignored, and if they make suggestions not in harmony with the communist program they are often rebuked, and the displeasure of the ruling power may be so great as to result in their being discharged. This situation is intolerable, and its effects are disastrous to the work of the educational institutions.

The professors who remained in Russia during the revolution have passed through a period of martyrdom and they are now in the utmost poverty, and many are without even the necessities of life. The meager salaries received are inadequate for the support of themselves and families. Many of them receive but nine or ten dollars per month, and the president of the largest university receives the munificent sum of $45 per month.

The professors and teachers are under constant surveillance, either by the communist students or by communists in the faculty or by communists in the political branch of the Government. It is impossible for them to present in a proper way the subjects which they are teaching. No reference to God or to the moral and spiritual forces of life are permitted. Atheism is a part of communism, and in the teaching of social science and history the mechanistic theory of the universe and of life is emphasized. The university spirit as it existed has been destroyed. The scientific and scholastic achievements of the past and of the present are derided, and the purpose is freely admitted to destroy the old system and find a new one based upon communistic philosophy. The universities have therefore been effectually broken up. Indeed, in some instances they are no longer called universities.

At Harkov the university has been broken into institutes, such as the medical institute, the institute of law, the pedagogical institute, and so forth. These institutes, as indicated, are presided over by communists, most of whom have had no training or education to fit them for these positions. The standards are being lowered not only for admission but for graduation. The announced plan is to simplify education and to bring it within the range and comprehension of the proletariat. But the numbers seeking entrance into the higher institutions are great, and in the various departments and institutes admission to many is denied for lack of accommodations, teachers, and necessary equipment. This results in the exclusion of substantially all of the bourgeois class, of the children of the former nobility, military leaders under the Czar, priests, etc. In some institutions it is provided that 10 per cent of those admitted are required to pay, 60 per cent are free from any payments, and 30 per cent make contribution as determined by the heads of the workers' and peasants' organizations and communists. Most of those who are admitted free are given dormitories or rooms and food and are cared for while attending these educational institutions. This method results in the exclusion of substantially all except the children of workingmen and peasants.

Frequently children of the bourgeoisie associate themselves with the unions and engage in manual labor, and accept membership in the proletarian organizations that are regarded as proper under Bolshevik Government, and in this way a limited number find entrance into the higher institutions. It is not infrequent that students, not of the communist faith, and who come from bourgeois or military or other circles, are denied graduation. Undoubtedly there is discrimination in the schools against the children of the bourgeoisie and of the landed class, and the children of the priests, and those who were in official positions under the rule of the Czar.

In all of the schools atheism and communism are taught. The Bolshevik leaders frankly state that religion is "anti-social and antistate," and that belief in God is ground for expulsion from the Communist Party. In conversation with students attending the high schools and technical institutions, they freely admitted that instructions were given along communistic and atheistic lines. Children of 12 and 13, when interrogated as to the character of the instructions upon these subjects, stated that they were taught that "there was no God and that there was no power above or beneath the earth, that everything was 'nature,' and that religion was superstition."

In the orphans' homes little children received the same instructions. A young lady in charge of one of the orphans' homes which I visited stated that inspectors visited the institutions twice a month and directed that she and the others who were in contact with the children—and the children at this home were between the ages of 6 and 16—should teach communism and atheism. She also stated that a short time before an inspector, in examining the valise of one of the young teachers, discovered a small icon placed therein by her mother. It was confiscated, and the young lady promptly discharged from the home.

In various parts of Russia schools have been established to prepare students for communistic propaganda and activity. In these schools are found students from Latvia, Lithuania, Poland, and Esthonia, and other countries. The expectation is that, fortified by their training, they will become powerful aids in the conquest of capitalism and the establishment of a world-wide dictatorship of the proletariat.

The Soviet leaders appreciate the importance of technical skill and of experts and specialists in the work of restoring industry and in rehabilitating the economic condition of the state. They aver that they are hampered in their efforts by being compelled to retain, in the various bureaus and governmental departments, tens of thousands of persons who are not communists, and, indeed, are hostile to the communist creed. Accordingly, an energetic campaign is waged to take through the schools, as soon as possible, boys and girls who can fill the places now held by noncommunists in the Government service.

Perhaps 2,000,000 Russians were driven from or fled out of Russia under the Bolshevik régime. Some have returned, and still others are returning. Undoubtedly more of the émigrés will seek entrance into Russia as the opportunities for livelihood are increased and greater liberty allowed. Among the exiles were many of the experts and business men and industrial leaders of Russia. Moreover, thousands belonging to these categories were killed in the civil wars which were waged or by chekas when Bolshevism was militant and more pitilessly cruel than it is at the present time. The situation thus created has left Russia not absolutely destitute, but largely denuded of her educators, technical men, experts, and those competent to carry on the responsibilities of government, and necessary to preserve the industrial and economic life of the state.

The immediate need for help in these various activities of the state in part accounts for the lowering of the standards of education and the emphasis given to vocational and specialization work. It is a pleasure to state that among the children of the workers and peasants there is a genuine enthusiasm for education, and if Russia shall so far revive economically as to be able to maintain schools and higher institutions of learning the stigma of illiteracy will quickly be removed from the Russian people and they will reach standards of educational and intellectual excellence which will entitle them to high praise.

Observations and inquiries in the various schools and institutions of learning furnish evidence that the moral conditions among students have undergone improvement since the early days of Bolshevism. Contrary to the views of Lunacharsky and others, the policy was adopted of opening all schools to both sexes. The abnormal conditions following the rise of Bolshevism, the vigorous attacks which were being made upon religion, marriage, and the home, and upon the social order and the ideals of Christian nations, were bound to exercise a demoralizing influence upon the young. There was a general loosening of the bonds of society and a ribald, sneering, and contemptuous attitude toward purity and morality as defined by the church and as understood among Christian people.

The moral standards of the people were loosened, lasciviousness increased, sexual vices assumed alarming proportions, and the young were infected by the destructive influences that attacked every standard that was applied in so-called capitalistic states and in what communists called bourgeoisie society.

I learned of revolting conditions and wild orgies which followed the accession to power of the Communist Party. But improvement is noted over those disheartening and, indeed, degrading conditions, and the present attitude of the students toward morality and virtue and the decencies and obligations of civilized communities furnished convincing proof of the development among them of higher ethical and moral standards, which are sure to be reflected in the thoughts and lives of this and succeeding generations. My contacts with students and those familiar with their lives lent strong support to the contention of many fine Russian people that the removal of the protections and influences offered by religion had a most disastrous effect upon the morals and lives and ideals of all classes, and in a marked degree among students of a volatile mind and who were reared in a communistic atmosphere.

Where history, politics, and social development are regarded as akin to mathematical problems and mere mechanics, without any psychological or ethical or spiritual standards or values, it is obvious that the plastic minds of the young will be affected. The attempt in the soviet schools to treat living beings merely as matter and to place all teachings upon a procrustean bed of abstract science and mechanical materialism is one of the outstanding features of the Bolshevik system of education. But the buoyant and resilient minds of the young, as investigations show, do not always respond to this predetermined and restricted program, and while many of the students are communists and still others are strongly influenced by their materialistic teachings there are others who have a broader vision and who strike out boldly into those fields where truth and justice and the ideals of the Christian faith are to be found.

THE RED ARMY.

The information obtained respecting the military forces of the Bolshevik Government is not wholly satisfying, and is submitted with a feeling that inaccuracies, more or less important, may be found. In my view the military question in Russia is inseparably connected with the aims and purposes of the Communist Party and the Communist International organization. Indeed, a consideration of Russia's problems must take cognizance of the relations existing between the Bolshevik Government, the Communist Party, and the Third Internationale.

If Russia is to pursue a pacific policy, having primarily in view the economic advancement of the state and the welfare of the Russian people, then a different view will be taken of the military question in Russia and what the size and character of the Red army will be if the clamors of the communists for a world proletarian revolution are to be the basis of any judgment reached. Copious references might be made to speeches and articles published by Lenin, Trotski, Zinoviev, Radek, and other leaders of the Communist Party who are also associated with the Third Internationale, in which the position is taken that the communists are to carry their credo into every nation and overthrow all governments, and that to accomplish such end cruel and pitiless war will be necessary.

There has been no withdrawal of these published statements nor of the program for world revolution promulgated by Russian communists.

Some have declared, however, that the revolutionary movement which placed Russia in communist hands has suffered a temporary check which has resulted in a repercussion of capitalism, but that this temporary pause is merely a "breathing spell" during which time the communists will consolidate their gains and be ready to press a violent attack when the opportune moment arrives and push forward world communism and the triumph of the proletarian forces in all lands. Undoubtedly saner and more practical communists have realized the futility of executing at least in this generation the ideals and the earlier plans of the Bolshevik forces of Russia. They have therefore but with reluctance announced that until "class consciousness" develops in other countries the realization of Bolshevik aims for world control can not be attained.

The retreat from the original communist plan was announced by Lenin under the euphemistic title of the "New Economic Policy"; it produced a profound sensation in Russia and controversies in the Communist Party. I met a number of communists who left the party because of Lenin's success in securing adoption of this plan, because they felt that it would weaken the Communist Party and lead to further modifications of the fundamental principles upon which it is founded. There are communists who were practical enough to perceive that departure from the idealogy of communism, and particularly where it was so far-reaching in consequences as was contemplated by the new plan, would inevitably be followed by a movement which would create forces whose demands would further attack the communist faith. They also realize that their predictions of communist revolutions throughout the world, which would require the services of a mighty military force, gathered in part by Bolshevik Russia, have not been fulfilled, and perhaps will not within the near future be realized; it became manifest, therefore, that the maintenance of a large army would be an intolerable burden upon the people and prevent the industrial regeneration of Russia. The saner and more sagacious Bolshevik leaders accordingly planned a reduction of the military forces, and have been successful in reducing the army to approximately 600,000 men. There are, however, those among the communists who oppose these reductions, asserting that capitalistic governments are conspiring to invade Russia and overthrow Soviet authority.

Radek and other communists during the past summer made strong appeals to the Russian people to support the army. When in the southern part of Russia I learned of the peripatetic movements of Radek in many Provinces, where he addressed the local soviet organizations and procured the adoption of resolutions addressed to the Red army and indirectly to the

Government, which adjured the army to defend the proletariat government and the cause of communism against threatened aggressions of conspiring and intriguing governments.

I was in Moscow upon the occasion of the graduation of approximately 2,000 cadets from military schools. A great demonstration occurred in the Red square at Moscow, where the assembled multitudes were harangued by Kalinin, the President of the Soviet Government, and other Bolshevik leaders. Later a meeting was held in the Grand Opera House at Moscow, and there Radek and other communists addressed the graduates, nearly all of whom are communists, and impressed upon them the necessity of guarding the gains of the revolution and protecting Russia from the aggressions of capitalistic nations. Fanatical communists still cry for world revolution and demand the maintenance of a mighty military force and the furnishing of financial as well as military aid to revolutionary movements by the communists in various European countries.

However, in an interview with Trotski, and in reply to a question propounded by me as to whether Russia would intervene to aid a communist uprising in Germany, he stated that—

before all, and above all, we desire peace. We shall not dispatch a single Red army soldier across the boundaries of Soviet Russia unless we are absolutely compelled to do so.

He further stated—

should the German monarchists be victorious, and should they then come to an agreement with the Entente for armed intervention in Russia, then we should certainly fight, and, I hope, victoriously.

He expressed the belief that this would not happen, and added that no internal civil war in Germany would cause Russian intervention. He stated, though, that the Bolsheviks—

did not conceal their sympathies with the German working class, and that if we could assure victory to the German revolution without risking war we should do everything we could.

I asked Chicherin whether the Red army was not being mobilized near the Polish border for the purpose of throwing military forces into Germany to aid German communists in their revolutionary activities. In reply he stated, in substance, that if France should march to Berlin, then Russia would send the Red army into Germany, though in so doing it might involve a war with Poland. He, as well as other Bolsheviks, referred to what they denominated the Fascisti movement in Italy, Spain, and Bulgaria, and stated that if the Bolshevik Government believed that it was in danger from this movement, or any other external force, Russia would fight to the end.

Undoubtedly the view is entertained by many Bolshevists that the conditions in Germany will soon ripen into a formidable revolutionary movement, producing a crisis so acute and so extensive as to warrant, if not compel, the Bolshevik Government to send military aid to the German communists. This element of the Russian communists are endeavoring to impress the Russian people with the idea that the German situation directly involves the fate of Russia and that the services of the Red army will soon be required, even beyond the borders of Russia.

The extreme wing of the Bolshevists manifestly are displeased because of the apathy of the working classes in surrounding countries toward what they call the "class struggle" and the revolutionary movement in Russia. A few days before my departure from Moscow a committee of German communists arrived to confer with communist leaders in Moscow with reference to conditions in Germany and the revolution which they believed soon was to engulf the German Republic. A conference was held at the Kremlin, lasting for a number of days, at which Trotski, as well as other leaders, were present. Trotski had hastened to Moscow, leaving the army maneuvers which were being carried on at a point several hundred miles southwest of Moscow. The German communists at this conference stated that conditions in Germany were ripe for a communist uprising, and they desired to know just what aid might be expected from the Bolshevik Government. These German communists stated that they desired moral aid, financial aid, and military supplies, and at the proper time military support. This committee represented that soviet organizations had secretly been effected in all cities and States of Germany, that the local organizations were properly integrated with higher ones, following the plan of the soviet organization in Russia.

The same committee stated that the political and economic situation in Germany was such as to insure within a short time the success of a communist uprising and the establishment of a proletarian dictatorship.

My information indicated that Trotski and others opposed Russian military support if the situation in Germany merely developed a civil war there, but he and other Bolshevik leaders promised all moral support, and (according to some information received) finincial and other aid. The German communists were told to continue their activities, to perfect their organizations, destroy the morale of the German people, disintegrate labor unions and the Socialistic Party, call strikes and demoralize industry, and bring about an utter economic collapse of the German state. They were to sow dissension among the working classes, provoke uprisings, encourage sabotage and the seizure of private property, and undermine the state's authority and the confidence of the people in any "bourgeois" government.

When I reached Berlin, after leaving Russia, I learned from various sources that this program was being carried out. What the final result will be and what the final fate of Germany will be I do not venture to predict. I believe, however, that the immediate future of the Red army will depend upon the occurrences in Germany. If the German Republic shall survive the dangers now threatening it, and peace and prosperity shall come to the German people, then, in my opinion, the wiser and more practical Bolshevik leaders will urge that there be no increase in the military forces of the Soviet Government, and some will urge important reductions because of the lack of revenue and the heavy burden which the military establishment placed upon the people.

Speaking of the strength of the Red army, Trotski stated to me:

We have 600,000 soldiers—

And added—

Taking into account our population, our vast territory, our extensive boundaries, and our alluring mineral resources, it must be recognized that ours is a very modest army. * * * We have already proposed once, and should America express a wish to support us, we are prepared again to propose the reduction of our army to a minimum necessary to insure internal order, provided that our neighbors were ready to make similar reductions.

The information secured regarding the combat strength of the army and its efficiency as a fighting force is not as precise and definite as I should have liked, and, indeed, was, in respect to some features of the army, conflicting.

During the civil war in Russia the Red army numbered millions, but it was poorly equipped, without discipline, and many of its organizations were scarcely more than mobs. During the contest with Poland the military forces of the Bolshvik Government numbered five and one-half million men, but these forces were poorly trained, inadequately supplied with food and clothing or military supplies. Eyewitnesses of the movements of both the Polish and the Bolshevik armies are quite unanimous in declaring that both armies were undisciplined, wretchedly equipped, and wholly inefficient. In 1921 Miekhonochin declared before the soviet congress that while—

the Red army at the time of the Russo-Polish War numbered 5,500,000 bayonets, it was decidedly inferior to European armies and was not an organized combatant force.

He added that—

at the beginning of the Russo-Polish conflict the Soviet Republic did not have a regular force in the European sense of the word.

The destructive and deadly order known as "No. 1," issued March 14, 1917, under the Kerensky régime, dissolved the great army which the World War had built up. All discipline was destroyed; all insignia of rank and evidence of command were abolished. The communists taught the soldiers to hate their officers and to rebel against military discipline. When the Bolshevik Government perceived that an army was needed, attempts were made to effectuate some reforms and to establish some discipline. Officers of the Czar's army were retained but surrounded with such restrictions and subjected to such repressive limitations that their efforts to create an efficient army were almost nullified. Communists without any military knowledge were placed in positions of control in the armies and competent officers subjected to such espionage and frightful terrorism that they were unable to devise or execute suitable plans or adopt reasonable and proper methods for the building up of a combative force.

Undoubtedly considerable improvement has taken place in the administration of the war department, and under the direction of Trotski as Commissar of War the Red army has become more efficient. The reforms in the army have been the result of bitter controversy, and some communists have opposed the removal of the political agents who accompanied the various army units, practically controlling the activities of the army and reforms which were imperative. At present the number of

active officers who were former members of the Czar's army constitute between 5 and 15 per cent of the total number of officers. Many noncommissioned officers, who received their training in the Russian Army during and before the World War, have been commissioned as officers in the Red army. Frenzied efforts have been made to drill and qualify communists to receive commissions in the army.

It is hoped by the Bolshevik leaders that within a short time substantially all officers of the Red army will be communists.

General Brousilof, one of Russia's able military leaders during the World War, is connected with the Red army, but has no active service. I was advised by one of the leader officers in the army that he was engaged in the rather unimportant work of securing proper mounts for the cavalry. General Snolihoff, a brave and gallant officer under the Czar, had charge of some cavalry maneuvers which members of the party and myself were permitted to witness.

The Bolsheviks have been compelled to greatly modify their earlier views with respect to the discipline of the army and the method of procuring an army. In September, 1922, universal compulsory military service was adopted, and under the present law every male upon reaching the age of 21 years is required to enter the regular army for military service. If assigned to the infantry, the period of service is 18 months; those who enter the cavalry service are required to serve three years, and the artillery and engineer corps service calls for three and one-half years. It is apparent that with Russia's large population, if all males were called into military service when attaining 21 years, the army would greatly exceed 600,000. Several officers explained that some who enter the army serve but a few months and are relieved on various pretexts, and also that many who were subject to service were not actually taken into the army. I understood that they serve as labor units or perform civilian work in connection with the military operations of the Government.

As a result of the lax enforcement of the law and the many exceptions made, the size of the army is less than authorized by law and what, indeed, the law seems to require.

It was difficult to learn just what the present combat strength of the army is. Important reductions have taken place since the Polish campaign. A report published by Trotski with reference to the size of the army in 1922 shows that there were at that time 34 divisions of infantry and 18 divisions of cavalry. There were infantry brigades numbering 20 and 3 cavalry brigades. Theoretically a division numbers 30,000 men, but as a matter of fact the average strength of a division is not in excess of 7,000; the infantry and cavalry brigades vary, the former being probably 3,600 strong and the latter 1,000. It is my opinion from the data available that the combat strength of the Red army is less than 400,000. Indeed, a number of persons in Russia who had made some investigation were of the opinion that the combat strength of the entire army did not exceed 250,000. Of course, the field strength would be much in excess of these figures.

In addition to the Red army there are other forces available for military operations. The members of the Communist Party are well drilled and, as I was informed, were receiving constant training for military service. It is well known that in the various conflicts in which the supremacy of the Bolshevik Government was challenged the communists were important factors in all military activities. There is also a state militia, which is used as a police force and which, as I was advised, has a considerable reserve. The personnel of this organization, as well as the personnel of the political organization known as the G. P. U., are selected from soldiers who have served in the army. I was not able to learn the total number of officers and enlisted men in these organizations, although various figures were suggested by persons who claimed some familiarity with the same, which gave totals of between one and two hundred thousand.

In addition to these various organizations, Trotski is now engaged in carrying out a militia program which calls for the training of all males between the ages of 16 and 18 years. They are subject to military training until they have reached the age of 21 years, the length of service, as I recall, being four months; and all males over 21 years, not presently receiving military training, are to be called for eight months' military service, spread over a period of four years, with a maximum of three months in any one year. Under this system, a reserve army is provided consisting of those who have served either in the army or navy, or have had the training required by law, and members of this reserve army are required to repeat their drill for one month each year. Employers are compelled to pay their employees who are called into this service, during the entire period when the employees are undergoing military drill.

In my interview with Trotski, his attention was called to the reports that the Bolshevik Government was organizing a powerful militia to supplement the Red army. He admitted that it was planned to create a state militia, but said that "the Red army would be gradually turned into a militia." Whatever the plan or purpose may be in regard to a reduction in the army, the evidence obtained indicates that the Government is organizing a militia which will number several millions. Nothing was brought to my attention, nor was I able to obtain any evidence, other than the statement of Trotski, tending to show that the size of the army would be reduced or that it would be merged into the militia.

As to the efficiency of the militia organization which is being formed, I venture no opinion. Members of the Military Affairs Committee and those who have knowledge of our National Guard are far more competent than I to judge upon this question.

The statement is often made in America and European countries that German officers were operating munition and other plants in Russia, producing military equipment and supplies. Careful inquiry in all parts of Russia visited failed to support such charges. Various military camps were visited and tens of thousands of soldiers were seen, but not a single German officer was discovered in Russia.

The fact is that, notwithstanding the treaty of Rapallo, there is no great cordiality between the Soviet and the German Governments. It is my opinion that no German capital is being employed in Russia to build up the Red army or to provide it with war supplies or military equipment, nor are there any evidences that Germans are engaged in any Russian factories or plants which are producing munitions and war supplies.

The Russian Army is lacking in heavy ordnance, in tanks and transportation facilities, including motor transports, and also in aircraft and munitions and equipment of various kinds. There seemed to be a sufficient supply of small arms and of cavalry equipment.

An intensive compaign had been in progress for weeks before reaching Russia, and it was continued during the entire period that I was in Russia, for funds to purchase and to build additional aircraft. An advertising plan of a most appealing character was carried on in all parts of Russia, and many workmen, merchants, and others complained of the coercive methods employed to obtain contributions to this fund. I was told by a number of persons in a position to know that large sums had been obtained by subscription and contributions from every part of Russia.

There was no concealment by the Government of its purpose to build up a strong military air force, and announcements were made that a large number of Fokker planes had been purchased and would soon be available. I visited a military aviation field near Moscow, and saw a few German Junkers and one Handley-Page bombing plane. That great attention was being given to military aeronautics was apparent. The Government was also operating an air service from Moscow to Turkestan via Persia, and also between Moscow and Berlin.

There was nothing impressive about the soldiers encountered, but all seemed to be strong and vigorous and material out of which a powerful fighting force could be made. The Bolsheviks have discovered that discipline is necessary to create an army. The demoralization which followed the control of the armies by Kerensky and later by the Bolsheviks was a painful but an impressive lesson to Trotski and to the Soviet Government. Accordingly there was a return to discipline, not, however, of so harsh and stern a character as that which prevailed in the Czar's reign. There is much comradeship between the officers and the privates when off duty, but the officers do not hesitate to assert authority in training the soldiers and in directing military operations.

Teachers are provided in the camps and the soldiers receive instructions from them. In one of the camps visited a number of soldiers were being instructed as to the effects of communism upon the land system. No books were observed, but a number of Bolshevik newspapers and magazines were supplied the soldiers, among them being atheistic publications containing grotesque and sacrilegious cartoons, unspeakably foul and blasphemous. These publications are authorized by the Bolshevik Government and issued from its presses and paid for from its treasury. Political instructors, all of whom are communists, visit the camps and teach communism to the soldiers. It is frankly conceded that the Government desires that its soldiers shall be communists, and that upon their return to their respective homes they shall become active workers for communism among their families and neighbors. The efforts to remove illiteracy among the soldiers have been fairly successful, and many who were unable to read and write when entering the army return to their homes with this impediment removed.

Maneuvers of the Red army were being conducted in various parts of Russia during the visit of our party, and many trains were employed in conveying troops to and from these maneuvers, which were attended by Trotski and Bujenny and other military leaders.

Wherever our party went soldiers were seen. In cities and towns, and at remote railroad stations, the soldier, with the red star in his cap and the rifle and bayonet in his hands, was to be seen. In the trans-Caucasus district information showed that 40,000 soldiers were maintained. Soldiers from Siberia were met, who stated that many thousands were kept between the Ural Mountains and the Pacific Ocean. An officer from Turkestan, as well as various persons recently there, reported that a considerable military force was maintained in that Russian Province and near the boundary of Afghanistan. In Armenia, in Azerbaijan, and along the western slopes of the Urals forces of the Red army were found.

At Rostov our party met the famous cavalry leader Bujenny. He is the idol of the Red army and has been promoted to second in command. Springing from the soil, the son of a poor peasant, he has risen by courage and military genius to be a commanding figure in Russia, and is entitled to the distinction of being called one of the greatest cavalry leaders of his day.

General Bujenny served in the Russian Army during the World War and has been with the Red army from the beginning. It would be interesting were the full story of his exploits made available to the public, and it would throw much light upon the fighting qualities and the condition of the Russian Army while it was a factor in the World War, as well as the tragic and sanguinary conflicts in Russia's civil war between the Reds and the Whites, when fathers were opposed to sons and sons bitterly fought against the forces in which their fathers heroically contended and died. It would reveal the reason why Denikin and Wrangel and Kolchak failed and why the Bolshevik Government, weak and tottering and all but destroyed at times, survived and has grown in strength until at present its authority is not openly challenged. For six hours we listened to his recital of the tragic and awful years, and the scenes he depicted brought vividly before me the heroic characters and the cruel and sanguinary conflicts described in Fire and Sword and other books written by Poland's great novelist Sienkiewicz.

There are a number of soviet military schools, from which are being graduated every year several thousand officers. Substantially all are chosen from the peasant and working classes. They are schooled in communism, but to make it more palatable efforts are made to clothe the creed with a sort of religious mien. Trotski has been adroit enough to appreciate that the negations of communism will not satisfy the Slav temperament, with its emotionalism and its ingrained religious traits, and in articles of remarkable cleverness he has shown how some of the outward forms found in the religious exercises and activities of the people with modifications could be employed to dress communist teachings and cover the associations and intercourse of the people.

Accordingly communism is to be invested with the atmosphere of a religious cult. It is to be regarded as the highest expression of altruism and humanitarianism. It is to be approached with a reverent spirit, with something of the devotion which animates the Russian peasants and orthodox believers when they enter the great cathedrals and listen to the inspiring music and the liturgy and chants, which affect even the most stolid and impenitent.

Thus the young military leaders and soldiers are taught to regard themselves as the guardians of a sacred cause, the triumph of which will bring ineffable happiness to thee people of the world. This course tends to satisfy those who can not forget the icons and the echoes of priestly voices, and the solemn and beautiful ceremonies attendant upon marriage and christening. And so it is to be quite proper to make the entering into a marriage contract and the christening of the child the occasion for a rhapsodical peroration about idealized humanity and a glorification of the spirit and aims of communism which it is alleged will link all nations together in peace and fraternity.

As hereinbefore indicated, the Russian people, whether communists or noncommunists, believe that Russia is destined to be a world power. The thought is expressed by many Russians that controversies with other powers are inevitable, and that Russia's movements in the East will bring her into conflict with Great Britain. The temperament of the Russian lends itself to expansive movements; and peasant as well as student, and writer, and statesman, often dreams of the heavy tread of Russia beyond her present boundaries. Call it nationalism or imperialism, it fits in with the fantasies as well as the creed of the communists that they, through the Third International and other agencies, including military force, are to change the face of the world. These views have to do with the Red army and Russia's military preparedness.

Trotski in the interview referred to showed, what I had discovered, that there was no feeling of amity, but rather of bitterness between the Bolshevik Government and Poland. Trotski stated that: "In the whole history of Soviet Russia's relations with Poland, Russia had shown a truly 'angelic' patience. From the first, in spite of its agreements, Poland had manifested hostility to Russia, but the latter was too sensible of the fact that war with Poland would signify a general European conflagration which would result in the wiping out from the face of the earth of the remains of European civilization."

April 24, 1924.

Mr. KING. Mr. President, several weeks ago I addressed the Senate at length concerning conditions in Russia and my observation of such conditions when in Russia in August and September, 1923. Before concluding my address, an adjournment was taken. Since then the Senate has been so occupied in the consideration of the revenue bill as well as other important measures, and my work has been so onerous, that I have been unable to complete what I had intended to say upon this matter.

I have been asked by Senators to complete my statement, and numerous letters from various parts of the United States have urged me to finish my speech in order that it might be published in the RECORD. I apologize to the Senate for having consumed so much time and ask the indulgence of Senators while I further direct their attention to various phases of the Russian question which I believe deserve consideration.

I stated when I addressed the Senate on the 22d day of January last that I was prompted to examine somewhat in detail the Russian situation and to present the facts as I understood them, because of the pendency of a resolution in the Senate declaring in favor of the recognition of the Bolshevik Government by the United States and because many persons in public life as well as in various parts of the United States had asked me to present to the Senate my views upon the resolution and the result of my observations during a somewhat extended trip in Russia.

Conditions in Russia have not improved since I addressed the Senate; indeed there has been a recrudescence of radical communism and the forces of progress and reform have been checked in their forward movement. I believe, however, that the reactionary forces have gained a temporary victory only and that the silent and powerful elements for progress will, though slowly and haltingly, resume their forward march. Reforms are not uniform in their developing movements. There are sharp advances and recessive movements. Such is the case in Russia. Undoubtedly the situation is discouraging to the liberal forces in Russia, and it needs stout hearts and more than human faith to meet the apparently insurmountable obstacles which must be overcome before Russia emerges into the light of freedom.

THE JEWISH SITUATION.

The prevailing opinion outside of Russia is that the Bolshevik revolution was the result of Jewish intrigue and activity, and that the Bolshevik leaders from the beginning have been, and still are, almost exclusively Jews. The facts do not support this opinion. It is undoubtedly true that the Jewish race furnished a greater proportion, based upon its numerical strength, than any other race actively participating in the revolution and in the organization of the Bolshevik Government.

The population of the Russian Empire at the time of the revolution was approximately 160,000,000. Of that number about 7,000,000 were Jews, including those found in Russian Poland. The Communist Party, which overthrew the Kerensky government and seized the reins of power, numbered at the time approximately 150,000. No information was available as to the number of Jews in the Bolshevik Party at that time, but it is certain, however, that the Jews constituted an important element in the party.

Reasons were assigned by Russians and Jews, with whom I talked, why so many Jews were found in what were called in the Czar's time revolutionary organizations. It will be remembered that among the so-called revolutionary parties were Nihilists, Anarchists, Social revolutionists, Mensheviks, and Bolsheviks. Both the Bolsheviks and the Mensheviks claimed to be the true disciples of Karl Marx. The Bolsheviks represented extreme communism, such as was enforced by them after they gained control of Russia. The Mensheviks sought rather by orderly processes, by education, and by evolution, to bring about modifications and changes in the Russian Government.

The Social Revolutionary Party also demanded reforms and material changes in the structure as well as the administration of the government. Under czaristic régimes the Jews had been grently persecuted. They were forbidden the right to reside in many parts of Russia. The universities and higher educational institutions were denied to their children and many occupations and business activities were closed against them. Pogroms were instituted by ignorant and fanatical persons, oftentimes connived at and encouraged by officials of local Provinces and of the general government.

Many brilliant men and women of Jewish families, desiring educational advantages, which were denied in Russia, went to Paris and Switzerland and Vienna and to other parts of Europe. There some came into contact with radicals from various countries and imbibed the revolutionary spirit which was developing in Europe. They learned the philosophy of Karl Marx, and believed the structure of society was wrong and that capitalistic governments should be overthrown. Upon returning to Russia they, as well as others who had received some educational advantages in Russia, became members of various revolutionary organizations there found. Their linguistic attainments, their ability to wield facile pens, write political pamphlets, and organize propaganda movements gave them an important standing in such organizations. Some became leaders in these revolutionary parties, and the influence of the Jewish members of the parties was out of proportion to their number. A few came to America, where they led a rather precarious existence.

With the breaking out of the revolution some who were in America found their way into Russia and there joined with Lenin and Trotski and other Bolsheviks in the revolutionary work in which they were engaged.

Trotski, Kamenev, Zinoviev, Radek, and other Jews have exercised, and still exercise, great influence upon the policies and activities of the Soviet Government. But the number of Jews who belong to the Communist Party is not as great as is generally believed.

Those familiar with the Russian revolution and conditions since then know that the Communist Party in Russia has controlled the Bolshevik Government and is the force that has to be considered. If the Communist Party was to fall to pieces the Bolshevik Government, it is believed by many, would be destroyed. It is important, therefore, to know something of the strength of this party. Its membership has fluctuated greatly. From 150,000 at the time of the revolution it increased to more than 600,000. Upon two occasions general "house cleanings" occurred within the party and thousands were expelled. Some left the party because of their disagreement with its policies and others because of their disapproval of the new economic policy forced upon the party by Lenin.

The newspaper Pravda, the official organ of the Communist Party, in one of its recent issues stated that the census taken in 1922 showed there were 410,000 members. Questionnaires addressed to communist organizations in Siberia and the Far East were not at hand when the tables printed in the Pravda were prepared. But it accounted for 375,693 members, giving their nationality. It is stated that there are 100 nationalities represented in the party, Turkestan alone having 57 races; the Ukraine, 54; Georgia, 48; and Azerbaijan, 36; while central Russia is represented by 72 nationalities. The following is the table printed in the Pravda:

Nationality	Total membership	Percentage of total	Number per thousand population
Great Russians (Russians)	270,409	72.00	3.80
Little Russians (Ukranians)	22,078	5.88	.94
White Russians	5,583	1.47	1.67
Latvians (Lets)	9,512	2.53	78.00
Georgians	7,378	1.90	4.52
Jews	19,564	5.20	7.23
Turko-Tartars	6,534	1.72	1.19
Armenians	3,828	1.02	2.91
Poles	5,649	1.50	10.80
Lithuanians	1,472	.39	32.80
Germans	2,217	.59	1.93
Ossetins (Northern Caucasus)	1,669	.47	8.00
Kirghiz (Southern Ural Steppes)	4,946	1.32	.89
Uzbeks (Southern Ural Steppes)	2,043	.54	.76
Turkomen	1,000	.27	1.00
Esthonians	1,964	.53	16.30
Mordva (Upper Volga)	1,632	.43	1.47
Chuvash (Upper Volga)	1,054	.28	1.31
Finns	938	.25	7.96
Persians	709	.19	1.42
Hungarians	533	1.14	2.97

The article further states the other races in the table have a total membership ranging from 1 to 400, amongst the races being Mingrel, Adjar, Kabardin, Lezgin, Circasians, and many of the Mongol-Finnish tribes in northern Russia. The high percentage of communists, based upon the population, of some of the nationalities is accounted for, the Pravda states, because "so many of the communists are refugees in Russia and they are tabulated as against the Latvian or their respective populations within Soviet Russia."

Reference to the table will show that the total membership of Jews in the Communist Party is 19,564. In other words, with a membership of 410,000, nineteen and one-half thousand are Jews.

There is a committee of nine persons, viz: Lenin, Trotski, Rykov, Stalin, Bukharin, Dzerzhinsky, Tomsky, Kamenev, and Zinoviev, who exercise the powers of the Communist Party and carry out its policies and direct the administration of the Bolshevik Government. Lenin's death created a vacancy which has been filled, but I do not know who has been added to the committee. Of this number, three, namely, Trotski, Kamenev, and Zinoviev, are Jews. It is therefore entirely correct to say that the Jews do exercise a powerful influence in the Bolshevik Government. Trotski and Kamenev are popular and influential with the communists. It was freely predicted by communists and noncommunists that if Lenin were to die, Kamenev or Trotski would be the outstanding figure in the government and in the Communist Party. To many the relationship of these two men is known, Kamenev having married the sister of Trotski.

But the situation of the Russian Jews is not as happy or secure as superficial investigations might indicate. Even among the Bolsheviks there is manifested from time to time an anti-Semitic feeling, and throughout Russia there are growing signs of a recrudescence of the anti-Jewish spirit. Indeed, a number of persons, familiar with conditions in Russia, stated to me that the growing Russian nationalistic spirit was in part due to the predominance of the Jews in the Bolshevik Government and the general antipathy felt toward the members of that race.

The figures above given, with the percentages stated in the table, would indicate a much less number of Jews in Russia than the information imparted to members of our party warranted. Numerous inquiries made in Ukraine brought the information that there were three and one-half million Jews therein, and it was repeatedly stated by residents of Russia that there were between 1,000,000 and 1,500,000 Jews in European and Asiatic Russia, outside of the Ukraine. The best information obtainable was that the Jewish population of Russia, European and Asiatic, was between four and five millions. It will be observed, therefore, that the number of Jewish communists—19,556—influential though many of them are, does not give to the Jews that preeminent and dominating position in the Communist Party and in the Bolshevik Government that is attributed to them by many persons.

The evidence establishes that the Jewish communists are very dogmatic and many of them fanatical and vindictive. They have been among the greatest persecutors of their own race who were not communists. The testimony seemed to be incontestable that it was the Jewish communists of Minsk who enforced the order of confiscation of the beautiful Jewish synagogue and its conversion into a Bolshevik clubhouse; and equally credible evidence established that some of the local communist Jews in the Ukraine were instrumental in procuring the order for the closing of 70 synagogues. However, before the order could be executed appeals to superior Bolshevik authority brought a revocation of the order. And the same Jewish communists in the Ukraine are largely responsible for the persecution of the Zionists and other members of the Jewish race. They were the most zealous in preventing the teaching of the Hebrew language and in the closing of Hebrew schools and the banishment to the icebound coasts of the Arctic Ocean of a large number of God-fearing and high-minded Jews, whose only offense was their belief in the faith of their fathers and their desire to maintain that faith and to expound it in the Hebrew tongue and to keep alive a love for the land which David trod, a land which will ever remain sacred to those who appreciate the contributions that Judaism has made to the civilization and progress of the world.

The Jews of Russia, aside from those who are members of the Communist Party, are not Bolsheviks, nor do they indorse the materialistic creed or the atheistic teachings of the communists. They are law-abiding citizens, anxious to do their full part in the development of Russia, and to live in peace and accord with all persons. The normal Jew believes in private ownership of property and in a large measure of individual liberty. He likewise wants full opportunity to exercise his religious beliefs and feels that he is entitled to equal protection with all other classes or races.

the creed of the communists that they, through the Third International and other agencies, including military force, ... lution, to bring about modifications and changes in the Russian Government.

The article further states the other races in the table have a total membership ranging from 1 to 400, amongst the races ... protection with all other classes or races.

I had opportunities to visit Jewish homes and meet rabbis and teachers and traders and business men, and many in the humbler walks of life. I attended their religious services and witnessed their devotion to the faith of their fathers. We visited orphan homes, supported by the charitable Jews of America, and saw many of the 70,000 Jewish orphans in Russia who are being cared for with contributions from the United States. Hospitals are being maintained and large amounts have been expended by generous Americans in helping Jewish families whose misfortunes have brought them to misery and ruin. Agricultural implements, valued at tens of thousands of dollars, have been shipped to Jewish agriculturalists, and cattle and horses have been purchased to enable them to farm the lands which they occupied, and support their impoverished families. It is a pleasure to pay tribute to the great humanitarian work performed in Russia by the generous and high-minded Americans of the Jewish race.

Theoretically communism ignores races or nationality, but, as indicated, even with communists in Russia, the traditions, as well as the racial prejudices, which have existed for centuries, influence the conduct of Bolsheviks toward the Jews. Undoubtedly leading officials and some sincere and consistent communists struggle against this prejudice, and they have been instrumental in a number of instances in preventing anti-Jewish manifestations which might have culminated in pogroms of more or less severity.

The Jews have suffered greatly under the communist rule. They were largely the traders and middlemen and were also engaged in many large and productive enterprises. The progress in the Ukraine prior to the war and its riches and superior position among the great Provinces of Russia were due in part to enterprising Jewish leaders and to their efforts to develop the resources of the country. They had an important part in establishing the beet sugar industry and were active in industrial enterprises which furnished employment to the people and contributed to the prosperity of the country. The confiscation of all property affected the Jews more, relatively, than it did other classes of the population. This because most of the Jews lived in the cities and towns where all property was swept away by confiscation. Those in the country could obtain some food supplies from the land, except in the days of the famine; but those in the cities were reduced to the greatest extremities, and except in the famine regions their sufferings as well as the mortality among them was greatest.

But the future of the Jews, as stated, is not secure. An eminent Rabbi when asked what the future of the Russian Jews would be replied: "One-third will perish, one-third will be assimilated by the Slavs, and one-third either driven from Russia or because of pressure or persecution will migrate to other countries." Already in the Ukraine there are manifestations of hostility to the Jews. In the University of Kiev a number of Jewish professors have been relieved of their positions, so that now but one Jewish professor and a very few assistants are employed. Applications for positions by highly trained and competent professors of the Jewish race were denied, notwithstanding the paucity of competent teachers in the higher institutions of learning. Fifteen Jews were deported from the Ukraine within 10 days prior to the arrival of the party at Kiev. This was done without trial, the reasons alleged being that they were Zionists.

COURTS

The Bolshevik régime when it gained power promptly abolished the judicial system existing in Russia. The confiscation of all property in the great social and political upheaval called, as it was felt, for a new system. A comparison of the existing judicial code and the methods of judicial procedure with the revolutionary, chaotic, and bizarre methods pursued in the earlier days of Bolshevik rule reveals the progress toward sanity and enlightened policies which have been made. Both criminal and civil codes have been enacted which, while defective and containing many absurdities and injustices, nevertheless seem to indicate a general purpose to promote justice. The jury system is abolished and the control of the judges is entirely in the hands of the Soviet authorities. Many of the judges have been named because of their ardent communism, and few if any have been appointed because of their knowledge of jurisprudence or their acquaintance with law. The presiding judge in Moscow was a baker and none of the judges, according to the information received, had been lawyers or students of the law. The same was true of the attorneys who represented the state, but now young communist lawyers fill a few of these positions.

Visits to various courts and interviews with prosecuting attorneys satisfied me that, in the main, they were trying to get at the facts and to do justice between litigants, and between individuals and the Government. There seemed to be a growing desire to have the courts conform to the law and to follow uniform procedure. The various statutes and decrees and codes appeared in pamphlet or book form, and the judges showed familiarity with them and the usual interpretation given them. Many of the judges seemed humane and were solicitous that the rights of persons charged with offenses be protected.

The people are showing greater respect for and confidence in the courts, and are more and more resorting to them to settle their property rights and controversies. However, there was a strong feeling that in controversies between communists and noncommunists the former were given the advantage. A number of persons stated to me that they would not yet be willing to avail themselves of the courts where their adversaries were communists.

Information conveyed was that now, as in the earlier days of the revolution, the judges subscribed to the oath or statement that they would decide according to the "revolutionary or socialistic conscience." Of course, the revolutionary conscience of the judges differs, as the size of the chancellors' foot differs; and the result has been, as Bolsheviks stated, that decisions upon the same facts, in different parts of the country, were wholly different, and thus brought the courts into disrepute. Accordingly, an effort has been made to have the judges become more conversant with the law and to approximate uniformity in their decisions. In other words, the Government is seeking certainty, and the officials are desirous of bringing greater uniformity and order and justice into judicial proceedings.

Bar associations are being formed, the membership being largely composed of lawyers of the prerevolutionary days. Many young men, some of whom are communists, are becoming members of the bar associations and they and the older lawyers not infrequently appear in the courts representing litigants. However, it was stated by some that the younger lawyers, and particularly those of Bolshevik faith or sympathies, more frequently appear and seemed to have greater influence with the judges than the older lawyers.

Defendants charged with crimes are entitled to counsel, except where the court, upon due consideration, determines that the state shall not be represented, in which event there is no prosecutor and the defendant is without counsel. The theory is that the judge will represent both the state and he defendant. Where the trial does not take the course just suggested, and the defendant desires counsel, the judge communicates with the lawyers' "collegium," which is the bar association, and the president designates some attorney to act. The judge is always an active party in the trial of cases, whether criminal or civil. He may send for books and papers or witnesses whenever he thinks additional facts may be obtained.

One palpable defect in the judicial system arises from the fact that the panel of judges changes almost daily. As stated, there are no juries, and the court consists of three judges; the presiding judge is appointed by the Government, and the other two are temporary, serving for a few days only and are selected from lists prepared by the unions and workers' organizations. This list is transmitted to a commission appointed by the soviet authority, and they pick from the list the two temporary judges who usually sit for the day. In one of the courts visited, the temporary judges were both women, appointed from the shops; one of them was suffering from some facial trouble and appeared with her face swathed in bandages. The presiding judge, however, is the real power. He interrogates the witnesses, directs the proceedings, and in most instances shapes the decision. The two temporary judges can overrule him, but in actual practice it is seldom that his views are not accepted by the other judges.

The state is divided into political subdivisions; namely, villages, volusts, which consist of a number of villages, ooiyzds, comprising several volusts, the ooiyzds corresponding to a county in most of the States, and gubernias, composed of a number of ooiyzds.

There are inferior courts provided for the smaller political subdivisions, with limited jurisdiction. Courts of general jurisdiction exist in the gubernias, and appeals are allowed upon questions of law from them to the supreme court of the province. There are also what are called war and transportation collegiums, or courts, which deal with questions of a military nature or growing out of the transportation activities of the Government. In criminal cases, bail may be allowed, but not as a matter of right.

There are many charged with what are called "economical" crimes, and the prisons are filled with offenders convicted of

economical crimes and counter-revolutionary offenses. Within the first category come many acts and omissions. It is a crime to confer concerning, or to furnish information respecting, property confiscated by the Government. It is also an offense to "mismanage" Government property. As a result, many persons, communists and noncommunists, who are connected with governmental business activities are brought before the courts, convicted, and sent to prison or exiled to Archangel or Siberia. Many persons connected with Government enterprises are now greatly concerned for their safety, because substantially all such enterprises have deficits which have to be met by larger emissions of paper rubles or by increased taxation.

It is an "economical" crime to violate a labor or a cooperative bargaining agreement or to employ persons other than those provided by the code. Banditry and corruption in office and counter-revolutionary acts may be punished by death. As stated, a broad meaning is given to the words "counter-revolutionary acts," and many persons are still being arrested and prosecuted under this statute whose conduct under any reasonable interpretation of the statute and under a just and humane system or laws would not warrant their prosecution.

PRISONS

I visited a number of prisons and talked with many of their inmates and examined the rooms and cells in which they were imprisoned. Generally speaking, the prisons were fairly clean and sanitary. The prisoners seemed well nourished and were reasonably content with their surroundings. One of the prisons visited contained several hundred political offenders. It had served the purpose of a military prison under the Czar's régime. Here the rooms were commodious and scrupulously clean. There were a number of priests of the Roman Catholic Church in one of the prisons visited. They were charged with having opposed the seizure of church treasures by the Government. My information was that there had been no physical force interposed by the priests to prevent the Bolshevik officials from removing the seized property from the churches, but many priests of both the Orthodox and Roman Catholic Churches had been arrested and imprisoned because of their alleged opposition to such seizure.

In a prison in Moscow I visited Archbishop Zepliack, the venerable prelate of the Roman Catholic Church who was serving a sentence of 10 years. From all that I could learn his conviction and sentence were so unjust as to provoke, not only resentment in Russia, but widespread condemnation. His sentence was commuted to 10 years' solitary confinement. Learning that he was confined in one of the famous prisons in Moscow, I sought permission to visit him. My request was granted and he was brought from his prison cell into the office, where prison authorities were present, and I had opportunity to converse with him for a few minutes. He occupied a small cell which lacked conveniences found in modern prisons. He was cheerful, but his appearance indicated impaired health and heavy drains upon his vitality. I learned that negotiations were being conducted between Soviet authorities and the Polish Government, and another important organization which I felt sure would culminate in the release of Archbishop Zepliack within a short period. We were advised a few days ago by European dispatches that the venerable prelate had been escorted to the western borders of Russia and hastily, indeed, brutally put across the line into Poland. The accounts stated that he was in a most pitiable condition, showing serious effects from his long confinement. He was without suitable clothing or means for the continuation of his journey.

In some of the prisons many of the inmates were engaged in various kinds of employment. Some were engaged in metal shops, others in the manufacture of paper boxes and a variety of commodities. Generally speaking, the authorities in charge of prisons seemed to be humane and interested in the welfare of the prisoners.

Political prisoners were found in a number of the places visited. Some were charged with being anarchists and others as counter-revolutionists. A comparatively large number were held for trial or had been convicted of graft, bribery, and corruption in office and many of larceny.

I can not speak with any definiteness as to the condition of prisons other than those visited. The information which I obtained was uncertain and in some respects conflicting. I was unable, though I made inquiries of the Bolshevik leaders, to learn the number of persons imprisoned, those held by the Cheka, and the number who had been exiled. I did learn, however, that there were many prisons; that many thousands of persons had been exiled to Siberia and to cold and inhospitable regions in northern Russia. The number of political prisoners undoubtedly is less than during the period between 1918 and 1922. However, a large number are being held by the various political organizations, and thousands have been sent to Turkestan, Siberia, and to prison camps and stations along the White Sea and to points contiguous to the Arctic Ocean.

I talked to a number of persons whose friends and relatives were in prison or had been sent to penal colonies in Turkestan, Siberia, and to prison camps within the frozen regions of northern Russia. I also met persons, both in Russia and in Germany, who had been imprisoned by the Bolshevik Government or whose relatives and friends had been or still were in prisons or in the camps provided for exiles. Substantially all stated that in the earlier days of the Bolshevik régime conditions in the prisons were horrible; that they were overcrowded; that all classes were thrown together in dark, filthy, and insanitary places, where they were subjected to brutal and cruel treatment, to indignities and hardships, including starvation, which resulted in appalling mortality. My information was that conditions had considerably improved and that there was more humanity shown to prisoners now than formerly.

FOREIGN-RELIEF ORGANIZATIONS AND HEALTH CONDITION

For several years, and particularly during the famine period of 1921 and 1922, various relief organizations were actively engaged in distributing food, clothing, and medicines among the Russian people. The Bolshevik Government received these organizations with considerable reluctance, and at first sought to hamper them in their mission of mercy and salvation; but the fine work which was done and the scrupulous avoidance by all representatives and workers of political discussions, and a complete abstention from participation in the Government, local or general, soon affected a change in the attitude of the Government toward the relief work. However, in some Provinces, local Bolsheviks placed obstacles in the path of the relief workers and greatly hampered their efforts. There were instances in which Bolshevik officials diverted the medical and other supplies to the army and into channels for which it was not designed. But, generally speaking, it should be said that the Bolshevik Government cooperated with these organizations in their humanitarian work. The testimony was universal, as it was brought to my attention, that the lives of millions were saved by this timely intervention. When it is known that the destitution was so great and the agonies and sufferings so frightful that thousands became insane and parents devoured their own children, and entire communities existed upon roots and the barks of trees, and that these conditions were found in a territory perhaps larger in area than the entire United States east of the Mississippi River, some slight idea can be obtained of the tragic and awful situation. Entire villages were swept away and hundreds of thousands of people fled, seeking escape from death. Steppes and plains were dotted with the fleeing forms of old and young, thousands of whom fell and died by the wayside.

Many who fled survived but did not return; others wandered, and still wander, in the various parts of Russia, homeless and dazed from the horrors and experiences through which they passed. Members of our party met large numbers of those who had fled from the Volga district into Siberia and other parts of Russia returning to the districts from which they had gone. The boats upon which some of our party traveled down the Volga River were crowded with peasants, many of whom were returning from Siberia; others from different parts of Russia seeking the villages from which they had fled. Their condition was pitiable in the extreme. They were without sufficient food and few had clothing to protect them. Upon reaching the villages where they had formerly resided they would find, in many instances, that all lands had been distributed and that no provision had been made for them. This would necessitate their departure to some other section where lands were still available.

Thousands of children during the famine period were sent by the Government into various parts of Russia where it was hoped they would be saved. Still others found their way into Czecho Slovakia and other near-by countries. We met hundreds of these children, many looking well nourished, who were returning from the places to which they were sent. They were being taken by the Government to their homes, where it was thought that if relatives were not discovered other peasants might be found to undertake their care. I learned that some villages from which children had been sent were entirely destroyed, the population having, in part, perished, the balance having sought homes elsewhere.

The reports received in America during the famine period were not exaggerated. Millions died from disease and starvation, and hundreds of thousands of orphan children now fill homes maintained by the Government or lead fugitive and vagrant lives in the cities, towns, and villages. Many, how-

Visits to various courts and interviews with prosecuting attorneys satisfied me that, in the main, they were trying to get

There are many charged with what are called "economical" crimes, and the prisons are filled with offenders convicted of

ever, are receiving care at the hands of charitable persons whose resources are so slender as to make their own existence precarious. The sufferings through which many of the children passed have left tragic impress upon their frail bodies. Many are stunted and thousands show unmistakable evidences of long periods of undernourishment. Many are tubercular and a large number are suffering from malarial fever, as well as other ailments.

I was unable to obtain accurate figures showing the number of orphans and homeless children or the number of orphans' homes and the number of inmates. The figures submitted to me show considerable variance. Statements from two persons who had traveled extensively throughout Russia in relief and charitable work were also divergent. One stated that there were over 1,000,000 children in orphans' homes and institutions and 3,000,000 orphans and destitute children outside of the homes, most of whom were suffering from malnutrition and were without clothes for the approaching winter. It was his opinion that large numbers would die because of exposure, undernourishment, and diseases which would flow therefrom. The other person gave it as his opinion that there were more than 2,000,000 orphans in Russia, and that there were hundreds of thousands who were lacking food and clothing. The Government is endeavoring to cope with the orphan and destitute-children problem. Hundreds of children's homes have been established, but the number is wholly inadequate to care for the orphans and the thousands who are waifs upon the streets or who can not be provided for because of the impoverished condition of their parents. Many of the homes are insanitary, wretchedly equipped, and afford insufficient food and inadequate warmth and clothing for the inmates. Distressing poverty exists in cities, towns, and villages, and the present winter will bring to millions of Russian people intense suffering, sickness, and disease, and to hundreds of thousands premature death.

Through these organizations many hospitals were partially equipped and medical supplies furnished. The medical fraternity of Russia cordially cooperated with these organizations and their physical wants were in part supplied, thus enabling them to get sufficient strength to effectively aid in meeting the frightful conditions existing.

To Petrograd alone 25 carloads of medical supplies were sent, and from there distributed within the city and over a very large area of northern and northeastern Russia. Within that extensive district 20 per cent of the people during 1921 and 1922 suffered from typhus, and the victims of tuberculosis reached unprecedented heights. Inquiries brought information that throughout Russia there has been an increase over pre-war conditions in the number suffering from tuberculosis, syphilis, and other diseases, and that at present an epidemic of malaria prevails in all parts of the country. There is great need for public health physicians as well as regulations, and as indicated the hospital facilities are wholly inadequate for the needs of the people. I visited a number of hospitals and found but few that could be regarded as satisfactory. Most of them lacked supplies, equipment, nurses, and an adequate medical staff. Some were unclean, insanitary, and lacking in nearly everything which hospitals should have. There is great need of physicians and surgeons in all parts of Russia. Most of the people are ignorant of the ordinary laws of sanitation and health. Fortunately, the medical schools are crowded, many of the students being inspired with a sincere desire to equip themselves for service among their suffering countrymen.

In the United States there is one physician to every 800 of the population. In Russia there is but one physician for every 6,000 population. Inquiry revealed that in most rural districts there are no physicians, and the health regulations, if any exist, are archaic and not enforced. It should be remembered, however, that not only in the World War but in the civil wars of Russia thousands of physicians perished, and the mortality in the ranks of medical men has been very great since the end of these internal conflicts. Physicians were classed as bourgeoisie, and their sufferings for lack of food, clothing, and shelter brought thousands to premature death.

This dark page of death is a tribute to the fidelity to duty and the devotion to the ideals of their profession. Undernourished, starving, and dying, the Russian physicians went among the suffering people of Russia, serving and saving, counting naught of themselves. Lack of sanitation and health regulations and the indifference of the people to the rules of health, indiscriminate association of those afflicted with contagious and other diseases with all classes in the various communities, hunger and exposure, all of these and other conditions laid heavy toll upon the Russian people and aided in bringing about widespread troubles, economic and otherwise, from which Russia has suffered and is still suffering.

Typhoid, typhus, cholera, and other diseases added to the woes of an afflicted people. Hospital facilities were wholly inadequate and medicine and hospital supplies were practically nonexistent. Accurate information was not obtainable as to the amount expended by American and other foreign relief associations in Russia. Figures were stated giving a total of between $50,000,000 and $100,000,000. Those who contributed will have the satisfaction of knowing that their contributions saved the lives of millions and gave succor and sustenance to millions more. The work of the American Relief Expedition and the Jewish Relief Committee and the Friends organization were very effective. I do not mean to imply, however, that other organizations were not equally as effective or their work less valuable.

The Bolshevik Government, in dealing with health problems, is confronted with similar difficulties met in other governmental activities. It lacks competent men and is overwhelmed with an ignorant bureaucracy. Lack of revenue also is an obstacle to the carrying out of desired reforms, but progress is being made, and the health of the people is improving, and sanitary and hygienic measures are being gradually but slowly put into operation.

LABOR

Information obtained regarding labor was not as complete as desired, and the facts stated may be too isolated to warrant broad generalizations as to the labor conditions in Russia. First, as herein indicated, perhaps 85 per cent of the population belong to the peasant class, and they have no connection with labor unions or labor organizations. Before the war employees in factories, manufacturing plants, mines, and mills were organized into affiliated unions. They had gained many reforms and were rational and temperate in their demands. Within the unions were found many able men, students of political and social science, who participated in some of the liberal movements directed against the evils in the czaristic government and to accomplish needed reforms in the administration of the government, as well as its fundamental and substantive law. Some were communists and a considerable number were connected with the Menshevik and Social Revolutionary Parties, but the overwhelming majority were not connected with political parties or the political struggles that were being waged.

Some of the workmen in the factories, particularly in Petrograd and Moscow, gave their support to the Bolshevik revolution. Lenin has stated that without the workers, referring to members of the union, the revolution would have failed. But after the Bolshevik Government obtained power it attempted to, and quite effectually did, destroy the unions. The members of the unions, as well as the people generally, were subjected to a despotic military control, and both men and women, communists and noncommunists, indeed, all the population between certain ages, were made subject to the orders of the Government. The communist formula adopted made all persons the children of the state, every movement of their lives being directed by the Government. No wages were to be paid, no compensation was to be allowed, all were workers in and for the state, which owned all property, controlled and directed all industries, and subjected the people to a species of servitude. The condition of the workers during this period of military communism was wretched and debasing in the extreme.

One of the signs of progress in Russia is the improved situation of the workers in the factories and mills and plants. Association with many workmen and visits to numerous plants, mills, and mines afforded satisfactory evidence that, though wages paid are exceedingly low, the workmen are enjoying privileges denied to many Russian citizens, and are able to obtain more of the necessities of life than the great majority of the inhabitants of Russia are able to procure.

Labor unions now exist, although their power is restricted by the Government, and their freedom greatly curtailed. There are 22 branches of industry that are organized, and these are combined into a federal union, of which Tomsky is the head. He is one of the ablest and most powerful of the communists. Indeed, he has become so powerful that he is one of the committee of nine which controls the communists, and, therefore, the Bolshevik Government and Communist Party. There are 967 important, or key, leaders in these 22 unions, more than two-thirds of whom are actually members of the Communist Party, and many of the others are either communists or are supporting the Soviet Government. A majority of the members of the unions are not members of the Communist Party, nor are they communists, but they give but little attention to political questions, waiting for changes and improvements and greater freedom. Their sufferings under Bolshevism have been so severe that their initiative and will have been almost destroyed.

undoubtedly is less than during the period between 1918 and vagrant lives in the cities, towns, and villages. Many, how-

When asked how a very small minority of communists in the unions could control such great organizations, Tomsky replied: "That is what we fought for." He is one of the militant Bolsheviks and supported Lenin and the Bolshevik leaders in their revolutionary contest. He further added that the noncommunists had no policy, whereas the communists had a definite one, which called for united action and produced solidarity among its members. He further stated that the noncommunists knew that the Government was in the hands of communists and that the communist workers could obtain greater favors and privileges from the Bolshevik Government than members of the union could who were not communists. He added a further striking reason, the evidence of which was everywhere found:

The communists are more energetic and aggressive; they have objectives to be reached and a precise policy to carry out.

Tomsky stated that while the communist leaders of the unions did not discriminate against noncommunists, they did carry on a most aggressive and active campaign in behalf of communism to win the laboring men to a belief in the communist faith and to support the Bolshevik régime. In various places visited the accuracy of this statement was established. Communists in charge of plants and works and who were officers of the unions were exceedingly active in spreading communism and popularizing it among the members. Club houses were provided in many places for the workmen, and they were usually in charge of communists who were energetic in providing communistic literature and propaganda for the members.

Tomsky also stated that, though nonunion men might be employed, the activities of the organizations would speedily take them into the unions; the advantages and benefits given to union employees, such as lower rents, better living quarters, reduced theater charges, sick benefits, compensation for injuries, and so forth, being strong inducements for them to become connected with such organizations.

The 22 federations representing various industries and workers have a representative of their respective organization in each locality where workers of the particular group are found. The central council of labor unions unites the various intermediary and local organizations, all of which are directly under the orders of the central organization, of which Tomsky is president. However, where the industries are few and scattered over a large extent of territory regional organizations are effected which unite the various Provinces, and these latter organizations are connected with the Moscow central organization. The orders of the central organization are obligatory upon all local, provincial, and regional ones. Conventions are held to which representatives from the provincial and regional organizations are sent. An all-Russian council of labor unions is elected by the convention, and consists of 89 members; a presidium, or executive committee, consisting of 13 members, is elected by this council, and it possesses all the powers of the general council when the latter is not in session.

From 15 to 20 per cent of the membership of the congress of soviets, which theoretically is the supreme body of the Union of Soviet Republics, are named by the council of labor unions or its presidium. Moreover, many of the labor union organizations elect members directly to the Soviet Congress. In that manner the labor organizations have a large representation in the Congress of Soviets, thus increasing the importance of the unions in the Government, and three of their members are members of the central (soviet) executive committee in which full authority is vested between the meetings of the Soviet Congress. No labor union, in effect, can be organized except as a branch of the organization headed by Tomsky.

Regarding strikes, Tomsky stated the Government has power to suppress them. It is claimed by soviet leaders that while purely economic strikes are not interfered with, the Government will exert its power where the strikes are political in character or where they vitally affect the Government politically or economically. In view of the control by the Government of all industries and of the economic forces of the state, it is manifest that the workers are subject to coercion and to control by the soviet authorities even though military force is required. But there is compulsory arbitration in Government activities. Strikers have been arrested and there have been political arrests of members of the union. Disputes are usually settled through the instrumentality of conflict boards composed of workmen and "managing men." If they fail, the matter may be brought to the head of the labor union and its organizations. At the present time, for the purpose of fixing wages, employees in the various plants are divided into categories, there being as many as 15 to 20 categories in some factories where the products are varied.

These categories are determined by the various local administrations and in the various lines of work, the character of the work and the qualifications of the employees determining the categories within which they are placed.

With respect to the Government trusts—and these trusts control the heavy industries—representatives of the local unions meet with the head of the labor union at Moscow and such person or persons as may be designated by the trust, and the categories are then determined, and, a minimum wage for unskilled labor having been fixed, automatically all labor above falls into the determined categories. Payments to employees are based upon the commodity ruble, the value of which depends upon the prices of various commodities in different parts of Russia.

A minimum wage is fixed by the Government for the entire state, and a maximum wage is fixed for Government employees, the purpose being to restrain officials from paying exorbitant wages to technicians and experts. Where it is important that the services of experts be obtained and they can not be obtained within the maximum price established by the Government, application may be made to the Commissar of Labor for special permission to increase the compensation. Under this system more than 4,500 experts and highly trained technical men are receiving wages in excess of the maximum.

The labor laws have frequently been revised, and of the more than 300 labor decree statutes relating to labor 40 only remain, and they are being modified. Article 171 of the labor code provides for compulsory arbitration, and agencies for settling controversies, among them being a board of inquiry, a quasi arbitration court, and an arbitration board, are among the means provided for settling disputes. Where national interests are involved the Council of Labor and Defense can enforce compulsory arbitration, also in case of a strike where it spreads or may involve a number of cities.

Labor exchanges are provided to which persons seeking employment may go. Private employers must register all employees with the labor bureaus. A private employer must apply to the labor bureau for all ordinary and unskilled workers. To transgress this provision is a crime. Exceptions may be made if employees are required to occupy a relation of trust and confidence to their employers or where technical or professional knowledge is required, but even then the bureau must be notified by the employer of his action. The law prescribes six hours per day for mental workers and eight hours for those engaged in manual labor.

The methods heretofore employed to provide insurance against disease, sickness, accident, and death have been so imperfect and inadequate as to have utterly failed to meet the promises made or the obligations contracted for. Statements were made to me that no compensation had been received by many injured employees or by some widows and minor children where husbands and fathers had been killed or died from natural causes and while working for Government concerns.

The Commissar of Labor stated that his department had recently taken over the labor insurance department, which he admitted had failed to function. He contended that the service had improved so far as injured workmen were concerned, but that it was very unsatisfactory in extending relief in all other cases. The German system of categories which is applied to employees to determine the rate of compensation for the different grades of injuries has been rather closely followed.

The members of the union contribute to the International Labor Union, the headquarters of which are in Moscow. With this organization are the syndicalists of Spain and France and the I. W. W.'s of America, as well as various organizations in other countries which believe in what is known as the "class struggle" or "class movement." Tomsky stated that while this organization was not a branch of the Third Internationale its objectives were substantially those of the Communist Party.

With reference to the American Federation of Labor, Mr. Tomsky, as well as other Bolshevik leaders, condemned it, and a number of them denounced Mr. Gompers and his attitude toward the Bolshevik Government.

INDUSTRIAL CONDITIONS AND WAGES

It is somewhat difficult to determine the wages received by employees. They fluctuate and vary in different parts of Russia. The railroad employees receive on an average approximately from 25 to 28 per cent of pre-war wages. When it is remembered that prices of all commodities, except grain and a few agricultural products, are several hundred per cent above pre-war levels, it is apparent that the wages of this class of employees would scarcely reach 10 per cent of those paid in 1913. An average of the earnings of labor in all industries in my opinion would not exceed 12 rubles (gold) per month. (See Economic Life, September, 1923, and Commerce

Reports (United States) December 30, 1923.) The situation does not portend any advance in wages. There were evidences at the time I left Russia of increased unemployment in many of the industries. In Petrograd, more than a hundred thousand persons were out of employment. A number of plants had been closed and orders had been received from the Moscow authorities to close others. The local soviet leaders remonstrated, fearing that the closing of further plants would precipitate trouble among employees, which might result in strikes and violent outbreaks against Bolshevik rule. In most industries the Government has been compelled to concentrate its activities upon a greatly reduced number of factories, plants, and so forth. Accordingly many were being placed in "standby" condition, and renewed efforts were being made to increase the production of the few which it was determined to operate.

Notwithstanding the low wage paid, the Government is unable to operate its plants and factories, except at great loss. The Government, hoping to increase efficiency and production in industries controlled and operated by it, has brought about large consolidations. Various industries have been grouped into trusts and combines. Where a number of enterprises of the same character are united and brought under one management, they are spoken of as a "trust," but a "combine" embraces numerous plants and enterprises, either in allied or interdependent lines of production. The "trusts" and "combinations" are further consolidated into "syndicates." The Government is also trying an experiment of dividing Russia into what it calls "economic units." The industries in eastern Russia and western Siberia were united into an economic group, though in so doing new arrangements were necessary, and Provinces, which in the past had but little industrial or business relations with others, were thus brought together into one economic unit. This provides dislocations in business and destroys channels of trade which for years and indeed for centuries have been followed.

Some Bolshevik leaders stated that these economic units might be the basis of political subdivisions which would result in breaking into fragments the gubernias and causing a redistribution with reference to the lines delimited by the economical units. Such an arrangement is a most dangerous one and may retard industrial development. If carried out politically, it would change political boundaries, destroy the unity and solidarity of States and Provinces and render the people more amenable to despotic rule.

The number of trusts reported by the Bolshevik Government in the spring of 1922 was 458. There were 28 combines and a number of syndicates. My information was that many of the plants embraced within these trusts and combines were not now in operation.

In many places I was told by employees in Government enterprises that their wages had not been paid, small as they were, for periods varying from 30 days to 3 or 4 months. The number of employees in the Government-operated industries has greatly decreased.

In October, 1922, there were employed in the various manufacturing and mining enterprises, including small private shops and home labor, nearly 1,200,000 workers. Of this number 138,000 were engaged in the oil fields and in the coal mines. In the various trusts and combines 800,000 were employed. In the various metallurgical and chemical works not embraced within trusts and combines but operated by the Government 92,000 were employed. Local soviets employed 54,000 men in nationalized plants. A number of small concerns were leased and the aggregate number employed in all was 65,000. In 1917 there were more than three and one-quarter million employed in these industries. In 1921 the number had shrunk to approximately 2,000,000, and the number employed at the present time is less than the figures which I have given for October, 1922. Because of the small production, the enormous losses resulting from governmental operations, together with the closing down of many plants, thousands of employees have been discharged. It must be said, however, that the soviet authorities are endeavoring to make the industries self-supporting, and they are therefore introducing economies and cutting down expenses. The policy of issuing paper rubles to meet deficits resulting from governmental operation of industries it is now perceived can not much longer be continued.

However, as I have stated, under the present political and economic system there is but slight hope for improvement. Only by modifying the present economic policies can Russia be relieved from the evils from which she is suffering. If freedom were given to the people, and if sane and rational industrial policies were adopted, including an abandonment of the foreign-trade monopoly by the Government, and private ownership and operation of industries were permitted, Russia's progress would be assured. Bureaucracy which exists has a deadly and paralyzing effect not only upon the Government but upon industry.

Trotski and other communists have perceived that important reforms must be immediately introduced into the Government and into the organizations which control the nationalized industries. I heard of bitter contests being waged among the communists over the waste, extravagance, inefficiency, and corruption in the various branches of the Government as well as in the administration of the industries of the country. Some progress has been made in effecting reforms; and if the views of more liberal communists prevail, further advancement will be made.

Referring again to wages paid in Russia, the Bolshevik newspaper, Trude, in its issue No. 89, published in April, 1922, refers to the decrease from month to month of wages and of the purchasing power of the ruble. It states that the actual monthly earnings of employees during the quarter from January to March, inclusive, 1922, were as follows: January, 6.15; February, 5.05; March, 3.25. Wages continued to fall and have reached a level so low at the present time as to make it impossible for the employees in the Government industries to obtain the necessities of life. In the same article the paper states that at that time the wages paid were about 15 per cent of the pre-war rate.

The same soviet paper, the Trude, in an article published by Mr. L. Ginsberg, presents an index of prices and wages in Russia from November, 1921, to May, 1922. Assuming a price index and a wage index of 100 in November, 1921, in May, 1922, the price index had reached 5,000 and the wage index but 1,520. Since that time the disparity between the price and wage indexes has increased.

It is recognized that the economic regeneration of the country depends upon the increase of production. But this organ declares that the latter is impossible as long as the rate of wages moves downward.

Many of the various schemes devised to increase production have been most fantastic, ignoring natural laws and normal conditions of the human element as applied to the conditions of life. There has been some improvement in production since the adoption of piecework. In many of the places visited I learned that from 40 to 60 per cent of the employees were engaged in piecework. Numerous employees with whom I spoke approved of this plan. Undoubtedly it had materially increased the output of the plants and had met with universal approval among the employees, including those who were not engaged in piecework.

In the early days of the Bolshevik régime every form of the so-called capitalistic system was abolished. With the confiscations of banks and all forms of property and the nationalization of all industries, the people became wards of the Government. Wages were abolished; rank and position ignored; fitness and capacity for service disregarded; and ignorant, incompetent, and often cruel and brutish persons were invested with power and the people were driven like dumb cattle. In this situation conditions could not have been other than frightful and unbearable. Millions died from want and exposure, and the number of bourgeoisie and intellectuals who perished will never be known. The efforts to compel production were unavailing.

From this inferno, as I have stated, Russia is emerging. Individuals are not yet permitted to order their lives or to determine their course, but the right of contract in a limited way is being recognized, and men and women are timidly and apprehensively asking to be heard in the matter of fixing their compensation. But the Government controlling the industries is supreme. It owns all raw materials, controls and operates the factories and plants and industries aside from agriculture, and the people therefore must submit to its decrees. Because of the inefficiency of the Government the cost of production is enormous. With the increase in wages the costs of production are augmented, and with the high level of commodity prices which has been reached the purchasing power of the ruble is reduced to the vanishing point. Labor, therefore, is the victim of communist policies. Not only the capitalist, who has been deprived of his property, but also the workingman, who has been despoiled of his liberty, suffers under Bolshevik rule.

A table submitted to me by the soviet officials in the Ural district reveals the catastrophic decline in production under the Bolshevik Government. In 1913 the production of ores in the district amounted to 110,000,000 poods; for the year ending September 1, 1923, the production was but 14,500,000 poods; the production of copper for 1913 was 41,000,000 poods, as against 4,000,000 for 1923; the production of coal was 655,000,000 poods for 1913; and 71,000,000 poods for the year ending September 1, 1923. Senators are familiar with the fact that the Ural Mountains are renowned for their platinum deposits. The demand for platinum has been great during and since the war, and the prices paid to secure it have been much above the pre-war level. The Bolshevik Government seized these mines, including the machinery, and had a free hand in the production of platinum. The output in 1913 was 329 poods, but for the fiscal year 1923 only 24 poods; the salt production for the year 1913 was 21,500,000 poods, but 16,000,000 only in 1923; the production of cast iron for 1913 was 56,000,000 poods, and for the fiscal year 1922–23 but 8,000,000 poods; the yield of iron (Martin) was 49,000,000 poods for 1913; and 11,500,000 for 1922–23; there were produced 14,000,000 poods of sheet iron in 1913; and 3,000,000 only in 1923; 22,000,000 poods of tool iron were produced in 1913, and but 5,000,000 in 1922–23; the production of red copper for 1913 was 1,000,000 poods, but in 1922–23 only 120,000 poods.

Substantially the same disparity exists in the production of paper and all chemical and wood products. Throughout Russia I observed hundreds of plants and factories which had been closed; many were in ruins, and some which I visited were in a dilapidated and run-down condition. A report submitted by the Soviet Government shows that from January to July, inclusive, 1923, from 10 per cent to nearly 19 per cent of all expenditures made by the Government were devoted to meeting deficits arising from the operation of industrial and manufacturing plants and the Government's agricultural activities. It is worthy of note that the Government has undertaken to operate a number of large estates which were confiscated. It selected the richest and the best. Communists insisted that the Government could and should conduct agricultural operations upon a large scale, and that with its control of labor and the railroads, as well as all forms of property, and with the great demand for agricultural products throughout Europe profits would result. But the experience of the Government in its agricultural activities has been disappointing and losses have resulted which have been met by increased taxation and the emission of paper rubles. I heard many complaints from peasants that those employed upon the so-called Government farms enjoyed many advantages over the rest of the people; that their wages were higher and the preferences and favors granted placed them in a preferred position. The criticism was heard that these employees were indolent and inefficient, notwithstanding the superior advantages which they enjoyed. I should add, however, that the Government has sought to introduce improved methods of agriculture at these various estates, and has also made efforts to improve the various breeds of domestic animals required by the people. But the same paralysis and inefficiency which exhibits itself in other industries controlled by the Government neutralizes the good intentions of the Government and bring to naught their schemes and plans. The same report to which I have referred reveals that the expenses for the national defense for the same period consumed approximately 14½ per cent of the national outlay; 21 per cent to 31.8 per cent of the national expenditures were required to meet administrative expenses; education and all cultural and social activities received from 3.4 per cent to 5.9 per cent of all national expenditures.

These deficits, of course, call for additional issues of paper rubles, and these emissions are immediately reflected in higher prices for industrial commodities. As I have heretofore stated, the deficit for the fiscal year ending in 1923 will be between 60 per cent and 70 per cent of the entire national outlay. When I entered Russia it required 240,000,000 rubles to purchase one dollar. So rapid was the decline in the ruble that, in the last days of September and before my departure from Russia, a dollar would produce approximately 800,000,000 rubles, and since then, as I am advised, the decline of the ruble has been rapid.

The budget prepared for the fiscal year 1922–23 called for an expenditure of 1,418,816,517 rubles (gold), and it was estimated that the income for the same fiscal year would be 1,056,000,000 (gold) rubles. There were allocated to education 48,000,000 rubles; health, 15,000,000 rubles; finance, 130,000,000 rubles; transport, 46,500,000 rubles; posts and telegraphs, 30,000,000 rubles; war, 21,000,000 rubles; loans and subsidies to industry, 94,000,000 rubles; agriculture, 58,000,000 rubles; and to local political subdivisions, 63,000,000 rubles. The budget provided that 26,500,000 rubles were to be devoted to financing the state banks, and 74,000,000 rubles to the purchase of food supplies.

Authentic information which I have received since leaving Russia proves that the expenditures are much greater and that the subsidies paid to the enterprises and industries operated by the Government were much larger than anticipated or for which provisions have been made. The soviet authorities, perceiving the disastrous effects to industry and to economic restoration resulting from these enormous deficits met by paper emissions, have imposed additional taxes upon the people. I have referred to those laid upon the peasants and have also alluded to the very heavy burdens in the shape of licenses and taxes imposed upon all forms of private enterprise. The individual engaging in any form of trade or commerce has been encountered at every turn by the voracious demands of the Government. I talked with many persons coming within the categories referred to, and they were loud in their complaints against what they regarded as the unjust exactions of the Government.

Authentic reports which have come from Russia during the past few months show that the Government is still pursuing this disastrous policy toward those who are seeking to engage in private enterprise. Moreover, recent reports indicate that the wing of the party opposed to private ownership of property in any form is exercising greater power than it did during 1922 and 1923. If unchecked, it will destroy these new business enterprises and set back the hand upon the dial of progress.

Senators have noticed that many thousands have been arrested since Lenin's death and since Dzerzhinsky has been placed as the supreme head of the economic council. Dzerzhinsky, as the Senators will recall, is the head of the cheka. He is the embodiment of cruelty and oppression. Human life is unimportant, and he would snuff out the lives of thousands as quickly as he would extinguish a candle if he regarded their destruction as of advantage to communism. Thousands of small traders and business men have been arrested during the past few months and exiled to Arctic regions and Siberian prisons. Their fate is a most unhappy one, and the hardships to which they will be subjected will undermine the health of most and close the eyes in death of many before the expiration of their prison terms.

I have referred to the diminishing production in all branches of industry. In this connection I invite the attention of Senators to an article appearing in the Izvestia, No. 255, under date of November 7, 1923, which confirms the views which I have expressed and the data which I obtained in Russia. It will be remembered that this is a Bolshevik organ, and would present the facts in as favorable a light as possible to the Soviet régime. The article states that the coal production in poods for 1913 amounted to 1,738,000, and in 1922–23—that means for the fiscal year ending October 1, 1923—it was 648,995 poods. The production of petroleum was but 55 per cent of the 1913 yield. The production of pig iron in 1913 amounted to nearly 257,000,000 poods, and in 1922–23 to 18,360,000, or 7.1 per cent. The production of open-hearth steel ingots in 1913 was 259,268,000 poods as against 36,000,000 poods for the fiscal year 1922–23. The production in rolled-steel products for the year 1913 amounted to 214,220,000 poods as against 27,681,000 poods for 1922–23.

In 1913, 16,000,000 poods of cotton yarn were manufactured, and in 1922–23 but 4,355,000 poods. The production of woolen yarn in 1913 amounted to 2,400,000 poods, and in 1922–23 to but 874,000 poods. The showing in linen-yarn production is much better, there being 2,098,000 poods in 1913 and 1,755,000 poods in 1922–23. In the basic chemicals there were produced in 1913 more than twenty-seven and one-half million poods, as against 12,448,000 in 1922–23.

In the mining industry, nonprecious metals, 638,400,000 poods were produced in 1913, and only 29,280,000, or 4.6 per cent, in 1922–23. The production of gold was but 9.2 per cent in 1922–23 of the production in 1913; and the platinum production was but 19.3 per cent in 1922–23 as against the production in 1913. The production in the glass industry for the year 1913 was 11,200,000 poods, as against 3,767,000 poods in 1922–23. In the tanning industry, given in terms of large hides or pieces, the production was 16,500,000 in 1913, as against 5,376,000 in 1922–23.

Russia produced in 1912 nearly 55,000,000 pairs of boots and shoes, and only 3,102,000 pairs in 1922–23. The paper industry had shrunk to approximately 40 per cent in 1922–23 of the pre-war production, and the production of sugar had been reduced from 82,000,000 poods in 1913 to 18,000,000 poods in 1922–23. Substantially the same decline is shown in all other lines of production. Notwithstanding the great forests to be found in Russia, the timber output under Bolshevik régime has been almost negligible. There were large supplies of timber in various forms which had been produced prior to and during the war. These were seized by the Bolshevik Government, and the unimportant timber exports from Russia since the Bolsheviks came into power have come from the confiscated pre-war supplies.

Undoubtedly, in some industries controlled by the state there has been an increase in production since 1920–21, and with the efforts to secure experts (some of whom were former managers of industries) and scientific aid, improvement will be shown both in quantity and also in cost of production.

There are now more than 4,500 experts and technical men who are not communists employed by the Government, and they are receiving more than the maximum compensation provided by law. It was deemed imperative by the Bolsheviks that the services of these men be obtained. The statement will bear repetition that the Bolshevik officials realize that a continuation of the economic situation which has prevailed in Russia under their régime will mean an uprising which will destroy their power. There are fanatical Bolsheviks who are unwilling to make any concession and have resented the reforms granted. There are others who believe that neither Russia nor the world is yet ready for communism, and they are satisfied to intrench themselves in the Government within the citadels of state capitalism. There are still others who are disillusioned and are willing for other reforms to be made, believing that only by the adoption of still more liberal policies can the Government stand and Russia be rehabilitated.

The railroad system of Russia, the greater portion of which was owned and operated by the Government before the war, and which for a number of years prior thereto returned profits to the Government, has called for large subsidies from the public treasury. As a result of the World War and the civil war the railroad system was demoralized. Tracks were destroyed and most of the engines and cars were unfit for service. The tracks have been rebuilt or greatly improved, most of the engines and cars have been repaired, and the transportation system is now in a far better condition than at any time since the Bolsheviks seized power in Russia. However, engines and cars are still idle, thousands being unused; but it is because there is no freight to be shipped. Some statistics exhibited to me show less than 30 per cent of freight hauled, measured by pre-war shipments.

Russia before the war possessed thousands of boats which were used in conveying enormous tonnage throughout the Empire. The Volga River was a mighty waterway upon whose broad bosom millions of tons of freight were carried annually. Other rivers, not only in European Russia but in Siberia, carried numerous flotilla of barges and boats which were important to commerce and to the development of Russia. A visit to these waterways reveals the paucity of water traffic. Hundreds of magnificent boats are stranded and rotting and decaying at wharves and upon shoals and sand bars. But improvement was noted even in this important branch of national life, and with an increase in production the water transportation facilities of Russia will become correspondingly important.

Notwithstanding this gloomy picture, it must be said that there is improvement in the various branches of industry; and if the Bolshevik Government will permit the return of the former owners and managers and will place in their hands or under their direction the industries which played so important a part in the life of Russia before the war and which were contributing so much to her material prosperity, then a new era will dawn in Russia. The progress of Russia in industrial lines for a number of years preceding the war was most remarkable. Her textile mills were among the best in the world. Her development of the sugar industry had reached a high degree of perfection, and her oil output placed Russia near the head in the list of the oil-producing countries of the world. With her enormous resources Russia, under liberal government, will increase in influence and power in the world.

CONCESSIONS

For a number of years, both in Europe and the United States, frequent reports have been published that the Bolshevik régime was granting concessions to foreigners for the exploitation of Russian industries and resources; and a number of individuals, among them a Mr. Vanderlip, have claimed that they had valuable contracts to mine ores, develop oil fields, exploit timberlands, and to engage in various other activities.

The facts are that but few concessions have been granted, and most of them are unimportant. The Bolshevik leaders, after the New Economic Policy was promulgated, announced that the Government was willing to grant concessions, providing that those seeking the same had adequate financial ability and would accept the terms prescribed. It was made clear, however, that persons of limited means were not wanted, nor would concessions be granted to develop or exploit small enterprises. It soon became apparent that the soviet authorities expected concessionaires to aid the Bolshevik Government in securing loans and obtaining material advantages in the matter of foreign trade.

A number of individuals visited Russia and attempted to negotiate for various concessions. Some were mere adventurers without financial backing, who hoped to obtain valuable concessions which they expected to dispose of at great profit outside of Russia. Others in good faith endeavored to obtain concessions for the development of some of Russia's industries and, of course, to secure profit to themselves and associates.

Krassin, one of the ablest Bolshevik leaders, and who for years has been head of the foreign trade section of the Government, stated to me that while few concessions had been granted, in his opinion more would be granted. He and other soviet leaders declared to me upon numerous occasions that the Soviet Government needed capital for the development of Russia's resources and the restoration of her industries. But the point was emphasized that such capital was preferred in the form of loans rather than through concessions.

While in Russia I made inquiry of the soviet leaders in every Province visited, and also conferred with many persons in a position to know the facts, for the purpose of ascertaining whether concessions had been granted or foreign capital was being invested in Russia. The soviet leaders furnished me a list of concessions which they claimed had been granted. It refuted the published statements referred to and showed that the number of concessions was insignificant and the privileges or rights granted unimportant. But two concessions had been granted relating to oil fields. The Barnsdale Co., controlled by Harry F. Sinclair, had entered into a contract calling for the drilling of a number of wells in the famous Baku oil district and the repairing of a number of wells which were now unproductive because of injuries to the casings during the war or for the lack of care during and since that period, as a result of which water had filled them. I visited these oil fields, in which thousands of wells had been drilled and which had yielded hundreds of millions of barrels of oil. Most of them were unproductive, and the hand of decay and desolation rested upon what had once been a source of great wealth to the state and to the owners of the fields.

However, several hundred wells were producing, and the soviet authorities were painfully and unskillfully attempting to drive other wells and repair the waste and ruin which existed.

Oil experts whom I met stated that the Baku oil fields were perhaps the richest in the world and would yield billions of barrels more. I might add in passing that the figures furnished me in Baku showed that, though these wells, when in the hands of private owners, yielded enormous profits, they were now being operated at a loss, notwithstanding the great demand for oil and the high prices charged by the soviet authorities to the various industries owned and controlled by the state to which it disposed of the same.

My information was that the contract held by the Barnesdale Co. would prove highly profitable to it. Its terms, so far as I could learn, called for the payment in gold by the Soviet Government of varying amounts for the wells sunk by the company and also a percentage of the oil produced, which, I was told by several persons, amounted to 20 per cent of the yield. One of Mr. Sinclair's companies also has a concession to exploit the island of Sakhalin. I did not learn what the terms of this concession were.

A German company had obtained a contract for the mining of manganese ore near the Black Sea. I was informed by persons who were familiar with the contract that the concession was not profitable, owing to the unfair and rigid construction placed by the Soviet Government upon the contract and the nagging and exasperating provisions and irregular, improper, and unjust exactions demanded.

The Krupp Co., a German corporation, obtained a concession to develop a tract of approximately 1,000,000 acres of land in the southern part of Russia and to place German colonists upon the same.

A concession had been obtained by the Allied American Corporation to operate an asbestos property near Ekaterinburg in the Ural Mountains, and a few permits were given by the Government to Russians and foreigners to work upon a small scale some of the mineral regions in Siberia. The soviet leaders having charge of the mineral resources of the Ural Mountains stated to me that no concessions would be granted to exploit any of the mineral wealth of that section, that at one time contracts for such purpose would have been made, but that now the Government was determined to develop the mineral resources of the Ural Mountains without foreign capital. So far as I could learn, there were no grants or concessions relating to oil or mineral lands other than those to which I have just referred.

The timber resources of Russia are important, but concessions to exploit these lands are not numerous, perhaps not

more than five or six having been granted; and, aside from two or three, they are not of importance. A concession was obtained by a German company while I was in Russia, but the terms imposed were regarded by various foreigners with whom I spoke (and who were familiar with the section) as being so onerous as to be oppressive and to render the concession of but little, if any, value. The concession related to a tract of land some distance from Petrograd and required the expenditure of several millions of dollars in the construction of a railroad to connect the property with one of the important lines of transportation.

A number of foreigners were in Russia during the two months that I spent there, investigating conditions with a view to obtaining concessions or negotiating contracts for foreign trade. Several of them informed me that the economic and political conditions were so unfavorable and the terms required so harsh and restrictive that they were unwilling to attempt to do business with the Soviet Government or the Russian people. Several of them stated that the terms offered by the soviet authorities contained so many exceptions and conditions that no one could afford the hazards and risks which they involved. Moreover, they said the requirements regarding labor and taxes and supervision, and the insecurity of the capital invested, were such as to prohibit accepting the same. Obstacles were interposed to buying the necessary equipment, machinery, and so forth, in the United States, and the uncertainty of delivery and the bureaucratic control which made progress and efficiency in any undertaking impossible all constituted insuperable obstacles in their minds to entering into any contractual relations with the Government. There was also a feeling of insecurity and the fear that if investments were made or concessions obtained, which upon being developed proved valuable, the Soviet Government would find some pretext to deprive the concessionaries of their property and rights under the contract.

As stated, some who were seeking contracts were dissatisfied with labor conditions and the power exercised by the communist leaders over employees and the labor organizations. Still others feared that the central government and the local soviets would devise such oppressive taxation schemes, tariffs, licenses, and import and export regulations as to prohibit successful operations. My attention was called to the difficulty in obtaining permission to import into Russia supplies and machinery required in the execution of a number of contracts which had been entered into with the soviet authorities.

The evils of the powerful and oppressive bureaucracy were pointed out to me and were apparent, and they were regarded as almost insuperable obstacles to the doing of any important business with the Bolshevik Government. One person whom I met stated that the taxes and the governmental exactions and the requirements of the labor organizations, including insurance, amounted to 37 per cent of the entire expenditures which he was called upon to make, including overhead and wages. However, I believe that favorable concessions may be obtained by corporations or persons of great wealth, if the soviet authorities can perceive benefits to the Bolshevik Government. Senators may have seen the reports that the recognition accorded a few days ago to the Soviet Government by the Italian Government involved concessions to Italy to exploit certain coal fields in southern Russia.

In my opinion, however, the Bolshevik leaders are not to be criticised; indeed, I think they have acted wisely in granting so few concessions. I believe that the resources of Russia should be held for the Russian people, and I have not favored nor do I now favor the efforts by foreign capitalists to exploit Russia or to drive sharp bargains which would deprive the Russian people of the inheritance which is theirs. Undoubtedly the expenditure of large sums of foreign capital in Russia would more quickly develop her resources; but they will be developed in due season, and a wise national policy calls for a comprehensive and rational conservation policy. Russia should conserve her national resources to meet the needs of future generations.

PUBLIC ORDER AND MORALS

As herein indicated, the data obtained established that, following the accession to power of the Bolsheviks, there was a loosening of all moral ties and a general breakdown in the social organism. Crimes of all kinds increased, home ties were destroyed, and immorality became widespread.

The revolution, it was understood, was an assault not only upon the political but upon the social structure; and all the things which the bourgeoisie and the capitalistic nations had regarded as important, if not vital, in the social and economic life of the people were treated as hateful excrescences, to be excised and destroyed. The new-found freedom could only be enjoyed by repudiating former conditions. Accordingly the church and its influences were denounced, parental authority was assailed, home and family ties were regarded as manifestations of bourgeois sentimentality and religious superstition; marriage was no longer regarded as a sacrament and a lasting and sacred obligation. Excesses were committed and violations of the proprieties and decencies of an enlightened social order grew to serious proportions. Everything was in a condition of flux. There were millions of soldiers, some demobilized, many fleeing, and hundreds of thousands roaming through the country. Criminals, neurotics, persons of limited moral perception, fanatics who believed that the acknowledgment of any form of moral restraint was heresy to communism, all of these jangling and discordant forces mingled together, producing confusion which drowned for the moment the true voice of Russia and bound with heavy chains the fine soul of the Russian people.

But these frightful days are passing, and the voice of sanity and reason is beginning to be heard above the cries and tumults of the discordant and destructive forces. The Russian people are moving slowly but surely in the direction of normal conditions of life. Progress is slow, but each advance gathers strength to make further gains. Not only the peasants but an overwhelming majority of the people still regard marriage as a sacrament, and in the churches and cathedrals it is solemnly performed by priests and prelates in their priestly robes. The number of divorces, which was shockingly large for a number of years, has diminished, and the importance of preserving the home and strengthening family ties is apparent even among some Bolshevists.

Notwithstanding the ease with which divorces are obtained, the number, as stated, is decreasing, and a sentiment is developing among all classes unfavorable to the lax system which prevails. Marriage is performed by merely registering before an unimportant official. The following day or at any time thereafter the married parties may be divorced by registering in the same informal way before the same official or one of similar authority. But there are multiplying evidences that where either of the spouses objects the divorce courts are less willing to sever the matrimonial bonds, particularly where there were minor children and their interests would be affected thereby. And a number of decisions were brought to my attention where the offending husband was compelled to pay monthly sums, commensurate with his earnings, for the support of minor children.

Marriages between communists and noncommunists are infrequent, and a communist may not marry in the church or have any religious ceremony performed.

Where love triumphs over devotion to communism the penalty is expulsion of the offending communist from the party, and there are instances where communists have married Christian women who refused to renounce their devotion to the church. But the reverse is true, and the claim is made by communists that there are marriages where the noncommunist spouse accepted the faith of the communist spouse. But the instincts and traditions and the spiritual and moral precepts which have guided nations and peoples can not be blotted out, and the tides of life are stronger than the dikes erected by communists upon the sands of Marxian philosophy. And communist homes are not immune from love and affection; family ties there bind members together with strong and powerful bonds; and human nature there asserts itself, and the husband and father seeks to protect wife and children and to provide for their present and future wants. This means the acquisition of property, including home, with all that is implied and found in that sacred word, and creates the desire for the establishment of a system of government which will afford security in the possession and use of the same.

To illustrate that theoretical and doctrinaire communism is one thing, but when applied it is something different, numerous instances were brought to my attention showing constant departures from the ideals of communism. Within the interior of Russia were found a group of several score of communists who had left Russia prior to the revolution and taken up their residence in the United States. Two or three years ago, in order to enjoy the benefits of communism, which they said were denied them in the United States, they returned to Russia with considerable property and with unbounded enthusiasm for the Bolshevik Government. Most of them were unmarried and they lived for some time in communal form. This condition grew intolerable, and many of them obtained separate quarters. Most of them married Russian girls who wanted homes and proper provisions made for their support.

In conversation with a number of these disillusioned communists they evinced great interest in the United States and showed no hostility to its laws and institutions. They said that communism did not work out in the practical affairs of life

as they had expected; that they were still communists theoretically, but that the world was not yet ready for communism and under existing conditions its doctrines were inapplicable.

Speaking generally, there is public order and a general observance of the laws and regulations promulgated by the Bolshevik Government. One may travel by night or day in most parts of Russia without fear of molestation. In some sections, however, particularly where it is mountainous and difficult of access, marauding bands take refuge, from which they make incursions into the surrounding territory and commit larcenies and acts of pillage, and not infrequently murder. But the Russian people are naturally law-abiding and submit to injustices at the hands of those in authority, even when resistance would find justification. The Bolshevik Government, with its cheka and militia and military forces, exercises the utmost vigilance in suppressing disorders and in preventing violations of law. With its espionage system and its thousands of secret agents, who penetrate every part of the land, the Bolshevik leaders are able to afford protection to the people against the ordinary transgressions and offenses common to most countries. However, homicides frequently occur, and the punishment is so inadequate that many with whom I conferred in Russia declared that crimes of this nature were increasing. A number of judges and Bolshevik officials told me that the maximum penalty for willful and deliberate murder was eight years in prison. Communists seem to regard human life as unimportant, but robbery frequently brings the death penalty, and any act or omission construed to be inimical to the Bolshevik Government subjects the offender to capital punishment. Infanticide is common and is not regarded as an offense. Nor is abortion regarded as a crime. Indeed, I was informed by the Bolshevik officials that in certain hospitals abortions could be procured without charge and without the names of the parties concerned becoming known. I was also told that certain physicians and surgeons were authorized to engage in this practice. Later I visited a number of hospitals and made inquiries of those in charge, and they confirmed the information which I had received. I was also shown the law which legalized abortions. Adultery and sexual vices do not come under the ban of the law.

Larceny and embezzlement are common. It should be said, however, that the manner in which the people have been robbed and exploited by the Government, followed by hardships, privations, and starvation, would naturally result in a general disregard of the proprietary interests of the individual in any form of property. Most of the thefts, however, are such as would be classed in our country as petty larceny. In every part of Russia I learned of embezzlements by employees of the Government. This offense was common in stores, industrial plants, transportation systems, and in governmental enterprises generally.

In a number of prisons which I visited I discovered that a large proportion of those incarcerated had been convicted of embezzlement or theft of Government property. I also found that many of the inmates of the prisons had been convicted of bribery and various forms of corruption in office. Leading Bolshevik officials admitted that one of the most difficult problems they had to meet was that arising from graft, corruption, and bribery upon the part of officials and employees of the Government. The Government was acting vigorously in its efforts to eradicate these evils, and almost daily I heard of arrests and convictions of employees of the Government for crimes of the character which I have just described. Many officials of the Bolshevik Government whom I met impressed me as being men of honesty and probity. They were greatly disturbed over the thefts and violations of law upon the part of Government employees, and were most sincere in their efforts to give to the people efficient and honest administration.

Russia has her liquor problem, though it is not so serious as it is in the United States. The Government seeks to control the manufacture and sale of intoxicating beverages. The alcoholic content is limited and the quantity manufactured under the auspices of the Government is much less than might be expected.

Indeed, I was surprised to find many districts in which no liquors of any kind were manufactured or sold. This statement should be qualified, however. Some persons in violation of the law have their home-brew or illicitly produce their vodka. In most of the cities and towns wines and beer were easily obtained. In Moscow and other large cities there were numerous shops where various kinds of liquor were sold. I learned that there were frequent prosecutions for the illicit manufacture of vodka and other forms of intoxicating beverages. However, it gives me pleasure to say that I found the Russian people, generally speaking, temperate and free from the vice of drunkenness. When we recall the excessive use of vodka and other forms of intoxicating liquor prior to the World War, the condition in Russia to-day furnishes convincing proof that the cause of temperance has made remarkable advancement. Undoubtedly the poverty of the people has been a contributing cause to the temperance movement, which has been recognized by the people as a proper and permanent reform.

The Bolshevik Government promotes lotteries and obtains considerable revenue from this immoral practice.

At one of the first railroad stations entered, after crossing the Russian border, I observed flaming posters which our interpreters stated told of the large prize which had been won by a woman in the recent lottery drawing conducted by the Government; and I observed in every part of Russia visited advertisements calling attention to various lottery schemes which were being conducted by the Government.

Gambling houses were also licensed by the Government, and in a number of cities I visited licensed gambling halls and found them crowded with men and women, old and young, who were feverishly awaiting an opportunity to take part in the various games of chance and gambling devices. In Moscow, the building in which gambling was conducted was commodious and had rather rich appointments. It was within an inclosure which contained amusement halls and theaters, where vaudeville, theatrical, and musical performances were being held. Thousands of persons were within the inclosure, and many of them, as stated, visited the building where the games of chance were being conducted.

May I add parenthetically that, among the vast throng, numbering perhaps ten or fifteen thousand, I did not observe an intoxicated person, nor was there the slightest evidence of disorder or improper conduct; and may I further add that I visited many large cities and towns and mingled with large groups of people in the parks and theaters and places of amusement and recreation, and do not recall having seen an intoxicated person or any offensive or reprehensible act.

I visited the slums and most insanitary and undesirable parts of a number of the cities, and met and talked with beggars and outcasts, and what might be called the lowest types of people. They were all orderly and meeting the conditions surrounding them with patience and more or less stoicism.

BANKS AND BANKING

Prior to the war the banking facilities of Russia substantially met the needs of the people. Numerous banks existed throughout the Empire, and they were conducted in harmony with well-recognized and sound banking methods. When the Bolsheviks obtained control of the Government, they took possession of all banks and confiscated their assets. It was stated that they were "absorbed into the People's Bank." The facts were that the Bolshevik Government seized all the assets and converted them to its own use. Many foreigners had deposits in Russian banks, which were confiscated, as were the deposits of the Russians.

Senators will recall that the communist leaders declared that banks were odious features of the capitalistic system, and so the whole banking system was destroyed and decrees issued forbidding the use of money. The gold reserves held by the Czar's Government, when it was overthrown, amounted to more than six hundred millions of dollars. There were in the Treasury, also, large gold deposits by Rumania. The Bolshevik Government seized these gold reserves and deposits, and so far as I could ascertain used them for various purposes. I was unable to learn the value of the gold now held by the Government, although the weight of the evidence indicated that the residue of this enormous deposit amounts to but a few millions of dollars. It has been used for various purposes, and much of it has been dissipated in propaganda and in various schemes and activities of the Bolshevik Government.

Its efforts to abolish the use of money met with humiliating defeat. The large paper emissions, amounting to quadrillions of rubles, brought the Soviet Government to the brink of the abyss, into which it would have plunged except for the prompt retreat ordered by Lenin. The Bolshevik leaders discovered in 1921-22 that a "bankless" condition could no longer continue. The Government continued to issue its paper rubles, but some of its wiser leaders and fiscal experts determined that a banking system must be established which would furnish credits and aid in reviving trade and industry. Accordingly the Russian State Bank was organized. Theoretically it is not connected with the Government and is declared to be "an independent juridical unit, with its own property quite apart from the property of the Republic."

I visited and conferred with a number of its directors. Those whom I met expressed sound and sane views and announced a policy which, if adhered to, will materially contribute to the industrial rehabilitation of Russia. The Russian Government thus far has not interfered with the policy of the bank nor attempted to place the reserves of the bank behind the paper rubles emitted by the Government to meet its continuing deficits. As I have stated, the present Bolshevik leaders appreciate that Russia's progress depends upon balancing its budget. The poverty of the people and the inept and unsound and uneconomical policies, if continued, will prevent the consummation of this plan. If the Bolshevik Government lays its hands upon the Russian State Bank and appropriates the reserves there provided, then destruction will overtake the bank and the little credit which Russia is now obtaining and employing to advantage in foreign trade will be lost.

In the vaults of the State Bank, which I visited, I saw large quantities of gold and silver bullion and American gold notes and English pound notes of the value of several million dollars. The original capital of the bank was 2,000,000 rubles gold. It is now fixed at 5,000,000 chervonetzi. The chervonetz was an old Russian coin, the equivalent of 10 gold rubles. The bank has coined gold chervonetzi, and I found them in circulation in various parts of Russia. The bank also issues bank-note currency, the value of the unit being equal to about $5.14. Under the law and the regulations governing the bank its currency must be protected by a reserve equal to the entire currency outstanding. Of this reserve, 50 per cent must be gold or foreign currency recognized as sound and stable, such as the American dollar or the English pound. The notes of the bank are legal tender for payments due the State in gold and private persons. I discovered that they were in great demand throughout Russia and were regarded by all classes as being stable and of the value which they were supposed to represent.

The introduction of this new and stable currency had a most salutary effect upon the industrial and business life of Russia. It affords a certain and definite medium of exchange and a basis for business transactions which permits transactions relating to the future to be entered into without the anxiety and misgivings, not to say terror, which accompany business dealings where a violently fluctuating currency is involved.

When I visited the bank in August, the president stated that the note-issuing department of the bank showed outstanding chervonetzi amounting to 10,761,145. The gold and foreign currency back of this issue aggregated 5,313,302 chervonetzi. I was shown bills of exchange and other assets which, it was stated, fully protected the outstanding note issue. This bank has correspondents in most European countries and has three representatives in New York. It has a large number of branch banks throughout Russia. I was pleased to learn that the Russian people were beginning to have confidence in banks, and I was told by officers of several banks which I visited that checking accounts were being opened and deposits being made by an increasing number of individuals. When it is recalled that the Soviet Government destroyed all banks and interdicted the use of money, and that this situation existed up to two years ago, it is quite apparent that progress is being made, and a most remarkable change in the views and psychology of the people has occurred.

One of the banks which I visited in Moscow occupies a magnificent building and employs a large number of people. A portion of the capital was furnished by the Soviet Government and a considerable part by residents of Sweden and citizens of Russia. I visited this bank three or four times, and upon each occasion it was thronged with people, some of whom were making deposits, others obtaining money, and some buying bills of exchange. The bank was doing a profitable banking business. The officials with whom I conversed were sanguine of its success and optimistic as to the future of Russia. In Harkov and Tiflis and other cities which I visited I found banking institutions which were meeting with a reasonable degree of success. However, I found opposition upon the part of radical communists, who regarded the return of banks to Russia as a repercussion of capitalism which would impede the firm establishment of a communistic system.

SHALL THE UNITED STATES RECOGNIZE THE BOLSHEVIK GOVERNMENT OR ENTER INTO TRADE RELATIONS WITH IT

Prior to the World War Russia constituted a part of the great family of nations and was recognized by all powers. This position was not changed by the war, except that the central empires severed diplomatic relations with the Russian Government. The Bolshevik Government signalized its accession to power by immediately abrogating all treaties between Russia and other nations. Its position was one of nonintercourse with other states, and it signified its purpose to have no diplomatic or friendly relations with any powers. It announced that the "class struggle" which was to destroy all governments had begun and would be pursued relentlessly until a proletarian dictatorship ruled the world.

The relations between the United States and the Russian Government were always cordial, and between the peoples of the two countries strong ties of friendship had existed. Upon the overthrow of the Czaristic régime the Government of the United States signified its deep interest in the new Republic which was formed and gave convincing proof of its desire to aid the Russian people in establishing a free and independent Republic.

Even after the Kerensky régime was overthrown by the Bolsheviks, President Wilson sought contacts with them and, for the American people, declared their unfailing friendship for the people of Russia; but the Bolshevik leaders, in harmony with their world-wide revolutionary plan, repulsed these advances and gave evidence of their malignant hatred of this Republic, as well as all nations which came within the classification of capitalistic nations. The attitude of the Bolshevik Government was a challenge to every nation and to the industrial and economic system prevailing throughout the world. The Bolshevik leaders immediately deprived the American ambassador, as well as all consular and diplomatic representatives of this Government who were in Russia, of the privileges which custom and treaties had provided for officials of that character, among them being the right to send cables and to communicate with their Government; and finally their menacing attitude compelled these officials to withdraw from Russia. The attitude of the Bolshevists toward the diplomatic representatives of other nations who were accredited to the Russian Government was similar, and substantially all of them were forced to leave Russian soil.

Undoubtedly representatives of the United States Government, as well as others, would have remained in Russia had it not been for the abrogation of all treaties and the treatment accorded them by the Bolshevik Government.

Following the revolution in Mexico and the severing of diplomatic relations between the United States and Mexico during the interregnum, and until relations were established, each of the governments maintained unofficial representatives in the other's territory.

But, regardless of the past, the question now is, "Shall the Government of the United States accord to the Soviet Government de facto or de jure recognition, or recognition which may be regarded as qualified or sub modo, or shall there be some informal trade convention which may bring the peoples of the two countries into closer relations and facilitate trade and commerce between them?" Undoubtedly there is a wide difference of opinion in the United States as to what course should be pursued, and even in Russia the views of the people are not entirely harmonious. The view is entertained by many citizens of the United States that no dealings of any kind should be had with the Bolshevik Government; that its attitude toward this Nation as well as others has undergone but little if any change; that it is not worthy of being admitted into association with civilized nations. Still others believe there should be full or qualified recognition, and many think the time has come for a trade agreement with the Soviet Government. The view favorable to a trade agreement is in part founded upon the belief that it will not only be helpful to the Russian people but that it will be beneficial to the United States. First, it is important to know that the Government of the United States has interposed no obstacles whatever to trade and commercial dealings between the American and the Russian people. The Soviet Government, or the people of Russia, may buy and sell in the United States as freely as in any other country. American citizens may, so far as this Government is concerned, trade with the Soviet Government or with the Russian people as freely as with any government or its people. The fact is that whatever impediments exist to the utmost freedom of trade and commerce between the two countries and their inhabitants are found in the position taken by the Soviet Government and the laws and regulations promulgated by it.

Under the Bolshevik policy, the state maintains a monopoly of all foreign trade, and it has repeatedly declared that it would continue this monopoly; while it has modified its position with respect to internal trade, the position of its leaders is that it will never surrender its monopoly of foreign trade or the ownership and control of the "heavy industries." A foreign-trade department has been created, headed by Krassin as Commissar, through which foreign trade is conducted and under which the monopoly is maintained. It has representatives in various countries, and until recently there were no exports or

imports except by this state monopolistic organization. It exported whatever products and commodities left Russia and disposed of the same in other countries; and whatever imports found their way into Russia were under its control. This was true even with those countries with which the Bolshevik Government had full diplomatic relations. Recently a few companies have been formed, which are under the control of the Bolshevik Government, which are engaged in a limited way in foreign trade.

Americans who have visited Russia for the purpose of buying Russian products for export or for the purpose of selling American products to the Russian people could deal only with the foreign-trade department of the Government. They were compelled to procure licenses, both to export and to import, and to submit to the heavy exactions imposed by the Government. Peasants or the owners of furs or other commodities may not export the same except through the Government or such organizations as have recently been effected and which, as stated, are controlled by the foreign-trade department. The soviet authorities submitted to me a list of joint-stock companies which are authorized to engage in foreign trade. The list shows that there are 15 amalgamated joint-stock companies containing foreign capital, 1 containing Government and Russian private capital, and 6 joint-stock companies including state capital. In addition there are 3 foreign companies which have been granted certain concessionary rights to engage in foreign trade.

With respect to the 15 joint-stock companies, it is stated that the capital consists of 48,500,000 rubles (gold), of which the Soviet Government has subscribed 3,725,000 rubles (gold) and £367,105 sterling and $42,665. Foreigners have subscribed $92,665, £365,150, and 3,850,000 rubles (gold); and Russian citizens have subscribed 375,000 rubles (gold).

The capital stock in each is divided equally between the Government and the shareholders, the former owning 50 per cent, but paying only 25 to 35 per cent of the capital; in other words, the individual shareholders are required to pay substantially 75 per cent of the capital stock and to deliver to the Government 50 per cent, although it subscribes and pays for but 25 per cent. The directors or managers of the corporations are equally divided between the Government and the stockholders, but the president is appointed by the Government. The foreign stockholders and the shareholders who are Russian citizens are required to furnish credits both to the company and to the state.

Imports must not exceed the exports, except that some important reason may justify an exception, and the aim must be to export raw materials and semimanufactured products only. The general regulations also provide that the imports shall not compete with Russian industry and that both export and import operations must be carried on under the control of the foreign-trade department and its representatives abroad.

If the net profits do not exceed 40 per cent, they are divided equally between the Government and the private stockholders. If in excess of 40 per cent, the Government receives a greater share.

The three companies having special concessions to engage in foreign trade are: Amalgamated Joint Stock Co., known as D. W. A. Britopol, whose entire trade must not exceed 15,000,000 rubles (gold) annually; the Southeastern European Co. of Berlin, whose entire trade must not exceed 2,400,000 rubles (gold) annually; and the Allied American Corporation, whose limit is fixed at 4,800,000 rubles (gold) per year. Each of these companies guarantees the Government 17 to 25 per cent of the actual invoiced costs of all commodities exported and imported, and 10 per cent of the net profits must first be deducted and paid to the Government. The remaining profits are divided equally between the Government and the company, with a further increase to the Government where the profits exceed 40 per cent of the capital invested by the Government. The Government has one or more representatives on the boards of these companies.

The Government, as stated, has six export organizations through which most of the foreign trade is conducted. Some of these organizations have representatives in the United States and through them the Bolshevik Government buys and sells. The two large cooperative organizations, known as the Selskosoyus and the Centrosoyus, which have been referred to and which are also subject to the control of the Government, are permitted to engage in foreign trade, and these organizations now have representatives in America, whose contracts and dealings must be approved by the representatives of the Soviet Government.

Many foreigners and some Americans have visited Russia during the past year hoping to buy for export and to sell in Russia foreign products. Most of them have departed without results. While the needs of the Russian people are great and they would be glad to buy commodities to the extent of hundreds of millions of rubles, their impoverished condition prevents them from so doing. So little has been produced in Russia which can be exported that the foreign trade for an indefinite period will be inconsiderable, even though all restrictions by the Russian Government were removed. Neither trade agreements nor the establishment of diplomatic relations will create trade where the basis of trade does not exist.

Secretary Hughes quite accurately describes the situation when he says that Russia is an "economic vacuum."

Some of Russia's neighbors are anxious for trade with her, but the latter's exhausted condition and her lack of production are obstacles to the realization of these desires. When Russia so far recovers as to produce for export, she will have foreign trade, with or without recognition of the Bolshevik Government. Recognition and trade agreements are not indispensable to active business dealings between the peoples of different countries. There was a large volume of trade between the United States and Mexico during the past few years, even when there was no recognition by the United States of the Obregon government.

When I addressed the Senate upon the Russian question on the 22d of January last, the following countries had formal diplomatic relations, based upon peace treaties with the Soviet Government: Esthonia, Finland, Germany, Latvia, Lithuania, Mongolia, Poland, Persia, Turkey, and Afghanistan. Trade agreements had been entered between the Soviet Government and Austria, Czecho Slovakia, Denmark, Great Britain, Italy, and Norway; and without any formal agreement there had been an exchange of trade relations between Russia and China and Sweden. Within the past few weeks the Labor Government of Great Britain has recognized the soviet régime, and representatives of the two Governments are now meeting for the purpose of drafting a treaty. We are informed by the press that difficulties are being encountered, and notes of pessimism emanate from the conference, indicating that the negotiators are experiencing difficulty in agreeing upon suitable terms.

Mussolini has recently recognized the Bolshevik Government, and representatives of the two Governments will soon meet to draft a treaty. When in Russia, I was advised by some Bolshevist leaders that a treaty with Italy would probably soon be negotiated, that Italy was exceedingly anxious to obtain coal and iron and other raw materials of which Russia has an abundance. Mussolini has exhibited great zeal in pushing forward plans for the industrial and economic rehabilitation of Italy. It will be recalled, however, that for several years Italy has shown great antipathy toward the Bolshevik régime; and the Soviet leaders, by their emissaries and propaganda, sought to disrupt the economic and industrial life of Italy and to set up a Communist Government.

Undoubtedly the intrigues of the communists were largely responsible for the industrial unrest existing in Italy following the war and for the strength of the Fascisti movement which placed Mussolini at the head of the Italian Government.

The Senator from Idaho [Mr. BORAH] in his address supporting his resolution for de jure recognition of the Bolshevik Government stated that no complaints had been made by the governments which had recognized the soviet régime of misconduct or violation of conventions or treaties by the Bolshevik Government. I respectfully submit that the Senator is mistaken. Hundreds of complaints have been made by the Governments which have recognized Russia as well as by those who have trade agreements with the soviet régime. These complaints grow out of alleged violations of agreements and conventions and treaties entered into with the Soviet Government. I learned from indisputable sources that the foreign office of the soviet régime has literally been flooded with protests and complaints upon the part of those nations which have de facto or de jure relations with Russia. There has been extensive correspondence between the soviet foreign office and the Governments of Finland, Latvia, Esthonia, Lithuania, Poland, Germany, and Great Britain, in which the Soviet Government was charged with deliberate violations of agreements and treaties and solemn promises. I talked with various persons connected with some of these Governments which have made protests and complaints and learned from them, as well as from other sources, of the numerous charges of misconduct made against the Soviet Government. Trotski told me of the controversies between his government and Poland, and I learned in Moscow of the protests made by Great Britain because of the violations by the Soviet Government of obligations entered into between the two Governments.

Senators will recall that several years ago Germany was compelled to protest against the propaganda carried on by the Bolsheviks within German territory and ordered a Russian communist who held a position with the Soviet Government from the country.

The British made a trade agreement with Russia under date of March 16, 1921. On September 7, 1921, Lord Curzon, His Majesty's Secretary of State for Foreign Affairs, addressed a note to the Soviet Government protesting against the activities of the Third International in India, in violation of the agreement to desist from propaganda in the British Empire. On March 29, 1923, Mr. MacNiel, British Undersecretary of State for Foreign Affairs, addressed the House of Commons respecting soviet violation of the trade agreement, and his remarks will be found in the record of the House of Commons for this date. The British Foreign Office has issued two white papers containing correspondence with the Soviet Government respecting violations of the trade agreement on the part of the soviets.

In May, 1923, the Government of Turkey closed two soviet consulates in that country and deported a number of soviet agents, including consuls and the secretary of the embassy, on account of carrying on communist propaganda in Turkey, contrary to the existing agreement with the Soviet Government.

In August, 1922, the Government of Latvia protested to the Soviet Government against newspapers and organizations in Russia which were carrying on propaganda for the overthrow of the Latvian Government, contrary to the terms of the treaty with Soviet Russia.

In May, 1922, the Government of Esthonia carried out a sentence of execution against an Esthonian citizen named Kingsett, who had been convicted of murder under Esthonian law. Kingsett was a communist and had been harbored by the soviet legation. He was not a Russian. After the execution Zinoviev made a memorial address in Moscow eulogizing Kingsett, and as a further insult to Esthonia the Soviet Government named a town on the Esthonian border after the convicted murderer. The Izvestia of May 17, 1922, threatened Esthonia on account of the execution of Kingsett. Esthonia has also made protests to the Soviet Government against organizations maintained in Russia which carry on propaganda for the overthrow of the Esthonian Government in violation of the existing agreement.

On August 25, 1921, the Government of Finland protested to the Soviet Government against the nonperformance as well as the violation of the treaty existing between the two Governments.

The treaty of Riga, of March 18, 1921, which settled the peace between Poland and the Soviet Government, among its stipulations required the soviets to return to Poland archives and other property carried away from that country, including 221 locomotives and the machinery of 100 factories. In August, 1922, the Government of Poland protested against the further noncompliance upon the part of the Soviet Government of article 11 of the treaty and made 163 specific demands for performance, of which only 34 have been satisfied.

In September, 1922, the police of Berlin confiscated two stores of arms which had been supplied German communists through the agency of the military attaché to the soviet legation at Berlin. Reference is made to this episode in the German newspaper Vorwartz and a description of the magazine of arms secured at the Russian Embassy is given. When I was in Germany in October I heard from authoritative sources concerning this matter and also of other controversies between Germany and Russia caused by the misconduct of the latter.

In February, 1923, the Government of Czecho-Slovakia expelled the soviet representatives in that country because of the interference with internal affairs of Czecho-Slovakia and because they were carrying on a propaganda in violation of the existing agreement of the Soviet Government.

Although neither Sweden nor Switzerland has recognized the Soviet Government, both have been compelled to expel from their borders soviet representatives because of their breaches of international law and their efforts to spread sedition and bring about industrial collapse.

Senators will recall the investigation of Martens conducted by the Committee on Foreign Affairs of the Senate. This man claimed to be a representative of the Soviet Government, and it was shown that he was engaged in extensive communistic propaganda in the United States and secretly promoted strikes and sought to interfere with the industrial activities of our country. When it was apparent that he was to be deported he hastily departed from the United States.

These matters are referred to because of the claim made by the Senator from Idaho and because they are related, perhaps somewhat remotely, to the question now being considered.

The Soviet Government is a de facto entity, exercising governmental rights. Its authority is not openly challenged throughout Russia's vast territory, although its rule is a despotic one, exercised by a few individuals possessing dictatorial and autocratic power. It does not rest upon the expressed will of the people. The great mass of the people are indifferent to the form of government under which they live; their sufferings have been so great that they are more interested in peace and in satisfying their material wants.

Notwithstanding its many elements of weakness, the outward appearances are that the Bolshevik Government will control Russia for an indefinite period. Its tenure of life, however, will depend upon concessions which it will make to the rising spirit of democracy and to the intellectual and liberal forces which inevitably will develop. Cruel despotisms may exist for a time, even in this enlightened age, but the forces of progress and freedom will ultimately sweep them away, whether the despotism be called a dictatorship of the proletariat or a monarchy claiming divine right to rule.

The Government of the United States early in its history adopted a policy at variance with the then-accepted one in dealing with new states and governments, particularly when these states and governments were the product of revolution. The gulf between a de facto government and a de jure government was great. Legitimacy was the important consideration, and the idea of legitimacy was usually associated with that of dynastic interests and the perpetuation of monarchial governments. Under the leadership of Jefferson the United States was more concerned in the question as to whether a government seeking recognition was one in fact rather than in the principle of legitimacy, as it might be involved in the application of the de jure principle. He stated that it accords with our principle to acknowledge any government to be rightful which is formed by the will of the nation substantially declared. His view was that the essential of the de facto theory of recognition is that the new government will carry out all the international obligations of the state and conform to the principles of international law. Of course a state may be independent and may have capacity to discharge international obligations without its being recognized, but the United States from the beginning has been guided by the policy of recognizing governments, whether monarchical or republican, which the people within the state have acknowledged.

Our Government has usually refrained from assuming to decide in favor of the sovereign de jure and against the sovereign de facto, and has generally proceeded upon the theory that the sovereign de facto was the sovereign de jure. However, Seward stated the policy of the United States to have been settled upon the principle that revolutions in republican states ought not to be accepted until the people have adopted them by organic law with the solemnities which would seem sufficient to guarantee their stability and permanency. It is obvious that the people of Russia have not adopted with due solemnity, or at all, the communist creed or the Bolshevik Government, but if recognition were to depend upon the adoption of an organic law for the government of the people, upon full consideration and approval by a majority of them, then the theory upon which recognition has often been accorded by the United States would be modified.

We may not refuse to recognize the Soviet Government solely because of the communistic creed which the dictators of Russia profess, nor because the state controls all foreign trade and owns, operates, and controls the important industries of the state. We may believe that such policies are unwise and disastrous and that its political methods are oppressive, and our Government has the right to withhold recognition if it deems it expedient. There may or may not be recognition where there is a government, though it is not a good government. Independence does not necessarily mean good government or tranquillity. But even under the liberal policy of recognition announced by Jefferson and followed by this Republic, it does not mean that every government which may have won its way to power shall be recognized.

There are principles of international law which may be invoked to determine whether a state is entitled to recognition. Grotius has demonstrated that there is a law of nations as there is municipal law. International law is merely that body of customary and conventional rules which are considered legally binding by civilized nations in their intercourse with each other.

Many writers contend that these rules and usages have legal obligations as well as being morally binding; that they may be enforced in the forum of conscience as well as by some external force. It is obvious that civilized nations must have

rules and usages to govern their relations, and because of the increasing activities of nations and their important and vital associations there must be treaties for the protection of their common interests and for the promotion of the general welfare of the people. These mutual interests of nations have developed a system of international law which unites the separate civilized states of the world into an "invisible unity." All states, including Russia, are entitled to be admitted into the family of nations if they possess the attributes and qualities of a civilized state and if they will consent to be bound in their international conduct and relations by the rules of civilized states. They must be competent to discharge their international obligations. They must be so attached to the principles of honor and national integrity and morality as to respect the obligations of international law and of treaties, and they must with fidelity perform such obligations.

Our Government, as well as other civilized states, has the right to determine whether they regard the Soviet Government as qualified for admission into the family of nations. Does it fulfill its international obligations? Does it agree to be bound in its relations with other nations by the principles of international law which are recognized by civilized states? The fact that the Bolshevik Government has not been recognized by most civilized states indicates that they have felt that there were some conditions which operated as a bar to such admission. Russia, however, is changing, and if the Bolshevik Government signifies its willingness to meet all international obligations and to conform her conduct in dealing with nations to the usages that prevail among civilized states, and furnishes evidence of her bona fides, then it is entitled to be fairly treated and its application for such admission should be acted upon without prejudice and in all candor.

But there may be a conditional recognition, or such informal relations between Russia and various states as do not amount even to a de facto recognition.

The treaty of Berlin of 1878 accorded recognition to Bulgaria as an autonomous principality, with the restriction, however, that there should be a Christian Government and a national militia; and Serbia and Rumania by the same treaty were recognized conditionally that there should be complete religious toleration within each of said countries, and further that Rumania should restore certain territory to Russia. In the recent treaty between the allied nations and a number of the new states of Europe, important limitations and restrictions were imposed upon the new states, and they were required to guarantee religious liberty as well as protection of minorities in their rights to enjoy certain educational advantages and other privileges. And where restrictions have been imposed, preliminary to recognition, nonobservance of the conditions will justify refusal to grant recognition.

It has been claimed that the trade agreement of 1921 between the British Government and the Soviet Government was tantamount to a de facto recognition of the latter. It is true that the British court, king's bench division, decided that Russia had been recognized as a de facto government, but the decision rests upon a statement by the British Government that the Soviet Government had been recognized as the de facto government of Russia. In this trade agreement provisions are found calculated to facilitate trade and freedom of communication between officials and agents of the respective governments. A reciprocal provision is found by which all claims of either government or its nationals against the other in respect of treaty or obligations incurred by former governments shall be equitably dealt with in a general peace treaty, which the agreement indicates will later be entered into. A British trade mission is now in Russia attempting to increase the trade between the two countries. Great Britain has been deeply disappointed because of the small amount of trade which has been developed, and the view is entertained by some Britishers that but slight benefits have been derived from the trade agreement.

There is a misapprehension in the United States as to the extent of trade, which, under any circumstances, will be developed between the United States and Russia. In 1913 Russia's entire foreign trade was but 2,910,000,000 gold rubles, her exports being 1,521,400,000 gold rubles and her imports 1,038,600,000 gold rubles. Of these amounts German exports to Russia in 1913 amounted to 453,600,000 gold rubles, whereas her imports from Russia aggregated 652,200,000 gold rubles. Great Britain's entire trade with Russia for the same year totaled 440,000,000 gold rubles.

The entire trade of the United States with Russia for the same year was but 92,000,000 gold rubles, or approximately $41,000,000. There is no reason to suppose that a relatively greater proportion of Russia's trade will be with the United States in the future than in the pre-war days, although it is obvious that if large credits are extended by American business men to Russia the exports from the United States would temporarily at least increase. The tariff duties imposed by Russia, even if there were no governmental foreign-trade monopoly, would be an almost insuperable obstacle to any considerable volume of American exports to Russia. The policy of the Soviet Government is to develop Russian industries. That policy calls for extremely high tariff duties, and these are supplemented by trade regulations which are almost prohibitive of importation into Russia of commodities which are imperatively needed by the people. The Soviet Government has placed embargoes upon various articles, including automobiles, and efforts are being made by Bolshevik leaders to exclude imports of commodities which Russia is able to manufacture or produce. It is perceived by the soviet leaders that, with the large agricultural population of Russia, there must be developed a home market for agricultural products; while the foreign market is important, it is realized in Russia that agricultural products will increase in volume in European and South American nations, as well as in the United States.

In 1913 the foodstuffs and livestock exported from Russia amounted to nearly nine-fifteenths of her entire exports. Without domestic markets for her farm products, agriculture will languish and the peasantry continue in a condition of economic slavery. Accordingly, the policy of the Bolshevik Government is being directed toward reviving the manufacturing industries of Russia, in order that there may be a wider market for her domestic agricultural products, and at the same time barriers are being raised against the importation of commodities which Russia can produce, or if she can not now produce them, against all that are not imperatively needed for the rehabilitation of the economic life of the country.

If Russia can obtain credits abroad, and if her industries shall revive and her agricultural production is increased and markets obtained for the surplus which would result, then Russia will become an exporting nation and considerable trade may be developed with the United States. But Russia's present fiscal condition and the propinquity of Germany, Czechoslovakia, and other manufacturing states give them an advantage over the United States in the matter of Russian trade; moreover, with their cheaper labor, America will have difficulty in competing with those countries which lie at the door of Russia and who before the war had an extensive commerce with the Russian people.

The information was frequently imparted by soviet leaders that many commodities, among them hardware of all kinds, were not desired in Russia, nor does the Bolshevik Government favor the importation of most farm implements. The United States, however, does manufacture certain articles in such mass quantities as to enable them to sell cheaper than European countries. Moreover, Russian citizens, particularly peasants, recognize the superiority of various American manufactured articles, and they would welcome conditions which would permit their shipment to Russia.

Throughout Russia there is a desire for closer relations with the United States. The people are grateful for the relief extended, not only by our Government and the American people, but by European and other nations during the famine period. Most of the people have a childlike belief that the United States, like some fairy godmother, can lift them out of their distress and put them upon the path of safety and happiness. The peasants lacking clothing, particularly shoes and cotton goods, and also agricultural implements, believe that their wants can be supplied by the United States, and this increases their desire for such relations and conditions as will enable them to satisfy their needs. They do not quite comprehend why American manufacturers do not ship more products, nor just what causes operate to prevent freer trade between the two countries. Some Bolsheviks, whose hostility to the United States is not concealed, desire trade relations or recognition because they think it will enable Russia and her industries to obtain loans and credit in the United States, and will likewise increase Russia's export trade with the United States. There are some communists in Russia who endeavor to create the impression unfavorable to the United States, that it is hostile to the Russian people and is averse to closer trade or other relations. Interviews with hundreds of the "intelligentsia," who were bitter toward the Bolshevik Government and its leaders, revealed that there was a general desire upon their part, either for absolute or qualified recognition or for a trade agreement similar to the one between Russia and Great Britain. Their view and the view of a majority of all classes of noncommunists is that Russia must work out her salvation slowly, and that her progress toward liberty and industrial development, of necessity, will be slow and painful; that the reforms,

which were slowly being evolved, are the result of pressure from the people, and that still greater concessions will be made in the direction of liberty and progress by the Soviet Government. Their view is that the closer the contact between Russia and other nations, particularly the United States, the greater and surer will be the progress toward normal conditions and a tolerable condition of life in Russia.

My attention was directed to the great benefits that had resulted to Russia from the relief expeditions, whose personnel had come into contact with millions of the Russian people. These associations, as well as those which follow from the visits of foreigners, dispel prejudices, strengthen the morale of the people, expand their vision, afford opportunity to contrast the Bolshevik régime with other Governments and the citizens of other countries, and increase the desire of the Russian people for greater liberty and for freedom of speech and of the press.

It was repeatedly stated to me that if an agreement for trade relations were entered into between the United States and the Soviet Government many more Americans and foreigners would visit Russia and that their presence would constitute a protection to the Russian people against Bolshevik oppression and act as a liberalizing force throughout the land. Everywhere the cry was for more light from the outside and more opportunities for the people of the world to visit Russia. The peasant, as well as the bourgeoisie and the intellectuals, appreciate that Russia's destiny is in the hands of the Russian people, and that with moral support and the sympathy of civilized nations, as well as aid and benefits derived from trade and commerce, they will be armed with such moral strength as to push forward toward the summit, which will mark the political, industrial, and moral emancipation of the people of Russia.

There were some who believed that any recognition of the Bolshevik régime would be imprudent and unwise; that it would increase their prestige and their arrogance to such a degree that a reaction would set in toward the "left" and a strong retrogressive movement would be inaugurated. The argument for trade relations was made by others, who conceded that it would temporarily increase the prestige of the Bolsheviks, but this would soon be neutralized, because the people would perceive that trade relations did not constitute recognition, which implied some distrust of the Bolshevik Government and a probationary period during which its conduct would be the subject of international examination.

It was also argued by some that trade relations, or even a conditional recognition which imposed certain conditions precedent to be complied with by the Soviet Government, would have a most salutory effect upon the Government and its officials, and strengthen those who sought in good faith to have the Soviet Government comply with its contracts and observe its international obligations. The contention was further made by non-Bolshevik Russians that recognition or close association with the United States would be regarded by the Russian people as a protection against any possible foe, and that in turn would compel a material reduction in the military forces of Russia. Still others argued that Bolsheviks had sought a rapprochement with the East. Contact with American and with European nations would dilute such desire—and this they regarded as important for the peace of the world.

The material argument was emphasized both by Bolsheviks and others. Intimate relations, they said, with the United States would mean increased trade, which would be of advantage to America. It was urged, moreover, that if the United States at this time should meet the advances of the Soviet Government in a friendly way it would be more inclined to conform to American ideals and place greater reliance upon America to aid in the rehabilitation of Russia. These and other reasons were urged for trade relations with or some form of recognition by the United States.

Kalinin, President of the Soviet Republic, stated that if recognition meant that they were to be taxed too heavily "It is better to wait, for Russia will grow stronger." "The Government would gain very little, as it sells what it can and buys what it must have in its own primitive way." "But recognition would hasten foreign capital into Russia, and industrialization of the country would be quicker, and from this point of view the Government would gain."

But some communists of Russia have no illusions. The sane and practical leaders comprehend that they can not indefinitely hold the Russian people in political and economic servitude; that important changes in the direction of liberty must be made or their power will be destroyed; and the people, who seek liberty, realize that they must press forward, gaining slowly the difficult heights which lie before them. But they shrink from the horrors of civil war and from the consequences of any revolutionary movement, and hence will advance slowly with halting and stumbling steps.

The various reasons above stated may be regarded by some as so chimerical as to be unworthy of consideration by the United States. Doubtless there are many who feel that no sufficient reasons can be urged to justify the United States in changing its present policy toward Russia. Undoubtedly the question is not withdrawn from the realm of legitimate debate and honest controversy, and the opponents of recognition or any convention with the Bolshevik Government find strength in the fact that the Bolshevik Government confiscated the property of American citizens of the value (estimated) of more than $460,000,000. Moreover, in the spring of 1923, when the Japanese troops departed from eastern Siberia, the Bolsheviks seized and appropriated the property of American citizens of the value of approximately $75,000,000. In addition the Soviet Government has stated that it does not acknowledge the validity of the claim of the United States Government against Russia for loans made and for sale of surplus war materials which, together with the interest, amounted on November 15 of last year to approximately $232,000,000. Of course, these acts of the Bolshevik Government can not be condoned and must be taken into consideration if any negotiations looking to a trade agreement between that Government and the United States are entered upon. The attitude of the Bolshevik Government toward nations with which it has diplomatic relations or trade relations has not been satisfactory upon the whole to such nations, and, as indicated, the Bolshevik Government has failed to conform to those principles of honor and probity which should exist among nations. Moreover, it is charged that the soviet authorities have violated agreements and have shown a disregard for solemn obligations which have been entered into by their Government.

I have been asked by a number of Senators what was the value of foreign investments seized and confiscated by the soviet authorities. I am unable to submit any precise or accurate information upon this matter. I made many inquiries of Bolshevik officials as well as others outside of the Communist Party who were residing in Russia and in Germany in order to learn the extent and value of foreign holdings seized by the soviet leaders. Some placed the value as low as two and one-half billions of dollars, while others placed the maximum at fifteen billions.

An American who had large investments in Russia before the war, and who had spent several years in Russia and was familiar with foreign investments, stated that the amount of money actually invested would perhaps be less than $5,000,000,000, but that the holdings had increased in value and investments had brought accretions to the capital, so that, at the time of the seizure, the foreign holdings were worth at least $10,000,000,000. He called attention to the oil fields which had been developed in part by foreign capital and to their enormous value.

There were also large foreign investments in the mining and metallurgical industries, in urban real estate, in the textile and chemical industries, as well as in railroads and other transportation facilities. The French, perhaps, had larger investments than any other country. British investments were large, and the Germans, for several years preceding the war, were making considerable investments.

The Bolshevik Government has repudiated all obligations incurred by the Kerensky or czaristic governments. Some Bolshevik leaders stated to me that if they recognized the claims of foreign governments or the nationals of other governments for property confiscated by the soviet régime, Russian citizens would insist that they be compensated for the losses which they had sustained.

While insisting that no compensation would be made to foreign governments or their nationals, I was told by some of the saner and more liberal communistic leaders that the matter had not been concluded and that the Bolshevik Government would consent to discuss the claims of the United States and other countries as well as their nationals growing out of the expropriation by the Soviet Government of investments and property in Russia. I might add that Chicherin and several other leaders called my attention to the proposition submitted by Russia at the Genoa conference for a settlement of the claims of foreign governments against Russia and Russia's claims against such creditor nations. It will be remembered that the plan submitted by Chicherin was wholly unacceptable to the nations participating in the conference, and in my opinion it will never be accepted by our Government. The claims of Russia against the United States

and other governments grow out of the alleged invasion of Russian territory by the allied and associated powers during and immediately following the World War and after the soviet régime had been established.

It is my opinion, however, that the Bolshevik Government realizes the importance, indeed the necessity, of coming to a satisfactory understanding with the foreign creditors of Russia, and will be willing to make some composition of the claims against her. The more liberal soviet leaders appreciated that, so long as the stain of repudiation rests upon Russia and she is truthfully charged with dishonoring her obligations, her opportunities for obtaining credit will be restricted and her industrial development will be retarded. There are "isolationists" in Russia as there are selfish and provincial persons in this country. The sound thinkers in Russia perceive that she must be brought into contact, industrially and economically, with other nations and that trade and commerce must be fostered.

This view is being strengthened and will, more and more, dominate Russia's domestic and foreign policies. Trade breaks down artificial and intellectual barriers, removes racial antipathies, and promotes a more catholic and desirable international spirit. The intolerance and fanaticism of Bolshevism will not only suffer from intellectual erosion but will be undermined by international trade contracts, and by the removal of the dams which held back the streams that carry not only material things but the intangible and impalpable forces which so powerfully advance civilization throughout the world.

Mr. President, notwithstanding the dark record of the Bolshevik Government, its craftiness and its sinister international activities and its imperialistic ambitions, I will support a policy which contemplates a trade agreement between the United States and Russia. However, there must be stipulations and provisions which will fully protect our Government and its nationals. I am influenced in this position largely because of the condition of the intellectuals in Russia as well as the peasants, and because they feel that closer relations with the United States will strengthen them in the efforts being made to free Russia from the curse of Bolshevik rule and to establish a freer and better system of government under which liberty and justice may be enjoyed by all.

But there must be assurances given before any agreement shall be entered into, that all just and valid claims of American citizens shall be met and that the amount due the Government of the United States shall be paid. There must also be stipulations, similar to those found in the British trade agreement, that will protect the United States against hostile propaganda within its borders by the Bolshevik Government and its agents and representatives, including the Third International. The Bolshevik Government must likewise agree that in its relations and dealings with the United States and its nationals it will observe the principles of international law as recognized by the civilized states of the world.

If the soviet régime shall indicate its desire to enter into a trade convention with the United States, with the guaranties and stipulations above indicated, then it is my opinion that arrangements should be made for representatives of the two Governments to meet and prepare a suitable trade agreement.

During the delivery of Mr. KING's speech,

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate, as in Committe of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SMOOT. Mr. President, will the Senator yield for a moment?

Mr. KING. I yield.

Mr. SMOOT. I ask that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first considered.

Mr. WALSH of Massachusetts. I do not intend to object personally; but the Senators in charge of the bill for the minority are not on the floor, and I wish the Senator would make his request when they come in. I refer to the Senator from North Carolina [Mr. SIMMONS] and the Senator from New Mexico [Mr. JONES]. Otherwise I shall have to suggest the absence of a quorum.

Mr. SMOOT. I will say to the Senator that I have had a number of conferences with the senior Senator from North Carolina, and I shall make a statement later that when we begin to read the bill for amendment, any amendment that is objected to may be passed over.

Mr. WALSH of Massachusetts. I do not want to be an obstructionist, as the Senator knows. I simply want to protect the rights of the minority.

The PRESIDING OFFICER. Does the Senator from Massachusetts object?

Mr. WALSH of Massachusetts. On the strength of the statement of the Senator from Utah that he has conferred with the representative of the minority, the senior Senator from North Carolina, I shall not make any objection.

The PRESIDING OFFICER. The Chair hears no objection, and the request of the Senator from Utah is granted.

Mr. SMOOT. I will say further to the Senator from Massachusetts that if any Senator objects later I shall not insist on the procedure.

After the conclusion of Mr. KING's speech,

STOCK-RAISING HOMESTEADS

Mr. JONES of New Mexico. I ask the Presiding Officer to lay before the Senate the amendments of the House of Representatives to Senate bill 381.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916, which were on page 2, line 21, to strike out ". Where," and insert in lieu thereof "but no right to occupy such lands shall be acquired by reason of said application until said lands have been designated as stock-raising lands: *Provided, however*, That where"; on page 2, line 22, after the word "applicant," to insert the word "actually"; on page 2, line 23, after the word "land," to insert "which he is hereby authorized to do"; and on page 3, line 4, after the word "his," to insert "residence and."

Mr. JONES of New Mexico. I move that the Senate disagree to the amendments of the House of Representatives, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. LADD, Mr. STANFIELD, and Mr. JONES of New Mexico were appointed conferees on the part of the Senate.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SMOOT obtained the floor.

Mr. CURTIS. Mr. President, will the Senator from Utah yield that I may suggest the absence of a quorum?

Mr. SMOOT. I yield.

Mr. CURTIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	McKellar	Smith
Bayard	Ferris	McKinley	Smoot
Brandegee	Fess	McLean	Spencer
Brookhart	Fletcher	McNary	Stanfield
Broussard	Frazier	Mayfield	Stanley
Bruce	Glass	Neely	Stephens
Butler	Hale	Norris	Sterling
Cameron	Harris	Oddie	Swanson
Capper	Harrison	Overman	Trammell
Caraway	Heflin	Pepper	Underwood
Copeland	Howell	Ralston	Walsh, Mass.
Curtis	Jones, N. Mex.	Ransdell	Walsh, Mont.
Dale	Jones, Wash.	Sheppard	Warren
Dill	Kendrick	Shields	Watson
Edge	King	Shipstead	Willis
Edwards	Ladd	Shortridge	
Elkins	Lodge	Simmons	

Mr. HEFLIN. I have been requested to announce that the junior Senator from Georgia [Mr. GEORGE] is absent on business of the Senate.

The PRESIDING OFFICER. Sixty-six Senators having answered to their names, a quorum is present.

Mr. SMOOT. Mr. President, in what I have to say to-day I do not intend to discuss the unimportant amendments which have been reported to the pending bill by the Committee on Finance. I wish to make a brief, concise, and plain statement regarding the important changes which have been provided for in the pending bill from the existing revenue law. For that reason I am going to ask that I be not interrupted, for in the discussion which no doubt will follow upon the bill for some days to come there will be ample opportunity to ask all questions which it may be desired to ask and also ample opportunity to answer such questions. So I shall confine my statement to-day to an explanation of the items of the bill which are of vital importance not only as affecting the revenue of the Government but as affecting the business interests of the United States and of every taxpayer therein.

Mr. President, the greatest problem confronting this country to-day is the one of taxation. The country is overtaxed; the

people are staggering under their tax burden. In 1922, according to the figures contained in the report of the National Industrial Conference Board, local, State, and Federal taxes amounted to approximately $7,610,000,000, of which approximately $3,000,000,000 was collected by the Federal Government. For the fiscal year 1923, Federal taxes amounted to approximately $2,519,000,000, divided as follows:

Income and profits	$1,691,000,000
Miscellaneous internal revenue, comprising sales and excise taxes	723,000,000
Estate tax	126,000,000
Capital-stock tax	81,000,000

The taxpayers of the country demand and the industrial development and the business expansion of the country necessitate a reduction of this tax burden to the fullest extent justifiable in view of the revenue needs of the Government.

The President of the United States in his Budget message of December 3, 1923, gives a comparison of the estimated expenditures of the Government with the estimated receipts, the estimated receipts being based upon the present internal revenue laws. These figures show an actual surplus for the fiscal year 1923 of $309,657,460.30, an estimated surplus for the fiscal year 1924 of $329,030,624, and an estimated surplus for the fiscal year 1925 of $395,681,634. Since the effect of any reduction of the internal revenue taxes will be felt only to a very small extent prior to the fiscal year 1925, there is, under the estimates contained in the Budget message, approximately $325,000,000 surplus available for tax reduction.

It should be borne in mind that this estimated surplus in excess of $325,000,000 is available only if the strictest economy is practiced by the Congress. As a result of the establishment of the Budget and as a result of the cooperation of the present administration and Congress in a policy of retrenchment and economy, actual expenditures, based upon the issuance of warrants authorizing withdrawals from the Treasury, have been reduced from $6,558,470,516.29 for the fiscal year 1920 to $3,909,290,444 (estimated) for the fiscal year 1925. The existence of the surplus for 1925 is dependent upon the continuance of this policy of economy. There are now pending before Congress bills authorizing the appropriation for various purposes of $3,143,606,176, exclusive of the estimates for the soldiers' bonus bill, which under the insurance plan will cost approximately $135,000,000 the first year of its operation. The authorization by Congress of the expenditure of any considerable portion of this amount may wipe out the surplus and make tax reduction impossible.

It has been urged the public debt is being retired too rapidly and that if it were retired at a more moderate rate there would be a larger surplus available for tax reduction. In support of this argument it is pointed out that there was a reduction of the gross debt of $1,072,000,000 during the calendar year 1923. An analysis of the item will show, however, the fallacy of the argument.

Of this total reduction of the public debt, $212,000,000 came from the general balance fund, that is, the working capital of the Treasury. This reduction was accomplished by use of money in the general balance fund at the beginning of the year to retire the public debt. There was on December 30, 1922, $536,000,000 in the general fund; on December 31, 1923, the general fund was $324,000,000, the difference, $212,000,000, having been used to retire the debt. It is obvious that since this reduction was accomplished by the use of money on hand at the beginning of the year it affected in no way the net worth of the Government. It means simply that the Government on December 31, 1923, had $212,000,000 less cash on hand and a corresponding decrease in the debt than on the same date a year prior. It is a fluctuating condition wholly immaterial in its effect on the *net* debt. This part of the reduction was not made by use of the revenue of the year and consequently is not properly chargeable against the year.

Coming now to the net debt reduction during the calendar year 1923 of $860,000,000, this is accounted for by two general items: $387,000,000 excess moneys in the Treasury, and $473,000,000 certain items chargeable against ordinary receipts. The first of these general divisions, the $387,000,000, is the excess of receipts over expenditures for that calendar year, which automatically went into debt reduction and which constitutes what is ordinarily termed the surplus. It is this surplus which is available for tax reduction. To the extent this surplus is used up it will not hereafter go into debt retirement. The remaining $473,000,000 which was used to retire debt during that calendar year was composed of several items, the principal ones of which are the sinking fund and the foreign repayments. When the acts authorizing the issuance of Liberty bonds were passed Congress adopted the sound principle of providing for the ultimate retirement of these bonds through a sinking fund and through the repayment of money loaned by the United States to the Allies. The sinking fund provision divided the total debt of $20,000,000,000 into, roughly, $10,000,000,000 for domestic purposes and $10,000,000,000 to be loaned to the Allies. The sinking fund was set up to retire the domestic part of the debt in about thirty years, and the foreign part of the debt it was assumed would be taken care of by repayments to us of the money we had received from the sale of Liberty bonds and loaned to the Allies. This sinking fund is a part of the contract the United States has made with the holders of its Liberty bonds, and to change this contract would be for the Government to break faith with those who supported it in its emergency. Aside from these sinking fund and foreign repayment items of the $473,000,000, there was the Federal reserve banks, the estate tax, and forfeitures, and only $22,000,000 to be accounted for by the franchise tax on gifts.

It will be seen from the above analysis that the only change in the rate of debt reduction which Congress should make is with reference to the surplus, which for the particular calendar year 1923 was $387,000,000, and which it is estimated will be $329,000,000 in the fiscal year 1924 and $395,000,000 in the fiscal year 1925. The committee concluded, therefore, that the tax reduction bill should be based upon the estimated surplus contained in the Budget message of the President, and in the bill as reported by the committee provision is made for the fullest tax reduction justifiable in view of this surplus.

The table of estimated receipts and estimated expenditures contained in the report of the committee indicates a deficit of $50,989,444 for the fiscal year 1925. It is the belief of the committee, as well as the opinion of the Government actuary, however, that the stimulus given to business by a revision of the surtax rates and the placing of the income tax upon an economically sound basis will so increase the revenue yield of the income taxes as to wipe out this apparent deficit.

There are three major points to be considered in connection with the revenue bill as reported by the committee: (1) The rate of income tax on individuals, (2) the rate of income tax on corporations, and (3) the estate tax. I shall discuss these points in the order stated above.

In the existing law the normal tax upon income of individuals is at the rate of 4 per cent upon the first $4,000 of income and 8 per cent upon the remainder of the income, and the surtax rates begin at 1 per cent of the amount by which the net income exceeds $6,000 and does not exceed $10,000 and are graduated upward to a maximum of 50 per cent upon the amount of the net income in excess of $200,000. In the bill as reported by the committee the normal tax is 3 per cent upon the first $4,000 of income and 6 per cent upon the remainder of the income, and the surtax rates begin at 1 per cent of the amount by which the net income exceeds $10,000 and does not exceed $12,000 and are graduated upward to a maximum of 25 per cent of the net income in excess of $100,000.

It has been contended that these rates reduce the taxes of the wealthy taxpayers to a greater extent than they reduce the taxes of the smaller taxpayer. This objection to the rates as reported by the committee deserves first consideration, since, if it is sound, it constitutes a strong argument against their adoption.

According to figures prepared by the National Bureau of Economics persons having incomes of less than $10,000 had for 1918, the latest year for which figures are available, 88 per cent of the national income and paid in 1921, 22 per cent of the national tax. For the same years persons having incomes of over $100,000 had approximately 3 per cent of the national income and paid 28 per cent of the national tax. Under the bill as reported by the committee more than 50 per cent of the reduction in income taxes would go to the brackets of $10,000 or less, and approximately 20 per cent would go to the brackets in excess of $100,000. That is, those taxpayers having 88 per cent of the national income and paying only 22 per cent of the tax would benefit to the extent of 50 per cent of the reduction, while those having 3 per cent of the national income and paying 28 per cent of the tax would receive only 20 per cent of the reduction. These figures answer conclusively any argument to the effect that under the bill as reported by the committee the reduction afforded to the wealthy taxpayers is disproportionate to that granted the smaller taxpayers.

It may be urged with reference to some of the less important provisions of the bill that they favor the wealthy taxpayer as compared with the small taxpayer. For example, it may be urged that the earned-income credit gives greater relief to the large taxpayer than to the taxpayer of moderate means.

the rights of the minority.

to-day is the one of taxation. The country is overtaxed; the

The earned-income section provides for a 25 per cent reduction in the tax on earned incomes not in excess of $10,000. The taxpayer whose tax on his $10,000 of earned income is at the rate of 31 per cent receives a credit of 25 per cent of the tax borne by such income, which amount, of course, is in excess of the credit received by the man whose tax on his earned income is at the rate of only 4 or 5 per cent. It is obvious that any provision reducing proportionately the tax on a given amount of earned income gives in terms of dollars more relief to the man whose tax on his earned income is at a high rate than to the man whose tax is at a low rate, since the tax paid on such income by the one is higher than that paid by the other. This result is perfectly logical if it is desired, as the committee saw fit, to proportionately reduce the tax on earned income.

In recommending the reduction of the surtax rates the committee has followed the advice of practically every authority, irrespective of party affiliations, who has studied the question. Their reduction has been recommended by President Wilson, by President Harding, and by President Coolidge. The recommendations of the last three Secretaries of the Treasury—Secretary Glass, Secretary Houston, and Secretary Mellon—have been to the same effect with respect to the high surtaxes. Secretary Houston, in his annual report for 1920, said:

> They [the higher surtaxes] have passed the point of maximum productivity and are rapidly driving the wealthier taxpayers to transfer their investments into the thousands of millions of tax-free securities which compete so disastrously with the industrial and railroad securities upon the ready purchase of which the development of industry and the expansion of foreign trade intimately depend.

The disastrous effect upon the country of the combination of tax-exempt securities and high surtax rates is obvious. In 1913, prior to the incidence of the income tax, the tax-exempt securities outstanding amounted to $3,822,000,000. At the present time tax-exempt securities outstanding amount to more than $12,000,000,000. This tremendous increase is due in large part to the stimulus given to borrowing by the States and municipalities by the exemption of their securities from the Federal income tax, and the effect has been not only to undermine the Federal taxing system but to encourage wasteful and extravagant expenditures by the States and municipalities.

The high surtax rates contained in the present law are diverting the free flow of capital from productive enterprise and forcing it into tax-exempt securities. Under the maximum rates contained in the present law an industrial or railroad security must yield 12 per cent to make the net yield to the taxpayer equal to the return from a 5 per cent tax-exempt security. An industrial or railroad security must yield 12 per cent under the highest surtax rates to compete with tax-exempt securities yielding 5 per cent. The result is that the prudent invester can not invest in productive enterprise but is forced to put his capital in tax-exempt securities. The industrial growth and the business prosperity of the country must suffer under such a system.

The higher surtaxes not only stop business transactions that would normally go through and discourage the development of new business but in addition they are impossible of collection. The lesson taught by the decline of the incomes in excess of $300,000 has been stated before, but may well be repeated at this time. The following table demonstrates clearly that the higher surtax rates have passed the point of maximum productivity and, through forcing taxpayers to invest in tax-exempt securities and adopt other legal methods of avoiding the higher rates, are failing to accomplish the very purpose for which they were designed.

I ask Senators to examine this chart, which I shall place upon the wall, and if there is anything on earth that will demonstrate the truth to a man who wants to know, this chart will. The results, as shown on the chart, will prove what I have stated beyond a question of doubt. I ask at this point that this chart be inserted as a part of my remarks.

The PRESIDING OFFICER (Mr. LADD in the chair). Is there objection? The Chair hears none, and it is so ordered.

[Chart No. 1 appears on opposite page.]

Mr. JONES of New Mexico. I observe that the chart does not contain so very many figures. Could not the Senator give us a general statement as to what it shows?

Mr. SMOOT. I will do that now, if the Senator wants me to take the time to do so. I have a prepared statement, not in detail, however, because I felt that any Senator who wanted information as to every figure could look on the chart and find it. After I read this, if it is not clear to the Senator, I will call every figure to the attention of the Senate.

The chart will show that total net incomes increased from $6,298,577,620 in 1916 to $19,577,212,528 in 1921. During this same period net incomes of $300,000 and more decreased from $992,972,986 in 1916 to $153,534,305 in 1921, and the number of taxpayers reporting incomes in excess of $300,000 decreased during this period from 1,296 to 246. During the same period the total income from dividends and interest on investments increased from $3,217,348,030 to $4,167,291,294, while such income reported by the $300,000 class of taxpayers decreased from $706,945,738 to $155,370,228.

Where did it go? Six years ago on the floor of the Senate I introduced a joint resolution with a view to amending the Constitution so that hereafter the issuance of tax-exempt securities would be prohibited. I know there is no chance of having such an amendment adopted now, but the day will come when it will be done.

What has happened in the case of incomes of $100,000 and more from 1916 to 1921 is equally illuminating as showing that the higher surtax rates are not productive of revenue, but are being avoided.

Incomes over $100,000 constituted 29.5 per cent of the total income reported in 1916 and 5.4 per cent and 4.5 per cent in 1920 and 1921, respectively, returns under $3,000 being eliminated in all cases so as to make the figures fairly comparable. If all salaries and wages be omitted, the percentages for the three years become 36 per cent, 9.1 per cent, and 8.3 per cent, respectively. The income from business, professions, and so forth, reported in classes over $100,000 fell from $862,000,000, or over 25 per cent of the whole, in 1916, to $260,000,000, or about 5½ per cent, in 1920; and to $136,000,000 or 4½ per cent of the whole, in 1921. Dividends reported in classes over $100,000 fell from $944,000,000, or roughly 44 per cent of the whole, in 1916, to $465,000,000, or 18 per cent, in 1920, and $332,000,000, or 15 per cent, in 1921. Rents and royalties remained substantially unchanged in total, but the amount reported in classes over $100,000 fell off 60 per cent in 1920 and 70 per cent in 1921, as compared with 1916.

The ineffectiveness of the higher surtax rates as revenue producers is shown graphically in the charts which I have placed upon the wall for Senators to examine.

The first chart is a comparison of the number of personal income-tax returns for the calendar years 1916 and 1921 by groups of income classes. The middle line on the chart indicates the 100 per cent point. On the basis of the number of persons in 1916 who paid taxes being 100 per cent, the number of persons in 1921 who paid taxes on incomes between $10,000 and $50,000 had increased 53 per cent. On incomes of $50,000 to $200,000, with 1916 as the 100 per cent basis, in 1921 there had been a decrease of 25 per cent. On incomes of $1,000,000 and over, on the basis of 1916 being 100 per cent, in 1921 they had decreased to about 12 per cent. Where are they? Where is the income? Where did it go? And yet the Senate of the United States would perpetuate this thing, this crying evil, upon the business interests of the country and upon the taxpayers of the United States.

Again, the net income reported in personal returns on incomes of $10,000 to $50,000 in 1916 was 100 per cent and in 1921 95 per cent increase; incomes between $50,000 and $300,000, 100 per cent in 1916, and in 1921 they had fallen almost 50 per cent; incomes between $300,000 and $1,000,000, being 100 per cent in 1916, in 1921 they had fallen to 19 per cent; incomes of $1,000,000 and over, being 100 per cent in 1916, had fallen in 1921 to a little less than 8 per cent.

Take the tax yields reported in personal returns for the same years and what do we find? The taxpayers with incomes between $10,000 and $50,000 in 1916 were 100 per cent, and in 1921 there had been an increase to 1,020 per cent. What does it mean, Senators? Are you trying to take care of the man who is struggling to get along in the world? Incomes between $50,000 and $300,000, in 1916 100 per cent, had increased in 1921 to over 400 per cent. Incomes of $300,000 to $1,000,000, in 1916 100 per cent, but so rapidly did they decline that they were only 50 per cent of 1916. The incomes of $1,000,000 and over in 1916 were 100 per cent while in 1921 they had dropped to 60 per cent.

You are not going to catch them as long as you leave the doors wide open. I want the doors closed. I want the man of wealth to pay his proportionate share of the taxes. I want to say to Senators now that if we should keep the surtaxes as high as the House bill provides or as high as the amendments offered by the minority in this body would provide, we will never prevent the escape of the man who receives $100,000 income or more.

CHART No. 1.—*Comparison of number of personal income tax returns for calendar years 1916 and 1921, by groups of income classes*

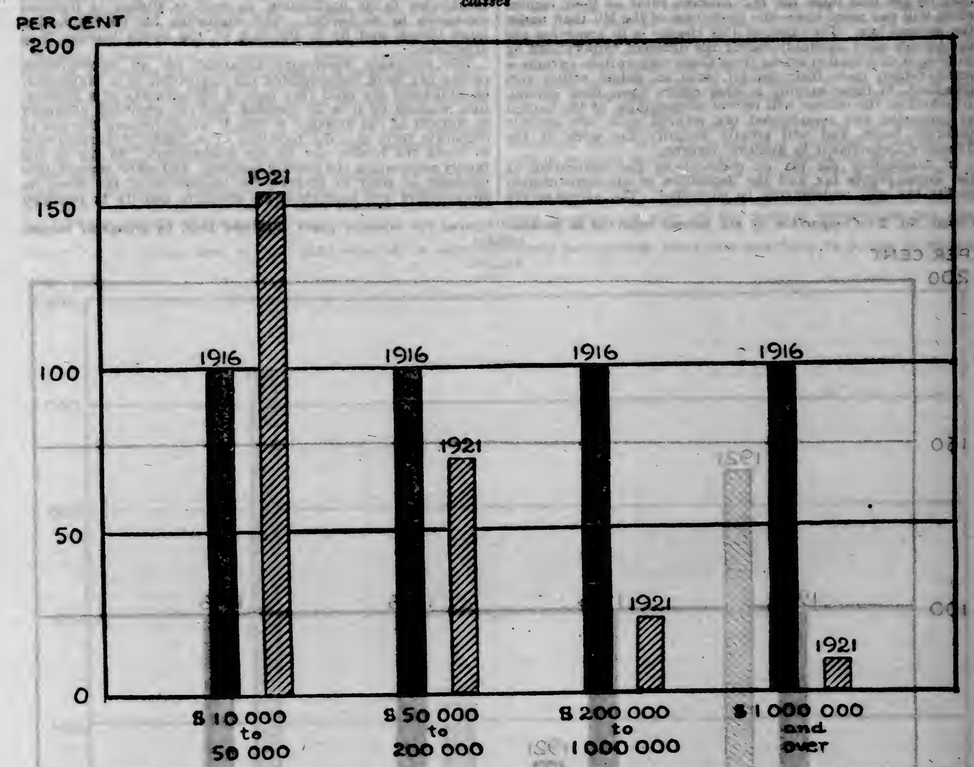

I ask at this point to have the charts to which I have referred printed as a part of my remarks.

The PRESIDING OFFICER. Without objection, the request of the Senator from Utah is granted.

[Charts Nos. 2 and 3 appear on pages 7068 and 7069.]

Mr. SMOOT. If any further argument is needed to convince one that the higher surtaxes are less productive of revenue from the large incomes than reasonable and moderate rates, it is obtained from a comparison of the surtaxes actually collected from the larger incomes for the years from 1916 to 1921.

Year	Total surtax	Surtax on income in excess of $300,000	Percentage of total of those in excess of $300,000
1916[1]	$121,946,136	$81,604,194	66.8
1917	433,345,732	201,937,975	46.5
1918	651,289,627	220,218,131	33.8
1919	801,525,368	243,601,410	30.4
1920	696,933,767	154,709,112	22.6
1921	411,327,684	84,797,344	20.6

[1] 1916 was a year of low surtax rates.

Do you want any more evidence, not hearsay, not political claptrap to catch the voter, but evidence shown by the returns of the taxpayers and the collections made by our Government?

Mr. WALSH of Massachusetts. Are not those reductions due to wealth putting its money into tax-exempt securities?

Mr. SMOOT. A large part of it, but there are other reasons.

Mr. WALSH of Massachusetts. Does not the Senator think some of this is due to the discovery of means of evading the income tax?

Mr. SIMMONS. May I say that the Senator from Utah asked not to be interrupted, and I hope the Senator from Massachusetts will not interrupt him.

Mr. WALSH of Massachusetts. I beg the Senator's pardon.

Mr. SMOOT. Approximately the same amount of surtax was collected from incomes in excess of $300,000 in 1916 when the surtax rates were at a maximum of 13 per cent as was collected from the same incomes in 1921 when the incomes were subject to a maximum surtax of 65 per cent. In the face of the above statistics, can anyone argue for the continuance of high surtax rates on the ground of taxing the wealthy? Such an argument must ignore the proven facts and can be made only for political purposes.

In conclusion it is believed that the surtax rates contained in the bill as reported by the Finance Committee will stimulate business and encourage investments in productive enterprises and at the same time will, in the long run, increase the revenues from the taxes on the larger incomes.

The bill as reported by the committee repeals the capital stock tax upon corporations and increases by 1½ per cent the income tax on corporations. The repeal of the capital stock tax means a loss of revenue of $85,000,000 a year and the increase in the corporation income tax means a gain in revenue of $104,000,000 a year, with the net result that corporations will pay approximately $19,000,000 a year more in taxes under the bill than under the present law. The effect of the change upon the various classes of corporations can be simply and easily shown. Those corporations earning a return of less than 6⅔ per cent upon the fair average value of their capital stock will pay less tax under the bill than under the

present law, and those corporations earning a higher return than 6½ per cent upon the fair average value of their capital stock will pay more under the provisions of the bill than under the present law. The effect of this change is to apportion the tax burden more equitably among the different corporations by shifting it to a limited extent from those corporations earning a small return upon their capital, such as public utility corporations, to those earning a large return upon their capital. In addition, the change will relieve corporations of the burden of preparing two complicated tax returns upon two entirely different bases, and will greatly simplify the work of the Treasury Department in auditing returns.

In considering the tax on corporations the restoration of the excess-profits tax and the imposition of an undistributed profits tax will undoubtedly be suggested. The excess-profits tax has been tried in practice and found to be arbitrary and inequitable in its application, as well as stifling to business expansion in its burden. Any suggestion for its restoration must ignore, and fly in the face of, the lesson learned from experience.

The proposals heretofore advanced for an undistributed profits tax have contemplated the imposition of a differential or additional tax upon that part of the earnings of a corporation retained by it in its business, and the argument advanced in support of the proposal is that it would prevent the use of corporate form and the retention of earnings by corporations to avoid the income tax on the stockholders. So far as the family corporation, the holding company, and other corporations designed or used to prevent the imposition of tax upon its stockholders are concerned, an adequate penalty is provided

CHART No. 2.—*Comparison of net income reported in personal returns for calendar years 1916 and 1921, by groups of income classes*

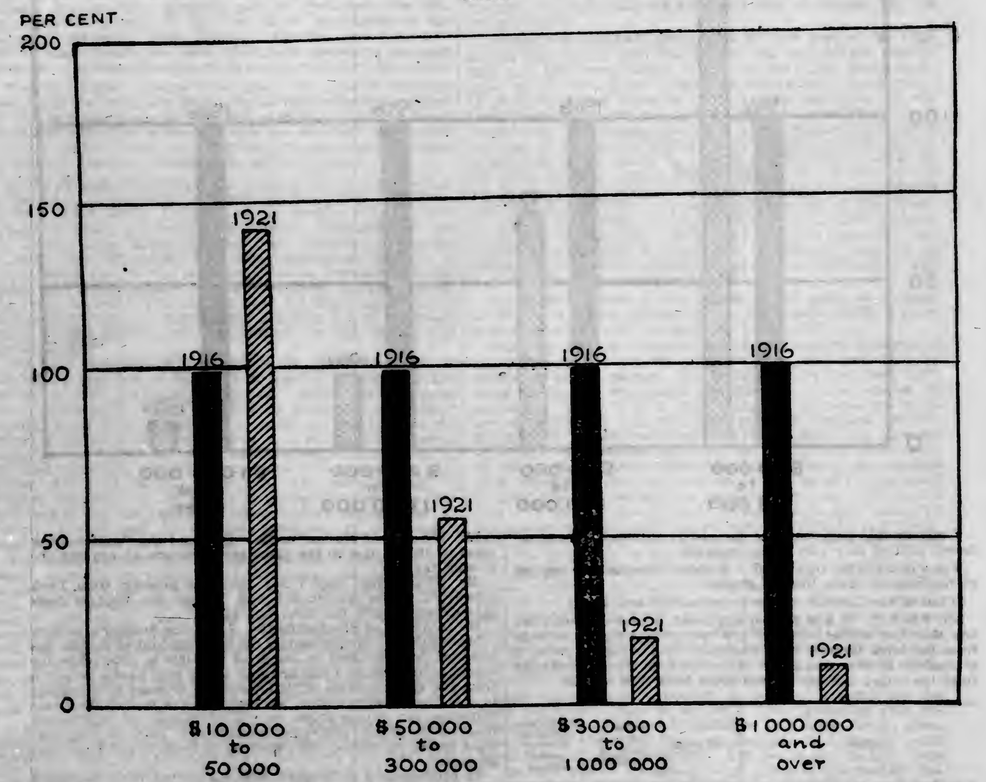

for in the bill. Section 220 imposes a penalty upon such corporations of 50 per cent of their entire net income, a sufficient penalty I am sure to discourage and prohibit the use of such corporation in the future for purposes of tax avoidance. So far as the operating company is concerned, it may be well to determine whether their profits are being retained to avoid the surtax. For the years from 1910 to 1916, the years prior to the imposition of the high surtax rates, dividends, according to figures prepared by the National Bureau of Economic Research, average 53¼ per cent of the profits available for distribution. From 1917 to 1922 complete figures are not available, but in the case of the 141 largest industrial corporations in the United States dividends averaged 65 per cent of the profits available for distribution. And for the year 1922, according to data furnished by the Secretary of the Treasury and published in Senate Document No. 85, the amount of cash dividends, $3,031,324,385, constituted 53 per cent of the amount available for distribution (the amount available for distribution being determined by subtracting from the net income $6,586,774,764, the amount of income taxes paid by the corporations, $823,346,845). This seems to be a complete answer to any argument that an undistributed profits tax is necessary to stop evasion of the income tax on the stockholders.

In discussing a tax on undistributed profits, there are two additional points which should be brought out: (1) An undistributed profits tax which would collect from a large stockholder a tax comparable to the one which he would pay upon the earnings if distributed would impose an unconscionable burden upon the smaller stockholder, who would be subject to little, if any, tax upon the earnings if distributed; (2) the

imposition of a tax which would place additional pressure upon a corporation to distribute all of its earnings and which would in fact penalize it if it failed to distribute all of its earnings would be inimical to the business welfare and the industrial prosperity of the country. Sound business finance requires the retention by corporations of a large part of their earnings in order to take care of the business expansion of the country and at the same time protect the company against future losses. Sound policy dictates that pressure should be put upon corporations to retain a portion of their earnings and profits rather than to force them through unsound taxation to distribute their entire profits.

The tax on corporations in the bill as reported by the committee is equitably apportioned between the different corporations and will interfere to the least possible extent with the business welfare of the country.

There remains for consideration only the matter of the rate of the estate taxes. In the present law the estate taxes range from 1 per cent of the amount of the estate in excess of $50,000 but not in excess of $100,000 to 25 per cent of the amount of the estate in excess of $10,000,000. In the bill as passed by the House the estate-tax rates are increased to a maximum of 40 per cent of the amount of the estate in excess of $10,000,000. The committee recommends the reduction of the House rates.

It should be borne in mind in considering the question of estate-tax rates that the estate of a decedent is subject not only to taxation by the Federal Government but is also subject to tax by the State of which the decedent was a resident at the time of his death or in which his property was located. In some instances the estate of the decedent is subject to inheritance taxation not only by the Federal Government but also

CHART No. 3.—*Comparison of tax yield reported in personal returns for calendar years 1916 and 1921, by groups of income classes*

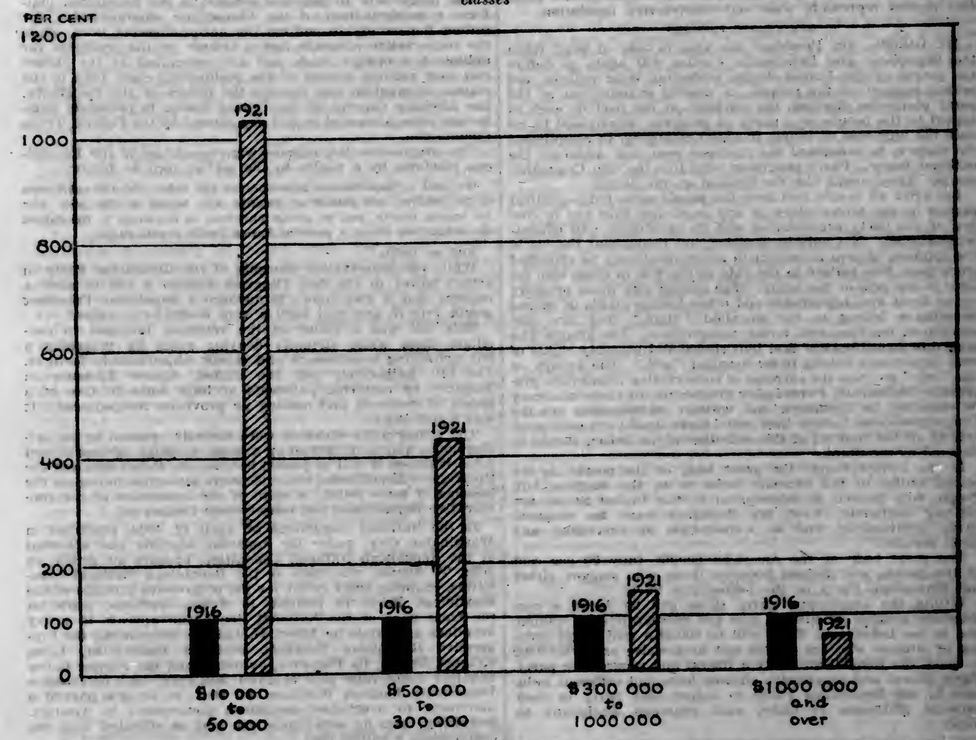

by three or four States. The rate of taxation in some of the States is very high. For example, in Missouri the inheritance tax reaches a maximum of 30 per cent, as it does in Illinois, and in Arkansas and Wisconsin the maximum rate is 40 per cent. If, in addition to the State inheritance taxes, the Federal estate tax is increased to 40 per cent, the cumulative effect of the taxes upon the property of a decedent will be confiscatory.

Inheritance taxes are properly sources of revenue for the States, and in most States they are a material element in the State budget. In the budget of the Federal Government they are comparatively a small element. If the field of inheritances as a source of taxation is monopolized by the Federal Government, it will compel the States to resort to other methods of taxation and increase the levy upon land. If the Federal estate tax is kept at a moderate rate, inheritances can continue to be a source of revenue for both the Federal Government and the States. A further increase, however, must result in the States, in order to avoid confiscation, relinquishing the field of inheritance taxation.

It should be remembered that estate taxes are a levy upon capital and, to the extent that they are used to defray the current operating expenses of the Government, capital is being destroyed to meet current needs. The effect of capital levies upon market conditions should not be ignored. Even at the present time it is often necessary to liquidate to the extent of 50 per cent the estate of a decedent in order to pay the Federal and State inheritance taxes. The forced sale of the property included in the estate not only forces down the market value of such property but effects adversely the market value of all property. This result lessens the productivity of the tax both to the Federal Government and to the States.

The estate-tax rates contained in the existing law which the committee recommends be restored reach a maximum rate of 25 per cent. A higher rate can not be collected without affecting adversely the revenues of the Federal Government and of the States as well as the value of property.

In connection with the estate tax the committee recommends an amendment to the House bill eliminating the tax on gifts. This tax, a graduated one, levied upon an annual basis and granting an exemption of $50,000 is impossible of effective administration. Upon its face it invites evasion. In addition it would constitute a further levy upon capital and is objectionable for the same reasons as an increase in the estate tax is objectionable.

In conclusion I want to point out that the bill as reported by the committee reduces the tax burden of the country to the fullest extent possible in view of the revenue needs of the Government. In addition it is designed to interfere as little as possible with the business progress and industrial development of the country. A revenue bill which accomplishes these two results represents wise and constructive legislation.

DEMOCRATIC POLICIES

Mr. OWEN. Mr. President, the time is near at hand when the Republican and Democratic Parties will again go before the people of the United States protesting their policies and asking support of the people. A careful examination of the party platforms discloses the purpose on the part of each to appeal to the people as a party of progress, determined to reduce the high cost of living, to abate monopoly, to compliment the farmer, to safeguard the business man, and maintain the national honor. Party platforms read like the Ten Commandments. They sound like the Sermon on the Mount.

But after all is said and done the people must judge political parties by the forces which at any particular time are in control of the party organization and its candidates and officials when elected. Not only in America, but throughout the world the opinions of men in regard to government may be classified from those who believe in the rule of the few to those who believe in the rule of the many. The groups who think property rights as of first importance and other human rights of second importance belong to the so-called "right," they are conservatives, reactionaries, tories, monarchists. The groups who regard human life as of first importance and property rights of next importance belong to be so-called "left." The groups on the "left" go from the extreme of conservative Democrats, progressive Democrats, Farm-Labor Democrats, to those who may be classified as Socialists, and without classification are the Communists who believe that individuals should not own property at all but that all of the activities of the citizen should be directed by the State.

In the United States the great body of the people do not belong either to the extreme right or to the extreme left. People who believe in communism in the United States are entirely negligible. Even the Socialists have no adequate party organization and no expectation of exercising any party control.

The great body of the American people, fully 90 per cent of the people, are divided between those who support either the Republican Party or the Democratic Party.

Within the Democratic party there will be found a considerable number of citizens who are conservative in opinion, and in the Republican Party will be found a still larger number of citizens who are liberal and progressive and who hope to make the Republican Party a liberal and progressive party. These liberal and progressive citizens have had sufficient influence in the Republican Party to induce that party in their national platforms to insert such generous sentiments as these:

> The farmer is the backbone of the Nation. Justice is demanded for the farmer. An equal share of prosperity is demanded for the farmer.

At the same time the conservative elements are sufficiently strong in the Republican Party to put through the following declaration:

> We pledge ourselves * * * courageous and intelligent deflation of * * * credit and currency.

Under this vainglorious and virtuous declaration the high cost of living has not been relieved but the deflation of credit and currency has been carried out terribly. It has been responsible for a fearful industrial depression and under this unintelligent policy the farmers of the country were completely bankrupted in 1921, 1922, 1923 under the Republican administration.

Under the demands of the progressive elements in the Republican Party the Republican platform demands that the Federal reserve system should be free from political influence and then the conservative Republicans use that system to deflate credit and currency, bankrupting hundreds of thousands and throwing millions of men out of employment.

To satisfy the progressive elements the Republican platform declared for a plan of railroad transportation that should give the country a more economic and efficient service. In actual practice the control of the Republican Party resulted in the highest passenger and rate service ever known in America.

The progressive elements obtained in the Republican platform a declaration in favor of the Federal Trade Commission, and the conservative elements in that party have not hesitated to denounce the Federal Trade Commission on the floor of Congress, to intimidate the commission and relatively to paralyze its efforts which, in spite of all opposition, has nevertheless been of service to the country.

The progressive Republicans secured in the Republican platform a condemnation of the Democratic administration for failing impartially to enforce the antiprofiteering laws, while the conservative elements laid a tribute on the profiteers for unlimited campaign funds and are recognized as the closest and most reliable friends of the profiteering class, both in the matter of taxation and through the failure of Mr. Daugherty, the Attorney General of the United States, to prosecute numberless cases presented to that department by the Federal Trade Commission.

The progressive Republicans were recognized in the Republican platform by a pledge to the service men as follows:

> We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the great war for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill—

And so forth.

While the conservative elements of the Republican Party in actual power in the last Congress framed a bill in such a manner that it was known in advance a Republican President would veto it, and that such a veto would be sustained.

This bill was a fraud on the veterans, intended to conciliate them while virtually denying relief by proposing a bill containing unnecessary and fatally objectionable features. The bill deliberately put the United States Treasury in jeopardy by requiring payments of huge sums in face of a deficit of revenues and making no provision for payment. It was a gold brick.

The conservative elements were strongly opposed to the soldier bonus and have carried on a huge campaign against it, and when it passes it will be passed because the Democrats and the Progressive Republicans are sufficiently numerous to compel the passage of some relief, in spite of the opposition of the conservative Republicans and conservative Democrats.

In the National Republican of April 12, 1924, published in Washington City, under the apparent sanction and approval of the Republican National Committee, appears an article by John T. Adams, chairman of the Republican National Committee, claiming great credit for the progressive attitude of the Republican Party in relation to woman suffrage, while on the front page of the National Republican appears in heavy headlines an article by Albert H. Laidlaw denouncing the Progressive Republican Senators, such as BROOKHART, LADD, FRAZIER, NORRIS, LA FOLLETTE, by name, and the Farmer-Labor Senators SHIPSTEAD and MAGNUS JOHNSON, and progressive Democratic Senators WHEELER and DILL, as being a part of a movement to overthrow republican government in America, describing them as anti-Republican and as affiliated with the communists, a willful libel.

The American people are compelled to take their choice between the control of Government by the Republican Party or the Democratic Party. Any citizen who is a conservative at heart will find his views reflected by the actual management of the Republican Party. Those who are progressive and liberal will find their views more nearly reflected by the Democratic Party.

THE CONSERVATIVE VERSUS THE PROGRESSIVE

It is not necessary to think of a conservative as a man unpatriotic or necessarily hostile to the poor. The conservative is a man who believes that the welfare of society depends upon supporting as vigorously as possible the great industrial leaders and magnates who have established and who control the great industries of the country. The conservative thinks that by holding up the hands of the big men and the rich men

that they will be prosperous, their enterprises will be successful, and the prosperity of the few will descend, like the dews of heaven, to bless the lands beneath by their gentle dews, and that prosperity will trickle down from the top on the bottom.

The liberal or progressive man thinks that the laborer and the small business producer are entitled to a fair reward for what they do, for what they create and produce, and that social and industrial justice should be assured equally to the rich and to the poor, and on that basis there will be greater stability and permanence in the prosperity of the Republic.

This explains the difference in such an act as the child labor act. The conservative says he is opposed to the child labor act because a child of tender years has a perfect right to work to help himself and his parents and make money in the factories and help to make the factory prosperous and successful as a money-making institution. The liberal and progressive says a child of tender years is entitled to be educated and to have opportunity of playing and developing in the open, that in that way his future productive power to the community will be greater than if he is stunted and shriveled by hard labor during his tender years. Its a matter of point of view.

The conservative demanded deflation of credit and currency in order, by limiting the number of dollars and the facility of getting dollars by credit, to increase the purchasing power of the dollar, because his stocks and bonds and revenues were payable in dollars and the more valuable he could make the dollars the greater power he would have in the business world. He did not reflect upon the fact that deflated credit and currency would bankrupt the farmers and stockmen and small producers and small banks and small merchants. He had no ill will against them. He was only concerned in strengthening himself.

The progressive takes the other view that it is against the welfare of the country to contract credit and currency and to reduce to bankruptcy the small people, apart from its justice, because when you destroy the consuming power of the multitude you break down at the same time the productive processes of the Nation who produce in vain when there are none to buy.

It is the point of view which is important in determining the national policy.

Capital and brains and labor are equally entitled to a fair reward for services rendered and neither one can be safely deprived of its just return. Necessarily, capital and brains and labor are partners in industry and must be so regarded, and whenever capital or brains or labor is unjust to the other the partnership will lack efficiency and the community suffer. This fundamental truth is slowly being learned by the world and ultimately will be the established rule of human conduct.

It is the duty of citizens to support government and not the duty of the government to support the citizen, but the great powers of the people organized in a government may be exerted economically and intelligently in many benevolent ways to promote the common welfare.

The Democratic Party, as the progressive party of the country, should simplify its platform and make its appeal to the people upon the undying principles of that party, and this pledge should be solemnly and most conscientiously kept by every man trusted by the people on this platform—

The strictest economy of government.

Integrity and honesty in government.

It should pledge itself to provide the mechanism by which these ends shall be vigorously, persistently, and permanently worked out.

THE FEDERAL RESERVE ACT

It is not enough merely to favor the lower cost of living, but the means of accomplishing this result must be pointed out and a program fixed, and to enable the people to live better than heretofore it is necessary to have stability in credit and currency. Therefore, the Democratic Party should pledge itself to so direct the powers of the Federal reserve act as to prevent either inflation or deflation and to establish thereby in the greatest degree possible stability of prices.

THE FEDERAL TRADE COMMISSION

The powers of the Federal Trade Commission should be expanded and an independent legal department established for that commission with a view to ending unfair practices in industry and commerce, with a view to preventing the abuses of monopoly, and above all with a view to increasing production and preventing organized interference with production from whatever source.

PRODUCTION

Only by production, organized production, profitable production can the wants of man be supplied, and whoever interferes with production is interfering with the welfare and happiness of society itself. It is interfering with production when a monopoly obtains control over great necessaries of life or of any commodities used by men and extorts such a high percentage of profits that consumption is measurably prevented. Consumption, production, and employment are stimulated by fair prices.

The Sherman antitrust law has failed to control monopoly, and it will be better to permit men to combine under the requirement that their prices and profits shall not be excessive.

THE TARIFF

The Democratic Party has been greatly injured with many voters by the unjust charge that it is a party of free trade that does not recognize in any degree the right of manufacturers to protection. The Democratic tariff for revenue only actually gives all the incidental protection needed based on the difference in the cost of production at home and abroad. As a mathematical fact, every Democratic tariff is higher than a tariff which measures the difference in the cost of production at home and abroad, and with the present Tariff Commission it is easy to ascertain the fact. No Democrat desires to promote an unfair, destructive competition for our own manufacturers, and to permit the Democratic Party to be subjected to the hostility of large groups of manufacturers on the theory that the Democratic Party is indifferent to their welfare, and to their just rights is bad party policy and is unjust to the Democracy and tends to prevent the Democratic Party from having the support of upright manufacturers.

Imports measure exports, and exports measure imports. When this truth is recognized, it will be clear that just to the extent which we prevent the importation of goods into the United States we prevent exportation and the production of goods for export and the employment of labor in the United States. The Democratic tariff schedules, drawn for revenue, as a matter of fact afford an incidental protection far greater than "the difference in the cost of production at home and abroad," in times past praised by the Republicans as sufficient.

The Democratic platform on the tariff should be justly framed in some such terms, as follows:

> We favor a tariff for revenue only, because the Constitution authorizes a tariff only for revenue; but we declare that the Democratic tariff schedules for revenue more than cover "the difference in the cost of production at home and abroad" and stimulate larger exchanges of commodities and thereby expand American exports on fair competitive lines as well as raise the needed revenue.
>
> The Republican monopoly-protecting tariff schedules obstruct imports, deprive other nations of the means with which to buy our exports, and therefore obstruct American exports, American production, and the larger employment of American labor. Imports furnish the means to pay for exports, and any undue interference with imports is an interference with exports.

The evidence that the tariff for revenue more than equals "the difference in the cost of production at home and abroad" may be found set forth in detail as to every schedule in the CONGRESSIONAL RECORD of June 15, 1909, page 3288, for example—

	Tariff rate	Labor cost in per cent of value of the product
	Per cent	*Per cent*
Schedule A—Chemicals	27.62	7.5
Schedule B—Earthenware, etc	49.03	36.7
Schedule C—Metals, freight operates as protection	32.44	20.8
Schedule D—Wood, freight operates as protection	15.12	27.1
Schedule E—Sugar, etc	65.08	5.6
Schedule F—Tobacco	87.20	13.9
Schedule I—Cotton manufactures	44.84	21.4
Schedule K—Wool, and manufactures	52.83	20.0

The tariff rates and freight in every instance are more than the entire labor cost and it is the so-called cheap labor abroad that makes the difference in cost. If labor abroad cost nothing, American labor has nevertheless an incidental protection from 100 to 400 per cent of even the high cost of American labor in the product.

TRANSPORTATION

The Government of the United States should bring about lower freight and passenger rates by establishing a mechanism that will result in the elimination of waste and extravagance in railway management and financing. Even combinations and pools are permissible, in my opinion, if the economies made are extended to the public in lower freight rates.

THE INTERSTATE COMMERCE COMMISSION

The Interstate Commerce Commission, who pass on the question of railway rates, should be men who are progressive and who think in terms of the welfare of the whole people and not too much as the advocates of the railways against the people. If the railway owners or managers are permitted by discreet campaigns to nominate the majority of the Interstate Commerce Commission, the public need expect no adequate relief.

OFFICIAL BULLETIN

An official bulletin with fixed space for authorized spokesmen of the several political parties and of the administration should be printed, edited, and sold to the public at cost and carriage, so that every citizen who desires to be informed with regard to the Government's services could be kept advised. At present the public press, too largely influenced by their owners and by their advertising columns, by commercial and private interests, can be used to suppress, distort, and mislead the public judgment.

The public press, which is the greatest of all agencies of publicity, a great power for good and at times a great power for harm, should be required to be fair and just with public servants and with public policies without interfering in any way with the complete freedom of the press. The press is entitled to be free. It is vital to America that the press shall remain free. It is also vital to America that the people shall remain free from false propaganda and from a suppression or perversion of the truth. The American people have great reason to be proud of the American press and its magnificent accomplishments. Its future is greater than its past.

TAXES

As a part of a program of prosperity the taxes should be lowered to the lowest degree which the strictest economy of government permits, which would flow into new enterprises or expand existing enterprises if not required to meet the Budget. If we withdraw these profits for the purpose of paying the gigantic war debts immediately, we interefere with our own prosperity, first, by cutting down available capital for a larger employment of men, and, second, we chill and measurably paralyze the enthusiasm of ambitious men to make money out of their enterprises. The place for heavy taxes is through the progressive inheritance tax on unduly swollen fortunes, a policy which does not discourage the living and which gives no pain to the dead.

WAR DEBTS

We have amortized for the British taxpayers over four billions of war debts on a 60-year basis. We should pursue the same policy with the American taxpayer and amortize our World War debts over a like period of time, and in that way make it unnecessary to impose such gigantic taxes on the present generation.

PLATFORM

The Democrats should resolutely avoid putting in their platform a multitude of small matters which are not of national importance, but leave such questions to be worked out by the representatives of the people elected on broad, Democratic principles. By inserting a large number of side issues in a national platform a great weakness ensues because a thing desired by a few strenuous advocates at a convention, to whom a resolution committee may yield, may excite the opposition of ten times as many voters who do not approve the specialty desired by some particular, small, energetic group.

The Democratic Party is a party of fundamental principles seeking social and industrial justice and prosperity for all, for the rich and for the poor, for the learned and for the unlearned, for men of all races and all creeds, who are entitled to life, liberty, and the pursuit of happiness.

All progressive men, whether of Democratic affiliations or not, believe in this doctrine, but the Democratic Party alone has a sufficient number of leaders committed to the doctrine to give the assurance to the public that can be safely relied upon. For progressive policies the country is compelled to look to the Democratic Party, and that party should open wide its arms in welcome to all progressive men and cooperate with progressive men, whatever they may call themselves.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. JONES of New Mexico obtained the floor.

Mr. WALSH of Massachusetts. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	McKellar	Smith
Brookhart	Fletcher	McKinley	Smoot
Bruce	Gooding	McNary	Spencer
Butler	Hale	Neely	Stanfield
Cameron	Harrison	Norris	Stanley
Capper	Heflin	Oddie	Sterling
Caraway	Howell	Overman	Trammell
Copeland	Johnson, Minn.	Owen	Wadsworth
Cummins	Jones, N. Mex.	Pepper	Walsh, Mass.
Curtis	Jones, Wash.	Ralston	Walsh, Mont.
Dale	Kendrick	Ransdell	Warren
Dial	King	Sheppard	Watson
Edge	Ladd	Shipstead	Willis
Ferris	Lodge	Simmons	

Mr. HEFLIN. I desire to announce that the junior Senator from Georgia [Mr. GEORGE] is absent on business of the Senate.

The PRESIDENT pro tempore. Fifty-five Senators have answered to their names. There is a quorum present.

Mr. JONES of New Mexico. Mr. President, I desire to make a few remarks in reference to the speech of the able Senator from Utah [Mr. SMOOT] in discussing the revenue bill. I use the term "able" advisedly. The distinguished Senator from Utah has been able to swallow the Mellon plan, bait, hook, and sinker. No deviation has been made from the Mellon plan, about which we have heard so much for more than half a year. The very same arguments, which are now presented to the Senate by the majority of the Finance Committee, through its able chairman, the Senator from Utah, have been presented to the country almost every week by the publications of a great share of the metropolitan press. I am sure the country is quite familiar with the contents of this bill, because I can assure the country that this bill contains only the recommendations which were made by the Secretary of the Treasury.

I call attention further to the fact that the only point which really brought out the fire and the enthusiasm of the distinguished Senator from Utah is the same point which has been dwelt upon with such vigor and such insistence by the Secretary of the Treasury. The Senator from Utah did not in any wise attempt to put his real force and power into the delivery of his prepared speech until he reached the point where he insisted that the high surtaxes should be cut in half. Likewise the head of the Treasury, in every interview, in every prepared statement, in his testimony as a witness before the Finance Committee, has dwelt upon that point as the one panacea for all the ills which afflict this country.

That is the program. Perhaps it will avail nothing for me to suggest that this program which is now presented to the Senate has been repudiated by the House of Representatives, by all of the Republicans of the House of Representatives, with the exception of probably 40 or 50. Yet it is presented to the Senate in this very elaborately prepared statement of the Senator from Utah, and he waxes strong and eloquent when he undertakes to discuss the reduction of the high surtaxes from 50 to 25 per cent.

Mr. President, the underlying view of the leaders of the Republican majority in the Senate and the underlying view of this administration, as suggested by the Secretary of the Treasury, have been precisely the same from the time this administration came into power in 1921. Soon after the Congress met in 1921 the Finance Committee of the Senate, controlled by the same majority which yet controls this body, undertook a revision of the revenue law. At that time the high surtaxes amounted to 65 per cent. We were just emerging from the Great War. At that time the Secretary of the Treasury recommended that the high surtaxes be reduced by more than 50 per cent.

Finally the House of Representatives, complying with that wish of the Secretary, reduced the surtaxes to 32 per cent, or a little more than one-half. The bill came over to the Senate, and the Finance Committee, through its majority, reported to the Senate a reduction of those surtaxes from 65 to 32 per cent.

It is true the bill then came into the Senate, and on the floor of the Senate the recommendations of the Treasury Department were repudiated, and the House of Representatives subsequently receded from its action and adopted the view of the Senate and the maximum surtaxes were placed at 50 per

cent. Now we have the same story again. The Secretary of the Treasury is demanding, and a majority of the Finance Committee is demanding, that these high maximum surtaxes be reduced again by 50 per cent.

Not only that, Mr. President, but at that time there was an excess-profits tax upon corporations which, in the year of very great business depression in this country, netted to the Federal Treasury about $335,000,000. The normal or flat tax levied upon those corporations amounted to but little more in that time of depression. So, upon the recommendation of this same Secretary of the Treasury, the taxes upon corporations were reduced about 50 per cent.

Wherever we turn, we find the Treasury Department appealing for a reduction, on those best able to pay the taxes, of 50 per cent. It reminds me very much of what often occurs over in New York and other places where the large corporations transact their business. They accumulate their surplus in the corporation, and finally they cut a melon. They divide their undistributed profits in stock dividends, and it is called the "cutting of a melon;" but I seldom have heard of a case where they have cut a melon and distributed it in 50 per cent shares. But this Mellon seems to consider nothing but 50 per cent when the corporations are to be dealt with, and when the individuals of the country earning the highest rate of profit are to be considered.

I will refer, I believe, to the argument of the Senator which he dwelt upon toward the latter part of his speech. He advances the well-known argument that these maximum surtaxes are unproductive, and that that is why the Treasury Department and the majority of the Finance Committee desire to have these maximum surtaxes reduced to this very great extent. The Senator pointed out that the taxes paid by those having had the largest income were being reduced in very material amounts. There is no question about that, but there is a question as to why that is the case.

The distinguished Senator from Utah suggested that all the great incomes are going into tax-exempt securities. I have heard that time and again from the Secretary of the Treasury. It has been published all over this country that that is true. It is stated by the Secretary of the Treasury, it is stated by the Senator from Utah, and then, after his mere statement, he very solemnly wants to know if we desire any more evidence. I ask those who listened to the speech of the Senator whether he presented any evidence except his own statement of the facts that these large incomes were being invested in tax-exempt securities. Likewise, when the Secretary of the Treasury was a witness before the Finance Committee, he contented himself with a bare statement of facts.

I have examined this question somewhat, and while I dislike to make any statement which may seem to be in contradiction of such high authority as the Secretary of the Treasury and the distinguished Senator from Utah, yet I can not believe that any offense will be taken when I undertake to use the records of the Treasury Department to demonstrate that the inferences drawn, both by the Secretary of the Treasury and the Senator from Utah, are unfounded.

Mr. President, we have no direct evidence except that which I shall present. There are no statistics from the Treasury Department upon this subject, which have been made public at least, except the statistics in connection with the returns of the decedent estates for taxation. In 1922 there were something over 12,000 returns of decedent estates. There was disclosed in those returns the various kinds of property in which the estates were invested. If there were tax-exempt securities, it was so stated; if the money was invested in stocks, it was so stated; and so with respect to the entire number of estates, varying in amounts from very modest sums to more than $10,000,000. Upon an examination of those returns we find the very significant fact that taking all of those estates into consideration and into calculation they did not own enough tax-exempt securities to pay the cost of funeral expenses and the cost of administration of the estates.

Mr. SIMMONS. Mr. President, may I interrupt the Senator?

Mr. JONES of New Mexico. Certainly.

Mr. SIMMONS. The gross returns, as I understand, show that the estates returned were worth about $2,600,000,000?

Mr. JONES of New Mexico. The total estates for that year were a little less than $3,000,000,000. I think I might just as well give the figures.

Mr. SIMMONS. Was it not $2,600,000,000 in round numbers?

Mr. JONES of New Mexico. It was $2,800,000,000 in round numbers, as I recall. I find that I have not the exact figures here, but in round numbers that is what it was. Between $2,500,000,000 and $3,000,000,000 was the gross amount of the estates, and the total amount of tax-exempt securities held by those estates was not sufficient to pay the cost of administration and the funeral expenses of the decedents.

Mr. SIMMONS. Does that appear in the report?

Mr. JONES of New Mexico. That appears in the statistics of income of the Internal Revenue Bureau for the year 1921. I made some excerpts and some calculations from the returns of estates of $1,000,000 and more. That table I caused to be published a few days ago, and it appears on page 7 of the minority report upon the pending bill. The table was prepared showing the amount of tax-exempt securities held by the various estates which amounted to $1,000,000 and more. I took them all. There were 111 estates making returns of from $1,000,000 to $1,500,000. There were 45 making returns of from $1,500,000 to $2,000,000. There were 10 estates making returns of $10,000,000 and over. Altogether there were 251 estates.

The average amount of tax-exempt securities held by all those estates in proportion to the gross estate was only 6.8 per cent. Now, those are the latest figures that have been furnished in any official way, and I should like to inquire how anyone with that evidence before him can say that the people of great means are taking all their estate out of productive enterprises and investing them in tax-exempt securities?

Mr. SMOOT. Does the Senator want an answer to that question, or shall I answer it at some other time?

Mr. JONES of New Mexico. I do not care to be diverted from what I have to say.

Mr. SMOOT. The Senator asked the question, and I did not want him to think that there is no answer to it.

Mr. JONES of New Mexico. I am sure the Senator from Utah will find some answer. I never knew any question to arise in the Senate Chamber yet but what he had an answer which was perfectly satisfactory to himself.

Mr. SMOOT. Certainly; and I never made an answer that was satisfactory to the Senator from New Mexico.

Mr. JONES of New Mexico. But, Mr. President, these are the official statistics furnished to us by the Treasury Department, showing that out of 251 estate reports which were filed in the Treasury Department in 1922, only 6.8 per cent were invested in tax-exempt securities. The other 93.2 per cent was invested in other properties, in other kinds of investments, in business ventures of all kinds, and the greater part was invested in stocks and bonds of corporations doing a general business in the country.

Mr. President, the Senator from Utah went further and, by referring to the chart which he put upon the wall, showed the amount of revenue from the estates of $300,000 and above in 1916 as compared with 1921. He evidently feels that that is some evidence to support his contentions. It has no probative force as to why the reduction occurred. That it did occur there is no question, but simply because the Senator from Utah has heard and because he knows that there are tax-exempt securities, he assumes that the estates have gone into those and that that is the only cause for the reduction of receipts of revenue from those having the higher incomes.

Of course, there is some inducement for investment in tax-exempt securities. There is no question about that. Likewise there is no question that some money is being invested in tax-exempt securities. But when the Senator from Utah says that it all goes there, or that that is the chief cause for a reduction in the revenues derived from the high incomes, in my humble judgment I place my belief against his belief, and shall undertake to show that there are other inducements besides that.

As I said awhile ago, in the revenue bill of 1921 there was only one tax imposed upon corporations. That was a flat tax of 12½ per cent. The excess-profits taxes were repealed. The rate of surtax upon individual incomes was graduated upward until an individual with an income of about $32,000 per year under existing law would pay an average tax of 12½ per cent, or equal to that of the corporation. Any individual having a net income in excess of $32,000 a year could, by the organization of a corporation and putting his private assets into the corporation, save to himself through the corporate entity revenue which would otherwise go into the Treasury of the United States. So when we reach the maximum surtaxes of 30, 40, and 50 per cent there is a strong inducement to cause the people paying those high surtaxes to organize corporations and pay only an average tax of 12½ per cent.

If I assert that that is the means which has been used for the purpose of decreasing the amount of revenue derived from the high surtaxes, I ask you if you are not as willing to believe that statement coming from me as you are to believe the

progressive men, whatever they may call themselves.

the Senate and the maximum surtaxes were placed at 50 per

statement coming from the Senator from Utah that all the high surtaxes are being lost because of investment in tax-exempt securities?

The inducement is there, and it is a lawful inducement. There is no law against it. Why should not the people with these maximum surtaxes organize a corporation, transfer their whole individual assets to it, and withdraw as dividends only money enough to pay their family living expenses?

That they are doing this is, I think, evidenced by some other facts which have just recently come from the Treasury Department. In January of this year I called upon the Treasury Department, through a resolution which was adopted by the Senate, for some information as to the amount of the undistributed dividends of corporations, and the return which came in furnishes very substantial food for earnest consideration by every taxpayer of the country. I asked the Treasury Department to give to the Senate not only the amount of those undistributed dividends, but the percentage retained by the corporations, respectively, and those which declared no dividends at all. I find this remarkable situation: For the taxable year 1922, returns for which were filed last year, the latest returns on the subject at that time, I find that the total number of corporations making complete returns of any net income subject to taxation was only 78,923; there were 29,688 making partial returns for the year, simply stating the amount of the income and the proportion of it retained; making, all told, 108,611 corporations making a return of net income. Those were all there were that paid any tax upon net income. Out of that number we find that there were 30,048 which distributed no dividends whatever. They had a net income of almost a billion dollars—$896,254,485—but they had declared no dividends whatever, and that in spite of the fact that they had previously accumulated an undivided surplus of nearly $4,000,000,000—$3,954,000,000. Of the other corporations, those dividing less than 10 per cent were in number 1,867, with a net taxable income of $247,000,000. They paid out in cash dividends only a little more than $14,000,000.

So, Mr. President, the same situation appears throughout. Some of them did pay out dividends; some of them paid more than 90 per cent of their net earnings in dividends. Some of the old corporations which were just emerging from the period of depression of 1920 and 1921, in order to keep up their regular dividends, paid out more than 90 per cent; but the other corporations—thirty-odd thousand of them—which paid out either no cash dividends or but an infinitesimal amount are the concerns which have been organized and are conducted for the purpose of hiding the income of individuals and enabling them to avoid the payment of their just taxes to the Federal Government. I say "hiding," but I do not mean that in an offensive sense, because it is lawful for them to do that; they have simply been complying with the law of the land, availing themselves of it; but, notwithstanding, the operation has the effect of reducing the income of those individuals, formerly having high incomes, to the number stated by the Senator from Utah. We know that this thing is being done; we know that the legal inducement exists. Have we not a right to assume, therefore, that that is where the high incomes are going and not into tax-exempt securities, as insisted by the Senator from Utah?

Moreover, Mr. President, neither the Finance Committee in its report to the Senate, nor the chairman of the committee, who has just spoken this afternoon, has made any suggestion that this situation be changed.

Mr. SIMMONS. Did not the majority report against any change?

Mr. JONES of New Mexico. The Senator from North Carolina is right. I put the motion to the majority of the Finance Committee myself that there be put upon these corporations in some fashion a graduated tax, and the majority of the committee, headed by the Senator from Utah and assisted by every other Republican member of the committee then present, voted against my motion.

Mr. SIMMONS. Mr. President, may I ask the Senator from New Mexico a question?

Mr. JONES of New Mexico. I yield to the Senator from North Carolina.

Mr. SIMMONS. Did the Secretary of the Treasury make any suggestions to subject to taxation the $4,000,000,000 which the Senator has stated has in this way escaped the surtaxes, the taxes which he wishes to cut in two?

Mr. JONES of New Mexico. Mr. President, not the slightest intimation has come from the Secretary of the Treasury or from any other responsible Republican source that the present law as affecting these corporations should be changed.

The present tax upon corporations is not only an inducement for the organization of corporations in order to avoid the high surtaxes but it is one of the most unfair taxes that can possibly be imagined. There is under present law a capital-stock tax, which was discussed somewhat by the Senator from Utah and which has now been eliminated, and the committee have increased the one flat tax upon corporations from 12½ per cent to 14 per cent.

The enormity of the situation is made apparent when we consider the equity of the stockholders of the various corporations. Under the bill as recommended by the Senator from Utah an individual in order to pay an average tax of 14 per cent must have an income, as I recall, of about $57,000 a year. By referring to the figures I find that my recollection was about right, for on an income of $60,000 the total taxes would amount to an average of 14.94 per cent. As applied to the vast number of corporations in this country that means this: For instance, in the case of the railroads of the country whose rates of fare and income are regulated by law, and the number of whose shareholders is enormous, each one of those individual stockholders, whether his income be $5,000 or $10,000, through this tax upon corporations is paying the same rate of tax as the individual with an income of $57,000. These corporations belong to their shareholders, and any unjust tax upon the corporations is an unjust tax upon the shareholders. The railroads of the country in the main are owned by people of small incomes. There are thousands and thousands of widows and orphans whose sole source of living is derived from the dividends upon the stock of such corporations, and every one of them under this bill as reported to the Senate by the Finance Committee will be paying a tax to the Government at the same rate as an individual with an income of $57,000 a year.

I should like to know whether this multitude of small taxpayers throughout the country are going to be satisfied with this bill; I should like to know whether they are going to feel that that kind of a tax is a burden upon them; and I should like to know whether the people generally in this country are going to feel that that great relief from taxation which has been promised them is going to be brought about through this kind of a tax.

Mr. President, there are many other corporations which are earning large incomes. The theory of a graduated tax upon individual incomes has been accepted by everybody; there is no suggestion from any source that there should be a flat tax upon individual incomes. It is based upon that great principle of taxation that the one who is best able to pay should pay more, at a higher rate, than the one who is less able to pay; but when it comes to the corporations—in order, as I firmly believe, to shield the people of great wealth and of great incomes from paying their just taxation to the Government—Republican leaders bring in a bill which will enable them to reduce their taxes and which raises the tax upon the small shareholders, of less ability to pay.

Mr. SIMMONS. Mr. President, will the Senator pardon an interruption?

Mr. JONES of New Mexico. I yield.

Mr. SIMMONS. Carrying out the Senator's argument with reference to tax paid by those who own stock in the railroads, if a great corporation earning, we will say, two or three million dollars does not distribute that or distributes only a small percentage of it, so as not to come within the surtax, then that corporation would pay a tax of only 12½ per cent.

Mr. JONES of New Mexico. That is true under the present law.

Mr. SIMMONS. Yes; under the present law that corporation would only pay the same rate of tax that an individual earning $57,000 would pay. In other words, with an income of three or four millions of dollars or three or four hundred millions of dollars undistributed they would pay the same rate of tax that an individual earning $57,000 would pay. Is not that true?

Mr. JONES of New Mexico. The Senator is quite accurate. There are many phases of these questions that I should like to dwell upon, but I intend only briefly this evening to refer to them; but they will be discussed at much greater length before this bill is passed.

I may call attention to another iniquity growing out of the situation.

Take a corporation where a few people own the control, although perhaps half or more of the stock may be distributed generally throughout the country, and those few who control do not want to distribute dividends so as to increase their individual surtaxes. They will see to it that the corporation declares no dividends, thus using the corporation for their own benefit, and depriving the widows and orphans and those with small incomes of receiving any revenue from such corporations.

Mr. SIMMONS. Mr. President, if the Senator will pardon me——

The PRESIDENT pro tempore. Does the Senator from New Mexico further yield to the Senator from North Carolina?

Mr. JONES of New Mexico. I yield.

Mr. SIMMONS. I have not the figures before me, but I have seen the statement somewhere that in 1923, I think, our corporations earned the largest income in the history of the country, estimated, I think, at about $8,000,000,000. Those earnings were made under the present law. Does not the fact that these enormous earnings were made last year by corporations under the present law rather strengthen the position of the Senator, taken a little while ago, that corporations are now being availed of as the chief and most effective method of avoiding the surtaxes?

Mr. JONES of New Mexico. Mr. President, I make this comparison: The calendar year 1921, the year with which the Senator from Utah was making comparison with 1916, was a period of depression in this country, and the total net income of corporations reporting to the Federal Treasury was something over $4,000,000,000 only. The net income for the calendar year 1922, according to these figures, which are reported to me by the Treasury Department, amounted to $6,578,000,000; and only a few days ago the actuary of the Treasury Department told me that for the last year, 1923, these incomes would amount to more than $8,500,000,000, if not as much as $9,000,000,000.

Mr. SIMMONS. Is not that the strongest evidence that could be produced that the Senator's contention is correct that the corporation method is being resorted to for the purpose of escaping surtax, and that the leakage that is being spoken of here is not on account of investment in tax-exempt securities but is on account of resorting to the organization of corporations for the purpose of escaping surtaxes?

Mr. JONES of New Mexico. The conclusion which the Senator has just reached is inevitable, and is fortified by the further fact that the dividends upon these stocks have not increased in anything like the proportion that their increased earnings would justify.

Mr. SIMMONS. Mr. President, let me make this further statement: The Secretary says that a surtax of 40 per cent will destroy business in this country, will withdraw money from productive investment, and he gives that as the reason why the rates should be reduced. Here we have the fact that with a surtax rate 10 per cent higher than is now proposed the corporations of this country in the last year increased their incomes over 1921 nearly $4,000,000,000. The prosperity of corporations was not affected by that high rate; but the amount of earnings of the corporations indicate not only prosperity, but it indicates what the Senator says—that people have been investing their money in corporations unduly, and in rapidly increased ratio, and that there must be some reason for this situation; and the reason can not be more accurately assigned, in my opinion, than the Senator has assigned it this afternoon when he says that it is the result of a wholesale effort to escape taxation.

Mr. JONES of New Mexico. Mr. President, not only that, but if we look at the activity in business generally, except the farming business, we see upon every hand evidence of unusual activity. The country during the last two or three years has invested in new buildings, dwellings, business houses, and factories twice as much as ever in any previous period of equal length in the history of this country. Not only that, but we have been loaning money even to foreign countries by the hundreds of millions of dollars, showing that there are certainly adequate funds to finance not only the enterprises in this country but those abroad, for we now have investments abroad of over $19,000,000,000.

Mr. KENDRICK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Wyoming?

Mr. JONES of New Mexico. I yield to the Senator from Wyoming.

Mr. KENDRICK. I wonder if the Senator, in connection with his argument that corporations are organized for the purpose of avoiding taxes, has any figures to show that an increased number of such corporations are being organized?

Mr. JONES of New Mexico. Mr. President, I am sorry to say that there is no definite answer to the inquiry of the Senator from Wyoming except the fact that we know that the number of corporations is vastly increasing all the time; but we have no statistics of these corporations, the purposes for which they are organized, and so forth.

Mr. KENDRICK. It would be difficult, no doubt, to assume that they were organized for any particular purpose; but it occurred to me that an increase over the normal number of such corporations organized would tell the story to a large extent.

Mr. JONES of New Mexico. Mr. President, that would hardly be an index to the situation, because for the last year for which we have statistics there were only 2,532 individuals in this country who had incomes above $100,000, so 2,000 corporations more or less would make very little difference in the number of corporations.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. KING. In considering the earnings or profits of the corporations and amplifying the statement made by the Senator from North Carolina [Mr. SIMMONS], it is worthy of note that the amounts allowed for obsolescence, for depletion, for depreciation, and cognate matters, are exceedingly large. I shall be glad to put into the RECORD to-morrow a table showing the vast deductions which have been allowed corporations by reason of the facts just mentioned, as a result of which they have escaped paying legitimate taxation to the extent of millions—indeed, tens of millions, if not hundreds of millions of dollars.

Mr. JONES of New Mexico. I have not any moral doubt but that the statement just made by the junior Senator from Utah is correct; but I am undertaking in this brief review to deal only with the questions which were dwelt upon by the senior Senator from Utah [Mr. SMOOT]. I hope not to detain the Senate more than a few minutes longer, but there is one question which I can not leave without some comment.

The senior Senator from Utah gave to us the statistics regarding taxation generally in this country. He told us how little money the people of small means were paying into the Treasury of the United States. He argued as strongly as he could that these small taxpayers should pay more, and that these wealthy taxpayers, therefore, should pay less.

It was somewhat unfortunate for his argument that he made a statement as to the total taxes paid in the States, counties, and local subdivisions, as well as the Federal Government. His general round of figures was just about right. For the year mentioned by him the total amount of revenue derived by the Federal Government from all taxes was something over $3,000,000,000, while the State, county, and local taxes were about four and a half billions of dollars. He undertook to some extent to analyze that, and then he drew the deduction that the small taxpayers were not paying a sufficient share to the Federal Government.

I must remind you that of all the taxes paid to the States, counties, and municipalities 78.8 per cent of them are derived from what is known as the general property tax. I further remind you that the general property tax, which has existed in this country since its foundation, is absolutely and actually breaking down, and is not bringing revenue from the sources intended by those who first inaugurated that system in this country. I ask each one of you to recall how much of that 78.8 per cent of general property tax is a tax on personal property, and how much is levied upon the individual and invisible wealth of the country.

I need only refer to the experience in the State of New York, where there is a general property tax. In 1866 over 25 per cent of the revenue derived from the general property tax came from personal property. It has been gradually decreasing, until in the last year it had dwindled to 1.6 per cent.

It is common knowledge that the invisible wealth of the country is not paying revenue to the States and municipalities under the general property tax. Moreover, we know that in the payment of the general property tax the people who have the smallest amount of real property are paying a greater ratio of tax than the individuals with larger amounts of real property. That is a matter of common knowledge. I venture to assert that the million-dollar home in this city is not taxed at anything like the rate, based on actual-value valuation, charged on the humble home which costs only five or ten thousand dollars. That is a matter of common knowledge.

Moreover, there are other taxes of the States and counties. There are the license taxes, and those and the other taxes are all distributed in the prices of the goods. So it may be said, referring to State, county, and municipal taxes, which amount to more than the Federal taxes, invisible wealth, the wealth of those who have the greatest ability to pay, is practically escaping anything approaching its just share of the burdens of taxation in the States and subdivisions of the States.

Moreover, when we come to analyze this Federal tax, this $3,000,000,000 and more of the Federal Government tax, the whole amount derived from income taxes and corporation taxes is only about one-half. Of the other half, more than half a billion of it comes from the tariff tax. No account has been taken by the Senator from Utah of the burden of that tariff tax. It is generally conceded by all statisticians who have studied the subject that through the means of that tariff wall domestic industry has increased its prices to such an extent as to put upon the consumers of this country an additional burden of

three and a half billion dollars. That is a consumption tax, borne by those who must pay in order to shelter themselves and clothe their bodies and satisfy the absolute necessities of life.

So, with all the other taxes imposed by the Federal Government, except the income tax and the tax on corporations, in the last analysis, almost without exception, they are taxes which are ultimately borne by the consumers of the country, taxes upon the necessities of the citizenship of the country, and only the income taxes and the net-profits taxes are borne by those who have known ability to pay.

Not only that, but the common people bear even a share of the taxes on corporations. The farmers of this country do not realize how their freights are raised by reason of the taxes upon the railroads of the country. Under the Esch-Cummins law the Interstate Commerce Commission is directed to impose rates which shall produce a fixed amount of income to the shareholders. That makes the net-profits tax upon railroads a fixed charge, a charge which enters into the cost of the service the same as any overhead or fixed charge or taxation paid to the States or any other subdivision of the country, and the freight rates must be advanced in order to enable the railroad company to pay to its stockholders the amount of dividends required by the present railroad law.

The result is that those railroads are paying taxes at a rate of 12½ per cent upon every dollar of net income which they received under the present law, and if this bill is passed those same railroads will be paying 14 cents out of every dollar as taxes to the Federal Government, more than one-eighth of all the net income of the railroads of the country. Who is paying that? The farmers; the people who must use the railroads; and not a suggestion is made from that great official over in the Treasury Department, not a hint comes from the majority of the Finance Committee, which evidently is able and willing to swallow the Mellon plan—bait, hook, and sinker all at the same time.

Yet, Mr. President, under these circumstances the distinguished chairman of the Finance Committee says that the people of small incomes are not paying enough. He is pleading for those with incomes above $100,000. There are only 2,532 of them, but they are rich beyond the dreams of any honest son of toil who ever looked forward with an ambitious eye to the accumulation of wealth in the future, and he comes here and pleads for them who have profited out of this other great class of small taxpayers.

As I said in the beginning, the things contended for in this bill are typical of the contentions of the principal leaders of the great Republican Party. They come to us upon the suggestion of the Secretary of the Treasury, and then the President of the United States puts upon it specifically his stamp of approval. The House of Representatives, the Members of which must go before their constituencies this fall, repudiates it. There were only a few even of the Republicans who were willing to accept it as a basis of Federal taxation. But when it comes over to this Chamber, where only one-third of the Members go before their constituents next fall, we find the Senator from Utah, this great Gibraltar, standing in full height and full strength, advocating just exactly what the reactionary leaders of the Republican Party want.

I wonder if the people of this country can be given to understand between now and November just what this iniquity does mean, just what these Republican leaders stand for, backed up by the present President of the United States. I ask the Senate to consider and think well of these things before this bill is ever enacted into law. But I predict that it will not be enacted. I can not conceive that there is a majority in this body so hardened in soul, so inconsiderate of those less able to support the burdens of the Government, that they will vote to enact it into law.

Mr. President, I have studied this bill. In 1917, when we entered the Great War, we spent the summer days preparing a revenue bill to pay the expenses of that great emergency. An income tax law, imposing an income tax both on corporations and individuals, was comparatively unknown. We did the best we could. We did manage to raise the money to carry on the Great War. From the beginning of that war to the end the patriotic people of this country put into that struggle about $40,000,000,000.

August 31, 1919, the total indebtedness of this country was only something more than $26,000,000,000. We have been paying it off until now the indebtedness is only a little more than $21,000,000,000. In the last five years we have reduced the indebtedness, in round numbers, $5,000,000,000, two and a half billion of it under the previous administration and two and a half billion under the present Republican administration. We have been calling upon the people of this country to do too much, in my opinion.

The time has come when we ought to reduce taxation. In this period of reconstruction following the war the burdens of government should be made as light as possible upon all the taxpayers of the country. The Senator from Utah undertakes to say that we have not been reducing this debt too fast. If he believes that, why does he propose a reduction now? Of course he does not believe it. But I say that we are putting too much of a burden upon the people of this country for the purpose of reducing taxation.

The last calendar year the indebtedness of this country was reduced by more than $1,078,000,000, according to the figures which I received from the Treasury a few days ago. In the fiscal year 1922 the indebtedness of this country was reduced by more than $1,025,000,000. Why was not this question of tax reduction entered upon sooner?

I submit that during these adverse days of reconstruction we have been putting too heavy a burden upon the taxpayers. I submit that instead of reducing taxation by $300,000,000, we ought to reduce it by twice that amount. We can do that and still pay off not less than $300,000,000 a year of the permanent debt.

Mr. President, as I said, these questions are of supreme importance. During the consideration of the bill they will be discussed at much greater length.

Mr. SIMMONS. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from North Carolina.

Mr. SIMMONS. Is it not a fact that the surplus for the fiscal year before the last was as great as in the last fiscal year?

Mr. JONES of New Mexico. The actual figures are known, but when we use the word "surplus" it can only be definitely understood in connection with the retirement of the debt of the country, because all of the cash received by the Treasury Department is put into the general fund except that which is required specifically for a sinking fund, and whenever there happens to be more money in the Treasury than is required to pay current expenses it is automatically applied to the reduction of what is called the floating debt through the failure to issue as many certificates of indebtedness as were previously outstanding. According to the broad statement, without reference to the amount of reduction in debt, the Secretary of the Treasury estimates the surplus at about $325,000,000 for last year.

Mr. SIMMONS. That was at the end of the year 1922?

Mr. JONES of New Mexico. At the end of the fiscal year 1922, my recollection is, it was about $300,000,000, and for the fiscal year 1923 about $329,000,000.

Mr. SIMMONS. The Secretary of the Treasury did not make any recommendation, when he had a surplus at the end of 1922, that we reduce the taxes, I believe. I do not remember hearing of any such suggestion.

Mr. JONES of New Mexico. I am sure the Senator is right about that. There was no message which came to Congress regarding it. There were no statements in the press of the country of which I have any information. I think that late last summer was the first time there was any intimation given out from the administration that the time had come when taxes should be reduced.

Mr. SIMMONS. Although the surplus in January, 1924, was very little if any greater than it was in 1923.

Mr. JONES of New Mexico. The Senator is correct, as I recollect the figures.

Mr. SIMMONS. The Secretary in 1923 saw fit to use the surplus to pay off the debt.

Mr. JONES of New Mexico. That is quite right.

Mr. SIMMONS. But this year he did not see fit to do that, but suggested a reduction of taxation. Does the Senator know of any reason why the Secretary of the Treasury should have delayed the suggestion?

Mr. JONES of New Mexico. I seldom indulge in any political prognostications in this body. I have done that to a greater extent this afternoon than at any previous time since I have been in the Senate. But it must be apparent to the most casual observer that there was a very definite determination and purpose in suggesting this thing in the summer of 1923. That arises from more than one consideration. The greatest propaganda ever known in the history of the country was put behind the suggestion when it first came from the Secretary of the Treasury, not only that there should be a tax reduction, but the propaganda prophesied and promised that there should be a reduction which would benefit every man, woman, and child in the land.

If there ever was a direct appeal through official action for votes, it began last summer at the instance of the Secretary of the Treasury.

Mr. President, I really wish I might have more time to call up for consideration other phases of these questions. I will say a word, however, regarding the question of surplus which was estimated by the Treasury Department. I have lost all faith in the Treasury estimates. When I look back over the history of the adjusted compensation bill—the bonus bill—I find that whenever there was even a thought that legislation of that kind might be enacted there came from the Treasury Department the most pessimistic howl that ever came from a responsible source. Some estimates were made varying more than $1,100,000,000, varying from a surplus of over $300,000,000 to a deficit of over $822,000,000. Every time the President of the United States, the Secretary of the Treasury, or the Director of the Budget sought to make a speech there was a new estimate made, a new result, and it is incontestibly true that every time such a speech was to be made for a specific purpose estimates from the Treasury Department conformed to the purpose which the advocate was attempting to substantiate. I have heard it said by an official of the Government in authority that the figures had been juggled. The mere figures themselves, the occasions when they were used, the purpose kept in mind, shows that they were made to fit the case.

Mr. SIMMONS. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. SIMMONS. Is it not a fact that in the late spring or summer when a drive was being made against the bonus proposition that we had an estimate of $800,000,000 deficit, and late in the fall of the same year when we were to have a drive in favor of the Mellon plan that deficit had been converted into a surplus of $300,000,000, according to the estimates?

Mr. JONES of New Mexico. Yes; and I make this statement also: Whenever anybody wanted to speak about Republican economy we would always find a very favorable report from the Treasury Department supporting the argument. But I can not discuss this matter longer this afternoon. It is now late. We will have a full opportunity to discuss it in all its phases before the bill is passed, and I now yield the floor.

Mr. NORRIS. Mr. President, I send to the desk an amendment I intend to propose to the pending bill, and which I ask may be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. SMOOT. Mr. President, it is too late this evening even to call attention to some of the statements made by the Senator from New Mexico in relation to what I have stated. I shall do so at a later time. I also wish at a later time to give a full explanation of the estimates referred to by the Senator.

It is so late that we had better not begin to read the bill to-night for action on the amendments of the committee.

I move that the Senate take a recess until 11 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 15 minutes p. m.) took a recess until to-morrow, Friday, April 25, 1924, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

THURSDAY, *April 24, 1924*

The House met at 12 o'clock noon.

The Rev. Jason Noble Pierce, D. D., offered the following prayer:

We thank Thee, our Father, for all Thy gifts to us, for life, liberty, the pursuit of happiness, and for that which enables each one of us to make life worth living, service for others; and at this day we ask Thy presence in every part of that service. Bless our country and all in place of leadership and all peoples of the world. May Thy kingdom come and joy prevail. And unto Thee shall be our thanksgiving and praise always. Amen.

The Journal of the proceedings of yesterday was read and approved.

ARLINGTON MEMORIAL BRIDGE (S. DOC. NO. 95)

The SPEAKER. The Chair refers the message of the President on the Arlington Memorial Bridge to the Committee on Public Buildings and Grounds, and orders it printed.

CONFEDERATE VETERANS' ANNUAL REUNION

Mr. FISHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 163, authorizing the Secretary of War to loan certain tents, cots, chairs, and so forth, to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924, with a Senate amendment thereto, and agree to the Senate amendment. This resolution was passed unanimously by the House.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to take from the Speaker's table House Joint Resolution 163, with a Senate amendment thereto, and consider the same at this time. Is there objection?

There was no objection.

The Clerk reported the Senate amendment.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

AGRICULTURAL APPROPRIATION BILL

Mr. MAGEE of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the agricultural appropriation bill, with Mr. CHINDBLOM in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. When the committee rose on Tuesday last, the last occasion when this bill was under consideration, a point of order was pending, made by the gentleman from Tennessee [Mr. BYRNS] to the paragraph beginning with line 20, on page 57, under the heading "Completion of wool work."

Mr. GRAHAM of Illinois. Mr. Chairman, when the committee rose I had not entirely finished what I had intended to say upon the point of order. Since that time I have had occasion to look into the authorities somewhat and have become more confirmed than ever that the point of order is not well taken. The gentleman from Tennessee [Mr. BYRNS] stated, close to the end of the argument that was had on Tuesday, the specific grounds for objection in this way: He contended that the acts under the original Executive orders were illegal and that the taking over of this wool clip and the distribution of the proceeds among the woolgrowers, as I understand his contention, were illegal. Therefore, he contended, there was no authority of law for this. I do not believe the gentleman from Tennessee is correct in that assertion. I do not want to burden the Chair unduly with this matter, but I do want to go into it far enough so that I may give the Chair my idea about it.

The CHAIRMAN. The Chair would be very glad to have an exposition of the law on the subject.

Mr. GRAHAM of Illinois. I imagine so, because in my experience here of some years this is about as close a point as I have ever noted. It is extremely close to the line, but I think the courts have settled it for us. I assume that the gentleman from Tennessee is familiar with a case which was decided in the southern district of Ohio and with another case which was decided in the district of Massachusetts. In one of those cases—the Massachusetts case—the court held that such acts as are contemplated in this particular language were illegal, namely, that the distribution of the profits of the wool clip to the woolgrowers was an illegal act. Afterwards, however, I think the courts changed that ruling, and that case was departed from in subsequent rulings of courts of equal jurisdiction and authority, and they are sustained, it seems to me, by cases in the Supreme Court to which I shall call the Chair's attention.

I first refer to a case found in 287 Federal Reporter, the case of United States *v.* Gordin, and I call attention briefly to parts of it. This case had to do with this particular statute, the very language which is here involved, and had to do with the proceedings of the wool division of the War Industries Board. The court says this:

> Under the act of June 3, 1916, there was established a Council of National Defense, with authority to constitute subordinate agencies and boards. One of the boards created by virtue of such authority was the War Industries Board. It was advisory to the Council of National Defense, and eventually became a personal agency of the President, from whom it obtained, subsequently, large powers. In 1918 it became apparent to the War and Navy Departments and others immo-

half billion under the present Republican administration. We child in the land.

diately engaged in and responsible for the conduct of the war that the supply of wool would prove greatly inadequate to the needs of the Army and the Navy and our civilian population. The wool obtainable could, of course, be acquired by commandeering. The Government, through the War Industries Board, devised a scheme, however, through which the United States, in effect, took over the entire wool clip of that year, although the wool not needed in the prosecution of the war, and which could be supplied to civilian use, was suffered to be diverted for such purpose.

I here omit some of the decision and proceed:

Regulations were promulgated controlling the purchase and disposition of wool. The regulations provided that country dealers should be allowed a profit of 1½ cents per pound on wool purchased by them, and that if their gross profit for the season's business should be in excess of that sum, such excess profit shall be disposed of as the Government may decide.

Again, the court said:

It must be held that during the war wool was affected with a public interest and became subject to Government control.

Again—

The regulations for the control of the wool clip of 1918 had their origin in the necessities of war. In time of war, by virtue of the Constitution and usually by standing statutory enactments of Congress, comprehensive powers reside in the President of the United States as Commander in Chief of the Army and Navy.

Then follow many citations along that line. Then the court said:

It is urged in defense that the President and his subordinates were without authority to prescribe such regulations or to exact a license granted to and the contract made with the defendant. Much may be said to sustain the view that the broad powers vested in the President by the Constitution and congressional enactments conferred on him the right to control the wool clip in the manner in which it was done and to impart invalidity to the contract made with country wool dealers; but whether he and his subordinates acted beyond his power is, however, immaterial in the light of subsequent legislation. It is clear that Congress could by appropriate legislation have conferred on him the authority to control the wool clip and to make such a contract as is here in question. The courts always presume that Congress acts advisedly and with full knowledge of the situation. The acquisition of such knowledge is not limited to the formal investigation of committees, nor are the courts at liberty to inquire how such knowledge was obtained. They must accept its action as that of a body having full power to act, and only acting when it has acquired sufficient information to justify its action.

The court went on to say:

The act of Congress, approved July 24, 1919 (41 Stat. 267), making appropriations for the fiscal year 1920 contained the provisions:

"To enable the Bureau of Markets to complete the work of the domestic wool section of the War Industries Board and to enforce the Government regulations for handling the wool clip of 1918, as established by the wool division of said board, pursuant to the Executive order dated December 31, 1918, transferring such work to the said bureau, $35,000."

Again—

On March 3, 1921 (41 Stat. 1343), another similar enactment appropriated $15,000, and directed that the Bureau of Markets—

"continue as far as practicable the distribution among the growers of the wool clip of 1918 of all sums heretofore or hereafter collected or recovered with or without suit by the Government from all persons, firms, or corporations which handled any part of the wool clip of 1918."

The court says after that, on the same page—

Inasmuch, however, as Congress had previously, by necessary implication, at least, twice ratified and approved the action of the War Industries Board and directed the enforcement of its regulations, no specific legislation thereof was necessary.

The CHAIRMAN. Will the gentleman permit a question?

Mr. GRAHAM of Illinois. Yes.

The CHAIRMAN. The last few words which the gentleman read:

Congress had directed the enforcement——

Mr. GRAHAM of Illinois. No—

Inasmuch, however, as Congress had previously, by necessary implication, at least, twice ratified and approved the action of the War Industries Board and directed the enforcement of its regulations, no specific legislation thereof was necessary.

The CHAIRMAN. The Chair would like to ask the gentleman whether he can inform the Chair whether the language referred to an annual appropriation bill or some other legislation?

Mr. GRAHAM of Illinois. It referred to two sections in the annual appropriation bills which I have just read to the Chair. It very specifically states in the opinion that those two provisions, one in the act of 1919 and one again in the act of 1921, were specific ratifications of the powers of the War Industries Board. Whether there was any original legislation authorizing these orders, they were ratified or considered ratified by this action in these appropriation bills.

The CHAIRMAN. Will the gentleman direct his attention to the question of whether for the purposes of this point of order the action taken in annual appropriation bills furnished the original authority for the continuation of appropriations in subsequent bills?

Mr. GRAHAM of Illinois. They so hold in this case. Now, let me read a little further.

Mr. BOYCE. Will the gentleman yield for a question?

Mr. GRAHAM of Illinois. Yes.

Mr. BOYCE. May we have the amendment read? I did not hear it.

The CHAIRMAN. There is no amendment pending. There is a point of order on the paragraph in the bill as reported by the Committee on Appropriations.

Mr. BOYCE. Which paragraph is that?

The CHAIRMAN. Page 57.

Mr. GRAHAM of Illinois. Now, reading back a little:

The activities of the War Industries Board were transferred to the Bureau of Markets, and to enable such bureau to complete the work of the domestic-wool section of the War Industries Board a request for an appropriation of funds was made of proper committees of both the House and the Senate by the then Secretary of Agriculture.

You will note what the situation was. Now, the court has stated here, and was discussing the question of whether there was any legal authority for these regulations. It states that the activities of the War Industries Board in this respect had been transferred to the Bureau of Markets and that thereafter the Secretary of Agriculture made a request for an appropriation of funds. Then they say:

The act of Congress approved July 24, 1919, making appropriations for the fiscal year 1920, contains this provision:

"To enable the Bureau of Markets to complete the work of the domestic-wool section of the War Industries Board and to enforce the Government regulations for handling the wool clip of 1918, as established by the wool division of said board, pursuant to the Executive order dated December 31, 1918, transferring such work to the said bureau. $35,000."

A like provision, except as to the amount, is found in the act of May 31, 1920 (41 Stat. 725), making appropriations for the Department of Agriculture for the fiscal year 1921. On March 3, 1921 (41 Stat. 1343), another similar enactment appropriated $15,000 and directed that the Bureau of Markets—

continue work so far as practicable. Then the exact language which is under discussion here is cited. I read further:

The contention is made that Congress should not ratify the action of the War Industries Board, and therefore the defendant's contract—

Which was one of these wool-clip contracts—

for the reason there was eliminated from the last-named act, before its passage, the language, "All said regulations are hereby legalized, ratified, and confirmed as if they had been specifically authorized and directed by prior acts of Congress," and the provisions adopted (excepting as to the distribution of sums collected) were made the same as in the two former appropriation acts. Such elimination, it is claimed, was a refusal to approve and legalize the board's activities touching the wool clip.

The CHAIRMAN. The Chair would like to ask, did those words go out on a point of order? In what proceedings of the House?

Mr. GRAHAM of Illinois. I think they did. My impression is that they went out on a point of order.

Mr. BYRNS of Tennessee. They went out on an amendment, I will say to the gentleman, on motion of the gentleman from Minnesota [Mr. ANDERSON].

Mr. GRAHAM of Illinois. Not in this case.

Mr. BYRNS of Tennessee. There was never a point of order made on this proposition.

Mr. GRAHAM of Illinois. In one of these cases there was. But I do not know whether there was on this one or not. But the court goes on and says—

Inasmuch, however, as Congress had previously, by necessary implication, at least, twice ratified and approved the War Industries

Board and directed the enforcement of its regulations, no specific legislation thereof was necessary.

It cites the case of Myerle *v.* United States, and then proceeds:

Where an act originally purports to be done in the name and by the authority of the Government, a defect in that authority may be cured by the subsequent adoption of such act.

Many cases are cited. Then they proceed:

So long as the act is not legally void, but merely unlawful, it may be ratified, and the bringing of an action upon a contract amounts to a ratification, as in this case, by the legislature; but having always had the power specially to authorize the regulations adopted by the War Industries Board and the contracts made in pursuance thereof, Congress could legally ratify the same. That it did so by its three several enactments appears in the rule announced in Myerle *v.* United States and United States *v.* Heinszen & Co.

In other words, here appears a specific statement of this court, in plain and unmistakable language, that Congress has ratified the actions of this Board by three specific enactments in bills.

It seems to me this question solves itself. It is not a question here whether they had legal authority in the beginning. It is enough to say that Congress on three particular occasions has ratified the act and has ordered this thing to be done which it now seeks to continue by this provision.

Let me cite a couple of decisions by the United States courts, without going into them in detail.

The CHAIRMAN. Will the gentleman permit the Chair to propound a question?

Mr. GRAHAM of Illinois. Yes.

The CHAIRMAN. Assuming that Congress on three different occasions passed an appropriation which, upon each occasion, if a point of order had been made, would have been subject to a point of order, does the gentleman think that under those circumstances the fact that an item was carried in an appropriation bill without a point of order having been made establishes a precedent for action upon the point of order when it is made?

Mr. GRAHAM of Illinois. Yes; I do. Now, what is the basis of the point of order here? A point of order is made on the theory that the acts are illegal. That is the basis of it, that the act sought to be done here is illegal. The gentleman from Tennessee [Mr. BYRNS] says that this language—

And to continue, as far as practicable, the distribution among the growers of the wool clip of 1918 of all sums heretofore or hereafter collected or recovered with or without suits by the Government from all persons, firms, or corporations which handled any part of the wool clip of 1918—

is illegal—that is, that that particular activity is not authorized by law, and that it is therefore subject to a point of order.

Now, the question arises, Is it authorized by law? The answer to that proposition is that whether it was authorized by law or not, it is immaterial if Congress by its act has ratified it. It therefore becomes authorized by law, if not by the original law then by the subsequent act of the legislative assembly which ratified it. That is the only answer to that proposition, and whether or not the point of order could have been raised in 1918 or in 1920 or in 1921, it can not be raised now if this is a legal act. Does anyone have any doubt now, in view of the decision of the court on this matter, that these gentlemen may proceed to continue this work if it has been ratified by Congress heretofore and if appropriations are made for this purpose? That follows a well-considered line of decisions by the Supreme Court of the United States. For instance, I call attention to the case of Mattingly against the District of Columbia, found in Ninety-seventh United States Reports. I will read the syllabus, which fairly comprehends the language of the opinion.

Congress in exercising legislation over property and persons within the District of Columbia may, provided no intervening rights are thereby impaired, confirm the proceedings of an officer in the District, or of a subordinate municipality, or other authority therein, which, without such confirmation, may be void.

An act of Congress, approved June 19, 1878 (20 Stat. 166), entitled "An act to provide for the revision and correction of assessments for special improvements in the District of Columbia, and for other purposes," was considered, with reference to the preceding legislation of Congress and of the legislative assembly of said district. Held, 1. That said act was practically a confirmation of the doings of the Board of Public Works of the District, touching the improvement of streets and roads, and a ratification of the assessments prepared under an act of said assembly of August 10, 1871, as charges upon the adjoining property, and that it conferred authority upon the Commissioners to revise and correct such assessments within 30 days after the passage of the act. 2. That such confirmation was as binding and effectual as if authority had been originally conferred by law to direct the improvements and make the assessments.

This was a case of a special assessment for improvements on Seventh Street, where they were laying some sewers or water mains without legal authority. Afterwards, Congress passed an act making an appropriation and authorizing the continuance of it, and the Supreme Court of the United States held that made the action of the municipality just as valid and legal as if it had been originally authorized by law.

Now, one other case and then I have concluded. I call attention to a case found in Twenty-first Wallace, and I will read parts of the decision as found on page 73.

In this case, to state it briefly, the Federal Government, at the outbreak of the Civil War, passed a trading with the enemy act, and as a result of that trading with the enemy act certain regulations were issued by the President, Executive regulations, one of which imposed a duty of 4 cents a pound on cotton. The question came up in 1864 as to whether that regulation was legal or not; the court passed upon it; and in view of some subsequent appropriation bills that contained some reference to this particular work and these regulations, the case was decided upon the theory of ratification, and it was held by the court that whether the President originally had the authority to do these things or not was immaterial, because of these subsequent acts of the Congress.

Mr. BLANTON. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. BLANTON. I was hoping that the gentleman from Tennessee [Mr. BYRNS] would withdraw this point of order. We have spent two days on an item of $11,000.

Mr. GRAHAM of Illinois. No; a part of two days, but if the gentleman will be patient I will get through with these matters.

Mr. BYRNS of Tennessee. I want to say, if the gentleman will pardon me, that $105,500 has been appropriated in the last four years for this purpose, and if there is not a stop to it we will have $100,000 more appropriated before we get through for the payment of salaries to persons who should not have them.

Mr. GRAHAM of Illinois. My only excuse for this imposition on the time of the committee, if the Chair pleases, is the fact that this is an important point, and I think these points of order ought to be decided properly. I will make just a brief reference to this case, and then I will stop.

Mr. BLANTON. I was just hoping it was not a filibuster.

Mr. GRAHAM of Illinois. Well, I do not filibuster. The court said, reading from page 96:

We are also of opinion that the act of July 2, 1864, recognized and confirmed the regulations in question. It is sufficient to quote a portion of the third section to evince the correctness of this conclusion. It enacts as follows:

"That all moneys arising from the leasing of abandoned lands, houses, and tenements, or from sales of captured and abandoned property collected and sold in pursuance of said act, or of this act or from fees collected under the rules and regulations made by the Secretary of the Treasury, and approved by the President, dated, respectively, the 28th of August, 1862, 31st of March, and 11th of September, 1863, or under any amendments or modifications thereof, which have been or shall be made by the Secretary of the Treasury and approved by the President, for conducting the commercial intercourse, which has been or shall be licensed and permitted by the President, with and in States declared in insurrection, shall, after satisfying therefrom all necessary expenses, to be approved by the Secretary of the Treasury, be paid into the Treasury of the United States."

And so forth.

The court said further:

It will be observed that the law was prospective, relating to moneys thereafter to be received, as well as to those already received. This was clearly an implied recognition and ratification of the regulations, so far as any ratification on the part of Congress may have been necessary to their validity.

Now, that is all I have to say about this, if the Chair pleases. I do not have any doubt about this; the court has passed directly on that language and it is not necessary to go into the original authority if it has been ratified by Congress. The point of order should be overruled.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Illinois [Mr. GRAHAM] has undertaken to restrict my point of order to one particular portion of the paragraph. If

the Chair will recall, my point of order was made to the entire paragraph, and I insisted that the provision which makes an appropriation for the purpose of enforcing the Government regulations for handling the wool clip of 1918, as well as the provision relative to the distribution of such sums as may be collected, have never been authorized by law, and are, therefore, not proper subjects for an appropriation bill.

There is no question but what if Congress wanted to act in the last four years it could have passed affirmative legislation to take care of this situation and it can do so now, but what I am insisting, Mr. Chairman, is that an appropriation shall not be made the vehicle for legislation which is mainly to take care of a few clerks and employees in the Agricultural Department who are engaged upon what might be called war hangover work six years after the war. However, I am not going to discuss the merits of the matter because the Chair wishes to hear something upon the point of order.

I will say this, that if these regulations are legal, as the gentleman from Illinois insists, suits are now pending, and failure to make this appropriation will not interfere in the least with those lawsuits. This is simply an appropriation to pay some clerks in the Agricultural Department and not attorneys in the Department of Justice or United States district attorneys who are prosecuting these cases.

The CHAIRMAN. Will the gentleman yield for a suggestion?

Mr. BYRNS of Tennessee. Yes.

The CHAIRMAN. There is nothing in the language of the provision to show that it is for the purpose of paying employees, is there?

Mr. BYRNS of Tennessee. Well, I will say to the Chair that that is clearly the intent of it. I do not think that is pertinent to the point of order and I simply made that statement in reply to some suggestions which were made upon Tuesday, but that is clearly the purpose of this appropriation and everyone knows that.

The hearings disclose that these prosecutions and suits are being conducted by the Department of Justice. The Agricultural Department is not provided with the necessary legal force, and these matters are turned over, as the hearings disclose and as we all know, to the Department of Justice for prosecution under funds provided for that department by the Congress.

The gentleman from Illinois, when the House was in session on Tuesday, cited as authority for this appropriation section 10151 of Barnes's Federal Code, and the gentleman read from that section to show that the President was authorized to appoint a board on mobilization of industries essential for military preparedness, and so forth, and also that the President in time of war or when war is imminent is empowered through the head of any department of the Government, in addition to the present authorized methods of purchase or procurement, to place an order with any individual, firm, association, and so on. It further makes it obligatory upon individuals, firms, and associations to comply with any such order, but I call the attention of the Chair to the fact that these orders are for the purpose of procuring material for purposes of war or for purposes for which the Government needs them in time of war or when war is threatened.

This is a proposal, if the Chair pleases, not to enforce any purchase that the President made. If this was a proposition where some wool dealer had charged the Government more than the Government promised to pay him or had received more money than was due him, then there might be some merit in the contention of the gentleman, but the Government has no interest in these funds. It is not claimed that the Government has any interest in them. It is collecting them at the expense of the General Treasury to distribute to certain woolgrowers throughout the country. The provision upon its face shows that, and therefore the statute to which the gentleman refers can not possibly have any application to this appropriation.

Furthermore, the gentleman states that for the past four years appropriation bills have carried language similar to that which is proposed in this bill. This is true, and it is also true that no point of order was ever made against it, but this is the first time I ever heard anyone upon the floor of the House, and especially such a distinguished parliamentarian as the gentleman from Illinois [Mr. GRAHAM], contend that legislation carried in an appropriation bill for one year authorizes legislation in an appropriation bill for the next year. The Chair, of course, being one of the able parliamentarians of the House, is familiar with the long line of precedents which hold that legislation carried in an appropriation bill is no authority for similar legislation in a succeeding appropriation bill, and the Chair has, by question or intimation at least, pointed that out to the gentleman from Illinois [Mr. GRAHAM]. Therefore I say that his point that the House has upon two or three occasions approved and ratified these regulations in an appropriation bill, even if it be true, has no weight in so far as this point of order is concerned, because here we are seeking to pass an appropriation bill for the next year. The current appropriation bill in which this language occurs expressly expires upon the beginning of the fiscal year in July.

The gentleman has referred to certain court decisions, and I want to read to the Chair a quotation from Two hundred and eighty-fifth Federal Reporter, page 755, a decision rendered by Judge Morton of the Federal court for the district of Massachusetts in the case of The United States against Smith. This is what Judge Morton said in passing upon this particular proposition:

> It is not contended by the plaintiff that the Government was under any legal obligation to the growers; it plainly was not. And it does not seem to me that there was anything which could reasonably be thought to have created a moral or honorary obligation on the Government to them. They had not gone into business in reliance on any law or regulations made by it; they had the right to consign their wool for sale, in which case they got the full purchase price less only necessary expenses and a 4 per cent commission, or to sell it outright to wool dealers at such price as they agreed to. They stood in the same position as persons in many other lines of industry who produced and sold merchandise part of which was needed for the use of the Government in the prosecution of the war. Those who consigned their wool got the price fixed by the Government; those who chose to sell outright got the price at which they sold. The distribution among them of public money is a pure gratuity and nothing else. Neither the War Industries Board nor the Department of Agriculture have power so to deal with public money without a clear mandate from Congress for such action. I do not think such authority is to be found in the appropriations acts, either of 1919 or of 1920, which are relied on by the Government. If the acts be construed as conferring such authority, they would, in my opinion, be unconstitutional.

I am not going to detain the Chair and the committee longer, but I stated to the Chair on Tuesday that Mr. Sherman, who appeared before the Subcommittee on Agriculture in behalf of this appropriation, representing the Agricultural Department, practically admitted in the hearings it was subject to a point of order, and I am going to read to the Chair again just what Mr. Sherman said in connection with this particular matter:

> We fell heir to that promise—

that is, the promise to collect and distribute among woolgrowers. He does not call it a regulation. He states it was a promise made by the chairman of the War Industries Board that if it was practicable they would do it. He says:

> We fell heir to that promise and Congress has aided us every year in making appropriations to help us carry out that promise.

Now, listen, if the Chair pleases:

> And the courts have held that while the War Industries Board may have exceeded its power in promulgating this regulation, it did not exceed the powers which Congress could have granted it, and that Congress by appropriation of money year after year for this purpose completely ratified and cured any legal defect that might have existed in the beginning.

Mr. ANDERSON. That is a very curious doctrine.

Mr. SHERMAN. Some lawyers have told us that it was a very curious doctrine, but every judge has upheld it.

I repeat, I am sure no one will contend that the mere fact that appropriation bills in the past have carried an appropriation, even if it be admitted they were sufficient to ratify these regulations for the year covered by the appropriation, and I am not passing upon that one way or the other, is any justification for what is clearly legislation in a succeeding appropriation bill. I submit, Mr. Chairman, the point of order ought to be sustained.

Mr. TILSON and Mr. LITTLE rose.

The CHAIRMAN. For what purpose does the gentleman from Kansas rise?

Mr. LITTLE. I wish to address myself to this proposition.

The CHAIRMAN. The Chair thinks the gentleman from Connecticut was first on his feet, and will be glad to hear the gentleman from Kansas afterwards.

Mr. TILSON. Mr. Chairman, entirely aside from and supplemental to the citations of the gentleman from Illinois, I wish to call the attention of the Chair to certain acts and Executive orders issued in pursuance of these acts. Under the act of Congress approved August 29, 1916, a Council for National Defense was provided for. Under the authority of that

act the War Industries Board was formed, and under an Executive order dated May 28, 1918, the President established the War Industries Board as a separate administrative agency to act for and under his direction.

By an act of Congress dated May 12, 1917, the Quartermaster General of the Army was authorized to purchase wool for the Army. It was soon discovered that there was not sufficient wool that could be purchased to serve the purpose. Therefore under section 10 of the food control act of August 10, 1917, under which the President was empowered to requisition food, feed, and fuel, and other necessary supplies for the support of the Army, the President determined to requisition the wool clip of 1918, and under the authority which the President had under the Overman Act to designate any agency which he saw fit to carry out the provisions of law he directed the War Industries Board to act under the provisions of this law and requisition the wool crop. The President was authorized by law to enter into any voluntary arrangement or agreement and accept the services of any person he deemed proper in carrying out the provisions of the act. He was, furthermore, authorized to ascertain and pay a just compensation for the supplies requisitioned. In carrying out the provisions of this act the arrangement referred to in this paragraph of the bill now under consideration was entered into, which is in effect to return to the woolgrowers a certain part of the profits, or the profits above a certain rate. This arrangement was a part of the arrangement to pay compensation for the wool requisitioned.

In section 24 of the act of August 10, 1917, it was provided that the act should cease at the termination of the war as proclaimed by the President. But the termination of the act did not affect any act done or any right or obligation accruing or accrued or any suit or proceeding had or commenced. All rights and liabilities arising before its termination were thus continued and may be enforced in the same manner as if the act had not terminated.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. TILSON. I will yield to the gentleman.

Mr. BYRNS of Tennessee. I do not controvert a thing the gentleman has stated about the right of the President to commandeer the wool, but does the gentleman mean to say that this provision involves wool commandeered by the Government and for Government purposes during the war?

Mr. TILSON. Yes; it is to complete the undertaking which was entered upon by the order of the President and under authority of law. It is the wool clip of 1918, and a part of the adjustment of an arrangement which was then undertaken that is now under consideration in this paragraph. And that is all that it provides for. It is specifically stated in the act which I have referred to that although the act itself has terminated by limitation, nevertheless these activities which have been undertaken may be continued and all rights under the original act are continued until this transaction is finally completed. This paragraph of the bill is simply for the purpose of carrying out and completing the transaction.

Mr. LITTLE. Mr. Chairman, the gentleman from Connecticut calls attention to certain Executive orders which have been made on this question. I wish to call the Chair's attention to a similar order from the Secretary of War. About 36 years ago there was some legislation in regard to a Bureau of Fortifications which seems to have been considered as the establishment of such a bureau and authority for appropriations. And for about 30 years they appropriated money for that purpose from 1888 to 1918. Four years ago in making a revision of the laws it was discovered that there was no such law and never had been any authority for the appropriations that they had been making for 30 years. The chairman of the Committee on Revision of the Laws called attention of the Secretary of War to the proposition, and after a good deal of study with his department attorneys—and he is a very able lawyer himself—he withdrew the request for the appropriation from the committee—which was $58,500—and has saved annually that amount for five years since.

We also discovered that there was in that bureau a fund which had accumulated and was unused of $230,000, which was returned to the Treasury for other uses. We saved a half million dollars in a few minutes by stopping an appropriation for which there was no authority. They claimed at first that they had such authority as the gentleman states here. They appropriated the money many times, but they did not have any right to, and we felt it would have gone out on a point of order. Mr. Baker was told that a point of order would be made against it, and he held it would be good and withdrew the bill. I think he was right.

The CHAIRMAN. Will the gentleman permit a suggestion? Was there in that ancient act any provision for the termination of the act under conditions for the closing of the business transacted under it?

Mr. LITTLE. There was no ancient act that really warrants the first appropriation. At the time I knew just how they happened to get into the habit, but it was just a habit, though the department people thought it a sacred right, till Secretary Baker held it was without authority, and we saved half million dollars.

Mr. TILSON. Mr. Chairman, there is just one more matter I wish to connect up. The War Industries Board was first authorized under the council of national defense act. Then I call the attention of the Chair to Executive Order No. 3198, of December 31, 1918, wherein the President terminated the activities of the War Industries Board, but transferred the duties of the wool section to the Bureau of Markets and Crop Estimates, in the Department of Agriculture, and by the act of May 11, 1922, those duties were transferred to the Bureau of Agricultural Economics, where this authority now rests.

Mr. GRAHAM of Illinois. Mr. Chairman, just one suggestion in reply to the gentleman from Tennessee [Mr. BYRNS]. The gentleman from Tennessee has called attention to a case to which I referred in the first instance, decided in the district of Massachusetts, where the judge of the court indicated that these acts were illegal. That is a sporadic decision. It is the only one of the kind and it is expressly overruled by all other decisions upon the same point and is not authority.

One more statement and I am done. I hope the Chair will not lose sight of the fact that the ratification which may be contained in one appropriation bill is sufficient to ratify the act for all time and justify future appropriations for that purpose.

The CHAIRMAN (Mr. CHINDBLOM). The Chair will say that this question is fraught with a great deal of difficulty. It is with considerable hesitancy that the present occupant of the chair differs with the arguments of some of the distinguished parliamentarians who have spoken upon this subject. The Chair does not think that the fact that items of appropriation have been carried in prior appropriation bills has any force or effect in determining whether like provisions in a pending bill are in order. The Chair has a good deal of doubt also as to whether the decisions of courts predicated upon legislation passed by Congress, which may or may not have been subject to points of order at the time the legislation was passed, have any real importance or efficacy in the determination of a point of order. The Chair appreciates, however, the very able discussion of this question by the gentleman from Illinois [Mr. GRAHAM].

The history of the legislation has been set forth by those who contend that the paragraph in question in this bill is in order. They have called attention to legislation which in the opinion of the Chair tends to support the paragraph in the bill, and the Chair is inclined to believe that the burden of proof has shifted to the gentlemen who insist that the legislation is out of order to show that the legislative authority cited is not complete for the purpose of making this legislation in order. The Chair thinks that the gentleman from Connecticut [Mr. TILSON] stated the proposition about as clearly as it can be stated briefly at this time. Under the act of August 29, 1916, an Army appropriation bill, there was created the Council of National Defense. This, as the Chair understands it, was largely an advisory commission; but under the authority of that act there was formed the War Industries Board, subsidiary to the Council of National Defense, and under an Executive order of May 28, 1918, No. 2868, the President established this board as a separate administrative agency to act for and under his direction. The Chair will not take the time to read the paragraphs of the law sustaining this statement.

The food control act of August 10, 1917, empowered the President to requisition food, feed, fuel, and other supplies necessary for the support of the Army, and the Chair calls attention to section 2 of that act of August 10, 1917, which reads as follows:

> That in carrying out the purposes of this act the President is authorized to enter into any voluntary arrangements or agreements to create and use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of efforts or funds.

The Chair calls attention particularly to the words—

> to utilize any department or agency of the Government.

The title of that act reads as follows:

> An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel.

This act terminated by its terms at the end of the war, but there were some functions which had been exercised under that act which did not so terminate. The Chair calls attention to section 24 of the food control act of August 10, 1917:

That the provisions of this act shall cease to be in effect when the existing state of war between the United States and Germany shall have terminated, and the fact and date of such termination shall be ascertained and proclaimed by the President; but the termination of this act shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil case before the said termination pursuant to this act; but all rights and liabilities under this act arising before its termination shall continue and may be enforced in the same manner as if the act had not terminated. Any offense committed and all penalties, forfeitures, or liabilities incurred prior to such termination may be prosecuted or punished in the same manner and with the same effect as if this act had not been terminated.

Under section 2 of this same act the President had authority to utilize any department or agency of the Government for the purposes of the act. It appears from the language in the pending paragraph itself that this legislation is based upon an Executive order dated December 31, 1918. That date occurred prior to the termination of the war as proclaimed by the President. The order transferred the work of the domestic wool section of the War Industries Board to the Bureau of Agricultural Economics.

It seems to the Chrir, therefore, that the order of the President transferring the work of the domestic wool section of the War Industries Board to the Department of Agriculture must be considered to have been authorized by law. The gentleman from Tennessee [Mr. BYRNS] makes the point that the paragraph in question authorizes activities not contemplated or permitted under the war legislation. The Chair does not find anything in the language of the paragraph which indicates exactly how this money is to be spent, except that it is—

to enable the Bureau of Agricultural Economics to complete the work of the domestic wool section of the War Industries Board and to enforce Government regulations for handling the wool clip of 1918 as established by the wool division of said board pursuant to the Executive order of December 31, 1918, transferring such work to the said bureau.

The subsequent language only enlarges or further describes the purpose of the appropriation, namely:

To continue, as far as practicable, the distribution among the growers of the wool clip of 1918 of all sums heretofore or hereafter collected or recovered with or without suit by the Government from all persons, firms, or corporations which handled any part of the wool clip of 1918.

It does not appear from the language of the paragraph that this money is to be used for any other purpose than to carry out the purpose of the activities of the domestic wool section of the War Industries Board, which, as the Chair has attempted to state, were legally and properly transferred by the President prior to the termination of the war to the Agricultural Department. While, as stated in the beginning, the Chair concedes that there is much difficulty in the solution of this question, on the whole the Chair is of the opinion that there is sufficient authority for the appropriation, and overrules the point of order.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the paragraph. Mr. Chairman, I do not propose to take up the time of the committee in discussing this matter on its merits. There is not a Member of this House who has not been telling the people back home that he was going to abolish these war boards at the first opportunity. Practically all of them so far as I know have been abolished, but here is one for which Congress has for five years, this makes the fifth year, been making appropriations and each time the appropriation is "to complete the work of the wool section." I want to make this prediction, that when we come back here at the next session and this bill comes up you will see this same provision in the agricultural bill carrying ten or fifteen thousand dollars, "to complete the work of the wool section." We have appropriated for this one activity since 1920 $105,500 out of the General Treasury. Now we propose in this appropriation bill to add $11,290, making a total of nearly $117,000 out of the taxpayers' pockets. Now what is the contention? It is said they have collected seven hundred and some odd thousand dollars from the wool dealers over the country. They have distributed about half of that amount. The balance is not in the Treasury as other miscellaneous receipts, for the Agricultural Department has never construed that it belonged to the Government or to the people of the United States, but it has been deposited in the Treasury to the credit of a special fund of the Agricultural Department so as to prevent the Congress from having anything to say as to what shall be done with this money or provide for its distribution. Now if the committee had brought in a proposition which made these expenses payable out of the special fund and did not tax the taxpayers to handle the money to be refunded, a few cents to this grower and a few cents to that, costing more to distribute it than it is worth to the grower, possibly no question would have been raised, but here we are keeping persons in the employment of the Agricultural Department for a war purpose, six years after the war, and at the expense of the Treasury. These hearings show, according to Mr. Sherman, the solicitor of the department, that the bureau was told "to mark time" pending these court decisions. It has been suggested that they "mark time," and yet while they are marking time we are appropriating money out of the taxpayers' pockets to pay the salaries in the Agricultural Department for an absolutely hang-over war proposition and war board. That is the reason I made the point of order. If it is striken out it will not affect any lawsuit. There is no one here who does not know that $11,290 is but a drop in the bucket when it comes to paying the expenses of lawyers and the expenses of lawsuits in these various courts which have been referred to and in the Supreme Court. You have already made an appropriation to take care of these. You made it when you passed the appropriation for the Department of Justice, and this $11,290 is simply to keep on the pay roll certain employees in the Agricultural Department who have come over from the war, and if you believe in economy it seems to me that we ought to strike out and abolish these war boards and get back to a peace-time basis as we have been promising the people ever since the war ended we would do.

Here is a proposition, they say, to complete the work, but they have been saying that for five years. Now, what are the facts in reference to this distribution? Oh, they say we are collecting this money to be returned to the woolgrowers. Here is the situation, gentlemen, the woolgrowers got their price for their wool—and they are not complaining. The wool dealers are not asking for this. But the Government undertakes to say by this provision to the wool dealer, if your gross profit was more than 1½ cents a pound on the wool we are going to the expense of putting the machinery of the Government in motion and get it back from you and then we are going to distribute it among the woolgrowers. Gentlemen, how much will they get? Let me read to you:

Mr. ANDERSON. What is the average amount of these checks that you have returned?

Remember, this is the money that is being distributed. The answer was this:

Mr. SHERMAN. We have figured that up to a year ago, and the average is a little over $3, although some checks are over $100. That average of $3 is because a great many of them come in for a few cents. But the average amount is a little over $3 per man.

Yet we are continuing a bureau down here and appropriating money in order to pay woolgrowers a few cents, or, as suggested by the gentleman from Texas [Mr. HUDSPETH] the other day, even if it is $3, it is only equivalent to 3 pounds of wool at the expense of over $100,000. I say this is not in the interest of the woolgrower, but it is in the interest, as I view it, of a few officeholders down here who want to remain on the pay roll of this Government. If a force is needed, the Department of Agriculture has now a force in the Bureau of Markets that can be employed on this work.

Mr. MAGEE of New York. Mr. Chairman, I rise in opposition to the amendment. This is a very important matter in my opinion. I think the Members of the House are entitled to know exactly what the situation is. It is not a question at all of keeping these employees in the bureau, as has been suggested by the gentleman from Tennessee [Mr. BYRNS]. The Government is endeavoring to carry out the provisions of the law. Of the total excess profits found in the matter of this wool business, $1,481,508, collections of $728,356 have been made; and of the amount collected, $594,623 have been distributed to the growers and $138,935 remain in the Treasury, which, it is known, will not be distributed as the growers can not be located. In other words, it is only a question of time when the moneys that can not be distributed will go into the miscellaneous receipts of the Treasury. Instead of the attempt to execute the law being an expense to the Government, it will be an asset to the Government and bring money into the Treasury.

Collections began in 1919. There was appropriated in that year $10,000; expended, $9,160. In 1920 there was appropriated $35,000; expended, $35,435. In 1921 there was appropriated $23,000; expended, $22,005. In 1922 there was appropriated $17,500; expended, $14,650. In 1923 there was appropriated $15,000; expended, $12,445. In 1924 there was appropriated $12,000; expended, estimated, $11,000. We have expended up to date $103,845. Known April 23, 1924, to be undistributable to the growers $170,755.85. In other words, we are about $67,000 ahead of the game.

As far as getting rid of any employees is concerned, there are only three employees paid from this appropriation.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield for a question?

Mr. MAGEE of New York. Yes.

Mr. BYRNS of Tennessee. What advantage is it to the Government to collect this money and pay it all out in salaries? We have paid now $118,000.

Mr. MAGEE of New York. I will come to that.

Now, at the same rate, if the balance should be collected, the amount undistributable from excess profits that will be collected is estimated at $191,000. In other words, if we can collect these moneys, instead of there being an expense to the Government there will be approximately $200,000 to go into the Treasury of the United States.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. TILSON. Aside from the purely money side of it, apart from the Treasury, is there not always a question of fair play? We promised if there was more than a certain profit we would collect it and return it to the grower.

Mr. MAGEE of New York. Certainly.

Mr. McLAUGHLIN of Michigan. Is not this also involved? It is evident that the Government has been unable to find and locate a very large number of the growers to whom these payments should be made, and I gather from what the gentleman who now has the floor says that in all probability a large part of the money that has to be collected can not be distributed because those who are entitled to it can not be found.

Mr. MAGEE of New York. Yes. But let me first make my statement, and then after I have made it I shall be glad to answer any questions.

The total refunds to the woolgrowers up to March 31, 1924, amounted to $425,064.45.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MAGEE of New York. Mr. Chairman, I ask for five minutes additional.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. MAGEE of New York. From January 1 to April 22, 1924, the bureau gave to the growers checks representing $22,934. Of 478 checks mailed on April 22, there were 12 of more than $100 each. The whole proposition here in a nutshell is this, that when the Government started to execute the law the little profiteers, those who had profited in small amounts, rather than go into court, compromised with the Government and paid their money, and it is the total payments of the small wool profiteers that make this large aggregate that has been collected under this law. What about the big wool profiteers, against whom claims are pending in the courts, brought by the Government of the United States, for some $700,000? The small profiteer has paid. The big profiteer is fighting the Government. Do you want to stop these suits?

Mr. BYRNS of Tennessee. No. On the contrary——

Mr. MAGEE of New York. Certainly not.

Mr. BYRNS of Tennessee. The gentleman does not contend that an $11,000 appropriation is necessary to carry on those suits? Surely the gentleman will not make that contention.

Mr. MAGEE of New York. The Department of Justice carries on these suits.

Mr. BYRNS of Tennessee. Of course.

Mr. MAGEE of New York. This $11,000 is provided for an administrative official, an auditor, one supervisor of distribution, and other administrative expenses. The Department of Justice could not prosecute these cases unless it had some one who could furnish the facts to the department upon which it could base prosecutions.

Mr. BYRNS of Tennessee. The gentleman knows that these suits and cases have been prepared, have already been presented to the District courts, and are now marking time while they wait on the Supreme Court. That being true, what are the people the gentleman refers to as being on the pay roll doing now?

Mr. MAGEE of New York. What I will say to the gentleman in answer to that is this: If you are going to stop these suits of the Government against the big wool profiteers, then I submit that in fairness you ought to take all this money and return it to the small wool profiteers who have paid without fighting the Government of the United States. I will now yield to the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Michigan. My understanding is that these claims altogether were about $1,200,000?

Mr. MAGEE of New York. One million four hundred and eighty-five thousand dollars.

Mr. McLAUGHLIN of Michigan. A little more than I have stated, and my understanding is that $700,000 has been collected. Now, what I rose to say was that evidently a large amount of money has been collected which can not be paid out and can not be returned. That being true, is it advisable for the Government to go on and collect money when it has nothing to do with it except to put it in its own pocket, where is does not belong?

Mr. BYRNS of Tennessee. Twenty-five per cent of it, according to the hearings, will never be distributed.

Mr. MAGEE of New York. As I have stated, 478 checks were mailed to wool producers on April 22, of which 12 were for more than $100. The moneys which can not be distributed will eventually go into the miscellaneous receipts of the Treasury Department.

Mr. McLAUGHLIN of Michigan. I agree with the gentleman entirely that this was an important matter and should have been taken up, and the taking up of it was very proper; but if there is a large number of dealers who have so flagrantly violated the law and invaded the rights of the woolgrowers it is hard for me to believe that suits have not already been begun.

Mr. MAGEE of New York. They have been begun.

Mr. McLAUGHLIN of Michigan. And no doubt are ready to be presented to the court, so that when the gentleman speaks of employees being required in the Department of Agriculture to prepare those suits it does not sound quite reasonable to me.

Mr. MAGEE of New York. Of this amount there are $600,000 in the hands of 10 dealers, and the Government is trying to collect that money.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word, and is recognized for five minutes.

Mr. BLANTON. Gentlemen, I want to present this matter to you from the common-sense standpoint. There is not a single woolgrower in the United States who is asking you to continue this board. This board is for the benefit of the woolgrowers, yet not one of them has asked you to continue the board. Who is it then that is asking you? Employees down here who want their jobs continued.

Now, my colleague, Mr. HUDSPETH, represents as big a wool district as there is in the United States and he is one of the big woolgrowers in Texas, if you just knew it and had never been on his ranch. He told you Tuesday that this was monkey business.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSPETH. I will state to my colleague that it does not affect the woolgrowers in my State, but I understand, since I have gone into the matter, that it does affect some woolgrowers throughout the country where the agents of the Government charged them an exorbitant amount. I think it probably affects a number in Virginia. But the gentleman's district and my district are not affected as we came under a different classification, where they made a false valuation upon shrinkage, and we tried it down here three years ago.

Mr. BLANTON. Yes, and lost it. Next to my colleague I represent the largest woolgrowing district in my State, and this does not benefit a single woolgrower in my district, not one. This war board should have been stopped three years ago and we should end it right now. The idea of continuing it for the purpose of hunting up these fellows, because that is what they are doing, hunting up fellows and sending them little checks of a few cents, checks which averaged during the last year $3 apiece.

Now, I said I would present this from the common-sense standpoint. Do you not think we ought to stop these salaries and get back to normalcy. This war board was started in 1919, five years ago, if you please, and this is 1924. This was a war board and let us stop it. The war is over; let us get back to normalcy; let us forget that awful period which affected the entire civilization of the world. Let us cut these surplus fellows off of the pay roll, and if these claimants do

not claim the money, all right, we will credit it to the Government, make finished business out of it, and not pay all of this fund in salaries.

My colleague from Tennessee [Mr. BYRNS] told me that the expenses alone had amounted to $103,000.

Mr. BYRNS of Tennessee. One hundred and five thousand dollars.

Mr. BLANTON. One hundred and five thousand dollars has been spent in overhead on this one little war board, which affects just a few people, who get little $3 checks on an average.

I can not agree with my friend, the chairman of this subcommittee, who insists that we should keep these people on the pay roll. He ought to be for economy as well as the rest of us.

It is true this is a small matter, but there are lots of just such small matters, and when you put them in the aggregate they make great matters. It is the combined little things which make the big things; it is the little expenses that make the big expenses, until the expenses of this Government now aggregate this year $3,500,000,000.

Here is a chance to stop one little war board, if you please, and I hope that the men in this House who stand for economy, on both sides of this aisle, will support the amendment of the gentleman from Tennessee [Mr. BYRNS], because it ought to be adopted.

Mr. LITTLE. Mr. Chairman, I move to strike out the last line. I rise to ask a question of the chairman of the subcommittee. Do I understand that the small debtors that owe this money have practically all paid up?

Mr. MAGEE of New York. That is my understanding.

Mr. LITTLE. Do I understand that if we stop now that there are claims of $700,000 against the rich men who have not paid?

Mr. MAGEE of New York. I understand the big wool profiteers will go free.

Mr. LITTLE. Does not the gentleman think we ought to get them?

Mr. MAGEE of New York. I think so and that is the reason I am against this proposition.

Mr. BYRNS of Tennessee. That is not my understanding. I will say to the gentleman, and I know that many of them are very poor wool dealers down in Tennessee.

Mr. MAGEE of New York. There is no department in the Government, except the Department of Agriculture, that has authority to act in the premises, and as to these three employees they are talking about down there, they are the ones who prepare the cases and the Department of Justice relies upon them in the prosecution of these cases, and the only question here is whether the small profiteer having paid, you are going to let these 10 big wool profiteers get away with approximately $700,000.

Mr. BECK. Will the gentleman yield?

Mr. MAGEE of New York. Yes.

Mr. BECK. Do I understand this money that is to be collected is being taken from the dealer who profiteered and is to be returned to the grower where it belongs?

Mr. MAGEE of New York. To the woolgrowers, if they can be found, and when they say that only about $3 can be returned to any woolgrower, as I have stated, this year on April 22, 12 checks went out for more than $100 each. I am not going to stand here for any subterfuge. You can vote this up or vote it down. They talk in this House about getting money out of war profiteers for this purpose and the other purpose. You have a chance here to vote to get some money out of war profiteers, and big ones, but if you want to let them get away, just vote with the gentleman from Tennessee. [Applause.]

Mr. BYRNS of Tennessee. Will the gentleman yield for a question? The gentleman speaks of $100 checks. Is it not a fact that the hearings show that the average is $3 and that a great many are only for a few cents?

Mr. MAGEE of New York. It is probably true that a good many got a small amount, but others get a material amount. The question here is whether you are with the profiteer or against him. That is the only proposition involved here.

Mr. BUCHANAN. Mr. Chairman, I simply want to say a few words and will not detain the committee. I want to speak on the proposition made by the gentleman from Tennessee that this money is not needed to prosecute the cases now outstanding, and further, to sustain the statement of the gentleman from New York [Mr. MAGEE] that the outstanding cases comprise the big profiteers. Along those two lines I will submit to you some facts, but before doing that, let me state to you gentlemen that this does not affect my district at all. I have absolutely no interest in it further than what is right and proper.

The status of the service now is this. There are 69 cases now unsettled. Twenty-eight of these cases are in the Department of Justice for suit. What is the practice in that department? The district attorneys do not attend to these cases. They are turned over by the district attorneys to the solicitor in this department—the hearings substantiate that—because the district attorneys do not understand this class of cases. They have never had any experience with them and have no background to sustain them. The hearings demonstrate beyond question that they are turned over to the solicitor of this department.

Mr. BYRNS of Tennessee. He is not paid out of this appropriation.

Mr. BUCHANAN. The solicitor in the Department of Agriculture is paid out of this appropriation.

Mr. BYRNS of Tennessee. I beg the gentleman's pardon.

Mr. BUCHANAN. That is what they stated.

Mr. BYRNS of Tennessee. I beg the gentleman's pardon. He can not point that out in the hearings.

Mr. BUCHANAN. I am not talking about the solicitor of the Department of Justice.

Mr. BYRNS of Tennessee. The solicitor of the Department of Agriculture is not paid out of this appropriation.

Mr. BUCHANAN. Twenty-eight of these cases are in the department, fourteen of them in the hands of the solicitor of this department awaiting preparation. Fourteen of them are still in the hands of the department pending adjustment, and the hearings of the department show there is one case of $138,000 that they are perfectly willing to pay as soon as they can arrive at an equitable adjustment. Ten men owe claims aggregating $660,000, or 87½ per cent of all outstanding claims. The little war profiteers having paid back their overcollection, the big war profiteers should be compelled to do likewise.

Mr. BLANTON. Will the gentleman yield?

Mr. BUCHANAN. Certainly; I will yield, if it is a question and not a speech.

Mr. BLANTON. I was simply going to ask my colleague if there was any way of breaking up this committee hloc that is in charge of the bill whereby they will not let their bill be amended or changed in any way.

Mr. BUCHANAN. If you will follow the Committee on Appropriations in its program of economy and not strive to put the Government in the manufacturing business we will have a more economical government. [Applause.]

Gentlemen, this is all I have to say. The business having been started and being nearly completed, with only a few cases remaining, we should complete the work and wind it up in the department.

Mr. BYRNS of Tennessee. Will the gentleman yield for a brief question?

Mr. BUCHANAN. Yes.

Mr. BYRNS of Tennessee. Why did not your committee bring in a proposition to make this service pay for itself and not take the money out of the Treasury?

Mr. BUCHANAN. It will more than pay for itself.

Mr. BYRNS of Tennessee. Why did you not propose that in this bill?

Mr. BUCHANAN. The amount due the woolgrowers whom we can not locate will more than pay the expenses.

The CHAIRMAN. The question is on the motion of the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 27, noes 79.

So the motion was rejected.

The Clerk read as follows:

GENERAL EXPENSES, BUREAU OF HOME ECONOMICS

To enable the Secretary of Agriculture to investigate the relative utility and economy of agricultural products for food, clothing, and other uses in the home, with special suggestions of plans and methods for the more effective utilization of such products for these purposes, and to disseminate useful information on this subject, including the employment of labor in the city of Washington and elsewhere, supplies, and all other necessary expenses, $79,780.

Mr. STEVENSON. Mr. Chairman, I move to strike out the last word. I take it that this Bureau of Home Economics is to determine what may be economical for the people on the farm. I have in my hand this morning a report of the Committee on the Judiciary reporting a proposed constitutional amendment which proposes to give Congress the right to prohibit the labor of persons under 18 years of age. It does not limit the place of labor. In other words, they propose to give the right to Congress to prohibit the labor of children under 18 years of age even to work on the farms. In the report, to carry out

that view, I find that they put my State, South Carolina, down as working 24 per cent of the children between 10 and 15 years of age, 24 per cent of all of them, to give the impression that these children are being worked in the factories and the mines, which it is desired to prohibit.

I took occasion to run down to the Census Bureau this morning to find out what that stood for. Of the 63,520 children at work in South Carolina 56,887 work on the farms and 6,663 work in that class of occupation which it is generally desired to exclude them from, and none of these are under 14 years old.

Now, I want to set the record straight as to South Carolina. In that State children in the factory are prohibited from working under 14 years of age, and it is very generally and effectively enforced. They can not work at night in factories under 16 years of age. The children are not prohibited from working on the farms, and it is a cold day for children whenever that thing is enacted. The plain proposition here is that Congress shall be given the right to enact a law which will prohibit them from working anywhere, and the very fact that they put the children into this report who work on the farm and are holding it up as a horrible example is evidence of the fact that they intend to go out on the plantations and stop children from working when not in school.

South Carolina has a compulsory education law, and children of school age have to make a certain amount of time in school, and when not in school they are a long shot better off working on the farm than they are loafing around over the country, getting into all sorts of trouble and raising all sorts of Cain. [Applause.]

As far as I am concerned, I am opposed to any further restriction of State rights and police regulations. I am fed up with constitutional amendments. This goes a bow shot beyond anything I have ever seen, when they want to prevent children from working on the farm when they are not in school.

Mr. BLANTON. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. BLANTON. If we do give Congress the general power, how do we know that they will not pass a law to prevent children from working on the farms?

Mr. STEVENSON. The very fact that they put it in here charging my State with working 24 per cent of the children—giving the impression that they are working in the mines and factories—when 90 per cent are working on the farm—the very fact that they are holding that up means that they are going to do it the very first time they get a chance.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask unanimous consent that the time of the gentleman from South Carolina be extended five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. GARRETT of Tennessee. If this amendment shall be adopted, within five years gentlemen in the House and in the Senate will be struggling against legislation that limits labor on the farm of children under 18 years of age.

Mr. STEVENSON. Yes; and I want to call attention to the fact that they put in 18 years of age. Why, I had helped make 11 crops when I was 18 years old, and it has been a godsend to me ever since. It gave me a constitution and enough of energy and enough brawn to stand up to the work of practicing law, which I have been doing for a good many years.

Mr. BLANTON. Did work on the farm ever hurt anybody?

Mr. STEVENSON. I would not say that it never hurt anybody, but legitimately carried on labor on the farm is not a detriment, it is one of the greatest things for any boy or girl that they can have. It is the greatest thing in the world to have an agricultural training, and work on the farm brings his muscles into play and teaches him the view of those things that people ought to have and puts into him a constitution and a training that will be of value to him in a business life afterwards.

But think of limiting it to 18 years of age! Why, a boy 18 years old if he is not allowed to work up to that time—if you prohibit him from working before that time, when will he learn to work? He will be a pool-room loafer the balance of his days. No boy ought to be allowed to go until he is 18 years of age without being allowed to work. Of the 31,600,000 people on the farms in America, there are 8,000,000 under 10 years of age and 6,400,000 between 10 and 18 years of age, leaving 17,200,000 over 18 years of age. Half of these are females, and we have males on the farms only 8,600,000, of whom 2,000,000 are too old to work, and you have 6,600,000 men to labor on the farms if boys under 18 years of age are cut out. Now, what will happen if farm labor is cut down in this way? The cry now is that we have not enough labor for the farms.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. [Applause.]

Mr. HASTINGS. Mr. Chairman, the agricultural appropriation bill under consideration is recognized as one of the most important that comes up for consideration in the House. I always look upon this bill as an investment. It is for productive purposes. It yields returns. The appropriations are largely for educational purposes and for the benefit of the farmers of the country. I am always glad to give it my earnest support. The present bill not only provides for the agricultural interests of the country but it carries an appropriation for Federal aid for roads. The total amount recommended in this bill for the fiscal year 1925 is $56,758,513. Of this amount $39,058,513 is recommended for the Agriculture Department and $17,700,000 for roads. It is estimated that there will be an unexpended balance on June 30, 1924, of $72,437,160.42 available for use in Federal aid of roads, but part of the amount carried in this bill for roads is to be used in the construction of forest roads and trails, leaving $13,000,000 to be added to the above amount, making a total of approximately $85,437,160.42 available for expenditure in aid of the construction of the Federal highway system for the fiscal year 1925. In making the apportionment of road funds among the several States nontaxable public lands are taken in consideration, and upon the same principle nontaxable Indian lands should be included. I have suggested such an amendment to a bill pending before the Committee on Roads. It should receive favorable consideration and be adopted. I shall not attempt here an analysis of the various items of the bill, except to say that the amounts herein appropriated are intended to and do cover every activity of the Agriculture Department, including the payment of the expenses of the department here in Washington and in the field.

Farming is the greatest basic industry in the United States. There are approximately 6,500,000 farmers in our country, and including men, women, and children more than 40,000,000 people live upon the farm. However, everyone is more or less directly dependent upon the farmer.

I have frequently taken occasion to say throughout my district that the happiness and prosperity of everyone in my State are more or less directly dependent upon the prosperity of the farmers, and I have always taken occasion to emphasize that their interests are mutual. Everyone knows, of course, that when the farmer raises good crops and receives remunerative prices the returns go into the channels of trade and add to the prosperity of the merchant, the banker, the professional man, and the laboring man. Hence, when we legislate for his benefit we legislate for the benefit of all classes and occupations.

The distress of the farmers in my State and throughout the country can not be overestimated. We have heard much of it on the floor. We discussed it a few days ago in considering the appropriation of $1,000,000 in aid of the farmers of New Mexico. I joined with my colleagues in an effort to get similar relief for certain parts of my own State. We received a favorable report from the Committee on Agriculture, but we have been unable to get favorable action or even consideration in the House.

Congress passed an appropriation of $10,000,000 for relief in Germany, which I voted against, but refused to make a loan of $1,000,000 to the farmers of my State.

No man who has lived on a farm during the past three years has been able to pay expenses. Of course, I am speaking generally. I know the farmers of my district intimately. I know their condition. I was born and reared upon a farm and own much farm land myself. No one can possibly sympathize with them more or want to render them every legislative assistance possible. I know I speak the truth when I remind you that there is not a single farmer, unless it be under some exceptional circumstances, who during the past three years has made interest, taxes, and expenses of upkeep of his farm implements and improvements. But he is entitled to more than this. He is entitled to a living wage. He must support his family and educate his children, and therefore is entitled to a price for his products which will pay him interest, taxes,

and expenses, and in addition yield returns sufficient to maintain his family.

In some sections during the past year the drought greatly reduced the yield of corn. In other sections the wheat yield was a disappointment, and throughout the South the boll weevil exacted a toll of from one-half to three-fourths of the cotton crop.

The farmer suffers from more uncertainties, and therefore takes more risks, than any other laboring man; those following industrial pursuits in the East are comfortably housed and can work every day in the year. The farmer is prevented by rain, snow, and other inclement weather; the manufacturer in the East can turn out his products with certainty, but the farmer is frequently prevented from planting his crop by bad weather conditions in the spring; it is frequently destroyed by drought during the summer or by various pests later in the season, so that the returns from his labor are therefore necessarily uncertain. Those engaged in industrial enterprises, by reason of organizing among themselves, can reduce or expand their output, whereas the unorganized farmers are unable to do this, because there are so many of them, because of the uncertainty of the season, and because of the boll weevil or other insects.

Everyone knows that the price the farmer has been getting for his products during the past three years has been below the cost of production. In his desperation he is looking for relief. He appeals to the State legislature, and he appeals to Congress, and it is our duty to do everything possible within the limits of the Constitution to come to his relief in this great crisis. Surely the toiling masses on the farm, who work from sun to sun and live by the sweat of their faces and who produce the foodstuffs upon which the Nation feeds, are entitled to the earnest consideration of Congress. Are we either unwilling or incompetent to extend them relief?

There are many suggestions for legislation to assist the agricultural interests of the country that would be helpful to the farmers if enacted.

Many bills are pending before the Committee on Agriculture, and I sincerely trust that some practical, comprehensive measure for farm relief will be reported out at an early date for the consideration of Congress.

In the first place, transportation charges are excessive. They should be reduced. I predicted when the Esch-Cummins bill was passed in 1920 that if the bill were enacted it would destroy in a large measure the power of the corporation commissions of the various States and that it would be an invitation to raise freight rates. Both have come true. The State corporation commissions have little or no power. This is now vested in the Interstate Commerce Commission, 1,500 miles from my own State of Oklahoma, too far away for the voice of the average citizen to be heard, and too expensive for him to press any claim for relief.

As a concrete illustration of the danger of centralizing power in the Interstate Commerce Commission, let me invite attention to the application of the Okmulgee Northern Railway to extend its line into Okmulgee, a city of approximately 25,000 people, served now by only one railroad. This application, after an extended hearing, was recommended by the Oklahoma State Corporation Commission, but the attorney examiner for the Interstate Commerce Commission has filed a report ignoring the recommendation of the State corporation commission, and in the face of the unanimous request of the people of the city of Okmulgee recommending that the application be disallowed. Surely the people of this country will not submit to the vesting of such arbitrary power in a commission in which they do not have confidence that the public will receive sympathetic consideration.

Immediately after the Esch-Cummins bill was passed freight rates were increased. Every farmer knows that when he sells his farm products in the local market that the price is governed by the price at the central market, less the transportation charges. In the end the farmer pays these charges, or, rather, loses the amount of the transportation charges in the reduced price which he receives for his farm products.

Second, the farmer needs financial assistance for the purpose of purchasing land for a home, the payment of mortgages, and the financing of his farm needs, and he also needs financial assistance in the marketing of his crops.

The farm loan act of 1916 permitted them, through local associations, to borrow money to the amount of 50 per cent of the appraised value of their farm land and of 20 per cent of the appraised value of their permanent insured improvements on long-time loans, payable on the amortization plan. This is a splendid piece of constructive legislation. I was on the committee that prepared this law. I tried then to get an amendment added which would provide for the appointment of agents in the various counties throughout the agricultural sections, who would represent direct the farm-land banks and take the place of the secretary-treasurer of the loan associations. I offered this amendment on the floor of the House and it was accepted by those present, but defeated on a teller vote, which brought in the absentees, who did not hear the argument in support of the amendment. I have prepared an amendment to section 15 which is now pending before the Committee on Banking and Currency. If this amendment is enacted these agents, for a minimum fixed compensation, would represent the farm-land banks, instruct all applicants for loans as to the operation of the law, instruct them how to get up their papers, abstracts, and, in fact, advise them as to everything preliminary to the securing of a loan. If this amendment is enacted thousands of farmers will take advantage of this law. The rate now is 5½ per cent, payable semiannually, and 1 per cent additional to be applied upon the reduction of the principal. This will enable every industrious, thrifty farmer to purchase a home, which is the goal of every man who lives on a farm.

At present in many counties local associations are not formed. The rural credits bill in those counties is not operative, and in those counties where local associations have been formed the farmers who organized the associations have lost interest in them after they have procured their own loans, and the result is that the organization, as to those who are not members, ceases to function. With the amendment I have introduced providing for an agent, as above stated, enacted into law, it means that every thrifty, industrious citizen who wants to own a farm will be enabled to buy a small home, and by paying the interest of not more than 6½ per cent, which may be reduced, which will pay the principal and interest, will enable him to own his own home.

The next thing the farmer needs is assistance, both educational and financial, in the marketing of his farm products. He is entitled, so far as possible, to have the middleman eliminated. He should get the maximum amount for his farm products. He is entitled to receive not only the cost of production but needs a fair return for his labor, for the hazards of making a crop, for the maintenance of his family, the interest on his investment, the upkeep of his farm improvements, and the depreciation of his livestock and farm machinery.

I have already invited attention to the fact that the farmers have suffered a loss for the past three years. In fact they are all bankrupts, whether they know it or not.

I voted for the warehouse amendment, enacted in 1916, which had for its purpose the establishment of warehouses at convenient points throughout the agricultural sections of the country, where the nonperishable farm products might be stored, and receipts given for them, which could be accepted as collateral at Federal reserve banks, and which would enable the farmer to secure loans thereon and obtain sufficient money to meet the demands of his creditors and not compel him to dump his farm products upon a depressed market.

This is a very important provision. I favor additional appropriations for the Bureau of Markets in the Agricultural Department which will enable it to study conditions both at home and abroad, and in an educational way advise the farmers direct and through local associations, where there is the greatest demand for their particular products, and which will enable the farmers to ship direct and to secure the highest prices possible.

I also favor the encouragement of the local associations throughout the country. Properly managed, they are destined to play an important part in assisting the unorganized farmers. The eastern manufacturers know market conditions throughout the country. They know and can regulate the output of their various industries, and they know where to ship their products and sell to the best advantage. Large aggregations of capital are invested in these industries. They are easily organized because comparatively there are but few of them. On the other hand, it is difficult to organize the farmers throughout the country, for several reasons:

First. Many of them are scattered through sparsely settled sections of the country.

Second. The farmer is not informed as to the advantages of organization.

Third. Most of the farmers require financial assistance throughout the year, and they are compelled to meet their expenses in the fall, and unless they secure financial assistance with which to pay these obligations they are compelled to sell their products at whatever price is offered them. Everybody who understands farming conditions knows this is the plight of the farmer. This is what we should bend our energies and our best brains to remedy. As above stated, this is remedied, in part, by the warehouse amendment, but

the farmer can be further assisted by the Bureau of Markets. The farmers can be greatly helped by their own organizations. These organizations should be given financial assistance by the Government direct, and surely during these periods of depression.

The tariff remedy is urged by some, including the President. In 1921 Congress passed an emergency tariff bill for the purpose of deceiving the farmer. They hoped that by some means the price of farm products would advance and that they could jump behind this bill as a smoke screen and claim it was due to that; but this tariff is of no advantage whatever to the farmers. Of course, it is the cheapest hypocrisy. It is pure political bunk. The tariff on wheat was raised a few days ago, and just before the presidential primaries in the Dakotas. Earnest solicitude by the President has been expressed on numerous occasions through messages, interviews, and public addresses for "the wheat farmers of the Northwest," but the words "cotton" or the "distress of the cotton farmers of the South" have never been referred to. To illustrate: Every farmer knows that we produce more wheat and cotton, and many other farm products, than we consume. In other words, as to these products, we are an exporting Nation. We export on an average of 150,000,000 bushels of wheat annually. A tariff can not possibly help the wheat farmer in Oklahoma. Every farmer knows that the price of wheat is governed by the price at Liverpool. Transportation charges, and the temporary shortage in certain localities, may help along the wheat farmer at times immediately south of the Canadian line. Everyone knows that sometimes there occurs a local shortage in vegetables or other farm products, and the price on these goes up temporarily.

The country south of the Canadian line may have a demand for wheat and there may be a temporary shortage, but everyone with a brain to think must know that a tariff on wheat can not be of any permanent advantage to the people throughout the country. The same is true of cotton. We raise from 10,000,000 to 15,000,000 bales annually. We consume a little more than one-half of that and export the remainder. We import no cotton. A tariff wall 10 miles high would not help the cotton farmer. He knows that the price of cotton on the New York and New Orleans markets is governed by the price on the Liverpool market. As a concrete illustration, take my own county of Cherokee. The market for the wheat farmer there and in the adjoining county of Wagoner is Kansas City. A tariff wall between Cherokee and Wagoner Counties would not benefit the wheat growers of either county, because they are governed by the price at the central market. That is true of the people generally throughout the United States as to the products they raise in excess of those consumed. In other words, the excess they produce is exported.

Every farmer knows that during the active selling season the daily cotton market quotations refer to either stronger or weaker cables from Liverpool and that our local market fluctuates accordingly. This can and should be verified by reading the daily papers this fall.

The disadvantage to the farmers of a tariff is that it enables the manufacturers in the East to raise the price of their manufactured products, things that the families of the farmers wear—hats, shoes, clothing, and on all farming implements—so that the farmers have to pay from 50 per cent to 100 per cent more for everything they buy, and they do not get anything more for what they sell.

To put it another way, suppose the average price of his wheat is 90 cents per bushel, and he pays 50 per cent more for the clothing which members of his family wear and for the farming implements he buys, surely the farmer can see that his 90-cents-per-bushel wheat buys only two-thirds as much as it would otherwise buy if it were not for the tariff wall built up against him in the interest of the manufacturers in the East. However, they secured this legislative favoritism at the hands of Congress and when the election comes on in the fall they will contribute vast campaign funds to divert the attention of the people from their real interests, and get them excited upon some side issue. The people should be warned to study the records of their public servants and their ability to serve them and as to their sympathies with the interests of the people, and should not be led away from their own interests on questions of prejudice or nonessentials.

Too frequently, on the eve of an election, hired speakers and misleading advertisements, paid for from the money contributed to the big campaign funds by adverse interests, are used to distract the attention of the people and cause them to vote against their own best interests. The people of the country should calmly study all questions affecting them, arrive at a mature judgment, and reflect that judgment at the polls.

Because of the fact that we export farm products we are governed by foreign markets, and the farmers are vitally interested in stabilizing conditions in Europe without politically interfering with those countries. If, after the war, we had exercised a moral influence, as we could have, over the countries engaged in the war, we could have greatly aided in the stabilization of those countries, brought about peace among them more quickly, reduced the cost of the standing armies, and thereby have permitted the money used to defray their expenses to be invested in the rehabilitation of those countries, rebuilding their industries, and their markets would have continued open to the people of this country and this would have prevented the precipitate decline of the price of farm products and insured fair returns for years to come and saved many farmers from bankruptcy.

This is essential. Every farmer should raise his own food and feed for his livestock. He must, however, take into consideration his location, the character of the soil, and his financial ability to purchase stock, cattle, and hogs to feed the products which he raises. The Northwest is adapted to wheat and corn and the farmer there must grow wheat and raise corn as major crops. The tenant farmer in the South, who does not own much stock, is compelled to raise much cotton. He should, however, diversify his crops as much as the circumstances will permit. Every farmer should have a garden and raise poultry.

The Army bill for the coming fiscal year carries an appropriation of $326,224,993.13, and the Navy bill for the coming fiscal year carries an appropriation of $271,942,867, or a total appropriation of $598,167,860.13, whereas this bill carries an appropriation of only $39,058,513 for the entire agricultural interests of the country. I favored both amendments offered to the Army and Navy bills, respectively, to call disarmament conferences. I see from the public press that the Committee on Appropriations is to be asked for $110,000,000 additional to build auxiliary cruisers and other naval craft. If the disarmament conferences were called and the military establishments of the various countries further reduced, they would not only be reduced by our country but by the foreign powers, and the expense of their upkeep would be released and would be available for the rehabilitation of their respective countries. The leading powers in 1922 agreed to naval disarmament or the reduction of their capital ships. This should be extended to auxiliary cruisers, submarines, airplanes, and all other kinds of naval craft. This would permit tax reduction in our country and in foreign countries and enable us to spend much larger sums of money in the internal development of the country. The people should not be deceived. Large expenditures for destructive purposes are not consistent with tax reduction. The way to reduce taxes is to reduce appropriations. I prefer to use the surgeon's knife of economy at the root of these destructive appropriations.

The people of this country do not object to productive appropriations. They bring results. I favor, therefore, additional appropriations for all kinds of internal development of our splendid country. I favor additional appropriations for Federal aid to roads. Suppose we used the money appropriated for the Army and Navy one year in aid of the building of roads throughout the States matched with State aid, what a splendid system of roads we would have and how wonderful these arteries of commerce would be over which the people could travel and the farmers in turn bring their products to market.

I favor an extension of the Rural Mail Service. A few weeks ago I assisted in getting an item in the postal appropriation bill for this service increased $1,000,000, and a large part of it was made immediately available, and since that time a large number of rural routes have been established throughout the United States and many in my district, carrying mail, letters, magazines, and papers with current events and market quotations daily to thousands of farmers throughout the country.

Let me repeat in conclusion that there should be additional amounts appropriated for those things which we regard as investments, which will bring happiness and prosperity to the people of the country, and another conference called which will result in disarmament, both of the land and naval forces, and which will justify reduced appropriations for those purposes. When all countries cease to spend the greater part of the money obtained through burdensome taxes upon their people for agencies of war and turn their attention to peace and industrial pursuits, then will prosperity and contentment

come, not only to their own people but to the nations of the earth. [Applause.]

The Clerk read as follows:

COOPERATIVE FIRE PROTECTION OF FORESTED WATERSHEDS OF NAVIGABLE STREAMS

For cooperation with any State or group of States in the protection from fire of the forested watersheds of navigable streams under the provisions of section 2 of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," $400,380.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word. As I understand the purpose of the excellent bill that we passed yesterday, it is to bring about better cooperation between the States and the Federal Government along the very lines suggested in the paragraph that has just been read and the succeeding item. I think it might be of interest to call attention to the fact that the present week has been designated as forest-protection week in many communities and States, and it seems very fitting that such a bill as the reforestation bill should have been adopted by this House during that week.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Certainly.

Mr. GARRETT of Tennessee. Mr. Chairman, this is a very interesting subject, and I think there should be a quorum here. I make the point of order that there is no quorum present.

Mr. TREADWAY. Would my friend kindly permit me to consume my five minutes before he makes that point?

Mr. GARRETT of Tennessee. I think that Members would like to hear the gentleman and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Tennessee makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred Members present, a quorum.

Mr. TREADWAY. Mr. Chairman, very great interest has been shown in this question of reforestation during the last few years in many of the States. It not only applies to such an item as the one under discussion but to everything else having to do with the replanting of denuded forest lands. This interest is shown also in some communities, in a local sense, by the care of shade trees along highways and State roads, the trimming of shade trees, and the protection of the local water supplies, and in various other ways that tend both to economy of the forests as well as the beautification of the landscape. I have always had a particular interest in this subject, because of the region where I reside. I am very glad to say that in many communities people have taken up the spirit of reforestation locally. In Massachusetts a large number of cities and towns are improving the opportunity to secure forest materials through the cooperation of both the State and the forestry association composed of individuals within the States. I think the more that we can do in a Federal way to assist in this movement the better it will eventually be, if not in our day and generation, in the future, both in a business way, commercially, and artistically, and in an educational sense for the people as well. [Applause.]

A few days ago I placed in the RECORD the reforestation and State forest laws of Massachusetts, together with the method of taxation of forest lands, all of which show the advanced position our State has taken on this general subject. There are also State laws having to do with the planting of shade trees, setting of fires in the open air, portable sawmills, disposal of slash, and kindred subjects. We also have a very comprehensive system of forest wardens and watch towers on high locations, from which prompt reports can be sent of any fires on the mountain sides.

In addition to the advanced attitude of the State, a similar interest has been shown by cities and towns in Massachusetts, which have the active cooperation of State authorities.

The public spirit of the people is well shown in the press of the State. Within a very few days, prominent papers in my district, such as the Berkshire Evening Eagle, of Pittsfield, Mass., and the Holyoke Telegram, of Holyoke, Mass., have both had editorials on forestry. It is therefore a pleasure to see the subject being given its deserved prominence in Federal legislation.

Let me quote very briefly from both of the publications above referred to:

The educational value of these town forests perhaps is the most important feature about them. Every local taxpayer has a money interest in the town forests, and as demonstrations of what can be done in reforestation, they will lead to the practice of forestry by farmers and other woodland owners. If for no other reason, the towns are justified in creating these forests because every dollar spent in this way will be returned manyfold in taxes through the increase of taxable property due to improvement of timber-producing lands which, in most cases, are either lying idle or producing less than half what they are capable of producing under forestry management.

* * * * * * *

Massachusetts is leading in this movement, but many other States, and especially others in New England, are watching the progress we are making and several of them have started educational campaigns. Numerous towns in Massachusetts have appointed special committees at the town meetings this year to study the problem, and nearly 50 per cent of all the cities and towns already have taken some official action looking toward the ownership of forests. This movement for public forests is the most hopeful step that has yet been taken to solve the problem of timber shortage, which is beginning seriously to affect our industries. (The Berkshire Evening Eagle.)

Though the United States uses more forest products than any other country, it would be hard to find a country which, up to recently, has done so little to conserve and protect such an important resource.

It is encouraging to learn that Holyoke is going to do her bit toward repairing the damage as far as is now possible. City Forester Kennedy states that the board of public works is considering a site of at least 100 acres, which may be established as a city forest.

As an encouragement for every city and town in the State to take such a step, the Massachusetts Forestry Association offers as a premium to plant 5,000 trees free of charge.

With the costly lesson of the past neglect before them it is not likely that any town or city will fail to cooperate in this work of reforestation so as to insure for the future an adequate supply of forest products. There is much land throughout New England that it would not pay to use for any other purpose, and owners of such land should be encouraged to plant young trees thereon. (The Holyoke Telegram.)

I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

To enable the Secretary of Agriculture to conduct investigations and experiments in problems connected with the establishment of dairying and meat-production enterprises on the semiarid and irrigated lands of the western United States, including the purchase of livestock and the employment of necessary persons and means in the city of Washington and elsewhere, $38,230.

Mr. LOZIER. Mr. Chairman, by this item on page 63 in the Agricultural appropriation bill the sum of $38,230 is appropriated to enable the Secretary of Agriculture to conduct investigations and experiments in problems connected with the establishing of dairying and meat-production industries on the semiarid and irrigated lands of the western United States, including the purchase of livestock and the employment of necessary persons and means "in the city of Washington and elsewhere." In other words, this sum is appropriated to cover the expense of experiments in diversified farming in the semiarid and irrigated lands of the West, but I fear that under the language of the section more persons will be employed "in the city of Washington" than "elsewhere." If the purpose of this appropriation is to "try out" diversified farming in the semiarid and irrigated western regions, I see no reason why any of the persons making the experiment should spend much time or even be "in the city of Washington." Obviously, such part of this work as needs to be done "in the city of Washington" can be done by the present employees of the Department of Agriculture, without the employment of others and without any additional expense to the Government. The trouble with appropriations of this character is that very often too much of the appropriation is spent "in the city of Washington" and too little spent "elsewhere"; that is, in conducting actual experiments.

In these days we hear much about diversification of crops. It is a stereotyped remedy prescribed by hothouse politicians and would-be economic experts for the farmers whose lands are primarily adapted to the growing of wheat and not suitable for the growing of diversified crops.

In his annual message in December and in his special message of January 23 the President suggested diversification of crops as one of the two outstanding remedies for the present distress in wheat-growing regions, the other suggested remedy being a curtailment of production and a probable abandonment of our export markets. Persons, many of whom are not informed as to the facts, can glibly advise diversification of

crops. In his economic distress the farmer is the recipient of advice from many sources, but much of this advice is worthless. Too often the less men know about a subject the more free they are to give advice thereon, and many men who suggest "diversification of crops" as a panacea for agricultural ills do not know what they are talking about, and their advice is worth what it cost—nothing.

Last Saturday, in general debate on the agricultural appropriation bill, I discussed in detail the suggested remedy of "diversification of crops" and I believe I demonstrated conclusively that the so-called diversification of crops will afford the farmer no substantial relief, because it is a remedy that is not practicable and can not be utilized because of climatic and soil conditions. I showed that there were millions of acres of land which are now utilized for wheat growing that are not adapted or suitable for diversified farming, except to a very negligible extent, because of relentless climatic and soil conditions. Moreover, the western and northwestern wheat farmer has, to a very large extent, already diversified his crops in so far as diversification is practicable. On January 16, 1924, at a convention of the Equitable Cooperative Exchange, a farm organization with a membership of 17,500, held at Fargo, N. Dak., the resolutions adopted contained the following statement:

It is urged in some quarters, as a remedy to the agricultural depression, that farmers curtail production, withdraw from the foreign wheat markets, and engage in stock raising and dairying; in other words, diversify. This suggestion ignores the fact that most wheat growers are already diversifying as much as the nature of their soil, climatic conditions, the help at their disposal, and marketing facilities will permit. Our surplus packing products must also be liquidated in foreign markets, and present returns to the stock raiser leave him in no better position than the grain grower.

In other words, the farmers in the great wheat-growing regions are not sluggards or fools. They have as much intelligence, common sense, and good judgment as the average mid western or eastern farmer. They are familiar with local conditions and are not ignorant of the limitations imposed on their activities by relentless climatic and soil conditions. In a great majority of instances the western and northwestern wheat farmer has for years followed the plan of crop diversification so far as possible, considering the nature of the soil, weather conditions, marketing facilities, and other factors that obviously enter into the problem. The President and others who emphasize the importance of crop diversification are not suggesting any new remedy or telling the western farmer anything that he did not already know. Distance from markets and excessive freight rates make it impossible for the average northwestern farmer to profitably engage in dairying or the growing of truck or miscellaneous food products in commercial quantities.

In The Wheat Situation, a report made by Secretary Wallace to the President, released December 7, 1923, the Secretary of Agriculture, in discussing the question of diversification of crops, said:

Most crops which can be substituted for wheat are feed crops, and any market increase in their production must be accompanied by more livestock. * * * Many wheat farmers, in short, are restricted in their choice of alternative crops, and, furthermore, are not financially able to change materially their type of farming.

The Secretary further calls attention to the fact that conditions vary widely between farmers as between regions, and what may apply to one individual may not apply to another.

Wheat may have an important place in the rotation of some farms, and further reduction may not be practicable, and the economic use of labor and equipment may make it desirable to maintain a relatively large acreage of wheat.

Then, again, if it were possible for the average northwestern wheat farmer to diversify his farming operations by engaging more largely in the production of livestock it does not follow that he would better his financial condition, because the price of cattle, hogs, and other livestock is abnormally low—below the cost of production—and very little livestock under present conditions can be grown and marketed at a profit to the farmer.

May I, in this connection, call your attention to a statement contained in Secretary Wallace's annual report for 1923? In discussing the suggested remedy of "diversification of crops," the Secretary of Agriculture said:

It is well to remember also that our population is growing rapidly and that before many years there will be a home demand for even more farm products than we are now producing. If, during this period of agricultural distress, we permit production to be shrunk to present needs by driving farmers from the land and into the cities, we shall be under the necessity of reclaiming at large expense the productive land which is now being abandoned. And if we should experience one or two years of short crops while this process is going on, the consuming population will find itself compelled to pay prices for farm products which will impose upon it a burden comparable to that under which the farmer has been groaning.

On the assumption that it is the national purpose to keep ourselves on a self-sustaining basis, agriculturally, wisdom would seem to justify going to some trouble to help farmers bridge over a state of depression caused by an economic cataclysm. Precisely that thing has been done in the case of labor and of some industries. Those who urge that economic laws should now be permitted to have free play with agriculture do not give full consideration to what happened during the war and for two years afterwards.

I quote further from the same report:

It must be kept in mind, however, that in large areas of the West and Northwest, soil and climate are better adapted to the production of wheat than any other crop. Farmers in those sections are fixed for growing wheat, their farm equipment is adapted thereto. They can not all at once change to another crop, even if some other crop gave fair assurance of profit. On the whole, the precentage of change in acreage has been as rapid as could be expected.

In many sections of the country which heretofore have specialized on wheat substantial progress has been made in diversification. But diversification in any large way requires that more of the land be fenced, more buildings provided, more machinery of a different kind purchased. It also requires a better knowledge of general farming methods. In short, the wheat farmer must have both time and money to shift into more general farming, even in regions where that is clearly the best thing to do.

The Secretary of Agriculture has stated the situation very clearly and convincingly. Only to a very limited extent can there be a further reduction of the wheat acreage or more diversification of crops in the farming activities in the great wheat-growing regions of the United States. It follows, therefore, that the suggested remedy of diversification is not a panacea for our agricultural ills. It does not go to the root of the trouble. It does not furnish a constitutional treatment. It does not remove the causes that have produced existing agricultural ills.

However, I am not objecting to reasonable experiments being made in diversification of crops in the semiarid or irrigated wheat-growing regions. If these experiments will materially aid the wheat farmers in readjusting their agricultural activities and placing them on a profitable basis, I think the small appropriation carried by this item will be justified, but I desire to register my firm conviction that the so-called diversification of crops will not and can not solve the difficulties of the wheat grower, because the plan does not reach and treat the real cause of existing troubles. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FULBRIGHT. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, for months prior to the convening of this session of Congress appeals were coming from every agricultural section of the country, pleading with the President to call a special session of Congress for the purpose of enacting legislation for the relief of the agricultural industry. These appeals were in vain. The Sixty-eighth Congress convened and more than four months have passed and yet nothing has been done to relieve the deplorable economic situation of the American farmer. No constructive program has been offered by the President in their behalf and the administration leaders are apparently viewing the situation with little concern.

Petitions signed by over 300,000 farmers have been presented to Congress. Farm organizations and representatives of the agricultural industry have presented, in the most convincing way possible, the alarming situation that exists, and their statements have not been overdrawn; yet action is still delayed. Why is it impossible to get action in such a crisis as this? Why the unconcern of the President and the inaction of the administration? The farming industry is facing bankruptcy. Farmers are operating at a loss. Many of his products will not bring a sufficient price on the market to pay the cost of production; in fact in many instances they will not sell upon the market for a sufficient amount to pay the freight. The

cattle industry is no longer profitable. Corn growers and hog raisers are in distress, wheat growers are bankrupt, and the profit of the fruit grower is absorbed in freight rates. Unable to pay the taxes and the interest on his indebtedness, mortgage foreclosures are taking away the homes of the farmer at an alarming rate. From the county papers received from my district I see from five to fifteen farms advertised for sale every week and this does not include all of such sales in my district, and what is true there is true to a great extent in every farming section of the country.

Mr. KETCHAM. Will the gentleman yield?

Mr. FULBRIGHT. Yes; I will yield.

Mr. KETCHAM. I suppose the gentleman has not received the information that the Committee on Agriculture has reported a very comprehensive bill which will be before the House very shortly, and I take it from the tenor of the gentleman's remarks he will be very heartily in support of that measure when it comes out.

Mr. KINCHELOE. Will the gentleman yield?

Mr. FULBRIGHT. I will.

Mr. KINCHELOE. I think the gentleman very timely stated the position of the President in his December message to the Congress when he said there is not anything the Government could do for the farmer of this country except what he could do for himself.

Mr. FULBRIGHT. In effect he said the farmer should work out his own salvation.

As a result of bankruptcy and foreclosures of farm mortgages the ownership of the six and one-half million farms in this country have been reduced to less than 3,000,000 people. According to the recent report of the Secretary of Agriculture, 1,200,000 left the farms in 1922, and it is reasonable to suppose that a greater number left the farms in 1923, being an average of 100,000 leaving the farm every month for the past two years. These people were forced to leave the farm because they were operating at a loss and were forced into other lines of endeavor to make a living. The deflation program of the present administration fell heavily on the farmer by beating down the prices of farm products to the pre-war levels while the price of the things he is compelled to buy were not correspondingly reduced.

Mr. KING. Will the gentleman yield?

Mr. FULBRIGHT. I will.

Mr. KING. Does the gentleman think that this deflation he speaks of can equal the deflation of farm values in 1920 by the Federal Reserve Board? Is not that where it really began right under a Democratic administration?

Mr. FULBRIGHT. I shall not undertake to say when the deflation process began, but I do say the present administration has neglected to offer a remedy and never attempted to stop it.

Mr. KING. Well, it committed the first crime against the farmers in 1920.

Mr. FULBRIGHT. I will let the gentleman draw his own conclusion, but I assert there has not been anything done by the present administration to relieve the present plight of the farmer. There has been no constructive program offered by this Congress or by the President, only glittering generalities in an effort to deceive the farmer have been indulged in; that is all he has been given. [Applause.]

A statement from the Chamber of Commerce, Waterville, Wash., under date of March 3, 1924, submits the following comparison of prices of things the farmers are compelled to buy for the years 1913 and 1924 as verified by their local merchants:

	1913	1924
14-inch 3-bottom gang plow	$100.00	$180.00
14-foot header	300.00	450.00
18-7 grain drill	137.50	232.50
Corn planter	55.00	90.00
14-inch tyee gang plow	80.00	130.00
Harrow cass	10.00	18.00
Wood harrow	29.00	45.00
Wagon, 3½ net	105.00	200.00
16-inch No. 50 01 share	1.25	2.30

	Per cent increase
Men's clothing	50-55
Shoes	60
Underwear	50
Gloves	55
Overalls	100
Hats	43

This comparison is typical of prices throughout the West.

The average increase in the price of farm implements from the year 1913 to the year 1924 in the Mississippi Valley, from the best information available, is approximately 90 per cent, and the increase in the price of clothing during the same period is approximately 80 per cent. This is true of my own congressional district. In this connection the following comparison of the purchasing power of a bushel of wheat in 1913 with 1924 in the Northwest wheat-growing section is very pertinent:

Items	1913	1924
	Bushels	Bushels
Two-bottom plow	80	140
Wagon	80	200
Double harness	40	80
Pair of shoes	6	12
Thresher operators	8	16
Harvest labor	3	6½

The same ratio applies to substantially all the products of the farm and to all sections of the country and reveals the fact that the farmer's ability to purchase manufactured products is more than 50 per cent below par.

Further increasing the burden of taxation is also adding to the troubles of the farmer. A statement released for publication by the United States Department of Commerce recently gave the following financial statistics of the Federal and State Governments: The statistics of this summary relate to taxes collected by the National Government for the year ending June 30, 1923, the 48 States and the District of Columbia, counties, and other civil divisions having the power to levy and collect taxes for the fiscal year ending in the calendar year 1922. The grand total of revenues from taxation in this period is $7,428,740,000, or an average of $68.33 for each person. Of this total $3,204,133,000 represent the revenue of the National Government. The total revenue from taxes of the States, counties, and so forth, are $4,224,616,000, or an average of $38.86 for each person. Of this total $3,327,166,000, or 78.8 per cent, comes from general property taxes. A comparison of the increase in costs of State governments as shown by a statement of the United States Department of Commerce released January 28, 1924, reveals the following facts:

The per capita cost increased on State governments alone from $5.03 in 1915 to $11.82 in 1922, an increase of more than 100 per cent in seven years. During the same period of time the revenue recently increased more than 100 per cent. The per capita debt in the 48 States in 1915 was $4.31 and in 1922 it was $8.12, an increase of almost 100 per cent in seven years. These figures at once disclose the enormous burden of taxation that is now being borne by the American people and especially by the American farmer. The Federal and State Governments through taxation are actually confiscating the profits of the farm, and unless a halt is called will eventually confiscate all the farm lands in the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULBRIGHT. I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request? [After a pause.] The Chair hears none.

Mr. FULBRIGHT. The total wealth of the United States is approximately $300,000,000,000, about 25 per cent of which is represented by farm values, including equipment, machinery, buildings, livestock, and so forth, and upon this farm property hovers an enormous mortgage debt with an interest rate of approximately 7 per cent. Thus, with a high rate of interest on one hand and high taxes on the other the farmer finds himself shackled and helpless.

In addition to the interest and taxes referred to above the farmer is being plundered by the iniquitous schedules of the present tariff act. It is estimated that the tariff act costs the American people approximately $4,000,000,000 annually, about three and one-half billions of which go into the pockets of the manufacturer and only one-half billion into the Treasury, the result of which has been a gradual increase in the high cost of living. The per capita cost of the tariff is approximately $35, or to the farmer with a family of five, $175 per year. The high price of sugar and clothing is a constant reminder to the housewife of the excessive tariff burden.

B. F. Yoakum, a well-known authority, says foodstuffs for which the farmer receives seven and one-half billion dollars the consumers pay twenty-two and one-half billion dollars. In other words, the farmer gets one-third of what the consumer pays for farm products and the remainder goes for profits and distribution. Out of every $3 paid by the consumer for foodstuffs the farmer gets $1 and the middleman gets $2. According to the reports of the United States Department of Labor the price of food products in 1923 were approximately 50 per cent higher than the level in 1913 but the farmer fails to get the increase.

The farmer pays the freight both ways in all the transactions to which he is a party. When the farmer buys his implements, clothing, and such things as he is compelled to have the manufacturer adds the freight, but when he sells the product of his farm the freight is taken off. In other words, the freight is added to everything he buys and taken off of everything he sells. The rates to-day from outlying shipping points to primary markets are something near 45 per cent above pre-war rates and from primary markets to the seaboard about 73 per cent above the pre-war rates. While in Canada, just to the north of us, freight rates are almost down to the pre-war level. As a result of the high freight rates the product of many fruit growers go to waste from the fact that the market price will not leave a profit after paying the freight. Transportation is so expensive that in many sections food products are going to waste, while in other sections of the country such products are badly needed.

Thus situated, heavily in debt, heavily taxed, high freight rates, and without a foreign market the farmer is operating at a loss and continually going in debt. We produce a surplus of foodstuffs but owing to the utter lack of a foreign policy we are without foreign markets in which to sell. Not only that, but according to the Department of Agriculture imports of farm products for the year ending June 30, 1923, for the first time in our history exceeded the exports. Farm products brought into this country during that year amounted to $1,903,000,000. We sent out of this country farm products to the value of $1,799,000,000.

The direct causes for the present plight of the farmer may be summarized as follows: High taxes, high interest rates, high freight rates, high prices of the things he has to buy, low price of farm products, inadequate marketing facilities, and want of a foreign market. At a meeting of farmers at Fargo, N. Dak., recently resolutions were adopted in which the following statement appears:

The farmers of America have sustained an operating loss equal to their present mortgage indebtedness of $65,000,000,000 in 35 to 40 years, which has been charged against a speculative value in farm property now aggregating only $77,000,000,000. Any measure proposing relief to farmers that provides for further involvement of principal and interest without a corresponding correction in the general price level equal to the cost of production, is both economically unsound and morally wrong.

Every person familiar with the present economic situation will readily agree to the soundness of this statement. It is true the farmer needs extension of credits to the extent that it may be necessary in the successful operation of his business, but what he needs most of all is a sufficient price for his products to enable him to pay the debts that he already owes.

As a result of favoritism and class legislation big business has been enabled to fix the price on everything the farmer has to sell and everything he is compelled to buy; the farmer has no voice in either. Under present law the Government, in effect, guarantees a profit to the railroads; the tariff act enables the manufacturer, the packer, and the middleman to profiteer, and the farmer becomes the victim of them all. All other industries under our present economic system are enabled to fix the price on their products; the farmer is compelled to compete with the world markets and sell his products at whatever he can get, and usually at a loss. If the farmer is to get relief, it must come through tax reduction, not on the multimillionaire alone but upon the actual dirt farmer; readjustment of freight rates, providing lower rates for farm products; revision of the tariff, lowering the rates on clothing and other necessities; lower interest rates on loans to the small farmer, the man who actually farms; a comprehensive system of cooperative marketing, and the opening of foreign markets to the products of the American farmer; a sound foreign policy in lieu of the chaotic makeshift that now exists, to the end that foreign powers may establish credit and be enabled to buy the products of this country. The enactment of such a program, in my opinion, would mean the rehabilitation of the agricultural industry and place the farmer on a firm footing. The agricultural industry is the greatest of all industries and upon its success depends the success of all activities of the Government. We can not shirk the responsibility. We must guard the interests of the farmers of the country if the national welfare is to be preserved. It is entirely within the power of the administration to do all this—enough Democrats are ready and willing to assist in the matter to put such a program over. If President Coolidge is in sympathy with the farmer, he should urge his party to act, and to act now; to-morrow may be too late. If the present administration intends to do anything, it should do it now and quit fooling the farmer. [Applause.]

The Clerk read as follows:

PASSENGER-CARRYING VEHICLES

That not to exceed $130,000 of the lump-sum appropriations herein made for the Department of Agriculture shall be available for the purchase, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of the field work of the Department of Agriculture outside the District of Columbia: *Provided*, That not to exceed $35,000 of this amount shall be expended for the purchase of such vehicles, and that such vehicles shall be used only for official service outside the District of Columbia, but this shall not prevent the continued use for official service of motor trucks in the District of Columbia: *Provided further*, That the Secretary of Agriculture is authorized to purchase, from the funds provided for carrying out the provisions of the Federal highway act of November 9, 1921 (42 Stat. L. p. 212), not to exceed $25,000, motor-propelled passenger-carrying vehicles to replace such vehicles transferred under authority of the acts of February 28, 1919 (40 Stat. L. p. 1201), March 15, 1920 (41 Stat. L. p. 530), and November 9, 1921 (42 Stat. L. p. 212), from the War Department and retained and used by the Secretary of Agriculture in the construction and maintenance of national forest roads or other roads constructed under his direct supervision which are or may become unserviceable: *Provided further*, That the Secretary of Agriculture shall, on the first day of each regular session of Congress, make a report to Congress showing the amount expended under the provisions of this paragraph during the preceding fiscal year: *Provided further*, That the Secretary of Agriculture may exchange motor-propelled and horse-drawn vehicles, and boats, and parts, accessories, tires, or equipment thereof, in whole or in part payment for vehicles, or boats, or parts, accessories, tires, or equipment of such vehicles or boats purchased by him.

Mr. MAJOR of Missouri. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause]. The Chair hears none.

Mr. MAJOR of Missouri. Mr. Chairman and gentlemen of the committee, this is a rather important document, providing for the expenditure of $56,758,515, presumably for the benefit of agriculture. I find in examining the provisions of this bill there is a provision for the expenditure of $381,910 for the eradication of the pink bollworm. I am not acquainted with that insect. On page 44, line 11, this bill provides:

To enable the Secretary of Agriculture to meet the emergency caused by the continued spread of the gypsy and brown-tail moths by conducting such experiments as may be necessary to determine the best methods of controlling these insects; by introducing and establishing the parasites and natural enemies of these insects and colonizing them within the infested territory—

there is $572,360 appropriated. Now, I am not acquainted with the brown-tail moth or the gypsy moth, but there is an insect that is infecting the agricultural interests of this country which is doing more damage than the pink bollworm, the gypsy moth, or the brown-tail moth, or any other moth, and that is the Fordney-McCumber tariff bill bug, which I do know something about. [Applause.] The theory of the people who advocate a protective tariff in this country, if I understand it correctly, is to fix such a rate that will equalize the cost of production at home and abroad and in this way protect the infant industries, give them opportunity to grow, and at the same time give employment to our labor. The way in which the rates are fixed, as I have understood, is to arrive by hearings before committees at the cost of production abroad and at home and to fix such schedules as will equalize this difference to the end that our manufacturers will be enabled to compete with foreign manufacturers and at the same time give the people at home a competitive market in which to buy. If I am correctly informed, in this last tariff law the schedules were fixed without knowledge of the difference in the cost of production here and abroad and without hearings, unless appearance before the committee by interested parties to let the committee know their demands could be considered hearings.

Now, the effect of that, you and I know, was to permit the manufacturers of this country to fix such prices on their products as they saw proper. You might say virtually "hog tie" the agricultural interests of the country and permit the manufacturer to go down in his pocket and take such amount from him as he chose.

In substantiation of the above statements I desire to quote from a speech made by Senator BORAH in the United States Senate on May 12, 1922, and also from a speech made by the late Senator Nelson in the United States Senate on July 28, 1922, when the Fordney-McCumber tariff bill was being considered in that body.

Senator BORAH said:

I frankly confess that I do not know what the difference is in the cost at home and abroad, and I am in exactly the same boat as every other Senator in this Chamber, so far as being able to determine the question. There are no facts presented, and there are no facts to present. (CONGRESSIONAL RECORD, 67th Cong., 2d sess., vol. 62, pt. 7, p. 6815.)

Senator Nelson said:

In many paragraphs of this bill the rates exceed that degree of protection [necessary to cover the difference in cost of production at home and abroad], and to my mind profits have been included. * * * I have voted for many schedules here that I felt entirely unjustified, hoping against hope that there would be a modification; but every once in a while it seems that the Finance Committee meet and they come in here with their program for an increase or a change. They get a new light as a result of new hearings. I never in all my life saw such a swarm of men as were around the Finance Committee while they had this bill before them. Day after day they came here with their hand bags. They swarmed in the corridors, and the bill indicates that most of them got their work in well. (CONGRESSIONAL RECORD, 67th Cong., 2d sess., vol. 62, pt. 10, p. 10766.)

This Congress convened on the 3d day of December, 1923. We have now been in session almost five months and nothing has been presented by the party in power for the relief of the great agricultural interests of the country. That the farmers are in distress, in sore straits, and greately in need of beneficial legislation admits of no argument, and I suppose will be conceded by all. While the last year, according to available statistics, has been a prosperous year for many forms of business and occupations, it has not been so with the farmer. Something is radically wrong, and the farmer is getting the worst of it. He is doing his best but for some reason or reasons is unable to make ends meet, to receive a compensatory price for his products, or to receive a fair return upon his investment. He is the hardest worked of all our citizens; his hours are from sunrise to sunset; he gambles with the elements, the drought, the flood, the storm, the winds, the heat, and the cold; he battles with the devastations of crawling and flying insects and the ravages of disease, and for all his work, his risks, his worries, and his troubles he finds himself getting deeper and deeper in debt as he struggles for a livelihood. Everywhere foreclosures are taking place and farmers are being sold out. Out of the six and one-half million farms in the United States owned by individual farmers a few years ago, by reason of failures and foreclosures these farms are now owned by less than 3,000,000 farmers. Approximately 40,000,000 people in this country are engaged in farming, and it is the only unorganized industry in our citizenship. As has been aptly said, these 40,000,000 farmers are feeding the other 70,000,000 people.

Now, just look into conditions and see if we can ascertain what has happened and is happening to the farmer. In 1900 the farm lands and property in the United States were valued at approximately $20,000,000,000; in 1910 this value had increased to $40,000,000,000; in 1920 to $77,000,000,000. These returns show that the farm lands and property of this country had steadily increased in value in times of peace and in times of war until 1920, when they reached the high point. Now, what of the past three years—what has been the condition of the farmer during this time, and apparently without any obvious reason? While everyone around him has prospered, his prosperity has gone; his land has depreciated in value, as well as everything else he owns, while what he has had to buy has kept up in price, if not actually increased. His dollar has been reduced to less than half in purchasing power, while his State, county, and local taxes, as well as his debts, have doubled. His freight rates have steadily increased until they have reached the point where they at times equal the price he receives for his products. Approximately 25 per cent of the farmers in the great West and Central West are bankrupt and are only saved from eviction and actual bankruptcy by the leniency of their creditors. Farm lands have decreased in value from one-third to one-half.

The farmer's products, stock, and other property have fallen in value, while farm implements, building material, fertilizer, fencing, fuel, clothing, boots and shoes, and everything else he has had to buy, as well as freight rates, have remained at war-time prices. There is no just relation between the price he gets for his wheat and the price the consumer pays for the flour; between his beef on the hoof and the beef on the block; between the price he receives for his hogs and the price the consumer pays for pork and its products; between the price he receives for his hides and the price he has to pay for his shoes. There can be no question but what there is something wrong between the price the farmer is paid for his products and the price at which they are sold to the consumer. This difference between what the farmer receives and the price paid by the consumer for the products of the farm is an outrage and should not be tolerated or permitted in an enlightened country. What is this difference? Of the $22,500,000,000, representing the total value of the farm products produced and sold in this country last year, the farmer received only $7,500,000,000, while the speculators, middlemen, and transportation companies exacted the exorbitant toll of $15,000,000,000—the farmers receiving one-third, the speculators, middlemen, and transportation companies two-thirds, a tribute out of all proportion of right and justice, and something which should not be allowed or tolerated by the lawmaking power of this or any other nation. But this is exactly what we are permitting to take place in this country and making no effort to prevent. We are sitting by and permitting this enormous toll to be taken from the farmers.

Instead of receiving but 35 cents of the consumer's dollar, as he does under the system now in vogue, he should receive the 65 cents now taken from him by the speculators, middlemen, and transportation companies. Instead of receiving the one-third he should receive the two-thirds, and in this way he would receive a fair return on his investment and labor, and compensatory prices for his products. Just look a little further: He is compelled to take what is offered him for what he has to sell, and is compelled to pay what is asked him for what he has to buy. He has no part in fixing the price of his own products or anything to say as to the price he is charged for what he has to buy. Under the present system he pays tribute to all other industries, but is denied any part in establishing the price of his own products. He must sell for what he is offered and in purchasing pay the price asked. It is heads they win and tails he loses. I submit that he should have the same say and influence in conducting his business as other businesses have in conducting theirs. His business should be placed on an equal footing with other industries. While he is asking no special privileges or special favors we should see that he is given equal protection, equal privileges, and accorded fair treatment to the end that other industries shall not be permitted to prey upon his business to his detriment and utter ruin.

I assert that other industries of this country have been favored with special legislation at the expense of the farmer; and this policy should, must, and will be changed. By legislation he is compelled to purchase his farming implements, tools, fuel, building material, fertilizer, fencing, clothing, boots and shoes, and everything else he uses in a protected market, and must dispose of his products in the market of the world in competition with the world. He has witnessed the manufacturers of this country given the benefit of the highest protective tariff law in our history; the railroads given laws which enable them to fix compensatory rates that they may operate at a profit; virtually every business the recipient of beneficial legislation except his, and his the one business more entitled to the fostering care and protection of the Government than any other—the Fordney-McCumber Tariff Act for the manufacturer, the Esch-Cummins law for the railroads, the immigration bill for the protection of labor, and nothing of any consequence for the farmer.

The farmer and every other business is entitled to a square deal at the hands of the Government. By this I mean that every business should be treated fairly. It is our business to see that there are no governmental favorites on the one hand, and on the other that no business is improperly handicapped and placed in a position where it can be preyed upon by any other. This is all the farming interests of this country expect, and this they have a right to demand; and I as a Member of this House representing a great agricultural district am going to do my best to see that it is accorded them; and if the Representatives of this House—Republicans, Progressives, and Democrats—who represent the agricultural districts will be just as loyal, just as interested, and just as alert to the interests of the farmers of this country as the Representatives from the manufacturing sections are to the manufacturer's interests, we will then get for the farmer what is due him and what he is entitled to.

Now, what can Congress do to relieve the situation? How can we bring back prosperity to this great industry? How can we help the farmer?

First of all we should work on the Fordney-McCumber Tariff Act, the schedules of which were fixed at the command and behest of the predatory interests of this country without regard to the difference in the cost of production at home and abroad. Its purpose was to shut out all competition from abroad, and its effect is to foster, encourage, and permit the formation of trusts and trade combinations in this country to the end that the farmer is compelled to do his buying in a market where there is no competition and in this way pay tribute to the manufacturers of this country far beyond a fair and reasonable profit. He is forced to sell in competition with the world and to buy in a protected market where there is no competition. Congress has simply "hog tied" him, and the manufacturers are permitted to take from him what they decree. Shall we permit these conditions to continue? This Congress probably will, but the farmers of this country have awakened and will not much longer submit to this kind of treatment. There will be a Congress elected that will do what should be done in his behalf.

Second. We should do something to reduce the excessive freight rates which the farmer is compelled to pay and with which he is confronted in both buying and selling. Excessive transportation charges increase the price of everything he has to buy and decrease the price of everything he has to sell, the transportation charges in many instances equaling the price that the farmer receives for his products.

Third. Taxes should be reduced, expenses curtailed, and economy practiced as well as preached.

Fourth. We should devise and put into effect some intelligent and comprehensive agricultural policy or plan whereby the farmer will be able to receive from the consumer compensatory prices for his products; legislation that will improve, stabilize, and make permanent our markets abroad.

These are a few of the suggestions that I would make for the relief and betterment of the great agricultural interests of this country. There may be others and I will gladly support any plan in which I believe there is merit and which will improve the situation.

Now, what will this Congress do for the farmer? Will it give him this relief or any part of it? Will it repeal or modify the tariff law? No. Will it enact any legislation that will bring about a reduction of the transportation charges of the railroads of the country? No. Will it pass H. R. 8109, introduced by Mr. NEWTON, of my State, providing for the improvement and completion of prescribed sections of the Ohio, Mississippi, and Missouri Rivers to the end that the farmers in the great Mississippi Valley can have the benefit of these great inland waterways? It will not. With barges on these three great rivers bearing the products of this fertile valley to the sea, thence to be transported by ocean steamers to the markets of the world, would do much to relieve the transportation problem. This competition would mean lower freight charges. Will it reduce the taxes of the small taxpayer or curtail the extravagant expenditures of the Government? No. Will it devise some constructive policy for the relief of the farmer whereby he will be able to receive compensatory prices from the consumer for his products? No. Why do I say "no"? Simply because the party now in power, as now controlled, was not elected for that purpose. There are doubtless individual Members who would take pleasure in assisting in the carrying out of such a program, but you can rest assured that this relief will not be forthcoming from this administration. In determining the question as to what they will do a glimpse into what they have done would not be amiss. What of their past performances?

The party now in power were in control of both the Senate and House in the Sixty-sixth Congress. They enacted the Esch-Cummins railroad act, with which the country is now familiar. They did nothing to benefit agriculture; they either did not know what to do or knowing did not care to do it.

In the Sixty-seventh Congress they were in absolute control of the Government. They had the President, a large majority in the House and Senate. They did nothing to benefit the farmer. They had the time, and seem to have been able to pass a tax-reduction measure, reducing the surtaxes from 65 per cent to 50 per cent, repeal the excess-profits tax, and as their crowning achievement gave to the country the Fordney-McCumber tariff law carrying the highest schedules ever known in the history of the country. This tariff law costs the American people at least $4,000,000,000 annually and brings in in the way of revenue approximately about $500,000,000 each year. The repeal of the excess-profits tax and the reduction of the surtaxes on the wealth of the country reduced our income by approximately $511,000,000 annually. But where—I ask, oh where—during this time that they were in control and could have acted is legislation that was beneficial to the farmer?

Now, what about the Sixty-eighth Congress? What have they done so far, and in what direction have their energies and activities been directed. We were presented with a tax-reduction bill commonly called the "Mellon plan," heralded as a panacea for all our existing troubles, backed by the most extensive and costly propaganda this country has ever witnessed, prepared by its own officials it has proven itself unable to carry through its own Congress this its own measure, and it is well. If passed as presented, it would have further lowered the taxes of the rich and saddled a greater burden on the shoulders of the small taxpayer. President Coolidge in his Lincoln day address at New York made the remarkable statement that "the high prices paid and the low prices received on the farm are directly due to our unsound method of taxation," intimating that if the Mellon tax bill was enacted into law the farmer's troubles would all be over. I would like to know how the enactment of this law would have benefited the average farmer. The farmer is not burdened with income taxes—he only wishes that he could be blessed with an income on which to pay an income tax. When the farmer pays his State, county, and local taxes and deducts his operating expenses he has no occasion to worry over income taxes. There are, of course, a few farmers who pay income taxes, but they are few and far between. What is worrying the farmer is to be able to pay his interest, his taxes, operating expenses, and have enough left on which to live.

We have passed a tax reduction bill. Not in my judgment what we should have passed, but an improvement over the Mellon plan. The bill passed was made possible by the Progressives and Democrats working together against the provisions of the Mellon plan. The bill as passed was a compromise and was supported by Republicans, Progressives, and Democrats alike. Everyone was heartily in favor of tax reduction. We differed as to whose taxes should be reduced. The administration insisted that the higher surtaxes be given the greater reduction. This was the Mellon plan. The Democrats and Progressives insisted that the small taxpayer be given the greater reduction. In other words, the Democrats and Progressives contended that the burden of taxation should be borne by the wealth of the land, the Republicans that the small taxpayer should carry the load. The same old alignment, the Democrats and Progressives standing for the interests of the masses and the Republicans favoring the predatory interests and wealth of the country.

I can not but believe that by applying sound, common, horse sense to the apparently complicated industrial and economic problems now confronting us the public interests can be conserved and protected, legitimate business encouraged, agriculture made profitable, and labor fairly compensated.

In conclusion I wish to say that when the farmers of this country realize that the leadership of the Republican Party as now constituted is more interested in the manufacturers, big business, and wealth of the country than in what concerns and is beneficial to the farmer, and bear that fact in mind when selecting the men they send here to look after their interests, then and not until then will they be able to secure laws that are necessary for the well-being and prosperity of the great agricultural interests of this country. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I rise in opposition to the pro forma amendment. Mr. Chairman, I think the gentleman who last spoke was not present at the time the present tariff bill was enacted, because he is very grossly in error when he speaks of there not having been hearings on that bill. There were hearings, more, probably, than there has ever been before.

Mr. MAJOR of Missouri. Did not Senator Knute Nelson state on the floor of the United States Senate when the bill was passed that it was enacted without any hearings; that there were more men appearing before that committee arbitrarily demanding certain rates than he had ever known in the history of his tenure in the United States Senate, and, judging from the schedules in the bill, they got what they came for. Is not that true?

Mr. GREEN of Iowa. That is not true.

Mr. MAJOR of Missouri. Look at the Record. [Applause.]

Mr. GREEN of Iowa. I do not know what Senator Nelson said, but I do not think he ever did say anything of that kind. I know that is not the fact in any form whatever.

The fact of the matter is that elaborate hearings were held for months. The fact of the matter is that nobody got all he demanded, so far as that is concerned. We did not settle the question by considering the demands of the people who were

before us. We considered what was necessary in order to put the manufactures of this country on a sound basis, and not only provide a market for manufactures but also to provide a market for the products of the farmer; and when it was enacted it affected not only the manufactures but the products of the farmer. Immediately, almost, it provided employment for 4,000,000 men who had been out of employment, and it immediately created thereby an additional market for the farmers' products. Now, if the farmers' products have not been brought up to the point equal to that of other products, it is not the fault of the tariff bill, unless it be the tariff on agricultural products.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. WEFALD. The gentleman does not intend to say that the effects of that tariff bill have been to help the farmer?

Mr. GREEN of Iowa. Yes; I do. There is no doubt about it, and there was no question about it at the time.

Mr. WEFALD. Are not the farmers in worse condition to-day than ever before in the history of this country? [Applause.]

Mr. GREEN of Iowa. The gentleman is in error, so far as that is concerned. Within a few months the tariff bill produced a rise in farm products. Farm products are worth nearly twice what they were when the Fordney bill was enacted. The American farmer received more than a billion dollars for his products in 1923 than he did in 1921.

Mr. WEFALD. Is it not a fact that——

Mr. GREEN of Iowa. Oh, I beg the gentleman's pardon. I do not want to delay the passage of this bill. The gentleman from Missouri [Mr. MAJOR] said that they killed off competition. Is the gentleman aware of the fact that at this time our imports are twice what they were before the war? We are doing a greater business, both in exports and in imports, more than twice as much, as we did before the war. That is the effect of the tariff. The tariff has stimulated business in every direction, and operated to the detriment of no one.

Mr. BLANTON. Mr. Chairman, I make the point of order that the tariff is water that has gone over the wheel.

Mr. GREEN of Iowa. I yield to the gentleman from Texas. I have said all I care to say in answer to the statement of the gentleman from Missouri [Mr. MAJOR]. The gentleman from Texas, of course, never takes any of the time of the House on matters not pertinent to the bill before the House. [Laughter.]

Mr. McKEOWN. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman moves to strike out the last word.

Mr. McKEOWN. Mr. Chairman and gentlemen, this talk relative to the tariff is rather interesting. I do not agree that it is water that has passed over the wheel. It may be considered as water that has passed over the wheel, so far as the bill is concerned, but as to paying the bill, it has not passed over.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BLANTON. The gentleman from Iowa [Mr. GREEN], the chairman of the Committee on Ways and Means, said it was not a question of the demands by anybody. If I understood him correctly, it was just a matter of pure gratuity on the part of the committee.

Mr. GREEN of Iowa. Mr. Chairman, I rise to a point of order, just as my good friend from Texas did a moment ago. He is not talking about the matter before the House. The gentleman, as usual, is out of order.

Mr. BLANTON. If it was not a request, it was a demand.

Mr. McKEOWN. Gentlemen, the question with the American farmer to-day is the question of markets, and the tariff affects the farmer because the things he buys are higher in price to-day than they were when the prices of his products were three times what they are now on the market. In other words, the farmer is buying against a protected market and he is selling against an unprotected market. He is selling his products to-day against the world, but he is buying not only in a protected market but in an excessively highly protected market.

This so-called tariff affects two classes of people in the United States more than any others. That is, the women and the farmers. It taxes more the things they buy than any other bill that has ever been passed by the American Congress. Here is the situation we are in now: We have no foreign markets in which to sell the products of the farm, and that is due to our peculiar isolation policy, in our refusal to go into the world and take our place and our part in establishing credits where we can sell the products of the farm.

Mr. GREEN of Iowa. I am afraid my friend from Oklahoma has not looked up the latest statistics of exports, or he would have found that our foreign exports have largely increased, both agricultural and manufactured.

Mr. McKEOWN. Our exports are increasing, but the trouble is that you have now a great surplus of farm products that you say you can not sell, and half the exports of the United States under normal conditions have been the products of the farm. A great deal of the exports abroad now are not products of the farm. They are materials for reconstruction work. You have here in this country a peculiar condition. You have abnormal prosperity in the manufacturing centers of the country, while in the farming centers of the country you not only do not have normal prosperity but you have exceptional conditions of distress, particularly financial distress. I venture the assertion that there are more farms to-day under foreclosure than at any time in the previous history of the Government.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. McKENZIE. The great trouble, as I understand it, of the farmers to-day is in the distribution of the so-called surplus. Apropos to this attack on the protective tariff, I want to ask my good friend from Oklahoma if it is not infinitely better for the farmers of Oklahoma to have an opportunity of selling their surplus in Oklahoma or in St. Louis than in selling it in London or in Calcutta?

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Mr. Chairman, may I have five minutes additional?

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for five minutes additional. Is there objection?

There was no objection.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. McKEOWN. Now, gentlemen, I am aware of the fact that by legislation you are not going to be able to cure all economic wrongs or all the economic conditions of the country. The people themselves will have to do their part to meet this situation. But my contention is that the Congress, in the passage of the Fordney-McCumber bill, put the economic conditions of the country out of kilter, so that all of the country could not recover upon the same basis as the manufacturing parts of the country recovered. That is demonstrated by conditions, conditions you can not deny. What are the real conditions? In the manufacturing sections of the country we find prosperity, but in the agricultural centers of the country, I repeat, you find financial distress. What do we find? We find them unable to pay their taxes, unable to pay the interest on their mortgages, and unable to have the necessaries of life in many instances. I am not overdrawing this picture, and I tell you now that if this Congress ever expects to have the confidence of the whole American people it must do something to relieve this unbalanced situation, this unusual economic condition.

Mr. BURTNESS. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BURTNESS. I take it, then, that the gentleman will do all in his power to help pass the McNary-Haugen bill?

Mr. McKEOWN. Well, I will say to the gentleman that I am in favor of legislation of that character, but I am not going to commit myself to something that the committee itself does not agree upon and so many of us do not know what is in the bill. I am not going to commit myself to it because the gentleman calls it the McNary-Haugen bill. I am willing to give the gentleman a run for his money. [Applause.] I am in a humor to listen to any reasonable legislation that is going to do some fundamental good to the farming industry of this country because when you do that you will do some good for the whole country.

Mr. BURTNESS. I want to say that I fully agree with the gentleman.

Mr. McKEOWN. But I want to tell you something else you can not do. You can not take the Treasury of the United States, bolster up an industry and make it succeed when the economic conditions that are creating bad conditions go unremedied. You have got to use good common sense and let the fellows help work out their own destiny.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. MACLAFFERTY. What would the gentleman think of the idea that over 50 per cent of the men engaged in farming are not farmers at all and do not know anything about the business?

Mr. McKEOWN. Well, I will say that there are a good many men so engaged in farming in the same way, but you are going to find out this thing, that whether a man is actually engaged in plowing or whether he simply owns the farm and runs it, neither one is making any money. You can not find any of them who are making any money out of the industry, whether they are agriculturists or doing the actual work themselves. This stands out unanswerable and it is a condition which needs treatment, not from a political standpoint, but from a common sense and fair standpoint. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

ERADICATION OF FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS

In case of an emergency arising out of the existence of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, which, in the opinion of the Secretary of Agriculture, threatens the livestock industry of the country, he may expend, in the city of Washington or elsewhere, out of any money in the Treasury not otherwise appropriated, the sum of $4,000, which sum is hereby appropriated, or so much thereof as he determines to be necessary, in the arrest and eradication of any such disease, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations: *Provided*, That the payment for animals hereafter purchased may be made on appraisement based on the meat, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat or dairy value, and, except in case of an extraordinary emergency to be determined by the Secretary of Agriculture, the payment by the United States Government for any animal shall not exceed one-half of any such appraisements: *Provided further*, That so much of the appropriation of $2,500,000 made by the Agricultural appropriation act of March 4, 1915, for the fiscal year ending June 30, 1916, for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, as remains unexpended at the close of the fiscal year 1924, is hereby reappropriated and made available for expenditure during the fiscal year ending June 30, 1925, for the objects mentioned in said appropriation act, including necessary investigations to determine whether said diseases have been completely eradicated in districts where they previously existed.

Mr. MAGEE of New York. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAGEE of New York: Page 65, strike out lines 1 to 24 inclusive, and on page 66 strike out lines 1 to 14, inclusive.

Mr. MAGEE of New York. Mr. Chairman, the moneys which were previously authorized have all been expended so that there is no need of carrying this paragraph in the bill. The foot-and-mouth disease emergency which now exists will be taken care of by special legislation.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. I would like to ask the chairman where he gets his authority for that statement, that all of this fund has been expended.

Mr. MAGEE of New York. I get my information from the clerk of the committee.

Mr. BLANTON. That all of this $2,500,000 has been expended? There is some of that fund still in existence in the Treasury unexpended. Only a short time ago there was $273,000 of it left unexpended.

The only reason I took the floor was to again call attention to what I called attention to the other day. When we were proposing to pass that emergency measure, providing $1,500,000 for this very purpose, I called attention then to the fact that we had been carrying in the Agricultural appropriation bill every year for the last seven years since I have been here ample appropriations to meet this very disease emergency. Of course, we ought to strike this language out of the bill now; I agree to that, because we have already provided $1,500,000 somewhere else. But why should we not have waited until we came to this bill if there were no politics in the resolution passed the other day?

Mr. MACLAFFERTY. There were no politics in it.

Mr. BLANTON. Oh, no. That was just the other day, and yet the gentlemen who passed that resolution the other day knew that this bill was coming up; they knew they could amend it, and they knew they could put any kind of a paragraph in it they wanted to.

Mr. BUCHANAN. Will the gentleman yield?

Mr. BLANTON. They knew they could strike out this sum and add to it if they wanted to, but they wanted to pass a special measure for California.

Mr. MAGEE of New York. Will the gentleman yield?

Mr. BLANTON. I will yield first to my colleague [Mr. BUCHANAN].

Mr. BUCHANAN. I will say to my colleague that the reason they brought it in the other day was that this bill and this appropriation would not be available until after the expiration of this fiscal year, June 30. We could not put an appropriation in this bill without including legislation in it, and if we had waited to do that and passed the bill, the foot-and-mouth disease could have covered the entire country.

Mr. BLANTON. The bill we now have before us is for the next fiscal year?

Mr. BUCHANAN. Yes.

Mr. BLANTON. And my colleague knows that the committee has authority to make all of that money available now if they wanted to do so.

Mr. BUCHANAN. Not under the rules of the House.

Mr. BLANTON. Oh, yes; my colleague is mistaken about that. Under the new rule the committee now has that authority.

Mr. BUCHANAN. But even then this bill has to go to the Senate and it has in it a great many provisions covering the whole agricultural industry of the Union, and it is possible it would take 30 days before the bill would pass and become a law.

Mr. BLANTON. I will guarantee to my colleague that this bill will be in conference in 10 days.

Mr. BUCHANAN. But in 10 days the foot-and-mouth disease could spread over this whole country.

Mr. BLANTON. The Senate is acting on these bills almost immediately; they have already sent back a number of the appropriation bills and they are sending appropriation bills back to this House almost as fast as we can pass them and get them to the Senate; they are going to conference and the conferees are agreeing to them. Of course, that Bright Angel Trail business is holding up one of them, and if it had not been for that proposition that bill would have been out of the way a long time ago. I do not mean to say that there are politics in it, but we were kind of appealing to California, both Democrats and Republicans. They are mighty good people out there. Their votes count a whole lot.

Mr. MAGEE of New York. Will the gentleman yield?

Mr. BLANTON. It is a pivotal State, and I hope to goodness that we Democrats will get every vote out there.

Mr. MACLAFFERTY. You never will—I can tell you that right now.

Mr. BLANTON. We have done it and we may do it again.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MACLAFFERTY. Mr. Chairman, I move to strike out the last word.

The gentleman from Texas has now for the second time spoken about the politics involved in the appropriations for the foot-and-mouth disease in California. I absolutely know there is no question of politics involved in this measure, but I am not so sure that there is not a question of politics involved in his filling the CONGRESSIONAL RECORD with talk about it.

Gentlemen, I want to tell you something about the condition in California as regards the foot-and-mouth disease. One of the most serious situations that have ever confronted any State in the Union confronts the State of California to-day, and it is not alone on account of the fact that the State is menaced by this scourge, which might easily spread throughout the Nation, but it is because several States in the Union becoming panicky over the effect of this disease have put embargoes against the shipment of California's land products, and this is the time of year when the shipments of the land products begin by the thousands of carloads, and unless there is a change in the condition very shortly, it threatens absolute financial disaster to the State of California.

I want to give you some figures, and these figures are quite recent.

we can sell the products of the farm.

the fellows help work out their own destiny.

Of course, we ought to strike this language out of the bill.

Mr. BLANTON. Will the gentleman yield?

Mr. MacLAFFERTY. Just for a question.

Mr. BLANTON. We know all about the foot-and-mouth disease out there, but will not the gentleman tell us something about the politics out there?

Mr. MacLAFFERTY. We are all Republicans.

Now, gentlemen, up to day before yesterday there were 1,800,000 head of cattle in quarantine in the State of California. This is about one-third of the total cattle in California. Up to day before yesterday, and within the last 60 days, 60,000 head of animals have been slaughtered and put under ground—cattle, hogs, and sheep. Sixty-five per cent of the 60,000 were cattle.

The State of New Mexico, the State of Idaho, the State of Arizona, and the State of Oregon have all established a complete quarantine against the State of California as far as land products are concerned. They have become panicky. There are other States that have established a quarantine in part, and while it is not complete, nevertheless the requirements are so strict that it practically amounts to a complete quarantine.

California is a State 700 miles long, and if you superimposed a map of California on the east coast of the United States it would reach from the State of Maine down to the State of North Carolina. Now, because there happened to be foot-and-mouth disease in Providence, R. I., that is no reason why you should quarantine the land products from the State of North Carolina, is it?

That is the question that is facing us, and we will have to spend $20,000,000, if necessary. The Governor of the State of California has declared an emergency appropriation to match dollar for dollar the money put up by the American Congress. The bankers of California have taxed their institutions 2 per cent on their capital stock, and I am telling you that, like the Japanese question, this is not a California question, this is an American question, and when I hear a gentleman whom I regard as highly as I do my friend from Texas making political capital out of it to be read in his own district I get up and protest and say it is far too serious a matter to treat in a spirit of levity. I believe you gentlemen understand this. I do not take this floor very often. I take it only when I really have something to say. [Applause.]

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN. There is an amendment pending to strike out the paragraph.

Mr. McLAUGHLIN of Michigan. I will wait, then, until that is passed upon; but I would like to be recognized if the paragraph is to remain in the bill. I believe my amendment could be called a perfecting amendment, Mr. Chairman.

The CHAIRMAN. The gentleman's amendment is in order, and the Clerk will report the amendment of the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. McLAUGHLIN of Michigan: Page 66, line 3, after the word "appraisement," insert the following: "*Provided further*, That no part of the money here appropriated shall be paid to cover the value of any animal destroyed if it is actually affected with foot-and-mouth disease."

Mr. McLAUGHLIN of Michigan. Mr. Chairman, my information is, that in combating this disease, animals affected are at once destroyed, also that animals which have been exposed to the disease and may later be affected are sometimes destroyed as a protective or a preventive measure or means of controlling and eradicating the disease.

It may be right for the Government to provide payment for animals, not affected or exposed, destroyed for the purpose of protecting other animals and to assist in the eradication of the disease, but animals actually affected with this incurable disease ought not to be paid for if they are destroyed. The disease is incurable. If skillfully treated, evidence of the disease may disappear, but the animal is never the same, and it is doubtful if it is ever of any considerable value. If it is found necessary to destroy animals already affected by the disease, why should the owner be reimbursed? They are doomed and are of little, if any, value. Why should the Government pay the cost or value or any money by way of reimbursement to the owner. I have stated my position, I think, in such a way that all can appreciate the position I take.

Mr. TINCHER. Mr. Chairman, I rise in opposition to the amendment.

A few years ago our State had the experience that California is passing through now, with reference to the foot-and-mouth disease. There is nothing that I can think of that can cause more panicky economic conditions overnight than the breaking out of the foot-and-mouth disease.

I had the pleasure of going around over the State with the people sent out from Washington and with the State veterinary when they were destroying the animals, and had an interest in doing it, because we were all hoping that the quarantine would not reach our particular section of the State. I think this amendment would be very injurious to the administration of the law. If the parties destroying the livestock have to stop and decide on every hoof that is affected and decide that they will not pay for that particular animal you might as well not appropriate to eradicate the disease. It is impossible to tell—there may be one animal affected so that you can see it and then you know that the remainder of the herd is going to be affected—and the only way that you can deal with it is as soon as you find out any evidence that the herd is affected destroy the herd. We were fairly successful in eradicating the disease, and I hope no amendment will be put in the law to keep the people of California from successfully dealing with this disease.

There is another proposition—animals do get over it. In the old countries where they have the infection and have it badly, they do treat it instead of destroying it. They have had to get out of the meat-producing business but they do treat it. I do not understand that you can destroy the animal without some compensation. I do not believe that we ought to adopt this amendment, which would work an injury and have a tendency to prevent an effective enforcement of the law.

Mr. MacLAFFERTY. Mr. Chairman and gentlemen, if this amendment is adopted it will be an economic farce. I am not afraid of its being adopted, but I do not want it to go by without raising my voice in protest against it. The last speaker, the gentleman from Kansas, has clearly explained to you some of the conditions surrounding this disease. I want to tell you that this disease is so insidious that a band of cattle, where one or two are afflicted with the disease, going along the road infect the road so that other cattle walking over the same road will take the disease. The United States and England are the only countries in the world where from time to time this disease disappears. In France I am told there is a regular item of taxation to pay owners of cattle for cattle which the Government has slaughtered, and it amounts every year to an average of $7 a head for everyone in France. In South America the disease is endemic. The disease is prevalent at all times in European countries, and when it is prevalent in England and America they do not try to treat it, although they are continually searching for the germ that causes it. You gentlemen do not know when the disease may break out in your own district and then you will be before the House, as I am, asking that something be done. Let us see that this amendment is defeated.

Mr. MAGEE of New York. Mr. Chairman, I ask unanimous consent that the debate on this paragraph and all amendments thereto close in 11 minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that all debate on this paragraph and all amendments thereto close in 11 minutes. Is there objection?

There was no objection.

Mr. FREE. Mr. Chairman and gentlemen, I want to say a few words about this disease to show you how necessary it is to destroy whole herds and how vicious it would be to adopt this amendment and make it impossible for us to quarantine and check it in California to-day.

The disease usually begins just above the hoof of the animal; a sort of pimple comes out, and the animal will lick the hoof, and then pimples develop in the mouth. That brings an exudation, which gets scattered on the ground, and the next animal that comes over that place where that is on the ground is sure to be infected.

We have had an instance in California where a few infected cattle in one herd crossed a highway, and thereafter four other herds came by over that highway and were infected. Fighting this disease is like fighting fire. We had in San Francisco a great fire, as you know, in 1906, and we tried to be economical by not destroying a lot of buildings ahead of the fire, and the result was that the fire burned those, and blocks more, because they did not dynamite far enough ahead. If you want to stamp out this disease, you must destroy a herd in its entirety as soon as you find one afflicted animal in it.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. FREE. I will.

Mr. McLAUGHLIN of Michigan. The gentleman does not understand my amendment. Where the whole herd is destroyed, they are to be paid for except those cattle infected,

because those cattle infected are gone and are of no value, because the disease can not be cured.

Mr. FREE. Veterinarians go into a herd, and if they find one cow that is infected they immediately order the destruction of the whole herd. Are you going to ask us to get a thousand inspectors to go and inspect those cattle to see whether each and every one is infected before we can destroy the herd? Can you not hear the man owning an infected herd saying, if this amendment is adopted, "I want it determined whether they are good or bad before I let you kill them." That is not the way to stamp out an epidemic. What difference does it make if we do pay for three or four more cattle than are infected if we stamp out this disease?

A similar epidemic started in the gentleman's own State and spread from Michigan to the District of Columbia some years ago. The only way to stamp it out is to check it and entirely destroy it and throw a cordon of soldiers or policemen around the place that has been infected. But if you insist that added to our problem now we have to get enough veterinary inspectors to examine each one of the cattle in the herd we will have this epidemic going all over the United States and you will regret that you did not spend a few dollars more for a few cattle that might have been killed but that did not have the disease or that had the disease and it was not detected. We are dealing with an emergency that affects every cattle section in the United States. If this thing gets going in some of the large States like Texas, it will bring millions and millions of dollars of loss upon us, and we here in Congress will be held responsible, because we are parsimonious in being afraid that we may pay for three or four cattle that were not infected when we ordered them killed.

Mr. HULL of Iowa. Mr. Chairman, I ask the chairman of the committee, if we strike out this entire paragraph, and an epidemic comes next fall, where will the money come from to pay for the cattle? This is an appropriation that has been carried in the bill for over 10 years.

Mr. MAGEE of New York. The money has been exhausted. The bill carries nothing.

Mr. HULL of Iowa. I understand that. It carries the language.

Mr. MAGEE of New York. Yes; but there is no unexpended balance.

Mr. HULL of Iowa. Should not there be an unexpended balance carried forward, so that if there is an outbreak of the foot-and-mouth disease when Congress is not in session it could be taken care of?

Mr. MAGEE of New York. It is taken care of in special legislation.

Mr. HULL of Iowa. Oh, no; you are just taking care of the emergency that exists in California with that.

Mr. MAGEE of New York. We can not authorize it in this bill.

Mr. HULL of Iowa. You have been carrying an appropriation every year. That is the point I want to make. You are not carrying an appropriation for next year.

Mr. MAGEE of New York. The gentleman is talking on an erroneous premise. I ask the gentleman to turn to the bill, on page 66, and read the proviso:

Provided further, That so much of the appropriation of $2,500,000 made by the Agricultural appropriation act of March 4, 1915, for the fiscal year ending June 30, 1916, for the arrest and eradication of the foot-and-mouth disease, etc., is hereby reappropriated and made available for expenditure during the fiscal year ending June 30, 1925.

That appropriation has been exhausted.

Mr. HULL of Iowa. Should we not make an appropriation?

Mr. MAGEE of New York. I do not think this committee has any authority to make the appropriation here. At the time the hearings were held I think there was some $250,000 or $300,000 of balance that had not been expended, but since that time it has been expended.

Mr. BUCHANAN. Mr. Chairman, I believe we ought to have a guaranty fund against an outbreak of this disease during the fiscal year 1925, carried in this bill. We carry those guaranty funds for every disease of this character, and even against insects that affect agricultural products. I really believe that some amount should be inserted in this bill in place of the language stricken out. A reasonable amount should be carried as a guaranty fund against future outbreaks, to protect the livestock interests of the Nation.

Mr. HULL of Iowa. That is the point that I make.

Mr. MAGEE of New York. The resolution that was passed here several days ago continues the appropriation until the end of the fiscal year 1925.

Mr. HULL of Iowa. That is the appropriation they have made to cover the emergency in the State of California.

Mr. MAGEE of New York. It is assumed that it will not all be needed there.

Mr. HULL of Iowa. Unquestionably it will be needed and probably more.

Mr. MAGEE of New York. Nobody can say.

Mr. HULL of Iowa. Then there is not anything in this bill to take care of an emergency that might occur next year.

Mr. MAGEE of New York. You have in this bill just what you would have under your special legislation. There is no use of using this language if the appropriation has been exhausted.

Mr. HULL of Iowa. But the emergency exists to-day by which that special legislative fund will be exhausted.

Mr. MAGEE of New York. It continues until the end of the fiscal year 1925.

Mr. HULL of Iowa. Provided they do not use it all, and you have already practically used it up.

Mr. MAGEE of New York. Not at all. It is not presumed, as I understand it, that it will be used up in the emergency existing now in California.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The question is on the amendment of the gentleman from Michigan.

The amendment was rejected.

The CHAIRMAN. The question now is on the amendment of the gentleman from New York to strike out the paragraph.

The question was taken; and on a division (demanded by Mr. MAGEE of New York) there were—ayes 35, noes 4.

So the amendment was agreed to.

The Clerk read as follows:

To conduct surveys and inspections in Texas or in any other State to detect any infestation and to conduct such control measures, including the establishment of cotton-free areas, in cooperation with the State of Texas or other States concerned, as may be necessary to stamp out such infestation, to establish in cooperation with the States concerned a zone or zones free from cotton culture on or near the border of any State or States adjacent to Mexico, and to cooperate with the Mexican Government or local Mexican authorities, or otherwise, by undertaking in Mexico such measures for the extermination of the pink bollworm of cotton as shall be determined to be practicable from surveys showing its distribution, $368,050, of which sum not to exceed $200,000 may be available for reimbursement to cotton-growing States for expenses incurred by them in connection with losses due to enforced nonproduction of cotton in certain zones in the manner and upon the terms and conditions set forth in Senate Joint Resolution No. 72, approved August 9, 1921: *Provided*, That no part of the money herein appropriated shall be used to pay the cost or value of crops or other property injured or destroyed.

The CHAIRMAN. The Clerk advises the Chair that the spelling of the word "reimbursement" should be corrected. If there is no objection, the Clerk will correct the spelling.

There was no objection.

Mr. HOWARD of Nebraska. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 66, line 22, after the word "elsewhere," strike out the figures "$391,910" and insert in lieu thereof "$500,000."

Mr. MAGEE of New York. I make the point of order that we have passed that paragraph.

The CHAIRMAN. The point of order is sustained, as that paragraph has been passed.

Mr. HOWARD of Nebraska. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I offered this amendment with the idea of giving the department sufficient money to stamp out the pink boll weevil, or the pink worm, effectively. I do not believe in half-way treatments. I am opposed to boll weevils wherever they appear, in the cotton boll or in the political boll. Only yesterday I heard a Member of this House tell a story about another Member who had not long ago stated to the newspapers a remarkable situation, in his mind a situation under the terms of which, with the ascendancy of President Harding, the affairs of this Government would henceforth be governed absolutely by an element residing north of the Ohio River and east of the Mississippi River. Now, under our system of government, of course all of us would rebel at being termed sectionalists or at the thought of raising a sectional issue. I am afraid a sectional issue has already been raised. For more than 60 years this country of ours has been practically governed by less than the territory of which the gentleman spoke.

This Government of ours has been practically governed by a section of it, which we term—and rightly, I think—New England. I do not know how the rest of you feel about it, but I have become more or less disturbed by the New England style of government, and now I am preaching a new gospel. I am preaching the gospel that the time has now arrived when there should be an amalgamation of the great agricultural West and the great agricultural South [applause] for the purpose of doing a little governing business in the United States. You people of New England need not tremble physically. We of the West and the South do not intend to work any physical harm to you, but we serve notice on you that if this gospel of mine shall find adherents as rapidly as I believe it may, pretty soon we will be getting the branding and dehorning chutes in order, ready for some political dehorning and branding about next November.

Mr. HERSEY. The gentleman is not going to raise any sectional issue?

Mr. HOWARD of Nebraska. Oh, no; I am just replying to a sectional issue. [Applause.] I recognize, as does every person here, with my meager degree of intelligence that my dominant and domineering friends in New England have asserted claims to some sort of divine right to do the ruling and the governing business in America for the past 60 years. Now, I have never assented to that claim of divine right. It has been largely a claim of dollar right, and the dollar seems to be more powerful in some sections of our country than all other forces combined.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAGEE of New York. Mr. Chairman, I ask that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. HOWARD of Nebraska. Mr. Chairman, that is the shortest five minutes I ever saw.

Mr. MacLAFFERTY. It was a long five minutes to some of us.

The CHAIRMAN. The gentleman from New York asks unanimous consent that debate on this paragraph and all amendments thereto close in five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TINCHER. Mr. Chairman, I rose to congratulate the House, especially the agricultural section of the country and the Agricultural Committee, upon our new joiner. A few years ago I, with other Members of this House, accused the gentleman who is now the distinguished chairman of the Committee on Appropriations of having said that the Sixty-seventh Congress, I think it was, would be governed by those north of the Ohio and east of the Mississippi. He denied it at the time. I have always thought maybe he said something like that, and I was sure [laughter] he was sorry of it after he denied it. But that is rather old. However, we have the assurance now of the distinguished Member from Nebraska, who up to date has consistently voted against every bill which the Agricultural Committee has proposed, a committee composed of 9 Democrats and 12 Republicans, and every report they have made so far has been a unanimous report, on a bill which every Member of that committee could vote for, and now we have the assurance of the distinguished gentleman from Nebraska that he is going to join the agriculturists from now on, and we welcome him and we are glad to have him in our fold. I yield back the remainder of my time. [Applause.]

The Clerk read as follows:

ERADICATION OF THE PARLATORIA DATE SCALE.

To enable the Secretary of Agriculture to meet the emergency caused by the existence of the parlatoria date scale in California, Arizona, or any other State, and to provide means for the extermination of this insect in California, Arizona, or elsewhere in the United States, in cooperation with the States concerned, $19,440.

Mr. HAMMER. Mr. Chairman, I move to strike out the last word. I am very deeply interested in this bill and the legislation for the farmer and I rose for the purpose of asking unanimous consent to extend my remarks in the RECORD on the question of rent legislation. I served as a member of the committee which held hearings, and have prepared a statement of the law and the facts, and I ask unanimous consent to revise and extend my remarks in the RECORD on this subject.

The CHAIRMAN. Is there objection?

Mr. TINCHER. Reserving the right to object, will the gentleman insert in his remarks a copy of the opinion of the court?

Mr. HAMMER. I deal with that, that is obiter dictum and does not——

Mr. GARRETT of Tennessee. I will state that it was inserted in the RECORD on yesterday.

Mr. HAMMER. I deal with that, that is obiter dictum.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HOWARD of Nebraska. Mr. Chairman, I would like to ask permission to put in the RECORD what I did not say in my little speech. [Laughter.]

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ENFORCEMENT OF PACKERS AND STOCKYARDS ACT.

To enable the Secretary of Agriculture to carry into effect the provisions of the packers and stockyards act, approved August 15, 1921, $452,540.

Mr. RUBEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RUBEY: Page 70, line 6, strike out figure "$452,540" and insert in lieu thereof the following: "$226,770: *Provided, however*, That the Secretary of Agriculture may make an estimate of the amount of funds necessary in addition to the sum herein named to enable him to carry into effect the provisions of the packers and stockyards act, and thereupon he may levy as uniformly and equitably as in his judgment is possible from time to time, against the stockyard owners, market agencies, and dealers subject to said act, who shall promptly thereafter pay to the Secretary of Agriculture such fees as will be necessary to provide such additional funds. The Secretary may require reasonable bonds from them to secure the performance of their obligations, and may after a hearing on not less than two days' notice suspend any market agency or dealer for a reasonable specified time because of insolvency or violation of said act or any order of regulation thereunder."

Mr. MAGEE of New York. Mr. Chairman, I reserve a point of order on that.

The CHAIRMAN. The gentleman from New York reserves a point of order on the amendment.

Mr. RUBEY. Mr. Chairman, I do not think the point of order will be sustained. I call the attention of the chairman and of the committee to this fact: The appropriation here provides for $452,540 from the Treasury of the United States. I provide a 50-50 proposition. I provide in this bill for a reduction. I divide that amount in half and provide for an appropriation of $226,770. This amendment provides that the Secretary of Agriculture may collect an equal amount if necessary, or whatever amount is necessary in addition to the amount we appropriate, from the owners, the market agencies, and the dealers; in other words, I provide that the Secretary of Agriculture may collect the rest of the money necessary to put into force this act. I also provide here, in the latter part of the amendment, that the Secretary of Agriculture, if he has any trouble in making these collections or in carrying out his orders or regulations, on not less than two days' notice may suspend any market agency, owner, or dealer for a reasonable specified time because of insolvency or violation of said act, or any order or regulation thereunder.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. RUBEY. Yes.

Mr. BLANTON. You say that is in your amendment?

Mr. RUBEY. Yes; that is in my amendment.

Mr. BLANTON. Will the gentleman yield?

Mr. RUBEY. I yield.

Mr. BLANTON. Does not the gentleman from Missouri know that in the first place the amount that is levied upon these packers will be collected from the people, after all, in increase of the prices of meat; and second, that it will cost the people of the United States quite a sum in the overhead for the Secretary of Agriculture to collect this money from the packers; so that after all it will be cheaper for us to appropriate all the money in the first instance?

Mr. RUBEY. I do not yield to the gentleman to make a speech. He makes all the speeches he wants to. I am not discussing the merits of the bill. I am talking about the point of order.

Mr. BLANTON. Unless the gentleman wants time, I will make a point of order.

Mr. RUBEY. It is clearly not subject to a point of order under the Holman rule. I have discussed this question with the best parliamentarians on the floor of the House, and it is their opinion that this amendment, under the Holman rule, is not subject to a point of order. It makes an absolute reduc-

tion. There is no question in the world about that, and in order to get this amendment before the House I make that reduction. We want this matter brought up for discussion, and when we bring it up you can pass upon its merits. But I am sure the Chair will not declare it out of order. I am not a parliamentary expert. I simply pass upon these questions from common sense, and from my common-sense view of this situation I think it is not subject to a point of order under the Holman rule.

We not only reduce the amount of the appropriation by one-half, but we do not put any legislation into this act that is compulsory. We leave it optional. We give the authority to do certain things to the Secretary of Agriculture. If he does them, good and well. If he does not do them, he can not get the money necessary to run his department, or rather that particular part of his department which provides for the enforcement of the packers and stockyards act. I am certain that the Secretary of Agriculture will do that which is necessary in order to secure the amount of money that is needed in order that this act may be enforced. Mr. Chairman, I do not think you will find my amendment subject to a point of order.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BLANTON. Mr. Chairman, I make the point of order, and I want to be heard on it a moment. It is legislation on an appropriation bill.

I am in favor of regulating and controlling the packers and the commission men, Mr. Chairman, but it would be an unwise provision of law to place in the hands of any Secretary of Agriculture the arbitrary right to suspend them and put them out of business without a hearing, without an adjudication, just on his ipse dixit, to say that they shall stop business when it may seriously affect several thousand cattlemen scattered over the country at any time.

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. RUBEY. Does the gentleman know, if he is going to bring up that proposition, that at this very hour and at this very moment, while he is talking, in the stockyards all over this country, the men who are in the exchanges, the commission men, the agencies of the old-line people—does he not know that they have boycotts on and are putting cooperative organizations out of business?

Mr. BLANTON. Yes; and the Secretary of Agriculture ought to stop it. He ought to break it up. He could stop it if he would.

Mr. RUBEY. He can not stop it without this legislation.

Mr. BLANTON. He has authority now to stop it.

Mr. RUBEY. I claim he has not.

Mr. BLANTON. We gave him full authority under the act we passed. That is the strongest argument, Mr. Chairman, in favor of my contention that there is legislation in this amendment, because if the gentleman were correct when he states there is now no authority, and if there were no legislation in it, he would not have offered his amendment now to do this very thing.

I do not want to put it in the hands of any Secretary of Agriculture to be a czar and, without a hearing, put a packer or commission firm absolutely out of business when it could affect thousands of cattlemen scattered over the country. I happen to know something about this cattle business. I know that the whole future and destiny of some cattlemen are wrapped up in some of these commission firms and packeries. Money has been loaned to them, and if the commission firms and packers are ruined improperly it could ruin at the same time thousands of cattlemen scattered everywhere in various States. I want them properly controlled, but the Secretary of Agriculture now has ample authority if he would only take lawful action against them.

All of this boycott business ought to be stopped and I have no patience with it. The Secretary of Agriculture ought to stop it, and he has ample authority in the law we have already given him, and if he has not, then we made a mistake when we passed that law, because we were believing we were giving him full authority when we passed that law.

Mr. Chairman, I submit there is legislation in this amendment, and that it does not come within the Holman rule.

Mr. JONES. Will the gentleman yield for a suggestion?

Mr. BLANTON. Yes.

Mr. JONES. If I understand the amendment correctly, it does not refer to the packers, but it refers to the commission men who are buying and selling cattle; that it has no reference at all to the packers and does not affect them.

Mr. BLANTON. But my colleague knows they are so intimately connected and interwoven in their business that whenever you affect one you affect the other.

Mr. JONES. Not in connection with this particular proposition. As I understand it, the old-line commission men, who are the intermediate parties, refuse to deal with, handle the cattle of, or sell cattle for the cooperative organizations or their members.

Mr. BLANTON. Why does not the Secretary of Agriculture stop that? He ought to force them to handle them.

Mr. JONES. Under the present law the Secretary of Agriculture may issue a cease-and-desist order, which is unenforceable because of want of a penalty, must then wait for a second offense of the same kind, and then must have a hearing, and then——

Mr. BLANTON. Should he not do that? I do not want him to stop any man's business without a proper hearing.

Mr. JONES. Within that time they can put them absolutely out of business altogether. In addition to that, after a hearing they have the right to appeal to the court, and it would take a year for the Secretary of Agriculture to get any action.

Mr. BLANTON. I have no patience with this boycott and it ought to be stopped, but I think the Secretary of Agriculture has authority right now to stop it, if he wants to stop it.

Mr. JONES. No; the gentleman has an erroneous impression about that. The Secretary of Agriculture has not the right to stop it now, nor has he the ability to stop it, and that is the reason why we want this kind of a limitation placed in this bill, and the purpose of this character of legislation—if it may be so termed—is that he may have that authority by having a hearing—he does not propose to do it without having hearings—but it is necessary that he have authority to hold a short hearing, give notice, and suspend temporarily, and ultimately to suspend altogether if they do not go ahead and deal with these people just like they would with anybody else.

Mr. BLANTON. Will the gentleman yield?

Mr. JONES. Yes.

Mr. BLANTON. If we need such legislation and it is that important, why does not the Agricultural Committee go to the Rules Committee and get a rule for immediate consideration instead of trying to put legislation on an appropriation bill?

Mr. JONES. Let me call the gentleman's attention to the fact that the Agricultural Committee has reported a bill and has applied to the Rules Committee for a rule, but in the meantime, as the gentleman from Missouri [Mr. RUBEY] has just stated, at this very hour the old-line commission companies are conducting a boycott that is absolutely disintegrating the cooperative organizations and putting them out of business, and if they can wait around or let us wait around until the Rules Committee has time to meet and act and the legislation is enacted into law, they will have accomplished their purpose, so that the work of years will be wasted and the time they have spent in building up these cooperative organizations will go for naught and vanish into thin air. That is the purpose of this amendment. Why does the gentleman object to the committee considering the amendment on its merit?

Mr. MacLAFFERTY. Mr. Chairman, I make the point of order——

Mr. JONES. I do not understand why the gentleman from Texas objects to considering the amendment on its merits.

Mr. BLANTON. We have been in session constantly since December and the Rules Committee grants rules almost weekly.

Mr. MacLAFFERTY. Mr. Chairman, I make the point of order that these Members are talking with each other and taking our time instead of talking to the point of order that is before the committee.

The CHAIRMAN. The gentlemen will confine themselves to the point of order.

Mr. JONES. I want to say this, gentlemen, that as I understood the amendment when it was read, it reduces this appropriation and places a limitation upon the manner in which it may be spent. It seems to me it is a limitation under the Holman rule, and in addition to being a limitation it reduces the expenditures one-half. Now, if there is anything in the Holman rule, it seems to me it would apply to a case of this kind.

We are appropriating here for the enforcement of what is known as the packer act. It is therefore germane. And even though it may contain some permissive legislation, it is of such a nature as to come strictly within the rule relative to retrenchment.

Mr. CHINDBLOM. Mr. Chairman, if the Chair will permit, it seems to me that a mere reading of this amendment will

show that it is legislation and that it can not possibly be considered a mere limitation.

Mr. RUBEY. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. RUBEY. Does not the gentleman realize that we have a Holman rule and that if we reduce an appropriation one-half, as we do in this case, it is in order?

Mr. CHINDBLOM. But you are not reducing this appropriation by the language which follows the amount of money that you propose to appropriate. The proviso does not reduce the appropriation. The rule is that the legislation itself must produce the reduction contemplated by the Holman rule.

Mr. RUBEY. Will the gentleman yield further? If the gentleman will read the amendment carefully, he will find that all the rest of the money used by the Secretary of Agriculture to carry out this law comes from the different agencies themselves.

Mr. CHINDBLOM. What the gentleman is doing in this amendment is pretending to reduce the appropriation out of the Federal Treasury and then trying to legislate so as to secure a corresponding amount from the packers themselves. You are putting this expense upon the packers. It is true that the amount of money carried in the bill is reduced from $452,540 to $226,270, the amount being divided in two, but after that reduction, I want to call the attention of the Chair to this language:

Provided, however, That the Secretary of Agriculture may make an estimate of the amount of funds necessary in addition to the sum herein named to enable him to carry into effect the provisions of the packers and stockyards act.

That is legislation which puts an administrative act upon the Secretary of Agriculture.

Then the amendment goes still further, Mr. Chairman. It provides as follows:

Thereupon he may levy as uniformly and equitably as in his judgment is possible from time to time against the stockyard owners, market agencies, and dealers subject to said act, who shall promptly thereafter pay to the Secretary of Agriculture such fees as will be necessary to provide such additional funds.

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Certainly.

Mr. BLANTON. Suppose some one should offer an amendment to cut the boll-weevil appropriation half in two and then propose that the Secretary of Agriculture should levy on the farmers a certain amount to make good that reduction. Would not that be legislation, pure and simple?

Mr. CHINDBLOM. Yes; exactly. Mr. Chairman, under this kind of amendment we might reduce any appropriation in any appropriation bill. We might reduce any amount that is being taken out of the Federal Treasury and then go right ahead and provide that the money shall be collected from the taxpayers or from people who use the agency of the Government. We might in an appropriation bill for the Post Office Department, for instance, reduce the appropriation for certain purposes and then provide that the people who use the post office for second-class mail or first-class mail or for parcel post shall pay such increased charges as the Postmaster General may prescribe.

I will read further from the amendment. After the Secretary of Agriculture has made an estimate of the amount of money he needs to make up this alleged reduction in the Federal appropriation, he shall then levy upon the stockyard owners, market agencies, and dealers such fees as will be necessary to provide the additional fund, and more than that—

the Secretary may require reasonable bonds from them to secure the performance of their obligations, and may after a hearing on not less than two days' notice, suspend any market agency or dealer for a reasonable specified time because of insolvency or violation of said act or any order or regulation thereunder.

Why, Mr. Chairman, this is a complete piece of legislation for the purpose not only of regulating the packers but for the purpose of levying against them and collecting from them charges under the packers' act, requiring them to give a bond and suspending them from business upon a very limited hearing. It is hard to conceive an amendment which might be offered to an appropriation bill which would contain more elements of legislation than does this item, and, of course, there is no assurance whatever that the amount of money it is proposed to raise here will correspond to the sum of $226,270 which the gentlemen say is the amount of the reduction in the appropriation. In other words, they are cutting the appropriation in two as a subterfuge, as a mere screen, behind which they are passing legislation aimed against a certain class of business.

Mr. TINCHER. Mr. Chairman, the only reason that can be advanced for this amendment not being in order is that it violates some rule of the House. The reason it is in order is that it comes squarely within the rules of the House. The gentleman from Illinois just consumed 10 minutes in discussing the point of order with the Chair, but not once did the gentleman call attention to any rule of the House that the amendment violates, and there is a good reason for that.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. CHINDBLOM. I talked consistently and constantly about the legislation that is contained in the amendment.

Mr. TINCHER. Certainly.

Mr. CHINDBLOM. And, of course, it is a fundamental rule that you can not legislate upon an appropriation bill.

Mr. TINCHER. I want to call the Chair's attention to the rules of the House and see whether it is a fundamental rule that you can not legislate on an appropriation bill, and then see how fundamental it is. I think the rules mean what they say. They may not always suit us, and I know of a good many amendments that have been offered to appropriation bills here that I wished were out of order, but they were not. On page 360 of the Manual, Rule XXI provides:

No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

This is an appropriation to administer the stockyards control act. We propose to cut in two the amount of money appropriated, and under the rules of the House we have the right to legislate on the bill if we do that.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. TINCHER. And there is not anything sacred about it. The only reason in the world it would not be in order would be because of some rule, because the facts are that the gentleman's constituents—some of them, perhaps—have got a boycott against the American farmer to-day in the Chicago stockyards and in the Kansas City stockyards by which they are robbing him, and it being within the rules of the House to enact this legislation, we propose to put it in here; and if we do not put it in here, we propose to simply keep trying to put it in here until we do. But the amendment is in order here. The best parliamentarians in this House, unprejudiced and unbiased, say it is in order, and the rules say it is in order, and we want to vote it in and pass the bill as legislation on appropriation bill by reason of the Holman rule, which gives us a right to pass something which we ought to have passed yesterday afternoon.

Mr. CANNON. Mr. Chairman, as the gentleman from Illinois and the gentleman from Texas very well and very correctly say, this amendment unquestionably proposes legislation on an appropriation bill.

As such, of course, it would not be in order under the rule cited by the gentleman.

But there is an exception to this rule, to which the gentleman from Iowa has just called attention; under which germane amendments retrenching expenditures are in order. This amendment is so drawn as to fall within that exception. The exception, known as the Holman rule, provides that whenever an amendment is germane—and none of the proponents of the point of order contend that it is not germane—and retrenches expenditure by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill, it shall be in order, the rule just quoted to the contrary notwithstanding. This amendment on its face retrenches expenditures by one-half the amount of the appropriation proposed in the bill. In the language of the rule, it proposes a retrenchment by the reduction of the amount covered by the bill, and as a matter of fact through all three methods specified by the Holman rule, and is therefore clearly in order.

There are numerous precedents which might be cited on this point, but it is sufficient to call attention to one or two with which practically every Member of the House is familiar, one in particular which will be readily remembered by all Members of the Sixty-sixth Congress who listened to the debate on the agricultural bill in that Congress.

It will be recalled that the Government had established on the coast of California as a war measure a kelp plant for the production of potash. The agricultural appropriation bill—the same bill which is before us to-day—carried an appropriation providing for the maintenance of that plant.

An amendment was offered, I think by the gentleman from Minnesota [Mr. ANDERSON], for the reduction of the amount proposed and in that connection conferred upon the Secretary of Agriculture the authority to proceed, within his discretion, to appraise and, if he deemed best, to sell the plant, with all appurtenances thereto, and also authorized him to prescribe the methods and terms of sale and to execute deeds and take such other action as he considered necessary for the completion of the transfer, just as in this instance the same Secretary of Agriculture is given the authority to proceed, at his option, in the exercise of similar discretion.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. CHINDBLOM. In that case the proposal was to dispose of property belonging to the Government.

Mr. CANNON. That is true.

Mr. CHINDBLOM. I was speaking of legislation provided by the rule. Everybody knows I was discussing legislation that is mentioned in the rule. That was property belonging to the Government and legislation relating to the continued use and disposition of the property. In this case you are proposing to establish a system of taxation, practically a system of levying and collecting taxes, not from the Government but from citizens engaged in a line of business.

Mr. CANNON. Certainly the gentleman will not contend that that authorization to dispose by sale of Government property does not involve legislation.

If the gentleman will read the decision cited he will note that the chairman on that occasion prefaces his ruling with the statement that the proposal is legislative in character, and as legislation on an appropriation bill it would have been out of order were it not for the fact that it came within the exception provided by the Holman rule.

Mr. BLANTON. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. BLANTON. The very next paragraph provides an appropriation of $104,000 for the expense of the grain futures act. Suppose I move to cut that in half, and in that amendment provide that the Secretary of Agriculture can levy an assessment on the farmers of the country to collect the other half. Would that be a germane amendment; would that be in order under the Holman rule?

Mr. CANNON. The gentleman proposes a hypothetical case which has not been reached and which in all probability will not be reached. I am citing instances in which the point at bar has been actually raised and specific decisions which have been made on this identical point, and which are both authoritative and conclusive, and which have been sustained by every related ruling since these decisions were made.

If the Chair will permit, I will refer the gentleman to a similar decision made when the fortifications appropriation bill was under consideration in that same Congress. The bill provided an appropriation for the maintenance of artillery and other motor stock in the possession of the War Department. The gentleman from Minnesota [Mr. ANDERSON] offered an amendment reducing the amount provided in the bill and authorizing the Secretary of War, within his discretion, to dispose of surplus motor trucks in the possession of the War Department. It also gave him power to prescribe such regulations as he might deem necessary to carry out the terms of sale of such material.

Mr. Chairman, the powers and authorizations discussed in these two decisions are on all fours with those provided in the pending amendment. The discretion here conferred upon the Secretary is identical with the discretion given the same Secretary in the agricultural bill cited and the Secretary of War in the fortifications bills referred to. In all three instances the definite reduction of the amount in the bill constitutes a retrenchment within the purview of the Holman rule and is in order, and the point is not well taken.

Mr. TILSON. Mr. Chairman, this point of order brings us to our old friend the Holman rule. There are two things clear about this amendment. The first is that it is legislation. Nobody denies that. The second is that it does reduce the amount carried in the bill. Does it bring itself within the exceptions provided for in the rule? What are they? The rule says:

Nor shall any provision in any such bill or amendment thereto changing existing law—

It is clear that this changes existing law—

be in order, except such as being germane to the subject matter of the bill shall retrench expenditures—

And so forth.

It shall retrench expenditures in one or another of certain ways, one of which is by reducing the amount carried in the bill, and that is done here. However, we have not yet gotten over the first hurdle—that of being germane to the subject matter of the bill. What is the subject matter of the bill?

Mr. RUBEY. Mr. Chairman, nobody has made any point that it is not germane. That is not in the question now.

Mr. TILSON. It is the only question there is.

Mr. BLANTON. That is the only question there is.

Mr. MAGEE of New York. Mr. Chairman, I reserve the point of order, and I make the point of order now that it is not germane to the bill or to any paragraph in the bill.

Mr. TILSON. All I wish to say is upon the subject of germaneness, and I shall speak very briefly upon that.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. TINCHER. This is an appropriation bill which carries an appropriation for the enforcement of the stockyards control act. If this is not germane to that bill, it would not be germane to any bill in the world. I do not see how the gentleman can say that it is not germane to this bill.

Mr. TILSON. It must be not only germane as related to matters carried in the bill, but the germaneness must be of such a nature as to make the proposed legislation necessary to effect the retrenchment. It must have this relation to the retrenchment. If it has not, then it is not germane.

Mr. BLANTON. Is there a single paragraph in this bill about levying assessments upon anybody?

Mr. TILSON. Oh, no.

Mr. BLANTON. Then it is not germane to any part of the bill.

Mr. TINCHER. The stockyards control act authorizes the levying of assessments. That is the act this bill carries the appropriation to enforce. This amendment would be germane to the stockyards control act.

Mr. TILSON. But it must be germane to this bill.

Mr. TINCHER. And as this carries an appropriation for the enforcement of that act, it is germane to this bill.

Mr. TILSON. Mr. Chairman, I am not arguing the merits of the legislation. I think that if the great Agricultural Committee of this House should bring in a bill to this effect that probably in my desire to help the farmer I would support the measure, but that is not the question here.

Mr. RUBEY. We had a bill here yesterday afternoon, but the gentleman from Illinois [Mr. MADDEN] conducted a little filibuster, and we could not get to it.

Mr. TILSON. I was not guilty of participating in any filibuster yesterday.

Mr. MAGEE of New York. Mr. Chairman, I want to say that the bill that was before the House yesterday I voted for, and I do not think that whatever the distinguished chairman of the Committee on Appropriations did ought to be taken out on me.

Mr. TILSON. This is a matter affecting the rules of this House, and regardless of how we may feel about the legislation, we ought to try to keep the procedure of the House orderly, and should not insist upon any precedents being made here which will open wide the door to all sorts of legislation on appropriation bills. I believe that the chairman now presiding over the Committee of the Whole probably feels the same about this legislation as many of the rest of us do, but I am sure he would not wish to make a precedent that is unwise and one that would rise up to plague us in the future.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. ASWELL. The Congress and the courts both seem now to act on the plea of emergency, as is shown by the Rent Commission bill and the Haugen bill and various other things. There is no doubt but that this is a very vital and distressing emergency. Would that have anything to do with the gentleman's argument?

Mr. TILSON. It might have force before the Committee on Rules to induce them to bring in a special rule to have the legislation considered, but when it comes to putting what is clearly legislation on an appropriation bill, legislation that is as foreign to the appropriation carried in this bill as this is, it seems to me that it would be a dangerous course to pursue. Therefore I can not let it pass without expressing my disapproval of it as a parliamentary proposition.

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

priation in two as a subterfuge, as a mere screen, behind which

of the Sixty-sixth Congress who listened to the debate on the agricultural bill in that Congress.

It is clear that this changes existing law—

Mr. TILSON. Yes.

Mr. RUBEY. The gentleman does not think it comes under the Holman rule. We all admit that it is legislation, but we say that it is legislation which reduces expenditures and puts money into the Treasury.

Mr. TILSON. I understand the gentleman's position, and it is the position that I am trying to meet. It is legislation, and it does reduce the amount carried in the bill, but it goes far beyond anything carried in the bill. It is legislation that is not related to the retrenchment itself. It introduces a system of fees, it collects revenues, and it goes so far afield that it does not seem to me that we ought to lay it down as a precedent.

Mr. RUBEY. It is simply providing a means whereby the money saved to the Treasury may be restored to the Secretary of Agriculture.

Mr. TILSON. That is exactly what it does, and that is one of the reasons I object to it. The merits of the amendment may be all right, but it does provide for fees and a number of other things. It is legislation pure and simple and not so related to the reduction of the amount carried in the bill as to bring it within the Holman rule.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. CHINDBLOM. The gentleman is one of the most distinguished and ablest parliamentarians in this House.

Mr. TILSON. That is very fine; now, will the gentleman ask his question?

Mr. CHINDBLOM. The gentleman from Missouri [Mr. CANNON] just made the point that this proposal not only reduces expenses but provides additional revenue.

Mr. TILSON. Yes.

Mr. CHINDBLOM. Does the Holman rule permit on an appropriation bill a provision for securing additional revenue?

Mr. TILSON. I think that is one of the troubles with this proposition.

Mr. RUBEY. The gentleman has misquoted me entirely.

Mr. DEMPSEY. Mr. Chairman, there seems to be just one decision, so far as I am able to discover, bearing upon this question. It is the following:

To a clause appropriating for the Foreign Mail Service an amendment reducing the appropriation and, in addition, repealing the act known as the "subsidy act" was held not in order because the repealing of this act was not germane to the appropriation bill; and that to be in order both branches of the amendment must be germane to the bill.

So that to be in order both branches of an amendment must be in order to the bill. Now, it seems to me that is precisely the question for the Chair here, and the only possible distinction is this: That in this case you legislate instead of repealing. This legislation is not germane to an appropriation bill. It is legislative distinctively, and the citation holds that both the reduction must be germane and the legislation by affirmative legislation or by repealing legislation must be germane. Now, this legislation is not germane in any way to the appropriation bill as such, and the case cited seems to me to cover distinctly and squarely the question at issue here.

Mr. CANNON. Mr. Chairman, one word on the question of germaneness just raised.

It must be apparent to the most casual observer that the amendment is entirely germane both to the bill and to the paragraph to which offered, but in case there should be any question on that point it is well to note the distinction between the precedent just cited and the case at bar. In that instance it was proposed to repeal legislation entirely foreign to the subject under consideration. In the present instance the reduction and the amendment are closely correlated. The bill provides a sum of money to be used in carrying into effect the provisions of the packers and stockyards act. The amendment provides other means for carrying the act into effect. The bill provides one method, and the amendment provides another method of accomplishing precisely the same purpose.

The amendment merely changes the manner of providing means for the enforcement of the law. It is only another method of accomplishing the same result and is therefore germane to the proposition, and being germane and at the same time effecting a retrenchment of expenditure it is in order under the Holman rule.

The CHAIRMAN. The Chair is ready to rule. The rule provides as follows:

No appropriation shall be reported in any general appropriation bill or be in order as an amendment thereto for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction in the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

The first part of the amendment clearly reduces expenditures provided by the bill. The proviso in the amendment is clearly legislation, and is only in order under the Holman rule providing that legislation is in order when it reduces the expenditures. The question arises in the mind of the Chair as to the germaneness of the proviso, which is the legislation in the amendment. The paragraph in the bill to which this amendment is attached reads as follows:

To enable the Secretary of Agriculture to carry into effect the provision of the packers and stockyards act, approved August 15, 1921.

This proviso in the bill, as viewed by the Chair, is germane to that provision, because it provides the method by which this is to be carried out, and the point of order is overruled. [Applause.]

The CHAIRMAN. The question is on the adoption of the amendment.

The question was taken, and the Chair announced the ayes seemed to have it.

On a division (demanded by Mr. BLANTON) there were—ayes 75, noes 25.

So the amendment was agreed to.

Mr. AYRES. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. AYRES: Page 70, line 4, after the word "the," strike out "the Secretary of Agriculture" and insert in lieu thereof "the Federal Trade Commission."

Mr. MAGEE of New York. Mr. Chairman, I make the point of order that it is not germane to the paragraph and is legislation on an appropriation bill.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

COLLECTION OF SEED-GRAIN LOANS

To enable the Secretary of Agriculture to collect moneys due the United States on account of loans made to farmers under the seed-grain loan provisions of the act of March 3, 1921, and the seed grain loan act of March 20, 1922, including the employment of such persons and means in the city of Washington and elsewhere as may be necessary, $19,315.

Mr. LEAVITT. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. CLARKE] be given the privilege of extending in the RECORD his remarks on the reforestation bill.

The CHAIRMAN. The Chair thinks that is out of order in the Committee of the Whole unless the gentleman desires to extend his own remarks.

Mr. LEAVITT. Mr. Chairman, the gentleman from New York was called away and asked me to make this request.

The CHAIRMAN. The Chair thinks the rule is that a Member may have his own remarks extended, but it is limited to that. The Clerk will read.

The Clerk read as follows:

INTERNATIONAL SEED-TESTING CONGRESS

The President is hereby authorized to appoint not to exceed five delegates to represent the United States at the International Seed Testing Congress, to be held at London and Cambridge, England, July 7 to 12, 1924, the expenses of delegates representing the Department of Agriculture to be paid from the appropriations for "General expenses, Bureau of Plant Industry," and "General expenses, Bureau of Agricultural Economics," for the fiscal years 1924 and 1925.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph, that it is unauthorized by law.

The CHAIRMAN. The gentleman from Texas makes a point of order against the paragraph on the ground that it is unauthorized by law.

Mr. MAGEE of New York. Mr. Chairman, will the gentleman withhold it?

Mr. BLANTON. It is clearly subject to a point of order.

Mr. MAGEE of New York. Will the gentleman reserve it for a moment? I want to talk about the purpose of the paragraph.

Mr. BLANTON. I make the point of order, Mr. Chairman. It is clearly subject to a point of order.

The CHAIRMAN. The Chair is of opinion that it is legislation and sustains the point of order. The Clerk will read.

The Clerk read as follows:

SPECIAL ITEMS

Forest roads and trails: For carrying out the provisions of section 23 of the Federal highway act, approved November 9, 1921, $4,700,000, to be available until expended, being the remainder of the sum of $6,500,000 authorized to be appropriated for the fiscal year ending June 30, 1924, and part of the sum authorized to be appropriated for the fiscal year ending June 30, 1925, by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the approval of this act, also to apportion and prorate among the several States, Alaska, and Porto Rico, as provided in section 23 of said Federal highway act, the sum of $5,300,000, constituting the remainder of the sum authorized to be appropriated for the fiscal year ending June 30, 1925: *Provided further*, That the Secretary of Agriculture may incur obligations, approve projects, or enter into contracts under his apportionment and prorating of this authorization, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof: *Provided further*, That the appropriations heretofore, herein, and hereafter made for the purpose of carrying out the provisions of section 8 of the act of July 11, 1916, and of section 23 of the Federal highway act of November 9, 1921, and acts amendatory thereof and supplemental thereto, shall be considered available for the purpose of discharging the obligations created hereunder in any State or Territory: *Provided further*, That the total expenditures on account of any State or Territory shall at no time exceed its authorized apportionment.

Mr. MAGEE of New York. Mr. Chairman, as I promised the Members of the House, and particularly the gentleman from Oregon [Mr. SINNOTT], I would like to have read into the RECORD a statement by the Secretary of Agriculture as to the sufficiency of these appropriations.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, April 17, 1924.

Hon. WALTER W. MAGEE,
Acting Chairman Subcommittee on Agriculture,
House Appropriations Committee.

DEAR MR. MAGEE: Referring to your inquiry of yesterday, it is the judgment of the department that the appropriation of $4,700,000 for the construction of forest roads carried in the appropriation bill for the department for the fiscal year 1925, combined with authority to incur contractual obligations in an amount of $5,300,000 more, is a reasonable provision for this purpose at the present time. It is possible that the normal progress of forest road construction during the fiscal year in accordance with the existing authorization will necessitate withdrawals from the Treasury in excess of the proposed appropriation, but before such possible shortage in funds could occur the Congress will be considering the agricultural bill for the fiscal year 1926, and any additional amount necessary could be provided for at that time.

Sincerely yours,
HENRY C. WALLACE,
Secretary of Agriculture.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. KETCHAM. Mr. Chairman and gentlemen of the committee, earlier in the afternoon the distinguished gentleman from Missouri [Mr. FULBRIGHT] engaged in a little colloquy with the gentleman from Illinois [Mr. KING] concerning the policy of deflation and where the responsibility for that policy really lies.

Those who were here in the Sixty-seventh Congress will recall that this matter was then discussed at some length. At that time, being rather uncertain about it in my own mind, I took some little time to make a careful study of the question and took as my authority a very distinguished gentleman who figured very prominently in the last administration—Mr. John Skelton Williams. This authority, I take it, will not be disputed by the minority. His statement ought to be the last word to Democrats as to when deflation took place. I want to read from some remarks I offered in the House at the time this matter was formerly under discussion.

I made a survey of 16 leading commodities, and took the prices of those commodities during the last 10 months of the Democratic administration and the first 10 months of the Republican administration, and the results, according to the figures by Mr. Williams, are as follows:

Grouping all the commodities together and calculating the average deflation in terms of percentage, we find that 84½ per cent can be charged to the 10 months of the Democratic administration immediately preceding March 4, 1921, and 15½ per cent to the first 10 months of the Republican administration. These are the facts set out by the record, worked out with so much painstaking care by the Hon. John Skelton Williams, who certainly could not be rightfully accused of any prejudice in favor of the Republican administration. They seem to completely answer the charge made by two distinguished Democratic leaders who are evidently undertaking to mislead the great body of American voters, who have been almost overwhelmed by the disastrous consequences of the action of Democratic administrative officials.

[Applause.]

Mr. ASWELL. Mr. Chairman, is the gentleman talking forest trails now?

Mr. KETCHAM. My discussion of this subject bears on the subject under discussion undoubtedly as closely as did the remarks to which they refer.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. KETCHAM. Yes.

Mr. CHINDBLOM. The gentleman is trying to show how, during Democratic times, our financial forests were denuded. [Laughter.]

Mr. KETCHAM. Yes. In conclusion, Mr. Chairman, I want to say, in order that the record may be kept straight, that this deflation was an administrative act, and that the Federal Reserve Board that performed it was presided over by the distinguished Secretary of the Treasury, CARTER GLASS; the majority of the members of that board were appointed by President Wilson, and the responsibility for deflation rests on his administration. I hope the matter will be settled from this time on and it is with that sincere wish that these remarks are made. [Applause.]

Mr. BLANTON. It will be settled in November.

Mr. HULL of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WEFALD. Mr. Chairman, I ask unanimous consent to extend my remarks on this bill, particularly on the enforcement of the packers and stockyards act.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AYRES. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SUMMERS of Washington. Mr. Chairman, I ask the privilege of extending my remarks on the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LOZIER. Mr. Chairman, I make the same request in reference to the packers and stockyards act.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent to revise and extend my various remarks on various occasions in the consideration of this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read.

Mr. DICKINSON of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the Agricultural appropriation bill.

Mr. BLANTON. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Missouri [Mr. DICKINSON] and the gentleman from Texas [Mr. BLANTON] ask unanimous consent to extend their remarks in the RECORD on the Agricultural appropriation bill. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Cooperative construction of the Federal aid highway system: For carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural

post roads and for other purposes," approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, to be expended in accordance with the provisions of said act as amended, $13,000,000, to be available until expended, being part of the sum of $75,000,000 authorized to be appropriated for the fiscal year ending June 30, 1925, by paragraph 1 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the passage of this act, to apportion among the several States, as provided in section 21 of the Federal highway act, approved November 9, 1921, the sum of $75,000,000 authorized to be appropriated for the fiscal year ending June 30, 1925, by said paragraph 1 of section 4 of the act approved June 19, 1922: *Provided further*, That the Secretary of Agriculture shall act upon projects submitted to him under his apportionment of this authorization, and his approval of any such project within three years shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

Mr. MAGEE of New York. Mr. Chairman, I have a communication from the Secretary of Agriculture with reference to this paragraph which I ask unanimous consent to have read by the Clerk.

The CHAIRMAN. The gentleman from New York asks unanimous consent to have a communication from the Secretary of Agriculture read by the Clerk. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, April 18, 1924.

Hon. WALTER W. MAGEE,
Acting Chairman Subcommittee on Agriculture,
House Appropriations Committee.

DEAR MR. MAGEE: Reference is made to your inquiry of yesterday concerning the appropriation for Federal aid to the States in highway construction. It is the judgment of this department that the appropriation for this purpose of $13,000,000 contemplated by the pending Agriculture appropriation bill, together with existing balances, will provide a sum sufficient to meet the total cash withdrawals for the normal program now estimated for the present fiscal year 1924 and the fiscal year 1925. In any event, before any shortage in funds could occur with which to meet existing authorizations the Congress will be considering the Agricultural bill for the fiscal year 1926, and any possible additional funds required could be provided for at that time.

Sincerely yours,

HENRY C. WALLACE, *Secretary of Agriculture.*

Mr. KINCHELOE. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee how much money we are authorizing to be expended out of Federal funds for good roads, exclusive of forest roads and trails, within the next fiscal year?

Mr. MAGEE of New York. My colleague, Mr. BUCHANAN, has made a particular study of these two paragraphs and I am sure he will be glad to give the gentleman all the information he has.

Mr. BUCHANAN. In the construction of our highway system, in cooperation with the States, there will be a balance during the next fiscal year of $85,400,000 available to meet maturing obligations.

Mr. KINCHELOE. How much was expended last year out of Federal funds?

Mr. BUCHANAN. I do not recall how much was expended last year, but we will have a balance at the end of this fiscal year of $400,000,000.

Mr. KINCHELOE. Of Federal funds?

Mr. BUCHANAN. Yes.

Mr. KINCHELOE. The gentleman believes this is a sufficient appropriation and authorization to carry on the Federal roads project?

Mr. BUCHANAN. I do; otherwise I would not have approved it.

Mr. KINCHELOE. I knew the gentleman was a good friend of roads.

The Clerk completed the reading of the bill.

Mr. MAGEE of New York. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MAGEE of New York. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. MAGEE of New York. Mr. Speaker, I demand a separate vote on what is called the blackleg vaccine amendment, page 15, lines 1, 2, and 3.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the amendment on which a separate vote is demanded, which the Clerk will report.

The Clerk read as follows:

Page 15, line 1, after the word "animals," strike out the remaining part of the paragraph and insert "$548,000: *Provided*, That of this sum $30,000 may be used for the manufacture, preparation, or distribution of blackleg vaccine."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. RUBEY) there were—ayes 64, noes 74.

Mr. RUBEY. Mr. Speaker, I demand tellers.

The SPEAKER. The gentleman from Missouri demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Forty-one Members have risen, not a sufficient number.

Mr. RUBEY. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Missouri makes the point of order that there is not a quorum present. The Chair thinks there is not. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll. The question is on agreeing to the amendment.

The question was taken; and there were—yeas 175, nays 137, not voting 120, as follows:

YEAS—175

Abernethy	Evans, Mont.	Lilly	Rubey
Allen	Favrot	Lindsay	Salmon
Allgood	Frear	Little	Sanders, Tex.
Almon	Fulbright	Lozier	Sandlin
Anthony	Fulmer	McKeown	Schafer
Arnold	Garber	McSwain	Sherwood
Aswell	Gardner, Ind.	McSweeney	Simmons
Beck	Garner, Tex.	Major, Ill.	Sinclair
Black, N. Y.	Garrett, Tex.	Major, Mo.	Speaks
Black, Tex.	Gasque	Manlove	Sproul, Kans.
Bland	Gilbert	Mansfield	Steagall
Blanton	Glatfelter	Martin	Stedman
Bowling	Greenwood	Mead	Steagle
Box	Griffin	Minahan	Stevenson
Boylan	Hammer	Montague	Strong, Kans.
Brand, Ga.	Harrison	Mooney	Sumners, Tex.
Briggs	Hastings	Moore, Ga.	Swank
Browne, Wis.	Hangen	Moore, Va.	Tague
Browning	Hawes	Morehead	Taylor, W. Va.
Bulwinkle	Hayden	Morris	Thomas, Ky.
Busby	Hill, Ala.	Morrow	Thomas, Okla.
Byrns, Tenn.	Hill, Wash.	O'Connell, N. Y.	Thompson
Canfield	Hooker	O'Connell, R. I.	Tillman
Cannon	Howard, Nebr.	O'Connor, La.	Tincher
Carter	Huddleston	O'Sullivan	Underwood
Clague	Hudspeth	Oldfield	Upshaw
Collier	Jacobstein	Oliver, N. Y.	Vinson, Ga.
Collins	Jeffers	Park, Ga.	Vinson, Ky.
Colton	Johnson, Ky.	Parks, Ark.	Voigt
Connally, Tex.	Johnson, Tex.	Peavey	Watkins
Connery	Johnson, W. Va.	Peery	Weaver
Cook	Jones	Pou	Wefald
Cooper, Wis.	Jost	Quayle	Weller
Crisp	Ketcham	Quin	Wertz
Croll	Kincheloe	Ragon	White, Kans.
Crosser	Kindred	Rainey	Williams, Tex.
Cullen	King	Raker	Williamson
Cummings	Kvale	Rankin	Wilson, Ind.
Davis, Minn.	Lampert	Rayburn	Wilson, La.
Davis, Tenn.	Lanham	Reed, Ark.	Wilson, Miss.
Dickinson, Mo.	Lankford	Richards	Wingo
Doughton	Larsen, Ga.	Roach	Wolff
Drewry	Lazaro	Romjue	Wright
Driver	Lea, Calif.	Rouse	

NAYS—137

Aldrich	Bixler	Chindblom	Crowther
Andrew	Boies	Christopherson	Dallinger
Ayres	Boyce	Clancy	Darrow
Bacon	Brand, Ohio	Cole, Iowa	Deal
Barbour	Buchanan	Cole, Ohio	Dempsey
Beedy	Burtness	Connolly, Pa.	Dickinson, Iowa
Begg	Butler	Cooper, Ohio	Dowell
Berger	Cable	Cramton	Elliott

Evans, Iowa	Hull, Morton D.	Morgan	Stalker
Fairchild	Hull, Iowa	Murphy	Stephens
Fairfield	James	Nelson, Me.	Summers, Wash.
Fenn	Kearns	Nelson, Wis.	Sweet
Fish	Kelly	Newton, Minn.	Swing
Fisher	Kendall	Newton, Mo.	Swoope
Fitzgerald	Kopp	Paige	Taber
Fleetwood	Kurtz	Patterson	Temple
Foster	Leatherwood	Perkins	Thatcher
Fredericks	Leavitt	Perlman	Tilson
Free	Longworth	Purnell	Tinkham
Freeman	Lowrey	Ramseyer	Treadway
French	Luce	Rathbone	Tydings
Frothingham	McLaughlin, Mich.	Reece	Vaile
Garrett, Tenn.	McLaughlin, Nebr.	Reid, Ill.	Vincent, Mich.
Gibson	McReynolds	Robinson, Iowa	Wainwright
Graham, Ill.	MacGregor	Robsion, Ky.	Watres
Green, Iowa	MacLafferty	Rogers, Mass.	Watson
Greene, Mass.	Madden	Sanders, Ind.	Williams, Ill.
Griest	Magee, N. Y.	Sanders, N. Y.	Williams, Mich.
Hadley	Magee, Pa.	Scott	Winslow
Hardy	Mapes	Seger	Winter
Hawley	Merritt	Shreve	Yates
Hersey	Michener	Sinnott	Young
Hickey	Miller, Wash.	Snell	
Hill, Md.	Moore, Ohio	Snyder	
Holaday	Moores, Ind.	Sproul, Ill.	

NOT VOTING—120

Ackerman	Dyer	Lehlbach	Rosenbloom
Anderson	Eagan	Lineberger	Sabath
Bacharach	Edmonds	Linthicum	Schall
Bankhead	Faust	Logan	Schneider
Barkley	Fuller	Lyon	Sears, Fla.
Beers	Funk	McClintic	Sears, Nebr.
Bell	Gallivan	McDuffie	Shallenberger
Bloom	Geran	McFadden	Sites
Britten	Gifford	McKenzie	Smith
Browne, N. J.	Goldsborough	McLeod	Smithwick
Brumm	Graham, Pa.	McNulty	Strong, Pa.
Buckley	Hoch	Michaelson	Sullivan
Burdick	Howard, Okla.	Miller, Ill.	Taylor, Colo.
Burton	Hudson	Milligan	Taylor, Tenn.
Byrnes, S. C.	Hull, William E.	Mills	Timberlake
Campbell	Hull, Tenn.	Moore, Ill.	Tucker
Carew	Humphreys	Morin	Underhill
Casey	Johnson, S. Dak.	Mudd	Vare
Celler	Johnson, Wash.	Nolan	Vestal
Clark, Fla.	Kahn	O'Brien	Ward, N. C.
Clarke, N. Y.	Keller	O'Connor, N. Y.	Ward, N. Y.
Cleary	Kent	Oliver, Ala.	Wason
Corning	Kerr	Parker	Welsh
Curry	Kiess	Phillips	White, Me.
Davey	Knutson	Porter	Wood
Denison	Kunz	Prall	Woodruff
Dickstein	LaGuardia	Ransley	Woodrum
Dominick	Langley	Reed, N. Y.	Wurzbach
Doyle	Larson, Minn.	Reed, W. Va.	Wyant
Drane	Lee, Ga.	Rogers, N. H.	Zihlman

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Britten with Mr. McDuffie.
Mr. Wason with Mr. Bell.
Mr. Miller of Illinois with Mr. McNulty.
Mr. Strong of Pennsylvania with Mr. Kent.
Mr. Rosenbloom with Mr. Lyon.
Mr. Welsh with Mr. Casey.
Mr. Mills with Mr. Kerr.
Mr. Morin with Mr. Davey.
Mr. Phillips with Mr. O'Brien.
Mr. Lehlbach with Mr. Browne of New Jersey.
Mr. Kiess with Mr. Logan.
Mr. Johnson of South Dakota with Mr. Oliver of Alabama.
Mr. Brumm with Mr. Buckley.
Mr. Johnson of Washington with Mr. Sears of Florida.
Mr. Clarke of New York with Mr. Gallivan.
Mr. Hudson with Mr. Bankhead.
Mrs. Nolan with Mr. Geran.
Mr. Michaelson with Mr. Taylor of Colorado.
Mr. McFadden with Mr. Barkley.
Mr. LaGuardia with Mr. Sites.
Mr. Burton with Mr. Goldsborough.
Mr. William E. Hull with Mr. Cleary.
Mr. Kahn with Mr. Howard of Oklahoma.
Mr. Dyer with Mr. Dominick.
Mr. Gifford with Mr. Dickstein.
Mr. Ransley with Mr. Sullivan.
Mr. Parker with Mr. Corning.
Mr. Keller with Mr. McClintic.
Mr. Bacharach with Mr. Tucker.
Mr. Curry with Mr. Milligan.
Mr. McLeod with Mr. Eagan.
Mr. Wurzbach with Mr. Carew.
Mr. Vestal with Mr. Prall.
Mr. Graham of Pennsylvania with Mr. Hull of Tennessee.
Mr. Faust with Mr. Rogers of New Hampshire.
Mr. Porter with Mr. Ward of North Carolina.
Mr. Mudd with Mr. Woodrum.
Mr. Langley with Mr. Clark of Florida.
Mr. Beers with Mr. Sabath.
Mr. Denison with Mr. Celler.
Mr. Fuller with Mr. Bloom.
Mr. Hoch with Mr. Smithwick.
Mr. Wyant with Mr. O'Connor of New York.
Mr. Woodruff with Mr. Linthicum.
Mr. Vare with Mr. Humphreys.
Mr. Reed of New York with Mr. Shallenberger.
Mr. Sears of Nebraska with Mr. Lee of Georgia.
Mr. Smith with Mr. Byrnes of South Carolina.
Mr. Burdick with Mr. Kunz.
Mr. Ackerman with Mr. Drane.

The result of the vote was announced as above recorded.

The doors were reopened.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. ASWELL. Mr. Speaker, I move to recommit the bill.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ASWELL. I am; and I move the previous question. Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Motion to recommit offered by Mr. ASWELL——

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry. Has the gentleman qualified?

The SPEAKER. The gentleman said he was opposed to the bill.

Mr. MADDEN. Mr. Speaker, the gentleman said he was, but is he?

Mr. ASWELL. I am.

The SPEAKER. The Chair, of course, accepts the statement of the gentleman.

Mr. ASWELL. And, without any advice from that side, I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ASWELL moves to recommit the bill to the Committee on Appropriations with instructions to report the same back to the House forthwith with the following amendment: Page 28, line 19, at the end of line 19 insert: "Purchase and distribution of vegetable, field, and flower seeds, plants, shrubs, and vines, bulbs, and cuttings of the freshest and best obtainable varieties, adapted to general cultivation, $360,000, or so much thereof as may be necessary."

Mr. MADDEN. Mr. Speaker, I make the point of order against the amendment that it is not germane to this part of the bill or to the bill itself.

Mr. MAGEE of New York. Mr. Speaker, I move the previous question.

Mr. MADDEN. Mr. Speaker, I make the further point of order——

The SPEAKER. The Chair did not understand the gentleman's point of order.

Mr. MADDEN. My point of order is that the amendment is not germane to the bill. It is legislation on an appropriation bill, and it is not authorized by law and is not germane to this part of the bill in any case.

Mr. BLANTON. Mr. Speaker, I want to make a further point of order——

The SPEAKER. Will the gentleman wait a moment. This amendment is offered at the same place it has always been carried and is a paragraph for the purchase, testing, and distribution of seeds.

Mr. BLANTON. I desire to make a good point of order, Mr. Speaker. [Laughter.] I make the point of order that it is not germane to any part of this bill; that there is no clause in this bill that pertains in any way to the purchase and distribution of flower seeds, and a motion to recommit, although within the law, must be germane to some paragraph in the bill, and there is no provision whatever in this bill concerning the purchase and distribution of flower seeds, which is contained in the gentleman's motion to recommit.

Mr. ASWELL. Mr. Speaker, may I call the Speaker's attention to the fact that this is the exact language of the organic act creating this department and covers this very point?

The SPEAKER. It is in the language of the organic act?

Mr. BLANTON. But it must be germane to some paragraph in the bill.

Mr. CONNALLY of Texas. Mr. Speaker, I would like to address myself to the point of order if the Chair is in doubt.

The SPEAKER. The Chair will be glad to hear the gentleman, and will be glad if the gentleman will cite the organic act.

Mr. CONNALLY of Texas. I will read from the United States Compiled Statutes, 1901, section 520:

That there shall be at the seat of government a Department of Agriculture, the general design and duties of which shall be to acquire and diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word, and to procure, propagate, and distribute among the people new and valuable seeds and plants.

I now call attention to section 527 as amended in 1896. These are the compiled statutes. The Revised Statutes of 1878 were amended in 1896, and it reads as follows:

PURCHASE AND DISTRIBUTION OF SEEDS, PLANTS, ETC.

That purchase and distribution of vegetables, field and flower seeds, plants, shrubs, vines, bulbs, and cuttings shall be of the freshest and best obtainable varieties and adapted to general cultivation.

Mr. SNELL. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. SNELL. As I understood the reading of the motion to recommit it follows exactly the provisions of this law.

Mr. CONNALLY of Texas. It does except where the statute says "shall be" the language is changed; that is, that word is changed, but as far as the legal authorization is concerned it follows the language of the statute exactly.

Mr. SNELL. I thought that it did.

The SPEAKER. The Chair will be glad to hear any Member.

Mr. CHINDBLOM. I suggest to the Chair that these seeds provided for in the amendment are not new and not valuable.

Mr. BLANTON. Mr. Speaker, clearly under the rules of the House an amendment which is in order, so far as being authorized by legislation, when in a motion to recommit, must be germane to some paragraph in the bill. I submit that there is no paragraph in this bill that provides for flowers or flower seeds, and the motion to recommit with an amendment for purchasing and distributing flower seeds is not germane to any part of the bill.

The SPEAKER. The Chair thinks that to a paragraph providing for the purchase, propagation, and distribution of new and rare seeds this motion to recommit with an amendment for the purchase of seeds is germane. The Chair at first was disposed to think that it did not come within the terms of the organic act, but this provision of the law which the gentleman from Texas has cited seems absolutely conclusive that the gentleman from Louisiana has used the very language of the statute. The Chair overrules the point of order.

Mr. MAGEE of New York. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 111, nays 208, not voting 113, as follows:

YEAS—111

Abernethy	Fulmer	Lowrey	Reed, Ark.
Allen	Garber	Lyon	Roach
Aligood	Gasque	McKeown	Robsion, Ky.
Almon	Gatfelter	McReynolds	Rubey
Aswell	Greenwood	McSwain	Sabath
Bowling	Griest	MacGregor	Salmon
Box	Griffin	Major, Mo.	Sanders, Ind.
Brand, Ga.	Hammer	Manlove	Sandlin
Briggs	Harrison	Martin	Sinclair
Browning	Hastings	Mead	Stengall
Canfield	Hill, Ala.	Moore, Ga.	Stedman
Carter	Hooker	Morrow	Stevenson
Collier	Huddleston	Newton, Minn.	Swank
Collins	Hudspeth	Newton, Mo.	Taylor, Tenn.
Colton	Jeffers	O'Connell, N. Y.	Taylor, W. Va.
Connally, Tex.	Johnson, Tex.	O'Connor, La.	Thomas, Ky.
Connery	Johnson, W. Va.	Oldfield	Thomas, Okla.
Cook	Kendall	Park, Ga.	Tillman
Croll	Kindred	Parks, Ark.	Upshaw
Cullen	King	Peery	Vinson, Ga.
Cummings	Kurtz	Perkins	Vinson, Ky.
Davis, Tenn.	Lampert	Pou	Voigt
Doughton	Lanham	Quayle	Weaver
Drewry	Lankford	Quin	Williams, Tex.
Eagan	Larsen, Ga.	Ragon	Wilson, La.
Favrot	Lazaro	Rainey	Wilson, Miss.
Fitzgerald	Lilly	Raker	Wright
Fulbright	Lindsay	Reece	

NAYS—208

Aldrich	Busby	Dickinson, Mo.	Garrett, Tenn.
Andrew	Butler	Dickstein	Garrett, Tex.
Anthony	Bryan, Tenn.	Dowell	Gibson
Arnold	Cable	Driver	Gilbert
Ayres	Cannon	Elliott	Graham, Ill.
Bacon	Chindblom	Evans, Iowa	Green, Iowa
Barbour	Christopherson	Evans, Mont.	Greene, Mass.
Beck	Clague	Fairchild	Hadley
Beedy	Clancy	Fairfield	Hardy
Begg	Cole, Iowa	Fenn	Haugen
Berger	Cole, Ohio	Fish	Hawes
Bixler	Connolly, Pa.	Fisher	Hawley
Black, Tex.	Cooper, Ohio	Fleetwood	Hayden
Bland	Cooper, Wis.	Foster	Hersey
Blanton	Cramton	Frear	Hickey
Boies	Crisp	Fredericks	Hill, Md.
Box	Crosser	Free	Hill, Wash.
Boyce	Crowther	Freeman	Holaday
Brand, Ohio	Dallinger	French	Howard, Nebr.
Browne, Wis.	Darrow	Frothingham	Hull, Iowa
Buchanan	Deal	Funk	Hull, Morton D.
Bulwinkle	Dempsey	Gardner, Ind.	Jacobstein
Burtness	Dickinson, Iowa	Garner, Tex.	James

Johnson, Ky.	Minahan	Romjue	Thompson
Johnson, S. Dak.	Montague	Rouse	Tilson
Jones	Mooney	Sanders, N. Y.	Timberlake
Jost	Moore, Ohio	Sanders, Tex.	Tincher
Kearns	Moore, Va.	Schafer	Tinkham
Ketcham	Moores, Ind.	Scott	Treadway
Kopp	Morehead	Seger	Tucker
Kvale	Morgan	Sherwood	Tydings
Lea, Calif.	Morris	Shreve	Underhill
Leatherwood	Murphy	Simmons	Underwood
Leavitt	Nelson, Me.	Sinclair	Valle
Lineberger	Nelson, Wis.	Sinnott	Vincent, Mich.
Little	O'Connell, R. I.	Snell	Wainwright
Longworth	O'Sullivan	Snyder	Watkins
Lozier	Oliver, Ala.	Speaks	Watres
Luce	Oliver, N. Y.	Sproul, Ill.	Watson
McFadden	Paige	Sproul, Kans.	Wefald
McKenzie	Patterson	Stalker	Weller
McLaughlin, Mich.	Peavey	Stengle	Wertz
McSweeney	Perlman	Stephens	White, Kans.
MacLafferty	Purnell	Strong, Kans.	Williams, Ill.
Madden	Ramseyer	Summers, Wash.	Williams, Mich.
Magee, N. Y.	Rankin	Sumners, Tex.	Williamson
Major, Ill.	Rathbone	Sweet	Wilson, Ind.
Mansfield	Rayburn	Swing	Wingo.
Mapes	Reid, Ill.	Taber	Winslow
Merritt	Richards	Tague	Winter
Michener	Robinson, Iowa	Temple	Yates
Miller, Wash.	Rogers, Mass.	Thatcher	Young

NOT VOTING—113

Ackerman	Doyle	Larson, Minn.	Rosenbloom
Anderson	Drane	Lee, Ga.	Schall
Bacharach	Dyer	Lehlbach	Schneider
Bankhead	Edmonds	Linthicum	Sears, Fla.
Barkley	Faust	Logan	Sears, Nebr.
Beers	Fuller	McClintic	Shallenberger
Bell	Gallivan	McDuffie	Sites
Black, N. Y.	Geran	McLaughlin, Nebr.	Smith
Bloom	Gifford	McLeod	Strong, Pa.
Britten	Goldsborough	McNulty	Sullivan
Browne, N. J.	Graham, Pa.	Magee, Pa.	Swoope
Brumm	Hoch	Michaelson	Taylor, Colo.
Buckley	Howard, Okla.	Miller, Ill.	Vare
Burdick	Hudson	Milligan	Vestal
Burton	Hull, William E.	Mills	Ward, N. Y.
Byrnes, S. C.	Hull, Tenn.	Moore, Ill.	Ward, N. C.
Campbell	Humphreys	Morin	Wason
Carew	Johnson, Wash.	Mudd	Welsh
Casey	Kahn	Nolan	White, Me.
Celler	Keller	O'Brien	Wolff
Clark, Fla.	Kelly	O'Connor, N. Y.	Wood
Clarke, N. Y.	Kent	Parker	Woodruff
Cleary	Kerr	Phillips	Woodrum
Corning	Kiess	Porter	Wurzbach
Curry	Kincheloe	Pratt	Wyant
Davey	Knutson	Ransley	Zihlman
Davis, Minn.	Kunz	Reed, N. Y.	
Denison	LaGuardia	Reed, W. Va.	
Dominick	Langley	Rogers, N. H.	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Davis of Minnesota (for) with Mr. Woodruff (against).

Until further notice:

Mr. Magee of Pennsylvania with Mr. Wolff.
Mr. Swoope with Mr. Kincheloe.
Mr. McLaughlin of Nebraska with Mr. Black of New York.
Mr. Schall with Mr. Linthicum.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. MAGEE of New York, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVES OF ABSENCE

By unanimous consent leave of absence was granted to—

Mr. HOCH, for this week, on account of sickness,

Mr. CLARKE of New York, for 10 days, on account of doctor's orders.

HOUSING THE NECESSITY OF LIFE—THE LEGAL RIGHT TO REGULATE RENTS—BLOCK CASES AND OTHER CASES

Mr. HAMMER. Mr. Speaker, the opponents of this bill will argue at the very outset that this law was passed as a war emergency measure; that we are now in time of peace and that the emergency has passed. It will be argued by them that the Supreme Court held the law constitutional solely on the ground that an emergency exists. In the first place, the original law was not passed until 11 months after the armistice and was not really a war emergency. In the second place, no such inference that the law was held constitutional solely on the theory of emergency can be drawn. If you will read carefully the case of Block v. Hirsh (256 U. S.), decided by the Supreme Court of the United States, you will perceive that that case was not decided on that theory alone. The Members of the House must bear in mind, when reference is made by the antagonists of this measure to the Block case, in which the United States Supreme Court held this act constitutional, that the majority opinion rendered by Associate Justice Holmes

holding the act constitutional appears to have been based on the four cases previously decided by that court and not on the ground of emergency only. In that case Mr. Justice Holmes said in part:

The fact that tangible property is also visible tends to give a rigidity to our conception of our rights in it that we do not attach to others less concretely clothed. But the notion that the former are exempt from the legislative modification required from time to time in civilized life is contradicted not only by the doctrine of eminent domain, under which what is taken is paid for, but by that of the police power in its proper sense, under which property rights may be cut down and to that extent taken without pay.

Under the police power the right to erect buildings in a certain quarter of a city may be limited to from 80 to 100 feet (Welch v. Swasey, 214 U. S. 91). Safe pillars may be required in coal mines (Plymouth Coal Co. v. Pennsylvania, 232 U. S. 531). Billboards in cities may be regulated (St. Louis Poster Advertising Co. v. St. Louis, 249 U. S. 269). Watersheds in the country may be kept clear (Perley v. North Carolina, 249 U. S. 511). These cases are enough to establish that a public exigency will justify the legislature in restricting property rights in land to a certain extent without compensation. But if to answer one need the legislature may confiscate property by limiting the height of buildings to answer another, it may limit the rest. We do not perceive any reason for denying the justification held good in the foregoing cases to a law limiting the property rights now in question if the public exigency requires that. The reasons are of a different nature, but they certainly are not less pressing. Congress has stated the unquestionable embarrassment of Government and danger to the public health in the existing condition of things. The space in Washington is necessarily monopolized in comparatively few hands, and letting portions of it is as much a business as any other. Housing is a necessary of life. All the elements of a public interest justifying some degree of public control are present.

Associate Justice McKenna dissented, because, as he said, in substance, that the majority opinion was based solely on the four previous cases decided by the court and not on the ground of emergency only, plainly intimating that if the court had held the act constitutional solely on the ground of emergency, then he would not have dissented, but as the court had based its opinion on the four cases previously decided, namely, the cases of limiting the height of buildings, the watershed, mining, and billboard cases, he could not agree with the majority opinion of the court. Though the court stood 5 to 4 on this case, in the case of Levy against Seigal, holding the New York rent laws valid and decided by the same court a few months later, the opinion in which was rendered by Associate Justice Clarke, it was held that the right to regulate land had been determined by the Supreme Court, ever since the New York tenement house cases in 1906. The Levy case was decided by a majority of 6 to 3, and the present Chief Justice sat in the case and concurred in the majority opinion.

THE CHASTLETON CASE AND THE PUBLIC WELFARE

In the very recent case of the Chastleton Corporation against Sinclair, decided by the United States Supreme Court April 21, 1924, in which the constitutionality of the law was again raised on the ground that the emergency had ceased to exist, Mr. Justice Holmes, delivering the opinion of the court, says:

A law depending upon the existence of an emergency or other certain state of facts to uphold it may cease to operate if the emergency ceases or the facts change even though valid when passed. * * *

And again he says:

Obviously the facts should be accurately ascertained and carefully weighed and this can be done more conveniently in the Supreme Court of the District than here.

THE OPINION IN THE CHASTLETON CASE AS TO LEGISLATIVE POWER WAS AN OBITER DICTUM FOR THE QUESTION WAS NOT BEFORE THE COURT

The courts have no power to annul a declaration of Congress as to the necessity of a law passed by it. Commercial Trust Co. of New Jersey v. Miller (262 U. S. 51, at p. 57).

In the next above cited case the Supreme Court of the United States, speaking through Mr. Justice McKenna, unanimously decided as follows:

The next contention of the trust company is that the act being a provision for the emergency of war it ceased with the cessation of war, ceased with the joint resolution of Congress declaring the state of war between Germany and the United States at an end, and its approval by the President, July 2, 1921 (42 Stat. 105), and the proclamation of peace by the President August 25, 1921. The contention, however, encounters in opposition the view that the power which declared the necessity is the power to declare its cessation, and what the cessation requires. The power is legislative. A court can not estimate the effects of a great war and pronounce their termination at a particular moment of time, and that its consequences are so far swallowed up that legislation addressed to its emergency had ceased to have purpose or operation with the cessation of the conflicts in the field.

The above case was decided by the Supreme Court of the United States April 23, 1923.

This is the opinion of the court as delivered by Justice McKenna in the latest decision on this question by the court. This question was not before the court when Justice Holmes in the Chastleton case referred the case back to the Supreme Court, and Justice Holmes said in that opinion relating to the legislative power of the Congress to declare an emergency was wholly obiter dicta for that question was not before the court as it was in the case of Trust Co. of New Jersey against Miller, in which the law is laid down clearly and well defined.

As I read the decision, which is really an obiter dictum, it appears to me that the court has said that the law is founded on the fact that an emergency existed and that, as that was its sole foundation, if the emergency has ceased, then the law has ceased to operate. There is no doubt that a condition has grown out of this emergency and that the conditions which were attributed originally to emergency still exist and will continue to exist unless this legislation is continued. There is a public interest in the continuation of this law, and, in my judgment, it should be enacted on the ground that it is a public necessity, that the public health, comfort, morals, and welfare demand its enactment and the continuance of this legislation regardless of whether it be called an emergency or by some other name. It is a law essential to the welfare of the residents of the District of Columbia and the community, and clearly comes within the police power as stated in the Block case. Lands within the District have become invested with a public interest and that public interest must be protected. I urge strongly that in view of the decision in the Chastleton case the war emergency be eliminated and that the very foundation of this law be made to rest upon rock bottom—the public welfare. The validity and constitutionality of many similar laws have been sustained on that ground, and in Justice Holmes's original opinion in the Block case it is at least intimated that such a law could be sustained and would be constitutional. Nearly six years have elapsed since the Saulsbury resolution, the original rent legislation for the District. During that period, except for the wealthy, conditions have continued to grow worse.

THE RIGHT AND POWER TO TAKE AND REGULATE PROPERTY IS INHERENT—EMINENT DOMAIN

It is a condition and not a theory that confronts us. This condition, which at first was believed to be only acute and an emergency, appears now after six years to be chronic and permanent. A remedy for this condition must be found and enacted into law, for it technically the emergency were over, from time immemorial the right or power of a sovereign State to appropriate private property to particular uses without compensation for the purpose of promoting the general welfare, health, peace, and comfort of the community, has been universally recognized. It is an inherent attribute of the State, in which title to all real property was originally vested, and to which all property is subject. Originally, under the power and authority of the State, any property of the individual might be taken without his consent for some particular use, either for the State itself or for private or public corporation, or for private individuals.

This unrestricted right has to some extent been limited by self-imposed restrictions through constitutional provisions. It is not essential that the property should be taken for a public use. It is sufficient that it is taken to promote the public welfare. Judge Cooley has defined it as—

the rightful authority which exists in every sovereignty to control and regulate those rights of a public nature which pertain to its citizens in common and to appropriate and control individual property for the public benefit, as the public safety, necessity, convenience, or welfare may demand. (Cooley on Constitutional Limitations, 24.)

It is well established that the State may regulate the making of contracts between citizens in respect to property and may generally prescribe and make such enactments as to the acquisition and disposition of property as the public welfare demands. Examples of such regulatory measures are the statute of wills, the recording acts, acts relating to conveyances, mortgages, and the statute of frauds. It is too well established to require any discussion that the State may, without the existence of any emergency, permanently regulate the use of property in such manner as the public health, safety, convenience, and welfare may require. Familiar illustrations of this power are the establishment of fire limitations, the building regula-

tions in all classes of cities, limitation of the superficial area of a lot which may be built upon the prohibition of noxious trades and manufactures within certain boundaries and in certain localities. The police power, while always subject to constitutional limitations, is broader in its scope than the right of eminent domain, which is limited in its application to the appropriation by a sovereign State of private property to particular uses as the public welfare demands. It has been referred to as a kind of reserved right or supereminent state or interest in all property vested in the sovereign power. The Supreme Court of the State of Connecticut in Todd *v.* Austin (34 Conn. 78) said:

> The right to take private property for public use or of eminent domain is a reserved right attached to every man's land and paramount to his right of ownership. He holds his land subject to that right and can not complain of injustice when it is lawfully exercised.

And again:

> The true theory and principle of the matter is that the legislature presumes domain over the property, and having resumed it instead of using it by their agents to effect the public good and to avoid entanglement in the common business of life, they revest it in other individuals or corporations to be used by them in such manner as to effect, directly or indirectly, or incidentally as the case may be, the public good intended.

It will not be seriously contended that under the power of eminent domain the Federal Government could not appropriate to its own use all of the property lying in the 70 square miles embraced within the District of Columbia for a fair and just compensation to the owners. If that power is inherent in the Government, it can also exercise that power in a lesser degree by exercising its inherent dominion over the property and prescribe the fair and reasonable compensation to be paid to the owner for the use of such property by private individuals. That such regulation has been frequently exercised and property taken under the police power, but which is really the exercise of eminent domain, for the public health, safety, morals, and welfare, there are many illustrations. Fire limits may be established, the erection or repair of wooden buildings in cities may be prohibited, the height of buildings may be limited, as, for instance, in Massachusetts, limiting the height of buildings in the business districts of Boston to 125 feet and in the residence district to 60 feet, and providing the fixing of boundaries of the district by a commission, was held a valid exercise of the police power. New York has not only similar but many more such regulations. The use of property in certain localities in carrying on unwholesome or objectionable manufactures or business may be prevented, and an act prohibiting the use of property for certain purposes or the carrying on of a business injurious to the public health or public morals, though authorized by the legislature and though it may be disastrous and greatly impair the value of property, is neither the taking for public use under the power of eminent domain nor the violation of a contract. The construction and use of billboards on private property may be regulated and so far as necessary to provide for the public safety, and numerous other regulations of this sort have been sustained.

THIS RIGHT WELL SETTLED BOTH IN ENGLAND AND AMERICA FROM TIME IMMEMORIAL

The right of the State to regulate and fix charges which may be demanded for certain services or commodities has been exercised both in England and America from time immemorial and has been established in the United States by a long line of decisions beginning with Munn *v.* Illinois (94 U. S. 113) in 1876 down to the present time. The right to exercise this power in the case of common carriers, telegraph and telephone cases, water, gas, light, and irrigation projects, hackmen, draymen, turnpikes, bridges, ferries, has long been settled beyond peradventure. Also the right to regulate the charges of grain elevators and stockyards, though no franchise or privilege is held from the State. The general rule has been laid down that whenever a property or business is affected with a public interest or devoted to a public use it is subject to public regulation. The Supreme Court of Kansas in Ratcliff *v.* Wichita Union Stockyards (74 Kans. 1) said:

> Many kinds of business carried on without special franchises or privileges are treated as public in character and have therefore been subjected to legislative regulation and control. The nature and extent of the business, the fact that it closely touches a great many people and that it may afford opportunities for imposition and oppression, as in cases of monopoly and the like, are circumstances affecting property with a public interest.

It would be useless to discuss further the right of the State to regulate private property and its use where the public welfare is involved. Congress has declared that all rental property and apartments are affected with a "public interest." The original rent law contains such a declaration and that law has been sustained by the highest court in this country. It is, therefore, now settled that that class of rental property known as rental property and apartments used exclusively for dwelling purposes, being thus affected with a public interest, may be regulated by the Congress.

THIS LAW CAREFULLY GUARDS AND PROTECTS PROPERTY OWNERS, BUT PREVENTS THE HOLDUP METHODS OF PROFITEERING LANDLORDS

The need for reduction of excessively high rents and the regulations thereof by law will be admitted by those who investigate conditions which are so oppressively unjust.

The question for determination is whether by this bill the owner may be restricted in the use by certain limitations and restraints curbing his temptations by greed and avarice to make unreasonably high charges for the use of property when certain exigencies exist as under the present conditions.

The right to exercise complete control of one's own has been long held a most sacred privilege by English-speaking people and has been carefully guarded and protected by legislation and judicial interpretation. In this act that sacred privilege is well guarded by the right of the owner to "repossess" his property for his own use at the termination of his lease by giving the statutory required notice, but he can not "dispossess" the tenant by the holdup method of the heartless profiteer, a commission being provided to deal justly in determining whether the rent shall be increased.

The question to be determined, then, is whether there is such a use of property in the present exigency as to be such a public interest as to justify the legislation proposed. Congress in this act endeavors to meet this exigency in the way that it has been dealt with in most other civilized countries.

The only question to be determined is whether Congress is clothed with power to meet existing conditions by regulations by law so long as they may exist.

As I have already pointed out, a long line of decisions of our courts go so far as to say that private property may be taken even without compensation to the extent of restricting and regulating the height of buildings, the building of safe pillars and walls in mines, the keeping of watersheds clear, regulating billboards, and so forth. Then why can not rent be limited where the public interest is justified by the public exigency in the housing situation?

Objection is made to the deprivation of the owner of the property to fix the charge for rent, but this objection has no grounds to stand upon when the public interest is established—the regulation of charges follows as a necessity. This was settled so long ago as heretofore stated in Munn *v.* Illinois (94 U. S. 113). We restrict by legislation as to interest rates as a protection against the usurious profiteer; there is no new principle in giving preference to the "tenant possession." It is a necessary incident in upholding the principle established. It is a law as old as the English courts. The false cry is heard, "Give us back our land and houses." The same objection was made when the railroad and corporation commissions were established; the right to control one's own property was then disputed and the right to make individual contracts and control the earnings of the owners of property was likewise the objection made when the effort was first made to limit and control the charges within reasonable bounds made by telephone and telegraph companies, gas companies, street railways, hydroelectric power interests, and so forth. High-priced lawyers employed and smooth, oily lobbyists and subservient legislators, sometimes recipients of public favor, set up the cry of socialistic and populistic legislation.

If the owner is forced to give up the excessively high rentals, that which he calls a loss is more than compensated in the common benefit secured to such owner and in benefit to the public.

The "10-square-mile" provision of the Constitution, Article I, section 8, provides "that the Congress" has practically "war power" in times of peace to enact exclusive legislation in all cases whatsoever in the District of Columbia, because the rights of Congress "to exercise exclusive legislation in all cases whatsoever of forts, and so forth," is, in fact, a war power, and Congress has the same power to enact such legislation for the District of Columbia at all times.

RESTRICTING AND CURBING GREED.

The intelligent public will not be deceived by the objections urged against the measure, for the legislation proposed is similar to that in nations throughout the world. It is necessary to restrict the growing greed of those who in this exigency largely control housing conditions in this congested center. Attention is called to the fact that the proponents of this measure are fortunate in being supported in their position in the advocacy of this legislation in the opinion of the court of highest resort in the Block case and other cases above mentioned.

RESULTS ACCOMPLISHED BY RENT COMMISSION

I desire to call your attention to some of the results accomplished by this commission since the date of its organization on January 28, 1920, to January 1 of this year. Down to the latter date 8,563 cases had been filed with the commission and 8,051 had been disposed of or dismissed. You must understand that one of these cases may involve as many as 300 rental units, and by a rental unit I mean a place of abode such as an apartment in an apartment house building or a dwelling house in which a single family lives. Taking the general average of rental units involved in the cases, the average is 2½; that is to say, complaints affecting 21,407 families were involved. The Census Bureau shows that for the District of Columbia there is an average of 4.5 persons to the family. Assuming that this average is correct, there have been more than 96,000 men, women, and children who have had or will have their housing interests before and determined by the commission.

The Budget Bureau under General Dawes recommended an appropriation of $72,535 for the commission for the fiscal year 1923, at a time when there were only three commissioners. This recommendation was approved by President Harding, and that appropriation was granted by Congress. For the fiscal year 1924 (to May 22, 1924), during the last six months of which there have been five commissioners, the appropriation was only $51,750. For the amount of work required, the service rendered, and the large number of residents of the District whose interests are involved, I believe I can truthfully say this is the most inexpensive commission the Government has ever had. If this bill should pass, I am strongly in favor of increasing the appropriation so that the commission may be able to function more efficiently.

IF LANDLORDS BELIEVE WHAT THEY SAY, THEY WOULD BE HERE ON BENDED KNEES IMPLORING CONGRESS TO EXTEND THIS LAW

The statement has been made by profiteering speculators that if this law were allowed to die and the Rent Commission were abolished, rents would drop. This undoubtedly will be urged upon you to-day.

Gentlemen, after what you have seen with your own eyes and the exorbitant rentals which have prevailed and which still prevail, and if you have read the testimony taken before the subcommittee, do you believe for one instant that rents will drop? Do you not know that if such were to be the effect of the failure of the Congress to extend the rent act every one of these frenzied builders and speculators would be here on their bended knees, even if the emergency were over, begging you to extend it? Do you believe, for one moment, that they are opposing it because they fear if it is extended rents will go still higher?

AMENDMENTS TO WEAKEN AND DELAY AND NULLIFY LAW

Many undesirable amendments have been proposed to weaken this bill, suggested for the purpose of delay, and for the possibility of injecting some amendment which may eventually prove to be unconstitutional and break down the whole structure of the act. One of these may be a provision that the landlord may evict an "undesirable tenant." This would render the former landlord and tenant laws more drastic than ever. No such provisions since the middle ages were ever inserted in any rent law. It would render the present law absolutely futile. Any tenant who applied for relief to the Rent Commission would be "undesirable" and a new tenant would be obliged to pay extortionate rent for, if he complained, out he too would go as undesirable.

One amendment proposed was to limit the law to premises renting under $50. This also would render the act futile and I firmly believe would be so discriminatory as to be unconstitutional under the fourteenth amendment. A similar amendment was urged by New York landlords, but was rejected on the ground that it might be unconstitutional and in any event would make the act ineffective. I strongly urge all of you to consider carefully and weigh the possible effect of any one of these amendments. They have all been suggested to your committee and none of them has been recommended or adopted except the amendment first above referred to. The committee gave great care and thought to this bill and believe it should be adopted without amendment. So carefully prepared was this bill two years ago, when it was enacted by an almost unprecedented vote in both Houses, that all lawyers who have studied its provisions carefully admit that it is a good bill, carefully and fairly drafted, guarding safely both landlords and tenants, the only objection to it being opposition to the principle of regulating charges for rent. Time is of the essence. The rent law will expire on May 22 next. Tenants all over the city are anxiously awaiting word from you. Everyone of them feel that as soon as the act terminates they will be the victims of their rapacious landlords.

ARE PROPERTY INTERESTS GREATER THAN HUMAN INTERESTS

Let us not forget on the one hand we have a mere handful of speculative builders, operators, and landlords and on the other tens of thousands of tenants weighed down by fear and terror of what the landlords may do when the bill expires. The act does no injustice to the landlord. It permits him a fair and reasonable return and just compensation on his investment. No right is taken from him by this law, except the right to throw the tenant on the sidewalk if he refuses to pay an extortionate rent.

Gentlemen, is the human interest to be regarded more lightly than the property interest? Is the health and welfare of the whole community to be sacrificed so that a few landlords may be enriched?

HOUSING SITUATION INVESTIGATION MADE BY EXPERT REAL ESTATE MEN—NOT BY MR. MOORE

An effort has been made to discredit the investigation by the Senate committee and members of the House committee by calling attention to the fact that Mr. Moore had been in trouble in Delaware. The person making the astounding statement that he had known of the facts contained in a confidential report for many months, to be sure, if he has read the report and still persists in making the statement, should have attended the hearings of the subcommittee or given the members of it the benefit of the information so that proper witnesses could have been brought before the committee and these disclosures made which have startled everyone who has seen or heard of them except the person who knew all about it before anybody else ever heard of it.

Mr. Moore did not make the report referred to. He had nothing whatever to do with it. The report to which I shall later refer was made by experts whose character and integrity are above reproach and these revelations of the methods of high financing and fraudulent practices will astound the public when the matter is laid before court officials for action. Mr. Moore was, it is true, employed for a brief period to aid the police in taking a census of vacant houses in the District, the result of which showed proportionately not so many vacancies, if I am not mistaken, as shown by the hearings of the House subcommittee, based chiefly upon the report of the survey made by the landlords themselves, as anyone can ascertain by reading the hearings of the House subcommittee.

The apartment house built for eight hundred and odd dollars in New York to rent at $9 a room would bring only 5 per cent net return; but there is considerable difference between $9 a room and $45 a room, which is being demanded in Washington in the newly built apartment houses. The Rent Commission would not expect the owner of new property to get only 5 per cent return. A return under 6 per cent is always explained in the determinations of the commission, showing unusual conditions, either "a peanut stand on a million-dollar lot," or, in other words, a house which does not bear the proper responsibility to the land value, or conditions of total depreciation and criminal neglect of repairs. But the point Mrs. Taylor wished to make was that if a dwelling place with all the conveniences of new inventions could be put up to rent for $9 a room in New York, yielding 5 per cent return, that certainly Washington could build to rent at twice that amount and receive a net return sufficient to satisfy anyone but a profiteer.

Her statement that the owners of Washington had estimated that it cost $1,000 a room to build as against $835 in New York is misleading in this respect: That the house in New York for $835 has all of the new ideas for heating, lighting, for hot-water service, and is built on only 45 per cent of the land, the remainder of the land being made beautiful with flowers, trees, shrubbery, and grass. The $1,000 a room proposition in Washington is the minimum cost as estimated by builders here and would put up merely small, cheaply constructed houses to be occupied by the colored tenants who are soon to leave the alleys of the city. There is no comparison between this construction in New York and the $1,000 basis in Washington.

THE SURVEY OF THE RIVIERA

A survey of the Riviera apartment house referred to in an effort to discredit the Rent Commission shows that the commission allowed 8 per cent on this new construction, and that

the valuation placed upon it by the commission, from the testimony, showed that it had cost about $1,750 a room to build. Mrs. Taylor's point in her statement before the subcommittee is that this cost of construction in Washington is entirely due to other things than the cost of materials and labor since the New York builders have shown that a similar structure can be put up at one-half that expense.

TERRORIZING TENANTS

It has also been stated on this floor that there would be no evictions should the act expire. The Rent Commission has had brought to its attention a number of threats of eviction unless a higher rental is met immediately. The usual form of such notice to quit is as follows:

I must advise that I have instructions to file suit for possession of apartment 10, the Garland, unless a lease for the same is entered into by Tuesday. You have the same, and should sign it and have it in my office by that day. (Signed by John V. Sadler, addressed to D. C. Dinger, 131 A Street NE.)

The increase demanded in this apartment of four small rooms is $10, from $45 to $55. This apartment house is 20 years old, in a state of dilapidation, has very poor service, and is to a great extent obsolete.

RENT COMMISSION NOT A COURT TO TRY CRIMINALS

Permit me to state that an erroneous conception of the work and power of the Rent Commission has been taken not only by the public in general but by many Members of both this body and the Senate.

It has been stated that the Rent Commission was unwittingly imposed upon by the owners of property who raised their rents to conform to schedules fixed by the Rent Commission on new properties, citing the case of the Riviera. The person making the statement is obviously entirely ignorant of the provisions of the act, which make it impossible for an owner to enforce an increase in rental without going first to the Rent Commission. The Rent Commission would not be obligated to fix a rental of over $18 a room upon an old property merely because it had fixed such a rate on a newly built apartment house. The rate for the old house would be fixed upon a net return on the reconstruction value less a depreciation for the life of the building, together with other testimony offered and after an inspection of the building. It is perfectly plain that the Rent Commission could not be imposed upon, because the provisions of the act make such an imposition impossible.

The Rent Commission was created with a main purpose of fixing a fair return on rental property in the District of Columbia. It is not a court of law; it has no jurisdiction over sales or the financing of property; it is not a criminal court to investigate and try criminals. So far as the Rent Commission is concerned, it has carried out the work for which it was created to the satisfaction of 90 per cent of the people who have come before it, and even most of the real estate operators admit that the work and decisions have been satisfactory to them.

I notice by the headlines of the newspapers that real estate owners and operators are lobbying quite extensively, and perhaps expensively, against the extension of the rent law. It is further stated by the newspapers that a secret report has been made charging illegal practice in the operation of real estate dealings. In this connection, let me call attention to the editorials in the Washington Times, April 10, and in the Washington Star, April 11. These editorials in forceful language demand that the so-called secret report be made public, stating in support of their contention that it is wrong to accuse a person of wrongdoing without giving him an opportunity to defend himself. Who has accused anyone of wrongdoing? Who other than the newspapers have stated that there is any combination of real estate operators and bankers who are attempting to control the real-estate situation and "gouge" the public? The newspapers, acting on the assumption that there was a secret report, blazed on the front pages of their respective papers stories of graft and collusion among real estate dealers and bankers. Now these same newspapers publishing these reports are demanding that Congress make public the result of the so-called secret investigation. The newspapers have made the accusations against the alleged combination, as they term it, and now ask Congress to prove what they—the newspapers—have said. Even if there is a secret investigation being made, it is being done under the committees, and when the investigation is complete the facts will be made known and the accused will have every opportunity to make a proper defense of themselves.

LANDLORDS FAIL TO GET THEIR "LINES STRAIGHT"

Whether there is a secret report charging that a combination does or does not exist is immaterial to the extension of this bill, but from the testimony before the subcommittee in regard to the rent law and the Rent Commission it is clearly evident that a combination does exist. It is further noted from the readings of the hearings before the House subcommittee that this combination is doing everything possible to prevent the further extension of the rent law. These operators and owners have formed an organization and have employed counsel, which they admit, and hired lobbyists to work in their behalf; yet it is noted that in some instances, as in most cases of conspiracy, that these operators and owners failed to work together, or, rather, they failed to get their lines straight. In this connection, attention is called to the statements of two operators on the same subject matter contradictory to each other.

In part 3, page 299, of the hearings before the House subcommittee, Mr. McKeever, of the firm of McKeever & Goss, stated that the extension of the rent act would have a tendency to check building and to check the desirability of Washington property as an investment and therefore check sales in Washington. He based his belief on the fact that he had many out-of-town owners who had stated that they would never invest another dollar in apartment houses in Washington while it was under control of the Rent Commission; that the other hazards were too great without this additional hazard. This statement was made on February 25, 1924. On the same day there appeared an advertisement in a Washington newspaper over the name of Harry Wardman to the effect that in regard to the sale of stock in the Wardman Mortgage & Discount Corporation that he did not expect more than local support, but that practically every mail brought in investors from long distances to invest in Washington property through his corporation.

By referring to part 3 of the hearings before the House subcommittee, pages 448 and 449, you will find where I placed in the record a part of an advertisement appearing in the Washington News guaranteeing 8 per cent interest on preferred stock and probably 12 per cent on investment. Since that date there has been eliminated from these large, expensive advertisements the guaranty on the investment, but Members of the House advise me that they have been approached by solicitors who are selling stock in this mortgage and discount corporation which, like other corporations of its kind, is being organized for the purpose of handling the notes and papers of the construction company whose head is organizing the corporation. For an analysis of the high-financing methods of these mortgages and discount corporations reference is made to my statement in a former speech which appeared in the RECORD under date of March 20 this year. This looks as though Mr. Wardman was getting Mr. McKeever's clients, or else Mr. Wardman and Mr. McKeever failed to get together before these statements were made. One claims he is losing investors because of the Rent Commission and the other claims that the public is clamoring to put money into Washington property.

Both of these men have also claimed that they have made and are still making money by having the Rent Commission in existence. Yet these men are fighting as they never fought before to have this law abolished. Why? Is not this the reason?

MOST RENTAL PROPERTY VALUES INFLATED 50 TO 100 PER CENT

Most of the property in Washington is inflated to-day 50 to 100 per cent of the real value, and these operators and their bankers have their money tied up in this inflated property. These operators and their bankers are not satisfied with the large returns they have been making on their investments, and like most Shylocks they want their pound of flesh, and the only possible chance they have to continue to get it is to have this law abolished.

Mr. Wardman—I mention him because I have been advised he is the largest real estate operator in the District—heads a mortgage and discount corporation offering 8 per cent on the preferred stock, at $125 a share, and a return of $4 a share on the common stock. This common stock is given gratis. This 8 per cent on the preferred and $4 on the common is equivalent to 9.6 per cent on the investment of $125. Yet Mr. Wardman claims that he has complaints daily from owners who are receiving only 2 per cent from their investments in apartment houses; and he is buying in some of these 2 per cent apartment houses at a loss to himself to help these poor unfortunate investors out of a hole.

WHY 2 PER CENT WHEN 10 PER CENT CAN BE SO EASILY MADE IN MORTGAGE AND DISCOUNT STOCK INVESTMENTS?

The people who are buying Mr. Wardman's stock know that the money, or at least they believe that the money, is to be used in financing Washington property. These same investors are aware of the existence of the Rent Commission and that in all probability this commission will be continued. Yet they still want to invest their money in Washington property—and in Washington apartment houses.

If Mr. Wardman can pay the investors that buy stock in his mortgage and discount corporation 9.6 per cent, why does he continue to build and sell to other investors and these investors only get 2 per cent? Why should any man buy apartments that yield only 2 per cent when he can buy stock in a corporation that controls these same apartments and yield 9.6 per cent? Does this argument of Mr. Wardman's that some owners are getting only 2 per cent sound reasonable to any clear thinking man, if there is not some crooked combination at work in this city?

Why are these owners only getting 2 per cent when these builders, operators, and their bankers and promoters of these mortgage investment corporations are offering the public 8 and more per cent from investment in these corporations which control these apartment houses? And why is it that these same builders, operators, and mortgage investment corporations are making thousands, yes, millions, of dollars out of building, operating, and selling apartment houses?

LOADING WITH MORTGAGES AND THEN UNLOADING ON THE PUBLIC

The reason why some of these new owners are making only 2 per cent from their investments in apartment houses is that as soon as these builders and operators get through "loading" these apartments with mortgages they "unload" on the unsuspecting public. You may say that the unsuspecting public have every opportunity to investigate before they buy. Have they? That is a question to be settled. At any rate that may be true, but in most sales of apartment houses the buyers have to look to these operators to deal fairly with them and these buyers depend largely upon the advice and opinion of these operators as to whether the "buy" is a paying proposition or not.

In loading these apartment houses with mortgages and then selling them the operators tell the buyers that the rents are too low in comparison with the sales value and all that is necessary to increase the income is to increase the rents to the level of the sales value and that these increased rents will then give a large return on the investment.

JUST WHAT SALE VALUES MEAN AND THE DIFFERENCE IN SALES VALUE AND REAL ESTATE

Regarding these sale values, your particular attention is called to just what this means. In part 3, pages 339, 341, and 343 of the hearings before the subcommittee, Mr. B. F. Saul, who is said to be one of the largest real estate and mortgage operators in the city, stated that with the abolishment of the rent law that the rents will be increased to the level of the sale value. I want you to realize what this sale value really means.

Now, these operators are going to raise the rents, if the rent law goes out of existence, to the level of the sale value of to-day. Not to the level of the increase in real value of to-day. There is a vast difference between sale value and real value, even though these operators may tell you differently.

To illustrate this sale value attention is called to a case in mind: A certain property was sold recently "loaded" with mortgages. The new owner could not raise the rents to the level of the sale value because the Rent Commission could not be convinced that the sale value was the real value to fix a fair return on the investment. The Rent Commission knew that this property was "loaded," consequently the new owner not being able to raise the rents could not meet the obligations on the highly financed house and was forced to let it be sold at public auction to satisfy one of the holders of some one of the mortgages. The property was sold at auction to the highest bidder and brought just about one-half the amount the owner had paid for it. The price realized at this auction sale demonstrated the real or true value. The other man had bought on a sale value. If there had been no rent law, he could have raised the rents to the level of the sale value and then resold to the next buyer on a new sale value. By this method of operation where would the rents be in a few months?

MORE ABOUT HIGH COST OF BUILDING AND RENTS

I want to get back a moment to the high cost of building and rents.

Several builders and operators, including Mr. Wardman, stated that the high cost of building and rents are due to the high cost of money. In this respect I asked him if the market was oversupplied or undersupplied with apartments renting for about $15 a room. His answer was that this is the class of apartments that the public is clamoring for, and he would be glad to relieve the congestion and build such apartments or houses if the Government would lend him the money at a low rate of interest. Yet at another time in his testimony he stated that he was sure you could go out to almost any insurance company and say you were going to build apartments or houses to rent at $15 a room and they would be glad to furnish you with all the money you needed.

If this is true, and I think it is, why does he suggest that the Government lend him money at a low rate of interest? Why does he not go to these insurance companies and get their money and put up these houses or apartments that the public is clamoring for? I will tell you why. Because the operators could not make as much money out of this kind of houses as they are now making out of the higher sale value houses, and because this kind of houses would not stand to be "loaded" or carry the mortgage load that the houses that are being built now are carrying. One of the large insurance companies is building houses to rent as low as $9 a month in New York, with a return of 5 per cent on the investment.

Do not think for one moment that these builders and operators are losing any money by the existence of a rent law. To the contrary, they all admit they have made more money during the last five years than ever before. But I want you to understand that the Rent Commission had nothing to do with this money making. It is because these operators and builders have organized and are employing methods in financing that reliable bankers would not tolerate, and I want to say that I think there are any number of reliable bankers and real-estate brokers in this city. Mr. Wardman says he owns no apartment house except Wardman Park Hotel, yet he has built more in the last five years and has sold them all.

The only people who would suffer should the rent law be abolished would be the tenants. These operators, the organized operators, will get theirs, law or no law. They employ eminent counsel to keep them within the law—and, believe me, just within the law, if that.

GET THE PROPERTY BACK TO THE OWNERS—WHO ARE THE OWNERS?

In part 1, pages 6 and 7 of the hearings before the subcommittee, you will note that one member of the committee suggested that the rent law or commission should be abolished and to get the property back to the owners, and that this would automatically reduce the rents. Who are the owners?

A PAGE FROM THE CHASTLETON OWNERSHIP TESTIMONY

A large majority of cases heard before the Rent Commission have been apartment houses. These apartment houses are either owned or controlled by these operators, but they deny such ownership. In this respect I want to read you a part of some testimony taken before the Rent Commission relative to ownership. The questions were asked by one of the rent commissioners and the answers made by a gentleman who had charge of the rental department of a company controlling a certain apartment house. This man had been with this company for about 20 years and knew all of the ins and outs connected with the company, in fact he was looked upon as one of the officers:

Q. What connection did your company have with the corporation? (Meaning the owners of the apartment house.)—A. None that I know of.

Q. What composed the corporation?—A. I do not know.

Q. Is that corporation in existence now?—A. I think not. (Yet he did not know anything about it.)

Q. Do you know why it was organized and when it was organized?—A. No.

Q. Do you know whether it was organized for the purpose of building or taking over apartments?—A. I have no knowledge on that point.

Q. Do you know whether that was the sole purpose of its organization or not?—A. I do not.

This man, holding a most important position with the corporation and an official of one of the many subsidiary corporations designed to rob and defraud the public, stated that he had no knowledge that the company was connected with the corporation (the owners); that he did not know why it was organized. He did not know who composed the corporation. He did not know why it was organized. This man, who had been in the employ of this company for the last 20 years and whose business it was to know the owners of the property he

was handling, and who did know all of the officers and directors of the corporation personally, did not know that the corporation owned the apartment house and did not know anything about the corporation, when, as a matter of fact and of record, for the public to know if it wanted to, that this corporation was the recorded owner of the apartment house.

MILLIONAIRES MADE BY UNLOADING OVERVALUED HOUSES

This one instance is cited to show that these insidious operators will go to any extreme to keep you from learning the truth about their building operations.

Gentlemen, these operators have done and are now doing all in their power to discredit the rent law and the Rent Commission. But this law was not enacted for the benefit of the builders and operators, especially this class. It was enacted primarily for the protection of the tenants and the working people to keep them from being imposed upon by just such unscrupulous operators and money lenders that are now fighting with their lives for the abolishing of the rent law.

These operators have become millionaires by unloading overvalued houses and high-priced apartments on the wage earners of this city, and it is about time we who have the power to do it should give some thought and protection to the mass of people who are being imposed upon by these Shylock operators, reference to which was made in some detail in my speech of March 20.

The opposition to the extension of the rent law has come from an organized body of real-estate and mortgage operators, and the most strenuous opponents have been these speculative builders who by every means possible try to squeeze every penny from the tenants in order to put the house on a new sales value. Having addressed myself to the legal aspects of the rent act, I shall now briefly refer to conditions in the Washington housing situation and before closing my remarks give some of the reasons for the distressing condition and the methods used by the buccaneers who feast and fatten by devious and crooked methods.

At the end of surveys in every part of the world is the signpost bearing the legend, "The right to a house is conceded," and close by is another, "Housing is a public utility." The general public must suffer the consequences of bad housing.

Until America has homes that make for decency, health, and happiness she may expect outbursts of rebellion and threats to overthrow the Government. We insist on a minimum common-school education for our children. We must now insist upon a minimum of decent housing.

The only solution of this housing problem which, I submit, must be classed as "a public utility" is to plan for development in economic life which will permit tenants to pay fair rents or purchase houses at fair prices. It has been proven beyond a doubt that there is a frightful shortage in houses or apartments to rent for $50 and under or to sell at $6,000 and under. To change this condition five things must be done—and it is the duty of the Congress to the Government workers to do these things:

First. The tenants must be protected from the greed of dishonest landlords by rent legislation.

Second. Landlords must be forced to keep their houses in decent and livable condition.

Third. Tenants must be protected from eviction, from being thrown into the street because they can not pay the exorbitant rents demanded.

Fourth. Dilapidated, unfit dwelling places must be torn down and death-breeding alleys closed.

Fifth. A plan for building must be carried out which will make possible a fair net per cent return on construction which has not been prohibitive in cost to house a Government clerk's family adequately without overcrowding, on not more than 25 per cent of his salary.

An end must be made to this business of bringing workers to the Capital and then forcing them to live like paupers. Thousands of them have been protected by the rents act in the past. It would be nothing short of madness to take that protection from them now.

Read sometime statistics on the overcrowding in such cities as London and Glasgow, and you will realize for the first time what such crowding as is caused by high rents leads to. Immorality in the lowest terms; disease in its foulest character; hideous practices; vile lives. This must not get so much as a foothold in this fine and beautiful city. But such conditions as exist now, such congestion, such economies to make ends meet, are fast moving along into real degradation. Nothing but rent legislation has saved the people in the past, and rent legislation can save it in the future.

The first three of the five points are already covered in the rents act, but there was an amendment to the proposed bill which was reported here taken out by this House, intended for a lease, would have had the effect of destroying the good effects of the bill. This related to the elimination of new property. Besides being an unfair discrimination and unconstitutional, it has a distinct economic danger. There is in the situation a wholly imaginary but very effective line called the "price level." This is set up generally by a group of representatives of agencies and is predicated on the value of the land and cost of construction. Hidden away in that cost of construction is the cost of money, and this cost of money is so great to-day because of fraudulent methods that the inflated values set criminal price levels. Even with a Rent Commission to adjust rents in older properties it is obvious that this level will have its effect on the whole rent situation.

THAT PRICE LEVEL AND UP-TO-DATE ROOMS IN NEW YORK AT $9 A MONTH

One of the arguments you have all heard is you can not build to rent at less than $20 a room at present prices. And the Government clerk on a $1,500 salary and three in family can not pay $20 a room. Pay the clerk more, they say. Do not make the poor builder suffer! And because you had no information to refute it, you believe this argument made by those who say they have looked into the situation, but really know nothing about it and began to think it was unlucky for the clerk, but you must be fair to the builder. The facts have been wilfully or ignorantly misrepresented. You can build to rent at less than $20 a room. It has been done. It is being done. A member of the District Rent Commission recently went to New York and made investigations and found that New York is doing it. One of the most valuable of the by-products of the Lockwood committee's investigations into the causes underlying the cessation of building in New York, the complicated relationships of building trades' unions and employers' organizations and into the manner of combinations to fix prices, together with crooked financing methods, was a building operation made possible by the Metropolitan Life Insurance Co. on Long Island.

Homes have been erected there for 2,125 families, renting at $9 a room, steam-heated, electric-lighted, with dumb-waiters, excellent plumbing, all the necessities and many of the luxuries of expensive homes, fireproof doors, steel stairs, wire screens, attractive lighting fixtures, built-in cupboards, medicine chests, wash-drying frames, porcelain washtubs in the kitchen, and most important of all, God's glorious sunshine pouring in all the rooms of all the apartments. The maximum of sanitation, sunlight, and fire prevention is here—and at $9 a room, 15 minutes from Times Square, and a 5-cent fare. Such rooms as these in Washington rent for $25 and higher. And a fair per cent of net return is received on the life insurance company's investment. There is not one inside room. Fully half of the apartments have three exposures; all have two. One-fourth of them have four exposures. And outside, instead of dirty, filthy alleys, are great gardens several hundred feet long—trees, lawns, flowers. And the cost was only $15 an apartment. It moves and fills you with emotions to think of it. These poor tenants, taken out of the awful tenements of New York, where they paid more for one dark, illy ventilated, gas-lighted, unheated room, with no hot water, and the toilet in the public hall, than they now have to pay for four decent rooms, private bath, splendidly heated, electric lighted. And while New York is tidying up and making conditions better, Washington, through neglect and dishonest practice, is fast falling into the degenerate state of decay that made the Lockwood investigation necessary in New York. Here in Washington we pay high rents for cellars. Andrew J. Thomas and D. Everett Waid, by putting their shoulders to the wheel and working out the details of planning, and then fighting the costs penny for penny, accomplished this splendid achievement for the Metropolitan Life. Thomas has been given another job of like character in Bayonne for J. D. Rockefeller, and he is going to take a $40,000 lot on Manhattan Island and putting the burden of rental on the first floor in stores, rent the floors above at $9 a room.

One hundred two-family houses are being built in Long Island City, 15 minutes and 5 cents car fare from Times Square, by Alexander Bing, to sell cooperatively on easy payments on a basis equal to $9 per room per month, including installments on the mortgage.

Tenement houses may be built on high-priced Manhattan, Bronx, and Brooklyn lots to rent at $10 per room or less, declare these public-spirited architects, who have had the interests of the people at heart. And if that can be done on Manhattan Island, it can be done in Washington. So when you read the report of the committee now investigating housing conditions in Washington, remember that it is not a dream. It is being done now in New York City. It is an accomplished fact. Those

rents are being paid. An honest builder, a big-scale development, a clever architect, a fair and square financial arrangement is all that is needed.

Here is another item of interest:

The population of Washington, according to the census, is now nearly a half million, and it is growing as fast as any city in the United States. This must be taken care of. Let us continue this rent act and protect the workers of the Government from the unparalleled greed of the profiteer.

Permit me to say here that while there were two years ago 72,000 Government employees in the District of Columbia, there are now 68,000 in the actual employment of the Government, yet there are in the city to-day a large per cent of the more than 100,000 war-time employees. Many of these war-time employees were widows with one or more children to educate, and have engaged employment as clerks and are otherwise engaged in various lines of work. Some have married and are housekeeping and rearing families. They are here and will remain; only a few have left. Some are carpenters, others bricklayers, and engaged in various ways in making a livelihood in this beautiful, attractive, and alluring city at the head of navigation on the banks of the Potomac.

AGRICULTURE APPROPRIATION BILL

Mr. LOZIER. Mr. Speaker, with your indulgence, I desire at this time to call your attention to what I consider numerous and grave abuses in the administration of the packers and stockyards act of 1921. This measure was enacted in response to a widespread demand for effective and efficient control of the stockyards and allied agencies for the marketing of our meat products. The act was designed to correct abuses of long standing, and, in so far as humanly possible, to destroy monopoly as the controlling factor in the American meat industry. It was thought that by the passage of this act the farmers of the Nation would be able to market their livestock cheaper and under more stable market conditions. It was believed that the markets would thereby be open to cooperative producing, shipping, and sales organizations. In all of these features the agricultural classes were and are vitally interested.

It was claimed by the proponents of this legislation that it would curb the monopolistic control of our great livestock markets and prevent unfair competition and unjust discrimination against cooperative shipping and sales organizations.

However benevolent the purpose and provisions of this bill, it is very evident that its administration has been far from satisfactory. Indeed, in some important features the outstanding purpose of the bill has been perverted and in effect destroyed by the manner in which the act has been administered.

I have great confidence in the honesty of Secretary Wallace and believe that he is sincerely desirous of helping the farmer in every right way, and I am reluctant to believe that he has knowingly been a party to the abortive manner in which this law has been administered. But obviously some one is responsible for the injustice to which the producers of this Nation are being daily subjected by the livestock exchanges, packers, and others who control our great livestock markets. This act has not been enforced as Congress expected and intended. Practices have been indulged and tolerated which are illegal, deceptive, unfair, and against the letter and spirit of this law. As now administered, this act is the haven and shield of those who exploit the public and dominate the meat markets of this Nation. As now administered, the act in some respects has become a powerful instrument of oppression and is being used by certain agencies to perpetuate wrongful activities which the bill is intended to terminate.

The packers, livestock exchanges, and old-line livestock commission merchants are now the chief beneficiaries of this legislation, which was enacted on the theory that it would help the man who produces and ships livestock, but which as administered perpetuates an intolerable monopoly. The effect has been to stifle competition and tremendously increase the cost to both the producer and consumer of marketing livestock.

The cooperative organizations in some of the great markets desired to reduce commissions for the sale of livestock. The schedule of rates proposed would probably have saved the American farmers from five to eight million dollars annually. But the old-line livestock commission merchants objected and insisted that the cooperative organizations charge the same rates of commission as were being charged by the old-line commission men. And, strange to say, the Secretary of Agriculture refused to permit the cooperative organizations to reduce the rates and the cooperative salesmen were forbidden to make sales at lower commission rates than those charged by members of the livestock exchange. This ruling of the department violated the letter and spirit of the packers and stockyards act.

The law, instead of being an aid to the farmer, became an instrument of oppression, because thereunder the department opposed and prevented a substantial reduction in commission rates for the sale of livestock. In 1922 the farm organizations and livestock producers filed a protest with the Secretary of Agriculture against the exorbitant rates being charged by livestock commission merchants, and appealed to the Secretary to exercise the authority the act conferred on him to investigate the rates and reduce them if they were found to be excessive. The Secretary did not proceed as he was authorized to do under the law, but sanctioned a makeshift arbitration which maintained high prices and clinched the monopoly of the livestock commission merchants and packers at the expense of the producers.

Conditions have continued to grow worse, and they have now become intolerable. The cooperative associations are being systematically boycotted and rapidly driven from the markets to the great loss of the producers.

A bill, H. R. 6424, has been reported by the Committee on Agriculture, which bill is designed to correct existing abuses and to remedy the present intolerable condition prevailing in the livestock markets of this Nation. Yesterday evening I voted against a motion to adjourn, made by the majority leader from Ohio [Mr. LONGWORTH], because I and others wanted to keep the House in session so as to force a consideration of the above-mentioned bill. I was willing for the House to stay in session all night, if necessary, to consider this important legislation, in which the livestock producers of the United States are so tremendously interested. It was important that this bill be considered last night, because under the rules it may be several weeks before the Committee on Agriculture will have the call on Calendar Wednesday, and I realized that if this bill did not receive consideration last night we might not be able to have the bill considered during this session, unless the Rules Committee can be induced to bring in a special rule for the consideration of this measure. But, over our objection, the motion to adjourn was carried, and we now have no assurance when the House will have an opportunity to consider this bill, so vital to the interests and welfare of the livestock producers.

I favor the prompt enactment of H. R. 6424 because I believe it materially strengthens the provisions of the act of 1921, and if this proposed bill becomes a law, undoubtedly the Secretary of Agriculture will have ample power to correct existing abuses and enforce the packers and stockyards act in letter and spirit. I favor this new legislation because I want the Government to have another chance to help the producer and the cooperative shipping and sales agencies. The producers and the cooperative associations are being boycotted and driven from the markets. Let us pass this new bill and put it up to Secretary Wallace to enforce its provisions.

Some time since, J. W. Buoy & Sons, of Bosworth, Mo., prominent farmers and livestock dealers, shipped a load of breeding ewes to Kansas City. The shipment was consigned to a cooperative sales agency. The packers "could not handle" this shipment at a price anywhere near satisfactory to the shipper, and according to my information the yard traders would not even come into the pens or look at the sheep as long as they were in the hands of the cooperative or producers' sales representative, claiming that the "old line" firms were boycotting the producers or cooperative associations. Because of this boycotting, the shippers were unable to get even a bid on their sheep. In despair, they took the sheep out of the hands of the cooperative salesman and turned them over to one of the "old line" firms, and immediately the yard traders became interested and active, came in the pen and bid $1.50 per hundredweight higher than the packers had previously bid. This is but one of a great many similar instances occurring daily in all the great livestock markets in the United States. I believe if the present law were aggressively administered, practices of this character could be prevented; but to make assurance doubly sure I urge your cooperation in every right way in securing the early consideration and passage of H. R. 6424.

May I add in conclusion that I have talked with Hon. Gray Silver, of the American Farm Bureau Federation, and he assures me that the measure known as H. R. 6424 will, in his opinion, remedy the defects in existing law, give the Secretary of Agriculture ample power to enforce the provisions of the law, and definitely fix on the Secretary of Agriculture the responsibility for the effective and efficient enforcement of the law.

ADJUSTED COMPENSATION

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table the adjusted compensation bill, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. GREEN, of Iowa, Mr. HAWLEY, Mr. TREADWAY, Mr. GARNER of Texas, and Mr. COLLIER.

REFORESTATION

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. CLARKE] be given permission to extend his remarks in the RECORD on the reforestation bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. CLARKE of New York. Mr. Speaker, this reforestation bill is a forward-looking conservation measure for reforestation of denuded areas, both in private and Government ownership, also for the extension of our national forests. The leadership and cooperation of the Federal Government with the States and with private agencies under State supervision is the keynote or motif.

Some time ago I prepared a recipe for bringing about a continuous production of timber in the United States, and I submit it to you:

PRESTO—A NATIONAL FOREST POLICY—A RECIPE FOR BRINGING ABOUT THE CONTINUOUS PRODUCTION OF TIMBER IN THE UNITED STATES.

Take 96 United States Senators and 435 Members of Congress. Mix well with pictures of the denuded hills of China and its population with the lowest standards of living. Add a panoramic view of our now fast disappearing forests, due to the absence of a national forest policy. Place into this mixture the leaven of an aroused public conscience, demanding a national forest policy adequate to the requirements of the United States. Knead into six loaves, embodying the following points based on reciprocal laws and the cooperation of each of the States with the Federal Government:

1. More funds for patrol and lookout stations to prevent and put out forest fires.
2. Just forest taxation laws to encourage private owners to grow trees.
3. Substantial additions to the already existing areas of public-owned forest lands.
4. More assistance to the private forest owner, both in aiding reforestation and in the proper management of existing woodland.
5. Adequate appropriation for investigation and research work in order to utilize and standardize and get the most out of our forests.
6. Permission for owners of private forest land who actively cooperate with the Government to deduct a certain percentage from their income tax returns, the same principle as is now followed where the individual makes charitable contributions.

Repeat the same process with the legislatures in each of the 48 States. Bake quickly.

Result: Forty-eight States cooperating with the National Government, and the children of all the to-morrows singing the praises of all those who joined in accomplishing this long-desired end.

My bill is a step in that direction.

The poet gazing on the tragedy of our neglected wood lots exclaims:

Before these fields were shorn and till'd
Full to the brim our rivers flow'd
The melody of waters fill'd
The fresh and boundless wood;
And torrents dash'd and rivulets played
And fountains spouted in the shade.
(Bryant.)

My bill will start us on the road toward bringing back the picture of the poet.

You may not know that a part of my congressional district takes in the country of Fenimore Cooper, Cooperstown, the land of the Glimmerglass, of Uncas, Chingachgook, Killdeer, and a myriad of our boyhood heroes.

One day last summer my boy came in from reading the story of the Last of the Mohicans, with the picture of the forest primeval vividly in his mind, of the abundance of game that sought the friendly shelter of the woods, of the lurking Indian, of streams that abounded in fish, and looking out upon the barren hills just across the dear old Delaware River from my farm, knowing his daddy's keen interest in and work for reforestation, remarked to me: "Daddy, wouldn't it have been wonderful if my grandpa and the grandpas of all the other kids had not cut all the trees and if, under the protection of the trees there might be found game and wild life and in the brooks and rivers found fish?" Then it came over me as never before what we of this day owe to all the children of all the to-morrows.

Our national forests come within this purview. Timber is to-day a national necessity. Over two-thirds of our 822,000,000 acres originally covered with forests have been culled, cut over, or burned, and burned again, and there is left now in the United States only about 137,000,000 acres of virgin timber, 112,000,000 acres of culled and second growth, 133,000,000 acres part stocked, and 81,000,000 acres of devastated, practically waste land. It is therefore up to us to get busier than we have ever been before if we meet the obligation and duty that is resting upon us of this day of treeless to-morrows is our legacy to those who come after us.

This bill starts us on the way.

The States as well have a definite and fixed responsibility that can not be shifted. That responsibility is the duty of going forward in each State, in its own little way, with a cooperative policy and law, under the leadership of the Federal Government, yet recognizing the sovereignty of each State, and each State cooperating because of the fairness and practicability of Uncle Sam's program as a national program and the duty of each State to encourage and promote this larger policy.

If you want a program for the States, here is one, a real definite survey of the State—

1. To ascertain the extent of its lands more suitable for reforestation than agriculture.
2. An exact, scientific determination of the kind of trees those lands will best grow in the light of that survey and the needs of the State.
3. Proper protection from fire and the enemies of trees.
4. Proper tax laws that will make certain that our public-spirited citizens will not be penalized for making wood lots and idle lands grow trees.
5. Getting going with a plan of growing and distributing seed trees.

My own State of New York has been working splendidly on this program and presents a picture that points the way to what each of the States can do, but it is only a part of the story, for with the best efforts of the 48 separate States there must be the heartiest cooperation with the Federal Government itself, or else a real, lasting good will not be achieved. Cooperation is the watchword, and it finds itself, in part, expressed in the bill now under consideration.

Two million acres are now in our New York State parks and other millions of acres to be added, but we need help for, great as is our responsibility as a State, we have not been found wanting, and our prayer goes to Washington for help to save what we have been trying so hard to build up all through these 25 years; and what is the imperative need of my State is also the pressing need of every other State.

We need greater cooperation from the Federal Government in a larger scale protection from fires. We need more protection to those forests and our shade trees from the ravages of the gypsy moth, the blister rust, and other pests and enemies of our trees now threatening us from New England.

Leaving my own State, let me paint you a picture of New England conditions as I found them when I accompanied the select Senate committee. Six great States with their individual State forest problems, and yet the forest problems of each State touched elbow with some of the problems of grave concern in every other New England State; and each State had made its start, some further along the way than others, Massachusetts leading the way with a model tax law, New Hampshire with a splendid personnel of clean, wholesome young men filled with the spirit of the ideal forester, fighting the gooseberry and currant, the mothers of virility in the blister-rust plague, and it all centers about, directly and indirectly, the White Mountain National Forest.

With the hearings completed in Boston, we journeyed to Bretton Woods, following along the Merrimac River, teeming with industries and with the water being used time and time again for power that means health, that means wealth and

steady employment to thousands of our people. What makes it possible? The White Mountain National Forest. Looking to the west, we see Vermont and the beginnings of the Connecticut River watershed. We learn that this grand old river and its feeders furnish added strength and continuity of power because of Uncle Sam cooperating in the purchase of that national forest. Journeying to the east, we find the White Mountain National Forest reaching to the confines of Maine and its historic Androscoggin River, with more water in it because of the precious White Mountain forests, that speaks its practical lesson in terms of employment, of food, of prosperity to thousands more. No single State in and of itself could have made this possible, differing in laws, in commerce, in the limitation of their constitution; but each State is now measuring up to its responsibilities, and it is Uncle Sam that must measure up to his duty by completing his purchases and in bringing this far-sighted vision of our foresters to a full realization to this generation. The Lodge and Wason bills to provide the money, now introduced, should be speedily passed to include those purchases.

Go to the Middle West, Wisconsin, Michigan, Minnesota, and other great Midwestern States, with their millions of acres of denuded lands mute monuments to the selfishness, thoughtlessness, and lack of foresight of the lumbermen of other days, and from these great wastes with their charred unsightly stumps comes an appeal to the Congress to point the way so that again the natural forest cover shall adorn or ornament these vast waste spaces. The passage of this bill will help.

Go to the beloved Southland and see the trail of devastation to the forests that has followed the lumberman and sawmill. Now, almost within our sight, we can see the last of fast-disappearing southern pine; we can see in dear old Tennessee and Kentucky, Missouri, and Arkansas—a great hardwood belt, the like of which was nowhere in the world—vanishing forests whose reproduction will take well over a century; and out in the land where the golden sunsets seem to fall into the Pacific is the last great stand of God's priceless gift to the American people, of the forest primeval. Shall it, too, go the way of all the other forest regions, or shall this Congress of the United States start to-day the enactment of a real reforestation program that shall seek to build again and regrow for the generations that follow after a great company of forests in all portions of the United States that shall bear their mute testimony to the start given them by the Sixty-eighth Congress.

Beloved colleagues, this is forest-protection week. Let us dedicate to the children of all the to-morrows this law that will inaugurate a national reforestation policy.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

S. 2736. An act authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during State convention of Texas Shriners;

S. J. Res. 77. A joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba;

S. J. Res. 76. A joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. 2708. An act to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma;

S. 2112. An act authorizing the Department of Agriculture to issue semimonthly cotton-crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce;

S. 2108. An act to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River, at Knoxville, in the county of Knox, State of Tennessee;

S. 1704. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.;

S. J. Res. 52. A joint resolution for the relief of the drought-stricken farm areas of New Mexico;

S. J. Res. 79. A joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924;

S. 431. An act to extend the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn.;

S. 5. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes;

S. 2821. An act to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, in which the concurrence of the House of Representatives was requested.

THE SOLDIERS' BONUS

Mr. JACOBSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the subject of the soldiers' bonus.

The SPEAKER. Is there objection?

There was no objection.

Mr. JACOBSTEIN. Mr. Speaker, the following are the results of a referendum conducted among the ex-service men of the thirty-eighth New York congressional district, which I represent:

For a cash bonus	2,633
For some form of insurance	2,736
Total in favor of a bonus	5,369
Opposed to any bonus	91

The following letter was mailed to every ex-service man in my district, and the results summarized above are based upon the ballots which were returned:

To ex-Service Men of the Thirty-eighth Congressional District:

As you probably are aware, I have publicly stated that I am in favor of adjusted compensation. I have been criticized by some people on the ground that my views do not represent the views of ex-service men. I am very anxious, therefore, to learn how the ex-service men in my district feel toward a soldier bonus.

You can readily understand the value of obtaining a frank and honest expression of opinion on this question. As your elected Representative in Congress, I shall appreciate it greatly if you will be kind enough to vote on the attached ballot and return it in the addressed envelope.

EVERY VOTE IS IMPORTANT

SOLDIER-BONUS BALLOT

(Indicate your preference by X)

1. Do you think Congress should pass a bill providing for adjusted compensation for all ex-service men (soldier bonus)?

Yes [ ].
No [ ].

2. In case Congress should pass a bonus bill, indicate which of the three following plans you would prefer:

(1) A cash bonus which would give every ex-service man immediately in cash all that he would be credited with by way of adjusted compensation.

Yes [ ].
No [ ].

(2) The McKenzie bill, now before Congress, with its four options:
(a) Twenty-year endowment insurance policy with loan value.
(b) Financial aid for vocational training.
(c) Cash settlement where not more than $50 is due.

(3) No cash bonus, but a general insurance proposition providing protection against unemployment, sickness, disability, and old age.

3. What is your age? ——. Are you married or single? ——.

MEYER JACOBSTEIN.

FREE SEED DISTRIBUTION

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of free seed distribution.

The SPEAKER. Is there objection?

There was no objection.

Mr. LOZIER. Mr. Speaker, I am opposed to the so-called "free seed" amendment. I trust this practice may not be revived. I come from a great agricultural district and, if I believed that the interests of my constituents or the interests of the agricultural classes would be promoted by the adoption of this amendment, I would most certainly support it.

But, Mr. Chairman, the plan has outlived its usefulness and is not now favored by the agricultural classes as a whole. I grant you that in years gone by the system worked fairly well and no doubt accomplished much good, but that time has passed and the distribution of "free seeds" has now become useless and unnecessary. It is now generally recognized as a cheap plan of electioneering.

In the beginning the purpose of the "free seed" law was to discover, test out, and distribute seeds of new and rare varieties. This was a commendable purpose, and as long as administered on these principles the results were good. Some very valuable new and rare vegetable and foreign plants were discovered, tested out, and their adaptability to certain regions determined. And I would not oppose a small appropriation to continue this experiment with new and rare seeds, but as administered there has been a complete departure from the spirit and true intent of the law, and instead of distributing seeds of new and rare varieties the department has year after year filled the mails with common seeds of the most common vegetables; seeds of vegetables that are as old as our civilization have been sent out annually with no discrimination as to varieties adapted to particular sections, and generally the farmer has received an oversupply of seeds he did not want and no seed of the variety he really desired. Thus from year to year the same old kinds of seed have been distributed in the same old slipshod methods, without regard to whether or not the seeds were suitable for that particular locality into which they were sent.

The farmers, as a class, are very largely opposed to reviving this antiquated practice. I have taken the trouble to ascertain by an extensive correspondence the sentiment of the representatives of the agricultural classes in the United States on the question as to whether or not there should be a restoration of the "free seed" system, and the result demonstrates conclusively that a vast majority of American farmers are opposed to so-called "free seeds."

I have communicated with and received replies from practically all the great farm organizations, the agricultural newspapers, and the agricultural departments of the several States, and these replies emphasize the opposition of the agricultural classes to a revival of the "free seed policy." The following statements forcefully illustrate this opposition:

We deny statements of some Congressmen that farmers demand free-seed distribution, and we condemn the practice. (American Farm Bureau Federation.)

Farmers do not want free seed. They view with disgust and not approval the action of any Congressman in sending them under Government frank a lot of free cucumber seed designed primarily to take the place of campaign cigars. The Farm Bureau stands for economy in Government. This little item of $360,000 for Government free seed would be a good place to begin governmental economies. The Farm Bureau is unalterably opposed to free seeds and has gone on record time and time again to this effect. (J. W. Coverdale, secretary American Farm Bureau Federation.)

The Grange opposes any and all movements for an appropriation by Congress for the revival of the distribution of free seeds. (National Grange platform, 1924.)

The National Grange has repeatedly gone on record year after year in opposition to free seeds. At our last session at Pittsburgh we again went on record as emphatically opposing expenditure of public funds in this way.

Our opposition is based largely on the fact that this is a waste of public funds, because the seeds are seldom of real value. Their distribution is more in the nature of political advertising and the results never warrant the expenditure. (L. J. Taber, national master National Grange.)

We do not favor continuance of the free-seed system, because it is such a fake and tends to create an impression that Congressmen are doing something for their constituents, when as a matter of fact they may be voting for a lot of vicious measures and just sending their constituents free seeds as a bluff. (Benjamin C. Marsh, managing director Farmers' National Council.)

You need have no hesitation in saying that not only am I personally opposed to the "free-seed" bunk, but that the National Farmers' Union has frequently passed resolutions calling attention to the absurdity of the thing.

The policy of the Department of Agriculture, long fostered by Congress, to search the earth for new plants, flowers, etc., and to have them tested under various climatic conditions was and is commendable. But out of this has developed one of the silliest and cheapest political practices imaginable.

The spectacle of a group of full-grown men yearly sending to their constituents a small bundle of the commonest kinds of garden vegetable seed, much of which had been stored by commission seed houses so long that it was not fit to plant, would be ludicrous were it not also expensive.

There may be a few, a very few isolated individuals who still regard this yearly visitation of cheap seed as a direct personal message from their Congressman, but most American farmers call in question the caliber of a Representative who will support such a measure merely for the sake of a little game of fence building.

I hope that you and others will be successful in blocking the effort to reinstate such a silly practice as the free distribution of seed. (A. C. Davis, secretary-treasurer Farmers' Educational and Cooperative Union of America.)

Our organizations have been opposed to this custom, and I have no doubt but that they will continue to oppose this unnecessary expenditure of public funds. (Charles W. Holman, secretary the National Board of Farm Organizations (14 nation-wide societies).)

All the farm organizations and individual farmers I know are opposed to the free distribution of seeds. I trust you will be successful in your efforts and have this matter permanently discontinued. In doing so you will render a great service to the people. (J. H. Kimble, Farmers' National Council.)

If I am correctly informed, the distribution of seeds was intended to distribute to different communities seeds that had proven worthy in other districts, but long ago any purpose of that kind was done away with, and the distribution was simply a petty graft that was supposed to make people feel kindly to the Congressman who sent them. That also has passed. Well-informed people receive the seeds in recognition of the fact that their Congressman is making them a party to a petty graft of which they are innocent, and they resent it to that extent. Even the quality of seed is not up to standard, and so there is no longer any excuse whatever for the continuance of a practice that has been objected to by farm organizations for several years. Save that money and lower taxes (not surtaxes of the upper register), and the people of the country will be more pleased with that than with the receipt of some indifferent seed. (John A. McSparran, master Pennsylvania State Grange.)

We are very glad to advise you that for years the Grange has fought the "free seed" appropriation in the National Congress and has used all possible efforts at its command to defeat this annual waste of good money. We appreciate very much your attitude in the matter and are sure that you will thereby earn the gratitude of every farmer in the United States. (The National Grange Monthly, by Chas. M. Gardner, managing editor.)

I will state that we have for several years past been publishing articles opposing the further issuance of free seeds by Congressmen.

The movement in its inception was a good one, but it has become so abused that it is of no value whatever to farmers generally and of but little value to city suburban dwellers. (Dante M. Pierce, publisher the Iowa Homestead.)

Successful Farming has been opposed to this practice for many years. We have determined beyond doubt that the vast majority of farmers are opposed to it and do not look upon it as a valuable service to farmers.

At the time the practice of sending out free seeds was started, it was the idea that valuable new crops and new varieties could be distributed in that way. Undoubtedly, the practice had some merit as long as it served that purpose. Even then, however, varieties which were superior in certain sections were frequently sent to sections to which they were not adapted and the recipients of the seeds consequently were led to plant inferior varieties, so far as their particular locality was concerned. In other words, the important consideration of whether a crop or a variety was adapted to the section to which the seeds were sent was largely ignored and seeds were sent out indiscriminately.

For many years there has not been an attempt to confine the distribution of free seeds to new and superior varieties, but the seed which was distributed has been bought in large lots from seed growers, and even less discrimination has been practiced in distributing the seeds by a considerable percentage of Congressmen. It is not at all uncommon for large packages of seeds to be received by people who had neither land nor inclination to plant them.

In somewhat more recent years it has been determined that soil and climatic conditions are exceedingly important factors in selecting the crop or variety of crop that can be most successfully grown. Frequently the variety of a crop which is best for the southern part of a given State produces such inferior returns in the northern part of the same State that it can not be profitably grown. For example, seed corn that is best for southern Iowa will not mature in northern Iowa. Likewise, larger and later varieties of oats can be grown in northern Iowa than can be grown in the southern part of the State.

While this principle is more important in the case of certain crops than in others, yet it is undoubtedly an important consideration with the vast majority of crops, including both those which are grown in gardens and fields.

Since the Federal, State, and county governments have developed agricultural work through the United States Department of Agriculture, the State agricultural colleges and experiment stations, and the county agricultural agents, there is ample machinery for distributing seeds and plants of new and superior varieties in a vastly more discriminating way than can possibly be done by sending out seeds which are allotted to Congressmen for distribution.

Of course, I am aware that a large percentage of people who are opposed to congressional free distribution of seeds have the feeling

that a Congressman distributes them largely with a view to political effect; but whether or not this is true, it seems to me that the reasons I have mentioned are ample reasons for refusing to again institute the practice. (Successful Farming, Des Moines. A. H. Snyder, editor.)

The Gazette has repeatedly for many years condemned and exposed the absurdity of congressional free-seed distribution. (The Breeder's Gazette, Chicago.)

I hope the entire Missouri delegation will line up solidly against it [free seed distribution]. What that people want, above all else, is that Federal appropriations shall be cut to the bone. (William Hirth, Editor Missouri Farmer.)

I believe in this day of agricultural developments the distribution of free seeds should be discontinued. (J. M. Moore, Chairman Alabama State Board of Agriculture.)

This commission is of the opinion that the distribution of free seeds by means of an appropriation of Congress is useful to no one. (Oscar C. Bartlett, Arizona Commission of Agriculture.)

I heartily agree with the farm organizations of the Nation in discouraging appropriations for the distribution of free seed. It is useless expense upon the American people, and it is used for political reasons in an endeavor to secure votes. (Jim G. Ferguson, commissioner, Arkansas Department of Agriculture.)

I took the matter up with the State Board of Agriculture of California at their annual meeting on the 14th instant, and I was directed to write you to the effect that the distribution of free seeds was a waste of money, and, as you say, it has outlived its usefulness. (California State Agricultural Society, by Chas. W. Paine, secretary.)

Concerning free seed distribution, I am directed to say that, in the opinion of our board, the practice is useless, is an economic waste, and has outlived its usefulness. (L. M. Taylor, secretary Colorado State Board of Agriculture.)

I believe I bespeak the minds of all farmers in the State and the sentiment of all farm organizations when I say they are utterly opposed to the renewal of free distribution of seeds. The money expended therefor could much better be used for other purposes. (Leonard H. Healey, secretary Connecticut Board of Agriculture.)

The State board of agriculture believes that the appropriation for free seeds is largely a waste, and the board is therefore opposed to it. (Ralph C. Wilson, secretary.)

Yours of the 30th of January asking what is our attitude toward reestablishing the free seed distribution by Congress received, and, replying, will say that we are decidedly opposed to its renewal.

Thanking you for giving me the opportunity to express my opinion in this matter, about which I feel strongly. (Nathan Mayo, commissioner, Florida Department of Agriculture.)

Regarding the free distribution of seeds, it has long since lost its value to the people, as the policy, as I understand it, was adopted when the West was settling and the people were so isolated that often they could not avail themselves of seeds sent out to help the western tamer of the soil.

This policy was of some benefit in its time. But it is now a mere matter of cheap advertising for Members of Congress in different districts for vote getting. In a great many cases the seed furnished are not seed that have been acclimated so that they get any results. (Marcus A. Means, commissioner Idaho Department of Agriculture.)

Regarding the appropriation to pay for seeds for free distribution, beg to advise you that I am unable to see wherein the farmers or the taxpayers of the United States are benefited by the free seed distribution.

Therefore in my opinion it is to the interests of the farmers and the State of Illinois to discontinue that practice. (B. M. Davidson, director Illinois Department of Agriculture.)

Wish to advise that it is the opinion of our board and of our department that the free seed distribution should be done away with.

We don't feel that it reaches the need of our agricultural people and that it is a very large waste rather than a benefit. (Indiana Board of Agriculture, Wm. M. Jones, secretary-treasurer.)

In our opinion, there is no longer an excuse for sending out free seeds. Neither is there in my mind any question about there being a very strong sentiment against this practice among the farmers of Iowa. (R. W. Cassady, secretary of Iowa Agriculture.)

We are unalterably and everlastingly opposed to the free seed distribution, and we sincerely trust that the Sixty-eighth Congress will follow the good example of the Sixty-seventh Congress with respect to that appropriation. There is no question that the Kansas people think the "free seed distribution" has been a shameful waste of public funds.

We agree with you that the plan has outlived its usefulness and that there is no reason why it should be continued any longer; in fact, it has been continued much too long. (J. C. Mohler, secretary Kansas State Board of Agriculture.)

In reply to your inquiry regarding question of free seed distribution, I beg to state that, from my observation, this has outlived its usefulness, and the money spent therein could be used to a better advantage in your agricultural budget. (Cleil Coleman, commissioner of agriculture, Kentucky.)

I am quite sure that members of this department and agricultural workers throughout the State are very generally opposed to the distribution of free seeds by the Federal Government. (F. F. Washburn, commissioner, Maine Department of Agriculture.)

Your letter of January 30, addressed to the State board of agriculture in this State, relative to its attitude in relation to free seed distribution, is at hand. The sentiment, not only of this department but of the entire State, is decidedly opposed to the free seed distribution. (Charles D. Woods, director Massachusetts Department of Agriculture.)

Your letter of inquiry as to our attitude toward free seed distribution. I think it is a useless expenditure of money, and would suggest that it be discontinued. (H. H. Halladay, secretary Michigan Agricultural College.)

Replying to your letter of January 30, relative to free seed distribution, will say that I feel quite sure that free seeds do not mean very much to the farmers of Minnesota. There was a time when there might have been some excuse for distributing free garden seeds, but the seed business has become so well developed and varieties that are peculiarly fitted to each locality are sought after rather than seed distributed from Government sources, which are not always adapted to the locality where they are distributed. Much of the Government-distributed seed is wasted, and the results of this practice do not warrant the appropriation that has been made for this purpose in the past. Our farmers will not miss the free seeds that have been distributed free in the past. They prefer to buy seeds which are adapted to the soil and climate where they will be planted. (N. J. Holmberg, commissioner, Minnesota Department of Agriculture.)

There should be a free-seed appropriation passed, limited rather more to new varieties and tested varieties of new sorts. (Jewell Mayes, secretary of Missouri Board of Agriculture.)

Our secretary of agriculture is now in Washington on farm business, but I am of the opinion expressed in your letter of the 30th. (Daniel Whetstone, chief division of publicity, Montana Department of Agriculture.)

In answer to your inquiry of January 30, regarding the free distribution of seeds, permit me to say that our board here has gone on record in the past as being irrevocably opposed to this unnecessary expense and political propaganda. (E. R. Danielson, secretary Nebraska State Board of Agriculture.)

The New Jersey State Board of Agriculture agrees heartily with you that "the plan has outlived its usefulness." There is nothing complimentary to agriculture in the distribution of free seeds by Congress, and there is nothing of intrinsic value. We trust that the friends of agriculture may be successful in cutting out any appropriation for such distribution. (Alva Agee, secretary New Jersey Department of Agriculture.)

My judgment on the matter of free seed distribution coincides with yours; that is, that it ought not to be revived. (H. L. Kent, president New Mexico College of Agriculture.)

We do not favor free seed distribution. We regard it as uneconomic, in that its value is small in proportion to the cost. I know of no agricultural sentiment in this State which favors the continuance of gratuitous seed distribution. (Berne A. Pyrke, commissioner New York Department of Farms and Markets.)

On the question of free seed distribution, permit me to say that we stand on record as being opposed to the free distribution of agricultural seeds except such as may be distributed through the agency of the Federal Department of Agriculture for experimental projects in order to introduce new and hardier varieties of food plants into our country. (Andrew L. Felker, commissioner New Hampshire Department of Agriculture.)

In reply to your letter of March 25 to Governor Pinchot, I do agree with the National Grange, Farm Bureau, and other great farm organizations in opposing the free distribution of seeds. I do not believe that they are appreciated by the majority of those who receive them, but that it is something that is used more by the politicians to get something across than for the purpose which it is intended to serve. (F. P. Willits, secretary Pennsylvania Department of Agriculture.)

Your letter of the 30th to hand. I am not at all in favor of distributing "free seeds" by the Government. I have had considerable experience and have found that the seeds gotten from the Government were unsatisfactory, and most of the people I have come in contact with were of the same opinion. (B. Harris, commissioner South Carolina Department of Agriculture.)

I have your letter of January 30 inquiring for our opinion of the wisdom of the free-seed distribution by Congress. Personally I have no very strongly-defined views in regard to the matter and do not consider it so very important. I have always considered the expenditure rather useless and believe now that the money thus expended could be used to much better advantage elsewhere. (Frank M. Byrne, commissioner South Dakota Department of Agriculture.)

I wish to state that this department does not favor the distribution of free seeds, because we do not believe much good results therefrom. In fact, we believe the cost is many times greater than the

benefits obtained by the farmer. In reality we have always viewed the matter as a purely political pull to secure votes in the coming elections. (Homer Hancock, commissioner, Tennessee Department of Agriculture.)

The belief of this department is that the distribution of free seed should never have been started, and we will be very glad to see it discontinued, as the farmers generally regard it as a means of political advertisement for the Members of Congress and of not much value to the general public. (George B. Terrell, commissioner, Texas Department of Agriculture.)

This department feels that if a quality of seed true to name and in every way good was distributed, so that people could learn that best adapted to their section in particular, that free distribution of seed would be of service, but due to the improper labeling of inferior quality of seed I can not see there is any special need of "free seed distribution" by the United States Department of Agriculture. (A. A. Hinckley, commissioner, Utah State Board of Agriculture.)

I am in hearty accord with the action of the Sixty-seventh Congress in refusing to make appropriation for the distribution of free seeds.

The distribution of a small quantity of new and rare seeds of special varieties of plants might be useful, but the practice of sending out under Government frank packages of ordinary garden seeds which any person can buy in a store for a few cents is, in my opinion, an absolute waste of Government money. (E. S. Brigham, commissioner of agriculture, Vermont.)

Your letter of the 30th received in reference to further distribution of free seeds on the part of the United States Department of Agriculture through Members of Congress.

I agree with you that the need for this distribution is no longer a factor in the custom. (G. W. Koiner, commissioner, Virginia Department of Agriculture.)

Referring to your inquiry of March 3 in reference to free distribution of seeds by Congress, there is no further need for this distribution for the simple reason that seeds being received are those that can be purchased from dealers. Such distribution of seed should only be for the purpose of introducing new varieties of vegetables. The practice as it has been carried out for some time is of no material benefit to farmers. (E. L. French, director of agriculture State of Washington.)

I would suggest that the State department of agriculture disapproves of the plan of free-seed distribution by the Federal Government. (J. D. Jones, commissioner of agriculture, Wisconsin.)

Although the State board of agriculture has not been in session since the arrival of your letter, I have no hesitation in stating that I feel very sure the board would be strongly opposed to the distribution of free seeds. It is hard to understand why the practice has continued as it has, when there has been so much talk of economy in the administration of public funds. (A. D. Faville, commissioner of agriculture, Wyoming.)

It conclusively appears that all the great farm organizations, all the agricultural papers, and the departments of agriculture in 36 of the 48 American States are strenuously opposed to a revival of the practice of distributing free seeds. No one will deny that the foregoing communications correctly reflect the attitude of the farming classes in America on the free-seed question, and that attitude is one of united opposition and aggressive hostility.

My letters to the departments of agriculture of the States of Georgia, Maryland, Mississippi, Nevada, Oklahoma, Oregon, Rhode Island, West Virginia, and Ohio were unanswered, but there is no evidence that the farmers or departments of agriculture in those nine States favor the distribution of free seeds.

The secretary of the North Carolina Department of Agriculture answered my communication, stating that his board had never taken any action on the free distribution of seeds by the National Government, but said that he frequently received requests for seeds, which requests were referred to the Congressman representing the district from which such requests came.

Joseph A. Kitchen, commissioner of the North Dakota Department of Agriculture, in his reply stated:

It really seems immaterial whether the Government provides these free garden seeds or not. I have planted them and found them to be good seeds. Of course, seed houses would naturally be opposed to such distribution. I notice the farmers of the Northwest have had a good many temporary reliefs offered them in free feed and seed bills, to allow counties to bond, to provide dairy stock to farmers whose credit is exhausted, etc. In fact there is a bill pending in Congress at this very time for loaning farmers in the Northwest whose credit is exhausted $50,000,000 or more. I think it would be a great deal better to provide some free garden seeds than to cumber the farmer with more debt.

Harry D. Wilson, commissioner of Louisiana Department of Agriculture, wrote as follows:

Replying to yours of January 30 in reference to distribution of "free seed," will say that, in our opinion, this was one of the best things that Congress was doing for the small farmer and the poor residents of the towns and cities. It encourages the average person to plant small gardens, and was, in our opinion, of great benefit to them. I appreciate the fact that there are many dollars wasted by Congress each year, but I do not think that this money was wasted by the sending out of free seed.

In other words, of the 48 State departments of agriculture, 36 are unalterably opposed to a revival of the free-seed system; 2 State departments of agriculture favor the system; 1 State agricultural department answered my letter of inquiry, but expressed no opinion, and no replies were received from the remaining 9 State departments of agriculture.

In view of this showing, can anyone seriously contend that the agricultural classes still favor the free-seed system? I think not.

By this amendment it is proposed to appropriate $360,000 to cover the expense of this free seed distribution. This is a very considerable sum—practically $1,000 for each day of the year. This money should be kept in the Treasury and saved to the taxpayers of the Nation. This is a good place to economize. If the expenditure of $360,000 or $360,000,000 would bring prosperity to the agricultural classes, or substantially remedy the nation-wide agricultural distress. I would not hesitate to vote for and support the appropriation, but the present distressing agricultural conditions can not be remedied or in any manner relieved by this free-seed panacea. What the farmers want is a better market and higher prices for their commodities. Agricultural prosperity will never be promoted by spending $1,000 a day for free seeds. The farmers want some substantial relief from the present intolerable economic conditions, and not a few packages of garden seed.

M'NARY-HAUGEN BILL

Mr. HULL of Iowa. Mr. Speaker and gentlemen of the House, the purpose of my remarks now is to urge immediate favorable action and the prompt passage of the McNary-Haugen bill.

Agriculture is the most essential and one of the greatest of our industries. The economic prosperity and physical well-being of our people can not long continue unless substantial relief is provided for the farmers. A method must be found to correct the present unjust and unfair discrimination against the food producers of this Nation. It is folly to expect business prosperity to long continue in the face of farm bankruptcy. According to the report of the Secretary of Agriculture practically one out of every four farm owners in 15 corn and wheat States are, in fact, bankrupt. During the four years from 1920 to 1923, inclusive, we had almost 1,400 bank failures, with total liabilities of more than one-half a billion dollars. The majority of them occurred in agricultural sections. This number is nearly half of the total bank failures from 1902 to 1923, inclusive, which period includes the panics of 1903 and 1907, and the near panic of 1914 immediately prior to the outbreak of the World War. More than four-sevenths of the total farm income is consumed in paying interest charges on mortgage and personal debt and taxes. The payment of farm taxes alone requires the entire value of the wheat crop. In 1922 far more than 1,000,000 men deserted the farm and engaged in other industry, and more than 7 per cent of the habitable farm homes were vacated. The situation to-day has not improved greatly. Relief of some sort is necessary if agricultural prosperity is to be restored. We have tried increased money credits and other methods, and while they have helped to some extent, the fundamental evil has not been corrected.

What the farmer needs and is justly entitled to is a fair return on his labor and industry. Unsettled world conditions, coupled with other American factors, have discounted agricultural commodities far below other commodities. To-day the farmer sells part of his produce at the unsettled world-market prices and buys at stabilized American-market prices. Tools, equipment, and other necessities cost him nearly double the pre-war value. He has received no commensurate increase for his crops. The result has been disastrous to the farmer, and the process can not continue indefinitely without seriously weakening our entire economic structure. No duty we have here now is greater than the preservation of our great industry of agriculture.

I believe that the provisions of the McNary-Haugen bill will solve the immediate problem and provide the relief to our farmers that is so urgently needed. The essential benefit of the bill to them is that it will raise the price they receive for their crops to a level practically parallel to that of other commodities. Their buying and selling powers will be more nearly equalized.

This measure is not paternalistic, socialistic, unconstitutional, or unsound economically to any greater extent than other laws now in effect protecting American industry, American labor, and American standards of living. It does not place the farmer in a favored class. It merely restores him to an equal footing with other industry. It is not Government interference with business in any larger sense than now existing laws. This bill will do for the farmers nothing more than we are doing for practically every other industry in the country. We pass laws to aid and protect labor and to benefit every class of industry.

Briefly stated, the bill proposes to aid the farmer in the following way:

It will unite all the farmers, at their own expense, but under Government supervision, into a cooperative association for the exportation of surplus products when the values of such products have been unduly depressed.

A corporation under the name of The United States Agricultural Export Corporation is to be established, the capital stock of which, in the amount of $200,000,000, is to be subscribed, primarily, by the Government. The life of this corporation is limited to five years. Its board of directors will be composed of the Secretary of Agriculture, as chairman, and four persons appointed by the President, by and with the advice and consent of the Senate. The 12 Federal land-bank districts of the United States are divided into four groups, and the four persons appointed by the President are one from each of these groups.

The farmer will receive increased prices for his produce by the establishment of ratio prices for such farm commodities as are determined when an emergency exists. The ratio price is determined on the basis of pre-war exchange values to present-day values, based on 404 different commodities. Wheat can be used as the best illustration. The world market export surplus price determines the domestic price at the present time. Say we raise 800,0000,000 bushels of wheat and the domestic demand is 700,000,000 bushels. If the world market price is $1 per bushel, the farmer gets $800,000,000 for his crop. The ratio price established under the McNary-Haugen bill on the basis of pre-war value in relation to other commodities would be around $1.60 at the present time. The loss in selling the export surplus, plus administration expense, would be estimated by experts in touch with world conditions, and the farmer would receive in the neighborhood of $1.50 in cash and an equalization-fee receipt in the amount of 10 cents per bushel for his wheat. These are approximate figures. A safe margin in the amount of the equalization-fee receipt would be maintained at all times and, at the end of the operating period, strict accounting would be made and the receipts issued would be redeemable at whatever amount was left in the equalization fund after deduction is made of the loss in selling the surplus plus cost of administration. The receipts would probably be worth 2 or 3 cents of their face value; but even if the farmer received only the cash payment of $1.50 per bushel, he would still be getting 50 cents more per bushel for his wheat than he is under existing conditions.

The same procedure will apply to other agricultural commodities when an emergency is determined to exist in relation thereto. Take hogs, for instance. In March, 1924, hogs bore an average price of $7.36 a hundred based on the average of heavy and light hogs. The average price of hogs during the 10-year pre-war period was $7.10 a hundred. If the ratio price were in effect now, the farmer would be receiving around $11 a hundred. The ratio price is not fixed as a maximum price. It is a minimum price established in relation to other commodities. The tariff principle is merely applied in a slightly different manner, and the bill provides only for equitable protection to the farmer on what he sells in proportion to the basis on which he buys. It makes the protective tariff 100 per cent efficient for the farmer.

Why should this bill be attacked on the ground that it is price fixing or favored class legislation? Other industries have already asked for and obtained the right to combine for export trade. They sell their export surplus at less than the domestic price. The McNary-Haugen bill grants no greater or different privilege to agriculture. It merely sets up the machinery necessary to enable the farmer to market his surplus products without destroying the proportionate value of his entire output. No money is taken permanently from the United States Treasury. The farmer bears the entire expense and receives only a fair and just return, in strict relation to other commodities, for his produce. The bill provides for the use of existing facilities. Instead of tending to put out of business the small grain dealer and miller, it should tend to stabilize all legitimate business dealing with agricultural products. It certainly is not contemplated under the bill that the Government shall set up new and expensive machinery. Why should it do so when practically all the necessary facilities already exist for the proper handling of the undertaking? Any miller or grain dealer will have the same incentive, facilities, and opportunities to protect against future price fluctuations. The extent of such fluctuations may be more limited, but no injustice is worked. It is only the professional speculator and gambler that might complain in this respect, for I feel certain that this measure will not prevent reasonable hedging or future trading by the legitimate millers and grain men. Years of experience as a shipper of grain and farm produce has convinced me that this plan will work out successfully and that it is the one big hope of our farmers for a stabilized industry.

The same facts apply to corn, swine, and other agricultural commodities. In my State we have the richest farming land in the country. Our farmers are among the most intelligent and industrious of our citizens. I have found generally that they are the last to complain about unfair conditions; but I do know that many of them right in my own district have already gone bankrupt, and many more are on the verge of bankruptcy, because they are caught in the cross currents of buying on a high-level basis and necessarily selling on a low-level basis. This bill will go far toward wiping out this unjust state of affairs by placing the farmer on an equal footing with other industry. As conditions are now, why should not the farmer protest? Certainly he is entitled to a square deal. I honestly believe the McNary-Haugen bill will give him such. That is why I am urging the prompt passage of this bill.

The situation with respect to agriculture is critical. We can not continue to permit this great industry to go to pot without deliberately undermining the most substantial props on which this Nation rests. It is foolish reasoning to say that if a surplus exists, then let the farmer curtail production. We must eat to live. That is axiomatic. Food production can not be regulated with the same degree of accuracy as other industry. We have already interfered with the elemental economic law of supply and demand to protect and benefit our institutions and industries. Our physical well-being demands reasonable overproduction of food products, and the industry engaged therein should certainly be accorded the same protection we already extend to others fundamentally of lesser importance. Man can not control to any great extent the elements of nature. Drought, excessive rains, insect ravage, and other forces can destroy and wipe out vast potential crops. As a Nation we can not afford to invite future famine and economic evils by failure to preserve our agriculture and by denying equitable return to our food producers. Those who till the soil are the first to render service. They feed the human race. Certainly we should not permit their pauperization. Let the soil and farms once be abandoned and it will take years to build back.

I know that critics of the bill have said that it will encourage additional overproduction. A slight increase may result, but the farmer is sufficiently shrewd to realize that by increasing the export surplus he necessarily decreases the financial return on what he sells in the domestic market. No matter what happens relative values are maintained. Under the provisions of this bill the farmer can not profit at the expense of other classes, but without this bill you will continue to permit other protected classes to profit at the expense of the farmers.

Another criticism of the bill is that it is unworkable. We have passed many laws which have been attacked with the same cry, but they are being administered successfully to-day. Furthermore, they require far greater effort and ingenuity in administration than the McNary-Haugen bill will require.

This measure is not a "gold brick." It is downright foolish to say that it is. It has been indorsed by practically all farm organizations, the Federation of Labor, many bankers, business concerns, chambers of commerce, civil organizations, and State legislatures. It is sound and constructive legislation. It will restore the purchasing power of the farmer and thereby benefit all industry in proportion. It grants no special favor or privilege to the farmer. It only places him on an equal basis. I have yet to hear argument against this bill that can not be refuted by a plain statement of facts concerning its provisions.

We all insist that our great agricultural industry must be preserved. You can not destroy and preserve it at the same time. You can not continue to drive the farmer into other

industry and expect agriculture to survive. The McNary-Haugen bill will restore the farmer and agriculture to their proper place. That is why I say—

If your desire is to aid the farmer;

If your desire is to preserve this vast industry; and

If your desire is for fair treatment to both farmer and agriculture—

Then pass the McNary-Haugen bill!

HOUR OF MEETING TO-MORROW AND SATURDAY

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I understand the order of business to-morrow will be, first, the rule to provide for the consideration of the child-labor constitutional amendment, and then the discussion of the amendment reported by the Committee on the Judiciary. It is desirable, I think, on the part of everyone that this matter should be voted upon on Saturday. I shall have to object to meeting at 11 o'clock to-morrow, but there would be no objection to meeting at 11 o'clock on Saturday, if that be agreeable to the gentleman from Ohio. Even if we met at 11 o'clock to-morrow, with the time that is provided for debate, it would be impossible to conclude debate and vote to-morrow afternoon.

Mr. LONGWORTH. Undoubtedly that is true.

Mr. GARRETT of Tennessee. So that in any event we could not vote earlier than Saturday.

Mr. LONGWORTH. I have made this request solely to suit the convenience of Members. The gentleman from New York [Mr. SNELL] will bring in the rule, and I understand that it will take probably considerably more than an hour to pass the rule.

Mr. SNELL. Mr. Speaker, there have been several requests for time and I have made arrangements with the gentleman from North Carolina [Mr. POU] and the gentleman from Tennessee [Mr. GARRETT] so that we shall consume more than an hour in passing the rule. Of course, the discussion will be really upon the proposed constitutional amendment itself.

Mr. GARRETT of Tennessee. I understand that the discussion of the rule and the proposed amendment under general debate will consume not less than eight hours.

Mr. LONGWORTH. I suspect that is correct, so that it seems to me, if it would not be very inconvenient to the gentleman, it might be wise to meet at 11 o'clock to-morrow.

Mr. GARRETT of Tennessee. There will be no objection to meeting at 11 o'clock on Saturday. Let me say this. The reason I object to meeting at 11 o'clock to-morrow is that there are certain committee meetings which gentlemen who are very much interested in this proposed constitutional amendment will have to attend. We do not want to waste time.

Mr. LONGWORTH. I recognize that fact, and I withdraw my request to meet to-morrow at 11 o'clock and modify it and ask that when the House adjourns to-morrow it adjourn to meet on Saturday at 11 o'clock a. m.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-morrow it adjourn to meet at 11 o'clock a. m. on Saturday. Is there objection?

Mr. TUCKER. Mr. Speaker, reserving the right to object, is it possible to extend the time for this debate? This is no ordinary matter. This is a proposed amendment to the Constitution and it seems to me that it ought to be discussed pretty thoroughly.

Mr. SNELL. We thought we were giving pretty generous time when we gave six hours for general debate and extended the time for debate on the rule, which will be confined, of course, to the subject.

Mr. TUCKER. Is one hour to be given to the discussion of the rule?

Mr. SNELL. There has been more than that time promised at the present time.

Mr. LONGWORTH. The gentleman intends to ask unanimous consent for more than an hour.

Mr. SNELL. Yes; to be more than one hour.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 29 minutes p. m.) the House adjourned until to-morrow, Friday, April 25, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a draft of proposed legislation "for the relief of the Rochester Merchandise Co.," was taken from the Speaker's table and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FITZGERALD: Committee on the District of Columbia. H. R. 487. A bill creating the District of Columbia insurance fund for the benefit of employees injured and the dependents of employees killed in employment, providing for the administration of such fund by the United States Employees' Compensation Commission, and making an appropriation therefor; with amendments (Rept. No. 562). Referred to the Committee of the Whole House on the state of the Union.

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 6095. A bill to authorize the Secretary of War to sell real property, to wit, a portion of the Fort Revere Reservation at Hull, Mass.; without amendment (Rept. No. 563). Referred to the Committee of the Whole House on the state of the Union.

Mr. WINTER: Committee on the Public Lands. S. 699. An act authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes; without amendment (Rept. No. 564). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of South Dakota: Committee on Indian Affairs. H. R. 8545. A bill conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Band of Santee Sioux Indians to the Red Pipestone quarries, Minnesota; without amendment (Rept. No. 565). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROACH: Committee on Indian Affairs. H. R. 1414. A bill to authorize the payment of certain taxes to Stevens and Ferry Counties, in the State of Washington, and for other purposes; with an amendment (Rept. No. 566). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. 1309. An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.; with an amendment (Rept. No. 567). Referred to the Committee of the Whole House on the state of the Union.

Mr. HUDSON: Committee on Indian Affairs. H. R. 27. A bill to compensate the Chippewa Indians of Minnesota for timber and interest in connection with the settlement for the Minnesota National Forest; without amendment (Rept. No. 568). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 8581. A bill providing for extensions of water charges in connection with Indian irrigation projects; with amendments (Rept. No. 569). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JOHNSON of South Dakota: Committee on Indian Affairs. H. R. 2977. A bill for the relief of H. E. Kuca and V. J. Koupal; without amendment (Rept. No. 570). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BANKHEAD: A bill (H. R. 8866) to provide that the United States shall cooperate with the States in promoting the health of the rural population of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SWANK: A bill (H. R. 8867) to establish a fish hatchery in the fifth congressional district of the State of Oklahoma; to the Committee on the Merchant Marine and Fisheries.

By Mr. RAKER: A bill (H. R. 8868) authorizing the Postmaster General to investigate and continue star-route contracts now in operation on routes between Redding and Weaverville, Calif., and between Redding and Bieber, Calif.; to the Committee on the Post Office and Post Roads.

By Mr. JOHNSON of South Dakota: A bill (H. R. 8869) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and to amend and modify the war risk insurance act, and to amend the vocational rehabilitation act; to the Committee on World War Veterans' Legislation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASWELL: A bill (H. R. 8870) granting a pension to Amelia C. Roberts; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 8871) granting a pension to Elizabeth Thomas; to the Committee on Invalid Pensions.

By Mr. GILLETT: A bill (H. R. 8872) granting an increase of pension to Kate A. Fowler; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 8873) granting a pension to George Taylor; to the Committee on Invalid Pensions.

By Mr. HOLADAY: A bill (H. R. 8874) granting a pension to John Charleston; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 8875) granting a pension to Maria Crowl; to the Committee on Invalid Pensions.

By Mr. PHILLIPS: A bill (H. R. 8876) granting a pension to Margaret A. Robinson; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 8877) granting a pension to Sarah J. Burns; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 8878) granting an increase of pension to Ella Littlefield; to the Committee on Invalid Pensions.

By Mr. YOUNG: A bill (H. R. 8879) for the refund of customs duties paid by the Canadian Car & Foundry Co. (Ltd.) on materials imported into the United States to be further manufactured for shipment abroad and which materials were destroyed by fire after such manufacture and before such shipment; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2516. By Mr. BOYLAN: Petitions for release of Eamonn De Valera; to the Committee on Foreign Affairs.

2517. By Mr. FENN: Petition of sundry citizens of Rocky Hill, Conn., protesting against the passage of Senate Joint Resolution 107, revising the freight rates on farm products; to the Committee on Interstate and Foreign Commerce.

2518. By Mr. GARBER: Petition of sundry citizens of Capron, Okla., protesting against any amendment legalizing the manufacture of wine and beer, also urging passage of amendment to Constitution empowering Congress to pass effective child-labor laws; to the Committee on the Judiciary.

2519. By Mr. NEWTON of Minnesota: Petition of the city council of the city of Minneapolis, calling upon Congress to immediately pass the adjusted compensation bill; to the Committee on Ways and Means.

2520. By Mr. TAGUE: Petitions of committee of 16 national women's organizations (National Federation of Business and Professional Clubs, American Association of University Women, American Federation of Teachers, General Federation of Women's Clubs, Girls' Friendly Society of America, National Consumers' League, National Council of Jewish Women, National Education Association, National League of Women Voters, National Women's Trade Union League, Service Star Legion, Women's Christian Temperance Union, Young Women's Christian Association, American Home Economics Association, and National Council of Women), favoring enactment of child-labor amendment to the Constitution; to the Committee on the Judiciary.

2521. By Mr. TEMPLE: Petition of a number of residents of Brave, Greene County, Pa., protesting against the modification of the prohibition law; to the Committee on the Judiciary.

2522. By Mr. WILSON of Indiana: Petition of 68 voters and taxpayers of Spencer County, Ind., asking that the eighteenth amendment be protected, and any other legislation that will help its enforcement; to the Committee on the Judiciary.

2523. By Mr. YOUNG: Petition of Mrs. W. A. Samski and 22 other citizens of Dunseith, N. Dak., protesting against legislation to reduce the tariff on eggs; to the Committee on Ways and Means.

SENATE

FRIDAY, *April 25, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	King	Smith
Ball	Fernald	Ladd	Smoot
Bayard	Ferris	Lodge	Stanley
Borah	Fess	McKellar	Stephens
Brandegee	Fletcher	McKinley	Sterling
Broussard	Frazier	McLean	Trammell
Bursum	George	Oddie	Underwood
Cameron	Gerry	Overman	Wadsworth
Capper	Gooding	Pepper	Walsh, Mass.
Caraway	Hale	Phipps	Walsh, Mont.
Copeland	Harris	Pittman	Warren
Cummins	Heflin	Reed, Pa.	Watson
Curtis	Howell	Sheppard	Willis
Dial	Johnson, Minn.	Shields	
Dill	Jones, N. Mex.	Shipstead	
Edge	Keyes	Shortridge	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

I was requested to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. MCNARY], the Senator from South Dakota [Mr. NORBECK], the Senator from Oklahoma [Mr. HARRELD], the Senator from Louisiana [Mr. RANSDELL], the Senator from Wyoming [Mr. KENDRICK], the Senator from Mississippi [Mr. HARRISON], and the Senator from Indiana [Mr. RALSTON] are engaged at a meeting of the Committee on Agriculture and Forestry.

I was also requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Sixty-one Senators have answered to their names. There is a quorum present.

REPORT OF ARLINGTON MEMORIAL BRIDGE COMMISSION (S. DOC. NO. 95)

Mr. FERNALD. Mr. President, on day before yesterday the President addressed a communication to the Senate transmitting a report in regard to the Arlington memorial bridge project, which was referred to the Committee on Commerce. I assume that the reference was an error. I think they should have been referred to the Committee on Public Buildings and Grounds. I therefore ask that the Committee on Commerce be discharged from the further consideration of the document, and that it be referred to the Committee on Public Buildings and Grounds and printed with the illustrations.

The PRESIDENT pro tempore. Without objection, the Committee on Commerce will be discharged from the further consideration of the message and accompanying report, and the document will be referred to the Committee on Public Buildings and Grounds and printed with the illustrations.

DEATH OF CHARLES F. MURPHY

Mr. COPELAND. Mr. President, it may be an unusual procedure to announce to this body the death of a private citizen, but there died this morning a man who is a national character. Mr. Charles F. Murphy, of New York, passed away two hours ago.

Many of us in this Chamber knew and loved Mr. Murphy. Personally I never knew a man more honorable, more thoughtful, more considerate, or more charming. He was a great citizen, and his untimely death brings a great loss to his city, to his State, and, in my judgment, to the Nation. He was a natural leader, never arbitrary or selfish. He was held, and ever will be held, Mr. President, in affectionate regard by an army of friends.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GREEN of Iowa, Mr. HAWLEY, Mr. TREADWAY, Mr. GARNER of Texas, and Mr. COLLIER were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker of the House had signed the following enrolled bills and joint resolutions, and they were thereupon signed by the President pro tempore:

S. 5. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes;

S. 431. An act to extend the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn.;

S. 1704. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.;

S. 2108. An act to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River, at Knoxville, in the county of Knox, State of Tennessee;

S. 2112. An act authorizing the Department of Agriculture to issue semimonthly cotton-crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce;

S. 2736. An act authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during State convention of Texas Shriners;

S. 2798. An act to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma;

S. 2821. An act to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911;

S. J. Res. 52. Joint resolution for the relief of the drought-stricken farm areas of New Mexico;

S. J. Res. 76. Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba; and

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924.

PETITIONS AND MEMORIALS

Mr. WARREN presented a telegram in the nature of a memorial from the Chamber of Commerce of Riverton, Wyo., remonstrating against any immediate amendment to the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. ERNST presented a memorial, numerously signed, of sundry citizens in the State of Kentucky, remonstrating against the passage of legislation imposing a tax of 10 per cent on radio receiving sets and parts and accessories, etc., which was referred to the Committee on Finance.

He also presented a petition, numerously signed, of sundry citizens in the State of Kentucky, praying that the United States participate in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 2647) for the relief of Lena Garagnon Owens (Rept. No. 464);

A bill (H. R. 4012) to reimburse William H. Flagg and others for property destroyed by mail airplane No. 73, operated by the Post Office Department (Rept. No. 465); and

A bill (H. R. 5136) for the relief of Eva B. Sharon (Rept. No. 466).

Mr. BRUCE, from the Committee on Claims, to which was referred the bill (S. 2518) for the relief of Austin G. Tainter, reported it with an amendment and submitted a report (No. 467) thereon.

Mr. LADD, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 2713) to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo. (Rept. No. 468); and

A bill (H. R. 4437) to quiet titles to land in the municipality of Flomaton, State of Alabama (Rept. No. 469).

Mr. CAPPER, from the Committee on Military Affairs, to which was referred the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes, reported it without amendment and submitted a report (No. 470) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 3170) for the relief of Edgar William Miller, reported it without amendment and submitted a report (No. 471) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELKINS:

A bill (S. 3172) granting a pension to Eliza Wright; to the Committee on Pensions.

By Mr. FERNALD:

A bill (S. 3173) to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial in the city of Washington to an appropriate point in the State of Virginia, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. McNARY:

A bill (S. 3174) granting a pension to Eva S. Coe; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 3175) granting a pension to Emma Benston (with accompanying papers); to the Committee on Pensions.

By Mr. ERNST:

A bill (S. 3176) to amend section 227 of the Judicial Code relative to the distribution of Supreme Court reports; to the Committee on the Judiciary.

By Mr. McNARY (by request):

A bill (S. 3177) providing for uniform contract for the carriage of goods by sea, and for other purposes; to the Committee on Commerce.

By Mr. COLT:

A bill (S. 3178) authorizing the Secretary of War to cause a preliminary examination and survey to be made of the harbor of Bristol, R. I.; to the Committee on Commerce.

HOUSE BILL REFERRED

The bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

RETIREMENT OF CIVIL SERVICE EMPLOYEES

Mr. LODGE submitted an amendment intended to be proposed by him to the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, which was ordered to lie on the table and to be printed.

AMENDMENT OF STATE, ETC., DEPARTMENTS APPROPRIATION BILL

Mr. WADSWORTH submitted an amendment proposing to pay $5,500 to Teresa B. Handley, widow of William W. Handley, late consul general at Callao-Lima, Peru, being one year's salary of her deceased husband, etc., intended to be proposed by him to House bill 8350, the State and Justice, etc., Departments appropriation bill, which was referred to the Committee on Foreign Relations and ordered to be printed.

AMENDMENTS TO TAX REDUCTION BILL

Mr. FLETCHER, Mr. COPELAND, Mr. DILL, and Mr. BROUSSARD each submitted an amendment intended to be proposed by them to House bill 6715, the tax reduction bill, which were severally ordered to lie on the table and to be printed.

Mr. WADSWORTH submitted two amendments intended to be proposed by him to House bill 6715, the tax reduction bill, which were ordered to lie on the table and to be printed.

MANUFACTURE OF NITROGEN—MUSCLE SHOALS

Mr. JONES of Washington. Mr. President, I have an amendment which I have been asked to offer to what is known as the Muscle Shoals bill, House bill 518, in order that the proposition involved in it may be considered by the Committee on Agriculture and Forestry in connection with the consideration of that measure. I therefore desire to submit the amendment, and I ask to have it printed and referred to the Committee on Agriculture and Forestry.

The PRESIDENT pro tempore. Without objection, the amendment will be printed and referred to that committee.

APPEARANCE OF CONGRESSMEN BEFORE EXECUTIVE DEPARTMENTS

Mr. GEORGE. Mr. President, in response to a resolution introduced by the Senator from Nebraska [Mr. NORRIS], the various departments of the Government before which Members of Congress, both in the Senate and the House of Representatives, have appeared within two years after going out of the Congress have furnished to the Senate the names of those Members. It has been stated in some of the newspapers that a criminal statute forbids the appearance of any Member of Congress, either of the Senate or of the House of Representatives, before any department of the Government, for a fee, of course, within two years after the termination of his service.

In other newspapers I have noticed the statement that, while there was a provision against such appearance, there was no penalty affixed in the statute. At some considerable pains, I have examined the several statutes that relate to that question, and I ask to have inserted in the RECORD the only statutes that are related to the question.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The statutes will be printed in the RECORD.

The statutes are as follows:

Whoever, being elected or appointed a Senator, Member of or Delegate to Congress, or a Resident Commissioner, shall, after his election or appointment, and either before or after he has qualified and during his continuance in office, or being the head of a department or other officer or clerk in the employ of the United States, shall, directly or indirectly, receive, or agree to receive, any compensation whatever for any services rendered or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever, shall be fined not more than $10,000 and imprisoned not more than two years; and shall, moreover, thereafter be incapable of holding any office of honor, trust, or profit under the Government of the United States. (35 Stat. L. 1109; 7 Fed. Stat. Ann. 659.)

It shall not be lawful for any person appointed after the 1st day of June, 1872, as an officer, clerk, or employee in any of the departments to act as counsel, attorney, or agent for prosecuting any claim against the United States which was pending in either of said departments while he was such officer, clerk, or employee, nor in any manner nor by any means to aid in the prosecution of any such claim, within two years next after he shall have ceased to be such officer, clerk, or employee. (2 Fed. Stat. Ann., sec. 190.)

Mr. GEORGE. Mr. President, in connection with those statutes, I should like to say that there is no two-year provision forbidding Senators or Members of the House of Representatives from receiving fees in connection with representing clients before the departments after their retirement from office. I think this statement should be made in justice to the names of former Members of the Senate and of the House of Representatives who have been reported by the various departments as appearing before the several departments within two years after the expiration of their terms of office.

I feel especially warranted in asking that these statutes be inserted in the RECORD, and in making this statement, because it has appeared from communications from several of the departments that a former Member of this body, a former governor of my State and a member of Mr. Cleveland's Cabinet, had himself within two years after the expiration of his term of office as a Senator appeared before the several departments.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS

Mr. CURTIS. I ask the Chair to lay before the Senate the action of the House of Representatives on House bill 7959.

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, requesting a conference with the Senate on the disagreeing votes of the two Houses, and appointing conferees on the part of the House.

Mr. CURTIS. I move that the Senate insist upon its amendments, accede to the request of the House for a conference on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. CURTIS, Mr. MCLEAN, Mr. WATSON, Mr. SIMMONS, and Mr. WALSH of Massachusetts conferees on the part of the Senate.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SMOOT. Let the reading of the bill proceed for action on the amendments of the committee.

The PRESIDENT pro tempore. The Senate having dispensed with the formal reading of the bill, it will be read for action on the amendments of the committee.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Finance was, under the heading "Title II—Income tax—Distributions by corporations," in section 201 (c), on page 5, line 17, after the numerals "203," to strike out "There shall be taxed as a dividend to the distributee such an amount of the gain recognized under section 203 as is not in excess of his ratable share of the undistributed earnings and profits of the corporation accumulated after February 28, 1913. The remainder, if any, of the gain recognized under section 203 shall be taxed as a gain from the exchange of property," and in line 24, after the words "case of," to strike out "a distribution" and to insert "amounts distributed," so as to read:

(c) Amounts distributed in complete liquidation of a corporation shall be treated as in full payment in exchange for the stock, and amounts distributed in partial liquidation of a corporation shall be treated as in part or full payment in exchange for the stock. The gain or loss to the distributee resulting from such exchange shall be determined under section 202, but shall be recognized only to the extent provided in section 203. In the case of amounts distributed in partial liquidation (other than a distribution within the provisions of subdivision (g) of section 203 of stock or securities in connection with a reorganization) the part of such distribution which is properly chargeable to capital account shall not be considered a distribution of earnings or profits within the meaning of subdivision (b) of this section for the purpose of determining the taxability of subsequent distributions by the corporation.

Mr. FLETCHER. Mr. President, may I inquire of the Senator from Utah [Mr. SMOOT] whether there is anything in the bill to take the place of the language proposed to be stricken out in lines 17 to 23?

Mr. SMOOT. The language following takes care of it. It is virtually making the law even clearer than it is to-day.

The amendment was agreed to.

The next amendment was, in section 201 (d), on page 6, line 14, after the word "property," to insert: "The provisions of this paragraph shall also apply to distributions from depletion reserves based on the discovery value of mines," so as to read:

(d) If any distribution (not in partial or complete liquidation) made by a corporation to its shareholders is not out of increase in value of property accrued before March 1, 1913, and is not out of earnings or profits, then the amount of such distribution shall be applied against and reduce the basis of the stock provided in section 204, and if in excess of such basis, such excess shall be taxable in the same manner as a gain from the sale or exchange of property. The provisions of this paragraph shall also apply to distributions from depletion reserves based on the discovery value of mines.

The amendment was agreed to.

The next amendment was, in section 201 (g), on page 7, after line 8, to strike out: "(g) As used in this section the term 'partial liquidation' includes the partial or complete cancellation or redemption by a corporation of a portion of its stock," and to insert:

(g) As used in this section the term "amounts distributed in partial liquidation" means a distribution by a corporation in complete cancellation or redemption of a part of its stock, or one of a series of distributions in complete cancellation or redemption of all or a portion of its stock.

The amendment was agreed to.

The next amendment was, under the subhead "Determination of amount of gain or loss," in section 202 (b), on page 8, line 3, after the word "depletion," to strike out "properly chargeable" and to insert "previously allowed," so as to read:

(b) In computing the amount of gain or loss under subdivision (a) proper adjustment shall be made for (1) any expenditure properly

chargeable to capital account, and (2) any item of loss, exhaustion, wear and tear, obsolescence, amortization, or depletion, previously allowed with respect to such property.

The amendment was agreed to.

The next amendment was, under the subhead "Recognition of gain or loss from sales and exchanges," in section 203 (b) (1), on page 9, line 6, after the word "for," to strike out "investment" and to insert "investment, or if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation," so as to read:

(b) (1) No gain or loss shall be recognized if property held for productive use in trade or business or for investment (not including stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest) is exchanged solely for property of a like kind to be held either for productive use in trade or business or for investment, or if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation.

The amendment was agreed to.

The next amendment was, in section 203 (b) (4), on page 9, line 25, after the word "persons," to insert "this paragraph shall apply," so as to read:

(4) No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation, and immediately after the exchange such person or persons are in control of the corporation; but in the case of an exchange by two or more persons this paragraph shall apply only if the amount of the stock and securities received by each is substantially in proportion to his interest in the property prior to the exchange.

The amendment was agreed to.

The next amendment was, under the subhead "Basis for determining gain or loss, depletion, and depreciation," in section 204 (6), on page 15, line 23, after the word "basis," to strike out the comma and "except as provided in paragraph (7) or (8) of this subdivision," so as to read:

(6) If the property was acquired upon an exchange described in subdivision (b), (d), (e), or (f) of section 203, the basis shall be the same as in the case of the property exchanged, decreased in the amount of any money received by the taxpayer and increased in the amount of gain or decreased in the amount of loss to the taxpayer that was recognized upon such exchange under the law applicable to the year in which the exchange was made.

The amendment was agreed to.

The next amendment was, in section 204 (6), on page 16, line 13, after the words "date of the," to strike out "exchange" and to insert "exchange. This paragraph shall not apply to property acquired by a corporation by the issuance of its stock or securities as the consideration in whole or in part for the transfer of the property to it," so as to read:

If the property so acquired consisted in part of the type of property permitted by paragraph (1), (2), (3), or (4) of subdivision (b) of section 203 to be received without the recognition of gain or loss, and in part of other property, the basis provided in this paragraph shall be allocated between the properties (other than money) received, and for the purpose of the allocation there shall be assigned to such other property an amount equivalent to its fair market value at the date of the exchange. This paragraph shall not apply to property acquired by a corporation by the issuance of its stock or securities as the consideration in whole or in part for the transfer of the property to it.

The amendment was agreed to.

The next amendment was, in section 204 (7), on page 16, line 23, after the word "shall," to strike out the comma and "notwithstanding the provisions of paragraph (6) of this subdivision," so as to read:

(7) If the property (other than stock or securities in a corporation a party to the reorganization) was acquired after December 31, 1917, by a corporation in connection with a reorganization, and immediately after the transfer an interest or control in such property of 80 per cent or more remained in the same persons or any of them, then the basis shall be the same as it would be in the hands of the transferer, increased in the amount of gain or decreased in the amount of loss recognized to the transferer upon such transfer under the law applicable to the year in which the transfer was made.

The amendment was agreed to.

The next amendment was, in section 204 (8), on page 17, line 12, after the word "shall," to strike out the comma and "notwithstanding the provisions of paragraph (6) of this subdivision," so as to read:

(8) If the property (other than stock or securities in a corporation a party to a reorganization) was acquired after December 31, 1920, by a corporation by the issuance of its stock or securities in connection with a transaction described in paragraph (4) of subdivision (b) of section 203 (including, also, cases where part of the consideration for the transfer of such property to the corporation was property or money in addition to such stock or securities), then the basis shall be the same as it would be in the hands of the transferer, increased in the amount of gain or decreased in the amount of loss recognized to the transferer upon such transfer under the law applicable to the year in which the transfer was made.

The amendment was agreed to.

The next amendment was, in section 204 (b), on page 19, line 7, after the word "greater," to insert "In determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date," so as to read:

(b) The basis for determining the gain or loss from the sale or other disposition of property acquired before March 1, 1913, shall be (A) the cost of such property (or, in the case of such property as is described in paragraph (1), (4), or (5), of subdivision (a), the basis as therein provided), or (B) the fair market value of such property as of March 1, 1913, whichever is greater. In determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date.

Mr. JONES of New Mexico. Mr. President, that provision is of considerable interest to some Senators who are not here, and I am sure that they would desire to discuss it. I ask that the amendment be passed over.

Mr. SMOOT. If the Senator from New Mexico had not asked that the amendment be passed over, I myself intended to do so, because I know that the Senator from North Carolina [Mr. SIMMONS] is interested in the amendment.

Mr. JONES of New Mexico. Both the Senator from Mississippi [Mr. HARRISON] and the Senator from North Carolina [Mr. SIMMONS] are interested in the amendment.

The PRESIDENT pro tempore. The amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 204 (c), on page 20, line 2, after the words "reference to," to strike out "this paragraph," and to insert "discovery value," so as to read:

(c) The basis upon which depletion, exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the same as is provided in subdivision (a) or (b) for the purpose of determining the gain or loss upon the sale or other disposition of such property, except that in the case of mines, oil and gas wells, discovered by the taxpayer after February 28, 1913, and not acquired as the result of purchase of a proven tract or lease, where the fair market value of the property is materially disproportionate to the cost, the basis for depletion shall be the fair market value of the property at the date of discovery or within 30 days thereafter; but such depletion allowance based on discovery value shall not exceed 50 per cent of the net income (computed without allowance for depletion) from the property upon which the discovery was made, except that in no case shall the depletion allowance be less than it would be if computed without reference to discovery value.

The amendment was agreed to.

The next amendment was, under the subhead "Net losses," in section 206 (a) (5), on page 21, at the beginning of line 10, to strike out "and losses sustained," and at the beginning of line 11 to strike out "subdivision (c)" and to insert "paragraph (2) of subdivision (a)," so as to read:

(5) There shall be included in computing gross income the amount of interest received free from tax under this title, decreased by the amount of interest paid or accrued which is not allowed as a deduction by paragraph (2) of subdivision (a) of section 214 or by paragraph (2) of subdivision (a) of section 234.

The amendment was agreed to.

The next amendment was, in section 206, on page 22, after line 2, to strike out:

(c) (1) If in the second year the taxpayer (other than a corporation) sustains a capital net loss, the deduction allowed by subdivision (b) of this section shall first be applied as a deduction in computing the ordinary net income for such year. If the deduction is in excess of the ordinary net income (computed without such deduction), then

the amount of such excess shall be allowed as a deduction in computing net income for the third year.

The amendment was agreed to.

The next amendment was, on page 22, at the beginning of line 11, to change the designation of the paragraph from "(2)" to "(c)."

The PRESIDENT pro tempore. The Chair suggests to the Senator from Utah that in effecting changes in the designations of paragraphs and sections the Secretary be given authority to make such changes.

Mr. SMOOT. Very well, Mr. President. I ask unanimous consent that wherever an amendment necessitates a change in the numbering of a paragraph or section during the consideration of the bill that the Secretary may be authorized to make such necessary changes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none; and the Secretary, when necessary, will change the numbering accordingly.

The next amendment was, in section 206 (d), on page 22, at the beginning of line 25, to strike out "or a capital net loss," so as to read:

(d) If any portion of a net loss is allowed as a deduction in computing net income for the third year, under the provisions of either subdivision (b) or (c), and the taxpayer (other than a corporation) has in such year a capital net gain, then the method of allowing such deduction in such third year shall be the same as provided in subdivision (c).

The amendment was agreed to.

The next amendment was, under subhead "Fiscal years," in section 207 (b), on page 25, line 12, before the word "year," to insert "calendar," so as to read:

(b) If a fiscal year of a partnership begins in one calendar year and ends in another calendar year, and the law applicable to the second calendar year is different from the law applicable to the first calendar year, then (1) the rates for the calendar year during which such fiscal year begins shall apply to an amount of each partner's share of such partnership net income (determined under the law applicable to such calendar year) equal to the proportion which the part of such fiscal year falling within such calendar year bears to the full fiscal year, etc.

The amendment was agreed to.

The next amendment was, on page 26, line 11, in the subhead, after the word "gains," to strike out "and losses," so as to make the subhead read "Capital gains."

The amendment was agreed to.

The next amendment was, in section 208 (a) (5), on page 27, after line 5, to strike out:

(6) The term "capital net loss" means the excess of the sum of the capital losses plus the capital deductions over the total amount of capital gain.

The amendment was agreed to.

The next amendment was, in section 208 (a) (7), on page 27, line 20, after the word "business," to strike out the comma and "or stock received as a stock dividend by the taxpayer, or by the donor if the taxpayer acquired stock by gift," so as to read:

(7) The term "capital assets" means property held by the taxpayer for more than two years (whether or not connected with his trade or business), but does not include stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale in the course of his trade or business.

The amendment was agreed to.

The next amendment was, in section 208, on page 28, after line 6, to strike out:

(c) In the case of any taxpayer (other than a corporation) who for any taxable year sustains a capital net loss, there shall be levied, collected, and paid, in lieu of the taxes imposed by sections 210 and 211 of this title, a tax determined as follows:

A partial tax shall first be computed upon the basis of the ordinary net income at the rates and in the manner provided in sections 210 and 211, and the total tax shall be this amount minus 12½ per cent of the capital net loss; but in no case shall the tax under this subdivision be less than the taxes imposed by sections 210 and 211 computed without regard to the provisions of this section.

The amendment was agreed to.

The next amendment was, in section 208, on page 28, in line 20, before the word "shall," to strike out "or (c)," so as to read:

(c) The total tax determined under subdivision (b) shall be collected and paid in the same manner, at the same time, and subject to the same provisions of law, including penalties, as other taxes under this title.

The amendment was agreed to.

The next amendment was, in section 208 (d), on page 29, line 1, after the word "net," to strike out "income, capital" and to insert "income and capital"; in line 2, after the word "gain," to strike out "or capital net loss"; and in line 9, before the word "of," to strike out "or (c)," so as to read:

(d) In the case of the members of a partnership, of an estate or trust, or of the beneficiary of an estate or trust, the proper part of each share of the net income which consists, respectively, of ordinary net income and capital net gain, shall be determined under rules and regulations to be prescribed by the commissioner with the approval of the Secretary, and shall be separately shown in the return of the partnership or estate or trust, and shall be taxed to the member or beneficiary or to the estate or trust as provided in sections 218 and 219, but at the rates and in the manner provided in subdivision (b) of this section.

The amendment was agreed to.

The next amendment was, under the subhead "Earned income," in section 209 (a) (1), on page 29, line 19, after the word "rendered," to strike out: "'Earned income' also means reasonable compensation or allowance for personal service where income is derived from combined personal service and capital in the prosecution by unincorporated persons of agriculture or other business, but not exceeding 20 per cent of the net profits of the taxpayer from the business in connection with which his personal services are rendered," and to insert: "In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, a reasonable allowance as compensation for the personal services actually rendered by the taxpayer, not in excess of 20 per cent of his share of the net profits of such trade or business, shall be considered as earned income," so as to read:

SEC. 209. (a) For the purposes of this section—

(1) The term "earned income" means wages, salaries, professional fees, and other amounts received as compensation for personal services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors a reasonable allowance as compensation for the personal services actually rendered by the taxpayer, not in excess of 20 per cent of his share of the net profits of such trade or business, shall be considered as earned income.

Mr. WADSWORTH. Mr. President, I should like a little explanation of that change with respect to the definition of earned income.

Mr. SMOOT. Mr. President, the amendment proposed by the Senate Finance Committee is in the nature of a clerical change, and its object is to express the provision in the House bill, as the committee thought, in very much simpler and better terms.

Mr. WADSWORTH. Is there another provision in this bill relating to taxation on earned incomes as compared with taxation on other classes of incomes?

Mr. SMOOT. No; there is not.

Mr. WADSWORTH. What will be the effect of the House provision, and also the proposed Senate committee amendment, on the general question of the taxation of earned income?

Mr. SMOOT. The bill provides that an income of $10,000 shall be considered as earned income, but on incomes above that figure there is no difference made as between earned income and other income.

Mr. WADSWORTH. What was the principle upon which the committee proceeded when it placed an arbitrary limit of $10,000 on earned income as such?

Mr. SMOOT. The committee decided that an earned income over and above $10,000 ought to pay the same rate of taxation as an income from any other source pays; in other words, the committee decided that an earned income of $200,000 or $300,000 or $500,000 should bear the same rate of taxation, as compared with an income of $10,000 or less, that an income from any other source bears under the provisions of the bill.

Mr. WADSWORTH. The Senator of course cites extreme cases when in his discussion he jumps from an income of $10,000 to an income of $300,000; but it strikes me that a limitation to $10,000 for earned income is in effect a violation of the theory

that incomes earned by hard personal work should be relieved of the maximum taxation.

Mr. SMOOT. Mr. President, I think that this amendment should be passed over, there being so few Senators present. My attention was diverted at the moment or I should have asked when the amendment was read that it go over. This is one of the provisions of the bill that perhaps will lead to some discussion, and I think that the Senator from Pennsylvania as well as other Senators ought to be present when it is considered. Therefore, I ask that the amendment go over; in fact, I ask that the whole section as to earned income go over.

Mr. WADSWORTH. Very well, that is satisfactory.

The PRESIDENT pro tempore. Section 209 will be passed over upon the suggestion of the Senator from Utah.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 209 (a) (3), on page 30, at the end of line 19, to strike out "$20,000" and to insert "$10,000," so as to read:

(3) The term "earned net income" means the excess of the amount of the earned income over the sum of the earned income deductions. If the taxpayer's net income is not more than $5,000, his entire net income shall be considered to be earned net income, and if his net income is more than $5,000, his earned net income shall not be considered to be less than $5,000. In no case shall the earned net income be considered to be more than $10,000.

Mr. SMOOT. I ask that that go over in connection with the other amendment as to earned income.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. I ask that the next amendment relating to the normal tax may go over.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. I also ask that the next amendment covering the surtaxes may go over.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment was, under the subhead "Deductions allowed individuals," in section 214 (a) (2), on page 47, line 22, after the word "on," to strike out "indebtedness" and to insert "indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title," so as to read:

(2) All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

Mr. SMOOT. That amendment will have to go over.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment was, in section 214, on page 48, line 10, after the word "assessed," to insert "other than annual or periodical taxes assessed against construction or repair of levees or drainage improvements," so as to read:

(3) Taxes paid or accrued within the taxable year except (A) income, war-profits, and excess-profits taxes imposed by the authority of the United States, (B) so much of the income, war-profits, and excess-profits taxes, imposed by the authority of any foreign country or possession of the United States, as is allowed as a credit under section 222, (C) taxes assessed against local benefits of a kind tending to increase the value of the property assessed other than annual or periodical taxes assessed against construction or repair of levees or drainage improvements, and (D) taxes imposed upon the taxpayer upon his interest as shareholder of a corporation, which are paid by the corporation without reimbursement from the taxpayer. For the purpose of this paragraph, estate, inheritance, legacy, and succession taxes accrue on the due date thereof except as otherwise provided by the law of the jurisdiction imposing such taxes.

Mr. SMOOT. Mr. President, the Senator from Colorado [Mr. ADAMS] desires to offer an amendment to the amendment which has just been stated, but if the amendment may be agreed to now I will say to the Senator that I shall have no objection when he desires to offer his amendment, after we have concluded the committee amendments, to reconsidering the vote, if necessary, so that the Senator from Colorado may offer his amendment. I may say, however, there are two places in the bill at which the Senator will have to offer the same amendment in order to make it harmonize with the provisions of the bill.

Mr. ADAMS. Yes; the other amendment comes in on page 87.

Mr. SMOOT. I was going to call the Senator's attention to the fact that the same amendment should be made on page 87. If it is desired to act on the amendments of the committee now, we might just as well do so, and then I will assure the Senator that if he asks that the committee amendment may be reconsidered I will ask unanimous consent that that may be done so that his amendment may be presented. I should like to examine the Senator's amendment before I positively say that I will accept it, but from what the Senator has told me I see no objection to it whatever.

Mr. JONES of New Mexico. Suppose we just pass this over, because we know that the Senator from Colorado will want to offer an amendment to it.

Mr. SMOOT. That is all right. I have no objection at all.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 214 (10), on page 51, line 5, after the word "act," to strike out "or"; and in line 10, after the word "individual," to insert "or (E) a fraternal society, order, or association, operating under the lodge system, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals," so as to read:

(10) Contributions or gifts made within the taxable year to or for the use of: (A) The United States, any State, Territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes; (B) any corporation, or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual; (C) the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act; (D) posts or organizations of war veterans, or auxiliary units or societies of any such posts or organizations, if such posts, organizations, units, or societies are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private shareholder or individual; or (E) a fraternal society, order, or association, operating under the lodge system, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals.

The amendment was agreed to.

The next amendment was, in section 214, on page 51, line 17, after the word "this," to strike out "paragraph" and to insert: "paragraph, except that if in the taxable year and in each of the 10 preceding taxable years the amount in all the above cases combined exceeds 90 per cent of the taxpayer's net income for each such year, as computed without the benefit of this paragraph, then to the full amount of such contributions and gifts made within the taxable year," so as to read:

to an amount which in all the above cases combined does not exceed 15 per cent of the taxpayer's net income as computed without the benefit of this paragraph, except that if in the taxable year and in each of the 10 preceding taxable years the amount in all the above cases combined exceeds 90 per cent of the taxpayer's net income for each such year, as computed without the benefit of this paragraph, then to the full amount of such contributions and gifts made within the taxable year. In case of a nonresident alien individual this deduction shall be allowed only as to contributions or gifts made to domestic corporations, or to community chests, funds, or foundations, created in the United States, or to such vocational rehabilitation fund. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the commissioner, with the approval of the Secretary.

The amendment was agreed to.

The next amendment was, in section 214, on page 52, after line 18, to strike out:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

Mr. SMOOT. Let that go over, Mr. President.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment was, under the subhead "Credits allowed individuals," in section 216, at the top of page 56, to strike out:

(f) The credits allowed by subdivisions (c), (d), and (e) of this section shall be determined by the status of the taxpayer on the last day of the period for which the return of income should be made; but in the case of an individual who dies during the taxable year such credits shall be determined by his status at the time of his death, and in such case full credits shall be allowed to the surviving spouse, if any, according to his or her status at the close of the period for which such survivor should make return of income.

The amendment was agreed to.

The next amendment was, in section 216, on page 56, after line 9, to insert:

(f) (1) The credits allowed by subdivisions (d) and (e) of this section shall be determined by the status of the taxpayer on the last day of his taxable year.

(2) The credit allowed by subdivision (c) of this section shall, in case the status of the taxpayer changes during his taxable year, be the sum of (A) an amount which bears the same ratio to $1,000 as the number of months during which the taxpayer was single bears to 12 months, plus (B) an amount which bears the same ratio to the amount of his exemption as a married person living with husband or wife, or as the head of a family, as the number of months during which the taxpayer had such status bears to 12 months. For the purposes of this paragraph a fractional part of a month shall be disregarded unless it amounts to more than half a month, in which case it shall be considered as a month.

(3) In the case of an individual who dies during the taxable year, the credits allowed by subdivisions (c), (d), and (e) shall be determined by his status at the time of his death, and in such case full credits shall be allowed to the surviving spouse, if any, according to his or her status at the close of the taxable year.

The amendment was agreed to.

The next amendment was, under the subhead "Net income of nonresident alien individuals," in section 217 (c) (5), on page 60, at the end of line 5, to strike out the word "States" and the semicolon and to insert the word "States" and a period, so as to read:

(5) Gains, profits, and income from the sale of real property located without the United States.

The amendment was agreed to.

The next amendment was, in section 217 (e), on page 62, line 1, after the word "from," to insert "sources within," so as to read:

(e) Items of gross income, expenses, losses, and deductions, other than those specified in subdivisions (a) and (c), shall be allocated or apportioned to sources within or without the United States under rules and regulations prescribed by the commissioner with the approval of the Secretary. Where items of gross income are separately allocated to sources within the United States, there shall be deducted (for the purpose of computing the net income therefrom) the expenses, losses, and other deductions properly apportioned or allocated thereto and a ratable part of other expenses, losses, or other deductions which can not definitely be allocated to some item or class of gross income. The remainder, if any, shall be included in full as net income from sources within the United States. In the case of gross income derived from sources partly within and partly without the United States, the net income may first be computed by deducting the expenses, losses, or other deductions apportioned or allocated thereto and a ratable part of any expenses, losses, or other deductions which can not definitely be allocated to some items or class of gross income; and the portion of such net income attributable to sources within the United States may be determined by processes or formulas of general apportionment prescribed by the commissioner with the approval of the Secretary. Gains, profits, and income from (1) transportation or other services rendered partly within and partly without the United States, or (2) from the sale of personal property produced (in whole or in part) by the taxpayer within and sold without the United States, or produced (in whole or in part) by the taxpayer without and sold within the United States, shall be treated as derived partly from sources within and partly from sources without the United States. Gains, profits, and income derived from the purchase of personal property within and its sale without the United States or from the purchase of personal property without and its sale within the United States, shall be treated as derived entirely from sources within the country in which sold.

The amendment was agreed to.

The next amendment was, under the subhead "Estates and trusts," in section 219 (b), on page 64, line 19, before the word "tax," to strike out "The" and to insert "Except as otherwise provided in subdivisions (g) and (h), the," so as to read:

(b) Except as otherwise provided in subdivisions (g) and (h), the tax shall be computed upon the net income of the estate or trust, and shall be paid by the fiduciary. The net income of the estate or trust shall be computed in the same manner and on the same basis as provided in section 212, except that—

The amendment was agreed to.

The next amendment was, in section 219 (b) (1), on page 65, line 7, after the word "purposes," to insert a comma and "or for the prevention of cruelty to children or animals," so as to read:

(1) There shall be allowed as a deduction (in lieu of the deduction authorized by paragraph (10) of subdivision (a) of section 214) any part of the gross income, without limitation, which pursuant to the terms of the will or deed creating the trust, is during the taxable year paid or permanently set aside for the purposes and in the manner specified in paragraph (10) of subdivision (a) of section 214, or is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals;

The amendment was agreed to.

The next amendment was, in section 219, on page 67, after line 20, to strike out "(g) Where the grantor of a trust reserves a power of revocation which, if exercised, would revest in him title to any part of the corpus of the trust, then the income of such part of the trust shall be included in computing the net income of the grantor," and in lieu thereof to insert:

(g) Where the grantor of a trust has, at any time during the taxable year, either alone or in conjunction with any person, the power to revest in himself title to any part of the corpus of the trust, then the income of such part of the trust for such taxable year shall be included in computing the net income of the grantor.

Mr. JONES of New Mexico. Mr. President, the Senator from North Carolina [Mr. SIMMONS] requested that that amendment be passed over.

The PRESIDENT pro tempore. It will be passed over.

The next amendment was, in section 219, on page 68, after line 6, to strike out "(h) Where any part of the income of a trust may, in the discretion of any person, including the grantor of the trust, be distributed to the grantor or be held or accumulated for future distribution to him, or where any part of the income of a trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor, whether payable to his estate or otherwise, such part of the income of the trust shall be included in computing the net income of the grantor," and in lieu thereof to insert:

(h) Where any part of the income of a trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person, be distributed to the grantor or be held or accumulated for future distribution to him, or where any part of the income of a trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor (except policies of insurance irrevocably payable for the purposes and in the manner specified in paragraph (10) of subdivision (a) of section 214), such part of the income of the trust shall be included in computing the net income of the grantor.

Mr. JONES of New Mexico. That is a part of the same subject, and should go over.

Mr. SMOOT. That is all right.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment was, under the subhead "Evasion of surtaxes by incorporation," in section 220 (a), on page 69, line 10, before the words "per cent," to strike out "25" and to insert "50," so as to read:

EVASION OF SURTAXES BY INCORPORATION

SEC. 220. (a) If any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its shareholders through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 50 per cent of the amount thereof, which shall be in addition to the tax imposed by section 230 of this title and shall (except as provided in subdivision (d) of this section) be computed, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax.

Mr. McKELLAR. I should like to have the amendments on this page go over—both the one just mentioned and the proviso just below.

places in the bill at which the Senator will have to offer the

Mr. SMOOT. Let that go over, Mr. President.

trusts," in section 219 (b), on page 64, line 19, before the word "tax," to strike out "The" and to insert "Except as other-

this page go over—both the one just mentioned and the proviso just below.

Mr. SMOOT. That is satisfactory.

The PRESIDENT pro tempore. Without objection, the amendments in line 10, page 69, and lines 16 to 23, page 69, will be passed over.

The next amendment was, under the subhead "Individual returns," in section 223 (a), on page 76, line 19, before the word "or," to strike out "$2,000" and to insert "$2,500," so as to read:

SEC. 223. (a) The following individuals shall each make under oath a return stating specifically the items of his gross income and the deductions and credits allowed under this title—

(1) Every individual having a net income for the taxable year of $1,000 or over, if single, or if married and not living with husband or wife;

(2) Every individual having a net income for the taxable year of $2,500 or over, if married and living with husband or wife; and

(3) Every individual having a gross income for the taxable year of $5,000 or over, regardless of the amount of his net income.

The amendment was agreed to.

The next amendment was, in section 223 (a), on page 76, at the end of line 25, to strike out "$2,000" and to insert "$2,500," so as to read:

(b) If a husband and wife living together have an aggregate net income for the taxable year of $2,500 or over, or an aggregate gross income for such year of $5,000 or over—

(1) Each shall make such a return, or

(2) The income of each shall be included in a single joint return, in which case the tax shall be computed on the aggregate income.

The amendment was agreed to.

The next amendment was, under the heading "Fiduciary returns," in section 225 (a), on page 78, line 7, before the word "or," to strike out "$2,000" and to insert "$2,500," so as to read:

SEC. 225. (a) Every fiduciary (except a receiver appointed by authority of law in possession of part only of the property of an individual) shall make under oath a return for any of the following individuals, estates, or trusts for which he acts, stating specifically the items of gross income thereof and the deductions and credits allowed under this title—

(1) Every individual having a net income for the taxable year of $1,000 or over, if single, or if married and not living with husband or wife;

(2) Every individual having a net income for the taxable year of $2,500 or over, if married and living with husband or wife;

(3) Every individual having a gross income for the taxable year of $5,000 or over, regardless of the amount of his net income;

(4) Every estate or trust the net income of which for the taxable year is $1,000 or over;

(5) Every estate or trust the gross income of which for the taxable year is $5,000 or over, regardless of the amount of the net income; and

(6) Every estate or trust of which any beneficiary is a nonresident alien.

The amendment was agreed to.

The next amendment was, under the subhead "Returns for a period of less than 12 months," in section 226 (d), on page 80, line 14, after the word "gain," to strike out the comma and "or sustained a capital net loss," so as to read:

SEC. 226. (a) If a taxpayer, with the approval of the commissioner, changes the basis of computing net income from fiscal year to calendar year a separate return shall be made for the period between the close of the last fiscal year for which return was made and the following December 31. If the change is from calendar year to fiscal year, a separate return shall be made for the period between the close of the last calendar year for which return was made and the date designated as the close of the fiscal year. If the change is from one fiscal year to another fiscal year, a separate return shall be made for the period between the close of the former fiscal year and the date designated as the close of the new fiscal year.

(b) Where a separate return is so made, and in all other cases where a separate return is required or permitted, by regulations prescribed by the commissioner with the approval of the Secretary, to be made for a fractional part of a year, then the income shall be computed on the basis of the period for which separate return is made.

(c) If a separate return is made under subdivision (a), the net income, computed in accordance with the provisions of subdivision (b), shall be placed on an annual basis by multiplying the amount thereof by 12 and dividing by the number of months included in the period for which the separate return is made. The tax shall be such part of the tax computed on such annual basis as the number of months in such period is of 12 months.

(d) The commissioner, with the approval of the Secretary, shall by regulations prescribe the method of applying the provisions of subdivisions (b) and (c) to cases where the taxpayer makes a separate return under subdivision (a) and it appears that for the period for which the return is so made he has derived a capital net gain or received earned income.

The amendment was agreed to.

The next amendment was, under the heading "Part III.—Corporations. Tax on corporations," in section 230, on page 82, line 6, after the words "tax of," to strike out "12½ per cent" and to insert "14 per cent," so as to make the section read:

SEC. 230. In lieu of the tax imposed by section 230 of the revenue act of 1921 there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax of 14 per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

Mr. SMOOT. I think that ought to go over.

Mr. McKELLAR. Yes; it ought to go over.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment was, under the subhead "Conditional and other exemptions of corporations," in section 231, on page 83, line 21, after the word "employees," to insert "a"; in line 24, after the word "educational," to strike out "and" and to insert "or"; and after the word "purposes" to strike out the comma and the words "whether or not for the benefit of the members and their families," so as to read:

(8) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes.

The amendment was agreed to.

The next amendment was, in section 231 (10), on page 84, at the beginning of line 6, to insert "life"; in line 8, after the word "if," to strike out "substantially all" and to insert "85 per cent or more of"; and in line 11, after the word "expenses," to strike out "also benevolent mutual life insurance associations not operated for profit, whose business is purely local and wholly for benefit of its members," so as to read:

(10) Farmers' or other mutual hail, cyclone, casualty, life, or fire insurance companies, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations; but only if 85 per cent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses.

Mr. McKELLAR. Mr. President, I should like to have some explanation as to why that language is stricken out before the amendment is adopted; or it can go over, just as the Senator wishes.

Mr. SMOOT. It will take only a moment to explain it to the Senator, I think satisfactorily.

We struck out lines 11, 12, and 13, which referred to the benevolent mutual life insurance associations, and inserted in line 6 the word "life," so that the life insurance mutual companies should have the same privileges that the mutual hail, cyclone, casualty insurance and fire insurance companies have. The committee thought they ought to be treated in the same way and therefore the change was made.

Mr. McKELLAR. In other words, the insertion of the word "life," in line 6, broadens it to include the classification in lines 11, 12, and 13?

Mr. SMOOT. It does.

Mr. McKELLAR. Perhaps that is so.

Mr. SMOOT. The committee also struck out the words "substantially all," which are very indefinite. Hardly anyone could arrive at what amount would be "substantially all," and we decided to include 85 per cent. In other words, it leaves all of these companies to do business, other than mutual companies, to the extent of 15 per cent. That comes about by having a building erected, perhaps, and they rent the building, and the rents that they receive from it ordinarily would be taxable; but as long as they are mutual companies we decided to allow them the 15 per cent.

Mr. FLETCHER. May I ask the Senator whether the word "casualty" is sufficient to cover accident insurance?

Mr. SMOOT. Oh, yes; casualty insurance is accident insurance.

Mr. FLETCHER. I imagine that the word "casualty" will be sufficient to cover it.

Mr. SMOOT. Oh, yes; it covers all kinds.

The PRESIDENT pro tempore. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment was, under the subhead "Deductions allowed corporations," in section 234 (a) (3), on page 87, line 5, after the word "assessed," to insert "other than annual or periodical taxes assessed against construction or repair of levees or drainage improvements," so as to read:

(3) Taxes paid or accrued within the taxable year except (A) income, war-profits, and excess-profits taxes imposed by the authority of the United States, (B) so much of the income, war-profits, and excess-profits taxes imposed by the authority of any foreign country or possession of the United States as is allowed as a credit under section 238, and (C) taxes assessed against local benefits of a kind tending to increase the value of the property assessed other than annual or periodical taxes assessed against construction or repair of levees or drainage improvements. In the case of obligors specified in subdivision (b) of section 221 no deduction for the payment of the tax imposed by this title, or any other tax paid pursuant to the tax-free covenant clause, shall be allowed, nor shall such tax be included in the gross income of the obligee. The deduction allowed by this paragraph shall be allowed in the case of taxes imposed upon a shareholder of a corporation upon his interest as shareholder, which are paid by the corporation without reimbursement from the shareholder, but in such cases no deduction shall be allowed the shareholder for the amount of such taxes. For the purpose of this paragraph, estate, inheritance, legacy, and succession taxes accrue on the due date thereof except as otherwise provided by law of the jurisdiction imposing such taxes.

Mr. SMOOT. Mr. President, that amendment should go over with the other amendment to which the Senator from Colorado [Mr. ADAMS] desires to offer an amendment. In fact, in order to assist the Senator from Colorado, I would just as soon let him offer his amendment right now to both places. I understand that the Senator is prepared to do that, and I have no objection to his offering the amendment now to this provision, and if it is adopted we will then return to the other part of the bill and have the same amendment adopted to the provision in the former part of the bill.

Mr. ADAMS. Mr. President, the amendment will be the insertion on page 48, at the end of line 10, after the words "other than," of the following:

Taxes or assessments levied to pay the cost of construction or maintenance of work to protect property from damage or destruction by floods, or.

And the identical amendment should be inserted on page 87, at the end of line 5, after the words "other than."

The purpose of that, if I may briefly explain it, is this: The committee amendment seeks to give an exemption from the general provision, the general provision being that taxes assessed against local benefits shall not be deductible. Then the committee excepts from that taxes of an annual or periodical character assessed against construction or repair of levees or drainage improvements, having in mind obviously flood-prevention measures along the Mississippi and similar places.

In my own community in Colorado, we had a tremendous flood which practically destroyed the community, and we are at the present time levying heavy taxes to protect our community against a repetition of it; and I am asking that the same treatment be given to our situation as is given for the levee cost.

Mr. SMOOT. Does the Senator's amendment include only the word "construction," or does it include the words "construction and repair"?

Mr. ADAMS. It includes the words "construction and maintenance."

Mr. SMOOT. I see no objection to the amendment. As far as I can, I will agree to the amendment in both parts of the bill.

Mr. JONES of New Mexico. I suggest that the amendment be agreed to in both places, and then that the amendments as amended be agreed to.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The READING CLERK. On page 48, line 10, after the words "other than," it is proposed to insert—

Taxes or assessments levied to pay the cost of construction or maintenance of work to protect property from damage or destruction by floods or.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The Senator's second amendment will be stated.

The READING CLERK. On page 87, line 5, after the words "other than," the Senator from Colorado proposes to insert the words "taxes or assessments levied to pay the cost of construction or maintenance of work to protect property from damage or destruction by floods or."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. CARAWAY. I desire to propose and have printed in the RECORD, and to lie on the desk, an amendment to the bill, to be inserted at the appropriate place. It is a provision that where a taxpayer shall accept the services of a representative of the Treasury Department in making out his income-tax returns, and shall pay whatever that agent shall determine he owes, the settlement shall be final, except that it may be impeached for mistake or fraud, but in the latter case action must be taken between the Government and the taxpayer just as action would be taken in court to set aside a settlement between individuals. I offer an amendment covering that, which I want to have printed in the RECORD and to lie on the table. I shall ask that it be inserted at the appropriate place.

There should come a time when the taxpayer will be free from being harassed. As it is, he never knows whether his settlement will be accepted or not. Two or three or four years after the records are destroyed, some agent comes along and says that the taxpayer owes something else. The Government, like an individual, ought to be bound by a settlement where the payment is made on the advice of its agent. I trust the committee will accept the amendment, and I shall press it at the proper time.

Mr. CARAWAY's proposed amendment was ordered to lie on the table and to be printed, as follows:

Hereafter when an agent designated by the Treasury to assist taxpayers in making out their income-tax returns, and the said agent shall determine what the taxpayer shall pay as income tax, the taxpayer shall pay the same then, said settlement shall be final unless it shall be reopened for fraud or mistake, and in that event the Government or the taxpayer who shall assail the settlement shall do so in court and impeach the settlement under the same rules of law or equity as if the settlement was between private individuals.

The PRESIDING OFFICER (Mr. FESS in the chair). The Secretary will state the next amendment of the committee.

The next amendment was, under the subhead "Credit for taxes in case of corporations," in section 238 (e), on page 95, line 16, before the word "year" to strike out "proceeding," and insert "preceding," so as to make the proviso read:

Provided, That the credit allowed to any domestic corporation under this subdivision shall in no case exceed the same proportion of the taxes against which it is credited which the amount of such dividends bears to the amount of the entire net income of the domestic corporation in which such dividends are included. The term "accumulated profits" when used in this subdivision in reference to a foreign corporation means the amount of its gains, profits, or income in excess of the income, war-profits, and excess-profits taxes imposed upon or with respect to such profits or income; and the commissioner with the approval of the Secretary shall have full power to determine from the accumulated profits of what year or years such dividends were paid; treating dividends paid in the first 60 days of any year as having been paid from the accumulated profits of the preceding year or years (unless to his satisfaction shown otherwise), and in other respects treating dividends as having been paid from the most recently accumulated gains, profits, or earnings. In the case of a foreign corporation, the income, war-profits, and excess-profit taxes of which are determined on the basis of an accounting period of less than one year, the word "year" as used in this subdivision shall be construed to mean such accounting period.

The amendment was agreed to.

The next amendment was, under the heading "Consolidated returns of corporations," in section 240 (c), on page 98, line 10, before the words "per centum" to strike out the figures "85" and insert "95," and in line 11, before the words "per centum," to strike out the figures "85" and insert "95," so as to make the paragraph read:

(c) For the purpose of this section two or more domestic corporations shall be deemed to be affiliated (1) if one corporation owns at least 95 per cent of the voting stock of the other or others, or (2) if at least 95 per cent of the voting stock of two or more corporations is owned by the same interests. A corporation organized under the China trade act, 1922, shall not be deemed to be affiliated with any other corporation within the meaning of this section.

Mr. McKELLAR. Will the Senator explain the amendment?

Mr. SMOOT. The paragraph has reference to consolidated returns.

Mr. McKELLAR. I hope the Senator will let the paragraph go over.

Mr. SMOOT. Certainly; but I am quite sure that the Senator will agree to 95 per cent, and perhaps he would want it 97 per cent, if he knew what the amendment meant.

Mr. McKELLAR. Taken in connection with striking out subsection (d) beginning on line 17 and inserting a new subsection at the top of page 99, it should go over, I think.

Mr. SMOOT. That is all right. Paragraph (d) is simply to effect a clerical change, and to make it more definite. If the Senator wants the amendments to go over, I am perfectly willing that that course should be followed.

Mr. McKELLAR. I would like to hear what the Senator has to say about the 95 per cent now.

Mr. SMOOT. I am sure the Senator will agree to the 95 per cent, and if I should offer an amendment making it 97, I am sure he would agree to that.

Mr. McKELLAR. Will the Senator make his statement now?

Mr. SMOOT. I will be glad to do so. These consolidated returns made by corporations come about in this way. Perhaps I had better take the lumber business, although it does not refer merely to the lumber business, but to other businesses as well.

A company will be formed, we will say, in Omaha, or in any other large city, and they undertake then to have established throughout the United States, in every little village where they have the power to do so, other lumber companies. They come in competition with companies which are already in those places. Under the consolidated return plan, if there were no limit, they could drive every one out of business, wherever there was competition, by selling lumber at a loss, and all the losses they made in undertaking to destroy the businesses of others they could take credit for.

Under this amendment they must have 95 per cent of the stock of the local company before that can be undertaken, and, in fact, I think perhaps it would be a very good thing to have even a higher percentage. The House thought 85 per cent was sufficient. It seems to me that the principle of the thing as written into the bill by the House, and as it appears in the existing law, is right; but it has not gone far enough.

Mr. McKELLAR. What does the Senator think about the policy of permitting consolidated returns?

Mr. SMOOT. I think that is all right, where they have 95 per cent of the stock in other concerns.

Mr. McKELLAR. If the parent company owns the smaller companies, and owns all the stock, could they not run others out of business in exactly the way the Senator has stated?

Mr. SMOOT. They may not have the money to do it. They can get some local man in the particular community to go in with them and hold the stock with them, and then, whatever the losses of the business, they can take them out of the returns of the parent company.

Mr. McKELLAR. Will not the Senator let the amendments go over?

Mr. SMOOT. Let the amendment on page 98, line 11, go over. Does the Senator want the amendment relating to subsection (d) to go over also?

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The two amendments on pages 98 and 99 will go over.

The next amendment was, under the subhead "Taxes on insurance companies," in section 243, on page 100, line 11, after the words "of the," to strike out "taxes imposed by sections 230 and 800," and to insert "tax imposed by section 230," so as to read:

SEC. 243. In lieu of the tax imposed by section 230, there shall be levied, collected, and paid for each taxable year upon the net income of every life insurance company a tax as follows:

The amendment was agreed to.

The next amendment was, in section 243 (1), on page 100, at the beginning of line 16, to strike out "the same percentage of its net income as is imposed upon other corporations by section 230," and to insert "12½ per cent of its net income," so as to read:

(1) In the case of a domestic life insurance company, 12½ per cent of its net income.

The amendment was agreed to.

The next amendment was, in section 243 (2), on page 100, at the beginning of line 20, to strike out "the same percentage of its net income from sources within the United States as is imposed upon the net income of other corporations by section 230," and to insert "12½ per cent of its net income from sources within the United States," so as to read:

(2) In the case of a foreign life insurance company, 12½ per cent of its net income from sources within the United States.

Mr. DIAL. I notice that in subsection 1 and subsection 2 the percentage is the same as to domestic and foreign life insurance companies. I was wondering whether we should not tax foreign insurance companies more than we tax domestic companies. I am not well posted on the subject.

Mr. SMOOT. I will say to the Senator that such action has never been taken in any revenue bill passed by the Congress of the United States. I will further explain that this 12½ per cent instead of 14 per cent, as was provided by an amendment proposed in the Senate, on the net income of life insurance companies, is the same as in existing law. There is no change from existing law affecting the insurance companies. That is because the insurance companies mentioned in these paragraphs have no capital stock, and therefore they were relieved of the burden of $1 on $1,000 of the capital stock, and we left the rate exactly as it is in existing law, 12½ per cent. I think it would be very unwise for the Government of the United States to undertake to impose a tax upon any foreign insurance companies at a higher rate than on domestic companies. More than likely there would be retaliation and ill feeling over it if we undertook that policy, and it never has been a policy of our Government in the past.

Mr. DIAL. I merely wanted information on it. Of course, I would like to have everybody in our country patronize our own insurance companies; but I will not offer an amendment to the amendment of the committee.

The amendment was agreed to.

The next amendment was, in section 246 (a), on page 105, line 5, after the words "of the," to strike out "taxes imposed by sections 230 and 800" and to insert "tax imposed by section 230," so as to read:

SEC. 246. (a). In lieu of the tax imposed by section 230, there shall be levied, collected, and paid for each taxable year upon the net income of every insurance company (other than a life or mutual insurance company) a tax as follows.

The amendment was agreed to.

The next amendment was, in section 246 (a) (1), on page 105, line 10, after the word "insurance," to strike out "company the same percentage of its net income as is imposed upon other corporations by section 230" and to insert "company, 12½ per cent of its net income," so as to read:

(1) In the case of such a domestic insurance company, 12½ per cent of its net income.

The amendment was agreed to.

The amendment was, in section 246 (a) (2), on page 105, in line 14, after the word "insurance," to strike out "company the same percentage of its net income from sources within the United States as is imposed upon the net income of other corporations by section 230" and to insert "company, 12½ per cent of its net income from sources within the United States," so as to read:

(2) In the case of such a foreign insurance company, 12½ per cent of its net income from sources within the United States.

The amendment was agreed to.

The next amendment was, under the subhead "Information at source," in section 256, on page 111, line 6, after the words "means of," to strike out "coupons checks and insert "coupons, checks," so as to read:

Such returns may be required, regardless of amounts, (1) in the case of payments of interest upon bonds, mortgages, deeds of trust, or other similar obligations of corporations, and (2) in the case of collections of items (not payable in the United States) of interest upon the bonds of foreign countries and interest upon the bonds of and dividends from foreign corporations by persons undertaking as a matter of business or for profit the collection of foreign payments of such interest or dividends by means of coupons, checks, or bills of exchange.

The amendment was agreed to.

The next amendment was, under the subhead "Returns to be public records," in section 257 (a), on page 111, line 17, after the word "records" to strike out "but they," and to insert "but, except as hereinafter provided in this section, they"; and in line 20, after the words "approved by the" to strike out: "President: *Provided*, That the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a special committee of the Senate or House, shall have the right to call on the Secretary of the Treasury, and it shall be his duty to furnish any data of any character contained in or shown by the returns or any of them, that may be required by the committee; and any such committee

shall have the right, acting directly as a committee, or by and through such examiners or agents as it may designate or appoint, to inspect all or any of the returns at such times and in such manner as it may determine; and any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and House, as the case may be: *Provided further*, That the."

And on page 112, at the end of line 10, to insert the word "President," so as to read:

SEC. 257. (a) Returns upon which the tax has been determined by the commissioner shall constitute public records; but, except as hereinafter provided in this section, they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President.

Mr. McKELLAR. I would like to have this amendment go over.

Mr. SMOOT. Let it go over.

Mr. McKELLAR. May the whole section go over?

Mr. SMOOT. Yes; let it all go over, to page 114.

The PRESIDING OFFICER. The amendments to section 257 will be passed over.

The next amendment was, under the subhead "Title V—payment, collection, and refund of tax and penalties—date on which tax shall be paid," in section 270 (b) (1), on page 120, line 3, before the word "date" to insert "latest," and in line 4, after the word "the" where it occurs the second time, to insert "by the taxpayer," so as to read:

(b) (1) The taxpayer may elect to pay the tax in four equal installments, in which case the first installment shall be paid on or before the latest date prescribed in subdivision (a) for the payment of the tax by the taxpayer, the second installment shall be paid on or before the fifteenth day of the third month, the third installment on or before the fifteenth day of the sixth month, and the fourth installment on or before the fifteenth day of the ninth month, after such date.

The amendment was agreed to.

The next amendment was, in section 270 (c) (2), on page 120, line 24, before the words "per annum," to strike out "5 per cent" and insert "6 per cent," so as to read:

(2) If the time for payment is thus extended there shall be collected, as a part of such amount, interest thereon at the rate of 6 per cent per annum from the date when such payment should have been made if no extension had been granted, until the expiration of the period of the extension.

Mr. McKELLAR. Why that increase?

Mr. SMOOT. The Senator will notice that from now on all of the rates of interest which in the past have been 5 per cent have been increased to 6 per cent. I will say also to the Senator that the rate is 6 per cent in the existing law. The House reduced the rate to 5 per cent, but the Senate committee felt that it ought to be 6 per cent.

Mr. McKELLAR. I am rather inclined to think that 5 per cent is enough.

Mr. SMOOT. This is only on an extension of time.

The amendment was agreed to.

The next amendment was, in section 274 (a), on page 122, line 16, after the word "registered" to strike out "mail" and insert "mail, but such deficiency shall be assessed only as hereinafter provided"; and in line 19, after the word "section" to strike out "900" and insert "1000," so as to read:

SEC. 274. (a) If, in the case of any taxpayer, the commissioner determines that there is a deficiency in respect of the tax imposed by this title, the taxpayer, except as provided in subdivision (d), shall be notified of such deficiency by registered mail, but such deficiency shall be assessed only as hereinafter provided. Within 60 days after such notice is mailed the taxpayer may file an appeal with the Board of Tax Appeals established by section 1000.

The amendment was agreed to.

The next amendment was, in section 274 (b), on page 122, line 22, after the word "collector" to strike out "A proceeding in court may be begun, without assessment, for any part of the excess of the amount determined as the deficiency by the commissioner over the amount assessed, or for any part of the amount determined by the commissioner if the board determines that there is no deficiency," and to insert: "No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per cent per annum from the date prescribed for the payment of the tax to the date of the judgment," so as to read:

(b) If the board determines that there is a deficiency, the amount so determined shall be assessed and shall be paid upon notice and demand from the collector. No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per cent per annum from the date prescribed for the payment of the tax to the date of the judgment. Such proceeding shall be begun within one year after the final decision of the board, and may be begun within such year even though the period of limitation prescribed in section 277 has expired.

Mr. McKELLAR. I have not had time to look into this amendment.

Mr. SMOOT. I will say to the Senator that there are only two objects behind the amendment. It is a rewriting of the provision of the House to make it more definite.

I think if the Senator will compare it with the House provision he will find it a better wording. It also provides for 6 per cent interest, as we have provided throughout all other parts of the bill.

Mr. McKELLAR. I will let it pass, and if later I want to ask for a reconsideration I will do so.

Mr. SMOOT. Yes; if the Senator wants a reconsideration later he can have it.

The amendment was agreed to.

The next amendment was, in section 274 (f), on page 124, line 24, after the words "rate of," to strike out "5 per cent" and insert "6 per cent," so as to read:

(f) Interest upon the amount determined as a deficiency, or, if the tax is paid in installments, upon the part of the deficiency prorated to each installment, shall be assessed at the same time as the deficiency, shall be paid upon notice and demand from the collector, and shall be collected as a part of the tax, at the rate of 6 per cent per annum from the date prescribed for the payment of the tax, or the payment of such installment, to the date the deficiency is assessed.

The amendment was agreed to.

The next amendment was, in section 274 (g), on page 125, line 10, before the words "per annum," to strike out "5 per cent" and insert "6 per cent," so as to read:

(g) Where it is shown to the satisfaction of the commissioner that the payment of a deficiency upon the date prescribed for the payment hereof will result in undue hardship to the taxpayer the commissioner, with the approval of the Secretary (except where the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax), may grant an extension for the payment of such deficiency or any part thereof for a period not in excess of 18 months. If an extension is granted, the commissioner may require the taxpayer to furnish a bond in such amount, not exceeding double the amount of the deficiency, and with such sureties as the commissioner deems necessary, conditioned upon the payment of the deficiency in accordance with the terms of the extension. In such case there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended, at the rate of 6 per cent per annum for the period of the extension, and no other interest shall be collected on such part of the deficiency for such period. If the part of the deficiency the time for payment of which is so extended is not paid in accordance with the terms of the extension, there shall be collected, as a part of the tax, interest on such unpaid amount at the rate of 1 per cent a month for the period from the time fixed by the terms of the extension for its payment until it is paid, and no other interest shall be collected on such unpaid amount for such period.

The amendment was agreed to.

The next amendment was, under the subhead "Additions to the tax in case of deficiency," in section 275 (a), on page 126, line 5, before the word "deficiency," to strike out "the" and insert "any," so as to read:

SEC. 275. (a) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per cent of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency, except that the provisions of subdivisions (c) and (f) of section 274 shall not be applicable.

The amendment was agreed to.

The next amendment was, in section 275 (b), on page 126, line 12, before the word "deficiency," to strike out "the" and insert "any," so as to read:

(b) If any part of any deficiency is due to fraud with intent to evade tax, then 50 per cent of the total amount of the deficiency (in

addition to such deficiency) shall be so assessed, collected, and paid, in lieu of the 50 per cent addition to the tax provided in section 3176 of the Revised Statutes, as amended.

The amendment was agreed to.

The next amendment was, in section 276 (b), on page 127, line 20, after the word "paid," to insert: "If any part of a deficiency prorated to any unpaid installment under subdivision (e) of section 274 is not paid in full on the date prescribed for the payment of such installment, there shall be collected as part of the tax interest upon the unpaid amount at the rate of 1 per cent a month from such date until it is paid," so as to read:

(b) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subdivision (f) of section 274, or under section 275, or any addition to the tax in case of delinquency provided for in section 3176 of the Revised Statutes, as amended, is not paid in full within 10 days from the date of notice and demand from the collector, there shall be collected as part of the tax, interest upon the unpaid amount at the rate of 1 per cent a month from the date of such notice and demand until it is paid. If any part of a deficiency prorated to any unpaid installment under subdivision (e) of section 274 is not paid in full on the date prescribed for the payment of such installment, there shall be collected as part of the tax interest upon the unpaid amount at the rate of 1 per cent a month from such date until it is paid.

Mr. McKELLAR. Mr. President, I want to ask the Senator in charge of the bill about this amendment. I imagine that is a penalty to force prompt payment?

Mr. SMOOT. It is.

Mr. McKELLAR. It is a big penalty, however.

Mr. SMOOT. It is interest for the use of the money.

Mr. McKELLAR. It is 1 per cent per month. It is more like a penalty than interest. I suppose the object of putting it at 1 per cent per month is to force payment, because no taxpayer could afford to pay that rate of interest.

Mr. SMOOT. It only applies upon notice and demand; and after the taxpayer has been given notice and demand for the money, of course, if there were no penalty attached to it, it would not be paid.

Mr. McKELLAR. I am rather inclined to think it would be all right.

Mr. DIAL. It is too large a penalty. What is the penalty in the present law?

Mr. SMOOT. The present law is the same, the rate being 1 per cent, but a 5 per cent penalty in addition. We strike out the 5 per cent and leave only the 1 per cent per month.

Mr. DIAL. When does it accrue?

Mr. SMOOT. When the taxpayer fails to pay and when there is a demand made upon him and notice given. The Senator must know that if we struck it out and he had only 5 per cent to pay all the taxpayers would pay the 5 per cent and the Government would never get the money.

Mr. DIAL. Of course, I believe in being prompt in payment when there is no question about it; but the taxes are very burdensome anyway.

Mr. McKELLAR. And the penalties are very harsh. There is no doubt about that.

Mr. SMOOT. But it is 5 per cent less than existing law.

Mr. McKELLAR. To that extent it is so much better, in my judgment; but I am wondering whether this is not too harsh. I understand the position the Senator takes about it. It is to secure prompt payment of taxes, and I am in sympathy with that. I think that they ought to be paid promptly; but I am a little doubtful whether this is not too heavy a penalty as it is fixed here.

Mr. SMOOT. Let me call the Senator's attention to the fact that we have already passed a provision which gives the taxpayer a right of extension at 6 per cent. This only applies to a taxpayer where notice is given and demand is made and he pays no attention to it whatever. If he does not ask for an extension and pays no attention to it whatever, then this will apply.

Mr. McKELLAR. If a reassessment is made against a taxpayer and notice is given to pay that reassessment, does the penalty attach at once?

Mr. SMOOT. There would not be a reassessment unless he had asked for it.

Mr. McKELLAR. Suppose the Government examines into a concern's taxes and upon such examination makes a reassessment, would this then apply?

Mr. SMOOT. Not unless the taxpayer absolutely refused to pay it. If he absolutely refused to pay it and asked for no extension of time, then it would be imposed upon him.

Mr. McKELLAR. The extension of time is not provided for here.

Mr. SMOOT. There is a provision for it in the bill.

Mr. DIAL. The point I am making is that if the amount is fixed definitely, and if the man has no further excuse, then he ought to be penalized for not paying; but if he is trying to get the tax adjusted and the Government is careless and behind in its work and has to go back and root up some amount that ought to be paid before he has time to establish the correct amount, he ought not to be penalized for nonpayment. If he willfully pays no attention to it, I have no objection to penalizing him.

Mr. SMOOT. It does not apply until the adjustment is made. Other provisions of the bill take care of the adjustment, but this provision only applies after all adjustments are made and after demand is made on him. Then if he refuses to pay, the imposition of the 1 per cent applies.

Mr. DIAL. It does not apply until after an appeal?

Mr. SMOOT. Not at all.

Mr. McKELLAR. As I understand the method of reassessing, notice is given of a reassessment and so much time is allowed, and thereupon the amount is furnished to the taxpayer and the tax collector in the district in which the taxpayer resides. If it is not paid upon that demand and notice, even though he may have equities in the reassessment, the penalty would still apply, would it not?

The matter that is running through my mind, and I will ask the Senator if it does not appeal to him also, is that while this is properly applicable to taxes duly assessed in the first instance, where the taxpayer made a return and is assessed, where a reassessment is made and an additional assessment fixed, I doubt if the penalty should apply on the additional assessment, because the Government is partly at fault as well as the taxpayer. In other words, the Government accepts the taxpayer's money in the first instance. I do not know whether this provision does apply to a reassessment. If it does, it ought not to be put on the same plane.

Mr. SMOOT. The provision is that he has a perfect right to take an appeal. If he does not appeal, of course, and there is demand made upon him for the money, and the assessment is already completed and he will not pay it, then we say he shall pay 1 per cent. That is all there is to it.

Mr. DIAL. Is there any provision here that he could be relieved of the penalty by the Treasury Department?

Mr. SMOOT. It can be compromised, I will say to the Senator.

Mr. McKELLAR. But only under certain circumstances provided for in the bill?

Mr. SMOOT. If there was any fraud attached to it the Senator would not want to have it compromised.

Mr. McKELLAR. No; but the present penalty of 5 per cent is always discretionary, as I recall.

Mr. SMOOT. But if the taxpayer has any equity in it whatever, then the commissioner is authorized to compromise the rate of interest as well as the taxes. We thought we were doing very well to cut off the 5 per cent which the existing law provides.

Mr. McKELLAR. I think it is all right so far as primary assessments are concerned, but I think the reassessment ought to be changed.

Mr. SMOOT. They have the same right of appeal on the reassessment.

Mr. DIAL. I appreciate the little courtesy that has been shown in the bill toward the taxpayers.

Mr. JONES of New Mexico. Mr. President, I suggest that a rather large rate of interest was put in there so that the taxpayer would not have any inducement not to pay his taxes. That is only imposed after all provisions are followed regarding adjustment and appeals and everything else. If we were to reduce it to 6 per cent, a man would just let it run along and be in the position of borrowing from the Treasury money at 6 per cent.

Mr. McKELLAR. Suppose the Government lets it run along and does not take prompt steps, would the taxpayer still have to pay it?

Mr. JONES of New Mexico. This does not apply at all until after the adjustment is entirely completed.

Mr. SMOOT. Not only that, but it does not apply until the demand is made.

Mr. JONES of New Mexico. That is true.

Mr. McKELLAR. It seems to be necessary. I will not ask now that the amendment be passed over, but I shall ask for a reconsideration of it later if I shall be so advised.

Mr. JONES of New Mexico. I am sure that the more the Senator thinks of it the less he will care to oppose it.

Mr. FLETCHER. I understand the rate does not begin to run until after the amount has been adjusted.

Mr. JONES of New Mexico. Not until after the accounts have been audited and after reinvestigation and after consideration by the board of appeals provided for in the bill. The whole procedure is gone through and the actual amount is fixed after full consideration and hearing.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment of the Committee on Finance was, on page 128, line 3, to strike out "5 per cent" and insert in lieu thereof "6 per cent," so as to read:

(c) In the case of estates of incompetent, deceased, or insolvent persons, there shall be collected interest at the rate of 6 per cent per annum in lieu of the interest provided in subdivisions (a) and (b) of this section.

The amendment was agreed to.

The next amendment was, under the heading "Period of limitation upon assessment and collection of tax," in section 277 (a) (3), on page 129, line 10, after the words "shall be," to strike out "assessed within" and to insert "assessed, and any proceeding in court for the collection of such tax shall be begun, within," and in line 12, after the word "therefor," to insert "(filed after the return is made)," so as to read:

(3) In the case of income received during the lifetime of a decedent, the tax shall be assessed, and any proceeding in court for the collection of such tax shall be begun, within one year after written request therefor (filed after the return is made) by the executor, administrator, or other fiduciary representing the estate of such decedent, but not after the expiration of the period prescribed for the assessment of the tax in paragraph (1) or (2) of this subdivision.

Mr. McKELLAR. May I ask the Senator to explain this amendment? I would like to have a little explanation of it.

Mr. SMOOT. The provision places a limitation of one year, after request by the representative of an estate, filed after the return is made, upon court proceedings to collect a tax upon income received during the lifetime of the decedent.

Mr. McKELLAR. What is the present law about it?

Mr. SMOOT. In the present law the limitation is placed upon the assessment and not upon the suit. We have changed that and placed a limitation of one year after request by the representative of the estate. It is a broadening of the existing law, I will say to the Senator. The effect of it is to allow the winding up of an estate if they want to do so within the time fixed.

Mr. McKELLAR. In other words, the executor would have to bring suit within one year. Ordinarily executors are allowed two years and six months in which to bring suit on anything to wind up the estate. I am wondering whether this is time enough.

Mr. SMOOT. It is only on request, but if the commissioner requests it, then it can be done within the one year. It is a limitation on the commissioner, not upon the representative of the estate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, in section 278 (a), on page 130, line 3, after the words "may be," to strike out "assessed at," and to insert "assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at," so as to read:

SEC. 278. (a). In the case of a false or fraudulent return with intent to evade tax or of a failure to file a return the tax may be assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at any time.

Mr. McKELLAR. Will the Senator explain that amendment?

Mr. SMOOT. This section is to allow suit for fraud to begin at any time.

Mr. McKELLAR. Can they not do it under the present law?

Mr. SMOOT. They can assess, but not sue, under existing law. This gives them the right to assess and sue in the case of a party desiring to leave the country, for instance.

Mr. McKELLAR. What reason actuated the committee in providing both at the same time? I want to say, of course, that where a taxpayer evades, and especially fraudulently evades, the payment of his tax, I think the Government ought to take immediate steps. I can understand that, but I am wondering what is the reason for the amendment, and what is its meaning.

Mr. FLETCHER. May I suggest to the Senator that it provides——

Mr. SMOOT. Let me answer the question of the Senator from Tennessee first. In many cases the Government can not assess, because they do not know what to assess, but they can sue, and they can start the matter by suit. This is authorizing the assessment and the suit.

Mr. McKELLAR. The idea being that the taxpayer might be attempting to make away with his property?

Mr. SMOOT. Yes. Perhaps they could do it in the meantime unless the assessment was made.

Mr. FLETCHER. I see no objection to the paragraph at all in the case of a false or fraudulent return with intent to evade the tax. I think the provision is very wise as to that, but there is a further clause which provides "or of a failure to file a return." In the case of a fraud, or any effort to evade the tax, or any intention to evade the tax, I think the Government ought to have the right to proceed at once without any assessment, but in the case of failure to file a return, it might be simply an oversight or mistake.

Mr. SMOOT. Anyone who wants to attempt any fraud with the Government ought to be put on notice. We are claiming here that the Government must be put on notice.

Mr. FLETCHER. I think you ought to insert the words "with such intent" after the word "failure," so as to read, "or of a failure with such intent to file a return."

Mr. SMOOT. The Government of the United States may not have notice at all. It may have no chance whatever to protect itself.

Mr. FLETCHER. But here you are providing that in case of failure to file a return the Government is authorized to proceed in court at once for collection of such taxes without any assessment at any time.

Mr. GEORGE. The real effect of the amendment is simply to relieve from any statute of limitations a mere failure to make a return. That is all it is. That is what it does clearly.

Mr. FLETCHER. But I think it should provide clearly for "a failure with such intent."

Mr. McKELLAR. I doubt if a mere failure to make a return ought to be penalized in that way.

Mr. SMOOT. Under existing law there is no limitation on assessments.

Mr. GEORGE. But there is a limitation as to suits.

Mr. SMOOT. There is a limitation as to suits, and that is exactly why we propose a limitation on assessments. It seems to me, Mr. President, that there ought to be a limitation as to suits.

Mr. GEORGE. I should like to say to the Senator that if assurance is given that we may reconsider this amendment, I shall have no objection.

Mr. SMOOT. Certainly there will be an opportunity to do so.

Mr. GEORGE. But I have very decided objection to permitting the Government at any time, without any statutory limitation whatever, to bring suit for mere failure to make a return.

Mr. FLETCHER. And without any notice of assessment.

Mr. GEORGE. Yes; I understand that. Not only that, Mr. President, but the Government may proceed in almost any case where a return is not found to be correct upon the theory of fraud, which gives the Government a very great and sometimes harsh advantage over the citizen who is trying to make an honest return. Of course, in a genuine case of fraud or fraudulent return there ought not to be a period of limitation. However, with the assurance of the Senator from Utah that consideration will be given to the matter, I withdraw my objection for the present.

Mr. McKELLAR. Let the amendment go over.

Mr. SMOOT. We can let it go over if the Senator so desires, but I will say to the Senator that the only object of the amendment is to protect the Government of the United States.

Mr. McKELLAR. I understand that, but thousands of taxpayers were very close to the line as to whether or not they should make returns, and this provision if enacted could be used to their disadvantage.

The PRESIDING OFFICER. The amendment will go over.

The reading of the bill was resumed. The next amendment of the Committee on Finance was, in section 278 (b), on page 130, line 10, after the words "may be," to strike out "assessed at," and to insert "assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at," so as to read:

(b) Any deficiency attributable to a change in a deduction tentatively allowed under paragraph (9) of subdivision (a) of section 214, or paragraph (8) of subdivision (a) of section 234, of the revenue

act of 1918 or the revenue act of 1921, may be assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at any time.

Mr. McKELLAR. That amendment would operate in the same way. Let that amendment and the amendments on page 131 go over with the amendment which has already gone over.

Mr. SMOOT. The amendment at the bottom of page 130 and at the top of page 131 merely provides a limitation of six years after the assessment of the tax for its collection by court proceedings.

The PRESIDING OFFICER. Does the Senator from Tennessee desire that the amendment shall go over?

Mr. McKELLAR. Does that propose to change the present limitation, which is now five years, is it not?

Mr. SMOOT. There is now no limitation at all.

Mr. McKELLAR. Very well; then, I have no objection.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 278, on page 130, after line 17, to strike out "(d) Where the assessment of the tax is made within the period prescribed in section 277 or in this section, such tax may be collected at any time by distraint or by a proceeding in court, but nothing in this section shall be construed as preventing the beginning, without assessment, of a proceeding in court for the collection of the tax before the expiration of such period" and in lieu thereof to insert:

(d) Where the assessment of the tax is made within the period prescribed in section 277 or in this section, such tax may be collected by distraint or by a proceeding in court, begun within six years after the assessment of the tax. Nothing in this act shall be construed as preventing the beginning, without assessment, of a proceeding in court for the collection of the tax at any time before the expiration of the period within which an assessment may be made.

The amendment was agreed to.

The next amendment was, in section 278, on page 131, after line 8, to strike out "(e) This section shall not (1) authorize the assessment of a tax or the beginning of a proceeding in court for the collection of a tax if at the time of the enactment of this act such assessment or proceeding was barred by the period of limitation then in existence, or (2) affect any assessment made, or proceeding in court begun, before the enactment of this act" and in lieu thereof to insert:

(e) This section shall not (1) authorize the assessment of a tax or the collection thereof by distraint or by a proceeding in court if at the time of the enactment of this act such assessment, distraint, or proceeding was barred by the period of limitation then in existence, or (2) affect any assessment made, or distraint or proceeding in court begun, before the enactment of this act.

The amendment was agreed to.

The next amendment was, under the subhead "Claims in abatement," in section 279 (c), on page 133, line 9, after the words "rate of," to strike out "5 per cent" and to insert "6 per cent," and in line 19, after the words "rate of," to strike out "5 per cent" and to insert "6 per cent," so as to read:

(c) If the claim in abatement is denied in whole or in part, there shall be collected, at the same time as the part of the claim denied, and as a part of the tax, interest at the rate of 6 per cent per annum upon the amount of the claim denied, from the date of notice and demand from the collector under subdivision (d) of section 274 to the date of the notice and demand under subdivision (b) of this section. If the amount included in the notice and demand from the collector under subdivision (b) of this section is not paid in full within 10 days after such notice and demand, then there shall be collected, as part of the tax, interest upon the unpaid amount at the rate of 1 per cent a month (or, in case of estates of incompetent, deceased, or insolvent persons, at the rate of 6 per cent per annum) from the date of such notice and demand until it is paid.

The amendment was agreed to.

The next amendment was, under the subhead "Taxes under prior acts," in section 280, on page 134, line 15, after the word "title," to insert "except as otherwise provided in section 277," so as to make the section read:

SEC. 280. If after the enactment of this act the commissioner determines that any assessment should be made in respect of any income, war-profits, or excess-profits tax imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, or the revenue act of 1921, or by any such act as amended, the amount which should be assessed (whether as deficiency or as interest, penalty, or other addition to the tax) shall be computed as if this act had not been enacted, but the amount so computed shall be assessed, collected, and paid in the same manner and subject to the same provisions and limitations (including the provisions in case of delinquency in payment after notice and demand) as in the case of the taxes imposed by this title, except as otherwise provided in section 277.

The amendment was agreed to.

Mr. McKELLAR. On pages 134, 135, 136, and 137, so far as the amendments concern credits and refunds, I ask that they go over.

Mr. SMOOT. There is no objection to that, Mr. President.

Mr. McKELLAR. I merely ask that the amendments contained in the section relative to refunds go over.

The PRESIDING OFFICER. The amendments referred to by the Senator from Tennessee will go over.

Mr. SMOOT. Those amendments go down to page 137.

Mr. McKELLAR. Down to line 9, on page 137.

Mr. DIAL. Mr. President, I am satisfied that the Senate will not agree to the proposition, but there ought to be a shorter limitation to all these proceedings. The department should hurry up and collect what taxes are due, and people ought not to be harassed by having the department come back after so many years to collect taxes. I do not imagine that it is proposed to change it now, but I think there ought to be a shorter time within which back taxes may be collected.

Mr. SMOOT. I will say to the Senator from South Carolina that if we undertook to make the time for collecting shorter, under conditions as they exist to-day we should lose hundreds of millions of dollars. The Senator from South Carolina knows that after the high rate of taxes was imposed in 1917, that being the first year when the taxpayers of the country were called upon to make complicated returns, many of them made such returns, thinking they knew how to make them; but there has been more work attached to the verification of the returns of 1917 than to all the returns for subsequent years; and, at least under the present conditions, we could not afford to shorten the time for the collection of back taxes.

Mr. DIAL. But we ought, if possible, to simplify the forms.

Mr. McKELLAR. I wish to ask the Senator from Utah a question. Can he tell us about how much money has been collected on reassessments for the year of 1917?

Mr. SMOOT. I have not the figures here for the year 1917, but there was a reassessment of over $600,000,000, made during the year 1922, to cover the years 1917, 1918, 1919, 1920, and 1921.

Mr. McKELLAR. But the Senator from Utah does not know how much money was actually collected? I should like to have the Senator, if he can do so, give us the information as to the total amount which was collected on reassessments for the years 1917, 1918, 1919, 1920, 1921, 1922, and 1923.

Mr. SMOOT. I will say to the Senator that I do not think the amount collected was apportioned to the different years, but I can obtain information as to the total amount.

Mr. McKELLAR. We certainly can ascertain the amount which was actually collected and the dates of all collections.

Mr. SMOOT. What I mean to say is that we can not say for what year the money was collected. For instance, I do not know whether the Senator from Tennessee has had such cases called to his attention, but, for instance, where there were assessments made for the years 1917, 1918, and 1919 payment has been made in one check and one credit has been given, and settlement made at one time. The department does not keep track of the amount of those payments for each year but it credits the amount for the year in which it was collected. That information, I think, we can furnish to the Senator from Tennessee.

Mr. McKELLAR. If the facts can be gotten in both ways—that is, for the years for which the taxpayers were assessed and the years in which the collections were made—I had rather have the information in that shape.

I will say to the Senator, frankly, that by reason of the tremendous refunds in the last few years I am wondering just what relation the collections under reassessments bear to the refunds. I should like to have the figures, both as to collections on reassessments since the year 1917 and as to refunds.

Mr. SMOOT. I do not recall, Mr. President, the total amount of the refunds or the total amount of the collections, but, I think, perhaps, I have the figures right here.

Mr. McKELLAR. I will say to the Senator that we know what the figures are as to the total amount of refunds.

Mr. SMOOT. I know that the total amount of refunds is only about 12 per cent of the total amount of the assessments.

Mr. McKELLAR. I am not so much concerned about the assessments as I am about the collections. There is a great difference sometimes between assessments and collections.

Mr. SMOOT. Does the Senator desire me to put the figures in the RECORD now?

Mr. McKELLAR. I should be very glad if the Senator would do so.

Mr. SMOOT. The amount of additional assessments and collections resulting from office audits and field investigations for the year 1917 was $16,597,255; the amount of refunds of taxes illegally collected for that same year was $887,127.94. In 1918 the amount of additional assessments and collections resulting from office audits and field investigations was $29,984,655, and the amount of refunds of taxes illegally collected was $2,088,565.46. In 1919 the amount of additional assessments and collections was $123,275,768, and the amount of refunds was $8,654,171.21. In 1920 the additional assessments and collections amounted to $466,889,359, and the refunds amounted to $14,127,098. In 1921 the assessments and collections amounted to $416,483,708 and the refunds to $28,656,357.95. In 1922 the additional assessments and collections amounted to $266,978,873, and the refunds amounted to $48,133,127.83. In 1923 the additional assessments and collections amounted to $600,670,632 and the amount of refunds to $123,992,820.94. The total for the seven years of the additional assessments and collections resulting from office audits and field investigations was $1,920,880,250, and the amount of refunds was $226,540,269.33.

Mr. McKELLAR. I hope the Senator will put those figures in the RECORD at this point if he has them in convenient form.

Mr. SMOOT. I will be glad to put in the RECORD the figures contained in the letter from Mr. C. D. Nash, assistant to the commissioner, giving not only the total internal-revenue receipts during each one of the years named but the amount of additional collections and assessments resulting from audits and field investigation and the amount of refunds of taxes illegally collected.

The PRESIDING OFFICER. Without objection, the matter referred to will be printed in the RECORD.

The matter referred to is as follows:

Year	Total internal revenue receipts	Amount of additional assessments and collections resulting from office audits and field investigations	Amount of refunds of taxes illegally collected.
1917	$809,393,640.44	$16,597,255.00	$887,127.94
1918	3,698,955,820.93	29,984,655.00	2,088,565.46
1919	3,850,150,078.56	123,275,768.00	8,654,171.21
1920	5,407,580,251.81	466,889,359.00	14,127,098.00
1921	4,395,006,765.74	416,483,708.00	28,656,357.95
1922	3,197,451,053.00	266,978,873.00	48,134,127.83
1923	2,621,745,227.57	600,670,632.00	123,992,820.94
Total (7 years)	24,180,276,868.05	1,920,880,250.00	226,540,269.33
1924 (first 3 months)	694,083,590.02	113,820,881.00	35,624,968.73
Grand total (7 years, 3 months)	24,874,360,458.07	2,034,701,131.00	262,165,238.06

Mr. McKELLAR. Now, will the Senator look at those figures for a moment and state what the reassessments for 1923 were.

Mr. SMOOT. They were $600,670,632.

Mr. McKELLAR. And the refunds as shown by the figures were $129,000,000, were they not?

Mr. SMOOT. They were $123,992,820.94.

Mr. McKELLAR. The Senator recalls that a few days ago there was appropriated $103,000,000 additional for the purpose of paying refunds for the year 1923, so that the reassessments would amount to about $600,000,000 and the refunds to about $200,000,000.

Mr. SMOOT. No; that was not an additional amount.

Mr. McKELLAR. Yes; that appropriation was in addition to the refunds heretofore paid.

Mr. SMOOT. No; that was not for the past year.

Mr. McKELLAR. I happened to look the matter up, I will say to the Senator, and I found that $123,000,000 had been appropriated last year.

Mr. SMOOT. But that was not for the year 1923, I will say to the Senator; that was for a preceding year.

Mr. McKELLAR. There was a deficiency appropriation of $103,000,000 which should be added to those figures.

Mr. SMOOT. No; but that is not for this year. The total for 1923 is $123,000,000, and this amount will be asked for in appropriations to meet it, because all that is collected goes into the Treasury, and appropriations have to be made for the refunds.

Mr. McKELLAR. What was the original appropriation for refunds this year? My recollection is that it was about $123,000,000, but I do not know.

Mr. SMOOT. We shall have to have $123,000,000 for 1923.

Mr. McKELLAR. My recollection is that the appropriation made in the bill to pay refunds for this year was $123,000,000, and then there was a deficiency of $103,000,000 more.

Mr. SMOOT. It was not for this year.

Mr. McKELLAR. Will the Senator look into it and give us the exact facts about it?

Mr. SMOOT. I will try to look it up and see.

Mr. McKELLAR. I thank the Senator.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the heading "Title III.—Estate tax," in section 300, on page 139, line 24, after the words "executor or," to strike out "administrator" and to insert "administrator appointed, qualified, and acting within the United States, then," so as to read:

SEC. 300. When used in this title—

The term "executor" means the executor or administrator of the decedent, or, if there is no executor or administrator appointed, qualified, and acting within the United States, then any person in actual or constructive possession of any property of the decedent.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, is the Senator going to let section 301 go over?

Mr. SMOOT. I think the estate-tax section ought to go over.

Mr. McKELLAR. I think so, too, Mr. President.

Mr. SMOOT. Unless the Senator from New Mexico desires some part of it acted on now.

Mr. JONES of New Mexico. I think that subject should go over.

Mr. SMOOT. Yes; I think the whole thing ought to go over.

The PRESIDING OFFICER. The section will be passed over. The Chair will inquire how far it reaches.

Mr. FLETCHER. To section 302 on page 143, I think.

Mr. SMOOT. Oh, no; it goes further than that, Mr. President. That only covers the rates. I will ask the Senator from New Mexico if he wants the gift tax to go over, too?

Mr. JONES of New Mexico. Yes; I think that had better go over.

Mr. SMOOT. Then, that takes us down to page 174, "Tax on telegraph and telephone messages."

Mr. OVERMAN. That ought to go over.

Mr. McKELLAR. Unless the Senator is willing to strike out the tax on telegraph and telephone messages, I hope he will let that go over, too.

Mr. SMOOT. I will let it go over, but I certainly am not willing to strike it out.

Mr. McKELLAR. I am very much opposed to that tax.

Mr. OVERMAN. That will go over, of course.

Mr. McKELLAR. I ask that it go over.

The PRESIDING OFFICER. From page 139 to page 174 will be passed over.

Mr. SMOOT. No; page 177.

The PRESIDING OFFICER. Page 177.

Mr. SMOOT. The next is "Title V.—Tax on cigars, tobacco, and manufactures thereof." I think there is hardly a change in this whole title. It is satisfactory to every member of the committee.

Mr. McKELLAR. There are some technical amendments here, however.

Mr. SMOOT. Oh, yes.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in the heading on page 177, line 5, after "Title," to strike out "IV" and to insert "V," so as to read:

Title V.—Tax on cigars, tobacco, and manufactures thereof.

The amendment was agreed to.

The next amendment was, on page 179, after line 16, to insert:

(e) Section 3392 of the Revised Statutes, as amended, is amended to read as follows:

"SEC. 3392. All cigars weighing more than 3 pounds per thousand shall be packed in boxes not before used for that purpose containing, respectively, 3, 5, 7, 10, 12, 13, 25, 50, 100, 200, 250, or 500 cigars each; and every person who sells, or offers for sale, or delivers or offers to deliver any cigars in any other form than in new boxes as above described or who packs in any box any cigars in excess of or less than the number provided by law to be put in each box, respectively, or who falsely brands any box, or affixes a stamp on any box

denoting a less amount of tax than that required by law, shall be fined for each offense not more than $1,000 and be imprisoned not more than two years: *Provided*, That nothing in this section shall be construed as preventing the sale of cigars at retail by retail dealers from boxes packed, stamped, and branded in the manner prescribed by law: *Provided further*, That each employee of a manufacturer of cigars shall be permitted to use, for personal consumption and for experimental purposes, not to exceed 21 cigars per week without the manufacturer of cigars being required to pack the same in boxes or to stamp or pay any internal-revenue tax thereon, such exemption to be allowed under such rules and regulations as the Secretary of the Treasury may prescribe."

Mr. FLETCHER. Mr. President, I have not before me section 3392 of the Revised Statutes as it now reads. Will the Senator please state what the change is?

Mr. SMOOT. The only change is that cigars may be packed in boxes containing three and seven cigars, respectively. We have added the package containing three and the package containing seven. The cigar manufacturers appeared before the committee and wanted to have a package of three cigars to sell for a quarter, and they wanted to have a package of seven cigars to sell for a dollar, and therefore we have merely inserted in the existing law "three" and "seven."

Mr. FLETCHER. I see no objection to that.

Mr. TRAMMELL. Mr. President, may I ask the Senator from Utah whether this section makes any change in the existing law relative to the number of cigars that may be used for experimental purposes by each cigar manufacturer during the week?

Mr. SMOOT. Not a word is changed from existing law with the exception of inserting "three" and "seven."

Mr. TRAMMELL. I thank the Senator.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 503, on page 183, at the beginning of line 22, to strike out "amended to read as" and to insert "reenacted without change, as," so as to read:

SEC. 503. Section 3360 of the Revised Statutes, as amended by section 704 of the revenue act of 1918, is reenacted without change, as follows:

"SEC. 3360. (a) Every dealer in leaf tobacco shall file with the collector of the district in which his business is carried on a statement in duplicate, subscribed under oath," etc.

The amendment was agreed to.

The next amendment was, in section 503, on page 187, after line 11, to strike out: "(f) For the purpose of this section a farmer or grower of tobacco or a tobacco growers' cooperative association shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him or handled by such association. As used in this section the term 'tobacco growers' cooperative association' means an association of farmers or growers of tobacco organized and operated as sales agent for the purpose of marketing the tobacco produced by its members and turning back to them the proceeds of sales, less the necessary selling expenses, on the basis of the quantity and quality of tobacco furnished by them," and in lieu thereof to insert:

(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

Mr. SMOOT. Mr. President, the Senator from Kentucky [Mr. STANLEY] is not present, but he spoke to me about this provision some few days ago. He did not say to me that he wanted to make any change at all in it, but as he is not in the Senate Chamber at the moment I really think I ought to ask that the amendment go over until he is present.

Mr. McKELLAR. I think so, too, and I hope the Senator will make that request.

Mr. JONES of New Mexico. I quite agree with the chairman of the committee. I am sure the Senator from Kentucky would desire to have that done.

The PRESIDING OFFICER. The amendment will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, at the top of page 188, after "Title," to strike out "V" and to insert "VI," so as to make the heading read:

Title VI.—Tax on admissions and dues.

The amendment was agreed to.

The next amendment was, in section 600 (a) (2), on page 188, line 24, after the word "section," to strike out "603" and to insert "703," so as to read:

(2) Upon tickets or cards of admission to theaters, operas, and other places of amusement, sold at news stands, hotels, and places other than the ticket offices of such theaters, operas, or other places of amusement, at not to exceed 50 cents in excess of the sum of the established price therefor at such ticket offices plus the amount of any tax imposed under paragraph (1), a tax equivalent to 5 per cent of the amount of such excess; and if sold for more than 50 cents in excess of the sum of such established price plus the amount of any tax imposed under paragraph (1), a tax equivalent to 50 per cent of the whole amount of such excess, such taxes to be returned and paid, in the manner and subject to the interest provided in section 703, by the person selling such tickets.

The amendment was agreed to.

The next amendment was, in section 600 (a) (3), on page 189, line 7, after the word "section," to strike out "603" and to insert "703," so as to read:

(3) A tax equivalent to 50 per cent of the amount for which the proprietors, managers, or employers of any opera house, theater, or other place of amusement sell or dispose of tickets or cards of admission in excess of the regular or established price or charge therefor, such tax to be returned and paid, in the manner and subject to the interest provided in section 703, by the person selling such tickets.

The amendment was agreed to.

The next amendment was, on page 192, line 3, to change the number of the section from "501" to "601."

The PRESIDING OFFICER. The Chair understands that the Clerk is authorized to change the numbers of sections.

Mr. SMOOT. Yes; I asked unanimous consent that that be done, and it was granted.

The amendment was agreed to.

The next amendment was, in section 602 (a), on page 193, line 3, after the word "section," to strike out "500 or 501" and to insert "600 or 601"; and in line 6, after the word "section," to strike out "501" and to insert "601," so as to read:

SEC. 602. (a) Every person receiving any payments for such admission, dues, or fees shall collect the amount of the tax imposed by section 600 or 601 from the person making such payments. Every club or organization having life members shall collect from such members the amount of the tax imposed by section 601. Such persons shall make monthly returns under oath, in duplicate, and pay the taxes so collected to the collector of the district in which the principal office or place of business is located.

The amendment was agreed to.

The next amendment was, on page 194, line 3, after the word "Title," to strike out "VI" and to insert "VII," so as to read:

Title VII.—Excise taxes.

The amendment was agreed to.

The next amendment was, on page 194, line 4, after "SEC.," to strike out "600. There," and to insert "700. On and after the expiration of 30 days after the enactment of this act there," so as to read:

SEC. 700. On and after the expiration of 30 days after the enactment of this act there shall be levied, assessed, collected, and paid upon the following articles sold or leased by the manufacturer, producer, or importer a tax equivalent to the following percentage of the price for which so sold or leased.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, will the Senator explain just what was done with automobile truck chassis and automobile wagon chassis?

Mr. SMOOT. The bodies were put in the bill, as requested, where they are made by the manufacturer. The tax on accessories was reduced from 5 per cent to 2½ per cent. The automobile tax is the same as in existing law. As to the automobile wagon chassis, there is this provision:

Automobile truck chassis and automobile wagon chassis sold or leased for an amount in excess of $1,000—

That is new, I will say to the Senator. In other words, that is to take care of the chassis of the cheap trucks used by the farmers.

Mr. OVERMAN. Let that go over. I have an amendment to offer to it.

Mr. SMOOT. That may go over, then.

The PRESIDING OFFICER. How much of it?

Mr. SMOOT. Does the Senator want the whole automobile section to go over?

Mr. OVERMAN. Yes.

Mr. SMOOT. All that refers to automobiles and accessories and chassis. That will be paragraphs (1), (2), and (3) on page 195.

Mr. OVERMAN. Mr. President, I want to ask the Senator a question. I have not had time to read this section. I suggested an amendment exempting all school busses and their chassis used solely for school purposes, for carrying children to centralized schools, which we have in all the States. Is that in here?

Mr. SMOOT. When the Senator spoke to me about it I gave a little thought to it. This is a manufacturers' tax, so it does not apply here at all.

Mr. OVERMAN. But the schools have to pay it, I know.

Mr. SMOOT. The manufacturer has to pay it. This is a manufacturers' tax.

Mr. OVERMAN. Where would that amendment come in, then?

Mr. SMOOT. I think it is taken care of somewhere, but I am not sure. I will look it up and let the Senator know.

Mr. FLETCHER. I think it was taken care of. I remember looking at it.

Mr. SMOOT. Yes; on page 207 of the bill there is this provision:

Persons carrying on the business of operating or renting passenger automobiles for hire shall pay $10 for each such automobile having a seating capacity of more than two and not more than seven, and $20 for each such automobile having a seating capacity of more than seven. The tax imposed by this subdivision shall not be collected in respect of automobiles used exclusively for conveying school children to and from school.

Mr. OVERMAN. That is all right. I have no objection to the amendment, then.

Mr. SMOOT. This is a manufacturers' tax, and the other matter was taken care of under the section beginning on page 204.

Mr. OVERMAN. I withdraw my objection.

Mr. SMOOT. I really think, Mr. President, that the automobile section ought to go over, because I know there are some Senators here who are interested in it and who will want to have something to say in regard to it.

Mr. McKELLAR. I hope the Senator will let it go over.

Mr. SMOOT. I ask that the automobile section go over.

The PRESIDING OFFICER. That extends to what page?

Mr. SMOOT. That extends to the bottom of page 195.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill, beginning on page 196.

The next amendment was, in section 700, on page 196, after line 12, to strike out "(8) Automatic slot-device vending machines, 5 per cent, and automatic slot-device weighing machines, 10 per cent; if the manufacturer, producer, or importer of any such machine operates it for profit, he shall pay a tax in respect to each such machine put into operation equivalent to 5 per cent of its fair market value in the case of a vending machine, and 10 per cent of its fair market value in the case of a weighing machine" and in lieu thereof to insert:

(8) Coin-operated devices, coin-operated machines, and devices and machines operated by any substitute for a coin, 10 per cent; if the manufacturer, producer, or importer of any such device or machine operates it for profit, he shall pay a tax in respect of each such device or machine put into operation equivalent to 10 per cent of its fair market value.

(9) Mah jong, pung chow, and similar tile sets, and the component parts thereof, 10 per cent.

(10) Radio receiving sets, 10 per cent.

(11) Parts and accessories for radio receiving sets, sold or leased to any person other than a manufacturer or producer of such sets, 10 per cent.

Mr. McKELLAR. Mr. President, I ask that the sections relating to radio receiving sets, and parts and accessories for radio receiving sets, go over.

Mr. SMOOT. That is, subdivisions (10) and (11)?

Mr. McKELLAR. Subdivisions (10) and (11).

The PRESIDING OFFICER. The question is on agreeing to the striking out of subdivision (8) as it appears in the House text, and the insertion in lieu thereof of two new subdivisions (8) and (9).

The amendment was agreed to.

The PRESIDING OFFICER. Subdivisions (10) and (11) will be passed over.

The next amendment was, in section 703, on page 198, line 22, after the word "section," to strike out "600 or 602," and to insert "700 or 702," so as to read:

SEC. 703. Every person liable for any tax imposed by section 700 or 702 shall make monthly returns under oath in duplicate and pay the taxes imposed by such sections to the collector for the district in which is located the principal place of business. Such returns shall contain such information and be made at such times and in such manner as the commissioner, with the approval of the Secretary, may by regulations prescribe.

The amendment was agreed to.

The next amendment was, in section 704 (b), on page 199, at the beginning of line 25, to strike out "eyeglasses, spectacles, or," and in the same line, after the word "flat," to strike out "tableware," and to insert "tableware, or articles used for religious purposes," and on page 200, line 2, after the words "in excess of," to strike out "$40," and insert "$25," so as to read:

(b) The tax imposed by subdivision (a) shall not apply to (1) surgical instruments, musical instruments, silver-plated flat tableware, or articles used for religious purposes; (2) articles sold or leased for an amount not in excess of $25; or (3) watches sold or leased for an amount not in excess of $60.

The amendment was agreed to.

The next amendment was, in section 705 (a), on page 200, line 24, after the word "section," to strike out "600," and to insert "700"; on page 201, line 4, after the word "section," to strike out "600," and to insert "700," and in line 6, after the word "section," to strike out "600," and to insert "700," so as to read:

SEC. 705. (a) If (1) any person has, prior to January 1, 1924, made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect of which a tax is imposed by section 700, or by this subdivision, and in respect of which no corresponding tax was imposed by section 900 of the revenue act of 1921, and (2) such contract does not permit the adding, to the amount to be paid thereunder, of the whole of the tax imposed by section 700 of this fact or by this subdivision; then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of the tax imposed by section 700 of this act or by this subdivision as is not so permitted to be added to the contract price. If a contract of the character above described was made with any person other than a dealer, no tax shall be collected under this act.

Mr. DIAL. Mr. President, at the proper time I want to move to amend on page 200, line 7, to strike out the period and to insert a semicolon and the following:

or bonds issued to such building and loan associations by members thereof in connection with loans obtained from the associations.

Mr. SMOOT. I think this is the wrong place for the insertion of that amendment, and it should be offered to another part of the bill. The Senator can offer it after we get through with the committee amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 200, line 24.

The amendment was agreed to.

The next amendment was, in section 705 (b), on page 201, line 14, after the word "section," to strike out "600" and to insert "700," and in line 23, after the word "section," to strike out "600" and to insert "700," so as to read:

(b) If (1) any person has, prior to January 1, 1924, made a bona fide contract with any other person for the sale or lease, after the tax takes effect, of any article in respect of which a tax is imposed by section 700 of this act, and in respect of which a corresponding but greater tax was imposed by section 900 of the revenue act of 1921, (2) the contract price includes the amount of the tax imposed by section 900 of the revenue act of 1921, and (3) such contract does not permit the deduction, from the amount to be paid thereunder, of the whole of the difference between the corresponding tax imposed by section 900 of the revenue act of 1921 and the tax imposed by section 700 of this act, then the vendor or lessor shall refund to the vendee or lessee so much of the amount of such difference as is not so permitted to be deducted from the contract price.

The amendment was agreed to.

The next amendment was, in section 705 (c), on page 202, line 8, after the word "section," to strike out "600" and to insert "700," so as to read:

(c) If (1) any person has, prior to January 1, 1924, made a bona fide contract with any other person for the sale or lease, after the date of the enactment of this act, of any article in respect of which a tax was imposed by section 900 or 904 of the revenue act of 1921, and in respect of which no corresponding tax is imposed by section 700 of this act, (2) the contract price includes the amount of the tax imposed by section 900 or 904 of the revenue act of 1921, and (3) such contract does not permit deduction, from the amount to be paid thereunder, of the tax imposed by section 900 or 904 of the revenue act of 1921, then the vendor or lessor shall refund to the vendee or lessee so much of the amount of such tax as is not so permitted to be deducted from the contract price.

The amendment was agreed to.

The next amendment was, in section 705 (d), on page 202, line 22, after the word "section," to strike out "603" and to insert "703," so as to read:

(d) The taxes payable by the vendee or lessee under subdivision (a) shall be paid to the vendor or lessor at the time the sale or lease is consummated and collected, returned and paid to the United States by such vendor or lessor in the same manner and subject to the same interest as provided by section 703.

The amendment was agreed to.

The next amendment was, on page 203, line 11, after the word "Title," to strike out "VII" and to insert "VIII," so as to make the heading read:

Title VIII—Special taxes.

The amendment was agreed to.

The next amendment was, under the heading "Title VIII—Special taxes," on page 203, after line 11, to strike out:

CAPITAL STOCK TAX

SEC. 700. (a) On and after July 1, 1924, in lieu of the tax imposed by section 1000 of the revenue act of 1921—

(1) Every domestic corporation shall pay annually a special excise tax with respect to carrying on or doing business, equivalent to $1 for each $1,000 of so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of $5,000. In estimating the value of capital stock the surplus and undivided profits shall be included.

(2) Every foreign corporation shall pay annually a special excise tax with respect to carrying on or doing business in the United States, equivalent to $1 for each $1,000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ending June 30.

(b) The taxes imposed by this section shall not apply in any year to any corporation which was not engaged in business (or in the case of a foreign corporation not engaged in business in the United States) during the preceding year ending June 30, nor to any corporation enumerated in section 231, nor to any insurance company subject to the tax imposed by section 243 or 246.

(c) Section 257 shall apply to all returns filed with the commissioner for purposes of the tax imposed by this section.

Mr. McKELLAR. Will the Senator from Utah explain why the capital-stock tax was stricken out? I suppose it was because the tax on corporations was raised.

Mr. SMOOT. The amendment will go over, anyhow.

Mr. McKELLAR. I would be very glad to have the Senator give us his views at this time.

Mr. SMOOT. The views of the committee in relation to the capital-stock tax may be summed up as follows: Under existing law there is a net tax of 12½ per cent on the profits of a corporation. Under existing law there is also a tax of $1 upon every $1,000 of the capital stock of every corporation. Under the existing law there have to be two returns; that is, every organization makes a return not only upon the capital gain but it has also to make a return upon the capital stock under the $1-a-thousand tax.

There have been complaints made by many of the corporations of the country that that imposes an unnecessary burden, not only in keeping the tax account itself but in making the returns as well, and the committee decided that they would raise the 12½ per cent flat upon the incomes of corporations to 14 per cent and then relieve the corporations of the tax of a dollar on every thousand dollars of their capital stock.

Mr. DIAL. I ask that the amendment may go over.

Mr. McKELLAR. It is going over, but the Senator from Utah is making a statement about it.

Mr. SMOOT. The Senator from Tennessee asked me to make a brief statement as to what the amendment meant. I did so yesterday in my speech, perhaps more elaborately than I will at this time.

The Senator asks whether there would be a gain or a loss in revenue from these changes. There will be a gain to the Government of about $19,000,000, and I say to the Senator that the gain will all come from corporations whose net income is more than 6⅔ per cent. There will be an additional tax imposed on those corporations. If a corporation's income is less than 6⅔ per cent, there will be a gain to that class of corporations. That, in substance, is what the amendment provides.

Mr. McKELLAR. There will be a net gain to the Government of about $19,000,000 as between the two taxes?

Mr. SMOOT. Yes; but it relieves the taxpayers of the burden of making returns. They will have to make only one return.

Mr. McKELLAR. Is not that a pretty costly relief? The corporation tax, of course, is a tax on business.

Mr. SMOOT. So is the other.

Mr. McKELLAR. I know; but the other is smaller.

Mr. SMOOT. The Government has this question ever present. The law provides that the tax shall be $1 on every $1,000 of capital stock, not the face value of the stock, but if the market value of the stock is more than the face value of the stock, then it shall be assessed upon the market value of the stock. That requires an examination into every single return based upon capital stock to determine what the actual market value of the stock is. If the market value of the stock is less than a hundred cents on the dollar, then of course the face value will be the basis of the assessment. Whichever is the highest will be the basis of the assessment.

Mr. McKELLAR. I can see that there is a probability, at least, that this is a more equitable tax. But would not 13 per cent instead of 14 per cent produce as much return as is now produced?

Mr. SMOOT. No; we would lose. We would fall short about $60,000,000.

Mr. McKELLAR. What percentage of the corporation tax would make up, exactly or approximately, for the taking off of the capital-stock tax?

Mr. SMOOT. To make an even number, 14. If you just take off the $19,000,000, we would have something like 13 and perhaps five-eighths, or something like that.

Mr. McKELLAR. I am much obliged for the Senator's explanation. The amendment will go over.

Mr. FLETCHER. May I ask the Senator whether under this plan corporations will not be tempted to issue stock? Since they do not have to pay any longer a dollar a thousand on their stock will they not issue stock, and then you tax them a certain per cent on their net income based on the capital stock?

Mr. SMOOT. No. The law provides that the tax shall be based on the market value. No matter what the market value is they have to pay the tax. So they could not escape in that way at all.

The PRESIDING OFFICER. How much does the Senator want included in that which is to be passed over?

Mr. SMOOT. From line 12, page 203, to line 14, page 204, to the heading "Miscellaneous occupational taxes."

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment was, under the subhead "Miscellaneous occupational taxes," on page 204, after line 17, to strike out: "(1) Brokers shall pay $50. Every person whose business it is to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce or merchandise, for others, shall be regarded as a broker. If a broker is a member of a stock exchange, or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall pay an additional amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was $2,000 or more but not more than $5,000, $100; if such value was more than $5,000, $150" and in lieu to insert:

(1) Brokers, except brokers exclusively negotiating purchases or sales of produce or merchandise, shall pay $50. Every person whose business it is to negotiate purchases or sales of stock, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce, or merchandise for others shall be regarded as a broker. If any broker is a member of a stock exchange or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall (whether or not he is liable to any tax under the first sentence of this paragraph, and in addition to such tax, if any) pay an amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was $2,000 or more but not more than $5,000, $100; if such value was more than $5,000 but not more than $10,000, $150; if such value was more than $10,000, $250.

Mr. DIAL. If I understand this section, those brokers mentioned are excluded; they pay nothing at all?

Mr. SMOOT. The Government loses $400,000 a year by the amendment, but the committee thought they should be excluded, and therefore the bill was reported excluding them.

Mr. OVERMAN. Take an agent in my town who buys and sells Armour's meats; would he be exempt?

Mr. SMOOT. Yes; any broker who handles produce or merchandise is exempt. In fact, they can sell all sorts of merchandise to a store or to anyone else—any farm product of any name or nature—and they do not pay a tax. They can sell dry goods and not pay a tax. It covers brokers in farm products and merchandise.

Mr. McKELLAR. What return does this tax on brokers bring?

Mr. SMOOT. Four hundred thousand dollars. That is, what we have excluded—farm products and merchandise—produces $400,000.

Mr. McKELLAR. I mean the entire tax.

Mr. SMOOT. About $1,600,000 taxes, with $400,000 off, which will leave about $1,200,000.

Mr. McKELLAR. I think where we can take taxes off business it is a mighty good plan to do it. I see that there are some equitable grounds for this tax.

Mr. SMOOT. I have no particular interest in brokers——

Mr. COPELAND. I should like to ask the Senator about the amendment on page 205. Did the committee get any protests from the New York Stock Exchange about that?

Mr. SMOOT. Yes; we had protests from the New York Stock Exchange.

Mr. COPELAND. Did they appear before the committee?

Mr. SMOOT. No; their brief was considered by the committee.

Mr. DILL. What is the present law?

Mr. SMOOT. This is the existing law.

Mr. DILL. In what way did the House change the existing law?

Mr. SMOOT. The House copied the existing law word for word, and the existing law includes brokers in farm products and merchandise. The committee struck those words out, and that took off $400,000 per annum.

Mr. DILL. The Senate committee is abolishing the tax on brokers to that extent?

Mr. SMOOT. Yes; that is what we propose to do.

Mr. McKELLAR. Is that the only change?

Mr. SMOOT. There is one other bracket with an increase, I think, found on page 205.

If such value was more than $5,000 but not more than $10,000, $150.

One hundred and fifty dollars was the limit before.

If such value was more than $10,000, $250.

That is new.

The PRESIDING OFFICER. The question is on agreeing to the amendment beginning on page 204, line 18.

The amendment was agreed to.

The next amendment was, in section 800 (5), on page 206, line 15, after the word "pay," to strike out "$5" and insert "$10," so as to read:

(5) Proprietors of bowling alleys and billiard rooms shall pay $10 for each alley or table. Every building or place where bowls are thrown or where games of billiards or pool are played shall be regarded as a bowling alley or a billiard room, respectively, unless no charge is made for the use of the alleys or tables.

Mr. McKELLAR. Why did the committee make that recommendation?

Mr. SMOOT. It is the existing law.

Mr. McKELLAR. I have as many letters about that as about almost any other provision in the bill.

Mr. SMOOT. In 99 per cent of the cases in which I have received letters about this item the writers have been mistaken as to what the provision means.

As the House had it, it provides that—

Proprietors of bowling alleys and billiard rooms shall pay $5 for each alley or table. Every building or place where bowls are thrown or where games of billiards or pool are played shall be regarded as a bowling alley or a billiard room, respectively, unless no charge is made for the use of the alleys or tables.

That is the House provision. If there is no charge, there is no tax.

Mr. COPELAND. That would mean that in a club there would be no tax?

Mr. SMOOT. Where there is no charge, there is no tax. Most of my letters have referred to organizations such as the Independent Order of Odd Fellows and similar organizations, and when they have come to me I have asked them, "Do you charge anything for your tables?" They would say, "No; it is simply for the use of the members." Then I have said, "This does not apply to you at all. This simply applies to a place where there is a charge made for the use of the table or bowling alley."

What does it mean? It means that wherever there is a charge made for a bowling alley there is a tax of $10 a year. That would be 83 cents a month. That would be a little less than 3 cents a day for the whole tax, or an increase of 1½ cents a day over what the House fixed it.

Mr. COPELAND. The Senator's judgment is that it would not ruin the business?

Mr. SMOOT. I do not think it will.

Mr. McKELLAR. What amount of tax does it produce?

Mr. SMOOT. I can not tell the Senator, because I have not the amount in my memoranda here.

The amendment was agreed to.

Mr. WADSWORTH. May I ask the Senator from Utah if the language at the end of the paragraph, between lines 14 and 19, inclusive, is the same as the language in existing law?

Mr. SMOOT. My attention has been called to the fact that these words were added: "unless no charge is made for the use of the alleys or tables." There is that difference from existing law.

Mr. WADSWORTH. It is a fact that under existing law the number of tables has steadily decreased. Under existing law and under the existing tax, the number of billiard tables in use commercially has steadily decreased.

Mr. SMOOT. That may be the case.

Mr. WADSWORTH. And the income from the tax to the Government has decreased. Does the Senator think this will save that situation?

Mr. SMOOT. Certainly; because now where they make no charge they will not have to pay a tax.

Mr. WADSWORTH. My information is that the particular decrease has been in the number of commercial tables, not in the clubs.

Mr. SMOOT. I can not conceive that where there is a billiard room a tax of $5 a year would have that effect.

Mr. WADSWORTH. But it is $10 a year.

Mr. SMOOT. That is what they say the increase has done. The increase is $5. Forty-one cents a month, or 1½ cents a day, on a billiard table is going to close it up, so they say. I do not believe 1½ cents a day is going to close up any billiard table.

Mr. WADSWORTH. I am referring to the existing law.

Mr. SMOOT. Under the existing law it would be 2⅔ cents.

Mr. WADSWORTH. And under the existing law it is a fact that many a billiard table has been scrapped and put in the cellar or attic because it did not pay the proprietor a sufficient sum to justify him in paying $10 a year tax on each table.

Mr. SMOOT. If he can not pay 2⅔ cents a day on each table, then if he had all the taxes taken off he would still scrap it. Two and two-third cents a day never would keep him out of business.

Mr. WADSWORTH. But $10 a year is a little more than 2⅔ cents a day.

Mr. SMOOT. It is less than 3 cents a day.

The PRESIDING OFFICER. The amendment has been agreed to. The Secretary will continue the reading of the bill.

The reading of the bill was continued.

The next amendment was, in section 800, on page 208, after line 7, to strike out:

If any person first becomes subject to the tax imposed by subdivision (1), (2), (3), or (4) after December 31 in any fiscal year, he shall pay for such fiscal year only one-half the tax specified in such subdivision.

The amendment was agreed to.

The next amendment was, under the subhead "Special tobacco manufacturers' tax," in section 801, on page 208, line 26, after the word "pay," to strike out "$12" and insert "$12;" so as to read:

Manufacturers of tobacco whose annual sales exceed 50,000 and do not exceed 100,000 pounds shall each pay $12;

The amendment was agreed to.

The next amendment was, under the subhead "Penalty for nonpayment of special taxes," in section 803, on page 211, at the beginning of line 21, to strike out the numerals "700, 701, or 702" and to insert "800 or 801," so as to read:

SEC. 803. Any person who carries on any business or occupation for which a special tax is imposed by section 800 or 801, without having paid the special tax therein provided, shall, besides being liable for the payment of such special tax, be subject to a penalty of not more than $1,000 or to imprisonment for not more than one year, or both.

The amendment was agreed to.

The next amendment was, on page 220, line 11, after the word "Title," to strike out "VIII" and to insert "IX," so as to make the heading read:

Title IX.—Stamp taxes.

The amendment was agreed to.

The next amendment was, under the heading "Title IX.—Stamp taxes," in section 903 (c), on page 222, line 5, after the

word "section," to strike out "804" and insert "904," so as to read:

(c) Makes use of any adhesive stamp to denote any tax imposed by this title without canceling or obliterating such stamp as prescribed in section 904.

The amendment was agreed to.

The next amendment was, under the subhead "Schedule A.—Stamp taxes," on page 231, after line 2, to insert:

5. Drafts or checks (payable otherwise than at sight or on demand) upon their acceptance or delivery within the United States, whichever is prior, promissory notes, except bank notes issued for circulation, and for each renewal of the same, for a sum not exceeding $100, 2 cents; and for each additional $100 or fractional part thereof, 2 cents.

This subdivision shall not apply to a promissory note secured by the pledge of bonds or obligations of the United States issued after April 24, 1917, or secured by the pledge of a promissory note which itself is secured by the pledge of such bonds or obligations: *Provided*, That in either case the par value of such bonds or obligations shall be not less than the amount of such note.

Mr. McKELLAR. Is that a tax on bank checks?

Mr. SMOOT. No; it reads "payable otherwise than at sight or on demand."

Mr. McKELLAR. What does that mean?

Mr. SMOOT. It means that every check that is paid on demand will pay no tax, but if there is a draft or check drawn payable six months after date, or anything like that, then there is a tax.

Mr. McKELLAR. The tax will not bring in any material amount?

Mr. SMOOT. This is what the result will be. We have taken the existing law as it is. The gain over the provision of the House would be $2,150,000 by restoring the existing law.

Mr. OVERMAN. This is a restoration?

Mr. SMOOT. It restores existing law word for word.

Mr. McKELLAR. The House struck it out?

Mr. SMOOT. It did.

Mr. McKELLAR. I am going to ask the Senator to let the amendment go over.

Mr. SMOOT. It may go over.

The PRESIDING OFFICER. The amendment will be passed over.

The reading of the bill was resumed. The next amendment was, on page 234, line 13, after the word "Title," to strike out "IX" and to insert "X," so as to make the heading read:

Title X.—Board of tax appeals.

Mr. McKELLAR. I ask that the amendment relating to the board of tax appeals may go over, too.

Mr. SMOOT. They may be passed over.

The PRESIDING OFFICER. The amendments will be passed over.

The next amendment was, on page 241, line 21, after the word "Title," to strike out "X" and insert "XI," so as to make the heading read:

Title XI.—General administrative provisions.

The amendment was agreed to.

The next amendment was, under the subhead "Rules and regulations," in section 1101, on page 242, line 6, after the word "act," to strike out the comma and the following words: "Provided such regulations shall not enlarge or modify any provisions of this act and of any other law, and all such rules and regulations and all amendments thereto shall be annually reported to Congress," so as to make the section read:

SEC. 1101. The commissioner, with the approval of the Secretary, is authorized to prescribe all needful rules and regulations for the enforcement of this act.

Mr. McKELLAR. May I ask the Senator the purpose of that amendment?

Mr. SMOOT. The words stricken out were omitted as surplusage. There is no necessity for the provision.

Mr. OVERMAN. I will ask the Senator whether, in his judgment, the bill simplifies the manner and method of making returns?

Mr. SMOOT. Not this particular section.

Mr. OVERMAN. I am talking about the bill generally.

Mr. SMOOT. We have tried, wherever there is any ambiguity in the existing law, to clear it up so that there will be no doubt whatever as to the meaning of the law.

Mr. OVERMAN. Does it take an expert now to make out the returns?

Mr. SMOOT. We have simplified the form of returns as much as possible. I know the Senator will recognize that the form is very much more simple for 1923 than it was for 1922. But under existing law, with the taxes that are imposed, I do not see how it is possible to simplify them any more than they were simplified for the returns of 1923.

Mr. McKELLAR. I ask that this amendment may go over. The Senator says it is surplusage. It is quite the contrary, in my opinion. It is one of the most important provisions in the bill, as I read it. I may be mistaken about it. Rules and regulations issued by the Secretary of the Treasury are usually regarded as law, and the proviso says, "provided such regulations shall not enlarge or modify any provisions of this act and of any other law." That is proposed to be stricken out. I think it ought to stay in. I ask the Senator to let the amendment go over.

Mr. SMOOT. It may go over; but I will say to the Senator that they could not do that, anyhow. No regulation of any department can set aside the law.

Mr. McKELLAR. My understanding is that they do it.

Mr. SMOOT. We do not want them to do it.

Mr. McKELLAR. No; we do not, and we want to have it fixed so that they can not do it. This provision provides specifically that they can not do it. I want them to be prevented from doing it, and accordingly I want that language retained in the bill.

Mr. SMOOT. The amendment may go over, but they could not do any such thing, anyway.

Mr. McKELLAR. There is nothing like being specific about it.

Mr. FLETCHER. Where the language is so broad as this, "The commissioner, with the approval of the Secretary, is authorized to prescribe all needful rules and regulations for the enforcement of this act," that would seem to be a sort of limitation that the regulations adopted would have the force and effect of law.

Mr. SMOOT. No; it has been held to the contrary.

Mr. McKELLAR. I think the words should be left in anyway.

Mr. FLETCHER. The regulations made by the Department of Agriculture, for instance, where they are authorized to make regulations, have the force of law.

Mr. SMOOT. The regulations must be consistent with the law. It can not stand if it is in violation of the law.

Mr. McKELLAR. If that is so, what is the objection to having it specifically set out in the bill?

Mr. SMOOT. There is no objection if the Senator wants to load the bill up with unnecessary words.

Mr. McKELLAR. No; we do not want to load it up, but we want to have it perfectly clear and specific that neither the Secretary of the Treasury nor any other official shall ever make rules and regulations that have the force of law. It will never be done with my approval.

Mr. WADSWORTH. The Senator from Tennessee will undoubtedly agree with me that the very language which is contained in lines 4, 5, and 6 is inserted in practically every bill that we pass granting power to an executive department to do anything, and seldom if ever do we add the language which has here been stricken out.

Mr. McKELLAR. Yes; and it has been frequently held, too, that those rules have the force of law and are upheld.

Mr. WADSWORTH. Provided they are within the purview of the statute. I desire to remind the Senator that there is nothing strange, new, or mysterious in what the committee has done. We have it in practically every statute. If the Senator is deeply concerned about it, I advise him to go back to his office as soon as possible and get the Revised Statutes of the United States and bring in a series of amendments adding to a myriad of statutes the language which the House adds here.

Mr. McKELLAR. I think it is very important that it should be here in view of the large powers given.

Mr. WADSWORTH. I shall expect the Senator to offer a large number of amendments to existing law.

Mr. McKELLAR. I will take care of this one first.

Mr. FLETCHER. What the Senator from New York said is true. It is almost necessary that there should be some special provision, but the circumstances in connection with these tax matters are rather different from the ordinary legislative provisions regarding departments of the Government. I see no reason why these rules and regulations and all amendments thereto should not be reported to the Congress and be made public. One difficulty is that they may make rules and regulations in a day and nobody knows what they are. The taxpayer can not know and he is penalized, because he has not complied to some rule or regulation about which he knows nothing. I think it is a very excellent provision that the rules and regulations should be reported to Congress and become public property.

Mr. SMOOT. I want to say to the Senator that the rules and regulations are distributed by the hundreds of thousands. There is not a taxpayer in the United States who is at all interested who can not go to his local office and get 100 copies of them if he wants them.

Mr. FLETCHER. I know; but the department can make new ones every day in the week if they want to do so.

Mr. McKELLAR. And, as a matter of fact, they do make them in just that way. I have had very serious complaint time and again that a case has been submitted under the rules, and when the case is decided it is found that those rules have been altered or repealed and the case decided on an entirely new set of rules.

Mr. SMOOT. That would not make any difference in a situation of that kind.

Mr. McKELLAR. If it does not, we had better provide something that will make a difference, so the regulations may be reported and we may know and everybody may know what they are.

Mr. SMOOT. Of course, this is a general provision put in many laws for the purpose of allowing the officer having in charge the administration of the law power to make such rules and regulations as may be necessary. It is impossible for us to put into a law everything that may apply to every move made by the officer having in charge the enforcement of the law. That is all there is to it. No officer of the Government can make any rule or any regulation in violation of the law itself with any binding force.

Mr. FLETCHER. Not in violation of it; but he extends the law in a way or adds to the law or modifies the law without absolutely violating it. At any rate, I think the general provision is all right, and I am inclined to think there ought to be some limitation.

Mr. McKELLAR. The amendment will go over, anyway.

The PRESIDING OFFICER. The amendment will be passed over.

Mr. COPELAND. I would like permission to offer an amendment to be added on page 52, to insert a section to provide for deductions for doctor bills, hospital bills, and drugs used for remedial purposes.

Mr. SMOOT. Let the amendment be printed and lie on the table.

Mr. COPELAND. Very well.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

The next amendment was, in section 1102 (c), on page 242, line 25, before the words "to be," to strike out "or VII" and to insert "VII, or VIII," so as to read:

RECORDS, STATEMENTS, AND SPECIAL RETURNS

SEC. 1102. (a) Every person liable to any tax imposed by this act, or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations as the commissioner, with the approval of the Secretary, may from time to time prescribe.

(b) Whenever in the judgment of the commissioner necessary he may require any person, by notice served upon him, to make a return, render under oath such statements, or keep such records as the commissioner deems sufficient to show whether or not such person is liable to tax.

(c) The commissioner, with the approval of the Secretary, may by regulation prescribe that any return required by Titles IV, V, VI, VII, or VIII to be under oath may, if the amount of the tax covered thereby is not in excess of $10, be signed or acknowledged before two witnesses instead of under oath.

The amendment was agreed to.

The next amendment was, in section 1102, on page 243, after line 3, to insert:

(d) Any oath or affirmation required by the provisions of this act or regulations made under authority thereof may be administered by any officer authorized to administer oaths for general purposes by the law of the United States or of any State, Territory, or possession of the United States, wherein such oath or affirmation is administered, or by any consular officer of the United States.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, the amendment just agreed to allows oaths to be administered by notaries public in cases where under State laws they can administer oaths.

Mr. SMOOT. The object of the amendment is to remove any question as to the officers who are authorized to administer oaths under this act.

Mr. FLETCHER. That is a good provision.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the subhead "Administrative review," in section 1107, on page 246, line 20, after the word "section," to strike out "900" and to insert "1,000," and in line 21, after the word "administrative" to insert "or accounting," so as to make the section read:

SEC. 1107. In the absence of fraud or mistake in mathematical calculation, the findings of facts in and the decision of the commissioner upon (or in case the Secretary is authorized to approve the same, then after such approval) the merits of any claim presented under or authorized by the internal-revenue laws shall not, except as provided in section 1000, be subject to review by any other administrative or accounting officer, employee, or agent of the United States.

Mr. McKELLAR. Mr. President, let me ask the Senator from Utah does that mean that the accounting officer of the Treasury would not have such a right, or does it refer to him in any way?

Mr. SMOOT. Yes; that refers to the accounting officer.

Mr. McKELLAR. Does it refer to the comptroller?

Mr. SMOOT. Yes; it refers to the comptroller.

Mr. McKELLAR. I do not know just what effect it would have, but I am inclined to think that frequently the comptroller's supervision is very good.

Mr. SMOOT. I will say to the Senator that it is splendid; and not only that, but that his supervision saves millions and, indeed, hundreds of millions of dollars to the Government of the United States.

Mr. McKELLAR. I think it does, and I was merely wondering whether for that reason we ought to adopt the amendment. I am not going to ask that it go over; but if upon examination it shall be necessary to change it, I know we may have it reconsidered.

Mr. FLETCHER. This provision, if agreed to, would except rulings under the revenue laws from the consideration of the comptroller.

Mr. McKELLAR. In future the comptroller would have no power to pass on them. It is a very important provision. I do not know but what we had better let the amendment go over.

Mr. SMOOT. Mr. President, this only applies to the merits of the claim, not as to its legality at all. Of course the accounting officer has to pass upon every check that is paid.

Mr. McKELLAR. I do not know; but I think this provision rather makes an exception.

Mr. SMOOT. That is its object.

Mr. WADSWORTH. The provision relates to appeal claims under the administration of the tax law. The Senator from Tennessee would not imagine that such a question should go to the General Accounting Office?

Mr. SMOOT. It merely covers appeals on the merits of the claim.

Mr. McKELLAR. Such matters must go to the accounting officer now, or this amendment would not be necessary.

Mr. WADSWORTH. I suppose the provision is designed to clarify the matter, in order to make it plain that such cases shall not go to him. Let the Senator merely read the paragraph through. He does not, I assume, want the general accounting officer to pass upon the merits of a claim for refund under the tax law?

Mr. SMOOT. In the act of 1921 it was left out, and a question arose later as to why it was left out. Now we are merely putting it back.

Mr. McKELLAR. Has any question ever arisen between the accounting officer and the Treasury Department?

Mr. SMOOT. No; not as to the merits of the claim.

Mr. WADSWORTH. Only as to the legality of the payment.

Mr. McKELLAR. With the understanding that we may have a reconsideration of the amendment, if necessary, I shall not object.

The PRESIDING OFFICER. Without objection the amendment is agreed to. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the subhead "Limitation on assessments and suits by the United States," in section 1109 (b), on page 247, line 22, after the words "may be," to strike out "assessed at," and to insert "assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at," so as to read:

(b) In case of a false or fraudulent return with intent to evade tax, of a failure to file a required return, or of a willful attempt in any manner to defeat or evade tax, the tax may be assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at any time.

Mr. FLETCHER. Mr. President, I think that amendment ought to go over, in accordance with the action on other similar amendments.

Mr. SMOOT. This is merely an amendment involving a clerical change corresponding to the amendment which we made in section 278a and section 311a. I am told that those amendments were passed over; so this also ought to go over.

Mr. FLETCHER. They were passed over, and this amendment raises the same question that is involved in those amendments.

Mr. SMOOT. It raises the same question exactly.

The PRESIDING OFFICER. The amendment will be passed over.

Mr. FLETCHER. I am inclined to think that there ought to be stricken out from this language, and the language also on the previous pages where the question was involved, the words "of a failure to file a required return." In the case of fraud or any fraudulent attempt or intention on the part of any taxpayer, I have no objection to the Government proceeding immediately and without any notice, but for mere failure to file a return I think it would be extending the provision a little too far. At any rate, we had better let it go over, and, perhaps, we can offer an amendment to it later.

The PRESIDING OFFICER. The amendment has gone over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was in section 1109, at the top of page 248, to strike out "(c) Where the assessment of the tax is made within the period prescribed in subdivisions (a) and (b) such tax may be collected at any time by distraint or by a proceeding in court, but nothing in this subdivision shall be construed as preventing the beginning, without assessment, of a proceeding in court for the collection of the tax, before the expiration of the period provided in subdivision (a) for the beginning of such proceeding," and in lieu thereof to insert:

(c) Where the assessment of the tax is made within the period prescribed in subdivisions (a) and (b) such tax may be collected by distraint or by a proceeding in court, begun within six years after the assessment of the tax. Nothing in this act shall be construed as preventing the beginning, without assessment, of a proceeding in court for the collection of the tax at any time before the expiration of the period provided in subdivision (a) for the beginning of such proceding.

Mr. FLETCHER. That amendment ought to go over.

The PRESIDING OFFICER. The amendment will be passed over.

Mr. SMOOT. I call the attention of the Senator from Florida to the fact that this is exactly the same amendment that we agreed to at a point earlier in the bill, and there was no objection made to that amendment.

Mr. McKELLAR. The Senator refers to both subsections (c) and (d)?

Mr. SMOOT. Yes; I refer to both of them.

Mr. FLETCHER. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, in section 1109, on page 248, after line 16, to strike out "(d) This section shall not (1) authorize the assessment of a tax or the beginning of a proceeding in court for the collection of a tax if at the time of the enactment of this act such assessment or proceeding was barred by the period of limitation then in existence, or (2) affect any assessment made, or proceeding in court begun, before the enactment of this act," and in lieu thereof insert:

(d) This section shall not (1) authorize the assessment of a tax or the collection thereof by distraint or by a proceeding in court if at the time of the enactment of this act such assessment, distraint, or proceeding was barred by the period of limitation then in existence, or (2) affect any assessment made, or distraint or proceeding in court begun, before the enactment of this act.

Mr. FLETCHER. I wish to reserve that amendment, because the junior Senator from Georgia [Mr. GEORGE] is now absent.

Mr. SMOOT. The Senator from Georgia made the reservation on a previous amendment which is exactly similar.

Mr. FLETCHER. The Senator from Georgia also called my attention to the amendment on page 248 and suggested that it ought to go over. I have no objection, however, to agreeing to it, with the understanding that if he desires to reopen the question he shall have the privilege of doing so.

Mr. SMOOT. The Senator shall have that privilege.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the subhead "Limitation on prosecutions by the United States," in section 1110 (a), on page 249, line 10, after the word "is," to strike out "reenacted without change" and to insert "amended to read," so as to read:

LIMITATION ON PROSECUTIONS BY THE UNITED STATES

SEC. 1110. (a) The act entitled "An act to limit the time within which prosecutions may be instituted against persons charged with violating internal-revenue laws," approved July 5, 1884, is amended to read as follows:

The amendment was agreed to.

The next amendment was, in section 1110 (a), on page 249, line 16, after the word "offense," to insert a colon and the following proviso:

Provided, That for offenses involving the defrauding or attempting to defraud the United States or any agency thereof, whether by conspiracy or not, and in any manner, the period of limitation shall be six years, but this proviso shall not apply to acts, offenses, or transactions which were barred by law at the time of the enactment of the revenue act of 1924:

The amendment was agreed to.

The next amendment was, in section 1112, on page 251, line 15, before the word "All" to insert "(a)"; and in line 23, after the word "or," to strike out "sum," and to insert "sum," so as to read:

SEC. 3228. (a) All claims for the refunding or crediting of any internal-revenue tax alleged to have been erronously or illegally assessed or collected, or of any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected must, except as provided in section 281 of the revenue act of 1924, be presented to the Commissioner of Internal Revenue within four years next after the payment of such tax, penalty, or sum.

Mr. McKELLAR. That amendment relates to refunds. I ask that all the provisions affecting refunds may go over.

Mr. SMOOT. Does the Senator mean the entire section?

Mr. McKELLAR. I mean all the provisions relating to refunds on pages 250, 251, and 252, down to line 17 on that page.

The PRESIDING OFFICER. That portion of the bill will be passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the subhead "Limitations upon suits and proceedings by the taxpayer," in section 1115; on page 253, line 20, after the word "repealed," to insert "and any claim for credit or refund of taxes imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, the revenue act of 1921, or any such act as amended, heretofore denied in whole or in part because of the provisions of such section may be reopened and decided without reference to its provisions," so as to make the section read:

SEC. 1115. Section 3225 of the Revised Statutes, as amended, is repealed and any claim for credit or refund of taxes imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, the revenue act of 1921, or any such act as amended, heretofore denied in whole or in part because of the provisions of such section may be reopened and decided without reference to its provisions.

The PRESIDING OFFICER. The Chair will ask whether the Senator from Tennessee also desires the amendment just stated to go over?

Mr. McKELLAR. I ask that all amendments under the heading "Refunds" may go over.

Mr. SMOOT. The amendment just stated is a limitation upon judicial proceedings. There is not anything in the amendment to which the Senator can object, I think, because it is designed to secure greater clarity; that is all there is to it.

Mr. KING. May I inquire whether the provision in respect to the creation of a board of tax appeals has gone over?

Mr. SMOOT. That has gone over.

Mr. KING. I have been compelled to be with the conferees on the immigration bill all morning, and I have not been able to follow the bill.

Mr. McKELLAR. I should like to have the amendment last stated go over, and I would also like——

Mr. SMOOT. Does the Senator mean the amendment on page 253?

Mr. McKELLAR. No; not the limitation; I have no objection to that at all; but I should like to have the amendment

on page 262, that provides for the payment of interest on refunds, to go over.

The PRESIDING OFFICER. Without objection, the amendment at the bottom of page 253 is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, under the subhead "Penalties," on page 254, after line 7, to strike out:

SEC. 1017. (a) Any person required under this act to pay, or to collect, account for, and pay over, any tax, or required by law or regulations made under authority thereof to make a return, keep any records, or supply any information, for the purposes of the computation, assessment, or collection of any such tax, who willfully refuses to pay, collect, or truthfully account for and pay over, any such tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, or who willfully attempts in any manner to evade such tax, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and be fined not more than $10,000 or imprisoned for not more than one year, or both, together with the costs of prosecution.

And in lieu thereof to insert:

SEC. 1117. (a) Any person required under this act or regulations made under authority thereof to keep any records or supply any information, for the purposes of the computation, assessment, or collection of any tax imposed by this act, who fails to keep such records or supply such information at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be subject to a penalty of not more than $1,000.

Mr. FLETCHER. Mr. President, will this section 1117 (a) penalize a business man, for instance, who fails to keep proper books of account and data of that sort? It seems to me the penalties are very drastic except where there has been a failure to keep the records with deliberate intent to defraud the Government. A small storekeeper, for instance, does not want to employ a regular bookkeeper to keep a full set of double-entry books. There is a question in my mind as to whether this provision would apply to him.

Mr. SMOOT. Not at all, and I will say to the Senator that we have adopted the existing law in this instance. The experience of the department is such that they think it is absolutely necessary to continue the existing law without any change. It does not apply to a case like that to which the Senator has referred.

Mr. OVERMAN. Why does it not?

Mr. FLETCHER. It is rather broad. It says:

Any person required under this act or regulations made under authority thereof to keep any records or supply any information, for the purposes of computation, assessment, or collection of any tax imposed by this act, who fails to keep such records or supply such information at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be subject to a penalty of not more than $1,000.

Mr. SMOOT. Suppose we did not have this provision in the bill, and the taxpayer should say, when requested to furnish certain information by the department, that he did not have it and did not keep any books, and he should put up that as a defense. There is no rule or regulation in this matter; but we certainly have to have in the law some way to enforce the procurement of the information that is asked for by the Government. It has always been done in the past under the existing law. The provision has got to be reasonably administered; we understand that.

Mr. FLETCHER. I can see how the Government ought to be protected so far as possible; but at the same time the language is very broad. It says:

Who fails to * * * supply such information at the time or times required by law.

The information might possibly not be available, or it might be impossible to supply the particular kind of information required without any purpose at all to defraud.

Mr. SMOOT. Then it would not apply. I have not heard anybody complain of the provision of the existing law in this respect.

Mr. FLETCHER. I have no complaint about it, but I am struck with the idea of what might occur under it.

Mr. WADSWORTH. The word "willfully" appears to be left out of the amendment.

Mr. SMOOT. That is the House provision?

Mr. WADSWORTH. I understand that, but in the amendment the word "willfully" is not included.

Mr. SMOOT. It is not in the present law.

Mr. WADSWORTH. May I ask the Senator from Utah which is the present law and which is the House provision?

Mr. SMOOT. The language of the present law begins in section 1117a, as amended by the Senate committee and reported to the Senate.

Mr. WADSWORTH. That is the present law?

Mr. SMOOT. Yes; that is the present law.

Mr. WADSWORTH. What was the object of the Senate committee in striking out the House provision?

Mr. SMOOT. They thought the existing law was better than the House provision, more clear and more direct.

Mr. WADSWORTH. The significant difference which I see, and which at first blush led me to prefer the House language, is the fact, for example, that in line 13, page 254, we find this language:

Who willfully refuses to pay, collect, or truthfully account for and pay over, * * * keep such records, or supply such information—

Who "willfully" refuses to keep such records and supply such information, and so forth.

In the committee amendment, which the Senator says is a restoration of the existing statute, the word "willfully" is left out.

Mr. SMOOT. If the word "willfully" was put in there, then the Government would not have any remedy whatever, unless it could be proven that it was willfully done. There would be no penalty at all.

Mr. GERRY. Mr. President, will the Senator from Utah allow me to interrupt him?

Mr. SMOOT. I yield.

Mr. GERRY. I agree with the Senator from New York as to his contention with regard to the use of the word "willfully," but does not the word "willfully" in line 9 cover the construction of the remainder of the paragraph?

Mr. WADSWORTH. In line 9, of which page?

Mr. SMOOT. On page 255, where it reads:

Who willfully fails to pay such tax.

Mr. GERRY. It reads:

Who willfully fails to pay such tax.

Mr. WADSWORTH. No. What I am referring to is subdivision (a) of section 1117. It may be the present law, but that does not make it right.

Mr. FLETCHER. I wish to offer an amendment to the amendment.

Mr. WADSWORTH. Just a moment. Under subdivision (a), any person who fails to keep such records or supply such information at the time or times required by law or regulations is subject to a penalty, in addition to other penalties provided by law, of not more than $1,000.

Mr. GERRY. I misunderstood the paragraph to which the Senator was referring. I think he is right with regard to the first paragraph.

Mr. WADSWORTH. I want to know why in that case the word "willfully" should not be used.

Mr. SMOOT. If the word "willfully" is used there is no penalty, and we can not get the information.

Mr. WADSWORTH. I think that is scarcely a fair statement, Mr. President.

Mr. SMOOT. I will add, then, in case they did not want to give it.

Mr. WADSWORTH. It is entirely within the powers of the department to notify the prospective taxpayer, after an examination of his records and books, that they do not disclose all the information desired. Therefore they may direct him to furnish additional records, or to keep in the future better records; and then, if he willfully refuses to comply, he should be subject to a penalty. As the language is now drawn, however, an innocent failure, as I read it, to have his records and books kept in the way prescribed by the regulations of the department may subject him to a penalty as high as $1,000.

Mr. SMOOT. Provided he did not make a return; that is true.

Mr. WADSWORTH. I see nothing in that paragraph about making a return.

Mr. FLETCHER. If the taxpayer fails to furnish information required by any regulation the department might make, of which the taxpayer might have no knowledge at all, he is subject to this penalty.

Mr. SMOOT. I have not heard of anybody in the United States complaining of it, and it has been the law since we put this heavy taxation into force.

Mr. WADSWORTH. If that is the case, why did the House change it? The House inserted the word "willfully," and the Senate committee has stricken it out. There must have been

question he shall have the privilege of doing so.

Mr. SMOOT. The Senator shall have that privilege.

Mr. McKELLAR. No; not the limitation; I have no objection to that at all; but I should like to have the amendment

some reason for it, and I want to know the reason; and the significant change or difference is the absence of the word "willfully."

Mr. FLETCHER. It seems to me that it is entirely safe for the Government to insert the word "willfully" on line 1, after the word "who," so that it will read:

Any person required under this act * * * to keep any records or supply any information * * * who willfully fails to keep such records or supply such information at the time or times required by law—

And so forth.

If the Government proves that the person was required by law or regulation to keep such records or to furnish such information, and he does not do it, the Government has a prima facie case. If he is able to show that he did not know of the regulation complained of, that he has not willfully failed to comply with it, that he has not done it to evade any tax at all, but that he simply failed to give the information because he did not know it was required of him under any regulations issued by the department, it seems to me that ought to be a good defense, and he ought to be relieved of any penalty or punishment.

As this amendment is up now, and I think it is in order at this time, I move to amend the amendment in line 1, page 255, after the word "who," by inserting the word "willfully."

Mr. SMOOT. Mr. President, if the Senator objects only to the omission of the word in connection with the keeping of the records—and that is all that he could possibly object to—why not strike out in line 23 the words "to keep any records or," so that it will then read:

Any person required under this act or regulations made under authority thereof to supply any information for the purposes of the computation, assessment, or collection of any tax imposed by this act—

And so forth.

If the Senator does not think we ought to say that the taxpayer shall keep records, strike out the records and let it apply only to the furnishing of information.

Mr. FLETCHER. I have no objection to the law applying both to the records and to the information, provided the man is not violating the law knowingly.

Mr. GERRY. Mr. President, I think the same objection which applies to the failure to use the word "willfully," in connection with the keeping of records, applies also to supplying information. The real question there is the question of intent. That is what the Senator from New York [Mr. WADSWORTH] and the Senator from Florida [Mr. FLETCHER] are driving at; and I do not think that the department should be able to penalize a citizen or an individual because he has failed to comply with certain regulations or has failed to give certain information that they have desired. It may be that unintentionally he has not answered certain communications, and in that case a perfectly innocent individual would be subject to a rather heavy penalty. I see no reason why the word "willfully" should not be inserted, so that the burden of proof may be on the Government to show that there was an improper motive in withholding the information.

Mr. SMOOT. Mr. President, rather than have the word "willfully" inserted in paragraph (a), section 1117, I would rather strike out the whole paragraph.

The PRESIDING OFFICER. The Senator from Florida offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 255, line 1, after the word "who," it is proposed to insert the word "willfully," so that it will read:

who willfully fails to keep such records—

And so forth.

Mr. SMOOT. Then there will be two paragraphs on the subject. We had better strike out (a) entirely, because the word "willfully" is in paragraph (b). There is no need of having both of them in the bill if we are going to have the word "willfully" in both, because if that word is used, paragraph (b) covers the whole thing.

Mr. FLETCHER. No; one covers furnishing information and keeping records and the other covers failure to pay.

Mr. SMOOT. One covers information, and if we take out the records they both cover information. The bill says specifically, in paragraph (b):

who willfully fails to pay such tax, make such return, keep such records, or supply such information.

If Senators want to use the word "willfully," then it would be better to strike out paragraph (a) entirely.

Mr. OVERMAN. I do not see any use for it, anyhow. Let us strike it out.

Mr. SMOOT. The only use for it was that they did not want to use the word "willfully" there. They wanted the information.

Mr. OVERMAN. The matter is covered in the next section.

Mr. SMOOT. Rather than have any controversy about it, I ask that paragraph (a) of section 1117 be rejected.

Mr. FLETCHER. I have no objection to that.

Mr. KING. Mr. President, I am not sure that the motion just made by the senior Senator from Utah [Mr. SMOOT] ought to be agreed to. It is unfortunate, but nevertheless it is true that many large corporations and some individuals of large means have concealed their assets and their profits. Their system of bookkeeping has been so misleading that their books have not reflected the true earnings or profits or assets of such corporations and such individuals. We must remember that a tax bill such as this is has to deal not only with the honest taxpayer but with the dishonest taxpayer; not only with those who willingly place before the Government officials all of their assets and all of their business transactions, so far as they relate to taxation, but with those who deliberately and intentionally conceal their business activities for the purpose of evading an honest tax.

It is a matter of common knowledge that large corporations in the United States have avoided taxation. They have done it by failing to keep proper books—books that would reflect the true condition of their business transactions and the profits which have been made. Their books likewise in some instances have claimed credits for obsolescence, for depletion, for depreciation in value of property, that were not fair or honest. Therefore, there should be a provision that will provide for the keeping of records that will enable the Government to determine just what the taxes ought to be, and there ought to be a penalty for those who willfully refuse to keep the proper books in order that the Government may ascertain what an honest and fair tax would be.

If paragraph (a) covers that point, as I think it does, if the word "willfully" is added, then obviously that is proper; and to strike it out, unless there is another provision that would cover the same thought, would be highly improper. I think it is better to retain it, accepting the amendment offered by the Senator from Florida, and that would meet the objection which he has, and that would put it beyond the peradventure of a doubt as to the intent of the legislature, and would make it less possible for the dishonest taxpayer to avoid the payment of his taxes or evade the keeping of records required by law.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida [Mr. FLETCHER] to the amendment of the committee.

Mr. SMOOT. Mr. President, will the Senator withhold that amendment? I think paragraph (a) ought to go out entirely.

Mr. FLETCHER. Mr. President, the Senator from Utah [Mr. KING] rather thought this paragraph ought to stay in because he was in doubt about its being covered by other provisions of the law. I was just going to reply to that and call his attention to paragraph (b), which does seem to cover the matter as far as any willful violation is concerned.

Mr. SMOOT. It covers the same thing.

Mr. FLETCHER. So that in case paragraph (b) is agreed to, there would be really no occasion for paragraph (a) at all.

With reference to the observation made by the Senator from Utah [Mr. KING] that paragraph (b) takes care of any willful failure to keep records or furnish information, I think that is the case; and therefore I see no reason why we should not just disagree to the Senate amendment as to paragraph (a), and then proceed with paragraph (b).

Mr. SMOOT. That was my motion.

The PRESIDING OFFICER. Does the Senator from Florida withdraw his amendment?

Mr. FLETCHER. I withdraw the amendment.

The PRESIDING OFFICER. The question, then, is upon agreeing to the committee amendment, paragraph (a).

The amendment was rejected.

Mr. SMOOT. Now, of course, the lettering of the subsequent paragraphs should be changed.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 255, line 5, following the words reported by the committee and rejected, to insert:

(a) Any person required under this act to pay any tax, or required by law or regulations made under authority thereof to make a return, keep any records, or supply any information, for the purposes of the computation, assessment, or collection of any tax imposed by this act,

ment the word "willfully" is not included.

Mr. SMOOT. It is not in the present law.

change it? The House inserted the word "willfully," and the Senate committee has stricken it out. There must have been

who willfully fails to pay such tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than one year, or both, together with the costs of prosecution.

(b) Any person required under this act to collect, account for and pay over any tax imposed by this act, who willfully fails to collect or truthfully account for and pay over such tax, and any person who willfully attempts in any manner to evade or defeat any tax imposed by this act or the payment thereof, shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

(c) Any person who willfully (1) aids or assists in the preparation or presentation of a false or fraudulent return, affidavit, claim, or document, authorized or required by the internal revenue laws, or (2) procures, counsels, or advises the preparation or presentation of such return, affidavit, claim, or document, shall (whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document) be guilty of a felony and, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

The amendment was agreed to.

The next amendment was, on page 256, line 15, before the word "Any" to strike out "(b)" and to insert "(d)"; in the same line, after the word "willfully," to strike out "refuses" and to insert "fails"; and in line 17, after "VII," to strike out "and VIII" and to insert "VIII and IX, or willfully attempts in any manner to evade or defeat any such tax or the payment thereof,"; so as to read:

(d) Any person who willfully fails to pay, collect, or truthfully account for and pay over any tax imposed by Titles IV, V, VI, VII, VIII, and IX, or willfully attempts in any manner to evade or defeat any such tax or the payment thereof, shall, in addition to other penalties provided by law, be liable to a penalty of the amount of the tax evaded, or not paid, collected, or accounted for and paid over, to be assessed and collected in the same manner as taxes are assessed and collected. No penalty shall be assessed under this subdivision for any offense for which a penalty may be assessed under authority of section 3176 of the Revised Statutes as amended, or for any offense for which a penalty has been recovered under section 3256 of the Revised Statutes.

The amendment was agreed to.

The next amendment was, on page 257, line 4, to change the number of the paragraph from "(c)" to "(e)."

The amendment was agreed to.

The next amendment was, under the subhead "Interest on refunds and credits," in section 1119, on page 262, line 12, after the words "rate of," to strike out "5 per cent" and to insert "6 per cent," so as to read:

SEC. 1119. Upon the allowance of a credit or refund of any internal-revenue tax erroneously or illegally assessed or collected, or of any penalty collected without authority, or of any sum which was excessive or in any manner wrongfully collected, interest shall be allowed and paid on the amount of such credit or refund at the rate of 6 per cent per annum from the date such tax, penalty, or sum was paid to the date of the allowance of the refund, or in case of a credit, to the due date of the amount against which the credit is taken, but if the amount against which the credit is taken is an additional assessment, then to the date of the assessment of the amount. The term "additional assessment" as used in this section means a further assessment for a tax of the same character previously paid in part.

Mr. SMOOT. The Senator from Tennessee was compelled to leave the Chamber, and he asked that this amendment be passed over when reached.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment was, under the subhead "Payment of and receipts for taxes," in section 1121 (b), on page 263, line 22, after the words "of any," to strike out "tax (other than stamp tax)" and to insert "income tax," so as to read:

(b) Every collector to whom any payment of any income tax is made shall upon request give to the person making such payment a full written or printed receipt, stating the amount paid and the particular account for which such payment was made; and whenever any debtor pays taxes on account of payments made or to be made by him to separate creditors the collector shall, if requested by such debtor, give a separate receipt for the tax paid on account of each creditor in such form that the debtor can conveniently produce such receipts separately to his several creditors in satisfaction of their respective demands up to the amounts stated in the receipts; and such receipt shall be sufficient evidence in favor of such debtor to justify him in withholding from his next payment to his creditor the amount therein stated; but the creditor may, upon giving to his debtor a full written receipt acknowledging the payment to him of any sum actually paid and accepting the amount of tax paid as aforesaid (specifying the same) as a further satisfaction of the debt to that amount, require the surrender to him of such collector's receipt.

The amendment was agreed to.

The next amendment was, under the subhead "Method of collecting tax," in section 1122, on page 264, at the end of line 26, to strike out "or VII" and to insert "VII, or VIII," and on page 265, line 7, after the word "Title," to strike out "VIII" and insert "IX," so as to make the section read:

SEC. 1122. Whether or not the method of collecting any tax imposed by Titles IV, V, VI, VII, or VIII is specifically provided therein, any such tax may, under regulations prescribed by the commissioner, with the approval of the Secretary, be collected by stamp, coupon, serial-numbered ticket, or such other reasonable device or method as may be necessary or helpful in securing a complete and prompt collection of the tax. All administrative and penalty provisions of Title IX, in so far as applicable, shall apply to the collection of any tax which the commissioner determines or prescribes shall be collected in such manner.

The amendment was agreed to.

The next amendment was, on page 272, after line 2, to insert:

ENFORCEMENT OF TAX LIENS

SEC. 1130. Section 3207 of the Revised Statutes is amended to read as follows:

"SEC. 3207. (a) In any case where there has been a refusal or neglect to pay any tax, and it has become necessary to seise and sell real estate to satisfy the same, the Commissioner of Internal Revenue may direct a bill in chancery to be filed, in a district court of the United States, to enforce the lien of the United States for tax upon any real estate, or to subject any real estate owned by the delinquent, or in which he has any right, title, or interest, to the payment of such tax. All persons having liens upon or claiming any interest in the real estate sought to be subjected as aforesaid, shall be made parties to such proceedings and be brought into court as provided in other suits in chancery therein. And the said court shall, at the term next after the parties have been duly notified of the proceedings, unless otherwise ordered by the court, proceed to adjudicate all matters involved therein, and finally determine the merits of all claims to and liens upon the real estate in question, and in all cases where a claim or interest of the United States therein is established shall decree a sale of such real estate, by the proper officer of the court, and a distribution of the proceeds of such sale according to the findings of the court in respect to the interests of the parties and of the United States.

"(b) Any person having a lien upon or any interest in such real estate, notice of which has been duly filed of record in the jurisdiction in which the real estate is located prior to the filing of notice of the lien of the United States as provided by section 3186 of the Revised Statutes as amended, or any person purchasing the real estate at a sale to satisfy such prior lien or interest, may make written request to the Commissioner of Internal Revenue to direct the filing of a bill in chancery as provided in subdivision (a), and if the commissioner fails to direct the filing of such bill within six months after receipt of such written request, such person or purchaser may, after giving notice to the commissioner, file a petition in the district court of the United States for the district in which the real estate is located, praying leave to file a bill for a final determination of all claims to or liens upon the real estate in question. After a full hearing in open court the district court may, in its discretion, enter an order granting leave to file such bill, in which the United States and all persons having liens upon or claiming any interest in the real estate shall be made parties. Service on the United States shall be had in the manner provided by sections 5 and 6 of the act of March 3, 1887, entitled 'An act to provide for the bringing of suits against the Government of the United States.' Upon the filing of such bill the district court shall proceed to adjudicate the matters involved therein in the same manner as in the case of bills filed under subdivision (a) of this section. For the purpose of such adjudication the assessment of the tax upon which the lien of the United States is based shall be conclusively presumed to be valid, and all costs of the proceedings on the petition and the bill shall be borne by the person filing the bill."

Mr. KING. Mr. President, I see in the Chamber the attorney who has been so valuable in the preparation of the bill, and I ask the chairman of the Committee on Finance to what extent this amendment modifies the existing law, and, if it was deemed necessary to modify the existing law, why did not the House take up that matter?

Mr. SMOOT. Paragraph (a) of section 3207 is existing law, word for word. Paragraph (b) is new. Paragraph (b) is found

necessary in order to protect the Government interests. In other words, if there is a prior lien upon property held by any individual, and that lien is foreclosed and the property sold just for the amount of money the prior obligation amounts to, to-day the Government has no way of going into a district court and intervening, and if the property is more valuable than the amount of the obligation held by the private party under paragraph (b), the Government will get some relief.

Mr. KING. That was my understanding; but I was wondering why the House did not take the matter up.

Mr. SMOOT. I do not know why the House did not put it in. I can not say why, but the experience of the department has shown that it is absolutely necessary to protect the interests of the Government.

Mr. KING. I recall the discussion in our committee, but I had no recollection as to whether the matter was presented concerning the attitude of the House us to this matter. I assume, then, that it was not considered in the House, and that there will be no antagonism by the House committee to this amendment.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 274, line 11, after the word "Title," to strike out "XI" and insert "XII," so as to make the heading read:

Title XII—General provisions.

The amendment was agreed to.

The next amendment was, under the subhead "Repeals," in section 1200 (a), on page 274, line 22, after "Messages")," to strike out "except subdivision (d) of section 500, effective on the expiration of 30 days after the enactment of this act," so as to read:

Title V (called "Tax on telegraph and telephone messages").

Mr. SMOOT. Let that amendment go over.

Mr. KING. I was about to suggest to the attorney that he examine the bill carefully to see that a saving provision is attached, so that any rights the Government has will not be lost by the repealing provision. I am afraid there is not a sufficiently saving provision found in the bill.

Mr. SMOOT. Paragraph (b), on page 275, line 24, takes care of the very matter to which the Senator has referred.

Mr. KING. It does as to a part of it, but I am not sure that it does as to all.

The PRESIDING OFFICER. The amendment at the bottom of page 274 will be passed over.

The next amendment was, in section 1200 (a), on page 275, line 8, after the word "Sections," to strike out the numerals "900," so as to read:

Sections 901, 902, 903, and 904 of Title IX (being certain excise taxes).

The amendment was agreed to.

The next amendment was, in section 1200 (a), on page 275, line 10, after the word "Section," to insert "900 of Title IX (being certain excise taxes) and section," so as to read:

Section 900 of Title IX (being certain excise taxes) and section 905 of Title IX (being the tax on jewelry and similar articles), effective on the expiration of 30 days after the enactment of this act.

Mr. KING. I make the same suggestion to counsel in regard to this paragraph—that he examine the protective provisions to see that any rights which the government has will not be lost by the repealing clauses of the act.

Mr. OVERMAN. That should be done in the committee rather than by making suggestions here to counsel.

Mr. SMOOT. I am sure that it will be attended to very carefully.

The amendment was agreed to.

The next amendment was, on page 276, after line 22, to insert:

LEGISLATIVE DRAFTING SERVICE

SEC. 1201. Section 1303 of the revenue act of 1918 is amended by adding at the end thereof a new subdivision to read as follows:

"(d) After this subdivision takes effect the legislative drafting service shall be known as the office of the legislative counsel, and the two draftsmen shall be known as legislative counsel. The positions of legislative counsel shall be allocated from time to time by the President of the Senate and the Speaker of the House of Representatives, jointly, to the appropriate grade in the compensation schedules of section 13 of the classification act of 1923. The rate of compensation of each of the two legislative counsel shall be fixed from time to time, within the limits of such grade, by the President of the Senate and the Speaker of the House of Representatives, respectively. The increased compensation provided for in this subdivision shall, when fixed, be in lieu of the salary specified in subdivision (a). The legislative counsel shall have the same privilege of free transmission of official mail matter as other officers of the United States Government."

Mr. OVERMAN. Why is this provision for a drafting service included in a tax bill? It ought to be provided for in a separate statute, passed regularly by the Congress, fixing the salaries and making appropriations instead of including it in a tax bill. I can not understand why such a provision for a drafting service is put into the pending bill.

Mr. SMOOT. The creation of the drafting service was provided for in the revenue act of 1918, and that is the reason why we have covered it in this bill. If it had not been provided for in the act of 1918, we would not have undertaken to include it here.

Mr. OVERMAN. I suggest to the Senator that he prepare a bill and that we pass it, providing for this service, instead of providing for it in a tax bill. Let us get a law on the subject establishing this service.

Mr. SMOOT. I suggest to the Senator that we let this provision go to conference, and see what can be done.

Mr. OVERMAN. It is all very indefinite. The Speaker of the House and the President of the Senate can appoint anyone they choose, and fix the salaries.

Mr. SMOOT. If the Senator will notice, on page 237 it is provided that their compensation shall fall under the classification act of 1922. They are to be paid just the same as they would be paid under that act. They will get the salary provided in whatever bracket of the classification they fall under, and they will not get any more. If they fall within a certain rate of pay, they ought to get it.

Mr. OVERMAN. I understand that the Senator is willing to let it go to conference, and let the conferees of the Senate and the House take up the question. I make the suggestion that it is all irregular to provide in the pending bill for this drafting service. There ought to be something definite. The way it is, it is very indefinite.

Mr. SMOOT. It would not have been undertaken if it had not been originally provided for in the act of 1918.

Mr. FLETCHER. It is an amendment of an existing statute?

Mr. SMOOT. Certainly.

CHILD LABOR, CONSTITUTIONAL AMENDMENT

Mr. PITTMAN. Mr. President, the senior Senator from Arkansas [Mr. ROBINSON] is unavoidably absent at the present time, and it has come to my attention that an article appeared in the Washington Herald this morning which purports to contain a telegram addressed by the senior Senator from Illinois [Mr. McCORMICK] to Mrs. Maud Wood Park, president of the League of Women Voters. The telegram is inaccurate, and does a serious injustice to the Senator from Arkansas. I desire that the article be read from the desk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read.

The reading clerk read as follows:

SAYS MINORITY DELAYS ACTION ON CHILD LABOR—G. O. P. SENATE LEADER WIRES WOMEN VOTERS DEMOCRATS REFUSE TO AGREE ON DATE—RIVALS DENY CHARGE—DECLARE THEY ARE IN FAVOR OF LEGISLATION TO PROTECT JUVENILE WORKERS IN UNITED STATES

(By Universal Service)

Republican and Democratic Senators have reached another impasse over the child labor amendment.

Leaders of each party accuse the other of causing delay in that legislation.

BRINGS ISSUE UP

Senator McCORMICK, of Illinois, yesterday brought the issue to the fore by a telegram he sent to Mrs Maud Wood Park, president of the League of Women Voters, in convention at Buffalo, charging that Senator ROBINSON, of Arkansas, the minority leader, refused to agree to a date on which to vote on the child labor amendment. The telegram reads:

"The child labor amendment is to be taken up in the House today. As you know I have sponsored the child labor amendment in the Senate for the permanent council for the prevention of Child Labor. At my request, Senator LODGE, in behalf of the Republican majority, has asked consent that a date be fixed when we may vote on the child labor amendment. Senator ROBINSON, in behalf of the Democratic minority, has refused that request. In my judgment it is unnecessary to solicit the support of any Republican Senator for the amendment, but you will have a heavy task in inducing many of the Democratic Senators to agree even to permit a vote on the child labor amendment."

Mr. PITTMAN. Mr. President, not only is the statement of the Senator from Illinois incorrect as to the facts—and it is strange that he should have made that mistake, as he was present in the Chamber at the time the occurrence took place—but he has gone further and made a statement that is a misrepresentation of the Senator from Arkansas [Mr. ROBINSON] with regard to the attitude of the Democrats on this side of the Chamber. I think possibly the best answer to the telegram of the Senator from Illinois is to read from the CONGRESSIONAL RECORD of April 23, at page 6985, exactly what took place:

Mr. LODGE. Mr. President, will the Senator from Alabama yield to me for a moment?

Mr. UNDERWOOD. I yield to the Senator from Massachusetts.

Mr. LODGE. I simply desire to submit a request for unanimous consent. I ask unanimous consent that Senate Joint Resolution 1, the child labor constitutional amendment, so called, be taken up on the conclusion of the consideration of Senate Resolution 211, about which the Senate made a unanimous-consent agreement yesterday. I ask the senior Senator from Arkansas [Mr. ROBINSON] if there will be any objection to entering into such an agreement?

Mr. ROBINSON. Personally I would have no objection to such an arrangement, but I suggest to the Senator from Massachusetts, at the instance of Senators about me, that perhaps the arrangement had best be deferred for the present until some consultation may be had.

Mr. LODGE. Very well; I shall not press it at this time, but will take it up later. I thank the Senator from Alabama.

Mr. WARREN. Mr. President, I wish to say in connection with the requests for unanimous consent to farm out time in the future that we are getting far afield. So far as I am concerned, I shall consider it my duty to object to such proposals until we can get further along in the matter of disposing of appropriation bills that are piling up one on the other, with no opportunity for Senators in charge of those bills to get the floor, because with matters of immigration, the bonus, and so forth, the floor is occupied all the time, and it would seem now to be proposed to reach into the future and dispose of the time next week and the week after that. I shall object to that kind of a procedure.

If there was any intimation whatever that there was to be an objection to the unanimous-consent request, the RECORD discloses that the distinguished Senator from Wyoming [Mr. WARREN], chairman of the Committee on Appropriations, was the Senator who would object.

As a matter of fact, it was evident, knowing the position of the Senator from Arkansas in the past and at present on the child labor amendment, that he had no intention of objecting. It was perfectly evident to the Senator from Illinois that the Senator from Arkansas has always been a strong advocate of that amendment, and is now a strong advocate of it. He knows that nearly every Senator on this side of the Chamber has spoken and voted for a similar joint resolution to amend the Constitution in the past and is in favor of it now.

The Senator from Illinois understood that and he also understood, as well as did the Senator from Massachusetts [Mr. LODGE], that when the matter was being brought up without any conference between the two leaders, the leader on the Republican side and the leader on the Democratic side, the Senators on the minority side were not in a position to agree to any particular date to take up that resolution or any other resolution. There was pending at that very moment important legislation in this body and, as the Senator from Wyoming [Mr. WARREN] said, there were appropriation bills piling up on top of each other that had a prior right to consideration by the Senate.

Yet the Senator from Illinois attempted to create the impression in the minds of this large body of influential women in the country that the Senator from Arkansas objected to the unanimous consent and that in that action he represented the minority in opposition to the resolution. There is no foundation for that whatever, as disclosed by the colloquy which I have just read from the CONGRESSIONAL RECORD.

It was unfair to the Senator from Arkansas. It was unfair to the Democratic minority. As a matter of fact it was unfair to the Senator from Wyoming. The Senator from Wyoming is not opposed to its consideration, and yet he stated right at that time that he does not intend to stand for the procedure of farming out the time in the future until the appropriation bills are disposed of. He must have understood, as the Senator from Massachusetts understood, that it was a matter upon which they should confer with regard to time.

By reason of the fact that the Senator from Arkansas is absent from the Senate and has been absent since day before yesterday, I have taken this occasion to place in the RECORD the telegram of the Senator from Illinois and to read from the RECORD exactly what took place in the Senate that day.

Mr. McCORMICK. Mr. President, unhappily I was not present during the first part of the remarks of the Senator from Nevada. If I have done the Senator from Arkansas any injustice I greatly regret it. Among the Senators on his own side he has no warmer admirer or greater friend than I am. The facts presently will demonstrate where the opposition to the amendment lies. The debate upon the subject during the last Congress, as the Senator from Nevada will recall, showed that the greater part of the opposition was on the other side of the Chamber. I hazard the conjecture that when the leader of the majority again asks for unanimous consent to fix a day for debate and a vote upon the proposed constitutional amendment, if there be any objection it will not be on this side of the Chamber.

Mr. PITTMAN. That is far afield of the question as to what may happen. I was discussing the Senator's telegram, of which he has knowledge, and I read from the RECORD which contradicts it. What may happen in the future I do not know nor does the Senator from Illinois. There is one thing certain, that Senators on both sides of the Chamber have shown by their votes and by their speeches that they are overwhelmingly in favor of a child-labor resolution.

It would appear from the Senator's telegram that if one Senator objected to a unanimous-consent request to take up the resolution, it was dead. As a matter of fact this body may at any time by motion take up any measure pending on the calendar. If the Senator from Illinois, who was sitting here and whose telegram states that he prompted the Senator from Massachusetts to ask for the unanimous consent, had been anxious that the joint resolution be taken up at the time the unanimous consent request was made for that purpose, he could have made it a special order by presenting a motion to that effect. He could have taken it up on a motion immediately before the pending legislation was taken up. There are enough votes here, as he knows, to carry such a motion. Yet he sat in his seat while the colloquy was going on which I have read, and remained silent. He did not rise to protest. He did not rise to make the speech he has just now made. He made no motion to make the joint resolution a special order. He made no motion to take it up, but he ran to the telegraph office to send the telegram which has just been read, which is not an accurate statement of the position taken in the Senate by the Senator from Arkansas [Mr. ROBINSON] or the position that he has taken in the past with regard to the resolution.

I am glad that the Senator from Illinois has stated that he is a friend of the Senator from Arkansas and that he likes him and admires him. If anything that he has said can be considered as an apology for his action toward the Senator from Arkansas I think it would be a good thing as between friends.

Mr. McCORMICK. I think I was not in the Chamber at the time the Senator from Massachusetts made the request. But be that as it may, the Senator will recall from our experience in the last debate that even though a majority of the Senators, and even though two-thirds of the Senators are in favor of such an amendment, a discussion of the subject may be so greatly prolonged that no action may be had upon the proposed amendment.

Mr. HARRISON. Mr. President, I am a little surprised at the distinguished Senator from Illinois [Mr. McCORMICK] sending this telegram under the circumstances and then refusing to make apology, not to the distinguished Senator from Arkansas [Mr. ROBINSON], the leader on this side of the aisle, but to the minority over here. The impression which the Senator sought to create in the minds of these good women, who happen now to be voters, was that the minority was opposed to any consideration of the child-labor amendment and should be held accountable therefor.

Mr. McCORMICK. Is the Senator from Mississippi going to vote for the amendment?

Mr. HARRISON. I am going to vote for the amendment.

Mr. McCORMICK. I am delighted.

Mr. HARRISON. The Senator presumes that I am not going to vote for it, when he knows that I did vote for it before, as did practically every Senator on this side of the Chamber. Indeed, it was so unanimous that no request was made for a record vote. "Child-labor legislation has never been a partisan matter. I hope it never will be a partisan matter, because if there is any one question on which we ought to join hands it is to protect the health and lives of little children in the factories and workshops of the country."

But here is the paper from which the distinguished Senator from Nevada [Mr. PITTMAN] read, and the headlines say:

Minority delays action on child labor.

That is the impression that is created by the telegram that was sent out by the Senator from Illinois. That was the impression he sought to be created, although he says now that he was basing that telegram upon some prophecy of the future,

limits of such grade, by the President of the Senate and the Speaker of

permit a vote on the child labor amendment."

Mr. McCORMICK. Mr. President, unhappily I was not present during the first part of the remarks of the Senator

pression he sought to be created, although he says now that he was basing that telegram upon some prophecy of the future,

when the record clearly shows, as the Senator has been informed, that the objection was going to come from the Senator from Wyoming [Mr. WARREN].

Mr. McCORMICK. If the Senator will permit me to interrupt him for a moment, the test will come within the next week when the leader of the majority will renew his request for unanimous consent.

Mr. HARRISON. Mr. President, as read from the RECORD by the Senator from Nevada, the Senator from Arkansas said that only temporarily would he object. I do not think he even went that far. He said he would not object, being personally in favor of taking up the proposition, but that some Senators around him did not want it to be taken up at that time.

Why, Mr. President? Not because they were against the child labor amendment but because they are anxious to pass at the earliest possible moment, after due consideration, the pending bill, which means so much to the taxpayers of America. It means not only a reduction in taxes, whether the Mellon plan, so called, be adopted or the Simmons plan be adopted, but it means a reduction of the taxes in the future. Embodied in this bill is a provision, which I daresay will be voted for by every Member of the Senate as it was voted for by every member of the Finance Committee, proposing to give 25 per cent reduction on the taxes for this year. So the Senator from Arkansas and other Senators on this side of the Chamber, whether the Senator from Illinois shall agree to it or not, believe in removing the burdens of taxation from the American people just as quickly as possible and to as great an extent as possible; yet the Senator from Illinois tries to create the impression that the minority in this Chamber are fighting the child labor amendment. Why, sirs, at the best, if the child labor amendment is passed by the Congress it must await the action of three-fourths of the States for ratification. There is not the emergency or urgency attached to that that attaches to the pending bill.

I voted against the first child labor bill which was proposed. I think it was back in 1916. That bill sought to regulate child labor through the commerce clause of the Constitution. I believed then that it was unconstitutional and I voted against it on that ground. Many Senators, both on the Republican side, as I recall, and also on the Democratic side, voted as I did for the same reason. I say to the Senator from Illinois that at that time the Democratic Party was in control of the House of Representatives and it was proposed and championed by a Democrat, Mr. Palmer, who was afterwards Attorney General of the United States. If I recall correctly, in this body the same provision seeking to protect child labor in the factories was championed by the then Senator from Ohio, Mr. Pomerene, another Democrat.

There has never been any partisan politics with respect to this matter, and I know there will not be. After the Supreme Court of the United States decided the first law which was passed to be unconstitutional—the matter is not fresh in my mind, and I have not had the opportunity to go back and look up the record—I think it was the junior Senator from Wisconsin [Mr. LENROOT], who was then a Member of the House of Representatives, who pressed the measure to tax goods that were made by child labor. I voted for that proposition because I believed it to be constitutional. However, I was wrong about it. The Supreme Court of the United States afterwards held the act to be unconstitutional.

So when the proposition comes before the Senate, as I hope it will before we adjourn, I shall vote for the amendment to the Constitution protecting child labor. I am afraid, however, that we shall never get such a bill considered if the Senator from Illinois and those on the other side of the aisle have their way, because I see from the papers that the President is constantly having conferences with you touching on adjournment, and you are promising him to adjourn Congress by the 1st of June, so that you may go forth to your convention and nominate a candidate who will be defeated in November. [Laughter.]

What Congress ought to do is to stay here and transact the people's business just as speedily as possible. I may say that Congress should not adjourn and will not be permitted to adjourn if this legislation, that is so important to the American taxpayers and which must be passed before June 30 if relief is given, is still pending. We ought to dispose of this bill first, as I say, consider it and expedite it as much as possible and let it become a law. Then in due time before we adjourn we should take up the resolution proposing a constitutional amendment and pass it in this body. Senators on the other side of the Chamber have plenty of votes to do it. I know when the leadership on the other side makes up its mind to put a proposition through here, if they have a little help from our side of the Chamber, it always goes through; at least, when they have a meritorious measure. They never fail to do so, except on some ship-subsidy proposal or something of that kind.

Mr. McCORMICK. Whenever we have the help of the Senator from Mississippi our measures go through.

Mr. HARRISON. I thank the Senator. So much for that. I hope my distinguished friend from Illinois will not try to play politics with the women of the country and send out telegrams from here stating alleged facts, when he admits they are mere prophecies and those prophecies based on no facts.

Mr. McCORMICK. Mr. President, I have been reading the RECORD of April 23, or at least so much of it as I have been able to look over during the brief moments of the remarks of the Senator from Mississippi. When I discussed the matter with the Senator from Massachusetts, if I remember rightly, and when I discussed it with the Senator from Utah, I proposed that unanimous consent should be given in such terms that when the revenue act passed the Senate the first business thereafter taken up would be the so-called child labor amendment, and that a definite time should be fixed by unanimous consent for a vote on that amendment.

The Senator from Arkansas [Mr. ROBINSON], the leader of the minority, will be absent for a week, as he told me on yesterday. An opportunity will be afforded next week to secure a unanimous consent agreement for the consideration and a vote on the child labor amendment when the pending tax bill shall have been disposed of.

JEFFERSON DAY BANQUET SPEECH BY GOVERNOR RITCHIE, OF MARYLAND

Mr. BRUCE. Mr. President, I should like to have printed in the RECORD a speech by Gov. Albert C. Ritchie, of Maryland, at the Jefferson day banquet of the National Democratic Club, Hotel Commodore, New York City, on April 12, on the subject of State rights. The speech has attracted considerable attention throughout the country.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH OF GOVERNOR ALBERT C. RITCHIE, OF MARYLAND, AT THE JEFFERSON DAY BANQUET OF THE NATIONAL DEMOCRATIC CLUB, HOTEL COMMODORE, NEW YORK CITY, SATURDAY, APRIL 12, 1924.

The American people are at the threshold of a great struggle. It is not a struggle of the ambitions of men, although we will witness that in the months between now and November. It is vastly greater than that, because the fortunes of man are small in the face of principles which are fundamental and which are in peril.

It is not a struggle to help maintain the peace of the world, although we fought to secure it. It is not a struggle to help rehabilitate Europe, although until that is done the markets of the world will not open again for our surplus supplies.

In both of these things, doubtless, we have a duty to fulfill; but we can not fulfill it, we can not present ourselves to the world as capable of fulfilling it, until here at home we once more bow to American ideals and to the enduring truth of American institutions.

To keep our American ideals, to preserve our American institutions, that is the struggle; for without these, no high purpose, either at home or abroad, ever has been or ever can be accomplished by this country.

It is the struggle, not of individuals, but of the States. It is the struggle of the States, not because they need attain new administrative activities, nor add to their functions of government; but because they are fast losing rights which are fundamental and without which our form of government can not endure. It is the struggle of the States to keep what of those rights they still have, and to get back, if they can, those they have lost.

For a long time the people of the States retained their rights pretty well. For a long time we believed that that nation is governed best which is governed least. For a long time we of a country of 110,000,000 people, reflecting differing conditions and opinions everywhere throughout a vast area of 3,000 miles from sea to sea, believed that national unity and national harmony were only possible so long as the Nation kept within the limits of its domain and left the States free within the limits of theirs.

We scarcely realize now that the twelfth amendment to the Federal Constitution was adopted in 1804, and that from then until 1913 not another amendment to our organic law was adopted save only the three which followed the Civil War.

There was a period of more than a century, and it was the period which witnessed the growth and development of our country into the greatest nation of the world.

We grew from 13 States to 48 States. Foreign possessions were added to our domain. The sailboat was superseded by the ocean liner. The stagecoach became the transcontinental railway. Morse gave us the telegraph, Bell the telephone, and the Wrights were just

completing their conquest of the air. In business, in agriculture, in medicine, in science, and inventive genius we became unsurpassed.

Yet, with the single exception of writing into the Constitution the three political amendments which reflected the issues settled on the battlefields of the Civil War, we did it all without one change in our Constitution as it existed in 1804—over a century before.

But the seeds of centralization had been planted, and they grew by what they fed on. It was not difficult.

Thirty-six States can impose their will in constitutional questions on the other 12. And not the people of those States, mind you, but just a majority of the legislatures in each of those States; and you have a majority of the legislatures in each of 36 States if you can get the vote of 2,316 members.

Think what that means! Twenty-three hundred men or women out of 110,000,000 people can write into the Constitution of the land any amendment that they choose to ratify, with no appeal to the people from their action. And, with exceptions so rare that they are conspicuous, those 2,300 representatives are harassed by the threats and the blandishments of organized minorities until their will and their sense of right crumple and fall helpless to the ground.

If I had my way there is one constitutional amendment which should be adopted, and none other should be considered until that became part of our organic law. It is an amendment which would provide that no further amendments to the Constitution shall be made unless each State is given the right to a referendum to the people upon the action of its legislature in ratifying any proposed amendment.

The Constitution is the form of government which the people of this country adopted for themselves. The people ought to be permitted to change it as they please. But the people ought not to be made to live under any amendment to that government unless they themselves have the opportunity of saying whether they want it or whether they do not.

But it is not so written yet. And so it has come to pass that laws have been enacted and constitutional amendments have been adopted which one by one are eating into the very heart of the American Nation, because they are breaking down the sovereignty of the American State and substituting for that sacred thing an incompetent, extravagant, un-American control radiating from Washington.

This is resulting in a Federal invasion of the pocketbooks of the taxpayers through the maintenance of an enormous and growing overhead of Federal bureaus and commissions, of which some are not needed at all, while others should be curtailed, and still others do work and spend money for purposes which should be turned back to the States, because they belong to the realm of State government and the State can handle them better than the Nation can.

I have not in mind the subject of prohibition as the principal example. It is an example, of course, costing $38,000,000 a year to enforce and then failing, but it is only one example among many.

Yet on that great subject I plead only for the right of the people of each State, so long as they do not hurt their neighbors or injure society, to determine their own conduct and mode of living for themselves.

Speaking for the State of Maryland—and I have no right to speak for any other—I only say that our people believe that we have the right, which has never been accorded us, namely, the right to our day in court when as free Americans at the polls we may decide for ourselves whether we want this restriction on our liberties or whether we do not.

But that is only one instance of what I mean.

In 1886 the Department of Agriculture was created, with an appropriation of $1,134,000. This year the appropriation for State aid is $85,000,000.

In 1917 the Bureau of Public Roads was created with an appropriation, to be divided among the States, of $4,850,000. This year it is $75,000,000, and $100,000,000 is asked for next year.

In 1912 the Children's Bureau was established with an appropriation of $25,000. In 1923 it was receiving $1,240,000.

The Federal Trade Commission began in 1914 with $75,000. Now it is costing approximately $1,000,000.

Federal aid for maternity and child hygiene, begun in 1921, amounts to $1,240,000.

The Sterling-Towner bill, now before Congress and which would create a department of education, carries an appropriation of $100,000,000.

These are by no means all, but they will suffice.

I am not here to question the worthiness of any of these purposes, but I am here to say that every one of them receiving Federal aid belongs to the States and can be accomplished better and more efficiently by the States without any Federal aid at all.

They can be accomplished by the States just as cheaply, too, for the money which the Federal Government distributes back among the States it first collects from the people of each State and then deducts the enormous cost of its own bureaus and commissions before paying anything back at all.

I deplore the centralization of these vast millions in Washington. I deplore the handling of these great sums, and the momentous decisions affecting vitally the people of the States, by an army of Government clerks and subordinate employees.

Only a few days ago I protested to the Senate Finance Committee—successfully, I am glad to say—against a proposed section of the revenue bill of 1924 which by indirection would have taxed the tax-exempt securities of the States of the country to the extent, it has been estimated, of about $25,000,000; and I understand that this section was drafted by a subordinate in Secretary Mellon's office who did not realize the effect of what he was doing.

I deplore the supervision and control which all this Federal aid gives the Federal Government over matters which concern the States alone.

I deplore the everlasting annoyance of Federal inspectors and investigators, often irresponsible and incompetent, prying into business which ought to be private and into affairs which ought to be personal, and exercising supervision and demanding reports and audits of almost every conceivable kind.

Do you realize what it all costs? In the great State of New York the people are required to pay the Federal Government six times as much per capita in taxes as their own State government takes them. In Michigan the people pay the Government five times as much. In Maryland and in Kansas, four times as much. And so it goes.

I want to see an end of it all.

In Maryland agriculture furnishes employment to more than half our people. We believe in fostering it in every way, but I had rather see it done through our own farmers in our own way, and raise our own money for it, instead of contributing to the Federal pool and leaving tribute there for the Federal overhead before we get anything back at all.

It is so with our roads, with the health of our people, with maternity and child hygiene, and the rest. Let us have an end to bureaucratic control over all these things and leave the States free to fulfill these great activities in their own way and according to their own needs.

Above all, do not let us permit this thing to go any further. If what has been done can not be undone—and I believe it can—at least let us stop the next move which is contemplated and retain for the States the right to educate our own boys and our own girls, uncontrolled and untrammeled by Federal influences.

This, as I see it, is the hour's call. Many a battle has our party fought since the day of the great man whose memory we honor to-night. When victory has come to us it has never been through appeals to section or to class. It has been through adherence to the great truths for which he stood.

Let us cling to them now. Let us rise above a mere play to this section or to that, to this group or to that.

Let us believe that the American people, no matter to what party they belong, are essentially honest; that the best in every party wants to see the farmer prosper, and labor prosper, and business prosper; and realize that at last a principle is at stake and that our high resolve should be to restore to the people of the sovereign States the right to decide as they will questions which concern them alone.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed the joint resolution (H. J. Res. 163) authorizing the Secretary of War to loan certain tents, cots, and chairs to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924, and it was thereupon signed by the President pro tempore.

REPORT OF WORLD WAR FOREIGN DEBT COMMISSION (H. DOC. NO. 243)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, referred to the Committee on Finance, and ordered to be printed:

To the Congress of the United States:

I am submitting herewith for your consideration the report of the World War Foreign Debt Commission, dated April 25, 1924, together with a copy of the agreement referred to therein, providing for the settlement of the indebtedness of the Kingdom of Hungary to the United States of America. The agreement has been executed on April 25, 1924, with my approval, subject to the approval of Congress, pursuant to the authority conferred by act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923.

I recommend the approval and authorization of this agreement.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 25, 1924.*

[NOTE.—Report accompanied similar message to the House of Representatives.]

REPORT ON INTERNATIONAL EXPOSITION AT RIO DE JANEIRO IN 1922
(S. DOC. NO. 98)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State, forwarding, in conformity with section 9 of the joint resolution approved November 2, 1921, providing for participation by the United States in the international exposition which was held in Rio de Janeiro in 1922–23, the departmental reports called for by sections 5, 6, and 7 of the joint resolution.

While not required by the resolution, the Secretary of State submits also, merely for the information of Congress, the report of the commissioner general to the exposition in two forms, namely:

1. The report in five volumes containing illustrations; and
2. The report in two volumes without illustrations.

The attention of Congress is invited to the request of the Secretary of State that Congress will not, by any legislation, require that the expense of printing and binding of this report in either form should be charged to the appropriation or allotment of appropriation for the printing and binding of the Department of State for the current fiscal year, notwithstanding the provisions of Public Resolution No. 13 of March 30, 1906.

It will be observed that the Secretary of State states that there is an approximate balance of $200,000 in the appropriation of $1,000,000 provided in the deficiency act approved December 15, 1921, for the expenses of taking part in the Rio de Janeiro Exposition, against which balance it would be perfectly proper for Congress, should it so desire, to order the printing and binding of the report to be charged.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 25, 1924.*

Accompaniments: Report of the Secretary of State, with accompaniments.

[NOTE.—Report of the commissioner general accompanied a similar message to the House of Representatives.]

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The reading of the bill was resumed. The next amendment of the Committee on Finance was, on page 277, after line 16, to insert:

GOVERNMENT ACTUARY

SEC. 1202. The salary of the Government actuary, so long as the position is held by the present incumbent, shall be at the rate of $7,500, a year.

The amendment was agreed to.

The next amendment was, on page 277, after line 20, to strike out:

TRAVELING EXPENSES

SEC. 1101. All officers and employees of the Bureau of Internal Revenue, in addition to their compensation, shall receive their necessary traveling expenses and actual expenses incurred for subsistence while traveling on duty and away from their designated stations, in an amount not to exceed $7 per day.

The amendment was agreed to.

The next amendment was, on page 278, line 12, after the word "Title," to strike out "XII" and to insert "XIII," so as to make the heading read:

Title XIII.—Reduction of income tax payable in 1924

The amendment was agreed to.

The next amendment was, in section 1301 (c), on page 281, line 18, after the word "section" to strike out "1200," and to insert "1300," so as to read:

(c) In the case of a deficiency assessed upon a taxpayer entitled to the benefits of subdivision (a) or (b) in respect of the tax for a period beginning in 1922 and ending in 1923 or beginning in 1923 and ending in 1924, the allowance provided for in subdivisions (a) and (b) shall be made in respect of such deficiency in a similar manner to that provided in subdivision (f) of section 1300.

The amendment was agreed to.

The next amendment was, in section 1302, on page 282, line 3, after the word "section," to strike out "1200," and to insert "1300," so as to make the section read:

SEC. 1302. Any taxpayer who has made return of the taxes imposed by Parts I and II of Title II of the revenue act of 1921, for a period of less than a year and beginning and ending within the calendar year 1923, shall be entitled to an allowance by credit or refund of 25 per cent of the amount shown as the tax upon his return. If the correct amount of the tax for such period is determined to be in excess of the amount shown as the tax upon the return, the taxpayer shall be entitled to the benefits of subdivision (f) of section 1300 of this act.

The amendment was agreed to.

The next amendment was, in section 1303, on page 282, at the beginning of line 5, to strike out "1201 and 1202," and to insert "1301 and 1302," and in line 8, after the word "section," to strike out "1200," and to insert "1300," so as to make the section read:

SEC. 1303. The allowance provided in sections 1301 and 1302 shall, under rules and regulations prescribed by the commissioner, with the approval of the Secretary, be made in a similar manner to that provided in section 1300.

The amendment was agreed to.

The next amendment was, in section 1304, on page 282, line 9, after the word "section," to strike out "1019," and to insert "1119," so as to make the section read:

SEC. 1304. The interest provided in section 1119 of this act shall not be allowed in respect of the allowance provided for in this title.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. WILLIS in the chair). That completes all of the committee amendments which have not been passed over.

Mr. SMOOT. Mr. President, the first committee amendment which was passed over is on page 19, line 7. I am going to ask that that amendment go over to-day, because the Senator from North Carolina [Mr. SIMMONS] is interested in the amendment. Therefore I again request that the amendment go over.

The PRESIDING OFFICER. The amendment will be passed over. The next committee amendment passed over will be stated.

The next amendment passed over was, on page 29, line 19, after the word "rendered," to strike out the following language: "'Earned income' also means reasonable compensation or allowance for personal service where income is derived from combined personal service and capital in the prosecution by unincorporated persons of agriculture or other business, but not exceeding 20 per cent of the net profits of the taxpayer from the business in connection with which his personal services are rendered," and in lieu thereof to insert:

In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors a reasonable allowance as compensation for the personal services actually rendered by the taxpayer, not in excess of 20 per cent of his share of the net profits of such trade or business, shall be considered as earned income.

Mr. REED of Pennsylvania. I ask that that amendment go over.

The PRESIDING OFFICER. The amendment will go over.

Mr. SMOOT. The Senator from Pennsylvania advises me that he is compelled to leave the Chamber and desires to discuss the question involved in the amendment, and will be ready to-morrow to do so. I therefore shall not object to the amendment going over to-day.

The PRESIDING OFFICER. The amendment will again be passed over. The next committee amendment passed over will be stated.

The READING CLERK. The next amendment passed over was, on page 31, after line 22, to strike out all down to and including line 4, on page 33, and in lieu thereof to insert the matter beginning on page 33, after line 4, down to and including line 3, on page 34.

Mr. JONES of New Mexico. I think it is generally understood that that amendment shall go over until the Senator from North Carolina [Mr. SIMMONS] returns. It raises the whole question of individual taxes.

Mr. SMOOT. Yes; it involves the question of the normal tax.

The PRESIDING OFFICER. The amendment will be passed over. The next committee amendment passed over will be stated.

The next amendment passed over was, under the head of "Surtaxes," page 34, after line 4, to strike out down to and including line 8, on page 38, and in lieu thereof to insert the matter from line 9, on page 38, to and including line 16, on page 40.

Mr. SMOOT. That amendment also should be passed over.

The PRESIDING OFFICER. The amendment will be passed over. The next committee amendment passed over will be stated.

The next amendment passed over was, on page 47, line 22, to strike out the word "indebtedness" and to insert "indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title," so as to make the clause read:

(2) All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. SMOOT. Mr. President, I wish the Senator from North Carolina were present. I voted for this amendment in the committee with the distinct understanding that it would be discussed on the floor of the Senate, because I desired an expression of the Senate upon it. My opinion is that the amendment should not be agreed to, but I do not feel like asking a vote of the Senate on the amendment without the Senator from North Carolina being present when the important question which it involves is being considered.

Mr. HARRISON. Mr. President, will the Senator then allow the amendment to go over?

Mr. SMOOT. I merely wish to make a very brief statement. The adoption of the amendment would mean the loss of revenue to the amount of $30,000,000 a year, but I hardly think we had better take the amendment up in the absence of the Senator from North Carolina. I therefore ask that the amendment go over.

Mr. REED of Pennsylvania. It involves the same question as is involved in paragraph (c) on page 52.

Mr. SMOOT. Yes. The Senator from North Carolina did not mention this particular part of the bill, but I feel that the amendment ought to go over. I will simply state that it involves a loss of revenue of $30,000,000.

The PRESIDING OFFICER. The amendment will be passed over and also the amendment at the bottom of page 52.

The next amendment passed over was, on page 67, after line 20, to strike out "(g) Where the grantor of a trust reserves a power of revocation which, if exercised, would revest in him title to any part of the corpus of the trust, then the income of such part of the trust shall be included in computing the net income of the grantor," and in lieu thereof to insert:

(g) Where the grantor of a trust has, at any time during the taxable year, either alone or in conjunction with any person, the power to revest in himself title to any part of the corpus of the trust, then the income of such part of the trust for such taxable year shall be included in computing the net income of the grantor.

Mr. JONES of New Mexico. Mr. President, the Senator from North Carolina especially requested that this provision should go over until his return.

Mr. SMOOT. I thought the Senator from North Carolina approved of the action of the Senate Finance Committee in this instance. It relates to the imposition of taxes upon revocable trusts. The Senator from New Mexico will note that we amended the amendment after the first draft was submitted to the committee, and I thought the draft as agreed to was satisfactory to the Senator from North Carolina.

The junior Senator from Delaware [Mr. BAYARD] called at the committee room one morning and made certain suggestions as to the original draft of the amendment, and I understood at that time that at least a portion of the suggestions offered by the Senator from Delaware were agreed to and embodied in the present draft.

Mr. JONES of New Mexico. The memorandum which the Senator from North Carolina left with me specifically refers to the provision as to revocable trusts. It is also my understanding that we were all agreeable to that provision being inserted in the bill, and it may possily have been included in this memorandum by error.

Mr. SMOOT. I will say to the Senator that if that is the case, and if the Senator from North Carolina desires the vote by which the amendment may be agreed to reconsidered, or that any other amendment which we may pass upon shall be reconsidered, I shall ask unanimous consent that that be done.

Mr. JONES of New Mexico. Under those conditions I have no objection to the adoption of the amendment. Personally, I am very much in favor of the provision in the bill.

Mr. SMOOT. And I am quite sure there must be a mistake, because, if I remember correctly, the Senator from North Carolina agreed to the provision.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. BAYARD. Mr. President, I desire to call the attention of the Senator from Utah to one phase of the amendment just agreed to. I will read it first:

Where the grantor of a trust has, at any time during the taxable year, either alone or in conjunction with any person, the power to revest in himself title to any part of the corpus of the trust, then the income of such part of the trust for such taxable year shall be included in computing the net income of the grantor.

Does not that result in this possibility? A makes a trust in favor of B, with a power of revocation in A when he sees fit to exercise that power. That is the primary statement in that section. In that event the income shall be returnable as of the income of A, the grantor of the trust, and the tax assessable thereon shall be paid by A.

Mr. SMOOT. Providing there is the revocable power attached to the trust.

Mr. BAYARD. I am assuming revocable power. That is all right; but if the power is not exercised the law says that A shall make a return, A shall pay the tax upon that income, but the fact remains that the income itself goes to the beneficiary under the terms of the trust, and he in turn must make a return of that income, and he in turn must pay a tax upon that income. I mean, in the particular section to which I refer, section (g), there is apparently no provision to avoid the double taxing of the same fund.

Mr. SMOOT. If the Senator will turn to page 64 of the bill, on line 18, paragraph (b), that is taken care of by the amendment that has already been agreed to. The language is:

Except as otherwise provided in subdivisions (g) and (h)—

And (g) and (h) are the two provisions found on page 68. The exception to which the Senator referred to just now is made in section 219, page 64, paragraph (b).

Mr. BAYARD. I see that, and I am turning to page 64 and subsection (b) of section 219:

Except as otherwise provided in subdivisions (g) and (h) the tax shall be computed upon the net income of the estate or trust, and shall be paid by the fiduciary.

Mr. SMOOT. Yes.

Mr. BAYARD. All right; but turn to paragraph (g) on page 68, and there it says that—

The income of such part of the trust for such taxable year shall be included in computing the net income of the grantor.

If the income of the grantor is computed, then I am assuming that he is going to pay a tax upon his income as computed; but in this case the fiduciary pays the tax under the provision on page 64.

Mr. SMOOT. No; the fiduciary pays it except as provided in subdivisions (g) and (h), and they provide for payment by the grantor.

Mr. BAYARD. All right. Then I will take that suggestion of the Senator and see where it leads us. In one case, under the exception, it is paid by the fiduciary, is it not?

Mr. SMOOT. Yes.

Mr. BAYARD. The return made under subsection (g) with the revocable power is made by the grantor of the trust.

Mr. SMOOT. In all cases with the exceptions provided for.

Mr. BAYARD. But the return is made. It says distinctly on page 68, subsection (g), that the grantor of the trust must make the return if the power of revocation exists. He makes his return for the purpose of computing his income. Now, assuming that it is a revocable trust and that he makes a return, the fiduciary makes a return and the beneficiary, in turn, must make a return as the recipient of income from the trust estate.

I shall be glad to have it explained, if the Senator will explain it.

Mr. SMOOT. But that is only as provided in (b), and except as otherwise provided in (g) and (h). Suppose we did

not have the exception. Just read it without the amendment, the way the House passed it, and it would read as follows:

The tax shall be computed upon the net income of the estate or trust, and shall be paid by the fiduciary. The net income of the estate or trust shall be computed in the same manner and on the same basis as provided in section 212, except that—

Then the exceptions follow; but now we make the amendment:

Except as otherwise provided in subdivisions (g) and (h)—

And then we say how the tax shall be paid.

Mr. BAYARD. All right. I take that exception as read by the Senator, now, and impose it upon subdivision (g), which has been made the exception under the terms of subdivision (b). Subdivision (g) will then stand by itself, if it be a revocable trust, will it not?

Mr. SMOOT. Yes; it will.

Mr. BAYARD. Then subdivision (g), providing for revocable trusts, will make us meet with this situation: That in the case of a revocable trust the grantor of the trust shall make the return of the income as of his own, but in the meantime the beneficiary, who receives the income as an actual fact, must make a return.

Mr. SMOOT. Not at all, Mr. President, if it is a revocable trust.

Mr. BAYARD. You have a trust. The trustee under the terms of the trust pays the income as directed by the terms of the trust, does he not?

Mr. SMOOT. Yes.

Mr. BAYARD. All right. The law says that if it be a revocable trust the grantor shall make a return of that income, and be charged accordingly.

Mr. SMOOT. That is right.

Mr. BAYARD. But the general law which allows the creation of the trust under which the money is paid out says that the money shall be paid to the beneficiary, and the money is paid to the beneficiary, and he in turn must make a return because he has received the money.

I do not know whether I make myself clear to the Senator or not. In other words, if the Senator pleases, it seems to me we have a double return there, with the possibility of double taxation.

Mr. SMOOT. Let me call attention to paragraph (2) of section 219, on page 65, and read it. It says:

There shall be allowed as an additional deduction in computing the net income of the estate or trust the amount of the income of the estate or trust for its taxable year which is to be distributed currently by the fiduciary to the beneficiaries, and the amount of the income collected by a guardian of an infant which is to be held or distributed as the court may direct, but the amount so allowed as a deduction shall be included in computing the net income of the beneficiaries whether distributed to them or not. Any amount allowed as a deduction under this paragraph shall not be allowed as a deduction under paragraph (3) in the same or any succeeding taxable year.

Mr. BAYARD. Yes, Mr. President; I see that, but that does not apply to revocable trusts.

Mr. SMOOT. This is the only thing that taxes it to the beneficiary, and (g) and (h) are exceptions to it, and the bill specifically states that they are exceptions.

Mr. BAYARD. With all due respect to the Senator, I think that phase of it ought to be looked into.

Mr. SMOOT. It will be, in conference.

Mr. KING. Mr. President, I should like to ask the chairman of the committee whether sufficient safeguards are afforded in this bill to reach trusts and estates where there may be an honest dispute between the grantor and the grantee—if I may use those expressions—as to who should pay the tax?

Mr. SMOOT. Does the Senator mean outside of a revocable trust?

Mr. KING. Yes; both revocable trusts and other trust estates.

Mr. SMOOT. Yes; it is covered in every case, and I may say that there is very little change from existing law in that respect.

Mr. KING. Yes; I know that, but I have heard some complaints made by officials of the Government that honest doubts existed, with respect to various trusts and estates, as to who should pay the tax, and neither made any return because both doubted the obligation resting upon them to pay. Not being in concert, one not knowing what the other was doing, no return whatever was made. Of course it would be left then only to the searching qualities of the taxing organization to ascertain the amount which would be paid, and who was to pay the tax.

Mr. SMOOT. I agree with my colleague in all that he has said under existing law; but the changes in existing law and the changes in this particular section are to take care of just the thing of which the Senator complains.

Mr. KING. But it seems to me—and I call the chairman's attention to this fact—that there ought to be a little broadening of the law, so that an obligation perhaps might be required of both the grantor and the grantee, both the person creating the trust and the beneficiary, to make returns in order that the Government might be advised, and to avoid escaping taxation.

Mr. SMOOT. The law specifically says which one shall do it. The Senator from Delaware [Mr. BAYARD] has just made the criticism that he thought they would be compelled to do that under existing law, but I do not think so. He was objecting to the very thing of having both make a return.

Mr. KING. I know of a number of cases where there were controversies between individuals, the grantor or the beneficiary not knowing which should make the return, and neither made it, and the result was that the Government lost the tax. Of course, further searching by the department of the Government would reveal, if they searched sufficiently diligently, that certain property had escaped taxation, and a rectification would result.

The PRESIDENT pro tempore. The Secretary will state the next amendment passed over.

The next amendment passed over was, on page 68, to strike out lines 7 to 15, both inclusive, and in lieu thereof to insert:

(h) Where any part of the income of a trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person, be distributed to the grantor or be held or accumulated for future distribution to him, or where any part of the income of a trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor (except policies of insurance irrevocably payable for the purposes and in the manner specified in paragraph (10) of subdivision (a) of section 214), such part of the income of the trust shall be included in computing the net income of the grantor.

The amendment was agreed to.

The next amendment passed over was, on page 69, line 10, after the words "equal to," to strike out "25" and insert "50," so as to read:

EVASION OF SURTAXES BY INCORPORATION

SEC. 220. (a) If any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its shareholders through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 50 per cent of the amount thereof, which shall be in addition to the tax imposed by section 230 of this title and shall (except as provided in subdivision (d) of this section) be computed, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax.

Mr. SMOOT. That is the section dealing with evasion of surtaxes.

Mr. McKELLAR. Mr. President, this may be agreed to for the present. I will offer a motion to reconsider it if it is necessary.

Mr. SMOOT. If the Senator will just ask unanimous consent, I will agree to it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment passed over was, on page 69, line 16, to strike out:

Provided, That if all the shareholders of such corporation agree thereto, the commissioner may, in lieu of all income taxes imposed upon the corporation for the taxable year, tax the shareholders of such corporation upon their distributive shares in the net income of the corporation for the taxable year in the same manner as provided in subdivision (a) of section 218 in the case of members of a partnership.

Mr. McKELLAR. That will take the same course.

Mr. SMOOT. The same course.

The amendment was agreed to.

The next amendment passed over was, on page 82, line 6, to strike out "12½ per cent" and insert "14 per cent," so as to read:

TAX ON CORPORATIONS

SEC. 230. In lieu of the tax imposed by section 230 of the revenue act of 1921 there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax of 14 per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

Mr. McKELLAR. Mr. President, I want to ask the chairman of the committee a question. Will not the effect of this amendment be to relieve very large corporations, having large amounts of watered stock frequently, from the payment of taxes and put the taxes on business corporations having smaller capital, when the larger ones ought to pay it?

Mr. SMOOT. Perhaps it would be a little out of place for me to refer to any particular corporation in the United States, but I want to say to the Senator who asked me the question, in the case of the United States Steel Corporation this provision will impose an increase of over $500,000 a year in taxation; and there is not a corporation in the United States with an income tax of less than 6⅔ per cent that would not be benefited by this amendment, taking into consideration the striking out of the taxes upon the capital stock of corporations. Wherever there is a corporation making more than 6⅔ per cent upon its capital stock it is penalized under this amendment by being compelled to pay more taxes to the Government of the United States; but if they make 6⅔ per cent upon their capital invested, or less, then they gain in the amount of taxes that are paid to the Government of the United States. That is the dividing line, 6⅔ per cent.

Mr. JONES of New Mexico. Mr. President, I desire to make a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. JONES of New Mexico. If this amendment be adopted, will that operate as an adoption of the paragraph?

The PRESIDENT pro tempore. The Chair is of the opinion that it would not.

Mr. SMOOT. The paragraph will be open to amendment after the amendments of the committee are disposed of.

Mr. JONES of New Mexico. The Senator from Utah understands, of course, that amendments will be offered to the paragraph, and that a substitute for the entire paragraph will be offered.

Mr. SMOOT. I want to say to the Senator that the Senator from Utah will not take any advantage in any way, shape, or form of any Senator on this floor who desires honestly to offer an amendment to this bill or to any part of it.

Mr. JONES of New Mexico. I am sure the Senator is imbued with just that generous spirit, and we appreciate it. I think I might just say one word regarding the proposed change. I believe it is an advisable change.

The capital stock tax is a tax which has no relation whatever to the ability of a corporation to pay. More than one-half of the corporations of the country have no returnable net income for taxation, but the capital stock tax, under existing law, must be paid whether they have any net income or not. The capital stock tax is really a franchise tax. Corporations are organized in the various States under State charters, and I think in all instances they now pay franchise taxes of a greater or less extent to the various States.

This is a tax also which becomes actually a fixed charge upon production, just the same as a State tax upon the property of a corporation. The corporation tax becomes a fixed charge and necessarily enters into the cost of production, and therefore is finally disseminated and borne as a consumption tax. There is no question about that. It bears very unequally on the corporation which is making a net income.

That corporation might just as well pay the tax as a capital-stock tax or as a net-income tax; but for the corporation which earns no net income to pay a capital-stock tax is practically to make a payment out of capital. It is a thing which I do not believe can be justified except in such an emergency as the World War, when we had to have the money, and we were going to get it wherever we could get it. But now that peace times have come, I think it is quite the right thing to put whatever burden of the Government shall be borne by corporations in such shape that those who have the actual ability to pay it shall bear it, and those who have not the ability shall not be called upon to pay it.

Of course, I do not want anything I have said to be taken at all as being in favor of this form of a tax on corporations, but I do believe that it is the right thing to transfer the tax from the capital-stock tax to this tax upon net income.

Mr. McKELLAR. Mr. President, just a word about this matter. This amendment raises the corporation tax from 12½ per cent to 14 per cent. According to the Senator from Utah, who knows, this increase of tax will bring the Government some $19,000,000 more. In other words, it raises the taxes on the corporations of the country to that extent.

According to my understanding of the bill, it was to be a tax reduction bill and not a tax raising bill, and I am opposed to raising the taxes on any class of our citizens, whether corporate or individual. Therefore I am going to vote against this amendment because it raises the taxes rather than lowers them. I think business is already heavily enough taxed, and that we should not tax it any more. I am not in favor of an increase in the corporation tax, and I expect to vote against it.

Mr. DIAL. Mr. President, I believe in all classes of property bearing their share of taxation, but I think under the provisions of this bill we would be penalizing corporations. Some people are afraid to say anything in favor of a corporation, but I am not one of those. If we had not had people with vision enough to organize companies and form corporations, we would not have developed this country as we have. The chairman of the Committee on Finance says that this amendment will increase the corporate taxes some $19,000,000. As the Senator from Tennessee [Mr. McKELLAR] has said, we ought to be decreasing instead of increasing taxes.

There are two schools of thought in the United States in regard to corporations. One school believes that the capital stock of a corporation should be just as small as it possibly can be and yet permit the corporation to do business. That is the theory upon which we proceed in the South. We often purchase more machinery and erect more buildings than we have capital enough to pay for, and hence we go into debt. But we work hard and economize, and we deprive the stockholders of dividends until those enterprises can make a profit and get upon their feet. We have trouble in raising sufficient capital to form these corporations, to develop the resources of our country as we would like to do. Therefore, it is the true, instead of the exception, that the stockholders forego the pleasure of dividends, often for many years, in order that the corporation may become stronger and may function to better advantage.

I personally know of different corporations which have paid no dividends for five or six or seven or eight years, taking all of their earnings to extend their plants and to find markets, thereby making more property to be taxed, and giving employment to the people, and developing the resources of the country, and making a market for the commodities our people have. Mr. President, it is bad enough to have to pay a tax on your income and a corporation tax each year, without being confronted with an increase which is absolutely uncalled for, as I see it.

I have thought recently of trying to make a few remarks upon the question: If one had a dollar, what would he do with it?

Mr. KING. Pay his debts.

Mr. DIAL. That is what he should do. I have thought that he would take that money—of course, using the dollar as the unit only—and he would think of forming a corporation. He would consider that he had to pay a license fee in order to get his corporation formed. Then he would recall that he had to pay a town license if he were located in a town. Then he would have to pay his township tax, his county tax, his State tax, his income tax to State and to the National Government, and so on down the line.

It had occurred to me that he would indeed be an optimist in these times if he would take the risk of putting his dollar into enterprises with a view of trying to make any money on it, and with a view of trying to develop his country, and with a view of trying to give employment to people. In times past I have undertaken such enterprises, but I must say I had more nerve then than I have now.

If we expect people to take their earnings and combine them into corporations to develop this country, we ought to treat that capital as fairly as we do other capital. A corporation is nothing but an aggregation of individuals. We had to have them, otherwise we would not have advanced. You and I, for instance, Mr. President, could not build a railroad. But many of us together can; and we did. So people who had this vision should not be penalized now for having invested their money as they have.

The other school of thought obtains, as I understand it, more in the North. That is, they capitalize the enterprises at as high a figure as they possibly can and sell the stock to somebody else. In the South we have a pride in our corporations. We build them, not with a view of selling gold bricks by way of stock to somebody else, but for the purpose of holding the stock and making a grand success out of the enterprise.

If you tax those southern enterprises according to the provision of this bill, it will be putting a penalty upon them. Corporate property is taxed anyway. It is not necessary to tax it every year by adding the expense of a corporate license.

These wildcat schemes of the North ought to be taxed upon every dollar of stock they issue. Talk about a corporation not making more than 6⅔ per cent! One making such a small return

to pay the tax.

tions 236 and 263.

would be almost in bankruptcy—consider depreciation, and so forth. I refer to genuine corporations.

The reason why some corporations do not make more is because they have watered their stock. In the South we take a pride in our organizations and hand them down to our posterity.

A license tax on the capital stock is about as fair as we can possibly get it. It would be no encouragement for an enterprise to save and economize and work hard to accumulate and to extend its plant out of the earnings of the company, if it is to be taxed every time it does anything of that sort. I can not see any fairer way, if we are going to license them at all, except to put it on capital stock. A corporation of necessity has to keep a reserve for rainy days and for hard times. It is a false notion to talk about paying out all of the earnings as they make them.

Many times they have lean years and lose money. Sometimes they lose money knowingly in order to keep a concern going. I happen to know that in my little town a few years ago a cotton mill was operated at a loss of $25,000 for 60 days. The management knew it at the time, but did it order to keep the labor together and give employment to our people.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. DIAL. I yield.

Mr. KING. I will ask the Senator if he is not aware of the fact that it has been a quite general and common practice upon the part of many of the large corporations—I shall not say of the South, in view of the distinction which the Senator has made between the North and the South—to distribute a small amount of the net earnings as dividends and to hold the residue as undistributed or undivided profits. After concealing them for a number of years by various desk methods a large stock dividend is declared or some of the undistributed profits are allocated to capital development and are invested as capital and thus escape taxation. Does the Senator think that it is quite fair to the taxpayers of the United States to have corporations—which, by the way, are making most of the profits of our country—thus escape taxation? Let me illustrate, and I do not do this by way of any invidious comparison.

Mr. Ford has organized his tremendous business into a corporation, perhaps one or more; if more than one, then I think the one is a holding company. That corporation makes several hundred millions of dollars annually net profit. If the profits were distributed to Mr. Ford and the other stockholders, they would have to pay an income tax. Profits are not distributed, but they are put back into capitalistic enterprises and for the purpose of developing the industry which Mr. Ford controls.

An individual engaged in private business who would make two or three hundred million dollars of profit would have to pay an enormous tax to the Government. Mr. Ford's corporation pays only the 12½ per cent, or capital-stock tax, or, under the provisions of this bill, 14 per cent of the net profits, and he has all the residue, which would be taxed if it were distributed as dividends, for capital investments. Thus he derives an advantage which is denied to those who are engaged in private enterprises or engaged in business as individuals.

It does seem to me, if the policy of the Senator is correct, if I interpret his position correctly, that it will invite the formation of more corporations for the purpose of escaping taxation and will invite the retention in the treasuries of the corporations of millions if not hundreds of millions of dollars which otherwise would be distributed as earnings and as dividends to the stockholders, and thus be subjected to the legitimate system of taxation which obtains to-day and which is embraced within the bill now before us.

Mr. DIAL. I can not agree with my good friend from Utah, however much I dislike to disagree with him. Often our minds run in the same channels. But to take his illustration, when a corporation is making money and leaving it in the treasury and not paying it out in dividends, the stockholders of the corporation are suffering to that extent. Now simply because the stockholders are deprived of getting a dividend for a few years—an accumulated dividend, we might call it—I can not see any harm in paying it out to them in bulk, any more than I can in paying it out to them in driblets. If the amount of the stock or the amount of the dividend is no more than a legitimate and proper profit upon the magnitude of the enterprise, I can see no objection to following that plan.

Mr. JONES of New Mexico. Mr. President, will the Senator yield to me?

Mr. DIAL. With pleasure.

Mr. JONES of New Mexico. I should like to know what plan the Senator has for equalizing the tax as between individuals and partnerships on the one hand and corporations on the other hand. If a partnership engaged in business desires to keep all of its net earnings in the business, as many of them do, and with the very salutary purpose to which the Senator from South Carolina has just referred, the partners must pay a tax upon all those earnings just the same as if the earnings had been taken out of the business. But the shareholders of a corporation which does that precise thing do not have to pay upon that portion of the earnings of the corporation. I assume the Senator would not feel that that was an equitable arrangement and I would like to inquire whether he has in mind any plan for an adjustment of that very grave inequality.

Mr. DIAL. I do not ask for any favoritism to corporations. I feel that they should not be put on any higher plane than partnerships or individuals. But as I understand the proposition, it is an extra charge on the capital stock of corporations. The partnership pays no capital stock license at all.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Tennessee?

Mr. DIAL. With pleasure.

Mr. McKELLAR. The Senator will recall section 22 of the revenue act which is to be amended by the pending bill. I read from a provision in this bill, and I think it is exactly the same provision that is in the present law. I read from page 69 of the bill, section 220:

> If any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its shareholders through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount thereof. * * *
>
> The fact that any corporation is a mere holding or investment company, or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

I understand from a letter of the Secretary of the Treasury written to me that that section of the law has not been enforced since he has been Secretary of the Treasury; that some lawyer told him it was not any good, and he was not enforcing it. But if it were enforced, why would it not prevent the very trouble which the Senator from New Mexico has just mentioned?

Mr. DIAL. I presume that is the very object it had.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from New Mexico?

Mr. DIAL. I yield with pleasure.

Mr. JONES of New Mexico. The history of that section is well known to all of us who have been following revenue legislation. A provision of that sort was put into the first revenue bill in 1917 just as we were entering the war, and some Senators may recall that I predicted at that time that it would be, for all practical purposes, ineffective.

Senators will observe that the section only applies to cases where the corporation is organized for the purpose of evading surtaxes. The purpose of an individual in doing anything is always very difficult to prove.

Mr. McKELLAR. If the Senator will permit me to interrupt him, it is specifically provided that—

> The fact that * * * the gains or profits are permitted to accumulate beyond the reasonable needs of the business shall be prima facie evidence of a purpose to escape the surtax.

That should be broad enough, I think, to cover any corporation whose gains and profits were so great that it was necessary to declare a stock dividend.

Mr. JONES of New Mexico. That provision has been in the law since 1917. The Senator from Tennessee is a lawyer and the Senator from South Carolina as well is a lawyer. I think it is understood by all lawyers that in organizing a corporation, in specifying the purposes for which the corporation is organized, the charter is made exceedingly broad; in fact, it is customary now, I think, to include in the charters of all corporations provisions which will enable them in effect to engage in any legal enterprise or industry. When can it be said that a corporation is retaining its earnings unduly or beyond the reasonable necessities of the business, when the corporation is permitted to engage in any legitimate industry? There are many corporations organized specifically for the purpose of investing and reinvesting earnings. That is a legitimate enterprise. Many people who are engaged in the investment business do it through

the agency of a corporation because of the convenience of doing business, because of the limited liability attaching to the activities in the name of a corporation rather than as an individual.

Many people organize a corporation for the purpose of transferring their individual assets to it, so as to ease the matter of distribution in event of death. It is much easier to distribute to the heirs of an estate the proper share of the estate if it is a corporation, and you are merely dealing with shares of stock, than it is to divide the actual corpus of the estate, the personal property, the real estate, and have ownership in different heirs by inheritance or devise. So as a matter of convenience corporations are often organized for the purpose of an easy way of handling the estate upon death. As long as the purpose of the corporation is to be inquired into as a condition precedent to the imposition of a penalty it will never amount to anything, in my opinion.

Mr. McKELLAR. Mr. President, will the Senator from South Carolina yield to me to ask a question?

Mr. DIAL. I yield.

Mr. McKELLAR. As I understand the purpose of section 220, it is to prevent an individual from putting his or her property in the hands of a corporation and thereby escaping the higher brackets of the income tax and simply paying a corporation tax of 12½ per cent. That is the general purpose of the provision, is it not?

Mr. JONES of New Mexico. The purpose of the provision is to prevent that; and I will say to the Senator, while I do not like to indulge in comment on purposes in enacting legislation, I think I can tell the Senator a little history which will clarify this matter in his mind.

Mr. McKELLAR. I should be very glad if the Senator from New Mexico would do so.

Mr. JONES of New Mexico. In 1917 I proposed to put a provision in the bill then pending to tax undistributed incomes of corporations.

Mr. McKELLAR. Yes; I remember it very well.

Mr. JONES of New Mexico. In the bill as first reported to the Senate the Finance Committee adopted that provision; but in the meantime, because of additional calls upon Congress for funds by the War Department, the bill went back to the committee, and persons in control of the corporations who did not want that thing done commenced pouring in their protests against it. So the majority of the Finance Committee opposed such a tax and put this provision in so that they could say that there was a provision in the bill to prevent the evasion of surtaxes. As I predicted then, however, and still predict, it will have no such effect.

Mr. McKELLAR. The letter of the Secretary of the Treasury, which was written, as I recall, in January or February last, specifically states that there has been no attempt to enforce the provision, but the Secretary stated at the time—if the Senator from South Carolina will permit me to interrupt him further——

Mr. DIAL. Certainly.

Mr. McKELLAR. The Secretary of the Treasury stated at that time that an amendment would be offered to this section which would so improve it as to cause section 220 to have the desired effect. What I wish to know from the Senator is whether any such proposal was made. Apparently section 220 is as nugatory in the pending bill as it was in the last one.

Mr. JONES of New Mexico. Mr. President, I may say that I undertook to test the real sentiment of the majority of the committee upon that question, and moved to strike out the words "for the purpose of" on page 69, line 5, so that where corporations were formed or availed of so as to evade the surtaxes a remedy might be provided, but every member of the majority side of the committee, as I expected, opposed the motion which I had made, showing that there is no expectation through this section of preventing corporations being availed of whether for one purpose or another so as to evade the high surtaxes.

Mr. McKELLAR. I understand there are corporations which have made such gains or profits as to be able to pay 200 per cent on their capital stock as stock dividends, and yet it is held by the Treasury Department that they do not come within the provisions of section 220. I call attention specifically to that part of the section which reads—

> or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

Of course the effect of the provision as expressed in section 220 is to permit some of the very strong corporations and very great profit-earning corporations to escape a very large part of their taxes.

Mr. JONES of New Mexico. Mr. President, will the Senator from South Carolina permit me to interrupt him further?

Mr. DIAL. Yes; I yield.

Mr. JONES of New Mexico. I desire to call attention to a document which has recently been published as a public document. It came from the Treasury Department in response to a resolution which I introduced in the Senate in January regarding the undistributed earnings of corporations. Anyone who is interested in that subject ought by all means to secure a copy of the document returned in response to that resolution and to give it some thought. It is full of very important information.

On the subject of the stock dividends to which the Senator from Tennessee has just referred I desire to call attention to the summary regarding that.

Mr. McKELLAR. What is the document to which the Senator from New Mexico refers? I should like to obtain a copy of it.

Mr. JONES of New Mexico. It is Senate Document No. 85, which is entitled "Distributed and undistributed earnings of corporations," being a letter from the Secretary of the Treasury in response to Senate Resolution No. 110 of January 7, 1924.

Mr. McKELLAR. From what page is the Senator from New Mexico now quoting?

Mr. JONES of New Mexico. I am quoting from page 3 of the document. I called the attention of the Senate to some of these figures on yesterday, but not with regard to the distribution of stock dividends.

For the year 1922 there were about 100,000 corporations making returns of net income for taxation. The table on page 3 gives the number of corporations which did not make any distribution by way of cash dividends. It also gives the number retaining in the treasury less than 10 per cent by brackets on up until the whole question is dealt with, and also the percentages of income retained are fully covered. The figures show that 48,875 of these corporations paid out in cash dividends to the amount of $2,763,068,217. They paid out in stock dividends $2,547,000,000, or just about the same amount in stock dividends as in cash dividends.

Mr. DIAL. I want to call the Senator's attention to the fact that that does not prove anything. That takes a whole class; the Senator would have to come down to individual cases in order to have his argument apply.

Mr. JONES of New Mexico. Mr. President, if the Senator will study this document he will find that the various industries and also corporations in the various branches of industry are dealt with, and it shows the situation as nearly as it can be done without making it so specific as to enable one reading the document to know what particular corporations are doing. In other words, the Senator will not be fully satisfied by a study of this document, because it is not possible to tell by an examination of the document what the corporation to which the Senator from Utah referred a while ago is doing, for the corporations are so grouped that one can not pick out any specific corporation. The Senator, however, will gain a great deal of information on that subject by a study of this document.

While he is making a study of it, I desire to call attention to another document which came here in response to a resolution which was adopted by the Senate upon my suggestion, regarding excess-profits taxes of 1921. There is no tax now upon excess profits, but I thought it would be valuable information if the country could know what classes of industry were making large earnings in proportion to the invested capital. So we have this document containing information from the Treasury Department as to what classes of industry were earning large percentages of income on the invested capital. That document is worthy of study. These documents have been available only for a few days comparatively, and I am not surprised that even Senators are not informed about them, because up until the last few days there has been no opportunity for any of us to know just what the real situation was.

Mr. DIAL. I thank the Senator from New Mexico for calling that to my attention.

Mr. President, I am not talking about hide-and-seek corporations, such as those of which the Senator from Tennessee and the Senator from New Mexico spoke; I am talking about real corporations which are formed for the purpose of honestly carrying on business and developing the country, corporations which have helped to make this country great as it is to-day.

I am no spokesman for Mr. Ford; I am not familiar with the manner in which he conducts his business, as the Senator from Utah [Mr. KING] seems to be, and whether he meets his fair proportion of taxation or not I do not know. If, however, he does not do so the remainder of the taxpayers ought not to be penalized if he gets around his taxes unjustly, and I do not say that he does. But what we ought to do here is to

pass an honest, a just, a fair, and an equitable law to reach all property proportionately.

When we come to talk about the earnings of corporations we are dealing with a very uncertain proposition, but when we speak of the capital stock that is a fixed quantity; that can not be changed, whereas the earnings of the corporation may be absorbed in salaries and in various ways. I very much fear that if this amendment is adopted instead of increasing taxes it probably will decrease them.

I am opposed to mushroom corporations being formed and issuing stock and robbing innocent people. The people ought to be guarded by every protection the law can throw around them, and if the character of corporations to which I now refer issue "blue paper" I am very glad for them to be compelled to pay a tax upon it, whether the corporations earn anything or not, because it is issued for the purpose of trying to sell it to somebody.

Mr. JONES of New Mexico. Mr. President——

Mr. DIAL. I yield.

Mr. JONES of New Mexico. I may say that the corporation stock tax is not imposed upon the amount of shares under the present law, and even if this amendment be not adopted the tax would not be so imposed. Under the present law the capital-stock tax is fixed upon the actual market value of the stock, regardless of its amount.

Mr. DIAL. If we go at it in this way all capital stock should be taxed something.

Mr. JONES of New Mexico. I think the Senator will find that that is the law.

Mr. DIAL. Of course, I know the Senator is much better informed than I, because he is on the committee and has studied the question carefully, but the selling value of the stock varies greatly.

Mr. JONES of New Mexico. The tax is on the actual market value of the stock.

Mr. DIAL. That would vary every year, perhaps.

Mr. JONES of New Mexico. It does; and I may say that that is one of the reasons why the committee changed this from a capital-stock tax to a tax on net income, because of the administrative difficulties of ascertaining the amount and collecting this corporation-stock tax because it is based upon the value, which does vary, as the Senator says.

Mr. DIAL. As of what date?

Mr. JONES of New Mexico. As of the date of the fiscal year of the corporation, whatever it may be. I think it is of June 30 of each year.

Mr. DIAL. That is the end of the fiscal year?

Mr. JONES of New Mexico. That is the end of the fiscal year.

Mr. DIAL. We should get around people flooding the country with spurious stock and running down the price. Perhaps it would not be worth a dollar a hundred or a thousand, and hence if they were required to pay taxes on it the public would be protected to that extent.

Mr. President, it is a false notion to expect corporations to pay out their entire earnings. If they should undertake that policy it would not be long before many of them would be in the hands of receivers, and sales would follow, and other people would own the property. They prosper for one, two, or three years, perhaps, then again the business is very unprofitable; but in preference to closing down and throwing the labor out of employment they will continue to operate even at a loss.

This is an exceedingly serious question in my section of the country at this particular time. Only last week I read in the paper where a cotton mill in my neighborhood closed down and threw 50 families out of employment. Only a few days ago the president of a large mill told me he was having trouble in disposing of his goods, and that he was curtailing his operations, running three days a week, and would possibly have to close down altogether in the very near future. I asked him whether that was not a very serious matter for the labor. He said it was, indeed, and it was a serious matter for the stockholders of his corporation. I asked him how he expected the employees of that company—and there were possibly a couple of thousand of them—to subsist during the summer until another crop could come in. I told him that at this particular time they could not receive employment on the farms on account of the great uncertainty of being able to make a crop at all, and that there were not enough public works going on to give them employment.

If that corporation had not kept some surplus in its treasury it would not have been able in this hour of need to go to the rescue of those faithful employees. I know the enterprise in question, and many of the employees have been there for the last 10 or 20 years. It is one in which my country takes great pride.

That brings us on down to think about the necessity of sane legislation. I have sounded a warning here for the last few years that the very condition I spoke of would soon ensue, and it has come to pass. I am sorry that Senators seem to be so careless of the interests of the people as not to realize the gravity of the situation. I have been trying to get some legislation passed which would aid the farmers of the country and particularly of my section. I warned the Senate a year or two ago that unless something was done to stabilize the raw product of agriculture, and particularly cotton, on account of the wide and wild fluctuations farms would be deserted, mills would shut down, employees would be thrown out of employment, and that has come to pass to-day. By reason of Congress going to sleep, by reason of not passing a fair and an equal and a just law correcting the evils of the present cotton-future contract law, the price of cotton fluctuates, and within a few months its price declined one-third of the value of the commodity. Hence converters of goods, retail merchants all over the country, everybody who wants to buy a shirt or a towel or a sheet, withdraws from the market, and goods are piling up, and people are thrown out of employment.

Mr. President, the remedy is for us to pass sound and sane laws taxing everybody equitably and equally, and fixing a way in which a large amount of uninvested capital can not be used at the pleasure of the owner thereof to confiscate within a few moments a large proportion of the value of the labor of toiling people.

I am not opposed to wealth. In fact, anyone who does not try to accumulate, who does not save, who does not work, who does not toil, who does not try to better his condition and the condition of his family, is not worthy of having a family; but, Mr. President, when speculators, people who do not sow, who do not produce, just use uninvested wealth to change the price of our chief commodity within one day to a tremendous extent, it is time that Congress was performing its duty and passing a law that would prevent it.

I have been exceedingly reluctant to press my views on the Senate. I have been waiting for the Federal Trade Commission to make a final report upon a resolution which I submitted to it over two years ago in order that I might bring up an amendment which I propose to press before the Senate. Realizing that thousands of my people are being thrown out of employment because we have not done our duty in this respect, I propose to call up a resolution which I have pending at my very first opportunity, and if I fail to get it passed I propose to call it up each day, or just as often as I can get the floor, until I can get my bill reported back on the calendar. Then I will give the Senate an opportunity to vote if it is in my power to do so. Heretofore—that is, before the advent of the boll weevil—there was almost always employment for people on the farms, because all knew some cotton could be produced; but now on account of this pest it is doubtful if any of that crop will be harvested. Hence people are not disposed to take risks in planting it; hence unemployment.

Mr. KING. Mr. President, the question of imposing a graduated tax upon corporations is one of great importance and deserves serious consideration at the hands of the Senate. The Senator from New Mexico will offer an amendment which, if adopted, will change the provisions of the bill which lays a flat tax of 14 per cent upon the net earnings of corporations.

Mr. President, what I shall say will be somewhat discursive, and is prompted by some of the observations just submitted by the Senator from South Carolina [Mr. DIAL]. Before proceeding further, may I say in behalf of the Democrats of the Finance Committee that it is not our purpose to delay consideration of the pending bill but to facilitate its passage? By that I do not mean that the minority members are satisfied with all of the provisions of the bill. Indeed, many of its provisions do not command our support. However, the majority party reported the bill, and it is entitled to have it fairly and promptly considered. The Republicans are in control, and they must bear the responsibility of legislation, and also whatever odium attaches to nonaction upon important matters. I am not violating any proprieties in stating that when the revenue bill was under consideration by the Finance Committee the Democratic members of the committee were in constant attendance and submitted frankly their views. There was no factional opposition and no effort whatever to delay action by the committee. They believed that Congress should not adjourn without passing a revenue bill, and that while the pending measure was not satisfactory and contained many provisions unjust and oppressive, nevertheless there was sufficient

merit in it to restrain the interposition of obstacles which would prevent final action during this session of Congress. The consideration of the bill in committee was, in my opinion, not only not impeded by the Democrats, but I sometimes felt that the desire to hasten a report upon the bill denied full and adequate consideration.

Mr. President, revenue measures should be carefully considered. The question of taxation is important, and the economic and industrial affairs of a State are closely connected with the system of taxation which prevails. The springs of prosperity may be destroyed by oppressive taxation and an unjust revenue measure may produce cleavages in the social and economic structure and result in consequences that in the end are disastrous. No system of taxation which has been devised has met the concurrence of all. An income tax which, it is generally conceded, is a fair and just method of raising revenue has many infirmities and is open to legitimate and serious criticism. Most Federal tax measures have been makeshifts; it can not be said they have been scientific. Too often they have reflected passion and prejudice and discriminatory policies. And in the States of the Union the revenue policies now obtaining, as well as those which have prevailed in the past, possess many inequalities and result in grave injustices. Throughout the land the cry of the people is against heavy taxes and the inequitable provisions found in revenue laws. Every possible effort should be made to make the burden of taxation light, and in the preparation of tax bills there should be an honest and sincere purpose to see that no injustice is done.

We are now called upon to raise approximately $4,000,000,000 of revenue to meet the expenditures of the Federal Government. It is not an easy task, even in a country with the resources possessed by the United States, to obtain so large a sum. It is a heavy burden upon business, and its oppressive character becomes more manifest when the fact is driven home to the people that that stupendous sum is only a part, indeed a lesser part, of the aggregate amount which they are called upon to surrender to State and National Governments to meet the demands for the coming fiscal year.

Mr. President, the present economic condition of our country is such as to demand that the taxes imposed by the Federal Government, as well as by the States, should be cut to the lowest possible figure. Our Republican friends effect to regard the economic and financial condition of our country as highly satisfactory. In their zeal to win the coming election and to ascribe to the Republican Party virtues which it does not possess and triumphs which it has not won, they minimize evil conditions, financial depression, economic losses, industrial depression, and prevailing discontent, and paint in vivid colors pictures of national prosperity and universal felicity that are not only illusory but wholly imaginative. Mr. President, throughout the land the evidences are unmistakable that business is unsatisfactory, industry, if not paralyzed, is in a moribund condition, and doubt and fear haunt the paths of trade and follow like hateful shadows the footsteps of the business men of our country.

There is, in the language of the street, a "slowing down" of business. In many parts of our country there is stagnation, and in every part of the land agriculture is bound and fettered. But, Mr. President, these conditions, serious and menacing, are the inevitable results of unwise economic and political policies. The Republican Party, flushed with victory in the last national election, flung to the winds sound and sane policies. Its foreign policies were an abandonment of the noble ideals which should lead this Republic and of the broad and comprehensive international program, promotive of national honor and of international prosperity, as well as of international amnity and world fellowship. I might add, Mr. President, that any true national policy pursued by this great Republic will be a contribution to the peace and progress of the world and will bring into closer bonds of fellowship all nations, both great and small.

The Republican Party's domestic policies have been as unsound as have been its foreign policies. Many dispassionate observers of the tendencies, as well as of the avowed purposes, of the Republican Party, perceive that it is a party of selfishness and of narrow and limited vision. When it pretends to stand for America and for what it calls American policies it exhibits a narrowness and a bigotry and a selfishness foreign to the ideals of the fathers of this Republic and to the broad and generous principles which guided the immortal Lincoln. True nationalism does not mean isolation or the erection of natural or artificial barriers as obstacles to world intercourse. There can be a policy that recognizes the strength and initiative and authority of the individual, which recognizes his right to freedom and to the determination of his own way in life, but which at the same time integrates him and his activities into the social organism. So, too, a nation, while maintaining its independence, its sovereignty, its right to determine its course upon the great sea of life, can join in world movements without losing its independence or robbing it of its national strength.

But, Mr. President, our Republican friends, while loudly proclaiming their devotion to America, speak but little these days of American ideals—of those finer and nobler things in life essential to the preservation of our Nation's life, as well as to the civilization of the world. There is too much of materialism in modern Republicanism. It is too much concerned with the things that perish; it shows too little interest in the things which do not die. Wealth vanishes; a cataclysm may destroy a city, or a pest may bring ruin to the crops and herds of the land. If our legislation is shaped along purely material and utilitarian lines, then our country's future is dark indeed.

I have thought sometimes that the Republican Party has forgotten the ideals of Lincoln and has surrendered itself to soulless corporations, to gigantic trusts, and to sordid, materialistic influences which corrode the souls of men and destroy the spirit of political organizations. Political issues that rest only upon material gains, upon selfish and sordid policies, may bring temporary victories, but in the end they will bring disaster and overwhelming defeat. The Republican Party in most of its legislation seems chiefly concerned in protecting wealth and in shaping its policies to conform to the wishes of sinister and materialistic influences so powerful throughout the land.

The McCumber tariff law is an exemplification of the truth of what I have just stated. It furnishes convincing evidence that it was framed in the interest of combines and selfish interests. Representatives of powerful organizations invaded the Capitol and demanded that there be written into the law provisions which would add to their swollen fortunes, and further oppress the great mass of the American people. The farmers throughout the United States were beguiled into supporting it, but have finally awakened to a realization of the fact that it was a deception and a fraud, that it robbed them of hundreds of billions annually which went into the pockets of great manufacturing and industrial concerns, whose wishes determined the policies of the Republican Party and whose demands were crystallized into law.

The Senator from South Carolina [Mr. DIAL] alluded to the languishing condition of agriculture and the despair which fills the hearts of the farmers. He states that Congress is ignoring the welfare of the farmer and his inference is that the people, too, have been ignored. If I understand him correctly, I assent to that statement.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. The Senator recalls the tariff of 42 cents a bushel on wheat, does he not? He is not going to overlook that, and the immense amount of good it did to the wheat farmers of America.

Mr. KING. Mr. President, the Senator from Tennessee is always alert to direct attention to the deceptive promises of the Republican Party. He has called attention to the fraud which was committed for the purpose of fooling the farmers and inducing them to support the Republican Party. The tariff upon agricultural products is a fraud, as everyone must now concede. But the Republicans having robbed the farmers by giving to the manufacturers enormous tariffs so that they might charge for their products extortionate prices, pretended to be their friends, and offered them a tariff upon wheat and other agricultural products. As the tariff was advanced the price of wheat went down. It is astounding how the Republicans have been so successful in hoaxing and deceiving the farming and laboring classes of the United States. As depression comes to the farmers, the Republicans say we must have higher tariffs. It seems to be the specific which they offer for the industrial ills from which our country suffers. When the condition of our country is unsatisfactory, then the Republican leaders declare that our fiscal policy must be changed and our tariff rates increased. The idea of removing obstacles from trade and commerce never enters into the mind of the orthodox Republican. He is wedded to his ideals; he is a natural isolationist. He sees the trusts permitted to prey upon the people and deduces the rule that the greater the predatory activities of this class, the greater will be the prosperity of the people.

The tiger and the lion grow fat when they can, without molestation, feed upon the weaker animals. Republicanism is

prise in question, and many of the employees have been there visions unjust and oppressive, nevertheless there was sufficient

shot through with the thought that great wealth in the hands of the few will bring happiness and prosperity to the many. It is the world-old view that a few are made to rule, to govern, to control, to exercise political power, and to dominate the industrial and economic forces, and the many are to be mere pawns or automatons to be moved and pushed and shoved by those who seize political and economic power. The people have been fooled by the Republican Party. They are still in many sections of our land mystified by the legerdemain of the Republican Party and hypnotized by its subtle movements.

The tariff bill to which I refer was offered by the Republicans as a specific for the industrial and economic ills of the people. The then chairman of the Finance Committee, Mr. McCumber, admitted that the bill would increase prices and add to the profits of the beneficiaries of the law. He admitted that it would give to them the power to increase prices and that in many instances the tariff rates were so high as to be equivalent to an embargo. Democrats directed attention to the dangerous power committed to the manufacturing interests, to the trusts and combinations of the land, and pleaded with the Republican majority not to press down upon the back of labor the frightful weight which the McCumber bill would create.

The chairman of the committee, as Senators will recall, felt the strength of his adversaries' arguments and in piteous tones appealed to those in whose behalf the tariff schedules had been written not to exercise the authority conferred by the bill, but to content themselves with reasonable profits upon the commodities which they produced and which the American people were compelled to purchase. The contention was made that the tariff schedules were so high as to place a sword in the hands of the great manufacturing and other interests of the United States, a sword with which the people would be punished and a weapon by which they might be destroyed.

But, Mr. President, one might as well appeal to the tiger which has tasted blood in the hope that he will pause in devouring his victim, as to appeal to the Republican Party to preserve those whom its policies will destroy. The tariff trusts of the United States and the combinations who dictated the McCumber bill, as well as the leaders of the Republican Party, have given no heed to the appeals of the former chairman of the Finance Committee. They have exacted from the people the last penny. They are wringing from the American people the last drop of blood which it is possible to take from them.

It could not be otherwise. It is history repeating itself. Human nature changes but little as the centuries pass by, when power, industrial and otherwise, is put into the hands of a few—power to impose upon the people their policies—experience demonstrates that it will be exercised; and if this power will centralize wealth in the few it will be more zealously exercised, even though it ends in the destruction of the industrial freedom of the people and the political life of the Government itself. The appeals of Cicero to the mercenary forces who controlled the political and economic policies of the Roman Empire were not heeded. Oppressive legislation was enacted. The wealth was abstracted from the people, and the foundations of the Government were so weakened that in the end it was overthrown. Senators will recall the servitude of the agriculturalists, the legislation and policies which reduced them from the status of free men to the status of slaves. They will recall the ruinous rates of interest, as a result of which the specie of the world went into the coffers of the few. They will recall how Rome by the corruption of the rich and the degradation of the poor fell from her eminence and lay prostrate before invading foes. Mr. Jacobs tells us that four-fifths of the metallic money of the world was controlled by a few individuals who dominated the Roman Empire. In those days legislation and policies were hostile to the people and in the interest of the usurping few.

Precedents, Mr. President, may be invoked and historical analogies appealed to with profit in the consideration of legislation even in this age and in this triumphant Republic. We affect to believe that this age is unique and its problems differentiate it from past centuries. There is nothing new under the sun. The problems of taxation which we encounter confronted nations thousands of years ago. Questions of tariff, the various forms of taxation, and the evils of paternalism—these and other questions which we seem to regard as peculiar to our age—were dealt with, but not settled, in the dim ages of the past; and as each nation advanced over the prostrate form of departed ones the same problems arose, were experimented with, but not solved.

In our arrogance we are disposed to pay no attention to precedents or to historical analogies. The lessons written in letters of blood upon the pages of history do not deter us from the perpetration of the same errors, the commission of the same transgressions that are recorded over and over again during the past 5,000 years. So to-day we bow submissively to the dictates of combinations of organized wealth, of sinister forces. We pass tax laws and tariff laws; we bestow bounties and largesses; we destroy the principles of justice and equality; we follow the paths of selfishness and sordidness; we bow before the shrine of a narrow and restricted nationalism; we close our hearts to the noble impulses and high aspirations which must in the end prevail and direct humanity if the heights of freedom and justice and truth are ever attained.

But, Mr. President, I rose rather to comment upon one or two of the statements made by the Senator from South Carolina [Mr. DIAL] and to state that the Democrats upon the Finance Committee, while not satisfied with the pending measure, will interpose no factious opposition to the passage of the bill. They will offer some amendments—important ones—amendments which will improve the bill, and if adopted relieve a large part of the people of the United States of discriminations which the bill in its present form imposes upon them. However, it has one virtue. It will reduce slightly the burdens of taxation. But, Mr. President, with the extravagance attending this Republican Congress, the reduction in taxation, small as it is, will add to the deficit which will be created as a result of the appropriations for the next fiscal year. I know it is idle to talk about reducing appropriations. Every appeal made for economy is treated with more or less derision. The people themselves, unfortunately, give no concrete evidence of their approval of efforts to cut down the appropriations carried by the numerous bills which are enacted into law. I have sometimes thought that the people have greater pleasure in seeing the Treasury depleted by enormous appropriation bills than in learning of the passage of legislation which relieves them from the burden of taxation. Senators are daily importuned to pass laws increasing appropriations. The golden stream flowing from the Treasury seems more beautiful the larger it is. It fascinates the people, and there seems to be a desire that the stream should be enlarged and its fertilizing effects extended to all parts of the land. However, the stream does not always fructify the soil or benefit the people. In order to replenish the stream more taxes are to be levied; and ultimately the people must learn that the more they spend the more they will be taxed, and that in the long run that country is most blessed that has the fewest tax gatherers and the fewest appropriation bills.

The character of legislation enacted by Congress encourages socialism, develops a hateful and oppressive paternalism, and increases the demands made by the people for the projection of the Government into the policies of the States and the business affairs and enterprises of the people. In one of the subcommittees but a few hours ago estimable men and women appeared before us asking for a large appropriation from the Federal Treasury for the erection of houses for the employees of the Government and for a large section of the people of the city who do not have homes of their own. And daily, as I have stated, demands are made for the Federal Government to embark upon schemes that are unconstitutional and could scarcely be supported under a paternalistic government of the most pronounced character.

Mr. DIAL. Mr. President——

Mr. KING. I yield to the Senator from South Carolina.

Mr. DIAL. I am not defending the people for appearing before the Senator's committee and asking them to recommend an appropriation of money with which to build houses; but I would like to ask if they were not encouraged to do so, indeed invited to do so, by the action of the Congress a few days ago in passing a bill providing for a loan to the farmers of New Mexico of a million dollars? Then, it has not been very long ago that we took up the Norbeck bill, where it was desired that we should hand out and dish out to the farmers of four Northwestern States about $50,000,000 for the purpose of encouraging them along about November. Is the Senator surprised at the people coming and asking that the Government build houses for them or buy clothing for them or do anything else for them out of the Federal Treasury?

Mr. KING. I am not going to project myself into the controversy that may arise out of the first part of the question propounded by the able Senator from South Carolina. I see upon my left the Senator from New Mexico [Mr. JONES], and I confess that in a contest between the Senator from South Carolina and the able Senator from New Mexico I must remain neutral.

Mr. DIAL. The lovableness of the Senator from New Mexico is the reason why the bill passed.

Mr. KING. Without reference to any particular measure, and speaking generally, it seems to me that the policies of the

Government, in some respects at least, have been an encouragement to the socialistic and paternalistic spirit that we find permeating the law. I sometimes think that both political parties have forgotten the theory of this Government, the dividing line between the States and the Federal Government, and the great responsibilities which the States reserved to themselves—indeed, demanded for themselves—and which they were unwilling to surrender to the Federal Government.

But I shall not pursue that further. What I wanted to call attention to was the fact that the tax burdens of the American people are becoming too oppressive to be borne, and immediate relief must come. Our farmers find no markets for their surplus products. Foreign markets for agricultural products are being closed, and the plants that are growing up, fostered by improper legislation, will, of course, contribute to a further restriction of our foreign markets.

If we establish here as a standard a price level so high above the price levels of the world, it is manifest to the most superficial observer or student of political economy that we are destroying any possibility of extending our foreign trade and commerce. The prosperity of the agriculturists of the United States, as well as of the people generally, in the long run will depend upon our foreign markets. We may talk about being a self-contained Nation; but with the great developments in chemistry, in the applied sciences, in mechanical devices, in which we lead the world, it is becoming daily apparent that we can supply not alone the people of the United States with all things, or substantially all things, that they require, but we can supply hundreds of millions of the peoples of the world.

We ought to be concerned in our legislation in aiding the stream of commerce and making it larger. We ought to aid the farmers of the United States in finding foreign markets for their surplus products and the manufacturers of the United States in conquering the markets of the world. But we are pursuing a fatuous policy, which sooner or later will eventuate in the reconquering of the markets of the world—the manufacturing markets of the world, at least—by Germany, by Great Britain, by France, by Belgium, and by other European countries.

I repeat that a fictitious and superficial price level maintained by unwise legislation will make it absolutely impossible for the United States to compete in the markets of the world; and with the death of competition there will come a shrinkage in our markets, a shrinkage in production measured by capacity to produce. This will be followed by diminished production in factories—indeed, the closing of some factories and the turning out into the streets thousands and millions of men now employed in gainful occupations.

I referred to the question of taxation. We are going to appropriate this year hundreds of millions in excess of the Budget estimates. It has been estimated by the Budget that we will appropriate for the fiscal year 1925 $3,298,080,444. The Budget estimate of revenue receipts on the basis of the present law for the fiscal year 1925 is $3,693,762,078. The evidences are cumulating that there will be a diminution in the business activities of our country during the next fiscal year; this being so, it is obvious that the revenues which seem to be recognized as more or less certain by the Budget will not be forthcoming, and yet we are appropriating far in excess of what the Budget recommended.

The senior Senator from Utah [Mr. SMOOT] has called attention to the fact that there is or will be a deficit, I think, with the appropriations which have already been made, based upon the revenue estimated by the Budget and by the Treasury of the United States. My colleague has challenged attention to the fact that in all probability we will not balance our Budget. However, we will continue to pass appropriation bills, and there will be, in my opinion, at the end of the fiscal year a deficit, under the law which we will enact, of between $300,000,000 and $500,000,000. This deficit will have to be met by increased taxation at the next session of Congress. It is as certain as that the sun will shine somewhere in the world upon the good morrow that next year we will have a deficit, to meet which the Government must borrow money or further tax the people.

Then in addition to these stupendous Federal taxes we have the rising tide of State and municipal taxation. I have said upon one or two occasions that the taxes in States, counties, and municipalities of our country have increased since 1913 from 167 to 300 and 400 per cent. The taxes imposed upon the people by the States, counties, and municipalities will be greater this year than they were in 1921, 1922, or 1923. They will exceed five billion dollars, and that stupendous sum, added to the more than four billion dollars which we will appropriate for the next fiscal year, will place a burden upon the American people of between eight and nine billion dollars. It was only a few years ago when all of the savings of the people in an entire year were less than six billion dollars, and now we have increased the taxes so much that if there were not increased savings there would be an invasion upon capital in order to pay taxes. As a matter of fact, there must be destruction of capital now to meet the taxes for the coming year. There will be much capital dissipated among agriculturists to pay the burdens of taxation imposed during the next fiscal year.

Mr. President, it is time that we practice economy and retrenchment. We need a Holman in the Senate and in the House, a great objector who will lift his voice against the extravagance of this administration and of the Government and the demands for greater and still greater appropriations. We need some corrective influence in the country. We need some great crusader, who will go from the Atlantic to the Pacific crying aloud for reform in taxation and reduction in the burdens of taxation, retrenchment in county, in State, in city, and in the Federal Government.

We need men who will tell the people that instead of the Government owing them something they owe something to the Government. The theory seems to be that the Government is a great cornucopia that pours out its blessings, its gold, its treasures upon the people.

Instead of that, Mr. President, the proper government is poor, as poor as the proverbial "church mouse." It were better to have a poor government—that is, a government whose treasury is not overflowing with taxes wrung from the brow of toil; a treasury that has only sufficient funds to meet the current expenses of a government rigidly, Spartanlike, economically administered—but we boast so much of this rich Government, of our enormous wealth, that we cease to think of the burdens of taxation. We levy taxes as if they were no burden upon the people, and we spend the taxes, obtained and unobtained, as if there were no limit to the Treasury of the United States or to the capacity of the people of the country to bear the terribly oppressive burdens that now rest upon them.

We heard the impressive speech of the Senator from Idaho [Mr. BORAH] a few days ago telling us of farms abandoned, of despair in many agricultural sections of the United States, of farms sold for taxes, whole counties denuded of titles, and thousands of people driven by poverty and want from their homes. Yet with these solemn warnings, with these evidences of despair, these evidences of financial depression, we continue blithely to spend money, to levy taxes, and to cry out to the people "All is well!"

Let us take stock, Mr. President. Spring has come. The wise merchant takes stock in order to see what he has on hand. The wise man balances his accounts and tries to project a policy that will save him from destruction and advance him along the pathway of safety and security. Let us, as stewards of the people, protect their interests, and not in a profligate way continue these enormous appropriations and thus press more heavily upon the people the burdens of taxation.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. KING. Mr. President, I called attention on yesterday to a subject when the Senator from New Mexico [Mr. JONES] was speaking, and I stated that to-day I should be glad to put the figures relative thereto into the RECORD. I wish now to call attention to the matter. The Senator from New Mexico was discussing the manner in which corporations escaped taxation. I wish to show the tremendous amount of property which is owned by corporations, their earnings, and the small amount of taxes which is paid by them in proportion to their earnings.

Mr. GERRY. Mr. President, it seems to me the matter which the Senator from Utah is about to discuss is very important, but there are very few Senators present to listen to the discussion. I, therefore, suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Keyes	Reed, Pa.
Borah	Ferris	King	Sheppard
Brandegee	Fess	Lodge	Shipstead
Brookhart	Fletcher	McKellar	Smith
Broussard	George	McNary	Smoot
Bruce	Gerry	Moses	Stephens
Bursum	Gooding	Neely	Sterling
Cameron	Hale	Norris	Swanson
Capper	Harris	Oddie	Trammell
Caraway	Harrison	Overman	Wadsworth
Copeland	Heflin	Pepper	Walsh, Mont.
Cummins	Johnson, Minn.	Phipps	Warren
Curtis	Jones, N. Mex.	Pittman	Wheeler
Dale	Jones, Wash.	Ralston	Willis
Dial	Kendrick	Ransdell	

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] has been called home by important business.

The PRESIDENT pro tempore. Fifty-nine Senators have answered to their names. There is a quorum present.

Mr. JONES of New Mexico and Mr. JONES of Washington addressed the Chair.

The PRESIDENT pro tempore. The Senator from Utah is entitled to the floor, if he desires to occupy it.

Mr. KING. I yield first to the Senator from New Mexico.

Mr JONES of New Mexico. Mr. President, I want to make a very brief statement while a considerable number of Senators are present.

We have been proceeding to-day with the revenue bill, and have made very rapid progress upon it. I think it quite possible that a misapprehension has arisen in the minds of many Senators as to the period of time for which the bill is going to occupy the attention of the Senate.

There is not going to be any attempt of which I have any knowledge to delay the passage of the revenue bill. I realize that Senators have been busy with other matters of legislation, and evidently they have been assuming that the bill is going to be before the Senate for a number of days, and that they can, in their own good time, consider the important provisions of it. If I may, I wish to disabuse the minds of Senators of any such impression. My judgment is that the bill is not going to require many days' time in the Senate. We have been studying the provisions of the bill—especially the members of the committee—and so far as we are concerned our minds are clear as to what we want to do. Of course, there are differences of opinion, but we are not—at least, so far as I have any intimation—going to prolong the consideration of the bill merely for the purpose of taking up time in discussion.

I sincerely trust that all Senators who are interested in any of the provisions of this bill, many of which have been passed over so that an opportunity may be had to give consideration to them, and Senators who have amendments which they propose to offer, will be prepared to take them up on very short notice—to-morrow, in fact—because it is my judgment that the bill is going to pass much sooner than any statements in the press would indicate.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Washington?

Mr. KING. I yield.

THE MERCHANT MARINE

Mr. JONES of Washington. While there is a pretty full attendance in the Senate I want to call attention to a bill that I hope to call up at the first opportunity. I expect to be able to pass it probably without taking very much of the time of the Senate. It is H. R. 6202, known as the Dieselization bill. It is a bill passed by the House amending a couple of sections of the merchant marine act of 1920, under which the loan fund for which that act provides can be used partly for the Dieselization of some of the ships that we have. I think the bill and the report that the House has made on it are so plain that they will demonstrate to Senators the very great desirability of acting on the bill, and I think there will be no objection to it.

Mr. McKELLAR. Mr. President, about what will it cost?

Mr. JONES of Washington. It will cost nothing extra. It simply allows the use of part of the money that is already set aside for the loan fund for the purpose of putting in Diesel motors. The bill authorizes the use of $25,000,000.

Mr. McKELLAR. Of the $125,000,000?

Mr. JONES of Washington. Yes. There is about $66,000,000 in the fund now, I understand, and this bill authorizes the use of $25,000,000 for that purpose. I hope that Senators, when they have a little time, will be able to look over it, so that some of these days, when we can have a few minutes, I can call up the bill and probably pass it, because it is quite an important measure.

Mr. McKELLAR. Is there a report on the bill?

Mr. JONES of Washington. Yes; the House report is made part of the report of the Senate Committee on Commerce.

ALASKAN FISHERIES

Mr. KING. Mr. President, the Senator from Washington [Mr. JONES] referred to the bill coming from the House Committee on the Merchant Marine and Fisheries, as I understand.

Mr. JONES of Washington. No; it is not that bill.

Mr. KING. May I ask the Senator what disposition will be made of the bill passed by the House which deals with the question of the fisheries of Alaska?

Mr. JONES of Washington. That bill is now on the calendar, and I hope to take it up before very long.

Mr. KING. Apropos of that bill, I desire to read a resolution which it is my purpose to offer:

Whereas the Secretary of Commerce, without authority of law, has suspended the fishery laws relating to Alaska, and has granted exclusive fishery rights to favored packing corporations, and has denied to American citizens the common right of fishery as established by the law of the land and recognized by the courts of the United States; and

Whereas the Committee on the Merchant Marine and Fisheries of the House of Representatives of the United States has investigated the administration of the Alaskan fisheries and has recommended unanimously that the practice of granting exclusive fishing rights in Alaskan waters should cease: Now therefore be it

***Resolved*, That it is the sense of the Senate of the United States that all orders and regulations granting exclusive fishing rights to packing corporations or others in Alaskan waters should be immediately rescinded and abrogated.**

Mr. JONES of Washington. Mr. President, I want to say to the Senator that the Committee on Commerce has unanimously reported the bill that passed the House embodying that proposition.

Mr. KING. I am very glad to hear it. I was prompted to offer this resolution because, as the Senator knows, at the beginning of the session I offered a resolution asking for an investigation of practices of the Department of Commerce which were characterized by the Delegate from Alaska as being destructive of the fishery interests of the country and violative of law. That resolution never was reported, and I did not know whether the Committee on Commerce was to bury the whole matter or not.

Mr. JONES of Washington. No; we have acted very promptly, and that is another bill that I should like very much to have Senators examine. I think the report sets out quite fully the situation in regard to that matter, and it is in such shape now that I think it is very desirable that we should pass the bill. So I hope the Senator from Utah and other Senators will examine the bill and the report which has been filed.

Mr. KING. I have examined the bill which has been passed in the House and the report, and I was prompted to offer this resolution for fear the committee would bury that bill as they buried my resolution.

Mr. JONES of Washington. We have already reported the bill and it is on the calendar.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. BROUSSARD. Mr. President, I offer an amendment to the pending bill, which I ask may be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. TRAMMELL. Mr. President, I send to the desk an amendment which I propose to offer to the pending bill. I ask to have it printed and lie on the table subject to call.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. KING. Mr. President, when the absence of a quorum was suggested I was calling attention to the large number of corporations in the United States, and to their enormous holdings, and to the relatively small returns made as a basis for taxation. I was about to state that for the calendar year 1921, the last year for which detailed statistics have been compiled, 185,158 corporations, being 51.95 per cent of all the reporting corporations of the country, reported an aggregate deficit of $3,878,219,134. These corporations reported no net income for taxation; 171,239 corporations, being 48.5 per cent of all the reporting corporations of the country, reported aggregate net income of $4,336,047,813.

Mr. President, if we had access to the tax returns filed by the corporations last alluded to and could ascertain the amount that was allowed by the way of deductions for amortization, depletion, etc., I think the fact would be disclosed that many of these corporations took advantage of their government and failed to pay an honest and a fair tax.

The net income of all corporations—that is, the net income produced by setting off the deficit made by the corporations in the first group against the net income of corporations in the second group—was $457,828,679.

The total gross revenues of all the corporations were reported at $91,249,273,532. That is to say, the gross revenue of these corporations was perhaps one-third of the value of all the property in the United States. The deductions which were

allowed are reported at $90,791,444,853. This means, in plain language, that out of $91,249,000,000 of gross revenues, $457,000,000 represents the alleged net aggregate earnings of all the corporations of the country for that year.

Mr. KENDRICK. Mr. President——

Mr. KING. I yield to the Senator from Wyoming.

Mr. KENDRICK. Can the Senator give us the percentage of the earnings represented by that $450,000,000?

Mr. KING. I think the figures which I shall give further on will indicate that. May I refer just a moment to the figures just given—that the gross income of these corporations reporting was $91,000,000,000 plus and the net income which they reported was only $457,000,000 plus? The Senator will see that the ratio is as 457,000,000 to 91,000,000,000—very inconsiderable.

Corporations in the first group which reported deficits had gross incomes of $31,198,150,203 and claimed deductions of $35,076,369,337. Corporations in the second group which reported net incomes had gross incomes of $60,051,123,329 and claimed deductions of $55,715,075,516.

Mr. DIAL. Mr. President——

Mr. KING. I yield.

Mr. DIAL. The corporations mentioned by the Senator as being in class 1 evidently do not pay corporation taxes and capital-stock taxes. Then they will pay no taxes.

Mr. KING. That is true. There are many corporations, let me say to the Senator, which pay no capital-stock taxes, upon the theory that the capital stock is valueless.

Mr. DIAL. I think this would be a very good way to get at them and make them pay something on the capital.

Mr. KING. That matter we will discuss when the amendment offered by the Senator from New Mexico is under consideration.

The deductions claimed and allowed to corporations in that group in the aggregate sum of $90,791,444,863 were distributed as follows. That is to say, deductions were claimed by these corporations, the aggregate income of which was more than $90,000,000, as follows:

Cost of goods	$56,849,199,528
Miscellaneous expense	24,496,192,919
Domestic tax	1,472,601,824
Compensation of officers	2,258,902,237
Proper operating expenditures	85,076,896,508

They claim deductions also as follows:

Interest paid on funded and other debts, $3,141,311,388.

Exhaustion, amortization, and depletion, $2,573,236,957.

Deduction for depreciation of capital and interest on borrowed capital, $5,714,548,345.

Let me pause here to remark that under the provisions of existing law corporations may borrow money and put it into the corporation as capital and then claim deductions for interest on the borrowed money. If A and B organize a corporation and put in $100,000 as capital, and C and D organize a corporation and put in $50,000 and borrow $50,000 to add to their capital, then C and D have an advantage, under the law, and they will be allowed a deduction in determining their taxes of the interest charge which they paid upon their borrowed capital. They obtain an advantage over those who form corporations and pay in full the capital of such corporations. When we come to that provision of the bill I shall offer an amendment which I hope will relieve the honest corporations from the discrimination which now exists in favor of some corporations which I shall not characterize.

Mr. KENDRICK. Mr. President——

Mr. KING. I yield.

Mr. KENDRICK. The computations which the Senator has made are not quite clear to me. I wonder if the Senator intends to say that it is more profitable for corporations to borrow money than it is to invest their own capital?

Mr. KING. The result would seem to be as indicated by the Senator. They can get a deduction for interest upon capital.

Mr. DIAL. Mr. President——

Mr. KING. I yield.

Mr. DIAL. That is, assuming that the corporation is prosperous. If it were otherwise, then the debt would have to be paid, and the stockholders would lose their capital.

Mr. KING. That subject raised by the Senator needs considerable elucidation. We will not accept it at 100 per cent; yet everything the Senator says is entitled to 100 per cent credit except that statement.

Returning, the figures show:

Total tax-free deductions, $90,791,444,853.

The aggregate net income—just think of it—the aggregate net income on $90,000,000,000 of earnings upon which taxes are to be paid amounts to only $457,828,679, whereas the aggregate gross income, as stated, was $91,249,273,532.

Mr. McKELLAR. What percentage is that?

Mr. KING. I have not computed it. It is quite insignificant. These figures are worthy of serious consideration by the Senate when they determine the question of the taxation of corporations. They will be involved in the consideration of the amendment which will be offered by the Senator from New Mexico, when we decide as to whether we shall have a graduated tax upon the corporations of the country.

Mr. McKELLAR. Mr. President, the figures the Senator presents are very interesting. I am wondering about their connection with the provision in this bill, which increases the corporation tax to 14 per cent and relieves corporations from what is known as the capital-stock tax. Many corporations in the country have declared stock dividends, which are not taxable under the ruling of the Supreme Court. The stock issued as stock dividends will not be taxable at all if this bill passes. Does the Senator think that is proper legislation which provides that capital stock issued in the way of stock dividends shall pay no tax at all?

Mr. KING. I would not care to express any definite view upon that question now except to say that the method of taxing corporations, in my judgment, needs some serious modification. I appreciate the fact that the corporations of the United States are paying large taxes in the States and political subdivisions of the States. I realize the fact that the corporations, too, are paying large taxes to the Federal Government.

Mr. SMOOT. More than a third of all the taxes collected.

Mr. KING. They pay a very large tax. However, in view of the ease with which corporations may be formed; in view of the fact that they have not been subjected to proper surveillance and supervision by the States and have had commissions to become pirates, and I do not use the term offensively, but by that I mean that a corporation organized ostensibly for one purpose often engages in a multitude of enterprises, a corporation organized under the laws of Delaware, or Maine, or New York, or New Jersey for the purpose of operating mines or industries in other States; in view, I repeat, of the ease with which corporations are formed; in view of the fact that they have not been subjected to proper supervision; in view of the fact that substantially all of the fluid assets of the country and much of the real estate of the country are going into the hands of corporations; and in view of the fact that it is the corporations largely that are making profits, rather than the farmers and the masses of the people as individuals, it is clear that they ought to pay taxes.

I am in favor of a taxation system that will tax profits rather than capital. If I had my way, I would exempt from the capital tax the profits upon lands. I would like to see lands sold more freely. I would have no impediment to the sale of lands, and I doubt whether there should be Federal tax upon lands; that so far as possible we should tax profits—profits of corporations, profits that come from the sale of personal property, profits in business; profits should be taxed, not capital. There can be no complaint of a taxation system where the incidence of the burden rests upon those industries and individuals deriving profits from their activities.

Mr. SMOOT. Mr. President, one or two Senators have asked me if I would not consent to let this amendment go over until to-morrow, and perhaps I had better say at this time that one or two have asked me to let it go over to Monday, until the Senator from North Carolina [Mr. SIMMONS] returns. I have no objection to doing that, because I do not think anything would be gained by trying to get a vote on it to-morrow, if the Senator from North Carolina wants to be here at the time of its consideration.

Mr. OVERMAN. I know that my colleague wants to be here at the time it is considered; and I want to suggest to the Senator from Utah that inasmuch as we have three large appropriation bills now on the calendar which ought to be passed, can the Senator not let this bill go over until Monday, and let us begin with these appropriations bills, the Army appropriation bill, the Navy appropriation bill, and the State, Justice, Commerce, and Labor appropriation bills? We ought to pass those bills.

Mr. SMOOT. I do not think it will take very long to-morrow morning to finish up the few amendments which went over to which there was no special objection, but which simply went over so that some Senator could look into the amendments.

Mr. OVERMAN. I have never known as much progress to be made on such a measure as has been made on this bill to-day.

Mr. SMOOT. I know that, and I appreciate it greatly. I want to say to the Senator that I have been very careful in the committee, as every member of the committee knows, to bring no political question before it. I have not considered the bill one single minute without the minority members of the com-

mittee present, and, having the bill in charge, I do not propose to object if any Senator wants to have reconsidered the vote by which any amendment was agreed to.

Mr. OVERMAN. I knew the Senator's feeling about the matter. As many Senators are absent on Saturday, and these appropriation bills are on the calendar, having been reported by the Committee on Appropriations, at least one of them might be taken up and passed and no time lost, and this bill could go over until Monday.

Mr. McKELLAR. We want to help the Senator to expedite the passage of this bill. I think everyone realizes that it ought to be passed, and passed at the earliest possible moment, and we are going to help the Senator. But there are some provisions which I think the Senator and all Senators will agree ought to have very careful consideration. There are only a few of them, and we will be very glad to help the Senator in every way possible.

Mr. SWANSON. Mr. President, let me say to the Senator from Utah that it seems to me, with the progress that has been made to-day, it would be well to let the bill go over until Monday. I am satisfied that by Monday a great many amendments, now about half discussed and passed over, can be given consideration and as a result very few amendments will have to be passed over on Monday. Many Democratic Members who are detained from the Senate now will be here then and I am satisfied that very few amendments will be passed over on Monday. I really believe that progress would be made by following that course.

Mr. SMOOT. A number of Senators have asked me if I would not agree to take a recess until 12 o'clock instead of 11 to-morrow, and I have agreed to that proposition. I do not think it would take over an hour to clean up the little amendments that went over to-day to enable some one to look into them. I think we can clean them up in an hour and just as soon as that is done I am willing to lay aside the revenue bill and take up the naval appropriation bill. I should think that could be done by 1 o'clock to-morrow.

Mr. HEFLIN. The proposition is to recess until 11 o'clock.

Mr. SMOOT. I have been asked to move to take a recess until 12 o'clock instead of 11 o'clock on account of committee meetings. If we could take a recess until 11 o'clock, however, I am quite sure we would be through by 12 o'clock and we could then take up the naval appropriation bill at that hour.

Mr. GERRY. What I am afraid of is that there are some Senators on our side who are absent who did not expect that the bill would make as rapid progress as has been made because I think this is more or less of a record in the matter of progress with revenue legislation. While some of the amendments seem not very important to members of the committee, I fear they will not be understood by Senators who are not here. The result will be that they will ask to reconsider them and require further explanation of them, and instead of the Senator expediting the passage of his bill he would be retarding it. I know that has been my experience in the past with revenue legislation, and I have been a member of the Finance Committee ever since I have been in the Senate.

Mr. SMOOT. Of course, any Senator who is absent and who would want information with reference to any amendment that has been agreed to would have the right to ask it, and I would be glad to furnish whatever information I could.

Mr. GERRY. Exactly, but that course would take more time. I think the Senator would find that he would make time; but I shall not press the matter.

Mr. KING. I would like to ask the chairman of the committee not to recess until 11 o'clock for this reason: The conferees on the immigration bill have met to-day and we meet again to-morrow at 10 o'clock. That is a very important measure. The Senator from Pennsylvania [Mr. REED] is a member of the Finance Committee, as well as one of the conferees on the immigration bill. I have the honor to be a member of the Finance Committee, too. We are compelled to be at the meeting of the conferees on the immigration bill to-morrow morning.

Mr. SMOOT. I will say to the Senator that I shall move to take a recess until 12 o'clock.

Mr. KING. That is all right.

Mr. SMOOT. I shall examine the amendments that have been passed over, and if I think it is going to take more than an hour to dispose of the unimportant ones, I shall give notice to the Senator having the naval appropriation bill in charge and he can call it up at 12 o'clock to-morrow.

Mr. McKELLAR. Could the Senator from Utah have printed in the RECORD a statement of the amendments passed over? I believe that would help. A mere list of them would be helpful to Senators.

Mr. SMOOT. There are very few of them, but it would be quite a task to prepare such a list.

Mr. McKELLAR. They are very few in number, I know. I will not urge the request.

Mr. MOSES. The Senator is about to make a motion for a recess?

Mr. SMOOT. It is desired first to have an executive session.

Mr. MOSES. Will the Senator from Utah yield to me a moment?

Mr. SMOOT. I yield.

POSTAGE ON UNPAID FIRST-CLASS LETTERS

Mr. MOSES. I desire to ask unanimous consent for the immediate consideration of Calendar No. 386, Senate bill 2513. I think its consideration will take but a moment.

Mr. McKELLAR. Let it be read.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire?

Mr. MOSES. It is a bill reported from a committee of which the Senator from Tennessee is a member.

Mr. McKELLAR. It ought to be a good bill under those circumstances.

Mr. MOSES. I ask that the title of the bill may be read for the information of the Senate before submitting the unanimous-consent request.

The PRESIDENT pro tempore. The title of the bill will be read for the information of the Senate.

The principal clerk read the title of the bill.

The PRESIDENT pro tempore. The Senator from New Hampshire asks for the present consideration of the bill. Is there objection?

There being no objection, the Senate as in Committee of the Whole, proceeded to consider the bill (S. 2513) providing that unpaid letters of the first class shall be transmitted to destination and postage thereof paid upon delivery, which was read as follows:

Be it enacted, etc., That the Postmaster General may provide by regulation for transmitting to destination unpaid letters of the first class (sealed) on which the names and addresses of both the sender and addressee are indicated, and which have been deposited inadvertently in the mails, the postage thereon to be paid upon delivery.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

TERMS OF FEDERAL COURT IN NEW MEXICO

Mr. BRANDEGEE. From the Committee on the Judiciary I report back favorably without amendment Senate bill 3023, and I ask unanimous consent for its present consideration. It simply changes the time and place for holding court in the Federal courts in the State of New Mexico. Both Senators from New Mexico have agreed to the bill, and there is no opposition to it.

Mr. McKELLAR. The Senator asks unanimous consent for its immediate consideration?

Mr. BRANDEGEE. I do.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3023) designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes, which was read as follows:

Be it enacted, etc., That the State of New Mexico shall constitute one judicial district, to be known as the district of New Mexico.

Terms of the district court shall be held at Santa Fe on the first Monday in March and September, at Albuquerque on the first Monday in June and December, at Roswell on the first Monday in May and October, at Las Cruces on the first Monday in November, at Silver City on the first Monday in January, at Las Vegas on the first Monday in February, and at Raton on the first Monday in April: *Provided*, That if at the time of the holding of the terms of said court in any year in the cities or towns of Las Vegas, Las Cruces, Silver City, or Raton there is insufficient business to justify the holding of any such term, the same may be adjourned or continued by order of the judge of said court made at any place in the district: *And provided further*, That terms of court at Silver City, town of Las Vegas, and Raton shall not be held unless facilities therefor are furnished by the county of Grant at Silver City, the county of San Miguel at town of Las Vegas, and the county of Colfax at Raton, without cost and expense to the United States, until such time as court rooms and other necessary facilities have been constructed by the United States.

Causes, civil and criminal, may be transferred by the court or either judge thereof from any of the aforesaid places where court shall be held in said district to any of the places hereinabove mentioned in said district whenever in the opinion of the court or judge the convenience of the parties or the ends of justice would be promoted by the transfer.

That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside at and who shall maintain an office at each of the cities of Albuquerque and Roswell, and the marshal and the clerk of said court may each, respectively, with the approval of the Attorney General, appoint one deputy at each of the cities of Las Cruces, Silver City, Raton, and the town of Las Vegas: *Provided*, That upon completion of the Federal building in the city of Las Vegas the court shall be transferred to and held in the city of Las Vegas instead of the town of Las Vegas and court at the latter place discontinued.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. HEFLIN. Mr. President, what bill was it that has just been passed?

The PRESIDENT pro tempore. A bill relating to the holding of terms of Federal court in New Mexico.

Mr. HEFLIN. I do not see the senior Senator from New Mexico [Mr. JONES] here.

Mr. SWANSON. The Senator from Connecticut stated that both Senators from New Mexico favor the bill.

Mr. McKELLAR. Yes; both those Senators have agreed to it.

Mr. HEFLIN. I desire a chance to look into the bill, and I give notice that I may want to move to reconsider it.

Mr. BRANDEGEE. Will the Senator enter a motion to reconsider? I shall not object if he wants to move to reconsider the action of the Senate.

Mr. HEFLIN. I enter the motion now and will let it go over until I have a chance to look into the bill.

The PRESIDENT pro tempore. The motion to reconsider is entered.

ORDER FOR RECESS

Mr. SMOOT. Mr. President, before I make a motion that the Senate proceed to the consideration of executive business I desire to ask unanimous consent that when the Senate takes a recess to-day it shall be until 12 o'clock to-morrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. SMOOT. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 15 minutes p. m.) took a recess until to-morrow, Saturday, April 26, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 25 (legislative day of April 24), 1924

UNITED STATES DISTRICT JUDGE

Benjamin C. Dawkins, of Louisiana, to be United States district judge, western district of Louisiana, vice George W. Jack, deceased.

PUBLIC HEALTH SERVICE

Surg. Henry S. Mathewson to be senior surgeon in the Public Health Service, to rank as such from May 1, 1924, in place of Senior Surg. Stephen D. Brooks, who died July 4, 1923. The promotion of this officer is in accordance with law and regulations.

PROMOTIONS IN THE REGULAR ARMY

VETERINARY CORPS

To be captain

First Lieut. Patrick Henry Hudgins, Veterinary Corps, from April 6, 1924.

INFANTRY

To be captain

First Lieut. Harry Donnell Ayres, Infantry, from April 16, 1924.

To be first lieutenants

Second Lieut. Daniel Philip Buckland, Cavalry, from April 16, 1924.

Second Lieut. Philip McIlvaine Whitney, Infantry, from April 18, 1924.

Second Lieut. John Morris Works, Field Artillery, from April 18, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

ORDNANCE DEPARTMENT

Capt. Read Wipprecht, Cavalry (detailed in Ordnance Department), with rank from July 1, 1920.

SIGNAL CORPS

First Lieut. Duncan Hodges, Coast Artillery Corps (detailed in Signal Corps), with rank from October 9, 1919.

COAST ARTILLERY CORPS

Second Lieut. Ernest Byron Thompson, Air Service, with rank from June 12, 1923.

Second Lieut. Felix Nicholson Parsons, Air Service, with rank from July 8, 1923.

PROMOTIONS IN THE NAVY

Commander William S. Pye to be a captain in the Navy from the 5th day of October, 1923.

Lieut. Commander Leslie E. Bratton to be a commander in the Navy from the 3d day of December, 1923.

Lieut. Commander Emanuel A. Lofquist to be a commander in the Navy from the 29th day of December, 1923.

Lieut. Edward J. O'Keefe to be a lieutenant commander in the Navy from the 1st day of January, 1924.

Lieut. (junior grade) Robert Anderson to be a lieutenant in the Navy from the 8th day of June, 1923.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 4th day of June, 1923:

Harold J. McNulty.
John A. Pennington.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June, 1923:

Rutledge B. Thompkins. John W. Harris.
William A. Gorry. Harry A. Brandenburger.
Campbell H. Minckler.

John S. Harlow, jr., a citizen of Massachusetts, to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade), from the 12th day of April, 1924.

Assistant Civil Engineer James T. Mathews to be a civil engineer in the Navy, with the rank of lieutenant, from the 17th day of March, 1924.

The following-named gunners to be chief gunners in the Navy, to rank with but after ensign, from the 2d day of July, 1923:

Frank W. Dunning.
Edwin V. Wilder.

Carpenter Claude M. Joseph to be a chief carpenter in the Navy, to rank with but after ensign, from the 24th day of September, 1923.

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the 15th day of November, 1923:

Wyatt E. Fitzgerald.
James Sanders.

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the 23d day of January, 1924:

Charles H. Langenstein.
Frank M. Rogers.
Roy R. Wells.

POSTMASTERS

ALABAMA

William L. Jones to be postmaster at Parrish, Ala., in place of W. L. Jones. Incumbent's commission expired April 5, 1924.

Howard F. Little to be postmaster at Linden, Ala., in place of H. F. Little. Incumbent's commission expires April 28, 1924.

Edward B. Beason to be postmaster at Demopolis, Ala., in place of L. K. Simmons. Incumbent's commission expires April 28, 1924.

Andrew J. Bass, jr., to be postmaster at Trussville, Ala., in place of J. B. Martin. Office became third class April 1, 1924.

ARKANSAS

Elmer B. Wacaster to be postmaster at Mount Ida, Ark., in place of E. B. Wacaster. Office became third class April 1, 1924.

CONNECTICUT

Frank J. Serena to be postmaster at Saugatuck, Conn., in place of F. J. Serena. Incumbent's commission expires April 29, 1924.

IDAHO

Edith M. Smylie to be postmaster at Genesee, Idaho, in place of A. H. Potsch, resigned.

IOWA

Benjamin R. Mowery to be postmaster at Maquoketa, Iowa, in place of B. R. Mowery. Incumbent's commission expires April 28, 1924.

Wilbert W. Clover to be postmaster at Lohrville, Iowa, in place of J. M. Rosse. Incumbent's commmission expired March 22, 1924.

Orpha M. Bloomer to be postmaster at Havelock, Iowa, in place of O. M. Bloomer. Incumbent's commission expired March 22, 1924.

Claude M. Sullivan to be postmaster at Cherokee, Iowa, in place of C. M. Sullivan. Incumbent's commission expires April 28, 1924.

Mary T. Jacobson to be postmaster at Blakesburg, Iowa, in place of M. T. Jacobson. Incumbent's commission expires April 28, 1924.

LOUISIANA

Alfred T. Maund to be postmaster at Jennings, La., in place of A. T. Maund. Incumbent's commission expired April 7, 1924.

William G. Stinson to be postmaster at Benton, La., in place of W. G. Stinson. Incumbent's commission expired April 5, 1924.

Claudia L. Currie to be postmaster at Alco, La., in place of W. L. Currie. Office became third class January 1, 1924.

MASSACHUSETTS

Roland M. Baker to be postmaster at Boston, Mass., in place of R. M. Baker. Incumbent's commission expired March 9, 1924.

MINNESOTA

Sam Dornfeld to be postmaster at Lake Elmo, Minn., in place of Sam Dornfeld. Office became third class April 1, 1924.

NEBRASKA

Walter G. Mangold to be postmaster at Bennington, Nebr., in place of W. G. Mangold. Office became third class April 1, 1924.

NEW JERSEY

Anne W. Campbell to be postmaster at Tabor, N. J., in place of G. W. Earl, resigned.

OHIO

Ralph B. Troyer to be postmaster at Continental, Ohio, in place of H. C. Parrett. Incumbent's commission expires May 10, 1924.

Michael J. Meek to be postmaster at McDonald, Ohio, in place of M. J. Meek. Office became third class April 1, 1924.

George F. Burford to be postmaster at Farmdale, Ohio, in place of G. F. Burford. Office became third class April 1, 1924.

OKLAHOMA

Boone A. Leatherman to be postmaster at Rosston, Okla., in place of B. A. Leatherman. Office became third class April 1, 1923.

Isaac W. Linton to be postmaster at Jones, Okla., in place of I. W. Linton. Office became third class April 1, 1924.

Stephen M. Gold to be postmaster at Indianola, Okla., in place of S. M. Gold. Office became third class April 1, 1924.

Samuel H. Bundy to be postmaster at Bethany, Okla., in place of S. H. Bundy. Office became third class April 1, 1924.

OREGON

Charles Royse to be postmaster at Spray, Oreg., in place of Charles Royse. Office became third class April 1, 1924.

PENNSYLVANIA

John W. Hawes to be postmaster at Renton, Pa., in place of J. W. Hawes. Office became third class April 1, 1924.

Isaiah M. Stauffer to be postmaster at Millersville, Pa., in place of J. S. Shelrich, resigned.

Charles E. Fanning to be postmaster at Alba, Pa., in place of C. E. Fanning. Office became third class April 1, 1924.

TENNESSEE

Haggai M. Miller to be postmaster at Mountain City, Tenn., in place of H. M. Miller. Incumbent's commission expires April 28, 1924.

William G. Leach to be postmaster at Huntingdon, Tenn., in place of J. T. Hester, resigned.

VERMONT

Sheridan P. Dow to be postmaster at Sheldon Springs, Vt., in place of S. P. Dow. Office became third class April 1, 1924.

WASHINGTON

Hugh E. Osborn to be postmaster at Longmire, Wash., in place of H. E. Osborn. Office became third class April 1, 1924.

William G. Menelce to be postmaster at Carson, Wash., in place of W. G. Menelce. Office became third class April 1, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 25 (legislative day of April 24), 1924

POSTMASTERS

COLORADO

Charles E. Baer, Steamboat Springs.

KANSAS

Myron Johnson, Oakley.

NEBRASKA

Milton R. Cox, Arapahoe.
Arvid S. Samuelson, Axtell.
Hannah Price, Bennet.
Harold L. Mackey, Eustis.
Arthur H. Logan, Ponca.

NEW HAMPSHIRE

Charles H. Tarbell, South Lyndeboro.

NEW JERSEY

George W. Ivins, New Egypt.
G. Raymond Beck, Roebling.

OHIO

Harry L. McClarran, Wooster.

WISCONSIN

Frank W. Stanley, Omro.

HOUSE OF REPRESENTATIVES

FRIDAY, *April 25, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Rev. Jason Noble Pierce, D. D., offered the following prayer:

Grant to us, Thou giver of every good and perfect gift, those powers of life that shall appropriate and in Thy service shall use all that is from Thee. Forgive us our sins, and make us forgiving of others' sins, and beyond all personal achievements may we work together to have truth, justice, brotherhood, love, rule in all the world, to the glory of Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed without amendment the bill (H. R. 1831) to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives, had asked for a conference with the House on the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916, and had appointed Mr. LADD, Mr. STANFIELD, and Mr. JONES of New Mexico as the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 99. Joint resolution authorizing an appropriation to defray in part the expenses of the sixth quinquennial convention of the International Council of Women, to be held at Washington, D. C., in May, 1925.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 1609) to fix the time for the terms of the United States District Court in the Western District of Virginia.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CURTIS, Mr. MCLEAN, Mr. WATSON, Mr. SIMMONS, and Mr. WALSH of Massachusetts as the conferees on the part of the Senate.

SENATE JOINT RESOLUTION REFERRED

Under clause 2, Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. J. Res. 99. Joint resolution authorizing an appropriation to defray in part the expenses of the sixth quinquennial convention of the International Council of Women, to be held at Washington, D. C., in May, 1925; to the Committee on Foreign Affairs.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolution of the following titles, when the Speaker signed the same:

H. J. Res. 163. Joint resolution authorizing the Secretary of War to loan certain tents, cots, and chairs to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion, to be held at Memphis, Tenn., in June, 1924; and

S. 1609. An act to fix the time for the terms of the United States District Court in the Western District of Virginia.

LEAVE TO ADDRESS THE HOUSE

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Speaker, I noticed in this morning's Washington Post an article giving an account of the meeting of the Bar Association of the District of Columbia, held yesterday, at which a resolution was passed appointing a committee to present a protest to the President of the United States against the appointment of WILLIAM J. GRAHAM, a Member of the House from Illinois, to the position of chief justice of the Court of Appeals of the District of Columbia. This resolution, I take it, was the result of a series of charges made by Frank J. Hogan, in which he purports to have said that—

Mr. GRAHAM did not even understand the simplest rules of evidence nor had he the slightest conception of judicial procedure.

I read further:

Mr. GRAHAM was characterized by Mr. Hogan as a politician who believes an indictment might be used as a political weapon, no matter if the indicted persons were never convicted of the charges brought against them.

It is said that Mr. Hogan has filed with this committee a lot of documents as evidence to show Mr. GRAHAM's unfitness, some of which, it is said, are in the form of letters from Mr. GRAHAM to Mr. Hogan. I understand that Mr. Hogan has a letter from Mr. GRAHAM, one letter, in response to some request made by Mr. Hogan, not very favorable to the request, but certainly nothing that would reflect upon Mr. GRAHAM's ability or his character. I understand that when Mr. GRAHAM was chairman of the committee of investigation of war frauds the friends of Mr. Hogan requested Mr. Hogan's appointment as the attorney for the committee. Whether Mr. Hogan knew this appointment was being requested for him I do not know. However, the request was refused.

Now I understand that Mr. Hogan represents nearly every person who is either under indictment here or who has a claim or against whom the Government has a claim; and naturally he would not want a man as chief justice of the court of appeals here to be somebody that he could not control.

Mr. WATKINS. Mr. Speaker, will the gentleman yield there?

Mr. MADDEN. No; I do not yield. I just want to make this statement.

Mr. WATKINS. I want to help you out.

Mr. MADDEN. I will yield later. I do not believe that anybody ought to control the courts, and particularly I do not believe that any lawyer whose business it is to defend men charged with violations of the law ought to be permitted to control the courts.

I understand that Judge Robb, in whose interest those resolutions were passed, is an honorable gentleman and a good judge and an able lawyer. But he is certainly no better lawyer than William J. Graham, who has practiced before the courts of the United States for the last 25 years. He certainly has no higher character than Mr. Graham has; and when these men say that we who do not live in the District are not entitled to any consideration from the President of the United States in the matter of appointments in the courts of the District of Columbia I say they are mistaken, because the United States pays 40 per cent of the expenses within the District of Columbia for all purposes, and I resent on behalf of the people of Illinois the onslaught by Mr. Hogan, who, I understand, has become rich in practicing before the courts of the District of Columbia, and who to-day wants to control these courts by asking the President to refuse to appoint a man whose honor and integrity are unassailable and who can not be controlled by anybody, but who under all circumstances at all times occupies an independent attitude, and would render decisions in such cases as may come before him in accordance with the Constitution and the laws of the United States, regardless of what Mr. Hogan or anybody else might say or think. And I certainly hope that the President of the United States will not be influenced by any such charges as Mr. Hogan has used the Bar Association of the District of Columbia to promulgate. [Applause.]

CHILD LABOR

Mr. SNELL. Mr. Speaker, I call up House Resolution 268, a privileged report from the Committee on Rules, and pending that resolution, I would like to agree with the gentleman from North Carolina [Mr. POU] relative to the time for debate on the same. What would the gentleman suggest?

Mr. POU. I would suggest 40 minutes on a side on the rule.

Mr. SNELL. That will be satisfactory. Pending that, I will ask unanimous consent that the debate on the rule be limited to 80 minutes, one-half to be controlled by the gentleman from North Carolina and one-half to be controlled by myself, and at the end of that debate the previous question shall be considered as ordered on the resolution.

The SPEAKER. The gentleman from New York asks unanimous consent that the debate on the rule be limited to 80 minutes, 40 minutes to be controlled by himself and 40 minutes to be controlled by the gentleman from North Carolina. Is there objection?

Mr. HOWARD of Nebraska. Reserving the right to object, Mr. Speaker, I would like to ask the chairman of the Committee on Rules a question for information. I introduced a long while ago a resolution requesting certain information from the Attorney General. I would like to ask if the Committee on Rules has any jurisdiction over that, any power to take it away from the sleeping Judiciary Committee?

Mr. SNELL. I have not in mind at the present time the resolution which the gentleman refers to.

Mr. HOWARD of Nebraska. It asks information from an Attorney General who is not here any more.

Mr. SNELL. I do not think I have any control over that Attorney General, at least.

Mr. HOWARD of Nebraska. All right; I have not, either.

Mr. BLANTON. Mr. Speaker, I reserve the right to ask a question. Will there be any opportunity to amend this resolution so as to exempt agricultural pursuits?

Mr. SNELL. It will be considered under the general rules of the House.

Mr. BLANTON. So there will be an opportunity to offer any germane amendments?

Mr. SNELL. I think so. I do not know of any reason why there should not be that opportunity.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. CONNALLY of Texas. How much general debate does the rule provide?

Mr. SNELL. If the gentleman will wait I will explain that. The resolution has not yet been read.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BANKHEAD. Mr. Speaker, I make the point of no quorum. I think we ought to have a full House on this proposition.

The SPEAKER. The gentleman from Alabama makes the point of order that there is no quorum present. It is evident there is not a quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Eagan	Lee, Ga.	Sears, Nebr.
Aldrich	Edmonds	Lehlbach	Sears, Fla.
Anderson	Fish	Logan	Shreve
Bacharach	Fredericks	McClintic	Sherwood
Bell	Fuller	McDuffie	Sites
Boylan	Funk	McFadden	Strong, Pa.
Brand, Ohio	Gallivan	McLaughlin, Nebr.	Sullivan
Britten	Garber	McLeod	Sweet
Browne, Wis.	Geran	McNulty	Taylor, Colo.
Brumm	Goldsborough	Magee, Pa.	Temple
Burton	Haugen	Michaelson	Vare
Byrnes, S. C.	Hawes	Moore, Ill.	Vestal
Carew	Hoch	Morin	Ward, N. C.
Celler	Howard, Okla.	Mudd	Wason
Clark, Fla.	Hull, Tenn.	O'Brien	Weald
Clarke, N. Y.	Kahn	O'Sullivan	Williams, Mich.
Collins	Kendall	Phillips	Wilson, Miss.
Corning	Kiess	Porter	Winslow
Curry	Kindred	Reed, W. Va.	Wood
Dallinger	Knutson	Rogers, N. H.	Wurzbach
Davis, Minn.	Kunz	Rosenbloom	Zihlman
Drane	Langley	Schall	

The SPEAKER. Three hundred and forty-five Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 268

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of H. J. Res. 184, proposing an amendment to the Constitution of the United States.

That after the general debate, which shall be confined to the resolution and shall continue not to exceed six hours, to be equally divided and controlled by those favoring and opposing the resolution, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the reading of the resolution for amendment the committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered ordered on the resolution and the amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution, if adopted by the House, simply provides for consideration in the Committee of the Whole House on the state of the Union, under the regular rules of the House, House Joint Resolution 184, commonly referred to as the child labor amendment to the Constitution. The rule provides for six hours' general debate, and the debate must be confined to the subject matter of the resolution.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. CONNALLY of Texas. The gentleman is the chairman of the Committee on Rules, which is reporting this resolution. Does he think that in a matter of this kind, changing the organic law and changing the Constitution itself in this far-reaching manner, the debate ought to be limited to six hours? We spend six days debating some question of passing an appropriation measure, but when it comes to amending the Constitution in a vital and far-reaching particular you bring in a rule providing that debate shall not be more than six hours. I would like to have the gentleman's view upon that proposition.

Mr. SNELL. The rule provides for six hours' debate on the resolution itself. In addition to that time is the debate on the rule, which will be one and one-half hours; and the committee felt that six hours would be ample for general debate; and then there will be some debate under the five-minute rule.

Mr. CONNALLY of Texas. With 435 Members of the House, and many of them, no doubt, desiring to express their views on this fundamental question, you provide for three hours to a side, which would permit three or four to really have sufficient time to make an argument for or against the resolution. Is not that a fact?

Mr. SNELL. If gentlemen do not take any more time than I am going to take, many will have an opportunity to express themselves. I can say to the gentleman that I do not intend to enter into any technical analysis of this proposition, as my friends of the legal fraternity desire to consume most of the time.

I simply want to say this: I do know that the people throughout the United States are very much interested in this legislation. They feel it will play an important part in the future life and development of our people; they feel that legislation of this character, which guards and protects the youth of the country, can not help but have a very important influence on future generations and their citizenship. The people, I believe, want Congress to pass this legislation and to give the legislatures of the various States an opportunity to ratify it.

Mr. MONTAGUE. Will the gentleman permit a question?

Mr. SNELL. I will be glad to yield to the gentleman from Virginia.

Mr. MONTAGUE. With great respect for the gentleman's opinion and his services here, I wish to ask him respecting the rule itself. This rule brings before the House the consideration of an amendment of far-reaching importance to the Constitution of the United States. Does the gentleman think it is wise that it should be considered in the Committee of the Whole, consisting of a quorum of only 100 Members? When we come to consider so vital a question as an amendment to the American Constitution should not the full membership of this House, so far as our parliamentary rules permit, be present, at least, to hear the arguments and participate in the debate upon so portentous a subject?

Mr. SNELL. Before this rule was drawn I looked up the precedents and found that resolutions of this character have been considered in Committee of the Whole House on the state of the Union, and that is the reason we presented the rule as it is drawn.

Mr. MONTAGUE. I understood that; but I took advantage of the gentleman's generosity to call attention to what I consider a very serious blunder with respect to the method of consideration of so profound a subject.

Mr. SNELL. Mr. Speaker, I reserve the balance of my time.

Mr. POU. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from North Carolina is recognized for 10 minutes. [Applause.]

Mr. POU. Mr. Speaker, Article V of the Constitution provides that "whenever two-thirds of both Houses of Congress shall deem it necessary, the Congress shall propose amendments to the Constitution," and so forth. The Constitution also provides that all powers not specifically delegated to the Federal Government shall be retained by the people and by the States.

From time to time the Constitution has been amended. It is now proposed to submit another amendment to the legislatures of the respective States. This proposed amendment reads as follows:

SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress.

Mr. Speaker, I am firmly of the opinion that there is no present necessity for action on the part of the Congress in submitting the amendment to the Constitution above set forth.

The framers of the Constitution would probably be amazed if they could know that Congress is seriously considering submitting the child labor amendment. Most of these men believed in a Federal government exercising only those functions which were necessary to a strong and enduring government. Gradually the rights of the States have been taken over by the Federal Government.

Where is the end to be Mr. Speaker? Or, indeed, is there to be no end to the taking over of the rights of the States? Is it to be the destiny of this Government that States' lines shall mean nothing? Must all powers be exercised by the Federal Government?

What is it we are proposing to do here to-day? It is proposed by this amendment to give to the Congress here in Washington the power to limit, regulate, and prohibit the labor of all persons under 18 years of age. This applies to all. Not only to the factory, not only to the sweatshop in the crowded city and the great industrial centers, but it applies to every farm throughout the length and breadth of the land. It will give to Congress the authority to pass a law imposing a jail sentence upon every father and mother in America who permits a boy or girl under 18 years of age to do any labor.

Now, Mr. Speaker, I was raised on a farm. The hours of labor on the farm in my boyhood were from sun to sun. A boy of 17 years of age is almost a man. Labor on a farm never hurt me. As a rule I think it hurts no one, but by this amendment Congress can pass a law taking over the supervision and control of every child in America under 18 years of age. Mr. Speaker, I for one will not support any such proposed amendment to the Constitution.

Why is it that the States can not be left alone to work out problems which intimately concern their people? My State has a good child labor law. Most of the States of the Union have passed wholesome child labor laws. Also we have in my State a compulsory school law. I say there is no present necessity for submitting any additional amendment to the Constitution on the subject of child labor. Certainly I can not believe the sober common sense of America favors the giving to Congress unlimited authority such as is given in the proposed amendment we are considering to-day.

There is much which might be said on this subject. I content myself to-day by raising a warning cry. I do not expect the warning cry of anyone will be heeded, but I say to you, Mr. Speaker, we are about to go too far. Already there are so many criminal statutes it is hard for the citizen to keep out of the courts. And these statutes are Federal statutes, not State statutes. The citizen hardly knows what he is permitted and what he is forbidden to do, and now it is proposed to give to Congress the authority to pass a law which might jail any father in America who permits his boy under 18

years of age to do a little wholesome work. The rising generation must not be permitted to work. They must be raised in idleness until they reach the age of 18. They must not be permitted to do a little wholesome work in the factory or on the farm. The fathers and mothers who have raised large families are not permitted to have any help until their children have reached the age of 18 years.

You say this is an extreme statement. I am only stating what authority you are proposing to give to the Congress. Where is the man who can predict safely that some Congress in the future will not pass a law absolutely prohibiting all labor by boys and girls under 18 years of age?

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. POU. I yield to the gentleman from Texas.

Mr. CONNALLY of Texas. If the gentleman is not correct, why would Congress in this amendment demand the power unless it did intend to exercise it?

Mr. POU. Why, certainly. The only safe thing to do, Mr. Speaker, is to deny the Congress the right to pass any such drastic legislation. We have a compulsory school law in my State, and we have the best child labor laws of any State I know of. There is no necessity for this legislation.

Mr. ABERNETHY. Will the gentleman yield? The age limit is 16 years in North Carolina, is it not?

Mr. POU. It is 14 years in North Carolina.

Mr. TUCKER. Will the gentleman allow me to interrupt him a moment?

Mr. POU. Yes.

Mr. TUCKER. I just desire to state that the State of North Carolina, which has been held up for years as one of the derelict States, in the last eight years has passed nine child labor laws, more than any State in the Union.

Mr. POU. Yes; and yet we have been held up, Mr. Speaker, as a State which was not treating our children right, and I say that is a slander on the State.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. POU. Yes; but just for a question.

Mr. EVANS of Montana. If you have nine labor laws in your State, may I ask whether those laws were declared unconstitutional by any court, so that you had to have nine instead of one?

Mr. POU. The State laws have not been declared unconstitutional by any court.

Mr. EVANS of Montana. I do not understand why you have nine.

Mr. POU. There were some amendments, as I recall.

Mr. MONTAGUE. They are separate statutes, are they not?

Mr. POU. Yes; my friend from Virginia is probably correct. I must say I do not recall the number of laws we have on the subject.

The only safe course, Mr. Speaker, is to withhold this vast authority from the Federal Government. The States can deal with this question if they see fit. The States can pass such laws if there is a popular demand by the people of the respective States. I believe there is no widespread demand coming from the people who are interested in favor of this proposed amendment. Remember, if you pass this amendment and it is ratified by the States Congress can provide jail punishment for any parent who permits a boy under 18 years to pick cotton or work in the tobacco patch. Colored children may not be permitted to pick cotton or worm tobacco. The effect is far-reaching and revolutionary. It may mean utter demoralization of farm labor.

Mr. Speaker, if I had it in my power to write the platform of my party in the coming campaign that platform would contain but few words. That platform would be "back to the Constitution of our fathers, economy in the public expense." Upon this platform, containing these few words, I would plant my standard. I would leave the States alone as far as possible in passing new laws and in amending the Constitution. I would raise the standard "back to the Constitution of the fathers," and with this battle cry I would have firm faith that my party would win a majority at the polls in November.

Mr. Speaker, if I know my own heart I am as solicitous as anyone for the welfare of the children of America. I am a father. I have raised a family. I am conscious of a tender interest in child life, but I can not surrender to sentiment entirely. In performing the great far-reaching duties which are imposed upon us here we should not be impractical. Common sense must not be thrown aside entirely. I prefer to leave the supervision of the children of my State to the general assembly of that State. And the general assembly of my State should as far as possible leave the supervision of our children to those whom Providence has made the natural guardian of child life, the fathers and mothers of the children, for in the hearts of the fathers and mothers of America, with rare exceptions, there is anxious self-sacrificing love which needs no law of Congress to guide or supervise. [Applause.]

Mr. SNELL. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. NELSON].

Mr. NELSON of Wisconsin. Mr. Speaker, this rule gives the right of way to the child labor amendment, which, in my opinion, should, must, and will pass [applause] with the strongest possible support of the best sentiment of the people of our country.

It goes without saying that child slavery in any form is a crime against modern civilization. The Constitution, the charter of American liberty, ought to suppress child slavery. It is unnatural, it is inhuman, it is irreconcilable with the moral sense of mankind. No argument is necessary to prove child slavery a moral evil. It is self-evident. It is an intuitive fact to every unseared conscience. No man or woman would dare to defend child exploitation. In all Christian communities spiritual-minded men and women resent the very idea of child slavery; they are up in arms against it, and they have resolved that it shall end in every portion of our country.

It is doubly bad. It is bad in that which it does to the children, making drudges of them for the gain of greedy adults, and it is sad for the children, in that it takes from them their God-given right to life, to physical, mental, moral, and spiritual development, and robs them of their happy, care-free childhood—the sunny days of life on earth.

However low a people may descend in the scale of a civilization which tolerates in any form the evil of child slavery, yet it does exist in various forms——

Mr. TUCKER. Will the gentleman yield?

Mr. NELSON of Wisconsin. I would prefer, if the gentleman will permit me, to make a connected statement.

It does exist in various forms in sections of these United States. The last census, the census of 1920, shows that 1,060,858 children, between the ages of 12 and 15, are at work in gainful trades and occupations. One in twelve within these tender childhood years. World statistics also show that the United States is behind Belgium, Denmark, Germany, Great Britain, Greece, the Netherlands, Bulgaria, Czechoslovakia, New Zealand, Norway, Rumania, and Switzerland in high standards of child labor. This is a most humiliating confession to be made in the American Congress.

Why does child slavery exist in various parts of the United States? Because the power of certain industries in a number of States has been sufficient, not only to prevent the enactment of protective child labor laws, but also to prevent the enforcement of these laws when passed.

Why should Congress care? The products of child labor go to all parts of our land; and these stunted and illiterate children, realizing more or less resentfully that they have been robbed of their rights, become citizens and scatter over the entire country. Therefore Congress has several times sought to enter the field in order to protect these children, and the Government itself, only to be defeated by greedy, selfish interests making use of the ignorance, the blunted moral conscience, and to some extent, no doubt, the dire necessities of unnatural parents. The Constitution itself, which should be the refuge of human freedom for all, has been made use of to continue this evil of child slavery.

What is the Nation's chief asset of wealth? Our children. What is the equivalent value in gold of a child? How many millions of dollars gained by these exploiters of children will be the exact equivalent of the physical, moral, and spiritual loss suffered by the million or more children themselves at work in factories, mines, and gainful trades of America? Will the material gain equal the loss to national life in deteriorated citizenship deprived of physical, moral, and spiritual development, represented by this million or more of our child population?

However materialistic our country may be in certain sections, the picture of children in tender years going to work in factories, in mines, and in gainful trades—pale, bent, weary, and sad—as seen in many States before the enlightened agitation against child labor had crystalized into Federal and State enactments and so raised the standards of wages, of hours of work, of educational and physical development of children, as contrasted with the picture of these children, under the protection of child labor laws, at work for better wages, with lesser number of hours, more reasonable time for physical and mental education, and larger opportunities to enjoy the sunshine of life, has made an ineffaceable impression on the minds

and hearts of the men and women of America. These noble souls have now besieged the Congress mightily to enter again to repair the breach in the Constitution so as to protect effectually the children of our country from exploitation and servitude.

Child slavery must go. A new force has entered the arena of political action—the mother bloc. The mother heart has heard the mute appeal of children in boudage, and the motherhood, the militant organized mothers of America, has taken the field to mend, if not to end for all time, this evil of child slavery.

Woe to the person, party, or State that, by encouraging child slavery, encounters the wrath of American mothers. I can not imagine a person or party so foolish, nor can I believe that there is a single State in the Union that in our day would directly defend or harbor the grosser forms of child slavery; and yet it seems strange how opposition to this constitutional amendment by special interests seeks to shield itself behind the allegations of State sovereignty—the right, duty, responsibility, self-interests, or pride of backward States to deal with, or fail to deal with, this evil in their own way and without interference from Uncle Sam.

But as this institution, so intolerable to the moral sense of mankind, so insidious in its encroachments, is prevalent in States where industries are powerful enough either to defeat State laws or prevent their enforcement, Uncle Sam has no choice, if he would heed the voice of motherhood, but to reenter the field, and with his strong arm, protect the children of America from every form of child slavery, however skillfully disguised. The motherhood of America, I say, demands it. Her voice is potent in politics to-day; and the fatherhood of America will fight with her to regulate child labor and suppress every form of child slavery.

The Congress of the United States, therefore, under the compulsion of the noblest sentiments of our common humanity, will offer this constitutional amendment to the States for their approval in order to give Uncle Sam the direct right to protect his infant children from this unspeakable evil of child slavery in whatever form it may be hidden or in whatever State it may be harbored, whether that State does it deliberately or negligently fails to do its duty.

The Constitution of America is the world's great charter of human emancipation. It was written by American men to protect man's right to life, liberty, and happiness; it is now also the instrument for the enfranchisement of American women; and it shall be the refuge of freedom for American children from every form of child slavery forever. [Applause.]

Mr. TUCKER. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TUCKER. I wanted to ask the gentleman a question about the University of Wisconsin——

Mr. NELSON of Wisconsin. That is good authority, but it is sometimes wrong.

The SPEAKER. The time of the gentleman has expired.

Mr. POU. Mr. Speaker, I yield two minutes to the gentleman from Maryland [Mr. TYDINGS].

Mr. TYDINGS. Mr. Speaker, the opponents of this resolution are in favor of the prevention of child labor as much as those are who favor the resolution. It is the proposed method by which they seek to obtain protection of childhood in America, by Congress taking jurisdiction of this matter, to which we object. It simply means that it is another transfer of the power and rights of the individual State to the Federal Government. I predict that in the course of time another bureau with hundreds of commissioners, agents, clerks, and attorneys will be established, with all the expense of it, if this amendment is enacted. In Maryland, Maryland men and women have enacted legislation to protect children. We know our needs and conditions. We are not incompetents. We have good laws dealing with child labor. These are well thought out to suit our own conditions. We have one dealing with the age minimum, preventing those under 14 from working at all; we have another prohibiting those who can work in mines to over 16 years of age; we have an educational minimum requiring a child to go to school for so many years; we have a physical minimum requiring him to have a doctor's certificate; and we have a law which prevents a child from working over eight hours a day; and we have another law that prevents children from working at night, and other similar measures. What business has the Federal Government to walk into our State, where we know better than any one from South Carolina or Oregon or Kansas our own conditions, and undertake to run things? [Applause.] Nobody wants children to work, but we are in a position to know the needs of our immediate territory and to pass the most human and best laws, all things considered. If more laws are necessary to safeguard children, Maryland men and women will see to it that these laws are passed. Almost every State in the Union has a law restricting or prohibiting persons under 14 years from engaging in labor. I am proud to say I supported many of them. But when the Federal Government in an instant seeks to create a huge army of Federal inspectors to come into our State and supervise our homes and the relation of parent and child, I must oppose it. To do less would be to say Maryland men and Maryland women are incompetent.

You may pay no attention to States' rights, but the day will come in this country when we will elect a President upon that issue, because that is the only way to reduce the enormous expenditures of this Government. I predict, if this movement goes on and the Federal Government keeps on breaking down the various States, that after a while you will not refer to the great State of Ohio as the State of Ohio, but it will be the Province of Ohio, and the same will be true with reference to all of the other States. The State, and not the Federal Government, is the proper tribunal to deal with these questions.

The SPEAKER. The time of the gentleman from Maryland has expired.

Mr. POU. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Speaker, it had been my purpose to make some extended remarks in reference to the matter now pending before this House, but suddenly this morning news reached me from New York which has so thoroughly unnerved me that I shall be unable to proceed at length. Only a few hours ago I was informed of the sudden and unexpected death of my friend and my leader, that great Democrat who presided over the political destinies of the congressional district which I have the honor to represent in this House, that great man who was an outstanding figure in the political life of his city, of his State, and of the United States, Mr. Charles F. Murphy. Countless thousands of people who knew him intimately and personally will mourn him because they loved him. That great legion of other people throughout the length and breadth of this land who knew him by reputation will mourn him because they honored and respected him.

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, I ask that I may be granted leave of absence for four days.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, when this joint resolution to amend the Constitution of the United States in reference to child labor was before the Rules Committee, I was happy to support the rule bringing it before the House for action and I shall vote for the adoption of the resolution and its submission to the States for ratification.

No more important question could ever possibly come before us than the protection of the children of our Republic. It transcends in importance any question of locality or State and deserves greater consideration than some amendments previously appended to our Constitution.

Twice has the Supreme Court of the United States held unconstitutional Federal laws regulating directly or indirectly child labor in the States, so that we are face to face with a situation which means that, if we are to deal effectively with this vital problem from a national standpoint, an amendment to our Constitution is necessary.

According to the United States census of 1920, more than 1,000,000 children between the ages of 10 years and 15 years were employed in agriculture and industry. The census gives no figures under those ages, although it is well known that thousands under 10 years of age are workers. Investigation also shows that since 1920 the number so employed has materially increased, thus exposing a vast army of future citizens to industrial exploitation, squandering the possibilities of our young for commercial gain.

No community and no State has ever had the audacity to openly state that it is opposed to the regulation of child labor. But the facts are that in many States there is either no regulation or insufficient regulation or inefficient enforcement.

Illiteracy, poverty, and physical and mental deficiency follow child labor in a vicious circle in proportion to the number of children employed. The States with high standards are often helpless to prevent this commerce in souls and bodies. To evade the laws of his own State a conscienceless employer often sends his goods to the factories and the tenement houses and the sweat shops of an adjoining State which has less humane

laws—there to be turned into profits at the expense of childhood.

Opportunity for education and recreation are thus denied to a great proportion of our children between the ages of 10 years and 15 years, when the making of healthy minds and bodies is so essential to our national welfare. Some of our little toilers never see the light of day, but go to work in the factories and the canneries before the sun rises to toil until after the sun—God's sun and their sun—has set.

Gentlemen, the welfare and the future of our children is a national affair or nothing is. If we can ever afford to be paternalistic in Government, it is in dealing with our children, every one of whom is a ward of the Nation—their guardian.

There is another side to this question which I wish to call to your attention. Some may think it somewhat cold and commercial, but it is at least practical and of importance. The law-abiding employers in States having humane child labor laws are at a disadvantage in competition with those in other States where the employment of the very young at low wages is permitted, and even in the latter States this disadvanage works against the conscionable employer.

A Federal minimum standard of child labor, fixing the age, and education, and the physical standard, the hours of labor, and the permissible occupations for children has become necessary. Experience has shown that a Federal law acts as a stimulus for the States to enact standard: even higher than the Federal requirements.

The proposed amendment in itself does not prohibit the employment of children under 18 years of age. That limit inserted in the resolution is necessary to permit leeway for certain occupations differing in the hazards involved. There is no basis for anyone to assume that Congress will enact a law prohibiting the employment of children under 18 in clerical positions, for instance, while we might well apply that age limit to mines and similar hazardous occupations.

That great progressive State of New York, which measures up to the recent Federal standard in every particular, applies different age limits to different industries and occupations.

Gentlemen, the womanhood of America are behind this proposal. Who will gainsay they are not the best judges of the necessities of childhood? Child labor laws and other laws to guarantee human health and life are in reality laws to protect human health and life against the encroachment of the acquisitive impulse. No employer chooses to employ a child because he or she is a child. He employs him because he is cheap. The cheaper the labor, the greater the profits.

Our State legislatures and this Congress spend many days in enacting laws to protect our forests, our rivers, our fish, our game, and our wild animal life. Is it too much to ask this necessary protection for our child life?

Before this amendment becomes effective 36 States must ratify it. Only 18 of the 48 States now equal or surpass the requirements of the last Federal law. Eighteen States have no educational standard which a child must reach before leaving school. Ponder on that, if you will. Is this giving every child a fair chance in life, which it can only have if it is afforded, by compulsion I say, the fundamentals of an education?

Of the 48 States of the Union only 12 States besides the great forward-looking State of New York measure up to the standards set in the last Federal law. This is, indeed, gentlemen, a sad commentary on our Commonwealths.

Will any man in this House say it is unfair or unreasonable or an undue interference with the States to prohibit a child under 16 years of age from working at certain occupations? That is one of the things the last Federal law did.

Gentlemen, strange people exist in this world of ours. Can you imagine the type of persons who appeared before the Judiciary Committee of this House and opposed any regulation or prohibition of child labor whatsoever, either by the Federal Government or by the States? Why, it would be an odious comparison to class those people with the wolf who suckled Romulus and Remus!

So great are the evils flowing from the premature employment of children it were better that in cases of dire necessity the State or the Nation sustained its children and its dependents during the formative period of puberty rather than forsaking them to the host of greedy exploiters.

While most of the States and the enlightened countries of the world have child-labor regulations, many more drastic than ever proposed under a Federal law, I am convinced that it is now imperative in our country to establish a national minimum standard of protection which will compel the employers in those States with lower standards to at least meet the Federal requirement. A problem confronts us which it is quite evident can not safely be left to the separate States, so powerful are the employing interests therein. We must meet it and without further delay if we are to conserve the most invaluable asset of our Nation—our boys and our girls.

Mr. POU. Mr. Speaker, I yield half a minute to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, my colleague [Mr. GALLIVAN] is prevented by illness from being present. He asked me to state to the House that if he were here he would gladly support this rule and vote in favor of this amendment to the Constitution.

Mr. SNELL. Mr. Speaker, I yield 10 minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Speaker, this is a joint resolution proposing an amendment to the Constitution of the United States, as follows:

SECTION 1. The Congress shall have power to prohibit the labor of persons under the age of 18 years and to prescribe the conditions of such labor.

SEC. 2. The reserve power of the several States to legislate concerning the labor of persons under the age of 18 years shall not be impaired or diminished except to the extent necessary to give effect to legislation enacted by the Congress.

This resolution merely submits to the people the proposed amendment which must be ratified by the legislatures of three-fourths of the several States before it becomes a part of the Constitution.

The history of child legislation is very interesting. Long years ago England worked her children in factories and mines and in her many industries. Mrs. Browning then voiced the sentiment of the people in her immortal poem "The Cry of the Children" when she wrote:

Do ye hear the children weeping, O my brothers,
Ere the sorrow comes with years?
They are leaning their young heads against their mothers,
And that can not stop their tears.
The young lambs are bleating in the meadows;
The young birds are chirping in the nest;
The young fawns are playing with the shadows;
The young flowers are blowing toward the west.
But the young, young children, O my brothers!
They are weeping bitterly.
They are weeping in the playtime of the others,
In the country of the free.

"For oh!" say the children, "we are weary,
And can not run or leap;
If we cared for any meadows, it were merely
To drop down in them and sleep.
Our knees tremble sorely in the stooping;
We fall upon our faces, trying to go;
And underneath our heavy eyelids drooping,
The reddest flower would look as pale as snow;
For all day we drag our burden tiring,
Through the coal-dark underground;
Or all day we drive the wheels of iron
In the factories round and round."

A like condition now confronts America. By the census of 1920, 1,060,858 boys and girls between 10 and 15 years of age are tabulated as "child laborers" employed in factories, mines, quarries, agricultural work, and trade in the United States. Of this number, 7,000 children between 10 and 15 are employed in the mines.

It has been a long and a weary fight to obtain national legislation to relieve this deplorable condition in our civilization. In 1917 this Congress passed its first child labor law by a large majority of both Houses of Congress and the approval of President Wilson. This law was in force for nine months when the Supreme Court of the United States declared it unconstitutional on the ground that Congress had no right to pass such a law without constitutional authority.

In 1919 both Houses of Congress almost unanimously enacted another child labor law, with changes made, as it was then thought, to meet the objections raised by the Supreme Court. This law continued on our statute books for 10 months, when it was again set aside by the Supreme Court on the ground that Congress could not enact any such law without a constitutional amendment.

During the two periods in which the law was in force it proved of great benefit to the Nation in the protection of children, standardizing hours of labor, and meeting everyhere the warm approval of the people, with the exception of a few who have always attempted to exploit child labor in the industries of the Nation.

needs of our immediate territory and to pass the most human and best laws, all things considered. If more laws are necessary

sends his goods to the factories and the tenement houses and the sweat shops of an adjoining State which has less humane

ployers in those States with lower standards to at least meet the Federal requirement. A problem confronts us which it is

have always attempted to exploit child labor in the interests of the Nation.

Public opinion in favor of the prohibition of child labor became so strong that at the national conventions of the two great political parties in 1920 the following planks were inserted in their platforms. The platform of the National Republican Party contains the following statement:

The Republican Party stands for a Federal child labor law and for its rigid enforcement. If the present law is found unconstitutional or ineffective, we shall seek other means to enable Congress to prevent the evils of child labor.

The national Democratic Party in that year made the following declaration:

We urge cooperation with the States for the protection of child life through infancy and maternity care, in the prohibition of child labor, and by adequate appropriations for the Children's Bureau and the Women's Bureau in the Department of Labor.

President Coolidge in his message to this Congress said:

For purposes of national uniformity we ought to provide by constitutional amendment and appropriate legislation for a limitation of child labor.

Following the message of the President the following great public organizations for public welfare in the United States have enthusiastically indorsed this amendment:

American Association of University Women.
American Federation of Labor.
American Federation of Teachers.
American Home Economics Association.
Commission on the church and social service, Federal Council of the Churches of Christ in America.
Democratic National Committee.
General Federation of Women's Clubs.
Girls' Friendly Society in America.
National Child Labor Committee.
National Council of Catholic Women.
National Council of Jewish Women.
National Council of Mothers and Parent-Teacher Associations.
National Council of Women.
National Education Association.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade Union League.
Republican National Committee.
Service Star Legion.
Young Women's Christian Association.

The State legislatures of six States—California, Massachusetts, Nevada, North Dakota, Washington, and Wisconsin—have petitioned Congress to submit an amendment.

Also the National Consumers' League and the National Grange.

Following the commands of the two great political parties in their national conventions, the demands of these organizations, the recommendation of the President, there has been introduced into this Congress 20 bills in the House for a constitutional amendment prohibiting child labor. These bills have been referred to the Committee on the Judiciary of the House and from these bills we have selected the one now before the House.

Our committee has given long hearings for and against the resolutions and a majority of our committee have reported that the amendment now before the House should pass.

I have not time to review the evidence before the committee or to fully state my position in this matter. The arguments for the passage of this measure are many, among which are the following:

The interest, as evidenced by public opinion.

The fact that from the Government reports over 1,000,000 children from 10 to 16 years of age are working in the United States in factories, mills, creameries, agriculture, mines, and other industries and occupations. Nearly 400,000 of them are between 10 and 14 years of age.

Nine States have no law prohibiting children under 14 from working in both factories and stores.

Thirty-seven States allow children to go to work without a common-school education.

Eighteen States do not make physical fitness for work a condition of employment.

Fourteen States allow children under 16 to work from 9 to 11 hours a day; two States do not regulate in any way daily hours of labor for children.

Five States do not protect children under 16 from night work.

Nearly every civilized western nation has made legislative provision to give its children a minimum protection against exploitation. Twelve countries have at least the 14-year age minimum. The United States has no national standard. The States which permit the employment of children under 14 years put us in a class with India, China, and Japan.

The only opposition to this amendment comes from three sources:

First. From the employers of child labor, who still wish to exploit them for their own profit.

Second. From those States which do not have any law regulating child labor.

Third. From those who claim this amendment will be in violation of State rights.

When no other argument can be found or made the ancient doctrine of State rights is invoked to defeat the measure. If under the "general-welfare" clause of the Constitution this Congress has not the right to protect and save the health and lives of its children who are to be the future citizenship of this land, then our Constitution becomes a mere scrap of paper, and the Declaration of Independence is meaningless when it says:

* * * all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness.

Mr. Speaker, and members of this committee, America today still hears the cry of the children, and these words from Mrs. Browning still call us to our duty.

They look up with their pale and sunken faces,
And their look is dread to see,
For they mind you of their angels in high places
With eyes turned on Deity.
"How long," they say, "how long, O cruel Nation,
Will you stand to move the world on a child's heart—
Stifle down with a mailed heel its palpitation
And tread onward to your throne amid the mart?
Our blood splashes upward, O gold heaper,
And your purple shows your path!
But the child's sob in the silence curses deeper
Than the strong man in his wrath."

[Applause.]

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. TUCKER].

Mr. TUCKER. Mr. Speaker, thirty-odd years ago, when you and I were Members of this House, I had the honor of putting through this House an amendment to the Constitution—and I was prouder of it then than I am now—to elect Senators by direct vote of the people. We passed that amendment in 1892 and in 1894, and each time we had four and five days to discuss that great question before this House. Now we are tied down to a part of a day. If this were a question of garden seed or an increase of salaries, we might get any time.

What is at the bottom of this whole question? The majority report says that 3 per cent and a little over of the children of this country are employed in dangerous or unhealthful occupations. I see a good many business men before me. I say to the gentleman who makes that statement that I can show him, I think, that there are less than 2½ per cent of the children of this country engaged in dangerous occupations. Where is the business man within the sound of my voice who would not thank God and take courage if his business was 97½ per cent all right? This amendment is advanced because it is said child labor is a great national evil, when there are less than 2½ per cent of the children of the country engaged in what may be termed dangerous occupations. Is that a national problem?

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. TUCKER. Yes.

Mr. LAGUARDIA. Does not the gentleman feel that these unfortunate 2½ per cent require the protection of government?

Mr. TUCKER. Yes; the only question being who should do it, the States or Federal Government; and I want to say now that I adopt everything that my honorable friend from Wisconsin [Mr. NELSON] has said about childhood. The gentleman can not feel that more than I. It is not a question of childhood, but the question is, Who is to take care of childhood? There is not a position that gentlemen take that I do not adopt. All through this country we have child labor laws. They have been passed in every State but two—Wyoming and Utah. Why have they not got them there? I suppose it is because they have no children out there. We are asked now to adopt an amendment to the Constitution where we have this whole question passed upon in 46 of the 48 States, and where we have in the whole United States less than 2½ per cent of the children who are engaged, as this report says, in unhealthful or dangerous occupations. Does this show a national evil? One gentleman talked about womanhood and childhood. Gracious powers! We have passed the maternity law, which takes care of maternity and childhood.

We have got a bill threatening to take the education of our children from us and to put it here, and now you want to put the care of childhood in reference to work under the Federal Government—why, gentlemen talk about the work of children as if it were something bad. I would like to have a poll of this House. Is there any man in this House; if so, I would like to have him stand up and let me see him——

The SPEAKER. The time of the gentleman has expired.

Mr. POU. I yield the gentleman two additional minutes.

Mr. TUCKER. I thank the gentleman. Is there any man in this House, if so I want to see him, who can stand up here and tell the truth and say that he had not done any work before he was 18 years of age, and yet we are asked to pass an amendment which will take away the manhood of the child it may be, we do not know what it would do—but we are asked to pass an amendment which, among other things, if it were to pass would bring starvation and want all through the southern country to the negroes. What would you do with them if they could not work after school?

Gentlemen of the House, as my honorable friend says, the only thing to do is to come back to the Constitution. [Applause.] There is no constitutional question involved here but the spirit of it is here. [Applause.]

The SPEAKER. The time of the gentleman has again expired.

Mr. TUCKER. I ask leave to extend my remarks in the RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. POU. Mr. Speaker, I yield the remainder of my time on this side to the gentleman from Tennessee [Mr. GARRETT]. [Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, because certain States of the Union have failed to enact legislation affecting child labor of a character which conforms to the conception and the ideals of a relatively small group of our citizens, the Congress is now called upon to take an initial step toward a fundamental and far-reaching change in the structure and character of our governments, both State and Federal, by submitting an amendment granting to Congress the power of controlling, regulating, and prohibiting child labor.

That power now resides wholly and solely with the States. It is a part of the police power not delegated to the Federal entity, and therefore expressly reserved to the States. By this amendment, if submitted and ratified by three-fourths of the States through their respective legislatures, all the 48 States will be denuded of powers now possessed and the Congress will supplant State legislatures in determining to what extent government shall stand in loco parentis as to all children under 18 years of age.

The mere statement of the proposition shows the tremendous change which is sought to be wrought in the relations of States and Nation and in the relation they respectively bear to the people. I am unable to bring myself to the belief that conditions, industrial or moral, exist in this country or any part of this country which justify this tremendous revolution. I protest against those of us who arise here and contend that the principle of government which has existed from the foundation be maintained being classed as reactionary or as devoid of interest in the prevention of the labor of children in lines in which they ought not to work. The appeal of my friend, the gentleman from Wisconsin [Mr. NELSON], was a touching appeal, a forceful appeal, so far as sentiment is concerned. But let me endeavor to state to you what I conceive to be an error in logic in the argument made by the gentleman from Wisconsin when he points out that the mothers of the land have been given a part in the control of the Government, and that therefore the National Government must take over this police power. Does not my friend, the gentleman from Wisconsin, realize that the women of the land have been given political power not in the Federal Government alone but in the States as well? Does not the gentleman upon mature reflection agree with me that under proper effort they will be more able to exert their influence in the restricted limits of a State than they will in a great Nation of a hundred and ten million people? [Applause.]

Oh, it is insisted that there is a lack of uniformity in the legislation.

I undertake to say that there is less reason for this revolutionary change in our organic law to-day than there has ever been at any time in our history. In 1910 more than 2,000,000 of children under 15 years of age were engaged in gainful occupations. In 1920, just a little over a million children under 15 years of age were engaged in gainful occupations. Within the last few years State after State has enacted child labor legislation. The States are moving whenever conditions locally call for them to move, and every step on the part of the States has been progressive in formulating restrictions. Therefore, I repeat, the necessity does not exist for this revolution in the relation between the Nation and the States. Lack of uniformity in the laws! Why, to be sure. Because there is lack of uniformity in the conditions existing in the various States, and the very thought which the fathers of this Republic had in mind when they scrupulously reserved to the States all the police power was that in the very nature of things there would be different conditions in different States that would have to be left to various laws and could not be placed under one rule and one regulation. Some 400,000 of the more than a million children are engaged in industries other than agriculture. Oh, I have heard some of my friends from agricultural sections say there is no use to think about any effort to legislate, to regulate agricultural labor on the part of children, because it will never come. Do not deceive yourselves with any such conception. I venture the prediction that if this amendment shall be submitted and ratified that those who sit in this Chamber from the agricultural sections of this land 10 years from now will be face to face with the legislative proposition of what regulation shall be had by the Congress touching the labor of children under 18 years of age on the farms of this country.

For illustration, gentlemen from Kentucky will be up against the question whether the Congress shall provide that persons under 18 years of age shall be employed in connection with the raising of tobacco, and gentlemen from the cotton-producing sections will be up against the question of whether or not persons under 18 shall pick cotton or hoe cotton. Oh, do not deceive yourselves as to where legislation under the proposed amendment will go. It was well said by the gentleman from Texas [Mr. CONNALLY] earlier in this discussion "if the power is not to be exercised, why then is it asked that the power be granted?" I cast no reflection upon the fine idealism which is back of this resolution. For the lady who presented, as I measure it, the principal argument on this question before the Committee on the Judiciary I entertain the very highest respect for her intelligence, her brilliancy, her idealism, and also for others who for years have been struggling toward this end. But the difficulty is, as it seems to me, their energies are directed to the wrong place. It is within the power now of all the States to regulate child labor and I dare say that by the exertion of one tithe of the interest that is being put forth here to bring about governmental revolution, in those States now regarded as backward, would bring immediate response from the State legislatures.

Oh, the State governments are yet closer to the people than the Federal Government. The influences of the good mothers, of whom my friend from Wisconsin [Mr. NELSON] spoke, can be exerted much more directly upon their representatives in the State legislature than they can upon the Congress, much more intimately upon the bureaus of the States that will enforce the State laws than can be exerted upon bureaus here, in some instances thousands of miles from their home.

Oh, sir, step by step, along legislative lines, by treaty negotiations, by constitutional amendment, we are driving toward a condition which has been the destruction of every free government that has ever existed heretofore on the face of the earth, namely, the centralization of its governmental power. The great thing about the Constitution of the United States was not the machinery laid out for the Federal Government. It was the nicety with which the powers of government were balanced, and kept balanced, between the States and the Federal organism; and to express here the thought that I have expressed in discussions of constitutional amendments proposed heretofore, let me repeat, if we continue to take this power and that power from the States and center it here; if we continue to create new forces of Federal government and new bureaus to exercise those forces, the time will come, and come rapidly, when your States will be gone, when the powers over the most delicate and intimate things of our local life will be exercised by a bureau in Washington; and when that time comes the period of danger will have come, because I tell you now that the liberties of these people will not be endangered so long as the powers of government are kept distributed, so long as the local governments are left to deal with local things, and where the Federal Government devotes itself solely to dealing with things that are of national concern. But when you take away from the States the police powers, when you begin appropriating out of the Federal Treasury for the performance of every governmental function, you will have centered it here all in one place, and you will have then destroyed the distribution. You will have created a single governmental entity at which the enemies

of human and property rights can strike, and when such a condition is created, then I fear for the liberties of the country.

Believing this movement under the guise of humanitarianism could be better wrought out through the sovereign States under the powers they now possess; believing that the adoption of this amendment here and its ratification by the States inevitably will lead to that centralization so dangerous, as has been proven by all of history, I shall not, Mr. Speaker, be swept off my feet, but shall oppose the submission of this amendment. [Applause.]

Mr. BIXLER. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. LARSON.]

The SPEAKER. The gentleman from Minnesota is recognized for 10 minutes.

Mr. LARSON of Minnesota. Mr. Speaker, I have listened with keen interest to the powerful argument just made in opposition to the pending resolution. I do not believe there is anybody in this House who could invoke the doctrine of State rights with more persuasive efficacy than the distinguished minority leader [Mr. GARRETT of Tennessee]. He has done what almost every other opponent of national child labor legislation has done, namely, attempted to frighten us with the possible detrimental effects on industry of child labor laws. He has told us that there is danger to the agricultural industry if the people of this Nation should incorporate into their Constitution an amendment that would enable this Congress to pass a law for the protection of the American children.

Let me say to the distinguished gentleman who represents so ably the minority of this House that he has put the cart before the horse. The paramount purpose of our civilization is not to build up great industries, is not to enlarge commerce, is not to build up great cities. The primary and paramount purpose of our civilization is to rear and train strong and healthy children. We want our children to have strong bodies and alert minds, so that they can take their place, when the time comes, as the rulers of the Nation. [Applause.]

Mr. Speaker, "The most wonderful work ever struck off at a given time by the brain and purpose of man." Such is the high tribute, the oft-quoted tribute, of Gladstone to the Constitution of the United States and to those by whose genius and labor it was wrought. Some question the historical and scientific accuracy of that statement, but we Americans are not inclined to be so critical. We will take his tribute at its face value.

But being a document wrought by man, it is not perfect. The Fathers were great men, but they were not infallible. They did not have sufficient prescience to provide for the economic and political changes that might take place a hundred or more years hence. They were aware of their inability to cope with the remote future. They therefore made provision for amending the Constitution. They ordained thereon that—

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution—

And so forth. They provided how the amendment may be ratified. One method is—

by the legislatures of three-fourths of the several States.

Here, for the first time in history, a government provided for its own change without turbulence or bloodshed.

In the opinion of their posterity, so well did the founders do their work in ordaining our organic law that there has been little occasion to amend it. The first 10 amendments are practically a part of the original Constitution. Virtually has it been amended only nine times in more than a century and a quarter of its existence. Lecky in his "Democracy and Liberty" says that—

An appetite for organic changes is one of the worst diseases that can affect a nation.

Evidently that disease has not ravaged the American Constitution. We have religiously followed the caution given by Washington in his Farewell Address, to resist the spirit of innovation upon the principles of the Constitution, however specious the pretexts. He told those who were to enjoy the heritage of the founders that in any event should a modification of the constitutional powers be necessary it should be made by an amendment in the way which the Constitution designates.

We who favor national child labor legislation have followed Washington's advice. Deeming such legislation necessary, and having been twice advised by the United States Supreme Court that such legislation—as the Constitution now stands—is not within the power of Congress to enact, we propose that the Constitution be amended so that Congress may have that power.

That is the purpose of the resolution. It is couched in plain language. This is how it reads:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"ARTICLE —

"SECTION 1.—The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age."

"SEC. 2. The power of the several States is unimpaired by this article, except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by Congress."

The minority in their adverse report on this resolution say:

It is not proposed to make any contention against the regulation of child labor.

That is a tacit admission that child labor regulation is necessary. That admission is another evidence that the world is getting better; that gradually, but surely, it is becoming a better place in which to live; that the social conscience is becoming more sensitive to human injustice.

The time was when child labor was justified even in the halls of legislation. Now no one would dare to justify it. There are no child labor advocates now, at least, not in Congress. There is no issue as to the injustice and harmfulness of child labor; the issue is, How can it be best regulated and prohibited? The opponents of the resolution argue that the States can best do it; we say that the legislation by the States should be supplemented by national legislation. We think that a national child labor statute is necessary; otherwise this resolution would not be here.

The necessity for national child-labor legislation is not visionary, chimerical, theoretical, romantic, or Utopian; it is real; it is urgent; it is born out of the experience of our national life. Perhaps no one in this country is so well informed on every phase of the child labor problem as is Miss Grace Abbott, the head of the Children's Bureau. This is what she says regarding the necessity for national child labor legislation:

I want to remind you of the fact that, after all, the reasons why we are asking for a Federal minimum standard with reference to the employment of children, or that Congress be given power to enact a Federal minimum standard with reference to the employment of children, is (1) because we have shown that the numbers involved are very large; that is, that there are more than a million children between 10 and 16 years of age employed, and something over 300,000 of them between 10 and 14 years of age; and that nearly half a million are in nonagricultural employments; (2) that this employment is confined to no one section of the country, nor to no one part of a single State; (3) that while the States in various parts of the country have enacted child labor laws, those laws have been uneven and inadequate, sometimes because of successful opposition to the enactment of a law and sometimes because of successful opposition to the effective enforcement of the law; (4) because, after all, we feel that the question of children involves the citizenship of the country in a way which justifies national concern and interest; (5) no one State alone can protect itself wholly against the evils of child labor; the children who grow up in other States migrate frequently to States in which ample provision has been made for the protection of children and bring with them bad health and illiteracy to the State to which they go; (6) the State can not protect itself against the competition of low standards in other States.

I have a powerful admiration for the dialectical ability and constitutional learning of the chairman of the House Committee on the Judiciary. He is a real expounder of the Constitution. But facts are stubborn things. They will not down. Truth is invincible. The facts, truth, the logic of the situation, are too much for the distinguished gentleman from Pennsylvania when he attempts in the minority report to explain away and answer Miss Abbott's plain and unvarnished statement showing the necessity for the proposed constitutional amendment. If you have not already read the gentleman's attempt to answer Miss Abbott, read it. To read it will strengthen your confidence in the proposed amendment.

The opponents of this resolution invoke the archaic States' rights doctrine which long ago has been emasculated if not entirely discarded. The proponents of every piece of progressive legislation calling for the exercise of national power have had to run the gauntlet of the States' rights votaries. They opposed the national income tax amendment, the popular election of United States Senators amendment, the woman's suffrage amendment and the prohibition amendment. They

tried to prevent enactment of the national pure food and drugs law, of the anti-lottery law, of the interstate commerce law, of national aid to agriculture, of the maternity and infancy law, and of other progressive laws that the States' rights advocates feared might intrude on the prerogatives of the several States and ultimately destroy the Nation.

Notwithstanding the pessimistic predictions of the States' righters, the Government at Washington is safe and the governments of the States are still functioning. They are unduly perturbed. They should have more confidence in the sound judgment and patriotism of the American people. Let them absorb some of the confidence in the people that Lincoln had. He said this country belongs to the people who inhabit it. So does the Constitution. Their Representatives framed it. The people ratified it. Its preamble reads, "We, the people of the United States," and so forth. The Constitution is their's, and if they want to amend it, who can prevent them from carrying out their will?

To frighten us, the minority quote the following language from John Fiske:

If the day should ever arrive when the people from the different parts of our country should allow their local affairs to be administered by prefects sent from Washington and when the self-government of the States shall have been so far lost as that of the Departments of France, or even so far as that of the counties of England, on that day the progressive political career of the American people will have come to an end, and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever.

John Fiske was a great philosopher and historian, but no great man is always right. While there is much force in the statement quoted, he allowed his powerful imagination too much liberty; he overdrew the picture of the national and world-wide calamity that he predicted would follow the interference from Washington with local affairs. His dismal and pessimistic prognostication sounds much like a dictum of a closet doctrinaire.

But conceding the soundness of Professor Fiske's prediction, it does not follow that the enactment of child-labor legislation, should the proposed amendment become a part of the Constitution, would bring to an end "the progressive career of the American people" and wreck forever "the hopes that have been built upon it for the future happiness and prosperity of mankind." By quoting Fiske's prophecy as an argument against the proposed amendment the minority beg the question. They assume that child labor legislation is solely a matter of "local affairs." We deny that. We say that the protection of the American children from the evils of child labor is a matter of national as well as local concern. American childhood is the Nation's most precious and valuable resource. The American boys and girls are the future rulers of the Republic. The life of the Republic, the perpetuity of our institutions, the integrity of the very Constitution which the opponents of the pending resolution are professing to safeguard, depend on the intelligence and the physical soundness of the American children, which it is the very purpose of national child labor legislation to conserve and develop. The strength of a nation is the strength of its composite citizenship. That is particularly true in a democracy, which Lincoln defined so aptly as "a government of the people, by the people, for the people."

The whole Nation is vitally concerned in the proper training of the minds and the development of the bodies of her children whether they reside in Georgia, in Pennsylvania, in Minnesota, or in any other State. They are American children. They are citizens of the United States, and the United States is a Nation. The rights and duties of American citizenship are not affected by State boundaries. Ignorant and illiterate citizens in any considerable number in any State is an element of danger and weakness to the Nation. Ignorance and illiteracy constitute a social and political cancer which the Nation must remove in order to last.

Physical weakness or deformity means national degeneration. A sound mind in a sound body is indispensable to virile citizenship. Rome fell because her citizens lost their virility. They became physical weaklings—an easy prey to the Huns. Emerson said:

It is the first duty of man to be a good animal.

And Herbert Spencer supplemented that statement by saying:

The first condition of national prosperity is to be a nation of good animals.

Now, let us see what are the facts with regard to illiteracy and physical degeneracy in our national life. What is their chief cause? Wherein lies the remedy?

May I call your attention to what the selective draft records revealed when we were engaged in mobilizing the man power of the Nation to make the world safe for democracy, to save civilization? We were astonished and humiliated to learn that one-fourth of the young men called to the colors were practically illiterate; that one-third were physically unfit for full military service. This illiteracy and physical degeneracy was not confined to the so-called backward States.

It was not sectional, although this deplorable condition, this national disgrace, was more aggravated in some States than in others. Even in the State of Pennsylvania, which in part is so ably represented by the distinguished chairman of the Committee on the Judiciary, the author of the minority report, the selective draft reports revealed the amazing fact that 55 per cent of the young manhood of that great, rich, and powerful State were rejected as physically unfit for military service. And here is the rub: John A. Lapp explained this exceptionally high rate as probably due in large measure to the fact that Pennsylvania for some 25 years had not had an adequate child labor law. My understanding is that now she has better child labor laws than she had formerly, but there are some other States in which the greed and selfishness of parents and of employees are depriving the children of adequate physical and intellectual development. Now that the American people propose to amend their constitution, if we will permit them, so that their Representatives in Congress may enact suitable legislation for the conservation and protection of American childhood—the Nation's most precious and valuable resource—the champions of these backward States cry, "Hands off! The right of the children in our States to trained minds and sound bodies is no concern of the Nation; you are attempting to invade and usurp the exclusive prerogative of the States." They admit the deplorable conditions, but say that in time by the process of evolution those conditions will be remedied. The evolutionary process is too slow. It needs to be accelerated by effective national legislation.

The children of the present generation have but one childhood and, by all the gods, the American people are determined to conserve and protect that childhood from exploitation by greed and selfishness. If the American people can translate, through the medium of their Representatives in Congress and in the legislatures of their States, their will into a constitutional amendment and congressional legislation, the day of relief for American childhood is nigh. They will put an end to the national disgrace of child labor. They will assure to the child his God-given heritage. They will open the door of opportunity for a healthful and hopeful child life. To do less we would be unworthy the name of a civilized nation.

Under it we have progressed until we are now the greatest, the richest, and the most powerful country in all the world. It has stood the strain and stress of a great Civil War, the issue of which was the very integrity of the Union. So highly is it regarded that it has been followed as a model, in whole or in part, throughout the civilized world. Imitation is genuine praise.

But, my friends, being a document wrought by man, it is not perfect. The fathers were great men, but they were not infallible. They did not have sufficient prescience to provide for the economic and political changes that might take place 100 or more years hence; they were aware of their inability to cope with the remote future; they therefore made provision for the amending of the Constitution, and they ordained therein that the Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, and so forth. The framers provided how an amendment may be ratified. One method is by the legislatures of three-fourths of the several States.

My friends, here for the first time in history a Government has provided for its own change without turbulence or bloodshed. It will not mean a revolution in this country simply because the people should see fit in their wisdom to incorporate into their document, the people's law, a provision which will enable the Congress of the United States, composed of their Representatives, to enact legislation for the protection of their children. [Applause.] In the opinion of their posterity, so well did the founders do their work in ordaining our organic law that there has been little reason to amend it. The first 10 amendments are practically a part of the original Constitution. Virtually it has been amended only nine times in more than a century and a quarter of its existence.

Lecky, in his Democracy and Liberty, says that—

An appetite for organic change is one of the worst diseases that can affect a nation.

That ought to be incense to the nostrils of those who invoke the State rights doctrine in opposition to this resolution. Evidently the disease has not ravaged the American Constitution. We have religiously followed the caution given by Washington in his farewell address to resist the "spirit of innovation" upon the principles of the Constitution, "however specious the pretexts." He told those who were to enjoy the heritage of the founders that in any event should "a modification of the constitutional powers" be necessary it should be made by an amendment in the way which the Constitution designates. We who favor national child-labor legislation have followed Washington's advice. Deeming such legislation necessary, and having been twice advised by the United States Supreme Court that such legislation, as the Constitution now stands, is not within the power of Congress to enact, we propose that the Constitution be amended so that Congress may have that power.

The SPEAKER. The time of the gentleman has expired.

Mr. LARSON of Minnesota. I regret that I have not the time to fully discuss here the constitutional aspects of this question. [Applause.]

Mr. BIXLER. Mr. Speaker, how much time is left?

The SPEAKER. Five minutes.

Mr. BIXLER. Mr. Speaker, I yield the balance of the time to the gentleman from Georgia [Mr. CRISP].

Mr. LARSON of Minnesota. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection. [After a pause.] The Chair hears none.

Mr. CRISP. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on this subject.

Mr. POU. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Georgia [Mr. CRISP] and the gentleman from North Carolina [Mr. POU] ask unanimous consent to revise and extend their remarks in the RECORD on this subject. Is there objection? [After a pause.] The Chair hears none.

Mr. BANKHEAD. Mr. Speaker, will the gentleman from Georgia yield for a moment in order that I may make a unanimous consent request?

Mr. CRISP. I will yield if it is not taken out of my time.

Mr. BANKHEAD. This is a very highly controversial matter and a good many gentlemen will not be accorded an opportunity to speak on it. I submit the request that all Members of the House have five legislative days in which to extend their remarks in the RECORD upon this particular proposition.

The SPEAKER. The gentleman from Alabama asks unanimous consent that all Members of the House have five legislative days in which to extend their remarks in the RECORD on this proposition. Is there objection? [After a pause.] The Chair hears none.

Mr. CRISP. Mr. Speaker, in the brief time allotted me I can not make any close argument on this great question. I am indebted to my good friend the gentleman from New York [Mr. SNELL] for even the time I now have at my disposal, and I especially thank him, for I frankly told him I was not in sympathy with his views on the proposed amendment.

Anything that tends to care for the welfare of children of tender age appeals to the heart and sympathy of every right-thinking woman and man, and I believe their welfare should be guarded by proper legislation, but I believe that under our dual form of government provided for under the Constitution, the supreme law of the land, that the States are the proper tribunals to do it. Forty-six of the 48 States now have child labor laws. My own State has a good law on this subject. It provides that no child under 16 years of age can work in a mine; that children under 14 shall not work in a factory or other enterprise injurious to their welfare, with the exception that children between 12 and 14 with widowed mothers or who are orphans may work a reasonable time if the State commissioner of labor and the probate judge of the county in which the children reside certify that the labor is essential to support their mothers or themselves. They are limited as to the hours they can work, and they are not permitted to work during night hours. The law requires them to go to school so many months a year. Our law also provides that, when the parents of children are lewd or immoral and are not the proper persons to have the care of their children or if the children are confined or employed in immoral places, the courts can take the children and place them in a Georgia industrial home where their welfare will be guarded. If the Georgia law on this subject is weak in any respect—which I do not concede—I, as a Georgian, will be proud to go before the Georgia Legislature and urge that it be amended and strengthened so as to make it a 100 per cent good child labor law, but I am not in favor of the Federal Government in Washington, hundreds of miles away, which knows nothing of local conditions, and which, furthermore, is utterly indifferent to them, having the right to say to the parents in my State that their children under 18 years old shall not be permitted to work in wholesome occupations. [Applause.]

To-day Congress is being urged to propose all kinds of constitutional amendments. A uniform divorce law is being urged, which would force the State of South Carolina to recognize divorces which now, under her law, she grants on no ground. A uniform marriage law, a women's equal rights amendment, to legitimatize illegitimate children, to supervise care of children of divorced people, and hundreds of other amendments are pending before Congress. I am advised that, since the adoption of the Constitution, over 2,800 amendments have been proposed to it. Why, Mr. Speaker, is it that Congress is so frequently urged to amend the Constitution to meet the wishes of some organization? Can it be that the ladies and gentlemen back of any movement find it easier to come to Washington and by a propaganda endeavor to force Congress to legislate than it would be for them to appear before the legislatures of their respective States and seek remedial legislation?

I have no criticism to make of how any of my colleagues in this House may vote, for I accord to them all honesty and sincerity of purpose; but, as for me, I have decided that no propaganda, however powerful, can sway me to support any measure that, in my deliberate judgment, I do not believe to be for the welfare of the country we all love.

Our Constitution, considered by statesmen of all countries to be the greatest governmental document ever penned by mortal man, provides for a dual form of government, certain powers being delegated to the Federal Government and all other sovereign powers being reserved to the respective States. This immortal document written over a hundred and thirty-five years ago to guide the destinies of the young Nation of approximately 3,000,000 people has not only proven ideal for them but, with few amendments, has proven ideal for our present great Nation of approximately a hundred and ten millions of people. Under this wise organic law our country has grown and prospered until to-day it is the richest and most powerful Nation on earth. In over a hundred and thirty years only nine amendments have been adopted to this great instrument, the last six of them having been adopted within the last 10 years; and I am constrained to believe that some of them weakened rather than strengthened the fundamental law of our land.

Now, Mr. Speaker, this proposed amendment goes further, in my judgment, than any amendment that has ever been proposed to the Constitution so far as the control of human rights is concerned—the God-given, inalienable right of parents to regulate and control their own children whom God gave them. This amendment will authorize the Federal Government to invade the sanctuary of the homes of the Nation, the corner stone on which the Nation is builded. What does the amendment propose?

That Congress shall have the power to limit, regulate, and prohibit the labor of persons under 18 years of age.

The amendment does not limit nor confine the power of Congress to legislate with respect to their work in mines, factories, sweatshops, or other places injurious to their moral and physical welfare, but it goes further—it is as wide open as the heavens—and provides that Congress can have authority to say that they can not work in fields, stores, or other wholesome and healthful occupations. Aye, it goes even further, it confers upon Congress the power to say a girl under 18 years of age can not work to assist her own mother in doing the housework, cooking, dish washing, and so forth, in her own home, and that a son of like age can not help his own father to work on a farm. Now, the proponents of this amendment may say that Congress is not going to do an unwise thing in the future; that Congress will not legislate so as to prevent children from working in agriculture. I do not know what Congress is going to do—it has done foolish things in the past—but my observation is that when any authority or jurisdiction is conferred upon Congress it uses it to the fullest extent. We all received a pamphlet entitled "Child Labor Facts," issued and circulated by the proponents of this amendment, ladies and gentlemen actuated by humanitarian motives, presenting reasons why the amendment should be adopted. On page 10 the statement is made:

The Southern States have a larger percentage of child labor than any other section of the country because of the predominance of agriculture there.

Only 20 per cent of the children of Georgia, includes white and black, are engaged in gainful occupations, 12 per cent of

the 20 being engaged in work on farms. The same pamphlet urges as a reason for this amendment that children work on the farms in the cranberry bogs of New Jersey; that they are used to pick berries for canneries and packing fruit; that in Michigan they are used in the beet-sugar industry; that in the South they are used in raising cotton; in Kentucky and Virginia in the tobacco fields. In view of these statements, if the power should be conferred upon Congress to control the right to labor of children under 18 years of age, God alone knows what future Congresses will do. To-day we have legislation by blocs—the farm bloc, the farmer-labor bloc, the labor bloc, the wet bloc, the dry bloc, the bankers' bloc, the railroad operators' bloc, the socialists' bloc, and blocs without number—and there is no telling what these blocs, supported by a paid propaganda behind them, may force Congress in the future to do.

In every section of the country there are many splendid people rich in womanhood and manhood and character who are poor in this world's goods, and they and their children must work to meet the necessities of life. Millions of them are engaged on the farms, and, in my judgment, work on a farm is not injurious to anyone. I believe 90 per cent of the Members of this House worked before they were 18 years old, and I know that I myself went to work at 17 years of age, and from that day until this I have supported myself, and I do not think I am any the worse for it.

I am a southern man, and I have the kindliest feeling for the Negro race; and if this amendment is adopted and Congress should pass a law forbidding negroes under 18 years of age to work on the farm, God pity them, for I know not how they would live. Their labor is essential to their maintenance.

"An idle brain is the devil's workshop." If Congress should enact a law under this proposed amendment, which it would have the power to do, that minors under 18 years should not work, what lawlessness and chaos would follow in many communities the Supreme Ruler of the Universe alone knows. If such minors are forbidden to do wholesome work, millions of citizens will become a public charge and Congress will be forced to feed and clothe them out of the Public Treasury. The taxpayers will be called upon to pay several hundred millions of dollars a year of taxes in addition to what they are now paying to meet this civil pension list.

The right of local self-government is dear to the hearts of the Anglo-Saxon race. Our forefathers in drafting the Constitution safeguarded the right of local self-government by preserving to the States their sovereign rights; but if this amendment is adopted State rights have received a death wound. The States might as well go out of business, make a last will and testament, and bequeath unto a great central Government in Washington all their sovereign rights. In the past the Constitution has been the Magna Charta of the liberties of the various States. Gentlemen of the House, think well before you pass this amendment. The Constitution many times in the past has been the bulwark of the safety and liberty of my section, and I shall take no chances so far as my vote is concerned on breaking down that protection of the liberties of my people. If this amendment should become a law, thousands of additional Federal employees will be placed on the pay roll at millions of dollars expense to the already overburdened taxpayers. I for one am tired of all private affairs being controlled and dominated by Federal officials sent out from Washington. In the past in many homes this motto has appeared, "What is home without a mother?" If this amendment is adopted we should take down that sign and put up a sign, "What is home without some Federal Government enforcement officer dabbling in it?" [Applause.] I am old-fashioned enough to believe that mother love and father love in their own hearts will make them provide and care for and look after the welfare of their own children just as well as any Federal agent sent out from Washington could do.

As far as I am concerned, I can not vote for this rule or for the resolution. [Applause.]

The SPEAKER. All time has expired. The question is on agreeing to the resolution.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. LINTHICUM. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Maryland demands the yeas and nays.

Mr. LINTHICUM. I withdraw the demand, Mr. Speaker.

The question was taken; and on a division (demanded by Mr. POU) there were—ayes 103, noes 25.

Mr. LINTHICUM. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Maryland makes the point of order that no quorum is present. The Chair will count. [After counting.] One hundred and ninety-seven Members present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 298, nays 49, answered "present" 3, not voting 82, as follows:

YEAS—298

Abernethy	Favrot	Lea, Calif.	Rubey
Ackerman	Fenn	Leatherwood	Sabath
Aldrich	Fish	Leavitt	Salmon
Allen	Fisher	Lindsay	Sanders, Ind.
Allgood	Fitzgerald	Lineberger	Sanders, N. Y.
Almon	Fleetwood	Little	Sanders, Tex.
Arnold	Foster	Longworth	Schafer
Ayres	Frear	Lozier	Schneider
Bachmann	Fredericks	Luce	Seger
Bacon	Free	Lyon	Sherwood
Barbour	Freeman	McFadden	Shreve
Barkley	French	McKenzie	Simmons
Beck	Frothingham	McKeown	Sinclair
Beedy	Fulbright	McLaughlin, Mich.	Sinnott
Beers	Fulmer	McReynolds	Smith
Begg	Gardner, Ind.	McSweeney	Smithwick
Berger	Garrett, Tex.	MacLafferty	Snell
Bixler	Gasque	Madden	Speaks
Black, N. Y.	Gibson	Magee, N. Y.	Sproul, Ill.
Black, Tex.	Gifford	Major, Ill.	Sproul, Kans.
Bloom	Glatfelter	Major, Mo.	Stalker
Boies	Graham, Ill.	Manlove	Steagall
Box	Green, Iowa	Mapes	Stedman
Boyce	Greene, Mass.	Mead	Stengle
Brand, Ohio	Greenwood	Michener	Stephens
Briggs	Griest	Miller, Ill.	Strong, Kans.
Browne, N. J.	Griffin	Miller, Wash.	Summers, Wash.
Buckley	Hadley	Milligan	Swank
Burdick	Hammer	Mills	Swing
Burtness	Hardy	Minahan	Swoope
Busby	Harrison	Mooney	Taber
Butler	Hastings	Moore, Ohio	Tague
Byrns, Tenn.	Haugen	Morehead	Taylor, Tenn.
Cable	Hayden	Morgan	Taylor, W. Va.
Campbell	Hersey	Morris	Thatcher
Canfield	Hickey	Morrow	Thomas, Ky.
Cannon	Hill, Ala.	Murphy	Thomas, Okla.
Carter	Hill, Wash.	Nelson, Me.	Thompson
Casey	Holaday	Newton, Minn.	Tillman
Chindblom	Howard, Nebr.	Newton, Mo.	Tilson
Christopherson	Huddleston	Nolan	Timberlake
Clancy	Hudson	O'Connell, N. Y.	Tincher
Cleary	Hudspeth	O'Connell, R. I.	Tinkham
Cole, Iowa	Hull, Morton D.	O'Connor, La.	Treadway
Cole, Ohio	Hull, William E.	O'Sullivan	Underwood
Collier	Hull, Iowa	Oldfield	Upshaw
Collins	Hull, Tenn.	Oliver, Ala.	Valle
Colton	Jacobstein	Paige	Vincent, Mich.
Connery	James	Parks, Ark.	Vinson, Ky.
Cook	Jeffers	Patterson	Voigt
Cooper, Ohio	Johnson, Ky.	Peavey	Wainwright
Cooper, Wis.	Johnson, S. Dak.	Perkins	Ward, N. Y.
Cramton	Johnson, Tex.	Perlman	Watkins
Croll	Johnson, Wash.	Phillips	Watres
Crosser	Johnson, W. Va.	Prall	Watson
Crowther	Jones	Purnell	Weaver
Cullen	Jost	Quayle	Weller
Dallinger	Kearns	Quin	Welsh
Darrow	Keller	Ragon	Werts
Davey	Kelly	Rainey	White, Kans.
Davis, Minn.	Kendall	Raker	White, Me.
Davis, Tenn.	Kent	Ramseyer	Williams, Ill.
Dempsey	Ketcham	Rankin	Williams, Mich.
Denison	Kiess	Rathbone	Williamson
Dickinson, Mo.	Kincheloe	Reece	Wilson, Ind.
Dickstein	Kindred	Reed, Ark.	Wingo
Dowell	King	Reed, N. Y.	Winter
Doyle	Kopp	Reid, Ill.	Wolff
Dyer	Kunz	Richards	Woodruff
Eagan	Kurtz	Roach	Woodrum
Elliott	Kvale	Robinson, Iowa	Wyant
Evans, Iowa	LaGuardia	Robsion, Ky.	Yates
Evans, Mont.	Lampert	Rogers, Mass.	Young
Fairfield	Larson, Minn.	Romjue	
Faust	Lazaro	Rouse	

NAYS—49

Andrew	Dominick	Lilly	Rayburn
Aswell	Doughton	Linthicum	Sandlin
Bankhead	Drewry	Lowrey	Stevenson
Bland	Driver	McDuffie	Sumners, Tex.
Blanton	Garner, Tex.	McSwain	Tucker
Bowling	Garrett, Tenn.	Merritt	Tydings
Brand, Ga.	Gilbert	Montague	Underhill
Browning	Graham, Pa.	Moore, Ga.	Vinson, Ga.
Bulwinkle	Hill, Md.	Moore, Va.	Williams, Tex.
Connally, Tex.	Hooker	Moores, Ind.	Wright
Connolly, Pa.	Kerr	Park, Ga.	
Crisp	Lanham	Pou	
Deal	Lankford	Ransley	

ANSWERED "PRESENT"—3

Buchanan	Humphreys	Larsen, Ga.

NOT VOTING—82

Anderson	Bruinm	Clark, Fla.	Drane
Anthony	Burton	Clarke, N. Y.	Edmonds
Bell	Byrnes, S. C.	Corning	Fairchild
Boylan	Carew	Cummings	Fuller
Britten	Celler	Curry	Funk
Browne, Wis.	Clague	Dickinson, Iowa	Gallivan

Georgian, will be proud to go before the Georgia Legislature and urge that it be amended and strengthened so as to make

Only 20 per cent of the children of Georgia, includes white and black, are engaged in gainful occupations, 12 per cent of

Garber	McLeod	Peery	Taylor, Colo.
Geran	McNulty	Porter	Temple
Goldsborough	MacGregor	Reed, W. Va.	Vare
Hawes	Magee, Pa.	Rogers, N. H.	Vestal
Hawley	Mansfield	Rosenbloom	Ward, N. C.
Hoch	Martin	Schall	Wason
Howard, Okla.	Michaelson	Scott	Wefald
Kahn	Moore, Ill.	Sears, Fla.	Wilson, La.
Knutson	Morin	Sears, Nebr.	Wilson, Miss.
Langley	Mudd	Shallenberger	Winslow
Lee, Ga.	Nelson, Wis.	Sites	Wood
Lehlbach	O'Brien	Snyder	Wurzbach
Logan	O'Connor, N. Y.	Strong, Pa.	Zihlman
McClintic	Oliver, N. Y.	Sullivan	
McLaughlin, Nebr.	Parker	Sweet	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Wilson of Mississippi (for) with Mr. Humphreys (against).
Mr. Rosenbloom (for) with Mr. Buchanan (against).
Mr. Hoch (for) with Mr. Larsen of Georgia (against).
Mr. Vestal (for) with Mr. Snyder (against).
Mr. Porter (for) with Mr. Fairchild (against).
Mr. Gallivan (for) with Mr. Lee of Georgia (against).
Mr. O'Connor of New York (for) with Mr. Bell (against).

Until further notice:

Mr. Scott with Mr. Shallenberger.
Mr. Fuller with Mr. Rogers of New Hampshire.
Mr. Wurzbach with Mr. Sites.
Mr. Curry with Mr. Wilson of Mississippi.
Mr. Magee of Pennsylvania with Mr. Celler.
Mr. Anderson with Mr. Oliver of New York.
Mr. Brumm with Mr. Ward of North Carolina.
Mr. Mudd with Mr. Byrnes of South Carolina.
Mr. Sears of Nebraska with Mr. Drane.
Mr. Sweet with Mr. Carew.
Mr. Winslow with Mr. Sears of Florida.
Mr. Wood with Mr. Peery.
Mr. Clarke of New York with Mr. Howard of Oklahoma.
Mr. Langley with Mr. Clark of Florida.
Mr. Vare with Mr. Cummings.
Mr. Strong of Pennsylvania with Mr. Goldsborough.
Mr. Parker with Mr. Logan.
Mr. Michaelson with Mr. Hawes.
Mr. Lehlbach with Mr. McClintic.
Mr. MacGregor with Mr. McNulty.
Mr. Wason with Mr. Sullivan.
Mr. McLeod with Mr. Taylor of Colorado.
Mr. Morin with Mr. Mansfield.
Mr. Anthony with Mr. Corning.
Mr. Burton with Mr. Geran.
Mr. Dickinson of Iowa with Mr. Martin.
Mr. Kahn with Mr. Wefald.
Mr. Funk with Mr. O'Brien.
Mr. McLaughlin of Nebraska with Mr. Boylan.
Mr. Zihlman with Mr. Wilson of Louisiana.

Mr. LARSEN of Georgia. Mr. Speaker, on this roll call I voted "no." I am paired with the gentleman from Kansas, Mr. HOCH, and therefore I withdraw my vote and vote "present."

Mr. BUCHANAN. Mr. Speaker, I am paired with the gentleman from West Virginia, Mr. ROSENBLOOM, and the gentleman from Indiana, Mr. VESTAL, on the main question. I have concluded that the pair on the main question ought to be kept fully and should include all incidental questions leading up to the main question. I voted "no" on this roll call. I desire the RECORD to show the facts, and to withdraw that vote and vote "present."

The result of the vote was announced as above recorded.

A quorum being present, the doors were reopened.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I understand that there are three hours on a side for general debate. The time is to be controlled for those in favor of the amendment by the gentleman from Ohio [Mr. FOSTER] and I am to control the time for those opposed. The gentleman from Ohio has agreed to yield one-half of his time to the gentleman from Arkansas [Mr. TILLMAN], and I have agreed to yield one-half of my time to the gentleman from Texas [Mr. SUMNERS].

Mr. THOMAS of Kentucky rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. THOMAS of Kentucky. Mr. Speaker, I do not care who controls the time, but I am the ranking member on that committee on the Democratic side. Every time a bill comes up here they discard me and place somebody else in charge. I do not desire to control the time, but I am going to be treated with respect in this House, and I want gentlemen to understand that.

Mr. TILLMAN. I think the gentleman from Kentucky should control the time.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that one half of the time of those in favor of the resolution be controlled by the gentleman from Ohio [Mr. FOSTER] and the other half by the gentleman from Kentucky [Mr. THOMAS], and one half of the time of those opposed to the resolution be controlled by the gentleman from Pennsylvania [Mr. GRAHAM] and the other half by the gentleman from Texas [Mr. SUMNERS]. Is there objection?

Mr. RAKER. Reserving the right to object, the rule does not propose such a division of time. I suppose the time has all been allotted by those gentlemen by prior requests.

Mr. GRAHAM of Pennsylvania. I can not say about that.

Mr. THOMAS of Kentucky. What right should they have to allot the time by prior requests?

The SPEAKER. The gentleman from Kentucky has an hour and a half to allot as he pleases.

Mr. THOMAS of Kentucky. But the gentleman from California says somebody else has allotted the time.

Mr. SNELL. The committee always divides the time in that way and it is absolutely fair.

Mr. RAKER. I would like five minutes, but it is said that all the time has been allotted.

Mr. SNELL. We are not responsible for that; we divide the time equally between both sides.

Mr. RAKER. May I ask the gentleman this question: This is a very important matter, and will not the gentleman ask unanimous consent that the House take a recess to-night until 8 o'clock and then run to 11 p. m.?

Mr. RANKIN. I want to say to the gentleman that you can not get unanimous consent for that.

The SPEAKER. Is there objection to the proposed division of time?

There was no objection.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 184, proposing an amendment to the Constitution of the United States.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. BEGG in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 184, which the Clerk will report.

The Clerk read as follows:

Joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"ARTICLE —

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

CHILD LABOR CONSTITUTIONAL AMENDMENT

Mr. FOSTER. Mr. Chairman, the Committee on the Judiciary, to whom were referred 23 House joint resolutions proposing child labor amendments to the Constitution of the United States, after four weeks' hearings and two weeks' consideration, by a vote of 15 to 6, reported favorably House Joint Resolution 184 and recommended that the resolution be passed.

The Committee on the Judiciary of the Senate has favorably reported the identical language contained in House Joint Resolution 184 and recommended its passage.

HISTORY OF FEDERAL CHILD-LABOR LEGISLATION

In December, 1906, the first proposals for a Federal law to prevent the industrial exploitation of children were made in Congress when Senator Beveridge, of Indiana, and Congressman Herbert Parsons introduced bills to "prevent the employment of children in factories and mines," and Senator LODGE sponsored a measure designed to "prohibit the employment of children in the manufacture or production of articles intended for interstate commerce." Almost 10 years later—September 1, 1916—the first Federal child labor law was adopted, with the provision that it should become operative one year later—or September 1, 1917. Under its power to regulate interstate and foreign commerce Congress sought in this measure to close the channels of interstate and foreign commerce to the products of child labor. Three days before the act went into effect the United States district attorney in the western district of North Carolina, our colleague [Mr. HAMMER], was enjoined from enforcing the act. On June 3, 1918, after the law had been in operation nine months and three days the decision of the district court was affirmed by the United States Supreme Court, in a 5-to-4 decision, on the ground that

the law was not a legitimate exercise of Congress's power to regulate interstate commerce, and was therefore unconstitutional.

Following this decision, Congress enacted on February 24, 1919, as a part of the revenue act of 1918, a provision for a tax of 10 per cent on the annual net profits of certain enumerated establishments which employed children in violation of the age and hour standards laid down in the act.

The child labor tax law became operative on April 25, 1919, and was in effect until May 15, 1922, when the United States Supreme Court in the case of Bailey against The Drexel Furniture Co. held that it was not a valid exercise of Congress's right to lay and collect taxes. Only one judge dissented from this opinion. It therefore seems to be clearly established that either Congress must abandon the object which was sought in these two laws or the Constitution must be amended so as to give to Congress the power which it was believed to have when these two acts were passed. In its consideration of these two alternatives the committee has considered carefully (1) the present status of State child-labor legislation and the numbers and geographical distribution of working children in order to discover whether the need for Federal action still exists, and (2) whether the experience gained in the course of the administration of the laws held unconstitutional indicates the value of Federal intervention for the protection of children.

WHAT IS MEANT BY CHILD LABOR

Child labor is the work of children under conditions that infere with the physical development, education, and opportunities for recreation which children require. It is the working of children at unfit ages, or unreasonable hours, or under unhealthful conditions. Children may work wholesomely and profitably, as most of us know from experience; but their employment under unfair conditions is nothing short of an economic waste, a social crime, and a political menace.

A report was submitted to the committee which was made by a committee of doctors of which Dr. George P. Barth, director of school hygiene of the city health department of Milwaukee, was the chairman, the other members being Dr. Emma M. Appel, of the employment certificate department, Chicago Board of Education; Dr. S. Josephine Baker, chief of the bureau of child hygiene, department of health, New York City; Dr. Taliaferro Clark, representative of the United States Public Health Service; Dr. C. Ward Crampton, dean of the Normal School of Physical Education, Battle Creek, Mich.; Dr. D. L. Edsall, dean of the Harvard Medical School; Dr. George W. Goler, health officer, Rochester, N. Y.; Dr. Harry Linenthal, of the industrial clinic, Massachusets General Hospital, Boston, Mass.; Dr. H. H. Mitchell, representing the National Child Labor Committee; Dr. Anna E. Rude, director hygiene division, United States Children's Bureau; and Dr. Thomas B. Wood, chairman of the committee on health problems and education of Columbia University.

This committee made and formulated definite standards of normal development and physical fitness for the use of physicians in examining children applying for work permits. They made a few general recommendations, among which was the following with reference to the minimum age for entrance into industry:

The minimum age for the entrance of children into industry should not be younger than 16 years. Since it is recognized that the physiological and psychological readjustments incident to pubescence (which in the vast majority of cases are not completed until the sixteenth year) determine a period of general instability which makes great and special demands upon the vitality of the child, it is of paramount importance that he should be protected during this period from the physical and nervous strain which entrance into industry inevitably entails. The committee recognizes the fact that pubescence may occur early or may be very greatly delayed, and is convinced that the longer it is delayed the stronger is the indication of a physical stage during which it is highly inappropriate to subject the child to the strains of industry.

On this committee was a group of doctors who were either actually personally examining or were responsible for the examination of very large groups of children.

Doctor Barth, in Milwaukee, examined or was responsible for the examination of all children going to work in that city. In 1923 this was 3,818 children between 14 and 16 years of age.

Doctor Appel, of Chicago, according to the report of the Chicago office, for the year 1922–23 was in charge of the corps of doctors making 28,761 physical examinations on 15,441 children.

In New York City in 1923 the bureau of which Doctor Baker was former chief examined 36,518 children who received first employment certificates for regular employment.

Doctor Goler, at Rochester, N. Y., is at the head of a bureau which examines approximately 2,000 children a year who take out their first working certificates.

So four of the members who served on the committee and who signed the report were immediately responsible for the examination of something like 58,000 children a year and spoke out of an experience of that sort.

Doctor Edsall, dean of the Harvard Medical School, is not only dean of that school but has also been responsible for the organization of a clinic for industrial workers in Boston for many years.

So these men and women have spoken out of a wide experience in the examination and reexamination of working children over and over again, and that is their recommendation with reference to child labor and health.

The questions of child labor and poverty was also brought up. In every move in any direction on the subject of child labor, whether it has been to establish a 9, 10, or 11 year minimum, the question of the poverty of the parents has been brought forward in opposition to the law. It is an example of a serious social disease and the application of a worse remedy than the disease.

Child labor and poverty are inevitably bound together, and if you continue to use the labor of children as the treatment for the social disease of poverty, you will have both poverty and child labor to the end of time.

Miss Grace Abbott, of the United States Children's Bureau, Department of Labor, one of the most faithful and efficient employees of this Government, gave the committee invaluable evidence. She said:

The old theory of 100 years ago was that to find them work was what we should do with the orphan and dependent children. There was a nice theory that children should not be brought up in idleness or "eat the bread of charity"; if they lost their father or their mother, they must go to work very early, and must therefore support themselves. Having already suffered the misfortune of having no father they were to be without education, or recreation, or any other of the joys of childhood. They were never to be allowed to forget their birth, or that they were orphans or dependent children.

In a hundred years Americans have gotten away from that attitude, and the community says that if the child has lost his father and is dependent, we shall, as a community, undertake to supplement that loss in some degree, at least.

A mere money payment will not make up for the loss of the father, and the child is going to be handicapped through life, anyway; but at least he shall not be robbed of all the joys of childhood.

When the poverty argument is brought up it means you go back to the old theory of social treatment, although, because of increased earnings and because of the mothers' pension laws in the United States, we are rapidly getting away from the type of grinding poverty that would seem to compel any child to work before he has had sufficient education to entitle him to assume his rights and obligations as an American citizen. If anyone wants to go to the other remedy, I do not want them to vote for a child labor law, because it defeats the theory of a hundred years ago as to how poverty, orphanage, dependency, and neglect in general are to be dealt with.

WHAT THIS CONSTITUTIONAL AMENDMENT IS NOT

Many misconceptions regarding the child labor constitutional amendment have been held. It is evident that some people are opposing it who would favor it if they understood the facts. I therefore undertake to answer some of the questions that have appeared. We can make no complaint against those who understand this measure and still oppose it, but it would be a source of regret to have any opposition based on a misconception.

1. This constitutional amendment is not a child labor law; its purpose is simply to declare that Congress shall have the power to do the very thing that Congress has twice undertaken to do.

2. It is not a reflection on the United States Supreme Court. It undertakes to remove a limitation on the power of Congress which the Supreme Court declares exists.

3. It does not propose to forbid child labor under 18. It merely intends to give Congress discretionary power regarding the labor of children up to 18 but not beyond. In other words, while every State has unlimited powers (within the bounds of reasonableness) over labor conditions, it is proposed to give Congress similar power, except that it shall not apply to any person beyond 18 years of age.

4. It is not expected that Congress under this grant of power will pass legislation affecting children up to 18, although it might be considered wise to forbid boys under 18 to operate railroad locomotives or mine elevators, for instance.

5. There is no point to the objection that this gives Congress power to forbid young people working on the home farm

Pennsylvania [Mr. GRAHAM] and the other half by the gentleman from Texas [Mr. SUMNERS]. Is there objection?

decision of the district court was affirmed by the United States Supreme Court, in a 5-to-4 decision, on the ground that

until they are 18. Since States do not now attempt to control child labor in agriculture, the fear that Congress would go beyond prevailing sentiment of the people is without foundation.

6. The 20 or more national organizations favoring this amendment do not want Congress to include employment of children on the home farm and would oppose such national legislation.

AGRICULTURAL WORK

I hope no Member of the House will vote against this resolution through a fear that it will prevent boys under 18 working upon our farms. Neither of the Federal laws prevented work on the farms. None of the State laws, with two possible exceptions, prevent such work; but in amending the Constitution authority should be given Congress to legislate against any practice that might hereafter develop in agriculture, if such practice was purely commercial and an exploitation of child labor under conditions impairing the health and education of such children. No such conditions will arise on the average normal farm where farming alone is practiced. Should a condition arise where children by the thousands are worked in some intensified farming project, no one should deny Congress the power to legislate in any such cases. In this connection Miss Abbott, of the Children's Bureau, testified as follows:

No one is advocating, that I know of, at the present time, a statute regulating agricultural child labor for the United States, if the amendment does not prohibit it. We do not know what will develop with reference to agricultural labor in the future at all. We may have in the next 10 years, or the next 100 years, a totally changed situation from what we have now. We may have a vast growth of large-scale agriculture, and children will not be employed on the home farm but under conditions approximating industrial employment. Who can know? I can not say what will happen 100 years from now, and certainly I would not like to attempt to say now, because it would be sure to be wrong. Consequently, it seems to me a full grant of power to Congress is in line with the other grant of powers in the Constitution. Then the question of a particular statute could be taken care of. If it were a question of a statute being passed at this time to regulate child labor on the farms, I would be among those who would not favor the enactment of such a statute.

Mr. Lovejoy, executive secretary of the National Child Labor Committee, told our committee:

There is no thought on the part of the advocates of this amendment to have the Federal Government interfere with the conditions of children on farms, with the possible exception that was already referred to by one of the speakers. Where any kind of farm labor is carried on under industrial methods it might appropriately become a subject for the consideration of Congress, but even there it is doubtful at the present time, because I believe the observation of most of those who have had experience in administering child labor laws is that the child on the farm can best be protected not directly by prohibitive child labor laws but by better health and educational and other social facilities originating in the community.

EIGHTEEN-YEAR LIMIT

The adoption of this constitutional amendment does not prevent all children under 18 from working. In fact it does not prevent any children under 18 from working. It merely authorizes Congress, when in its wisdom it sees fit so to do, to regulate or prevent child labor at any age under 18. It would greatly weaken the amendment should this age be reduced below 18. A review of the present child labor laws in our various States conclusively shows this. I have compiled, by States, the child labor laws up to the age of 18 and above 18. From these we find that about two-thirds of the States have laws up to the age of 18 and about one-third of the States have laws up to the age of 21. If a large portion of the States have found it necessary to extend the age to 18 and many even to the age of 21, I submit that it would not be the part of wisdom for this constitutional amendment to prohibit, if the occasion warranted, within the next 50 or 100 years legislation up to the age of 18. A review of these State laws will at once suggest the necessity for leaving the constitutional amendment at 18.

These State laws govern such subjects as: Young girls working in pool and billiard rooms; girls under 21 working as night messengers; girls under 21 working at night shifts in factories; girls under 18 prohibited from work where it required constant standing beyond a certain number of hours, both boys and girls prohibited from employment under certain conditions at injurious occupations such as blast furnaces, smelters, manufacture of poisons, dangerous machinery, and explosives; girls under 18 employed in occupations which are physically and morally dangerous; girls under 18 from working in coal mines or on underground elevators, hoisting machines, and dangerous machinery while in motion; boys under 21 from running passenger locomotives. These are a few of the many items which are covered in some of the State child labor laws, up to the age of 18 or above. They will at once appeal as employments of a dangerous and hazardous nature such as might call for Federal legislation for the one-half of the States where no such legislation exists.

To illustrate, New York State has seven prohibitions against persons under 18 years of age and five against girls under 21 years of age. Ohio has six prohibitions under 18 years of age and three against persons under 21 years of age. Oregon has six against persons under 18 years of age. Michigan has four such statutes, and so on. From this it is easily observed that if we are to change our Constitution, having in mind the needs of the country for the next 100 years, it would be the height of folly not to extend the privilege to Congress to legislate to the age of 18 in the event it becomes necessary.

ILLITERACY AND DELINQUENCY

The testimony before the Judiciary Committee showed that 60 persons out of every thousand of our adult population are illiterate, while but two persons out of every thousand in most European countries are illiterate. This is due, in great measure, to our child labor in our factories, mines, and mills. It is one of our national disgraces, and is further reflected in the heavy death rate in our children and mothers, which death rate has been materially reduced during the short period our maternity law has been in operation. With a proper child labor law in operation throughout the United States, together with the provisions of the Federal maternity act—which has been taken advantage of by 40 of the 48 States—we can, within the next decade, further reduce in great measure our illiteracy and mortality so far as relates to child life.

Miss Abbott has had charge of the Children's Bureau during its development. All unbiased persons agree that she has done a most commendable work. The committee found her to be a very reliable and valuable witness on all matters connected with children's welfare. She called attention to the fact that at the time the first child labor law was adopted we really led the world with our minimum standard and that now we are lagging behind a considerable number of foreign countries, both as to age, hours of work, and night work. She called attention to the fact that a considerable number of countries have now entered into agreements with each other, through conventions agreed upon at the international labor congresses, to reduce the minimum age and night work and hours of labor for children and young persons. She then placed before the committee the following statement taken from an official bulletin, the International Labor Office Report, page 252, June 13, 1923:

According to the most recent information available, Belgium, Denmark, Germany, Great Britain, Netherlands, New Zealand, Norway, Kingdom of the Serbs, Croats, and Slovenes, Sweden (14, girls; 13, boys), and Switzerland have adopted the 14-year minimum, and Russia has a 16-year minimum for employment in industrial undertakings, in some instances with certain exemptions. Argentina, Germany, Japan (law effective 1926), and New Zealand prohibit night work for children under 16—in most instances, with certain exceptions allowed—for example, work in continuous industries and in trades dealing with perishable materials; China prohibits night work for boys under 17 and girls under 18; and Austria, Belgium, Denmark, France, Great Britain, Italy, the Netherlands, Norway, Peru, Russia, Kingdom of the Serbs, Croats, and Slovenes, Switzerland, and Sweden prohibit it under the age of 18 years; and Portugal prohibits night work for all workers. Additional protection is afforded girls in many foreign countries, but in only about a fourth of our States, through laws providing for night rest for women.

The 8-hour day and 48-hour week in industrial undertakings, with certain exemptions, have been adopted for all workers, children and adults, for certain occupations, at least, in Austria, Belgium, Czechoslovakia, Ecuador, Finland, France, Germany, Italy, the Netherlands (8½ per day, 48 per week), New Zealand (45 hours for boys under 16 and for females), Norway, Panama, Poland (46-hour week), Portugal, Russia, Kingdom of the Serbs, Croats, and Slovenes, Spain, Sweden, Switzerland, and Uruguay. China has an 8-hour day for children under 17 and India a 6-hour day for children under 15.

In addition to these relatively high child-labor standards in many foreign countries cited above the provisions of the draft conventions recommended by the International Labor Conference held in Washington in 1919 include for industrial undertakings a minimum age of 14, an 8-hour day and 48-hour week for all workers, prohibition of night work for young persons under 18—with certain exemptions for children over 16—and prohibition of night work for women. Provision is made for exceptions under certain conditions and modifications are specified for Japan and India. All four of these conventions have been ratified by Bulgaria, Greece, and Rumania. Czechoslovakia has ratified conventions relating to minimum age, night work for women, and hours. Great Britain, Switzerland, and Esthonia have ratified the minimum-age and both night-work conventions; India has ratified the hours of labor and both night-work conventions; Denmark has ratified the minimum-age convention and that relating to night work of young persons; and Italy has ratified both and South Africa and the Netherlands one of the night-work conventions. In Japan ratification of the minimum-age convention and that relating to night work of young persons has been authorized.

All investigations and statistics regarding juvenile delinquency conclusively show that such delinquency uniformly increases in proportion to child labor. These facts disprove the theory advanced by some in opposition to child labor. The custom and the conditions under which thousands of little girls work necessarily produce such results. Such girls who are brought before the juvenile courts are mainly charged with or are victims of some moral delinquency on the part of themselves or some one else, says Miss Abbott. No one could have any sense of security for these young girls, who still go to work in many States even at 14 years of age and who work 11 hours a day, and have to leave home in the winter season before daylight and return after dark at night. If you have not had occasion to know what goes on in the juvenile courts of the country, you can not be as familiar as those who have studied the records with the fact of how frequently the responsibility for a condition that none of us like to recall has been due to the fact that these children were started out at tender years as wage earners and charged with full responsibility for themselves. It is a certainty that this condition can be established from the records of any juvenile court and that many of the little girls are 14 years of age and under, and I submit that when these cases are reported wholesale from a large number of our States it is a matter not to be treated lightly.

A bulletin of the United States Labor Department contains the following:

To secure representative cases for study, seven cities—Indianapolis, Baltimore, Boston, Newark, New York, Philadelphia, and Pittsburgh—were selected, both as affording abundant and varied opportunities for child labor and as having juvenile courts and probation systems, without which aids a detailed study of juvenile offenders would be exceedingly difficult. Moreover, in all these places child labor is supervised and regulated so that there was little risk that the case against it would be unduly weighted by abnormally injurious conditions of work. The children coming before these courts during the year 1907–8 were studied, with the exception of those in New York, where the numbers concerned were too large for inclusion, and only those were taken who were on probation at the time of the visit of investigation. From these courts the cases of 2,934 boys and 309 girls were secured.

To give the study a wider basis, the children committed during the selected year from other localities to reformatory institutions in or near these cities were also included. From these sources the cases of 1,344 boys and 252 girls were secured, so that in all the investigation dealt with 4,839 children, 4,278 boys and 561 girls.

The offenses committed by these children vary widely, ranging from truancy and trivial breaches of municipal ordinances to such crimes as arson and burglary. Larceny is the leading offense for boys, with burglary second, but far behind; among the girls, immoral conduct leads, with larceny second. Among both boys and girls, "incorrigibility" appears as a frequent cause of arrest, the term indicating a generally unsatisfactory condition rather than any one definite misdemeanor. Recidivism is common, 48.6 per cent of the boys and 22.6 per cent of the girls having records of previous offenses.

A working child is defined as one who has been employed, whether or not he is working at the time of his latest offense. According to this definition, 56.5 per cent of the boys and 62.6 per cent of the girls are working children. By comparing the number of the working and nonworking delinquents with the census figures for working and nonworking children in the places studied, it is shown that the workers are quite disproportionately numerous.

The excess of workers appears even more strongly among the recidivists than among the first offenders (65.8 per cent of the recidivists were working children, 34.2 per cent nonworking), and in general among the serious offenders as markedly as among the petty delinquents.

The proportion of working delinquents is especially striking among the younger offenders. Of the 938 boys under 12 more than one-fifth (22.4 per cent) were workers, an impressive percentage when it is remembered how small a proportion of all the children under 12 can be at work in the localities studied. Among the boys of 12 and 13 years 42.4 per cent and among those from 14 to 16 years 80.8 per cent were workers. At this latter age, however, the majority of boys would naturally be at work, so the high percentage here is less significant. Among the girls the proportion of working delinquents stood, under 12 years, 9.4 per cent; 12 and 13 years, 36.4 per cent; 14 to 16 years, 77.7 per cent.

WILL FEDERAL AND STATE GOVERNMENTS COOPERATE?

The experience in the enforcement of the two Federal laws which were declared unconstitutional warrants the conclusion that no friction will develop between the Federal and State authorities in enforcing child labor laws. Even those witnesses who appeared in opposition to these amendments admitted that the Children's Bureau of the Federal Government heartily cooperated with State authorities in enforcing child labor laws. When the first Federal law was put in operation an appropriation of $50,000 was provided to frame the necessary regulations for the issuance of work permits and for the acceptance of State permits. An additional appropriation of $100,000 was provided in 1918 for the enforcement of the child labor law, making a total of $150,000. This was handled in a way, even before we had a Budget Bureau, that some money was turned back into the Treasury. Miss Abbott recites the experience in inaugurating this work, as follows:

The expenditure, however, was less than a satisfactory enforcement of the Federal law required. The staff appointments were delayed very much, pending civil-service examinations, and then, when the results of the examinations were available, we had a great many refusals because at that time the salaries that were paid began to skyrocket, during the war period, and it was very hard to get a qualified personnel for the salaries we were able to pay.

A division was created in the Children's Bureau to enforce the law, known as the Child Labor Division of the Children's Bureau; and on June 3, 1918, we had a staff of 51 persons, including the director, associate director, law officer, 17 inspectors, 22 certificate-issuing clerks, 8 clerks, and 1 messenger. The appropriation for the next year, 1919, had been made for $125,000, and was, of course, not used, because the act was declared unconstitutional.

The Children's Bureau laid plans, when it had $150,000, to enforce the law on the basis of cooperation with State officials and a general working relationship with State officials. The first child labor law provided a definite basis for cooperation, in that it provided that the Federal Government could accept, if it found them satisfactory, the State-issued work permits which, as I have told you, are after all the key to the enforcement of a child labor law, and we, of course, were required to recommend to the board that formulated the rules and regulations a provision for what should be in the rules and regulations, and also what State certificates could or could not be accepted.

In order to have the advice of the State officials, a conference of the State child-labor officials was called in the summer. It was attended by 28 officials from various parts of the country, and the whole question of the relationship was quite thoroughly canvassed. At that time the State commissioners, or factory inspectors, or whoever was charged with the enforcement of the State child labor law, voted they would like to have formal recognition by the Federal Government with reference to the enforcement of the Federal law, and as a consequence of their vote all of those who were charged with the enforcement of State child labor laws were commissioned inspectors under the Federal law on a dollar-a-year basis, the authority for appointing public officials being utilized in that way.

Continuing, she said:

We ought to consider both the legislative standard and the enforcement of that standard, because the legislative standard means nothing unless there is enforcement machinery to go along with it. The State with not quite so good legislative standards may do more for its children by enforcement of its law than one that enacts a better one and does not enforce it. The existence of a Federal standard tends to bring all State enforcements toward that standard. At the same time this in no manner tends to paralyze the local community and eliminate their sense of responsibility for their children. Instead of doing that it quickened their sense of responsibility, or at least furnished the contributing factor in quickening their sense of responsibility for the children. The work-permit system is at the bottom of the enforcement of the child labor law, and through the machinery involved in the issuance of work permits it is possible to reduce the necessity for Federal action to a minimum.

If in a State you try to get a higher State standard, one of the things you are constantly met with is, "that is higher than the stand-

5. There is no point to the objection that this gives Congress power to forbid young people working on the home farm

was former chief examined 36,518 children who received first employment certificates for regular employment.

ard of such and such State." That is what they always tell you about. One of the things you have to fight is the State that has not a very good standard and tries to measure itself by the lowest standard as far as opposition to the law is concerned. If you move up the very lowest standard by the Federal law, you release the good intent of a State toward its children more than would otherwise be possible, and so you are able to raise the standards in States that desire to raise the standards, but are kept from doing so by pleading of employers as to the effect that raising standards will have when other States are not doing it. Consequently, even in States with a very much higher standard than the Federal law, they found it was easier to move forward when the lowest level was taken out and minimum standard was in effect through the operation of the Federal law. I want to make that perfectly clear—what I think it does is to increase the sense of local responsibility for local children by drawing attention to what has not been done for them, and what can be done for them, and by releasing the good will of a State toward its children.

I want to get a Federal minimum and at the same time give the States an opportunity to raise, but not lower, the Federal standards. I can conceive of a State being jealous of its power to protect a child and wanting to be given more power. I can not conceive of a State being jealous of its power to exploit children in factories.

A further discussion of the relationship between the Federal Government and State enforcement machinery will be found on pages 9 and 10 of the majority report.

As further proof that such Federal legislation is not so expensive, may I quote from the testimony of Mr. Lovejoy, executive secretary of the National Child Labor Committee, as follows:

There is no reason to believe that there would be any great increase under any new department or bureau intrusted with the enforcement of the Federal law. No friends of working children are going to tolerate the expenditure of vast sums of money that are not necessary to accomplish the job. All that will be required is to do the work that it is necessary to do. Part of it is being done by State agencies. If this amendment passes and the law is enacted, part of the job will be done by the Federal agencies. They will not be duplicating. What one agency does the other will not do. Therefore there will be no cause for an increase, and, so far as I know, I think the taxpayers of this country are not very particular whether they pay the tax that is to accomplish the purpose into the State or the Federal Treasury.

NUMBER OF WORKING CHILDREN IN 1920

The decennial census is our only source of information as to the total number of working children in the United States as a whole. In 1920 over 1,000,000 (1,060,858) children 10 to 15 years of age, inclusive, were reported by census enumerators as "engaged in gainful occupations." This number was approximately one-twelfth of the total number (12,502,582) of children of that age in the entire country, as the following table shows:

Per cent of children engaged in gainful occupations,[1] by sex: 1920

Sex	Children 10 to 15 years of age, inclusive		
	Total	Engaged in gainful occupations	
		Number	Per cent
Both sexes	12,502,582	1,060,858	8.5
Male	6,294,985	714,248	11.3
Female	6,207,597	346,610	5.6

[1] The instruction to the census enumerators was that "gainful occupations" when applied to children includes the occupations of all child workers except those working at home, merely on general household work, on chores, or at odd times on other work.

The number of child workers 10 to 13 years of age, inclusive, was 378,063. The census does not report the number of working children under 10 years of age.

THE OCCUPATIONS OF THE WORKING CHILDREN

Of the 1,060,858 children 10 to 15 years of age, inclusive, who were reported by the census to be "gainfully employed" in 1920, 647,309, or 61 per cent, were in agricultural pursuits and 413,549 were in nonagricultural pursuits. Since the employment of children in agriculture is usually on the home farm, is seasonal instead of continuous, and is out of doors, it is with reference to the more than 400,000 children in nonagricultural pursuits that the advocates of the Federal child labor amendment have been principally concerned. The occupations of these working children were as follows in 1920:

Number and per cent distribution, by occupation, of children 10 to 15 years of age, inclusive, engaged in selected nonagricultural pursuits, for the United States, 1920[1]

Occupation	Number	Per cent distribution
All nonagricultural pursuits	413,549	100.0
Messenger, bundle, and office boys and girls[2]	48,028	11.6
Servants and waiters	41,586	10.1
Salesmen and saleswomen (stores)[3]	30,370	7.3
Clerks (except clerks in stores)	22,521	5.4
Cotton-mill operatives	21,875	5.3
Newsboys	20,706	5.0
Iron and steel industry operatives	12,904	3.1
Clothing-industry operatives	11,757	2.8
Lumber and furniture industry operatives	10,585	2.6
Silk-mill operatives	10,023	2.4
Shoe-factory operatives	7,545	1.8
Woolen and worsted mill operatives	7,077	1.7
Coal-mine operatives	5,830	1.4
All other occupations	162,722	39.3

[1] Fourteenth Census of the United States, 1920: Children in gainful occupations (not yet published; figures furnished by courtesy of United States Bureau of the Census).
[2] Except telegraph messengers.
[3] Includes clerks in stores.

HAS CHILD LABOR INCREASED SINCE 1920

The 1920 census was taken in January, when the Federal child labor tax law was discouraging by a heavy tax the employment of children under 14 in mills and workshops and of children under 16 in mines and quarries. Since that time this law has been declared unconstitutional and the protection it afforded against premature employment no longer exists. Figures are not available as to the number of children who have returned to work as a result of the nullification of this law. The decision came during the recent industrial depression, when many thousands of children as well as many hundreds of thousands of men and women were unemployed. Figures secured by the Children's Bureau of the Department of Labor indicate that since the middle of 1922 the number of children between 14 and 16 going to work has steadily increased, and that the decrease in employment of such children during the industrial depression of 1920 and 1921 was only a temporary one. In 21 out of the 35 cities furnishing statistics to the Children's Bureau more children under 16 years of age were given permits to go to work in 1922 than in 1921, and in 29 out of 34 cities more children received permits in 1923 than in 1922. In these 34 cities, 90,166 children 14 and 15 years of age went to work in 1923, the majority of them in factories. In 19 of the cities reporting in 1923 there was an increase over 1922 of at least 20 per cent, and in 9 cities the increase was approximately 50 per cent or more. These figures, it should be remembered, are based on the number of work permits issued and show, therefore, the number of legally employed children. How many were illegally employed is not known. In New York State since 1917 the State inspectors report from 2,000 to 3,000 children 14 or 15 years of age working without work permits annually, and in addition from 1,000 to 2,000 under 14 years of age found illegally employed each year. While it is to be expected that the number of employed children will fluctuate with changing local industrial conditions, the figures indicate a general and substantial increase in the number of working children in the last two years.

THE OPPONENTS OF A CHILD-LABOR AMENDMENT

The principal opposition to the amendment came from the National Manufacturers' Association, the Pennsylvania Manufacturers' Association, the Southern Textile Bulletin, the Sentinels of the Republic, the Moderation League of Pennsylvania, the Women's Constitutional League of Maryland, an organization with 50 active members formed to oppose the maternity and infancy act, and the Woman Patriot Publishing Co., first established as the organ of the Antisuffrage Association. Some of these representatives deplored any amendment to the Constitution since the first 10; some opposed particularly the eighteenth amendment and were in consequence opposed to any "further tampering with the Constitution"; some opposed any amendment to the Constitution except one as to the method of amendment. Officers of the Child Welfare Board of North Carolina reported the decision of the board that the interests of the children of North Carolina can be cared for best by North Carolina. Many of those appearing against the amendment indicated their disapproval not only of Federal regulation of child labor but of any regulation or prohibition of child labor, whether State or national.

THE REASONS WHY FEDERAL ACTION IS CONSIDERED NECESSARY

It is believed that little weight will be given to the argument for a return to the conditions of 100 years ago when there was complete freedom in the employment of children. The case against child labor has been made. That it creates a vicious circle of poverty, ignorance, and poor physical development has been scientifically established. The question of interest at the present time is whether the Federal Government should cooperate with the States in eradicating the evils which flow from the premature employment of children. The reasons why Federal legislation in this field was first sought were: First, because in some States a single industry was so powerful as to prevent the passage of a reasonable child labor law or the enforcement of one after it was passed; second, because consumers had come to feel a moral repugnance to the use of the products of child labor; third, because manufacturers objected to the competition of those who relied upon the low wages of children as the basis of their profits; and, finally, because States found themselves unable to protect not only their consumers and the manufacturers but their citizenship. For, after all, children who suffered from the educational, physical, and spiritual losses which premature child labor brings, could migrate to any State, so that the citizenship of no State was secure against the neglect of another State.

FORM OF AMENDMENT

The form of the amendment as it appears in House Joint Resolution 184 has received the careful consideration of many eminent lawyers in the United States.

Mr. William Draper Lewis, dean of the law school of the University of Pennsylvania, says:

I have read with care, indeed, I was one of the group interested in drafting House Joint Resolution 184. I can personally testify that a great deal of care has been spent on the drafting of this amendment—indeed, it is the result of a number of conferences among lawyers who have a knowledge of constitutional law and more or less experience in legislative drafting. I believe the amendment to be free from ambiguity. In plain and simple language, it expresses the meaning intended.

Prof. N. T. Dowling, of the school of law of Columbia University, after quoting House Joint Resolution 184, said:

The amendment seems to be aptly phrased.

Mr. Walter W. Cook, of the school of law, Yale University, says:

Permit me to urge upon the Judiciary Committee the desirability of recommending this bill to the House for adoption. I have examined the text of the proposed amendment and it will accomplish the purposes which all those who have been interested in it have in view. It seems to me that some kind of constitutional amendment conferring power upon some branch of the Government to deal with this matter is imperative. Those States which permit child labor ought not to have the power to compel other States to permit the sale of their products in competition with the goods produced by adult labor in other States. It seems to me that this proposal to give Congress the power is the satisfactory way to proceed.

Mr. Roscoe Pound, dean of the law school of Harvard University, under date of April 3, 1924, has written:

DEAR MR. FOSTER: I have read carefully the joint resolution which you have introduced proposing an amendment to the Constitution of the United States giving Congress the power to limit, regulate, and prohibit the labor of persons under 18 years of age. If I may say so, I think the joint resolution is very well drawn, and that it ought to achieve the purposes for which it is intended. I do not see that any serious objections could be made to it in the matter of draftsmanship.

As to the merits of the subject perhaps nothing need be said, but I do feel impelled to express my conviction that now that it seems to be established by decisions of the Supreme Court that Congress can not deal with this matter under the Constitution as it stands, a constitutional amendment is imperative. To-day, so far as industry and business are concerned, State lines are but lines upon the map. A situation in which one standard as to child labor applies on one side of such a line and another upon the other side, or in which an easy-going administration upon one side of such a line, as it were, competes with a strict administration upon the other, can result in nothing but evil. I should cordially agree that constitutional amendments ought to be reserved for a few great occasions and that nothing could be more mistaken than to resort to constitutional amendment for every sort of desired legislative improvement. But the need of regulating child labor is emphatically one of those great occasions which calls for the legislative interposition of the people of the United States through the Constitution.

Only yesterday I received a strong letter from Warren A. Seavey, dean of college of law, University of Nebraska, indorsing this amendment.

SUPPORTERS OF THE AMENDMENT

Among those supporting a child-labor constitutional amendment may be mentioned the following:

Mrs. Emily Newell Blair, vice chairman of the Democratic National Committee, says:

As a mother, interested primarily in the welfare of the youth of the Nation, as a member of several of the women's organizations represented, and as the vice chairman of the Democratic National Committee, I wish to record before this committee my entire indorsement of suitable legislation looking to the abolishment of child labor in the United States.

The Democratic Party stands unequivocally for the prohibition of child labor. It holds that the life, health, and strength of the children of the Nation are its greatest assets and that the conservation of these constitutes one of its most sacred duties. It believes that if labor in immature years is permitted by one generation it is practicing unfairness to the next generation. Democratic platforms and pronouncements have contained definite and precise statements upholding this belief, and its convincing record in child-labor legislation constitutes Democracy's response to the demands of modern social justice. Its record is written in its deeds.

Because the Democratic Party is and has been consistently the party of new ideas and progressive legislation it believes that laws regulating hours of labor and conditions under which labor is performed, when passed in recognition of the conditions under which life must be lived to attain the highest development of its citizens, are just assertions of the Nation's interest in the welfare of the people, and whenever it has been given the authority it has built a legislative record the constant direction of which has been toward the future. It has rewritten and passed great laws affecting terms and conditions of employment to accord with the highest dictates of modern conscience and experience. These laws have uniformly tended to improve conditions under which the laboring people work.

Twice, for instance, has a Democratic Congress and a Democratic President sought earnestly to place upon the statute books of the country a child-labor law that would emancipate the children of the whole Nation from industrial oppression, and twice has its intention been defeated.

On September 1, 1916, a Democratic Congress under the sympathetic leadership of Woodrow Wilson passed the first Federal child-labor law, excluding all articles made by the labor of children from interstate commerce. After being in operation nine months, this law was pronounced unconstitutional by the Supreme Court of the United States.

Congress, not to be deterred in its efforts to safeguard the health and happiness of the youth of the country, again sought to protect children from factory exploitation by enacting a law placing a heavy tax upon the products of all industrial concerns employing children. This law became effective in April, 1919, and was in active operation until June, 1921, when the Supreme Court of the United States handed down a much-delayed decision declaring this second child-labor law unconstitutional also.

Adhering firmly to its belief in the sacred right of the child to immunity from premature physical labor, the Democratic Party stands ready to sponsor a renewed effort to provide suitable legislation that will assist the States in rescuing children from educational, physical, and other losses which their premature labor imposes upon them.

While considerable progress in recent years has been made in State legislation protecting children from industrial exploitation, yet reports recently published by the Children's Bureau present disconcerting evidence of child labor still unsafeguarded by effective regulations governing ages, hours, and working conditions. Therefore I feel that I can indorse the sentiment of this report when it says:

> "To secure health and an opportunity for mental and physical development for the children of this generation and to provide for the welfare of our future citizenship, experience indicates the need of a Federal amendment giving Congress the right to establish a minimum standard of protection to the Nation's working children. The States can and should be left with full power to give more but not less than the minimum consistent with national welfare."

Mrs. Harriet Taylor Upton, vice chairman of the Republican National Committee, in favoring House Joint Resolution 184, stated to the committee:

I have just finished 10,000 miles of travel, and I suppose that you gentlemen sitting here in this way would like to know what the women back home think and say. When I was asked if I would make a statement here, I said I would if requested, and I want to say that in all that travel—and I have been speaking to different kinds of groups, and I have been in consultations and executive sessions—I do not remember of being in a single State, and I think I might say in a single town, and I might possibly say that I do not remember being

in a single meeting, in which some woman has not asked me what the prospect was of the passage of this child labor amendment. I thought that was very significant. Every one of them is interested in it. I never heard a word from anybody fearing that anything would come from the passage of such an amendment except something good.

The last Republican national platform contained the following plank:

The Republican Party stands for a Federal child labor law and for its rigid enforcement. If the present law be found unconstitutional or ineffective, we shall seek other means to enable Congress to prevent the evils of child labor.

The last Democratic national platform, drawn at a time when the second Federal child labor law was in operation and the suit to test its constitutionality had not yet been brought, contained the following plank:

We urge cooperation with the States for the protection of child life through infancy and maternity care, in the prohibition of child labor and by adequate appropriations for the Children's Bureau and the Woman's Bureau in the Department of Labor.

Mr. E. O. Watson, secretary of the Federal Council of the Churches of Christ in America, said:

From the standpoint of the churches there is no social issue before the public to-day that demands more general support throughout the churches of all denominations than the efforts to secure the abolition of child labor, and the evidence of that is to be found not only in the individual actions of denominations but also in the united actions that have been taken by the Federal Council of Churches, composed as it is of officially appointed representatives of 29 of the leading Protestant denominations of the United States.

As far back as 1908 the Federal Council of Churches in that united capacity, expressing the voice of the united churches of this country, adopted its official platform known as "Social ideals of the churches," and embodying 16 proposals for advance in social welfare. Two of these 16 had to do with child labor and the full development of the opportunities of childhood. The "Social ideals of the churches" declared that the churches stand "for the fullest possible development of every child, especially by the provision of education and recreation" and "the abolition of child labor." That platform has been repeatedly indorsed by one denomination after another, notably among the larger denominations—the Methodist Episcopal, Congregational, Northern Baptist Convention, Presbyterian, Disciples, and the Reformed Church in the United States.

The various denominations have also, time and time again, adopted special resolutions insisting that the teachings of the church require the abolition of child labor. As recently as last November the bishops of the Methodist Church, meeting in Brooklyn, declared in favor of such, and still more recently the women's division of the Social Service Commission of the Congregational Churches.

Still more significant is the action of the executive committee of the Federal Council of Churches held in Columbus, Ohio, in December last. This meeting, which was attended by the official representatives of the 29 Protestant denominations that comprise the Federal Council of Churches, voted without a dissenting voice in favor of an amendment to the Constitution which would permit Congress to legislate against child labor.

I might call your attention to the fact that we have been carefully studying the religious press on this matter and find it insistent and practically unanimous.

Now, I would call your attention to the fact that the churches are concerned primarily, of course, with the great moral and spiritual principles which are at stake in child labor and not with the particular method by which the evils are to be removed. We ordinarily do not presume to suggest by what particular form of legislation the desired ends may be reached. We feel that the legislators themselves, whom we have elected, are the ones who should answer the question as to what is the most effective method of carrying out in practice the moral and humane principles of the churches. But, we all thought, we find ourselves insisting unequivocally that this thing has not gone on as it should with reference to child labor, and the churches are showing that they are restive and tired of piecemeal attacks upon the evil of child labor, which may in the lapse of many years result in the cessation of child labor throughout the country.

This is too big a question to wait for that. We are therefore insisting that the way must be found by which the evil as a whole should be speedily abolished throughout the land. After having waited for many years for the evil to be abolished through other methods, the churches now insist that the problem must be dealt with in a more thoroughgoing fashion. It certainly is significant that all the church actions taken during the last three months, namely, that of the Congregationalists, the Methodist bishops, and the Federal Council of Churches referred to above, have gone on record specifically in favor of a constitutional amendment which will give Congress the power to act.

The legislatures of eight States have recently petitioned Congress to pass a child labor constitutional amendment.

PRESIDENT WILSON

President Wilson, perhaps more than any other person, was responsible for our first Federal child labor law. On page 287 of the Democratic Textbook, used in the succeeding presidential elections, we find the following:

On a very hot summer day the familiar figure of Woodrow Wilson, President of the United States, appeared in the President's room of the Capitol. His appearance was unheralded and unsuspected.

Some one said that the President had come to declare war on Mexico, some that the President wished to hold an important conference with members of the Foreign Relations Committee on matters of diplomatic importance. But in a few moments these rumors died down and the fact stood forth that the President had come to the Capitol to urge in person the passage of the child labor bill.

* * * It had been on the administration's program since 1913, had passed the House twice, and was at that moment before the Senate. Owing to the presence of the closing days of the session, this bill was in the utmost danger of being lost in the shuffle.

President Wilson knew these facts, and understood this situation. He also knew that the bill had been carefully drawn by expert sociologists to correct a grievous injustice in American industrialism. He understood the forces which were opposing it, and he believed that the most effective aid that he could give at this crisis was to make a simple, direct, personal appeal to the Senate and to the country—to let it be known by the act of traveling from the White House to the Capitol that he was putting all the weight and power of his powerful office behind this measure.

To the President's room came members of the steering committee of the Senate. Things began to happen forthwith. For a few days the opposition held the upper hand, but before the session was concluded the President had won.

The child labor bill passed the Senate on August 8, 1916, by a vote of 52 to 12. This vital piece of social legislation which had been neglected for session after session of Congress became a law. President Wilson, more than any other single individual, drove it through Congress.

Mr. Wilson, when he signed the bill, said:

I want to say that with real emotion I sign this bill because I know how long the struggle has been to secure legislation of this sort and what it is going to mean to the health and to the vigor of this country, and also to the happiness of those whom it affects. It is with genuine pride that I play my part in completing this legislation. I congratulate the country and felicitate myself.

PRESIDENT HARDING

In his message to Congress, President Harding, on December 8, 1922, said:

Closely related to this problem of education is the abolition of child labor. Twice Congress has attempted the correction of the evils incident to child employment. The decision of the Supreme Court has put this problem outside the proper domain of Federal regulation until the Constitution is so amended as to give the Congress the indubitable authority. I recommend the submission of such an amendment.

PRESIDENT COOLIDGE

President Coolidge, in his message to the Congress on December 6, 1923, said:

Our National Government is not doing as much as it legitimately can do to promote the welfare of the people. Our enormous material wealth, our institutions, our whole form of society, can not be considered fully successful until their benefits reach the merit of every individual. This is not a suggestion that the Government should or could assume for the people the inevitable burdens of existence. There is no method by which we can either be relieved of the results of our own folly or be guaranteed a successful life. There is an inescapable personal responsibility for the development of character, of industry, of thrift, and of self-control. These do not come from the Government but from the people themselves. But the Government can and should always be expressive of steadfast determination, always vigilant to maintain conditions under which these virtues are most likely to develop and secure recognition and reward. This is the American policy.

It is in accordance with this principle that we have enacted laws for the protection of the public health, and we have adopted prohibition in narcotic drugs and intoxicating liquors. For purposes of national uniformity we ought to provide, by constitutional amendment and appropriate legislation, for a limitation of child labor, and in all cases under

the exclusive jurisdiction of the Federal Government a minimum wage law for women, which would undoubtedly find sufficient power of enforcement in the influence of public opinion.

This constitutional amendment has the active support of the American Federation of Labor. It has also been indorsed by the Railroad Brotherhoods.

Miss Agnes G. Regan, executive secretary, National Council of Catholic Women, submitted to the committee the following resolution which was unanimously adopted by that national council on October 3, 1923:

Whereas the inveterate refusal of some States to enact laws for the prohibition of child labor inflicts injury upon tens of thousands of young children in these States and causes unfair hardship to employers in States which have good child labor laws, and whereas the only way in which this evil can be remedied within a reasonable time lies through national legislation: Therefore be it

Resolved, That the National Council of Catholic Women favors an amendment to the Federal Constitution which will empower Congress to enact such legislation, but which will not prohibit any State from enacting a law of higher standard than required by the Federal legislation enacted subsequent to the passing of such a constitutional amendment.

WOMEN'S JOINT CONGRESSIONAL COMMITTEE

The Women's Joint Congressional Committee consists of the accredited representatives of the following 16 national women's organizations:

Federal Council of the Churches of Christ in America.
General Federation of Women's Clubs.
Girls Friendly Society in America.
National Child Labor Committee.
National Congress of Mothers and Parent-Teacher Associations.
National Consumers' League.
National Council of Jewish Women.
National Council of Women (Inc.).
National Education Association.
National Federation of Teachers.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade-Union League.
Service Star Legion.
Young Woman's Christian Association.

It is stated in the minority report (page 5) that "very little weight is to be given to the quotations of the number of (women's) organizations" indorsing the children's amendment. Reference to the list of national women's organizations indorsing the various measures included in the legislative program of the Women's Joint Congressional Committee (see Congressional Digest, February, 1924, pp. 153–157) shows that the number of organizations indorsing any individual measure varies considerably. Of the 9 definite legislative proposals, other than the child-labor amendment, with reference to which subcommittees of the Women's Joint Congressional Committee have been appointed, 1 is indorsed by 13 organizations, 2 by 11 organizations, 1 by 10 organizations, 3 by 8 organizations, and 1 by 6 organizations. The child-labor amendment is the only measure indorsed by all of the organizations (16) represented on the Joint Congressional Committee.

It is further stated in the minority report that the indorsement of the women's organizations is "not a sufficient argument" for the passage of the amendment, since "we all know how these organizations act. A few people in each direct and announce the adhesion of the organization to some specific thing that is sought to be obtained." This is not true. I hold letters which show that the need for this amendment is recognized and its passage urgently desired, not only by the officials and leaders of these organizations but by the rank and file of their membership. All of the organizations have unanimously indorsed, either through their delegates in convention or through their executive boards or both, an amendment giving Congress the power to prohibit child labor. I hold these resolutions by the hundreds. Fourteen of the sixteen organizations, with a membership of over 8,000,000 high-minded and clear-thinking women, report action at their last conventions, and two at their last executive national board meetings. Every organization reports a widely informed and active individual membership, by whom both the principle involved and the proposed form of legislation have been widely discussed.

Is it possible that the Congress will turn a deaf ear to such an appeal? Who, more than this 8,000,000 American mothers, better know the needs of to-day's children—the American citizens of to-morrow? They, even more than we, comprehend that the child-labor problem has three sides—the physical side, the educational side, and the moral side.

I thank you for your patience. This subject is dear to me. The passage of this resolution will bring sunshine into the lives of millions of American children, now and hereafter. Every child is entitled to that. I am sure Congress will not deny it to them.

May I close by once more quoting Miss Abbott, who, when before the Judiciary Committee, said:

Is the United States not able to do for the protection of its children what most of the countries of the world have undertaken to do for their children, and have agreed to a standard that is substantially as high, and in some respects higher, than the first child labor law that we enacted? Is our Union so loose that the matter of what happens to the children of one part of the country is not of concern to the rest of the country? I think we are concerned with the children everywhere. We have poured out millions for children in other countries the world around, and it is time that we considered the welfare of our children at home, in every part of the country, all of whom will be American citizens and all of whom are entitled to what, after all, is the one thing that ought to be the birthright of every American child, the right to its own childhood, the right to health, education, recreation, and happiness. I know of no advantage in being the greatest and richest country of the world unless we can give that blessing to our children. [Applause.]

I append herewith as an extension of my remarks some comments upon the minority report. I have taken the minority report and have tried to analyze it, and have even been bold enough to go into some of the constitutional propositions it takes up. That extension is as follows:

THE MINORITY REPORT ON CHILD LABOR CONSTITUTIONAL AMENDMENT

1. OPPONENTS OF ANY FURTHER AMENDMENT TO THE CONSTITUTION

Witnesses who appeared at the hearing against this amendment urged that no amendment since the first 12 has been justifiable, and that all have been unwarranted invasions of the reserved powers of the States. The minority report, page 3, paragraph 1, says that the last four amendments—

income tax, popular election of Senators, prohibition, and woman suffrage, each of which it is believed by many sound lawyers invaded the reserved rights of the States.

Merely changing the method of electing Senators, although the method was specified in the Constitution and not left to the discretion of the States, is regarded as a dangerous encroachment upon the reserved powers of the States. As to this it should be remembered that the right of amendment was clearly specified in the Constitution at the time it was ratified, and it was because amendment was possible that its adoption was considered safe. Thus John Marshall in the Virginia Convention asked:

What shall restrain you from amending it, if, in trying it, amendments shall be found necessary. * * * When experience shall show us any inconvenience, we can then correct it. * * * (The Life of John Marshall, Vol. I, by Albert J. Beveridge, p. 418.)

And Mr. Iredell, speaking in the North Carolina Convention, which was called to consider ratification, said with reference to the amending clause:

This is a very important clause. * * * The misfortune attending most constitutions which have been deliberately formed has been that those who formed them thought their wisdom equal to all possible contingencies, and that there could be no error in what they did. The gentlemen who framed this Constitution thought with much more diffidence of their capacities; and undoubtedly without a provision for amendment it would have been more justly liable to objection, and the characters of its framers would have appeared much less meritorious. This, indeed, is one of the greatest beauties of the system, and should strongly recommend it to every candid mind. The constitution of any government which can not be regularly amended when its defects are experienced reduces the people to this dilemma—they must either submit to its oppressions or bring about amendments, more or less, by a civil war.

Happy this, the country we live in! The Constitution before us, if it be adopted, can be altered with as much regularity and as little confusion as any act of assembly, not, indeed, quite so easily, which would be extremely impolitic; but it is a most happy circumstance that there is a remedy in the system itself for its own fallibility, so that alterations can without difficulty be made agreeable to the general sense of the people. (The Constitution of the United States, its history, application, and construction, vol. 2, by David K. Watson, LL.B., LL.D. Pp. 1308, 1309.)

2. RESERVED RIGHTS OF THE STATES

(See paragraph 7, page 4, minority report)

An amendment passed in accordance with the provisions of the Constitution, as adopted, does not deprive the States who vote against it of any reserved right, because they understood and agreed to the possibility of amendment, so that any powers which were either granted or reserved were subject to the possibility of amendment. In connection with the emphasis of the rights of States as States, this quotation from Marshall may be considered:

The Government (of the United States) proceeds directly from the people; it is "ordained and established" in the name of the people; and it is declared to be ordained "in order to form a more perfect union, establish justice, insure domestic tranquillity, and secure the blessings of liberty" to themselves and to their posterity. * * * The Government of the Union then (whatever may be the influence of this fact on the case) is, emphatically and truly, a government of the people. In form and substance it emanates from them. Its powers are granted by them and are to be exercised directly on them and for their benefit. * * * It is the Government of all; its powers are delegated by all; it represents all and acts for all. (Marshall, in McCulloch v. Maryland (4 Wheaton 316), in 1819.)

3. COERCION OF THE STATES

The minority report says:

Also to urge that because in one State a higher, and we may concede a more intelligent, treatment of the subject of regulatory legislation for child labor has been reached and adopted; that therefore that State or a group of such States having attained this position should be armed with coercive power to bring all differing sister States into adopting the same regulations is wholly unjust and unreasonable. (Par. 2, p. 6.)

The meaning of this is not clear. Certainly no one State or group of States can, nor is it proposed by anyone that they—

should be armed with coercive power to bring all differing sister States into adopting the same regulations.

Two-thirds of Congress and three-fourths of the States must concur in this proposal for it to become a part of the Constitution. If adopted, the laws subsequently enacted under the power which it would grant can not be dictated by a single State or a single group of States.

This fear of "wholly unjust and unreasonable" action is as exaggerated and absurd as the prophecies of the anti-Federalists as to the results that would follow the "centralization" provided in the Constitution. Patrick Henry's contention was that the Constitution provided for "a great consolidation of government" which would "operate like an ambuscade—destroy the State governments—swallow the liberties of the people." (Beveridge, Albert J., The Life of John Marshall, pp. 404 and 405.)

In what was called an "Address of the minority," the Pennsylvania opponents of the Constitution declared that—

"The powers given Congress would produce "one consolidated government which, from the nature of things, will be an iron-handed despotism."

It also stated that—

Two coordinate "sovereignties," State and National, "would be contrary to the nature of things"; the Constitution without a bill of rights "would of itself necessarily produce a despotism"; a standing Army might be used to collect the most burdensome taxes, and with it "an ambitious man * * * may step up into the throne and seise upon absolute power." (Beveridge: The Life of John Marshall, pp. 333 and 334.)

What these opponents of the Constitution in 1789 regarded as a centralization of power which would destroy the States and the liberties of the citizens is described by the minority report as the basis of the—

symmetry and perfection of our social organization. (Sixth line from bottom, p. 4.)

That centralization is now accepted, but it is argued that if we advance one step farther and undertake to protect children from industrial exploitation then the whole balance of our system of government will be destroyed. It is expected that the cry of "centralization" will be enough to silence those who urge the right of children to their childhood, but the cry does not frighten the student of American constitutional history. Centralization, as our experience shows, can be beneficial. The opponents of this amendment have not shown that all centralization already provided for in the Constitution is good and all not there is dangerous or undesirable.

4. THE CONSTITUTIONAL REQUIREMENT OF "NECESSITY" FOR AMENDMENT

The minority report argues that an "overwhelming necessity" must exist for Federal intervention and legislation. (See page 4.) While not saying that such necessity does not exist, attention is called to the fact that the language of Article V is that Congress "must propose amendments whenever two-thirds of both Houses shall deem it necessary"; that is, Congress must pass upon the necessity of proposing an amendment, but is not required to determine before proposing it that irreparable ruin will follow its rejection. The language of Marshall was that "inconvenience" alone was a justification for amendment.

5. THE QUOTATION FROM JOHN FISKE

(Minority report, bottom of page 3)

This quotation from John Fiske's The Critical Period of American History is followed by this statement:

I do not think that the historian writing at the present day need fear any such direful calamity, for the past century has shown most instructively how, in such a society as ours, the sense of political dangers slowly makes its way through the whole mass of the people until movements at length are made to avert them and the pendulum swings in the opposite direction." (Fiske: The Critical Period in American History, page 238.)

The fact that Federal regulation of child labor has been discussed in Congress since 1906; that Congress has twice passed by a two-thirds majority laws prohibiting and regulating child labor; and that, having had experience with the law in operation, the demand for such legislation throughout the country has steadily increased, means that we can adopt this amendment without fear or misgivings as to possible dangers that follow its enactment. On the contrary, we can act with definite information as to the protection it will give those who have the right to ask protection from us—the children of the United States.

6. AS TO THE SIX REASONS MISS ABBOTT GAVE WHY THE AMENDMENT SHOULD BE ADOPTED

(Minority report, p. 6)

Mr. GRAHAM quotes from the summary Miss Abbott gave at the end of her testimony. These points had been more fully stated in the course of her argument as well as at the beginning. (See bottom of page 23 and the top of page 24 of the hearings—also in the majority report.)

(1) NUMBERS INVOLVED

(Page 6, next to last paragraph)

Why is not a statement that 11 per cent of all the children between 10 and 15 years of age, inclusive, are at work as appalling as a statement that there are "about a million?" One child out of every 12 seems to me even more impressive than 1,000,000. More than this, the proposition is very much larger in some localities. (See hearings, p. 30, last whole paragraph.) And it is for this reason that Federal action is urged.

There is an error here. Three hundred and seventy-eight thousand is the number of child workers between 10 and 13 years, inclusive—that is, 10 or over, but under 14—not between 10 and 15, inclusive, as the minority report states. This number should be compared with the total number of children of the same ages, which is 8,504,872. Hence of all the children of the ages of 10, 11, 12, and 13 years 4.4 per cent are engaged in gainful occupations.

As to the debatable question—

whether 14 years is or is not too young an average age at which to allow children to work.

(Page 7, fourth line.)

It is exactly this "debatable question" which is at issue, so that the fact that some of these children are at work lawfully is no proof that the numbers are not sufficient to warrant proposing a Federal minimum. Moreover, whether lawfully employed or not, nearly 400,000 of this 1,000,000 are under 14 years of age. What more "appealing factor" is needed?

(2) EMPLOYMENT CONFINED TO NO ONE SECTION OF COUNTRY

(Page 7, first entire paragraph)

Miss Abbott never said that "18 States" which measure up to the standards of the first and second child labor laws have "ideal regulatory laws." On the contrary, she showed that the Federal standards could not be regarded as high, and called attention to the States that give greater protection to their children.

All States permit some employment of children under 16; most of them allow any child between 14 and 16 to work, at least if he can fulfill certain requirements. The conclusion

that the employment of children in these States must be due to lack of enforcement is therefore wrong. Moreover, the inference that Federal authority could do no better "if home laws are not enforced" contradicts the argument in the next paragraph of this report that Federal control would mean the application of a "bludgeon" to the States. Evidence submitted in the majority report shows that respect for State laws and for State enforcing officials was strengthened by the two Federal laws.

(3) UNEVENNESS AND INADEQUACY

(Page 7, second entire paragraph)

The "mere fact of unevenness"—third paragraph—is not said to constitute a reason for action. It might not if the unevenness did not mean seriously inadequate protection for hundreds of thousands of children in the United States. Variations above a minimum standard of care can be defended as desirable, but inequalities which mean less protection for American children than the children in other parts of the western world are receiving can hardly be tolerated.

Where enforcement is lax, "calling attention" to violations is of little avail. Federal regulation will reenforce the efforts of those who wish to have State standards strictly complied with. (See pages 40–43 of Hearings for Methods of Cooperation.) Where the State law itself sets low requirements, child labor can not be prevented by calling the "attention" of the State authority to the matter and "instituting prosecutions." The real argument—that it is important to the Nation as a whole to guarantee minimum protection to all its children and that Federal action is necessary for such guarantee—is ignored.

The question of other inequalities in children care is not involved. Each subject must be considered from the point of view of the national advantage that would flow from national regulation.

(4) THE QUESTION INVOLVES THE CITIZENSHIP OF THE COUNTRY

(Page 7, entire paragraph)

This involves a reason for a Federal minimum standard which is not refuted by calling it a "rhetorical question." The "citizenship" referred to is the quality of the body of citizens who make up the Nation. Inasmuch as premature child labor results in lowering vitality, increasing ignorance, and delinquency, a national interest is assumed.

(5) NO STATE ALONE CAN PROTECT ITSELF WHOLLY AGAINST THE EVILS OF CHILD LABOR

(Page 7, third paragraph from end)

Miss Abbott did not suggest that free migration should be prevented but called attention to the detrimental effects of child labor from which, because of free migration, the citizenship of all the States now suffers. A State which makes ample provision for the protection of its own children, in order to improve the quality of its own citizenship, is not now protected from the migration of persons who grew up in other States without such provisions, and who bring with them the bad effects—in illiteracy or poor health, and so forth—of premature child labor.

(6) CHECKING OR PREVENTING COMPETITION

This argument is not introduced for commercial reasons, but to show that this is a matter the States alone can not control. Whether an excuse or a reason, the fact remains that it has been used over and over again to defeat State laws designed to give reasonably adequate protection to children.

(7) DIFFERENCE BETWEEN THIS AND PROHIBITION AMENDMENT

(Page 8, minority report)

In the eighteenth amendment the prohibition is contained in the amendment itself. This merely proposes to give Congress the power to legislate and any laws enacted can be readily changed. The reference in the minority report to the New England farmer's boy picking blueberries on the hill, which by the way is taken from an article, "Destroying our indestructible States," in the Atlantic Monthly—March, 1924—by Bentley W. Warren, a Boston lawyer, is absurd. No State has passed such a law and there is not the slightest reason to fear that Congress will ever enact legislation of that sort. That Massachusetts has not been converted by Mr. Warren is indicated by the fact that the Massachusetts Legislature has petitioned Congress to submit the amendment.

It is possible to picture the abuse which might occur in any grant of power. As for the power which this amendment would give, Congress has twice given an example of the use that it would make of the power. In other words, this amendment does not open to Congress a new and unexplored field of legislation.

On the question as to whether the constitutional amendment shall grant the legislative power to the age of 18, I submit the following summary of present State laws:

Prohibitions and regulations are effective in the States specified for minors over 16 years of age (occupations vary):

A. PROHIBITION OF WORK IN CERTAIN OCCUPATIONS OR UNDER CERTAIN CONDITIONS DANGEROUS OR INJURIOUS TO LIFE, LIMB, HEALTH, OR MORALS

(Occupations specified in the laws vary. Examples of the places of employment and occupations in which work is prohibited are: Work in mines, quarries, coal breakers; oiling or cleaning dangerous machinery such as laundry machinery, power presses, crosscut saws; operating dangerous machinery; running elevators; occupations in which poisonous acids are used or in which injurious gases or dusts are produced; manufacture of tobacco; work in or about docks or wharves; erection or repair of electric wires; work which may be hazardous to morals, as employment in night messenger service; any employment dangerous to life or limb or injurious to health or morals.)

I. Minor under 21 (most of these are prohibitions of night messenger service): Alabama, Arizona, Delaware, Indiana, Kentucky, Louisiana, New Hampshire, New Jersey, Rhode Island, Utah, West Virginia, Wisconsin, and Wyoming (13 States).

II. Minor under 18: Alabama, Arizona, Connecticut, Delaware, Florida, Indiana, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, Washington, West Virginia, and Wisconsin (23 States).

III. Boy under 18: Michigan, Minnesota, and New York (3 States).

IV. Girl under 18: California, Iowa, Missouri, and Ohio (4 States).

V. Minor under 17: Louisiana, Rhode Island, Texas, and Wisconsin (4 States).

VI. Girl under 21: Michigan, Minnesota, New York, Ohio, Virginia, and Wisconsin (6 States).

VII. Any female: Michigan, Minnesota, New York, and West Virginia (4 States).

B. NIGHT-WORK PROHIBITIONS

(Excluding prohibitions in night messenger service, which are included under dangerous or injurious, etc., occupation prohibitions.)

I. Minors 16 to 18: Arkansas, California, Kansas, Minnesota, Ohio, and Washington (6 States).

II. Boys 16 to 18: Massachusetts, New Jersey, and New York (3 States).

III. Girls 16 to 18: Arizona, District of Columbia, Indiana, Louisiana, Michigan, Mississippi, New Hampshire, Oklahoma, Oregon, and Pennsylvania (9 States and District of Columbia).

IV. Girls under 21: Massachusetts, New York, Ohio, and Pennsylvania (4 States).

V. Females: California, Connecticut, Delaware, Indiana, Kansas, Massachusetts, Nebraska, New Jersey, New York, North Dakota, Oregon, Pennsylvania, South Carolina, and Wisconsin (14 States).

C. HOURS OF LABOR.

I. Minors under 21: North Carolina (1 State).

II. Minors 16 to 18: Arkansas, California, Kansas, Louisiana, Massachusetts, New Hampshire, New Jersey, Ohio, Oregon, Washington, and Wisconsin (11 States).

III. Boys 16 to 18: Massachusetts, Michigan, and New York (3 States).

IV. Boys 16 to 17: Wisconsin (1 State).

V. Girls 16 to 18: Arizona, Indiana, Mississippi, Nevada, and Pennsylvania (5 States).

VI. Girls under 21: Massachusetts and Ohio (2 States).

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The committee informally rose; and Mr. TILSON having taken the chair as Speaker pro tempore, messages in writing from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries.

CHILD LABOR

The committee resumed its session.

Mr. GRAHAM of Illinois. Mr. Chairman, I yield 15 minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, since the Civil War amendments, the thirteenth, fourteenth, and fifteenth, there have been only four amendments to the Constitution. The original amendments were part of the original Constitution. An amendment to the Constitution is the most serious thing that the American people can do. Always after every great war, during which of necessity the Federal Government has exercised autocratic and entirely unusual powers, there has been a period of centralization in which the minds of all the people of the country have been turned to the Federal Government for a remedy for any condition which

seemed to them to need remedy. It was so after the comparatively small war, the Spanish-American War. In order to carry on the war the Government at Washington exercised unusual war powers, and the whole sympathy, the whole thought, of the American people after the Spanish-American War, and in a vastly greater degree after the past war, centered on the Federal Government. It is therefore only natural that when there appear great evils of any sort throughout this country or in any portions of this country that the eyes of the American people and the thoughts of the American people should turn at this time to the Federal Government for relief. It always takes a number of years after a great war before there comes back into the minds of the American people the ordinary normal conception of the duties and obligations of municipalities and States as distinguished from the war powers and the war attributes of the Federal Government.

Mr. HERSEY. Will the gentleman yield?

Mr. HILL of Maryland. I will be glad to yield.

Mr. HERSEY. I understood the gentleman to say that the present amendment before the House has grown out of the Great War.

Mr. HILL of Maryland. I did not say that; the gentleman misunderstood me.

Mr. HERSEY. Does the gentleman claim that?

Mr. HILL of Maryland. I do not say that this amendment had anything to do with the war. I was talking about the tendency after a war for people to expect legislation from the Federal Government rather than from State governments.

Mr. HERSEY. If there had been no Great War, does the gentleman think there would be a demand for this amendment?

Mr. HILL of Maryland. I think if there had been no Great War the Federal Government would never have been asked to take up this sort of legislation. I think that if there had been no Great War the minds of the American people, in seeking a remedy for conditions which appear to exist in certain States, would be focused on their State governments and not on the National Government. Mr. Chairman and gentlemen of the committee, we, at the present time, are in an attitude of mind in this country by which people are looking to the Federal Government for relief whenever they find a difficulty. You are now called upon to pass an amendment to the Constitution, which would be the twentieth amendment to the Constitution, which is as follows:

That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"ARTICLE —

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

No one can doubt, gentlemen of the committee, the sincerity and the crusading spirit of the men who advocate the passage of this constitutional amendment. No one can doubt the sincerity with which women's organizations throughout the country are furthering this question. I am not here to take up the question of child-labor conditions in the various States, but I am here to raise my voice in protest against the proposed method of dealing with such situations, and I think it is only proper to say I have on the table before me the child labor laws of Maryland, and I think it is not improper for me to say that I assisted rather materially in the campaign in 1906 that placed those child labor laws and amendments thereto on the statute books of Maryland. I am absolutely for child labor laws in the States, but there is no reason why the Federal Government should take up the question of the regulation of the hours of employment for children any more than it should take up the question of morals in a community or health in a community. There is no more reason why the Federal Government should take up the great question of the regulation of the hours of labor for children than that it should take up the question of the prevention of homicide.

Mr. TINCHER. Will the gentleman yield?

Mr. HILL of Maryland. I will yield to the gentleman.

Mr. TINCHER. I was just wondering why the gentleman was for State child labor laws and what principle is involved that makes the gentleman favor the laws of a State regulating child labor.

Mr. HILL of Maryland. I did not catch the purport of the question.

Mr. TINCHER. What principle is involved which makes the gentleman favor the State enacting legislation regulating child labor?

Mr. HILL of Maryland. If the gentleman needs instruction in reference to the protection of child life in his State, I can not enlighten him.

Mr. TINCHER. Why be in favor of leaving to the States the protection of children if the State did not want to give it——

Mr. HILL of Maryland. My State is not without protection; it has adequate child labor laws, enforcement of which is very properly carried out.

Mr. TINCHER. The child is just as good in the State where they have not adequate legislation as in a State where they have it?

Mr. HILL of Maryland. I get the gentleman's question. While I think we have satisfactory State laws in Maryland, I am not for making the Federal Government pass laws to deal with the child-labor situation in some other State on that question. I prefer to trust each State to do its own especial and appropriate duty.

Mr. TINCHER. As I understand the situation, it is a human proposition; the child is a human being and is a part of our country. If it is right for the State of Maryland to have a law of that kind, it is right for every State to have it; and if some of the States are not fair to the children, it is the duty of the United States to give those children a chance.

Mr. HILL of Maryland. I will say to the gentleman that I still stand on the principle of the Republican Party as upheld by President Lincoln and by the first platform of the Republican Party, that the States are competent to deal with their State conditions.

Mr. TINCHER. Then, you are against Lincoln and the Republican platform?

Mr. HILL of Maryland. No; I am with Lincoln and with the Republican platform, which I will read to you later.

Now, gentlemen, I notice on page 17 of the majority report that among those advocating the passage of the child labor amendment is the National League of Women Voters. Now, I take off my hat to the National League of Women Voters. I am with them in the principle of most of the things they want, but I can not agree with them in the method they now seek to follow. I hold in my hand the Baltimore Sun of this morning, from which I quote the following:

Buffalo, N. Y., April 24—

Covering a meeting of the National League of Women Voters, and here is what happened at that meeting:

A Federal amendment providing for codifying marriage and divorce laws was advocated by Miss Marion Griffin, of Memphis. She cited 49 kinds of marriage and divorce laws in the 48 States and the District of Columbia and said they were undermining the home and leading toward final breaking up of the States. In 1910, she said, one marriage in ten was broken by divorce; in 1923, one in six.

Now, my friends, there is not a man in this House and there is not a woman Member of this House who does not believe in decent marriage and divorce laws. There is no more reason in the world why you should legislate federally for child labor than that you should legislate federally for that which stands back of childhood, decent marital relations in the home; and if you pass this amendment to the Constitution you can not justify yourselves in not passing the next amendment to the Constitution, which will be offered to you, with exactly the same excellent and moral reasons. If you pass this child-labor amendment, you can not consistently refuse to pass a marriage and divorce amendment, placing under the charge of the Federal Government the closest and most fundamental relations of the home and of married life.

Mr. TINCHER. Mr. Chairman, will the gentleman yield again?

Mr. HILL of Maryland. I regret I can not yield. I am trying to finish up what I have to say.

Mr. TINCHER. I was wondering if you knew that the American Bar Association was also taking up the topic of this legislation?

Mr. HILL of Maryland. I resigned from the American Bar Association some years ago, because I did not agree with their socialistic tendencies. [Applause.]

Now, gentlemen, I said at the beginning, that after a great war the eyes of the people were centered upon the Federal Government. There is no doubt about it, and in some of the States there is trouble with child labor. There is no doubt that in some States there is grievous trouble about the subject of marriage and divorce. They are not the only ills that the States suffer from, but that is no reason for cutting down the State

governments, denuding them of their local rights and duties and transferring those rights and putting those duties upon the Federal Government, to its ultimate destruction.

I do not think it is necessary for me at this time to call upon the Members of this House on the Democratic side to sustain the doctrine which popularly is called the doctrine of State rights. In the general imagination of the people it is thought that the doctrine of State obligations and State duties, as I have preferred to call it, is essentially a principle belonging to the party known as the Democratic Party.

Mr. DOWELL. Does the gentleman oppose the eighteenth amendment to the Constitution?

Mr. HILL of Maryland. I am talking about the pending resolution, not the eighteenth amendment.

I desire to address myself in the few remaining minutes that I have to my Republican colleagues. I desire to say to them that the doctrine of State rights is just as much a Republican doctrine as it is a Democratic doctrine, and that means that it is a fundamentally American doctrine without ordinary partisan politics.

Mr. DOWELL. Is the gentleman opposed to all of the amendments of the Constitution on account of the position that he has taken?

Mr. HILL of Maryland. The gentleman is opposed to all the constitutional amendments that have come up since his service in the House. The gentleman regrets that he was not here when the eighteenth amendment was passed, which seems to appeal to the gentleman. Is the gentleman in favor of a constitutional amendment concerning marriage and divorce laws?

Mr. DOWELL. I think we should have uniform marriage and divorce laws.

Mr. HILL of Maryland. The gentleman is too wise a statesman not to know that he could not get that without a Federal amendment. Is the gentleman in favor of adopting an amendment concerning marriage and divorce laws? The gentleman is too wise to say that he would favor that amendment. When there is introduced an amendment here the purpose of which is to regulate so-called moral activities and moral relations or sexual relations throughout the States, the gentleman will have to vote for that, too.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HILL of Maryland. Mr. Chairman, may I have two minutes more?

Mr. GRAHAM of Pennsylvania. If you promise not to allow anybody to interrupt you, I will. [Laughter.]

Mr. HILL of Maryland. I am sorry I did that.

The CHAIRMAN. The gentleman is recognized for two minutes more.

Mr. HILL of Maryland. I want to call your attention especially to this, and I say this to my Republican friends on the Republican side. On March 4, 1861, Abraham Lincoln made his first inaugural address, and here is what President Lincoln said, and this is the statement of President Lincoln and his quotation from the Republican platform, the first that the Republican Party ever adopted. On it I base my statement that the doctrine of State's rights is fundamentally Republican and that the Republican, as a party man, now has no more duty to vote for this proposed violation of the fundamental theory of the Constitution than has any other Member of the House or any other party.

President Lincoln said:

Those who nominated and elected me did so with full knowledge that I had made this and many similar declarations and had never recanted them. And, more than this, they placed in the platform for my acceptance, and as a law to themselves and to me, the clear and emphatic resolution which I now read.

Gentlemen, here is the extract from the first platform of the Republican Party. Lincoln was the personification of the Republican Party and here is Republican doctrine:

Resolved, That the maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depend, and we denounce the lawless invasion by armed force of the soil of any State or Territory, no matter under what pretext, as among the gravest of crimes.

That is Republican doctrine; that is American doctrine, and if you believe in the doctrine of Abraham Lincoln, as a true American you have got to vote against this constitutional amendment. [Applause.]

If any State is not doing its duty in the matter of child labor, let all those who so powerfully urge the pending amendment exert all their influence on those backward States. Let them stir the dormant moral spirit of those States. Let them rouse all the best elements of those States for proper regulations on a subject that all agree is vital to the future of the States and the Nation.

I have three little children myself. In the vicissitudes of modern life they may be forced some day to labor in factory or shop or field, but while I urge proper State laws for them and their children, if they have them in years to come, I do not desire to undermine the strong Federal Government by putting upon it duties so extensive that they can not be performed. I do not desire to weaken that strong central Government, framed by Hamilton and preserved by Lincoln, by destroying its balance by the addition of overtopping duties that are local in character, and which in the words of the Republican platform in 1861, offered by Lincoln, are to be conducted by each State in "its own judgment exclusively."

I am, therefore, strongly against the proposed amendment in any possible form. [Applause.]

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. TILLMAN. Mr. Chairman——

The CHAIRMAN. The gentleman from Arkansas is recognized for one hour.

Mr. TILLMAN. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. JACOBSTEIN].

Mr. JACOBSTEIN. Mr. Chairman and members of the committee: In the few minutes that are allotted to me, I prefer to dwell upon one aspect of the question with which I happen to have had some personal experience. For several years I worked in an industry where we had standards of living which had been for years altogether too low throughout the United States. I refer to the clothing industry. Out of those years of experience I learned one lesson which I shall now bring to your attention. I found that the employers in my home city of Rochester, N. Y., were not more selfish than other employers and they were not more selfish than the employees, but I found they were victims of an economic system.

I found that when the question arose of elevating the working standards of the employees, the employees invariably replied: "If you can get the employers of Boston, New York, Chicago, Cincinnati, Baltimore, Philadelphia, and other cities to adopt these higher standards, then we are for them." That condition went along for many years. We had low wages in the clothing industry; we had children employed; we had sweatshops and we had tenement-house work. Then along came a new epoch. A labor union injected itself into that industry. When the labor unions came along and demonstrated to the employers of Rochester that they could enforce the higher standards upon the employers in other cities, then the employers in my home city were for those higher standards. After the new and higher standards had been in effect for a few years if you went and talked to these same employers who had originally resisted the innovation of the higher standards and asked: "Do you want to go back to old conditions? Do you want to go back to low wages? Do you want to go back and work people for 10 and 12 hours a day?" they would reply: "No; we do not want to go back to the old times and the old and lower standards."

I also remember this in my experience. I recall when the labor unions came along and said to the employers, "Let us have a minimum wage in the clothing industry." They argued back and forth about a minimum wage. Shall it be $15 a week or $18 a week, and shall it apply to girls and boys 16 years of age or 18 years of age? When we got right down to it we found that the employers were not against the minimum wage and they were not against the application of it to boys and girls of 16 years; but what they wanted, if this standard were invoked, was that it should apply to everybody in the industry.

What then is the application of this lesson from my personal experience to the constitutional amendment before us? Simply this: The diversity of laws in the many States and the total absence of laws in some States governing child labor, the disparity of standards as between the various States creates a chaotic condition. It imposes upon the manufacturers in States with high standards unfair competition with manufacturers in States where low standards prevail. The manufacturers in the most enlightened States are penalized. And this situation is unjust alike to the children that work and to the manufacturers who are forced by these economic conditions to compete with such labor. The passage of this amendment will confer upon Congress the necessary power to standardize working conditions throughout the United

Mr. HILL of Maryland. I did not catch the purport of the question.

some States there is grievous trouble about the subject of marriage and divorce. They are not the only ills that the States suffer from, but that is no reason for cutting down the State

States as regards the employment of child labor under 18 years of age.

I would like to remind my southern friends that in the testimony given in the hearings before the Judiciary Committee and in the majority report of this committee they will find statements to the effect that employers in the Southern States fear the unfair competition of their neighboring States. The manufacturers of Alabama and the manufacturers of Tennessee complained about unfair competitive conditions due to child labor, as shown in the following excerpts:

> We are finding in our efforts in trying to enforce State child labor laws that a number of Tennessee manufacturers are complaining that they are being unjustly treated, in that manufacturers in adjoining States where they have no adequate child-labor regulations are being permitted to work children between 14 and 16 years of age longer than eight hours a day. (Excerpt from letter of Louis L. Allen, department chief, State of Tennessee Department of Workshop and Factory Inspection, Nashville, dated August 16, 1918.)
>
> Now, it has another effect, in relation to the employers themselves. There is the fear frequently expressed of unfair competition on the part of competitors in other States. With that fear removed, there is a greater willingness to comply with standards that are reasonable. That was exemplified recently in a large meeting of cotton manufacturers in Alabama, where one leading manufacturer went on record, and so far as I could learn there was no dissenting opinion in the association, that they wanted a constitutional amendment that would make it possible for Congress to pass a law requiring a minimum basis, because cotton manufacturers in Alabama were tired of having to compete with the lower standards in Georgia. (From testimony of Mr. Owen R. Lovejoy, executive secretary National Child Labor Committee. Hearings before Judiciary Committee, p. 72.)

Mr. MONTAGUE. Would the gentleman favor a constitutional amendment fixing rates of wages?

Mr. JACOBSTEIN. No. I would federalize power over economic conditions only where it is found that the State laws and State machinery are ineffectual and actually do not operate to the best interests of the Nation as a whole.

This, then, brings me to my second reason for favoring this amendment to the Constitution. The census of 1920 shows that in that year over 1,000,000 children between the ages of 10 and 15 years were at work in gainful occupations; that is, in mills, stores, shops, factories, canneries, mines, transportation, and so forth. Children who worked at home doing housework, or who worked on odd jobs at odd times are not included in this million. One out of every 12 children between the ages of 10 and 15 were at work, and between the ages of 10 and 13, 378,063 were at work. These are conditions, and since the State governments have permitted these pernicious conditions to develop and there is every indication that they have not improved since 1920, we are justified it seems to me—in fact, we are more than justified, we are obligated to invoke the arm of the Federal Government to wipe out this stain on our vaunted civilization.

Mr. MONTAGUE. That is not true, and the figures do not show that. The figures show that a little over 1,000,000 are employed in all the industries of the country, and that over half of that number are engaged in agriculture.

Mr. FOSTER. Those were the census figures for 1920 and did not include the increases shown in the factory figures of 1922.

Mr. JACOBSTEIN. The gentleman from Virginia is correct. The figure I quoted of 1,000,000 does include child labor on farms. In fairness, however, it ought to be stated that when the 1920 census was taken the country was suffering from an industrial depression and undoubtedly many children were unemployed.

Anyone who is familiar with the labor situation knows that the law is one thing and the enforcement of it another. Lax enforcement has nullified many of the intended good features of labor legislation in general, and child-labor legislation is included in this laxness.

There is ample evidence to show that during the few years that the Federal child labor law was on the statute books the enforcement of the child labor laws in many of the States was more rigid. State Federal inspectors have testified that the Federal law made it easier for them to enforce the State laws. There is no reason to believe that the passage of this amendment and the enactment of subsequent child-labor legislation will displace State laws or State enforcement. Rather, judging from past experience, we must conclude that there will be cooperation of the Federal Government and the State governments in the enforcement of the law. Therefore, inasmuch as the Federal law makes for more efficacious enforcement of the State laws, we have an added reason for establishing Federal supervision of this important function.

In this connection it also ought to be stated that the very existence of a Federal law with fairly high standards governing child labor stimulates improvement in State child labor laws. This is borne out by the progressive improvement in child labor laws in the States from 1916 through 1921, when Federal child labor laws were on the statute books.

The principal argument against the proposed child labor amendment comes from our State rights friends. I have a great deal of sympathy for their contention that at the present moment there seems to be a tendency to build up unduly the bureaucracy at Washington. On the other hand, I wish to remind our southern friends that the States they represent helped to put into our organic law the sixteenth—income tax—amendment and the eighteenth—prohibition—amendment to the Constitution. In the case of both of these amendments our southern friends were perfectly willing to take from the States powers which in the one case affected taxation and in the other the personal habits of citizens. Are not our children as important a national asset as the collection of taxes or the liquor traffic? I fear our friends are using the State rights argument as a cloak to conceal the real motives back of their opposition to this amendment to abolish child labor.

The question has been raised as to whether the age limit in the proposed amendment is not too high. In view of the fact that most of our State laws fix the age limit at 16 and 14, the 18 years in the proposed amendment does at first blush seem a bit high. We should not, however, be unduly alarmed in regard to this, because no one expects Congress immediately or in the near future to establish 18 years as the age limit when there are so many States still to be brought up from 14 years and less to 16 years. We must bear in mind, however, that 25 years from to-day, or 50 years from to-day, 18 years may seem as natural and reasonable an age limit as 14 and 16 years now seem to us. Looking therefore to the future, the 18 years age limit seems logical and wise.

Finally, the argument has been presented in opposition to the amendment that Federal legislation may prevent children from working on the farm. Here again, it seems to me, is an unfounded fear. It has not followed where State laws are in force now that fathers and mothers are put in jail for working their children on the farms; nor is it the intention or hope of those who have been sponsoring child labor legislation to prevent boys and girls from helping their parents on the farms. This, the richest country in the world, ought to be able to pay living wages to fathers and mothers and thus make child labor unnecessary. It is unfortunately and sadly true that we can not trust the good of the children to parents who are in economic distress nor to employers who are driven by a selfish competitive system.

For this reason I shall vote for the proposed amendment and shall be glad to vote for subsequent legislation setting up reasonably high standards to prevent child labor in the United States.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JACOBSTEIN. I am very sorry I can not follow up the argument.

Mr. SUMNERS of Texas. I yield the gentleman from New York one-half minute in order that I may ask him a question.

The CHAIRMAN. The gentleman from New York is recognized for an additional half minute.

Mr. SUMNERS of Texas. The gentleman spoke of testimony being in the record to the effect that certain Southern States had complained that they had unjust competition. I do not recall that testimony.

Mr. JACOBSTEIN. I shall be glad to put it in the RECORD.

Mr. SUMNERS of Texas. Will the gentleman put that testimony in his statement?

Mr. JACOBSTEIN. Yes. Employees in Alabama and Tennessee protested against unfair competitive conditions ensuing from child labor in neighboring States.

Mr. Chairman, child labor is a form of human slavery and is a blot upon our modern civilization.

This human slavery is a product of greed, selfishness, ignorance, and brutal economic forces. It must be wiped out.

In some of our more enlightened States child labor under 16 years of age is forbidden. In other States, principally in the South it is forbidden under 14 years, and in still others under 12 years, while in some States there are as yet no restrictions whatsoever. In North Carolina to-day a girl or boy of 14 may be worked 10 hours a day and as many as 60 hours a week.

let all those who so powerfully urge the pending amendment

In five States there is no provision in the law to prevent night work of children.

According to figures for 1920 of the Bureau of the Census, just fresh from the press, the following are the statistics for child labor in that year:

Boys and girls under 16 were at work:

On farms	647,309
In factories	185,337
In clerical jobs	80,140
In trade (stores)	63,368
In domestic service	54,066
In transportation	18,912
In mines	7,191
In miscellaneous jobs	4,598
Total at work for wages	1,060,858

These figures cover a period of industrial depression when many children were out of work. In normal times the figures would be much higher than this.

Over 400,000 children under 15 years of age still toil wearily in cotton mills, silk mills, woolen mills, shoe factories, coal mines, stores, and other industries. These children, by inalienable right, ought to be either out in the sunshine at play, or in school. The factory, the mine, the store is no place for a young child of tender years. Any parent who has seen these children at work, as I have, is overcome with a sense of pity and shame.

By rights the States should by this time have eliminated all the evils of child labor. Many States have done well, but some have been derelict. The States having failed to accomplish their full duty, it devolves upon Congress to assume this role. Twice, first in 1916 and again in 1919, Congress passed a law to abolish child labor. In both instances the law was declared unconstitutional by the United States Supreme Court.

The only means left was to amend the Constitution, giving Congress the power to wipe out this industrial evil, which is crippling and stunting the growth of future citizenship. Such a constitutional amendment was recently passed by the House of Representatives by more than the necessary two-thirds vote, and will now go to the Senate for approval or rejection.

This constitutional amendment is supported by the best forces in American life, represented in the following national organizations:

American Federation of Labor.
American Federation of Teachers.
American Association of University Women.
American Home Economics Association.
National Education Association.
Democratic National Committee.
Republican National Committee.
National League of Women Voters.
National Council of Women.
National Women's Trade Union League.
National Federation of Business and Professional Women's Clubs.
General Federation of Women's Clubs.
National Council of Mothers and Parent-Teachers' Associations.
National Child Labor Committee.
National Council of Jewish Women.
National Council of Catholic Women.
National Women's Christian Temperance Union.
Young Women's Christian Association.
Girls' Friendly Society in America.
Federal Council of Churches of Christ in America (commission on church and social service).
Service Star Legion.

The legislatures of six States—California, Massachusetts, Nevada, North Dakota, Washington, and Wisconsin—have petitioned Congress to take the necessary forward step in passing this amendment.

After the amendment has passed the Senate it will be submitted to the people of the various States to be voted on through their legislatures. It should be ratified without delay and unanimously by these legislatures.

When this amendment has become a part of our Constitution Congress will have the power to put on the statute books of the Nation a law forbidding child labor in any form for children under 18 years of age. The Nation will then be able to regulate not only the age limit of child labor but also the conditions under which such labor is performed. Of course, it is not to be expected that the first law will go to the extreme by using 18 years as the age limit or by forbidding labor on the farm. Not counting farm labor, over 1,500,000 children under 16 years of age were at work in the United States in 1920.

The people in the legislatures of the States should ratify this amendment because the present system is chaotic. We can not longer tolerate this system with its lack of uniformity and diversity of standards, unjust alike to the children who labor and to well-meaning employers. Employers operating in States with enlightened laws are handicapped by competing with manufacturers in States with less stringent statutes.

Nor is it merely a question of the law itself. Equally important is the enforcement of the law. In some States, even where the limit is as low as 12 and 14 years, the enforcement is lax and the law inoperative.

National legislation and national enforcement, working in harmonious cooperation with State forces, will put an end to this evil.

The bugaboo of State rights has been raised against this constitutional amendment, but that should not frighten us. These same champions of State rights voted for the sixteenth amendment and for the eighteenth amendment, which gave Congress the right to tax incomes and to regulate the liquor traffic.

Is not the growing child of at least equal importance with taxation and prohibition? What can be more important to the national welfare than throwing about the tender developing child every safeguard that the law can provide, so that the young boy and girl may grow to manhood and womanhood accumulating strength and joy?

When President Wilson signed the first Federal child labor law he penned these memorable words:

> I want to say that with real emotion I sign this bill, because I know how long the struggle has been to secure legislation of this sort and what it is going to mean to the health and to the vigor of this country and also to the happiness of those whom it affects. It is with genuine pride that I play my part in completing this legislation. I congratulate the country and felicitate myself.

No vote that I have cast in this, my first session in Congress, has given me more genuine satisfaction than the one which I cast for the constitutional amendment to abolish child labor.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. McSWAIN].

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield the gentleman from South Carolina five minutes.

The CHAIRMAN. The gentleman from Pennsylvania——

Mr. McSWAIN. From South Carolina.

The CHAIRMAN. The gentleman from South Carolina is recognized for 10 minutes.

Mr. McSWAIN. Since by mere oversight the Chairman recognized me as "the gentleman from Pennsylvania," I will say that my view of this question is illustrated by my feelings the other day when for the first time I visited the capitol building of the State of Pennsylvania, and viewing that magnificent building, more ornate and more elegant than this Capitol of the Nation itself, I felt a thrill of pride that the people of that State had the power, and the privilege, and the pride, of erecting such a monument to their loyalty to the keystone sovereignty of her people.

So here, gentlemen, I see no question of constitutional law. It is purely a question of American constitutional policy, and, as I see it, it is a question, Shall we continue to augment the power that the Federal Government exercises and thus diminish and weaken the power and the consequential dignity of the State?

I take it, gentlemen, that the greatness of this Nation as a Nation is due, first of all, to the peculiarly independent, pioneer stock of our people who came here; and, second, to the wonderful natural resources of a virgin country; but, third, our power is due to the peculiar form of government that happily grew up with the people and developed amongst the people; and that form of government is not alone the Constitution of the United States, but the form of government of this country, the Constitution of all America, is first of all the Constitution of the United States and next the constitutions and governments of all the 48 States, and these all combined, this dual system of government, one set off against the other by a beautiful and well-nigh inspired system of checks and balances, is one of the three great contributing influences that has made us a power for good and a blessing to the peoples of all the earth. Therefore, I, for one, want to say that I will not be put to the dilemma of being required to answer whether or not, upon this question, I am going to vote for the child or for the factory. I insist that I shall be permitted to say that I are going to vote for America, for the future of all America. [Applause.]

I want to say in this connection that I am not the owner of a single dollar of stock in any cotton mill anywhere. I am not, and I have never been, the attorney of a cotton mill. On the contrary, I guess I have brought as many tort actions against them for injuries to employees as any man that ever practiced at my bar. Neither have I got any "Brother Archie" who is in the employ of any cotton mill or their attorney. But, gentlemen, above all questions of personal interest, above all questions of sympathy, I believe it is the duty of the people here to vote not with reference to whether or not we can come back, but to vote with reference to the future of the governmental system of America, because if we break it down, if we continue this encroaching, aggrandizing, centralizing policy that has been going on, whether it has been going on by the slow, silent, sapping process of congressional action or judicial construction or constitutional amendment; if we keep that up, then the balance will be broken and the system will be shattered and its ruins will lie where now this majestic Government is to be seen, the wonder of all the world.

Why, gentlemen, it seems to me that if I were an enemy of American institutions, I would want all of her power located at Washington because when I organized my forces, whether it be the power of imperialistic militarism, whether it be the Mussolini, or Riviera, or whether it be the bolshevistic doctrine of Lenin and Trotski, whatever the source and origin of my enemity to the free, parliamentary system of America might be, I would want that power centralized in one place, Washington, so that when I struck I would not have to strike but one blow, and I would be master of the whole situation.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. McSWAIN. Certainly.

Mr. JACOBSTEIN. Did the gentleman vote or did the gentleman favor federalization of the income tax? Did the gentleman vote for the income tax amendment?

Mr. McSWAIN. I was not in Congress then——

Mr. JACOBSTEIN. Would not the gentleman have favored it?

Mr. McSWAIN. Why, certainly, because Congress from the very first had the power to levy taxes to carry on her business as a Government, and I think she had the power then, and she exercised that power for 100 years until a case was decided overnight by a 5 to 4 decision.

Mr. JACOBSTEIN. Did not the State rights Members also vote for the amendment in reference to liquor?

Mr. McSWAIN. Why, my friends, if that is what is the matter with my friend from New York, I will say there is no analogy between child labor and liquor. Why, South Carolina has been dry ever since I was a boy. [Applause.] I can say that I have never seen a barroom in South Carolina, much less been in one. [Applause.] But let me tell you that South Carolina could not be dry by herself because, by some mysterious process, the stuff would flow all the way from Baltimore to South Carolina. [Laughter and applause.] But the child-labor conditions in South Carolina are not affecting North Carolina and they are not affecting Georgia, much less Maryland.

Mr. LARSON of Minnesota. Will the gentleman yield?

Mr. McSWAIN. Certainly.

Mr. LARSON of Minnesota. What do you regard as the most valuable asset of this Nation?

Mr. McSWAIN. I regard the character of the people, personified by their belief in individualism, by their independent spirit, by their power to resist oppression and to defend their liberty. [Applause.]

Mr. LARSON of Minnesota. Does not the gentleman regard the children of the Nation as its most valuable asset?

Mr. McSWAIN. Yes; but the children, if they are raised under a Prussianized system of submission to drill-sergeant methods of Federal control, will be of no value to America, I do not care how flushed their cheeks or how fat their forms.

Mr. LARSON of Minnesota. Will the gentleman yield further?

Mr. McSWAIN. Certainly.

Mr. BERGER rose.

Mr. McSWAIN. I have got this other brother on the hook now. [Laughter.]

Mr. LARSON of Minnesota. This imaginary enemy of which the gentleman speaks we propose to fight by the man power of this Nation, and I want to call the gentleman's attention to the fact that he did not realize when he was looking at the great capitol of the State of Pennsylvania that when we were mobilizing the man power of this Nation to save the world for democracy and to save civilization, 55 per cent of the manhood of the State of Pennsylvania had to be discarded because they were unfit for military service, and this was because for 25 years prior thereto the State of Pennsylvania did not have sufficient child-labor laws upon its statute books.

Mr. McSWAIN. I can not allow but one speech to be made in my time. We have had a splendid speech from the gentleman from Minnesota. But I want to submit this to the House, that the very men who won the independence of this Nation were not scholars; they were men of character, paid their debts, cleared the forests, fought the Indians, and old George himself was not a very good speller. But they were some fighters. [Laughter and applause.]

It will never do to send out thousands of Federal agents into the homes and farms and factories of America, dragging persons hundreds of miles, and their witnesses, to Federal courts for trial. We people in South Carolina in the last year saw hard-boiled Prussianized Federal agents wreck a million-dollar bank and land a Christian gentleman, mayor of his city, in a Federal prison under a year's sentence.

Mr. Chairman, I refuse to permit anyone to construe my opposition to this proposal to increase Federal power, and thus increase Federal bureaus and salary-grabbing agents, and to increase Federal taxes as in any sense a favoring of improper child labor. There are many forms of labor by children that are entirely proper, even necessary for the good of the child himself. I strongly favor, as a citizen of South Carolina, that the legislature of my State shall prohibit child labor under improper conditions. I repudiate any suggestion that we Members of Congress in passing on this question of centralizing Federal power are placed in the dilemma of voting either for the children or for manufacturing industries employing children. I am voting for America and for the American constitutional system.

It is said here we must abolish "child slavery." It is charged against the parents of these working children. No child can be required to work without the full, free consent of the parents. The great need is to set the parents free economically, and as they love their own children more than they love their own life there will be no improper child labor. So-called "child slavery" results from "parent slavery" in an economic sense. If many of those who vote to increase Federal power, and Federal officers on the pay roll, and Federal taxes, will join us opposed to it by repealing the iniquitious protective tariff, whereby the masses are impoverished and the favored class enriched, and to set agriculture free and encourage its prosperity, then so-called "child slavery" will disappear with the disappearance of economic "parent slavery."

Furthermore, I feel it fair to explain my zeal in opposing this vast, revolutionary increase of Federal power. I do not own any stock in any cotton anywhere; I am not the attorney for any cotton mill, nor is anyone closely related to me by blood or marriage in the employ of any cotton mill. My zeal is due solely to my clear, long-fixed conviction that the true balance of our dual system of government must be maintained. I believe in the local self-government of the States and the people thereof. I believe the people of the States by their own legislatures should and will deal properly with this question. I believe that the greatness of America is due, next to our stalwart pioneer, racial stock, and vast, virgin, natural resources to the wonderful system of republican government that by the States has permitted laws to fit local needs and feelings, and has by the Federal Government defended and promoted interstate and international interests.

I believe that the constant enlargement of Federal power is dangerous to the liberties of the people and to the safety of America. I favor suitable laws regulating marriage by license and protecting marital relations, but I intensely oppose any Federal legislation on that subject. I favor suitable laws against all forms of crime, such as stealing, but I oppose any Federal legislation on that subject. So I favor suitable legislation regulating child labor, but these should be enacted by the States to suit local conditions, and I strongly oppose Federal intermeddling with these purely domestic, internal matters of the States.

It is a physical impossibility for the 531 Members of both Houses to attend to all international and interstate matters and also attend to the domestic affairs of the people. I submit that the 7,500 members of all the 48 State legislatures are far better qualified to deal with these close, intimate affairs of the people. I believe that the 160 members of the General Assembly of South Carolina are far better qualified to decide terms and conditions of child labor laws than the 9 Members of Congress from that State. I know those members of our State legislature love the children and feel for their mothers and fathers and will seek their welfare as well as we here in Washington.

OTHER MATTERS THAT MAY ALSO INSIST UPON FEDERAL REGULATION

There is no possible justification for a Federal amendment to enable Congress to regulate child labor within the States. All the arguments that can be made to regulate child labor can be made with equal force and merit in favor of giving Congress power to regulate marriage and divorce; to regulate the health of the people; to regulate the diet of the people; to regulate the plays and amusements of the children; to say how many hours people should sleep, because some people seem to be pale and emaciated from either lack of sleep or too much sleep; to regulate the number of times that people should eat per day, and what they should eat and how it should be cooked. One Congress would have a majority of vegetarians and pass laws prohibiting meat eating; another Congress would have a majority of meat eaters and would feed the people flesh. The same arguments could be made in favor of regulating what the people should plant on their farms and how much they should plant and when they should plant. The same arguments could be made in favor of saying how the people should dress. Some would favor high heels and some would favor low-necked dresses. The same arguments could be made to empower Congress to regulate the practice of medicine. Some physicians claim that other kinds of physicians are a menace to the public health. If the allopath were in the majority in Congress, they would imprison and punish the homeopath, and the osteopath and the neuropath and the psycopath and every other sect that sought health by a different "path." By the same token all the slaughter pens and butcher shops and meat markets and vegetable stalls and truck farms would be brought under Federal power by the same argument and for the same reason, and for no other, they would confer upon Congress the power to prescribe the use of service and nature of service of all domestic and industrial employees in the Nation. Also they would give Congress the power to fix the wages, and when the reactionaries and capitalists are in power—and it is charged that they usually stay in power whatever party may be in control—the people's wages would be kept down to the point of bare existence.

These illustrations show the absurdity of the argument sought to be made here. Because some children seem to be undernourished, and pale and emaciated, and stunted in growth, then a great principle of government is to be violated. It is claimed that only a few States are backward in suitable regulations. How vastly better would it be for these enthusiasts to expend some time and energy and money in proper education and agitation and propaganda within those States, to the end that the States themselves should adopt proper regulations, suitable to their local conditions.

EVILS OF CHILD LABOR NOT ANALOGOUS TO EVILS OF LIQUOR TRAFFIC

Then again none of the arguments that could be and were properly made in favor of the adoption of the eighteenth amendment can be made here. Practically three-fourths of the States had already adopted absolute State prohibition against the manufacture and sale and transportation of alcoholic liquors prior to the Federal amendment. But to preserve the control of the liquor traffic to those States which had prohibited it, it was necessary for the Federal Government to stop it absolutely everywhere. The reason was that liquor would not stay in the State where it was made lawfully and where it could be sold lawfully. But by an inevitable process of flux it flowed over the State limits into all the dry States, which consequently suffered from all the ills of a régime of liquor, with the added expense of a defensive police system to prevent the importation of liquor from wet States. But the condition here is far different as to child labor. If there be inadequate and improper and insufficient State regulation of child labor within any particular State, then it affects that State alone and can be corrected in that State alone and the evils do not overflow into and overlap upon other States.

JEFFERSON ON CENTRALIZATION

No political thinker, American or foreign, has ever surpassed Thomas Jefferson in clearness of perception or depth of penetration. He greatly feared that the Federal Government would become a huge bureaucratic overlord above the States and the people that we see to-day. He feared that the greatest agencies in that process of centralization and that slow but gradual absorption of power would be the executive and judicial branches. How can any disciple of Jeffersonian democracy reconcile his position to support an increase of Federal power to meet the situation that now confronts us? Here we had two efforts of even the Congress to stretch Federal power by strained construction to control the matter of child employment, reserved to the States and to the fathers and mothers of America. Yet, when the Supreme Court, which Jefferson feared, came to the rescue of the Constitution, and thus arrested those steps toward centralization, some professing to believe in the political philosophy of Thomas Jefferson now wish by express amendment to the Constitution to overcome the resistance to encroachment upon States and domestic rights and powers by even the Supreme Court. Surely the spirit of Thomas Jefferson must be disturbed.

Read Jefferson's letter to William Johnson in 1823:

There is no danger I apprehend so much as the consolidation of our Government by the noiseless and therefore unalarming instrumentality of the Supreme Court. This is the form in which federalism now arrays itself, and consolidation is the present principle of distinction between Republicans and pseudo-Republicans but real Federalists.

Again, in writing to John Taylor, he used this language:

It is a singular phenomenon that while our State governments are the very best in the world, without exception or comparison, our General Government has in the rapid course of 9 or 10 years become more arbitrary and has swallowed more of the public liberty than even that of England.

In a letter to Joseph C. Cabell he used this language:

What has destroyed the liberty and the rights of man in every government which has ever existed under the sun? The generalizing and concentrating all cares and powers into one body, no matter whether of the autocrats of Russia or France or of the aristocrats of a Venetian senate.

In writing to Nathaniel Macon, Jefferson said:

Our Government is now taking so steady a course as to show by what road it will pass to destruction, to wit: By consolidation first, and then corruption, its necessary consequence.

I also quote the following from letters to Gideon Granger:

I do verily believe that * * * a single consolidated government would become the most corrupt government on the earth.

You have seen the practices by which the public servants have been able to cover their conduct, or, where that could not be done, delusions by which they have varnished it for the eye of their constituents. What an augmentation of the field for jobbing, speculating, plundering, office building, and office hunting would be produced by an assumption of all the State powers into the hands of the General Government.

Our country is too large to have all its affairs directed by a single government. Public servants at such a distance, and from under the eye of their constituents, must, from the circumstance of distance, be unable to administer and overlook all the details necessary for the good government of the citizens; and the same circumstance, by rendering detection impossible to their constituents, will invite the public agents to corruption, plunder, and waste.

Writing to C. Hammond, Jefferson said:

When all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separated.

We take the following from Kentucky Resolutions, which were drawn by Jefferson:

To take from the States all the powers of self-government and transfer them to a general and consolidated government, without regard to the special delegations and reservations solemnly agreed to in (the Federal) compact, is not for the peace, happiness, or prosperity of these States.

In his autobiography, written in 1821, Jefferson said:

Were we directed from Washington when to sow, and when to reap, we should soon want bread.

PATRICK HENRY FORETOLD THE CONSEQUENCES OF CONSOLIDATING FEDERAL POWER

Patrick Henry, in the Virginia convention in June, 1788, at page 53, volume 3, Elliott's Debates on the Federal Constitution, used the following language:

If we admit this consolidated government, it will be because we like a great, splendid one. Some way or other we must be a great and mighty empire; we must have an army and a navy and a number of things. When the American spirit was in its youth, the language of America was different; liberty, sir, was then the primary object. We are descended from a people whose government was founded on liberty; our glorious forefathers of Great Britian made liberty the foundation of everything. That country is become a great, mighty, and splendid nation; not because their government is strong and energetic, but, sir, because liberty is its direct end and foundation. We drew the spirit of liberty from our British ancestors; by that

spirit we have triumphed over every difficulty. But now, sir, the American spirit, assisted by the ropes and chains of consolidation, is about to convert this country into a powerful and mighty empire. If you make the citizens of this country agree to become the subjects of one great consolidated empire of America, your government will have sufficient energy to keep them together. Such a government is incompatible with the genius of republicanism. There will be no checks, no real balance in this Government. What can avail your specious, imaginary balances, your rope-dancing, chain-rattling, ridiculous ideal checks and centrivances?

MEMBERS OF CONGRESS HAVE CHANGED SINCE COLONIAL DAYS; WHY IS IT SO

Huntingdon in the Connecticut convention, volume 2, Elliott's Debates, at page 199, said:

The State governments, I think, will not be endangered by the powers vested by this Constitution in the General Government. While I have attended in Congress, I have observed that the Members were quite as strenuous advocates for the rights of their respective States as for those of the Union. I doubt not but that this will continue to be the case; and hence I infer that the General Government will not have the disposition to encroach upon the States.

IMPERIALISM FORECASTED; AMENDMENT SUGGESTED TO PROTECT FREEDOM

John Lansing in the New York convention, volume 2, Elliott's Debates, at page 220, said:

Sir, I have formerly had occasion to declare to the public my apprehensions that a consolidated government, partaking in a great degree of republican principles, and which had in object the control of the inhabitants of the extensive territory of the United States, by its sole operations could not preserve the essential rights and liberties of the people. I have not as yet discovered any reason to change that sentiment; on the contrary, reflection has given it additional force.

Influenced by these considerations, every amendment which I am convinced will have a tendency to lessen the danger of invasion of civil liberty by the General Government will receive my sincere approbation.

THE FEARS OF THE FATHERS BECOMING FACTS BY THE DELIBERATE DEED OF THEIR CHILDREN

Melancthan Smith in the New York convention, volume 2, Elliott's Debates, at page 228, said:

He considered that the great interests and liberties of the people could only be secured by the State governments. He admitted that, if the new Government was only confined to great national objects, it would be less exceptionable; but it extended to everything dear to human nature. That this was the case would be proved without any long chain of reasoning; for the government of the whole country, and might extend its powers to any and every object.

CENTRALIZATION CONDEMNED AND LOCAL SELF-GOVERNMENT DEFENDED BY HAMILTON

Hamilton, in the New York convention, volume 2, Elliott's Debates, at pages 239, 257, said:

The State governments possess inherent advantages, which will ever give them an influence and ascendency over the National Government, and will forever preclude the possibility of Federal encroachments. That their liberties, indeed, can be subverted by the Federal head, is repugnant to every rule of political calculation.

HAMILTON PERCEIVED THAT STATE AND FEDERAL GOVERNMENTS ARE MUTUAL CHECKS—IS A DOUBLE SECURITY TO PEOPLE'S RIGHTS

This balance between the National and State governments ought to be dwelt on with peculiar attention, as it is of the utmost importance. It forms a double security to the people. If one encroaches on their rights, they will find a powerful protection in the other. Indeed, they will both be prevented from overpassing their constitutional limits, by a certain rivalship, which will ever subsist between them.

THAT GOVERNMENT REMAINS CLEANEST WHICH IS CLOSEST TO THE PEOPLE—OUR TERRITORY TOO VAST AND DIVERSE FOR A CONSOLIDATED REPUBLIC.

Governor Clinton, in the New York convention, volume 2, Elliott's Debates, at page 262, said:

Another argument may be suggested to show that there will be more safety in the State than in the Federal Government. In the State, the legislators being generally known and under the perpetual observation of their fellow citizens, feel strongly the check resulting from the facility of communication and discovery. In a small territory maladministration is easily corrected and designs unfavorable to liberty frustrated and punished. But in large confederacies the alarm excited by small and gradual encroachments rarely extends to the distant members or inspires a general spirit of resistance. When we take a view of the United States we find them embracing interests as various as their territory is extensive. Their habits, their productions, their resources, and their political and commercial regulations are as different as those of any nation upon earth. A general law, therefore, which might be well calculated for Georgia, might operate most disadvantageously and cruelly upon New York.

HAMILTON DRAWS LINE OF DEMARCATION BETWEEN STATE AND FEDERAL POWERS—WHY DO HAMILTON'S DISCIPLES FOLLOW AND OBEY HIM IN SOME RESPECTS AND NOT IN OTHERS

Hamilton, in the New York convention, volume 2, Elliott's Debates, at page 265, said:

The powers of the new Government are general and calculated to embrace the aggregate interests of the Union and the general interests of each State, so far as it stands in relation to the whole. The object of the State governments is to provide for their internal interests, as unconnected with the United States and as composed of minute parts or districts. A particular knowledge, therefore, of the local circumstances of any State, as they may vary in different districts, is unnecessary for the Federal representative. As he is not to represent the interests or local wants of the county of Dutchess or Montgomery, neither is it necessary that he should be acquainted with their particular resources. But in the State governments, as the laws regard the interest of the people, in all their various minute divisions, it is necessary that the smallest interests should be represented.

If Hamilton were in Congress to-day, he surely would join Jefferson in opposing such enlargement of Federal power.

CHIEF JUSTICE JAY EXPLAINS FUNCTIONS OF FEDERAL POWERS—ALL LOCAL AND DOMESTIC MATTERS RESERVED TO STATES

Jay, in the New York convention, volume 2, Elliott's Debates, at page 283, said:

What are the objects of our State legislatures? Innumerable things of small moment occupy their attention; matters of a private nature which require much minute and local information. The objects of the General Government are not of this nature. They comprehend the interests of the States in relation to each other and in relation to foreign powers. Surely there are men in this State fully informed of the general interests of its trade, its agriculture, its manufactures. Is anything more than this necessary? Is it requisite that our Representatives in Congress should possess any particular knowledge of the local interests of the county of Suffolk, distinguished from those of Orange and Ulster?

STATE GOVERNMENTS ESSENTIAL TO FORM AND SPIRIT OF WHOLE SYSTEM OF AMERICAN CONSTITUTIONAL GOVERNMENT

Hamilton in the New York convention, volume 2, Elliott's Debates at page 303, said—

Gentlemen indulge too many unreasonable apprehensions of danger to the State governments; they seem to suppose that the moment you put men into a national council they become corrupt and tyrannical, and lose all affection for their fellow citizens. But can we imagine that the Senators will ever be so insensible of their own advantage as to sacrifice the genuine interest of their constituents? The State governments are essentially necessary to the form and spirit of the general system. As long, therefore, as Congress have a full conviction of this necessity, they must, even upon principles purely national, have as firm an attachment to the one as to the other. This conviction can never leave them, unless they become madmen. While the Constitution continues to be read, and its principles known, the States must, by every rational man, be considered as essential, component parts of the Union; and therefore the idea of sacrificing the former to the latter is wholly inadmissible.

WAS JAY A TRUE PROPHET?

The State establishments of civil and military officers of every description, infinitely surpassing in number any possible corresponding establishments in the General Government, will create such an extent and complication of attachments as will ever secure the predilection and support of the people. Whenever, therefore, Congress shall meditate any infringement of the State constitutions, the great body of the people will naturally take part with their domestic representatives. Can the General Government withstand such a united opposition? Will the people suffer themselves to be stripped of their privileges? Will they suffer their legislatures to be reduced to a shadow and name? The idea is shocking to common sense.

THIS MAN FORECASTED THE OVERBALANCING GROWTH OF FEDERAL POWER

Mr. Smith in the New York convention, volume 2, Elliott's Debates at pages 332 to 335, said—

The State governments are necessary for certain local purposes; the General Government for national purposes.

It must appear evident that there will be a constant jarring of claims and interests. Now, will the States, in this contest, stand any chance of success? If they will, there is less necessity for our amendment. But consider their extensive, exclusive revenues, the vast sums of money they can command, and the means they thereby possess of supporting a powerful standing force. The States, on the contrary, will not have the command of a shilling or a soldier. The two governments will be like two men contending for a certain property. The one has no interest but that which is the subject of the controversy, while the other has money enough to carry on the lawsuit for 20 years. By this clause unlimited powers in taxation are given. Another clause declares that Congress shall have power to make all laws necessary to carry the Constitution into effect. Nothing, therefore, is left to construction; but the powers are most express. How far the State legislatures will be able to command a revenue, every man, on viewing the subject, can determine. If he contemplates the ordinary operation of causes, he will be convinced that the powers of the Confederacy will swallow up those of the members. I do not suppose that this effect will be brought about suddenly. As long as the people feel universally and strongly attached to the State governments, Congress will not be able to accomplish it. If they act prudently, their powers will operate and be increased by degrees. The tendency of taxation, though it be moderate, is to lessen the attachment of the citizens. If it becomes oppressive, it will certainly destroy their confidence. While the general taxes are sufficiently heavy, every attempt of the States to enhance them will be considered as a tyrannical act, and the people will lose their respect and affection for a government which can not support itself without the most grievous impositions upon them. If the Constitution is accepted as it stands, I am convinced that in seven years as much will be said against the State governments as is now said in favor of the proposed system.

Sir, I contemplate the abolition of the State constitutions as an event fatal to the liberties of America. These liberties will not be violently wrested from the people; they will be undermined and gradually consumed.

PHYSICAL IMPOSSIBILITY FOR A CENTRALIZED GOVERNMENT TO FUNCTION

Another idea is in my mind, which I think conclusive against a simple government for the United States. It is not possible to collect a set of representatives who are acquainted with all parts of the continent. Can you find men in Georgia who are acquainted with the situation of New Hampshire, who know what taxes will best suit the inhabitants, and how much they are able to bear? Can the best men make laws for the people of whom they are entirely ignorant? Sir, we have no reason to hold our State governments in contempt, or to suppose them incapable of acting wisely.

PREDICTIONS COMING TRUE SLOWLY

Williams, in the New York convention, volume 2, Elliott's Debates, at page 338, said:

SIR: I yesterday expressed by fears that this clause would tend to annihilate the State governments. I also observed that the powers granted by it were indefinite, since the Congress are authorized to provide for the common defense and general welfare and to pass all laws necessary for the attainment of those important objects. The legislature is the highest power in a government. Whatever they judge necessary for the proper administration of the powers lodged in them, they may execute without any check or impediment. Now, if the Congress should judge it a proper provision for the common defense and general welfare that the State governments should be essentially destroyed, what, in the name of common sense, will prevent them? Are they not constitutionally authorized to pass such laws? Are not the terms common defense and general welfare indefinite, undefinable terms? What check have the State governments against such encroachments?

THIS SOUNDS LIKE JEFFERSON OR CLINTON OR HENRY, BUT WAS ALEXANDER HAMILTON

Hamilton, in the New York convention, volume 2, Elliott's Debates, at pages 350, 353, and 355, said:

The true principle of government is this—make the system complete in its structure, give a perfect proportion and balance to its parts, and the powers you give it will never affect your security. The question, then, of the division of powers between the General and State Governments is a question of convenience; it becomes a prudential inquiry, what powers are proper to be reserved to the latter; and this immediately involves another inquiry into the proper objects of the two governments. This is the criterion by which we shall determine the just distribution of powers.

The great leading objects of the Federal Government, in which revenue is concerned, are to maintain domestic peace and provide for the common defense. In these are comprehended the regulation of commerce—that is, the whole system of foreign intercourse—the support of armies and navies, and of the civil administration. It is useless to go into detail. Everyone knows that the objects of the General Government are numerous, extensive, and important. Every one must acknowledge the necessity of giving powers, in all respects, and in every degree, equal to these objects. This principle assented to, let us inquire what are the objects of the State governments. Have they to provide against foreign invasion? Have they to maintain fleets and armies? Have they any concern in the regulation of commerce, the procuring alliances, or forming treaties of peace? No. Their objects are merely civil and domestic—to support the legislative establishment, and to provide for the administration of the laws.

BUT CONGRESS IS INVITING THE PEOPLE TO SUBMERGE THE STATES

I insist that it never can be the interest or desire of the national legislature to destroy the State governments. It can derive no advantage from such an event, but, on the contrary, would lose an indispensable support, a necessary aid in executing the laws, and conveying the influence of government to the doors of the people. The Union is dependent on the will of the State governments for its chief magistrate, and for its Senate. The blow aimed at the members must give a fatal wound to the head; and the destruction of the States must be at once a political suicide. Can the National Government be guilty of this madness?

HAS THIS TERRIBLE TIME COME

Can the State governments become insignificant while they have the power of raising money independently, and without control? If they are really useful, if they are calculated to promote the essential interests of the people, they must not lose their powers till the whole people of America are robbed of their liberties. These must go together; they must support each other or meet one common fate.

FEDERALISTS FEARED STATE AGGRESSION; "STATE RIGHTERS" FEARED FEDERAL ENCROACHMENT

James Wilson, in the Pennsylvania convention, volume 2, Elliott's Debates, at pages 463 and 503, said:

It has been said "that the State governments will not be able to make head against the General Government," but it might be said with more propriety that the General Government will not be able to maintain the powers given it against the encroachments and combined attacks of the State governments. They possess some particular advantages from which the General Government is restrained.

WILSON ADMITTED THAT A CENTRALIZED GOVERNMENT WOULD NOT SUIT NOR SERVE AMERICA

These, I think, sir, are the different descriptions given to us of a consolidated government that puts the thirteen United States into one; if it is meant that the General Government will destroy the governments of the States, I will admit that such a Government would not suit the people of America. It would be improper for this country, because it could not be proportioned to its extent on the principles of freedom. But that description does not apply to the system before you. This, instead of placing the State governments in jeopardy, is founded on their existence. On this principle its organization depends; it must stand or fall as the State governments are secured or ruined.

Governor Clinton, Patrick Henry, James Monroe, Thomas Jefferson, and others saw and foretold the overshadowing domination of Federal power. Hamilton, Madison, Marshall, Wilson, Rutledge, and others were manifestly mistaken in saying the States would resist or overthrow Federal power.

MADISON WAS MISTAKEN

Mr. Madison, in the Virginia convention, at page 96, volume 3, Elliott's Debates on the Federal Constitution, said:

But it is urged that its consolidated nature, joined to the power of direct taxation, will give it a tendency to destroy all subordinate authority; that its increasing influence will speedily enable it to absorb the State governments. I can not think this will be the case.

HENRY WAS PREEMINENTLY RIGHT

I also quote from Mr. Henry, in the Virginia convention, at page 157, volume 3, Elliotts' Debates on the Federal Constitution, as follows:

With respect to the economical operation of the new government, I will only remark, that the national expenses will be increased, if not doubled; it will approach it very nearly. I might, without incurring the imputation of illiberality or extravagance, say that the expense will be multiplied tenfold. I might tell you of a numerous standing Army, a great, powerful Navy, a long and rapacious train of officers and dependents, independent of the President, Senators, and Representatives, whose compensations are without limitation. How are our debts to be discharged unless the taxes are increased, when the expenses of the Government are so greatly augmented.

TRUTH SPOKEN BY HENRY

Continuing on page 167, supra, Mr. Henry says:

The Constitution reflects in the most degrading and mortifying manner on the virtue, integrity, and wisdom of the State legislatures; it presupposes that the chosen few who go to Congress will have more upright hearts, and more enlightened minds, than those who are members of the individual legislatures. To suppose that 10 gentlemen shall have more real, substantial merit than 170, is humiliating to the last degree. If, sir; the diminution of numbers be an augmentation of merit, perfection must center in one.

THE "SWEEPING CLAUSE" HAS NEARLY SWEPT THE STATES OFF THE BOARD

We find that Mr. Randolph, in the Virginia convention, at page 206, volume 3, Elliott's Debates on the Federal Constitution, has this to say:

The sweeping clause, as it is called, is much dreaded. I find that I differ from several gentlemen on this point. This formidable clause does not in the least increase the powers of Congress. It is only inserted for greater caution, and to prevent the possibility of encroaching upon the powers of Congress. No sophistry will be permitted to be used to explain away any of those powers; nor can they possibly assume any other power, but what is contained in the Constitution, without absolute usurpation.

JAMES MONROE DEFINES LIMITS OF NATIONAL POWER

Mr. Monroe, at page 214, supra, said:

What are the powers which the Federal Government ought to have? I will draw the line between the powers necessary to be given to the Federal, and those which ought to be left to the State governments. To the former I would give control over the national affairs; to the latter I would leave the care of local interest.

UNIFORM DOMESTIC REGULATORY LAWS IMPOSSIBLE OR UNFAIR

Continuing, at page 216, supra, we quote further from Mr. Monroe, as follows:

Are there not a thousand circumstances showing clearly that there can be no law that can be uniform in its operation throughout the United States? Another gentleman said that information would be had from the State laws. Is not this reversing the principles of good policy? Can this substitution of one body to thirteen assemblies, in a matter that requires the most minute and extensive local information, be politic or just? They can not know what taxes can be least oppressive to the people.

The tax that may be convenient in one State may be oppressive in another. If they vary the objects of taxation in different States, the operation must be unequal and unjust. If Congress should fix the tax on some mischievous objects, what will be the tendency? It is to be presumed that all governments will some time or other exercise their powers, or else why should they possess them? Inquire into the badness of this Government. What is the extent of the power of laying and collecting direct taxes? Does it not give an absolute control over the resources of all the States? If you give the resources of the several States to the General Government, in what situation are the States left? I therefore think the General Government will preponderate.

MADISON AGAIN MAKES MISTAKE

At pages 258-259, supra, Mr. Madison said:

Let us compare the members composing the legislative, executive, and judicial powers in the General Government with these in the States, and let us take into view the vast number of persons employed in the States; from the chief officer to the lowest we shall find the scale preponderating so much in favor of the States that, while so many persons are attached to them, it will be impossible to turn the balance against them. There will be an irresistible bias toward the State governments. * * *

The powers of the General Government relate to external objects and are but few. But the powers in the States relate to those great objects which immediately concern the prosperity of the people. Let us observe, also, that the powers in the General Government are those which will be exercised mostly in time of war, while those of the State governments will be exercised in time of peace. But I hope the time of war will be little compared to that of peace. I should not complete the view which ought to be taken of this subject without making this additional remark: That the powers vested in the proposed government are not so much an augmentation of powers in the General Government as a change rendered necessary for the purpose of giving efficacy to those which were vested in it before. It can not escape any gentleman that this power, in theory, exists in the confederation as fully as in this Constitution.

HENRY EXPOSES MADISON'S MISTAKES

At pages 322-323, supra, Mr. Henry said:

The State governments will possess greater advantages than the General Government, and will consequently prevail. His opinion and mine are diametrically opposite. Bring forth the Federal allurements and compare them with the poor, contemptible things that the State legislatures can bring forth. On the part of the State legislatures there are justices of the peace and militia officers; and even these justices and officers are bound by oath in favor of the Constitution. A constable is the only man who is not obliged to swear paramount allegiance to this beloved Congress. On the other hand, there are rich, fat, Federal emoluments. Your rich, snug, fine, fat, Federal officers—the number of collectors of taxes and excises—will outnumber anything from the States. Who can cope with the excisemen and taxmen? There are none in this country who can cope with this class of men alone. But, sir, is this the only danger? Would to heaven that it were! If we are to ask which will last the longest, the State or the General Government, you must take an Army and a Navy into the account. Lay these things together, and add to the enumeration the superior abilities of those who manage the General Government.

So, Mr. Chairman, this review of the opinions of the wisest, most unselfish men of that generation, which won our independence and set up democratic institutions in America, that it was justly intended that the Federal Government should never deal with such local internal matters, disturbing the homes and the relations of parents and children. History proves the wisdom of their decision. It is now manifestly unsafe and unwise to break the balance of our organic American governmental system.

Mr. TILLMAN. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. O'SULLIVAN].

Mr. O'SULLIVAN. Mr. Chairman, intending to support this measure, I am not at all sure that my words may not be considered as an apology. I was trained in the school of Jeffersonian political philosophy that appears to be treated as old-fashioned and out of date, at least by certain groups of our people. Evils of unquestionable existence now seek their cure through the enactment of constitutional amendments, thus pursuing a policy quite at variance with the theories of the founders of this particular form of government. For it was a democracy they had in mind, and by their thought and action formulated, wherein the power was vested in the people who were to settle their particular problems, subject only to such limitations as arose by the grant of power to the Federal organization. Democracy's best manifestation was to be in local self-government. Yet every addition to the organic law of the land weans us away from the basic idea of our Government, in that it takes from the hands of the people an element of power proportionate to the grant bestowed. Already 19 such changes have been effected upon the Constitution, and to-day we are confronted with the very serious question as to whether another shall be added.

Through this system of procedure, we have wandered far afield from the original theory of the fathers. A mighty and powerful centralized Government has been built with authority to perform acts of a nature not to be believed in days gone by. The long arm of Government reaches now into almost every conceivable direction, assuming sway over matters from economics to morals. Bureaus of a number running into the hundreds direct the actions and activities of our people and their businesses, until it can as truthfully be said that this is as much a bureaucratic as well as any other form of government.

With a keen appreciation of the soundness of the school of thought of the drafters of the Constitution, the State of Connecticut has stood forth constantly and preeminently as the great State dedicated to local self-government and in opposition to added authority for the Federal Government. We of Connecticut have always believed we were infinitely more capable of judging of the needs of the people living within our own borders than were the people of Minnesota, or of California, or of Georgia. It is true we speak the same language as do they of those States; when the common defense is threatened, our sons respond as cheerfully and readily as do those of Ohio or Texas. But our customs are not theirs, our traditions are different from theirs, even our form of government in many instances is radically at odds with theirs. Hence it is not surprising to observe the Connecticut Yankee quite jealous of his theories, and ever recalcitrant, stubbornly so, in joining in any movement to give added weight to a Federal Government, already so top-heavy that it is not the thought of a radical in anticipating danger and trouble.

Other than the three Civil War amendments which northern States accepted in the enthusiasm of a war spirit and fervor, Connecticut boats with a pride that is pardonable that she has ratified but 2 of the 19 amendments to the Constitution. Let the South or any section talk of State rights if they will, but the one State that is a monument to the cause of local self-government is the little nutmeg State of Connecticut. [Applause.]

What is her attitude on this child-labor problem, which deals in a new field of governmental endeavor? With her record of the past, it might be expected that it would be received with the coldness of opposition. Yet, on the contrary, from every section of the State and from people in all walks of life come messages of approval for this amendment.

Mr. RATHBONE. Will the gentleman yield?

Mr. O'SULLIVAN. I will yield.

Mr. RATHBONE. The gentleman does not wish to be understood that there are only 2 of the 19 amendments that Connecticut ratified? There has been four since the Civil War. Did not Connecticut ratify the Bill of Rights?

Mr. O'SULLIVAN. She did not; but she has in her own constitution a bill of rights.

Is this approval of this amendment inconsistent with her past performances? Perhaps. But when you speak to the people of Connecticut of the sufferings and hardships of little tots you talk as much to their hearts as to their heads. And it seems to me that once in a while a little more heart and a little less of cold logic is a good thing for any government, or at least for the people that the government rules. Childhood is the time of molding of character and body, and what importance should we not give to such a time; for the child of to-day is the citizen, perhaps the ruler, of to-morrow. With hardly a soul to speak for them in the past, these little tots employed in sweatshop and cannery have been losing life, liberty, and happiness, that immortal trinity of inalienable rights to which we are all supposed to be heirs. The life in the shop and the mill robs them of the sweetest days that the Master bestows on his beings; it steals from them the liberty and freedom that come with the open meadow and wooded hillside; it swindles them from the memories of the happiness that dreams of childhood bring to old age.

Mr. MONTAGUE. Will the gentleman yield?

Mr. O'SULLIVAN. I yield.

Mr. MONTAGUE. What is the chief industry in Connecticut in which child labor is employed?

Mr. O'SULLIVAN. I believe it is the cotton industry.

Mr. MONTAGUE. Does the gentleman know that only 711 children are employed in Connecticut in the cotton-mill industry?

Mr. O'SULLIVAN. The gentleman has the figures before him and is more able to state than I.

Mr. MONTAGUE. I thought that the gentleman might have been magnifying the evil.

Mr. O'SULLIVAN. Yes; we want our children to enjoy the blessings of childhood, and we are glad to lend our humble hand even in the face of possible inconsistency, to bring about such a desired result.

Ours is a great responsibility in submitting to the States for their ratification this proposed amendment to the Constitution. But greater than ours is that of the States themselves. It is no idle matter to change the organic law of the land. But there are occasions, and I believe this is one of them, when justification is apparent. Possibly my heart is ruling my judgment in this matter. But I trust it is not entirely so. Whatever it is, my conscience will be lightened considerably in the thought that I can assist in adding a little more of life, a little more of liberty, and a little more of happiness to the touseled-headed tots whom greed for profit denies those memorable days of childhood. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. HAWES].

Mr. HAWES. Mr. Chairman, the House has under consideration the adoption of a new amendment to our National Constitution:

The Congress shall have the power to limit, regulate, and prohibit the labor of persons under 18 years of age.

This amendment proposes that State jurisdiction of this subject shall be taken from the sovereignty of 48 States and placed under the control of the National Congress.

It then delegates to Congress the power, first, to limit the labor of all persons in the United States under 18 years of age; second, to regulate the labor of all persons under 18 years of age; and third, to prohibit the labor of all persons under 18 years of age.

This is a sweeping, all-inclusive power to limit, regulate, and control. It means that all State laws of every character which at any time conflict with the wishes of Congress shall be made subordinate to and controlled by the act of Congress.

Sympathetic with any State movement for the benefit of children, I have on all occasions advocated legislation for their welfare. New regulations must be placed in the statutes of our States both for the benefit of those now living and with the hope of still greater benefit for those who follow.

In the legislature of my State, my record will show a hearty and active support of all measures of this character, and it is a conspicuous fact that during my period of service the first great and comprehensive move was made for the betterment of conditions surrounding child life.

Any statement, therefore, that attributes to me opposition to child welfare legislation is without foundation and dishonest.

My opposition to this amendment is solely and exclusively upon the ground that it destroys the power of the States over a subject which is essentially local and gives jurisdiction to the National Government over a matter which it was never contemplated should be exercised by the framers of our Constitution.

In addition, it will build up a great national bureau, with thousands of police, called inspectors, who will intrude themselves into the homes, the schools, and the private affairs of the citizens of our States.

It will build up another great national bureau with an army of employees, and for these and other reasons which I shall advance I oppose this amendment, not because of the general objects it seeks to attain, but the methods proposed to be used.

Every State has the power to cover completely and in detail everything this amendment is intended to do, excepting to provide a new army of Federal officeholders.

Specialized propaganda of small minority groups is daily driving Congress to extremes in the matter of national regulation.

Carried away by an excess of zeal, the fundamental things in our own Constitution are assailed in proposed laws. What we shall eat, what we shall wear, what we shall read, how we shall work, when and how we shall play, and who shall be permitted to be idle are attempted to be controlled by national law rather than by personal inclination and State statute.

We are not only trying to regulate the local habits and appetites of our people but are now engaged in the mischievous occupation of trying to regulate the habits of the rest of the world.

Movements are under way in Washington to control our speech, our food, our clothes, our education, our marriage, divorce, our church, our brains, and our pocketbooks.

It is proposed that Congress shall assume direction and control of every intimate thing in life; in fact, even before life itself, premarriage inspection is proposed. National control of marriage, national control of children, national control of dress, national control of morals, national control of divorce, national control of education, all to be regulated and directed by meddlesome bureaus in Washington.

The laws to control these things are not written in express and understandable language; they are usually delegated to some department clerk who writes regulations which in effect become laws and control the conduct of our people. This is the usual slipshod, easy way of delegating power.

There are 48 separate States, each State with a governor elected by its own people and with a legislature elected by its own people.

It was intended that these legislatures and governors should, under the direction of the people of the State, regulate and control the local affairs of the State.

We have from the State of Missouri 16 Members in Congress, whose time and attention are devoted to Federal and national questions. They do not pretend to deal with State questions. Their training and attention are devoted to Federal and national matters. Their opportunity to investigate questions of national character is limited because they frequently have before them, during a single session, as many as 10,000 bills, and it is not physically possible for them to even read, much less discuss and analyze, these various national enactments.

This constitutional amendment, if it means anything, means that the 16 Congressmen from the State of Missouri have better judgment, greater knowledge, and better opportunity for studying local problems of State than have the 142 members of the legislature and the 34 members of our State senate, who devote their time and attention exclusively to local problems.

It is proposed that these 16 Congressmen from my State shall take from the governor of the State and the legislature of the State the power to control this matter and arrogate to themselves an exclusive power on the subject by depriving the State representatives of their judgment and their opinions.

Do Members of Congress assume they are wiser, better, more humane, or better qualified than men and women elected by the States for the express purpose of directing local government?

A Federal law must be uniform in its application for all States. No distinction can be made for the various States or unusual conditions in those States.

In writing its law the Federal Government would control the farmer boy as well as the boy in the city.

It has been stated that over 61 per cent of those persons under 18 years of age who are to be regulated under a proposed law made by Congress live upon farms. They are farmer boys.

The logic of this amendment is that every time a State fails to do the things some other States believe it ought to do we should amend the Constitution and make the subject a Federal matter and take from the State its local control and, instead

or handling the matter by local authorities, delegate that authority to an overburdened Congress.

This amendment proposes to give Federal control over the machinery of 48 States and over approximately 3,000 counties composing these States, numerous cities, towns, and villages, all supported by State and local laws and State and local taxes.

It presents the direct issue of whether the regulation shall be made by people who know their local situation and conditions or by an official living many thousand miles away. Our local sheriffs, constables, and police officers are to be supplanted by national detectives, national police, national inspectors, national prosecutors, national judges, national jails, and national penitentiaries.

Where is the line to be drawn before national regulation shall begin? Is it always to start where some one, two, or three States fail to do the things some other State believes they ought to do?

If spitting on the sidewalk spreads disease and disease causes death, and the local or State government fails to prevent this being done, shall we give the National Government charge of the local sidewalk?

Should sewers and cesspools be inspected by the National Government?

Shall buildings which are unsanitary and factories that are unsafe be remodeled by Federal officials?

Shall local playgrounds, local parks, and State buildings come under Federal control?

Shall we have two sets of regulations for everything, two sets of rules, and two sets of officers, two sets of laws, all relating to the same subject, and, of course, two sets of job holders, paid by the same taxpayers, part into the National Treasury and part into the State treasury?

This is not a small country. Its very size increases the difficulty of the problem of national control.

There can be one, and only one, valid excuse for this change in the Constitution, and that is to force the people of some States to do something they do not want to do. Half of the States may force the other half to prohibit all work of all kinds of all persons under 18 years of age.

Congress will have the power to do this, and Congress has not always acted wisely, especially in these days of specialized propaganda, and experience has shown wherever Congress has been given the maximum power it always ultimately exercises it to the maximum.

A law upon this subject might be very satisfactory to Massachusetts but very unsatisfactory to Missouri. The question is, Should the Massachusetts idea be forced upon the unwilling citizens of Missouri, without their consent or approval?

The people of a State should know their own local requirements better than the citizens of a far-distant State.

Federal enforcement of a foreign idea not supported by the public opinion of a State is always followed by discord and resentment.

State legislatures meet every two years, and they can change State laws to conform to local opinion with reasonable rapidity or, so far as that is concerned, to conform to national opinion upon the subject.

Congress has before it over 10,000 bills relating to every conceivable subject. It can not give to the wishes of a State the time, consideration, or thought necessary to conform national enactment to the public sentiment of each State.

The subject of child labor has been passed upon by 46 of our 48 States, and within the last 10 years tremendous strides have been made in the matter of child-labor reform.

There are 12,502,582 children between 10 and 15 years of age. Of this number 11 per cent are employed between the ages of 10 and 15.

It would appear that child workers between 10 and 15, inclusive, are about 378,000 out of the total of 12,500,000, or about 3.03 per cent of children under 16 years.

It is stated that of the 1,000,000 children between the ages specified—10 to 15 years—87 per cent are engaged in agriculture, 2 per cent in the extraction of minerals, 2.5 per cent in manufacturing and mechanical industries, 0.5 per cent in transportation, in trade 4.6 per cent, professional service 0.2 per cent, domestic and general services 3.2 per cent, clerical occupations 1.8 per cent.

The census of 1910 disclosed that practically 2,000,000 persons under 16 years of age were being employed in this country. These amounted to 18.4 per cent of all children, to practically 25 per cent of all boys.

Note the improvement in 10 years! All done by the States. Why not have additional confidence in the judgment of the governors and legislatures of States for still further improvements?

In 1920, 1,060,858 persons under 16, or 8.5 per cent of all, are recorded, and, as in the former census, it is shown that these were employed largely on farms and mainly home farms. Of this number only 413,549 were reported as employed in urban occupations, carrying or selling newspapers, clerking in stores, serving apprenticeships to trades, or working regularly in mines, mills, or factories.

This is not a satisfactory improvement, but it is a remarkable record of change in 10 years, which was brought about by State legislation without the assistance of the National Government.

Why not trust the States to continue the work?

If conditions were growing worse instead of better, there might be some basis for action, but the steady record of improvement under State direction is encouraging.

Our Nation was founded on the principle that the unit of government is the family; that it extended from the family unit to the county, from the county to the State, and the States delegated to the National Government certain agencies for national government, but reserved at all times the control of the personal, intimate things of local concern.

Now, shall we change this theory because progress does not move fast enough to satisfy the impatience of some of our people?

Shall the people of a great agricultural State be permitted to direct the local affairs of a great manufacturing State, or the people of a great manufacturing State be permitted to dictate the local laws of a purely agricultural State?

We do not want men and women from outside of Missouri, who do not live there, who have no interests there, no local reputation, and who have nothing to lose in the way of local esteem or local reputation, to be sent to our State to direct or regulate matters that are of purely local concern.

We do not want a United States inspector in each schoolhouse or school district. We can do our own inspecting with our own people, elected or selected for that purpose by the people of the State or neighborhood.

Congress can not give the time to consider the local affairs of each State. Members are clamoring for a few minutes to discuss this amendment. They can not be given the time.

How much less consideration can be given to local affairs when the power is given to Congress to regulate the lives of all our children under 18 years of age in each of our 48 States?

The great Government at Washington can not systematically or sympathetically handle the personal things of the people of each of our States.

The old worn-out excuse for answering special propaganda is to give the States the opportunity to act upon an amendment. That is not the correct position, because each Congressman here must honestly accept the responsibility of pushing this amendment so States are forced to act upon it. He can not shirk the responsibility of this specialized propaganda by passing it on to the governors and legislatures of different States.

We must remember that if this amendment becomes effective and our States suffer the ill effects of congressional legislation, the responsibility must rest upon our shoulders, because we put into motion the wheels that make it possible for some other State to force its will upon the citizens of your own State.

The basis of this bill is that States have failed and that State legislators and State governors are incompetent; that Congress can legislate more wisely upon State affairs than can the legislatures of the States.

If the Federal Government shall control our children, then the Federal Government should also provide orphan asylums and support the indigent of the various States. It should appoint the guardian and control the ward. It should regulate the schools, the clothes, and the habits of our children. It can not accept part of the responsibility without ultimately assuming all of it.

When the Federal Government assumes the power and takes charge of this subject, the power and responsibility of a State decreases to that extent and a correspondingly increasing responsibility rests upon the National Government.

If Congress assumes control over the local affairs of each community, it will have to remain in session continuously.

It does not to-day handle national business before it with that degree of care, investigation, and celerity which is necessary for proper legislation; and if we add to this many State and local functions, it could not properly and intelligently perform its supervision over both.

Can we no longer trust the people of the States and the legislatures of States to control the local affairs of States?

upon the ground that it destroys the power of the States over matter and take from the State its local control and, instead.

Have State governments, State courts, and State police been so faithless to their trust that Congress must now take from them jurisdiction of their own affairs?

Is Congress, with its multiplicity of duties, better able to judge and decide home affairs than are those representatives who were elected solely for that purpose?

Is each State to be placed in the same situation as the District of Columbia, where Congress governs and the local people have no control over their local affairs?

Breaking down the great fundamental of local control in one direction is always followed by new assaults in another direction.

Once we take from the State police control over its affairs on one subject, we will follow by taking national jurisdiction of another subject.

Soon there will be a demand for national control of our police, and then we will have a movement for a national constabulary of police with a national chief of police appointed by the President, who will direct and control the constables, sheriffs, and police officers of our States and cities.

It is but one step removed from national control of our children.

In the past, when Congress has been given the power to do a thing, experience has shown it has always exercised that power to the limit.

It may not do so at first, but ultimately we will have a national law prohibiting the labor of all children under 18 years of age without regard for the wishes or convictions of the people of half the States.

Congress will go to the extreme in this direction, but will probably leave the expense of caring for children in poorhouses and orphan asylums to the people of the State, to be paid for by the levy of State taxes.

We hear little discussion about working children upon the farm.

I was interested in reading the statement of the very able and well-informed representative of the National Farm Bureau, Mr. Gray Silver, who stated before the committee hearing this bill that his organization does not approve of the national limitation proposed and that it does not receive favorable response from the farmers. He states that, because of the diversity of employment, this is one of the matters which can be regulated most efficiently by the States.

He further stated that of the 1,060,959 children under age regularly employed, 647,309 were employed on farms, and he naturally assumes that if 61 per cent of those affected by this national law work upon farms it will be impossible to prevent the extension of national inspection and national police on the farm.

A NEW BUREAU

Congressmen are very eloquent on the subject of local control and opposition to the creation of a new bureau.

This amendment not only creates a new bureau with enormous cost, which will be followed by clerk-made laws, called "bureau regulations," but it takes from the power of the States and adds to the power of the Nation.

It is one big step in the direction of centralization, and centralization ultimately means monarchy.

The quiet toleration with which the encroachment upon the power of States has been going on has ceased. There is a rising tide of protest, and this protest is coming from the thinking men and women of America, from the great newspapers, the great educators, and the men who are entitled to the designation of thoughtful statesmen.

The day of political reckoning is coming. There is a distinct reaction against Federal encroachment. The special propagandists for Federal law have reached the zenith of their power.

Do not assume that it is good politics to advocate congressional control, for it is not. With the advent of Federal police and Federal inspectors the men in Congress who put the machinery in motion to bring them in will have to answer to their neighbors and their constituents. They will not be able to hide behind the special pleader, but must accept the responsibility for putting the movement into motion which brought the Federal inspector and the Federal policeman into the home and into the privacy of the family.

The time has come when Congress must give account of its stewardship.

Each individual Congressman who votes for a new bureau, or a constitutional amendment which creates a new bureau, must accept the responsibility of his vote.

The cost of these new bureaus is simply enormous. It is startling. If it reduced the cost of State activities and the taxes paid for the conduct of State and municipal affairs there might be some excuse, but the costs of State and local government continue and these new bureaus of the National Government are piling up costs at an alarming rate.

In 1871 the cost of Government, excluding the Army, Navy, and interest on public debt, was $62,777,066, an average tax of $1.58.

The cost of the Federal Government in 1921, excluding all costs of war or the expenses of war and excluding disbursements for Federal railroad control, reached the total of $825,968,057, or $7.64 tax per capita, five times the cost of 50 years ago.

Civil-service employees have increased from 53,900 to 560,853. It is due largely to the extension of national jurisdiction.

First we have a bureau, then the bureau asks to be made into a department, and then the department asks for a place in the President's Cabinet.

In 1889 the appropriation for the Department of Agriculture was $1,134,480. The current year it will be $85,000,000.

The Federal Trade Commission, established in 1914, had an appropriation of $75,000. This has been increased to $995,000, thirteen times the original amount.

The Children's Bureau, created in 1912, was given $25,640, with a staff of six persons. At the end of its second year it had 76 people on its pay roll, and its appropriation was $164,000. In 1923 it cost $1,240,000.

It is proposed that we have a national marriage bureau and a national divorce bureau. These will start with a small beginning and then run into millions each year.

We have under consideration a national education bill proposing a national educational bureau, with a place in the President's Cabinet, to cost $100,000,000 a year.

It is proposed that we have a social welfare bureau, with another Cabinet minister at its head.

Many of these objects are worthy, but are matters which should be controlled by the States.

States are already spending enormous sums for the same projects.

The duplication of national effort will not supplant the work done by States; it will simply result in two sets of officers trying to do the same thing, with interference, confusion, and friction.

If men want to destroy State government, why not be honest about it? Wipe out all the State lines and substitute one central government. Do away entirely with the duplication of government.

A vote for this amendment is a move in that direction which will soon be followed by others of a like character.

It is a breaking down, step by step, or, more properly speaking, measure by measure, of the functions of State government.

We have too many laws, too many regulations, too many restrictions.

The word "Verboten," which is a favorite sign in Germany, is now being seen all over America.

Over 10,000 bills trying to regulate the conduct of the people and the affairs of our Nation are now before Congress.

Nearly every one of our States have laws that relate to every conceivable subject.

An attempt is now being made to duplicate all these State laws by national laws, creating new employees and simply duplicating the cost of government.

We are having government by bureaucracy.

We have bureaus investigating business, bureaus controlling commerce, bureaus dealing with every phase of American life.

In 1916 we had 438,057 Government employees. In 1924 it has been increased to 550,607. We pay this civilian army $3,800,000,000 a year.

We can only guess what the cost of this new bureau would be, but if it is effective, it will run into millions. If it is not made effective, it ought not to be put upon the statute books.

I have heard of no demand for the passage of this amendment by the governors of States or the legislators of States. On the contrary, there has been a record of improvement which promises well for the future, and finally we must remember and emphasize the outstanding fact that this amendment will ultimately place under Federal control all persons under 18 years of age.

The amendment will not affect the rich; it will affect the poor.

The rich man's home will not be invaded by the Federal policeman and inspector. It will be the poor man who again comes under national regulation.

It will not be the rich man's boy who will be controlled. It will be the son and daughter of the poor man.

For these I plead some individuality of judgment, some of the rights of home, and some of the liberty that was handed down to us.

Why not have additional confidence in the judgment of the governors and legislatures of States for still further improvements?

form its supervision over both.

Can we no longer trust the people of the States and the legislatures of States to control the local affairs of States?

Those men and women who believe in one central government, who believe that all power should be vested in Washington, will be consistent in the advocacy of this measure.

Those who believe in local self-government, in the control of certain affairs by the State; who are opposed to bureaucracy; who do not want a duplication of State effort by national effort; who do not want an increase in useless Federal employees; who do not want an increase in Federal taxation, will not be justified, because of a special well-organized propaganda, in supporting this bill.

Union labor will be the first to suffer under its provision, because it means one more extension of Federal power, an extension which will ultimately lead to a great national constabulary of police, controlling all affairs of our people, with its directing head in Washington appointed by the President.

We must remember that one dollar in every eight is now used for the purpose of National, State, and local government. Six and a half per cent of the net income of the Nation is spent for this purpose, and we must in addition remember a vote for this amendment is a vote to substitute a remote and distant authority for local authority which is at home and in direct contact with the matters to be regulated.

Mr. HAWES. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN (Mr. COOPER of Ohio). The gentleman has that right.

Mr. TAGUE. Mr. Chairman, at the direction of the gentleman from Arkansas [Mr. TILLMAN] I yield five minutes to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Chairman and gentlemen, my concept of loyalty to the Constitution is not violated in my support of this amendment. The very preamble of that document declares that this Government was ordained and established partly for the purpose of promoting the general welfare. In Article V of the Constitution it is declared that Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to the Constitution.

Mr. LARSON of Minnesota. Will the gentleman also state by whom and for whom it was established?

Mr. UPSHAW. It was so plainly established by our fathers for the good of people yet to come that I hardly think it necessary to develop that idea.

Mr. Chairman, this House deemed it necessary to pass a child labor law in, I believe, the Sixty-fifth Congress. That law was declared unconstitutional. The law was passed because it had been found out that State government had not proven adequate. It was impossible to produce a nation-wide concert of action for the protection of the children, and because this House failed in its effort to keep upon the statute books the law that was passed to promote the general welfare, the friends of childhood come now and ask that the Constitution shall simply grant the Congress the privilege of passing a law for the protection of the children that will stay on the statute books.

I remember that the gentleman from Maryland [Mr. HILL] glanced admiringly at the galleries and said that he found himself unable at this time to be on the side of the women voters. I am reminded of the little hopeful who was wonderingly interested in the first visit of his paternal grandmother. She said to him, "I am your grandmother on your father's side and have come to stay awhile with you." He replied, "If you expect to stay long around here you'd better get on mother's side." [Laughter.] The thing that concerns me is not the fact that these women ask for this measure, but it is because in asking for this measure they are gloriously right from their concept of a love for the child that even the father can not understand. [Applause.] I think I have spoken to more children perhaps than any man on the floor of this House, nearly 4,000,000 of them, during my visits among the schools of America. I wish I could adequately explain to you the difference between the children who have been most of the time in the factories and those who have had opportunity to be outside of them.

Because of an engagement made long ago to speak in New York Saturday night on "Americanism on the job," and because I feel that that kind of talk is needed in New York right now, I will be compelled to miss the vote on this measure, but I want to go on record as favoring this and every other kind of legislation that gives the benefit of the doubt to that childhood from which the stalwart citizenship of America's future must spring. Frankly, I am opposed to the 18-year limit. I think it is too high and I would vote for an amendment to cut the age limit to 15 or 16, for I believe in the old-fashioned doctrine taught me by my sane old-fashioned father that every boy ought to know how a tired man feels.

But between the avarice that would coin wealth out of depleted childhood and that child that has a right to be well born and well developed, I take my place on the side of the children. I am standing for the roses on their cheeks and the luster in their eyes. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield three minutes to the gentleman from Texas [Mr. LANHAM]. [Applause.]

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield the gentleman five minutes.

The CHAIRMAN. The gentleman is recognized for eight minutes.

Mr. LANHAM. Mr. Chairman, I claim for myself that same sympathetic interest in the welfare of children which every normal person must feel, and am in hearty accord with all proper legislation, State and National, which would safeguard and improve their conditions both of work and play, but I do not believe that these purposes will be best served by this measure or that the necessity exists to adopt it. There are to-day child labor laws in 46 States of the American Union. Under the progress of State government the number of children engaged in gainful occupations has decreased 50 per cent in a single decade. Of the 1,060,858 now at work, 647,309 are found in agricultural pursuits, the great majority of whom assist their parents with the crops. Aside from the fundamental objections to centering all governmental power in Federal bureaus in Washington, can it be faithfully contended that a real necessity exists for this constitutional amendment in the light of the wonderful reduction in child labor in the States already so rapidly made? The Constitution should not be lightly or unnecessarily amended. The great improvement of the States under laws and agents of their own choosing negatives the necessity of authorizing an additional army of bureau agents at public expense to visit from Washington the people of the country and tell them how to run their homes.

In the section where I live it is often difficult for the farmer to make ends meet even with the proper help of his children. We are asked now to vote for a measure which would give to the Federal Government the power to limit, regulate, and prohibit the labor of persons under 18 years of age. Three-fifths of the children who are working to-day are on the farms of our country. There may be some good reason to deprive the farmer of the services of his 16 or 17 year old boy, but I must confess that I for one am unable to find it. Such labor is performed at a season when it does not interfere with the duties of school, and certainly those will not be found lacking who will rightfully contend that wholesome work in the open air is helpful in promoting both the physical and mental welfare of the growing lad. Surely the agricultural States may be relied upon to solve their problems in the best interest of their people.

In the old days we were told that the Government was founded on its homes. New teachers have now arisen who advise us that the homes are founded on Government agents. And so this proposal seeks to follow this new philosophy and send to our firesides these guardian angels from Washington. The principal complaint with reference to child labor seems to be directed against those who work in agriculture, and the outstanding purpose seems to be to make of Federal agents the lares and penates of the rural home. They are to be the godfathers to the farmers' children. I want to picture in the brief time allotted me the visit of one of these Washington agents to the farmer's roof under the operations of the pending proposition. And let it be understood in this connection that my remarks have reference only to those unnecessary officers that this proposal would create and not to men and women now engaged in a faithful performance in the States of proper functions of the Federal Government.

Let us suppose that the bureau officer arrives conveniently just before supper. Of course, he takes no scrip for his journey, for the fearing farmer will furnish him with his daily bread and his nightly bed. He is greeted with that show of hospitality which his authority naturally insures. His wards, the children, are graciously allowed the privilege of packing his grip to the best room, and the rules are also sufficiently relaxed to permit them to fill his car with water and oil and gas.

And so he enters the farmer's humble home with that commendable display of condescension which royalty can sometimes manifest when visiting obliging subjects. An appreciation of his importance is brought to his attention as he enters the door, for there, above the fireplace, where used to hang the old familiar motto, "What is home without a mother?" is another in its stead, which reads, "What is home without a Federal agent?" And over the door he observes with complacency another prayerful one, "Bureau officer, bless our home."

[Laughter.] What a fitting recognition of his supremacy! And then, the more to add to his comfort and to inspire a friendly concern for the welfare of the dependent household, the larder is emptied for the evening meal and he feeds on the best that the humble family can afford.

I see the group gathered after supper in the combination sitting and bed room—the agent, the father and mother, John, the fine, strapping son of 17 summers, and Jim, his equally hearty 16-year-old brother. For their delectation the distinguished guest kindly monopolizes the conversation and glibly descants upon the vast extent of his power, his importance, his prestige at the Capital. The attentive auditors listen in admiration and terror, eyeing with awe this Federal being so wonderfully and fearfully made.

At length arrives the hour for the usual nightly devotion. Of course, the Federal agent is glad to conduct it, but he does not read, to be sure, from the good old family Bible on the table beside him, which through all the years has been "a lamp unto our feet and a light unto our path," and ever should be. It does not teach quite the lesson he wishes to impress. So he substitutes for it an illuminating volume of his own, embodying the forceful precepts of the bureau. And these are the inspiring passages which his wisdom selects:

Consider the Federal agent in the field; he toils not, neither does he spin; and yet I say unto you that even Solomon in all his populous household was not arrayed with powers like one of these. [Laughter and applause.]

Children, obey your agents from Washington, for this is right.

Honor thy father and thy mother, for the Government has created them but a little lower than the Federal agent. Love, honor, and disobey them. [Laughter.]

Whatsoever thy hand findeth to do, tell it to thy father and mother and let them do it.

Six days shalt thou do all thy rest, and on the seventh day thy parents shall rest with thee. [Laughter.]

Go to the bureau officer, thou sluggard; consider his ways and be idle.

Toil, thou farmer's wife; thou shalt have no servant in thy house, nor let thy children help thee.

And all thy children shall be taught of the Federal agent, and great shall be the peace of thy children.

Thy children shall rise up and call the Federal agent blessed. [Laughter.]

These are the new and strange doctrines which he would preach.

Quite naturally, after the solemn contemplation of such novel instruction, the children of the company seek diversion in song, and quite as naturally the Federal agent leads them. The songs are the old ones, to be sure, but changed sufficiently to conform to the new conditions. First they sing the grand old tunes about father.

What's the matter with father? He's all wrong.
The Federal agent told us so and modified this song.
"The old man has to work," said he,
"But you just pattern after me."
What's the matter with father? He's all wrong.

And then that other old favorite:

Nobody works but father;
And we hang 'round all day,
Feet in front of the fire,
Spending our time in play.
Mother helps a little;
So does Sister Ann;
But the guy that works at our house
Is our old man.

[Laughter and applause.]

After these helpful melodies the children gladly join in a dear old modern song about mother:

Sure, I love the dear silver you dream of by day,
And the brow that is furrowed from drawing your pay;
I press the dear fingers that meddle with me;
O, there ne'er was a mother like Agent McGee.

[Laughter.]

Then they warble that plaintive old air of the Spanish-American War days, "Just break the news to mother." It has been appropriately altered, of course, and the tender term of "bureau man" has been substituted for the more prosaic word of "mother." It is true the alteration hinders somewhat the rythmical flow of the original lines, but is there not adequate compensation for this in the added strength of the sentiment?

Just break the news to the bureau man;
He loves me as no other can;
Just tell him not to wait for me
For I'm not coming home.
He is the only other
Who's dearer than my mother;
So kiss his dear, sweet lips for me
And break the news to him.

Finally, the group breaks up for the night. The agent, the cynosure of all eyes and the observed of all observers, uncomplainingly remains in the choicest quarters to muse further on the blessings of his supremacy; the father and mother, hopeful but bewildered, slowly wend their mystified way to the cottonseed bin, for lack of the spare room they have longed for, there to doze and meditate hazily upon this new order of creation; the big, stalwart boys betake themselves to their accustomed places, marveling at the wisdom and authority of their governmental parent and purposing firmly in their hearts some day to be themselves wonderful Federal agents.

The next morning the agent and the boys slumber peacefully on until father and mother apprise them that by their joint efforts the breakfast is ready. At length it is over and the parents must offer their humble apologies to their guest and depart, for it behooves father to leave for the cotton fields to pick the fleecy staple from the bolls, perhaps accompanied on the cotton rows by his wife; but for the further entertainment of the Federal visitor the strapping John is left at home to pick a fleeting tune on the zither, accompanied on the organ by his brother Jim. [Laughter.]

Is it not a beautiful picture? Who would not help speed its happy realization by voting for this measure?

Oh, what a marvelous creature is the Federal agent. Oh, how the people love him. I can not cite the following instances with approval, and refer to them facetiously, of course, but they are indicative of the regard in which the Federal agent has heretofore been held in some quarters. To those who have expressed the fear that Government agents may not be able to make themselves at home and grow accustomed to the new locations to which they may be assigned, let me bring it to their remembrance that in the old days some of the Federal agents, who have ventured into the mountains of Kentucky and Arkansas and Tennessee to regulate the labor of some of the citizens, have become so permanently attached to the local soil that they will leave it nevermore. [Laughter.] Let us hope for a happier fortune for those whom we now arrange to create.

Where and when, my friends, will the establishment of Federal bureaus end? This proposal plans to take their agents to our very homes. Washington is to direct all our energies and tell us what to do. Individual incentive and effort and zeal are to be no longer necessary. Our emotions will be prompted from the Federal Capital. If we continue this course, some day we may reach the time when we may appropriately paraphrase the familiar verse and say:

Breathes there the man with soul so dead,
Who never to himself hath said,
"This is my own, my bureau land!"

[Applause.]

Mr. TILLMAN. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. TAGUE].

Mr. TAGUE. Mr. Chairman of the committee, a great deal has been said here to-day by the opponents of this bill that it constitutes an assault on the age-old institution of State rights. The matter of sustaining and maintaining State rights is not a matter to be lightly set aside, and I am generally in full accord with the safeguarding of the sovereign rights of the several States of our Union. However, a more important matter, in my opinion, is safeguarding the futures of the children of the country who will some day direct the destinies, government, and interests of the States. Their rights precede the rights of States, and this bill proposes to give every child in the United States the protection of its National Government against the avarice of big business.

If it appeared at all possible, perhaps it would be best to leave this all-important matter in the hands of the governments of our States, but that has already been tried without success. There is such a wide variation in the standards of child labor by the various States that there is need for uniform laws whereby a child resident of one State will have the same opportunities, the same protection, as the children of other States. Under our present condition it is not true "that all men are created equal." Only 18 of our 48 States

how a tired man feels.

another prayerful one, "Bureau office,

now have child labor laws to equal or surpass the two Federal child labor laws which have been in operation during the past decade. One State has set no minimum working age for children; 46 States fix it at 14 years or higher for boys and girls in factories or stores and canneries. One State does not regulate the working day for children in any way; 17 States allow children under 16 to work 9, 10, or 11 hours a week; and only 30 States limit the working day for children under 16 years to 8 hours a day. Four States have no prohibition of night work for children under 16; 1 State prohibits night work for children under 14 years 6 months; 5 States prohibit night work for children under 16, with exemptions for certain favored industries; and 36 States prohibit night work for children under 16. Fifteen States allow the employment of children under 16 in mines and quarries and 7 States prohibit in mines but not in quarries. Seven States prohibit night work for children under 16, with exemptions, and 26 without exemptions. Thirty States have no street trade laws applying to boys, and only 10 States have state-wide laws.

Several days ago we considered a restrictive immigration bill and it was passed by this House, and subsequently by the Senate. During the hearings on that bill before the Committee on Immigration and Naturalization much stress was laid on the illiteracy of the inhabitants of some sections of the country. When that bill was being considered in the House I stated that I desired no controversy with the compilers of those statistics, but assuming the figures presented are correct there is presented a very good argument for the enactment of a child labor amendment to the Constitution. Most of the illiteracy found in the United States should be laid at the doors of the State legislatures which have failed to enact State laws requiring the school attendance of minors. Eighteen States have no definite educational requirement for children leaving school to go to work; only 12 States require the completion of eighth grade before issuing employment certificates, and in some of these the enforcement of such laws is neglected and inadequate.

Speaking for myself, there is no element of sectionalism in my desire for the enactment of this bill. While the Southern States have a larger percentage of child labor than any other section of the country because of the predominance of agriculture in the South, the New England States have a larger proportion of child labor in nonagricultural work than any other section. Pennsylvania has a larger number of children employed in manufacturing than any other State. So, while some of my colleagues may feel this bill is directed against their particular section of the country, this is not true. The census of 1920 shows that there are 1,060,858 children between the ages of 10 and 15, inclusive, employed in the United States. Six hundred and forty-seven thousand three hundred and nine are employed in agricultural pursuits, 7,191 in mining, 185,337 in manufacturing, 18,912 in transportation pursuits, 63,368 in trade, 1,130 in public service, 3,465 in professional service, 54,006 in domestic and personal service, and 80,140 in clerical occupations. All of these figures represent children engaged in gainful occupations at an age when they should be at school. In some States absence from school of large numbers of children when seasonal activities are at the highest point is common. Harvesting crops, canning, and other activities in which children can be employed profitably attract the children away from schools. There is urgent need for regulation—uniform regulation—of this menace to the man and woman of generations to follow ours. The census of 1920 shows nearly 5,000,000 illiterates in the United States. The continuance of the existing laws regulating child labor will not diminish this figure proportionately, and it is for Congress to act to require every child to have a measure of education sufficient at least to remove him from the class of illiterates. Under this bill this can be done.

The House Committee on the Judiciary has favorably reported this bill—House Joint Resolution No. 184—and recommends its passage. It should pass, for it is legislation for remedying an evil which threatens the future prosperity of our country. Previous attempts have been made to remedy this evil of child labor by statutory law, and they have failed because of their failure to conform with the provisions of our Constitution. On September 1, 1916, the first child labor law was adopted and became operative one year after. On June 3, 1918, the United States Supreme Court by a vote of five to four declared that act unconstitutional on the ground that it was not a legitimate exercise of congressional power to regulate interstate commerce. On February 24, 1919, Congress included in the revenue act of 1918 a provision for a 10 per cent tax to be imposed on establishments employing children in violation of the age and hour standards provided by the act of September 1, 1916. This last law became operative April 25, 1919, and was in effect until May 15, 1922, when it was held to be unconstitutional by the United States Supreme Court on the ground that it was not a valid exercise of the right of Congress to levy and collect taxes. These setbacks which this type of legislation have received appear to have acted as an incentive for the further employment of children in gainful occupations, and passage of these two laws by Congress have really done more harm than good. It now requires that we utilize every means at our disposal to prevent further infringements on the twice expressed intent of Congress. There no longer is any middle ground; we have our duty set squarely before us. We must recognize the equal rights of every child in the United States to his hours of schooling and his hours of playing. Exploit of children in industry is profitable for stockholders in manufacturing, mining, and agricultural pursuits, but it constitutes a serious loss to the welfare of our country.

In conclusion I am just as willing that the provisions contained in this act be imposed on Massachusetts as I am for them to be imposed on Mississippi. I feel confident that this act if presented for the approval of the Massachusetts Legislature will be approved almost unanimously. I hope the legislatures of every other State in the Union will do likewise.

Mr. SUMNERS of Texas. Mr. Chairman, I yield two minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Will the gentleman from Pennsylvania give me three minutes?

Mr. GRAHAM of Pennsylvania. Mr. Chairman, in recognition of the gentleman from Texas, who so frequently interrupts when we are trying to pass some legislation, I yield him three minutes.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, until a short time ago I thought that I would support this amendment, but I have been giving serious thought to the question during the past few days, and the more I think about it the more convinced I become that I should vote against it.

If this power to control all children under 18 years of age is once given to the Federal Government by the States, it will be given for all time to come, and there will be no getting it back. The Federal Government never gives up any of its power. Twenty-five States might sadly repent of such action, yet they would be powerless to rectify the mistake.

Some of our colleagues seem to imagine that fathers and mothers are so very cruel to their children that it is necessary to give over their management and control to the Federal Government, in order that they may receive just treatment. They seem to assume that there is no harshness and nothing cold-blooded in the Government's attitude toward children. Very fortunately we have in our minds some very sad experiences now to guide us, for until just recently the Government has had the authority to go into every home in our Republic, and in peace time, without the knowledge or consent of the mother and father, through the blandishments of slick-tongued recruiting officers, induce young boys to run away from home and enlist in the Army and the Navy.

And if these young boys happened to be 18 years of age, their parents had no way on earth to get them out. These young boys have been placed down in the hold of a ship, and forced to shovel coal in furnaces, dirty, black, and perspiring under heat so intense that few men unaccustomed to it can stand it. They have learned that their promised fairy trip of pleasure and sight-seeing around the world was but a dream, and that the reality was drudgery a hundred times worse than any they had ever imagined they were suffering in healthful work on their father's farm, and they pined with intense longing for home and mother and farm again. And they would get letters stating that their mother was distracted and sick; that their father was unable to carry on the work; that the mortgage would soon become due, and that unless they could come home their mother might lose her mind. But when application for discharge was made they learned that none of those facts were sufficient, and they would have to serve out their term of enlistment. We have learned something about the mild treatment our Government accords young boys.

And we know from experience just how very hard it is to break loose the Government's hold on young boys, once it has gotten control of them. We know just how long and just how hard a fight it took for Members of this Congress to break that hold and pass a law that hereafter no boy under 21 years of age shall be taken from his home into the Army or Navy during peace times without the written consent of his father and mother.

Thank God such a law was passed by this Congress. But it took many years to do it. Members have raised the question every year in every Congress since I have been here, but would be met by a determined fight against such emancipation each time. For years it seemed to many of us that it was almost impossible to break loose this strangle hold our Government had upon the young boys of this country. But this Congress finally broke it. And thenceforth no boy under 21 years of age can be taken into the Army or Navy during peace times against the wish of his parents.

State legislatures are directly responsible to the fathers and mothers they represent. Only one forty-eighth of the Congress are directly responsible to the parents of a particular State. From what I know about Congress I am not willing to believe that it will pass only wholesome measures. I have seen it get into a mood and record votes that seemed absurd and ridiculous.

I have seen brute force exerted on this floor. I have seen steam rollers operate, when it would be impossible even to discuss a pending measure. I have seen bills with over 100 printed pages reported by committees for passage which had not been read by committee, and I have seen numerous Members vote on important measures when they hurriedly inquired of the Doorkeeper as to what issue was up just before casting their vote. I have seen Congress under "spells," and I am unwilling to transfer to it all control over the Texas boys and girls of my native State. I much prefer that the legislature of Texas should handle this question for the people of Texas.

I was very much impressed by the speech of the gentleman from Missouri [Mr. HAWES]. He spoke of his legislature out in Missouri, a house of 144 members, and a senate of 44 members, and a governor, being better able to decide the question for the State of Missouri than a bureau here in Washington. I believe that the legislature of the State of Texas is better able to handle this question for the boys and girls of my State than is Congress. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman from Pennsylvania use some of his time?

The CHAIRMAN. Does the gentleman from Pennsylvania care to use some more of his time?

Mr. GRAHAM of Pennsylvania. I will yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

The CHAIRMAN. The gentleman from Maryland is recognized for 10 minutes.

Mr. LINTHICUM. Mr. Chairman, I am opposed to this amendment to the Constitution which gives to Congress the right to limit, regulate, and prohibit the labor of persons under 18 years of age. I realize, of course, that it will be argued that the States are protected by section 2, which says:

> The powers of the several States are unimpaired except that the operation of State laws are suspended to the extent necessary to give effect to legislation enacted by Congress.

Thomas Jefferson said:

> I am for preserving to the States the powers not yielded by them to the Union, and I am not for transferring all the powers of the States to the General Government.

No one can successfully deny that this amendment, if adopted by the States, will place it in the power of Congress to control all the activities of persons under 18 years of age. I know of no grant of Federal power which more deeply affects the activities of our people and which centralizes in the Federal Government a greater power than does this proposed amendment. The very rooftree of the home is invaded.

Human relations, whose regulation was reserved to the States and their people, are by this measure vested in the National Government. If Congress assumes the right under this proposed amendment to legislate as to what work can be performed by children under 18 years of age, it has likewise the right to prescribe under what conditions and under what educational facilities they may work.

If it has power to prescribe the educational facilities necessary for work of children under 18 years of age, it has like power to prescribe when, where, and under what conditions they may be educated. You may say this is far-fetched, is carrying to the extreme, and so forth, but who is there before me to-day who dreamed that under the eighteenth amendment, which presumably was limited to "intoxicating liquor for beverage purposes," ever imagined that Congress would go so far as to define one-half of 1 per cent as intoxicating, or would regulate the manufacture of industrial alcohol and the various other ramifications which are possible under the Volstead Act, carrying the eighteenth amendment into effect, which everybody believed meant what it said and said what it meant when it was adopted. Who can define to what extent laws are possible through this innocent-looking child-labor amendment now under consideration?

I feel that in matters purely local, where conditions are different in almost every State of the Union, State matters should be left to regulation by the States. The people of Maryland are self-reliant and self-respecting. They have no desire to further enlarge the powers of the Federal Government and to it designate those things which they can better perform through their State legislation. The Federal Government is already burdened with innumerable affairs, diversified interests, and overhead expenses.

Why should Maryland or any other State desire to give to men from all parts of the Union the right to legislate as to what the children in the respective States may do? Why should they desire to interfere or meddle in any way with our domestic relations when we are fully competent to perform that service, and have by splendid legislation fully protected the children of our State? Our Federal Government was not framed nor created to be a social government or to regulate people's private or family affairs, but solely for common defense and common trade. It is true it has been stretched by construction and grant until it is actually becoming an unwieldy bureaucracy. We can not experiment with amendments; no Federal grant of power once made has ever been recalled. The Federal Government has by amendment, construction, and grant centralized about itself almost all powers of government, and if this grant is made, there will be little left of our much-vaunted State rights, or local self-government, for which our ancestors fought in the Revolution, and which they thought had been forever preserved to their posterity, as recited in the preamble to the Constitution.

A great rent was made in this charter of liberty by the eighteenth amendment, but I verily believe this proposed child-labor amendment will go further into the domestic and personal relations of our people.

The regulation of child labor is very essential and should be performed by the States themselves. The people should not allow themselves to become divorced from it and delegate the responsibility therefor to the Federal Government, far removed from the wants and wishes of the individual. We should not allow ourselves to become so obsessed with the regulation of this important detail as to lead us to permit an attack upon our American principles and to destroy the purport of the Constitution.

This amendment wounds it in a vital spot. There would be little to say after this breach. We will be well on our way toward centralization, which has brought about the disruption of so many nations of history.

The amendment, if adopted, will not be through the vote of the people, but "by legislatures" which perhaps have not been elected with reference to the amendment or perhaps elected before the amendment was proposed, or perhaps called into special session for its adoption. Certainly if this amendment is to be submitted it should be by conventions elected for that purpose, which would at least give it the sanction by vote of the people so far as can be had under the Constitution.

We can not afford to abandon our solemn obligation to preserve local self-government and all the rights and cherished privileges which the people reserved for themselves when they entered into contractual relations in the beginning of our Government when we ordained and established the Federal Constitution. For me I am willing to legislate for all powers granted under the Constitution, but am opposed to further extensions thereof. [Applause.]

The State of Maryland and its people should be foremost among the guardians of our Constitution. It is a noteworthy incident that it was the Maryland-Virginia convention which met at Annapolis that called the convention to meet in Philadelphia in 1787, at which latter convention the present Federal Constitution was framed, discussed, and finally adopted.

The Constitution written at Philadelphia was submitted to the various States, and had been pending before them for ratification for more than six months when the convention of the State of Maryland met for the purpose of taking action on the subject. In several States it had been under close investigation and had been ratified by some. The question had been raised in their several conventions and it was thoroughly understood, that upon the ratification of the Constitution by nine States or more it was certain that several amendments would be proposed to that instrument securing certain reserved rights to the States. It was manifest to Maryland that these amendments would be proposed and agreed to by the mutual consent of the States even though the Constitution had been already ratified.

to be imposed on establishments employing children in violation of the age and hour standards provided by the act of Sep-

during peace times without the written consent of his father and mother.

carrying the eighteenth amendment into effect, which every-

States even though the Constitution had been already ratified.

It was plainly agreed and understood by the Maryland convention as the debates will show that no power was to be relinquished except that which was delegated by the terms of the Constitution. The convention of Maryland by resolution ratified the Constitution by a vote of 63 to 11, with the plain understanding and obligation that the amendments proposed by Governor Hancock and Samuel Adams, of Massachusetts, and Thomas Jefferson, of Virginia, would be ratified by the States thereafter. The great Marylander, Luther Martin, had laid his views before the convention and the people of Maryland, and after giving due consideration to all that he had said, and the things said and done in the other conventions, Maryland gave her consent to the Constitution upon the sole ground that she delegated only certain powers and reserved all others to herself. Little did the fathers dream of the incursions which are being made upon their compact resulting in the vast centralization of power in the Federal Government. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from Maryland yields back one minute.

Mr. TILLMAN. Shall I yield time, I will inquire of the gentleman from Pennsylvania?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. TILLMAN. Mr. Chairman, I yield three minutes to the gentleman from Indiana [Mr. COOK].

The CHAIRMAN. The gentleman from Indiana is recognized for three minutes.

Mr. COOK. Mr. Chairman and gentlemen of the House, if we are to take literally that which several gentlemen have stated here, it would appear as though we were enacting a law to prohibit boys and girls from working upon the farms.

That is not the proposition at all. And it would appear further as though by our action here we would be taking from the States certain rights that now belong to them. I recognize those rights of the States, and also the rights of the Federal Government. We are doing nothing whatever of that kind. All that this body can do is to propose the amendment and the States will decide whether they will surrender their rights and let the Congress regulate this question. That question will rest upon the judgment of the several States. [Applause.]

This Congress can not take the power to regulate child labor from the States without the States voluntarily surrendering that authority. Therefore all that we are doing is to propose it.

This question has been discussed in the country for 25 years. The Democratic Party while in power passed the first child labor law, which was held unconstitutional. Then later on another child labor law was passed and that was held to be void. The question has been agitated for all of this time, so that the question has been discussed to such an extent that it has certainly become a national question, and the people of the States are entitled to an opportunity to express their opinions thereon.

That is all we are doing. I recognize the rights of the States. But that is not the question here. It is for the States themselves to say whether they will surrender these rights or not. I respect the wisdom of our fathers. If we are to listen to some of the arguments here one would suppose that our fathers intended to put into the Constitution a declaration that we never should amend it.

Why, the very first Congress which assembled after the Constitution was ratified proposed 10 amendments; then we had 2 more; then we had 3 more growing out of the Civil War; then the Democratic Party proposed 2 more and made a fight for amending the Constitution as to the income tax and the election of Senators by the direct vote of the people. Gentlemen talk about surrendering the rights of the States. As a matter of fact, the States must first voluntarily surrender those rights before this amendment can become a part of the Constitution. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MERRITT].

The CHAIRMAN. The gentleman from Connecticut is recognized for 10 minutes.

Mr. MERRITT. Mr. Chairman, this proposed amendment to the Constitution is most difficult to discuss, especially for one who finds himself unable to support it. Its very name carries with it a sentimental appeal which affects everyone, and an implication that anyone opposing it favors child labor. Of course no one wishes to have children or children's labor exploited in any direction or by anyone and everyone naturally feels that children must be protected by any necessary legislation. Therefore, as to the objects to be attained I suppose there is no difference of opinion, but the question is how, in the end, the children of this Nation are best to be protected; what is necessary legislation; and where should such necessary legislation be enacted. During the past 20 years there has been a great awakening in this country and throughout the world to what is called social justice. The results have in many cases been beneficial. The motives of all associations looking toward social betterment are good and they are fostered by good and public spirited men and women. It happens almost universally, however, that these associations want immediate improvement of the conditions concerning which they complain, and they generally desire that these improvements shall be accomplished by law. There is a curious and mistaken notion in the minds of most people, and especially American people, that if you pass a law embodying good motives the evil is automatically cured. They fail to remember that in a democracy, where every individual is a part of the government, the only possible way to produce real reforms is first to educate and reform the individual units. They fail to bear in mind that no democratic government in any respect can be better than the average public opinion of its units. In these times, therefore, when so many so-called reform movements are under way, it is particularly important to base one's judgment on the consideration of fundamental social and economic law and to bear in mind that real reforms must come slowly because they must, in the end, depend upon enlightened public opinion, which must in turn depend upon the education of the individual. And in this country it is especially important to bear in mind the fundamental political structure of the Government. It is of little force to cite what other countries such as England or Germany or France do or have done in the matter of education or social welfare, because those countries are relatively small in extent and have grown from an entirely different base.

We must remember that this country is continental in extent, with a heterogeneous population, with the widest variety of physical and climatic conditions, and the widest variety of industrial conditions. We must remember also that the States were in existence before the United States, and that it was the States which, by surrendering certain definite parts of their sovereignty, formed the Union, and each State reserved all its rights not specifically surrendered to the United States. This was no mere form of words, but throughout the entire history of the country it has been recognized that the States and their sovereignty are absolutely essential to the life of the Government. Many statesmen have declared from time to time that to carry on our Government properly the States, if they had not existed, must have been created, because it is not possible under existing conditions in our country properly to regulate social affairs through any central agency.

Mr. LARSON of Minnesota. Will the gentleman yield?

Mr. MERRITT. I must decline, because I have very limited time.

The States in forming this Union surrendered of their sovereignty only what was necessary for the purposes for which the new Government was adopted. Those purposes are thus described by Hamilton in No. 23 of the Federalist:

> The common defense of the members; the preservation of the public peace, as well against internal convulsions as external attacks; the regulation of commerce with other nations and between the States; the superintendence of our intercourse, political and commercial, with foreign countries.

And the statement of the powers reserved to the States is set forth by Madison in Nos. 45 and 56 of the Federalist:

> The powers reserved to the several States will extend to all the objects which in the ordinary course of affairs concern the lives, liberties, and properties of the people and the internal order, improvement, and prosperity of the State. * * *
>
> By the superintending care of these (the States) all the more domestic and personal interests of the people will be regulated and provided for. With the affairs of these the people will be more familiarly and minutely conversant.

If the separation and distinction of powers above set forth were important when the Union was founded, how much more important are they when the country has extended itself across the continent and has grown from a handful of people to a population of more than a hundred million. Meanwhile, the variety of interests and the complexity of social relations, compared with colonial days, have increased a hundredfold. The truth of this statement is emphasized by the fact that of the States which have already adopted child-labor legislation, or which are endeavoring to legislate wisely and with the interest of the child in view, nearly every one has made exceptions and special provisions to cover conditions peculiar to that State. It is obviously impossible, even if this constitutional amendment should be passed, for any central authority here in

Washington, whether the Congress or a bureau, to make laws and regulations which shall provide for the differing population and differing conditions in the several States as wisely as these States can provide for themselves. If the reply is made that these variations can be taken care of by bureau regulations, then you will have a government of men and not of law.

There has been of late years a strong tendency for the United States to absorb more and more of the so-called police power of the States. We have the Interstate Commerce Commission running our entire transportation system. We have the Federal Trade Commission, with its strong arm reaching out to affect every commercial business and enterprise. We have United States tax commissioners sending their agents into every office and every probate court and every home. And we have a United States prohibition commissioner attempting to guard, in one direction at least, the morals of our citizens.

I am not arguing now whether some of these activities are not necessary or whether some of them may not be beneficial, but I am pointing out that this tendency and this legislation have had the effect of turning the eyes of the country in all cases where any wrong is supposed to exist or where any improvement in existing conditions is desired, not to the State legislature, not perhaps to their own city or town government, but to Washington. This tendency has the result of diminishing the feeling of personal responsibility and municipal responsibility and State responsibility. Any man or any community feels more interested and more concerned in anything for which he himself is responsible and in which he himself has a part. Washington is so far away and the United States has so many millions of people in it that it is difficult for any individual or any community to feel either much responsibility for governmental activities or to feel that what that individual or community does can have much effect on the general result.

The secondary effect of this feeling is a lack of interest, a lack of responsibility, and to that extent the weakening of democratic self-government. If I am right in these general observations, it would seem to be clear that, if it can be done, it will be better for the communities and better for the children themselves if their special communities can feel their responsibility and have the actual care of their welfare.

In the hearings Miss Abbott, head of the Children's Bureau of the Department of Labor, was asked how long there had been definite progress in the United States with reference to the improvement of conditions of child labor, to which she replied as follows:

> Well, of course, the whole theory has completely changed in 100 years. One hundred years ago child labor was thought to be a good thing and was advocated. In that 100 years there has been a complete change of public opinion with reference to it. That change of opinion came slowly, but before the Civil War five or six States had started toward regulation and control. Most of the regulation and control, however, has come in the last 20 years, since the census of 1900.

And later in the same hearing she was asked whether the agents of the bureau found any general drift of opinion in the States in favor of improving conditions, and she replied as follows:

> I think very great improvements have been made in a number of directions in the last 20 years. If we include the whole range of child welfare—dependent, neglected children and delinquent children, child health, and all sorts and kinds of public undertakings for children—great improvement has been made.

It seems clear, therefore, from this testimony—and I think it is within the knowledge of every man in this House—that the States are gradually, and indeed rapidly, not only appreciating the importance of protecting growing children from exploitation but they are legislating effectively in that direction. It will be found in the hearings that there are practically no States now without some beneficial child legislation and very few States where the conditions are said to be really bad.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. MERRITT. May I have five minutes more?

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield the gentleman five additional minutes.

The CHAIRMAN. The gentleman from Connecticut is recognized for five additional minutes.

Mr. MERRITT. Many statistics and figures are given in the hearings to show how many children throughout the country are engaged in gainful occupation, but when these are sifted it will be found that nearly all of them are engaged in agriculture in one form or another, that practically all are engaged only part time and during their school vacations, and they entirely fail to show that any considerable number are injured by the work which they do. Gentlemen in favor of this amendment have stated that they are moved by the principle involved, and not by the particular number of children affected. But I think that the statistics affect the principle in this way, namely, that they show, and Miss Abbott's testimony shows, that local sentiment is gradually taking care of this question. If the principle of self-reliance and initiative and interest in the Government is the principle on which this country has grown and on which it must rely not only for its growth but for its very life; if these characteristics are important, then I say that United States control of the social life of the family and the individual as permitted by this child labor amendment will do the present generation and coming generations of this country in the aggregate more harm than good. They will see and their parents will see United States inspectors, directed from Washington, in every farm and in every factory and in every family from Maine to California and from Florida to Oregon. They will feel that the real power and the real responsibility in this country is in Washington, and not in their own State and their own community, and this feeling, in my opinion, will do more to weaken the feeling of civic responsibility and civic pride, and therefore in the end do more harm to these children and their descendants than any possible good which can come out of this child labor amendment. Remember that every good which can come out of it is already accomplished by State action in nearly all the States, and will in the very near future be accomplished in all the remaining States.

A generation is not a long period of time in the life of a nation, but the blighting effect of taking away the police power of the States and centralizing it in Washington will be perpetual. In an address before the American Bar Association in August, 1922, Mr. Coolidge, then Vice President, said:

> In a republic the law reflects rather than creates a standard of conduct. To dragoon the body when the need is to replenish the soul will end in revolt.

Mr. Coolidge was not then speaking of any specific law or of any specific movement, but what he said was of very general and important application. Applying it to the matters covered by this amendment it is of supreme importance that what Mr. Coolidge speaks of as the standard of conduct should be created in the different States and communities by enlightened local opinion, and that it should not be forced upon them by any central authority, whether constitutional or otherwise.

I do not like to inject into a discussion of a question of this sort the question of appropriations, because, while the expense of Government and Government bureaus is important, it is not so important as the principle involved. But it is perfectly evident that if this amendment passes and the Children's Bureau, or whatever bureau has charge of the carrying out of this law, begins to function, the growth of its activities and the number of its employees will surpass the greatest expectation or fears, as the case may be, of any Member here. It was shown in the hearings that the Children's Bureau began in 1915 with an appropriation of $25,000, and that to-day, less than 10 years later, its appropriation is $1,400,000. In 1900 there were in the United States administration, outside of the regular departments, three independent establishments with an annual appropriation of $820,000. In 1920 there were 33 independent establishments for which the appropriation was $650,000,000, which is $200,000,000 more than was required in 1900 to operate all the departments of the Federal Government.

Mr. FOSTER. Will the gentleman yield? The gentleman should state that those figures include the amount to enforce the maternity law.

Mr. MERRITT. I can not yield. The gentleman can correct my statement in some other way.

Practically all of the States which have legislated on this subject have confined their legislation to children up to 16 years of age. This amendment proposes to give Congress the right to legislate up to 18 years of age. I do not know the reason for this, but I think that most of those who listen to me will agree that when a boy gets to be 16, certainly with the help of his parents or friends he can quite as well determine what is best for him to do as some bureau chief in Washington can determine for him. I do not see why, if the Congress is to control a boy or girl up to 18, the control should not continue up to 28, and if it is to have power to regulate employment up to 18, why it should not have power to regulate all other personal and family relations? If this amendment carries it will undoubtedly be followed later by other encroachments of the United States in other directions, so that in the

end the different States will be like the Departments of France or like the different parts of the German Empire and will be governed or practically governed by commissioners from Washington.

The whole question was admirably summed up during the hearings by my able friend from Texas [Mr. SUMNERS], when he said that the two views—

represent a conflict between the two ideas of government. One is that you should have government come up from the people; and the other is that the Federal Government, with an elected personnel of less than 600 and between five and six hundred thousand appointed officials should substitute its will and government for the will and government of the people of the States or citizens of the States.

To picture all the youth of this country, boys and girls, legislated into idleness for the first 18 years of life is startling, and yet if you pass this amendment it is quite possible. Who can tell what effect on future Congresses the zeal of bureaus and their agents and the propaganda of well-meaning societies may have? If you pass this amendment one can easily picture a Federal agent standing guard on a farm to prevent the children from 18 down from helping their father in his work. There is now a general complaint that young people do not want to work. Is it likely that these complaints will diminish if, by law, you prevent all of them, even those who want to work, from working for 18 years?

It may be said that no Congress will enact a law so fantastic; but why should we, even by constitutional amendment, give opportunity for such fantastic legislation? Gentlemen, it is a solemn thing to amend our Constitution, and it is a solemn thing to take away from the State, the town, and the family direct responsibility for their children. Consider well before you vote to do it.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BEGG, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 184 and had come to no resolution thereon.

WORLD WAR FOREIGN DEBT COMMISSION (H. DOC. NO. 243)

The SPEAKER laid before the House the following message from the President of the United States, which was read and with the accompanying papers referred to the Committee on Ways and Means and ordered to be printed.

To the Congress of the United States:

I am submitting herewith for your consideration the report of the World War Foreign Debt Commission, dated April 25, 1924, together with a copy of the agreement referred to therein, providing for the settlement of the indebtedness of the Kingdom of Hungary to the United States of America. The agreement has been executed on April 25, 1924, with my approval, subject to the approval of Congress, pursuant to the authority conferred by act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923.

I recommend the approval and authorization of this agreement.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 25, 1924.*

INTERNATIONAL EXPOSITION AT RIO DE JANEIRO (S. DOC. NO. 98)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Industrial Arts and Expositions.

To the Congress of the United States:

I transmit herewith a report by the Secretary of State, forwarding, in conformity with section 9 of the joint resolution approved November 2, 1921, providing for participation by the United States in the international exposition which was held in Rio de Janeiro in 1922–23, the departmental reports called for by sections 5, 6, and 7 of the joint resolution.

While not required by the resolution, the Secretary of State submits also, merely for the information of Congress, the report of the commissioner general to the exposition in two forms, namely:

1. The report in five volumes containing illustrations; and
2. The report in two volumes without illustrations.

The attention of Congress is invited to the request of the Secretary of State that Congress will not, by any legislation, require that the expense of printing and binding of this report in either form should be charged to the appropriation or allotment of appropriation for the printing and binding of the Department of State for the current fiscal year, notwithstanding the provisions of Public Resolution No. 13 of March 30, 1906.

It will be observed that the Secretary of State states that there is an approximate balance of $200,000 in the appropriation of $1,000,000 provided in the deficiency act approved December 15, 1921, for the expenses of taking part in the Rio de Janeiro exposition, against which balance it would be perfectly proper for Congress, should it so desire, to order the printing and binding of the report to be charged.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 25, 1924.*

CHILD LABOR CONSTITUTIONAL AMENDMENT

Mr. GRIFFIN. Mr. Speaker, I am in favor of amending the Constitution in order to enable Congress to pass appropriate legislation safeguarding the life, the health, and the future of the children of our land. There is, however, no necessity to give to the Federal Government a greater grant of power over the individual States than the economic conditions of the Nation require.

The need for some enlargement of Federal powers is obvious, but in the excess of our zeal we should not ask the States to surrender any more of their jurisdiction than is absolutely necessary to accomplish our benevolent purpose.

What is that purpose? It is to prevent the childhood of the land from being exploited and ruined in health by enforced labor in arduous and dangerous employments.

No one will contend that helping his father to do the chores around a farm will endanger a boy's health; nor selling papers, nor helping the butcher, the baker, or the grocer in delivering parcels after school hours. Yet, under House Joint Resolution 184, which has been reported out of committee, it would be put within the power of Congress to prohibit any child under the age of 18 from engaging in such useful, harmless, and profitable employments.

The proposed amendment gives Congress the power "to limit, regulate, and prohibit the labor of persons under 18 years of age."

That, in my opinion, places the limit of age too high. Congress ought to have the power to regulate and control the conditions of labor of children, but it should not be vested with the power to prohibit entirely their employment at any age except, perhaps, under 16.

What are we to do with our youth after they have finished their primary education? Some are not fitted for college education. Is it not better to have them engage in useful work which will help their parents and at the same time encourage habits of thrift and industry, than to bring them up in idleness, lead them into temptation, and ensnare them in the meshes of vice?

My concept of the proper scope of a constitutional amendment on the subject of child labor is as follows:

I. Congress should prohibit the labor of persons under 16; but only in dangerous or hurtful occupations, as in mines, quarries, mills, canneries, workshops, factories, or manufacturing establishments, and only regulate and control it in other occupations.

II. It should not prohibit the labor of persons over 16 anywhere.

III. But it should regulate and prescribe the conditions of labor in dangerous or hurtful occupations for the benefit of persons over 16, whether men or women.

In conformity with those principles I have introduced the following House joint resolution:

Joint resolution (H. J. Res. 223) proposing an amendment to the Constitution of the United States relating to child labor.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

ARTICLE —

"Congress shall have power to prohibit the employment of persons under 16 years of age in mines, quarries, mills, canneries, workshops, factories, or manufacturing establishments, and to prescribe the conditions of such labor therein of all persons over the age of 16 years."

My amendment gives the power to Congress to prohibit the labor of children under 16 in certain hazardous, dangerous, or unhealthful occupations, coupled with the power to regulate the conditions of labor of all persons, men and women alike, over 16 years. This is as far as we ought to go. It will be amply sufficient to meet the evils complained of. To give Congress larger latitude would unnecessarily hamper the freedom of the individual States to meet local conditions. The evils aimed at by this constitutional amendment are materially less than when this movement began. To-day 46 States have child labor protective laws.

The only excuse for Federal intervention now it seems to me is to lay the foundation for a large and expensive Federal bureau with its supervisors, inspectors, and enforcement officers ensconced in fat jobs all over the land. We have already gone far enough on the pathway of Federal interference, and it is time to call a halt.

Let us vest in Congress the power, and only the power, that it actually needs in view of the Supreme Court decisions; but beyond that it is unsafe and unwise to go, if we are at all concerned about preserving the initiative and self-respect of the individual States.

I fear the inroads of the Federal Government not because I am a Democrat, but because I am an American, revering the basic principles upon which our Government was founded.

State sovereignty is just as vital to the preservation of our system of government as local home rule. The basis for both is only an enlargement of the concept of individual liberty. Liberty and equality are the foundation stones of this Republic. That a man's home is his castle has become a maxim firmly embedded in English and American law. There can be no true freedom where the rights of the individual are hampered, controlled, regulated, and harassed by petty legalistic restrictions. There can be no true freedom where cities, towns, and villages are coerced and dominated by State laws. Where they are so dominated their status soon becomes that of a conquered province. Such a relationship between the smaller and the larger units of government does not make good citizenship. It excites resentment and stirs up the spirit of revolt. The same result follows from the usurpation by the Federal Government of restrictive and meddling powers over the individual States. There can be no true union of the States where the social and economic conditions in the separate States are ignored or flouted. To coerce a State by objectionable Federal legislation is just as immoral and unwise politically as for a State to harass a city, town, or village or for a municipal unit to harass an individual.

These are general but vitally fundamental maxims of government in a republic. They are maxims naturally flowing from and collateral to the basic principles of free government that the rights of minorities should always be respected and protected.

The series of checks and balances ingrafted on our Constitution were mainly devised to conserve and protect those rights. It was upon that principle that even the smallest of the Colonies was assured of always having two Senators in the United States Congress, irrespective of its population. It was upon that principle that the presidential veto was established, and it was in consonance with that principle that the Supreme Court, basing its authority on the intent of the founders as evidenced throughout the warp and woof of the Constitution, undertook to pass on the constitutionality of the acts of Congress. The underlying and, indeed, the paramount thought was the protection and conservation of the rights of the minority, whether of the individual, of the municipality, or of the State.

To disregard this fundamental law or principle of our national existence is only to invite disaster to our institutions and substitute in place of a wrecked and abandoned Constitution a tyranny of the majority and the reign of mob law.

There is nothing in any of these propositions which endangers the supremacy of the majority. There is no suggestion here that we should lessen our loyalty to that other fundamental maxim of government that the majority should rule. But that rule should be one of law and not of caprice. It should be a domination softened by the golden rule, which prescribes that we shall do unto others what we would have them do unto us.

Thomas Jefferson has wisely laid down the true distinction between majority rule and tyranny in the following terse statement:

Though the will of the majority is in all cases to prevail, that will, to be rightful, must be reasonable; the minority possess their equal rights, which equal laws must protect.

Mr. SWOOPE. Mr. Speaker, a million children are to-day toiling at hard and nasty jobs in the United States because the United States Supreme Court declared the child labor law unconstitutional. They are missing school, stunting their growth, losing their chance in life, becoming undersized, weak, and vicious. There has been a startling increase in child labor since the Supreme Court decision. There are 38 per cent more children working this year than there were last. Even in Pennsylvania, where there is a strict child labor law, Pittsburgh reported 127 per cent increase in child labor.

STATE LAWS CHAOTIC

The States can not be depended upon to enact sufficient child labor laws. Of the 48 States only 8 have improved their child labor laws since the Federal child labor law was found to be unconstitutional. In most of the States there is no limitation beyond the requirement that a child must be able to read and write before going to work.

The condition of State legislation on this subject is chaotic and unsatisfactory. Two States, Utah and Wyoming, have no age limit. Twenty-seven States have the 14-year-age limit in the occupations named in the law, and 21 States for factories and canneries, but allow many exemptions in certain industries and at certain times of the year.

ECONOMIC EFFECTS OF CHILD LABOR

The economic effect of this chaotic condition of the child labor laws is to give the States where the laws do not protect children a supply of cheap labor, and this enables them to obtain a temporary advantage in manufacturing over those States that have higher and stricter standards. While by our strict immigration laws we try to protect our labor from competition with the cheaper labor of Europe and by our tariff laws to protect our manufacturers from competition with the cheaply produced goods of Europe, we permit our labor at home to be struck in the back by the cheap labor of helpless and unprotected children.

EVIL RESULTS TO THE CHILDREN

But the most serious effect of child labor is that it prevents the children from getting an education and from attaining their proper physical development. Among the many cases reported by the Child Welfare Association I abstract the following:

In one flat of three small rooms and a kitchen in Jersey City lived a family of mother, father, and seven children. There were also 4 boarders, 2 cats, and 12 chickens in the flat. The sanitary conditions were unspeakable. During the months of the present summer, when the children of this family have not been compelled to attend school, they have been made to sit all day fastening pieces of tin in cheap toys destined for the play of happier boys and girls. The children who were thus employed were undernourished and predisposed to tuberculosis, four in the family having died before the age of 4 years. The combined earnings of the children augmented their parents' income by about $6 a week.

In a survey by the Children's Bureau of 1,350 children working in oyster and shrimp canneries on the Gulf coast illiteracy was found to be as high as 25 per cent, while for children of the United States as a whole it is only 4 per cent. The work is done in wet, cold, and drafty sheds, and the children suffer numerous accidents.

Cuts from the oyster shells, sores resulting from running shrimp thorns in the hands, rawness of the flesh from the shrimp acid, burns, and infections are frequent among the small workers.

In the cotton fields of Texas children, we are told, often work 10 or 11 hours a day. On the truck farms of New Jersey, Maryland, and Virginia many of them begin work before the age of 10. But these pictures drawn from the Children's Bureau are cheerful, it is said, when compared with those of children in the coal-mining regions:

There the hideousness and dreary remoteness of the mining camp form a sordid background for the boy who begins work on the breakers and in the mines, sometimes before he is 14, often before he is 16.

Industry invades even the domestic sanctuary. In many States home work comes under the child labor laws, and permits are required for children from 14 to 16, while younger children are forbidden to work at all. But it is almost impossible to control work in the homes, and in some of the States enforcement of the law is lax. And when the enforcement becomes lax, says Harold Cary in Collier's Weekly, packages for home work will come shooting in by parcel post. There is no Federal law to stop it. And—

You in Wyoming or Florida, in Maine or Arizona—

He writes—

can still get your pretty nightgowns and your milk tags handled by diseased tenement children, straining and wearing out their eyes, denied the right to an education and the right to play and develop into real human beings.

When the Army draft figures showed us that 29 per cent of the men were physically unfit we cried, "We have not taken care of our children." And whenever statisticians tell us that

in either form should be charged to the appropriation or allotment of appropriation for the printing and binding of the De-

amply sufficient to meet the evils complained of. To give Congress larger latitude would unnecessarily hamper the free-

illiteracy is highest in those States where child labor is highest, that only 17 per cent of our children of school age are enrolled in any school, that we are a Nation of fifth graders, or that a million children leave school each year for work we admit freely that it is a serious and shameful thing for us.

OBJECTIONS TO THE AMENDMENT

Yet when we come down to the particulars of Federal control or of State child-labor standards we are never quite so sure. We mention State rights and overcentralization, which is the basis of the argument against the child labor amendment in the minority report of the committee.

Many of the opponents of the child labor laws have said openly that they dislike constitutional change. Many of them are strong believers in State rights and would prefer more power rather than less to go to the States. Yet in this case they are agreed that child-labor regulation is right, but should be by the States.

Some people dislike all amendments. Speaking of the proposed twentieth amendment a paper sarcastically says, parodying the words of Lincoln:

Half a century hence some President will begin a noted address, "Fourscore and seven amendments ago"—

And so forth.

NECESSITY OF THE AMENDMENT

But the amendment is necessary. It is the only way to clear up the situation and make uniform standards for the whole country. There may be objections to its operation and it may cost money, but the present conditions are intolerable. "It is a condition, not a theory, that confronts us." Technical objections must not be allowed to prevail against necessity.

A speaker at a minister's meeting told the story of a negro clergyman, who so pestered the bishop with appeals for help that it became necessary to tell him that he must not send any more appeals. His next communication was as follows: "This is not an appeal; it is a report. I have no pants."

So the children are crying for help, and an amendment to the Constitution is the only way to help them. The children, in the eloquent appeal issued in their behalf by the Child Welfare Association, demand the abolition of child labor in America.

Industry is never justified in thriving on children. Child labor does not destroy poverty; it only reproduces it.

The abolition of child labor does not throw the children onto the streets; it puts them in the schools.

This much is certain:

A minor under 16 should not be economically an industrial unit in esse, but an industrial unit in posse. In other words, the end society ought to aim at is child development, with wages, if any, regarded as an incidental matter.

Under the American flag, the standard of liberty, fraternity, and equality, of freedom under the law, there must be no child slavery. We have secured the rights of man and the rights of woman by constitutional amendments. Now, we must secure by the twentieth amendment the rights of unprotected childhood.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WELLER, for five days, on account of a funeral.

ADJOURNMENT

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.) the House adjourned, in accordance with the order previously made, until to-morrow, Saturday, April 26, 1924, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GIBSON: Committee on the District of Columbia. H. R. 8055. A bill providing for a comprehensive development of the park and playground system of the National Capital; without amendment (Rept. No. 571). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOCH: Committee on Interstate and Foreign Commerce. H. R. 7762. A bill to provide for the method of measurement of vessels using the Panama Canal; with amendments (Rept. No. 573). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. CURRY: Committee on the Territories. H. J. Res. 226. A joint resolution for the relief of special disbursing agents of the Alaskan Engineering Commission, authorizing the payment of certain claims, and for other purposes, affecting the management of the Alaska Railroad; with amendments (Rept. No. 572). Referred to the Committee of the Whole House.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 5661. A bill granting permission to Col. Harry F. Rethers, Quartermaster Corps, United States Army, to accept the gift of a Sevres statuette entitled "Le Courage Militaire," tendered by the President of the French Republic; without amendment (Rept. No. 574). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HUDSON: A bill (H. R. 8880) to provide relief for the inhabitants of the Virgin Islands, and for other purposes; to the Committee on Insular Affairs.

By Mr. HULL of Tennessee: A bill (H. R. 8881) amending section 1 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 8882) authorizing the construction of approach roads to national parks and monuments; to the Committee on Roads.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 8883) to amend an act entitled "An act authorizing insurance companies or associations and fraternal beneficiary societies to file bills of interpleader," approved February 22, 1917; to the Committee on the Judiciary.

By Mr. QUAYLE: A bill (H. R. 8884) to amend the war risk insurance act to provide compensation and vocational training for civilian employees who served overseas during the World War; to the Committee on World War Veterans' Legislation.

By Mr. HASTINGS: A bill (H. R. 8885) to amend section 11 of the Federal highway act, approved November 9, 1921, by including nontaxable Indian lands in the class with unappropriated public lands; to the Committee on Roads.

By Mr. McKENZIE: A bill (H. R. 8886) providing for sundry matters affecting the Military Establishment; to the Committee on Military Affairs.

By Mr. McFADDEN: A bill (H. R. 8887) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes; to the Committee on Banking and Currency.

By Mr. HAWLEY (by request): Resolution (H. Res. 269) to pay Samuel W. Hardy additional compensation as assistant janitor to the Ways and Means Committee; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 8888) granting a pension to Mary Pfaff; to the Committee on Pensions.

By Mr. COLE of Ohio: A bill (H. R. 8889) for the relief of William Henry Greek; to the Committee on Military Affairs.

By Mr. HILL of Maryland: A bill (H. R. 8890) granting a pension to Mary A. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 8891) granting a pension to Otto Miller; to the Committee on Pensions.

By Mr. HUDSON: A bill (H. R. 8892) granting a pension to Mary Smith; to the Committee on Invalid Pensions.

By Mr. HUDSPETH: A bill (H. R. 8893) for the relief of Juana F. Gamboa; to the Committee on Claims.

By Mr. HULL of Tennessee: A bill (H. R. 8894) granting a pension to Jane Herron; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 8895) granting a pension to Annie E. Lamb; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 8896) for the relief of the owners of the French bark *France*; to the Committee on Claims.

By Mr. MERRITT: A bill (H. R. 8897) granting an increase of pension to Sarah A. Bryan; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 8898) granting a pension to Mary H. Vincent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8899) granting a pension to Sarah Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8900) granting a pension to Carolina Brown; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 8901) for the relief of Robert T. Jackson; to the Committee on Claims.

By Mr. SHREVE: A bill (H. R. 8902) granting a pension to Ella Shiner Davis; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 8903) granting a pension to Eva Dora Fuller; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 8904) granting a pension to Zachary T. Anthony; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2524. By Mr. CRAMTON: Petition of the Ladies' Library Association, Port Huron, Mich., urging an appropriation of necessary funds to enable the President to send representatives to the coming International Conference on Narcotics; to the Committee on Foreign Affairs.

2525. By Mr. CULLEN: Petition of New York Chapter, Military Order of the World War, favoring the adoption of the Star-Spangled Banner as the National anthem; to the Committee on the Judiciary.

2526. By Mr. GALLIVAN: Petition of Baker Extract Co., Springfield, Mass., protesting against enactment of House bill 6645, which proposes to place the supervision of industrial alcohol under the prohibition enforcement officers; to the Committee on the Judiciary.

2527. By Mr. GARBER: Petition of members of Woman's Christian Temperance Union of Lamont, Okla., opposing any modification that would weaken the eighteenth amendment; to the Committee on the Judiciary.

2528. Also, petition of Mr. E. K. Gaylord, general manager of the Oklahoma Publishing Co., Oklahoma City, Okla., opposing increase in rates on second-class mail matter; to the Committee on the Post Office and Post Roads.

2529. Also, petition of citizens of Jet, Okla., urging the enactment of a child labor law to protect the children of this country; to the Committee on the Judiciary.

2530. Also, petition of Oklahoma City Lodge, No. 417, Benevolent Protective Order of Elks, Oklahoma City, Okla., urging that sufficient appropriations be made to carry out the provisions of the national defense act of 1920; to the Committee on Ways and Means.

2531. By Mr. KINDRED: Petition of the New York Chapter, Military Order of the World War, favoring the adoption of House Joint Resolution 69, proposing the adoption of the Star-Spangled Banner as the national anthem; to the Committee on the Judiciary.

2532. Also, petition of Abraham Lincoln Council, A. A. R. I. R. demanding the release of Eamon de Valera; to the Comtee on Foreign Affairs.

2533. Also, petition of the legislative committee, Association of American Clinical Thermometer Manufacturers, of New York City, N. Y., indorsing House bill 7997, a bill to bring about the registration and standardization of clinical thermometers; to the Committee on Interstate and Foreign Commerce.

2534. Also, petition of Dr. Chevalier Jackson, favoring House bill 7822, requiring proper labeling of lye preparations; to the Committee on Interstate and Foreign Commerce.

2535. Also, petition of the Merchants' Association of New York, favoring House bill 6357; to the Committee on Foreign Affairs.

2536. By Mr. KVALE: Petition of members of the Minnesota Cooperative Creameries Association, urging the enactment of legislation providing a higher import duty on dairy products, particularly butter, and urging enactment of an adequate automatic tariff based strictly on American values; to the Committee on Ways and Means.

2537. By Mr. LINDSAY: Petition of the members of the Harry Boland Council of the American Association for the Recognition of the Irish Republic (details attached), and for the release of Eamon de Valera; to the Committee on Foreign Affairs.

2538. By Mr. MOREHEAD: Petition of sundry members of the various Bible classes of Lincoln, Nebr., protesting against any modification of the Volstead Act authorizing the sale of light wine and beer; to the Committee on the Judiciary.

2539. By Mr. PHILLIPS: Affidavits to accompany House bill 8876, granting a pension to Margaret A. Robinson; to the Committee on Invalid Pensions.

2540. By Mr. TAGUE: Petition of the meeting of the council of the Bar Association of the city of Boston, on April 12, 1924, opposing enactment of the bills (S. 624 and H. R. 3260) to amend practice and procedure in Federal courts; to the Committee on the Judiciary.

2541. By Mr. WELSH: Petition of the Philadelphia Board of Trade, opposing the enactment as law of House bill 2702, being "A bill to relieve unemployment, etc."; to the Committee on Naval Affairs.

SENATE

SATURDAY, *April 26, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Keyes	Ransdell
Ashurst	Ferris	King	Reed, Pa.
Bayard	Fess	Ladd	Sheppard
Brandegee	Fletcher	Lodge	Shields
Brookhart	Frazier	McCormick	Shipstead
Broussard	George	McKellar	Smith
Bursum	Gerry	McKinley	Smoot
Cameron	Glass	McNary	Stanley
Capper	Gooding	Mayfield	Stephens
Caraway	Hale	Moses	Sterling
Copeland	Harris	Norbeck	Trammell
Cummins	Harrison	Norris	Wadsworth
Curtis	Heflin	Oddie	Walsh, Mont.
Dale	Howell	Overman	Warren
Dial	Johnson, Minn.	Pepper	Watson
Dill	Jones, N. Mex.	Phipps	
Edge	Jones, Wash.	Pittman	
Ernst	Kendrick	Ralston	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

Mr. McNARY. I was requested to announce that the Senator from Idaho [Mr. BORAH] and the Senator from Virginia [Mr. SWANSON] are detained at a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Sixty-nine Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (S. 1609) to fix the time for the terms of the United States District Court in the Western District of Virginia, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS

Mr. WARREN presented a telegram in the nature of a memorial from sundry citizens of Casper, Wyo., remonstrating against any immediate amendment of the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. FLETCHER presented a memorial of sundry citizens in the State of Florida, remonstrating against the imposition in the pending tax-reduction bill of a 10 per cent tax on radio apparatus, sets, and parts, etc., which was referred to the Committee on Finance.

Mr. LODGE presented a petition of sundry members of the bar in the State of Massachusetts, praying for the adherence of the United States to the Permanent Court of International Justice established by the League of Nations, with the so-called Hughes reservations, which was referred to the Committee on Foreign Relations.

Mr. WADSWORTH presented a petition of sundry citizens of New York, N. Y., praying an amendment to the Constitution granting equal rights to women, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (S. 3026) authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, op-

crate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery, reported it without amendment and submitted a report (No. 472) thereon.

Mr. BRANDEGEE, from the Committee on the Judiciary, to which was referred the bill (S. 2834) relating to the American Academy in Rome, reported it with an amendment and submitted a report (No. 473) thereon.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred the bill (S. 2998) providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico, reported it without amendment and submitted a report (No. 474) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (H. R. 4081) to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa., reported it without amendment and submitted a report (No. 476) thereon.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on the 25th instant that committee presented to the President of the United States enrolled bills and joint resolutions of the following titles:

S. 5. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars, and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes;

S. 431. An act to extend the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn.;

S. 1704. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.;

S. 2108. An act to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee;

S. 2112. An act authorizing the Department of Agriculture to issue semimonthly cotton crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce;

S. 2736. An act authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during State convention of Texas Shriners;

S. 2798. An act to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma;

S. 2821. An act to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911;

S. J. Res. 52. Joint resolution for the relief of the drought-stricken farm areas of New Mexico;

S. J. Res. 76. Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba; and

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 3179) for the relief of John S. Fogg (with accompanying papers); to the Committee on Claims.

By Mr. BRANDEGEE:

A bill (S. 3180) to amend section 194 of the Penal Code of the United States; to the Committee on the Judiciary.

By Mr. FERNALD:

A bill (S. 3181) to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities; to the Committee on Public Buildings and Grounds.

By Mr. McKINLEY:

A bill (S. 3182) to authorize the Secretary of the Treasury to sell the San Juan, Porto Rico, warehouse property; to the Committee on Public Buildings and Grounds.

AMENDMENT TO TAX REDUCTION BILL

Mr. BROUSSARD submitted an amendment intended to be proposed by him to House bill 6715, the tax reduction bill, which was ordered to lie on the table and to be printed.

AMENDMENT OF WAR DEPARTMENT APPROPRIATION BILL

Mr. SHIPSTEAD submitted an amendment proposing to make available $6,300 for dredging a suitable harbor near the United States Fish Cultural Station at Homer, Minn., intended to be proposed by him to House bill 7877, the War Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

ISLE OF PINES TREATY WITH CUBA

Mr. LODGE. Mr. President, I take this occasion to state that on the conclusion of the pending bill to raise revenue, and so forth, at the earliest possible moment I shall move that the Senate go into open executive session for the purpose of considering the treaty with Cuba in regard to the Isle of Pines.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. HARRIS. Mr. President, I offer an amendment to the pending bill which I ask may be printed in the RECORD. I ask also that it may be printed and lie on the table.

The PRESIDENT pro tempore. Without objection the amendment will be printed in the RECORD, and lie on the table and be printed.

Mr. HARRIS's proposed amendment is as follows:

On page 55, line 3, after the figures "$2,000," insert the following proviso: " : *Provided*, That single persons whose net incomes do not exceed $2,000 each and heads of families or married persons living with husbands or wives whose net incomes do not exceed $3,000 each, shall be exempt from payment of income tax and from rendering income-tax returns: *Provided further*, That in determining their net incomes such persons shall deduct the credits for dependents by paragraph (a) of this section.

Mr. SMOOT. Mr. President, it is my intention to keep the bill before the Senate until 1 o'clock this afternoon, taking up in their order the amendments which were passed over. Some of them are of minor importance and I would like to clean up as many of them as possible to-day, but I do not want to keep the bill before the Senate after 1 o'clock, as the Committee on Appropriations desire to proceed with the naval appropriation bill at that time.

I think the next amendment that was passed over will be found on page 98 of the bill.

The PRESIDENT pro tempore. The amendment on page 82, proposing to increase the tax on corporations, which was pending at the time the Senate took a recess on yesterday, will be passed over, and the Secretary will report the next amendment passed over.

The READING CLERK. On page 98 strike out lines 17 to 24, both inclusive, and insert——

Mr. SMOOT. There is a preceding amendment on page 98 which was passed over.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 98, line 10, strike out "85" and insert "95," and in line 11, strike out "85" and insert "95," so as to read:

(c) For the purpose of this section two or more domestic corporations shall be deemed to be affiliated (1) if one corporation owns at least 95 per cent of the voting stock of the other or others, or (2) if at least 95 per cent of the voting stock of two or more corporations is owned by the same interests. A corporation organized under the China trade act, 1922, shall not be deemed to be affiliated with any other corporation within the meaning of this section.

The amendment was agreed to.

The next amendment passed over was, in section 240, on page 98, after line 16, to strike out "(d) In any case of two or more related trades or businesses (whether unincorporated or incorporated and whether organized in the United States or not), owned or controlled directly or indirectly by the same interests, the commissioner shall consolidate the accounts of such related trades and businesses, for the purpose of making an accurate distribution or apportionment of gains, profits, income, deductions, or capital between or among such related trades or businesses," and in lieu thereof to insert:

(d) In any case of two or more related trades or businesses (whether unincorporated or incorporated and whether organized in the United States or not) owned or controlled directly or indirectly

by the same interests, the commissioner may and at the request of the taxpayer shall, if necessary in order to make an accurate distribution or apportionment of gains, profits, income, deductions, or capital between or among such related trades or businesses, consolidate the accounts of such related trades or businesses.

Mr. FLETCHER. Mr. President, while, so far as at present advised, I have no objection to the amendment, I do not understand just exactly the change that it proposes.

Mr. SMOOT. In just a few words I shall explain to the Senator the object of the amendment.

In order to secure greater administrative flexibility the requirement that the commissioner shall in certain cases consolidate the accounts has been changed to a provision that the commissioner may, at the request of the taxpayer, so consolidate the accounts in such cases. It gives a little more flexibility and leaves the same power in the taxpayer, but leaves discretionary the power in the commissioner.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. BROUSSARD. Mr. President, I offer the amendment which I send to the desk to the pending bill, and I ask that it may lie on the table and be printed.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

The next amendment passed over was, in section 257 (a), on page 111, line 17, after the word "records," to strike out "but they" and to insert "but, except as hereinafter provided in this section, they."

Mr. McKELLAR. Mr. President, I have an amendment which I desire to offer to that section, and I know the Senator from Nebraska [Mr. NORRIS] is also interested in the matter. I should like to offer the amendment and have it read at this time, and ask that it go over, for I think it will lead to some debate.

Mr. SMOOT. That course will be perfectly satisfactory.

The PRESIDENT pro tempore. In the absence of objection, the amendment proposed by the Senator from Tennessee will be read.

The READING CLERK. On page 111, line 17, after the word "records," it is proposed to strike out the semicolon and all of the paragraph down to and including line 10, page 112, and to insert a comma and the following:

and shall be open to inspection by any citizen under rules and regulations prescribed by the Secretary and approved by the President, covering only the time and manner of such inspection, to the end that all officials and employees of the Treasury in charge of such records may be inconvenienced as little as possible in the discharge of their usual duties and that the business of the department may be as little interfered with as possible.

All claims for abatement or refunds of taxes shall likewise be public property subject to inspection under similar rules.

Mr. McKELLAR. Mr. President, I am not going to make an argument in favor of the amendment at this time. It will come up later. There are several Senators who are interested in the subject, notably the Senator from Nebraska, who has introduced some such proposal. The amendment which I propose has not been submitted to him, and I do not know whether or not it meets his approval at all.

Mr. SMOOT. The whole section will go over.

Mr. McKELLAR. It is better that the whole section shall go over, and I will make my argument later when it again comes up.

Mr. FLETCHER. It might be well to explain the amendment which has been proposed by the Senator from Nebraska.

The PRESIDENT pro tempore. Does the Senator from Tennessee ask that all amendments to section 257 shall go over?

Mr. McKELLAR. Yes; down to line 9, on page 114, because all the amendments are interrelated and refer to the same subject matter.

The PRESIDENT pro tempore. Then the order will be that the amendments to section 257, from line 15, on page 111, to line 8, on page 114, shall be passed over.

Mr. FLETCHER. Mr. President, I was going to say that since the Senator from Tennessee [Mr. McKELLAR] has called attention to his proposed amendment it might be well to point out the amendment which has been proposed by the Senator from Nebraska, which is on page 111, line 17, after the word "records," to strike out all down to and including line 4, on page 113, and in lieu thereof to insert the following:

and shall be open to examination and inspection as other public records under the same rules and regulations as may govern the examination of public documents generally.

So we have two proposals on this subject to consider, one by the Senator from Tennessee and another by the Senator from Nebraska.

The next amendment passed over was, on page 130, in line 3, to strike out the words "assessed at," and to insert "assessed, and a proceeding in court for the collection of such tax may be begun without assessment at."

Mr. McKELLAR. Mr. President, I shall not offer any objection to that amendment.

Mr. FLETCHER. Mr. President, I suppose the amendment I have suggested to that amendment would apply after the pending amendment shall have been adopted. I believe there is no objection to this amendment, but I propose afterwards to offer an amendment to strike out the words "or of a failure to file a return." That, I take it, will be in order after the committee amendment shall have been agreed to. I have no objection to the committee amendment.

Mr. SMOOT. Very well.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment passed over was, in section 278 (b), on page 130, line 10, after the word "be," to strike out "assessed at" and insert "assessed, and a proceeding in court for the collection of such tax may be done without an assessment at."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The next amendment passed over was, in section 280, on page 134, line 15, after the word "title," to insert "except as otherwise provided in section 277."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. McKELLAR. Mr. President, just one moment. Will the Senator from Utah explain this amendment?

Mr. SMOOT. The amendment on page 134, line 15, is purely a clerical amendment. There is nothing else to it.

Mr. McKELLAR. I have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment passed over was, in section 281 (a), on page 135, line 5, after the word "taxpayer," to strike out "under any other return."

Mr. McKELLAR. This amendment seems to provide that the taxpayer may not reopen a claim.

Mr. SMOOT. He may not reopen it by simply paying a small amount, say a few dollars, on it. I will, in a very few words, state what it means.

Mr. McKELLAR. I wish the Senator would do so.

Mr. SMOOT. This subdivision has been rewritten to limit the amount of refunds and credits to the portion of the tax paid within the four years preceding the filing of the claim, in order that the taxpayer may not, by a small payment, reopen the entire case. It is better written, and is exactly the same as the rules and regulations now in force.

Mr. McKELLAR. If anything should develop in relation to the amendment, it could be reconsidered.

Mr. SMOOT. If it should be desired for any reason, the Senator would have a chance to reopen it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment passed over was, in section 281, page 135, after line 7, to strike out: "(b) Except as provided in subdivisions (c) and (d) no such credit or refund shall be allowed or made after four years from the time the tax was paid, unless before the expiration of such four years a claim therefor is filed by the taxpayer," and in lieu thereof to insert:

(b) Except as provided in subdivisions (c) and (e) of this section, (1) no such credit or refund shall be allowed or made after four years from the time the tax was paid, unless before the expiration of such four years a claim therefor is filed by the taxpayer, nor (2) shall the amount of the credit or refund exceed the portion of the tax paid during the four years immediately preceding the filing of the claim.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The next amendment passed over was, in section 281, page 136, after line 2, to strike out:

(d) Where any provision of any act specified in subdivision (a) of this section or the application thereof to any person or circumstances has been held by the Supreme Court of the United States to be invalid, any amount of income, war-profits, or excess-profits tax illegally collected pursuant to such provision shall be credited or refunded if a

to sell the San Juan, Porto Rico, wholesale property, to the Committee on Public Buildings and Grounds.

the United States or not) owned or controlled directly or indirectly

records under the same rules and regulations as may govern the examination of public documents generally.

any amount of income, war-profits, or excess-profits tax illegally collected pursuant to such provision shall be credited or refunded if a

claim therefor is filed by the taxpayer within four years after the decision, notwithstanding the period of limitation provided for in subdivision (b) has expired.

Mr. McKELLAR. Mr. President, will the Senator explain this amendment and state why the House provision is proposed to be stricken out?

Mr. SMOOT. The House put that provision in. It is not a part of the existing law. Since this subdivision would have granted the taxpayer a further extension of time for filing claims for refund or credit in cases in which four or five years have already been granted for that purpose, the Senate committee felt that it ought to be stricken out. I will say to the Senator that only a few communications have come to me concerning the matter; I think I have received only three letters concerning it. The proper way for a claim of that kind to be made is by a bill introduced in Congress and passed by Congress the same as in the case of other claims against the Government. The committee did not feel that they ought in this revenue measure to legislate on questions of the kind involved.

Mr. McKELLAR. It would be very much better to legislate in a way that will protect the rights of all citizens in a certain class rather than to have citizens required to come to Congress and file claims and go through all of the proceedings that are necessary in order to do so.

Mr. SMOOT. The same thing would apply to every claim against the Government of the United States. There is a limitation.

Mr. McKELLAR. I think that the very much better way would be to establish a court before which any citizen who has overpaid his taxes or underpaid his taxes or paid them in a way that gives him a just cause of complaint could go and have the case decided exactly as in the case of other claims against the Government.

I think one of the greatest abuses we have in connection with tax matters is the secret refunding and the secret abatement of taxes by the Treasury Department. All claims for abatement and all claims for refunds of taxes should be brought before a court established for that purpose, where the proceedings will be open, viewed by all, and where all honest claims may be allowed and other claims may be disallowed.

Mr. SMOOT. That is why we are establishing the court of appeals in this bill, I will say to the Senator.

Mr. McKELLAR. It ought to be an independent court.

Mr. SMOOT. If this amendment is not agreed to, the limitation would be extended not to four years but it would run about 10 or 11 years on items that have already been closed and settled and where no doubt the taxpayers who paid the taxes charged the purchasers of the goods the amount of the taxes.

Mr. McKELLAR. Not being a member of the committee, I am not familiar enough with the situation to pass upon it at this time. It will have to go to conference, of course——

Mr. SMOOT. Certainly.

Mr. McKELLAR. Because the House provision is already there, and there will be that additional safeguard. So I am not going to object to the amendment at this time, but if it is necessary to raise a question again in connection with it, that can be done.

Mr. SMOOT. Certainly.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment passed over was, in section 284, on page 138, after line 16, to insert:

(e) If the taxpayer has, within five years from the time the return for the taxable year 1917 was due, filed a waiver of his right to have the taxes due for such taxable year determined and assessed within five years after the return was filed, or if he has, on or before June 15, 1924, filed such a waiver in respect of the taxes due for the taxable year 1918, then such credit or refund relating to the taxes for the year in respect of which the waiver was filed shall be allowed or made if claim therefor is filed either on or before April 1, 1925, or within four years from the time the tax was paid.

Mr. McKELLAR. Mr. President——

Mr. SMOOT. I will explain the amendment.

Mr. McKELLAR. I shall be very glad if the Senator will, and then I want to make an observation about it.

Mr. SMOOT. On March 13, 1924, Congress passed a law word for word in the language of this amendment. We are putting it in the law here in the proper place, so that when we have the revenue laws bound in one volume it will be in that volume. This has already been acted upon by Congress. If the Senator wishes, I will send for the act of March 13, 1924, and show it to him.

Mr. McKELLAR. Oh, no; I will take the Senator's word for it. If we are to continue this method of dealing with tax questions, I imagine that this provision will cover it; but, Mr. President, I am opposed to the present system, for this reason: In innumerable cases, just before the time limitation expires, a taxpayer will be confronted with an examiner or an investigator, and this statement will be made to the taxpayer: No longer ago than yesterday one of the finest lawyers and one of the finest men in my State was telling me of an incident of this kind. The taxpayer was suddenly confronted with this investigator, about two days before the limit expired, and he said: "Now, look here: I want you to sign a waiver in regard to the taxes for 1917." I believe it was 1917 in the particular case. The taxpayer said: "Why should I sign a waiver?" "Well, if you do not do it, I am just going to make a reassessment against you without any examination at all, and it will be for a much larger amount, and it will be without proper investigation. I am just going to make an assessment against you in order to hold it against you."

I think that system is very bad. I think the employee ought to be discharged from the Treasury Department. No such advantage should be taken of a taxpayer. In the particular instance the taxpayer, of course, rather than have an ill-advised and improper assessment made against her in that way, was willing to accept the proposition, and did sign the waiver. She never ought to have signed that waiver, and it ought to be forbidden by law.

I do not know how we can reach a situation of that kind. I think this provision, instead of reaching it, will perpetuate it, and I do not believe that should be done. Some arrangement ought to be made by which that can not occur.

Mr. SMOOT. Let me say to the Senator that in the case of the taxes of 1917, just before the limitation expired, the taxpayers were asked to sign waivers. The Senator knows why that was done. In 1917 the law was new to the taxpayers, and there was trouble in making out the returns. Even though they had no intention of defrauding the Government of a single penny, a great percentage of them had to be examined and settlements made. Nothing like that is happening now, however, and nothing like it will happen in the future. If it ever does, they can appeal to the court here, and it can settle the matter at once, when we have the court.

Mr. McKELLAR. If Congress would set up the right kind of a court, I think that would be all right; but if a so-called court is set up in the Treasury Department to pass on these things, I do not believe that justice will ever be obtained for a taxpayer in any such way.

Mr. SMOOT. This court of appeals is not in the Treasury Department. It is entirely outside of it.

Mr. McKELLAR. They appeal to it from the decisions of the department. We have not gotten to that yet, and I am not going to discuss it until we get to it.

Mr. SMOOT. All right.

Mr. McKELLAR. With the same understanding, I am not going to object further to this amendment, but I want to vote against it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DILL. Mr. President, I offer an amendment to the pending bill, which I ask to have read and lie on the table.

The PRESIDENT pro tempore. Without objection, the proposed amendment will be read.

The reading clerk read as follows:

On page 111, line 15, strike out all of section 257, beginning at line 15 on page 111, and all of pages 112, 113, and 114 down to the subtitle "Publication of statistics," and insert in lieu thereof the following:

"All returns made under this act and all proceedings, records, and evidence made and used in connection with proceedings for the adjustment of returns shall constitute public records and shall be open to public inspection."

The PRESIDENT pro tempore. The proposed amendment will be printed and lie on the table. The Secretary will state the next amendment passed over.

The next amendment passed over was on page 137, line 7, after "1919," to insert "or 1920," so as to read:

(f) This section shall not (1) bar from allowance a claim for credit or refund filed prior to the enactment of this act which but for such enactment would have been allowable, or (2) bar from allowance a claim in respect of a tax for the taxable year 1919 or 1920 if such claim is filed before the expiration of five years after the date the return was due.

The amendment was agreed to.

The READING CLERK. The next amendment passed over is on page 130, under "Title III—Estate tax."

Mr. SMOOT. Let all the estate-tax provisions go over.

Mr. McKELLAR. That will be from page 139 down to page 174.

The PRESIDENT pro tempore. The amendments will be passed over to the point indicated.

Mr. SMOOT. The next amendment passed over is on page 174, the tax on telegraph and telephone messages.

Mr. OVERMAN. Let that go over.

Mr. SMOOT. I was going to say that that amendment ought to go over, because the Senator from South Carolina [Mr. DIAL] is not in the Chamber, and I promised him that I would not have it acted upon in his absence.

Mr. OVERMAN. I think a great many Senators are interested in it.

Mr. McKELLAR. The matter is going to cause considerable debate when it comes up.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment passed over was, on page 177, line 5, to change the number of the title from "IV" to "V."

The amendment was agreed to.

The next amendment passed over was, on page 187, to strike out lines 12 to 22, inclusive, and to insert:

(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

Mr. SMOOT. I ask that that may go over.

The PRESIDENT pro tempore. The amendment will be passed over.

The READING CLERK. The next amendment passed over is on page 194, under "Title VII, Excise taxes," where the committee proposes to strike out lines 10 to 24, both inclusive, and on page 195, lines 1 and 2, and to insert——

Mr. SMOOT. Mr. President, I thought we could get those amendments out of the way to-day; but the Senator from Massachusetts [Mr. WALSH] is not in the Chamber, and I do not want to take up the matter in his absence. Therefore I ask that it go over.

Mr. WADSWORTH. Mr. President, will the Senator yield for a question?

Mr. SMOOT. Yes.

Mr. WADSWORTH. I ask for information. Does this bill retain the present tax on theater-ticket brokers?

Mr. SMOOT. There is a tax on all theater tickets over 50 cents. Does the Senator mean the admission tax?

Mr. WADSWORTH. No; the tax on theater-ticket brokers.

Mr. SMOOT. The scalpers' ticket provision, so called, is in the bill.

Mr. WADSWORTH. It is in the bill?

Mr. SMOOT. It is.

Mr. WADSWORTH. Did the committee examine into that, to find out whether or not it was worth while, in view of the revenue produced? The thing has been more of a nuisance than anything else. It is open to wholesale fraud; it is impossible of enforcement, and it has brought in no revenue worthy of the name—I think only some $50,000.

Mr. SMOOT. Something like that, and it costs almost more to collect it than we get out of it.

Mr. OVERMAN. Does the Senator refer to tickets to moving-picture shows?

Mr. SMOOT. No; that includes all theaters. This is the tax on scalpers. There are no scalpers in the case of moving-picture tickets.

Mr. OVERMAN. What has been done in the case of picture-show tickets? The tax is limited to tickets costing 50 cents or more, is it?

Mr. SMOOT. There is no tax on any admission to a moving-picture show that costs less than 50 cents.

Mr. OVERMAN. What amount of revenue was raised from that tax?

Mr. SMOOT. About $70,000,000.

Mr. McKELLAR. Up to and including 50 cents there is no tax on any admission?

Mr. SMOOT. No tax on any admission.

Mr. McKELLAR. Is that the provision of the House and also of the bill as reported by the Senate committee?

Mr. SMOOT. Yes; that is the provision of both.

Mr. McKELLAR. There has been no change in that respect?

Mr. SMOOT. No change.

The PRESIDENT pro tempore. Without objection, this amendment will be passed over. The Secretary will state the next amendment passed over.

The next amendment passed over was, on page 197, after line 4, to insert:

(10) Radio receiving sets, 10 per cent.

Mr. OVERMAN. Let that go over.

Mr. McKELLAR. It can either go over, or, if it is acted on, I shall want a roll-call vote on it.

Mr. SMOOT. Let it go over.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. The next amendment deals with the same subject.

The PRESIDENT pro tempore. That will be passed over, also.

The READING CLERK. Then the next amendment passed over is on page 203, line 12, to strike out "capital-stock tax"——

Mr. SMOOT. Let that go over.

Mr. McKELLAR. That should go over in connection with the provision in regard to 14 per cent.

Mr. SMOOT. Yes.

Mr. McKELLAR. Mr. President, at this juncture I send to the desk a letter on the subject, which I ask to have read. It is short.

The PRESIDENT pro tempore. Without objection, the Secretary will read the letter.

The reading clerk read as follows:

CHAMBER OF COMMERCE,
Chattanooga, April 23, 1924.

Senator KENNETH McKELLAR,
Washington, D. C.

DEAR SIR: The attention of our board of directors was called to-day to the proposed increase in corporation Federal income taxes. We understand that the Senate Finance Committee, in reporting the revenue bill to the Senate, proposes an increase from 12½ to 14 per cent on the income tax on corporations; also to repeal or leave off the capital-stock tax. To corporations earning 7 per cent or more per annum on their capital and surplus it seems a very substantial increase in Government taxes. With the proposed cut of 25 per cent in individual income taxes for 1924 and the substantial decreases for future years, it seems unfair to increase the taxes on corporations. We feel that corporations need encouragement, especially at this time. We also feel that the capital-stock tax should be taken off and that there should be no increase in other taxes, as we do not find that any decrease has been made to corporations as has been made to individuals.

I was therefore directed by our board of directors to bring this matter to your attention, with the earnest protest of our body against this proposed increase. Won't you please let us hear from you as to what your attitude is in the matter?

Yours very truly, H. W. LONGLEY,
Secretary-Manager.

Mr. McKELLAR. Mr. President, I want to take this occasion to say that I am opposed to the increase of taxes on corporations or any other taxpayers in the United States. This bill is supposed to provide for a reduction of taxes. It ought to be all along that line. There ought to be a uniform and as nearly as possible a relatively equal reduction of taxes all along the line, on corporations as well as on individuals of high and low degree. My judgment is that we ought not to increase taxes on any taxpayer, and I expect so to vote.

Mr. OVERMAN. Mr. President, may I inquire of the Senator from Utah what the taxes now received are at 12½ per cent and what the total amount will be if the rate is increased to 14½ per cent?

Mr. SMOOT. The amount collected under this tax will be $19,000,000.

Mr. OVERMAN. Can we get along without the tax?

Mr. SMOOT. No; we can not. Not only that, but the great majority of the corporations want to have it retained.

Mr. OVERMAN. They do?

Mr. SMOOT. I think 90 per cent of them do.

Mr. OVERMAN. Why are the corporations asking for an increase in taxation?

Mr. SMOOT. The Government wants it, too, not only on account of the increase in money collected, but in order to simplify the administration. As it is to-day, the tax is imposed upon the par value or the market value of the stock, whichever is greater, and that amounts to $1 on $1,000 stock. Every corporation which makes returns has to make an additional return upon its capital stock, and then the Government of the United States has to ascertain in the case of every return what the market price of the stock is and what the par value of the stock is, and then they have to take to the higher, whichever it may be, and make the assessment accordingly. The bookkeeping and the extra time required in making the returns and the trouble of making the additional returns lead most of the

corporations to feel that it would be better to pay the tax of 14 per cent than the 12½ per cent tax.

Mr. OVERMAN. I understand, then, that the corporations are in favor of this because of the simplicity in making the returns under it?

Mr. SMOOT. That is all; and the Government wants it because of the simplification in the administration. Every return of every corporation in the United States has to be examined every year upon that one point alone.

Mr. OVERMAN. Suppose this tax goes into effect; will the returns have to be examined next year and the next year?

Mr. SMOOT. No; if that tax of $1 on $1,000 of stock is eliminated, then the whole question as to the amount of the capital stock will be eliminated. It will make no difference then what it may be.

Mr. FLETCHER. Mr. President, I would like to ask the Senator one question about a matter which has troubled me a little. When we do away with the tax on capital stock of $1 a thousand, will corporations be tempted to increase their capital stock, because they will pay a tax only on the net income? Will they be tempted to increase the capital stock and thereby decrease in a way the net income and diminish the tax?

Mr. SMOOT. No; if this capital-stock tax is taken off it will have no effect whatever in that direction. There will be no incentive whatever to do that. In answering the Senator there is one other reason to which I ought to call attention. Wherever there is a capital-stock tax imposed—and I think the Senator from New Mexico referred to this yesterday—they have to pay that tax, no matter whether the corporation has actually lost money or not. In other words, it becomes a tax upon the capital, and for that reason it ought to be eliminated.

Mr. FLETCHER. It is a comparatively small tax. The only question in my mind is whether or not in relieving corporations of the capital-stock tax we will tempt them to increase their capital stock, because they will pay nothing on the capital stock, and in a way they might accomplish a reduction of their net income.

Mr. SMOOT. It will not affect the income tax, the normal tax, or any tax paid by the corporation in any way; and while a tax of a dollar on a thousand does seem a small matter, I want to call attention to the fact that under that provision there is collected $85,000,000.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment found on page 231.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I want to say a word in response to the remark of the Senator from Florida. It is generally supposed that the capital-stock tax is imposed according to the amount of stock issued. Some think that this would lead to an increase in the capital stock. It would not have that effect at all, for the reason that the capital-stock tax is imposed only upon the value of the stock, either the par value or the market value, whichever is higher. It follows, therefore, that it is the actual assets of the corporation which govern the amount of this tax, and it does not have any deterring effect upon the issuance of watered stock, and that sort of thing. It is on the value of the stock. My judgment is that it is a much more equitable plan to put the whole of the corporation tax on the net earnings.

Mr. FLETCHER. The Senator therefore favors this 14 per cent tax?

Mr. JONES of New Mexico. I think it should be placed at 14 per cent. Of course, I am opposed to this 14 per cent flat tax on the net incomes of corporations and expect to present to the Senate a substitute for it, but if we are going to retain this flat tax on corporations and try to make up in revenue what would be lost through a repeal of the capital-stock tax, I think it should go this way.

ADMINISTRATION OF VETERANS' BUREAU

Mr. CARAWAY. Mr. President, I wish to interrupt the consideration of the pending bill in order that I may make a statement about a matter which I intended to call to the attention of the Senate when the so-called adjusted compensation bill was before the Senate. In order to be absolutely fair to the present Director of the Veterans' Bureau permit me to say that it is possible he does not yet know of the methods pursued in the bureau in dealing with pending cases.

The first case I desire to mention is that of a negro by the name of Milton Young who was a resident and citizen of Arkansas and went into the Army. He was discharged and was suffering from disability, whether incurred in the service I am not able to say; that is a disputed question. Anyway, he was finally a patient of a doctor by the name of Hopper. His case was desperate and the doctor took it up with the Veterans' Bureau, knowing he was an ex-service man, and received a reply to the effect that his case was disallowed. There was no case pending before the bureau. It shows they did not even read the correspondence.

The doctor then took the patient from Marked Tree, in Arkansas, where he lived and near to which town the patient lived, to a hospital at Memphis which the Veterans' Bureau maintains. He tried to have his patient admitted. He was told that before that could be done the boy would have to make a showing that he was entitled to be treated because of disability incurred in the service.

The doctor told the attendants at the hospital that the boy's condition was so serious that unless something was done with him he would die. He was then told by the hospital authorities to go down to the Red Cross. He went to the Red Cross with the patient, and they told him there that unless the hospital would admit him, they could do nothing for him. Between the two, while he was trying to get the patient in, the patient died.

I took the matter up with the bureau to find out what the regulations were which made it impossible for an ex-service man to receive hospital treatment, and after nearly a year I had a final reply from the bureau saying that the action of the hospital was entirely proper, that if an ex-service man were brought to a hospital, he must come under certain conditions. I am not quoting exactly the language, but at a later date I shall put the entire correspondence in the RECORD. In other words, it seems to be the rule that if a patient does not come prepared to be admitted under all the regulations, and the red tape incident thereto, it is perfectly proper, though it is admitted there were empty beds, to let the patient die in the street. The director approves that course.

One letter I had dealing with the matter contemptuously referred to this soldier as a negro. It may be that the Government is to make a discrimination between white and negro patients. If so, I want that fact to be well established. It never has been the rule in my State to let a negro die in the street if there be some way in which he can be succored; but that seems to have been the rule there, and I shall put the entire correspondence in the RECORD later.

The next case was that of Dwight Ledbetter, a white boy who lived at Conway, in Arkansas. His father had been a county official, and I believe held a State office. I recite those facts merely as an indication of the probability of the story that follows.

Dwight Ledbetter went into the Army and was wounded in France. I think he was also gassed. He came back and was hospitalized and later discharged. I think he was in the hospital a year or more and then was given training. He was in training in California, at Los Angeles. A difference arose between him and the officer in charge, a Mr. Buzzell. This officer cut off his compensation and put him out of training into the street without a dollar. I think the records will show—and they are pleading that now—that he was mentally unsound. That information was known to Buzzell who was dealing with him.

Ledbetter went back to see this officer, Buzzell, and a dispute arose, about what I have yet been unable to learn. This officer followed the trainee, the boy Dwight Ledbetter, into the street and shot him three times, and left him lying in the street. The record shows that the boy did not have a weapon of any kind; did not even have a pocket knife on his person.

The soldier was extended no relief. He was there, 2,000 miles from home, a stranger, a disabled war veteran who had been wounded in France. His compensation was cut off, he was put out of the hospital, denied training, and was shot down by the officer of the hospital and left in the street. He was cared for by private parties, and finally left the hospital and appeared in court to testify against the man who shot him. The case was postponed, and he was given no indication of when to come back or when the case would be heard. He had no means. He was not able to work. He left California and came back to Arkansas. Before recovering from his wounds this boy was killed in an accident. The man Buzzell is yet in charge of the training of disabled soldiers.

I called the attention of the bureau to this case, and asked for an explanation, and in reply got a curt letter telling me that it had been investigated satisfactorily, that nobody was to blame except the boy who was shot, and that the incident was closed. I insisted that it should not be closed. I was promised then that there would be an investigation. It started last year. In the meantime a year or more had passed, and they never took a statement, nor tried to, from the boy who was shot. The department took a statement from the

man who did the shooting and then decided it was perfectly proper to shoot a trainee, although he was unarmed, although he was helpless, and, as they rather intimate now, that he was mentally unsound.

I wanted to be certain that General Hines knew about that case, and I called his special attention to it. I am in receipt of a letter recently saying that he thinks that this was the thing that should have been done; that this man ought to have shot this disabled soldier. Therefore he continues him in office, although this is not the only charge laid against this officer. He has been the subject of criticism by the local organization for disabled soldiers there almost from the beginning. Case after case has been called to the attention of the department, but he is retained.

My information as to Dwight Ledbetter came to me first from a Major Darrah, who had been an officer in the Army. He is now in charge of an organization to aid disabled ex-service men. He told me that the shooting was without justification, and that the man who did the shooting is being protected by the organization of the Veterans' Bureau in California.

Now, the third case which I want to call to the attention of the Senate is likewise of interest. I shall put all this correspondence in the RECORD later. I shall not do so now, because I do not want to take the time to sort it out. The third case is that of a soldier named Fines Gallion, who went into the Army from Arkansas. He died in service. The record, so far as I have it, does not disclose whether he was killed in action or died of disease. He left one child. His mother qualified as guardian and cared for the child and drew its compensation and the insurance. She died in 1920. A brother of the deceased soldier then applied to the probate court to have probated as a will a letter of the deceased soldier purporting to give him the insurance of the deceased soldier.

In Arkansas the probate court is this: The fiscal agent of the county is called the county judge. He is ex officio the probate judge. He has a right to accept or reject wills for probation. He also appoints guardians and administrators. From his acts an appeal lies as a matter of right. Anybody affected by any decision of the probate court has the right to appeal without bond. The appeal is then lodged in what we know as the circuit court, our trial court of general jurisdiction. From this order of probation of this letter, which never could have been a will under the law of Arkansas, an uncle of the little child, the heir of the deceased soldier, appealed.

The circuit court vacated the order of probation and said the letter was no will. From that order an appeal was had by the brother to the supreme court of the State, and it was again sustained, that court declaring that the letter was not a will. Then, when the matter had been thus settled, an application was made for the insurance that was due the child.

I was informed after a long time by the people down there that they could get no answer from the Veterans' Bureau. I took up the matter. I found that the Veterans' Bureau had paid this uncle, the brother of the deceased soldier, some $1,700 or $1,800, as I now remember, of money belonging to the minor child. The bureau takes the position now that it does not owe the minor anything; that it has paid it to a man who was an utter stranger, so far as any rights were concerned, and who has no financial responsibility; that either the Government or this helpless minor child must lose the $1,700 or $1,800, and the bureau says that the child must lose it. A justice of the peace—I do not speak of them with disrespect, but they are usually not trained lawyers—or even a layman in the street knows that where an appeal lies as a matter of right there is no finality in an order of probation until the time for an appeal has elapsed, and that nobody could act upon it except at his peril. The bureau, if it has anybody in the bureau that knows enough to have been licensed as a lawyer, must know that there was no finality about the order of probation until that time had elapsed; and if it paid the money to this financially irresponsible man, it did so at its peril.

I called General Hines's attention to this case and have a letter in which he claims that the procedure was proper and was in conformity with law. I do not pretend to say that General Hines ought to know what the law is, because I take it he does not know and I presume does not pretend to know. The bureau has a legal department that has apparently no legal knowledge in it. I again called his attention to this case. I had a long letter from General Hines, again assuring me that he had had the question reexamined and that he was right and I am wrong; that the child is not entitled to a penny from the Government, although the Government paid the money that was due the child under the insurance policy to a financially irresponsible person who had no more legal right to receive it than any man in the streets of Washington.

I shall put all that correspondence in the RECORD at some future time. It is such an infamous, outrageous thing to do that I can not be patient with it. I know that the department, if it wants to do what is right, will discharge whoever gave that so-called legal opinion, because I know that anyone who asserts that opinion is in conformity with the established rules of law either is dishonest or does not know the law. I do not presume he is dishonest because he could have no interest in it, so far as I know, and I am sure did not have. Therefore he is hopelessly ignorant of the law. No one can claim there is authority for assuming that an appeal from order of probation is a finality until the appeal is disposed of.

There is one other case that I wish to call to the attention of the Senate at this time. Doctor Baker, a highly reputable physician of Paragould, Ark., went into the Army at the beginning of the war. He incurred a disability. After his discharge he applied for compensation. After a long while the bureau rated his disability at less than 10 per cent, and therefore he was not entitled to compensation.

He then made application in due form for employment in the Veterans' Bureau. He is now told that his disability is such that he is not fit to render satisfactory service. When he applied for compensation under his injury, his injury was rated at less than 10 per cent, but when he applied for employment in the same bureau that made the first rating he is told that he is totally disabled. In other words, his disability is so slight that he is not entitled to compensation when he asks for compensation, but it is so complete when he asks for employment that he is not able to render any service. Comment upon that case is not worth while. Later, as I said, I shall put in the RECORD all of the correspondence relating to it.

In conclusion, Mr. President, I want to say that I have wanted to be patient with the bureau and with its reorganization. I had hoped that we would have efficient service there. I have waited until I think no one would be expected under similar circumstances to wait longer. Information is coming to me from people who have a right to know that leads me to believe that conditions in the bureau are as bad, so far as the veterans are concerned, as they ever were in the days of Mr. Forbes. I do not say—and I want to be particularly plain about it—that General Hines does not want to do what is right. I do not say that he may not reorganize the bureau, proceeding along the lines he now seems to be following, but I do say there is such widespread dissatisfaction with the bureau that he must know that he must reorganize the bureau personnel if substantial justice is to be done. He seems unwilling to do so.

I shall present other cases unless something is done to assure justice to the ex-service men, and present them to the Senate as occasion may arise.

Mr. FLETCHER and Mr. KING addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Arkansas yield; and if so, to whom?

Mr. CARAWAY. I yield to the Senator from Florida, who rose first.

Mr. FLETCHER. The Senator's account of one case particularly calls to my mind an experience that I had. A soldier who enlisted in the Army took out his insurance. He was a young man who had been reared by an aunt. His mother died when he was a small child, and his father disappeared some 18 or 20 years ago. The boy was reared by his aunt. He enlisted in the Army, and after a while became ill with pneumonia. While on his death bed he wrote a letter somewhat similar to the letter which the Senator has described, saying that he wanted all of his effects and property of every sort to go to his aunt, naming her, and her daughter, who was practically a sister to him and had been for years in that relation. This was under the former administration of the Veterans' Bureau. The bureau refused to recognize the rights of the aunt, although they could not find any father. The certificate of insurance provided that the insurance should go to his estate, he having no wife and no mother, and no father so far as he knew. The aunt offered the letter to the probate court for probate as a will, and the probate court held that it was a will, carrying personal property.

Mr. CARAWAY. In Florida that is permissible?

Mr. FLETCHER. Yes; they held it to be a good will. That was supposed to establish under this document as a will the rights of the old aunt and her daughter. They were named as beneficiaries under the letter which then became a will as decreed by the court. The bureau said, "No; we will not stand for this." They spent a large amount of money, nobody knows exactly how much, for investigators and agents to go all over that community in Jacksonville and through

His case was desperate and the doctor took it up with the

the State to locate the supposed father of this boy, and, of course, after a while some fellow turned up and said he was the father. He had not been seen for 20 years, but now he claims that under the law he is entitled to the benefits of the insurance. The Government resisted the aunt's claim under the will, contested the matter in the Federal courts, and finally, when the judge practically instructed the jury to find for the claimants, holding the document to be the will as declared by the probate court and that they were entitled to benefit, the Government prosecuted the case to appeal and took an appeal to the circuit court of appeals in the Federal court.

The Government has not anything to gain in that sort of instance that I can see. If these people who are really entitled to benefit as desired by the soldier and to have the benefit of the insurance as expressed in the letter written on his deathbed—which letter has been declared to be his will—if they do not get that benefit, then this man who disappeared 20 years ago and now turns up and claims to be the boy's father will, of course, be entitled to the benefit. The Government does not gain anything by contesting the rights of these people, and yet they have gone to enormous expense to investigate the whole case from time to time and to employ counsel to contest proceedings in the courts.

That is another instance somewhat similar, I think, to the case cited by the Senator from Arkansas.

Mr. CARAWAY. Except that in the case I have cited the bureau would not wait until the rights of the parties could be established under the will. It was anxious, seemingly, to pay the money to an irresponsible person. I do not mean literally that the officers had the desire to do it, but they did a foolish thing, and having done it they insist it was right and proper.

I now take pleasure in yielding to the Senator from Utah.

Mr. KING. The Senator may have noticed that one of the members of the special committee recently appointed to investigate the Veterans' Bureau and to recommend legislation and codify existing laws—I refer to the able Senator from Nevada [Mr. ODDIE]——

Mr. CARAWAY. I saw that statement in the newspaper.

Mr. KING. That Senator has complained against the inactivity of the Veterans' Bureau in effectuating reforms, reforms which the evidence obtained in the hearings showed should have been made long ago. Senator ODDIE recently has been at the White House protesting to the President of the United States against the extravagance and waste and inefficiency of the Veterans' Bureau. I hope the Senator from Arkansas will continue his revelations, because obviously something should be done to effectuate reforms.

Mr. CARAWAY. This is a war in which I am enlisted until reforms shall come to the bureau and justice is done our disabled soldiers and their dependents.

Mr. HEFLIN. Mr. President, the Senator from Arkansas is to be commended for the fight he has been making. As he was speaking, I thought how diligent the Government was when it was seeking these boys to make up the Army. As to those who were ordered to report for service and who did not come, officials of the Government were sent out to their dwelling places and they were brought in under arrest. Surely the Government owes it to the ex-service men to be just to them.

There is no better way, Mr. President, for the Government to encourage patriotism than to have the citizen know that the Government will give attention to his complaint, if he has one, against the Government; that the Government will gladly hear him when he seeks to tell the Government about some grievance that he has. Certainly a soldier who has offered to die for his country, and who has been injured in the service, has a right to hear from his Government when he writes to those who are in authority. He certainly has a right to be treated with consideration when he comes to his Government and asks to be heard when he has been disabled in the service.

This is a pitiful case to which the Senator from Arkansas has referred. A veteran of the service, disabled, appeals to one in authority in the Veterans' Bureau, and he is dismissed outright by that officer. He goes back and appeals for reinstatement or for aid, a dispute arises, the boy, who was unarmed, is followed into the street and shot three times by this officer in the Veterans' Bureau.

The Senator from Arkansas points out that that officer is still in charge of this work in the Veterans' Bureau. Why does the Government keep that man in office? He ought to be put out, Mr. President. Anyone who is guilty of such treatment to an ex-service man is not fit to be in office.

I recall a boy from my own State, one 20 years old, who had been to the bureau frequently to see the officials about his case. One day my secretary told me that they were getting very impatient with that boy and that they had about reached the point where they were not going to have anything more to do with his case. I said, "Tell the boy to come up and see me." He came. I could see that the boy was nervous; he was blue and despondent; he was sick. He had been twice wounded in the war. I could tell that he was embarrassed and a little flighty when I talked to him about his case; but as I talked to that boy, who was a tall fellow, about 6 feet high, I could see him as I imagined he looked when he went into the Army, a vigorous, fine-looking youth, and offering his very life to his country. He had been disabled by the wounds he had received, and those wounds had affected his mind somewhat and affected his nervous system; and yet officers in charge dared to say that they were "getting tired of fooling with him" and "being annoyed by him," were about ready to drop his case, and one of them referred to him as being a "little nutty." I asked, "Where did he get this affliction?" He got it in the service of his country; he got it on the battle front in France.

Now these officers, who remained far away from the battle front, drawing big salaries, while this boy was being wounded, are impatient, and they say they are about ready to drop his case. I called up the department and I told one of the officers in charge that I was sending that boy up there and I wanted his case attended to or I would take it up on the floor of the Senate. I got his case adjusted. The boy went back happy on his way down into south Alabama. He came by my office and showed me his check and the letter which properly adjusted his case.

Mr. President, if somebody will not heed the cry of these boys, what condition shall we have? A boy has a right to complain against his Government that will send an armed force to get him and take him to the battle front and then refuse to hear him when he asks that Government to aid him because of the affliction that he received while in the service of his country.

Mr. President, I can imagine how sad it would make one of these boys who had followed that flag 3,000 miles and offered to die for it on a foreign battle field to write to these officials, as the Senator from Arkansas has pointed out, and get no response whatever, though he told those officials of his affliction, of his suffering, and of his dire distress, they not even answering his letter. What condition do Senators think such conduct on the part of the officials will create in the community? It will create this sort of sentiment and reputation for the Government: "Oh, you need not write to the Veterans' Bureau; you will never hear from your letter." But the boy may say, "I am afflicted; I am in distress; I am suffering; I am unable to work and produce the necessities of life." Is the reply to be, "That is all right; they are not going to pay any attention to your letter; you may write up there if you want to, but they will ignore your letter."

Mr. President, this Government is big enough, and has heart enough to see that such conduct shall not be continued. The President owes it to his country and he owes it to these boys to put every man out of the Veterans' Bureau who is not courteous, considerate, and prompt in responding to these boys' letters; and when one of those officials gets so impatient that he can not endure their nervousness and their irritation, which resulted from their service on the battle front, he is not fit to be retained in that bureau and he ought to be put out of it.

Mr. President, I wanted to commend the Senator from Arkansas for his effort in this matter, and I wish now to pledge him my support. I think the whole Congress ought to get busy in this matter and let the boys of the country know—I do not care how humble they are or how far removed they are from the Capitol—that the same power that reached down in their communities and drafted them and put the uniform on them and sent them to war is here now in action to see that they shall get fair treatment and justice when they call upon their Government.

TAX REDUCTION

Mr. TRAMMELL. Mr. President, I have sought for some days——

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Florida yield to the Senator from Utah?

Mr. SMOOT. I should like to say to the Senator that I simply desire to ask unanimous consent that the revenue bill may

be temporarily laid aside with a view to having the naval appropriation bill taken up.

Mr. TRAMMELL. I yield for that purpose.

Mr. SMOOT. I ask unanimous consent that the unfinished business, being House bill 6715, the revenue bill, may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

NAVAL APPROPRIATIONS

Mr. HALE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Maine?

Mr. TRAMMELL. I yield to the Senator.

Mr. HALE. I ask unanimous consent that the Senate proceed to the consideration of House bill 6820, the naval appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Naval Affairs with amendments.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Iowa?

Mr. TRAMMELL. I yield.

Mr. BROOKHART. I desire to present to the Senate a resolution in regard to citing Mr. M. S. Daugherty before the bar of the Senate in connection with the proceedings of a special committee of the Senate. It is a privileged question, and I think will take but a moment.

Mr. TRAMMELL. Does the Senator desire to offer the resolution for consideration?

Mr. BROOKHART. I do. I think there will be no objection to it.

Mr. HALE. Mr. President, the naval bill is now before the Senate. Does the Senator from Iowa contemplate that there will be debate on his resolution?

Mr. BROOKHART. Not so far as I know.

The PRESIDING OFFICER. The Chair will state that under the rules of the Senate, although they are not generally complied with, the Senator from Florida can not yield for that purpose.

Mr. TRAMMELL. Mr. President, I will not yield, then; I am merely going to take about five minutes. Nearly 10 minutes of the 5 minutes which I intended to occupy have already been taken up with interruptions.

The PRESIDING OFFICER. The Chair desires to state that the rules make it the duty of the Chair to enforce that rule.

ADMINISTRATION OF VETERANS' BUREAU

Mr. TRAMMELL. Mr. President, I wish to add my criticism to the criticism which has already been made by the Senator from Arkansas [Mr. CARAWAY] and the Senator from Alabama [Mr. HEFLIN] relative at least to certain features of the administration of the Veterans' Bureau. I read some few days ago of the economy being claimed by the Veterans' Bureau. As I read that I could not but be impressed from observations which I have made that in all probability the $30,000,000 which it is claimed the Veterans' Bureau saved last year was largely made up of the disallowance of compensation claims of injured and sick soldiers.

It has come to my attention in a number of cases in my own State that the district office at Atlanta, Ga., under Mr. Bryson, has, it seems to me, almost a universal policy of reducing the compensation claims or else of denying applications for compensation on the ground that the injury was not of service origin. In the administration of the Veterans' Bureau every doubt seems to be resolved against the sick or the wounded soldier. That is the impression I have gained from a large number of cases which have come to my attention.

I realize that those representing the Government should exercise zealousness to see that there is no imposition upon the Government by some imposter or some one who might seek fraudulently to obtain compensation from the Veterans' Bureau.

Due care should be exercised to see that no claims are approved which are not meritorious; but the necessity for such scrutiny on the part of the Veterans' Bureau does not justify the policy, which seems to be prevalent, of resolving every doubt against the applicant for compensation.

I know in my own State of a number of soldiers who were drawing compensation based upon a 40 or 50 per cent disability, and who, without any grounds or any reason in the world for it, had their compensation unceremoniously reduced below 10 per cent, giving them only eight or ten dollars a month. That is the way in which some of this "economy" is being brought about. It is being brought about by an imposition and an injustice upon a great many of our disabled and wounded soldiers. I desire to enter my protest against such a policy and to appeal for a policy on the part of the Veterans' Bureau that will recognize the meritorious and just claims of all soldiers, and to urge that in their efforts to protect the Government they shall not lean so far backward as to work an injustice upon many soldiers who are entitled to compensation.

It is almost impossible, according to the requirements in a lot of these cases, for the veterans to prove service origin of their disabilities that the bureau will accept. I had such a case brought to my attention just yesterday. If I had known that the subject was coming up, I would have brought over the papers. It was the case of a soldier who, when he volunteered, was denied entrance into the Army on the ground that he was suffering with tubercular trouble. A little later on he was drafted, examined physically, and the authorities claimed that he was absolutely all right, and they utilized his services for probably two years. Following the war he has been in a disabled condition, and practically ever since he has been under medical care and attention.

The doctors all testify that he has tuberculosis. Their records show that they refused to admit him to the service at one time on the ground that he was a tubercular subject; yet, in spite of all of that, they deny compensation to this soldier on the ground that service origin of his disability has not been established.

Many wrongs have been inflicted upon the soldiers of this country under that cloak of lack of service origin. All I ask is that in the administration of the law in regard to the veterans of the World War justice and fairness shall prevail toward the soldier, as well as an effort to economize on the part of the Government.

M. S. DAUGHERTY

Mr. HALE. Mr. President, I ask that the naval appropriation bill be temporarily laid aside in order to enable the Senator from Iowa [Mr. BROOKHART] to introduce a resolution, with the understanding that if more than five minutes are taken on the matter the Senator will withdraw the resolution.

The PRESIDING OFFICER. The Senator from Maine asks unanimous consent that the naval appropriation bill be temporarily laid aside for the purpose stated by him. Is there objection? The Chair hears none.

Mr. BROOKHART. Mr. President, I desire to submit a report of the special committee investigating the Department of Justice, and a resolution citing M. S. Daugherty for contempt of the Senate. I ask that the report be printed in the RECORD, and that the resolution be read and considered at this time.

The PRESIDING OFFICER. The Senator from Iowa presents a report and asks that it be printed in the RECORD. Is there objection? The Chair hears none.

The report (No. 475) submitted by Mr. BROOKHART is as follows:

Your committee of the Senate on investigation of the Department of Justice respectfully shows to your honorable body as follows, to wit: That on February 29, 1924, the Senate of the United States adopted the following resolution (S. Res. 157):

"*Resolved*, That a committee of five Senators, consisting of three Members of the majority and two of the minority, be authorized and directed to investigate circumstances and facts, and report the same to the Senate, concerning the alleged failure of Harry M. Daugherty, Attorney General of the United States, to prosecute properly violators of the Sherman Antitrust Act and the Clayton Act against monopolies and unlawful restraint of trade; the alleged neglect and failure of the said Harry M. Daugherty, Attorney General of the United States, to arrest and prosecute Albert B. Fall, Harry F. Sinclair, E. L. Doheny, C. R. Forbes, and their coconspirators in defrauding the Government, as well as the alleged neglect and failure of said Attorney General to arrest and prosecute many others for violations of Federal statutes, and his alleged failure to prosecute properly, efficiently, and promptly, and defend all manner of civil and criminal actions wherein the Government of the United States is interested as a party plaintiff or defendant. And said committee is further directed to inquire into, investigate, and report to the Senate the activities of the said Harry M. Daugherty, Attorney General, and any of his

assistants in the Department of Justice which would in any manner tend to impair their efficiency or influence as representatives of the Government of the United States.

"That said committee above referred to and the chairman thereof shall be elected by the Senate of the United States.

"*Resolved further*, That in pursuance of the purposes of this resolution, said committee, or any member thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ stenographic assistance at a cost not to exceed 25 cents per 100 words, to report such hearings as may be had in connection herewith, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate."

That at all of the times hereinafter mentioned SMITH W. BROOKHART, BURTON K. WHEELER, GEORGE H. MOSES, HENRY F. ASHURST, and WESLEY L. JONES were duly elected, qualified, and acting Members of the Senate of the United States.

That thereafter on March 1, 1924, the Senate of the United States elected said SMITH W. BROOKHART, chairman of the committee, provided for in the Senate resolution herein before referred to, and said BURTON K. WHEELER, GEORGE H. MOSES, HENRY F. ASHURST, and WESLEY L. JONES as the other members of said committee.

That on March 3, 1924, the Senate of the United States passed and adopted the following resolution (Senate Resolution No. 183):

"*Resolved*, That Senate Resolution 157, agreed to on February 29, 1924, be, and the same hereby is, amended to include authorization for the employment of such clerical and other personal services as may be necessary for the accomplishment of the purposes of said resolution."

That on March 14, 1924, the Senate of the United States adopted the following resolution (Senate Resolution No. 189):

"*Resolved*, That Senate Resolution No. 157, agreed to February 29, 1924, be, and the same hereby is, amended to authorize the select committee created by said resolution or any subcommittee thereof, to sit and perform its duties at such times and places as may be deemed advisable or necessary by said committee, and to empower the chairman of said select committee, or any member thereof, to summon witnesses by subpœna or otherwise and to administer oaths to them."

That pursuant to the foregoing resolution and amendments thereto, the said committee consisting of Senator SMITH W. BROOKHART, chairman, Senator WESLEY L. JONES, Senator GEORGE H. MOSES, Senator HENRY F. ASHURST, and Senator BURTON K. WHEELER on the 12th day of March 1924, entered upon the investigation which it was therein directed to prosecute, and thereafter and on March 21, 1924, at Washington, D. C., issued its subpœna duces tecum, a full, true, and correct copy of which is hereto attached, marked Exhibit A, and by reference made a part hereof, commanding M. S. Daugherty as president of the Midland National Bank of Washington Court House, Ohio, to appear before said select committee of the Senate of the United States on investigation of the Department of Justice forthwith, at their committee room 105, Senate Office Building, Washington, D. C., then and there to testify what he may know relative to the several matters under consideration by said committee pursuant to the foregoing resolution and amendments thereto, and that he bring with him the deposit ledgers of the Midland National Bank of Washington Court House, Ohio, since November 1, 1920, also note files and transcript of owners of every safety vault in said bank; also record of income drafts; also records of any individual account or accounts showing withdrawals of amounts of $25,000 or over during the above period.

That at all of the times hereinbefore and hereinafter mentioned said M. S. Daugherty was the president of the Midland National Bank of Washington Court House, Ohio, and as such in the possession and control of all the books, notes, records, and accounts mentioned in said subpœna.

That at all times hereinafter mentioned Stanley Borthwick was the duly appointed qualified and acting United States marshal for the southern district of Ohio.

That on March 21, 1924, Stanley Borthwick, United States marshal as aforesaid received said subpœna so issued as aforesaid from David S. Barry, then and there and at all times herein mentioned, the duly appointed, qualified, and acting Sergeant at Arms of the Senate of the United States, and on March 22, 1924, said Stanley Borthwick, United States marshal for the southern district of Ohio, as aforesaid, acting as such, served the said M. S. Daugherty personally with said subpœna, so issued as aforesaid as appears from his return attached to said subpœna and to this report, and marked Exhibit B, and by reference made a part hereof.

That the said M. S. Daugherty has at all times failed, refused, and neglected to obey or answer said subpœna of your committee issued and served as aforesaid, and has willfully failed, neglected, and refused to appear before said committee as required in said subpœna or otherwise or at all, or to produce the records of the Midland National Bank of Washington Court House, Ohio, therein called for or any one or more of the same or any part or portion thereof, and as the result thereof is in contempt of your committee and of the Senate of the United States.

That at a meeting of said committee, consisting of Senator SMITH W. BROOKHART, chairman, Senator WESLEY L. JONES, Senator GEORGE W. MOSES, Senator HENRY F. ASHURST, and Senator BURTON K. WHEELER, held at Washington, D. C., on April 10, 1924, arrangements were made by said committee for a subcommittee to go to Washington Court House, Ohio, and Senator SMITH W. BROOKHART and Senator BURTON K. WHEELER were appointed a subcommittee to go to Washington Court House, Ohio, and hold a session there for the purpose of subpœnaing and examining witnesses concerning the subject matters under consideration by said committee.

That on April 11, 1924, a committee meeting was held at Cherry Hotel, Washington Court House, Ohio, by said subcommittee, consisting of Senator SMITH W. BROOKHART and Senator BURTON K. WHEELER.

That on April 11, 1924, a subpœna, a full, true, and correct copy of which is hereto attached, marked "Exhibit C" and made a part hereof, was issued by said select committee on investigation of the Department of Justice requiring said M. S. Daugherty to appear forthwith before said committee at their committee room, 12 Cherry Hotel, Washington Court House, Ohio, then and there to testify what he may know relative to the subject matters under consideration by said committee.

That said subpœna so issued as aforesaid was served on said M. S. Daugherty personally at Washington Court House, Ohio, on April 11, 1924, by Leslie L. Biffle, as required in said subpœna.

That the said M. S. Daugherty willfully failed, neglected, and refused to appear before said committee forthwith as required in said subpœna, or at any time, or at all.

Your committee therefore reports to the Senate of the United States that the said M. S. Daugherty having been duly subpœnaed to appear before your committee, and by proper process directed to produce the books, documents, and papers specifically set forth in the subpœna duces tecum before referred to, and the said M. S. Daugherty having refused, and still refusing, to appear or to produce said books, papers, and documents, and the said M. S. Daugherty having been duly subpœnaed to appear before said subcommittee at Washington Court House, Ohio, and the said M. S. Daugherty having refused, and still refusing, to appear before said subcommittee as required in said subpœna, is in contempt of the authority of said committee and of the Senate of the United States.

Respectfully submitted,

SMITH W. BROOKHART,
Chairman of Select Committee on Investigation of the Department of Justice.

EXHIBIT A

(Telegram)

WASHINGTON, D. C., *March 21, 1924.*

STANLEY BORTHWICK,
United States Marshal, Cincinnati, Ohio:

Will you please serve the following subpœna promptly and wire me immediately collect when you have done so?

UNITED STATES OF AMERICA,
CONGRESS OF THE UNITED STATES.

To M. L. Daugherty, President of the Midland National Bank, Washington Court House, Ohio, greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Select Committee on Investigation of Department of Justice of the Senate of the United States, forthwith, at their committee room, 105 Senate Office Building, Washington, D. C., then and there to testify what you may know relative to the subject matters under consideration by said committee; and bring with you deposit ledgers of the Midland National Bank since November 1, 1920; also note files and transcript of owners of every safety vault; also record of income drafts; also records of any individual account or accounts showing withdrawals of amounts of $25,000 or over during above period.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To David S. Barry, Sergeant at Arms of the Senate of the United States, to serve and return.

Given under my hand, by order of the committee, this 21st day of March, A. D. 1924.

SMITH W. BROOKHART,
Chairman Select Committee on Investigation of the Department of Justice.

Any expense incurred will be remitted.

DAVID S. BARRY,
Sergeant at Arms, United States Senate.

(O. B. Senate.)

EXHIBIT B

SOUTHERN DISTRICT OF OHIO,
Cincinnati.

STATE OF OHIO, *county of Hamilton:*

I, Stanley Borthwick, United States marshal for the southern district of Ohio, do hereby certify that on March 21, 1924, I received a telegraphic subpœna from David S. Barry, Sergeant at Arms United States Senate, requiring the appearance of M. L. Daugherty, president of the Midland National Bank, Washington Court House, Ohio, before the Select Committee on Investigation of Department of Justice of the Senate of the United States forthwith at their committee room 105, Senate Office Building, Washington, D. C., and that on March 22, 1924, I served the said M. L. Daugherty personally with a copy of said telegraphic subpœna, the same being a duces tecum subpœna.

STANLEY BORTHWICK,
United States Marshal, Southern District of Ohio.

Sworn and subscribed before me this 1st day of April, 1924.

STANLEY BORTHWICK,
Notary Public, Hamilton County, Ohio.

EXHIBIT C

UNITED STATES OF AMERICA,
Congress of the United States.

To Mal Daugherty, Washington Court House, Ohio, greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Select Committee on Investigation of Department of Justice of the Senate of the United States forthwith at their committee room 12, Cherry Hotel, Washington Court House, Ohio, then and there to testify what you may know relative to the subject matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Leslie L. Biffle to serve and return.

Given under my hand, by order of the committee this 11th day of April, A. D. 1924.

SMITH W. BROOKHART,
Chairman Committee on Select Committee on Investigation of Department of Justice.

(Indorsement: Washington Court House, Ohio: I made service of the within subpœna by delivering the original hereof to the within-named Mal Daugherty, at Washington Court House, Ohio, at 11.55 o'clock a. m., on the 11th day of April, 1924. Leslie L. Biffle.)

DISTRICT OF COLUMBIA, *ss:*

Subscribed and sworn to before me this 26th day of April, 1924.

LESLIE L. BIFFLE.

[SEAL.] JOHN J. MCGRAIN,
Notary Public.

The PRESIDING OFFICER. The Senator from Iowa submits a resolution, which will be read.

The resolution (S. Res. 215) was read, as follows:

Whereas the select committee of the Senate, elected pursuant to Senate Resolution 157, Sixty-eighth Congress, first session, has submitted a report to the Senate; and

Whereas it appears from such report that M. S. Daugherty, as president of the Midland National Bank, Washington Court House, Ohio, was on March 22, 1924, duly served with a subpœna to appear forthwith before such committee in Washington, D. C., and then and there to testify relative to subject matters and to produce specified files, records, and books pertinent to the matter under inquiry, and was on April 11, 1924, duly served with a subpœna to appear forthwith before the committee in Washington Court House, Ohio, and then and there to testify relative to subject matters pertinent to the matter under inquiry; and

Whereas it appears from such report that the said M. S. Daugherty has, in disobedience of such subpœnas, failed so to appear or answer, or to produce such files, records, and books; and

Whereas the appearance and testimony of the said M. S. Daugherty is material and necessary in order that the committee may properly execute the functions imposed upon it and may obtain information necessary as a basis for such legislative and other action as the Senate may deem necessary and proper: Therefore be it

Resolved, That the President of the Senate pro tempore issue his warrant commanding the Sergeant at Arms or his deputy to take into custody the body of the said M. S. Daugherty wherever found, to bring the said M. S. Daugherty before the bar of the Senate, then and there to answer such questions pertinent to the matter under inquiry as the Senate may order the President of the Senate pro tempore to propound; and to keep the said M. S. Daugherty in custody to await the further order of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. SMOOT. Mr. President, does not the Senator from Iowa think there ought to be a quorum here if we are going to act upon the resolution?

Mr. BROOKHART. Just as the Senator likes. The other resolution similar to it was presented and considered without quorum calls or anything of the kind, but I have no objection.

Mr. SMOOT. In view of the fact that there are only a very few Senators present, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Elkins	Jones, N. Mex.	Pepper
Brandegee	Ernst	Jones, Wash.	Phipps
Brookhart	Ferris	Kendrick	Ralston
Cameron	Fess	Keyes	Sheppard
Capper	Frazier	King	Smoot
Caraway	Gerry	McKellar	Sterling
Copeland	Hale	McKinley	Swanson
Curtis	Harris	McNary	Trammell
Dale	Harrison	Mayfield	Walsh, Mont.
Dial	Heflin	Norbeck	
Dill	Howell	Norris	
Edge	Johnson, Minn.	Oddie	

The PRESIDING OFFICER. Forty-five Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absentees.

The reading clerk called the names of the absent Senators, and the following Senators answered to their names:

Reed, Pa.	Shortridge	Smith	Wheeler

The following Senators entered the Chamber and answered to their names:

Ashurst	Fletcher	Lodge	Shipstead
Bayard	George	Moses	Warren
Broussard	Gooding	Pittman	
Bursum	Ladd	Ransdell	

The PRESIDING OFFICER. Sixty-three Senators having answered to their names, there is a quorum present.

The Senator from Iowa [Mr. BROOKHART] asks unanimous consent for the present consideration of the resolution which the Secretary has read. Is there objection? The Chair hears none, and the question is on the adoption of the resolution.

Mr. DIAL. May not the Secretary report the resolution?

The PRESIDING OFFICER. The Secretary will report the resolution.

The reading clerk again read the resolution.

The PRESIDING OFFICER. The question is on the adoption of the resolution.

The resolution was agreed to.

NAVAL APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

Mr. HALE. Mr. President, the naval appropriation bill as passed by the House appropriated $272,012,867. The Senate Committee on Appropriations has added to that the amount of $1,690,200, making a total of $273,703,067. The amount of the estimates for 1925 was $276,395,794. The amount reported by the Senate Committee on Appropriations, therefore, is $2,692,727 under the estimates and is $21,264,133 under the appropriation for last year.

Last year, I may say, the appropriation, $294,967,200, was about $164,000 in excess of the estimates, whereas the bill this year, as I have stated, as reported by the Senate Committee on Appropriations, is $2,692,727 below the estimates.

The committee feel that they have acted with the strictest economy in framing this bill, and that at the same time they have provided a sufficient amount to take care of the interests of the service.

Mr. KING. Mr. President, the Senator must realize that the appropriations carried by the pending bill are nearly double the appropriations in 1916 for the Navy.

Mr. HALE. They are.

Mr. KING. In 1890 the naval budget was but $22,000,000. In 1900 it was only $55,000,000. In 1908 the naval appropriations amounted to $82,000,000, and in 1908 to $97,000,000. In 1910 they were $123,000,000, and in 1914 $139,000,000. In 1916 they were $155,000,000. That large amount resulted from the unsettled condition in Europe, and because the World War was then in progress.

May I ask the Senator why, in view of the supposed benefits of the disarmament conference, to which constant reference is made as the supreme achievement of the party in power, is it necessary to burden the people with such enormous appropriations? In 1914, 1915, and 1916 we had a Navy of respectable proportions, and of powerful fighting strength.

Now, when we are supposed to be enjoying the blessings of this Washington conference and when peace is in the land no war clouds threaten our country, we are asked to appropriate $300,000,000 to maintain a Navy for the next fiscal year.

The Senator, may I say by way of parenthesis, must be aware of the fact that the Army appropriation bill which will be presented to the Senate within the next two or three days calls for substantially this amount. Indeed, I think the bill as prepared carries items aggregating more than three hundred millions.

So that now, in peace time and with no foes or prospects of war, for Japan, which jingoes have for years declared was a menace to our country, eliminated for years as a formidable naval power, we are called upon to appropriate here as much for the fiscal year 1925 as we gave to the Navy Department for the year 1916. I should also add that the naval powers of the earth are asking further reduction in their naval expenses, and would welcome a world movement not only to limit military expenditures but to practically end them.

And yet this peace-loving Nation, which fears no foe and has no quarrel with any nation, will spend $600,000,000 during the next fiscal year for Military and Naval Establishments.

Mr. HALE. Mr. President, I will not undertake to answer for what the Army is expending. So far as the Navy is concerned, the Senator knows that we have a larger Navy than we had in 1916; that our ships are larger and require more men to run them, and more auxiliary ships to work with them. The Senator also knows that the cost of everything has gone up tremendously since before the war.

Under the Limitation of Armament Conference we were limited as to the number of capital ships we should have, and it was supposed at the time that the limitation of 5-5-3 with England and Japan would apply to the Navy throughout. As far as battleships are concerned, we have lived up to that limitation. As far as other parts of the Navy, such as cruisers and possibly submarines are concerned, we have not lived up to it. In spite of that, the expenditure, as the Senator has said, is somewhere in the neighborhood of $300,000,000 per annum at the present time.

Under the Limitation of Armament Conference we scrapped ships that were building, and which were provided for before the war, to the extent of something over $300,000,000. We saved, in what we would have had to finish up those ships, somewhere in the neighborhood of $200,000,000. As a matter of fact, we cut off expenditures of about $280,000,000 but it took $80,000,000 to finish up the contracts and to settle up what we owed on those vessels. Therefore, by the Limitation of Armament Conference we saved substantially $200,000,000 which would have been expended in the finishing up of the ships, and, further, we saved an amount per annum that has been estimated at $200,000,000 more, which would have been required had those ships been completed and had the Navy been obliged to keep up the additional force of ships and men to take care of them.

Mr. KING. Mr. President, the Senator, I think, appreciates the fact that the 1916 naval program, which was the child of the World War and which called for the enormous expenditures to which he has referred, was regarded by many naval experts as unfitted for our country after the war was over; or, at any rate, many naval experts believed that modifications of that program were necessary, even if it was designed that the United States should be supreme in naval strength. They perceived that the lessons of the war called for new types of naval craft and a reappraisement of the forces, defensive and offensive, necessary for a naval power. In my opinion, the 1916 program was adopted without proper consideration of all the factors, varied by world conditions. It was too inflexible and too rigid and failed to regard the situation which the United States then occupied as a neutral power, or the place it would fill as a belligerent in the event it was forced into the European conflict. There was too much hysteria in the law; and bellicose statesmen and naval officers adopted a course and made statements which frightened the people and paved the way for the adoption of a naval plan which called for nearly one and a half billion dollars. Jingoes and jingoist newspapers attempted to create an anti-Japanese sentiment, and constant appeals were made, based upon the theory that if the United States did not possess a big Navy its existence was insecure. Efforts were made to rouse the prejudices and racial animosities of the people until there was developed a strong feeling for a powerful Navy and a larger Military Establishment. Men of high ideals who spoke for peace were denounced as pacifists.

Ministers who proclaimed the ideals of Christianity and sought to have them applied in the political and economic affairs of our country and who appraised a more sympathetic attitude toward other nations were denounced and often derided by those who affirmed their fealty to the principles of the Christian faith. Congress responded to the propaganda and formulated the 1916 naval program.

The Senator knows that that program assumed too much; it was based upon the assumption that the capital ship was the controlling and supreme agency and factor in the Navy. It did not take into account the lessons that were learned or should have been learned during the war. It did not take into account the improvement of submarines and their growing importance in a well-balanced and scientifically constructed Navy. That program did not take into account the importance of aerial warfare, the use of mines and bombs, and the weapons devised by the combatants in the World War. After the war was over the General Board of the Navy insisted on completing the program, regardless of its imperfections and manifest defects. Perhaps they would have succeeded had it not been for the Washington conference. Their course was most remarkable and demonstrated that new blood was then needed in the Navy. It was thought that following this conference there would be a material reduction in naval appropriations, but as we recede from the days of the war there is still a disposition to impose heavy burdens upon the people—burdens too great in view of the conditions throughout the world. Of course we must have a Navy, and it must be maintained at such standard of efficiency and strength as will afford all reasonable guaranties of security for our country.

But I contend that our expenditures for the War and Navy Departments are too large and that the Navy is directing too large a sum to shore establishments and to overhead. Too little attention has been given to securing a well-balanced Navy. Those who are familiar with our Government must be convinced that it has not learned the necessity of economy. It is top-heavy in machinery, in bureaus, in red tape, in all of the hampering and deadening things which destroy good government and efficient administration. I have before me, in response to a letter which I wrote to the Secretary of the Treasury, voluminous documents showing a great number of naval bases, stations, an enormous number of organizations, bureaus, agencies, and instrumentalities, many of which are unnecessary and clogging, and all of which share in the appropriation carried by this bill. The more of this deadwood there is the less will be the amount to be used for fighting ships and for the building up of a proper and scientifically constructed Navy.

We have a large number of navy yards working at a capacity of 15 to 25 or 30 per cent, with an enormous overhead, as I shall show when we come later on to a discussion of those parts of the bill. We have more than 39,000 civilian employees in the Navy. These agencies—I was about to denominate them as extraneous—absorb a large proportion of the $300,000,000 carried in the bill. I wish we could cut off appropriations in certain directions and have more for the building of airplanes and submarines and swift cruisers, so much needed to round out our Navy.

I am not a little-navy man. I believe that for the present, and in view of the treaty negotiated at the Washington conference, we should have a modern and effective Navy. For the present, we may feel constrained to build to the limits of the treaty referred to, although I believe that the world is ripe for a conference to further limit military armaments, if not to bring about world disarmament. I am criticising the overhead and the unnecessary bureaus and agencies in the Navy. The Navy is like Laocoon. The support of bureaucracy strangles governmental departments, creates waste and extravagance, and destroys efficiency.

We should lop off thousands of civilian employees in the Navy and combine duplicating and unnecessary agencies and instrumentalities. If this were done, there would be more for airplanes and submarines and for the needed mine-laying boats and other agencies essential for a well-ordered and properly balanced Navy.

Mr. SHEPPARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Texas?

Mr. KING. I yield.

Mr. SHEPPARD. Do I correctly understand that the treaty adopted at the Washington conference requires us to keep a Navy of a certain size for a certain period of years?

Mr. KING. No. I do not mean to answer the Senator abruptly. Elaborating the reply, it is not my thought that the Washington conference treaty requires us to pursue, so far as the United States is concerned, the 5-5-3 ratio. It is within the right and discretion of our Government to reduce its naval forces below the standard referred to. Of course, it

can not exceed the limits or ratio fixed, but it may have less capital ships than called for by the treaty.

Mr. HALE. It allows us to keep up a certain Navy.

Mr. SHEPPARD. But does it in effect require us as a matter of honor to keep our Navy at a certain size during the life of the treaty?

Mr. HALE. I think the nations that went into the conference and agreed to the action taken by the conference did suppose that the United States would keep up its proportion under the treaty.

Mr. SHEPPARD. In other words, we can not honorably reduce our Navy during the period of the treaty below the strength fixed thereby.

Mr. KING. The question propounded by the Senator from Texas I think calls for further explanation than the answer submitted by the chairman of the committee. If I understood him correctly, I do not agree that there is any moral and certainly there is no legal obligation upon the part of the United States, or Japan, or Great Britain to maintain the ratio named in the treaty. I omitted to mention Italy and France. But, as indicated, this treaty prevents either of the signatories thereto from increasing the number of vessels and the kinds of vessels to which under the treaty refers above the limits herein fixed.

Mr. HALE. I think the Senator is putting words in my mouth that I did not use. I said I thought it was the expectation of the other nations taking part in the conference that we would do so, but I especially said there was nothing to oblige us to do so unless we saw fit to do so.

Mr. KING. Then I did not understand the modification which the last answer of the Senator implies. May I inquire of the Senator if he thinks that under the terms of the treaty that were accepted Japan should maintain the ratio of 5-5-3 or that Great Britain should maintain the ratio of 5-5-3?

Mr. HALE. I think we undoubtedly expected that they would maintain that ratio. I do not know that we would insist that they should do so, though.

Mr. KING. Does the Senator think that it was our position that Japan could not, if she desired, diminish the number of battleships or other vessels?

Mr. HALE. I certainly do not.

Mr. KING. The Senator, then, must admit that we are under no restraint or constraint to maintain the ratio of 5-5-3?

Mr. HALE. Unless we see fit to do so.

Mr. KING. Then, of course, if we desire to reduce the expenses of the Navy we can do so notwithstanding the 5-5-3 agreement?

Mr. HALE. Of course, we can do so; but the question comes up as to whether it is advisable to do so.

Mr. KING. I grant, of course, that that is always a question which addresses itself to the legislative branch of the Government in dealing with the Army or Navy or any other question which comes before us for consideration. It is a question of policy. I want to ask the Senator, in view of that statement, whether he thinks it should be our policy to maintain as an inflexible, irrevocable policy the 5-5-3 program?

Mr. HALE. I do; absolutely.

Mr. KING. Regardless of the attitude of the other nations?

Mr. HALE. Until some further limitation may be made by general agreement.

Mr. KING. Then, would the Senator favor a further limitation by agreement between the United States and other nations?

Mr. HALE. I would favor such a limitation as to ships other than capital ships.

Mr. KING. If other nations would agree to a limitation of capital ships, would the Senator be opposed to that?

Mr. HALE. I do not know exactly where I would draw the line. I do not agree with the Senator about the matter of the value of capital ships in the Navy. I think they are an essential part of the fighting line.

Mr. KING. Conceding that the Senator is right and that they are the essentials—and I concede that they are essential in a well-balanced navy and it would be absurd to take any other position—nevertheless, does the Senator insist that, regardless of the attitude of other nations, we should persist in maintaining the number of battleships called for in the treaty to which we have both referred?

Mr. HALE. I do not quite understand the Senator. Does the Senator mean if other nations should be willing to limit further the number of capital ships?

Mr. KING. Yes.

Mr. HALE. I think that this country should be one of the great naval powers in the world. I think in order to be a great naval power we have to keep up a Navy that is based on a powerful capital ship force. It might be that the number could be reduced by mutual consent below where it is now. I am not prepared to say whether it could or not. But in any event, I think we should keep up to treaty strength until some further limitation is made.

Mr. KING. Would the Senator oppose negotiations between the United States and other nations for the purpose of reducing still further the naval armaments of the world?

Mr. HALE. Such a provision is already in the bill in regard to the limitation of ships of 10,000 tons and under.

Mr. KING. Would the Senator consent to an amendment to the provision to which he has just referred by which the conference might consider not only a limitation of submarines and airplanes and swift cruisers but also capital ships?

Mr. HALE. I have no particular views on it. It seems to me it is well enough to try out what has already been attempted under the other conference for the limitation of armaments. I do not think we ought to upset what was done at that conference.

Mr. KING. After having gone through an exhausting World War which, however, has left us much more powerful than it has the other nations who were belligerents, does not the Senator think that the time has come that we should seek a further reduction of the expenses of the Army and the Navy? In other words, does he not think that the time has come when we should consent to a reduction of this large amount of $600,000,000, which is about six-tenths of all the expenses of our Government, including the Army and Navy in 1914 and 1915.

Mr. HALE. I do not think, with conditions in the world as they now are, it would be at all for our benefit or advantage to cut down the appropriations either for the Army or for the Navy.

Mr. KING. Does the Senator think the expenditures which are provided in this bill for civilian employees, for the multitudinous bureaus and agencies and organizations, are not too great?

Mr. HALE. I do not think so, Mr. President. The committee went over that matter very carefully and decided that in order to keep up the fleet it was necessary to maintain the navy yards of the country, and, of course, it requires a large force of civilian employees to do it.

Mr. KING. The Senator knows that Great Britain, which heretofore has been the preeminent naval power of the world, is seeking retrenchment; that the new Labor Government has abandoned the purpose of fortifying and strengthening Singapore, and has signified a desire to have a conference for the purpose of further limiting the expenditures of the nations of the earth for military and particularly for naval purposes.

Mr. HALE. I do not think if Great Britain has that idea in view she will have any difficulty in arranging such a conference.

Mr. KING. Then I understand the Senator from Maine will welcome such a conference?

Mr. HALE. I would welcome a limitation on ships of 10,000 tons and under.

Mr. KING. But, even if other nations were willing, the Senator would not welcome a limitation on capital ships?

Mr. HALE. I have not considered that subject, Mr. President. As I have stated, I do not think it is necessary to try that at present. At some future time it may quite likely be possible to arrange such a limitation.

Mr. KING. Mr. President, when we reach the amendment to which the Senator has referred undoubtedly there will be further discussion upon the matter.

Mr. HALE. I know that the Senator from Utah has given a great deal of consideration to naval matters, and I know that we shall be helped by his suggestions as we go along with the bill. I very much hope that we may proceed with the bill itself as soon as possible.

Mr. DIAL. Mr. President, I should like to ask the Senator from Utah if battleships do not become obsolete in a short time, anyway?

Mr. KING. Certainly. The great capital ships which cost from forty million to fifty million dollars fully equipped soon become obsolete. The famous *Oregon*, and many of those ships which became historic and known throughout the world were built only a few years ago; they are now ready for the scrap heap; indeed, some of them have been decommissioned and some have been scrapped.

Mr. DIAL. Therefore, it would do no harm if we should curtail our naval program considerably?

Mr. KING. Of course, every nation ought to curtail expenditures for war. This Republic, which stands as the most powerful Nation of the world—powerful in a material sense and powerful in a moral sense—ought to lead the way in disarmament and toward the heights of world peace. It is in-

conceivable that a nation with the aspirations and ideals of this Republic should so conduct itself as to subject it to the criticism of being a military nation or having imperialistic ambitions. It should be the desire of this great Christian Nation to exemplify in its international relations as well as in its national dealings and domestic problems the spirit of Christianity, the spirit of peace and fellowship; it should lead the world out of the horrors of war, away from the hatreds and animosities that provoke strife and prevent progress. If the spirit of militarism is encouraged, if demands are made for huge armies and big navies, the peace of the world is endangered. I believe that the expenditure of $600,000,000 annually for war preparedness constitutes an impediment to the growth of a feeling for world peace and world disarmament.

Mr. President, even the Bolsherik Government, which has stood for militarism, which has maintained and is still maintaining a standing army of substantially 600,000 fairly well-equipped men—even that Government, speaking through Mr. Trotzki and through the recognized authorities of the Government, has signified its desire to participate in a world conference for the reduction of armies of Russia as well as all other nations. I think that President Coolidge could do no greater service to his country, no better service for the peace and happiness of the world than to have the United States cooperate with the commission now functioning in Europe as a part of the League of Nations for the purpose of formulating a plan for world disarmament. The organization to which I have just referred has able men who are seeking to devise ways and means to bring about world disarmament. Our Nation has treated rather contemptuously the advances made by the League of Nations when it has sought our aid even in a consultative capacity to formulate a plan for world disarmament. Even now when that organization, representing 54 nations, is seeking to compass this great result, we refuse to participate; we lend ourselves to the chauvinistic view and the intransigent sentiment which was exhibited in the last election and which has been perpetuated by many Republicans and by some Democrats. Because of the bitter hostility to the League of Nations, we refuse to associate with it in beneficent movements that have for their object the peace and happiness of the world.

But, Mr. President, I shall not detain the Senate further in elaboration of that view. I have taken the floor at this time merely to offer a few observations in reply to the Senator from Maine and to answer the question submitted by the Senator from South Carolina.

The PRESIDING OFFICER. The Secretary will read the bill.

Mr. KING. Let the bill be read in full.

The reading clerk proceeded to read the bill.

Mr. SWANSON. I ask unanimous consent that the formal reading of the bill may be dispensed with, and that it may be read for amendment.

The PRESIDING OFFICER. Unanimous consent has already been granted that that may be done.

Mr. SWANSON. Very well.

Mr. KING. Mr. President, I shall not ask for the textual reading of the bill, with the understanding that the bill shall not finally be disposed of this afternoon. One or two Senators desire to make some observations upon it, and I have some data which I desire to submit.

Mr. HALE. Mr. President, I hope very much that we may get through with the bill this afternoon. I think the bill is a very moderate one, and I do not anticipate that there will be a great deal of opposition to it.

Mr. KING. I do not think that the Senator can object to the reasonable request which I have made. Here is a bill carrying $300,000,000, and to try to dispose of it in two or three hours would be a celerity of movement which, while very commendable, ought not to be asked for by the Senator. I have no objection, however, to going ahead with the consideration of the bill.

Mr. HALE. I suggest, then, that we proceed with the committee amendments, and after we get through with them, if the Senator insists on having the bill go over, we will let it go over.

The reading of the bill was resumed.

The first amendment of the Committee on Appropriations was, under the subhead "Pay, miscellaneous," on page 5, at the beginning of line 10, to strike out "$175,000" and to insert "$200,000," and in line 18, after the words "in all," to strike out "$2,500,000" and to insert "$2,600,000," so as to read:

For commissions and interest; transportation of funds; exchange; mileage and actual and necessary expenses and per diem in lieu of subsistence as authorized by law to officers of the Navy and Naval Reserve Force while traveling under orders, and for traveling expenses of civilian employees, and for mileage, at 5 cents per mile, to midshipmen entering the Naval Academy while proceeding from their homes to the Naval Academy for examination and appointment as midshipmen; for actual traveling expenses of female nurses; actual expenses of officers while on shore patrol duty; hire of launches or other small boats in Asiatic waters; for rent of buildings and offices not in navy yards; expenses of courts-martial, including law and reference books, prisoners and prisons, and courts of inquiry, boards of inspection, examining boards, with clerks, and witnesses' fees, and traveling expenses and costs; expenses of naval defense districts; stationery and recording; religious books; newspapers and periodicals for the naval service; all advertising for the Navy Department and its bureaus (except advertising for recruits for the Bureau of Navigation); copying; ferriage; tolls; costs of suits; relief of vessels in distress; recovery of valuables from shipwrecks; quarantine expenses; reports; professional investigation; cost of special instruction at home and abroad, including maintenance of students and attachés; information from abroad and at home, and the collection and classification thereof; all charges pertaining to the Navy Department and its bureaus for ice for the cooling of drinking water on shore (except at naval hospitals), and not to exceed $200,000 for telephone rentals and tolls, telegrams and cablegrams; postage, foreign and domestic, and post-office box rentals; for necessary expenses for interned persons and prisoners of war under the jurisdiction of the Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while under such jurisdiction, and for payment of claims for damages under naval act approved July 11, 1919; and other necessary and incidental expenses; in all $2,600,000.

Mr. KING. Mr. President, I have been requested to make an inquiry as to the reason for the increase on line 18, page 5, from $2,500,000 to $2,600,000.

Mr. HALE. Mr. President, this item of "Pay, miscellaneous," covers a number of appropriations which do not come under the different bureaus of the department. I think there are 16 subheads to this appropriation, all of which have been provided for in the estimates. The total of the appropriation last year was $2,730,000. The estimate for this year was $2,700,000. The House cut the $2,730,000, which was appropriated last year, down to $2,500,000, and the Senate committee has added $100,000.

In this item last year four boards were taken care of that are now not taken care of because they are provided for in a different part of the bill. The appropriation for those four boards amounted to about $60,000. However, in this appropriation there is an increase of $160,000 due to the fact that the transport service to the Orient has been abandoned and officers coming from the Orient travel on merchant vessels and when they land travel by rail. It was figured out that by abandoning the transport service there would be a saving to the Navy of about $50,000. Therefore, there is this increase in the appropriation of $160,000, minus the $60,000 for the boards to which I have referred, or $100,000 in all. We would naturally expect that the appropriation would be increased by $100,000 instead of which it has been decreased $130,000.

The committee went over the matter very carefully, and they thought that it would not be possible, under the circumstances, to make the decrease that was allowed by the House. I feel that it is a very moderate amount, being less than the sum recommended by the estimate.

Mr. KING. Mr. President, let me say to the Senator that Representative FRENCH and the committee of the House of Representatives that framed the House bill went into this matter, as well as into all other subjects embraced within the bill, at very great length, and the testimony which was given before the committee justifies, it seems to me, the appropriation carried by the House bill. If anything it is too large, and I do not agree, notwithstanding the very lucid and convincing statement of the Senator from Maine, with the action of the Senate Committee on Appropriations.

Mr. HALE. Mr. President, the committee went over this matter also very carefully. We went over the 16 items one by one and worked on the matter outside. We concluded that the Navy did need it, and in view of the fact that there is an increase in the appropriation we thought they were entitled to have an increase of $100,000.

Mr. KING. Mr. President, this is an illustration of the point that I made in a rather discursive statement at the outset—that we are giving too much to the overhead, and perhaps in some instances not enough to the vital features of the Navy. Too much is appropriated for bureaus and civilian

personnel and incidental expenses upon shore. I will vote for legitimate and proper increases for purely naval expenses, for fighting ships.

Mr. HALE. Does the Senator think that the ships could operate without a shore establishment?

Mr. KING. Why, of course not. That is obvious; but when we spend the disproportionate amount that this bill carries for shore establishments, of course we are going to diminish the efficiency of the Navy.

That is the trouble with the Navy to-day, and it has been the trouble with the Navy for 15 years. They have cared too much for shore establishments. They wanted soft berths for too many admirals. There have been too many admirals and too many other high officials. Let us have more men at sea, more men in our submarines, more men upon our floating craft, more money for the indispensables, and not so much money for shore stations. That has been the trouble with the Army. It is the trouble with the Navy. They are obsessed with a desire for shore stations and for berths in Washington.

Of course, those who are fighting men in the Navy and fighting men in the Army want to be on the ships and in active service; but there is a disposition to create too many high officers. The Senator knows that already we are going to have five or six more admirals, and yet in the summary that I have before me, furnished me by the Navy Department, we have admirals everywhere. We have before us now a bill to create more admirals, to equalize the provisions of existing law. Pretty soon we are going to have chaplains who are admirals, and pharmacists who are commodores, if not admirals. We are pushing officers up, creating higher officials and more berths and more machinery, which absorb the money which is appropriated and which ought to be utilized for fighting craft.

Mr. HALE. The Senator is referring to the equalization bill?

Mr. KING. Yes.

Mr. HALE. That is before the Naval Affairs Committee.

Mr. KING. Yes; I am referring to that in the last discussion.

Mr. HALE. I shall be glad to discuss that matter with the Senator when the bill comes up in the committee.

Mr. KING. I hope the Senator will exhibit his usual wisdom by considering that bill well and opposing it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed, and the reading clerk read to line 19, on page 8, the last paragraph read being as follows:

OFFICE OF THE JUDGE ADVOCATE GENERAL

SALARIES, NAVY DEPARTMENT

For personal services in the District of Columbia in accordance with the classification act of 1923, $99,320.

Mr. KING. Mr. President, while there is no amendment there my attention has been called to this item and I ask for information—because my information is not sufficiently definite to enable me to form a satisfactory opinion—whether that amount is not too large for the personal services in the District of Columbia for the Judge Advocate General's office?

Mr. HALE. The Senator is referring now to the item on lines 18 and 19 of page 8, under "Office of Judge Advocate General"?

Mr. KING. Yes. I stated to the Senator that my information is not as precise as I should like, and I am asking more particularly for information; but statements have been made to me by some who claim to know that there is an unnecessary expense in connection with that office.

Mr. HALE. This appropriation is for legal and clerical services in that office, and it is one of the very busy offices of the department. No change has been made in the number of men employed in the office. Provision is made for a solicitor, for 8 attorneys, for 5 law clerks, and substantially 25 other clerks in the office, and then for 3 messengers. All matters that come up pertaining to the laws and pertaining to courts-martial come before this department, and instead of there being too many assistants I have heard the repeated assertion that there were not enough to keep up the work. The committee did not consider that this amount was inordinate in any way, and, as I say, the personnel is not increased over that of last year. There is an increase in the amount of the appropriation due to the reclassification.

Mr. KING. Let me say to the Senator that there was considerable criticism of the office, and the matter was brought to my attention in connection with the discussion of the oil lease.

Mr. HALE. The criticism of it was, I think, that there was too little law in the office, rather than too much.

Mr. KING. Exactly; that is, that there were men in the Judge Advocate General's office who were not lawyers and that there were persons there who were entirely incompetent.

Mr. SWANSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Virginia?

Mr. KING. I do.

Mr. SWANSON. If the Senator will read the salaries paid, he will see that they could not get any very expert lawyers for those salaries. We would have to increase them if we desired to get expert lawyers.

Mr. HALE. If we had in this office the type of lawyers that we allow the Shipping Board, for instance, the expenses of this office would be very much increased. It might be a good thing to do. I do not say that it would not. The bill does not provide for them, however.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the heading "Office of Chief of Naval Operations," on page 8, at the end of line 23, to strike out the colon and the following proviso:

Provided, That no money appropriated by this act shall be available for the pay of any commissioned officer of the Navy while attached to the office of Chief of Naval Operations and engaged upon work not specifically assigned by law to such office.

Mr. KING. Mr. President, I am not satisfied with the action of the committee in striking out lines 24 and 25, on page 8, and lines 1 and 2, on page 9. The provision stricken out was an amendment offered upon the floor of the House by Congressman BYRNS of Tennessee. The position which he took seemed to be so meritorious that the House accepted it, and I am told that a real evil existed which prompted the offering of that amendment. I should like to know the reason for the Senate rejecting that after the House had considered it very fully.

Mr. HALE. The House acted on the amendment very hurriedly. The matter had not been considered by a committee at all. I shall be very glad to give the Senator the reason why the committee has stricken out the amendment.

On March 3, 1915, the office of Chief of Naval Operations was created. The statute creating the office reads as follows:

There shall be a Chief of Naval Operations, who shall be an officer on the active list of the Navy appointed by the President, by and with the advice and consent of the Senate, from among the officers of the line of the Navy not below the grade of captain for a period of four years, who shall, under the direction of the Secretary of the Navy, be charged with the operations of the fleet and with the preparation and readiness of plans for its use in war: *Provided*, That if an officer of the grade of captain be appointed Chief of Naval Operations, he shall have the rank, title, and emoluments of a rear admiral while holding that position.

During the temporary absence of the Secretary and the Assistant Secretary of the Navy, the Chief of Naval Operations shall be next in succession to act as Secretary of the Navy.

On August 29, 1916, there was further legislation in regard to this office, as follows:

Hereafter the Chief of Naval Operations, while so serving as such Chief of Naval Operations, shall have the rank and title of admiral, to take rank next after the Admiral of the Navy, and shall, while so serving as Chief of Naval Operations, receive the pay of $10,000 per annum and no allowances. All orders issued by the Chief of Naval Operations in performing the duties assigned him shall be performed under the authority of the Secretary of the Navy, and his orders shall be considered as emanating from the Secretary, and shall have full force and effect as such. To assist the Chief of Naval Operations in performing the duties of his office there shall be assigned for this exclusive duty not less than 15 officers of and above the rank of lieutenant commander of the Navy or major of the Marine Corps: *Provided*, That if an officer of the grade of captain be appointed Chief of Naval Operations he shall have the rank and title of admiral, as above provided, while holding that position: *Provided further*, That should an officer, while serving as Chief of Naval Operations, be retired from active service he shall be retired with the lineal rank and the retired pay to which he would be entitled had he not been serving as Chief of Naval Operations.

These are the only laws touching the office of Chief of Naval Operations that have been enacted by Congress.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Tennessee?

Mr. HALE. I shall be glad if the Senator will allow me to finish my statement first.

Mr. McKELLAR. I just want to ask about one feature of the matter before the Senator passes on. The purpose of this amendment is to prevent the Chief of Naval Operations from obtaining the higher pay, but it would require him to continue to receive the pay of his grade?

Mr. HALE. No; the purpose of the amendment is to provide that any officer in Operations who is not performing duties specifically assigned by law can not receive any pay at all. The same thing would apply to the Chief of Operations.

Mr. McKELLAR. Do all officers in this office receive higher pay than they otherwise would?

Mr. HALE. Not at all.

Mr. McKELLAR. Do any of them receive higher pay?

Mr. HALE. Not at all. They are regular officers of the Navy and receive their regular Navy pay. I wish the Senator would allow me to finish my statement.

Mr. McKELLAR. I do not understand what this means unless it does mean something of that sort.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Pennsylvania?

Mr. HALE. I do.

Mr. PEPPER. Am I not right in understanding that if the amendment inserted by the House is allowed to stand, it practically permits the Comptroller General to decide what duties are or are not specifically assigned by law? It practically transfers into the office of the Comptroller General the determination of what shall be the duties of officers that come within this category, does it not?

Mr. HALE. That is entirely right, Mr. President.

Mr. SWANSON. Mr. President——

Mr. HALE. If Senators will allow me to finish my statement, I shall be very glad then to answer any questions.

I have given the two statutes relating to this subject. Regulations taking care of this matter have been promulgated by the Navy Department. The Navy regulation of July 15, 1915, assigned the duties of the Chief of Naval Operations. They gave him the direction of the Naval War College, the direction of the Office of Naval Intelligence, the direction of the office of target practice and engineering performances, operations of the radio service and other systems of communication, operations of the aeronautic service, operations of mines and mining, of the Naval Militia, of the Coast Guard, and so forth. That was the first regulation. That was approved by the department immediately after the passage of the first law.

A further regulation provided that—

All orders issued by the Chief of Naval Operations in the execution of his assigned duties shall be considered as emanating from the Secretary of the Navy and shall have full force and effect as such.

That is simply putting into the regulation the wording of the statute of 1916. The next regulation provided as follows:

And shall so coordinate all repairs and alterations to vessels and the supply of personnel and material thereto as to insure at all times the maximum readiness of the fleet for war.

This regulation was approved in August, 1923. It is on account of this regulation that the amendment was introduced in the House of Representatives.

As a matter of fact, these regulations which were issued by the department have not in any way changed the practice which has always obtained in the department since the law was first passed in 1915. No change of any kind has been made, and this simply carries into effect the practice they have always followed, and in every way comes under the law.

I think it was thought by some people when this regulation was issued that it might change the duties of the Chief of Operations; but it does not do so, and therefore there can be no reason for the amendment that was introduced in the House.

Mr. KING. Mr. President, I will not object to action by the Senate, but when we shall resume consideration of the bill on Monday, or on whatever day we shall resume consideration of it, if in the meantime I have obtained information which I deem sufficient to warrant me in moving for reconsideration, I shall ask the Senator to consent to a reconsideration of the votes by which any of these amendments have been agreed to. The amendment may be adopted now pro forma.

Mr. SWANSON. If the Senator will permit me, I want to say just a word about this. It would be almost impossible for an officer who served in the field of operations to get his salary until he furnished proof, filed with the Comptroller General, that he served for a period of 30 days. When the time came for him to get his salary he would be bothered and delayed and worried, and it would be practically impossible to get men to serve in the field of operations if they could not get their salaries promptly. Every time a man's salary was due, he would have to prove that since the last payment he had served in the field of operations.

Mr. HALE. He would have to serve, if he were detailed to serve.

Mr. SWANSON. But he would not want to serve.

Mr. HALE. He would be obliged to take the service and risk losing all of his pay in doing so. It would turn over to the comptroller practically the operation of the Navy.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the subhead "Naval training stations," on page 12, at the end of line 22, to increase the appropriation for maintenance, etc., of the Newport (R. I.) Naval Training Station, from "$215,000" to "$250,000."

Mr. KING. I hope the Senate will not agree to that amendment. The House went into this matter, as well as into the item on line 24, and they reached the conclusion that the amount given in those two items was all that was necessary. The Senate committee may have had evidence that compelled it to change the figures given by the House, but my information is that the facts were presented before the House committee very fully, and the committee was substantially unanimous in the conclusion expressed in the items carried in the bill.

Mr. HALE. Mr. President, in making the estimate in regard to these training stations it was thought in the Bureau of the Budget that the Navy could get along with three training stations, instead of four. There is now a naval training station at San Diego, one at the Great Lakes, one at Newport, and one at Hampton Roads. The House considered the matter and decided that it was necessary to keep up the four stations, and they allotted the money to take care of those stations.

The department came before us at our hearing and testified that they could not carry on at all with the allotment made by the House. For instance, at Hampton Roads, they testified, too much was appropriated to take care of the trade schools alone and too little to take care of the trade school with the training station. In the same way at Newport, not a sufficient amount was appropriated to take care of that station and to take care of the men who, it was estimated, would have to be trained there.

So we went over the matter and decided to leave the appropriation for San Diego as it was, to increase the appropriation for Newport by $35,000, and to increase the appropriation for Hampton Roads by $135,000 over the estimate.

Mr. FLETCHER. By $45,000.

Mr. HALE. To increase the House appropriation by $45,000, and we thought that with these appropriations these stations could be operated, and provide training for the men we need in the Navy.

Mr. SWANSON. It is largely a question of how long these people are allowed to go to a training school. It is considered very advantageous to give the man who is to go on one of the large battleships a good training. The representatives of the department told us they could not give a training of five or six weeks if they did not have this amount of money. They insisted that if we are going to economize we should not economize on the training stations.

Mr. GERRY. Mr. President, in the item with regard to Newport the Bureau of the Budget agreed on $250,000. It is perfectly apparent that if the amount is cut to the House figure, $215,000, they will not be able to train the number of men they need for the Navy, namely, 2,000, during the summer period, but, as the Assistant Secretary of the Navy testified, only 1,250 instead of 2,000. As the Senator from Virginia has just said, it simply means that they will have to cut down the period of training of men needed for the Navy, or not train a sufficient number. The Bureau of the Budget agreed to $250,000 after very careful consideration.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment on page 12, line 22.

The amendment was agreed to.

The next amendment was, on page 12, line 24, to increase the appropriation for maintenance of the Naval Training Station at Hampton Roads, Va., from "$215,000" to "$260,000."

The amendment was agreed to.

The next amendment was, under the subhead "Naval Reserve Force," on page 13, at the beginning of line 24, to strike out "$2,400,000"; in all, $3,570,000," and to insert "for aviation material, equipment, fuel, and rental of hangars, $3,830,000; in all, $4,000,000," and on page 14, line 5, after the word "vessels" to insert "and aircraft," so as to read:

For expenses of organizing, administering, and recruiting the Naval Reserve Force and Naval Militia; for the maintenance and rental of armories, including the pay of necessary janitors, and for wharfage, $170,000; for pay and allowances of officers and enrolled men of the Naval Reserve Force, other than class one, while on active duty for training; mileage for officers while traveling under orders to and from active duty for training; transportation of enrolled men to and from active duty for training, and subsistence and transfers en route or cash in lieu thereof; subsistence of enrolled men during the actual period of active duty for training; pay and allowances of officers of the Naval Reserve Force and pay, allowances, and subsistence of enrolled men of the Naval Reserve Force when ordered to active duty in connection with the instruction, training, and drilling of the Naval Reserve Force; and retainer pay of officers and enrolled men of the Naval Reserve Force, other than class 1, for aviation material, equipment, fuel, and rental of hangars, $3,830,000; in all, $4,000,000, which amount shall be available, in addition to other appropriations, for fuel and the transportation thereof and for all other expenses in connection with the maintenance, operation, repair, and upkeep of vessels and aircraft assigned for training the Naval Reserve Force.

The amendment was agreed to.

The next amendment was, under the subhead "Naval War College, Rhode Island," on page 14, at the beginning of line 18, to strike out "$91,800," and to insert "$121,800"; at the end of line 22, to strike out "$100,000" and to insert "$130,000," so as to read:

For maintenance of the Naval War College on Coasters Harbor Island, including the maintenance, repair, and operation of one horse-drawn passenger-carrying vehicle to be used only for official purposes; and care of ground for same, $121,800; services of a professor of international law, $2,000; services of civilian lecturers, rendered at the War College, $1,200; care and preservation of the library, including the purchase, binding, and repair of books of reference and periodicals, $5,000; in all, $130,000.

Mr. KING. A number of changes are made in the provisions under the head of "Naval War College." The Senator will recall that the testimony before the House committee was quite satisfactory. May I inquire why the committee of the Senate felt it necessary to increase this amount?

Mr. HALE. The committee went over this matter, and we decided that the work of the Naval War College is about the most important work that can be done in the Navy, as far as plans and strategy are concerned, and that this would be a poor place to economize. As the Senator knows, there are two branches at the War College, the junior branch and the senior branch. The senior branch has to do with strategic questions and the junior branch with tactical questions. The senior branch has been in existence for a number of years; the junior branch has only been taken up recently, and it is proving a great success. I think last year in the senior branch there were 37 members and in the junior 29. They hope to be able to increase the senior class to 40 next year and the junior class to 50, and in doing so they expect to use an additional building to take care of that increase. This increase in the appropriation is partly to take care of that building and partly to provide for additional clerical help in the work.

Mr. GERRY. I would also like to call the Senator's attention to the fact that there is also a correspondence school, the courses in which 809 officers in the Navy are taking, and this appropriation enables the War College to carry on that correspondence school.

Mr. HALE. The Senator is quite right. That is a very important matter.

The amendment was agreed to.

The next amendment was, on page 15, line 2, to strike out "$50,000" and to insert "$70,278.56," so as to make the proviso read:

Provided, That the sum to be paid out of this appropriation under the direction of the Secretary of the Navy for clerical, inspection, drafting, and messenger service for the fiscal year ending June 30, 1925, shall not exceed $70,278.56.

The amendment was agreed to.

The next amendment was, under the subhead "Naval Home, Philadelphia, Pa.," on page 15, line 5, after the word "grounds," to strike out "$1,080" and to insert "$1,200"; in line 6, after the numerals "$1,600," to strike out "store laborer, $660; matron and office assistant, $720," and to insert "seamstress, $360"; at the beginning of line 9, to strike out "one $540, one $480," and to insert "one $600, one $540"; in line 11, after the word "head," to strike out "$480" and to insert "$600"; and in line 22, to strike out "$51,110" and to insert "$50,450," so as to make the paragraph read:

Pay of employees: Secretary, $2,200; foreman mechanic, $2,200; superintendent of grounds, $1,200; steward, $1,600; seamstress, $360; beneficiaries' attendant, $480; baker, $720; chief cook, $660; assistant cooks—one $600, one $540; laundresses—chief $480, five at $360 each; scrubbers—chief $420, three at $360 each; waitresses—head $600, 12 at $360 each; kitchen attendant, $540; laborers—four at $600 each, seven at $540 each; firemen—one $840, four at $720 each; gardener, $840; helper, pipe fitter, $975; helper, woodworker, $975; stable keeper and driver, $660; master at arms, $900; two house corporals, at $600 each; barber, $600; carpenter, $1,400; painters—one $1,400, one $1,020; engineer, $1,080; chauffeurs—one for coal truck, $960, one for small truck, $840; electrician, $1,400; stenographers and typewriters—one $1,800, one $1,400, two at $1,200 each; telephone operator, $900; total for employees, $50,450.

The amendment was agreed to.

The next amendment was, on page 16, line 16, to reduce the appropriation for the Naval Home, to be paid out of the income from the naval pension fund, from "$178,210" to "$177,550."

Mr. KING. May I inquire of the Senator whether the fund from which this amount is paid is adequate each year to meet the recurring charges?

Mr. HALE. This does not come out of the Treasury. It comes out of the naval pension fund.

Mr. KING. I understand; but is the fund sufficiently large to meet the recurring annual charges?

Mr. HALE. So far as I know, it is. It is a very large fund now, about fourteen or fifteen million dollars, and they can very well get along with this.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on page 16, line 16.

The amendment was agreed to.

The next amendment was, under the heading "Hydrographic Office," on page 16, at the end of line 24, to increase the appropriation for personal services in the District of Columbia in accordance with the classification act of 1923, from "$300,000" to "$311,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Engineering," on page 21, line 5, after the words "in all," to strike out "$18,012,300," and to insert "$16,550,000"; in line 6, after the word "which" to strike out "$2,562,300," and to insert "$1,100,000"; and in line 7, after the word "immediately," to strike out the comma and the words "and not less than $600,000 of the amount last named shall be available for developing and testing submarine motive power under actual service conditions," so as to read:

ENGINEERING

For repairs, preservation, and renewal of machinery, auxiliary machinery, and boilers of naval vessels, yard craft, and ships' boats, distilling and refrigerating apparatus; repairs, preservation, and renewals of electric interior and exterior signal communications and all electrical appliances of whatsover nature on board naval vessels, except range finders, battle order and range transmitters and indicators, and motors and their controlling apparatus used to operate machinery belonging to other bureaus; searchlights and fire-control equipments for antiaircraft defense at shore stations; maintenance and operation of coast signal service; equipage, supplies, and materials under the cognizance of the bureau required for the maintenance and operation of naval vessels, yard craft, and ships' boats; care, custody, and operation of the naval petroleum reserves; purchase, installation, repair, and preservation of machinery, tools, and appliances in navy yards and stations, pay of classified field force under the bureau; incidental expenses for naval vessels, navy yards, and stations, inspectors' offices, the engineering experiment station, such as photographing, technical books and periodicals, stationery, and instruments; instruments and apparatus, supplies, and technical books and periodicals necessary to carry on experimental and research work in radiotelegraphy at the naval radio laboratory; in all, $16,550,000, of which $1,100,000 shall be available immediately.

Mr. KING. May I inquire of the Senator the reason for those modifications in the bill as it passed the House?

Mr. HALE. In the bill as it passed the House the estimate was exceeded by the House by $2,562,300. Of this amount $600,000 was to be used for the installation of engines on one of the T-boat submarines. This was to be done in the place

of the building of the three submarines that the estimates provided.

The House felt that the submarine engines were not developed to the extent that it was safe to go ahead and build new submarines and take the chance of their turning out to be failures. They thought that the prudent thing to do would be to try out some of the engines which we now have, which are the M. A. N. engines, in one of our older submarines that had turned out to be a failure and that was not in active use. The committee thought that this plan of the House would not be practical. We thought that it was better to provide for one new submarine to be built and not to make the test that the House had provided. Accordingly, under "increase of the Navy," we have provided for a sufficient amount to start one submarine instead of three that were estimated for. That accounts for the omission of $600,000 in this item.

Further the House thought that certain economies could be made in the Navy by making an additional appropriation of $1,962,300. In the testimony given at the hearings Admiral Robison stated that if certain new installations were made in the machinery of the battleships and other ships, a great saving could be made in the consumption of fuel. The House accordingly provided this amount to bring about such economies. We went over the amount provided for by the House and from the $1,962,300 we cut off $862,300, because of the fact that the changes proposed would cover not only economies but other items such as reliability and safety. We figured that those items of reliability and safety had already been put up to the Budget and, the Budget not having provided for them, it was unnecessary to insert them here. Admiral Robison, however, did persuade the committee that if we allowed him the $1,100,000 included in the bill we could save nearly an equal amount next year on fuel for the Navy. We therefore allowed that amount to remain in the bill. It is $1,100,000 more than the estimate.

Mr. KING. Mr. President, one of the defects of our Navy is found under the head of submarines. I do not think we are yet able to build a suitable submarine. Two years ago we had 166 submarines built or in process of construction. A year ago we were led to believe, from fugitive statements made now and then by the Navy Department or officers of the Navy Department, that we were overcoming the problems involved in submarine construction and that, if not the S-boat or the T-boat, or the V-boat would come up to some degree of perfection. But I think the able Senator from Maine from the plentitude of his wisdom and from his investigations, will be compelled to confess that our activities in behalf of the construction of submarines have been most unsatisfactory.

Mr. HALE. I do not think that our success with submarines has been entirely perfect, but I think the same can be said of every other country. I think we have held our own so far with other countries with the possible exception of Germany during the war. I know we have built submarines that have not turned out successfully, such as the T-boats, to which I have already referred, and one of which is to be taken under the House provision for experimentation and then scrapped; and possibly in other lines we have not been wholly successful. But I have more confidence in the V-boats to which the Senator has referred.

The S-boats and R-boats, which are the principal submarines that we now have, while not entirely perfect, have on the whole, I think, proved very successful when used for the purpose for which designed. The trouble with us is that we have had to use those submarines for a purpose for which they were not designed. Not having any fleet submarines, we have been going ahead and trying to use those submarines for fleet submarines. They were never designed for that purpose. When used as fleet submarines they have been driven at a speed for which their engines were not built and which they can not keep up for any great length of time. I think that is the trouble that we have had with the S or R boats.

Mr. KING. I am not in entire accord with the statement of my friend the Senator from Maine. I can not agree with his statement that various types of submarines have been satisfactory. The Senator recalls that most of the boats constructed by the Electric Boat Co. had defects, most serious defects.

Mr. HALE. I think they had, but I think those defects have been largely cured.

Mr. KING. Mr. President, we appropriated $25,000 during last year or the year before to make repairs upon the crank shaft and, in some instances, the engine of each of a number of boats furnished by the Electric Boat Co., which under the contract the company should have paid for. I do not believe that those boats, with the repairs and changes and alterations, have been entirely satisfactory. Perhaps the most satisfactory boat that has been constructed—and I shall not answer for the perfection of that boat—was built by the Simon Lake Co. I think the facts warrant the statement that we have not reached a satisfactory condition in our submarine construction.

Mr. HALE. But neither has any other country.

Mr. KING. We will come to the other countries in a few moments. Let us stay at home for a moment. The isolationists who do not want to go abroad, shall not lead me across the ocean for a moment. Let us consider our own mistakes.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. KING. I yield.

Mr. SHIPSTEAD. I believe the Senator from Utah voted to keep the world away from America, did he not?

Mr. KING. I do not understand the Senator's question.

Mr. SHIPSTEAD. If I remember correctly, the Senator voted to keep Europe away from America by voting for the immigration bill.

Mr. KING. If the Senator asks whether I voted for the immigration bill which passed a few days ago, I will say that I voted against it.

Mr. SHIPSTEAD. Then I was misinformed. I know some who want to go to Europe voted to keep Europe out of America.

Mr. KING. Yes; and may I say to the Senator that I not only voted against the bill but in committee I voted for the 1910 census basis as against 1890. But the Senator from Tennessee [Mr. MCKELLAR], who now sits near me, is challenging the wisdom of my course.

Mr. MCKELLAR. Yes; I think the Senator voted wrong.

Mr. KING. All of which exemplifies the fact that there is not the greatest of harmony among Senators even on this side of the Chamber. It is my misfortune, however, not always to agree even with my own colleagues.

But we are going far afield. I was about to say to the Senator from Maine that no subject involved in the bill before us was more fully considered by the House committee than the one which we are now discussing, and the question of whether we should appropriate at this time to build more submarines. The Senator will recall the statements of Mr. Roosevelt, Assistant Secretary of the Navy, and Admiral Robison and others before the House committee, and I think I am safe in saying that at the conclusion of the hearings the House committee concluded that it would not authorize further construction of submarines because the past record was so unsatisfactory. The committee did include in the bill an item of $600,000 for further experimentation, but they did not, as did the Senate committee, authorize the construction of another submarine.

Mr. MCKELLAR. Mr. President, will the Senator yield?

Mr. KING. I yield to the Senator from Tennessee.

Mr. MCKELLAR. A few moments ago the Senator defended very strongly a limitation of naval armament, and I think it is a very wise thing to have. It ought to be limited. The last naval conference, however, did not take into consideration the question of submarines.

Mr. KING. Nor swift cruisers.

Mr. MCKELLAR. I am applying it now merely to submarines. In my judgment, the use of submarines in war is just like the commission of murder by lying in wait. It is an infamous means of taking human life in war. In view of the fact that our own country has not made a success of submarines, and in view of the further fact of the infamous character of conducting warfare by submarine, does not the Senator think that it would be exceedingly wise to have a conference of the nations and to do away with the use of submarines in naval warfare?

Mr. KING. Let me add that the Washington conference dealt, in a feeble way, with submarines and poison gas. But replying to the Senator's question, it seems to me that it can be answered only in the affirmative—that is to say, that submarine warfare ought to be outlawed. It shocked the conscience of civilized nations. The Senator has characterized it as infamous. I do not know that there is any term in the English language sufficiently strong to characterize the cruelty of such a method of warfare. It is inhuman in the last degree, and particularly is that true if such warfare is conducted against neutrals or against ships which are carrying noncombatants or commodities and supplies not contraband of war. The indiscriminate slaughter of men, women, and children upon the high seas through the agency of the submarine ought to bring down the wrath of the civilized world upon the perpetrators of such a deed.

Mr. MCKELLAR. Such use of the submarine ought to be put in the same category with the dropping of bombs on

innocent men, women, and children in populous cities, and in the same category with the use of poison gases that may destroy not only whole armies but all of the population of a certain district.

Mr. KING. I agree with the Senator as to that.

Mr. MCKELLAR. As the Senator has said, there are no words strong enough to describe the inhumanity and the awful horror of the use of such implements of war. They ought to be outlawed by all of the civilized nations of the world. It seemed to me then, and it seems to me now, that the late arms conference in not even considering those three questions manifestly failed in its duty to the world.

Mr. SHIPSTEAD. Mr. President——

Mr. KING. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. If I understand the two Senators correctly, they are in perfect accord, that when people are killed they should be killed in a humane manner, in a nice way—for instance, the bayonet—and not by methods such as submarines and poison gases. Do I understand the Senators correctly?

Mr. KING. No; I do not assent to all the implications which arise from the rather clever and deft interrogation of the Senator from Minnesota. Let me say that I am opposed to war in any form; and a few moments ago, if the Senator from Minnesota had been in the Chamber, he would have heard me state, in a rather imperfect way, that I hoped by international conferences there would be not only a limitation of armament, both on land and sea, but complete disarmament upon the part of all the nations of the earth. I called attention to the fact, if I may be pardoned a repetition, that Mr. Ramsay MacDonald, the premier of Great Britain, has signified the willingness of his Government to participate in a world conference to secure world disarmament; and that even Mr. Trotski and representatives of the Bolshevik Government of Russia, notwithstanding the strong militaristic attitude which they have assumed in the past, and which they have not abandoned up to the present, have also indicated their willingness to enter into a world conference for the purpose of bringing about disarmament. May I say——

Mr. PHIPPS and Mr. MCKELLAR addressed the Chair.

Mr. KING. Let me complete the sentence?

May I say that in an interview I had with Mr. Trotsky, the head of the Red army, he stated that, notwithstanding Russia had an army of more than 600,000 men, she was willing to join in a conference of the nations of the world, and if they would disarm, the Bolshevik Government would also disarm.

Mr. PHIPPS. I thought the Senator from Tennessee [Mr. MCKELLAR] had the floor, and I wanted to direct a question to him.

Mr. KING. The Senator from Utah has the floor, but he will yield to the Senator from Colorado, in order that he may ask the Senator from Tennessee a question.

Mr. MCKELLAR. I shall be glad to answer the question if I can.

Mr. PHIPPS. I understood the Senator from Tennessee to say that the Conference on Limitation of Armament gave no consideration to the question of limiting the use of submarines or poison gases. Did I misunderstand the Senator?

Mr. MCKELLAR. I do not recall. I think I said that so far as submarines were concerned that conference did very little about them. I think they merely appointed some committee.

Mr. PHIPPS. Did they not agree that submarines should not make attacks upon unarmed vessels? Was not that a part of the agreement?

Mr. MCKELLAR. Did they do so?

Mr. PHIPPS. That is my recollection.

Mr. MCKELLAR. I have no such recollection.

Mr. PHIPPS. And is it not also a fact that in considering the use of poison gases it was agreed that poison gases used in bombs were not to be used against defenseless populations?

Mr. MCKELLAR. My recollection is, if the Senator from Utah will yield further, that the Conference on Limitation of Armament only had to do with the limiting of capital ships, the 5-5-3 program.

Mr. PHIPPS. I think the Senator will find that it went beyond that.

Mr. MCKELLAR. I do not think it went beyond that, but——

Mr. PHIPPS. There was certainly a limitation on the use of poison gases.

Mr. MCKELLAR. The conference may have passed some friendly resolution about it, which meant nothing. It certainly did not take any steps to prevent the use of poison gases in the war.

Now, if the Senator from Utah will indulge me, I want to reply to the statement made by the Senator from Minnesota [Mr. SHIPSTEAD] a few moments ago. I wish to say to the Senator from Minnesota that I am wholly opposed to war. I pray God that we may never have another war. After the last war was over I favored taking steps to make it impossible, if human agencies could so make it, ever to have another war.

I am utterly opposed to war; but if we have to have war at any time, I believe in a fair war, where men may fight fairly and under honorable terms, and not by lying in wait, not by the use of poison gases, not by sailing ships under the water and blowing into eternity vessels carrying as passengers men, women, and children who are taking no part in the war. I was for that then, and I am for the same thing now, notwithstanding the criticism of the Senator from Minnesota.

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield to the Senator from New York.

Mr. COPELAND. I should like to ask the Senator from Utah a question. Did not the Limitation of Armament Conference which was held here really defeat its purposes because of the conclusions reached? It finally determined to build no more capital ships, but when certain nations, for instance France, were relieved of the necessity of keeping up with the naval procession, did they not use the money which they would otherwise have used for capital ships to build airplanes and submarines and develop poison gases and flames and other devilish instruments of destruction? Is it not the opinion of the Senator that, so far as the ultimate good of humanity is concerned, was not that good interfered with by reason of the failure of the conference to go the whole route, resulting, as it did, in my judgment, in the development of these instruments of torture instead of the development of those things which make for peace?

Mr. KING. Mr. President, the questions submitted by the Senator from New York open up a broad field of discussion and call for replies which would interrupt the consideration of the pending bill. But may I say, in partial answer, though not a complete answer to the Senator from New York, that, in my judgment, the limitation of arms conference which was called by President Harding did not accomplish all that it might have accomplished and all that the people who believe in peace hoped that it would accomplish, although undoubtedly it was a step forward in the direction of the limitation of naval armament to restrict the number of capital ships to be constructed by Great Britain, Japan, the United States, France, and Italy.

Immediately following the war the United States, manifesting a rather militant attitude, quite incompatible with the democratic institutions, signified its purpose to spend more than $1,000,000,000 upon a naval program. A considerable part of that huge sum was to be expended in building capital ships. The attitude of the United States was regarded by some as a challenge to Japan and to Great Britain. Great Britain came out of the war exhausted financially and in man power. She wanted, of course, to escape, if it were possible, the continuation of an oppressive naval policy that would further burden her people, but when we signified our intention to continue our 1916 naval program then Great Britain felt constrained to revise her program.

It should be remembered that Great Britain immediately following the war broke up three battleships which were upon the ways, losing nearly $15,000,000. By the terms of the Versailles treaty Great Britain and other signatories thereto sought to bring about limitation of armament in all the world.

The treaty sought to relieve the world from the burdens of military preparation. It set up agencies to accomplish this result and to determine the controversies among nations. But when we rejected the treaty and set out to spend more than $1,000,000,000 for battleships and cruisers, then Great Britain reversed her plans and announced that she would build three capital ships of the type of the Hood, each having over 67,000 tons displacement, and each to cost nearly $75,000,000.

Japan, actuated by the same fears that possessed Great Britain, pushed forward the construction of her battleships, and there was promise of a mad and savage race between these three great naval powers, which, of course, would have been joined by other naval powers of the earth. The execution of this insane policy would have been disastrous to the nations concerned and dangerous to the peace of the world.

President Harding, responding to the direction of Congress, called a conference of certain powers. Perhaps I should qualify that. In the naval act of 1916 the President of the United

States was authorized, and as I recall, was directed, to call at the conclusion of the World War a naval conference for the purpose of limiting naval armaments. President Harding acted pursuant to this law and also pursuant to resolutions offered by the Senator from Montana [Mr. WALSH] and the Senator from Idaho [Mr. BORAH], which resolutions became a part of the naval bill. That conference was called, and as a result of it there was a limitation in the construction of battleships by those who participated in the conference.

Mr. President, in reply to the Senator from New York [Mr. COPELAND], if he will pardon this wide diversion, I do think there was some good resulting from the conference, though not the rich harvest that should have resulted. The conference was too restricted in numbers and in the subjects to be considered.

It will be recalled that the Dutch Government felt somewhat irked because it was not invited to participate. In my judgment other nations ought to have been asked to take part in the conference, and a more comprehensive program for world peace and world disarmament should have been considered.

Mr. McKELLAR. Mr. President, I will say that I have since sent for the treaties, and I find that the questions of submarines and noxious gases were both considered by the conference, and apparently a treaty was drawn—whether it has ever been ratified or not I do not know—but, even if it has, it does not have the effect that the Senator and I have suggested here to-day.

Mr. KING. There is no provision for limiting submarines in any treaty that was drawn.

Mr. McKELLAR. No; but Article IV of the proposed treaty provided that——

> The signatory powers recognize the practical impossibility of using submarines as commerce destroyers without violating, as they were violated in the recent war of 1914–1918, the requirements universally accepted by civilized nations for the protection of the lives of neutrals and noncombatants, and to the end that the prohibition of the use of submarines as commerce destroyers shall be universally accepted as a part of the law of nations they now accept that prohibition as henceforth binding as between themselves, and they invite all other nations to adhere thereto.

That is just a mild resolution along the line of something real. It does not accomplish anything. It is a mere expression that we are opposed to the use of submarines.

In so far as noxious gases are concerned, it is largely the same way. Article V of the proposed treaty provides as follows:

> The use in war of asphyxiating, poisonous, or other gases, and all analogous liquids, materials, or devices having been justly condemned by the general opinion of the civilized world and a prohibition of such use having been declared in treaties to which a majority of the civilized powers are parties, the signatory powers, to the end that this prohibition shall be universally accepted as a part of international law binding alike the conscience and practice of nations, declare their assent to such prohibition, agree to be bound thereby as between themselves, and invite all other civilized nations to adhere thereto.

The same language. In other words, this is virtually an invitation to the other nations to join us in doing what was right, but nothing effective was brought about. It was virtually the same as the law before. There was an agreement among the nations in regard to asphyxiating gases and the use of submarines before that time.

Mr. PHIPPS. Mr. President——

Mr. KING. I yield to the Senator from Colorado.

Mr. PHIPPS. The Senator from Tennessee did not overlook the fact that that was put in the form of a definite treaty, and that it was signed by the five great powers, so it is effective and binding on them both as regards the use of submarines as against commerce and as regards the use of asphyxiating gases.

Mr. McKELLAR. Has it been ratified?

Mr. KING. The Senator does not mean to assert that there is anything in the treaty which obligates either of the signatories to it to abstain from the construction and use of submarines?

Mr. PHIPPS. Oh, no; not their construction and maintenance, but their use as against commerce. Their use is limited to warfare. The Senator from Tennessee had raised the question, however, and he read into the RECORD, very properly, the results of the conference as regards those two features, which resolved themselves into a definite treaty that is binding upon the nations.

Mr. KING. Of course, all remember—I hope the Senator from New York [Mr. COPELAND] will pardon me for having answered him only partially, and I will revert to his inquiry in a moment—we all remember that Lord Balfour, who so ably represented the British Empire at the conference, signified the willingness of Great Britain to enter into an agreement to abstain from the use of submarines; but France and Italy refused to assent to the proposition, so that the conference did not adopt any plan to limit the use of submarines.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. KING. Yes.

Mr. PHIPPS. Did not the Senator also receive the impression that, so far as the United States Government was concerned, the administration in charge was quite willing to go to the same length that Great Britain was, and that that had been contemplated within the call?

Mr. KING. I did not hear the first part of the Senator's question.

Mr. PHIPPS. The representatives of the United States were prepared to go as far as those of Great Britain were, as indicated by the statement of Lord Balfour.

Mr. KING. The Senator is right.

Mr. PHIPPS. But it was the other nations that were as yet unprepared.

Mr. KING. My recollection is that our Government was willing to limit the use of submarines for war purposes.

Mr. PHIPPS. I merely called attention to the fact that the Senator made the statement with reference to Great Britain without mentioning the fact that the United States was in accord with the view of Great Britain.

Mr. KING. I had not completed my statement upon that matter.

Mr. McKELLAR. Mr. President——

Mr. KING. I yield.

Mr. McKELLAR. If the Senator will permit me, as a matter of fact what the conference did was merely to pass some meaningless resolutions in the form of a treaty in reference to the use of the submarines and noxious gases in warfare, just as I originally stated. That is absolutely and conclusively shown by the fact that we have in both the naval appropriation bill and the Army appropriation bill very large appropriations for the building of submarines and the use of submarines and the use of poisonous gases in war, under the chemical-warfare provision of the bill.

Mr. KING. I shall have to express some qualification of the statement just made by the Senator. There is carried in this bill an appropriation of over a million dollars for the construction of a submarine. That is not a large item. Of course, that is merely preliminary. The authorization of $1,000,000 calls for approximately $6,000,000 when the submarine shall have been completed; so, when we authorize it, it means that we are committed to an appropriation of at least $6,000,000. That, however, is an insignificant sum measured by the colossal appropriations which are made even in this day of peace for war, for the Army and for the Navy. Six hundred million dollars more are carried by this bill and by the Army bill for the next fiscal year.

Mr. McKELLAR. Mr. President, I call the Senator's attention to pages 57 and 58 of the military appropriation bill, reported by the Appropriations Committee on March 31, 1924:

> For purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas-warfare purposes, including all necessary investigations, * * * $700,000.

Of course, if there had been any prohibition of the use of noxious gases in the limitation-of-arms treaty, that item would not have appeared in the military appropriation bill; and I imagine that there is some sort of an appropriation for the purpose in the naval bill, though I have not examined it with great care. The result, I want to say, is that the Arms Conference passed over lightly these two important subjects, these two infamous ways of making war, and simply confined themselves to a five-five-three program of capital battleships, which I think is immaterial in itself.

Mr. KING. Mr. President, may I say to my friend that no matter what treaties may be negotiated, so long as nations maintain a belligerent attitude, so long as they do not have the will to peace, so long as they will not agree to submit to arbitration or to suitable international tribunals for determination controversies which may arise, there will be wars; and no matter how humanely we may seek to have war conducted it will be accompanied by inhumanity and pitiless cruelty. If the use of submarines and poisonous gases were abolished and the interdiction of inhumane methods of warfare was universally agreed to, I fear there would be transgressions and violations of such agreements when war was entered upon. The desire to win would be so strong that the

conscience of some belligerents would be stifled and they would resort to every course which promised victory.

Mr. SHIPSTEAD. Mr. President——

Mr. KING. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I should like to ask the Senator in what manner he thinks the world's oil wells and mines and trade routes should be divided and controlled unless nations go to war to decide the issue? That is the way we have had of settling that issue in the past. When the industrial group of a nation desire to take property that belongs to some other nation, they usually use the military forces, through the government. Does the Senator believe that it is practical to ask them please to step into court before they commit a crime? Would he ask a holdup man to go into court before he goes and holds up some one else in the dark with a gun?

Mr. KING. Mr. President, the questions of the Senator from Minnesota involve not only the psychology of nations but traits of human character, manifested individually and nationally. The Senator's question would seem to imply—and yet I am sure he does not mean that—that humanity is condemned, as was Sisyphus of old, to forever push toward the summit of the mountain the rock of peace and justice, only to have it slip from tired hands before the goal is attained and crash to the level below.

I do not believe that an all-wise and merciful Father ordained an eternal struggle, cruel and sanguinary, for His children. I believe that He endowed us with conscience and with reason, with love and affection and charity and fellowship, with those fine and noble impulses which in the end will dominate the lives of men and establish His kingdom upon earth.

Why should there not be international amity and peace among nations? The thirteen independent nations—after the Revolutionary War—established the Constitution of the United States in order to avert war and to promote their welfare. Conflicts arose among them. Boundary disputes brought some of the States into armed conflict, so they formed a Constitution for the purpose, among other things, of preventing controversies. A Supreme Court was set up to hear and decide international controversies. There were trade conflicts and jealousies between groups and sections, but the people felt that a court could settle all disputes better than could the sword. So civilized peoples establish municipal law, and they provide instrumentalities to determine conflicts arising among the people.

Even Grotius and law writers of the past sought to bring the world under the rule of international law. Why may there not be treaties and a world organization, not one which will stifle nationalism, which will emasculate the power of a State to determine its own domestic internal affairs, but an international organization which will have cognizance and jurisdiction over international controversies, so that appeal may be had to it and a peaceable solution be had?

Of course, there will be jealousies and rivalries among nations, but if the peoples of the Christian nations of the world will carry into their lives and into their national and international relations and professions which they make and invoke the spirit of Christianity which they profess many of these clouds, if not all, will be dissipated, and the light of justice and peace and righteousness will shine in the hearts of men and illumine the path of nations.

Mr. SHIPSTEAD. I do not like to interrupt the Senator, but I do not want him to misunderstand me.

Mr. KING. It is no interruption.

Mr. SHIPSTEAD. I believe there is a will to peace among the nations of the world. I believe the peoples of the world have always had a will for peace, but they have not always controlled their governments, and governments have not always had a will for peace. They have had a will for something else, and for that reason there has been no peace.

Mr. KING. I think the Senator is right; and I know the Senator and many members of the party with which he is identified desire world peace. They have been dissatisfied with the political conduct of both national parties. They have felt that these political parties have been dominated too much by selfishness and by corporate greed, and that the masses of the people have not been sufficiently considered, and that wars have been the result of jealousies upon the part of conflicting financial groups in this and in other countries.

The Senator, I know, condemns, as I condemn, the policy of our Government in retaining control over Haiti and San Domingo, and of sending troops into those States for the purpose of taking control of the government. The Senator condemns, as I condemn, the policy of our Government in forcing loans upon the people of Haiti, loans made by the banks of New York, and of course when they are made under the cognizance and direction of the State Department it is felt that the Army and the Navy of this Republic will back the loans. Such conduct to me is reprehensible. We ought to withdraw the marines from Haiti. We should not lend the support of the military arm of our Government to aid the bankers of the United States to collect their loans in weak or in strong countries.

But I have gone far afield. I want to answer the questions of the Senator from New York. One of the questions asked by the Senator was whether or not France had used for the maintenance of a strong military force, and for the construction of submarines and the development of poison gases, funds which otherwise would have been devoted to the construction of capital ships?

It is true that France refused to assent to a policy that called for the abrogation of submarines in war. She felt, having a weak navy and a long coast line, and because of her African possessions fronting upon the Mediterranean Sea, that submarines were essential to her defense. She could not conduct an offensive warfare with submarines, but she could defend her coasts.

I am not condemning or defending her position. I am merely stating, in a feeble way, as I understand it, the position of her representatives at the peace conference.

However, France's expenditures since the conference in the construction of submarines have been quite moderate. She has projected a number, but so far as I can learn she has completed but a few. Also but little has been spent in experimenting with poison gases. I think she has spent much less than has been expended by the United States for that purpose.

It is true that France has employed an army of nearly 800,000 men. It is unnecessary to give the reasons for such course. Whether France has been justified in her policy I shall not now attempt to say.

It is a controversial question in France as well as in other countries. However, the French Government has felt it necessary in order to enforce the terms of the Versailles treaty. Many believe that if France had indicated a purpose to conform to the ways of peace and had appealed to the conscience of the world to vindicate the terms of the Versailles treaty rather than to arms and to force there would have developed throughout the world a strong sentiment which would have compelled Germany to pursue a proper course and to answer to all legitimate requirements of the allied and associated powers.

Mr. SHIPSTEAD. Mr. President——

Mr. KING. I yield.

Mr. SHIPSTEAD. It is a fact that France owes the United States now $4,000,000,000, and that she has not paid, and a fact that the American Government is paying the interest on that debt and taking it out of the taxpayer's money. The Senator is aware that the attitude of France is costing the taxpayers of the United States about $160,000,000 a year. If France would quit building large armaments and abandon her war-like program, the chances are she could pay at least the interest on her debt to the United States, saving the taxpayers of the United States about $160,000,000 a year.

Mr. KING. Mr. President, of course it is clear, from the statement of the Senator, and I think the facts warrant the statement, that if France had reduced her army she would have more money to pay her debts or for internal development and improvement. But the fact is that France's budget has not balanced, and she has been lasting paper money to meet her budget and to pay a portion of her military expense, the result of which, as the Senator knows, is that the franc has gone down; and had it not been for the Dawes report, doubtless the franc would have continued to fall.

Mr. President, having been diverted by the questions of my friends, we have almost lost sight of the discussion. When interrupted, I was proceeding to state that the House committee had given consideration to the question of submarines, and had reached the conclusion—and I have the volume containing the testimony before me—that we lack the technical skill, or genius, or ability, to build submarines, and therefore they refused to recommend an appropriation for submarines.

The Senator from Maine [Mr. HALE], who has studied our Navy and all cognate questions with remarkable zeal, and is well posted in regard to the matter, apparently has reached a different conclusion. But I am sure that a perusal of the testimony given before the House committee and an examination of the data available must bring the conclusion that the United States has failed in its submarine program and is not in position to build suitable scout and fleet submarines. Some time ago I called the attention of the Senate to the defects

in engines, crank shafts, hulls, and mechanical appliances of our submarines and stated that we had much to learn before suitable submarines could be built. There are a number of submarines suitable for coastal defense but we have no scout submarines, no fleet submarines.

Mr. HALE. We have three V submarines, Mr. President, which will come into commission within the next year or two.

Mr. KING. I recall the V submarines, and I asked the Secretary by letter to state the degree of completion that had been attained with these submarines, and I venture the assertion now, from the information which I have obtained through diligent inquiry, that they will manifest defects similar to those shown in the submarines of the past, and will not prove entirely satisfactory.

I will pause here to ask the Senator if he has full information as to the success of whatever tests have been made with three V submarines now in process of construction?

Mr. HALE. No test can be made until the submarines have been completed.

Mr. KING. From test as can be made, while the work is being done——

Mr. HALE. I do not know that any test can be made at the present time. However, the V's are in the following stage of completion:

V-1, 68.0 per cent complete.
V-2, 57.7.
V-3, 50.3.

It is hoped that before the expiration of this year the V-1 will be in commission.

The Senator stated that the House decided that we are unable to build satisfactory submarines.

Mr. KING. If the Senator will pardon me, what I said was that if anyone should read the testimony they would be satisfied with the conclusion reached by the House. That was, of course, the inference that perhaps might have been drawn from my statement.

Mr. HALE. I certainly do not want to put any words in the Senator's mouth that he did not use. I understand his point now.

The new submarine we are proposing to construct is an entirely new kind of submarine. It is a mine-laying submarine of 2,400 tons. We have no such craft in our Navy. There is no such craft in the navy of any country in the world. We are starting out on a new departure. The Germans did have more or less the same sort of boats which they used, and I think they found them very satisfactory. But they were scrapped at the conclusion of the war. This one is to a certain extent experimental. The committee felt that instead of expending $600,000 to test out an engine to be used in submarines when they should be constructed that we should go ahead and build one of the boats complete, and then when we get through we would have something of value. Under the House plan, as soon as the engine had been tested out, the submarine would be of no further value and the Navy would have nothing added to it. Under this plan we will have a new mine-laying submarine. The officers of the Navy were confident, and willing to stake their reputations on it, that we could provide such a boat with proper engines and that it would turn out to be a workable boat.

Mr. KING. I hope the Senator will not misunderstand me. I believe that so long as we have a Navy we should have a good Navy, and look after the submarines as well as the airplanes—a Navy of the air, a Navy on the surface of the water, and a Navy under the water.

Mr. HALE. I know the Senator believes in having submarines, and he has helped us materially in that matter. I think these points should all be brought out, and I am very glad the Senator has brought them out.

Mr. KING. I even believe in a submarine bureau, because I appreciate that as long as we have a Navy we must consider the importance of the development of the submarine. While I condemn the use of the submarine as a weapon of war, because of its inhumanity, yet as long as other nations have them and as long as we are maintaining a Navy, we must have a modern, scientific, up-to-date Navy, and I shall join with the Senator and the committee in every effort to make our Navy modern.

But the point I am making is that our experiments have been unsatisfactory. The results of more than $130,000,000 which has been expended for the construction of submarines, I submit in all fairness to my able friend, have not met the just expectations of the friends of the Navy, to say nothing of the enemies of the Navy.

Mr. HALE. The British built 27 K boats, large boats of over 2,000 tons. Those boats were run by steam instead of Diesel engines. Of the 27 which they built, only 6 are in commission now. They are boats that have recently been built. They have not turned out satisfactorily. I think that is the case with all navies of the world. They have been experimenting of necessity with a new subject, and they have not developed it to any great degree of perfection as yet.

Mr. KING. May I say to the Senator that I shall be glad to proceed for a little while, but I ask him to pass this item over for the reason that I have some data at my office which I should like to present. I did not know the bill was coming up to-day. I desire to offer some specific observations and put some tables in the RECORD.

Mr. HALE. Will not the Senator let us agree to the amendment with the understanding that if he wants to reconsider it later we can do so?

Mr. KING. With the understanding that I shall not have to move to reconsider, but that the Senator will consent that it may be reconsidered for that purpose, I have no objection.

Mr. HALE. I shall be glad to do that.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 21, line 15, to strike out the colon and the following additional proviso:

Provided further, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than four cargo ships, two transports, and one ammunition ship, unless, in case of emergency, the President should otherwise direct.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Construction and Repair—Salaries, Navy Department," on page 23, at the end of line 23, to increase the appropriation for personal services in the District of Columbia in accordance with the classification act of 1923, from "$305,000" to "$313,000."

Mr. KING. Mr. President, just a word. Of course, this amendment will be agreed to. I merely want to emphasize the point again that the bill is shot through with amendments and provisions and appropriations for civilian employees. It might well be entitled "A bill to furnish positions to more than 30,000 civilians and to aid in the construction and maintenance of the Navy." It ought to be labeled, "In part, a bill to furnish jobs to thousands of civilians and to give us, in part, a fighting Navy."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Ordnance," on page 24, line 8, after the word "books," to insert "plant appliances"; and in line 22, after the word "schools," to strike out "built at ordnance stations pursuant to authority contained in the act entitled 'An act to authorize the President to provide housing facilities for war needs,' approved May 16, 1918," and to insert "at ordnance stations at Indanhead, Md., Dahlgren, Va., and South Charleston, W. Va.," so as to read:

ORDNANCE AND ORDNANCE STORES

For procuring, producing, preserving, and handling ordnance material; for the armament of ships, for fuel, material, and labor to be used in the general work under the cognizance of the Bureau of Ordnance; for furniture at naval ammunition depots, torpedo stations, naval ordnance plants, and proving grounds; for technical books; plant appliances; for machinery and machine tools; for maintenance of proving grounds, powder factory, torpedo stations, gun factory, ammunition depots, and naval ordnance plants, and for target practice; not to exceed $10,000 for minor improvements to buildings, grounds, and appurtenances, and at a cost not to exceed $750 for any single project; for the maintenance, repair, and operation of horse-drawn and motor-propelled freight and passenger-carrying vehicles, to be used only for official purposes at naval ammunition depots, naval proving grounds, naval ordnance plants, and naval torpedo stations; for the pay of chemists, clerical, drafting, inspection, and messenger service in navy yards, naval stations, naval ordnance plants, and naval ammunition depots, and for care and operation of schools at ordnance stations at Indianhead, Md., Dahlgren, Va., and South Charleston, W. Va., $9,025,000.

Mr. KING. I can not let this amendment pass without some explanation.

Mr. HALE. During the war the Government put up housing facilities at Charleston, W. Va., at Indianhead, and at Dahlgren. There were no school facilities at those stations. The Government felt that the employees there had the right to have some schooling for their children. They took the rent

that came from the Government houses and turned a certain amount of it, $25,000 a year, over for the purpose of taking care of the schools in each of those localities. If they had not done so there would not have been any schooling possible for the children.

Mr. SWANSON. These places are located where there are no public schools, and it is utterly impossible to get people to go there and work in the establishment unless they have school facilities for their children. We limited it to these three places because they are the only places where ample school facilities are really not available.

Mr. KING. Let me ask the Senator whether he believes that we ought to maintain, in addition to the scores of other stations, stations at Indianhead, Dahlgren, and Charleston? Are they necessary to be maintained?

Mr. SWANSON. Absolutely. At Norfolk they have school facilities in the near-by city of Norfolk. These are isolated places where the evidence shows they have no school facilities.

Mr. KING. May I ask the Senator if the State does not provide school facilities?

Mr. SWANSON. They have public schools, of course, but the State of Virginia and the other States do not see why they should pay the expenses of a special school for the children of employees of the Government who are sent to a place so isolated and where the Government owns all the surrounding land. Wherever we have those stations we have a large acreage of land belonging to the Government. The Government has to have schools on its own lands in order to have them available for the children, because Government lands are so great in extent. There are no school facilities near by and no place for the schooling of the children except as provided in this way.

Mr. KING. I am not sure that I agree with the Senator. I think it is the duty of the State of Virginia, the State of Maryland, or any other State to furnish educational facilities for the children who reside within the State.

Mr. DIAL. Who patronizes the schools, the children of Government employees or the children of civilians?

Mr. HALE. The children of the men working for the Government.

Mr. KING. In the city of Washington the children of Government employees attend the public schools and those schools are maintained by taxation. Of course schools ought to be maintained for these children and if the States refuse—they ought not to do it, I submit—then the obligation probably would rest upon the Government.

Mr. SWANSON. If the Senator will permit me, these people stay there only a very short while. They are not citizens of Virginia. The Government orders them back and forth. Some of them are citizens from other States. It is not a permanent population. It is a drifting population. These people are located in these places by order of the Government for Government purposes.

Mr. HALE. I hope the Senator from Utah will not oppose this amendment. The nearest school to any of these stations is 6 miles away, and if we do not take care of the children at least until the States can take the matter up, they will be deprived of school facilities.

Mr. KING. I have already stated that if the States refused—though I can not conceive of the States doing that—then of course the burden is upon the Government.

Mr. HALE. The State of Maryland has contributed $3,450 to the school at Indianhead, and that is all.

Mr. KING. The Senator knows that if an effort is made to close up a base or naval station in any State, the citizens usually complain that they want the station maintained because of the benefit that results to the State. Thousands and hundreds of thousands of dollars are brought into the States as the result of the maintenance of governmental activities of this nature.

Mr. HALE. It is not a question of giving up the station. It is a question of giving up the schools, and I know the Senator from Utah would not want to deprive those children of school facilities.

Mr. KING. I have so stated repeatedly, but I do think the attitude of the State, if it refuses to provide educational facilities, is one that is not to be commended.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment of the committee was agreed to.

The reading of the bill was continued.

The next amendment was, on page 25, at the end of line 12, to increase the appropriation for the purchase and manufacture of torpedoes and appliances, to be available until expended, from "$500,000" to "$850,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Supplies and Accounts, Pay of the Navy," on page 28, at the beginning of line 5, to strike out "one midshipman," and to insert "two midshipmen," so as to read:

Provided further, That no part of this appropriation shall be available for the pay of any midshipmen whose admission subsequent to February 9, 1924, would result in exceeding at any time an allowance of three midshipmen for each Senator, Representative, and Delegate in Congress; of one midshipman for Porto Rico, a native of the island, appointed on nomination of the governor, and of two midshipmen from Porto Rico, appointed on nomination of the Resident Commissioner; and of two midshipmen for the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 28, line 11, after the word "service," to strike out the colon and the following additional provisos:

Provided further, That no part of the funds appropriated by this act shall be utilized for the pay of any officer or man who may recruit or enlist any boy under the age of 21 years without the written consent of the parent or guardian, if any, of such boy for such enlistment: *And provided further*, That nothing contained in section 11 of the act entitled "An act to increase the efficiency of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved May 18, 1920, shall be construed as having repealed, amended, or modified the provision contained in the naval appropriation act approved March 4, 1913 (37 Stat., p. 891), reading as follows:

Hereafter the service of a midshipman at the United States Naval Academy, or that of a cadet at the United States Military Academy, who may hereafter be appointed to the United States Naval Academy, or to the United States Military Academy, shall not be counted in computing for any purpose the length of service of any officer in the Navy or in the Marine Corps.

The amendment was agreed to.

The next amendment was, on page 29, after line 5, to insert:

In computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service, who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted.

Mr. BROOKHART. In reference to this amendment it seems to me it is not fair to reduce the pay of the officers in the lower grades while leaving the salaries of those in the higher grades to be computed according to the old method. This amendment, if adopted, will reduce the pay of the officers who entered the academy since March 4, 1913, in both the Army and the Navy. There are hardly any of those above the rank of captain at this time, whereas——

Mr. WADSWORTH. All of those who graduated from the Military Academy in 1913 are majors in the Army by this time.

Mr. BROOKHART. But why should the pay of officers who graduated subsequent to that date be reduced while the pay of major generals is continued at the old level?

Mr. HALE. The computation affects an officer's compensation up to the time he becomes a rear admiral in the Navy, or a brigadier general in the Army. It affects his pay right up to that time.

Mr. BROOKHART. This amendment affects only those who have entered the academy since 1913, but those who entered in 1912 are paid according to the other rule.

Mr. HALE. Mr. President, the reason for the House provision is that in 1912 in the case of the Army, and in 1913 in the case of the Navy, it was decided to omit the time spent at West Point and Annapolis in computing the length of service of an officer. At that time the staff of the Navy—I will speak now of the Navy—alone was allowed to count constructive service of five years to take the place of the four years' service of line officers at the academy. It was decided that there was no justification for that allowance, and that the counting of the academy service for line officers should also cease. Accordingly, in 1913, Congress passed a law to prohibit the counting of such service but providing that the statute should not apply to anyone who was then in the academy. It, therefore, first applied to the class of 1917, and all men who entered the academy after June, 1913, did so with the understanding that they should no longer be able to count their Annapolis service in computing their pay. That went along until 1920, when Congress passed a law regulating the pay of the Army and Navy and other services, including the Coast and Geodetic Survey.

In that law the following provision appears:

SEC. 11. That in lieu of compensation now prescribed by law commissioned officers of the Coast and Geodetic Survey shall receive the same pay and allowances as now are or hereafter may be prescribed for officers in the Navy with whom they hold relative rank, as prescribed in the act of May 22, 1917, entitled "An act to temporarily increase the commissioned and warrant and enlisted strength of the Navy and Marine Corps, and for other purposes," including longevity; and all laws relating to the retirement of commissioned officers of the Navy shall hereafter apply to commissioned officers of the Coast and Geodetic Survey: *Provided*, That hereafter longevity pay for officers in the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey shall be based on the total of all service in any or all of said services.

When that law passed Congress that section was inserted entirely to regulate the compensation of the Coast and Geodetic Survey. In the debate that was had in Congress at the time nothing was said about changing the manner of computing Navy or Army service, and it was not intended to do so.

Shortly after that law was passed a captain in the Army—Captain Noce—took the question before the Court of Claims as to whether that act did allow academy service to be counted in computing his pay. He won his case in the Court of Claims, and the case has now been appealed. If the Supreme Court upholds Captain Noce that such service may be counted, the classes of 1917, 1918, 1919, 1920, 1921, and 1922 will be allowed to count such service.

The pay act of June, 1922, provided that no commissioned officer appointed after that date should be allowed to count any service except that as a commissioned officer.

It is estimated that it will make a difference of between twelve and thirteen thousand dollars in the pay of these officers during their service for the next 30 years. There are about 2,000 of these officers who are affected in the Navy, so that the total would amount substantially to $26,000,000 in the line of the Navy.

Furthermore, if it were allowed in the case of the line of the Navy, it would in all probability be necessary to give back to the staff their constructive service. If that were done, that would let in a certain number of staff officers, about half the number of the line. Furthermore, the Army would be obliged to take the same course. I understand, unless I am mistaken—and the Senator from New York [Mr. WADSWORTH] can correct me if I am—that there would be about the same number of officers involved in the Army. The Coast Guard and the Coast and Geodetic Survey would also have to come in, and the total cost to the Government would probably exceed in the next 30 years $50,000,000. Remember, that these officers when they went into the service did so with the full knowledge that they would not be allowed to count that service. I can see no reason why they should now be allowed to do so.

Mr. SWANSON. Mr. President, will the Senator from Iowa yield to me?

Mr. BROOKHART. I yield.

Mr. SWANSON. I should like to make a brief statement as affecting the real gist of the proposition. The Government pays from $10,000 to $15,000 a year to educate its officers at the Military and Naval Academies. Formerly for retirement purposes constructive service of four years in computing longevity made very little difference. Then we passed a law basing pay on longevity, but no one had an idea when that was done that the officers would be allowed to count the four years they served at the Naval Academy or at the Military Academy, as the case might be. It was not regarded as right that they should do so. When the officers came to get longevity pay based on years of service we did not think they should count for the purposes of payment their service during the four years they were at the academy. Inadvertently the act of 1913 was repealed. The act of 1913, so far as the Navy was concerned, made it plain that the young men who entered the Naval Academy after that time had no contract that their service at the academy should be counted for any purpose. A short time previous to that the graduates of the Naval Academy were allowed immediately to be commissioned as ensigns and were not required to serve two years longer as midshipmen before being commissioned.

As the Senator from Maine has said the classes up to 1922 would be specially privileged if this provision should not be incorporated in the bill. That would be true as to four or five classes, and the officers graduating in those classes would receive more than officers graduating subsequently.

If we are going to change the practice, it will be necessary to commence at some time, and so it was provided that the four years of service at the academy should not be included in longevity pay after the class which entered the academy in 1913. We ought to stop it at some time or else give the same privilege to every officer.

The Senator from Maine is right in saying that there will be an exception in the case of those who graduated prior to the class of 1913, but they entered the academy with the agreement and understanding that their service at the academy should be so computed. Does the Senator from Iowa think that the taxpayers of this country ought to be taxed to educate a boy at a cost of from $10,000 to $15,000 and then allow his longevity pay to be computed by going back and including his four years of service at the academy?

Mr. BROOKHART. Mr. President, I would not have any objection to this provision if it applied to all officers of the Army and the Navy.

Mr. SWANSON. It does apply to all officers in the Navy except those appointed prior to 1913.

Mr. BROOKHART. That is what I object to.

Mr. SWANSON. As to those we felt that there was a contract more or less, in that a boy who entered the academy prior to 1913 did so with the understanding that his four years' service at the academy should be considered as constructive service. Then when the cadets graduated they were midshipmen for two years and were not commissioned as ensigns until the expiration of that time. Now those who graduate from the Naval Academy are commissioned ensigns immediately, which advances by two years the time of their commissioning, as compared to the practice in years gone by. We think that to make this provision apply to classes subsequent to the class which entered in 1913 is a just measure, because 1913 was the date when we repealed the law and provided that they should no longer be entitled to constructive service. We have got to stop it at some class or continue it for all.

Mr. BROOKHART. Mr. President, I understand the situation as the Senator from Maine has explained it. I understand those are the facts, but to me it seems that there is no vested right in the amount of pay or salary of an officer, either in the Army or the Navy. With me it is merely a question of treating them all fairly and equally. I do not believe there is any reason in cutting it off at the class of 1913 or hereafter unless we make it apply to all officers.

Mr. HALE. We can not make it apply to those who were in classes preceding that.

Mr. BROOKHART. I do not know what it would save. If it will save $50,000,000 in the case of the officers who graduated since 1913, it will save more than that if applied to those who graduated previous to that time. So the argument for extending the provision is quite as strong and perhaps stronger than it is in the case of the particular officers affected by this provision.

Mr. HALE. All these officers entered the academy with the knowledge that they were not going to be allowed thereafter to count their service there.

Mr. McKELLAR. The difference is that those who went to the academy before 1913 entered it with the understanding that they were entitled to compute their service there in connection with their longevity pay. I am inclined to think that they have a vested right, and I doubt if we could take it away from them by an act of Congress. I doubt if the courts would permit us to do that.

Mr. BROOKHART. I do not agree with the Senator as to that.

Mr. McKELLAR. I think it is a very doubtful question.

Mr. HALE. That may be; but, at least, we can stop it for the future.

Mr. McKELLAR. In the meantime when the case to which the Senator from Maine has referred shall be determined we will learn what we can do about that. I am inclined to think that it ought never to have been done, and I am very glad that the Military Affairs Committee and the Naval Affairs Committee have agreed upon a provision such as is in this bill. I think we ought to go to the furthest limit possible.

Mr. BROOKHART. I disagree with the Senator on the basic principle that a young man enters the service under the promise that we will pay him a definite sum all his life. There is no such promise and no such law.

Mr. McKELLAR. The law allowed it to be paid previously or it would not have been paid.

Mr. BROOKHART. That is very true.

Mr. McKELLAR. And while we might change it so far as present students are concerned, certainly, in view of the law as passed, I doubt very much whether we may take away the vested rights which officers secured under a former law.

Mr. BROOKHART. It seems to me there is no doubt about the right of Congress to fix the pay of every officer for this year and every other year.

Mr. SWANSON. The young man who went to the academy before 1913 went there under an agreement as to how his

service should be computed. That law was based on certain conditions. Up to that time the law allowed him to count constructive service. We began to feel that that was not advisable. They were graduated then as ensigns immediately, thus saving two years. We thought that in good faith we ought to let the officers who were appointed to the academy previous to that time continue under the conditions under which they entered the academy in 1913, so that the change will not affect them; but it is deemed advisable to change it as to the others. We have got to fix some specific date for the change, or else we must give the same privilege to every officer. If we give it to every officer, nobody can tell what the cost will be in the increase of salaries through counting these four years of constructive service for payment of salaries when the people were being taxed to educate the officers.

Mr. BROOKHART. I was not contending for the principle that we should give it to every officer, but I am contending for the principle that we should treat them all alike; and I am very strongly combating the principle that there is any vested right in this matter which Congress can not change, or that any agreement was made by Congress as to what pay the officers should receive when they entered into the service.

Mr. McKELLAR. If the Senator will yield, I call attention to the fact that it is utterly impossible to treat all alike, because the officers that have been drawing this pay for many years have already gotten their profit out of it, and it is therefore utterly impossible to treat all alike unless we can take it back.

Mr. BROOKHART. We concede that they may keep what they have received, but for the future it is a different proposition.

Mr. McKELLAR. I agree with the Senator about that.

Mr. BROOKHART. And I think the Secretary of the Navy agreed with me upon the proposition in his letters to the Senator from Maine.

Mr. HALE. He did; yes.

Mr. BROOKHART. It seems to me that either this language should be stricken out or we should amend it to provide that service at the academy should be counted out for all officers, both of the Army and of the Navy.

Mr. WADSWORTH. Mr. President, perhaps I may be pardoned for injecting some observations into this discussion. I think I am warranted in doing so, however, because the subcommittee of the Committee on Appropriations in charge of the naval appropriation bill and the subcommittee of the Committee on Appropriations in charge of the War Department appropriation bill had several informal joint conferences on this provision and finally came to an agreement that each bill should carry the same amendment, the one in the naval appropriation bill applicable to naval officers' pay, and the one in the War Department appropriation bill applicable to the pay of officers of the Army. I say this now in advance of the bringing up of the War Department appropriation bill, in which will be found this exact amendment.

Whether the Senator from Iowa [Mr. BROOKHART] is right or wrong as to discrimination between officers of the services who entered the respective academies prior to 1913 and those who entered the academies after 1913 it is too late to raise the point. As I recollect it, this was the state of facts:

The Congress had never passed any statute affirmatively declaring an officer of the Army or the Navy entitled to longevity pay for the time spent at West Point or Annapolis, but the Supreme Court or some other competent judicial tribunal many years ago in passing upon the question of longevity pay rendered a decision that time spent at the respective academies was service in the Army or Navy, as the case might be, and the Congress, without any legislation specifically approaching the subject, accepted that decision, and for years and years, if I recollect aright, longevity pay was paid to these officers for the time spent at the two academies.

In 1913 it occurred to the Congress—I was not here at the time, but I have read the RECORD and the reports of that time—that the taxpayers of the United States ought not to be asked to pay longevity pay for time spent at West Point and Annapolis; that in the true meaning of the term that was not service in the Army or in the Navy; that was a period of time in which the cadet or midshipman was being prepared at Government expense to be of service later on; and so the act of 1913 was passed.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Iowa?

Mr. WADSWORTH. I do.

Mr. BROOKHART. On that proposition, is it not true that the principal part of the service of every soldier all the time is to prepare himself to be of service? That is the principal thing he does in peace or in war.

Mr. WADSWORTH. That is true; service for the next higher grade after he has entered the lowest grade. These men had not entered any grade. They were not in the Army or the Navy. They held no commissions. They had no responsibilities. They were merely students.

Mr. BROOKHART. One other proposition: We are rather treating this as a vested right. It has been adjudicated that prior to 1913 they were entitled to count the service in the academy. Now it has been adjudicated that that law was repealed in 1920.

Mr. WADSWORTH. Only by the Court of Claims.

Mr. BROOKHART. That is a competent court, and the presumption is that its finding will be affirmed.

Mr. WADSWORTH. I am not so sure of that.

Mr. BROOKHART. It may not be; but if it is, then those since 1920 have that vested right and we have no right to take it away from them any more than we would in the case of those prior to that time.

Mr. WADSWORTH. This provision does not take it away from them. This provision, in a sense, is declaratory only.

Mr. BROOKHART. I do not agree with the vested-right theory at all.

Mr. WADSWORTH. Now, let me continue, if I may.

When the question came up in 1913 it was decided by the Congress at that time, perfectly honestly, and I think wisely and fairly, that the officers who for years and years had made all their domestic arrangements, all the plans for the education of their children, based upon a certain assured pay after a certain number of years of service, including time spent at Annapolis or West Point, should not, in common fairness to them and their families, be deprived of the pay which they had always understood they would receive and which they regarded as due to them, in a sense, as the result of a contract at least morally binding—not legally binding. Of course, the Congress has the right, if it wants to do so, at any time to abolish all the pay of an officer, to put him on a nonpayment list if it wants to; but when the Congress was faced with the situation in 1913 it decided, I think fairly, not to disturb the officers who up to that time had made all their arrangements, domestic and otherwise, upon the basis of a certain state of affairs which they had been assured upon entering the service would continue, but to set a date after which no graduate of West Point or Annapolis should, upon being commissioned in the Army or the Navy, receive longevity pay for the time spent at West Point or Annapolis. That date was fixed for the graduating class of 1917, and that was accepted by the entire service, Army and Navy. There was not a complaint. I was on the Military Affairs Committee at the time when those men graduated. It was during the war. I was on the joint committee of the Congress which drew the temporary pay act of 1920. No one of those, graduate subsequently to 1917, came before us and asked any change in the law of 1913. They had all accepted it. They all thought it was fair. Both the War Department and the Navy Department officially, through the Secretaries, had indorsed the act of 1913, which became applicable in 1917.

Mr. HALE. Mr. President, if the Senator will allow me, it was on the strength of that that the staff gave up their constructive service.

Mr. WADSWORTH. The staff officers of the Navy gave up their constructive service. None of the officers admitted into the Army from sources other than West Point claimed any constructive service to match West Point service. It was agreed that the thing was done away with for all time to come, after the class of 1917, in the two institutions.

In 1920 the Congress made up its mind that the pay of the two services—the commissioned personnel, and the enlisted personnel, too, for that matter—was so low that the men could not live. It was due, of course, to the rise in the cost of living. The Congress was not ready to legislate permanently on the subject of pay for the Army and the Navy, but it decided to pass a temporary pay bill, good only for two years. As I say, I was on that committee with members of the Military Affairs Committee of the Senate and the Naval Affairs Committee of the Senate and the Military Affairs Committee of the House and Naval Affairs Committee of the House. We drew a temporary pay law, and in that law we provided that there should be another joint committee appointed which, not later than a date fixed two years thereafter, should report a permanent pay law. In that temporary pay law, in order, as we thought, to make no

change in the status of pay with respect to longevity, we inserted this language, which the Senator from Maine [Mr. HALE] has read:

Provided, That hereafter longevity pay for officers in the Army, Navy, Marine Corps, Coast Guard, Public Health Service, and Coast and Geodetic Survey shall be based on the total of all service in any or all of said services.

It never occurred to us that any court would construe that as a repeal directly or by implication, of the act of 1913. When we used the phrase "in any or all of said service," we meant in the Army itself or in the Navy itself or in the Coast Guard itself; not as a student preparing to go into the Army or a student preparing to go into the Navy. So it was assumed, and no member of that joint committee, I know as I stand here on this floor, ever suspected that that would be considered as a repeal of the act of 1913 and restore longevity pay for Annapolis and West Point experience.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Iowa?

Mr. WADSWORTH. I yield.

Mr. BROOKHART. Notwithstanding what the Senator knows as he stands on the floor of the Senate, if the court holds otherwise is it not otherwise?

Mr. WADSWORTH. Of course, it will be otherwise if they do hold otherwise; but there is no objection, I assume, to my stating the intent of the committee that reported the legislation, and that is my purpose in rising on the floor at this time—to make it perfectly clear that this decision of the Court of Claims comes as a complete surprise to the men who framed this legislation, and it is no less a surprise to the officers of the Army and the Navy.

A certain officer in the Army, a Captain Noce, noticed this language, and he wondered if that did not constitute a loophole by which it could be contended that the act of 1920 had repealed the act of 1913. He brought suit, and, lo and behold, the Court of Claims, in spite of the protests of the War Department, held with him and rendered a decision to the effect that the language I have just read repealed the act of 1913, and thereby entitled every graduate of West Point and every graduate of Annapolis between 1917 and 1922, when the act of 1920 was superseded by a permanent pay act again reiterating the act of 1913, to longevity pay for the time spent at West Point and Annapolis.

Mr. BROOKHART. And those five years from 1917 to 1922 were a special class?

Mr. WADSWORTH. They would come in as a special class. Now, they have not received the pay. Not one cent of its has been paid to them. They have been gambling on this thing. The War Department has appealed the case to the Supreme Court of the United States, and, of course, if the Supreme Court sustains the Court of Claims these men will get longevity pay for 1921, 1920, 1919, 1918, and a part of 1917—back pay as longevity.

Mr. BROOKHART. There is no way for us to affect that.

Mr. WADSWORTH. We can not affect that directly. The two committees puzzled a good, long time to decide what we could say in these two appropriation bills which would assure the future against a resumption of this abuse—because we regarded it as an abuse—and at the same time make perfectly plain to anyone who is considering the acts of Congress of the past what we thought we meant when we passed those acts, and so this language was adopted. I do not suppose that any act of Congress passed during a judicial process can be controlling upon a judicial decision. Neither committee claims that; but the purpose of the two committees, as I say, was to make it absolutely certain for the future and to make our declaration now; and I can assure the Senator from Iowa that had not this Army captain found this loophole and gotten the Court of Claims to decide with him there would not be an officer in the Army or the Navy that ever would have expected to get longevity pay if he had graduated from either academy subsequently to 1917.

Mr. President, just to complete the history of the matter, in 1922, when we passed the bill fixing the permanent rates of pay, we merely reiterated the old provision that the period spent at West Point and Annapolis should not count for longevity purposes; and in 1922, which was before this suit was brought, the members of that committee—I happened to be chairman of it—never had any suspicion that after the act of 1922 a court would go back of the act of 1922 and pick up a casual phrase in an act of 1920 and construe it in the way that the Court of Claims has construed this one.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. WADSWORTH. I do.

Mr. PEPPER. The Senator from New York seems to me to have made an admirably clear exposition of the question raised by this amendment. It occurred to me to ask him, before he takes his seat, to address himself a little more specifically to the thing which I think is in the mind of the Senator from Iowa [Mr. BROOKHART]; that is, not that this academy service ought to be counted in the cases of these men, either now or hereafter, but that if it is not counted, neither should it be counted in estimating the longevity pay of the men who have been in the service for long terms of years. The thought which I hope the Senator from New York will develop is this, that in the cases of these men coming in since 1913 whatever basis we adopt is the basis which is fair to them, because it follows through their whole career. In the case of the older men, if the suggestion of the Senator from Iowa were to be adopted, it would amount to a reduction of pay.

Mr. WADSWORTH. It would, and not to these men.

Mr. PEPPER. Not to these men. In other words, quite apart from the question of whether we may legislate retroactively, quite apart from the question of whether some of these men have vested rights, the question which the Senator from Iowa is raising is, in effect, to reduce, in the case of men who have hitherto lived along on a certain accepted scale, when all we are trying to do is to fix the status for the future of men who will never have their pay reduced, and whose maximum claim is that they are entitled to certain exceptional advantages which it was never the intention that they should get.

Mr. WADSWORTH. The Senator has stated it exactly, and it needs no further explanation from me on that question.

Mr. FLETCHER. May I say that I was a member of the joint committee to which the Senator from New York refers, and without going over the ground at all, I quite agree with him as to the intention and purpose of that committee. I confirm all he said about it.

ORDER FOR RECESS

Mr. SMOOT. Mr. President, I ask unanimous consent that at the close of business to-day the Senate take a recess until 12 o'clock Monday.

Mr. FLETCHER. I would not object to that, because I am very anxious to make progress, particularly with the tax reduction bill.

Mr. SMOOT. That is what I have in mind.

Mr. FLETCHER. I would also like to see this naval appropriation bill passed as soon as possible; but I do want to get a chance some time at the calendar. There are a number of bills on the calendar which are quite important in a general way. Can the Senator give us any idea when we can take up the calendar? Monday is the regular calendar day.

Mr. SMOOT. I suggest to the Senator that some time next week we hold an evening session and take up the calendar. In the morning hour we have only about an hour to give to the calendar, and what we ought to do is to take an evening and dispose of the bills on the calendar.

Mr. FLETCHER. I shall not object to that, if it can be arranged, but I do think we should have an hour or two to consider bills on the calendar which are not objected to, and that would mean very considerable progress.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah that when the Senate concludes its business to-day it take a recess until 12 o'clock Monday? The Chair hears none, and it is so ordered.

TERMS OF FEDERAL COURT IN NEW MEXICO

Mr. HEFLIN. Mr. President, on yesterday the Senator from Connecticut [Mr. BRANDEGEE] reported Senate bill 3023, regarding the holding of a Federal court in New Mexico, and entered a motion to reconsider the vote by which that bill was passed. I have since talked with the senior Senator from New Mexico [Mr. JONES], who was out of the Chamber at the time. I had heard him say something about it, and while I knew nothing about the bill myself, I thought that Senator should be consulted or be present when the bill was considered. I understand that a bill of a similar character has been introduced by Congressman MORROW in the House and is on the House Calendar. I have no objection to the bill whatever, and I desire to withdraw my motion to reconsider the vote by which it was passed.

The PRESIDENT pro tempore. The Senator withdraws his motion to reconsider.

INTERNATIONAL CODE FOR SEAMEN

Mr. JONES of Washington. Mr. President, I have copies of some letters written by Andrew Furuseth to Albert Thomas, director of the International Labor Office at Geneva, Switzerland, relating to seamen, which give some very valuable information and make some suggestions which, I think, are of very great value. I ask that these may be printed in the RECORD.

The PRESIDENT pro tempore. The Senator from Washington asks that the letters to which he has referred be printed in the RECORD. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *February 20, 1924*.

Mr. ALBERT THOMAS,
Director, International Labor Office,
Geneva, Switzerland.

DEAR SIR: Through the courtesy of Mr. Damm, I have received the tentative draft of what seems to be part of an international code for seamen. The tentative recommendations do not agree with the instructions given at Genoa, in so far as the seaman's freedom is concerned. It seems that the jurists have encountered some serious difficulty in their efforts to understand and apply these instructions. The instructions read as follows:

"Violations of provisions in articles of agreement between seamen and employers should not be dealt with as criminal offenses unless they be violations of the clauses of a public character maintaining public policy as distinguished from private interest, and even then only at the instance of public authorities."

In your discussion on the subject found on page 1, on "Note on the question of penalties for breach of agreement by the voluntary act of the seamen," you call attention that the agreement will contain clauses of a public character and of a private character, and out of that arises the difficulty which you seem to encounter. Mr. Ripert makes suggestions on page 6, in which it appears that he has a conception, but a hazy one, of what the seaman's status would be if the instructions adopted at Genoa were to be embodied in legislation.

In dealing with the question earlier in the report you call attention that the seaman is essentially a part of the military forces of a nation, either because he is an inscribed seaman, as in France, or because he may constitute the crew of a privateer, and you are finding the origin of the seaman's status in that fact. Then you go on to suggest that since the adoption of compulsory military service it might or it ought not to leave any further obligation upon a seaman in private employment than upon any other workman, in which, of course, you are right. The difficulty which you and Mr. Ripert encounter is very easy of solution.

A vessel at sea or in motion in a harbor is under the common hazard. She is unless properly managed a danger to herself and in port also to her surroundings. She must, therefore, be under control. In order to be under control she must have a crew of some kind, and whoever those men may be they must have skill, experience, and willingness to obey commands. The State is interested in the preservation of life and of property, and it therefore very properly lays down as a fundamental duty of the seaman to obey any lawful orders received while the vessel is subject to the common hazard. A seaman who would refuse to obey orders at sea, who "abandons his post" at sea, endangers the ship and the lives of everybody on board of her. So that any seaman who abandons his proper work or who refuses to obey lawful commands at sea violates public policy. Such violations of duty would necessarily "be violations of the clauses of a public character," and every nation now provides penalties for such conduct. The seaman's conduct is noted in the ship's log. Report is made to the public authorities on arrival in port, and the public authorities undertake the prosecution, and finally under the law impose the penalty. But the ship also is in harbor and if she is not moored and in motion she is still under the common hazard. She is a danger to herself and her surroundings, and disobedience on the part of the seaman is a violation of "the clauses of a public character," and while the penalty may not be as severe in ports as at sea, the danger is there and there must be obedience to command.

When a ship is in a safe harbor properly anchored or at the dock moored, she is under no more hazard, no more danger than any house or structure on shore; in fact, she is under less, and there is no more reason why a seaman then should be penalized criminally for disobeying commands than there is for imprisoning any workman on shore disobeying the order given to him by his employer. The public is not interested, as far as I understand, in the earning power of property, at least not to the extent of enslaving the men that are working and making the property productive. It is interested in the maintenance of the property, and a ship in harbor may, through one or more watchmen, be maintained in safety without any crew, or with a skeleton crew. The only loss that can come to the ship and the shipowner from the disobedience of the seaman is a loss of a certain amount of money or a certain amount of earnings. In fact, the earnings may be greater because the crew is out of the ship. We seamen know of thousands of cases in which the crew is driven out of the ship in order to save money for the shipowner while the ship is lying waiting either to deliver or to take in cargo. When a ship is in this position she is not under the public policy but under the dominion of private interest, and why there should be any hesitation on the part of the Labor Office, interested in progressive human legislation, to distinguish a vessel while she is under the common hazard, under which condition men are subject to penalty for disobedience of lawful commands, and times when she is under private interest and there is no danger to life or property, is rather remarkable.

In dealing with the discharge of seamen, the proposed code in article 28, on pages 49 and 50, gives sundry specific reasons why the seaman may be summarily discharged from the vessel. In other words, when an employer may break his contract. The different clauses are summed up in the following expression:

"Or in general any failure by the seaman to carry out essential obligations under the agreement, without prejudice to the right of the shipowner to bring an action for damages on account of such failure."

First, the seaman may be summarily discharged for any violation to carry out any essential obligations under the agreement. Secondly, he may have to answer a suit in damages. Who is to determine whether the seaman has failed to carry out any essential obligations under the agreement; who, except the master? The master takes the seaman before a consul or a consular agent, if there be such in the port. The master makes the complaint, the master brings the witnesses. Those witnesses will, under the law, be compelled to remain on the ship subject to the master's orders and discipline, and it is too much to expect those men to incur the master's enmity by testifying on behalf of the men, even if under other circumstances they would be willing to do so.

But, aside from this, there is a taint that attaches to anyone who is compelled to give service. That taint is inherited from the ancient status of the slave who could not give testimony against the master, and it is carried downward to our times, because the presumption is that a seaman will lie in order to get out of the ship. Incidentally, I may here remark that I have been shipmate with men who at the time when we were together deliberately took poison in order to become sick and so be left behind. I have seen men deliberately go ashore and commit an offense against the peace of the community in which the vessel was lying in order to be arrested and sent to prison, and for no other purpose than that they thus might get out of the vessel. I know of men, at least of one, who took a chance to swim ashore in water infested with alligators. No sane seaman desires to remain in the vessel after he has incurred the enmity of the master or one of the officers under whose command he has to live and work. Yet in this proposed code the master is permitted, practically for any reasons that seem good to him, to dismiss a man from the service, while, on the other hand, if a seaman withdraws himself from the service, though he is willing to sacrifice his saved-up earnings, he is in addition to such sacrifices to be sent to prison, and the international labor office seems to think that this is equality before the law.

But this not all. Section 3 of article 31 says:

"The expense of repatriation shall not be charged to the seaman unless he was dismissed for sufficient motives."

In other words, whenever the master wants to get rid of a man he brings charges against him, dismisses him, and then leaves him; that is, if it is in a harbor where there is a consul or consular agent. But the vessel also may be in some out-of-the-way harbor in Australia, in Asia, in Africa, in North America, or on some island of the sea, and the master still has the right to dismiss him. So this, in addition to all the rest, wipes out any penalty for marooning a seaman or leaving him behind where he would be helpless. A Norwegian master some years ago did that with two boys in China. In desperation of hunger and want they committed murder, and as a grace they were permitted to be decapitated instead of being punished in the then Chinese fashion.

Let us be done with pretense, Mr. Director. The penalty imposed upon a seaman for desertion when the vessel is safe in a safe harbor is just an inheritance and can not be distinguished from the peonage under which the laborer on an estate belonging to a nobleman prior to the French Revolution was compelled to remain on that estate unless permitted by his master to leave it. There is no valid excuse for the continuation of that system in our days. More than a century ago there really ceased to be any reason for it. Where a vessel went and where men were at all likely to quit their ships there were other seamen to be obtained and, whether the law permitted it or not, the men quit, as is abundantly proven when gold was discovered in Australia or in California, or when diamonds were discovered in South Africa, or when gold was discovered in the northern part of Alaska. In some of these instances the men left and the vessels rotted at their anchor. There were no governing powers strong enough to bring the men back and compel them to labor. So that in the last instance all the penal laws and treaties compelling a seaman to labor against his will, when the vessel was in a safe harbor, were of very little utility and practically of no value at all.

Of course it is agreeable for the master to be in a position in which he does not need to consider the feelings of the men under his command. It may be agreeable to the shipowner to be placed in a position in which he can get rid of the men when he wants to and hold them on

Mr. PEPPER. Mr. President, will the Senator yield for a question?

board against their will when it suits his interest. But, sir, this is not equality before the law. If it be anything except stupidity, it is the beginning of that new servitude which the Third Estate is seeking to impose upon all workingmen, and to begin it with seamen, who are the most helpless.

I am sending a copy of this letter to Mr. Damm, in Antwerp, Mr. Havelock Wilson, in England, and to the unions of seamen in Norway, Sweden, and Denmark.

There are several criticisms which I shall make at a later time. This is simply the high spot and one in which it seems to me that the commission and your office are disregarding the instructions of the Genoa convention.

I find that you have abandoned the idea of having the agreements made between the shipowners and the seamen. On behalf of the seamen, I want to thank you for that, as I finally express the hope that this criticism will have some effect in the labor office and with the commission.

Most respectfully yours,

ANDREW FURUSETH.

WASHINGTON, D. C., *February 28, 1921.*

Mr. ALBERT THOMAS,
Director International Labor Office,
Geneva, Switzerland.

DEAR SIR: In submitting the proposed draft of "articles of agreement" you state that there is a "legal necessity of reserving a large field for party agreements."

It is with some regret that I must confess to a complete disagreement on this point. The articles of agreement carry at this time in their womb the entire law maritime. Save and except where, as in France, the person is an inscribed seaman, he is not a seaman at all except when under agreement with a vessel. When under no agreement, he is now as free as other men and it is the signing of the maritime contract that brings him under the law maritime. This law has been in process of development during past ages and is a compromise between the law of the ancient Rhodians and the old Norse law.

The Mediterranean seamen never knew freedom. The ancient Norse seamen never knew bondage except such as arose out of the "common hazard." The migrating Norse seamen took their law with them, and in settling in southern countries they caused the modification in Spain known as the Consulate del Mare and in western Europe as The Judgments of Oleron. Into this mixture went also The Statutes of Visby, which had been modified and made less humane by the Laws of the Hanseatic League, and made still more harsh to the seamen and of more advantage to the shipowners by the Rescripts of Louis XIV of France.

In the earlier times the seaman carried on trade on his own account, at least in northern countries, and we still call him "merchant seaman" as distinct from the seamen employed on vessels of war. In those days there was no regular insurance of vessels and cargo, nor was there any limitation of liability nor was there any "protection and indemnity insurance," so the shipowner's self-interest made it his business to have men who were physically and by training capable of protecting the shipowners' interests against the dangers of the sea. There was considerable piracy, and, therefore, it was necessary that the seaman should be a man capable of bearing arms and be skilled in their use. Upon this depended not only the shipowners' interests but the seaman's own safety. Sea power is in the seamen.

The vessels are the tools used by seamen and the tools have been in constant progress of change throughout the ages. The nature of man in its main features has not changed, the sea has not changed, but the tools and the law have. Of course, on modern vessels the crew is roughly divided into three parts with different kinds of work; but in so far as the work in each of these departments is concerned, there is no difference in the work done by the seamen in the different vessels, nor in the vessels of different nations. The tonnage and the trade of the vessel will, of course, determine the number of men required, but it does not alter the work of the sailor, the fireman, the cook, or the waiter. International law is, therefore, feasible, but there is no necessity for private contracts being placed in "Articles of agreement." The law ought to and generally does cover what may occur on the vessel. Any seaman who refuses to do his work at sea, where there is always a hazard to life and property, is now made, and he must be made, to do the work needed for safety, in which is of course included such work as is needed to keep the vessel in a seaworthy and sanitary condition. To do such work he must, of course, have the skill needed. He must be able to do the work required in his particular rating. If he refuses he must be compelled in hours of need and later punished according to law. If he be not able for lack of skill he is to be disrated "in accordance with his demerit."

There is, therefore, as far as I can see, no field for "party agreements." What you call a "party agreement" we seamen call "riders," and they are inserted in the articles of agreements for the purpose of nullifying the law or to tie the seaman up to something that the owner thinks is to his advantage. Among such riders are some to compel the seaman to consent that any disagreement between him and the master shall be arbitrated by those who conduct the shipping offices or consuls or commercial agents in lieu of taking the dispute before an admiralty court, where by custom and justice it belongs.

It is perfectly proper to refer such disputes to some arbitrator after the dispute has arisen and the seaman is about to be paid off. The seaman is then free to consent or refuse; but when the seaman is confronted with a rider as a condition of obtaining employment, he may have no choice, because of being within the power of somebody or compelled to accept any conditions offered, because of hunger. The permission to enter into "party agreements" is an invitation to the shipowner to take advantage of the person's necessities, which may be and often is the result of some action by the ship owners either collectively or individually.

Among the innumerable riders which are in use, I shall mention but one more. The shipowners reserve the right to transfer a seaman from one vessel to another of the same company. There is no reason why such transfer should not be made, if it be agreed to by both parties at the time when such transfer is made or to be made; but to put it in the articles is to take advantage of the seaman's helplessness and make him consent to go in a vessel, which if he were free to say no, he might under no circumstances be willing to join. He may have very good reasons for refusing. Among such reasons may be the vessel, her voyage, her officers or some of them, her crew or some of them. And there is no necessity for any such riders, because there is and it may be hoped that nothing will be placed in the laws to prevent such transfers if the parties are willing.

As reasons for permitting "party agreements" the report gives the new laws of the Scandinavian countries and the existence of "industrial organizations able to conclude with shipowners collective contracts." With reference to the new Scandinavian laws, let me inform you that those laws are by no means of such nature that they ought to serve as a model. Those laws were imposed upon the seamen over their protests. That seamen were represented on the commission amounted to no more than to an appearance of fairness and consent, which the seamen were very far from giving.

The result of those laws will, if they be permitted to remain on the statute books, be to cause the Scandinavian boy and man to shun the sea, and therefore it means that those countries will after a while be out of the seafaring business. Standards of freedom and well-being can not be set up through schools, literature, and the daily life on shore to be desecrated or denied to the seaman where common hazard permits them to be applied, unless the nation in question is willing to quit maritime business. If a nation is willing to quit the business gradually by first employing and then later turning the sea power over to the so-called inferior races, then of course this is the way to do it, because the tools ultimately will belong to the nations or races who know how to use them.

Your other reason—that of industrial organizations—is of no more force. Industrial organizations, or trade-unions, as we know them at this period, presupposes free men. Slaves or serfs may organize some political and revolutionary organizations with the object of attaining a status of freedom and self-determinism, but not trade-unions or industrial unions such as are known among free workmen to-day. The chief weapon used by trade-unions, a weapon without which their very existence is unthinkable, is the right and the power to withdraw their services from the employer until he ceases to do evil and is willing to do good—as Scripture puts it—to withdraw the labor power until through economic loss the employer is willing to come to some, at least temporary, agreement about wages and working conditions. Manifestly those who owe services or labor which debt can be enforced by criminal law are not in any such position. Their fight is against the employer plus the State, and of course means defeat before it is begun. At least 70 per cent of the seamen are under contract which they can not break, and therefore they can have no "industrial organization able to conclude with shipowners collective contracts forming for the seamen engaged a stronger guaranty than can be given by theoretical individual equality."

In practically all maritime countries the organizations among seamen may be abolished by the shipowners under existing law with the help of the State, and to build an international code on such a bed of shifting sand is to open the way for the grossest kind of injustice and to sabotage arising from despair. It is, in fact, to turn the seamen over to the tender mercies of the shipowners; that is, to set the foxes to guard the geese.

Most respectfully yours,

ANDREW FURUSETH.

WASHINGTON, D. C., *March 1, 1924.*

Mr. ALBERT THOMAS,
Director International Labor Office,
Geneva, Switzerland.

DEAR SIR: In my last letter I agreed that an international code for seamen is feasible, providing that it leaves no room for "party agreements." There are indeed good reasons, both from a national and a racial point of view, to maintain that it would be beneficial both to the shipowners, the seamen, and to occidental civilization. It might tend to reduce the cutthroat competition which is gradually driving the sea power into the keeping of the people of Asia. This presupposes, however, that such code must be based upon such principles that the occidental man, brought up in an occidental school, will be willing to have his son become a seaman and that the occidental boy shall be willing to choose the calling of a seaman as his life work. The question is: Is sea power of sufficient importance to the nations and people to make them willing to bear the burden, if they shall so consider it?

What are the advantages that would reasonably accrue?

Sea power has always been world power. Those who controlled the sea went where they wanted to go, stayed where they wanted to stay, took what they wanted and brought it home. The sea has been a prison wall to the weak and timid, a highway to the strong, and a field of wealth and honor to the daring and venturesome among men. The share which any particular nation in the past had in the use of the sea depended always on the number of its people who obtained their living by following sea occupations.

Politically it meant protection to the seacoasts and safety to its inhabitants; industrially it meant to share in the earnings of commerce and carrying trade, and, therefore, to develop a large body of trained seamen, to foster and develop a tendency to the sea in the population has ever been the care of statesmanship. Nations have fought over fishing grounds, not so much because of the food to be caught as because of the seamen to be trained. In the wars between England and France, as in the wars between England and Spain, the victory went to England, because she had the seamen in such number and of such skill that the victory became hers. Colbert, the great finance minister to Louis XIV, understood this; hence he tried to develop seamen for France by his system of "inscripts maritime." To the shipper and traveler it meant increased safety. That risk and danger decreased as skill and courage increased was so well known that the shipper and shipowner insisted upon and from all governments received the right to disrate such men as failed to come up to the standard developed in the struggle with the sea.

Contrasting the above with modern conditions, we find that the sea has not changed. The danger is still there. Notwithstanding the improvements in shipbuilding, the soundings and charings of the seas, the lighting of the shore lines, and marking of dangerous waters, the loss of life and wealth by disasters at sea are steadily increasing. The reason for this is so simple that all seamen know it. The steady downward trend of skill and strength is felt by the seamen not only in hours of especial danger, it is felt every day in the added labor and hardship which come as the result of having shipmates who can not do the work that a seaman must be able to do and which must be done for the safety of the vessel, passengers, cargo, and crew.

The development of the different forms of insurance and the adoption of limitation of liability have made the owners of vessels independent of the dangers of the sea. The financial losses are thereby transferred to the public, which pays it in the additional price of goods carried. The distinguished British statesman, Joseph Chamberlain, gives the real reasons for the increasing loss of life and wealth, as follows:

> "Bear in mind, when a ship is lost the shipowner may make a profit, the owner may get more than the value of his ship; the merchant may lose nothing, but may, and very often does, get more than the value of the cargo back. In the same way the underwriter averages his losses, and on the whole makes a profit on the insurance on the ship out of his premium."

The average shipowner is no longer seriously interested in safety, either to the nation or to his ship. His chief interest is in the cheapest possible crew, and if he can not find them among capable seamen, he seeks them in the social cesspool of the unemployables. If he can not find them there, he seeks them among what we call the lower races, who are thus taught seamanship and are becoming prepared to take charge of the tools which we either can not or will not any longer handle.

The seaman used to be married. He used to have a home. It is so no longer. The wages of men on shore have, as a result of freedom and organization, at least to some extent, followed increasing prices upward, while the seaman's wages as a result of bondage and competition have stood still, making him unable to maintain a family. The seaman's social status has thus been destroyed, and the young refuse to become seamen while the men are leaving the sea. As the seaman's life has become less and less able to attract the physically capable youth and also less and less able to hold the industrially trained men, safety has been passing away. As an inevitable result, the nations have set up expensive bureaus to regulate sea life and ships so as to have at least a semblance of safety. It has been of little avail, as testified to by Joseph Chamberlain, as follows:

> "We have established a great and elaborate machinery; we have set up a complicated system under which we have pretended to supervise every shipowner, good and bad alike, and under which we have tried to make negligence, carelessness, and apathy impossible, but we have never tried to make it unprofitable."

Here we have an acknowledgment and from a man who, from his position, knew that safety did not come nor could it come from supervision applied to the owner and from force and fear imposed on the seamen. Safety at sea comes from courage, loyalty, skill, and a feeling of responsibility; but these are qualities and characteristics of the moral man who feels himself free. The bondman can not have those qualities, because he has no individual will. Modern civilization is badly served at sea now; but it will be more and more badly served as the seaman becomes more and more conscious of his bondage. This bondage does not arise from military necessity as is sometimes claimed. It arose from the common hazard and the feeling enforced by common law, which neither on land or at sea permitted a man to desert others in danger and which created the feeling expressed in "Women and children first." Often the danger was as great in a harbor in a strange country and among strange men as at sea, and to remain with the vessel and to defend her was to defend one's shipmates and oneself.

The wrong to the seaman and to occidental civilization was done when merchants and shipowners persuaded the different nations to continue, as a legal obligation based upon profit, a system which no longer could have any basis in the moral law. The shipowner then became the master and the seaman became, while under contract, the serf. As long as serfdom remained on shore and the seaman was free when not under contract, the seaman did not feel his status, and even when he did he was not able to voice his protest in such language that it could get attention. He simply quit and then gave the sea life such a reputation as to cause it to be shunned. Strength and skill are passing from the sea, and with those qualities passing away safety diminishes, regardless of supervision and laws attempting in vain to force the qualities of free men upon serfs.

If occidental civilization wants efficient service and reasonable safety at sea, the wrongs done to the seaman must be righted. The seaman has been robbed of his self-respect; he has been made unable to follow the upward trend of human society; he has been made unable to maintain a home; he can not live like other normal humans; he has nothing really worth working for; and he is becoming an inefficient servant. Contracts to labor in private employments are no longer enforceable by imprisonment or other compulsion in other callings but they are maintained on the seaman, and yet more is demanded of him than of others. If the seaman is to be a real service in war, if he is to be intrusted with safety to passengers at sea in peace, he must have his freedom restored as a primary condition. Real efficient seamanship does not grow in conscious bondage. The United States has made the beginning; but now comes the League of Nations, organized to bring justice and peace into the world, with a proposal that the seaman's status of bondage is to be perpetuated. There seemed to be at least some hope that some other nations might follow the lead of the United States, but if there is to be an international code for seamen, in which bondage is to be one of the main features, then were it better that the league itself be sunk to the deepest depths in the sea before it be permitted to destroy that which is best and most hopeful in existing civilization—its tendency to a steadily growing freedom.

If the League of Nations is to furnish an international code for seamen, it must be such that it will tend to restore to the seaman his self-respect and his proper place among men. It must be so drawn that it will assist in the development of a sea personnel that can serve the nations and our race as a defense in war and that will furnish such safety at sea as is humanly possible. It must provide for each vessel a crew sufficient in skill and in numbers to take proper care of the vessel while she is afloat, to lower and manage the vessel's boats when the vessel must be abandoned.

Nothing less is reasonable safety and it can not be had unless the nations and the people are willing to pay the cost in skilled, loyal, and courageous seamen. The seamen must, therefore, be placed in position to be able to fight for and, at least, gradually attain to an income from his labor that will enable him to be a home builder, able to care for a family in a manner done by other skilled men. Nothing less will bring the boy brought up in a modern school to the sea; nothing less will hold the skilled man.

Of course, there are some people who will maintain that transportation under such circumstances will be so expensive as to make it impractical; but this is given a direct denial in all other business, where it is claimed that efficiency and skill lower cost, and it takes no thought of the fact that the wage cost is now about the smallest item of cost in the operation of a vessel. Skilled men do not only increase safety, they do also decrease cost of fuel, and they lessen repair bills, while they speed up the turn around. Be that, however, as it may, such are the conditions, such is the price, and when all pay alike the shipowners pay nothing. It is the public which does the paying.

In the light of the foregoing, I shall try in another letter to analyze the several provisions of the proposed code. If it falls short of these standards it were better not enacted, because if enacted it will

take the sea power from the people of Europe and give it to the people of Asia.

Most respectfully,

ANDREW FURUSETH.

WASHINGTON, D. C., *March 15, 1924.*

MR. ALBERT THOMAS,
Director International Labor Office,
Geneva, Switzerland.

DEAR SIR: Assuming that the vessel is properly built and equipped—that the vessel is seaworthy—safety to passengers and freight, not to mention the crew, will always depend upon the crew. In the word "crew" I here include the master, which, of course, is not usual, but which seems to be the idea underlying the proposed code.

What are the qualifications of the crew demanded by this proposed code? To be employed in the deck or steward's departments the boy must be at least 14 years of age; to be employed as a trimmer—and presumably as a wiper, though it does not say so—he must be at least 18 years.

Chapter II, article 9, provides that—

"No seaman shall be employed on board unless his physical qualifications are such that his employment involves no danger to himself or the other members of the crew."

If the person is not mentally so subnormal as to be plainly half-witted and, therefore, irresponsible and dangerous, and if he be not suffering from some contagious disease, it seems that he may be employed.

Article 10, same chapter, provides that—

(1) "Not less than three-quarters of the crew of any vessel shall be composed of seamen able to understand the orders given in the language employed on board."

(2) "Not less than three-quarters of the deck and engine hands shall be seamen who have completed at least one year's service at sea."

In other words, a vessel may go to sea with passengers after providing herself with a deck crew, neither of whom are more than 16 years old, and with firemen, oilers, and water tenders, neither of whom are over 20. That the whole world is contemplated as a recruiting field is manifest from what is provided in section (1). The qualifications of the master and officers—among whom we find the wireless operator—are evidently to be determined by each nation; because

Chapter III, articles 12 and 13, ordain that—

"No person shall be engaged to command a merchant vessel unless he holds a diploma issued or accepted by the competent public authority, certifying his ability to command."

"Officers and engineers, the ship's doctor"—it is evident that this is a passenger vessel—"and wireless telegraphist, shall be in possession of diplomas or certificates testifying their qualifications for their duties."

So here are the officers who are to command this passenger vessel. No limit as to the age (is there one as to sex?), the officer may be any age from 17 to 100. There is no standard of seamanship arising either from experience or age, and then the wireless operator is made an officer, which, of course, means that, if something should happen to the other officers, he is to take command. Of course, he has attended a public school and learned how to read and write, and later he has attended a school for telegraphists from three to six months, but he may, or he may not, be making his first trip at sea. It is true that Part III, chapter 11, article 23, provides for a continuous discharge book; but its main purpose is to prevent the seaman from quitting the vessel in violation of his contract, because it is specifically provided that he is not to be signed on any other vessel until he has been properly discharged from the last vessel on which he signed. While such book will furnish the evidence that the proper holder thereof has been a certain time at sea, the requirement is only one year for able seaman or competent fireman. Such qualifications can hardly be taken seriously.

An able seaman must know the vessel so as to be able to go to any place on board in daylight or in dark and in any kind of weather; he must know the ship's gear and be able to find it, use it, and, if he hath wherewithal, to repair it in any kind of weather and in dalylight or in dark. He must know the boats and other safety equipments, he must be able to lower the boats in nearly all kinds of weather, in daylight or in dark, when such boats carry from 20 to 75 persons—men, women, and children. Such boats weigh with the people in them from 5 to 10 tons, and they must be lowered on even keel, kept as far as possible clear from the side of the rolling and pitching vessel; and finally the able seaman must be able to handle a sea anchor or a steering gear in such a way as to save the people in that boat by keeping her afloat until other boats may come from other vessels to take the people on board, or he must be able to set sail on the boat and manage so as to reach land in safety, if such be possible.

The able seaman is the unit of efficiency. It is for this rating that the landsmen coming to the sea are being prepared, and it is from this rating that officers are to be selected. No man living was ever able to learn these duties in one year, nor are they fully learned in three years, which is the minimum experience required by maritime nations if the matter has been made the subject of legislation. If it has not, then the old custom of four years is followed.

Correspondingly, the same work is required of the fireman, except as to the handling of boats; and no nation that has legislated upon this subject has provided for less than one year's experience for the fireman and three years for the engineer. But the above is not all the qualifications that a real seaman must have acquired. He must have absorbed the lore of the sea to such extent that he, without thinking of himself, does his duty, which is to save others. One year at sea is hardly sufficient to acquire sea legs, and yet the code submitted by the League of Nations, an organization formed to improve present safety and to abolish present injustice, submits here something which has all the marks of having been inspired by shipowners void of conscience and well protected through the limitation of liability and by "marine" and "protection and indemnity" insurance.

Then, again, there is no minimum number provided. It is to be taken care of through "party agreements." It will, therefore, depend upon whether the greed of the shipowner for cheapness or the greed of the seaman for wages and idle times is in control at any given port when the vessel is about to go to sea. Competition between shipowners of the same nation and between nations will, under such condition, gradually reduce the number of men until sea life becomes a struggle in which the seaman working for his life succeeds in bringing the vessel into port and thus sets a new standard of manning. Safety is sacrificed to greed, and life at sea becomes even more of a plaything than it now is.

Nor does this proposed code make any arrangement for the rest that is absolutely necessary at sea as well as on shore. Watch and watch at sea is as old as maritime commerce. Before the use of steam it was the custom, so old that tradition knoweth nothing to the contrary, that the sailors were divided in two parts as nearly equal as physically possible, so that one watch might work while the other rested. This was recognized as needed in order that health and strength, and hence safety, might be maintained.

In steam or motor vessels, where the necessity for additional watchfulness is very patent, it is gradually becoming more and more understood that three watches are needed for the same purpose. With the men in the engine department it was always understood that there must be three watches in order that the men might have the strength to furnish the steam needed to get over the seas. But in this code there is nothing except the master's option, and that is here as large as the coast of a continent.

Chapter III, article 2, provides that—

"The master shall be the head of the society constituted by the crew and he shall have authority over its members. He shall be in charge of the vessel and shall direct the voyage. In the absence of the captain his rights and obligations shall fall to any person regularly in command of the vessel."

There we are. A higher title for a higher power. While the captain is evidently presumed to have obligations, they are mentioned in another sentence and evidently have nothing to do with the crew or the seamen under his command, because it says, "shall have authority over its members." If it was intended to make the master—oh, captain—responsible to somebody, it would have been easy to add "under the law," if law there is to be.

Having ascertained who may be employed—that is to say the kind of men with whom the seaman is to live and work—let us try to find out the time for which he is to sign and what the agreement is to contain. Under this proposed code the agreement may be for a specific time, not, however, for more than two years; but may be renewed within 90 days of its expiry. May God be merciful and protect the man who refuses to renew when so requested. He is more than likely to so spend such 90 days that it will many times cause him to regret that he did not surrender to the duress and agree. He may sign for a voyage with a specific period set, after which he may demand his discharge, even if the voyage is not completed; but he may also sign for an indefinite period, but such agreement is to provide for a notice to be given by one party to the other. There are also some other conditions, which will be given later, when we are to consider how agreements may be voided and the seaman may be permitted to quit the vessel.

Article 19 provides that—

"The agreement shall state clearly and precisely the particular rights and obligations of the parties thereto. It must contain the following particulars:

"(a) The place and the date of the signature of the agreement. (b) The name of the vessel on board of which the seaman undertakes to serve and the proposed number of crew."

As suggested before, it will be seen that the number of men is to depend upon "party agreement" and is, therefore, subject to the

greed and power of either party in a struggle in which the safety of passengers is not counted as something that is of any importance.

"(c) The voyage or voyages to be undertaken in so far as those can be determined at the time of making the agreement. (d) The kind of work for which the seaman is engaged (deck, engine room, general service, etc.) and the capacity in which he is to serve."

It seems that the seaman may through a "party agreement" undertake the work in any of the three departments of the vessel. That is, he may be sent from the intense heat of the fireroom to a temperature below zero on the deck. If this be not the meaning of the expression "general service," what can it possibly mean? When we consider this provision the question arises: Are the European shipowners going to imitate the American Lakes shipowners of years ago, or are the American shipowners in the league with the idea of repealing that part of the seamen's act which stopped that man-killing system which was in operation on the American Lakes?

"(e) The place and date at which he is required to report on board for service. (f) The amount of wages, the manner and place of payment, any allowances that may be stipulated, and, if the agreement is based on a system of shares, the method of calculation to be adopted in determining such shares."

Here is a whaling agreement under which the seaman has the opportunity to sign as the whalers used to sign from the Hawaiian Islands or San Francisco in its palmiest whaling days. And the person may not understand the language in which it is written, or he may not be able to sign at all. It is simply read and explained to him by witnesses (?), who then certify to his mark. The men who wrote this must have been blackbirding in the South Seas.

"(g) The duration of the agreement, if the seaman is engaged for a definite period. (2) The notice to be given if the agreement is for an indefinite period. (3) The port at which the voyage is to terminate, if the agreement is for a voyage, and the period which must elapse in such port before the seaman must be free. (4) The period after which the seaman may claim his discharge if he is engaged for a voyage, and the proposed destination does not allow of an approximate estimate of the duration of the voyage."

Article 20:

(1) "The agreement shall be signed by the shipowner or his representative and by the seaman. (2) The seaman shall sign the agreement in the presence of a representative of the public authority. The said representative shall not permit the seaman to sign unless he has ascertained that the latter is acquainted with the general condition of employment (living and working condition)"—

Just think of a hungry seaman, about to be thrown out of the crimp's house and getting a licking besides, questioning the conditions or stating that he does not understand, or has any hesitation about signing—

"on board and with the special clauses of the agreement. If either party is unable to sign, a statement of this fact shall be entered in the agreement and countersigned by the representative of the public authority."

This, of course, means that the seaman may make his mark or that the master or owner may be absent without voiding the contract.

(3) "If it be necessary to engage a substitute or an extra hand in circumstances rendering it impossible to comply with the provisions of the above paragraph, the master shall, before the agreement is signed, cause its clauses to be read and explained to the substitute in the presence of two witnesses, who shall sign a statement that this has been done. The said agreement shall be submitted for countersignature to the competent authority in the first port at which the vessel calls for more than 48 hours."

Such is the proposed legal way in which a seaman is to get on board a vessel and be more than married to her for a period of two years or more. In the next letter we will examine into the way he can get out of her.

And this is the proposed way in which we are to have safety at sea under the rule of the League of Nations. Irresponsible officers of indefinite age and experience. A deck crew made up of children, a fireroom crew made up of callow youths; neither the deck or engine-room crew are supposed to have had sufficient experience at sea to give them even real sea legs, no regulations as to the number of these to be employed, no definite rules about rest or about food, and yet it may be that it is hoped that real seamen of the white race will remain at sea to accept such conditions. But wait. So far we are only dealing with the qualifications of the individual seaman and only to a slight extent about how they may be treated and then dismissed or arrested, detained, and surrendered back to their vessels. When we have examined into those things you will be much better able to estimate how many real seamen, or even white men, may be expected to be at sea when this proposed code shall have been in operation for some time.

Most respectfully yours,

ANDREW FURUSETH.

WASHINGTON, D. C., *March 20, 1924.*

MR. ALBERT THOMAS,
Director International Labor Office,
Geneva, Switzerland.

DEAR SIR: In my last letter I quoted the whole of section 2 of article 20, because it showed that practically the entire life of the seamen on board is to depend upon "party agreements." Manning, working hours—that is, the watches—food, drink, quarters, etc., are to be settled by or through agreements entered into before signing. Of course agreements are just contracts under another name, and contracts are, on shore, a special part of the activities of attorneys and courts. How to construe them and how to enforce them taxes the ability of our legal profession, and appeals are permitted and provided in order that justice may be done.

Under this proposed system the master, the shipowner, and the shipowner's attorney are in practice to draw up the contract to be presented to the seaman, who is to hear it read and who is then to be asked by the competent public authority if he understands. Upon a declaration that he does, the articles will be signed and the vessel goes to sea.

It is not within reason to suppose that the master and the seaman will have the same understanding of all the specific clauses that have been signed, and a quarrel arises. Who is to determine what any special clause really means? The master, of course. Chapter III, article 11, says:

"The master shall be the head of the society constituted by the crew and shall have authority over its members."

Let us suppose that the crew do not agree that the master is giving the proper construction, and are disposed to disobey. How is the master to enforce his authority? By the physical force of himself and his officers. There is no other way at sea, where there are neither policemen, judges, a posse comitatus, or even a handy war vessel. But suppose that the crew use force against the force? There is then a clear mutiny, and such may not at all have been the intention. It is entirely possible that the crew may think themselves in the right. Nay, it is barely possible that the members of the crew are in the right. But right or not, any general resistance that goes to the point of attempting to take the command from the master is certain to be treated as a mutiny. Such occurrences, though rare, have happened in the past and the crew have compelled the master to take the vessel into port. The master on one side and the crew on the other believed that they were right. It took a court with a jury to determine. Sometimes the crew were exonerated and sometimes the members of the crew were punished. And this happened when there were specific, clear laws on the question at issue. How often are such things to happen when it may be caused by a misunderstanding of a contract, which was perhaps after all so drawn as to cause honest differences of opinion?

Let us suppose that the crew is in the right, but that the master maintains his authority and then deals mercilessly with the men because of the fear that they may again resist or appeal to the authorities.

How far may the master go in enforcing a condition based upon a contract? To whom, except the consul, will the crew report and ask for redress? But the consul's very first impulse—nay, his first duty—is to suppress disorders, revolts, and mating at sea and to sustain the master who reports it. And yet the court may hold that the crew were right when the whole thing is laid bare. In the meantime what of the passengers or the perishable freight? Collect damages from the guilty parties? Yes, if they hath wherewithal, as it is put in the scroll of Oleron. But if they have not there can be no indemnity; and the fault was with a system which made an honest difference not only possible but very probable.

It may be said that the code providing for discipline will take care of these questions, and I am assuming that it will punish after the fact, when proper public regulations could and would have prevented the whole trouble. After all, we must come to the point where violations of contract instead of infractions of law are to be punished by or according to criminal law. The idea is not progressive. It is reactionary. It goes to the very distant past and there finds discarded means of dealing with present difficulties. And the men, so called, may be so young and inexperienced as to be morally irresponsible, or they may be morally irresponsible because they are from races which have none of our moral conceptions, but have moral concepts of their own, for which they as individuals are not responsible. What real seaman of the white race would want to ship in such vessel with such crew under such conditions, and what decent man would want to send his family as passengers? If the officers and the seamen were not better than the law, marine commerce would come to an inglorious end, if not a bloody one.

But the foregoing is not all. A few real seamen employed, perhaps enough to bring the vessel into port by an application of the "pump or sink" principle—how are these seamen to get redress when in port,

or how are they to be able to get away from the vessel if no redress is to be had? The crew complain to the consul. The master brings the "party agreement" and the consul finds that the clauses of the contract have not been violated. According to this proposed system the seamen must remain with the vessel or they must desert in face of treaties that provide for the arrest, detention, and the return of such seamen to the vessel "to which they owe service or labor," which was the phrase used in place of plain "slavery" in the Constitution of the United States—words that had to be wiped out in blood. Article 29 reads as follows:

"Whatever the duration and nature of his agreement, the seaman may require the representative of the competent authority to authorize him to land immediately in the following cases:

"(a) Changes in the voyage which may endanger the seaman's life or injure his health or interests.

"(b) Change in the nationality of the vessel.

"(c) Failure of the captain to comply with the laws and regulations concerning the safety of the vessel.

"(d) Risk of war or grave danger of infection arising before or in the course of the voyage and of which the seaman had no means of informing himself before the signature of the agreement.

"(e) Illness or injury occurring in the course of the voyage through no fault of the seaman and requiring treatment on land.

"(f) Assault or insult by the captain or officers or gross abuse of authority on their part.

"And in general any failure of the shipowner or the captain to carry out his obligations under the agreement without prejudice to the right of the seaman to bring an action on account of such failure."

If the seaman can prove to the representatives of the competent authority that the vessel is going to an especially unhealthy port—so bad that the seaman's life is reasonably in danger, and that he did not, or could not, know this before signing, or that the vessel is leaking so badly that she is likely to sink, and that she has no lifeboats, or that he is sick, and that it is not his fault, or that the master or the officers are grossly abusing their authority or assaulting or insulting him; then, and in such cases, providing he can prove it, he may be landed. And how is he going to prove some of those things? Are his shipmates, who are to remain on the vessel, going to give the testimony, and are they going to be believed when the officers swear the opposite? What rubbish! If the crew were 12 and were the reincarnation of the twelve disciples, there would yet be two who would testify falsely and with better reasons than Judas or Peter had. But then the seaman is to be landed, if the master or shipowner has failed to live up to the contract, which he—the shipowner—dictated or devised? No; no; there is no legal way in which the seaman can get divorce from the vessel unless the national flag is lowered and some other flag is hoisted. The seaman is to continue to be sold with the vessel as the serf was sold with the estate. To desert is the only way, and then his picture will be published, together with an offer of reward for his return, just as if he had broken out of any other prison.

Of course, there are supposed to be some means of terminating agreements. In fact, there must be, since there are agreements for indefinite time, but even these means are so guarded and so hazy that they may be evaded. With owlish solemn superfluity article 24 provides that if an agreement for specific time should expire at sea, the seaman shall, notwithstanding, take the vessel into the port of destination. What else could the seaman do to save his own life? Evidently it is here to prevent a suit for damages. An agreement for an indefinite period may be ended in the following manner, set forth in article 25, and I shall underscore the more significant provisions. Article 25 says:

"(1) In agreements for an indefinite period either party shall have the right to denounce the agreement with the notice stipulated for this purpose.

"(2) The period of notice shall be fixed in the agreement. It shall be the same for both parties and shall not be less than 24 hours.

"(3) Notice may be given in writing or verbally. It shall be entered by the captain in the log. The party giving notice may demand an acknowledgment. In default of acknowledgment he may call one or more persons to witness the notice.

"(4) If the period of notice does not end until after the captain has given orders for service with a view to leaving port, the agreement will not expire unless such order is given not less than 24 hours before the departure of the vessel.

"(5) Even if a seaman has given sufficient notice, he may not leave the vessel on its arrival in port until the captain has ordered the cessation of sea service, notwithstanding he may leave the vessel 24 hours after arrival at anchorage.

"(6) An action for damages may be brought by either party against the other for failure to observe the period of notice.

"(7) Damages may be recovered for the denunciation of the agreement even if the period of notice has been observed, provided it be proved that the agreement was denounced for the purpose of injuring the other party."

All of which seems to mean that the master may, if it be difficult for him to get another man, so arrange that the seaman must remain with the vessel to make one more trip in order that the vessel may obtain a cheaper man. Substantially, it is a fact that the seaman may only be relieved from his contract upon reasons that are now found in the law of all maritime nations. The master's right to legally dismiss the seaman or violate the contract is given in articles 27 and 28, which read as follows:

"ART. 27. Whatever the nature of the agreement, it shall come to an end in the following cases:

"(a) Rescission of the agreement by mutual consent of the parties.

"(b) Death of the seaman.

"(c) Loss or total unseaworthiness of the vessel.

"(d) Dismissal of the seaman under the conditions laid down in section 28.

"(e) Landing of the seaman under the conditions laid down in section 29.

"(f) Physical unfitness of the seaman ascertained after embarkation in the circumstances defined in article 18, paragraph (3).

"ART. 28. (1) Whatever the period or nature of the agreement, the shipowner or master may dismiss the seaman for sufficient motives.

"The following shall be considered sufficient motives for dismissal:

"(a) Technical unfitness for the service which the seaman was engaged to perform.

"(b) Physical unfitness due to an injury or sickness for which the seaman himself is to blame or resulting from unauthorized and unjustified absence.

"(c) Unauthorized and unjustified absence.

"(d) Serious breach of discipline.

"(e) Prosecution for felony or misdemeanor or for smuggling.

"Or in general any failure by the seaman to carry out essential obligations under the agreement, without prejudice to the right of the shipowner to bring an action for damages on account of such failure.

"(2) The motive for dismissal shall be entered in the list of crew.

"(3) The shipowner shall compensate the seaman for any damage suffered from dismissal without sufficient motive. The compensation shall be fixed by the competent court, taking into account (a) custom, (b) the nature of the seaman's work, (c) the period fixed for termination of the agreement, (d) his previous service, (e) the injury caused by dismissal, and (f) the gravity of the injustice committed.

"(4) Notwithstanding the provisions of this article and without prejudice to the question of the legitimacy of dismissal or to any damages which may be awarded therefor the master may at any time land the seaman. A note of such landing shall be entered in the seamen's discharge book and countersigned by the competent authority. Further, in all cases where the seaman is landed in a foreign port the master shall previously obtain permission from the competent public authority in the port."

If under the foregoing the owner and master, working in cooperation, can not arrange so that the seaman may be held or dismissed at will, it will only be because they are better than law. And this is supposed to be progress?

This proposed code then goes on to provide for repatriation, but in such way as to permit the owner to shed also this duty, which is now practically unqualified. The unemployment indemnity, when coupled with the seaman's continued serfdom, will, no doubt, act as a premium on losing the vessel if the treatment be especially bad. Any real seaman knows how to assist in losing any vessel and in such way that it can not very well be proved against him. This proposed code gives him practically no other way in getting out of what may be a condition so unendurable as to make the man willing to take any chances to get free.

It is most respectfully submitted that progressively fewer and fewer occidental-born men will be found at sea under laws such as are here proposed. Seamen will more and more have to be obtained from the so-called lower races, and the sea power will inevitably go to them. It is an indisputable historical fact that the sea power which any nation or race has been able to attain and keep has depended upon the number of skilled and loyal seamen which the nation or race has been able to furnish from its own population. The boy brought up in an occidental family and taught in an occidental school will not seek the sea if as a seaman he must surrender all these rights and forget all those principles which he has been taught to look upon as the birthright of all men. The occidental man will find something else to do.

If it be not intended to surrender the sea power to the African and the oriental, there must be public laws providing while at sea for a high minimum standard of individual efficiency, for minimum crew accommodations, food, and, except in emergencies, reasonable rest. There must be public laws to enforce discipline, which means ability

and willingness to obey lawful orders and real responsibility resting upon the vessel, the owners, the officers, and the men at sea.

Nothing less can furnish reasonable security. In any safe harbor the seaman must have the right to draw one half of his earned wages, to quit the service of the vessel by sacrificing the other half of the wages and such clothing and other effects as he leaves on board without any risk of being arrested, detained, and returned to the vessel, there to be compelled to labor against his will, such wages, clothes, effects, or other rights as are left on board to become the property of the vessel as indemnity for violation of the contract. This would be, as near as can be, even-handed justice, because the vessel has now, and must continue to have, certain rights to void the contract by paying one, two, or three months' pay and the cost of repatriation if the seaman is to be dismissed for legal cause.

Since the seaman must obey orders that may cause serious injury, sickness, or death, he must be entitled to maintenance and cure, regardless of what the sickness is or what might have been its cause, and then he must be entitled to such indemnity for injury or death caused by improper or unsafe gear and appliances or inefficient or careless officers as may on proper legal proceedings be decided.

If the League of Nations can not or will not provide such laws, then let the league refrain from any action in the matter and leave it to nations that will do it, and in doing will, if they have the people and wealth requisite, acquire and maintain the power on the seas, which has been and will continue to be the power which gives security and furnishes legitimate means to gather wealth.

Most respectfully yours,

ANDREW FURUSETH.

WASHINGTON, D. C., *March 27, 1924.*

Mr. ALBERT THOMAS,
Director International Labor Office,
Geneva, Switzerland.

DEAR SIR: Perhaps the most remarkable thing about the proposed code is that it pretends to base itself upon equality before the law. The proposed code arranges for a minimum of sea training that forbids the bare idea of equality between the contracting parties. The shipowner's lawyer knows the law of contracts, the master knows the life and probable conditions that may arise during the contemplated voyages, and the owner knows what he wants. The seamen may be so young and inexperienced that, being eager for employment, they may be made to sign anything. If there be men who will not sign and who advise others not to sign, their places can be promptly filled with more youth and ignorance, or if that be difficult, then such men as can always be available from other nationalities or races. To speak of equality between the contracting parties under such conditions is to do violence to language.

Contracts having been made and the vessel at sea, any infraction of discipline is necessarily to be suppressed, and then punished under public law. While the vessel is in port the violation of clauses of the contract by the seaman gives to the vessel the right to punish by dismissal and loss of repatriation. On the other side serious violations, assaults, or insults must occur before the seaman can even appeal to the "representative of the competent authority."

Now let us consider the present mutual relations and the present reasons for dismissal of the seaman by the vessel. The seaman may be dismissed for misconduct, subject to and with the consent of the proper authority (consul or naval court). But—

> "Misconduct in order to justify dismissal must not be slight, but aggravated, such as threatens the safety of the ship or the preservation of discipline." (English law.)

Under the law of practically all nations the vessel may dismiss the seaman for misconduct more or less aggravated; but the vessel may also dismiss the seaman without cause upon payment of from one to three months' extra pay as compensation for violation of contract. On the other hand, the seaman may claim his discharge under certain conditions, such as when the vessel changes flag, or is going into some especially sickly port, or if the vessel is going into war zones, or if the vessel is taking in contraband. In all other cases the seaman must continue in his contract or be sent to prison. So that the owner of a vessel may release himself from his contract by the payment of a slight monetary compensation, while the seaman is compelled to labor against his will or be sent to prison. The simple manner of equalizing the obligations of the two parties would be to permit the seaman to release himself by the payment of a corresponding amount in loss of wages earned whenever the vessel is in a safe harbor. Strike out of the law all authority to arrest a seaman for failure to join a vessel, or for leaving a vessel in any safe harbor, together with all right to bring a seaman back on board a vessel and compel him to render service against his will. Whenever the seaman violates his contract by leaving the vessel let him forfeit such wages and other rights as he would be entitled to if he remained with the vessel, and there is a substantial equality that sweeps away litigation or delay. It is not intended that the seaman shall be entitled to his discharge except for reasons now existing, nor is there any idea that the owner should be given right to dismiss a seaman at will by paying him such wages as he has earned and has not received.

The idea that is expressed in the law of the United States is that in any safe harbor the seaman is to be placed on equality with the owner and that he may quit the vessel by sacrificing wages earned and repatriation as compensation for breach of contract. Necessarily there must be an abolition of all advance wages—wages paid before it is earned—or the seaman who refuses to render himself on board will be subject to imprisonment for obtaining money under false pretenses. The seaman must also have the right to take away such of his clothing as he desires. The seaman's clothing is as necessary to him as are the tools of a mechanic to him. The seaman must also have the right to draw one-half of the money earned and not paid, or he will be held to the vessel as effectively through his necessities as he now is through the law. When a vessel goes to sea the owner of the vessel risks his property; that is to say, he did risk his property. He does so no more. He is now covered by limitation of liability, by marine insurance, and protection and indemnity insurance, until he stands to gain by losing the vessel. The premiums are part of the permanent cost, and are collected from the people in added freight rates. The seaman risks his life. The passenger risks his life. These risks are surely matters of public concern, and public law is surely proper for the protection of public interests, especially so when it is a question of safety of life and property, for which purposes every government claims to exist. But the seaman has an additional personal interest. The kind of men who constitute the crew may be a source of daily misery and danger. The seaman has, therefore, inherently the right to determine with whom he shall go to sea, and he must have an opportunity to judge of the skill and fitness of his shipmates. On coming on board and finding that the crew is inefficient in numbers or in skill he must have the right to refuse to proceed.

But, aside from this, experience has taught us that some standards by which to judge are necessary, or at least highly advisable. A minimum number of men in the crew, a minimum skill of the men, in each rating, maximum working hours of labor under ordinary conditions, a minimum standard of food and shelter, together with implicit obedience to all lawful commands at sea, coupled with proper responsibility in officers and men, are all matters of safety and hence of public law. When a vessel is in a safe harbor there is no common danger beyond such as applies to property on shore, and here the law of freedom and appropriate damages for violation of civil contract, assessed by a civil tribunal, is not only in order but in accord with modern concepts of humanity.

As reasons for departing from the safe experience of the past, it is suggested that the unions of seamen may look after the interests of the seamen and therefore of the passengers; but such unions as seamen are likely to have will have all they can attend to in trying to enforce the public law at sea by furnishing the needed evidence of its violations by officers who are looking for promotions and are therefore likely to do the owners' bidding.

To trust the owner and master to treat the seamen right and to plead that his own interest will induce him to act properly and humanely is to expect from them that they shall be much better men than were the kings and judges of the past. To doubt that they will act justly and humanely is, of course, to question their character; but that is just what the Third Estate did and are doing with reference to those who were the governors of the past. The trouble is that the men are prone to forget and to disregard the feelings and rights of others when passions, self-interests, or self-esteem are aroused or wounded. At sea beyond any other place there must be government by law, not government by men, and those who administer the law must be held to strict accountability, because their power must be great.

Conditions which can not be avoided at sea demand a willingness to self-sacrifice and a discipline which includes ability as well as willingness to obey; in port there may be, nay, if occidental sea power is to continue there must be, freedom, and all specific performances of contract to labor must be abolished.

If the League of Nations can not or will not bring this about, then let it cease troubling itself about the sea and the men who have learned how to cooperate with it and therefore how to live and die on it.

The consciousness of the need of seamen and the fear lest there be none imposed upon the lawmakers on shore by the shipowners, coupled by desire for cheap transportation by water, has kept the seaman a serf held to his labor by law, has made of the seaman a social pariah unable to care for a family and so inefficient at his work that losses of life at sea are increasing, together with the cost of transportation. This condition must and can be altered. The homeless seaman is a deserting seaman, and the cost of transportation increases with the increasing inefficiency. Hence there must come a change or the sea power will pass from the Occident. That sea power is in the seaman is clearly proved in the case of Germany and the United States. When the war was ended Germany had seamen but no vessels; the United States had vessels but very few efficient seamen, and those she had were driven from the sea in such numbers that operation became more and more

expensive. Germany is coming back. America is drifting steadily to the rear. Of course Germany could not develop seamen under existing conditions. The vessels are paid for their services in gold. German seamen are paid in German currency, and German shipowners can therefore underbid those of other nations. English shipowners charter German vessels and permit English vessels to lie idle. German seamen arriving in England find that English seamen get three times their wages, and they desert or strike.

The German seamen get assistance from the English seamen, but the labor government of England permits the safety laws to sleep and the German vessels sail away with practically no crews. The strike is abandoned and the German seamen are transported back to Germany, where they are jailed because they quit work in England in order to get some more money with which to feed their families, which they had rather foolishly tried to take care of. And the labor government of Germany jailed those men, whose only offense was that they had violated a civil contract to labor in order to get more food for babies.

If penal punishment for violating the contract to labor had been abolished in Germany and for Germans in England, the wages of the seamen of both countries would have been the same. British shipowners would have used their own nation's vessels, and British seamen and dockers would have been at work to a much larger extent than they now are. Both those countries have labor governments, both have strong unions; but neither is making any efforts to apply to the seamen those principles of freedom for which they have so ostentatiously resolved and so vociferously spoken. With freedom to quit work in harbor, with the resulting equality of wages, and with reasonable treatment of the seamen, there would be so few desertions that it would not be perceptible, and there would be no serious strikes to disturb the flow of maritime commerce. The seaman, being permitted to assist in picking his shipmates and having sufficient wages to keep a home, would cease his wanderings from nation to nation trying to find some spot on God's earth where he may live a decent human life, and desertions would end.

The war and, perhaps, even more so the pence (?) seems to have acted upon human society and its institutions until it is a liquid flowing mass, resembling somewhat a mass of liquid metal ready to be poured into forms to be hardened into castings that will retain their shape until the metal is again subjected to heat of sufficient intensity to make it flow again. In the reconstruction the League of Nations is supposed to furnish the international patterns for future society.

If the league is to use as its patterns for international purposes the worst in place of the best of national models, then the organization of the league will, if it shall succeed, be the greatest misfortune that has ever befallen the people of the Occident. The war and peace will be but a transitory and insignificant trouble in comparison. If an international code for seamen such as is here suggested should be adopted, there will be no hope for peaceable progress. One nation may be so stirred that it will make serious, nay, fundamental, changes in its policy and in its laws; but if there can be no changes unless nearly all of the member nations are willing, then there is an end to progress and to hope.

Let the seamen be on their guard now. Let us think and struggle as we never struggled before. The same applies to all who work in order that they may live. Judging by this proposed code, industrial feudalism is about the best we may expect from the League of Nations.

In concluding these letters, I am conscious that mine is but a very poor effort; but I felt it as an imperative duty to do the best I could in the hope that others will write such analysis and protest that we will be mercifully spared from having imposed upon us any such code as the one here proposed.

In the hope that such may be the case and that you will be amongst those who will use their powers in the interest of freedom, peaceable progress, and of safety at sea, I beg to remain,

Most respectfully yours,

ANDREW FURUSETH.

THE MERCHANT MARINE

Mr. McKELLAR. Mr. President, I have in my hand an editorial from Export Trade and Finance, of April 12, 1924, entitled "What's the alternative?" It discusses the proposed enforcement of section 28 of the merchant marine act, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT'S THE ALTERNATIVE

As was to be expected, the contemplated enforcement of section 28 of the merchant marine act by the Shipping Board has raised a storm of protest among shippers throughout the country.

On all sides we hear the complaint that after May 20, when the preferential rail rates go into effect, there will not be adequate American-flag services to care for all the tonnage offered, and that as a result operation of the law will work a direct hardship on American exporters.

That there will not be as great a frequency of choice of sailings for inland shippers to take advantage of is an obvious and undoubted truth. But in voicing their complaints it seems that many of the shippers and commercial organizations are confusing two issues. The first and perhaps the most important is, Do we want an American merchant marine? It would seem from many of the letters, resolutions, and editorials we have read that the answer to this question is not unanimously in the affirmative. "Why should not the Shipping Board make money * * * or, lacking such success, go entirely out of business?" asked one prominent New York daily recently. Of course, for those who take the position that an American merchant marine is an uneconomic encumbrance it naturally follows that the enforcement of section 28 is an unjustifiable hardship.

But what would be the result if the merchant marine act were repealed and the American flag disappeared from the sea? Out of the pockets of the American citizen, both producer and consumer, would begin a steady drain. Rate increases on the part of the remaining foreign lines would inevitably go into effect. This is only one aspect. The need of a merchant marine as a means of defense is another. The desirability of conducting our foreign trade through channels of our own nationality is still a third. Shippers should appreciate the fact that the United States now has a merchant marine and realize that we plan to keep it in operation.

Realizing that fact, why not accept the inevitable and cooperate with the Shipping Board in making the operation of these ships profitable, so that they can eventually be turned over to private ownership? Certainly some sort of direct or indirect aid is necessary. Possibly the enforcement of section 28 is not an altogether satisfactory solution of our shipping problems. Undoubtedly there will be difficulties to be overcome and necessary exceptions to be made which can only come to light after the section is put in operation.

But, as exporters and shippers, let us realize that the purpose of section 28 is to strengthen the merchant marine, and if we believe in the ultimate necessity of the American flag flying on privately owned American ships, let us at least give the Shipping Board a fair trial.

If we do not believe in the need of an American merchant marine, let us frankly say so. But the critic who with one hand waves the flag in his enthusiasm for American ocean-borne commerce and with the other pens his rabid objection to the most logical present means by which American shipping can be supported holds an untenable position.

Congress has very definitely refused a direct subsidy. Some support is necessary. Section 28 is on the statute books, a law of the country. Suppose the Shipping Board continued to refrain from enforcing its provisions; what is the alternative? Continued Government operation at an annual loss to the taxpayers of from $30,000,000 to $50,000,000, and, lacking congressional appropriations for new construction, the ultimate disappearance of the American flag from the ports of the world.

INCOME-TAX RETURNS

Mr. CAMERON. Mr. President, I present a letter from E. A. Van Arnim, of Douglas, Ariz., relative to income-tax returns, which I ask may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DOUGLAS, ARIZ., *April 19, 1924.*

Hon. RALPH H. CAMERON,
United States Senator, Washington, D. C.

MY DEAR SIR: I have had occasion to consult the income-tax office in Phoenix in regard to certain claims made by the department at Washington, in connection with my income-tax returns for as far back as 1917 and 1918, because I have been unable to explain to the satisfaction of the department by correspondence some of the items that they have questioned the correctness of.

My personal experience with the department at Washington is no different from that of hundreds of others of taxpayers in the State, and no doubt in every other State, and now while the new income-tax bill is before the Senate, I want to make a suggestion that will undoubtedly expedite the auditing of returns, and so avoid the annoyance caused by several years' delay prevailing now.

All returns should be audited in the State where they originate; the taxpayer would then be able to get his clearance within a year, no doubt; instead of four or five years, during which time some important records may have been lost, or possibly the taxpayer may have become insolvent, and where an additional assessment is claimed by the department it may be difficult in case of loss of records for the taxpayer to verify a return made so long ago. In case of insolvency or death, the delay in auditing results in a loss to the Government.

Under a recent ruling all incomes under $15,000 are now audited in the office at the source, but the writer's return in a successful business year sometimes exceeds this amount, and, consequently, has to be sent to Washington, and will not be heard from for several years, judging by past experience.

The great majority of citizens paying the income tax are honest and intend to pay what they justly owe, but it frequently happens that certain entries in a return are questioned by some department official in Washington and can not be satisfactorily explained by correspondence, and if the amount involved is of sufficient importance one must go to the expense of a trip to Washington, or must employ an attorney there at considerable expense to get the claim adjusted.

The writer has some claims for refund, not large enough to justify employing an attorney, that have been pending for several years.

May I urgently request that you recommend an amendment to the new income tax bill or have some provision made in it whereby all returns should be audited at the source?

This not only as a matter of convenience to the taxpayer, but as a matter of economy to the Government.

Your support of a measure of this kind will be of real service to the taxpayers of Arizona.

Yours very truly,

E. A. VAN ARNIM.

NAVAL APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee on page 28, beginning with line 11.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment was, under the subhead "Care of the dead," on page 35, line 5, before the word "when," to strike out the word "Force" and the comma, and to insert "Force"; so as to read:

For care of the dead: For purchase of cemetery lots; for funeral expenses and interment or transportation to their homes or to designated cemeteries of the remains of officers (including officers who die within the United States and supernumerary patients who die in naval hospitals) and enlisted men of the Navy and Marine Corps, of members of the Nurse Corps, and of officers and enlisted men of the Naval Reserve Force, when on active service with the Navy, who die or are killed in action ashore or afloat, and also to enable the Secretary of the Navy, in his discretion, to cause to be transported to their homes the remains of civilian employees of the Navy Department and Naval Establishment who die while employed outside of the continental limits of the United States, $40,000: *Provided*, That the sum herein appropriated shall be available for payment for transportation of the remains of officers and men who have died while on duty at any time since April 21, 1898.

The amendment was agreed to.

The next amendment was, under the heading "Public works, Bureau of Yards and Docks," on page 37, line 4, after the figures "$20,000," to strike out "in all, $30,000," and to insert "circulating pumps for heating system, $10,000; in all, $40,000," so as to read:

Navy yard, Portsmouth, N. H.: Electric capstans for dry dock, $10,000; repairs to quay wall, $20,000; circulating pumps for heating system, $10,000; in all, $40,000.

The amendment was agreed to.

The next amendment was, on page 37, line 8, after the word "No." to strike out "42-6, $45,000," and to insert "42-C, $45,000; in all, $220,000," so as to read:

Navy yard, Boston, Mass.: Additional facilities, Dry Dock No. 3, $175,000; for the renewal of the roof of foundry building No. 42-C, $45,000; in all, $220,000.

The amendment was agreed to.

The next amendment was, on page 37, at the beginning of line 17, to strike out "in all, $72,000," and to insert "paving, to continue, $30,000; in all, $102,000," so as to read:

Navy yard, Philadelphia, Pa.: Acetylene gas plant, extension and remodeling, $22,000; toilet facilities, Dry Dock No. 3, $25,000; dredging, to continue, $25,000; paving, to continue, $30,000; in all, $102,000.

The amendment was agreed to.

The next amendment was, on page 37, after line 20, to insert:

Navy yard, Norfolk, Va.: Replace caisson, Dry Dock No. 1, $50,000.

The amendment was agreed to.

The next amendment was, on page 38, line 5, after the figures "$28,000," to strike out "in all, $728,000," and to insert "plant renewals, naval coal depot, Tiburon, Calif., $57,500; in all, $785,500," so as to read:

Navy yard, Mare Island, Calif.: Rebuilding dikes, wharves, and quay walls, and maintenance dredging (limit of cost, $2,800,000), to complete, $550,000; dredging equipment, $150,000; mooring dolphins, replacement, $28,000; plant renewals, naval coal depot, Tiburon, Calif., $57,500; in all, $785,500.

Mr. KING. May I inquire of the Senator whether he insists upon the amendment appropriating $57,500 for the naval coaling depot at Tiburon, Calif.? My information is, from persons who are familiar with the situation, who have worked at the plant, and who know it, that there is no necessity at all for that appropriation.

Mr. HALE. I understand that the wharf is entirely unsafe as it is at present. I will read the Senator a statement about the matter, as follows:

This project contemplates the renewal of the fender systems of the steel wharf and quay wall and the reconstruction of the timber coal trestle, renewal of decking on steel wharf, and repairs to the coal-distributing hoppers. These renewals are important to the efficiency of the plant and will result in decreased operating expense. This appropriation is required to correct a dangerous condition of parts of the structure and to avoid further damage, which would require greater appropriations in the future.

Mr. KING. The information which I have is that this wharf or depot is adequate for the present needs, and with the increased use of oil and oil burners there will be a corresponding decrease in the use of this particular coal depot. It is only a question of a little time, I am advised, when it will cease to be of any utility whatever; and men who know and who are interested in Mare Island, who are the friends of Mare Island, tell me that it is a waste of money.

Mr. HALE. This is an addition to the House bill. Does the Senator object to having it go in and letting us take the matter up in conference? I will agree to have it looked into carefully.

Mr. KING. Let it be understood that there is opposition to it here in the Senate, and that many of the Senators disagree to it. With the understanding that the conferees will look into it very carefully I shall let it go.

The amendment was agreed to.

The next amendment was, on page 38, after line 8, to insert:

Naval Academy, Annapolis, Md.: Reroof northeast terrace, Bancroft Hall, $15,000.

The amendment was agreed to.

The next amendment was, on page 38, after line 10, to insert:

Naval station, Guantanamo, Cuba: Fresh-water tank, $14,000.

The amendment was agreed to.

The next amendment was, on page 38, at the end of line 17, to strike out "in all, $178,000," and to insert "marine railway accessories house, $20,000; roads and walks, extension, $35,000; in all, $233,000," so as to read:

Naval station, Pearl Harbor, Hawaii: Harbor moorings, $45,000; power plant extension, $100,000; boundary fence, $23,000; water system, extension, $10,000; marine railway accessories house, $20,000; roads and walks, extension, $35,000; in all, $233,000.

Mr. KING. Mr. President, I want to express my disapproval of those amendments offered by the committee of the Senate. I have made some investigation with respect to these items. My information is, based upon that investigation, that they are not necessary. I think that the view of the Navy Department with respect to Pearl Harbor needs considerable revision. There is a misconception as to the capacity of Pearl Harbor as a naval base to look after the needs and wants of the Navy. Pearl Harbor has its limitations, and some of the naval officers, ignoring physical conditions and physical limitations, unwisely urged the execution of plans that are not advantageous, and which must, in the end, prove disappointing and futile. I ask the Senator to insist upon these amendments.

Mr. HALE. It was put up to us, Mr. President, that this marine railway storehouse was really a necessity, and that unless it were built a good many of the things that were used on the railroads, supplies and so on, would have to be left out of doors, and that they would naturally deteriorate. Something must be done in the interest of economy.

Then, as to the extension of the road to the wharf, the roads there are extremely rough. They have never been finished up, and it is very difficult to carry freight over them on account of the roughness of the road. A great deal of damage has already resulted.

Mr. KING. The Senator knows we have squandered millions of dollars upon naval stations, and bases, and Army posts.

Mr. HALE. I think this is one of the most important stations we have.

Mr. KING. I know Pearl Harbor is an important naval base, and must be maintained. It is the outpost in the Pacific, and I am in sympathy with all legitimate appropriations that will strengthen it as our chief outpost in the Pacific and make it a strong naval base. But I have seen some of the recommendations respecting Hawaii and Pearl Harbor, and I think they are not founded upon good common sense.

operation of the law will work a direct hardship on American exporters. Judging by past experience.

replacement, $28,000; plant renewals, naval coal depot, Tiburon, Calif., $57,500; in all, $785,500.

tions respecting Hawaii and Pearl Harbor, and I think they are not founded upon good common sense.

Mr. HALE. Will not the Senator allow it to go to conference in the same way? We will take that up and study it.

Mr. KING. With that understanding I will not object.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 38, line 21, to insert "rebuilding power and refrigerating plant, $65,000; rebuilding station wharf, $12,000; in all, $87,000," so as to read:

Naval station, Tutuila, Samoa: Fire protection, $10,000; rebuilding power and refrigerating plant, $65,000; rebuilding station wharf, $12,000; in all, $87,000.

The amendment was agreed to.

The next amendment of the committee was, on page 39, after line 17, to insert the following paragraph:

Naval fuel depot, San Diego, Calif.: Storage for war heads, $60,000.

Mr. KING. I want to state to the Senator that I have talked with naval officers with respect to these amendments. In my opinion they are unwarranted.

Mr. HALE. The amendment as to Tutuila?

Mr. KING. Yes.

Mr. HALE. There is a very old plant there, which is entirely unsatisfactory, and it has to be replaced.

Mr. KING. If the Navy insists upon expending millions in bases and for repairs, and so on, we will soon be spending more money on shore than for fighting craft and seamen.

Mr. HALE. This takes care also of the refrigerating plant. The climate is very hot, and if the refrigerating plant can not be run it would be difficult to live there.

Mr. KING. I hope the House conferees will insist upon their position and disagree to the Senate amendment.

Mr. HALE. I think quite likely they may.

Mr. KING. They will find hearty support when the conferees report back to the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. KING. Mr. President, I shall not consent to this amendment, and I hope the Senator will not press it this evening. If he does, I shall have to call for a quorum. I want to present some information, which I do not have here, to show the lack of necessity for the item.

Mr. HALE. Will the Senator let it be passed over and proceed with other amendments?

Mr. KING. Yes. It is not to be agreed to. It is to be passed over for further consideration.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

The next amendment was, on page 39, line 21, after the figures "$50,000," to insert a semicolon and "water-front development, extension, $100,000; in all, $150,000," so as to read:

Submarine base, Pearl Harbor, Hawaii: Distributing systems, extension, $50,000; water-front development, extension, $100,000; in all, $150,000.

Mr. KING. Mr. President, I want to express my disapproval of the action of the Senate committee with respect to this and the next item. The House committee investigated these particular matters and were substantially unanimous in the conclusions reached. If the Senate shall vote these amendments in, I hope that the House conferees will not consent to them.

The amendment was agreed to.

The next amendment was, on page 39, line 24, after the figures "$15,000," to insert a semicolon and "dock gear and paint shop, $35,000; storage for torpedoes, $140,000; in all, $190,000," so as to read:

Naval station, San Diego, Calif.: Floating pile driver, with sand pump, $15,000; dock gear and paint shop, $35,000; storage for torpedoes, $140,000; in all, $190,000.

Mr. KING. I register the same opposition to this item.

The amendment was agreed to.

The next amendment was, at the top of page 40, to insert:

Naval base, San Diego, Calif.: Paint and oil storehouse, $15,000.

Mr. KING. If we build paint houses and shops and spend millions of dollars on shore, as we are doing, of course we will not have an adequate amount for a fighting Navy. Senators here who profess to have so much interest in the Navy evince a greater interest for shore stations and a land Navy than for a fighting Navy.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Aeronautics," on page 40, at the end of line 16, to strike out "in all, $14,590,000," and to insert "for new construction, buildings, and improvements at air stations at a total cost not to exceed $410,000, as follows: Pearl Harbor, Hawaii, $173,000; Coco Solo, Canal Zone, $237,000; in all $15,000,000," so as to read:

AVIATION, NAVY

For aviation, as follows: For navigational, photographic, aerological, radio, and miscellaneous equipment, including repairs thereto, for use with aircraft built or building on June 30, 1924, $325,000; for maintenance, repair, and operation of aircraft factory, helium plant, air stations, fleet activities, testing laboratories, and for overhauling of planes, $6,716,050, including $300,000 for the equipment of vessels with catapults; for continuing experiments and development work on all types of aircraft, $1,573,224; for drafting, clerical, inspection, and messenger service, $710,000; for new construction and procurement of aircraft and equipment, $5,264,826; for new construction, buildings, and improvements at air stations at a total cost not to exceed $410,000, as follows: Pearl Harbor, Hawaii, $173,000; Coco Solo, Canal Zone, $237,000; in all, $15,000,000; and the money herein specifically appropriated for "Aviation," shall be disbursed and accounted for in accordance with existing laws as "Aviation," and for that purpose shall constitute one fund.

Mr. KING. Mr. President, I ask the Senator from Maine to let this amendment go over. There is a movement now to have the War Department and the Navy Department reach some sort of cooperative basis with respect to shore air stations. There is much duplication now. The Army is spending large sums and the Navy is spending large sums, and it is a most unwise and impolitic system. I ask that the amendment may go over until Monday.

The PRESIDENT pro tempore. The amendment will be passed over at the request of the Senator from Utah.

The next amendment was, under the heading "Naval Academy," on page 41, after line 13, to insert:

No part of any sum in this act appropriated shall be expended in the pay or allowances of any commissioned officer of the Navy detailed for duty as professor or instructor at the United States Naval Academy to perform the duties which were performed by civilian professors or instructors on January 1, 1922, whenever the number of civilian professors or instructors employed in such duties shall be less than 65, exclusive of masters and instructors in swordsmanship and physical training: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed.

The amendment was agreed to.

The next amendment was, under the heading "Marine Corps," on page 47, after line 19, to strike out:

No officer of the Navy or Marine Corps shall, unless the President otherwise directs, be entitled to any pay or allowances while on leave of absence for a period in excess of that for which he is entitled to full pay.

The amendment was agreed to.

Mr. McKELLAR. I ask unanimous consent to offer at this point an amendment after line 19, in the place of the language that has just been stricken out. If there is no objection I ask that it be adopted at this time.

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The READING CLERK. On page 47, after line 19, insert the following proviso:

Provided, That no money appropriated by this act shall be expended for transportation on foreign vessels of officers, enlisted men, or employees under the jurisdiction of the Navy Department without a certificate from the Secretary of the Navy or other official authority designated by him that there are no American vessels then available for the transportation of such officers, enlisted men, or employees.

The PRESIDENT pro tempore. Under the unanimous-consent agreement the amendment is not in order at this time.

Mr. HALE. It is a little unusual to insert an amendment of this kind at this stage in the consideration of the bill, but I have no objection to the adoption of the amendment.

Mr. McKELLAR. It has been gone over by the Navy Department and I believe there is no objection to it. I ask unanimous consent that it may be considered at this time.

The PRESIDENT pro tempore. Is there objection to considering the amendment at this time? The Chair hears none.

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Marine Corps," on page 48, line 21, to increase the appropriation for clothing for enlisted men from "$1,325,000" to "$1,450,000."

The amendment was agreed to.

The next amendment was, on page 51, line 3, to increase the total of the appropriations for the Marine Corps from "$8,851,800" to "$8,976,800."

Mr. KING. I ask that the item may be passed over until Monday.

Mr. PHIPPS. That is merely a correction of the total made necessary by the previous amendment, on page 48, line 21.

Mr. KING. I thought it involved the amount for the submarines.

Mr. PHIPPS. No; it does not. It is merely a change made necessary in the total by the preceding amendment.

Mr. KING. Very well.

The amendment was agreed to.

Mr. PHIPPS. Mr. President, I ask unanimous consent that the clerks at the desk be given authority to correct the totals in the bills where necessary.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The next amendment was, under the heading "Increase of the Navy," on page 51, at the end of line 9, to strike out "$7,500,000" and to insert "$8,450,000," and in line 17, after the word "twenty," to insert "toward the construction of one submarine authorized by the naval act of August 29, 1916," so as to read:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of $8,450,000, which is hereby appropriated for the prosecution of work on vessels under construction on such date, the construction of which may be proceeded with under the terms of the treaty providing for the limitation of naval armament; for continuing the conversion of two battle cruisers into aircraft carriers, including their complete equipment of aircraft and aircraft accessories, in accordance with the terms of such treaty; toward the construction of one submarine authorized by the naval act of August 29, 1916; for the settlement of contracts on account of vessels already delivered to the Navy Department; for reimbursement to contractors and subcontractors of carrying charges heretofore approved by the Secretary of the Navy to cover additional expenses resulting from the deferring of deliveries or payments under contract and subcontracts for materials for vessels the construction of which may be continued under the terms of such treaty; for the procurement of gyro compass equipments, and for the installation of fire-control instruments on destroyers not already supplied; and for the completion of armor, armament, ammunition, and torpedoes for the supply and complement of vessels which may be proceeded with as hereinbefore mentioned.

Mr. KING. This is the amendment that involves submarines?

Mr. HALE. Yes.

Mr. KING. In view of the agreement reached to have the other item about submarines go over, I ask that this item may also be passed over for later consideration.

Mr. HALE. I think that is fair. The one depends on the other.

The PRESIDENT pro tempore. The amendment will be passed over.

The amendment was agreed to.

The next amendment was, on page 54, line 1, after the name "United States," to strike out "at an actual expenditure of" and to insert "when time and facilities permit, for," so as to make the paragraph read:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and that no part of the moneys appropriated in each or any section of this act shall be used or expended for the repair, purchase, or acquirement of any article or articles that, at the time of the proposed repair, purchase, or acquirement can be manufactured or produced in each or any of the Government navy yards of the United States, when time and facilities permit, for a sum less than it can be purchased or acquired otherwise.

Mr. KING. Mr. President, I make the point of order against the amendment.

Mr. LODGE. The amendment is in the last lines of the bill, and that is where I desire to present an amendment when the individual amendments are in order. I think it had better go over for that reason.

Mr. HALE. Will the Senator from Utah state his point of order?

Mr. KING. I withdraw the point of order. It is not the amendment that I had in mind.

The PRESIDENT pro tempore. The Chair understands that the Senator from Massachusetts desires to offer an amendment to the committee amendment at this point.

Mr. LODGE. I ask that the committee amendment be passed over, because it is my desire to offer an amendment at that point.

Mr. McKELLAR. It is better that the committee amendment should go over.

Mr. LODGE. Yes. That is what I ask.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. FLETCHER. If there is no objection, I would like to offer an amendment that I think is agreeable to the committee. I would like to offer it now.

Mr. HALE. May I say to the Senator from Florida that I have told several Senators that when we got through with the committee amendments I would not ask the Senate to proceed further with the bill this evening.

Mr. FLETCHER. Very well.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 15 minutes p. m.) the Senate took a recess until Monday, April 28, 1924, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 26 (legislative day of April 24), 1924

PROMOTIONS IN THE ARMY

Thomas Pitcher Bernard to be lieutenant colonel, Field Artillery.

Beverly Carndine Snow to be first lieutenant, Coast Artillery Corps.

Harold Eugene Small to be major, Coast Artillery Corps.

William Huffman Young to be captain, Infantry.

Gottfried Wells Spoerry to be captain, Infantry.

Hilton Edward Heineke to be first lieutenant, Infantry.

Galen Magnus Taylor to be first lieutenant, Coast Artillery Corps.

John Francis Lavagnino to be first lieutenant, Infantry.

POSTMASTERS

ARKANSAS

Effie I. Young, Hampton.
John W. Reed, Plumerville.

DELAWARE

William H. Evans, Newark.

FLORIDA

James A. Zipperer, Madison.

ILLINOIS

Harold E. Ward, Sterling.

IOWA

Loys E. Couch, Newell.

MINNESOTA

Ralph Moody, Wykoff.

PENNSYLVANIA

Gertrude Klinefelter, Jonestown.

SOUTH DAKOTA

Floyd Twamley, Alexandria.
John B. Goff, Philip.

HOUSE OF REPRESENTATIVES

SATURDAY, *April 26, 1924*

The House met at 11 o'clock a. m.

Rev. Jason Noble Pierce, D. D., offered the following prayer:

We thank Thee, Almighty God, our Father, for Thy goodness to us and to all men. We dedicate our strength to Thy service and pray that the love that fills Thy heart may possess ours. Bless our country and those who lead, and the great body of citizens, our Chief Magistrate and all who advise with him, and these mercies we pray shall be in relationship to all other countries, that in all the world Thy people, Thy children, may be one. So we dedicate this day and our lives to Thy service in thankfulness and praise. Amen.

Aeronautics," on page 40, at the end of line 16, to strike out "in all, $14,590,000," and to insert "for new construc-

to "$1,450,000."

The amendment was agreed to.

over for that reason.

Mr. HALE. Will the Senator from Utah state his point of order?

be one. So we dedicate this day and our lives to Thy service in thankfulness and praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

RENTS IN THE DISTRICT OF COLUMBIA

Mr. SNELL. Mr. Speaker, I desire to present a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a resolution, which the Clerk will report.

The Clerk read as follows:

Resolution for the consideration of H. R. 7962, to extend the food control and District of Columbia rents act.

The SPEAKER. Referred to the House Calendar.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on this resolution.

The SPEAKER. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, the resolution just introduced by the Committee on Rules seeks to make in order next Monday legislation proposing to extend for another two years what is commonly known as the Ball Rent Act. By its own provisions this act expires and ceases to be operative on May 22, 1924. The purpose of the above rule is to extend the act to May 22, 1926.

The gentleman from North Carolina [Mr. HAMMER], when discussing this subject a few days ago, claimed that this law was not based upon "emergency" and that the recent decision of the Supreme Court holding the act unconstitutional should be disregarded by us.

Likewise the distinguished gentleman from Wisconsin [Mr. LAMPERT], author of the bill, proposing to extend this act two more years, claimed the other day that such act was not based on "emergency," and I quote from page 6334 his exact statement, to wit:

Another false cry which has been raised is that this is a war measure; that we are now at peace; and that the law should therefore be repealed. You know that this is not so. You know that the original act, of which this is in effect an extension, was not passed until more than 11 months after the armistice had elapsed.

Surely these gentlemen must not have read section 122 of the original act of October 22, 1919, which I quote as follows:

SEC. 122. It is hereby declared that the provisions of this title are made necessary by emergencies growing out of the war with the Imperial German Government, resulting in rental conditions in the District of Columbia dangerous to the public health and burdensome to public officers and employees whose duties require them to reside within the District, and other persons whose activities are essential to the maintenance and comfort of such officers and employees, and thereby embarrassing the Federal Government in the transaction of the public business. It is also declared that this title shall be considered temporary legislation, and that it shall terminate on the expiration of two years from the date of the passage of this act, unless sooner repealed.

Thus, it is stated just as plainly as the English language can make it that it is a war emergency, and shall be considered as temporary legislation, and shall terminate in two years. The foregoing was Title II of the act of October 22, 1919, entitled "The food control and the District of Columbia rents act." And the first section of Title I of said act has the following recitation:

That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement of foods, feeds, wearing apparel; containers primarily designed or intended for containing foods, feeds, or fertilizers; fuel, including fuel oil and natural gas; and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this act called necessaries; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulation, and private controls affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessaries during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed.

Now, keep in mind that the above act became effective October 22, 1919, nearly a year after the armistice, yet nevertheless it was a war emergency measure just the same, and specifically declared to be a war emergency.

And when Congress last extended this act to May 22, 1924, by the act of May 22, 1922, it specifically recited in that act:

That it is hereby declared that the emergency described in Title II of the food control and the District of Columbia rents act still exists and continues in the District of Columbia, and that the present housing and rental conditions therein require the further extension of the provisions of such title.

Hence it is astonishing that any person who is posted on the subject would contend that such law was not based on emergency.

CONGRESS SHOULD FOLLOW SUPREME COURT DECISIONS

The Supreme Court without question held that no emergency now exists warranting the operation of such a law, and that it has ceased to operate, thus holding it unconstitutional. Then why should Congress waste its time attempting to pass another such law, when the Supreme Court has definitely stated that it judicially knows that the declaration of emergency which Congress intends to make is untrue, and will not be accepted by the Supreme Court, as it has judicial knowledge to the contrary.

MR. HAMMER DESIGNATES IT "OBITER DICTUM" AND WORTHLESS

He will be able to obtain very little consolation from that contention. This decision is the latest expression from the Supreme Court on the subject, delivered April 21, 1924. The exact question before the court was whether this exigency, or war emergency, still existed in 1922. The court said:

It is a matter of public knowledge that the Government has considerably diminished its demand for employees that was one of the great causes of the sudden afflux of people to Washington, and that other causes have lost at least much of their power. If about all that remains of war conditions is the increased cost of living that is not in itself a justification of the act.

And the court specifically held:

If the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate.

But because the court held that it was necessary to know whether the emergency existed back in 1922 it sent the case back to the lower court to ascertain such facts.

Only one member of the Supreme Court in any way questioned the above decision, and that was Mr. Justice Brandeis, who protested that the Supreme Court should thus decide on the constitutionality of the law, as he claimed that the case should be reversed without it. And he did not claim that the law was constitutional, but claimed merely that the question of constitutionality was not involved. Mr. Justice Brandeis said:

If protection of the rights of the Chastleton Corporation and Hahn required us to pass upon the constitutionality of the District rent acts, I should agree also to the procedure directing the lower court to ascertain the facts. But in my opinion it does not. For (on facts hereinafter stated, which appear by the bill and which were also admitted at the bar) the order entered by the commission is void as to them, even if the rent acts are valid. To express an opinion upon the constitutionality of the acts or to sanction the inquiry directed would therefore be contrary to a long-prevailing practice of the court.

Hence you will observe that the Supreme Court did pass upon the question of constitutionality and did hold this Rent Commission act inoperative at the present time, in that it is not in accord with the provisions of the Constitution, which prevents property from being taken from its lawful owner without due compensation, except in emergencies.

What is Mr. HAMMER going to do? What is Mr. LAMPERT going to do? And what are the members of the Rules Committee going to do? And what is the Congress going to do relative to passing another emergency rent law next Monday, when on last Monday the Supreme Court of the United States said:

If the question were only whether the statute is in force to-day upon the facts that we judicially know, we should be compelled to say that the law has ceased to operate.

Are we Members of Congress going to respect the decision of our Supreme Court, or are we going to ignore it and disregard it just because a demand has been made upon us to do it? Are we going to make a foolish legislative declaration that a war emergency still exists on April 28, 1924, and that it will continue to exist until May 22, 1926, when the war has been over since November 11, 1918, and the Supreme Court solemnly held only last Monday that its nine members judicially know that such legislative declaration is not true, and that they would be compelled to say that the law is unconstitutional and not operative?

WHAT THE SUPREME COURT JUDICIALLY KNOWS

It knows that the war is over; that the armistice was signed on November 11, 1918; that practically all of the war

laws have been repealed; that the country is fast getting back to normalcy; that the country must get back to normalcy; that this was an emergency law; that this was a temporary law so declared by Congress; that it has been extended several times; and that only a question of high-living costs is now involved.

WHY THE SUPREME COURT HOLDS SUCH EMERGENCY LAW UNCONSTITUTIONAL

Mr. Alfred B. Moore, who made a survey of housing conditions for the Senate, in his report dated April 3, 1924, reported to the Senate the following vacant houses and apartments now being offered for rent in the city of Washington, to wit:

	Apartments	Dwellings
Schedule A, up to $24 per month	10	28
Schedule B, $25 to $50 per month	221	76
Schedule C, $51 to $75 per month	335	37
Schedule D, $76 to $100 per month	189	71
Schedule E, $101 to $150 per month	36	63
Schedule F, $151 to $200 per month	10	21
Schedule G, $201 to $250 per month	2	18
Schedule H, $251 and upward per month	3	17
Total	806	301

I quote the following from our recent hearings:

NINE HUNDRED VACANT ROOMS IN YOUNG MEN'S CHRISTIAN ASSOCIATION

THE YOUNG MEN'S CHRISTIAN ASSOCIATION,
Washington, February 25, 1924.

Hon. FLORIAN LAMPERT,
Chairman of the Rent Commission, Washington, D. C.

DEAR SIR: The social department of the Young Men's Christian Association has maintained for the past 15 years a department of employment and room exchange. For the services of the room exchange a nominal fee of $1 per house was charged for listing for the period of one year.

At the present time we have on our files a listing of approximately 900 vacant rooms.

Respectfully submitted. FRANK E. SUTCH,
Director of Employment.

Mr. HAMMER. Did he state what price they are?

Mr. MCKEEVER. No.

Mr. HAMMER. I have been sending boys down here to get accommodations, and they have been charging them the same that they did at hotels.

A FEW DAYS LATER

Mr. MCKEEVER. I have only one or two matters here. I stated last night that the Young Men's Christian Association had 900 rooms, and you questioned the rent. I have received the following letter from Mr. L. W. De Gast, associate general secretary, which I will not read but will submit for the record.

The letter is as follows:

THE YOUNG MEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF WASHINGTON,
Washington, D. C., February 26, 1924.

Mr. E. L. MCKEEVER,
Chairman of the Washington Association of Building Owners and Managers, Washington, D. C.

MY DEAR MR. MCKEEVER: My attention has just been called to certain statements made by Congressmen at a hearing of the subcommittee sitting on the housing situation in the District of Columbia in which it was stated that we were charging from $3 to $4 per day per person for the rooms in our dormitories.

I am taking this opportunity to give you the following information: We have in our central main building and boys' building, 1732 and 1736 G Street NW., 185 rooms, most of them used as double rooms; that is, for two persons. Our lowest rate for the double rooms—that is, two persons in each room—is $12.50 per person per month. A few of our single rooms—one person in each room—are rented out at the rate of $24 per month. The average amount paid by the young men living in our dormitories is approximately $15 per month.

In addition to the above rooms rented out on the monthly basis, we maintain approximately 18 rooms in the building known as the Y. M. C. A. Annex, 1704 G Street, for transients. The rental charged for these is $1 per person per night for those occupying double rooms and $1.50 per person per night for single rooms.

In addition to the rooms rented by the Young Men's Christian Association in its own building we have a list of approximately 1,500 rooms in Washington and of that number there are now 900 vacant. The general prices charged by the persons conducting these rooming houses are from $15 to $20 per person for single rooms and from $12.50 to $15 per person per month for double rooms.

Trusting this information will aid you in getting a proper understanding of the situation, I am,

Sincerely yours,

L. W. DE GAST,
Associate General Secretary.

Mr. HAMMER. The only reason I suggested that was because two disabled World War veterans came here from my district and wanted to get an apartment for a week and they had no money, and I sent them down there and they came back and told me that they could not get any rooms for less than $1.50 a day. That is all I know about it.

SOME VACANT APARTMENTS

Mr. DEAN. But what we are after is apartments at $50 and under.

Mr. HAMMER. I think I should have set a little higher figure.

Mr. DEAN. We could have put in a few more, I think. It would have helped us. However, this shows a total of 141 vacancies at $50 and less.

Mr. LAMPERT. You mean 141 apartments.

Mr. DEAN. Yes; I might say, because I wish to be perfectly fair, in this statement there appear five which will run more, because here and there I find a one-room apartment, kitchenette and bath, which, I assume, Mr. HAMMER thinks will not solve the problem. There are 141 apartments, some of them running as high as nine rooms, a number of five rooms, and a number of four rooms, more of three rooms, and a certain number of these one-room apartments, which Mr. Wardman described last night. I want to submit that list.

The list referred to is as follows:

A summary of vacant apartments reported by 30 real estate firms as renting for $50 or less per month, showing a total of 141

1 apartment, 1321 Belmont Street NW., 1 room, kitchen, and bath	$50.00
2 apartments, 1448 Girard Street NW., 1 room, kitchen, and bath, each	50.00
1 apartment, 1030 Seventh Street NW., fourth floor, 2 rooms, kitchen, and bath	40.00
1 apartment, 1329 G Street NW., third floor, 3 rooms, kitchen, and bath	27.50
1 apartment, 2800 Connecticut Avenue, 2 rooms, kitchen, and bath	45.00
1 apartment, C Street, 52 to 58, 4 rooms, kitchen, and bath	45.00
1 apartment, C Street, 52 to 58, 5 rooms, kitchen, and bath	49.00
6 apartments, 1717 R Street NW., 1 room, d/s, and bath	45.00
7 apartments, 1717 R Street NW., 1 room, d/s, and bath	47.50
6 apartments, 1717 R Street NW., 1 room, d/s, and bath	50.00
1 apartment, 1712 Sixteenth Street NW., 1 room and bath	49.00
2 apartments, 2200 Nineteenth Street NW., 1 room and bath, each	45.00
2 apartments, North Capitol and Randolph Streets, 3 rooms and bath, each	50.00
1 apartment, 114 Quincy Street NE., 2 rooms, kitchen, and bath	49.00
1 apartment, 1003 K Street SE., 4 rooms and bath	22.50
1 apartment, 737 Fourth Street SE., 3 rooms and bath	25.00
1 apartment, 634 North Capitol Street, 3 rooms and bath	37.50
1 apartment, 428 Thirteenth Street SE. (furnished), 4 rooms and bath	42.00
1 apartment, 5946 Georgia Avenue NW., 5 rooms and bath	45.00
1 apartment, 490 Virginia Avenue SW., 9 rooms and bath	35.00
1 apartment, 500 North Capitol Street, 8 rooms and bath	32.50
1 apartment, 627 Twenty-first Street NW., 4 rooms and bath	35.00
1 apartment, 503 B Street SE., 3 rooms and bath	45.00
1 apartment, 1040 Pennsylvania Avenue SE., 4 rooms and bath	40.00
1 apartment, 452 New Jersey Avenue SE., 3 rooms and bath	40.00
1 apartment, 124 D Street SE., 3 rooms and bath	30.00
1 apartment, 2334 Twelfth Street SE., 5 rooms and bath	47.50
1 apartment, 335 C Street SE., second floor, 6 rooms and bath	45.00
1 apartment, 300 Kentucky Avenue SE., second floor, 4 rooms and bath	49.00
1 apartment, 1378 L Street SE., 4 rooms and bath	22.50
1 apartment, 813 Q Street, second floor, 5 rooms and bath	50.00
1 apartment, 4700 Conduit Road, 4 rooms and bath	32.50
1 apartment, 1218 Ninth Street, 3 rooms and bath	40.00
1 apartment, 3323 N Street, 4 rooms and bath	45.00
1 apartment, 727 Twelfth Street, second floor, 2 rooms, kitchenette, and bath	45.00
1 apartment, 212 C Street NW., 3 rooms, kitchenette, and bath	50.00
1 apartment, 725 Twelfth Street, 4 rooms, kitchenette, and bath	50.00
1 apartment, 302 B Street NE., 4 rooms, kitchenette, and bath	50.00
1 apartment, 720 Twelfth Street NW., 2 rooms, kitchenette, and bath	50.00
1 apartment, 1624 Nineteenth Street NW., 1 room and bath	50.00
1 apartment, 1624 Nineteenth Street, 1 room and bath	55.00
1 apartment, 713 Princeton Street NW., 2 rooms and bath	45.00
1 apartment, 715 Princeton Street NW. (furnished), 3 rooms and bath	50.00
1 apartment, 501 C Street NW., 3 rooms, kitchenette, and bath	50.00
1 apartment, Ambassador, 1 room and bath	47.50
1 apartment, Florence Court, No. 401, 2 rooms, kitchenette, and bath	50.00
1 apartment, 1151 New Jersey Avenue NW., 5 rooms and bath	42.50
4 apartments, The Como, 15 Grant Place, 3 rooms and bath, each	50.00
1 apartment, 2416 Fourteenth Street, third floor, 3 rooms and bath	50.00
3 apartments, 1614 Seventeenth Street NW., 1 room, kitchenette, and bath, each	35.00
2 apartments, 1624 Nineteenth Street NW., 1 room and bath, each	50.00
1 apartment, 1106 Vermont Avenue, third floor, 1 room and bath	45.00
2 apartments, 607 O Street NW., 4 rooms and bath, each	35.00

And when Congress last extended this act to May 22, 1924, by the act of May 22, 1922, it specifically recited in that act:

It knows that the war is over; that the armistice was signed on November 11, 1918; that practically all of the war

1 apartment, 2004 Eye Street NW., 4 rooms and bath	$35.00
1 apartment, 64 Randolph Street, 3 rooms and bath	45.00
1 apartment, 1526 Seventeenth Street, 1 room and bath	40.00
1 apartment, 1826 M Street NW., 5 rooms and porch and bath	50.00
3 apartments, 1725 Seventeenth Street, Rutland Courts, 1 room, kitchenette, and bath, each	50.00
1 apartment, Cavanaugh Courts (furnished), 1 room and bath	45.00
1 apartment, Rutland Courts (furnished), 1 room and bath	45.00
2 apartments, 140 Rhode Island Avenue NE., 3 rooms and bath, each	45.00
1 apartment, 306 Second Street SE., 4 rooms and bath	45.00
1 apartment, 306 Second Street SE., 2 rooms and bath	35.00
2 apartments, 1863 Newton Street NW., 3 rooms and bath, each	50.00
2 apartments, 615 E Street NW., 4 rooms and bath, each	45.00
1 apartment, 617 E Street NW., 4 rooms and bath	45.00
1 apartment, The Congressional, 2 rooms and bath	45.00
1 apartment, 1636 Kenyon Street NW., 2 rooms and bath	42.50
1 apartment, 747 Tenth Street SE., basement, 3 rooms and bath	21.50
1 apartment, 306 Seventh Street SE., 4 rooms and bath	45.00
1 apartment, 121 Sixteenth Street SE., 4 rooms and bath	42.50
1 apartment, 318 South Capitol Street, 3 rooms and semiprivate bath	18.00
1 apartment, 316 South Capitol Street, 3 rooms and semiprivate bath	15.00
1 apartment, 1218 B Street SE., 3 rooms and bath	30.00
1 apartment, 2013 Fourth Street NE., 4 rooms and semiprivate bath	37.50
15 apartments, 1321 M Street NW. (new), 1 room, kitchen, and bath, each	45.50
1 apartment, 3401 O Street NW., 3 rooms and bath	22.50
1 apartment, 1517 Wisconsin Avenue, 5 rooms and bath	40.00
2 apartments, 1521 Wisconsin Avenue, 2 rooms and bath, each	40.00
1 apartment, 1524 Wisconsin Avenue, 5 rooms and bath	50.00
1 apartment, 3215 O Street, 5 rooms and bath	35.00
1 apartment, 3401 Wisconsin Avenue, 5 rooms and bath	50.00
1 apartment, 3708 New Hampshire Avenue, 2 rooms and bath	50.00
1 apartment, 1907 Pennsylvania Avenue, 4 rooms and bath	50.00
1 apartment, 2707 Eleventh Street, 5 rooms and bath	50.00
1 apartment, 404 Thirteenth Street NW., 3 rooms and bath	50.00
1 apartment, 701 Park Road, 7 rooms and bath	35.00
1 apartment, 634 Pennsylvania Avenue SE., 3 rooms and bath	40.00
1 apartment, 634 Pennsylvania Avenue SE., 1 room and bath	20.00
1 apartment, 1807 H Street, 2 rooms and bath	45.00
1 apartment, 1417 U Street NW., 3 rooms and bath	50.00
1 apartment, 1415 U Street NW., 3 rooms and bath	50.00
1 apartment, 665 C Street SE., 4 rooms and bath	26.00
1 apartment, 2205 Champlain Street, 4 rooms and bath	40.00
1 apartment, 2201 Champlain Street, 4 rooms and bath	40.00
1 apartment, 829 Sixth Street SW., 4 rooms and bath	25.50
1 apartment, 631 Four-and-a-half Street SW., 6 rooms and bath	45.50
1 apartment, 239 Four-and-a-half Street SW., 2 rooms	12.00
1 apartment, 904 Fourth Street SE., 4 rooms and bath	27.50
1 apartment, 401 Sixth Street SW., 6 rooms and bath	45.00
1 apartment, 464 E Street SW., 5 rooms and bath	45.00
1 apartment, 812 Eleventh Street SW., 2 rooms and bath	45.00
1 apartment, 526 Eleventh Street SW., 3 rooms	12.00
1 apartment, 406 Seventh Street SW., 4 rooms	30.00
1 apartment, 215 Fifteenth Street NE., 4 rooms and bath	50.00
1 apartment, 509 E Street SW., 4 rooms, bath, and kitchen	30.00
1 apartment, 424 Seventh Street SW., 3 rooms and bath	40.00
1 apartment, 508 Eighth Street SW., 3 rooms	25.00
1 apartment, 306 Tenth Street SW., 3 rooms	35.00
1 apartment, 497 C Street SW., 5 rooms and bath	45.00
1 apartment, 213 Fifteenth NE., 4 rooms and bath	45.00
1 apartment, 419 Ninth SW., 4 rooms and bath	25.00
1 apartment, 241 Virginia Avenue SE., 4 rooms and bath	25.00
1 apartment, 624 Eye Street NW., 3 rooms and bath	50.00
1 apartment, southeast corner Twenty-seventh and P Street NW., 3 rooms and bath	50.00
1 apartment, southeast corner Twenty-seventh and P Street NW., 2 rooms and bath	40.00
1 apartment, 523 Eleventh NW., 4 rooms and bath	40.00
1 apartment, 3331 M Street NW., 4 rooms and bath	30.00
1 apartment, 2923½ M Street, 5 rooms and bath	45.00
1 apartment, 1301 C Street SW., 4 rooms and bath	32.50
1 apartment, 1544 B Street SE., 5 rooms and bath	15.00
1 apartment, 1909 Seventh NW., 3 rooms and bath	37.50
1 apartment, 2010 Fourteenth NW., 4 rooms and bath	50.00
1 apartment, 727 H Street SE., 5 rooms and bath	50.00
1 apartment, 2013 Fourteenth Street, 5 rooms and bath	50.00
1 apartment, 121 Sixth Street SE., 4 rooms and bath	42.50
1 apartment, 146 Central Avenue NE., 3 rooms and bath	20.00
1 apartment, 1517 Maryland Avenue NE., 2 rooms and bath	25.00
1 apartment, 1215 Morse Street NE., 3 rooms and bath	30.00
1 apartment, 3335 M Street, 4 rooms and bath	30.50
1 apartment, 716 H Street NE., 4 rooms and bath	37.50
1 apartment, 1301 H Street NE., 6 rooms and bath	42.50
1 apartment, 619 Eye Street NE., 5 rooms and bath	42.50
1 apartment, 24 Eye Street NE., basement, 2 rooms and use of bath	25.00
1 apartment, 24 Eye Street NE., basement, 3 rooms and use of bath	30.00
1 apartment, 24 Eye Street NE., basement, 4 rooms and use of bath	35.00
1 apartment, 319½ Eye NE., 6 rooms and bath	45.00
1 apartment, 424 Fifteenth Street NE., 3 rooms and bath	45.00
3 apartments, 1113, 1115, 1117 Maryland NE., 3 rooms and bath, each	50.00
3 apartments, 1113, 1115, 1117 Maryland NE., 4 rooms and bath, each	50.00
1 apartment, 625 Third Street NE., 6 rooms and bath	50.00
1 apartment, 1012 H Street NE., 3 rooms and bath	55.00
1 apartment, 3510 Sixteenth NW., 1 room, kitchen, and bath	45.00

Mr. McKeever also sent a list of vacant houses reported by 50 real-estate owners renting for less than $50 a month. These are dwelling houses. This list consists of the smallest, four rooms and bath, and the largest on the list nine rooms and bath, renting for $50 or less. This is exclusive of colored property, I might say. The total is 43.

List of vacant houses reported by only 50 real estate brokers renting for less than $50 per month, exclusive of colored properties

119 Seaton Place NE., 6 rooms, no bath	$40.00
121 Seaton Place NE., 6 rooms, no bath	40.00
64 Virginia Avenue, Clarendon, 4 rooms and bath	50.00
3214 Hyatt Place, 6 rooms and bath	50.50
3216 Hyatt Place, 6 rooms and bath	50.50
243 Seventh Street SE., 4 rooms and bath	42.50
715 Twentieth Street NW., 7 rooms and bath	35.00
114 Fifth Street NE., 6 rooms and bath	40.00
1519 Second Street NW., 10 rooms and bath	50.50
842 G Street SE., 5 rooms and bath	40.00
1613 New Jersey Avenue, 7 rooms and bath	40.00
151 Carroll Avenue SE., 7 rooms and bath	35.00
225 Tenth Street SE., 6 rooms and bath	30.00
3214 E Street SE.	30.00
902 Ninth Street SE., 6 rooms, no bath	18.50
530 Ninth Street NW., 6 rooms and bath	45.00
1123 C Street SE., 7 rooms and bath	50.50
819 Fourth Street, 6 rooms and bath	35.50
912½ Twenty-sixth Street, 5 rooms and bath	35.00
Twenty-second and Taylor Streets NE., 7 rooms	25.00
1127 First Street SE., 6 rooms and bath	45.00
536 First Street SE., 6 rooms and bath	45.00
409 Ninth Street NE., 6 rooms and bath	35.00
3312 Dent Place NW., 6 rooms and bath	50.00
3847 Emory Place, 6 rooms and bath	50.00
1624 Thirtieth Street, 6 rooms and bath	50.00
3206 Boulder Place, 8 rooms and bath	50.50
1214 Twenty-fifth Street NW., 7 rooms and bath	50.50
1123 C Street SE., 6 rooms and bath	30.00
3402 Georgia Avenue NW., 5 rooms and no bath	50.00
114 Atlantic Avenue, 9 rooms, no bath	30.00
1302 Eye Street NE., 7 rooms and bath	55.00
458 M Street SW., 8 rooms and bath	35.50
478 F Street SW., 8 rooms and bath	55.00
117 Sixth Street SW., 6 rooms and bath	50.00
407 O Street SW., 6 rooms and bath	25.00
807 Seventh Street SW., 6 rooms and bath	30.00
714 F Street SW., 9 rooms and bath	55.00
818 Seventh Street SW., 9 rooms and bath	40.00
822 Seventh Street SW., 6 rooms and bath	35.00
1010 Wisconsin Avenue, 8 rooms and bath	30.50
Wisconsin Avenue and Volta Place, 7 rooms and bath	45.50
645 H Street NE., 4 rooms and bath	45.00

Total, 43.

DISTRICT OF COLUMBIA

Data from the yearly reports of the building inspector

	Buildings	Repairs
June 30, 1900 to July—		
1901	$5,106,031	$884,467
1902	6,787,406	1,374,264
1903	9,796,069	1,737,335
1904	12,033,916	928,904
1905	11,134,515	1,274,670
1906	10,519,962	1,210,254
1907	11,375,689	1,273,433
1908	6,978,340	1,674,117
1909	13,268,868	1,457,916
1910	13,384,774	2,980,837
1911	11,840,809	2,857,225
1912	14,540,246	2,231,937
1913	8,256,912	1,957,841
1914	7,830,563	1,687,489
1915	6,948,871	1,626,188
1916	11,791,431	1,685,669
1917	13,477,933	2,103,662
1918	8,179,715	1,975,272
1919	8,386,720	2,121,571
1920	10,126,906	3,511,965
1921	14,881,517	4,118,469
1922	31,678,105	4,518,924
1923	52,071,502	
January to June, 1918	3,897,675	
July to December, 1918	1,488,750	
January to June, 1919	6,388,970	
July to December, 1919	10,911,400	
January to June, 1920	8,412,571	
July to December, 1920	7,024,392	
January to June, 1921	7,862,125	
July to December, 1921	12,178,233	
January to June, 1922	19,499,852	
July to December, 1922	24,454,291	
January to June, 1923	27,617,211	
July to December, 1923	17,140,999	

Amounts expended annually in the erection of buildings in the District of Columbia

[Data from the yearly reports of the building inspector]

1901	$5,106,031
1902	6,787,406
1903	9,796,069
1904	12,033,916
1905	11,134,515
1906	10,519,962
1907	11,375,689
1908	6,978,340
1909	13,268,868
1910	13,384,774
1911	11,840,809
1912	14,540,246
1913	8,256,912
1914	7,830,563
1915	6,948,871
1916	11,791,431
1917	13,477,933
1918	8,179,715
1919	8,386,720

1920	$10,126,906
1921	14,881,517
1922	31,678,105
1923	52,071,502

STATEMENT OF MR. JOHN F. BOWIE, WASHINGTON, D. C.

Mr. BOWIE. I wish to state to the committee and to hold myself closely to facts, leaving out as far as possible matters of opinion and speculation.

No emergency exists at the present time, for the reason that there are ample accommodations, housing facilities to take care of the people of the District of Columbia.

Our firm is in the rental business to quite an extent, and we have for rent a total of 42 properties; that is, houses and apartments, the list of which I will read, giving the location, the size, and the price asked.

These are vacant apartments for rent:

"Apartment 5, 2301 Connecticut Avenue NW., 2 rooms, kitchenette, $60.

"Apartment, 301 C Street NW., 3 rooms and bath, $50.50.

"Apartment 22, 2106 N Street NW., 4 rooms and bath, $75.

"Apartment 22, 3126 Sixteenth Street NW., 4 rooms and bath, $65.

"Apartment 23, 3126 Sixteenth Street NW., 3 rooms and bath, $55.

"Apartment 31, 3126 Sixteenth Street NW., 3 rooms and bath, $70.

"Apartment 108, the Ambassador, Sixteenth and S Streets, 3 rooms, reception hall, bath, and porch, $75."

This is a fireproof building, containing 2 elevators, where telephone service is supplied to the tenants.

"Apartment 301, the Ambassador, 2 rooms, reception hall, and bath, $62.50.

"Apartment 303, the Ambassador, 1 room and bath, $47.50.

"Apartment 402, the Ambassador, 2 rooms, reception hall, and bath, $65.

"The Ricardo, apartment 1, 4 rooms, bath, and porch, $110."

These apartments are new and have never been occupied. The building was finished about three months ago.

"Apartment 6, the Ricardo, 5 rooms, bath, and porch, $135.

"Apartment 41, the Ricardo, 4 rooms, bath, and porch, $115.

The next building is a high-class building, with large apartment units, that is also new and never has been occupied:

"Apartment 1, 2500 Massachusetts Avenue NW., 10 rooms, 4 baths, and garage, $250.

"Apartment 4, 2500 Massachusetts Avenue NW., 10 rooms, 4 baths, and garage, $300.

"Apartment 212, 3800 Fourteenth Street NW., 6 rooms, 2 baths, inclosed porch, $125.

"Apartment 8, 1829 G Street NW., 5 rooms and bath, $50.

"Apartment 1, 3801 Macomb Street, 6 rooms, bath, and garage, $150.

"Apartment 2, 3801 Macomb Street, 4 rooms, bath, and porch, $90.

"Apartment 44, the Observatory, 5 rooms and bath, $65.

"Apartment 401, Florence Court W, 2 rooms, kitchen, and bath, $50.

"Apartment 3, 3801 Macomb Street NW., 4 rooms, bath, and garage $90."

The three apartments to follow are apartments to become available shortly:

"Apartment 4, the Myrene, 6 rooms, bath, and porch, $55.

"Apartment 83, 2301 Connecticut Avenue NW., 5 rooms, reception room, 2 baths, and porch, $150 (March 1, 1924).

"Apartment 303, 1302 Eighteenth Street NW., 7 rooms, 3 baths, $250 (April 1, 1924)."

The ones that I first read are all actually vacant now and all are vacant except these three.

Furnished apartments, now vacant:

"Apartment 41, bachelor, 2 rooms and bath, with service, $100.

"Apartment 315, 3800 Fourteenth Street, 3 rooms and bath, inclosed porch, $115.

"Apartment 315, 3800 Fourteenth Street, 3 rooms and bath, inclosed porch, $115.

"Apartment 316, 3800 Fourteenth Street, 3 rooms and bath, inclosed porch, $95.

"Apartment 7, 2500 Massachusetts Avenue, 10 rooms, 4 baths, and garage, $300.

"Three four-room houses located on Colonial Terrace, right across the bridge in Georgetown, from Rosslyn, that have never been occupied, are new, at $60 apiece.

"No. 1827 Riggs Street NW., 12 rooms and bath, $100."

Percentage of increase in cost of rents from December, 1914, to December, 1923, as compiled by United States Department of Labor, Bureau of Labor Statistics, for following cities

Baltimore, Md	71.9
Boston, Mass	47.0
Buffalo, N. Y	71.8
Chicago, Ill	95.4
Cleveland, Ohio	78.7
Detroit, Mich	107.5
Houston, Tex	36.4
Jacksonville, Fla	33.4
Los Angeles, Calif	100.9
Mobile, Ala	42.6
New York, N. Y	62.4
Norfolk, Va	67.0
Philadelphia, Pa	66.9
Portland, Me	31.7
Portland, Oreg	42.7
San Francisco, Calif	36.0
Savannah, Ga	47.5
Seattle, Wash	62.9
Washington, D. C	34.2

"The percentage of increase for 32 cities from 1913 to September, 1923, for housing is 66.5 per cent. Therefore, it would appear that rents in Washington, D. C., with an increase of only 34.2 per cent, are cheaper than of the 32 cities except Portland, Me., and Jacksonville, Fla., and that the increase is only one-half of the average for 32 cities."

* * * * * * *

FORTY APARTMENTS VACANT FOR RENT

Mr. DEAN. Have you apartments vacant now?

Mr. BOWLING. Yes.

Mr. DEAN. Have you a list of your vacancies?

Mr. BOWLING. I think I have.

Mr. DEAN. Do you deal in all classes of real estate?

Mr. BOWLING. Yes, sir.

Mr. DEAN. How many vacant apartments have you for rent at present?

Mr. BOWLING. Forty.

Mr. DEAN. You have 40 apartments vacant? What do those apartments rent for?

Mr. BOWLING. They vary from $50 to $100—from $40 up to $100.

I quote the following from Mr. McKeever's testimony:

New apartments

Ready—	Location, owner, and description	Apartments
May 1	21 C Street NW., F. S. Haskins. 1 room and bath, $40 to $60; 2 rooms, kitchen, and bath, $75.	112
July 1	1317-23 Connecticut Avenue. 2 and 3 rooms, $65.	8
Apr. 1	921-23 Nineteenth Street NW., Howard Etchison. 2 and 3 rooms and bath and kitchen, $55 to $75 per month.	7
June 1	3016-30 Porter Street, M. R. & B. Warren. 3 rooms, kitchen, and bath, $65 per month; 4 rooms, kitchen, and bath, $75 per month.	72
Aug. 1	2630 Adams Mill Road, Howard Etchison. 3 and 4 rooms and kitchen and bath (prices not fixed).	36
July 1	2500 Second Street NE., J. B. Shapiro. 3 rooms, kitchen, and bath (price not fixed).	6
Oct. 1	Thirteenth and Buchanan Streets, J. B. Shapiro. 3, 4, and 5 rooms, kitchen, and bath (price not fixed).	8
May 1	1701 Lanier Place, M. R. & B. Warren. 3 rooms, kitchen, and bath, $65; 4 rooms, kitchen, and bath, $75.	30
Aug. 1	2901 Connecticut Avenue, Kennedy Bros. 1 to 6 rooms (price not fixed).	60
May 1	1818 Vernon Street NW., E. G. Walker. 2 rooms, kitchen, and bath; 3 rooms, kitchen, and bath, $55 to $67.50.	15
Jan. (1925)	Nineteenth and R Streets NW., Howard Etchison. 5 rooms, kitchen, and bath, $150	24
June 1	1321 M Street, H. R. Howenstein. 1 room, kitchen, and bath; 2 rooms, kitchen, and bath, $50 to $75 per month.	45
May 1	2521 Q Street NW., Harry Kite. 2, four-room, d/a, kitchen and bath, and porches, $125; 12, 2-room, k, d/a, and bath, $50 per month; 3-room, as above, $72.50.	22
Aug. 1	2520 Q Street NW., Harry Kite. Arranged as above.	22
Oct. 1	2516 Q Street NW., Harry Kite. Arranged as above.	22
July 1	Sixth and A Streets SE., Harry Kite. 1 room, k, and d/a, and bath, $45 per month.	30
Oct. 1	No. — New Hampshire Avenue NW., Victor Cahill. 1 and 2 rooms, with kitchen and bath, to rent from $45 to $65 per month.	72
Oct. 1	No. — Twenty-first Street NW., Victor Cahill. 2 rooms, kitchen, and bath, $65 per month.	8
Apr. 1	1447 Oak Street NW., Charles Segar. 2 rooms, kitchenette, and bath, $62.50 to $65.	8

In considering rental values in the District of Columbia we must consider the increased value based upon the cost of reproduction, which is approximately 100 per cent, the far greater value of the ground on which they stand, as shown by the increased tax assessment, which is 40 per cent, in confirmation of which I submit the following statement of figures secured from the office of the assessor of the District of Columbia.

The increased cost of production, as shown by the monthly report of the United States Bureau of Labor Statistics—October, 1923—for the six-room brick house is, on all materials weighted as they go into the structure, 103 per cent; for frame houses, 107 per cent; this fluctuates to January, 1924—general increase—to 81 per cent. The increased cost of labor as shown by the Bureau of Labor Statistics in their monthly report for the years 1915–1923, bricklayers, 91 per cent; carpenters, 104 per cent; all trades combined, 107 per cent, which shows that the increased cost of labor carries on with the increased cost of materials relatively.

372 APARTMENTS FOR $50 OR LESS

Mr. SHEA. We have 721 apartments, 372 of which rent for $50 or less; 216 of which rent for $50 to $75, and 80 of which rent from $75 to $100, and 43 of which rent above $100. That is, 52 per cent rent for $50 or less; 30 per cent rent for between $50 and $75, while 12 per cent rent for between $75 and $100, and 5 per cent rent for above $100.

Mr. HAMMER. About how many apartments have you for rent?

Mr. SAUL. We have 494 apartments, and about 40 vacancies.

LABOR COST ABOUT 50 PER CENT

Mr. Harry Wardman has built in Washington over 4,000 residences and over 300 apartment houses. On page 380 of the hearings he testified that the labor cost went as high as 57 per cent of the cost of the building. And Mr. Wardman, whom Chairman Whaley of the Rent Commission said was absolutely reliable and honest, assured our committee positively that he would eject no tenants for refusing to pay higher rents should the Rent Commission be abolished.

NEW BERNE APARTMENTS SUFFICIENT EVIDENCE AGAINST BILL

With the evidence given on this New Berne apartment alone, I can convice any fair-minded person that the Rent Commission causes rents to be advanced, and should be abolished. Now, let me take the witnesses up one after another, and give you pertinent excerpts from their testimony. And in this connection, remember that the Rent Commission began functioning October 22, 1919. Then rents were materially raised in September, 1920, such material raises continuing on to February, 1924, when notice of another raise was given, right in the teeth of the Rent Commission. Now, what caused this last raise:

MR. HARRY WARDMAN

Mr. BLANTON. You acquired this Berne apartment about three months ago, did you not?

Mr. WARDMAN. Yes.

Mr. BLANTON. Of course, you have been in Washington for a long time, haven't you?

Mr. WARDMAN. Yes.

Mr. BLANTON. You know rental conditions; you know property as well as any man in Washington?

Mr. WARDMAN. I think so.

Mr. BLANTON. When you bought that Berne apartment you knew what the tenants were paying?

Mr. WARDMAN. Yes. I knew all about that.

Mr. BLANTON. You knew if you were going to increase their rentals you were going to have trouble, didn't you?

Mr. WARDMAN. Why, I didn't really expect to have any trouble with them.

Mr. BLANTON. But you knew what they had been paying for the last 10 years?

Mr. WARDMAN. Yes; and I knew the return the man who owned the apartment was getting. That was practically nothing. When he paid the interest on the mortgage and the taxes there was scarcely anything left. He got disgusted and let the building go at a sacrifice.

Mr. BLANTON. And you thought there would be a chance to take over the building and increase the rentals and make money, didn't you?

Mr. WARDMAN. I took it over to put it on a business basis.

Remember that Mr. Whaley, chairman of the Rent Commission, testified that Mr. Harry Wardman was one of the most responsible realtors in Washington, that he had implicit confidence in him, and that Mr. Wardman had been before the commission time and again, and they had found him absolutely honest and straightforward in his testimony, which was that of a man in whom he had every confidence.

Mr. Wardman found out that suites in the New Berne were renting for only $12.50 per room, and he knew that such suites of like standard had had a much larger rental adjudged to them by the Rent Commission, and he knew that he could safely raise such rents up to the amounts fixed by such decisions, so he bought the New Berne with the express intention and purpose of raising the rents just as high as the decisions of the Rent Commission would authorize. Now I quote from the hearings excerpts from the testimony of New Berne tenants:

MR. LOUIS GOUBEAU

Mr. GOUBEAU. My wife and myself. Four rooms, bath, and kitchen.

Mr. HAMMER. What do you pay?

Mr. GOUBEAU. $60 at the present time. I came in when they made the raise three years ago last July.

Mr. HAMMER. Have you received notice to increase your rent?

Mr. GOUBEAU. Yes, sir.

Mr. HAMMER. How much?

Mr. GOUBEAU. From $60 to $80.

Mr. BLANTON. Did I understand you to say you had four rooms, kitchen, and bath?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. You are working for the Government?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. What salary do you receive?

Mr. GOUBEAU. I work at night, and I receive approximately $2,500.

Mr. BLANTON. $2,500?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. Does your wife work?

Mr. GOUBEAU. No, sir.

Mr. BLANTON. She has no position?

Mr. GOUBEAU. No, sir.

Mr. BLANTON. Has she ever had a position?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. She has had a position in the Government?

Mr. GOUBEAU. Up until last August. She is a right sick woman and unable to do anything now.

Mr. BLANTON. Up to last August she did have a position with the Government?

Mr. GOUBEAU. Yes; for several years.

Mr. BLANTON. At what salary.

Mr. GOUBEAU. Nine hundred plus the bonus of $240.

Mr. BLANTON. Do you rent any of these rooms out?

Mr. GOUBEAU. Yes, sir. At the present time I am obliged to.

Mr. BLANTON. How many do you rent out?

Mr. GOUBEAU. Two.

Mr. BLANTON. To how many people?

Mr. GOUBEAU. One to two different gentlemen; that is, two rooms, one gentleman in each room.

Mr. BLANTON. You rent one room to each man?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. What do they pay you?

Mr. GOUBEAU. One gentleman pays me $30 and the other $25.

Mr. BLANTON. Then for the apartment that you pay $60 for you get $55 back?

Mr. GOUBEAU. Yes; but it is no pleasure for me to rent rooms. It is a great sacrifice of comfort.

Mr. BLANTON. But you get $55 back.

Mr. GOUBEAU. Very likely.

EXCERPTS FROM MRS. WHITE'S TESTIMONY

Mr. HAMMER. What do you pay?

Mrs. WHITE. $60.

Mr. HAMMER. Do you rent to anybody else?

Mrs. WHITE. I rent one room.

Mr. HAMMER. What do you get for that?

Mrs. WHITE. $35.

Mr. HAMMER. Do you furnish it?

Mrs. WHITE. Yes, sir.

Mr. HAMMER. And pay for the gas and light?

Mrs. WHITE. And the washing and laundry, the upkeep of the room, and all those things.

Mr. HAMMER. How long have you been there?

Mrs. WHITE. Seven years.

Mr. HAMMER. What did you pay prior to 1920?

Mrs. WHITE. From 1917 to 1920 we paid $47.50.

Mr. BLANTON. I suggest that the lady be seated. She does not have to stand.

Mr. HAMMER. Did you receive any notice of increased rent?

Mrs. WHITE. Yes; I received one from Mr. Wardman. I have it if you would like to see it.

Mr. BLANTON. She can just tell what the increase was.

Mr. HAMMER. What was the increase?

Mrs. WHITE. To $80.

Mr. BLANTON. You have been there how long?

Mrs. WHITE. Seven years.

Mr. BLANTON. You and your daughter?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. You have four rooms and kitchen?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. Four rooms besides your kitchen?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. And you have a bath?

Mrs. WHITE. Yes, sir.

EXCERPTS FROM MRS. KENNEDY'S TESTIMONY

Mr. HAMMER. How many in your family?

Mrs. KENNEDY. I am the only one.

Mr. HAMMER. You live at the New Berne?

Mrs. KENNEDY. Yes, sir.

Mr. HAMMER. How long have you lived there?

Mrs. KENNEDY. Ten years in October.

Mr. HAMMER. How many rooms do you occupy?

Mrs. KENNEDY. Four rooms, kitchen, and bath.

Mr. HAMMER. You pay what?

Mrs. KENNEDY. On the fifth floor, $70. Well, I pay for the phone, too.

Mr. HAMMER. How many rooms do you rent out?

Mrs. KENNEDY. I rent out three.

Mr. HAMMER. What do you get for them?

Mrs. KENNEDY. I get $40, $30, and $25.

Mr. BLANTON. You are paying $70 and you are getting back $95?

Mrs. KENNEDY. Well, I pay $5 for my phone. I pay $75 really.

Mr. BLANTON. But you use the phone, do you not?

Mrs. KENNEDY. Yes, sir.

Mr. BLANTON. You get $5 worth a month out of the phone? I pay $5 for my phone.

Mrs. KENNEDY. Well, that goes into the rent, does it not, $75?

Mr. BLANTON. Well, you pay $75 and get back $95?

Mrs. KENNEDY. Yes, sir.

EXCERPTS FROM TESTIMONY OF MISS MALONEY

Miss MALONEY. Maloney.

Mr. HAMMER. How many in your family?

Miss MALONEY. Two; my father and myself.

Mr. HAMMER. You live where?

Miss MALONEY. Apartment 43, the New Berne.

Mr. HAMMER. What floor?

Miss MALONEY. The fourth floor.

Mr. HAMMER. How many rooms?

Miss MALONEY. Five rooms and bath. * * *

Mr. HAMMER. You pay about what rent?

Miss MALONEY. $60.

Mr. HAMMER. Increasing it to what?

Miss MALONEY. $80.

Mr. BLANTON. You have been in this apartment how long?

Miss MALONEY. I think it is 16 years.

Mr. BLANTON. Sixteen years?

Miss MALONEY. Yes sir.

Mr. BLANTON. How much did you pay there during the war year, say April, 1917?

Miss MALONEY. I think it was $47.50.

Mr. BLANTON. Since 1920 you have been paying $60?

Miss MALONEY. $60.

Mr. BLANTON. And you have five rooms and bath?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Occupied by two people?

Miss MALONEY. Yes, sir.

Mr. BLANTON. You will pardon a personal question, but do you mind stating what salary you get?

Miss MALONEY. I get $1,740.

Mr. BLANTON. $1,740?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And your father is a retired employee? He has his retirement pay?

Miss MALONEY. Yes, sir.

Mr. BLANTON. What is the amount of his retirement pay?

Miss MALONEY. $60 a month.

Mr. BLANTON. Your aunt stayed with you?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And she was working for the Government?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Getting a salary?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Did anybody else stay with you during the war?

Miss MALONEY. Of course, we had the whole family there once.

Mr. BLANTON. How big a family?

Miss MALONEY. I had a sister.

Mr. BLANTON. Your sister?

Miss MALONEY. Yes, sir.

Mr. BLANTON. She was working for the Government?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And who else?

Miss MALONEY. That was all that was there regularly.

Mr. BLANTON. Your sister has married off?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And your aunt died?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And you are to pay $80?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Now, you understand that I do not believe this rent is reasonable; I think this increase is unreasonable; but don't you think it is so remarkable that so many of these tenants show that they have been there for 12 to 16 years in one place; they must have been satisfied or they would not have stayed there that long?

Miss MALONEY. Well, we were satisfied for the time.

Mr. BLANTON. And you have been there 16 years yourself?

Miss MALONEY. Yes, sir.

EXCERPTS FROM TESTIMONY OF MRS. GRAHAM

Mr. HAMMER. You live at the New Berne?

Mrs. GRAHAM. No. 23, second floor.

Mr. HAMMER. How many rooms have you?

Mrs. GRAHAM. We call it five rooms, four rooms and kitchen and bath, or five rooms and bath.

Mr. HAMMER. What do you pay?

Mrs. GRAHAM. I pay $60 now.

Mr. HAMMER. Have you received any notice?

Mrs. GRAHAM. I received a notice for $80. * * *

Mr. BLANTON. You have been there how long?

Mrs. GRAHAM. Well, we went there when the house was first built.

Mr. BLANTON. In 1905?

Mrs. GRAHAM. Yes, sir; * * *.

Mr. BLANTON. Were you here during the war period from April, 1917——

Mrs. GRAHAM. Yes, I came in from the country and put my little girl in school. * * *

Mr. BLANTON. You have no connection with the Government at all?

Mrs. GRAHAM. No.

Mr. BLANTON. You just like to live in Washington?

Mrs. GRAHAM. No, I am not employed. My little daughter is at school here and I am trying to make a home.

Mr. BLANTON. But you like Washington and you like to live here?

Mrs. GRAHAM. I have lived here since I was married.

Mr. BLANTON. What is your native State?

Mrs. GRAHAM. I came from Maryland.

Mr. BLANTON. You prefer to live in Washington and send your daughter to school and give her the advantages of the city?

Mrs. GRAHAM. You see I would like to keep her with her grandfather. Her grandfather is a physician and has been practicing here over 50 years, and it means a great deal to him and for her.

Mr. BLANTON. He is living with you?

Mrs. GRAHAM. No, not with me, but near me.

Mr. BLANTON. He is living near you?

Mrs. GRAHAM. Yes, sir.

EXCERPTS FROM TESTIMONY OF MRS. MANSFIELD

Mr. HAMMER. How many rooms do you occupy?

Mrs. MANSFIELD. I have four rooms, kitchen, and bath.

Mr. HAMMER. What do you pay?

Mrs. MANSFIELD. I am paying now $60.

Mr. HAMMER. You sublet two rooms for how much?

Mrs. MANSFIELD. I get $30 for one, and I can only rent the other one part of the time, and I get $25. But I have not had that rented very often. In fact, I ought to have that for myself and my daughter to live decently, but I have to rent it.

Mr. BLANTON. Are you employed by the Government?

Mrs. MANSFIELD. No, sir; I am not employed at all, just to take care of the apartment, and I do sewing whatever time I can.

Mr. BLANTON. Your daughter is going to school?

Mrs. MANSFIELD. She is 16 years old.

Mr. BLANTON. And going to school?

Mrs. MANSFIELD. And going to school.

Mr. BLANTON. You are educating her here in Washington?

Mrs. MANSFIELD. Yes, sir.

Mr. BLANTON. Washington is quite a desirable place to educate a young lady in? It gives them a great many advantages?

* * * * * * *

Mr. BLANTON. How long have you been there?

Mrs. MANSFIELD. Sixteen years.

Mr. BLANTON. Most of the people who are there have been there a long time?

Mr. LAMPERT. How much rent are you paying?

Mrs. MANSFIELD. $60.

Mr. LAMPERT. And you received one of these celebrated notices?

Mrs. MANSFIELD. Yes; for $80.

Mr. HAMMER. Now, the other lady; there is just one more. What is your name, madam?

EXCERPTS FROM TESTIMONY OF MISS PAULINE HAMMETT

Mr. HAMMER. What apartment do you live in?

Miss HAMMETT. The New Berne, second floor.

Mr. HAMMER. How many in your family?

Miss HAMMETT. Nobody but myself.

* * * * * * *

Mr. HAMMER. How many rooms in that apartment?

Miss HAMMETT. Four rooms, kitchen, and bath.

Mr. HAMMER. Do you sublet any of those rooms?

Miss HAMMETT. Yes, sir.

Mr. HAMMER. What do you get for them?

Miss HAMMETT. $30, furnished.

Mr. HAMMER. How much do you pay for the four rooms?

Miss HAMMETT. Four rooms, kitchen and bath, I am paying $70 now.

Mr. HAMMER. Did you receive any notice to increase your rent?

Miss HAMMETT. Yes; to $00.

Mr. BLANTON. During the 17 years that you have been there, you have been reasonably satisfied?

Miss HAMMETT. Yes; but not always with the service.

Mr. BLANTON. Have you ever rented out more than one room?

Miss HAMMETT. Yes, sir.

Mr. BLANTON. How many?

Miss HAMMETT. Two, since my father's death.

Mr. BLANTON. What did you receive for the two?

Miss HAMMETT. $30 for one and $35 for the other.

Mr. BLANTON. That was $65, and you are paying $70?

Miss HAMMETT. Yes, sir.

Mr. BLANTON. So, not considering overhead expenses——

Miss HAMMETT. It is not rented now. I have only one rented now.

Mr. BLANTON. But you could rent two?

Miss HAMMETT. Yes; I have only myself.

Mr. HAMMER. Well, the next meeting is to-morrow morning, is it?

Mr. BLANTON. Probably the Post and the Herald would notify them.

Mr. HAMMER. You would have to pay for it.

Mr. BLANTON. Oh, well, the newspapers are pretty good about giving people information.

Mr. HAMMER. They may be working people who can not come to-morrow.

RENT COMMISSION ALONE RESPONSIBLE FOR NEW BERNE RAISE

I submit that no fair-minded person can read the testimony of these witnesses from the New Berne Apartments, in connection with Mr. Wardman's evidence, and escape the inevitable conclusion that decisions of the Rent Commission were responsible for these recent raises by Mr. Wardman in the New Berne. Why, he bought it for the purpose of raising the rents to correspond to decisions of the Rent Commission. If we had had no Rent Commission, there would have been no raises there. The raises made in September, 1920, were not made until certain decisions of the Rent Commission warranted it for suites with rooms of certain standards.

GETTING BACK APPROXIMATELY WHAT THEY PAID OUT

Examine the above testimony and you will note that many of these tenants are subrenting enough rooms from their suite to take in almost as much as they pay out. I challenge any man to read the evidence of all the witnesses in this New Berne and say that it warrants the extension of this war-emergency Rent Commission.

HARRY WARDMAN SOLEMNLY AGREES NOT TO EJECT TENANTS

I quote the following from page 81 of the hearings:

Mr. BLANTON. May I ask you this question? It will have a very large effect on my attitude toward this bill. Suppose the Rent Commission is not kept alive and expires on May 22, and these people say that they will not pay the increase in rent: Do you expect to have them put out of the building?

Mr. WARDMAN. No, sir; I do not expect to do that.

Mr. BLANTON. What I mean is this: Suppose they say, "We can not pay these increases and we are not going to give our apartments up."

Mr. WARDMAN. I would not insist upon them getting out.

The largest colored newspaper published in the United States exclusively for colored people is the Washington Tribune. It has a large circulation and goes into almost all of the States. Covering a large part of three columns of its front page last Saturday, April 12, 1924, was a demand from the 110,000 colored people of Washington to give them representation upon this Rent Commission by appointing thereon one colored man and one colored woman. Let me quote the following excerpt from this article:

The progressive group of colored people of the District of Columbia are now preparing for a fight to a finish for representation on the District of Columbia Rent Commission. A bill is now pending in Congress making this body a permanent one. As now constituted, the commission is composed of five white and no colored.

Attorney Thomas L. Jones addressed a letter to Senator BALL, chairman of the District Committee, asking the Senator to propose an amendment to this bill providing for negro representation on the commission. Attorney Jones suggests that a man and a woman be appointed as representatives of the Negro race.

Attorney Jones makes a forceful argument in his letter, which was as follows:

Hon. H. L. BALL:

I desire to call your attention to the condition of things bearing on the question of the extension of the Ball Rent Commission law. In doing so, I desire to say that, notwithstanding the fact that the colored people constitute one-fourth of the population of the District of Columbia, 90 per cent of whom are rent payers, they have no representation on the Rent Commission, and, so far as I know, and have been advised, very little attention has been paid to them when they did make a complaint.

As a lawyer, I very seriously doubt the advisability of such laws. In my opinion, they have a tendency to increase rent instead of diminishing it. At least, they prevent the erection of small houses that would relieve my class from poor conditions in living quarters. This is borne out by the fact that I see by the report of your investigation committee, in regard to the subject, there is a scarcity of houses for living quarters in the District of Columbia renting for less than $50 a month, in spite of the fact that these laws have been in existence for six or seven years.

However, I do not want to get away from my object, and that is, if the Ball rent law is to be extended, a hundred and ten thousand colored people of the District of Columbia, 90 per cent of whom are rent payers, demand that they shall have a representation of at least two members on said commission—one man and one woman.

In order that there shall be no mistake or failure in regard thereto, I respectfully request you, as chairman of said committee, to propose an amendment to said bill in such behalf and to urge its adoption.

If you desire me to do so, I shall be glad to prepare a form for such amendment and mail a copy to you.

Hoping this letter will receive your early and favorable consideration, I am,

Yours very respectfully,

THOMAS L. JONES.

And on the editorial page there is an extended double column editorial from Editor J. A. G. LuValle demanding that there shall be placed on this Rent Commission one colored man and one colored woman. And their demands are such that if this Rent Commission is extended neither the President nor Chairman MADDEN nor the gentleman from Missouri [Mr. DYER] and the gentleman from Massachusetts [Mr. TINKHAM] can turn them down, hence it will mean an increase to seven commissioners, any one of whom is authorized under the present law to sit and determine rents and service.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welsh, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2513. An act providing that unpaid letters of the first class shall be transmitted to destination and postage thereon paid upon delivery; and

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark.; to the Committee on Interstate and Foreign Commerce.

S. 2513. An act providing that unpaid letters of the first class shall be transmitted to destination and postage thereon paid upon delivery; to the Committee on Post Offices and Post Roads.

CHILD LABOR

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. J. Res. 184, proposing an amendment to the Constitution of the United States.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of H. J. Res. 184, with Mr. CRAMTON in the chair.

The Clerk read the title of the resolution.

Mr. GARRETT of Tennessee. Mr. Chairman, will the Chair advise, please, how much time remains for general debate?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAHAM] has remaining 36 minutes; the gentleman from Ohio [Mr. FOSTER] has 51 minutes remaining; the gentleman from Texas [Mr. SUMNERS] has 69½ minutes remaining; and the gentleman from Kentucky [Mr. THOMAS] has 34 minutes remaining.

Mr. MOORE of Virginia. Mr. Chairman, I think there should be a quorum present.

The CHAIRMAN. Does the gentleman make the point that there is no quorum present?

Mr. MOORE of Virginia. Yes.

The CHAIRMAN. The Chair will count.

Mr. MOORE of Virginia. Mr. Chairman, at the suggestion of some gentlemen here, I withdraw the point of no quorum.

Mr. FOSTER. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. HICKEY].

Mr. HICKEY. Mr. Chairman and gentlemen of the committee, I am very glad, indeed, that I have this very select audience to listen to this very important question. In the time I have it would be idle for me to attempt to enter into an extended discussion of this subject. However, I approach the question with a full realization of its importance.

Whether or not this resolution be passed by the Congress is, of course, a matter of concern to a great many people. Those who oppose the resolution direct their opposition not to regulating the question of child labor but to the method proposed by this amendment. I believe that everybody, without exception, is interested in protecting child life.

The resolution (H. J. Res. 184) is as follows:

Joint resolution proposing an amendment to the Constitution of the United States

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"ARTICLE —

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimparied by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

This resolution, if passed and ratified by the States would authorize Congress by legislation to limit, regulate, and prohibit the employment of persons under 18 years of age.

The wisdom of conferring this power upon Congress is questioned by those who oppose the resolution. It is not a new subject. It has been under consideration in this country for a great many years. Those who oppose the resolution do so not because they are unfriendly to regulating the employment of children in gainful industry but because they hesitate to change the organic law in order that Congress may have the power to deal with this subject. They take the position that the matter should be left where it is at present with the States.

The position of those opposing the resolution is set out in detail in a minority report of the Committee on the Judiciary. I call attention to a statement on the subject on the first page of the minority report. On this point the chairman of the committee, Mr. GRAHAM of Pennsylvania, has this to say:

It is not proposed to make any contention against the regulation of child labor. This is a subject which, although only recognized and legislated upon within recent years, is one upon which there is a well-founded and universally recognized sentiment which has its base in the natural feeling of humanity in almost every heart toward children. It is therefore not to be presumed that what is said is intended in any manner to be antagonistic to the subject of child-labor regulation in a reasonable and proper way.

Two questions, it seems to me, present themselves for consideration:

(1) Is it good legislative policy to adopt the amendment; and

(2) Is there a necessity for it?

In considering the question of policy it is necessary to take into account the attitude of Congress in previous sessions with respect to this subject. The question has been under consideration in Congress for many years. In 1916 an act was passed dealing with this subject, which was later declared to be unconstitutional, and to which I shall refer later.

In 1918 the matter was dealt with in a legislative way for the second time. This law was also declared unconstitutional. So it will be seen that Congress has been interested in the subject, and in taking the position that it now takes with respect to the subject it undoubtedly reflects the opinion of the Nation.

Then, again, in the sixteenth amendment and the eighteenth amendment, ratified by a majority of the States, it has been made manifest that in certain matters of national concern the people generally feel that they should be dealt with by the Federal Government as well as by the several States.

With respect to the question of necessity, I call attention to the majority report of the Judiciary Committee, on page 16, in which the following statement is made by the author of the resolution, Mr. FOSTER:

No State having a child labor law which fell below the standards of the former Federal law has brought its child labor law up to the standards of the former Federal laws since the Federal child labor tax act was declared unconstitutional on May 15, 1922. It was hoped by many that with the protection of the Federal law removed the States would act promptly to give children the protection that they had enjoyed while the Federal laws were in operation. Since the child labor tax law was declared unconstitutional legislatures have been in session in 32 States in which the standards of protection afforded children by the State child labor law had in some particular fallen below the standard which the Federal child labor law had in effect established. But, so far as the Children's Bureau has been able to ascertain, in only 8 of these—Delaware, Maine, Michigan, Missouri, North Dakota, Rhode Island, South Dakota, and Wyoming—was there any improvement in the hour standards, and in none of these have the State standards been brought up to those of the Federal law in every particular.

Again I call attention to a statement made by Miss Grace Abbott, Chief of the Children's Bureau of the United States, before the committee and reported on page 275 of the hearings before the Judiciary Committee of the House:

I want to remind you of the fact that, after all, the reasons why we are asking for a Federal minimum standard with reference to the employment of children, or that Congress be given power to enact a Federal minimum standard with reference to the employment of children, is (1) because we have shown that the numbers involved are very large; that is, that there are more than a million children between 10 and 16 years of age employed; and something over 200,000 of them are between 10 and 14 years of age; and that nearly half a million are in nonagricultural employments; (2) that this employment is confined to no one section of the country nor to no one part of a single State; (3) that while the States in various parts of the country have enacted child labor laws those laws have been uneven and inadequate, sometimes because of successful opposition to the enactment of a law and sometimes because of successful opposition to the effective enforcement of the law; (4) because, after all, we feel that the question of children involves the citizenship of the country in a way which justifies national concern and interest; (5) no one State alone can protect itself wholly against the evils of child labor; the children who grow up in other States migrate frequently to States in which ample provision has been made for the protection of children, and bring with them bad health and illiteracy to the State to which they go; (6) the State can not protect itself against the competition of low standards in other States.

Quoting further from the hearing, on page 276, and from Miss Abbott's testimony, is the following:

(7) I also want again to call attention to the fact that the States are not able to protect their children, as was demonstrated very spectacularly in the case of New York and New Jersey, in the home-work situation. New York and New Jersey both have home work laws. New Jersey officials were eager and willing to enforce those laws and punish the persons who placed factory work in the homes in violation of the law. But some of the people who placed the work in the homes in New Jersey were not citizens of New Jersey but citizens of New York, crossing State lines and dodging behind State lines in order to employ little children, which they were not allowed to do in New York, and therefore were sending it over into New Jersey homes.

We have other instances of that in various parts of the country. There is a group of children that every year travels practically the entire length of the country, going from one State to another to work in the canneries of the country; leaving Maryland, for example, they finally reach the State of Mississippi, subject apparently to the law of no State and being in the schools of none.

Attorney Jones suggests that a man and a woman be appointed as representatives of the Negro race.

Mr. GARRETT of Tennessee. Mr. Chairman, will the Chair advise, please, how much time remains for general debate?

I also wish in this connection to call the attention of the House to a statement, furnished the Judiciary Committee by Miss Abbott, to be found on pages 280–281 of the hearings:

STATEMENT BY MISS ABBOTT, MADE AT THE REQUEST OF CONGRESSMAN FOSTER AS TO ACCURACY OF THE STATEMENTS FOUND UNDER THE HEADING "WHY DOES THE COUNTRY NEED CONGRESSIONAL ACTION?" IN A PAMPHLET ISSUED BY SEVENTEEN NATIONAL ORGANIZATIONS, TOGETHER WITH AN ENUMERATION OF THE STATES TO WHICH THE STATEMENTS APPLY

Only 13 States measure up in all respects to the conservative standards of the first and second Federal child labor laws.

These States are Alabama, Connecticut, Illinois, Indiana, Kansas, Kentucky, New York, Ohio, Oklahoma, Oregon, Tennessee, West Virginia, and Wisconsin.

Nine States have no law prohibiting all children under 14 from working in both factories and stores.

These States are Florida, Georgia, Mississippi, Montana, Oklahoma, South Carolina, Utah, Vermont, and Wyoming.

Twenty-three States with a 14-year minimum age limit have weakened their laws by permitting exemptions under which children not yet 14 may work.

Correct, with the qualification that the 14-year age minimum is understood to include at least factories and workshops. These States are Alabama, Arizona, Arkansas, Colorado, Delaware, Florida, Georgia, Idaho, Iowa, Kansas, Minnesota, Missouri, Nevada, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, South Dakota, Vermont, Washington, West Virginia, and Wisconsin.

Thirty-seven States allow children to go to work without a common-school education.

Legislative changes made during the last year reduce this number to 35. These 35 States are Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Illinois, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Virginia, West Virginia, and Wyoming.

Eighteen States do not make physical fitness for work a condition of employment.

This number is now 19, as follows: Arkansas, Colorado, Georgia, Idaho, Kansas, Louisiana, Mississippi, Montana, Nevada, New Mexico, North Dakota, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, and Wyoming.

Fourteen States allow children under 16 to work from 9 to 11 hours a day.

Legislative changes during the last year change this to 11 States. These are Florida, Idaho, Louisiana, Michigan, New Hampshire, North Carolina (has 8-hour day for children under 14), Pennsylvania, Rhode Island, South Carolina, South Dakota, and Texas.

One [State] does not regulate in any way daily hours of labor of children.

This is true of Georgia only at the present time. (Georgia limits the legal hours of work per week in cotton and woolen mills to 60 hours for all employees, with certain exceptions.)

Five States do not protect children under 16 from night work.

This number is now 4, namely: Nevada, South Dakota, Texas, and Utah.

Since the day when Charles Dickens painted the picture of Oliver Twist the subject of child labor has been one of increasing interest to the general public.

The people have become more or less informed on the subject, particularly since the introduction of Federal legislation back in 1906, when a bill was introduced in the United States Senate by Albert J. Beveridge.

The purpose of this bill was to prohibit the employment of children under certain ages in factories and mines. This bill failed of passage, but, finally, in September, 1916, an act dealing with the subject of the suppression of child labor in industries was placed upon the statute books.

Immediately after the passage of this act a suit was instituted raising the question of its constitutionality, and on June 3, 1918, it was declared unconstitutional.

Legislation was again passed in 1918 to regulate the child-labor question. This was carried in the revenue act of that year and sought to overcome the objections made by the United States Supreme Court in its decision of June 3, 1918, in the case of Hammer against Dagenhart.

The object of this second law, which was included in the revenue act of 1918, was to impose a tax upon the profits of industries employing child labor within an age prohibited by the act. The constitutionality of this later act was also challenged, and a suit, the title of which was Bailey against the Drexel Furniture Co., was filed. Again the Supreme Court held unconstitutional Federal legislation dealing with this subject. This decision was announced on May 15, 1922.

Because of these decisions it is necessary either to amend the Constitution so that Congress will have authority to legislate on this subject or leave the subject of child labor to be dealt with solely by the States. I have briefly sketched the course of Federal legislation bearing on this subject.

It seems to me that we should act without hesitation in respect to the adoption of this amendment enabling the Congress to limit, regulate, and prohibit the labor of children under 18 years of age. I base my argument in support of this amendment not alone on social grounds but also on the broader grounds of the proposed amendment being in the interest of the national welfare. If it is true that there are thousands of children under the age of 18 years who to-day work in mines and factories and under insanitary conditions, I feel that those advocating the amendment have established their case and have shown a necessity for the adoption of the amendment.

It can not be denied that the most important concern of this country is its future men and women, fathers and mothers, and if the boys and girls of to-day are engaged in work which will militate against the realization of their full possibilities in coping with the problems of to-morrow, there is no matter before this Congress of such pressing importance. I waive all argument in support of Federal legislation on economic grounds.

The defense of the present system which leaves the entire matter to the States is many sided. Plausible reasons for its continuance are advanced. I would cite this particular statement from the minority report of the Committee on the Judiciary as embodying the crux of the argument in support of the present system:

Already 46 States out of 48 have enacted regulatory laws. It may be true that perhaps only 18 of the States have risen to the high degree of regulation which the proponents of this measure deem to be essential to the welfare of children. Is there, however, any valid reason for assuming that with the use of propaganda, persuasion, and appeal on moral grounds that this enlightened sentiment will not yet reach the high-water mark of their expectations? On the contrary, it is verily believed that if the same effort which is now being put forth to secure a Federal amendment were exerted in the field of State legislation the desired result would be obtained. We have a Children's Bureau in connection with the Department of Labor which, under the guidance of Miss Abbott, is doing good work. Why should it not continue to perform this work in the several States of the Union? The regulation of child labor is primarily a subject for State legislation and not for national enactment.

In answer to this argument I have only to say that there is no reason to believe there will be disinterested administration of a child labor law in those particular States in which the dominating influences are in support of the employment in mills and mines of children under 18 years of age. Absolutely regardless of any State legislation which is to-day on the statute books, or which may at a later date be put on, disinterested administration of child labor laws just does not happen in those particular States.

Many organizations which opposed the amendment were represented before the committee. Their opposition was based on the theory that the subject could be best dealt with by State laws and required the cooperation of local public sentiment. It was also urged in opposition to the amendment that it was an invasion of "State rights"; and further, that the States were dealing with the subject in a highly efficient manner at the present time.

The first reason, namely, that the States are better equipped to deal with the subject than the Federal Government, and that a State or local interest must be aroused in favor of its enforcement, is an argument worthy of considerable thought. But it must not be forgotten that this same argument has been advanced from time to time for many years, and yet up until the time a definite move was made in Congress the matter has never been given very much consideration, that some of the States have practically no laws at all on this subject.

In 1906, when Senator Beveridge brought the child-labor question to the attention of Congress, children as young as 8 years were being employed in mines and in factories, in places that were insanitary, and where practically no regulations obtained. The very fact that a law was contemplated stimulated interest and attracted the attention of the legislatures of many States.

There has been, since, more or less effort in nearly all States to control the evil to a certain extent. In some States a standard has been established equal to that provided for in the

Federal act of 1916. The States adopting the Federal standard are Alabama, Connecticut, Illinois, Indiana, Kansas, Kentucky, New York, Ohio, Oklahoma, Oregon, Tennessee, West Virginia, and Wisconsin; and those having a higher standard are Massachusetts, Minnesota, Montana, and North Dakota.

However, it is only fair to state that all States have legislation dealing with this subject. In some the minimum age in factories and canneries is fixed at 14 years. In some States the maximum number of hours is 8, with a 40-hour week for children under 16 in factories and canneries. In others, work is prohibited for children under 16. In States of the higher standards the minimum age of 16 obtains in many industries.

Because the Federal Government is directly interested in the welfare of its future citizens, it seems to me that it would be greatly in the interest of that Government to have a uniform plan or a uniform standard below which no State could go in the employment of children.

On the second question, the taking from the States that which they now possess, this issue is so peculiarly one which affects the public welfare that it is properly a matter for the Federal Government to handle; that it does not in any way impinge upon the States. It does not reduce the power of the States or their dignity and does not interfere in any way with their right to deal with the subject and deal with it comprehensively. What it does do is to impose upon the States a standard below which they can not go.

This question does not involve property rights and is a question of such primary importance to the Nation that it should be dealt with by the National Government. It is in the interest of good government and sound governmental policy to have a uniform law to deal with this in a national way.

On the third point, it is timely to call attention to the fact that in many States at this time, by the operation of the permit system and other plans, children are being employed between the ages of 10 and 15 to the number of more than a million. Opponents of this amendment say these figures represent but a small percentage of the total number of children between those ages as given by the last Federal census, which is approximately 12,502,582; but, assuming the figures are correct, both as to number employed and the total number of children, the fact that the lives of approximately 11 per cent of the children of the country are being injured by their being forced into employments beyond their strength should be sufficient reason in itself and a strong and convincing reason for the adoption of the amendment.

Surely the Federal Government has just as much right to deal with this subject as any other subject of paramount national interest. Every child should be permitted to grow to manhood and womanhood under the most favorable conditions. The Government is interested in her children, interested in seeing that no one of them is killed, maimed, stunted in growth, or so enfeebled in strength at the important period of development that he or she may later become a public charge.

The Government should afford to all her citizens an opportunity for healthy growth under favorable conditions. This is especially true of minors of tender age. These children should be permitted to grow up in the most wholesome surroundings so when they reach majority they may be possessed of a sound mind in a sound body and be capable of earning a livelihood and of serving the Government as her needs may be.

Prior to the enactment of child labor laws in this country, and in other countries as well, we all know the physical, moral, and intellectual welfare of this helpless and defenseless part of society was given very little consideration. If a child was born to poverty, it was expected he would always continue in that state. If he lost a parent, it was considered a misfortune, but he was expected to go to work.

The frightful abuses and distressing consequences of the employment of children in mines and factories has to a certain degree been prohibited and in most cases regulated, but there remains such a wide difference in the standards of the several States as to demonstrate the matter can not be dealt with properly except by Federal legislation.

Another thought in this connection. Laws of this kind are not passed primarily for the personal benefit of the individual but in the exercise of a wise policy that seeks to establish a national standard.

We have very recently passed a drastic immigration law. The proponents of this legislation considered it was necessary in order that American standards might be sustained and improved. It was felt that for the time being it might be well to restrict the number of immigrants into the country to the end that those who are here now from other countries could assimilate our ideals and become accustomed to their new surroundings.

The Nation is naturally vitally concerned that all within her borders be accorded every opportunity to improve themselves physically and mentally.

So, looking at the question from every aspect, it seems to me it is a matter of such general national concern that it should be dealt with by the Federal Government.

Whether or not the Federal Government should enter this field is, of course, a matter for the Congress to determine. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I regret that I shall have to take the position that a quorum must be present during the concluding hours of this debate. It is too important a matter to be considered otherwise, and therefore I make the point of order that there is not a quorum present.

The CHAIRMAN (Mr. BEGG). Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Ackerman	Edmonds	McKenzie	Sears, Fla.
Almon	Fairchild	McLeod	Sears, Nebr.
Anderson	Frear	McNulty	Sherwood
Anthony	Fredericks	Magee, Pa.	Shreve
Beck	Freeman	Merritt	Sites
Bell	Fuller	Michaelson	Smithwick
Black, N. Y.	Funk	Miller, Ill.	Stephens
Bloom	Gallivan	Mooney	Strong, Pa.
Britten	Gasque	Morin	Sullivan
Browne, Wis.	Goran	Mudd	Sweet
Brumm	Gifford	Nelson, Wis.	Taylor, Colo.
Butwinkle	Harrison	Nolan	Tinkham
Burdick	Hoch	O'Brien	Treadway
Burton	Howard, Okla.	O'Connor, N. Y.	Upshaw
Byrnes, S. C.	Hull, Morton D.	Patterson	Vaile
Carew	Hull, Tenn.	Peavey	Vare
Chindblom	Johnson, S. Dak.	Porter	Vestal
Clark, Fla.	Johnson, Wash.	Prall	Voigt
Clarke, N. Y.	Kahn	Purnell	Ward, N. Y.
Cleary	Kendall	Rankin	Ward, N. C.
Collier	Ketcham	Ransley	Wason
Corning	Kiess	Rayburn	Wefald
Crowther	Kopp	Reed, Ark.	Welsh
Curry	Langley	Reed, N. Y.	Wilson, Miss.
Dallinger	Larson, Minn.	Reed, W. Va.	Wingo
Davey	Lee, Ga.	Rogers, N. H.	Winslow
Dempsey	Lehlbach	Rosenbloom	Wood
Dickstein	Logan	Sabath	Wright
Dominick	McClintic	Schall	Wurzbach
Drane	McDuffie	Schneider	Zihlman
Eagan	McFadden	Scott	

The committee rose; and the Speaker having resumed the chair, Mr. BEGG, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration House Joint Resolution 184, had found itself without a quorum; that he had caused the roll to be called, 309 Members had answered to their names, and he presented a list of the absentees for printing in the RECORD and the Journal.

The committee resumed its session.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that I may occupy half a minute in making a brief statement to the committee.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to address the committee for half a minute. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, there remains about two hours and a half for general debate. There will be, of course, a roll call on the resolution. I would like to advise the House that on account of the importance of the matter under consideration I feel constrained to insist on the presence of a quorum during the remainder of the debate. I now yield 30 minutes to the gentleman from Virginia [Mr. MONTAGUE].

Mr. MONTAGUE. Mr. Chairman and gentlemen of the committee, permit me to express my regret that this measure should be debated in the Committee of the Whole, wherein only 100 Members are necessary to consider an amendment to the Federal Constitution. It is true we have the final vote of the membership, but we do not have their presence and consideration of the debate. It is regrettable, also, in that it indicates an unmistakable lack of appreciation by the House of the magnitude of the question, a most far-reaching amendment of the organic law of the Republic. I wonder what the effect on the country will be of such inadequate and flippant consideration. There will be practically no amendments to the proposed resolution, and therefore it will not be disposed of as if it were a revenue bill or other ordinary legislative matter.

Gentlemen of the committee, I find myself wholly in agreement with those who favor the liberalization and amelioration

of child labor. I concur in the speech made by the gentleman from Wisconsin yesterday morning in his appreciation of the sympathetic and humane aspects of the question. It is, however, irrelevant, if not untruthful, to put any Member of this House in the position of opposing the regulation of child labor because he opposes the proposed Federal amendment to the Constitution.

Gentlemen, you have a solemn duty to perform. You are to decide whether the regulation of child labor can be far better performed by Federal action than through State action. The great question is, Is it necessary to confer upon the Federal Government by a constitutional amendment this elementary police power belonging to the States, where it has been for the past 20 years exercised with increasing growth and progress? None of us differ as to the humane reasons underlying this reform.

I will now read the language of the Constitution authorizing amendments of that instrument:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution * * *.

The word "necessary" is not an idle adjective. It is an essential requisite to the exercise of the duty which we are now attempting to perform. We are to determine under our oath whether the great structural change in our political institutions that this amendment would accomplish is "necessary." Let us first consider in this connection the text of the proposed amendment:

SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

It should be observed that this is not a limitation or a prohibition or regulation of persons under 16 or 17 but 18 years of age. Then, with due respect to the draftsman of the resolution, the second rather meaningless section is as follows:

SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress.

Of course that latter clause is brutum fulmen. It is unnecessary, and in form and style repugnant to the dignity of our great charter. If the first section is adopted then this second section is merely a declaratory construction of the first, which the courts would inevitably adopt if the section were omitted. But as legislation, rather than the Constitution, seems uppermost in the minds of the advocates of the resolution it is perhaps well to drag in as many words as possible to conform to the general run of our Federal statutes which are so succinct and lucid that everybody understands them. [Laughter.]

Is it "necessary," I may inquire, to adopt an amendment to accomplish a reformation that has already been largely accomplished by the several States? What subject of such social importance has ever before in the history of our country made such advances? What comparable amelioration of the conditions of child labor has been made in any other field of governmental effort in the past 20 years? And this accomplishment has come through the laws of the several States. I can say without successful contradiction that no subject that has engaged the thought of statesmen and humanitarians has ever before met such responsive and beneficial legislation.

I have not the gift of making figures attractive, but a brief recital will demonstrate the suggestion or contention just submitted. The total number of children, according to the census of 1920, under 16 years of age is 12,500,000. That is the heritage we must hand on to the next generation. The gainfully employed children in the 1910 census, in round numbers, were 2,000,000, or 18.4 per cent, while the gainfully employed children of this age in the census of 1920 numbered 1,060,858, or 8.5 per cent. In other words, in 10 years the progress has been 50 per cent. That is, the number of gainfully employed children has shrunk from 2,000,000 to 1,000,000 in 10 years. But go further, for figures without analysis are not always illuminating. Of this 1,000,000 we find 413,000 engaged in urban or hazardous occupations, such as factories, mines, and as clerks, messenger boys, sales girls and boys, and urban occupations generally, as given by the census of 1920; and therefore about 60 per cent, or nearly 600,000 of the 1,000,000, are engaged in agriculture, and the number hired to work out on farms is almost negligible. The great bulk of the 1,000,000 "child slaves," who are held up to shock and divert this body from a fair consideration of what are the "necessary" conditions precedent to a favorable vote of this House, find employment in open fields, under sunshine and in pure air.

Mr. HERSEY. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. HERSEY. Is the gentleman aware that all of the farm organizations of the Nation, including the National Grange, with one exception, are for this bill?

Mr. MONTAGUE. I am not. The gentleman may know better than I do, but I have had protest against this measure from some farm organizations. But the executive committees of some organizations speak without really having had an adequate referendum on the subject.

We would largely close up the farms of America if we put into effect and enforcement the 18-year limitation. There is not a gentleman here who can gainsay that. We would practically extinguish the agricultural interests of America if we enforce the age limit of 18 or 17 years.

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. FOSTER. Referring to the executive committees of these national organizations, is it not a fact that 14 of the 16 who sent the letter that went to the members in their national conventions ratified this, rather than its being done by legislative agents?

Mr. MONTAGUE. Yes; some have.

Mr. FOSTER. I have one organization here representing 2,020.

Mr. MONTAGUE. But that is not a farm organization.

Mr. FOSTER. No.

Mr. MONTAGUE. I was discussing farm organizations. But as the gentleman from Ohio has interrupted me, I take occasion to say that his work on this subject has been faithful and able. If this measure should unfortunately meet the approval of the people of the States, its advocates will owe the gentleman from Ohio [Mr. FOSTER] a debt of gratitude. [Applause.] He has worked in and out of season and with generosity to the members of the committee who differ with him upon this subject.

Mr. Chairman, I have heretofore observed that about 60 per cent of these children are working on farms. But the figures must be held in their relation to the precise ages of the children. There are only about 10,000 children in the United States under 14 years of age who are working in mines, factories, or hazardous occupations, if the census figures are to be relied upon. The numbers begin to swell as the age advances from 16 to 17 and to 18. When under 14 years of age, it is evident that the progress in the amelioration of the hardships of child labor has been most satisfying. Therefore, I submit it is incontrovertible that this reform in the several States has been accomplished by reason of the interest and patriotism of their own people, and a reform that has assumed such enormous proportions and achieved such immeasurable success demonstrates that it is not "necessary" to call to its assistance the extraordinary powers conferred by the proposed amendment.

I shall not discuss constitutional questions, save and except the necessity and the wisdom of further adding to the present constitutional powers extracted from the States, and the consequent disturbance of the proportion and equilibrium of our present political system, State and Federal. I incline to think that the events and decisions of the last three-quarters of a century make conclusive the existence of the power by three-fourths of the States to assent to this radical transfer of authority, for I doubt if there are longer in existence any reserved powers on the part of the States.

Madison and Jefferson, Marshall and Hamilton, Lincoln and Chase would be shocked and grieved at this observation. But we might as well admit the prodigious march of Federal consolidation. I even doubt that the clause in the Constitution guaranteeing equality of representation in the Senate of the several States would withstand an amendment changing our form of government and thereby repealing this guaranty. Indeed, by the exercise of the amending power our Government could be transformed into monarchy or communism, and no Supreme Court would venture to rescue our institutions from such an abyss.

The Constitution is daily regarded as a mere statute, and no statute is beyond modification or repeal by a subsequent statute. We must disregard all history, all tradition, all facts, all political philosophy underlying the genesis and development of our free institutions. The Constitution excites but little reverence, and the immeasurable achievements thereunder command scant appraisement. We must leave to other republics its example and inspiration. A Gladstone or a Bryce may utter encomiums, but we seem wearied with the victories of freedom and order achieved by our written organic system of government. God grant that my pessimism is unfounded.

But is it vain to beg this House to consider that under this system of government we have advanced from the weakest of peoples to the most powerful in the world? In the hour of our strength shall we discard the principles relied upon in the hour of our weakness? By these principles the Nation has grown, and by their extinction the Nation will perish.

We hear it asserted in this debate that this Constitution was made for the children of America. Sir, the Constitution was made as well for the children of the several States, and if we submit this amendment for ratification we submit it not to the people as a whole, but to the people of the several States of the Union. When the Members of Congress return for reelection they return to the people of their several States for their official re-creation. The Constitution did not make the States; the States made the Constitution. These States gave so much to the Constitution and they severally reserved so much for themselves, and thus, and thus only, was our dual system of government worked out. Fundamentally, domestic concerns were retained by the States, and matters affecting all the States were by them granted to the Union, and with what success the truth of history will assemble and assess.

But the proponents of this amendment asseverate that it does affect matters common to all the States. What matters? The answer is the care and love for children. How attenuated the answer! Does not this humane consideration affect not only all the States of this Union but the civilized States of all the world?

But we persist in the inquiry for a more concrete example, and the answer is that child labor in one State is in unfair competition with adult labor in another State. I deny the existence of such competition. I challenge the record of the extensive hearings to support this denial. The few children going from Massachusetts to Rhode Island, and vice versa, and from Pennsylvania into New Jersey, and vice versa, or from Pennsylvania or Delaware into Maryland to pick berries are too few in numbers to support this argument; indeed, only the valor of prejudice will so contend. The assertion, however, is made, not in the hearings but in the press, that the competition of child labor did seriously prejudice the cotton-mill industry of Massachusetts to the advantage of North Carolina. But the recital of the census confounds and refutes this assertion. In 1920 the number of children in the cotton mills of North Carolina was 4,297 and in Massachusetts 7,264. From these figures North Carolina should rather fear competition from Massachusetts, but I am confident no such fear possesses the representatives of this great progressive State. So the facts drive the exaggerated competition theory to the wall! And I therefore repeat the inquiry, What necessity is there for an amendment to prevent an industrial competition that no longer exists?

Mr. RAMSEYER. Will the gentleman yield for a question?

Mr. MONTAGUE. For a question.

Mr. RAMSEYER. Something has been said about the indorsements received for this resolution. I see this was reported out in February, and I see, too, in the hearings you had before you 22 different resolutions.

Mr. MONTAGUE. I yielded to the gentleman for a question, not a statement.

Mr. RAMSEYER. What I wanted to ask is, what one of the several resolutions, nearly all of which are different, the 22 are all different, received these indorsements?

Mr. MONTAGUE. The gentleman means the resolutions offered by 22 Members of this House?

Mr. RAMSEYER. I said 22 were before the committee, and which one of those received the indorsements of these various organizations?

Mr. MONTAGUE. I do not think any one resolution was selected by these organizations. Perhaps few of them have read the full texts, but preference was given to the one under consideration by the managers of this particular measure, as I understand. I doubt if some of these organizations ever read the text of this resolution. I doubt if they know of the age limit of 18, and I am confident that few farmers of America know of the provision fixing this age limit of 18.

Mr. RAMSEYER. Do any of the indorsements go to the extent of asking Congress to adopt an amendment to the Constitution giving Congress the power to regulate the labor of children in the homes and on the farms, as this resolution does?

Mr. MONTAGUE. As far as I recall, the facts would negative your inquiry.

Gentlemen of the committee, I now ask your consideration of another aspect of this question. Much of the propaganda in behalf of this resolution comes from the political agents of the Government, the officials of the United States. And this is one of the dangers confronting the American system of government. We employ and pay from the Federal Treasury large sums of money to establish great bureaus, and then these bureaus inaugurate intensive propaganda for their own enlargement. We vote sums to bureaus to increase their powers and personnel, and behind these bureaucratic walls these very officials become irresponsible to the interest and deaf to the cry of the people. In the States the proximity and responsibility of officials to the people are close, thereby giving to the people an interest in and a control over their agents, with consequent increasing knowledge among the people of the subjects administered and a more concrete sense of obligation of the officials to the people.

The magnitude of our country and people, if nothing else, necessitates our dual system of government. Mr. Lincoln declared in his first inaugural address that—

to maintain inviolate the rights of the States to order and control under the Constitution their own affairs by their own judgment exclusively is essential for the preservation of that balance of power on which our institutions rest.

And these institutions, it is obvious to comment, are equally the States and the Union.

Fiske, a great publicist and historian, also declared that—

If the day should ever (which God forbid) arrive when the people from the different parts of our country should allow their local affairs to be administered by prefects sent from Washington, and when self-government of the States shall have been so far lost as that of the departments of France, or even so far as that of the counties of England, on that day the progressive political career of the American people will have come to an end and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever.

Chief Justice Chase, in the case of Texas v. Whites (7 Wallace, 700, 725), decided in 1868, pronounced the judgment that—

Under the Constitution, though the powers of the States were much restricted, still all powers not delegated to the United States nor prohibited to the States are reserved to the States, respectively, or to the people. And we have already had occasion to remark at this term that "the people of each State compose a State having its own government and endowed with all the functions essential to separate and independent existence," and that "without the States in union there could be no such political body as the United States." Not only, therefore, can there be no loss of separate and independent autonomy to the States through their union under the Constitution, but it may be not unreasonably said that the preservation of the States and the maintenance of their governments are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government. The Constitution in all its provisions looks to an indestructible Union, composed of indestructible States.

The "indestructible" state mentioned by this great jurist did not contemplate indestructible geographical units with feeble and negligible political powers, but an indestructible political entity historically recognized for centuries in the philosophy of governments as a sovereign state—

having its own government, and endowed with all the functions essential to separate and independent existence.

Moreover, the corollary is inevitable that in our dual systems of governments neither government is authorized to destroy the other, but each must respect and preserve the other.

By amendment after amendment these "essential functions" are being reduced to impotency. We lop off one limb from the tree of the States to engraft it upon the Federal Constitution, only to observe the lessening of community responsibility and the enfeebling of community vigor. But now comes this radical amendment that goes further than the amputation of the limb—it digs up the very roots of the tree. [Applause.]

The administration of the powers conferred by the proposed amendment will necessarily invade every community and home. Federal espionage will haunt every fireside. But the reply is made that the amendment only enables the Federal Government to cooperate, that it will be a system of assistance, and not of domination of the States. If this be true, then what is the necessity for the amendment?

The proposed amendment gives power to "regulate" child labor. This word is comprehensive. "Words are things," said a great man, and seldom, if ever, has this quotation found a more powerful thing than the word "regulate." The power to regulate possesses every other power necessary to make the

original power effective. The constitutional power to "regulate commerce" affords a striking analogy. The regulation of commerce has grown and expanded beyond the imagination of the authors of the Constitution. From "white slavery" to the ownership, control, and operation of transportation seems a short step. But who to-day would deny the constitutionality of this exercise of power if Congress were to declare Government ownership and operation essential to effective "regulation" of interstate and foreign commerce? The analogies are precise and ominous. So a congeries of laws and administrations will inexorably grow out of the power of "regulation" conferred by the adoption of this amendment.

Mr. KVALE. Mr. Chairman, will the gentleman yield there?

Mr. MONTAGUE. Yes.

Mr. KVALE. Were not the same objections made to the eighteenth amendment? I know that the gentleman from Virginia is interested in that.

Mr. MONTAGUE. Irrespective of the merits or demerits of the eighteenth amendment, I imagine no intelligent and fair-minded person will controvert the fact that it was intended to impair—and has impaired—the original powers of the States.

Mr. Chairman, the contention has been made in this debate that the powers of regulation contained in the proposed amendment are practically no greater than those attempted to be exercised under the two Federal statutes heretofore adjudged unconstitutional. These two statutes attempted to regulate child labor by indirect methods. One by prohibiting the transportation in interstate commerce of goods manufactured by child labor and the other by taxing such manufacturers. But what unprejudiced mind accepts this standard or these indirect regulatory methods as the object or the purpose of the proposed constitutional regulation? To ask the question is to answer it. So great a power so feebly exercised, never! It is said revolutions never go backward. Surely jurisdictions never contract. Expansion and multiplication of authority and of officials is the inexorable tendency and the inevitable consequence.

I pause to advert to the argument advanced that these statutes prescribing indirect regulation have quickened the passage of laws on the part of many of the States. But how then can we account for the marked decrease, approximately 50 per cent in 10 years, in the child labor on farms, when we consider that the Federal statutes did not touch or affect this character of labor at all? Truth and candor compel the answer that this advance or reform was accomplished wholly by the States.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. LAGUARDIA. This resolution is simply to be submitted by us here for the ratification of the States, is it not?

Mr. MONTAGUE. Yes; I hope, however, to discuss that under the five-minute rule. We have had little or no consideration of the proposed amendments. We have had no membership to consider the subject. When the roll call was begun this morning we had no more than 20 Members present. It seems impossible to keep a quorum of 100 unless the point of no quorum is made or a roll call ordered. I am depressed at the lack of interest in a subject affecting the very structure of our political system.

I started to observe when interrupted that the key to the regulation of child labor will be found in the work permits or certificates. The age, physical condition, and education will be the vital elements of such permits. The degree or standard of education fixed by statute or bureau regulation will be carried into these certificates. What will be the standard, and whatever it is, will it not necessarily largely determine the education of our children? Indeed, is not this one of the great purposes of the proposed amendment? And will not the exercise of this power by the Federal bureau substantially control the education of the children of the several States? It seems self-evident that this will be the result. Thus we behold the entering wedge of Federal supervision and control of the schools or the educational agencies of the several States.

The extraordinary limitation of 18 years, with its fatal economic implications, are glossed over in this debate as a limit never intended to be reached. Then why retain it? This age limit is already applied in the several States; and, if granted, who will withhold its ultimate application to all the States? It may not come to-day or to-morrow, but it will as surely come as the procession of the equinoxes.

The difficulties arising out of the diversity of interests, resources, occupations, temperature and climate, transportation, and water power are attempted to be met by one vast system of uniform regulations. How manifestly impossible! And, conversely, how necessary for the States to do what geography and climate, interest and pride give them the best opportunity to do.

Mr. Chairman, not only will we have a multitude of Federal statutes growing out of this proposed amendment, if adopted, but time will develop supplementary and ancillary amendments. For example, what will become of those children of 16, 17, and 18 years of age denied an opportunity to work to support themselves or their families? The answer is that they will be put into schools. But who will feed, clothe, and house them? The Federal Government must do this. Then will ensue Federal amendments for old-age and childhood pensions. So, thick and fast will grow amendments, then laws, and more regulations, with innumerable officials, administrative agents, and employees not selected or appointed by the people and deaf or indifferent to their requests or protests.

Mr. Chairman, energizing all of this development and guiding all of its complex administrative machinery will be the ever-present Federal bureau with its army of officials and subordinate employees, many of them arbitrary in conduct, arrogant in manners, and inefficient in business.

The multitude of bureaus, with growing numbers, with superior political and partisan skill, spells the end of free institutions. The end will come, but it may be through revolution. These enormous bureaucratic organizations at Washington, labyrinthian in administrative complexity, insensible to the feeble pressure, and deaf to the exhausted voices of far away constituencies, leave room to no reformation short of the tragedies that have destroyed civilizations. The hope of American governments is founded upon responsibility, education, and love of the masses for their own communities. [Applause.]

By reason of their superior knowledge and capacity for political manipulations, the great officeholding class will eventually outreach and overcome the residue of the electorate. What hope then have the millions of distant people? The Congress of unwieldly numbers, crowded with multiform and irrelevant business, struggles to put in motion the complex and huge machinery. Indeed, we seem to have reached the stage of a Government not by legislation but by the impact of organization. [Applause.] Community citizenship is a citizenship of endurance and purpose, a citizenship of honesty and economy, a citizenship of courage and responsibility, a citizenship of faith in Democratic institutions.

Mr. Chairman, I submit that he is of prejudiced and audacious credulity who does not believe that this amendment, if adopted, will be followed by much supplementary legislation and a multitude of regulatory details. For example, how will it be administered as respects its violations? Will not pains and penalties be imposed for such violations? And what courts will pass upon these infractions? The Federal courts, of course. Then citizens must go great distances to appear before these tribunals. Their home vicinages will afford no convenience or solace, and the appellate court may be in a distant State.

Great numbers of agents or inspectors will be needed. From 25 to 100 inspectors to a State will perhaps be required. These can not function at less than $2,000, approximately, for each official, with their expenses, which I think is a conservative estimate. The Washington bureau will cost $500,000. That is a total of about $5,000,000 to swell the Budget in a very few years.

Mr. DOWELL. Mr. Chairman, will the gentleman permit a short question?

Mr. MONTAGUE. Yes.

Mr. DOWELL. How is this law administered in the States that already have this law?

Mr. MONTAGUE. I can speak of my own State with some confidence. There it is administered by competent officials with the support and influence of a patriotic citizenship. [Applause.] The law in Virginia prohibits all children under 14 from working in gainful occupations, except gardens, orchards, and farms, and all children under 16 are prohibited from working in all other gainful occupations save by and in pursuance of work certificates duly safeguarded in their issuance. Again, the hours of work of all under 16 is not more than six days per week, or more than 44 hours for any one week, or more than 8 hours a day, or before 7 in the morning or after 6 in the afternoon, except upon farms, gardens, and orchards.

In Virginia the 1920 census gives the total number of children of both sexes from 10 to 17 years of age engaged in the following occupations:

	Both sexes	Males						Females					
		Total	10-13 years	14 years	15 years	16 years	17 years	Total	10-13 years	14 years	15 years	16 years	17 years
Farm laborers (home farm)	20,109	17,809	4,687	2,711	3,081	4,183	3,147	2,300	839	365	375	431	290
Coal mine operatives	831	828	20	28	94	290	387	3	1	1			1
Cotton mills	275	181	5	30	25	63	58	94	4	9	16	32	33

In the manufacturing and mechanical industries, Richmond, with a population of 171,667, had, according to the 1920 census, children of both sexes, from 10 to 17 years of age, engaged as follows:

	Both sexes	Males						Females					
		Total	10-13 years	14 years	15 years	16 years	17 years	Total	10-13 years	14 years	15 years	16 years	17 years
Manufacturing and mechanical industries	2,382	1,186	9	68	176	418	515	1,196	7	108	235	408	438

This includes apprentices to building and hand trades, machinists' apprentices, printers, bookbinders, cigar and tobacco factories, iron and steel industries, and lumber and furniture industries. I have no doubt of the rapid reduction in the ages of the small numbers now working in mines and mills of the State. The figures, however, for the whole State afford much hope in the steady and rapid growth in the reduction of all forms of child labor.

Mr. DOWELL. I may say to the gentleman that it will be administered in the same way.

Mr. MONTAGUE. The State administration will be supplanted by the Federal administration. The State will wither whenever its administrative functions compete with Federal administrative functions. The larger organism, with highly paid administrative agents, will in time usurp and supplant the smaller organism, which when dormant or feebly active will find reaction, inefficiency, and then autocracy and corruption in the larger unit.

Mr. MICHENER. Was that the effect of the child labor law in your State? Did not the Federal statutes, as a matter of fact, stimulate State action?

Mr. MONTAGUE. No. No more than similar activities in other States and the humane laws throughout the world. The agents who established the Federal Child Bureau understood the situation. They felt their way cautiously. They wished first to get the camel's nose under the tent, and later they would drive the multitudinous caravan through its broken folds. The result here will be the establishment of a great bureaucracy that will end in the suppression of local activities and the seduction of the citizen from his duties to the community to the blandishments of high place, secure in its immunity from popular needs or desires. [Applause.] The highest duty of American citizenship is to strengthen the responsibility and opportunity of local and State governments. These communities constitute the sources of democratic powers and democratic aspirations which we should nourish and encourage. The hour demands that we add no more power to the Federal Government by constitutional amendments. The progress of child labor laws enacted by the several States is full of encouragement, and we should continue the development and administration of these laws. We must build our governments from the foundations. This Federal amendment inverts the pyramid, which, resting upon its narrow apex, will sooner or later lose its center of gravity or buckle and crumble under its inverted and expanding base. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. BULWINKLE].

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. BULWINKLE. Mr. Chairman, in the short time allotted to me I am unable to go into detail on the far-reaching effects of the proposed constitutional amendment.

Section 1 of House Joint Resolution 184 provides:

> The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

In speaking against the passage of this amendment by the House, I want it distinctly understood that I am not in favor of child labor. I am in favor of the several States enacting laws, as they have done, and enforcing them for the benefit of the children of America. I am against the further centralization of power and the further creation of bureaus in Washington by the Federal Government. As has been stated by many speakers on this floor, the destruction of all governments in the past has been brought about by the centralization of power. Too great centralization of power in any government makes it tyrannical, and the ultimate result has always been a revolution by the oppressed people.

In analyzing the proposed amendment we find, first, not only are the States deprived of control but every parent in the country gives the control of his child in regard to work or labor to the Federal Government until that child reaches the age of 18; second, that regardless of the kind of labor, whether agriculture or manufacturing, whether injurious or not injurious, whether necessary or not, control of the child's labor is granted to the Federal Government.

But it is said by many that Congress will never prohibit the labor of children on farms and those engaged in agricultural pursuits. The question then is, Why is it necessary to give this power to the Federal Government? We have no way of judging the future except by the past, and in all instances the Federal Government has assumed all the power granted it, and a little more besides. In regard to the labor of children on farms, just recently a little booklet was mailed to every Congressman by the National Child Labor Committee, and in it we find, according to the census of 1920, that 1,060,858 boys and girls between 10 and 15 years of age are tabulated as child laborers. Of this number, 647,300 were engaged in agricultural pursuits. From several paragraphs of this booklet I read, "Agriculture is the only important field of work entirely uncontrolled by legislation." Again, "The South, because of its agricultural character, still leads in child labor." And further, "Agriculture employs three-fifths of the million child laborers," and "investigation shows that there are many of these at work in sugar-beet fields, cranberry bogs, cotton plantations, and other agricultural pursuits throughout the country." Further, "The 1920 census was taken in January, a season when little or no agricultural work is being done," hence "many children who ordinarily follow agricultural occupations are reported by their parents as having no employment." "The Southern States have a larger percentage of child labor than any other section of the country because of the predominance of agriculture there." Again, "Child labor in agriculture does not mean running errands, doing a few chores, or occasionally helping in the field." "The census counts as farm laborers all those children whose labor constitutes a material addition to the labor income of the farm," and "thousands of children besides those working on home farms are hired out as farm laborers or contract with other families to work on other people's land." This booklet devotes many other paragraphs to the labor of children in agricultural work. I have read this much in order that the Members of the House may be informed as to the meaning and intent of those who are attempting to press this amendment through the House. Let no one deceive himself that these organizations contemplate prohibiting the working of children in the manufacturing establishments and mines only.

If his amendment were adopted, and Congress passed the necessary laws in compliance therewith, we would find that power would be given to a bureau to enforce the law and,

as stated by one in the Child Labor Bureau, the key to the situation would be the certificate issued by the bureau, and unless the bureau issued this certificate no child could even wash until reaching the age of 18 years. In order to secure a certificate there would be four requisites: First, conclusive proof of the child's age; second, the physical ability of the applicant; third, the educational training of the applicant; and fourth, the kind of work to be engaged in. Under the third requisite a Federal agent would examine the child under 18 to determine whether or not it has sufficient education to comply with the requirements of the bureau, and if it did not the application for certificate would be rejected. In the South we have many hundreds of negroes who fail, or refuse, to take advantage of the public-school system, and would be thrown upon the community without work.

Let us suppose again that this amendment is adopted and Congress passes the necessary laws, what is the next legislation that will be asked for? There may be many children with one or both parents dead, who are unable to go to school on account of lack of money. Congress will then be asked to pass laws granting widows' pensions and bounties for children in order that they may attend school until they have reached the required age.

Every State in the Union now has child labor laws, and as part of my remarks I am inserting the list of States with the minimum age each State allows children to engage in employment in factories, and so forth:

STATE LAWS RELATIVE TO EMPLOYMENT OF CHILDREN IN FACTORIES

Alabama, prohibited under 14.

Arizona, prohibited under 14. (Exception, boy 10 to 14 may, upon license, outside school hours work at labor not harmful.)

Arkansas, prohibited under 14.

California, prohibited under 15. (Exception, child 12 during school vacation.)

Colorado, prohibited under 14. (Exception, child 12 during summer vacation.)

Connecticut, prohibited under 14.

Delaware, prohibited under 14. (Exception, child 12 outside school term on special permit.)

Florida, prohibited under 14.

Georgia, prohibited under 14. (Exception, child 12 on permit if orphan or has widowed dependent mother.)

Idaho, prohibited under 14.

Illinois, prohibited under 14.

Indiana, prohibited under 14.

Iowa, prohibited under 14.

Kansas, prohibited under 14.

Kentucky, prohibited under 14.

Louisiana, prohibited under 14.

Maine, prohibited under 15.

Maryland, prohibited under 14.

Massachusetts, prohibited under 14.

Michigan, prohibited under 15.

Minnesota, prohibited under 14.

Mississippi, girl prohibited under 14, boy 12.

Missouri, prohibited under 14.

Montana, prohibited under 16.

Nebraska, prohibited under 14.

Nevada, prohibited under 14.

New Hampshire, prohibited under 14.

New Jersey, prohibited under 14.

New Mexico, prohibited under 14.

New York, prohibited under 14.

North Carolina, prohibited under 14. (Exception, boy 12 on special permit outside school hours. Only 66 so employed during 1923.)

North Dakota, prohibited under 14.

Ohio, prohibited under 16. (Exception, child 14 outside school term.)

Oklahoma, prohibited under 14.

Oregon, prohibited under 14. (Exception, child 12 outside of school term.)

Pennsylvania, prohibited under 14.

Rhode Island, prohibited under 14.

South Carolina, prohibited under 14.

South Dakota, prohibited under 15.

Tennessee, prohibited under 14.

Texas, prohibited under 15.

Utah, prohibited under 14.

Vermont, prohibited under 14.

Virginia, prohibited under 14.

Washington, prohibited under 14. (Exception, child 12 on permit of superior court judge in case of poverty.)

West Virginia, prohibited under 14.

Wisconsin, prohibited under 14. (Exception, child 12 during school vacation.)

Wyoming, prohibited under 14.

In my opinion North Carolina has one of the best laws of any State in the Union. The officials are vigilant and are enforcing the law, and if there is any weakness in the law in North Carolina I for one am willing to see that the law is strengthened in order that my State may have the best law on this subject of any of the States.

On account of the far-reaching consequences of this amendment, were it adopted, on account of the dangers of bureaucracy and centralization of power, I believe it my duty to vote against this amendment.

As part of my remarks I insert a letter from Mr. E. F. Carter, executive officer of the North Carolina State Child Welfare Commission, and his statement in regard to the operation of the present law in North Carolina, together with a brief synopsis of the North Carolina child labor law. For the information of the House, the North Carolina child labor law was passed by the legislature before the first Federal law was declared unconstitutional by the Supreme Court of the United States:

THE NORTH CAROLINA STATE CHILD WELFARE COMMISSION,
Raleigh, N. C., April 19, 1924.

Hon. ALFRED L. BULWINKLE,
Office Building, Washington, D. C.

DEAR MR. BULWINKLE: According to your request I am inclosing you a statement of the terms of the North Carolina child labor law, its rules and standards. In addition a copy of a report to be published in two of our leading college journals has also been mailed for your review. The tables showing the certificates of children for employment as well as the actual number found employed in North Carolina have also been inclosed.

Particularly striking is the statement that in the face of the tremendous growth of our manufacturing in North Carolina that we have experienced a very great reduction in the employment of children since it has come under State supervision.

Another outstanding fact is that the State has required a physical examination of all its children since March 1, 1922, and a volume of corrective health work has been accomplished through cooperation with the public health officers of North Carolina. Although this rule for physical examination was effective March 1, 1922, as far as we are able to ascertain, the administration of the Federal law did not regard it before the law was annulled May 12, 1922.

The educational force of our work has possibly shown the greatest results. As high as 85 per cent of its children over 14 years of age certified in some of the industrial plants were found to have voluntarily returned to school.

I am also inclosing a clipping of our first report, showing the number of recommendations made in cooperation with manufacturers and business managers for the public welfare of the people. We feel that truly a great work is being done in North Carolina, and that the law is founded upon correct principles for child-labor administration, and that the measure of good that may be accomplished is inestimable.

Very truly yours, E. F. CARTER.

THE NORTH CAROLINA STATE CHILD WELFARE COMMISSION,
Raleigh, N. C.

NORTH CAROLINA HAS PROMISE OF SOLVING HER CHILD-EMPLOYMENT PROBLEM

The North Carolina General Assembly had a broad conception of the needs of the child when the present child labor law was enacted combining its mandatory sections with those of compulsory school attendance. It gave a common ground upon which the citizens of this great Commonwealth may unite in advancing the education, health, and public welfare of its children. The creation of the State child welfare commission for the administration of this law is unique in its organization, but not in the principles incorporated and the powers delegated to the commission.

The superintendent of public instruction, the secretary of the State board of health, and the commissioner of public welfare are named as ex officio a State child welfare commission. To this assembly of commissioners the general assembly delegated the power to formulate such rules and regulations as it deemed necessary in the administration of the laws, also to authorize an executive secretary, field agents for inspection, and local county officers for enforcement of the laws. The county superintendent of public welfare and schools has been specially designated as the authorized agent in each county.

In all 10 rules have been passed by the commission which have the force of law. In addition, 21 standards for children employed have been adopted which codified the terms of the law and made a stricter application of their requirements for employment, hours, certification, and physical conditions. These rules and standards have placed North Carolina in the lead with eight other States requiring a physical examination of children before entering employment, and 1 to 32 requiring some kind of a school record of the grade and standing of the child in school before certification.

After the first 17 months' period, closing November 30, 1920, a total of 3,925 inspections of industrial and business places was reported. These reports showed a large volume of work had been accomplished in the interest of the child through cooperation with the community, the school, public-health directors, business and industrial leaders, and civic organizations by assisting in promoting wholesome recreation centers, with directors, organized community programs, centralized in community buildings and schools, vocational training, and corrective health work. The incoming general assembly recognized the tremendous force of this program and increased the appropriations of the commission. This enabled the commission to approve the broadening of the several phases of work in the supervision of child labor and adopt the plan submitted by the executive secretary after a careful study of the most efficient commissions administering similar laws. The plan, briefly speaking, was the application of the principles of the block system of inspection to the county as a unit of operation. It provided a uniform plan of certification of children for employment in each county, a local record for reference of each child, a complete inspection or special visit to each industry and business place in the county coming under the terms of the law. These reports gave an intelligent understanding to the commission of the physical conditions of the plant or place of business, industrial hygiene, its health or machinery hazards, as well as the moral surroundings. The efficiency of this plan is recognized in the report of 19 months ending June 30, 1922, which shows 5,555 inspections during that period.

On May 15, 1922, when the Federal law was declared unconstitutional, it found the commission and its machinery, State and county, organized and equipped to supervise and direct the child life of our State upon a broader plan, a closer and more intimate relation to the child and the agencies of the State that have the greatest influence in creating good citizenship.

Through the medium of the State and county organizations the commission was enabled for the first time to make a survey of the child employment in the State and check against each place where children were employed and discover the actual number of children working in the places enumerated in the law in North Carolina. This work was accomplished by the authorized agents of the commission and the reports filed in the office for tabulation over the signed signatures of its authorized agents.

The certification of children in North Carolina is given in three comparative periods, contrasting the certification of children for employment during each period with those of the United States census and the number actually found employed as a result of the survey.

The United States census of 1920 reported 6,244 children working in the manufacturing industries of this State; the State statistics for labor reported 6,623 for the same period. The eight months' survey ending March 1, 1924, reported 4,691 children 14 and 15 years of age actually employed in North Carolina, or a 33 per cent reduction in the employment of children since the State took over the complete supervision of this work. The decrease, therefore, in the employment of children is rather significant, in view of the fact of the remarkable advancement in the industrial growth of our State.

The survey of the children actually employed began July 1, 1923, in the midst of the vacation period of school and ended in the mid-term of the school which gives the peak of vacation employment as well as any influence the school may have upon employment of children. In all, 1,939 business and industrial places were visited and 2,039 inspections were made in connection with these places. These inspections included 462 cotton mills with 3,160 children employed, 143 hosiery mills with 598 children employed, 125 furniture plants with 127 children employed, 1,219 miscellaneous plants with 446 children employed, which included all other places not otherwise reported. The tobacco factories included in this group employed 360 children.

The per cent of North Carolina's children working between the ages of 14 and 15 years is found to be 3.5. This is far below a number of the other States, some of which assume to rank with North Carolina in her textile position.

A total of 66 violations were found in the survey. This is less than 1 per cent. The enforcement of the law in general has received hearty cooperation, and in all cases where violations were found the children were immediately removed and the superintendent and the foreman given notice of the violation. Our last biennial report discovered that in 19 cases our agents had to resort to court action in securing the ends designed by the law.

The certification by periods and the study of the ages of the children reflect some interesting variations. At the close of the period July 1, 1922, it was found that 7,283 children had been certified for employment during the biennial period of 19 months.

Of this number 2,876, or 49 per cent, were white boys 14 and 15 years of age. The white girls numbered 2,929, or 51 per cent. The colored children 14 and 15 years of age numbered 246, or 6 per cent of the total number of this age certified. A total of 364, or 6 per cent of the children whose age was doubtful, was established to be over 16 years of age. This did not include approximately 2,500 children who were found to have passed their sixteenth birthday when the State took up the certification of all children 14 to 16 years of age after the Federal law was declared unconstitutional.

Vacation employment certificates for boys 12 to 14 years of age were issued to 819 boys, or 11 per cent. Of this number 754, or 92 per cent, were white boys. Those 12 years of age received 262, or 34 per cent, of the certificates, and those 13 years of age received 485, or 64 per cent. The colored boys numbered 65, or 8 per cent. The 12-year old boys received 20, or 31 per cent, of the certificates, and the 13-year old boys received 45, or 69 per cent, of the certificates. The opening of the fall term of the schools found 268, or 33 per cent, had reached their fourteenth birthday. The 67 per cent were required by the compulsory school law to return to school.

At the close of the year, June 30, 1923, it was found that a total of 10,425 certificates had been issued during the year. Boys and girls 14 and 15 years of age received 8,688, or 83 per cent, of this number. White boys and girls received 8,079, or 93.6 per cent. The white boys were issued 4,063, or 50.3 per cent, while the white girls of this age were issued 4,016, or 49.7 per cent, of the total for white children. Colored children 14 and 15 years of age received 554, or 6.4 per cent, of the total certificates issued. Colored boys 14 and 15 years of age received 354, or 63.9 per cent, and colored girls received 200, or 36.1 per cent.

Vacation employment certificates were issued during the year to 1,065, or 10 per cent, of the total certificates issued to children. White boys 12 and 13 years of age received 961, or 92 per cent, of these certificates. The boys 12 years of age received 363, or 37 per cent, and those 13 years of age received 618, or 63 per cent, of the certificates. The colored boys 12 and 13 years old received 84, or 7.66 per cent, of the certificates. The colored boys 12 years of age received 28, or 33 per cent, and the boys 13 years of age received 56, or 67 per cent, of the certificates.

A comparison of the number of children certificated and their ages suggests certain influences in connection with this work. For example, it is found that about 35 per cent of the white boys 12 years of age received vacation employment certificates, whereas about 65 per cent of the white boys 13 years of age were certified for vacation employment. This reflects the opinion, I believe, commonly expressed that the employment of a child of this tender age is very limited in any particular vocation, and it is a practice to certificate them only for light employment and in places where it is more or less intermittent.

The children 14 and 15 years of age appear to have been well balanced in the number of boys and girls entering employment. At the close of the 1922 period we find the white girls are 2 per cent in advance of the boys. This situation was reversed in the 1923 period, and we find the boys have gained about three points of 1 per cent in advance of the girls.

While the boys and girls 14 and 15 years of age appear to be balanced in their number, it is discovered that about one-half or 46 per cent less children 16 years of age are certified for employment. This supports the evidence of the return to school of children after their first year in vacation employment. This evidence was discovered in the larger industrial counties and centers in which the agents checked the certificates issued with the children over 14 years of age, which had voluntarily returned to school. In one industrial place 85 per cent of the children thus certificated were found to have returned to school. While a general survey of the school tendency could not be completed, it is evident that the more highly organized industrial centers average around 60 per cent of the children returning to school.

The entry of colored children in industry has been very limited in North Carolina. A few textile plants have attempted to operate with colored people. Tobacco plants, laundries, dry cleaners, delivery service, and shoe shine establishments are found to cover the major portion of their activities. This emphasizes that agriculture and domestic service remain the larger field of work for the colored people.

Comparison of the number of children certificated and their ages

CERTIFICATES ISSUED, 1922

	Age 12		Age 13		Total	Per cent	Age 14-15		Age 16		All ages
	Number	Per cent	Number	Per cent			Number	Per cent	Number	Per cent	
White boys	269	0.34	485	0.64	754	0.92	2,875	0.49			
White girls							2,979	.51			
Total							5,854	.92			
Colored boys	20	.31	45	.69	65	.08					
Colored girls							246	.08			
Total											
Grand total	289		530		819	.11	100		364	0.06	7,283

CERTIFICATES ISSUED, 1923

White boys	363	0.37	618	0.63	981	0.921	4,063	0.503			
White girls							4,016	.497			
Total							8,079	.936			
Colored boys	28	.33	56	.67	84	.783	354	.639			
Colored girls							200	.361			
Total							554	.064			
Grand total	391		674		1,065	.10	8,633	.828	727	0.069	10,426

The actual number of children employed in North Carolina after a survey of eight months of the industries in the State

Cotton mills inspected	462
Hosiery mills inspected	143
Furniture plants inspected	125
Miscellaneous plants inspected	1,209
Total number different plants visited	1,939
Inspection forms completed for the work	2,089
Children employed in cotton mills	3,160
Children employed in hosiery mills	598
Children employed in furniture mills	127
Children employed in miscellaneous mills	446
Children employed in tobacco mills	360

The North Carolina child labor law provides for the following:

1. Children 14 to 16 years of age may be employed 10 hours per day or 60 hours per week.

2. Boys 12 to 14 years of age may secure vacation employment certificates to be employed not more than eight hours per day.

3. No child under 16 years of age may be employed before 6 a. m. or after 9 p. m.

4. No child under 16 years of age may be employed in a mine or quarry.

5. The rules of the commission require a child to have a position and a signed application from the employer before issuing a certificate.

6. A signed statement of the age by the parents and their consent to the child's entering employment.

7. A bona fide contemporary record of the birth date and age of the child.

8. A physician's certificate certifying that the child is physically qualified for the employment that it is going to enter.

9. A personal knowledge of the place of business or industry, the nature of the work, and its surroundings before the authorized agent can issue a permit.

10. No child can be employed with symptoms of disease contributory to retardation or disability.

11. No child can be employed when determined by physical examination that employment is injurious to health.

12. No child can be employed with surrounding conditions injurious to morals.

13. No child can be employed with dangerous employment hazards present.

Mr. Chairman, I ask leave to extend my remarks in the RECORD.

The CHAIRMAN. That privilege has been granted. Does any other gentleman care to yield time?

Mr. FOSTER. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. YATES].

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes. [Applause.]

Mr. YATES. Mr. Chairman and gentlemen of the committee, I think I have on at least a previous occasion expressed the very great joy and pride which I have always taken in the fact that my forefathers came from Virginia. [Applause.] And although I am also proud of the Kentucky generation that followed, my pride in Virginia comes back this morning when I have the very great and high honor of following the ex-Governor of Virginia, who has used all the virtue of the voice, the genius of gesture, the symmetry of syntax, and the power of great argument. Gentlemen, I submit that if he could not argue this constitutional question in 30 minutes it will be impossible for a grandson of Virginia, myself, to argue it in five.

But I can not refrain from saying that I hail from a district which is great in itself. The district which I have the honor to represent here in this House, in this American House of Commons, is, as most of you know, the entire State of Illinois—in other words, Illinois at large. This district has a population approaching 7,000,000 souls, over 2,000,000 manly men, over 2,000,000 noble women, over 2,000,000 precious darling children, whose prosperity and welfare to-day in this period of peace, and whose fortitude and physical endurance in the period of war which will come with to-morrow, lie in your hands and in mine—in other words, in the manner in which we perform the sacred trust imposed upon us, to give aid and comfort to our most precious possession, the childhood, the child life of America.

This splendid State, this superb congressional district, Illinois, favors overwhelmingly this so-called child labor amendment, which will give the Congress the right to pass child labor laws.

Without regard to party or creed or circumstances, there have poured in upon me nearly a thousand letters—not the ordinary propaganda—urging this amendment. Among the appeals are those of the Illinois State Federation of Labor, the Illinois State Federation of Women's Clubs, the Illinois State Teachers' Association, the Young Women's Christian Association, and a number of the bravest and biggest of the American Legion, and nearly every welfare organization in the whole State—in short, all classes and conditions.

I would have voted for this amendment without these appeals, but I mention them to show that neither the awful destruction of States so solemnly predicted by the distinguished gentleman from Tennessee [Mr. GARRETT] nor the exquisite ridicule uttered by the witty gentleman from Texas [Mr. LANHAM] frightens Illinois.

Conceding, as all do concede, that the American child is precious, is most precious, and a most sacred charge of ours, why should we not heed him as he appears before us now? He is here.

One of the sweetest singers in America was Eugene Field, of Illinois. He it was who said:

With trumpet and drum the children come,
Marching so proudly with trumpet and drum.
This way and that way they march so fine
Till they march right into this heart of mine.

Well, to-day, they are, so to speak, marching into this Chamber. Why not? Having marched into our hearts, why not march into this Chamber?

Manhood came here—the old veteran, also the veteran of the World War—and he was not denied. Womanhood came here, demanding suffrage and also prohibition; she was not denied. Foreign governments came here, and were not denied. We let England have four of our billions, and we let France have three and a half billions. And even princes and kings came here and were not denied. Our sympathy for Belgium was such that when her King came he carried away with him a bank draft.

And now comes the child—"and of such is the kingdom of heaven." It was said of Lincoln that "his wisdom was like unto the wisdom of little children." May that wisdom of his guide us as we, in our time, are called upon to deal with the little child.

Mr. TILLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. MAJOR].

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes. [Applause.]

Mr. MAJOR of Missouri. Mr. Chairman and gentlemen of the committee, as a member of the committee which voted favorably to report the resolution providing that "the Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age," and as a Member of this Congress who intends to vote to submit this proposition to the States for their consideration, I want to make a few remarks and give to the committee my views on the subject. At the outset I desire to say that in the course of the hearings representatives of the following national organizations urged favorable action on the amendment:

American Association of University Women.
American Federation of Labor.
American Federation of Teachers.
American Home Economics Association.
Commission on the church and social service, Federal Council of the Churches of Christ in America.
Democratic National Committee.
General Federation of Women's Clubs.
Girls' Friendly Society in America.
National Child Labor Committee.
National Council of Catholic Women.
National Council of Jewish Women.
National Council of Mothers and Parent-Teacher Associations.
National Council of Women.
National Education Association.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade Union League.
Republican National Committee.
Service Star Legion.
Young Women's Christian Association.

The State legislatures of six States—California, Massachusetts, Nevada, North Dakota, Washington, and Wisconsin—have petitioned Congress to submit an amendment.

It will be remembered that President Harding and President Coolidge have both recommended to Congress the submission of a child labor amendment to the States, the former in his message of December 9, 1922, the latter on December 6, 1923. The late President Wilson was an enthusiastic supporter of the principle of Federal regulation and personally urged its importance on both Congress and the country as a whole. The platform of the National Republican Party for 1920 contains the following clause:

"The Republican Party stands for a Federal child labor law and for its rigid enforcement. If the present law is found unconstitutional or ineffective, we shall seek other means to enable Congress to prevent the evils of child labor."

The National Democratic Party in that year made the following declaration:

"We urge cooperation with the States for the protection of child life through infancy and maternity care, in the prohibition of child labor, and by adequate appropriations for the Children's Bureau and the Women's Bureau in the Department of Labor."

In the consideration of an amendment to our Constitution I think it well to bear in mind that this Government is the people's Government. When Columbus discovered America he discovered a great country, but the American people have made it not only a great nation but the greatest nation in the world, and the people ought to have a right to do what they please with their own. If the Government is not what they would have it, it is their own fault. But I do say and contend that we, as their representatives, when requested by a fair percentage of the citizenship of our country to submit to them any proposition to amend the organic law of their country, ought to give them an opportunity to do so. The Constitution of the United States was adopted by the American people and provides the manner in which that document can be amended. If amendments were never intended why was such provision inserted? As ably stated by the gentleman from Virginia [Mr. MONTAGUE] we have the right to amend the Constitution of the United States when two-thirds of the Members of both Houses deem it necessary. And the amendment, when so submitted, shall be adopted by three-fourths of the States in the Union before it becomes effective.

Now, gentlemen, I believe that the constitutional provisions for ratifying amendments to the Constitution by the States submitted by Congress are defective and should be remedied. There is a proposed constitutional amendment now pending before the Judiciary Committee of the House, known as the Wadsworth-Garrett amendment, which I believe Congress should adopt before any other amendment is sent to the States for ratification. [Applause.]

It now frequently happens that when we submit an amendment we find legislatures that were elected before the proposition was ever thought of in Congress, and I believe we should provide that at least one branch of the State legislature shall be elected after the proposition has been submitted to the States, so as to give the people an opportunity to vote for their members, with the proposition in view. If that were done, the people themselves would know they were voting for representatives who would vote on an amendment to the organic law of the land. I believe we can trust to the good, sound judgment of the American people to make such changes as they see proper in the Constitution.

Now, gentlemen, I want to remind you that we are not at this time voting for the enactment of any child-labor legislation; and if we were voting for the enactment of child-labor legislation, I do not believe this Congress, or any other Congress, would ever enact a law providing that children under 18 years of age should not be permitted to work on the farms of the country. My confidence in the intelligence of the membership of Congress would allay my fears of any such performance.

The first proposal that was ever submitted to Congress in the way of a Federal law to prevent the exploitation of children was a bill to prevent the employment of children in factories and mines, and no one rightly constituted would favor putting children to work in mines, factories, or sweatshops. In other words, we are against the exploitation of child labor in factories, mines, or shops, but are not opposed to children from 10 to 18 years old performing suitable work on the farm.

Mr. RAMSEYER. Will the gentleman yield?

Mr. MAJOR of Missouri. Yes, sir.

Mr. RAMSEYER. The gentleman is on the Judiciary Committee, which reported out this proposed amendment?

Mr. MAJOR of Missouri. Yes, sir.

Mr. RAMSEYER. I agree with the last proposition which the gentleman just advanced and I am seeking light here. I want to know why the committee did not limit the proposal to what the gentleman has just suggested; that is, regulating the labor of children in mines and factories instead of conferring upon Congress power also to regulate the labor of children in the home and on the farm and many other places where there never has been any attempt to regulate?

Mr. MAJOR of Missouri. I will tell my distinguished colleague from Iowa that I could not tell you why this amendment was adopted or was drafted in the particular form it is, other than to say that all of the organizations—some 15 or more—that advocated it asked it in this form, and their reason was, I suppose, that in certain vocations children under 18 years of age should not be permitted to work, and they had confidence in the Congress to see that no law was passed including them. That is the only reason I can give you, sir.

Mr. RAMSEYER. Then why include power to regulate such labor on the farm and in the homes? Why should we confer a power on Congress that nobody ever expects Congress to exercise? In other words, we never confer power upon Congress unless we expect Congress to exercise that power, and heretofore Congress has always proceeded to exercise all the power conferred. Why not limit it? [Applause.]

Mr. MAJOR of Missouri. I want to say to the gentleman from Iowa, as I stated before, that when a respectable percentage of our citizenship requests us, not as their guardians, but as their Representatives, for an opportunity to express themselves on an amendment to the organic law of this country, what excuse have you or any other Member for refusing that request?

Mr. RAMSEYER. Just a question there.

Mr. FOSTER. Will the gentleman yield?

The CHAIRMAN. Does the gentleman yield, and if so, to whom?

Mr. FOSTER. Perhaps the gentleman had in mind a fact which the gentleman from Iowa has overlooked, that each of the 48 States has never seen fit to put on such a restriction and neither did the Federal Government in the two acts that were passed. They did not have the apprehension that the gentleman has as to the exercise of reserve powers, many of which are not exercised, whereas the gentleman assumes that they are all exercised by Congress.

Mr. RAMSEYER. I have received letters from organizations——

Mr. MAJOR of Missouri. Mr. Chairman, this is certainly not being taken out of my time.

The CHAIRMAN. Yes. Does the gentleman decline to yield?

Mr. MAJOR of Missouri. I can not yield further then.

Mr. RAMSEYER. I would like to have light from the committee; and certainly if we can not get it from the committee, where are we to get it? Does the gentleman refuse to yield for a question?

Mr. MAJOR of Missouri. Yes, sir. I think I have done pretty well by you. You have used most of my time.

Now, here is the proposition as I look at it: We had exhaustive hearings before the committee. I believe we have gone too far in the centralization of power here in Washington, and I believe that the creation of these boards and the control of a great many of the questions that we have control of here in Washington could be better controlled by the States, but that is a question for the people to decide, and if they conclude, after the matter is thoroughly thrashed out in the States, to adopt these amendments, why have they not the right to do so?

Mr. LEA of California. Will the gentleman yield?

Mr. MAJOR of Missouri. Yes, sir.

Mr. LEA of California. If the committee is willing for the people of the country to take an intelligent and responsible part in this amendment to the Constitution, why did you not refer it to conventions of the States?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MAJOR of Missouri. Mr. Chairman, I ask leave to revise and extend my remarks.

The CHAIRMAN. That right has been granted.

Mr. MAJOR of Missouri. I would like to state in conclusion of my remarks that my position, concisely stated, is simply this: That the question involved here is not one of the enactment of legislation but, on the other hand, is whether or not we will accede to the request of a very large number of our citizens for an opportunity to vote on the proposition that Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age. There has been much said before the committee in its hearings on both sides of this proposition but without regard to the merits or demerits of whether or not the question could be best handled by the States or by the Federal Government. I am of the opinion that we should give the people of the States the right to vote on the proposition, bearing in mind that this is a Government of the people, by the people, and for the people, and we their representatives are their servants and not their guardians.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 30 minutes to myself. How much time have I remaining?

The CHAIRMAN. The gentleman from Texas has 38½ minutes.

Mr. SUMNERS of Texas. Mr. Chairman, I will not be able to yield for interruptions, and I will ask the Chair to be good enough to protect me in order not to take up time in refusing to yield.

The CHAIRMAN. The gentleman from Texas states that he does not care to yield during his address.

Mr. SUMNERS of Texas. I regret exceedingly to find myself in disagreement with the majority of the Committee on the Judiciary and especially with important groups of our people for whom I have the highest respect and with whom I am usually in accord.

I can not profess myself entirely free from the influences which incline human conduct toward the paths of easy progress. I would not be so hypocritical as to profess myself at all times untempted by the whisperings of political expediency. But in this instance, at least, I am conscious that no motive of self-interest and no prompting of cowardice has helped to shape my decision. Maybe I am wrong in my position. But this I know; I feel that I am right, with a conviction which I could not ignore without knowing in my own heart that in the presence of a great responsibility I had made political merchandise of as high a duty as a citizen of this Republic can be called upon to discharge.

In matters of current legislation there is sometimes here a lighter view of public responsibility, and individuals and parties play for positions of political advantage, with only incidental hindrance and hurt to the public interest. But when we come in solemn counsel as to-day we meet to determine in the first instance whether we shall effect a change in the structure of our system of government which the centuries have given to us, which proposed change would reach to the very foundation of that system, and which deal in the most intimate way with things so vital as the childhood of the Nation, men can not think of self-interest. If ever men prayed for the guidance of a wisdom greater than theirs, it should be at a time like this. What shall we do? It is said that in the abundance of counsel there is wisdom. I lay before you for whatever they may be worth the reasons which have directed me to the position which I hold.

This resolution deals with childhood; with every child in every family of the land.

It deals with the government of every family in all the States.

It deals with the structure of our system of government.

It deals with the conditions and the agencies having to do with the development of governmental capacity.

We are commissioned to act under the provision of the Constitution, which is as follows:

> ART. V. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments. * * *

We sit in judgment upon the one issue, the necessity or nonnecessity for the Federal Government to be given the power to regulate or to prohibit the labor of all persons under 18 years of age. This is not a proposition to deal with industries and with commodities as did the laws declared unconstitutional, but to deal directly with persons. It is a proposition to delegate to the Federal Government the most general of the police powers heretofore reserved to the States. Indeed, it is the most comprehensive and intimate of all the powers of government. It sends the power of the Federal Government into the precincts of every home. The judgment and the mandate of the Federal Government thrusts itself between the parent and the child, and the control of the parent over the labor of his or her own child until 18 years of age is subject always to the Federal power.

In the practical operations, if a law follows this amendment effectuating it, the judgment of some bureau employee will control in the home as against the judgment of the father and the mother that nurtured the child and brought him along in the process of his development. If the good old-fashioned father believes it is essential to the development of his child that he shall learn responsibility, that he shall learn to work, that he shall learn to lift the burden from the shoulders of the old man, and the bureau employee does not think so, the judgment of the bureau employee by the mandate of the Congress will control. Nobody can controvert that.

Why, gentlemen stand on the floor of this body and look you men in the face, and offer the argument in favor of granting this power that the Congress will have too much sense fully to effectuate it. That is a great proposition, is it not?

We are not only dealing with the fundamental law of the Nation but we are dealing with the government of the home. That is a power too far-reaching and too delicate to entrust to any bureau employee of the great Federal Government except in the presence of a great necessity, except in the absence of some governmental agency closer to the people than the Federal Government is. My good friend whose name is attached to this resolution, by the very terms of that resolution brings solemn indictment against the States and the people of the States charging that there is not enough manhood and humanity and interest in childhood in the States and among these people to take care of the most priceless asset this world ever had. [Applause.] The States have full power now.

Against the State and their lack of proper care for their children he appeals to the bureaucratic Federal Government. What are the facts? What do they indicate. It depends upon where you look at it from. If you look at the progress made by the States with reference to the protection of childhood from the standpoint of the men and women who believe in popular government, who believe in the capacity of the people to govern, who believe in the humanity of the mothers and fathers of this country, who believe in the integrity and purpose of the State government—when you look at the question of necessity from that standpoint, what do you see?

You see some twenty-odd years ago little children going into the factory, being ground down by their exploiters. Their condition, their helplessness began effectively to appeal to the sympathetic interests of men and women of the communities of the States. They began the fight. There was no Federal Government at work there. Two things, two great things, began to develop. Under the challenge of that condition men and women began to be better men and women. Their love for childhood swept out beyond the confines of their respective homes. They began to feel themselves to be the "keepers" of their little brothers and their little sisters of the factories. They felt the urge of responsibility. To use a common expression, they felt "it was up to them," that it was their business.

Great organizations exploiting children controlled politics, controlled the press. The people lost at first, but they grew stronger in heart, in purpose, and in capacity through the struggle. They could not stop. It was their responsibility. They would not stop. Each time they fought they won more strength and won more strength and won more strength until that glad day came when the common people of this country, the plain mothers and fathers of this country, developed under their own leadership—and you can not underestimate the value of local leadership in the development of conscience and power—they met organized capital and organized greed with all their hired lobbyists and corrupted officials before the State legislatures and won their first important victory.

And they have been winning for 20 years. They have been winning not only for childhood but they have been winning for themselves. They have been winning for community, State, and Nation, an organized militant decency equipped under their own leaders for battle wherever right and wrong are in conflict. This is the record of these years of victory. [Applause.]

I quote from the testimony of Miss Grace Abbott, Chief of the Children's Bureau, United States Department of Labor, given at the hearings before the Judiciary Committee, page 18 of the hearings:

> At present, a minimum age for work in factories has been established in all except in three States at 14 or over. * * * There has been a tendency to establish a special minimum for mines, which is 16 in more than half of the States. But four have a higher minimum than that, and some have lower minima. (P. 18.)
>
> * * * * * * *
>
> * * * The prohibition as to night work for children is also quite general; 35 States and the District of Columbia prohibit children under 16 years of age from engaging in night work in factories and stores, the prohibition often extending to other employment. In some of the States, however, exemptions are allowed.
>
> The matter of the weekly hours of work for children has been a subject of regulation, and most of the States that have an 8-hour day prescribe to-day a 48-hour week, with one State, Virginia, leading in this respect with a 44-hour week for children 14 to 16 years of age.
>
> * * * Twenty-two States make an examination by a physician mandatory before a child may receive his working certificate. In seven others, and the District of Columbia, the examination may be required only if in the opinion of the certificate-issuing officers it is considered necessary.
>
> * * * The 28 States that meet that minimum age as inclusively as did the Federal child labor act are:
>
> Alabama, Connecticut, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, West Virginia, and Wisconsin.

Fifteen other States have certain exemptions. Thirty States meet the requirements as to work period per day. Twenty-six States meet the Federal law as to night work. Eleven others have certain exemptions, and 11 fall below.

The last census showed the total number of children 10 to 15 years of age reported as engaged in gainful occupations in 1920 was 1,060,858. It showed that 647,309 of these children were engaged in agricultural pursuits.

I quote a paragraph from a letter written by the Director of the Census Bureau to the chairman of the Judiciary Committee of the House under date of March 18, 1924:

> It is generally recognized, of course, that the great majority of the children reported by the Bureau of the Census as engaged in agricultural pursuits probably was not, as a matter of fact, working with any high degree of regularity or continuity. Of the 647,309 children 10 to 15 years of age reported as engaged in "agriculture, forestry, and animal husbandry" in 1920, 569,824, or 88 per cent, were farm laborers on the home farm, and it is very probable that a majority of the remaining 77,485 worked either for, with, or under the direction of their own parents. The work of these children doubtless varied from a few weeks or months work each year to regular employment throughout the year.

With regard to children between 10 and 15 years of age, inclusive, in nonagricultural pursuits, the census of 1900 showed a total of 7.1 per cent; 1910, 5.2 per cent; 1920, 3.3 per cent; a reduction of 1.9 per cent during each of these two decades. In 1900, of the total workers engaged in nonagricultural pursuits, children 10 to 15 years of age constituted but 3.7 per cent; in 1910, 2.2 per cent; and in 1920, but 1.2 per cent.

It is to be borne in mind that this is the record of the achievement of the States and of the people of the States. In 1916, according to the Tenth Annual Report of the Chief, Children's Bureau, Department of Labor, only two nations, Norway and Switzerland, had adopted the 14-year age minimum. "Now nearly all the civilized western nations afford the children this protection."

These exceptions are not as important as the number of States to which they apply would indicate. For instance, there are two States which have no minimum age for children in factories and stores, but those two States are Wyoming and Utah, which States, in all probability, have not provided an age limit because no necessity exists by reason of the nonemployment of children in factories and in stores.

Five States are listed as having no provision against night work. Those States are Nevada, Utah, Wyoming, North Dakota, and Texas.

I feel certain that, with regard to the State of Texas, the vigilant people of that State would have asked the legislature to enact such regulation if the necessity had existed, and I know the legislature of that State would have responded to such a request, and no doubt the same is true with regard to the four other States.

From page 23 of the hearings I quote the further following statement of Miss Abbott:

> * * * Most of the regulation and control, however, has come in the last 20 years, since the census of 1900.

The Chief of the Children's Bureau, who by the way is one of the fluest women I have ever met—I hope nothing I may say will be taken as a criticism of her interest or ability—says, "there is a definite tendency to advance."

Who advances the States? How do they advance? What do these advances indicate? What benefit besides that of protecting children as to labor comes to the community and comes to the children as they make progress? This progress is not easy. They have to struggle. That is the plan of life. These difficulties are God Almighty's gymnastic paraphernalia provided for the development of the races of men. And when you run from them and turn over the power and responsibility, even in part, you do just as foolish a thing as an athlete seeking to train himself in a gymnasium would do if he threw the paraphernalia or a part of it out of the window. What was it that made the pioneer great? Was it a lot of people telling him he could not do anything and let us help you do it?

Was that what made them great? It was the challenge of necessity, the inspiring of confidence in themselves. You make anyone cease to believe in himself and you have destroyed him. Do these Federal bureau employees go out to the people and say, "You can do it; you are all right; you are doing fine"? In the last report of the Children's Bureau they say that during 1923 "only eight States made progress." "Only!" The whole psychology is found in the word "only." That shows the viewpoint. They are looking from the top down. They are sent out to tell the people what to do. The people do not do it quickly enough. They want the power to force them to do. That is government from the top downward. If they had believed in the people, if they had hope in the people, if they were willing to trust the people to govern, they would have said that in one year eight States had made substantial progress, and they would have thanked God for the victory. That is the difference. Only eight States! There is nobody patting them on the back and saying that they are all right, they are doing fine, that they can win, that God has given them the power, that it is their responsibility, that these children are their heritage; it is not good to teach dependence. And it is not fair in the face of the record to assume that the States are failing in the task which they have assigned to themselves.

That course will never make a strong people; that course will never make a people grow and develop. The thing to do is to say to the people, "You have got to make the fight." They are

making it. I do not question anybody's motives. We are all interested in the welfare of the children of this country and of our Government. There is a difference of judgment as to what we ought to do.

My good friend, Mr. FOSTER, a man of sincerity and of ability, brings this indictment. He charges the people of the States with neglecting their children. He says that they are incapable of dealing with the problem; that the Federal Government must be given this power. The matter is submitted to the Judiciary Committee of the House, and the Judiciary Committee of the House, acting as a sort of preliminary grand jury, finds that an indictment ought to be returned. You gentlemen sit here as a grand jury. You are going to find this afternoon by your solemn determination, as a necessity, that the people who send you here and the States that send you here are guilty of the charge. I demur to the sufficiency of the testimony. It is not the truth under the record. These are peculiar times, it seems to me.

The question of my friend Mr. RAMSEYER is very significant and indicative of the spirit of the times. Everyone wants to legislate for somebody else's folks. My friend Mr. RAMSEYER—and if necessary to avoid an interruption I shall withdraw the statement or cut it out—is willing to legislate for the folks in the city, but he does not want any legislation for his folks in the country. He does not want this to apply to children on the farms. In the hearings before the Committee on the Judiciary three representatives from the State of Massachusetts appeared. They told us they had the best folks and the best laws in the world, that they were doing everything necessary for the children in Massachusetts, but that away off yonder somewhere somebody was not doing what they ought to do, and they wanted to make them do it. [Laughter and applause.]

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. No; I withdraw the statement.

Mr. RAMSEYER. I do not want the gentleman to withdraw it. I want him to leave it in.

Mr. SUMNERS of Texas. I am sorry I can not yield. The great, big drive in this particular procedure is based largely upon the alleged necessity to do something to protect the boys and the girls on the farms. The more than 600,000 of them are used to make up the million working children mentioned in all the propaganda. Take the reports of 1922 and 1923 and the studies that have been made. Here is a little pamphlet entitled "Child Labor Facts," issued by the National Child Labor Committee this year. It is about the last thing they have gotten out, I believe. This is on the first page:

> Over a million children engaged in labor.
>
> Agriculture is the only important field of work entirely uncontrolled by legislation.
>
> Why do they say that if they are not proposing to control that field of work? That is what they are talking about and are urging as a need for this proposed Federal power.
>
> The South, because of its agricultural character, still leads in child labor.
>
> Agriculture employs three-fifths of the million child laborers—

And so forth.

I was talking to one of my friends from Mississippi the other day. He was talking about these poor little factory children in States like Massachusetts. He wants a Federal power to regulate them, but he said: "I do not want them to bother with the folks in the country." [Laughter.] He ought to stay out of it, then. Massachusetts says it does not need this amendment but Mississippi does, and Mississippi says it does not need it but Massachusetts does.

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. If I have misstated the gentleman's position I yield, but if I have not I can not yield.

Mr. FOSTER. It is not concerning the gentleman's statement.

Mr. SUMNERS of Texas. I am very sorry. It is always somebody away off yonder. Nobody seems to trust the people of the States to govern themselves. Well, gentlemen, if they can not govern themselves, we are gone. Our whole system is based upon the theory, if not upon the belief, that they can. At least it was based upon that theory. The modern theory seems to be that they can not and that bureaus must govern them. I say there is nothing in fact or in history to justify the modern theory.

Gentlemen, we are dealing not only with child labor but we are dealing with the structure of the Government. This proposed amendment is not an amendment to the Constitution; it changes fundamentally the system of government. I challenge the opinion of every student not only of our Constitution but of our history if that is not true. We talk about our Constitution being the greatest document which at one time was struck off from the brain and purpose of man. That is pure rot, absolute rot.

Our Constitution has been transplanted twice. In the fifth century the Germanic peoples, the Angles, and the Saxons, when they settled on British soil, planted the institution of local government, and during all of the vicissitudes for government in Great Britain that principle obtained. The Government of the Town, the government of the Hundred, the government of the Shire resisted even the Norman conquest. We talk about State rights. State rights are nothing. It is the necessity to govern that is valuable. You can not preserve mental development and progress among our people unless you preserve the necessity and the responsibility of government. During all of those years the necessity of the people to govern obtained. Out of the Shire, out of the Town, out of the local leadership, out of that local government they drew the material to build up the Parliament of Great Britain. Up from those people came our common law, the most marvelous body of laws that history records. They came from the common people.

I believe in the people, and I am justified by the history of the world in that belief. [Applause.]

Mr. Chairman, there is not a single great provision in the American Constitution that was not first declared in the constitutions of the States, which were written 10 years before. One hundred and thirty years before the Constitutional Convention assembled it was declared in Massachusetts that there can be no liberty where the executive, the legislative, and the judicial powers of government are combined. We have the warning of all the ages against our bureaucratic tendency, and yet we are concentrating governmental power here which we are taking from the States and creating these bureaus to take care of the overplus of governmental responsibility. We are giving to them legislative, executive, and judicial powers. They make the rules, they construe the rules, they enforce the rules, and then we wonder that there sometimes comes corruption and mismanagement. You have oppression, tyranny, and extravagance wherever there is a combination of legislative, executive, and judicial power. We have overloaded the Federal Government.

I make that as a statement, and there is no man here who can deny it. We have overloaded the machinery of the Federal Government to the point where it can not function as a representative government. That is a fact. We grope our way through legislation without properly understanding the tremendous matters that we legislate upon; we have shifted governmental powers and responsibility that under the genius of our Government ought to remain here, to bureau after bureau, because our Nation is so big, its population is so numerous, that it is beyond human capacity for us to operate it through the machinery of representative government. It is not a theory, as it once was. It is a fact. We are destroying our system of government at both ends. We are taking from the States those governmental responsibilities which they must exercise in order to preserve their vigor, and we are destroying the system at this end by overloading the Federal machinery with that responsibility taken from the States.

These bureaus have grown until their personnel of the Federal Government is between five and six hundred thousand people. Less than 600 of the whole personnel are elected by the people, and every one of those elected is functioning up here in this little spot on the eastern border of this country. If you delegate this power to the Federal Government, as is here proposed, the real administration of the laws enacted is going to be in persons four or five removed from anybody whom the people have elected.

Mr. MOORE of Virginia rose.

Mr. SUMNERS of Texas. I regret I can not yield. I do not want to be discourteous. The thing has come about, gentlemen, until these bureaus, by reason of the fact of their power, by reason of the tremendous number, by reason of the volume of business we turn over to them, these bureaus are ceasing rapidly to be the aids of the Government through which representative government functions and are becoming the real governors of the people. [Applause.] Talk about popular government! Why, gentlemen, this Federal Government never was designed, and never can be designed, and never can function as the agent of popular government.

The genius of our system is not to be found in Federal Government; it is to be found in the States. The States themselves are the direct and lineal descendants of that system of government planted by the Germanic people on the shores of

England in the fifth century. When we came to this country we planted those institutions in American soil. In the fertile soil of pioneer life it progressed and developed with tremendous rapidity. When the time for the declaration of our independence came about it was not a declaration of independence nor a revolt against that Government grown up from the people; we revolted against King George, but never against the Government which had come from the people. When the English governors left we selected somebody to take their places, and the colonies became the States. When the States had failed in their operations under the Articles of Confederation it became necessary to form a more perfect Union, and the wisdom and the genius of the fathers is shown, not so much by any creation by them, but it is shown in what they did not try to do. They did not try to create a government. They declared that which had been created. I speak of the State and National Governments. Why, popular government can not be created by constitutions. Popular government creates constitutions. They come up grown like a tree from the instinctive love of liberty that God has put in the heart of man. It is not progressing when you destroy the sense of responsibility.

I am against this proposed amendment, because I am interested in childhood as everybody else is interested in childhood. And let us see what this resolution proposes. This power is negative; it closes the door of the factory or farm. That is all, except that it divides responsibility. What do the States do? The children need not only the factory door closed but they need education, they need hygienic conditions, they need schools, they need playgrounds, they need moral surroundings. Who can give it to them? I say, gentlemen, you take away from the childhood of America a thing of value when you divide that responsibility. This matter of child exploitation is the one thing that is appealing to the sympathy and serious concern of the people of the States as nothing else does. Out of that a comprehensive constructive program for childhood is developing. I say it is a tragic thing to contemplate if the Federal Government closes the doors of the factories and you send that little child back, empty-handed; that brave little boy that was looking forward to get money for his mother for something to eat. But the people of the States, aroused under a sense of undivided responsibility, do not send the child upon the streets. The people of the States, aroused to interest by his exploitation, take a comprehensive interest in him and in his family. They are providing pensions for the widowed mother and her children. They are not going to send the child on the street. They provide schools and recreation centers. It makes bigger people; it makes better people; it makes a militant people. You develop local leadership, you develop local pride, in the protection of their children.

Everybody knows the historical fact that the one thing in all the program that has led to child betterment in America has been the protest against factory labor.

The CHAIRMAN. The gentleman from Texas has used 30 minutes.

Mr. SUMNERS of Texas. I will take one minute more.

Now, gentlemen, what are we going to do about it? You are going to write a verdict that is not warranted by the facts against the people of the States.

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. If you will give me time, I will.

Mr. FOSTER. You started out this morning with 50 minutes more than any of us.

Mr. SUMNERS of Texas. I thought the gentleman was going to yield. Do not count that in my time, Mr. Chairman.

Gentlemen, I have done the best I could. If I have spoken in a way that is offensive, I wish to assure you that I did not intend to do so. I know I have spoken to my own hurt. I must pay the price. I believe this is hurtful to the States, to the Nation, and to the permanent interest of the children of America. To discuss a question like this in 30 minutes is impossible. I have undertaken to discuss this question from the standpoint of the child and from the standpoint of the Government. Gentlemen, this process of centralization can not continue.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SUMNERS of Texas. I will yield myself one minute more.

I repeat, Mr. Chairman, this process of centralization can not continue. You can not maintain the American Republic and our institutions and protect the childhood of this country by means of a citizenship that can not make our States function, and upon a system under which the States will not discharge their duty; and you can not make people discharge their duty unless you hold them closely to the necessity and to the responsibility of discharging their duty. I thank you, gentlemen. [Applause.]

The CHAIRMAN. Does any other gentleman care to yield?

Mr. FOSTER. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes. I believe the committee appreciated the attention and good order that we had during the last speech. Let us just make it that way all the time. [Applause.]

Mr. GRAHAM of Pennsylvania. Mr. Chairman, may I ask the gentleman from Texas how much time he has left?

The CHAIRMAN. The gentleman has six and one-half minutes.

Mr. TINCHER. Mr. Speaker, on yesterday we listened to some good speeches on this subject, perhaps some were as eloquent as have recently been delivered in this Hall. From a standpoint of opposition to this measure I think the Democratic leader [Mr. GARRETT of Tennessee] made as fine an address as can be made from that standpoint. Personally, I differ with him as to what the organic law should be on this subject. His arguments for State rights and in favor of the States having full power in matters of this kind would, of course, apply with equal force to the subject of prohibition and to some much older fundamental questions.

We all agree that we must not have child slavery. The only dispute is whether it is a State question or a Federal question, or both. It is my judgment that if every State in the Union save one were to pass a child labor law like most of the States have now, and that one State should stand out and permit child slavery, that State's attitude would be sufficient cause for the adoption of the constitutional amendment proposed.

Mr. HILL of Maryland in his speech yesterday opposed the amendment, and quoted from the first Republican platform to prove that Lincoln was for State rights. That was an unfortunate quotation so far as its application in this particular instance is concerned. That platform was denouncing a program of citizens of other States forcing slavery upon Kansas. Lincoln's position at that time, as all who are familiar with history know, was that the State of Kansas itself should be permitted to decide whether it would have slavery or not. After that time Lincoln decided to go further than to deny one State the right to force slavery upon another, as that platform did, but denied any State the right to have slavery.

It is unfortunate that some of the States have held back in the matter of passing laws on this subject. It is unfortunate that it is necessary for the Federal Government even to contemplate the forcing upon any of them of this humane proposition, but I prefer to go along with men like General SHERWOOD, who, I think has a better chance in this instance to know the views of the beloved Lincoln, than to follow Mr. HILL of Maryland.

The gentleman from Virginia [Mr. TUCKER] in speaking yesterday morning, said that they did not know what they would do with the colored children in the South if we adopted such an amendment. I notice his remarks this morning in the RECORD certainly read better, by the insertion of a few words that were not uttered, than they sounded; but this question has been settled. We are not to have any form of slavery in the United States. And if the States themselves, some of them, have been so negligent in the passage of these laws that our Government, the greatest of them all, is outranked by nearly every other Government in the world in this one respect, it is high time that we cure it in the orderly, straightforward American way, by amending our Constitution.

I am not only for submitting the proposed amendment but I hope the States will ratify it and after they do, I am in favor of Congress, if occasion demands, passing such laws as will not only prevent any form of child slavery in America, but will place us upon an equal basis with, if not make us outrank, any other nation in the treatment of our children.

This is not a question that can be ridiculed and laughed out of court, as was attempted yesterday by my friend from Texas [Mr. LANHAM]. You can not, by absurd comparisons and statements, make the people of this great country of ours lose sight of the issue involved. My State has good and wholesome laws upon this subject, but the children of other States deserve good and wholesome laws. The principle involved in this question is one of the oldest controverted questions of government. It has been practically cured by certain amendments to the Constitution, and the Congress thought that the Constitution would permit the curing of this by the Federal Government, and passed two laws which were held unconstitutional by the Supreme Court. The opinion of the court was divided. The

orderly way now is to afford the States the opportunity to amend the Constitution.

The CHAIRMAN (Mr. DENISON). Does any gentleman yield time?

Mr. GRAHAM of Pennsylvania. Will the gentleman from Texas yield the remainder of his time?

Mr. SUMNERS of Texas. I yield the remainder of my time.

Mr. GRAHAM of Pennsylvania. That is six and one-half minutes. I yield in addition to that six minutes, making twelve and a half minutes, to the gentleman from Massachusetts [Mr. ANDREW].

Mr. ANDREW. Mr. Chairman and gentlemen, out of the discussion of this intensely appealing problem, two very encouraging facts have emerged.

First, the figures presented have revealed tremendous improvement in the child-labor situation during recent years. The census of 1910 showed that 2,000,000 boys and girls under 16 were working in that year—or more than 18 per cent of the children of that age, but the census of 1920 showed that during the 10 succeeding years the number so engaged had been cut in half, notwithstanding the intervening increase in population. The percentage of children so employed had been reduced by more than half. Speaking in exact figures, the proportion of children under 16 engaged in work was reduced during a single decade from 18.4 per cent in 1910 to 8.5 per cent in 1920.

Second, the record of State legislation has shown that the individual States made great and rapid strides during the same period in protecting children's health, education, and working conditions. Within the decade just elapsed every one of the States has come to have written upon its statute books laws compelling school attendance, as well as laws governing employment of children in industry. Some of the States have passed from six to ten successive laws restricting child labor. With regard to child labor in mills and factories, 45 of the 48 States to-day prohibit such work for children under 14, and there is less ground for anxiety about the 3 States that are remiss in their factory-age standard, because they are not industrial States and have virtually no factories employing children—Utah, Wyoming, and Mississippi. Even the last-named State has a 14-year minimum for girls and a 12-year minimum for boys.

With regard to child labor in mines, 41 of the 48 States have now a 16-year age minimum for such employment, and of the 7 States which lack such provisions 5 are not mining States, and 1 of the other 2 has a 15-year age limit and the other a 14-year age limit.

Both the census statistics and the reports of State legislation tell the same story. The conditions are by no means what they were a decade or so ago when so much was said—and rightly said—about the "cruel slavery of little children in mines and factories."

Let me quote the words of Mr. Raymond G. Fuller, one of the ablest and best-informed students of the subject, in his work upon Child Labor and the Constitution. Mr. Fuller is an advocate of this Federal amendment, yet he speaks as follows:

> Nine out of ten persons still think of child labor in terms of bygone conditions or of conditions that represent only a fraction of its total amount to-day. Nine out of ten think of it in terms of the spectacular horrible conditions calling for drastic methods of reform. Such thought of it does not fit the present situation. The worst evils of 40, 20, even 10 years ago have been removed or vastly abated.

The fact remains, however, that about a million children under 16 were still recorded in 1920 as engaged in gainful occupations, and this situation must give us pause and demands investigation. Let us look into the figures a little further. What we find is this: That of the million children employed in 1920 more than 647,000—or more than three-fifths of that number—were employed on farms, the bulk of them on home farms. Only 413,549 were reported as gainfully employed in nonagricultural pursuits, and the census shows that of this number the larger proportion were not engaged in mines and factories or in dangerous and unhealthy occupations, but were messengers, office boys and girls, newsboys, clerks, and employees of stores. Let it also be observed that the census figures which have been quoted include all of the boys and girls who were gainfully employed; no matter whether their work was harmful or beneficial; no matter whether it was indoors or out of doors; no matter whether or not they only worked during vacation or after school hours or on Saturdays; no matter whether they helped merely during the planting and harvesting periods or the fruit picking and canning seasons; no matter whether or not they were getting a part of their vocational education as apprentices in actual work instead of in the schools. There may be a million children under 16 who still at some time in the year perform some labor for which they are paid, but the situation is certainly not as deplorable as that statement would seem to imply.

There are doubtless still many delinquencies in legislation, many lamentable instances of lax enforcement, many conditions still requiring remedy, but the child-labor problem of to-day is by no means what it was a decade ago. The facts just quoted show that legislation by the States and its enforcement by the States have been improving by leaps and bounds. Only last year seven State legislatures added to their existing child labor laws. The question, therefore, presents itself to us to-day in a very different aspect from that which confronted our predecessors 10 and 20 years ago, when Federal legislation for the restriction of child labor and for the protection of children was first asked for. We must not discuss the question to-day in terms of 1900 or 1910. We must ask ourselves first whether the evils which still remain are sufficiently urgent and otherwise irremediable to justify the drastic step of a constitutional amendment. I must confess, in view of the changed conditions, that I, for one, believe it altogether doubtful whether further attempts at Federal legislation in this field are justifiable.

Mr. Chairman, as I view the question, this proposed amendment is part and parcel of a much larger problem. The fundamental problem is whether we propose to abandon altogether the method of government by States which in the past has insured adaptation of law to local conditions, and made possible law enforcement in the only way in which laws can be effectively enforced—through the respect and concurrence of local opinion. [Applause.]

This is a very large and immensely grave problem which underlies the whole structure of our Government and upon the decision of which may very well depend our Government's continuance. Advocates of every sort of reform are looking more and more to the Nation's Capitol to correct local abuses and to launch new adventures in philanthropy upon a national scale. Every Congressman's daily mail brings letters urging support for Federal legislation to promote one or another more or less praiseworthy purpose which is inadequately realized in certain States or sections of the country. We are urged to support new Federal laws not only for the protection of children and women in industry and the restriction of the hours and wages of labor but also for the advancement and control of education; for assistance to mothers in childbirth; for the correction of inadequate divorce laws; for the suppression of gambling, prize fights, and lynching; for the encouragement of physical training; for the censorship of the press, moving pictures, advertisements, and general literature; for the control of hunting and fishing—in fact, for the regulation of everything in our lives and business except our inmost thoughts.

Our daily conduct from the cradle to the grave is thus being surrounded with restrictions emanating from the National Government, administered by Washington bureaus, enforced, or putatively enforced, by Federal police. Instead of confining the Federal Government, as was intended by the founders, to certain functions which could not be effectively handled by the States such as the control of the Army and Navy, our foreign relations, our interstate and foreign commerce, our Postal System, our coinage and our currency, we are developing a Federal administration which parallels most of the activities hitherto looked after by the States, and which attempts from Washington to regulate and police everything, that we have, everything that we buy and sell, everything that we enjoy, everything that we do.

The tendency is open to serious objection from many standpoints. First of all, it involves a vast addition to the expense of Government. It makes of Government a two-headed monster, with two sets of laws governing the same subjects, though not always conforming one with the other. It means two sets of bureaus doing the same thing with double overhead, a twofold machinery for enforcement and twice the necessary personnel. And what is worse, the cost of every new Federal bureau once established grows by what it feeds on. People anxious for betterment of conditions in States that are remiss in one or another direction first implore their representatives in Washington to establish a Federal bureau, and to enact legislation for the entire country in order to correct these local deficiencies. Then, when the wedge has been entered, they seek to drive it further. Inevitably and annually, they demand enlarged appropriations and additional enforcement officers, because the Federal bureau feels that it needs larger scope and power, and because the national laws thus enacted to remedy local conditions can not be made operative in these localities

without coercion. The case before us is a case in point. We established a Federal bureau to study the problems of children, and then came the demand for larger and larger appropriations, for extended powers, for more agencies and agents to do what the State bureaus have hitherto been doing. The cost of our Federal administration is thus continually mounting. The number of Federal officeholders is continually multiplying. During the past 50 years, the number of Federal employees has increased nearly four times as rapidly as the population, and the cost per capita of the purely civil establishment (leaving out of account the Army and Navy, interest on the public debt, the expenses of the Veterans' Bureau, and the Shipping Board) is to-day nearly five times what it was 50 years ago.

In the second place, the tendency, if it continues to develop as it has in recent years, will in another generation make State legislatures and State administratives useless. They will have nothing to do except to reenact and assist in executing the laws and decrees of Washington, and when that time comes, as it surely will come unless we quickly "right about face," we might as well dissolve our State lawmaking bodies and make our State officials agents of the national administration. The country will not and can not afford to maintain superfluous State lawmakers, State bureaus, and State executives when their powers and functions have been reduced to shadows. I question whether the public realizes the growing expense entailed by the present drift toward overlapping jurisdiction. I question whether the people of the several States will be content to see their local governments completely wiped out and superseded by government imposed from beyond their borders.

In the third place, I question whether many of those who now so eagerly seek Federal intervention at every turn appreciate how obnoxious the realization of their demands is likely to be, how certain it is to breed friction and dissension, how damaging to the respect for law, how menacing to the very permanence of our Government. Yet if their demands are listened to, if Congress continues to legislate about matters not essentially national, but to remedy local abuses and deficiencies, if Federal bureaus send more and more of their agents and wardens and police into our factories and stores and homes, the Government in Washington is certain to become more and more the object of distrust and animosity. Different sections of our vast country will be more and more lined up against each other. Our political parties will tend more and more to divide along sectional lines. In seeking to build a more powerful central government we shall tend to weaken it by making it less respected. Mr. Chairman, by pursuing this policy we are sowing the seeds of disruption and perhaps ultimate disunion. By following European models of centralized government we are not inconceivably imperiling the very continuance of the greatest experiment in popular government which the world has ever known.

Mr. Chairman, when certain States are found lax in some field of appropriate control, it would be far wiser, instead of urging the Federal Government to multiply its laws, officials, bureaus, enforcement officers, and courts, with all that this means of enlarged and duplicating expense and annoying interference, to concentrate effort on the correction of deficient legislation or of negligent enforcement in those particular States. If in certain parts of the country the sentiment of the people has not provided, or is not supporting, wise legislation in one field or another, it would be far better to focus effort upon those sections and persuade their people willingly to adopt such measures than to seek to impose forcibly upon them legislation framed in Washington, which they perhaps have not been educated to approve or understand and which must necessarily be put into effect by outside officials sent into those regions under orders from Washington.

This is why we are bound to withhold support from many measures with the general intention of which we may be in complete accord. This is why we are bound to question all proposals for Federal laws duplicating State activities, no matter how estimable or appealing their particular purposes may be. It is on such grounds that many of us voted against the maternity bill and are reluctant to favor Federal bills looking toward control of the public schools, the press, moving pictures, physical education, hours of labor, marriage, divorce, lynching, hunting, and scores of other matters. Such proposals often have a noble purpose and a strong emotional urge, as in the matter of child labor, which is before us to-day; but here, as in most of the other cases, in my judgment, legislation and its enforcement can be left more wisely, as the founders of our Federal Government intended that they should be left, to the governments of the several States.

The time has arrived when we must call a halt upon an usurping Federal Capital. We must stop right here and now, if we are not going to abandon altogether the spirit of freedom, the tradition of home rule, and the essential principle of government by the consent of the governed, which are our richest heritage. [Applause.]

Mr. FOSTER. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. MICHENER].

The CHAIRMAN. The gentleman from Michigan is recognized for five minutes. [Applause.]

Mr. MICHENER. Mr. Chairman and gentlemen of the committee, I am in exact harmony and accord with much that has been said by the gentleman who preceded me, but I am mindful of the fact that to-day we are not deciding whether or not it is a wise policy to amend the Federal Constitution as a general proposition, but we are to determine on the advisability and necessity for this amendment.

I listened with much interest to the splendid address of my good friend, the gentleman from Virginia [Mr. MONTAGUE], and to the splendid scholarly speech of my friend, the gentleman from Texas [Mr. SUMNERS]. I agree with much they say; but, gentlemen, every time a constitutional question is up for consideration we hear that same argument repeated by gentlemen on this floor. If you go back to the records you will find that speeches of a similar nature have been made from time to time by these State rights people against the seventeenth amendment, against the eighteenth amendment, and against the nineteenth amendment. As a rule, the people who are opposing this amendment are the same people who opposed those amendments.

Mr. MONTAGUE. Will the gentleman yield?

Mr. MICHENER. Yes.

Mr. MONTAGUE. Will the gentleman cite me to the place and time that I spoke on those amendments?

Mr. MICHENER. I will withdraw that statement as far as my good friend is concerned, but I will say that I have heard him repeat these things so many times in committee that I have almost commenced to believe some of them.

Mr. MONTAGUE. It is a pity the gentleman can not.

Mr. MICHENER. Be that as it may, I say that the regulation of child labor has been before the American people for many years, and what has been the result? The very people who come here to-day and ask us for more time are the people who have from time to time asked us for more time. In 1916 when we passed a Federal law we found that a necessity existed, and Congress was thoroughly convinced that that statute was necessary and was needful and helpful, and the American people approved that law. There are men here to-day who voted for that law, and who then proclaimed by their vote and by their word that it was necessary, who are now telling us that we do not need it and that the children do not need this protection. Why, men, if we needed it then we need it now, and if some of the States will not step up to the line and establish proper standards, then it should be possible for Congress to do it.

I have no use for so many bureaus. I have no use for this coterie that comes to Washington for everything. It is true the country is overrun by agents—Federal agents—but some of the men here who to-day are talking about the country being overrun by Federal agents are the very men who want more Federal agents if they have anything to do with sending money into their States. Is not that true? When it comes to the question of good roads our friends say, "Let us have them." When it came to the question of the maternity bill many of them said, "Let us have it." When the question refers to money going into the States in the shape of Federal aid which carries Federal regulation we hear nothing about losing State rights.

Mr. McSWAIN. I did not vote for the maternity bill.

Mr. MICHENER. They are the very people who are insisting on those things, and yet to-day——

Mr. FOSTER. Will the gentleman yield?

Mr. MICHENER. Yes.

Mr. FOSTER. The records show that every Southern State but one has taken advantage of the maternity appropriation, and only 8 States out of 48 have failed altogether to take advantage of the maternity appropriation. That was popular.

Mr. McSWAIN. The gentleman was looking right straight at me and shaking his "gory locks at me," but I want him to understand that I did not vote for it.

Mr. MICHENER. But you come in here and ask us to help eradicate the boll weevil, and if we are asked to engage in any other public activity in the gentleman's State he stands up here and insists on it, but that is beside the question. The first bill looking toward the regulation of the labor of children by the Federal Government was introduced into Congress in 1906, and from that day up to now the matter

has been thoroughly considered and discussed. The first Federal child labor law was adopted in 1916, and after this law had been in operation a little more than nine months it was declared unconstitutional by the Supreme Court of the United States, and in February, 1919, the child labor tax law was enacted, only to be declared unconstitutional on May 15, 1922. During the last Congress the Judiciary Committees of both the Senate and the House reported favorably constitutional amendments making it possible to control child labor. During the present session of Congress the Judiciary Committee has held extensive hearings covering all phases of the subject, and after careful consideration has favorably reported the pending legislation, with the recommendation that the resolution be agreed to. The Senate Judiciary Committee has taken like action, and consequently it can not be said that our action at this time is ill-advised or hasty.

As a general proposition it is conceded, or at least not seriously denied, that legislation is necessary in many States of the Union for the protection of the children of those Commonwealths. Some States have splendid child labor laws, and it is not the purpose of this resolution to prevent the States from enacting beneficial laws but simply to make it possible to establish a proper minimum standard for the protection of all the children in all the States.

Those opposing the resolution are divided into two classes—first, those who believe that child labor is a matter to be controlled entirely by the States, and, second, a very small number who believe that the Government, Federal or State, should not attempt to regulate the hours and conditions under which children labor or are employed.

Many of those belonging to the first class view with apparent alarm amendments of this character to the Federal Constitution. These same people, as a rule, strenuously opposed the seventeenth, the eighteenth, and the nineteenth amendments. They feel that regulation of this nature is a matter wholly for the sovereign States. They insist that this is paternalism and centralization of the kind which imperils our form of government.

Personally I am one of those who strenuously oppose miscellaneous tinkering with our Constitution. I deplore the paternalistic tendency of the General Government. I am cognizant of the fact that of late there has developed a tendency toward a top-heavy Government in Washington. Our people are looking too much to the Federal Government and are demanding from that source relief, aid, and supervision which belong to and should be administered by the State. The integrity of the State and the individualism accompanying it have made us what we are, and I for one am loath to do anything that would tend toward the destruction of local self-government, stimulated by local pride and responsibility.

I hold in my hand a letter written by Henry M. Bates, dean of the law school of the University of Michigan. In addressing Mr. FOSTER, the author of this amendment, Dean Bates says:

> I venture to write to you in support of the proposed amendment relating to child labor, as printed in report No. 395 of the Sixty-eighth Congress.
>
> As you well know, all efforts to secure valid congressional legislation on this subject without amendment to the Constitution have failed. There is no other recourse, if we are to meet this serious evil, than to amend the Constitution. I am not one of those who is willing to see an unlimited extension of Federal power, but where economic and social considerations demand as urgently as in the case of child labor national dealing with a subject, I am willing to see the national power expanded to meet the need. I sincerely trust that the amendment will be pushed in Congress and presented to the several States.

And Dean Bates is one of those constitutional lawyers who only consents to amendment when amendment is essential.

Amendments to the Constitution of the United States are regulated by Article V, which provides, among other things—

> The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution.

Therefore before Congress can propose an amendment a necessity therefor must be established, and we are confronted with the question: Is a constitutional amendment necessary for the protection of our children?

There is inherent power in each State to enact all proper legislation covering the subject, but the fact is that several of the States have not exercised this power, and if we are to judge by the attitude of some of those appearing before the committee there is no inclination on the part of those States to pass laws establishing minimum standards which in any way meet the demands of the hour. We are confronted with facts and conditions and not with theories. It is true that much progress has been made along this line during the last decade. It is also true that this progress was stimulated and that many improvements were made after the enactment of the two child labor laws which were declared unconstitutional. However, no State having a child labor law which fell below the standards of the former Federal laws has brought its laws up to the standards of the former Federal laws.

It was hoped that when the Federal law was declared unconstitutional that these backward States would do that which the opponents of this measure now contend that they will do, and bring their laws up to the standard; but this was a vain hope. Only eight of those States have improved their laws on the age and hour standards, and I am pleased to say that my home State of Michigan is one of those States. Notwithstanding these hopes and promises, child labor has steadily increased since 1920. Statistics compiled by the Children's Bureau of the Department of Labor indicate that since the middle of 1922 the number of children between 14 and 16 going to work has steadily increased. In 19 of the cities reported in 1923 there was an increase over 1922 of at least 20 per cent, and in nine cities the increase was approximately 50 per cent or more. These figures are based upon the number of work permits issued, and show, therefore, the number of legally employed children, and, of course, there is no way of ascertaining the number who were illegally employed.

In arriving at a decision as to whether or not there is a necessity for Federal action in this matter, be it remembered that in the United States to-day one child out of every 12—and in at least one State, one child out of every four—is a child laborer. Over 1,000,000 from 10 to 16 years of age are working in the United States in factories, mills, canneries, agriculture, mines, and in other industries and occupations. Nearly 400,000 of them are between 10 and 14 years of age. Nine States have no laws prohibiting all children under 14 from working in both factories and stores. Twenty-three States with a 14-year minimum age limit have weakened their laws by permitting exemptions under which children not yet 14 may work. Thirty-seven States allow children to go to work without a common-school education, and eight do not make physical fitness for work a condition of employment. Fourteen States allow children under 16 to work from 9 to 11 hours a day. Two States do not regulate in any way daily hours of labor for children. Five States do not protect children under 16 from night labor. Eighteen States have no definite educational requirement for children leaving school to go to work.

The object of the first and second Federal child labor laws was to prohibit the work of children under 14 in factories and canneries, and of children under 16 in mines and quarries, and to prohibit the work of children 14 to 16 years of age for more than eight hours a day for six days a week in factories and canneries.

The statutes are most salutary. Nevertheless, after the first ceased to operate nearly three times as many violations of the Federal child labor law standards were found in 10 States as had been found in 25 States when the law was in force. After the second was declared unconstitutional an investigation of 39 factories in one State brought to light 560 violations of Federal standards and 149 violations of the State child labor law.

While the States have plenary power to deal effectively with this subject, yet they have failed to exercise that power. They still refuse to exercise that power, and we are asked to defer action until such time as these delinquent States come to an understanding of the real needs of these beneficent laws. How long must we wait? The children of to-day are the men and the women of to-morrow. They pass this way but once as children. A public consciousness awakened in the people of the States a few years hence will not atone for the sins visited upon the present generation. We are not dealing in dollars and cents, we are not dealing with property, we are dealing with human lives. We are building the citizenship of our country, and as we sow so shall we reap. This is a national question and should be dealt with as such, and our scruples against constitutional amendments should in no way interfere with our exercising our right to amend the Constitution when necessity requires.

With that small number of our citizens who feel that there should be no regulation by law of the hours and conditions under which children labor or are employed I have no sympathy. Their contention in this day and age should not be given serious consideration. We may prate about parents properly caring for their children, about work being good for children, and about the invasion of the home by the Government, yet the fact remains that there are those among us who for their own greedy purposes would exploit child labor, and all laws are necessary for the protection of the many against

usurping Federal Capital. We must stop right here and now, Congress in 1906, and from that day up

the few. The individual who opposes this amendment from a mercenary standpoint is not a good citizen and should be so branded.

We are told in this debate that if this amendment becomes effective that the boys and the girls will be prevented from doing chores on the farm; that immediately the power is vested in Congress that power will be exercised without reason and without common sense. The best answer to this argument is the fact that Congress thought it possessed the power to pass child-labor legislation and did pass two Federal laws, and there is no reason to presume that a Federal statute enacted after the ratification of this amendment would differ widely from the statutes already passed. Every State in the Union to-day has unlimited authority to pass child labor laws, yet no State has passed an unreasonable law. The tendency is in the other direction. This is merely an enabling act and must be ratified by 36 out of the 48 States before it is effective.

The childhood of America is calling, and I believe a vast majority of the people is demanding, that we, the Representatives of the people, make it possible for the sovereign States of this Union to say whether or not this amendment should be made to our basic law. The framers of the Constitution anticipated the need of change and they provided the method. The Constitution is not a barrier in the path of new measures for new needs. This amendment must be passed or present conditions will continue.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MONTAGUE. I want to say to the gentleman that I do not defend the Southern States, because I think they are amongst the worst offenders.

Mr. TILLMAN. Will the Chair please indicate how many minutes I have remaining?

The CHAIRMAN. The gentleman from Arkansas has 24 minutes remaining.

Mr. TILLMAN. If it is agreeable with the gentlemen on the other side, I might consume all of my time; or does the gentleman from Ohio desire to yield time?

Mr. FOSTER. No; go right ahead.

Mr. TILLMAN. Then I yield four minutes to the gentleman from New York [Mr. DICKSTEIN]. [Applause.]

Mr. DICKSTEIN. Mr. Chairman and members of the committee, I have heard both sides of the case, and I can not conceive of the fact that there are opponents to this resolution. Is it their purpose to claim State rights? I can not believe that. What is in their minds and what objection have they to this resolution that will more or less be submitted to the States for ratification and the result of which will be to protect the children of America?

Let us see what the statistics show upon an investigation. The statistics of 1920 show that Mississippi has child labor or children employed from 10 years to 15 years of age, 70,354; South Carolina, between the ages of 10 and 15, 63,520; Alabama, 84,397; Arkansas, 88,914; North Carolina, 62,162; Rhode Island, 8,569; Louisiana, 32,274; Texas, 80,872; Tennessee, 39,837; Florida, 10,804; Massachusetts, 33,723.

As a result, gentlemen, of this child labor from 10 to 15 years of age, the very time that you should give that child, that boy or that girl, an opportunity to become a man or a woman, you throw it upon the farm or in other lines of work, thereby depriving the youth of at least the memory he would possess as a child of the opportunities he had, and, my dear friends, let me call your attention to this very important fact: As a result of your child labor, the census of 1920 shows that there are nearly 5,000,000 illiterates, or 6 per cent of the total population in this country is illiterate as a result of child labor in the various States.

Do you not think we owe a duty to the child that is just about opening its eyes? Instead of giving it an opportunity to be thrown amongst other children to play or to go out and educate itself or to go out and understand the world, you are throwing them into labor such as factories, in mills, in agriculture, and God knows what not. [Applause.]

Over 1,000,000 children, or 1 out of every 12 children between the ages of 10 and 15 years in the United States, are at work. School attendance is worst and illiteracy highest in practically the same States that have the highest proportion of their children at work. The census of 1920 also shows 1,060,858 boys and girls between the ages of 10 and 15 years as child laborers. With regard to children under the age of 10 years, the census does not report the number working. Investigation, however, shows that there are many of these at work in sugar-beet fields, cranberry bogs, cotton plantations, and other agricultural pursuits throughout the country as well as in street trades, tenement home work, domestic service, and canneries. The Southern States seem to have a larger percentage of child labor than any other section of the country because of the predominance of agriculture there, and it is needless for me to discuss the various branches of occupation, as time will not permit, but anyone can refer to the statistics, which clearly show the facts which I am pointing out to this House.

Child labor in agriculture does not necessarily mean running errands, doing a few chores, or occasionally helping in the fields. Those children are practically laborers who constitute a material addition to labor income of the farm. Information comes to me from reliable sources that thousands of children besides working on home farms are hired out as farm laborers or contract with other families to work on the other people's land. The 1920 census showed in all over 600,000 children from 10 to 15 years gainfully occupied in agricultural work, and this figure because of the season at which the census was taken did not include many of the thousands of children at work in cotton, tobacco, beet, onion, and berry fields, in berry patches, cranberry bogs, and truck gardens, or the hundreds of children under 10 years who are found engaged in this kind of work from examinations made throughout the country by various child-welfare members in the communities.

In the State of New Jersey 1,044 children were absent from school during all of September and October in the Philadelphia school districts alone, because they were working in adjacent cranberry bogs of New Jersey, according to the report of the Philadelphia Bureau of Compulsory Education. It has been shown that these and other children pick berries 10 hours a day, crawling on their hands and knees through the marshes, and bunking at night in shacks, 7 by 9 in size, shared with four or five others. Conditions are deplorable. I can keep on citing one condition after another, but, gentlemen of the House, it would be needless for me to cite the further statistics of the various States which employ child labor, as you are in the same position as I am and able to obtain that information from the records.

In December, 1906, the first proposals for a Federal law to prevent the industrial exploitation of children were made in Congress when Senator Beveridge, of Indiana, and Congressman Herbert Parsons introduced bills to "prevent the employment of children in factories and mines," and Senator LODGE sponsored a measure designed to "prohibit the employment of children in the manufacture or production of articles intended for interstate commerce." Almost 10 years later, September 1, 1916, the first Federal child labor law was adopted, with the provision that it should become operative one year later, or September 1, 1917.

Under its power to regulate interstate and foreign commerce, Congress sought in this measure to close the channels of interstate and foreign commerce to the products of child labor. Three days before the act went into effect the United States district attorney in the western district of North Carolina was enjoined from enforcing the act. On June 3, 1918, after the law had been in operation nine months and three days, the decision of the district court was affirmed by the United States Supreme Court, in a 5 to 4 decision, on the ground that the law was not a legitimate exercise of Congress's power to regulate interstate commerce, and was therefore unconstitutional.

Following this decision, Congress enacted on February 24, 1919, as a part of the revenue act of 1918, a provision for a tax of 10 per cent on the annual net profits of certain enumerated establishments which employed children in violation of the age and hour standards laid down in the act.

The child labor tax law became operative on April 25, 1919, and was in effect until May 15, 1922, when the United States Supreme Court in the case of Bailey v. The Drexel Furniture Co. held that it was not a valid exercise of Congress's right to lay and collect taxes. Only one judge dissented from this opinion. It therefore seems to be clearly established that either Congress must abandon the object which was sought in these two laws or the Constitution must be amended so as to give Congress the power which it was believed to have when these two acts were passed.

This joint resolution which we are now considering, as I have stated at the outset, is simply an amendment to the Constitution which is to be submitted to the States—to the respective legislatures, who may accept or reject the proposed amendment to the Constitution of the United States. Surely you can not complain about the justness of that proposition. You have done identically the same thing when you submitted to the legislatures of the States the eighteenth amendment to the Constitution. You did not then claim that it was invading upon State rights. It is peculiar how some people will blow

hot and cold when it affects some of their interests in their communities.

Since the Federal child labor tax law was declared unconstitutional by the Supreme Court in 1922, the number of child laborers in the United States has been continually increasing. It simply goes to prove that the big operators of child labor can not part with these youngsters, and naturally so, as two children of 10 or 12 would keep out a man with a family from employment who could receive a living wage. Is it a wonder that some people are discontent with conditions? Gentlemen, we can not blame them in the slightest.

When the immigration bill came before this House some of the Representatives from the States which I enumerated and which have a majority of child labor, told us on the floor of this House that we must protect America from the foreigner. We must protect our citizens who are in the United States of America, we must better our conditions, we must be able to assimilate the melting pot which is here in America. That sounded to me like a pretty patriotic speech. I agree with them that America should be protected; nevertheless the admission of more immigrants than heretofore admitted would in no way affect the welfare of the country, but on the contrary it would greatly benefit this country and make it richer and richer and stronger and stronger, and these very men who talked so much of America and its youth are the ones who are practically opposed to the proposed amendment to the Constitution to do away with child labor. Is not the youth entitled to the same recreation and the same play as the rich boy? I can imagine how some of these youngsters from 7 to 14 are kept working in the various enterprises 8 to 10 hours a day and looking through the windows while the other children are at play on the streets. Is that what you call protecting America?

What kind of a generation are we going to have in 25 years? Present statistics show, as I pointed out, that there are over 5,000,000 illiterate children, not because there are no schools but because they are employed at labor in the various States.

Mr. Chairman and gentlemen of the House, as an American and as a Member representing a district who are hard-working people whom I call true Americans in the spirit as I know they love America, I do not think that they would permit their children of these tender years to toil as appears from conditions in the States I have enumerated. My people believe in giving the boy and girl an opportunity to develop so that they may be able to function when they grow into manhood and womanhood. I wish you could come to our district and go through our schools. You would find thousands graduating and receiving the highest marks, and the manner of attending school and general understanding of America is thorough. Yes; some of them may be foreigners and have been here only a short time, but they can tell you something about America, the country they have adopted. I am happy to state, Mr. Chairman and Members of the House, that I will support this resolution and I hope this House adopts the resolution to do away with child labor. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FOSTER. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY. Mr. Chairman, America is to-day the richest of the world's nations, but there are some things America can not afford. She can not afford to transform bright-eyed children into hopeless and vicious young people in order to add an extra per cent to the profits of child-labor exploiters. She can not afford to permit the rule of the law of the jungle in industry through which men who are willing to hold childhood in involuntary servitude have the advantage over business men of greater moral sensitiveness.

We have listened to lengthy disquisitions upon the rights of the States in the solution of this problem. This is no State question to be solved in piecemeal and by fractions. It is a national question to be solved by national action. Only action such as is proposed here can take the child toilers out of the mines and mills and factories in some States and put them in the schools and playgrounds. That being true, it is an act of self-preservation to protect such children from the evils of child labor in order that they may become enlightened, self-governing American citizens. The children of to-day will rule this Republic in 20 years from now.

The State of Pennsylvania has made a noble effort to deal with this evil in industrial life. I am proud of the record she has made. For many years earnest men and women urged that the State take action to prevent the coining of the blood and health of children into dollars. In 1915 an effective child labor law was passed. The commissioner of labor and industry in his report for that year declared that it was enacted after full consideration and extensive hearings and that it represented the almost unanimous public sentiment of Pennsylvania.

In that law Pennsylvania undertook to regulate the labor of minors, in some cases to the age of 21 years. It prohibited the employment of persons under the age of 18 in a number of occupations. Here is the list:

> The operation or management of hoisting machines, in oiling or cleaning machinery in motion; in the operation or use of any polishing or buffing wheel; at switch tending, at gate tending, at track repairing; as a brakeman, fireman, engineer, or motorman, or conductor upon a railroad or railway; as a pilot, fireman, or engineer upon any boat or vessel; in or about establishments wherein gunpowder, nitroglycerine, dynamite, or other high and dangerous explosive is manufactured or compounded; as a chauffeur of an automobile or an airplane; that no person under 21 years of age shall be employed as a messenger of any kind before 6 o'clock in the morning or after 8 o'clock in the evening.

Mr. Chairman, Pennsylvania is undoubtedly as much an industrial State as any other in the Union, and if there is likely to be undue interference with the labor of minors in homes and on farms it would be evidenced in that State. The legislature had undoubted right and power to lay down any restrictions upon such labor that it might desire. It might have made all the alleged fears expressed here during this debate come true had it willed to do so. But it did not so act and no legislative body in America is going to act in unreasonable and unworthy fashion in exercising the power granted under such an amendment as this.

Mr. BUTLER. Will the gentleman yield?

Mr. KELLY. I yield to my colleague.

Mr. BUTLER. I wonder why the State of Pennsylvania did not restrict the labor of children in agriculture? My friend can answer this because this question of child labor has been a matter of great interest to him for many years. Why did not Pennsylvania restrict the hours of labor on the farm? You can work a child to death on a farm as well as you can in a factory.

Mr. KELLY. The answer to the question of my friend and colleague is clear. Pennsylvania did not undertake to include farm labor in its statute because the labor of children on the farm is under the control of the fathers and mothers of the children, the natural guardians of their welfare. There is a vast difference between labor under such conditions, in the open air, and employment of children by taskmasters inside factory walls whose only interest in the children is to squeeze out of their little bodies the last ounce of energy in order to pay bigger dividends.

But, Mr. Chairman, Pennsylvania could not settle this question through her own efforts. Other States without such restrictions upon child labor lured the children across State lines. That fact is clearly shown in the testimony of Miss Grace Abbott, of the Children's Bureau, before the committee holding hearings on this proposed amendment to the Constitution. Here is what she says:

> There is going out of the city of Philadelphia every spring an army of children to work in other States who would not be allowed to leave school, so far as the law of Pennsylvania is concerned, but who escape those laws by working across the State line. They leave in the spring and return to Philadelphia in the fall, bringing with them the results of the long season of camp life and showing serious retardation in school.
>
> These studies show that every spring from the city of Philadelphia hundreds of families migrate to farms of New Jersey and Delaware for seasonal work on the strawberry, asparagus, tomato, and other truck crops. Many remain until fall for work in the cranberry bogs. Partial reports received from attendance officers in different parts of Philadelphia showed that at least 1,300 children left school in the spring of 1921 for work in the country. The majority do not return to the city until the last of October or the first of November, and then, eight or nine weeks late, straggle back to the already overcrowded schools. Many return even later and present a still more difficult school problem. The bureau of compulsory attendance of Philadelphia estimates that the number of children leaving school for such work each year is between 2,500 and 3,000.

Mr. Chairman, the American people recognize this to be a national question, and for years they have demanded action. Twice Congress has responded to that demand by passing laws to prevent child labor. Twice the Supreme Court has decided that constitutional limitations make Congress powerless to act in the premises. That leaves only one course open, and that pathway is being taken to-day—to remove these limitations by submitting an amendment to the Constitution specifically granting to Congress the power to limit, regulate, or prohibit child labor in the United States.

What is this Constitution of which we have heard so much in this debate? It is simply the means of securing the control of public opinion. One might gather from speeches uttered here that amendment of the Constitution is so easy that there is danger of every vagary of dreamy-eyed sentimentalists being written into the organic law of the land. As a matter of fact, it is impossible to amend the Constitution unless the public sentiment in favor of the change amounts almost to a revolution. Two-thirds of the House and the Senate, three-fourths of the State legislatures, make barriers which can only be crossed by an overwhelming tide of the people's will.

Mr. Chairman, child labor in America must go. It denies life, liberty, and the pursuit of happiness to childhood, America's greatest asset. It prevents the development of heart, mind, and body. It is not essential to any legitimate industry, and the business which can not exist without wasting the life force of the Nation had best be eliminated.

The American Constitution must be a protecting hand of helpfulness to the weak and oppressed. It must reach into new conditions whenever and wherever conscienceless greed undertakes to injure the common welfare. Through the adoption of this proposed amendment by Congress and the States we may take a long stride forward in the task of making America make good the principles of justice and freedom upon which the Republic was established. [Applause.]

Mr. FOSTER. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. BERGER].

Mr. BERGER. Mr. Chairman and gentlemen, Aristotle, the great Greek philosopher, in his famous work on politics, described the constitutions of all the different States known to him. And he said the State existed longest and prospered most which was readiest to change its constitution and adapt it to changed conditions.

This rule holds good to-day. Our conservatives, however, claim that a constitution which could be changed readily would put the fundamental law at the mercy of every passing whim of the people or of a group of mouthy and designing demagogues. History, nevertheless, teaches that mouthy demagogues flourish best when the constitution is hard to change.

WE WERE FIRST TO ADVOCATE PROTECTION FOR CHILDREN

There is no doubt in my mind that the constitutional amendment to permit Congress to legislate on child labor will pass the House and will pass the Senate. It is a good amendment, a necessary amendment, and the socialists were the first to advocate the abolition of child labor, which this amendment makes possible.

But whether it will get the necessary three-fourths of all the States is another question. We know from experience how difficult it is to pass an amendment to our Constitution, especially one like this which will have the solid opposition of an entire group of States—the Southern States.

BEST LEGISLATION IMPOSSIBLE UNDER PRESENT CONSTITUTION

So great are the difficulties of such an amendment that in effect they are insurmountable. I believe that we could just as easily rewrite the Constitution as to amend it again. Yet it is a fact, nevertheless, that advanced social legislation is impossible under the present Constitution. Not only child-labor legislation but also legislative attempts to regulate and control corporations have over and over again been declared unconstitutional.

MUST READ WORDS INTO LAWS

The Supreme Court not only holds certain laws unconstitutional but puts words that were not there into laws. For instance, the word "reasonable" was read into the antitrust law. The court has been blamed—but wrongly. The court had to do it in order to make the law fit the Constitution somehow.

HAS ALREADY NINETEEN PATCHES

If this constitutional amendment should pass, it will be the twentieth amendment to the Constitution of the United States—the twentieth patch on the cloak of the body politic, which now has nineteen patches already.

There can be no doubt that the old Constitution of the United States, which was passed in 1789, has outlived its usefulness and should make room for a modern instrument suitable to the twentieth century.

NINETY MORE PROPOSITIONS TO CHANGE IT

Laws must be based upon the habits and the customs of the people, and a constitution must express the political ideas as based upon the economic conditions of a certain period. That our old Constitution is inadequate is also proven by the fact that there are at present about 90 propositions introduced to change it in one way or another.

Even the wisest of men could not have foreseen in 1789, when this was a little frontier country, the political and economic conditions of 1924, when the United States got to be one of the leading, one of the most powerful, countries of the world.

OUR CONSTITUTION IS A SMALL COUNTRY CONSTITUTION

Our Constitution was adopted in 1789. At that time a great part of the country was covered with one vast primeval forest. The largest city, Philadelphia, had about 30,000 inhabitants. There were only a few towns which had a population of from two to five thousand.

STEAM AND ELECTRICITY UNKNOWN

Manufacturing in the United States was then in its childhood, mainly in Philadelphia. The use of steam and electricity was not known.

Corporations in the present sense were not known.

In those days a corporation meant a city or a township. There were no railroads, no telegraphs, no telephones, and, of course, no radios or airplanes. Public schools were few and far between. A man who could read and "reckon" was looked upon as a wizard in many country places. Capitalism in its present form and development was not even dreamt of.

The Constitution adopted at that time, of course, was made to suit those conditions. It was made to express the needs of a frontier State. It reflected the social, political, and economic conditions of that day.

What a great difference between the United States of 1789 and the United States of to-day. That time the entire population was 2,500,000. To-day we have 115,000,000.

NEW CLASSES CAME INTO EXISTENCE

In 1789 we had no proletariat in the present sense. Entirely new classes have come into existence since that time. In 1789 any man with a pair of strong arms and moderately good habits could not only make his living comfortably, but also lay the foundation for a prosperous second generation by simply sticking to the land. To-day we have not only an economically powerful class of capitalists, but also a very numerous proletariat which to all intents and purposes has become a fixed class.

We have tremendous aggregations of capital, big railroad companies, public service corporations, and greedy trusts and grasping combinations of all kinds. Their oppressive power is felt by every farmer and every workingman.

In 1789 the worst evil influence which the people had to contend with was the issuing of scrip money. To-day there is no scrip money. Our United States currency is good enough, if one can get hold of a sufficient amount. But the banks have simply become the handmaids of the big corporations and the trusts.

WHOM OUR CONSTITUTION PROTECTS

The economic conditions have changed absolutely. Yet it is unconstitutional for Congress to regulate the hours of labor for women and children but it is constitutional to pass a law that will send a man or woman to the penitentiary for 20 years if "he speaks disrespectfully of the uniform of a soldier"—I am quoting from the so-called espionage act, which is still on the statute books.

The Constitution should be an instrument to make sure that the minority has certain rights which the majority is bound to respect. This is so, provided that minority is wealthy enough to enforce those rights through lawyers and courts. A minority that is poor, however, has no constitutional rights that need be respected. We have seen this in the treatment of the I. W. W., the communists, and other radicals by Palmer, Daugherty, Burleson, and others.

WHAT CHIEF JUSTICE TAFT SAYS

Even according to William H. Taft, former President of the United States and now Chief Justice, "the man with the longest purse has the decided advantage in legal battles."

Now, if we were influenced only by party motives, we would simply say: "Keep your old Constitution. Under the present Constitution, our Congress can not legislate beneficially. All good laws, such as are made to fit changed conditions, are necessarily unconstitutional. And if no laws are made to alleviate the hardships of the people, the people will, of necessity, become revolutionary."

But this is not the way we reason. We have so much confidence in the righteousness of our cause that we know that even the best constitution can not stop our progress in the end. On the other hand, a good and timely constitution will do away with a great deal of avoidable friction. It will make sane and constructive progress possible.

OLD TAMMANY ADAGE

It will do away with the old adage of the Tammany politician:

Give the people what they want, but make it unconstitutional.

WAS CONDEMNED BY THOMAS JEFFERSON

At the time the Constitution was adopted no one considered it anything but a miserable piece of patchwork—a stupid imitation of the English constitution—which had to be amended ten times before it could be adopted by the thirteen original States. Jefferson condemned it severely. It really satisfied nobody.

SLAVE BARONS GET IDEA

However, by and by it dawned upon the Southern slave barons that they could hide behind its provisions to defend chattel slavery. They were right about that, and it took a terrific war to patch up and amend once more what had been poor patchwork to begin with.

After the Civil War the growing capitalist class of the North, which for a while had been very much dissatisfied with the Constitution, found that just because the Constitution was antiquated and unsatisfactory, the capitalists, with the help of shrewd lawyers, could make the same use of it for their own ends as did the slave barons for theirs. So the Constitution became a blessed and holy document once more.

It was again, in the seventies and eighties of the nineteenth century, the fetish of every lawyer and every school-teacher. Only it was then the northern fetish. The fervor of the South had been rather chilled by the so-called "negro amendments" as a result of the war.

NOW UNITE IN REVERENCE

However, the South found a way to get around these amendments. And now the unthinking elements of the North and South unite in doing reverence to a poor makeshift which tried to combine the constitutional ideas of Montesquieu with the archaic conception of an executive with despotic powers, and the ideas borrowed by Alexander Hamilton from the English constitution.

EVEN CONSERVATIVE MEN ADMIT IT

The intelligent men of all classes during the last 20 years have become convinced that our Constitution must be changed. Not only the proletariat but also the most enlightened elements of the middle class demand it, and even some plutocrats admit it.

No doubt there were many leading men at the close of the American Revolution who were in favor of adopting the British constitution as they understood it. Only this being a Republic, they were very much more afraid of the people, of the mob, than they would have been in a monarchy. They admitted that. Therefore they wanted a strong Executive—"one that could dare to execute his powers"—as Hamilton stated it.

OUR ELECTIVE MONARCHY

That is how we got our kind of a President for the United States. That is also the reason why we have the Senate.

And also why we have the "additional check" by the courts.

Not everybody was satisfied with this.

Thomas Jefferson, of course, was not.

But even at a much later day Henry Clay compared our Presidency to "an elective monarchy—the worst form of old governments."

And he was right, inasmuch as with the exception of the Czar of Russia and the Mikado of Japan, even before the World War, there was not a monarch in the world who had as much power as the President of the United States. He is not only the Chief Executive, but also a part of the law-making machine—and what part? He counts as much as two-thirds of the House of Representatives and the Senate combined.

CABINET BELONGS TO PRESIDENT—NOT TO PEOPLE

Furthermore, his Cabinet is not dependent upon Congress at all and is not responsible to Congress. Neither Denby nor Daugherty could be ousted from office by Congress.

The members of the Cabinet are simply the secretaries and the servants of the ruler in the White House whoever he may be—and he is also the Commander in Chief of the Army and Navy and appoints over a million officeholders.

OUR DICTATOR

Gen. C. H. Sherrill, once an adjutant general, and later a United States minister to Argentina, organizer of preparedness parades—and according to his own statement a Son of the Revolution—in his recent book The Purple and the Red is in favor of a monarchy, or a dictator. He tolerates the Republic in the United States only because "we already have a dictator—the President of the United States for his term of office."

DANIEL WEBSTER'S OPINION

No wonder that even Daniel Webster once said:

The contest for ages has been to rescue liberty from the grasp of executive power. The President carries on the Government; all the rest are only subcontractors. A Briareus sits in the center of our system, and with his hundred hands touches everything, moves everything, controls everything. I ask, is this republicanism? Is this a government of laws?

The present Constitution was designed by the wealthy class of that day—the speculators in scrip and the big landowners, and their representatives—with a view to preventing the common people from exercising their political influence. A cleverly devised system of checks and balances was employed to attain that end.

SOUNDED LIKE BOLSHEVISM TO-DAY

The framers were afraid of democracy, which had the same sound to them as the word Bolshevism has to a similar class to-day. Thus the worst features of a monarchy were included in the office of the President to defeat the people's will.

The United States Senate, the "upper House" of our National Legislature, was created for the very purpose of representing wealth and the vested interests of the country, as Alexander Hamilton put it. And from the beginning it was intended to "form a check upon the will of the people." Therefore its selection was removed from the people as far as possible and put into the hands of the respective legislatures.

This has been changed only since the introduction of the direct primary. But now it takes so much money to get nominated and elected in a State that the Senate is in danger of becoming a millionaire's club in reality, not only by reputation. It is unnecessary to show what the United States Senate was from its beginning and what it is now.

IS NOW A STRONGHOLD OF TRUSTS

We all know that the Senate was the stronghold of the slave barons, compelling the solution of the slavery question by the force of arms. We all know that it is the bulwark of the railroads and trusts now.

The Oil Trust, the Railway Trust, the Sugar Trust, the Steel Trust, and every robber concern preying upon the common people have their representatives in the Senate.

It is a notable fact that, while the founders of the American Constitution were taking up this relic of feudalism and clothing it with formidable powers, the English nation was already preparing the forces that were to reduce the House of Lords to the secondary position it now occupies. And, as everybody knows, there is a strong tendency in England to abolish the House of Lords altogether.

DOUBLES OPPORTUNITY FOR LOG ROLLING

The two-House legislature—upper House and lower House—only doubles the opportunity for political trading, for log rolling, and for the activities of skilled lobbyists.

The abolition of the two-House legislature will also put an end to the common practice of passing bills in one House and defeating them in the other.

CAN NOT BE MADE EQUAL

It is said, however, that there must be in a Federal Government some institution, some authority, in which the separate States composing the confederation are all equal. I confess this doctrine is not convincing to me.

The State of Delaware is not equal in population or influence to the State of New York, and one can not make it so by giving it an equal vote in the Senate.

ABOLISH CLUMSY SYSTEM

The other argument—the necessity of counterpoise and counterbalance, or of a check against bad legislation—looks a little better. But if one considers it closer, it is even worse. Most good legislation is always opposed in the "upper House." Most of the bad legislation originated there. This may be a little better at the present moment, because there are a half-dozen radicals in the Senate.

Therefore, we say, abolish the clumsy two-chamber system. And for a good substitute and best possible check upon any whimsical or hasty legislation, or even crookedness of the legislators, give us the referendum. The referendum in any country is stronger than all the senates and houses of lords in the world.

THE CURE IS MORE DEMOCRACY

The best cure for most evils arising from democracy is—more democracy.

However, even the Senate is not "in it" as an obstacle to progress and justice when compared with the position our judiciary occupies as an illegitimate part of our law-making body—and in telling the people what they may want and what they may not want.

NOT KNOWN ANYWHERE ELSE

And this monstrous guardianship of the judiciary over the people, dictating to them what is law and what is not, is purely an American institution.

The British constitution, of which ours is otherwise a copy, knows nothing like it. The germ of the disease was put into our Constitution by conservatives of the type of Alexander Hamilton and it had the warm support of the so-called Loyalists—but the disease was developed by the shrewd manipulations of some Supreme Court Justices, like John Marshall.

The Hamilton clique had created the Senate to take the place of the House of Lords. Yet it was still afraid of the common people. It wanted something in place of a king. And, mind you, not the constitutional King of England, either. They wanted the absolute king of the fifteenth and sixteenth centuries, and they got him. He is our American judge.

THIS IS A LAWYER-RIDDEN COUNTRY

And this king judge and his retinue of lawyers is now the most distinguishing mark between the American people and all others on earth. Only in our country we find the notion that unusual sanctity and infallibility surrounds and becomes the characteristic of the ordinary lawyer the moment he is elevated to the position of a judge.

And perhaps the most dangerous judge to the rights of the people is the Federal judge. Federal judges are appointed by the President of the United States upon the recommendation of our prominent business men; that is, upon the recommendation of our railroad presidents and millionaire manufacturers.

The Federal judge almost invariably is a corporation lawyer. He is appointed for life, and his very environment makes him part and parcel of the American plutocracy.

MUST BE AN ENEMY OF DEMOCRATIC INSTITUTIONS

The Federal judge looks down upon the State judiciary very much in the same way as the Regular Army looks down upon the militia.

Almost every Federal judge nowadays is an enemy of our democratic institutions and an adversary of the common people. Almost every Federal judge becomes a regular fiend when he has to decide questions regarding the rights of the laboring class.

It is usually laws involving economic problems that are in danger, because our Constitution was framed at a time when such problems did not exist. Under this Constitution the judges should really not be blamed for their decisions.

LAST RESORT OF CORPORATIONS

The Federal judiciary of the United States is the last resort of the corporations, the railroads, and all kinds of plutocratic evildoers in their straits.

There they can get help and comfort when the legislators, whom they often own, become frightened at the anger of the people. There they can get "injunctions" galore, and these injunctions will be in full accordance with the wording and spirit of the Constitution.

LINCOLN AND THE SUPREME COURT

Criticism of the Federal courts, and particularly of the Supreme Court, is not a new thing in our history. Both Jefferson and Jackson attacked the Supreme Court and sarcastically advised that body to execute certain of its decisions.

The Dred Scott case was made the occasion of a bitter attack by Abraham Lincoln before he became President. Lincoln went so far as to accuse the Supreme Court of conspiring with the national administration to frame a collusive suit.

CONSTITUTION SHOULD BE FLEXIBLE

In these days of rapid economic and social changes it is more necessary than ever that the fundamental law of our Nation—our national Constitution—should be flexible and adopt itself with reasonable ease to the changing conditions of our life.

What do we find, however?

With one exception, the Constitution has never been changed since its adoption except by bloody war—during the war or after the war.

It takes a two-thirds majority of Congress, and in addition thereto a majority of three-fourths of the legislatures of all the States to change it. And that can hardly ever be gotten.

We Socialists want a constitution that can be amended by a majority vote of all the people. The American Government is a democracy—at least, supposed to be one.

IS MAJORITY RULE VISIONARY?

And every law passed by our representatives ought to be valid unless repealed by our lawmakers or rejected by a majority of the people.

Is this idea of majority rule "a wild, visionary, revolutionary scheme, unpatriotic to the core," as some of my opponents claim?

CAPITALISTS FOOL THEMSELVES

However, the capitalists make a fatal mistake when they trust to judges and senates to check the will of an enraged people.

An "upper house" which during a revolutionary period would resolutely stand out and oppose the branch of the legislature representing the excited state of popular feeling would be infallibly swept away; and consult any history as to what became of kings and judges in either the English or the French revolutions.

ON PAR WITH FETISH WORSHIP

As to judges, history tells us they simply cease to exist at the very first outbreak.

All this worship of the Constitution is at par with the fetish worship of our ancestors 10,000 years ago. At that time they worshiped fetishes of wood and stone, and now they worship a paper fetish. But what is the difference? A fetish is a fetish.

WE ARE STILL RULED BY THE GENTLEMEN IN KNEE PANTS

A constitution is simply a cloak for our body politic. A garment that may have fitted us well in 1789, when the baby Nation could use swaddling clothes, can not possibly fit us to-day. We do not revere Cotton Mather's book on witchcraft, which was considered the greatest book of his time by his contemporaries.

Now, why should we worship a document which was patched together 130 years ago by a lot of gentlemen wearing knee pants and knowing nothing about railroads, telegraphs, corporations, and trusts?

NOT ONLY FOR LAWYERS

But it has been said by some ultraconservative persons who hate everything that looks like a change that the lawyers and courts understand this Constitution and know how to interpret the laws accordingly. They would first have to learn a new constitution, and this would make trouble.

Now, in the first place, the Constitution is not made for the lawyers and the courts, but ought to be made for the people.

We all know that every law is interpreted in three or four different ways, according to the personal likes and prejudices of the lawyers and the courts. Even the decisions of the Supreme Court have been fearfully inconsistent.

A tremendous amount of injustice and barbarism is rampant on account of our antiquated Constitution.

"STOOD THE TEST"

But, says our reactionary, the Constitution has "stood the test of 130 years so well as to prove that if it is a stupid imitation of the English constitution, it is an imitation of a good thing."

It was not on account of the Constitution that this country has flourished. Our present Constitution permits incredibly large fortunes to be amassed by predatory competition, by ownership of patent rights, by monopolizing of natural resources, and by special privileges and exploitation of labor.

If our country has flourished, it has been due to colonial conditions, our virgin soil, our apparently inexhaustible resources, and our immense and intelligent immigration. Even with all that, our people practically used up in a few generations the resources that nature had stored up in many thousands or, in some instances, many millions of years.

BROKE DOWN OFTEN

This was the richest country on the face of the globe, and we had the cheapest and most intelligent labor upon the face of the globe brought here. That is why we prospered and probably would have prospered even more if we had had no constitution at all. Whenever and wherever this Constitution was subjected to any test, as, for instance, in 1860, then this Constitution did not stand the test. And it broke down again in 1917.

Again I say it is all right enough to put through amendment No. 20—to put one more patch, the twentieth patch, on our political cloak. But our Nation, the American Nation—thanks

to the tremendous opportunity and to the millions of hard-working immigrants—has become a great, powerful, and rich people. And this great people, this great new Nation of 115,000,000 inhabitants, can not be satisfied with the little old garment of the year of the Lord 1789. Uncle Sam deserves a new and modern cloak, made to the measurement of our day and made to fit our century.

NEW PROBLEMS BEFORE US TO-DAY

In short, the tremendous changes in our political and social conditions—due to modern inventions, to improved means of transportation and communication, to the development of the factory system, and to the growth of corporations and trusts—have brought along problems whose solution is impossible under the principles of law that seemed to be permanent to the leaders of the American ruling class of the eighteenth century.

Even the best and foremost thinkers of that time believed with De Montesquieu and Rousseau that organized society was static and permanent—not dynamic and progressive.

In other words, they believed that it was possible to form a government which was absolutely ideal under all conditions and at all times.

THESE THEORIES GIVE WAY

It was the time when the two great theories of the "social compact" and of the "natural rights" were generally accepted as basis of law.

These theories have now generally given way to the economic interpretation of history. And there can be no doubt that the American people will be called upon to solve the same problems as to political and social reforms as other modern progressive nations—particularly the British nation.

LET US HAVE TWENTIETH CENTURY CONSTITUTION

Mr. Chairman, instead of asking three-fourths of the States to amend this eighteenth century Constitution in such a manner as to give the Congress of the United States the right and the power to protect the lives of our children—which right Congress evidently has not at present—let us ask the 48 States of our country to give Congress the right to call a constitutional convention to frame a new constitution.

Mr. FOSTER. Mr. Chairman, I now yield to the gentleman from Minnesota [Mr. LARSON.]

Mr. LARSON of Minnesota. Mr. Chairman, the debate on this resolution affords us additional proof of the truth of the saying that "there is nothing new under the sun." The vigilant and vigorous votaries of the archaic doctrine of States rights which long ago, as I had supposed, had been emasculated if not totally destroyed, has been invoked to combat the proposed constitutional amendment. They are the same old arguments, the same old fallacies. Like Banquo's ghost, they do not seem to down.

Their use in this debate recalls to my mind Sydney Smith's witty and brilliant review of Jeremy Bentham's Book of Fallacies. To those of you who have not read Smith's masterpiece of wit, let me commend it to you. Every statesman and politician, yes, every citizen, should read it. In it the ultra-conservative and the incorrigible reactionary can see his own visage. Besides, it is a handy tool chest for those whose wont it is to oppose all progressive and popular legislation.

May I very briefly mention a few of the fallacies of the anti-reformers that Sydney Smith so delightfully dissects and exposes? Some of them sound not unlike many of the fallacies that we have been listening to during this debate. Listen to these:

Our wise ancestors: hands off their infallible work. No innovation: the fool sayeth in his heart and crieth with his mouth, "I will have nothing new!" The quietest fallacy: nobody complains; the measure is unnecessary. Fallacy of false consolation: what would you have; look at the people there and there; your prosperity and liberty are objects of their envy; your institutions are models of their imitation. Snail's pace argument: not so fast; one thing at a time; slow and sure; importance of the business; danger of innovation; need of caution and circumspection; impossibility of foreseeing all consequences; this is not the time; the people well satisfied; no such mischief has taken place; stay till it has taken place. Anti-rational fallacies: theoretical, visionary, chimerical, romantic, Utopean.

Such—

Says Bentham, as quoted by Sydney Smith—

is the prattle which the magpie in office, who, understanding nothing, yet understands that he must have something to say on every subject, shouts out among his auditors as a succedaneum to thought.

The people have had their fill of fallacies and even of arguments. They now want action. They are impatient of further delay. For nearly a quarter of a century they have been demanding national child labor legislation. The demand for an appropriate constitutional amendment is not a mere vagary, whim, or caprice. It is the result of the mature, sound, and well-considered judgment of the American people. This question has for many years been discussed in the press, in the pulpit, on the platform, in the conventions of organized labor, in the parents' and teachers' clubs, in the women's clubs, in the homes. The public sentiment favoring national child labor legislation is thoroughly crystallized. It is insistent for action.

As the representatives of the people, we have no right to frustrate their will. We should hearken to their certain and clear voice. The voice of the people may not always be the voice of God, but if it ever is on any public question it is on the necessity of national child labor legislation.

We prate glibly about democracy. On the hustings we shout, "Let the people rule," but when the people ask Congress to give them an opportunity to amend their own Constitution—the people's law—we betray a lack of confidence in their ability to rule themselves. We impose our guardianship upon them. We question their judgment. We impute to them ignorance and even a desire to destroy their own institutions. We are hypocritical democrats. No wonder the American people are manifesting a distrust in their Congress.

Our State rights friends argue that to amend the Constitution so as to allow Congress to enact child labor laws would be to usurp the exclusive and divine prerogatives and rights of the States. Was there ever a more preposterous argument advanced to a body of men worthy to make laws for a Nation? What is usurpation? Webster's International Dictionary defines usurpation to be "an unauthorized arbitrary assumption and exercise of power." The Congress could not usurp even if it would. Before the proposed amendment can become a part of the Constitution, it must first be "ratified by the legislatures of three-fourths of the several States." The people have the right to ratify or to reject the proposed amendment. Wherein, then, is the usurpation?

Hamilton has been quoted by the constitutional expounders who are afraid to have Congress submit the proposed amendment to the people for their consideration and action. We, too, will appeal to Hamilton.

In the Federalist—the American political bible—he observed that—

the fabric of American empire ought to rest upon the solid basis of the consent of the people; and if the people consent to grant larger powers to the Federal Government, these powers are legitimate and not usurped.

Need we further discuss the absurd and preposterous argument of usurpation of State rights? It would seem that the constitutional expounders who have invoked the moth-ridden dictum of States rights in their frenzy of desperation to defeat this resolution have gone to the limits of absurdity. Politically and intellectually they are living in the past. They do not seem to realize that the States rights doctrine has long since been thrown into the junk heap of political nostrums.

Yesterday in replying to the argument of the distinguished floor leader of the minority that national child-labor legislation would hamper and hinder our industries, I stated then that he was putting the cart before the horse; that the primary and paramount purpose and end of our civilization was not simply to amass great material wealth, to increase our commerce, to build big cities, but that the chief purpose of our civilization is to rear and train our children into men and women with strong and healthy bodies and alert and trained minds so that they may become fit to rule their own country. I wish I had the time to amplify that thought. Industries and material wealth are merely a means to an end, and that end is the development of children into good, virile, intelligent men and women; law-abiding, God-fearing, liberty-loving, patriotic citizens.

The most valuable resource of any country is its fund of human energy—that is, the working power, both mental and physical—of its people.

The purpose of national child labor laws is to conserve our Nation's fund of human energy. The Congress appropriates funds out of the public treasury to instruct the American farmers how best to breed and raise their hogs. Are not the children of America also worthy of conservation? Are they not also entitled to a portion of congressional solicitude? They are to become the future rulers of the Republic.

To those who look with complacency at the amazing and humiliating disclosures of illiteracy and physical degeneracy

made manifest by the selective-draft records, I want to quote, in conclusion, the warning of Henry Van Dyke:

We are debasing the human currency of the Republic. We are laying unbaked bricks in our foundations and building our walls with untempered mortar. We are heaping up at the doors of our own temple piles of tinder and quick-flaming fuel ready for the torch of the anarchist or the insidious, slow match of the cunning usurper. We are recruiting the sullen armies of ignorant unrest—

For every soul denied the right to grow
Beneath the flag, shall be its secret foe.

Mr. FOSTER. Mr. Chairman, I yield four minutes to the gentleman from Ohio [Mr. MOORE].

Mr. MOORE of Ohio. Mr. Chairman and gentlemen of the committee, I yield to no man in my admiration of and respect for the Constitution, but I am one of those who believe that the founding fathers, when they provided for amending the Constitution, expected that amendments would be necessary as the country developed. The Constitution provides that the Congress may propose amendments "whenever two-thirds of both Houses shall deem it necessary." The question has been raised as to the necessity for what is known as the child labor amendment. I introduced in the last Congress and again in this Congress one of several resolutions to so amend the Constitution. I believe, since some States refuse or neglect to pass child labor laws, or have inadequate laws on this subject, it therefore becomes our duty and obligation to amend the Constitution of the United States, so that this important matter may be controlled by the Federal Government in cooperation with the States. It has been brought out in this debate that one State may have an adequate State law and yet families and children residing therein cross the line into another State and secure employment where child labor is permitted or not well regulated.

Twice the Congress has enacted laws regulating child labor to some extent, and each time the Supreme Court has declared the law unconstitutional. As a Federal Government we must either abandon our efforts in this respect or amend the Constitution.

When we consider that there are at least a half million children in the United States between the ages of 8 and 15 years who are working in gainful occupations, not in agriculture, and losing their opportunity of schooling, working at night and some very early in the morning, starting as early as 4 o'clock and working all day, we will observe the necessity for this amendment. Much has been written on this subject, and recently a series of articles have appeared in my home newspaper, The Daily Jeffersonian, of Cambridge, Ohio, setting out some of the evils in some of the States of the Union that do not have proper child labor laws. I am looking now at a copy of this newspaper on the front page of which appears the picture of a boy of 8 years who had gone to work at 4 o'clock in the morning as an oyster shucker in one of the camps in Mississippi. This is but an illustration of what is happening in many other places.

There is no intention to use the power that would be given the Congress arbitrarily. No one wants children to grow up in idleness, but we do want to see that they have the opportunity for physical, educational, and moral development, and that their hours of labor shall be so regulated as to safeguard these rights. There is no intention here and no law contemplated that would trespass upon the rights of the home or children working in the home or on the farms of their parents. It is directed against those who want to exploit the childhood of America for selfish gain; those who think of the material side of things and forget the spiritual, moral, physical, and educational as applied to the children of America.

I believe the sensible employer of labor will find that in the end child labor is unprofitable, and it seems to me unfair to the employer of labor, and the laborer in the States where we have child labor laws, like Ohio, to be thrown into competition with the products of other States where there is cheap child labor. Most of the nations of the world, even those that are supposed to be less progressive than we are, have child labor laws of some kind, and it ill becomes us as a nation to have any place in the United States where the rights of children are not safeguarded and protected.

This amendment is backed by a strong public sentiment. Never has any amendment to the Constitution been approved by as many social, political, educational, religious, welfare, labor, and industrial organizations. For example, there are many United Mine Workers of America in my district, and in their district meeting a child labor amendment was unanimously approved. President Coolidge recommended it in his message to Congress. I believe there is a general demand for the action we contemplate, and I think we should submit the resolution to the States for ratification or rejection.

If this resolution should pass by a two-thirds vote and be adopted by the legislatures of three-fourths of the States, it will then enable the Congress to pass proper child-labor legislation. This should be kept clearly in mind, because some who write us think we are now legislating on the subject of child labor, whereas the passage of this resolution and its adoption by the legislatures of three-fourths of the several States must be accomplished before the Federal Government can provide any child-labor legislation, the Supreme Court having twice declared that the Congress is without authority to enact child-labor legislation.

I think it is splendid that the original Constitution and the immortal Declaration of Independence are now in the Library of Congress where the hosts of visitors that come to the National Capital, both young and old, can see these immortal documents.

The Constitution of the United States was born of necessity, a necessity that grew out of the aftermath of the Revolutionary War. There was safeguarded to us the important right expressed in this Constitution to change it, and I believe in making necessary changes according to the methods provided therein, but in no other. I would not change the Constitution recklessly or hastily. It is a testimonial to the wisdom of the founders that we have found it unnecessary to frequently amend the Constitution in recent years. I believe that the amendments that we have represent the deliberate judgment of the American people, and, being a part of the Constitution itself, are binding upon us. The laws enforcing our Constitution and these amendments should be respected and vigorously enforced in order that there may be no disrespect of our Constitution and our laws.

We are all familiar with the purposes for which our Constitution was established, and among the rights safeguarded were human rights which we have come to regard as the most sacred. Certainly these rights include the rights of childhood. I refuse to believe that looking after the sacred rights of childhood by the Federal Government would do violence to the conception of a Federal Government such as that in the mind of Alexander Hamilton, one of the greatest men of our country and of any country. I want to respect the powers and rights of the States, but if I must choose between State rights and the rights of childhood I prefer the latter.

I refuse to believe that helping the helpless and defending the defenseless by the Federal Government is out of harmony with the Constitution. In fact, it seems to me that is the thing we should do in cooperation with the States, seek to develop the childhood of America, giving the greatest possible opportunity for physical, educational, and moral development.

I want to see that oft-repeated phrase, familiar to all Americans, "that all men are created equal" become a reality, as nearly as possible, and not a generality. [Applause.]

Mr. TILLMAN. Mr. Chairman, there seems to be a misunderstanding as to the scope and purpose of this resolution. It merely provides for a solemn referendum to enable the people of America, the people of the 48 States, to determine whether they want a national child labor law.

HISTORY OF FEDERAL CHILD-LABOR LEGISLATION

In December, 1906, the first proposals for a Federal law to prevent the industrial exploitation of children were made in Congress when Senator Beveridge, of Indiana, and Congressman Herbert Parsons introduced bills to "prevent the employment of children in factories and mines" and Senator LODGE sponsored a measure designed to "prohibit the employment of children in the manufacture or production of articles intended for interstate commerce." Almost 10 years later, September 1, 1916, the first Federal child labor law was adopted, with the provision that it should become operative one year later—or September 1, 1917. Under its power to regulate interstate and foreign commerce, Congress sought in this measure to close the channels of interstate and foreign commerce to the products of child labor. Three days before the act went into effect the United States district attorney in the western district of North Carolina was enjoined from enforcing the act. On June 3, 1918, after the law had been in operation nine months and three days, the decision of the district court was affirmed by the United States Supreme Court in a 5 to 4 decision on the ground that the law was not a legitimate exercise of Congress's power to regulate interstate commerce and was therefore unconstitutional.

Following this decision Congress enacted, on February 24, 1919, as a part of the revenue act of 1918, a provision for a tax of 10 per cent on the annual net profits of certain enumerated

The people have had their fill of fallacies and even of arguments. They now want action. They are impatient of further

To those who look with complacency at the amazing and humiliating disclosures of illiteracy and physical degeneracy

establishments which employed children in violation of the age and hour standards laid down in the act.

The child labor tax law became operative on April 25, 1919, and was in effect until May 15, 1922, when the United States Supreme Court in the case of Bailey against the Drexel Furniture Co. held that it was not a valid exercise of Congress's right to lay and collect taxes. Only one judge dissented from this opinion. It therefore seems to be clearly established that either Congress must abandon the object which was sought in these two laws or the Constitution must be amended so as to give to Congress the power which it was believed to have when these two acts were passed. In its consideration of these two alternatives the committee has considered carefully (1) the present status of State child-labor legislation and the numbers and geographical distribution of working children in order to discover whether the need for Federal action still exists, and (2) whether the experience gained in the course of administration of the laws held unconstitutional indicates the value of Federal intervention for the protection of children.

PRESENT STATUS OF CHILD-LABOR LEGISLATION IN THE UNITED STATES

It may perhaps be said that the developing tendency in our child-labor legislation has been to establish an age, an educational, and a physical standard which a child must attain before he can be employed in specified occupations; to regulate the hours during which he may work during the first few years of employment and prohibit him from certain especially hazardous occupations. The enforcement is through a work-permit system usually administered by the public schools and through inspection of the place of employment.

PROVISIONS OF THE TWO FEDERAL LAWS

The two Federal laws which have been held unconstitutional by the Supreme Court did not specifically prohibit or regulate the employment of children. By prohibiting the shipment of the products of child labor in interstate or foreign commerce, or imposing a tax on child-employing industries, they established in effect the following minimum standards for the United States as a whole during the period they were in operation:

THE ADVOCATES OF A CHILD-LABOR AMENDMENT

In the course of the hearings representatives of the following national organizations urged favorable action on the amendment:

American Association of University Women.
American Federation of Labor.
American Federation of Teachers.
American Home Economics Association.
Commission on the church and social service, Federal Council of the Churches of Christ in America.
Democratic National Committee.
General Federation of Women's Clubs.
Girls' Friendly Society in America.
National Child Labor Committee.
National Council of Mothers and Parent-Teacher Associations.
National Council of Women.
National Education Association.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade Union League.
Republican National Committee.
Service Star Legion.
Young Women's Christian Association.

The State legislatures of six States—California, Massachusetts, Nevada, North Dakota, Washington, and Wisconsin—have petitioned Congress to submit an amendment.

It will be remembered that President Harding and President Coolidge have both recommended to Congress the submission of a child-labor amendment to the States, the former in his message of December 9, 1922, the latter on December 6, 1923. The late President Wilson was an enthusiastic supporter of the principle of Federal regulation and personally urged its importance on both Congress and the country as a whole. The platform of the National Republican Party for 1920 contains the following clause:

The Republican Party stands for a Federal child labor law and for its rigid enforcement. If the present law is found unconstitutional or ineffective, we shall seek other means to enable Congress to prevent the evils of child labor.

The National Democratic Party in that year made the following declaration:

We urge cooperation with the States for the protection of child life through infancy and maternity care, in the prohibition of child labor, and by adequate appropriations for the Children's Bureau and the Women's Bureau in the Department of Labor.

ARKANSAS

The child labor law of this State is identical in its provisions with the Federal taxing law. A compliance with the State law will save to employers of children the penalties under the Federal law. Every cooperation possible with the State department has been had from the Federal officers, and we are of the opinion that employers of the State do not appreciate the advantages they have over those in States where the State and Federal laws are not similar and where this cooperation does not exist.

There is one peculiar feature connected with the issuance of age certificates, that being when in the discharge of routine work we discover a violation, the most often advanced excuse was, "We did not know what the law was," but no sooner had the Federal taxing law been passed than the department was deluged with inquiries as to the provisions of the law and how the penalties of the Federal law could be avoided, many frankly admitting that they did not wish to get "in bad" with "Uncle Sam."

We are glad to know that there has been a material improvement in respect to observance of the child labor law. We hope that all violation will soon be eliminated. (P. 13, Fourth Biennial Report of Bureau of Labor Statistics of the State of Arkansas, 1919–20.)

The gentleman from Tennessee [Mr. GARRETT] stated that different conditions prevail in different States, therefore there should be no effort to have uniform child labor laws. I remind the gentleman that the child is the same the world over, and should have the same protection in Louisiana as in Maine; the same protection in Florida as in California. [Applause.]

Mr. Chairman, I yield five minutes to the gentleman from Oregon [Mr. WATKINS].

Mr. WATKINS. Mr. Chairman, I am delighted to know that for once in my life I am in hearty accord with the Republicans, the Socialists, and the Democrats, or, rather, that they are in unison with me. I came to this Congress dedicated to the proposition of voting not as a party man but as an American. I appreciate the evil of bureaucracy; I realize the danger of paternalism; I recognize the horror of centralization; I abhor all of these things, but there is one thing that I shall never abhor and shall never hesitate to approve, and that is to submit to the people of this country the right to vote on anything they may wish to vote upon; that is all this resolution provides. All the arguments made here so far are arguments that should be submitted to the people of the States. The only thing that this resolution provides is whether or not we propose to submit the matter to the States for the States themselves to approve or disapprove. When the matter is submitted to the States, and 13 of them reject it or 13 fail to approve it, that ends it, and that is the meat of this entire matter.

Mr. Chairman, the question before us is a very plain and a very simple one. We are not called upon to amend the Constitution. That is not the proposition confronting us. If by our votes we were attempting to change the fundamental law of our country, well might we hesitate. The proposed amendment does not propose any law whatsoever. Permit me to present the question by analogy: The Constitution is a contract; the people are the principal; the Congress is the agent; the agent is confronted with a problem not covered by the contract; the agent is dubious as to his principal's wishes; the agent receives conflicting reports concerning his principal's views; the opportunity is presented to ascertain what the principal desires. A responsive agent would submit the matter to his principal for enlightenment and instructions. Thus ought we to act.

If the principal desires to change the contract, he ought to have that opportunity; if he prefers to leave it as it is, then he can do so. In other words, we, the agents, propose; the principal, the States, dispose. And to me it seems that that agent who refuses to refer to his principal that which belongs to the principal and that which, for aught the agent knows, the principal anxiously desires is an arbitrary and unresponsive servant.

The theory of State rights is as appealing to me as it is to anyone; fighting for the children of America I incidentally battle for that principle; for it so happens that in voting to submit this matter to the States and later on in voting to amend the Constitution as I surely will, I am following the course of the founding fathers much more religiously than those who oppose me. The founding fathers in establishing this matchless Government fashioned and formed a dual system wherein the principle was laid down that—

the Nation should and was to be supreme in all foreign affairs and in all domestic matters that touch all the people of all the States, whereas each State should and was to be supreme in all matters that are local or peculiar to the State.

monsly approved. President Coolidge recommended it in his 1919, as a part of the revenue act of 1918, a provision for a tax message to Congress. I believe there is a general demand for of 10 per cent on the annual net profits of certain enumerated

Now if—

the Nation is to be supreme in all domestic matters that touch all the people of all the States—

then surely this matter belongs to the Federal Government, for beyond the peradventure of a doubt it touches all the people of all the States; for the reason that 5,000,000 boys, from 14 to 20 years of age, are employed in our various industries, working from 8 to 12 hours a day; that half as many more attend school and work part time; that an equal number of girls of the same age are employed in factories and stores; that employment of these children results in the displacement of 15,000,000 adults; that employment of children has a direct bearing on lowering wage scales; that employment of children tends to the deterioration of the race; that 23 States with a 14-year minimum age limit have weakened their law by permitting exemptions under which children not yet 14 may work; that 9 States have no law prohibiting all children under 14 from working in both factories and stores; that 37 States allow children to go to work without a common-school education; that 18 States do not make physical fitness for work a condition of employment; that 14 States allow children under 16 to work from 9 to 11 hours a day; that 5 States do not protect children under 16 from night work; and that 2 States do not regulate in any way daily hours of labor of children. If these things do not touch all the people, then in Heaven's name what does?

The States can not cope with the situation—at least the States do not. This fact coupled with the welfare of the children of America, which in the end means the perpetuity of our common country, makes it a duty of the Congress.

School attendance is worst and illiteracy highest in practically the same States that have the highest proportion of their children at work. The fact that over 1,000,000 children between the ages of 10 and 15 years in the United States are at work, or 1 out of every 12, makes it a national question.

The people of the States are at a disadvantage by virtue of the patchwork and haphazard system now in vogue throughout the United States. The people of progressive and advanced States which restrict, regulate, control, and prohibit child labor can not compete with those of their sister States which permit the employment of children at tender years and at small pay. Furthermore, the American man is oftentimes brought into competition with the alien who works his wife and his children, even those of tender years. Herein enters the economic phase of it which affects the people of the United States and which warrants a uniformity in the law. Furthermore, herein lies the condition that places it in the Federal sphere and simultaneously places it beyond the purview of State control. But whether it does or not, I consider American children more important than and paramount to the principle of States' rights.

The future of America depends upon the children of this day and age. Consequently it is to our interest to see that the children are protected and given the advantages that will develop and make of them the very best of citizens. There are several million children in this country who are not getting a square deal. They are being robbed of their time to play and of the schooling they ought to have and are being made to work, hard, tiresome, tedious manual labor in the factories, mills, mines, and on the farms. Some of them deep down in mines where the sun never shines; in factories before dawn and long after the setting sun—10 and 12 hours a day—little ones just as precious, just as innocent, just as sweet as yours and mine.

All day the iron wheels go onward,
Grinding life down from its mark;
And the children's souls, which God is calling sunward,
Spin on blindly in the dark.

This thing must stop! Childhood is endowed with certain inherent and inalienable rights that tower over and above any and all material progress; among these rights are freedom from earning their daily bread in the swent of their brow; the right to play and to dream; the right to sleep when night steals over the day; the right to be educated and to pursue and enjoy the happiness of childhood and the company of other children. Upon that doctrine I take my stand and urge that we submit this matter to the people.

Work that is being done by little children had better go undone; factories and farms wherein and whereon children starve and slave had better close and lie idle. The price is too great; it will damn America. Let us force an amendment to the Constitution prohibiting forever this damnable practice. Let us save them—first because it is right, and next because in so doing we serve and save America. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. FOSTER. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. PERLMAN].

Mr. PERLMAN. Mr. Chairman and members of the committee, in the Sixty-seventh Congress, on May 24, 1922, I introduced a joint resolution proposing an amendment to the Constitution of the United States granting Congress the power to regulate and prohibit throughout the United States the employment of children under 18 years of age. In this Congress, on December 5, 1923, I introduced a similar proposed amendment, which is House Joint Resolution 42. The amendment now before us is as follows:

Joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"ARTICLE —

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

This proposed amendment was referred to the Committee on the Judiciary, of which committee I have the honor to be a member. Many hearings were held by this committee on all child-labor amendments, and I am very happy to state that I was one of the majority of the committee who voted to report this resolution favorably and to recommend that it be passed by the House.

This amendment, if passed by the United States Senate and the House of Representatives, must be submitted to the States for ratification, and when it is ratified by the required number of States it will become part of the Constitution of the United States. Then Congress will have the power to legislate so as to limit, regulate, and prohibit the employment of children under 18 years of age.

Many here who are opposed to this amendment have urged that if it is adopted that some future Congress will pass a law prohibiting the employment of all persons under 18 years of age. Under this amendment Congress will have the power not only to prohibit but also to regulate the employment of children under 18 years of age. It is reasonable to assume that a future Congress will prohibit the employment of all children under a fixed age and will limit and regulate the employment of children above that age and under 18 years of age. It can not seriously be urged that children under 16 years of age ought to be employed in mines or in hazardous occupations. All possible safeguards ought to be placed about the children between the ages of 16 and 18 who may be employed.

Since this is an amendment, it must be broad enough so that there will be no need for a further amendment. This amendment will not interfere with girls helping their mothers with the housework nor with boys helping their fathers on the farms; but it will, if adopted and ratified, give Congress the power to legislate so as to regulate, limit, and prohibit the employment of children in mines, mills, factories, workshops, and manufacturing establishments.

Education, physical well-being, and recreation are a child's heritage. Our greatest asset is our children, and our first concern should be to give them every opportunity for education, recreation, and physical development. These they are deprived of if they are employed.

There was an abundance of evidence before the Committee on the Judiciary that in many of the States, especially in the South, a large number of children of tender years are employed in gainful occupations; yes, a great many in hazardous occupations. In 1920 there were in the United States 378,933 child workers 10 to 13 years of age. This did not include the number of working children under 10 years of age. In the same year 1,060,858 children 10 to 15 years of age, inclusive, were reported by census enumerators as engaged in gainful occupations. This number was approximately one-twelfth of the total number of children of that age then in the United States.

Of the 1,060,858 children 10 to 15 years of age, inclusive, 413,540 were engaged in nonagricultural pursuits. Some were employed as fellows: 5,850 as coal-mine operatives, 12,364 iron and steel industry operatives, 21,075 cotton-mill operatives, 11,757 clothing industry operatives, 10,623 silk-mill operatives, 7,077 woolen and worsted mill operatives, 7,545 shoe industry operatives, 10,585 lumber and furniture industry operatives.

Women's Bureau in the Department of Labor.

are local or peculiar to the State.

The CHAIRMAN. The time of the gentleman has expired.

operatives, 10,535 lumber and furniture industry operatives.

In 1880, in the United States, there were 396,504 children 10 to 15 years of age, inclusive, engaged in nonagricultural pursuits. In 1920 there were 413,549 children 10 to 15 years of age engaged in nonagricultural pursuits. The Children's Bureau of the Department of Labor reports that since the middle of 1922 the number of children between 14 and 16 going to work is steadily increasing. In 21 out of 35 cities in the United States more children under 16 years of age went to work in 1922 than in 1921, and in 29 of 34 cities more children went to work in 1923 than in 1922. In these cities 90,166 children 14 and 15 years of age went to work in 1923, the majority of them in factories and stores. In 19 of the cities in 1923 there was an increase of child labor over 1922 of at least 20 per cent, and in 9 cities the increase was approximately 50 per cent or more. In Louisville, Ky., the increase in 1923 over 1922 was over 126 per cent; in Birmingham, Ala., the increase regularly employed in 1923 over 1922 was 72 per cent; in Mobile, Ala., the increase was 64 per cent, and in many other cities the increase of children between 14 and 16 years of age in regular employment in 1923 over 1922 was from over 50 per cent to 139 per cent. The 10 States with the largest percentage of child laborers, according to the 1920 census, are:

States	Child laborers 10-15 years	Total child population	Per cent
Mississippi	70,354	275,782	25.5
South Carolina	63,520	260,594	24.4
Alabama	84,379	349,537	24.1
Georgia	88,934	427,235	20.8
Arkansas	48,140	259,593	18.5
North Carolina	62,162	373,484	16.6
Rhode Island	8,569	63,739	13.4
Louisiana	32,274	258,052	12.5
Texas	80,872	642,586	12.5
Tennessee	39,837	323,548	12.3

Child labor and illiteracy go hand in hand. Illiteracy is greatest and school attendance is worst in the States having the highest proportion of their children at work. The census of 1920 showed that 1,400,000 children between the ages of 7 and 13 were not attending school at all. In Mississippi, with 25 per cent of her children at work, 9.8 per cent of them are unable to read and write. Alabama, with 24.1 per cent at work, has an illiteracy percentage of 7.6 per cent. It has been urged that children when employed help sustain their parents and other members of their families. The fact is that their employment throws out of work the adults and brings about greater poverty and destitution. Those who employ children do not do it as an act of charity but rather because it is cheaper to employ children than adults. When children are employed they are competing with their parents and their older brothers and sisters, and when employed they are to a great extent responsible for the unemployment of their fathers and older brothers and sisters.

In face of these facts can it be fairly urged that child labor is a local or State problem and not a national problem? Great Britain, Belgium, Bulgaria, Norway, Germany, Denmark, the Netherlands, Greece, and Czechoslovakia are among the countries that have national child labor laws. Russia has a 16-year minimum for employment of children in industrial undertakings. China prohibits night work for boys under 17 years and girls under 18. Austria, Belgium, Denmark, France, Great Britain, Italy, the Netherlands, Norway, Peru, Russia, Kingdom of the Serbs, Croats, and Slovenes, Sweden, and Switzerland prohibit night work for all under 18 years of age. Most of the countries have limited the hours of employment of children between 16 and 18 years of age.

State laws and regulations are not sufficient and can not effectively prevent the exploitation of our children. A survey of the child labor laws of the several States of the United States shows as follows: One State has no age minimum; 46 States fix the minimum working age at 14 years or higher for boys and girls in factories; 1 State fixes the limit at 12 for boys and at 14 for girls; 15 States allow children under 16 to work in mines and quarries; 7 States prohibit children under 16 from working in mines but not in quarries; 26 States prohibit children under 16 from working in mines and quarries.

Eighteen States have no definite educational requirement for children leaving school to go to work. Only 12 require the completion of eighth grade before the issuing of employment certificates. One State does not regulate the working-day in any way. Seventeen States allow children under 16 to work 9, 10, and 11 hours a day. Thirty States limit the work of children under 16 to eight hours a day. Four States have no prohibition of night work for children under 16. One State prohibits night work for children under 16, with exemptions for certain industries. Thirty-eight States prohibit night work for children under 16.

If this amendment is incorporated in our Constitution and Congress thereafter enacts laws regulating the employment of children under 18 years of age, our Federal Government will not enter a new field of activity, because we have had two Federal child labor laws. On September 1, 1916, the first Federal child labor law was adopted, with the provision that it should become effective one year later, or September 1, 1917. This law provided that the products of child labor could not be transported in interstate shipments. On June 3, 1918, after this law had been in operation nine months and three days, the United States Supreme Court in a 5 to 4 decision declared it unconstitutional.

On February 24, 1919, a second child labor law was enacted by Congress. Under this law a tax of 10 per cent was imposed on the profits of certain establishments which employed children in violation of certain standards laid down in the act. This child labor law was in force until April 25, when the United States Supreme Court held it was unconstitutional. This decision was not unanimous. These two child labor laws which were held unconstitutional had for their purpose the prohibiting, limiting, and regulating of the labor of children.

I am firmly of the opinion that the people of the United States desire that Congress have the power to enact legislation to prohibit and regulate the employment of children under 18 years of age. This power Congress can not have unless the Constitution is amended as is proposed in the resolution now before us.

Who are opposed to this amendment? In the main those who wish to exploit children for their own profit. Most of the opposition to this amendment comes from those States which do not have adequate laws protecting the children. Most of these States are in the South. Many of the southern Congressmen who are opposed to this amendment urge that this amendment will violate State rights. I was not a Member of this House when the eighteenth amendment was adopted, but I have read some of the speeches made by southern Congressmen in favor of the eighteenth amendment at the time it was adopted. Those Congressmen did not then oppose the eighteenth amendment on the ground that it would violate State rights, nor did they urge the sovereignty of the States as an argument against the adoption of the eighteenth amendment. [Applause.] How inconsistent these southern Representatives are to-day, when the welfare of the children of America are involved. I think that some of them are more concerned about the welfare of the manufacturers of their States than they are concerned about the education, recreation, and physical development of our children.

It has been argued that this amendment violates the spirit of our Constitution. That the framers of our Constitution constructed our Government on the basis of reserving to each State the absolute right over all domestic problems. If it were possible to bring back to life to-day the framers of our Constitution and if they were asked their views on this amendment I think that they would unhesitatingly approve it and say that if they had had any suspicion that a day would come when there would be any child slavery in our country that in order to prevent such child slavery they would have written into the Constitution a grant of power to Congress to prohibit and regulate the employment of children.

In his message to Congress, President Harding, on December 8, 1922, said:

> Closely related to this problem of education is the abolition of child labor. Twice Congress has attempted the correction of the evils incident to child employment. The decision of the Supreme Court has put this problem outside the proper domain of Federal regulation until the Constitution is so amended as to give the Congress the indubitable authority. I recommend the submission of such an amendment.

President Coolidge, in his message to the Congress on December 6, 1923, said:

> Our National Government is not doing as much as it legitimately can do to promote the welfare of the people. Our enormous material wealth, our institutions, our whole form of society, can not be considered fully successful until their benefits reach the merit of every individual. This is not a suggestion that the Government should or could assume for the people the inevitable burdens of existence. There is no method by which we can either be relieved of the results of our own folly or be guaranteed a successful life. There is an inescapable

personal responsibility for the development of character, of industry, or thrift, and of self-control. These do not come from the Government but from the people themselves. But the Government can and should always be expressive of steadfast determination, always vigilant to maintain conditions under which these virtues are most likely to develop and secure recognition and reward. This is the American policy.

It is in accordance with this principle that we have enacted laws for the protection of the public health, and we have adopted prohibition in narcotic drugs and intoxicating liquors. For purposes of national uniformity we ought to provide, by constitutional amendment and appropriate legislation, for a limitation of child labor, and in all cases under the exclusive jurisdiction of the Federal Government a minimum wage law for women which would undoubtedly find sufficient power of enforcement in the influence of public opinion.

The platform of the Republican Party for 1920 contained the following clause:

> Republican Party stands for a Federal child labor law and for its rigid enforcement. If the present law is found unconstitutional or ineffective we shall seek other means to enable Congress to prevent the evils of child labor.

The legislatures of many States have recently petitioned Congress to pass a child labor constitutional amendment. The amendment before us has the support of the American Federation of Labor and many organizations. Some of these are:

Federal Council of the Churches of Christ in America.
General Federation of Women's Clubs.
Girls Friendly Society of America.
National Child Labor Committee.
National Congress of Mothers and Parent-Teachers Associations.
National Consumers' League.
National Council of Jewish Women.
Nation Council of Women (Inc.).
National Education Association.
National Federation of Teachers.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade-Union League.
Service Star Legion.
Young Women's Christian Association.

In conclusion, to-day in the United States there is considerable child labor and children of tender years are exploited. The most effective way to eradicate this evil is by passing an amendment to our Constitution, granting Congress the power to legislate on the subject. There is a universal demand for the adoption of this amendment. For the general welfare of the United States I earnestly hope that this amendment will be adopted. [Applause.]

Mr. TILLMAN. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. STENGLE].

Mr. STENGLE. Mr. Chairman, once more the Members of this House are called upon to legislate in the interest of future America, to lay the organic foundation upon which to erect the protecting arms into which shall be gathered the childhood of the Nation, thereby guaranteeing to generations yet unborn a reasonable opportunity for mental, moral, and physical growth.

A few days ago we were called upon to decide how far we intended to go in the matter of opening our gates to the peoples of the world. At that time special emphasis was laid upon the need for stricter care and a better selection in the admission to our shores of the natives of other lands. Future America was the keynote of many eloquent addresses, and almost all of us agreed that it was the duty of Congress to legislate for the benefit of future generations. In that conviction I fully shared, and so loud did duty call that I laid aside every hope for future political preferment and cast my vote in the interest of America. I said then and I repeat now no Congressman, in my opinion, has a right to place political expediency ahead of public duty. This may sound like strange doctrine to some, but, gentlemen, it is founded upon common honesty.

We have heard to-day that the passage by this House of the proposed amendment to the Constitution permitting Congress to legislate for the protection of our children against unrighteous employment in their tender years would be a serious invasion of State rights. That may be, and is possibly, true, but, Mr. Chairman, if I am called upon to decide between the rights of childhood and State rights, I shall cast my vote for the childhood of the Nation, for of what benefit would State rights be were we to rear in this fair land a race of mental defectives and moral and physical pigmies rather than groups of healthy-minded, physically and morally vigorous young men and women? I believe in State rights and am opposed to a centralized government in America. We already have too much bureaucracy in our midst, too much government under the direction of bureau chiefs, but I fear sometimes that in our desire to rid ourselves of this growing evil we lose sight of the larger things involved in proposed legislation.

Here we have before us a proposal which, if passed by Congress and approved by three-fourths of the States, will fix a standard for the treatment of the childhood of America. Here we have an opportunity to say by our votes whether your offspring or mine shall first pass through child slavery before reaching the age of maturity or be given a fair chance to grow and develop in healthy environment surrounded by all the safeguards necessary to the making of splendid manhood and womanhood. What a wonderful chance to legislate for the future greatness of our glorious country. What a privilege you and I have to write a new epoch in the Nation's history.

The birds of the air and the beasts of the field care for their offsprings in the tenderest way, and not until the hour of maturity arrives are these little ones expected to go forth and earn their livelihood; but humanity in its recent craving for wealth has been reaching down into the very cradle and dragging forth the infants in order to secure another scion of the family to rush forth in search of the almighty dollar, with the result that we are raising here in America a generation of weaklings who, if they had been given a fair chance, would have been strong and healthy. The time has come to stop this unrighteous practice. God in His benevolent way has bestowed upon America much more than any of us need. We have only to scratch the fields and vegetation bursts forth most bountifully. We need only to cast our nets and the sea gives up a wonderful supply of food. Dig into the mountain side and you discover that which enriches the industrious. Bore into the bowels of mother earth and oil gushes forth in great quantities. Then why, I pray you, is it necessary to lay our own offspring upon the altar of greed and blanch their cheeks and dull their vision in order to obtain more of the filthy lucre? [Applause.]

Mr. Chairman, the motherhood of America demands that we enact this legislation. I know that some of my colleagues do not attach much importance to this phase of the case before us, but I do. I am not unmindful of the fact that woman is the mother of the race; that to her more than to any other agency we owe our greatest successes in life. Show me the man in this country who ever amounted to a "hill of beans" and I will show you where his opportunity sprung and was cultivated when it needed its greatest care and attention. The old motto which used to hang in almost every home, which read, "What is home without a mother" spoke a truth that neither time nor tide can ever efface. He who respects his mother is always respected by his fellow man. Ah, colleagues, the mere fact that mother asks you and me to pass this resolution ought to be sufficient reason for favorable action.

The protection of the children of America is more than a State or local question. It reaches far out into the future of this Republic and portrays a Nation composed of mental, moral, and physical weaklings, or it guarantees, if we act favorably upon the pending resolution, that the America of to-morrow will be the embodiment of righteousness personified by a race of clean-living, God-fearing people.

Mr. Chairman, I certainly shall not by my vote expose the millions of future citizens of this country to industrial exploitation, thereby squandering the possibilities of our young for commercial gain. Kill this resolution and you announce to the world that the king of avarice sits enthroned. Deny this protection and you invite the sweatshops, mines, and other death-dealing agencies to take your children as a sacrifice on the altar of greed. Give so-called State rights preference over child rights and future generations will regret that you ever lived. If America can not live and prosper without destroying the hopes and aspirations of its progeny, it were better that we hang a millstone about our necks and leap into the sea, leaving the pages of history blank, rather than to inscribe upon its sacred scroll the names of thousands who might have been worth while in life had we not been too weak to stand up for justice when justice cried out for our support.

Without a moment's hesitation, Mr. Chairman, I here and now record my vote in favor of this important resolution. [Applause.]

Mr. FOSTER. Mr. Chairman, I yield four minutes to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Chairman and gentlemen of the committee, the supporters and opponents of the pending resolution

which proposes to empower Congress to regulate the employment of child labor agree as to the desirability and importance of laws for the protection of children and the promotion of their welfare. I am not one of those who impugn the motives of gentlemen who are opposed to this amendment or charge them with not being interested in the welfare of children. I believe that every Member of this House is in favor of legislation for the protection of children by either the States or the National Government. Those who oppose the measure, however, do so on the theory that the proposed amendment would violate the principle of State rights. I, too, am a firm believer in the principle of local self-government; and, of course, the term "local self-government" includes the more limited application of the principle known as the doctrine of State rights.

As a matter of strict principle, in order to be truly democratic, conditions and activities affecting people within any particular subdivision of government should be controlled and regulated by the people or the representatives of the people residing within such subdivision. Fortunately, our Constitution has followed this principle to a considerable extent. Applying the principle to our social, industrial, and commercial activities and conditions, we immediately agree that such activities and conditions as affect the people of a municipality only should be regulated and controlled by laws enacted by the people or the representatives of the people of such municipality. So also conditions and activities which substantially affect only the people of one State should be regulated and controlled by laws enacted by the people or the representatives of the people of that State.

Conditions and activities, however, which substantially affect the people of all the States should be regulated and controlled by laws enacted by representatives of the people of all the States—that is, by Congress.

Recognizing the desirability of the freest possible commercial relations among the States, the framers of the United States Constitution expressly provided for the regulation of interstate commerce by the National Government.

If, then, the Federal Government is logically and properly the government to regulate interstate commerce, it certainly is the proper agency to regulate the employment of children, for if one State were to legislate humanely on the subject of child labor while other States allowed the employment of children of any age at any kind of work, the employers producing merchandise in the States where child labor had not been prohibited would ship such merchandise into the States where child labor had been prohibited, and because of the lower cost, due to the employment of the cheap labor of children, the manufacturers shipping their goods into the States prohibiting the employment of child labor could and would drive out of business the manufacturers of the State prohibiting child labor, or would eventually force such State to modify or repeal its laws prohibiting the employment of children.

Moreover, if we were to allow each State to say to what extent it would allow merchandise to go into that State from a State prohibiting child labor or having child labor laws less strict, we can very easily imagine a situation where the commerce among the States would come to a stop. I contend, therefore, that the proposed amendment is perfectly consistent with the original theory of the Constitution and is absolutely essential to the proper working of both National and State Governments. No, gentlemen, do not try to excuse opposition to the pending resolution on the ground that it invades the rightful domain of the States, for it does not.

If the framers of the Constitution could have foreseen that diverse action by the different States would seriously affect the commerce among the States, I feel sure that they would have expressly stated that the National Government shall have authority to regulate the employment of children as a necessary incident to the effective exercise of the authority given it to regulate interstate commerce.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CROSSER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman has that privilege.

Mr. TILLMAN. Mr. Chairman, I yield two minutes to the gentleman from Massachusetts [Mr. CONNERY].

The CHAIRMAN. The gentleman from Massachusetts is recognized for two minutes.

Mr. CONNERY. Mr. Chairman and gentlemen of the House, better than any speech that I might make on the subject of child labor I consider this little editorial, which I will read from Collier's Weekly of February 16, 1924:

THE TRAGEDY OF REUBEN DAGENHART

Back in 1916 Congress passed a law forbidding child labor. A southern cotton mill made a test case of one of its juvenile employees, Reuben Dagenhart, and succeeded in having the act declared unconstitutional by a 5 to 4 vote of the Supreme Court.

Reuben Dagenhart has been back at work in the cotton mills ever since. Lowell Mellett looked Reuben up awhile ago and told in the Scripps papers what the Supreme Court had done to Reuben.

Reuben is now 20 years old, is married and has a child, and weighs 105 pounds. He is wholly uneducated, because he has been at work since childhood and has had no time for school. This old young man is physically and mentally undersized, stunted, and burned out. How much good will the child be that is sired by such stock?

Nine old men with splendid hair-splitting brains sat in Washington. Four of them said that the Constitution did not forbid child labor legislation by Congress. Five of them said it did, and so it did. And a million Reuben Dagenharts the country over went back to the looms and the lint and the coal and the dust and disease and death.

Suppose that any one of the five judges had had a better luncheon or had not had dyspepsia or gout or whatever it is that makes judges what they are—suppose he had voted the other way? Wouldn't the Constitution still be safe? We must amend that Constitution so that Congress can say where and how children shall work.

The children's amendment must pass.

Now, gentlemen, I do not know much about the digestion of the judges of the Supreme Court, and I have the highest respect for the gentlemen who compose that highest judicial tribunal of the United States, but I wish to say, with all due respect to the gentlemen here, my colleagues, who are against this amendment—and I believe that they are actuated by the highest motives—that most of the opposition to this resolution submitting a child labor amendment comes from the selfish and greedy corporate interests of this country who want to send our little children into the mills and manufacturing industries and pay them starvation wages so as to compete unfairly with other industries that are paying decent wages suitable to decent living conditions in the United States. I am in favor of this amendment, and I hope it will pass. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TILLMAN. Mr. Chairman, I yield one minute to the gentleman from New York [Mr. CELLER].

Mr. FOSTER. And I yield one minute to the gentleman also.

The CHAIRMAN. The gentleman from New York is recognized for two minutes.

Mr. CELLER. Mr. Chairman and gentlemen of the committee, the problems of child labor have for years agitated the country. Many remedies have been tried, but still, in some of our backward States, thousands upon thousands of children are engaged in laborious work. Hard taskmasters in many parts of the country still "grind the faces of poor" children. Public opinion now demands the highest form of legislation—amendment to the Constitution to remedy the evil.

In 1912 the Republican and Progressive Parties declared for a Federal child labor law. In 1916 both the Democratic and Republican Parties demanded such a law. In September, 1916, the first child labor law was passed. Congress invoked for that purpose its power over interstate commerce. It became a misdemeanor for the producer—the employer of child labor—to put into interstate commerce the products of any mine or quarry where children under 16 were employed, the products of any mill, cannery, workshop, and so forth, in which children under 14 were employed. The Supreme Court declared the act unconstitutional, holding that the Federal power over interstate commerce was to regulate such commerce and was not to give Congress power to control the States in the exercise of their police power over local trade and manufacture.

In February, 1919, the second child labor law was passed. This time Congress used its taxing power for the purpose. It exacted a tax of 10 per cent in excess of all other taxes to be levied upon the net profits resulting from sale of products of mills, workshops, canneries, and so forth, where children within the prescribed ages were employed. The Supreme Court once more held the act unconstitutional, and said Congress could not under the guise of taxation practically regulate or prohibit certain kinds of labor. The court further held—

Grant the validity of this law, and all that Congress would need to do hereafter in seeking to take over to its control any one of the

great number of subjects of public interest, jurisdiction of which the States have never parted with and which are reserved to them by the tenth amendment, would be to enact a detailed measure of complete regulation of the subject and enforce it by a so-called tax upon departures from it. To give such magic to the word "tax" would be to break down all constitutional limitation of the powers of Congress and completely wipe out the sovereignty of the States.

Thus twice Congress used methods of indirection to prohibit child labor and in each case it failed.

Everything has thus been tried and has been futile. Many States have been backward in enactments of child labor laws. The laws of 35 of them, in one respect or another, fall below the very moderate standards incorporated in one or the other of the Federal child-labor enactments. Not only have some of the States failed to measure up to Federal standards but there is no telling when, if left to themselves, some States will slip back and reduce their standards.

To my mind the constitutional amendment giving Congress power to act will be ample protection. Knowing that Congress has the power to act, even if Congress does not assume to act, the States of their own accord will promptly fall in line and give adequate protection to our children. The children are the Nation's dearest heritage. They are the Nation's priceless and most precious resources. We must protect them from exploitation and neglect. Our self-respect demands this amendment.

The amendment, which is as follows:

The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

The power of the several States if unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress—

does not deprive the States of any rights or powers which they now possess; they are left free to go above or beyond the Federal minimum; they can not go below.

I recognize that our Government is becoming more and more centralized. There is inherent danger in this. The more powerful our central Government the less effective will become its decrees of enforcement. Witness prohibition. The enforcement can be only that which the people of the various States desire. Water can not rise above its source. Enforcement can not rise above what each State's public opinion demands.

We should not always have recourse to the Federal Government to correct social abuses. But each issue should stand upon its own bottom. Each case must be considered sep rately. However, I firmly believe no harm can come to America, to its life and Government, if we give Federal Government power of regulation over the labor of the child.

As against humanity, everything must give way—even the Constitution—hence this amendment.

There is nothing providential about our Constitution. There is nothing sacrosanct about it.

"We, the people," begins the preamble of the Constitution; but the almost unanimous sentiment in the Convention of 1787 was that the less the people had to do with government the better.

In The American Commonwealth, James Bryce remarks:

Had the decision been left to what is now called "the voice of the people"; that is, to the mass of the citizens all over the country, voting at the polls, the voice of the people would probably have pronounced unhesitatingly against the Constitution. He points out also that the convention met at the most favorable moment in American history for securing the adoption of such a constitution. Had it been attempted four years earlier or four years later, at both of which times the waves of democracy were running high, it must have failed.

To the same effect we have what Woodrow Wilson said in his Division and Reunion:

In plan and structure the Federal Government had been meant to check the sweep and power of popular majorities. The Senate, it was believed, would be a stronghold of conservatism, if not of aristocracy and wealth. The President, it was expected, would be the choice of representative men acting in the electoral college, and not of the people. * * * Only in the House of Representatives were the people to be accorded an immediate audience and a direct means of making their will effective in affairs.

Thus the Constitution is not wholly responsive to the will of the people. Particularly is this so apropos of child labor. It must be made so by amendment.

The first textile mill in America was not set up until three years after the Constitutional Convention of 1787. There were no large cities at that time. America was rural, and rural conditions then were different from the rural conditions of to-day.

Then there were no children of 10 and 12 years in factories, sweatshops, quarries, mines, and canneries. These evils are prevalent and with us to-day. The amendment is the only remedy. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired. Does the gentleman from Pennsylvania [Mr. GRAHAM] desire recognition?

Mr. TILLMAN. I have, I think, one minute more.

Mr. FOSTER. I have 9 minutes. The gentleman from Pennsylvania has 30 minutes.

Mr. TILLMAN. I will either yield my one minute to the gentleman from Ohio or he can yield to me.

Mr. FOSTER. We can decide that while the gentleman from Pennsylvania is addressing the House.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I raise the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Pennsylvania raises the point of no quorum. The Chair will count.

Mr. RANKIN. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Mississippi moves that the committee do now rise.

Mr. RANKIN. Mr. Chairman, I will withhold that.

The CHAIRMAN. The gentleman from Mississippi withdraws the motion. The Chair will count. [After counting.] One hundred and twenty-five gentlemen are present. A quorum is present.

Mr. GRAHAM of Pennsylvania rose.

The CHAIRMAN. How much time is the gentleman from Pennsylvania yielding to himself?

Mr. GRAHAM of Pennsylvania. I am going to use as much of my 30 minutes as I may need.

The CHAIRMAN. Does the gentleman understand that the gentleman from Arkansas and the gentleman from Ohio are yielding to him their time?

Mr. FOSTER. If the Chair has that in mind, I hope he will disabuse his mind of the idea.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, am I right in the impression that I have 30 minutes?

The CHAIRMAN. Yes. The gentleman has 30 minutes.

Mr. GRAHAM of Pennsylvania. Mr. Chairman and fellow members of the committee, I have always thought, particularly when a change in the fundamental law was contemplated, that the great purpose of our gathering together in this Hall would be to confer with each other and discuss the subject from our various viewpoints, with the ultimate purpose in mind of trying to reach a just and righteous conclusion. It seems that the purpose of deliberation upon this measure has not been very closely observed. Frequently yesterday as few as 25 or 30 men out of 435 graced this Chamber with their presence.

Surely no man ought to say "I have thoroughly made up my mind on this point" without a conference with his associates. The very object of convening together is that each may have the benefit of the thoughts of the others, appraise them, after we hear them, as we may, as being either of much or of little value.

The subject we have before us to-day is one of unusual importance. A great deal has been said by men on the floor about "the interests" that are behind those who object to the passage of this amendment. I want to say to my colleagues that I have no "interest" behind me upon this subject. I am speaking out of reason and justice solely and only as a Member of this House. I feel keenly what devolves as a duty upon me as a Member of this House with respect to the constitutional amendment proposed and the effect of that amendment upon the structural Government which that Constitution created. There has been no evidence before our committee of manufacturers or any other section of our community dominating or attempting to dominate the consideration of this question. On the other hand, the proponents of this measure have been thoroughly well organized and have exerted a degree of political sagacity in the management of their campaign that shows the concentrated effort that has been and is being put forth to pass this amendment to our Constitution.

Let me try to make clear one point at the very beginning. I think it was the gentleman from Indiana who yesterday made a statement with which I can not and do not quarrel. Of course, if this amendment is sent down to the States and the States voluntarily vote for it and pass it, of the requisite number, then that presents the spectacle of the States voluntarily relinquishing their rights; and that is correct, but we have much more involved in this question than that of sending

this resolution down for the purpose of having the States pass upon it.

I contend that originally—although it may be merely academic to raise such a contention at this day—when the organization of our Government under the Constitution was created the powers delegated to the Federal entity were limited and those reserved were not State rights; they were sovereign rights. Each State to that compact was a sovereign State and each State said, "I will or will not consent to this Constitution," and without the consent of each State the Constitution would not be binding upon any State which did not consent to it. Therefore the reservoir of police power and sovereignty remained in the States of this Union, and I contend could not be taken from them without the individual consent of each State.

Mr. RATHBONE. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. No, sir. That, as I said, is now merely academic, for the decision of our Supreme Court has passed upon that question adversely to the view which I entertained, but I refer to it only to show the care, therefore, with which we should regard this question of invading those reserved sovereign rights of the States.

If the amending clause of the Constitution only meant, when put there by the fathers, amendments within the line and limit of the delegated powers to perfect them or to make them more effective—which is all that logically ought to have been claimed for it as against sovereign contracting powers—then it would have required the consent of each State to every amendment which added a new power. The court has expanded that amending clause so as to make it cover any amendment proposed by two-thirds of the Congress and action by three-fourths of the States when sent down by us or any amendment that is created through conventions in the States. So that while the question of unanimity is eliminated, the idea of preserving those sovereign powers still exists.

But I do not base my opposition to this amendment upon the theory only that it is taking something out of that reservoir and adding it to the Federal power. I go one step further, and my thought has been well brought out in the arguments that have been advanced here by the gentleman from Virginia [Mr. MONTAGUE], the gentleman from Texas [Mr. SUMNERS], and others, when what the effect of this amendment is likely to be was discussed, and what also if it is to be followed, as it will be, just as surely as we are here contemplating the passage of this resolution, by other resolutions proposing other amendments touching similar matters and based upon the equally flimsy bases as this one rests upon—and pointing out that the structural existence of this Government is at stake by such amendments. It is not a question of constitutional law. No; it is a question of living up to the very spirit and thought of the fathers in creating the structure of our Republic and in the maintenance of the duality which exists in it, and preserving checks and the limitations and balance of powers that have been established—a question whether or not this structure, which has existed, an object of symmetry, beauty, and efficiency for over 125 years, shall remain perfect and intact. That is what we are to determine by voting upon this resolution to send down this amendment to the States. It is not a question simply of amending the Constitution; it is not a question of that character; it strikes at the very root of the existence of this Government which we love, and which we propose to defend with voice and vote to the very last limit and extremity of our power.

Yes; but it will be said, "This is an amendment to the Constitution which does not take away anything from the States but leaves the State power intact." In fact, the draftsmen of this resolution have carefully provided that this shall not impair the rights of the States, a perfectly useless, senseless, and silly provision, because that follows as a matter of law and interpretation without that provision.

But, my colleagues, this amendment, if adopted, does take away the power of the States. Why? Because the provision of the first section is that power is hereby given to Congress to prohibit, to regulate, and so forth, up to 18 years of age. Now, then, if the power is given to Congress to do that, what remains to the States? Simply this: That a State may go further than Congress if it wishes, but it can not go back of what Congress may enact. So that if Congress legislates up to 18 years no State can exercise power below that 18-year limitation which Congress may establish. If Congress makes a partial regulation up to and within the 18-year limit, the State is absolutely powerless to interfere up to the point fixed or change it in any manner. So I respectfully submit to the gentleman who said this took no power away from the States that it is an error to so contend, for it does absolutely place the power in Congress, and if Congress chooses to exercise it the States are disfranchised and the States are convicted of being incapable of taking care of the childhood within their limits and the States are excluded from the exercise of control over the children within their borders.

Now, it has been said here with great ostentation, as if it meant something splendid for this Congress to consider, "Why, this resolution was drafted, and Dean So-and-So, of a law school in such a State, passed upon it, and Dean So-and-So, of another great institution, passed upon it, and they all say it is perfectly constitutional and properly framed."

Mr. FOSTER. No letter I read said it was constitutional. I have the letters, and that language was not used by any of the deans.

Mr. GRAHAM of Pennsylvania. I did not allow myself to be interrupted, but, nevertheless, I overlook the lack of assent and accept the interruption and I will say that possibly the gentleman is right, that the word "constitutional" was not used. But I meant to say that they gave their certificates as to its propriety, its completeness, and as to the splendid verbiage that was contained in it. The gentleman can not deny that, because he quoted one man at least who spoke along that line and then launched into an argument to prove that it did not infringe upon State rights. I only refer to this to make the added remark that many of us—and some of us have served among the professorships of these schools—are aware of the fact that there is no more fertile soil for socialistic ideas, communistic notions, and altruistic ideals incapable of accomplishment than in the minds of some of these men who figure as professors and deans of law schools at our universities. [Applause.]

It has been boldly asserted that this only gives the Congress power to legislate and it is not contemplated that they are going to exercise that full amount of power. To my humble judgment that involves a most erroneous proposition in connection with granting power to the Federal entity. Congress is limited in its powers, generally, by the provisions that are enacted in the Constitution and amendments to the Constitution, and should carefully define the power and limit it; not leave it to the possibility of a nonuser.

There is no doubt in my mind as to the ultimate extension of this power to affect agriculture. I quote from page 36 of the hearings, Mr. FOSTER questioning Miss Abbott. Miss Abbott was the head and front of this propaganda. Originating largely in the Children's Bureau of the Labor Department, she was the guiding spirit who with great skill and power handled and shaped the campaign that has resulted in the presentation of these multitudinous societies before you as commanding us and imploring us to pass an amendment of this kind:

Mr. FOSTER. Do you know of any reason why, if an amendment was made to include agricultural labor, the farm bloc would not be able to take care of that?

Miss ABBOTT. I come from the farm bloc region, and I think they would be pretty well able to take care of the situation.

Mr. HERSEY. There are a number of forms of amendments before us, some of them describing absolutely the age and the manner and the kind of employment prohibited and making an absolute prohibition of that kind of employment of children; there are other resolutions saying that Congress shall have the power to prohibit and at what age and omitting the details.

Miss ABBOTT. Yes.

Mr. HERSEY. Which one do you favor?

Miss ABBOTT. I favor the general grant of power.

Mr. HERSEY. The one I mentioned last?

Miss ABBOTT. Yes; the general grant of power, with the statute to be worked out in the future.

Mr. HERSEY. Then, anything that is before us to-day on that part of it, anything in regard to whether it shall be farm employment or some other employment that is prohibited, of course, is outside of what you desire at this time, which is merely an amendment granting that power.

Miss ABBOTT. It is totally irrelevant, it seems to me, at this time.

The CHAIRMAN. Except so far as this being a general power, it includes the power to regulate labor upon the farms and in agriculture?

Miss ABBOTT. Yes.

The CHAIRMAN. That the power to do it is proposed here?

Miss ABBOTT. Yes.

Mr. MONTAGUE. You would give them just as much regulatory power as to farming as you would as to mines or any other work or occupation?

Miss ABBOTT. Yes; as far as the power goes.

Is there room for anyone to contend that there is not in the minds of these enthusiasts, these idealists, these people who

are picturing an Elysian state for the childhood of America; that in the course of time that power will be exercised to the detriment of those who are engaged in farming, as well as to the full extent of the 18-year limit?

This amendment reaches the age of 18. Men, think of it! They are going to provide a guardian or nurse for our young men up to 18 years of age. That power is given. Do you reflect for a moment that the boys who fought the battles of the Civil War and in the late war were 18, and many of the surviving veterans of the Civil War were 15 or 16 years of age when they enlisted. Think of it! Able to fight the battles of their country, but unable to take care of themselves and provide for their own employment and education. [Applause.]

Another argument that has been used here is that if the original draftsmen of the Constitution were here to-day and had this amendment submitted to them for their consideration there would not be found any objection, because it is entirely consistent with the views which they had in mind when the Constitution itself was originally drafted. Those who assert this have not read colonial history.

This is on a par with the other arguments which I have listened to to-day, such as when a man arose and stood at this desk and talked about the existence of "child slavery" in this country, and used other terms that are equally extravagant. There is no such thing as child slavery in this Nation. I challenge any man to show me from the record the slightest evidence of the existence of such a thing.

Mr. CONNERY. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. No.

Mr. FOSTER. You challenged him.

Mr. GRAHAM of Pennsylvania. Show me from the record. I do not want talk. I have learned in my time here that it is dangerous to let a man take time away from you under the disguise of asking a question and occupy the floor during the short time allotted to one.

I want to quote at this point from the majority report, pages 18 and 19. This is what is probably characterized by that gentleman as child-slave labor, for there is nothing else in the record; it is found among the reasons that are given why Federal action should be taken, but before discussing that let me briefly allude to the statement made here a number of times in the discussion, that because Congress passed two acts, one supposedly in the exercise of power under the interstate commerce provision and the other supposed to be under power given by the taxing authority in the Constitution, that those two acts indicated a desire on the part of Congress to take control of this subject.

Gentlemen, the only logical inference from those acts is that they indicated an intention on the part of Congress to cooperate with the States in the accomplishment of the reforms that were planned in child labor, just as the establishment of the Children's Bureau in the Department of Labor is an act by which Congress shows its willingness to cooperate in the management and control of this subject by the States. I now call your attention particularly to the reasons assigned for Federal action, and, first, I will refer to those which are considered illustrative of the worst treatment that the committee could find and report:

As the industry has shifted to the Southern States the difficulty of securing an adequate labor supply has led to a system of importing help from northern cities, principally Baltimore and New York, for the season and returning there when they are no longer needed. When this is done there is a tendency to select "family help"; that is, the employers hire heads of families with the understanding that wives and children are to be brought also.

Is that child slavery. Would a calm and dispassionate consideration of a matter involving great and grave questions warrant the use of the language "child slavery"? "The family went"—they went down there to aid in this employment for a few months and return again to their homes. They went in their battle against poverty. The whole family went voluntarily.

Mr. FOSTER. May I answer the question inasmuch as the gentleman puts it in the form of a question?

Mr. GRAHAM of Pennsylvania. Not yet. I have not finished.

On pages 18 and 19 of the majority report is arranged "The reasons why Federal action is considered necessary." What are those reasons?

The reasons why Federal legislation in this field was first sought were: First, because in some States a single industry was so powerful as to prevent the passage of a reasonable child labor law or the enforcement of one after it was passed; second, because consumers had come to feel a moral repugnance to the use of the products of child labor; third, because manufacturers objected to the competition of those who relied upon the low wages of children as the basis of their profits; and, finally, because States found themselves unable to protect not only their consumers and the manufacturers but their citizenship. For after all, children who suffered from the educational, physical, and spiritual losses which premature child labor brings could migrate to any State, so that the citizenship of no State was secure against the neglect of another State.

A new need for Federal regulation has recently been emphasized by disclosures regarding the sweat-shop labor of young children in their homes on work sent in from other States. A recent investigation of home work by children in Jersey City disclosed the fact that more than 1,000 children, the great majority of whom were under the age of 14, were doing sweat-shop work in their homes under dangerously insanitary conditions. Wages were very small, families of three and four working long hours earning as little $3 and $5 a week.

It was brought out in the testimony given in connection with these inquiries that a considerable amount of the tenement home work done by the New Jersey children was distributed from factories in neighboring States. Thus, New York manufacturers, who were sending their work to Jersey City to escape the New York regulations against tenement home work, were not subject to the penalties imposed by the New Jersey laws. In this way they succeeded in successfully dodging State laws.

Child workers themselves cross the State lines also and create special local problems. The importation of workers to one State from another is a particular feature of the canning industry. According to the findings of the Bureau of Labor Statistics investigation, the condition of woman and child wage earners in canneries—

"As the industry has shifted to the Southern States the difficulty of securing an adequate labor supply has led to a system of importing help from northern cities, principally Baltimore and New York, for the season and returning there when they are no longer needed. When this is done there is a tendency to select 'family help'—that is, the employers hire heads of families with the understanding that wives and children are to be brought also."

A Children's Bureau study in 1919 of child labor in canneries on the Gulf coast showed that large numbers of families were still going from northern cities, principally Baltimore, for work in the canneries of Mississippi, Alabama, Florida, and Louisiana. It was estimated at that time by the assistant general passenger agent of the railroad which usually carries the migrating families from Baltimore to the Gulf coast that in normal years from 3,000 to 3,500 workers go south annually from Baltimore alone to work in the oyster and shrimp canneries. In 88 of these families included in the Children's Bureau study 105 children from 6 to 14 years of age worked in the canneries. Inspections of fruit and vegetable canneries made by the Children's Bureau in Maryland showed that many of the larger canning factories import their labor from Philadelphia as well as from various parts of Maryland. Some of these families, it was found, follow cannery work throughout the year, canning in the Maryland fruit and vegetable canneries in summer and going south to the oyster and shrimp canneries in winter. Because of this nomadic life and the fact that the communities where they lived and worked temporarily did not regard themselves as responsible for their education or general protection, some of the children interviewed had never attended school, and others were barely able to read and write. Child labor is thus not only a matter of national importance because of the numbers involved and the geographical distribution of working children or because of the present serious inequalities in State legislation, which hamper effective action in every State, but it has also an interstate aspect for which local control is difficult or impossible.

Think of the horrid condition of affairs in that State where a single industry could prevent a law from being enacted and, if there were power enough to enact the law, could prevent its enforcement. Where is there such a State? Does it exist outside the land of imagination? Think of the picture of a State absolutely powerful and able to pass a law which a single industry could defy.

The second reason is even worse as an argument, namely, "moral repugnance" to use the products of child labor. When that repugnance existed it could soon mold public opinion and gain a law to regulate or control child labor.

The third reason is based on competition. Can the existence of competition between citizens of different States be a reason for a constitutional amendment? Perish the thought!

The remaining reason is that children suffering from premature child labor—physical or spiritual loss—could migrate into some other State carrying their physical and spiritual disabilities with them. Can a Federal amendment cure that? Can Congress, even if this amendment becomes part of the Constitution, prevent migration from one State to another? Surely it can not; neither does the migration evil furnish an argument for Federal intervention.

no power away from the States that it is an error to so

minds of these enthusiasts, these idealists, these people who

come to feel a moral repugnance to the use of the products of child

argument for Federal intervention.

Then there are two or three local evils which are given as added reasons. Sweatshops in New Jersey, cranberry bogs in that State, and the moving of whole families to Southern States to engage in work in canneries. All of these evils involve probably five to ten thousand children out of over 12,000,000 children, and the evils can themselves be easily eradicated by local effort and legislation; yet the fundamental law is to be changed on such grounds. One can scarcely imagine a weaker array of reasons advanced in any cause. If it were not that sentiment and emotion rule instead of logic and reason, they would be ruled out of court. Let a gentleman arise and tell some story of child suffering, and the minds of his auditors, obeying the heart, are at once inflamed, ready even for mob action. It does credit to the heart, but sound reason is silenced.

Equally easily answered are the reasons given by Miss Abbott, if only one could get an unbiased hearing in the forum where logic and justice rule.

Miss Abbott, in the hearings before the Committee on the Judiciary, page 275, stated the grounds upon which the proponents claim there exists an overwhelming and irremediable necessity for the adoption of this amendment. I quote them:

I want to remind you of the fact that, after all, the reasons why we are asking for a Federal minimum standard with reference to the employment of children, or that Congress be given power to enact a Federal minimum standard with reference to the employment of children, is (1) because we have shown that the numbers involved are very large: that is, that there are more than a million children between 10 and 16 years of age employed and something over 300,000 of them between 10 and 14 years of age, and that nearly half a million are in nonagricultural employments; (2) that this employment is confined to no one section of the country nor to no one part of a single State; (3) that while the States in various parts of the country have enacted child labor laws, those laws have been uneven and inadequate, sometimes because of successful opposition to the enactment of a law and sometimes because of successful opposition to the effective enforcement of the law; (4) because, after all, we feel that the question of children involves the citizenship of the country in a way which justifies national concern and interest; (5) no one State alone can protect itself wholly against the evils of child labor; the children who grow up in other States migrate frequently to States in which ample provision has been made for the protection of children and bring with them bad health and illiteracy to the State to which they go; (6) the State can not protect itself against the competition of low standards in other States.

Her first reason is the "numbers involved," which she says are very large. She claims that more than 1,000,000 children between 10 and 16 years of age are employed, and possibly over 300,000 of them are between 10 and 14 years of age. When we take the percentage of the total number of children whom she alleges to be engaged in gainful occupations or doing child labor, the number is not so appalling as one states merely the bald fact that it is about 1,000,000. According to the Children's Bureau, of which she is the head, in a publication intended as part of the propaganda for this amendment, on page 1 it is stated that the number of children between 10 and 15 years, inclusive, in the country is about 12,502,582. This would only mean not more than about 11 per cent of the children of the country between the ages of 10 and 15 are thus being worked. By this same publication it would appear that of this number the child workers between 10 and 15, inclusive, are about 378,000 out of the total of 12,500,000, or about 3.3 per cent of children under 16 years of age.

According to the census report and according also to this same publication of the Children's Bureau, that of the 1,000,000 children between the ages specified, 10 to 15 years, 87 per cent are engaged in agriculture; 2 per cent in the extraction of minerals; 2.5 per cent in manufacturing and mechanical industries; 0.5 per cent in transportation; in trade, 4.6 per cent; professional services, 0.2 per cent; domestic and personal services, 3.2 per cent; clerical occupations, 1.8 per cent. A number of the States fix the age of employment for children at a minimum of 14 years, so that a part of this million are lawfully employed according to the laws of these States, and it is a debatable question to-day as to whether 14 years is or is not too young an average age at which to allow children to work. It would seem, therefore, that the number is not such an appealing factor as would authorize us to move in favor of the adoption of this amendment.

Her second reason is that this employment is confined to no one section of the country nor to no one part of a single State. It would seem, therefore, that in the 18 States in which ideal regulatory laws have been established it must be due to the lack of the enforcement of those laws. This certainly is no ground for the enactment of a constitutional amendment. If in these advanced States the laws, home laws, are not enforced, could we expect Federal authority to do better?

Her third reason is the unevenness and inadequacy of the law in certain cases and opposition to successful or effective enforcement of the law. This certainly is not a reasonable ground for the adoption of the proposed amendment by Congress. Opposition to the law ought to be overcome in the place where it exists by the attention of the authorities being called to the violations and prosecutions instituted. The unevenness of the law is not a basis. The history on this subject shows a gradual growth toward a uniformity of standard. The mere fact of the existence of the unevenness does not justify a resort to legal force to compel the backward States to even up to those which are in advance. In these modern days idealists and reformers have forgotten the "law of love" and are seeking to put every one of their reforming ideas into effect through the application of force. The bludgeon is resorted to instead of persuasion. If inequality of the law and unevenness of the law were to be a basis for Federal intervention, then indeed is the door open with regard to other inequalities and unevennesses in the various State laws for the intervention of innumerable amendments.

The fourth reason, "the question of children involves the citizenship of the country." This is rather a rhetorical expression than a reason. Of course, every human being involves the citizenship of the country, but that is no ground for Federal constitutional amendments.

Her fifth reason is that no State alone can protect itself wholly, because the children who grow up in other States migrate frequently to States in which ample provision has been made for protection of children and bring with them bad health and illiteracy to the State to which they go. Was there ever a more puerile or unjustifiable reason thought of as a basis for this stupendous act of amending the Constitution of the United States? How possibly could legislation by Congress prevent children from migrating from one State to another?

This amendment can not remedy this evil, if it be an evil, and her last reason is the mercenary one of checking or preventing competition which is produced through low standards in some of the States. This has been sufficiently discussed to need no further answer.

Taken all together, is it not a monstrous thing to claim that these in their totality make an overwhelming necessity for changing the fundamental law?

Amendments to the Constitution of the United States are regulated by Article V, which provides, among other things: "The Congress whenever two-thirds of both Houses shall deem it necessary shall propose amendments to this Constitution," etc. In other words, before Congress shall propose any amendment a necessity therefor must be established. It is not proposed to make any contention against the regulation of child labor. This is a subject which, although only recognized and legislated upon within recent years, is one upon which there is a well-founded and universally recognized sentiment which has its base in the natural feeling of humanity in almost every heart toward children. It is therefore not to be presumed that what is said is intended in any manner to be antagonistic to the subject of child-labor regulation in a reasonable and proper way.

While it is true, as heretofore observed, that if the proposed resolution is sent down by Congress and the States ratify it in the requisite numbers then it can be said the States voluntarily surrender the control of child-labor legislation; but before the resolution can be submitted to the State it must appear to the Congress that it is a necessity. Congress has a duty to perform under the Constitution. It must find the existence of an overwhelming necessity. The framers of the Constitution intended this to be a duty and safeguarded it by requiring a two-thirds vote. Does a necessity exist?

The conditions in the States are steadily improving. Legislation is advancing by leaps and bounds. Local control will be wiser. Local self-government is always preferable. The wholesome growth of favorable opinion in the States promises safe control by the States.

The perils of establishing another precedent for gradually destroying the States and their sovereign powers is very great. Already a dozen other amendments are on the political horizon.

The peril of increased concentration menaces our national existence and the integrity of the States.

The growth of a tyrannous bureaucratic system of government faces us as a people.

We must protect the system of dual government as absolutely necessary to its preservation and our growth and prosperity as a nation.

As Professor Fiske has so truthfully said:

If the day should ever arrive when the people from the different parts of our country should allow their local affairs to be administered by prefects sent from Washington and when the self-government of the States shall have been so far lost as that of the departments of France, or even so far as that of the counties of England, on that day the progressive political career of the American people will have come to an end and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever.

Let us as trustees of the welfare of the Union and also of the welfare of the States, and regardful of the greater necessity for preserving an "indestructible Union of indestructible States," declare no overwhelming necessity exists requiring us to send forth this amendment on the subject of child labor.

I would say much more on this grave and vitally important subject, but my time will not permit.

Mr. FOSTER. Mr. Chairman and gentlemen, I have no systematic plan to close this discussion in these few minutes. When I sought to have the chairman of the Judiciary Committee yield to answer a question about those children from Philadelphia who went South, the hearings will show that the objection made, as the reports of the Children's Bureau indicate, was that thousands migrated from point to point, and as a result their average school attendance was between three and four months per year. There is nothing to the contention that any person is trying to adopt a constitutional amendment which would prevent boys and girls from working under 18 years of age.

Mr. GRAHAM of Pennsylvania rose.

Mr. FOSTER. I am going to adopt the practice of my chairman and decline to yield.

Mr. GRAHAM of Pennsylvania. The gentleman spoke for an hour the other day. I thought he might yield to me.

Mr. FOSTER. I do not yield. I would be glad to yield if the chairman had seen fit to yield to me. The proposition is this: Shall the Federal Government be granted the authority to enact laws up to 18 years of age if deemed fit? I suggested in the remarks which I extended yesterday that I had made a rather careful study of the laws in the various States throughout the Union relating to child labor laws. I want to make this observation:

Twenty-eight of the States have enacted child labor laws protecting some kind of employment up to 21 years of age. Thirty-four States have passed from one to seven laws each which seek to protect children against certain employment up to the age of 18. I submit that this recognizes the reason for such laws up to 18 years and better. If it should be submitted for ratification, should we not go at least to 18 years, that being a minimum beyond which the States might go? That is the principle of this proposed constitutional amendment. For instance, there are to-day 29 States that have child labor laws above the age of 18. There is no reason to contend under this constitutional amendment that Congress will enact certain laws beyond which the States can not go. Twenty-eight States have already gone beyond the age of 18. Thirty-four States have gone up to 18. Thirty-eight States make it unlawful to permit girls under the ages of 18 and some under 21 to work at night messenger work. They are also forbidden to work around dangerous machinery or in institutions where poisons are manufactured.

Now I will leave that branch of the case, because my time is short, and refer to the question of necessity. The minority report considers and a great deal was said in the discussion in committee as to the constitutional requirement that the necessity must exist before Congress can pass the resolution. In the remarks which I inserted in the RECORD yesterday I referred to this.

John Marshall in the Virginia convention asked:

What shall restrain you from amending it, if, in trying it, amendments shall be found necessary. * * * When experience shall show us any inconvenience, we can then correct it. * * * (The Life of John Marshall, Vol. I, by Albert J. Beveridge, p. 418.)

And Mr. Iredell, speaking in the North Carolina convention, which was called to consider ratification, said with reference to the amending clause:

This is a very important clause. * * * The misfortune attending most constitutions which have been deliberately formed has been that those who formed them thought their wisdom equal to all possible contingencies, and that there could be no error in what they did. The gentlemen who framed this Constitution thought with much more diffidence of their capacities; and undoubtedly without a provision for amendment it would have been more justly liable to objection, and the characters of its framers would have appeared much less meritorious. This, indeed, is one of the greatest beauties of the system, and should strongly recommend it to every candid mind. The constitution of any government which can not be regularly amended when its defects are experienced reduces the people to this dilemma—they must either submit to its oppressions or bring about amendments, more or less, by a civil war.

Happy this, the country we live in! The Constitution before us, if it be adopted, can be altered with as much regularity and as little confusion as any act of assembly, not, indeed, quite so easily, which would be extremely impolitic; but it is a most happy circumstance that there is a remedy in the system itself for its own fallibility, so that alterations can without difficulty be made agreeable to the general sense of the people. (The Constitution of the United States, its history, application, and construction, vol. 2, by David K. Watson, LL.B., LL.D, Pp. 1308, 1309.)

Mr. TUCKER. Will the gentleman yield?

Mr. FOSTER. In spite of the fact that I only have a few minutes remaining, I will yield to the gentleman from Virginia.

Mr. TUCKER. The gentleman has quoted Judge Marshall. In one of his great decisions, passing upon the question——

Mr. FOSTER. Oh, I can not yield for a speech. I have only a few minutes, and I yield to the gentleman for a question. I would be glad to yield, but I do not want to give up this time.

Mr. TUCKER. I will yield the gentleman a part of my time.

Mr. FOSTER. The gentleman has not any. [Laughter.] I will have to beg pardon of my friend, but I can not yield.

Mr. TUCKER. The gentleman was speaking of Judge Marshall.

Mr. FOSTER. I am on the last end of my 10 minutes, and I decline to yield. If I mistake not, the gentleman from Virginia was an instructor in the law school of the University of Pennsylvania. I want to read what the dean of the law school did say, and I think it is as good reasoning as we have had on the floor.

Here is Dean Pound's paragraph on this constitutional amendment:

As to the merits of the subject perhaps nothing need be said; but I do feel impelled to express my conviction that now that it seems to be established by decisions of the Supreme Court that Congress can not deal with this matter under the Constitution as it stands, a constitutional amendment is imperative. To-day, so far as industry and business are concerned, State lines are but lines upon the map. A situation in which one standard as to child labor applies on one side of such a line and another upon the other side, or in which an easy-going administration upon one side of such a line, as it were, competes with a strict administration upon the other, can result in nothing but evil. I should cordially agree that constitutional amendments ought to be reserved for a few great occasions and that nothing could be more mistaken than to resort to constitutional amendment for every sort of desired legislative improvement. But the need of regulating child labor is emphatically one of those great occasions which calls for the legislative interposition of the people of the United States through the Constitution.

I submit that for what it may be worth. Some of us have a profound respect for the legal ability and good judgment of Dean Pound, of the Harvard law school. If the chairman of our committee has not, that is his business.

In what little time I have remaining I want to leave this thought with the committee: An effort has been made here by some of the speakers to leave the impression that some propaganda has been operating and some system has been built up here to try to put this amendment over. The minority report suggests that. When 8,000,000 women that you and I have enfranchised in this country——

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. MONTAGUE. Did not the gentleman read the system here yesterday for nearly half an hour?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FOSTER. Mr. Chairman, I am very sorry that I did not get the gentleman's question and I can not answer it.

The CHAIRMAN. All time has expired, and the Clerk will read.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution.

Mr. GARRETT of Tennessee. Mr. Chairman, a parliamentary inquiry. Is it now in order to offer an amendment to the resolving clause?

The CHAIRMAN. The Chair holds that the Clerk has not yet read the first section.

Mr. GARRETT of Tennessee. I do not want to lose any right in respect to offering an amendment to the resolving clause.

The CHAIRMAN. The gentleman will not lose any right. The Clerk will read.

The Clerk read as follows:

ARTICLE —

SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

Mr. MONTAGUE. Mr. Chairman, I desire to offer an amendment at the appropriate time, and with the indulgence of the committee I will say that it is a separate section, which I shall ask the Clerk now to read for the benefit of the membership.

The CHAIRMAN. To what part of the resolution does the gentleman expect to offer this?

Mr. MONTAGUE. It is an independent section that comes as a third section.

Mr. LONGWORTH. And the gentleman sends it to the desk now just to be read for information?

Mr. MONTAGUE. Yes.

The CHAIRMAN. Without objection, the amendment of the gentleman from Virginia will be read for information only.

The Clerk read as follows:

Mr. MONTAGUE offers the following as a new section:

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the conventions of the several States, as provided in the Constitution, within seven years from the date of the submission hereof by Congress."

Mr. MONTAGUE. Mr. Chairman, I move to strike out the last word. In the pending amendment I have followed exactly the third section of the eighteenth amendment. It is an exact copy of that section except the substitution of the word "conventions" for the word "legislatures."

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. HILL of Maryland. The gentleman's amendment would carry with it also the substitution of the word "conventions" for the word "legislatures" in line 6, would it not?

Mr. MONTAGUE. Yes. The purport of the amendment is simply to substitute the word "conventions" for the word "legislatures."

Mr. RAMSEYER. Should he not offer an amendment to line 6?

Mr. MONTAGUE. I followed that precedent, but it is immaterial to me where it is, if it is in the text before the resolution is voted upon.

Mr. Chairman, we have had insufficient time to debate this subject, and I beg the indulgence of the committee.

It is known to every student of American affairs that the consideration of constitutional amendments by the several legislatures has been in some if not in many States almost perfunctory. There has been little or no discussion of the amendments by the several legislatures. There has been no argument against argument, no judgment against judgment, no real contest, and no real debate exciting interest or contributing information.

Mr. MADDEN. Why substitute "conventions" for "legislatures"?

Mr. MONTAGUE. I am arguing that now, and I would like to have the cooperation of the distinguished gentleman. Legislatures get no chance, and they have no time to debate the question. They are crowded to their utmost capacities to deal with the business that swells their calendars. Their minds are too distracted by a multitude of details, and in some of the States the sessions are too short.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for a question?

Mr. MONTAGUE. Yes.

Mr. DOWELL. Does not the gentleman believe upon a question of this importance that the legislature of every State would give it the most careful consideration?

Mr. MONTAGUE. I do not, I am candid to say. I am of opinion that the legislatures do not give these great subjects adequate consideration or debate. The recent adoptions show—I will not say their actions were just or unjust—that as a matter of procedure no adequate consideration of the amendments submitted was had by some of the legislatures. The legislatures of some of the States were elected prior to the submission of the amendments by Congress. There was no canvass or opportunity to canvass the subject among the people. Gentlemen, we can not afford to deny to the people of the States an opportunity to be educated upon the amendments or the principles of government involved in them. [Applause.] I repeat what I have often said, that the great object of our democratic institutions is not the most efficient government but the most efficient citizen.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MONTAGUE. I ask for five minutes longer.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MONTAGUE. If we have conventions, the candidates therefor will bring the question to public discussion. One candidate will be against the amendment and another candidate will favor it.

Again, the States will get a better class of men in these conventions, which occur at infrequent intervals, and by reason of their dignity will appeal more to the ambition and patriotism of the abler men of the electoral divisions. Such men will be eager to go before the people and discuss the questions submitted. They are not discussed here. Six hours for a constitutional amendment! Will not the States do better if given the opportunity and the duty? One trouble with government here is that we have so much business at Washington that the departments and the Congress can not attend to it. A Member of Congress can not read all the bills that are offered, much less consider them. A like situation confronts State legislatures. I hope the committee will approve the amendment. [Applause.]

Mr. FOSTER. Mr. Chairman and gentlemen, it occurs to me that the last part of the address of the distinguished gentleman from Virginia [Mr. MONTAGUE] discloses the motive for his amendment. The last two-thirds of his remarks were addressed to the proposition that we do not want this constitutional amendment, that we do not want any Federal child labor law, rather than addressed to the amendment itself.

I think every gentleman in this House, whether he is for or against this amendment, understands that the motive so evidently back of the amendment—at least the result to be accomplished by the adoption of the proposed amendment—would be to defeat any child labor law. The fact that the gentleman from Virginia sees fit to abandon the form of amendment that was used in the prohibition amendment, and to pass from the legislature to a convention, discloses the motive back of the proposed amendment. Then he proposes that we limit the ratification to seven years. But he would not allow us to trust this child labor amendment to the legislatures for ratification.

Thirteen of the States, by failure to ratify, through conventions, within seven years, would automatically defeat the amendment, and we shall then have no constitutional amendment.

That must be the purpose and desire of any person, in my judgment, advocating the adoption of this amendment. Otherwise, why should we abandon the ratification by State legislatures and place it in the conventions? Yesterday a gentleman opposed to the child labor amendment told us we were justified in placing complete confidence in the legislatures of the 48 States. Have they not told us here, hour after hour, that the legislatures of Virginia and other States are amply able to take care of the child-labor proposition? If their legislative intelligence is sufficient to take care of these problems locally, is not that same legislature, with the same degree of intelligence, on the same subject of child labor intelligent enough to so declare if it wishes to ratify this constitutional amendment? [Applause.]

There is no one whom I have met in the five or six years I have been here for whom I have acquired quite the respect for and the confidence in as the distinguished gentleman from Virginia [Mr. MONTAGUE], and that is, indeed, more than a passing compliment. But when he tries to tell the House that this bureau, if created, is going to cost millions of dollars, he flies in the face of the record of our hearings, and he flies in the face of what you also will conclude when you fully understand the proposition. The facetious speech made yesterday by our distinguishd friend from Texas, as to what will happen when the Federal agent comes into the farmer's home was interesting, amusing, and was a great work of art. But the fact remains that we have tried this very proposition twice by Federal laws. We had two Federal laws under which the Federal Government sought to cooperate with the State authorities.

And here is the testimony of a lady put on the stand by the opposition to this amendment. She is Miss Kate B. Johnson,

chairman of the Child Welfare Commission of North Carolina. After she testified, she came back on the stand and seemed to want to leave this additional thought with the committee. Here is what she said:

I want to say that we have gotten a great deal of help from the Children's Bureau, and we have approved a great deal of the work they have done. They assist us, and we work with them in various ways in a very fine spirit of cooperation.

That was a hostile witness, so far as this amendment was concerned. She was put on the stand by the gentleman from North Carolina, who was the editor of the Textile Bulletin, the gentleman who admitted that he framed the plans and prosecuted the cases and raised the money and employed representatives to prevent the child labor amendment from going through Congress. It was he who brought the suits resulting in the Federal child labor law being declared unconstitutional. That man called that witness to the stand to show how child labor laws worked in North Carolina, to wit, that when the two Federal laws were in operation there was coordination and harmony between the Federal authorities and the various State organizations.

Here is the point I wish to make: Instead of being a proposition costing millions of dollars, it is to be enforced inexpensively by virtue of a work permit system, using all State machinery in such enforcement as was done before.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FOSTER. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

Mr. MACLAFFERTY. Mr. Chairman, reserving the right to object——

Mr. FOSTER. Then, Mr. Chairman, I withdraw the request and will see that all are limited to five minutes each.

Mr. GARRETT of Tennessee. Mr. Chairman, I offer an amendment to the resolving clause.

The CHAIRMAN. The gentleman from Tennessee offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARRETT of Tennessee: Page 1, line 6, strike out "legislatures" and insert "convention selected by the qualified electors of."

Mr. GARRETT of Tennessee. Mr. Chairman, I am in entire sympathy with the amendment that is to be proposed later by the gentleman from Virginia, and which he has just discussed, but in order to harmonize the language of the resolution throughout it is essential that the resolving clause be amended in some such manner as I have suggested.

Now, gentlemen of the House, as conditions of law stand today, less than 3,000 individuals in the United States can amend the organic law of the United States without there being in any way the slightest opportunity for the masses of the people themselves to pass upon the question of whether there shall be such an amendment. Two-thirds of the Congress and then a majority of the legislatures of 48 States—less than 3,000 individuals changing the organic law of a nation of 110,000,000 people and affecting the organic laws of the 48 heretofore sovereign States. What objection is there to giving to the people the opportunity of passing upon this amendment, which more than any amendment that has ever yet been proposed affects most directly the most intimate things of domestic life? Are we better qualified, are the legislatures of the States better qualified, to pass upon whether this amendment should be adopted than are the fathers and the mothers of the children who are to be affected?

We have reached the point, it seems to me, Mr. Chairman, in the consideration of amendments to the Constitution—which are coming now and are being proposed and falling as thick as "the autumn leaves which strew the vales in Vallombrosa"—where we had better adopt the principle of permitting the people to pass directly upon these questions. They have no chance to pass upon them now.

This amendment, if submitted, will not be an issue in a half dozen elections of members to the legislatures of the States; it will not be discussed by the people; it will not be considered by the people; it will be adopted, if adopted at all, at the behest of small groups engaged in pressing it upon the legislatures just as they are engaged in pressing it upon our consideration now.

I am appealing for a very fundamental thing here in the matter of the practice in regard to the adoption of constitutional amendments. It is not a demagogic proposition either, but it is a proposition which goes directly to the question of whether in the organic law the people themselves shall rule. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. HERSEY. Mr. Chairman——

The CHAIRMAN. Is the gentleman a member of the committee?

Mr. HERSEY. I am.

The CHAIRMAN. The Chair will recognize the gentleman from Maine.

Mr. RAMSEYER. Mr. Chairman, a point of order. Should not certain gentlemen who have amendments to offer be recognized before gentlemen who simply desire to debate?

The CHAIRMAN. The gentleman from Tennessee offered an amendment.

Mr. HERSEY. And I am going to speak against it.

Mr. LINTHICUM. Mr. Chairman, I desire to offer a substitute.

Mr. RAMSEYER. Has the gentleman from Maine offered an amendment?

The CHAIRMAN. The Chair has recognized the gentleman from Maine, a member of the committee.

Mr. RAMSEYER. I make the point of order that the Chair should recognize some Member who desires to offer an amendment.

Mr. HERSEY. I am going to speak against the amendment offered by the gentleman from Tennessee.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Maryland will state it.

Mr. LINTHICUM. When may I offer a substitute for the amendment offered by the gentleman from Tennessee?

The CHAIRMAN. The gentleman may offer it when he gets recognition for that purpose.

Mr. LINTHICUM. It does not seem as though it is possible to get recognition.

Mr. MOORE of Virginia rose.

The CHAIRMAN. For what purpose does the gentleman from Virginia rise?

Mr. MOORE of Virginia. Merely for the purpose of making a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Virginia. I wish to inquire of the Chair whether it is not proper and necessary to pass upon the amendment offered by the gentleman from Tennessee [Mr. GARRETT], any amendment thereto, or any substitute offered thereto before other amendments are offered?

The CHAIRMAN. The Chair will state that it is not necessarily proper. It may be done or it may be done otherwise.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LINTHICUM. The Chair has just stated that the time to offer a substitute for the amendment offered by the gentleman from Tennessee is when I can procure recognition; then, if the Chair refuses recognition, it is impossible to offer any substitute.

The CHAIRMAN. Well, that is not a parliamentary inquiry. The gentleman from Maine is recognized.

Mr. HERSEY. Two amendments have already been offered, one simply for information and the other one, the last one, offered by the gentleman from Tennessee [Mr. GARRETT], was directly offered, as I understand it. I wish to answer for a moment the gentleman from Tennessee, who claims, as I understand him, that instead of following the custom which has been followed as to all amendments made since the adoption of the Constitution we should depart from that custom and have a convention.

I have been to conventions and you all have; I have been a member of a legislature and doubtless most of you have been members of legislatures. We have had amendments in our legislature and you know the proceeding. An amendment is passed by Congress before it reaches a legislature, and even before a legislature is chosen. The members of the legislature are chosen with the idea in view that the amendment submitted by Congress will be brought before the legislature, and that is one referendum to start with.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. GARRETT of Tennessee. Does not the gentleman know that the Supreme Court has held that a ratification by a legislature elected even before the question was submitted by Congress is valid?

Mr. HERSEY. Oh, yes; but I am speaking now of the fact in this case.

Mr. FOSTER. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. FOSTER. If this Congress while now in session should submit this constitutional amendment in this presidential year, is not the proposition academic, in view of the fact that

the fall elections will produce legislatures after this Congress has submitted this amendment?

Mr. HERSEY. I thought it was so understood. Now, I say this is one referendum.

Mr. MONTAGUE. Does the gentleman state that all the amendments since the adoption of the original Constitution were adopted by the procedure of legislatures?

Mr. HERSEY. I so understand it.

Mr. MONTAGUE. Does the gentleman think the first 10 amendments to the Constitution were adopted in that way?

Mr. HERSEY. They were a part of the original Constitution, in my opinion. I am speaking of the amendments that have been adopted since then.

Mr. MONTAGUE. I am talking about the first 10 amendments to the Constitution.

Mr. HERSEY. The first 10 amendments, to my mind, were part of the original Constitution.

Mr. MONTAGUE. They were adopted subsequent to the adoption of the original Constitution and were adopted by conventions of the several States.

Mr. FOSTER. If the gentleman will permit, the gentleman from Maine is quite right in saying that every one since then has been adopted in this way.

Mr. HERSEY. Yes. I am not going to quibble about that. I am speaking of the amendments adopted since then.

What is the procedure when the representatives who come from the people meet in the legislature. The constitutional amendment we pass here is referred to a committee of that legislature, usually the judiciary committee. They report it back to the House. Then there is all over your State and mine knowledge that a certain day has been set in that legislature to hear the people who wish to come before the legislature to which has been referred the question of whether they shall ratify the proposed amendment. It will certainly be debated in the legislature and the people will know all about it. All over the State the people who wish the amendment ratified or rejected will come to the legislature. This will be another referendum of the people, and I apprehend everybody that knows anything about the matter will have an opportunity to be heard before the legislature votes to ratify or disapprove it.

Now, what is a convention? A convention is simply a meeting of delegates, just as they meet in political conventions. How many? I do not know the ratio of the convention, but some kind of convention will be called, and how many will constitute the convention I do not know.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. MacLAFFERTY. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. The gentleman from California offers a substitute amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MACLAFFERTY: Page 1——

The CHAIRMAN. I will say to the gentleman from California that his amendment is not a substitute. Does he offer the amendment now for information?

Mr. MacLAFFERTY. I would be out of order then. I want to be heard on it.

The CHAIRMAN. The Chair will state that the gentleman from California can have his amendment offered for information only at this time.

Mr. BLACK of Texas. Mr. Chairman, I object. Let us have the amendments offered in order. I object to that procedure.

Mr. LINTHICUM. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Tennessee.

Mr. LONGWORTH. Mr. Chairman, we have not, of course, heard what the amendment of the gentleman from California is. Of course, if it is not a substitute, the gentleman may offer any amendment——

The CHAIRMAN. The Clerk will report the amendment of the gentleman from California.

The Clerk read as follows:

Amendment offered by Mr. MACLAFFERTY: Page 1, line 10, after the word "under," strike out "18" and insert "16."

Mr. LONGWORTH. Of course, that is not a substitute for the pending amendment.

Mr. DOWELL. Mr. Chairman, I make the point of order that the amendment is not in order.

Mr. CARTER. I make the point of order, Mr. Chairman, that that amendment is not a substitute for the pending amendment and therefore the amendment is not now in order.

The CHAIRMAN. The point of order is sustained. The gentleman from Maryland offers a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute amendment offered by Mr. LINTHICUM for the amendment offered by Mr. GARRETT of Tennessee: Page 1, lines 5 and 6, after the word "ratified" in line 5, strike out the words "by the legislatures of three-fourths of the several States" and insert "by a convention duly called by authority of law in three-fourths of the several States, and this article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions so called in the several States, as provided in the Constitution, within five years from the submission hereof to the States by Congress."

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, this is the exact amendment which was offered by the gentleman from Indiana [Mr. MOORES] to the proposed tax-exempt securities amendment, except I make it five years instead of seven years, being an amendment to his proposed amendment which I offered at that time.

The object of my amendment is as the gentleman from Tennessee [Mr. GARRETT] stated. I want this question passed upon by the people.

In my State, when the prohibition amendment came up, it was submitted to the legislature which was in session and which had never considered the question at the time of its election. If we adopt this constitutional amendment by the legislatures, it will perhaps be by legislatures which have already been elected when other matters were being considered, or perhaps it will be by some legislatures called in extra session for this special purpose, or perhaps it will be by some legislatures elected upon some State or other issue, matters entirely foreign to the child-labor question.

I want the people themselves to have the right to elect men to the conventions upon the direct issue of whether they want the United States Government to take charge of the child-labor question, and then those men, elected to the convention upon that direct issue, can pass upon the matter in the interest of the people and according to their instructions as expressed at the election.

It is well enough to say, as the gentleman from Maine has said, that the legislatures refer these matters to some committee—perhaps the Judiciary Committee—and the people have a chance to be heard, but suppose men are elected to that legislature who are personally in favor of this question though the question had never been considered or discussed during the election when they were running for such office. They would be free to vote their personal views, not having had any mandate from the people. The questions this amendment raises are whether you want it adopted by the people directly through a convention or whether you want it adopted by uninstructed legislatures, and the further question as to whether you want action within five years or wait indefinitely. If it is essential, it is needed now. I am anxious to submit this question to the voters, the real source of all government in a democracy. [Applause.]

Mr. LONGWORTH. Mr. Chairman, I desire to test the temper of the committee. I desire to move that all debate on this amendment and all amendments thereto now close.

The CHAIRMAN. The gentleman from Ohio moves that all debate on this amendment and all amendments thereto be now closed.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were 165 ayes and 23 noes.

So the motion was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Maryland for the amendment of the gentleman from Tennessee.

Mr. DOWELL. Mr. Chairman, is not the perfecting amendment of the gentleman from Tennessee to be first voted upon?

The CHAIRMAN. No; the first question is on the substitute.

Mr. HARRISON. Mr. Chairman, I desire to offer an amendment to the substitute of the gentleman from Maryland. My amendment is to insert "or by the legislatures, the most popular branch of which has been elected after the passage of this resolution."

The CHAIRMAN. The gentleman will have to put that in writing.

Mr. MONTAGUE. Mr. Chairman, I rise to make a correction.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to make a correction. Is there objection?

There was no objection.

Mr. MONTAGUE. I stated, in response to a question, in a colloquy with the gentleman from Maine [Mr. HERSEY], that the first 10 amendments to the Constitution were ratified by convention. I find that I am mistaken—that they were ratified by the legislatures. [Applause.]

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Virginia [Mr. HARRISON] to the substitute offered by the gentleman from Maryland [Mr. LINTHICUM].

The Clerk read as follows:

At the end of the Linthicum amendment add "or by legislatures the most popular branch of which has been elected since the passage of this resolution."

Mr. McKEOWN. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. McKEOWN. Under the rules of the House one can be heard for five minutes in favor of an amendment and a Member five minutes in opposition to that amendment. I ask if it is in order to close debate before gentlemen have had an opportunity to be heard?

The CHAIRMAN. If the gentleman is familiar with the rules, he will find that five minutes are allowed for those in favor of the amendment and five for those opposed. The question is on the amendment to the substitute.

The question was taken, and the amendment to the substitute was rejected.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Maryland to the amendment of the gentleman from Tennessee.

The question was taken, and the amendment to the substitute was rejected.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask unanimous consent to modify the amendment I offered by striking out of the insertion all after the word "conventions."

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Modified amendment offered by Mr. GARRETT of Tennessee: Page 1, line 6, strike out the word "legislatures" and insert "conventions."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and, the Chair being in doubt, the committee divided, and there were 84 ayes and 175 noes.

So the amendment as a substitute was rejected.

Mr. MacLAFFERTY. Now, Mr. Chairman, I offer my amendment.

The Clerk read as follows:

Page 1, line 10, after the word "under," strike out "18" and insert "16."

Mr. CARTER. Mr. Chairman, I make a point of order that that paragraph has not been read, and the gentleman from Maryland has an amendment to the preceding paragraph.

The CHAIRMAN. The point of order is overruled. The gentleman from California is recognized for five minutes.

Mr. MacLAFFERTY. Mr. Chairman and gentlemen, the object of my amendment is a plea for the boy between 16 and 18 years of age. There is obviously not a man in this House who was not of that age at one time, and there is not a man in this House probably who during that time did not feel the joy of earning a few dollars in money. [Applause.] I am perfectly willing the States should have, as they now have, the right to legislate for the age of 18 or for the age of 19 or 20 or 21, but I, as a man who lives remote from the seat of the National Government, do not want the American Congress, situated in Washington, the Capital of the Nation, 3,000 miles from my home, to have the right to say to a big husky fellow 17 years old in the State of California, "You shall not work for a living." [Applause.]

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. MacLAFFERTY. I will not. It has been stated here by those who are in favor of this amendment, as I am, that because the States have a right to legislate in respect to the ages 18, 19, or 20, therefore Congress should have that right; but I say to you that the time may come in the future when some group of men, controlled by fear and groveling on their bellies before some noisy minority, or God knows what not, will say that the boy in California who is under 18 years of age can not work to earn a dollar in this or that occupation. I am not here talking as one who does not know manual labor, for my hands have a cunning and I have a trade at which I worked for seven straight years. When those who are against child labor, as I am, have come to me and talked about it, or when they have sent me literature, they have talked about the child. They have not talked about the great big husky fellow that won the World War. They have not talked about the boy that is 17 years old who may be the only support of a widowed mother. Mr. Chairman, the most sacred thing given to a man by God Almighty is the right to labor. Why should you take a boy 17 or 18 years old and say to him that he shall not labor? That is all I have to say for this amendment. [Applause.]

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. MacLAFFERTY. Yes.

Mr. DOWELL. Did not the Legislature of the State of California petition to have this identical amendment passed at 18 years of age?

Mr. MacLAFFERTY. I do not know.

Mr. FOSTER. I will say that it did.

Mr. MacLAFFERTY. I am here as a Member of this House presenting my own opinion. That is what I was sent here for.

Mr. FOSTER. Mr. Chairman, not only did the Legislature of California petition Congress for this constitutional amendment, but of the eight States that sent in petitions from their legislatures, asking for this constitutional amendment, three of them came from the Pacific coast. The first, I believe, was the State of California. Not only that, but our colleague, Mr. LINEBERGER, of the State of California, introduced in this House Joint Resolution No. 87, fixing the age at 18 years, and he appeared before the Committee on the Judiciary in behalf of his amendment and then transferred his allegiance to Joint Resolution 184; and the gentleman from California [Mr. MacLAFFERTY] who just addressed the committee was conspicuous by his absence.

Mr. MacLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. MacLAFFERTY. Merely to state that I am a member of five committees of this House, and can give account of my time for every minute of the day.

Mr. FOSTER. And nevertheless the gentleman was conspicuous by his absence before the Committee on the Judiciary when the resolution was under consideration concerning which the gentleman's legislature petitioned Congress asking for its passage. Mr. Chairman, I have before me nine State laws of the State of California, each running up to 18 years. In other words, California says that she will protect her youth up to 18 years.

A summary of the State laws is as follows:

Thirty-four States have laws up to 18 years as follows: Alabama, Arizona, Arkansas, California, Connecticut, Delaware, District of Columbia, Florida, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi.

I shall not enumerate them all. Of those 34, 28 go to the age of 21. It occurs to me that if we want a Federal constitutional amendment under which, within the next 100 years, we might want to exercise the same right on some backward part of the country, under a minimum Federal statute in an effort to bring some of the slower States up to such Federal standard, California ought not to oppose its own resolution and oppose the resolutions introduced by a Member of the delegation from California.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. BLACK of Texas. In the child labor law of 1916 and in the law of 1919 was not the maximum age placed at 16 years?

Mr. FOSTER. That is correct.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. LONGWORTH. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto do now close.

The CHAIRMAN. Is there objection?

Mr. DOWELL and several others. Reserving the right to object——

Mr. LONGWORTH. Then, Mr. Chairman, I move that all debate upon this amendment and all amendments thereto do now close.

The motion was agreed to.

Mr. LINTHICUM. Mr. Chairman, a parliamentary inquiry. That does not prevent the offering of other amendments to the section.

The CHAIRMAN. No.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move an amendment to the section by striking out the last word.

The CHAIRMAN. The gentleman can not do that because debate has been closed.

Mr. GRAHAM of Pennsylvania. I am offering an amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MACLAFFERTY].

Mr. GRAHAM of Pennsylvania. Mr. Chairman, can not I offer an amendment?

Mr. DOWELL. The gentleman can offer an amendment, but he can not debate it, as debate has closed.

Mr. GRAHAM of Pennsylvania. Then, Mr. Chairman, I shall offer an amendment——

The CHAIRMAN. The gentleman will state it.

Mr. GRAHAM of Pennsylvania. My purpose was to get the floor in order to deny emphatically as untrue the statement of the gentleman from Ohio.

Mr. TUCKER. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Virginia rise?

Mr. TUCKER. Mr. Chairman, I rise to ask unanimous consent that the chairman of the Committee on the Judiciary of this House shall have five minutes to debate——

Mr. MORGAN. Mr. Chairman, I object.

The CHAIRMAN. The Chair has not put the request. The gentleman from Virginia asks unanimous consent that the gentleman from Pennsylvania, the chairman of the Committee on the Judiciary, may proceed for five minutes. Is there objection?

Mr. MORGAN and several Members. I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the Chair announced he was in doubt.

The committee divided; and there were—ayes 133, noes 115.

Mr. DYER. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and the tellers (Mr. MACLAFFERTY and Mr. FOSTER) reported that there were—ayes 148, noes 136.

So the amendment was agreed to.

Mr. LINTHICUM. Mr. Chairman, I have an amendment to offer.

Mr. RAMSEYER. Mr. Chairman, I have an amendment to offer.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, strike out all of lines 9, 10, and 11, and insert in lieu thereof the following: "The Congress shall have power to limit, regulate, and prohibit the labor in mines, quarries, mills, workshops, factories, or manufacturing establishments of persons under 16 years of age."

Mr. RAMSEYER. Mr. Chairman, I have an amendment to offer.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 1, strike out all of lines 9, 10, and 11 and insert in lieu thereof the following: "The Congress shall have power to limit, regulate, and prohibit the labor in mines, quarries, mills, workshops, factories, or manufacturing establishments of persons under 16 years of age."

Mr. RAMSEYER. Mr. Chairman and gentlemen of the committee, first let me say that I voted for both the child labor acts that passed Congress a few years ago and were afterwards declared unconstitutional by the Supreme Court. I stand ready to vote for a similar bill as soon as we obtain the constitutional authority to legislate on child labor. I realize that at this time the necessity for such legislation by the Federal Government is not so great as it was at the time those laws were passed by Congress. And if State legislatures continue to enact legislation for the benefit of children who work in factories and mines in the next 10 years as they did during the past 10 years there will be little, if any, real necessity for federal legislation on this subject.

I want particularly to call your attention to what this amendment proposes. Much has been said about the demand made on this Congress for the proposed amendment which the majority of the Judiciary Committee recommend. The demand made on Congress for a child-labor amendment goes only to the extent of conferring power on Congress to enact such child-labor legislation as we passed a few years ago and which was afterwards declared by the Supreme Court to be unconstitutional. The demand goes no further than this. It is to authorize Congress to regulate the labor of children in mills, factories, and mines. All the demands and propaganda that have come to the committee and to Members of Congress go to the extent of regulating child labor in mills, factories, and mines, and no further.

I challenge any member of the Judiciary Committee, having this resolution in charge, to produce evidence that any farm organization or any farmer ever went on record before the committee or anywhere else in favor of conferring power on Congress to regulate the labor of children in the homes and on the farms.

Mr. McKEOWN. Will the gentleman yield?

Mr. RAMSEYER. No; I have only five minutes. The resolution before us includes the labor of persons under 18 years of age in the homes and on the farms. I am here to tell you that, in my opinion, the people do not expect us to confer any such power on Congress. The only demand before us is to confer on Congress by a constitutional amendment the power to enact legislation regulating the labor of children in mines and factories and no more. With this demand I am in entire accord.

What does the proposed amendment before us provide? Let me read: "The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age." Mark right here too it does not say "the 'employment' of persons under 18 years of age," but "the 'labor' of persons under 18 years of age."

Mr. MACLAFFERTY. Sixteen years of age now.

Mr. RAMSEYER. Yes, now; but your amendment will have to make another hurdle.

A boy who is sent out by his father to milk the cows, labors. If this same boy is hired by a neighbor to milk cows, he is employed. Under the proposed amendment Congress will have the power to regulate the labor of a boy under the direction of his father as well as the employment of the same boy when he works for a neighbor or a stranger. Under the proposed amendment Congress will have the power to "limit," "regulate," and "prohibit" the labor of girls under 18 years of age in the homes and of boys under 18 years of age on the farms.

Gentlemen admit that the effect of the proposed amendment is just as I state it, but they say, "Oh, Congress will never exercise that power." Why, then, I ask you, confer power on Congress that you do not expect and do not want Congress to exercise? Furthermore, I call your attention to the fact that no express power was ever conferred on Congress by constitutional amendment that Congress did not proceed to exercise. If you confer power on Congress to limit, regulate, and prohibit the labor of persons under 18 years of age in the homes and on the farms, as well as in the factories and mines, the time will come when a demand will be made on Congress to exercise that very power. And who now can guarantee that Congress, if the proposed amendment is ratified, will confine its legislation in the future to limiting, regulating, and prohibiting child labor in factories and mines, unless you adopt my amendment?

Now, if you want to pass something here that will receive the ratification of three-fourths of the State legislatures, which will necessarily have to include many legislatures in predominantly agricultural States, I admonish you to be reasonable and to restrict the proposed amendment to child labor in factories and mines. Of course if you want to put out a proposal that you know will not be ratified and at the same time satisfy a certain class of propagandists, stick by the resolution as the committee reported it and vote down my amendment. If you want to yield to enlightened public opinion for a constitutional amendment to confer power on Congress to limit, regulate, and prohibit child labor in factories and mines, and if it is your honest desire to vote for a proposal which will be ratified by the requisite number of State legislatures, then I urge you to support my amendment. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAHAM of Pennsylvania rose.

Mr. FOSTER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair will first recognize the gentleman from Pennsylvania.

Mr. FOSTER. Will the Chair recognize some one in opposition?

The CHAIRMAN. The Chair told the gentleman from Pennsylvania a moment ago that he would recognize him.

Mr. GRAHAM of Pennsylvania. Mr. Chairman and gentlemen of the committee, the gentleman from Ohio [Mr. FOSTER] made a statement upon the floor that I had in every way hindered and obstructed the consideration of this amendment in the Committee on the Judiciary of this House. I can not out of respect to my own sense of honor let that statement

pass unchallenged, but I denounce it here and now as utterly untrue and without basis in fact. [Applause.]

Mr. RAKER. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. The point of order is, as ruled by the Speaker the other day, that we should not discuss what occurred in the committee. Nobody raised the objection a moment ago. I did not have time.

The CHAIRMAN. The gentleman from Pennsylvania will proceed in order. The gentleman knows the rules.

Mr. RAKER. The gentleman ought to know the rules. Does the Chair overrule the point of order?

The CHAIRMAN. Yes. The Chair overrules the point of order.

Mr. HOWARD of Nebraska. Mr. Chairman, a point of order.

The CHAIRMAN. Does the gentleman from Pennsylvania yield?

Mr. GRAHAM of Pennsylvania. No.

Mr. HOWARD of Nebraska. Mr. Chairman, I make the point of order that the gentleman has been using language contrary to the rules of the House. He called another Member on the floor a liar. [Laughter.] Is that parliamentary?

The CHAIRMAN. The gentleman from Nebraska has his regular course of procedure if what he states is true, and the gentleman from Pennsylvania will proceed in order. [Laughter.]

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I am only going to add that so far as this amendment is concerned it has been treated with the utmost fairness and without the intervention of any obstructive act on my part, and I know that the committee of which I have the privilege of being chairman will bear me out in that assertion.

Mr. LONGWORTH. Mr. Chairman will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. LONGWORTH. As one who has been in entire sympathy with this constitutional amendment since the beginning I want to say that the gentleman from Pennsylvania is entirely correct in his statement and that to my knowledge the gentleman has not only offered no obstruction, but he went as far as he could to bring this measure before the House. [Applause.]

Mr. GRAHAM of Pennsylvania. Now, Mr. Chairman, I do not wish to hinder or obstruct the committee or keep them back one second more in voting on this measure.

Mr. FOSTER. Mr. Chairman, I rise in opposition to the motion.

Mr. McKEOWN. Mr. Chairman, I make the point of order that the debate is exhausted.

The CHAIRMAN. The gentleman from Ohio will be recognized for five minutes as having moved to strike out the last word. [Cries of "Regular order!"] The committee is proceeding in regular order; and if gentlemen will preserve regular order themselves, the committee will get somewhere.

Mr. FOSTER. Mr. Chairman, I want to say this——

Mr. McKEOWN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McKEOWN. Is not the debate exhausted? I make the point of order that the debate has been exhausted.

The CHAIRMAN. The Chair overrules the point of order.

Mr. FOSTER. Mr. Chairman, I only want to take up one or two minutes. What I said was deliberately said, and what I said was truthfully said; and I say to the members of the committee that I leave it to them to say whether we were obstructed from beginning to end, and that the testimony was subjected to two weeks' delay.

Mr. BRITTEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BRITTEN. The gentleman from Ohio is not talking to the amendment.

Mr. FOSTER. I am talking to a very material thing that was injected into the debate.

The CHAIRMAN. The gentleman from Ohio knows the rules and will proceed in order. [Cries of "Vote!" "Vote!"] The question is on agreeing to the amendment.

Mr. MACLAFFERTY. Mr. Chairman, I ask that the amendment be again reported.

The CHAIRMAN. The gentleman from California asks unanimous consent that the amendment may again be reported. Is there objection?

Mr. McKEOWN. I object.

The CHAIRMAN. Objection is made.

Mr. LONGWORTH rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. LONGWORTH. I desire to move that all debate on this section and all amendments thereto be now closed.

Mr. FOSTER. I ask that the amendment be read in my time.

Mr. LONGWORTH. I beg the gentleman's pardon.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Amendment offered by Mr. RAMSEYER: On page 1, strike out all of lines 9, 10, and 11 and insert in lieu thereof the following: "Congress shall have power to limit, regulate, and prohibit the labor in mines, quarries, mills, workshops, factories, or manufacturing establishments of persons under 16 years of age."

Mr. FOSTER. I want on that to submit just one paragraph from the testimony of Miss Abbott.

Mr. McKEOWN. Mr. Chairman, I make the point of order that the gentleman is not talking to the amendment.

The CHAIRMAN. The point of order is overruled.

Mr. FOSTER. Of the 48 State legislatures, none of them at any time has seen fit to restrict work on the farm; neither have either of the two Federal laws that have been put through Congress sought to so restrict.

Mr. McKEOWN. Mr. Chairman, the gentleman is not discussing the amendment.

Mr. FOSTER. I am discussing the amendment. That paragraph I wish to read is this, which I think reflects the testimony of every one appearing before the committee, so far as relating to child labor and its effect on agriculture in the United States. I read:

No one is advocating, that I know of, at the present time a statute regulating agricultural child labor for the United States, if the amendment does not prohibit it. We do not know what will develop with reference to agricultural labor in the future at all. We may have in the next 10 years, or the next 100 years, a totally changed situation from what we have now. We may have a vast growth of large-scale agriculture, and children will not be employed on the home farm but under conditions approximating industrial employment.

Mr. McKEOWN. Mr. Chairman, the gentleman is not discussing the last word. He moved to strike out the last word.

Mr. FOSTER. I shall read further:

Who can know? I can not say what will happen 100 years from now, and certainly I would not like to attempt to say now, because it would be sure to be wrong. Consequently, it seems to me a full grant of power to Congress is in line with the other grant of powers in the Constitution. Then the question of a particular statute could be taken care of. If it were a question of a statute being passed at this time to regulate child labor on the farms, I would be among those who would not favor the enactment of such a statute.

In other words, they have sought to build up a straw man that did not exist in any one of the 48 States and that was never contemplated in either of the two Federal laws.

The CHAIRMAN. The time of the gentleman from Ohio has expired. [Cries of "Vote!" "Vote!"]

Mr. TILSON rose.

The CHAIRMAN. For what purpose does the gentleman from Connecticut rise?

Mr. TILSON. Mr. Chairman, I ask the poor privilege of extending my remarks in the RECORD on this amendment.

The CHAIRMAN. The Chair will state that the gentleman has that privilege.

Mr. TILSON. Mr. Chairman, never before during my long service in this House have I approached a vote with such doubt and misgiving. If I understand myself aright, it is my most sincere desire that every vote I cast here shall be in its ultimate effect for the best interest of my country. I wish that I might know in this instance what is that best interest.

Two matters as to which I have deep and sincere convictions are here arrayed diametrically opposite to each other, so that I must choose between them and in choosing sacrifice the one or the other. I have long believed that the tendency in our political life that is fraught with the greatest danger to our Nation and its continued well-being is the tendency to transfer governmental functions from the States to the Nation. If this great experiment of ours in constitutional government over a large area fails and this Republic falls it is my belief that the rapid centralization at Washington now taking place will prove to be one of the important causes of the failure. The proposed amendment is a step in that direction, and I hate to vote for it.

On the other hand, what this country shall be in the years to come depends upon the children of to-day. How are they to be best fitted for their responsibilities? I have always favored proper legislation for their welfare. I would not by any vote of mine lend aid or comfort, directly or indirectly, to any who

would exploit children or their labor. I have three children of my own, all of tender years, and dearer to me than life itself. With them in my mind, as they are constantly, I should not wish to run the risk of helping to rob some other child of its childhood, with all the resultant evil effects of such action.

It is said, with considerable force, that such an amendment as this is the only adequate means of dealing with the subject. Hence the difficulty of my situation. It is something like what happens when an irresistible force meets an immovable object. I must run counter to firmly fixed convictions whichever way I turn, so that it is necessary to decide in accordance with my best judgment which course will produce the greater good or the lesser evil. If I err against the children and the amendment is lost, there is no chance for the error to be corrected. If the error is on the other side and the amendment is submitted to the States there will be an opportunity for them to correct the error by refusing to ratify. Therefore, although with reluctant doubt and misgiving, I shall cast my vote for the submission of the amendment.

Mr. LONGWORTH. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in five minutes.

Mr. McKEOWN. Mr. Chairman, I offer an amendment to that motion.

The question was taken, and the motion was agreed to.

Mr. McKEOWN. I have some rights and I am not going to be run over.

The CHAIRMAN. The gentleman from Arkansas is recognized. For what purpose did the gentleman from Oklahoma rise?

Mr. McKEOWN. I rose to offer an amendment to the motion of the gentleman from Ohio.

The CHAIRMAN. The Chair believes he owes an apology to the gentleman from Oklahoma. He thought the gentleman was seeking recognition on another amendment about which he spoke to the Chair some time ago. I think in all fairness the gentleman should have an opportunity to offer his amendment to the motion made by the gentleman from Ohio. [Applause.]

Mr. McKEOWN. Mr. Chairman, I offer an amendment that debate close in 10 minutes instead of 5 minutes.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were—ayes 153, noes 9.

The CHAIRMAN. Without objection, the motion as amended will be agreed to.

There was no objection.

Mr. WINGO. Mr. Chairman, the basis for the action of the House to-day is the provision of the Constitution which provides that when the requisite number of Members of Congress deem it necessary they may submit an amendment to the Constitution to the States for ratification.

Now, what is necessary, gentlemen, and what has provoked or, rather, given rise to this proposed legislation? It is because the action of Congress in seeking to regulate or limit labor of a certain harmful character by minors has been declared unconstitutional by the Supreme Court of the United States. Now, was the action of Congress that was thwarted by that decision action that went beyond the amendment which the gentleman from Iowa has offered? Certainly not.

The necessity to which Congress should respond in the submission of an amendment to the Constitution is claimed to be the necessity to regulate not the labor of all children under 16 years of age but the labor of children in mines, factories, and mills; or, in other words, deleterious special employments about which there is an agreement that it is injurious to child life under 16 years of age. Is not that the proposal? Is not that the thing which has been thwarted by the decision of the Supreme Court and which Congress now seeks to remedy by constitutional amendment? If that be true, I say to the proponents of this measure: Why should you jeopardize the adoption of your amendment by the States by voting down the amendment offered by the gentleman from Iowa, and throwing it open to the objection that many good men have who believe in the restriction of child labor, but who do not believe in placing it within the power of Congress to restrict labor that is not injurious and that is not contended now by any large proportion of the people is injurious?

I submit this for the consideration of the proponents of this measure, that the proposal offered by the gentleman from Iowa, the pending amendment, will meet the necessity which the constitutional provision says Congress shall respond to by submitting an amendment to the Constitution to the respective States. The gentleman from Iowa by his amendment is covering that which is admitted by the proponents is the only deleterious employment of children. Why should you go beyond that? And I am speaking now to you who are the proponents of this measure, who want to put this proposal through the States. Why do you go out and say to the legislatures of the States, "We ask you to surrender your sovereign power; we ask you to go further than any amendment to the Constitution has ever gone before and do it to an extent that nobody has contended is necessary"?

Nobody knows what is in the womb of time; nobody knows, with the changed conditions 50 years from now and with the gradual decreasing influence of the agricultural vote, what that power in the hands of Congress will mean, a power which you may rest assured will be used, or, at least, the States, when they come to pass on this amendment, will be afraid will be used.

If you really want to get your amendment through, you should adopt the pending amendment, the amendment offered by the gentleman from Ohio.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. OLIVER of Alabama. The gentleman from Ohio admits that that is the thing, after all, that is now needed?

Mr. WINGO. Certainly; that is the admission of the gentleman from Ohio. He says the States have not sought to regulate anything beyond the amendment of the gentleman from Iowa. Well, if the States have not done it, it is because there is not any demand, and if there is no demand to go beyond that, what is the necessity for Congress seeking a power beyond that?

Mr. HASTINGS. Mr. Chairman——

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry. I understood when I yielded to the gentleman from Oklahoma [Mr. McKEOWN] to propose his amendment he desired to make some remarks himself. I should not have done it under any other circumstances.

Mr. McKEOWN. I yielded my time to my colleague, Mr. Hastings, who just wants half a minute.

Mr. DOWELL. Mr. Chairman, I make the point of order that the gentleman from Oklahoma has no right to yield his time.

The CHAIRMAN. The point of order is overruled and the Chair recognizes the gentleman from Oklahoma [Mr. HASTINGS] for five minutes.

Mr. HASTINGS. Mr. Chairman and gentlemen of the committee, I rise for the purpose of stating that two of my colleagues from Oklahoma [Mr. HOWARD and Mr. McCLINTIC] are unavoidably absent. They instructed me to say that if they were present they would vote for this resolution. [Applause.]

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. HUDSON) there were—ayes 120, noes 158.

So the amendment was rejected.

Mr. OLIVER of Alabama. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OLIVER of Alabama: Page 1, line 11, after the word "age," strike out the period, insert a colon, and add the following: "*Provided*, That the power herein conferred on Congress shall be comprehensive with but not greater than that exercised by the legislature of any State prior to April, 1924, in reference to the labor of persons under 18 years of age."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. McSWAIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: Page 1, line 11, after the word "age," strike out the period, insert a colon, and add the following: "*Provided*, That no law shall control the labor of any child in the house, or business, or on the premises connected therewith, of the parent or parents."

The question was taken, and the amendment was rejected.

Mr. McSWAIN. Mr. Chairman, I have another amendment at the desk.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: Page 1, line 11, after the word "age," strike out the period, insert a comma, and add: "But no law enacted under this article shall affect in any way the labor of any child or children on the farm of the parent or parents."

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. McSWAIN) there were—ayes 76, noes 192.

So the amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Virginia: Page 1, line 11, after the word "age," strike out the period and add the following, after a comma: "but not the labor of such persons in the homes and on the farms where they reside," so that the article will read:

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 16 years of age, but not the labor of such persons in the homes and on the farms where they reside."

The question was taken; and on a division (demanded by Mr. MOORE of Virginia) there were—ayes 89, noes 185.

So the amendment was rejected.

Mr. LINTHICUM. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. LINTHICUM: Page 1, line 6, after the word "States," insert "and this article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures in the several States as provided in the Constitution within seven years from the submission hereof to the States by the Congress."

Mr. McKEOWN. Mr. Chairman, I make the point of order against that that it has been voted on twice, and it is not germane.

The CHAIRMAN. The gentleman from Oklahoma makes the point of order that this same amendment has been twice voted upon.

Mr. LINTHICUM. The amendment that was voted upon contained the provision for conventions, and this is the ratification by legislatures. It is a different proposition.

Mr. McKEOWN. I make the point that it is not germane to the section.

The CHAIRMAN. In the opinion of the Chair, there is no question but that this amendment has not been voted on before, and that it is germane. The Chair overrules the point of order. The question is on the amendment of the gentleman from Maryland.

The question was taken, and the amendment was rejected.

Mr. JONES. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 1, line 10, after the word "the," insert the word "commercial."

Mr. JONES. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. JONES. Has debate been exhausted?

The CHAIRMAN. Debate has been closed, and the question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

The Clerk, continuing the reading of the resolution, read as follows:

SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress.

Mr. McKEOWN. Mr. Chairman, I move to strike out section 2. Mr. Chairman, I do not know what came before the committee that authorized the insertion of this paragraph. I want you to give a little attention to this, because I think it is a question of seriousness. I am in favor of this legislation and do not want to impede its passage, but you are putting in here a provision that will bring laws enacted under this amendment into the courts to be tested in individual cases from time to time. Why is it not sufficient as a constitutional amendment to use the language provided for in section 1? That is sufficient. You do not want legislative language in your Constitution. I am appealing to you because in section 2 you have a provision that will bring about a great lot of litigation in the future. Why say the power of the several States is unimpaired by this article? Why say "except that the operation of State laws shall be suspended to the extent necessary to give assent to legislation enacted by the Congress"? Why the surplusage? Why put this language in an amendment to the Constitution? It certainly would be sufficient to give the power to Congress, which it ought to have, to pass such laws as shall be necessary with an amendment in the Constitution and the law of Congress will be supreme without this recitation here.

Is this a sugar coat to make the legislatures willing to swallow it more easily? That ought not to be its purpose. In legislating to submit an amendment to the Constitution we ought to use constitutional language. The language of the Constitution is not legislative language. Section 1 of this amendment to the Constitution gives full and complete power.

Mr. BURTNESS. Will the gentleman yield?

Mr. McKEOWN. I will.

Mr. BURTNESS. The gentleman's contention is sustained by the decision of the Supreme Court in the pure-food cases, where provisions in the State law were in conflict with the Federal laws and were held unavailing and set aside.

Mr. McKEOWN. You are putting the power for Congress in section 1, and now you are tying a string to it in section 2 to hold it back. You do not want to hold back anything.

Mr. BURTNESS. I think the gentleman is right in his contention. I think section 2 does not add anything but puts a stump speech into the constitutional amendment.

Mr. FOSTER. Will the gentleman yield?

Mr. McKEOWN. I will.

Mr. FOSTER. There being 28 States with laws prohibiting child labor above 18 years of age, is it likely that this provision might make clear to the respective States that they can go above the minimum?

Mr. McKEOWN. The power is limited to 16 years at present as amended, and if the constitutional amendment is adopted the laws of Congress will be supreme irrespective of State legislation.

Mr. CARTER. Section 1 does not deal with anything except children under 16 years of age, so the States would have a right to regulate without this section 2.

Mr. McKEOWN. Section 2 does not add anything to the Constitution and let us amend it like those who understand the Constitution.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma to strike out the section.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were 110 ayes and 125 noes.

Mr. McKEOWN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. FOSTER and Mr. McKEOWN.

The committee again divided; and the tellers reported—ayes 93, noes 144.

So the amendment was rejected.

Mr. LONGWORTH. Mr. Chairman, I move that all debate upon the resolution and all amendments thereto do now close.

The motion was agreed to.

Mr. FOSTER. Mr. Speaker, I move that the committee do now rise and report the joint resolution to the House, with the amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BEGG, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 124 and had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. FOSTER. Mr. Speaker, I move the previous question on the joint resolution and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

Mr. FOSTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 169, nays 139, not voting 64, as follows:

YEAS—169

Abernethy	Box	Byrns, Tenn.	Dickinson, Iowa
Allen	Boyce	Campbell	Dickinson, Mo.
Allgood	Brand, Ga.	Canfield	Dominick
Almon	Brand, Ohio	Carter	Doughton
Andrew	Britten	Chindblom	Drewry
Arnold	Browne, N. J.	Cole, Iowa	Driver
Aswell	Browning	Collier	Evans, Iowa
Bankhead	Buchanan	Connally, Tex.	Fenn
Beers	Buckley	Connally, Pa.	Fisher
Bixler	Bulwinkle	Crisp	Fleetwood
Black, Tex.	Burtness	Croll	Fredericks
Blanton	Busby	Darrow	Free
Bowling	Butler	Davis, Tenn.	Freeman

French	Jost	Moore, Ga.	Stedman
Fulmer	Kearns	Moore, Va.	Swank
Funk	Kerr	Morehead	Thomas, Ky.
Garber	Kiess	Morris	Thomas, Okla.
Garrett, Tenn.	King	Morrow	Thompson
Garrett, Tex.	Kunz	Newton, Minn.	Tilson
Gasque	Lanham	Oliver, Ala.	Tinkham
Gifford	Lankford	Paige	Treadway
Gilbert	Larsen, Ga.	Park, Ga.	Underhill
Glatfelter	Lazaro	Parks, Ark.	Valle
Graham, Ill.	Lea, Calif.	Peery	Vinson, Ga.
Graham, Pa.	Lilly	Pou	Vinson, Ky.
Green, Iowa	Lowrey	Quin	Wainwright
Griest	Luce	Rainey	Ward, N. Y.
Griffin	Lyon	Raker	Watson
Hammer	McKenzie	Ramseyer	Weaver
Harrison	McKeown	Rankin	Wertz
Hastings	McLaughlin, Mich.	Rayburn	White, Kans.
Haugen	McReynolds	Reed, Ark.	Williams, Mich.
Hawes	McSwain	Robinson, Iowa	Williams, Tex.
Hill, Ala.	MacLafferty	Romjue	Wilson, La.
Hooker	Madden	Rubey	Wingo
Howard, Nebr.	Magee, N. Y.	Sabath	Winslow
Hudson	Major, Mo.	Salmon	Woodrum
Hudspeth	Mansfield	Sanders, Tex.	Wright
Hull, Tenn.	Martin	Sandlin	Wyant
Hull, William E.	Merritt	Sherwood	Yates
Jeffers	Milligan	Smithwick	
Johnson, Tex.	Minahan	Sproul, Ill.	
Jones	Montague	Steagall	

NAYS—199

Aldrich	Favrot	Lineberger	Sanders, N. Y.
Anthony	Fenn	Linthicum	Schafer
Ayres	Fish	Little	Schneider
Bacharach	Fitzgerald	Longworth	Seger
Bacon	Foster	Lozier	Shallenberger
Barbour	Frear	McDuffie	Shreve
Barkley	Frothingham	McSweeney	Simmons
Beck	Fulbright	Major, Ill.	Sinclair
Beedy	Gardner, Ind.	Manlove	Sinnott
Begg	Garner, Tex.	Mapes	Sites
Berger	Geran	Mead	Smith
Black, N. Y.	Gibson	Michener	Snell
Bland	Goldsborough	Miller, Ill.	Speaks
Boles	Greene, Mass.	Miller, Wash.	Sproul, Kans.
Boylan	Greenwood	Mills	Stalker
Briggs	Hadley	Mooney	Stengle
Browne, Wis.	Hardy	Moore, Ohio	Stephens
Burdick	Hawley	Moores, Ind.	Strong, Kans.
Cable	Hayden	Morgan	Summers, Wash.
Cannon	Hersey	Mudd	Summers, Tex.
Carew	Hickey	Murphy	Swing
Casey	Hill, Md.	Nelson, Me.	Swoope
Celler	Hill, Wash.	Nelson, Wis.	Taber
Christopherson	Holaday	Nolan	Tague
Clague	Huddleston	O'Brien	Taylor, Colo.
Clancy	Hull, Iowa	O'Connell, N.Y.	Taylor, Tenn.
Collins	Humphreys	O'Connell, R. I.	Taylor, W.Va.
Colton	Jacobstein	O'Connor, La.	Temple
Connery	James	O'Connor, N.Y.	Thatcher
Cook	Johnson, Ky.	O'Sullivan	Tillman
Cooper, Ohio	Johnson, S. Dak.	Oldfield	Timberlake
Cooper, Wis.	Johnson, Wash.	Oliver, N. Y.	Tincher
Corning	Johnson, W. Va.	Parker	Tucker
Cramton	Keller	Patterson	Tydings
Crosser	Kelly	Peavey	Underwood
Crowther	Kendall	Perkins	Vincent, Mich.
Cullen	Kent	Perlman	Voigt
Cummings	Ketcham	Phillips	Watkins
Dallinger	Kincheloe	Prall	Watres
Davey	Kindred	Purnell	Weller
Deal	Kopp	Quayle	White, Me.
Denison	Kurtz	Ragon	Williams, Ill.
Dickstein	Kvale	Rathbone	Williamson
Dowell	LaGuardia	Reece	Wilson, Ind.
Doyle	Lampert	Reed, N. Y.	Winter
Dyer	Larson, Minn.	Reid, Ill.	Wolff
Eagan	Leatherwood	Richards	Wood
Elliott	Leavitt	Roach	Woodruff
Evans, Mont.	Lehlbach	Robsion	Young
Fairfield	Lindsay	Rouse	

NOT VOTING—64

Ackerman	Fairchild	MacGregor	Sears, Nebr.
Anderson	Fuller	Magee, Pa.	Snyder
Bell	Gallivan	Michaelson	Stevenson
Bloom	Hoch	Moore, Ill.	Strong, Pa.
Brumm	Howard, Okla.	Morin	Sullivan
Burton	Hull, Morton D.	Newton, Mo.	Sweet
Byrnes, S. C.	Kahn	Porter	Upshaw
Clark, Fla.	Knutson	Ransley	Vare
Clarke, N. Y.	Langley	Reed, W. Va.	Vestal
Cleary	Lee, Ga.	Rogers, Mass.	Ward, N. C.
Cole, Ohio	Logan	Rogers, N. H.	Wason
Curry	McClintic	Rosenbloom	Wefald
Davis, Minn	McFadden	Sanders, Ind.	Welsh
Dempsey	McLaughlin, Nebr.	Schall	Wilson, Miss.
Drane	McLeod	Scott	Wurzbach
Edmonds	McNulty	Sears, Fla.	Zihlman

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Snyder with Mr. Wilson of Mississippi.
Mr. Ackerman with Mr. Lee of Georgia.
Mr. Davis of Minnesota with Mr. Drane.
Mr. Fairchild with Mr. McNulty.
Mr. Hull, Morton D., with Mr. Logan.
Mr. Langley with Mr. Clark of Florida.
Mr. Fuller with Mr. Byrnes of South Carolina.
Mr. Burton with Mr. Gallivan.
Mr. Curry with Mr. Sullivan.
Mr. McFadden with Mr. Ward of North Carolina.
Mr. Newton of Missouri with Mr. Upshaw.
Mr. Scott with Mr. Howard of Oklahoma.
Mr. McLaughlin of Nebraska with Mr. Wefald.
Mr. Ransley with Mr. Cleary.
Mr. Morin with Mr. Bloom.
Mr. McLeod with Mr. Bell.
Mr. Vare with Mr. McClintic.
Mr. Magee of Pennsylvania with Mr. Sears of Florida.
Mr. Welsh with Mr. Rogers of New Hampshire.
Mr. Hoch with Mr. Stevenson.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read the third time; was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. MONTAGUE. Mr. Speaker, I send to the Clerk's desk a motion to recommit the joint resolution, and on that I move the previous question.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. MONTAGUE. Yes.

The SPEAKER. The gentleman from Virginia offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. MONTAGUE moves to recommit the resolution to the Committee on the Judiciary with instructions to report the same back forthwith with the following amendments:

Page 1, line 6, strike out the words "legislatures of" and insert the words "conventions in."

Page 1, line 11, after the word "age," add the following: "but not the labor of such persons in the homes and on the farms where they reside."

And at the end of the resolution, on page 2, add the following:

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by convention in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Mr. RAMSEYER. Mr. Speaker, I demand a division of the question.

The SPEAKER. The Chair does not think it is subject to a division.

Mr. GARRETT of Tennessee. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BLANTON. Mr. Speaker, a point of order. A division is certainly——

The SPEAKER. The Chair does not recognize the gentleman from Texas.

Mr. BLANTON. But I am making the point of order.

The SPEAKER. The gentleman from Iowa [Mr. RAMSEYER] is recognized.

Mr. RAMSEYER. I am demanding a division of the motion. There are three substantive propositions, each independent of the other, and certainly, according to the practice heretofore followed, the House is entitled to have a vote on each separate proposition.

The SPEAKER. That might be plausible if that were a new question, but it has been decided. Section 6134, Hinds' Precedents, volume 5, says:

A division of the question is not in order on a motion to commit with instructions or on the different branches of the instructions.

The gentleman from Tennessee moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the nays seemed to have it.

Mr. MONTAGUE. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. Fifty-five gentlemen have arisen, not a sufficient number, it requiring 73.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I understand a roll call is mandatory.

The SPEAKER. No; it is not mandatory.

Mr. FOSTER. Mr. Speaker, I ask for the yeas and nays.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 297, nays 69, answered "present" 2, not voting 64, as follows:

YEAS—297

Aldrich	Fish	Lehlbach	Rubey
Allen	Fisher	Lindsay	Sabath
Almon	Fitzgerald	Lineberger	Salmon
Anthony	Fleetwood	Little	Sanders, Ind.
Arnold	Foster	Longworth	Sanders, N. Y.
Ayres	Frear	Lozier	Sanders, Tex.
Bacharach	Fredericks	Luce	Schafer
Bacon	Freeman	Lyon	Schneider
Barbour	French	McKenzie	Seger
Barkley	Frothingham	McKeown	Shallenberger
Beck	Fulbright	McLaughlin, Mich.	Sherwood
Beedy	Funk	McReynolds	Shreve
Beers	Garber	McSweeney	Simmons
Begg	Gardner, Ind.	MacLafferty	Sinclair
Berger	Garrett, Tex.	Madden	Sinnott
Black, N. Y.	Gasque	Magee, N. Y.	Sites
Black, Tex.	Geran	Major, Ill.	Smith
Boles	Gibson	Major, Mo.	Snell
Box	Gifford	Manlove	Speaks
Boyce	Glatfelter	Mapes	Sproul, Ill.
Boylan	Graham, Ill.	Mead	Sproul, Kans.
Briggs	Green, Iowa	Michener	Stalker
Britten	Greene, Mass.	Miller, Ill.	Stedman
Browne, N. J.	Greenwood	Miller, Wash.	Stengle
Browne, Wis.	Griest	Milligan	Stephens
Buckley	Griffin	Mills	Strong, Kans.
Burdick	Hadley	Minahan	Summers, Wash.
Burtness	Hammer	Mooney	Swank
Butler	Hardy	Moore, Ohio	Swing
Byrns, Tenn.	Harrison	Morehead	Swoope
Cable	Hastings	Morgan	Taber
Campbell	Haugen	Morris	Tague
Canfield	Hawley	Morrow	Taylor, Colo.
Cannon	Hayden	Mudd	Taylor, Tenn.
Carew	Hersey	Murphy	Taylor, W. Va.
Carter	Hickey	Nelson, Me.	Temple
Casey	Hill, Wash.	Nelson, Wis.	Thatcher
Celler	Holaday	Newton, Minn.	Thomas, Ky.
Chindblom	Howard, Nebr.	Nolan	Thomas, Okla.
Christopherson	Huddleston	O'Brien	Thompson
Clague	Hudson	O'Connell, N. Y.	Tillman
Clancy	Hull, Iowa	O'Connell, R. I.	Tilson
Cole, Iowa	Hull, Tenn.	O'Connor, La.	Timberlake
Collier	Hull, William E.	O'Connor, N. Y.	Tincher
Collins	Jacobstein	O'Sullivan	Treadway
Colton	James	Oldfield	Underwood
Connery	Johnson, Ky.	Oliver, N. Y.	Valle
Cook	Johnson, S. Dak.	Paige	Vincent, Mich.
Cooper, Ohio	Johnson, Tex.	Parker	Vinson, Ky.
Cooper, Wis.	Johnson, Wash.	Parks, Ark.	Voigt
Corning	Johnson, W. Va.	Patterson	Wainwright
Cramton	Jones	Peavey	Ward, N. Y.
Croll	Jost	Perkins	Watkins
Crosser	Kearns	Perlman	Watres
Crowther	Keller	Phillips	Weaver
Cullen	Kelly	Prall	Weller
Cummings	Kendall	Purnell	Wertz
Dallinger	Kent	Quayle	White, Kans.
Davey	Ketcham	Quin	White, Me.
Davis, Tenn.	Kiess	Ragon	Williams, Ill.
Denison	Kincheloe	Rainey	Williams, Mich.
Dickinson, Iowa	Kindred	Raker	Williamson
Dickinson, Mo.	King	Ramseyer	Wilson, Ind.
Dickstein	Kopp	Rankin	Winslow
Dowell	Kunz	Rathbone	Winter
Doyle	Kurtz	Reece	Wolff
Dyer	Kvale	Reed, Ark.	Wood
Eagan	LaGuardia	Reed, N. Y.	Woodruff
Elliott	Lampert	Reid, Ill.	Woodrum
Evans, Iowa	Lankford	Richards	Wyant
Evans, Mont.	Larson, Minn.	Roach	Yates
Fairfield	Lazaro	Robinson, Iowa	Young
Faust	Lea, Calif.	Robsion, Ky.	
Favrot	Leatherwood	Romjue	
Fenn	Leavitt	Rouse	

NAYS—69

Abernethy	Deal	Kerr	Rayburn
Allgood	Dominick	Lanham	Sandlin
Andrew	Doughton	Larsen, Ga.	Smithwick
Aswell	Drewry	Linthicum	Steagall
Bankhead	Driver	Lowrey	Sumners, Tex.
Bixler	Free	McDuffie	Tinkham
Bland	Fulmer	McSwain	Tucker
Blanton	Garner, Tex.	Mansfield	Tydings
Bowling	Garrett, Tenn.	Martin	Underhill
Brand, Ga.	Gilbert	Merritt	Vinson, Ga.
Brand, Ohio	Goldsborough	Montague	Watson
Browning	Graham, Pa.	Moore, Ga.	Williams, Tex.
Bulwinkle	Hawes	Moore, Va.	Wilson, La.
Busby	Hill, Ala.	Moores, Ind.	Wingo
Connally, Tex.	Hill, Md.	Oliver, Ala.	Wright
Connolly, Pa.	Hooker	Park, Ga.	
Crisp	Hudspeth	Peery	
Darrow	Jeffers	Pou	

ANSWERED "PRESENT"—2

Buchanan	Humphreys

NOT VOTING—64

Ackerman	Davis, Minn.	Langley	Moore, Ill.
Anderson	Dempsey	Lee, Ga.	Morin
Bell	Drane	Lilly	Newton, Mo.
Bloom	Edmonds	Logan	Porter
Brumm	Fairchild	McClintic	Ransley
Burton	Fuller	McFadden	Reed, W. Va.
Byrnes, S. C.	Gallivan	McLaughlin, Nebr.	Rogers, Mass.
Clark, Fla.	Hoch	McLeod	Rogers, N. H.
Clarke, N. Y.	Howard, Okla.	McNulty	Rosenbloom
Cleary	Hull, Morton D.	MacGregor	Schall
Cole, Ohio	Kahn	Magee, Pa.	Scott
Curry	Knutson	Michaelson	Sears, Fla.
Sears, Nebr.	Sullivan	Vestal	Welsh
Snyder	Sweet	Ward, N. C.	Wilson, Miss.
Stevenson	Upshaw	Wason	Wurzbach
Strong, Pa.	Vare	Wefald	Zihlman

So, two-thirds having voted in the affirmative, the House joint resolution was passed.

The Clerk announced the following additional pairs:

On this vote—

Mr. Vestal and Mr. Rosenbloom (for) with Mr. Buchanan (against).
Mr. Ackerman and Mr. Morton D. Hull (for) with Mr. Snyder (against).
Mr. Davis of Minnesota and Mr. Bloom (for) with Mr. Fairchild (against).
Mr. Porter and Mr. Burton (for) with Mr. Vare (against).
Mr. Gallivan and Mr. Wurzbach (for) with Mr. Lee of Georgia (against).
Mr. McLeod and Mr. Curry (for) with Mr. Ransley (against).
Mr. Magee of Pennsylvania and Mr. Wilson of Mississippi (for) with Mr. Humphreys (against).
Mr. Sweet and Mr. Scott (for) with Mr. Welsh (against).
Mr. Hoch and Mr. Newton of Missouri (for) with Mr. Stevenson (against).
Mr. Rogers of Massachusetts and Mr. Rogers of New Hampshire (for) with Mr. Ward of North Carolina (against).
Mr. Morin and Mr. McNulty (for) with Mr. Bell (against).

Until further notice—

Mr. Michaelson with Mr. Lilly.
Mr. McFadden with Mr. Sears of Florida.
Mr. Clarke of New York with Mr. McClintic.
Mr. Wason with Mr. Cleary.
Mr. Fuller with Mr. Howard of Oklahoma.
Mr. Schall with Mr. Upshaw.
Mr. Sears of Nebraska with Mr. Sullivan.
Mr. Anderson with Mr. Logan.
Mr. Brumm with Mr. Drane.
Mr. McLaughlin of Nebraska with Mr. Wefald.

Mr. CAMPBELL. Mr. Speaker, I wish to say on behalf of my colleagues from Pittsburgh, Mr. MORIN and Mr. MAGEE, that Mr. MORIN is detained at home on account of the critical illness of his wife, and Mr. MAGEE is detained on account of the illness of himself. If they were present, they would both vote "yea."

Mr. KVALE. Mr. Speaker, I wish to state that my colleague from Minnesota, Mr. WEFALD, is unavoidably absent. If he were present, he would vote "yea."

Mr. CONNERY. Mr. Speaker, my colleague, Mr. GALLIVAN, is prevented from being present by reason of illness. If he were present, he authorizes me to say, he would gladly vote "yea."

Mr. FOSTER. Mr. Speaker, my colleague from Ohio, Mr. BURTON, is absent on account of illness. He asked me to state that if he were present he would vote "yea."

Mr. TAGUE. Mr. Speaker, my colleague, Mr. ROGERS of New Hampshire, is unavoidably absent. If he were present, he would vote "yea."

Mr. HOWARD of Nebraska. Mr. Speaker, my colleague from Nebraska, Mr. SEARS, is not here, and I think, unfortunately, he is not paired. I do not know for sure; but I do know that if he were here he would have voted "yea."

The result of the vote was announced as above recorded.

On motion of Mr. FOSTER, a motion to reconsider the vote whereby the resolution was passed was laid on the table.

EXTENSION OF REMARKS

Mr. MOORE of Virginia. Mr. Speaker, I ask that I may be permitted to extend my remarks by printing a brief address which I made some time ago on some aspects of the constitutional situation.

The SPEAKER. The gentleman from Virginia asks unanimous consent to extend his remarks by inserting an address on some aspects of the constitutional situation. Is there objection?

There was no objection.

CHILD LABOR CONSTITUTIONAL AMENDMENT.

Mr. DENISON. Mr. Speaker, there are two questions involved in the consideration of the resolution now under discussion. The first is, Shall we, as representatives of the people, submit to the several States for their consideration the proposed amendment to the Constitution?

The second is, Should the Constitution be amended as proposed?

Responsibility for the answer to the first question rests upon us alone. It is for Congress to say, by a two-thirds vote of both Houses, whether we will permit the States to consider and determine for themselves whether or not the Constitution shall be so amended as to authorize Congress to enact legislation that will, to a limited extent, nationalize the regulation of the employment of children under 18 years of age. The responsibility for the wise determination of the latter question

rests not with us but with the legislatures of three-fourths of the States.

These two questions have been confused in the discussions here. You and I may, as individuals, be conscientiously opposed to amending the Constitution in the manner proposed, but if we are convinced that there is a widespread and affirmative sentiment in favor of more effective legislative regulation and control of child labor, and if we are sure, as we now must be, that Congress is powerless to provide the remedy, then it is our duty, I think, to submit the subject to the States for them to decide whether they want the Constitution so amended.

If three-fourths of the sovereign States desire to amend the Constitution so as to confer upon Congress this power to regulate, in a limited way, the employment of children under 18 years of age, why should we, who were perhaps not elected on that issue, deny them the right to do so? Should we allow our personal persuasions or prejudices to so far control our public actions here as to lead us to a denial of the right of the people of the States to amend the Constitution as they may choose, if there is apparent a general sentiment and feeling that such an amendment is needed, if not necessary?

No one who has followed or read with an open mind the evidence presented to the Judiciary Committee that considered and reported this resolution, no one who has to any extent come into general contact with the people of the country, can reasonably doubt, in my humble judgment, that there is a nation-wide public belief that Federal child-labor legislation is needed and that there is a very general sentiment in favor of a constitutional amendment for that purpose.

If we should prove to be in error, if it should turn out that three-fourths of the States do not want Congress to have power to legislate on this subject, they would refuse to ratify the amendment, and no harm would be done by its submission.

For while our approval of this resolution might have a persuasive effect, it would not have a compelling influence on the legislatures of the different States. And it were better, it seems to me, to err in submitting to the people a constitutional amendment which three-fourths of the States might not afterwards in their wisdom approve, rather than, by refusing to submit it, deny to the people the privilege of approving an amendment which three-fourths of the States might want to adopt.

The gentleman from Tennessee [Mr. GARRETT] and others have during this discussion presented very forceful and persuasive arguments against the amendment. But their arguments were directed wholly to the merits of the ultimate question, the question that is to be determined by the legislatures of the States.

I do not think that the question we are to decide in the consideration of this resolution is at all identical with the question to be decided by the States if the amendment is submitted.

If we are convinced that the public sentiment and demand for this proposed amendment is so general that three-fourths of the States would approve it, then the necessity for it, required by section 5 of the Constitution, has arisen, and we should not hesitate to pass the resolution.

If the resolution is approved and the proposed amendment submitted to the States and ratified by three-fourths of them, then we should willingly submit to the wishes of the people, thus expressed in the manner approved by the fathers, and give it our loyal support as a part of the fundamental law of the land, whatever our personal views may have been with respect to it. And this applies not only to this proposed amendment but also to the prohibition amendment and to all others that have become a part of the Constitution.

As to this proposed amendment, I shall not only support the resolution submitting it but I will urge the legislature of my State to approve it. I wish it were not necessary to amend the Constitution in order to accomplish the purpose sought to be accomplished. I agree with those who do not believe that the Constitution ought to be amended except for purposes which appear to be urgently necessary for the public welfare. I think it is difficult to improve upon the original Constitution that the fathers gave us. Several amendments that have been adopted were, I think, a mistake.

An amendment to the Constitution has been proposed, I believe, by the Senator from New York [Mr. WADSWORTH], which would require that no proposed amendment to the Constitution can be ratified by the legislature of a State until after at least one branch of the legislature has been elected subsequent to the date of submission. If that amendment reaches the House, I will support it, because I think that the Constitution should only be amended after ample time for mature deliberation by the legislatures of the States and after the people of the States have had an opportunity to elect at least one branch of their legislature with full knowledge of the proposed amendment.

But Article V of the Constitution says that the Congress shall propose amendments to the Constitution whenever two-thirds of both Houses deem it necessary. I construe that language to mean whenever two-thirds of both Houses are convinced that there is such a demand for the change in the fundamental law that three-fourths of the States desire it and would ratify the amendment.

I believe that it will be in the interest of the public welfare for Congress to be given the power to enact laws for the protection of the children of the country under the age of 18 years; and I am convinced that the proposed amendment will be promptly ratified by at least three-fourths of the States. Therefore I think it is my duty to support this resolution.

Mr. Speaker, I was a member of the Labor Committee of the House that reported the first child labor bill in February, 1916. After full hearings I voted to report the bill to the House. I addressed the House in favor of it on February 2, 1916, and voted to pass it. I also voted for the second child labor law that was enacted after the first was held unconstitutional.

I always had some doubt as to the constitutionality of those laws. But my doubt did not amount to a positive conviction, and I felt that the doubt ought to be resolved in favor of the law in view of the various decisions of the Supreme Court liberally construing acts of Congress based upon the commerce clause of the Constitution. In addressing the House on that subject on February 2, 1916, I stated:

> Now, Mr. Chairman, the constitutionality of this bill presents a more difficult question. I confess I was at first of the opinion that the bill, if it should become a law, would be held unconstitutional. I feared that it might be held that this legislation was but an attempt to do indirectly what Congress could not do directly—that is, legislate upon questions of purely local employment and production. But the more I have considered the question, in view of the later decisions of the Supreme Court, the further I have gotten from my first opinion. It is still a doubtful question in my mind whether the bill, if it passes, will be held valid should its validity be tested. * * *
>
> Unlike the gentleman from Kentucky [Mr. Sherley], I think if we have only a doubt of the constitutionality of a bill which does not amount to a positive conviction, it is our duty to vote for it.

The Supreme Court has settled the question as to the power of Congress to enact such legislation under our present constitutional limitations. And I think we should willingly accept their conclusions upon that question. I do not agree with those who rebel against decisions of the Supreme Court, whether they be by 5 to 4 or by any other number of the court, that interpret the limitations of Congress in the enactment of legislation. We should guard carefully the prerogatives of that court and preserve respect for its decisions and acquiesce in its constructions of our constitutional limitations.

And I think it were far better to proceed in the regular way and amend the Constitution in order to give Congress powers we do not now possess than to condemn the court for holding an act of Congress unconstitutional and give countenance to the various proposed un-American schemes for depriving the court of the power it has exercised since the beginning of the Government to judicially review and pass upon the validity of the acts of Congress.

In my remarks made in this Chamber on February 2, 1916, I made this statement:

> Mr. Chairman, I do not believe that any child, boy or girl, under 16 years of age ever voluntarily sought and continued employment that confined him or her to a continuing task for from 8 to 11 hours a day. It is contrary to human nature to expect such a thing. Children of that age need fresh air and sunshine; they need play and recreation; and common sense tells us that they will not work at a continuing task where they are confined indoors unless under compulsion. And, Mr. Chairman, when the parents of children under 16 years of age, through ignorance or selfishness, or even for a more commendable motive, if you please, insist on driving them into the mills or canneries or factories, and keeping them there for 8 or 10 hours a day, I say that it is time for the Government to step in and say to the parents, "You shall not do it."
>
> This duty rests, of course, upon the State government in the first instance. But when the State fails to do its duty, I believe the National Government should extend its strong arm and, as far as it can do so within its constitutional limitations, protect little children from the selfishness of employers and the ignorance or indifference of their parents by prohibiting the products of their enforced labors from the privileges of interstate commerce.

Those are still my views; but since the Supreme Court has held that we could not do that under the commerce clause of the Constitution, I think we should give the States the privilege of saying whether they will amend the Constitution so as to give Congress the necessary power to do so.

Mr. Speaker, the childhood years of those who are to be our future citizens, who are to defend our liberties, conduct the affairs of government, and preserve and perpetuate the Republic in the years to come, are those in which the Government is most vitally interested. It is during childhood years, before the age of 18, that the moral character, the mental development, and the physical manhood or womanhood are generally determined. Employment of children in certain kinds of industry often dwarfs them mentally and morally and wrecks them physically. I believe the Federal Government ought to have the power to enact such legislation as may appear necessary to protect the children of the country from the evils of child labor. I think that power should be invoked only when it is absolutely necessary. But when the States refuse to act, or when their legislation is wholly inadequate, then I believe the Federal Government should step in, exercise its right and duty, and protect by proper legislation the health and safety and the welfare of those upon whom it will in the future depend for its own protection and perpetuity.

So I am in favor of amending the Constitution so as to give Congress that right. At least, I feel it is my duty as a Representative to support this resolution and submit the amendment to the several States so that they may decide and determine whether or not they wish to confer this additional and most important power upon Congress.

Mr. COOK. Mr. Speaker, I am in favor of this resolution proposing the question of child labor to the judgment of the States. It will give them an opportunity to determine whether or not they desire to confer the power to regulate this question on the Federal Government. This Congress can not dictate to them; all it can do is to propose the question and ask them to decide it. It is wholly within their will as to whether they will surrender the right or retain it. They can ratify or reject. The wisdom or propriety of it rests with them. Under the circumstances in this case, much of the able argument made against proposing it would be more properly addressed to the legislatures of the several States after it is proposed.

Of course, I concede that Congress should not propose amendments in a trifling manner, and unless there is some national evil which can not or is not properly dealt with by the States, and that there is a considerable demand by the people for legislation to cure the evil. Is there such an evil? That seems to be conceded. It has not been denied that certain interests have been and are employing child labor in mines and factories in order to obtain cheaper labor; that in this way the child has been and is deprived of its education, and of its chance to fully develop, and that part of its child life has been and is taken away. It also seems to be conceded that some of the States do not properly protect the child against this evil. It is also apparent that there is a considerable demand for legislation to cure this evil. It has been agitated and discussed for many years. This discussion has not come from a few reformers but from every class.

The demand became so great and the need so urgent that in 1916 Congress took notice of it and enacted a child labor law. That act recognizes the evil; that some of the States had failed to enact proper legislation; that it was more than a State question, and was a proper question for Federal legislation. This act was held void on the ground that the people of the States had not surrendered the power to regulate that question to the General Government. Then Congress for the second time, in 1919, passed another act, which was also held void.

Congress is now confronted with the alternative of either abandoning the question entirely or of proposing this amendment. It seems to me we should not retreat, but go forward until this question is settled in such a way as that it will remain settled.

In answer to those who contend it is a power which should be retained by the States and not surrendered to the General Government it seems to me that we have gone a long way in these acts in recognizing that it is a proper subject for Federal regulation. However, that question will be ultimately settled by the representatives of the people in the several States if this amendment is proposed.

In proposing it we are not enacting a child labor law. It is only a referendum to the people asking them whether they desire to amend their Constitution.

One of our great Presidents said in substance that in a case of doubt or difficulty there was no safer tribunal to which to appeal than to the judgment of the people. This Government rests upon that judgment. "For other foundation can no man lay."

Our Constitution wisely provides a means for its amendment.

The first 10 amendments are generally considered as a part of the original document for the reason that a number of the States ratified it with the understanding that they should become a part of the Constitution, and they were added soon after it went into effect. In that view of the question the people have been very conservative in the matter of amending their organic law, as in the 135 years since the first 10 were proposed only 9 amendments have been added. This record, it seems to me, justifies the conclusion that they can be trusted on this question and that there is no present danger of any rash surrender of the powers of the States or of centralizing all power in the General Government.

Of course, everyone will concede that there are certain questions which are and should remain local and under the control of the States; that on such questions the people of the States can deal with them better than any other body, and that it would be unwise to transfer the regulation of such questions to the General Government.

While this is true it is also true that there are certain questions which from their very nature are also national questions, which can not be effectively dealt with by the States. While the line of demarkation is often hard to determine and is often the subject of honest difference of opinion, yet the people can be relied upon to settle it right. They will find the proper line.

While I do not desire to detract from the other wonderful provisions of our Constitution, it seems to me that the article providing for an orderly method of amendment or addition makes it a living instrument and guarantees the perpetuity of the whole Constitution. Our fathers recognized that there must be some tribunal to which the people could look to settle great national questions and provided for it in this article.

I am not alarmed that the people will rashly surrender the regulation of local questions to the General Government, but it seems to me it would tend to weaken the Constitution if great national evils should hide behind it and Congress should neglect to give the people an opportunity to correct that evil.

The founders expected amendments would become necessary, else why this provision.

They realized that the men of one generation could not lay down all of the rules that should govern all future generations or anticipate all of the requirements of the future.

I believe they expected us to make some advancement and some improvement over the day in which they lived. They certainly did not expect that we should stand still, but must have expected that we should go forward. They improved on the age in which they lived, and it is to their credit to believe that they expected future generations would do likewise.

We would not reflect the glory of the generation in which they lived, or be worthy of the one in which we live, if we do not add to that which they gave us.

There is also another thing which has happened recently which, in my opinion, has greatly increased the importance of the child-labor question. That is, the passage of the new immigration law.

The effect of that will be to restrict the cheaper labor of other countries from coming here, and this will increase the effort to obtain child labor.

Hence, legislation to protect children which will apply to every State in the Union is more necessary now than ever. The time for action has come.

We have so many young American boys and girls who must soon become the heads of homes and families and take our places in the great battle of life and the task of perpetuating this, the best Government on earth, and our institutions that I am in favor of throwing every safeguard around their early lives which is possible, to the end that they be not robbed of the child life which is necessary for their full development, education, and preparation so that they may step forth the greatest American citizens this Nation has ever seen.

They are not voters now or members of the law-making bodies of the States or the General Government. They are at present helpless and must depend on those having the power to protect them. That duty rests upon us. Protecting them means to strengthen the Nation.

Mr. LAGUARDIA. Mr. Speaker, we have listened to interesting arguments in favor of this resolution and to skillful and clever arguments against it. The debate on this resolution differs from the debate on most bills and questions which come before this House in that in this case there seems to be no difference of opinion, no argument presented against the merits of the purpose sought by means of this resolution. In other words, not one of the gentlemen who have addressed us in opposition to the passage of this resolution would say that

legislature with full knowledge of the proposed amendment.

to give Congress the necessary power to do so.

ment.

in opposition to the passage of this resolution would say that

he favors the exploitation of child labor; that he sanctions the employment of children of tender age in mills, factories, and mines.

Some have sought to put the agricultural scare into the hearts of some of their colleagues by an effort to construe the resolution as prohibiting a child doing the usual wholesome family chores around the house on a farm. But it is gratifying at least to know that as a general proposition we are in accord that it is the function of Government to protect childhood and to prevent the employment of children, to forbid the exploitation of child labor, and to foster the care and education of the childhood of the country. The difference then narrows itself to the question of which government shall do it. Shall the State government do it or shall it be left to the National Government? Gentlemen, let us be perfectly frank about this. If every State in the Union had an ideal child labor law with provision for its enforcement, I admit that there would be no necessity of this resolution to-day. Such, however, is not the case. Some States have ideal laws and machinery for their enforcement, other States have good laws. Still other States have laws with but little or no provision for their enforcement and the condition in one State can not help but affect the condition in another State.

Able arguments on the purpose and spirit of the Constitution were presented to us in the course of this debate. The gentleman from Virginia [Mr. MONTAGUE], always delightful, always well informed, and always scholarly, presented as able an argument as was possible under the circumstances. Yet the able gentleman from Virginia did not go into the merits of the case, but limited himself entirely to the question of State rights and the tendency of encroachment upon these rights by way of constitutional amendment. We can not but agree with a great deal that was said by the gentleman from Virginia.

I grant that the tendency to encroach upon State rights seems to have taken hold and that we have infringed by way of constitutional amendments; but in this case, gentlemen, I personally do not believe that we are encroaching upon the State rights at this time on this subject in the slightest, because of the important vital subject which this constitutional amendment covers. I fail to find any provision or word in the Constitution of finality. To the contrary, the far-sighted men of vision who framed that remarkable document realized that they could not speak for a century ahead of them and therefore provided the very means by which the Constitution could be amended, altered, or enlarged. The purposes, the keen insight of human affairs, the accurate knowledge of the then existing conditions, the courage of convictions of these men warrant the belief that they did not and could not have contemplated conditions in an industrial system that would take children of tender age, put them in the mines, mills, and factories and sap their child's blood from them. No, gentlemen, they did not then foresee the toll of human life that modern industry exacts. They did not then believe that human nature could become so callous as to sacrifice the lives of children for dividends and profits. They stated definitely that it was the function of government to protect life and liberty. They stated in clear terms that the pursuit of happiness was the inherent right of every free-born citizen, and surely, gentlemen, had they lived in an industrial and commercial age such as we are living in you would have found in our great charter of liberty a strong section protecting the childhood of the country and forbidding its exploitation.

Have we not yet learned that after all constitutional limitations are to be construed in the light of changed times and changed conditions? Is it not for each age to say what the organic and administrative laws of that age shall be? Can you possibly apply the limitations of government accepted at a time when every citizen owned his house or could move a short distance west, make a clearing, and establish his home; when steam was unknown, commercial competition hardly developed, textiles spun by hand, and the production system not yet dreamed of; to our day and age, with our cruel competitive system and unbalanced economic system, with our roaring factories and mills that never stop? No, gentlemen; the times have changed, conditions have changed, and with the changes comes our duty as legislators to provide the laws to meet these changed times and changed conditions.

The question of child labor becomes so interwoven and closely related with our whole commercial industrial system that I always believed that the commerce clause of the Constitution gave Congress the right to pass regulatory legislation on this question. Congress attempted to do so. The Supreme Court has spoken. It therefore remains for us in real American fashion to take the next necessary step and to refer to the several States forming this great Union the resolution of Congress passed by two-thirds of its membership asking the States whether or not they accept the resolution and agree to put in our Constitution the authority to the Federal Government to put its mighty and protecting hand over all of the children in all of the States. How manifestly unfair and contrary to our very system of government does it become when one State, in keeping with the progress of the times, builds schools for its children and laws preventing these children from being taken out of the schools and put into the factory, while another State engaged in like industries fails to do so and makes of its children factory fodder to the detriment not only of their own citizenship but to the destruction of advanced and progressive States who are seeking to protect their childhood.

As there is no argument against the merits of the proposition there is no use dwelling upon that point of the question, but gentlemen permit me to point out that the necessity of uniform child labor laws in this country is an economic necessity. Sections of the country that insist upon the fundamental duty of child protection can be destroyed by another section that refuses so to do and use child labor to reduce the cost of production and take advantage of its shameful exploitation in the markets of the country and the world. Yes, gentlemen, our very unity, our industrial and commercial justice, not to mention the profound duty of uniformly protecting the childhood of this country, compels the submission of this resolution at this time. Why, it is not only a national question, it has become a world question, and I direct the attention of my collengues to Part XIII, section 1, of the Versailles treaty of peace, which provides that the nations shall get together and agree upon universal labor laws for the protection of children, young persons, and women.

It must necessarily become a world question if we are to have permanent peace. In the meantime it is our duty to make it a national law. We are not, as has been suggested, forcing this resolution upon any State, we are simply passing this resolution and submitting it to the States in accordance with the provisions of our Constitution for their approval. Gentlemen, this is the greatest day's work of this session and the greatest piece of legislation that any Congress has ever passed.

Mr. EVANS of Montana. Mr. Speaker, this amendment proposes to limit and to control the labor of children under the age of 18 years. No more important question could possibly come before the Congress than the protection of the children of the Nation. A nation is not great because it has huge industrial institutions; it is not great because it has great bank reserves or great railroad systems; it is great because it has citizens with their full measure of development, physically, mentally, morally, and spiritually; and if the children of to-day, which become the citizens of to-morrow, are deprived of the God-given right to full development they can not, of course, reach the best standard of development as citizens.

The question of the regulation of child labor, although legislated upon only within recent years, is a subject upon which there is a well-founded and almost universally recognized sentiment based upon the natural feeling of humanity toward children. The God of the Universe planted in the hearts of His children that love of their kind that will protect the young as a general proposition, but unhappily society and civilization find it necessary to protect those who have been deprived of parents or who for other reasons can not protect themselves. Forty-six States out of the 48 States of the Union have attempted by State laws to regulate the conditions of employment for children; of course, these State laws differ very much, and in many instances have been found ineffective or fail to reach the standard that the best judges on this question think should be maintained for the good of the Nation, and for these and other reasons this matter now gets before the Congress of the United States.

HISTORY OF FEDERAL CHILD-LABOR LEGISLATION

In December, 1906, the first proposals of a Federal law to prevent the industrial exploitation of children were made in Congress when Senator Beveridge, of Indiana, and Congressman Herbert Parsons introduced bills to "prevent the employment of children in factories and mines," and Senator LODGE sponsored a measure to "prohibit the employment of children in the manufacture or production of articles intended for interstate commerce." Almost 10 years later, September 1, 1916, the first Federal child labor law was adopted, with the provision that it should become operative one year later—September 1, 1917. Under its power to regulate interstate and foreign commerce Congress sought in this measure to close the channels of interstate and foreign commerce to the products of child labor. On June 3, 1918, after the law had been in operation nine months and three days, the United States Supreme Court rendered a five to four decision on the ground that the law was not a legitimate

exercise of Congress's power to regulate interstate commerce, and was therefore unconstitutional.

Following this decision, Congress enacted on February 24, 1919, as a part of the revenue act of 1918, a provision for a tax of 10 per cent on the annual net profits of certain enumerated establishments which employed children in violation of the age and hour standards laid down in the act.

The child labor law tax became operative on April 25, 1919, and was in effect until May 15, 1922, when the United States Supreme Court held that it was not a valid exercise of Congress's right to lay and collect taxes.

It will thus be observed that the Federal laws which have been held unconstitutional did not specifically prohibit or regulate the employment of children but attempted by levying a tax upon, or, close the avenues of commerce to products of industry produced by child labor, thus penalizing industry that utilized the labor of children.

This proposed amendment to the Constitution is intended to give authority to the Congress to pass legislation to directly regulate or prohibit the labor of children.

NUMBER OF CHILDREN WORKING

The census of 1920 shows more than a million (1,060,858) children 10 to 15 years of age, inclusive, as engaged in gainful occupations. Of these children about 600,000, or 60 per cent, were engaged in agricultural pursuits and about 400,000, or 40 per cent, in nonagricultural pursuits, largely in factories, and, I anticipate, many of them under circumstances and conditions not conducive to health, strength, or growth. It is to this latter class that the proponents of this measure are giving special attention.

WHO ARE ADVOCATES

This measure is advocated by nearly if not quite all the national civic organizations of the country:

American Association of University Women.
American Federation of Labor.
American Federation of Teachers.
American Home Economics Association.
Commission on the church and social service, Federal Council of the Churches of Christ in America.
Democratic National Committee.
General Federation of Women's Clubs.
Girls' Friendly Society of America.
National Child Labor Committee.
National Council of Catholic Women.
National Council of Jewish Women.
National Educational Association.
National Federation of Business and Professional Women's Clubs.
National League of Women Voters.
National Woman's Christian Temperance Union.
National Women's Trade Union League.
Republican National Committee.
Service Star Legion.
Young Women's Christian Association.

The State legislatures of six States—California, Massachusetts, Nevada, North Dakota, Washington, and Wisconsin—have petitioned Congress to submit an amendment.

It will be remembered that President Harding and President Coolidge have both recommended to Congress the submission of a child-labor amendment to the States, the former in his message of December 9, 1922, the latter on December 6, 1923. The late President Wilson was an enthusiastic supporter of the principle of Federal regulation and personally urged its importance on both Congress and the country as a whole.

The platforms of both the Republican and the Democratic Parties in 1920 carried a platform on this subject.

WHY FEDERAL ACTION IS NECESSARY

Many people and not a few Members of this House believe this matter should be controlled by State laws and that Federal regulation is unnecessary and is an encroachment upon the rights and sovereignty of the several States. There is much merit in this argument and yet it seems to some of us that there is still an urgent necessity for Federal action in the matter.

In States like Montana, which I have the honor in part to represent, there is at the present time, at least, little or no necessity for legislation of this kind. That happens, however, because it has but little in the way of great industrial works. In States along the Atlantic seaboard the reports indicate the necessity for such legislation. Permit me to recite just one case. A recent investigation of home work by children in Jersey City disclosed the fact that more than 1,000 children, the great majority of whom were under the age of 14, were doing sweatshop work in their homes under dangerously insanitary conditions. Wages were very small, families of three and four working long hours, earning as little as $3 and $5 a week.

It was brought out in the testimony given in connection with these inquiries that a considerable amount of the tenement home work done by the New Jersey children was distributed from factories in neighboring States. Thus, New York manufacturers, who were sending their work to Jersey City to escape the New York regulations against tenement home work, were not subject to the penalties imposed by the New Jersey laws. In this way they succeeded in successfully dodging State laws.

LAWS OF OTHER COUNTRIES

According to the most recent information available Belgium, Denmark, Germany, Great Britain, Netherlands, New Zealand, Norway, Kingdom of the Serbs, Croats, and Slovenes, Sweden (14, girls; 13, boys), and Switzerland have adopted a 14-year minimum, and Russia has a 16-year minimum for employment in industrial undertakings, in some countries with certain exemptions.

Argentina, Germany, Japan—law effective 1926—and New Zealand prohibit night work for children under 16—in most countries with certain exceptions allowed—for example, work in continuous industries and in trades dealing with perishable materials. Only a few American States prohibit night work for both boys and girls under 18 years, while China prohibits it for boys under 17 and girls under 18, and Austria, Belgium, Denmark, France, Great Britain, Italy, the Netherlands, Norway, Peru, Russia, Kingdom of the Serbs, Croats, and Slovenes, Sweden, and Switzerland prohibit it under the age of 18 years, and Portugal prohibits night work for all workers. Additional protection is afforded girls in many foreign countries, but in only about a fourth of our States, through laws providing for night rest for women.

THE AGE LIMIT

As I read the sentiment of this House, the greatest objection is the age limit fixed in this resolution, the same being fixed at 18 years. While the laws of most of the States and foreign countries fix the age at below 18, it must be remembered that this is a constitutional amendment and Congress is not obligated in its legislation to fix the age at 18, and I dare say will not fix the age at 18 in any legislation passed in the next few years; but this amendment, if adopted, becomes a part of the fundamental law of the land and forms a basis under which legislation may be enacted for hundreds of years, and the proponents of the measure are attempting to make the scope wide enough to meet any developments in the future; and if the present conditions do not warrant fixing the age at 18, then Congress may fix it at 16, 17, or any age under 18.

I favor the resolution as it is drawn; but if, in order to secure its passage, it becomes necessary to accept an amendment lowering the age below 18, I shall reserve the right to vote for such an amendment.

I do not feel, as some Members of this House seem to think, that it is a profanation to amend the Constitution. The Constitution, to be sure, is a wonderful instrument and the framers were wonderful men, but they themselves recognized that they were human and not infallible. They realized that the man did not live and never would live who could span the bridge between the present and the future and provide for political and economic changes in 500, or even 100, years. Being aware of their inability to cope with conditions that might arise in the remote future they made provision for the amendment of the Constitution. They realized, as Thomas Jefferson had said in the Declaration of Independence, that it was a self-evident truth that a people had the right to change their laws and their government. They ordained therefor that—

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution—

And so forth. The framers provided how the amendment may be ratified. One method is—

by the legislatures of three-fourths of the several States.

Here, for the first time in history, a government provided for its own change without turbulence, force, or bloodshed.

If two-thirds of both Houses of Congress shall vote for this resolution and then three-fourths of the States of the Union shall confirm that action, I shall be satisfied that the change is needed and demanded by the American people.

Mr. FULMER. Mr. Speaker and gentlemen of the House, under leave granted me to extend my remarks on House Joint Resolution 184, I do so that I may be able to defend my vote against the resolution.

This resolution proposes to amend the Constitution of the United States as follows:

SECTION 1. The Congress shall have power to limit and prohibit the labor of persons under 18 years of age.

SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress.

Gentlemen, I do not believe that there is a pressing need at this time for this legislation on the part of the States or the people. We propose under this resolution to give to the Congress the power to override the power of the States, many of which to-day have very satisfactory laws regulating child labor.

I do not hear any complaint from South Carolina, my State, and, as far as I can learn, we have a very satisfactory law that is being enforced and that works well, indeed. Here you propose to regulate and prohibit the labor of all persons under 18 years of age, which will apply not only in the factory and in the mines, but also on the farm. I know that the time has been when men would move to a factory town, hang around, drink liquor, and live off the labor of their children, but as far as South Carolina is concerned, we have outlived that period. I would dislike very much to acknowledge by voting for this resolution that I represent a State that is so far removed from civilization and consideration for child life that I would feel the necessity of asking for Federal interference in regulating child labor. I think it high time that we should hark back to the principles of the fathers, the framers of the Constitution and those who wrote the Declaration of Independence of America. I am going to insert into the RECORD an extract from the first inaugural address of Thomas Jefferson, President of the United States, made on March 4, 1801, in order that we might refresh our memories as to the doctrines and principles of that great Democrat and statesman:

Friends and fellow citizens, it is proper you should understand what I deem the essential principles of our Government and consequently those which ought to shape its administration. I will compress them within the narrowest compass they will bear, stating the general principle but not all the limitations: Equal and exact justice to all men, of whatever state or persuasion, religious or political; peace, commerce, and honest friendship with all nations, entangling alliances with none; the support of the State governments, in all their rights, as the most competent administration for our domestic concerns and the surest bulwarks against antirepublican tendencies; the preservation of the General Government in its whole constitutional vigor, as the sheet anchor of our peace at home and safety abroad; a jealous care of the right of election by the people—a mild and safe corrective of abuses which are lopped by the sword of revolution where peaceable remedies are unprovided; absolute acquiescence in the decision of the majority, the vital principle of republics, from which there is no appeal but to force, the immediate parent of despotism; a well-disciplined militia, our best reliance in peace and for the first moments of war, till regulars may relieve them; the supremacy of the civil over the military authority; economy in the public expense, that labor may be lightly burdened; the honest payment of our debts and the sacred preservation of the public faith; encouragement of agriculture, and of commerce as its handmaid; the diffusion of information and the arraignment of all abuses at the bar of public reason; freedom of religion; freedom of press and freedom of person under the protection of the habeas corpus and trial by juries impartially selected. These principles form the bright constellation which has gone before us and guided our steps through an age of revolution and reformation. The wisdom of our sages and blood of our heroes have been devoted to their attainment. They should be the creed of our political faith, the text of civic instruction, the touchstone by which to try the services of those we trust; and should we wander from them in moments of error or alarm, let us hasten to retrace our steps and to regain the road which leads to peace, liberty, and safety.

In this hour when wild and radical legislation is being offered I do not think it timely to tamper with the Constitution of the United States. In this time of unrest, while scandal and wild expenditures of the people's money are running rampant in the Government, when Congressmen seem to hesitate to adhere to the principles of Jefferson but are rather inclined to play politics by listening to the clamor of organizations and groups who are sending out propaganda for legislation to correct every evil on the face of the earth, even to the extent of amending the Constitution, it is high time to stop and take stock.

It gives me great pleasure even at this age, to say nothing of future years, should I be spared three-score years and ten—to look back on my boyhood days on the farm. I can see mysif now following the plow handles at 12 years of age, wearing that old checked homespun shirt and jean pants made at home, barefooted and happy. On Saturday afternoons with a group of boy friends I recall going to the old swimming hole, and on Sundays to old Pleasant Hill Church to Sunday school with my father. Leaving the farm at 18 years of age I can look back to the time when I accepted my first position behind a grocery counter at a salary of $10 per month and board. Though rugged I was determined to succeed.

I am grateful to-day that under the Constitution back in those days legislation by the Congress was not possible, for had it been I may have been hampered in my work on the farm. If I have made any success in life, I believe it has been worked out because of those years spent on the farm, where I was permitted to follow the leading of an honest and hard-working father unmolested under the law.

My colleague [Mr. STEVENSON] stated yesterday in his speech on this subject that the Census Bureau at Washington would show 63,520 children at work in South Carolina. Of this number, 56,887 work on the farms and 6,663 work in a kind of occupation from which it is generally desirable that they be excluded. None of these children are under 14 years of age.

South Carolina is about the second State in the Union in cotton manufacturing. Thousands of our people are employed in this work, and I challenge anyone from anywhere to go into those cotton-mill sections and find a more satisfied people. In almost every instance they are living in good homes and are receiving splendid pay. They have good schools and churches, and their boys and girls compete physically, morally, and otherwise with the boys and girls from every other walk of life.

Mr. LANKFORD. Mr. Speaker, ever since my earliest recollection I have been extremely anxious to help in the passage of good legislation for the children of the Nation, realizing they are our all. All we are and ever hope to be should be dedicated to the service of our children. One of the greatest possible services to our children to-day is the preservation of State rights and the retention to the people of the States the right to control their own affairs.

So to-day I come face to face with the proposition of depriving the States of some of their sovereignty in order to make valid laws for children, which this Congress has heretofore twice passed and which this Congress will pass again when duly authorized. What should I do? This question has caused me the deepest concern and I shall vote only after the very closest study of the question. My best judgment is that the question of child labor is so interwoven into our labor conditions, economic life of our Nation, and the final preservation of our Union as to make it probably a matter for control and legislation by Congress.

So I have come to the conclusion to vote for this resolution, and if two-thirds of this House and the Senate vote for it, and if three-fourths of the States of the Union say so by ratification, then let it become part of our Federal Constitution. Thus Congress would be authorized to make laws for the freeing of children from the slavery of the factories and sweatshops and from the awful death of strangulation in the greedy clutches of conscienceless big wealth.

Mr. MOORE of Virginia. Mr. Speaker, by permission of the House I wish to incorporate in the RECORD an address which I delivered after the adjournment of the last Congress at the invitation of the Woman's Club, of Norfolk, Va., which deals in a general way with the existing constitutional situation. Since it was delivered the House, during this Congress, has defeated a resolution relative to tax-exempt securities, but is now about to indorse the pending resolution relative to child labor. To this proposition I am opposed. Since final action upon it rests with the States, it can not be said that any question of "State rights," in the original meaning of that term, is involved, except in so far as concerns the States which may vote against its ratification. Leaving out of view those States, the proposed amendment, if ratified, will furnish an instance of a voluntary surrender by at least three-fourths of the States of a portion of the police power which now belongs to them exclusively. It is objectionable on many grounds. Its adoption will be a step in the direction of destroying our dual system by giving the Federal Government jurisdiction in local matters which should be left to State control, and many similar steps based upon a bad precedent undoubtedly will be taken in the same direction.

It will further enlarge the responsibilities and duties of the Federal Government, which is now in most of its branches, departments, and agencies so overcrowded with work that the consequent confusion and inefficiency have led to the almost universal opinion that it fails to function satisfactorily, and that nothing is more necessary to avoid the serious danger of a breakdown than a reduction and simplification of its activities, with greater economy as one of the results. It will

substitute for State regulation and at the same time for regulation by parents governmental regulation, enforced by a Washington bureau, vested with all the authority and equipped with all of the inspectors and other agents which any Congress may see fit to determine. It will mean governmental parentalism. The length to which Congress may go is indicated by the fact that the advocates of the measure have defeated an amendment making the age limit 16 instead of 18 years. How far it may go in the invasion of the home and interference with the affairs of the farm is evidenced by the fact that they have also defeated an amendment which I offered, as follows. I quote from the RECORD:

Amendment offered by Mr. MOORE of Virginia: Page 1, line 11, after the word "age," strike out the period and add the following, after a comma, "but not the labor of such persons in the homes and on the farms where they reside," so that the article will read:

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age, but not the labor of such persons in the homes and on the farms where they reside."

I entertain the hope that, whatever may happen elsewhere, the proposed amendment will meet the emphatic disapproval of the General Assembly of Virginia, which has already enacted laws which guard and protect the child life of the State. Such action by Virginia will not sacrifice the interests of the children of this or coming generations. It will support the integrity of our political institutions. It will be in accord with the fundamental principles for which the great Virginians stood who were so largely instrumental in founding our system of government and guiding the progress and development of the country in the earlier days. The address follows:

THE CONSTITUTIONAL DRIFT

The Federal Constitution provides two methods by which it may be amended. One method, of which thus far no use has been made, is for Congress, on the application of two-thirds of the States, to call a convention for proposing amendments, to become effective when ratified by three-fourths of the States, acting through their legislatures or through conventions, as Congress may prescribe. The other method, which has been used 19 times, is for Congress, by a vote of two-thirds of each House, to propose amendments, to become effective when similarly ratified. The sole express exception to the power to amend which now obtains is that no State, without its consent, shall be deprived of its equal suffrage in the Senate.

One of the questions debated in the Philadelphia convention of 1787, and, along with many others, disposed of by compromise of conflicting opinions, was whether the Constitution should contain any provision for its amendment, and if so, in what form. Political philosophers had argued against putting such a provision in a written constitution, and some of the State constitutions then in force contained no such provision. That view had some slight support in the convention. But it became clear that most of the members held the opposite view and differed only as to the method of amendment to be provided. And then were found on one side members who believed that Congress should be given some control of the procedure, and on the other side members who believed that the procedure should be under the exclusive control of the States, among the latter being the Virginians, Randolph and Mason. The final decision was to authorize Congress to propose amendments on its own initiative and to require it to propose amendments on the initiative of the States. Another Virginian, Madison, expressing in the Federalist his approval of the conclusion of the plan agreed on, said it "guards against that extreme facility which would render the Constitution too mutable, and that extreme which might perpetuate its discovered faults. * * * The exception in favor of the equality of suffrage in the Senate was probably meant as a palladium to the residuary sovereignty of the States * * *."

During the heated contest in several States as to whether the instrument framed in Philadelphia should be accepted or rejected, the inclination was strong to withhold ratification pending the adoption of amendments that were desired. But influential leaders, headed by Washington, protested against that course, urging that the States might confidently rely upon proper amendments being adopted after the Constitution should go into effect. They were far from claiming even approximate perfection for the system devised at Philadelphia. They anticipated that by amendment some changes would be very quickly made, and they did not attempt to forecast what other changes would be made in the oncoming future, during the development of a continent only the eastern fringe of which was then sparsely settled. In his Farewell Address, however, referring to the matter of amendment, Washington enjoined the people to remember that "time and habit are at least as necessary to fix the true character of government as of other human institutions; that experience is the surest standard by which to test the real tendency of the constitution of a country; that facility in changes upon the credit of mere hypothesis and opinion exposes to perpetual change from the endless variety of hypotheses and opinions." He and his friends counseled deliberation then as they would undoubtedly counsel deliberation if they were now on the scene. They were progressives in the true sense of the term—"like the stars unresting, yet unhastening."

As I have said, a State's representation in the Senate was explicitly placed outside the range of amendment. Lately, however, it has been contended that by implication this is also true of other features of the Constitution. This theory, which is not definitely supported by anything that occurred in the convention debates, was not long ago pressed upon the Supreme Court in the prohibition and woman suffrage cases. Counsel who attacked the eighteenth amendment argued that the provision to which I referred at the start, given its natural meaning, impliedly limits the amending power to the function of constitution making, as distinguished from ordinary lawmaking; that the eighteenth amendment is an example of ordinary lawmaking, and that to hold it valid would ignore the essential spirit of the Constitution. The court, rejecting this argument, tersely stated that the eighteenth amendment "by lawful proposal and ratification, has become a part of the Constitution and must be respected and given effect the same as other provisions of that instrument." In the other case, it appeared that the State of Maryland had refused to ratify the nineteenth amendment, and counsel for citizens of that State argued it was never intended that the power to amend should be employed to destroy a State; that an amendment which changes the electorate of a State virtually destroys the original State and creates another State, and that therefore an amendment which denies any State the power to abridge suffrage for any reason is invalid, although approved of by three-fourths of the States. Declining to accept this view, the court pointed to the fifteenth amendment, which forbids the denial of suffrage on account of race, color, or previous condition of servitude, as a precedent, incidentally mentioning that it had received the acquiescence of the State of Maryland. The court thus answered the argument by setting up what may be called a historical estoppel. In the light of these decisions, it is now hard to imagine any amendment added to the Constitution which the court would pronounce invalid, barring the single express exception. What I am now saying, and what I shall further say, is comment, not criticism. But there will hardly be any dissent from the conviction that, as the power to amend is so far-reaching, wisdom and safety will be sacrificed unless the processes of change are marked by the cautious deliberation which the fathers advised.

During the period from the time the original instrument left the hands of its framers and was ratified by the necessary number of States until the year 1804, 12 amendments were adopted so speedily and with so little controversy that it may be assumed they would not have been disapproved by the Philadelphia Convention had they been earnestly insisted on there. The very First Congress, responding to demands made by several of the States, proposed 10 of these amendments which we speak of as the Bill of Rights. They were meant to insure the liberty of the individual at the hands of the Federal Government in respect to his person, his opinions, and his property, and to insure the States against usurpation of power by the Federal Government. The tenth amendment aimed to limit the expansion of the specified powers of the Federal Government and allay the apprehensions of the strong minority which in New York and other States, and particularly in Virginia, had made ratification of the Constitution very doubtful. It succinctly declares that powers not delegated to the United States by the Constitution and not prohibited to the States are reserved to the States or the people. Before the end of the eighteenth century another amendment, the eleventh, was adopted in consequence of a decision of the Supreme Court which had excited alarm for the purpose of relieving a State from suit by citizens of another State or of a foreign State, and this was in line with the general policy of the tenth amendment. In 1804 the twelfth amendment was adopted modifying the machinery for the election of President and Vice President. Although remembering that the door for amendment has always stood open, and knowing how political and social and economic currents have multiplied and run in varying and irregular channels, nevertheless you may be surprised by the statement I am about to make, and which I believe is now made for the first time in public, as to the number of efforts to amend during the history of the Government as evidenced by the resolutions offered in Congress. It is by joint resolutions introduced in either House that amendments are sought to be proposed to the States for action.

The First Congress met on March 4, 1789, and the Sixty-seventh Congress adjourned on March 4, 1923. In that interval of 134 years there were 2,869 such resolutions, which is an average of something over 42 for each Congress. The increasing tendency to change the organic law is in a way indicated by the fact that, while in the 56 years from 1804 to 1860 there were some 400 such resolutions, in the remaining period of 63 years the number was nearly 2,200. As against the average per Congress of 42, there were 103 such resolutions offered in the last Congress. It should be kept in mind, however, that whether a long stretch of time be taken into account, or only two years of a single Congress, there have been almost endless duplications, due to the same or similar resolutions being offered in more than one Congress or in the same Congress. Because of this repeti-

tion a grouping of propositions is much more informing as to the evolution of popular sentiment and the working of the congressional mind than aggregate figures.

In advance of attempting a review of the situation in the last Congress, I should like to glance for a moment at the system created by the Constitution and the first 12 amendments, and at the modifications brought about by subsequent amendments.

The structure originally created was, and in many of its outstanding aspects still is, in the most positive contrast with any other governmental arrangement of ancient or modern times. One great achievement was the careful enumeration and separation of the functions assigned to the three great departments of the Federal Government. The failure in other countries to insist on this principle had led to the intolerable abuses which occur whenever the legislative, executive, and judicial functions are confused. Nothing is more conducive to tyrannical administration than this commingling of jurisdiction, and the founders were resolved to exclude the possibility of such a condition here. Another capital achievement was in guarding against controversies between the States being disposed of through the uncertain processes of diplomatic negotiations or resort to war by leaving them to be finally determined by the Supreme Court. But what I wish now to stress is that the task more novel and important than all others was to apply the dual theory in distributing the powers of government so as to insure the integrity of the Federal Government on the one hand and that of the State governments on the other hand, without any unfair or dangerous advantage to either.

A small minority of the convention was content with the existing confederation, notwithstanding its weakness had almost caused the loss of the Revolution and been responsible for the universal demoralization that followed. Another small minority was rather indifferent to what might be the ultimate fate of the States. But a clear majority favored a central government, clothed with sufficient authority, but with no such excess of authority as might prove a menace to the States and lead to their subordination and perhaps eventual destruction. They were acting for the 13 communities that had broken away from England because unwilling to endure the supremacy of a government assuming to possess unlimited power to the point of denying those communities a reasonable measure of control of their local affairs, and they were still under such fear of the evil from which they had escaped that, while they were anxious to form a more perfect union, it is not too much to say that they were more concerned about the States being made indestructible than a Union that should be kept indissoluble. They were firmly opposed to any imperialistic development which might enable the General Government to extend its activities into the thirteen States, whose representatives were then creating that Government and into the States thereafter to be organized, so as to take charge of and direct the course of local legislation and administration, which in their judgment, from every point of view, it was desirable should always remain under State control. Referring to what was at once the pioneer and fundamental performance of the Philadelphia convention, Bryce, whose works on the American Commonwealth and on Modern Democracies are of such weighty importance, finds the basis upon which the new fabric was built to be the conception of "local government for local affairs; general government for general affairs." A recent American writer, elaborating this says: "Wherein, then, did the novelty and greatness of the Constitution lie? Its novelty lay in the duality of the form of government which it created—a nation dealing directly with its citizens and yet composed of sovereign States—and in its system of checks and balances. The world had seen confederations of States. It had known experiments in pure democracy. The constitutional scheme was none of these. It was something new, and its novel features were relied upon as a protection from the faults which had developed under other plans. The greatness of the Constitution lay in its adjustment of the powers of governmnt, notably the division of powers which it effected between the National Government and the States. The powers conferred on the National Government were clearly set forth. All were of a strictly national character. They covered the field of foreign relations, interstate and foreign commerce, fiscal and monetary systems, post offices and post roads, patents and copyrights, and jurisdiction over certain specified crimes. All other powers were reserved to the States or the people."

It was doubted by the advocates of a still stronger central government, as well as by those at the other extreme, whether the balance that was sought to be permanently adjusted, by the distribution and location of power, would remain unshaken. There were some who believed that as time went on the Federal Government would be rendered predominant by the shifting and consolidation of authority, while some believed that the authority of the Federal Government would diminish and that of the States correspondingly increase. One of the ablest and most far-seeing of the members said during the convention debates, "Mr. President, if the rod of Aaron does not swallow up the rods of the magicians, the rods of the magicians will swallow up the rod of Aaron."

No observer can have any misgiving that the tendency has been and is toward the disappearance of "the rods of the magicians." The Constitution remained unamended from 1804 until after the Civil War, and since then seven amendments have been adopted, each one of which, except the seventeenth changing the manner of electing Senators, either operates to transfer power from the States to the Federal Government or divests the States of power which they once enjoyed. Three of these amendments, the thirteenth, dealing with slavery; the fourteenth, which was intended to guarantee the political rights of the negro, but which operates over an enormous field, and the fifteenth, forbidding the denial of the right to vote on account of race, color, or previous condition of servitude, registered, or were supposed to register, the results of the Civil War. It is, of course, clear that these amendments restrict State authority, and, as I shall later on point out in some allusion to the fourteenth amendment, enable the Federal Government to exercise an astonishing degree of supervision of the States and their domestic affairs. I need now only mention the sixteenth amendment—the income tax amendment—and the eighteenth amendment, as widening out the power of the Federal Government, and the nineteenth amendment as another restriction upon State control of suffrage.

Whatever may be any personal opinion as to the expediency or inexpediency of all or any of this, we face the certain fact that the fundamental basis of the original plan has been materially affected by the powers of government being readjusted. We can easily imagine that, had the possibility of what has occurred been foreseen in the Philadelphia convention, there would have been no such action as was taken. At the same time, leaving out of view the war amendments, we can not forget that what has occurred was brought about in a tranquil era upon the initiative of the agents of the States and the people of the States serving in Congress, and with the indorsement in every instance of at least three-fourths of the States. When the States have lost power it is because, whether wisely or unwisely, they have been willing to make the surrender, and sometimes without much deliberation.

I will now look at the 103 resolutions offered in the last Congress proposing additional amendments. They were, of course, presented by individual Senators and Representatives, and few of them attracted any attention. Only three of them were reported out of the committees, to which all were referred, and only two passed either House of Congress. None of them passed both Houses. Several of them revived suggestions that had time and again been submitted in former years. Notwithstanding all this, I suppose they may be regarded as somewhat indicative of the general trend.

Some of the resolutions related to the question discussed at the Philadelphia convention, of the method of amending. One of these evidenced a desire to make the proceeding somewhat more difficult by requiring that the members of at least one house of a State legislature dealing with an amendment shall have been elected after it is proposed; that any State may make ratification subject to confirmation by a popular vote, and that until three-fourths of the States have ratified or more than one-fourth have refused any State may change its vote. In favorably reporting this resolution to the Senate a committee modified it so as to eliminate legislative action, and have ratification depend altogether upon the vote of the qualified electors of three-fourths of the States. Another of the resolutions evidenced a desire by a Senator to make the proceeding much less difficult. The importance of going slow, in accordance with the advice of Washington, seems to have little charm for him. He favors an amendment being proposed, or a convention called, by a majority vote of the Members of each House of Congress, with the right of either House to propose it should the other House twice reject it, or for three months fail to act favorably, and further, that Congress shall propose an amendment or call a convention upon the request of the legislatures of a majority of the States, and that Congress or either House may submit competing measures, which is understood to mean measures in competition with those emanating from the States. He also favors amendments becoming effective if the preponderance of the popular vote in a majority of the congressional districts is favorable, and likewise a majority of the total vote cast. In order that the voter may be informed he also contemplates that each voter shall be furnished by mail, at the expense of the Government, with a copy of any amendment that is proposed and a copy of the arguments for and against it prepared by two committees made up, respectively, of advocates and opponents. The same Senator is the author of another resolution proposing that the Senate may perform its very important duty of ratifying treaties by a majority instead of a two-thirds vote.

A number of the more than 100 resolutions suggested amendments which, if adopted, would make changes without essentially affecting the Federal Government and the States in their relation to each other. For instance, there were measures looking to a single six-year term for President and Vice President, repeating a suggestion broached as far back as 1828. Also repeating another ancient suggestion were resolutions providing that the term of a Representative in Congress be fixed at four, instead of two years, and a maximum limit placed upon the Membership of the House. Incidental to this subject, it was proposed to assure each State two Representatives in Congress, the author of the particular resolution to this effect being

a Member from a State which, under the next apportionment, may be cut down to one Member, and also incidental to this subject, there were resolutions to confer the right of suffrage upon the people of the District of Columbia, and give the District and our overseas dominions representation in Congress. Another timeworn proposition was to give the President the same right to veto individual items in appropriation bills as is now exercised by the governors of many States, including, I believe, Virginia.

In the class of propositions that do not materially affect the adjustment of powers between the Federal and State Governments, as it now is, were some not aired in former years and some induced by our recent war experience. These were proposals to establish a tariff court to fix the duties on imports, in observance of some general principle to be laid down by Congress; to attach a new definition to the crime of treason; to provide, except in case of invasion or imminent danger not admitting of delay, against Congress declaring war without a vote of the qualified electors of the several States; and to provide in the event of war for the conscription of citizens, money, industry, and property; and to provide under what conditions Congress may ascertain and declare the President unable to execute the duties of his office. Falling in this general class is a rather curious proposition submitted by a Representative who is a very earnest peace advocate. It is a proposition to amend the Constitution so as to authorize the President to inform any nation that the United States will allow the qualified electors to decide the question as to whether it will engage in a war with that nation, if that nation will correlatively agree to leave the decision to its electors, who are to have "the same qualifications as those provided by the law of any State of the United States."

There were measures looking to the outright repeal of the eighteenth amendment, and others looking to its modification by legalizing beer and wine, or by raising the alcoholic content of beverages from one-half of 1 per cent to 2¾ per cent by one resolution and by another to 5 per cent.

The measure which came the nearest being enacted was one proposing that the President and Vice President elect shall take office in the January following their election in November, and that a Congress chosen in a November election shall assemble in the next January. It passed the Senate, but when it reached the House committee was found to be in unworkable form and was reported to the House with modifications, but did not reach a vote in that body. A minority report pointed out that the amendment seemed unnecessary for the reason that, under the Constitution as now written, a law can be enacted fixing the 4th of March following the November election as the time for the new Congress to assemble, instead of assembling in the next December, and that to make the contemplated change would fix the meeting date only a few weeks earlier than can be done by a statute.

But the adjustment of power as it now is did not escape assault. A large percentage of the resolutions aimed to transfer from the States to the Federal Government an extensive deposit of power, proceeding mainly on the premise, it would seem, that the States are unable or reluctant to take care of their domestic concerns. They provide that Congress shall have authority to enact uniform laws as to marriage and divorce, and the legitimation of children, and the care and custody of children of divorced people; to limit or prohibit the labor of children under 16 years of age, as one resolution says, and under 18 years of age, as another says; to regulate or prohibit the transportation of the products of child labor; to regulate the hours of labor of women and children in various industries; to prohibit polygamy; to prohibit sectarian legislation; to regulate the products of, and commerce in, coal, oil, and gas. Perhaps an impetus will be given to the effort to secure some amendments of this character by the recent decision of the Supreme Court in the minimum wage case.

There was a sweeping proposition embodied in several resolutions the adoption of which might most seriously affect the integrity of the States. A State must have money with which to carry on, and the difficulty of raising revenue is increased when the Federal Government is empowered to tax the same subjects to which the State must look. It is now enabled to call upon nearly all such subjects and thus raises annually a large amount, running into billions, only a comparatively small percentage of which is collected at the customhouses, and to that end it taxes pretty heavily incomes, inheritances, and business. Many are convinced that nothing will more surely bring about the downfall of the dual system than for the States to be put under more stringent disabilities in the matter of taking care of their own necessarily heavy expenses. The proposition to which I am now alluding, which passed the House but was not voted on in the Senate, is that the Federal Government shall have the right to lay a tax upon the income from securities issued by the States and their subdivisions—cities, towns, and counties—which are now wholly exempt from Federal taxation. The adoption of such an amendment would mean that a State would not only be in competition with the Federal Government in taxing the income from such securities but would be put to the necessity of using its taxing power to cover the difference between the rate of interest which its exempt securities bear and the rate which they would bear if subjected to Federal taxation.

The old agitation against the Federal courts was renewed by resolutions to authorize Congress to limit the terms of judges of the inferior courts, and, more important, to authorize it to determine how many members of the Supreme Court shall join in a decision declaring a Federal or State statute unconstitutional. Under such an amendment Congress would be autocratic in the province of Federal legislation, since the jurisdiction of the Supreme Court might, and probably would, be reduced to the vanishing point. Its jurisdiction over State legislation being similarly restrained, Congress, as an alternative to a fatal conflict between Federal and State statutes, would certainly extend its legislative authority over the States. The author of a resolution relative to the Supreme Court would take another step and allow Congress, by a statute, to effect the recall, without impeachment proceedings, of any of its judges, or by not less than a two-thirds vote, review and annul any of its decisions.

A dozen or more of the resolutions propose to establish the authority of the Federal Government over the choice of President and Vice President and Senators and Representatives and correspondingly destroy the power which has been, and is now, exercised by the States. Some of them, in general terms, would authorize Congress to regulate and control such elections. Some of them are more comprehensive in their details. A summary of what is proposed will indicate how little, if any, power would be left to the States. Under the new scheme—treating the resolutions as a unit for the sake of brevity—the Federal Government and not the States would supervise the registration of voters. No one could be disqualified to vote except a criminal or a mental incompetent, for a State could fix no standard of qualification; it could not even require the prepayment of a capitation tax. The method of making nominations, even to the extent of providing a country-wide primary for the nomination of the highest officials, and the determination of the expenditures in a nominating contest or election contest would be provided by Federal legislation, the States not functioning at all. The Federal Government and not the States could make out the congressional districts, and representation in Congress would be based upon the number of votes cast in a State and not upon the number of its inhabitants.

One other thing: A President and Vice President are now chosen by an Electoral College made up of electors voting the strength of the population of the States. Under the new scheme the Electoral College would be done away with and the election would be by popular vote, which, without anything more, would either reduce the strength and importance of many of the States in filling the great offices in question or force them to dispense with their suffrage laws which prescribe the qualification of voters.

Having noticed, I think, all of the propositions contained in the various resolutions, and having dwelt a little upon those which directly relate to the dual system, I might quote the expressions of a long line of thinkers and statesmen upon the importance of preserving to the States the right of local self-government. One of them is the historian, Fiske, who in one of his books says: "Stated broadly, so as to acquire somewhat the force of a universal proposition, the principle of federalism is just this: That the people of a State shall have full and entire control of their own domestic affairs which directly concern them only and which they will naturally manage with more intelligence and zeal than any distant governing body can possibly exercise." In another of his works he writes: "If the day should ever arrive (which God forbid) when the people of the different parts of our country shall allow their local affairs to be administered by prefects sent from Washington, and when the self-government of the States shall have been so far lost as that of the departments of France, or even so far as the counties of England, on that day the progressive political career of the American people will have come to an end and the hopes that have been built upon it for the future happiness and prosperity of mankind be wrecked forever."

If the value of the dual system is being minimized, and if it be true, as some observers rather gloomily think, that the States are fading from the picture, this is due not more to the amendments that have been adopted than to the construction which Congress, with the sanction of the Supreme Court, has placed upon the Constitution as it stood in 1804, and upon the fourteenth amendment. The member of the Philadelphia convention who made the prediction about the rod of Aaron and the rods of the magicians, as chairman of a small committee, wrote the final draft of the Constitution, and, after its completion and approval, being asked what he thought of the Constitution, replied that everything depended upon how it was construed.

For a long time no political party has objected to a very liberal construction making for a more extended and vigorous exercise of power by the Federal Government, and public opinion under the influence of forces whose operation is to a large extent inevitable has exerted pressure in the same direction. The quickening and growth of what we may call the national mind have been rapidly fostered by the necessity for united action in time of war and the difficulty in time of peace of securing united action by the States in matters of equal urgency to every section of the country and every locality. It is fostered, too, by modern inventions which facilitate intercourse, and by multiplying commercial activities which bring people, however

swallow up the rod of Aaron."

No observer can have any misgiving that the tendency has been and is toward the disappearance of "the rods of the magicians." The

limit placed upon the Membership of the House. Incidental to this subject, it was proposed to assure each State two Representatives in Congress, the author of the particular resolution to this effect being

rate of interest which its exempt securities bear and the rate which they would bear if subjected to Federal taxation.

and by multiplying commercial activities which bring people, however

widely separated, into substantial contact with each other. Another circumstance which in its bearing upon the evolution and effect of public opinion can not be overlooked is that the people of many of the States, while under a territorial form of government, as the original States never were, became accustomed to regard the Federal Government as the source of all power. To paraphrase the line from Shakespeare, use doth breed a habit in a state as well as in a man. Another circumstance is that even in the older communities a large percentage of the population is made up of those who were born in the nations of continental Europe, having governments entirely dissimilar to ours, and who, as a rule, are not so keenly sensitive to the danger that may be involved in changes as otherwise they might be. Furthermore, it is apparent that consolidation is a self-stimulating process, for as the Federal Government becomes more powerful the States, increasily weakened, are compelled to rely upon it for the aid, financial and otherwise, which they did not formerly require. It would not be possible to catalogue all of the forces operating to centralize power. Nor is it possible to notice, except in the most casual way, the legislation enacted by Congress and approved by the Supreme Court construing the organic law, which has already made our system greatly different so far as the dual element is concerned from that originally planned. On this point I may venture to cite two or three commonplace illustrations. The framers of the Constitution, could they return, would be surprised to find the extensively wide meaning that has been given the provision expressed in a few words in its original instrument that Congress shall have power to regulate commerce with foreign nations and among the several States. They probably thought the term "commerce" capable of definition, but they would realize that it has not been, and never will be, defined and that it has been interpreted to include a multitude of the most diverse transactions, many of which to the average man seem to fall outside of any reasonable meaning of the word. They would also find that there has been the same freedom of interpretation in determining what is commerce among the States, or interstate commerce, in contrast with commerce confined to the limits of a single State, or intrastate commerce. They would certainly find the Federal Government at this time exerting a large portion of the power which was supposed to be reserved to the States. Among other things they would find is that, in the use of the great authority it has come to possess, the Federal Government has deemed it necessary to take pretty complete control of matters once regarded as local, through the Department of Justice, and through administrative tribunals, such as the Interstate Commerce Commission and the Federal Trade Commission and other agencies. Only as far back as 1906 the late Mr. Justice Brewer, of the Supreme Court, in an address before the Virginia State Bar Association, discussing legislation under the commerce clause and warning against its being carried too far, said that should we listen to the contentions of some we would be led to believe that when a farmer sows his wheat, which he intends to sell to a mill in another State, the power of Congress attaches upon a beginning of interstate commerce and continues until the wheat is manufactured into bread and eaten by the consumer. Could Justice Brewer return he would find that within a few months the Supreme Court has approved legislation declaring that grain that may move to market through grain exchanges becomes a part of interstate commerce, and that, therefore, the Federal Government can supervise the exchanges, including their membership, even though it is known that but a trifling percentage of the grain covered by the dealers actually enter into commerce.

Another clause of the Constitution which Congress has applied as authorizing the expenditure of public revenue for almost any conceivable purpose, within the United States or outside, as, for example, to relieve conditions of distress in other nations, vests it with power to lay and collect taxes, to pay the debts, and provide for the common defense and general welfare of the United States. In the early days it was thought by many of the commentators that notwithstanding the term "general welfare," revenue covered into the Federal Treasury could only be expended for the purpose of executing some of the specified powers otherwise conferred upon the Federal Government, but for more than half a century that view has been abandoned by Congress, and though the Supreme Court has yet to say the final word, the probability is that the legislative construction will stand. A little while ago one of the most eminent lawyers in the country, now a member of the Cabinet, argued the constitutional question before the Supreme Court, urging that, among other things, if Congress should be compelled to yield its interpretation, a great body of the useful activities of the Federal Government would be destroyed, vouching for what I have untechnically termed a sort of doctrine of historical estoppel. The court disposed of the case without deciding the question, and has declined to take jurisdiction of another similar case. It is needless to say that when there is no limit to the power to tax, then, if there is none to the power to appropriate, no check remains upon the power to destroy property and no restraint upon the extent to which the States may be crippled in their ability to raise revenue to meet their own requirements.

Such prominence has been given to the two clauses to which I have referred that there is now a large collection of books expounding and discussing each of them. The same thing is true of the fourteenth amendment. The other day while in the Library of Congress I noticed at least four works devoted to that particular amendment. I think that even lawyers sometimes fail to reflect how far the amendment goes under the construction given it to diminish the final authority of the States over their local concerns. Before its adoption, any State legislation was permissible which did not violate the relatively few express prohibitions of State action and the law of the State itself as applied by its own courts, but since its adoption any State legislation can be put in issue in the Federal courts which is claimed to have been enacted without due process of law or in denial of the equal protection of the laws, a phrase of very vague contour, with the result that, in exercising their legislative power, the States have become in the end amenable to Federal authority, and the class of cases, involving the conduct by the States of their local affairs, is to-day the largest in number that reaches the Supreme Court. Something else made possible by the fourteenth amendment, aside from any of the propositions offered in the last Congress, is for Congress to take a step which it has not yet done, although such action has been proposed, namely, reduce the representation of any State in Congress to the extent it may find that there are suffrage standards in that State which have the effect of abridging the right to vote, except for participation in crime. Another thing still more drastic in the way of control of State action is apparently made possible by the amendment. It provides that no State shall "deny equal protection of the laws," and that Congress may enforce this provision by appropriate legislation.

The Supreme Court now seems to hold, in contradiction of a case previously decided, that should an official or agency of a State by neglecting to discharge a duty expressly enjoined by a State fail to accord equal protection to a person, the State itself is responsible for the default and Congress can by legislation supersede the State's authority. On this foundation was based the so-called antilynching bill, which passed the House in the last Congress but did not go through the Senate. If that construction is tenable, it is quite obvious that there is no length to which Congress may not go in taking charge of State affairs whenever it finds, or thinks it finds, that the administration of State law, however perfect and however bona fide in its purpose, is inadequate to prevent injustice to an individual. It may go so far that the States will be less autonomous than the Roman provinces or the American Colonies and in a position of incomparably less power and dignity than the least of the self-governing Dominions of the British Empire.

I might dwell upon a fact often lost sight of, namely, that the shifting of authority has so enormously increased the scope and complexity of its activities that the Federal Government no longer functions as satisfactorily as was once the case, as witness the general criticism of all of the departments and agencies which it includes, but I shall not proceed further with a very discursive and, I fear, a very unhelpful comment upon some of the aspects of a very grave subject. On national anniversaries and at other times we express our admiration and respect for the Constitution and resolve to cherish the fabric of government projected by the fathers. The American Bar Association in arranging for the observation of what is called Constitution week to celebrate the anniversary of the work of the Philadelphia convention proclaims that "the time has come when a general movement should be made to revitalize the Constitution in the popular mind, to secure its adoption once more by the heart and soul of the people." Unless, however, we thoughtfully consider what has occurred and consult the warning signs, so that we may be in a position to know the truth and exert our influence to safeguard the future, there will be no saving grace in our occasional outgivings. The strong faith and hope which we still cherish may count for little and our words may prove to be as sounding brass and a tinkling cymbal.

Mr. TYDINGS. Mr. Speaker, I do not wish in any way to have what I shall say on this question construed as reflecting on the splendid motives of most of those who are favoring this amendment to our Constitution; and again, at the very start, I wish to state I am heartily in accord with child-labor legislation which has for its purpose the protection of the child life of our country. It is the greatest asset we have, and every reasonable, honorable, and sound remedy to protect childhood should be utilized. Now, to approach the question before us: Is it best that we add this amendment as it stands to our National Constitution? Let us see. The amendment reads as follows:

The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

Let us suppose the amendment is adopted and that enforcement legislation is enacted to carry out its purposes in the several States. What will it do? I shall mention just a few of the things that will take place:

First. A widowed mother whose sole support is a boy of 17 years of age can not permit her son to help maintain her home. She may be an invalid; she may be of advanced years; she may need his help very acutely to lessen the burden of her declining years; but although she is unable to work, and though her son has graduated from high school or grammar school and is big and robust and anxious to help his mother, he can not do so. The person who employs this 17-year-old son will be fined and sentenced to jail. So in all the many cases in this Nation like the widow's just mentioned, although unable to work, she must do the best she can for herself and her son, while he remains of no help and in enforced idleness.

Second. Look at the number of young men between 16 and 18 years of age, sons of poor parents, who are working their way through college in an effort to better their condition in life. The only possible way for these worthy and ambitious young men to obtain such an education is by working on the side at odd times to obtain enough money to help them through school. A large proportion of the men attending our average colleges start in between the ages of 16 and 18. To these young men we say, if we adopt this amendment, just this: If you have not the money to attend college, then you must stay in idleness in your home town until you reach the age of 18 years. If a young man graduates from high school at 16 years and then has to wait two years more before he can attend college, he will have forgotten much of his education obtained in high school when he is able to enter college two years later. Do we want to put a burden on the noble and commendable efforts of these young men by denying them a chance to better themselves in life? That is exactly what we will do if we adopt this amendment.

Third. How about the colored people, male and female? The colored schools in Maryland of the better sort run up to the ninth grade. So after these colored people finish these grades they must then remain idle until they are 18 years old. Is this conducive to good citizenship for either the white man or the black man? Yet that is what we do here by adopting this amendment.

Fourth. Over 60 per cent of those who are under 18 years of age are employed on the farms of America. If this amendment is adopted, it is admitted that the farmers' sons who may be 16 and 17 years of age are forbidden to do any work whatsoever on the farms. You will in a moment deprive the hard-pressed farmer of that bit of assistance from his grown boys without which you increase his struggle to make ends meet. Are we ready to take this step?

Fifth. But, Mr. Speaker, great as are these examples, and they are but a few of those which will come to pass if this amendment is adopted, there is a greater and higher reason than any other as to why this amendment should not be adopted. I want to dwell on it briefly a moment. Mr. Speaker, God gave us mothers; the greatest blessings, the noblest influence, the untiring encouragement, the unfaltering friend of children. Going into the very garden of Gethsemane, unto the brink of death itself they bring us into the world. In our helpless babyhood they suckle us and bend to our well-being every fiber of tenderness, love, and care in their beings. Our smallest discomfort brings them hurrying anxiously to our sides. Since the dawn of civilization, or before it, nothing has been discovered to take the place of or even approach the flood tide of devotion of the mothers of America.

May I suggest that motherhood is America itself: and, the purity of it, the truth of it, the sacrifice of it, is writ in every color of our flag. No matter how dark the hour, how great the ordeal, how impossible the effort, there is no obstruction, even death itself, which can dim the glory of a mother's great and abiding love of her child.

Now, Mr. Speaker, in this proposed amendment we are going to enter the home, in the guise of a Federal inspector, and substitute for the child's birthright of motherhood the parentage of a two-by-four Federal inspector, who will take over the rearing of the child. Can we have come to this? Have we lost faith in the mothers of America—the mothers of the men who crossed the Alleghanies, settled the western prairies, and bore the boys who fought the Revolution, Civil, and World Wars? Shame on us. No greater insult could be hurled at womanhood, sitting in the sacredness of her home, be it palace or thatched hovel, than to place over her these Federal agents. There is no man beneath the sky above who can ever take the place of a mother, or begin to carry within his heart the overflowing love and devotion of the mother for her child. And for my part I shall go down to political oblivion forever rather than substitute any other agency for it. The mother is the creature of God—the Federal inspector the creature of man. One is inspired from above; the other by a monthly check. To one the love is inborn, to the other faked.

Gentlemen, the hour is approaching when we must vote on this question. The age limit of 18 years is too high. But, be that as it may, I ask you to contemplate the scope of this amendment and to call up before you the millions of splendid women who have given us the men of this country. In this hour carry your fancy to your own firesides, to your own early boyhood, and ask yourselves who is the better able to raise her offspring, the woman who suffered to bring you into the world or a Federal inspector. If you do that, you can reach but one conclusion.

Speaking for myself, Mr. Speaker, as between the Federal inspector and motherhood I cast my vote for motherhood.

Mr. BRAND of Ohio. Mr. Speaker, the proposition before us is to amend the Constitution of the United States so that Congress is empowered to prohibit people under 18 years of age from engaging in any kind of labor, either in the factory or in the home or on the farm or in the mine.

On general principles I am not inclined to change the Constitution. Neither am I inclined to have the Bible and the Constitution take issue with one another. The original man was told "In the sweat of thy brow shalt thou eat bread," and that has been an abiding rule of life since.

Shall Constitution or legislative act change that decree? And did that decree of long ago apply to youth of less than 18 years?

"As the twig is bent the tree is inclined." To prohibit the labor of youth up to 18 years of age interferes with the development of the habits of industry, and such a habit is not easily acquired after the age of 18 if idleness has been the habit up to that time.

The groove in the human brain over which the shuttle of life works back and forth with little resistance begins its formation early in life, and we have learned to express this condition of mind by the word habit. Fortunate are those who have the habit of industry, for labor is the best insurance against failure, morally, physically, mentally, and financially. Personally I have never known a youth hurt by labor, but I have known many harmed by idleness.

The original framers of the Constitution refrained from interfering with the right of youth to develop itself by industry, and likewise failed to supplant the government of home and parents by a Federal bureau deciding the destinies of the children.

I have had some illustrations brought to my attention of the application of a child labor law in the District of Columbia. A man here high in official position had a boy 17 years old. Vacation time came and the father thought the young man should have something to do. He was told of an available position, but it required an examination by the Civil Service Commission. Upon application to the commissioner he was told that a certificate must be secured from the public schools. He took his boy to the principal and was instructed to have the boy examined by three doctors—an eye, ear, nose, and throat specialist, a dentist, and a physician. The result was finally a defective tooth was found and it was filled. Otherwise the boy was sound. But time had passed and when he again applied for the place the position had been filled as well as his tooth.

That same father had a woman stenographer in his office who had a boy a little younger, and vacation time came and she thought her boy should be occupied, and after she had gone through the usual red tape she was informed that her boy could work only provided she would make oath that he was her only means of support. This she would not do, so both these boys spent their summer in idleness. These may be exceptional cases. I am not prepared to say.

These are illustrations of the application of a State law, and each State has full power to act to protect child labor, and 45 States out of 48 have already acted and passed child labor laws. The three remaining States—Mississippi, Utah, and Wyoming—have less need, because they are not industrial States.

Do you want the Nation likewise enforcing such a law? Do you want to force the parents of the Nation to ask some Federal official before their children can be occupied up to 18 years of age, even in the home or on the farm?

I think you are planning Federal interference that will bring resentment and ill feeling toward your Federal Government.

Finally, I am opposed to the National Government increasing its functions by creating new bureaus and millions of new expense, especially where the work of the States is being duplicated.

I know there are about 20 national organizations present here to-day pressing for the enactment of this measure, but if we are going to reduce national expenditures we should be brave enough to-day to refuse to create a new expenditure duplicating the efforts of the States.

Mr. WINTER. Mr. Speaker, in December, 1906, a deep-seated humanitarian and patriotic purpose in the minds and hearts of the American people produced in Congress a bill to put an end to the exploitation of child labor. The progressive and constructive instinct of America spoke in that bill. Ten years later the best thought of the land crystallized in the passage of a Federal child labor law prohibiting the shipment of products of child labor in interstate or foreign commerce. The United States Supreme Court in June, 1918, decided that the power of Congress under the Constitution to regulate interstate commerce was not broad enough to include the provisions of the act. In February, 1919, the convictions of our people again found expression in an act which sought by a plan of a tax to prevent violations of certain age and hour standards provided therein. Again, in May, 1922, the Supreme Court found that the constitutional limitations on the taxing power had been exceeded and the act was unconstitutional.

It has become necessary, therefore, to attain this great and vital end of limiting, regulating, and prohibiting child labor to give to the people of the Union, speaking through their legislatures, the opportunity to ratify a constitutional amendment. This joint resolution should pass this House by an overwhelming vote. It should be adopted by ratification of the legislatures of the various States and not by special conventions, for the same reasons that thus have been ratified all the nineteen amendments. No sufficient reasons appear why there should be any change in this procedure. The test of a century and a quarter has put the indelible stamp of approval on this method.

It should suffice to say that the Republican and Democratic platforms in 1920 advocated a Federal child labor law, but the fact that there has been a nation-wide and persistent demand for this amendment is of itself the strongest argument that it is needed. This is no ephemeral, ill-considered, sudden proposition. It has, it is true, had behind it the irresistible power of feeling, emotion, and sympathy, the heart force of a great enlightened people; but it has at the same time always had and now has supporting it sound, clear-visioned reason and statesmanship. Neither the sentiment nor the reason can be denied.

I am a believer in the evenly balanced theory of government, promulgated by the founders, whereby the reserved rights of the States shall be jealously guarded against encroachment. The Supreme Court respected such rights of the States. Though there had been difference of opinion on the constitutionality of the two measures heretofore enacted the decisions of that great body were and are accepted as the true interpretation of the organic law. The question now is not one of constitutionality, but whether there is reason for conferring on the central Government also the right which has hitherto been reserved to the separate States. It is now proposed to confer that power by the constitutional method. Subsequent to the first 10 amendments, which were for the purpose of clearly fixing certain safeguards for the individual, based upon the natural, inherent rights of man, 9 amendments have been adopted.

Some of them have protected further and extended rights and intrusted government more and more to the people, such as the suffrage amendments, and the popular election of Senators. Some of them have given the Federal Government more power, such as the income tax and prohibition amendments. The equilibrium of the governmental structure has been maintained. Our Government is so formed that there is the centralizing, centripetal power, corresponding to the sun in the solar system, and there is the expanding, centrifugal force, corresponding to the earth's tangent-seeking momentum in the planetary system. Thus like the earth the Government is kept in its proper orbit, equally balanced between centralization on the one hand and individualism and State rights on the other. The result is orderely liberty.

This proposed amendment recognizes and protects this theory:

SEC. 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

SEC. 2. The power of the several States is unimpaired by this article, except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by Congress.

The States have had the sole right to deal with this question of child labor. They did not meet the needs of the situation. Without detailing them, there is no doubt that numerous influences have prevented many of the States from exercising a proper degree of regulation and prohibition, and where States have passed such laws the same influences have evaded, hindered, and prevented enforcement.

The situation is that in 1920 more than a million children between the ages of 10 and 15 were at work. State laws, where a standard comparable to that set up in the two Federal laws which were in force for a time, have had regulations as to age, education, physical standard, hours of labor, and character of employment. In many States these have been enforced in variable degrees. Uniformity was not practical and was not attempted. Many States had inadequate laws, indifferently administered. The result is that in spite of the efforts of some forward-looking and efficient States, child labor exists to-day in various sections of the country, and to an extent much greater than the last available census figures of 1920 indicate.

The steadying, encouraging, cooperating, and supporting arm of the Federal Government is necessary to wipe out this evil of child-labor exploitation. About one-half of the probable 1,500,000 children employed to-day are in factories, shops, manufactories, and mines. The hand of Uncle Sam is required to lift these pitiful little ones from the employments that sicken and dwarf and age and keep in ignorance. The future welfare of the Nation, aside from humanitarianism, demands that a power strong and watchful enough to accomplish the purpose shall take and keep a million children of tender years out of such surroundings and give them pure air, invigorating sunshine, a chance to play, to grow to the full stature of manhood and womanhood. Healthy, strong, educated citizenship is the security as well as the glory of a nation.

Conflicts between the Federal law and the State laws and in their administration need not be feared. Not only have we other examples of the Federal and State forces working harmoniously together—as indeed our whole theory of government presupposes—such as the pure food law and the mining law, but in this very matter we have had the actual experience of operating two Federal laws during the time they were on the statute books. The evidence is that such cooperation was complete, agreeable, and highly beneficial. State officers and boards have so testified.

Nothing stands in the way of this great reform so vitally important to the children, to the people, and to the Nation, except a theory, which has always unavailingly resisted a strong, central government. But a condition confronts us which demands a remedy. The mothers, the teachers, the practical men and women of this Nation, the uplifting influences everywhere throughout the land, those who wisely consider the security and well-being of our future national life, as well as statesmen of matured experience, equally solicitous of the rights of the States and of the power and majesty of the Republic, all support and will carry on this amendment until it shall be a part of the Constitution. It will then be exercised by the passage of a law which will be a second Emancipation Proclamation. That law will be reasonable, just, and effective, and adapted to conditions. The American people will have taken another forward movement in their gradual progress toward that high destiny which dwells for us in the coming years.

Mr. GALLIVAN. Mr. Speaker, eight years ago, as a Member of this House, I took particular pride in standing shoulder to shoulder with a majority of the Labor Committee when it reported favorably what was known as the first child labor bill ever considered in the Congress of the United States. We had a long and a hard struggle, but eventually, in September of that year, the bill became law, and it was operative, as I now recall it, from the 1st day of September, 1917. It was not a bill just like the one which the House has been considering. Unless I am mistaken, it prohibited the transportation of the products of child labor throughout the States of the Union. In other words, it provided that such products should not have the privileges of interstate commerce.

In less than a year the Supreme Court of the United States on an appeal decided by the close margin of a five-to-four decision that the law which we had passed in 1916 was in violation of the Constitution of this Republic.

Now, then, having tried to regulate this question of child labor by legislation, and having been prevented from so doing by our Supreme Court, I am one of those who firmly believe that Congress should with all expedition enact a Federal child labor law.

Oh, I have heard the arguments of those who protest against this legislation, because they are fearful of the invasion of the rights of the States. These men did not always worry about such invasion. Most of them were willing to give three long, loud cheers when the eighteenth amendment to the Constitution was passed. And even to this hour, when anyone suggests a repeal of the eighteenth amendment, most of these men almost turn black in the face in strenuous opposition to even the thought of such a thing. Nevertheless and notwithstanding, I agree with them that what is known as legislating through the Constitution is bad business. I believe that the fathers of this Republic, who made for us our Constitution, knew it to be bad business. But, Mr. Speaker, there are occa-

sions and there are causes, such as the cause which brings this legislation before Congress, when there is no help for it. The Supreme Court made itself very clear as to the power of Congress to legislate against child labor, and in the opinion of those who know best it will never uphold any Federal statute which may define limits to the legality of the employment of the children of this Republic.

Those who know best have told us that the legislation under consideration is absolutely essential. They have told us—and no one during this entire debate has as yet denied it—that a million children are to-day toiling at all sorts of employment, hard jobs, nasty jobs, dangerous jobs, and unwholesome jobs. With such a situation in this great land of ours there is but one thing for Congress to do and that is to amend the Constitution.

It is a privilege and a delight to support such legislation happily and heartily, and I am one of those Members of this House who earnestly look forward to the day—and may it be soon—when the coordinate branch will adopt this measure, and I fervently pray that it may soon be written into the law of the land.

Mr. McSWAIN. Mr. Speaker, I am taking advantage of the permission to extend my remarks for the purpose of a brief review of the debate upon the proposed child-labor amendment to the Constitution. It is very unfortunate that a measure of this vast, far-reaching consequence to our whole constitutional fabric should have been forced by a special rule into the narrow limits of a six-hour debate. Sometimes we spend a whole week considering a single appropriation bill, providing for the work of a single department of the Government for only one year. Yet we are spending only one day upon the consideration of this proposed amendment that is bound to affect the entire future of this Nation for hundreds of years. Members of Congress and members of the various State legislatures and private citizens who are interested in this far-reaching and fundamental question of constitutional policy should go back to the history of this Government, certainly to the very beginnings of cooperation between the various colonies when they were protesting against British legislation and seeking peaceful relief, without any thought whatever of independence.

They should study how this movement gradually developed into a fairly well-organized public opinion throughout all the Colonies to resist with force, if need be, the unjust and unfair and unconstitutional acts of the British Parliament and orders of the British Crown. They should then trace this movement until it eventuated in the resolution for independence, and when independence was finally acknowledged for 13 separate and sovereign States by the treaty of peace of 1782 the weaknesses and the strength of the Government by the Congress under the Articles of Confederation should be studied. It should be then considered how patriotic farseeing statesmen perceived the impossibility of peace and prosperity under the confederation and began to agitate for a more perfect Union. Especially should they study the debates in the Constitutional Convention at Philadelphia in 1787, and the discussions in the Federalist papers written by Jay, Madison, and Hamilton, and the debates in the conventions of all the States called to ratify the Constitution as compiled by Jonathan Elliott.

REASON FOR AND PURPOSE OF FIRST 10 AMENDMENTS

The full significance of the first 10 amendments to the Constitution should be understood. While these were ratified by the State legislatures after the Constitution had been itself put in operation, yet in a certain substantial sense these amendments formed reservations proposed and adopted by the States in connection with ratification. These first 10 amendments, ordinarily called the Bill of Rights, are especially designed to restrict and to limit and to confine the powers and prerogatives of the Federal Government to the strict and express letter of the Constitution. While in all probability the courts would have held that the Federal Government could have no power except that expressly conferred by the Constitution, yet the first 10 amendments, and especially the tenth amendment itself, makes unmistakably plain the thought of the fathers and founders, that the Federal Government was to have limited powers, and that the vast reservoir of popular sovereignty should remain, and remain forever, with the people of the several States.

BOTH PROPONENTS AND OPPONENTS OF CHILD LABOR AMENDMENT EQUALLY SINCERE FRIENDS OF CHILDREN AND FUTURE OF OUR COUNTRY

Throughout the debate on the subject of the child labor amendment the sincerity and the friendship of those of us who have opposed the adoption of the amendment to the interests of unfortunate children and their equally unfortunate parents has not been questioned. We of the opposition love childhood and children and recognize their value to the future and recognize that their strength, both physical and moral, are essential to the well-being of the future. We are opposed, just as intensely and sincerely as those who favor this amendment, to exploiting child labor, to continuously confining children under improper sanitary and moral surroundings. Our opposition to these things is admittedly sincere. The whole issue is as to which is the best way to arrive at the praiseworthy result desired equally by both sides. We, of the opposition, contend that it is unwise and ultimately may prove highly dangerous, and will certainly establish a dangerous precedent, to seek to regulate this matter under Federal power conferred by a constitutional amendment. We insist that "the evil is wrought for want of thought, as well as want of feeling." We insist that the American people are composed first of families and next of large numbers of families composing States, and then the States collectively have created a Federal Government for the purpose of exercising certain limited powers over matters that are interstate and international.

OPPOSITION PROMPTED BY PRINCIPLE—THE WAYS AND MEANS OF ACCOMPLISHING THE RESULT DESIRED IS THE ONLY QUESTION

We of the opposition wish to have the country understand and we now solemnly record it to be read for all time to come, that our view is that all of these problems and questions relating to matters peculiarly domestic and international should be controlled by the States and by the States only and our reasons are numerous and are sound both severally and collectively. First, we feel that the States are better qualified both from interest and information to handle these matters. As a general average there are more than ten times as many members of the State legislative bodies as there are Members of Congress from those several States. We Members of Congress certainly can not afford to arrogate to ourselves a more genuine and burning interest in the welfare of the children than the State legislators feel. Further, can we afford to claim that we know and understand better what is for the interest of the children and of the future of the country with respect to child labor than the members of the State legislatures? I do not see how those favoring the amendment can go before the people of their several districts when presenting candidates for the several State legislatures and say in effect that these 10 men seeking to represent the people in the State legislatures do not understand and do not have the same interest in the protection of child life and the future of our country as well as the single Member of Congress. In the next place we hold that it is sound democracy taught by both Jefferson and Hamilton, by both Washington and Patrick Henry, by both Gouverneur Morris and George Mason, by both Edward Rutledge, of South Carolina, and John Jay, of New York; by both Governor Clinton, of New York, and Judge James Wilson, of Pennsylvania, that government and its processes, that the motive for laws and for their enforcement, should spring up from the fountainhead of popular demand and approval, rather than descend from the imperial heights of Federal authority.

To be perfectly plain, we believe with these great fathers of American democracy that the individual citizens have responsibility and these citizens collectively in their States have responsibility, and that these citizens, both individually and collectively, can not develop and strengthen their capacity for self-government in any other way than by exercising the right of self-government. Therefore we believe that self-government is not only a right and privilege but it is equally a duty and an obligation.

SELF-DEVELOPMENT IS THE BASIS OF DEMOCRACY

Holding this view of life, which is the justification for democratic institutions, we can not separate the child from the parent, and we can not delimit child life from home life, and we believe that the parent influence and the home influence are more powerful factors in the formation of character, an essential consideration for life's duties, than even the teacher and the school. Therefore we hold that the school is but to enlarge and amplify and carry on the foundation work that the home and the parents have laid. Therefore we hold that if the parents, who are also citizens, and who can not separate their duties as citizens from their feelings as parents, are not permitted and expected to exercise their political influence and power to bring about better conditions within their several States for their children by agitating and working and sacrificing for better schools and better teachers and shorter hours for labor and better conditions for labor, then these parents will have lost that independence and initiative and self-assertiveness which are indispensably necessary to constitute character, to constitute manly manhood and womanly womanhood; then these parents can not and will not exert that formative influence in the hope that made the generations great and

powerful which developed during the colonial and during the Revolutionary periods and during the successive periods in our national history until the paternalistic and patronizing processes of government begin to supplant the activities and independence of the individual citizen.

WHY THE POWER TO REGULATE CHILD LABOR SHOULD NOT BE VESTED IN THE FEDERAL GOVERNMENT

Again we submit that it is a physical impossibility for the Federal agencies, either legislative or administrative, to do nearly so well with these matters such as child labor as the States themselves can do and now are doing in the aggregate. It must be remembered that time and time again during the debate facts and figures were cited to show that the majority of the States have legislation now establishing standards for child labor up to 18 years. That nearly all the States regulate child labor up to 14 years. That most of the children classed as occupied and laboring in gainful pursuits are working on the farms, and everybody admitted during the debate, and everybody with common sense will admit, that farm labor does not hurt children—physically, morally, or intellectually. It is out in the open and in the sunshine where health and strength are gained. It is in contact with the elemental forces of nature and is thus the very foundation for intellectual attainment and character building. The child who learns to till the soil, to sow the seed, to cultivate the plant, and to reap the fruits and seeds at harvest is thus in his personal experience running the gamut of the entire developmental experience of the human race, and that child with that foundation is prepared to assimilate and to profit by the multifarious inventions of a highly civilized society. It was argued that very few States are behind the standards, and it is notable that these delinquent States were not named. The whole proposition can be well summed up in the unrecorded utterance of a proponent of the measure:

We know the States are making progress, and we realize that ultimately all the States will come up to the standard, but some of them are too slow, and we propose to put the Federal fire on their backs.

This is Prussianism, pure and simple. Such sentiments are not American democracy. Such ideas are repugnant to republican institutions. We all understand that democratic governments do not make the swiftest progress in civilization; we understand that republican governments are not the most efficient and wisest; but we also understand, and feel with a deep-rooted conviction, with even religious fervor, that democracy and republicanism constitute a great school, a system of self-discipline, a nation-wide university; in which the individual citizen is being constantly trained and developed and his child, in turn, trained by the same educational processes of doing civic duty where the father and mother leave it off at death. Democratic institutions exist for the individual citizens in their separate capacities and not for the governmental machinery in a collective capacity. The strength of America does not consist in the strength of the Federal Government, in the power of our Army and our Navy, in the dignity and wisdom and knowledge of the Supreme Court; but it does consist in the moral fitness, in the brain power, in the patriotic purpose, and in the capacity for intelligent cooperation on the part of the men and the women who are the mothers and the fathers of the children of to-day; and these children, in turn, will be the citizens and mothers and fathers of to-morrow.

DANGERS OF CENTRALIZATION AND BUREAUCRACY UNIVERSALLY ADMITTED. THEN WHY NOT STOP HERE AND NOW?

We can not make it too plain nor emphasize it too strongly that every speaker who discussed this child-labor-amendment question, both those in favor of it and those against it, called attention to the dangers of centralizing governmental power at Washington. They all without a single exception admitted that this centralization has already gone so far that the Federal Government can hardly function. The demands upon it are so multifarious and vast and numerous as to make it practically and physically impossible for the various governmental agencies to meet these demands.

First of all we were told that Congress itself can not give proper consideration to the legislation pressing for action under the existing Federal constitutional powers. Already about 15,000 bills have been introduced into the present Congress, and hundreds of bills are before single committees, and these same committees hardly have time to give hearings or consideration to more than two or three general bills at a session of Congress. It is admitted that the executive branch of the Government is unwieldy. The President can not find time to consider the volume of international and national problems pressed upon him. The result is that each of the heads of the various executive departments is a petty president. The result is that the heads of the several bureaus in the executive departments become despots. Those above them are too busy to supervise them. The result is the evil of bureaucratic government. Everybody inside of Congress and many outside of Congress knows that the Federal Government is no longer a government of laws but a government of men, and the men are the heads of the bureaus, and government by these men is called bureaucratic. Those citizens who have had experience with the Federal Income Tax Bureau begin to know something of what bureaucracy is. It is bureaucracy that ultimately leads to the spoils system; that leads ultimately to official corruption, and official corruption ultimately leads to popular discontent; popular discontent in turn will result in either upheaval or overthrow, or in suppression by organized power; that is, by the use of the stern steel hand of militarism. These are not mere imaginary evils. Those who read the debates in the Constitutional Convention and the discussions in the Federalist will see that the wise men of that day established checks and balances in government to offset the weaknesses and corruption of human nature.

DUPLICATION BY FEDERAL GOVERNMENT OF STATE ACTIVITIES PILES THE TAX PYRAMID HIGHER

In addition to the physical impossibility of wise and intelligent legislation by Congress and the dangers of corruption and ultimate militarism resulting from a bureaucratic government there is the enormous burden of taxation entailed by centralizing governmental activities. The citizens who pay taxes into the Federal Treasury also pay taxes into the State treasury, and if the Federal Government is to duplicate the activities of the States, then the taxpayer will be supporting two machines which perform the same service. That explains why the tax bill of the Nation has grown so enormously in the last 10 years. It is due to the increase of bureaus and the multiplication of activities by both the State governments and the Federal Government. The question is, Is there a need for both pursuing the same line and trying to perform the same service? For illustration, these last 10 years the cost of the Federal activities, entirely leaving out the interest on the public debt created by the World War, has been multiplied by three. At the same time the cost of the State governments has been multiplied by two. I think it can be stated without successful contradiction that the State governments can administer laws relating to domestic matters far more economically than can the Federal Government, and at the same time obtain as great, if not a greater, degree of efficiency.

Shall the unifying, centralizing, consolidating process go on until the States are purely geographical subdivisions, with no power, purpose, or privilege? Shall the Federal Government send a preconsul or proctor with an army of Federal functionaries to administer Federal laws on every detail of life and business within the States?

THE SOLUTION OF THE WHOLE QUESTION

The way to bring up the few backward States is to get in touch with and encourage the progressive forces in those States to bring upon public sentiment pressure demanding State legislation to correct the trouble. In this way the adult citizens who vote do the work, and thus are strengthened and become better parents and home makers and patrons of schools and better church members and better citizens by reason of strength developed by the struggle in contending for a worthy civic measure. Having procured its enactment, they cooperate in its enforcement and the expense of administering such a law so procured is relatively small. There are State policemen and constables and sheriffs always close at hand, and the State courts near by to punish violations. But how different is the case of Federal administration.

At least an average of one inspector to each of 3,000 counties will be required. The vast expense of such force with the overhead office personnel here in Washington will be another huge tax burden. Those charged with violations with prosecuting witness will be carried in many instances 100 miles and more for trial at a Federal court, all at the expense of the Federal Treasury. The expense is only equaled by the hardship.

THE POWER PROPOSED BY THE AMENDMENT IS TOO BROAD

Earnest efforts were made to reduce the age from 18 to 16 years and to exclude labor of children on the farm where they reside, or in the place of business or on the farm of the parent. Also amendment was sought to require that the proposed amendment be submitted to conventions called in the several States to consider the question. But all these were voted down, as will appear by reference to CONGRESSIONAL RECORD on pages 7289, 7292, 7293, and 7294.

It was conceded by the advocates of the measure that there is no necessity for congressional legislation affecting farm labor or in the home of the parents. Yet the power will exist by this amendment ratified to regulate or prohibit the washing of dishes or sweeping floors or building fires in the home. It can be

employed to regulate labor of persons under 18 years of age in such a way as to cripple, if not ruin, farming by small farmers, working a few acres of their own or rented land by the labor of themselves, assisted by their wives and children. And this would apply especially to the small cotton farmer. The father can do the heavy plowing, but the hoeing and picking are relatively light work and children when not in school can properly be employed to chop cotton in the summer and to pick its fleecy locks in the autumn. I began chopping and picking cotton when quite small, perhaps 7 or 8 years old. It was healthful exercise; I was contributing to my own support. I was learning many useful, indeed, necessary things, and I was thus kept out of mischief. There is a lot of maudlin sentiment manifested about the million child workers in America, when, in fact, more than half of them are on farms, thus having the chance of a start to be somebody physically, mentally, morally, and financially. Of course, there are evils in congested industrial centers.

WHY PLACE ALL OUR EGGS IN THE FEDERAL BASKET

It seems that every motive and consideration—such as honesty, economy, safety, and efficiency—should prompt the people of the States to keep governmental powers and not transfer same to the Federal Government. But one other consideration should also be controlling. That applies to the right and power to decide and manage all internal, domestic, local matters according to peculiar local tradition, sentiment, interest, or situation. Would the people of California be pleased to have Congress pass a law requiring all public schools to admit all Japanese children, or permitting all Japanese, though not citizens, to acquire title to land? States like California can control their own affairs if they will stop centralizing power in Washington by Federal amendment or otherwise. Why should a farmer, owning his own land and thus able to control all his farm operations, deed his land to an agricultural corporation, pool his capital with all his neighbors, and thereafter try to run his farm by the orders of the corporate board of directors?

HOW SHALL WE CONSERVE THE FUTURE?

The motive back of the agitation to amend the Constitution so as to give Congress the power to regulate or prohibit child labor is to conserve the strength of the children in order that the men and women of the future may be strong. But if the process of consolidating power at Washington be so encouraged by this additional increase of Federal power as to result in the final overthrow of the efficacy and efficiency of the State governments, and thus destroy their power to protect, or their stimulus to be concerned with, the child life, the home life, the economic independence, the personal liberty, the individual freedom of all the people—men, women, and children—within their respective borders; and if the very hugeness of the consolidated Federal branches of government—legislative, executive, and judicial, and especially the administrative bureaus—vested with large discretion, thus permitting personal government and ending the operation of general laws, then what will be condition of the country? Then who will be shown to have been the true conservators of the future? Then who will be proven to be the genuine friends of childhood and of womanhood and of manhood? Would it not be better to let all the 48 States continue to manage all such matters, according to their slightly varying standards, but all according to the great American principle of independence? Would it not be better to rely upon the love of parents for their offspring, thus prompting them to elect State legislatures with intimate knowledge to deal with domestic questions? Would it not be better to permit a sort of rivalry between the States in the race of progress? Do not counties and towns and communities advance fastest when they vie with other counties and towns and communities? Will it be wise to reduce all progress to a dead level? In fact, will the individual ambition be stimulated by a nation-wide order to pay taxes and obey bureaus, as men and women are now stimulated by town meetings, and county conventions, and State legislatures, discussing, resolving, and legislating according to the local needs, the popular sentiment, and the common desire for progress and advancement?

Mr. BUSBY. Mr. Speaker, we have now reached the point where we are to vote on House Joint Resolution 184, proposing an amendment to the Constitution of the United States. We are now called upon to decide whether or not we "deem it necessary" to propose this proposition to the several States for their ratification.

This resolution provides:

SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

Much valuable discussion has been had on this resolution, and strong arguments have been made for and against it. I have always felt so strongly favorable to the young life in America that it has been hard for me to keep an open mind for the fair consideration of this resolution. I believe that children should be protected from employers who would, at the expense of child development and health, convert their energies into commercial gain. I believe every child should be afforded an opportunity to attend school and prepare for life's battle.

Much sentiment in a general way has been created throughout the country for legislation along these lines. Women's clubs have taken an active and commendable part in order that these ends may be reached. In response to communications from them I have uniformly expressed myself as being favorable to such a policy. Twenty-three separate resolutions, all differing in words, have been introduced in the House in the Sixty-eighth Congress proposing child-labor amendments to the Constitution. The one now before us was selected out of that number by the Judiciary Committee to be considered by the House. Article V of the Constitution provides:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution.

This implies more than a mere submission by Congress of a proposition to the States for their ratification. When a constitutional amendment is proposed and submitted by Congress to the States this proposal carries with it the solemn declaration of Congress that two-thirds of "both Houses shall deem it necessary." Never in the history of our Government have the legislatures of the several States failed to ratify any amendment proposed to the Constitution by Congress, and it is only reasonable to believe that this one will be ratified if proposed.

Let us look to the terms of this resolution and see what powers of government the Congress would have the States transfer from the control of the people, where these powers are now lodged, to the already strongly centralized Federal Government at Washington, and this for all time to come. Congress shall have power to (first) "limit," (second) "regulate," and (third), "prohibit" the labor of all persons under 18 years of age. This means that the national lawmaking body here in Washington could and would pass a Federal statute and therein prescribe the number of hours, how, where, when, and under what conditions the fathers and mothers from Maine to California and from Canada to the Gulf of Mexico might engage their children and young men and young women up to 18 years of age in labor. It also means that these persons—sons and daughters under 18 years of age of these fathers and mothers—might by Congress be prohibited from doing any labor whatever. Such are the powers by this resolution proposed to be taken from the parents and from the States and handed over forever to the guardianship of the National Government. To my mind this is an appalling situation you recommend by this resolution for the States to assent to.

The several States have the power, and have always had the power, to limit, regulate, and prohibit the labor of persons under 18 years of age and people over 18 years of age, as necessities might require. This can be done by a simple act of the legislature. In this humane age, in this age of charity, fraternalism, and brotherhood, during recent years the several States have provided laws to protect children as the varied conditions demanded. These laws may be changed, modified, strengthened, or repealed by the legislature as conditions change.

One State needs laws to protect its children in one line of employment, and another State in another kind of employment. Maine and Massachusetts do not know what kind of labor from which children in Mississippi should be protected, nor does Mississippi know the kind of laws California should have for child protection. The great manufacturing centers of the East, the great cities like New York, Chicago, and Philadelphia, cities containing millions of peoples, can not know what child labor laws are best suited to Mississippi and other sparsely settled States; and yet you propose by this resolution to intrust the making of laws controlling the labor of all persons under 18 years of age for all the States to Congress, but few Members of which could possibly be personally acquainted with the conditions and needs of the various States.

Mr. Speaker, I could view the proposition we are now considering with less concern if the people could speak directly on whether or not they would approve by convention the granting of this power to Congress, instead of leaving this duty to the legislatures which are not elected on the issue; I could feel more favorable to the resolution if the age to which Congress should control, regulate, and prohibit the labor of persons under 18 years of age were lowered, or if the power of Congress were limited to controlling, regulating, and prohibiting labor of persons under 18 years of age in factories, mines, mills, other like employment, and hazardous occupations.

An amendment to this resolution was offered by the gentleman from Tennessee [Mr. GARRETT] proposing to leave the

ratification of this constitutional amendment to "conventions selected by the qualified electors of the several States" instead of leaving its ratification to the legislature, as provided in the resolution. The reason and justice of this course is plain. It would give the people a chance to speak directly on whether or not they wish to surrender the absolute control of the labor of persons under 18 years of age and intrust it to the guardianship of Congress. If the convention method were adopted for the ratification of the amendment, candidates to the conventions would go before the people, one candidate for the ratification and another against it, and by the ballot the peoples of the several States could speak directly for their preference, those favoring the ratification of the amendment voting for the candidate to the convention who favored it and those opposed to the ratification voting for the candidate who opposed its ratification. In this way when the members of the convention were elected they could know that they voiced the sentiment and wishes of the people who sent them there.

If the amendment is to be passed on by the legislatures, there is no assurance whatever that these legislatures would speak the wishes of the peoples in the several States, because many of the legislatures in the various States which would be called on to pass upon the ratification of this amendment will have been elected before this issue has become a fact; in truth, many legislatures that may be called upon to ratify or reject this proposed amendment have already been elected. Therefore this particular proposition would not have been in the minds of the people when they were choosing their legislators.

The amendment by Mr. GARRETT was rejected, and the masses of the people were denied the right to have any direct voice in saying whether or not they desired the incorporation into the fundamental law of their land the principles set forth in this proposed amendment. This, to my mind, was a grave mistake on the part of Congress, and expresses a lack of confidence in the people to directly do their own choosing.

Another amendment was proposed by the gentleman from California [Mr. MACLAFFERTY] to reduce the age limit contained in the resolution from 18 to 16 years. This change was adopted in the Committee of the Whole House on the state of the Union, but was rejected by the House on a roll-call vote. It seems to me that this was a grave error in the House holding the age of persons at 18 years, instead of reducing it to 16 years, when it is considered that the Congress will have the absolute power to control, regulate, and prohibit the labor of all such persons.

It is a well-known fact that many boys who grow up on the farms are strong and capable of rendering valuable and efficient service long before they have reached the age of 18 years. I lived on a farm myself until after I reached my majority. By the time I was 18 years of age I had actively participated in making at least 10 crops. I was as large in size and as strong physically before I was 18 years old as I have ever been at any other period in my life, and I attribute this largely to the fact that I had had the wholesome and benefical exercise of performing the duties that came to my lot. There are many other lines of employment which a boy under 18 years of age is as capable of performing as he ever is at any age in his life, and this without injuring him one particle in health, development, or mind.

Another amendment to this resolution was proposed by the gentleman from South Carolina [Mr. MCSWAIN]—

the labor of any child in the house or business, or on the premises connected therewith, of the parent or parents.

This amendment was rejected by the Committee of the Whole House.

The gentleman from Virginia, Governor MONTAGUE, on a motion to recommit the bill, proposed—

but not the labor of such persons (all persons under 18 years of age) in the homes and on the farms where they reside.

It certainly seems to me that this last provision should be adopted and the control of persons on the farms and in the homes not be intrusted to the Federal Government at Washington.

The advocates of this proposed constitutional amendment will tell you that it is not the purpose at present to interfere with labor on the farm. Yet I say to you that I do not believe it is far distant in the future until we will have clamoring at the doors of Congress organized efforts to coerce Congress into enacting laws, if this amendment becomes a part of the Constitution, to say to the fathers and mothers on the farms what service their children shall do and shall not do. We have heard complaints during the debate on the resolution that the southern farmers were overworking their children on the farm. I voted for each of these propositions to liberalize and make more sane this proposed amendment. I could do no more.

The 1920 census shows that there were 1,060,858 children from 10 to 15 years of age, inclusive, who were gainfully employed in 1920; that 647,309 of these, or 61 per cent, were engaged in agricultural pursuits; and that 413,549 were engaged in nonagricultural pursuits. It would be idle to suppose that Congress, given the power, would not shortly begin to limit, regulate, and prohibit children from working on the farms under the direction of their parents.

I have never known any power to be given to Congress which was not speedily exercised by it. I know of many instances in my section of the country where it is a hard problem for families with the aid of the members of these families under 18 years of age to make a living. If we are to authorize Congress to exercise the control of these persons, as this amendment would empower it, who is going to feed, clothe, and care for these children until they have passed out of the reach and control of Congress? I venture the assertion that within a few years after Congress begins to exercise its powers of this amendment that the natural and necessary counterpart to the laws which it may enact in regard to children would be a law providing millions of dollars in pension to care for families which can not make a living for themselves because they are prohibited from engaging in labor by the Federal Government.

If this resolution becomes a part of the Constitution, certainly Congress will enact laws to put it into effect. What provisions will these laws contain? No one doubts that they will provide that before a person who comes within the range of these statutes can engage in labor he must first obtain a certificate from a Federal agent certifying that he is of lawful age, physically fit, and has reached the proper degree of educational advancement to entitle him to engage in the occupation specified. Without this certificate he will be unable, without violating the law, to engage his service, and those who employ him will be unable, without violating the law, to give him employment. The Federal agent will have charge of these qualifications and not the parents. Through this method the Federal Government will force entrance into educational fields of the State, and thereby indirectly usurp the control of our entire educational systems. Because of these limitations many families for lack of labor on the part of members of those families under 18 years of age will find themselves unable to provide the necessaries of life. If this condition existed it would force Congress to enact pension laws to care for families upon which they have brought destitution. Millions of dollars will be necessary to meet the demands thus made.

This is fine idealism, but we are getting away from the honored and accepted truth that through honest work will the necessaries of life be provided. Too, somebody must pay the bills, and, of course, this will fall to the lot of the already overburdened taxpayers, who must suffer because of the folly of government we have committed.

I make these predictions in the light of the declared policy of some of the advocates who are fostering propaganda for this measure, and I might add as a prediction that in the very near future much pressure will be brought to bear on Congress to enact old age and other similar pension laws for our country.

If this proposed amendment becomes part of the Constitution it will be necessary for Congress to create another bureau with its horde of agents and employees to put into effect the laws which it will enact. It will be necessary to send Federal agents into every part of the United States to supervise the parents and see that they do not violate the statutes enacted to control their children. Every time that a father or mother violated such statutes it would be possible to haul him or her into the Federal court to answer a charge of disobedience of the Federal law.

The time has come when Congress is bombarded by well-organized effort for any measure that the particular orgnization wants put over. I have noticed that these bombardments usually get results. I feel that Members are sometimes swept off their feet and away from their better judgments in casting their votes because of these conditions, and the consequences that will await them at the next election should they, in their best judgment for the good of the country, cast their votes contrary to the demands of this pressure.

Various reasons have been assigned by various Members as to why they propose to vote for this resolution. Some say that we had a Federal statute until it was declared unconstitutional by the Supreme Court which was similar to the power proposed to be taken over by this amendment. That is not true.

The child labor law applied only to labor in mills, canneries, factories, workshops, manufacturing establishments, mines, and quarries, and this only to the age of 16 years. This proposed amendment simply takes over a child from the standpoint of labor up to 18 years, and for every purpose.

Another thing. Congress could repeal a statute, but a constitutional amendment once adopted is for all time to come. Different Members have assigned different reasons as to why they intend voting for this resolution. Some have said they are only passing it on to the States for their action. They are passing it on to the States with the solemn declaration that they have "found it necessary." One Member, the gentleman from Wisconsin, Mr. VICTOR BERGER, said:

It is a socialist amendment, and that is why I am for it.

Certainly we are going far adrift in incorporating such a proposition in our Constitution. It has been said:

That government is best which lies closest to the people.

Thomas Jefferson has said:

Governments should not be founded on confidence in men, but on jealousy of power.

That is, that the people will do well not to trust the powers of government into hands that do not know, but keep them within their own control.

I have not lost faith in the fathers and mothers of the land or in the love they have to care for, protect, and educate their own children. I believe they will do a better part for their children under the guidance of the impelling forces of the inherent paternal love than can ever be done for their children under the guidance of Congress through its Federal agents, who will have authority to go into and interfere with the conduct of everyone in the land. I am not willing as a representative of my people to cast my vote for any such proposition as the resolution which we are now to vote on. I shall, therefore, even if I stand with a small minority, cast my vote against this resolution with the confident belief that the future will see the wisdom of the course I have taken.

If we have confidence in the people to act intelligently for themselves on any governmental function, there is no necessity for the National Government to demand from the people in the States that the authority to control the labor of all persons up to 18 years of age be taken out of the hands of the fathers and mothers and of the States and be intrusted to Congress. Forty-six out of the 48 States have already enacted regulatory laws, 18 States have already risen to the high degree of regulation which the advocates of this measure claim to be essential to the welfare of children. Legislation by the States along this line has been rapidly advancing, and during the last five years many States have enacted much legislation for the welfare of children. My own State of Mississippi during the session of the legislature which has just adjourned placed upon the statute books a law to protect the children in that State from labor calculated to be injurious to them.

I do no believe, in this enlightened age, when the spirit of altruism and concern for the welfare of others is so general, that a condition injurious to the child life of America can go long without remedy at the hands of the several States. If one-tenth of the pressure that has been exerted on Congress to bring about this revolutionary constitutional amendment had been directed to the legislatures in the States where the child-labor evil exists no instance would to-day be without remedy by State legislation.

I believe that the several States should deal with the child-labor problems existing in the several States. I have as much confidence in the men who compose the various legislatures, and who understand the problems of child labor at their doors, as I do in the Members of Congress who do not understand the conditions with which they are not acquainted. I believe that the child-labor questions in the States should be left to the States themselves. In recent years we have seen our National Government taking a hand in controlling and regulating almost every activity in life. We have seen it establish bureau after bureau, each with its hundreds of agents who go among the people prescribing, directing, and interfering with the commonest affairs of everyday life. These same agents have been given the power by laws and regulations to place fines upon our people for supposed violations of Federal laws and regulations, and this without trial or a hearing before any court in the land. The whim, judgment, or conclusion of these agents are the only considerations on which are based fines and penalties against the people. The citizen never has a voice or an opportunity to refute the charges of violating the certain Federal laws and regulations. We have seen too much of this already. We are an overgoverned people.

I came to Congress pledged against bureaucracy. I am determined to keep that pledge. Almost every experiment of the Federal Government in assuming to administer governmental functions which properly belong to States has proven a very poor success. At the rate we are going in assuming to prescribe what people shall think, how they shall act, and the kind and nature of labor they shall perform, we will soon have reached the proficiency along these lines that was attained by Germany just before her downfall. Leave some field for individual initiative and activity to the people. This is necessary if we as a Nation are to live and protect those glorious principles on which our Government was founded and under which our people have grown to be the greatest, wisest, wealthiest, and most independent people the world has ever known.

Mr. TUCKER. Mr. Speaker, availing myself of the privilege of extending my remarks, let me say that the gentleman from Ohio [Mr. FOSTER], who brings this amendment into the House and is the author of the report from the committee, has the following to say on page 6 of the report:

THE OCCUPATIONS OF THE WORKING CHILDREN

Of the 1,060,858 children 10 to 15 years of age, inclusive, who were reported by the census to be "gainfully employed" in 1920, 647,309, or 61 per cent, were in agricultural pursuits and 413,549 were in nonagricultural pursuits. Since the employment of children in agriculture is usually on the home farm, is seasonal instead of continuous, and is out of doors, it is with reference to the more than 400,000 children in nonagricultural pursuits that the advocates of the Federal child labor amendment have been principally concerned. The occupations of these working children were as follows in 1920:

Number and per cent distribution, by occupation, of children 10 to 15 years of age, inclusive, engaged in selected nonagricultural pursuits, for the United States, 1920

Occupation	Number	Per cent distribution
All nonagricultural pursuits	413,549	100.0
Messenger, bundle, and office boys and girl	48,026	11.6
Servants and waiters	41,386	10.1
Salesmen and saleswomen (stores)	30,370	7.3
Clerks (except clerks in stores)	22,521	5.4
Cotton-mill operatives	21,875	5.3
Newsboys	20,706	5.0
Iron and steel industry operatives	12,986	3.1
Clothing-industry operatives	11,757	2.8
Lumber and furniture industry operatives	10,[illegible]	2.6
Silk-mill operatives	10,023	2.4
Shoe-factory operatives	7,545	1.8
Woolen and worsted mill operatives	7,077	1.7
Coal-mine operatives	5,850	1.4
All other occupations	162,729	39.3

THE NUMBERS, BY DECADES, SINCE 1880

The number of children in nonagricultural pursuits was smaller in 1920 than in 1910 and 1900, but larger than the number so employed in 1880, as the following table shows:

Number and per cent of children engaged in nonagricultural pursuits, 1880 to 1920

Census year	Children 10 to 15 years of age, inclusive		
	Total number	Engaged in nonagricultural pursuits	
		Number	Per cent
1920	12,502,583	413,549	3.3
1910	10,828,365	457,797	4.3
1900	9,613,252	680,213	7.1
1880	6,649,483	396,504	6.0

On the basis of these statements, which show that 3.3 per cent of the children of the United States were engaged in dangerous or unhealthy employments, I ask again how such a showing could make this a great national evil? We could be proud, indeed, if all the laws of the United States were enforced 96.7 per cent; not perfect, but any business man would be satisfied with such a showing in his own business. Suppose we could boast of such a per cent of enforcement in the prohibition law or in any other law of the United States, the people would have reason to be satisfied. But, as a matter of fact, 3.3 per cent is far too high as showing the true per cent of

children engaged in dangerous or unhealthy occupations. Look at the above table showing the occupations which Mr. Foster regards as dangerous or unhealthy for children. It shows a total number of 413,549 children. But examine the occupations and see whether they are dangerous or unhealthy. In this table are 48,028 engaged as messenger, bundle, and office boys and girls; 41,586 as servants and waiters; 20,706 as newsboys; lumber and furniture industry, 10,585. These occupations are not dangerous or deleterious to health. And when to this is added that every State in the Union has a compulsory educational law, with penalties upon the officers if they do not carry it out, thereby excluding such work from children during the school term—varying from six to nine months during the year—and in most of the States, in addition, laws limiting the hours of employment, a large part of these employments must be eliminated, for a child can not work as a messenger or as a waiter or as a newsboy when he is in school with a penalty on the officers to see that he is there. So that if it were admitted that 413,549 children were engaged in dangerous or unhealthy occupations the fact remains that during the school term they could only be engaged in such after school hours and not during the whole day as intimated.

But, on the other hand, take the number of children in those industries which this table shows are clearly dangerous or deleterious to health—cotton-mill operatives, 21,875; iron and steel industry operatives, 12,904; clothing-industry operatives, 11,757; silk-mill operatives, 10,023; shoe-factory operatives, 7,545; woolen and worsted mill operatives, 7,077; coal-mine operatives, 5,850; making in all 77,031 of the 413,549 who are engaged in really dangerous or unhealthy operations—and as to these the same principle must apply, that, being compelled to be in school by the laws of the States the greater part of the year, that term must be excluded from the time that they are supposed to be at work; and only after school hours could these children, under the law, be engaged in such work. Seventy-seven thousand and thirty-one is about six-tenths of 1 per cent of the total number of children referred to—12,502,582—so that the proposition is reduced simply to this: That we are asked to amend the Constitution of the United States in order to benefit six-tenths of 1 per cent of the children of the United States whose health may be imperiled by engaging in these dangerous occupations. A great national evil! What a contention! What a result, shown from the very report of the gentleman from Ohio [Mr. FOSTER] as the ground for his amendment. This being the case, we must look for another reason for this proposed amendment. It is not found, as we have seen, in the great national evil of the improper employment of children, for we find that number is reduced to less than 1 per cent of the number of children in the United States.

Perhaps it may be found in the tens of thousands of inspectors of children in the United States that would be brought into being by the passage of this amendment. This may be one of the causes which has induced it. Another bureau, or the same Children's Bureau, enlarged until it is as large as the Capitol Building itself as necessary to carry out this imperial project. Administrators, secretaries, heads of departments, and executive officers, and inspectors by the thousands would swell the number of Federal employees and serve to drain the pockets of the already overtaxed and overburdened people of this country.

If it were right and proper and necessary to place the care of children under the Federal Government instead of under the States because the States had failed to do them justice, what answer can we make to that? The answer is found in the fact that while 1,060,858 children in 1920 were engaged in gainful occupations, in 1910 there were 2,000,000 so engaged; that is, in 10 years so strong and sweeping has been the sentiment of the people to blot out improper child labor that the number in 10 years was reduced 100 per cent. Why this radical measure to prevent a great national evil, so called, which in 10 years was diminished 100 per cent? When victory has crowned the efforts of the States and child labor has been practically eliminated, why the change? If the States have eliminated all but six-tenths of 1 per cent, can not they be trusted to do the rest?

Twenty years ago some of the Southern States made no limitation on work of children in mines, factories, or quarries—no limitation of hours, no compulsory educational laws—and the cheap labor of those States was competing with that of other States and had the effect of bringing much capital from other quarters into the South. Twenty years ago this question was not a practical one in those States. It had not been brought home to them as a practical subject of legislation, because they had few, if any, manufactures. They were held up as awful examples of those who neglected the laws of humanity, but they were new at the business. New England, from necessity, from its very foundation was obliged to go to manufacturing. Great success has attended her efforts; and the question of labor, therefore, and of child labor, has been a practical one with them from the foundation of their States. And until recent years these Southern States knew nothing of such industries, and they were criticized for not having child labor laws. Law does not precede civilization and development. It follows in its wake. We had no laws governing the airplane 10 years ago, because we had no airplanes. But laws have been enacted after they became living things and recognized as vehicles of commerce and war. There were no such laws 10 years ago. Two years ago we had no laws regulating radio. Now the calendars are filled with proposed laws to control that.

The Southern States have made wonderful progress in child labor laws, in compulsory educational laws, in the limitations of hours; and the State of North Carolina passed in the years from 1916 to 1923 more child-labor laws than any State in the Union.

The proposed amendment is without merit. What is proposed by it for the Federal Government has already been done by the States, and better done than the Federal Government could ever do it. The rights of childhood are best protected at home or near home, and the protection to the rights of children will be measured in efficiency and justice by the distance from the home.

But if everything which I have said above is without merit and not correct, this amendment is an outrageous attempt to despoil the people of their political birthright. Under it Congress would have the power to declare that no boy or girl under 18 years of age could do any work in the home of the family, in the garden, at the stable, in the harvest field, or in the cornfield; taking away from the parents the right to control the domestic work of their children up to 18 years of age. When I think of such a provision proposed in the Congress of the United States to a people who have been taught the principles of freedom and liberty from the words of Madison, Jefferson, Marshall, Randolph, and Patrick Henry, I feel like exclaiming in the language of the great Virginian orator, who fired the hearts of our people to resistance to tyranny, "Give me liberty or give me death."

Mr. WEAVER. Mr. Speaker, I regret that I am not in accord with my distinguished colleague from North Carolina [Mr. POU] who has spoken in opposition to this amendment. I have great respect for his opinion and his judgment and know that his opposition to this amendment does not voice a feeling in favor of the exploitation of children in industry, but is based upon other grounds sincerely and honestly entertained by him. I wish to say the same in regard to other Members opposing this amendment who entertain similar views.

A compelling interest, however, in adequate laws for the purpose of controlling the employment of immature children in hazardous and burdensome occupations prompts me to vote to submit to the several States an amendment to the Constitution that would confer upon the Congress this power. It has twice undertaken to exercise this power with a feeling that such power was already vested in Congress. On two separate occasions has Congress acted upon this nation-wide subject. In 1916, using the interstate commerce clause as the basis for legislation, an act was passed prohibiting the interstate shipment of goods manufactured in mills and factories employing children under 14 years of age, or children between 14 and 16 years of age at more than eight hours a day, or children between the latter ages at night.

I may point to my Democratic colleagues that this was passed by a Democratic Congress. President Wilson strongly urged and advocated such a measure. It was to him a Magna Charta for the childhood of the Republic. At the time of signing this act President Wilson said:

> I want to say that with real emotion I sign this bill because I know how long the struggle has been to secure legislation of this sort and what it is going to mean to the health and to the vigor of this country, and also to the happiness of those whom it affects. It is with genuine pride that I play my part in completing this legislation. I congratulate the country and felicitate myself.

This act was however, declared unconstitutional by the Supreme Court in the case of Hammer against Dagenhart, which was decided on June 3, 1918, by a 5 to 4 decision. The court held that manufactured articles did not become the subject of interstate commerce until shipment began and therefore the employment of children under the prohibited ages could not be subject to the jurisdiction of Congress, for the reason that their work upon such manufactured articles preceded and was not a part of interstate commerce.

Again the Congress, responsive to an apparent nation-wide demand for child-labor legislation, in the revenue act of 1919 enacted that any manufacturing establishment employing children under 14 years of age or employing children between 14 and 16 years of age for more than eight hours a day or working them at night should pay a tax of 10 per cent upon gross production of their mines and factories. This act was also declared unconstitutional by the United States Supreme Court in the case of Bailey, Collector of Internal Revenue v. Drexel Furniture Co., upon the ground that under the Constitution the taxing power conferred upon Congress could not be resorted to as a means for preventing child labor in the mills and factories of the several States.

Both of these cases originated in my own State of North Carolina, and in one of them, my present distinguished colleague, Mr. Hammer, who was then district attorney of the United States, was made a party and prepared and argued the case in support of the statute.

I cite these former acts of Congress and these decisions of our Supreme Court for the purpose of showing a national desire for action by the Congress of the United States upon this subject. Both acts of Congress, that of 1916 and that of 1919, apparently met with a wide approval from the people.

This amendment proposes merely to confer upon the Congress definitely and certainly, but with the approval of three-fourths of the States of the Union, the power to legislate on a subject in regard to which it was already thought Congress had sufficient power. This amendment proposes nothing more than to settle definitely the question as to whether the Nation itself has the power through Congress to regulate the question of the employment of young children in gainful occupations and to regulate the hours of employment of minors under 18.

It is urged against this amendment in the minority report filed by the gentleman from Pennsylvania [Mr. GRAHAM] and in numerous speeches by other Members of the House that it would destroy the dual form of our Government; that it would take from the States reserved powers that the States themselves should employ; and that the control by the States over this question is vital to the very fundamental principles of our Government. Of course, no constitutional question is involved, for this itself is merely a proposed amendment to the Constitution.

Again, it is urged that this amendment would give to Congress the right to regulate and prohibit the labor of minors under 18 years of age, and that this power, if conferred upon the Congress, might be exercised to prohibit the working of children in agriculture in the several States, and under it legislation might be enacted that would prevent even the ordinary work of the child about its home and upon the farms.

It is therefore important that we should most seriously consider whether or not this question involves a matter which should be the subject of national legislation. There is merit in the contention that our Constitution should not be amended too often and for too slight a reason. I believe I love the Constitution as much as any of my colleagues and I believe in the dual form of our Government. This great conception of government has, indeed, made us a great Nation, and I would not willingly do anything or vote for anything that would destroy the powers of the States in matters that would affect the fundamental idea upon which this Nation was founded.

I must be mindful, however, of the fact that the Constitution provides within itself for amendment. It was wonderfully conceived by our forefathers, but it is evident from the Constitution itself that they expected that as time passed and new problems confronted the people affecting their lives, their pursuits, and their happiness, that it would be necessary to amend it.

At the time the Constitution was adopted the 13 original States were sparsely settled. There were no manufacturing plants worth mentioning. Industry had not spread itself over the Nation as it has to-day. There were no great congested centers of population. We were a pioneer people. There were no telegraphs. There were no telephones. There were no railroads. The steamboats had not been invented, and the methods of communication were slow and uncertain. It is but natural that under those conditions the States should have been jealous of their reserved powers. To go from Washington to New York was a journey of many days. News traveled slowly. It traveled no faster than a man on horseback could carry it. A thing happening in Washington could not have been known in New York City for a number of days. A central Government in Washington remote from the States themselves was a matter of concern to all of the 13 original Commonwealths.

I appreciate the great structure erected by our forefathers as a framework for our Government, but at the same time I can not yield to the view that in their wisdom they intended or conceived that it might not be necessary from time to time to transfer to the General Government powers that were then reserved to the States. To do so is to believe that no method was devised by which our Government could keep pace with the magic march of events. That they did not so believe is evidenced by the fact that ample provision was made for the amendment of that great instrument.

Article IV of the Constitution provides specifically for amendments. Amendments under this article may be proposed by the Congress whenever two-thirds of both Houses shall deem it necessary. They may be initiated by two-thirds of the legislatures of the several States. The only limitation upon the power of amendments contained in this article or elsewhere in the Constitution is—

> That no State without its consent shall be deprived of its equal suffrage in the Senate.

In fact, the Constitution has been amended many times. Ten amendments were submitted immediately after the ratification of the Constitution and others have followed from time to time when the necessity was deemed sufficient for them.

The arguments against this amendment were used against the income-tax amendment, against the amendment of election of Senators by the people, against the amendment conferring the right of suffrage upon women, and against the prohibition amendment.

In fact it is a portion of the strength of this instrument that it does provide for amendments upon proper occasions and for proper purposes.

We should inquire, therefore, if the present amendment involves a matter of national concern, over which the National Congress should exercise the right to legislate. Opponents of this measure for the most part have recognized that child-labor legislation has become a necessity. In fact in the two cases in which the constitutionality of the acts of Congress relating to child labor were determined, we find judicial determination as to the necessity for such laws. In the case of Hammer v. Dagenhart, Justice Day, who delivered the opinion of the court, said:

> That there should be limitations upon the right to employ children in mines and factories in the interest of their own and the public welfare all will admit. That such employment is generaly deemed to require regulation is shown by the fact that the brief of counsel states that every State in the Union has a law upon the subject limiting the right to thus employ children. In North Carolina, the State wherein is located the factory in which the employment was had in the present case, no child under 12 years of age is permitted to work.

And in the same case, Justice Holmes, delivering a dissenting opinion, stated:

> But if there is any matter upon which civilized countries have agreed—far more unanimously than they have with regard to intoxicants and some other matters over which this country is now emotionally aroused—it is the evil of premature and excessive child labor. I should have thought that if we were to introduce our own moral conceptions where, in my opinion they do not belong, this was preeminently a case for upholding the exercise of all its powers by the United States.

North Carolina has had many remarkable governors. Among these in the later years was Gov. Locke Craig. He now resides in my home city of Asheville, N. C. He was a great governor. In addition to a keen and discriminating intellect, he is a man of as noble a heart as I have ever known. He was Governor of North Carolina when its legislature convened in 1915. He had seen something of the struggle of children. He had seen the effect of laying upon immature boys and girls the destroying hand of grinding toil. I do not mean by this that children should not work; that they should not do ordinary duties that come to them around the household or upon the farm; that they should not be trained to work, but I refer to the "hired man of 14 years of age"—the boys and girls whose youth is denied them. Governor Craig had observed the blighting hand of toil upon children. And in January 1915, he delivered a message to the General Assembly of that State. In this message he called the attention of the legislature to the child-labor problem, and he used this language:

> The factory is no place for the child. The drudgery of toil is not his rightful inheritance before his bones are hard and his muscles

are firm. If we grind the seed corn there will be a failure in the crop of men.

Some have asked, If they do not work, how shall they live? But Governor Craig answered that in this same message:

If, in our most progressive centers of industry and thrift, the family can not live without the work of children and the drudgery of women, then our civilization has broken down and is a failure.

It is true that in this message Governor Craig was directing himself to a State legislature, and it is no part of my purpose to commit him to a statement in favor of a constitutional amendment. He was eager that his own State should meet this problem, but I do know that the heart of this great man goes out for childhood everywhere, whether in North Carolina or in New York or in California or the remotest confines of the Nation.

The protection of childhood is in my judgment a national problem. It may be that the States can and will abundantly take care of it. It is true that the States have made much progress. My own State of North Carolina has done much. In 1915 the provisions for child labor were meager and insufficient, but due to the efforts of Governor Craig and other forward-looking men and women of the State these laws have been vastly improved. I do not advocate this amendment because I believe that my own State is a great offender. That more or less adequate legislation has been adopted has been due in no small part to the manufacturers themselves. They realize that child labor is not only harmful to the child but is of doubtful value to the factories themselves. Most of the great enterprising factory owners in North Carolina are to-day, in my judgment, opposed to the employment of children in mills under 14 years of age, and are thoroughly in favor of regulating the hours of children so that the work shall not destroy their bodies and their intellects. These factory owners have contributed to the solution of this great problem. I have been through many of the factories of North Carolina and I have not seen children employed among the dangerous looms and in the dust-laden air of these factories. They have been adults who have been able to stand such work. North Carolina is to-day, in my opinion, in more respects than one, the first State in the American Union. I would be glad, if I had the time, to relate to you something of her great progress. This would include most startling figures relating to the advancement of her manufacturing enterprises. To-day North Carolina has more active spindles in cotton manufacturing than any State in the Union. It was so reported a few days ago. In every branch of manufacturing she has outstripped her sister States.

I have heard it said that this amendment is for the purpose of depriving North Carolina and other States of an advantage which they have made in the matter of employment. I deny most vigorously, if such be the idea, that the growth of North Carolina has been built upon the labor of immature and undeveloped children. It is not true. These great industries have been built and are to-day thriving because of the brain and brawn of strong men and women and are in no slight degree even dependent upon the employment of children.

This amendment is national in its scope upon the broad ground that the childhood itself is national. We speak of the Nation and think of a great area stretching from the Atlantic to the Pacific; but after all the Nation is in fact and in truth the 110,000,000 souls who inhabit it. Without them this vast stretch of space would be, as it once was, a vast unproductive wilderness. It has been said that "The most valuable resources of any country is its fund of human energy—that is the working power, both mental and physical, of its people."

It would seem natural therefore to conclude that the General Government might well be invested with legislative powers that would protect, if necessary, the children who are so soon to take our places in the great duties of life.

As Governor Craig so well said:

If you grind the seed corn there will be a failure in the crop of men.

In fact it was thought for a long period that Congress had already the power to regulate the employment of children. As I have before stated, two acts of Congress were passed for this purpose. These two acts were in force each of them for considerable periods of time before the Supreme Court rendered its decisions. It has been said many times in this debate that such an amendment as this which simply makes clear the power that Congress was thought to have under the general welfare clause and other provisions of the Constitution would seriously affect our form of government, but I do not recall that while these acts of Congress were in force that our institutions received any great and destructive shocks. In fact this is a day of conservation.

We are most carefully conserving our forests by national legislation. We are conserving all of our natural resources through Federal action. In agriculture every crop through Federal activities is protected as far as possible against destruction by pests, insects, blight, and disease. The Federal Government goes into the cotton fields of North Carolina, Georgia, South Carolina, and all the cotton-growing States to protect cotton from the ravages of disastrous pests.

Why does it do this? Because of the fact that it is a national problem, in which all the people are vitally concerned. It has thrown out its activities to protect the great corn-growing States against the ravages of the corn borer, and in the New England States against the gypsy moth, and against the diseases of hogs and cattle and sheep and poultry. Why, because these are national problems. It might be said that the State of Georgia should look to the protection of its cotton herself against the boll weevil, but we do not say it. We might say that Iowa should protect her own corn fields from destructive pests, but we do not.

The National Government interests itself in these matters because they are of national concern and involve the welfare of all the people. By this I do not wish to be understood as intimating that the membership of this House who may be opposed to this amendment would place children upon the same basis as these, but I cite these as illustrations of Federal activities for the purpose of showing the national import of these problems.

Surely, a child is of more concern than all of these. Surely, the Nation itself is interested and rightfully so in the conservation of the race itself. We may talk of the Constitution and our dual form of government, with all the learning that may be gathered from the books. "The letter killeth but the spirit maketh alive." What matters it to us how great is the Constitution, how much venerated our dual form of government, if the children who shall give life and vigor and power to the Constitution, upon whom the burden of supporting and maintaining this Government shall soon fall, if they are not to be the objects of concern—national concern, if you will—and protected by just, reasonable, and nation-wide legislation.

This amendment would, if adopted by three-fourths of the several States, confer upon Congress the right to prohibit and regulate the employment of children up to 18 years of age. Its opponents have undertaken to draw some very violent conclusions in regard to what might be done under it and contend that it would prevent children from working at all until they were 18 years of age. In fact one of my colleagues stated in his argument that "it will give to Congress the authority to pass a law imposing a jail sentence upon every father and mother in America who permits a boy or girl under 18 years of age to do any labor," and others have stated that it would prevent the average boy from working on the farm.

These statements may deceive the unthinking and will undoubtedly be snatched up with eagerness by those who are opposed to the regulation of child labor at all, but they ought not to deceive any person who will inform himself as to the purpose of this amendment. No Member of Congress would vote for any such absurd or ridiculous legislation as that above hinted at. In the first place, I may point out that the power to prohibit the employment of minors under 21 years of age is now vested in all of the 48 States of the Union, for they have complete power over the subject. In none of them has it even been contemplated to pass legislation that would interfere with the boy on the farm and the child in the home or such employment as is not harmful and injurious to the child. The sole purpose is to regulate where regulation is needed in the sweat shops and factories of the large cities. The age of 18 is used as the outside age for the reason that there may be extrahazardous employment in which a boy under 18 years of age ought not to work, such as in the dark tunnels of the mines beneath the earth where only strong men should. I think we have a right to conclude that such legislation would be passed by Congress of a like nature with that contained in the two acts heretofore passed by Congress. These prohibit the employment of children under 14 years of age in certain work, such as mills, factories, and quarries, and regulated the hours of employment between 14 and 16 years to 8 hours a day. Certainly 8 hours for a child between 14 and 16 ought to be sufficient to satisfy the most enthusiastic advocate of the employment of children in industry. The 8-hour limit is fixed for strong men and has even been fixed by congressional act. The carpenter, the brick mason, ordinary day laborer, and numerous other lines of employment in which men only are engaged has the 8-hour day. Should a child be compelled to

give more than this? Yet these were the provisions of laws which Congress did pass. No one would wish to interfere with the boy on the farm and there can be no well-grounded fear that such would be the case. The freckled-face boy of the country farm is one of our national assets. He lives a wholesome life. The work is not continuous or grinding. He is under the care and control of his parents. If the task becomes too hard, or if he should become ill from its effects, he has the deft and loving care of a mother and the strong hand and attention of a father who loves him. It is when he becomes the "hired man," with unsympathetic taskmasters, that he crumbles under the drudgery of toil. His education is impossible if he is at work. It grinds and unfits him for the duties of manhood.

Regardless of the merits of child-labor legislation, this amendment is not a statute within itself and confers no power upon Congress. The States themselves must do that, and unless three-fourths of the 48 States shall ratify this amendment it will have no operation at all. If it should be adopted by the States, are we to conclude that Congress will do the foolish things that have been asserted? Why should it? Practically all of the 48 States are agricultural States. All of them are made up of individual homes. Will Congress do more foolish things than the legislature would do? The membership of Congress comes from the same people. They have been reared in the same homes and are citizens of the same cities and the same States.

They would be exercising only powers that are conferred by their States upon Congress, and we have every right to conclude they would be equally interested in the homes and the farms of the country.

It has been said by other Members that Congress has always exercised to the limit other powers heretofore granted, but surely this is an unthinkable argument. Congress has many powers to-day that it has not used unjustly. It could readily make felonies of many Federal misdemeanors, but it does not. It could place many unjust burdens upon the people which it does not place upon them, and, after all, the advocates of this amendment vote merely to submit to the States themselves this question for their own solution.

Mr. ROGERS of Massachusetts. Mr. Speaker, I am very much in favor of the child labor resolution which is before the House to-day. Ever since I first came to Congress, in 1913, I have proposed and advocated just such action as we are about to take.

My most recent statement on the great question of principle involved was in the form of an argument before the Judiciary Committee on February 7 last. Under leave granted to extend my remarks in the RECORD I print herewith extracts from the statement which I made on that occasion.

STATEMENT OF HON. JOHN JACOB ROGERS, A REPRESENTATIVE IN CONGRESS FROM MASSACHUSETTS

Mr. ROGERS. I think I approach this question, so far as the problem which confronts the committee at this time is concerned, somewhat differently than the previous speakers. I think that it must be admitted or assumed that the sentiment of the country is overwhelmingly in favor of the suppression of child labor, irrespective of the route by which individuals may believe we should proceed. I think there is no serious dissent to the proposition that the child-labor menace must be controlled. Then comes the question of how that result shall be achieved.

Congress has spoken twice upon the subject, both times by overwhelming majorities, and I think in each case the decision of Congress was approved generally by the people of the United States. In other words, there is a disposition both in Congress and throughout the country to recognize that we have here a Federal problem. Some gentlemen will dissent from the wisdom of that decision, but it seems to me perfectly clear that both in Congress and out of Congress there is in the child-labor problem a really and truly Federal problem. Each time that we have legislated we have sought to invoke the powers of Congress under the two different clauses of the Constitution with which you are familiar. Each time cases have gone to the Supreme Court of the United States, and after a very considerable delay the Supreme Court has declared that the action of Congress was outside its powers. In all it has taken some six or seven years for Congress to make these two experiments only to learn that each experiment was beyond its powers to make. So that we are exactly where we started from 10 or 15 years ago when the question of congressional legislation on the subject was first broached.

Now, assuming that the country thinks that this presents a Federal problem and assuming that Congress has done all it possibly could, but in vain, to work out the problem through congressional legislation, the only thing left is a constitutional amendment. Now, gentlemen, I am as much opposed as any member of this committee can be to tinkering with the Constitution; nevertheless, sometimes we all agree that a constitutional amendment is proper. It is a matter of judgment as to whether it shall be deemed proper in this case or not. My own view is that it is proper because of the far-reaching consequences to the generations to come.

That this situation as to child labor shall be as effectively controlled as possible, I have a resolution upon this subject which I should like to have printed with my remarks. I will not burden the committee by reading it. It is House Resolution 32. It provides for a constitutional amendment simply because we have gone as far as we can to find a remedy through a statute. I should personally welcome the prediction that there were still some statutory way of working out this problem.

So far as I am concerned, I do not expect that Congress will legislate up to the full authority contained in that language. I doubt if it would be at all wise in the immediate future for Congress to go as far as that language would permit; but, as I said a moment ago and as a majority of the members of the committee also feel, I do not believe in constantly nibbling at the Constitution. I think we want to go as far this time as advancing public sentiment may ever insist that we shall go. Therefore I propose a very liberal maximum, both as regards the general legislation for women and as regards the age at which a person shall cease to be a minor.

Mr. JOST. Mr. Speaker, under general leave heretofore granted I shall place of record an explanation of my vote in favor of H. J. Res. 184, proposing an amendment to the Constitution which if passed by the Senate and adopted by the States will clothe Congress with power to regulate and prohibit the labor of all persons under the age of 18.

I had thought myself wholeheartedly and unreservedly in favor of such a proposal—though not in the sweeping language of the instant resolution—until I heard the several arguments on the floor against it. Particularly was I impressed by the logical and eloquent plea of the gentleman from Texas [Mr. SUMNERS]. But the people of my district are undoubtedly overwhelmingly for this proposition, and I had passed my word in this the only instance that I have committed myself in advance of my vote. In fairness I should say I voted for every amendment offered—that is, I joined with those who sought to limit the proposal to persons under 16 employed in factories, mines, and hazardous occupations. I salved my conscience with the thought that after all the vote merely submitted the matter to the States, and that if it be wrong the States may be depended upon to reject it—not a very creditable excuse, since the responsibility of initiating amendments to the Federal Constitution is, or ought to be, something more than a mere formality.

In passing it may with propriety be asked if a Representative has the moral right to deliberately vote against what he knows to be the overwhelming desire of the people of his district? My judgment is that on general legislative matters he should apply his judgment and vote his independent convictions in the light of all the information he can acquire on the subject up to the time of his vote. In respect to the instant resolution involving preliminary instead of final action, and concerning which the people of my district desire an opportunity to express themselves, I felt it to be my duty to respect their wishes and therefore cast my vote accordingly. Nevertheless, this vote of mine troubles me much. I am not sure it is altogether wrong; neither am I at all sure it is altogether right. I quite agree with the gentleman from Tennessee [Mr. GARRETT], that if the amendment is adopted it will be the most terrific blow dealt to State sovereignty in a half century, but I do not agree with my leader that the welfare of the children of this Nation is a matter of purely local concern. That I conceive to be the fallacy of his wonderful speech. That it is a subject which may be safely left to the States, may be true; but it must be conceded that the Nation at large has a real substantial interest and concern in the matter.

The children of the Nation are its future citizens. From them must come the officers of the Republic, the defenders of the flag, the makers and exponents of its laws. The Nation is and must be concerned that these children grow up strong physically, mentally, and morally. Their development should be uniform. A clean, wholesome, vigorous citizenship lies at the very base of our national existence. Without it the integrity and prosperity of the Republic is imperiled. The power to order the quality of citizenship is no less essential to the perpetuity of the Federal Government than the power to lay taxes. The character of the electors in Oregon and Maine is of common importance, so far as the safety and progress of the Nation is concerned. So the welfare and development of the children of the whole country is not solely a local matter, but a subject of nation-wide interest.

If a single State is delinquent in its obligations in regard to protecting and developing its children, the entire Nation is hurt; but when you arrive at this place it is but a step to

the national assumption of the education and moral improvement of those children. And if that be done, what is there left of State sovereignty? In the language of the distinguished gentleman from Tennessee [Mr. GARRETT], the control of the most delicate and intimate relationships in life will have been passed by the States to the National Government. Still who can prove that it is wrong? If it happens, it will be because the people of the several States wish it so.

Logically, the instant proposal to amend the Federal Constitution is sound. It runs counter only to State pride. Truth is that so far as thrusting governmental inspection into and supervision over private affairs is concerned, it matters little whether it be State or Federal. We are getting plenty of it from both sources. If one government does not get us, the other does. Truth is also that there is and has always been an antagonism between Federal and State sovereignty. Experience has demonstrated that it is as natural for a government to seize and exercise power as it is for humans to breathe. The Federal Government began early. Marshall's doctrine of implied powers enlarged the scope of Federal authority and activity 100 per cent beyond the letter of the national charter. Steadily ever since the States have grown weaker and the Federal Government stronger. Late years the Nation's Constitution has been amended and altered with the ease and frequency of a mere statute, and always to the advantage of the Federal Government and at the expense of the States. Fifty years hence the States will have nothing left to grant; the Central Government will have it all. We are demonstrating that a dual government is not a success. The prestige and importance of the States are being gradually but surely extinguished. The modern agencies of communication and transportation are hastening the result. Pennsylvania talks to and mingles with California; Michigan with Texas. This intimacy melts State lines into nothing. There is no local isolation any more. The Nation is the big entity.

Such ceremonies as occurred in the House last Saturday in relation to the instant resolution is but a chapter in a serial obsequy. The writer by inclination will not again be one of those to carry a torch to light the way, but will hereafter in sadness and humility take his place as a mourner, as becomes a good Democrat.

Mr. THATCHER. Mr. Speaker, I most earnestly favor the submission to the States of the Union, for their action, the proposed child labor amendment to the Federal Constitution. I am in the heartiest accord with the proposition that powers which are already wisely and adequately exercised by the States should not be taken away from the States and lodged in the Federal Government, but where the States fail or refuse thus to exercise the powers which are inherently theirs, and where such failure and refusal persist year after year, in consequence of which tragic injustice results, I believe that there should be utilized the constitutional remedy for such a situation. Touching this great question of child welfare it is true that, as the matter now stands, the States have the sole power—as held by the United States Supreme Court—to deal therewith.

This very power carries with it a paramount duty; and that duty is to enact and to enforce humane and adequate laws regulating the employment of child labor. To the extent that any of the States have failed to discharge this duty, they have been grossly derelict. Power carries with it obligation, and if obligation is not met in a sufficient way, there inevitably results, in any land of freedom, the attempt to find a remedy. If any of our States, for any cause, whether that of indifference or that of compliance with the demands of selfish interests, fail to keep step in the march of progress by the enactment and enforcement of wise and humane legislation for the benefit of the common weal, then all of our States should have the opportunity to determine, in the way provided by the Federal Constitution, whether this unfortunate condition shall continue. It is a physical law that the long-continued nonuse of any member of the animal body will result in the decay and atrophy of that member. In analogy, where our individual States fail to exercise their inherent powers to correct grave abuses which persist within their jurisdictions, such powers are likely to undergo what might be termed the processes of legislative atrophy. The great body of our people wish wrongs righted and abuses remedied, and if those who now have the power to act in the interests of the public welfare fail or refuse to do so, the people will turn in another direction for relief. They will not be deterred or turned aside by pleasing and interesting discussions of academic questions. They desire results, and nothing less will satisfy them.

While it is true that many of our States have wise and humane laws governing the employment of children, there are others which have no such laws; or else laws which are grossly inadequate. There have been years of agitation on this subject, and these backward-looking States have had ample notice of what would likely result if they refused to respond to the demand for the enactment of adequate child-labor legislation. If they refuse to employ the talents confided to their care, it is inevitable that they stand in danger of losing those talents.

There is no merit in the argument that favorable action by the Congress on the pending measure will mean the overthrow of the rights of the States. There was written into the original body of the Federal Constitution the provisions of Article V, providing that whenever the Congress shall deem it necessary so to do it may, by two-thirds vote of both Houses, propose amendments to the Constitution, which, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, shall become effective parts of the Constitution. Thus, in Article V, the States, at the very foundation of the Federal Government, provided for amendment to the Constitution, and provided the formula by which such amendment could be made. From time to time, under the provisions of this article, constitutional amendments have been proposed and adopted; and under the same provisions we are now undertaking to proceed as regards the proposed child labor amendment. At the time of the adoption of the Constitution the States could have closed the door concerning amendments to that instrument, but the States, looking to the growth and expansion of the Nation, wisely provided the means whereby amendments might be made.

Is was recognized then, as it should be recognized now, that in matters of national import and gravity, times would come and conditions would arise when it would be wise and necessary for the States to confer upon the Federal Government the power to enact and execute laws which would affect the Nation as a whole. Hence, in the pending measure no attempt is being made to destroy the sovereignty of the States, but, on the other hand, the exact method of procedure prescribed by the States themselves in the adoption of Article V, is being followed.

It is manifestly unjust to those States which have humane and adequate child labor laws for other States to refuse to enact such laws and to permit the employment of child labor, and therefore cheap labor, in competition with the industries of those States which have appropriate child labor laws. This is one of the phases of the economic situation involved; but infinitely greater than this phase is that of the welfare of the children themselves in the States where child labor is not properly regulated. Against the abstract arguments advanced by the opponents of this measure are presented the concrete arguments in favor of child welfare by the measure's proponents. Above the noise of academic discussions concerning the "inviolable rights" of the States, in opposition to the proposed amendment, there ring, in its behalf, the distressed cries of the children of the land for protection. The wrong exists, and has existed, in greater or lesser degree, through all the years of our national history. At last the time has come when the people of America will be no longer misled by specious arguments.

They demand a remedy, and they will find it in the way provided by the Constitution itself, and in this work the constitutional majority of the States, as prescribed by the Constitution, will assist. If and when enacted, the proposed amendment will only give to Congress the right to legislate upon the subject of child welfare. The precise terms of such legislation must be determined when Congress is clothed with the suggested power, and the best thought and judgment of the Nation shall indicate what is needed.

The arguments in favor of the proposed amendment might be elaborated and extended, but this is unnecessary.

The House by the requisite two-thirds majority favors the submission of the proposed amendment, and the overwhelming sentiment of the people of the Nation at large favors the amendment itself. The great humanitarian and public-welfare agencies of the country are practically a unit in urging its adoption, and the press of the country, in its substantial majority and influence, also favors it.

Referring to the press, I take the liberty of including here as a part of what I have to say upon the subject, the following apt and able editorial utterances appearing in the Louisville Herald on the respective dates, April 2 and April 10, 1924:

THEY CAN NOT PROTECT THEMSELVES

The House Judiciary Committee has formally reported the constitutional amendment providing for congressional regulation of labor by children under 18 years of age. It seems that both majority and minority reports were submitted.

We confess that we could be just as happy if some more expeditious method could be devised to bring about a reform so evidently needed. The opponents of such a measure are people with whom our sympathies are very slight. There is first of all the class of old-fashioned folk who will tell you that children are much better off in factories than running around the streets. They would like to have you believe that these are the alternatives which have to be considered. Now, we are much of a mind that there are not very many children running loose on the streets except those of a very tender age and those on the extreme verge of the proposed limitation. Moreover, for all that factory conditions are vastly better than they were years ago there can not be many who are honestly satisfied that the best place to bring up a child is the factory, the shop. Child labor, in the past or in the present, is wanted only by those who know that child labor is at once docile and cheap, that the child will stand for a gradual but an inescapable adding to the burdens put upon it; these are fortified by the consideration that the cry of the children is always unorganized and too frequently not loud enough to be heard. We have known really charitable folk who deluded themselves with the idea that child labor was kindly, and refused to be shown that it stunted and crippled and made a slave of the child.

It is all very well to be indignant with legal impediments. But they are not to be gotten rid of that way, and it is deplorable that American legal machinery can be invoked and is invoked to keep the child a prisoner and to make of his labor a marketable chattel.

We suppose that the constitutional amendment is the one way out, and we dare say those who signed the minority report are the nicest kind of people—with children of their own they would on no account send out to work at a tender age. But, Lord! what a tedious process it is and what a depressing commentary on our vaunted Christian civilization.

Does it not seem as though we could be by no means persuaded to do justice by the child unless under compulsion?

SAVING THE CHILD

Ahead goes the movement for a constitutional amendment that would permit Uncle Sam to abolish child labor all over the country.

Its opponents are harping away as hard as ever and have not changed their arguments—chief of which is that the regulation of child labor is a right of the individual States.

States, however, also have duties as well as rights. And when they fail to meet their duties the National Government should be able to step in and compel them.

Mr. WEFALD. Mr. Speaker, I wish to avail myself of the privilege that undoubtedly will be granted all Members to extend their remarks in the RECORD upon the child labor amendment. I do this for the reason that I will be unavoidably absent when the discussion will be going on and when the vote is taken. I have arranged with my colleague from Minnesota [Mr. KVALE] to announce that if I had been present I should have voted "aye." I am for this resolution and regret exceedingly that I can not be present to vote, although I am sure that the resolution will pass with a big majority.

Surely many fine things will be said in this debate. Childhood spent in surroundings of love and happiness is the nearest counterpart to heaven we have on earth, and childhood blasted in poverty, want, and misery is life's greatest tragedy. Neither in luxury nor in poverty lies the happiness of childhood, but in the proper balance of instruction, work, and play. But, above all, childhood's happiness is to be found in the full and undivided possession of mother's love, in that never failing sympathy and understanding that it only can find at mother's heart.

For that reason neither the mother nor the child should be a slave; childhood should be rounded into youth only on the basis of health, intelligence, happiness, and high ideals that only can grow out of social conditions that make life livable for both mother and child. Such a social condition is the aim of this resolution; the mother and child shall not compete with each other in the fields of industry and take the bread out of each other's mouth.

Childhood spent in happiness is the wellspring out of which in later life flows peace of mind, faith, hope, charity—all these have their roots in the child heart—and that communion with God without which life has no real meaning.

It matters not how long and hard life's road is to travel and how deep the evening shadows, childhood is that glow of morning that lingers forever upon the distant hills that can cheer the heart, even though the winds of adversity would seem to chill the very soul.

Childhood, Mr. Speaker, is that part of our life and its deeds that were our labors, our attainments, our victories, our passions, our love, our charity, our sacrifices, thrown into the crucible in which God tests our life to assay its worth, what childhood was to us and what it gave us, in most of us, would be the only pure gold that He would find.

Blessed is the morning of life called childhood. It was God's kiss to man through all the ages; it is intimately related with sunrise, with rainbow, with budding flowers, with bird song, with babbling brooks, with summer showers, with swimming hole, with everything, the memory of which in after years grips your heart so it brings a lump in your throat and a tear of joy to your eye when you think of it.

A thousand leagues of rest, never to be forgotten, that sweet but swift-footing period of life called childhood—crimson glow of sunset on distant hills, fairy tales and adventure beyond them, slumber and peace and communion with God under the twinkling stars while the chariot of the day is racing along over other lands and climes till break of day next morning.

I believe that every child in the land is entitled to the joys of childhood, to the fullest development of body, mind, and soul in youth that it may step out into the world a fit man or woman with pleasant memories, with high ideals, with joy of life, with courage, with strength to take up its work as a useful citizen when it steps over the threshold of youth out into the workday of life.

For that reason I am for this resolution.

I want to bring some of the joys of life's springtime to the more than 1,000,000 children—boys and girls between 10 and 15 years of age—that labor and toil in the grim prisons of industry and from the sweltering sun of the fields, where they labor and toil unceasingly and beyond their years; I want to take the 6,000 children working in coal mines and bring them out into the light of day. I want to bring them to school; I want to show them the world and the wonderful things in it as it all rises from the pages of the books. I want them to know that God made this earth so big and so fruitful that He endowed man with brains and inventive genius, so that there is more than enough of food and clothes and all the good things of life to supply every child by the labor of the hands of mature men and women.

I want to take all these children out of competition with their fathers and mothers; I want to give work to every idle person of adult age, if any there be idle.

I maintain that our standard of living will be raised to a much higher level with child labor abolished.

I claim that every child born into this world is entitled to a home, to a mother's care, to play, to rest, to education and a foundation of good morals. I claim that rearing our children in such a manner will in the long run be the best investment for the State. The more homes we build, the more children we educate and treat like human beings, the less jails we need, the less insane asylums, the smaller poorhouses and poor budgets, and in the end the less taxes to be levied; for the better equipped to make a living and the greater knowledge the youth has of the duties of citizenship when he or she steps out into life, the less complex will be the problems of government.

Only one class of people are opposed to the passage of this amendment to the Constitution; that is the class that coins the tears and blood of children into the coin of the realm. These people have no heart, no soul; few are they who will speak for them in this House.

A few will speak against the resolution and claim that it will violate the Constitution, but on this score even the lawyers will disagree.

That great immortal, Mr. Speaker, that made the Constitution a living thing, Abraham Lincoln, said that the heart of the Constitution is that phrase in the Declaration of Independence that says that there shall be guaranteed to everybody "life, liberty, and the pursuit of happiness." Of these, the "pursuit of happiness" is the greatest privilege, for life would be useless without it, and liberty without it would be a hollow phrase.

We here intend to bestow all these three blessings upon the children of our land. Who can enjoy them more?

When we pass this resolution we bring the dreams of the forefathers much nearer to realization than many will imagine. We abolished chattel slavery after a bloody conflict that shook the world; to-day we take a step toward the abolishment of the industrial slavery of childhood, but we trail along behind second-rate nations in the performance of this noble deed.

Those who fear that children, if this resolution becomes a law, will grow up without tasting the sweet and stimulating wine of labor are badly mistaken. There ought to be the right relation between labor, play, and instruction. All that we say in this constitutional amendment is that the child shall no longer be a slave of labor.

It will not at once abolish child slavery, but it will no longer legalize it; it will outlaw it in time. There will get for a while be children that will taste little of the sweets of childhood,

but eventually there will be more of sunshine and less of tears.

There will yet be boys and girls that from a bleak and barren childhood will rise to power and fame by sheer force of will through hard labor learned in childhood, through sacrifices and hardships, but they are the few exceptions. If the door of opportunity is bolted and barred for them they kick it in. But the majority must needs be given the key to unlock it—that key is knowledge.

To that end the protecting arm of the State must be thrown around them, around the mother and the home; there must be an open road to the school from the home.

While the passage of this constitutional amendment will not affect my child, I feel that I am my brother's keeper.

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, the question before the House as to whether or not we should submit to the States the amendment conferring power on the Federal Government to regulate the employment of children in industry should, in my opinion, pass this House unanimously.

The children of the Nation are our greatest asset, and nothing should be left undone by us to enable them to carry on after we lay down the reins and pass on.

The Congress has already passed statutes endeavoring to bring about the control of the labor of children in industry. Unfortunately, however, these statutes did not bear the test of the interpretation of the law by the Supreme Court of the United States. For this reason the proposed amendment to the Constitution is now before us.

In reading the various data giving information as to the labor of children in industry in the various States we are constrained to admit that, in order to preserve the children of the Nation and yet, on the other hand, not to work any injustice against the employers, a uniform law covering all the States should be passed.

In the State of New York many years ago we had our own problem relative to children engaged in industry, but happily we settled it several years ago in a most satisfactory manner.

I believe that it will be in the public interest for the States to give Congress power to enact laws for the protection of the minor children of the country.

There is no doubt that the States will ratify the proposed amendment, and we, therefore, should speed it along with all possible alacrity.

We are told that in giving this additional grant of power to Congress we are taking away some of the rights of the States. Personally, I do not believe that we are doing this. Assuming, however, that the amendment did in a measure encroach upon State rights. I ask the question, What is the value of State rights in comparison with the preservation of the lives of our children? I believe that an industry that is dependent for its success upon the labor of children should deserve to fail, because the price is too great to sacrifice the lifeblood of the children of our country for the sake of successful industrial enterprise.

The tendency of the times is to enact legislation beneficial to children. Most of the European nations have adopted legislation of this kind and they are constantly increasing the minimum age for employment in industrial undertakings. Even Russia has a minimum age of 16 years for the employment of children.

Let us pass this amendment and give life and hope to the thousands and thousands of little children working in the mines, mills, factories, and mercantile establishments of this country. The greatness of our country has sprung from a united, a contented, and a happy people. We, to-day, are but the custodians of the rights and liberties of our country which we must pass on untarnished and unsullied to our children. When the time comes for them to assume the responsibilities of government and the guardianship of our priceless heritage of liberty we want them to be strong, virile, intelligent, and competent to carry the great burden of responsibility.

If we of this day and generation condemn these children to the servitude of the mine, mill, factory, or mercantile establishment they will not be either physically or mentally able to carry on. Let us then emancipate the children of our country in order that those great gifts which the fathers have handed to us and are being preserved by us may be perpetuated by the happy childhood of America.

Mr. LOZIER. Mr. Speaker, I have listened attentively to the very able and interesting arguments in support of and in opposition to the pending resolution for the submission of an amendment vesting in Congress the authority to prohibit or regulate child labor.

I have been particularly impressed by the logical and persuasive argument of my two friends from Virginia [Mr. TUCKER and Mr. MONTAGUE]. For their great versatility, learning, and lofty patriotism I have a profound respect. I appreciate their point of view and believe their opposition to this resolution is inspired by a commendable devotion to our Constitution, which is and I hope always will be the bulwark of our free institutions. But I can not bring myself to their way of thinking. I can not follow them and others who oppose this resolution. I can not understand in what way any ill effects will result from the adoption of the proposed constitutional amendment. On the other hand, I believe that much good will inevitably result from incorporating the pending provision in our Federal Constitution.

I may say in the beginning that I am as much opposed as anyone to the creation of new and unnecessary bureaus and commissions, and I favor an economic administration of our Federal, State, and municipal governments. In principle, I am opposed to the Federal Government assuming jurisdiction over matters local in their character. I concede that the proposed amendment seeks to invest the Federal Government with the power to regulate a matter that the States could, if they would, regulate. But a number of the States have persistently failed and deliberately refused to legislate efficiently on this very vital question of child labor. Some of the States have in good faith enacted comprehensive and wholesome laws dealing with the abuses incident to child labor, while many of the other States have enacted no effective remedial legislation for the protection of child workers from the greedy exploitations of selfish industrialism.

Then again there is no uniformity in the legislation by the several States on the subject of child labor. The enactment of child labor laws in some States and the absence of such legislation in other States unsettles industrial, economic, and wage conditions, influences cost of production, and in a sense affects competition. In many of the States practically no provision has been made to protect children from excessive hours of labor and unwholesome working conditions. Because the States have signally failed to exercise their constitutional functions in the enactment and enforcement of adequate child labor laws, it has, in my opinion, become imperative for Congress to act. The States can not logically claim the exclusive right to regulate child labor, unless they exercise that right and do something to remedy existing conditions.

I believe, Mr. Speaker, that each generation owes a duty to the children it brings into existence. The boy or girl who is born has certain claims on the mature men and women then living, which claims should not be ignored. Children have the natural right to be properly nourished, educated, and developed physically, mentally, morally, and I may add spiritually. We have no right to exploit helpless childhood. We have no right to overwork young boys and girls in their growing period to such an extent as to permanently impair their future health and strength. When boys and girls reach the adult period they should not be prematurely old. The Creator intended that helpless childhood should have the care, protection, and guidance of those who are older. Under our highly developed system of industrialism childhood in many localities is being exploited. The health of many boys and girls working in factories, shops, and mines is being permanently impaired. This is a crime against helpless and unprotected childhood. It is a crime against society.

The pending resolution is not a statute, but only an enabling act. It does not pretend to fix the hours of labor or determine the age at which children may lawfully be employed in this or that occupation. It does not define the classes or occupations in which the labor of boys or girls may be regulated. The amendment merely confers on Congress the right to enact such regulations and remedial legislation as may be found expedient and necessary to correct the existing abuses and to protect helpless childhood from ruthless exploitation.

Congress has heretofore enacted laws designed to regulate child labor in mills, shops, and factories, but our Supreme Court has held those laws unconstitutional, and as a result, in some instances, child workers have practically no protection and are being exploited to satisfy the greed of conscienceless manufacturers.

I am, therefore, constrained to vote for the pending resolution. Its purpose is to remedy conditions which the several States could have cured, but have failed to remedy. Unless this amendment is ratified and unless Congress enacts laws to correct these abuses and to protect helpless childhood in factories, shops, and mills, the physical and mental vigor of the children of this generation will be materially and permanently impaired. This condition would obviously be transmitted to succeeding generations.

I have no fear that any Congress will ever enact any legislation prohibiting or controlling child labor on the farms or

in the homes. Most of the labor performed by children on the farms or in the homes is under the immediate supervision of parents, who naturally have at heart the welfare and best interest of the children. Child labor laws were and are intended primarily to correct abuses and improve working conditions in factories, shops, and mills in the industrial districts, and in the great centers of population and commerce. No one has every contended that the power to regulate child labor should be extended to the farm or home.

As I have stated, the primary object of labor legislation is to correct and prevent abuses and ameliorate the conditions of persons engaged in labor in occupations involving unusual moral and physical hazards. Modern capitalism and the growth of the modern factory system furnish the motive for exploiting child labor, even at the expense of public health, safety, and welfare. The greedy operator, by overworking children, is able to reduce the cost of production, which, of course, means additional profits.

It may not be amiss to refer briefly to the history of child labor legislation. Great Britain was the pioneer in modern labor legislation. In 1802 the British Parliament passed what was known as the "health and morals" act, which prohibited the employment of children under 9 years of age, restricted the working hours of children to 12 hours a day, required improvement in sanitary conditions, and made provision for the education of children in the course of their employment. But the country was not ready for this legislation, and it was not enforced.

Parliament passed a similar act in 1819, which, like the preceding act, was not enforced. In 1833 the British Parliament enacted a comprehensive factory law applicable to all textile establishments. It provided for inspections by a trained group of competent men. The employment of children under 9 years of age was prohibited. Children between 9 and 13 years of age might work 9 hours a day or not to exceed 48 hours a week. Persons between 13 and 18 years of age might be employed 12 hours a day or not to exceed 60 hours a week. By this act night work was entirely prohibited and provision was made for the schooling of the children employed in factories. An amendatory act was passed by Parliament in 1844 which extended protection to women. The act of 1847 established a 10-hour day for women and children. In 1878 the factory consolidation act was passed, which materially strengthened all provisions for the protection of working men and children. In 1901 the law was amended so as to prohibit employment of children under 11 years of age. Night work and Sunday labor for women and children were prohibited.

In Germany the first important labor legislation was enacted in 1839 in Prussia. It imposed restriction on the hours of women and children. Labor by children under 9 years of age was prohibited. The working day of children under 16 years was limited to 10 hours. This law was a failure and was never enforced. In 1853 a new law was enacted raising the age to 12 years and restricting the hours of labor for children under 14 to 6 hours. This act also required that the children be accorded certain educational opportunities. Like the previous labor laws, this act was not enforced. In 1869 the "industrial code" was enacted, but was not vigorously enforced. The rapid growth of industrialism accentuated the demand for rigid factory legislation, and in 1878 factory inspection was made compulsory. In 1891 a uniform code was made applicable throughout the German Empire. Under this act children under 13 years of age could not be employed in factories and those above 13 could work only if they had received a primary education. This code also regulated the employment of women and children under 16 years and prohibited night work.

There was no labor legislation in France prior to 1841, when a law was enacted prohibiting the employment of children in factories under 8 years of age. Children between 8 and 12 years might work 8 hours a day. From 12 to 16 years, not to exceed 12 hours per day. This law was not enforced and remained a dead letter until 1874, when new legislation was enacted limiting the age of child workers to 12 years. This act permitted children from 12 to 16 years of age to work 12 hours per day. Night work for children was prohibited, as was also night work for women under 21 years. In 1900 the law was amended so as to limit the day's labor to 10 hours in factories where women and children were employed.

The first factory legislation in Austria was in 1853, but the provisions relating to child labor were not enforced. In 1907 the industrial code was enacted prohibiting the employment of children under 12 years of age. Children from 12 to 14 years might work not to exceed 8 hours per day.

Some of the cantons of Switzerland attempted to regulate child labor near the middle of the nineteenth century, but without any substantial results. In 1877 Switzerland enacted laws regulating the employment and labor of children, but these laws were not enforced. In 1914 Switzerland enacted an industrial code by which children under 14 were not to be employed in factories. Children from 14 to 16 might be employed for not more than 10 hours a day.

The first factory legislation in Belgium was in 1813, but the law was a dead letter until 1859, when industrial courts were established to supervise the employment of children in factories and to correct abuses incident to child labor. The first factory legislation in Holland was in 1874; in Norway, 1872; and the basic labor laws in Sweden and Denmark were enacted in 1901.

As I have stated, many of these laws were not enforced, but their enactment evidenced a recognition on the part of the law-making bodies that legislation was necessary to protect child laborers, and also shows a disposition to correct abuses and protect children from the selfish exploitation of factory owners.

In the United States our labor laws have passed through several periods of evolution. The growth of industrialism in the United States has been so rapid that in many communities children have been wrongfully exploited by greedy factory owners. These abuses have created a nation-wide sentiment in favor of legislation for the protection of child workers. This Congress is now taking notice of this sentiment and has proposed this amendment to the Constitution, which, in my opinion, will meet the situation and correct existing abuses.

In the United States the first child labor law was enacted in Massachusetts in 1842. It limited to 10 hours the labor of children under 12 years of age in manufacturing establishments. In the same year Connecticut enacted a 10-hour law for children under 14 in cotton and woolen mills. Similar laws were enacted in New Hampshire in 1846; Pennsylvania, 1848; Maine, 1848; New Jersey, 1851; Ohio, 1852; and Rhode Island, 1853. There was no uniformity in the provisions of these statutes and none of them were vigorously enforced. Some of them permitted the employment of children under the statutory age if the parent or guardian gave written consent of such employment. Discussing this provision, Horace Greeley, in an editorial in the New York Tribune, on August 11, 1847, said:

> Why should the consent of the parent or guardian of such minor be allowed to overrule the demands of justice, humanity, and the public weal? We believe nothing else than a peremptory prohibition of the employment of minors for more than 10 hours per day, without regard to the consent of parents or guardians, will affect much if anything. Still we are willing to see a trial made even of this milk-and-water enactment.

Since the Civil War many other States have adopted child-labor legislation, but, as I have heretofore stated, there is no uniformity in these statutes and their enforcement has been nominal.

The interest of society demands the safeguarding of childhood and the regulation of child labor, especially in factories, mills, and shops. There can be no question as to the power of States to regulate or prohibit child labor, and this proposed amendment, if adopted, will vest Congress with ample power to correct existing abuses. This is in furtherance of a wholesome public policy. In a sense all minors are wards of the State. It is the duty of the Government to protect these wards while they are helpless by limiting their working hours and by prohibiting their employment under certain ages or under conditions involving unusual moral or physical hazards.

There is a widespread demand throughout our Nation for the submission of this child-labor amendment to the Constitution. The question has been uppermost in the public mind for many years. It has been freely discussed, and the American people have been educated on the question to such an extent that they now know whether or not they want this provision to become a part of our organic law. The people have a right to vote upon this amendment, and I, for one, shall vote to submit it to the States for ratification.

Mr. MORROW. Mr. Speaker, under leave heretofore granted I shall attempt to give my views briefly upon this important subject.

This legislation has for its purpose the control and restriction of labor of persons under the age of 18 years. Although quite sweeping in its attempt to control the regulations as to what labor shall be performed by persons under this age, in my opinion it has gone a trifle too far in fixing the age limit in the proposed amendment. Nearly all States have enacted legislation upon this subject, and some States have seen fit to reach the age limit of 18 years.

In enacting legislation of this character those who are really enthusiastic in its behalf should not be carried away with an age limit too high. The States have in the greater number agreed that the limit should not exceed 16 years.

It should be the purpose of legislation of this kind to restrict the exploiting of children in all classes of labor that tend to prevent natural growth, both mentally and physically, to the end that the standard of our future men and women may be developed as far as is possible to assist mental and physical perfection.

The tendency to employ both boys and girls in work that retards development should be checked by national legislation.

It is also true that most of the States of the Union have solved this problem by appropriate and proper legislation. When this solution is satisfactory and the results appear to be in accord with the best principles of established government the Federal regulation ought not to disturb the State regulation and, in my opinion, ought to be enacted more in accord with the standard in States, except when that is too low, and to lower it in States that are too high; in other words, there should be a uniform law in each State as to the age limit, and the same age should be enacted by the Federal Government, and, in my humble opinion, the age limit of 16 years is plenty high at this period of our history.

The proper class of work, according to the physical or mental condition of the American child, can do no harm if the child's moral and educational opportunities are not permitted to be neglected.

That class of work that deprives the boy or girl of good, pure air and sunlight, and where the hours of labor are too long, the work too arduous in character, should be regulated by proper national legislation.

Many are inclined to go too far and advocate that only the merest possible effort in behalf of labor should be performed by children until they reach physical development. This view is too extreme and can not be supported by our thoughtful people.

The rule that most of our physical instructors outline to follow in child development is regular hours of labor and regular hours of recreation in order to build and preserve both body and mind.

The whole principle upon which this legislation should be enacted is with the theory that we educate our citizenship to that idea of permitting childhood to follow in their hours of labor those pursuits that tend to assist mind and body to grow and develop, to the end that our future men and women shall be improved mentally and physically. It is not so much that the American child is overworked as it is that certain localities of the Nation deprive the child of equal opportunity by means of exploiting and employing the labor under wrong conditions and under very adverse circumstances for both moral and physical development.

The American citizen must never advocate taking people, whether those under the tender years or those above the age, away from labor; but instead it behooves every citizen whether he be a lawmaker or one interested in the welfare of his or her country to advocate proper labor for all.

The class of labor that tends to check opportunity for proper development of children under 16 years of age should be prohibited by proper law enactment, by both State and Nation, where this labor carries the boy or girl into undesirable employment, such as factories or mines. This class of labor and the environment is not as a rule such that will build the youth or equip them for the best possible results in behalf of their Government and their own well-being.

With this national legislation in behalf of restriction against certain classes of labor should also come the question of national educational requirements, that boys and girls be compelled to attend the public schools or other schools until they reach the age of 16 years. The compulsory school age limit of 14 years in most States is entirely too low. If national legislation is needed to regulate the age of working, it is indeed equally necessary that the educational age limit of school attendance be also firmly established.

The entire theory concerning child welfare is the stirring of the people of the Nation not against child labor, but proper labor under proper age and proper conditions; also, do not overlook educational development and a higher age limit of compulsory school attendance. The mental and physical well-being of our future citizenship should be our aim, keeping in mind at all times that reasonable labor for all our citizens is right and proper. Let us not get the theory that we need the idle, indolent citizen in this Republic. What is needed is energy, ambition, and effort; the opportunity is open to-day, as great in many lines as it was in the early history of Government. The people need less law but stricter enforcement, respect, and observance of the same.

Mr. SABATH. Mr. Speaker, it was indeed amazing to me to listen to some of the leaders of this House arguing so vehemently for the preservation of State rights and denouncing the tendency of this legislation and against the continuous encroachment upon the rights of States and against the dangers of centralized form of government. They indeed ought to be congratulated upon the strong pleas they have made in defense of the State rights and against the continuous encroachment upon the rights and powers of States. I, in a measure, sympathize with many of them and agree that there is grave danger in the policy which is being pursued. I, myself, several times, and especially when the prohibition resolution was before the House, not as eloquently, but as strongly as my ability permitted, pointed out these dangers. At that time I called attention not only to the dangerous precedent that we were establishing, but also that by the resolution we were violating the Constitution of the United States. I remember that at the time at least a dozen of the gentlemen who are now attacking this resolution were not concerned so much in the rights of the respective States as they appear to be to-day. Not only did they vote for the resolution, but they talked in favor of it.

These gentlemen then based their arguments on the theory that the Government has the right, yes, that it is the duty of our Government to protect those who can not protect themselves. Consequently, if there is anyone who needs the protection of the Federal Government, according to my view, it is the minor child, upon whom the future of our Republic rests, and though I still believe that the States should not be deprived of their rights I feel, in view of the Supreme Court decision, that I am justified, yes, that the Congress is justified, in voting favorably for this resolution, because I know it is not intended to prohibit but to regulate.

If the resolution is adopted and submitted to the respective States and two-thirds of the States will vote favorably, it will add another amendment to our Constitution, and not until then will Congress have the power to legislate on the child-labor question. I take it that Congress may reenact the child labor law which has been declared unconstitutional by the Supreme Court. Surely no one can rightfully contend that it will deprive any State of the power to legislate and adopt its own laws relative to the employment of children under the age of 16—the age which I believe should have been inserted in lieu of 18 in the resolution.

The contention that it will deprive the parents of the control of their children is not entitled to any weight, as that argument would apply to every State child labor law now in force or that might be enacted by any State.

A large number of Members maintain that it is unnecessary for Congress to act because their States have adopted or are about to adopt splendid child labor laws. To those Members I wish to say: If any State has already on its statute books a child labor law that will safeguard the children of their States from hazardous occupations or from unreasonable long hours of employment, or any other State which will adopt such laws, I am confident they will not be affected by any legislation enacted by Congress, because I feel that Congress will, if the amendment is adopted, enact a sane and sound law that may not be as far-reaching as the laws of some States. However, it may affect some States which are indifferent to the welfare of their children and whose legislatures may be controlled by interests who have been exploiting children of tender years, whose Representatives in Congress and in their legislatures were too preoccupied with prohibition legislation, applicable to the adults of their States and the United States. They were too busy in enacting legislation depriving the citizens of their States and the United States of privileges and personal rights guaranteed them by the Constitution, and consequently had not sufficient time for child-labor legislation and failed to enact laws for the protection of the young and feeble children of their respective States. It is because of their misdirected efforts that no suitable legislation, conceded even by them, has received that consideration to which it is entitled.

This neglect on the part of many States to do their duty justifies Congress to act favorably on this proposed amendment. I concede that there is a great deal of justification on the part of some States in refusing to enact legislation, and their reasoning can not be ignored when they argue that if child labor be prohibited in their State and not in the adjoining State that they would be at a disadvantage and could not compete with States where child labor is permitted. Consequently a uniform child labor law is bound to eliminate these advantages and disadvantages as well as all the excuses that have been heretofore given.

So far I have not heard anyone on the floor of the House pointing out the disadvantages or the harm that occurred during the operation of the Federal child labor law; but, on the other hand, I have read the reports of various child-labor commissioners who all are in accord that before the Supreme Court declared the law unconstitutional it was helpful and beneficial; that it aided in the enforcement of their respective State laws, and at the same time it reduced the employment of a large number of children of tender years from hazardous and health-affecting employments. If there ever was a justification for Federal legislation, I think it is in this case.

Since the Supreme Court declared the child labor law unconstitutional the number of children at work in factories and on farms has increased amazingly.

In 11 cities the number of working children has increased 57 per cent; in 14 other cities, 24 per cent; in 5, 100 per cent; and in some it has increased 800 per cent. In Waterbury, Conn., in 1923 the number of working papers issued to children was eight times greater than in 1922. In Manchester, N. H., there are at present more than five times as many children working as last year.

Working on the farms tends to deform very young children, since they must maintain a stooping position all day. Nevertheless in two counties in the State of Colorado alone almost 1,400 children between the ages of 6 and 16 are working on farms.

In the coal mines of Pennsylvania boys aged 13 and 14 years labor every workday in the week. In Louisiana in the oyster and crab canning factories the conditions are still worse. There children between the ages of 8 and 12 work from 6 o'clock in the morning until 10 at night, or about 16 hours daily.

In North Carolina the cotton mills employ 12-year-old boys, while girls and boys 14 years of age are employed for 11 hours a day. I have read from a dependable report that in the factories of Georgia 12-year-old children work 60 hours a week, and that the law of that State allows children above 14 years to work on all-night shifts. It is indeed strange that a State that is so vitally interested in protecting its adults from partaking of anything stronger than Coca-Cola should be so indifferent to protecting its children.

Child labor is an open sore in the United States. This is probably the only democratic country where that question is so ignored. Although nearly every individual State provides compulsory education for children up to 14 or 16 years of age, these laws are seldom enforced.

Mr. Speaker, it is for these reasons that I am to-day forced to change my position.

SPEAKERS PRO TEMPORE TO PRESIDE TO-MORROW

The SPEAKER. The Chair designates to preside over the memorial exercises to-morrow to commemorate the life, character, and public services of Hon. J. M. C. SMITH, late a Representative from the State of Michigan, Mr. MCLAUGHLIN of Michigan; and to preside over the exercises to commemorate the life, character, and public services of Hon. L. E. SAWYER, late a Representative from the State of Arkansas, Mr. OLDFIELD, of Arkansas.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented bill and resolutions to the President for his approval:

H. R. 3761. An act for the relief of George A. Nickles;

H. J. Res. 247. Joint resolution making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925; and

H. J. Res. 222. Joint resolution granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland.

LEAVE OF ABSENCE

Mr. GIBSON, by unanimous consent, was granted leave of absence, for two days, beginning Monday, April 28, on account of business.

ADJOURNMENT

Mr. SNELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p. m.), the House adjourned, pursuant to the order previously made, until to-morrow, Sunday, April 27, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

446. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a draft of proposed legislation "to authorize reimbursement of the Government of the Philippine Islands for maintaining alien crews prior to April 6, 1917," was taken from the Speaker's table and referred to the Committee on War Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 270. A resolution for the consideration of H. R. 7962, a bill to establish and create a Rent Commission in the District of Columbia; without amendment (Rept. No. 575). Referred to the House Calendar.

Mr. WINTER: Committee on the Public Lands. H. R. 7494. A bill to amend an act creating the Custer State Park game sanctuary in the State of South Dakota; without amendment (Rept. No. 580). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on Rivers and Harbors. H. R. 8914. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; without amendment (Rept. No. 581). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOORE of Ohio: Committee on the Post Office and Post Roads. H. R. 6581. A bill authorizing the Postmaster General to provide emergency mail service in Alaska; with an amendment (Rept. No. 582). Referred to the Committee of the Whole House on the state of the Union.

Mr. McFADDEN: Committee on Banking and Currency. H. R. 8887. A bill to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes; without amendment (Rept. No. 583). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WINTER: Committee on War Claims. S. 1213. An act for the relief of Harold Kernan; without amendment (Rept. No. 576). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. S. 1330. An act for the relief of the estate of Ely N. Sonnenstrahl, deceased; without amendment (Rept. No. 577). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. H. R. 6241. A bill for the relief of Lieut. E. J. McAllister; without amendment (Rept. No. 578). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on War Claims. H. R. 8258. A bill for the relief of Capt. Frank Geere; without amendment (Rept. No. 579). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BURTON: A bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America; to the Committee on Ways and Means.

By Mr. HICKEY: A bill (H. R. 8906) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on the Judiciary.

By Mr. CARTER: A bill (H. R. 8907) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Roads.

By Mr. KING: A bill (H. R. 8908) for the erection of a public building at Galva, Ill., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8909) providing for the extension of the post-office building at Galesburg, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8910) to increase the limit of cost of a new post-office building at Geneseo, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8911) for the erection of a public building at Lewistown, Ill., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8912) for the erection of a public building at Rushville, Ill., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 8913) for the erection of a public building at Abingdon, Ill., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

By Mr. DEMPSEY: A bill (H. R. 8914) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. EDMONDS: A bill (H. R. 8915) to provide for the establishment in the Department of Commerce, Bureau of Navigation, of a division of admeasurements of shipping; to the Committee on the Merchant Marine and Fisheries.

By Mr. GILLETT: A bill (H. R. 8916) to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial, in the city of Washington, to an appropriate point in the State of Virginia, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. GRIEST: A bill (H. R. 8917) to safeguard the distribution and sale of certain dangerous caustic or corrosive acids, alkalies, and other substances in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of Washington: A joint resolution (H. J. Res. 251) to appoint a joint special committee to investigate and recommend changes in the geographical nomenclature of the United States; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GARBER: A bill (H. R. 8918) granting a pension to Lidda J. Clark; to the Committee on Invalid Pensions.

By Mr. JOST: A bill (H. R. 8919) granting an increase of pension to Sarah Waldren; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 8920) for the relief of John M. Wallace; to the Committee on Military Affairs.

By Mr. MANLOVE: A bill (H. R. 8921) granting an increase of pension to Isabella Rickman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8922) granting a pension to Martha Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8923) granting a pension to Annie M. Watson; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 8924) granting a pension to Elisa M. Myers; to the Committee on Invalid Pensions.

By Mr. RAINEY: A bill (H. R. 8925) for a survey by the United States Public Health Service of the Desplaines, Illinois, and Mississippi Rivers; to the Committee on Interstate and Foreign Commerce.

By Mr. STRONG of Pennsylvania: A bill (H. R. 8926) granting an increase of pension to Susan Smitten; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 8927) granting an increase of pension to Louisa Koutner; to the Committee on Invalid Pensions.

By Mr. YOUNG: A bill (H. R. 8928) authorizing the Secretary of War to donate to the city of McClusky, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8929) authorizing the Secretary of War to donate to the city of Bismarck, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8930) authorizing the Secretary of War to donate to the city of Carrington, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8931) authorizing the Secretary of War to donate to the city of Harvey, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8932) authorizing the Secretary of War to donate to the city of Kintyre, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8933) authorizing the Secretary of War to donate to the town of Fessenden, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8934) authorizing the Secretary of War to donate to the city of Valley City, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8935) authorizing the Secretary of War to donate to Jamestown College, of Jamestown, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8936) authorizing the Secretary of War to donate to the Mount Pleasant School District, No. 4, Rolette County, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 8937) authorizing the Secretary of War to donate to the village of Heaton, State of North Dakota, one German cannon or fieldpiece; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2542. By Mr. DARROW: Petition of the Station Forces' Association of the Philadelphia & Reading Railway system, protesting against the Howell-Barkley labor bill; to the Committee on Interstate and Foreign Commerce.

2543. Also, petition of the Clerks' Cooperative Association of the Philadelphia & Reading Railway system, protesting against the Howell-Barkley labor bill; to the Committee on Interstate and Foreign Commerce.

2544. By Mr. FENN: Petition of Thomas Griswold and others, farmers of Wethersfield, Conn., protesting against the passage of bill now pending in the Senate for the revision of freight rates on farm products; to the Committee on Interstate and Foreign Commerce.

2545. By Mr. GALLIVAN: Petition of Greater Boston and Massachusetts Federations of Churches, urging passage of child labor amendment; to the Committee on the Judiciary.

2546. By Mr. HILL of Maryland: Petition of the Maryland State and District of Columbia Federation of Labor urging Congress to change the 1890 quota to the 1910 quota in the immigration bill; to the Committee on Immigration and Naturalization.

2547. By Mr. KINDRED: Petition of the New York Commandery, the Naval and Military Order of the Spanish-American War, favoring equitable adjustment of the pay of retired officers; to the Committee on Military Affairs.

2548. By Mr. MILLER of Washington: Petition of the Washington Society of Sons of the Revolution, asking Congress to appoint a joint committee of the two Houses to decide as to the feasibility of changing the names of mountains in the country to those of American invention; to the Committee on the Public Lands.

2549. By the SPEAKER (by request): Petition of National Society, Daughters of the American Revolution, thirty-third annual convention, in the city of Washington, D. C., April 19, 1924, urging the passage making Lincoln's Day a national holiday; to the Committee on the Judiciary.

2550. By Mr. STRONG of Pennsylvania: Petition of Woman's Christian Temperance Union of Freeport, Pa., against any modification that would weaken the prohibition enforcement act; to the Committee on the Judiciary.

2551. By Mr. SWING: Petition of Christian Temperance Union of San Diego County, Calif., protesting against weakening the Volstead Act; to the Committee on the Judiciary.

2552. By Mr. YOUNG: Petitions of 25 citizens of Anamoose (N. Dak.) Community Club, of Bottineau, N. Dak., urging the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2553. By Mr. TINKHAM: Petition of Massachusetts Division, Sons of Veterans' Auxiliary, indorsing the Bursum bill; to the Committee on Invalid Pensions.

2554. Also, petition of council of the Bar Association of the City of Boston, opposing Senate bill 624 and House bill 3260; to the Committee on the Judiciary.

2555. Also, petition of Corporal Russel F. Hoyt Post, No. 299, Veterans of Foreign Wars, expressing disapproval of the action taken by the House of Representatives in passing the German relief resolution; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

SUNDAY, *April 27, 1924*

The House met at 11 o'clock a. m., and was called to order by Mr. McLAUGHLIN of Michigan as Speaker pro tempore.

Rev. William R. Waller, of Washington, D. C., offered the following prayer:

Almighty and everliving God, whose we are and whom we serve, we draw nigh to Thee reverently at this time. May we ever live as though we really believe in Thee as the personal and righteous Ruler and Father and Savior of mankind.

Command Thy blessing upon us, we humbly beseech Thee; upon this Congress here represented; upon our President and all in authority. Comfort those that are sad. Bless us all in our respective relations, teaching us so to number our days that we may apply our hearts unto wisdom, being made wise unto salvation which is in Jesus Christ our Savior, in whose name we pray. Amen.

EULOGIES ON THE LATE REPRESENTATIVE J. M. C. SMITH

The SPEAKER pro tempore. The Clerk will read the special order for the day.

The Clerk read as follows:

On motion of Mr. McLAUGHLIN of Michigan, by unanimous consent, *Ordered*, That Sunday, April 27, 1924, at 11 o'clock a. m., be set aside for memorial addresses on the life, character, and public services of Hon. J. M. C. SMITH, late a Representative from the State of Michigan.

Mr. MAPES. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 271

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. J. M. C. SMITH, late a Member of this House from the State of Michigan.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House at the conclusion of the exercises of this day shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was unanimously agreed to.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. WILLIAMS] is recognized.

Mr. WILLIAMS of Michigan. Mr. Speaker, having lived during my earlier life in the county where he resided, I was fortunate in having an intimate and cordial acquaintance with JOHN M. C. SMITH for more than 30 years. It was in his law office that I studied, and it was from his office that I proceeded to a near-by city to commence the practice of the law. He exerted a deep influence upon me, and so to-day as his successor in Congress I speak of him with more than ordinary feeling.

Those of his associates in Congress who were not so closely acquainted with his career before coming here, although they learned to love and appreciate him, can hardly be fully aware of the unusual hold that he had upon the community in which he had lived for such a long time.

Mr. SMITH was born in Ireland in 1853, and when 4 years of age came to this country with his parents, Richard and Barbara Smith, who first settled in the State of Ohio. Ten years later the family moved to Eaton County, Mich. The early life of Mr. SMITH, like that of so many who have reached a position of distinction, was not one of luxury and ease. He was brought up at a time when the responsibilities of life were imposed upon the oncoming generation. Struggle and effort were his constant companions, and the tasks that he had to do as a young man contributed to the development of a character that for many years stood out most prominently in the State of Michigan. His education was secured in the public schools of Eaton County and the city of Charlotte, followed by three years in the literary and law departments of the University of Michigan. The remainder of his legal training was obtained in the city of Detroit, where in 1882 he was admitted to the bar.

Shortly thereafter he opened a law office in the city of Charlotte, where he continued in the active practice of his profession until he was elected to Congress in 1910.

Few men in his section of the State have ever been accorded higher honors or have served the people in a larger number of important capacities. Among other offices held by him, he was for four years prosecuting attorney of his county and handled the affairs of that office with great credit. He was also a member of the 1908 constitutional convention of Michigan that rewrote and promulgated the constitution which is now serving as the basic law of that State.

Mr. SMITH was a good lawyer. He had the capacity for work which is so essential in that profession. He was a student of the statutes and the decisions of the courts, but perhaps what contributed most to his marked success as a lawyer was his ability to understand the best business interests of his clients and to accomplish for them by adjustments and short cuts the results that they desired. Above all, in the contacts made necessary in the practice of the law he understood human nature in a very thorough way and how to cope with the mental processes and reactions of witnesses, opposing counsel, courts, and juries. He was able to do this because he had had a fundamental training and experience in practical affairs. His integrity was unquestioned. He never permitted his zeal for the interests of a client to cause him to lose poise or his unvarying affability and good nature.

Mr. SMITH was for a long period an outstanding leader in the city and county in which he lived and a prominent figure in his State. He did not content himself entirely with the practice of his profession, but was associated with several important business enterprises. He was a member of the firm of L. J. Smith & Co., of Eaton Rapids, Mich., manufacturers of egg cases and fillers and the operators of a large farm. For many years he served as the president of the First National Bank of Charlotte. Whenever a new enterprise was planned, he was the first one whose assistance was solicited. He was generous always in extending financial help and in lending the weight of his counsel.

Mr. SMITH touched every phase of activity of the people among whom he lived. He was a thirty-second degree Mason, and in his Masonic activities rendered invaluable aid in erecting the beautiful Masonic Temple at Charlotte. He was also a member of numerous other social and fraternal organizations.

In October, 1890, Mr. SMITH was married to Miss Lena Parkhurst, of Charlotte, who survives him. Besides his widow he left two children—Lucille, the wife of Jack D. Clifford, of Lewiston, Me., and William P. Smith, who for a number of years acted as his father's congressional secretary.

Mr. SMITH represented the third district of Michigan in Congress from the time of his election in 1910 until March 4, 1921. He had voluntarily retired and did not seek reelection in 1920, but his successor unexpectedly died and in June, 1921, he was again elected to Congress to fill the vacancy thus caused. He was reelected in 1922. After an illness of several months he died March 30, 1923. He was never defeated for Congress at any election and, if he had lived, could have continued as the Representative from his district indefinitely, because of the high regard in which he was held by his constituents.

You gentlemen who were intimately associated with Mr. SMITH in the House can speak more comprehensively of his work here. I am very gratified to say that since coming home I have heard many kind and complimentary words spoken with reference to him. Here, as in other places, his friends seem to have been drawn closely to him, and his diligence, keen insight, and ability gained for him a merited recognition.

When I came to make a campaign for election there was confirmed upon every hand and by hundreds of people in each county in the district what I already well knew, that he had a very large personal following; that he had always responded most graciously and fully to every demand that had been made upon him by the people of his district; and that to an exceptional degree he had their confidence and good will.

There is nothing finer than the tender feeling and sentiment that grows out of close personal friendships. In this particular the life of JOHN M. C. SMITH was a very full one. His public service is highly appreciated and he will long be remembered in his district and throughout the State of Michigan as having faithfully fulfilled every trust and as being worthy in every respect of the honors that were extended him. Such a life as his and the very admirable position which he held through it all and to the very end should serve as a commendable example to those who follow after and attempt to take up and continue the work in which he was engaged.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. MAPES] will please take the chair.

Mr. MAPES assumed the chair as Speaker pro tempore.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. MCLAUGHLIN] is recognized.

Mr. MCLAUGHLIN of Michigan. Mr. Speaker, our colleague, the late JOHN M. C. SMITH, passed away at his home in Charlotte, Mich., March 30, 1923, after a long illness which for many months incapacitated him from such attention to his official duties as he had conscientiously given during his years of service as Representative of his district.

Mr. SMITH was born in Ireland, and came to this country in his youth. During his early manhood he followed the trade of a stonemason; later attending the literary and law departments of the University of Michigan, and was admitted to the bar, and practiced his profession to the time of his death. It was at the university that I first met him, and the acquaintance we formed there continued and became intimate friendship as we served together in the House of Representatives after his election in 1910 until his death.

Besides his practice of the law Mr. SMITH engaged in farming and for many years was a director and president of the First National Bank of Charlotte. Experience gained as he worked at his trade and as a lawyer and in business fitted him well for service as a Member of this House; it was development and preparation which few Members have for the manifold, complex duties of the National Congress.

During Mr. SMITH'S service of 12 years in the House he was a member of important committees. For 10 years he was a member of the Committee on Labor, two years as its chairman; for several years was a member of the Committee on Public Buildings and Grounds; and during the Sixty-seventh Congress was a member of the Committee on Foreign Affairs.

At the organization of the first Congress of which Mr. SMITH was a Member he was, at his own urgent request, made a member of the Committee on Labor. As he expressed himself he wished a place on that committee because of his interest in wage earners and in people of small business and limited means, because he felt that he appreciated their claim upon the watchful, sympathetic interest of the Congress in the enactment of laws relating to their employment and their business for the protection of their interests and the advancement of their welfare, as far as laws may be proper or necessary for that purpose. All matters referred to and engaging the attention of that committee were considered by Mr. SMITH in keeping with the earnest, sympathetic attitude of mind he had so feelingly expressed. But he never assumed to act as the representative of any class or interest as those terms are often indefinitely and unpleasantly used; nor was he in any respect influenced by sectional prejudice. His was a broad, intelligent, unbiased conception of duty to all people and all interests alike and to the entire country. The years of his service bear abundant evidence of desire and ability to conform to that high standard of responsibility from which I am confident he never permitted himself to depart.

The first session of the Congress attended by Mr. SMITH was the special session called by President Taft, April 4, 1911, for the purpose, mainly, of considering a measure to approve and give effect to the Canadian reciprocity pact, so called, which had been negotiated between our Government and the government of the Dominion of Canada. That pact related to tariff duties at that time imposed by our laws upon imports from foreign countries and to similar duties imposed by the Dominion government upon products of our country entering Canada. It proposed to reduce import duties upon many products of Canada, also to place some of them on the free list; and in consideration of such reduction and removal of duties the Dominion government proposed to take similar action; that is, to reduce and in some instances remove duties at that time charged against certain products of our country which entered and found a market in Canada.

The wisdom and advisability of this reciprocity pact was very seriously questioned, and there was determined opposition to it in the Congress and throughout the country largely, if not altogether, by Republicans who, devoted as they are to the principle of protective tariff, believed the pact was a violation of that principle and its operation would be harmful to producers, to labor, and to business of our country.

It was proposed by a Republican administration and was supported by nominal leaders of that political party in the Congress, among whom was Mr. Payne, chairman of the Committee on Ways and Means in the previous Congress, which prepared the tariff law of 1909 which bears his name, which law the pact would in important respects amend.

The measure was, however, vigorously opposed by many Republicans, who believed it was contrary to party principles and that it would be harmful to our interests, particularly to agriculture. Among those who opposed it was our late colleague, Mr. SMITH, who believed agricultural interests of Michigan, by reason of its location, would be very injuriously affected. He was a new Member, but he early, consistently, and with marked ability opposed the measure, believing it was violative of a great principle of the political party to which he was devoted and would have a seriously injurious effect upon agricultural interests of his district and State. It was his first participation in debate in the House, but in face of the fact that he and others who labored with him were unsuccessful the evidence he gave of wide and accurate information, also of ability and courage in presenting his views, brought him very favorably to the notice of the House.

We who served with Mr. SMITH in the Sixty-third Congress remember the active part he took and the influence he exerted in the consideration of the bill and in securing enactment of the law to establish the Federal reserve banking system, the wise and comprehensive system now functioning so satisfactorily in advancing and protecting not only banking interests but business interests large and small throughout the country.

The broad experience of his busy life, his intimate and practical knowledge of business and of banking made him an authority on the important and more or less intricate matters involved in the preparation of that bill, and his discussion of its important features, of which there was often wide difference of opinion, was always helpful to the House. He was a ready, forceful speaker, and of unusual influence because of the information he was able to give and of the sincere, straightforward manner of his speech.

Mr. SMITH'S congressional service included the period of the World War. That period, particularly the years of the participation of our country in the war, was in some respects the most important in the history of our country. It satisfactorily determined the serious question of whether or not our complex population of many different elements had become so assimilated as to lose their diversity of character and had become a united citizenship loyal to one another and to the Government; determined also that in time of crisis the administration and the Congress, entirely relieved of partisan differences which sometimes embarrass them, are able to marshal the resources of our country in such a manner as promptly to make effective its full strength.

During the years in which the Congress was in almost continuous session dealing with serious war problems and with perplexing conditions following the war Mr. SMITH devoted himself untiringly to exacting demands of congressional service. He was active and influential in the preparation and enactment of legislation to provide for our effective participation in the war and as was necessary as the country sought to return to normal conditions of peace. He was proud of the service of our soldiers and was sympathetic of their trials and suffering.

No Member of our body took a more active, intelligent part in support of legislation intended for the relief of disabled soldiers and their dependent families; none took more sympathetic, helpful interest in their welfare. The work of our colleague during these years of war and reconstruction was beyond his strength; his arduous labors, loyally, unselfishly, and with unusual ability performed, impaired his health and brought upon him his fatal illness.

It was my sad privilege to attend the funeral service of our colleague in the beautiful city of Charlotte, and I shall always remember the impression it made upon me. Many years of his life were spent there; his life had been part of the social, official, and business life of that intelligent, enterprising community. Places of business, private as well as public, were closed; people of the city and of the neighboring country laid aside their business to pay loving tribute to memory of him who during long years had been their neighbor and friend, beloved in private life, trusted in official places to which they had advanced him. There was sincere grief on the part of those friends and neighbors; there was evidence of their appreciation of the splendid qualities of the man whose death they mourned. There were present men and women from the several counties composing the district he had long and with distinguished ability represented. They spoke of the confidence and esteem his life and service had inspired; they expressed the sorrow and sense of loss his untimely death imposed upon them. I was impressed that the most faithful estimate that can be made and the highest tribute a man can gain are by and from his friends and neighbors of long and intimate association; also that the estimate the House of

Representatives had formed of our colleague was justified. It was an impressive scene long to be remembered by all who were privileged to witness it.

In the city of Charlotte and in outlying sections of the county there are houses and business buildings of brick and stone construction, built by or under the immediate direction of Mr. SMITH many years ago when he was actively following his trade as a builder. They are pointed out and spoken of as the work of his hands. They are evidently in good condition and stand as evidence of his skill and faithful workmanship, evidence of the sterling qualities he displayed in such large measure in the discharge of every duty devolving upon him in private and in public life. The interest his neighbors still have in these buildings and the pride with which they speak of them is an eloquent, touching tribute to his life's work, a faithful tribute to his worthy and well-earned fame. Nothing you or I can say will make the record of his service more impressive.

My personal acquaintance with Mr. SMITH began, as I have said, when we were students many years ago, and during our service of 12 years together in the House we were intimate friends. I therefore speak of him as a friend whose death is to me a personal loss. I am able, also, to testify to his fine character, his ability, his devotion to duty, to the respect for and trust in him shown by all who knew him, and of the success he reached as a Member of this body. During his long service he enjoyed and deserved the esteem of the entire membership and of those who knew him intimately. Everyone deeply regrets his death, and will remember him with sincere affection.

Mr. MCLAUGHLIN of Michigan resumed the chair as Speaker pro tempore.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. MAPES] is recognized.

Mr. MAPES. Mr. Speaker, it was my fortune to have been a native of the county in which our departed friend and colleague was for so long a time a prominent and respected citizen and from which he was elected to this body, and I do not want this occasion to pass without taking advantage of the opportunity to pay my tribute of respect to his memory.

I knew of JOHN M. C. SMITH as far back as I can remember. He and my father were personal friends of long standing. I grew up in that friendship and, I am happy to say, inherited it. My recollection now is that as a boy and an interested spectator, I first saw him in a county convention of his party, coming into the hall with a copy of the Michigan Statutes under his arm, walking up to the platform, and addressing the convention on some disputed question of procedure. He was then, as we knew him here, a man of commanding and stately appearance and a forceful and persuasive speaker.

Others have spoken more in detail of his life work and history. His life is one of the many striking illustrations of the opportunities of American citizenship for anyone who has the character and determination to take advantage of them. By his own efforts and perseverance and without the aid of influential relatives or friends he made his life one of constant progress and advancement until he attained a position of prominence and influence in his State and Nation. Born in Ireland in 1853, he came to this country with his parents in 1857, as has been stated, and settled in the State of Ohio, moving to Eaton County, Mich., in 1867, where he spent the remainder of his life. He graduated from high school, worked 10 years as a bricklayer and stonemason, spent 2 years in the literary department and 2 years in the law department of the University of Michigan, working his way and paying his own expenses.

Upon being admitted to the bar he opened a law office at Charlotte, Mich., the county seat of Eaton County, where he soon became one of the leaders in his profession. He formed a partnership for the practice of law with the late Hon. George Huggett under the style of Huggett & Smith. This partnership was for many years the leading law firm of Eaton County. It continued until Mr. SMITH was elected president of the First National Bank of Charlotte, which position he held until his death.

At different times in his career Mr. SMITH was called upon to serve in public office. He was prosecuting attorney of his county for two terms, a member of the Michigan State Constitutional Convention in 1907, and was elected seven times to the House of Representatives of the Congress of the United States by the people of the third congressional district of Michigan. In all these positions he served with ability and distinction, bringing credit to himself and honor to his constituents who elected him. He was an able, industrious, active, and influential Member of this body, faithful and attentive to the manifold duties which are incident to membership here.

In his home community he was a leader and active in all movements for the welfare and advancement of the general good of the community. In his home he was a devoted husband and father and took great pride in his family. In all the activities of his life he was recognized as a man of unimpeachable character and of the highest integrity.

After all one of the greatest things in life is so to live as to have and deserve the respect and esteem of one's neighbors and friends, of those with whom one comes in close and constant contact and who know him best. JOHN M. C. SMITH so lived.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. MICHENER] is recognized.

Mr. MICHENER. Mr. Speaker, this, the greatest parliamentary body in all the world, has, by special order, set aside this day and this hour to pay tribute to the life and character of one of its honored Members. The sun shines brightly, there is not a cloud in the sky, the very atmosphere seems to radiate happiness and good cheer, just the kind of a day in its character symbolical of the everyday life of our lamented friend. If JOHN M. C. SMITH was anything he was an optimist. He always saw the flowers, he inhaled the fragrance. He met the situation of the hour. Undaunted he lived!

I remember well on one occasion when, after a hard day's work, Mr. SMITH entered my office, and upon my suggestion that I was tired and apparently seemed somewhat downcast, he said:

Gather ye rosebuds while ye may,
Old Time is still a-flying;
And this same flower that smiles to-day
To-morrow will be a-dying.

"Cheer up."

Although 70 years of age, he still enjoyed the company and association of youth. When with college boys he was still a college boy, and the lads in his Greek letter fraternity at the University of Michigan always looked forward to the time when Mr. SMITH dropped into town. He never lost his interest in the young people and the young people never lost interest in him.

I knew of Mr. SMITH by reputation for many years before coming to Congress. I met him first in the closing hours of the Sixty-fifth Congress, and in the years that followed he was my friend; I was his admirer. Living at the same hotel in Washington for a long time, eating at the same table, the dinner hour was always a relaxation from the day's toil. I came to know him intimately, and the more I knew of him the more I wanted to know of him. Many a gloomy hour in many a man's life has been brightened by his happy disposition.

He was a man of the people, and to the American mind this phrase is richly significant. It denotes a self-reliant man of courage, energy, and perseverance who, by native ability and application, has carved his way to high and respected station among his fellow men. He best typified the possibilities for advancement and accomplishment under our flag. A poor boy, born in Ireland, he worked his way through school and college, and at last was elected by his neighbors to represent them in the Halls of Congress. He had the faith and confidence of his people. I dare say not a Member among us is closer to six of the people from the district which he represents. There was a mutual confidence and cordiality between him and his constituents, with a great number of whom he enjoyed personal and intimate acquaintance. He had magnetic openness of manner, which easily attracted friends and invited men to salute him in terms of easy familiarity. In purpose he was sincere and ardent, and as he pursued his path through life he strove always to scatter seeds of kindness, to bring a smile to the face of sorrow, and to create happiness and hope.

One of the newspapers in his home city in commenting upon his death said:

With the passing of Mr. SMITH, Charlotte loses one of its most valued supporters and citizens, and hundreds of friends who as such will deeply miss his advice, which when sought was seldom refused. The county and State will also equally feel the loss. But a more than human being pauses upon the threshold of every human life. The idle balance wheel of time is disengaged and quicker revolutions of a great cycle bear him on the endless way. As comes the summons from the spheres above, so answers nature's dirge, and from the earth that falls away through the momentary darkness there rises a gleaming star! The square crosses the compass—an endless procession—but plenty of room.

Crown him, crown him, child of nature,
Kingly now in form and feature;
His the scepter—his the throne,
Now that earth and death are done.

As a Member of this Congress he exerted wide influence. He was a consistent and reliable committee worker. He was active on the floor, and during his time few great questions were discussed where he did not participate in the debate.

As chairman of the great Committee on Labor he wielded much influence. He was safe and sane; he had every consideration for the farmer, but no use for the man who "farms the farmer." The laboring man in him had an advocate, but he who would exploit the honest laborer for personal aggrandizement got no sympathy from Mr. SMITH. He abhorred the demagogue, and the country can illy afford to lose men like him.

After giving 10 years of honorable service to his district he voluntarily retired and enthusiastically supported as his successor, Hon. William H. Frankhauser. Mr. SMITH retired in March, 1921, and when his successor died shortly thereafter there was an insistent demand from the third congressional district that Mr. SMITH take up his old duties, and in June, 1921, by the vote of the people he was recalled to Congress, and died in the harness.

With a delegation from this body I attended the funeral. I saw the thousands there assembled, all in deep sorrow. To the older inhabitants he was "John"; to the younger generation he was "Mr. SMITH." To them all he was a friend. Never was there more real mourning than in that little city on that March day, and as we laid him away in a most beautiful cemetery, there to rest until the resurrection day, and listened to the comforting and eloquent words used in that service I was reminded of the words of Edgar Guest, used by Mr. SMITH in a memorial service in this House, when he said:

But I would like to have my story told
By smiling friends with whom I've shared the way
Who, thinking of me, nod their heads and say
His heart was warm when other hearts were cold.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. ELLIOTT] is recognized.

Mr. ELLIOTT. Mr. Speaker, we have met to-day to pay our last tribute to one of our most beloved and respected colleagues.

Some men are born great, others have greatness thrust upon them, while some achieve greatness and usefulness in the world by reason of their energy, integrity, and indomitable ambition to do something worth while in this life. Hon. JOHN M. C. SMITH, late Representative in Congress from the third congressional district of the State of Michigan, belonged to the latter class.

His early life was not different in many respects from that of the average boy of his generation. His parents were in modest circumstances, and he was a hearty, healthy country boy, possessing a rugged constitution and a strong intellect, two assets so essentially necessary in the makeup of a successful man. Early in life it became necessary for him to take up life's battle, and to use a homely expression in common use at that time, "To hoe his own row." So early in life he learned the painters' and masons' trades, and while supporting himself in this manner, he succeeded in getting through high school and later in taking a course in the University of Michigan. Later he became a successful lawyer and a banker, retaining at all times his love for the country. He was also to some extent engaged in agricultural pursuits.

He came to the Sixty-second Congress particularly well equipped to grapple with the great problems confronting this great legislative body. His experience as a farmer, artisan, lawyer, and banker gave him a keen insight into the problems confronting labor, capital, and the farmer; and the person who was in distress always found in him a friend. He was married in 1887 to Miss Lena Parkhurst. To this union two children, Lucile and William, were born and they, with their mother, survive him. His home life was happy and contented and his love for his family was noticeable at all times.

During the month of July, 1917, when the war clouds were hovering over all of the civilized world, I was elected to fill a vacancy in the Sixty-fifth Congress caused by the death of my predecessor, the late Daniel W. Comstock. I met Mr. SMITH on the day I arrived in Washington and that was the beginning of a beautiful friendship which lasted until the day of his death.

JOHN M. C. SMITH was one of the men who lived a life that was worthy of emulation. He had many friends and no enemies. He will long be remembered and loved by his friends and colleagues.

In his death the State of Michigan has lost a useful and popular Representative in Congress, and his family a loving husband and father.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. KETCHAM] is recognized.

Mr. KETCHAM. Mr. Speaker and Members of the House, excepting our honored colleague, the present Representative from the third congressional district of Michigan, it is doubtless my privilege to know the constituency of that district better than any other member of our delegation. There is scarcely a township in that district where I have not been privileged to meet groups of people and to learn at first hand their estimate of those whom they had chosen to represent them in both State and National legislative bodies. Basing my testimony upon this experience I can whole-heartedly say that the tributes paid by my colleagues to the character, ability, and public service of Hon. JOHN M. C. SMITH would find an echo in every home within the borders of the district which he served so long and acceptably.

As the memory of those "whom we have loved long since and lost awhile" is recalled there are outstanding impressions of personal qualities and characteristics that immediately take the center of the picture. I do not see JOHN M. C. SMITH as do those who enjoyed through many long years the close personal contacts with him. I do not see him as do those who shared with him the long period of service he rendered in the House of Representatives. I do see him as a true friend, as a trusted adviser, as an ideal citizen in his home community, and as one whose background of basic qualities and wide range of experience especially fitted him for a distinguished public career.

As a friend his interest manifested itself for me as a new Member of the House. He made many rough places smooth and many crooked paths straight for me in the first few months of my service. Every new Member knows the value of such friendship and such advice. J. M. C. SMITH gave it freely and gladly.

It was a great joy to see him in his associations in his home community. He thought the thoughts of his people, he spoke their language, he was one of them. Their confidence, esteem, and love for him was shown on many public occasions. On the event of his death the expressions of sorrow were universal and sincere. Every person within the range of his acquaintance felt the loss of a true friend.

The celebrated English historian, Mr. H. G. Wells, sets forth an ideal for a successful life in these words, "Permanent influence through service." Measured by this standard the life of JOHN M. C. SMITH was eminently successful. In the memory of thousands there will be treasured through all the years his kind words and deeds. Local history will carry the story of his whole-souled interest in every enterprise or movement that led to improvement. Journals of his committees and the CONGRESSIONAL RECORD will carry to future generations the story of his consistent and constructive service to his country as a Member of the House. Life abundant was his; influence eternal is his.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. VINCENT] is recognized.

Mr. VINCENT of Michigan. Mr. Speaker, I am unfortunate myself in not having had the long personal acquaintanceship with Mr. SMITH that others who have spoken here to-day can claim, nor have I ever had the privilege of sitting with him in a session of Congress. But no man could live in the State of Michigan as long as I have lived there without having at least some knowledge with respect to the life and character of our deceased colleague. Any man who at an early period of his life was a little immigrant boy, and who in the years of age can have it said of him that he was by far the most prominent man of his city and county, the president of its largest bank, and seven times chosen by his congressional district to represent it at the National Capital, is indeed a man endowed with great qualities.

There are different ways of achieving success of this kind, coming from such an humble origin. There are those who through ruthless energy climb to heights, careless of the feelings of others. But that was not the kind of success that

JOHN M. C. SMITH achieved. Through this long climb from that humble youth of his to the place that he finally attained I know of no instance of his bruising the sensibilities or crushing the feelings of other people. It was my privilege to be on the congressional delegation that attended his funeral, and the evidence of this fact that I have just alluded to, of the kindliness of his spirit in the community in which he had laid the foundations of his success, was everywhere apparent.

His home was in a town that I consider somewhat unusual. It is a town in which its people take great pride, I am sure. The evidences around the homes and the shops and the trim public buildings show that they have great pride in keeping up the attractive appearance of their city. It is one in which, when you pass along its streets, you are moved to think that here lives an especially intelligent and industrious community. It is plainly a town of good citizenship, and from the highest to the lowest, from the most prominent business men of the place down to the urchin on the street, there was a tinge and tone and tincture of real human sorrow on that day with respect to the passing away of one whom everyone felt was his personal friend.

I am glad to be able to speak just a word of tribute to a man who so made his way in the world and whose memory stands as an example of what can be achieved from an humble origin under the opportunities we have in America for our boys, and who in achieving that success practiced the precepts of the golden rule, and did not forget the feelings and the rights and the sensibilities of his neighbors.

The SPEAKER pro tempore. I think there are no others who wish to speak on the resolution. In that case, the gentleman from Arkansas [Mr. OLDFIELD] will please take the chair.

Mr. MICHENER. Mr. Speaker, may I ask that unanimous consent be granted to all those who desire to extend their remarks on the life, character, and public services of former Congressman SMITH?

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent that all who wish may have the privilege of extending their remarks in the RECORD on the life, character, and public services of our late colleague, J. M. C. SMITH. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

EULOGIES ON THE LATE REPRESENTATIVE L. E. SAWYER

Mr. OLDFIELD assumed the chair as Speaker pro tempore.

The SPEAKER pro tempore. The Clerk will read the special order of the day.

The Clerk read as follows:

On motion of Mr. OLDFIELD, by unanimous consent,

Ordered, That at the conclusion of the services in honor of the late Hon. J. M. C. SMITH, Sunday, April 27, 1924, be set aside for memorial addresses on the life, character, and public services of Hon. L. E. SAWYER, late a Representative from the State of Arkansas.

Mr. REED of Arkansas. Mr. Speaker, I offer the following resolution.

The SPEAKER pro tempore. The gentleman from Arkansas [Mr. REED] offers a resolution which the Clerk will report.

The Clerk read as follows:

House Resolution 272

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. L. E. SAWYER, late a Member of this House from the State of Arkansas.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of the exercises of the day, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was unanimously agreed to.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members of the House may extend their remarks in the RECORD on the life and character of the late Hon. L. E. SAWYER.

The SPEAKER pro tempore. The gentleman from Mississippi asks unanimous consent that all Members of the House have the privilege of extending their remarks in the RECORD on the life and character of the late Hon. L. E. SAWYER. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Arkansas [Mr. WINGO] is recognized.

Mr. WINGO. Mr. Speaker, the finite mind frequently fails to grasp even the remotest purpose or significance of the infinite plan. That was strikingly illustrated by the sudden death of our friend, Mr. SAWYER. That was the thought which came into my mind a few moments after he was stricken. Here was a man in the prime of life; he had just achieved his life's ambition; he was surrounded by a host of friends in a delightful city; he had a delightful home, which he was remodeling and enlarging; he had a charming family, a wife and two daughters in college, and was just beginning, it seemed, the real fullness of a man's career, and yet, without a moment's warning, he was stricken down and passed away. Even though elected to this House, he never had the opportunity to sit in this Hall and participate in the proceedings. That was not only a loss to his friends, to his family, and to his district, but, I think, those of us who knew Mr. SAWYER will sincerely testify that it was a real loss to this House, because a man of his experience, of his character, of his energy, and of his delightful and charming personality was sure not only to have taken a high rank in this House but to have been of great service, and his associations with the Members would have been a delightful association to them.

But I shall not go into an extended eulogy of my departed friend. I am not much given to that. His death was a shock to me. A few nights before he and I had separated in the capital city of our State. We had attended the State bankers' convention, and at the conclusion of the annual banquet I had bade him good-by because he was leaving the next morning. I had complained that I was not feeling well, and he, knowing that I had a sister living in his home city of Hot Springs, suggested that I come to that city and spend the week end with her and loaf around with him.

The suggestion appealed to me and I agreed to go. In keeping with that suggestion I arrived in the city just a few moments before he was stricken. As a matter of fact, my cab passed the Elks' Club where he was stricken, in going from the train to my sister's home, just as the ambulance came out. That attracted my attention and I commented on it to a friend who was with me in the cab, but I had no idea it was my friend who was stricken, my friend whose pleasant association during that particular week end I had been looking forward to with considerable pleasure.

On arriving at my sister's home and taking up the telephone directory to call his office in order to get in touch with him I was told of his being stricken. A neighbor lady called over and told me where my sister was; she gave me the phone number and told me to call her immediately; I called her and was then informed that Mr. SAWYER had been suddenly stricken.

So I say that the intimate relation I had with him at the time he was taken away, my knowledge of his hopes and his ambitions and my knowledge of his surroundings made me think in that moment when he was taken away how little we mortals understand the infinite plan. Why should God take away one at the very beginning and upon the threshold of his realizing his hopes and ambition? It is something we can not understand and it is not for us to try to fathom it. It is God's will, and we His children must always submit.

But in the passing of our friend we can contemplate his fine character and his charming and delightful personality. Those of us who knew him appreciate that, and his family, as well as his friends, even though they can not understand his sudden taking off, can relieve their sorrow by a sweet contemplation of that character and of that personality, which, after all, is the only thing that is left the loved ones and friends in a situation of that kind.

Mr. TILLMAN. Mr. Speaker, since I have occupied a seat in the American Congress the brilliant James P. Clarke, a Senator from my State; Samuel M. Taylor and L. E. SAWYER, two Representatives, each from the sixth district, have gone to join the silent majority. Senator Clarke was my ideal statesman. Handsome, honest, able, virile, versatile, of striking personality, he walked the earth a king among men. Sam Taylor, as we called him, was a delightful, lovable companion, courtly, clean and eloquent. I had only a passing acquaintance with our colleague, Mr. SAWYER, whose sudden death occurred within a short month or so after his term of service began.

Death came to him eagle-winged and struck him without warning. It was a somewhat tragic ending. It had been his cherished ambition to come to Congress. Twice he had suffered defeat in his efforts to gratify his lifelong ambition, and finally achieving election, he died before taking the oath of office, although his term of service had actually begun. We can not fathom the deep mystery of his taking off and are inclined to

Mr. SMITH on the day I arrived in Washington and that was the beginning of a beautiful friendship which lasted until the

through ruthless energy climb to heights, careless of the feelings of others. But that was not the kind of success that

The gentleman from Arkansas [Mr. WINGO] is recognized.

find fault with his fate, at least to regret that he was not permitted to enjoy his honors long sought but worn for so brief a time.

The membership of this House is ever changing. Month after month our hearts are made heavy by the death of colleague after colleague. During the last two years a large number of our associates have answered the last call.

While our friend's death was sudden, such an ending is not always to be deplored if it has to come. It is often better for the grim warrior, who conquers all men, to hurl his sable spear full at the heart and strike down his victim at high noon, when he is surrounded by his friends, as was our colleague, than to sap his strength by slow degrees while he lies bedridden within the four walls of a dreary sick room.

I am sure that all is well with our departed friend. It saddens us, to be sure, to think of the loss to his district, to his friends, and especially to his excellent family; but sooner or later we must all enter the land of shadows, and yet we believe as he did, that the soul is immortal and will live forever. We have missed and will continue to miss his genial companionship, but one by one, year by year, we shall follow him.

Life's shores are shifting every year.
And we are seaward drifting every year.
Old places, changing, fret us,
The living more forget us;
There are fewer to regret us every year.
But the truer life grows nigher every year.
Earth's hold on us grows slighter,
And the heavy burdens lighter,
And the dawn immortal brighter every year.

Mr. DRIVER. Mr. Speaker, the members of this body were denied the privilege and pleasure of an association with a most attractive personality when death removed LEWIS E. SAWYER from the sphere of human activities. Mr. SAWYER was a native of the State of Mississippi, which State furnished many of the notable characters in the political history of Arkansas. He resided in his native State for several years after attaining his majority and was educated in the schools there, attending the University of Mississippi. He located at Hot Springs, in the State of Arkansas, about 20 years ago, where he entered upon the practice of his profession. He was a profound student of the law and obtained early recognition, entering into copartnership with Col. E. W. Rector, one of the leading lights in the profession of his State, and they enjoyed a lucrative practice, and through his genial bearing and lovable character endeared himself to the people of his home city and that section of the State. As a result of his success in his chosen profession, his fidelity to the interests of his clients, and his generous and devoted effort to improve and promote the civic welfare of his people, he was prevailed upon to enter the legislative halls of the State, in which, through conspicuous service, he was elected speaker of the house and became a well-known and popular figure in the State. Shortly after retiring from the legislature he was offered by Hot Springs and the county of Garland as a candidate for Congress from the sixth congressional district to succeed Chester Taylor, who retired after serving the unexpired term of his father, the late Sam M. Taylor. He was nominated, and in the general election of 1922 was elected as a Member of this Congress, but before the first session of the Sixty-eighth Congress convened his death occurred in his home city of Hot Springs on the 5th day of May, 1923.

I attended the funeral of our late colleague, arriving at Hot Springs on the morning of the day when it occurred, and entered a city of mourning, where had gathered a concourse of people from the adjacent towns, cities, and counties. There was never displayed a greater evidence of grief than was witnessed in his home city. The church in which the services were conducted was one gorgeous mass of floral designs, and the sorrowing throngs were unable to find standing room in the edifice. When the funeral procession reached the cemetery it was confronted with a sea of people, standing with bowed heads, attesting their affection for their departed fellow townsman and statesman.

The home life of our departed friend was an ideal one. A more devoted wife was never vouchsafed to man, and his life was brightened by the presence of a beautiful daughter just budding into young womanhood. One of the most touching scenes occurred at the grave as his friend and pastor closed the services there. While the earth was falling upon the casket this young daughter stepped to the edge of the grave and dropped on the casket a beautiful white rose, a most touching and beautiful tribute of filial devotion, while her tender young body was convulsed in grief.

I have no doubt that had our lamented colleague been spared and afforded the opportunity of serving here he would have soon attained a high rank in the councils of the Nation and rendered conspicuous service. A few days before his demise I enjoyed a day with him in the capital city of Little Rock, and from his expressions I was made to realize that he looked forward to his association and service here with great pleasure. He was prepared to give from his great strength the fullest measure in the interest of his people and of his Nation, and it was with keen regret I received the information of his untimely death, which denied to him the consummation of his desires and ambition.

Mr. PARKS of Arkansas. Mr. Speaker, as far back through the vista of years as the knowledge of man goes has been found the practice of honoring the memory and commemorating the lives and deeds of those who have departed this life. In keeping with that ancient and honorable custom, and because we loved and honored him, we are assembled to-day to testify to the splendid life, character, and service of Hon. L. E. SAWYER, late a Member of this House from the sixth district of Arkansas. Twice within a brief period of time the dread angel of death has visited the Arkansas delegation and taken his toll. Strange it seems that each time he struck down the Representative of the sixth district, and each time he took one of the ablest, noblest, and best of our Members. On the day of his death Mr. SAWYER seemed to be in perfect health. He was a rugged, stalwart man in the prime of life. With a mind cultivated and strengthened by years of study and the experiences of an active and useful life, with a body that still bore the marks and vigor of youth, he faced his service here with the hope and promise of a long and a brilliant career. The day before he was stricken I was with him and he never appeared happier, and I left him with the promise to visit him soon in his home in the famed valley of the vapors—Hot Springs. Neither of us dreamed when we parted that day—the last time this side the river—that the words of the poet were prophetic of him that say:

Death takes us unawares
And stays our hurrying feet;
The great design unfinished lies,
Our lives are incomplete.

While we recognize that final separation comes to all it seems the time is never just ripe or the work ever finished. And how lamentably true it is that—

Leaves have their time to fall,
And flowers to wither at the north wind's breath,
And stars to set; but all,
Thou hast all seasons for thine own, O Death.

It was only a few years ago that Mr. SAWYER came to Arkansas, located at Hot Springs, and began the practice of law. He was a profound lawyer; an able, fearless, and eloquent advocate. He knew not how to be unfair, and he spurned the thought of striking an adversary that he held at a disadvantage. He held in perfect contempt the man who would not play the game fair and out in the open. Honesty was his guiding star, and he lived the doctrine of the golden rule every day of his life. He was an honor to the profession of law, and he loved its practice and the association that the court room brought him. But he heard the call that came from the broader field of politics and soon became a candidate for and was elected to the general assembly of the State. So faithful and brilliant was his service that he was reelected and became speaker of the house, an honor much sought in our State. This experience did not satisfy but increased his appetite for the service of his people. His greatest ambition was to serve in Congress. He pointed his political compass this way, and launched his little bark with the determination never to cast anchor until he cast it here. He encountered many a rough sea. For a time the adverse winds blew and the storms raged, but he never faltered or became discouraged. Twice he was defeated, but at the last election he succeeded over several worthy opponents. He was indeed happy. When I say that of the nine Members of the two Houses of Congress that come from Arkansas all are native sons, save two, it will be understood that we are a little partial to our own, and the stranger who succeeds must have ability, fidelity, honesty, and a clean character. Our late colleague was abundantly endowed with all these virtues. He was one of the noblest and most lovable men I ever knew. His sunny disposition dispelled gloom and drove sadness away. It lifted the clouds and let the sunshine through.

He would not willfully wound anyone, and rejoiced to serve the humblest person he knew. He was delighted at the prospect of serving here, for it gave him a greater field for service. He had no thought that the unseen hand of the Dark Messenger was uplifted to strike him. He looked to the future and thought he saw the golden spires of light of the rising sun of a new day; what he really saw was the fading twilight that comes after the crimson sunset that warns us another day has been added to the silent centuries.

He sat at table early in May before he had taken the oath of office and chatted with his friends. He apparently had no thought of death, and suddenly and without warning the blow fell; the silken cord was severed and the spirit took its flight to live forever in the beautiful Land of the Leal. But he had so lived that when the summons came he was—

Like one who wraps the drapery of his couch about him and lies down to pleasant dreams.

His loss to us is great, notwithstanding a worthy successor, and we have been denied a sweet association with a true, clean, honorable, and lovable man. No man could associate with him and not have a broader and better vision of life. None could know him and not have loftier ambitions or gain higher ideals. By his life he exemplified the words of the genius:

Let me not hurt by any selfish deed
The heart of friend or foe.
Nor would I pass unseen worthy aid,
Nor sin by silence when I should defend.
Let me to-day look back across the span
Twixt dawn and dark, and to my conscience say,
"Because of some good deed to beast or man
The world is better that I live to-day."

Of him it can be said:

Life's race well run,
Life's race well done,
Life's race well won.
Now comes rest.

Mr. REED of Arkansas. Mr. Speaker and gentlemen of the House, it is fitting, proper, and right that the House of Representatives of the Sixty-eighth Congress should thus pause and pay proper tribute to the character and memory of one of Arkansas' able statesmen, the late and lamented Hon. L. E. SAWYER. It is quite true that Mr. SAWYER was only known to a few Members of this Congress, having been elected to Congress in the November election, 1922. He died May 5, 1923. In legal status he was at the time of his death the Congressman elect from the sixth congressional district of the State of Arkansas, the district I have the honor to now represent in this Congress.

I did not have the honor of knowing Mr. SAWYER during his early manhood. He removed from the State of Mississippi, where he was reared and educated, to the city of Hot Springs, Ark., in the year of 1908. I first met Mr. SAWYER in 1913, but did not know him intimately until about four years prior to his death.

Mr. SAWYER on arriving in the city of Hot Springs formed a partnership in the practice of law with the Hon. E. W. Rector, of that city, which partnership continued till the date of the death of Colonel Rector, which occurred in 1917. This firm took active part in some of the most important litigations in our State. As a lawyer Mr. SAWYER was aggressive, active, and gave his clients the very best service of which he was capable. He was a good trial lawyer, and when a client secured his services he had a lawyer who would carry his case to the courts of last resort if it took same to secure what he conceived to be his client's legal rights. Mr. SAWYER was not in sympathy with cold and technical terms or rules that sometimes preclude a case from being tried upon the real merits. It is said of him that he would often agree with opposing counsel that the bars might be loosened and that each side introduce such evidence as would shed light upon the real facts of the case upon trial.

In 1913 Mr. SAWYER was elected one of the three representatives from Garland County in the Arkansas Legislature. He served the people of his county so faithfully that he was reelected to the same position in 1915. In 1915 the Arkansas Legislature had many great questions confronting it. Our departed friend was elected speaker of the house of representatives and served in that capacity with distinction and honor not excelled by any who had held that high office, notwithstanding some of our most illustrious men had served in that capacity. As a presiding officer he leaned not to the learned and powerful, but the humblest member of that body could be heard and recognized by him.

In 1916 Mr. SAWYER entered the race for Congress. He entered the primary opposing a sitting member who was a very popular man, the Hon. Sam M. Taylor, of Pine Bluff. There was also another candidate in that race, Hon. T. Havis Nixon, of Jefferson County. It is quite singular that all three of these very able men are now dead. Mr. Taylor was the idol of his district, who served here in this House for 10 years. Mr. Nixon was recognized as one of the ablest lawyers in our State, if not in the South. Mr. SAWYER did not make a "front porch" campaign; he realized that he was opposed by very able men. He put his whole soul in the campaign, canvassing the entire district in detail and made many friends. He was not elected at this time but he was not discouraged. In 1920 he again entered the primary for the nomination, opposing Congressman Sam M. Taylor. If possible, he put even more force and energy in this campaign and made a very remarkable race. Again he was not elected, but was only defeated by less than 1,800 votes out of a total vote of 22,000. Mr. SAWYER for the third time entered the race for Congress, in the primary of August, 1922, and this time was successful. The realized that his cherished ambition at last had come true. I dare say that few, if any, Members elected to the Sixty-eighth Congress appreciated the high honor more than Mr. SAWYER.

Mr. SAWYER was married and left surviving him his wife and two daughters. I do not have the honor of knowing any of his family.

In physical stature nature seemed good to Mr. SAWYER; he was strong, tall, robust, and stout. He could endure great hardships, much work without a murmur. As a speaker he was logical, forceful, and eloquent. A strong contender for the matters he conceived to be right, yet considerate, kind, and courteous to those who differed from him. I had the honor several times to engage in joint debate with Mr. SAWYER, and it affords me a very great pleasure to state that our discussions were never personal, but on the contrary were most pleasant.

The visible L. E. SAWYER, whom we knew as an earthly pilgrim, is here no more. Indeed, the silver cord is broken, but the good traits of his character and his ability as a lawyer and statesman in Arkansas will live. We see the majestic oak as it stands by the roadside. We look upon it and we observe the decaying limbs, we count the rings around its body, and by physical facts we can observe that it has lived its allotted time; we can naturally expect that slight winds may blow it down or in natural order its life will soon end. We have no ways of judging the duration of man's life. We would hardly expect, judging by physical facts, that our departed friend, who seemed in robust health, hardly a middle-aged man, would be so suddenly cut down. This event only reminds most forcibly of the certainty of death. In the Elks Club, in the beautiful city of Hot Springs on a spring day enjoying the association and companionship of his friends, the summons came without notice and without warning. Laughing and talking with his friends he suddenly complained of feeling badly, and in less than five minutes he was dead.

Oh, death, we know not what you are, yet we know you are; we have you everywhere and in everything, substance or being. You steal your stormy waves on the breezes of the morning. You linger on the gentle dewdrops of the evening tide. We see you as you take a babe from mother's arms. Apparently it seems that some of us act as though death did not apply to us but only to others, yet the example of calling from our midst this able lawyer and statesman in the manner here feebly described should remind us that death is no respecter of persons, place, or time. May we use the lines of the poet who said:

At a place we know not where
And time we know not when
The great God divine in justice there
Will judge the deeds of men.

To the memory of our departed friend we will not say farewell, but we will say, lawyer, orator, and statesman, we say as we have said many times to you in physical appearance, good-by.

Mr. RAGOON. Mr. Speaker, the death of LEWIS E. SAWYER brought to me a sting of sorrow which I had never felt before because in his death I lost one of my closest and most intimate friends. I think I understood him and knew him better than any person outside of his immediate family. Our relationship and friendship were such that there was a mutual exchange of those close confidences which are only known between real friends, so it is with considerable feeling that I speak of my departed friend.

LEWIS E. SAWYER was born in Shelby County, Ala., on June 24, 1867. In his early childhood he moved to Lee County, Miss., where he was reared. He received his education in the high school and university of that State, graduating from the law department of the University of Mississippi in the class with the late Benjamin G. Humphreys. He practiced law in Mississippi until the outbreak of the Spanish-American War, when he volunteered as a private in Company F, First Tennessee Volunteer Regiment, in which he served for a year and a half, most of this service having been spent in the Philippine Islands. After his discharge from the Army he traveled extensively, finally locating at Iuka, Miss., where he resumed the practice of law. He came to Hot Springs, Ark., in 1900, where he became associated in a partnership with the late Col. E. W. Rector, an eminent and scholarly lawyer of that State and belonging to one of the State's oldest and most famous families. By virtue of his ability and engaging personality he soon became one of the leaders of the Hot Springs bar, which is one of the strongest of the State.

His firm enjoyed the confidence, and incidentally acquired the business, of many of the leading firms and business enterprises of that thriving little city. He enjoyed the confidence and respect of all the courts in which he practiced. He was a strong debater, a good thinker, and was always able to acquit himself with credit in controversial matters. He was elected to the legislature in 1913 from Garland County without making a single speech or soliciting a single vote. From the beginning of the session he was an outstanding character and soon gained a prominent place in the deliberations of that body. He was chairman of the committee on education and also a member of the judiciary committee, upon which latter committee I was a member at the same time. In the session of 1915 he was elected speaker in one of the most spirited contests ever held for that position.

He was a member of the Federal medical board which had supervision of the reservation at Hot Springs, and it was through his work and suggestions that some of the worst evils which beset the reservation were eradicated.

He served for a while as special district attorney during the incapacity of the incumbent by appointment of Judge Scott Wood.

He was elected to the Sixty-eighth Congress in November, 1922, after having made two unsuccessful races against the late Colonel Taylor, one of the strongest men who ever represented the State in Congress for many years.

Mr. SAWYER was married and left surviving him a wife and two daughters. He belonged to the Woodmen of the World, the Elks, and Masons.

LEWIS E. SAWYER was prominently identified with all those things which stood for the best interests of Hot Springs, the city of his residence. He loved his county and her proud little city with a devotion as deep as that of a native son.

In private conversation and in public controversy he was her strong champion and defender. By reason of the health-giving properties of her famous waters, Hot Springs attracts now, and for many years in the past, people from every walk of life and from every clime. With this environment it has naturally become a city of many strong men and women, a cosmopolitan population. By reason of this she has been at times misunderstood and not always accorded that sympathetic interest she deserved by other sections of the State. Mr. SAWYER took the Constitution at its word. Its statements that the people should select representatives from the different counties to represent them in the legislature meant to him just what it said. He wanted no other course and none other did he pursue.

I think one of his outstanding virtues was the courage of his convictions in public life. Acts of political expediency are not uncommon in the lives of public men. Political expediency upon the part of public men is one of the endangering enemies to the free institutions of our Government. It is refreshing to now and then find a man of strength who will set a face of flint against these intimidations and dare drive through to the end his people rightly expect and their constitution intends. I have seen manifestations of his courage when he was unmindful of the great draft his act would make upon his future political fortune. Political expediency might threaten, passionate opposition might plead, and fortunes of the future might allure, but LEWIS SAWYER never lost his poise nor his sense for the higher things of public concern. He was one of those rareties in public life who dares to do his duty and fears not the pain nor price.

Another great quality possessed by him in abundance was his congeniality of disposition. He was a strong, rugged, and robust man physically, with a quick and penetrating mind. While he had a strong and commanding countenance, yet one upon meeting him was immediately impressed with the happy and congenial expression he always bore. It was but the reflection of his wonderfully kind and sympathetic soul.

In all my association with him I never heard him utter an expression of hate against his fellow man. He was so thoughtful and unoffending toward the feelings of others that he would not even jest to their embarrassment and discomfiture. Men in politics, stirred by the spirit of contest and the consuming desire to win, are often indiscreet with their tongues. Their finer sensibilities become calloused by the nerve strain under which they labor until scars are made which a lifetime can not smooth. Though Mr. SAWYER had made many campaigns, I never heard him speak disparagingly of one of his opponents. I have been many years an intimate friend of our colleague, Congressman REED, who succeeds Mr. SAWYER, and intimately knowing them both as I do, I have never heard either of them utter a word of harm or blame about the other, but always it has been words of praise, notwithstanding their campaign was warm and exciting—a tribute to the high qualities of each. If he had nothing good to say of another he kept silent, and what a princely virtue.

His greatest virtue was his capacity for friendship. I mean by that his ability to be everything which the word imports that one should be who sustains that relation to another. True friendship goes further than the cordial relations of acquaintances, which are often "as the snowflake on the river, a moment white, then gone"; it goes deep into the relations, attitudes, and dispositions of men. There are those who scoff at the idea of friendship; they hold it is an empty and an obsolete sentiment. Perhaps there is some justification for their cynicism when we look at the relative place the subject holds in ancient as compared to modern literature. Friendship was largely the theme of the greatest of ancient philosophers; in fact, in all the ancient systems of philosophy friendship was an integral part of that system. But it is as true now as in ancient times that men do not care to live without friends, even though they possess everything else good. "Greater love than this hath no man, that he lay down his life for his friend," is a forceful Scriptural recognition of the relation of friendship.

"No man liveth unto himself" was not spoken in ignorance of the interdependence of men in matters of social intercourse. Sympathy is indispensable with man and he craves it the same as his body craves and needs food and raiment. It is comparatively easy to sympathize with a friend in distress and adversity, but the heart sometime flutters with envy and jealousy when we congratulate him upon his successes. But true friendship has no room for envy and jealousy and rejoices as much for the success of others as it does for its own. Sympathy responds to his gladness as well as his grief; it add to his joys and divides his sorrows. LEWIS SAWYER, by his sympathetic disposition, that disposition free from the hateful taint of envy and jealousy, has brought satisfaction to the heart of any man who enjoyed this relation with him, when sorrow and despondency encompassed him.

I believe there is an old proverb to the effect "that in the councils of the many there is much wisdom." In the course of events there comes to men difficult problems to solve, which by their very nature he can not place upon the door panels of his home. It is then he seeks the helpful council of his friends where he can reassemble and marshal his thought in an orderly process to the desired end. When men face the world together "ready to stand shoulder firm to shoulder and hand fast clasped to hand" it is an inspiration and a strength, for in their hearts and minds and souls there nestles the comfort of knowing if one fall the other will lift him up. The siege is never so severe, the battle not so hard fought, and the victory is all the sweeter if men are conscious that the golden thread of friendship connects them with others standing ever ready to recruit them with their sympathies and material aid.

Any man to whom LEWIS E. SAWYER was a friend will bear witness that friendship is not an obsolete sentiment nor a sentiment which had its ascendancy in the days of the ancients. Many the time I have heard him say in a characteristic expression to some friend beset with vexations and troubles, "Go ahead, old boy; it will come out all right." No one starving for succor and for comfort ever knocked at the door of his heart and was turned away hungry. I have drawn heavily upon his resources because he was my friend. To a friend he never had a dollar he would not divide, a joy he would not share. He rejoiced at the success of a friend, and yon never had a sorrow he would not divide. Such a capability may never have enriched him in material wealth but it made him rich in friends.

This devotion, of course, found its full fruition in his home. Surrounded by his devoted wife and two lovely daughters, they formed a happy and contented family circle. His hopes had been realized; he had reached the zenith of his ambition. In this happy high noon of life, suddenly and so unexpectedly, the

chatterer of man's hopes and the banisher of his dreams pressed the cold finger to his brow, and once more gave to us the solemn warning "that in the midst of life we are in death."

In his death Arkansas lost a progressive and useful citizen, Hot Springs a great champion and defender, the bar of his State a profound and able lawyer, and his home a faithful and devoted husband and father. Personally I lost a friend.

Mr. REED of Arkansas took the chair as Speaker pro tempore.

Mr. OLDFIELD. Mr. Speaker, it was not my privilege to know Mr. SAWYER intimately. I am sure it would have been a great benefit to me had I known him intimately. I met him, however, many years ago when he was a member of the Arkansas Legislature and was impressed with his open countenance, his apparent courage, honesty, and intelligence, three of the necessary qualifications for public service either in the State legislature or in the Halls of Congress.

Mr. SAWYER came to Arkansas from Mississippi. Likewise his predecessor, Colonel Taylor, whom we all loved here, regardless of politics, came from the same State. Senator Clarke, one of the ablest Senators from our State or any other State, likewise came from Mississippi; in fact, Mississippi has furnished many distinguished men to the public life of Washington. I recall that Senator Chamberlain is a Mississippian and Senator Bailey, of Texas, is a Mississippian. At one time there were some 10 or 15 Members of the two Houses from that great State.

I met Mr. SAWYER here on the 4th of March, 1923, and he seemed to be supremely happy. It had been a life's ambition to serve in this body, and I have not a doubt but that he would have made a remarkable record in the House, because he had the ability, he had the intelligence, and he had the courage to do that which he knew and felt was in the interests of the masses of the American people. He had a very laudable ambition to come to Congress. There is nothing wrong in this. In fact, I might say he had a burning ambition to come to this body and participate in its deliberations. He made two unsuccessful races. The third time he was successful.

He agreed with the sentiment in the poem on will power, which says:

There is no chance, no destiny, no fate
Can circumvent or hinder or control
The firm resolve of a determined soul.
Gifts count for nothing, will alone is great,
All things must give away before it, soon or late.
What obstacle can stay the mighty force of the sea-seeking river in its course,
Or cause the ascending orb of day to wait?
Each well-born soul must win what it deserves.
Let the fool prate of luck.
The fortunate is he whose earnest purpose never swerves,
Whose slightest action or inaction serves the one great aim.
Why, even death stands still and waits an hour,
Sometimes, for such a will.

Mr. SAWYER had that sort of determination, that sort of will power, and therefore was bound to succeed.

I regret, my friends, that he was not permitted to have the privilege of serving the people of America in this great body, the House of Representatives. I regret exceedingly that I did not know intimately this splendid man, and therefore it is impossible for me to do justice to his memory here. I have enjoyed and appreciated the many nice things which have been said about Mr. SAWYER, and I appreciate the fact that these statements are literally true.

Mr. SAWYER's record shows him to have been—

Statesman, friend to truth, of soul sincere,
In action faithful and in honor clear,
Who broke no promise, served no private end,
Who gained no title, and who lost no friend.

Mr. RANKIN. Mr. Speaker, in rising to pay tribute to our lamented colleague I am reminded that in her earlier days Mississippi drew as a heritage from the rest of the country a large number of the brightest minds, the ablest young men, of America; and that in turn she later contributed more perhaps to the statesmanship of other States than any other one of her sister Commonwealths of the same population. And to none has she contributed more than to the State of Arkansas, and especially to the sixth district, from which our late colleague came, and which is so ably represented at this time by our popular and distinguished colleague, the Hon. JAMES B. REED.

Some time ago I listened to an argument between two of the best informed men in the United States as to which was the oldest one of our national parks. I did not interrupt their conversation, but it occurred to me that they did not know that the oldest national park on American soil was Hot Springs, Ark., the home of our late colleague, Hon. LEWIS E. SAWYER.

The district, and perhaps the county, in which I have the privilege and the honor to live was the home of the Chickasaw Nation. Long before the white men came to America these Indians had developed a civilization superior perhaps to that of any other American tribe. With a trained army of about 1,500 warriors they were invincible before any foe their enemies could send against them. They had learned of the medical properties of the waters of Hot Springs, and used to send their sick to that place to be cured.

On one occasion the Chickasaws who had gone there for treatment were attacked by the neighboring tribes of Quapaws, and possibly the Osages, and others who attempted to drive them from the grounds. When they returned, they reported to their chief what had happened, when he called his braves together and took them to Hot Springs, whipped out those interfering tribes, called a council of all those interested, and established Hot Springs as a neutral ground for all the people then living in America, which to them constituted the known world. Thus was established by the people of what is now the first district of Mississippi, which I have the honor to represent in this body, the first national park in what is now the United States.

Within the last few decades my county has also contributed to that district two of the ablest Representatives the State of Arkansas has ever sent to this body, the Hon. Samuel M. Taylor, whom we all knew and loved, and later his successor, the Hon. LEWIS E. SAWYER, whose death we mourn today. Mr. SAWYER was never permitted by the strange turn of fate to take his seat in this body, but he realized, as some one has said, a life's ambition—that of being elected to the American Congress.

The greatest writer of all time made one of his subjects say that—

The evil that men do lives after them;
The good is oft interred with their bones.

I have often thought that those words did not reflect the sentiment of that matchless genius who penned those lines, for it seems to me that in the course of our civilization we have before us constantly the living and unanswerable proof that the good that men do lives after them, while the bad is left to perish in the dust.

We often hold out to young Americans the rugged character, the indomitable courage, the devotion to ideals of Abraham Lincoln. We often hold out to the boys of this generation the high ideals, the lofty character, the unfeigned piety, the unquestioned integrity, the unsullied patriotism, and the Christian purity of Jefferson Davis, in order that it may be an inspiration to the young people of to-day to put forth greater efforts, that they may accomplish the greatest good.

Perhaps no man who has been elected to Congress in recent years lived a life that was more calculated to inspire the youth of this land than LEWIS E. SAWYER, and the fact that he never survived to distinguish himself in this body does not obscure the fact that he manifested that courage, that determination, that energy, and that intellect which carried him on from one success to another until the end.

He was from one of the best families in my county. Coming almost upon the heels of the Civil War, when our State was torn with reconstruction, when poverty, demoralization, and all the other discouraging elements predominated, he seemed to catch an inspiration from adversity itself. By burning his candle late into the night, he developed into a forceful, intellectual man of whom our State as well as the State of Arkansas is justly proud. It has been said, that—

The heights by great men reached and kept
Were not attained by sudden flight:
But they, while their companions slept,
Were toiling upward in the night.

Such was the career of young SAWYER, who labored against adversity to develop his mind and heart for the battles of this life.

Perhaps a more courteous or affable Member has never been elected to this body. He had none of the vain pomp of self-exploitation that we sometimes observe in public men as they strut and fret across the stage of human action; but he was reserved, courteous, gentlemanly at all times and under all

conditions. He believed in the undying principles of the Christian religion and lived the doctrine of the brotherhood of man. He seemed to embrace that philosophy laid down by Ella Wheeler Wilcox when she said—

So many gods, so many creeds,
So many paths that wind and wind,
When just the art of being kind
Is all this sad world needs.

Worthy son of Mississippi, adopted son of Arkansas, distinguished, patriotic American, trusted Representative of a great people—cut off in the very beginning of your national career—we can only say—

Hail, and farewell!

ADJOURNMENT

The SPEAKER pro tempore. In accordance with the resolution heretofore adopted, the House stands adjourned.

Accordingly (at 1 o'clock and 10 minutes p. m.) the House adjourned until to-morrow, Monday, April 28, 1924, at 12 o'clock noon.

SENATE

MONDAY, *April 28, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (S. 1932) to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road.

The message also announced that the House had passed a joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States, in which it requested the concurrence of the Senate.

The message further communicated to the Senate the resolutions of the House (H. Res. 271) adopted as a tribute to the memory of Hon. J. M. C. SMITH, late a Representative from the State of Michigan.

The message also communicated to the Senate the resolutions of the House (H. Res. 272) adopted as a tribute to the memory of Hon. L. E. SAWYER, late a Representative from the State of Arkansas.

ARMS AND MUNITIONS SOLD TO MEXICO

The PRESIDENT pro tempore. The Chair lays before the Senate a letter from the Secretary of War, transmitting a report concerning the purchase of arms and munitions by the Government of Mexico, made in response to Senate Resolution 193. The letter and accompanying report will lie on the table.

PROSECUTIONS OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS (S. DOC. NO. 99)

The PRESIDENT pro tempore. The Chair lays before the Senate a report of the Secretary of War, relating to the names of former public officials who have appeared as attorneys before the department. Such disposition will be made of the matter as the Senate may direct.

Mr. NORRIS subsequently said: Mr. President, I understand there is a communication on the desk from the Secretary of War in answer to a resolution which the Senate passed some time ago. It seems to me that that communication ought to be read. I, myself, have not read it and I do not know what it contains. However, it is a communication from the head of a department, to lie on the table, and it ought to be read and printed in the usual way. I ask that the letter from the Secretary of War be read.

There being no objection, the communication from the Secretary of War was ordered to lie on the table and to be printed, and it was read as follows:

WAR DEPARTMENT,
Washington, April 25, 1924.

The PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: In further reply to your letter of February 28, 1924, inclosing copy of resolution of the Senate of the United States calling on the Secretary of War for certain information with reference to ex-Members of the House of Representatives and the Senate, or any ex-Cabinet officers, who have appeared as attorney or agent in connection with claims of the War Department, the following report is submitted:

EX-CABINET OFFICERS

A. MITCHELL PALMER

"Claim of M. Lowenstein & Sons—attorney for claimant, Palmer, Davis & Scott, March 9, 1922. Claim in connection with cancellation of contract of 20,000 yards of outing flannel, return of $5,546.51 deposit and damages amounting to $3,332.12 due to unreasonable delay in shipment. Contract canceled, deposit of $5,546.51 returned, claim for damages disallowed.

"Claim of M. Lowenstein & Sons—attorney for claimant, Palmer, Davis & Scott, March 22, 1922. Claim in connection with cancellation of contract of purchase of 35,120 yards of brown twill on account of material not conforming to width of sample submitted. Contract canceled and refund of deposit amounting to $1,419.94 allowed. Payment authorized by Chief of Finance May 9, 1922.

"Claim of Hazelton Mills, (Inc.)—attorney for claimant Palmer, Davis & Scott. November 17, 1921. Claim for refund of purchase price amounting to $95,119.98 of 144,779 yards of cotton duck on account of material not conforming in character to sample exhibited at time of sale. Refund allowed. Payment authorized by the Comptroller General in decision of March 1, 1922.

"Claim of M. Lowenstein & Sons—attorney for claimant, Palmer, Davis & Scott. March 9, 1922. Claim for refund of $39.85 arising out of shortage in delivery of duck. Claim allowed. Payment authorized by the Chief of Finance, April 29, 1922.

"Claim of M. Lowenstein & Sons; attorney for claimant, Palmer, Davis & Scott. March 9, 1922. Claim for allowance of 5 cents per yard on 300,000 yards of duck on account of material having one raw selvedge. Purchaser having disposed of material by resale, claim was construed as one for unliquidated damages and disallowed.

"Claim of M. Lowenstein & Sons; attorney for claimant, Palmer, Davis & Scott. March 9, 1922. Claim for allowance of $0.1328 per yard, amounting to $4,470.45 on 33,363 yards of duck on account of delay in delivery. Claim disallowed.

"Claim of Yankee Export & Trading Co.; attorney for claimant, Palmer, Davis & Scott. November 3, 1922. Claim for refund of 10 per cent, amounting to $1,910.59, on price paid for 900,000 yards of duck on account of material having one raw salvage. Purchaser having disposed of material by resale, claim was construed as one for unliquidated damages and disallowed.

"Claim of United States Distributing Co.; attorney for claimant. Palmer, Davis & Scott. December 4, 1922. Claim for adjustment in price of 1,890 trailers on account of quality and condition. Claim disallowed."

THOMAS WATT GREGORY

"Claim of Libby, McNeil & Libby; attorney for claimant, Gregory & Todd. May 18, 1920. Claim for loss on meats arising under act of March 2, 1919. Claim denied by the Board of Contract Adjustment March 23, 1920. Now pending in the Court of Claims.

"Claim of Morris & Co.; attorney for claimant, Gregory & Todd. May 18, 1920. Claim for loss on meats arising under act of March 2, 1919. Claim denied by Board of Contract Adjustment March 23, 1920. Now pending in the Court of Claims.

"Claim of Swift & Co.; attorney for claimant, Gregory & Todd. May 18, 1920. Claim for loss on meats arising under the act of March 2, 1919. Claim denied by the Board of Contract Adjustment March 23, 1920. Judgment rendered by the Court of Claims March 17, 1924, in amount of $1,077,386.30.

"Claim of Armour & Co.; attorney for claimant, Gregory & Todd. May 18, 1920. Claim for loss on meats arising under act of March 2, 1919. Claim denied by the Board of Contract Adjustment. Now pending in the Court of Claims.

"Claim of Carden & Herd; attorney for claimant, Gregory & Todd. October 28, 1920. Claim for percentage of gross earnings on freight by ships sold to Government—amount of $7,500,000. Award made by Secretary of War in the amount of $550,000 on June 18, 1921. An appropriation to pay this award was provided in Public, 109, Sixty-seventh Congress, approved December 15, 1921.

WILLIAM GIBBS M'ADOO

"Claim of Locomobile Co. of America; attorney for claimant, McAdoo, Cotton & Franklin. March 1, 1920. Claim for refund of $200,790.20 excise tax under section of the revenue act of October 3, 1917, upon 1,650 Class "B" chasses sold and delivered by claimant to the United States of America. Claim denied by appeal section War Department Claims Board. Judgment rendered by the Court of Claims in the amount of $5,454.39, June 12, 1922."

EX-SENATORS

WILLARD SAULSBURY

"May 8, 1919, Messrs. Britton & Gray, attorneys at law, of which firm former Senator Saulsbury is understood to have been a member, wrote a letter to the Engineer Department concerning certain demurrage on cars furnished at Aberdeen, Wash., in September, 1917, which had been disallowed by the Auditor for the War Department. The correspondence requested further information as to the dates the cars were placed on order of a representative of the Engineer Department. This could not be furnished, and, so far as known, the disallowance stands. The amount involved was $60."

CHRISTIE BENET

"Claim of city of Greenville, S. C.; attorney for claimant, Benet, Shand & McGowan. June 28, 1919. Claim for $267,000 re furnishing water to Camp Sevier, S. C., arising under act of March 2, 1919. Claim withdrawn by attorneys April 12, 1920.

"Cotton-linter cases; approximately 500 cases. Attorney for claimants, Benet, Shand & McGowan. June 30, 1919. Test case: Buckeye Cotton Oil Co. Denied by Board of Contract Adjustment November 19, 1919. On appeal to Secretary of War, referred by him to Court of Claims May 18, 1920. Court ordered case dismissed January 10, 1921. Bill S. 4479 introduced in United States Senate February 5, 1923. Senate Resolution 448 considered and agreed to March 3, 1923.

"Appeared as representative of cottonseed crushers on November 30, 1918, and subsequently; is now attorney of record in a suit pending before the Court of Claims; the record of this case is in the hands of the Attorney General."

HOKE SMITH

"Claim of Silver Lake Park Co. Attorney for claimant, Hoke Smith. August 10, 1921. Claim for pollution of water in Silver Lake by discharge of sewage and washing of debris from the remount station at Camp Gordon. Amount awarded by Assistant Secretary of War April 10, 1922, $18,000. A bill making appropriation to pay this award is still pending in Congress.

"Claim of West Point Wholesale Grocery Co.; attorney for claimant, Smith, Bloodworth, Fort & Crowford. February 28, 1922. Claim for adjustment in price of 9,747 service hats on account of quality and condition. Claim disallowed."

JAMES HAMILTON LEWIS

"Claim of Burke & James (Inc.). August 31, 1920. Considered by Air Service section of War Department Claims Board. Board previously recommended disapproval of payment of vouchers 45 and 46, but considers this is a matter of dispute between the contractor and the contracting officer for Government, and is a matter to be considered by War Department Claims Board."

EX-MEMBERS OF THE HOUSE OF REPRESENTATIVES

BURTON E. SWEET

"Appeared in the case of the Chamberlain Machine Works, growing out of a war contract; is now attorney of record with a suit of that company pending before the Court of Claims; the records and memoranda of the claim are now in the possession of the Attorney General."

W. B. JAMIESON

"Contract with the E. A. Wickham Construction Co.; attorney W. B. Jamieson, Woodward Building. Asked for certain information relative to payment made to the E. A. Wickham Construction Co. for work done at Fort Omaha, Nebr., and Memphis, Tenn."

C. C. CARLIN

"Claim of J. T. Williams & Sons; attorney for claimant, Carlin & Hall. October 15, 1920. Claim arising out of shortage in delivery of mahogany lumber. Claim disallowed."

J. T. WATKINS

"Claim of Minneapolis Army & Navy Stores; attorney for claimant, J. T. Watkins. October 16, 1923. Claim for refund of $1,345.20 on account of difference in price arising out of purchase of 10,000 blankets. Claim disallowed."

T. J. RYAN

"Claim of J. Silverman & Bros. (Inc.); attorney for claimant, T. J. Ryan. Claim in connection with purchase of 50,000 tents at auction sale held at Camp Dix, N. J., August 8, 1922. Papers forwarded to Chief of Finance for further action."

CHARLES P. OGDEN

"Claim of J. B. Hirshberg, Louisville, Ky., in connection with 9,000 blankets bought at auction at Camp Dix, Ky., October 6, 1922. October 17, 1923, Senator R. P. Ernst referred to this office request of Hon. Charles P. Ogden that action on the matter be withheld until Mr. Ogden could submit brief in case. Senator Ernst advised under date of October 23, 1923, that the War Department had rendered an adverse decision in the claim of Mr. Hirshberg, and in view of this no further action could be taken."

GILBERT A. CURRIE

"Contract entered into between the Ordnance Department and the Dow Chemical Co. on March 4, 1918, for drilling of 17 salt wells and the furnishing of 1,000,000 pounds of component mining salt. Mr. Currie assisted in closing of titles and also assisted in preparation of cancellation agreement. Mr. Currie also represented Dow Chemical Co. when the Midland (Mich.) salt wells were offered for sale."

JAMES W. GOOD

"Represented Ashland Industries Corporation in the purchase from the Government of land and Government-owned buildings, etc., comprising the Chicago Ordnance Storage Depot."

The list of ex-Members of the House of Representatives is not entirely complete, and further report will be made at a later date.

Copies of correspondence in relation to the above claims are attached hereto.

Respectfully,

JOHN W. WEEKS,
Secretary of War.

THE COTTON TRADE (S. DOC. NO. 100)

The PRESIDENT pro tempore. The Chair lays before the Senate a report of the Federal Trade Commission on the cotton trade, in response to Senate Resolutions 262 and 429, of the Sixty-seventh Congress.

Mr. DIAL. Mr. President, on March 29, 1922, at my request, the Senate passed a resolution—No. 262—referring the question of cotton futures contract laws to the Federal Trade Commission. I understand the commission has sent down a report to-day. I ask that that report be printed as a public document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none; and the report will be printed as a public document.

Mr. NORRIS. As I understand, there is a communication from the Federal Trade Commission in response to a resolution passed by the Senate. I should like to call the attention of the Senators from Louisiana and the Senators from South Carolina to the report.

The PRESIDENT pro tempore. The report of the Federal Trade Commission is in response to Senate Resolution 262 and Senate Resolution 429 of the Sixty-seventh Congress. The matter referred to by the Senator from Nebraska is in the report just ordered to be printed as a public document.

Mr. NORRIS. Very well.

The PRESIDENT pro tempore. The report will be referred to the Committee on Agriculture and Forestry.

CALL OF THE ROLL

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Brookhart	Keyes	Shipstead
Ashurst	Bruce	King	Shortridge
Ball	Bursum	Kirby	Simmons
Bayard	Cameron	Ladd	Smith
Borah	Capper	Lenroot	Smoot
Brandegee	Caraway	Lodge	Spencer
Broussard	Curtis	McCormick	Stanfield
Bryan	Dial	McKellar	Stephens
Cummins	Edge	McNary	Sterling
Dale	Edge	Means	Swanson
Dillingham	Fernald	Moses	Townsend
Ferris	Fess	Norbeck	Walsh, Mass.
Fletcher	Frazier	Norris	Warren
George	Gerry	Oddie	Watson
Glass	Gooding	Overman	Wheeler
Hale	Harris	Pepper	
Harreld	Harrison	Phipps	
Heflin	Howell	Pittman	
Johnson, Minn.	Jones, N. Mex.	Ralston	
Jones, Wash.	Kendrick	Robinson	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent owing to illness. I ask that the announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS

Mr. JONES of Washington. I have a telegram in the nature of a petition, containing a resolution passed by the Pilgrim Congregational Church of Seattle, urging the United States to become a party to the World Court. I move that it be referred to the Committee on Foreign Relations.

The motion was agreed to.

Mr. JONES of Washington presented a petition of sundry citizens of Highland Park, in the State of Washington, praying an appropriation to enable the United States to participate in the forthcoming international conference for the suppression of the narcotic traffic, which was referred to the Committee on Foreign Relations.

He also presented a memorial of members of the Woman's Christian Temperance Union and sundry citizens of Skykomish, in the State of Washington, remonstrating against amendment of the Volstead Prohibition Act so as to legalize the manufacture and sale of light wines and beers, which was referred to the Committee on the Judiciary.

Mr. WILLIS presented resolutions of the Woman's Christian Temperance Union of Columbiana, Ohio, favoring the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (S. 2570) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes, reported it without amendment and submitted a report (No. 477) thereon.

Mr. NORBECK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2761) to authorize the withdrawal of lands for the protection of antelope and other game animals and birds, reported it without amendment and submitted a report (No. 478) thereon.

Mr. CUMMINS (Mr. STERLING in the chair), from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 47) establishing a congressional committee to consider ways and means through legislation to lighten the responsibilities of the President, reported it without amendment.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FERRIS:

A bill (S. 3138) for the relief of Alexander McLaren; to the Committee on Claims.

By Mr. NORBECK:

A bill (S. 3184) to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and to amend and modify the war risk insurance act, and to amend the vocational rehabilitation act; to the Committee on Finance.

By Mr. OVERMAN:

A bill (S. 3185) for the relief of the widow of Rudolph H. von Ezdorf; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 3186) amending sections 1, 2, and 14 of an act entitled "An act extending the period of payment under reclamation projects, and for other purposes," approved August 13, 1914, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. REED of Pennsylvania:

A bill (S. 3187) granting permission to certain officers and men of the United States Army to accept various decorations bestowed in recognition of services to the allied cause; to the Committee on Military Affairs.

By Mr. McCORMICK:

A bill (S. 3188) for the abandonment of a portion of the present channel of the south branch of the Chicago River; to the Committee on Commerce.

By Mr. BALL:

A bill (S. 3189) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; to the Committee on Naval Affairs.

By Mr. NEELY:

A bill (S. 3190) for the relief of the heirs of James L. Pyne, deceased; to the Committee on Claims.

PAY OF PRINTERS IN THE GOVERNMENT PRINTING OFFICE

On motion of Mr. STANFIELD, the Committee on Civil Service was discharged from the further consideration of the bill (S. 93) to increase the pay of printers employed in the Government Printing Office, and for other purposes, and it was referred to the Committee on Printing.

AMENDMENTS TO TAX REDUCTION BILL

Mr. KING, Mr. PEPPER, and Mr. McKELLAR each submitted an amendment intended to be proposed to House bill 6715, the tax-reduction bill, which were severally ordered to lie on the table and to be printed.

AMENDMENT OF DISTRICT APPROPRIATION BILL

Mr. ODDIE submitted an amendment proposing to appropriate $150,000 for the purchase of a site and the erection of an eight-room school building thereon, in the vicinity of Third and Rittenhouse Streets NW., in the District of Columbia, intended to be proposed by him to House bill 8839, the District of Columbia appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF AGRICULTURAL APPROPRIATION BILL

Mr. FLETCHER submitted an amendment proposing to appropriate $50,000 for the establishment and maintenance of a forest experiment station at such suitable place in the southern-pine region of the United States as the Secretary of Agriculture may determine, including the erection of buildings and all other necessary expenses for the purpose of conducting silvicultural, dendrological, and other experiments and investigations independent or in cooperation with other branches of the Federal Government, with States, and with individuals, etc., intended to be proposed by him to House bill 7220, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

CAMPAIGN CONTRIBUTIONS OF BIG FIVE MEAT PACKERS

Mr. JOHNSON of Minnesota submitted a resolution (S. Res. 216), which was read and referred to the Committee on Agriculture and Forestry, as follows:

Whereas Mr. John M. Burns, in the Solicitor's office of the Department of Agriculture, has stated before the House Committee on Expenditures in the Department of Agriculture now investigating the administration of the packers' and stockyards act—

"If the department had exerted its influence to bring about competitive action in the stockyards rather than to stifle it, it would have been worth many millions of dollars annually to the livestock producers of the country," also, "The packers and stockyards' act has been illegally administered in some important instances. I hold Mr. Chester Morrill responsible for these illegal practices"; and

Whereas Mr. Morrill is in direct charge of administering the packers and stockyards' act; and

Whereas the Secretary of Agriculture did not oppose the Armour-Morris merger until it had been completely consummated; and

Whereas the Secretary of Agriculture has failed to require the meat packers to install a uniform system of accounting as empowered to by the packers and stockyards' act; and

Whereas the meat packers are now seeking a modification or termination of the consent decree entered into by the court to keep them out of unrelated lines of industry; and

Whereas the big meat packers have not paid an adequate price to producers of cattle, hogs, and sheep: Therefore be it

Resolved, That the chairman of the Republican National Committee be requested to inform the Senate what contributions, if any, each of the big five meat packers, namely, Armour, Swift, Wilson, Cudahy, and Morris, have made to the Republican National Committee, directly or indirectly, since the election of 1920, and during the campaign of that year, and what amount each of them has so contributed.

PRESIDENTIAL APPROVAL

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on April 26, 1924, the President approved and signed the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico.

LEASES OF NAVAL OIL LANDS

Mr. BROOKHART. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Century for May, 1924, entitled "At the bottom of the oil story," by Charles Merz.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AT THE BOTTOM OF THE OIL STORY

[By Charles Merz]

At 3.47 on the morning of the 3d of last August Calvin Coolidge was sworn in as President of the United States. His father administered the oath. It was a unique ceremony. Doubtless the Romans, who believed what the augurs told them, would have made a note of the fact that the Coolidge lamp burned oil.

Teapot Dome, remote as it seemed from that clapboard farmhouse in the still hours of a summer morning, and persistent as have been the efforts to muddy the issue it presents, from first to last stands out in comparison with the rest of the scene as the high point of public interest in these nine months since Mr. Coolidge followed Mr. Harding into office. It is impossible to foresee how the situation will shape itself by the time these words have reached a printed page. It is possible that the Government will be well on the way toward recovery of its oil reserves and have instituted proceedings in those quarters in which it suspects fraud. It is also possible that from a question of fact and a matter of oil the controversy will have strayed into the domain of purely partisan politics and the original issue lost to the eye in a blaze of pyrotechnics. The enterprise of confusing the issue is well under way. It will gather speed as campaign time approaches. There are professional Democrats ready to inject the partisan note into each successive disclosure; there are professional Republicans who bank so heavily upon the traditional inability of a public to remember facts and keep interested that they are already venturing to assert that this whole oil affair is merely a Democratic bombshell prepared for the election. No tactics of this sort deserve to obscure the real importance of Teapot Dome and its brother lease in California for the citizen who really cares how he is governed.

It has been by no means easy to keep track of facts. These weeks in Washington have told an amazing story, and a story altogether lacking in the element of unity. You do not look for unity in a congressional investigation. Facts come out with utter disregard of sequence. Chapter 20 may come first, chapter 7 next, then a few torn pages somewhere along about 11. All manner of divertisements appear along the way to add their quota of confusion. One morning Mr. McAdoo is on the stand to testify what earned him $50,000; then Mr. Vanderlip is called to explain a speech at Briarcliff; then Mr. Otto Kahn denies acquaintance with a million-dollar slush fund. After that, perhaps, the inquiry gets back to oil, only to plunge shortly into more dissertations on the side, leading so far afield, perhaps, that a day comes when the morning's news is Mr. Creel's description of "the bluest eyes he ever saw"—notably the eyes of Mr. Edward L. Doheny.

There is no criticism to be found with a method of investigation that brings conclusions forward in this style. It is the only way such inquiries can proceed, and for the efforts of the senatorial committee—and the "senatorial committee" means THOMAS J. WALSH alone and single-handed for many weeks not only with little assistance from his team mates, but actually in the face of indifference from most of them—there is a public that has the best of reasons to be thankful. Nevertheless, so kaleidoscopic has been the course of the committee's revelations, and so much at cross purposes a good deal of the incidental badinage it introduced, that it is quite possible two things have happened:

First, that the main outlines of the story have been obscured, and the bulk of what is actually proved been overrun by what is merely charged and countercharged. If that has not happened, it is by no means the fault of the politicians; the party hacks are working overtime.

Second, and more likely, for the salient facts would seem cut incisively enough to stay despite the most persistent efforts to distort them, it is possible that in the swift rush from one sensation to another certain facts have failed to earn that emphasis to which they are entitled when a more mature perspective opens up. Where was Mr. Harding when this whole affair took place? He was the responsible head of the administration. Where was the Cabinet? What do these oil reserves show about the actual process of government in Washington?

It is to these points that I address the notes which follow.

SECTION 2

The basic outlines of the story are sharp enough; a few paragraphs suffice to state what stands out in the record as incontrovertibly clear.

In 1912, acting in line with policies laid down by Mr. Roosevelt, and impressed by the fact that battleships were turning more and more to oil, President Taft set aside two oil reserves in California, known as No. 1 and No. 2, to stand behind the Navy as a source of fuel. Three years later President Wilson set aside a third reserve. This one in Wyoming (No. 3) and known as Teapot Dome. Congress, approving the handiwork of both Republican and Democratic administrations, put the control of these reserves in the hands of the Secretary of the Navy.

There it stayed until the advent on the scene of Secretary Fall. Within three months after its appearance in office, the Harding administration transferred the oil reserves from the Department of the Navy to the Department of the Interior on the ground that all public lands should be administered by one department of the Government, and that the Department of the Interior was best qualified to do the work. There were naval officers who protested vigorously at the time. Admiral Griffin, for instance, who held the important post of Chief of the Bureau of Engineering, and had held it for eight years, testified that he registered his protest with Secretary Denby. "I hoped he would not transfer them." These were not public lands in the ordinary sense, he contended, but Navy lands. "I told him [Secretary Denby] that if he turned the administration over to the Interior Department we might just as well say good-by to our oil."

Those words, spoken two years ago, are worth marking. The admiral had a prophetic eye. A good deal of trouble would have been averted if Secretary Denby had listened to him then, and to those other naval officers whose special province was to deal with oil. He chose not to listen. Admiral Griffin testified that he could see a change was coming. And it came.

That was the first chapter of the story. Upon administrative order, issued by the President, the Navy's oil lands went to Secretary Fall. That was in May, 1921, and Secretary Fall proceeded promptly to dispose of them. On what grounds? Because, he asserted afterwards, private wells outside of the Navy's reserves were threatening to drain away the Navy's oil, and he thought it best to drive some bargain with private capital to drill new wells, on the understanding that the Navy would receive a share. Teapot Dome came first. Whether the threat of drainage was real is manifestly a matter of opinion. Two experts were sent to investigate. One said yes, the other no. But it is a matter of importance against the judgment of Mr. Fall that the head of the Geological Survey and the chief of his gas-and-oil section, the most competent and by all odds the most natural authorities to turn to in such a situation, testified later that it is doubtful whether there was any danger of a drainage, and that simple tests would have shown the truth without throwing open the entire field to exploitation.

That fact is important, but a detail, for the profound and still unraveled mystery is why, if the Navy's oil was actually in danger, either Secretary Fall or Secretary Denby did not go to Congress, state the situation, and ask for funds to take the oil out and put it into storage.

From first to last, in the Senate's investigation, that question has been asked a hundred times. There is no answer to it save vague statements about a probable "delay." What Secretary Fall did, instead, was to turn No. 1 reserve, Elk Hills, in California, and No. 3 reserve, Teapot Dome, Wyo., into the hands of private companies for exploitation, with the understanding that the Navy was to get a certain percentage of royalty oil. How large a percentage? In the case of Teapot Dome, the almost incredible fact is that when the "ifs" and "whereases" are taken into consideration, that percentage is approximately 1 barrel in 16. In the case of Elk Hills, it is impossible at this stage to figure results so closely, but Mr. Doheny himself is authority for the statement that he expects to clear $100,000,000 from his leases there.

That is, a private company takes out of No. 1 reserve oil that the Navy might have had if it had done its own drilling—oil enough to be worth the colossal sum of $100,000,000.

That is the essential factor in the story. It is the crux of the whole situation, and to attempt to confuse the issue, such as by maintaining that Congress itself had made it possible by law to lease oil lands, and that Secretary Daniels had favored the policy of drilling "offset" wells, it constitutes an entire answer. Between any theoretical policy of Congress and these leases—between Mr. Daniel's "offset" wells to prevent drainage and these leases—there is and can be no connection. The essential factor to remember is that such leases were arrived at as to take from the Navy 15 barrels of Teapot oil in every 16, and enough barrels of Elk Hills oil to net Mr. Doheny $100,000,000.

This, then, was what happened to these reserves, which three successive Presidents insisted should be set aside for the public wealth and the feeling of the fleet; and while it is obvious that the courts constitute the right place to determine whether fraud was at work at the side of incompetency, it is equally obvious that the whole story is not told or the chief point of public interest recorded until it is added that the high official whose story the Senate has revealed received in one case a loan of $100,000 and in the other a loan of $25,000 from the men to whose decided interest he consigned these vast domains—loans curious, to say the least, inasmuch as Mr. Doheny tore the signature from one note and Mr. Sinclair never so much as laid his eyes on the other; loans, furthermore, not a dollar of which had been repaid by the time the Senate started its investigations.

Add, finally, the action of Congress when these facts became known and the outlines of the story are complete.

Both branches of Congress have gone on record as declaring that Secretary Fall's two leases "were made in defiance of the settled policy of the Government, adhered to through three administrations"; that they are "against the public interest"; and that the naval reserves should be recovered "and held for the purpose to which they were dedicated."

Congress has further declared by joint resolution and without mincing words that the leases "were executed under conditions indicating fraud and corruption."

SECTION 3

Such in brief is the story of oil, so far as it has been brought out by the Senate's investigation; and there are certain points, perhaps obscure in the swift rush of competing testimony, perhaps acquiring significance only when coupled with facts that tumbled into the torrent weeks apart, which have special value for the man who wants a realistic understanding of the situation. It is important, for one thing, to note that the very name by which the controversy is popularly known is unfortunate. Teapot Dome is not where the great wealth of the Navy lies. That tract has perhaps from 25,000,000 to 30,000,000 barrels of oil stored away. Reserve No. 1, which went to Mr. Doheny, and bears the name of Elk Hills, is estimated to hold at least eight times as much.

It is important again to note what it was that focused public attention on the whole affair. These leases are not new. They were consummated in the month of April, 1922. In that same month Senator LA FOLLETTE had delivered an address on the floor of the Senate in which he attacked the leases on precisely the same ground on which Congress was later to declare them "against the public interest." That was two full years ago. The public yawned. Not until 18 months later did the Senate's investigation start. Interest lagged; hearings were ill attended; the evidence which Senator WALSH built up did not catch the public eye. Suddenly Secretary Fall was caught in a falsehood regarding the source of a loan; the whole scene shifted overnight; headlines leapt into the press; you and I sat up with marked attention. What had been there for two years for us to look at we saw only when a scandal made us use our eyes.

Points like these have their importance. But, above all, I take it, what matters is the background of the scene—the measure of responsibility that attaches not to any single offender against good judgment or good faith but to the administration and the mechanism of government in control when the whole affair came to a head.

Nothing is simpler in cases of this sort than to choose one man and on his shoulders heap whatever censure is forthcoming. Secretary Fall has been elected to that rôle. But I do not see what is gained by slurring the fact, as it has usually been slurred, that at every stage in his official proceedings Mr. Fall had behind him the full support of the chief of his administration and the President of the country.

No one has questioned Mr. Harding's good faith. There remains his responsibility. Had his part been negative, the matter might have no significance for those who are interested in the way the Government did its work on this occasion. It was not negative. The facts are as follows:

One. It was on March 4, 1921, that Mr. Harding came into office.

Two. On May 31 he issued the Executive order that transferred the Navy's oil to Secretary Fall.

Three. By the 1st of June there were rumors in Washington that the transfer was made with a view to leasing the reserves for private exploitation. A Senator from Oklahoma, Mr. J. W. HARREL, wrote to the President protesting against the transfer. On June 10 Mr. Harding replied to Mr. HARREL, asserting that he was forwarding a communication from Secretary Fall: "I hope the Secretary makes it as clear to you as he does to me that we have acted quite within the authority of the law in making the transfer the legality of which you have questioned."

Four. On April 7 Mr. HARREL's guess proved not far wrong. Teapot Dome was leased. Senator LA FOLLETTE addressed an inquiry to Secretary Fall. Secretary Fall defended his action. He defended the same terms which Congress later held to be "against the public interest." He sent a statement of his defense to Mr. Harding. On April 26 Mr. Harding replied as follows:

> "MY DEAR SECRETARY FALL: I am making a belated acknowledgment of yours of April 13, with which you inclosed to me a copy of yours of the previous day addressed to the senior Senator from Wisconsin. I quite approve of the manner in which you responded to his inquiry."

Five. Finally, on June 7, 1922, Mr. Harding addressed a letter to the President of the Senate. Oddly enough, that President was Mr. Coolidge. Teapot Dome was gone by this time. The first Doheny contract had been signed. The Navy had already lost a vast part of its oil. And President Harding declared on this occasion, with the returns in and the fact accomplished:

> "I think it is only fair to say in this connection that the policy which has been adopted by the Secretary of the Navy and the Secretary of the Interior in dealing with these matters was submitted to me prior to the adoption thereof, and the policy decided upon and the subsequent acts have at all times had my entire approval."

SECTION 4

To what degree Mr. Harding's entire approval was a matter of first-hand cognizance of the matter at issue, and to what degree it was the perfunctory O. K. of an Executive accustomed to delegate his authority to the men around him, is a matter of individual speculation. But the responsibility was there, and whether or not he foresaw the results of his policy, Mr. Harding chose to take it. It is quite another matter in the case of members of his Cabinet.

In the whole story of the oil reserves there is nothing more spectacular than the part played by these officials. In the first place, there is the fact that since the story reached the public theirs has been for the most part a distant, frigid, and unhelpful silence, an affair, you might think, whose solution ought to prove of interest to the Martians. More than that, when any comment has been forthcoming, such as the statement of Secretary Hughes, it reveals a state of affairs that would be incredible were it not for the fact that such good authority stands behind it. "The questions of the legality or propriety of the oil leases now under discussion in Congress," Mr. Hughes declares, "were never brought before the Cabinet for its decision." Note that Mr. Hughes says not only the question of law, but actually of policy. Nor is that all. Mr. Hughes can not remember whether the oil leases were even so much as referred to in Cabinet. "If the oil leases were ever referred to in the Cabinet meetings, and I do not recall that they were. * * *" If you will take a firm hold on that statement for five seconds and try, with your wavering faith in the reality of political institutions, to appreciate for another five that what was at stake here was literally hundreds of millions of dollars' worth of public property, you will arrive at a conclusion as to the corporate irresponsibility of Mr. Harding's Cabinet that simply passes all belief.

It is possible that long after Teapot Dome has been forgotten students of politics will point to the situation which Mr. Hughes's statement reveals as the classic example of what happens to democratic government when it day dreams.

SECTION 5

To particularize, go into that Department of the Navy which was theoretically the custodian of the Navy's oil, and it is difficult to describe the situation which apparently existed at the time the issue was decided.

They asked Secretary Denby on the stand if he could remember anyone in his department who approved the transfer of the reserves to Secretary Fall at the time he agreed to it. He answered: "No."

They asked him if he knew what happened afterwards; if he knew what part of the great No. 1 reserve in California had been leased for private exploitation. And he replied: "I do not know. I could not tell you about that offhand."

They asked him if he knew to whom it had been leased. He answered: "No."

They asked him if he so much as knew whether or not it had all been leased. And his reply was:

> "I wouldn't be able to answer definitely questions propounded as to whether that is true or not. But I would immediately consult the records and find out."

That is the price of watchfulness at which the Navy lost its oil.

Nothing in Mr. Denby's testimony, however, can match the performance of his first lieutenant. Assistant Secretary Roosevelt had no equal on the stand.

He did not know whether Teapot Dome was No. 1 or No. 3. He did not know that the Navy had tied itself up in California so that it could not drill, and didn't know what he would have thought about it if he had known. "I would have to go over the whole thing, Senator." He didn't know what was in the leases—this was 18 months after they had been made—and when they asked him if it would be true to say that he never had known, he replied: "Oh, absolutely." With 200,000,000 barrels of public oil the issue, he would testify, as follows:

> "My position, as I tried to state it last time, was that I was not concerned with the intimate administration of this problem; that all I had in mind, not being charged with the intimate administration of this problem, was the broad basic principle of trying to study the intent of the original withholding of these lands for a naval reserve, which was to provide oil to run the Navy in time of emergency; and all of the approvals that I gave to various actions were just painted with the broadest brush."

When they let him leave the stand it was with a sense of futility not unmixed with mercy.

So utterly at sea were executive officials in positions of responsibility, so haphazardly were capable scientific agencies ignored, so wholly without a sense of corporate responsibility did the Cabinet show itself to be, that one wonders whether something more challenging even than the oil leases themselves does not emerge from the background; namely, the ability of democratic American administration to manage its own affairs without some overhauling.

There seems to have been a conspiracy of shoulder shrugging in the process of government in Washington; it took a scandal of nation-wide proportions to put a stop to it. Somewhere the driving force of an idea set the pace. Its first act was to reveal that posts like Mr. Roosevelt's and Mr. Denby's can be filled with executive officials ignorant of the most important transaction in their own offices in a period of four years. Its second act was to show that the experienced judgment of naval officers can be brushed aside with no recourse save what is dragged to the light of day in a congressional investigation months afterwards. Its third act was to demonstrate that scientific agencies like the Geological Survey can be created only to be ignored. Its

fourth act was to show that a Cabinet can regard the most far-reaching face-about in policy, involving untold public wealth, as a purely intradepartmental matter.

In the long run, with all that written into the record, it may be just as well that we have had our scandal and our scare. Oil may succeed in doing what exhortation has not done so far. It may startle a politically indifferent people into examining the Government by which they let themselves be ruled. What happened to the Navy's oil approaches a catastrophe, but with it comes a chance to make amends. The story will not end when the Navy stands again in possession of its oil and retribution has been made where it is due. The greatest risk we run to-day is that we shall fail to take advantage of this chance to overhaul that governmental machinery which has permitted chance and laisser-faire to bring catastrophe so near.

There is something more at stake in these reserves than the mere matter of oil alone. The issue goes straight to the heart of a democracy's pretensions to self-rule.

CHILD LABOR

The joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States was read twice by its title.

Mr. CURTIS. I rose to ask that the joint resolution lie on the table. I understand, however, that the Senator from Connecticut [Mr. BRANDEGEE] wants it to go to the calendar.

The PRESIDENT pro tempore. Inasmuch as an identical joint resolution has been reported from the Judiciary Committee and is now on the calendar, the House joint resolution may go to the calendar.

Mr. CURTIS. Very well.

The PRESIDENT pro tempore. It will be placed on the calendar.

SENATOR BURTON K. WHEELER

Mr. ASHURST. Mr. President, I wish to refer to an article printed in the National Republican of April 26, 1924, which is entitled "Indictment of Wheeler justified, says Stone." The text of the article is as follows:

> The evidence upon which a Federal grand jury at Great Falls, Mont., returned an indictment against Senator BURTON K. WHEELER, of that State, has been examined by Attorney General Harlon F. Stone and in his opinion the action of the grand jury was justified, says a Washington dispatch to the New York Times.
>
> It is learned that officials having knowledge of the evidence then at hand, and some additional evidence obtained later, express the view that it warrants the Federal Government in presenting the case to a petit jury. This, it was said, would be done in an orderly way, without in any manner interfering with the investigation into the conduct of the Department of Justice under Harry M. Daugherty.
>
> The indictment of Senator WHEELER has no relationship to his activities as the "prosecutor" of the investigation into the Department of Justice. The evidence was obtained by the merest chance, according to the account given Government investigators who were assigned to a number of cases of alleged violation of the postal laws, and investigation of one of these produced the evidence presented to the grand jury at Great Falls.

I now read from a dispatch printed in the New York World, which is entitled "Stone enters denial," referring, of course, to Attorney General Stone:

> WASHINGTON, April 27.—"I never made any such statement," said Attorney General Stone when asked about published reports that he had examined the grand jury evidence against Senator WHEELER, sent on from Montana, and found the indictment justified. He has not yet completed his inspection of the grand jury evidence, the Attorney General stated.

Mr. President, the dispatch printed in the New York World, wherein Attorney General Stone says that he never made any such statement as the one attributed to him, will be believed, of course. The present Attorney General, Mr. Stone, impresses one as a man of lawyerlike attainments. If he had made an investigation in reference to the Wheeler indictment, in all probability he would not have rushed into the press to announce his conclusions. I fear me that the article in the National Republican of April 26 states what that publication wishes were true rather than what actually is true. It demonstrates, as has often been said here, that the National Republican is economical in its use of the truth.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. McKELLAR. I offer an amendment to the pending bill, to be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table. The Secretary will state the pending amendment.

The READING CLERK. The pending amendment is on page 234, under the heading "Board of tax appeals."

Mr. SMOOT. I ask that we return now to the first amendment which was passed over in the bill and then continue with the amendments in order as they have been passed over. The first amendment which was passed over is on page 19 of the bill.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 19, in line 7, after the word "greater" and the period, it is proposed to insert: "In determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date."

Mr. SMOOT. Mr. President, this amendment was passed over because the Senator from North Carolina [Mr. SIMMONS] was absent when it was reached last week. I wish to state to the Senator from North Carolina that in the event the Senate agrees to the amendment, I shall ask to return to page 5, line 5, and, after the word "accrued," move to insert the words "or capital paid in," so that that will make the two provisions complete.

Mr. SIMMONS. That will be entirely satisfactory.

Mr. SMOOT. I ask that the amendment be agreed to, Mr. President.

Mr. BROUSSARD. Mr. President, I should like to say to the Senator from Utah that I had offered an amendment to come in on page 19 as a substitute for the committee amendment, but I now withdraw that amendment, understanding that the Senator from North Carolina and the Senator from Utah both approve of the change on page 5 by inserting the words "or capital paid in."

Mr. SMOOT. That is correct, I will say to the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee, on page 19, line 7.

The amendment was agreed to.

Mr. SMOOT. On page 5, line 5, after the word "accrued," I move to insert the words "or capital paid in."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. SMOOT. I understand the next amendment passed over is on page 29.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. In section 209 (a), on page 20, line 19, after the word "rendered," the committee propose to strike out——

Mr. SMOOT. Mr. President, I have just been informed that the Senator from Pennsylvania [Mr. REED] has been ordered home by his physician on account of illness, and it is impossible for him to be here. He is deeply interested in this amendment, and therefore I feel obliged to ask that the amendment may go over until the Senator from Pennsylvania is able to return to the Chamber.

Mr. SIMMONS. That amendment, I understand, has reference to tax-exempt securities.

Mr. SMOOT. No; it has reference to earned income.

The PRESIDENT pro tempore. The amendment will be passed over at the request of the Senator from Utah.

The READING CLERK. The next amendment passed over is on page 30, line 19, where it is proposed to strike out "$20,000" and insert "$10,000."

Mr. KING. That is part of the same amendment.

Mr. SMOOT. Of course, I shall have to ask that the whole of that paragraph go over.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment passed over was, on page 31, under the heading "Normal tax," to strike out section 210, as passed by the House, and to insert certain other words.

Mr. SIMMONS. Mr. President, I do not believe we can take up to-day the surtax schedule, and I am inclined to think that when we take up the normal-tax schedule we ought to take it up in connection with the surtax schedule. They are closely related. Therefore I will ask the Senator from Utah if he will not let the normal and the surtax schedules, and also the exemption provisions of the bill, go over for the present. The three propositions are very closely allied, the one with the other, and I think we ought to take them all up at the same time.

his policy, Mr. Harding chose to take it. It is quite another matter in the case of members of his Cabinet.

afterwards. Its third act was to demonstrate that scientific agencies like the Geological Survey can be created only to be ignored. Its

Mr. SMOOT. We will pass over this section, then.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

Mr. SMOOT. I ask now to turn to page 47; and I wish to say that before that amendment is agreed to the amendment on page 52 ought to be agreed to, because they are interrelated, and whatever we do with one we ought to do with the other.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 52 the committee proposes to strike out lines 19 to 25, both inclusive, and lines 1 and 2 on page 53.

Mr. SMOOT. I shall have to ask that that amendment go over, too, because of the absence of the Senator from Pennsylvania [Mr. REED].

Mr. SIMMONS. That is the one relating to tax-exempt securities?

Mr. SMOOT. It is virtually taxing indirectly the tax-exempt securities up to a limited amount.

Mr. SIMMONS. That is entirely satisfactory to me.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. The next amendment passed over is on page 82.

The READING CLERK. On page 82, line 6, the committee proposes to strike out "12½ per cent" and to insert "14 per cent," so as to make the section read:

TAX ON CORPORATIONS

SEC. 230. In lieu of the tax imposed by section 230 of the revenue act of 1921 there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax of 14 per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

Mr. DIAL. Mr. President, I do not think that amendment ought to prevail. We discussed it here a little the other day. I believe it is proposed to abolish all capital-stock tax, and in place of that to change the rate from 12½ to 14 per cent on net incomes of corporations. It occurs to me that that would be an unwise provision.

In the first place, we are trying to decrease taxes instead of increasing them. In the next place, we want all kinds and characters of property to bear their proportionate share of taxation.

I stated the other day, and I now repeat, that there are two theories of organizing corporations. The one prevailing in the South is to raise the minimum amount of capital necessary to carry on the business—in fact, often we are not able to raise a very large amount of capital—and we put our energy behind our corporations, and we take a pride in them, and we extend the plants upon the earnings of the companies, and we forego the pleasure of dividends for a long time. In some other sections of the country they capitalize corporations for just as high an amount as they can possibly pay dividends on, and they sell the stock to the public, and they abandon the corporations. That is quite contrary to the practice in the South, where we build them and take pride in operating them in order to develop the country and of giving employment to labor.

It is not fair, therefore, to tax the income of a corporation with a very small capital at the same rate as the income of a corporation which is overcapitalized. If you tax the earnings of these large northern corporations you will get a very small proportion of the net income, but you will get a very large proportion in the South.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. DIAL. Yes; I yield.

Mr. SMOOT. Evidently the Senator does not take into consideration the law itself. In assessing this tax upon capital stock, it makes no difference whether the capital stock is issued at $100 or whether it is issued at $10 or $1; the law says that it shall be assessed at the fair market value or the book value, whichever is greatest. So it makes no difference what the price of the stock may be; if it is worth in the market $100 or $200 or $300, the book value may be only $10, but the tax is to be paid upon the market value of the stock.

Mr. DIAL. I understand that; but, as I understand this bill, it is proposed now to abolish all tax on capital stock.

Mr. SMOOT. Certainly. Does the Senator think it would be fair, for instance, to impose a tax upon a corporation that has actually lost money? That is one of the evils of this tax that has been opposed in the past. Take a corporation with $100,000 of stock. Even if they lose money they have to pay a tax of $100.

Mr. DIAL. I understand.

Mr. SMOOT. If they make money, they pay upon the amount that is earned a normal tax of 12½ per cent under existing law, and 14 per cent if we repeal the capital-stock tax. It has been explained a good many times.

Mr. McKELLAR. Mr. President, will the Senator from South Carolina yield to me in order that I may ask the Senator from Utah a question?

Mr. DIAL. I will; yes.

Mr. McKELLAR. About how much revenue is derived from the capital-stock tax?

Mr. DIAL. About $85,000,000, I think.

Mr. SMOOT. $85,000,000.

Mr. DIAL. And this will increase it about $19,000,000, as I understand.

Mr. SMOOT. If we make the change, there will be a revenue of $104,000,000, or a gain in the revenue to the Government, if the change is made, of $19,000,000. I will say to the Senator that it is not alone for the purpose of securing additional revenue that the change is made. It is to facilitate the administration of the law. It will do away with the necessity of examining the return of every single corporation in the country to see whether or not the market value of the capital stock is as reported.

Mr. DIAL. Mr. President, of course it is unfortunate for corporations or anybody else to have to pay taxes when they do not earn a net profit, but the property may not be used. If this provision is enacted, if any corporation ceases to operate temporarily, it will not bear its proportion of the tax.

As I understand, since this law has been in effect there has been very little criticism of its administration.

That is to say, one great advantage has been the fact that it has not been changed; the organization has been perfected, precedents established, taxpayers educated to requirements, and there is so little friction that many have heard little about it.

The revenue amounts to $85,000,000 annually, is payable in advance, and the Government secures immediate and prompt use of the tax. It is administered outside of the collector's offices with a small force of employees, and the cost of collection is very small compared to the revenue secured.

This tax reaches all classes of corporations engaged in active business, regardless of whether operating at a loss or a profit. It is for the privilege of doing business, and a rate of $1 a thousand is only nominal. Look at the large holding corporations, with undeveloped vast reserves of timber, coal, and other mineral properties and natural resources. This tax reaches this class of corporations without hardship, whereas such corporations only pay the income tax upon disposition of their properties, and many prefer to hold indefinitely and benefit by the unearned increment rather than sell under the high taxation of to-day. While these corporations will secure relief, the added burden will really be placed upon such types of corporations as manufacturing and other companies dependent upon income.

The records of the bureau are of great importance, for here is a record of every company engaged in business, with complete financial statistics, which are valuable from a statistical standpoint alone. These returns should be of great value in determining the value of securities in the case of Federal estate tax cases and in determining loss and gain in the case of determining income not only of individuals but also of corporations.

Nontaxable securities, about which there is so much discussion to-day, held by banks and other corporations, amount to millions of dollars and are necessarily included in the fair value of the capital stock, so that here is a case where such securities are reached by the Federal Government. Suppose the much talked of blue sky law is enacted. Think how valuable are the records already on file—a complete statement as to the correct valuation and standing of every corporation in the United States.

Very little litigation has resulted, so that little embarrassment on the part of the Government has occurred. It is contended that the tax liability will be more widely distributed, but it appears that just the reverse will happen. It can readily be seen that many corporations will escape, and the 1½ per cent additional income tax will be borne by a comparatively few corporations.

Another point that has not been mentioned thus far is the fact that capital-tax stock is deductible in computing net income, so that here again every corporation reporting a net income will pay 14 per cent on the amount now deductible for capital-stock tax. Any small corporation with a net income will have its tax increased, irrespective of a small return on the capital invested.

There appears to be no good reason for eliminating the capital-stock tax in carrying out the program of reduced taxes and an equitable distribution of such taxes.

I think they should all bear their proportionate share; but many people have money invested in these large holding corporations dealing in timber and other natural resources, and they will escape taxation altogether, under this amendment. I hope the amendment will be defeated.

Mr. KING. Mr. President, this matter was not accepted I think unanimously by the Finance Committee; there were a number of the members of the committee, I believe, who were not quite satisfied with the provisions of the amendment. I was among that number myself. I know the contention is made, it was made with a good deal of force by several members of the committee, and it is now made by the chairman of the committee, that a repeal of the corporation stock tax, and an addition to the normal tax making it 14 per cent, will bear more heavily upon the corporations with large incomes.

I am not satisfied that that will be the result, and in his statement the Senator from South Carolina [Mr. DIAL] has given some very strong reasons in opposition to this change. I shall be very glad to hear some members of the committee who favor that change make further explanation of it, because I confess that I am not satisfied with the presentation which was made in the committee, particularly by the able Senator from Pennsylvania [Mr. REED].

Mr. SIMMONS. Mr. President, I was not altogether satisfied with this amendment, as I think the junior Senator from Utah and some other member of the minority on the Finance Committee were not. Undoubtedly it will bear more heavily on some corporations than does the present law, and more lightly upon others. However, that seems to be inherent in this method of taxation of corporations. That is an objection which might be made to the present law taking the stock of corporations, and then imposing, in addition, a normal tax. It is a vice of both methods, and which will work the greatest discrimination I do not know.

We endeavored to get some information from the Treasury Department which might aid us in determining which was the fairer and least discriminatory of the two methods, but we were not successful in that effort. In the committee I was disposed to make no objection to action by the Senate at this time upon the amendment. I do not feel like directly antagonizing it, because my mind is only in a state of uncertainty and doubt about it, and I am willing to have the Senate act on it, and adopt the amendment, if it sees fit to do so, without discussion, because it is the purpose of the minority to bring in speedily an amendment in the nature of a substitute for the entire corporation tax provision of the bill, introducing a new method of taxing the incomes of corporations which we think is much fairer than the present law.

We ought to have had that amendment ready before now, but it was necessary that we have certain statistical data from the Treasury Department, and although we called for it several times, we did not until this morning succeed in getting it. I am not complaining of the Treasury Department. Probably they have had some difficulty in getting the exact information we desired; but my understanding is that it came in this morning, and we can immediately proceed to frame our proposed substitute. We may have it ready by to-morrow. That substitute would cover the section we are now discussing, together with all other sections relating to the imposition of taxes upon the incomes of corporations.

Mr. JONES of New Mexico. Mr. President, we have heard a good deal about the amount of income which is going into tax-exempt securities. I have attempted on other occasions to rather minimize what has been said from the Treasury Department on that subject.

On Saturday I received a rather comprehensive discussion of the subject from another source. This discussion appears in a memorandum by W. W. Powell, secretary of the American Association of Joint Stock Land Banks. It bears date the 15th of this month, but I received a copy of it only on Saturday, and some very important additional data appear in this brief.

It also contains a very logical discussion of the subject, and I think every Senator who is interested in the subject of the surtaxes and in the subject of tax-exempt securities should have opportunity to read this document. It can not be said that it is all controlling, but I am sure that it contains some information which has not appeared in such a brief and approachable way as that in which it appears here. I would like to have this document printed in the CONGRESSIONAL RECORD, not only for the information of the Senate, but for the information of taxpayers at large who are interested in these subjects. I therefore ask that this document, entitled "Tax Exempting and Tax Evasion as Incidents of Tax Reduction," be printed in the CONGRESSIONAL RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(See appendix to speech of Mr. JONES of New Mexico.)

Mr. JONES of New Mexico. I wish just to call attention to a short summary of the information presented here. It presents a very remarkable showing, and I may say that it it based upon statistical information in the Treasury Department.

It states that 68 per cent of all the tax-exempt securities are held by corporations. That statement alone is undoubtedly information to a great many people, and inasmuch as it has come from an official source—from the Treasury Department—I take it that it will bear no criticism. It is said that 68 per cent of all these tax-exempt securities are held by corporations, which, of course, are not subject to the surtaxes at all. That leaves only 32 per cent of these tax-exempt securities held by individuals.

Individuals who have individual incomes ranging from $5,000 to $20,000 own one-third of all such securities held by individuals.

Mr. SIMMONS. Did I understand the Senator to state that individuals having incomes ranging from $5,000 to $20,000——

Mr. JONES of New Mexico. Individuals with incomes of from $5,000 to $20,000 own one-third of all the tax-exempt securities which are held by individuals. I stated in the first place that 68 per cent of such securities were held by corporations and that of the other 32 per cent one-third are held by individuals with incomes ranging from $5,000 to $20,000.

Mr. NORRIS. Has the Senator figured out what percentage would be left?

Mr. JONES of New Mexico. I am going through with that, taking up the other brackets.

Mr. NORRIS. Very well.

Mr. JONES of New Mexico. Individuals having incomes ranging from $20,000 to $50,000 hold one-fifth of all tax-exempt securities held by individuals. Individuals with incomes of from $50,000 to $100,000 a year own one-eighth of all such securities held by individuals. Individuals with incomes of from $100,000 to $300,000 a year own one-fifth of the individual holdings of tax-exempt securities. Those with incomes above $300,000 a year own another fifth. When that is figured out into the amounts of the tax-exempt securities held in these very high brackets, it will be found it is not a very formidable thing.

There are also various other data given in this statement. It shows the amount of Government securities held in each of the respective brackets, together with the amount of State and municipal securities held in each of the brackets, ranging from $50,000 on up into a number of different brackets.

Mr. SHIPSTEAD. Does the report state how many Federal securities are held by corporations and what is the percentage?

Mr. JONES of New Mexico. Yes. It is 68 per cent.

Mr. SHIPSTEAD. Of the twenty-one billion outstanding?

Mr. JONES of New Mexico. The twenty-one billion, I may say to the Senator, are not all tax exempt. They are only partially tax exempt.

Mr. SHIPSTEAD. They are tax exempt when held by corporations.

Mr. JONES of New Mexico. Yes; they are all tax exempt when in the hands of corporations; but this refers only to the Federal bonds which are wholly tax exempt, and also to State and municipal bonds which are wholly tax exempt. I agree with the Senator that we will find that of the others a very much larger proportion are held by corporations, because they are totally exempt in the hands of a corporation and not exempt in the hands of an individual.

Mr. NORRIS. May I ask the Senator a question?

Mr. JONES of New Mexico. I yield.

Mr. NORRIS. Does the bill provide any remedy for that situation, or is there any amendment pending that will remedy the situation?

Mr. JONES of New Mexico. The bill, as reported by the Finance Committee, makes no provision which would change the situation at all.

Mr. SHIPSTEAD. Will the Senator yield?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. SHIPSTEAD. I have had an amendment printed, and it is on the table, which will cure that situation.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. KING. In view of the statement which has just been furnished to the Senator, and also in view of the facts reported

Mr. DIAL. I understand.

and an equitable distribution of such taxes.

by the Treasury Department, to which the Senator referred in his address a few days ago, it is quite apparent, is it not, that the statements made by the Treasury Department to the effect that a large number of tax-exempt securities are held by various individuals to escape taxation needs some modification?

Mr. JONES of New Mexico. I think it needs considerable modification. I may say that the new statistics which are now brought into the discussion appear only for the taxable year 1920. In making out the returns of incomes for the calendar year 1920 the Treasury Department in its forms required the individual taxpayer to make statements as to the tax-exempt securities which they owned, both Federal, State, and municipal. Of course, there was no inducement for the taxpayer not to make a full statement as to the amount of such securities which he held and his income from them, because there was no tax upon them. So we may, it seems to me, accept the statement in those returns for 1920. It showed the remarkable fact that the income derived from such securities for the year 1920 by all the taxpayers amounted to only $105,000,000. I think I may suggest to the junior Senator from Utah that a mountain has been made out of that molehill.

Mr. SMITH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. JONES of New Mexico. I yield.

Mr. SMITH. May I ask the Senator to explain the difference between the effect of taxation upon the tax-exempt securities held by a corporation and those held by an individual? He touched on that point, but did not explain it. Some of us who have not had an opportunity to study the bill carefully would like to have that explained by the Senator from New Mexico.

Mr. JONES of New Mexico. The result comes from the wording of the present law and the wording of the bill as proposed by the majority of the Finance Committee. There is only one tax levied upon corporations and that is called a normal tax on the corporation income. When we enacted the bond legislation providing for the issuance of bonds it was there provided that the bonds should be exempt from normal taxes. Therefore it followed that in the hands of a corporation those bonds were exempt from all taxation.

Mr. SMITH. Even from tax on the income derived by the corporation who owned the bonds as a part of their corporate property?

Mr. JONES of New Mexico. It simply makes them absolutely tax free in the hands of a corporation, because the only tax levied upon corporations comes within the provision of the bond issue. The result is, as to the partially exempt Federal securities, that I see no reason in the world why the corporations should not be grabbing them up as rapidly as they can whenever they have any funds which they can invest in such securities, because they have that decided advantage over the individual purchasing precisely the same bonds.

Mr. SHIPSTEAD. Mr. President, will the Senator yield for a question?

Mr. JONES of New Mexico. I yield.

Mr. SHIPSTEAD. On the 1st day of February I took occasion to address the Senate very briefly on the issuing of Federal securities by the Secretary of the Treasury, and called attention to the exceedingly high rate of interest that he paid. During the last two and one-half years there were $7,500,000,000 of notes issued and those issues were oversubscribed sometimes two or three times in anywhere from two to six days. Necessarily we must assume that they were not bought by the public in general, because they involved tremendous sums of money.

Last June there were $603,000,000 of Treasury notes issued bearing 4¾ per cent interest.

Now, who could buy those securities within that short time in such a tremendous amount? The subscriptions were more than double the offerings. No one could buy them but the large banks and large corporations having large quantities of funds available. When they buy the securities paying 4¾ per cent they do not have to pay taxes upon them.

At that time I called the attention of the Senate to the fact that the Chase National Bank, of New York, had $86,000,000 of those securities, according to the report made, I think, on the 31st day of December, and that the National City had $86,000,000. According to the last statement I saw from the National City Bank, I think I am correct when I say that such securities held by that bank had increased from $86,000,000 to $95,000,000. The Mellon National Bank, of Pittsburgh, had $43,000,000 of the Federal securities upon which they pay no taxes, because corporations of all kinds are exempt from paying taxes upon such Federal securities. According to the revenue act of 1921 and according to the rulings of the Secretary of the Treasury there are no taxes to be paid by the corporations on income from Federal securities, no matter what quantity of those securities they hold. A bank can hold $500,000,000 of such securities and not pay any tax on them, while the individual is exempt from it for certain sums and from the normal tax only. If he holds one issue of more than $125,000 he begins to pay the tax. The corporation under the law of 1921 does not pay any tax on them at all.

Mr. JONES of New Mexico. The Senator from Minnesota delivered a very able address some days ago upon the subject to which he has just been referring. I am sure that Senators interested in the general subject will profit very much by reading that very able address of the Senator.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. JONES of New Mexico. I yield.

Mr. SIMMONS. The Senator from Minnesota asked a question of the Senator from New Mexico a few moments ago which I understood to be whether anything had been proposed or was proposed by the minority to remedy the situation to which he has referred. My understanding is that the amendment which the Senator from New Mexico has in contemplation and to which I referred a few moments ago will probably remedy the situation to a very large extent at least.

Mr. JONES of New Mexico. That is certainly one of the purposes in mind in connection with the proposed substitute.

Mr. McKELLAR. Will the Senator outline that substitute?

Mr. JONES of New Mexico. I do not care to do so at the present time.

Mr. McKELLAR. Very well.

Mr. JONES of New Mexico. On the question that is before the Senate for immediate action I think it is somewhat doubtful as to the fairness of the amendment. We do not know just what the real effect of it will be. On general principle I am in favor of the amendment. I do not believe in what might be termed a corporation capital-stock tax, because that must be paid regardless of the prosperity of the corporation, and it becomes a fixed charge which enters directly into the cost of production of whatever the commodity may be that is produced by the corporation, and is necessarily passed on to the consumer. A tax upon the net income of corporations does not have that effect. It is not shifted. It is not added to prices; that is, assuming that prices are fixed through competition, it would not be passed on, because only the fixed costs or the fixed charges enter into competitive costs. If it is a monopoly, the monopoly fixes its prices with regard to its net income, and so a tax upon net profits is not shifted to the consumer except possibly under very unusual conditions. One of them is the case of the railroads about which I spoke here a few days ago.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. JONES of New Mexico. I gladly yield.

Mr. OVERMAN. I understand we are to vote on the pending proposition before the Senator introduces his substitute.

Mr. JONES of New Mexico. Yes.

Mr. OVERMAN. I want to know how to vote. Is it proposed to increase or decrease the taxes?

Mr. JONES of New Mexico. The substitute which I shall propose——

Mr. OVERMAN. No; I am not asking yet about the Senator's substitute which he intends to propose. As I understand it we have to vote on the committee proposition first. In voting on that proposition, provided the Senator's substitute is not adopted, what would be the result of increasing the taxes from 12½ to 14 per cent? If we vote for the amendment will we not be increasing the taxes 1½ per cent?

Mr. JONES of New Mexico. My judgment is that by this change we will relieve from taxation a very large number of corporations which can ill afford to pay the taxes which they are paying now. The result will be that prosperous corporations will pay more tax than they are paying now, but the amount of revenue to be derived by the Federal Treasury on the whole will be increased a fraction of a per cent—not very much. I think it is estimated at about $19,000,000 on the adjustment of the whole corporate tax, but that additional amount comes from those corporations which have net incomes and are able to pay, whereas the reduction will inure to the benefit of those corporations which do not earn the large profits. So I think, upon the whole, as a matter of adjustment between the corporations it is a wise provision.

Mr. DIAL. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from South Carolina.

Mr. DIAL. Then the Senator proposes to penalize the industrious corporation and relieve the slothful corporation that does not desire to operate, but holds its property for an increase in value hereafter. The latter is to be relieved from all taxation. The tendency of such a provision would be to discourage people from trying to be energetic and economize and make something.

Mr. JONES of New Mexico. If the Senator would follow out to its logical conclusion what he has just stated, he would find that he is opposed to anything but a flat tax on individuals or corporations. I do not believe in that doctrine myself. I believe in a graduated taxation generally, whether on individuals or corporations. I believe in the principle of those paying who are best able to pay.

Mr. DIAL. Under the Senator's proposition, then, a holding corporation would perhaps pay nothing if it did not pay on its capital stock.

Mr. JONES of New Mexico. The Senator is right about that, if this general scheme shall prevail; but I shall hope to discuss that proposition later. I think the whole scheme is bad, but as between having a corporation tax and having the tax put upon net income, I favor putting it upon net income.

Mr. DIAL. I disagree with the Senator when he says that the tax on net income can not be passed on to the consumer. In my opinion, it will all be passed on to the consumer sooner or later. Certainly the tax on a corporation would not go to the consumer if it were an inactive corporation. It would merely have the privilege of holding property for an increase in value.

Mr. JONES of New Mexico. I hope that we may find some means of handling the tax upon holding corporations before we get through with the bill. As to the Senator's broad statement of economics, I may say that about a century ago the principle which he has announced was upheld by some very eminent economists of that time, and it is also upheld now by the Secretary of the Treasury. But aside from the distinguished Senator from South Carolina and the Secretary of the Treasury, I am inclined to believe there are very few eminent economists who would agree to the doctrine which he has announced. However, we can discuss that subject later.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. KING. Before the Senator leaves that subject I desire to ask is he satisfied, in view of the limited information which was given to the committee, as to the advantages and disadvantages resulting from the change from 12½ to 14 per cent and abolishing the capital-stock tax? The Senator will bear in mind the fact that the corporations reporting net incomes showed a gross income of $60,000,000,000 plus, upon which they reported total deductions of nearly $56,000,000,000 and net income of only $4,336,047,813. There were corporations reporting no net income. Their gross income was $31,198,150,103 and their total deductions amounted to $35,076,369,337, showing a deficit of $3,878,219,234.

In view of those figures, I will say to the Senator, while I am predisposed to support this amendment, for some of the reasons stated by my colleague, the senior Senator from Utah [Mr. SMOOT], the other day, nevertheless I am not satisfied that the effect of this change would be more heavily to tax the corporations whose incomes are large, those having an income of $60,000 and upward, those in the large brackets. I know that that was asserted with considerable emphasis during the discussion by one of the experts. In view of the figures to which I have just called attention, the large number of corporations reporting deficits of nearly $4,000,000,000 and the very small earnings comparatively reported by those which reported net earnings at all, is there any satisfactory evidence before the committee or before the Senate from which it may be determined that this change will be beneficial to most of the small corporations and will bear a little more heavily upon the large corporations? It is stated that we should collect $19,000,000 more revenue by this change, but I confess that the evidence on that point is not satisfactory to me.

Mr. JONES of New Mexico. Mr. President, the only information which we have upon the subject is substantially that just referred to by the Senator from Utah. However, we do know that all those corporations which had no net income would be relieved of this corporation tax, and they are the ones which, if the change is not made, will have to pay a very considerable sum of money as a tax upon their corporate stocks, and in the absence of net income would necessarily pay a tax upon capital. A part of the capital of the corporation would have to be taken with which to pay the corporation stock tax. I do not believe that would be a wise thing; I do not believe we should do that. It certainly would be contrary to what I believe should always be the basic principle upon which the Government's revenue should be collected.

Mr. SIMMONS. Mr. President, the Senator from New Mexico will probably remember that when we originally enacted the captial-stock tax we did so upon the theory that it would be in the nature of a license tax, and therefore it ought to apply to all corporations as license taxes do, without reference to the amount of the income.

Mr. JONES of New Mexico. The Senator from North Carolina is quite right about that provision; but we had to raise revenue wherever we could find it, so we put a number of excise taxes on various things, and we put this tax, which is virtually a franchise or license tax, upon corporations; yet it could hardly be defended except upon the theory that we needed the money, for the States incorporate such associations and corporations and they levy franchise taxes. It rather seems equitable to me, therefore, that the imposition of a franchise tax ought to be left to the States and not become a source of revenue for the Federal Government.

Mr. DIAL. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from South Carolina.

Mr. DIAL. I fear we lose sight of the desirability of individual effort when we speak of increasing the income of the Government by $19,000,000. It is proposed to group corporations. I hardly think that is a fair way to get at the tax on the earnings of corporations. I very much fear that we shall do some corporation an injustice. A very rich man and a very poor man may make up a very nice average, but it is a different proposition as to what the poor man is worth and what the rich man is worth. We should consider each case separately. We penalize a corporation that tries to accomplish something as against the corporation which has retired and has no net income because it is retired from business, and pays no capital stock tax because it is now proposed to take that tax off. It is a very serious matter. I am not contentious about it, but I think we should do everything we can in order to encourage industry and activity, to develop our resources, and to give employment to our people and to encourage them to work and earn. I very much fear, however, that this provision would establish a wrong principle.

Mr. JONES of New Mexico. Mr. President, the general purpose which is entertained by the Senator from South Carolina, I am sure, is entertained by me and, I hope, by all other Senators; we do not wish to penalize any industry any further than may be necessary. I will, however, make the observation that it is absolutely impossible to equalize any plan of taxation which is general in its nature.

Mr. DIAL. But does not the Senator from New Mexico think that the people of the country generally are looking for us to reduce taxes and to assist taxpayers, while on the contrary this is a proposition to increase them? Would not such action on our part discourage the people? Is it not time for us to demand economies in every way in order to lighten the burdens which now oppress the souls of men?

Mr. JONES of New Mexico. Mr. President, I believe I would rather take an additional $19,000,000 from the very prosperous corporations of this country and relieve the corporations which make no net income from the burden of thirty-odd million dollars, and that would be the practical effect of this amendment. It would relieve those corporations which have no net income and those which have but little income very greatly. So if there is any error in this general proposal, it is an error in the right direction, in my judgment, because the corporations which are able to pay will be the ones bearing the greater share of the burden by reason of the change.

Mr. DIAL. If we are to take off the capital-stock tax, would not the Senator be willing to leave the other tax at the present rate of 12½ per cent instead of increasing it? Would not that be better and more just?

Mr. JONES of New Mexico. I would be willing to relieve them of it and even make a further reduction if the requirements for revenue would permit; but it is estimated by the chairman of the Finance Committee that this bill as a whole, keeping in this $19,000,000, will still produce a deficit of over $50,000,000 in the revenue of the Government.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from New Mexico yield to the Senator from Virginia?

Mr. JONES of New Mexico. I yield.

Mr. GLASS. May I inquire of the Senator from New Mexico whether the committee had available statistics which were segregated and classified to justify the statement which he has just made, that this proposed change in the revenue bill will relieve corporations that have no appreciable income and the tax will be put on corporations that do have income?

Mr. JONES of New Mexico. There are very authentic statistics bearing on that subject. They were referred to by the junior Senator from Utah [Mr. KING] a while ago. He gave the number of corporations which have no net income. The number having any very large amount of net income is relatively smaller than would be indicated by the figures read by the junior Senator from Utah.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. SMOOT. The answer to the Senator's question might be put in this way, that every corporation that is making less than 6½ per cent will be benefited by this amendment, while corporations that make more than 6½ per cent will have to pay more. The other day I cited the case of the United States Steel Corporation. Under this provision that corporation will have to pay some $500,000 more, but I do not think they would complain very much if this tax were imposed, inasmuch as it will enable them to avoid the expense attached to making another return and will relieve the administration of the department of the necessity of finding out what was the market value of the stock and also its par value, which is a great burden.

Mr. GLASS. I will say to the Senator that I have entire sympathy with the effort to get rid of the vexation of the return of the $1 tax on capital. What I was trying to ascertain was whether or not the change will be a relief to an appreciable number of corporations, as contrasted with those corporations which will have an increased burden to bear. I do not think we are here to increase taxes if we can avoid it. I think the mission of Congress should be to reduce taxes all along the line.

Mr. SMOOT. Mr. President, referring again to the question of tax-exempt securities and to the document which has gone into the RECORD at the request of the Senator from New Mexico, of course Mr. Powell is in favor of the tax-exempt privilege. He is one of the men who direct the joint-stock land banks, and those joint-stock land banks want to have the privilege of issuing all the tax-exempt securities they can possibly put upon the market. I do not know where Mr. Powell obtained his figures as to the amount of tax-exempt securities held by corporations in the United States. The actuary tells me that the best estimates they have ever had was that corporations held 37 per cent. There has been no statement made from the Treasury, he tells me, as to their having 68 per cent. I do not know where Mr. Powell got those figures. Mr. McCoy has just now advised me that his judgment is that 37 per cent is the amount held by corporations.

I simply wanted to say that much as to the document which has gone into the RECORD. Nobody is more anxious, nobody has spent more money or carried on greater propaganda, according to the interests involved, than have the same joint-stock land banks.

Mr. JONES of New Mexico. Mr. President, I may say that the information to which Mr. Powell referred came from the Treasury Department, both as to the amount of tax-exempt securities outstanding and as to the amount held by individuals. If the Senator will look on page 383 of the report of the Secretary of the Treasury for 1923, he will find the amount of tax-exempt securities held by individuals in the various brackets. It is all figured out on that page.

Mr. SMOOT. Yes, Mr. President; but there are over $7,000,000,000 of tax-exempt securities issued by States, cities, and counties, and then there are over $1,000,000,000 of tax-exempt securities issued by the joint-stock land banks and the Federal farm-loan banks. I am not speaking simply of the tax-exempt securities that have been issued by the United States. I am not referring to them at all. In fact, the great evil that grows out of the purchasing of tax-exempt securities to evade taxation comes from the purchase of the bonds that are issued by the States and the cities and the counties.

Mr. JONES of New Mexico. Mr. President, if the Senator will pardon me, I should much prefer to hear his discussion of this brief after he has read it, because I think we shall be able to reach a more firm basis for the discussion than mere generalities in statement.

APPENDIX

TAX EXEMPTION AND TAX EVASION AS INCIDENTS OF TAX REDUCTION

A BRIEF SURVEY

1. A Great War has been fought, vast sums have been expended, a great national debt has been incurred. There is no escape from taxes sufficient to liquidate that debt.

2. Twenty-four billions of income accumulated during the six years 1916 to 1921, inclusive, escaped the individual Federal income tax because such income was held by corporations as undivided profits. Here is untaxed income exceeding twice the face value of all wholly tax-exempt securities.

3. The total of wholly tax-free bonds is $12,310,000,000, not thirty to fifty billions as sometimes loosely stated.

4. More than two-thirds—68 per cent—of all outstanding wholly tax-exempt securities are held by corporations, and therefore could be taxed only the 12½ per cent corporation income tax, even if the exemption were removed.

5. Less than one-third—32 per cent—of the total volume of tax-free bonds is held by individuals. Of this amount held by individuals, almost one-third—31.2 per cent—is held by persons of moderate incomes—$5,000 to $20,000.

6. The Federal income tax does not concern the great mass of taxpayers. Only 6.28 per cent of the population pays a Federal income tax. Only 2 per cent of the farmers paid any Federal income tax in 1920.

7. But the general property tax affects every home owner and every farm owner. State and local governments collected in 1922 general property taxes amounting to $3,329,380,000, while the Federal Government collected income taxes for that year amounting to only $1,691,090,300.03. In a word, the general property tax is practically double the Federal income tax.

8. Tax-exempt securities are issued only for public purposes. The tax-free bond is the taxpayer's own credit instrument, from which the public derives a direct and considerable benefit the moment it is issued and sold, bearing a low rate of interest.

9. To tax public-purpose bonds not only would discourage public undertakings, but would result also in such an increase of interest rates on these bonds as to add materially to the local taxes levied upon the homes and farms.

FOREWORD

A well-known newspaper publisher in a notable after-dinner speech, recently gave it as his opinion that it was the aftermath, quite as much as the experiences on the battle field, which prompted General Sherman's classic comment: "War is hell."

In support of this interpretation of history, the publisher pointedly observed that though the great World War has been over for more than five years, hell continues—in the form of high taxes.

By way of incidental emphasis the publisher further remarked that while Dante was a grand old man he had a wholly inadequate idea of hell.

Helpful as such examples of grim humor may be in enabling the taxpayer to bear his burden philosophically, it is apparent that relief must come through serious thought and study rather than light and frothy discussion.

Much misunderstanding has resulted from a confusion in the public mind as to the exact meaning and application of the terms "tax reduction," "tax evasion," and "tax exemption." In the memorandum which follows an effort has been made to show that tax exemption has nothing whatsoever to do with tax reduction, and that tax exemption is in no sense tax evasion.

In any intelligent discussion of tax reduction all must recognize the great and stubborn facts that the World War has been fought, the money has been spent, a debt has been incurred, and that there is no escape from taxes sufficient to liquidate the debt—that is, the national debt, the war debt.

But the Federal income tax is not so great a burden on the American people as a whole as is the general property tax. The Federal income tax collected for 1922 amounted to $1,691,090,300.03; while the general property taxes collected by the States and their subdivisions amounted to $3,329,380,000, or practically double the amount of the Federal income tax.

Yet even in the case of the State and local taxes the tremendous increase is due in a large measure to the war. In order that the full resources of the Nation might be at the disposal of the Federal Government during the war all programs for public improvements were postponed altogether or greatly reduced. When the war ended the States were behind with all their public-purpose programs; the counties and cities likewise were behind. Here, then, we have some other great and stubborn facts to face at the very outset of the examination of this matter, to wit: The public health demands water mains and sewers, the public welfare demands school buildings to

house more than a million children now shut out of school, the public convenience demands roads. The need is upon us, the money must be spent, and the taxes must be levied—and the taxpayer must pay.

Doubtless, a reduction in the cost of the current operation of the Federal Government would be welcomed, but it is not easy to conceive how the American people, having incurred a great war debt, can escape taxes sufficient to liquidate that debt. And it is not conceivable that we can long delay the construction of such public works as are required to protect the public health, serve the public convenience, and promote the general welfare. Manifestly, we can not as a Nation sink back into barbarism just because we are in for a season of high taxes.

We can, however, and should, correct gross inequalities arising from our present system of taxation.

The purpose of the following memorandum is not necessarily to discuss tax evasion, excepting for the incidental purpose of showing that in taxing "tax-exempt securities" we are "barking up the wrong tree." It is shown from Treasury statistics that the amount of *income* (mark the word "*income*") which escapes taxation through being held as undivided profits of corporations amounts to more than twice the *face value* of all outstanding tax-exempt securities.

It is the object of this memorandum to show that to tax public-purpose bonds of States and cities is in reality to put a tax upon a tax and make the home owner and farm owner pay that tax in the form of increased interest on all public-purpose bonds—and to show also that to tax public-purpose bonds would be to further increase the inequalities rather than to correct them.

W. W. P.

WASHINGTON, D. C., *April 15, 1924.*

INTRODUCTION

Every class of American citizen is crying for relief from taxes.

In their agony, taxpayers have grasped at any and every suggestion of politicians or agitators that has seemed to promise a measure of relief from the terrible burden of high taxes.

It was characteristic that, in his distress, the ordinary taxpayer should demand that there be no favored class. And it was the most natural thing in the world that public sentiment should be aroused against everything resembling a means of evading taxes.

Everybody knows that there is evasion of taxes—particularly on the part of many of those most able to pay. Some of this evasion has resulted from failure to enforce tax laws, and some of it has been of a kind that is beyond the reach of any present law.

TAX EVADED ON TWENTY-FOUR BILLIONS OF UNDIVIDED PROFITS

The most significant and most offensive instance of tax evasion which has as yet come to light is that which is accomplished by means of the undivided profits of corporations. The big business of the country, and the bulk of all business, is done by and through corporations. How grossly the stockholders in corporations have offended against the spirit and letter of the income tax law can be readily grasped when it is known that *61.8 per cent (or almost two-thirds) of all the new wealth that was created for the stockholders in corporations in the six-year period from 1916 to 1921, inclusive, has escaped the individual income tax (both normal and surtax), because that new wealth (which is income) was not distributed as dividends but instead was held as undivided profits. Only 38.2 per cent (or a little more than one-third) of this newly created wealth was distributed as dividends and thereby made subject to the individual income tax.* This is a condition worthy of careful examination.

The United States Treasury publications known as Statistics of Income show that the net income of corporations during the period 1916 to 1921, inclusive, was $49,507,901,528; upon which corporation income, excess profit, and war profit taxes were collected, amounting to $9,975,166,994; leaving net profits available for dividends amounting to $39,532,734,534. The same publications show that individuals reported for the years 1916 to 1921, inclusive, dividends received from corporations amounting to $15,120,633,387, leaving in the possession of the corporations undivided profits amounting, for these six years, to $24,412,101,147.

UNTAXED INCOME FROM CORPORATION STOCK AMOUNTS TO TWICE FACE VALUE OF ALL TAX-EXEMPT SECURITIES

Twenty-four billions of untaxed income constitute a large sum. *Here is an amount of income not taxed which greatly exceeds not only the total of incomes from all tax-exempt securities, but is twice as great as the total face value of all the outstanding tax-exempt securities. This twenty-four billions of untaxed incomes, accumulated in six years, means an average of more than four billions a year on which the Federal income tax is evaded. And four billions a year is somewhere between seven and eight times as much as all the income from all the wholly tax-exempt securities.*

A portion of this twenty-four billions of untaxed income has escaped the tax by being put into specially created corporations to hold undivided profits. However, by far the larger part of this twenty-four billions has escaped the individual tax (both normal and surtax) because the corporations have employed the simple expedient of postponing distribution of profits. By this means, the individual having escaped the normal income tax and the surtax on his share of a corporation's earnings, his part of the undivided profits has been subject only to the 12½ per cent corporation income tax.

Here, then, is a great avenue of escape from taxation—an avenue of which some of the very rich make frequent and large use.

The undivided profit has not yet come in for a public drubbing. That is, not having as yet been assailed by any politician or any other person or group with an ax to grind, it has not been a subject of general attack in the press of the country. In other words, nobody has conducted a campaign to point out its iniquities; and just because it is not widely known, the evil of it is not generally recognized. When it is once generally understood that the undivided profit is the greatest and most effective agency yet devised for the evasion of taxes, it will be made the subject of effective legislation. But public sentiment can not take form until there has been a campaign of education. Thus it is that there is as yet no fight against the greatest evil in our whole scheme of taxation.

A LEVY ON TAXPAYERS' OWN CREDIT INSTRUMENT

But ignorance as to the cause of his distress has in no way alleviated the suffering of the taxpayer. On the contrary, it has increased his anger and led him, like an Irishman in a free-for-all fight, to lay about him with a strong arm, hitting a head wherever he could find one, caring not in his frenzy whether the head were that of a friend or foe. The bright and shining mark which has fixed the eye of our embattled taxpayer as been the public-purpose bond—the taxpayer's own credit instrument—and all because it has been labeled "tax exempt." Throughout the entire discussion of Federal taxes, this label, "tax-exempt securities," has been held so close to the taxpayer's eye that he has been unable to see that veritable mountain of untaxed income held as undivided profits.

It is a hopeful sign that taxpayers should resent injustices and inequalities, but it is surprising how few there are who understand that tax-exempt securities are issued by and for the taxpayers themselves, for the sole purpose of obtaining money for public uses at low rates of interest.

HOME OWNERS AND FARM OWNERS MUST PAY

And it is likewise surprising how few there are who understand that if these public-purpose bonds are taxed, the rate of interest on these bonds must be increased by a sufficient amount to pay that tax; and that any increase in interest must be paid by taxing the property of the citizens—by levying a direct local tax—a tax that can not be evaded and can not be shifted or included in the price of any article of general consumption—a tax that must be paid by the home owners and farm owners of America.

Intelligent action must be preceded by a careful examination of the facts as to the volume of outstanding nontaxable securities, the ratio of that volume to the total wealth of the country, the purpose sought to be served by issuing tax-exempt bonds, and to what extent a tax upon them would nullify such purpose.

But before considering these phases of the subject in detail, it may be profitable to briefly summarize the history and present status of the opposition to tax-exempt securities in Congress.

STATUS OF QUESTION IN CONGRESS

A proposal to amend the United States Constitution so as to subject income from bonds issued by States and cities to the Federal income tax, and so also as to permit the States to tax the income from Federal bonds, was defeated in the lower House of Congress early in February of this year.

Likewise the Senate killed an amendment to the income tax bill providing that any person holding tax-exempt securities could not deduct from his taxable income the interest paid on borrowed money, excepting such interest as was in excess of the taxpayer's income from tax-exempt securities. The effect of such an amendment to the income tax law would have been to tax the income from nontaxable bonds.

Senator DAVID A. REED of Pennsylvania will make an effort to amend, on the floor of the Senate, the income tax bill so as to tax all future issues of State, municipal, Federal, and farm loan bonds. Senator REED (Pennsylvania) holds that the sixteenth amendment to the Constitution gives Congress the power to tax income from State bonds. (This is written Apr. 15, 1924.)

In the present excited state of mind of Congress, it would be unwise to venture a prediction as to the outcome.

Still another amendment proposes that all farm mortgages shall be exempt from taxation until December 31, 1929. However, this amendment does not subject the lenders of money on the proposed tax-exempt mortgages to any regulation which will adequately protect the borrower against exorbitant and usurious commissions.

With the present status of this matter in Congress and in the public mind thus briefly summarized (though inadequately stated), it now

may be possible to examine carefully the merits and demerits of the policy of permitting the issuance of tax-exempt securities for public purposes.

FIGHT MAY BE RENEWED IN NEXT CONGRESS

Other efforts will be made in the near future to submit to the States a constitutional amendment giving the Federal Government power to tax State and municipal bonds and giving the States power to tax Federal bonds. Therefore, let us consider the proposed amendment, *its origin, the argument for it, and the effect of it.*

The proposal to amend the Constitution in this regard rests upon two assumptions, both of which are violent assumptions.

The first assumption is that the issuance of tax-free securities is an evil in itself.

The second assumption is that the only way the "evil of tax exemption" (if it be an evil) can be reached is by amendment to the Constitution.

That the examination of the subject may proceed in an orderly manner, let us direct our inquiry to the following heads and subdivisions thereunder:

I. THE EVIL, IF SUCH IT BE

(a) What is the present volume of outstanding tax-exempt securities?
1. State and municipal?
2. United States Government bonds (Liberties and prior issues).
3. Farm-loan bonds?
(b) Where are these tax-exempt securities held?
1. By individuals paying taxes in the higher brackets?
2. By individuals paying in the lower brackets?
3. By corporations?
(c) Is there any considerable volume of securities that are tax exempt which are not covered by the terms of this resolution?
1. Life insurance companies?
2. Mutual savings banks?

II. THE ORIGIN OF THE MOVEMENT TO ABOLISH TAX EXEMPTION.

(a) Fight on the farm-loan system by the mortgage bankers.
1. Public utilities.
2. National Association of Real Estate Boards.
3. Propaganda.
(b) Banks and investment houses—more money to play with at higher margin.

III. THE EFFECT UPON THE GREAT MASS OF TAXPAYERS

(a) Incidence of taxation.
(b) Farm-loan system.
(c) School building.
(d) Road building.
(e) Public health.

IV. EFFECT UPON PRODUCTIVE INDUSTRY

(a) What is productive industry?
1. Business for profit:
Manufactures.
Transportation.
Agriculture.
2. Public service without profit.

V. WHAT WOULD THIS AMENDMENT DO TO OUR THEORY OF AND FORM OF GOVERNMENT?

(a) Progress of local government.
(b) Dual form of government:
1. Court decisions and lawyers' opinions.
Fields, Cooley, Hughes, and Root.

I.—THE EVIL, IF SUCH IT BE

(a) *What is the present volume of outstanding tax-exempt securities?*—(b) *Where are these nontaxables held?*—(c) *What securities now exempted would continue untaxed despite a constitutional amendment?*

(A) WHAT IS THE PRESENT VOLUME OF TAX-EXEMPT SECURITIES

There has been much loose talk as to the volume of tax-exempt securities, the statements ranging all the way from $20,000,000,000 to $30,000,000,000. There have been wide variations in statements as to the volume of nontaxable bonds. Grossly exaggerated notions prevail as to the ratio of investments in tax-exempt securities to the total of income-producing wealth. Furthermore, up to January of this year there has been no available and authentic data as to where these securities are held.

There never has been any data available which shows or even tends to support the statement, so often made, that the bulk of tax-exempt securities is held by *individuals* paying income taxes in the higher brackets. That statement has been a mere assumption.

TAX RETURNS DISCLOSE WHO HOLD TAX-EXEMPT BONDS

The only available data which bears on this phase of the subject is derived from an analysis of the tax returns for the year 1920. This data is now available because the 1920 form of income-tax return required that every individual furnish a detailed statement to the United States Government as to the tax-exempt securities held by him—a description of each security, the face value of each security, and the amount of income derived from each. The Secretary of the Treasury has not considered it necessary to require such data on income-tax returns after the year 1920. But the 1920 returns show on one and the same sheet of paper the amount of each individual's income and the description and amount of tax-exempt securities held by him.

From such authentic sources, the following summary of the essential facts in the matter of tax-exempt securities must be considered before we can determine how great is the "evil" we are coping with and before we can determine whether it is an "evil" at all:

AMOUNT OF WHOLLY TAX-FREE SECURITIES $12,310,000,000

On January 10, 1924, according to a statement of the Secretary of the Treasury published on that date, the amounts of tax-exempt bonds outstanding were distributed as follows:

Distribution of tax-exempt bonds

Issued by—	Grand amount	Amount held in Treasury or sinking funds and trust funds	Amount held outside of Treasury and sinking funds and trust funds
States, counties, cities, etc	$11,036,000,000	$1,500,000,000	$9,536,000,000
United States Government	2,294,000,000	752,000,000	1,542,000,000
Federal land banks, intermediate credit banks, and joint stock land banks	1,228,000,000	105,000,000	1,123,000,000
Insular possessions	122,000,000	3,000,000	109,000,000
Total			12,310,000,000

Thus we see that the total amount of wholly tax-exempt securities now outstanding is $12,300,000,000. For purposes of exact thinking this statement differs materially from the loose talk about thirty to fifty billions of tax-exempt securities.

$1,541,000,000 OF FIRST LIBERTY BONDS

The United States Government has outstanding only two classes of bonds that are fully tax exempt. These are the bonds of the Federal Government issued before the great World War and the bonds known as the first Liberty loan. Outstanding issues of these two classes of fully tax-exempt Federal Government securities have a total face value of $1,541,000,000.

All other outstanding war issues of the Federal Government are at the present time *partially taxable* and are automatically to have a greatly reduced exemption after July 1, 1926. The facts are these:

TAXABLE STATUS OF OTHER WAR ISSUES

No individual to-day may hold free from tax more than $55,000 of any of the war issues—other than first Liberties—that is, net holdings in excess of $55,000 are subject to the surtax. Refunding issues have the same status. After July 1, 1926, the surtax is to apply to all war issues—excepting first Liberties—in excess of $5,000 held by a single individual. Therefore the bulk of the war issues of Government bonds is no longer to be considered as tax exempt in the sense that they afford a means by which the rich may escape the surtax.

Now, let us see what relation this $12,300,000,000 of wholly tax-exempt securities bears to the total invested wealth of the country. The latest—and the only—available data on this subject is found in the Federal income-tax returns for the year 1920, which returns show that the income from tax-exempt securities is but 3 per cent of the income from all sources.

The following table shows how these figures were arrived at:

Income of individuals from property exclusive of dividends (p. 6, Statistics of Income, 1920)		$2,756,728,166
Net income of corporations, 1920		7,902,649,813
Combined income (97 per cent)		10,659,377,979
Tax-exempt income of individuals from wholly tax-exempt Government bonds and salaries paid and securities issued by States and minor subdivisions. (See p. 383, Report of Secretary of the Treasury for 1923)	$105,485,172	
Income of corporations from tax-exempt securities (p. 13, Statistics of Income, 1920)	219,976,693	
Total (3 per cent)		325,461,865
Grand total (100 per cent)		10,984,839,844

CORROBORATED BY INHERITANCE TAX RETURNS

From another source we gain corroborative statistics as to the ratio of tax-exempt securities to the total of income-producing wealth. The inheritance-tax report for 1922 discloses the ratio of such securities held by probated estates to the total value of probated estates.

The following table contains an analysis of the estates of 12,203 persons reported for Federal inheritance-tax purposes in 1922. This table shows that the tax-exempt property held by these estates constituted only 3.59 per cent of the total value of the estates:

Summary of property owned by resident decedents, subject to and wholly exempt from Federal income tax as shown by Table A, being a compilation of returns of Federal estate tax for 1922, pages 27 to 30, statistics of income for 1921, based on 12,203 returns

Size of net estate subject to tax	Wholly tax exempt: United States Government	Wholly tax exempt: State and municipal	Gross estate	Per cent of gross estate exempt
No net estate	$516,122	$1,777,761	$213,985,555	1.07
Under $50,000	720,696	4,224,821	436,147,749	1.14
$50,000-$150,000	1,123,571	5,377,311	432,115,664	1.51
$150,000-$250,000	623,205	3,747,717	218,473,188	2.00
$250,000-$450,000	1,250,776	6,857,350	255,340,337	3.18
$450,000-$750,000	1,509,409	4,977,651	223,047,280	2.91
$750,000-$1,000,000	850,915	2,842,665	117,422,892	3.14
$1,000,000-$1,500,000	1,510,051	5,564,692	170,125,879	4.16
$1,500,000-$2,000,000	1,807,562	3,214,519	90,685,986	5.54
$2,000,000-$3,000,000	2,818,012	10,067,271	132,547,852	9.72
$3,000,000-$4,000,000	1,661,795	4,102,855	65,713,996	8.77
$4,000,000-$5,000,000	2,473,443	991,424	53,985,721	6.45
$5,000,000-$6,000,000	2,274,531	87,443	45,499,540	5.08
$6,000,000-$7,000,000	90,800	494,509	17,524,080	3.37
$7,000,000-$8,000,000	903,750	1,071,178	17,346,908	11.39
$8,000,000-$9,000,000	1,978,813	7,855,610	97,672,152	10.07
$10,000,000 and over	8,433,189	9,681,658	291,937,350	6.21
Total	30,555,832	72,886,534	2,879,371,968	3.59
Under $1,000,000	6,594,886	29,805,285	1,896,532,664	1.92
Over $1,000,000	23,960,946	43,081,249	982,839,304	6.82

(b) *Where are these tax-exempt securities held*

Advocates of a constitutional amendment to abolish all forms of tax-exempt securities base their propaganda upon the proposition that individuals with large incomes are escaping the Federal income tax by investing the whole or most of their fortunes in nontaxable bonds, and that the loss of revenue to the Government is tremendous because the bulk of these tax-exempt securities is held by *individuals* with big incomes.

As remarked before, the only available authentic data on this matter is derived from an analysis of the Federal income tax returns for 1920. It appears that in 1920 the form of tax return required of every individual called for a detailed statement as to the tax-exempt securities held by the taxpayer, a description of each security, the face value of each security, and the amount held of each.

CORPORATIONS HOLD MORE THAN TWO-THIRDS OF ALL TAX-FREE SECURITIES

Now, let us consider what these 1920 returns, the only available authentic data, show. They disclose that—

1. Corporations, *not individuals*, hold most of these tax-exempt securities. More than two-thirds (68 per cent) of all the outstanding wholly tax-exempt securities are held by corporations.

2. Individuals hold less than one-third (32 per cent) of the total volume of outstanding nontaxable securities. (See Statistics of Income for 1920, p. 13, and Report of Secretary of the Treasury for 1923, p. 383.)

3. The total of tax-exempt securities in the hands of individuals is not thirty-two billions, as some have said, but is only $3,936,000,000.

4. One billion two hundred and thirty millions, or approximately one-third of all the tax-exempt securities in the hands of individuals, are held by persons of incomes ranging from $5,000 to $20,000.

5. Seven hundred and thirty-eight millions, or almost one-fifth of all the tax-exempt securities in the hands of individuals, are held by persons of incomes ranging from $20,000 to $50,000.

6. Only four hundred and ninety-two millions, or one-eighth of the nontaxables held by individuals, are in the hands of those having incomes ranging from $50,000 to $100,000.

7. Seven hundred and thirty-eight millions, or one-fifth, are held by persons having incomes ranging from $100,000 to $300,000; and

8. Seven hundred and thirty-eight millions, or another one-fifth, are held by persons having incomes over $300,000.

The accompanying table of incomes derived from tax-exempt securities gives the amount of such income received by various classes of taxpayers. It gives also the percentage that the amount received by each class bears to the total income derived from tax-exempt securities. The securities themselves necessarily are distributed among the various classes of taxpayers in the same ratio as the income.

INCOMES CONSTITUTE ACCURATE INDEX OF HOW SECURITIES ARE DISTRIBUTED

If, as Secretary Mellon states, the total amount of outstanding tax-exempt securities is $12,310,000,000, and if, as the following table shows, 10 per cent of the total income derived from tax-exempt securities was received by individuals having incomes ranging from $5,000 to $20,000, then it necessarily follows that 10 per cent of all the outstanding tax-exempt securities—or $1,231,000,000—was held by persons having incomes ranging from $5,000 to $20,000. The same reasoning applies to each of the foregoing paragraphs, Nos. 1 to 8.

Distribution tax-exempt income, 1920

[Compiled from statistics for 1920 in report of Secretary of Treasury for 1923 and statistics of income for 1920]

Income class, individual	Tax-exempt income, United States obligations, State, county, and municipal securities and salaries	Percentage of total
		Per cent
$5,000 to $20,000	$32,805,474	10
$20,000 to $50,000	19,697,889	6 } 16
$50,000 to $100,000	14,778,287	4
$100,000 to $300,000	18,854,139	6 } 16
Over $300,000	19,349,883	6
Total individual	105,485,172	32
Corporations	219,976,693	68
Total	325,461,865	100

(c) *Is there any considerable volume of securities that are now tax exempt, but which are not covered and could not be reached by the terms of the proposed amendments*

SECURITIES HELD BY LIFE INSURANCE COMPANIES, MUTUAL SAVINGS BANKS, AND ELEEMOSYNARY INSTITUTIONS SPECIFICALLY EXEMPTED BY INCOME TAX LAW

Life insurance companies, mutual savings banks, and eleemosynary institutions are given special exemptions by the language of the Federal income-tax law, and the volume of securities so exempted amounts to several billions of dollars. The exemption granted to these institutions rests upon a principle quite different from that underlying the exemption at present granted to State, municipal, Federal Government, and farm-loan bonds. In the case of these institutions, the exemption is granted to the institutions themselves because of the nature of their functions; and the exemption applies to any securities they may hold, whether those securities be railroad bonds or municipal bonds, and whether they be Steel Corporation bonds or farm-loan bonds; while the exemption granted to State, municipal, Federal Government, and farm-loan bonds is given to the bonds themselves and the income therefrom, because of the public purposes for which the bonds are issued and without reference to whether they are held by individuals or by corporations. Hence it follows that an exemption specifically granted by the language of the income-tax law itself, to any particular institution because of the nature of its functions, would be in no way affected by an amendment to the Constitution to prohibit the issuance of tax-free securities. For, in fact, it is not the securities held by these institutions which are exempt, but it is the institutions themselves which are privileged to escape the income tax on whatver they may hold.

SEVEN BILLIONS HELD BY LIFE INSURANCE COMPANIES EXEMPTED

Section 245 of the income-tax law specifically exempts life insurance companies on their earnings up to 4 per cent on their reserves.

On December 31, 1921 (the latest available figures), the reserves of life insurance companies amounted to approximately $7,000,000,000 ($6,873,784,897).

The life insurance companies may hold in their reserves farm mortgages, municipal bonds, railroad bonds, and (in some States) railroad stocks and industrial stocks. Every form of security held in life insurance company reserves is specifically exempted by section 245 of the income-tax law—that is, the earnings on these securities up to 4 per cent are exempt. This is interesting because life insurance companies have approximately 95 per cent of their assets in their reserves, and because also the net earnings on these reserves are not much, if any, in excess of a net of 4 per cent. Here and there will be found a company whose earnings are slightly in excess of 4 per cent, but none in excess of 5 per cent. Therefore, it can be stated with confidence that life insurance companies are exempt on at least four-fifths of the earnings on 95 per cent of all they own.

MUTUAL SAVINGS BANKS HOLD BILLIONS EXEMPTED BY INCOME TAX LAW

Section 231 of the income tax law specifically exempts mutual savings banks. It has not been possible to obtain statistics carrying a separate statement of the volume of securities owned by mutual sav-

ings banks. However, on March 10, 1922, the State banks, savings banks, and trust companies had investments in stocks, bonds, and mortgages totaling $9,414,140,361.97.

Most of the savings banks in New England, New York, and Pennsylvania, where the bulk of the savings are accumulated, are mutual savings banks. Therefore it is certain that the volume of securities held by mutual savings banks amounts to several billions of dollars. In the New England States mutual savings banks may own almost anything from New York, New Haven & Hartford Railroad stock on up to high-grade municipal bonds. But whatever they own enjoys complete exemption from the Federal income tax, because section 231 specifically exempts mutual savings banks.

POLICY OF EXEMPTING RELIGIOUS AND EDUCATIONAL ORGANIZATIONS FIRMLY ESTABLISHED

Section 231 of the income tax law likewise specifically exempts eleemosynary institutions, which term includes every form of religious, educational, and charitable organization.

None of the securities held by life-insurance companies, mutual savings banks, or by eleemosynary institutions would be reached by an amendment to the Constitution. To be sure, they could be reached by an amendment to the income tax law, but no one has proposed such an amendment; and if one were proposed, it is not at all probable that Congress would consider it. The policy of exempting religious, educational, and protective organizations from any and every form of tax, because these institutions serve a public purpose, is well grounded in the thought of the American people.

"MENACE" OF TAX EXEMPTION DISAPPEARS ON EXAMINATION

In the light of these facts it becomes necessary to reconstruct some of our thinking as to the "evil of tax exemption." The evil, if such it be, is not the kind of an evil it at first seemed to be. The volume of tax-exempt securities is here shown to be not nearly so large as it was commonly but erroneously reported; the rich do not hold the proportion that was originally and loosely estimated, and two-thirds of the correct amount is held by corporations, so that the graduated surtax could not be applied even if the securities were made wholly taxable. Furthermore, an amount of securities quite equal to the nontaxables held by individuals escapes taxation, because it is held by life-insurance companies, mutual savings banks, and eleemosynary institutions.

STRAINING AT A GNAT AND SWALLOWING A CAMEL

There has been a brief discussion in the introduction to this memorandum of that vastly larger sum of revenue lost to the Federal Treasury through other tax-evasion devices employed by the superrich, particularly that of undivided profits.

Certainly an intelligent consideration of the foregoing facts dispels the bogy of tax exemption as a menacing evil. Those who have been fighting tax exemption on the assumption that it affords the very rich an escape from the Federal income tax have been, figuratively speaking, "straining at a gnat and swallowing a camel."

II.—THE ORIGIN OF THE MOVEMENT TO ABOLISH TAX EXEMPTION

(a) Fight on the farm-loan system by the mortgage bankers—(b) Banks and investment houses want more money to play with at higher margin

(A) FIGHT ON THE FARM-LOAN SYSTEM BY THE MORTGAGE BANKERS

In considering this question we have a right to examine the origin of the proposal to amend the Constitution and to inquire as to the sincerity of those who make it. If on investigation it shall appear that those who have been conducting this campaign of propaganda for the amendment are themselves to be large beneficiaries, then the public should be on guard lest, by hasty action resulting from a widely organized stampede, the people may part with precious rights and get nothing in return.

In the following pages it is proposed to show from the official record that—

1. The present agitation for the abolition of tax-exempt securities originated with and has been conducted principally by the Farm Mortgage Bankers' Association of America.

2. The proposal to amend the Constitution gets its principal support from the railroads, the public utilities, large industrial concerns, and some investment bankers.

AGITATION AGAINST TAX-FREE SECURITIES ORIGINATED WITH FARM-MORTGAGE BANKERS

Nothing ever was heard of a proposal to tax State, county, and municipal bonds until after the Federal farm-loan system had been in successful operation long enough to force down to 6 per cent (and even below) interest rates on farm loans in every State in the Union. There was no agitation against tax-exemption until the farm-mortgage bankers found that the farm-loan system was doing exactly what Congress intended it should do, namely, reducing and stabilizing interest rates on farm mortgages.

As soon as it became certain that the competition of the land banks created by Congress would lower interest rates and abolish commissions the farm-mortgage bankers brought a suit in the United States courts attacking the constitutionality of the farm loan act and challenging the power of Congress to authorize the banks of the Federal farm-loan system to issue tax-exempt bonds. The Supreme Court of the United States upheld the constitutionality of the act, and thus the farm-mortgage bankers lost their first fight.

Then it was that they conceived the idea that *all* tax-exempt securities should be abolished, and accordingly they prepared and had introduced a resolution proposing an amendment to the Federal Constitution, giving the Federal Government the power to tax State issues, and giving to the States the power to tax Federal issues—the resolution being so worded that for the amendment to become operative the Federal Government would have to prohibit any further issuance of tax-free bonds under its authority. This, of course, was directed particularly at farm-loan bonds. And if the amendment is adopted it will operate immediately to destroy the Federal farm-loan system.

The statement that this proposal to amend the Constitution originated with the farm mortgage bankers is supported by the record.

The farm mortgage bankers admit it. They do more; they boast of it.

MORTGAGE BANKERS CONFESS THEIR AUTHORSHIP

The proceedings of the annual meeting of the Farm Mortgage Bankers' Association reported in The United States Investor, issued October 14, 1922, carries an address by F. C. Waples, secretary of the Iowa Farm Mortgage Association, upon the subject of "Special and Associational Advertising," in which he said:

"This association has been carrying on through its secretary, Mr. Chassell, a much more subtle method of advertising and a much more effective method of advertising than can ever be obtained by large paid ads in the newspapers. Because paid advertising goes only so far, but the matter of suggestion, coming from what may seem a more or less unbiased source, is much more effective.

"To be specific, let me call your attention to the campaign which Secretary Chassell has directed against tax-exempt securities for the past several years. A few years ago tax exemption, or the mention of it by a member of this association, was thought to have been mentioned from an extremely selfish standpoint. But we have by persistent work among all of our members, by talking, giving public speeches, getting editorials and articles published in the home papers, sending of pamphlets and circulars broadcast to farm borrowers, to newspapers and magazines, and encouraging the reading of articles along these lines, together with the fact of a high surtax, changed entirely the sentiment of the general public towards tax exemption. The general public, as a whole, at the present time realizes the menace of tax exemption more than they ever did. It is largely due to the efforts of this association, of its officers, and its very efficient secretary that the public recognizes the danger of tax-exempt securities and the continued issuance of the same."

At the same meeting Mr. E. D. Chassell, secretary of the Farm Mortgage Bankers Association of America, in a review of the year's work, said:

"The high-water mark of our hopes was reached when the resolution to amend the Constitution was put on the congressional calendar with a favorable recommendation.

"Probably at no time in the history of the American Constitution has such a remarkable advance been made with an entirely new proposition as that of the tax exemption amendment in the last four years."

These and other boasts of the officers of this association show clearly where this amendment originated.

PUBLIC UTILITIES AND REAL ESTATE BOARDS

Aside from a little group of economists who profess a desire to destroy all tax exemption, and the Secretary of the Treasury, A. W. Mellon, there is frankly no support for the pending amendment before the committees of Congress other than the following, who appeared before the Ways and Means Committee:

1. Edward D. Chassell, secretary of the Farm Mortgage Bankers Association of America.

2. Philip H. Gadsden, Philadelphia, vice president of the United Gas Improvement Co., who stated before the committee that he appeared for:

(a) The American Gas Association;

(b) The American Electric Railway Association;

(c) The National Electric Light Association.

3. Edward P. Doyle, representing the National Association of Real Estate Boards.

PUBLIC UTILITIES EXPOSE THEIR SELF-INTEREST

The mere listing of the interests back of this proposal to do away with tax exemption justifies a question as to its sincerity. But if something more tangible is required as evidence of self-interest on the part of the agitators, then let us read from the report of the committee which recommended to the House of Representatives that

the Green resolution be adopted. Discussing the effect of the exemption from taxation of the incomes from municipal bonds, the committee report says:

"It also operates as an inducement to every municipality to have all kinds of public utilities owned by and controlled by the municipality itself."

From this it would seem that the public utilities oversold their proposition, for they can hardly be overjoyed at this frank avowal of one of the real purposes back of the proposed amendment—i. e., to handicap and discourage public ownership of public utilities.

Discussing the effect of the proposed tax upon the bonds of the farm-loan system, which under the Federal farm loan act are exempted from all Federal, State, and local taxes, the committee report says:

"The testimony before the committee was to the effect that only 5 per cent of the farmers who borrowed money were obtaining it through the Federal farm-loan system, and that the inducement to large investors to put their money into tax-exempt securities was constantly causing withdrawals from farm-loan mortgages, reducing and making scarce the amount of private funds available for such investment, and thereby raising the rate of interest to those who were not able to obtain loans through the Federal land-bank system on account of its requirements or for other reasons, so that it was actually claimed that as long as our present system of taxation prevailed the Federal Farm Loan Bureau operated to the disadvantage of the farmer rather than to his benefit."

So the farm-mortgage bankers also oversold the committee, for if the foregoing sentence means anything it means that one of the reasons for taxing farm-loan bonds is to restore mortgage-shark domination of the farm-loan field.

MORTGAGE BANKERS BELITTLE ACTIVITIES OF FARM-LOAN SYSTEM

In this connection it is important to call attention to the fact that the statement that only 5 per cent of the farmers were borrowing through the Federal farm-loan system is absolutely false. The highest estimate made by any responsible agency as to the volume of outstanding farm mortgages is $8,000,000,000. It is a matter of record that the Federal farm-loan system, through the Federal land banks and the joint-stock land banks, have made since their organization loans amounting to $1,295,101,347, more than one and one-quarter billion dollars, or 16.02 per cent of the entire amount of outstanding farm-mortgage loans, just three times as much as the mortgage bankers told the committee it amounted to.

In the light of this fact (and the farm-mortgage bankers know it to be an incontrovertible fact) it is little wonder that the farm-mortgage bankers, who have grown fat through charging high rates of interest and exorbitant commissions to farm borrowers, should complain about a falling off in their business.

All of this will be discussed further on.

FLOOD OF FORM LETTERS SENT TO MEMBERS OF CONGRESS

Every Congressman doubtless has received hundreds of letter on this subject, all of which bear a close resemblance. One Congressman from a Western State received letters (all alike even to the punctuation) from every bank in his district, excepting seven. He wrote to these seven to ascertain why they had not also written, and in the replies from these seven he discovered that the pressure was being put on by the big banks in New York. It appears that some of the big banks have written to all of their correspondent banks urging them to write to their Congressmen and to circularize their borrowers asking their borrowers to write to Congressmen. Such propaganda may mislead Congressmen for a time, but a visit back home will convince the Congressmen representing the ordinary country district that such propaganda does not reflect public sentiment.

(b) Banks and investment houses want more money to play with at higher margin

Of course, the banks, particularly the investment houses, have a direct interest in this amendment. They sell securities. They sell the securities of municipalities, and they sell also the securities of public utility companies and industrial concerns. But there is a difference in the margin of profit they can make out of the sale of these two classes of securities. The municipal bonds and the farm-loan bonds they are obliged to handle on a small margin because these securities are not speculative in their nature, and because they are of the highest quality and have the highest degree of safety. On the other hand, public utility bonds and industrial bonds often are purchased at a discount of 10, 12, and 15 points and permit of a profit to the investment house of 3, 4, 5, 6, or 7 points.

OPPOSITION OF INVESTMENT BANKERS DETERMINED BY SELF-INTEREST

The reason for the investment bankers favoring this constitutional amendment is, of course, evident. They make more money out of handling the bonds of industrial concerns and public utilities than they can make out of the sale of municipal bonds and farm-loan bonds. With tax-exempt securities eliminated there would be more money for investment in securities that pay the brokers a higher margin of profit. Self-interest, not public interest, accounts for the attitude of such investment bankers as oppose tax-exemption.

III.—BURDEN UPON GREAT MASS OF TAXPAYERS

(a) Incidence of taxation—(b) Federal farm-loan system—(c) School buildings—(d) Road building—(e) Public health

(A) THE INCIDENCE OF TAXATION

The great mass of taxpayers has but little interest in the Federal income tax.

Only 6.28 per cent of our population pay any Federal income tax whatsoever. Out of 6,448,343 farmers in the United States in 1920, only 136,000 (or 2 per cent) paid any Federal income tax in that year.

However, the great mass of taxpayers has a very great interest in the general property tax levied by the States and their subdivisions. The general property tax paid by the home owners and farm owners of the country amounts to practically twice as much as the Federal income tax.

STATE AND LOCAL TAXES DOUBLE AMOUNT OF FEDERAL INCOME TAX

The Department of Commerce issued a statement on January 21, 1924, showing that for the year 1922 the Federal Government collected $1,691,090,000 as income and profit tax, and that the State and local governments collected $3,329,380,000 in the form of general property taxes.

TO TAX PUBLIC-PURPOSE BONDS WOULD INCREASE THE INTEREST RATE BY AT LEAST 1 PER CENT

To put a Federal tax upon State, city, county, township, school district, and farm-loan bonds would result in materially increasing the rate of interest these bonds would have to bear. And thus the Federal tax upon such bonds, whatever it might be, would have to be paid, in the last analysis, by the home owners and farm owners. Either they would have to pay a tax levied on their property to meet the increased interest on the State, county, and school district bonds, or they would have to pay an increased interest on their farm mortgages.

Experience has shown that, when a security is taxed, the purchaser of that security requires that it shall bear a higher rate of interest—a rate sufficiently higher to cover the tax. To be sure, in the case of a Federal income tax, the Federal Government would get the revenue, but the holder of the bonds would not pay the tax. The holder would be merely the agency through which the Federal Government would collect the tax; for the holder, by the simple expedient of increasing the interest rate, would pass the tax on to the borrower, whether that borrower be a State, city, or a farmer.

It has been computed with some accuracy that the increase in interest rates on public-purpose bonds, if taxed, would be not less than 1 per cent.

YIELD OF TAXED AND ENTAILED BONDS COMPARED

Let us compare the yield of Canadian municipal bonds, which are subject to Federal income taxes, with bonds of cities in the United States, which are not now, and never have been, subject to the Federal income tax. At present, Canadian provincial and municipal bonds are yielding from 5.25 per cent to 6.20 per cent, while bonds of the United States municipalities are selling at prices which yield the investors 4¾ to not more than 5 per cent. Here, then, is a difference of at least 1 per cent in favor of the tax-exempt bonds.

And this is a fair comparison. In both instances we are considering municipal bonds. Millions of Canadian provincial and municipal securities are sold every year in the United States. There is no fundamental weakness in these Canadian securities. No Canadian province or city ever has repudiated its bonds or defaulted in the payment of interest when due. There are no racial prejudices to be considered. Canada is populated by the same race of people as the United States. Canada inherited its institutions and traditions from the same common source. We have confidence in the Canadians even as we have in our own people. Canadian provincial and municipal bonds, from the standpoint of safety, have the same high standing as the bonds of our own States and cities. The only respect in which Canadian public bonds differ from our own municipal bonds, as an investment, is in the fact that Canadian bonds are subject to the Federal income tax, while the bonds of our own States and cities are exempt from that tax. Remove that exemption and there will be no difference between the net yield which the municipal bonds of the two countries must offer the investor in order to find a market.

This increase of 1 per cent in the interest rate would place an added burden upon the home owners and farm owners of the United States of not less than one hundred millions of dollars a year.

(b) Effect of proposed amendment on farm-loan system

ADVOCATES ADMIT THAT FARM-LOAN BONDS WOULD BE TAXED

The report of the committee of the House of Representatives, recommending the adoption of the proposed constitutional amendment, says:

"The amendment proposed, being merely permissive, would not absolutely require that bonds of the Federal Farm Loan Bureau and the joint-stock land banks be taxed, but in practice it would have that effect. Whatever might be said as to the propriety and necessity of such bonds being exempt from taxation when sold in competition with so large an amount of tax-free securities as now are being issued every year, the majority of the committee believe that it would be neither necessary nor proper that they should be free from taxation when the further issuance of competing tax-exempt securities is barred."

Here then is a frank admission that it is the intention to tax farm-loan bonds, even though the amendment to the Constitution would not compel Congress to tax them.

We have seen that it is evident that if farm-loan bonds and farm mortgages are taxed, the investor in these securities will demand a higher rate of interest in order to meet the tax.

WOULD INCREASE FARMERS' INTEREST BURDEN BY $80,000,000 A YEAR

An increase of 1 per cent in the interest rate would add $80,000,000 a year to the interest the borrowing farmers of the United States are now paying on their farm mortgages. The Department of Agriculture has recently estimated that the total volume of outstanding farm mortgages is $8,000,000,000. An increase of 1 per cent a year on the interest of this amount would make $80,000,000 a year the farmers would have to pay.

It is proper to inquire why the interest on all mortgages would be increased, when it is known that only about 12½ per cent of the total of farm mortgages are carried in the Federal farm-loan system. The answer to this inquiry is found in the fact that *the banks of the farm-loan system set the pace as to interest charges.* These land banks make the low rates, and all other lending agencies are compelled to meet the competition. If the land banks' bonds are taxed, and they in turn are compelled to increase the rate of interest to the farmers, it will follow, as the night the day, that other lending agencies will increase their rates.

It is a well-known fact that, prior to the passage of the Federal farm loan act, interest rates on farm loans, depending upon the locality, ranged from 6 per cent to 13 per cent, and that in addition to these high rates the borrower was compelled to pay commissions ranging from 1 per cent to 5 per cent.

The farm-loan system has been in operation now seven years. Loans have been made aggregating one billion and one-quarter of dollars ($1,295,101,347). Not one dollar of this has been lent at a higher rate then 6 per cent, despite the fact that the first seven years of the system's operation saw higher interest rates everywhere, while the great bulk of the loans in the farm-loan system have been made at 5½ per cent.

Furthermore, no commissions have been charged by the land banks. Commissions are forbidden by law.

Thus, we see that to tax farm-loan bonds, and thereby increase the interest rate which the land banks will have to charge the farmer, will mean an increase for all farmers who borrow, regardless of where and of whom they borrow.

NO MORE 6 PER CENT MONEY FOR FARMERS

It is admitted that, if the proposed constitutional amendment be adopted, then Congress, in order to preserve the spirit and letter of the Constitution, must repeal that section of the farm loan act which permits the issuance of farm-loan bonds as free from tax.

And if Congress does that much, then either the land banks will have to go out of business altogether or Congress will have to pass an amendment to the farm loan act permitting the land banks to charge the farmers more than 6 per cent, the maximum rate which may be charged by these banks as the law now stands.

It must be patent to everyone that these banks do not lend their own money, but that they borrow money on bonds and relend it to the farmers. In other words, these land banks have to hire the money in the money market. If they have to pay 6 per cent for the money, they can not be expected to lend it to the farmers at 6 per cent, for how would the expenses of operating the banks be paid—the expense of printing the bonds, the expense of selling the bonds, the whole cost of assembling the money in the money market and redistributing it to the borrowers?

FARMER NEEDS LOW INTEREST RATE

Some will inquire as to why the farmer should have this special advantage in the matter of low interest rates. The answer is that it is not a matter of extending a special privilege to the farmer as an individual, but that it is first and chiefly a matter of the Nation making sure of its food supply. The farmer labors under many disadvantages, the greatest of which are his inability to control the price of his product, and his further inability to include in such a price as he does get the various elements of cost production.

High rates of interest can not be paid by the farmer and passed on to the consumer. In the case of a manufacturing concern, the interest paid on borrowed money can be passed on to the consumer, because the manufacturer retains control of the price of his product until it reaches the consumer. The great bulk of manufactured commodities is sold by the retailer at prices fixed by the manufacturer and advertised to the public in general nation-wide advertising campaigns. This is true of a long list of manufactured articles. It is true of shoes, of clothing, of breakfast foods, of flour, of meats, of canned goods, of farm machinery, of automobiles, and of practically every article sold generally throughout the country. Manifestly, the manufacturer does not care what interest rate he pays, so long as he does not pay more than his competitor. Whatever interest he pays he adds to the price, and when the article is sold the consumer has paid the interest on whatever borrowed money the manufacturer used in producing the goods.

FARMER HOLDS HIS OWN INTEREST BAG

However, this is not the case with the farmer and can not be the case. The products of the farm are bulky. They require vast spaces in warehouses for storage. The farmer is not yet equipped to store and hold his product until it can be marketed in an orderly manner. He may be so equipped some time in the future, but he is not so equipped now. Furthermore, much of his product is of perishable or semiperishable nature and requires immediate marketing. More important than all other disabilities, the farmer is not well organized in a business sense. His isolation, his lack of frequent and close contact with his neighbors, makes collective action through organization as yet ineffective if not wholly impossible.

As a result of the operation of these factors, the farmer has no control over the price of his product. He can not make the price of the article include the interest he has paid on borrowed money. Too frequently interest paid by the farmer is a total loss.

Certainly he could not pay a high rate of interest without having the fate materially reduce his already too small profits.

Thus we see it is in the interest of the common welfare that something should be done to assure the farmer of a low rate of interest.

THE INTENT OF CONGRESS

The helplessness of the farmer was well understood by the Congress when it framed the Federal farm loan act. Agriculture was declining. It was necessary that the Congress do something that would make agriculture sufficiently attractive to keep enough people engaged in that industry to produce an adequate supply of food for the Nation. Congress understood that not to provide for an adequate and ever-continuing supply of food would be the grossest improvidence. Accordingly the Congress, for the purpose of providing the farmer with the means of getting a low rate of interest on his borrowings, decided to exempt from all Federal, State, municipal, and local taxes the farm mortgages given to the banks of the farm-loan system, and also to exempt the farm-loan bonds issued by the banks against these mortgages.

BENEFITS OF TAX EXEMPTION GO TO FARMER, NOT TO BANKS

Then, for the purpose of making certain the farmer does actually get a low rate, Congress undertook to make it impossible for the banks of the Federal farm-loan system to deny the farmer a low rate or to withhold from the borrower the benefits of the tax exemption granted.

Accordingly, Congress resorted to the simple but very effective expedient of placing an arbitrary limit upon the rate of interest which the land banks might charge the borrowing farmer, so that the land bank would be forever estopped from appropriating to itself the benefits of the tax exemption. The farm loan act provides that under no condition shall the banks of the Federal farm-loan system charge the farmer a rate of interest exceeding 6 per cent. The farm loan act if farm-loan bonds can be sold bearing a rate of interest of ½ per cent, cent to the interest rate which the bonds bear. In other words, if farm-loan bonds can be sold bearing a rate of interest of ½ per cent, then the borrower shall be charged but 5 per cent on his mortgage; or if the bonds carry a rate of only 5 per cent, then the farmer should pay only ½ per cent.

And the plan does work. The farmer does get the benefit of the tax exemptions. The banks do not get any of the benefits.

MORTGAGE BROKERS ALWAYS HAVE HAD TAX-EXEMPT MONEY

Reference already has been made to the fact that all lending agencies in the farm-loan field have had to meet the competition of the farm-loan system. And the fact that they have had to meet this competition accounts for the present frantic efforts of the mortgage bankers to destroy the farm loan system.

Let us examine the sincerity of the mortgage bankers with relation to the whole subject of tax exemption. Consider first the sources of the money which the farm mortgage bankers lend—that is, the old style, high interest rate, commission-charging mortgage brokers. It is a fair statement to say that there is no commercial market for farm mortgages in which those mortgages are not at the present time legally and completely exempt from all Federal and State taxes.

The principal sources of money of the farm-mortgage brokers are the life-insurance companies, mutual savings banks, and eleemosynary institutions.

TAX-EXEMPT MONEY OF LIFE-INSURANCE COMPANIES LENT THROUGH MORTGAGE BROKERS AT HIGH, UNREGULATED INTEREST RATES, PLUS EXTORTIONATE COMMISSIONS

Section 245 of the Federal income-tax law specifically exempts life-insurance companies from the Federal income tax. It provides that they shall be exempt on the earnings on their reserves up to 4 per cent.

"Life-insurance companies have outstanding farm mortgage loans to the amount of $1,630,000,000; and these life-insurance companies are specifically exempt from State taxation on securities of this character by the laws of the State under which they are incorporated. Furthermore, these life-insurance companies are specifically exempted by the terms of the Federal income tax law. Therefore, practically not one dollar of the income of this investment of $1,630,000,000 by the life-insurance companies in farm mortgages is now subject to taxation. None of it would ever be subject to taxation by the States, and never to any considerable extent by the Federal Government excepting through an amendment to the income tax law, which amendment would be fought tooth and nail by the insurance companies themselves."

Section 231 of the Federal income tax law also specifically exempts mutual savings banks and eleemosynary institutions.

"Not one dollar of the money that comes from mutual savings banks and which is lent by members of the Farm Mortgage Bankers' Association is or will be subject to taxation."

"The funds of charitable and educational institutions are specifically exempted from tax because the institutions are themselves exempted from taxation within the States in which they are located by the very provisions of their charters; and specifically and completely exempted from Federal taxes by the provisions of the income tax law."

So that not one dollar of income received from these sources and loaned by the mortgage bankers is subject to taxation or will be subject to taxation if this amendment be adopted.

WHEN A MORTGAGE IS TAXED THE BROKER MAKES THE FARMER PAY THE TAX

Even where, under a State law, the mortgage and the income thereof are liable to tax, the farm-mortgage bankers and brokers write into the mortgage itself a clause by which the farmer who borrows the money obligates himself to pay any tax that may be imposed.

Thus, no matter what the source of the money loaned by members of the Farm Mortgage Bankers' Association, the income from this money is either specifically exempt from taxation under the Federal law and the laws of States, or the mortgage banker is protected against the payment of such taxes by the specific terms of his contract.

Congress, in providing tax exemption for bonds of the farm-loan system, merely placed the money supply of that system upon a basis of equality with the supply of the farm-mortgage bankers.

MORTGAGE BANKERS' DEMAND PREFERENCE

The mortgage loan sharks, however, are not content that the farm-loan system shall be upon an equality with them in competing for a supply of money to lend the farmers. They demand to be placed in a preferred position. The result of the enactment of this constitutional amendment will give them a preference. These results will be—

First. To tax farm-loan bonds;

Second. To continue the actual tax exemption now enjoyed by the money sources of the farm-mortgage bankers; and

Third. To place them where they may temporarily reduce the interest rates to the farmers to a point where the farm-loan system can not meet these rates, and thus drive the Federal land banks and the joint-stock land banks out of existence.

Fourth. With the farm-loan system forced out of business the farm-mortgage bankers could and would then raise the rates of interest upon farm mortgages at will, and reestablish the old system of commissions with all of the unconscionable exactions that it wrung out of the farmers.

The hope of accomplishing these ends accounts for the liberal supply of funds made by the farm-mortgage bankers to Mr. Chassell for conducting the campaign against tax exemption.

(c) Effect on school building

We say America must offer an equal chance for every child of every parent.

Yet when school opened in last September there were more than a million children from good American homes excluded from the schools because of a lack of seats and adequate housing facilities.

MILLION CHILDREN OUT OF SCHOOL

Collier's Weekly of the issue of September 8 published an article covering two pages showing that hundreds of cities, to say nothing of the small towns and rural districts, were without sufficient floor space and seats and without rooms to accommodate the children of school age. Collier's prints a list of over 300 cities showing shortages in seating capacities ranging all the way from 100 in some of the small cities up to 40,000 in the city of Chicago and 80,000 in the city of New York.

A TAX ON SCHOOL HOUSES

School houses are built by means of bond issues. These bond issues are at present free of all Federal tax. If they are to be taxed the interest rate will be increased by at least 1 per cent. If these schoolhouse bonds run for 30 years—which is the period for which most of them are issued—then this increase of 1 per cent per year in the interest rate will mean an ultimate increase of 30 per cent in the final cost of whatever buildings must be erected to house that million children now excluded from the public schools.

DISCOURAGING THE ALREADY BACKWARD COMMUNITIES

Public education has always been a problem. It always has been a difficult matter to get backward communities—those standing in greatest need of education—to provide the schools, to erect the buildings, to hire the teachers. To make these schools cost more money is not the way to encourage backward communities to provide educational facilities.

(d) Effect on road building

Every State in the Union is building good roads.

Some of the States have completed many hundreds of miles of substantial hard-surfaced highways.

Many other States have only recently launched their road-building programs.

But no State has completed its good-roads program.

The lack of adequate highways has been a problem with which the American people have been struggling for more than a century.

With the advent of the automobile, an intensive educational campaign was begun to bring the American people to a realization of the economic advantages of a comprehensive system of good roads.

NULLIFYING A LONG CAMPAIGN OF EDUCATION

Through a quarter of a century the people of this Nation and of every State and every county in the Nation have been concerned with the problem of financing the building of good roads. Within recent years the farmers have joined with other users of highways to demand of every branch of government—Federal, State, and county—the appropriation of funds for road building.

All this is recited here at this time to show how great has been the effort to encourage road building, and how every unit of government has recognized the fact that we must build roads—good roads, hard-surfaced roads—roads that cost many thousands of dollars per mile. Every unit of government recognizes that good roads are not only the highways to market but are as well the highways to progress, to better living, to better business, to a more efficient civilization.

A BILLION OF ROAD BONDS VOTED

As a result, States, counties, and townships have adopted as a great public policy the practice of issuing bonds to finance their various road-building programs. The following list—the latest available—gives the bond issues authorized by the various States for road-building programs between the dates of January 1, 1919, and September 1, 1923, as aggregating $1,147,288,163:

Alabama	$21,100,000
Arizona	16,475,000
Arkansas	4,900,000
California	10,430,000
Colorado	11,000,000
Connecticut	35,000
Delaware	2,000,000
Florida	12,[illegible]
Georgia	17,125,000
Idaho	19,075,000
Illinois	73,[illegible]
Indiana	3,500,000
Iowa	18,275,000
Kansas	50,000
Kentucky	8,840,000
Louisiana	18,320,000
Maine	6,075,000
Maryland	9,000,000
Massachusetts	42,000
Michigan	59,[illegible]
Minnesota	148,[illegible]
Mississippi	16,213,000
Missouri	19,[illegible]
Montana	1,[illegible]
Nebraska	3,000,000
Nevada	1,200,000
New Jersey	74,[illegible]
New Mexico	2,[illegible]
New York	5,001,277
North Carolina	67,259,000
Oklahoma	9,261,000
Oregon	29,737,704
Pennsylvania	97,[illegible]
South Carolina	20,[illegible]
South Dakota	4,[illegible]
Tennessee	9,[illegible]
Texas	125,[illegible]

price as he does get the various elements of cost production.

legally and completely exempt from all Federal and State taxes.

Utah	$8,809,500
Vermont	75,000
Virginia	3,231,000
Washington	10,003,000
West Virginia	67,370,500
Wisconsin	37,391,000
Wyoming	4,600,000
Total	1,147,288,163

These are for the most part State bonds. Perhaps, though no definite information has been assembled, the combined issues of the various counties within the States will amount to half this much more. In addition to this, there are some township roads which are being constructed by means of bond issues.

These State, county, and township bonds are free from all Federal taxation. If they are to be taxed the interest rate on these bonds will be increased. If the increase amounts to 1 per cent—and there is plenty of evidence that it will at least amount to that much if it does not greatly exceed it—then, if the bonds run for 20 years to maturity, the effect of this proposed constitutional amendment would be to add 20 per cent to the cost price of these roads.

And this additional cost will have to be paid by a direct tax upon the real property of the citizens of the States that build the roads.

A FEDERAL TAX UPON A STATE TAX

Unquestionably the Federal Government may derive some revenue. Unquestionably the Federal Government will collect this revenue from the holders of those road bonds. But the men in New York and the New England States who buy these bonds will not pay the tax; they will merely be the agencies through which the Government collects this tax on these road bonds, and they as agents will pass this tax back to the States and communities and townships that issue them—pass it back in the form of an increased interest rate. So that in the end what will actually be taking place will be that the citizens who are taxing themselves to build roads will also be taxing themselves to pay the tax of the rich men who buy their bonds.

WOULD DISCOURAGE ROAD BUILDING

But there will be a worse result than even this iniquitous tax upon a tax. One effect will be to discourage road building because of the increased cost, and to retard a movement which every unit of government has expended great energy to inaugurate. This movement has been more than a quarter of a century in reaching the point where it is at last beginning to produce results in the form of good roads. To tax these bonds will have the direct and immediate effect of nullifying much of the effort that has been expended in inducing backward communities to build roads.

(c) A tax upon the public health

To safeguard the public health in cities it has been found necessary to provide a pure and uncontaminated water supply and to maintain a modern and adequate system of sewage disposal. Water mains and sewers are financed by means of bond issues. These bonds have heretofore been free of all tax. To tax them will make the water mains and sewers cost more money. It will discourage the construction of many needed extensions of both water mains and sewers.

And what has been said of water mains and sewers may be said of the physical property required for fire and police protection, and even of streets and lights.

These are things to be considered when we are discussing the effect of this proposed amendment to the Constitution upon the great mass of taxpayers.

A TAX ON SELF-GOVERNMENT

Most of the progress that we as a people have made in the past and are to make in the future has come and is to come through collective effort. Collective effort is the very essence of civilization. Organized effort is the thing that distinguishes a great people from a savage tribe. The ability to organize in groups and communities and to act collectively for the common good is the test of our fitness for self-government.

The question naturally arises: Are we as a people far enough along in this matter of collective effort in the subduing of a continent and the building of a civilization to dispense with the little aids and goads, the little premiums, such as tax exemption, which heretofore have been so successfully employed to coax and wheedle the backward communities into assuming the burdens of schools and roads and water mains and sewers, and the thousand and one other conveniences which make for the general welfare?

IV.—EFFECT UPON PRODUCTIVE INDUSTRY

(a) What is productive industry—business for profit or public service without profit

(A) WHAT IS PRODUCTIVE INDUSTRY

It is boldly asserted by the advocates of the proposed amendment that its adoption will divert capital from investment in "nonproductive tax-exempt securities" to investment in "productive industry."

It becomes important to inquire what is productive industry and to further inquire what special claims it has upon society.

Is productive industry to be defined as business conducted for profit? If so, let us examine the matter as thus defined. Are manufacturers to be considered as productive and agriculture to be considered as nonproductive?

It is not enough to answer that through the tax-exempt bonds of the farm-loan system agriculture is given a special advantage, because it is a notorious fact that manufactures are given a special and tremendous advantage in the tariff.

But is there any such thing as a productive industry which is not conducted for profit?

The major portion of these tax-exempt bonds is issued by the several States and their main subdivisions for the building of schoolhouses, for the construction of roads, for the installation of water systems, and for the laying of sewers. Are schoolhouses nonproductive?

And if, as is proclaimed by the advocates, the adoption of this amendment will divert capital from such things as schoolhouses and roads and water mains and sewers, what are we to do for money with which to provide and maintain schools and roads and pure-water supplies and sewage-disposal plants? This talk of diverting means either one of two things, to wit, that there is to be less money for public uses or there is to be none at all. Is that not exactly what is proposed?

Verily, the claims of "productive industry" will bear a very careful inquiry on the part of any thoughtful person who cares to arrive at an independent decision as to the merits or demerits of the proposed amendment to the Constitution.

V.—WHAT WOULD THIS AMENDMENT DO TO OUR THEORY AND FORM OF GOVERNMENT?

(a) Progress of local government—(b) Dual form of State and Federal dependent on separate sovereignty

(A) PROGRESS OF LOCAL GOVERNMENT

To give the Federal Government the power to tax securities of States and to give to the States the power to tax securities of the Federal Government would be a departure from one of the basic principles of our dual form of government. True, the Congress has not always fully respected this principle. Nevertheless, the establishment of the rights of the local unit, the local community, to manage and control its own affairs has been considered until now as one of the milestones in the progress of human liberty.

The setting up of governmental machinery, the creation of units of territory and units of authority that would give effect to this principle of self-government, has made democracy at once safe and efficient:

1. *It has given stability of government*, because it has meant a satisfied people.

2. *It has given us efficiency in government*, because it has enabled local units at all times to determine their own rate of progress and the direction of their development. If schools are needed, they can build and maintain them. If roads are needed, they can reconstruct them. If the protection of the public health requires an uncontaminated water supply and a sewage-disposal system, the community by collective action can provide these things without reference to the central authority far removed from, and necessarily unsympathetic because unacquainted with, the needs of the community.

3. *It has tended to develop responsibility on the part of the citizen* and to keep him ever conscious of the fact that if local conditions need to be changed he has it within the power of himself and his neighbors to make such changes. And that if conditions are unsatisfactory he and his neighbors only are to blame.

TO TAX STATE SECURITIES WOULD DESTROY PRINCIPLE OF LOCAL SELF-GOVERNMENT

Yet, just because in the course of our great material development and particularly because of a great foreign war to overlap and conflict of authority between the Federal Government and the States has seemed to interfere with the successful operation of one particular program for the paying off of a great war debt—because of this apparent conflict and interference it now is proposed that by constitutional amendment the States shall relinquish their rights to local government and control of their own affairs and shall authorize the Federal Government to place a restraining hand upon them and decide for the local units whether any local improvements are wise or necessary.

If this seems to be an unwarranted conception of the purpose of those who have proposed this amendment to the Constitution, then let us examine the report of the House Committee on Ways and Means recommending the adoption of the amendment. Note this language:

> "It (the tax exemption) also operates as an inducement to every municipality to have all kinds of public utilities owned by and controlled by the municipality itself."

RESTRAINT OF LOCAL GOVERNMENTS ONE ADMITTED PURPOSE OF AMENDMENT

The same thought is amplified in the propaganda which is running through the articles appearing in The Saturday Evening Post, in Collier's Weekly, and in editorials of scores of daily papers. Writers

in these publications have cited instances of public works, parks, public auditoriums, etc., which have been provided by means of bond issues, yet which were "not needed" and were of "the grossest extravagance." And these writers have referred to these instances as if the installation of unneeded improvements were the rule and not the exception; and by inference they argue that because of these extravagances it should be made more difficult for local communities to erect public works, that the borrowing of money for these purposes should be made more difficult; that is, more expensive.

Of what concern can it be to the Federal Government if a State or a city now and then in a burst of civic pride indulges in a little extravagance? *And what record has the Federal Government for economy which warrants the States in acquiescing in this proposed guardianship?*

(b) Our dual system of government

It may be well to review the fundamental relation between the States and the National Government. We need constantly to restate these relations to keep clearly in mind that this is a Federal system in which the people divide their power between two governments, the State and the Nation, each of which has certain of the people's functions to perform, and neither of which may directly control the other in the performance of its legitimate functions. It is clear that the States have no right to tax the Nation or its instrumentalities. That was settled in McCullough v. Maryland a century ago, when a State attempted to tax a branch of the United States bank. It ought to be equally clear that the Federal Government should not have the power to tax the States or their instrumentalities, for in either case "the power to tax is the power to destroy." Pages of judicial opinion might be cited, but the following excerpts will suffice to set forth the clear principle involved.

COLLECTOR v. DAY

In the case of Collector v. Day (11 Wall., p. 127), the United States Supreme Court, in discussing the exemption of State and National bonds, said:

> "It is admitted that there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of the State, nor is there any prohibiting these States from taxing the means and instrumentalities of that Government. In both cases *the exemption rests upon necessary implication, and is upheld by the great law of self-preservation; as any government, whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government. Of what avail are these means if another power may tax them at discretion?*"

POLLOCK v. FARMERS' LOAN & TRUST CO.

In the case of Pollock v. Farmers' Loan & Trust Co. (157 U. S. 584), Mr. Justice Fields said (p. 601), in speaking of the exemption of State bonds:

> "These bonds and securities are as important to the performance of the duties of the State as like bonds and securities of the United States are important to the performance of their duties, and are as exempt from the taxation of the United States as the former are exempt from the taxation of the States."

And further quoting from another case he says:

> "The right of the States to administer their own affairs through their legislative, executive, and judicial departments, in their own manner through their own agencies, is conceded by the uniform decisions of this court and by the practice of the Federal Government from its organization. This carries with it an exemption of those agencies and instruments from the taxing power of the Federal Government. *If they may be taxed lightly, they may be taxed heavily; if justly, oppressively. Their operation may be impeded and may be destroyed if any interference is permitted. Hence, the beginning of such taxation is not allowed on the one side and is not claimed on the other.*"

If we wished to open the way to the destruction of the National Government, we would give the States power to tax the national instrumentalities, and if we wished to undermine our Federal system of Government, we would give the Nation power to tax the State and its instrumentalities. Nothing can be plainer in the scheme of Federal Government than that one agency can not be allowed to tax the other.

HUGHES'S MESSAGE TO NEW YORK LEGISLATURE

The issue was presented clearly when the income-tax amendment was pending. It was feared by some that the provision to tax incomes "from whatever source derived" would seem to permit the taxing of income from State and municipal bonds. Charles E. Hughes, then Governor of New York, in a special message to the legislature, January 5, 1910, urged the rejection of the amendment on the ground that it did not properly safeguard "States against Federal taxation." "The power to tax incomes," he said, "should not be granted in such terms as to subject to Federal taxation the incomes derived from the bonds issued by the State itself, or those issued by municipal governments organized under the State's authority. To place the borrowing capacity of the State and of its governmental agencies at the mercy of the Federal taxing power would be an impairment of the essential rights of the State." And further he adds: "While we may desire that the Federal Government may be equipped with all necessary national powers in order that it may perform its national function, we must be equally solicitous to secure the essential bases of State government."

The exposition of danger made by Governor Hughes brought forth a reply from Elihu Root, then United States Senator, from which the following is quoted:

ELIHU ROOT'S COMMENT ON GOVERNOR HUGHES'S MESSAGE

> "There was no question in Congress or in the courts or in the country," he said, "about the taxation of State securities. No one claimed that the inability of the General Government to tax them was an evil. The inability to tax them did not arise from the terms of the Constitution, but from the fact that being the necessary instrument of carrying on other and sovereign governments they were not the proper subject of national taxation, and *that, therefore, no provisions of the Constitution, however wide the scope of their language, could be held to apply to such securities or to the income from them.*

"JUDGE COOLEY'S CONSTITUTIONAL LAW QUOTED BY ROOT

> "Judge Cooley, in his work on constitutional law, says:
>
> "'The power to tax, whether by the United States or by the States, is to be construed in the light of, and limited by, the fact that the States and the Union are inseparable, and that the Constitution contemplates the perpetual maintenance of each with all its constitutional powers, unembarrassed and unimpaired by any action of the other. The taxing power of the Federal Government does not therefore extend to the means or agencies through or by the employment of which the States perform their essential functions, etc.'

"ROOT HOLDS STATE SECURITIES NOT PROPER SUBJECTS OF NATIONAL TAXATION

> "This rule of construction has been maintained for generations. It is undisputed; it was referred to with approval by the justices who wrote and delivered the opinions in the Pollock case, both for and against the judgment. It has been declared again and again by the Supreme Court to be not open to question. *It is a rule of construction just as controlling in defining the scope of the proposed amendment as it is in defining the scope of the existing provisions.* Under it, from the earliest times of our Government, the apparently unlimited taxing power conferred by the terms of the Constitution has been held not to apply to the instrumentalities of the State. Under it acts of Congress which by their express terms appeared to include instrumentalities of State government have uniformly been held not to include them. *This uniform, long established, and undisputable rule applied to the construction of our Constitution—a rule which has been declared to be essential to a continuance of our dual system of government—forbids that the words of that instrument conferring the power of taxation shall be deemed to apply to anything but the proper subjects of national taxation.* Under it we are forbidden to apply the words 'from whatever source *derived*' in the proposed amendment to any of the instrumentalities of State government.
>
> "It appears, therefore, that no danger to the powers or instrumentalities of the States is to be apprehended from the adoption of the amendment."

The amendment was ratified, but not until the understanding that State and municipal bonds were exempt was made clear.

Now, centralization has been ordered to the double-quick. It is now proposed that it be fixed firmly in the Constitution that those provisions which Mr. Root deemed "essential to a continuance of our dual system of government" shall be nullified. No proposal of such far-reaching consequence in our established political theory and practice ever has been seriously brought forward.

VI.—CONCLUSION

The foregoing recital of facts warrants the following conclusions:

TAX EXEMPTION CARRIES DEFINITE BENEFITS

1. That tax exemption is not in itself an evil; that tax-free securities are issued to enable the various units of government to carry out definite public purposes, and that the moment tax-free bonds have been sold at a low rate of interest the public derives a direct and considerable benefit; that the amount of tax-free securities outstanding is not sufficient to constitute a menace, even if such bonds were more largely held by the very rich than they now are; and that tax-exempt securities are not held by the very rich in any great proportion, but instead are distributed rather equally among all classes of investors.

AGITATION AGAINST TAX EXEMPTION OF SINISTER ORIGIN

2. That the proposal to abolish tax-exempt securities is of selfish origin and wholly insincere, and that the prime movers in the agitation are themselves already the large beneficiaries of tax exemption granted by the terms of the Federal income tax law.

HUNDRED MILLION A YEAR IN ADDED INTEREST

3. That to place a tax on public-purpose bonds not only would discourage backward communities from undertaking much-needed public improvements but also would place an added burden of $100,000,000 a year upon the taxpayers and borrowing farmers of the United States in the form of increased interest.

WOULD EMBARRASS BOTH STATE AND FEDERAL GOVERNMENTS

4. That to amend the Constitution so as to give the Federal Government the right to tax securities issued by the States and their subdivisions, and so as to give the States the right to tax the issues of the Federal Government would greatly embarrass both the States and the Federal Government in financing the functions devolving upon their separate sovereignties.

Mr. SMOOT. Mr. President, this matter was discussed pretty thoroughly in the House. The same statement was made in the House, but when it was discussed by Congr. MILLS in detail, if the Senator will read the RECORD, he will find there that he said that there were 37 per cent——

Mr. GLASS. Mr. President, what, in a word, is Mr. Powell's proposition?

Mr. SMOOT. He has a statement here in which, of course, he is opposed to any interference with the further issuance of tax-exempt securities. I suppose every Senator gets the circulars that are sent out.

Mr. GLASS. But is that question involved here?

Mr. SMOOT. No; but it was involved in the question brought up by the Senator from New Mexico, because he asked that Mr. Powell's statement be put in the RECORD. That is the only reason why I spoke of that, because of its going in the RECORD.

Mr. FLETCHER. Mr. President, I have seen the statement made—I think it was made in the House, and I have never seen it denied—that the income from tax-exempt securities form only 1 per cent of the income from all sources. May I inquire of the Senator if that statement is true?

Mr. SMOOT. Mr. President, I might just as well say now, briefly, what I intend to say when the matter comes up for discussion. I desire to go into it more in detail later on.

A great deal is said here to the effect that the statistics of estates show that rich men did not hold very many tax-exempt securities in the year 1922. Of course during that year not very many rich men died, as the records will show. The Senator from New Mexico remembers very well that when we sat around the table and imposed a tax of 25 per cent on estates, everyone had in mind Mr. Rockefeller. He was discussed around the table; but he is not dead yet.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. FLETCHER. May I get an answer to that question? If the Senator can answer it, I should like to have him do so—whether or not it is true that the income from tax-exempt securities is only 1 per cent of the income from all sources?

Mr. SMOOT. I should have to look up the matter before I could say "yes" or "no."

Mr. FLETCHER. And whether or not it is true that only 3 per cent of the income from invested property was derived from tax-exempt securities in 1920? If these figures are correct, then there is no menace at all in tax-exempt securities.

Mr. SMOOT. I should not be able to say offhand, because I should not want to be bound by a statement made without looking up the matter and giving it study.

Mr. FLETCHER. As I understand, the figures also show that the tax-exempt securities outstanding amount to $12,700,000,000; farm mortgages, $7,850,000,000; and land-bank loans, $1,271,000,000. I think those figures are correct.

Mr. SMOOT. I think there are tax-exempt securities outstanding of twelve billion six hundred and some odd million dollars.

Mr. FLETCHER. My figures were $12,300,000,000.

Mr. JONES of New Mexico. It is $12,310,000,000, according to the Secretary of the Treasury.

Mr. SMOOT. I have here the last statement from the Secretary.

Mr. FLETCHER. I said $12,300,000,000. The total securities held by private individuals, according to these figures, amount to $300,000,000,000. The total tax-exempt securities amount to $12,300,000,000.

Mr. SMOOT. Of course, the Senator is referring now virtually to the value of all the property in the United States.

Mr. FLETCHER. Yes; I am talking about all of it.

Mr. SMOOT. There is not anything in that by way of an argument that we should not tax these securities if possible.

Mr. FLETCHER. I am simply pointing out that the amount of tax-exempt securities outstanding constitutes no menace in any degree in connection with the demand now being made that we should do away with the tax-exempt feature in all these securities. I am particularly concerned about farm-loan bonds. I do not care so much about the others, but when you tax farm-loan bonds you are going to destroy the farm-loan system. You can not possibly loan money to farmers with a maximum limit of 6 per cent if you are going to levy a tax upon the income derived from farm-loan bonds, because you must immediately raise the rate of interest which those bonds bear from 1 to 2 per cent.

Mr. SHIPSTEAD. Mr. President, will the Senator yield for a question?

Mr. SMOOT. I yield.

Mr. SHIPSTEAD. Is it not the opinion of the Senator, in view of the fact that Federal farm-land bonds are tax exempt, that the farmers are paying entirely too much interest when they are paying 6 per cent?

Mr. FLETCHER. They do not pay 6 per cent, but that is the maximum under the law. The law is that the banks can charge not exceeding 1 per cent more than the interest that the bonds bear, and that in no event shall the farmer be charged more than 6 per cent.

Mr. SHIPSTEAD. I am paying 6½ per cent.

Mr. FLETCHER. Not under the Federal land-bank system.

Mr. SMOOT. That is against the law. They have no right to charge that much.

Mr. SHIPSTEAD. Of course, that includes the amortization charge.

Mr. FLETCHER. No; the whole thing can not exceed 6 per cent, under the law. That is written in the law. The idea was to put a limit there so that the borrowers would get the benefit of the tax-exempt feature rather than the banks. If the banks were not limited to a certain rate of interest, then the banks might make a profit at the expense of the borrower; but when we provide in the law that the borrower can not be charged more than 6 per cent, then the borrower gets the benefit of the tax-exempt feature, and not the bank. You will have to change that limit if you propose to tax these bonds; but I do not care to go into that question to-day. It is a good, big question, and I am prepared to go into it in considerable detail whenever it is reached, and I think I can convince anybody that there is no harm done anywhere by the tax-exempt provision with reference to these securities. I think I can convince anybody, too, that the Federal Government should keep its hands off the securities issued by States and municipalities.

Mr. SMOOT. Of course, according to the Senator, there was no harm done by reason of William Rockefeller, who died last year, holding $44,000,000 worth of tax-exempt securities.

Mr. FLETCHER. There happened to be one case like that.

Mr. SMOOT. But the Senator knows that we can point to other cases. We do not have to go a thousand miles to do it, either.

Mr. FLETCHER. It does not make any difference. If somebody did not buy these bonds, there would not be any money to loan to the farmers.

Mr. SMOOT. There would be plenty to buy the bonds, and there ought to be bonds bought.

Mr. FLETCHER. It does not matter whether it is Mr. Rockefellers' money or somebody else's money; it is the proceeds of the bonds that are loaned to the farmers.

Mr. BRUCE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Maryland?

Mr. SMOOT. I yield.

Mr. BRUCE. I should like to understand exactly what the Senator's theory is as to the agencies that have absorbed the income from surtaxes that has been lost to the Government. Is it the Senator's idea that the shrinkage has all been absorbed by tax-exempt securities?

Mr. SMOOT. Oh, no; I never made any such statement.

Mr. BRUCE. No; the Senator did not, because I noticed that in his opening statement he was careful to say that the money had gone into tax-exempt securities and had been otherwise absorbed.

Mr. SMOOT. Yes.

Mr. BRUCE. But does not the Senator think a good deal of it has been absorbed by corporations formed by individuals for the purpose of evading taxation? I happen to know of some such cases.

Mr. SMOOT. I said upon the floor of the Senate that the evasion of taxes was something appalling.

Mr. BRUCE. I did not hear that statement.

Mr. SMOOT. We have tried to stop this gap as far as we could in this bill. Just as soon as it is passed, however, these

same attorneys are going to go to work and see if there is not some other way of evading the law.

Mr. BRUCE. I agree with the Senator.

Mr. SMOOT. England finds it so. Every country in the world finds it so; and I do not care what kind of a bill we pass, there will be some kind of evasion of its provisions.

Mr. BRUCE. That is, as long as the tax is truly oppressive.

Mr. SMOOT. Yes; wherever it is oppressive.

Mr. CARAWAY. Mr. President, if that is true, then if we were to strike down tax-exempt securities they would find some other way to avoid taxation.

Mr. SMOOT. I will say to the Senator that that is the easiest way known.

Mr. CARAWAY. That is the easiest way to hit the farmer.

Mr. SMOOT. I can not quite agree with the Senator on that.

Mr. CARAWAY. I know that the Senator would not. I should be suspicious of my position if the Senator did.

Mr. SMOOT. That is very complimentary, which I expected.

Mr. CARAWAY. Was the Senator through? I beg pardon; I thought the Senator was through.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. SMOOT. I did have one other point, but it was not on the subject of tax-exempt securities.

Mr. McKELLAR. All right. I want to ask the Senator a question.

The Senator said, referring to section 220, on page 69, that it was the intention of the committee to prevent the evasion of surtaxes by corporations. What changes have been made in that section that will have the effect of preventing evasions of the law?

Mr. SMOOT. Does the Senator refer to the change from 25 to 50 per cent?

Mr. McKELLAR. No. Does the Senator think that does it? I have a letter from the Secretary of the Treasury in which he says that he has been advised by lawyers—he does not say what lawyers—he has been advised by some lawyers that that provision is nugatory. The mere changing of a tax from 25 to 50 per cent would not make it any more valid, and I was wondering what the committee had done to validate that particular section of the law.

Mr. SMOOT. The Senator, I suppose, has reference to the letter that the Secretary wrote in relation to paragraph (d) on page 70. That is the net income, not dividends; but it does put dividends in net income, and that was not the case under existing law. We have it here, and that is taken care of, and that is one of the things by which we are trying to stop evasion. The existing law is ineffective, too.

Mr. KING. Mr. President, just one word. In view of what my colleague [Mr. SMOOT] said in regard to the Rockefeller investments, the facts are that the number of returns of decedents' estates amounting to $1,000,000 and more for 1922 was only 251, and that the per cent of tax-exempt securities held by those estates was only 6.8 per cent, or $67,042,175 out of a total value of the 251 estates so reporting of $982,830,504.

So I submit to my colleague that I think the position of the Secretary of the Treasury, Mr. Mellon, is refuted by the facts with which we are familiar, refuted by the limited amount of tax-exempt securities held by estates of decedents, and limited by the large number of corporations which are holding tax-exempt securities. We know that a great many new corporations are being formed every year—indeed, every day—in one or more of the States of the United States, and it is a matter of common knowledge that many of these corporations are formed for the purpose of avoiding the payment of a surtax which the incorporators would have to pay upon their incomes as individuals. Something ought to be done for the purpose of reaching these enormous earnings of corporations and to subject them either to a graduated corporation tax or to a surtax. So it is important, it seems to me, in the consideration of this particular amendment, for us to determine whether we shall have a graduated corporation tax which will impose a just and a fair tax upon these corporations, or whether we shall adopt some other system of perpetuating the present law, which, in my opinion, does not impose upon these corporations a sufficient tax.

Mr. SHIPSTEAD. Mr. President, I do not want to take up the time of the Senate, but I am not confident in my own mind that it is fair to tax all corporations on the same basis. I want to know whether or not there will be an opportunity later to discuss this subject, if we vote for this amendment.

I want to call the attention of the Senate to the Wall Street Journal for February 26, 1924. We have a report here of the earnings last year of the American Locomotive Co., their net earnings, after charges and taxes were paid, after the payment of their preferred dividends of $21.25 a share earned on the outstanding $500,000 of stock of no par value. After charges are deducted, and after preferred dividends of $21.25 have been paid, there are still net profits of over $12,500,000. On another page I find that this corporation holds over $13,000,000 in Federal securities, upon the income from which they pay no taxes, under the law of 1921.

Mr. SIMMONS. To what corporation is the Senator referring?

Mr. SHIPSTEAD. The American Locomotive Co. Here is a corporation making tremendous profit, and a large part of its working capital is invested in Government securities—it could hardly be called working capital—upon the income from which they pay no taxes, and their earnings, after $21.25 in preferred dividends have been paid, are over $12,500,000.

Mr. SMOOT. The Senator must remember that if those securities were held by the individuals who own the stock in the corporation, they would not be taxable.

Mr. SHIPSTEAD. What securities?

Mr. SMOOT. Nontaxable securities which are held by the corporation.

Mr. SHIPSTEAD. The securities of the Federal Government?

Mr. SMOOT. Of the Federal Government, with the exception of those that come under the normal tax; but most of those are the short-time certificates, which are sold and resold, as the corporations can hold them during a certain period and sell them again. That is the class of securities which the corporations most generally hold, not the regular long-time tax-exempt securities.

Mr. SHIPSTEAD. The Treasury notes are not tax exempt.

Mr. SMOOT. These certificates are all exempt from all kinds of taxation.

Mr. SHIPSTEAD. When held by individuals?

Mr. SMOOT. By individuals and by corporations as well.

Mr. SHIPSTEAD. The Treasury notes?

Mr. SMOOT. Certainly.

Mr. SHIPSTEAD. The certificates of indebtedness?

Mr. SMOOT. The certificates of indebtedness. They are not taxed at all; they are tax exempt. The corporation pays dividends, and then the individual pays a tax upon the dividends received.

Mr. SHIPSTEAD. That is an entirely different proposition.

Mr. SMOOT. I know; but I thought the Senator made the statement that they escaped taxation. They do, and they would not bear taxes if they were held by an individual. If the Senator or I bought those identical tax-exempt securities, we would not have to pay any taxes on them.

Mr. SHIPSTEAD. Oh, yes; we would. There is one issue of Federal securities the income on which is exempt to the individual up to $125,000.

Mr. SMOOT. Those are the securities the income on which is exempt from the normal tax.

Mr. SHIPSTEAD. When a corporation holds them they pay no taxes.

Mr. SMOOT. There are a few of them, but a tax is paid after the income has been distributed to the stockholder.

Mr. SHIPSTEAD. If the individual has income enough so that he comes in the higher bracket.

Mr. SMOOT. When we come to the discussion of a graduated rate on net incomes of corporations, then we get into trouble that will never end, it seems to me, and when that question comes up I would like to discuss it to show the Senator, as well as the Senate, what it means to the small stockholder in a corporation.

Mr. SHIPSTEAD. If we tax this corporation 14 per cent, it will amount to about $2,000,000 after the profits have been paid out in dividends on their net earnings of thirteen and one-half millions. It seems to me that is a very small tax on a net income such as this.

Mr. SMOOT. After it is taxed nearly $2,000,000, then the dividend is declared, and it goes to the stockholder, and if the stockholder is a large stockholder, his tax on that dividend will fall within the brackets in which all of his other income will naturally take him. He pays the tax, and every other stockholder pays the tax, unless he be a stockholder who has not an income sufficiently large to bring him within the first bracket of the tax imposed under the surtax provision. If he does not fall in those brackets and is entitled to the exemption of $2,500, he should not be taxed any more than 12½ per cent.

Mr. SIMMONS. Mr. President, I think the Senator from Utah has probably inadvertently misled the Senator from Minnesota with reference to these certificates of indebtedness. I understood the Senator from Utah to indicate that there was a

difference between the certificates of indebtedness and the bonds of indebtedness so far as taxation is concerned.

Mr. SMOOT. No; I said they were the same.

Mr. SIMMONS. I understood the Senator to say that a large sum of money, representing tax exempts held by corporations, is made up chiefly of these certificates of indebtedness and these short-time notes, and that the corporations did not pay any tax on the income derived from those securities; that they were totally exempt.

Mr. SMOOT. They are exempt.

Mr. SIMMONS. They are exempt just as bonds are. They are exempt from normal taxes, but they are not exempt from surtaxes.

Mr. SHIPSTEAD. These short-time certificates?

Mr. SIMMONS. Yes. They are not exempt.

Mr. SHIPSTEAD. Certainly not.

Mr. SIMMONS. The Senator from Utah created the impression upon my mind that he thought they were.

Mr. SHIPSTEAD. I was convinced that the Senator from Utah was in error, but I did not care to prolong the argument, because I did not have the Treasury regulations here. I sent to my office for them a little while ago.

Mr. SMOOT. It would not make any difference, as far as a bank was concerned, whether they were only exempt from the normal tax or whether they were entirely exempt. The same thing would apply as far as the stockholder is concerned.

Mr. SHIPSTEAD. That is an entirely different proposition.

Mr. SIMMONS. We are not talking about the stockholder. We are talking about the corporation.

Mr. SMOOT. I am perfectly aware of that, but I am stating that in connection with the corporation, after any dividend is distributed, the stockholder has to pay his tax upon his income, providing he makes an income that would make him fall within the surtax bracket.

Mr. SIMMONS. In the hands of an individual a short-term Government note is subject to the surtax, just as a Government bond is subject to the surtax; but if either gets into the hands of a corporation then it escapes taxation.

Mr. SMOOT. Then it is not subject to the normal tax.

Mr. SHIPSTEAD. It can not be taxed until it is distributed, and then it is only taxed provided an individual has an income large enough to get into the larger brackets.

Mr. SMOOT. Wherever his income falls, whether it is a larger bracket or a smaller bracket. If his income brings him into the smaller bracket he should not pay any more. If it brings him within the larger bracket he ought to pay it. He has to pay on his income from that source just the same as if it came from any other investment he might make. A corporation is not owned by one man.

Mr. SHIPSTEAD. What I am trying to call to the Senator's attention is this: That as far as Federal securities are concerned, corporations and individuals should be put on the same footing. They should be exempted from paying taxes only so far as is provided by the law under which the securities are issued.

Mr. SMOOT. Do I understand the Senator to say that if a man has one share of stock in one corporation and another man has a thousand shares in another there ought to be different taxes imposed on the corporations?

Mr. SHIPSTEAD. Certainly not.

Mr. SMOOT. Then the Senator and I agree. The only way to handle it is to impose a normal tax and then tax the holder after the corporation distributes the dividends, and that is done.

Mr. SHIPSTEAD. You can not impose a normal tax, because the law under which the securities are issued prohibits that.

Mr. SMOOT. I am speaking now of the gains of the corporation, no matter from what source they may be, in a regular business.

The corporation tax of $1 a thousand brings a return of $85,000,000. So when we are talking about what little tax-exempt securities these corporations hold, we must remember that there is stock amounting to $85,000,000,000. It is so simple it is hardly worth while considering.

Mr. SHIPSTEAD. Eighty-five billion dollars represents what?

Mr. SMOOT. The capital stock of corporations.

Mr. SHIPSTEAD. That is a good deal higher than I thought it was.

Mr. SMOOT. The Senator can figure it out. If a tax of $1 a thousand brings in $85,000,000, there must be an aggregate capital stock of these corporations amounting to $85,000,000,000. Now take $85,000,000,000, and take the figures as to the tax-exempt securities held by the corporations, and the Senator will find it is a mere bagatelle.

Mr. McKELLAR. How much would the addition of 1 per cent to the tax of 13½ per cent bring in?

Mr. SMOOT. About $70,000,000.

Mr. McKELLAR. The Senator would not be willing to accept an amendment to make it 13½ per cent instead of 14? I am opposed to raising the taxes of any taxpayer. I think it probably very wise to take off the tax of $1 on capital stock, but I will have to vote the other way on any increase of tax.

Mr. SMOOT. I know it is very popular to vote against imposing a tax upon anybody. I know it is the popular side to vote for appropriations and vote against any tax that will take a dollar out of a man's pocket.

Mr. McKELLAR. Not necessarily. I saw in a paper a day or two ago that the income tax this year was going to produce $226,000,000 more than was anticipated. It was just a newspaper statement, but it purported to come from those in authority. If that is the case we could easily take off the capital-stock tax without increasing the corporation tax at all.

Mr. SMOOT. The paper did not say that we had already estimated the increase, did it?

Mr. McKELLAR. No; it did not.

Mr. SMOOT. That is the trouble.

Mr. McKELLAR. That is why I am asking about it. What increase did the committee estimate? My recollection is the paper that I read said $226,000,000.

Mr. SMOOT. The bill of the House as it came here—and that is what was spoken of—estimated it at $261,000,000, while the Finance Committee's estimate is $296,000,000. That is the normal tax. We have taken that part of it into consideration.

Mr. McKELLAR. Yes; part of it, but it does seem to me——

Mr. SMOOT. The income tax is the same.

Mr. McKELLAR. I think unquestionably we could count on an increase of Government revenues to a sufficient extent to justify repealing the capital-stock tax and leaving the corporation tax as it is.

Mr. SMOOT. We have reported to the Senate the figures at the highest estimates that have been made up to the time we had the bill under consideration. With all of the increases that we have, we will fall short under the estimate $50,000,000 without taking a dollar off the bill. That is also without taking into consideration $55,000,000 in the Bursum pension bill, $135,000,000 for the bonus bill, and $27,000,000 for the reorganization of the Veterans' Bureau. The latter bill is on the calendar now, and I know it will pass. Not only that, but it is without taking into consideration $6,500,000 for the building of hospitals for the wounded soldiers, $10,000,000 for the reclassification of the field service, and $10,000,000 for the deficiency items that always come in at the close of every fiscal year. All these, with others, are not taken into consideration. It does not take into consideration the question of the McNary-Hangen bill——

Mr. McKELLAR. Which will doubtless not pass.

Mr. SMOOT. Or anything intended for the relief of the farmers.

Mr. SIMMONS. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. Certainly.

Mr. SIMMONS. Of course, if we take all those things into consideration, we could not reduce taxes at all.

Mr. McKELLAR. Not at all.

Mr. SIMMONS. And if all those measures pass and those burdens fall upon us, we shall have a tremendous deficit.

Mr. SMOOT. That is exactly what I wanted the Senator to say. We have already passed the $55,000,000 Bursum pension bill, and we have already passed the bonus bill, which involves at least $135,000,000 more. There is $190,000,000 involved in those two measures.

Mr. McKELLAR. I can tell the Senator how he can get that amount very easily, and more. Simply amend section 220 so as to prevent evasion by the big taxpayers of their taxes honestly due to the Government, and it will be done. In this connection I want to read to the Senator an excerpt from a letter of the Secretary of the Treasury about this matter, dated February 8 last:

I have your letter of January 26, requesting information in connection with the organization of corporations to avoid the imposition of the surtax. Section 220 of the revenue act is designed to penalize corporations fraudulently availed of to escape the imposition of the surtax on their stockholders. This section has been ineffective for two reasons—

Here is the Secretary of the Treasury admitting that section 220 has not been enforced—

First, it is questionable whether any investment company could have a surplus beyond the reasonable needs of its business, since its sole business was to invest. Second, the penalty provided by section 220 was based upon the taxable income of the corporation. If the corporation invested solely in Government securities exempt as to normal tax, or in the stock of other domestic corporations, under the law it had no taxable income, and therefore the penalty of 25 per cent was a penalty of 25 per cent of nothing. This defect in the statute, I have been told, has been recognized by many lawyers, and avoidance entirely within the law has been possible.

Let me ask this question about it. In the first place, the Secretary does not go to the Attorney General of the United States or to the law officer of the Treasury, but takes the opinion of "many lawyers." He does not say who the "many lawyers" were who expressed the opinion that this is an invalid provision. According to his letter, he never sought to enforce it and says it can not be enforced. But I want to call the Senator's attention to what he does say and what I think the committee has not carried out. He says:

In the bill now pending in the House both of these defects are cured by providing that the fact that the corporation was a mere investment company is prima facie evidence of fraudulent purpose and by fixing the penalty of 25 per cent of the income of the corporation, even though such income is not taxable under the law.

I find, instead of the committee having amended the law so as to include that provision, it has left out of the bill that identical provision.

Mr. SMOOT. The Senator has not read the bill and has not studied it.

Mr. McKELLAR. I will read it to the Senator.

Mr. SMOOT. I will read the provision in the bill where both those questions are covered.

Mr. McKELLAR. I shall be glad to have the Senator do it.

Mr. SMOOT. If the Senator will turn to page 69 of the bill, he will find it at the bottom of that page. This is one of the provisions which he has mentioned:

(b) The fact that any corporation is a mere holding or investment company, or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

Mr. McKELLAR. That is identical with the present law.

Mr. SMOOT. If the Senator will follow the reading, I will show him that it is not exactly the same.

Mr. McKELLAR. I have the present law before me.

Mr. SMOOT. The words "or investment" are not in the present law.

Mr. McKELLAR. The present law reads:

The fact that any corporation is a mere holding company, or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

Mr. SMOOT. That is the exact language about which the Secretary of the Treasury complains. The House put in a provision, and we have retained the provision, including the words "or investment company," so that it covers not only a holding but an investment company.

The other matter to which the Senator refers is found on page 70, and is as follows:

(d) As used in this section, the term "net income" means the net income as defined in section 232, increased by the sum of the amount of the deduction allowed under paragraph (6) of subdivision (a) of section 234, and the amount of the interest on obligations of the United States issued after September 1, 1917, which would be subject to tax, in whole or in part, in the hands of an individual owner.

Mr. McKELLAR. I want to ask the Senator two questions: First, does the Senator believe that this provision of the law as proposed to be amended could now be evaded?

Mr. SMOOT. It could not.

Mr. McKELLAR. And the Senator believes the Secretary will enforce it and not depend on some hearsay opinion of some other lawyers who might regard it as invalid?

Mr. SMOOT. There is not a lawyer who ever studied the law, after attention was called to it, who did not believe that there was that loophole left in the law. It was in the law when it was first passed, and it was never noticed until the holding companies began to be organized. When they were organized without any capital they escaped and evaded taxation. I have said so upon the floor of the Senate two or three times during this discussion.

Mr. McKELLAR. The Senator thinks now that under this provision of the bill they can not evade the law?

Mr. SMOOT. I know that they can not evade that provision of the law.

Mr. McKELLAR. Will the Senator give his reason for striking out the proviso beginning in line 16, page 69?

Mr. SMOOT. The Senator will notice, in section 220, that the committee struck out "25 per cent" and inserted "50 per cent." We struck that out so that they will be subject to the 50 per cent tax and can not get away from it.

Mr. McKELLAR. I will say to the Senator that if there goes into this bill such a provision, and the Secretary will enforce it against the taxpayers, it will bring infinitely more revenue to the Government than any other provision in the bill.

Mr. SMOOT. Any Secretary who would not enforce it ought to be impeached.

Mr. McKELLAR. Why has not the present law been enforced?

Mr. SMOOT. I think it has been enforced.

Mr. McKELLAR. No. The Secretary said—

In each of the instances where this practice has been adopted——

Mr. SMOOT. Does the Senator have reference to this provision?

Mr. McKELLAR. Yes.

Mr. SMOOT. There is a hole in the law, and many are crawling through it.

Mr. McKELLAR. But the Secretary did not get an opinion from any law officer of the Government. I believe the law was perfectly good. I think it was good then. I hope the Senator has made it better; but it was good then, and it never has been enforced.

Mr. SMOOT. I am positive that the Secretary has had the opinion of every law officer in his department, and more than likely an opinion from the Department of Justice. He said merely that a number of attorneys held that opinion.

Mr. McKELLAR. I want to call the Senator's attention to what he said. He said, "It is recognized by many lawyers." But "many lawyers" are not running the Treasury Department. I hope the Treasury Department is guided by its own counsel employed by the Government.

Mr. SMOOT. I will say to the Senator that the Solicitor of the Treasury Department has ruled that such an evasion could not be prosecuted under the law.

Mr. McKELLAR. I am going to make an inquiry in order to substantiate the information the Senator has. I do not doubt his word——

Mr. SMOOT. I have not any doubt of it.

Mr. McKELLAR. I have no doubt the Senator is entirely sincere in making the statement, but I want to see the opinion of the solicitor who has declared this law nugatory without attempting to enforce it.

Mr. SMOOT. The Senator will get an answer if he will direct a letter to the Secretary of the Treasury.

Mr. NORRIS. Mr. President——

Mr. SMOOT. I yield to the Senator from Nebraska.

Mr. NORRIS. I am asking entirely for information. I want to know what the facts are. Has that section been enforced? The Senator from Tennessee says it was not enforced.

Mr. McKELLAR. I presented the Secretary's letter, which said it has not been enforced.

Mr. NORRIS. Does the Secretary say in his letter that it was not enforced?

Mr. McKELLAR. If the Senator was not present, I shall be glad to read it again, because I think it is very important. This letter is dated February 8, 1924, and reads:

I have your letter of January 6, requesting information in connection with the organization of corporations to avoid the imposition of the surtax. Section 220 of the revenue act is designed to penalize corporations fraudulently availed of to escape the imposition of the surtax on their stockholders. This section has been ineffective for two reasons: First, it is questionable whether any investment company could have a surplus beyond the reasonable needs of its business, since its sole business was to invest. Second, the penalty provided by section 220 was based upon the taxable income of the corporation. If the corporation invested solely in Government securities exempt as to normal tax, or in the stock of other domestic corporations, under the law it had no taxable income and therefore the penalty of 25 per cent was a penalty of 25 per cent of nothing.

You will notice the array of facts on which the opinion is based; in other words, that the corporation had no income.

This defect in the statutes, I have been told, has been recognized by many lawyers.

He does not say that he has been advised by lawyers of the department that it is invalid, but he says:

This defect in the statutes, I have been told, has been recognized by many lawyers and avoidance entirely within the law has been possible. In the bill now pending in the House both of these defects are cured by providing that the fact that the corporation was a mere investment company is prima facie evidence of fraudulent purpose—

And, by the way, that is in the present act—

and by fixing the penalty of 25 per cent of the income of the corporation, even though such income is not taxable under the law.

As I understand from the Senator from Utah, by referring in subsection (d), on page 70, to section 232 of the act, that defect is cured.

Mr. SMOOT. The Senator ought not say that the other provison as to investment companies is now in the law. Paragraph (b), on page 69, with reference to investment companies, has been added and cures that defect.

Mr. McKELLAR. In order to show that the law has not been enforced I continue to read from the Secretary's letter, as follows:

If this bill is passed, I think we can pretty effectually stop this method of tax avoidance.

In other words, he admits that the method is being used and being effectively used. He says that he is depending on an amendment to prevent further tax avoidance under this section. The Secretary continues:

Knowledge of instances where this practice has been adopted can only come to the notice of the department when the actual returns of the corporations are audited, but the bureau is making every endeavor to enforce section 220 in all cases where it can be found to be applicable.

The audit of the P. S. du Pont cases, to which you refer, has not been completed, but the commissioner has requested the auditors to ascertain whether or not any of these companies is subject to the provisions of section 220 of the revenue acts of 1918 and 1921. Waivers have been filed in these cases and there is no danger of their being barred by the statute.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

What I wish to call attention to is that if section 220 has not been properly amended so as to prevent the evasion of taxes in the future, it is the duty of this body to see that it is made effective; and, if it be necessary to make it mandatory upon the Secretary of the Treasury to enforce it, we ought to make it mandatory to be enforced, because, in my judgment, if section 220 is enforced, it will add to an enormous degree to the revenue of the Government.

Mr. SIMMONS. Mr. President, I think when this provision was originally written into the law the new device which the shrewd lawyers of the country have discovered for evading taxes, namely, the creation of investment or holding companies, had not been resorted to to any considerable extent. This is an evil which has grown up in recent years. It is one of a multitude of schemes that the legal talent of the country has been able to devise in order to help corporations to withhold taxes which they justly owe to the Government. At the time the law was originally passed the evasion it was aimed to prevent was the evasion of taxes by corporations by not distributing their surplus earnings. That was the main way in which corporations were escaping their taxes at that time. That evil was very strongly presented to the committee and to the Senate in the consideration, I think it was, of the act of 1918. We were then urged to apply some remedy, and we proposed this heavy penalty with a view to stopping that sort of evasion.

The Secretary of the Treasury has never been able to apply, or at least he has never successfully applied, the provisions of the 1918 law or of the 1921 law to stop that kind of evasion. I mean the evasion by corporations by withholding their surplus income from distribution to the stockholders.

Mr. McKELLAR. Mr. President, will the Senator from North Carolina yield to me?

Mr. SIMMONS. Let me finish this statement and then I will yield.

The Secretary of the Treasury, however, in the letter which the Senator from Tennessee has read, seems to have overlooked that very flagrant method of violation of the law, and nothing has been done by the Secretary so far as I have ever heard to stop that sort of violation. The Secretary directs his attention altogether to the new methods that have been adopted in recent years. I think, so far as the new methods are concerned—that is, the holding or investment companies as they are sometimes called—the amendment reported by the committee would probably reach that evil. The real evil, however, which is as flagrant to-day as it was when the law was passed, has not been reached by that act and will not be reached by the amendment which is now proposed. It will be reached, however, by the substitute that we hope to present to the Senate.

Mr. McKELLAR. Mr. President, before the Senator from North Carolina takes his seat I wish to ask him a question. The Senator has heard read the letter which the Secretary wrote concerning this section. Does not the Senator think that as a prudent, careful Secretary of the Treasury it was his duty by some legal proceedings, either by the imposition of a tax and making the taxpayer bring the proceedings, or by instituting a proceeding of his own—preferably, of course, by making the taxpayer institute the proceeding, which could easily have been done—to have submitted this question to the courts for determination, because there is an enormous amount of revenue involved in all of these cases, namely, the difference between 12½ per cent that the corporation would pay as a corporation income tax and the higher brackets of the income tax? There is no telling how many millions of dollars are involved. Why ought not the Secretary of the Treasury to have instituted some legal proceeding, instead of depending upon the opinion of "many lawyers," as he says? Who those lawyers are nobody knows.

Mr. SIMMONS. I do not know why the Secretary has not made any more strenuous efforts to apply that provision of the law. He gives as his reason for it that he recognized it was ineffective. I think if he had been more diligent in testing it out, as the Senator suggests, he might have accomplished some results.

Mr. McKELLAR. If the Senator will permit me, if it had been tested out and was found defective under the ruling of a court, then the Senate and the House could have easily corrected it so as to make it effective. As it is now, we are striking in the dark, as the Senator has said.

Mr. SIMMONS. My understanding is that it has only been attempted to be tested in one or two cases, and they have not been followed up to a final conclusion.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. SIMMONS. I yield.

Mr. NORRIS. I heard the Senator from Tennessee read the letter of the Secretary. If he has stated the situation correctly in that letter, is not that an answer to it all? If this penalty of 25 per cent is going to be levied on the income subject to the tax and there is no income, then of course there can be no penalty. It does not take a lawyer to see that.

Mr. McKELLAR. That depends upon the construction that is given it. The statute is very plain, as the Senator will see if he will turn to it.

Mr. NORRIS. I have not read the statute.

Mr. McKELLAR. It is section 220. It seems to me it is plain enough for anyone in the world to see that it is absolutely effective.

Mr. SIMMONS. The Secretary ought to have attacked it from the standpoint that the creation of this new species of corporations was for the purpose of evading taxes and that such corporations were void and ineffective as accomplishing that purpose, and he should have sought to impose upon them the same tax upon that income that would have been imposed upon it in the hands of the original corporation. That is the angle from which he ought to have attacked it.

Mr. NORRIS. Yes.

Mr. SIMMONS. Now, all sorts of devices are resorted to frequently to escape burdens or to escape indebtedness. We have an instance of that in the case of some debtors. Sometimes debtors seek by fraudulent transfers of their property and other fraudulent devices to escape their indebtedness; but the courts will look behind such transactions and will ascertain what was the motive of the transaction, and if it would accomplish a fraud, it is a void transaction as to the debtor. So if these corporations are flagrantly and deliberately created for the sole purpose—and that seems to be the Secretary's idea, and that seems to be the fact—for the sole purpose of evading taxes due the Government, then they are fraudulent concerns.

Mr. NORRIS. I should think so.

Mr. SIMMONS. The courts would look behind them, and if they found that they were in fraud of the Government they would hold them to be ineffective, and that their income should be charged against them just as it should be charged against the original corporation.

Mr. NORRIS. I think that is correct; but, in my judgment, it still does not meet the whole situation——

Mr. SIMMONS. It does not.

Mr. NORRIS. Because there may be such corporations which have a legitimate purpose for their existence and which might engage in the practice to a greater or less degree. In such cases, of course, there would perhaps be a doubt, and it might be held even by a court that the investment in this kind of securities was not beyond the scope of the corporation's business.

Mr. McKELLAR. Mr. President, the question that the Senator from Nebraska has asked is a very pertinent one indeed, and I think calls for a reading of the statute itself, which seems to me to be very wide of application, conclusive of the very matter which we are discussing. I read:

SEC. 220. That if any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount thereof, which shall be in addition to the tax imposed by section 230 of this title and shall be computed, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax.

"That tax" is 12½ per cent. The manifest purpose of that statute is to cover any corporation that accumulates property for the purpose of evading taxes or is organized or used for that purpose. Such a corporation would come under the provisions of this statute; and the penalty should be added, which would make the tax 37½ per cent.

Mr. NORRIS. Is that the law?

Mr. McKELLAR. That is the law.

Mr. NORRIS. I mean is that the law to which the Secretary refers in his letter when he says it has been ineffective?

Mr. McKELLAR. That is the law. He says that he has been advised by many lawyers that it is ineffective.

Mr. SIMMONS. Mr. President, the trouble is that when these gentlemen devise one of these methods they try it out, and if they find that it goes with the Treasury Department, then they adopt it universally. They established these companies. The purpose was known of all men. The Secretary of the Treasury said, "Oh well, the fraud is accomplished, and the new company has nothing that I can reach, and therefore I will let it go"; and that was just an invitation to them to go into this sort of scheme all over the country.

Mr. McKELLAR. Of course, if the Senator will permit me just a moment, the Secretary himself shows that he is not certain about his position, because he says that in the class of cases which ordinarily would come within the provisions of this section he has had them make a waiver of the statute of limitations, so that if in the future the law should be construed differently from what he thought it was, or what many lawyers thought it was, the Government would still get the tax.

Mr. SIMMONS. He has never asked the courts to construe it.

Mr. McKELLAR. Not at all; but he says he has required of the taxpayer a waiver of the statute of limitations, so that if perchance somebody else construes the law, or if there should be a change in the administration of the law, the Government could get these returns.

Mr. NORRIS. Mr. President, I want to ask the Senator a question. How is it proposed now in this bill to remedy that situation?

Mr. McKELLAR. If the Senator will look on page 69 of the pending bill, I will give him the explanation that was given by the senior Senator from Utah.

Mr. NORRIS. I have been looking there. That is down at the bottom of the page, in paragraph (b).

Mr. McKELLAR. That is virtually the same language that is in the act now; but if the Senator will turn over to page 70, under subhead (d), and read that, while I find section 234, I think we can explain it.

Mr. NORRIS. Paragraph (d), on page 70, makes no reference to section 220, which seems to be the one that attempts to provide against evasions.

Mr. McKELLAR. This purports to be a reenactment of section 220, and subsection (d) does change the matter somewhat. The Senator from Utah says he thinks it will reach the situation that is complained of by the Secretary of the Treasury. I have very great doubts about whether it will or not.

Mr. NORRIS. Mr. President, the Senator from Utah is not in the Chamber just at the present time. How does it reach it?

Mr. McKELLAR. The Secretary of the Treasury says that there is no net income of such corporations, especially if the corporation is a mere holding company, or its securities are tax-exempt securities. Then, he says, there is no net income; and so section (d) defines what net income is, so as to remedy that particular part of the situation. It may do it. I am not sure. I think the original law would do it if it were properly enforced, but I think it is not being enforced at present. I think it is being disregarded.

Mr. SHIPSTEAD. Mr. President, paragraph (d) on page 70 has to do with deductions before net income is figured out; and in that section we find these words:

And the amount of the interest on obligations of the United States issued after September 1, 1917, which would be subject to tax in whole or in part in the hands of an individual owner.

Mr. McKELLAR. If the Senator is asking me about subsection (d) I can not tell him, because I do not know what meaning it has; and I think the Secretary will find many other lawyers—not only many lawyers, but many other lawyers—who will doubt whether it is worth anything at all.

Mr. NORRIS. Mr. President, if the Senator will permit an interruption there——

Mr. SHIPSTEAD. Yes.

Mr. NORRIS. I should like to call attention to the fact that in paragraph (d) on page 70 there is a definition given of net income. Now, I notice, down there, that the net income is increased by "the interest on obligations of the United States issued after September 1, 1917"—which, in other words, means the Liberty bonds—"which would be subject to tax in whole or in part in the hands of an individual owner." So, as I take it, the committee undertook to do what we are trying here to do, to provide that the interest on such bonds shall be part of the net income, and hence subject to the penalty.

Mr. SHIPSTEAD. But they are also subject to be deducted before the net income is calculated.

Mr. McKELLAR. Mr. President, the Senator from Utah [Mr. SMOOT] is now present and I am quite sure that he can explain subsection (d), and I should be glad to have him do it, if the Senator has no objection.

Mr. SHIPSTEAD. Certainly. Before I yield the floor, however, I desire to call the attention of Senators to the law under which all of these governmental issues have been made—the law of September 24, 1917. The Senator from Utah this afternoon said that these securities were all tax exempt when held by an individual. It has been some time since I read the law, not having the law here; but, knowing that the law itself is the best evidence, I call attention to the law as printed in the Treasurer's report for 1923, on page 183. The law is quoted here in the notice given when the notes were issued:

The notes of said series shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations, or corporations.

So, under the law under which they are issued, they are not tax exempt so far as surtaxes or war-profits taxes or excess-profits taxes are concerned when held by individuals, but under the provisions of the act of 1921 they are made tax exempt to corporations.

I simply read this section of the law in order to correct the RECORD and to submit the evidence which is the best evidence on the subject.

Mr. FLETCHER. Does the Senator argue that if this provision remains as it is these bonds really are not tax exempt?

Mr. SHIPSTEAD. I should like to have the explanation of the Senator from Utah of subsection (d), on page 70. In my opinion, as the law is now a corporation would not have to pay taxes on Government securities. For that reason I have prepared and sent to the desk an amendment which I expect to offer to take care of the matter.

Mr. FLETCHER. If the Senator does that, in a way he destroys the tax-exempt feature of the securities, if they have to pay a tax on the income.

Mr. NORRIS. No; the Senator is referring to Government bonds, Liberty bonds, that have the surtax.

Mr. FLETCHER. They are said to be exempt from taxes.

Mr. SHIPSTEAD. Oh, no; from normal taxes. They are not exempt from surtaxes or excess-profits taxes.

Mr. FLETCHER. I understand; but they are exempt from the normal tax.

Mr. SHIPSTEAD. Oh, yes.

Mr. FLETCHER. If the income derived from them is to be calculated here, then in a way it affects their tax-exempt feature, it seems to me.

Mr. SHIPSTEAD. In this section they are calculated for deduction before the net income for taxation is determined.

Mr. SIMMONS. Mr. President, I should like to say to the Senator from Florida that the income from these bonds would be charged as a part of the earnings of the corporation; but the corporation is only subject to a normal tax, and, therefore, in the hands of the corporation these incomes would never pay any tax except the normal tax.

Mr. NORRIS. That is the idea of paragraph (d) on page 70 in giving a definition of "net income" to include these surtaxes in the net income.

Mr. SIMMONS. Yes; they are included in the net income, and they are subject to the normal corporation tax, undoubtedly.

Mr. SMOOT. Mr. President, will the Senator allow me to ask what is section 220? It has reference to the evasion of surtaxes by incorporations. That is what we are dealing with now, and unless there is an evasion of the payment of a surtax there is nothing to apply it to. The penalty of 50 per cent is to be imposed where there is an evasion.

Paragraph (d) says:

> As used in this section, the term "net income" means the net income as defined in section 232—

Section 232 is the section headed "Net income of corporations defined."

Paragraph (d) proceeds:

> Increased by the sum of the amount of the deduction allowed under paragraph (6) of subdivision (a) of section 234.

Section 234 is the section headed "Deductions allowed corporations." That is the section that they refer to. Now, as to the cases where there is evasion, this is simply a definition of net income under those terms.

Mr. SHIPSTEAD. For the normal income tax.

Mr. SMOOT. It applies to holding companies. That is what it applies to. Then it says:

> And the amount of the interest on obligations of the United States issued after September 1, 1917, which would be subject to tax in whole or in part in the hands of an individual owner.

In other words, it is plus the dividends received, plus the interest on obligations of the United States. It is to prevent the evasions that have been made in the past. It is to put a heavier penalty upon any taxpayer who will try to evade all tax.

Mr. SHIPSTEAD. I thought the Senator was talking about corporations.

Mr. SMOOT. I am, because that is what this refers to.

Mr. SHIPSTEAD. Would not a corporation evade the surtax when the law provides that no surtax shall be paid by a corporation?

Mr. SMOOT. They have been doing it by the formation of holding companies, and that is what we are stopping here. If the Senator will look at paragraph (b) under section 220, he will see that it provides that—

> The fact that any corporation is a mere holding or investment company, or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

The existing law reads in this way:

> The fact that any corporation is a mere holding company, or that the gains or profits are permitted to accumulate—

And so forth. The House put in the words "or investment company," and the Senate committee has not changed it. That is to stop the gap whereby they have been using these investment companies to evade taxation; and therefore we specifically say that if it is a holding or investment company it is to be taken as prima facie evidence that they are creating it for the purpose of evading surtaxes. That is all there is to it. It is stopping the two great holes that have been made use of by the formation by corporations of these new corporations to get rid of paying their taxes.

Mr. JONES of New Mexico. Mr. President, I can not agree with the last statement of the Senator from Utah, that that will be the effect of these penalty provisions. I am not willing to concede that this entire section as amended will be any more effectual to prevent the evasion of surtaxes through the organization of corporation than are the provisions of the present law, or of any previous law on the subject.

Mr. SMOOT. The Senator did not hear the letter of the Secretary of the Treasury read by the Senator from Tennessee?

Mr. JONES of New Mexico. I did not hear it read to-day, but I have heard it read before.

Mr. SMOOT. Subdivisions (b) and (d) are put in for the very purpose of preventing in the future escape from the payment of taxes, as stated by the Secretary of the Treasury.

Mr. JONES of New Mexico. I can not admit that; but I admit that they are put in as an excuse, so that the same thing will go on in the future that has gone on in the past. In the consideration of the bill passed in 1917, this question was discussed at length, and under the laws of practically all of the States in the Union you may organize a corporation for almost any lawful purpose. In my State the law specifically provides that you may organize a corporation for any lawful purpose, and we all know that the charters of most corporations are just as broad as the imagination can make them. It cost no more to have your charter broad, so that you may engage in any kind of lawful business. The investment business is a lawful business. The holding of properties and assets is a lawful business, and under this provision you can not prevent the organization of these corporations, which will as a matter of fact be availed of, so that the result will be to take away the possibility of collecting surtaxes on these large incomes. That is just as inevitable as that the sun will rise to-morrow. You can not say that a man is organizing a corporation for the purpose of evading taxation, when he has a legal right to do the thing which he is attempting to do. The Senator from Utah remembers that in the committee I proposed to strike out the words "for the purpose of," and the Senator and every one of his associates on the committee voted against me. The Senator knew that the inclusion in this section of the words "for the purpose of" is the vital thing. If you are not going to permit the corporation to be taxed otherwise than the shareholders would be taxed if they did not have a corporation, if that is the intention, why not strike out the words "for the purpose of"? But you will not get anyone who is suggesting these tremendous penalties to agree to do that sort of thing.

Mr. NORRIS. Where do those words appear?

Mr. JONES of New Mexico. In the penal part of the statute, in the first paragraph. The section reads:

> If any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax—

And so forth.

Mr. KING. "Upon its shareholders."

Mr. JONES of New Mexico. Then comes the penalty; the tax is increased. That goes to the very heart of the provision, and it is that language which has made a similar section in the present law absolutely a nullity in the past, and this will be a nullity in the future.

Mr. NORRIS. May I interrupt the Senator there?

Mr. JONES of New Mexico. I yield.

Mr. NORRIS. I want to say to the Senator that I have no other object in any of these interruptions than to try either to get light myself or to help somebody else to get light. I realize that we have a proposition before us, a point in this bill, that is very important, and one that has in the past permitted a lot of people to escape their proper share of taxation, and we all want to correct it.

Mr. JONES of New Mexico. May I just in a very brief way reply to the Senator? This section in no wise will change that situation.

Mr. NORRIS. I wanted to ask the Senator a question right on that point. He has read the first part of section 220, which provides that as to any corporation, however created or organized, if it is formed for the purpose of preventing the collection of the tax, the penalty shall apply.

Mr. JONES of New Mexico. That is the present law.

Mr. NORRIS. That is the present law, and this is practically the same. We find in subsection (b) a legislative statement as to what will constitute a case——

Mr. JONES of New Mexico. A prima facie case.

Mr. NORRIS. A prima facie case of purpose to avoid the law. It provides:

> The fact that any corporation is a mere holding or investment company, or that the gains or profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence.

If those two things happen, there is at least a prima facie case made.

Mr. SMOOT. Or either one of them?

Mr. NORRIS. Yes; either one of them.

Mr. JONES of New Mexico. I want to say to the Senator that that is the same as the present law.

Mr. NORRIS. Is paragraph (b), which I have just read, in the present law?

Mr. JONES of New Mexico. No.

Mr. NORRIS. That is the saving clause, to my mind.

Mr. JONES of New Mexico. I ask the Senator, from his knowledge of human affairs, how long it would take the organizer of a corporation to overcome that prima facie case?

Mr. NORRIS. Of course, I do not know. There might be a case where it would be proper for them to overcome it, but if they did not have a good purpose, and if they had not done the things that are required, it would be very difficult for them to show that they had.

Mr. KING. May I interrupt? Will the Senator from New Mexico yield?

Mr. JONES of New Mexico. I yield.

Mr. KING. I would like to ask the Senator from Nebraska what proof would be required to determine what are "the reasonable needs of business?" The able Senator from Utah [Mr. SMOOT], the chairman of the committee, has contended very forcefully that each corporation ought to have a large reserve, a large surplus. Many wise business men insist upon an enormous surplus. Others insist upon a reduced surplus, and there is very wide ground there for a divergence of opinion as to what would be a reasonable surplus. There are no guides prescribed in the statute to determine, and there is the discretion which is allowed the executive officers.

Mr. NORRIS. That is true. That may be a place where an amendment should be made, if anybody can suggest an amendment which would take away or decrease that broad discretion allowed. Of course, if a corporation were organized purely as an investment company, and for nothing else, that discretion would not exist; but the second part of the proposition, as to the amount which it would be reasonable to keep on hand, is a very broad proposition. If there is any way to amend the bill and make it more concrete, it seems to me we ought to do it. I want to see this remedied. I am asking my questions for the purpose of bringing out discussion, because we do not want to make any mistake in this again. We have lost hundreds of millions of dollars through businesses escaping taxation because of this loophole. Everybody knows that it is quite common for men to escape taxation on incomes from Liberty bonds by organizing corporations really for the purpose of holding those Liberty bonds, and thus escaping the surtaxes they would have to pay if they owned them individually.

Mr. JONES of New Mexico. May I call the attention of the Senator to the language of the present law, if the Senator from Nebraska will just give me his attention. I find that the language in the present law is, and has been from the beginning—it is in the proviso——

Mr. NORRIS. This is not in the present law, as I understand it?

Mr. JONES of New Mexico. Yes. Just let me read the law.

Mr. NORRIS. Section (d), where the net income is defined, is new, is it not?

Mr. JONES of New Mexico. Yes; that entire section.

Mr. NORRIS. That net income section?

Mr. JONES of New Mexico. Yes. I will refer to that later on.

Mr. NORRIS. It seems to me that that cures the difficulty the Secretary of the Treasury has pointed out in his letter. That may not be conclusive, but it seems to me that it cures that difficulty.

Mr. JONES of New Mexico. If the Senator will just permit me, I will reach that in a few moments. I desire now to put into the RECORD what the present law provides. It reads:

> The fact that any corporation is a mere holding company, or that the gains and profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax.

That is in the present law, and that is just the language of that paragraph (b).

Mr. NORRIS. Not quite. This has one addition.

Mr. JONES of New Mexico. It says "mere holding or investment company." It includes the words "or investment company."

Mr. DIAL. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr JONES of New Mexico. I yield.

Mr. DIAL. That does not apply, then, I understand, to a manufacturing company, but only to a mere holding company or investment company?

Mr. JONES of New Mexico. That is what it says. As I understand from the colloquy, it is claimed that this paragraph (b) will prevent corporations from owning these partially tax-exempt securities and evading the surtaxes on them, and that by this means the inequality between the ownership by corporations and individuals is overcome. I have understood that. It can not be so, because that definition of net income applies only to that term as used in this section, and this section deals only with corporations which are organized for the purpose of evading surtaxes. So the Senator can readily see that this provision in no wise affects the general subject of the corporation owning these partially exempt securities free from all surtaxes.

Mr. NORRIS. May I interrupt the Senator there?

Mr. JONES of New Mexico. Certainly.

Mr. NORRIS. I do not know whether there would be any objection to changing the general definition of "net income" or not, but I assume there would be. For the purpose of this section, suppose the Senator were the collector, and I the organizer of a corporation, and he thought I had organized the corporation for the purpose of avoiding the law. Whenever he wanted to apply section 220 to my corporation, he would consider "net income" as defined in that section.

Mr. JONES of New Mexico. Yes.

Mr. NORRIS. And that is what this would mean. If he ever undertook to consider a corporation that he thought was avoiding the law, he would apply the definition of "net income" as found in this particular section.

Mr. JONES of New Mexico. Quite true.

Mr. NORRIS. Would not that meet it?

Mr. JONES of New Mexico. It would meet it as to such corporation, but think of the thousands of banks in the country, the thousands of trust companies in the country——

Mr. NORRIS. As I said awhile ago, I do not know whether the general definition of net income ought to be changed or not. I am assuming that the committee did not make a change in the general definition of "net income" for good and sufficient reasons. I do not know what they are.

Mr. SMOOT. May I suggest that that has been done because there is a contract made between the Government and the purchasers of the bonds.

Mr. NORRIS. I do not mean to imply that anyone would change the contract as to these bonds, but we never did make a contract with any corporation providing that if it holds these bonds it could escape taxation altogether. That is not involved in the ownership of the bonds.

Mr. SMOOT. As far as the normal tax is concerned, it is in the bill.

Mr. NORRIS. Oh, yes; I anticipate nobody wants to change that.

Mr. SMOOT. That is what applies to corporations.

Mr. NORRIS. When we passed that law we had no provision in it that any bank holding such securities would be exempt from paying any taxes whatever. We would not, in my judgment, violate any obligation to a bank or corporation if we made a change in the definition of net income.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

Mr. JONES of New Mexico. I yield.

Mr. SHIPSTEAD. I want to say to the Senator from Nebraska that the law under which these obligations were sold specifically stated that they should not be tax exempt from surtaxes, excess-profits taxes, and war taxes, but the law of 1921 made them tax exempt when held by corporations. It is true that under the law there was an implication that certain taxes must be paid, and individuals paid them when they held those certificates; but the corporations did not pay them.

Mr. SMOOT. The Senator is no doubt aware that the reason for the passage of that law was because of the fact that there was a normal tax of 12½ per cent on corporations, and then when dividends were declared and taxes had to be paid on those dividends, that constituted a duplication of taxes. This provision was incorporated in the law to equalize the taxes that might fall upon them in that way.

Mr. NORRIS. I would like to ask a question just for the purpose of bringing out discussion. What would be the objection to providing by law that a corporation holding Liberty bonds should be subject to the same kind of tax that the individual has to pay? Is there any reason why we should not enact that kind of law?

Mr. SMOOT. It would be double taxation.

Mr. SHIPSTEAD. In the case of a corporation that holds railway securities, it pays an income tax under the 12½ per cent provision and when dividends are distributed to individuals they pay a tax again if their incomes run into the higher brackets. So we would have double taxation there.

Mr. NORRIS. Why would it be double tax? I may be wrong. I am trying to get a little light. I would like to get this question settled so we will be sure to shut this one hole

at least and get the taxes that we ought to get. We have any other tax we want, but what is wrong about saying directly by statute that a corporation holding Liberty bonds shall not be required to pay a tax under the general law, if you please, but that they shall pay a tax on those Liberty bonds the same as though they were an individual? Would that be in violation of any governmental question of honor or word that we have given in any way at any time by any statute that we have enacted? Would there be anything unfair in that?

Mr. JONES of New Mexico. The difficulty in the situation is that we can not tax a corporation as an individual without most glaring injustice. In many cases it can not be done. Would you tax a corporation on the amount of its income?

Mr. NORRIS. Oh, no.

Mr. JONES of New Mexico. What would be the basis?

Mr. NORRIS. I am speaking of Liberty bonds, which are free from normal taxes, and which become taxable under the provisions of the law providing for surtaxes. What would be wrong, if anything, if we provide in this law that a corporation having Liberty bonds should pay taxes on them and that the provision of the law applying to the individuals would likewise apply to them?

Mr. JONES of New Mexico. That the law applying to the individual should apply to the corporation?

Mr. NORRIS. Yes.

Mr. JONES of New Mexico. Would the Senator have them pay tax on the amount of the income which they got from those bonds or that which they got from the general business?

Mr. NORRIS. If an individual had $1,000,000 of Liberty bonds, he could compute his tax without regard to any other income. It has nothing to do with any other income. He would pay a tax, according to the law, which increases as the amount of the interest increases. The rate of taxation increases as the amount of the surtax increases. Why not do that as to a corporation?

Mr. JONES of New Mexico. The reasons are broad.

Mr. NORRIS. I would like to know what they are. They may be perfectly good. I do not see why we should not do it.

Mr. JONES of New Mexico. In the first place, under the statute which authorized the issuance of these bonds there was a provision that they should be exempt from normal taxes.

Mr. NORRIS. Then exempt your corporation from that tax.

Mr. JONES of New Mexico. The only tax we have on the corporation is the normal tax.

Mr. NORRIS. I understand that, but I am speaking of what we could do with the law. Why not do it that way? I understand that they pay no tax now, and in my judgment it is not right.

Mr. JONES of New Mexico. Would the Senator impose a surtax in addition to the normal tax?

Mr. NORRIS. Let them pay the surtaxes just the same as I do or as the Senator does.

Mr. JONES of New Mexico. But at what rate? The Senator and I doubtless pay at different rates. The Senator may be worth considerably more than I and his surtaxes are entirely at a different rate from those of one with a lesser income. On what basis would the Senator have a graduated surtax upon these Federal securities?

Mr. NORRIS. I would have that based on the interest which the bonds brought in to the corporation. It is a corporation. It is like an individual that owns them. Suppose their interest coming from Liberty bonds is $1,000,000 to the corporation. If I say to the Senator, "Your income is $1,000,000," he can sit down with a tablet and in five minutes figure out just what his income tax would be. Why not do the same with a corporation?

Mr. JONES of New Mexico. If the individual with no other income has $1,000,000 of Liberty bonds, he would be taxed at a different rate from one who had a larger income.

Mr. NORRIS. Certainly, he would. I understand that.

Mr. JONES of New Mexico. I am quite sure the very active mind of the Senator from Nebraska will be able to discover, on a little reflection, a number of reasons why that could not be done.

What we are dealing with now is some sort of provision to prevent corporations from availing themselves of the fact of the incorporation in order to evade surtaxes. I say, in all seriousness, that in my opinion the provisions of this bill, if enacted into law, will have no greater effect in that direction than the present existing law; and the present law has been a nullity in actual results. It sounds nice to put it in here; but as I said, it is a mere excuse, a camouflage, so as to avoid the necessity of taking hold of the situation in some other way and in some effective way.

Mr. NORRIS. Has the Senator an amendment that he is going to offer which will make it effective?

Mr. JONES of New Mexico. I am going to offer no amendment as to this situation, but I think the method of taxing corporations altogether should be reformed.

Mr. NORRIS. The Senator will have an amendment that will cover that feature and close up this loophole?

Mr. JONES of New Mexico. I hope to have an amendment that will enable us to reach this situation.

Mr. NORRIS. I am very glad to hear the Senator say that.

Mr. JONES of New Mexico. I believe this section will be no more effective than the similar section which exists in the present law, because it all goes back to the one question as to whether or not the corporation is organized for the purpose of evading surtaxes. He is a mighty dumb individual who can not overcome the alleged prima facie case which this provision attempts to make out. I submit that such an individual is not entitled, except through a guardian, to have an income of the magnitude that would authorize or warrant the formation of a corporation. There is no danger that this section will ever apply to anybody; because if a man is shrewd enough and has business acumen enough to accumulate a large income, he has ability and acumen enough to make a showing which will in actual fact overcome the terms of the section. Why can not a man organize a corporation for the express purpose of investing and reinvesting his funds? Why should not any individual having property of various kinds organize a corporation for the purpose of easy distribution in the event of his death? They are lawful purposes.

I submit that the reason why the present law has not been invoked, why it has not been made to apply to such cases, is because they were always able to show why they needed more money in the business, to show why they had a holding company, to show why they had an investment company. I submit that no intelligent person can furnish a case in ordinary business where a man would bring himself within the provisions of this section.

Mr. NORRIS. Now, for the purpose of getting light on that situation, suppose the Senator from North Dakota [Mr. FRAZIER] and myself each owned $1,000,000 of Liberty bonds. I hope the Senator from North Dakota will not get excited about that suggestion. We would have to pay quite an income. Suppose we organize a corporation. We state in the articles of incorporation that it is organized for the purpose of holding Liberty bonds. I transfer my $1,000,000 of Liberty bonds to the corporation and he transfers his $1,000,000 of Liberty bonds to the corporation and the corporation takes the $2,000,000 worth of Liberty bonds. That corporation would pay no tax.

Mr. JONES of New Mexico. I can not assume a case of that kind because the Senator from Nebraska and the Senator from North Dakota are both very intelligent men.

Mr. NORRIS. If we are intelligent men, and it is always possible to escape that provision of the law, this would be one way by which we could escape it.

Mr. JONES of New Mexico. But the question whether the Senator would escape it there would be, as the Senator has said, by stating in the articles of incorporation that the corporation was organized for the purpose of holding Liberty bonds.

Mr. NORRIS. Suppose we said in our articles of incorporation that we organized the company for the purpose of investing in securities, and we had no other property except the $2,000,000 worth of Liberty bonds in the corporation and thus escape the income tax entirely on those bonds. Suppose the provision that is proposed by the committee should be put on the statute books as a law, what then would happen to our corporation?

Mr. JONES of New Mexico. Again I appeal to the intelligence of the Senator from Nebraska. I can not conceive that any such corporation would be organized for investment purposes.

Mr. NORRIS. Have not there been thousands of such corporations organized? I have no personal knowledge of it, but I am informed in a general way from reading and talking, and I understand that there are thousands of such corporations in existence right now and that they are paying no income tax.

Mr. JONES of New Mexico. Do they own nothing but Federal bonds?

Mr. NORRIS. Practically nothing but Liberty bonds. They are organized for the purpose of doing that, so I have been told and so I have read.

Mr. JONES of New Mexico. That is information to me. I do not know of a single instance of the kind. But even in the hypothetical case the Senator would undoubtedly have some other reason beside that or could very easily join with his corporation some other business and invest something in a few

other securities and still evade. In the bald case stated by the Senator I am inclined to believe that kind of a corporation would be held obnoxious to the statute. I am inclined to think it would, but I am sure the Senator would not have to exercise his very critical mind long until he could do the thing in another way and put himself without the pale of the statute.

Mr. NORRIS. I should like so to frame the statute that it could not be done. I am just as anxious as is the Senator to do that. Senators who are on the committee and who have given this matter so much study, it seems to me, ought to be prepared to submit an amendment to accomplish the object desired. If this will not do so, let us adopt some provision that will, for it ought to be done.

Mr. KING. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. KING. I think the statement made by the Senator from North Carolina [Mr. SIMMONS], as well as the statements which have been made by the Senator from New Mexico [Mr. JONES] at various times, and also statements made by other Senators in discussing this proposition to-day and a few days ago might very properly convey the impression to the Senator from Nebraska as well as to others that there were many evasions of existing law by the acquisition and holding of tax-exempt securities, Federal and State, or Federal, anyway, by corporations.

The Senator has argued as negativing the position or at least weakening the position of the Secretary of the Treasury that many tax-exempt securities, instead of being held by individuals, were being held by corporations, and the tax-exempt securities under the present law were being absorbed by large corporations for the purpose of avoiding the surtax and only paying the normal tax of 12½ per cent. So I think the Senator from Nebraska is entirely warranted in assuming that that practice is very general.

Mr. JONES of New Mexico. Mr. President, I merely wish to say that while I do not believe this proposed statute will be effective, I see no harm in it. I favored increasing the penalties provided for in the section, and I think the amendment proposed by the majority of the committee ought to be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment passed over.

The READING CLERK. The next amendment passed over is, on page 111, line 17——

Mr. SMOOT. Mr. President, it is impossible to dispose of that amendment during this afternoon.

Mr. KING. What is the nature of the amendment?

Mr. SMOOT. It relates to returns being made public records. Let us now proceed with those amendments which will not lead to very much discussion.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. I will ask that the next amendment, on page 139, relative to the estate tax, may go over.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. The next amendment passed over is on page 170. That covers the gift tax. I presume we may dispose of that this afternoon.

Mr. JONES of New Mexico. Mr. President, I myself am very much in favor of the tax on gifts, and I am quite sure that Senators wish to discuss it when we come to it. I therefore think that the amendment concerning the gift tax had better go over as well as the preceding amendment.

Mr. SIMMONS. We shall probably have as much discussion on the gift tax amendment as we shall have on the estate tax. They should go over together.

Mr. SMOOT. There are only a few million dollars involved.

Mr. SIMMONS. Both amendments should go over.

The PRESIDENT pro tempore. The amendment will be passed over.

Mr. SMOOT. The next amendment is on page 174, and it relates to a tax on telegrams and telephone messages.

The PRESIDENT pro tempore. The next amendment passed over will be stated.

The next amendment passed over was, on page 174, after line 21, to insert:

TITLE IV.—TAX ON TELEGRAPH AND TELEPHONE MESSAGES

SEC. 400. There shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 500 of the revenue act of 1921—

(a) In the case of each telegraph, telephone, cable, or radio dispatch, message, or conversation, which originates within the United States, and for the transmission of which the charge is more than 14 cents and not more than 50 cents, a tax of 5 cents; and if the charge is more than 50 cents, a tax of 10 cents: *Provided*, That only one payment of such tax shall be required, notwithstanding the lines or stations of one or more persons are used for the transmission of such dispatch, message, or conversation; and

(b) A tax equivalent to 10 per cent of the amount paid to any telegraph or telephone company for any leased wire or talking circuit special service furnished. This subdivision shall not apply to the amount paid for so much of such service as is utilized (1) in the collection and dissemination of news through the public press, or (2) in the conduct, by a common carrier or telegraph or telephone company, of its business as such;

(c) No tax shall be imposed under this section upon any payment received for services rendered to the United States or to any State or Territory or the District of Columbia. The right to exemption under this subdivision shall be evidenced in such manner as the commissioner, with the approval of the Secretary, may by regulation prescribe.

(d) Under regulations prescribed by the commissioner, with the approval of the Secretary, refund shall be made of the proportionate part of the tax collected under subdivision (c) or (d) of section 500 of the revenue act of 1918 on tickets or mileage books purchased and only partially used before January 1, 1922.

SEC. 401. The taxes imposed by section 400 shall be paid by the person paying for the services or facilities rendered.

SEC. 402. (a) Each person receiving any payments referred to in section 400 shall collect the amount of the tax, if any, imposed by such section from the person making such payments, and shall make monthly returns under oath, in duplicate, and pay the taxes so collected to the collector of the district in which the principal office or place of business is located.

(b) Any person making a refund of any payment upon which tax is collected under this section may repay therewith the amount of the tax collected on such payment; and the amount so repaid may be credited against amounts included in any subsequent monthly return.

(c) The returns required under this section shall contain such information, and be made at such times and in such manner, as the commissioner, with the approval of the Secretary, may by regulation prescribe.

(d) The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 1 per cent a month from the time when the tax became due until paid.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. McKELLAR. I wish to ask the Senator from Utah was the committee unanimous in reporting this amendment?

Mr. SIMMONS. It was not.

Mr. SMOOT. It was nearly unanimous, I will say to the Senator. I forget the number of Senators who voted against it.

Mr. SIMMONS. I will state the situation with reference to that. I think the vote was partly made up of both sides of the committee; there was no division on party lines at all. Some of us who did not want the tax to remain were appealed to on the ground of the loss of revenue and the necessity of keeping this tax in the bill for the purpose of preventing a deficit. What was the chief argument that was advanced in the committee. There was no reason assigned why the tax should be retained on telegram and telephone messages and removed from other things except that it was said the Government needed the revenue and the committee had to find some source.

Mr. SMOOT. The history of the matter is this: The House eliminated the tax on telegrams and telephone messages; the Senate committee had no idea of inserting it until we found that we were falling far short of raising revenue sufficient to pay the expenses of the Government.

Mr. McKELLAR. How much revenue will it produce?

Mr. SMOOT. It will produce $34,000,000 a year. I may add that it is an easy tax to collect and its administration is exceedingly simple. The money goes into the Treasury every month, and the tax falls only upon those who are able to pay it. The majority of the committee at least felt that if we had to raise additional revenue there was not a tax that could be more appropriately put back in the bill than the tax imposed on telegraph and telephone messages.

and in some effective way.

corporation some other business and invest something in a few

I myself believe that that is the best way to raise the desired $34,000,000. It is a tax that is little felt and little complaint has been made of it. I recognize, however, that there has been propaganda instituted to defeat this tax, as is the case with nearly every other tax imposed in the bill. I myself believe that the dividends for the year 1924 of the telegraph companies at least will be increased because of the telegrams which have been sent on items in this bill. For instance, the day after we agreed upon this amendment I received 502 telegrams protesting against the proposed tax, and every telegram was almost word for word like the first one I had received.

I may add, Mr. President, that as to nearly every tax in this bill a propaganda has been started throughout the country asking for relief; but it is absolutely impossible to relieve everybody of taxation. What the committee wants to do is to impose taxes where they will do the least harm and impose the least burden upon those who have to pay them and at the same time provide the necessary revenue for the running expenses of the Government. I think that the $34,000,000 which will be raised under this tax can be raised on companies and individuals that use the telephone and telegraph lines easier than from any other source.

Mr. DILL. Mr. President, will the Senator yield?

Mr. SMOOT. I yield to the Senator from Washington.

Mr. DILL. Does not the Senator think there is reason for making a difference and imposing a tax only on telegrams costing 50 cents or over; in other words, leaving telegrams in local communities affecting fruit and agricultural products and associations where they amount to 25 or 30 cents untaxed?

Mr. SMOOT. It is a very small tax, I will say to the Senator.

Mr. DILL. It becomes quite burdensome in such communities, and I wondered whether the committee had considered the question of not levying the tax upon telegrams costing less than 50 cents.

Mr. SMOOT. We have followed the existing law exactly; we did not change the existing law. The provision reads:

(a) In the case of each telegraph, telephone, cable, or radio, dispatch, message, or conversation, which originates within the United States, and for the transmission of which the charge is more than 14 cents and not more than 50 cents, a tax of 5 cents.

Mr. DILL. I was wondering whether that provision might not be stricken out of the bill. How much of the $34,000,000 comes from that kind of a tax?

Mr. SMOOT. I do not know whether the Treasury Department has kept those figures separate, but I will let the Senator know just as quickly as I can find out.

Mr. McKELLAR. The tax on messages costing over 50 cents is 10 cents.

Mr. SMOOT. If the charge is more than 50 cents, the tax imposed is 10 cents.

Mr. McKELLAR. I am just trying to apply that in my own State. The rate to Tennessee before the act went into effect was 50 cents, and now it is 70 cents.

Mr. SMOOT. That can not be on account of the tax.

Mr. McKELLAR. Are the companies allowed to raise their rates?

Mr. SMOOT. Not at all.

Mr. McKELLAR. They have not?

Mr. SMOOT. I do not say that they have not; I do not know as to that.

Mr. McKELLAR. The charge has been 70 cents ever since the tax went into effect, whereas it was 50 cents previous to that time.

Mr. SMOOT. If the charge was 50 cents before the tax went into effect, it should have been only 55 cents under the existing law, and under the pending bill that is what it would be. If there is any charge to exceed 55 cents, then whatever charge over and above that amount is made is due to the action of the company and not because of the tax which is imposed.

Mr. McKELLAR. Mr. President, this is one of the nuisance taxes that, it seems to me, ought to be taken off. It is a tax on business, and while we are reducing taxes it does seem to me that we ought to reduce this particular tax.

So far as propaganda is concerned, that does not make any difference with me, because everybody who has been here for any length of time knows that no one who is taxed likes it and, therefore, wherever they can use propaganda it is used at once; but this is a very, very great tax and it applies to everybody who uses telegrams. It is a very unpopular tax. Regardless of any propaganda I do not know of any one tax, perhaps with the exception of the tax on soda water and things of that sort, that is any more unpopular, so far as my State is concerned. Regardless of party and regardless of faction and regardless of what business people are in, they are all opposed to this tax on telephones and telegrams, and I hope that we will follow the example of the House and leave out this tax. It ought to be left out. We ought to reduce the taxes on the business men of the country and upon those who have to use telegrams, and I am going to ask for a rising vote on this amendment.

Mr. KING. Mr. President, early in the session I offered a bill calling for the repeal of various excise taxes. My bill included the tax upon telegrams and telephone messages. I shared the views which have just been expressed by the Senator from Tennessee [Mr. McKELLAR]. I think that so far as possible every tax which is an impediment to business ought to be abolished. But, Mr. President, when the fact became apparent that the appropriations made by this Congress would inevitably produce a deficit, I felt that desires must yield to necessity, and accordingly I supported members of the Finance Committee in continuing certain excise taxes which under my bill would have been abolished. We are still paying war taxes—and every possible effort should be made to relieve the taxpayers of the country of the heavy burdens from which they suffer. But when Congress passes appropriation bills carrying billions of dollars, then it must lay taxes to meet them. National honor is involved in such a course, and there is no alternative but to pay the debts we create. Undoubtedly this tax on telegrams and telephones is a tax on business, and one which should be repealed. But the bill as reported from the committee will fail to yield revenue sufficient to meet the appropriations which will be made before adjournment. In my opinion there will be from one to three hundred millions of dollars less revenue collected for the next fiscal year under the bill before us unless supplemented by other sources of revenue than will be required to meet appropriations.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. Does the Senator recall any revenue bill passed in the last score of years that ever produced less than was estimated before the passage of the bill? Have they not all produced more, and in the increasing progress and wealth of our country is it not perfectly natural that they should produce more revenue than is estimated?

Mr. KING. That is a question that may not be answered definitely "yes" or "no."

Mr. McKELLAR. Our experience in the past can be answered "yes" or "no," because I am quite sure that no revenue bill has ever produced less than it was estimated, at the time of the passage of the bill, that it would produce.

Mr. KING. I think the Treasury, with the experience it has had and with its knowledge of the workings of the present law and with the expert actuaries and talent which it has, has been able to estimate pretty accurately what revenue will be derived from the bill before us.

I might add, however, that there are some who think that the Treasury estimates are too high, and that the receipts from customs will suffer some diminution. It is possible that in some particular branches from which we now expect to obtain revenue there will be increases, but, at any rate, I think the experience of the department justifies the estimates which have been submitted, and with the knowledge that there will be a deficit it becomes imperative for Congress to find sources for revenue to meet our appropriations.

Mr. McKELLAR. Mr. President, if the Senator will permit me again, I recall that within the last two years, when it was recommended by the Treasury Department that we raise stamp taxes from 2 to 3 cents and put a tax of 2 cents on every bank check, on the ground that the Government would have a deficit, and an estimate was sent here by the Treasury Department, as I recall, of a deficit of $650,000,000, instead of a deficit and instead of there being a necessity for imposing these additional taxes there was an actual surplus of over $300,000,000.

Mr. KING. I shall not now analyze the statement made by the Senator or the figures to which he refers, but I can only repeat what I have said concerning the certainty of a deficit if the program of the majority in Congress is carried out. Indeed, bills have been passed carrying tens of millions of dollars not contemplated by the Budget, and we know that there are bills now before us that call for considerably more than a billion dollars of appropriations beyond the Budget estimates.

The McNary-Haugen bill calls for $200,000,000. The bonus bill, which was passed the other day and which is not within the estimates of the Budget, will require $135,000,000 for the

next fiscal year. The bill which passed the Senate a few days ago, known as the Bursum bill, will take from the Treasury at least $55,000,000 for the coming year. And the end is not in sight.

Mr. McKELLAR. Mr. President, the Senator recalls that, as far as the bonus bill is concerned, it has been put off for four years. There will not be any bonus paid for four years.

Mr. KING. The Senator is mistaken.

Mr. McKELLAR. On its face it says three years, but they say that they can not possibly put it into effect before next January. That is not quite four years, to be sure, but it is so near to it that we might as well count it that way.

Mr. SMOOT. The bonus bill provides for those that die.

Mr. McKELLAR. It provides for payment to the $50 men, those who never took any real part in the war, but it is only a very small amount—$17,000,000 instead of $135,000,000.

Mr. KING. Then there will be a large amount, estimated at $55,000,000, to be paid to the heirs or the estates of decedents within the next year, and many millions additional within the next year.

Mr. SMOOT. Over $100,000,000.

Mr. KING. So that it has been estimated by the Treasury experts that we will have to appropriate approximately from $120,000,000 to $135,000,000 for the first year under the bonus bill.

Mr. SMOOT. One hundred and thirty-five million dollars.

Mr. McKELLAR. If that is the case, does not the Senator think we are wasting time reducing taxes when there is going to be a deficit?

Mr. KING. What we ought to do is to reduce appropriations.

Mr. McKELLAR. I agree with the Senator on that.

Mr. KING. That is what some Senators have been trying to accomplish ever since the session began. In our opposition to appropriations I fear that we have offended our own colleagues and incurred the hostility of many who have been demanding large sums from the Treasury. A bill is now pending before a committee asking for an increase of $150,000,000 in salaries for the employees of one particular branch of the Government, and in nearly every branch of the Government demands for increases are being pressed. When these demands come upon the floor of the Senate the opposition to the same is futile. How can we expect to have a reduction in taxes when we persist in passing appropriation bills in excess of the Budget.

Mr. President, instead of diminishing bureaus and Federal agencies we are increasing them; and, of course, that necessitates an increase in the personnel. So I say to my friend that, notwithstanding our desire for tax reduction, it would be reprehensible partisanship and it certainly would not be sound statesmanship for us to deliberately create a deficit. We ought to vote against these increasing appropriations; but, if notwithstanding our opposition, they still pass, then it would be rather cowardly not to provide for them.

I have voted against many appropriations, as have other Senators, but they were usually passed; but if Congress continues its policy of extravagant appropriations, then, much as we may dislike it, we will face heavier taxes or deficits which will have to be met by further borrowings by the Government. So we had better do the unpleasant thing now. If we are foolish enough to spend hundreds of millions more than we should, then we must be wise enough to levy the taxes necessary to meet our obligations.

Mr. BRANDEGEE. Mr. President, I have had the same experience that the senior Senator from Utah [Mr. SMOOT] cites about several items upon which it is proposed to lay a tax in this bill. It seems that the tax on almost every article on which it is proposed to lay a tax is protested by those who have to pay it.

The Senator from Tennessee [Mr. McKELLAR] says that this tax upon telephone and telegraph messages is a nuisance tax. Every tax is a nuisance. I do not know why these taxes should be referred to especially as nuisance taxes, except that they are paid by a large number of people.

Mr. McKELLAR. That is the common acceptation of them in the minds of the public.

Mr. BRANDEGEE. I know, and I suppose they refer to these things that they have to pay more frequently than other taxes as being more of a nuisance, but they are all nuisances, and they are all burdens.

I have had many letters protesting against the tax proposed by the committee upon parts of automobiles, upon radio sets, and, indeed, upon almost every article on which the committee has proposed a tax. I sympathize with those people. I would not want to pay these taxes if I were in any of these businesses; but, as the Senator from Utah has said, what can we do about it? So much money has to be raised by these excise taxes. If we exempt one of these articles from taxation and put the tax somewhere else, immediately we will be met by a flood of protests from the other place where the tax is imposed.

The selection of these subjects is more or less arbitrarily made, I suppose. The committee look over the field, and, as the senior Senator from Utah says, they impose the taxes where they think they can be most easily collected with the least burden and with a view to the yield of the tax. So I am not prepared to vote against any of these recommendations that the committee have made. They have given the matter their best attention, and their selection has been made after expert advice, and generally after a knowledge demonstrated by experience in relation to the same taxes. Much as I should like to relieve these various taxed people from their burdens, it would simply result in imposing them upon some other people. Therefore, I am going to support the committee in most of these recommendations.

Mr. WILLIS. Mr. President, I regret that the committee has found it necessary to continue this tax. I have long believed that a tax on telegrams and telephone messages is in the nature of a nuisance tax. I think the people of the country desire that this tax should be repealed, and that they expected it would be repealed. As expressive of my attitude upon that matter, early last December I introduced a bill for the repeal of the tax.

The body at the other end of the Capitol in its action abolished the tax on telegrams and upon telephonic messages. As I have said, I regret that the committee has thought it necessary to restore the tax in the bill. I recognize, of course, the exigencies of the Government, and the necessity for the raising of revenue; but I do believe that a tax of this kind upon communications is an unfortunate one.

So, while ordinarily I shall support the committee in its action, and while I believe it has brought in a good bill, I regret to find myself in a position where I am compelled to disagree with the committee. I shall therefore vote against the amendment restoring the tax on telegrams and telephonic messages.

Mr. KING. Will the Senator permit an inquiry?

Mr. WILLIS. I yield.

Mr. KING. I should be glad, as a member of the Finance Committee, to have the Senator from Ohio point out some other sources of revenue, because it seems certain that the National Budget will not balance. The Senator certainly does not want to have the credit of the country impaired; he does not want it to contract obligations and not meet them, so I ask in good faith where are we to get the needed revenue?

Mr. WILLIS. Mr. President, I have such unbounded confidence in the ability and high purpose of the Senator and his associates on the committee that I am perfectly willing to leave that to the judgment of the committee. I think they erred in this particular, and I propose to vote, and I hope a majority will vote as I do, to instruct the committee to secure some other source of revenue.

Mr. KING. May I say to the Senator that he can not be more opposed to this tax than I am? I introduced a bill at the beginning of the session to abolish this tax, as well as practically all of the so-called nuisance or excise taxes; but when the Republican members of the committee recommended this tax, I supported them, because, examining the situation as best I could, I thought it was a choice of the two evils. If the Senator will indicate where we can raise the two or three hundred million dollars that probably will be necessary to meet the extravagant appropriations the Republican Party is making, I shall be happy to join with him in exploring such potential fields. When he finds a Democrat willing to continue an undesirable tax against his will to support extravagant appropriations of Republicans, then certainly such a Democrat has the right to ask Republicans to help get the revenue.

Mr. WILLIS. If I can induce my friend, the Senator from Utah, to join with me in this vote, and do away with this tax, then I shall be very glad to take up with him the important question to which he has alluded.

Mr. KING. I am not willing to wait until then. I want the wisdom of the Senator now, because I am afraid that if we defer the suggestions of the Senator until after the vote we will find that they lack merit.

Mr. WILLIS. If the Senator was so anxious to have the benefit of the wisdom to which he so jocosely refers, he should have conferred with the Senator from Ohio before he imposed this tax.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Tennessee?

Mr. WILLIS. I yield.

Mr. McKELLAR. Might we not easily arrange that by defeating some appropriations for $33,000,000, and in that way obviate the necessity of raising this tax?

Mr. BRUCE. Mr. President, I would like to ask the Senator from Utah [Mr. SMOOT] one question. If there had been no reduction in or repeal of any tax on amusements, would it be necessary to impose this tax on telegrams and telephonic messages? I agree with the Senator from Connecticut [Mr. BRANDEGEE] in being indisposed, except where some general principle of taxation is violated, to set up any opposition to these amendments suggested by the Senate Finance Committee, because I am sure they have all received the most mature and thorough consideration at their hands. But I do think that as a general thing it ought to be a settled principle of taxation that the taxing of the productive business of the community should always be postponed to the taxing of amusements.

I notice that the House repealed the existing tax on cereal beverages and other soft drinks and carbonic acid gas; the admission tax imposed by Title VIII of the revenue act of 1921 so as to apply to admissions in excess of 50 cents; also the occupational tax on proprietors of circuses, theaters, and other public exhibitions. If all those taxes had been retained, would it be necessary to tax business in the form of telegraph and telephone messages at all? I do not know whether the Senator has entered into a calculation sufficiently minute to enable him to answer that question. It seems to me it is an important question.

Mr. SMOOT. The provision repealing the tax on amusements inserted by the House, involves about $33,000,000, about the same amount as the revenue derived from the tax on telegraph and telephone messages.

This is what the House committee had in mind, and also the Senate Finance Committee, in making that reduction: In many parts of the country, particularly in the smaller towns in all the States of the Union, where moving-picture theaters have been established the rates of admission are 15 cents, 20 cents, and 25 cents. They afford about the only amusements the people there have. Those houses are taxed on their seating capacity, and other taxes are imposed, and the taxes have been so burdensome that many of the houses have had to close.

The committee thought that this being about the only amusement the people in those little places had, they would relieve them of that tax, where the admission was less than 50 cents. The committee believed that in the cities where there are large buildings, electric lights, and music of the highest order, where the prices of tickets range above 50 cents, the patrons of the houses could well afford to pay a tax. The number of the poor people who go to picture shows the entrance pay of which is less than 50 cents is far, far, far greater than of those who use the telephone and telegraph lines. Upon these grounds the change was made.

Mr. DIAL. Mr. President, it occurs to me that we ought to get rid of as many of these nuisance taxes as possible. This is a penalty on business, really, and we ought to be encouraging business instead of discouraging it. The Senator from Utah wanted to know where we would get the wherewith to meet the other obligations. We can get that by cutting off the pension bill we passed the other day.

The people of the country are very tired of paying taxes on telegrams and telephone messages. In the present day these instrumentalities are necessary in order to carry on business. We have to communicate rapidly, and the public has thought that this Congress would decrease taxes and relieve them of as much of the little details and embarrassments and harassments as possible, and I hope this amendment will not be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment, and a division has been demanded.

On a division, the amendment was rejected.

Mr. SMOOT. Mr. President, I desire to give notice now that I shall ask for a vote upon this amendment when the bill reaches the Senate.

I have been requested to ask that the other items to be voted upon go over, and I ask unanimous consent that the bill be temporarily laid aside in order that the Senator from Maine may call up the naval appropriation bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the revenue bill is temporarily laid aside.

NAVAL APPROPRIATIONS

Mr. HALE. I ask unanimous consent that the Senate proceed to the consideration of the naval appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDENT pro tempore. The Secretary will state the pending amendment.

The READING CLERK. The pending amendment is on page 54, lines 1 and 2, where the committee proposes to strike out the words "at an actual expenditure of" and insert "when time and facilities permit, for," so as to read:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and that no part of the moneys appropriated in each or any section of this act shall be used or expended for the repair, purchase, or acquirement of any article or articles that, at the time of the proposed repair, purchase, or acquirement, can be manufactured or produced in each or any of the Government navy yards of the United States, when time and facilities permit, for a sum less than it can be purchased or acquired otherwise.

Mr. McKELLAR. I offer a substitute for the amendment of the committee.

The PRESIDENT pro tempore. The Secretary will state the amendment to the amendment.

The READING CLERK. Beginning with the words "and that" in line 20, page 53, the Senator from Tennessee proposes an amendment, so as to read:

and that no part of the moneys appropriated or made available for the Naval Establishment shall be used or expended for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that, at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit.

Mr. KING. I raise a point of order against that amendment.

The PRESIDENT pro tempore. As the Chair understands, this is an amendment offered to the committee amendment.

Mr. KING. No; as I understand it, it is offered by the Senator from Tennessee to the text.

Mr. McKELLAR. I offer it as an amendment to the committee amendment on page 54.

The PRESIDENT pro tempore. What is the point of order?

Mr. KING. The point of order is that it changes existing law and involves expenditures for which no estimate has been made, because obviously it would increase the expenditure. It has not been estimated for by the Budget, and it has not been reported by any standing or select committee of the Senate.

The PRESIDENT pro tempore. The Chair is of the opinion that the amendment offered by the Senator from Tennessee is not an amendment to the committee amendment, and is not in order until the committee amendments are disposed of.

Mr. McKELLAR. With that understanding, I will offer it immediately upon the disposition of the committee amendments.

The PRESIDENT pro tempore. The Secretary will again state the committee amendment.

The READING CLERK. On page 54, lines 1 and 2, strike out the words "at an actual expenditure of" and insert in lieu thereof the words "when time and facilities permit, for," so as to read:

That no part of the moneys appropriated in each or any section of this act shall be used or expended for the repair, purchase, or acquirement of any article or articles that, at the time of the proposed repair, purchase, or acquirement, can be manufactured or produced in each or any of the Government navy yards of the United States, when time and facilities permit, for a sum less than it can be purchased or acquired otherwise.

The PRESIDENT pro tempore. The Chair calls the attention of the senior Senator from Massachusetts [Mr. LODGE] to the amendment, as it was passed over at his suggestion.

Mr. LODGE. There is a committee amendment at that point, which was passed over, to insert the words "when time and facilities permit." My amendment was a substitution of different language for the words beginning "for a sum less than it can be purchased or acquired otherwise."

I am inclined to think that the provision as it is incorporated in the bill is more stringent in the limits placed upon the terms of purchase than my amendment would be. The words I propose are "a sum in excess of the actual cost of labor and material and 10 per cent added." The language as it stands reads "for a sum less than it can be purchased or acquired otherwise." That puts no restriction whatever, if the law is enforced. That means, no matter what the difference is, no matter how small it may be, that it must go to the navy yard in preference to a private bidder.

I offer the amendment. I think I am opposed to the amendment offered by the committee, because I have been trying for many years to secure some provision which would enable us to do in a navy yard some of the work that can be done there perfectly well for the service in the way of furnishing supplies, preventing in that way the constant alteration in the number of men employed, which is very undesirable, and also giving the yard enough work to enable it to maintain its organization.

Mr. WATSON. Let me ask the Senator what effect would the adoption of his amendment have on the private shipbuilding yards?

Mr. LODGE. It would be very slight.

Mr. KING. Mr. President, I would like to ask the Senator from Massachusetts just exactly what his amendment is.

Mr. LODGE. The House language is "a sum less than it can be purchased or acquired otherwise."

Mr. McKELLAR. The Senator proposes to strike out those words.

Mr. LODGE. Yes; and to substitute the words—

That where the Government has facilities for the manufacture or repair of any article no part of the moneys herein appropriated shall be used for the purchase or repair of such articles by private manufacture at a sum in excess of the actual cost of the labor and material and 10 per cent added.

That would put a definite limit on it. The reason why I have taken this up, as I started to say, is that I think it is very important to keep the organization of the yards and the arsenals, even though it is only a skeleton organization. Nothing can be more uneconomical than to close down the navy yards and the arsenals, and have it necessary, in the case of war or emergency of any kind, to reorganize and get a new untrained force of men to fill the places. We ought to keep a skeleton organization in every one of our Government factories, if we may call them such—navy yards and arsenals. They ought not to be allowed to dissolve. We suffered sorely from that condition at the time of the war. We were driven to get everything at once owing to the pressure of war conditions and therefore were compelled to go to private concerns with no real competition. We were at the mercy of all who sold articles used in the Navy or materials furnished the Army.

I think it is true economy to keep these great organizations at least on a working basis. I do not mean to keep them always fully supplied with work, which would be impossible, nor do I desire to interfere with private yards unduly. This plan would not compel the building of large ships at all, but when there is small work to be done, work not requiring very great expenditures, there would be an opportunity to have it done in the yards and the arsenals. I do not believe there is any danger to the private organizations at all. Whatever work would be taken over under this provision would not cripple the private organizations.

The fact is that we find here and there an officer in command of a navy yard who is anxious to do the best possible for the yard and keep it as nearly as possible in good working condition. But the Department of the Navy—and it is true also of the Army bureaus—for some reason are all averse to giving any work to the Government yards. They try in every way possible to avoid giving the work to the yards. They always desire to have it done by private concerns. The result is that it costs the Government a great deal more in the end. They run the navy yard, or the arsenal, as the case may be, down to the lowest possible point and in some cases close them altogether. Just to that extent they relieve the private yards of competition. It takes away all possible control, and no form of legislation that we have ever had about it has been sufficient to bring them to do what I think it is their duty to do. They always find some clause or some wording under which they can escape. For some reason the bureaus here in Washington do not desire to have any work done at the yards. I think it is a great pity to reduce the yards to that point. It leads to very great expense on the part of the Government.

Mr. JONES of Washington. Mr. President, the Senator is a member of the Committee on Naval Affairs, and I would like to ask him if that committee has considered general legislation requiring the work of the Navy to be done in the navy yards?

Mr. LODGE. We have had bills of that sort before us for many years. I do not know about this year, because I have been unable to attend the Naval Affairs Committee meetings on account of pressure of work before other committees. The question has been before us for years, and we have attempted to get some work done in the navy yards for the Navy and in the arsenals for the Army. But no matter what legislation we adopt, no attention has been paid to it by the various bureaus. They manage to escape it in some way.

Mr. JONES of Washington. I think we have always tried to put such provisions on an appropriation bill.

Mr. LODGE. Yes.

Mr. JONES of Washington. It seems to me that we ought to have general legislation under which the work should be required to be done in the navy yards. It could be worked out in good shape in that way instead of trying to put the provision on an appropriation bill, because we are handicapped in doing that by questions of order, and we can not employ just the language that we would like to.

Mr. McKELLAR. But this amendment is in order.

Mr. JONES of Washington. I am not suggesting that it is not, but the chances are that this legislation will not be effective, as the Senator suggests. They will try in different ways to evade or get around it, I fear.

Mr. LODGE. I quite agree with the Senator. If we could have general legislation on the subject, it would be very important and very valuable, but the difficulty is to get it enacted. We can get something through by incorporating some provision of this sort in the naval or Army appropriation bill. We have done it from year to year, but we have never yet gotten anything that the bureaus or the departments would pay any attention to.

Mr. KING. Mr. President, will the Senator from Massachusetts yield?

Mr. LODGE. Certainly.

Mr. KING. I want to make a point of order against the amendment offered by the Senator from Massachusetts. I know that he has just stated, as has also my friend the Senator from Tennessee, that the amendment is not subject to a point of order. Of course, I can not take the Senator from the floor to make the point of order, but I would like to make it and then the Senator can discuss it.

Mr. LODGE. But this provision comes over in the House text.

Mr. KING. But not the amendment of the Senator from Massachusetts.

Mr. LODGE. No. It has been held again and again that where the House puts in such legislation it is subject to amendment in the Senate. If the Senator will look at the decisions of Vice President Marshall he will find it fully covered there.

Mr. KING. What I had in mind was this: I think this is new legislation——

The PRESIDENT pro tempore. In order that the Chair may fully understand the matter, the Chair would like to inquire of the Senator from Massachusetts at just what point he desires to insert his amendment. Evidently the Senator from Massachusetts has used a copy of the bill that is not paged as is the copy of the bill which the clerks have at the Secretary's desk.

Mr. KING. I think the Senator wants his amendment at the close of the bill instead of on page 53, as his printed amendment states.

Mr. LODGE. It should be inserted on page 53. The amendment was prepared on the basis of the House print, which is not paged as is the Senate print of the bill.

The PRESIDENT pro tempore. The Senator's proposed amendment is to be inserted at the end of the bill?

Mr. LODGE. Yes. I am looking for just the point where it should come in.

Mr. McKELLAR. I believe it should come in after the word "plant," on page 53, in line 20.

Mr. LODGE. Yes; that is where it should go in. I only want to point out, as of course we all know, that the working

men take great interest in these provisions, but it has appealed to me chiefly because I think it is a great mistake in economy and in having a suitable and proper Navy to allow the departments to prevent the carrying out of the will of Congress as expressed over and over again in such provisions.

Mr. McKELLAR. Mr. President——

Mr. KING. May I state my point of order?

The PRESIDENT pro tempore. The Chair recognizes the Senator from Utah to state his point of order.

Mr. KING. I make the point of order against the amendment offered by the Senator from Massachusetts for the reason, first, that it is new legislation, general legislation upon an appropriation bill; and particularly is it general legislation where, as in line 6, the words "10 per cent added" are proposed. That is a general legislative declaration which is in contravention of existing law. It is more than a limitation. It becomes a part of the substantive law of the Government.

I make the further objection to the proposed legislation, Mr. President, for the reason that it involves an expenditure which has not been estimated for by the Budget Bureau, and has not been recommended by one of the standing committees or any special committee of the Senate.

Mr. LODGE. Mr. President, I may say a word in regard to the point of order. Of course, this is general legislation; there is no doubt about it. It makes no appropriation, however, but simply provides for the method in which appropriations made elsewhere in the bill shall be expended. This is general legislation coming over from the House of Representatives. It is, therefore, in order, and we may make any amendment to it we choose. The President pro tempore will find, if he has not examined the precedents already—as I am sure he has—that that has been clearly decided. I remember several decisions about it which were made by former Vice President Marshall.

The PRESIDENT pro tempore. The Chair is of the opinion that, inasmuch as the amendment is germane to the provisions of the House bill, it is not new legislation in the sense of the rule to which the Senator from Utah [Mr. KING] refers, and the Chair overrules the point of order.

Mr. HALE. Mr. President, in the naval appropriation act of last year the following language was included:

> and that no part of the moneys appropriated in each or any section of this act shall be used or expended for the purchase or acquirement of any article or articles that, at the time of the proposed acquirement, can be manufactured or produced in each or any of the Government navy yards of the United States, when time and facilities permit, for a sum less than it can be purchased or acquired otherwise.

This year the House of Representatives has changed the wording of the law by adding the words "repair, purchase, or" and "at an actual expenditure of," so that the language of the House bill reads:

> and that no part of the moneys appropriated in each or any section of this act shall be used or expended for the repair, purchase, or acquirement of any article or articles that, at the time of the proposed repair, purchase, or acquirement, can be manufactured or produced in each or any of the Government navy yards of the United States at an actual expenditure of a sum less than it can be purchased or acquired otherwise.

The committee went over this matter very carefully and they reported out the amendment which is in the pending bill. The committee left in the new wording which the House had inserted in regard to repairs and purchase, but they crossed out the words "at an actual expenditure of" and inserted the words "when time and facilities permit, for," the wording which has during the last few years always been in the language of this law. We thought that with the words "when time and facilities permit, for" left out the Navy would be seriously crippled by the House language.

The vessels of the United States are scattered all over the world. When repairs have to be made on these vessels or when new articles have to be purchased unless the language "when time and facilities permit, for" is included in the bill, the Navy would have to send those vessels to navy yards for the repairs or delay them wherever they might be situated until some article required could be sent from the yard regardless of the delay or waste of time to the ship and the Navy must get an estimate from the navy yards—yes, from each and every navy yard—to determine whether or not the article and the repairs could be made cheaper at the navy yards than by private parties. This House provision might entail the holding up of a ship for any length of time while its officers were waiting to find out whether a navy yard could manufacture the article or make the repairs cheaper than the private party could do. It would undoubtedly tie up the ships of the Navy. Therefore the committee has decided to put back the words "when time and facilities permit, for."

The amendment which has been offered by the Senator from Massachusetts, [Mr. LODGE.]

Mr. JONES of Washington. Mr. President, before the Senator proceeds, will he permit a question?

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Washington?

Mr. HALE. I yield.

Mr. JONES of Washington. This seems to be rather an unusually broad provision. It affects not alone the ships of the Navy but, it seems to me, it affects every activity of the Navy that can be cared for by the navy yards or the arsenals. The bill provides—

> and that no part of the moneys appropriated in each or any section of this act shall be used or expended for the repair, purchase, or acquirement of any article or articles—

It does not make any difference whether they are articles for ships or for the building of a dry dock.

Mr. HALE. No; it means any article that is used for the Navy.

Mr. JONES of Washington. Or for a central power plant or any activity or improvement in connection with the navy yards.

Mr. McKELLAR. If the Senator from Maine will yield to me, I desire to ask why should not that be so? The Government expending, as is proposed, this large sum of money, why should it not be required to use its own facilities?

Mr. LODGE. If the Senator will allow me, I desire to say that the provision is limited entirely to what can be produced in the navy yards. It is not pretended that they can produce wheat in the navy yards.

Mr. JONES of Washington. No; but the question is, What is the limit?

Mr. LODGE. The provision refers only to articles that can be produced in navy yards. That is a restriction?

Mr. JONES of Washington. For instance, it might apply to the building of a power-plant extension and the various articles that go to make up such an extension. It is contemplated that they shall be made in the navy yards of the country. I am not saying that I am opposed to it, but I am simply asking so as to obtain information.

Mr. HALE. The Senator from Washington is right. It applies to everything which may be produced in the navy yards.

Mr. LODGE. Everything which can be made in navy yards; yes. I do not think it would apply to buying bricks. There are a great many things alluded to which can not be made in navy yards, and they are excluded.

Mr. HALE. For instance, Mr. President, I was talking with one of the officers of the Bureau of Yards and Docks to-day and he told me that in the navy yards of the country it would be possible to manufacture the parts of an automobile. Therefore, under this amendment if that could be done, we should have to buy our automobiles and have our automobiles manufactured in the navy yards of the country, and no one would want to see that happen.

Mr. LODGE. That is a part of the amendment which the committee has not amended.

Mr. McKELLAR. Have they facilities for the building of automobiles in navy yards?

Mr. HALE. They have facilities that could be used for that purpose.

Mr. McKELLAR. I do not think that the Chief of the Bureau of Yards and Docks is correct in his contention at all.

Mr. HALE. That was simply used as an extreme illustration. The amendment of the Senator from Massachusetts seems to me really to be fully as objectionable as the House amendment to the law of last year. It is not in any way feasible to manufacture any article at the cost of the labor and material and 10 per cent additional. The overhead in an ordinary private business would reach up to between 40 and 50 per cent, I understand, and private industry simply could not compete with navy yards if the yards did not have to allow anything for profit and did not have to allow anything for forfeiture in case they did not complete their contract. It would give the navy yards a tremendous advantage over private manufacturing concerns. It seems to me if the amendment should be adopted private concerns would have practically no chance to compete.

Mr. LODGE. If the Senator will allow me, I wish to say in regard to the question of overhead, overhead is calculated in the navy yard and is what makes the cost so great that they can not compete with outsiders. The overhead that is calculated in the navy yards is calculated on things that have to be done whether there is a navy yard operating or not.

Mr HALE. Not always.

Mr. LODGE. We can not get rid of the marines; we can not get rid of the guns; we can not get rid of many other things. They all have to be provided for. When the Navy Department calculates it calculates in such a way that it is impossible for the navy yards to bid in competition with any private concern.

Mr. HALE. There is a certain overhead percentage, Mr. President, that has to be carried on at all times in the navy yards, and the Senator is quite right in taking that into consideration. However, all questions of power to be used, of transportation, of repairs to tools, and of leave and holiday pay have to be taken into consideration in the overhead charges.

Mr. LODGE. They can not both count them in and count them out. The Senator began by describing the advantage which the navy yard had because it had no overhead. Now he says there is a great deal of overhead counted in. Both statements can not apply.

Mr. HALE. The Senator is the one who said there is no overhead in the navy yards.

Mr. LODGE. No; on the contrary, the Senator from Maine said there is no overhead and I have been contradicting that from the beginning.

Mr. HALE. I said the Senator's amendment made no reference to overhead, but only to an additional 10 per cent, when private individuals have to have from 40 to 50 per cent.

Mr. LODGE. I think the 10 per cent profit covers the overhead. I care very little about that amendment, however. I think that is included now in the House provision better than I have covered it; but I do object in the strongest way to the amendment of the committee. The amendment of the committee is simply another method of avoiding carrying out the intent of Congress. The provisions for emergency purchases, I think, are ample in every way and provide for ships when they are away from their home ports and away from the United States in order to enable them to buy coal in an emergency or buy anything else.

Mr. HALE. Where are there any such provisions in the pending bill?

Mr. LODGE. They are not in this bill, but I think the Senator will find them in the general laws in regard to purchases by naval vessels.

Mr. HALE. I know of no such provision in the laws.

Mr. LODGE. I can find them; I have seen them many times, and under them if a ship is abroad it may buy in a foreign port coal or oil as the case may be. The point is that if the words "time and facilities permit" are included there will never be a boat made in a navy yard. Anything that can be bought outside will be bought outside, and just so surely as that policy is continued, in the end we are going to destroy the navy yards. We will get rid of the best men and destroy the yards. That is what I am interested in. I want, if I can, to induce the Navy Department and the War Department—I apply the same principle to both of them—to give the navy yards and the arsenals something to do to keep up their organizations. It is easier to buy from an outsider, of course, and in the very unlikely case where an outsider makes an article more cheaply I want him to have the opportunity to sell.

Mr. KING. Mr. President, will the Senator from Maine yield?

Mr. HALE. I yield.

Mr. KING. I should like to ask the Senator from Massachusetts before he resumes his seat what penalties are to be attached, or what guaranties are to be given, to compel the performance by the navy yards of their obligations; that is the obligations arising under the contracts to build or repair?

Mr. LODGE. That is one of the standing objections made by the bureaus of the Navy Department here.

Mr. KING. May I say to the Senator that it was admitted upon the floor the other day, when we were considering a bill dealing with the Shipping Board, that in a number of instances where estimates had been furnished upon which contracts were awarded to navy yards the cost was several hundred thousand dollars above the estimates, and the Government was compelled to meet the losses. There is no obligation to keep the cost within the estimate as I understand the proposition of the Senator.

Mr. LODGE. There are very few of those cases. I have been through them all, and there are a great many cases where they have been several hundred thousand dollars below. If the Senator will investigate the case of the *Leviathan* and its repairs down in Virgina, he will find that the work cost a good deal more than the estimates of some of the navy yards.

Mr. KING. Of course, I do not know as to that.

Mr. LODGE. I examined those with a great deal of care.

Mr. KING. Let me strengthen the argument of the Senator by calling his attention to Mare Island, where they have perhaps the most efficient organization to be found in any navy yard in the United States. I am told that there they have performed one or two jobs for less than they could have been performed in private yards.

Mr. LODGE. I can show the Senator several cases of that kind in the Boston yard. The navy yards are well organized and well run. The trouble is not there.

Mr. OVERMAN. Mr. President, there was evidence before the House committee in regard to one contract that cost $400,000 more than the estimate.

Mr. KING. And the Government had to pay it.

Mr. OVERMAN. And the evidence shows that it is the general rule.

Mr. LODGE. That is what the department will tell you until you look into the matter yourself, and then you will find that there is a good deal of variance.

Mr. OVERMAN. This was an expert who was testifying.

Mr. KING. Mr. President, if the Senator will pardon me, I am a little surprised that the Senator from Massachusetts should direct any criticism against naval officers or the Navy Department.

Mr. LODGE. I did not lodge it against the naval officers. I lodged it against the bureaus in the department and the general policy of the department. If the Senator had had the somewhat elaborate experience that I have had, and had a navy yard in his own State, he would have found out about it. I have had to find out. I have had to know.

Mr. KING. Of course, I would not be unfair enough to suggest that the fact that there is a yard in the Senator's State prompts his zeal in urging this amendment.

Mr. LODGE. I have represented that State and that yard for a good many years. It is not anything new to me; but I have been trying to get the use not only of the navy yards but of some of the arsenals, because I think it is a great mistake to let them run down. If I had to write that here myself I should not achieve anything. There comes along this old claim about its being impossible to send the vessels to the navy yards. Of course, it is impossible to send a vessel that is in Hong Kong to be repaired in a navy yard, and that is not expected. All that I am trying to do and all I hope to do is to get some effort on the part of the bureaus and the departments to have their navy yards and arsenals work their men as much as they reasonably can be worked in order to keep their organizations together.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Iowa?

Mr. HALE. I wanted to ask the Senator from Massachusetts a question.

Mr. BROOKHART. Very well.

Mr. HALE. Does the Senator from Massachusetts think that there is a disposition on the part of the officials of the Navy not to use the navy yards?

Mr. LODGE. Except in the case of officers in command of navy yards, I think that is the whole policy of the department, and has been for years.

Mr. HALE. And does the Senator think the policy of the department is, as far as possible, to cut down the number of men that are in the yards?

Mr. LODGE. I think that is the policy of the department. I think it is the policy of the department to throw the work into private yards as much as they possibly can.

Mr. HALE. The Senator from Utah [Mr. KING] has taken the ground that we have more men at work in the navy yards than we should have and that the number should be cut down. I have never seen anything that led me to suppose that the officers of the Navy Department wanted to cut down the work that is done in the yards. My general impression has been that they want to increase it as much as possible.

Mr. LODGE. Some do, as I have just stated.

Mr. McKELLAR. Mr. President, if that is the case, why object to this amendment?

Mr. HALE. Purely as a matter of expense and interference with the efficiency of the Navy.

Mr. McKELLAR. I think I can show in a few moments, when the Senator gets through, that it is not a question of expense; it is a question of desire.

Mr. HALE. It is absolutely a question of expense in this case.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Iowa?

Mr. HALE. I yield to the Senator from Iowa.

Mr. BROOKHART. On the proposition of cost, the showing of Admiral McVey is distinctly that it can be done cheaper in

the navy yards than in the private shops. Sometimes they can do it quicker, but not cheaper.

Mr. HALE. If repairs can be made in the Government yards instead of in the private yards, they will be made there, unless, on account of difficulty that the ship may have in getting to the yard or on account of unnecessary delay, it is found better to deal with private parties.

Mr. BROOKHART. One trouble about that is that when that "time-and-facilities" proposition is in there they will wait in relining guns, for instance, until the fiscal year is so nearly out that it can not be done, and then let it to somebody who will do it in a shorter time, and make the claim that the "time and facilities" do not permit.

Mr. HALE. The Senator is assuming that their policy is not to give it to the yards.

Mr. BROOKHART. I think the Senator from Massachusetts [Mr. LODGE] has correctly stated the policy in that respect. They avoid doing this in the navy-yard shops and let it out to private parties whenever they can.

Mr. HALE. The department assures me that such is not the case, and that should this amendment go in it would cost a great deal of money to the Navy and tie up the ships of the Navy; and I hope very much that the amendment will not be adopted.

Mr. McKELLAR. Mr. President, this issue is very simple. The Government has invested an enormous sum in the various navy yards and arsenals of the country—the navy yard at Portsmouth, the navy yard at Boston, the navy yard at New York, the navy yard at Philadelphia, the navy yard at Washington, the navy yard at Norfolk, the navy yard at Charleston, the navy yard at Mare Island, the navy yard at Puget Sound, and there are quite a number of arsenals in addition. Enormous sums have been spent to build these navy yards. Enormous sums are being constantly spent to keep them up. Look at pages 37 and 38 of the bill and you will see the amounts that are being expended this year for repairs and improvements. Then, after we get them, the remarkable situation occurs that the Senator from Massachusetts has so well described, that the Navy Department at once has its work done not in these yards and arsenals that have been built at such enormous expense and that are being kept up at such enormous expense but in private yards. It has its vessels built in private yards and its repairs made in private yards, and, I have no doubt in the world, at very greatly increased prices.

That is a remarkable situation. It seems to me that the Navy Department, instead of undertaking in every way to thwart the Congress in having these repairs and improvements made in navy yards, ought to help their own navy yards. They ought to take pride in their own navy yards. They ask Congress every year for these enormous appropriations to keep up these navy yards, and then, after they get them, they do not want to use them for the legitimate purposes of the Navy.

Mr. LODGE. Mr. President——

Mr. McKELLAR. I yield to the Senator from Massachusetts.

Mr. LODGE. If the Senator will yield to me a moment—of course, if the navy yards could not make certain articles cheaper than they are made outside, there would be no opposition to this legislation.

Mr. McKELLAR. Of course.

Mr. LODGE. The opposition springs from companies who think they are likely to be damaged in their business by the competition of the yards. I do not think they will be hurt at all, but that is what they fear. They would not fear it if the production of the Navy were more expensive.

Mr. McKELLAR. The Senator is absolutely right about it. It is not the fear on their part that the navy yards will charge more, and that they can do the work cheaper for the Government, but it is the fear on their part that the navy yards can do it cheaper; and, as we know, they can do it cheaper.

As a matter of fact, Mr. President, we have these organizations there. We have to keep them there. We should keep them there—not full, complete organizations such as we would need in war time, but we have to have skeleton organizations there. Unless some such provision goes into this bill we all know that the Navy Department is not going to keep those organizations in the various navy yards. It is going to give what work it has to private companies wherever it can. To my mind it is a marvelous proposition that the Navy Department asks for the expenditure of these enormous sums for navy yards all along our coast and in Hawaii, and then blandly comes forward and says, "Give us the power to let out our work to private concerns."

Mr. HALE. Mr. President, why does the Senator say that the Navy wants to turn over everything to private concerns? On what does he base that statement?

Mr. McKELLAR. I have sat upon this committee ever since I have been in Congress, about 14 years now, and there has been a continuous warfare on the part of the Navy Department on amendments similar to the one offered by the Senator from Massachusetts and similar to the one that has been offered by me. There can not be any other interpretation put upon their action in fighting these amendments, in demanding the power to give out the work to private enterprise, other than the fact that they desire to do it. Why that is no one knows. It may be easier; it may be along the lines of least resistance; but that sort of a feeling ought not to animate the department, in my judgment. It seems to me it should be the pride of the department not only to do this work at the navy yards, but to see to it that it is done there cheaper than private firms can do it.

Mr. LODGE. Mr. President, I do not want to be unjust in any way.

Mr. McKELLAR. I do not, either.

Mr. LODGE. I want to say to the Senator that I have known many officers in command of yards who have done their very best to get all the work for the yards that they could.

Mr. McKELLAR. Oh, I am sure of that.

Mr. LODGE. My blame comes on the organization of the department. I have been familiar with it for many years, and they have all been alike. They have thrown every obstacle they could in the way of letting the navy yards do any outside work.

Mr. McKELLAR. I can speak only for the 14 years that I have been in the Congress, but during that 14 years the department has uniformly put every obstacle it could in the way of having the work done in the navy yards, though it comes in every instance and asks for appropriations to keep up the navy yards.

It is just past my understanding why it is that the Navy Department is willing to take such a course. Here it comes and asks us to keep up all these various navy yards all up and down the Atlantic coast and two on the Pacific coast and one in Hawaii. The department wants to keep them up; yes. It wants to have them improved; yes. It wants appropriations to keep them going; yes. But it does not want to do its work there. I can not understand the department's attitude.

Mr. ODDIE. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Nevada?

Mr. McKELLAR. Yes.

Mr. ODDIE. Has the Senator visited the various navy yards?

Mr. McKELLAR. Oh, I have visited a number of them; yes.

Mr. ODDIE. Is not the Senator aware of the fact that there is a great deal of work being done in these navy yards every day—technical work, the building of turbines, and all sorts of things of that kind?

Mr. McKELLAR. Yes. If I were not familiar with it and if I did not know something about it I should not be on my feet talking about it.

Mr. ODDIE. I think the Senator is making some pretty broad and unqualified statements.

Mr. McKELLAR. Yes; and they are very correct statements, too.

Mr. ODDIE. The Senator is not qualifying his statements, because he admitted just a moment ago that a great deal of work is being done in the navy yards; and on the other hand he says——

Mr. McKELLAR. Yes; and it ought all to be done there. I say that with all the navy yards we have we ought to have all of our work done there when time and facilities permit.

Mr. HALE. Regardless of cost?

Mr. McKELLAR. Oh, the Senator need not bother about the cost. The cost is less in the navy yards than the cost of the same work in private establishments. That has been demonstrated both in the Navy and in the Army time and again. Why, that argument has been made steadily during the 14 years I have been in the Congress: "Oh, it is cheaper to have the work done in private establishments."

I want to tell the Senator another argument that is constantly used in that regard. If the private concerns can not do the work cheaper, then they are thrown back on this argument, and I have been wondering if the Senator would not get back to that pretty soon: "We have to give the private yards some work in order to keep them going, so that in time of war, when we need more than the navy yards can do, we will have these private yards." That is the favorite argument that has been made ever since I have been in the Congress. The Senator has heard it time and again. It has not been made here

to-day, but we will reach it if we talk about the matter long enough.

My amendment goes just a little further than the amendment of the Senator from Massachusetts. I am going to vote for his amendment, and then, if it is adopted, I am going to offer mine.

Mr. HALE. The Senator was at the meeting of the committee when we adopted the committee amendment. I understood that he approved of it.

Mr. McKELLAR. No; I will state what happened. I offered in the committee substantially the same amendment that was offered here. The most of my amendment was adopted, but that applying to page 54 was not adopted, and I told the Senator then that I should endeavor to perfect the amendment when we got to the floor of the Senate.

Now, I want to read the amendment I offered, and I ask the Senator from Massachusetts to listen to it, because perhaps it will effect the purpose, as it seems to me, a little better than his:

> And that no part of the moneys appropriated or made available for the Naval Establishment shall be used or expended for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or requirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit.

The only difference between the Senator's amendment and this one is that all reference as to its being done more cheaply is omitted. In other words, if this amendment is agreed to, what the Congress has asked the department to do time and again it must do. My theory is that under the Senator's amendment they will dicker about the 10 per cent and probably give the work to private yards and concerns.

I hope the Senator will, upon consideration, be willing to accept my amendment as an amendment to his.

Mr. LODGE. I think the Senator's amendment covers what I wanted to cover. I withdraw my amendment.

Mr. McKELLAR. The Senator from Massachusetts withdraws his amendment and I offer mine.

The PRESIDENT pro tempore. The Chair thinks the Senate must first dispose of the committee amendment.

Mr. McKELLAR. I have no objection to that, so that mine is offered.

The PRESIDENT pro tempore. The committee proposes, on line 2, page 54, to strike out the words "at an actual expenditure of" and to insert the words "when time and facilities permit for."

The amendment was agreed to.

The PRESIDENT pro tempore. The Senator from Tennessee now proposes an amendment, which will be stated.

The READING CLERK. Strike out all after the word "plant," on line 20, page 53, and insert:

> And that no part of the moneys appropriated or made available for the Naval Establishment shall be used or expended for the repair, purchase, or acquirement by or from any private contractor, of any naval vessel, machinery, article, or articles that, at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit.

The question is upon agreeing to the amendment.

Mr. HALE. Mr. President, I trust very much that this amendment will not be adopted.

On a division, the amendment was rejected.

Mr. McKELLAR. I ask that the amendment may be printed and lie on the table. I shall offer it again when the bill reaches the Senate.

The PRESIDENT pro tempore. The Secretary will state the first amendment passed over.

The READING CLERK. The first amendment passed over is on page 39, lines 18 and 19, where the committee proposes to insert a paragraph reading:

> Storage for war heads, $60,000. Naval fuel depot, San Diego, Calif.

Mr. KING obtained the floor.

Mr. SMOOT. Mr. President, will the Senator yield to me a moment?

Mr. KING. I yield.

Mr. SMOOT. I ask unanimous consent that at the close of to-day's business the Senate take a recess until 11 o'clock to-morrow.

Mr. McKELLAR. I hope the Senator will make it 12 o'clock. We have a very important hearing with a number of witnesses before the Committee on Agriculture and Forestry to-morrow, and I am compelled to be there. I hope the Senator will change the hour to 12 o'clock.

Mr. SMOOT. I think the senior Senator from North Carolina [Mr. SIMMONS] will be ready to go on to-morrow and he is, I understand, going to talk for some time.

Mr. McKELLAR. I understand he will, but at the same time I hope the Senator will let the recess be taken until 12 o'clock. I am sure the senior Senator from North Carolina would prefer to begin at 12 o'clock.

Mr. SMOOT. The Senator from North Carolina is not here. So I will ask that at the conclusion of to-day's business the Senate take a recess until 12 o'clock to-morrow; but I desire to give notice that after to-morrow I shall each day ask that the recess be until 11 o'clock the following morning.

The PRESIDENT pro tempore. The Senator from Utah asks unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow. Is there objection?

Mr. LODGE. I do not object. I merely wish to say that I shall ask the Senate to have a short executive session before taking the recess this afternoon.

The PRESIDENT pro tempore. Without objection it is ordered that when the Senate shall conclude its business to-day it will take a recess until 12 o'clock to-morrow. The Senator from Utah [Mr. KING] will proceed.

Mr. KING. Mr. President, I was called from the Chamber for a moment. I inquire what disposition was made of the amendment offered by the Senator from Massachusetts.

The PRESIDENT pro tempore. The amendment offered by the Senator from Massachusetts was withdrawn, and the Senator from Tennessee offered an amendment, which was not agreed to.

The question is upon agreeing to the amendment of the committee proposed in lines 18 and 19 on page 39.

Mr. KING. May I inquire of the Senator from Maine whether that deals with the construction of a pier at a cost of substantially $1,000,000?

Mr. HALE. This amendment has to do with the storage of war heads. A war head is the explosive part of a torpedo.

Mr. KING. As I understand the amendment now under consideration, it calls for an appropriation to be expended at San Diego for the storage of torpedoes. I am advised that already at San Francisco there are suitable provisions for the storage of torpedoes, and the Senator in charge of the bill knows that any repairs that are required for the boats which carry torpedoes, if upon the Pacific coast, would be made at Mare Island or at Bremerton. While at Mare Island they could take on the needed torpedoes now stored in San Francisco Bay.

My advices are that this appropriation is not necessary. But it is in line with too many suggestions and policies which result in additional buildings and stations and other activities which reduce the amount which might be used for naval craft.

Mr. HALE. As the Senator says, it is true there is a repair shop for torpedoes at Mare Island, but the main repair station is at Keyport, Wash. The situation, however, is as follows——

Mr. KING. If the Senator will pardon me, I did not say they repair torpedoes at Mare Island. I said that the boats which carried the torpedoes would be repaired at Mare Island or Bremerton.

Mr. HALE. There is a repair shop for torpedoes, however, at Mare Island.

Mr. KING. I am aware of that.

Mr. HALE. And some work on those torpedoes is done there. However, at San Diego 80 of the second-line destroyers of the Navy are now laid up, the torpedoes have been taken away from these destroyers, and the war heads have been put at Keyport, which is 1,200 miles north of San Diego. If they were moved to Mare Island, they would still be between four and five hundred miles from the ships upon which they were to be placed. As a matter of fact, they should be stored at some place convenient to the ships upon which they are to be placed if they are to be any good in case of an emergency. This amendment simply provides for $80,000 for building suitable storage facilities for them at San Diego.

Mr. KING. I can only repeat what I so imperfectly stated, that some naval men, at least, believe this is unnecessary. The matter was brought to the attention of the House Committee on Naval Affairs, and they took the same view. I do not think the Senate committee had as much information as did the House committee.

Mr. HALE. Does not the Senator think these torpedoes and war heads should be stored somewhere near the ships on which they are to go?

Mr. KING. The point is this, that those ships, if they need repair, must go to Mare Island.

Mr. HALE. But if they do not need repairs they need not go to Mare Island.

Mr. KING. That is a general naval base, and the naval craft in San Francisco Bay as an axis for operations. Whether needing repair or not, the small craft as well as the large ships will frequently anchor in the bay. Senators will find that this and other items added to the bill by the Senate committee will be the prelude to other and larger demands. It is the same old story, the camel putting its head into the tent and then getting its body in.

I have before me a summary of the situation in various navy yards in the United States. I wish time permitted to call attention to it now to examine the reports furnished me by the Secretary of the Navy, showing the great number of yards, stations, bases, and so forth, maintained by the Government, and which call for tens of millions of dollars annually. One of these reports furnishes comparative data of all yards for the fiscal years 1916, 1919, and 1923. In graphic form it shows the limited use of most of the navy yards and, together with the other reports proves that we are maintaining more navy yards than are required. Moreover the data supplied show the millions annually spent upon unnecessary stations and yards.

This summary also shows the large number of officers maintained at some yards, though there is but little occasion for their presence there.

For instance, at Portsmouth Navy Yard in 1916, when there was considerable activity in view of the European situation, the percentage of officers was 77 as against 128 per cent in 1923.

Total expenditures before the war, 13 per cent; now, 29 per cent.

This increased amount is in part due to the heavy expenses—overhead, and the large number of civilians, admirals, captains, and other officers. Having so many admirals and other officers, it becomes necessary to maintain a great number of yards and stations.

Mr. ODDIE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Nevada?

Mr. KING. I yield.

Mr. ODDIE. Referring to what the Senator has just said, and what he said Saturday about officers of the Navy being at sea, I want to ask the Senator if he does not think it necessary that officers spend a certain proportion of their time on shore duty and a certain proportion of their time on sea duty?

Mr. KING. Of course, I presume, the Senator asks the question in good faith and I shall try to answer it fairly. Obviously we must have shore stations and naval bases and stations, and so long as we have them they must be supplied with an adequate number of officers. But I have felt that there were too many officers at these places. I am in favor of providing liberally for naval officers. They have many disadvantages to contend with. They are called upon to make many sacrifices. I have always been proud of our naval officers and have rejoiced at their achievements. I am not criticizing individuals; I have criticized the system—or at least the imperfections which I felt existed in the naval organization. The Navy is not greatly different from other governmental agences. It has its good points—its virtues and its triumphs. But it has weaknesses and defects. It gets into ruts and at times is dominated by rather selfish forces or reactionary elements. I have criticized the Naval Board, particularly in its policies of 1919 to 1923. But I know that some reforms which the Navy would have accomplished have been circumvented by the legislative branch of the Government.

The Navy Department, like all other departments of the Government, has been impeded and handicapped by bureaucratic methods. There have been too much red tape, too much precedent, too many archaic methods. New ideas and new methods have not been fairly considered, and technical and expert officers have not always been accorded that position which their genius demanded.

Mr. ODDIE. May I ask just one further question. Assuming, as is the fact, that we have a certain number of officers in the Navy, it is necessary that those officers have a certain proportion of their time on shore duty. Otherwise it would be very inhuman to compel them to be at sea practically all of their time. The officers have families, and they would like to live as other human beings, but unfortunately they can not do so altogether. They have to be at sea a great deal of the time, but they should be given as many comforts as possible while they are on shore. Does not the Senator agree with that?

Mr. KING. I agree entirely with the Senator.

Mr. SWANSON. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. SWANSON. The law requires that officers shall spend so many years at sea before they can be promoted. I have listened to the Senator from Utah discussing the various stations and navy yards. Anyone would think the country is loaded up with navy yards and stations that are worthless and causing a useless expenditure of money. I wish he would bring in a bill naming specifically what navy yards and stations ought to be abolished. I would like to have him point out which they are, because I have examined all of them and know something about them.

Mr. KING. I told the Senator the other day and it is known that I have taken the position since being a member of the Committee on Naval Affairs that Norfolk was the most suitable place for a navy yard and for a naval base on the Atlantic coast. I have believed that at least two, and perhaps three, navy yards on the Atlantic coast should be closed. I feel sure that some of the naval experts believe that it would be for the best interest of the Navy if several yards and naval stations were closed. I have upon a number of occasions, both in committee and on the floor, stated my views on this matter and have mentioned three navy yards which I said should be closed. I named Charleston, Boston, and Portsmouth. The Naval Committee did not agree with my views, although at one time they supported the subcommittee when it recommended a suspension of work at the Charleston Navy Yard.

I also stated that the Brooklyn Navy Yard could with advantage to the Government be closed. I took the position that the United States should have two major naval bases on the Atlantic coast and perhaps a minor base south of Cape Hatteras or at some suitable place on the Caribbean Sea; that at these bases there should be docks for our war vessels and navy yards equipped with the best machinery and appliances that could be procured; that these yards should have the finest personnel and the ablest experts and technical men that the country could produce, and that both the bases and the yards should be maintained at the highest standard of efficiency. I wanted to concentrate and not scatter; to have a few yards and make them the best in the world. My thought has been to spend less on shore stations and yards and bases and more on ships and fighting craft.

I have been disappointed at our poor showing in submarines and airplanes, and have at times disagreed with my colleagues in their support of appropriations for what I conceived to be unnecessary and activities.

The able Senator from Virginia has been chairman of the Committee on Naval Affairs. He has certain views and I respect them. He is sincere in them and I have never challenged his sincerity or the wisdom of his views from his standpoint. And the Senator, I know, will accord to me the same right to think for myself as I willingly concede to him, because I know he has given a great deal of attention to naval affairs. But I have felt, as a member of the Committee on Naval Affairs, that I should use my best judgment and then act accordingly. If I think evils exist or changes should be made in any naval program, I feel it is my duty to call them to the attention of the Senate, even though I shall not receive support. Too often Senators are impatient to hasten appropriation bills through the Senate. Here is a bill carrying $300,000,000. I believe that if Senators would examine more carefully, not only in committee but upon the floor of the Senate, the items of appropriation bills which are submitted, they would be doing a distinct service to the country.

Now, after this diversion, let me briefly call attention to some of these reports supplied by the Navy Department.

Mr. President, returning to the charts which have been supplied to me by the Navy Department, I find that at Portsmouth there are now 1,739 civilians. Before the war, in 1916, when there was a great deal of naval activity, there were 1,414. The total expenses at the Portsmouth Navy Yard in 1916 was 13 per cent of the standard, while they are now 29 per cent. Measured in dollars the expenses were $2,118,000 in 1916 and in 1923 were $4,728,000. The expenses on ships were 15 per cent in 1916 and in 1923 54 per cent.

At the Boston Navy Yard the number of officers in 1916 represented 35 per cent of the given standard and in 1923 67 per cent; the number of civilians in 1916 was 2,705 and in 1923 2,165. The total expenses of the yard in 1916 were $4,303,000 and in 1923 were $5,105,000.

At the New York Navy Yard the number of officers in 1916 who were stationed there was 82 per cent of a given standard, while the number of officers in 1923 was 85 per cent of that standard. The number of civilians in 1916 was 6,930, or 42 per cent, as against 3,110, or 19 per cent, in 1923. The total expenses on ships were $9,511,000 in 1916, as against $2,345,000 in 1923. The expense upon plant was 7 per cent in 1916 and 4 per cent in 1923.

At Philadelphia the number of officers was 37 per cent in 1916 as against 59 per cent in 1923; the number of civilians 25 per cent in 1916 as against 27 per cent in 1923; total expenses 18 per cent in 1916 as against 20 per cent, or $6,584,000, for 1923; expenses on ships 22 per cent in 1916 as against 18 per cent in 1923; and expenses on plant improvements 2 per cent in 1916 as against 7 per cent in 1923.

Then there are other figures showing operating expenses, which I shall not take the time to read.

At the Washington Navy Yard 62 per cent was the number of officers in 1916 and 92 per cent in 1923; number of civilians 50 per cent, or 4,249, in 1916 as against 37 per cent, or 3,089, in 1923. The total expenses were 26 per cent in 1916 as against 23 per cent in 1923.

The Norfolk Navy Yard shows 41 per cent in officers in 1916 and 47 per cent in 1923; number of civilians, 31 per cent in 1916 and only 21 per cent in 1923. The total expenses at the yard were 17 per cent in 1916 as against 19 per cent in 1923.

At the Charleston Navy Yard 48 per cent, number of officers, in 1916 as against 48 per cent—the same number—in 1923; number of civilians, 36 per cent in 1916 as against 19 per cent in 1923.

There were 1,372 civilian employees there in 1916. The total expense is the same in each of those years just referred to—14 per cent. The percentage is stated as 14, but the diagram gives the figures a little differently, one being $1,636,000 and the other $1,729,000. The diagram, however, would seem to indicate the same percentage.

At Mare Island the number of officers was 73 per cent in 1916 and 87 per cent in 1923, with the civilians stated at 34 per cent in 1916 and 36 per cent in 1923. The total expenses for Mare Island were 15 per cent in 1916 and 27 per cent in 1923.

Then these diagrams carry the figures as to expenses on ships, expenses on plant improvement, and expenses of maintenance and operation. I may say that, as to Mare Island, the figures show 19 per cent on plant, maintenance, and operation for 1916, as against 50 per cent for 1923.

At the Puget Sound yard the number of officers in 1916 was 60 per cent, as against 105 per cent in 1923. The number of civilians as reported was 26 per cent in 1916 and 46 per cent, of 2,871, in 1923; and the total expense for 1916 was 10 per cent, as against 32 per cent, or $6,948,419, for 1923.

Pearl Harbor, Mr. President, shows the number of officers at 75 per cent as of 1916 and 212 per cent as of 1923, and the civilians as 46 per cent in 1916 and 144 per cent in 1923, with a total expense of 64 per cent in 1916 as against 233 per cent, or $5,226,000, in 1923.

Cavite is also given as one of the bases.

Mr. President, the Secretary of the Navy has furnished me with a statement of the stations and duties of the officers attached thereto. It is a voluminous paper, showing the number of the line officers and the rank of the various officers. I shall not take the time of the Senate to put into the RECORD even a brief summary, because it would delay the passage of the bill.

Another statement furnished me by the Navy Department shows the positions in the Navy Department as of January 31, 1924, as well as the total clerical, drafting, and technical employees, numbering 6,670, and the number of laborers and mechanics, including planning and estimating groups, shop employees, and miscellaneous, namely, 32,619, or a total of 39,289.

Mr. President, this statement also shows the number of employees at each of the navy yards, training stations, torpedo stations, naval submarine bases, naval air stations, naval munition depots, naval magazines, navy supply depots, navy purchasing offices, naval fuel depots, naval ordnance plants, naval medical supply depots, naval hospitals, Naval War College, naval aircraft and factory, naval homes, Naval Academy, naval proving grounds, Naval Medical School, Naval Dispensary, Naval Experimental and Research Laboratory, naval operating base, navy mine depot, naval fuel-oil stations, helium production plant, naval base, San Diego, naval district headquarters at various places in the United States, also hydrographic offices, inspectors' offices, board of hull changes, superintending constructors' offices in various places, inspectors of naval aircraft in various places, inspectors of engineering material at a number of places, inspectors of machinery at some 10 or 15 places, inspectors of ordnance at a number of places, and of navigational material, cost inspectors, and United States Marine Corps depots and offices. The information is important, Mr. President, and ought to be published, but I shall not ask to have it placed in the RECORD.

In addition the Secretary of the Navy has furnished me, at my request, a voluminous report showing the shore yards, exclusive of navy yards and navy departments, together with the rank and corps and name and duty of the various officers stationed at the various points. I should like the important matter contained in these reports to be brought to the attention of the Senate, but it would require hours and would tax Senators' patience.

The PRESIDENT pro tempore. May the Chair inquire of the Senator from Utah whether he requested that the previous statement referred to by him be inserted in the RECORD?

Mr. KING. No; I do not ask that, Mr. President. I am desirous of yielding the floor.

Mr. President, I also have another document, called Exhibit D, furnished me by the Navy Department, showing the station and duties of all officers attached to the various navy yards and various departments of the navy yards and the enormous and complicated organization that exists not only in the Navy Department per se but in the various navy yards and stations, and so forth, where the Navy has control. I merely mention, for the purpose of emphasizing the point that I attempted to make the other day, that we spend too much money for extraneous matter, for shore and other stations and yards and land activities and organizations, money which I should like to see devoted to naval craft and to the development of the Navy.

I said the other day that I should be glad to see more submarines, more airplanes and airplane carriers and cruisers and fighting craft. If we are to have a Navy, I desire that it shall be efficient and powerful. Unless an international conference is called further to limit armament, obviously we will be compelled to spend millions of dollars to balance our Navy and bring it up to the proper standard. We are wasting too much money in small things—dissipating our energies in keeping up organizations and agencies that are either useless or unimportant. We should cut out the extraneous things and all appropriations not imperatively needed, and devote more intelligently and skillfully and scientifically our resources to the building of types of fighting craft, surface, under the surface, and above the surface. Mr. President, this bill has many fine provisions; it is much better than other naval bills brought to the Senate, and credit is due the Senator from Maine [Mr. HALE] and the Senator from Virginia [Mr. SWANSON], who have been so largely instrumental in preparing it.

Mr. SWANSON. Mr. President, I shall not detain the Senate very long.

As the Senator from Utah stated that he thought many of the naval stations ought to be abolished, and year in and year out since he has been a member of the Naval Affairs Committee he has been making general speeches pointing out the deficiencies of the Navy, I suggested to him in a courteous manner the wisdom of introducing specific bills and having specific recommendations so that they could be fairly considered. If there be a naval station which ought to be abolished, if there be a navy yard which ought not to be provided for, the right way to proceed is to introduce a separate bill eliminating them. Such a bill will be referred to the Committee on Naval Affairs, of which the Senator is a member; they will consider it; it will be discussed; and if the yard or station to which the bill may relate is useless, it will be and ought to be abolished.

I simply suggested to the Senator that that was a wise and efficient way to accomplish the result he desired instead of coming in here from year to year and discussing a bill as being useless, as being extravagant, as not being conceived in a spirit of economy.

If I felt as the Senator feels about the Navy and what it has accomplished, I would introduce specific bills to get rid of specific yards. That is the way to save money.

I asked the Senator what yards he would abolish. I do not remember that he has ever introduced a separate bill to abolish one of them.

Mr. KING. Oh, yes, Mr. President.

Mr. SWANSON. What one?

Mr. KING. Mr. President, will the Senator yield?

Mr. SWANSON. I yield with pleasure.

Mr. KING. The subcommittee of which I was a member advocated a plan which would close the Charleston yard, and I will say to the Senator, if I may be permitted——

Mr. SWANSON. Certainly; the Senator may take all the time he wants.

Mr. KING. I will say to the Senator that in the committee and upon the floor of the Senate I urged the closing of Portsmouth and the Boston and Brooklyn Navy Yards.

Mr. SWANSON. On the floor of the Senate?

Mr. KING. And in committee. I have favored concentrating at Norfolk and in the San Francisco Bay. I have urged that they should be major naval bases, but I have often contended that various navy yards and stations be placed on the inactive list.

Mr. SWANSON. Has the Senator introduced a bill specifically to abolish any one of these yards?

Mr. KING. No; Mr. President, because the Senate was opposed to it.

Mr. SWANSON. Let us get right down to facts in a good-natured, pleasant way, now. Let us see about this matter.

Mr. KING. Will the Senator vote to abolish either of those yards?

Mr. SWANSON. No; and I am going to state the reason why. The Senator has given the reason why he wanted them abolished. The way to abolish the Charleston Navy Yard is to introduce a bill to abolish it, to sell the land, to get rid of all the machinery, to get rid of all the plant there. You can not vote for the abolition of a yard and make no disposition of the vast and valuable property there. If I felt as the Senator from Utah feels about the Charleston yard, if I felt it to be a waste of money and were animated by a zeal to save that money, I would introduce a separate bill to abolish the Charleston yard and get the facts and fight the matter to a finish.

How much has been spent on Charleston? The investment in that yard is $11,736,000. It is the only yard from the Panama Canal to Cape Hatteras, the only yard south of Norfolk, that a ship can go in if it is crippled. It is easy to say that it is a waste of money and that there is no necessity for it; but whenever it has been discussed, whenever it has been debated, whenever it has been examined into, I do not believe you could get any vote in the Naval Affairs Committee to abolish it except that of the Senator from Utah, and I am not impeaching his judgment or desire in this matter; but these other people have honest convictions, too. I have never tried to influence the Senator from Utah on a single matter. I have never fallen out with him about any difference of view we may have had; but there is a committee that is practically unanimous in believing that that yard ought not to be abolished. If the Senator thinks it ought to be abolished, let him introduce a bill for the purpose and give his reasons for its passage. That is the right way to dispose of the matter.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Utah?

Mr. SWANSON. Certainly.

Mr. KING. The committee that considered that bill reported it back to the Senate with its approval and it was placed upon the calendar.

Mr. SWANSON. That was not a bill to abolish the Charleston yard, was it?

Mr. KING. It was to suspend operations there.

Mr. SWANSON. To stop or suspend activities there?

Mr. KING. Yes; and, of course, when that is done it means that eventually the navy yard will be closed.

Mr. SMITH. Mr. President, let me correct the Senator right there. It was not to abolish the yard; it was to suspend operations on the large dry dock. That was the object of the bill.

Mr. SWANSON. Now, take the Boston Navy Yard, which the Senator advocates abolishing. The Senator thinks that yard ought to be abolished, and he has advocated it here. We have spent $28,000,000 in Boston. It is one of the great yards of the country. If a war should come, we would have to spend $28,000,000 more to get ready to take care of our naval equipment. I do not believe a vote could be gotten in the Senate, just from the standpoint of economy, just from the standpoint of naval preparedness, to abolish the Boston Navy Yard. There is no use in having any yard if you can not keep the Boston yard.

Nobody has ever advocated abolishing the Norfolk Navy Yard, because it was the place selected when Virginia was a colony as the best location for a naval base; and the Senator himself thinks the Norfolk yard ought to be continued. Consequently, it would not be to my interest to advocate the retention of other yards. It would be to the interest of Norfolk, to the interest of Virginia, if I were animated by selfish motives, to have all the other yards abolished, leaving but one yard which would do all the work; but I think it would be a calamity to abolish the Boston yard. Frankly and candidly, though the work that is done there would come to Norfolk if the Boston yard were abolished, I think it would be a calamity to abolish it, because we would have to reconstruct a navy yard like that in time of war and emergency.

Mr. KING. Mr. President, will the Senator yield?

Mr. SWANSON. Yes.

Mr. KING. When the Senator states that a certain number of millions of dollars were spent there, I assume he means for machinery and buildings. He does not refer to the expenditures for employees and for supplies and for the maintenance of the yard.

Mr. SWANSON. I mean that amount was expended for machinery, for buildings; that amount of money has been spent on the yard. People are not hired in navy yards except when they do work. They are generally hired by the day. Navy yards do not have a great overhead of people. They are almost entirely classified, and paid by the day, so much a day. I do not believe you could get one vote in the Senate to abolish the Boston Navy Yard, which the Senator has spoken about here as being such a great extravagance.

The next yard the Senator named was the Brooklyn Navy Yard, located at New York, the great emporium of the world, the greatest shipping place in the world. How much do you suppose we have spent on the Brooklyn yard for the machinery, the construction, the greatest machinery and shops in the world, that the Senator would toss away? Fifty million dollars have been spent on that yard since it was started. Does anybody believe in the folly of throwing that away, disposing of the entire machinery, disposing of the land, the shops, and the facilities for doing work which is absolutely necessary for the Navy?

I have heard a great deal of talk about these different yards. They have all been examined repeatedly by boards. The right way for the Senator to get the relief he favors in this respect is to introduce a specific bill abolishing a specific place and present it to the Senate and to the committee. That is the only complaint I have ever made. I have tried to take care of the Navy in a just and a fair way. If I wanted to take care of the navy yard at Norfolk, I would benefit that yard and the State of Virginia a great deal by abolishing all other yards, if it could be accomplished, and letting the work be concentrated there; but I think it would be wrong. I think it would not be just to the Navy or just to the people of America; and as chairman of the committee and as a member of the committee it has been and is my belief that the interests of the country require the keeping of these yards. That was the only criticism I had of the Senator from Utah—for discussing these things in a general way and not introducing specific measures.

Mr. CURTIS. Mr. President, it is desired to have an executive session. May I ask the Senator from Maine how much longer he wants to run, if longer, to-night?

Mr. HALE. If the Senate wants to go into executive session now, I shall make no objection.

EXECUTIVE SESSION

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 5 o'clock and 42 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, April 29, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 28 (legislative day of April 24), 1924

PROMOTIONS IN THE DIPLOMATIC SERVICE

SECRETARY OF EMBASSY OR LEGATION OF CLASS 2 TO CLASS 1

John Campbell White, of Maryland.

SECRETARIES OF EMBASSY OR LEGATION OF CLASS 4 TO CLASS 3

Raymond E. Cox, of New York.
Percy A. Blair, of the District of Columbia.
Thomas L. Daniels, of Minnesota.
Lawrence Dennis, of Massachusetts.

COAST GUARD

The following-named cadets to be ensigns in the Coast Guard of the United States, to rank as such from May 15, 1924:

Nathaniel B. Dyer.
Raymond V. Marron.

These young men have passed the necessary examination required by law.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 28 (legislative day of April 24), 1924

POSTMASTERS

IOWA

Mary T. Jacobson, Blakesburg.
Claude M. Sullivan, Cherokee.
Orpha M. Bloomer, Havelock.
Wilbert W. Clover, Lohrville.
Benjamine R. Mowery, Maquoketa.

MASSACHUSETTS

Roland M. Baker, Boston.

NEBRASKA

Walter G. Mangold, Bennington.

NORTH CAROLINA

Annie L. Stanton, Stantonsburg.

OHIO

Ralph B. Troyer, Continental.
George F. Burford, Farmdale.
Michael J. Meek, McDonald.

TEXAS

Arthur E. Davis, Blue Ridge.
Sol D. Smith, Granbury.
Duane B. Scarborough, Oakwood.
Thomas R. Higgins, Reagan.
Othello Lewin (Mrs.), Remlig.
Clarence V. McMahan, Waco.

HOUSE OF REPRESENTATIVES

MONDAY, *April 28, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Trusting in Thy loving providence, our heavenly Father, we seek to bring to Thee our devout expressions of gratitude. Remember us, O Lord, and cause us to keep Thy commandments willingly and faithfully. Define for us each day the pathway of duty and give us deep desire to obey its obligation. Inspire and bless every movement throughout our country that means the advancement of the social, political, and Christian life of our fellow men. O hear us, help us, bless us, and forgive us, for Thy name's sake. Amen.

The Journals of Saturday, April 26, 1924, and Sunday, April 27, 1924, were read and severally approved.

CHANGING NAME OF THIRTY-SEVENTH STREET BETWEEN CHEVY CHASE CIRCLE AND RENO ROAD

Mr. UNDERHILL. Mr. Speaker, I call up Senate bill 1982, to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road, and ask that it be taken from the Speaker's table, an identical House bill being on the calendar with a favorable report.

The SPEAKER. The gentleman from Massachusetts calls up for consideration Senate bill 1982, an identical House bill being on the calendar and having been favorably reported. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the name and street now known as Thirty-seventh Street between Chevy Chase Circle and Reno Road be, and the same is hereby, changed to Chevy Chase Drive, and the surveyor of the District of Columbia is hereby directed to enter such change on the records of his office.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

EXTENSION OF REMARKS

Mr. JOST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of child labor, with special reference to the amendment that was passed Saturday.

The SPEAKER. The gentleman already has that privilege and all Members of the House have that privilege.

READING OF RESOLUTION

Mr. HOWARD of Nebraska. Mr. Speaker, I present a resolution and ask that it be read to the House for its information.

Mr. LONGWORTH. Mr. Speaker, I object.

FOOD CONTROL AND THE DISTRICT RENTS ACT

Mr. SNELL. Mr. Speaker, I call up a privileged report from the Committee on Rules, House Resolution 270.

Mr. TINCHER. Mr. Speaker, I make the point of order that the resolution is not privileged.

The SPEAKER. The Chair will hear the gentleman briefly.

Mr. SNELL. Mr. Speaker, I think it would be well to have the resolution reported.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That when the House proceeds in Committee of the Whole to the further consideration of H. R. 7862, entitled, "A bill to create and establish a commission as an independent establishment of the Federal Government to regulate rents of the District of Columbia," it shall be in order at any time to offer the following as a substitute for the text of the bill:

"Strike out all after the enacting clause and insert in lieu thereof the following:

"'That it is hereby declared that the emergency described in Title II of the food control and District rents act still exists and continues in the District of Columbia, and that the present housing and rental conditions therein require the further extension of the provisions of such title.

"'SEC. 2. That Title II of the food control and the District of Columbia rents act, as amended, is reenacted, extended, and continued, as hereinafter amended, until the 22d day of May, 1926, notwithstanding the provisions of section 2 of the act entitled "An act to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended," approved May 22, 1922.

"'SEC. 3. That subdivision (a) of section 102 of the food control and the District of Columbia rents act, as amended by section 4 of such act of May 22, 1922, is hereby amended by striking out the figures "1924" in said subdivision and inserting in lieu thereof the figures "1926"."

Upon the offering of the substitute there shall be not to exceed two hours general debate, one-half to be controlled by those favoring the substitute and one-half by those opposing.

At the conclusion of the general debate the substitute shall be considered under the five-minute rule, and during that consideration it shall be in order to offer an amendment to the substitute providing for the reduction of number of commissioners provided for in said bill.

At the hour of 4 o'clock, if the consideration of the substitute shall not have been sooner completed, the committee shall vote upon the substitute as amended, if any amendments have been adopted, and immediately upon the conclusion of that vote the committee shall automatically rise and report the bill and any amendments, or the substitute and any amendments, to the House; and the previous question shall be considered as ordered on the bill and amendments for final passage.

Mr. TINCHER. Mr. Speaker, the gentleman from Texas [Mr. BLANTON] deserves the credit for first calling attention to this point of order. I did not care to be in the attitude of trying to take his point of order away from him, but I thought it should be made at the time it was offered as a privileged resolution.

I do not think the resolution is privileged at all, and there are at least two decisions of the Speaker of the House closely covering the question.

If the Rules Committee can substitute a bill for a bill that a committee has reported, it can take any bill on which they are asked for a rule, or whether they are asked for a rule or not, and take the power away from the legislative committee to consider such bills.

The SPEAKER. They could suggest that the House do it, but the committee itself can not do it.

Mr. TINCHER. I understand; but here is the point——

The SPEAKER. The Chair would like to have the gentleman state his point of order.

Mr. TINCHER. The point of order is that the resolution is not privileged.

The SPEAKER. Why not?

Mr. TINCHER. Because the Rules Committee has reported a resolution containing legislation over which the District Committee had jurisdiction and the bill has not been considered by the District Committee. For that reason I believe the resolution is not privileged.

Mr. BLANTON. Will the gentleman yield to me?

Mr. TINCHER. Yes; I would like to have the gentleman from Texas present this point of order.

The SPEAKER. The Chair will hear the gentleman from Texas briefly.

Mr. BLANTON. Mr. Speaker, I have spent quite a lot of time looking up this question. The rules of the House, as

motives, to have all the other yards abolished, leaving but

required by law.

the Speaker knows, prescribe the jurisdiction of every committee of this House. They give to the District of Columbia Committee jurisdiction over all matters affecting the District of Columbia and prescribe the limitations and jurisdiction of the Rules Committee. The Chair will note that section 56 of Rule XI prescribes that the only jurisdiction which the Committee on Rules has is on rules, joint rules, and procedure; in other words, it fixes the procedure of the House, but nowhere has it ever been held that it can propose legislation to the House which belongs to the jurisdiction of another committee.

I want to cite the Chair to four precedents and they have never been overturned. First, I want to cite the Chair to the precedent of August 15, 1912. Mr. Henry, of Texas, who was then chairman of the Committee on Rules, presented to this House a Senate resolution as privileged to create a committee looking to the purchase of Monticello, the home of Thomas Jefferson. Our distinguished former colleague from Illinois, than whom there never has been a better parliamentarian in this House, Mr. Jim Mann, made a point of order that it was not privileged under the rules, notwithstanding its coming from the Committee on Rules. The Chair will note that Mr. Mann there stated what the rule was. Let me read what Mr. Mann said:

The SPEAKER. The Chair does not care to hear that.

Mr. BLANTON. I would like to have it go into the RECORD.

The SPEAKER. The Chair has control of the time.

Mr. BLANTON. Mr. Speaker, may I have unanimous consent to put in the RECORD excerpts from Mr. Mann's statements and position, which were sustained by Speaker Cannon, in connection with this matter, and other excerpts from other Members on the same point? May I have unanimous consent to do that?

The SPEAKER. Is there objection?

Mr. SNELL. I object.

Mr. MADDEN. Mr. Speaker, I want to discuss further this point of order for a moment, if I may.

Mr. BLANTON. Mr. Speaker, Mr. Mann called attention——

The SPEAKER. The Chair wishes the gentleman to confine himself to this point.

Mr. BLANTON. This is the point: Part of this resolution is privileged in that it fixes the order of procedure of the House. There is no question about that. The first seven or eight lines of the resolution are clearly privileged, and the latter part of the resolution is privileged under the rules because it fixes procedure, but the part of the resolution which sets up three different sections as a proposed substitute is legislative matter and is clearly not privileged because the Committee on Rules has no authority under its jurisdiction, under the rules, to propose to the House legislation. The Committee on Rules clearly attempts to make in order a three-section bill of its own prescribing it as a substitute for the Lampert measure. It clearly has no right to make in order legislation of this nature.

I want to call the Chair's attention to what happened the other day.

The SPEAKER. The Chair does not care to hear anything further on that. The Chair will hear the gentleman if he has any further precedents.

Mr. BLANTON. I cite the Chair also, as a precedent, what happened on January 11, 1918. The Speaker will find it in the CONGRESSIONAL RECORD of that date on page 833. The gentleman from North Carolina [Mr. POU] brought in a resolution to create a new committee, which the Rules Committee clearly had the right to do, but incidental to that rule he attempted to give that committee a clerk, and Mr. SANFORD, of New York, made a point of order that they had no right to give the committee a clerk, because that was beyond its jurisdiction.

The SPEAKER. The Chair is familiar with that decision.

Mr. BLANTON. And over some of the best parliamentarians on this floor, including the gentleman from North Carolina [Mr. POU], including the gentleman from Tennessee [Mr. GARRETT] and including the former Member from Wisconsin [Mr. LENROOT], Mr. Speaker Clark held that the Committee on Rules had no authority to present legislation that properly belonged to another committee, and on the mere fact alone that it attempted to grant a clerk, which was in the jurisdiction of the Committee on Accounts, Mr. Speaker Clark held that was out of order.

Applying this present rule, here is the Lampert measure of 35 pages which has been considered by the Committee on the District of Columbia, and the Committee on Rules attempts by this resolution not only to prescribe procedure for the Lampert bill, which it has the right to do—it has a right to do anything it wants to with the Lampert bill, but it does not stop there. If the Speaker pleases, it attempts to provide a substitute for the Lampert bill, an entirely new piece of legislation, and legislation that is foreign to the provisions of the Lampert bill, and clearly that is legislation and you can not get around it, Mr. Speaker. It is legislation that properly belongs to another committee. It goes beyond the jurisdiction that the House has conferred upon the Committee on Rules. Mr. Speaker, if we were to permit the Committee on Rules to offer this as a substitute for the Lampert bill, it could come in here and offer a substitute for every bill that comes from every committee of this House. It would destroy the integrity and the stability of the jurisdiction of every committee of this House, and I submit this to the Speaker in all earnestness, believing that this Committee on Rules should be held within its jurisdiction and not be permitted to report as privileged legislation of its own to this House.

The SPEAKER. Does the gentleman from Illinois desire to be heard?

Mr. MADDEN. I simply wish to say, Mr. Speaker, that I do not believe it is within the jurisdiction of the Committee on Rules to report legislation and to make that legislation privileged. I believe the Committee on Rules has the right and the power to report any legislation that may be referred to the committee, but when they do report it, it must take its place on the calendar as any other legislation would. The only thing the Committee on Rules would have the power to report and make privileged would be a resolution making in order the consideration of pending legislation.

Mr. SNELL. Will the gentleman yield for a question there?

Mr. MADDEN. Yes.

Mr. SNELL. What else is done by this present resolution except to make in order pending legislation? This is purely a proposition for order of business.

Mr. MADDEN. This resolution provides for a substitute resolution.

Mr. SNELL. If it is adopted, it shall be in order to be offered by the chairman of the committee.

Mr. MADDEN. It would be the privileged order of business. I maintain that any resolution or any bill referred to the Committee on Rules may be reported by the committee, but the mere fact that the committee does report it gives no privilege whatever.

Mr. BLANTON. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BLANTON. Suppose the Ways and Means Committee should report a revenue bill. The Rules Committee could come in here, if this is held in order, and report an entire substitute for the revenue bill.

Mr. MADDEN. Of course. The Committee on Appropriations, for example, is authorized to report privileged appropriation bills. A privileged appropriation bill, under the rules, is a general appropriation bill. The Committee on Appropriations frequently comes in with resolutions, but the Committee on Appropriations recognizes as well as anybody else that such resolutions are not privileged, and to show you that we do not think they are privileged we always ask the House to give us unanimous consent for the consideration of such bills or resolutions.

On the other hand, the Ways and Means Committee has the right to report a revenue bill, but nobody will argue that the Committee on Ways and Means has the right, under the rules of the House, to report any kind of a resolution merely because it comes from the Ways and Means Committee and make that privileged. Further, the only reason why the Committee on Rules can make certain things privileged and give them immediate consideration is that they are the medium through which this House desires to give early consideration of measures that are pending. They are not pending if they are referred to the Committee on Rules. The Committee on Rules may report them out and put them on the calendar.

Mr. SNELL. I agree with everything the gentleman has said.

Mr. MADDEN. Later on, if the Committee on Rules chooses to report a rule making that privileged, I think they may do so, but, Mr. Speaker, the Committee on Rules has gone beyond their privilege.

Mr. BLANTON. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. BLANTON. There is pending before the Rules Committee the Begg resolution, which embraces this identical substitute. The Committee on Rules would not have any authority to report the Begg substitute, and it is an attempt to evade the rules of the House by proposing legislation.

Mr. WINGO. Will the Chair hear me?

The SPEAKER. The Chair will be glad to hear the gentleman.

Mr. WINGO. I want to suggest to the Chair that at first blush I thought the point of order was good. I am not in-

terested in the merits of the controversy, but I am interested in preserving the orderly procedure of the House. It is in order to-day, being District day, to consider the so-called Lampert bill. The rule presented provides that when the House proceeds in Committee of the Whole to the further consideration of the rent bill it shall be in order to offer an amendment in the nature of a substitute.

What is the legislative matter before the House? Under the rules it is a bill regulating and affecting the rent law. It provides not only for its extension but the terms on which it will be extended and the jurisdiction of that Rent Commission during the extended term.

What is the substitute proposition? If it was offered on the floor it might go out on a point of order, but the rule of the Rules Committee does what it has done in many cases, it says that in the consideration of the bill before the House an amendment to that identical subject and that identical organization shall be in order in the nature of a substitute.

Mr. MADDEN. Will the gentleman yield?

Mr. WINGO. I yield.

Mr. MADDEN. Because the Committee on Rules frequently does what the gentleman says, unless somebody makes a point of order, it prevails, but in this case the Members of the House have exercised their privilege and made the point of order against the thing the Committee on Rules has no authority to do.

Mr. WINGO. The House considered the bill the other day, and there are some gentlemen who are in favor of rent legislation different from that provided in the bill, and others who are opposed to any legislation.

The whole question is before the House, and there is a question whether the proposed substitute would be in order; but there is no question that it refers to the Rent Commission, which is the substantive part of the bill. It refers to the extension that is brought before the House, and the committee simply cuts down the proposal to a simpler proposition that will meet the objections of some.

It occurs to me that it is a proper exercise of the jurisdiction of the Rules Committee to do that for which the Rules Committee exists—to present rules to enable the House to proceed in an orderly way in the situation in which the House finds itself to consider the subject before the House.

Mr. CARTER. If the gentleman will yield, the only thing I see that the resolution does is not to displace the measure, but simply to make the offering of a substitute in order at any time.

Mr. WINGO. It makes the substitute in order as an amendment to the bill, which the Rules Committee does quite frequently. If the House does not want it to be in order it can vote it down, but it can consider a proposition covering the Rent Commission and the terms under which it shall act in the future judgment of the House. In other words, the rule will enable the House to express its judgment; it may vote it down, but if it wants to consider the amendment it can do so. It is all a matter of procedure.

The SPEAKER. The Chair is ready to rule. It seems to the Chair, as has been stated by the gentleman from Arkansas [Mr. WINGO], that this is one of the functions which the Rules Committee is constituted to exercise. It is preparing the way for the House to express its will on the pending bill. The Rules Committee very often makes provisions in order which otherwise would not be in order, it sends bills to conference, and provides for legislation, and the Chair overrules the point of order.

Mr. SNELL. Mr. Speaker, the resolution has been pretty thoroughly discussed, and I shall take very little time of the House. It makes it in order during the consideration of the bill H. R. 7962 to offer a substitute, which has been explained. It further provides that on the offering of that resolution there will be at least two hours of general debate, one-half to be controlled by those favoring the substitute and one-half by those opposed. At the conclusion of the general debate the substitute shall be considered under the five-minute rule, and during that time it shall be in order to offer an amendment reducing the number of commissioners. The reason that was provided for was because the Committee of the Whole expressed itself accordingly two weeks ago, and the Committee on Rules thought that that was in accordance with the expressed will of the House at that time. The rule further provides that at 4 o'clock, if the consideration of the substitute shall not have been concluded under the five-minute rule, the committee shall vote upon the substitute. The Rules Committee is divided upon the merit of the legislation, but they felt that they were doing what was one of the real functions of the Rules Committee, and that is provide a way for the consideration of legislation that they believe the majority of the Members desire to take up and have concluded at this time.

Mr. JOST. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield for a question.

Mr. JOST. Under this rule would any amendment other than that provided in the rule be in order?

Mr. SNELL. I think any amendment that pertains to the substitute proper, like changing 1926 or something of that kind, would be in order. Any amendment germane to the substitute would be in order.

Mr. JOST. Specifically, does the gentleman think that a substitute altering the proposition entirely would be in order under this rule?

Mr. SNELL. No; I would not think that a substitute altering the proposition entirely or presenting an entirely new proposition would be in order under the rule.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. BLANTON. The gentleman has provided for two hours of general debate upon the substitute. Suppose after the time is used up in debate the substitute should be voted down. Then there would be no time whatever left to debate a 35-page bill.

Mr. SNELL. If the substitute be voted down, the committee will report it back to the House as having been voted down, and that would be the end of it, and that is what the gentleman wants.

Mr. BLANTON. But the committee would have to report the bill with a favorable report under the resolution.

Mr. SNELL. Oh, no; it does not provide that at all.

Mr. BLANTON. It says the bill. Suppose we vote down the substitute.

Mr. SNELL. Then the bill is before the House the same as if the substitute had not been offered, but if you vote down the substitute the bill is virtually killed.

Mr. BLANTON. But it is reported to the House for passage if the substitute is voted down. The original bill would then be before the House. We would either have to vote it up or vote it down.

Mr. SNELL. Not necessarily. If the substitute is defeated, you can go on and consider the original bill if the House wants to.

Mr. POU. Mr. Speaker, I ask the gentleman to yield me three minutes.

Mr. SNELL. I yield the gentleman three minutes.

Mr. POU. Mr. Speaker, lest by silence my attitude be misunderstood, I avail myself of the brief time yielded to me by the chairman of the Committee on Rules to say that I am opposed to this rule, and that I am opposed to this legislation. I think the time has come when the property of the people of the District of Columbia should be returned to the rightful owners, to be controlled by them without further interference by the Federal Government. [Applause.] More than five years have elapsed since the armistice was agreed to. How long is this control of private property in the District by the Government to continue? It is now proposed to extend the operation of the rent control act for two years, and I predict here and now that when two years have passed the demand to extend the law will be just as great as the demand is to-day. Every time any legislation of this kind is enacted by the Congress in time of peace, in my humble judgment, it is a step in the direction of socialism, and this is quite a considerable step in that direction. As I have said, I shall not vote for either the rule or the legislation to which the substitute is offered.

Mr. SNELL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 67, noes 32.

So the resolution was agreed to.

Mr. LAMPERT. Mr. Speaker, I move that the committee resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7962) to create and establish a commission, as an independent establishment of the Federal Government, to regulate rents in the District of Columbia. Pending that, can we not make some agreement in respect to the control of the time?

Mr. BLANTON. Under the ordinary rules the gentleman from Wisconsin is entitled to control half the time and I would be entitled to control the other half; but I would want to yield half of the time that I control to the gentleman from Massachu-

setts [Mr. UNDERHILL] because he represents one phase of this case.

Mr. BEGG. Mr. Speaker, I ask unanimous consent that the time taken in opposition to the resolution be divided equally between the gentleman from Massachusetts and the gentleman from Texas.

Mr. BLANTON. I suggest that the gentleman just fix the time, and I shall yield to the gentleman from Massachusetts.

Mr. BEGG. Is that satisfactory to the gentleman?

Mr. UNDERHILL. Certainly.

Mr. BLANTON. That half the time be controlled by the gentleman from Wisconsin [Mr. LAMPERT] and half the time by myself.

Mr. BEGG. Then I modify my unanimous-consent request so that it will leave the time in the control of the gentleman from Texas against the measure and in control of the gentleman from Wisconsin in favor of it.

Mr. CHINDBLOM. Mr. Speaker, in the event that the gentleman from Texas should yield one-half of his time to the gentleman from Massachusetts, would the gentleman from Massachusetts in turn have the right to yield portions of his time?

The SPEAKER. He would not; except by unanimous consent.

Mr. UNDERHILL. I want that to be provided for.

The SPEAKER. The Chair suggests it would be better to make a unanimous-consent request.

Mr. BLANTON. I ask unanimous consent, Mr. Speaker, that I be permitted to yield half my time to the gentleman from Massachusetts [Mr. UNDERHILL] and that he may yield to others.

The SPEAKER. The gentleman from Ohio [Mr. BEGG] had better make his original request.

Mr. BEGG. Mr. Speaker, I make the unanimous-consent request that the time against the measure be in control of the gentleman from Texas [Mr. BLANTON] and the gentleman from Massachusetts equally, and that the time in favor of the resolution be in the control of the gentleman from Wisconsin [Mr. LAMPERT].

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Wisconsin that the House resolve itself into Committee of the Whole House on the state of the Union.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7962) to create and establish a commission, as an independent establishment of the Federal Government, to regulate rents of the District of Columbia, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7962, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7962) to create and establish a commission, as an independent establishment of the Federal Government, to regulate rents of the District of Columbia.

Mr. LAMPERT. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Wisconsin offers the following amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAMPERT: Strike out after the enacting clause and insert in lieu thereof the following:

"That it is hereby declared that the emergency described in Title II of the food control and the District rents act still exists and continues in the District of Columbia, and that the present housing and rental conditions therein require the further extension of the provisions of such title.

"Sec. 2. That Title II of the food control and the District of Columbia rents act, as amended, is reenacted, extended, and continued, as hereinafter amended, until the 22d day of May, 1926, notwithstanding the provisions of section 2 of the act entitled 'An act to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, approved May 22, 1922.'

"Sec. 3. That subdivision (a) of section 102 of the food control and the District of Columbia rents act, as amended by section 4 of such act of May 22, 1922, is hereby amended by striking out the figures '1924' in said subdivision and inserting in lieu thereof the figures '1926.'"

Mr. BLANTON. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The Chair is of opinion, from reading the rule, that it would be conducive to more orderly procedure that the general debate should be concluded before substitutes were offered.

Mr. BLANTON. I offer a substitute, to have it pending after the general debate.

The CHAIRMAN. Without objection, the substitute of the gentleman from Texas will be reported for the information of the committee.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BLANTON as a substitute for the amendment offered by Mr. LAMPERT: Strike out all after the enacting clause and insert: "It shall be unlawful for any corporation, firm, or individual to enter into or become a party to any contract, agreement, or understanding, or in any manner whatsoever to confederate, combine, or act with another or others, for the purpose and with the design of lessening or preventing, or tending to lessen or prevent, full and free competition in the renting of real estate, or to fix rents within the District of Columbia.

"SEC. 2. Any corporation, firm, or individual convicted of violating the provisions of this act shall be punished by a fine of not less than $50 nor more than $500, or by imprisonment not less than 30 days nor more than one year, or both such fine and imprisonment."

Mr. LAMPERT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Chairman and members of the committee, I simply want to make an observation before starting with a brief discussion of what I think the debate will hinge around to-day, namely, the effect of the decision of the Supreme Court.

The argument was offered the other day that the operation of the rent law increased the rents and made rents higher than if we had no rent law. Now, I just want to submit to the common reason of all the Members of the House that if that were true, it would seem rather out of the ordinary to have all the tenants, generally speaking, in favor of the Rent Commission and have all the opposition to this law come from the renting or the landlord side of it.

Now, it would seem to me that the mere statement of that ought to be rebuttal enough to any argument that might be made that the rent law does not function. If the rent law does not function, then why do the tenants want it and the landlords want it repealed or killed?

Mr. SPROUL of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I yield at this time to my good friend.

Mr. SPROUL of Illinois. I think the gentleman is mistaken in saying that the tenants want this law continued.

Mr. BEGG. In a general sense I used that expression.

Mr. SPROUL of Illinois. Not generally.

Mr. BEGG. I can not yield further.

The CHAIRMAN. The gentleman declines to yield.

Mr. BEGG. Now, Mr. Chairman and gentlemen of the committee, just what did the Supreme Court do in handing down that decision the other day? According to the best information available to me, the Supreme Court handed down a decision, or remanded the case, as it were, back to the lower court with instructions for it to ascertain whether or not the emergency on which the law was originally founded still existed.

I shall set up the premise that the Supreme Court of the United States is not interesting itself necessarily and of itself in the fact as to whether or not an emergency does exist, but on the contrary that court is interesting itself, when appealed to, as to whether or not the legislative body has exceeded its right to legislate in violation of the Constitution under the emergency which, according to my belief, is solely of legislative jurisdiction and function.

Mr. MADDEN. Mr. Chairman, will the gentleman yield for a single question?

Mr. BEGG. I can not yield until I am through. I shall be delighted to yield when I am through.

Mr. MADDEN. I will not embarrass the gentleman.

Mr. BEGG. Oh, no; the gentleman could not. He belongs to my class. And I could not be insulted by anything he would say.

Mr. MADDEN. Therefore the gentleman can not yield.

Mr. BEGG. Now the Supreme Court has held repeatedly that a legislature in a State has a right to determine and as-

certain, and that the statement by the legislature that an emergency does exist is bona fide, and they have so held repeatedly in cases to which I will call attention of the committee. And I am going to show further that what the Supreme Court of the United States has held as being within the jurisdiction and power of the legislative body as to a State lies more powerfully with the National Congress in its jurisdiction over the District of Columbia, because the power of the Congress over the District is even greater than the power of the legislature over a State; and if the Supreme Court has held, as I will point out to you, continuously, regarding the action of the legislature of a State, who is there among the eminent lawyers in this House that wants to hazard his reputation as a lawyer by saying that the Supreme Court will override the findings of fact? I submit that the mere declaration of this body is an ascertainment of a fact, even though we err on the side of truth, and that the only ground that the Supreme Court has as to the overthrowing of a fact regarding the emergency by the National Congress would be on the bona fide submission of evidence of fraud or some wrongdoing on the part of the legislature coming to that decision on the findings of fact as to the emergency.

Now, when the Supreme Court, in the case of Block *v.* Hirsh (256 U. S. p. 135) held the rent act of October 22, 1919, constitutional and valid it necessarily decided that when the same or similar conditions exist, either of a temporary or permanent nature, the Congress has the constitutional right to pass that kind of a law. Certainly nobody will maintain that the Supreme Court has a right to challenge the finding of the Congress on any fact.

Suppose that because we declare an emergency exists the Supreme Court overturns that finding? Suppose that the National Congress and the Chief Executive find that there is an emergency of war already in progress? Somebody could carry an appeal of that finding of the fact to the Supreme Court of the United States and there would be precedent for that court to rule that the Congress had made a mistake in the finding of the fact that there was a national calamity or a war against this great domain. Personally I am not a bit embarrassed nor worried that the Supreme Court will overrule the finding of the fact. They did uphold the constitutionality of this law during an emergency and I will guess they will uphold it a second time so far as any facts are furnished them regarding the violation of the Constitution in the passage thereof.

Now, I would like to emphasize that in the finding of that opinion there was no decision contrary to the finding of that fact by the Supreme Court, and Mr. Justice McKenna, in delivering his dissenting opinion, assents to the view and uses the following language:

If this (the rent act) can be made to endure for two years, it can be made to endure for more.

Acting upon this constitutional right, the Congress, by act of August 24, 1921, first extended the rent act for seven months, and by the act of May 22, 1922, extended it for two more years—that is, to May 22, 1924.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LAMPERT. Mr. Chairman, I yield the gentleman five minutes more.

The CHAIRMAN. The gentleman from Ohio is recognized for five additional minutes.

Mr. BEGG. Now, in the case of United States *v.* Des Moines Navigation Co. (142 U. S. 510) the court, speaking through Mr. Justice Harlan, at page 543, said:

That act is beyond challenge.

Now, I wish you would get this, you members of the committee who are going to argue the question of constitutionality.

The knowledge and good faith of a legislature—

Which was a State institution—

are not open to question.

Mr. CARTER. What was the question there?

Mr. BEGG. The question as to whether the Supreme Court could take cognizance of the finding of the fact of the emergency.

It is conclusively presumed that a legislature acts with full knowledge and in good faith. It is true the bill alleges that its passage was induced by the navigation company, by false representations and threats of suits; but such an allegation amounts to nothing.

So says the Supreme Court. It was argued before the court that the law was passed through fraudulent means and not in good faith, yet the Supreme Court says it is not within its province to take notice even of that kind of a charge.

Mr. KUNZ. Will the gentleman yield?

Mr. BEGG. I can not yield.

From what examination has been given to this subject, it appears that whether a statute is constitutional or not is always a question of power.

That is the Supreme Court. Does any man maintain that this Congress does not have the power to extend a law that it itself has passed and that the Supreme Court has held constitutional? Certainly the gentleman from Kansas, who made such a blustery speech the other day on the fifth amendment to the Constitution, would not care to put himself in the ridiculous position of saying that the Congress has not the power to do what it did do and that which the court maintained.

Oh, men, it is time we got a little reason, and it is time we got a little bit of good sense into some of our practices and some of our arguments on the floor instead of attempting to win by sarcasm and satire.

They must assume that legislative discretion has been properly exercised. If evidence was required, it must be supposed that it was before the legislature when the act was passed.

And not before the Supreme Court of the United States. Now, then, it says:

And although it has sometimes been urged—

It does not say held—

at the bar that the courts ought to inquire into the motives of the legislature.

And so forth.

But remember, men, that the precedents have always held that the legislative body had the power to ascertain the facts.

Now, in Fletcher *v.* Peck (10 U. S.), in Ex parte McCardle (74 U. S.), in Doyle *v.* Continental Insurance Co. (94 U. S.), and in Powell *v.* Pennsylvania (127 U. S.), the position I am taking on the floor this afternoon has been sustained, namely, that the Congress has the power to ascertain the facts of an emergency, and any other position is not only hazardous but any other position than that is dangerous to the future welfare of the American Government.

Mr. KUNZ. Will the gentleman yield?

Mr. BEGG. I can not yield. Now, then, there are other cases where the same principle is involved and those cases have the approval of the Supreme Court. In the case of Moeschen *v.* Tenement House Department and Jacorson *v.* Massachusetts (197 U. S.) the court sustained a law compelling vaccination. The same principle was at stake, men, and it was held in every single instance by the Supreme Court that the jurisdiction of the court did not extend far enough——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LAMPERT. I yield the gentleman five minutes more.

The CHAIRMAN. The gentleman is recognized for five additional minutes.

Mr. BEGG. That the jurisdiction of the court did not extend far enough to find out whether or not there was an epidemic of smallpox, but that it lies solely within the legislative power of the State to ascertain the facts, and the mere statement that the health and general welfare of the State at large was menaced unless the children were vaccinated was sufficient. The Supreme Court upheld that decision and said the State legislature had the right to compel the vaccination of the children.

Now, in the case of Holden *v.* Hardy (169 U. S. 391) the court sustained a law of Utah prohibiting laborers from working more than eight hours a day. Why, men, if a legislature can prevent an adult man from working more than eight hours a day, even though he enters into a contract so to do, and if a legislature can stop that on the ground that the general welfare of the whole people and the morals of the State are greater than individual rights, where do you have a leg to stand on when you say the Supreme Court will not sustain the finding of a fact by this body that an emergency does exist.

Also, my friends, the case of Gardner *v.* Michigan (199 U. S. 323), citing with approval Du Pont *v.* District of Columbia (20 App. D. C. 177), involving criminal municipal regulations, is clearly in point.

A lot has been said about private property. Now, get this decision of the Supreme Court, involving criminal municipal regulation, providing for the removal of garbage, even though the garbage had a practical, pecuniary value to the owner thereof.

If anything I have on my premises has a financial value to me, if that is not private property, then you can not establish private property under the laws of the United States, and yet

the Supreme Court held in a case involving criminal liability that it was not the province of the Supreme Court to ascertain the fact as to whether or not the declaration in the law that it was a nuisance to let this man continue to own that garbage and keep it on the back of his premises was true. The Supreme Court again held that the general welfare of the whole people was greater than the individual rights in private property of any single individual, and that case in point is more identical with the present situation than any of the cases cited, and every one of them sustains the position which the gentleman from Ohio takes.

In conclusion, I want to leave this for my concluding thought with you. Every one of these cases, practically, has been a State case. I made the statement a while ago that the National Congress had greater power over the District of Columbia than did any State legislature over its own State. Let us read that part of the Constitution:

Congress shall have power * * *. 17. To exercise exclusive legislation in all cases whatsoever over such District (not exceeding 10 miles square) as may, by cession of particular States and the acceptance of Congress, become the seat of the Government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the State in which the same shall be for the erection of forts, magazines, arsenals, dock yards, and other needful buildings.

I want to submit to you that if you want to be guided by the precedents of the Supreme Court of the United States, I have cited a dozen where the jurisdiction of the United States, by their own decisions, denies to them the right to inquire into the finding of the fact on which an act is passed.

If this Congress should fail to incorporate in this bill the statement that there was an emergency here growing out of the war, I would concede the argument immediately, but if we incorporate in this legislation that statement, that a national emergency in housing in the District does exist as a result of the war, I will prophesy that the Supreme Court will never inquire into the finding of the fact. [Applause.]

Mr. UNDERHILL. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I have no interest in this matter except I think it would be unfortunate if the House of Representatives should decide to follow the gentleman from Ohio [Mr. BEGG] instead of the Supreme Court and the law.

If his legal propositions were sound, I do not think I would take the floor this morning on this matter.

The Supreme Court has decided this case. It is all right to say that the issue was not before it, but let us see what the issue was. The owners of the Chastleton Apartment appealed from an order of the lower court denying them the right to challenge the constitutionality of this act, in that they set up there was no emergency in existence at that time. That was sometime in 1922. The lower court held with the gentleman from Ohio [Mr. BEGG], that the Supreme Court, having upheld the constitutionality of the law, the courts were precluded from inquiring into whether there was an emergency. So the case went to the Supreme Court of the United States and the same justice delivered the opinion that had written the opinion upholding the constitutionality of the law. The court reversed the case and sent it back and directed the lower court to inquire into the facts. What facts? As to whether an emergency actually existed.

Mr. BLANTON. In 1922.

Mr. TINCHER. Yes; in 1922. Now, what do they say about the emergency on the 21st of April, 1924? I do not want you to follow the great lawyer-cattle-raiser-and-so-forth Mr. BEGG, of Ohio, unless he is in accord with the court.

Mr. ABERNETHY. Mr. Chairman, I raise a point of order. I think the gentleman in referring to the gentleman from Ohio should use the usual parliamentary language.

Mr. BLANTON. Mr. Chairman, the gentleman himself said he was a class A hog raiser.

Mr. TINCHER. I do not yield.

Mr. ABERNETHY. I raise a point of order. I do not think one Member of the House should refer to another Member in that way.

Mr. TINCHER. This is what the court says with reference to their power, and so forth, to go into the facts:

We need not inquire how far this court might go in deciding the question for itself, on the principles explained—

Then the court cites Prentis v. Atlantic Coast Line Co. (211 U. S. 210), Gardner v. Barney (6 U. S. 499), and several other cases, and then says:

These show that the court may ascertain as it sees fit any fact that is merely a ground for laying down a rule of law, and if the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate.

What law? The very law they are talking about reenacting here to-day. Let us see if they agree with my friend, the gentleman from Ohio [Mr. BEGG], further on:

Here, however, it is material to know the condition of Washington at different dates in the past. Obviously the facts should be accurately ascertained and carefully weighed, and this can be done more conveniently in the Supreme Court of the District than here. The evidence should be preserved so that if necessary it can be considered by this court.

According to the arguments you just listened to, the courts have nothing to do with the facts. The only trouble with that argument was that it is in direct conflict with the decision of the Supreme Court. The only trouble with this act is that the court has said that they judicially find that on the 21st day of April that the law is not in effect, and the trouble about reenacting it is that you invite hundreds and hundreds of lawsuits, every one of which will be decided against the Government by the court upholding itself, and the United States Government pays 40 per cent of the expenses of those cases.

I say to you that this legislation is unfair to the renter. It is unfair to the people of the District, and it is unfair to Congress to ask us to stultify ourselves and pass a law in direct conflict with the Constitution of the United States after the court has said that it would be unconstitutional.

They decided this matter on the 21st day of April. What has happened since? Has there been any emergency since? I do not believe any man that is versed in law will argue that the Supreme Court has not told us to not pass these laws, not to cite these facts and ask them to be bound by it. I think that is the province of the court and that we can not make an emergency by simply declaring that one does exist. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. UNDERHILL. Mr. Chairman, I yield three minutes to the gentleman from Indiana [Mr. SANDERS].

Mr. SANDERS of Indiana. Mr. Chairman, I have been opposed to the rent law since the emergency has ceased to exist. I have been opposed to it because I did not think that we have a constitutional right to take over the regulation of rents except as a war-time power. I have been opposed to it because I think if we did have the constitutional right it would not be a wise exercise of that constitutional power to interfere in the District of Columbia with the ordinary business transaction of renting buildings to individual tenants, any more than I think it would be wise for the States throughout the country to take that socialistic course in dealing with the question. [Applause.] I think it is a hardship on the tenants to do so, not that in an emergency it ought not to give relief to the tenants, but to pursue that course is to discourage investment of capital in rental buildings and the ultimate effect will be a shortage of housing in Washington, D. C., and consequent increased rents. The United States Supreme Court has plainly spoken on the subject and has said that in its opinion the emergency has passed, and it seems to me it would be utter folly and would throw the whole thing into chaos and confusion if we report and pass as a valid law what we know is an invalid law. This bill should be defeated, substitute and all. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman and gentlemen, the majority of this committee has used wise judgment in one particular. They have chosen as their generalissimo to pass this bill the only man in this House who could pass it, who has the ability to pass such a bill, and that is our distinguished friend from Ohio [Mr. BEGG]. He is not a member of the District Committee. The majority of that committee could not find one of its own members, I presume, to handle this intricate question, so they sent out and got Mr. BEGG, and they got the best ability that was available. He will pass this bill. If any man in this House can do it, Mr. BEGG can perform it.

But this bill ought not to be passed. Neither the proposed Lampert substitute proposing to extend the present law two more years nor the Lampert bill ought to pass. We ought to

let this war emergency commission expire May 22, for the war is over.

The gentleman from North Carolina [Mr. HAMMER], when discussing this subject in the RECORD last week, claimed that this law is not based upon emergency, and that the recent decision of the Supreme Court holding the act unconstitutional should be disregarded by us.

Likewise the distinguished gentleman from Wisconsin [Mr. LAMPERT], author of the bill, proposing to extend this act two more years, claimed the other day that such act was not based on "emergency," and I quote from page 6334 his exact statement, to wit:

Another false cry which has been raised is that this is a war measure; that we are now at peace; and that the law should therefore be repealed. You know that this is not so. You know that the original act, of which this is in effect an extension, was not passed until more than 11 months after the armistice had elapsed.

Surely these gentlemen must not have read section 122 of the original act of October 22, 1919, which I quote as follows:

SEC. 122. It is hereby declared that the provisions of this title are made necessary by emergencies growing out of the war with the Imperial German Government, resulting in rental conditions in the District of Columbia dangerous to the public health and burdensome to public officers and employees whose duties require them to reside within the District, and other persons whose activities are essential to the maintenance and comfort of such officers and employees, and thereby embarrassing the Federal Government in the transaction of the public business. It is also declared that this title shall be considered temporary legislation, and that it shall terminate on the expiration of two years from the date of the passage of this act, unless sooner repealed.

Thus, it is stated just as plainly as the English language can make it that it is a war emergency, and shall be considered as temporary legislation, and shall terminate in two years. The foregoing was Title II of the act of October 22, 1919, entitled "The food control and the District of Columbia rents act." And the first section of Title I of said act has the following recitation:

That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement of foods, feeds, wearing apparel; containers primarily designed or intended for containing foods, feeds, or fertilizers; fuel, including fuel oil and natural gas; and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this act called necessaries; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulation, and private controls affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessaries during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed.

Now, keep in mind that the above act became effective October 22, 1919, nearly a year after the armistice, yet nevertheless it was a war emergency measure just the same, and specifically declared to be a war emergency.

And when Congress last extended this act to May 22, 1924, by the act of May 22, 1922, it specifically recited in that act:

That it is hereby declared that the emergency described in Title II of the food control and the District of Columbia rents act still exists and continues in the District of Columbia, and that the present housing and rental conditions therein require the further extension of the provisions of such title.

Hence it is astonishing that any person who is posted on the subject would contend that such law was not based on emergency.

CONGRESS SHOULD FOLLOW SUPREME COURT DECISIONS

The Supreme Court without question held that no emergency now exists warranting the operation of such a law, and that it has ceased to operate, thus holding it unconstitutional. Then why should Congress waste its time attempting to pass another such law, when the Supreme Court has definitely stated that it judicially knows that the declaration of emergency which Congress intends to make is untrue, and will not be accepted by the Supreme Court, as it has judicial knowledge to the contrary?

MR. HAMMER DESIGNATES IT "OBITER DICTUM" AND WORTHLESS

He will be able to obtain very little consolation from that contention. This decision is the latest expression from the Supreme Court on the subject, delivered April 21, 1924. The exact question before the court was whether this exigency, or war emergency, still existed in 1922. The court said:

It is a matter of public knowledge that the Government has considerably diminished its demand for employees that was one of the great causes of the sudden afflux of people to Washington, and that other causes have lost at least much of their power. If about all that remains of war conditions is the increased cost of living that is not in itself a justification of the act.

And the court specifically held:

If the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate.

But because the court held that it was necessary to know whether the emergency existed back in 1922 it sent the case back to the lower court to ascertain such facts.

Only one member of the Supreme Court in any way questioned the above decision, and that was Mr. Justice Brandeis, who protested that the Supreme Court should thus decide on the constitutionality of the law, as he claimed that the case should be reversed without it. And he did not claim that the law was constitutional, but claimed merely that the question of constitutionality was not involved. Mr. Justice Brandeis said:

If protection of the rights of the Chastleton Corporation and Hahn required us to pass upon the constitutionality of the District rent acts, I should agree also to the procedure directing the lower court to ascertain the facts. But in my opinion it does not. For (on facts hereinafter stated, which appear by the bill and which were also admitted at the bar) the order entered by the commission is void as to them, even if the rent acts are valid. To express an opinion upon the constitutionality of the acts or to sanction the inquiry directed would therefore be contrary to a long-prevailing practice of the court.

Hence you will observe that the Supreme Court did pass upon the question of constitutionality and did hold this Rent Commission act inoperative at the present time, in that it is not in accord with the provisions of the Constitution, which prevents property from being taken from its lawful owner without due compensation, except in emergencies.

What is Mr. HAMMER going to do? What is Mr. LAMPERT going to do? And what are the members of the Rules Committee going to do? And what is the Congress going to do relative to passing another emergency rent law next Monday, when on last Monday the Supreme Court of the United States said:

If the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate.

Are we Members of Congress going to respect the decision of our Supreme Court, or are we going to ignore it and disregard it just because a demand has been made upon us to do it? Are we going to make a foolish legislative declaration that a war emergency still exists on April 28, 1924, and that it will continue to exist until May 22, 1926, when the war has been over since November 11, 1918, and the Supreme Court solemnly held only last Monday that its nine members judicially know that such legislative declaration is not true, and that they would be compelled to say that the law is unconstitutional and not operative?

WHAT THE SUPREME COURT JUDICIALLY KNOWS

It knows that the war is over; that the armistice was signed on November 11, 1918; that practically all of the war laws have been repealed; that the country is fast getting back to normalcy; that the country must get back to normalcy; that this was an emergency law; that this was a temporary law so declared by Congress; that it has been extended several times; and that only a question of high living costs is now involved.

WHY THE SUPREME COURT HOLDS SUCH EMERGENCY LAW UNCONSTITUTIONAL

Mr. Alfred B. Moore, who made a survey of housing conditions for the Senate, in his report dated April 3, 1924, reported to the Senate the following vacant houses and apartments now being offered for rent in the city of Washington, to wit:

	Apartments	Dwellings
Schedule A, up to $24 per month	10	38
Schedule B, $25 to $50 per month	225	76
Schedule C, $51 to $75 per month	335	67
Schedule D, $76 to $100 per month	180	71
Schedule E, $101 to $150 per month	26	63
Schedule F, $151 to $200 per month	10	21
Schedule G, $201 to $250 per month	2	28
Schedule H, $251 and upward per month	3	17
Total	809	281

U. S. 210), Gardner v. Barney (6 U. S. 499), and several other cases, and then says:

Lampert substitute proposing to extend the present law two more years nor the Lampert bill ought to pass. We ought to

war emergency, still existed in 1922. The court said:

I quote the following from our recent hearings:

NINE HUNDRED VACANT ROOMS IN YOUNG MEN'S CHRISTIAN ASSOCIATION

THE YOUNG MEN'S CHRISTIAN ASSOCIATION,
Washington, February 25, 1924.

Hon. FLORIAN LAMPERT,
Chairman of the Rent Commission, Washington, D. C.

DEAR SIR: The social department of the Young Men's Christian Association has maintained for the past 15 years a department of employment and room exchange. For the services of the room exchange a nominal fee of $1 per house was charged for listing for the period of one year.

At the present time we have on our files a listing of approximately 900 vacant rooms.

Respectfully submitted.

FRANK E. SUTCH,
Director of Employment.

Mr. HAMMER. Did he state what price they are?

Mr. MCKEEVER. No.

Mr. HAMMER. I have been sending boys down here to get accommodations, and they have been charging them the same that they did at hotels.

A FEW DAYS LATER

Mr. MCKEEVER. I have only one or two matters here. I stated last night that the Young Men's Christian Association had 900 rooms, and you questioned the rent. I have received the following letter from Mr. L. W. De Gast, associate general secretary, which I will not read but will submit for the record.

The letter is as follows:

THE YOUNG MEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF WASHINGTON,
Washington, D. C., February 16, 1924.

Mr. R. L. MCKEEVER,
Chairman of the Washington Association of Building Owners and Managers, Washington, D. C.

MY DEAR MR. MCKEEVER: My attention has just been called to certain statements made by Congressmen at a hearing of the subcommittee sitting on the housing situation in the District of Columbia in which it was stated that we were charging from $3 to $4 per day per person for the rooms in our dormitories.

I am taking this opportunity to give you the following information: We have in our central main building and boys' building, 1732 and 1736 G Street NW., 135 rooms, most of them used as double rooms; that is, for two persons. Our lowest rate for the double rooms—that is, two persons in each room—is $13.50 per person per month. A few of our single rooms—one person in each room—are rented out at the rate of $24 per month. The average amount paid by the young men living in our dormitories is approximately $15 per month.

In addition to the above rooms rented out on the monthly basis, we maintain approximately 18 rooms in the building known as the Y. M. C. A. Annex, 1704 G Street, for transients. The rental charged for these is $1 per person per night for those occupying double rooms and $1.50 per person per night for single rooms.

In addition to the rooms rented by the Young Men's Christian Association in its own building we have a list of approximately 1,500 rooms in Washington and of that number there are now 900 vacant. The general prices charged by the persons conducting these rooming houses are from $15 to $20 per person for single rooms and from $12.50 to $15 per person per month for double rooms.

Trusting this information will aid you in getting a proper understanding of the situation, I am,

Sincerely yours,

L. W. DE GAST,
Associate General Secretary.

Mr. HAMMER. The only reason I suggested that was because two disabled World War veterans came here from my district and wanted to get an apartment for a week and they had no money, and I sent them down there and they came back and told me that they could not get any rooms for less than $1.50 a day. That is all I know about it.

SOME VACANT APARTMENTS

Mr. DEAN. But what we are after is apartments at $50 and under.

Mr. HAMMER. I think I should have set a little higher figure.

Mr. DEAN. We could have put in a few more, I think. It would have helped us. However, this shows a total of 141 vacancies at $50 and less.

Mr. LAMPERT. You mean 141 apartments.

Mr. DEAN. Yes; I might say, because I wish to be perfectly fair, in this statement there appear five which will run more, because here and there I find a one-room apartment, kitchenette, and bath, which, I assume, Mr. HAMMER thinks will not solve the problem. There are 141 apartments, some of them running as high as nine rooms, a number of five rooms, and a number of four rooms, more of three rooms, and a certain number of these one-room apartments, which Mr. Wardman described last night. I want to submit that list.

The list referred to is as follows:

A summary of vacant apartments reported by 50 real-estate firms as renting for $50 or less per month, showing a total of 141

1 apartment, 1321 Belmont Street NW., 1 room, kitchen, and bath	$50.00
2 apartments, 1448 Girard Street NW., 1 room, kitchen, and bath, each	50.00
1 apartment, 1030 Seventh Street NW., fourth floor, 2 rooms, kitchen, and bath	40.00
1 apartment, 1329 G Street NW., third floor, 3 rooms, kitchen, and bath	27.50
1 apartment, 2800 Connecticut Avenue, 2 rooms, kitchen, and bath	45.00
1 apartment, C Street, 52 to 56, 4 rooms, kitchen, and bath	45.00
1 apartment, C Street, 52 to 56, 5 rooms, kitchen, and bath	40.00
8 apartments, 1717 R Street NW., 1 room, d/a, and bath	45.00
7 apartments, 1717 R Street NW., 1 room, d/a, and bath	47.50
6 apartments, 1717 R Street NW., 1 room, d/a, and bath	50.00
1 apartment, 1712 Sixteenth Street NW., 1 room and bath	40.00
2 apartments, 2200 Nineteenth Street NW., 1 room and bath, each	45.00
2 apartments, North Capitol and Randolph Streets, 3 rooms and bath, each	50.00
1 apartment, 114 Quincy Street NE., 2 rooms, kitchen, and bath	40.00
1 apartment, 1003 K Street SE., 4 rooms and bath	22.50
1 apartment, 737 Fourth Street SE., 3 rooms and bath	25.00
1 apartment, 636 North Capitol Street, 3 rooms and bath	37.50
1 apartment, 428 Thirteenth Street SE. (furnished), 4 rooms and bath	40.00
1 apartment, 5946 Georgia Avenue NW., 5 rooms and bath	45.00
1 apartment, 490 Virginia Avenue SW., 9 rooms and bath	35.00
1 apartment, 809 North Capitol Street, 3 rooms and bath	32.50
1 apartment, 527 Twenty-first Street NW., 4 rooms and bath	35.00
1 apartment, 503 B Street SE., 3 rooms and bath	45.00
1 apartment, 1006 Pennsylvania Avenue SE., 4 rooms and bath	40.00
1 apartment, 452 New Jersey Avenue SE., 3 rooms and bath	40.00
1 apartment, 124 D Street SE., 3 rooms and bath	30.00
1 apartment, 238½ Twelfth Street SE., 5 rooms and bath	47.50
1 apartment, 335 C Street SE., second floor, 6 rooms and bath	45.00
1 apartment, 200 Kentucky Avenue SE., second floor, 4 rooms and bath	40.00
1 apartment, 1373 L Street SE., 4 rooms and bath	22.50
1 apartment, 813 Q Street, second floor, 5 rooms and bath	50.00
1 apartment, 4799 Conduit Road, 4 rooms and bath	32.50
1 apartment, 1218 Ninth Street, 3 rooms and bath	40.00
1 apartment, 3333 N Street, 4 rooms and bath	45.00
1 apartment, 727 Twelfth Street, second floor, 2 rooms, kitchenette, and bath	45.00
1 apartment, 212 C Street NW., 3 rooms, kitchenette, and bath	50.00
1 apartment, 423 Twelfth Street, 4 rooms, kitchenette, and bath	50.00
1 apartment, 302 S Street NE., 4 rooms, kitchenette, and bath	50.00
1 apartment, 720 Twelfth Street NW., 2 rooms, kitchenette, and bath	50.00
1 apartment, 1624 Nineteenth Street NW., 1 room and bath	50.00
1 apartment, 1624 Nineteenth Street, 1 room and bath	55.00
1 apartment, 713 Princeton Street NW., 2 rooms and bath	45.00
1 apartment, 713 Princeton Street NW. (furnished), 2 rooms and bath	50.00
1 apartment, 301 C Street NW., 3 rooms, kitchenette, and bath	50.50
1 apartment, Ambassador, 1 room and bath	47.50
1 apartment, Florence Court, No. 401, 2 rooms, kitchenette, and bath	50.00
1 apartment, 1151 New Jersey Avenue NW., 5 rooms and bath	42.50
4 apartments, The Como, 15 Grant Place, 3 rooms and bath, each	50.00
1 apartment, 2416 Fourteenth Street, third floor, 3 rooms and bath	50.00
3 apartments, 1614 Seventeenth Street NW., 1 room, kitchenette, and bath, each	35.00
2 apartments, 1624 Nineteenth Street NW., 1 room and bath, each	50.00
1 apartment, 1106 Vermont Avenue, third floor, 1 room and bath	45.00
2 apartments, 607 O Street NW., 4 rooms and bath, each	35.00
1 apartment, 2004 Eye Street NW., 4 rooms and bath	35.00
1 apartment, 64 Randolph Street, 3 rooms and bath	45.00
1 apartment, 1526 Seventeenth Street, 1 room and bath	40.00
1 apartment, 1826 M Street NW., 5 rooms and porch and bath	50.00
3 apartments, 1725 Seventeenth Street, Rutland Courts, 1 room, kitchenette, and bath, each	50.00
1 apartment, Cavanaugh Courts (furnished), 1 room and bath	45.00
1 apartment, Rutland Courts (furnished), 1 room and bath	45.00
2 apartments, 149 Rhode Island Avenue NE., 3 rooms and bath, each	45.00
1 apartment, 306 Second Street SE., 4 rooms and bath	45.00
1 apartment, 306 Second Street SE., 2 rooms and bath	35.00
2 apartments, 1865 Newton Street NW., 3 rooms and bath, each	50.00
2 apartments, 615 E Street NW., 4 rooms and bath, each	45.00
1 apartment, 617 E Street NW., 4 rooms and bath	45.00
1 apartment, The Congressional, 2 rooms and bath	42.50
1 apartment, 1636 Kenyon Street NW., 2 rooms and bath	21.50
1 apartment, 747 Tenth Street SE., basement, 3 rooms and bath	45.00
1 apartment, 306 Seventh Street SE., 4 rooms and bath	42.50
1 apartment, 121 Sixteenth Street SE., 4 rooms and bath	
1 apartment, 318 South Capitol Street, 3 rooms and semiprivate bath	18.00
1 apartment, 316 South Capitol Street, 3 rooms and semiprivate bath	15.00
1 apartment, 1218 B Street SE., 3 rooms and bath	30.00
1 apartment, 2013 Fourth Street NE., 4 rooms and semiprivate bath	37.50
15 apartments, 1321 M Street NW. (new), 1 room, kitchen, and bath, each	45.50
1 apartment, 3401 O Street NW., 3 rooms and bath	22.50
1 apartment, 1517 Wisconsin Avenue, 5 rooms and bath	40.00
2 apartments, 1521 Wisconsin Avenue, 2 rooms and bath, each	40.00
1 apartment, 1524 Wisconsin Avenue, 5 rooms and bath	50.00

1 apartment, 3215 O Street, 5 rooms and bath	$35.00
1 apartment, 3401 Wisconsin Avenue, 5 rooms and bath	50.00
1 apartment, 3708 New Hampshire Avenue, 2 rooms and bath	50.00
1 apartment, 1907 Pennsylvania Avenue, 4 rooms and bath	50.00
1 apartment, 2707 Eleventh Street, 6 rooms and bath	50.00
1 apartment, 404 Thirteenth Street NW., 3 rooms and bath	50.00
1 apartment, 701 Park Road, 7 rooms and bath	35.00
1 apartment, 634 Pennsylvania Avenue SE., 3 rooms and bath	40.00
1 apartment, 634 Pennsylvania Avenue SE., 1 room and bath	20.00
1 apartment, 1607 H Street, 2 rooms and bath	45.00
1 apartment, 1417 U Street NW., 3 rooms and bath	50.00
1 apartment, 1415 U Street NW., 3 rooms and bath	50.00
1 apartment, 665 C Street SE., 4 rooms and bath	26.00
1 apartment, 2205 Champlain Street, 4 rooms and bath	40.00
1 apartment, 2201 Champlain Street, 4 rooms and bath	40.00
1 apartment, 829 Sixth Street SW., 4 rooms and bath	25.50
1 apartment, 631 Four-and-a-half Street SW., 6 rooms and bath	45.50
1 apartment, 239 Four-and-a-half Street SW., 2 rooms	12.00
1 apartment, 904 Fourth Street SE., 4 rooms and bath	27.50
1 apartment, 401 Sixth Street SW., 6 rooms and bath	45.00
1 apartment, 464 E Street SW., 5 rooms and bath	45.00
1 apartment, 812 Eleventh Street SW., 2 rooms and bath	45.00
1 apartment, 526 Eleventh Street SW., 3 rooms	12.00
1 apartment, 406 Seventh Street SW., 4 rooms	30.00
1 apartment, 215 Fifteenth Street NE., 4 rooms and bath	50.00
1 apartment, 509 E Street SW., 4 rooms, bath, and kitchen	30.00
1 apartment, 424 Seventh Street SW., 3 rooms and bath	40.00
1 apartment, 508 Eighth Street SW., 3 rooms	25.00
1 apartment, 306 Tenth Street SW., 3 rooms	35.00
1 apartment, 497 C Street SW., 5 rooms and bath	45.00
1 apartment, 213 Fifteenth NE., 4 rooms and bath	45.00
1 apartment, 419 Ninth SW., 4 rooms and bath	25.00
1 apartment, 241 Virginia Avenue SE., 4 rooms and bath	25.00
1 apartment, 624 Eye Street NW., 3 rooms and bath	50.00
1 apartment, southeast corner Twenty-seventh and P Street NW., 3 rooms and bath	35.00
1 apartment, southeast corner Twenty-seventh and P Street NW., 2 rooms and bath	40.00
1 apartment, 523 Eleventh NW., 4 rooms and bath	40.00
1 apartment, 3331 M Street NW., 4 rooms and bath	30.00
1 apartment, 2928½ M Street, 5 rooms and bath	45.00
1 apartment, 1301 C Street SW., 4 rooms and bath	32.50
1 apartment, 1544 H Street SE., 5 rooms and bath	15.00
1 apartment, 1909 Seventh NW., 3 rooms and bath	37.50
1 apartment, 2010 Fourteenth NW., 4 rooms and bath	50.00
1 apartment, 727 H Street SE., 5 rooms and bath	50.00
1 apartment, 2013 Fourteenth Street, 5 rooms and bath	50.00
1 apartment, 121 Sixth Street SE., 4 rooms and bath	42.50
1 apartment, 1346 Central Avenue NE., 3 rooms and bath	20.00
1 apartment, 1517 Maryland Avenue NE., 2 rooms and bath	25.00
1 apartment, 1215 Morse Street NE., 3 rooms and bath	30.00
1 apartment, 2335 M Street, 4 rooms and bath	30.50
1 apartment, 716 M Street NE., 4 rooms and bath	37.50
1 apartment, 1301 H Street NE., 5 rooms and bath	42.50
1 apartment, 819 Eye Street NE., 5 rooms and bath	42.50
1 apartment, 24 Eye Street NE., basement, 2 rooms and use of bath	25.00
1 apartment, 24 Eye Street NE., basement, 3 rooms and use of bath	30.00
1 apartment, 24 Eye Street NE., basement, 4 rooms and use of bath	35.00
1 apartment, 819½ Eye NE., 6 rooms and bath	45.00
1 apartment, 424 Fifteenth Street NE., 3 rooms and bath	45.00
3 apartments, 1113, 1115, 1117 Maryland NE., 3 rooms and bath, each	50.00
3 apartments, 1113, 1115, 1117 Maryland NE., 4 rooms and bath, each	50.00
1 apartment, 625 Third Street NE., 6 rooms and bath	50.00
1 apartment, 1012 H Street NE., 3 rooms and bath	35.00
1 apartment, 3510 Sixteenth NW., 1 room, kitchen, and bath	45.00

Mr. McKeever also sent a list of vacant houses reported by 50 real-estate owners renting for less than $50 a month. These are dwelling houses. This list consists of the smallest, four rooms and bath, and the largest on the list nine rooms and bath, renting for $50 or less. This is exclusive of colored property, I might say. The total is 43.

List of vacant houses reported by only 50 real estate brokers renting for less than $50 per month, exclusive of colored properties

119 Seaton Place NE., 6 rooms, no bath	$40.00
121 Seaton Place NE., 6 rooms, no bath	40.00
64 Virginia Avenue, Clarendon, 4 rooms and bath	30.00
3214 Hyatt Place, 6 rooms and bath	50.50
3216 Hyatt Place, 6 rooms and bath	50.50
242 Seventh Street SE., 4 rooms and bath	42.50
715 Twentieth Street NW., 7 rooms and bath	35.00
114 Fifth Street NE., 6 rooms and bath	40.00
1519 Second Street NW., 10 rooms and bath	50.50
642 G Street SE., 5 rooms and bath	40.00
1613 New Jersey Avenue, 7 rooms and bath	40.00
151 Carroll Avenue SE., 7 rooms and bath	35.00
225 Tenth Street SE., 6 rooms and bath	30.00
3214 E Street SE.	30.00
802 Ninth Street SE., 6 rooms, no bath	18.50
530 Ninth Street NW., 6 rooms and bath	45.00
1123 C Street SE., 7 rooms and bath	50.50
819 Fourth Street, 6 rooms and bath	35.50
912½ Twenty-sixth Street, 5 rooms and bath	25.00
Twenty-second and Taylor Streets NE., 7 rooms	25.00
1127 First Street SE., 6 rooms and bath	45.00
536 First Street SE., 6 rooms and bath	45.00
409 Ninth Street NE., 6 rooms and bath	35.00
3312 Dent Place NW., 6 rooms and bath	50.00
3847 Emory Place, 6 rooms and bath	50.00
1634 Thirtieth Street, 6 rooms and bath	50.00
3205 Boulder Place, 8 rooms and bath	50.50
1214 Twenty-fifth Street NW., 7 rooms and bath	50.50
1123 C Street SE., 6 rooms and bath	50.00
3402 Georgia Avenue NW., 5 rooms and no bath	50.00
114 Atlantic Avenue, 6 rooms, no bath	30.00
1302 Eye Street NE., 7 rooms and bath	55.00
456 M Street SW., 8 rooms and bath	$35.50
478 F Street SW., 8 rooms and bath	55.00
117 Sixth Street SW., 6 rooms and bath	50.00
407 O Street SW., 6 rooms and bath	25.00
607 Seventh Street SW., 6 rooms and bath	30.00
714 F Street SW., 9 rooms and bath	55.00
818 Seventh Street SW., 9 rooms and bath	40.00
822 Seventh Street SW., 6 rooms and bath	35.00
1010 Wisconsin Avenue, 8 rooms and bath	30.50
Wisconsin Avenue and Volta Place, 7 rooms and bath	45.50
645 H Street NE., 4 rooms and bath	45.00

Total, 43.

DISTRICT OF COLUMBIA

Data from the yearly reports of the building inspector

	Buildings	Repairs
June 30, 1900 to July—		
1901	65,100,631	[illegible]
1902	6,787,403	1,374,264
1903	9,796,069	1,737,331
1904	12,033,918	[illegible]
1905	11,124,515	1,274,670
1906	10,519,962	1,218,394
1907	11,376,699	1,278,431
1908	6,998,349	1,674,117
1909	13,392,856	1,487,916
1910	13,191,774	2,020,852
1911	11,540,049	2,557,225
1912	14,340,246	2,231,937
1913	8,259,012	1,957,641
1914	7,830,528	1,787,480
1915	6,998,871	1,638,196
1916	11,791,431	[illegible]
1917	13,477,099	2,168,662
1918	8,179,715	1,975,272
1919	8,920,720	2,121,571
1920	10,120,203	3,638,293
1921	14,681,517	4,118,409
1922	31,678,105	4,518,954
1923	52,071,398	
January to June, 1918	3,997,625	
July to December, 1918	1,488,750	
January to June, 1919	6,988,970	
July to December, 1919	10,971,489	
January to June, 1920	8,048,571	
July to December, 1920	3,024,399	
January to June, 1921	7,862,125	
July to December, 1921	12,179,329	
January to June, 1922	19,498,329	
July to December, 1922	34,454,281	
January to June, 1923	27,517,211	
July to December, 1923	17,140,999	

Amounts expended annually in the erection of buildings in the District of Columbia

[Data from the yearly reports of the building inspector]

1901	68,296,031
1902	6,787,403
1903	9,796,069
1904	12,033,918
1905	11,124,515
1906	10,519,962
1907	11,375,080
1908	6,979,340
1909	13,368,368
1910	13,384,774
1911	11,840,809
1912	14,540,246
1913	8,259,012
1914	7,830,528
1915	6,948,871
1916	11,791,431
1917	13,477,099
1918	8,179,715
1919	8,920,720
1920	10,120,203
1921	14,681,517
1922	31,678,105
1923	52,071,398

STATEMENT OF MR. JOHN F. BOWIE, WASHINGTON, D. C.

Mr. BOWIE. I wish to state to the committee and to hold myself closely to facts, leaving out as far as possible matters of opinion and speculation.

No emergency exists at the present time, for the reason that there are ample accommodations, housing facilities to take care of the people of the District of Columbia.

Our firm is in the rental business to quite an extent, and we have for rent a total of 42 properties; that is, houses and apartments, the list of which I will read, giving the location, the size, and the price asked.

These are vacant apartments for rent:

"Apartment 5, 2301 Connecticut Avenue NW., 2 rooms, kitchenette, $60.

"Apartment, 301 C Street NW., 3 rooms and bath, $50.50.

"Apartment 22, 2106 N Street NW., 4 rooms and bath, $75.

"Apartment 22, 3126 Sixteenth Street NW., 4 rooms and bath, $65.

"Apartment 23, 3126 Sixteenth Street NW., 3 rooms and bath, $55.

"Apartment 31, 3126 Sixteenth Street NW., 3 rooms and bath, $70.

"Apartment 108, the Ambassador, Sixteenth and S Streets, 3 rooms, reception hall, bath, and porch, $75."

This is a fireproof building, containing 2 elevators, where telephone service is supplied to the tenants.

"Apartment 301, the Ambassador, 2 rooms, reception hall, and bath, $62.50.

"Apartment 803, the Ambassador, 1 room and bath, $47.50.

"Apartment 402, the Ambassador, 2 rooms, reception hall, and bath, $65.

"The Ricardo, apartment 1, 4 rooms, bath, and porch, $110."

These apartments are new and have never been occupied. The building was finished about three months ago.

"Apartment 6, the Ricardo, 5 rooms, bath, and porch, $135.

"Apartment 41, the Ricardo, 4 rooms, bath, and porch, $115.

The next building is a high-class building, with large apartment units, that is also new and never has been occupied:

"Apartment 1, 2500 Massachusetts Avenue NW., 10 rooms, 4 baths, and garage, $250.

"Apartment 4, 2500 Massachusetts Avenue NW., 10 rooms, 4 baths, and garage, $300.

"Apartment 212, 3800 Fourteenth Street NW., 6 rooms, 2 baths, inclosed porch, $125.

"Apartment 8, 1829 G Street NW., 5 rooms and bath, $50.

"Apartment 1, 3801 Macomb Street, 6 rooms, bath, and garage, $150.

"Apartment 2, 3801 Macomb Street, 4 rooms, bath, and porch, $90.

"Apartment 44, the Observatory, 5 rooms and bath, $65.

"Apartment 401, Florence Court W, 2 rooms, kitchen, and bath, $50.

"Apartment 3, 3801 Macomb Street NW., 4 rooms, bath, and garage $90."

The three apartments to follow are apartments to become available shortly:

"Apartment 4, the Myrene, 6 rooms, bath, and porch, $55.

"Apartment 83, 2301 Connecticut Avenue NW., 5 rooms, reception room, 2 baths, and porch, $150 (March 1, 1924).

"Apartment 303, 1302 Eighteenth Street NW., 7 rooms, 3 baths, $250 (April 1, 1924)."

The ones that I first read are all actually vacant now and all are vacant except these three.

Furnished apartments, now vacant:

"Apartment 41, bachelor, 2 rooms and bath, with service, $100.

"Apartment 315, 3800 Fourteenth Street, 3 rooms and bath, inclosed porch, $115.

"Apartment 316, 3800 Fourteenth Street, 3 rooms and bath, inclosed porch, $95.

"Apartment 7, 2500 Massachusetts Avenue, 10 rooms, 4 baths, and garage, $300.

"Three four-room houses located on Colonial Terrace, right across the bridge in Georgetown, from Rosslyn, that have never been occupied, are new, at $60 apiece.

"No. 1827 Riggs Street NW., 12 rooms and bath, $100."

Percentage of increase in cost of rents from December, 1914, to December, 1923, as compiled by United States Department of Labor, Bureau of Labor Statistics, for following cities

Baltimore, Md	71.9
Boston, Mass	47.0
Buffalo, N. Y	71.8
Chicago, Ill	95.4
Cleveland, Ohio	78.7
Detroit, Mich	107.5
Houston, Tex	36.4
Jacksonville, Fla	33.4
Los Angeles, Calif	100.9
Mobile, Ala	42.6
New York, N. Y	62.4
Norfolk, Va	67.0
Philadelphia, Pa	66.9
Portland, Me	31.7
Portland, Oreg	42.7
San Francisco, Calif	36.0
Savannah, Ga	47.5
Seattle, Wash	62.9
Washington, D. C	34.2

"The percentage of increase for 32 cities from 1913 to September, 1923, for housing is 66.5 per cent. Therefore, it would appear that rents in Washington, D. C., with an increase of only 34.2 per cent, are cheaper than of the 32 cities except Portland, Me., and Jacksonville, Fla., and that the increase is only one-half of the average for 32 cities."

* * * * * * *

FORTY APARTMENTS VACANT FOR RENT

Mr. DEAN. Have you apartments vacant now?

Mr. BOWLING. Yes.

Mr. DEAN. Have you a list of your vacancies?

Mr. BOWLING. I think I have.

Mr. DEAN. Do you deal in all classes of real estate?

Mr. BOWLING. Yes, sir.

Mr. DEAN. How many vacant apartments have you for rent at present?

Mr. BOWLING. Forty.

Mr. DEAN. You have 40 apartments vacant? What do those apartments rent for?

Mr. BOWLING. They vary from $50 to $100—from $40 up to $100.

I quote the following from Mr. McKeever's testimony:

New apartments

Ready—	Location, owner, and description	Apartments
May 1	21 C Street NW., F. S. Haskins. 1 room and bath, $40 to $60; 2 rooms, kitchen, and bath, $75.	112
July 1	1317–23 Connecticut Avenue. 2 and 3 rooms, $65.	8
Apr. 1	921–23 Nineteenth Street NW., Howard Etchison. 2 and 3 rooms and bath and kitchen, $55 to $75 per month.	7
June 1	3016–30 Porter Street, M. R. & B. Warren. 3 rooms, kitchen, and bath, $65 per month; 4 rooms, kitchen, and bath, $75 per month.	72
Aug. 1	2630 Adams Mill Road, Howard Etchison. 3 and 4 rooms and kitchen and bath (prices not fixed).	36
July 1	2500 Second Street NE., J. B. Shapiro. 3 rooms, kitchen, and bath (price not fixed).	6
Oct. 1	Thirteenth and Buchanan Streets, J. B. Shapiro. 3, 4, and 5 rooms, kitchen, and bath (price not fixed).	8
May 1	1701 Lanier Place, M. R. & B. Warren. 3 rooms, kitchen, and bath, $65; 4 rooms, kitchen, and bath, $75.	30
Aug. 1	2901 Connecticut Avenue, Kennedy Bros. 1 to 6 rooms (price not fixed).	99
May 1	1818 Vernon Street NW., E. G. Walker. 2 rooms, kitchen, and bath; 3 rooms, kitchen, and bath, $55 to $67.50.	15
Jan. (1925)	Nineteenth and R Streets NW., Howard Etchison. 6 rooms, kitchen, and bath, $150.	24
June 1	1321 M Street, H. R. Howenstein. 1 room, kitchen, and bath; 2 rooms, kitchen, and bath, $50 to $75 per month.	45
May 1	2526 Q Street NW., Harry Kite. 2, four-room, d/a, kitchen and bath, and porches, $125; 12, 3-room, k, d/a, and bath, $50 per month; 3-room, as above, $72.50.	22
Aug. 1	2520 Q Street NW., Harry Kite. Arranged as above.	22
Oct. 1	2516 Q Street NW., Harry Kite. Arranged as above.	22
July 1	Sixth and A Streets SE., Harry Kite. 1 room, k, and d/a, and bath, $45 per month.	20
Oct. 1	No. — New Hampshire Avenue NW., Victor Cahill. 1 and 2 rooms, with kitchen and bath, to rent from $45 to $65 per month.	72
Do	No. — Twenty-first Street NW., Victor Cahill. 2 rooms, kitchen, and bath, $65 per month.	8
Apr. 1	1445 Oak Street NW., Charles Segar. 2 rooms, kitchenette, and bath, $62.50 to $65.	8

In considering rental values in the District of Columbia we must consider the increased value based upon the cost of reproduction, which is approximately 100 per cent, the far greater value of the ground on which they stand, as shown by the increased tax assessment, which is 40 per cent, in confirmation of which I submit the following statement of figures secured from the office of the assessor of the District of Columbia.

The increased cost of production, as shown by the monthly report of the United States Bureau of Labor Statistics—October, 1923—for the six-room brick house is, on all materials weighted as they go into the structure, 103 per cent; for frame houses, 107 per cent; this fluctuates to January, 1924—general increase—to 81 per cent. The increased cost of labor as shown by the Bureau of Labor Statistics in their monthly report for the years 1915–1923, bricklayers, 91 per cent; carpenters, 104 per cent; all trades combined, 107 per cent, which shows that the increased cost of labor carries on with the increased cost of materials relatively.

373 APARTMENTS FOR $50 OR LESS

Mr. SHEA. We have 721 apartments, 373 of which rent for $50 or less; 216 of which rent for $50 to $75, and 89 of which rent from $75 to $100, and 43 of which rent above $100. That is, 52 per cent rent for $50 or less; 30 per cent rent for between $50 and $75, while 12 per cent rent for between $75 and $100, and 5 per cent rent for above $100.

Mr. HAMMER. About how many apartments have you for rent?

Mr. SAUL. We have 494 apartments, and about 40 vacancies.

LABOR COST ABOUT 50 PER CENT

Mr. Harry Wardman has built in Washington over 4,000 residences and over 300 apartment houses. On page 380 of the hearings he testified that the labor cost went as high as 57 per cent of the cost of the building. And Mr. Wardman, whom Chairman Whaley of the Rent Commission said was

absolutely reliable and honest, assured our committee positively that he would eject no tenants for refusing to pay higher rents should the Rent Commission be abolished.

NEW BERNE APARTMENTS SUFFICIENT EVIDENCE AGAINST BILL

With the evidence given on this New Berne apartment alone, I can convice any fair-minded person that the Rent Commission causes rents to be advanced, and should be abolished. Now, let me take the witnesses up one after another, and give you pertinent excerpts from their testimony. And in this connection, remember that the Rent Commission began functioning October 22, 1919. Then rents were materially raised in September, 1920, such material raises continuing on to February, 1924, when notice of another raise was given, right in the teeth of the Rent Commission. Now, what caused this last raise:

MR. HARRY WARDMAN

Mr. BLANTON. You acquired this Berne apartment about three months ago, did you not?

Mr. WARDMAN. Yes.

Mr. BLANTON. Of course, you have been in Washington for a long time, haven't you?

Mr. WARDMAN. Yes.

Mr. BLANTON. You know rental conditions; you know property as well as any man in Washington?

Mr. WARDMAN. I think so.

Mr. BLANTON. When you bought that Berne apartment you knew what the tenants were paying?

Mr. WARDMAN. Yes. I knew all about that.

Mr. BLANTON. You knew if you were going to increase their rentals you were going to have trouble, didn't you?

Mr. WARDMAN. Why, I didn't really expect to have any trouble with them.

Mr. BLANTON. But you knew what they had been paying for the last 10 years?

Mr. WARDMAN. Yes; and I knew the return the man who owned the apartment was getting. That was practically nothing. When he paid the interest on the mortgage and the taxes there was scarcely anything left. He got disgusted and let the building go at a sacrifice.

Mr. BLANTON. And you thought there would be a chance to take over the building and increase the rentals and make money, didn't you?

Mr. WARDMAN. I took it over to put it on a business basis.

Remember that Mr. Whaley, chairman of the Rent Commission, testified that Mr. Harry Wardman was one of the most responsible realtors in Washington, that he had implicit confidence in him, and that Mr. Wardman had been before the commission time and again, and they had found him absolutely honest and straightforward in his testimony, which was that of a man in whom he had every confidence.

Mr. Wardman found out that suites in the New Berne were renting for only $12.50 per room, and he knew that such suites of like standard had had a much larger rental adjudged to them by the Rent Commission, and he knew that he could safely raise such rents up to the amounts fixed by such decisions, so he bought the New Berne with the express intention and purpose of raising the rents just as high as the decisions of the Rent Commission would authorize. Now I quote from the hearings excerpts from the testimony of New Berne tenants:

MR. LOUIS GOUBEAU

Mr. GOUBEAU. My wife and myself. Four rooms, bath, and kitchen.

Mr. HAMMER. What do you pay?

Mr. GOUBEAU. $60 at the present time. I came in when they made the raise three years ago last July.

Mr. HAMMER. Have you received notice to increase your rent?

Mr. GOUBEAU. Yes, sir.

Mr. HAMMER. How much?

Mr. GOUBEAU. From $60 to $80.

Mr. BLANTON. Did I understand you to say you had four rooms, kitchen, and bath?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. You are working for the Government?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. What salary do you receive?

Mr. GOUBEAU. I work at night, and I receive approximately $2,500.

Mr. BLANTON. $2,500?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. Does your wife work?

Mr. GOUBEAU. No, sir.

Mr. BLANTON. She has no position?

Mr. GOUBEAU. No, sir.

Mr. BLANTON. Has she ever had a position?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. She has had a position in the Government?

Mr. GOUBEAU. Up until last August. She is a right sick woman and unable to do anything now.

Mr. BLANTON. Up to last August she did have a position with the Government?

Mr. GOUBEAU. Yes; for several years.

Mr. BLANTON. At what salary.

Mr. GOUBEAU. Nine hundred plus the bonus of $240.

Mr. BLANTON. Do you rent any of these rooms out?

Mr. GOUBEAU. Yes, sir. At the present time I am obliged to.

Mr. BLANTON. How many do you rent out?

Mr. GOUBEAU. Two.

Mr. BLANTON. To how many people?

Mr. GOUBEAU. One to two different gentlemen; that is, two rooms, one gentleman in each room.

Mr. BLANTON. You rent one room to each man?

Mr. GOUBEAU. Yes, sir.

Mr. BLANTON. What do they pay you?

Mr. GOUBEAU. One gentleman pays me $30 and the other $25.

Mr. BLANTON. Then for the apartment that you pay $60 for you get $55 back?

Mr. GOUBEAU. Yes; but it is no pleasure for me to rent rooms. It is a great sacrifice of comfort.

Mr. BLANTON. But you get $55 back.

Mr. GOUBEAU. Very likely.

EXCERPTS FROM MRS. WHITE'S TESTIMONY

Mr. HAMMER. What do you pay?

Mrs. WHITE. $60.

Mr. HAMMER. Do you rent to anybody else?

Mrs. WHITE. I rent one room.

Mr. HAMMER. What do you get for that?

Mrs. WHITE. $35.

Mr. HAMMER. Do you furnish it?

Mrs. WHITE. Yes, sir.

Mr. HAMMER. And pay for the gas and light?

Mrs. WHITE. And the washing and laundry, the upkeep of the room, and all those things.

Mr. HAMMER. How long have you been there?

Mrs. WHITE. Seven years.

Mr. HAMMER. What did you pay prior to 1920?

Mrs. WHITE. From 1917 to 1920 we paid $47.50.

Mr. BLANTON. I suggest that the lady be seated. She does not have to stand.

Mr. HAMMER. Did you receive any notice of increased rent?

Mrs. WHITE. Yes; I received one from Mr. Wardman. I have it if you would like to see it.

Mr. BLANTON. She can just tell what the increase was.

Mr. HAMMER. What was the increase?

Mrs. WHITE. To $80.

Mr. BLANTON. You have been there how long?

Mrs. WHITE. Seven years.

Mr. BLANTON. You and your daughter?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. You have four rooms and kitchen?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. Four rooms besides your kitchen?

Mrs. WHITE. Yes, sir.

Mr. BLANTON. And you have a bath?

Mrs. WHITE. Yes, sir.

EXCERPTS FROM MRS. KENNEDY'S TESTIMONY

Mr. HAMMER. How many in your family?

Mrs. KENNEDY. I am the only one.

Mr. HAMMER. You live at the New Berne?

Mrs. KENNEDY. Yes, sir.

Mr. HAMMER. How long have you lived there?

Mrs. KENNEDY. Ten years in October.

Mr. HAMMER. How many rooms do you occupy?

Mrs. KENNEDY. Four rooms, kitchen, and bath.

Mr. HAMMER. You pay what?

Mrs. KENNEDY. On the fifth floor, $70. Well, I pay for the phone, too.

Mr. HAMMER. How many rooms do you rent out?

Mrs. KENNEDY. I rent out three.

Mr. HAMMER. What do you get for them?

Mrs. KENNEDY. I get $40, $30, and $25.

Mr. BLANTON. You are paying $70 and you are getting back $95?

Mrs. KENNEDY. Well, I pay $5 for my phone. I pay $75 really.

Mr. BLANTON. But you use the phone, do you not?

Mrs. KENNEDY. Yes, sir.

Mr. BLANTON. You get $5 worth a month out of the phone? I pay $5 for my phone.

Mrs. KENNEDY. Well, that goes into the rent, does it not, $75?

Mr. BLANTON. Well, you pay $75 and get back $95?

Mrs. KENNEDY. Yes, sir.

EXCERPTS FROM TESTIMONY OF MISS MALONEY

Miss MALONEY. Maloney.

Mr. HAMMER. How many in your family?

Miss MALONEY. Two; my father and myself.

Mr. HAMMER. You live where?

Miss MALONEY. Apartment 43, the New Berne.

Mr. HAMMER. What floor?

Miss MALONEY. The fourth floor.

Mr. HAMMER. How many rooms?

Miss MALONEY. Five rooms and bath. * * *

Mr. HAMMER. You pay about what rent?

Miss MALONEY. $60.

Mr. HAMMER. Increasing it to what?

Miss MALONEY. $80.

Mr. BLANTON. You have been in this apartment how long?

Miss MALONEY. I think it is 16 years.

Mr. BLANTON. Sixteen years?

Miss MALONEY. Yes sir.

Mr. BLANTON. How much did you pay there during the war year, say April, 1917?

Miss MALONEY. I think it was $47.50.

Mr. BLANTON. Since 1920 you have been paying $60?

Miss MALONEY. $60.

Mr. BLANTON. And you have five rooms and bath?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Occupied by two people?

Miss MALONEY. Yes, sir.

Mr. BLANTON. You will pardon a personal question, but do you mind stating what salary you get?

Miss MALONEY. I get $1,740.

Mr. BLANTON. $1,740?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And your father is a retired employee? He has his retirement pay?

Miss MALONEY. Yes, sir.

Mr. BLANTON. What is the amount of his retirement pay?

Miss MALONEY. $60 a month.

Mr. BLANTON. Your aunt stayed with you?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And she was working for the Government?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Getting a salary?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Did anybody else stay with you during the war?

Miss MALONEY. Of course, we had the whole family there once.

Mr. BLANTON. How big a family?

Miss MALONEY. I had a sister.

Mr. BLANTON. Your sister?

Miss MALONEY. Yes, sir.

Mr. BLANTON. She was working for the Government?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And who else?

Miss MALONEY. That was all that was there regularly.

Mr. BLANTON. Your sister has married off?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And your aunt died?

Miss MALONEY. Yes, sir.

Mr. BLANTON. And you are to pay $80?

Miss MALONEY. Yes, sir.

Mr. BLANTON. Now, you understand that I do not believe this rent is reasonable; I think this increase is unreasonable; but don't you think it is so remarkable that so many of these tenants show that they have been there for 12 to 16 years in one place; they must have been satisfied or they would not have stayed there that long?

Miss MALONEY. Well, we were satisfied for the time.

Mr. BLANTON. And you have been there 16 years yourself?

Miss MALONEY. Yes, sir.

EXCERPTS FROM TESTIMONY OF MRS. GRAHAM

Mr. HAMMER. You live at the New Berne?

Mrs. GRAHAM. No. 23, second floor.

Mr. HAMMER. How many rooms have you?

Mrs. GRAHAM. We call it five rooms, four rooms and kitchen and bath, or five rooms and bath.

Mr. HAMMER. What do you pay?

Mrs. GRAHAM. I pay $60 now.

Mr. HAMMER. Have you received any notice?

Mrs. GRAHAM. I received a notice for $80. * * *

Mr. BLANTON. You have been there how long?

Mrs. GRAHAM. Well, we went there when the house was first built.

Mr. BLANTON. In 1905?

Mrs. GRAHAM. Yes, sir; * * *.

Mr. BLANTON. Were you here during the war period from April, 1917——

Mrs. GRAHAM. Yes, I came in from the country and put my little girl in school. * * *

Mr. BLANTON. You have no connection with the Government at all?

Mrs. GRAHAM. No.

Mr. BLANTON. You just like to live in Washington?

Mrs. GRAHAM. No, I am not employed. My little daughter is at school here and I am trying to make a home.

Mr. BLANTON. But you like Washington and you like to live here?

Mrs. GRAHAM. I have lived here since I was married.

Mr. BLANTON. What is your native State?

Mrs. GRAHAM. I came from Maryland.

Mr. BLANTON. You prefer to live in Washington and send your daughter to school and give her the advantages of the city?

Mrs. GRAHAM. You see I would like to keep her with her grandfather. Her grandfather is a physician and has been practicing here over 50 years, and it means a great deal to him and for her.

Mr. BLANTON. He is living with you?

Mrs. GRAHAM. No, not with me, but near me.

Mr. BLANTON. He is living near you?

Mrs. GRAHAM. Yes, sir.

EXCERPTS FROM TESTIMONY OF MRS. MANSFIELD

Mr. HAMMER. How many rooms do you occupy?

Mrs. MANSFIELD. I have four rooms, kitchen, and bath.

Mr. HAMMER. What do you pay?

Mrs. MANSFIELD. I am paying now $60.

Mr. HAMMER. You sublet two rooms for how much?

Mrs. MANSFIELD. I get $30 for one, and I can only rent the other one part of the time, and I get $25. But I have not had that rented very often. In fact, I ought to have that for myself and my daughter to live decently, but I have to rent it.

Mr. BLANTON. Are you employed by the Government?

Mrs. MANSFIELD. No, sir; I am not employed at all, just to take care of the apartment, and I do sewing whatever time I can.

Mr. BLANTON. Your daughter is going to school?

Mrs. MANSFIELD. She is 16 years old.

Mr. BLANTON. And going to school?

Mrs. MANSFIELD. And going to school.

Mr. BLANTON. You are educating her here in Washington?

Mrs. MANSFIELD. Yes, sir.

Mr. BLANTON. Washington is quite a desirable place to educate a young lady in? It gives them a great many advantages?

* * * * * * *

Mr. BLANTON. How long have you been there?

Mrs. MANSFIELD. Sixteen years.

Mr. BLANTON. Most of the people who are there have been there a long time?

Mr. LAMPERT. How much rent are you paying?

Mrs. MANSFIELD. $60.

Mr. LAMPERT. And you received one of these celebrated notices?

Mrs. MANSFIELD. Yes; for $80.

Mr. HAMMER. Now, the other lady; there is just one more. What is your name, madam?

EXCERPTS FROM TESTIMONY OF MISS PAULINE HAMMETT

Mr. HAMMER. What apartment do you live in?

Miss HAMMETT. The New Berne, second floor.

Mr. HAMMER. How many in your family?

Miss HAMMETT. Nobody but myself.

* * * * * * *

Mr. HAMMER. How many rooms in that apartment?

Miss HAMMETT. Four rooms, kitchen, and bath.

Mr. HAMMER. Do you sublet any of those rooms?

Miss HAMMETT. Yes, sir.

Mr. HAMMER. What do you get for them?

Miss HAMMETT. $30, furnished.

Mr. HAMMER. How much do you pay for the four rooms?

Miss HAMMETT. Four rooms, kitchen and bath, I am paying $70 now.

Mr. HAMMER. Did you receive any notice to increase your rent?

Miss HAMMETT. Yes; to $90.

Mr. BLANTON. During the 17 years that you have been there, you have been reasonably satisfied?

Miss HAMMETT. Yes; but not always with the service.

Mr. BLANTON. Have you ever rented out more than one room?

Miss HAMMETT. Yes, sir.

Mr. BLANTON. How many?

Miss HAMMETT. Two, since my father's death.

Mr. BLANTON. What did you receive for the two?

Miss HAMMETT. $30 for one and $35 for the other.

Mr. BLANTON. That was $65, and you are paying $70?

Miss HAMMETT. Yes, sir.

Mr. BLANTON. So, not considering overhead expenses——

Miss HAMMETT. It is not rented now. I have only one rented now.

Mr. BLANTON. But you could rent two?

Miss HAMMETT. Yes; I have only myself.

Mr. HAMMER. Well, the next meeting is to-morrow morning, is it?

Mr. BLANTON. Probably the Post and the Herald would notify them.

Mr. HAMMER. You would have to pay for it.

Mr. BLANTON. Oh, well, the newspapers are pretty good about giving people information.

Mr. HAMMER. They may be working people who can not come to-morrow.

RENT COMMISSION ALONE RESPONSIBLE FOR NEW BERNE RAISE

I submit that no fair-minded person can read the testimony of these witnesses from the New Berne Apartments, in connection with Mr. Wardman's evidence, and escape the inevitable conclusion that decisions of the Rent Commission were responsible for these recent raises by Mr. Wardman in the New Berne. Why, he bought it for the purpose of raising the rents to correspond to decisions of the Rent Commission. If we had had no Rent Commission, there would have been no raises there. The raises made in September, 1920, were not made until certain decisions of the Rent Commission warranted it for suites with rooms of certain standards.

GETTING BACK APPROXIMATELY WHAT THEY PAID OUT

Examine the above testimony and you will note that many of these tenants are subrenting enough rooms from their suite to take in almost as much as they pay out. I challenge any man to read the evidence of all the witnesses in this New Berne and say that it warrants the extension of this war-emergency Rent Commission.

HARRY WARDMAN SOLEMNLY AGREES NOT TO EJECT TENANTS

I quote the following from page 81 of the hearings:

Mr. BLANTON. May I ask you this question? It will have a very large effect on my attitude toward this bill. Suppose the Rent Commission is not kept alive and expires on May 22, and these people say that they will not pay the increase in rent: Do you expect to have them put out of the building?

Mr. WARDMAN. No, sir; I do not expect to do that.

Mr. BLANTON. What I mean is this: Suppose they say, "We can not pay these increases and we are not going to give our apartments up."

Mr. WARDMAN. I would not insist upon them getting out.

The largest colored newspaper published in the United States exclusively for colored people is the Washington Tribune. It has a large circulation and goes into almost all of the States. Covering a large part of three columns of its front page last Saturday, April 12, 1924, was a demand from the 110,000 colored people of Washington to give them representation upon this Rent Commission by appointing thereon one colored man and one colored woman. Let me quote the following excerpt from this article:

The progressive group of colored people of the District of Columbia are now preparing for a fight to a finish for representation on the District of Columbia Rent Commission. A bill is now pending in Congress making this body a permanent one. As now constituted, the commission is composed of five white and no colored.

Attorney Thomas L. Jones addressed a letter to Senator BALL, chairman of the District Committee, asking the Senator to propose an amendment to this bill providing for negro representation on the commission. Attorney Jones suggests that a man and a woman be appointed as representatives of the Negro race.

Attorney Jones makes a forceful argument in his letter, which was as follows:

Hon. H. L. BALL:

I desire to call your attention to the condition of things bearing on the question of the extension of the Ball Rent Commission law. In doing so, I desire to say that, notwithstanding the fact that the colored people constitute one-fourth of the population of the District of Columbia, 90 per cent of whom are rent payers, they have no representation on the Rent Commission, and, so far as I know, and have been advised, very little attention has been paid to them when they did make a complaint.

As a lawyer, I very seriously doubt the advisability of such laws. In my opinion, they have a tendency to increase rent instead of diminishing it. At least, they prevent the erection of small houses that would relieve my class from poor conditions in living quarters. This is borne out by the fact that I see by the report of your investigation committee, in regard to the subject, there is a scarcity of houses for living quarters in the District of Columbia renting for less than $50 a month, in spite of the fact that these laws have been in existence for six or seven years.

However, I do not want to get away from my object, and that is, if the Ball rent law is to be extended, a hundred and ten thousand colored people of the District of Columbia, 90 per cent of whom are rent payers, demand that they shall have a representation of at least two members on said commission—one man and one woman.

In order that there shall be no mistake or failure in regard thereto, I respectfully request you, as chairman of said committee, to propose an amendment to said bill in such behalf and to urge its adoption.

If you desire me to do so, I shall be glad to prepare a form for such amendment and mail a copy to you.

Hoping this letter will receive your early and favorable consideration, I am,

Yours very respectfully, THOMAS L. JONES.

And on the editorial page there is an extended double-column editorial from Editor J. A. G. LuValle demanding that there shall be placed on this Rent Commission one colored man and one colored woman. And their demands are such that if this Rent Commission is extended neither the President nor Chairman MADDEN nor the gentleman from Missouri [Mr. DYER] and the gentleman from Massachusetts [Mr. TINKHAM] can turn them down, hence it will mean an increase to seven commissioners, any one of whom is authorized under the present law to sit and determine rents and service.

CHRONOLOGICAL HISTORY

Let us remember for a moment the history of this rent legislation.

During the war the Sixty-fifth Congress passed a resolution which became effective May 31, 1918, titled "To prevent rent profiteering in the District of Columbia." It recited that it was a war-emergency act and should terminate when a treaty of peace was signed between the United States and Germany, and it prevented a landlord from dispossessing a tenant. It was a war emergency. The Government had brought to Washington about 75,000 additional employees. Housing facilities were inadequate. Numerous business interests sent representatives to Washington. Some avaricious rent profiteers doubled and trebled their rents overnight. But the resolution did not stop profiteering. Tenants would sublet at big profits. Subtenants would in turn sublet at additional profits. On one occasion I found eight girls occupying a large room on a third floor, with four double beds and little else in the room, and all eight were paying $25 per month for such miserable accommodation. One died at a time when others in the room were sick. The poor girl, being from my district, brought this situation to my attention.

Then, after the armistice, Congress passed an act, becoming effective July 11, 1919, extending the life of said "antirent-profiteering resolution" for a period of 90 days following the definite conclusion of peace between us and Germany.

And then in 1919 Congress passed the Ball Rent Act, which was never considered by any committee of the House but was put on another bill by conferees of the Senate as a rider while another piece of legislation was in conference. It was worse than a rider put on by the Senate. It was a rider put on another bill in conference by Senate conferees. Thus it had no consideration by either body. It did not come regularly from a committee to one body and then receive consideration by both. It was the idea of certain conferees.

And let me remind you of what occurred when this conference report came back to the House. It was no other than the genial and able gentleman from Ohio [Mr. BEGG] who threw several legislative spasms because the matter had not been considered by a committee. And he made the strongest speech against such rent legislation and against such a Rent Commission that you ever heard. Let me quote from the RECORD of October 4, 1919:

RENTS IN THE DISTRICT OF COLUMBIA

Mr. HAUGEN. Mr. Speaker, I call up the conference report upon the bill H. R. 8624, to amend an act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supplies, and controlling the distribution of food products and fuel," approved August 10, 1917.

The SPEAKER. The gentleman from Iowa calls up a conference report upon the bill H. R. 8624, which the Clerk will report.

The Clerk reported the title of the bill.

Mr. BEGG. Mr. Speaker, I reserve all points of order against the bill and each section thereof.

The SPEAKER. The gentleman from Ohio reserves all points of order.

I quote certain excerpts from positions then taken, illustrative of the fact that not only the winds, but statesmen from Ohio as well, radically change from straight ahead to right about face.

WHAT MR. BEGG SAID IN OCTOBER, 1919

Mr. BEGG. Mr. Speaker and gentlemen of the House, * * * I have had some experience in going about this city in trying to find a home in which to keep my little family. I visited no less than 50 or

60 apartments. The prices that they ask for a little four or five room apartment is twice as much as it is in New York City or Chicago, and on investigation and in going to the bottom of the thing I have discovered in every single instance it is not the individual who has his dollars invested in the property with whom you deal, but almost always some irresponsible agent who has leased the property prior to this time and now he is holding it out for subleasing. I should like to pass this bill with an amendment so as to kill the sublessor of this city instanter. [Applause.] As this bill is drawn the sublessor has tenure of life for three more years. As this bill is drawn the owner of the property surrenders his control as to who shall occupy it; and I do not believe this Congress has gone so far astray or has become so blinded to the sacredness of property rights that it is willing to surrender a man's control of his property to an irresponsible sublessor for a period of three years. I can cite you instances in this town where I tried to find a home for myself where the owners of the property have had arbitrarily taken over from them the control of their property, and have had arbitrarily forced upon them a contract of lease to an irresponsible sublessor for 30 apartments in this apartment house, and this sublessor is paying $65 a month and has furnished those apartments with a lot of cheap furniture, and I will guarantee to furnish every single apartment she has in there at $500 per apartment, and I will make money, and this woman is subleasing those apartments for $175 a month and is having them filled by transients.

* * * * * * *

I know that the proponents of the bill will come in and say to us, well, this commission and this bill prevents subleasing for any more than the amount paid by the lessor unless you get specific permission of the commission. Now, I grant that is true in this bill, but I ask you men, most of whom are attorneys, how long will it take the legitimate owners of this property of which I am speaking—and it is only a specimen of a condition—how long do you think it will take them to get control of their own property away from this sublessor if they have to go through the hands of the commission and then it is carried on appeal to the courts of the District of Columbia?

Why, they will be in control of that property for a longer time than this law is written for—three years. * * * If I rent a property for a family residence, and the man converts it into a boarding house, I maintain that the sacredness of property rights ought to permit me to dispossess him at the end of the contract period I have rented it for.

* * * * * * *

Let me show you what happens when a sublessee has control of a number of apartments against the owner's will, if you please. The contract being forced upon the owner of the property is not a contract, according to the definition given to us in all the books of law, to the effect that a contract means the mutual agreement of two minds getting together on a proposition for a specified time. That is not the condition in this city to-day with these sublettors under the law as it is written, because the owners of the buildings do not want to sublet; they do not want to dispossess the bona fide people that are in there, if they are the right kind of people. But I maintain, * * * we are going too far when we say to the property owner "You shall have no right to discriminate as to the kind of people that live in your building."

The SPEAKER. The time of the gentleman has expired.

Mr. BEGG. Mr. Speaker, may I have a couple of minutes more?

Mr. HAUGEN. I would be very glad to grant it, but there is such a demand for time——

Mr. BEGG. I would like to have two minutes more.

Mr. HAUGEN. Go ahead.

Mr. BEGG. Here is what happens: The sublessees are not caring at all about the damage to the property. All they are after is the rent. In order to keep every one of these apartments full all the time, they will rent to anybody who comes along. Now, if you have rented property at home, you know that some tenants will turn that property back to you in as good repair as it was in when given to them, while other tenants will take that property and the damage they will do to it will offset all the income that you have received from it. * * * I am after cases where the owners of the property have had the control taken away from them by the sublessor, and who is in control of a number of new houses in this town, and is filling them with all kinds of riffraff just so they pay the rent. The moral tone of some of these apartments has been lowered, and the caliber of the house has been degraded, and all because the owners have no redress or recourse. If they take it up with the occupants, they say, "We are not renting from you. What are you going to do about it?" I say that it is a pernicious proposition to take the control of the property away. You are not dispossessing the rightful occupant, but the man who has got his dollars invested and who ought to have something to say if property rights mean anything in this country any more.

BEGG POINT OF ORDER

And the gentleman from Ohio [Mr. BEGG] made a point of order against the entire conference report:

Mr. BEGG. Mr. Speaker, I make the point of order that the conferees have gone outside of their jurisdiction and have included new matter, in that they have taken in rents of lands and services.

The SPEAKER. Will the gentleman specify in what particular?

Mr. BEGG. I will take first section 118. They have absolutely taken away all control of the individual over his property, and they so admit in their statement, in which they say:

> "This section prohibits subletting at an advanced rate of charge without the consent of the commission. This varies the Senate amendment, which prohibited all subletting without the consent of the owner or of the commission."

They have absolutely taken away all the rights of the owner in this bill that they are submitting, and it is not the result of a compromise or a conference.

SPEAKER SUSTAINED POINT OF ORDER

From the extended debate that followed, let me quote the following excerpts from Mr. Walsh, than whom there was no better parliamentarian in the House.

Mr. WALSH. * * * It is hitched up and conjoined with the service agreed to be furnished therewith or required by the commission. I read further:

> "The term 'service' includes the furnishing of lights, heat, water, telephone or elevator service, furniture, furnishings, window shades, screens, awnings, storage, kitchen, bath and laundry facilities and privileges, maid service, * * * making all repairs suited to the type of building or necessitated by ordinary wear and tear."

Clearly under that definition where the "rental service" means not only the land, buildings, and services, vacant land can not be included, and neither can agricultural land be included, because under the definition, which includes lands, building, and service, they do not need maid service for agricultural lands nor elevator service.

The SPEAKER. Does the gentleman mean to indicate "service" necessarily means all of those?

Mr. WALSH. All or any of them.

The SPEAKER. Suppose it is water. Vacant land might need water.

Mr. WALSH. But, Mr. Speaker, it says—

> * * * "and any other privilege or service connected with the use or occupancy of any rental property, apartment, or hotel."

If the Chair will read the entire Senate amendment and the entire report which the conferees have submitted upon that amendment, he will see that the whole purpose of this is to control and regulate the use of property for dwelling purposes.

MR. BEGG FORCED SPEAKER TO SEND BILL BACK TO CONFERENCE

The SPEAKER. Then to save time the Chair is ready to rule.

The Chair appreciates the importance of sustaining a conference report, and the Chair has been anxious from the beginning here to be able, preserving his mental integrity, to rule that this conference report was in order. But presuming the authority of the rules of the House is more important than the inconvenience of sending a bill back to a conference, the Chair stated in the beginning of the discussion the difficulty which occurred to the Chair, hoping that that difficulty would be met and removed by argument. The Chair regrets to say that that difficulty still confronts him and seems insuperable. The gentleman from Massachusetts [Mr. Walsh] stated correctly that the question at issue is whether the conference report has gone beyond the subject matter of the Senate amendment. * * * It broadens the scope of the Senate amendment by an entirely distinct subject matter, it seems to the Chair; and so the Chair feels constrained to sustain the point of order.

Mr. JOHNSON of Kentucky. Mr. Speaker, for the purpose of ascertaining the judgment of the House, I respectfully appeal from the decision of the Chair.

The SPEAKER. The gentleman from Kentucky appeals from the decision of the Chair.

Mr. Walsh and Mr. Campbell of Kansas moved to lay the appeal on the table.

The SPEAKER. The motion is made to lay the appeal on the table. The question is on agreeing to that motion.

The question was taken, and the motion to lay the appeal on the table was agreed to.

BECAUSE HOUSE HAD NOT HAD CHANCE TO PROPERLY DEBATE IT

Thus it will be observed that because a proposition was put on a bill by the Senate which the gentleman from Ohio believed was taking away the rights of property owners and which the House had not had time to properly debate, Mr. BEGG tied up the whole proceeding with a point of order and forced the bill to be ordered back to conference by the Speaker.

AND THEN WHAT HAPPENED

The committee did just exactly what the gentleman from Ohio [Mr. BEGG] is now doing; it went before the Rules Committee and persuaded the Committee on Rules to grant it a rule to make the conference report in order despite Mr. BEGG's point of order. And the Rules Committee granted the rule, for let me quote from the RECORD of October 11, 1919, to wit:

FOOD PRODUCTS, FUEL, AND RENTS (H. RES. 329)

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

"House Resolution 329

"*Resolved*, That immediately upon the adoption of this resolution the House shall proceed with the consideration of the conference report agreed upon by the managers on the disagreeing votes of the two Houses on H. R. 8624, being an act to amend an act entitled 'An act to provide further for the national security and defense by encouraging production, conserving the supply, and controlling the distribution of food products and fuel,' approved August 10, 1917. That all points of order on said conference report shall be considered as waived. That there shall be one hour of debate, to be divided equally between those favoring and those opposing the conference report. That at the conclusion of debate the previous question shall be considered as ordered upon the conference report, without intervening motion except one motion to recommit."

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The gentleman from Kansas [Mr. Campbell] is recognized.

Mr. CAMPBELL of Kansas. Mr. Speaker, the rule I have submitted makes in order the consideration of the conference report on the bill from the Committee on Agriculture. * * *

LEADERS PLEDGED THAT NO OTHER SUCH RULE WOULD EVER BE GRANTED AGAIN

Mr. CAMPBELL of Kansas. * * * I do agree with the gentleman from Tennessee [Mr. GARRETT] and with others that this is not the proper way to legislate, and that conferees should not be encouraged to bring in legislation in conference reports that has not been considered by either House. * * * We are all almost worn to a frazzle. The House is tired; the Senate is tired; and if we keep on the country will be tired of what we are doing. It is important that we conclude our business at the earliest date possible, and it is important that the subject matters considered in this conference report be adjusted before Congress takes a recess or adjourns.

Mr. BEGG. Will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. Yes.

Mr. BEGG. Assuming that what he has just said is exactly the truth, is that any justification for passing legislation at this time and at this moment?

Mr. CAMPBELL of Kansas. I am not justifying the passage of the legislation. I am justifying the right of the House to dispose of the matter one way or the other, and do it finally.

SOUND POSITION OF PRESENT MINORITY LEADER

Mr. GARRETT of Tennessee. Mr. Speaker, * * * for the convenience of the conferees we are asked to take this extraordinary method of passing a rule which prevents the House from considering legislation, in any proper sense of that term, that the conferees have themselves put into this bill. I am opposed to that. It involves a dangerous principle of legislation, and in this particular matter, as a practical proposition, it is worse than even that of yesterday, and for this reason: Let gentlemen recall the history of the legislation which is really in dispute here, namely, the rent legislation applying to the District of Columbia. That has not been before this body in any form for actual consideration. What occurred? The food bill reported from the Committee on Agriculture and passed by the House was sent to the Senate. There, under some sort of peculiar rules, which I do not understand—the gentleman from Missouri, the former Speaker of this House, once expressed it, probably very accurately, when he said that that body had no rules and did not observe what they did have—but under some sort of rule they take up a bill concerning rents in the District of Columbia and put it on an agricultural bill. That comes back to this body. And what occurs? The amendments are disagreed to informally, theoretically considered, but practically never read to the House. No chance to amend, no opportunity to perfect that legislation. And in that crude form it goes to conference, and the conferees find themselves in a condition where to give vitality and vigor to the very purpose or supposed purpose of the other body they must change the language of that particular bill or that particular part of the bill that was in dispute. * * * I am pleading for the integrity of legislative procedure; I am pleading for the opportunity of this House to pass upon this legislation in a way that it would have the opportunity to amend it if in its wisdom it thought it was desirable to amend it. That opportunity does not exist here now, because this conference report must be voted up or down as a whole, and there is no chance to place upon this legislation any amendment, however germane it may be or however desirable it may be. Against this sort of policy I protest. I realize that it is futile now, probably, so far as this particular rule is concerned; but I desire to give my support to the notice which the gentleman from Kansas [Mr. Campbell] served upon the House yesterday, which he has reiterated again to-day, and I desire to assure him that he will have my support in the future against rules of this character.

MR. BEGG CONTROLLED TIME OF OPPOSITION

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for a vote on the resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. Accordingly the Clerk will report the conference report.

Mr. BEGG. Mr. Speaker, I desire to speak in opposition to this bill.

The SPEAKER. The Chair recognizes the gentleman. The rule provides that there shall be one hour's debate, to be equally divided between those favoring and those opposed to the report.

Mr. BEGG. May I inquire for what time the Speaker recognizes me?

Mr. WALSH. I ask unanimous consent that the gentleman from Iowa [Mr. HAUGEN] may control 30 minutes in favor of the report and the gentleman from Ohio [Mr. BEGG] 30 minutes against it.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the gentleman from Iowa [Mr. HAUGEN] control 30 minutes in favor of the report and the gentleman from Ohio [Mr. BEGG] control 30 minutes against it. Is there objection?

There was no objection.

Mr. BEGG. Mr. Speaker, * * * I think I have possibly been misunderstood in my attitude in opposing what I believe to be vicious legislation. * * * Under the guise of the emergency that seems to exist, I honestly fear that instead of alleviating the conditions that confront us in the District of Columbia to-day they have only created the machinery that will either cause this law to be declared unconstitutional by the courts of the District of Columbia—which I am very frank to say, not as a lawyer but as a layman, I think will happen—or else I can see nothing other than the creation of the machinery to prolong in power the sublettor, who is the very individual that is the curse of the District of Columbia to-day. In spite of all that has been claimed for this act, you have not given the sublettor the death blow which he so richly deserves. You have created the machinery whereby you have robbed the legitimate, honest, bona fide investor in real estate in this town; and if you can do it in the city of Washington, you have certainly set a precedent that is going to confront you in other cities in the United States. You have robbed the legitimate owner of property, whether he be the owner of a thousand-dollar cottage or a million-dollar apartment house, of the control of his own property. You have taken it away from him and given it to the sublettor.

WILDEST-EYED BOLSHEVIST WOULD NOT ADVOCATE WILDER DOCTRINE

What is a lease? The word "lease" is used repeatedly in this bill. Now, if it is anything, it is a contract. I will submit to the lawyers of this House if that is not a fair statement that will stand in any court. A lease is a contract. Any contract, in order to get recognition in any court, must be founded on the fundamental and basic principle of a coming together of two minds on some subject for a consideration, for a limited time. That is a contract; and if this bill does not destroy the contract and give the lessee unlimited time, in violation of the will of one party to the contract and the mutual agreement with the lessor, then I can not read the English language. Why, the wildest-eyed Bolshevist that ever spoke from a soap box in the city of New York never advocated any wilder doctrine than this; and I want to say to you men that you will be confronted with this same proposition when you go to your homes, with having set up a precedent for taking away from a property owner the right to determine who shall live in his house. * * * In the name of God, men, does the property right founded in the Constitution and the bill of rights of the Constitution mean anything, or can you legislate it away? The only excuse that the proponents of this bill have is that they say the property owners of the District of Columbia are a bunch of thieves and robbers, and that they do not deserve any consideration or any rights. I challenge you men who are in favor of this bill in this form to go back home and pass such a bill for your State. If you do, you will never get another vote from any man who owns property valued at as much as $500. If there is a thing that America is going to be confronted with—and it is going to be the dead line inside of five years' time—it is a showdown between the man who through industry and perseverance and economy has saved out of a mere pittance enough to acquire something, and the prodigate and the waster who has spent his all and to-day has nothing. I know what it means to be poor. I have always been poor, and I have rented nearly every year of my life. I expect to rent every day that I live in Washington, and I have not a dollar to-day other than that which I have earned by hard work and the economy of my wife and my children and myself. But do you think I will stand on the floor in the Hall of the United States Congress, or any other spot, and vote away the sacredness of the interest of the man who owns his house as to who shall occupy it? * * *

I submit to every fair-minded man if that is asking anything more than is guaranteed by our Constitution. I stand here to prophesy

that the courts will call this law unconstitutional; but, if they do not, I have lost my confidence in the old teaching of the sacred protection that is thrown around every man by that old mantle, the Constitution of the United States. I want to say to you that the fear of being punished does not deter me from defending the sacred principles that I believe made this country what it is to-day.

I want to submit this final question and then I am willing to turn over some time to some other gentleman: Who made this country to-day what it is, from the time of the adoption of the Constitution until now? Was it the man who was industrious, the man who saved, the man who acquired, or was it the other element of society? Think it over. Now, will you take away from him one of the fundamental rights guaranteed by the Constitution of the United States, and make that first step in the Capital?

NOT AFRAID OF VOTELESS WASHINGTON, BUT WOULD NOT VOTE IT ON HOME FOLKS

The reason, and I do not have any hesitancy in saying it, why some of you are so ready to take it away from the people of the District of Columbia is because you think they can not get after you. They do not have a vote. You will not go back to your homes and talk that kind of stuff that you are now talking on the floor of the House.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. BEGG. I will.

Mr. HUDDLESTON. In line with what the gentleman has just said, permit me to call his attention to the fact that the Committee of the Whole House in considering this bill originally voted by a vote of seventy-odd to about sixty to incorporate an amendment to apply this same principle against which the gentleman complains to the whole United States. That is to say, we adopted an amendment which included rentals and made it a crime for the tenant or owner to charge more than a reasonable rate for the premises, and it was applicable to the whole United States.

Mr. BEGG. I have no quarrel with the man who wants to fix a price where the law of supply and demand can not function properly. But when it comes to saying to the owner you shall let John Jones occupy your premises instead of Sam Smith, you are transgressing the sacredness of property rights.

Mr. HUDDLESTON. But the gentleman said we would not dare to go home and make that kind of talk. I want to call his attention to the fact that the majority of the Committee of the Whole did do it.

Mr. BEGG. But it is not on the statute books.

Mr. HUDDLESTON. No; it did not pass in the House, but at least 79 Members of the House were willing to "talk that kind of stuff" with reference to the people at home.

Mr. BEGG. I would suggest to the gentleman from Alabama that he go home and work for that in his legislature and see what happens after the public understands what he is doing.

MR. BEGG'S SUPPORTING SPEECHES

Now, remember that the gentleman from Ohio [Mr. BEGG] controlled the entire time in opposition, although he was not a member of the committee. He could yield his time to such Members as he wished to speak. It is presumed that he would yield to those who most strongly supported his position. Now let me quote a few excerpts from the remarks made by some of Mr. BEGG's supporters, to whom he yielded:

MR. BEGG YIELDED TO MR. HERSEY, OF MAINE

Mr. HERSEY. Mr. Speaker and gentlemen of the House. * * * I do not understand how it was possible for the conference committee to secure from the Rules Committee the necessary power to deprive the House of the right to give proper consideration to new and important legislation. It will not happen again, we are informed, for the able chairman of the Rules Committee, the gentleman from Kansas [Mr. Campbell], in presenting the rule apologized for the rule and said he would never do it again. This is his statement from the RECORD:

"Mr. CAMPBELL of Kansas. I agree with the gentleman from Tennessee [Mr. GARRETT] and with others that this is not the most desirable procedure on a conference report, and I want to serve notice now upon conferees that they must not bring conference reports to the Committee on Rules with a request that their provisions be made in order contrary to the ordinary rules of the House."

Mr. Speaker, in the few moments I have remaining I want to bring before you some of the features of this vicious and unconstitutional rent bill. What does this "Ball rent bill" propose?

It provides a court composed of three commissioners, to be known and called "the rent commissioners of the District of Columbia," to be appointed by the President, to hold office for three years, and receive each a salary of $5,000 a year. The commission shall appoint a secretary, who shall receive a salary of $3,000 a year, payable in like manner; it may appoint and remove such officers, employees, and agents and make such expenditures for rent, printing, telegrams, telephone, law books, books of reference, periodicals, furniture, stationery, office equipment, and other supplies and expenses as may be necessary to the administration of this Ball rent bill.

The assessor of the District of Columbia shall serve ex officio as an advisory assistant to the commission, but he shall have none of the powers or duties of a commissioner. The assessor shall receive a salary of $1,000 per annum, payable monthly, in addition to such other salary as may be prescribed for his office by law.

The only qualifications required of these commissioners is that none of them "shall be directly or indirectly engaged in, or in any manner interested in or connected with, the real estate or renting business in the District of Columbia." In other words, this court shall be made up of renters; owners of real estate are disqualified. I would like to have a photograph of this bunch of irresponsibles that exercise arbitrary power and control over all private property in the District of Columbia.

Now what is the jurisdiction and power of this Rent Commission? I have only time to call your attention to a few of the many arbitrary and unconstitutional powers granted to this court over the 470,000 persons that live in the District of Columbia.

These rent commissioners have by this Ball rent bill full control and authority over all the rental property, land or building or part thereof, in the District of Columbia, rented or hired and the service agreed or acquired by law or by determination of the commission to be furnished in connection therewith, hotels or apartments. Also over the tenant, subtenant, lessee, sublessee, or other person, not the owner, entitled to the use or occupancy of any rental property, hotel, or apartment. Also over any hotel or apartment, or part thereof, in the District of Columbia, rented or hired, and the land and outbuildings appurtenant thereto, and the service agreed or required by law or by determination of the commission to be furnished in connection therewith. Also over the owner, lessor, or sublessor, or other person entitled to receive rent or charges for the use or occupancy of any rental property, hotel, or apartment, or any interest therein or his agent. Also over the service, furnishing of light, heat, water, telephone or elevator service, furniture, furnishings, window shades, screens, awnings, storage, kitchen, bath and laundry facilities and privileges, maid service, janitor service, removal of refuse, making all repairs suited to the type of building or necessitated by ordinary wear and tear, and any other privilege or service connected with the use or occupancy of any rental property, apartment, or hotel.

Further, the commission or any officer, employee, or agent duly authorized in writing by it, shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any books, accounts, records, papers, or correspondence relating to any matter which the commission is authorized to consider or investigate; and the commission shall have power to require by subpœna the attendance and testimony of witnesses and the production of all such books, accounts, records, papers, and correspondence relating to any such matter. Any member of the commission may sign subpœnas, administer oaths and affirmations, examine witnesses, and receive evidence.

This new court for the District of Columbia provides and furnishes an attorney free of charge for the benefit of the tenant and pays all his costs in the lawsuits in all matters of rents and real estate and contracts with real estate owners; but the owners or landlords get no free services or benefits, but pay the costs of the proceedings before a court organized to look after the interests of the tenants only.

This prejudiced court has the power and authority to make its own rules of procedure, and at the hearing or trial they are not even bound by the usual and ordinary rules of evidence. Trial by jury, provided and guaranteed by the Constitution, is denied to the owners of real estate. They are to be robbed of their property without a jury trial and in total disregard of the rules of evidence.

From the decision of these autocratic commissioners on a question of fact there is no appeal. They shall fix and determine the amount of rent charges and services and all the terms and conditions of a lease or other contract for the use or occupancy of any rental property, hotel, or apartment, and from their decisions there is no appeal. They can change all contracts and leases of real estate in the District, permit the tenant to sublet in violation of his contract, and when the lease has expired and the tenant, under his contract, has no further right to occupy the premises this commission is authorized and empowered, against the wish of the landlord, to extend the lease for two years more, and from this decision there is no appeal.

And this is not all. This unconstitutional commission shall make all contracts between landlord and tenant in the District of Columbia; they draw the forms, agreements, covenants, and terms between the parties and provide that no other forms shall be used and no other contracts or agreements made by the owners of real estate under a penalty of a fine not exceeding $1,000 or by imprisonment for not exceeding one year, or by both.

Under this Ball rent bill these commissioners have power and authority within the District to demand that the owner of every hotel or apartment shall file with the commission plans and other data in such detail as the commission requires, descriptive of the

rooms, accommodations, and service in connection with such hotel or apartment, and the commission shall determine and fix the rates and charges for such rooms, hotel or apartment, for two years, and from this decision the owners of the real estate shall have no appeal.

Such a despotic use of unbridled power is clearly unconstitutional, and the authors of this so-called Ball rent bill know it; but they seek to escape by invoking the war powers of the Constitution after the war is ended. They say:

"SEC. 122. It is hereby declared that the providions of this title are made necessary by emergencies growing out of the war with the Imperial German Government, resulting in rental conditions in the District of Columbia dangerous to the public health and burdensome to public officers and employees whose duties require them to reside within the District and other persons whose activities are essential to the maintenance and comfort of such officers and employees, and thereby embarrassing the Federal Government in the transaction of the public business. It is also declared that this title shall be considered temporary legislation, and that it shall terminate on the expiration of two years from the date of the passage of this act, unless sooner repealed."

In the meantime the courts will declare this vicious Ball rent bill unconstitutional. These three wise commissioners will lose their jobs and salaries and be forced to seek some honest employment and pay a reasonable rent and be bound to keep their contracts. Property rights will still be held sacred at the Capital of the Nation. Congress will recover from its hysterical condition and legislate in a sane and lawful manner, and the good people of the District of Columbia, although they have no vote, will still be entitled to "life, liberty, and the pursuit of happiness."

QUOTED JUDGE MOON, OF TENNESSEE

And in the time of the gentleman from Ohio [Mr. BEGG], the gentleman from Maine [Mr. HERSEY] then quoted the remarks made a few days previous by one of the wisest sages then in the House of Representatives, our former lamented colleague, the very distinguished jurist, parliamentarian, and statesman, Judge Moon, of Tennessee, whose sound speech Mr. HERSEY offered in support of Mr. BEGG, to wit:

Mr. MOON. Mr. Speaker, I am not concerned in the ad hominem arguments that have been made to-day. But I believe this bill to be thoroughly unconstitutional in every way, and therefore I would not support it under any circumstances. It is an invasion of the rights of property that the Constitution does not authorize. To say that Government employees must be housed does not carry with it the right to say to the citizen that he shall furnish the housing at such figures as a commission may fix. You may take private property for public uses and public purposes, but I deny the right under the Constitution of this Congress to take private property of a citizen and turn it over at figures fixed by a commission in the interest of another citizen.

When you have said that the man who owns a piece of property has no longer the right to control it, has no longer the right to say who shall occupy it, no longer the right to say what the price shall be, it is such an invasion of the private rights and interests of a citizen as comes directly in conflict with the provision of the Constitution that guarantees the protection of property in this country.

It is a beginning of that system of legislation, the fixing of rates and prices about everything, that you will find the most dangerous and pernicious that has ever been undertaken. There should be general laws controlling all things, but when the Congress goes down to the private citizen and says you shall handle your property this way, that you shall fix this price and no other, Congress has assumed an undertaking that it can not very well carry out.

I insist, Mr. Speaker, that the best interests of this country require that life, liberty, and property under the Constitution shall be protected by the Congress, and you shall not pass any of these Bolshevik laws affecting the property rights of the people of this country. If I own a house, have I not the right to say who shall go into it; if I want to rent it, shall I not have the right to say what the price shall be; if I want to leave it vacant, have I not the right? What right have you under the Constitution to destroy the rights of property which the law gives the citizen? It is an infamous suggestion. [Applause.]

In the three minutes I have I can not discuss this bill nor the constitutional limitations on the powers of Congress in time of war or peace on the questions involved. The mere statement that no power can be found in the Constitution to force the citizens of the District of Columbia to make unwilling contracts as to the use of their property ought to be sufficient for all just men to oppose this measure. Congress can not impair, by express terms of the Constitution, the obligations of contracts in the State, and under the spirit of the Constitution it can not make contracts for the private citizen to accommodate another private citizen in the District of Columbia, however desirable it might be to reduce rents. If it can be done as to rents, it can be done as to all things; and you become the masters and not the servants of the people, and you rule the District as only masters can rule slaves.

FOUR MEMBERS OF DISTRICT COMMITTEE APPEARED AGAINST MR. BEGG

While not a single member of the District of Columbia Committee appeared before the Rules Committee, and Mr. BEGG alone asked for his rule, four members of the District Committee unalterably opposed to the bill appeared before the Rules Committee, stating they were against this bill. And remember that 40 per cent of all of the expenses of this Rent Commission comes out of the Public Treasury, paid by the taxpayers of the whole United States.

PRESENT 60-40 FISCAL RELATION

Under the present system now in force the people of Washington pay a total tax of only $1.20 on the $100, on both real and personal property, with a personal property exemption of $1,000 free of all taxation, and with their property assessed at about half valuation, and the whole people of the United States then pay all the balance of their expenses under this ridiculous 60-40 fiscal system, under which the Government makes numerous appropriations for the District of Columbia local civic matters, in numerous supply bills, where the appropriation is taken out of the United States Treasury 100 per cent.

AFFECTS ENTIRE PEOPLE OF THE UNITED STATES

This is not a bill that affects merely the people living in the District of Columbia. It affects all of the people in the whole United States, for the whole people of the Nation pay 40 per cent of all the salaries of the officers and employees of this Rent Commission and of all of the other expenses of the District of Columbia. And the people of Washington pay a total tax rate of only $1.20 on the $100, assessed at about half valuation, while, counting the State, county, school, and other civic taxes, all of the other cities of the United States, both small and large, pay taxes running from $2.75 to $6 and $7 per $100.

THE OLD SLOGAN HAS WORN THREADBARE

Whenever a Member of Congress seeks to change the unfair system of allowing the people of Washington to pay the ridiculous tax rate of only $1.20 on the $100, the newspapers and citizens' associations immediately resort to their old battle cry—

That Washington is the Nation's Capital and must be made the most beautiful city in the world; that the Government should pay a big part of the local city expenses because it owns so much property here.

Washington is the Nation's Capital and should be made the most beautiful city in the world, and I will go just as far as any other man through all legitimate and proper means to make it the most beautiful city in the world. Before the Government built all of its fine institutions here Washington was a mere village. Property here was of little value. It is because of the fact that the United States has spent its millions here that has caused some lots to jump in value from $100 to $100,000. Every piece of property owned by the Government in Washington is daily enjoyed by the people of Washington.

The local pay roll of the Government is a bonanza to the merchants and business enterprises of Washington. The Government pays its nearly 100,000 employees in Washington their wages promptly every two weeks in new money that has never been spent before. Chicago, or any other big city in the United States, would gladly exempt the Government from paying all taxes on its property to get it to move its capital to such city.

Because we want to make it the most beautiful city in the world is no reason why the Government should pay for building million-dollar school buildings and employing 2,500 teachers and buying the schoolbooks for the 70,000 school children of the thousands of families living in Washington who have no connection whatever with the Government except to bleed it on all occasions and to grow rich on the Government pay rolls expended here.

Because we want to make Washington the most beautiful city in the world is no reason why the Government should pay for the army of garbage gatherers, the army of ash gatherers, the army of trash gatherers, the army of street cleaners and sprinklers, the army of tree pruners and sprayers, and the street-lighting system for the several hundred miles of private residences owned by rich tax dodgers who have no connection whatever with the Government; nor is it any reason why the Government should pay for their water system, their sewer system, their police protection, their fire protection, for playgrounds for their children, for parks for their enjoyment, for their municipal golf grounds, for their numerous public tennis courts, for their bathing beaches, for their skating ponds, for their cricket grounds, for their baseball and football grounds, for their horseback riding paths, for paving the streets in front of their residences and maintaining and keeping them in repair, for building

I submit to every fair-minded man if that is asking anything more than is guaranteed by our Constitution. I stand here to prophesy

this sort of policy I protest. I realize that it is futile now, probably, so far as this particular rule is concerned; but I desire to give my

their million-dollar bridges, furnishing million-and-a-half-dollar market houses, their municipal trial and appellate courts, their jails and houses of correction, their municipal hospitals, asylums for their insane, special asylum schools for their deaf and dumb, asylums for their orphans, a university for their 110,000 colored people, their municipal libraries, their municipal community-center facilities, salaries of all their municipal officers, employees, buildings, furnishings, equipments, sanitary and health departments, and the hundreds of other things that all other cities of the United States must furnish and pay for themselves, but a very substantial part of which the people of Washington have been getting out of the Federal Treasury for years.

The magnificent Capitol and its beautiful grounds are daily enjoyed by Washington people. The Congressional Library, which cost $6,032,124, in addition to the sum of $585,000 paid for its grounds, and for the upkeep of which Congress annually spends a large sum of money, is daily enjoyed by the people of Washington. The Government furnished and maintains the magnificent Botanic Garden here for the pleasure and enjoyment of Washington people. The Government furnished and maintains the wonderful Zoo Park with all of its interesting animals for the instruction and amusement of Washington children. The Government furnished and maintains the extensive and most beautiful Rock Creek Park, with its picturesque picnic grounds, its miles of wonderful boulevards, its incomparable scenery, all for the pleasure of Washington people. Congress has spent millions of dollars reclaiming and purchasing the lands now embraced in the Potomac Parks and Speedway, daily used and enjoyed by Washington people. The Government has spent several million dollars building the various bridges spanning the Potomac River and huge sums for the bridges spanning the Anacostia River, and spent $1,000,000 building the beautiful "million-dollar bridge" on Connecticut Avenue. The Government has spent millions of dollars on the Lincoln Memorial, grounds, and reflecting pools, the Washington Monument Grounds, Lincoln Park on East Capitol Street, and the numerous beautiful little parks scattered all over the city, all for the pleasure and benefit of Washington people.

During the recess of Congress I wrote to the mayor of every city of any size in the United States and asked them to advise us of their local tax rate, of the charges for water, sewer, paving, and so forth, and what rate, in their judgment, they thought Washington people should pay as a minimum. I want to insert just a few in this report. The consensus of opinion was that the rate here should be at least $2.50 per $100, and there was a large per cent who were in favor of it being much higher, and the rates for taxation ranged from $2.75 to over $6.50, and in all these cities the people were charged more for water, sewer, and paving.

Let me again quote a few excerpts from the letter sent me by the mayor of the city of Peoria, Ill.:

[City of Peoria, Ill. Mayor's office. Edward N. Woodruff, mayor]

NOVEMBER 1, 1923.

Hon. THOMAS L. BLANTON,
Representative, Washington, D. C.

DEAR SIR: Answering your questionnaire of October 15, concerning relative tax rates of the cities of Washington and Peoria:

The tax rates on each $100 taxable valuation levied against the real and personal property of the citizens of Peoria for the year 1922 is itemized as follows:

City corporate tax, including library, tuberculosis, garbage, and police and fire pension fund	$1.94	
Street and bridge	.24	
School district	2.70	
Park district	.41	
		$5.29
State	.45	
County	.59	
County highway	.25	
		1.29
Total, all purposes		6.58

Unless there is a tremendous revenue derived from sources other than from taxes, the rate of $1.20 for Washington is ridiculous. While I have never had my attention called to this disparity, I am amazed that the light has not been let into financial affairs of the Capital City long before this time.

You should be supported by every colleague in your effort to compel the citizens of Washington to do theirs, even as every citizen outside the District is doing his.

Wishing you success, I am,

Very truly yours, E. N. WOODRUFF, *Mayor.*

The foregoing statement from the mayor of Peoria, Ill., fairly indicates the sentiment of the people over the United States. It might be enlightening to quote from a few of the letters received the tax rates of some of the cities over the United States as certified to me by the mayors of such cities.

When I speak of the tax rate of these cities I, of course, mean their total tax—State, county, school, and municipal—which is the total tax citizens of those respective cities have to pay on their property, as compared with the $1.20 on the $100 rate Washington people have to pay in the District of Columbia.

The tax rate paid by the people in Baltimore, Md., $3.27 on the $100; in New Orleans, La., $3.16½ on the $100; in Portland, Oreg., $4.52 on the $100; in my birthplace, Houston, Tex., $4.20½ on the $100; in Ogden, Utah, $3.33 on the $100; in Cheyenne, Wyo., $3.75 on the $100; in Fort Smith, Ark., $3.32 on the $100; in New Bedford, Mass., $3.13; in Burlington, Vt., $3.10 on the $100; in Pittsburgh, Pa., $3.22 on the $100; in St. Louis, Mo., which is a distinct political subdivision of the State, the city tax is $2.43 on the $100; in Boston, Mass., $2.47 on the $100; in Rochester, N. Y., $3.36 on the $100; in Portland, Me., $3.40 on the $100; in Boise City, Idaho, $4.29 on the $100; in Mobile, Ala., $3.40 on the $100; in Detroit, Mich., $2.75 per $100; in Duluth, Minn., $5.79 on the $100; in Atlanta, Ga., $3.15 on the $100; in Kansas City, Mo., $2.93 on the $100; in Minneapolis, Minn., $6.52 on the $100; in Salt Lake City, Utah, $3.18 on the $100; in Oakland, Calif., $4.02 on the $100; in Austin, the capital of Texas, $3.54 on the $100; in Denver, Colo., $2.76 on the $100; in Trenton, N. J., $3.22 on the $100; in Racine, Wis., $2.87 on the $100; in Nashville, Tenn., $2.80 on the $100; in Charlottesville, Va., $2.85. And let me illustrate as the tax rate runs generally over Texas: In Paris, Tex., $4.10 on the $100; in Port Arthur, Tex., $3.54 on the $100; in Tyler, Tex., $4.61 on the $100; in Denison, Tex., $3.32 on the $100; in Waco, Tex., $3.63 on the $100; in Amarillo, Tex., $3.55 on the $100; in Temple, Tex., $3.15; in Wichita Falls, Tex., $5.05 on the $100; in Beaumont, Tex., $4.04.

Mr. Edward F. Bryant, tax collector for San Francisco, Calif., has sent me a statement certifying that the following is the tax rate paid by the citizens in the following cities: In Seattle, Wash., $8.80 on the $100; Chicago, Ill., $8 on the $100; in Reno, Nev., $7.38 on the $100; in New York, N. Y., $5.48 on the $100; in Philadelphia, Pa., $6 on the $100; in Detroit, Mich., $4.48 on the $100; in San Francisco, Calif., $3.47 on the $100; in Los Angeles, Calif., $3.89 on the $100.

What excuse have we to offer to our constituents back at home who are paying the above tax rates for permitting by our votes here the 437,000 people in Washington, D. C., to continue paying the measly little pittance of only $1.20 on the $100, based on a half to two-thirds valuation, when our constituents have to pay all the balance of the expenses of this great city?

And with the armistice signed November 11, 1918, and the war now over nearly six years, we are asked by this measure to make another legislative declaration that a war emergency still exists, merely to extend this war emergency Rent Commission another two years to May 22, 1926, in order that these five Rent Commissioners and their employees may not lose their jobs. And our people back at home in the various 48 States of this Union are paying the expenses to the tune of 60-40.

The amendment prepared by Mr. JOST, and which I have offered, to prevent conspiracies to raise rents, and to prevent the crooks now operating here in the District selling second, third, fourth, fifth, sixth, and even seventh and eighth trusts on property mortgaged to several times its value, should be passed, which would put these crooks out of business.

And then let us obey the Supreme Court, and follow its decision rendered on April 21, 1924, and not try to hold this as a war emergency when the court said that it was not, and that it would hold, from its judicial knowledge, that no such emergency now exists. Remember, again, it was held in this Supreme Court decision—

If the question were only whether the statute is in force to-day, upon the facts that we judicially know, we should be compelled to say that the law has ceased to operate.

That is the decision of the highest court of this Nation. That is the court whose decision you and I have sworn under oath to defend and uphold, and I hope you will defend them and say by your vote to-day that we will stop this unconstitutional law.

I yield five minutes to the gentleman from Missouri [Mr. JOST].

Mr. JOST. Mr. Chairman and gentlemen of the committee, I spoke my mind about this matter the other day as well as I could in the brief time allotted. Since that time the Supreme Court of this Nation has cleared up this situation. There can be no possible doubt as to what this House ought to do under the present situation. The gentleman from Ohio [Mr. BROO] took up 10 or 15 minutes here arguing this morning on a proposition that a legislative fiat, a legislative declaration, that an

emergency exists is binding upon the Supreme Court. He took up most of his time arguing that and in claiming the right upon the part of the House to say in this hour that an emergency exists for the passing of this law, and that our statement will bind the Supreme Court. The Supreme Court said exactly the contrary, and I quote the language of the opinion:

We repeat what was stated in Block *v.* Hirsh (256 U. S. 135, 154) as to the respect due to a declaration of this kind by the legislature so far as it relates to present facts. But even as to them a court is not at liberty to shut its eyes to an obvious mistake when the validity of the law depends upon the truth of what is declared. And still more obviously, so far as this declaration looks to the future, it can be no more than prophecy and is liable to be controlled by events. A law depending upon the existence of an emergency or other certain state of facts to uphold it may cease to operate if the emergency ceases or the facts change even though valid when passed.

That knocks the argument of the gentleman from Ohio into a cocked hat. The legislative declaration that an emergency exists amounts to nothing in the face of that opinion, which I venture to say is in line with the weight of authority in every jurisdiction of this Union. There is no State court, except a very few, that will be bound by the declaration of a legislature that an emergency exists putting a statute in operation immediately upon its passage where the constitution of the State provides an operative date of another time. The court will look back of the declaration of the legislature and make its own finding of fact, as it did in this case, and that pronouncement knocks the bottom out of the argument of the gentleman from Ohio. The court in the instant case did more than that: It laid down the rule in this opinion that it will take judicial notice that this so-called emergency has ceased and that the law accordingly is at an end. The only thing that happened was that the case was reversed and remanded not for the purpose of ascertaining whether the emergency exists to-day, but whether it existed at the time that bill in equity was filed. That is what it went back to the lower court for. More than that, the court laid down the plain statement that if all there is to this case is that rent is high, there is no justification for continuing the act.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. UNDERHILL. Mr. Chairman, I yield three minutes to the gentleman.

Mr. JOST. Let me read to you the opinion of the court upon that point:

It is a matter of public knowledge that the Government has considerably diminished its demand for employees that was one of the great causes of the sudden afflux of people to Washington, and that other causes have lost at least much of their power. * * * If about all that remains of war conditions is the increased cost of living, that is not in itself a justification for the act.

Later in the decision the court says:

If the question were only whether the statute is in force to-day, upon the facts that we judicially know, we should be compelled to say that the law has ceased to operate.

What more do you want? The justices say that on the facts as they exist to-day from what they judicially know they would declare the law to be at an end. The case was remanded for the purpose of ascertaining whether facts amounting to an emergency, such as first caused the enactment of the law, existed at the time the bill in equity was filed. This law is dead. There is no use wasting valuable time of this House in attempting to carry it forward.

The law is contrary and in opposition to the real facts. I picked up a copy of the Evening Star of Washington, of Saturday last, and find it contains eight full columns of houses and apartments offered for rent, averaging 60 to a column. Four hundred and eighty vacant houses are advertised in that issue and offered for rent. I now exhibit the paper if anybody wants to look at it. Then tell me that with that condition this House should go through the formality of establishing a paternalistic government here for tenants simply because there is a claim that rent is too high. Why men—and I am talking to you Democrats now, because you can expect those to the left of the Speaker to either underwrite business or to clothe unfortunates with the cloak of paternalism, because they have a habit of doing that; it is their principal occupation—but you men on the Democratic side who believe in the philosophy of Jefferson, who believe that that government is best that governs least, who believe that the field ought to be kept open, that statutes ought not to be thrust into private relations and affairs, you are the last men in this splendid national council who ought to back a paternalistic and socialistic doctrine like this in time of peace. [Applause.]

Every time a pronouncement like this comes from the National Assembly at the seat of the Nation's Government its evil example spreads all over the Nation and plagues the whole country. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. LAMPERT. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. LAGUARDIA. Mr. Chairman and gentlemen of the committee, this is the third time I have been through a legislative fight for the enactment of a law regulating the rent of dwellings. In 1920 the Legislature of the State of New York passed the first State rent law. I appeared before the legislature at the time as the acting mayor of the city of New York and presented facts that justified the passage of that law. I heard in 1920 exactly the same argument as is presented against the extension of the rent law here to-day. I heard the same landlords crying for protection of the State in the exploitation of the tenants. I heard the same cry of their constitutional right to do anything they wanted with their own property and to fix, raise, and charge any rent without interference.

Last year the State legislature of my State, in anticipation of this very question, created a regional housing commission, and it, with the governor of the State, appointed commissioners to investigate the housing situation and to report its findings to the next legislature. I attended the hearings of this commission, and I heard the same landlords with the same attorneys, with the same old arguments, appear before the commission, argue, and plead that an emergency no longer existed. That commission investigated very thoroughly. It first heard the testimony of tenants; it then heard the testimony of landlords; it conducted its investigation and took a census of several typical blocks in the greater city. It made an investigation of available apartments and investigated the rentals per room in the various type of apartments and tenement houses in New York City. The landlord appeared before that commission with the best of legal talent and with professors of universities and experts on economics in an effort to prove that an emergency no longer existed; but, gentlemen, with all of their experts, with all of their professors, with all of their legal talent, there is no argument that can prevail when a man with a weekly income and a family to support is compelled to pay out of his income such a large proportion that there is not sufficient left to properly care and nourish his children. That is the condition in New York City; that is the condition in Washington, D. C.

What good is it that you bring here advertisements in papers showing that there are apartments vacant when those apartments are beyond the reach of the residents of the District of Columbia. The emergency exists because the people of the District of Columbia can not to-day any more find suitable apartments to live in than they could when this law was first passed by Congress. In the face of every constitutional argument that was presented here to-day, in the face of the opposition to this bill before the committee which investigated conditions in the District, the same as happened in New York, it remains a fact that 85 per cent of the residents of the District of Columbia are unable to avail themselves of the apartments that are vacant. That is the direct result of the original emergency. Rents became so high because property owners took advantage of the situation and buildings were constructed that were of the type demanding high rents which did nothing to relieve the situation and do away with the emergency. That is a matter entirely within our province. As practical men, we know, as men having had experience in our own home States, in our profession, or as city or State officials we know how to go about an investigation of this kind. I appeared before the District Committee. I happened to be there when a very prominent real estate man of this city told the committee that he himself had relieved the emergency by apartments which he was ready to let, two rooms and a closet at $55 a month. Apartments at $25 a room does not relieve the situation. It is not only a matter of price, as the court in its opinion indicated, it is a matter of availability, and as long as there are no apartments available that wage earners, working people, Government employees, business men, professional men can rent or lease, an emergency exists. As long as landlords are determined to exact a pound of flesh from their tenants, as long as landlords insist upon the right to increase rent, limited only by their own greed and in the failure to pay

an exorbitant increase to have the right to dispossess a family summarily, as enjoyed by the landlords under the old common law and under our statutes based upon the common law, as long as that condition exists, an emergency exists, and I for one do not hesitate to say, as I have stated before, it is part of the duty of the Government to protect its people in providing regulatory provisions for the people's shelter as we regulate their food, health, transportation, and safety.

Why, it is stated that no emergency exists. If this law fails to pass and the rent law lapses, nine families out of ten will receive an increase notice within a few hours after the expiration of the law. I believe it is absolutely necessary for the protection of the people of the District of Columbia that we extend the provisions of this beneficial law for two years longer. I believe that it is absolutely necessary as a matter of governmental policy that we devote time during these two years to the study of proper legislation for the regulation of the renting of houses for dwelling purposes. Changed conditions bring the need of new laws and necessarily changed construction of constitutional limitations to meet the requirements of the changed conditions.

Mr. KUNZ. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. In a moment. The commission in New York reported to the State legislature that the emergency continues, and the State Legislature of the State of New York extended the emergency relief laws for two years, up to 1926. Our District Committee reports to this House that the emergency continues in the District of Columbia and it is our duty to extend the law.

Now, I know the gentleman from Texas [Mr. BLANTON] wants to be fair.

Mr. KUNZ. What did the commission report?

Mr. LaGUARDIA. The commission reported that an emergency existed in the city of New York.

Now, the gentleman from Texas stated that there were no hearings. I am sure he was referring to two years ago. But for the purpose of the RECORD let it be stated now that the committee did hold hearings on the bill now before us. It did investigate. The committee held hearings for weeks in the daytime and at night, and they went into this question thoroughly, and the action of the committee is the action of the House.

Mr. BLANTON. I was talking about 1921, when this law was first passed. There were no hearings had then.

Mr. LaGUARDIA. Yes. I want to make it clear that the District Committee hearings were held now.

Mr. KUNZ. In all the hearings what was the information developed? Was it a question of housing conditions or a question of combination among the real estate men?

Mr. LaGUARDIA. The question of combination among the real estate men is so closely related to housing conditions that you can not separate them.

Now, then, the District Committee having investigated and having found as a result of that investigation that an emergency still exists that in itself warrants this House in extending this law for two years more, back of that investigation the Supreme Court of the United States dare not go.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Not just now.

Gentlemen, when this bill was before us two weeks ago you had another situation. Since we were discussing this bill two weeks ago a new situation is created, a very important situation is created, and that is whether or not the judicial branch of this Government will dictate to the legislative branch what shall and what shall not be the law. That is the question before us to-day. [Applause.]

Gentlemen, you can not anchor legislation to the past. You can not stop legislation for the protection of the citizens of the District of Columbia or the citizens of any State in this Union. I refer you to the debate in the CONGRESSIONAL RECORD at the time we were first considering the regulatory powers of the Government over interstate commerce and transportation. Why, it was then urged that the railroads could not be deprived of their property and that they had the right to charge any rate for freight or passage that they desired. And yet we established an Interstate Commerce Commission which fixes the rates of the railroads. You say this property is sacred and that legislatures can not control the use of property. No such thing exists.

The trouble is, gentlemen, that real estate has been governed by the landlord-made law for centuries. The landlords made the laws which cover real estate to-day. Those laws were made at the time when only landlords could make law. Only landlords could elect lawmakers in England at one time; and we accepted the entire common law of England and engrafted it upon our statute books. That is what regulated real estate up to the time of the war.

Gentlemen, the only blessing that came from the war is that it brought a condition which gave the legislatures of the various States sufficient courage to pass, for the first time in history, regulatory powers over dwellings in cities. If this emergency does not exist, why all this opposition against it? If it is not the intention of an organized system to bleed these tenants, why all this opposition in the District of Columbia and New York? This is a new policy. You can not get away from it—the right to live, the right to be sheltered, is just as necessary to the health and welfare, to the safety, of the community as the right to prevent disease, the right to prevent crime.

Why, what happens under the old common law? The landlord has the absolute right at any time to take a tenant and dispossess him. That is the complaint against the emergency relief law in the District of Columbia and elsewhere. They want the absolute right to take the tenant and the family and throw them on the street at any time; and it is high time, after five or six centuries, that the Government step in and say to the landlord, "You shall not put a tenant out upon your whim or upon any capricious notion or on the pretext that you want more than the premises are worth."

Mr. BLANTON. In Russia they put the landlords out entirely. Does the gentleman approve of that?

Mr. LaGUARDIA. No; but I approve of the English common law as England itself has now modified it.

Why, gentlemen, in England they have more beneficial and advanced rent relief laws than we have here. Only a few days ago in the House of Commons a bill was up for the extension of the law, and in it you will find a provision that no rent shall be paid if the tenant is unemployed. An amendment was offered from the floor, and will be taken up, I believe, in a few days for consideration, providing for a partial payment to the landlord out of public funds. If we accept originally the common law from England governing real estate, the least we can do now is to follow the English method.

Mr. BLANTON. Some of the committee are advocating that right now, that the Government shall pay the rent.

Mr. LaGUARDIA. We will come to that, I will say to the gentleman from Texas, in time. You can not keep back the progress of Government; you can not keep the Government for the landlords; you can not keep the Government for the monopolistic interests which control the necessities of life. We have taken the "lord" out of "landlord" and we are going to keep the "lord" out of "landlord."

Mr. BLANTON. The gentleman was acting mayor of New York when they passed his law.

Mr. LaGUARDIA. The legislature passed it.

Mr. BLANTON. And he properly belongs to this Wisconsin and Minnesota bloc that is behind this bill to-day.

Mr. LaGUARDIA. And the gentleman from Texas belongs to the most standpat and monopolistic bloc that ever sat in the House. Either the gentleman from Texas is on the wrong side or I am on the wrong side.

Mr. WEFALD. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. WEFALD. I want to say to the gentleman from New York that he need not be ashamed of that.

Mr. BLANTON. He is not, but I do not know about the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LaGUARDIA. May I have two minutes more?

Mr. LAMPERT. I yield the gentleman from New York two minutes more.

The CHAIRMAN. The gentleman from New York is recognized for two additional minutes.

Mr. LaGUARDIA. I will say to the gentleman from Texas that the gentleman from New York is not ashamed of the stand he takes on measures and refuses to stop thinking for himself even if in his city there is such a street as Wall Street.

But I submit, gentlemen, that the question before the House to-day is in response to the decision handed down by the Supreme Court a few days ago, and that as a result of the investigations of one committee of this House, with delegated powers, and a report from that committee that an emergency does exist, it is our duty to extend this law and then wait upon the decision of the Supreme Court. And in this day and age I respectfully submit—notwithstanding my training and education as a lawyer—that as legislators it is our duty to meet the defiance suggested in the opinion handed down. It is for the legislature to gather the facts and decide as to the existence of an emergency and not for the court to decide. That having been done in a proper manner, through the orderly

might be enlightening to quote from a few of the letters received | osition that a legislative fiat, a legislative declaration, that an

investigation of the committee and on the declaration of this Congress that an emergency exists, that can not be questioned by the court, and the statute is as good to-day as it was when it was first enacted.

I want to call the attention of the House to the case of Commercial Trust Co. *v.* Miller, reported in Two hundred and sixty-second United States, page 51. In that case the court had under consideration a statute which expressly declared its operation would cease at the cessation of hostilities; and notwithstanding the fact that hostilities had ceased, the court declared it was for the legislative branch of the Government to say when the emergency ended. [Applause.]

The question of how long the act would remain in force in view of the consequences of the war was brought squarely before the court. Permit me to read from the opinion of the court on page 57 of the report indicated:

> The next contention of the trust company is that the act being a provision for the emergency of war, it ceased with the cessation of war, ceased with the joint resolution of Congress declaring the state of war between Germany and the United States at an end, and its approval by the President, July 2, 1921, and the proclamation of peace by the President, August 25, 1921. The contention, however, encounters in opposition the view that the power which declared the necessity is the power to declare its cessation and what the cessation requires. The power is legislative. A court can not estimate the effects of a great war and pronounce their termination at a particular moment of time, and that its consequences are so far swallowed up that legislation addressed to its emergency had ceased to have purpose or operation with the cessation of the conflicts in the field. Many problems would yet remain for consideration and solution, and such was the judgment of Congress, for it reserved from its legislation the trading with the enemy act and amendments thereto, and provided that all property subject to that act shall be retained by the United Sates "until such time as the Imperial German Government * * * shall have * * * made suitable provision for the satisfaction of all claims." See Kahn *v.* Anderson (255 U. S. 1) and Vincenti *v.* United States (C. C. A. 272 Fed. 114, and 256 U. S. 700).

It seems to me that the principle laid down in the Commercial Trust case, from which I have just quoted, is sound and is the law on the question. As it has been pointed out, and as I am sure will be again pointed out in the course of this debate, the court's declaration or expression of opinion, though unfortunate in its language, does not definitely say or purport to say that the extension of this law would be declared unconstitutional when submitted for the court's consideration. I am confident that in the face of the thorough investigation conducted by the committee, the opportunity for the property owners and opponents of the law to appear before it and bring their proof, and the fact that only after having heard such evidence the committee reported to this House that an emergency does exist, the court will not destroy an act of Congress based upon judgment of Congress after mature consideration and such thorough investigation.

On the other hand, I reiterate that if we have come to the time where the court indicates what the legislative branch of the Government should consider and what it should not consider, then we, too, have a solemn duty to perform. Reference has been made to our oath of office, and I agree that we have taken an oath of office, as has been indicated by the gentlemen in opposition to this bill, to uphold the Constitution of the United States. But in that Constitution we find that it is our duty to pass laws to meet requirements of government and it is our solemn duty to jealously guard the power of the people to make their own laws through their chosen elected representatives. No source and no power, no matter how great it may be or how exalted the court may be, should be permitted to interfere with our duty and with the powers of Congress as guaranteed to the people by the Constitution.

I feel that it is our duty and our oath of office leaves no choice to any Member but to resist to the very utmost any attempted encroachment upon the legislative powers of Congress. I want to say in closing that I am certain—in fact, I can say with certainty, if my colleagues from New York City were not in New York on a mission of sorrow to attend the funeral of Mr. Charles F. Murphy, the head of the Democratic organization, every Member would vote in favor of this bill. My colleagues from New York understand the situation, having had the opportunity to study it and see the beneficial results of curbing profiteering landlords. [Applause.]

Mr. LAMPERT. Mr. Chairman, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

The CHAIRMAN. The gentleman from Virginia is recognized for five minutes.

Mr. MOORE of Virginia. Mr. Chairman, I do not think there is any question of socialism involved here any more than there was when the Supreme Court decided the original cases involving the rent law of the District of Columbia and the rent law of the State of New York. Nor do I think there is any constitutional question involved. In those two cases and in subsequent cases the court has said in substance that when the legislative body finds the existence of a real emergency justifying the exercise of the police powers of the Federal Government with reference to the District of Columbia or of the States, those powers can be properly exercised.

Now, the other day a good many gentlemen talked about the constitutional aspect of the Lampert bill. But it is not worth while for anybody to say that our action now will pivot upon any constitutional question. All that the court did the other day in the Chastleton case was this: It took up litigation that arose with respect to conditions in 1922 and said it would not pass upon that litigation as it appeared before the court, but would send the case back for the ascertainment of the facts relative to the date when the case arose. It did not say—and it could not have said, because the question was not before it—that at this time no emergency exists. If it had undertaken to say that, its statement would have been what lawyers speak of as a mere obiter dictum, not binding upon the court itself and not binding upon the litigants or outsiders. The court did go on to say that it took judicial notice of certain facts, but it coupled that with this expression:

> Here, however, it is material to know the condition of Washington at different dates in the past. Obviously the facts should be accurately ascertained and carefully weighed, and this can be done more conveniently in the Supreme Court of the District than here.

The proposition which I wish to submit to the gentleman from Kansas and others is that they are wrong in my humble judgment, in believing that the court has definitely held that no emergency prevails at the present time.

Now, what do we propose to do? I suppose there is no man upon this floor who would be more reluctant than I to infringe the philosophy of Jefferson, or any man who has a more profound respect for the Supreme Court than I. I am not going to deny that the Supreme Court can, in its wisdom, hold that it will not accept as final the declaration of a legislative body.

But on that point I wish now to speak as if I were addressing myself to that great tribunal. When it comes to pass upon congressional legislation it looks at the reports of the committees and in spite of any mere theory to the contrary, it looks to the debates. I am going to present this view to the court, that it ought to ascribe very great weight, if not final authority, to the declaration of Congress when Congress, acting with great deliberation, declares the existence of an emergency.

What did the court say in the New York case of Levy *v.* Siegel?

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. LAMPERT. I yield five additional minutes to the gentleman.

Mr. MOORE of Virginia. The Supreme Court in that case said:

> If this court were disposed, as it is not, to ignore the notorious fact that a grave, social problem has arisen from the insufficient supply of dwellings in all large cities of this and other countries, resulting from the cessation of building activities incident to the war, nevertheless, these reports and the very great respect which courts must give to the legislative declaration that an emergency existed, would be amply sufficient to sustain an appropriate resort to the police power for the purpose of dealing with it in the public interest.

I ask whether it is true that the large cities are in materially better condition than they were at the close of the war? They are not and that is a fact within general knowledge.

I would say this with submission to the court, that it should bear in mind that when a declaration of an emergency is made by Congress, it is not made by a legislative body of a State from which the court is far removed, but is a declaration made by one of the coordinate branches of the Government to which the court should be inclined to defer unless it be of the very inflexible opinion that Congress is wholly mistaken. The court knows, of course, that when Congress acts in this matter, it acts as the result of an examination made by the committees of the two Houses, upon a careful scrutiny of the facts. The court knows that it acts after debate in the two Houses by men who are assumed to know something about the situation; and the court knows something else of which it must take

accepted the entire common law of England and engrafted it | That having been done in a proper manner, through the orderly

judicial cognizance, namely, that the population of the city of Washington, congested during the war, is rapidly increasing.

Those who travel the streets of the city and pursue their way in vehicles about the city can not help knowing that to be the fact. The permanent population is rapidly increasing, the transient population is rapidly increasing, and thus the very condition, so far as Washington is concerned, that was pointed out by the court in the Siegel case is a condition that continues. And the court must in addition know, if it makes the same inquiry that you and I make, that with its population increasing, with all the activities of the city increasing, with all that occurring, at the same time the building operations as represented by the cost of construction are not abnormally increasing as compared with the pre-war period. We are not moved by any disrespect for the court in taking the step now proposed. We invite a further careful consideration of the question by the court as to whether it should defer to the declaration made by the legislative body.

I have no doubt this resolution should pass, and I am confident it is going to pass [applause], and I have such confidence in the great tribunal to whose views I bow that I believe when the court takes up the solemn declaration now to be made that there is an existing emergency, the court will not lightly disregard as without foundation the findings promulgated by Congress. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman and gentlemen of the committee, I certainly can not be accused of approaching this question with a closed mind, having voted on both sides of this proposition in the past, and having changed my mind again in the last two weeks.

When I first came to Congress and this act was first extended I voted for it as an emergency growing out of the war. Two years later when it was presented I voted against it on general grounds as unwise legislation, but in the meantime the Senate of the United States ordered an investigation of the situation here, a committee had made a report that seemed to disclose a situation here that might call for the commission being prolonged, and so two weeks ago I announced to my associates on the committee that I would agree to extend the act until that situation was cleared and we knew the facts; but in the meantime the Supreme Court of the United States has handed down a decision which, to my humble judgment, no man can approach with an open mind without feeling that an act passed by this Congress to this effect would be futile.

A moment ago when I attempted to ask the gentleman from Virginia [Mr. MOORE] a question it was to draw out some argument on a proposition that neither the gentleman from Ohio nor the gentleman from Virginia nor any of the other gentlemen who have argued in favor of this extension have touched upon, and that is the construction to be given to the word "judicial," which is certainly not meaningless in the opinion. The Supreme Court says:

> We would judicially say that the act was not operative now.

The finding of a fact and judicial knowledge of a fact are entirely different, and if the committee should find that an emergency existed here that simply caused an increase in the price of rents, the court holds, as this opinion clearly shows, that that is not such a fact as would justify a commission. They say so in so many words:

> If about all that remains of war conditions is the increased cost of living that is not in itself a justification of the act.

In other words, for Congress to create a commission to fix rents, or any such emergency legislation as that, the emergency must be founded upon some great and universal cause such as the war and its direct effects.

Of such an emergency the court may take judicial notice and this it takes to the effect that no such condition exists.

The gentleman from Virginia [Judge MOORE] is right—there is an emergency here existing by reason of natural causes, but the Supreme Court itself shows that that is not the kind of emergency that it holds sufficient upon which to base an emergency. It says:

> It is a matter of public knowledge that the Government has considerably diminished its demands for employees that was one of the great causes of the sudden influx of people to Washington, and other causes have lost at least much of their power. * * * If about all that remains of war conditions is the increased cost of living that is not in itself a justification of the act.

Now, if an emergency grows out of causes arising from the war, this legislation is proper, but if it does not then the court says that judicially it has ceased to operate.

In view of that, it seems to me, although as I said two years ago I voted for it, it is nothing short of a crime on our part to hold out to two or three hundred thousand tenants of this District false hopes encouraging unrest and litigation, when, in my mind, we only bring them ruin. So, although I have no firm convictions on the situation here, I will not allow myself to be a party to holding out a hope that does not exist. [Applause.]

Mr. UNDERHILL. Mr. Chairman, I yield three minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Chairman, I voted with considerable hesitancy for the prior laws regulating the rent of property in the District of Columbia and particularly did the wisdom of the last extension create much doubt in my mind. At this time I find myself entirely unable to vote for any further extension of the so-called Ball Rent Act in the District of Columbia, not only in view of the recent decision of the Supreme Court which has all the force and effect described by the gentleman from Kentucky [Mr. GILBERT] who just spoke—namely, that it will create a condition of chaos and litigation in the District of Columbia which will injure not only the landlords but the tenants throughout the District——

Mr. RATHBONE. Will the gentleman yield?

Mr. CHINDBLOM. I am sorry but I have only three minutes. The gentleman from Virginia [Mr. MOORE], than whom there is no more capable lawyer in this House, labored in his argument to defend this legislation in view of the present attitude of the Supreme Court. But with all his legal acumen and close analysis both of facts and the law, he was unable to give any assurance that the passage of this act would render any relief or security to the people of the District. We are facing a situation of uncertainty for months and perhaps years to come if we attempt to pass legislation now. In all times, and under all conditions, I deem it unwise to pass regulatory legislation unless absolutely necessary. Let the ordinary economic laws operate, let there be competition between landlords and building contractors and others who are able to furnish housing facilities for the people of the District. Let the business of the District proceed, and do not let the Congress of the United States by continually injecting legislation for the purpose of controlling the ordinary business activities and the ordinary economic conditions which arise in the District of Columbia or elsewhere. [Applause.]

[Mr. CHINDBLOM had leave to extend his remarks in the RECORD.]

Mr. BEGG. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from Wisconsin has 18 minutes remaining, the gentleman from Massachusetts has 16 minutes remaining, and the gentleman from Texas 13 minutes remaining.

Mr. BEGG. I think the opposition had better use some of its time.

Mr. UNDERHILL. Mr. Chairman, I yield three minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I want your attention, gentlemen, while I read something from this resolution. This is what they want you to say and what they want me to say under my oath of office:

> It is hereby declared that the emergency described in title 2 of the food control and District of Columbia rents act still exists and continues in the District of Columbia.

I was in this Congress when that act was passed. It was during a time of war in the aftermath of that great World War here in Washington, when confusion and disorder existed everywhere. Business was unsettled, everything was unsettled, but since that time we have made peace with our enemy. We sent her the other day $10,000,000 as a gift. We have signed treaties with our enemy. The war laws have all been repealed except this one. We attempt to hold it in force by stating something that we know is not true. There is no war emergency existing in the District of Columbia, and my conscience will not allow me to say that. I am not the keeper of your conscience; I am only the keeper of my own conscience, and I can not allow the RECORD to state that I said under my oath of office that a war emergency exists in the District of Columbia when no such emergency exists at all. There is no more war emergency existing in the District of Columbia than there is in any other city in the land. Rents have increased 45 per cent in all of the cities; and because they have increased is that a war emergency? We could not have enacted this law in the first place unless the World War existed. Now you want to extend it for two years definitely. If the war emergency still exists, when is it going to stop? The Supreme Court says in their

opinion that the war emergency no longer exists and that this rent law we seek to extend no longer exists; that it has become void. Let us respect the highest court in the land, and, above all, let us respect our conscience and our oath of office under the Constitution.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. UNDERHILL. Mr. Chairman, I shall use five minutes of my own time. A number of years ago a Democratic candidate for President made the remark that the tariff was a local issue. At that time he was laughed at. Time has shown that his remark is more or less true. About the same time a certain gentleman from New York, the Hon. Tim Sullivan, made a remark which has gone down into history. He inquired, "What is the Constitution between friends?" I hope that that remark is not to become equally true with the remark of Winfield Scott Hancock regarding the tariff.

I never was so astonished in my life as I was to hear Judge MOORE, of Virginia. I never expected to hear a man from the State of John Marshall make the speech that Judge MOORE made here this afternoon. Virginia and Massachusetts have stood shoulder to shoulder in all matters concerning the Constitution and the welfare of the country as a whole. I was astounded when I heard as able a man as Judge MOORE take the position he did in regard to the Constitution.

As a layman I am not competent to discuss the decision of the Supreme Court, but I can present to you a few common-sense facts regarding this bill. In the first place, it carries an appropriation of almost $100,000. Do you suppose in the last two or three years that this commission has saved that amount of money to the people of the District of Columbia? I doubt if they have saved $10,000 or $1,000 to the people of the District. Then there is the cost of litigation, which is added to it, and your constituents and mine are paying 40 per cent of that cost. The owner's side of this question is not a popular one, but it is at least deserving of justice. Of course it would be delightful to go back to the time when we paid 12 cents a dozen for eggs, $2.50 a pair for shoes, $5 a ton for hard coal, and $2.50 a ton for soft coal, to a time when you could hire a maid for $2 or $3 a week to come in and do all your housework, the washing included; but those days are past and gone forever, and you can not get at the situation to-day by fixing the price of rent. You have to go all the way down the line if you are going to correct it, and fix the price of everything, from the hat on your head to the shoes on your feet. It is a great pity that these conditions do prevail, but in order to approximate the old times we must get back to some of the old ideas, the old ideas of thrift and industry, and cutting your garment according to your cloth. If you want to live up northwest in some of those swell apartment houses, you ought to pay the price, but if you are willing like some of us to live on plebeian Capitol Hill, you can live for half the price that you would have to pay in the Wardman Park location.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. UNDERHILL. I can not yield. I want to bring to your attention one thing which I hold most sacred and that is a portion of Article VI of the Constitution:

> and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution.

You took that oath when you took your seat in this body, and it makes no difference whether you are actuated by motives of revenge or feel that you have been misused by some landlord or your seat in this House depends upon it, you ought to stand by your oath and support the Constitution. [Applause.]

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LAMPERT. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LAMPERT. Mr. Chairman, I yield eight minutes to the gentleman from North Carolina [Mr. HAMMER].

Mr. HAMMER. Mr. Chairman, like the gentleman from Ohio [Mr. BEGG], when I came here from my home in North Carolina three years ago for the purpose of trying to assist in legislating for the best interests of all of the people of this country, I might have been called a conservative on questions of this kind. However, long before that I had ceased to conceal my opinion behind the gown of Thomas Jefferson and let the sweet will of the special interests of this country have their way. I had long before that come to the conclusion that the trusts and combinations should not have the power that is claimed every time there is objection to their having that power. I had long before that come to the conclusion that we ought to legislate to restrain and curb organized greed in its efforts to rob the American people of all their rights. Our civilization has changed. Conditions are different from what there were. We have listened here to the lawyer from Kansas reply to the lawyer from Ohio, to the judge from Texas pass judgment on both their opinions, and since then we have heard the argument of the gentleman from Virginia and the gentleman from Missouri and others. I am deeply interested in the opinion of the Supreme Court which was handed down only last week.

Mr. KUNZ. Mr. Chairman, will the gentleman yield?

Mr. HAMMER. I have only eight minutes and I can not yield, because I have so much to say and so little time in which to say it. The Chastleton case is one of those instances in which there has been skyrocketing in the arena of high financing.

The building, according to the testimony of the architect, including the grounds, cost only $1,800,000, as appears in the testimony before the Rent Commission. At one time there were seven trusts on that building. There were six different conveyances in fee, and every one of those conveyances were among the 10 per centers and the skyrocketers, and those who were connected with the F. H. Smith Co., except one, and that was the Duponts. The property was sold to Mr. Dupont for $3,000,000, and there was a dead loss of half a million dollars to Dupont when the property went back to the Chastleton Corporation. It is now owned by a gentleman named Stubblefield, who, when we began to bring out in the hearings before the subcommittee the activities of these financiers and their fictitious speculations betook himself to Florida along with Fall and McLean, to breathe the balmy air of that delightful climate. He is still there and can not be reached by a subpœna from the committee or by the Rent Commissioners, who desire to investigate other activities of the realtors in this District.

Referring to the Chastleton case, I agree with the gentleman from Virginia [Mr. MOORE] whose analysis, according to my view, of the opinion of the court last week was most accurate. The learned gentleman stated sound principles and deductions and a correct analysis of the opinion of the court. The landlords are attempting to make much capital out of the recent decision of the Supreme Court in this Chastleton case. The prevailing opinion, delivered by Mr. Justice Holmes, does not, so far as I can see, raise the question of the constitutionality of the present rent law. That law is founded on an emergency, according to the language of the statute, growing out of the war and the sole question raised by Mr. Justice Holmes is whether the emergency still exists and if it does, whether the law has ceased to operate.

The plaintiff alleged that the emergency had ceased to exist but produced no proof other than by affidavit. This was a legal conclusion of the plaintiff, for the opinion says:

> Without going beyond the limits of judicial knowledge, we can say at least that the plaintiff's allegations can not be declared offhand to be unmaintainable, and that it is not impossible that a full development of the facts will show them to be true. In that case the operation of the statute would be at an end.

This is far from saying that the law is or has been unconstitutional. In my opinion as a lawyer, the court means that if the plaintiff can prove its allegation that the emergency has ceased to exist then the operation of the statute, which is based solely on an emergency, although in the Brock case it was indicated that the opinion was based on the police power in the Constitution, has ceased to exist. The court, therefore, referred the ascertainment of this fact to the Supreme Court of the District. This is solely a question of fact—has the emergency ceased? It is not a question of law; the question of constitutionality is not involved; nor of the validity of the original act. The whole question is, Does the emergency still exist?

HOUSE SUBCOMMITTEE INVESTIGATION

You gentlemen, through your subcommittee, have made an investigation of this very fact. After numerous hearings, both morning and night sessions, covering a period of more than two weeks, and after hearing the testimony of many tenants, the testimony of several representatives of labor, representing tens of thousands of tenants and their families, a representative of the Federal Employees' Union, the commissioners of the Rent Commission, and landlords and their agents, a ma-

jority of your subcommittee was convinced that the emergency still exists and so reported.

Independently, a committee of the Senate undertook to make an investigation through the police department under an agent appointed by it. After a thorough survey by the Metropolitan police of Washington, covering a period of almost a month, this agent of the Senate committee reported:

> In view of the disclosures of this survey of the present chaotic state of the housing situation in the District of Columbia, my opinion is that the emergency is as great for at least the temporary continuation of the Rent Commission as was the necessity during the war, inasmuch as during the period necessary for the situation to properly adjust itself it does and will require a body clothed with the proper authority to uphold its decisions, to determine right from wrong for the best interests of all, and protect those who to-day are unable to protect themselves from conditions over which they have no control.

In view of all this testimony and the testimony which can and will be adduced before the Supreme Court of the District, do you believe for one moment that that court will find that the emergency has passed?

THE TWO PROPOSED AMENDMENTS

Now, let me say a word with regard to the two proposed amendments. First, to limit the extension to a period of one year. This amendment, of course, is proposed by the landlords, for they well know that six months before the law expires only the boldest of tenants will venture to apply to the commission for relief. The termination of the act—the sword of Damocles—will be continually suspended over each tenant's head during the final six months of the act. Any tenant who applies to the commission or takes advantage of the protection of the law knows well that upon its expiration he will be ruthlessly evicted. Any tenant who, though his family may be shivering with cold during the winter months, applies to the commission for heat will face the same misfortune. Do not destroy the efficiency of the law by limiting its operation to the period of one year, which in effect means that the tenant will not be protected for more than six months. Vote for at least a two-year extension and vote down this destructive amendment.

The second amendment, to reduce the number of commissioners from five to three, is another proposition of the landlords, presented solely for the purpose of hampering and delaying the work of the commission. They know well that on the 1st of last July there were 700 cases pending before the commission undetermined. They know full well that the five commissioners who took office on July 1 last have considerably reduced this number. They also know that the commission is still five or six months behind in its work. Anything they can do to delay the hearing of cases and clog and congest the calendars will tend to destroy the efficiency of the commission and inspire the hope that cases against them may not be heard. This is the great drawback in a law with limitations. It is necessarily so in every law so limited.

Do not be prevailed upon to accept either of these amendments. Vote them down at once and pass the resolution of my colleague from Ohio extending the present law for two years more. The emergency still exists and will continue for at least that period.

The question is, Has the emergency ceased? Not whether it is constitutional or not. This whole opinion is an obiter dictum on the part of the courts as it relates to the constitutionality of the law.

Mr. KUNZ. Will the gentleman yield?

Mr. HAMMER. I can not yield. I have only a few minutes, and I have an hour's speech to complete in that time. [Laughter.] Here is the great Supreme Court, composed of learned judges, nine of them, who live in one congested center of the District of Columbia, the northwest. Do you mean to say that that court, by reason of an affidavit attached to the petition, together with the little real actual knowledge that they have, is superior in knowledge to the knowledge that this House has, this House consisting of 435 Members, and a Senate consisting of 96 Members, and a subcommittee, composed of members living in all parts of Washington, north, south, east, and west—do you mean to say that those nine members of that court can with propriety say that they know more about it than all the Members of Congress put together? They do not mean to say anything like that. They mean to say merely that from the observation that they have, along with the admitted reduction in the number of employees of the Government, and the affidavit that was attached to the petition, from that showing there the law had ceased to be operative. That is all they mean in this opinion.

I call their attention to this man Stubblefield who owns the Chastleton, and the man who sold the property to Dupont, a gentleman whose activities are well known to the Members of this House, and the other gentleman who owns property and intends to exploit by fictitious inflation value the lot, the former home of President Buchanan, next to the House Office Building. He is the gentleman who is operating and dealing in millions of dollars, although he is a bankrupt and not worth a penny. Nearly 100 judgments stand on record against him, two of which are for $1,000 and $5,000, respectively, and he is bombproof and an execution could get nothing out of him. This is one of the men who is used by these exploiters, who load up these properties with mortgages and then unload them upon the public. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. HAMMER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HAMMER. In the Chastleton case, recently decided by the Supreme Court, the court makes the following observation:

> These cases show that the court may ascertain as it sees fit any fact that is merely a ground for laying down a rule of law, and if the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate.

Mr. Speaker, without any disrespect to the court, that is one of the most astonishing statements ever made by a judicial body. It is founded on observations of the justices' eyes and ears without the taking of a piece of testimony from disinterested parties who are well acquainted with the situation. The court says, "Upon facts that we judicially know." What facts do they know? Certainly no testimony has been taken before them, and therefore the only facts known to them are the facts which they have gathered from observation and conversation. What is the real situation? On the one hand, we have the nine members of the Supreme Court, able, learned, distinguished, and highly honored men who live in the city of Washington, but in only one section—the northwest section—where chiefly the wealthy, society people, and officials live. They may observe in riding about the city that there are rental signs out, but how can they know that those signs are not put out, as often is the case, to mislead the passer-by? With whom do they converse? Certainly not with the tenant class as a whole or generally. How many departmental workers do the members of the Supreme Court hold conversation with during a week, month, or a year? Do you suppose these tenants attend large banquets and social functions. The information which the Justices of the Supreme Court gather is from the landowner class and the wealthy people who own their own homes, maintain their handsome establishments, and entertain on a lavish scale. Do you think many of the tenant class ever attend these entertainments and have an opportunity to talk with these justices, or do you think that they have been attended by the wealthy lawyers who represent the wealthy landowners? Do you think that the members of this great court know anything about the southeast section or the northeast section or the southwest section? How many times during the year do you think they have visited these parts of the city of Washington? And yet this court says that from the "facts that we judicially know."

THE CONGRESS IS IN BETTER POSITION TO KNOW OF THE EMERGENCY

On the other hand, there are 435 Congressmen in the House of Representatives. These Members are scattered all over the city in every section, south and east, north and west, and even in the suburbs, Chevy Chase and other outlying sections. They have as constituents, friends, and acquaintances people in every walk of life, the wealthy and the poor, the high and the low, the departmental worker, the high-priced lawyer, the chauffeur, the street-car driver, and the wealthy diplomat.

All his friends who cater to his acquaintance pour their troubles into his ear. He lives in this environment and he is well acquainted with almost every apartment house in this city because of his sojournment here. He is well acquainted with the real estate man and his agent because he is a renter and he meets these agents. He knows the conditions which prevail in these apartments and is daily in contact with the services which are furnished. There are in addition to these 435 Representatives in the House 96 Senators who are

similarly situated, who live all over the city; some of them own their homes because of long membership in the Senate. But they are the few; some have expensive homes, and they are the exception. But the majority of the Senate as a whole is living in the apartment house of Washington and know of their own knowledge what the true situation is. These men also know that most of the signs are hung out on apartments where there are no vacancies; that the signs are placed there for psychological effect on the passer-by, for the Senators and Representatives in Congress.

In addition to this the House District Committee held hearings for almost three weeks, at which they took the testimony of the members of the Rent Commission as to what the conditions were from their observation and investigation. They had the owners and the tenants before them; the trade bodies of the city of Washington supplied information—every board or body representing the landowners of Washington had representatives present, and the labor unions also were represented. An open invitation was issued to all who wished to testify as to the need of continuing the commission, and whether an emergency still existed.

After a most exhaustive investigation on the part of the House subcommittee it was determined as their sound judgment that the emergency still exists and that the Rent Commission should be continued.

THE SURVEY CONCLUSIVELY SHOWS THE EMERGENCY

This seems almost conclusive and beyond question that the emergency does exist, but we need not stop there. The Senate of the United States through the Committee on the District of Columbia ordered a survey of the city to be made. This survey was conducted under the direction of the District Committee of the Senate with the aid of the police force of the District of Columbia. The policemen in all sections of the city, scattered from one end to the other, in the outlying districts, in the thickly populated districts, in the wealthy and in the poor sections. These men, who are paid to guard and protect the lives and property of the people of the District, and who know almost every man, woman, and child and every part of the city, have investigated the situation and reported to the Senate committee. The result of this survey was conclusive that the emergency had not ceased but still existed, and there was an urgent need of the Rent Commission.

Therefore, Mr. Speaker, you have the knowledge of the 435 Congressmen, the 96 Senators, the exhaustive hearing on the part of the House Committee on the District of Columbia, and the survey made by the Senate committee at heavy expense assisted by the police force of the District of Columbia on one hand, and on the other hand you have the obiter dictum of the Supreme Court, who have made no investigation, who have taken no testimony, have had no survey before them, and who live in their own homes in one section of the city. Which are you going to take? Which do you think the Supreme Court should take?

Nevertheless, the expression used by the court in this case has given aid and comfort to those who want to tear down and destroy the great agency of the Government which guards and protects the man of reasonable means who is employed by the Government from being taken advantage of by those who want to exact extortionate rates and at the same time secure to the property owner at all times a generous return on his investment.

Let me call your attention to this parallel:

UNITED STATES SUPREME COURT, APRIL 21, 1924	UNITED STATES SUPREME COURT, APRIL 23, 1923
Chastleton Corporation v. *Sinclair*	*Commercial Trust Co.* v. *Miller*
After referring to the original rent act and its extension on August 24, 1921, and its further extension with amendments until May 22, 1922, the Supreme Court, referring to May 22, 1922, the date of the extension, said: "On that day a new act declared that the emergency described in the original Title II still existed, reenacted with further amendments the amended act of 1919, and provided that it was continued until May 22, 1924." "We repeat what was stated in Block v. Hirsh (256 U. S. 135, 154), as to the respect due to a declaration of this kind by the legislature	One year ago, on April 23, 1923, the court said in the case of Commercial Trust Co. of New Jersey v. Miller (262 U. S. 51): "The next contention of the trust company is that the act, being a provision for the emergency of war, it ceased with the cessation of war, ceased with the joint resolution of Congress declaring the state of war between Germany and the United States at an end and its approval by the President July 2, 1921 (42 Stat. 105), and the proclamation of peace by the

so far as it relates to present facts. But even as to them a court is not at liberty to shut its eyes to an obvious mistake when the validity of the law depends upon the truth of what is declared." * * * (Cases cited.) "And still more obviously, so far as this declaration looks to the future, it can be no more than prophecy and is liable to be controlled by events. A law depending upon the existence of an emergency or other certain state of facts to uphold it may cease to operate if the emergency ceases or the facts change even though valid when passed." * * *

President August 25, 1921. The contention, however, encounters in opposition the view that the power which declared the necessity is the power to declare its cessation and what the cessation requires. The power is legislative. A court can not estimate the effects of a great war and pronounce their termination at a particular moment of time, and that its consequences are so far swallowed up that legislation addressed to its emergency had ceased to have purpose or operation with the cessation of the conflicts in the field."

"We need not inquire how far this court might go in deciding the question for itself on the principles explained in Prentis v. Atlantic Coast Line Co." (211 U. S. 210, 227; other cases cited). "These cases show that the court may ascertain as it sees fit any fact that is merely a ground for laying down a rule of law; and if the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate. Here, however, it is material to know the condition of Washington at different dates in the past. Obviously the facts should be accurately ascertained and carefully weighed, and this can be done more conveniently in the Supreme Court of the District than here."

NATURAL LAWS HAVE CEASED TO FUNCTION

Natural laws have ceased to function in this great necessity of life—the housing of the population of the Nation's Capital City. The law of supply and demand no longer controls in the exigency which exists.

For tenants to be thrown upon the mercy of the combination existing here in bargaining with the landlords would be destructive and disastrous to living conditions except among the wealthy classes.

In this Capital City of a Nation looked upon as a glorious example of civilization we find daily deplorable and disgraceful living conditions, which are a menace to civilization. Insanitary, congested air permeated with the odors from cooking, from bathrooms, and numerous other offensive odors; lack of sun and ventilation; homes where privacy and modesty are of necessity unknown; grown children of different sex sleeping in one room, only a curtain drawn between; families forced into poor and smaller quarters; two families in quarters which under normal conditions would be occupied by one family—they are being forced to take in lodgers to pay the high rents. Such conditions can not but be conducive to ill health and immorality. Every fair-minded person will admit that people do not prefer to live under such conditions; they are compelled to because of the scarcity of available, reasonably priced dwellings for rent. Surely no one will claim that if dwellings were plentiful and reasonable the conditions would or could exist. Do not get the impression that such conditions exist only among the poorer classes. They exist among all classes except the wealthy.

By loading up with fictitious mortgages and by fake and dummy sales and inflated values, landlords have increased rents out of all proportion to the cost of the buildings. The ridiculously absurd contention is made that if the rent act expires rents will immediately drop and building will be greatly accelerated.

I was on the subcommittee two years ago when the present act was prepared with care, carefully guarding the rights of the landlord as well as the tenant. And again, in this Congress, I have been on the subcommittee and have attended all the hearings and given much study and careful attention to the question. Every time there has been rent legislation proposed we have been told that if we extend the law building would be retarded and it would be difficult to obtain financial assistance. In

answer to this attention is called to the unprecedented building in the past four years by giving the table prepared from the annual reports of the building inspectors, showing that in 1901 there were $5,000,000 and a little more expended annually for building, whereas in 1923 there were more than $52,000,000 expended for the same purpose. In 1921, the year that this law went into effect, there were $14,881,517 expended for building. I call attention here to the hearings that we had two years ago, that a number of realtors testified that if the law were continued there would be no building operations. In 1922 the figures jumped from $14,000,000, which I have just stated, to $31,678,105 for the year 1922, and in 1923 the increases were $52,000,000 and more. The table is as follows:

1901	$5,106,031
1902	6,787,406
1903	9,796,069
1904	12,033,916
1905	11,134,515
1906	10,519,962
1907	11,375,689
1908	6,978,340
1909	13,268,868
1910	13,384,774
1911	11,840,809
1912	14,540,246
1913	8,256,912
1914	7,830,563
1915	6,948,871
1916	11,791,431
1917	13,477,938
1918	8,179,715
1919	8,386,720
1920	10,126,906
1921	14,881,517
1922	31,678,105
1923	52,071,502

The building inspector's estimate, based on the admission of witnesses testifying for the landlords, that there would be an increase in the class of property known as the better class—that is, in the 870 apartment houses in the District which contain 17,672 apartments—of 25 per cent in rents, would amount to more than $4,000,000. This does not include small houses nor small two-story flats.

Wages have increased upon an average in the District of Columbia from 28 to 50 per cent above pre-war prices, while rent has increased from 50 to 100 per cent, although from the facts presented by the landlords of the District through the board of trade, rents have increased only 34.2 per cent since 1914, a most intelligent gentleman representing the Federation of Labor, of Washington D. C., one of the members of the Rent Commission, before our subcommittee stated that 60 per cent of wages in Washington were paid for rent. That some classes of workers get $12 a week now when they received $16.50 a week under the minimum wage commission. Women workers who were getting $16.50 a week now receive $9, $10, to $11 a week since the minimum wage commission was declared unconstitutional. When that law was in existence they told us the law was unnecessary, that without the law as much would be paid as with the law in existence. The 70,000 members of labor unions in Washington have requested that this law be extended.

You will find in the rent hearings this year (pt. 1, p. 78) that I stated in the examination of Mrs. Taylor that I heard Mr. Wardman say that—

> he carried the second trust himself. Some of these gentlemen told me that the second trust does not cost anything at all. That it is pure velvet. That remains on it when they sell it, and that is why this cost is so enormous. They put on these trusts, which seem to be a system of high financing. I do not understand it at all, I admit, and when these gentlemen come on here we will try to find out more about it. We will try to find out what is the matter when they sell these properties and whether they actually sell and get this amount. One gentleman purchased three apartment houses the year before last and made $120,000. They are making enormous profits.

Not one of the persons who composed the committee that made the survey for the realtors were before the committte, and of the big realtors only Mr. Wardman and Mr. Saul were there. They were as silent as the grave. Mr. Phipps and all the F. H. Smith & Co. witnesses who were expected to appear before the subcommittee suddenly decided to stay in close quarters. Those whose cases had been before the Rent Commission and the owners remained, as a rule, away from the hearings and no opportunity was presented for getting this most valuable information, much of which would have been done on cross-examination. But there were two intelligent real estate experts attending the hearings, and continued to attend for a few meetings after, until they saw that the realtors about whom enough had been brought out to get a toe hold in cross-examination, should the offending realtors testify, to bring out interesting facts. These two experts did not attend further hearings, but through arrangements which were effected with the Senate committee they went to work digging up information which so amazed those who have seen it that it was decided not to make the evidence public for the present, at least, for reasons which will be obvious when the facts become public; yet the gentleman from Texas, if I am not mistaken, said that this was not the situation about second trusts—

> That a man owns a piece of unencumbered property which is vacant, and in order to improve the property he borrows a certain amount of money, which the money lenders are willing to lend him. He says that a man borrows the money and constructs a building. He builds it to sell. When he sells it the buyer assumes this first trust and then, instead of paying cash for the difference he owes the man, for most of the difference, say, he makes a small cash payment and the balance then is covered by a second trust. Then, if that man sells again, the man he sells to assumes the first and second trusts, and in instances gives a third trust. (See hearings, pt. 1, p. 78.)

This explanation is quite different from the skyrocketing, fictitious inflations which result from these trusts; yet the gentleman from Texas has stated since these high financing methods have been looked into that he has known for a long while about the crookedness of these dealers; if so why should he have defended them by the explanation he made at the hearings as aforesaid, which explanation made their acts innocent and inoffensive.

The testimony of builders of the Chastleton Apartments was that the cost of building the entire apartment was $1,800,000, including the cost of grounds. There have been six transfers of this property, of which were among them the grafters and skyrocketers, one of whom unloaded on the Du Ponts and for which they stuck the Du Ponts for half a million—a dead loss.

This property was sold at one time to Mr. Felix Lake, to whom I have heretofore referred, for $3,000,000. He kept it six months and sold it at a loss of $3,000,000. Revenue stamps on the deed when purchased showed that he sold it for $900,000, and I assume that the $1,200,000 were in trusts.

This man was comparatively a poor man as I stated heretofore, against whom something like 100 judgments were docketed in the District of Columbia, two of which are for $1,000 and $5,000, respectively. Those who are in position to know say that he is absolutely bombproof from execution. He is one of the members of Smith & Co., who inflate property by fictitious transfers and who practice the loading up with mortgages and unloading on the unsuspecting public such fictitious and fraudulent methods; this type of a certain kind of realtors who defraud the public and whose business is to inflate values and keep rents at a high and unreasonable price by their fraudulent and fictitious methods.

It has been stated by the gentleman from Texas that Mr. Wardman made a solemn promise before our subcommittee at the hearings that he would not evict the tenants on their refusal to pay the increased rent demanded. Mr. Wardman's statement in reply to the question, "Do you expect to put the tenants out?" was:

> No, sir; I do not expect to do that.

But the gentleman from Texas did not give the Members of the House the benefit of the information that Mr. Wardman gave the committee that he disposed of this identical property. On page 82, part 1, of the hearings, I quote:

> Mr. HAMMER. How much did the building [the New Bern] cost you?
> Mr. WARDMAN. I would have to go into it in detail.
> Mr. HAMMER. I thought you could give us the figures.
> Mr. WARDMAN. I had a trade there. I gave a lot of property in return. It was a three or four cornered deal. It would be pretty hard to get it down to a cash basis. I have already traded this off to a firm.

FURTHER ARGUMENTS IN BEHALF OF TENANT

If the Rent Commission were to accept as the criterion of value sales of rental property based upon the monopolistic conditions existing in the District or were to follow the opinions of persons engaged in the real estate or renting business, the beneficial purpose of the rents act could not be accomplished.

The purpose of the rents act was to relieve a condition of monopoly in the District resulting from the suspension of the law of supply and demand and to substitute fair and reasonable rents for the high rents brought about by that condition.

In determining fair and reasonable rents, it is obvious that sales of rental property, or the opinions or estimates of experts, based upon the prevailing monopolistic situation, or upon the present high cost of reproduction of property, can not, in justice to the employees of the Government and other tenants, for whose protection the Rent Commission was created, be accepted as the criterion of value.

It is next to impossible for persons operating in the atmosphere of the exploitation of the present abnormal demand to lay aside their natural prepossessions and formulate opinions concerning rental property which would be of any assistance to the Rent Commission in the fixing of fair and reasonable rents.

Congress presumably had this in mind when it provided that none of the members of the Rent Commission "shall be directly or indirectly engaged in, or in any manner interested in or connected with, the real estate or renting business in the District of Columbia," and gave the Rent Commission the benefit of the expert, conservative opinion and judgment of the assessor of the District of Columbia, making that experienced public official "advisory assistant to the commission." (Rents act, sections 102, 104.)

The present owner of the Earlington Apartment House is claiming that there has been an enormous increase in the value of the property over its value before the war, and is seeking a return upon that value.

If the property has actually increased in value to any great extent, it is because of the shortage produced by the abnormal conditions which gave rise to the rent statute.

The owner is claiming the benefit of the abnormally enhanced values caused by the monopolistic situation which the statute was intended to remedy.

To give the owner that benefit would be to defeat the rents act and render it useless.

It may be argued that if the rents act is given this effect, it would result in taking from the owner a certain portion of the value of his property and in denying him a return upon that portion. But even that would not render the statute invalid.

In a recent decision of the Supreme Court of the United States it was said:

> An appropriate exercise by a State of its police power is consistent with the fourteenth amendment, although it results in serious depreciation of property values, and the United States may, consistently with the fifth amendment, impose for a permitted purpose restrictions upon property which produce like results.

Calhoun *v.* Massie (253 U. S. 170, 175), where reference is made to several previous decisions by that court upon the same subject matter and to the same effect. This is one of the latest expressions of the Supreme Court of the United States on this question.

In Newton *v.* Consolidated Gas Co., and so forth, decided by the Supreme Court of the United States March 6, 1922 (U. S. 258, p. 165), Justice McReynolds, speaking for the court, quoted from a master's report to the effect that a public-service corporation was not entitled to earn a return—

> upon the present high reproduction cost of its property * * * but upon the actual reasonable investment in the property devoted to the service of the complainant's consumers.

While the court did not expressly approve this language, there is nothing in the opinion which shows its disapproval.

In the case of Block against Hirsh, in which the rents act was held to be constitutional and valid, the Supreme Court of the United States used this language:

> Machinery is provided to secure to the landlord a reasonable rent.
> "SEC. 106. It may be assumed that the interpretation of 'reasonable' will deprive him, in part at least, of the power of profiting by the sudden influx of people to Washington caused by the needs of Government and the war, and thus of a right usually incident to fortunately situated property—of a part of the value of his property. * * * But while it is unjust to pursue such profits from a national misfortune with sweeping denunciations, the policy of restricting them has been embodied in taxation and is accepted."

That there is a condition of practical monopoly in the District of Columbia can not be denied. In the able brief of the Attorney General of the United States in Block against Hirsh it was said:

> It can not be disputed that the housing situation in a city like New York or Washington presents all the features of a practical monopoly. There is a house shortage which amounts to a fixed and inelastic limitation of supply. The demand, on the other hand, is intensified and rendered acute by the rapid increase in population, the conversion of residence into business property, and the practical cessation of building operations during and immediately after the war. This intensified demand, however, is an emergency demand. The present expansion is regarded as more or less temporary and subject to sudden and (economically speaking) unforeseeable change. The increased demand for housing, therefore, is not sufficiently stable and permanent to bring into play the private enterprise which would ordinarily respond by increased construction. The natural flow of capital, through which the law of supply and demand is expected to relieve any unusual scarcity in a given commodity, does not take place. The result is that the bidding is all on one side. There is no competition between those who among them control the only available supply of habitation space. In short, so far as the housing situation is concerned, the normal competitive system has completely broken down. It is as truly nonexistent as in the business of furnishing transportation, water, gas, electric light, and other facilities which are universally recognized as proper objects of regulation. By reason of the rigid limitation of supply in the face of a sudden, intense, and imperative demand, the business of renting out living space presents a state of virtual monopoly.

The same argument was made by the attorneys for the tenant in the case of Block against Hirsh. The attorneys for the tenant in their brief in that case used the following language:

> In the District of Columbia there is to-day a virtual monopoly of real estate; the tenant is not on a parity with the landlord, but must pay whatever rent is demanded; guest never was more at the mercy of his host; and a fair distribution of shelter at a reasonable price in the District of Columbia is as important to the national and local governments as was ever the distribution of water, gas, electricity, or coal to the householder. An individual in Washington even to-day may walk; he may heat by wood or oil; he may read by lamp; he may wash his clothes at home; he may go without insurance—but he can not do without shelter, nor can he find any substitute.

REASONS FOR CONTINUING RENTS ACT

An emergency caused by—

1. Housing shortage.
2. Increase in population.
3. Increase in unemployment.
4. Attitude of the landlords.

1. There were 300,000 people in Washington in 1916, with a surplusage of houses.

The peak of the war population was 600,000.

There are now more than 500,000 people in Washington.

Owing to allocation of labor and materials to war needs, no residential building was done in Washington in 1917, 1918, or 1919 except that done by the Government. Prior to the great building program stimulated by the "own your own home" campaign begun in 1921 and in which program there were included no houses for rental purposes, there were homes in Washington for about three-fifths of the population, the pre-war surplusage having been offset by the total depreciation and condemnation of others.

During the war, when there were here more Government workers than there are now, private homes were opened all over the city. These homes were practically all closed to outsiders in the early days of 1920. Therefore we now have a population of at least 500,000 with homes for about 400,000.

2. The population of Washington is increasing daily, as is shown by reports from the gatemen at the Union Station. A canvass of business offices shows large staffs where prior to the war there was but one man to watch the so-called big interests of the country.

3. The civil service shows a falling off of several thousand employees, but there is nothing to show that these workers have left Washington. In fact, the secretaries of most of the Congressmen and Senators could tell of constant appeals from these discharged workers who are still attempting to find work in Washington. Most of these former employees are still in Washington, as I attempted to show in my remarks in this House on April 24.

4. The attitude of the landlord at the present moment shows conclusively that there will be a crisis in the affairs of tenants which can not but end disastrously were the rents act to go out of existence. This is evident in the hearings room in testimony which comes from both tenant and landlord. It is obvious that the minute the Rent Commission goes out of existence a large proportion of the more than 8,000 tenants who have appealed to the Rent Commission will be evicted. We have constant information to the effect that rents will be increased on the 22d of May, and the unemployment in the city shows conclusively that there will be many people facing actual starvation. It is true now that high rents are causing the heads of families to decrease the supply of food on the table until the workers go to their Government work underfed and little children go to school undernourished. This is a critical time in the affairs of the workers of Washington, a time when taking away the restriction from grasping landlords would mean tragedy and death. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. MADDEN. Mr. Chairman and gentlemen of the committee, if we do not legislate any more in connection with this matter the rent law will expire by limitation some time next month.

Why should we legislate any further upon it? Why not let it expire? The war is over, and it is time all the war laws were repealed. This was a war law. There is no longer any need for it. There are about 8,000 or 9,000 vacant apartments in the District of Columbia, and I believe that the rents are maintained higher than they should be by reason of the fact that we have a Rent Commission. Why should we continue to insist upon the control of the right of the people within the District of Columbia to trade with each other?

That is what we are doing. We are placing guardians over the right of people to make contracts. If somebody feels aggrieved as to a contract which he has made between himself and some one else, while this guardianship exists, he goes down there and makes complaint. Then we have all kinds of trouble. My own judgment is that the simpler you can make life, the better for everybody. The fewer laws we have to embarrass people, the better it will be for the people of the country.

We have reached the stage in life in the United States where life is so complicated that we never can tell from one moment to another whether if we start to go North we should go South if we do not want to violate the law; and it may be that while we are on our way North some governmental agency may come along and tell us that we ought to go East or West. Horace Greeley when he was alive used to say, "Young man, go West and grow up with the country." I think it might be wise for a lot of people in the District of Columbia, if they wanted to get acquainted with the United States, to go West and grow up with the country and see what is going on.

There ought not to be any doubt about what our attitude is to be in connection with the repeal of this rent law. We will not have to repeal it if we just stop right now. It will repeal itself. It has reached its end. It has no further useful purpose to perform and no further reason to exist. Why should not the people of the District of Columbia be free to rent or not to rent? Why should they not be free to make contracts or not to make them? Why should they be compelled to go to some governmental agency, paid out of the Treasury of the United States, to perform the ordinary functions which the citizen ought to be compelled to perform for himself? Why should we sneeze for everybody out of the Government Treasury?

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. In a moment. Everybody has reached the point now, particularly the people in the District of Columbia, where they think the Government owes them something. We ought to stop that. I am afraid that a good many of the Members of the House have been educated into the belief that we are the guardians of every piece of food that goes to the table out of the kitchen.

Mr. RAKER. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. RAKER. There is nobody who understands this situation better than the gentleman and who is better able to answer the question I intend to ask. Will the gentleman advise the committee how many more people are in Washington by virtue of the Veterans' Bureau, by virtue of the Treasury Department, the War and Navy Departments, and by virtue of conditions brought about by the war?

Mr. MADDEN. I think there are 30,000 people here on the Government pay roll who ought not to be here. [Applause.] We have been trying to get them off but we have not been able to get them off. We have passed appropriation bills to pay their way home, but they will not even go home when you offer to pay their way. They want to stay on the Government pay roll, and then they complain because we do not give them a rent commission.

Mr. BLANTON. In the United States we have taken 300,000 off the pay roll.

Mr. MADDEN. Three hundred and sixty-nine thousand.

Mr. BLANTON. Three hundred and sixty-nine thousand since the war.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERHILL. I yield the balance of my time to the gentleman from Massachusetts [Mr. LUCE].

The CHAIRMAN. The gentleman from Massachusetts is recognized for eight minutes. [Applause.]

Mr. UNDERHILL. Mr. Chairman, did I understand the Chair to say eight minutes?

The CHAIRMAN. Yes.

Mr. UNDERHILL. I must have my record wrong; I have 11 minutes remaining.

The CHAIRMAN. I have kept the time since I came to the chair. During the interim that the gentleman from Connecticut [Mr. TILSON] was in the chair he kept the time, and I think he will verify my statement. However, if there is an error the Chair will correct it.

Mr. UNDERHILL. I think there is an error.

The CHAIRMAN. The Chair will have the official timekeeper confer with the gentleman from Massachusetts. The gentleman from Massachusetts [Mr. LUCE] is recognized for eight minutes.

Mr. LUCE. The constitutional question directly involved here is so simple and narrow that one can hardly at this stage of the debate address himself to it without repetition. But should any gentleman still be uncertain as to the nature of this question a brief summary of the story may help him.

Under the Constitution as written and as interpreted there are two ways in which the fruit of a man's labor may be taken from him. First, by the recognized way of eminent domain, in which case he is to be compensated, and, secondly, by the inferential method of the use of the police power, in which case he is not to be compensated. The issue here is one of the exercise of the police power. The scope of this power has been discussed for many years and to great extent, and still is exceedingly uncertain. But the opinion handed down last Monday, coupled with the previous opinion in the same matter, goes so far toward clarifying and defining the problem that I can not agree with the gentleman from Virginia [Mr. MOORE] that no important constitutional issue is here concerned.

It is not easy at first sight to reconcile these two opinions of the Supreme Court, but a careful scrutiny will show you that in the first of these opinions, five of the justices of the Supreme Court held that the police power may be extended to meet any exigency. Mark you, I am using the word "exigency," which is to be discriminated from "emergency." Four of the justices denied that it would extend to any exigency. In the recent opinion, however, we find all nine of the justices agreeing, if I correctly interpret their words, that the existence of an emergency may be one of the tests of the exigency, and when the legislative branch has seen fit to rest its action on the basis of an emergency, as was done in this case, then it must stand by its declaration and prove the emergency.

Another step comes with the question of whether the decision of the legislative body as to the existence of an emergency is or is not final. In the opening of the debate the gentleman from Ohio [Mr. BEGG] declared that it was, and he called attention to what is a fact, that there is a long line of argument and opinion in support of this view. Had he ventured beyond a very small excursion into the field of constitutional law he would have discovered a long line of argument on the other side, to which he did not call your attention. He spent his time on a task from which I would escape by telling you that no matter what have been the opinions of the jurists on this point for more than half a century—the leading decision in my own State dating from 1800—and in spite of all this argument and difference of judgment the proposition he puts forward no longer has any bearing.

What men may have thought the law is now of no consequence. We are dealing to-day not with history; we are dealing with what is now the law. The court spoke last Monday and said what is now the law, said it in a sentence that I think has not heretofore been cited and that seems to me to be the core of its position:

> In our opinion it is open to inquire whether the exigency still existed upon which the continued operation of the law depended.

That settled it. Until you reverse the unanimous opinion of the nine justices (for Justice Brandeis, dissenting on a question of procedure, agreed on the main issue), it is idle to waste any time upon what their predecessors may have thought.

If you still want to raise the question of whether the emergency now exists, you have that right and the court will pay great respect to your view. But the court says it will hold the final authority in its own hands, and it has already foreshadowed to you what its final decision will be, for it says in effect that so far as it now has judicial knowledge the emergency did not exist even two years ago.

Let us, then, not waste time on the question as to whether in the past this thing might have been argued. Let us face

the situation as it is. If we care to, let us put ourselves on record as to whether we believe the emergency still exists, though knowing all the time that the court will in the end determine and in all probability will say it does not now exist.

One gentleman has shown to you the result of his examination of a newspaper of Saturday night. Following the same line of inquiry I took yesterday morning's Washington Post and discovered nearly 400 houses, apartments, and apartment houses for sale or to rent advertised in that one edition. Yesterday afternoon, in riding from here to Chevy Chase, I passed apartment house after apartment house with placards showing that apartments were to rent, and house after house for sale. No man's eyes will tell him that there is to-day any such shortage of living accommodations as to constitute an emergency. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LAMPERT. Mr. Chairman, I yield one minute to the gentleman from Missouri [Mr. WOLFF].

Mr. WOLFF. Mr. Chairman and gentlemen of the House, I have not taken any of the time of this House previously. I tried to get a little time to-day. I have heard the speeches made by the gentlemen against this bill. I have heard my colleague from Missouri defend his stand. I have heard the other gentlemen defend their stand from a constitutional standpoint, but I want to say to you that I defend my stand from the standpoint of a poor man. [Applause.] I believe I can defend it from that standpoint. I have only one minute to-day, but I want to say that the man who votes against this measure to-day is not right, I do not care who he is. I say, when you defend this thing from a constitutional standpoint and tell what the Supreme Court has done, give them a chance again. Law is a matter of opinion, and a matter of opinion only.

Mr. BLANTON. Mr. Chairman, I yield two minutes to the gentleman from New Hampshire [Mr. ROGERS].

Mr. ROGERS of New Hampshire. Mr. Chairman and gentlemen of the committee, I think we can all agree with the statement of the gentleman who has just preceded me that law is a matter of opinion, although the opinion of the Supreme Court of the United States by virtue of the Constitution is the final opinion so far as we are concerned. Prior to the opinion of the Supreme Court handed down last week there seemed to be a great deal of speculation as to whether or not this law which we are now considering was or was not constitutional, and so far as I am able to judge from the disagreement manifested by certain distinguished lawyers who are Members of this body in the debate to-day there now seems to be a great deal of speculation as to what has been held by the Supreme Court. Regardless of the correct interpretation of the decision of the Supreme Court, one thing is certain, and that is that the court has not attempted to abrogate the fifth amendment to the Constitution of the United States which provides that no person shall be deprived of life, liberty, or property without due process of law. [Applause.]

Mr. Chairman, six years before the armistice was signed, if any such legislation had been proposed in the Congress I venture to say it would be a fair prediction that no Member of this body would have voted for it, because they would have known and recognized the fact that it would have been beyond the constitutional powers of Congress. The Members of this House would have realized then, as they must realize to-day, that the creation of a commission with power to fix rents in the District of Columbia could be justified only under the police power of the legislative branch of the Government, and that its existence could be constitutionally defended only in the face of a serious emergency affecting the lives and health of the residents of the District. Such an emergency undoubtedly existed during the war, when it was vitally essential to the successful prosecution of the war that accommodations be secured for the housing of a vast army of Government workers in the Capital of the Nation. The demand for tenements greatly exceeded the supply, and the profiteering landlords in Washington took advantage of the necessities of the Government and its thousands of officers and employees who were compelled to find a place in which to live.

The fixing of rents in times of peace and in the absence of a great national emergency, simply because the rates are high and occasional suffering and hardship involved, is just as indefensible as the fixing of the prices which a purchaser shall pay for all other necessary articles of life, such as food, clothing, fuel, and so forth. We are asked to continue the Rent Commission in the District of Columbia. Six years after the armistice we are urged to declare the continued existence of a war emergency, which, if we are honest with ourselves, we know does not exist. The Supreme Court has well said in the Chastleton case that a law depending upon the existence of an emergency may well cease to operate when the emergency itself ceases to exist. The court's declaration in this regard, while made in its discussion of a constitutional question, is in reality an outgrowth of the old common law maxim that reason is the life of the law and that *cessante ratione legis cessat ipsa lex*.

This proposed legislation for the continuance of the Rent Commission is both unconstitutional and un-American. It has no more justification than laws providing for the regulation of the prices which we shall pay for the staple goods of any household, or for shoes, clothing, meat, fruits, vegetables, or any other article which is used in our common existence as a people. In nearly every community retailers can be found who are profiteering in all such articles. If it is conceded that rents asked in the District of Columbia are excessive, this fact does not constitute such an emergency as to justify the intervention of the police power of the Government, for in what growing village, town, or city in America can not the same thing be said? Such legislation as is here proposed if carried to its logical conclusion will destroy competition, wipe out the constitutional guaranties of our citizens to the enjoyment of life, liberty, and the private ownership of property, and will ultimately set up in America a government based on socialism run mad. Again, we are asked to pass this law in the face of the assertion of the Supreme Court that the emergency which justified the original enactment has now disappeared. The court truly says that "if about all that remains of war conditions is the increased cost of living that is not in itself a justification of the act."

In the light of the foregoing extract from the opinion of the court, it is abundantly clear that we should refuse to permit political expediency to stampede us into continuing the existence of a commission the legal justification for which has long ceased to exist.

Mr. BLANTON. Mr. Chairman, I yield four minutes to the gentleman from Illinois [Mr. KUNZ].

Mr. KUNZ. Mr. Chairman and gentlemen of the committee, there has been a great deal of discussion upon the question of emergency in the District of Columbia, and the city of New York has been put on a parallel with Washington. The gentlemen who were present and heard the controversy on the question of immigration will remember that it was pointed out that there were 800,000 immigrants who immigrate into the city of New York every year.

During the war and just after the war, those of you who were here know that in some of the rooms they had four or five cots to accommodate those who visited Washington. To-day you walk along the streets of Washington and you find signs "Apartments for rent," "Buildings for sale." You did not see that three years ago. The trouble with a great many people who are trying to promulgate the idea of a salary grab bill is that they are afraid to tell you the conditions as they exist. During the war it was a question of housing conditions. Now it is a question of a combination of real-estate owners, and I defy the gentlemen who are on the committee to contradict my statement. The Rent Commission, under the law as it stands at the present time, can do nothing to prevent them from forming a combination. The substitute that was offered by my colleague, the gentleman from Missouri [Mr. JOST], provides a penalty against any such combination within the District of Columbia.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KUNZ. I have not time. If you will give me some time, I will yield.

If you want to help the poor man, as my friend, the gentleman from Missouri [Mr. WOLFF] says, then amend this bill or adopt a substitute that will give protection to the poor men of the District of Columbia. This Rent Commission will simply take $100,000—yes, an unlimited amount of money—out of the Treasury of the United States and compel the people of this country to pay these salary-grabbing people who are of no avail to the people of Washington. One of the members of the commission who was secretary to a former Senator is working in his State to elect his Senator and is drawing his salary out of the United States Treasury.

Gentlemen, the trouble is there are too many of us who are all the time in the air. Instead of having our ears close to the ground to hear the rumblings of the people, we are wandering far above, and in consequence when the election comes, some one else comes here and takes our place who does not understand the conditions as they are at the present time.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BLANTON. Mr. Chairman, with a normal committee of 21 members there has been but one member of the Committee

on the District of Columbia who has spoken for this Rent Commission. Just one member, the gentleman from North Carolina [Mr. HAMMER], he being the only member of the committee who has spoken in favor of extending it.

DOES ANY WAR EMERGENCY STILL EXIST

If you pass this measure you will be declaring that it is based upon emergencies of the war, when the war has been over now nearly six years. You are asked to make a legislative declaration that war emergencies still exist, when, as a matter of fact, they do not. I have already quoted quite a large number of vacancies in the District of Columbia which are now offered for rent. The gentleman from Massachusetts [Mr. LUCE] mentioned the large number of properties advertised for rent yesterday in the Washington Post. Let me show you what has recently been offered in the Star:

The Washington Star for March 30, 1924, carried six and one-half columns, 74 advertisements to the column, offering rooms and suites of rooms for rent, and carried seven full columns of advertisements offering apartments for rent, and carried two full columns of advertisements offering vacant residences for rent.

The Washington Star for April 13, 1924, carried six full columns, averaging 75 advertisements to the column, offering rooms and suites of rooms for rent, and carried seven and one-half columns of advertisements offering apartments for rent, and carried nearly two full columns of advertisements offering vacant residences for rent.

EXISTING FACTS FOR THE BENEFIT OF COURTS

In view of the fact that this act will be passed upon by the courts of the country, and it will be a very material inquiry as to just what are the facts as to rental facilities now in the District, I will show exactly what was offered for rent yesterday in just one of the Washington newspapers:

ADVERTISEMENTS FOR RENT IN WASHINGTON STAR APRIL 27, 1924

The following advertisements offering property for rent appeared in the Washington Star yesterday, April 27, 1924:

ROOMS—FURNISHED

One block of Chevy Chase Circle: Immediately available, in private home of adults, 2 furnished rooms, private bath, and rear porch; ideal arrangement for 2 gentlemen; instantaneous hot water, electricity, telephone; only $50. Call Cleveland 855 after 6 p. m.

For two persons: Room with breakfast, in desirable suburban locality, 22½ minutes from heart of city; new home; all modern conveniences; private family; one block from car; will furnish to suit. Address Box 145-D, Star office.

1513 O Street NW.: Downtown; private bath, nonhousekeeping apartment, large studio room and small dressing room; must be seen to be appreciated; a. m. l.; telephone; maid service.

Close to 14th and Colorado Ave.: Detached private home, new, 2 rooms, with bath; single or suit; 26x12 and 15x13, closets of proportionate size; garage; no other roomers; price reasonable. Adams 4256.

1961 Biltmore St. N.W.: Large front room for two; sunny bay window; attractive neighborhood, convenient to both car lines, but away from noise. Single room facing south also available.

Chevy Chase, D. C.: Large furnished bedroom, second floor front; southern and western exposures; four windows; lavatory attached; detached house; half square car. Phone Cleve. 791.

759 Princeton Pl. N. W.: By May 1; front room for two employed men, next to bath; unlimited phone. Can be seen after 5 p. m. any evening, or call Adams 2771 for appointment.

1748 Q St. N. W.: Large front bedroom, twin beds; electric lights; next to bath; continuous hot water; maid and phone; suitable for two or three gentlemen; rent $40. Phone North 9745.

1831 Monroe St. N. W.: Large front room, with large alcove, suitable for three or four; twin beds; phone extension in room; continuous hot water; garage; references. Adams 4850.

1734 Conn. Ave.: Remodeled, now ready to receive guests; one room or two and bath; semi-hotel service; best location; three car lines; references. Phone North 2237 or North 9725. Very convenient for Army or Navy.

813 New Jersey Ave. N. W.: Furnished rooms, convenient to Union station, Government Printing Office, within walking distance to Pension Office, Capitol, and downtown, on two car lines.

701 6th St. (cor. G St. N. W.): One large newly papered, nicely furnished, next to bath, 2nd floor; G St. view; $4 a week or $15 a month.

The Lenmass, Vt. Ave. and Q St. N. W.: One room adjoining bath; modern apartment; one other roomer; unlimited phone; available May 1; $20. Potomac 2645.

1225 Girard St. N. W.: Attractively furnished room, near two car lines; all modern improvements; unlimited telephone; $15 per month; gentleman. Col. 2374.

1614 Eye St., opposite Army and Navy Club: Large room, beautifully furnished; southern exposure; next to bath; 2nd floor; for 1 or 2 gentlemen.

1341 Clifton: Large, cheerful room, suitable for two, adjoining bath; three windows; home privileges; unlimited phone; ideal location. Adams 2874.

1727 F N. W.: Furnished rooms, single and double; single beds; electricity; instantaneous hot-water heater. Apply during week after 4.30.

The Montgomery, North Capitol and M Sts., Apt. 37: Large, nicely furnished room, next bath, electricity, continuous hot water. Franklin 8935-J.

417 11th St. NW.: (opposite Star office): Newly furnished outside rooms; electricity; continuous hot water, running water in rooms.

1723 G St. N. W.: Apt. 40: Nicely furnished, comfortable room; gentlemen only.

63 N. Y. Ave.: One large, nicely furnished room, next to bath; heat and electric light; suitable for one or two gentlemen or married couple; reasonable; private family.

1410 11th St. NW.: Nice room for 2 girls; girl wants roommate; parlor, piano, electricity, phone, l. h. k. and laundry privileges; $12 per month. North 3734.

16th and You Sts.: Large, attractively furnished room for one or two ladies; every convenience; sitting room, kitchen privileges; elevator, café; walking distance of departments. Apply Apt. 53, the Balfour.

3731 Kanawha St., Chevy Chase: Large room, adjoining tub and shower bath; opens onto screened porch; 3 electric droplights; private family; near Chevy Chase car line; one fare. Cleveland 520.

Mt. Pleasant, 2040 Pierce Mill Rd. (4 squares from car line), facing Rock Creek Park: Large front, with or without sleeping porch, twin beds; next to bath, a. m. l.; home privileges; meals if desired; reasonable.

943 O St. NW.: Attractively furnished room, three large windows; another large room 2nd floor; hot and cold water in room; suitable for light housekeeping; bath same floor. North 4145-J.

1402 Delafield Pl. NW.: Beautifully furnished room, with or without private bath; continuous hot water, unlimited telephone; detached private home.

1330 Columbia Rd.: Handsomely furnished, single or en suite, three rooms; private bath; continuous hot water; clean; reasonable; transients, permanent.

Cavanaugh Courts, Apt. 211: Bed-sitting room, handsome new furniture; clean, comfortable; adjoins bath. Call Sunday or after 6 p. m.

620 H NW.: Second-floor front room, housekeeping; room first floor, housekeeping; large room first floor, sleeping; player-piano, electricity.

Mt. Pleasant: To gentleman; newly decorated and furnished bedroom; fine location; ready for occupancy May 1; adults only in family. For information call Col. 8981.

607 9th NE.: Two furnished rooms; private; refined family; employed couple desired; gas and electricity; bath on 2nd floor; l. h. k. Linc. 4448.

Near 14th and Buchanan: Attractive room, adjoining bath; opening on court; modern conveniences; breakfast privileges; reasonable. Adams 3189.

Adjoining Rock Creek Park: Bright, cool front room, next to bath. 2633 Adams Mill Road, Apt. 31, vicinity 18th and Col. Road.

2566 University Pl. NW.: Large furnished room, suitable for two; electricity and convenient to car and bus line; reasonable; l. h. k.

1718 Corcoran, Apt. 42: One or two young ladies to share apt. with another lady, employed; rates reasonable. Apply Sunday before 9.30 or after 6.

2532 14th, corner Clifton, Apt. 3: Private family offers large room, furnished in mahogany, next bath; southern exposure; Protestant preferred. Phone Columbia 55-W.

18th and K: Large, corner bed-sitting room, private bath, porch, modern apartment house; for gentleman, quiet tastes. Apply 4 to 5.30. Main 3994.

40 Channing St. NW.: Three furnished rooms for l. h. k.; first or second floor; board if desired; call between 7 and 10 p. m. Phone North 660.

Mt. Pleasant section: Well-furnished bed-sitting room and sleeping porch; one or two ladies; convenient. Telephone Adams 2041.

The Madrid, 2300 18th St. NW., Apt. 24: Couple will rent furnished front room, adjoining bath, to refined lady or gentleman; reasonable.

1338 Harvard St. NW.: Large, newly furnished, 2nd floor, front room, also 2nd floor back room, with sleeping porch; electric lights, h. w. h.

2810 Adams Mill Rd. NW.: Living room, bedroom, kitchen, porch, complete housekeeping; furnished; man and wife; no children; reference; $50.

Portner, Apartment 154. Desirable, sunny single room; hot and cold water in room; electricity; attractive surroundings; to gentleman, $20 month.

5610 Fourteenth. Three or four gentlemen accommodated in private home; large, airy rooms, sleeping porch; hot water, screens, phone; garage.

1430 Rhode Island Avenue NW., Apartment 26. Large, pleasant room, next bath, in modern downtown apartment house; references. Franklin 141.

1224 Eleventh Street NW. Furnished for light housekeeping; one large front room and kitchen; bath on same floor; newly decorated; $40.

803 Mount Vernon Place (near Seventh and K Streets). Two large rooms and back porch, parlor floor; light housekeeping if desired; reasonable. Also sleeping room, next to bath, $15 month.

1107 Seventeenth NW. Twin beds; large, clean, second front, next bath; outside balcony; continuous hot water; unlimited phone. Call Sunday after 1, week after 5.

1737 Seventeenth Street NW. Bed-living room on second floor, front; also room on third floor; convenient to bus and three car lines; electricity, phone service.

1757 Euclid Street (near Eighteenth and Columbia Road). Desirable room, single or double; convenient meals; two car lines; Protestants. Columbia 4855.

1440 Meridian Place NW., Apartment 5. Two well-furnished and comfortable rooms in modern apartment, suitable for one or two; rent, $15 and $25 per month.

Large room, choice, furnished as bedroom or bed-sitting room; 2 large closets, adjoining bath; convenient to downtown; no other roomers; $15 monthly. Telephone Lincoln 9628-J.

Northwest: Large, attractive room, adjoining sleeping porch; new house; all modern improvements; ideal location; $25 per month; garage if desired. Adams 3614-W.

806 Maryland Avenue NE., Apartment A. A large, comfortable room next to bath; electric light, hot-water heat, continuous hot water; suitable for one or two.

1656 Irving Street NW. Large single room, next to bath; porch; southern exposure; modern; private family; gentlemen; price, $22 per month. Phone Col. 4268-J.

1723 G. St. NW., Apt. 40. Law student would like young man to share large front room; twin beds; reasonable. Call Sunday.

1204 Euclid Street NW. One or two nicely furnished rooms, with or without board.

1739 N St. Room, with or without private bath; beautiful surroundings; excellent service; breakfast. Franklin 4816.

635 K St. NE. One front room and kitchenette, furnished, second floor; electricity; $32.50. Lincoln 7564.

Two nicely furnished rooms, convenient to street cars and in desirable location; rent singly or together. Phone North 9174.

1510 Columbia Road. Nicely furnished, cheerful room; electricity; instantaneous hot water; phone.

Lehigh Apartments, 2605 Adams Mill Road. Large front room, every convenience, reasonable. Adams 4531.

1322 L St. NW. Roommate wanted, $3.25 weekly; also basement room; twin beds; $3 weekly.

3663 13th St. NW. Attractive front room; a. m. l.; one or two gentlemen. Phone Col. 1326-M.

2104 Eye St. NW. One single or double room with running water, hot and cold; electric lights; use of phone.

1610½ Marion St. NW. (bet. 6th and 7th Q and R Sts.). Nicely furnished room, $10 month (white).

4726 15th St. NW. Rooms for two gentlemen; all conveniences; sleeping porch. Call evenings.

1609 Columbia Rd. NW., Apt. 34. Large, desirable front room; suitable for two; reasonable.

418 6th St. NW. New tenant, just moved in, desires refined people to light housekeep; other rooms and back porches; will give board.

761 6th St. SE. Attractive furnished room; all conveniences; lady preferred; near navy yard.

Lady to share newly furnished apartment with another lady; convenient to cars. West 2810-J, after 6 p. m.

738 9th St. SE.: 1 large room, $3.50 per week; 1 small room, $1.50 per week; convenient to navy yard.

1839 Kalorama Rd. NW.: Front room, nicely furnished, southern exposure; men or women; $25. Columbia 7545.

640 New York Ave. NW.: Two large, bright, cheerful, communicating front rooms; reasonable; $2.50 up.

1930 Biltmore St.: Pleasant rooms on 2nd floor; gentlemen; quiet home for students. Adams 4651.

If you would like a nicely furnished room in my detached home, near 14th and Colorado Ave., call Adams 609.

Bright room, southern and western exposure; 3 windows; private home; gentlemen; price, $35; references. Frank. 6014.

1734 Corcoran St. NW.: 1, 2, and 3 furnished l. h. k. rooms; good neighborhood; very low rent. Mrs. Fletcher.

1323 Randolph St. NW.: Large front room, with private bath, continuous hot water, for lady in office.

625 Mass. Ave. NW.: Rooms, a. m. l., with and without l. h. k. conveniences; accommodations.

206 6th St. SE.: Nicely furnished front room, convenient to Capitol and Congressional Library.

Gentlemen only, large front room, adjoining bath; all modern improvements. Adams 3929.

1116 Columbia Road: Large, well furnished, with private bath, dining room; $30, one; $35, two. Columbia 2134.

1406 Ingraham St. NW.: Newly furnished, for lady, in new detached home; all conveniences. Col. 6022.

911 New York Ave. NW.: Clean, homey rooms, with and without housekeeping; living rooms, piano, telephone. Call.

2038 F St. NW.: Single, next to bath; screened porch; a. m. l.; phone; gentleman; $20.

Girl to share nicely furnished 2-room, kitchenette apt.; grand piano; three exposures; delightful for summer. Phone Cleve. 2116.

1515 Caroline St. NW., just off 16th: Room, 2d floor front, with or without garage; reasonable.

1417 Harvard St. NW.: Large 3d-story back room, running water, electric light. 2 large windows; phone.

1117 N NW.: Two front rooms, large and small, $20 and $10; electricity, hot water; downtown; gentlemen. North 9033.

1035 New Jersey Ave. NW.: Two far. for l. h. k.; newly papered; man and wife preferred; $25.

1201 Clifton: Comfortable small room for young man desiring convenience and economy; $15.

1620 Park Road: Two attractive single rooms, modern conveniences, private family, home privileges; reasonable. Adams 5528.

Large, cheerful 3d story front room; use of kitchen if desired; garage in rear. Phone Linc. 5282-J.

640 6th St. NE.: Room, neatly furnished; elec. lights; gentlemen preferred. Saturday after 6 p. m.; Sunday after 1 p. m.

3642 Park Pl. NW., overlooking Soldiers' Home: 1 single, 1 double; a. m. l.; reasonable. Col. 3484-J.

Near Wardman Hotel: Large, second-floor front room, $30. Also garage. Col. 4532.

71 N. Y. Ave. NE.: 2 large rooms and kitchen; heat and light and use of phone free. Fr. 7676-W.

1330 Mass. Ave. NW.: Comfortable furnished room adjoining bath; gentlemen only. Inquire first floor, elevator boy. Valets.

2111 Pa. Ave. NW.: One furnished second-floor room; housekeeping if necessary. $6 a week.

1931 Park Rd., Mt. Pleasant: Bright, nicely furnished front room, modern home, second floor, private family. Col. 1902-J.

1431 Chapin St. NW.: Large, six windows; ideal for summer; every convenience; adjacent park; one or two gentlemen.

1111 H St. NW.: Downtown apartment; bright front room; gentleman. Call after 5.30 p. m. Tel. Franklin 3300-W.

2413 18th NW.: Private home; large front, couple or 2 gentlemen; modern conveniences; attractively furnished. Adams 3309.

Comfortable, homelike room; near cars; reasonable; breakfast if desired. Phone Clarendon 181-W-1.

1135 5th NW.: Entire third floor of 2 rooms; completely furnished for l. h. k.; heat, gas, water. Phone Frank. 1359.

2848 26th St. NW. (near Wardman Inn): Nicely furnished, airy rooms; modern improvements; double and single rooms. Columbia 7227.

Near 16th and U Sts.: Beautifully furnished; rent reduced. Phone N. 965 before 12 a. m.

1617 Hobart St. NW.: Nicely furnished, single or en suite; two rooms; front, southern exposure; private bath; electricity.

701 19th St. NW., apt. 32: Attractive bed-sitting room for lady; a. m. l. Call Sunday; week days, 4.30.

Best Mt. Pleasant section: Family of two; large front room, private bath; telephone and garage. Col. 2984-J.

2564 University Pl., vicinity 14th and Clifton: Comfortable 2d floor front; also one with inclosed sleeping porch; a. m. l.

1508 Ogden St. NW.: One large room with sleeping porch, $25; also single room, $12.50. Telephone Col. 10029.

Furnished room in apartment; meals if desired; reasonable for one or two persons. Phone Columbia 3872.

1636 19th NW., Dupont Circle: Large room, well furnished, for light housekeeping; electricity, hot water, and telephone; $25 a month.

1833 Vernon NW.: Nicely furnished room, next to bath; newly papered; 3 windows; electric light. North 3066.

1523 Allison St.: Private bath, communicating, with attractive corner room, south and west exposure; also garage. Col. 3506-W.

1204 Irving St. NW.: Nicely furnished room for refined gentleman; all modern conveniences. Columbia 10232.

1323 10th St. NW.: Two furnished rooms, with or without l. h. k. privileges. Phone Pot. 2424.

1739 P St.: Large, front, clean room; instantaneous hot water; gentlemen; permanent. Franklin 8321.

610 South Carolina Ave. SE.: Well-kept room, private home; conveniences; h. w. h., electricity.

1226 Mass. Ave.: Attractive second-floor single room; clean; electricity; central; no car fares; male Government employee preferred.

201 Wilson Boulevard, West Clarendon, Va.: Pleasant room for gentleman; garage if desired.

605 North Carolina Ave. SE.: Large front room, with or without l. h. k. Phone Lincoln 4391.

1236 11th St. NW., Apt. 1: Front bed-sitting room to lady; reasonable. Call after 7 p. m.

Petworth, 726 Taylor St.: Two nice housekeeping rooms; desirable; home privileges; adults; $30.

3467 14th St. NW.: Nice room, suitable for 1 or 2 gentlemen; suburbs; board optional; by May 1.

Well-furnished rooms in private home; garage. Phone Cleve. 107-W, Sunday or evenings.

3316 Mt. Pleasant St.: Pleasant room, convenient to end of car line; bath with shower on same floor.

723 6th St. NW.: One large front room and kitchenette, first floor, and 2 rooms on second, for l. h. k.

1344 Spring Road: Nicely furnished 3 rooms and bath; electricity and gas; available May 1; $50 month.

1115 East Capitol St.: Large front room facing Lincoln Park, three windows; twin beds; nicely furnished. Phone Linc. 6159.

217 East Capitol St.: Exceptionally attractive porch and room combined, for gentlemen; hot water always.

Potomac Heights: Large, new; accommodates two young ladies; board if desired. Clev. 3238.

1337 22nd St. NW.: Nicely furnished front room, twin beds; French family; reasonable. North 2861.

1727 P, Dupont Circle: Large, bright front room, near bath; electricity; parlors; telephone.

1642 Newton St. NW.: Second floor, near bath; priv. getting breakfast; gas and electricity; very reasonable. Col. 8651.

1752 Corcoran St., Dupont Circle: Private family, extra large front double room, with balcony; board. North 7121.

1823 Eye Street NW.: Two furnished rooms; light housekeeping allowed; gas, electric lights; $30 per mo.

Apt. 238, Klingle Mansions: Two large, beautifully furnished rooms; 2 windows, private bath; $37.50. Col. 6797.

14th and Delafield Sts.: Beautiful corner room, next to bath; $30 mo.; in detached house; every comfort. Phone Adams 5025.

933 N. Y. Ave.: Small, private family home, single room for rent; every modern convenience. Knight.

1716 Kilbourne pl., Mt. Pleasant: One room with private bath; elect. and hot-water heat. Col. 4225.

Two neat, l. h. k. rooms, completely furnished, a. m. i., for employed couple. Call 110 E St. NE. Lincoln 736.

Apt. No. 43, Ventosa: Wanted, one or two young ladies to share; may be seen Sunday after 1 p. m., or evenings after 5.30.

1013 M St. NW.: Large and medium, second floor, housekeeping; attractively furnished; electricity.

1831 Monroe St. NW.: Nicely furnished room, private home; continuous hot water; garage; references. Adams 4850.

2304 14th St. NW.: Apt. 6, desirable room in corner apartment for one or two gentlemen; $18-$25.

4 Iowa Circle: Bed living room, front, facing park; very attractive; walking distance; unlimited phone.

2622 University Pl. NW.: Two well furnished rooms, with board, $7.50 per week up. Telephone Adams 719.

1483 Meridian Pl. NW.: Double and single rooms in detached house; large porch; l. h. k. if desired. Adams 1696-J.

1465 Girard St. NW.: Double room for gentlemen; opens on sleeping porch. Col. 5545-J.

1511 Vt. Ave. NW.: First or second floor, single and communicating; cheap; central; housekeeping.

1501 11th St. NW.: Two large front rooms and kitchenette, apartment, range; very desirable; $40.

3151 Mt. Pleasant St., Apt. 31: Nice room, private family; May 1; gentleman. Col. 9381-W.

1021 20th St. NW.: 2 blocks from Penna. ave.; bay-window front; $20 and $22 monthly; daily and weekly rates.

1107 10th St. NW.: Two rooms and kitchenette, running water, housekeeping; couple. Call after 5 p. m.

1858 Columbia Rd., Apt. 46: Attractive room, southeastern exposure; two windows; lady; reasonable. Col. 7783-J.

1762 Columbia Road: Furnished room, next to bath; second floor; private home; reasonable.

Mt. Pleasant: Bright, attractively furnished; a. m. i.; $15; gentleman; also garage. Phone Adams 2442.

1629 K St. NW.: Newly papered, painted, furnished; running instantaneous hot water; select down-town location; references.

309 N. J. Ave. SE.: Single room, suitable for gentlemen; one block from Capitol; $5 per week.

214 K St. SE.: Suite of rooms for man and wife; also single rooms for gentlemen; reasonable.

Near Dupont Circle: Large, attractively furnished front room; twin beds; electricity; telephone. 1707 P st.: gentlemen.

1722 21st St. NW.: Desirable double outside room, handsomely furnished; a. m. i.; also lovely single room.

1703 Irving St. NW.: Front room, one block from Mt. Pleasant cars; gentleman; reasonable.

4407 8th St. NW.: Large front room; a. m. i.; close to buses and cars; board if desired. Col. 1028-W.

2011 Park Rd., large, airy room, facing park; all modern improvements; next to tiled bath; owner's private home.

4223 4th St., Petworth NW.: Iowa bus or Soldiers' Home car; 2 l. h. k. rooms, location high and dry; private family. Adams 4408-J.

815 Mass. Ave. NE.—Rooms with sleeping porch; 2 gentlemen or employed couple without children.

555 Randolph St. NW.—2 nicely furnished, bright, clean rooms; l. h. k. Col. 2883-J.

2 well furnished front rooms; a. m. i.; southern exposure; continuous hot water; reasonable; phone privileges. Pot. 2546.

1821 Vernon St. NW.—Room with porch, private family; gentleman; reasonable—Phone North 7704-J.

918 Eye NW.—Very attractive bedroom, second-floor front.

1441 Pa. Ave. SE.—Three front rooms; range; l. h. k.

1315 15th NW.—Lovely single front room; convenient home; transients.

1225 N NW.—Two front housekeeping rooms; water; electricity.

1214 K, Apt. 3.—Single room, a. m. i. Call after 4.

Takoma Park.—1 or 2 rooms, private bath; breakfast if desired. Adams 4258.

13th near Park Rd.—Two large rooms, private bath; continuous hot water. Adams 4553.

619 Eye St. NE.—2 clean furnished rooms; l. h. k.; $22.

643 East Capitol.—Nice, bright room, near bath. Phone Linc. 3979.

1372 Harvard St. NW.—Three rooms, $45; two front; housekeeping.

1321 Columbia Road.—Second floor front; two others; $30; housekeeping.

1121 12th St. NW. (12th and Mass. Ave.)—Second-floor front; a. m. i.

131 A St. NE., Apt. 43.—Attractive room, a. m. i. Phone Linc. 6050-W.

1330 Mass. Ave. NW.—Large outside room; gentlemen only.

1306 Columbia Rd.—Double or single rooms; gentlemen or employed ladies.

Thomas Circle, 1418 M St.—Desirable sleeping and housekeeping rooms.

1433 Clifton St.—Very attractive 2nd-floor room; modern conveniences.

Nice front room, splendid location, private home; a. m. i.; reasonable. Pot. 1312-W.

1505 22nd St. NW.—Room and kitchenette, $22.50.

Chateau Bonaparte, 1627 K St. NW.—Pleasant rooms for men.

1211 K St. NW.—Apt. of 2 rooms and kitchen. Other desirable rooms.

1012 10th St. NW.—One large front room for l. h. k.; electric lights.

317 A St. NE.—Comfortable room. Lincoln 4249-J.

4119 7th St.—Furnished, front, for middle-aged couple.

1743 Pa. Ave. NW.—Double and single; in private family.

2506 K NW.—Room with 2 beds, $10 month. West 2689.

502 M St. NW.—With or without housekeeping.

1720 21st St. NW.—Semi-basement with bath; also front room; modern home.

521 2nd St. SE.—Two or three housekeeping; sink and gas range in kitchen.

1419 Chapin St. NW., apt. 2.—Double room, adjoining bath; furnished in walnut.

1322 L St. NW.—Large, front room, running water, electricity; three beds.

1758 Kenyon St.—Nicely furnished front room.

Mt. Pleasant—2nd floor room with porch, next to bath; all cars. Col. 8027.

In convenient NW.—Two desirable rooms. Phone Adams 1255.

1709 Irving St. NW.—Front room, private; twin beds.

1733 17th St. NW.—Two rooms, kitchenette and bath; $35 per month. Call Col. 9503.

1830 Columbia Rd.—Attractive rooms, home atmosphere.

5038 Conduit Rd. NW.—3 rooms, bath, housekeeping; all conveniences; no children.

1330 Quincy.—Large front room, twin beds, shower bath, private home. Col. 7373.

108 C SE.—Two-room housekeeping apartment, completely furnished; a. m. i.

125 11th St. SE.—Two housekeeping rooms; a. m. i.; reasonable.

7 2nd St. NE.—Furnished room, heat, and light; $15.

Apt. 510 Rutland Courts.—A large front room, southern exposure.

29 Eye St. NE.—Gentlemen preferred; clean and homelike rooms; cheap rates.

1223 Fairmont St. NW.—Large, 2nd-floor front room, southern exposure.

1509 1st St. NW.—Colored; nicely furnished room, splendid location; gentleman only.

1224 Conn. Ave., Apt. 41.—Two large, beautifully furnished rooms, exceptionally cool.

1436 Irving St. NW.—Large, sunny, first-floor front room; reasonable.

1448 Clifton St.—2 well furnished rooms; bright and sunny.

941 O St. NW.—2 or 3 rooms, second floor; heat, gas, bath; l. h. k.

2234 35th St. NW.—Bay-window front room; a. m. i.; use of kitchen.

1336 Meridian Place (near Park Road and 14th St.).—Comfortable room for rent.

2418 G NW., Apt. 10.—Housekeeping privilege; gentleman; $2 week.

1220 Kenyon St. NW.—Third-floor front; gentlemen only. Col. 6120.

1230 Fairmont St. NW.—Large, first-floor front; sitting-bedroom. Phone Col. 5097.

120 5th St. SE.—Two partly furnished rooms on second floor for light housekeeping.

3 S St. NE.—Furnished room, adjoining bath; private family; near North Capitol St.

1211 Euclid St. NW.—Single room, next to bath; large closet; electricity. Col. 5043.

1226 Maryland Ave. NE.—Three rooms, entire first floor; a. m. i.; colonial porches.

822 K St. SE.—Large front room, 2nd floor, newly furnished, reasonable price; 1 or 2 men.

1217 Franklin St. NE.—Clean, quiet, well furnished room, $20. N. 596 J.

1209 H St. NW.—Front room, second floor; one or two gentlemen.

214 B SE.—Room, kitchenette, third floor; $25; adults. Garage.

1364 Girard St., Apt. 3.—Front room; a. m. i.; reasonable.

1024 8th St. NW.—Attractive second-floor room; electricity; downtown; $15 per month.

707 22d St. NW., Apt. 10: Near G. W. U.; gentlemen.

Chevy Chase: Furnished room; breakfasts and garage if desired. Cleveland 357 W.

2131 N St. NW.: Modern room, private family. Phone North 6454.

912 H NW.: Large room; also hall room; very reasonable.

2001 Kalorama Rd.: Large, so. front room; corner; fine location.

1217 Euclid: Front and back rooms, nicely furnished and newly decorated.

1515 Lamont: Rooms, single and double; twin beds. Call Sunday.

Berkshire, Apt. 47: Pleasant, nicely furnished room; young gentleman; $20.

1416 Euclid St.: Sitting room, with inclosed sleeping porch; gentlemen.

1154 17th St. NW.: One double and single room, second-floor front; reasonable.

1102 Monroe NW.: Front, second; electricity; for one or two; reasonable.

1209 R. I. Ave. NW.: Two light housekeeping rooms, front; electricity; adults.

1376 Kenyon NW.: Large, attractive room, near bath; large closet.

1324 Monroe St. NW., Apt. 44: Double front corner room; electricity, elevator, café.

Apartment 323, the Portner, 15th and U Sts. NW.: Comfortable room, adjoining bath.

403 2d St. SE.: Front room, suitable for couple or two gentlemen.

Three rooms and bath, completely furnished. Key in barber shop, 525 11th St. NW.

1215 I St. NW.: Comfortable room, private apartment; electric light, large closet.

504 M St. NW.: Living bedroom, kitchen; next bath; $28 month.

1021 8th St. NW.: Sleeping rooms, also front, parlor; electricity.

419 6th St. NW.: Furnished, large room, $3 week.

1266 Columbia Rd. NW.: Single and double room. Phone Col. 3896.

1113 11th St. NW.: Clean, comfortable rooms; electricity; light housekeeping.

1775 Massachusetts Ave.: Second-floor front; private family.

Housekeeping rooms; excellent for children; $7 week. Potomac 1788.

1210 25th St. NW.: Two bright, well furnished rooms and bath; reasonable.

1637 Webster: Nicely furnished room; private family; a. m. i.; $15. Adams 736.

47 Brunswick Apts.: Room, reasonable. Call after 5 or Sunday.

1323 11th NW.: 2d floor front, with kitchenette, $30.

28 S St. NW.: Room, hot water, elec. light, with garage for car, $25; gentlemen only.

1209 L St. NW.: Front room and kitchenette, southern exposure; reasonable.

1200 Columbia Rd.: Two or more rooms, kitchen, second floor.

1342 R St. NW.: Second-floor room, next to bath; suitable for 2 persons.

1219 M St. NW.: Single and double, with large closets in each.

1843 Calvert NW.: Room for one or two gentlemen; a. m. i.

1336 11th NW.: Nice room, second floor; electric lights, gas, l. h. k.; $5.

622 Eye St. NW.: Two rooms, l. h. k.; newly papered and painted; first floor.

1940 Calvert St. NW.: Room with porch; private home; lady. Col. 6018.

1404 M NW. (Thomas Circle): Large, clean room, twin beds; electricity.

1747 Pea St. NW.: Bright, attractive rooms, reasonable to permanent parties.

1361 A St. NE.: Large front rooms; a. m. i.; l. h. k.; adults.

930 Eye St. NW.: Housekeeping rooms, suitable for four adults; two rooms with bath.

209 Varnum St. NW.: Front room, near bath, in new home.

1730 Q St. NW.: Bright, attractive, single or double room.

1408 21st St.: Large front room suitable two men.

1334 12th St.: Desirable room, kitchenette, h. w. b.; electricity, phone.

121 2nd St.: Clean front rooms, completely furnished for l. h. k.; all privileges.

2633 Garfield St. NW.: Three furnished rooms for l. h. k., near Wardman Park Hotel.

1315 N St. NW.: Third floor double room, adjoining bath; electric; board optional.

Wanted: Young man to share room in apt. Address Box 351-C, Star office.

226 13th St. SW.: Large, nicely furnished room, arranged for light housekeeping.

1444 N NW.: Large front room and kitchenette; running water; gas range.

1402 16th St. NW.: Room with cooking accommodation; $18 month.

1368 Euclid: First and part or all second floor, private home, for summer or longer.

1214 Mass. Ave.: Room, porch, and kitchenette, range, sink, downtown; also single room.

407 East Capitol St.: Room for light housekeeping; laundry privileges.

1254 Columbia Rd.: Nicely kept room, second floor, near bath.

937 L St. NW.: Two l. h. k. rooms, adults. Main 9265.

2427 18th St. NW.: Two large, second floor rooms furnished for housekeeping; reasonable.

Single room, second floor; southern exposure; electricity; $15. Adams 1402.

1226 16th St. NW.: Desirable rooms for gentlemen.

Near Bureau of Standards: Room for young gentlemen; references. Cleve. 209.

731 6th St. NW.: Two nicely furnished rooms on second floor, near bath, for l. h. k.

947 Mass. Ave.: Four rooms, bath, second floor.

432 6th St. SW.: Neatly furnished room, near bath, $12.50 month; gentleman.

Lincoln Park: 2nd floor room, next to bath; electricity. 1122 East Capitol St.

2120 G St. NW., Apt. 204: Bright, airy room; reasonable.

917 K SE.: Double and single, in private family; elec.

331 H St. NE.: 3 rooms, furnished; gas, electricity; $26.

1213 N St. NW., Apt. 4: Cosy bed-sitting room, next to bath; within walking distance.

103 2nd NE.: Parlor-floor room (2), second-floor rooms; housekeeping permitted.

1842 Park Road: One large room with private bath; gentleman. Col. 9847.

1434 B St. SE.: Bed and sitting room combined, and kitchen.

314 6th NE.: Large front, private family; garage; reasonable. Lincoln 8943-J.

933 L NW.: Two large, bright rooms for l.h.k., 2nd floor; reasonable.

1223 K St. NW.: Clean, comfortable room; electricity; continuous hot water.

1316 New Hampshire Ave.: Two large, pleasant rooms; elevator. North 6143. Apt. 31.

2026 P St. NW.: Nice, clean rooms, with or without l.h.k.

716 Indiana Ave. NW.: Rooms for housekeeping; small rooms, $2.50.

1631 R St. NW.: Front bedroom for two, $25.

624 Kenyon St. NW.: 2 front rooms, h.w.b., electricity, l.h.k.

1108 D NE.: Two furnished rooms for l.h.k.

We offer "inspected" rooms only. All prices, locations, details. Wash. Service Bureau, District Nat. Bank Bldg. Main 2236.

1152 18th Street NW.: Two large 2nd-floor front rooms; also single and connecting; $15 monthly up.

Summer rates: 1408 8th St. NW.: 2-room housekeeping apt.; also single housekeeping rooms; near market and cars. Phone. Call after 4 p. m.

RENT ROOMS—FUR. OR UNFUR.

2217 H St. NW.: Five very attractive rooms with bath; hot and cold water on each floor; convenient to two car lines, Government buildings; reasonable.

Dupont Circle, 1409 20th St.: Second-floor front, furnished, $20; unfur., $17. Franklin 8729.

Several ladies or gentlemen desiring real home to take rooms; reasonable. Address Box 20-D, Star office.

2419 18th NW.: Two large rooms, l.h.k.; partly furnished, nice home; very convenient; with furnishings, $35, or unfurnished, $30.

1439 You St. NW.: On corner; single or double furnished room; entire second floor, unfurnished, $45 a month.

3519 10th St. NW.: Furnished or unfurnished housekeeping rooms, second floor; reasonable. Columbia 4090-J.

1837 16th NW.: 2 large rooms, 3rd floor; housekeeping or nonhousekeeping; gas, electricity and phone; $40.

420 3rd NW.: 3rd floor, l.h.k., running water; adults only.

One or three rooms, l.h.k., garage; suburbs; couple or gentleman. Col. 8073.

Two attractive rooms, modern house, $25 per month. Columbia 5272-R.

314 6th NE.: Two front l. h. k. rooms; reasonable; garage. Lincoln 8943-J.

1120 Park Rd. NW.: Second floor, l. h. k.; porch.

1730 N. Capitol St.: 2 rooms, furnished or unfurnished, for l. h. k.

2023 O: Large front room and kitchen, gas range; a. m. i.; very reasonable.

1515 Upshur St., NW.: Two or 3 rooms in private, modern home; very reasonable.

317 C St. NW.: Nice, convenient rooms, with bath; reasonable.

1829 16th NW., apt. 6: Large room in apt. house.

638 E St. NE.: 3 large rooms, furnished or unfurnished; electric light, h. w. h. and l. h. k.

1412 Irving St. NW.: Furnished or unfurnished rooms; couple preferred.

1770 Col. Rd.: 3 rooms, kitchenette and bath; furnished or unfurnished.

204 9th St. NE.: Large front room; l. h. k.

1040 Otis St. NE.: Room for rent.

RENT ROOMS—UNFURNISHED

Three unfurnished rooms, new house; l. h. k.; closets, semibath, large porch and grounds; electricity; near car; 20 minutes to 12th and Pa. Ave. NW.; rent reasonable. H. H. Blandford, corner Shelley Road and Lattimer Ave., Arlington, Va.

Mt. Pleasant, 3345 17th St. NW.: Entire third floor, three rooms, unfurnished; porcelain sink in alcove, rear room, four large closets; one block from cars; rent, $45 per month; including gas and electricity.

8 Ash Ave., Takoma Park: Three housekeeping rooms, sleeping porch, bath, first floor; new bungalow; a. m. i.; private front and back entrances; $45; 3 minutes from 14th St. car; 35 minutes to Treasury.

1915 S NW., nr. Conn. Ave., walking dist. depts.; 2 large, clean, light, airy l. h. k. rooms; large closets, hall, and private bath. Pot. 1916.

413 2nd St. SE.: 2 communicating rooms, second floor, next to bath; bay window; across from park; convenient to cars; reasonable; l. h. k.

3 Rock Creek Ch. Rd., Petworth: 2 rooms, large glassed and screened sleeping porch; partly furnished if desired; l. h. k.; a. m. i. Col. 3877-W.

1136 8th NW.: Two large rooms, kitchen, bath, running water, gas range; cupboards in every room; every convenience; reasonable.

3426 13th St. NW., corner Monroe St.: Second floor; front parlor, bedroom, with kitchen and bath adjoining.

1518 K St. NW.: 3 unfurnished rooms; will rent separately if desired. Eugene H. Taggart (Inc.), 1518 K St. Main 5500.

1112 13th NW.: Basement, two rooms, running water; partly furnished; other desirable rooms.

616 Princeton Pl. NW.: Two rooms; l. h. k.; a. m. i.; sleeping porch; rent reasonable.

2413 18th NW.: Private home, 2 large front; l. h. k.; modern conveniences; very reasonable. Adams 5309.

2115 1st St. NW.: Two newly papered rooms adjoining bath, in private residence; a. m. i.

3443 14th NW.: One room, kitchenette, bath; 2nd floor; newly decorated; a. m. i.; unlimited phone; garage. After 5.

656 Hobart Pl. NW., corner Georgia Ave.: Three l. h. k. rooms with bath, heat, gas, electricity; also aerial service. $45 month.

Near Lincoln Park: Three nice rooms, back porch, heat, gas, and electricity; adults. Phone Lincoln 7409.

208 4th SE. Entire second floor, two large rooms, kitchenette and bath; h.-w. h., elec. and gas furnished; adults. Lincoln 2060-W.

658 12th St. NE.: 3 large outside rooms; gas stove; semiprivate bath; $35, gas included; adults.

Your trunks, etc., moved 50 cents and up: Always open. Phone Main 1005. District Express Co.

12 Eye St. NE.: Entire floor, 3 rooms and kitchen; gas, heat, electricity; $35 month. Frank. 7116.

317 Varnum St. NW.: Two unfurnished rooms for l. h. k.; new home; southern exposure.

508 Kennedy St. NW.: Two large, unfurnished rooms and kitchenette; electric lights; $35.

505 M St. NW.: Two large, bright rooms and kitchenette; gas range, electricity, and gas; walking distance of Govt. depts.

715 Princeton Place: Private apartment, 3 rooms, sleeping porch and kitchen; modern equipments.

57 New York Ave. NE.: 3-room apt., unfurnished; modern conveniences; reasonable.

3038 Cambridge Pl. NW.: 2 rooms, kitchenette, elec. light, he t, gas; phone service incl. West 1122.

1503 M St. NW.: Colored; living room, kitchenette; married couple; good condition; light, heat, fine location.

449 Newton NW.: Two large connecting l. h. k. rooms or large front room, kitchen, bath; a. m. i.

1246 Maryland Ave. NE.: Four rooms and bath; electricity; gas range; sink; large closets.

1514 9th NW.: Entire third floor of three rooms, large hall, water on floor; housekeeping; no children; $35.

607 Columbia Road: 3 unfurnished rooms, light housekeeping; gas, electricity, heat; overlooking reservoir; reasonable.

1246 20th St., Apt. 3: Large front room, use of kitchen, for lady employed; reasonable. Franklin 7425.

634 L St. NW.: 3 rooms, kitchenette for l. h. k.; heat, gas, electricity; reasonable.

1008 Potomac Ave. SE.: 4 unfurnished rooms for l. h. k.; newly papered and painted; 2d floor; semi-bath; adults; reasonable.

604 F St. NW.: Two bright rooms; steam heat; $20 month. Apply 422 6th St. NW.

1503 Vermont Ave. NW.: Light housekeeping 3 rooms and kitchenette.

52 V NW.: Two large housekeeping, gas, elec., bath and use of phone. Frank. 7660.

631 Otis Pl. NW.: Three rooms. h.-w. h., electric light, closed sleeping porch.

63 K NE.: Three rooms, private bath; range, sink; reasonable.

619 F St. NW.: One large room, l. h. k., elec., gas, and water; reasonable.

2134 P St. NW.: Two rooms, running water, semibath; housekeeping. Potomac 336.

604 Mass. Ave. NW.: Two or three rooms, kitchen, sink; employed couple.

634 Massachusetts Ave. NW.: 3 rooms, third floor; reasonable; no children.

717 Fairmont St.: Housekeeping; 3 rooms, first floor; 3 rooms and bath, top floor.

1303 9th St. NW.: Rooms for l. h. k.; newly papered; $30 month.

1804 16th St. NW.: Large, newly decorated, unfurnished, l. h. k. rooms; reasonable.

41 R St. NW.: Two large rooms; light, gas; two car lines; reasonable.

Four rooms; a. m. i.; three adults, one child; limit, $45. Address, Box 273-D, Star office.

100 W St. NW.: 3 third-floor rooms. North 10434.

1828 A St. SE.: 2 or 3 rooms; back porch; l. h. k.; new home.

1730 10th St. SE.: 3 unfurnished rooms for l. h. k.; adults only.

308 7th NE.: Entire floor of 3 rooms; sink and gas range.

In 16th St. apt.: Large room. North 3085-W.

318 E St. NE.: 3 rooms, bath, 2d floor; l. h. k.; electricity, h. w. h., gas; reasonable.

912 East Capitol: Bedroom, bath, kitchen, porch; reasonable rent; adults.

401 B St. NE.: 4 lovely rooms; electricity, heat, gas; adults.

474 Maryland Ave. SW.: 4 rooms and bath for l. h. k.; reasonable.

3618 13th NW.: Entire floor, 3 rooms, bath, heat, and gas; l. h. k.

3114 Wisconsin Ave.: 3 unfurnished h. k. rooms, opposite Cathedral, $35. Cleve. 1145-W.

646 B St. SE.: 2 roms, suitable for l. h. k.; adults.

44 K St. NE.: Four unfurnished rooms, first floor, $30.

318 14½ NE.: Unfurnished rooms for l. h. k.

940 O St. NW.: 3 rooms and bath; very attractive; newly decorated; $40 month.

3801 Kansas Ave.: Two front housekeeping rooms, a. m. i. Adams 5262.

1304 13th St. NW.: One front room, kitchen, bath, second floor; vacant May 1; $35.

631 4th St. NE.: 2 unfurnished rooms; heat, gas, and bath; third floor; reasonable.

237 G St. NW.: 1 large front room; heat and electricity.

1706 M St. NW.: Single second-floor room; gentleman.

930 B St. SW.: Three rooms, l. h. k., heat, gas, electricity; $35 per mo. Fr. 6523.

1406 Hopkins St. NW., near 20th and P: Second floor, front; $17, plus.

1749 Pa. Ave. NW.: 3 l. h. k. rooms on third floor.

Two front rooms, near Capitol; l. h. k.; adults; $25. Lincoln 2494-J.

1305 3d NW.: Colored; three, kitchen; heat, gas, semiprivate bath; $60.

829 Princeton: Three large rooms, kitchen; entire second floor; $45. Col. 3863-W.

914 Va. Ave. S. W.: Two unfurnished rooms, l. h. k.; no children.

623 10th St. N. E.: 3 unfurnished rooms. Phone Linc. 7443-J.

932 B St. S. W.: Two large connecting rooms, front; adults.

1602 32d St. N. W.: Two front rooms, new home, $25.

1230 11th St. N. W.: Large room and kitchenette; next bath; electricity.

613 B St. N. E.: Three unfurnished rooms; electricity and gas; h. w. h.

736 3rd N. W.: Front apt., two large, airy rooms; reasonable.

504 Kenron St. N. W.: Two large front rooms for l. h. k.

27 R N. W.: Two large, connecting rooms, second floor, l. h. k.; adults; reasonable.

926 10th St. N. E.: 3 rooms, bath, elec., for l. h. k.; near 2 car lines; reasonable.

3101 P St. N. W.: 3 rooms, l. h. k., $40.

Two rooms, private bath, either separate or suitable for bachelor apartment; quiet, private family, three adults; breakfast served; plenty hot water, home atmosphere; 16th St. Highlands, near 14th St. cars and bus route. Phone Adams 2435-W.

One large room, beautifully furnished, next bath, in residence one block north Chevy Chase Club; garage optional; no housekeeping; $50 month. Address Box 81-D, Star office.

25 Poplar Ave., Takoma Park: One room, private home, near car line; modern improvements; meals optional; garage. Col. 7885-M.

203 Park Lane Ave. (Park Lane, Va.): Large, attractive room, modern house; convenient to cars; ladies.

Falls Church, Va., Box 92: Three or four rooms, furnished for l. h. k.; front and rear porches; shade; a. m. i.; adults.

4 rooms and bath, electricity, near Wash. Country Club, Va. R. Bradley, 5719 Sherrier Pl., Wash., D. C.

Park Lane Va., 408 Brown St.: Three housekeeping rooms; gas; some furniture; $10 per month. Mrs. W. C. Kimbrell.

Brentwood, Md.: 3 rooms, large bath, electricity, 2d floor. M. S. Pugh, Crook Ave., near P. O.

Clarendon, Va.: Desirable room; reasonable; modern, garage. Phone Clarendon 121-W-1 or address Box 144-D, Star office.

3502 37th St., Mt. Rainier, Md.: Rooms, furnished or unfurnished; board if desired.

20 Columbia Ave., Takoma Park: Room and garage. Col. 5392-J after 4 p. m.

Brother and sister desire married couple or two ladies to share new house, furnished at Lyon Park, Va. Expenses reasonable. 1750 S St., n. w.

1024 Irving St. N. E.: Cool, comfortable, nicely furnished room; elec.; private porch; next to modern bath; no objection to l. h. k.; gas in room; ladies or gentlemen.

15 Maryland Ave., Hyattsville, Md.: For rent, unfurnished, 3 rooms and bath on second floor; adults, or don't mind a young baby.

Falls Church: Four large unfurnished rooms on 2nd floor; elec., semibath; within walking distance of car line. Phone, Falls Church 129-W-2.

5005 Manning Pl. NW., Potomac Heights, D. C. (Chain Bridge stop): Two and 3 furnished housekeeping, one-half block from car line.

2801 Channing St. NE.: Front room for two, with board; home comforts; in modern new home.

Woodside, Md.: Room and board, modern, ½ block from car line; 30 minutes to city. Phone, Woodside 43-W.

53 Linden Ave., Cherrydale, Va.: Two rooms, furnished light housekeeping; a. m. i; ideal location.

Two unfurnished rooms, kitchenette, bath, electric lights, gas; rent, $25; Cherrydale, Va. Address Box 305-D Star Office.

2954 Macomb St., Cleveland Park: Private home. Phone, Cleveland 3373.

ROOMS AND BOARD

Well, employed young women of good character can make reservations in girls' club opening about May 1. Beautiful surroundings, every privilege dear to a girl's heart, dances, music, etc., abundant carefully prepared food, best residence location; rates very reasonable. Address, Box 136-C, Star Office.

1222 New Hampshire Ave. NW.: Large, second-floor front room, five large windows, porch; overlooking a park; private lavatory, continuous cold and hot water, electric light, telephone, excellent meals; suitable for two or three persons; very reasonable; walking distance to all departments.

In Washington's most exclusive suburb, 16th St. Highlands, best car and bus service; close to Rock Creek Park; tennis court and band concerts; board in lovely detached home for a few people, at $50 each; young employed folks only; 3-car garage; best home cooking. Call Col. 8131.

Excellent location for the summer; convenient to both car lines; bright, airy, well-furnished front room in private home; board optional; suitable for two young ladies. Phone, Adams 3735-W.

1123 13th St. NW.: One large room, first floor, with private bath, suitable for three or four; other double roms, second and third floors; some facing Mass. Ave.; southern exposure.

Tired convalescents, elderly people who would appreciate a comfortable home; good food, wide porches, pleasant surroundings; 5 minutes from car. For particulars address Box 155-D, Star Office.

1969 Biltmore St. NW.: Overlooking Rock Creek Park; large front room; twin beds; convenient to two car lines; excellent meals. Col. 3029.

1948 Calvert St., vicinity 18th and Columbia Road: Private family; large second-floor front, with or without twin beds; home cooking.

1226 Euclid NW., May 1: To business couple or two business women, large, airy front room, near bath; continuous hot water, unlimited telephone; good table board. Adams 4255.

Large front room, three windows; breakfast; near both car lines; mod. improvements; in new section NW.; married couple preferred. Adams 5138-W.

Falls Church: Room and breakfast, man or man and wife; electricity; bath; within walking distance of car line. Phone Falls Church 129 W-2.

Attention: This is to you who wants a permanent home with two middle-aged married people; pleasant surroundings; home cooking; references exchanged. Col. 3796-J.

1124 12th NW.: Comfortable rooms; running water; good board; reasonable.

Lincoln Park, 149 Kentucky Avenue SE.: Room and board for two; bright, sunny room, next to bath; all conveniences. Phone Linc. 802.

1728 N. ST. NW.: Single or double rooms; beautiful home; excellent location; opportunity for music study and practice. Franklin 2593.

At Business Women's Council, 1229 Conn. Ave., for young ladies: Rooms with two meals per day, from $45 to $47.50 per month. Double rooms with twin beds. Phone Franklin 4094.

1516 Columbia Rd.: Clean single room near bath, second floor; always hot water; free phone; delicious home cooking; gentlemen only. Col. 5409.

Melrose, 1343 Clifton, Apt. 56.: Attractive room for two, with spacious porch; home privileges; practically private bath; reasonable. Col. 5928-W.

1708 Q St. NW.: With private family; rooms newly furnished; gentlemen preferred.

1334 Fairmont St. NW.: Large front room, second floor; home surroundings and cooking; reasonable. Col. 1561.

1431 33d St. NW.: Exceptionally bright, clean room in private family; suitable for two ladies; board optional. Keating.

1303 Fairmont St.: Large, well-furnished front room; southern exposure; continuous hot water; excellent table. Col. 1439.

Lincoln Park, 1327 East Capitol St.: Nice room; good board for two; a. m. i.; telephone; reasonable.

1231 Harvard St. NW.: Large, nicely furnished front room for two; corner house; best home cooking. Col. 5093.

1105-1107 13th St.: Single, double, front rooms with board; $35 per month; no objection to children.

1824 New Hampshire Ave., cor. 17th: Three rooms, singly or together; closet for each room; attractive price.

1102 P St. NW.: May 1, nicely furnished room, first floor, with or without board. Phone Potomac 1838-J.

1325 M St. NW.: Desirable room, four windows; walking distance downtown; excellent table board; transcients accommodated.

Scott Circle, 1230 17th St.: Single and double rooms in girls' club; splendid location; excellent meals. Franklin 10260.

Middle-aged lady: Employed; quiet home in private family; northwest section, west of 14th. Address Box 139-D, Star office.

1852 Biltmore St. NW.: Room with twin beds, suitable for two persons; continuous hot water. Columbia 10300.

1407 Delafield Pl.: Large room with sleeping porch, next bath; a. m. i.; also single room; use of phone.

2622 Conn. Ave. NW.: Attractively furnished 2nd-floor front room, with porch, 2 people.

314 A St. NE.: Desirable room for two, electricity, phone; fine home cooking; reasonable.

Dupont Circle neighborhood: Front southern room, twin beds; also single room; reasonable. N. 5816.

2809 Woodley Rd., half block Wardman Park Hotel—Front room in new home; couple or ladies. Adams 4097-W.

3615 McKinley St., Chevy Chase, D. C.: Single or double rooms, with or without board.

Single room, front, with excellent board, to lady. Col. 4431.

Iowa, Apt. 2: Bed living room; girls; meals optional. Frank. 2618.

1512 Lamont St. NW.: Nice front room; twin beds; private family. Adams 5099.

Cleveland Park: Single and double rooms; large porch; high and cool. Cleve. 1651.

In private home: Furnished room and good board, $40. N. 596-J.

Semi-invalid: Bright, cheerful room; moderate rates; lady. Phone Main 6986.

902 Pa. Ave. SE.: Front rooms, southern exposure; excellent table.

1932 Biltmore St. NW.: Nice, clean room; good meals, home cooked.

1729 Gee St. NW.: Rooms and board; home cooking; hot bread; chicken dinners.

1716 Rye St. NW.: Delightful rooms for 2 or 3; every comfort; exceptional meals.

1120 Park Rd. NW.: Second floor front; also single room.

Tea House, 1711 De Sales St.: Rooms and board.

1608 K St.: Single and double room; excellent board.

1315 M St. NW.: Large, front, second-floor room, twin beds; with board; references.

1749 Q St. NW.: Furnished rooms with board; wrapped lunches.

1323 M St. NW.: Modern, well-furnished double room; excellent meals; $65 month.

1230 Mass. Ave. NW.: Large front room for two.

1828 Col. Rd.: Large room, delicious meals. Phone Col. 10048.

1306 Columbia Road NW.: Private family.

1343 Girard St.: Pleasant room; all conveniences; good table.

1314 Park Rd.: Desirable front rooms for two persons; home cooking; references.

Glen Echo Heights, Stop 30—Room and board. Mrs. Moody.

3115 13th NW.: Nice rooms; reasonable.

Can accommodate one girl in 6-room house with 4 others. Col. 8703-J.

3505 16th St.: Rooms reasonable; young ladies or couple employed.

1515 L St. NW.: Convenient to down town with or without excellent board.

1426 21st, near Dupont: Nicely furnished room, excellent home cooking.

1406 Massachusetts Ave., NW.: Desirable double room, mod., excellent meals; walking distance govt. depts.; reasonable.

The Fairmont: 14th and Fairmont Sts.—Desirable double and single rooms; excellent meals; telephone in every room; rates reasonable.

1323 Girard NW.: Beautifully furnished rooms, with or without private bath; ex. meals; summer rates.

Hillcrest: 2800 13th St. NW.—An ideal home for those away from the comforts of their own. Rooms with and without bath. Meals that satisfy.

The Colonial; 15th and M Sts. NW.; 200 rooms; American plan; hotel service; reasonable rates; single, double rooms and suites available. Dairy produce and vegetables supplied from our Virginia farm daily.

APARTMENTS—FURNISHED

Two rooms, inclosed sleeping porch, bath, porcelain sink, electricity; second floor, modern home. 227 8 St. NE. Pot. 1051-J.

Five rooms and bath, large back porch. 311 Md. Ave. NE. Hall & Gray, 1204 H St. NE. Lincoln 1591.

Five rooms and bath, all outside rooms, second floor. Apply Apt. 6, or janitor, 1006 Webster St. NW.

3805 Kansas Ave. NW.—2 large, l.h.k. rooms, double inclosed porch; new house; a.m.i.; reasonable.

Five rooms, newly papered, $32.50. Four rooms, electricity; rent, $27.50. N. R. Marshall, 929 New York Ave.

Two very large, airy rooms, kitchen, bath, reception hall and balcony; attractively arranged apt.; reasonable rental. The Argonne, 1629 Col. Rd. Phone Col. 4630.

232 Upshur St. NW.—3 rooms and bath, 2 porches; heat, light, and gas. Open to-day, 1 to 6 p. m.

Furnished apt. of 3 rooms, large kitchen, back porch, pulley line; reasonable. 1126 8th St. NW.

Entire 2d floor room for 4 or 5 persons, in fine home; sink and gas range, private bath; price, $100; h.-w.h., elect.; also nice rooms. 1727 Col. Rd.

3100 18th St. NW.—Two rooms, kitchenette, bath, fully furnished, electric lights, continuous hot water, extension telephone; absolute privacy; good neighborhood, near Zoo; $45. Wanted a couple, no children; clean, permanent. Columbia 8816.

Small apt., clean, convenient, comfortable, permanent and reasonable, for two or more. 1315 R. I. Ave. NW.

Three rooms, kitchenette, private bath, and porch on first floor, furnished. Apt. 2, 1440 R St. NW.

Greenwood Ave., Takoma Park, Md.—Apartment, furnished, 3 rooms, first floor; a.m.i.; $30 mo.; garage, $5. Adams 3568-W.

The Chastleton, Apt. 736; nicely furn. living rm., 2 bedrooms, glassed-in sleeping porch, kitchenette, bath.

Mt. Pleasant: 2 rooms, kitchen, bath, closets, second floor; all outside rooms; airy and cool; overlooks Rock Creek Park; excellent neighborhood; telephone; electric lights, gas, hot water included; rent reasonable. 1821 Kenyon St. NW.

Near 16th and Columbia Road: Two or three rooms, all outside; electricity, gas, piano. 3033 13th St. NW.

Near Dupont Circle: Attractive 2-room, kitchenette and private bath apt.; moderate rates. 2020 N St. NW.

412 Tenn. Ave. NE.: Apt. 4, 3 rooms, tile bath, porch, h. w. h., $42.50.

1913 Pa. Ave. NW.: Two rooms, porch; elec.; gas range, porcelain sink and tub; hot water; $40.

The Royden, K near 16th St. NW.: Four rooms and bath; nicely furnished; $90.50. See manager.

1453 Fairmont: Third-floor apt., 3 rooms, bath, and porch completely furnished for housekeeping; light and airy; adults.

3 rms., private bath, a. m. i.; no children; call after 6 or Sunday. 1315 21st St. NW. Phone Potomac 2549.

June 1 to Sept. 31.; seven-room triplex apartment, furnished, two baths, garage, $300 month; references. Apply betwen 9 a. m. and 6 p. m., apt. 6, Meridian Hill Studios. 2633 15th St. NW.

1738 T St., apt. 3: Three rooms, kitchen and bath; back porch; apartment building; electricity, gas.

Iroquois, Thomas Circle, 1410 M: Attractively fur. 5-room south apt.; very little over rent. See elevator boy.

Bach. apt.: 2 large rooms and semibath; nicely furnished; a. m. i.; rent reasonable. Phone North 9174.

Colored: Two-room apt. to let for l. h. k.; range in kitchen; other rooms furnished; fine location; good people only need apply; no children. Phone North 6078.

Girl to share apt. 311, Argonne, 16th and Columbia Road; 1 r., k. and b. and reception hall, or will sublet; reasonable.

Three large rooms, porch, bath, $70; 3d floor. 1523 17th St. NW.

Down town, 809 21st St. NW.: 2 l. h. k. rms; gas, elec., phone, $27.50 and light services; 2 rms, porch, $50. Ask 1908 Eye NW.

Nicely furnished 4-room apt., for housekeeping; running water; $37.50. Apply Nelson's Pharmacy, No. 1 R St. NE.

3 rms, private shower bath, porch; highest location; completely furnished. 4024 Illinois Ave.

Room and kitchenette, completely fur. for h. k.; hot water, elec., unlimited phone. 605 Taylor St. NW., Col. 371.

Carlisle Apt., 1213 N St. NW.: Attractive 2 and 3 room, kitchen, and bath apts., $75 and $80. Ralph G. Robey, 405 Insurance Bldg. M. 7638 or see janitor.

Attractive 4-room and bath outside apartment; convenient locality. North 1421, apt. 150.

Desirable furnished apartment for couple, two rooms, adjoining bath, in modern suburban home; garage. Phone Clarendon 203-W-1.

Overlooking Rock Creek Park: Bedroom, dining room, kitchen, comb. large porch, 2d floor; range and sink; $45. 1933 Calvert NW.

914 B St. SE.: Two large, bright rooms, kitchen, and bath; completely furnished; a. m. i.; adults.

Cool quarters for summer, Apt. 53, the Marlborough: 3 rooms and tiled bath, 2 bedrooms if desired; attractively and comfortably furnished; rent reasonable.

No. 9 Grant Place NW.: Downtown apt., front, well fur., large room, kitchen, electricity, adjoining bath.

1315 Clifton St. NW., 2d-floor front: Parlor, dining room, kitchen, bath, 2 bedrooms; all outside; well furnished; telephone service. Apartment 22.

Exclus. 16th St. apt. house, south of Scott Circle, offers an attractive apt. of 4 rms., rec. hall, and 2 baths. Frank. 5687.

Bachelor apt., 2 rooms, bath, well furnished, on 16th St., overlooking Rock Creek Park. Col. 10221.

The Kensington, 2501 14th, Apt. 3: Three large rooms and porch, for housekeeping.

Furnished apt. of three rooms, kitchenette, and bath, complete for housekeeping. Apply Apt. 210, 2138 Calif. St. NW.

For rent: Furnished apartment, six rooms. Woodward Apt. For appointment call North 1874.

1272 New Hampshire Ave. NW., corner N: 2 or 3 front rooms, kitchenette, bath, a. m. i.; contin. hot water; walk. dis. depts.

2-room apt., l. h. k., best NW. section, near Dupont Circle; price reasonable. Phone Potomac 2727.

Mt. Pleasant section: 1 room, dining room and kitchen combined, and bath, attractively furnished. Geo. W. Linkins, 1719 K St.

Down-town section: 1 room, dining room and kitchen combined, and bath, beautifully furnished. Geo. W. Linkins, 1719 K St.

1357 Euclid St. NW.: Two rooms, kitchenette, bath, electric light and gas; unlimited phone; cont. hot water; adults only.

2 girls to share apt. Reasonable. 16th St. Mansions, Apt. 636. Phone North 1000.

1950 Calvert St. NW.: Three large rooms and bath, completely and beautifully furnished for housekeeping; married couple.

2 rooms, large hall, 3 closets, bath, porch, entire apt.; private detached home NW.; garage if desired; $50. Col. 885.

52 T St. NW.: 2 or 3 communicating rooms, completely furnished for l. h. k., with gas, elec., and a. m. i.; no object. to children.

1454 Euclid St., Apt. 4: Five rooms, bath, and porch; reasonable. Adams 2399.

3641 13th St. NW.: Three rooms, bath, sleeping porch, nicely furn.; exclusive residential section; ideal for 3 or 4 girls; a. m. i.

Wanted—Girl to share well furnished apartment with two others; reasonable. 1322 15th st., n. w., Apt. 41. Phone Franklin 9724-M.

By daughter of naval officer, for several months, 5-room apartment, attractively furnished, in good n. w. location, $85. Tel. North 9386.

The Toronto, Dupont Circle—For married couple, housekeeping apt. on first floor, reasonable. P st. entrance. Ring bell first door to the right.

Nicely furnished three-room apt., hall, kitchen, porch, and bath, suitable for four or more girls; May 1; on R between 14th and 15th. North 5659.

29 Eye St. NE.—2 rooms and kitchenette, first floor front newly decorated summer rates.

2400 16th St.—Until Oct., 6 rooms, 2 baths, porch, south exposure; most attractive and comfortable; moderate rent. Col. 7200, Apt. 204.

123 10th NE.—2 large, newly furnished rooms, kitchenette and bath; 2nd floor, light housekeeping; hot-water heat, electricity; adults only. Linc. 7417-W.

Apt. 6, 1824 15th NW.—Sunny south corner, 2nd floor; cool summer apt., 3 rooms, k. b. h., completely furnished; sew. mach., victrola; $50 two, $60 three; ladies preferred. North 6588-J, Sundays and evenings.

1309 3rd St. NW.—Three rooms, porch, second floor, $9 week; two rooms, running water, nicely furnished; $9 week.

Attractive three rooms and bath (kitchen fully equipped), furnished apt., 2nd floor; in beautiful Cleve. Park. Cleve. 581-J.

R Street, near 21st—Most attractive housekeeping apartment of 3 rooms and bath in exclusive residential section; available May 1; no children. W. H. West Company, Wm. L. F. King, E. C. Perry, 815 15th St. N.W.

926 Ingraham St. NW.—Three rooms, second-floor front; hot-water heat, bath; $50 monthly.

Apt. 45, 1480 Newton St. NW.—Newly papered, complete and beautifully furnished, 3 rooms, kitchen, and bath (2 bedrooms, dining, sitting room), electricity, gas; $80 month. Call or telephone Col. 1015-J.

Parlor, bedroom, kitchenette, phone, piano, bath; handsomely furnished; rent moderate; 2nd floor. 3028 O NW.

Delightful h.k. apt., 5 r., 2 b., with balcony overlooking Rock Creek ravine at bridge, charmingly and completely furnished at unfurnished rental, until Oct. 1. Apply 403, the St. Albans, 2310 Connecticut ave.

2410 Ontario Road—Two large rooms, kitchen, bath; furnished for housekeeping; summer rates. Col. 4675.

Attractively furnished apt., two rooms and kitchenette, gas, electricity; $50. 1917 Kenyon st. NW.

911 Webster St.—Four-room and bath apartment; reasonable. N. O. Holmes, above address.

Two rooms, bath, kitchenette; reasonable. Atlantic Apt., 10th and N sts. NW., Apt. 404.

3419 14th St. N.W.—Entire third floor, living room, bedroom, kitchen, bath, and large porch; couple only.

2 unusually large rooms, kitch. & bath, nicely fur., excellent service; poss. May 1, $65 per mo.; convenient to churches, schools, market, and stores; near car lines and busses. Inq. at once, Apt. 11, the Ingleside. Col. 8236-J.

Two rooms, kitchenette, and bath. Apt. 2, 3rd floor, 1730 F Street; $40; can be seen Saturday and Sunday.

Conn. Avenue near S.: Unusually pretty, light apt., conveniently and attractively arranged; living room, 2 bedrooms, Pullman dining room, bath; reasonable. Col. 4187.

Apt. NW.: By lady; living room, bedroom, front, southern exposure; unlimited phone; very private; suitable for two ladies employed. Adams 4630.

44 New York Avenue NW.: Three rooms, kitchenette, and bath, first floor; all modern improvements.

Near Wardman Park Inn: 2 rooms, kitchenette, bath, and dining alcove, completely furnished; for summer months. Col. 338-W after 5 p. m.

238 Park Avenue, Takoma Park: Large front rm. and kitch., next to bath; a. m. i.; sink and gas range; garage, if desired.

Mt. Pleasant section: Beautiful apartment, 4 rooms, kitchenette, bath, porch; a. m. i. Phone Adams 1209.

407 Columbia Road NW.: 2 attractive rooms, small porch; a. m. i.; gas range; $35. Columbia 7961-W.

4 and 5 rooms, bath, porch, and garage; a. m. i.; no objection to children. 7135 7th Street, Takoma Park. Adams 3887.

Wanted: Young girl to share lovely apt.; no work. North 4434.

One room, kitchen, and bath, attractively furnished. Conard, apt. 601. Main 9070.

70 North Spruce Street, Clarendon, Va.: 3 rooms, kitchen, and bath; 2nd floor; electricity, gas, hot-water heat; garage. Phone Clarendon 19-W-1; no children under 10. One-half hour to Treasury; $65.

1323 Clifton Street, apt. 23: Rec. hall, living room, and dining room combined, two bedrooms, kitchen, and bath; $85 per month. Adams 1232.

Attractive, comfortably furnished 2-room, kitchen, bath, outside apartment, overlooking million-dollar bridge; cafe, elevator, telephone service; available May 1 to October. North 7006, apt. 301 or manager. St. Albans apt.

1224 Mass. Avenue, NW.: Apartment of one room and kitchenette, gas range, running water, electric lights; adjoining bath.

Well furnished 5 r. and b. apt. across from Meridian Hill Park; available May 1 for 5 mos. or longer. Col. 1236-W.

Near Mt. Alto Hospital: A very desirable and well furnished apartment of 4 rooms, reception hall, and bath; 2 bedrooms; until October; rent, $80. Apt. 22, 2716 Wisconsin Avenue. Phone Cleve. 3066-J.

Completely furnished, 2 rooms, kitchen, and bath apt., 1414 B Street NW.; rent, $65 per month. See janitor or C. W. Simpson Co., 734 15th Street NW.

3508 16th St. NW.—Very attractive apartment, 3 rooms, kitchen, bath, sleeping porch; abundance hot water; reasonable.

Ideal, high-class 3-r., b. apts.—Glassed porches, ga., clean, sunny, quiet, exclu. apt. service. Rates till Sept. 1633 Q.

Two rooms, kitchen, bath; light, clean, cool; reasonable; well situated. 1740 T st., NW., Apt. 3.

Apt. 2, 1729 East Capitol—2 rooms, kitchenette, with Pullman diner and bath; completely furnished; 3d floor front; everything new and modern. Reasonable.

May 15 to June 30—Southern exposure, three rooms, kitchen, and bath; $75 per month. 401 Carlisle Court, 1401 Columbia Rd.

2-room apartment, first-floor back. Elec., gas, sink in kitchen; completely furnished; $30 month. 463 G St. NW.

Delightfully cool 6-rm. housekeeping apt.; 3 exposures; all rooms outside. June 1 to Sept. 1. The Kenesaw, Apt. 44.

1358 Fairmont—3 large rooms, private bath; entire 2d floor; nicely furnished; electricity, hot water, telephone. Rea.

Downtown, in new, modern apt. house; one room and bath. Address Box 106-D Star office.

5349 10th St. NW.—Newly papered; three rooms, bath, porch, large closets, elec.; gas range; adults only; reference.

1126 8th St. NW.—Convenient apartment, 3 rooms, bath, good order, for two people; reasonable.

One room and bath, available May 1; two rooms, bath, kitchenette and large porch, available June 1. Apply Sunday between 4 and 7, Apt. 807, the Ambassador, 1750 16th St.

4022 Georgia Ave.—Room, kitchenette, bath, $37.50.

Cool, comfortable, 2 large rooms, kitchenette, new private home; good neighborhood; near cars and stores; hot-water heat, gas, electricity; rent reduced; adults. 500 Tulip Ave., Takoma Park.

Bach. apt.—2 large rooms and semibath; nicely furnished; a. m. i.; rent reasonable. Phone North 9174.

3 rooms, kitchen and bath. L. Vuessleln, 1119 14th St.

Desirable apartment, 3 rooms, bath, large screened porch, entire 2d floor, completely furnished for l. h. k.; new house; reasonable; adults. 910 Madison St. NW. Col. 4461-W.

Three large rooms, including inclosed sleeping porch, bath. Adams 5480.

Attractive 2 rooms, dining alcove, b., kit., for summer months; Cleveland Park, square from Conn. Ave. Cleve. 558-J.

To sublet for 6 months or longer—Beautifully furnished 2 rooms, k. and bath, Apt. 207, 1205 15th St. NW. Available May 1. Rent reasonable.

One room, kitchenette, bath; completely furnished, piano; vicinity Dupont Circle. Call West 2502-J.

Overlooking Lincoln Park—2 large, front, first-floor rooms, for light housekeeping, in strictly modern apartment house; unlimited phone; refrigerator; available May 1; $42.50. 115 12th SE., the Stonehurst. Apt. 1.

Small apartment to party buying furniture. Phone between 10 and 4, Sunday, Main 9010, Apt. No. 503. Reasonable.

Wanted—One or two girls to share lovely apartment. Call 1829 16th St. NW., Apt. No. 5. Potomac 657-W.

Artistically furnished room, b., kit., and hall; 2008 16th st., apt. 35. Call between 5.30 and 6.30 p. m.

1712 Corcoran st. NW.—Liv. rm., bedrm., kit., and priv. b., porch; 2d fl.; well fur.; g. and elec. incl. in price; reasonable. N. 1331-J.

$37.50—Room, bath, kit., to purchaser of furniture, $350; open Mon. & Tues. nights, 7 to 9. Apt. 32, 1820 K st. NW.

Turn over lease to party buying furniture, 2-room apt., Wardman Park Hotel. Address Box 207-D, Star office.

412 H st. NW.—Large front room, dining room, kitchenette, porch, $35. Frank. 486.

815 21st NW.—Attractive apartment, 1 room and kitchen, 2d-floor front, completely fur.; walking distance; near Pa. Ave.; $35.

Near Dupont Circle—2 large, airy, attractive, fur. rooms, bath; also apt. with large screened sleeping porch; newly decorated; a. m. l.; adults. 1827 Corcoran, bet. Q & R sts.

Main 9265—Three l. h. k. rooms in apt.; Thomas Circle.

The Tuxedo, 1439 T st. NW.—Nicely furnished 3-room, kitchenette, and bath apartment; reasonable. Call 9.30 a. m. to 2.30 p. m.

2 rooms, kitchen, and bath. L. Vuesslein, 1112 14th st.

Beautifully furnished, 1 or 2 large rooms and kitchenette, in nice apartment house, near downtown; a. m. l.; very reasonable. West 604.

808 The Ambassador, 16th st.—Two rooms, reception hall, kitchen, bath, screened porch, $100; one room, bath, $50.

1806 Vernon st. NW.—Entire second floor, furnished; south porch, electricity, gas, private bath; adults.

The Cordova, apt. 352—2 rooms, bath apt.; bright and cheerful; fully furnished; reasonable.

1721 T NW., No. 2—Unusual value, desirable modern apt., 4 rooms, kitchen, bath, porch; well furnished; excellent janitor.

1511 Irving St. NE.—Entire second floor, modern home, furnished clean; a. m. l.; sink; running water; gas range; use piano, laundry; reasonable. R. I. ave. cars, 20 minutes Treasury.

307 Kentucky ave. SE.—Two or three rooms and porch; a. m. l.

Two rooms, kitchenette—Pleasant location for summer; no objection to infant; reasonable. 121 Carroll ave., Takoma.

28 Adams St. NW.—3 rooms, large sink, large closets, gas range, electricity; good location; newly papered and painted.

16th and P NW.—Reasonable rent; 3 rooms, furnished; tile bath. Phone Franklin 2537.

From May to September—One room, kitchenette; cheap to dependable person. Address Box 146-D, Star office.

2900 Que st., apt. 4—Will rent my 5-room and bath apt., furnished, for 3 or 4 months. West 1694.

129 Fourth Street SE., suitable for two; a. m. l. Ring basement bell.

Furnished apt. of 2 rooms, kitchen and bath. Call 2 to 6 p. m., 1401 Columbia rd. n. w. Apt. 120.

Living rm., bedrm., kit., bath; all outside rms; ex. furniture; $65; settled couple preferred; garage. 1917 N st. n. w.

Beautiful apt. in the Toronto—Six rooms and bath, attractively furnished. Phone North 106 Apt. 44.

West Clifton Terrace—Girl to share lovely furnished front apartment; Government employee preferred. Phone Adams 3212.

417 11th St. NW., opp. Star Office—Four outside rooms, furnished complete for housekeeping; elec.; continuous hot water.

Near Dupont Circle—Second-story front; bay-window alcove; combined sitting and bedroom; unlimited telephone. Phone North 7183.

2151 California St., Apt. 401—5-room housekeeping; from May 15. Call or phone Col. 5085-W.

626 Eye St. N. E.—2 front rooms for l. h. k.; heat, gas, electricity; all new furniture; $35 monthly.

Central—3 large, cool rooms, kitchenette, bath, linen, silver; from June 1 to Oct. 1; $75. Frank. 9359.

2 rooms, inclosed sleeping porch, bath, porcelain sink, electricity; second floor; modern home. 227 S St. NE. Potomac 1051-J.

Wanted—Congenial young lady to share apartment. Phone North 3000.

1-room and bath apartments, 105 and 106 St. Nicholas, June 15-Sept. 15, $40 to $50 per month; references.

In Mt. Pleasant Apt. House—Large, 3-room h. k. apartment, handsomely furnished, fronting on 16th st.; second floor; light, airy; $75. Adams 2918.

Jewish family will sublet upper floor new corner house, porch, new furniture; very cheap. 301 Kentucky Ave SE.

Three squares north Park Road—Small housekeeping apt.; reasonable. Columbia 4078-W.

One extra large, bay-window room, kitchen and bath; reasonable. 1673 Columbia Road. Phone Col. 8806. Ask for 206.

1249 Lawrence St. N. E.—2nd floor, 3 rooms, kit., b., sleeping porch and garden space; immed. poss.; reasonable. Pot. 2369.

208 9th St. N. E.—Two large rooms with bath; light housekeeping; all modern improvements. Price, $35.

1646 Park Road—3 rooms and private bath; every convenience; choice location; best street car lines; adults; reasonable.

Attractice and reasonable; 1 room, bath, kitchen, and dining alcove; 5 windows; newly furnished; conveniently located; cool; available immediately for long or short period. Apt. 206, 1609 31st St. NW.

Beautifully furnished apt., 6 rms.; moderate rental; located near Lafayette Sq. Phone Franklin 610, or the Rochambeau.

Apartment, furnished, for the summer; 5 rooms, b. (outside rooms), fur. porch; nr. the Ivy St. car and 16th St. bus lines; $70. Address Box 188-D, Star Office.

Two rooms, nicely furnished: Heat, gas, and elec.; adults preferred; $25. 1429 C n. e. Lincoln 8939-J.

Furnished apartment: Three rooms, kitchen, and bath, $115. Inquire 901 26th St. n. w., apt. 5.

Near 16th and W Sts.: One or two lovely rooms with kitchenette, to desirable couple. Call North 965 before 12 a. m.

Takoma Park: 1st-Fl. Apt.; 6 rooms, sleeping porch, tile bath, garage; new house; handy cars; available summer; adults only. Apply 217 Cedar Ave. Phone Adams 4885-J.

Cool, comfortable, front apt.: No 30, the Parkwood, or 1746 K St. N W.; very reasonable; references required.

1336 Eye St. N. W.: 2 rooms and bath, beautifully furnished, including electricity, $75 and $85 a month.

Two rooms, kitchenette and bath. The Hillside. 1415 Chapin St. N W.

744 Park Road: Large room, kitchen, inclosed sleeping porch, or entire floor, 2 rooms, kitchen, sleeping porch; adults. Reasonable. Col. 6079-J.

1218 Euclid N W.: Three large rooms, bath, and porch; southern exposure; second floor; $65 month.

Attractively and completely fur., 2 rms., kit., b., p.; for summer. Res. Adams 4538-J, eve. and Sunday. 18th and Col. Rd.

Attractive bungalows: 5 rooms and bath. 3 rooms and bath; a. m. l.; completely furnished; fireplaces; screened sleeping porches. St. James. Glen Eco, Md. Phone Bethesda 205-F-4.

Near Dupont Circle: 3 rooms, kit., bath apt.; small porch. Mahogany furniture. $80. Address box 74 D, Star office.

1500 Columbia Road: 2nd floor. All outside: Three rooms and bath. Choice bright, cool, attractively furnished; suitable for three; no children.

Attractively fur. 2-room, kitchenette, and bath apt., during summer; near Rock Creek Park. 2308 Ashmead Pl. Tel. Potomac 270. Apt 36. Sundays or after 6 week days.

For rent: Furnished basement flat, hot water, electricity. $25. Phone North 3017.

424 East Cap. St.: 3 large rooms, h. k., large colonial porch, semi-bath, ready to occupy, elec., gas, h. w. h., continuous hot water; all included; rent very reasonable; adults; office in basement.

To colored: One room and kitchenette, furnished; no children. 1644 6th St. NW.

1732 Eye St. NW. Exceptional appointments. References required.

Copley Courts: 1 room, kitchen, and bath. Call North 4500.

Room and bath outside apt., to party buying furniture; owner leaving town. 409 Southern Apts., M and 15th. Main 8863.

1342 R St. NW.: Two large front and back communicating rooms, on main floor, furnished for light housekeeping; sinks and gas range.

2518 13th St. NW.: 3-rm. 2nd floor apt. for rent; a. m. l.; exclusively residential; ready for occupancy May 15th.

3 rooms with private bath, all modern conveniences; select location; adults; reasonable. 1646 Park Road.

May 1, 3 furnished rms., private bath and sleeping porch; electricity and steam heat. Apply at 311 1st St. SE.

1919 19th St. NW., Apt. 30: Attractively furnished front apt., large living room, bedroom, hall, private shower bath; heated garage optional. Can be seen any time after 3.30 p. m.

1323 Monroe St. NW.: Two rooms, kitchenette, bath, small porch, all front, southern exposure; adults; transients accommodated.

Meridian Hill Studio, 15th and Euclid Sts.: Center of diplomatic section; unusual and beautiful 4 and 8-room duplex apts.

Cavanaugh Court, 1526 17th St. NW.: Two rooms, kitchen and bath, nicely furnished at $75 and $80.

Rutland Court, 1725 17th St. NW.: One room, kitchen and bath, nicely and comfortably furnished, $62.50 and $65.

Avondale, 1734 P St. NW.: An excellently furnished apt. of 3 rooms, kitchen and bath, furnished in mahogany, linen inc.; may be seen by appointment. Allan E. Walker & Co. (Inc.), 813 15th St. NW., Main 2690.

Handsomely furnished apartment; cool in summer, three wide-open exposures; top floor overlooking beautiful Rock Creek Park; large living room with fireplace and porch, dining room, bedroom, tile bath and shower, kitchen, large closets; all-night elevator and telephone service; laundry trays in basement. Is a home apartment and will only be rented to very responsible people with no children. Lease for six or seven months. Telephone North 8846.

3 rooms and bath, in high-class apartment house, near New Hampshire Ave. and T St. $75 per month. W. H. West Co., William L. F. King, E. G. Perry, 815 15th St. NW.

3 rooms, one porch. Phone Col. 1093.

1714 Corcoran NW.: 3 rms., bath; adults; reasonable. Pot. 1546.

2660 14th St. NW.: Attractively furnished apartment of one room and bath; rent $55 per month. Attractively furnished apartment of three rooms, large inclosed porch, and bath. For inspection see resident manager. H. L. Rust Co., 812 13th St. NW., Main 4668.

601 Twenty-third Street NW.: One large room and kitchenette.

Six sunshiny rooms: Second floor. Tile bath; h.-w.-h., running hot water, gas, electricity; first-class condition; adults; references. Must be seen to be appreciated. Miss Ingraham, 12 E Street NE.

Benedick: For bachelors, 1808 Eye Street. 2 rooms and bath; single rooms; valet service; swimming pool; meal service to rooms; club service.

Very desirable furnished and unfurnished apartment, containing six rooms and two baths, inclosed sleeping porch. New Hampshire Avenue, near Dupont Circle. Immediate possession; reasonable rent. Boss & Phelps, 1417 K Street NW.; phone Main 9300.

Five rooms, reception hall, and bath. L. W. Groomes, 1416 F Street.

APARTMENTS—FURNISHED AND UNFURNISHED

2003 Klingle Road NW.—Two rooms, kitchen, and bath; Mount Pleasant; $65 month. Call Adams 5372-J.

Three-room apartment; A. M. I.; porches, lawn, shade; 40 minutes from Treasury, in quiet and refined suburb of Riverdale; no objection to one child; $45 monthly, including gas and elec. Phone 883-R, Hyattsville.

Woodridge—One room, kitchenette, semi-private bath; gas range, sink, hot-water heat, elec.; laundry privileges; $30 unfurnished, $35 furnished. Address box 65-D, Star Office.

Delightfully artistic apartments, open fireplaces, light on all sides; charming old garden; rare antique fur. 1816 I Street. Bryant.

For rent—Two or three room apartment, furnished or unfurnished; on Fourteenth Street near Spring Road NW. Phone Col. 5771, or call 1300 Perry Place NW. Price reasonable.

1800 K Street, Bradford Apartment—Two rooms, kitchen, and bath, and one room, kitchen, and bath; modern downtown building; all-night switchboard and elevator service.

Apartment of 4 rooms (or smaller, if desired), in private home; heat; gas and electricity; $50. Address Box 3-D Star Office.

1407 Fifteenth Street NW.—Two rooms, kitchen, bath; a. l.; cont. hot water; garage if desired. Phone Frank. 3673.

Apt. for rent—Two rooms, fur. or unfur., with private bath; modern conveniences. Pot. 2865.

Studio apt., bath, for music teacher, $20; Steinway piano. 1731 K NW., 3rd floor rear.

Inspected h. k. apts., furnished and unfurnished. Washington Service Bureau, District Nat'l Bank Bldg.

2 rms., kitchen, bath; h. w. h.; electricity; free use of phone; married couple or 2 refined gentlemen; reasonable. Adams 4220.

1724 A St. SE.—1 large room, kitchenette, and glass-inclosed sleeping porch; l. h. k.; new, modern home. Call Sunday—week days after 6 p. m.

238 Klingle Mansions, 3100 Connecticut Ave.—Unexpired lease, May to October; $10 reduction; 3 large rms. & bath. Col. 6797, after 6.

922 17th NW.—Two-room housekeeping apartment.

238 Klingle Mansions, 3100 Connecticut Ave.—Unexpired lease, May to October; $10 reduction; 3 large rms. & bath. Col. 6797, after 6.

Stoneleigh Court Apartments, Connecticut Avenue, corner L St.

Amy Gordon, apartment specialist—4 to 6 rooms, fur. and unfur.; month or year. 320 Colorado Bldg. Main 583.

APARTMENTS—UNFURNISHED

Two-room and bath apartment, overlooking Franklin Square. $40. 932 14th St. NW.

Three beautiful rooms and bath; electricity and gas; reasonable. Phil Bobby Co., 725 7th St.

3 rooms, a. m. l., porch, garden, garage; desirable location, near stores, school; resa. 3321 18th St., Woodridge. Pot. 1554-W.

1125 14th NW.—3 rooms and bath, steam heat, hot water; reasonable, desirable couple.

2700 Connecticut Ave.—Two rooms, kitchenette, and bath and five rooms, kitchenette, and bath.

1869 Mintwood Pl., apt. 32—Very attractive 2 rooms, kitchen, and bath apt.; front; newly decorated; elevator.

5 rooms and bath, a. m. l.; free heat. Apply at 1911 Nichols Ave. SE.

3 rooms, kitchenette, bath, gas, elec., porch, large yard; immediate possession. Telephone Hyattsville 349-J after 5.30 p. m.

433 M St. NW.—4 rooms and bath; rent, $40, including heat and light; janitor service. John Quinn Co. (Inc.), 704 13th St. NW. Main 435.

Suite of three rooms, bath, and sleeping porch, second floor; electricity, gas, range; adults; reasonable. 1304 E St.

62 V St. NW.—Desirable 2-room apartment, $40; gas, electricity, heat, phone included. North 8449.

Three rooms and private bath, for housekeeping: modern conv.; $60; heat, light, and gas included. 1450 Fairmont St. NW.

304 2nd SE.—2 rooms, kitchen, large back porch. Adults only. After 5 p. m.

1900 Pa. Ave.—2 and 3 rooms and bath; hot water and heat. Apply to E. M. Hodge Co., successors to Edward S. Wescott Co., 2000 Pa. Ave.

Three rooms, second floor, private porch, adjoining bath; gas, elec., h. w. h., laundry privileges; elec. washer; one car fare; near cars; $35. 3617 Newton St., Mt. Rainier, Md.

Four rooms, kitchenette, and bath. Del Ray, Va. Phone Alex. 1111. 1224 Pa. Ave.

1837 16th St. NW.—Three or five rooms and bath, gas, electricity and phone, for $60 or $100.

712 A St. SE.—Three rooms, kitchenette, semibath; entire second floor; electricity; good neighborhood; both car lines; adults only.

4 rooms and bath, a. m. l., near Congressional Library, $60. Apply J. F. Hanna, 334 New York Ave.

Apt. Clifton Terrace—3 large rooms and reception hall; dressing room, kitchen and bath; $90. 2 porches; sunny exposure; occupancy May 1. Call any time.

The Northumberland, No. 604—Three rooms, kitchen and bath, $100. Call North 3280.

1834 16th St. NW.—Four rooms and bath; 3rd floor, l. h. k.; gas, electricity, phone, hot water; available May 1.

634 F NE.—Five rooms, 2nd floor; h.-w. h.; electricity, gas, bath, back porch.

1200 Kennedy St.—4 outside rooms, private bath; front entrance and porch; adults.

5-room and bath apartment, with a. m. l., $70. Phone Franklin 8789.

Four rooms, first floor; gas, hot-water heat, electricity; porch. Lincoln 1607.

Tacoma Park—Four 1st-floor rooms; every convenience; new house; near car lines; available May 1; rent, $45. 806 Tulip Ave.

Two large rooms, private bath, gas furnished, $25 month. 1911 7th St. NW.

Two rooms and kitchenettee, all in best of condition; rent reasonable. Phone North 6545-W. Call evenings after 5.30, or Sunday. 1916 Lawrence St. NE.

1711 N. Capitol St.—Entire second floor, three rooms and bath, screened porch; gas, elec.; $45 per month.

For rent—Desirable one-room and bath; elevator and telephone service; central location. 1507 M St. NW., Apt. 708.

2 apartments of 2 rooms, kitchen, and bath; rear porch; near 18th and Col. Rd.; garage space available. Stery & Co., 842 17th Pa. 4100.

Large five-room and bath apt.; large glass-inclosed sleeping porch; in modern fireproof apt. building; 1695 E St. NW. Can be seen by appointment. $100 per month. Potomac 1955 or Lincoln 10887.

1822 9th St. NW.—Two rooms and kitchenette; gas range, sink; third floor, balcony; $25.

Mt. Pleasant, 1633 Ontario Pl. NW.—1st floor, 3 rooms, kitchen, porch, semiprivate bath, yard; laundry privileges; h. w. h., gas and elec. included, $45. Phone Adams 3745.

2158 California St. NW.—Two rooms, kitchen, private bath, electric lights, gas, steam heat.

2, 3, and 5 room apts. with bath, elevator and janitor service. Apply American Realty Co., 706 11th st. NW.

2 desirable apartments, 1139 9th St. NW.; 2 rooms and bath, immediate possession, $35; 3 rooms and bath, possession May 15, $45. See janitor on premises, or Davis & Steele, 1420 New York Ave. Main 5082.

3 large rooms, kitchenette, private bath and shower; hot-water heat, electric lights, telephone. 1009 Buchanan St. NW.

Apartment, 1635 Monroe St. NW.: 1 on first floor, 2 on second floor.

108 15th St. NE.—1 or 2 rooms and kitchenette; heat, elec. light, and bath; newly painted and papered; unfur. or fur.; adults only. Phone 9140-J.

914 Longfellow St. NW.—Very bright, second floor; 3 rooms, elec., bath, gas range; $40. Adams 3590-W.

"2 Apt."—2 r. & bath, $35; also 4 r. & b., $45; newly painted and papered. 206 2d St. SE.

486 Louisiana Ave. NW.—4 bright rooms and bath; steam heat and electricity; $40 month. Apply J. R. Stein, 482 Louisiana ave.

1820 Calvert St.—Three large, airy rooms, kitchenette and private bath; a.m.l. near Rock Creek Park. Adams 5571.

86 G St. SW.—4 large, clean rooms and private bath; entire floor; gas, electric, and steam heat; $25.

The Northumberland, New Hampshire at V—Apt. 304, three rooms, kitchen, bath, and shower; newly decorated throughout; $100; elevator service; immediate poss. Phone North 2280.

Entire floor, three large rooms, hall, bath, 4 large closets, heat, light, and gas, continuous hot water, unlimited phone service; adults only. 2619 13th St. NW.

2 Unfurnished Apts. At 1830 16th St. NW., in perfect condition, finest location. Inquire at Apt. 22.

2574 University Place NW., cor. Euclid St.—3 rooms, kit., and bath; a. m. i.; entire floor; all outside rooms; adults; garage.

738 Rock Creek Church Rd.—3 rooms, sleeping porch and bath; gas and elec.; also garage.

The Von Courtland, 1417 Belmont St. NW.—Immediate posession, in first-class building, a desirable apartment of five spacious rooms and bath, also large pantry, reception hall and porch. For inspection see janitor. Lease. $99.50 per month until October 1. Allan E. Walker & Co., Inc., 813 15th St. NW. Main 2690.

One room, kitchenette, tile bath; h.-w.h.; elec.; gas; newly decorated; fine for couple; reasonable. 628 E SW.

One room, kitchenette, and bath, 1740 K St. NW.; $50.50. See janitor. Walter A. Brown, 1400 H St. NW.

One large room, bath, kitchen, sleeping porch; gas, electricity, hot water; available May 1. 2026 Eye NW. West 3051; $45.

Will share apt.: Cheerful room, large closet, sleeping porch, semi-priv. bath, kitchenette; reasonable. Apt. 730, Chastleton.

1221 New Jersey Ave. NW.: 2d floor apt. of 4 rooms and bath; newly decorated; rent reasonable. Also 2 rooms.

1200 Kennedy St. NW.: 4 outside rooms; private bath; front entrance and porch; adults.

Two rooms and bath. Office or living purposes; rent, $40. Call between 10 and 12 a. m. or 2 and 6 p. m. Hermitage Apts., 1117 Vt. Ave. NW., apt. 2.

2023 O: 3 rooms, bath, garage; a. m. i.; large closets; two exposures; gas, electricity, free continuous hot water; reasonable.

3 rooms and bath; large alcove; heat, gas, elec.; phone free; beautiful location, walk. distance. Phone Frank. 8717.

18th and Columbia Rd.: Six rooms and bath; a. m. i.; beautiful location; 1811 Adams Mill Rd.; $80 month.

Two large outside rooms. Large kitchen, tile bath; redecorated and screened; elec. laundry and h. w. 1306 Belmont St.

4 rooms, bath, steam heat, elec.; abundance of light, air, and sunshine; near Capitol, Library. 215 East Capitol.

The Prince Karl, 1901 K St.; 5 rooms, kitchen, and bath. $85. Union Realty Corp. Call Main 8415.

Three and five rooms and bath, with screened-in porches, in new building. Apply to janitor. 2926 Porter St. NW. or phone Franklin 8315.

2164 Florida Ave., The Newport: 4 rooms, bath, reception hall; also 3 rooms and bath; in perfect condition. F. H. Davis, Main 1640 or Col. 4482.

Two beautiful rooms, kitchenette, private bath; heat and light fur. 59 K St. NE.; 2 and 4; $35. Adams 5476.

Excellently arranged apartment of 3 rooms, kitchen, bath, and porch; location convenient to stores and cars, etc. Newly papered and painted. Rental $60 per month. Apply janitor, 1705 P St.

Nicely arranged apartment of 2 rooms, kitchen, and bath. Newly papered and painted. Location convenient to stores, cars, etc., $37 per month. Apply janitor, 2207 Champlain St.

13th and Randolph: 2-room apartment, with inclosed sleeping porch; electricity, gas, and laundry privilege; all for $50. Lyons-Lovegrove Co. Col. 10240.

Downtown: 1211 13th St. NW.: Two rooms, reception hall, bath apt. Suitable for couple or two girls; modern; $40.

3 rooms and bath, electricity, and gas; fine location; close to all car lines. Apply 1664 Park Road, 1st floor.

Two rooms, bath, large sleeping porch, $55. 1635 Conn. Ave. Randall H. Hagner & Co., 1207 Conn. Ave.

1261 Irving NW.: 3 rooms, private bath; continuous hot water; suitable for couple; reasonable.

3 rooms, kitchen, and bath. L. Nuesslein, 1119 14th St.

2 rooms, kitchenette, bath, gas, elec. light, telephone service, large grounds, detached house; $45 per month. 6615 1st St. Col. 5589.

Two large rooms, kitchenette and bath, opposite new Walker Hotel; just remodeled; $70. Phone Potomac 2347.

Entire 1st floor, 2 rms. kitchen, reception hall; a. m. i.; reasonable. 4027 Georgia Ave. NW. Adams 4287-W.

2300 18th St. NW.: Modern five rooms and bath. Vacant May 1.

Georgetown, 2906 N St. NW.: 3 rooms, kitchen, bath, porch; overlooking gardens and Potomac; janitor; all conveniences.

1810 Ingleside Terrace: Overlooking Rock Creek Park. 5 rooms and bath, $75; 4 rooms, $50. Adams 2196.

New four-room apartment in exclusive section, near 16th and Newton. Price, $75. Garage available. Phone Adams 2890.

3 rooms and bath, second floor; all modern improvements; h. w. h., electricity, gas. Reasonable. 18 14th St. NE.

2 large three-room apartments: All modern improvements. S. L. McLaurin, 2017 13th St. NW. Telephone North 7634.

2d floor, two large rooms, kitchen, and bath; a. m. i. For rent, reasonable. 3625 10th St. NW., near Otis.

Apt., 3 rooms; gas, heat, electricity, partly furnished. Rent, $50 per month. 7237 Ga. Ave. NW. Phone Col. 7073-J.

1633 Newton NW.: Three large rooms, tiled bath; corner house; clean, quiet; a. m. i.

2012 17th St. NE.: Entire second floor of new detached home, private entrance; short block from car line.

F St. SW., near 6th, $40; entire floor of 4 rooms, newly decorated; electric light. Harry Miller, 232 Bond bldg., Main 6226.

No. 2, 2110 19th St. NW.: Three rooms, reception hall and bath. Apply Moore & Hill, 730 17th St.

1634 Riggs Pl. NW.: Housekeeping; 3 rooms and bath; third floor; gas and electricity; unfurnished; convenient to cars.

1358 Fairmont, 3 large rooms, private bath; entire 2d floor; electricity, hot water, telephone. Reasonable.

5 rooms and private bath apt., 2d floor. Gas, electric light, a. m. i.; everything new; $50. 1627 17th St. NW.

Entire floor: 2 large rooms, kitchen, and private bath. 1802 Belmont Road. Col. 5222-W.

Takoma Park: Apartment, 3 rooms, kitchen, bath, large closets; new house; everything modern; near stores, street cars. Rent, $45. 219 Willow Ave.

Takoma Park: 2d floor, a. m. i.; 3 large rms. and kich., 4 closets, semibath; delightfully cool; on car line; adults; $45. 405 Carroll Ave. Adams 1699-R.

Northwest: 1919 19th, 8 rms., 2 bs., and garage, $150; 3 rms., b., $75. 913 9th, 6 rms. and b., $50. 809 7th, 7 rms. and b., $75. 905 D, 7 rms., $75. 907 D, 10 rms. and b., $125. Northeast: 1032 6th, 5 rms. and b., $35. Southwest: 619 7th, 5 rms. and b., $50. For colored: 4 rms. and b., 700 T NW., $65; 5 rms. and b., 906 8th NW., $40. M. 4639. R. B. Behrend, 1317 F NW.

514 11th St. SE.—3 rooms and bath; housekeeping; hot-water heat and electric lights; newly papered. Adults.

Entire second floor of new, modern home, 3 rooms and sleeping porch, $35 month; no objection to one child. 203 16th SE.

5 rooms, kitchen, bath, electricity; redecorated; near 9th and F; $40.

2 rooms, kitchen, semiprivate bath; electricity; $20. 633 Keefer, near 3200 Georgia Ave.

2122 18th NW.—3 rooms, bath, inclosed porch; modern; all outside rooms; entire floor; reasonable. Harry Miller, 232 Bond Bldg. Main 6226.

2 rooms, kitchenette, sink; semiprivate bath; use of parlor. 818 Taylor St. Col. 305.

1507 M St. NW.—1 room & bath, front; southern exposure.

Petworth section, 3601 Ga. Ave.—Lovely apartment of three rooms and bath and large screened sleeping porch; heat, gas, electricity furnished; use of phone.

3 rooms, k. and bath; modern; 3d floor, outside rooms; newly furnished; no children. 211 9th SW.

Tudor Hall, 10th and Mass. Ave. NW.—Five rooms and bath, $92.50. W. J. Pilling, 1416 F Street NW.

Tudor Hall, 10th and Mass. Ave. NW.—1 room, kitchenette, and bath, $50. W. J. Pilling, 1416 F Street NW.

Cosy apt., consisting of 2 rooms, bath, electricity, and gas; reasonable. 3229 11th St. NW.

At 18th and Columbia Rd.—2 large, light, airy rooms, kitchen, and bath; a. m. i.; $45; light and gas included. Telephone Columbia 3576-R.

Five large, bright rooms, bath, porch; newly decorated; to adults. The Manhattan, 1501 Park Rd. NW. See janitor.

Near Dupont Circle—Desirable five rooms and bath apartment; electricity and elevator; adults only. P. J. Walsh (Inc.), 1107 Eye St. NW., Washington, D. C.

For colored, 1315 You St.—3 rooms and bath, $45. Affleck Realty Co., 607 15th St.

Petworth (high eleva.)—Entire 2d floor, 2 rooms, kitch., tile bath; screened porch; a. m. i.; no objection one child. 4625 8th NW.

One large room, alcove, reception hall, kitchenette, and bath, $35. The Argonne, 1629 Columbia Road, apt. 210.

4 rooms and bath, a. m. i.; ideal place for children; 61 East Walnut St., North Rosemont, Va.

Lovely one-room apt., front; semiprivate bath; lady; reasonable; references required. Kedrick, 1801 K St. NW., apt. 505.

Entire second floor, corner house, overlooking Rock Creek Pk.; 5 rms., b., large inclosed porch; heat and electric light furnished; $85 per month. Col. 2645.

4 rooms and bath, first-floor apt.; newly decorated. 468 Louisiana Ave. NW.

41 Quincy St. NW.—5 rms., bath, $50; 30 Seaton Pl. NW.—5 rooms, bath, $65. Thomas P. Brown, 617 4½ St. SW.

Apartment for rent, sublease; 5 rooms and bath. Royden, 1619 R NW., Apt. No. 300. Phone North 5872.

1117 Vermont Ave., Hermitage—One room, reception hall, kitchenette, bath, $42.50. Totten, 700 9th. Main 7625.

Colored—NW. section—apartments. People's Mortgage and Investment Co., 313 John Marshall Pl. Phone Fr. 970.

1900 H St. NW., Woodside—One room, dressing room, kitchenette, and bath, $65; available at once; partly furnished.

1803 Conn. Avenue (intersection of Fla. Ave.)—4 rooms, recp. hall, and bath, $75. Ideal surroundings. Moore & Hill (Inc.), 730 17th St. NW.

Large room, kitchen, sleeping porch, semiprivate bath, $37.50, including heat, gas, elec. 5829 Colorado Ave. NW. Adams 5230-J.

$25 and $30 month, summer rate, one and two rooms, with kitchenette, running water, including gas and electricity. Apply Cooper's, 820 11th St. Phone Main 1382.

Park View—4 beautiful rooms, bath, inclosed porch; a. m. i.; couple only. Owner. 455 Kenyon St. NW. Adams 3728-J.

Near Congressional Library: Four rooms, bath; h. w. h., electricity; $60 month. 1624 19th St. NW.: One room, kitchenette, and bath; $45 month. Petty & Petty, 1428 New York Ave. NW. Main 2437-38.

44 New York Ave. NW.—3 rooms, kitchen, bath, and porch; all modern improvements.

Near 14th and Park Rd.—Three nice, bright, clean rooms, a. m. i.; private bath. 3457 Holmead Pl. NW.

Unfur. basement apt., 2 rooms; gas and heat included; occupant to tend furnace. 1013 Mass. Ave. NE. Lincoln 2092-W.

1009 B St. NE.—Two large rooms, kitchenette, and bath; side porch; newly papered; near 3 car lines.

2304 H St. NW.—For rent, 3 nice second-floor rooms and bath; rent reasonable.

Partly furnished—English basement, kitchen, living room, bedroom; all improvements; very clean; private entrance; $50, including elec., gas for cooking. 1843 S St. NW.

4 large outside rooms and kitchen proper; garage if desired; a. m. i. 200 9th St. NE.

1811 Adams Mill Rd. (at 18th and Col. Rd.)—4 rms., kitch., bath, and sun porch, $80. Adams 3740-J until noon.

1414 Taylor St. NW.—3 rooms, kitchen, and bath. $50, including gas, elec., telephone; vacant. Col. 9220.

1900 S St.—Attractive apt., three rooms, kitchen, and bath. Phone Cleve. 644 or North 4363.

1449 N—Franklin 5523—First floor, 4 large rooms, private bath, sunny yard, closets; summer rates, $60 monthly.

Crescent Apartments, Crescent Pl. between Meridian Mansions and Henderson Castle: 3 rooms, kitchenette, bath; $55. Apply janitor or Crane & Belt, Union Trust Bldg.

Near Dupont Circle: 4 rooms, Princess kitchenette, and bath; two exposures, $50. Three rooms, bath, and kitchenette, elec., heat, gas furnished, $50. 2035 P St. NW.

Two rooms, kitchen, and bath. 1706 G St. NW.

1325 Conn. Ave. NW.: 3 rooms and bath, with heat; $70 month, in advance. Inquire at store on premises.

Colonnade, 1822 Vernon St.: 6 rooms, kitchen, and bath; extra lavatory; porch. Apply Union Realty Corp., 1410 G St. Main 8415.

Willard Courts: 3 rooms, kitchen, bath. Call North 3827.

Copley Courts: 2 rooms, kitchen, and bath. Call Main 4500.

Very desirable corner apartment, containing seven bright outside rooms and bath, elec. light, h. w. h.; immediate possession. Rent only $70 per month. Ross & Phelps, 1417 K St. NW. M. 9300.

Two rooms, kitchen, extra large screened porch, and bath; electricity, gas, and built-in garage; use of laundry; near car line, two bus lines, and school; newly papered; exclusive white neighborhood; with or without garage. 717 Princeton Pl. NW.

1926 Kearney St. NE.: One room, dressing room, tiled bath, kitchenette with sink, $35; or with extra room and large closet, $50. Potomac 1773.

1321 Euclid St. NW., Apt. 31: Four rooms and bath. McNey Realty Co. (Inc.), 726 14th St. NW. Main 8939-3920.

1226 H St. NW.: 2 flats of 3 and 4 rooms and bath, $30 and $35 per month. Jesse L. Heiskell, 1115 Eye St. NW.

For colored: 720 6th St. NE., 2d floor; 4 large, bright rooms and bath; a. m. i.; vapor heat; back porch; reasonable.

1205 Emerson St. NW., Saul's Addition: Two 4 rooms and bath apartments, hot-water heat, electric lights, double garage, awnings, and screens; rents reduced. Consult Welch, realtor, 15th and New York Ave. Main 4346.

1011 H St. NW.: Good down-town location; 2 rooms, kitchen, and bath. Apply on premises.

33 M St. NW.: Entire floor, three rooms, bath, kitchenette; newly papered and painted.

Three rooms, kitchen, and bath; new apartment; $80. Apply janitor or Apt. 3, 2145 California St.

Two rooms, front, large closets, sink, gas range; near cars; $32. 517 14th SE.

815 Varnum: Second floor of home consisting of 3 rooms and screened sleeping porch; partly furnished if desired; reasonable.

1500 21st St. NW., Apt. 1: Second floor. Five bright rooms and bath. $85. From May 1. Phone Potomac 785. Maj. Strong.

49 K St. NE.: Apartment for rent. $34.

1918 Lawrence St. NE.: Two rooms, kitchenette, private bath. North 1484-J.

Park View Apt., 610 Irving St.: Three rooms, kitchen, rec. hall, bath, $45.

1315 Belmont St.: One rm., kitchentte, dining alcove, b., $30 mo.

The Joseph Shapiro Co., 919 15th St.

The Redmor, 2901 16th St. NW.: Sixth floor, 5 rooms and bath; porch, modern and attractive; good value; inspect at once, before it is too late; rent reduced.

W. K. Hartung & Co., 1108 16th St. NW. Main 8277.

1205 15th St. NW.: Apt. 203, 4 rooms and bath, $68. Apt. 308, 3 rooms and bath, $66.

2500 Massachusetts Ave.: Ten rooms, four baths and garage, $200.

2106 N St. NW.: Apt. 11, 3 rooms and bath, $62.50. Apt. 32, 3 rooms and bath, $62.50. Apt. 40, 4 rooms and bath, $77.50.

1016 16th St. NW.: Apt. 44, 4 rooms and bath, $105. Apt. 62, 4 rooms and bath, $110.

1464 Columbia Road: Apt. 34, 2 rooms, bath, and Murphy bed, $35. Apt. 35, 2 rooms, bath, and Murphy bed, $55.

1612 14th St. NW.: Second floor, 5 rooms and bath, $45.

3625 16th St. NW.: Apt. 1, 4 rooms, bath, and porch, $110. Apt. 3, 5 rooms, bath, and porch, $140. Apt. 35, 2 rooms, bath, and Murphy bed, $57.50.

1475 Spring Place.: Apt. 34, 3 rooms and bath, $75.

3039 Macomb St.: Apt. 12, 3 rooms and bath, $67.50. Apt. 36, 4 rooms and bath, $85.

1750 16th St. NW.: Apt. 101, 2 rooms and bath, $60. Apt. 202, 1 room and bath, $47.50. Apt. 205, 1 room and bath, $40. Apt. 404, 3 rooms, reception hall, and bath, $77.50. Apt. 801, 2 rooms, reception hall, and bath, $62.50.

1410 M St. NW.: Apt. 302, 5 rooms and bath, $85.

2530 Wisconsin Ave.: Apt. 44, 5 rooms and bath, $65.

1302 18th St. NW.: Seven rooms and three baths, $250.

2222 Q St. NW.: Apt. 43, 4 rooms and bath, $85.

1449 Oak St. NW.: Apt. 3, 4 rooms and bath, $70.

1500 21st St. NW.: Second floor, 5 rooms and bath, $85.

1420 Harvard St.: Apt. 31, 4 rooms and bath, $65.

H. L. Rust Co., 912 15th St. NW. Main 6888.

Near Pension Office: Four rooms and bath, in the Pierpont, 217 F St. NW.; newly papered and painted; vacant, $50.

Excellent location in Mt. Pleasant: Two rooms and bath; housekeeping; in modern apartment house, 1468 Harvard St., $40.

Two-family flat: Five rooms and bath; elec., h. w. h.; 611½ Park Road NW.; possession May 1, $50.

The Kalorama: Six large rooms, bath and extra lavatory; excellent building; now vacant.

Reasonable rent: Four rooms and bath in 1818 Kalorama Road NW.; to be papered and painted; $70 mo.

2221 35th Place NW.: Modern four-family apt.; three rooms, bath, and inclosed porch; h. w. h.; elec.; $37.50 mo.

N. L. Sansbury Co. (Inc.), 1418 I St. NW.

Several desirable 3-room and bath apartments; heat and janitor service furnished. Rent, $42.50 and $45 per month. 17th and East Capitol Sts., Harry A. Kite (Inc.), 1514 K St. NW. Main 4848.

The Presidential, 16th and L Sts.: Five rooms, foyer, and two baths. The Jefferson, 1201 16th St.: Three rooms and bath; two rooms and bath. The Maycroft, 1474 Columbia Rd.: Five rooms and bath, $135; three rooms and bath, $75; two rooms and bath, $60. Potomac Park Apartments, 21st and C Sts.: Three rooms and bath, $70 to $77.50; two rooms and bath, $60; one room and bath, $40. The Ashley, 2038 18th St.: Five rooms and bath, newly decorated, $85. The Rodman, 3628 Connecticut Ave.: Four rooms and bath, $87.50; three rooms and bath, $65 to $72.50. 3618 Connecticut Ave.: Three rooms and bath, $65. W. H. West Co., Wm. L. F. King, R. G. Perry, 815 15th St. NW.

The Gotham, 1945 Calvert St. NW.: Apt. 23, desirable 5 rooms, kitchen, and bath apartment, overlooking Rock Creek; elevator; janitor service. Rent, $102.50. B. F. Saul Co., 1412 Eye St. NW.

741 North Capitol St.: 2 rooms, kitchen, and bath, $45; heat furnished. B. F. Saul Co., 1412 Eye St. NW.

900 19th St. NW.: New 8-story fireproof building, located within a few blocks of the shopping district and all the Government departments, with environments of refinement and comfort. Comfortable apartments of one and two rooms, with kitchenette and bath; some with porches; two high-speed elevators and telephone switchboard; reasonable rentals. Shannon & Luchs (Inc.), 713 14th St., Main 2345. Resident manager on premises.

1925 16th St., the Tiffany. An eight-story, fireproof building which will appeal to those seeking the comfort and convenience of this location at reasonable rentals. Apartment contains one bedroom and bath with built-in shower, living room, dining room, inclosed porch and kitchen. Newly decorated; now vacant. Shannon & Luchs (Inc.), 713 14th St. Main 2345.

3624 Conn. Ave., comfortable year-around location; 2 rooms, kitchen, and bath; 2 rooms, kitchen, bath, and porch; 3 rooms, kitchen, and bath; $57.50 to $82.50. Shannon & Luchs (Inc.), 713 14th St. Main 2345.

Attractive apts., new detached corner building, R and 32d Streets, opposite the magnificent Bliss estate; 3 and 4 rooms and bath each; $57.50 to $77.50; all outside rooms.

1419 N Street, near Thomas Circle: 3 rooms and bath, $65 month,

clean, quiet; a. m. i.

St. NW.

The Joseph Shapiro Co., 919 15th St.

1419 N Street, near Thomas Circle: 3 rooms and bath, $65 month,

1474 Chapin St. NW., near Meridian Park: 3 and 4 rooms and bath, $60 to $65.

1632 30th St. NW., near Montrose Park: 4 rooms and bath, front, $65.

3432 Conn. Ave., opposite Rock Creek Park: 4 rooms and bath, $80.

3712 Wisconsin Ave. NW., Mass. Ave. Heights: 3 rooms and bath, $65. Moore & Hill (Inc.), 730 17th St. NW.

Conn. Ave., opposite new Walker Hotel: 4-room and bath apartment, 3d floor, in Cadillac Building; reduced rental during summer months. Apply 1140 Conn. Ave. Phone Franklin 3900.

We will have four 2-room and bath apartments, delightfully located downtown, ready for occupancy May 1, also two office suites. Location is 818 18th St. NW., within short walking distance of Government departments and downtown clubs. For price of rentals apply Bradley, Beall & Howard (Inc.), 1512 H St. NW., Wilkins Building.

1230 14th St., Apt. 33: 2 rms., reception hall, bath; $40. Affleck Realty Co., 607 15th St.

3-room and bath apartment in new detached house; a. m. i. Rent reasonable. 3221 20th St. NE., Woodridge.

The Ohio, 1436 Meridian St. NW: 4 rooms and bath, $60.50. Available May 1. Swartzell, Rheem & Hensey Co., 727 15th St. NW.

The Cumberland, 14th St. and Thomas Circle: 2 rooms and bath, $50. Immediate possession. Swartzell, Rheem & Hensey Co., 727 15th St. NW.

Three rooms, hot-water heat, electric lights and gas. 435 M St. NW.

1603 You Street: 3 rooms and bath, $65. Call Main 2635.

2 rooms, kitchen, and bath, $35. Call 608 Lamont NW.

14th and Girard, the Savoy: 4 rms., kitchen, bath; available May 1.

The Ardmore, 915 20th St. NW.: Four large rooms, kitchen and bath; in walking distance of downtown stores and business. Immediate possession. $65 per month.

The Kelwood, 1821 Corcoran St. NW.: Cozy first-floor apartment in very good section of the city. Immediate possession. $65 per month.

Studio Apartment, "Meridian Hill:" Beautiful six-room apartment in modern building, recently completed in Washington's best residential section. Can be leased finely furnished for $160 per month, or may be had unfurnished. E. Roy Lewis & Co., 1715 Connecticut Ave. NW. Phone Potomac 2131.

936 Madison St. NW.: 4 rooms, bath, and reception hall, $62.50. Morris Cafritz Co. (Inc.), 1416 K St. Main 617.

The Everett, 2127 P St. NW.: 3 rooms, kitchen, and bath, $77.50; 2 rooms, kitchen, and bath, $65.

2116 Kalorama Road: 6 rooms and 2 baths, $140.

1715 P St. NW.: 2 rooms, kitchenette, and bath, $70.

3704 Macomb St.: 3 rooms, kitchen and bath, $60.

1329 Belmont St.: 2 rooms, kitchen and bath, $65.

1321 Belmont St.: 1 room, dining room and kitchen (combined) and bath, $42.50.

3220–22–24 Wisconsin Ave., near the Cathedral: 2 rooms, kitchenette and bath, $55; 1 room, kitchenette and bath, $40.

740 9th St. NW.: 3 rooms, kitchenette, and bath, $75; 2 rooms, kitchenette and bath, $55.

802 19th St. NW.: 2 rooms and bath, with porch, $50. Geo. W. Linkins, 1719 K. St.

One month's rent free. 5-room-and-bath apartment, new building on Washington Heights; convenient to all activities; cheapest and best apartment in this section at $85 per month. Eugene H. Taggart (Inc.), 1518 K. St.

Madison Apartment's new building, NE. cor. 18th & Eye Sts.; 1 and 2 rooms and bath nonhousekeeping. L. W. Groomes, 1416 F St.

Beautiful new apartments: Will be ready for occupancy May 1. 3 and 4 room apartments. 1443 Oak St. NW. Open for inspection Sunday. Chas. D. Sager, 924 14th St. NW. Main 36.

2215 14th St., The Princeton: 2 rooms, kitchenette and bath, $40.

3333 N St., the Potomac: 3 rooms, kitchenette and bath, $40.

1529 14th St.: 2d and 3d floors; 6 rooms and bath, over store, $40. Shannon & Luchs (Inc.), 713 14th St. Main 2345.

Cavanaugh Court, 1526 17th St. NW.: One room and bath, $37.50. One room, kitchen, and bath, $50. Two rooms, kitchen, and bath, $67.50 and $70.

Netherlands, 1860 Columbia Road NW.: Apt. 203—5 rooms, bath, and large foyer hall, $125. Apt. 503—3 rooms, kitchen, and bath, $90.

Dumbarton Court, 1657 31st St. NW.: Apt. 107—1 room, kitchen, and bath, $40.

Parkwood, 1746 K St. NW.: Two apts., containing 7 very large rooms and bath, open fireplaces, $165.

The Montclair, 1331 Belmont St. NW.: Apt. 31—4 rooms, bath, and porch, $75.

Rutland Court, 1725 17th St. NW.: One room, kitchen, and bath, $50 and $60. Two rooms, kitchen, and bath, $75.

Van Cortlandt, 1417 Belmont St. NW.: Five very large rooms, bath, porch, and hall, $99.50.

Petworth Gardens: Apt. 5, 124 Webster St. NW.—4 rooms and bath, $63.50. Apt. 10, 126 Webster St. NW.—5 rooms and bath, $70.

The Biltmore, 1941 Biltmore St. NW.: Apt. 11—4 rooms and bath, available May 15, $80.

1361 Girard St. NW.—Third floor, 2 very large rooms, kitchen, and bath, $65.

Carleton, 1741 Lanier Pl. NW.: Apt. 23—3 rooms and bath, $52.50. Allan E. Walker & Co. (Inc.), 813 15th St. NW. Main 2690.

Reduction in rent: 807 O St. NW. 3-room housekeeping apartment with bath; 2-room housekeeping apartment with bath. For inspection call 1253 8th St. NW., after 4 p. m.

The Conard, 13th and Eye Sts. NW., opposite Franklin Park, down town. One room, kitchenette, bath, and closet. Apply at office, 1224 Eye St. NW. Geo. C. Altemus.

822 & 828 18th St. NW.: Central, downtown location. Two rooms, kitchenette, and bath, $65 and $75 per month. Remodeled, with oak floors. Sanitas covered walls. Never occupied. Large, bright rooms. Open for inspection. H. L. Rust Company, 912 15th St. NW.

No. 41, 1737 N. H. Ave. NW.: Four rooms and bath; garage space available in rear of building. Weaver Bros., realtors, 735 15th St. NW.

910 R. I. Ave. NE.: Modern new building. Occupancy May 1, 1924. 2 rooms, kitchen, and bath. Low rentals, $45, $50, and $52.50. H. L. Rust Company, 912 15th St. NW.

138 V St. NW.: Flat for rent. Call North 8937.

915 New York Ave. NW.: Four rooms and bath; gas, electricity; heat furnished; $75.

419 M St. NW.: Five rooms and bath; heat furnished; $60.

1627 17th St. NW.: Five rooms and bath; electricity and gas; $60.

607 New York Ave. NW.: Five rooms and bath; electricity; $50.

419 M St. NW.: Two rooms and bath, second floor; partly furnished; $45.50.

4114 Emery Place NW.: Three rooms and bath; h.-w. h., electricity, laundry tubs; $35 unfurnished, $45 furnished.

1414 9th St. NW.: Four rooms and bath, second floor; h.-w. h.; gas furnished; $45.

607 New York Ave. NW.: Three rooms and bath, second floor, front; steam heat; $40.

807 O St. NW.: Three rooms and bath, third floor; $40.

807 O St. NW.: Three rooms and bath, second floor; $40.

607 New York Ave. NW.: Three rooms and bath, third floor; steam heat; $35. Caywood Bros. & Garrett, Inc., realtors, 915 New York Ave. NW.

The Monterey. Conn. Ave. and Porter St., 2, 3, and 4 rooms and bath; some with porches.

The Oakland. Columbia Road near Wyoming Ave., 6 rooms and bath.

The Woodland. Cathedral Ave. near Conn. Ave., 2, 3, and 4 rooms and bath.

1915 Sixteenth Street; 3 rooms and bath.

Twenty-ninth and M Streets; 3 and 5 rooms and bath; low rental.

1315 Clifton Street: 4 rooms and bath. Thos. J. Fisher & Co. (Inc.), 738 15th Street. Main 6830.

New buildings. Corner Connecticut Ave. and Tilden St. All outside rooms overlooking wooded park. Elevator and telephone service. Apartments of 2, 3, and 4 rooms with bath. Open evenings. Representative on premises. Thos. J. Fisher & Co. (Inc.), 738 15th Street. Main 6830.

3807 Connecticut Ave. Between Woodley Road and Cathedral Ave. New building. Apartments of 2, 3, and 4 rooms with bath. Elevator service. Thos J. Fisher & Co. (Inc.) 738 15th Street. Main 6830.

2531 Que St. NW. New apartment building. Apartments of 2, 3, and 4 rooms, dining alcove and bath. Prices range from $52.50 to $97.50. Representative on premises. McKeever & Goss. M. 4752. 1415 Eye Street NW.

The Drury, 3121 Mt. Pleasant St. NW.: Apartment of 1 room and bath, $40; apartment of 2 rooms and bath, $50 month.

660 Kenyon St. NW.: 4 rooms and bath, $60 month.

The York, 760 Quebec St. NW.: 3 rooms and bath, $57.50.

Downtown apartment, 1221 New York Ave. NW.: 3 rooms and bath, $65.

In Georgetown, 1305 Potomac St. NW.: Apartment of 3 rooms and bath, $52.50; apartment of 4 rooms and bath, $67.50.

3430 Connecticut Ave. NW.: 3 rooms and bath, $65; 4 rooms and bath, $80.

The Windsor, T St., near 15th: 6 rooms and bath, $90 month; newly papered and painted. McKeever & Goss, 1415 Eye St. NW. Main 4752.

Fernbrook, 1441 Spring Rd.: Living room, dining alcove, kitchenette, dressing room, with two In-a-Dor beds and tiled bath, $62.50; reception hall, living room, dining alcove, kitchenette, dressing room with double In-a-Dor bed, tiled bath and spacious bedroom, $79.50. Apply to resident manager, apartment 101. Morris Cafritz Co. (Inc.), 1416 K St. Main 617.

Comfortable apartments: "Klingle Mansions," at Connecticut Ave. and Klingle Road, overlooking Rock Creek Valley, offer unusual inducements to seekers of apartments where year-round comfort is demanded; all outside rooms, overlooking spacious lawns and wooded parks; exceptionally large rooms and generous closets; efficient service, consistent rentals. Wardman Construction Co., 1430 K St. NW.; real-estate department.

2151 California St. NW.: Four bright rooms, reception hall, bath, porch; newly decorated; fireproof building.; night elevator service; $100 month; see it now. Apply on premises or B. L. Simmons, 1108 16th St. NW.

Very attractive unfurnished apartment in London Hall, 13th and M Sts. NW., containing one room, dressing room, kitchenette, and bath, and In-a-Dor bed; immediate possession. Boss & Phelps, 1417 K St. NW. Main 9300.

1620 R St. N. W.: Available May 1. 2 rooms, reception hall, kitchen and bath; front apartment, $85. 2 rooms, reception hall, kitchen, and bath apartment; southern exposure, $77.50. 1 room, reception hall, kitchenette, and bath, $55. 1 room, reception hall, kitchenette, and bath, $45. Inquire resident manager, Potomac 1900.

APARTMENTS—SUBURBAN

Two rooms and private bath, 1 h. k., in Lyon Park, Va., one block from car line. Twenty minutes' ride from P. O. Dept. $30 month. Phone Clarendon 239-J-2.

Takoma Park, Md., 217 Cedar Ave.: 2 r., k., and b.; furnished; until Sept. 1 or for shorter period; $50 per mo. Possession at once.

3 unfurnished rooms, new house; l. h. k.; closets, semi-bath; large porch and grounds; electricity; near cars; 20 minutes to 12th and Pa. Ave. NW.; rent reasonable. H. H. Blandford, corner Shelley Rd. and Lattimer Ave., Arlington, Va.

14 Ralston Ave., Hyattsville, Md.: Entire second floor of residence, 4 rooms and bath, just refinished; on large lot with old shade trees; concrete street in front leads to Washington; 3 blocks from cars and train; $50, with light and water. Phone Hyattsville 136-R after 5 p. m.

Modern apts., reasonable; first and second floors; train and bus service; 30 minutes to city; children welcome. Call Vienna, Va., 28-F-22, or see Mrs. Stunts, Chilcott sta., on Wash.-Va. R. R.

Potomac Heights: Beautl. situated, high elevation; overlooking Potomac River; 3 large, outside rooms, bath, porch, etc.; new house. 5413 Hawthorne Pl. Cabin John or Chain Bridge Car. Get off at Jewett St.

Historic Alexandria, Va., 701 Prince St.; lower floor; 3 rms, kitch., b.; remodeled; piazza front; side yd.; trees; central.

RESIDENCES FOR RENT

RENT HOUSES—FURNISHED

1349 Penna. Ave. SE.: 4 bright, new rooms, private bath, large porch, electric lights, h.-w. h.; furnished, $60 month.

Will rent for summer months: Chevy Chase, 7-room furnished house; adults only; $125 month. 5604 37th St. NW.

Overlooking Rock Creek Park: Four bedrooms, 2 baths, sleeping porch; garage. 1833 Irving St. Col. 7314.

Six rooms, bath, modern, near car line; northwest, for summer or lease for year; $65. Lincoln 6553.

May to October, then yearly; china, glass, linen, silver; two-car garage; twelve rooms, four baths, phone. North 782.

Nine rooms, partly furnished, in Georgetown; $75 month. Room 8, 1410 G St. NW.

9 rooms and bath; garage; May 1 to Nov. 1; near Dupont Circle; very reasonable to adults. Phone, North 5971.

Brookland: Furnished bungalow; 5 large, bright rooms; near churches, stores, and cars. North 6302. 3303 10th St. NE.

1716 Lanier Pl.: Until Nov. 1; owner reserving one bedroom; will let to responsible adults only his comfortable and attractive home of eight rooms for $100 month. Col. 626.

Chevy Chase: Seven rooms, sleeping and sun porches; garage; lovely yard; season or permanent; $150 monthly. Cleve. 908-W.

3235 R St., Georgetown: Nine rooms, two baths; large lot; very desirable location. Telephone, West 646.

Irving St., near 14th NW.: 9 large rooms, 6 large bedrooms, 2 baths; elegantly furnished; a. m. i.; $160. Albert R. Calder, Woodward Bldg. Main 3973 or Col. 4308.

5-room bungalow, furnished, modern; June–Sept.; garage; fruit and vegetable garden. 234 Park Ave., Takoma Park.

Furnished, 3756 McKinley St., Chevy Chase; half block from Conn. Ave. cars; May 20 to October 15; 9 rooms, 2 bath rooms, sleeping porch; garage; small garden; $150 per month. Inspection by appointment. Telephone, Cleveland 142.

Eight-room detached house, Cleveland Park, for summer; rent reasonable. Phone, Cleveland 675.

June 15 to Sept. 15, $125 per month: Eight-room, completely furnished house; 4 bedrooms, sleeping porch; garage; overlooking Soldiers' Home grounds. Col. 6971-W.

Will transfer lease of 9-room house, completely furnished, to party buying furniture. 1731 De Sales NW. Franklin 6667.

First door off 14th and Euclid: 3-story and finished basement; 6 bedrooms; within one square of new legations, Central High; wonderful place for renting rooms, business, or private residence; reasonable. Col. 8059.

For rent: May 6 to October 1, $200 a month; small, well-furnished house on 18th St. between P and Q, with upstairs living room, 4 bedrooms, 2 baths. Apply at 1526 18th NW.

Nicely furnished 5-room bungalow; hot-water heat, electric lights, open fireplace, large porches; cellar and attic; near bus line; $75 per mo. by year. Address Box 198-D, Star office.

For rent: Exclusive home, richly furnished, suitable for Representative or foreign attaché; 8 bedrooms and inclosed sleeping porch; the last word in modern; built-in garage. Phone Adams 1831.

Chevy Chase: Nicely furnished 8-room house for May and June, $100. Phone Cleveland 1901.

Modern 6-r. detached house; a. m. i.; grand piano; mahogany furnishings; latest electrical appliances; large trees; sleeping porch; garage; large attic and basement. 22 Denwood Ave., Takoma Park. Phone Col. 7290 W before calling for inspection. To October.

1302 Belmont St.: Six cheerful outside rooms, three large porches; high, healthy location; $90 until Oct.

Party leaving city will give up lease of 7-room, semidetached, a. m. i., large yard, 2 garages (rented), n. w., with purchase of furniture at a sacrifice. Address Box 303-C, Star office.

For summer, in Cleveland Park, half of double house, seven rooms, large front and back porches; roomy sleeping porch. 360 Lowell St. Clev. 312.

Six rooms, reception hall, bath; newly papered; elec.; back yard and porches; immed. possession; $65 month; beginning Oct. 1, $85. 1139 Harvard St. NW.

429 Randolph St. NW.: Seven large rooms, large attic, basement, servant's closet, sleeping porch, modern; now available; reasonable.

1302 Belmont St. NW.: 6 beautiful rooms, bath, 3 porches, high, healthy location; until October. Adams 2064.

On Argonne Pl., near 16th: 6 rooms and bath, built-in garage, beautifully furnished; $150 mo.

On C St. SE. near House Office Bldg.: 6 rooms and bath, all modern improvements; reasonably priced; beautifully furnished.

McKeever & Goss, 1415 Eye St. NW., M. 7552.

Cleveland Park: 10 rooms, 3 baths and garage; nicely furnished; can be rented from May 15 for four months, at reasonable price.

3300 Newark St., Cleveland Park: A nicely arranged house of 10 rooms, 5 baths and 2-car garage, 2 sleeping porches; large and beautiful grounds; can be rented from May 15 to Sept. 15, at $300 per month.

We have several other very desirable well furnished houses throughout the city at moderate prices.

Allen E. Walker & Co., Inc., 813 15th St. NW., Main 2690.

1306 18th St. NW.: Seven rooms and bath; gas, h. w. h.; $100.75. Caywood Bros. & Garrett, Inc., relators, 915 New York Ave. NW.

1302 Belmont St.: Six cheerful outside rooms, three large porches; high, healthy location; $90 until Oct.

2622 Woodley Place NW. Very attractive home for summer occupancy; 10 rooms, 3 baths, screened sleeping porches; garage; $125 per month, including telephone service. Available May 15 to Sept. 15, 1924. For appointment telephone Col. 4708. H. L. Rust Co., 912 15th St. NW. Main 6888.

1821 Jefferson Pl. near Dupont Circle, attractive 14-room house, completely furnished; a. m. i. W. H. West Co., Wm. L. S. King, H. G. Perry, 815 15th St. NW.

511 Columbia Road NW. 6 rooms and bath, a. m. i., $75. Morris Cafritz Co. (Inc.), 1416 K St. Main 617.

Gentleman's surburban estate. Unusually desirable home in Washington, D. C.; 50-mile view over three States; 1 block from cars; new, up-to-date tapestry brick house and garage; 4 public rooms, 6 master bedrooms, 4 baths, 14 service, 4 porches, conservatory; acre of lawn, garden, orchard, tennis court, etc. Lease or sale. Call Owner, Cleveland 607 or Franklin 6225.

Lease—bargain. 1846 16th St. NW. (corner); 11 rooms and 3 baths; h.-w. h., elec. and gas; completely furnished; front and back yards. Moore & Hill (Inc.), 730 17th St. NW.

RENT HOUSES—FURNISHED AND UNFURNISHED

Attractively furnished or unfurnished new bungalow; a. m. i.; exclusive in detail; yard; double garage, flowers; all-white section; reasonable; responsible adults; June 1. Address Box 189-D, Star office.

10 rooms, recep. hall, bath; elec., hot-water heat; partly furnished; reasonable; owner, a Govt. employee, to reserve one room. 430 M St. NW. Fr. 2059-J.

East Capitol St. Near Capitol; large rooms, newly papered and painted; elec.; house in fine cond. Call Owner, Lin. 619-W.

Conn. Ave. Near Wardman Park Hotel, 11 rooms, 2 baths, porches, servant's bath in basement; 2-car brick garage; a. m. i. Geo. W. Linkins, 1719 K St.

RENT HOUSES—UNFURNISHED

6-room detached house with large yard and 2 sleeping porches; all modern conveniences; near car line, churches, and schools. Apply 1022 Otis St., Brookland, D. C.

444 Mass. Ave. NW. 8-room frame; hot-water heat, electric light, gas. Mills, 805 5th NW. Phone Main 4561.

635 H St. SW. Eight rooms, bath, $35. Thomas B. Brown, 617 4½ St. SW.

Handsome three-story and attic brick residence, 16th St., corner Irving; 14 large rooms, h.-w. h., 3 baths; 6 fireplaces, hardwood floors, back staircase, butler's pantry, completely modern; beautiful lawns and gardens; immed. occupancy. See owner, 3114 16th St., after 5, or any time Sunday.

Fine home, a. m. c., sun parlor, beautiful grounds; orchard; 2-car ga.; 10 minu. walk from Chevy Chase Circle. Clev. 668.

102 2nd NE. 11 rooms, bath, 7 rooms, bath; $80 and $75 per month.

Beautiful house uptown near 18th and Columbia Rd.; 12 rooms, 3 baths, newly decorated, electricity and h. w. h.; rent reasonable. W. R. Marshall, 929 New York Ave.

No. 230 11th St. NE.: Eight rooms, bath, and cellar; hot-water heat, electric lights. Consult Welch, realtor, 15th and New York Ave. Main 4346.

1347 Montague St. NW.: Det. semibungalow; 3 rooms and two tile baths; a. m. i.; large front and screened rear porch; good repair; $110.

3028 26th St. NW.: 9 r., 2 baths, third floor; arranged for apt. $75.

807 Carroll Ave., Takoma Pk.: Detached house; 5 rooms and bath; a. m. i.. $50.

6222 19th NW.: Beautiful home, semidet., 9r., 2 baths; porches. $140.

William S. Phillips, 15th and K Sts. NW. Main 4600.

110 4th St. NE.: 10 rooms and bath, h. w. h., elec. lights, and garage; $75 per mo.

226 2nd St. NE.: 10 rooms and bath, h. w. h., elec. lights, with 2-car garage; $100.

Jos. A. Herbert & Sons, 515 East Capitol St.

20 Sherman Circle: 6 r. & b., a. m. i., new, $85.50; 4626 8th St. NW.; 6 r. and b., a. m. i., $75; 916 Delafield St., 6 r. and b., a. m. i., $70; new. Morris Cafritz Company, Inc., 1416 K St. Main 617.

48 Eye St. NW.: Twelve rooms and bath; electricity and vapor heat; $100.

1026 Que St. NW.: Eight rooms and bath; steam heat, electricity, and gas; partly furnished; $100.

815 New Jersey Ave. NW.: Ten rooms and bath; electricity, gas, h. w. h., and yard; $100.

109 19th St. SE.: Four rooms and bath; electricity; $52.50 unfurnished, $60 furnished.

416½ 11th St. SW.: Four rooms, $20.50. Caywood Bros. & Garrett, Inc., Realtors, 915 New York Ave. NW.

1432 Florida Ave. NW.: Colored; six rooms and bath; latrobe heat; rear yard; gas; $65. Caywood Bros. & Garrett, Inc., Realtors, 915 New York Ave. NW.

Beautiful location; 8 large rooms, inclosed porch; inst. water heater; arranged for two families. Adams 5400.

458 M St., 8 r., h. w. h., elec., $75 mo.; 2748 Woodley Pl., "new home," $113 mo.; 22nd & N Sts., 18 r. 3 b., a. m. i., gar., $135 mo.; 2225 20th St., 10 r., 2 b., a. m. i., $140 mo. The Joseph Shapiro Co., 919 15th St.

1721 Willard St. NW.: 12 rooms and bath; electricity and hot-water heat; stationary tubs in cellar, with extra lavatory; $90 per month. M. J. Raine, 934 New York Ave. Main 1051.

838 Emerson St. NW.: Modern, new semidetached 6-room brick; col. front porch; sleeping porch; m. m. i.; reasonable rent. Phone Main 6713 Monday.

Seven-room bungalow: H.-w. h.; garage; fireplace; oak floors; large lot; ideal location. 2637 4th NE. Potomac 2456. Will sell.

$55 cash, $55 monthly, (larger cash payment, less monthly), two-story, five rooms and bath; a. m. i.; $5,800. 6 Allegheny Ave., near Elm Ave., Takoma Park. Col. 9472-W.

3628 12th NE.: Corner house, 6 large rooms, bath, h.-w. h., elec., double rear porches, rear porch glassed in, large front porch; built-in garage; reasonable rent. Thos. A. Jameson & Co., 906 New York Ave. M. 5526.

Eleven rooms; h.-w.h., electricity, rear porches; best elevation. Capitol Hill. Linc. 6519.

657 Otis Place NW.: Six rooms and bath; garage, a.m.i.; $75. F. L. Sandos, 920 17th NW. Main 3243.

Colonial home, modern; within 10 minutes drive of city, on improved road; nice ground; large lawn; big trees; view over city and river. Fine for 2 couples; garage for 2 cars. Campbell, 734 8th St. NW., during office hours, or call 4th house beyond Hume School, on upper rd. to Alexandria, after 5.30.

Ten-room house, Mt. Pleasant; good condition; a.m.i.; near new Bancroft School; arranged for one or two families; rent reasonable. Phone owner, Adams, 3446.

1919 K NW.; 13 rooms; a.m.i.; newly renovated throughout.

3493 Holmead Place, half block off 14th St.; six rooms, bath; a.m.i.; newly papered and painted; to responsible party only. F. H. Davis, 265-6 Continental Trust Bldg. Main 1640.

1409 Potomac Ave. SE.: 6-room brick; modern improvements. Owner, D. J. Waters, 621 4th St. NE. Linc. 1287-W.

13th and Irving Sts. NW.: 11 rooms and 2 baths; steam heat, gas, and electricity; garage room for 3 cars; house newly decorated; rent reasonable. Cissel, Talbott & Co., (Inc.), 1005 New York Ave. Main 1092.

Longfellow St.: 7 rooms, bath; h.-w.h., electricity, hardwood floors, large basement; conv. 14th St. cars; $80. Linc. 5060.

Corner property: 6-room brick; large front and side lawn; 98 K St. NE.; $55. Penn Realty Corporation, Main 6608.

Near 18th and Columbia Road: Nine rooms; just renovated; electricity; $100 month. Petty & Petty, 1423 New York Ave. NW. Main 2437-38.

1425 Eye St.: Ten rooms; whole or part; suitable rooming. Apply premises.

Ten rooms, modern improvements, just renovated; near 14th and Park. Rent moderate. Seen by appointment. Phone Linc. 4097.

Attractive, 10 rooms and bath, near 2 car lines; can be seen until 4 Sunday. North 3126.

2121 H St. NW.: 10 rooms, 2 baths, hot-water heat, electricity; rent, $125.

406 Rock Creek Church Rd.: 6 rooms and bath; h.-w.h.; electricity; garage; $115. Geo. W. Linkins, 1719 K St.

Very desirable house, 3d and East Capitol Sts.: House contains 8 bright, desirable rooms; newly papered and painted. Rent, $75.50 per month. Ross & Phelps, 1417 K St. NW.

On New Jersey Ave. near N. Y. Ave.: 9 rooms and bath, to be newly papered; possession May 15th; suitable for rooming house; $75.00. William S. Phillips, 15th and K Sts. NW. Main 4600.

801 Longfellow St. NW.: Eight rooms and bath, corner house, entirely modern; garage; inspect at any time. Reasonable rent. S. J. Solomon, 528 Bond Bldg. Franklin 5430.

12 large rooms, 3 baths; a. m. i.; newly decorated. 1364 Kenyon St. For keys, phone Col. 2270 before 5 or between 7 and 8 p. m.

For colored: Five rooms, no bath, gas light, water in kitchen; near 8th and K Sts. NE.; for sale, not for rent, but no cash payment required; $42.50 per month covers all interest and principal payments. John H. Wright, 1116 Vermont Ave. NW. Main 3397.

West Chevy Chase, on Ellicott St.: 6 rooms and bath; new homes; never been occupied; $90 month.

Cleveland Park, on Rodman St. near 30th: 6 rooms and bath, $105 month.

Detached house on Kennedy St. near 14th: 6 rooms and bath, $110.

Near 16th and Spring Rd.: 6 rooms, and bath; glassed-in sleeping and breakfast porches; built-in garage; $125 month.

Oliver St. near 32nd: 8 rooms and 1 bath; 1-car garage; $100 month.

On K St. near 14th: Large house of 15 rooms and 2 baths; hot-water heat and electric lights; $200 month. McKeever & Goss, 1415 Eye St. NW. Main 4752.

1728 Wisconsin Ave.: Brick home, with large back yard, suitable for store and dwelling. Eugene H. Taggart, Inc., 1516 K St. NW. Main 5500.

1928 First St. NW.: Containing eight rooms and bath; h.-w. h., elec. $85. N. L. Sansbury Co., Inc., 1418 Eye St. NW.

Six rooms, no bath, water in kitchen, gas light, on 6th St. near G St. SW., for sale, not for rent, but no cash payment required; $39 per month covers all interest and principal payments. John H. Wright, 1116 Vermont Ave. NW. Main 3397.

Very desirable and well located property in down-town section, suitable for boarding and rooming purpose, containing 98 rooms and 12 baths, h.-w. h., elec. light. Immediate possession. Moderate rental. Ross & Phelps, 1417 K St. NW. Main 9300.

Colored: Modern 6-room house; h.-w. h., elec.; rent reduced. Real—Mann—Estate, 1114 N. Y. Ave. NW. Main 9368.

Lease—Bargain. Near New Hampshire Ave. and R St.—8 rooms and bath; handsome appointments; $125. Moore & Hill, Inc., 730 17th St. NW.

Benning, D. C.: Detached home at 4133 Gault Place NE., of six rooms and bath; all modern improvements, with 3-car garage and additional lot on side. Possession in ten days and a very reasonable rental.

14th near Shepherd: Seven rooms and bath, with all modern improvements, and 2-car garage; $110 per month.

N. H. Ave. & Park Road: Eight large rooms and reception hall and bath in good residential section. House is light and roomy and in good condition, with all modern improvements. Rent, $100 per mo. E. Roy Lewis & Co., 1715 Connecticut Ave. NW. Phone Potomac 2131.

24 Eye St. NE.: House for rent. Apply 26 Eye.

New house in a newly developed northwest section: uniquely designed; 6 rooms and bath; complete in every detail; $75. Shannon & Luchs, Inc., 713 14th St. Main 2345.

Six rooms, bath, pantry, gas light, latrobe heat; near 9th and F Sts. NE.; for sale, not for rent, but no cash payment required; $67.50 per month covers all interest and principal payments. John H. Wright, 1116 Vermont Ave. NW. Main 3397.

I have encumbered the RECORD with all of the foregoing because it is the most pertinent argument I could make, for the main question here is whether an emergency in rental property exists. The foregoing advertisements from one paper show that it does not. Yet this committee, when they come before you, ask you to pass a bill six years after the war is ended and want you to say that the emergency exists. With all these conditions here they ask you to declare that a war emergency exists six years after the war and extend it two years more, making eight years after the war. I want to say if you do that you are doing it on some other theory than an emergency.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LAMPERT. Mr. Chairman, I yield eight minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman and gentlemen, the gentleman from Texas [Mr. BLANTON] just enlightened the House with a comment upon the advertisements in one of the newspapers. I happened to be one of those who some five years ago was interested in trying to get a place in which to live. It is my recollection—I have not verified it—that the columns of the Washington papers at that time were filled with advertisements of places to let, some places for sale, and rooms to rent, but the price was such that a lot of people could not afford to take them and live decently and in comfort, and that was the reason for the legislation. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. NEWTON of Minnesota. I regret that I can not yield.

Mr. KUNZ. Is it not a question of combination instead of housing conditions?

Mr. NEWTON of Minnesota. The question of combination does enter into it. I think if we had some vigorous action in the office of the United States attorney we might get some results under the existing law. I am prepared, as the existing law is not what it should be, to vote, in addition to the remedy the committee proposes, for an additional remedy such as has been suggested by the gentleman from Texas; not to put his remedy in the statute alone, but in addition to the bill before us rather than in substitution for it.

Mr. BLANTON. Let me say that this is the amendment of the gentlemn from Missouri [Mr. JOST], but I am for it.

Mr. NEWTON of Minnesota. Regardless of the authorship, it would commend itself to me whether it came from the gentleman from Texas or the gentleman from Missouri. If I had an opportunity to vote for that, not in substitution but in addition, I would support it.

Mr. Chairman, under the Constitution Congress has exclusive legislative power over the District of Columbia. The grant of power carries with it an obligation to use it whenever the public good requires it. This is the seat of Federal Government. It was created for that purpose and that purpose should always be kept before us. We must always bear in mind that this Government, through its various branches, departments, bureaus, commissions, and its thousands of employees, functions from here. The fathers did not want these governmental agencies to be handicapped in the doing of their work. Hence, this grant of power providing that Congress and Congress alone should have legislative jurisdiction so as to prevent any condition arising which might interfere with the running of our Government. In so legislating the courts have held that Congress possesses police power to the same extent as the several States of the Union.

Up to the time of the Great War Washington was a reasonable place in which to live. Statistics prove this. Thousands came here during the war. Housing conditions became intolerable. Hostilities ceased in November, 1918. Conditions did not grow better. Congress finally took action and enacted the rents act the latter part of October, 1919, or nearly one year after the signing of the armistice. Congress in passing this legislation found as a fact, and so declared, that an emergency existed, growing out of the war. As to that declaration, in affirming the constitutionality of the law, the United States Supreme Court in Block *v.* Hirsch (256 U. S. 154) said:

> But a declaration by a legislature concerning public conditions that by necessity and duty it must know is entitled at least to great respect. In this instance Congress stated a publicly notorious and almost world-wide fact. That the emergency declared by the statute did exist must be assumed, and the question is whether Congress was incompetent to meet it in the way in which it has been met by most of the civilized countries of the world.

In referring to the conditions prompting and justifying this legislation the court said, on page 4:

> The provisions of Title II are made necessary by emergencies growing out of the war resulting in rental conditions in the District dangerous to the public health and burdensome to public officers, employees, and accessories, and thereby embarrassing the Federal Government in the transaction of the public business.

They find rental conditions "burdensome to public officers, employees, and accessories." Is there anyone who will say that the conditions cited do not exist here to-day? There are people working in the Government departments in the executive branch of the Government and in the legislative branch of the Government who are paying 45, 50, and even as high as 60 per cent of their income for a place in which to live. I say this is decidedly burdensome.

We all know too well by our own experience that Washington has become one of the most expensive cities of the country in which to live. This is especially true as to housing. Statistics compiled by the Department of Labor confirm this. The Supreme Court has held that this has "embarrassed the Federal Government." Has that condition changed? No. We all know that Congress has had to raise the salaries of the thousands of employees in the Government service in the District of Columbia largely as the result of this.

The gentleman from Illinois [Mr. MADDEN] says the war is over. Well the war is over in a way, and yet the war is not over in a good many other ways. It is not over for the men who were wounded and who will carry the marks to their graves. It is not over for the taxpayer who will have to pay for years to come; it is not over here in Washington where as a result the emergency conditions arising out of the war still exist. We have in this city to-day over 100,000 people more than we had at the outbreak of the war. The war resulted in people coming to Washington, some in a governmental capacity and many more in other capacities.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. NEWTON of Minnesota. I will yield to the gentleman.

Mr. CHINDBLOM. Does the gentleman doubt that the economic conditions created by the war will continue for 20 or 30 years longer?

Mr. NEWTON of Minnesota. It probably will.

Mr. CHINDBLOM. Does the gentleman think that if they do continue, an emergency exists permitting this extraordinary legislation to be continued?

Mr. NEWTON of Minnesota. I am interested only in this particular bill which assumes that the emergency growing out of the war will continue for two years. It is the duty of this Congress to correct it.

Mr. WEFALD. If the gentleman will yield——

Mr. NEWTON of Minnesota. I yield.

Mr. WEFALD. As long as the emergency exists does the gentleman think this should be continued?

Mr. NEWTON of Minnesota. Yes.

Mr. BLANTON. If such a condition exists, why is it that only one member of the committee has spoken for the bill?

Mr. NEWTON of Minnesota. I do not know that it is so, but I apprehend that the committee has spoken so much and so well that they decided to let somebody else have a chance.

Mr. KUNZ. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. No; I do not yield. Here is what the Supreme Court said in the Hirsh case:

> Congress has stated the unquestionable embarrassment of Government and danger to the public health in the existing conditions of things. The space in Washington is necessarily monopolized in comparatively few hands, and letting portions of it is as much a business as any other. Housing is a necessary of life. All of the elements of the public interest justifying some degree of public control are present.

That is what the court said. The committee held extensive hearings. A reading of those hearings will disclose that those conditions there set forth in that able opinion still exist. The gentleman from Texas [Mr. BLANTON] knows that monopolistic practices exist. He has tried in his own way to remedy them. The hearings will disclose, and the confidential report by the officers from the Senate committee will disclose, that property costing about $230,000 inflated in value to over $650,000, with a mortgage loan up to $650,000 and a foreclosure under it at about $315,000. That is a typical case showing the monopolistic practices. The hearings will show—page 221—that if this law is not continued it will result in increasing the rent of those paying $50 a month or less. About 25 per cent of these renters will have their rent increased if we do not act. I quote from the testimony of Mr. Bowie to substantiate that fact:

> Mr. STALKER. Do you think the rent will be raised if we discontinue this Rent Commission?

Phone owner, Adams, 3446.

1919 K NW.; 12 rooms; a.m.i.; newly renovated throughout, signed, 6 rooms 2nd floor, complete in every detail. Call Luchs, Inc., 713 14th St. Main 2345.

countries of the world.

this Rent Commission?

Mr. BOWIE. Some rents will, Mr. STALKER. I do not think there will be a general increase of rents. I think you can count pretty certainly on the rent in the Meridian Mansions being raised. I know that you can count on the rent being raised in the Lamont Apartment House, and there are probably going to be others.

Mr. STALKER. I prefer to talk about those under $50. We will take the houses, $35, $30, and $40; will they be raised, in your opinion?

Mr. BOWIE. Not generally; no, sir.

Mr. STALKER. What percentage would you estimate?

Mr. BOWIE. Well, that would be—I think the percentage would be very small. I would be very much surprised if it were 25 per cent of an increase over the present rates.

Mr. STALKER. Do you mean 25 per cent of the rental?

Mr. BOWIE. No; I mean 25 per cent of the whole.

Mr. STALKER. Of the tenants?

Mr. BOWIE. Yes.

Mr. LAMPERT. Do you mean that if this act goes out the rent on properties from $50 down will be raised 25 per cent?

Mr. BOWIE. No, no.

Mr. LAMPERT. What do you mean?

Mr. BOWIE. Mr. STALKER asked me how many rents would be raised, how many I thought would be raised. I told him I would be very much surprised if as many as 25 per cent of them would be raised.

Mr. LAMPERT. Of these individual cases?

Mr. BOWIE. Yes, sir.

Mr. STALKER. If more than that were raised, we will say, if from 30 to 50 per cent of them were raised, providing this commission were discontinued, do you think we would have made a grievous error and that we were derelict in our duty?

Mr. BOWIE. Yes. I think you would be if as many as 50 per cent of all the rents less than $50 a month are increased, and I think if Congress finds that as many as 50 per cent of them are raised you should as soon as possible pass another rent law restricting, however, the activities of the commission to properties renting for less than $50 per month. I do not believe these other properties renting for more than $50 a month should be restricted when it is apparent from the proponents of the bill that no emergency exists as to those properties.

Mr. Chairman, the statement has been made here that while a shortage did at one time exist, that there is no shortage in either apartments or houses to-day. That depends almost altogether on the price. There certainly is a shortage in the more modest and smaller homes. I know this—that prominent real estate operators have informed me that if they should cease building new homes there would be none of them unsold in the course of 30 to 90 days.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. LAMPERT. Mr. Chairman, I yield the remainder of my time to the gentleman from Minnesota.

Mr. UNDERHILL. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield. The Chastleton case decided by the Supreme Court on April 21 has been much referred to. All the court did was to remand the case back to the trial court to take evidence to see whether the exigency which once existed still existed. The court took judicial notice of the fact that the Government had to an extent decreased its number of employees. The owners of the Chastleton submitted an affidavit setting up the fact that there had been a great increase in the number of apartments and houses since the act was originally passed, and that there was now no shortage warranting a continuance of the act. The Supreme Court sent the case back because the trial court had not gone into the facts. There can be no question but what the law will be sustained as to the Chastleton providing the court below considers the question and the Rent Commission or some other party appears representing the public and presents the true facts in reference to conditions existing when the last extension act was passed. I quote from the opinion:

> In our opinion it is open to inquire whether the exigency still existed upon which the continued operation of the law depended. * * *
>
> It is material to know the condition of Washington at different dates in the past. Obviously the facts should be accurately ascertained and carefully weighed, and this can be done more conveniently in the Supreme Court of the District than here.

A committee of Congress ascertained the facts upon which Congress acted in passing the last extension act. A committee of Congress has conducted extensive hearings pertaining to the advisability of a further extension. They report to us that this emergency condition still exists to a very considerable extent. Now, then, if Congress relying upon this should pass this bill it would then be the duty of the court in the event of litigation testing its constitutionality to inquire into the facts and find out whether those conditions still continue. The court might find that there was no reasonable basis upon which Congress acted, but if it found that Congress acted upon any reasonable basis at all it would have to sustain the extension, as I understand the law.

I hope that we will bear in mind the people who have been burdened by excessive rent rates in the District of Columbia, and continue this law for a period of two years more.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired. The question is on the substitute that has been offered.

Mr. JOST. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. JOST: Page 1, line 10 of the amendment, after the word "it," strike out the remainder of the amendment and in lieu thereof insert the following:
>
> "SECTION 1. It shall be unlawful for any corporation, firm, or individual owning, managing, or controlling premises devoted to dwelling purposes and offered for rental or rented to others for such purpose within the District of Columbia after the passage of this act to charge or exact therefor, either directly or indirectly, by any means, method, or device whatsoever, for and during the period for which the same is proposed to be or is rented, a rental in excess of an amount which, calculated on the basis of 12 consecutive months, will produce and yield the owner 12 per cent annually on the assessed value of said property for the purpose of taxation.
>
> "SEC. 2. When such premises consist of two or more apartments or separate dwelling quarters, the amount of the rental therefor may be distributed at the discretion of the owner, and the amount of rental charged or exacted for any one such part or portion shall be such that when considered and taken with the total derived by way of rental from the whole of such premises as to not yield the owner thereof an amount in the aggregate annually exceeding that specified in section 1 hereof.
>
> "SEC. 3. Any corporation, firm, or individual violating any of the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in an amount not to exceed $1,000 or by imprisonment not to exceed six months, or by both such fine and imprisonment.
>
> "SEC. 4. This act shall be effective from and after the date of its passage and for a period expiring May 22, 1926."

Mr. BEGG. Mr. Chairman, I make the point of order against the amendment that it is not germane. This resolution that is before us is for the purpose of extending a law already in existence. The gentleman's substitute is the passage of a new law, and makes no reference whatsoever to the present law, which is before the House.

Mr. RAKER. It is also on a different subject.

Mr. BEGG. It is on a different subject entirely. I call the attention of the Chair further to the paragraph on page 2 of the rule adopted this morning, beginning with line 19:

> At the conclusion of the general debate the substitute shall be considered under the five-minute rule, and during that consideration it shall be in order to offer an amendment to the substitute providing for the reduction of the number of commissioners provided for in said bill.

I make that as an added point of order, that this substitute would be out of order even though it were germane. I make the point of order that it is not germane to the bill that is being considered, which is the substitute now before the House—not the Lampert bill. The thing that is before the Committee of the Whole is the substitute amendment providing for the extension of the Ball Rent Act for two years. I make those two points of order.

Mr. UNDERHILL. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. UNDERHILL. In the early part of this discussion it was expressly stated that an amendment to limit it to the extension of one year would be in order, and in section 2, on page 2, it reads:

> That Title II of the food control and District of Columbia rent act, as amended, is reenacted—

And that implies that we can amend it in any direction we see fit.

Mr. BEGG. I make the point of order that the rule prohibits that.

Mr. MADDEN. No. The rule says that at the conclusion of the general debate the substitute shall be considered under the 5-minute rule, and during that consideration it shall be in order to offer an amendment to the substitute. It does not say you shall not offer any other amendment.

Mr. BEGG. Let me say to the gentleman from Illinois, if it is open to all kinds of amendment it would not have been necessary for the Committee on Rules to submit a specific amendment; and by the insertion of that provision as to a specific

amendment I interpret the section of the rule adopted as prohibiting any other amendment.

Mr. MADDEN. The gentleman's interpretation is wrong.

The CHAIRMAN. Let the Chair make a suggestion to the gentleman from Ohio that may bring the matter to a little closer issue, and that is that where it is proposed to reenact a specific law and a resolution is introduced for the purpose of extending the provisions of that act, is it in order then as an amendment to such an act to make provisions that amend the original act? That is the question that the Chair wants to hear about.

Mr. BEGG. I want to say to the Chair, if he pleases, that in the absence of a specific rule, yes. But we are operating to-day under a specific rule which specifically lays down the order of procedure, and that rule is what? It is that at the end of two hours' debate the substitute resolution which we have before us shall be considered under the 5-minute rule, namely, shall be read paragraph after paragraph, and debate had thereon. And then what does the rule do?

The rule goes on one step further than the ordinary procedure of the committee, and it says that during consideration at any time it shall be in order to offer a specific amendment cutting down the membership of the commission from 5 to 3. I submit, Mr. Chairman, that the only interpretation that can be placed upon that paragraph is that the Committee on Rules by so doing eliminated all other amendments that could be offered.

Mr. KUNZ and Mr. JOST rose.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BEGG. I yield to the gentleman from Illinois.

Mr. KUNZ. If the gentleman will read down further, he will find——

Mr. BEGG. I yield to the gentleman from Illinois [Mr. CHINDBLOM].

The CHAIRMAN. The Chair will be glad to hear from the gentleman from Illinois [Mr. CHINDBLOM] and then he will recognize the gentleman from Illinois [Mr. KUNZ].

Mr. CHINDBLOM. I would like to call the attention of the Chair specifically to the next paragraph in the rule, the one following that which the gentleman from Ohio [Mr. BEGG] read, and which he appears to have overlooked. It reads as follows:

> At the hour of 4 o'clock, if the consideration of the substitute shall not have been sooner completed, the committee shall vote upon the substitute as amended, if any amendments have been adopted—

And I call attention to the fact that the word there is "amendments," plural, meaning more than one amendment. Then it proceeds further:

> And immediately upon the conclusion of that vote the committee shall automatically rise and report the bill and any amendments.

So that at 4 o'clock we are to vote upon any other amendments adopted. Of course, a single amendment, as the only one to be offered, would not be sufficient to cover the language of the rule in that paragraph which refers to several amendments as having possibly been adopted during the consideration of the bill.

Mr. BEGG. Mr. Chairman, will the gentleman yield right there?

Mr. CHINDBLOM. Yes.

Mr. BEGG. If the Chair will permit, I still maintain that there is no ambiguity in the language of the paragraph to which the gentleman from Illinois refers. There might be a little careless use of the English, but no ambiguity. The rule provides specifically that an amendment is in order, and if the House refuses all amendments, then what would the committee do but report back with any amendment or amendments? But if they adopt one amendment, then they have complied with the requirements of the paragraph to which the attention of the Chair has been invited.

Mr. CHINDBLOM. Then, if the Chair pleases, I will proceed a little further. In the same paragraph you will find this language:

> And immediately upon the conclusion of that vote the committee shall automatically rise and report the bill and any amendments, or the substitute and any amendments.

What does that mean? It means the original bill and amendments thereto. It means the substitute to the original bill and amendments thereto, "and the previous question shall be considered as ordered on the bill and amendments for final passage." So that the language of this paragraph clearly shows what I maintain.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentlemen on the committee, Mr. JOST and Mr. KUNZ, are entitled to recognition. These other gentlemen are not on the committee, and yet here are these members of the committee vainly asking for recognition.

The CHAIRMAN. The Chair appreciates, of course, that this discourse is for the enlightenment of the Chair.

Mr. CHINDBLOM. Mr. Chairman, I have nothing else to add.

Mr. BEGG. Let me add one word to what the gentleman has said, and then I shall be through. Now, to satisfy the word "amendments" in the last paragraph, it is in order under the rule to cut down by amendment the number of members on the commission from five to three, and that amendment is subject to another amendment, because otherwise you can not comply with the technical interpretation of the last paragraph.

Mr. UNDERHILL. Mr. Chairman——

The CHAIRMAN. Let the Chair state that on account of the peculiar language of this rule we must rise at 4 o'clock. Therefore, I wish gentlemen would abbreviate their remarks as much as possible.

Mr. UNDERHILL. I shall. But I leave it to any Member of the House who was here during the discussion of the rule whether the statement was not made either by the chairman of the committee or by the gentleman from Ohio [Mr. BEGG] that if the rule were adopted it would not preclude the offering and acceptance of amendments on the part of the committee.

Now, Mr. Chairman, a few days ago the action of the gentleman from Ohio [Mr. BEGG], in shutting off all debate on this bill, necessitated the bringing in of a rule by the Committee on Rules in order that it might be considered at all. He is using the same tactics now in trying to prevent the amendment of a bill which ought to be amended.

The CHAIRMAN. I think it will not be necessary for the gentleman from Missouri to discuss this matter, because the Chair is ready to rule. This rule provides that it shall be in order at any time to-day to offer the Lampert substitute as a substitute for the text of the bill. This substitute, in effect, reenacts the present rent act of the District of Columbia.

You will observe the rule says:

> It shall be in order at any time.

We might have read several sections of the original bill before this amendment was offered as a substitute, but we chose to go at it the other way. The gentleman from Wisconsin [Mr. LAMPERT] offered his amendment and it was at once up for consideration.

Now, what else does the rule provide? That there shall be two hours general debate on the substitute. For the purposes of this argument the Chair considers that the several sections of the substitute constitute one amendment; that that amendment does not need to be read section by section under this rule because it is considered as one amendment. But it is subject to amendment.

The resolution then provides:

> At the conclusion of the general debate the substitute shall be considered under the five-minute rule.

What does that mean? It means the substitute is subject to amendment, any proper amendment and any germane amendment.

The succeeding language, as pointed out by the gentleman from Illinois [Mr. CHINDBLOM], leads the Chair to the conclusion that any proper amendment can be made to this original substitute.

Now, then, the only remaining proposition is whether the amendment as offered is a proper amendment to the pending substitute. Chairman BURTON, in Committee of the Whole House on October 18, 1921, held that:

> To a bill extending the operation of a certain act, an amendment excepting a certain portion of the act to be extended is germane.

In other words, that on a proposition which has to do with the reenactment or the prolongation of a pending act an amendment can be offered which amends the language of the original act. This amendment is germane to provisions of the present rent act. Aside from that, the Lampert substitute does more than to merely extend the provisions of the present law. It declares the continued existence of an emergency in the District of Columbia. There might be some doubt on the subject if this amendment did nothing but extend a certain act, but it does more than that. That being true, the Chair thinks the gentleman's amendment germane and the Chair overrules the point of order.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Is the amendment offered by the gentleman from Missouri an amendment to the substitute offered by the gentleman from Wisconsin?

The CHAIRMAN. The Chair will let the gentleman from Missouri answer that.

Mr. JOST. Yes; it is a substitute.

The CHAIRMAN. There is a difference between the proposition of offering a substitute for the bill and a substitute for the amendment. The Chair takes it the gentleman from Missouri is offering a substitute for the pending substitute?

Mr. JOST. Yes.

The CHAIRMAN. That the gentleman is offering an amendment to the pending substitute in the nature of a substitute. That being true, a vote would first be taken on the gentleman's amendment to the substitute.

Mr. JOST. Mr. Chairman, may I be heard?

Mr. LAGUARDIA. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. If the gentleman offers his amendment as a substitute for the substitute offered by the gentleman from Wisconsin, then the approval of the gentleman's substitute would entirely overcome the substitute of the gentleman from Wisconsin?

The CHAIRMAN. The vote would first be on the amendment offered by the gentleman from Missouri; if that prevailed or if it failed there would then be a vote on the amendment offered by the gentleman from Wisconsin. If it prevailed, then the vote would be on the amendment offered by the gentleman from Wisconsin as modified.

The Chair will recognize the gentleman from Missouri [Mr. JOST].

Mr. JOST. Mr. Chairman and gentlemen of the committee, if the House really wants to control rents, if that is what you are after and you want to control rents in a legal, orderly way, this substitute will do it. If you really want a commission and want to continue an intermeddling governmental agency into private affairs, you ought not to vote for this substitute but you should vote for the original bill.

Mr. MADDEN. Will the gentleman yield?

Mr. JOST. Yes.

Mr. MADDEN. I want to know whether the gentleman's amendment limits the amount of rent that can be collected to 12 per cent gross of the value?

Mr. JOST. Yes; on the assessed value, for the purpose of taxation. So by that method we get them going and coming. If the owner raises the rent he will have to raise the value of his property for taxation.

Now, gentlemen, this is on the theory of the usury laws, the same kind of legal logic and principle that limits the interest charge for the loaning of money, and it has the merit of regulating the property—if you want to impress it with a public use—in the hands of the owner and letting him handle it and renting it to whomsoever he pleases without the intermeddling coercion of a Government bureau. I am striking at the governmental inquisitors and inspectors who stand at the elbow of a man with respect to everything he does in this country to-day. There is no longer any free labor, and business is no longer free in this Nation; it is all licensed, supervised, and controlled by the Government. You can not do a thing nowadays without having some Government agent or Government board at your elbow looking over your shoulder, and accounting to them at the end of the transaction as to what you did, how you did it, and what you can do again about it. I am striking at that kind of evil in this Government, and I am wondering if there is a disposition on the part of this House to continue to augment and increase bureaucracy in this Nation or whether there is to be free labor and free business under general law. That is the whole question you are here to answer.

I claim that if you really want to regulate rents, this will do it. If you want bureaus and an army of administrators to meddle in business, then you ought to be against my substitute.

Mr. ABERNETHY. Why not have both?

Mr. JOST. Why do you want a multiplicity of government?

Mr. WEFALD. Who is going to enforce it?

Mr. JOST. How do you enforce any criminal law? Why do you not have a certificate of insurance from the Government behind every personal endeavor, if you want that kind of government.

Let me tell you something about the figure of 12 per cent in the substitute. The building department advises me that 5 per cent is required to maintain and bear the upkeep of rental property in Washington. That is the rule out our way as developed by testimony in condemnation proceedings. So that 5 per cent of this return is needed to maintain the property and the owner really gets a 7 per cent return upon his investment, and the investment is measured by the value at which the property is assessed for purposes of taxation. I have a measure that will protect the Government, protect the owner of the property, and not allow tenants to take charge of a man's property under the coercion of the Government. I am pleading here for a return to business sanity in Washington, the seat of government. It will be a good example for the Nation. This is a good place to lose one commission. [Applause.]

Mr. McKEOWN. Mr. Chairman, I offer a substitute.

Mr. RAKER. Mr. Chairman, I rise in opposition to the amendment.

Mr. BLANTON. Mr. Chairman, I ask recognition, as a member of the committee, to offer an amendment.

Mr. RAKER. I rise in opposition to the amendment, Mr. Chairman.

The CHAIRMAN. For what purpose does the gentleman from Oklahoma rise?

Mr. McKEOWN. I rise to offer a substitute for the pending substitute.

Mr. BLANTON. I rise to offer an amendment to the original Lampert substitute.

Mr. NEWTON of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NEWTON of Minnesota. Would it be in order to move an amendment or a substitute to the motion of the gentleman from Missouri to strike out that portion of his amendment wherein he attempts to strike out the substitute that is embodied in the rule?

The CHAIRMAN. The Chair thinks not. The Chair thinks that would be an amendment in the third degree.

Mr. BLANTON. Mr. Chairman, I ask recognition to offer a proper amendment.

Mr. RAKER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Texas is the ranking member of the committee, and the Chair will recognize him.

Mr. BLANTON. I offer, as an amendment to the Lampert substitute, the amendment which is on the Clerk's desk as Title II to the Lampert substitute.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON offers the following amendment to the Lampert amendment:

At the end of the Lampert amendment insert:

"TITLE II

"It shall be unlawful for any corporation, firm, or individual to enter into or to become a party to any contract, agreement, or understanding, or in any manner whatsoever to confederate, combine, and act with another or others for the purpose and with the design of lessening or preventing or tending to lessen or prevent full and free competition in the renting of real estate or to fix rents within the District of Columbia.

"SEC. 2. Any corporation, firm, or individual convicted of violating the provisions of this act shall be punished by a fine of not less than $50 nor more than $500 or by imprisonment not less than 30 days nor more than 1 year, or by both such fine and imprisonment."

Mr. McKEOWN. Mr. Chairman, a point of order. I have an amendment to this resolution already pending. Now the gentleman undertakes to offer another substitute that conflicts with the present substitute that is pending, and the gentleman does not offer it as a substitute to the pending amendment.

Mr. TILSON. Mr. Chairman, if there is any question in the Chair's mind, I think I can help him so far as the parliamentary procedure is concerned. The so-called substitute offered by the gentleman from Wisconsin is the original amendment. Its text can be perfected by amendments. There is also a substitute offered for it, and that substitute can also be perfected.

Mr. McKEOWN. That is what I was inquiring about a while ago. I wanted to offer an amendment to the substitute by striking out certain things in it.

Mr. LAMPERT. Mr. Chairman, I will accept the amendment of the gentleman from Texas. [Cries of "Vote!" "Vote!"]

The CHAIRMAN. There is a point of order pending. The gentleman from Oklahoma makes the point of order——

Mr. McKEOWN. Mr. Chairman, I will withdraw the point of order if they are going to accept the amendment.

Mr. RAKER. Mr. Chairman, I desire to be heard on the pending amendment.

The CHAIRMAN. On the perfecting amendment?

Mr. RAKER. Yes, sir.

The CHAIRMAN. The gentleman from California is entitled to recognition.

Mr. RAKER. Mr. Chairman, I am in favor of the amendment, but I just wanted five minutes to say a word.

Mr. Chairman and gentlemen of the committee, I have listened with much interest to this debate on the constitutional and legal features involved, and I want to say that if you will read this decision of the Supreme Court—the Chastleton Corporation and Felix Lake and Clark H. Hahn, appellants, against A. Leftwich Sinclair and others, decided April 21, 1924—you will find the court says:

A law depending upon the existence of an emergency or other certain state of facts to uphold it may cease to operate if the emergency ceases or the facts change, even though valid when passed (citing cases).

This is just a declaration as to what might be. The court proceeds to state:

In our opinion, it is open to inquire whether the exigency still existed upon which the continued operation of the law depended. * * * Without going beyond the limits of judicial knowledge, we can say, at least, that the plaintiff's allegation can not be declared offhand to be unmaintainable, and that it is not impossible that a full development of the facts will show them to be true. In that case the operation of the statute would be at an end.

We need not inquire how far this court might go in deciding the question for itself, on the principles explained in Prentis v. Atlantic Coast Line Co. (211 U. S. 210, 227, cases cited). * * * These cases show that the court may ascertain as it sees fit any fact that is merely a ground for laying down a rule of law, and if the question were only whether the statute is in force to-day, upon the facts that we judicially know we should be compelled to say that the law has ceased to operate.

Now, what does the court say in concluding its opinion? It says we will not take that, it is not fair, it is not right. Look at every other case decided by the court. When the court thinks there must be a new trial, when the evidence is unsatisfactory, the case is reversed and remanded. If the act was unconstitutional, the court would have said so and would not have remanded the case for further proceedings, as it did. What does the court say? Here it is and it is the final word as to what should be done in this case:

Here, however, it is material to know the conditions of Washington at different dates in the past.

Obviously the facts should be accurately ascertained and carefully weighed, and this can be done more conveniently in the Supreme Court of the District than here. The evidence should be preserved, so that if necessary it can be considered by this court.

The Supreme Court has said nothing on earth except the fact that there is not sufficient evidence before the court to determine that the exigency now exists. No one can read this decision without seeing that it is sent back to the court for a new trial. In addition to that it tells the court to find the facts upon which the emergency exists. When it goes back to the lower court the lower court will take evidence from all sides and make its finding whether or not these facts exist which will constitute an exigency which will justify the court to pronounce judgment. If the lower courts say that the facts do exist the Supreme Court will be bound by those facts irrespective of conflicting evidence and determine that the act is in force by reason of such exigency as contemplated by the acts in question. It has already determined that the act is constitutional, it has already said that Congress has the power to pass the act, but the question involved is whether or not the exigency exists at the present time, and it has sent the case back to the court to determine that fact. This act, as provided by the rule, should pass. All the facts surrounding this controversy demonstrate the wisdom of favorable action by Congress.

Mr. KUNZ. Will the gentleman yield?

Mr. RAKER. No; I can not yield to the gentleman from Illinois. I have not got the time. You are too late, my friend.

Mr. KUNZ. Then, Mr. Chairman, I make the point of order that the gentleman is not talking to the amendment.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. UNDERHILL. Mr. Chairman, I move that all debate on the Jost amendment and all amendments thereto close in 10 minutes.

Mr. BEGG. Mr. Chairman, I desire recognition some time against the Jost amendment, and I believe there has been no opposition to that.

The CHAIRMAN. The motion of the gentleman from Massachusetts is that all debate on the Jost amendment and all amendments thereto close in 10 minutes.

Mr. McKEOWN. Mr. Chairman, I move an amendment to that; I move to amend by making it 20 minutes. This is a very important matter.

The CHAIRMAN. The gentleman from Oklahoma moves to amend the motion of the gentleman from Massachusetts by making it 20 minutes.

Mr. BLANTON. Mr. Chairman, I offer a substitute that the debate close now.

Mr. BEGG. That is not a substitute.

Mr. BLANTON. It is a substitute for the motion of the gentleman from Oklahoma.

The CHAIRMAN. The Chair thinks it is a substitute for the amendment of the gentleman from Oklahoma.

Mr. LEHLBACH. Mr. Chairman, a parliamentary inquiry. I understood the Chair to state a moment ago that the amendment offered by the gentleman from Texas [Mr. BLANTON] was an amendment to the Jost amendment. I understood it was an amendment to the Lampert amendment and was accepted by the gentleman from Wisconsin [Mr. LAMPERT].

The CHAIRMAN. The Chair is advised that the present amendment was offered as an amendment to the Lampert substitute. The Chair was under the impression that it was an amendment to the Jost amendment, but he is now corrected.

Mr. LEHLBACH. And if a vote was taken on closing debate, they can still debate the Blanton amendment.

Mr. RAKER. Is not the parliamentary situation that the Blanton amendment is pending?

The CHAIRMAN. The matter pending is the motion of the gentleman from Massachusetts [Mr. UNDERHILL] to close debate on the Jost amendment.

Mr. RAKER. Is not the Blanton amendment pending?

The CHAIRMAN. The Blanton amendment is pending.

Mr. RAKER. And it has been accepted by the gentleman from Wisconsin.

The CHAIRMAN. The question is on the substitute of the gentleman from Texas [Mr. BLANTON] to the amendment offered by the gentleman from Oklahoma [Mr. McKEOWN] to close the debate in 20 minutes.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were 69 ayes and 7 noes.

So the substitute was agreed to.

The CHAIRMAN. The question now is on the motion of the gentleman from Oklahoma as amended by the substitute.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question now is on the original motion of the gentleman from Massachusetts as amended.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The debate on the Jost amendment is now closed.

Mr. UNDERHILL. Mr. Chairman, a parliamentary inquiry. Is the vote to be taken now on the Jost amendment or later?

The CHAIRMAN. The Chair thinks it should be taken at this time.

Mr. RAKER. That is a substitute. There is an amendment pending to the amendment of the gentleman from Wisconsin. Are we not entitled to have a vote upon that?

The CHAIRMAN. The Chair finds on close inspection that the Jost amendment is not a substitute. The Chair at first blush thought it was, but on looking at it the Chair observed this peculiarity about the motion: it does not strike out all of the Lampert substitute, but says "after the word 'it' insert the following language." In other words, the amendment does not cut out the first two words of the Lampert substitute, and although that is extremely technical, yet at the same time it makes the Jost amendment a perfecting amendment.

Mr. JOST. Then, Mr. Chairman, I ask unanimous consent to correct the amendment so that it will read to strike out all of the Lampert amendment after the word "it."

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to correct his original amendment by striking out the words "that it" and inserting them in the substitute and having his amendment considered as a substitute for the original measure. Is there objection? [After a pause.] The Chair hears none.

Mr. ABERNETHY. Mr. Chairman, a parliamentary inquiry. The passage of the Jost amendment does away with the Lampert amendment?

The CHAIRMAN. Not necessarily.

Mr. ABERNETHY. That kills the Lampert amendment.

The CHAIRMAN. The passage of the Jost amendment simply amends the original proposition.

5 per cent is required to maintain and bear the upkeep of

of order if they are going to accept the amendment.

opposition to that.

simply amends the original proposition.

Mr. JOST. Mr. Chairman, a parliamentary inquiry. Will the passage of this amendment now as it has been corrected eliminate the Lampert amendment entirely?

The CHAIRMAN. Not at all. It simply operates as an amendment of it, and then the question will arise on the Lampert amendment as amended.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. The gentleman from Missouri [Mr. JOST] inquired of the Chair the effect of his substitute. If the gentleman's substitute is approved by this committee, it takes the place entirely of the Lampert amendment, does it not?

The CHAIRMAN. Of course, the Chair ought not to be called upon to pass upon the legal effect of it, but as a matter of parliamentary law when it is adopted it is simply adopted as an amendment and then a vote will come upon the original amendment. Of course, it is true that if it is adopted by the committee finally it takes the place of the original proposition.

Mr. BEGG. Mr. Chairman, a parliamentary inquiry. What becomes of the point of order that the gentleman from Ohio made that this is not a substitute, which point of order was overruled, and then the Chair now comes in and admits he made a mistake and lets it come in?

The CHAIRMAN. The gentleman from Ohio will bear in mind that since the ruling was made there has been a unanimous-consent request preferred, which has been granted, and which changes the parliamentary situation.

Mr. BEGG. The gentleman from Ohio did not care to object to the unanimous-consent request if the Chair was going to hold that even though the point of order was good an hour ago, the Chair was willing to rectify it at this time.

The CHAIRMAN. The Chair is in no such position. The parliamentary situation has entirely changed. The Chair thinks his original decision was correct.

Mr. WINGO. Mr. Chairman, there is some confusion, even in the mind of the gentleman from Missouri. The gentleman from Missouri intended to offer his amendment as a complete substitute for the entire Lampert proposition. Is that correct?

The CHAIRMAN. The gentleman did not do so, but since that time the committee has given him unanimous consent to do so and it now stands as a substitute.

Mr. WINGO. In other words, if this substitute is adopted, then it does do away with the Lampert proposition?

Mr. BLANTON. Mr. Chairman, I move that all debate upon the Lampert substitute and all amendments thereto do now close.

Mr. UNDERHILL. And that shuts out all amendments?

Mr. BLANTON. Oh, no; you can offer as many amendments as you desire.

The CHAIRMAN. The gentleman from Texas moves that all debate upon the Lampert amendment and all amendments thereto do now close.

Mr. BEGG. Mr. Chairman, I offer an amendment to that motion. I move that all debate close in 25 minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio to the motion of the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 61, noes 5.

So the amendment was agreed to.

The CHAIRMAN. The question now is on the motion of the gentleman from Texas as amended by the amendment of the gentleman from Ohio.

The motion as amended was agreed to.

Mr. UNDERHILL. Mr. Chairman, is my amendment reducing the number of commissioners now in order?

The CHAIRMAN. The Chair thinks the vote should be taken on the pending amendment. The question is now on the amendment offered by the gentleman from Texas as a perfecting amendment to the Lampert amendment.

Mr. LEHLBACH. Mr. Chairman, I ask for recognition on the Blanton amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey.

Mr. LEHLBACH. Mr. Chairman, I do not wish to discuss the merits particularly, but to call the attention of the supporters of this legislation to the possible effect of accepting the Blanton amendment. This legislation is predicated upon the proposition—

That it is hereby declared that the emergency described in Title II of the food control and District rents act still exists and continues in the District of Columbia.

That emergency was described in that act shortly after the close of the war and arose from the war, and you are now proposing to extend the remedy which was at that time thought proper. If you now amend that by adding to it a new title, giving a remedy against a conspiracy among real estate operators that may now exist, you are undermining the very premise that is indispensable if you are to have successful legislation.

Mr. UNDERHILL. Mr. Chairman, I move that all debate upon the so-caled Blanton amendment do now close.

Mr. BEGG. Mr. Chairman, I move to amend that motion by having it close in 23 minutes.

Mr. UNDERHILL. They are trying to cut out the real amendment to this bill.

The CHAIRMAN. The gentleman from Massachusetts moves that all debate upon the Blanton amendment do now close. As an amendment to that the gentleman from Ohio moves that it close in 23 minutes. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. Without objection, the motion as amended will be agreed to.

There was no objection.

Mr. UNDERHILL. Mr. Chairman, I offer my amendment, which is in the hands of the Clerk.

Mr. LEHLBACH. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. LEHLBACH. Would it not be more orderly practice to dispose of the pending amendments before accepting a new amendment?

The CHAIRMAN. The Chair suggested that, but many gentlemen are asking for recognition and attempting to offer amendments. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. McKEOWN. Mr. Chairman, I have a perfecting amendment which I wish to offer.

The CHAIRMAN. The gentleman from Oklahoma is out of order at this time. There is a perfecting amendment pending. Is the gentleman's amendment an amendment to the substitute?

Mr. McKEOWN. Yes.

The CHAIRMAN. Then the gentleman can offer it.

Mr. McKEOWN. It is to strike out "12 per cent" and insert "8 per cent net."

Mr. BLANTON. Mr. Chairman, I make the point of order that there is already a substitute pending, and an amendment to the substitute, and this would be an amendment in the third degree.

The CHAIRMAN. The gentleman is in error. There is a perfecting amendment pending to the amendment, and a substitute, and a perfecting amendment to the substitute. The Clerk will report the amendment of the gentleman from Oklahoma to the Jost substitute.

The Clerk read as follows:

Amendment by Mr. McKEOWN to the substitute offered by Mr. JOST: In the Jost substitute strike out the word "twelve" and insert in lieu thereof the word "eight," and after the word "cent" insert the word "net," so that the line will read, "will produce and yield the owner 8 per cent annually."

Mr. McKEOWN. Mr. Chairman, my amendment is——

Mr. BEGG. Mr. Chairman, I make the point of order that the debate is closed on the Jost amendment.

Mr. LAGUARDIA rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. LAGUARDIA. I rise in opposition to the Blanton amendment.

Mr. BLANTON. Mr. Chairman, I make the point of order that the debate on the Blanton amendment has been exhausted, there having been five minutes' debate for and five minutes' debate against it.

The CHAIRMAN. The Chair thinks the point of order is well taken.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. That is not in order. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. RAKER. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

SEVERAL MEMBERS. I object.

The CHAIRMAN. Objection is made.

Mr. RAKER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. I am going to insist upon it, too. A man has no right to sit in his seat and cry "I object" or "A point of order." He should be obliged to rise.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 26, noes 59.

So the amendment was rejected.

Mr. UNDERHILL. Mr. Chairman, I offer an amendment, which is in the hands of the Clerk.

The CHAIRMAN. Is this a perfecting amendment to the substitute?

Mr. UNDERHILL. It is a substitute to the Lampert amendment.

The CHAIRMAN. The Clerk will report it.

Mr. LAGUARDIA. Mr. Chairman, I think that is a very important amendment. I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twenty-six Members are present—a quorum. The Clerk will report the amendment offered by the gentleman from Massachusetts [Mr. UNDERHILL].

The Clerk read as follows:

Amendment offered by Mr. UNDERHILL: At the end of the Lampert amendment insert: "The number of commissioners shall be reduced from five to three, one of whom shall be an attorney, and all of them shall devote their entire time to the duties of the office."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

Mr. UNDERHILL. Mr. Chairman, it is rather amusing to see the tactics adopted by some of the Members of the House and to recall how indignant those same gentlemen were two weeks ago when similar tactics were used by the gentleman from Texas [Mr. BLANTON]. If ever a filibuster was justified, it was then.

Mr. ABERNETHY. Mr. Chairman, the gentleman is not speaking to the amendment. I make a point of order.

Mr. UNDERHILL. Here is an amendment that will reduce the number of commissioners from five to three. The testimony shows that they are having one or two cases a day coming before them. My amendment also provides that they shall give their whole time to considering these measures of great importance for the salaries they receive, and it seems to me the amendment ought to be adopted, not only for the purpose of saving money but for the purpose of saving the time of the commission and of the people in the District. They pay $5,000 a year to each of the five commissioners. This will save $10,000 a year, and you will get just as much service and value and return as if you expended the other $10,000. And besides that there will be a lot of expense accounts that will be wiped out. I hope the amendment will be adopted. [Applause.]

Mr. BEGG. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. That would be in the third degree. There are now four propositions before the committee.

Mr. BEGG. I offer a substitute to the Underhill amendment, and I submit that that is not in the fourth or even the third degree.

The CHAIRMAN. There is an amendment, a substitute to the amendment, an amendment to the substitute, and an amendment to the original amendment now pending.

Mr. BEGG. If the Chair will indulge me, I will submit to the Chair that I am offering an amendment to the Underhill amendment. It is not offered as a substitute or anything of the kind. Technically all that the Underhill amendment can be considered is an amendment offered for the information of the House. I am offering an amendment to cut that down.

The CHAIRMAN. The Chair understood the gentleman from Massachusetts to offer a perfecting amendment to the Lampert amendment. No objection was made nor was any point of order interposed. That is the situation as the Chair understands it.

Mr. BEGG. I beg the Chair's pardon, and I certainly think that a clear consideration of the proposition would compel the Chair to reverse his holding on that.

The CHAIRMAN. If a point of order had been made the Chair thinks he might have sustained it, but it was not made.

Mr. CHINDBLOM. If the Chair please, the rule makes the Underhill amendment in order.

Mr. BEGG. Not as a substitute, but as a perfecting amendment.

The CHAIRMAN. It was offered in the other way, and the gentleman from Massachusetts offered it in that way. Now, the Chair will ask the gentleman from Massachusetts whether he is wrong about that.

Mr. UNDERHILL. I offered an amendment to add a new section at the end of the Lampert amendment reducing the number of commissioners from five to three.

The CHAIRMAN. Does the gentleman from Ohio [Mr. BEGG] offer an amendment to the Underhill amendment?

Mr. BEGG. Yes. The amendment is to strike out the word "three" in the Underhill amendment and insert "six."

The CHAIRMAN. That would not be in order.

Mr. BEGG. Will the Chair please advise the gentleman from Ohio what the Underhill amendment is? I thought it was to cut down the number of commissioners from five to three, but I may be in error.

The CHAIRMAN. If the gentleman would now offer an amendment to the Underhill amendment, that would be offering an amendment in the third degree.

Mr. BEGG. Then I offer a substitute for the Underhill amendment.

The CHAIRMAN. The gentleman from Massachusetts has offered an amendment to the Lampert amendment and that is now pending.

Mr. BEGG. I offer a substitute for the Underhill amendment.

Mr. BLANTON. I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. That under the rules of the House a member of a committee is entitled to be recognized to debate an amendment which is pending.

The CHAIRMAN. The point of order is overruled. The matter of recognition is entirely in the discretion of the Chair.

Mr. BLANTON. I ask recognition against the Underhill amendment.

Mr. BEGG. Mr. Chairman, I offer a substitute for the Underhill amendment.

The CHAIRMAN. The Chair does not think that is in order at this time. The Chair will recognize the gentleman from Texas, a member of the committee.

Mr. BLANTON. What we ought to do in this case is to vote down the Underhill amendment because the Rent Commission has never done anybody any good. These profiteers have been fleecing the people in spite of the Rent Commission.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. I can not yield now.

Mr. UNDERHILL. I agree with the gentleman that it would be a good idea to abolish it.

Mr. BLANTON. Yes; we ought to follow the gentleman from Illinois [Mr. MADDEN] in his suggestion that we do away with this thing and let it die a natural death on May 22.

Mr. McKEOWN. Mr. Chairman, I make a point of order.

Mr. BLANTON. What we ought to do is to vote down this Underhill amendment and vote down the amendment of the gentleman from Missouri [Mr. JOST] and then vote down the Lampert amendment and then vote down the bill. Then we would get the matter where the people of the District of Columbia would get some benefit from it, for we would do away with a war bureau and get back to supply and demand.

Mr. McKEOWN. Mr. Chairman, I make a point of order against the gentleman's speech. He rose in opposition to the amendment, and he is now speaking for it. [Laughter.]

Mr. BLANTON. Mr. Chairman, I am coming back on this side now to suggest what I suggested to the other side. This whole business ought to be defeated. We ought to stop this foolishness and get back to normalcy. It is six years after the war; let us defeat the Underhill amendment, let us vote down every one of the balance of the propositions, and let this Rent Commission die a natural death. It has never benefited the people one dollar. The rents are high now because, in my judgment, we have this institution, and they are higher, in my judgment, than if we did not have it. If you will let this Rent Commission expire in less than six months rents will automatically decrease 25 per cent. That is my honest judgment. [Hisses in the gallery.] You people in the gallery are there by the graciousness of this House, and if you can not behave I am going to ask that you be removed.

Mr. TINCHER. Mr. Chairman, I make the point of order that the Members of this House have a right to address the committee without interruptions from the gallery.

The CHAIRMAN. The Doorkeeper will please see that order is kept in the galleries, and if there is any more disorder the persons committing it will be removed.

Mr. WINGO. Mr. Chairman, I ask unanimous consent that the gentleman from Oklahoma [Mr. McKEOWN] may proceed for five minutes.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent that the gentleman from Oklahoma [Mr. McKEOWN] may proceed for five minutes. Is there objection?

Mr. ABERNETHY. I object.

Mr. McKEOWN. Then I move to strike out the last word, Mr. Chairman.

Mr. ABERNETHY. I withdraw the objection.

The CHAIRMAN. The Chair will recognize the gentleman from Oklahoma [Mr. McKEOWN] and then the Chair will recognize the gentleman from Ohio [Mr. BEGG], whom he promised to recognize.

Mr. McKEOWN. Mr. Chairman, the English people have not hesitated since the war has been over to enact legislation to care for the people who were without homes and without housing facilities. Australia has not neglected to take care of her housing situation. They did not need any war emergency; neither does the Congress of the United States need any war emergency to enact rent legislation in the District of Columbia, a place where legislative control is placed with the Congress of the United States; but we should provide some sane rent legislation.

The English laws provide a standard rate of rent. This standard rent is the amount of money that was received per month for the house, room, or apartment on the day war was declared, and if it was not rented on that day, the day it was rented nearest to that time. What ought to be the standard rent in the District of Columbia? It would be the rent received for a house, a room, or an apartment on the 5th day of April, 1917.

Mr. HERSEY. Will the gentleman yield?

Mr. McKEOWN. I can not yield just now. I regret I can not yield to the gentleman.

France for years before the war made provision for housing her laboring people. There is no more serious problem before the American people to-day than the question of homes. [Applause.] I will say that upon the home is based the Nation's life and its ultimate prosperity. [Applause.] If you destroy the home, you destroy the Nation. The law of England provides that if a house is built since war was declared the standard rent will be a rental which in 12 months shall return an income not to exceed 15 per cent upon the amount invested, and it must be the true and real amount invested.

This is what you ought to do in the District of Columbia. You should extend this law until you can frame a real law and put it in effect in this District. [Applause.]

Gentlemen, consider for a moment the proposition of fixing a standard rental. You talk about constitutional law. You can draw a bill that will be constitutional and will be just to the landowner as well as to the tenant. I dislike any law that will give one man an advantage over another or one set of men an advantage over another set of men.

Gentlemen say that the war is over. Yes; the war is over, but I will tell you now that those of us who sat here in this House at that time saw the wives of soldiers who were fighting at the front crowded in little, old, attic rooms at outrageous prices. We who sat here then saw the men who were fighting for this country charged unreasonable rates of rent, outrageous rents, under the shadow of the Capitol, and I will say that so far as I am concerned the war has just started against such shameless conduct. [Applause.] The hostilities between the American people and the German nation are over, but the war as to profiteers in the United States is not over. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, I think perhaps I can say all I want to say in less than five minutes, and I would like to have the attention of the committee just for one statement. Two years ago this body in solemn deliberation increased the Rent Commission from three members to five. Do we now want to burlesque our activities and our actions by cutting it down to three? The law either should be repealed by killing this amendment or else it should be enacted and put in such condition that it can function. Those of us who were here two years ago and voted to increase the number to five, certainly would be inconsistent and unreasonable if, perchance, we were to vote for this amendment cutting it down to three.

Mr. ABERNETHY. Why can not three function? I am for your proposition, but why can not three function?

Mr. BEGG. I will ask the gentleman if he did not vote two years ago to make it five?

Mr. ABERNETHY. No; I was not here two years ago.

Mr. BEGG. I can answer the question, and it is a legitimate question. The reason that three can not function as well as five is because the law permits an individual commissioner to hear a case as a court of itself, and the complaints that have been presented to the court for adjudication have been so numerous that three people were not physically able to handle the work, and five is reasonable, and all the money that would be saved——

Mr. NELSON of Wisconsin. Will the gentleman yield?

Mr. BEGG. Let me finish this statement, and then I will yield.

And all the money that would be saved under this proposition would be $10,000.

Mr. NELSON of Wisconsin. Is it not a fact that the commission is about 600 cases behind now, and that each member of the commission has been working to get current?

Mr. BEGG. Yes; the commission is already behind more than 600 cases, and you will only put them further behind by decreasing the number of commissioners.

Mr. WEFALD. The amendment is offered by an enemy to the bill, is it not?

Mr. BEGG. Yes; and I will submit to the committee that all amendments ought to be voted down and none of them passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. NEWTON of Minnesota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. NEWTON of Minnesota. The hour of 4 o'clock has arrived, and under the rule we must vote upon the Lampert substitute as it may have been amended prior to 4 o'clock.

The CHAIRMAN. The hour of 4 o'clock has now arrived, but had not arrived at the time the Chair started talking.

The question is now, under the rule, on the Lampert substitute.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 114 ayes and 25 noes.

So the amendment was agreed to.

Mr. CHINDBLOM. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. The amendment reducing the number of commissioners has failed?

The CHAIRMAN. It was not voted upon.

The hour of 4 o'clock having arrived, the committee will automatically rise.

The committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7902) to create and establish a commission, as an independent establishment of the Federal Government, to regulate rents in the District of Columbia, and the hour of 4 o'clock having arrived, in pursuance of the language of House Resolution 270, the committee automatically rose; and he reported the bill to the House with an amendment for such action as the House might care to take upon it.

The SPEAKER. Under the rule, the previous question on the bill and all amendments thereto is ordered. The question is on the amendment.

Mr. BLANTON. Mr. Speaker, I make the point of order that the reporters' notes will show that the committee took no vote whatever on the bill as amended by the Lampert substitute.

The SPEAKER. The Chair has heard the report of the Chairman of the Committee of the Whole House on the state of the Union and is governed thereby. The question is on agreeing to the amendment.

Mr. JOST. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JOST. Will a motion to recommit this bill with instructions to the committee be in order at this time?

The SPEAKER. Not at this time. It will be in order after the bill has been ordered to be engrossed and read the third time.

Mr. JOST. I would like recognition at that time.

Mr. UNDERHILL. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. UNDERHILL. Does that include or exclude the Underhill amendment?

Mr. BEGG. That is not a parliamentary inquiry.

The SPEAKER. The Chair will answer that question when the motion comes to recommit. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. MADDEN) there were 129 ayes and 33 noes.

Mr. MADDEN. Mr. Speaker, I object to the vote on the ground, and make the point, there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 245, nays 64, answered "present" 1, not voting 122, as follows:

YEAS—245

Abernethy	Fisher	Lea, Calif.	Romjue
Allen	Fitzgerald	Leavitt	Rouse
Allgood	Fleetwood	Lee, Ga.	Rubey
Almon	Foster	Lehlbach	Sabath
Arnold	Frear	Lilly	Sanders, N. Y.
Ayres	Freeman	Linthicum	Sanders, Tex.
Bacon	French	Little	Sandlin
Bankhead	Frothingham	Longworth	Schafer
Barbour	Fulbright	Lowrey	Schneider
Barkley	Fuller	Lozier	Scott
Beck	Fulmer	McFadden	Shallenberger
Beedy	Funk	McKeown	Sherwood
Beers	Garber	McLaughlin, Mich.	Simmons
Begg	Gardner, Ind.	McLaughlin, Nebr.	Sinclair
Black, Tex.	Garrett, Tenn.	McReynolds	Sinnott
Boies	Garrett, Tex.	McSwain	Sites
Box	Gasque	McSweeney	Smith
Brand, Ga.	Gibson	MacLafferty	Smithwick
Brand, Ohio	Goldsborough	Magee, N. Y.	Speaks
Briggs	Graham, Ill.	Major, Ill.	Stalker
Browne, Wis.	Greenwood	Major, Mo.	Steagall
Browning	Griest	Mapes	Stedman
Buchanan	Hammer	Martin	Steagle
Burtness	Hardy	Mead	Stephens
Busby	Harrison	Michener	Strong, Kans.
Butler	Hastings	Miller, Wash.	Summers, Wash.
Byrnes, S. C.	Haugen	Minahan	Sumners, Tex.
Byrns, Tenn.	Hawes	Montague	Swank
Cable	Hawley	Moore, Ohio	Swing
Campbell	Hayden	Moore, Va.	Taylor, Tenn.
Candler	Hickey	Moores, Ind.	Temple
Cannon	Hill, Ala.	Morehead	Thatcher
Casey	Hill, Wash.	Morgan	Thomas, Okla.
Christopherson	Holaday	Morris	Thompson
Clague	Hooker	Murphy	Tillman
Clancy	Huddleston	Nelson, Wis.	Timberlake
Cole, Iowa	Hudson	Newton, Minn.	Treadway
Collier	Hull, Iowa	Newton, Mo.	Underwood
Colton	Humphreys	Nolan	Vaile
Connally, Tex.	Jacobstein	O'Connell, R. I.	Vincent, Mich.
Connery	James	O'Connor, La.	Vinson, Ga.
Cook	Jeffers	Oldfield	Voigt
Cooper, Ohio	Johnson, Ky.	Oliver, Ala.	Watkins
Cooper, Wis.	Johnson, Tex.	Park, Ga.	Weaver
Cramton	Johnson, W. Va.	Patterson	Wefald
Crisp	Jones	Peavey	White, Kans.
Crail	Kearns	Phillips	White, Me.
Crosser	Keller	Purnell	Williams, Ill.
Cummings	Kelly	Quin	Williamson
Dallinger	Kendall	Ragon	Wilson, Ind.
Davis, Minn.	Kent	Rainey	Wilson, La.
Davis, Tenn.	Kerr	Raker	Wilson, Miss.
Dempsey	Ketcham	Ramseyer	Wingo
Dickinson, Iowa	Kincheloe	Rankin	Wolff
Dickinson, Mo.	King	Rathbone	Woodruff
Dowell	Kopp	Rayburn	Woodrum
Dewey	Kvale	Reece	Wright
Eagan	LaGuardia	Reed, Ark.	Yates
Evans, Mont.	Lampert	Reed, N. Y.	Young
Fairfield	Lanham	Richards	
Faust	Larson, Minn.	Roach	
Fish	Lazaro	Robsion, Ky.	

NAYS—64

Ackerman	Garner, Tex.	McKenzie	Sanders, Ind.
Andrew	Gifford	Madden	Seger
Anthony	Gilbert	Mansfield	Sproul, Ill.
Aswell	Graham, Pa.	Merritt	Sproul, Kans.
Bixler	Hadley	Miller, Ill.	Strong, Pa.
Bland	Hersey	Milligan	Taylor, W. Va.
Blanton	Howard, Nebr.	Moore, Ga.	Tilson
Boyce	Hull, William E.	Moore, Ill.	Tucker
Browne, N. J.	Johnson, S. Dak.	Morrow	Underhill
Bruum	Jost	Nelson, Me.	Vinson, Ky.
Chindblom	Kunz	O'Sullivan	Watres
Denison	Kurtz	Parker	Wertz
Driver	Lankford	Perkins	Williams, Mich.
Elliott	Larsen, Ga.	Pou	Williams, Tex.
Evans, Iowa	Luce	Rogers, N. H.	Winslow
Fenn	McDuffie	Salmon	Wyant

ANSWERED "PRESENT"—1

Tydings

NOT VOTING—122

Aldrich	Carter	Dickstein	Greene, Mass.
Anderson	Celler	Dominick	Griffin
Bachmann	Clark, Fla.	Doughton	Hill, Md.
Bell	Clarke, N. Y.	Doyle	Hoch
Berger	Cleary	Drane	Howard, Okla.
Black, N. Y.	Cole, Ohio	Dyer	Hudspeth
Bloom	Collins	Edmonds	Hull, Morton D.
Bowling	Connolly, Pa.	Fairchild	Hull, Tenn.
Boylan	Corning	Favrot	Johnson, Wash.
Britten	Crowther	Fredericks	Kahn
Buckley	Cullen	Free	Kiess
Bulwinkle	Curry	Gallivan	Kindred
Burdick	Darrow	Geran	Knutson
Burton	Davey	Glatfelter	Langley
Carew	Deal	Green, Iowa	Leatherwood
Lindsay	O'Connell, N. Y.	Schall	Upshaw
Lineberger	O'Connor, N. Y.	Sears, Fla.	Vare
Logan	Oliver, N. Y.	Sears, Nebr.	Vestal
Lyon	Paige	Shreve	Wainwright
McClintic	Parks, Ark.	Snell	Ward, N. C.
McLeod	Perry	Snyder	Ward, N. Y.
McNulty	Perlman	Stevenson	Wason
MacGregor	Porter	Sullivan	Watson
Magee, Pa.	Prall	Sweet	Weller
Manlove	Quayle	Swoope	Welsh
Michaelson	Ransley	Taber	Winter
Mills	Reed, W. Va.	Tague	Wood
Mooney	Reid, Ill.	Taylor, Colo.	Wurzbach
Morin	Robinson, Iowa	Thomas, Ky.	Zihlman
Mudd	Rogers, Mass.	Tincher	
O'Brien	Rosenbloom	Tinkham	

So the amendment was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. O'Brien (for) with Mr. Watson (against).
Mr. Gallivan (for) with Mr. Shreve (against).
Mr. Kiess (for) with Mr. Johnson of Washington (against).
Mr. Mudd (for) with Mr. Geran (against).
Mr. Bloom (for) with Mr. Rogers of Massachusetts (against).
Mr. Reid of Illinois (for) with Mr. Burton (against).
Mr. Carew (for) with Mr. Taber (against).
Mr. Sullivan (for) with Mr. Bulwinkle (against).

Until further notice:

Mr. Connolly of Pennsylvania with Mr. Weller.
Mr. McLeod with Mr. Tague.
Mr. Britten with Mr. Carter.
Mr. Lineberger with Mr. Doughton.
Mr. Crowther with Mr. Cullen.
Mr. Vare with Mr. O'Connell of New York.
Mr. Wason with Mr. Sears of Florida.
Mr. Darrow with Mr. O'Connor of New York.
Mr. Free with Mr. Prall.
Mr. Greene of Massachusetts with Mr. Dickstein.
Mr. Hull, Morton D., with Mr. Cleary.
Mr. Welsh with Mr. Black of New York.
Mr. Vestal with Mr. Berger.
Mr. Aldrich with Mr. Ward of North Carolina.
Mr. Langley with Mr. Clark of Florida.
Mr. Clarke of New York with Mr. Bowling.
Mr. Fredericks with Mr. Kindred.
Mr. Curry with Mr. McDuffie.
Mr. Wood with Mr. Perry.
Mr. Bacharach with Mr. Davey.
Mr. Fairchild with Mr. Boylan.
Mr. Magee of Pennsylvania with Mr. Drane.
Mr. Wurzbach with Mr. Lindsay.
Mr. Manlove with Mr. Corning.
Mr. Porter with Mr. Hudspeth.
Mr. Wainwright with Mr. Griffin.
Mr. Michaelson with Mr. Buckley.
Mr. Ransley with Mr. McNulty.
Mr. Winter with Mr. Hull of Tennessee.
Mr. Mills with Mr. Deal.
Mr. Robinson of Iowa with Mr. Logan.
Mr. Rosenbloom with Mr. Favrot.
Mr. Morin with Mr. Stevenson.
Mr. Snell with Mr. Doyle.
Mr. Hill of Maryland with Mr. Thomas of Kentucky.
Mr. Snyder with Mr. Howard of Oklahoma.
Mr. Hoch with Mr. Quayle.
Mr. Sears of Nebraska with Mr. Collins.
Mr. Perlman with Mr. Bell.
Mr. Sweet with Mr. Lyon.
Mr. MacGregor with Mr. Mooney.
Mr. Burdick with Mr. Glatfelter.
Mr. Swoope with Mr. Taylor of Colorado.
Mr. Kahn with Mr. Parks of Arkansas.
Mr. Schall with Mr. Celler.
Mr. Reed of West Virginia with Mr. Oliver of New York.
Mr. Anderson with Mr. McClintic.
Mr. Cole of Ohio with Mr. Upshaw.
Mr. Dyer with Mr. Dominick.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. JOST. Mr. Speaker, I move to recommit the bill to the Committee on the District of Columbia.

Mr. BEGG. Mr. Speaker, on that I move the previous question.

The SPEAKER. The question is on ordering the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Missouri to recommit the bill to the Committee on the District of Columbia.

The question was taken; and on a division (demanded by Mr. JOST) there were—ayes 53, noes 165.

Mr. BLANTON. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Ten Members rising, not a sufficient number and the yeas and nays are refused.

So the motion to recommit was rejected.

your proposition, but why can not three function?

ment.

Burton Davey Glatfelter Langley
Carew Deal Green, Iowa Leatherwood

are refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 194, noes 54.

So the bill was passed.

On motion of Mr. BEGG, a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended.

Mr. CONNERY. Mr. Speaker, my colleague, Mr. GALLIVAN, is unable to be present on account of sickness, and he has authorized me to say that if he were here, he would vote "yea" on the rent bill.

Mr. SCHAFER. Mr. Speaker, my colleague, Mr. BERGER, has been suddenly called back to Wisconsin and was unable to pair on the rent bill. If he were present, he would vote "yea" on the amendment as well as on the bill.

LEAVES OF ABSENCE

By unanimous consent, leaves of absence were granted to—

Mr. STRONG of Pennsylvania, for several days, on account of sickness.

Mr. ROBINSON of Iowa, for 10 days, on account of death in family.

Mr. TAYLOR of Tennessee, for one week, on account of Republican State convention in Tennessee.

Mr. FAVROT, for one week, on account of important business.

Mr. WAINWRIGHT, for two days, on account of important business.

Mr. BURDICK, for three days, on account of the meeting of the Board of Visitors to the United States Naval Academy, at Annapolis, Md.

DEFERRING PAYMENT ON RECLAMATION CHARGES

Mr. SMITH. Mr. Speaker, I submit a conference report for printing under the rules on the bill S. 1631, to authorize the deferring of payment of reclamation charges.

Mr. LEHLBACH. Mr. Speaker, I reserve all points of order on the conference report.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 1831. An act to loan to the College of William and Mary, in Virginia, two of the cannon surrendered by the British at Yorktown on October 19, 1781.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

An act (S. 3023) designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes.

GENERAL LEAVE TO PRINT

Mr. LAMPERT. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks in the RECORD for three legislative days on the rent bill.

The SPEAKER. Is there objection?

Mr. MADDEN. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, made this afternoon on the rent bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. STENGLE. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

THE RENT BILL

Mr. STENGLE. Mr. Speaker, when I came to Congress in December last I decided that in matters of constitutional law my actions would be largely governed by the arguments made by the legal lights of the House, as I am not a member of the bar. I confess, however, that no Member of this body was ever more mystified than I have frequently been as I have listened to the various "schools of thought" here represented. Heinz became famous because of his 57 varieties of pickles. If we keep up the record of the last few days, I anticipate that this House will have heard almost as many varieties of legal opinion as we have subjects for discussion and decision. Here we have to-day the very latest legal opinions of my friend BLANTON, of Abilene, Tex., and that other most likable fellow, TINCHER, of Medicine Lodge, Kans., and each of these opinions is directly opposite to those of the distinguished BEGG, of Ohio. How can an ordinary citizen reach a correct decision if he be compelled to accept all of these arguments at face value?

On the necessity for the continuance of the District of Columbia Rent Commission, I have decided to leave the constitutionality of the measure to the distinguished barristers of this body and seek the solution of the problem through the route of discovered facts, which facts, in my humble opinion, are sufficiently strong to prove the existence of an emergency. That being true, I can discover no reason why we should forthwith abolish the Rent Commission and open wide again the gates of profiteering in the domiciles of this great city.

The half million people residing in Washington, because of their lack of suffrage, are at the mercy of the exploiters unless we protect their interests. They may voice their protests against bad treatment at the hands of greedy landlords but that is as far as they can go. If their firesides are to be sustained, Congress alone can make it possible. They have a perfect right to call upon us for help in their time of need, for every Member of the House, in addition to representing some particular section of the country, is in honor bound to likewise and in as faithful manner represent the people of the District of Columbia. The House committee having the affairs of this District in charge, after a most thorough and painstaking investigation, has declared that renting conditions are still bad in this city, that they have improved somewhat since the Rent Commission was first established, but that to remove the "grip" which Congress has on the situation at this time would mean the immediate increasing of rents out of all proportions to necessity and place the thousands of tenants at the mercy of those who would prey upon the helpless. I shall support the committee and vote to continue the life of the Rent Commission for two more years, in the hope that in the meantime some way may be found by which landlords and tenants can adjust their differences without further resort to law.

Mr. Speaker, I also want to call the attention of the House to the further fact that 65,000 of the persons permanently residing in the city of Washington are employees of the Government and entitled to our special care and attention. Thousands of them accepted appointment years ago, before war conditions gave birth to wholesale profiteering, when the salaries offered them were sufficient to provide for their necessities. But times have greatly changed and the cost of living has soared to the very sky. To permit the additional burden of exorbitant rent we will simply be making it almost impossible for them to live in this city even though they desire to continue to serve the Government. You and I know what the result will be. Already we have been asked to raise the salaries of the thousands of employees of Uncle Sam who work in the District. Even now, with the Rent Commission functioning day and night, rents are so high that when one adds that to the tremendous food and clothing costs it is simply impossible to save enough to pay a doctor's bill or give your families a little bit of the pleasures of life. I have voted for increased salaries because I did not want the employees of my Government to starve while performing faithful public service, but, gentlemen, if we permit the rapacious landlords of this city to get another strangle hold on the rent payers it will be necessary to look for more money in order to grant further increases to our employees. That fact in itself ought to be sufficient cause for favorable action on the resolution before us.

Mr. Speaker, when the rents of any city are so high and prohibitive that it becomes necessary for human beings to be herded like cattle under a single roof, those legislators who can prevent such a condition would, in my humble opinion, be guilty of a criminal offense did they not immediately act. There is something more than mere dollars and cents involved in this issue. If we are to keep the morals and health of this community up to anywhere near standard, we must make it impossible for a few greedy landlords to drive our people into congested places. Oh, I know somebody will cry socialism when we talk about this somewhat paternalistic plan, but I certainly shall not allow such argument to sway me from my purpose to help the thousands of American citizens residing in this city who would be absolutely at the mercy of real-estate "vultures" were we not to protect them.

Let those who are declaring that all emergency has passed away listen to this: Yesterday, while seated in a near-by barber shop, the barber asked me to help save his home. He told me that when he last went down to pay his rent the agent said, "You will have to pay more rent soon, as the rent law is going to be abolished by a man named BLANTON." From this conversation one is led to believe that already the bloodthirsty landlords are preparing for an expected "celebration." Gentlemen, there will be no show if my vote will prevent it; there will be

no celebration if I can stop it. If the landlords want my friendship, let them act like men and be fair with their tenants. Until that time I shall continue to urge and vote for the continuance of a rent commission for the District of Columbia.

Mr. LAMPERT. Mr. Speaker, on December 5 last I introduced House bill No. 23, to make the rents act of the District of Columbia permanent legislation. Subsequently I was appointed chairman of the subcommittee of the House District Committee to investigate the necessity for the continuance of rent legislation in the District. The committee held numerous hearings covering a period of over two weeks. I became convinced from the testimony taken that permanent legislation for the District is a necessity, and am still of that opinion. After careful consideration of the evidence the majority of the subcommittee finally agreed upon bill H. R. 7962, which was introduced by me on March 15 last. This bill extended the life of the rents act to August 1, 1925. Some slight amendments were made by the House District Committee, and the bill was reported to the House, accompanied by my majority report.

Opponents of the bill have criticized its length. Let me point out to you that the law as it exists to-day, with the two amendments, contains 112 paragraphs. Some of these contain repetitions. Alphabetical subdivisions have been added as amendments to sections of the original act. The bill reported contains 62 sections, and is comprised in only 78 paragraphs as against 112 paragraphs in the law at present. It is a codification of the three enactments. If enacted, it would have greatly simplified reference to it by section numbers instead of by alphabetical subdivisions of sections amending amendments to sections of the original act. Also, it would have made it entirely independent of the food control act, as in my opinion it should be. It clarifies and makes more definite and certain the provisions in the present law. It embodies only three important changes.

(1) It restored to the commission the jurisdiction given by the original act to determine the sufficiency and good faith of the landlord's 30 days' notice to quit.

(2) It provided for the filing of a notice of a lien in the office of the clerk of the Supreme Court of the District. This would be most beneficial. It would protect the claims of tenants against unscrupulous landlords and prevent the transfer of rental properties to dummies, to escape liability. This provision would have enabled tenants to collect from landlords residing outside the jurisdiction of the District courts. Furthermore, it would have been notice to all subsequent purchasers, mortgagees, and judgment creditors of a proceeding pending before the Rent Commission. It is no different in form or effect to the age-old mechanic's or material man's lien or the lien given contractors and subcontractors. For ages the law has given the landlord a tacit lien on the tenant's personal property. Why should not the tenant have a lien for his claim for excess in rent paid?

(3) A third provision empowered the commission to impose a fine on the landlord for his failure to furnish proper heat or other service. This fine was to be $25 per day for each day the violation existed after 10 days' written notice. It would have been collectible by suit in the municipal court. The landlords know that if this became law they could no longer vent their spleen on tenants by cutting off light, heat, water, and other service as a penalty for application to the Rent Commission.

These provisions are the only material changes from the present law. They are really needed to protect tenants from vindictive landlords. They are needed to make the law efficient.

As soon as the bill was reported to the House with these beneficial additions to the present law a filibuster was inaugurated by a few Members of the House determined to kill it. The present law expires on May 22 next. They hoped that by paltry artifices they might prevent a vote until the law expired. They hoped and still hope to thwart the will of the House.

IMMEDIATE ACTION IS IMPERATIVELY NEEDED

There is no time for delay. It must not be tolerated. Little more than three weeks remain before the present law expires. The urgency and necessity for its continuation are so great that all further filibuster must be stopped. Though to be desired, lack of time will prevent the adoption of the reported bill. I urge you to forget it and to adopt the resolution introduced by my colleague, the gentleman from Ohio, extending the present law for a further period of two years. The public health, morals, and welfare demand, and demand at once, the continuation of the present rents act. Do not adopt the amendment to extend for one year. How many tenants would dare during the last six months of that year to apply to the commission? This is a landlord's amendment. They want to hold an ax—the expiration of the law—over the tenants' heads.

THERE SHOULD BE FIVE COMMISSIONERS

Vote down the amendment to reduce the commissioners from five to three. It is a landlord's amendment. They hope to cripple the commission, to hamper and delay its work. The original commission was organized with only three commissioners on January 28, 1920. In a little more than four years nearly 9,000 cases have come before the commission for determination. This means approximately 22,000 families in the District. On the Census Bureau's estimate of four and one-half persons to the family in Washington, the interests of more than 95,000 men, women, and children in the District have been protected by the commission.

By May, 1922, the date of the last extension, the number of cases had become too great for the three commissioners. Calendars were congested. Determinations were delayed for months. The last extension provided for the appointment of five commissioners, and last June President Harding appointed them. On July 1 last, when the new commission organized, there were 700 cases pending before the commission undetermined, and 400 refund cases brought by the commission in the municipal court. Since that time, in spite of the fact that new cases have been filed at an average rate of over 100 per month, the undetermined cases have been gradually reduced until on January 1, 1924, there were only 512 pending unheard. Cases before the commission differ from the ordinary cases in court, where hundreds of judgments are rendered by default or after a trial lasting 10 or 15 minutes. All cases determined by the commission must be heard. Evidence must be taken and the premises must be inspected. These hearings and inspections, however, are the least difficult of the tasks of the commissioners. The testimony must be carefully analyzed. The fair and reasonable value of the property must be determined. Allowance must be made for depreciation, for repairs, replacements, renewals, taxes, service, and many other expenses. Some of these items must be apportioned over a period of years, particularly repairs, replacements, and renewals. The separate rentals of the whole property must then be fixed by the commission. For instance, one apartment house may contain 300 apartments. The fair and reasonable rental of each apartment must be fixed and each must bear its fair share of the whole rental of the building. These details require a vast amount of calculation and careful thought and study.

In spite of the reduction in pending cases the commission is still approximately six months behind in its work. On account of cases pending it will require almost another full year before cases can be disposed of promptly as the law intended. The landlords want the commission reduced to three. Why? To hamper it, to delay it, to cripple it.

Under the present law a single commissioner can hear the testimony. With five commissioners four separate sessions can be held each day. With only three this would not be practicable. Five commissioners are necessary to make the commission function efficiently. Do not do this thing by halves. Do not be penny-wise and pound-foolish.

Be not deceived by these amendments. They are proposed by the landlords solely to destroy the effect of the law. Shelter is the most necessary of the necessities of life. If you permit this law to lapse, thousands of tenants who have applied to the commission for protection or relief will be ruthlessly, remorselessly thrown in the gutter to gratify the landlords' spite. Thousands within a month will be homeless. Thousands more, with their wives and little ones, must and will starve to pay the extortioner for a wretched shelter.

There is no time to lose. Forget my bill. Adopt the resolution. Extend the present law with five commissioners for two years more, and you will have the everlasting gratitude of tens of thousands of anxious, almost frenzied, tenants.

PERMISSION TO SIT DURING THE SESSIONS OF THE HOUSE

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to meet during the sessions of the House.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until to-morrow, Tuesday, April 29, 1924, at 12 o'clock noon.

is directly opposite to those of the distinguished BEGG, of there will be no show if my vote will prevent it; there will be

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JOHNSON of South Dakota: Committee on World War Veterans' Legislation. H. R. 8869. A bill to amend an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau, and further to amend and modify the war risk insurance act," approved August 9, 1921, and to amend and modify the war risk insurance act, and to amend the vocational rehabilitation act; without amendment (Rept. No. 580). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 8942. A bill to amend the packers and stockyards act, 1921, and for other purposes; without amendment (Rept. No. 593). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BOX: Committee on Claims. S. 593. An act for the relief of the United Dredging Co.; without amendment (Rept. No. 584). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. H. R. 3505. A bill for the relief of Fred W. Stickney and H. A. Reynolds; without amendment (Rept. No. 585). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. H. R. 4318. A bill for the relief of Edward S. Schelbe; with an amendment (Rept. No. 586). Referred to the Committee of the Whole House.

Mr. BLACK of New York: Committee on Claims. H. R. 5803. A bill for the relief of John A. Bingham; without amendment (Rept. No. 587). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 7420. A bill for the relief of Albert E. Laxton; with an amendment (Rept. 588). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 81. An act for the relief of the owners of the steamship *Lexington*; without amendment (Rept. No. 590). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. H. R. 3411. A bill for the relief of Mrs. John P. Hopkins; with an amendment (Rept. No. 592). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8888) granting a pension to Mary Pfaff; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 7834) granting a pension to Albert B. Mosinsky; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LITTLE: A bill (H. R. 8938) for the relief of certain officers and soldiers of the volunteer service of the United States; to the Committee on Military Affairs.

By Mr. MICHENER: A bill (H. R. 8939) to amend section 227 of the Judicial Code; to the Committee on the Judiciary.

By Mr. BRAND of Georgia: A bill (H. R. 8940) to prevent the sale of cotton in future markets; to the Committee on Agriculture.

By Mr. BRAND of Ohio: A bill (H. R. 8941) to establish standard weights for loaves of bread in interstate commerce, to prevent deception in respect thereto, to prevent contamination thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAUGEN: A bill (H. R. 8942) to amend the packers and stockyards act, 1921, and for other purposes; to the Committee on Agriculture.

By Mr. HOWARD of Nebraska: Resolution (H. Res. 273) declaring that it is the sense of the House that the problem of fixing a day for the final adjournment of the Sixty-eighth Congress, first session, should be held in abeyance until the prime problem of the hour, legislation to relieve distress in agricultural zones, shall have been accomplished; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY: A bill (H. R. 8943) for the relief of the widow of Rudolph H. von Ezdorf; to the Committee on Claims.

By Mr. ARNOLD: A bill (H. R. 8944) granting a pension to Mary Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8945) granting a pension to George Ward; to the Committee on Invalid Pensions.

By Mr. BEEDY: A bill (H. R. 8946) granting a pension to Ida F. Knight; to the Committee on Invalid Pensions.

By Mr. CROLL: A bill (H. R. 8947) granting a pension to Mary A. Klapp; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 8948) granting a pension to Lydia A. Gossett; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 8949) granting a pension to James Surridge; to the Committee on Pensions.

By Mr. FULBRIGHT: A bill (H. R. 8950) granting a pension to Henry J. Andrews; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 8951) granting a pension to Bluford E. Johnson; to the Committee on Pensions.

By Mr. HICKEY: A bill (H. R. 8952) granting a pension to Charles D. Forney; to the Committee on Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 8953) granting an increase of pension to Elizabeth Croft; to the Committee on Invalid Pensions.

By Mr. MOREHEAD: A bill (H. R. 8954) granting a pension to Nancy Reedy; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 8955) granting a pension to Louise Vourden; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2556. By the SPEAKER (by request): Petition of commander general of the Patriotic Order Sons of America, favoring the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2557. By Mr. BACHARACH: Petition of sundry citizens of Cape May and Cumberland Counties, N. J., protesting against the consideration of bills to amend the Volstead Act legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2558. By Mr. CARTER: Petition of Presbytery of McAlester of the Presbyterian Church in the United States of America, Hartshorne, Okla., indorsing House Joint Resolution 159; to the Committee on the Judiciary.

2559. By Mr. GALLIVAN: Petition of F. S. Carr Co. and others, of Boston, Mass., protesting against continuance of tax on telegrams and telephone messages; to the Committee on Ways and Means.

2560. By Mr. VARE: Memorial of Philadelphia Board of Trade, against House bill 7358; to the Committee on Interstate and Foreign Commerce.

2561. By Mr. YOUNG: Petition of Cando Welfare Club, Cando, N. Dak.; also of the Towner County Farm Bureau and the North Dakota Farm Bureau, protesting against increased rates on parcel-post and fourth-class mail matter for the purpose of increasing the salary of postal employees; to the Committee on the Post Office and Post Roads.

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE
SIXTY-EIGHTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

AND INDEX

VOLUME LXV—PART 8

APRIL 29 TO MAY 13, 1924

(Pages 7429–8498)

LIBRARY
NOV 26 1924
S. Dak. State College of Agr.
& Mec. Eng.

WASHINGTON
GOVERNMENT PRINTING OFFICE
1924

Congressional Record

PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS
FIRST SESSION

SENATE

TUESDAY, *April 29, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Kendrick	Sheppard
Ashurst	Fernald	Keyes	Shields
Ball	Ferris	King	Shipstead
Bayard	Fess	Ladd	Simmons
Borah	Fletcher	Lodge	Smith
Brandegee	Frazier	McCormick	Smoot
Brookhart	George	McKellar	Stanley
Broussard	Gerry	McKinley	Stephens
Bruce	Glass	McLean	Sterling
Bursum	Gooding	McNary	Swanson
Cameron	Hale	Neely	Trammell
Capper	Harreld	Norbeck	Underwood
Caraway	Harris	Norris	Walsh, Mass.
Cummins	Harrison	Oddie	Walsh, Mont.
Curtis	Heflin	Pepper	Warren
Dale	Howell	Phipps	Weller
Dial	Johnson, Calif.	Pittman	Willis
Dill	Johnson, Minn.	Ralston	
Edge	Jones, N. Mex.	Ransdell	
Edwards	Jones, Wash.	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

I was requested to announce that the Senator from New Hampshire [Mr. MOSES] and the Senator from Montanta [Mr. WHEELER] are absent from the Chamber attending a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 1831) to loan to the College of William and Mary in Virginia two of the cannons surrendered by the British at Yorktown on October 19, 1781, and it was thereupon signed by the President pro tempore.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS—UNITED STATES SHIPPING BOARD (S. DOC. NO. 101)

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the chairman of the Shipping Board, transmitting a report giving the names of former members of the Cabinet, Senate, and House of Representatives who have appeared as attorneys before the board. The Chair directs that the communication itself be printed in the RECORD, and the report as a public document. The matter will lie on the table.

Mr. NORRIS subsequently said: Mr. President, a communication was sent to the Senate to-day from the Shipping Board in answer to a resolution of the Senate. It has already been ordered printed, and I have no disposition to interfere with that order, but I think it ought to be read, and I ask that it be read.

The PRESIDING OFFICER (Mr. LADD in the chair). Is there objection? The Chair hears none.

The reading clerk read as follows:

UNITED STATES SHIPPING BOARD,
Washington, April 26, 1924.

The honorable PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: With reference to the resolution of the United States Senate passed February 26, 1924, directing the Shipping Board to furnish the names of any ex-Members of the House of Representatives or of the Senate, or of any ex-Cabinet officer who within two years after his official service appeared as attorney or agent for a claimant against the board, I have the honor to transmit herewith all relative correspondence, and have the following statements to make in regard thereto.

Hon. William Gibbs McAdoo resigned as Secretary of the Treasury on December 15, 1918. Shortly after his resignation he formed the law firm of McAdoo, Cotton & Franklin, his partners being Joseph P. Cotton and G. S. Franklin, who in 1917 had been law partners in New York. On April 7, 1917, Joseph P. Cotton was retained by resolution of the Shipping Board as special advisory counsel "during the present emergency," at a salary of $1 a year. He was notified of this appointment in May 17, 1917. Shortly after that date he entered upon this appointment and remained in the position until August 11, 1917. During this period Mr. Cotton was the principal legal adviser of the Shipping Board, and worked out the method by which vessels constructed and under construction at shipyards were requisitioned by the Shipping Board and/or Fleet Corporation under the emergency shipping fund provisions of the act of June 15, 1917, and the power delegated by the President under that act by the Executive order of July 11, 1917.

Mr. McAdoo's first appearance with respect to claims against the United States, arising out of the war-time activities of the Shipping Board and/or Fleet Corporation, was in July, 1919. This date, it will be noted, was within two years of the date that his partner, Mr. Cotton, separated himself from his employment by the United States.

This appearance by Mr. McAdoo in July, 1919, was in behalf of the Virginia Shipbuilding Corporation, whom he represented as attorney and counsel before the United States Shipping Board on the presentation of a claim for progress payments under a shipbuilding contract entered into between the United States, represented by the Fleet Corporation, and the Virginia Shipbuilding Corporation. This claim was for approximately $3,500,000, but it was disallowed. The Virginia Shipbuilding Corporation was one of a group of shipbuilding and operating companies controlled through stock ownership and interlocking directorates by Charles W. Morse. These companies included C. W. Morse & Co., a holding company directly controlled by Charles W. Morse; the United States Steamship Co., another holding company, the control of the stock of which was held by C. W. Morse & Co. The United States Steamship Co. in turn had the stock control of two shipbuilding companies; the Virginia Shipbuilding Corporation above mentioned, which had a plant at Alexandria, Va., and the Groton Iron Works, which had a plant at Groton, Conn. The Steamship Co. also controlled by stock ownership the United States transport Co., which was an operating company.

In September, 1919, Mr. McAdoo, acting as attorney and counsel for the Virginia Shipbuilding Corporation, and presumably for the United States Steamship Co., and C. W. Morse & Co., started negotiations with the Shipping Board for a settlement of the claims of and against the Virginia company above referred to arising from the latter's failure to perform the construction contracts. These negotiations resulted in the execution of a contract dated September 25, 1919, by which all these matters in dispute were settled.

In connection with these negotiations Mr. McAdoo also conducted negotiations for the settlement of certain claims made by the Groton Iron Works against the United States, which arose out of contracts for the construction of steel vessels made by that company, and for the settlement of claims which the United States had against the Groton Iron Works. In connection with these negotiations two con-

tracts were made under date of December 20, 1919; one between the Fleet Corporation and the United States Steamship Co., and the other between the Fleet Corporation and the United States Transport Co. In both of these contracts the Fleet Corporation represented the United States. These contracts had to do with the operation of vessels built by the Groton Iron Works. Subsequently, and as a continuation of these negotiations by Mr. McAdoo on behalf of the Groton Iron Works, a settlement contract was entered into between the Groton Iron Works and the United States, represented by the Fleet Corporation. This contract was generally similar in its scope to the contract above referred to of September 25, 1919.

The Groton Iron Works failed to perform the covenants which it undertook under this contract, and shortly after March, 1920, Mr. McAdoo's partner, Mr. Joseph P. Cotton, appeared in behalf of the Groton Iron Works before the Shipping Board, with the purpose of forestalling the action contemplated by the Shipping Board for the appointment of receivers for the Groton Iron Works. The affairs of the Groton Iron Works and the Virginia Shipbuilding Corporation and of the other Morse companies above referred to were so closely interwoven that Mr. Cotton at this time also represented the Virginia company; and as a result of the negotiations which he carried on, and in which Mr. McAdoo personally participated to some extent, a further supplemental agreement was made under date of July 19, 1920, between the United States and the Virginia Shipbuilding Corporation.

The United States brought suit against the Virginia Shipbuilding Corporation, and has obtained a decree of foreclosure under date of March 8, 1923. Ten vessels have been sold thereunder, and upon termination of an accounting before a special master, which is almost concluded, a judgment will be entered in favor of the United States against the Virginia Shipbuilding Corporation for upward of $15,000,000.

The United States has also brought a suit against Groton Iron Works for the foreclosure of a mortgage on its plant at Groton, Conn., and the property has been sold under foreclosure.

Hon. Bainbridge Colby resigned his office as Secretary of State on March 4, 1921. He had been a commissioner of the Shipping Board from August 8, 1917, to March 4, 1919. On or about July 22, 1921, the Shipping Board, acting in behalf of the United States, took possession of certain vessels then under operation by the United States Mail Steamship Co. under charter parties, which gave the United States the right to seize the vessels in the case of default of payment of the charter hire. The following day a suit was brought in the Supreme Court of the State of New York by the United States Mail Steamship Co. against Albert D. Lasker and the other members of the Shipping Board, their counsel, and the United States marshal for the southern district of New York, who had physically seized the vessels. A justice of the supreme court of the State granted a temporary injunction order restraining the defendants from doing anything else with these vessels than returning them to the United States Mail Steamship Co.

In this matter Mr. Colby acted as one of the chief, if not the chief, counsel for the United States Mail Steamship Co., and personally argued the motion for the injunction. Our records do not indicate that Mr. Colby entered an appearance as attorney of record in these proceedings, but the attached contemporaneous excerpts from various New York newspapers show the part that was taken by Mr. Colby in this matter.

It may be of interest to note that in connection with this litigation the Shipping Board realized that if the injunction was fought in the courts, the necessary result would be to delay the sailing of the vessels and to greatly inconvenience the traveling public, so that an adjustment was made under which, in the latter part of August, 1921, the vessels were turned over by the receivers (who had been appointed by the District Court of the United States for the Southern District of New York in a creditors' suit against the United States Mail Steamship Co.) to the Shipping Board, and some of these vessels, with others, have since been operated by the Shipping Board through the United States Lines.

Hon. C. C. Carlin, former Member of Congress from Virginia from 1907 to 1919. Shortly after the organization of the Emergency Fleet Corporation in April, 1917, Mr. C. C. Carlin, then a Member of the House of Representatives, requested the Emergency Fleet Corporation to investigate certain property located below Alexandria, Va., and known as Battery Cove, for the purpose of determining its value as a shipbuilding site. Subsequently, in the fall of 1917, Mr. Carlin was introduced to Mr. C. W. Morse by Mr. Colin H. Livingstone. Mr. C. W. Morse on this occasion stated to Mr. Carlin that he had a contract with the Emergency Fleet Corporation for building wooden steamers for the Fleet Corporation at his yard in Noank, Conn., but that he wanted to build steel ships, and had made application to the Fleet Corporation for a contract, and that he believed that Alexandria, Va., was the place to locate a yard for this purpose.

Mr. Morse at this time pointed out to Mr. Carlin the so-called advantages of Alexandria, Va., as a shipbuilding center, whereupon Mr. Carlin advised Messrs. Morse and Livingstone that he would do everything in his power to aid them in securing a contract if he would specify that Alexandria was the proper place for the location of a shipyard.

Mr. Carlin then called on Admiral Rousseau, of the Fleet Corporation, and advised him of Mr. Morse's desire to locate a shipyard at Alexandria, Va., and further stated that the Fleet Corporation had previously passed favorably on the Battery Cove property. Mr. Carlin, in company with Mr. Morse, subsequently called upon Admiral Capps, the general manager of the Fleet Corporation, at which interview various matters in connection with the proposed contract for the construction of ships at Alexandria were discussed, Admiral Capps advising Mr. Morse that the Fleet Corporation would not agree to letting a contract for construction at Alexandria unless the contractor would agree to furnish his own housing facilities. As a result of these negotiations, the Groton Iron Works, a Morse company, were awarded a contract for the construction of 12 vessels, said contract being entered into on December 7, 1917. The original contract was in the name of the Groton Iron Works and was subsequently assigned to the American Shipbuilding Corporation, the name of which corporation was later changed to Virginia Shipbuilding Corporation.

Subsequent to the execution of the contract Mr. Morse advised Mr. Carlin of certain details in arranging their finances, whereupon Mr. Carlin, in company with Mr. Morse, interviewed Mr. Charles Piez, of the Fleet Corporation, and made application for a loan for the purpose of completing their shipbuilding plant, which, under the contract, they agreed to finance without aid from the Government.

Mr. Carlin during the year of 1918 appeared a great many times before the Fleet Corporation in connection with certain claims made by the Virginia Shipbuilding Corporation for wage reimbursements, and early in January, 1919, appeared before the Fleet Corporation for the purpose of applying for an additional loan on the plant of the Virginia Shipbuilding Corporation. These negotiations resulted in a loan contract dated January 10, 1919, the Fleet Corporation agreeing to loan to the Virginia Shipbuilding Corporation an additional $750,000 for the purpose of completing the construction of their plant.

Subsequent to Mr. Carlin's resignation as a Member of the House of Representatives he was employed by the Virginia Shipbuilding Corporation as counsel on annual retainer, and appeared before the board and the Fleet Corporation from time to time in connection with various matters arising under the contracts between the Fleet Corporation and the Virginia Shipbuilding Corporation. He appeared on certain occasions in connection with the negotiations for the contract of September 25, 1919, which contract was negotiated in its final form by the firm of McAdoo, Cotton & Franklin.

The files of the Fleet Corporation also indicate that Mr. Carlin appeared before the War Department in connection with certain matters arising out of the lease of the Battery Cove property.

Hon. Ernest W. Roberts, formerly Member of the House of Representatives from Massachusetts, appeared as attorney for Maurice Eichberg, trading as the National Timber Co., in a suit against the United States Shipping Board Emergency Fleet Corporation for alleged breach of contract. The amount of the suit is $120,970.80. Mr. Roberts first appeared as attorney for Eichberg in October, 1917. This case is now pending in the District of Columbia. Mr. Roberts died in March, 1924, and the case is now being handled by Mr. Clinton Robb, a partner of the deceased.

Hon. John H. Small, former Member of the House of Representatives, appeared as attorney in presenting the claim of P. Delaney & Co., of Newburgh, N. Y., for wage reimbursement, amounting to $36,520. This claim has been disallowed.

The above named—McAdoo, Colby, Carlin, Roberts, and Small—are the only individuals, so far as disclosed by the search which we have made of our files, who come within the terms of the Senate resolution above referred to of February 26, 1924.

Respectfully,

T. V. O'CONNOR, *Chairman.*

PETITIONS AND MEMORIALS

Mr. PHIPPS presented a petition, numerously signed, of sundry citizens of La Plata County, in the State of Colorado, praying for the full enforcement of the Volstead Prohibition Act, and that it be not amended, which was referred to the Committee on the Judiciary.

Mr. WARREN presented a resolution of the Chamber of Commerce of Evanston, Wyo., protesting against any immediate amendment of the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented a resolution of the Business and Professional Women's Club of Great Bend, Kans., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Natoma, in the State of Kansas, praying for the full enforcement of the eighteenth amendment to the Constitution, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (H. R. 714) to amend section 101 of the Judicial Code, reported it without amendment.

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2699) to amend an act creating the Custer State Park Game Sanctuary in the State of South Dakota, reported it without amendment and submitted a report (No. 479) thereon.

He also, from the same committee, to which was referred the bill (S. 2559) to establish an Alaska game commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes, reported it with amendments and submitted a report (No. 480) thereon.

ENROLLED BILL PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on the 28th instant that committee presented to the President of the United States the enrolled bill (S. 1609) to fix the time for the terms of the United States district courts in the western district of Virginia.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WATSON:

A bill (S. 3191) for the recognition of John D. Eldred as second lieutenant, Second Regiment, New York Volunteer Cavalry, in the Civil War; to the Committee on Military Affairs.

By Mr. McCORMICK:

A bill (S. 3192) to provide for an examination of the Chicago River and its branches; to the Committee on Commerce.

By Mr. McNARY:

A bill (S. 3193) to provide for the purchase and acquirement by the United States of certain lands within the Superior National Forest and certain other lands within the counties of Cook, Lake, and St. Louis which lie north of township 60 north and between range 4 east of the fourth principal meridian and range 22 west of the fourth principal meridian, in the State of Minnesota; to the Committee on Public Lands and Surveys.

By Mr. WALSH of Montana:

A bill (S. 3194) granting a pension to Isabelle Culbertson (with accompanying papers); to the Committee on Pensions.

By Mr. SWANSON:

A bill (S. 3195) for the relief of W. B. Doak; to the Committee on Claims.

By Mr. BURSUM:

A bill (S. 3196) to increase the morale of the naval service; to the Committee on Naval Affairs.

By Mr. DIAL:

A bill (S. 3197) to amend section 5 of the United States cotton futures act to enable the buyer of a cotton-futures contract to demand actual delivery in fulfillment thereof prior to the close of the delivery month; to the Committee on Agriculture and Forestry.

By Mr. BRUCE:

A bill (S. 3198) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co. of Baltimore, Md., and the National Surety Co.; to the Committee on Claims.

By Mr. FERNALD:

A joint resolution (S. J. Res. 117) transferring the possession and control of the Fort Foote Military Reservation in Prince Georges County, Md., to the Chief of Engineers of the Army to be administered as a part of the park system of the National Capital; to the Committee on Public Buildings and Grounds.

CHANGES OF REFERENCE

On motion of Mr. CAPPER, the Committee on Claims was discharged from the further consideration of the following bills and they were referred to the Committee on Military Affairs:

A bill (H. R. 1359) for the relief of J. W. La Bare; and

A bill (H. R. 3453) for the relief of the widow of Warren V. Howard.

AMENDMENTS TO TAX-REDUCTION BILL

Mr. LADD submitted an amendment intended to be proposed by him to House bill 6715, the tax-reduction bill, which was ordered to lie on the table and to be printed.

Mr. SIMMONS submitted an amendment intended to be proposed by him to House bill 6715, the tax-reduction bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 30, beginning with line 21, strike out all of subdivisions (b) and (c), and insert in place thereof the following:

(b) In the case of an individual who is taxed under the provision of section 210 the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable on a total ordinary net income equal in amount to his earned net income as defined in this section.

HEARINGS BEFORE COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. McNARY submitted the following resolution (S. Res. 217), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Irrigation and Reclamation, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not to exceed 25 cents per hundred words to report such hearings as may be had in connection with any subject that may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, was read twice by its title and referred to the Committee on the District of Columbia.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on April 28, 1924, the President had approved and signed the following acts and joint resolutions:

S. 1704. An act for the relief of dispossessed allotted Indians of the Nisqually Reservation, Wash.;

S. 2798. An act to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma;

S. J. Res. 76. Joint resolution authorizing appropriations for the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing an appropriation to provide for the representation of the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba; and

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City in 1924.

ADDRESS BY SENATOR WILLIS AT PITTSBURGH, PA.

Mr. PEPPER. Mr. President, on the 26th of April the senior Senator from Ohio [Mr. WILLIS] delivered a notable address before the Americus Club of Pittsburgh. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. FRANK B. WILLIS, SENIOR SENATOR FROM OHIO, AT AMERICUS CLUB BANQUET, PITTSBURGH, APRIL 26, 8.30 P. M.

Ulysses S. Grant was President of the United States at a time when the Nation was beset with all the fads and heresies and real evils that are the inevitable aftermath of war. While civil strife was raging every thought was concentrated on winning the war at any cost. Blood and treasure were poured out without stint—the Nation must be saved at any price—nobody thought of dollars while the life of the Republic trembled in the balance. Necessary war expenditures made the people accustomed to large figures; governmental costs that had been measured in hundreds and thousands came to be counted in millions. When peace came habits of mind continued, and the needful costs of war were almost equaled in the extravagant demands of peace. Tax eaters had developed an appetite in war and sought to satiate it in peace.

Vast and unconscionable profits had been piled up through the necessities of war. The war god begat expenditures; peculation and corruption were the twin offspring of extravagance and wastefulness. Into this seething chaos of financial disorder and national distrust came the calm figure of Grant, the silent soldier of Appomattox. Though sometimes betrayed by false friends on whom he had a right to rely, he sturdily battled on for better things, never once losing confidence in the ultimate success of his country and never forfeiting the love and respect of his countrymen.

Strange cries and weird calls filled the air; pseudo reformers ran rampant; government was denounced by hungry scandal mongers eager to make the people believe that all officials were dishonest and all

government corrupt. The Credit Mobilier investigation disclosed some corruption, much indiscretion, and mountains of suspicion and innuendo. Those were the golden days for the muckraker. He got on the front page of the newspaper and monopolized the editorial columns. Any Senator who had a bad dream at night felt that he had justification and license in telling the country about it in the morning. No matter whether there was any basis in fact for his phantasmagoria—fiction was more popular than truth. Suspicion was more compelling than evidence. The old-fashioned presumption that any man was supposed to be innocent until proven guilty was airily swept aside to give place to the new idea that when the finger of suspicion had once been pointed at any man by testimony however flimsy and untrustworthy he was to be forthwith condemned in the forum of public opinion, hanged, drawn, and quartered unless he immediately shouldered the new presumption and proved himself innocent. It seemed that the world had suddenly grown worse; and then there came an awakening from the ghastly nightmare. The people again realized that the Nation was sound at the core; that its citizens were trustworthy, that the vast majority of its public servants were honest, that on the whole the Nation had been going forward, not backward. The few that had betrayed their trust were brought to justice in constitutional manner; juries functioned instead of courts of inquisition, judges took the place of "committee prosecutors," dark suspicion and cowardly slander fled away before the approaching dawn of orderly justice, and once more, under the calm, courageous leadership of Grant, the Nation went forward to new achievement and wider development.

There has been investigation in our day. Nowhere in any respectable quarter is there any disposition to condone wrongdoing or to permit any criminal to go unwhipped of justice. No matter who is hurt, no honest man of any political faith has any right to complain of orderly, legal inquiry for the promotion of the public good; but the sense of fairness of any decent citizen will inevitably revolt when sincere inquiry after truth for the protection of the public interest gives place to Pharisaical profession of self-admitted virtue on the one hand with attribution of unproven and foundationless charges on the other. The public demands rightfully that no guilty man shall be permitted to escape—but guilt is personal. The faults of the individual can not be attributed to an organization unless that organization condones and adopts the acts of the individual as its own. If Mr. Fall should be nominated for any important office by the Republican Party in face of the disclosures that have been made concerning his official conduct, the Republican Party would properly be held responsible as an organization for its indorsement of his record. If the Democratic Party should name Mr. McAdoo as its candidate for the Presidency it would thereby adopt and indorse as its own his record. Only a few days ago, in response to a Senate resolution of inquiry, the Secretary of the Navy gave the country the following interesting information:

"An examination of the records of the Navy Department, its bureaus, and offices, discloses that the Hon. William Gibbs McAdoo, former Secretary of the Treasury; the Hon. James Hamilton Lewis, ex-Senator; and the Hon. Hoke Smith, ex-Senator, appeared before this department in advocacy of claims against the Government of the United States, and who at the time of their advocacy came within the provisions as set forth by Senate Resolution 176, above quoted. The Hon. William Gibbs McAdoo appeared in behalf of Albert C. Burrage, owner of the steam yacht *Aztec*, in the advocacy of the claim of Mr. Burrage arising out of the leasing of the steam yacht by the Navy Department during the war. The amount of money involved in the claim was $325,000, as the cost of repairs, plus $60,000 for the loss of the use of the vessel, a total of $385,000. The sum of $300,000 was the final settlement of this claim. The sum has been paid."

There are other interesting chapters in Mr. McAdoo's record that will from time to time be discussed. He was the highly paid attorney of that illustrious Democrat whose name was so eloquently presented to the national convention at San Francisco as a candidate for the Democratic nomination for the Vice Presidency, Mr. E. L. Doheny—the same Doheny that was a member of the Democratic committee on resolutions at San Francisco which wrote the oil plank in the Democratic platform. Mr. McAdoo retained this lucrative employment by Mr. Doheny until an awakening of public conscience advised him of its political inexpediency. Mr. McAdoo had a most interesting, successful, and lucrative experience after he left office in arguing cases and presenting matters before minor departmental officials who were directly or indirectly his own appointees. He obtained fat fees for influence, not legal service. He did not hesitate to accept employment for questionable service to the predatory interests he now so vociferously denounces. If the Democratic Party dares to indorse this devious dollar-chasing record of Mr. McAdoo in June, he will be McAdone in November. Congress is, or at any rate ought to be, a legislative body. So far as investigations in proper form are necessary to obtain basis of fact for legislative action or to bring to light wrongdoing of officials with a view to improvement of the public service, such investigations are justifiable. But when they degenerate into mere muckraking for political purposes, when an innocent chance telegram is greedily seized upon in an effort to besmirch the President, when witnesses of more than doubtful veracity are permitted by suggestion and suspicion to malign the dead and slander the living, when a dragnet is put out to bring in disappointed, discharged employees, convicts, and criminals and they are given free rein and encouragement to wag the slimy tongue of scandal it is time to call a halt. The President's duty is to administer and enforce the law. That responsibility he does not shirk; he is directly and personally responsible to the people for the proper discharge of that obligation. If the Senate is to supervise grand juries and try persons accused of crime, there will be a total subversion of those constitutional balances of power upon which the safety of the people depends. Let us return to constitutional methods; let trials be had before courts and juries where testimony is taken according to the rules of evidence and not given by disappointed disturbers encouraged to tell fairy stories. Without minimizing in any respect any beneficial results that have come from investigations thus far conducted the time has now come for Congress to attend to its own business for a while.

Congress itself is being investigated by the American people—it is being weighed in the balance and, in some respects at least, found wanting. Important constructive legislation is delayed by long-winded speeches delivered for political effect. The country now confidently expects and insistently demands that Congress follow the suggestion of the President that legislation rather than investigation is the imperative demand of the hour. Let the builder's trowel be substituted for the muck rake.

At the head of the Treasury Department is a farsighted financier—the greatest Secretary of the Treasury since Alexander Hamilton. Under his leadership financial order has come out of chaos. Liberty bonds that were lingering around 86¾ cents on the dollar under Democratic mismanagement were brought to par under the Mellon policies. Debts that had piled mountain high under the Democratic policies of extravagance were paid off at the rate of $2,000,000 per day while other nations were piling up more debts every day. The financial record made by the administrations of Presidents Harding and Coolidge is unsurpassed in the annals of history. This success is very largely due to the wise policies and farsighted genius of Andrew W. Mellon, of Pittsburgh. There is widespread demand for the enactment of legislation for the reduction of taxes. The Mellon plan is known in every hamlet in the land and uncounted millions look to Congress for its enactment. It is the hope of the enemies of this plan that one result of the so-called investigation of the Treasury Department will be the crippling of the Mellon tax-reduction plan. By innuendo against Mr. Mellon it is hoped to break down the Mellon plan.

The work which President Coolidge and his Cabinet are carrying forward is the work planned and so well begun by President Harding. Warren Harding—how fine and frank and honorable he was! The poisoned arrows of malice lie broken at his feet. There is only pity and disgust for the cowardly cur who would seek to cast suspicion on his motives, or leave scandal on the doorstep of the tomb. In the few short months of his administration more great problems were grappled with and solved than ever before in a like period of our history.

The 4th of March, 1920, saw our country in the throes of financial depression; 5,000,000 men walked the streets looking for work; industry was at a standstill; debts were piling up; taxes were burdensome; "deserving Democrats" by the thousand thronged every public building and tramped on each others feet in their hungry rush for the taxpayers' money; inefficiency and incompetence stalked boldly through every governmental department.

We hear much in these days of Democratic honesty and faithful service. How did Democratic plans work out during the war? Let history tell the tale. A recent careful summary shows that Democrats bought 41,000,000 pairs of shoes for 3,500,000 soldiers; bought 149,456,611 bread cans, which was 42 for every man under arms; paid out $484,425,566.11 on claims presented after the war, many of them without a contract, most of them without an accounting; spent $20,000,000 on coke ovens which produced no coke, $35,000,000 on picric-acid plants which produced no acid, and $116,000,000 on poison-gas plants which furnished no gas.

Four billion of dollars were spent on ships which took no part in winning the war because they were not in use; it is estimated that half of this sum was wasted, much of it on wooden ships, which proved unseaworthy and rotted at anchor; hundreds of other ships were sold at a small fraction of their cost.

Records were destroyed, papers hid, and documents abstracted from the files in order to make impossible prosecution for criminality.

Eleven billion dollars were loaned to foreign nations without evidences of indebtedness, making collection impossible except by negotiation, of which $1,500,000,000 was loaned after the war was over and $300,000,000 to nations not involved in the war.

Trees were cut down on cantonment sites and lumber hauled for miles to construct buildings on these same sites; corn crops ready for gathering burned and grain purchased to feed the Government's horses; valuable materials dumped in excavations or thrown into

streams; scores of thousands of unnecessary persons employed at excessive wages on cost-plus contracts in order to run up the plus and these persons encouraged to shirk on the job; materials bought at excessive prices in order to swell the contractors' profits on a percentage basis; scores of thousands of motor vehicles permitted to decay and rust exposed to the weather while the Government had acres of covered storage.

For the war 945,000 saddles, 1,000,000 sets of double harness, 1,148,000 horse covers, 2,850,000 halters were purchased for the 391,000 horses and mules used in the Army. If all the orders made by the War Department had been filled they would have required 300,000 more hides than the total output of the United States, which caused a doubling and trebling of the price of shoes and other leather products. A total of 195,000 copper-tipped branding irons were purchased for the purpose of branding the Government's 391,000 horses and mules; $21,000,000 expended for ambulance harness when our ambulances were motorized. For our 391,000 horses and mules there were purchased 1,637,000 horse brushes, 1,148,364 horse covers, 2,033,204 nose bags, and 712,510 sets of spur straps, or 36 sets apiece for every officer entitled to use them.

A total of $206,632,920 was expended for 16 cantonments, built by the cost-plus plan, which could have been built for $128,101,399, or $78,531,521 less money with the waste and graft eliminated. Around $1,200,000,000 was spent for camps and cantonments in which the conservatively estimated waste and graft totaled $400,000,000. These contracts were let without bids. A billion dollars was spent to make artillery that didn't shoot and another billion to construct airplanes that never flew.

Yet in view of this damning record of incompetency, if not graft and corruption, our Democratic friends have the unbridled effrontery to criticize Republican management and sing the praises of Democratic methods.

Into this weltering chaos of incapacity and exploitation came the Harding-Coolidge administration. What are some of the achievements of three years of effort? The records show that in the closing days of a Democratic Congress Republicans prevented the passage of appropriation bills framed by Democratic committees, and because those bills were defeated President Wilson had to call a special session of the new Republican Congress in 1919, which Congress cut about a billion dollars out of the bills before they were passed. Appropriations have been further cut at every session of Congress since that time. They would have been cut further were it not for the high cost of government established during the Democratic régime and the huge fixed expenditures fastened upon the Government during the same period. Constant progress has been made in the reduction of the public debt. Every year that the Democrats were in power, even in time of peace, they ran true to form and piled up larger debt burdens on the shoulders of the taxpayers. When the affairs of government passed into the control of the Democratic Party in 1913 the public debt was $1,193,000,000. By 1916 this debt has grown to $1,225,000,000, and in 1917 to $2,795,000,000. These increases were made in time of peace and are illustrative of the improvidence that has generally characterized Democratic administrations and can not be charged to war expenditures. Of course, the later increase to $25,000,000,000, in 1919, is chargeable to necessary war expenditures, augmented as they were by cost-plus system, waste, extravagance, and other Democratic devices to extract coin from the Treasury. But the constant increase for the years 1913 to 1917 shows the inevitable Democratic tendency. Democrats create debts; Republicans have to pay them, and they do pay them, as the figures clearly show. When Republicans came into power in 1920 the public debt had mounted to the staggering sum of $24,297,000,000.

The first year they were in control of public finance the national debt was paid off at the rate of $1,000,000 per day, approximately $350,000,000 for the year. The next fiscal year $1,012,000,000 of the national debt was paid off at the rate of nearly $3,000,000 per day. The following year $615,000,000 were wiped off the national debt due to Republican frugality, economy, and far-sightedness. Harding and Coolidge in three years paid $2,000,000,000 of the public debt. More reduction was made in the three short years than was made in 30 years following the close of the Civil War. This immense reduction in the debt burden by our Government has been made at a time when every other great nation has found it impossible to balance its budget and reduce its debts. While we have been paying our debts they have been increasing theirs. Republican leadership has instituted the wise economies that made possible debt reduction and at the same time has reduced appropriations of the taxpayers' money. The Democratic Party is the natural friend of the tax eaters. When it is in power it always increases appropriations. When it took control of the finances of the United States in 1913 the annual appropriation was $1,021,000,000.

In 1917, before the war, they had increased the expenditures to $1,628,000,000 per annum. It thus appears that while they were in power in time of profound peace the Democrats increased appropriations and tax burdens at the rate of about $150,000,000 per year, or $500,000 per day.

When Warren G. Harding took the oath of office the annual appropriation was $7,052,000,000. The first year of Republican control appropriations were reduced $3,000,000,000. For the year 1923 the appropriations were cut $2,440,000,000 lower, and the next year a further reduction of $250,000,000 was made so that while the Republican administration inherited from the Democrats annual appropriations of over $7,000,000,000, by careful economy this has been reduced in three years to $3,700,000,000. In other words, it is costing the Republican administration only a little over one-half of what it cost under Democratic misrule and extravagance to meet the normal peace-time expense of Government.

One factor that has aided in these tremendous Government economies has been reduction in the number of civil employees of the Government. In 1918 this number had amounted to almost a million. On March 4, 1920, the number was approximately 700,000. Under Republican business management it has been found possible to reduce the number of employees as follows:

1920	691,000
1921	597,000
1922	560,000
1923	548,000
December 31, 1923	544,000

In other words, about 150,000 fewer employees do the work now than were kept on the pay roll by the Democrats.

Meanwhile, under Republican administration Federal taxes have been reduced by Republican legislation $350,000,000 per year and further material reduction will be made by the present Congress. Personally, I prefer the plan presented by Secretary Mellon and strongly indorsed by President Coolidge. Tax reduction is the imperative need of the hour—it must not and will not fail. The Mellon plan has the confidence of the country. It will receive my cordial support and, if it can not be adopted in toto, at any rate its general principle will be followed and a substantial lightening of the tax burdens will result.

Muckraking investigations shall not and will not break down the Mellon plan or Secretary Mellon.

The 5,000,000 idle men waiting for jobs when the Republicans came into power very soon found employment under the stimulating influence of a Republican protective tariff law. Mills opened, factory wheels began to move, Republican furnace fires drove Democratic bats out of the chimneys and by pillar of fire by night lighted the way out of the slough of despond into which Democratic guides had led the industry of the country.

Republicans believe in protection to American labor as well as protection to American industry. We can not sell products in a protected market yet buy labor in a free-trade market. In recognition of this principle, the Senate, following the wise leadership of your brilliant young Senator from Pennsylvania, DAVID A. REED, has passed an immigration bill that protects American labor and American standards and, without justly offending any, provides beyond peradventure that America shall remain American. This legislation will not interfere with any right justly claimed by any foreign nation and yet at the same time it asserts as a great American policy the maintenance of the right to determine our own immigration policy.

We shall not enter the League of Nations—that policy is a finality so far as the Republican Party is concerned. We are willing within proper limits to aid other nations, but our country must be the judge of the time, the manner, and the sufficiency of the helping. To join the League of Nations would be putting the determination of these questions into the hands of some authority other than our own Government. This we can not do without a surrender of American sovereignty, and the Republican Party will never consent to any such surrender. If the United States had been an interested member of the League of Nations, it could not have played the controlling part it did in the work of the Dawes Commission. Our very disinterestedness and disentanglement from the league is the very thing that gives us power in world affairs. Let us not surrender this position of advantage in exchange for an entangling alliance which shears us of our power for good and places unbearable burdens on the shoulders of American citizens yet unborn.

When the terms of the Dawes report are finally accepted by Europe there is reason to expect that much good can be accomplished by the calling of another disarmament conference. The Washington conference, called under the leadership of President Harding, was the longest step forward in centuries of history toward peace and better understanding among nations. It limited capital-ship construction, abolished poison gas (except in senatorial debate), put the submarine under bonds for good behavior, and assured peace on the Pacific. But there now is opportunity for larger participation of our Nation in world affairs without surrender of sovereignty or involvement in any alliance.

The functions of The Hague tribunal can be so enlarged as to make it a real instrument of world justice to which we can go but to which we can not be compelled to go. International law should be codified through conference of the civilized nations; and land armaments, as well as fighting ships in the air and beneath the sea, should be reduced

through international common council and voluntary agreement without compulsion or surrender of independence.

It is time these forward steps should be taken.

The sentiment and heart of the American people are with President Coolidge in his determination to go sanely forward in the promotion of international good will and safety.

In this time of turmoil, suspicion, doubt, and unrest how fortunate this Nation is in having as its Chief Executive a man whom it can trust and does trust implicitly. Innuendo and suspicion may snarl at him, hate and envy attempt to hawk and tear, yet in him the people have unfaltering confidence.

He is one of the plain people, from a typical American farm home.

Years of useful public service in exalted station have not dimmed his sense of the viewpoint of the common citizen. "He has walked with kings nor lost the common touch." He is calm and kindly as a June day among the Vermont hills. His courage is unfaltering; his confidence is unshaken in the ultimate success of the fundamental principles of constitutional liberty in which he believes. He thinks much, talks little, acts firmly. He can not be swept away from his moorings by every promising breeze. His face is toward the sunrise of progress, his feet on the solid ground of experience. He is unbossed, uncontrolled, unafraid. The people believe in him and will nominate him for the Presidency in June and elect him in November.

The work of the committee on resolutions at Cleveland will be easy, because, whatever is written by platform makers, the real platform will be our presidential candidate and our slogan of triumphant victory for the Republican Party will be—

Keep cool and keep Coolidge.

SAN CARLOS IRRIGATION PROJECT, ARIZONA

Mr. CAMERON. Mr. President, on April 3 last the Senate passed Senate bill 966 by a unanimous vote. This act on our part was one of justice, righting a wrong of half a century. The House now has this bill before it for consideration. Therefore, I ask unanimous consent to place in the RECORD telegrams I have just received sent by 100 of the most prominent citizens of Arizona, the senders also including 23 full-blooded Pima Indians, commending this just legislation.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PHOENIX, ARIZ., *April 28, 1924.*

Hon. RALPH H. CAMERON,
United States Senate, Washington, D. C.

On behalf of Arizona and Southwest we desire to congratulate you and the United States Senate upon unanimous passage by the Senate of Cameron bill for the construction of San Carlos project for relief of Pima Indians. We also extend congratulations on favorable report of said bill by Indian Committee of House. Upon this bill becoming a law a great national wrong of many years standing will have been righted. The Pima Indians were raising crops by irrigation on Gila River before Columbus discovered America. They are hard-working, progressive farmers, formerly possessing good homes and farms with plenty of food, grain, horses, and cattle. When first white men came to this country Pimas gave them food, shelter, and safe passage through lands of warlike tribes. The Pimas have unbroken record of loyalty to Federal Government and proudly boast they have never shed a white man's blood. As far back as 1886 Interior Department took up with Department of Justice question of protecting fast-disappearing water rights of Pimas. From time to time ever since sporadic efforts have been made to restore their water rights, but various things have intervened to prevent redress. In the meantime cutting of forests on watershed, overstocking of range with cattle, and upstream diversions by white settlers all combined to transform Gila River from living stream the year round, from which Pimas formerly got all water they needed, to a flashy, flood type of river dry most of the year. The Indian lands became idle from drouth; their ditches dried up; they were compelled to abandon their farms; and finally starvation and ruin drove them to seek aid of Government. The above facts taken from report of Indian Commissioner Valentine to Secretary of Interior on Pima Indians December, 1911. Every person acquainted with history of Pima Indians is sincerely hoping and praying that this bill for restoration of their water rights will be passed by unanimous vote of the House in order that this long-deferred act of justice may have no dissenting voice in the National Congress to detract from sincerity of Government's belated action.

Otis J. Baughn, president San Carlos Association; Dwight B. Heard, publisher Arizona Republican, director United States Chamber of Commerce; George W. P. Hunt, Governor of Arizona; Wayne Hibbs, State treasurer; James H. Kerby, secretary of state; C. O. Case, State superintendent of public instruction; Mulford Winsor, president Arizona State Senate; R. H. Ramsey, State auditor; John W. Murphy, attorney general; A. T. Hammons, superintendent of banks; F. C. Jacobs, United States district judge; John R. Towles, register United States Land Office; L. L. Ferrall, receiver United States Land Office; George A. Mauk, United States marshal; George T. Wilson, assistant United States attorney; Secretary H. B. Watkins and 900 members of Phoenix Chamber of Commerce; Carl W. Gibson, president Rotary Club; Charles F. Willis, president Kiwanis Club; A. L. More, president Lions Club; John Lattimer, president Junior Chamber of Commerce; Eben W. Lane, president real estate board; P. Y. Pendelton, president Hiram Club; F. A. Reid, president Salt River Valley Water Users' Association, with 5,000 members; J. O. Sexson, secretary Young Men's Christian Association; Mrs. H. B. Wilkinson, president Young Women's Christian Association; E. D. Harrington, president Arizona Press Club; Charles Martin, president Merchants and Manufacturers' Association; P. G. Spilsbury, president Arizona Industrial Congress; Dr. Harry T. Southworth, commander American Legion, department of Arizona; Mrs. D. F. Johnson, president Women's Club; Alice Birdsall, Business and Professional Women's Club; Miss Fay Young, president Century Club; C. S. Brown, president Arizona State Farm Bureau; H. Wilkinson; Charles H. McArthur; Edward Rudolph; L. M. Laney; F. Y. Swenson; Vic Hanny; H. W. Daykin; A. W. Liefgreen; O. H. Kerr; G. G. Skiles; J. C. Penney Co.; McDougall & Cassou; C. W. Goodman; B A. Funk; A. L. Boehmer; Regal Cleaners; James E. Lowry; D. H. Burtis; H. W. Krotzer; B. C. Lowry; Aleksander Studio; J. W. Dawson; J. S. Griffin; Frank Shirley; George W. Goggins; Peter Block; W. J. Burns; D. D. Northrup; Roy N. Davidson; W. W. Lane; E. J. Doyle; D. J. O'Sullivan; Reese H. Vaugn; J. B. Fallor; H. R. Bland; E. C. Phelps; William G. Young; Dave Goldberg; Frank X. Connally; Stewart Smith; Berryhill Co.; Abe Korrick; Charles Korrick; Harry F. Mitten; F. J. Elliott; Celora M. Stoddard; P. R. Mitten; C. R. Holton; Harold J. Jantzen; Herman Lewkowitz; Howard S. Reed; Harold Baxter; Allen C. Elder; Hess Seaman; George D. Christy; D. L. Cunningham; L. H. Chalmers; J. C. Niles; P. H. Hayes; Raymond Alee; W. L. Kolberg; D. B. Morgan; Judge John A. Ellis, Prescott, Ariz.; Eugene Shepher, Tucson; Heinie Schewell, Florence; Ezra W. Thayer; J. C. Adams; R. W. Smith; H. S. Clyne; G. B. Ruiz; M. R. Malcolm; Charles H. Adams; T. J. Duncan; W. P. McNair; F. S. Willets; Paul Dickerson; T. J. Coalter; H. W. Steel; R. E. Schnure; A. M. Monroy; T. B. Mudd; Norman F. Wykoff; Stephen D. Pool; Margaret Hiscox; Katherine R. Ogiesby; Helen R. Pepper; A. L. Higgins; W. W. Turesdale; W. J. Hanna; J. K. Stewart; N. A. Lytle, G. J. Conrad, George W. Mickle, J. D. Howell, Glendale; D. D. Taylor, W. R. Hiett, Garland B. Gouch, Shirley Christy, Paul H. Versilus, S. R. Newton, L. E. Roberts, Glendale; C. N. Boynton, C. V. Gulley, Judson T. King, Charles A. Stauffer, general manager, Arizona Republican; C. T. Carpenter, Morris Goldwater, mayor of Prescott, Ariz.; M. G. Bundy, A. E. England, J. A. Goodwin, Conrad Hess, Arthur G. Hulett, Oscar C. Bartlett, J. T. Lewis, Globe, Ariz.; George T. Price, W. S. Norviel, J. G. Jennings, Miami, Ariz.; George Spruce, M. L. Gibbons, Mesa, Ariz.; H. H. Hefner, George M. Bealey, Dr. C. Swackhamer, Superior, Ariz.; L. A. Perrie, Miami, Ariz.; Harry S. Higgins, H. A. Waite, W. G. Detweiler, Fen S. Hildreth, Frank Snyder, Elmer W. Coker, Harry E. Habecker, D. K. Fretz, Paul Farmer, Albert C. Mains, Ellis M. Weir, S. J. Michelson, postmaster of Phoenix, Ariz.; R. W. Slocum, W. E. Waldorf, S. H. Weigle, A. W. Arnold, Sam J. Haldeman, L. S. Ogle, G. W. Knorf, S. Siprelle, Harry M. Beck, Emma Logan, Lula Newell, Katherine Rudd, Avis Huck, E. X. Osborn, W. R. McElhaney, L. R. Calahan, J. P. Stout, A. Bans, Joseph M. Lawrence, K. T. Sagerty, F. M. Wurth, E. C. Cromb, Ross Kindley, Priest High, Debruce Grove, W. E. Naylor, William D. Williams, C. R. Rose, Russell R. Young, Tom M. Smith, R. A. Maxwell, A. E. Sevar, Cecil R. Callahan, G. L. McCoy, Burt McCall, Harry M. West, E. P. Donsall, J. W. Harbrock, J. K. Lester, Arnold Blake, M. F. Wich, L. A. Risk, J. H. Whitson, E. D. Raeder, B. B. Balyeat, N. M. Jamieson, B. F. Hensley, C. F. McGuire, C. M. Moore, Frank Thomas, W. T. Sprovls, T. A. Dean, J. M. Gibson, Globe, Ariz.; H. F. Warner, William E. Moore, C. E. Lawrence, Prescott, Ariz.; Joseph Sobey, Miami, Ariz.; John Davelin, Globe, Ariz.; L. G. Moyers, S. L. Montgomery, H. A. Telford, J. E. Knabb, C. P. Hart, E. L. Williams, Robert Hunsick, L. C. Larkin, W. P. Hogan, M. P. Smith, W. J. Osborn, Peoria, Ariz.; Charles W. Flagg, H. G. Watson, E. W. McFarland, Matt S. Walton, John J. McGrath, John L. Goodson, James H. Allen, John B. Henke, Evan Wilson, William Gleeson, James A. Shea, Hubert Campbell, G. C. Campbell, E. W. Michael, president Paradise Verde District; George W. Johnson, W. A. Clark, B. J. Whiteside, F. W. Avery, president Arizona Citrus Growers' Association; T. B. Benton, A. A. Lillard, D. N. Barrows, Emma Winters, F. W. Avery, A. F. Baxter, jr., Ralph Cameron, jr., Dennis Gleeson, M. L. Fillmore, C. W. Stevens, Bennett Yancy, W. C. Truman, F. G. Lambert, R. H. Benton, Thos. J. Croaff, H. M. Vandenburgh, Martha L. May, E. Stallcup, Jacob C. Erhardt, Charles M. Donohoe, Larry Gleeson, T. L. Lloyd, L. E. Kingman, Julian Holmes, Scott White, Harry Herz, L. W. McAdams, E. M. Allen, E. S. Clark, John A. Lentz, Phil C. Ensign, R. E. Jerould, W. E. Easton, Howard Rollins, J. F. Payne.

SACATON, ARIZ., *April 28, 1924.*

Hon. RALPH H. CAMERON,
United States Senate, Washington, D. C.:

You now have before you Senate bill 966, for the construction of the San Carlos Dam in the Gila River in Arizona for the relief of the Pima Indians. We members of the Pima Tribe and their representatives most earnestly pray that you give this bill favorable consideration. We and our forefathers have farmed and lived on the banks of the Gila for several hundred years. Before the coming of the white people we had plenty of water; we had good farms; were contented and happy. Since the coming of the white people more and more water has been taken out of the upper part of the Gila River, thus diminishing our supply until now there is not sufficient water to raise a crop. We always helped the early white settlers; we escorted the covered-wagon trains of the early white pioneers through hostile country; fed and protected them. We have never shed a white man's blood. During the World War we sent many of our best young men to the Army; we oversubscribed every Liberty loan; in many cases our old folks doing hardest kinds of day labor to secure money to do so. One of our tribe was the first Arizonian killed in Europe. You have provided for the Indians who were enemies of the white people in early days. Will you not now help us who have always been your friends? We are good farmers; give us water and let us be self-supporting; let us make homes for our wives and children. Do not deprive us of water and cause us to become ration Indians and beggars, dependent on our Government for support.

Joseph Jackson, Panjo S. Pablo, George Pratt, Johnson Azule, Juan Apachose, Isaac C. Anton, Mack Schurs, Edgar Myers, William Stevens, Joseph Achill, Victor Jackson, Antonio B. Juan, Peter J. Osif, Hiram Terry, Charles Porter, Charles Nathan, Calvin Emerson, John Lewis, Alfred Jackson, Jose Padgley, Job Russell, Hugh W. Patton.

TEMPE, ARIZ., *April 28, 1924.*

Hon. RALPH H. CAMERON,
United States Senate, Washington, D. C.

DEAR SIR: On behalf of Arizona and the entire Southwest we desire to congratulate you and the United States Senate upon the unanimous passage by the Senate of the Cameron bill for the construction of the San Carlos project for the relief of the Pima Indians, and also to extend congratulations for the unanimous favorable report of the said bill by the Indian Committee of the House. Upon this bill becoming a law a great national wrong of many years' standing will have been righted. The Pima Indians were raising crops by irrigation on the Gila River before Columbus discovered America. They are hard-working progressive farmers, formerly possessing good homes and well-cultivated farms, with plenty of food, grain, horses, and cattle. When the first white men came to this part of the country the Pimas gave them food and shelter and safe passage through the lands of warlike tribes. The Pimas have an unbroken record of loyalty to the Federal Government and proudly boast that they have never shed a white man's blood. As far back as 1886 the Interior Department took up with the Department of Justice the question of protecting the fast-disappearing water rights, but indifference, politics, and selfishness have intervened to prevent any redress being secured. In the meantime the denuding of the forests on the watershed of the Gila above the Pimas, the overstocking of the range with cattle, and upstream diversions by the white settlers all combined to transform the Gila River from a living stream the year round, from which the Pimas formerly got all the water they needed, to a flashy flood type of river, dry during most of the year. The Indian lands became idle from drought, their ditches dried up, they were compelled to abandon their farms, and finally starvation and ruin drove them to seek the aid of the Government. Every person acquainted with the history of the Pima Indians is sincerely hoping and praying that this bill for the restoration of their water rights will be passed by the unanimous vote of the House of Representatives in order that this long-deferred act of justice may have no dissenting voice in the National Congress to detract from the sincerity of the Government's belated action.

J. T. Birchett, R. L. Finch, H. W. Miller, T. A. Bailey, R. A. Windes, M. A. Windes, Wm. Laird, Hugh B. Laird, R. W. Still, C. M. Achauer, T. A. Anderson, F. E. Ostrander, Papago Motor Co., B. A. Row, R. L. Mullen, G. R. Finch, R. E. Stidham, R. C. Estrada, A. J. Matthews, I. D. Payne, Ira Frankenburg, E. P. Carr, Tempe Milling Co., R. J. Stroud, Ahlquist Garage, Red Front Store, Dads Place, B. Matley, O. C. McNary, E. E. Ceill, Price Wickliffe, Leon C. Navarre, Henry Sandos, S. M. Goddard, J. E. Kelly, John E. Michel, Boston Store, W. W. Wade, T. H. Gardner, G. A. Goodwin, H. A. Moore, W. T. Waggoner, Jno. J. Curry, Frank Lamont, C. L. Walmsley, Frank E. Empey, J. F. Peck, T. M. Moulden, H. C. Baber, H. B. Clary, W. H. Thurber, E. D. Raley, E. O. Adams, Chas. C. Woolf, E. O. Brown, J. L. Felton, R. H. Harvey, Curt W. Miller, F. M. Irish, Fred J. Joyce.

Please transmit a copy of the above to the following persons: Hon. HENRY F. ASHURST, United States Senate; Hon. JOHN W. HARRELD, chairman Committee on Indian Affairs, United States Senate; Hon. CARL HAYDEN, House of Representatives; Hon. HOMER P. SNYDER, chairman Committee on Indian Affairs, House of Representatives; Hon. FREDERICK H. GILLETT, Speaker of the House of Representatives.

R. W. STILL.

GLENDALE, ARIZ., *April 28, 1924.*

Hon. RALPH CAMERON, Hon. HENRY F. ASHURST, United States Senate; Hon. JOHN W. HARRELD, chairman Committee on Indian Affairs, United States Senate; Hon. CARL HAYDEN, House of Representatives; Hon. HOMER P. SNYDER, chairman Committee on Indian Affairs, House of Representatives; Hon. FREDERICK H. GILLETT, Speaker of the House of Representatives, Washington, D. C.:

On behalf of Arizona and the entire Southwest, we desire to congratulate you and the United States Senate upon the unanimous passage by the Senate of the Cameron bill for the construction of the San Carlos project for the relief of the Pima Indians and also to extend congratulations for the unanimous favorable report of the said bill by the Indian Committee of the House. Upon this bill becoming a law a great national wrong of many years' standing will have been righted. The Pima Indians were raising crops by irrigation on the Gila River before Columbus discovered America. They are hard-working, progressive farmers, formerly possessing good homes and well-cultivated farms, with plenty of food, grain, horses, and cattle. When the first white men came to this part of the country the Pimas gave them food and shelter and safe passage through the lands of warlike tribes. The Pimas have an unbroken record of loyalty to the Federal Government and proudly boast that they have never shed a white man's blood. As far back as 1886 the Interior Department took up with the Department of Justice the question of protecting the fast-disappearing water rights, but indifference, politics, and selfishness have intervened to prevent any redress being secured. In the meantime the denuding of the forests on the watershed of the Gila above the Pimas, the overstocking of the range with cattle, and upstream diversions by white settlers all combined to transform the Gila River from a living stream the year round, from which the Pimas formerly got all the water they needed, to a flashy, flood type of river, dry during most of the year. The Indian lands became idle from drought. Their ditches dried up, they were compelled to abandon their farms, and finally starvation and ruin drove them to seek the aid of the Government.

Every person acquainted with the history of the Pima Indians is sincerely hoping and praying that this bill for the restoration of their water rights will be passed by the unanimous vote of the House of Representatives in order that this long deferred act of justice may have no dissenting voice in the National Congress to detract from the sincerity of the Government's belated action.

O. D. Betts, mayor, Glendale; Rotary Club, D. H. Bonsall, president; F. S. Heatwolfe, councilman; Glendale Commercial Club, J. McCoy, secretary; C. H. Tinker, manager Valley Bank, Glendale; Harry G. White, postmaster; J. W. Hawks, city clerk; John McCoy, insurance; Glendale Realty and Insurance Co. (Inc.); C. M. Woods, druggist; R. C. Reynolds, merchant; Lemley Ames Motor Co.; D. R. Jones, druggist; Sample & Moore Market; Ray F. Stauffer; Glendale Ice Co.; Glendale Garage; Glendale News, by H. C. Reed, editor; R. F. Zinn, merchant; J. R. McFadden; Walker Service

Station, by C. B. Walker; Glendale Furniture Co.; Caplan & Newman, merchants; C. A. Milkee, superintendent of schools; V. E. Messenger, merchant; D. H. Bonsall; Lon G. Smith; Glendale Milling Co.; O. S. Stapley Co. (Inc.); Jno. D. Davis, manager Fay N Takit; the Glendale Lumber Co.; B. Bean, manager J. D. Halstead Lumber Co.; J. D. Lynch, manager Glendale Motor Co.; Dustys Garage; H. D. Madison; A. W. Lueck.

CHANDLER, ARIZ., *April 28, 1924.*

Senator RALPH CAMERON,
Washington, D. C.:

Federal Government recognized needs of Pima Indians in constructing diversion dams on Gila River for irrigation. These dams are useless for month when river is dry. San Carlos storage dam will provide adequate flood control and insure permanent supply of water for irrigation purposes. Pimas were invaluable allies when assistance was sorely needed. They proved their worth in Spanish war. Arizona's first sacrifice on the battle fields of France was the lifeblood of young Pima Indians. Promises are sacred among Indians. Pimas implicity believe Government will provide water for their lands. Five thousand citizens of Chandler and vicinity petition our Government restore to Pimas waters of Gila for irrigating their lands by the construction of San Carlos storage dam.

CHANDLER CHAMBER OF COMMERCE,
CHANDLER WOMEN'S CLUB,
CHANDLER JUNIOR CHAMBER OF COMMERCE.

Mr. CAMERON. Mr. President, I also present resolutions adopted by the Phoenix District Conference of the Methodist Episcopal Church South, assembled at Phoenix, Ariz., urging the passage of Senate bill 966, making an appropriation for the construction of an irrigation reservoir on the Gila River near San Carlos, Ariz., which I ask may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolution favoring San Carlos Dam.

Whereas the Pima Indians have always been a peace-loving tribe, never having been at any time in an attitude of hostility to the United States; and

Whereas they are also a thrifty, industrious people as compared with many other tribes of American Indians, having utilized to a very commendable degree the advantages for education and home improvement that have thus far been offered them by the Federal Government, while at the same time they have embraced Christianity, following the teachings of the Christian missionaries that have worked among them to an extent that has few, if any, parallels in the history of mission work among the Indians; and

Whereas the present material condition of this populous and worthy tribe of Christian Indians is such that not only their prosperity but their livelihood is dependent upon the impounding of the waters of the Gila River for the irrigation of their lands; and

Whereas the Senate of the United States has recently passed the bill known as Senate bill No. 966, making an appropriation for the construction of an irrigation reservoir on the Gila River near San Carlos, Ariz., for the above-stated purpose, in keeping with plans approved by Government engineers, and such bill is now pending before the House of Representatives at Washington: Therefore be it

Resolved by the Phoenix District Conference of the Methodist Episcopal Church South, assembled at Central Methodist Church at Phoenix, Ariz.—(1) That we do hereby respectfully memorialize the Congress of the United States, and especially the House of Representatives, earnestly and urgently petitioning said body to pass the said bill before the adjournment of the present session of Congress.

2. That a copy of this resolution, signed by the presiding bishop and secretary of this conference, be forwarded to Hon. CARL HAYDEN, Representative in Congress from Arizona, and to Hon. RALPH CAMERON and Hon. HENRY F. ASHURST, United States Senators, with request that they do their utmost to accomplish the enactment of the bill above referred to.

H. M. DU BOSE,
Bishop, Presiding.
ALVA R. HUTCHINSON,
Secretary.

ADDRESS BY SENATOR WALSH OF MONTANA AT BUFFALO

Mr. PITTMAN. Mr. President, I have in my possession here the manuscript of a speech delivered by the Senator from Montana [Mr. WALSH] on the 26th instant before the convention of the League of Women Voters in Buffalo, N. Y. It is a very able address on our foreign relations and is entitled "Europe's troubles are our troubles." I ask unanimous consent to have the address printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EUROPE'S TROUBLES ARE OUR TROUBLES

In the discharge of the most commendable task the League of Women Voters has assumed of affording the newly enfranchised citizens of their sex an opportunity to acquire a more intimate familiarity with our system of government and with the public questions involved in the elections in which they are to participate, that they may more understandingly exercise their rights in connection therewith, it has been deemed advisable to devote some attention to our international affairs.

The instances have happily been rare in our history when our relations with foreign nations or the policy which ought to be pursued toward them collectively or individually have been so acute as to be of consequence in any election or to exercise any influence in the choice of candidates for either local or national office. The admonition of the fathers against entangling alliances, though apt when uttered or written because of the frequently recurring state of war between Great Britain and France, involving all Europe, and of the passions still smoldering that were engendered by the Revolution that gave birth to our Nation, ceased after the Napoleonic era to have much more than an academic interest to us. The storms that swept over Europe during the century after Waterloo were unfelt in the political atmosphere of America. Our interests were only remotely involved, if involved at all. The Atlantic was an effective barrier against attack from that quarter and no enemy was to be feared from any other. We sympathized with the Greeks in their struggle for independence against the Turks, with the Hungarians in their effort to throw off the yoke of Austria, with the Spanish colonies to free themselves from the dominion of Spain, and with the Irish for a larger freedom, but without any purpose to mix in the controversies and conflicts thus precipitated, except in the case of the last Cuban insurrection. In respect to them, if sentiment was not all one way, the insistence on intervention in any form on the part of our Government was not backed by numbers sufficient to give to the question the dignity of a factor in any national political contest.

Our controversies with transoceanic countries were almost invariably either evanescent in character or of so little consequence, from the standpoint of national feeling, that they cut no figure in national elections, except in the case of the Northwest boundary dispute, of which much was heard in the campaign of 1840, when one of the political parties advanced the slogan "54-40 or fight."

The annexation of Texas and the war with Mexico became a grave issue in the succeeding quadrennial election, a feature of the slavery question which for 60 years engulfed every other so far as political discussion is concerned, holding its place in the language of more recent times as "the paramount issue." The promulgation of the Monroe doctrine was occasioned by events transpiring in Europe and is even said to have been prompted by a hint from the foreign minister of one of the great powers, but it was so in harmony with the general, if not universal, sentiment of America that some evidence of rivalry is exhibited from time to time with respect to its authorship as between the two leading political parties, the one attributing it to President Monroe and the other to his Secretary of State, John Quincy Adams. In short, our country has been so free from agitation over foreign policies and foreign complications, domestic questions have so engrossed the public mind, that there have been no occasion and no disposition on the part of the ordinary voter to look, nor has he acquired the habit of looking beyond our borders in determining the course he ought to take in exercising the sovereign right of the franchise.

A different era, however, is upon us. Our outlook is, or at least ought to be, radically changed in consequence of the World War. The ocean is no longer the barrier it once was or was believed to be. We landed in Europe 2,000,000 armed men, equipped with all the enginery of modern warfare. Hereafter we are bound to contemplate the possibility of a similar invasion of our shores. Despite a resolute purpose on the part of our people to preserve a strict neutrality as between the warring nations of Europe, the desperation of one group of the combatants brought us into the contest, as one by one the states of Europe, with but few exceptions, had become involved. We can no longer regard with unconcern a conflagration in Europe or controversies or policies likely to lead to such.

The hazard of involvement increases daily as the nations are brought closer by discoveries and inventions that annihilate distance and facilitate communication and the horror of becoming involved multiplies through the development of new agencies of destruction that threaten the overthrow of civilization if not the extinction of the human race. Can one set bounds to the destructive effects of lethal gases, the aerial torpedo, the demon ray, and the dissemination of deadly contagious disease germs whose ravages even the cessation of hostilities does not arrest?

The outlawry of war is not a problem of humanitarianism, it is a problem of self-preservation.

Nor is it alone that we may again become involved in a war that may eventuate because of them that we have ceased to regard—that is, some of us have ceased to regard—the controversies that agitate distant nations, and those of Europe particularly, as a matter of indifference to us. That in the wastage of their heritage through war we suffer an incalculable loss has been made painfully plain to everyone who has had occasion to consider the deplorable depression in our great basic industry—agriculture—so acute as to give rise to the introduction in Congress of innumerable relief measures, many of them violative of what has heretofore been considered as indisputably sound, economic principles. Due to the impoverishment of Europe, consequent upon the war and the political chaos that has ensued, the purchasing power of her people has been reduced to a point at which they can no longer absorb our surplus agricultural products, which consequently flood the domestic market, reducing the price below the cost of production.

The conditions under which farmers are expected to "carry on" are disclosed by the fact reported by the Secretary of Agriculture, that whereas for five years prior to 1914 the purchasing power of a dollar in the hands of a farmer was normal—that is to say, a certain quantity of farm products would buy the normal amount of commodities generally—on the 1st day of January, 1923, it would buy but 64 cents' worth. While the price of the farmer's products suffered a rapid decline after the war, the price of everything he must buy, including labor, if one may so speak of labor, has remained stable or has appreciated, so that while the price of wheat in 1913 stood, in the index figures prepared by the Department of Labor, on a parity with the price of other commodities, in February, 1924, the leading cereal was represented by 125 as against 152 for commodities generally.

Another way of expressing the appalling fact is that, if wheat had preserved the equality at which it stood in 1913 with respect to other commodities in the matter of price, it would have brought in 1923, instead of $1.002, the average price, about $1.60.

The seriousness of the situation is but feebly appreciated in the so-called industrial sections that are "fed up" with frequent assurances from influential sources of abounding prosperity. The fact is that no such disaster has ever perhaps befallen the farming industry in this country, certainly not in this or the preceding generation. The gravity of the case is revealed by the official statement of the Secretary of Agriculture to the effect that on the 1st of January, 1923, there had been a decline in the price of real estate in the United States of $13,000,000,000, one-half the expenditure of our Government in the World War.

It is officially reported that 8½ per cent of the owner-farmers in 15 corn and wheat producing States lost their farms, with or without legal process, between 1920 and the spring of 1923, and that 15 per cent more were in fact temporarily insolvent, but held on through the leniency of creditors. The losses were relatively more numerous in Montana, North Dakota, Colorado, and South Dakota, and less numerous in the east North Central States. A hideous prosperity is in evidence in the case of many newspapers published west of the Mississippi River, arising from foreclosure notices, the number of which frequently necessitates extensive supplements. The alarming state of affairs is reflected in the bank failures throughout the distinctly agricultural sections of the West. From June 30, 1923, to January 31, 1924, 62 State banks failed in Montana, and from the initial date given to April 5, 1924, 19 national banks. During the same periods North Dakota lost 90 State banks and 16 national banks; South Dakota 53 of the one and 15 of the other; Oklahoma, 29 and 13; New Mexico, 13 and 8; Minnesota, 40 and 7. These were in addition to a distressing number which closed their doors each year since the deflation of 1920 set in or was precipitated, the failures occurring in unusual numbers in the South as well as the West. More than a half dozen counties of my State are without any banking facilities.

In Lewistown, a city of 8,000 inhabitants, the county seat of Fergus County, the heart of the fertile and highly cultivated Judith Basin, every bank is closed. Not a few of the banks that have thus gone down were of mushroom growth, puny from their birth, but among those that have gone on the rocks are institutions that have weathered the financial storms of 40 years.

The conditions which these banking reverses imply siguify social changes of the most far-reaching nature. The Secretary of Agriculture tells in his report for 1923, recently issued, that the net change in population from farm to town during the preceding year was approximately 1,200,000, accelerating a movement in progress in recent decades that had already excited general alarm.

It is not to be understood that the deplorable condition adverted to is wholly due to the collapse of the foreign market for our exportable surplus, but that the impoverishment of Europe is a serious factor in the widespread depression is acknowledged on all hands. Depressed world conditions and curtailed foreign buying power is given first place by the American Wheat Growers' Association among the causes of the disasters that have overtaken the producers of our principal cereal. It is significant that those engaged primarily in the production of crops consumed at home are comparatively lightly affected and are weathering the storm in safety at least. In illustration the cattle business is in a plight, perhaps not less serious than that of those who must depend upon their wheat crops, while those who are fortunate enough to be running sheep are enjoying a period of reasonable prosperity. We export neither wool nor mutton.

It is necessary to go back nearly 30 years to reach the low level of exports of meats and meat products of last year, except for the year 1914, when shipments were interrupted by the war, and the year 1910, when, for some reason, there was a serious slump.

The Department of Commerce has been advised by commercial leaders of that country that if payment for it could have been arranged, Germany would have used 50,000,000 bushels of American wheat last year more than she took from us. Official figures furnished me show that the consumption of wheat in Europe for the years 1920, 1921, and 1922, respectively, was approximately 500,000,000 bushels less than the average annual consumption for the five-year period ending with 1913, the computation in each case being for the year ending August 1 of the following year. Though there has been a marked increase in the yield from American and antipodean fields, the world production still lags over 400,000,000 bushels behind the average crop of the antebellum period.

The same regrettable showing is made in the case of copper, nearly 50 per cent of our production of which normally goes abroad. The consumption of this metal in Europe has fallen from 645,000 metric tons in 1913 to 273,600 metric tons in 1921. It is popularly believed, and doubtless with justification, that the heavy importations of this metal by Germany during the years immediately preceding the outbreak of the war were in anticipation of that catastrophe, but she remains our most important customer and the percentage of decline in her demands on our exportable surplus is no greater than in the case of most other European countries, including Great Britain and France. It is not difficult for the people of Montana, of whose three principal products—wheat, copper, and cattle—there is always a surplus for export, to realize how intimate is the relation between our prosperity and that of the people of Europe and how immediate is our concern in the restoration and preservation of peace among them. If there is greater indifference to the situation, if there is a less ardent desire among the people of the Atlantic seaboard to see it improved, it must be because they do not feel the pinch. Our total of exports of foodstuffs, crude and processed, has steadily declined since 1920, the decline in 1923 as compared with 1922 reaching the staggering total of $200,000,000, balanced, however, by an increase in approximately the same amount in the value of our exports of manufactures ready or partially ready for consumption. It is significant in this connection that practically none of this gain came from Europe, while nearly every other part of the world contributed to it; South America over $40,000,000, Asia in excess of $60,000,000, Oceania nearly $50,000,000, and Canada nearly $60,000,000.

It will be appreciated that notwithstanding this gratifying increase in our exports of manufactured articles, the total that goes abroad is insignificant as compared with the demands of the domestic market, which rests in the last analysis on agriculture. If that industry can not be carried on at a profit, speaking in general terms, no other can. If the farmer can not buy in normal quantity, manufacturing must abate and unemployment become general and ominous. And yet while our prosperity is so demonstrably bound up in that of Europe, though adversity such as our great basic industry has never known stares it in the face, in consequence of the turmoil there, political exigencies have condemned us to a do-nothing policy from which our Government departs from time to time, as common sense impels, to act in a gingerly apologetic sort of way, receding as the clamor of isolationists threatens to disturb party harmony or that 7,000,000 plurality excites the hope of another political victory in a sweeping denunciation of the League of Nations, and of any activity, however praiseworthy in itself, originating with or indorsed by the league.

The vicissitudes that have attended the effort to secure the indorsement of the World Court by the Government of the United States will serve the purpose of illustration. To the idea represented by it our country gave its official sanction a quarter of a century ago at the first Hague conference. The tribunal by it constituted proved a disappointment because of defects against which our representatives vainly sought to protect it. A special effort to redeem it was again made by the American commissioners at the second conference in 1909, and particularly to devise some scheme by which permanent judges of the court should be selected who should hear the causes as they came before it, instead of arbitrators chosen by the parties from a list of eligibles. The desirability of the change was apparently universally acknowledged as, indeed it is obvious. The attempt failed because it was found impossible to agree on the manner of choosing the judges, the small States insisting upon the right, in accordance with the rule in international conferences, of an equal voice with the larger and more powerful States in the election of the judges. That difficulty has, with the concurrence of States large and small, been obviated in the organization of the now functioning Permanent Court of International Justice, which, in the essential

features of its statute or constitution, is substantially identical with the kind of international tribunal for which the United States stood at the two Hague conferences. If any serious objection or criticism of the statute constituting it, its constitution, as we express it, has been advanced in any responsible quarter it has escaped my notice. Unfortunately it is associated, in its origin, with the League of Nations. Enough! Away with it! The proposal made on the recommendation of Secretary of State Hughes by President Harding to the Senate on February 26, 1923, and approved by President Coolidge in his message to Congress on its assembling in regular session in December last, that the United States subscribe to the protocol creating the court, is as dead as Cæsar unless the country can be in some manner aroused in its support. Singularly enough the proposal thus commended by two Republican Presidents, including the suggestion as to reservations, has the concurrence of every Democratic Member of the Senate save the few who were opposed to the covenant of the League of Nations, and yet it lies moribund before the Committee on Foreign Relations without having any part in any known program of the majority party for the work of the current session or any session for that matter, a subject of jest, indeed, with most of those influential in the framing of such a program.

It may be of some service if the exact nature of the relation of the court to the league is recalled. Article XIV of the covenant provides—

> "The council shall formulate and submit to the members of the league for adoption plans for the establishment of a permanent court of international justice. The court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it. The court may also give an advisory opinion upon any dispute or question referred to it by the council or by the assembly."

Note that the plan to be formulated by the council is to be submitted to the members of the league for adoption. The council acts simply as a draftsman. The court comes into existence only by virtue of what amounts to a treaty between the members who adopt the plan, each subscribing to a protocol expressing its adoption. The movement to establish a world court might have been set on foot in a multitude of ways. The International Law Association might have prepared a draft of a statute for a world court and proposed to the government of the various nations that they enter into an agreement to constitute such a court pursuant to the plan offered by it. If, then, the leading nations should subscribe to a protocol giving their assent to the plan and judges were elected and the other machinery contemplated by it provided, the court would be ready to function, but it would rest on the protocol, not on any sanction it had from the unofficial voluntary association by which the plan was prepared. It may be here remarked that no nation signing the protocol for the statute drafted by the council of the league assumes any other or greater obligation than it would had it been prepared, as supposed, by the Association of International Law. Let it be recalled how the council proceeded with the work intrusted to it by Article XIV of the covenant. It called to its aid men of eminence as international lawyers, including an American, Hon. Elihu Root, constituting them a committee to draft a plan. It submitted such a plan, that with slight amendments was concurred in by the council, which then submitted it to the assembly of the league, in which every member is represented, great and small, by which body it was upon further slight amendment agreed to by the council, concurred in, and then submitted to the nations interested, 47 of which have indorsed it by subscribing to the protocol pursuant to which the court is constituted, though there are 55 members of the league.

In the work of the drafting committee of experts in international law, it was confronted at the outset with the same difficulty which the two Hague conferences had been unable to surmount, namely, a method of selecting the judges satisfactory to both the large and the small States. Credit is given to Senator Root for the suggestion which solved it. There were at hand two assemblages, in one of which, of comparatively few members, the great powers were represented and dominant, and in the other all or nearly all the small nations had an equal voice, namely, the Council and the Assembly of the League of Nations, respectively. Why not utilize these assemblages for the election of judges? It was accordingly agreed that the choice should be thus made, the successful candidate requiring a majority of the votes in the council and in the assembly. Those institutions are simply convenient agencies which are made use of under the protocol and the statute of the court for effecting the election. One of the reservations proposed by Mr. Hughes contemplates that an arrangement be effected with the interested nations by which the United States shall be represented in each of the elective bodies, when and only when it acts as such, with authority to participate in the choice on the same footing as any other nation represented therein, but without right to any part in any other work in which it may engage and without the assumption of any obligation on the part of our Government under the covenant of the League of Nations or the treaty of Versailles.

The statute of the court goes beyond the limits outlined in Article XIV of the Covenant of the League. It, as shown by the language heretofore quoted, contemplated a plan to be adopted by the members of the league only, but the statute actually framed by the committee of experts, approved by the council and the assembly and adopted by the subscribing nations, opened the way for adherence thereto not only by members of the league but by all States mentioned in the annex to the covenant for the league, whether members or not, including the United States. To that end the protocol recited that it should "remain open for signature by the members of the League of Nations and by the States mentioned in the annex to the covenant of the league." And article 35 of the statute declares that "The court shall be open to the members of the league and also to States" mentioned in the annex to the covenant.

In one other respect the court is associated with the League of Nations. The judges must be paid and the other expenses attendant upon the functioning of the court must be met. Obviously the subscribing nations ought to contribute to the defraying of such expenses in some just proportion. The members of the league contribute to its treasury in the same proportion as the powers contribute to the fund to meet the expenses of the International Postal Union. Why not, accordingly, pay the expenses of the court out of the league treasury? So it was arranged. Again, the machinery of the league—its agencies—are made use of by the parties signatory to the protocol of the World Court.

Finally, the statute provides that the court shall have compulsory jurisdiction over cases of four classes as between any of the signatory powers agreeing that it shall, a particular in which it again departs from the injunction of article 14 of the league, which contemplated giving to the court no compulsory jurisdiction whatever, but only authority to pass on such controversies as the parties chose to submit to it, evidently as they arose, further evidencing the fact that it stands on its own bottom and derives no authority whatever from the covenant. It might be added that only 15 of the 47 States subscribing to the protocol have bound themselves in advance to submit controversies within the enumerated classes to the courts. None of the leading powers have so bound themselves, and it is not proposed that the United States shall obligate itself to do so. It is free to submit or not to submit any controversy to the court. It may say at any time without offense that the particular controversy is of a class which according to the settled policy of the United States is never submitted to the determination of any tribunal or it may decline to submit without offering any reason.

Now, what is the objection to our joining the other nations of the earth in upholding this agency for peace, feeble though it may be? Bear in mind all we are asked for is to give to the court our moral support and to contribute our pittance to the expense of maintaining it, for, as disclosed by that part of article 35 of the statute heretofore quoted, our Nation is now a competent suitor before the court, being mentioned in the annex to the league covenant. We may even now agree with any other nation to submit to the court any controversy in which we are involved, and the court is competent to deal with it. We are asked to give it our cordial approval instead of standing on the side lines and sneering at it. Again the league.

On December 10 last the junior Senator from Wisconsin [Mr. LENROOT] offered a resolution quite like that proposed by Mr. Hughes, but with some additional reservations, in substance to the effect that the judges of the court should be elected after the manner following: Representatives of one group of nations, being the same as those having delegates in the council of the league, should meet. Contemporaneously representatives of all the nations, as another group, should meet, quite as the assembly of the League of Nations, in which 55 nations are now represented. These two groups are to be authorized to elect the judges in substantially the same manner as that provided in the statute as the procedure to be observed by the council and the assembly. By this hocus-pocus the judges are to be chosen by substantially the same electors, proceeding in substantially the same manner, only by the Lenroot plan the elective bodies are to be designated Group A and Group B, while under the Hughes plan they are denominated the Council of the League of Nations and the Assembly of the League of Nations, which, indeed they are not for the occasion because the United States, not a member of the league, would sit. Thus gravely it is proposed to eliminate the poison with which the present statute is infected, to disassociate it, as it is expressed, from the League of Nations. This we are to offer to 47 self-respecting nations which have set on foot this long and ardently desired tribunal as the condition of our lending it the support of our name, to reorganize the whole constitution of the court in order that the offensive name of the league shall not attach to it. More recently the senior Senator from Pennsylvania [Mr. PEPPER], on April 7, introduced a resolution to call a world conference to consider, among other things, "plans for a world court, either through a further development of the present Permanent Court of Arbitration at The Hague, or through disassociation of the present Permanent Court of International Justice at The Hague from the League of Nations." The foremost jurists of the world, acting on the committee of which Senator Root was a member, concluded, for some reason, that

it was impracticable to set up the desired court through a further development of The Hague court in the institution of which he had an honorable part. The eight great powers represented in the Council of the League of Nations thought so. The 55 nations represented in the assembly of the league thought so. What may a world conference be expected to think of the feasibility or the desirability of junking the court indorsed by 55 of the states that would be represented in such a conference? And what would such a conference be likely to reply to a proposal such as that outlined in the Lenroot resolution to disassociate the World Court from the League of Nations, a proposal which in substance is that the name of the elective bodies be changed.

I have dwelt thus at perhaps inexcusable length upon the World Court question to indicate how lamely and haltingly, notwithstanding our professions so oft repeated and the passionate desire of the people of America to promote the cause of peace, we proceed to insure it or to adopt means to make more likely the preservation of peace.

Unwarranted expectations are indulged by many with respect to the World Court. It carries no assurance whatever of continued world peace. It is but a feeble step to that end, a tribunal in which some controversies which might lead to war may be determined and thus war averted. Remember that as between the great powers it will deal with no controversies except such as they may care to submit and from its very constitution will deal only with controversies of a justiciable character, not with nonjusticiable controversies, the more likely of the two to lead to war. So we do not progress very far, even if we should give our hearty approval to the World Court. We hesitate to take even that feeble step, remembering that we were once asked to go much farther. We even refrain from active and open participation in those activities humanitarian and social in character being conducted by and through the league because it is found, by the rest of the world, a convenient agency for the conduct of work of that nature requiring international cooperation. Because there is at hand an organization suited to the purpose, the nations banded together in the league are constantly entering new fields in which to labor for the betterment of world conditions.

Set on foot by the league five international conferences have been held at Geneva during the past year: (1) Conference on obscene publications; (2) consultation on opium traffic; (3) conference on customs formalities; (4) conference on transit and communications; and (5) consultation on a new arms traffic convention. At all of these the United States was represented in an "unofficial and consultative capacity." These are only a few of the lines in which the league operates aside from what may be regarded as the central idea with which it was constituted, the composition of actual controversies between nations and the repression of wars.

At an early stage in its history, obedient to the command of the covenant, it appointed a commission on the reduction of armaments, and extended to the United States an invitation to send representatives to work with the commission, which our Government promptly and curtly declined, preferring, apparently, that there should be no reduction of armaments than that that result should be accomplished on the initiation of the league. It is evidence of some modification of view on the part of the responsible officers of the greatest nation on earth that the United States was represented by an "unofficial observer" at two meetings of the commission during the current year. The league has instituted a health organization, which in 1921 held in London a conference on sera and serological tests, and in 1923 another at Edinburgh on the standardization of biological remedies. While in the Orient last summer I met a representative of the league, an officer of the medical corps of the English Army, traveling in those parts to promote more uniform quarantine regulations and the collection and publication of more complete and accurate information concerning the existence of contagious diseases in the principal ports.

The International Labor Organization came into existence through the league. It has set up a maritime commission for the study of employment conditions at sea, the anthrax advisory committee for the study and suppression of that disease, a permanent emigration committee, a technical commission of unemployment, and other like committees dealing with related questions of international significance.

This is not a plea for the entrance of the United States into the League of Nations. Events transpiring since 1920 affect quite materially the view one must take of the problem of our relations with that organization we have so often been assured is dead, but which, somehow, refuses to stay dead, and which is, in fact, very much alive and is considered by the nations of Europe as a most valuable agency for the adjustment of the constantly recurring matters of difference among them. I do not plead for a reversal of the verdict through which the United States declined membership in the league. I plead for the active participation by our Government in any effort which may be made through it or any other channel to bring about a restoration of normal industrial activity in Europe and to establish a state of actual peace among them in every case in which it is reasonably safe to do so without entangling ourselves in their quarrels.

To illustrate: Austria was prostrate, a helpless wreck financially. A project for the reorganization of her fiscal affairs was devised through the league and successfully carried out by an eminent Dutch financier, whose services were drafted for that purpose, as were those of Mr. Root in connection with the organization of the World Court, of Mr. Elkus for the settlement of the Aaland Islands dispute, of Mr. Davis for the adjustment of the Memel controversy, of Mr. Morgenthau to promote the establishment of Greek refugees in productive work in Greece, and many other Americans in connection with the less advertized activities of the league. Why should not the United States, in its own interest, have participated in setting Austria on her feet? The league is undertaking a similar task on behalf of Hungary, again intrusting the work to an American, Mr. Jeremiah Smith. Could we not have furnished some brains to conceive and work out these plans as well as to carry them into execution? It may be difficult to measure the extent of our financial interest in a rehabilitated Austria or Hungary, or a pacified Poland and Lithuania, or an appeased Finland and Sweden; but I have labored in vain if you are not convinced that it is neither insubstantial nor remote.

And I plead for a perfectly frank avowal of our desire to be helpful in any way we can in the composition of the unfortunate controversies which survived or originated in the war for the results of which we can not divest ourselves of some share of responsibility and for participation wherever we can safely, without apology and without taking refuge in the sham of denominating our representatives as "unofficial observers" or assuring the world that they appear in an "advisory and consultative capacity."

We have long had an "unofficial observer" on or with the Reparation Commission, a kind of official eavesdropper, if his functions are those only which his title would suggest. If congressional authority is necessary to such participation it ought to be asked and freely granted, subject to such restrictions as may seem necessary to insure us against involvement in schemes of national aggrandisement or like controversies distinctly political in character.

Though they act only in an "advisory or consultative capacity," the system in vogue of sending representatives to have a part in movements which we approve, but to the expense of which we contribute nothing, is intolerable; and to frown on those we would otherwise approve because they are associated with the league argues neither good morals, good sense, nor sound business judgment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. HALTIGAN, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1631) to authorize the deferring of payments of reclamation charges.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, the pending question being on the amendment of the Committee on Finance in section 503, page 187, to strike out lines 12 to 22, inclusive, in the following words: "(f) For the purposes of this section a farmer or grower of tobacco or a tobacco growers' cooperative association shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him or handled by such association. As used in this section the term 'tobacco growers' cooperative association' means an association of farmers or growers of tobacco organized and operated as sales agent for the purpose of marketing the tobacco produced by its members and turning back to them the proceeds of sales, less the necessary selling expenses, on the basis of the quantity and quality of tobacco furnished by them" and in lieu to insert:

> (f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

Mr. SMOOT. Mr. President, I call the attention of the Senator from Kentucky [Mr. STANLEY] to the pending amendment. I know that he desires to be heard upon it.

Mr. STANLEY. Mr. President, I hope the Senate will not concur in the amendment offered by the committee. I am surprised that it was ever offered.

There was never more talk, more loose, idle, empty profession of interest in the farmer and less disposition to do anything for him. If nothing is to be done for the farmer, certainly nothing should be done to injure him. I readily admit that there is much you can not do for so vast a body. Special privilege in the nature of things is the plunder of the few at the expense of the many.

The farmer has been raising tobacco for a long time. The early Virginians bought their wives with this leaf. Not long ago I had occasion to look over the accounts kept with

wonderful accuracy by Thomas Jefferson. I found that he received more for his tobacco 150 years ago than the farmers of Kentucky and Tennessee were receiving when I assisted in organizing the first cooperative farmers' association that was ever formed in the United States or in any other country, as far as I know. They were receiving about half as much as Jefferson's tobacco sold for at that time.

Tobacco is sold under conditions entirely different from the marketing of any other agricultural commodity. The truck gardener sells his produce to the people. The producer of grain sells to a consuming public. But tobacco is sold, with the exception of a few pounds, only to organized purchasers.

I had occasion to examine this question very thoroughly 20 years ago. Then, as now, all of the tobacco in this country, with the exception of a little tobacco which is sold to small dealers to make cigars, was sold to organized purchasers. Many of those institutions have been dissolved or their dissolution has been attempted by the Federal Government because of the fact that they were monopolies. Some 20 years ago I introduced a resolution in the other House asking for an investigation of the American Tobacco Co., and specifically charging a half dozen violations of the Sherman Act. After a year of endeavor, I secured consideration of those charges. The matter was called to the reluctant attention of the Department of Justice over the open opposition of the then chairman of the Committee on the Judiciary. When suit was finally brought for the dissolution of the American Tobacco Co., Chief Justice White, in his decision dissolving it, sustained every charge I had made.

At the dissolution of the American Tobacco Co. it was simply divided into a number of nominally independent concerns between which there was no competition. One company, like the Lorillards, buys one type of tobacco, the American Tobacco Co. another, Liggett & Myers buy another, and so on; it is like dissolving a packers' combine and leaving one concern in control of poultry, another of pork, another of beef, another of mutton.

In addition to that, purchases of tobacco are made by the Imperial Tobacco Co., of Great Britain, which is a highly organized concern, and by the regies of Europe, which are government monopolies. There are the regies of France, of Japan, Italy, and other European countries; so that when a farmer brings his tobacco to the loose-leaf floor there is practically no competition. The American Snuff Co., the Lorillard Co., the Liggett & Myers Co., the American Tobacco Co., the British Imperial Co., and the regies of Europe know exactly what they want, seldom purchasing the same type of tobacco, and if they do they can exchange. Nor is it difficult for them to have a distinct understanding as to just what they will pay. That condition has been demonstrated so frequently that the tobacco growers have been compelled in self-defense to organize protective associations, to organize a system of cooperative marketing, so that to-day the tobaccos of Virginia, of Tennessee, of western Kentucky, of central Kentucky, the bright leaf that goes into the cigarette, and the dark tobacco that goes into the snuff and the plug, and the tobaccos of Wisconsin and of Connecticut and of Pennsylvania which go into certain kinds of cigars, are sold in great measure through cooperative associations, because one little tobacco tenant coming into town with a load of tobacco under a bedquilt, a few thousand pounds—his year's work—would be utterly helpless to deal with these highly organized and enormously rich concerns.

From the day that the tobacco planters first sent their tobacco over to pay for their wives, from the earliest history of this country, neither the British Government, the charter governments of the colonies, the Federal Government, nor any State government has ever questioned the right of the farmer to sell that leaf of tobacco just as he would sell a head of cabbage or lettuce or a bushel of potatoes; no Government has ever denied the tobacco planters this poor privilege until the Finance Committee—I can not ascertain what Member is responsible—denied that right to the farmer in this bill, and it is an unspeakable outrage.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from North Carolina?

Mr. STANLEY. I do.

Mr. SIMMONS. I wish to say to the Senator from Kentucky, as he has stated that he does not know who was responsible for this proposed legislation, that, so far as I am concerned, I was not present when the House provision was eliminated, I am sure, because if I had been present I should have resisted the proposition very vehemently in the committee.

Mr. SMOOT. Mr. President, the Senator from North Carolina must be mistaken about that, for I allowed the amendment to be passed over while the Senator was away because of the fact that I knew he was interested in the tobacco question.

Mr. SIMMONS. I have no recollection of the matter ever coming up when I was present in the committee.

Mr. SMOOT. But it did come up, I wish to say to the Senator, because I asked that it go over until the Senator's return.

Mr. SIMMONS. Then my attention was not called to it.

Mr. SMOOT. The Senator from Kentucky speaks of the farmer, but it is the pooling associations, not the farmers, who object to this proposition.

Mr. STANLEY. I am coming to that.

Mr. SMOOT. The pooling associations are the only ones who object to it. The farmers are not objecting to it, and the Government favors the existing law, in order that it may get the statistics and know the amount of tobacco which is being raised and sold. That is all we are proposing to do; we are not changing a word of the existing law.

Mr. FLETCHER. Mr. President, may I interrupt the Senator from Kentucky in order to make an inquiry?

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Florida?

Mr. STANLEY. I yield.

Mr. FLETCHER. I inquire of the Senator from Kentucky as to just wherein this proposed legislation works any hardship on the farmer? The proposed amendment is to strike out from line 12 to line 22, both inclusive, on page 187, in the bill as it comes from the other House, and in lieu thereof to insert:

> (f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

It would seem on the face of it that it rather removes any restrictions as to the farmer. The restrictions and the requirements apply to the dealers, and the farmers are expressly eliminated from that class.

Mr. STANLEY. Mr. President, I am delighted to have my colleague from Florida ask me that question.

I understand that tobacco is raised in Florida, and I will ask him if in Florida tobacco is sold now through cooperative associations or is the tobacco sold by the individual?

Mr. FLETCHER. The tobacco raised in Florida is mainly wrapper tobacco. We do not produce tobacco for cigarettes and for plug or snuff.

Mr. STANLEY. I understand that.

Mr. FLETCHER. It is a wrapper tobacco.

Mr. STANLEY. It is a kind of Sumatra wrapper.

Mr. FLETCHER. Yes; a type of Sumatra wrapper, and it is a very excellent wrapper indeed and has a good market; but I have an idea that very largely the price is in the hands of the buyer rather than subject to any control by the producer.

Mr. STANLEY. When the Florida tobacco growers sell their tobacco, does each farmer take his own tobacco to the market and sell it or does he sell it through agents?

Mr. FLETCHER. I think they sell it through agents. They put it in the warehouses and cure it and then it is sold through agents.

Mr. STANLEY. Now, I want to call the attention of my good friend from Florida to the fact that the man who raises that tobacco can bring it to town and sell it to whomsoever he pleases and go on about his business, but under this law, under this red tape, if he employs me to take his tobacco and his neighbor's tobacco to town I can not sell it to anybody but a dealer and then I must make out detailed accounts of what I did.

Mr. FLETCHER. But does not this amendment exempt the farmer from having to make out those detailed accounts?

Mr. STANLEY. Exactly; but I do not make myself clear. The farmer does not do that if he sells the tobacco himself, but if he says to me or to you or to a cooperative association "take my tobacco," and we sell it, then he is deprived of every right which the law now vests in him.

Mr. SMOOT. The pooling associations handle over 50 per cent of all the tobacco. The object of the existing law is to keep track of that tobacco and to report it so that the Government may know whether the tax is paid upon it. If we adopt the House provision there will be no possible chance of the department keeping a record of the tobacco; it would not know anything about whether or not the revenue was paid upon the tobacco. If the existing law is amended we will never have the proper statistics and we will never know whether the revenue is paid.

Mr. STANLEY. Mr. President, I do not think there will be any misunderstanding between the Senator from Utah and myself or between the Government representative and myself as to the operation of the law; we will get that clear first. My understanding of the law—and I think I understand it—is that a producer of tobacco can sell that tobacco to an ultimate consumer, but a dealer in tobacco can not sell it to an ultimate consumer. Is not that right?

Mr. SMOOT. Yes; that is right.

Mr. STANLEY. He must sell it to another dealer or to a manufacturer; and if any man except the farmer himself sells a leaf of tobacco, no matter whether it is manufactured or not, to a consumer he must pay a tax and must make report or become liable to heavy fines and liabilities.

Mr. BROUSSARD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. STANLEY. Certainly.

Mr. BROUSSARD. I should like to ask the Senator what becomes of the amendment to the antitrust law which we adopted in order to permit farmers to organize into cooperative associations, and which was intended to encourage farmers in getting together and marketing their crops on a cooperative basis, if, notwithstanding this amendment, they are to be subjected to penalties for failing to make returns such as the Senator describes this bill carries?

Mr. SMOOT. This amendment will not discourage the farmers at all. It simply provides that records shall be kept, so that the Government may be advised as to the amount of the tobacco. That is all that is involved in this provision.

Mr. STANLEY. I beg the Senator's pardon.

Mr. BROUSSARD. I should like to understand that. If the farmer himself sells his product, and not through a cooperative organization, is he not exempted under the amendment which the committee has proposed?

Mr. SMOOT. Yes; the committee proposes the existing law just as it is to-day.

Mr. BROUSSARD. I know that the existing law with reference to the farmer who works upon a cooperative plan of marketing has been changed, and why not permit the organization of tobacco growers to get the benefit of the law which we purposely amended in order to permit the farmer to take advantage of it?

Mr. SMOOT. I just stated why. The pooling associations sell 50 or more per cent of the tobacco, and under the House provision they will not have to make any report. How is the Government of the United States going to know anything about the amount of tobacco produced and where it is produced if we do not require pooling associations to keep any records whatever? All we are asking now is that they shall keep records.

Mr. BROUSSARD. It is not proposed to tax them?

Mr. SMOOT. No; there is no tax here at all. It is the existing provision, and it is the only way in which the Government can ascertain the amount of tobacco produced. That is all there is to the amendment.

Mr. STANLEY. Mr. President, I think the Senator is under a misapprehension.

Mr. SMOOT. I should like to have him do it if I am.

Mr. STANLEY. It is purely a misapprehension. The farmer can sell his tobacco to an ultimate consumer without paying a tax. The tobacco dealer can not.

Mr. SMOOT. Does the Senator know how much tobacco the farmer sells directly to the consumer?

Mr. STANLEY. Little or none, now.

Mr. SMOOT. That is what I say. Therefore this does not affect the farmer.

Mr. STANLEY. Now, let us see.

Mr. SMOOT. He may sell a handful of tobacco to a man somewhere, of course.

Mr. STANLEY. And this is to tax that little?

Mr. SMOOT. No, no. This entirely eliminates the farmer.

Mr. STANLEY. Mr. President, let us stick to one thing at a time. I know the incisive intellect of my able and subtle colleague from Utah, and I hope to get this thing straight as we go. In passing on the value of this privilege, the Senator overlooks the privilege itself. The farmer under the law can sell to whomsoever he pleases. Nobody else has that right; and the minute he sells to a cooperative association under this amendment the cooperative association is deprived of the right given it under the House bill of being subrogated to the rights of the farmer, of being vested with all the rights which the grower had. Under the House bill, as far as the handling and sale of tobacco is concerned, the rights of the grower and of the cooperative association are identical.

Mr. SMOOT. Yes. In other words, he does not keep any record at all.

Mr. STANLEY. Not only that, but he can sell his leaf to the ultimate consumer. The farmers' association—the pooling association, as you call it—can not do that under this amendment.

Mr. SHIELDS. Mr. President, I should like to ask the Senator from Kentucky a question.

Mr. STANLEY. Am I not right in that proposition?

Mr. SMOOT. No; the Senator is not right there. They can sell, but they must keep a record.

Mr. STANLEY. Not only that, but if a tobacco dealer sells he must pay a tax. I think the young man next to the Senator will agree with me as to that. Is not that true?

Mr. SMOOT. Certainly.

Mr. STANLEY. Well, that denies him the right, because he can not pay that tax.

Mr. SHIELDS. Mr. President, if the Senator from Kentucky will yield——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. STANLEY. Certainly.

Mr. SHIELDS. In the counties where they have these cooperative associations is the producer allowed to sell to the consumer, or must he yield control of his product to the associations?

Mr. STANLEY. The producer of tobacco can take his tobacco and peddle it from Maine to California.

Mr. SHIELDS. Oh, I know that is the law; but under this cooperative association must he turn all of his crop in to the association?

Mr. STANLEY. Exactly.

Mr. SHIELDS. Then it cuts him off from selling directly to the consumer.

Mr. STANLEY. Exactly.

Mr. SHIELDS. So, with this provision, no tobacco can be sold directly to the consumer, either by the producer or by these associations.

Mr. STANLEY. Exactly. That is the situation.

Mr. SHIELDS. That is the point I was trying to bring out. Now, when it is sold by the producer—speaking to the Senator from Utah [Mr. SMOOT]—the producer, under this language, is allowed to do it without keeping a record. Why should we require the keeping of a record when a dozen farmers unite together? Why should the failure to keep a record practically give a monopoly control of the farmer's crop? I want to say, further, here is a corn crop, here are a hundred crops of which no record is kept, and yet the right of the farmers who produce those crops to sell to the consumer is not trammeled in this way.

Mr. SMOOT. Mr. President, they are not subject to tax at all. The individual pays no tax; but here are pooling corporations that sell over 50 per cent of all the tobacco raised in the United States. The existing law is that the association has the same right as the individual has, with the exception that it must keep a record. It must say how much tobacco it purchases. It must say how much tobacco it sells.

Mr. SHIELDS. Mr. President, let me ask the Senator from Utah whether the association is not a dealer?

Mr. SMOOT. Yes.

Mr. SHIELDS. Are not all dealers taxed? The object of this provision was to take the farmer out of the dealer class, so that he would not be taxed. You put him back into it, and he does pay a tax.

Mr. SMOOT. No; he does not pay any tax.

Mr. STANLEY. He would if he sold to the ultimate consumer.

Mr. SMOOT. The farmer does not pay any tax; and we are not putting him back at all, and we are not changing the existing law one iota. The Senate committee reports here the existing law, and I will revert now and finish the answer that I started before. The other change is that the pooling corporation handling millions and millions of pounds of tobacco is taxed just the same as any other man doing business, so far as that is concerned; and there have been no objections to that, that I ever heard of, until this amendment of the House was proposed and put in.

Mr. FLETCHER. Mr. President, does the Senator classify these cooperative associations as pooling corporations?

Mr. SMOOT. Yes; they are so reported, and the only thing that we want to do with those pooling associations is to have them make reports to the Government as to the amount of tobacco they purchase and as to the amount of sales they make.

Mr. BROUSSARD. Is not that for the purpose of taxing them?

Mr. SMOOT. It is not only for the purpose of taxing them; it is for the purpose of having records kept.

Mr. BROUSSARD. I know; but I just wanted to inquire if they were not taxed.

Mr. SMOOT. Why, certainly.

Mr. BROUSSARD. A pooling corporation conducted for profit is one thing; but a cooperative farmers' association which is joined merely for the purpose of marketing members' crops is not in my judgment a pooling corporation which should subject the farmer to a tax when as an individual he is not taxed.

Mr. SMOOT. No; it is only where the association sells directly to the consumer. That is all he is taxed on.

Mr. BROUSSARD. But if the association is not selling for profit, does it not come within the provisions of the law which permits farmers to unite for the purpose of marketing their crops? It is not a pooling corporation, as I understand.

Mr. SMOOT. Under existing law and under the amendment we have here the association is not taxed unless it sells the tobacco directly to the consumer, and it never does that, with the exception of perhaps a handful of tobacco in the United States.

Mr. STANLEY. Mr. President, does the Senator know why it does not?

Mr. SMOOT. It is not because of the tax.

Mr. STANLEY. It is because of the law.

Mr. SMOOT. No; it is because of the fact that he sells to the manufacturer who handles all of the tobacco.

Mr. STANLEY. Exactly; because of this law. He did not do it.

Mr. SMOOT. The gentleman to whom the Senator refers, and also the department, recommend this amendment.

Mr. STANLEY. I do not mean to reflect on him. He is a very able young man.

Mr. SMOOT. They recommend this very amendment, and that is what they are asking for; but they ask it for two reasons.

Mr. STANLEY. Of course they do, from the standpoint of the Treasury.

Mr. SMOOT. The wholesale cigar men want it; the department wants it; we need the information for the records of the Government; and the only people I know anything about who are opposed to it are the pooling associations who sell the tobacco. They do not have to pay any tax at all unless they pay it to sell directly to the consumer, and the farmer can do that, but there are no such sales that amount to anything in the United States.

Mr. STANLEY. Now, Mr. President, I want to tell the Senator something, that I am amazed he has forgotten about the fight made on his side of the Chamber by my great deceased colleague. I did not agree with him about many things, but he was a man of splendid intellect and it was my privilege to cooperate with him in perhaps the last great fight that Senator Bradley ever made in this body, for the right of the dealer, as you call him, for the right of a subsequent vendee to sell tobacco in the natural leaf, unmanufactured, just as the farmer sells other things unmanufactured.

I had secured an amendment to this very law after years of labor. I at last convinced John W. Yerkes, the Commissioner of Internal Revenue, that it could be done without injury to the Treasury. He at last indorsed a bill giving the farmer's agent the same right that the farmer had to sell tobacco in certain quantities in cartons and in the natural leaf. We came to the Senate. Senator Aldrich then was chairman of the Finance Committee. The Senator from Utah [Mr. SMOOT] remembers that. The Senator from Virginia [Mr. SWANSON] remembers it. Senator Aldrich took the identical position that the Senator from Utah takes and that the Treasury Department takes—that it would interfere with their bookkeeping; that it would deprive them of revenue. Every great manufacturing trust that touches tobacco in the United States came here, until these lobbies and these galleries buzzed with the concurrent hum of busy, greedy, and special privilege. There never was a more pitiful sight witnessed in this country than when the farmers of Virginia, of North and South Carolina, of Tennessee, and of Kentucky—who were making at that time less than 20 cents a day—were forced to send their women and children into the fields.

It was the first time in my life that I ever saw a Kentuckian forced to send his daughters and his wife from the shelter of his home to the hardship of a furrow; and she whom but yesterday he permitted not the winds of summer to visit too roughly was driven from dawn until sunset, there in the dusty fields, to assist the half-clad, half-starved father of those children in tearing the skeleton clutch of famine from the throats of their helpless ones. These people were not making more than 20 cents a day, I tell you. The trusts had cut down the price from 10 to 3 cents inside of 90 days on tobacco which had brought 6 cents since the days of Jefferson.

Mr. SMOOT. Mr. President——.

Mr. STANLEY. I will tell the Senator all about it. I demanded the right of the farmer to turn his tobacco over to an agent to take it and sell it just as he might do in person. Aldrich fought that right, and the American Tobacco Co. fought that right, and the Imperial Tobacco Co. fought that right, and the regies of Europe fought that right, and the smart, trim, smug, accurate lovers of red tape came in here with their columns of figures and their ideas about bookkeeping and fought that right. At last we won, however, and the records of the department will show that the farmers of Kentucky sold in one year half a million dollars worth of tobacco at 15 or 20 cents a pound, and saved themselves from ruin until they could organize and protect their crop.

I was elected Governor of Kentucky, and the same interests got busy, and that law was repealed. Now I am asking that the farmer shall have the privilege of coming back once more and selling his tobacco under sane regulations through his agents as he now can sell it for himself. There is no tobacco in the natural leaf being sold now by the farmer, but if you will pass this act there will be, and that is the "nigger in the woodpile."

Mr. SMOOT. Mr. President, all the Senator says has nothing whatever to do with this amendment. It is all right to talk about what happened back in 1909. I remember very well the fight that was made by the then Senator Bradley, of Kentucky. He won out in the committee, and the committee reported it to the Senate.

Mr. STANLEY. That is right; we finally convinced them.

Mr. SMOOT. Not only that, but when it came to the floor in the Senate the Senate agreed with him, and the provision was put into the law. But that has nothing whatever to do with this amendment. By this we are simply saying that the present law shall be enforced, because the Government of the United States wants somebody to keep a record, and this would compel these pooling associations to keep records. The farmer raising the tobacco in the United States can sell his tobacco to any consumer, in any quantity, anywhere in all the United States, without any tax whatever. He is not taxed a cent. But if these pooling associations formed for handling tobacco sell it, as agents in any other business would sell the products of the business, they pay the regular tax, and that is all there is to it, Senator. There is nothing else to it. There is no intention of providing that the farmer can not sell his tobacco where he wants to. The farmer does not do it, Mr. President, and he can not do it, as has been proven in the past. That is the reason the pooling associations are formed and that is why they always will be in operation.

Mr. FLETCHER. May I interrupt the Senator? It seems we are narrowing the question down to a pretty definite point. The question then comes as to whether what the Senator from Utah calls pooling associations are operating for profit and as a business on their own account, or whether they are cooperative associations simply acting as agents of the farmers. If they are acting as agents of the farmers and represent the farmers not for profit but simply as agent for the principal producers of tobacco, it seems to me they ought not to be required to pay this tax.

Mr. SMOOT. They would be required to keep records. That is what we want more than anything else. That is what this means.

Mr. SWANSON. Let me see if I understand the Senator. He says that he would permit a farmer as an individual to sell tobacco.

Mr. SMOOT. To the consumer.

Mr. SWANSON. To the consumer?

Mr. SMOOT. Yes.

Mr. SWANSON. If he forms a cooperative association, this would prohibit him from selling——.

Mr. SMOOT. He can sell it to the consumer without paying a dollar of tax.

Mr. SWANSON. What does this do with the cooperative association?

Mr. SMOOT. If the cooperative association sells it to the consumer, it is just the same as with the farmer; but if it sells it to a manufacturer, it does not pay any tax.

Mr. SWANSON. You mean the farmer does not?

Mr. SMOOT. No; the cooperative association does not, nor does the farmer.

Mr. SWANSON. Is this legislation adverse to cooperative associations?

Mr. SMOOT. No; it is not, of course.

Mr. STANLEY. It guts them; that is all.

Mr. SMOOT. It does not change the law, except in this one particular, that it requires them to keep a record.

Mr. STANLEY. It deprives them of a right.

Mr. SWANSON. I would like to ask the Senator from North Carolina, who is well posted on this, who represents a large tobacco State, what the effect of this amendment would be?

Mr. SIMMONS. The term "dealer in tobacco" is a technical term. The dealers in tobacco described in the law are upon a different footing altogether from the producers of tobacco who sell through a warehouse. The effect of this amendment would be to continue the farmer's right to sell, and not to be treated as a dealer, but to make the associations to whom he conveys his property technically "dealers in tobacco," as described and provided for in the law. I ask the Senator from Utah if that is not so.

Mr. SMOOT. Let us get right down to this. Is the Senator concerned in relation to the tax imposed? Let us get right down to it.

Mr. SIMMONS. There is not any tax.

Mr. SMOOT. That is exactly the case. There is no tax.

Mr. SIMMONS. I do not understand that it is a question of tax at all.

Mr. SMOOT. The only question involved in this thing is as to whether they will keep records or not.

Mr. SIMMONS. The only question involved is whether the associations shall be technically dealers in tobacco, and subject to the provisions of the law with respect to dealers in tobacco.

Mr. SMOOT. There is not a change——

Mr. SIMMONS. Is not that true?

Mr. SMOOT. The thing is to have them keep records.

Mr. SIMMONS. If the House provision is eliminated, will not these associations be known technically as dealers in tobacco, and have to comply with the law applying to dealers in tobacco? Is not that true?

Mr. SMOOT. Yes; they will have to keep records.

Mr. SIMMONS. It involves more than the keeping of records.

Mr. STANLEY. If a dealer in tobacco sells tobacco in the natural leaf, does he not have to pay a tax?

Mr. SMOOT. If he sells it to a consumer he does; but he never sells it to a consumer, and the Senator knows he does not.

Mr. STANLEY. I know he will if you will give him a chance.

Mr. SMOOT. That is what was said before, but he did not.

Mr. STANLEY. He did. He sold $750,000 worth of it right there in Kentucky and Tennessee in one year, and the records of the department show it. The young man by your side will tell you so. They sold it in cartons.

Mr. SMOOT. The young man tells me differently.

Mr. STANLEY. I am willing to ask him the question as to whether there is not an account in the department showing the amount of natural leaf tobacco sold. I went to the department and inquired about it myself. I know what I am talking about.

Mr. SMOOT. If we do not adopt this amendment, we will never know what is sold to a manufacturer or to anyone else.

Mr. SIMMONS. I think it would be very helpful, in the discussion of this matter, to find out definitely what duties and obligations and restrictions will be imposed upon these cooperative associations in disposing of their tobacco, if they are made technical dealers in tobacco. If the Senator will pardon me, I will take up a little time to discuss that.

Mr. STANLEY. I shall be delighted to have the Senator do so.

Mr. SIMMONS. The provision we are now considering is subsection (f), page 187. It is a part of section 503, which the Senator will find commences on page 183.

Mr. STANLEY. I have it before me.

Mr. SIMMONS. This section reproduces section 3360 of the Revised Statutes and provides:

> Section 3360 of the Revised Statutes, as amended by section 704 of the revenue act of 1918, is reenacted without change, as follows.

This is the whole section, and (f) is a subsection to that. It starts out:

> Every dealer in leaf tobacco shall file with the collector of the district in which his business is carried on a statement in duplicate, subscribed under oath, setting forth the place.

And so on.

The next paragraph is:

> Every such dealer shall give a bond with surety.

And so on.

It provides for a bond of $500. The next paragraph reads:

> Every such dealer shall be assigned a number by the collector of the district, which number shall appear in every inventory, invoice, and report rendered by the dealer.

And there are a great many other provisions.

Mr. DIAL. Will the Senator yield?

Mr. SIMMONS. I yield.

Mr. DIAL. Why is it desired that they keep statistics, if the Government gets no revenue?

Mr. SIMMONS. That is not the question I am discussing now. I am trying to show the restrictions this act will impose upon the cooperative tobacco associations if they are defined as dealers in tobacco, and that will be the effect of eliminating the provision of the House.

Mr. SMOOT. The Senator from South Carolina asked a very pertinent question, and it ought to be answered. The only reason is that when it is ultimately sold by the manufacturer——

Mr. SIMMONS. I do not yield for the purpose of injecting something else into this statement of the restrictions which will be imposed upon these cooperative associations in disposing of their tobacco.

Mr. DIAL. We want them just as free as possible.

Mr. SIMMONS. Just as free as possible.

Mr. DIAL. As a matter of fact, some of these trusts will not buy from the cooperative associations.

Mr. SIMMONS. I am going to show the difficulties under which they must labor in disposing of their tobacco.

Mr. SWANSON. Will the Senator read the first restriction again?

Mr. SIMMONS. The first restriction was:

> Every dealer in leaf tobacco shall file with the collector of the district in which his business is carried on a statement in duplicate, subscribed under oath, setting forth the place—

Of business, and so on. Does the Senator want me to go over all these again?

Mr. SWANSON. I would like to know what the next is.

Mr. SIMMONS. The next paragraph provides that every dealer shall give a $500 bond. The next provides that every dealer shall be assigned a number by the collector of the district, "which number shall appear in every inventory, invoice, and report rendered by the dealer."

There are some other restrictions which I need not read. The next is paragraph (b), which provides:

> Every dealer in leaf tobacco shall make and deliver to the collector of the district a true inventory of the quantity of the different kinds of tobacco held or owned—

And so forth. There are 20 or 30 different kinds of tobacco, and he would have to segregate them all and report.

Mr. STANLEY. Right at that point, there are several different kinds of tobacco on every stalk.

Mr. SIMMONS. Surely. The next paragraph provides:

> Every dealer in leaf tobacco shall render such invoices and keep such records as shall be prescribed by the commissioner, and shall enter therein day by day, and upon the same day on which the circumstances, thing, or act to be recorded is done or occurs, an accurate account of the number of hogsheads, tierces, cases, and bales, and quantity of leaf tobacco—

And so on. I will not read the whole of it. When he ships it, all that has to be gone through with again. The next paragraph provides:

> Every dealer in leaf tobacco on or before the 10th day of each month shall furnish to the collector of the district a true and complete report of all purchases, receipts, and sales and shipments of leaf tobacco made by him during the month next preceding—

And so on.

Now, I come to the important provisions, the conditions and requirements which will be imposed upon these associations, if the language of the House is stricken out and they are made dealers, which will hamper and fetter and in many instances deprive the farmer of an opportunity to sell his tobacco at a profit greater than he could obtain by selling it to a regular manufacturer, which he is required to do under this act. The next paragraph is:

> Sales or shipments of leaf tobacco by a dealer in leaf tobacco shall be in quantities of not less than a hogshead, tierce, case, or bale, except loose leaf tobacco comprising the breaks on warehouse floors, and

except to a duly registered manufacturer of cigars for use in his own manufactory exclusively.

That is except where it is to be used in the manufacture of cigars, and he just makes a report as to the leaf tobacco. But that does not apply to all tobaccos; only to that particular kind of tobacco to be manufactured exclusively by the purchaser. The next paragraph provides:

Dealers in leaf tobacco shall make shipments of leaf tobacco only to other dealers in leaf tobacco, to registered manufacturers of tobacco, snuff, cigars, or cigarettes, or for export.

It limits the customers as to other dealers in leaf tobaccos, to registered manufacturers of tobacco, snuff, or cigars. Of course that is a restriction upon the persons to whom the association may sell its tobacco.

Mr. SHIELDS. Mr. President, I want to ask for a definition of the term "dealers." At present, are the associations classed by the Commissioner of Internal Revenue as dealers?

Mr. SIMMONS. If we struck out that section they would be dealers.

Mr. SHIELDS. But under the present law as administered how are they classified?

Mr. SIMMONS. I do not know how they classify them.

Mr. SHIELDS. I understand this provision is to take them out.

Mr. SIMMONS. This is to take them out just as the farmer himself is taken out.

Mr. SHIELDS. And to make it just as if the farmer was selling it himself instead of selling it through an agent.

Mr. SIMMONS. Exactly.

Mr. SHIELDS. When he employs an agent, as it is now construed—that is, one of these associations—is he then a dealer and does he have to pay the tax?

Mr. SIMMONS. The farmer?

Mr. SHIELDS. Yes. In other words, are the associations now classed as dealers in administering the revenue law?

Mr. SIMMONS. I should not imagine that they were, but I do not know definitely how that is.

Mr. SMOOT. I will say to the Senator that they are.

Mr. SHIELDS. Then they are taxed. The Senator from Utah said they were not taxed. When he says they are dealers, then, of course, they fall within the tax.

Mr. SMOOT. The Senator from Utah has already said that they could sell just the same as the farmer could sell and pay no tax. There is not a particle of difference between the farmer and the association.

Mr. SHIELDS. If he is a dealer he can do that?

Mr. SMOOT. Certainly. He can sell to a consumer and so can the farmer.

Mr. SHIELDS. But we are discussing selling to consumers.

Mr. SMOOT. If he sells to a consumer he pays the tax just the same as the grower. The grower can sell to the manufacturer without paying the tax, and so can the association.

Mr. SHIELDS. The object of the amendment is to allow the farmer, when he has a cooperative agency, to continue to sell to the consumer without paying the tax. That is the gist of it.

Mr. SMOOT. That is all.

Mr. SHIELDS. It is simply taxing a cooperative association by defining it as a dealer, and in taxing it we deprive the farmer of selling to the consumer.

Mr. SMOOT. Not at all, I will say to the Senator. The farmer is not deprived of anything.

Mr. SIMMONS. The Senator is wrong. Directly and immediately the farmer is not taxed, because we permit the farmer to sell without classifying him as a dealer or subjecting him to the requirements of a dealer in leaf tobacco. But the minute that tobacco gets into the hands of his agent, namely, the association—not sold to his agent but turned over to his agent—then the farmer's product is subjected to the same restrictions and requirements of law that apply to dealers.

Mr. SMOOT. I know the Senator does not want to misrepresent the matter.

Mr. SIMMONS. No; I do not.

Mr. SMOOT. I will say now, positively, that the association can sell to the manufacturer of any tobacco anywhere in the United States and does not pay a penny of tax.

Mr. SIMMONS. The trouble about that is that if we make him a dealer we restrict him in his sales to other leaf dealers and to manufacturers of tobacco, snuff, cigars, and cigarettes.

Mr. SMOOT. That is the only way we can have them keep records.

Mr. SWANSON. As I gather it from what the Senator has said, by making the farmer a dealer we treat the tobacco that is held in a cooperative way by an agent for the farmer as the tobacco of the purchaser, and the purchaser of the tobacco himself has to report it. When he turns over the tobacco, under this amendment the cooperative association would be treated as a purchaser of the tobacco that it simply holds in a cooperative way.

Mr. SIMMONS. Yes.

Mr. SWANSON. Is not that true?

Mr. SIMMONS. Yes.

Mr. SMOOT. It makes him keep a record; that is all.

Mr. SIMMONS. It puts him on the same footing as a warehouseman who buys tobacco upon the warehouse floor and subjects him to the same restrictions that are imposed upon the warehouseman.

Mr. SWANSON. When it comes to bonds and reports, which must be made in each district, does the Senator mean to tell me——

Mr. SIMMONS. The warehouseman is a purchaser from the farmer. These are not purchasers from the farmers.

Mr. SWANSON. That is what I said.

Mr. SIMMONS. These are people who simply group the tobacco of the farmers.

Mr. SWANSON. And the amendment would treat them as purchasers?

Mr. SIMMONS. Exactly.

Mr. SWANSON. Does that mean the farmer would have to make a report in every district in which any sales are made?

Mr. SIMMONS. He has to make a report to the collector of every district in which his business is carried on, and he has to give a bond in each State.

Mr. SWANSON. The cooperative associations that cover several States have to make a report in every district in which they have any business and give a bond in every district.

Mr. SIMMONS. Yes. Further it is provided:

Upon all leaf tobacco sold, removed, or shipped by any dealer in leaf tobacco in violation of the provisions of subdivision (c) or in respect to which no report has been made by such dealer in accordance with the provisions of subdivision (b) there shall be levied, assessed, collected, and paid a tax equal to the tax then imposed upon the manufactured tobacco, such tax to be assessed and collected in the same manner as the tax on manufactured tobacco.

That is to say, if he does not comply strictly with all those requirements and confine his sale exclusively to other dealers or to manufacturers he is to be subjected to the tax imposed under the provisions which I have just read. Then for any violation by any of the cooperative associations of the regulations of the department made under the law he would be subjected to a fine of $500 and imprisonment for one year.

Now, the one point I make is that the farmer who makes the tobacco is subject to no restriction in selling. He may sell to anybody who wants to buy; but if the farmer pools his tobacco, if the farmers of a particular neighborhood—for that is what it means—pool their tobacco and put it in the hands of the association to be sold for them and in their name, the receipts from which sales are to be theirs, they have not parted with their property. They have simply designated somebody as their agent to sell it. When sold, they have provided that the money shall be turned over to them, paying a reasonable commission, we will say, for the sale. The farmer has the right to sell as an individual. Why should he not have the same right when he is allowed to pool it and does pool it under the law? The law has given him the privilege, and he is simply exercising his right under the law.

Mr. STANLEY. In other words, why enact laws authorizing the associations and encouraging them and then enact a provision of this kind penalizing them and depriving them of the right to function?

Mr. SIMMONS. If the House provision shall be stricken out—and I want to say that provision was put in the bill, I am advised, by unanimous vote of the House—then the farmer in selling the tobacco through his agent will be subjected to all the restrictions and requirements and limitations imposed in that act, and one of those limitations is that he can only sell to certain customers. One of the chief purposes of pooling the tobacco is to enable the associations to hold the tobacco and market it in an orderly way. A great deal of tobacco is sold not to manufacturers of tobacco, not to the man who is to be the ultimate consumer, but to people who are not engaged in the business of manufacturing tobacco, not engaged in the business of dealing in tobacco, but who buy for the purpose of speculation.

Mr. STANLEY. In addition to that, I want to call to the Senator's attention, because he knows the condition as well as I do, that in the old days, as the Senator well knows, they used to sell tobacco in the hogshead, and they sampled it in three

or four places. Now they sell tobacco in the loose leaf in baskets. If, under this foolish provision, a man should go into a warehouse and want to buy a few hands of tobacco from an association to take home and smoke in his pipe, and the association should sell it to him, they could put the association officers in jail for violating the law.

Mr. SIMMONS. Unless they reported the sale.

Mr. STANLEY. Unless they reported the sale and paid a heavy tax.

Mr. SIMMONS. The tobacco is sold to the manufacturer and is put in a hogshead, a tier, or a bale, as the law provides. But sales are frequently made of the entire lot of tobacco within the warehouse belonging to a certain association to somebody who thinks there is a good speculation in the purchase of the tobacco and holding it in the warehouse unpacked until the demand for it on the part of the purchasers is so great that they are able to obtain a higher price than they otherwise could obtain. That privilege will be denied them. That is one of the most valuable privileges that is now enjoyed by the associations, to sell tobacco in bulk in the warehouse to somebody who is not dealing in tobacco but who wants to buy for the purpose of holding it two or three years and then selling it to a dealer. Great fortunes are made by men who are able to hold the tobacco two or three years and sell it in its cured condition. It is not fit for use in the manufacture of cigars or cigarettes until it is a year old at least. When the manufacturer buys it in the green state, of course he does not pay the same price for it that he would pay if he could buy it fully cured. The farmer has not the house in which to keep and cure it, but the association has. His association can hold the tobacco for a year or two years without selling it in the warehouse. In the meantime, if he can find a speculative dealer who would like to buy it and enjoy the privilege of holding it in the warehouse until it is cured, when it will bring a very much higher price, it is a good thing and he should have an opportunity to sell in that way. But if he is classified as a dealer and subjected to these restrictions, he can not sell it to anybody unless he be a manufacturer or a leaf dealer.

I wanted to make that clear for the Senator, so he would know what were the restrictions imposed by the bill.

Mr. STANLEY. Mr. President, to epitomize what this means, I wish to call the attention of the Senate first to the proposition that having the privilege, the poor privilege, accorded to the producer of tobacco of selling it just as he sells anything else that grows out of the soil—and there is no agricultural product except tobacco that is subjected to such restrictions—if that privilege is of any value, that value has been destroyed by this provision because, as the Senator from North Carolina has well said, the sale of tobacco by the original producer is a thing of the past. The farmer no longer sells his tobacco any more than he sells his milk. The Senator from Utah argues that the farmer is not hurt. Suppose you put a tax upon any dealer in milk or butter or cheese who sold to the ultimate consumer, to cooperative associations selling the farmer's milk or its products for him, what would be the effect upon the farmer? Do you say he would not be hurt? This right is lost. The Senator from Utah says the farmer can still sell his tobacco in the natural leaf. That reminds me of an old nursery song I used to hear when I was a child:

> Mother, may I go out to swim?
> Yes, my darling daughter.
> Hang your clothes on a hickory limb,
> But don't go near the water.

The farmer can sell to the consumer but there are no selling farmers. If this be a worthless right, it ought to be altogether abolished, but if it be a valuable right, the farmer ought not to be deprived of it by this "simple twist of the wrist."

Mr. TRAMMELL. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Kentucky yield to the Senator from Florida?

Mr. STANLEY. I yield.

Mr. TRAMMELL. I desire to state to the Senator that he is correct in saying that the sale of tobacco is through cooperative associations. That is true in my State, where they deal quite extensively in the wrapper tobacco. If this right should be restricted to the individual farmer, I do not believe that our people there would have any protection under the law, as they are compelled to sell almost exclusively in my State and in the Senator's State through marketing and cooperative organizations.

Mr. STANLEY. I am very grateful for the interruption, I will say to the Senator from Florida. At one time I remember, when the fight started for the right of the farmer to sell through cooperative associations, we found that Farrego had given bond to the Italian Government to furnish 30,000 hogsheads of Kentucky tobacco to the Italian governmental monopoly. The Italian Government was paying Farrego 12½ cents a pound for the tobacco, and he bought it for 3½ cents, selecting it from the crops of individual farmers here and there throughout the country. There is not a consumer of tobacco in France or in Portugal or in Spain or in Austria or Italy or in Japan who ever buys a pound of tobacco directly from the producer. It is all purchased from a governmental monopoly. The tobacco that goes into Great Britain pays an initial tax of over 60 cents a pound before it can enter that country, and nobody but millionaires deal in it. So the sale of tobacco is a sale to organized associations, and it is necessary for farmers to organize for the protection of their product. Now the Finance Committee comes in here and says the farmer may have the right to sell his tobacco as he pleases, but that his vendee, his agent, the man who handles the tobacco for him, can not do so.

The reasons given for depriving the farmer of that right are not tenable. It is said that without this amendment the Government will not be able to keep its books properly. The Senator from Utah has stated that, in the first place, the farmer would not sell the tobacco in the natural leaf. Let us assume that that is true; that he would not sell to the ultimate consumer at all; that he would sell the tobacco only to dealers. If he did so the Government, under the law, would have track of every ounce of that tobacco; because, as the Senator from Utah knows, and as the department knows, every dealer in tobacco is bound to keep a detailed account and to make report to the Government. So if the farmer only sells to the dealers, if he sells only to people who are bound to make a report, why require the farmers' agents to make another report? Why, when the Government has one report, compel the making of two?

Mr. SMOOT. That is for the purpose of checking up on it.

Mr. STANLEY. Exactly. We ought not to impose this difficult bookkeeping on the representative of the farmer or on his agency. In order to save to the Government a little money, in order to save the Government a little time, in order to save a few bookkeepers here in the Treasury Department, it is now proposed to deprive 4,000,000 or 5,000,000 tobacco growers of a valuable right, a valuable privilege, and to crush by intolerable burdens and technical exactions associations which are trying to protect the farmers and the growers of tobacco in the hour of their direst need.

In addition to that, the Treasury officials know or ought to know that under proper regulations there is a certain amount of this tobacco which will be sold to the ultimate customer, as it ought to be. Tobacco pays an enormous tax. It used to be 6 cents, though I think it is now 8 cents a pound.

Many of the poorer people use this tobacco in the leaf; laborers, with whom every nickel counts, who buy a "hand" just as it is wrapped up to be sold to the manufacturer, and who take it home with them and crush it up and put it in their pipes. That tobacco will probably sell for 8 or 10 cents a pound. There is, therefore, a 100 per cent tax on it. Such a buyer of tobacco would like to go to the factory or to go to the loose-leaf warehouse and buy a few pounds of that tobacco.

The men who raise this class of tobacco chew it in its natural state. They are the poorest paid laborers perhaps in this country to-day. Do Senators now tell me that it is going to break the Government to give the men who raise such tobacco the right to go and get a few pounds of it and stick it in their pockets, and yet under this proposed law should they do so a heavy prison sentence and a heavy fine may be visited upon the agent of the farmer who would sell a "hand" of tobacco to a man hired to raise it. It is an unheard of proposition. It is technicality and red tape gone mad.

The officials in the Treasury Department seem to think that the only thing to consider is whether the Government might lose 10 cents in revenue or might have to change its system of bookkeeping. They forget that there are human rights at stake; they forget that they are imposing burdens upon thousands of people who have no voice here. It is bureaucracy purblind, stubborn, I might say almost stupid, in its callous indifference to the rights of the people who are asking to be heard; to the rights of the thousands of the farmers who are selling through these cooperative associations and who come here and ask that their agents shall have the right which they themselves have. If it is unwise, if it is wrong, take it away, but do not be in the absurd position of saying that the farmer may have this right, but nobody representing the farmer may be subrogated to it.

Mr. SMOOT. Mr. President, I will say just a few words. The amendment proposed by the Finance Committee of the

Senate is the same as existing law. There are two pooling associations, or tobacco associations, in all the United States that are objecting to this amendment or to the existing law. They came to the House and had the existing law amended, as found in paragraph (f) on page 187 of the bill. There is no tobacco farmer who is interested in this amendment. Not a word has come from a tobacco farmer.

Mr. GLASS. Mr. President, does the tobacco farmer know anything about it?

Mr. SMOOT. I should judge he does.

Mr. GLASS. Why should the Senator judge that the tobacco farmer knows anything about it? I come from one of the greatest tobacco-growing States in the Union, and I did not know anything about it until I read the bill, and this bill has not been sent out to the tobacco growers of the country.

Mr. SMOOT. No; but the pooling associations, the two of which I speak, I presume have notified the tobacco growers. That is generally the case, I will say to the Senator, with practically all the items involved in such a bill as this.

Mr. GLASS. I do not think it is the case in this instance. I do not think there is a tobacco grower in the United States who would not protest this provision here if he should know about it.

Mr. SMOOT. The amendment does not propose to take a single, solitary right away from the tobacco producer.

Mr. KING. Mr. President, will my colleague yield?

Mr. SMOOT. Yes.

Mr. KING. The Senator has said that the amendment embodies the existing law. It seems to me that that should be the crux of the matter, at least as to whether people know about it. If it is the existing law, one would suppose they would know about it. I do not know whether it is the existing law or not; but if it is the existing law, I was about to ask why did the House change it and insert a different provision?

Mr. SMOOT. Because two of the pooling associations wanted it changed, I will say to the Senator. However, the amendment of the Senate committee does not interfere with the rights of the farmer, nor does it interfere with the rights of the pooling associations.

Mr. GLASS. Then why would they want it changed?

Mr. SMOOT. All the amendment means is that records shall be kept, so that when the pooling associations sell tobacco to the manufacturer the Government of the United States may follow it up and ascertain whether the manufacturer pays the tax upon the amount of tobacco which he has purchased.

Mr. STANLEY. Mr. President, may I ask the Senator a question right there?

Mr. SMOOT. Yes.

Mr. STANLEY. The pooling associations can only sell to another dealer under the law.

Mr. SMOOT. Or to a manufacturer.

Mr. STANLEY. Yes; or to a manufacturer. They can not sell under the existing law, unless this provision is put in, to the ultimate consumer.

Mr. SMOOT. No, Mr. President; they can not do that. Not only that, but they never would do it and never have done it.

Mr. STANLEY. But they have done it.

Mr. SMOOT. Perhaps they might sell a "hand" of tobacco such as the Senator has referred to.

Mr. STANLEY. I do not want to go back to that.

Mr. SMOOT. There is not anything of that kind involved in this amendment at all. It is merely a question of keeping proper records. The Treasury Department wants a record of the tobacco.

Mr. STANLEY. I do not want to go back to that question, but there was one little post office in Hancock County, just a crossroads, that was advanced to a second-class post office on account of the tobacco that was shipped out in cartons from that one point. There were men who went into the business and sold thousands of pounds right around that point, and that is the reason the law was repealed. There were hundreds of thousands of dollars of this tobacco sold in the natural leaf at one time.

Mr. SMOOT. That was not the reason the law was repealed, I will say to the Senator.

Mr. STANLEY. Be that as it may, here is what I want to ask the Senator: If he is right and there is no tobacco sold to the ultimate consumer, is there a pound of this tobacco that the cooperative associations can sell that does not go into the hands of a man who is required by law to keep the same kind of books that they keep? There is not a single pound.

Mr. SMOOT. Yes; that is true, but the question is whether there shall be a check against the pooling associations. That is all this amendment means; nothing more nor less than that. If they do not keep proper records, the Treasury Department has no chance whatever of checking up the manufacturer. All this amendment does, Mr. President, is to give the Treasury Department a chance to check up the manufacturer of tobacco and ascertain whether he has paid the tax upon all the tobacco which he manufactures.

That is what this amendment is designed to provide, and, if the amendment is not adopted and the House provision is retained, we will have to take the word as to the tax of the manufacturer alone. It is on him that the tax is imposed. The pooling associations pay no tax; they sell their tobacco without paying a tax to the manufacturer. There is not anything, Mr. President, in this amendment at all with the exception of affording the department a chance of checking up the tobacco that may be purchased and sold by the producers of tobacco of this country.

The Senator says it is the same as if we imposed a tax on milk delivered by a dealer to the ultimate consumer. Mr. President, tobacco is not delivered in that way, and it never has been delivered in that way. The items are not the same in kind, shape, or form, and, not only that, but the farmer can deliver his tobacco to the consumer if he wants to, and does not have to pay a cent of tax.

Mr. SIMMONS. Mr. President, may I ask the Senator from Utah a question?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Carolina?

Mr. SMOOT. I do.

Mr. SIMMONS. I do not agree with the Senator, but I do not want to discuss that. I do not agree with him that all that is required here is a mere report to the department so that the department may have a record of the amount of tobacco in the warehouses of the association.

Mr. SMOOT. That is all there is to it.

Mr. SIMMONS. There is a great deal more to it, as the Senator will see if he will examine it; but we will waive that. I was going to ask the Senator, if he thinks that is all that is required, why not let the House provision remain in, and amend it by providing that these associations shall make a report to the commissioner setting forth the amount of tobacco purchased by them during the year?

Mr. SMOOT. Has the Senator that amendment ready?

Mr. SIMMONS. No; I have not prepared it.

Mr. STANLEY. Just let this amendment go out, and let the House provision stand as it is.

Mr. SMOOT. The Senator from Kentucky would object to that immediately. That is all there is in this. I am perfectly willing to accept the proposition of the Senator from North Carolina. The Senator from Kentucky will not accept it, but I am ready to accept it. That proves what this means. You can talk yourself blind if you want to, but that is all there is to it.

Mr. GLASS. Mr. President, it looks to me as if the Senator from Utah is about to talk himself blind. Why get excited over as simple a proposition as this and practically impute to other people by manner and tone of voice something unworthy of the Senate?

Mr. SMOOT. Mr. President, I have simply told the truth. I am perfectly willing to accept the suggestion of the Senator from North Carolina.

Mr. GLASS. The Senator has told the truth from his point of view, and other Senators have told the truth from their point of view.

Mr. SMOOT. Certainly. I have not said anything different.

Mr. GLASS. The Senator has intimated it.

Mr. SMOOT. No, Mr. President. The Senator from Kentucky says: "No; do not accept that." I have said here that all this amendment means is that a record shall be kept so that the Government of the United States can check the figures.

Mr. GLASS. That is by no means all that it means.

Mr. SMOOT. Then why not accept the amendment suggested by the Senator from North Carolina.

Mr. GLASS. I have no objection to it. The Senator from Kentucky merely said: "Vote down this committee amendment, and then we can amend the House provision."

Mr. SMOOT. No, no; that is not what he said.

Mr. GLASS. That is what he said.

Mr. SMOOT. I will leave it to the Senator from Kentucky if that is what he said.

Mr. GLASS. I will, too.

Mr. STANLEY. I said, "Let the House provision stand as it is."

Mr. SMOOT. That is right.

Mr. STANLEY. Now, Mr. President, I know I must have done something terrible or the Senator from Utah would not have exploded as he did. I am not conscious of any deep,

sinister purpose, and I am not at all offended at being told about it, because I have caused wrath in a great many different places in fighting for the right of the farmer to sell his tobacco in the natural leaf. He is not the first one I have seen go up in the air when I have been talking about it.

Mr. SMOOT. Nobody is interfering with the farmer.

Mr. STANLEY. Every time I interfere with vested privilege in its efforts to crucify the tiller of the soil some fellow gets up and roars at me, but I do not pay any attention to that. That does not scare me.

If the Senator would be good enough to tell me just what mischief I was up to and what crime I was fixing to commit I should appreciate it.

Mr. SMOOT. Mr. President, I have the floor.

Mr. STANLEY. If the Senator would be good enough to tell me just what mischief I was up to and what crime I was fixing to commit I should appreciate it.

Mr. SMOOT. Mr. President, I have not said that the Senator committed any crime. The Senator has a perfect right to any opinion that he may express. I am telling the Senate what this amendment means, and I am telling the Senate what the Treasury Department wanted when it sought to have this amendment adopted by the Finance Committee; and not a word was said against it in the committee when it was proposed. Not a Senator voted against it.

Mr. GLASS. These associations are required to keep a record now. Nobody objects to that.

Mr. SMOOT. That is all there is to it.

Mr. GLASS. Nobody objects to that. They keep a record anyhow. They could not conduct their business without keeping a record.

Mr. SMOOT. The Senator will find out whether that is so or not. Just require it, and see if an objection will not come. That is all I care about—simply that the record shall be kept.

Mr. McLEAN. Mr. President——

Mr. STANLEY. Is the Senator willing to have it amended in this way?—

For the purposes of this section a farmer or grower of tobacco or a tobacco growers' cooperative association shall not be regarded as a leaf dealer in respect to the leaf tobacco produced by him or handled by such association. It shall have the right to sell tobacco in the natural leaf or otherwise under the same circumstances and conditions as the original grower, provided such association shall report the amount of tobacco purchased by it.

Mr. SMOOT. "And sold, and to whom sold."

Mr. STANLEY. "And sold." Is the Senator willing to accept that amendment?

Mr. SMOOT. Offhand, just from having heard the Senator read the amendment, I must say that I do not know, but I think I will. That would be perfectly satisfactory to me, if I understand it.

Mr. STANLEY. I have no objection to that.

Mr. SMOOT. I could not follow the amendment so as to see just what changes there were; but from hearing it read, I think it would be all right.

Mr. STANLEY. We can come to terms immediately, then; but there will be sore disappointment in some quarters.

Mr. SMOOT. Mr. President, all that the Senate committee wanted, and all that they expressed their opinion about was that they wanted the records kept.

Mr. GLASS. But a record is kept, and nobody can reasonably object to that requirement.

Mr. SMOOT. If the records were kept, the department would not want to have it otherwise.

Mr. SIMMONS. Mr. President, these other provisions are what the department is after.

Mr. GLASS. Let us put in that requirement.

Mr. SMOOT. That is what I want put in, and when that is in I have no other objection at all. In fact, I am perfectly willing to take the House provision with the amendment suggested by the Senator from North Carolina or the amendment suggested by the Senator from Kentucky.

Mr. SIMMONS (reading)—

Provided, That the associations shall make an annual report to the commissioner of the amount of tobacco purchased and sold by them.

Mr. STANLEY (reading)—

Each association shall make one annual report of the amount of tobacco purchased and sold by it.

Mr. SMOOT. I want them to keep records. I do not want them to report without records. I want them to keep records.

Mr. SIMMONS. They keep records.

Mr. SMOOT. Let us say so in the amendment.

Mr. SWANSON. Mr. President, they are bound to keep records of their dealings with the members of the association. All the tobacco that they have is brought there, and they have to make records of the sale of it. They are open to the inspection of anybody, and there can not be any complaint about that.

Mr. SIMMONS. Let us say, "report their purchases and sales as shown by their records."

Mr. SWANSON. There is no use in passing one law encouraging corporations for the relief of the farmer and then coming here with another law that really hampers him.

Mr. SMOOT. The law as proposed here is just exactly what it is to-day.

Mr. STANLEY. Mr. President, for the present I suggest that we cut out the Senate amendment and let the bill stand as passed by the House, and then we can perfect this amendment later on.

Mr. SMOOT. Why not agree upon it while we are dealing with it? If the records are kept, that is all I want, and that is what I am talking about; and when that amendment is agreed to I have no objection whatever to the House provision.

May I ask the Senator from Kentucky which section of the Revised Statutes is objected to? We can add a penalty there and perhaps fix the whole thing.

Mr. SIMMONS. If we put it in there, the penalties in the bill with reference to not making reports would apply.

Mr. GLASS (reading)—

Provided, That such cooperative associations shall keep available records of the sale of tobacco.

Mr. SMOOT. Mr. President, I ask unanimous consent that we pass over this amendment for the present, and then we will get together and have the amendment put in proper shape.

Mr. SWANSON. Mr. President, I may not be here at the time. As I understand, we will accept the House provision with an amendment requiring records to be kept of tobacco handled and sales made.

Mr. SMOOT. Of course, there may be some other provisions here that I shall want to take up with the Senator so as to conform to that. We want to make it so that the different provisions of the bill will agree with the amendment already offered. If it can be passed over temporarily, the Senator from Kentucky will get it in such shape that there will not be any other misunderstanding about it.

Mr. SWANSON. That will be the substance of it?

Mr. SMOOT. That will be the substance of it.

Mr. STANLEY. It is understood that the Senate amendment goes out?

Mr. SMOOT. Yes.

Mr. STANLEY. And that the House provision stands with such amendment as we may agree on?

Mr. SMOOT. With such amendment as we may agree on. I ask that it be passed over for the present, Mr. President.

The PRESIDING OFFICER. Without objection, that course will be taken.

Mr. SMOOT. The next amendment passed over is on pages 194 and 195.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 194, the amendments on lines 4 and 5 have been agreed to. The next committee amendment passed over proposes to strike out lines 10 to 24 on page 194, and lines 1 to 2 on page 195, and to insert the following:

(1) Automobile truck chassis and automobile wagon chassis sold or leased for an amount in excess of $1,000, and automobile truck bodies and automobile wagon bodies sold or leased for an amount in excess of $200 (including in both cases tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), 3 per cent. A sale or lease of an automobile truck or of an automobile wagon shall, for the purposes of this subdivision, be considered to be a sale of the chassis and of the body;

(2) Other automobile chassis and bodies and motor cycles (including tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), except tractors, 5 per cent. A sale or lease of an automobile shall, for the purposes of this subdivision, be considered to be a sale of the chassis and of the body;

(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 2½ per cent. This subdivision shall not apply to chassis or bodies for automobile trucks, automobile wagons, or other automobiles.

Mr. SMOOT. Mr. President, there are a number of Senators who are interested in this amendment, and I think we ought

to have a quorum before we begin its consideration. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fletcher	McKellar	Simmons
Ashurst	Frazier	McKinley	Smith
Bayard	George	McLean	Smoot
Borah	Gerry	McNary	Stanfield
Brandegee	Glass	Mayfield	Stanley
Brookhart	Hale	Moses	Stephens
Broussard	Harreld	Neely	Sterling
Bruce	Harris	Norbeck	Swanson
Bursum	Harrison	Norris	Trammell
Cameron	Heflin	Oddie	Underwood
Capper	Howell	Pepper	Walsh, Mass.
Curtis	Johnson, Minn.	Phipps	Walsh, Mont.
Dale	Jones, N. Mex.	Pittman	Warren
Dial	Jones, Wash.	Ralston	Watson
Dill	Kendrick	Ransdell	Weller
Edge	Keyes	Reed, Pa.	Wheeler
Edwards	King	Sheppard	Willis
Ernst	Ladd	Shields	
Ferris	Lodge	Shipstead	
Fess	McCormick	Shortridge	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, there is a quorum present.

Mr. EDGE. Mr. President, I understand we have reached Title VII, which deals, among other things, with excise taxes on automobile parts, accessories, motor trucks, and so forth. I ask the Senator in charge of the bill if the Senate Finance Committee has in any way changed, and if so to what extent, the reduction in excise taxes under this head made by the House?

Mr. SMOOT. About the only change that is made by the Senate committee is found on page 195, lines 5 and 6, which reads as follows:

and automobile truck bodies and automobile wagon bodies sold or leased for an amount in excess of $200.

In further answer to the Senator, I will say that section 700, paragraph 1, automobile trucks, is the result of a combination of the Senate amendment with the House provision and the present law. The revenue derivable under the same section of the present law is $11,000,000.

Mr. EDGE. Is that confined alone to the automobile excise tax?

Mr. SMOOT. And trucks.

Mr. EDGE. I mean anything relating to automobiles?

Mr. SMOOT. Just trucks. The House provision in relation to trucks would reduce the revenue to $6,300,000. The Senate provision would make it $300,000 less than the House provision by virtue of the addition of the words I have just read, "automobile truck bodies and automobile wagon bodies sold or leased in excess of $200." That makes a reduction of $300,000 from the revenue derivable under the House tax. I will say to the Senator the reason for that is that there are many manufacturers of truck bodies who make bodies alone and have nothing whatever to do with the automobile chassis. The committee felt that wherever those bodies were not in excess of $200 they should not be taxed. It made a difference in the revenue of $300,000.

Mr. EDGE. Has the Senator an estimate of what would have been the loss to the Government if the amendment had included trucks costing in excess of $1,000 as well as those under $1,000?

Mr. SMOOT. What the Senator means is that no tax upon trucks shall be imposed until they reach a price that is above $1,000. In other words, a truck selling for $1,200, under the proposed amendment of the association, would be taxed upon the basis of $200 instead of $1,200. I will say to the Senator that it would take more than half of the revenue provided for under the House text.

Mr. EDGE. What is the approximate revenue?

Mr. SMOOT. The approximate revenue is $6,300,000.

Mr. EDGE. The lowest amount under the amendment eliminating trucks under $1,000?

Mr. SMOOT. It would eliminate at least one-half of that amount.

Mr. EDGE. Then what am I to understand would be the result if the excise tax was eliminated entirely from trucks? It is not whether it is $200 over $1,000, but the entire excise tax, which, in my judgment, is a tax that should be eliminated as rapidly as possible.

Mr. SMOOT. Under the present law the revenue would be $11,000,000, and under the Senate committee amendment it would be $6,000,000.

Mr. EDGE. In other words, the committee has deducted about one-half of it.

Mr. SMOOT. We have deducted $5,000,000 out of the $11,000,000. We gave the trucks a reduction of $5,000,000.

Mr. EDGE. If we eliminate all the excise taxes and motor accessories and trucks and everything associated with the motor industry, what would be the loss to the Government?

Mr. SMOOT. It would be $156,000,000.

Mr. EDGE. What other excise taxes are left in the bill? We have eliminated the candy tax, have we not? What other excise taxes remain in the bill under consideration?

Mr. SMOOT. Cameras and photographic material, firearms and cartridges, and so forth.

Mr. EDGE. They appear on the following page?

Mr. SMOOT. Yes.

Mr. EDGE. They are all in that section?

Mr. SMOOT. Yes; with the exception of special items found in section 800.

Mr. EDGE. Very well. I thank the Senator.

Mr. SMOOT. Mr. President, on page 187 of the bill, paragraph (*f*), the amendment offered by the Senate committee reads as follows:

(*f*) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

I ask that the committee amendment be rejected.

Mr. FLETCHER. I understand the Senator is separating the two amendments?

Mr. SMOOT. No; I am asking that we disagree to the Senate committee amendment. The House text will then be open to amendment, and we are about to offer an amendment to that.

Mr. STANLEY. That is all right.

Mr. McKELLAR. That is according to the arrangement which has been made with the Senator from Kentucky?

Mr. STANLEY. It is entirely so.

Mr. FLETCHER. Then the Senate should disagree to what has been inserted by the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

Mr. STANLEY. Now, Mr. President, I offer to the original House paragraph (*f*) the following proviso, to come in on page 187, after line 15, and before the period:

Provided, That such cooperative associations shall be required to keep available records of all purchases and sales of tobacco, such records to be open to inspection by the agents of the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Kentucky.

The amendment was agreed to.

Mr. FLETCHER. As I understand, the committee amendment proposing to strike out the clause has been disagreed to?

Mr. SMOOT. Yes; and the amendment to the House text has been agreed to.

Mr. FLETCHER. And the House provision has also been agreed to?

Mr. SMOOT. Yes.

Mr. STANLEY. The House provision as amended has been agreed to?

Mr. SMOOT. Yes.

Mr. FLETCHER. In reference to the excise tax on page 195, which we were discussing a few moments ago, my memorandum states that it was passed over. Has it since been agreed to?

Mr. SMOOT. No; it is now before the Senate, and the question is on agreeing to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment on pages 194 and 195.

The amendment was agreed to.

The next amendment of the committee passed over was, on page 197, after line 4, to insert:

(10) Radio receiving sets, 10 per cent.

(11) Parts and accessories for radio receiving sets sold or leased to any person other than a manufacturer or producer of such sets, 10 per cent.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SMOOT. The next committee amendment passed over is on page 203.

The PRESIDING OFFICER. The amendment will be stated by the Secretary.

The READING CLERK. The next amendment passed over is, on page 203, under the heading "Title VIII—Special taxes,"

to strike out from line 12 on page 203 to line 13 on page 204, both inclusive, as follows:

CAPITAL-STOCK TAX

SEC. 700. (a) On and after July 1, 1924, in lieu of the tax imposed by section 1000 of the revenue act of 1921—

(1) Every domestic corporation shall pay annually a special excise tax with respect to carrying on or doing business equivalent to $1 for each $1,000 of so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of $5,000. In estimating the value of capital stock the surplus and undivided profits shall be included;

(2) Every foreign corporation shall pay annually a special excise tax with respect to carrying on or doing business in the United States equivalent to $1 for each $1,000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ending June 30.

(b) The taxes imposed by this section shall not apply in any year to any corporation which was not engaged in business (or, in the case of a foreign corporation, not engaged in business in the United States) during the preceding year ending June 30, nor to any corporation enumerated in section 231, nor to any insurance company subject to the tax imposed by section 243 or 246.

(c) Section 257 shall apply to all returns filed with the commissioner for purposes of the tax imposed by this section.

Mr. SMOOT. I will simply say that this amendment ought to be agreed to, because we passed upon the normal tax on corporations, increasing it from 12½ per cent to 14 per cent, and we eliminate all provision for taxes on capital stock in this section. I ask that the amendment may be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMOOT. The next amendment passed over is on page 231. I should like to call the attention of the Senator from Tennessee to the amendment.

The PRESIDING OFFICER. The Chair is informed that the amendment on page 231 was agreed to.

Mr. SMOOT. Mr. President, is the Chair sure that the amendment on page 231 was agreed to? I think the amendment was agreed to, and that then the Senator from Tennessee asked that it go over. In view of his request, I ask that the amendment be passed over for the present in order to be sure about the matter.

Mr. FLETCHER. My memorandum states that the amendment was passed over.

The PRESIDING OFFICER. The Chair is now informed that the amendment was first agreed to, and that afterwards it went over.

Mr. SMOOT. I will ask that the amendment go over for the present until the Senator from Tennessee [Mr. McKELLAR], who is temporarily absent, shall return to the Chamber. Then I shall ask to revert to it.

The PRESIDING OFFICER. Without objection, the amendment will be passed over.

The next amendment passed over was, under the heading "Title X.—Board of tax appeals," on page 234, after line 13, to strike out the section as follows:

SEC. 900. (a) There is hereby established a board to be known as the board of tax appeals (hereinafter referred to as the "board"), to be composed of such number of members, not less than 7 nor more than 28, as the President from time to time determines necessary. Each member shall be appointed by the President, with the advice and consent of the Senate, without regard to the civil service laws, but solely on the grounds of fitness to perform the duties of the office, for a term of 10 years, except that in the case of original appointments the President, in order to secure rotation in office, may make appointments for two, four, six, or eight years, and except that a member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. Any member of the board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office, but for no other reason. Each member shall receive a salary at the rate of $7,500 per annum. No member of the board shall be permitted to practice before said board or any official of the Treasury Department, or to be connected, directly or indirectly, with any person or any firm of lawyers, solicitors, accountants, or agents practicing before said board or any official of the Treasury Department on behalf of taxpayers for a period of two years after his term of office terminates, or from the time such member resigns or otherwise leaves the service of the Government. A majority of the board shall constitute a quorum for the transaction of business. A vacancy shall not impair the powers nor affect the duties of the board nor of the remaining members. The board shall designate biennially a member to act as chairman. The board may have a judicial seal, which shall be judicially noticed.

(b) The board and its divisions shall hear and determine appeals filed under sections 274, 279, 308, and 312.

And in lieu thereof to insert:

SEC. 1000. (a) There is hereby established a board to be known as the board of tax appeals (hereinafter referred to as the "board"). The board shall be composed of seven members, except that for a period of two years after the enactment of this act the board shall be composed of such number of members, not more than 28, as the President determines to be necessary.

(b) Each member of the board shall be appointed by the President, by and with the advice and consent of the Senate, solely on the grounds of fitness to perform the duties of the office. The term of office of all members who are to compose the board during the period of two years after the enactment of this act, shall expire at the end of such period. The terms of office of the first seven members who are thereafter to compose the board shall expire, two at the end of the fourth year, two at the end of the sixth year, two at the end of the eighth year, and one at the end of the tenth year, after the expiration of such two-year period. The term of office of each such member shall be designated by the President, and the terms of office of their successors shall expire 10 years after the expiration of their predecessors' terms, except that any individual appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the unexpired term of his predecessor, and a member in office at the expiration of the term for which he was appointed may continue in office until his successor is qualified. Any member of the board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office, but for no other reason. Each member shall receive a salary at the rate of $10,000 per annum.

(c) No member of the board shall be permitted to practice before the board or any official of the Bureau of Internal Revenue for a period of two years after leaving office.

(d) The board shall at least biennially designate a member to act as chairman. The board shall have a seal which shall be judicially noticed.

(e) The board and its divisions shall hear and determine appeals filed under sections 274, 279, 308, and 312. A majority of the members of the board or of any division thereof shall constitute a quorum for the transaction of the business of the board or of the division, respectively. A vacancy in the board or in any division thereof shall not impair the powers nor affect the duties of the board or division, nor of the remaining members of the board or division, respectively.

Mr. KING. Mr. President, may I inquire of the chairman of the Committee on Finance whether or not there are other amendments which may be taken up at this time? I am preparing an amendment which I wish to offer to the entire provision which is proposed to be stricken out by the committee. I dislike to delay the proceedings of the Senate; but if there are any other amendments which may be taken up at this time I shall be very glad.

Mr. SMOOT. Then I will ask that the amendment may go over temporarily.

Mr. KING. I thank the Senator.

The PRESIDING OFFICER. Without objection, the committee amendment will be passed over temporarily.

Mr. SMOOT. The next amendment passed over is on page 247, Mr. President.

The PRESIDING OFFICER. The next committee amendment passed over will be stated.

The READING CLERK. The next amendment passed over is on page 242, to strike out beginning with the word "provided," in line 6, to the end of line 10, as follows:

provided such regulations shall not enlarge or modify any provisions of this act and of any other law, and all such rules and regulations and all amendments thereto shall be annually reported to Congress.

Mr. SMOOT. That is simply surplusage and is not needed. Therefore the committee reported to strike it out.

Mr. FLETCHER. May I inquire of the Senator from Utah if that is not generally cared for in other provisions respecting regulations.

Mr. SMOOT. No; I will say to the Senator it is not. The committee propose the amendment in order to conform to the usual language throughout the bill and which is found in all other laws of this character.

Mr. FLETCHER. I think that it is a very good provision, but, as I understand, the position of the Finance Committee is that it is the law anyway and does not need to be expressed here.

Mr. SMOOT. It is surplusage.

Mr. FLETCHER. That the department has no power to make regulations which can modify or conflict with the law.

Mr. SMOOT. That is correct.

Mr. FLETCHER. I think that is a sound principle, but I am aware that in construing the authority to make regulations the courts have generally held that the power to make regulations is practically the power to legislate and that they have the effect of law. This is a safe provision to make, but if the Senator feels that it is already the law and need not be expressed here, upon that basis I have no objection to the provision going out.

Mr. SMOOT. There is not any doubt about it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment passed over was, on page 247, line 22, after the word "be," to strike out "assessed at" and insert "assessed, any proceeding in court for the collection of such tax may be begun without assessment at," so as to read:

(b) In case of a false or fraudulent return with intent to evade tax, of a failure to file a required return, or of a willful attempt in any manner to defeat or evade tax, the tax may be assessed, and a proceeding in court for the collection of such tax may be begun without assessment at any time.

Mr. SMOOT. That is to conform to the amendment that was made in section 311 (a) and section 278 (a). It merely makes all three sections harmonize. The amendment is of a clerical nature.

Mr. FLETCHER. Mr. President, I have no objection to the amendment. The objection I have to the paragraph is that it includes "a failure to file a required return" along with an effort to commit a fraud or to make a false or fraudulent return. It seems to me there is quite a difference between the two cases, and I will propose an amendment to strike out the words "of a failure to file a required return." It seems to me that it is all right to provide for summary proceedings where there is an attempt to evade a tax or to commit a fraud, but to impose a penalty of this drastic nature for a mere failure to file a required return I think would be a hardship.

Mr. KING. Mr. President, let me ask the Senator a question. Suppose that a taxpayer neglected to file the required return, does the Senator think that the Government ought to be halted in all legitimate and proper efforts to obtain the tax? Of course the Senator must answer negatively, and, if that is true, then will the Senator kindly point out what objection can there be to the proceeding herein provided? It does not assert, as I read the section, that the taxpayer is guilty of any crime; it does not impute any moral turpitude; it does not cover him with any odium; it merely permits the Government to set in operation the necessary machinery for the purpose of assessing and collecting the tax. The mere fact that he is placed in the same category so far as brackets are concerned—that is to say, being placed in the same section—does not necessarily imply that he is guilty of any serious dereliction of duty, at least any dereliction that involves moral obliquity.

Mr. FLETCHER. The point is that the taxpayer may not willfully refuse or fail to file his return, but such a thing might happen without any real neglect on his part; it might happen through oversight, and yet under this provision, without any assessment being made and without any notification or anything of that sort, he may be sued at once and brought into the Federal court. It may be a case of that sort, and I think the language is rather broad. If we should say "willful neglect," or use an expression of that kind, I should have no objection to it; but it is entirely conceivable to me that a taxpayer in the utmost good faith, and without any intention to evade the tax or any purpose to commit any fraud on the Government at all, through mere oversight, might fail to file his return. It seems to me that in those cases he ought to be notified. He ought to have a right to some sort of notice. The assessment ought to be made against him so as to give him an opportunity to explain without going into court.

Mr. SMOOT. He has that already under the provisions of the act. This is the existing law, and there has never been any complaint made of it. The words that the Senator speaks of now are exactly as the law is to-day, and I think the same provision is in all of the other acts.

Mr. FLETCHER. You are adding to the law, in effect, that proceedings may be begun without any assessment or notice. That you are adding to the present law, I think.

Mr. REED of Pennsylvania. Mr. President, I suggest that in line 22 the wording of the committee amendment ought to be changed. It ought to be "or" instead of "and."

Mr. SMOOT. Yes; it ought to be "or" instead of "and." I was going to call attention to that. On line 22 I move to strike out the word "and" and insert the word "or."

The amendment as amended was agreed to.

Mr. SMOOT. I will say to the Senator that I think the committee did agree to that amendment, and it was overlooked.

The READING CLERK. The next amendment passed over is on page 251——

Mr. SMOOT. Mr. President, the Senator from Tennessee [Mr. McKELLAR] is in the Chamber now; and I should like to return to page 231, to the tax on drafts and checks.

Mr. McKELLAR. Mr. President, I just want to say a word about that. Before I say it, I want to ask the Senator what amount of revenue is derived from this tax now.

Mr. SMOOT. The revenue from this item is $2,150,000.

Mr. McKELLAR. Mr. President, this is a tax on checks and drafts payable otherwise than at sight or on demand, and on acceptances, and on promissory notes. I can not imagine anything that would be more of a nuisance tax so far as business is concerned. It is a real, genuine nuisance tax. I do not think it ought to be imposed, and I hope it will not be imposed, and I am going to ask the Senate to vote it down.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 231, lines 3 to 15, inclusive.

The amendment was agreed to.

The next amendment passed over was, on page 251, line 23, to strike out the word "sum" followed by a quotation mark, and insert the word "sum" and a period, and the following:

(b) Except as provided in section 281 of the revenue act of 1924, claims for credit or refund (other than claims in respect of taxes imposed by the revenue act of 1916, the revenue act of 1917, or the revenue act of 1918) which at the time of the enactment of the revenue act of 1921 were barred from allowance by the period of limitation then in existence, shall not be allowed.

Mr. KING. Mr. President, for the moment I am not clear about the relevancy of that to the matter involved and its effect.

Mr. SMOOT. I will say to my colleague that this prevents any retroactive action being taken. In other words, the revenue act of 1921 had the same provision and we are rewriting the law, and therefore we do not put in "1921" in the first place, because of the fact that it was not in there; but this provision was in the act of 1921, and therefore we have to put it in this law by adding the words "which at the time of the enactment of the revenue act of 1921 were barred from allowance by the period of limitation then in existence, shall not be allowed." In other words, it is the same law, but it is bringing it up to date with this act.

Mr. KING. It does not extend the period upon the part of the taxpayer to make application for refund, or for the Government to pay the refund?

Mr. SMOOT. No.

Mr. KING. The same limitation, so far as time is concerned, is preserved in this bill?

Mr. SMOOT. Just the same.

Mr. KING. But the phraseology of the existing law must be changed because of the passage of time?

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment passed over was, on page 252, to strike out lines 6 to 8, inclusive, in the following words:

(b) This section shall not bar from allowance a claim for credit or refund filed prior to the enactment of this act which but for such enactment would have been allowable.

Mr. FLETCHER. Mr. President, before that amendment is agreed to, let me ask whether the matter is taken care of anywhere else in the bill. Why should a claim be barred now, after the enactment of this law, which had proper standing before the enactment of the law, or had been filed prior to the enactment of this law?

Mr. SMOOT. The retroactive provision of the law is taken care of by the amendment to which we have just agreed. Therefore this language is not necessary at all. They both involve the same principle.

Mr. KING. Mr. President, let me inquire about that, because I want to be certain. It would be very unjust by repealing provisions to deny the taxpayer who has invoked all the remedies which the law affords to obtain relief, the relief to which he is entitled. Is it entirely clear that the provisions of the preceding amendment——

Mr. SMOOT. This does not change the act of 1921 in any particular.

Mr. KING. Then the provisions of the act of 1921 still are preserved?

Mr. SMOOT. They are.

Mr. KING. And the rights of the taxpayer to secure refunds are fully preserved there?

Mr. SMOOT. They are preserved there just as they are in the act of 1921.

Mr. KING. I want to examine that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. SMOOT. The next amendment is on page 262, I think.

The next amendment passed over was, on page 262, line 12, after the words "rate of," to strike out "5 per cent" and insert "6 per cent," so as to make the section read:

INTEREST ON REFUNDS AND CREDITS.

SEC. 1119. Upon the allowance of a credit or refund of any internal-revenue tax erroneously or illegally assessed or collected, or of any penalty collected without authority, or of any sum which was excessive or in any manner wrongfully collected, interest shall be allowed and paid on the amount of such credit or refund at the rate of 6 per cent per annum from the date such tax, penalty, or sum was paid to the date of the allowance of the refund, or in case of a credit, to the due date of the amount against which the credit is taken, but if the amount against which the credit is taken is an additional assessment, then to the date of the assessment of that amount. The term "additional assessment" as used in this section means a further assessment for a tax of the same character previously paid in part.

Mr. SMOOT. Mr. President, that amendment should be agreed to, as all other similar amendments have been agreed to under this part of the bill. The committee decided to make the interest rate 6 per cent instead of 5 per cent in all cases, as I have explained on three or four other occasions.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. SMOOT. The next amendment is on page 274, I think.

Mr. KING. What about the one on page 263? Has that been agreed to?

Mr. SMOOT. Yes; that has been agreed to.

The next amendment passed over was, on page 274, line 22, to strike out "except subdivision (d) of section 500, effective on the expiration of 30 days after the enactment of this act."

Mr. McKELLAR. Mr. President, that ought to remain as it is, because the entire tax has been stricken out, so far as the Senate is concerned, up to date.

Mr. SMOOT. Yes; this amendment ought to be rejected, too, if that is to be the final action of the Senate. I gave notice, however, that I should offer that amendment when the bill reaches the Senate, and perhaps it will be just as well to leave it as it is now. However, we shall have to agree to it one way or the other before the bill gets into the Senate. Therefore, in order to conform to the action of the Senate, I ask that this amendment be rejected; but I give notice that if we put back in the bill the telegram and the telephone provision, then I shall ask a reconsideration of the vote by which this amendment was rejected.

Mr. McKELLAR. Of course.

Mr. KING. Mr. President, I should like to ask the Senator from Tennessee [Mr. McKELLAR] and the Senator from Ohio [Mr. WILLIS], who seem to have been triumphant in their attacks upon a provision which gave us $35,000,000 of revenue——

Mr. SMOOT. Thirty-four million dollars.

Mr. KING. Between thirty-four and thirty-five million dollars—I should like to ask those Senators what suggestions they have made to enable the Government to recoup its losses. The Senator from Ohio yesterday very courteously said that if he succeeded in accomplishing his malignant purpose he would then indicate to the members of the Finance Committee, who were struggling to find springs and fountains of revenue, an additional spring from which the copious stream might flow to replenish the exhausted Treasury of the United States.

Mr. WILLIS. But the Senator will remember that there was a condition precedent there. That was that if the Senator would aid in the purpose which I then indicated, I might be able to give him that information. The Senator refused to aid.

Mr. KING. I aided the Senator by making a speech against him.

Mr. McKELLAR. I will say to the Senator that if the Secretary of the Treasury will simply enforce section 220 of the law, either as now written or as rewritten in this bill, there will be far more funds in the Treasury than this takes out.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. SMOOT. Mr. President, there are two committee amendments here that the committee desires to offer. On page 81, I move to strike out the semicolon in line 20 and all of lines 21 to 24, both inclusive, and to insert in lieu thereof a period.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 81, line 20, it is proposed to strike out the semicolon and all of lines 21 to 24, inclusive, and to insert a period.

Mr. KING. After "Maryland"?

Mr. SMOOT. Yes; strike that all out.

Mr. McKELLAR. Will the Senator make a statement about it?

Mr. SMOOT. This is what the department sent up to me:

In the House bill, section 227 was changed at the request of the Bureau of Internal Revenue to provide that partnership and fiduciary returns shall be filed with the Commissioner of Internal Revenue rather than with the local collector. The bureau has reconsidered the question, and has now decided that in order to have complete records in the collector's office these returns should go through the collector's office. This question is purely one of administration, and one in which only the Bureau of Internal Revenue is interested. This amendment to the House bill goes back to the existing law, and provides that such returns shall be filed with the collector.

That is the explanation.

Mr. McKELLAR. Anyway, it can go to conference and can be worked out there.

Mr. FLETCHER. The Senator proposes to strike out all after "Maryland"?

Mr. SMOOT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I was about to ask the Senator from North Carolina [Mr. SIMMONS] if he was prepared to go on now with the earned-income provision on page 29.

Mr. KING. May I say to the Senator that the Senator from North Carolina has just gone to the restaurant for a moment, and as soon as he takes his Spartan meal he will be back.

Mr. REED of Pennsylvania. Mr. President, while we are waiting for that may I suggest an amendment which I think will not be objected to by the committee? On page 46, in line 3, there is an exemption given to compensation under the war risk insurance and the vocational rehabilitation acts. We have pending in the Senate and reported favorably by the Finance Committee a new codification, which will take the place of both of those acts, which is called the World War veterans' act, 1924. I suggest in order to carry out the intention of the bill and to take account of that new codification of the law that we insert after the words "rehabilitation acts," in line 3, on page 46, the words "or the World War veterans' act, 1924."

Mr. McKELLAR. Would it not be better to say "or amendment or substitute therefor"?

Mr. SMOOT. Of course, if I had any doubt about that bill passing I should have to object to the amendment at this time, but I have not the least doubt that it will pass, no matter if it does carry $27,000,000. Therefore I should have to propose the same thing later or else have a special act passed; but if it goes in it will make no difference if the bill should fail. It will go to conference, and therefore I have no objection at all to the amendment, even as a committee amendment. It was discussed as a committee amendment.

The PRESIDING OFFICER. Is there objection to the consideration of the amendment at this time? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. SMOOT. The amendment relating to earned incomes, on page 29, is the next amendment to be taken up.

Mr. KING. Will not the Senator allow that to be passed over for a moment until the Senator from North Carolina returns?

Mr. SMOOT. We can not take up the normal tax and surtax amendment because the Senator from South Carolina notified me just a little while ago that he is not prepared to go on with them, and I do not intend to crowd him for the consideration of those sections if we have anything else to go on with.

Mr. McKELLAR. Would not the Senator be willing to temporarily lay aside this bill and let us finish the naval appropriation bill? I do not see the Senator from Maine in the Chamber, but I suppose he can be found in a moment.

Mr. SMOOT. I ask unanimous consent that the revenue bill be temporarily laid aside for the consideration of the naval appropriation bill.

The PRESIDING OFFICER. Without objection, the revenue bill will be temporarily laid aside.

NAVAL APPROPRIATIONS

Mr. HALE. I ask unanimous consent that the Senate resume the consideration of the naval appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, the pending amendment of the committee being on page 39, after line 17, to insert:

Naval fuel depot, San Diego, Calif.: Storage for war heads, $60,000.

Mr. KING. I ask for a vote on that amendment.

The amendment was agreed to.

The next amendment passed over was, on page 40, line 16, where the committee propose to strike out "in all, $14,590,000," and to insert "for new construction, buildings, and improvements at air stations at a total cost not to exceed $410,000, as follows: Pearl Harbor, Hawaii, $173,000; Coco Solo, Canal Zone, $237,000; in all, $15,000,000."

Mr. KING. Mr. President, I shall be glad to hear the explanation of the chairman of the committee with respect to this amendment. My information is that we should not enter upon the expenditures contemplated in the amendment offered until after an agreement has been reached between the Navy and War Departments with respect to aviation stations. The matter has been the subject of consideration in the Committee on Naval Affairs, and a subcommittee has been appointed to confer with a subcommittee of the Military Affairs Committee of the Senate which has also been named. It is hoped that some general and comprehensive plan may be agreed upon—dealing with aviation in all of its phases. It has been felt by persons cognizant of the defects in our aviation policy that there should be greater cooperation between the two departments, and that a definite policy should be agreed upon before further expenditures should be made for aviation bases or stations. It is certain there is not that coordination between the two departments in respect to aerial defenses and needed stations and the control over the same. The House having considered these items in the bill resolved against the appropriation which the Senator is now asking for.

Mr. HALE. Mr. President, the House Naval Affairs Committee has recently reported favorably a bill recommending the expenditures contained in this amendment. The matter was not acted on in the House, I understand, on account of certain parliamentary reasons. They felt that it would be considered new legislation. The proposed amendment has to do with the building of hangars and runways at these two stations.

These are the two most important aviation stations we have outside of this continent; and I know that the Senator, who is very much interested in aviation and who believes that we should develop aviation, feels, as I do, that we should do everything that is proper to take care of these stations. At the present time they do not have hangars enough either at Coco Solo or at Pearl Harbor to take care of the airplanes that are maintained at those stations.

As far as combining with the Army is concerned, whatever is done, we shall have to have separate hangars for the Navy planes and the Army planes. So the amount recommended to be expended, no matter what plans may be made later on, will not in any way be wasted; and I hope the Senator will not feel that he has to object to this item. I regard it as one of the most important items in the bill.

Mr. KING. Mr. President, there is no disagreement between the chairman of the committee and myself as to the importance of making adequate provisions for airplanes, and I have deplored the ineptitude and procrastination of the Navy Department—indeed, what I regard as its incompetency—in dealing with the question of aviation. But little can be shown for the tens of millions of dollars expended for naval aviation since the war. We have but few planes and but little of genuine experimental value to the credit of the Navy during this period. The present situation, as it relates to aviation, is most unsatisfactory.

Mr. President, whatever criticisms I have suggested in discussing naval bills, I have been actuated by a desire to see reforms which all honest and sincere persons interested in the welfare of our Navy must regard as vital, if the Navy is to properly function and hold a proper place in the protection of our country. A survey of the work of the Navy Department during the past few years can not afford any great degree of gratification. Its machinery has been clumsy and its plans and activities uncertain and confused. I noticed in the newspaper yesterday a biting criticism of the Navy, and statements tantamount to a charge that it was deteriorating if not inefficient. It was declared that the 5-5-3 ratio had been destroyed, and that the United States was now not upon a parity with Great Britain, but had been reduced to the same ratio level or basis as Japan.

An examination of our battleships and auxiliary craft of all types will undoubtedly reveal striking defects and incongruities in the Navy, but the situation is not so serious as stated by the writer, and some of the conclusions reached by him are not in my opinion justified.

Mr. McKELLAR. Was that the criticism which was printed in the New York Times of last Sunday? There was a very extended criticism carried in that paper.

Mr. KING. By Mr. Shearer?

Mr. McKELLAR. Yes; I think it was.

Mr. KING. That is the article to which I am referring. Mr. President, the claim is made by some that there is an undermining process going on which will destroy the ratio of 5-5-3, if it has not already been destroyed. Whether the statements by Mr. Shearer or others are accurate, it is important that the experts and officers of the Navy Department give heed to all constructive criticisms and devote their energies to the development of the Navy along sane and rational lines. It is of vital importance that old fogies shall not run the Navy or that fantastic schemes and experiments shall be undertaken. The development of the Navy calls for scientific work, for the application of expert knowledge, for teamwork, for perfected organization, and for headwork backed by common sense. May I discuss briefly some matters relating to the development of the Navy in the light of the criticism contained in the article referred to.

Under the terms of the Washington treaty the United States was required to sacrifice its superiority in battleship strength, but subject to the condition that there should be such limitation of auxiliary ships as well as capital ships as would preserve the basis of 5-5-3. Of course, the ratio to be preserved permitted the maintenance of the relative aggregate strength of the respective signatories to the treaty, and did not contemplate the development of other forms of fighting ships which would disturb the basis of naval strength.

At the time of the Washington conference the United States had superiority in capital ships, and it was some sacrifice from a naval standpoint to relinquish this point of vantage. The view has been expressed by some that some participating nations have not fully met the spirit of the conference, and have sought, through auxiliary craft and other forms of naval power, a preponderant strength which disturbed the equipoise established by the Washington treaty, and this to the disadvantage of the United States.

The statement has been made by some naval experts that the final situation left the United States below the 5-5-3 ratio in auxiliary ship strength, and, of course, as we know, without limitation with respect to the latter class of vessels competition in aggregate naval power might be continued as before.

May I add, however, without assenting to or differing from the views just alluded to, that the security of this Nation will not be affected in any degree by the claimed departures by other nations from the 5-5-3 ratio. It is not a boastful or arrogant spirit which prompts the statement that this mighty Republic has no fear of any power on earth. Its mission is one of peace; it has no lust for territory or military power. Its ambitions are to develop a true democracy—to promote peace and fellowship in all the world, and by example and precept and in every proper way contribute to the happiness and freedom of the peoples of all lands. If we should lead the way toward the goal of world disarmament, all other nations will follow.

This Republic is in a position to be the moral leader of the world, great and small nations—not only look to the United States for leadership—but they desire that it shall point the way toward universal peace, and the removal of all menacing forces, to international amity, and the reign of law founded upon enduring principles of justice and righteousness.

The terms of the Washington treaty restricted the United States, as well as the other nations signatory thereto, in their battleship power, but it is declared by some naval critics that the other parties to the agreement have greatly strengthened their naval power along other lines. That was indicated in the article to which reference was made by the Senator from Tennessee, and the claim is made by some that all signatories to the treaty except the United States have violated the spirit of the treaty, if not the letter, by increasing the number of auxiliary war craft to such an extent that the ratio established has been disturbed.

In my opinion there have been rather loose statements made upon this subject, and the situation has been exaggerated. I believe that the signatories to the treaty have designed to conform to its terms. But there is some little

basis for the changes referred to when we examine the constructive program followed since the treaty was signed.

My information is that the United States has not laid down, since the naval treaty was signed, any mine layers, or light cruisers, or fleet submarines, or submarines, or destroyers, or destroyer leaders, or what might be denominated miscellaneous war craft.

Upon the other hand, Great Britain has laid down—and, of course, she had the right to do so under the treaty—one mine layer of 7,000 tons. Also she has projected officially, although nothing further has been done in the execution of the plan, 52 light cruisers to be completed in the next 10 years, 3 submarines, 2 destroyers, 1 aircraft carrier, 5 vessels which might be denominated miscellaneous, and 5 light cruisers to be incorporated in the navy estimates of the labor government for this year, and I understand that bids have been called for with respect to the 5 light cruisers.

Japan has laid down since the naval treaty was signed 6 light cruisers, 10 destroyers, 3 fleet submarines, and 10 miscellaneous vessels or craft. She has ordered, but has done nothing in the execution of the order, 4 light cruisers, 2 fleet submarines, 1 submarine, 1 destroyer, 3 light cruisers, 22 destroyers, 18 fleet submarines, and 17 submarines.

Mr. HALE rose.

Mr. KING. Does the Senator from Maine wish to interrupt me?

Mr. HALE. I find in a clipping from an Associated Press dispatch in a newspaper dated April 16 the following statement:

LONDON, April 16.—Since the Washington armament treaty was signed Great Britain has laid down but 1 submarine, as compared, so far as known here, with 6 light cruisers, 17 destroyers, and 13 submarines by Japan. This information was given to a questioner in the House of Commons to-day by Charles Ammon, parliamentary secretary to the Admiralty.

Mr. KING. That information is not in accord with that given to me. My information is that Great Britain has laid down no submarines.

Mr. HALE. I thought the Senator had just stated she had laid down one.

Mr. KING. No; I said one mine layer.

Mr. HALE. I understood the Senator to say one mine-laying submarine.

Mr. FLETCHER. If I may interrupt the Senator——

Mr. KING. Certainly.

Mr. FLETCHER. Here is a statement from William B. Shearer in which he puts the ratio at 5-3-1, the United States being 1, and says:

Not only are we outgunned so far as our battleships are concerned, but we are outnumbered in light cruisers and in fleet submarines. The British are 4 to 1 over us in light-cruiser strength and the Japanese 2½ to 1. Of this class of ships England has 53, Japan has 25, and we have 10. The new Japanese light cruisers outspeed the British light cruisers, and because of that the British Admiralty has asked for 17 more. Not only that, but Captain McNamee, naval expert now under Admiral Robison, is authority for the statement that the British have built 18 flotilla leaders, whereas we have no vessels of this class, none at all.

Mr. KING. The statement is true that we are outnumbered in light cruisers and fleet submarines. Indeed we have no scout or fleet submarines. We have spent, perhaps, one hundred and fifty millions of dollars for submarines—and do not have a single one to accompany the fleet.

But I do not agree with Mr. Shearer as to the ratio which he says now exists. The United States has a preponderating strength in capital ships, and has a treaty ratio in this craft. The fact is that the Naval Board and the Government adhered too rigidly to the 1915-16 naval program and expended too much money for capital ships and was too indifferent to submarines and aircraft.

The "old fogies" and reactionaries in the Navy fought the new methods and developments in naval warfare. They were determined to have the Nation build capital ships. Their prejudices against submarines and some other forms of naval warcraft was unconquerable, and they are in part to blame for our inferior position in various types of imperatively needed naval craft.

Mr. HALE. We have three fleet submarines which will be in commission in a short time.

Mr. KING. The Senator projects himself into the future. I am speaking of things in esse. We have no submarine now that can accompany the fleet. We have no fleet submarines and no scouting submarines. We have three that have been building for many, many months. I do not know when they will be completed. And when they are completed there is no certainty that they will serve the purpose for which they have been designed.

Mr. HALE. When they come out, if they prove in any way successful, they should be superior to any fleet submarines of any other country in the world.

Mr. KING. "If" they prove successful—"if" they are better than any others in the world—they will be better. But the experience of our Government in the construction of submarines is not very prophetic of success in the construction of submarines which will reach the high stage of perfection hoped for by my friend.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. McKELLAR. In view of the widely divergent views as to the relative strength of the British Navy, the United States Navy, and the Japanese Navy, will not the chairman of the committee be good enough to get an accurate statement of the relative strength all along the line of the three navies and put it in the RECORD? I for one am very greatly interested. We read an article in one newspaper, and we think that since the limitation of armament treaty was entered into the American Navy is quite as strong as that of Great Britain. We read another article and we find that it is not only not as strong as the British Navy, but it is infinitely weaker even than the Japanese Navy. The Senator from Maine is chairman of the Committee on Naval Affairs, and I know he has the information or can readily get it. I would like to have him put in the RECORD some authoritative or authentic statement showing the actual strength of the navies to which I have referred.

Mr. HALE. The Senator is laying out quite a program.

Mr. McKELLAR. It will not take long.

Mr. HALE. Would the Senator like to have me give the information that I have on the subject now, or would he like to have me prepare a statement and put it in the RECORD at a later time?

Mr. McKELLAR. I think it would be very much better to have it done at a later time. I hope the Senator will take occasion at a very early date to do it.

Mr. HALE. I shall be very glad to do it.

Mr. KING. In response to the suggestion made by the Senator from Tennessee that the chairman of the Committee on Naval Affairs put into the RECORD a statement showing the relative naval strength of the signatories to the treaty, I venture to observe that there will be found the same disagreements as are daily discussed when laymen and experts discuss the relative naval strength of the various nations and particularly the United States, Great Britain, and Japan.

Returning to the matter which I was considering when interrupted, France has laid down since the naval treaty was signed 3 light cruisers, 6 destroyer leaders, 12 destroyers, 6 fleet submarines, and 6 submarines. Of course, Senators are aware of the difference between a scouting submarine, a fleet submarine, and a submarine. The latter are used principally for coastal defense. France has also projected, but there is no certainty of the project being fulfilled, 6 light cruisers, 15 destroyer leaders, 24 destroyers, 30 fleet submarines, and 9 submarines.

Since the treaty was signed Italy has laid down four destroyers. She has proposed, but the proposition has not been voted upon by the legislative branch of the Government, 5 light cruisers, 20 destroyers, and 20 submarines.

Mr. President, these figures show in rather striking manner the lack of auxiliary craft laid down or constructed by the United States since the naval treaty was signed, and the other nations have given considerable attention to strengthening their submarine craft and their auxiliary craft, including light cruisers. I make the prediction that unless the United States and the other naval powers of the world meet in conference soon and agree to further limitation of naval armament that at the next session of Congress we will be called upon to appropriate not only $300,000,000, the amount carried in the present bill, but a much larger sum for the construction of auxiliary naval craft—submarines, airplanes, airplane carriers, torpedo boats, and swift cruisers. We will be called upon, in my opinion, to authorize or to approve of a plan which will in the aggregate require for its completion perhaps $200,000,000. It is important, therefore, if we are to relieve the people of taxation, if we are to seek to promote world peace and international fellowship, that at an early date a conference be held not only of naval powers but of substantially all nations of the world for the purpose of agreeing upon some rational and effective plan to secure a further limitation of armament—indeed, if it is possible, complete world disarmament.

I might say in this connection that I sometimes think our Republican friends and the administration, including the President of the United States, have exhibited an unworthy hostility to the beneficent purposes of the League of Nations and the auxiliary organizations which it has created. This opposition to the league has led the administration to refuse assent to policies and cooperative activities that would have proven of incalculable benefit not only to the United States but to the world. The League of Nations has, as one of its auxiliary but important bodies, a commission for the purpose of formulating plans to bring about world disarmament. We have been invited to participate in its conferences; and it was understood that if the Government did not participate actively the commission would welcome it in a consultative capacity. We have refused to participate or to join with them in a consultative way. We have refused to associate with 54 nations of the world that now have able men seeking to relieve the world of the burden of armament. We have refused to join with them in trying to devise some rational and practical plan to further reduce the burden of military armament and relieve the peoples of the world from the hundreds of millions of dollars of taxation annually now being imposed upon them under the military policies which obtain. There is now pending before the Senate Committee on Foreign Relations a resolution asking the President of the United States to send representatives to the commission of the League of Nations to cooperate with them in the formulation of a plan of the character to which I have referred, but that committee does not act upon the resolution or upon other resolutions before it which in my judgment, if accepted by the United States, would be conducive to world peace.

I return to the subject which I was discussing.

Our Navy has projected no new auxiliary tonnage since the Washington treaty was signed. In some of our ships we have suffered actual deterioration. For instance, there were approximately 270 first-line destroyers in 1920. Of this number 165 have been laid up practically without crews, and, of course, they will suffer deterioration. I ought to say, however, in what would seem to be the extenuation of that course—and I do not offer it by way of extenuation, but approval—that we had perhaps too many of this class of ships and there was no other course for the Navy to pursue, even if it had desired, than to put in stand-by condition or to decommission a number of destroyers.

The preservation of even an approximate 5-5-3 ratio with respect to auxiliary tonnage existing when the treaty was signed would seem to require that some of the destroyers now laid up be manned with from 25 to 40 per cent complement. It is manifest that if the ratio referred to in auxiliary tonnage shall be preserved the United States will be compelled to engage in a further building program or there must be a cessation of competitive building and competitive projects upon the part of the other naval powers.

Let me say at this point, Mr. President, that if I correctly interpret the meaning of the writer referred to by the Senator from Tennessee [Mr. McKELLAR] and the Senator from Florida [Mr. FLETCHER], I do not agree with his assumption that the Washington treaty required us to maintain a ratio of 5-5-3 in each branch of naval craft. The treaty permits a ratio of 5-5-3 in the aggregate tonnage, or, perhaps, more correctly, in the fighting strength. It did not require, assuming that it called for a maintenance of that ratio, that each of the nations should have the same relative strength with respect to each kind or type of naval craft. It did fix the number of capital ships, but it did not refer to auxiliary craft.

Mr. McKELLAR. As I understand, it was limited wholly to capital ships.

Mr. KING. It dealt with capital ships and cruisers above 10,000 tons and made some suggestions with respect to the use of submarines and poison gases. But it has been insisted by some that the United States must have the full quota of naval craft, of each type, that the other powers possess.

Mr. McKELLAR. Mr. President, if the Senator will permit me again to interrupt him, of course the Senator knows—indeed, I think I have heard the Senator himself argue—that the value of battleships or capital ships is very doubtful at this time. If that is true, if the invention of aircraft has brought it about that capital ships are practically useless in the Navy, then the limitation agreement has no effect on navies.

Mr. KING. Mr. President, I have not taken the position that capital ships were useless or even unimportant in naval warfare. I confess that my knowledge of the subject is superficial; it has been based upon rather extensive reading of submarine literature and modern instruments of naval warfare. I have read the statements of many experts—American, British, German, and French—and have endeavored to ascertain what is the proper place of the capital ship in a well-balanced and powerful navy.

I have felt that the lessons of the war have diminished somewhat the importance of capital ships. It would be folly to abandon battleships. They have their place; but they have serious limitations. The Senator from Virginia [Mr. SWANSON] has frequently called capital ships "the backbone of the Navy." I am not disposed to challenge that statement. My position is that capital ships do not and can not constitute a navy. We must have a three-plane Navy. We must have a Navy upon the surface of the water, a Navy under the surface, and a Navy in the air—a three-plane Navy. Any country that depends alone upon its capital ships will soon discover its weakness if not impotency.

The greatest experts in the world say that we could not cross the Atlantic and fight an offensive naval war, or cross the Pacific and successfully contend against a first-class naval power. Japan could no more invade the United States than she could invade the moon. Her ships could not cross the Pacific and land a combative force upon the shores of the United States. I mean she could not do that in view of the development of airplanes, of submarines, of the mine-laying devices of naval warfare, and the multitudinous instrumentalities which grew out of the experiences of the great World War.

So, Mr. President, in further reply to the Senator from Tennessee, while the battleships do have an important place in the Navy, we are failing to maintain an up-to-date fighting Navy if we neglect submarines and airplane carriers and naval aviation. That brings me to just a few sentences which I dictated upon naval aviation.

I think that even the most enthusiastic supporters of the Navy must feel depressed over the failure of the Navy Department to develop naval aviation. Appropriations have been quite generous since the war, but the progress in naval aviation has been insignificant. There must be coordination between the land and the sea forces, not only with respect to shore stations or aviation bases, but, in so far as cooperation is possible, for the purpose of construction. There is conflict between the Army and the Navy with respect to air stations.

These remarks are prompted by the amendment which the Senator from Maine has just offered.

It is clear that there has been and that there will continue to be duplications in the Army and Navy with respect to the establishment of aviation bases. It is important that attention be given by the Navy Department to aviation questions. Our developments have been unimportant, and, as I have indicated, must bring disappointment to all who believe that our Navy should be a strong and up-to-date fighting, modern Navy.

I now desire to say a few words about fleet facilities, and my remarks are prompted because of another amendment which the Senator from Maine has offered dealing with the Hawaiian Islands. In the event of a war in the Pacific Ocean our deficiencies with respect to operating facilities are great. There are no sufficient dock facilities, particularly if we might be called upon to defend the Philippine Islands.

I know the views of some Senators, and I think I am not betraying any confidence when I say I know the views of the able Senator from Virginia, who for so many years was chairman of the committee.

Mr. President, I think that any attempt to spend money upon the Philippine Islands for the establishment of a great naval base would be more or less of a waste. I think we ought to withdraw our sovereignty from the Philippine Islands, as we promised to do in the Jones Act. Bills are pending now in the Senate and in the House of Representatives calling upon the United States to relinquish its control in the Philippine Islands and to permit the people of that archipelago to establish a government conformable to their own will. But if we shall retain the Philippine Islands and a conflict should ensue in the Pacific, we would find a large number of the American people who would insist that we send our battleships and our auxiliary fighting craft to the Philippine Islands to protect that archipelago from the possible aggressions or invasions of a belligerent power.

Mr. FLETCHER. Mr. President, would it interrupt the Senator if I should again quote a few words from this article?

Mr. KING. I yield.

Mr. FLETCHER. Under the heading "Where Japan leads" it says:

> In ships and bases and fuel stored Japan has the largest naval program of all. She lost only one cruiser in the earthquake. That was the *Naka*. She has 30 new destroyers and 70 submarines under construction. Comparison there is interesting. England has 17 fleet submarines, Japan has 25, and we have just 6.

> So that so far as the fleet is concerned not only are we outgunned and outnumbered but the other significant fact is that the Japanese have transferred their fleet from the inland sea to the Pacific.
>
> Our fleets must have bases of operation. Without such bases they can not operate in war. How do we compare there? Well, England has 19 bases, Japan has many, some of them secret, and we have none. On our Atlantic coast the British bases are Halifax, Bermuda, and Jamaica. Each of these has supplies and a garrison. In the Pacific we know the Japanese bases are Kasebo, Ominato, Yokosuga, Kure, and Buko. The first four are to be enlarged and strengthened for quick maneuvers. The base at Buko is a few hundred miles from the Philippines. The American port at Manila is useless and undefended. Buko is defended; Manila is not.

That seems to be the situation so far as ships and bases and fuel stored is concerned.

Mr. KING. The statement of the writer from whom the Senator has quoted with respect to the auxiliary craft being constructed by Japan is at variance with the information which I have received. I believe that the writer is unduly alarmed over naval construction in Japan, and I think he is attributing to Japan a more elaborate construction of naval vessels than the facts justify. I do not believe that Japan has any purpose to materially increase her navy, and certainly, in view of the great disaster which has recently overtaken her, there will be but limited construction during the next few years.

Mr. FLETCHER. Mr. President, on that point may I interrupt the Senator to get his view on another question?

Mr. KING. Certainly.

Mr. FLETCHER. In reading this article I am impressed with the rather serious situation with respect to oil and oil supplies. The Senator has manifested a great deal of interest, for instance, in the merchant marine. There is a great tendency in these days to convert coal burners into oil burners. Economies would be effected by it, it is claimed, and we are making progress in that direction. I have been very much in favor of a program of that sort, but this article impresses me with the idea that perhaps we are going too far. For instance, he quotes Admiral Rodman as saying:

> The fleet could not fight a week on its oil reserves—

Meaning the whole Navy.

He gives the location of the oil reserves in this country, and the thought is that while we have an inexhaustible supply of coal—and we all know that for thousands of years we will be using coal—the question arises whether we have an inexhaustible supply of oil.

If we are not able to command an adequate fuel supply for our Navy and for our merchant ships, are we not running a great risk in converting our ships into oil burners and discarding the coal burners? That is another suggestion that comes to my mind from reading this article. I have been in favor of that conversion so far as possible, but we may be doing too much of that sort of thing—getting rid of our coal burners and converting everything into oil burners with the prospect that we may not be able to preserve and store and have available an adequate supply of fuel.

Mr. KING. Mr. President, I think the able Senator from Florida has more information upon the question that he has suggested than I have, and I would not put my judgment against his. I have tried to discover what available fields there are for oil for the Navy and for American vessels. Reports are so conflicting, may I say to the Senator, that it is impossible for us to have any intelligent, matured judgment. I have seen statements from oil men who have made the gloomy prediction that within 15 years the visible oil supply of the world would be exhausted. I know eminent oil men who have been engaged in the oil business for years, and they look with the gravest apprehension upon the approaching day—and they say it will be soon—when the oil supplies of the United States will be entirely exhausted.

England is concerned in this question, and she has been seeking oil reserves in Persia and near the Caspian Sea. Italy has recently negotiated a treaty with the Bolshevik Government of Russia, and one of the objects of the treaty, as I am advised, was that Italy might obtain oil fuel from the great oil fields of Grodno, some few hundred miles northwest of the Caspian Sea, and the oil fields of Baku upon the Caspian Sea. We hear reports of oil discoveries in South America near the Pacific coast. I have no authentic information as to these reports.

But, Mr. President, there is much in the suggestion of the Senator. With the rapidly diminishing supply of oil, and with the enormous consumption, we may well pause in our determination to abolish coal as a fuel and resort to oil as a fuel for our commercial and for naval craft. However, my information upon that matter is so limited that any opinion I might have would have but little value.

I was speaking, Mr. President, of our fleet facilities. Under the four power treaty we are interdicted from strengthening any naval base west of the Hawaiian Islands. It would seem that the only alternative is the use of floating docks, which may be of supreme importance in any contest. Of course, without docks the fleet could not maintain itself for any protracted period in the western Pacific. There is a dry dock in the Philippine Islands and, of course, with our fleet in possession of the harbors of the archipelago the dock is available. There are a number of privately owned floating docks which could be commandeered. We should, however, look to the development of satisfactory caissons which may be employed for repairs to propellers and sections of the underwater bodies of ships. However, there remains a necessity for at least one large dock capable of lifting the largest type of ship. Perhaps two such docks should be built.

Of course, I am presupposing that we shall not enter into an international agreement with the naval powers further to limit naval construction. If we did, much of what I am saying would be irrelevant and the building of many vessels which we should be compelled to construct in the near future would be unnecessary.

There should be a large floating dock immediately constructed on the Pacific coast. It is a very necessary factor in connection with our fleet facilities.

Much could be said concerning the importance of developing an operating base at Oahu. I shall pretermit what I should like to say concerning the situation there. I will say, however, that it is the natural point of initial concentration of the fleet, whether for offensive or defensive operations. Not only that, but it affords the west coast effective protection. Oahu must serve as a major point of call for all vessels engaged in line of supply duty and during any campaign in the western Pacific. Vessels bound to or from Washington, Oregon, California, or east coast ports via Panama, would pass through Oahu. Vessels should be provided to serve the fleet during protracted periods of service as well as to serve a numerous line of supply vessels. These facilities should include machinery for emergency repairs, dry docks, and fuel storage.

Of course, ample anchorage grounds at Oahu affording protection against submarine attacks are indispensable. At no great expense satisfactory deep anchorage can be obtained, and under cover of shore guns full opportunity can be afforded for a concentration, tactically, of all vessels.

There should be some development of Pearl Harbor for the berthing, docking, and repair of battleships and other large ships. There should be further technical examination made of the shores of Oahu, and indeed Pearl Harbor, before important expenditures are made upon this naval base.

In order that the Navy may be properly developed and maintained at a high standard of combative strength, large appropriations must be had. It should be the aim of the Navy Department, in order to obtain funds for the indispensable things, to practice the most rigid economy with respect to land and shore activities. There must be a retrenchment and reform in the conduct of stations and bases. The number of civilian employees must be reduced, and every possible reform inaugurated. Technical men and trained experts must be employed and consideration given to their views and recommendations. If officers of the line are placed in control of stations, yards, bases, engineering construction, and other activities calling for technical and trained scientific men, efforts should be made to secure officers with sufficient technical knowledge; failing which, their assistants should come within this category. Better still, technical and skilled and scientific men should be placed in charge of many activities now committed to the hands of less competent persons. I venture to suggest that it would be wise, also, to modify the selective system; but I shall not enter upon a discussion of that at the present time.

In view of the suggestion made by the Senator from Tennessee as to what we have of submarines, I will state that I am in receipt of a letter from the Secretary of the Navy, under date of April 28, in response to an inquiry from me made on the 24th of April in which certain specific questions were propounded, and in the letter of the Secretary he answers the questions. I ask that the letter be printed in the RECORD without my taking the time to read it. It furnishes a complete statement as to the status of our submarines.

The PRESIDENT pro tempore. Without objection, it will be so ordered.

The letter is as follows:

> NAVY DEPARTMENT,
> ASSISTANT SECRETARY'S OFFICE,
> *Washington, April 28, 1924.*
>
> MY DEAR SENATOR KING: Replying to your letter of April 24, 1924, asking certain specific questions concerning the submarines, I take pleasure in handing you the following information:

Question. Number of submarines now controlled by the Navy?

Answer. One hundred and twenty-six.

Question. Use made of same?

Answer—

In commission:	
Submarines, namely 3 N, 1 R, and 3 S at New London for training and experimental purposes	7
S submarines in the Asiatic Fleet	10
R submarines in the Hawaiian Islands	20
Submarines, namely, 9 O and 4 R in the Canal Zone	13
O submarine being decommissioned in the Canal Zone preparatory to being sold	1
S submarines with the Battle Fleet in the Pacific	12
S submarines with the control force in the Atlantic	17
Out of commission:	
Second-line submarines, namely, 8 H, 8 K, and 8 L	24
First-line submarines, namely, 6 O and 2 R	8
Fleet submarines, namely, 3 T	3
Under construction:	
Fleet submarines, namely, 3 V	3
S submarines	8
Total	126

Question. General character and condition?

Answer. H, K, and N classes—19 submarines. General reliability excellent; would be very useful in time of war for training purposes and for coast patrol.

L class—eight submarines. Four of these recently reengined with satisfactory engines. The other four not considered sufficiently reliable to meet the latest requirements of coastwise work and will probably be sold.

O and R classes, 43 submarines. Thirty of these are satisfactory and their reliability excellent, both surface and submerged. The other 13, while not so good, are creditable enough to be retained in commission.

These submarines are of great military value to the United States in defense of outlying stations and are assigned to the Canal Zone and Pearl Harbor.

S class, 50 submarines. These vessels were designed for independent operation of a general nature, similar to the *U-110* class, are practically 1,000 tons with a radius of 4,000 miles. These boats were authorized in 1916 and the last will be completed this year. They were built with a 7-inch crank shaft, which was not satisfactory, and the contractors substituted 8-inch shafts, which had originally been planned for the boats by the department. The Bureau of Engineering expects that the new crank shaft will eliminate further crank-shaft trouble. Thus far they have been satisfactory.

T class, 3 submarines. Designed in 1914 and finished in 1920 and 1921; were not satisfactory as the tandem type of engine has failed to give the performance expected.

V class, 3 submarines. These boats now under construction, 50 to 70 per cent completed.

Question. The status of the 166 submarines, paragraph 1, your letter?

Answer. Obsolete submarines sold or used as gun targets, 33; lost, 5.

Question. Number of submarines now in commission?

Answer. Eighty-eight.

Question. Number decommissioned?

Answer. Twenty-seven.

Question. Number under construction?

Answer. Eight S's and 3 V's.

Question. Status of the 3 V's.

Answer. Fifty to 70 per cent completed.

Question. To what use will the Vs be put?

Answer. To be assigned and will operate with the Battle Fleet.

Question. Will they be practically obsolete by the time of completion?

Answer. No.

In this connection the V 1, 2, and 3 come under the broad definition of fleet submarines; specifically they are known as cruiser submarines with a speed of 20 knots and a radius of 10,000 miles. The latest design of cruiser submarines which the department is anxious now to have an appropriation for will have a speed of 17 knots and a cruising radius of 18,000 miles.

The other type of fleet submarine is the mine-laying type, which, with a 15-knot speed, will have a cruising radius of 18,000 miles.

One of these mine-laying type has been recommended by the Senate Naval Committee. The Bureau of the Budget authorized appropriation for three of this type. The department is very anxious to secure this type for operation with the fleet as soon as possible, as they consider it a type of very great value.

Sincerely yours,

E. W. ESBERLE, *Acting.*

Hon. WILLIAM H. KING,
United States Senate, Washington, D. C.

Mr. KING. Now, Mr. President, in view of the fact that negotiations, as I am told, are pending to bring about cooperation between the Army and the Navy with respect to air stations and air bases, I ask the Senator if he feels that this appropriation is necessary.

Mr. HALE. I do, Mr. President. As I have already said, I do not think this would interfere with any negotiations between the Army and the Navy. It would always prove useful.

Mr. KING. Mr. President, in view of the statement of the Senator, I shall not object, but I am sure the conferees will consider the matter very carefully.

Mr. HALE. Mr. President, I have listened with a great deal of interest to the remarks of the Senator from Utah. As I have said before in the course of this debate, he has given a great deal of attention to naval matters, and his opinions are of value to the Senate and to the country. I am inclined to agree with very many of the things he has said this afternoon; and later on, when we take up these matters for legislation in the Naval Affairs Committee, I believe we can get together on some program that will really be for the good of the country.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment passed over.

The next amendment passed over was, on page 51, line 9, to strike out "$7,500,000" and insert "$8,450,000," so as to read:

The Secretary of the Navy may use the unexpended balances on the date of the approval of this act under appropriations heretofore made on account of "Increase of the Navy," together with the sum of $8,450,000, which is hereby appropriated, etc.

Mr. KING. Mr. President, is that merely a change in the totals?

Mr. HALE. That is simply for the building of a submarine instead of following out the House program of testing out an engine in one of the T-boats.

The amendment was agreed to.

The next amendment passed over was, on page 51, line 17, after the word "treaty" and the semicolon, to insert:

toward the construction of one submarine authorized by the naval act of August 29, 1916.

The amendment was agreed to.

The PRESIDENT pro tempore. The Chair is advised that that completes the committee amendments.

Mr. McKELLAR. I desire to offer an amendment.

Mr. HALE. If the Senator will pardon me, I have several committee amendments which I have been authorized to present on the floor, and I would like to have them disposed of before the individual amendments come in.

Mr. McKELLAR. That is perfectly agreeable to me.

Mr. HALE. I move, on page 14, line 8, after the word "consent," to insert a colon and the following:

Provided further, That members of the Volunteer Naval Reserve may, in the discretion of the Secretary of the Navy, be issued such articles of uniform as may be required for their drills and training, the value thereof not to exceed that authorized to be issued to other classes of the Naval Reserve Force, and to be charged against the clothing and small-stores fund.

Mr. KING. What is the object of that?

Mr. HALE. Certain of the Naval Volunteer Reserves train in the reserves with class 2, which gets retainer pay and uniforms; they should be given their uniforms. Otherwise they can not train.

Mr. KING. Did the House consider that amendment?

Mr. HALE. It was offered on the floor and went out on a point of order.

Mr. KING. Does the Senator know whether the House committee have any fundamental objection to it?

Mr. HALE. I am very sure they have not. In fact, I have talked with members of the House Committee on Naval Affairs, and they assure me that it should be adopted.

Mr. SWANSON. New York volunteers are not members of the Naval Reserve, technically——

Mr. HALE. This is not the case of the New York Volunteers. This refers to class 6 of the Naval Reserves.

Mr. SWANSON. I thought it referred to the New York Volunteers.

Mr. HALE. No; it does not.

The amendment was agreed to.

might have would have but little value.

I pleasure in handing you the following information:

Mr. HALE. I offer the following amendment, to be inserted on page 14, after the amendment just agreed to:

Provided further, That until June 30, 1925, of the Organized Militia as provided by law, such part as may be duly prescribed in any State, Territory, or for the District of Columbia, shall constitute a Naval Militia; and until June 30, 1925, such of the Naval Militia as now is in existence, and as now organized and prescribed by the Secretary of the Navy under authority of the act of Congress approved February 16, 1914, shall be a part of the Naval Reserve Force, and the Secretary of the Navy is authorized to maintain and provide for said Naval Militia as provided in said act: *Provided further*, That upon their enrollment in the Naval Reserve Force, and not otherwise until June 30, 1925, the members of said Naval Militia shall have all the benefits, gratuities, privileges, and emoluments provided by law for other members of the Naval Reserve Force; and that, with the approval of the Secretary of the Navy, duty performed in the Naval Militia may be counted as active service for the maintenance of efficiency required by law for members of the Naval Reserve Force.

The amendment was agreed to.

Mr. HALE. On page 32, after line 20, I move to insert as a new paragraph the following:

The Secretary of the Treasury is authorized and directed to transfer from the naval supply account fund an amount not exceeding $100,000 for the establishment of a permanent special working fund, which shall be charged with the net proceeds of all sales of surplus and condemned stores, with refunds to bidders at sales and to special depositors, and with all labor, overhead, material, and services incident to work done not chargeable to naval appropriations, and which shall be credited with all funds received as payment or advances for surplus stores, for condemned stores, and for all expenses incident to work not chargeable to naval appropriations.

Mr. KING. I make a point of order——

Mr. McKELLAR. Will not the Senator from Maine explain that?

Mr. HALE. The Navy has to do a good deal of work for other departments, and in some emergency cases it does work for private individuals. There is no fund from which they can make these expenditures, and very often when they are dealing with other departments they can not get the money before the work is done. In the past, in cases of this kind, they have been making the necessary expenditures, and drawing the money from the general appropriation account, but a year ago the Comptroller of the Treasury informed the Secretary of the Navy that that could not be done, that the appropriation account could only be used for expenditures for which the money had been appropriated.

Mr. McKELLAR. Does this provide——

Mr. HALE. If the Senator will allow me to finish, I will be through in a moment. The department then took up the matter, to comply with the comptroller's decision, and they have established this fund of $100,000. It is not an appropriation; it is simply a transfer from the naval supply account of $100,000 to this fund. That will give them $100,000 on which to come and go with this, and they can start the work that is necessary to be done. Then, when the work is paid for, the fund will be reimbursed. In some cases the fund will be increased. For instance, ordinarily where condemned stores are sold, the proceeds go straight into the Treasury. This amendment provides that such proceeds shall go to this fund, and then be paid into the Treasury. It is altogether a matter of bookkeeping.

Mr. McKELLAR. In substance, does this permit the Navy Department to use these funds without their being appropriated by Congress?

Mr. HALE. Not at all. The Navy is doing work for the other departments, for the Shipping Board, for the War Department, whatever has to be done for other departments by the Navy.

Mr. McKELLAR. If it is not to permit the Navy Department to spend money without an appropriation by Congress, I have no objection to it.

Mr. HALE. It is not that at all.

Mr. McKELLAR. I am opposed to any department spending any money except through appropriations from the Treasury.

Mr. KING. May I ask the Senator whether the amendment which he has just offered calls for an additional $100,000 appropriation——

Mr. HALE. It does not.

Mr. KING. Or, to use the Senator's expression, is it merely a transfer, in a bookkeeping way, from funds now in the possession of the Treasury or the Navy Department or which are carried in other items in the appropriation bill?

Mr. HALE. It has nothing to do with any item in the appropriation bill. It simply takes $100,000 from one fund and puts it in another.

Mr. KING. The appropriation has already been made?

Mr. HALE. Oh, yes.

Mr. KING. The $100,000 is in existence as a live fund somewhere in the Treasury Department?

Mr. HALE. I am glad to be able to assure the Senator that that is true.

Mr. KING. I do not want to add another $100,000 to this bill.

The PRESIDING OFFICER (Mr. FESS in the chair). The question is upon agreeing to the amendment.

The amendment was agreed to.

Mr. HALE. I have another amendment. On page 32, after line 20, I move to insert as a new paragraph, following the amendment just agreed to, this provision:

The paymaster General of the Navy is hereby authorized and directed to expend from the naval supply account, without reimbursement to the naval supply account fund, issues made by order of the Secretary of the Navy, pursuant to the directions of the President, for the relief of sufferers in Japan following the earthquake which occurred September 1, 1923.

The amendment was agreed to.

Mr. HALE. On page 37, in lines 14 and 15, I move to strike out the following words. I think I will have no difficulty in having this amendment agreed to, as it is a reduction in an item in the bill.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 37, lines 14 and 15, strike out the words "Acetylene gas plant, extension and remodeling, $22,000," and in line 18, strike out "$102,000" and insert "$80,000."

The amendment was agreed to.

Mr. HALE. On page 41, line 4, after the word "airplanes," I move to insert a colon and the following:

Provided further, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft, where such claim does not exceed the sum of $250: *Provided further*, That all claims adjusted under this authority during the fiscal year shall be reported in detail to the Congress by the Secretary of the Navy.

The amendment was agreed to.

Mr. SWANSON. Mr. President, I desire to offer the following amendment, on page 52, line 19.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 52, line 19, after the word "aircraft," insert a comma and the following:

and the number of men permitted in the respective navies.

Mr. SWANSON. Mr. President, the object of this amendment is to call a conference to perfect naval disarmament, which was not perfected at the last conference held here. As it is recalled no agreement was made respecting ships under 10,000 tons or as to aircraft. This amendment directs the President to enter into negotiations with the four other signatories, Great Britain, France, Italy, and Japan, in connection with reaching an agreement regarding limitation in the construction of all types and sizes of submarines, surface craft of 10,000 tons standard displacement or less, and aircraft.

I do not think we will have a complete system of disarmament until we enter into an agreement as to the number of enlisted men who can be maintained in the respective navies. I believe that if we limit the number of men who may be kept in the navies, as we do the number of men in the armies, it will relieve the apprehension that advantage is being taken of us by other nations by their having men prepared for naval services when we might be unprepared. I simply propose to add as an amendment to this provision in the bill the words "and the number of men permitted in the respective navies."

I believe if there had been a limitation in the number of men permitted in the respective navies at the last conference we would have had an agreement about battleships and aircraft and submarines and ships under 10,000 tons which would have been effective, and I do not believe we are going to have an effective agreement for disarmament until there is a limitation on the number of men who can be permitted in the respective navies. I think this will perfect it.

I would like to say, in this connection, that I am heartily in favor of this conference being called. It is for a naval conference, and not a general conference. But I think this Government has made a mistake for years in not accepting the invitation of the League of Nations to send a delegate to attend

the conference on disarmament fostered by the league. Fifty-four nations are assembled now engaged in trying to reach an agreement upon naval disarmament, aircraft disarmament, and military disarmament of all kinds and character. An invitation has been extended and has been pending for the United States to send a representative to that conference in order to accomplish disarmament in all parts of the world. I think we have been derelict in our duty. I think we have misrepresented the wishes of our people when we have refused to send a representative to that conference to accomplish disarmament. There can be no disarmament in the world until the United States is a party to it.

The strongest nation in the world, the most threatening nation so far as potential political power is concerned, is the United States. The rest of the world will not consent to disarm, either in aircraft, in naval armament, or in military armament of any kind, until they have an understanding with the United States. I believe we should call a naval conference and see if we can not perfect the naval agreement entered into several years ago.

In addition to that I think we are derelict in our duty, derelict in our obligations to the world, in not sending a representative to the conference of the League of Nations which is discussing all phases of armament. The invitation has been extended to us. We should accept, attend, and participate in it without entering the league, as it will simply make a recommendation for the respective governments to ratify. I hope this administration will accept the invitation—if necessary, get the consent of Congress to accept the invitation—and show an earnest desire to accomplish disarmament in the world, which is absolutely necessary in order to reduce taxes and bring back reasonable business conditions.

Mr. PEPPER. Mr. President, it seems to me that the amendment proposed by the Senator from Virginia may very usefully be adopted, so that it will become a part of the recommendation already contained in the bill, in virtue of which the President is advised to call a conference on naval disarmament or limitation of armament to be participated in by certain designated powers. It seems to me it is appropriate that such a conference or any such conference when called should take into consideration limitation of man power as well as limitation of armament. Personally I have not much hope that an effective limitation of man power can ever be agreed upon by convention or treaty for the reason that while we can standardize munitions and equipment there is no way of standardizing human service.

A man employed upon an American ship may be able to render twice the service that a man employed upon a ship of another nation might render. The varying man power of the individual is a permanent obstacle in the way of standardizing along the lines suggested by the Senator from Virginia, but it seems to me there is no reason why the subject should not receive consideration, and I for one hope that the amendment as he has proposed it will be agreed to.

I can not agree with the Senator that the United States has been either derelict or unwise in not participating in the deliberations of the body which is now considering the subject of limitation of armaments. It seems to me that is the best possible illustration of the way in which not to do the thing his amendment contemplates. A commission of experts sitting behind closed doors with instructions to proceed in secret and report in a separate secret report to the several constituent powers is the last way in the world to accomplish the thing which the Senator from Virginia and all Senators on this side of the Chamber are honestly desirous of accomplishing. The only way in which we are ever going to get a limitation of armaments is by calling a conference to meet in the open, a conference which shall command the simultaneous attention of all the world, and when we focus the enlightened opinion of all mankind on the great subject, to focus it effectively.

We can not gather little commissions of experts who, in their heart of hearts, do not want to limit the armament in which they are particularly interested. We can not gather them hopefully to sit behind closed doors. The people whose sentiments are going to control the ultimate policy of the world are the people who suffer when war is waged, and they are the people who are excluded from either information respecting or participation in the conference that is meeting over yonder. We want none of that, but we do want the kind of conference suggested in this measure as proposed to be amended by the Senator from Virginia, or, better still, we want a world conference and not a conference of some powers only.

Mr. SWANSON. If the Senator from Pennsylvania will permit me, it seems to me the only objection the Senator has urged to the conference that is now in session considering the limitation of armament is that it is secret or might be secret. If it were made an open conference, open in all of its deliberations, free and wholly open, would the Senator advise and favor the United States accepting its invitation and participating with the 54 nations in attempting to accomplish a limitation of armament?

Mr. PEPPER. I have already stated my position in the Senate on that subject, which is that any effective conference to consider the limitation of armaments must simultaneously have under consideration the thing upon which we must rely if limitation of armament is to be effective, namely, the development and codification of international law and a court of justice for applying its principles. I shall always favor the attendance by the United States at any world conference held in the open where the agenda include limitation of armaments of all sorts and development and improvement of international law, the strengthening and establishing of courts of arbitral justice and courts of international law for the purpose of enforcing it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I ask unanimous consent that at the close of business to-day the Senate take a recess until 11 o'clock to-morrow morning.

Mr. GERRY. May I ask the Senator from Utah if he has spoken to the Senator from North Carolina [Mr. SIMMONS] about the matter?

Mr. SMOOT. No; I have not.

Mr. GERRY. I think the Senator from North Carolina will want to proceed to-morrow, and I do not know whether he will be ready by 11 o'clock in the morning. I am not sure as to that, and I wondered if the Senator had consulted with him.

Mr. SMOOT. I have not as to time. I complied with his request at about 3 o'clock to-day to let the bill go over until to-morrow.

Mr. GERRY. Will the Senator make the request a little later in the day?

Mr. SMOOT. I have some very important work to do and expect to leave right away if possible.

Mr. GERRY. I should like to have the Senator make the request a little later.

Mr. SMOOT. There are other items in the bill that can be taken up to-morrow morning. There is the earned income amendment to be taken up to-morrow.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that when the Senate conclude its business to-day it shall take a recess until 11 o'clock to-morrow morning. Is there objections?

Mr. HARRISON. Mr. President, reserving the right to object, I wish to say that I realize the Senator from Utah desires to press the legislation, but it seems to me it is going along pretty well. The Committee on Agriculture and Forestry is holding hearings on the Ford proposal and the Muscle Shoals matter generally. There is a full attendance of the membership of the committee every morning. It is a very important question we are considering. We hope to close the hearings within two or three days. It is pretty hard on some of us who happen to be members of that committee and who want to be here while the revenue bill is being considered.

Mr. SMOOT. There are very few Senators actually present when we are considering the bill, as the Senator no doubt realizes.

Mr. HARRISON. The Senator knows that when we get here at 11 o'clock there must be a roll call, and we do not really get down to work until half past 11. So we do not save much time by meeting at 11 o'clock, especially when we are having so many committee meetings in the mornings.

Mr. SMOOT. The same thing applies when we meet at 12 o'clock. We have to call a quorum every day.

Mr. GERRY. I do not think the Senator will expedite the progress of the bill by meeting for the next few days at 11 o'clock. I think consideration of the bill is progressing very rapidly anyway. Just at this time I shall have to object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is made.

Mr. SMITH. On page 37, line 24, I move to amend by striking out "$20,000" and insert in lieu thereof "$30,000." I have spoken to members of the committee in reference to it. The appropriation for this purpose has been double this amount up until last year, and it has been reported that the work had

to cease for lack of sufficient funds to do the dredging necessary in front of Government property.

Mr. HALE. In view of what the Senator has said, I shall be glad to accept the amendment and take it to conference.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 37, line 24, the Senator from South Carolina proposes to strike out "$20,000" and insert "$30,000," so as to read:

Navy yard, Charleston, S. C.: Dredging to continue, $30,000.

The amendment was agreed to.

Mr. HARRISON. Mr. President, I desire to offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Mississippi will be stated.

The READING CLERK. On page 54, after line 3, insert the following as a new paragraph:

That every officer of the United States Navy or Marine Corps who was dismissed therefrom solely because he left such service in order to join, or did join, the Confederate forces for service during the War between the States shall be held and considered to have duly resigned and to have been honorably discharged therefrom, and the Secretary of the Navy is hereby authorized and directed to correct the records of such officers in accordance herewith, as of the date of their dismissal.

Mr. SMOOT. Mr. President, I would like to have the amendment reported again.

The reading clerk again read the amendment.

Mr. HARRISON. May I say to the Senator from Utah that a similar amendment has passed the Senate twice before? At the outbreak of the War between the States there were some members of the Marine Corps and Navy who left and joined the Confederate forces. This is merely to amend their records so as to show that they were not dishonorably discharged. Most of them are dead and gone, but it is merely a matter of clearing up their records. I hope the Senator will not object. Twice such amendment has already been agreed to.

Mr. SMOOT. It seems to me that immediately they will come in for pensions.

Mr. HARRISON. Indeed not; there is no pension feature involved in it. If the Senator wants to do so he can offer an amendment providing that they shall not get pensions. God knows they never have and never will get pensions.

Mr. SMOOT. They deserted from the Navy or Marine Corps.

Mr. HARRISON. They did not desert. When the war broke out between the States there were some men in the Navy and Marine Corps who left and went to the other side.

Mr. SMOOT. Is not that desertion?

Mr. HARRISON. If the Senator wants to call it that, very well; but on the record it is shown that they were dishonorably discharged.

Mr. SWANSON. Liberal people now think the War between the States is over, and that if a man made a decision in the cause and chose to go with the Conferedate forces, it was all right. This amendment would simply go back to that time and correct the records of some of the men who have made some of the best records ever made in the United States Navy.

Mr. SMOOT. There is no doubt about that.

Mr. SWANSON. Those men considered it their duty to stand by their States and they sent in their resignations. This would simply cure their record and give them credit for the splendid work they did for the Federal Government before the war. It gives them no pension.

Mr. HALE. I do not think it would be advisable to change the record in regard to the action of these men. I think as to the first part of the amendment there will probably be no objection. I do not think it would be possible to change the record in regard to a case of this kind, but I think to the first part of the amendment probably there could be no objection; that is, that these men shall have been held "to have duly resigned and to have been honorably discharged therefrom."

In all cases that have come up with reference to the soldiers of the North, where there has been a question of change of record, such bills have been vetoed by the President, on the ground that statements of fact or records could not be changed.

Mr. HARRISON. Will the Senator not let the amendment go in this form? If he shall desire to strike out the latter part in conference, at the instance of the Navy Department, there would not be any objection.

Mr. HALE. I shall be glad to do so.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. I have already sent to the desk an amendment to come in on page 53 of the bill. I desire to ask unanimous consent to perfect the amendment by inserting in line 3, after the word "moneys," the word "herein," and in line 4, after the word "expended," to insert the words "under contracts hereinafter made." Then I offer the amendment as perfected.

The PRESIDING OFFICER. Is there objection to the Senator perfecting the amendment? The Chair hears none, and the amendment will be perfected accordingly.

Mr. McKELLAR. I now offer the amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from Tennessee will be stated.

The READING CLERK. On page 53, line 20, after the word "plant" and the semicolon it is proposed to insert:

and that no part of the moneys herein appropriated or made available for the Naval Establishment shall be used or expended under contracts hereinafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States when time and facilities permit.

Mr. HALE. Mr. President, I will accept the amendment.

Mr. McKELLAR. I would rather put it to a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah desire to address himself to the amendment?

Mr. KING. I wish to address the Senate. I ask for recognition.

Mr. McKELLAR. Will not the Senator allow us first to have a vote on the amendment?

Mr. KING. No, not for a moment.

I should like to ask the chairman of the Committee on Naval Affairs whether in the amendment which has just been offered adequate safeguards are provided for the Government, so that in computing costs or in determining whether the Government may do work as cheaply as private yards the question of overhead, capital investment, and all proper factors shall be considered?

Mr. HALE. There is nothing in the wording of the bill in reference to the prices that shall be paid.

Mr. KING. Mr. President, as I understand this amendment, it is a prohibition of the Government or any official of the Government from having any repairs made to any vessel or machinery or to purchase any article or articles where the repairs can be made or the articles purchased in navy yards in the United States when time and facilities permit, regardless of price.

Mr. McKELLAR. Mr. President, I shall be very glad to explain the amendment, if the Senator will permit me, in just a word.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. The Government of the United States has established navy yards and arsenals all along the Atlantic seaboard, along the Pacific coast, and in Honolulu at enormous expense. For some reason, after having established those navy yards and keeping a corps, or at least a skeleton corps, of workers there, frequently the department has in the past gone out and bought its supplies and had repairs made in private shops when there were ample Government facilities ready to do the work. It is quite remarkable that we should build up arsenals and navy yards at great cost and expense and maintain them at great cost and expense and then decline to use them. There is no doubt in the world that having put them there and having to maintain them anyway the work can be done very much cheaper in those navy yards than it can be done in private establishments.

The real reason that policy is being opposed—not by the Senator, I will say, but by the private institutions—is because the work can be done cheaper by Government facilities. The truth of the matter is that the greater part of the cost of the work which is let to private contractors by the Navy Department is just that much added to the general expense of the Navy. Of course, after instituting these facilities and after paying out the enormous sums which are provided in the pending bill to keep them in running order we ought to utilize them.

Mr. KING. Mr. President, in the discussion of other measures in the Senate the fact was brought to the attention of Senators that at any number of navy yards estimates submitted for the repair and for the construction of vessels, not having been carefully prepared or being drawn by officers or technicians who were anxious to get the work, and not having due regard to that ordinary integrity which should characterize their conduct, were so low as to result in a great deficit, and the Government of the United States was compelled to pay the deficit. The Senator from North Carolina [Mr. OVERMAN] instanced one case where the estimate was $400,000 less than the cost. Who paid it? The Government of the United States. I submit, Mr. President, this is putting into the hands of the navy yards too much unrestricted power.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. BROOKHART. I think the Senator misunderstands the amendment. Under this amendment, whenever the time and facilities will permit, the navy yards will go ahead and do the work without the Government receiving estimates from private parties at all. The idea of incorporating the phrase as to "time and facilities" is that if a ship is disabled in Europe, away across the water, of course it will be repaired before it is brought home, as it may be necessary to repair it in foreign waters. So the department will have a little leeway in that respect. It may be that there will be times when they will abuse that privilege. I think I cited yesterday some instances where they had done so; but in all previous provisions they were required to get estimates from private parties.

As I understand, all those representing the different elements have agreed to this amendment. I know the Senator from Massachusetts [Mr. LODGE] has agreed to it; I have agreed to withdraw my amendment in favor of this one, and the Senator from Maine [Mr. HALE] has also consented to this amendment. We think it will bring about the reform the Senator from Utah suggested a moment or so ago.

Mr. KING. Mr. President, I knew that the amendment offered by the Senator from Tennessee did not ask specifically for estimates; but I called attention to the fact that heretofore when estimates were required to be submitted or bids to be offered a loss occurred, and I called attention to the fact because the statement has been made, as I understood the Senator—and that has been the argument—that naval vessels can be repaired more cheaply in Government yards than in private yards. In the past when amendments have been offered somewhat analogous to the one now under consideration they have been accompanied by a provision to the effect that the work should be done in Government yards if they could do it as cheaply as it could be done elsewhere. The fact that that provision has been omitted is almost a confession of the inability of the Government yards to construct vessels or to make repairs as cheaply as can be done by private yards. But whether that be true or not, Mr. President, I feel that the discretion ought to be left with the officers of the Navy.

Mr. BROOKHART. I think, Mr. President, that, instead of conceding that the Government can not perform the work as cheaply as it can be performed by private concerns, it is a concession exactly to the contrary. We are now satisfied to go ahead without going to the extra expense and trouble and delay of getting estimates. Everybody now believes that the Government can do the work cheaper, and the showing that I presented to the Senate yesterday on behalf of Admiral McVay was to the effect that the work was done cheaper in the Government yards than in private yards, and that in spite of the fact that the Government yards figured in an unnatural overhead that ought not to be figured in.

Mr. KING. Mr. President, the very fact, I repeat, that the amendment offered by the Senator from Tennessee is shorn of the provision usually accompanying such amendments furnishes at least the basis for a legitimate inference that those who are its proponents, or at least some of them, do not feel that the work can be done as cheaply in Government yards as it can be done elsewhere.

Mr. McKELLAR. Will the Senator yield?

Mr. KING. In a moment. If that be not the case, why should not the amendment contain the provision "if the work can be done as cheaply in Government yards as in private yards"? The Senator from Massachusetts [Mr. LODGE] yesterday said if it could be done for not to exceed 10 per cent above the price that could be obtained elsewhere; but now we find that whole idea swept aside, and the work must be done at the Government yards. It is mandatory regardless of the cost.

If the work costs 100 per cent or 200 per cent more than it can be done for in private establishments, we are making it mandatory upon the part of the officials of the Navy Department to have the work done in Government yards.

Mr. BROOKHART and Mr. McKELLAR addressed the Chair.

Mr. KING. I yield first to the Senator from Iowa.

Mr. BROOKHART. I think the Senator misunderstood the explanation made by the Senator from Massachusetts. The 10 per cent provision that he mentioned, as I recollect, was to reduce this unnatural overhead in Government yards down to 10 per cent, whereas the Senator from Maine claimed it ought to be 30 or 40 per cent, or even more than that, because much of that overhead should not logically be charged to these repairs.

Mr. KING. Whether the Senator is right or I am right, the object of it was to take out of the appraisement one of the factors determinative of the cost of repairs or construction and to give an advantage to the Government yards, which theretofore was not enjoyed by them. Now I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, what I was going to say was this: Heretofore the department, whenever it could, has insisted upon having this work done in private yards, even though it might be done more cheaply, as it appears to many, and as the facts are believed to be. Either for their own convenience or for some other reasons which need not be discussed they have preferred to have this work done in private yards rather than in their own yards. That does not apply to all the officers of the Navy, but it applies to the department.

Mr. HALE. Mr. President——

Mr. McKELLAR. This time they have used the cost feature to give them a real excuse for doing that. That is the reason why the cost feature is taken out. As I understand, the department have concluded that they will give this a trial. It applies to this year. They are going to give it a trial. They are going to see if it can be done more cheaply and if it is better for the Navy Department. For that reason the chairman of the committee has agreed to this amendment, and the members of the committee have agreed to it, and I hope it will be adopted. Let us try it out; and then another year, if it does not work well, we will know that fact, and we will be that far on the road, at any rate.

Mr. HALE. Mr. President——

Mr. McKELLAR. I yield to the Senator from Maine.

Mr. HALE. In spite of what has been said, the bulk of the work that can be done in the yards is done in the yards now. There is no case on record in the Navy where a vessel that has been hauled up for repairs has been hauled up anywhere other than in a Government yard in this country. There are cases when these vessels have been on foreign stations and have had to be repaired at foreign yards but never in this country.

Mr. KING. Mr. President, one of my objections to this provision is this: It is manifest that there is a determination upon the part of some—and I am not complaining or criticizing—to maintain as many as possible of these navy yards, construction stations and arsenals. There will be no excuse for the maintenance of some of these yards and plants and factories, if they may be denominated factories, if we shall limit the amount of work to be done. What ought to be done, of course, is to concentrate, and maintain but a few plants and bases. They should be brought up to the highest standard, so far as mechanical appliances and machinery and efficiency in operation are concerned; but we have too many of these plants, and, as I showed yesterday from the chart furnished me by the Secretary of the Navy, some of these plants are operated at from 15 to 40 per cent only of their capacity.

As long as we have legislation of this kind we will keep alive plants that ought to be closed. There is no question about it; and I am objecting to so many plants, so many organizations, so many shore stations, so many of these extraneous things, things that are not imperatively needed for the building up and maintenance of a good fighting Navy. I want more money for the fighting ships and the naval craft and less for these supernumerary, these unnecesary, organizations.

If we adopt amendments of this character, we are keeping alive organizations that we do not need; we are galvanizing into a condition of semiactivity moribund and decadent organizations and instrumentalities and plants that ought to be permitted silently to sleep away their lives and to be buried with proper solemnity.

Senators, of course, will vote for this provision. I know that opposition to the maintenance of plants, yards, and sta-

tions not needed will prove entirely futile. Senators some day may discover that in these enormous appropriations there is much wastage and that we are perpetuating a system that contributes to the maintenance of bureaucracy and the fastening upon the people of a paternalistic government.

Mr. DILL. Mr. President, I just want to make this observation:

Every year, when these bills come in, for some reason or other this amendment in one form or another must be voted on on the floor of the House and Senate, and always it is adopted. It seems to me that the wise thing to do would be to make it a part of the statute, because it is always adopted, and stop the continual bringing up of this amendment and having it discussed and always carried on the floor.

Mr. BROOKHART. Mr. President, I will say to the Senator from Washington that I have introduced such a bill, and it is now pending, I believe, in the Committee on Military Affairs. I hope we can get a report on it. I think myself that this proposition ought to be determined as a matter of general policy, and that this thing of fighting over it in every bill ought to be ended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR].

The amendment was agreed to.

Mr. FLETCHER. Mr. President, after line 4, on page 41, following the amendment agreed to this afternoon, I move to insert the language which I will ask the Secretary to read.

The PRESIDING OFFICER. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. Following the amendment heretofore agreed to, on page 41, line 4, it is proposed to insert the following words:

That the Secretary of the Navy is authorized, when directed by the President, to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title to such lands as he may deem necessary or desirable in the vicinity of Pensacola, Fla., for use as a site and right of way for the construction and maintenance of a pumping station, wells, and pipe line to provide a suitable water supply for the United States naval air station, Pensacola, Fla.

Mr. HALE. Mr. President, this amendment was favorably reported by the Committee on Naval Affairs of the Senate. It was also favorably reported by the House Committee on Naval Affairs. I am familiar with the situation in regard to this case, and I shall be glad to accept the amendment and take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, I think now I ought to ask the chairman of the committee to agree to another amendment in order to carry into effect this provision.

The report of the Secretary of the Navy on the bill, which was introduced in the language of this amendment, shows the importance of this water supply at the naval air station, Pensacola. Of course, the amendment adopted would authorize the acceptance of land, and so forth, for that supply, but they need the water now. They can not wait for a year without drinking water, and they need good, wholesome water, and it ought to be provided now.

I am going to ask the chairman of the committee, therefore, to agree to an amendment, on line 20, page 40, following the semicolon, to insert "Pensacola, Fla., $150,000." That will take care of the appropriation required to do just what needs to be done at that air station.

Mr. HALE. Mr. President, I think the amendment would be subject to a point of order, but if the Senator insists on it I shall not make the point.

Mr. FLETCHER. I ask that the amendment be adopted.

The PRESIDING OFFICER. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. On page 40, line 20, after the numerals "237,000," it is proposed to insert:

Pensacola, Fla., $150,000.

Mr. SMOOT. Why does not the Senator make it $250,000?

Mr. FLETCHER. Because $150,000 is all they need.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. FLETCHER. Now, I ask to have inserted in the RECORD a letter from the Judge Advocate General of the Navy, Admiral Latimer, and the report of the committee on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington, March 22, 1924.

The Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have the honor to inclose herewith for your information a copy of the department's letter of even date to the Speaker of the House of Representatives, relative to proposed legislation in connection with the water supply situation at the naval air station, Pensacola, Fla.

There is also inclosed a copy of a draft of bill "Authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United Stated naval air station at Pensacola," copy of which bill accompanied the department's letter to the Speaker.

Sincerely yours,

J. L. LATIMER,
Judge Advocate General of the Navy.

(2 inclosures.)

DEPARTMENT OF THE NAVY,
Washington, March 22, 1924.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

SIR: I have the honor to transmit herewith a draft of a proposed bill "authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola."

The water supply at the naval air station, Pensacola, Fla., is in a very precarious condition. The commandant of the station reports having only half the amount of water necessary, reduced pressure in the mains, and the probability of failure in the future of the only remaining deep well on the naval reservation.

Careful preliminary studies have been made of the situation. It has been estimated that economy will result by securing pure water from a source about 1½ miles from the naval air station at Pensacola. The land and right of way for a pumping station, wells, pipe lines, and quarters for attendants have been made available to the Government by the Pensacola Chamber of Commerce without cost to the United States. The necessity for this work has been realized for several years, and necessary items have been included in the preliminary estimates from year to year to cover the essential parts of this work.

However, as the situation with regard to the water supply at the naval air station, Pensacola, now appears to have reached a critical stage, the department believes that immediate steps should be taken to acquire title to the land which the city of Pensacola has offered to donate to the Government, with a view to the construction and maintenance thereon of necessary pumping stations, wells, pipe line, etc., to assure an adequate water supply for the naval air station at Pensacola. This matter, affecting as it does the health and sanitation of the station, and also the adequacy of fire protection, is considered of such importance as to warrant early acceptance by the Government of the land in question for the purpose above mentioned.

In order to make the necessary improvements on the land in question, provided it is finally deeded to the United States, it will be necessary at a later date to request an appropriation not to exceed $150,000.

This matter was referred to the Director of the Bureau of the Budget for consideration in accordance with Circular Letter No. 49 of that bureau, and the director, under date of March 13, 1924, advised the department that this proposed legislation had been presented to the President, who instructed the director to advise the Navy Department that this proposed legislation "is not in conflict with his financial program."

This department earnestly recommends that the inclosed draft of bill be enacted into law at an early date.

Sincerely yours,

THEODORE ROOSEVELT,
Acting Secretary of the Navy.

[Senate Report No. 373, Sixty-eighth Congress, first session]

AUTHORIZING THE SECRETARY OF THE NAVY TO ACCEPT CERTAIN LANDS IN THE VICINITY OF PENSACOLA, FLA., TO ASSURE A SUITABLE WATER SUPPLY FOR THE UNITED STATES NAVAL AIR STATION AT PENSACOLA

Mr. TRAMMELL, from the Committee on Naval Affairs, submitted the following report (to accompany S. 2928):

The Committee on Naval Affairs, to which was referred the bill (S. 2928) authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment. The water supply of

the naval air station at Pensacola is not at all sufficient for the requirements, and the committee feels that it should be remedied as quickly as possible. The committee feels that this bill should be incorporated as an amendment to the naval appropriation bill, H. R. 6820.

The following letter from the Secretary of the Navy expresses the department's views in the case:

DEPARTMENT OF THE NAVY,
Washington, April 4, 1924.

The CHAIRMAN COMMITTEE ON NAVAL AFFAIRS,
United States Senate.

MY DEAR MR. CHAIRMAN: Replying to the committee's letter of March 28, 1924, inclosing a bill (S. 2928) authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola, and requesting the views of the Navy Department relative to this matter, I have the honor to inform you as follows:

The water supply at the naval air station, Pensacola, Fla., is in a very precarious condition. The commandant of the station reports having only half the amount of water necessary, reduced pressure in the mains, and the probability of failure in the future of the only remaining deep well on the naval reservation.

Careful preliminary studies have been made of the situation. It has been estimated that economy will result by securing pure water from a source about 1½ miles from the naval air station at Pensacola. The land and right of way for a pumping station, wells, pipe line, and quarters for attendants have been made available to the Government by the Pensacola Chamber of Commerce without cost to the United States. The necessity for this work has been realized for several years, and necessary items have been included in the preliminary estimates from year to year to cover the essential parts of this work.

However, as the situation with regard to the water supply at the naval air station, Pensacola, now appears to have reached a critical state, the department believes that immediate steps should be taken to acquire title to the land which the city of Pensacola has offered to donate to the Government, with a view to the construction and maintenance thereon of necessary pumping stations, wells, pipe line, etc., to assure an adequate water supply for the naval air station at Pensacola. This matter, affecting as it does the health and sanitation of the station, and also the adequacy of fire protection, is considered of such importance as to warrant early acceptance by the Government of the land in question for the purpose above mentioned.

In order to make the necessary improvements on the land in question, provided it is finally deeded to the United States, it will be necessary at a later date to request an appropriation not to exceed $150,000.

This matter was referred to the Director of the Bureau of the Budget for consideration, in accordance with circular letter No. 49 of that bureau, and the director, under date of March 13, 1924, advised the department that this proposed legislation had been presented to the President, who instructed the director to advise the Navy Department that this proposed legislation "is not in conflict with this financial program."

In view of the foregoing, this department urgently recommends that the bill S. 2928 be enacted into law at an early date.

Sincerely yours,

CURTIS D. WILBUR,
Secretary of the Navy.

Mr. JONES of Washington. Mr. President, on page 38, after line 8, I desire to offer an amendment.

The PRESIDING OFFICER. The Senator from Washington offers an amendment, which will be stated.

The READING CLERK. On page 38, after line 8, it is proposed to insert the following:

Quay wall, extension (limit of cost, $300,000), $150,000.

Mr. HALE. I have no objection to that amendment, Mr. President. It has been authorized by the Committee on Naval Affairs.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, following that amendment, I desire to offer another.

The PRESIDING OFFICER. The Senator from Washington offers a further amendment, which will be stated.

The READING CLERK. Following the amendment just agreed to, it is proposed to insert:

Repair and fitting out pier (limit of cost $1,190,000), $250,000.

Mr. KING. Mr. President, I shall leave that to the chairman of the committee, because I am sure that his devotion to the interests of the Navy and his desire for economy will prompt him not to consent to that amendment.

Mr. HALE. On the contrary, Mr. President, I think the amendment is an extremely good one. It was estimated for and it was asked for by the Navy Department.

Mr. JONES of Washington. It has been recommended by the Naval Affairs Committee of the House.

Mr. HALE. Yes; it has been recommended by the Naval Affairs Committee of the House.

Mr. JONES of Washington. It is a very necessary and a very desirable thing. It is something that we shall have to have.

Mr. HALE. I think it is extremely problematical whether a number of these amendments will be accepted by the conference; but I shall be very glad to take them to conference, and go over them on their merits.

Mr. KING. Mr. President, of course I have great regard for the Senator from Washington [Mr. JONES], and I know that he never advocates here a measure that he does not sincerely believe is necessary.

I have had considerable information concerning the item to which the Senator refers. I have talked with some naval men, and the information I have is not in harmony with the views of the Senator. I think the appropriation is an unnecessary one at this time, particularly in view of the important appropriations which we will need later on, if we do not have a naval agreement with other powers, for the enlargement of our auxiliary craft and the strengthening of the Navy. We are building too many piers, too many bases, too many plants, too many shore stations; and I think this is a needless appropriation. I shall not take the time to present the views which I have from a number of naval men who have spoken to me about it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. ODDIE. Mr. President, on behalf of the committee I report favorably an amendment proposed by the Senator from Oregon [Mr. MCNARY].

The PRESIDING OFFICER. The Senator from Nevada, on behalf of the Senator from Oregon [Mr. MCNARY], offers an amendment, which will be stated.

The READING CLERK. On page 39, after line 19, it is proposed to insert the following:

Submarine and destroyer base, Columbia River: Toward the further development of the submarine and destroyer base at Tongue Point, Columbia River, $200,000: *Provided*, That no part of the said appropriation shall be expended until the Secretary of the Navy shall have approved the further development of the said base.

Mr. WILLIS. Mr. President, it seems to me that is a very large appropriation. I think there ought to be some explanation by the Senator from Oregon before we vote on it. Otherwise, I should be inclined to oppose it.

Mr. MCNARY. Mr. President, to go into the details of the merits of this amendment would take quite a while, but I think it is sufficient to say that the Naval Affairs Committee of the Senate has voted favorably on the amendment. It simply carries out a subsisting contract between the county of Clatsop, in the State of Oregon, and the Federal Government, to continue the development of the naval base. I do not think it is necessary to say anything more. It would require the rest of the day for me to state all the merits of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

Mr. KING. Mr. President, I regret very much to interrupt the majestic procession by which the Treasury is being depleted, but if the Senator will pardon me, he will get his $1,000,000 in a moment.

I would like to have the attention of the Senator from Pennsylvania [Mr. PEPPER], if he is here. We had under consideration a moment ago the provision on page 52 requesting the President to enter into negotiations with the Governments of Great Britain, France, Italy, and Japan with a view of reaching an understanding or agreement relative to limiting the construction of all types of vessels. The Senator from Virginia offered an important amendment to that. I want to ask the chairman of the committee if he does not regard it as important to have another amendment of the following tenor: After the word "Japan," to insert the words "and such other governments as he [the antecedent being the President] may deem proper"?

The Senator may recall that at the time of the last Washington conference there were some reputed heartburnings upon the part of one or two other powers—I shall not name them—because they were not invited to participate in the conference. I express no opinion as to the wisdom of Presi-

dent Harding in limiting the invitation to the powers which did participate in the conference. I do believe, however, that where we are seeking a limitation of auxiliary craft, small craft, submarines, torpedo boats, airplanes, and cruisers the invitation should not be limited to the same powers which participated before. I have that confidence in the President of the United States that I think he should, if he deems it wise, be directed to invite other nations to participate in the conference. Therefore, I beg to offer the amendment, and hope the chairman of the committee will accept it.

Mr. HALE. It seems to me the Senator's amendment is a very reasonable one.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 52, after the word "Japan," the Senator proposes to insert the words "and such other governments as he may deem proper."

The amendment was agreed to.

Mr. KING. Mr. President, I had intended to offer as an amendment to that part of the provision of the bill calling for a conference for the limitation of armaments the text of two resolutions which I have heretofore introduced in the Senate, but I shall not take the time to offer them now as amendments to the bill. I merely ask that they be printed in the RECORD as a part of my remarks in connection with the amendment which I have offered to that provision of the bill.

There being no objection, the joint resolutions were ordered to be printed in the RECORD, as follows:

Joint resolution (S. J. Res. 78) providing for the calling of an international conference on world relations.

Whereas the political and commercial relations between the governments and peoples of the world have not recovered from the dislocations caused by the World War, and there are many outstanding questions which require adjustment before international amity may be restored and international commerce regain its normal course; and

Whereas the governments and peoples of the world desire and expect that the Government of the United States shall exercise its good offices to bring about a reconciliation of nations and a rectification of conditions which provoke war and preparation for war, prevent the use of work and goods of the world in the production of capital and wealth, and impede the normal course of trade and exchanges throughout the world: Now, therefore, be it

Resolved, etc., That the President is authorized to invite the nations without exception to convene in a world conference to be held at Washington to consider the present state of the world, particularly as affecting the political and commercial relations of the nations in the conference, and for the formulation and acceptance of a convention which shall promote international amity, reduce and restrict offensive armaments on land, sea, and in the air, arrange for the settlement, payment, clearing, and funding of international debts, stimulate production, facilitate international trade, stabilize international exchanges, remove impediments to commerce, and provide for the current settlement and adjustment of all questions affecting international political and commercial relations and the peace of the world.

A joint resolution (S. J. Res. 113) authorizing the President of the United States to appoint a commission to cooperate with the permanent advisory commission of the League of Nations for the limitation of military, naval, and air armaments.

Whereas the League of Nations has constituted a permanent advisory commission for the consideration of questions affecting military, naval, and air armaments; and

Whereas said commission has under consideration the formulation of a draft convention for the limitation of military, naval, and air armaments, to which it is proposed all nations shall be signatory; and

Whereas the Council of the League of Nations, upon the recommendation of said permanent advisory commission on military, naval, and air questions, has invited the Government of the United States to name representatives to sit with the commission in a consultative capacity during its study of questions affecting the reduction of armaments; and

Whereas the Government of the United States is committed to the principle of the elimination of the provocation to war which is caused by the maintenance of large and unnecessary national armaments: Now therefore be it

Resolved, etc., That the President is authorized to appoint, by and with the advice and consent of the Senate, a commission of five representatives to sit in a consultative capacity with the permanent advisory commission of the League of Nations on military, naval, and air questions, and to advise with said commission with respect to the formulation of a draft convention, to which all nations shall be signatory, to effectuate the reduction and limitation of military, naval, and air armaments.

Mr. SMOOT. Mr. President, the Senator from Rhode Island [Mr. GERRY] is absent from the Chamber, and I am compelled to leave at this time. Therefore, I shall not request that we take a recess until 11 o'clock to-morrow, because the Senator objected; but I do at this time make a request that at the close of the business of the Senate to-day, we take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. SHORTRIDGE. Mr. President, I offer the following amendment, to be inserted on page 40, after line 2.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 40, after line 2, the Senator from California proposes to insert the following:

Supply Depot, Marine Corps, San Francisco, Calif.: Construction of building, including grading of site, $500,000: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street and extending back bounded by Spear and Main Streets, 275 feet, for use as a site for the building herein authorized.

Mr. McKELLAR. Mr. President, has that been authorized, or has it been estimated for?

Mr. SHORTRIDGE. Yes.

Mr. McKELLAR. Has the Budget approved it?

Mr. SHORTRIDGE. I understand they have; and everybody favors it.

Mr. McKELLAR. Why was it not included in the bill?

Mr. SHORTRIDGE. I know not why it is not in the bill.

Mr. McKELLAR. Will the chairman of the committee state whether the Budget has approved this?

Mr. HALE. I do not think there is any estimate in the matter. I think there is merit in the amendment, however.

Mr. McKELLAR. Has there not been a bill introduced about this? What is it for; to establish a new base?

Mr. HALE. We have had this subject up for several years. It is a question of a supply depot.

Mr. SHORTRIDGE. I can explain it in a few minutes.

Mr. HALE. The Government has a lease on the property which is now occupied by the marines at San Francisco, which is about to expire. The marines have no other place to go if they are turned out of their present quarters.

Mr. KING. I have investigated this matter very carefully. As the Senator has said, we have had a depot there for some time. The lease is about to expire, and we have no headquarters, no depot, for the marines on the coast, and we must have some place for them.

Mr. HALE. There is no possibility of getting any other quarters. That has been tried.

Mr. KING. The authorities have tried to rent a place. I think really there has been neglect on the part of the Navy Department in the matter.

Mr. HALE. This matter has come up several times before the Committee on Naval Affairs, but we have not been able to legislate on the matter.

Mr. McKELLAR. If it was so important, why did not the committee take it up and discuss it?

Mr. HALE. We were unable to get the omnibus bill through. The Budget could never estimate on it, because it was never authorized.

Mr. McKELLAR. This property is property under the jurisdiction of the Treasury Department?

Mr. SHORTRIDGE. It is under the jurisdiction of the Treasury Department. The Marine Corps now occupy a building in San Francisco adjoining the Palace Hotel. The building happens to be owned by Mr. William Randolph Hearst. He has given notice to the Government that he can not or will not renew the lease.

Mr. McKELLAR. When will the lease expire?

Mr. SHORTRIDGE. It will expire June 30, 1925, next year. Our Government owns an available piece of property there in the city, and it is a question of erecting a building on property which the Government owns.

Mr. McKELLAR. The Government owns vacant property?

Mr. SHORTRIDGE. It does.

Mr. McKELLAR. Whereabouts in the city?

Mr. SHORTRIDGE. It is on Harrison Street. If the Senator visualizes San Francisco, as you enter, looking west on Market Street, it is to the left or south on Market Street, about three or four blocks from the wharves. The Secretary of the

Treasury, Mr. Mellon, is more than willing to transfer the control of the lot to the Navy Department, and all parties in interest are agreed.

Mr. McKELLAR. Has the Navy Department recommended it?

Mr. SHORTRIDGE. Yes; they all favor it, and it has been the subject of much discussion by individual Senators, and also the subject of correspondence.

Mr. McKELLAR. The head of the Marine Corps has recommended it also?

Mr. SHORTRIDGE. I have in my hand a detailed statement of the matter furnished me by that officer.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I offer an amendment covering an item which I know the chairman of the committee thinks should not be included in the bill. I am rather inclined to think it ought to be included in the bill, and I am perfectly willing to submit the matter to the Senate. It does not have anything to do directly with the Navy.

There is to be a total eclipse of the sun on the 24th of January next. It will be a total eclipse near New York, and the Naval Observatory people would like to have an observation party authorized. They think there is a certain class of information which only the Government can get over a long period of time. Of course, it is known that private observers will be at various places along the line of this eclipse taking observations, and it may be that they can get all the information necessary. I have no technical knowledge in the matter. I have a brief statement here prepared by an astronomer whom I have known for a great many years, and in whose judgment I have a great deal of confidence, which I want to read.

Mr. McKELLAR. What is the proposal?

Mr. JONES of Washington. To appropriate $3,500.

Mr. McKELLAR. To do what?

Mr. JONES of Washington. To enable them to send a party up there to observe the eclipse. They will have to go up to Connecticut, somewhere near New York.

Mr. HALE. The hearings show that there would probably be from 50 to 100 other institutions making the same observations, and it does not seem to me the Government is justified in going to that expense itself.

Mr. McKELLAR. What relation has that to the naval appropriation bill?

Mr. JONES of Washington. The Naval Observatory officials want to make the trip. I want to read this brief statement from this astronomer stating what he thinks the Government would get out of it. His statement is as follows:

A total solar eclipse offers an opportunity of making a number of observations of great scientific value that can not be made at any other time. Among these are—

1. Times of the four contacts and the direction of the line joining the cusps during the partial phases. These observations furnish the means of correcting the tables of the motion of the sun and moon and therefore of great value to theoretical astronomers.

2. Spectroscopic observations, both visual and photographic, upon the corona, the prominences and the lower atmosphere of the sun.

3. Telescopic observations of the prominences and of the corona.

4. Photometric measurements of the intensity of the light at different stages of the eclipse.

5. Searching the regions near the sun for an intramercurial planet. (This has been given up by some astronomers, while others still hope to find one or more very small ones.)

6. There is an arrangement with the Western Union to observe the magnetic effect of an eclipse on the earth. There are many other observations that can be made by private observers, but those mentioned above should be made by the Government as they should be continued through many years.

As I said, I know nothing about the technical phases of this, but it does seem to me that as the Government maintains a Naval Observatory and gets out a nautical almanac and gives us information with reference to these things it is sort of a reflection for the Government to say, "Oh, well, private parties can make all these observations; private parties can look after these matters." It seems to me it is parsimonious on the part of the Government not to provide a little money to make these observations as long as we maintain the Naval Observatory.

Mr. McKELLAR. What are the elements of cost?

Mr. JONES of Washington. Three thousand five hundred dollars.

Mr. McKELLAR. But for what?

Mr. JONES of Washington. I do not know the details. They send a party—I do not know how many—and I suppose they have to fit up some little arrangement of some kind. This was approved by the Budget and is submitted to Congress. They evidently looked into it carefully, and I simply take their judgment. I will propose the amendment and leave to the Senate to do as it desires in the matter.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 19, after line 22, the Senator proposes to insert the following:

Expenses in preparing for and conducting observations of total solar eclipse of January 24, 1925, $3,500.

Mr. HALE. Mr. President, I have already expressed my views on the subject. This matter was considered by the House and turned down by them; it was considered by the Appropriations Committee of the Senate and turned down by them. I feel that it is an entirely unnecessary expense, which the Government would not be justified in making. I am sorry I can not agree with my friend, the Senator from Washington, much as I should like to do so.

Mr. WILLIS. Mr. President, I do not desire to speak more than a moment on the question; but it seems to me that in a great scientific matter of this sort involving the Naval Observatory, which makes the most important and the most accurate scientific investigations in the world, it is amazing that an important thing of this sort should be left to private persons. If we are not going ahead with this scientific work, then let us stop all of it; if we are going to maintain this sort of an establishment, let us do the thing as it ought to be done.

Mr. HALE. This solar eclipse is going to be observed by a good many other people.

Mr. WILLIS. Why does not the Senator say there are private observatories and that many of the things are going to be observed, so let us close down the Naval Observatory?

Mr. HALE. The data that other people get together will be entirely available to the Naval Observatory.

Mr. WILLIS. I presume it is the same way with other information that others get together. My contention is that the Government owes it to the scientists of the country to take the lead in matters of this kind, and I think it ought to make proper provision to do so.

Mr. HALE. I am sorry, but I can not agree with the Senator and I hope the amendment will not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

APPROPRIATIONS FOR STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS

Mr. JONES of Washington. I want to give notice to the Senate that as the opportunity presents itself in the consideration of the tax bill I shall call up for consideration the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes.

WORLD WAR VETERANS

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 2257, to consolidate, codify, revise, and reenact the laws relating to the Veterans' Bureau, and so forth. For that purpose I ask that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. McKELLAR. I do not see the Senator from Massachusetts [Mr. WALSH] present. He is a member of the committee having that bill in charge.

Mr. REED of Pennsylvania. I will say to the Senator that it is our purpose to take up only the unobjected committee amendments, which the Senator from Massachusetts and the rest of the Finance Committee have agreed to.

Mr. McKELLAR. Very well.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Pennsylvania?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational

rehabilitation act, as amended, which had been reported from the Committee on Finance with amendments.

Mr. REED of Pennsylvania. I ask that the formal reading of the bill be dispensed with, that the bill may be read for amendment, and that committee amendments may be first considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. McKELLAR. I have no objection, but in the event that any amendment is agreed to, which the Senator from Massachusetts [Mr. WALSH], who is not here, may desire to have reconsidered, there will be no objection to a reconsideration, I presume?

Mr. REED of Pennsylvania. We will have that understanding, although I will say to the Senator from Tennessee that every amendment made by the committee had the concurrence of both the Senator from Massachusetts and myself.

Mr. McKELLAR. Of course, if that is the case, it is all right with me.

Mr. REED of Pennsylvania. We will have the agreement that any amendment may be reconsidered on request of the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that the formal reading of the bill may be dispensed with, that the bill be read for amendment, and that committee amendments be first considered. Is there objection? The Chair hears none, and it is so ordered. The bill will be read for action on the amendments of the committee.

Mr. JONES of Washington. Mr. President, I want to ask the Senator from Pennsylvania a question or two with reference to this measure. I have received telegrams from soldiers in hospitals not only in other States but in my own State, and resolutions from a committee of the inmates of the hospital at Walla Walla, Wash., in which they point out their objection to certain features of the report of the special committee. I want to find out whether those provisions are included in the bill or not.

Mr. REED of Pennsylvania. I shall be very glad to answer the Senator from Washington.

Mr. JONES of Washington. In the first place, after several whereases, the first resolution reads as follows:

Be it therefore resolved, That we go on record as being opposed to paragraph 2 of the committee's report, which limits the period of presumption that a tubercular and a neuropsychiatric disease is of service origin to three years after date of discharge, and that we recommend the extension of this period to five years after date of discharge.

Mr. REED of Pennsylvania. The committee has amended the bill, as the Senator will find on page 27, line 19, to extend the period to January 1, 1924, which is approximately four and one-half years from the average date of discharge. That extension goes almost the whole length to which the service men have asked us to go, but the committee did not feel justified in going to the full five years because of the very great cost.

Mr. JONES of Washington. I read further:

Be it further resolved, That paragraph 9 of the committee's report be so changed that where an insane veteran recovers to the extent that he is again able to resume his former position in society, he be entitled to recover all compensation to which he is entitled under the present laws.

Mr. REED of Pennsylvania. The Senator will find that that is corrected on page 35, lines 17 to 22, where it is provided that if an insane veteran recovers, the amount withheld shall be paid to him upon his discharge from the hospital.

Mr. JONES of Washington. I read further:

Be it further resolved, That we are vigorously opposed to paragraph 10 in its entirety, in that it will not serve as a disciplinary measure in any form but will simply be a cause to drive men from hospitals in order to obtain their full compensation.

Mr. REED of Pennsylvania. I think I remember the provision to which that refers.

Mr. JONES of Washington. Paragraph 10 of the report reads as follows:

A veteran in hospital will be required to allot not more than three-fourths of his monthly compensation to his wife, dependent children, or dependent parents. Any unallotted portion of such three-fourths will be deposited to his credit at interest with the Treasurer of the United States, and will be paid to the veteran on demand when he leaves the hospital. This provision compels of all men the same thrift that the wiser veterans have been employing of their own initiative. The extravagances of some men have retarded their own convalescence and have made discipline difficult.

Mr. REED of Pennsylvania. Most of that criticism is unjust. What the committee provided was a method by which married men might allot a part of their compensation to be paid to their wives. It was not compulsory. The committee further provided or meant to provide that men who had not allotted their pay and who were retarding their own convalescence by their own dissipation could be required by the director in his discretion to save up three-fourths of their compensation until they get out of the hospital. In order to make clear that that is the effect of the provision, we have inserted on page 36, lines 16 to 18, a provision that the compulsory allotment shall occur only where the director finds that the soldier is retarding his convalescence by his own gross dissipation, and in that kind of a case we feel that the money ought to be withheld.

Mr. JONES of Washington. I sympathize very much with the position as stated by the Senator. I read further from the resolutions:

Be it further resolved, That we are opposed to paragraph 13, in that it will be an injustice to many men entering original claims for compensation and many other men entering claims for increases in compensation if the granting of retroactive awards and retroactive increases of compensation were more strictly limited than at present, and that we are apposed to that part of paragraph 14 which prohibits automatic reinstatement of insurance out of retroactive awards for compensation.

Paragraph 13 of the report reads:

Retroactive awards and retroactive increases of compensation are more strictly limited. The opportunity for abuse of this privilege has been too great.

Mr. REED of Pennsylvania. As to that, the Finance Committee feel that the original decision should be retained. One of the greatest abuses in the Veterans' Bureau has been an abuse of the privilege of dating compensation back. In some cases it has gone to an absurd length in order to revive insurance which has lapsed. The Government has been cheated in many, many cases. We are anxious to avoid that abuse.

Mr. ODDIE. May I ask a question just at this point of the Senator from Pennsylvania? Has the fact that many awards have been made which have been unjust to the claimants been considered by the committee?

Mr. REED of Pennsylvania. Of course that is true, and we allow retroactive awards to be made for limited periods on the theory that the average case of injustice is corrected within six months of the time of original decision. I know that it is not always corrected within that time, but I think that the ends of justice in the average case are met by allowing an award to be made retroactive for one year where compensation has been totally refused, or to be retroactive for six months where it is a mere increase of compensation already paid. I know there is a great deal to be said both ways and that in some cases men have been unfairly dealth with, but there are many cases in which the Government has been unfairly dealt with.

Mr. ODDIE. From my observation and after careful study, I think a very, very large number of cases are those in which the men have been unfairly treated from various causes. I know of many cases where six months' time has not sufficed to give justice to the claimants because of the operation of the bureau as now constituted.

Mr. JONES of Washington. The resolutions to which I have been calling attention read further:

Be it further resolved, That we are opposed to paragraph 18 in its entirety unless additional legislation is enacted which will extend to these men, thus deprived in whole or in part of vocational training to which they are or should become entitled, a form of additional compensation equivalent to such training.

Section 18 of the committee report reads as follows:

Vocational training is limited to those who made application therefor on or before June 30, 1923. Training must be begun on or before June 30, 1924. All vocational training must be terminated by June 30, 1926. These provisions, and the conditions that render them necessary, will be fully discussed in the report of the committee.

Mr. REED of Pennsylvania. The committee have decided to recommend an extension of the time mentioned in that paragraph so that training can actually be commenced at any time up to June 30, 1925. We shall offer a committee amendment on page 62, line 21, to effect that extension, but we retain the original date for the termination of vocational training.

Mr. JONES of Washington. I thank the Senator for his clear explanation.

Mr. ODDIE. There are many tubercular cases in the hospital which, I think, will be unjustly dealt with if this arbitrary date is adhered to.

Mr. REED of Pennsylvania. The date is the same that has been in the law for several years. The vocational training experiment has been a great success in some cases. Take the men in the universities and the higher schools. All can feel very well satisfied with the way these men have taken advantage of the opportunity that was given them.

But, on the other hand, vocational training has been a dismal failure in thousands of cases. Men have started on one vocation and have changed to another and then to another and then to another in order to prolong their schooling, not because they wanted to learn anything but because they wanted to keep the monthly training allowance which was larger than the compensation for total disability. A soldier who was 10 per cent disabled would get $8 a month if he were receiving compensation, while if he could get himself ordered to take vocational training of some kind he would be getting $100 a month, and, of course, he has prolonged the training all he could. In some cases men have actually gone from one school to another, and from one occupation to another nine times; and they are still at it.

Mr. FESS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Ohio?

Mr. REED of Pennsylvania. I yield.

Mr. FESS. The Senator from Pennsylvania is touching upon a phase of the vocational training that has given those of us who have favored it from the beginning a good deal of distress of mind. I think it was estimated that the vocational training work would all be completed within three years; that after three years there would not be any more work to be done; and yet I am still getting letters from trainees, who ask that an additional year be given to them even this late after the war.

As one who was originally very much in favor of the proposal, having been one of the first members who advocated attempting this sort of thing, I admit that I am greatly distressed as to whether or not we are getting anything like value received for the expenditure.

Mr. REED of Pennsylvania. I agree fully wih the Senator from Ohio. We started out with the best motive to rehabilitate men whose earning power had been impaired by injuries suffered in the world war. To rehabilitate means to restore a man to a former earning power by enabling him to overcome the handicap incurred in war service. We have actually interpreted that to mean habilitate. We have taken men who have had no earning power, boys who were not yet ready for college, and instead of rehabilitating them we are putting them through college and through professional schools. We have given them professions for which they never dreamed of striving. The United States has been overgenerous, and I am proud to say that it has been overgenerous.

I am also proud to say that most of the young men took advantage of it properly and availed themselves of and bettered themselves by their opportunities; but it is a preposterous thing, Mr. President, to claim that rehabilitation must go on indefinitely after the close of the war. Last year my recollection is that rehabilitation cost us $100,000,000. I shall have the correct figures here to-morrow morning; but I am sure its cost was over $100,000,000.

Mr. FESS and Mr. McKELLAR addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. REED of Pennsylvania. I first yield to the Senator from Ohio.

Mr. FESS. When the law was first passed and the first appropriation was made, the appropriation was $2,000,000, and there was tremendous opposition to the appropriation of that amount. Then later the appropriation was increased to $6,000,000, and later it was increased to $10,000,000. It created almost a sensation in the House of Representatives when there was that amount of money asked. Now, long after the war, the appropriation has increased to $100,000,000. The question is now being raised in my own mind as to how long this is going to continue, and what are the definite results we are getting from this enormous expenditure.

Mr. REED of Pennsylvania. I can give the percentages by summarizing them in this way. In all the time since we began this vocational-training effort—and it has been going on for more than six years—less than 50 per cent of the men who have entered training service have completed their vocational training, and until the beginning of the present fiscal year only 35 per cent of them had completed their training; so that six years after the war was over the United States was still training more than 50 per cent of the men who wanted rehabilitation.

Mr. McKELLAR. Mr. President, will the Senator from Pennsylvania yield to me in order that I may ask a question about another matter?

Mr. REED of Pennsylvania. I yield.

Mr. McKELLAR. I desire to ask a question in reference to the first matter which the Senator discussed. A constituent of mine from Nashville, Tenn., who was an officer in the Army and served in France, was stricken with paralysis agitans in 1921. The department has ruled against him every time, though, apparently, so far as I can determine, there is no other reason in the world except his war service for his trouble. I have known the man practically all my life. He was a splendid specimen of manhood, a man about 40 years old, I imagine, at the time he went into the Army. I am wondering whether in a worthy case of that kind, where a man is absolutely down and out and unable to do anything, there is any provision in this bill affording relief, or does the provision on page 27 relative to neuropsychiatric diseases cover that, in the opinion of the Senator?

Mr. REED of Pennsylvania. It should cover that, for paralysis agitans is entirely a psychiatric disease.

Mr. McKELLAR. The department has held, however, that it is purely a contagious or infectious disease that is contracted within a period of about two weeks—a most remarkable holding, as it seems to me. In a case which I know to be meritorious it seems to me that that man and others like him should have an opportunity to present their claims and not be barred by the statute. The bureau also holds that this man is barred because of the present statute.

Mr. REED of Pennsylvania. I fully agree with the Senator that if the disease was incurred while in the military service it is a matter for which the Government ought to compensate the soldier; and I should be glad to join with the Senator in looking into that particular case.

Mr. McKELLAR. I will undertake to-morrow to get the exact facts from the Veterans' Bureau and then submit an amendment. The Senator does not propose to vote on the bill this evening, does he?

Mr. REED of Pennsylvania. Not at all.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Finance was, on page 4, line 22, to reduce the annual salary of the Director of the United States Veterans' Bureau from "$12,000" to "$10,000."

Mr. REED of Pennsylvania. That is an amendment on which the committee was not wholly agreed, and I ask that it go over until the full committee is here.

The PRESIDENT pro tempore. The amendment will be passed over.

The next amendment of the Committee on Finance was, on page 5, line 1, after the word "prescribe," to strike out "to whom the director may delegate his powers to such extent as to him may seem advisable"; and in line 5, after "prescribe," to insert, "With such exceptions as the President may deem advisable, all employees shall be subject to the civil service law and regulations made thereunder," so as to read:

There shall be included on the technical and administrative staff of the director such staff officers, experts, inspectors, and assistants as the director shall prescribe; and there shall be in the United States Veterans' Bureau such sections and subdivisions thereof as the director shall prescribe. With such exceptions as the President may deem advisable, all employees shall be subject to the civil service law and regulations made thereunder.

The amendment was agreed to.

The next amendment was, on page 5, after line 8, to strike out:

That the bureau and its divisions shall have such deputies, assistants, actuaries, clerks, and other employees as may be from time to time provided by Congress. The director is authorized to establish an advisory board consisting of three members skilled in the practice of insurance against death or disability, for the purpose of assisting the division of military and naval insurance in fixing premium rates and in the adjustment of claims for losses under the contracts of insurance provided for in Title III and in adjusting claims for compensation under Title II, compensation for the persons so appointed to be determined by the director, but not to exceed $20 a day each while actually employed.

The amendment was agreed to.

The next amendment was, on page 6, line 2, after the word "act," to insert, "and all decisions of questions of fact affecting any claimant to the benefits of Titles II, III, or IV of this act shall be conclusive"; and in line 5, after the word "herein,"

to insert, "all officers and employees of the bureau shall perform such duties as may be assigned them by the director. All official acts performed by such officers or employees specially designated therefor by the director shall have the same force and effect as though performed by the director in person," so as to read:

SEC. 5. The director, subject to the general direction of the President, shall administer, execute, and enforce the provisions of this act, and for that purpose shall have full power and authority to make rules and regulations, not inconsistent with the provisions of this act, which are necessary or appropriate to carry out its purposes, and shall decide all questions arising under this act and all decisions of questions of fact affecting any claimant to the benefits of Titles II, III, or IV of this act shall be conclusive except as otherwise provided herein. All officers and employees of the bureau shall perform such duties as may be assigned them by the director. All official acts performed by such officers or employees specially designated therefor by the director shall have the same force and effect as though performed by the director in person. Wherever under any provision or provisions of the act regulations are directed or authorized to be made such regulations, unless the context otherwise requires, shall or may be made by the director. The director shall adopt reasonable and proper rules to govern the procedure of the divisions and to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right to benefits of allowance, allotment, compensation, or insurance provided for in this act, the forms of application of those claiming to be entitled to such benefits, the methods of making investigations and medical examinations, and the manner and form of adjudications and awards.

The amendment was agreed to.

The next amendment was, on page 6, line 24, after the word "duty," to strike out: "to provide such facilities, instructors, and courses as may be necessary to insure the proper training for such persons as are required to follow such courses as herein provided; to prescribe the courses to be followed by such persons; to pay, when in the discretion of the bureau such payment is necessary, the expense of travel, lodging, subsistence, and other necessary expenses of such persons while following the prescribed courses; to do all things necessary to insure vocational rehabilitation"; and on page 7, line 8, after the word "occupations," to insert "The test of rehabilitation shall be employability," so as to read:

SEC. 6. That the bureau shall have the power, and it shall be its duty, to provide for the placement of rehabilitated persons in suitable or gainful occupations. The test for rehabilitation shall be employability. The director is authorized and directed to utilize, with the approval of the Secretary of Labor, the facilities of the Department of Labor, in so far as may be practicable, in the placement of rehabilitated persons in suitable or gainful occupations.

The amendment was agreed to.

The next amendment was, on page 7, after line 13, to strike out:

SEC. 7. That it shall also be the duty of the bureau to make or cause to have made studies, investigations, and reports regarding the vocational rehabilitation of disabled persons and their placement in suitable or gainful occupations.

The amendment was agreed to.

The next amendment was, on page 7, line 19, to change the section number from 8 to 7.

The amendment was agreed to.

The next amendment was, on page 8, line 17, to change the section number from 9 to 8.

The amendment was agreed to.

The next amendment was, on page 9, line 19, after the word "such," to strike out "claims," and to insert "claims, to investigate frauds on or attempts to defraud the Government, or the irregularity or misconduct of any officer or agent of the bureau"; and in line 25, after the word "act," to strike out "Nothing in this section shall be construed to authorize a travel allowance to clerks or persons for transportation or subsistence outside of the district in which they are employed," so as to read:

For the purpose of this act, the director is authorized to detail from time to time clerks or persons employed in the bureau to make examinations into the merits of compensation and insurance claims, whether pending or adjudicated, as he may deem proper, and to aid in the preparation, presentation, or examination of such claims, to investigate frauds on or attempts to defraud the Government, or the irregularity or misconduct of any officer or agent of the bureau; and any such person so detailed shall have power to administer oaths, take affidavits, and certify to the correctness of the papers and documents pertaining to the administration of this act.

The amendment was argeed to.

The next amendment was, on page 10, line 4, to change the section number from 10 to 9; in the same line after the word "assistants" to strike out "authorized to be"; in line 7, after the word "give," to strike out "all necessary," and to insert "such"; in the same line, after the word "render," to strike out "all," and to insert "such," and in line 8, after the word "services," to strike out "upon the request of," and to insert "as may be requested by," so as to make the paragraph read:

SEC. 9. In addition to the legal assistant employed by the bureau, the officers of the Department of Justice, under the direction of the Attorney General, shall give such opinions and render such necessary legal services as may be requested by the director.

Mr. REED of Pennsylvania. Mr. President, in paragraph 9 the committee favors an amendment which was requested by the Department of Justice, and I should like to present it at this point. I offer an amendment so as to make paragraph 9 read as follows:

In addition to the services of the legal assistants employed by the bureau, the director may require the opinion of the Attorney General on any questions of law arising in the administration of the bureau.

The purpose of this amendment is to make the relations of the Veterans' Bureau with the Department of Justice the same as those which now exist in all of the departments, which by the Revised Statutes are given precisely the authority proposed to be given by this amendment.

Mr. McKELLAR. Mr. President, is that a committee amendment?

Mr. REED of Pennsylvania. It is an amendment approved by the members of the committee, including the Senator from Massachusetts [Mr. WALSH].

Mr. WALSH of Massachusetts. The only difference between the amendment printed in the bill and the amendment offered by the Senator from Pennsylvania is that the amendment in the bill gives the Veterans' Bureau authority to call upon the Department of Justice for legal services, while the amendment offered by the committee simply gives them authority to call for the opinion of the Attorney General.

Mr. REED of Pennsylvania. Yes; that is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania to the amendment of the committee.

The amendment to the amendment was agreed.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 10, line 10, to change the section number from 11 to 10.

The amendment was agreed to.

The next amendment was, on page 12, after line 13, to strike out "The President is hereby authorized, should he deem it necessary and advisable for the proper medical care and treatment of beneficiaries under this act, to transfer to the director the operation, management, and control of specifically designated hospitals now under the jurisdiction of the Public Health Service. Such hospitals when transferred shall be used exclusively for beneficiaries under this act and shall be under the operative control of the director for such period of time as the President may prescribe," and in lieu thereof to insert:

There are hereby permanently transferred to the Veterans' Bureau all hospitals now or formerly under the jurisdiction of the Public Health Service, the operation, management, and control of which have heretofore been transferred by the President to said bureau pursuant to the authority contained in section 9 of the act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau and further to amend and modify the war risk insurance act, approved August 9, 1921."

The amendment was agreed to.

The next amendment was, on page 13, line 7, to change the section number from 12 to 11.

The amendment was agreed to.

The next amendment was, on page 13, line 21, to change the section number from 13 to 12.

The amendment was agreed to.

The next amendment was, on page 14, line 10, to change the section number from 14 to 13.

The amendment was agreed to.

35 per cent of them had completed their training; so that six

any claimant to the benefits of Titles II, III, or IV of this act shall be conclusive"; and in line 5, after the word "herein,"

The next amendment was, on page 14, line 19, to change the section number from 15 to 14.

The amendment was agreed to.

The next amendment was, on page 14, after line 21, to strike out:

SEC. 16. That the director shall submit annually to the Bureau of the Budget estimates of the appropriations necessary for the work of the bureau.

The amendment was agreed to.

The next amendment was, at the top of page 15, to strike out:

SEC. 17. Complete individual record of each beneficiary shall be kept by the bureau.

The amendment was agreed to.

The next amendment was, on page 15, line 8, to change the section number from 18 to 15.

The amendment was agreed to.

The next amendment was, on page 15, line 19, to change the section number from 19 to 16; on page 16, at the beginning of line 9, to strike out "in the Court of Claims or," and in line 10, after the name "United States," to insert "or in the Supreme Court of the District of Columbia," so as to read:

SEC. 16. All sums heretofore appropriated for the military and naval insurance appropriation and all premiums collected for the yearly renewable term insurance provided by the provisions of Title III deposited and covered into the Treasury to the credit of this appropriation, shall, where unexpended, be made available for the bureau. All premiums that may hereafter be collected for the yearly renewable term insurance provided by the provisions of Title III hereof shall be deposited and covered into the Treasury for the credit of this appropriation. Such sum, including all premium payments, is made available for the payment of the liabilities of the United States incurred under contracts of yearly renewable term insurance made under the provisions of Title III, including such liabilities as shall have been or shall hereafter be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia. Payments from this appropriation shall be made upon and in accordance with the awards by the director.

The amendment was agreed to.

The next amendment was, on page 16, line 13, to change the section number from 20 to 17; in line 20, after the word "judgment," to strike out "in the Court of Claims or," and in line 21, after the name "United States," to insert "or in the Supreme Court of the District of Columbia," so as to read:

SEC. 17. That all premiums paid on account of insurance converted under the provisions of Title III hereof shall be deposited and covered into the Treasury to the credit of the United States Government life insurance fund and shall be available for the payment of losses, dividends, refunds, and other benefits provided for under such insurance, including such liabilities as shall have been or shall hereafter be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia. Payments from this fund shall be made upon and in accordance with awards by the director.

The amendment was agreed to.

The next amendment was, on page 17, line 9, to change the section number from 21 to 18.

The amendment was agreed to.

The next amendment was, on page 17, after line 15, to strike out:

SEC. 22. That all commissioned personnel detailed or hereafter detailed from the United States Public Health Service to the bureau shall hold the same rank and grade, shall receive the same pay and allowances, and shall be subject to the same rules for relative rank and promotion as now or hereafter may be provided by law for commissioned personnel of the same rank or grade or performing the same or similar duties in the United States Public Health Service.

The amendment was agreed to.

The next amendment was, on page 17, line 24, to change the section number from 23 to 19; in the same line, after the word "attorney" to insert "except the recognized representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars"; in line 8, after the name "United States," to strike out "either in the Court of Claims or," and to insert "either in the Supreme Court of the District of Columbia or"; and in line 20, after the word "paid," to insert "All persons having or claiming to have an interest in such insurance may be made parties to said suit, and such as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication as the court may direct. The procedure in such suits shall otherwise be the same as that provided for suits in the district courts by the act entitled, 'An act providing for the bringing of suits against the United States,' approved March 3, 1887, as amended." so as to make the section read:

SEC. 19. That no claim agent or attorney except the recognized representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars shall be recognized in the presentation or adjudication of claims under Titles II, III, and IV, except that in the event of disagreement as to claim under a contract of insurance between the bureau and any beneficiary or beneficiaries thereunder an action on the claim may be brought against the United States either in the Supreme Court of the District of Columbia or in the district court of the United States in and for the district in which such beneficiaries or any one of them resides, and that whenever judgment shall be rendered in an action brought pursuant to this provision, the court, as part of its judgment, shall determine and allow such reasonable attorney's fees, not to exceed 5 per cent of the amount recovered, to be paid by the claimant in behalf of whom such proceedings were instituted to his attorney, said fee to be paid out of the payments to be made to the beneficiary under the judgment rendered at a rate not exceeding one-tenth of each of such payments until paid. All persons having or claiming to have an interest in such insurance may be made parties to said suit, and such as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication as the court may direct. The procedure in such suits shall otherwise be the same as that provided for suits in the district courts by the act entitled, "An act providing for the bringing of suits against the United States," approved March 3, 1887, as amended.

The amendment was agreed to.

The next amendment was, on page 19, line 4, to change the section number from "24" to "20."

The amendment was agreed to.

The next amendment was, on page 19, line 8, to change the section number from 25 to 21; in line 12, after the word "payment," to strike out "shall" and to insert "may," and in line 14, after the words "by the," to insert "laws," so as to read:

SEC. 21. That where any payment under this act is to be made to a minor, other than a person in the military or naval forces of the United States, or to a person mentally incompetent, or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian, curator, or conservator by the laws of the State or residence of claimant, or is otherwise legally vested with responsibility or care of the claimant or his estate, etc.

The amendment was agreed to.

The next amendment was, on page 20, line 7, to change the section number from 26 to 22.

The amendment was agreed to.

The next amendment was, on page 20, line 23, to change the section number from 27 to 23.

The amendment was agreed to.

The next amendment was, on page 22, line 7, to change the section number from 28 to 24.

The amendment was agreed to.

The next amendment was, on page 22, line 21, to change the section number from 29 to 25.

The amendment was agreed to.

The next amendment was, on page 23, line 10, to change the section number from 30 to 26.

The amendment was agreed to.

The next amendment was, on page 23, after line 21, to insert a new section, as follows:

SEC. 27. That all payments of compensation and insurance heretofore made pursuant to a regulation permitting permanent and total disability to be presumed from hospitalization or ratings of less than permanent total disability shall be deemed valid and no recovery thereof shall be made: *Provided*, That nothing herein shall operate to validate insurance not in force on the date of award thereof was approved, except where premiums have been thereafter accepted.

The amendment was agreed to.

The next amendment was, on page 24, after line 4, to insert a new section, as follows:

SEC. 28. There shall be no recovery of payments from any beneficiary, who, in the judgment of the director, is without fault on his part, and where, in the judgment of the director, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience.

The amendment was agreed to.

The next amendment was, on page 24, after line 10, to insert a new section, as follows:

SEC. 29. The director is authorized, in his discretion, to sell, lease, or exchange surplus equipment, supplies, products, or waste materials belonging to the bureau or any of its plants or institutions; and to lease for a term, not exceeding three years, lands or buildings, or parts or parcels thereof, belonging to the United States and under the control of the bureau. The net proceeds of all such sales, leases, or exchanges shall be covered into the Treasury of the United States to the credit of the appropriation from or on account of which the subject of such sale, lease, or exchange was purchased or is maintained to be available for the purpose of such appropriation.

The amendment was agreed to.

The next amendment was, on page 24, after line 22, to insert a new section as follows:

SEC. 30. That all files, records, reports, and other papers and documents pertaining to any claim for the benefits of this act, whether pending or adjudicated, shall be deemed confidential and privileged, and no disclosure thereof shall be made except as follows:

(a) To a claimant or his duly authorized representative, as to matters concerning himself alone, when in the judgment of the director such disclosure would not be injurious to the physical or mental health of the claimant;

(b) Where required by the process of a United States court to be produced in any suit or proceeding therein pending; or when such production is deemed by the director to be necessary in any suit or proceeding brought under the provisions of this act;

(c) In all proceedings in the nature of an inquest into the mental competency of a claimant, and in all other judicial proceedings, when in the judgment of the director such disclosure is deemed necessary and proper;

(d) The amount of compensation or training allowance of any beneficiary shall be made known to any person who applies for such information.

Wherever the production of a file, record, report, or other document is required or permitted by this section a certified copy thereof may be produced in lieu of the original, and such certified copy shall be received in evidence with like force and effect as the original.

The amendment was agreed to.

The next amendment was, under the heading "Title II.—Compensation and treatment," on page 25, line 26, after the words "in the," to strike out "line of duty" and insert "military service"; on page 26, line 2, after the word "aggravation," to insert "or recurrence"; in line 5, after the word "in," to insert "or such recurrence was caused by,"; in the same line, after the word "the," to strike out "line of duty" and to insert "military service"; in line 16, after the word "disease," to strike out "or"; in the same line, after the word "aggravation," to insert "or recurrence"; on page 27, line 7, after the words "have had," to strike out "within three years after separation from the active military or naval service of the United States" and to insert "prior to January 1, 1924"; in line 10, before the word "an," to strike out "or"; in the same line, after the word "disease," to insert "or encephalitis lethargica"; in line 13, after the words "shall be," to strike out "considered" and to insert "conclusively presumed"; in line 14, after the word "service," to insert "between April 6, 1917, and July 2, 1921"; in line 16, after the word "neuropsychiatric," to strike out "disease" and to insert "disease"; in line 17, before the word "tuberculosis," to strike out "or"; in the same line, before the word "in," to insert "or encephalitis lethargica"; in line 18, before the word "but," to insert "between said dates"; in line 23, after "of this act," to strike out "at a date more than three years after separation from such service," and to insert "on or subsequent to January 1, 1924"; and on page 28, line 1, after the word "claim," to strike out the colon and the following proviso: "*And provided further*, That compensation as hereinafter provided may be paid for disability resulting from personal injury or disease contracted in line of duty prior to April 6, 1917, or for aggravation of a disability existing prior to examination, acceptance, and enrollment for service for such aggravation suffered and contracted in line of duty prior to April 6, 1917, by any member of the military or naval forces in active service on April 6, 1917, who was discharged subsequent to April 6, 1917. With the exception of members of the military and naval forces whose injury was suffered or disease contracted prior to April 6, 1917, this section shall be deemed to be in effect as of April 6, 1917," so as to read:

TITLE II.—COMPENSATION AND TREATMENT

SEC. 200. For death or disability resulting from personal injury suffered or disease contracted in the military service on or after April 6, 1917, and before July 2, 1921, or for an aggravation or recurrence of a disability existing prior to examination, acceptance, and enrollment for service, when such aggravation was suffered and contracted in, or such recurrence was caused by, the military service on or after April 6, 1917, and before July 2, 1921, by any commissioned officer or enlisted man, or by any member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) when employed in the active service under the War Department or Navy Department, the United States shall pay to such commissioned officer or enlisted man, member of the Army Nurse Corps (female) or of the Navy Nurse Corps (female), or, in the discretion of the director, separately to his or her dependents, compensation as hereinafter provided; but no compensation shall be paid if the injury, disease, aggravation, or recurrence has been caused by his own willful misconduct. That for the purposes of this section every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department who was discharged or who resigned prior to July 2, 1921, and every such officer, enlisted man, or other member employed in the active service under the War Department or Navy Department on or before November 11, 1918, who on or after July 2, 1921, is discharged or resigns, shall be conclusively held and taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, disorders, or infirmities made of record in any manner by proper authorities of the United States at the time of, or prior to, inception of active service, to the extent to which any such defect, disorder, or infirmity was so made of record: *Provided*, That an ex-service man who is shown to have or, if deceased, to have had, prior to January 1, 1924, a neuropsychiatric disease, an active tuberculous disease, or encephalitis lethargica developing a 10 per cent degree of disability or more in accordance with the provisions of subdivision (4) of section 202 of this act shall be conclusively presumed to have acquired his disability in such service between April 6, 1917, and July 2, 1921, or to have suffered an aggravation of a preexisting neuropsychiatric disease, tuberculosis, or encephalitis lethargica in such service between said dates, but nothing in this proviso shall be construed to prevent a claimant from receiving the benefits of compensation and medical care and treatment for a disability due to these diseases of more than 10 per cent degree (in accordance with the provisions of subdivision (4), section 202, of this act) on or subsequent to January 1, 1924, if the facts of the case substantiate his claim.

The amendment was agreed to.

The next amendment was, on page 29, at the beginning of line 5, to strike out "$76" and to insert "$75," so as to read:

SEC. 201. That if death results from injury—

If the deceased leaves a widow or child, or if he leaves a mother or father either or both dependent upon him for support, the monthly compensation shall be the following amounts:

(a) If there is a widow but no child, $25.

(b) If there is a widow and one child, $35, with $5 for each additional child.

(c) If there is no widow, but one child, $20.

(d) If there is no widow, but two children, $30.

(e) If there is no widow, but three children, $40, with $5 for each additional child.

(f) If there is a dependent mother (or dependent father), $20, or both, $30. The amount payable under this subdivision shall not exceed the difference between the total amount payable to the widow and children and the sum of $75. Such compensation shall be payable whether the dependency of the father or mother, or both, arises before or after the death of the person, but no compensation shall be payable if the dependency arises more than five years after the death of the person.

The amendment was agreed to.

The next amendment was, on page 31, after line 6, to strike out:

(7) That this section shall be deemed to be in effect as of April 6, 1917: *Provided, however*, That before compensation thereunder shall be paid there shall first be deducted from said sum so to be paid the amount of any payments such person may have received by way of gratuities or payments under pension laws in force and existence between April 6, 1917, and October 6, 1917: *And provided further*, That no changes in rates of compensation made by this act shall be retroactive in effect.

The amendment was agreed to.

The next amendment was, on page 31, after line 15, to insert:

(7) That this section shall be deemed to be in effect as of April 6, 1917: *Provided, however*, That the receipt of a gratuity, pension, or compensation by widow or parent on account of the death of any person shall not bar the payment of compensation on account of the death of any other person: *Provided*, That before compensation under this section shall be paid there shall first be deducted from said sum so to be paid the amount of any payments made under any other law on ac-

found within the district in which suit is brought may be brought in by order of the court to be served personally or by

and good conscience.

The amendment was agreed to.

count of the death or disability of the same person: *Provided further*, That no changes in rates or compensation made by this act shall be retroactive in effect.

The amendment was agreed to.

The next amendment was, on page 32, line 6, after the word "amounts," to strike out the colon and to insert a comma and the following words: "payable monthly or semimonthly, as the director may prescribe," so as to read:

SEC. 202. That if disability results from the injury—

(1) If and while the disability is rated as total and temporary, the monthly compensation shall be the following amounts, payable monthly or semimonthly, as the director may prescribe.

The amendment was agreed to.

The next amendment was, on page 33, line 6, after the words "one eye," to insert "or the loss of hearing of both ears"; in line 7, after the word "becoming," to insert "permanently"; and in the same line, after the word "helpless," to strike out "and" and to insert "or," so as to read:

(3) If and while the disability is rated as total and permanent, the rate of compensation shall be $100 per month: *Provided, however*, That the permanent loss of the use of both feet or both hands, or of both eyes, or of one foot and one hand, or of one foot and one eye, or of one hand and one eye, or the loss of hearing of both ears, or becoming permanently helpless or permanently bedridden shall be deemed to be total, permanent disability: *Provided further*, That for double, total, permanent disability the rate of compensation shall be $200 per month.

The amendment was agreed to.

The next amendment was, on page 35, line 10, after the words "six months in a," to strike out "neuropathic" and to insert "neuropsychiatric;" in line 11, after the word "hospitals," to insert "and shall be deemed by the director to be permanently insane"; in line 14, after the words "bureau in a," to strike out "neuropathic" and to insert "neuropsychiatric"; and in line 17, after the word "patient" to insert a colon and the following proviso: "*Provided, however*, That if such patient shall recover his reason and shall be discharged from such hospital as cured, an additional amount of $60 per month shall be paid to him for each month the rate of compensation was reduced as provided by this subdivision" so as to make the paragraph read:

(7) Where any disabled person having neither wife, child, nor dependent parent shall, after July 1, 1924, have been maintained by the bureau for a period or periods amounting to six months in a neuropsychiatric hospital or hospitals, and shall be deemed by the director to be permanently insane, the compensation for such person shall thereafter be $20 per month so long as he shall thereafter be maintained by the bureau in a neuropsychiatric hospital or hospitals; and such compensation may, in the discretion of the director, be paid to the chief officer of said hospital to be used for the benefit of such patient: *Provided, however*, That if such patient shall recover his reason and shall be discharged from such hospital as cured, an additional amount of $60 per month shall be paid to him for each month the rate of compensation was reduced as provided by this subdivision.

The amendment was agreed to.

The next amendment was, on page 35, after line 22, to insert:

The compensation of any inmate of an asylum or hospital for the insane, or any part thereof, may, in the discretion of the director, be paid to the chief officer of said asylum or hospital to be used for the benefit of such inmate.

The amendment was agreed to.

The next amendment was, on page 36, after line 2, to insert:

After June 30, 1927, the monthly rate of compensation for all veterans (other than those totally and permanently disabled), who are being maintained by the bureau in a hospital of any description and who are without wife, child, or dependent parent, shall not exceed $40.

The amendment was agreed to.

The next amendment was, on page 36, line 16, after the word "compensation," to insert "and in case the director shall find that by gross dissipation he is retarding his own progress to recovery, then"; in line 19, after the words "case of," to strike out "neuropathic" and to insert "neuropsychiatric"; in line 20, after the words "terms of," to insert "the first paragraph of"; and in line 22, after the word "compensation," to strike out "may" and to insert "shall," so as to read:

(8) The director shall prescribe by regulation the conditions and limitations whereby all patients or beneficiaries of the bureau who are receiving treatment through the bureau as patients in a hospital may allot any proportion or proportions or any fixed amount or amounts of their monthly compensation for such purposes and for the benefit of such person or persons as they may direct.

In case such patient has not allotted three-fourths of his monthly compensation and in case the director shall find that by gross dissipation he is retarding his own progress to recovery, then regulations to be made by the director may provide that (except in the case of neuropsychiatric patients who are within the terms of the first paragraph of subdivision (7) hereof) any unallotted portion of such three-fourths compensation shall be deposited to the patient's credit with the Treasurer of the United States, to accumulate at such rate of interest as the Secretary of the Treasury may determine but at a rate never less than 3½ per cent per annum, and when such patient shall be discharged by the bureau from hospital care, the said deposit and interest shall be paid to such patient if living, otherwise to any beneficiary or beneficiaries he may have designated, or if there be no such beneficiary, then to the executor or administrator of the estate of such deceased person, etc.

The amendment was agreed to.

The next amendment was, on page 38, line 16, after the word "diseases," to insert "encephalitis lethargica or the loss of sight of both eyes"; and in line 20, after the word "act" and the period, to insert "The director is further authorized, so far as he shall find that existing Government facilities permit, to furnish hospitalization and necessary traveling expenses to honorably discharged veterans of any war, military occupation, or military expedition since 1897, without regard to the nature or origin of their disabilities, if such veterans have no adequate means of support, and by reason of their disability are incapable of earning their living," so as to read:

(10) That all hospital facilities under the control and jurisdiction of the bureau shall be available for every honorably discharged veteran of the Spanish-American War, the Philippine insurrection, the Boxer rebellion, or the World War suffering from neuropsychiatric or tubercular ailments and diseases, encephalitis lethargica or the loss of sight of both eyes regardless whether such ailments or diseases are due to military service or otherwise, including traveling expenses as granted to those receiving compensation and hospitalization under this act. The director is further authorized, so far as he shall find that existing Government facilities permit, to furnish hospitalization and necessary traveling expenses to honorably discharged veterans of any war, military occupation, or military expedition since 1897, without regard to the nature or origin of their disabilities, if such veterans have no adequate means of support, and by reason of their disability are incapable of earning their living.

The amendment was agreed to.

The next amendment was, on page 39, after line 2, to insert:

Any veteran mentioned in this subdivision who is not then receiving any other pension, gratuity, compensation, or training allowance shall be paid by the bureau a monthly allowance of $10 while in such hospital.

The amendment was agreed to.

The next amendment was, on page 39, line 13, after the word "treatment," to strike out "either by allowing the patients to retain the same or by selling the articles and depositing the money received to the credit of the appropriation from which materials for making the articles were purchased" and to insert "or to allow the patients to sell or to retain such articles," so as to read:

(11) The director shall have the same power, and shall be subject to the same limitations, in the sale of surplus or condemned supplies, material, and other personal property as now pertains to the Secretary of War. The director is authorized to make regulations governing the disposal of articles produced by patients of such bureau in the course of their curative treatment, or to allow the patients to sell or to retain such articles.

The amendment was agreed to.

The next amendment was, on page 41, line 7, after the word "pension," to insert a comma and the following words, "except as provided in subdivision 7 of section 201," so as to read:

(13) That any person who is now receiving a gratuity or pension from the United States under existing law shall not receive compensation under this section unless he shall first surrender all claim to further payments of such gratuity or pension, except as provided in subdivision 7 of section 201.

The amendment was agreed to.

The next amendment was, on page 41, line 20, after "(17)," to strike out "That this section shall be deemed to be in effect as of April 6, 1917: *Provided*," so as to read:

That no changes in rates of compensation made by this act shall be retroactive in effect.

The amendment was agreed to.

fered or disease contracted in the military service on or after April 6, 1917, and before July 2, 1921, or for an aggravation or recurrence of a

tion shall be paid there shall first be deducted from said sum so to be paid the amount of any payments made under any other law on ac-

The next amendment was, on page 43, line 10, after the word "retroactive," to insert a comma and the following words: "and no reduction or discontinuance of compensation shall be effective until the first day of the second calendar month next succeeding that in which such reduction or discontinuance is determined," so as to read:

SEC. 205. Upon its own motion or upon application the bureau may at any time review an award and, in accordance with the facts found upon such review, may end, diminish, or increase the compensation previously awarded, or, if compensation is increased, or if compensation has been refused, reduced, or discontinued, may (subject to the provisions of section 210 hereof) award compensation in proportion to the degree of disability sustained as of the date such degree of disability began, but not earlier than the date of discharge or resignation. Except in cases of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive, and no reduction or discontinuance of compensation shall be effective until the first day of the second calendar month next succeeding that in which such reduction or discontinuance is determined.

The amendment was agreed to.

The next amendment was, on page 44, line 12, after the word "enemy" and the period, to insert "A dismissal or discharge by sentence of court-martial from the service shall bar and terminate all rights to any compensation under the provisions of this article for the period of service from which such discharge is given," so as to read:

SEC. 208. That no compensation shall be payable for death inflicted as a lawful punishment for crime or military offense except when inflicted by the enemy. A dismissal or discharge by sentence of court-martial from the service shall bar and terminate all right to any compensation under the provisions of this article for the period of service from which such discharge is given.

The amendment was agreed to.

The next amendment was, on page 45, line 13, after the word "therefor," to strike out the comma and the word "except," so as to read:

SEC. 210. That no compensation shall be payable for any period more than one year prior to the date of claim therefor, nor shall increased compensation be awarded to revert back more than six months prior to the date of claim therefor. Except in case of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive.

The amendment was agreed to.

The next amendment was, on page 45, line 16, after "Sec. 211," to strike out "That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay," so as to read:

SEC. 211. Compensation because of disability or death of members of the Army Nurse Corps (female) or of the Navy Nurse Corps (female) shall be in lieu of any compensation for such disability or death under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The amendment was agreed to.

The next amendment was, on page 46, line 7, after the word "applicable," to insert a colon and the following: "*Provided, however*, That the laws relating to the retirement of persons in the regular military or naval service shall not be considered to be laws providing for pensions, gratuities, or payments within the meaning of this section: *And provided further*, That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay," so as to make the section read:

SEC. 212. This act is intended to provide a system for the relief of persons who were disabled, and for the dependents of those who died as a result of disability suffered in the military service of the United States between April 6, 1917, and July 2, 1921. For such disabilities and deaths no other pension laws or laws providing for gratuities or payments in the event of death shall be applicable: *Provided, however*, That the laws relating to the retirement of persons in the regular military or naval service shall not be considered to be laws providing for pensions, gratuities, or payments within the meaning of this section: *And provided further*, That compensation under this title shall not be paid while the person is in receipt of active service or retirement pay. Titles II and IV of this act shall not be applicable to any disability or resultant death in the service if such disability occurred as a result of service prior to April 6, 1917, or after July 2, 1921.

The amendment was agreed to.

The next amendment was, on page 46, after line 17, to strike out:

SEC. 213. (1) That if an injury or death for which compensation is payable under this article is caused under circumstances creating a legal liability upon some person other than the United States or the enemy to pay damages therefor, the director, as a condition to payment of compensation by the United States, may require the beneficiary to assign to the United States any right of action he may have to enforce such liability of such other person; or if it appears to be for the best interests of the beneficiary, the director may require him to prosecute the said action in his own name, subject to regulations. The director may require such assignment or prosecution at any time after the injury or death, and the failure on the part of the beneficiary to so assign or to prosecute said cause of action in his own name within a reasonable time, to be fixed by the director, shall bar any right to compensation on account of the same injury or death. The cause of action so assigned to the United States may be prosecuted or compromised by the director, and any money realized or collected thereon, less the reasonable expenses of such realization or collection, shall be placed to the credit of the military and naval compensation appropriation. If the amount placed to the credit of such appropriation in such case is in excess of the amount of the award of compensation, if any, such excess shall be paid to the beneficiary after any compensation award for the same injury or death is made.

If a beneficiary or conditional beneficiary shall have recovered, as a result of a suit brought by him or on his behalf, or as a result of a settlement made by him or on his behalf, any money or other property in satisfaction of the liability of such other person, such money or other property so recovered shall be credited upon any compensation payable, or which may become payable, to such beneficiary or conditional beneficiary by the United States on account of the same injury or death.

(2) The bureau is hereby authorized to pay the beneficiary or other person or persons in whose name an action may have been commenced or prosecuted and to all witnesses in such action fees and mileage the same as is now paid and allowed to witnesses in the United States courts in going to, remaining at, and returning from place of trial and without any regard to whether the action, if any, is brought or prosecuted in a court of the United States or some other court.

In all cases of assignment of causes of action under this section, whether the assignment be heretofore or hereafter made, where it shall appear to the director to be to the best interests of the beneficiary so to do, the director, acting for and in the name of the United States, may assign the cause of action back to the beneficiary or to his personal representatives.

(3) The bureau shall make all necessary regulations for carrying out the purposes of this section. For the purpose of computation only under this section the total amount of compensation due any beneficiary shall be deemed to be equivalent to a lump sum equal to the present value of all future payments of compensation computed as of the date of the award of compensation at 4 per cent true discount, compounded annually. The probability of the beneficiary's death before the expiration of the period during which he is entitled to compensation shall be determined according to the American Experience Table of Mortality.

A conditional beneficiary is any person who may become entitled to compensation under this article on or after the death of the injured person.

Nothing in this section shall be construed to impose any administrative duties upon the War or Navy Departments.

The amendment was agreed to.

The next amendment was, on page 49, after line 9, to insert:

SEC. 213. That where any beneficiary of this bureau suffers or has suffered an injury or an aggravation of an existing injury as the result of training, hospitalization, or medical or surgical treatment, awarded to him by the director and not the result of his misconduct, and such injury or aggravation of an existing injury results in additional disability to or the death of such beneficiary, the benefits of this article shall be awarded in the same manner as though such disability, aggravation, or death was the result of military service during the World War. The benefits of this section shall be in lieu of the benefits under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; and from any payments due hereunder shall be deducted all amounts paid by any person other than United States as damages or compensation for such injury, aggravation, or death: *Provided*, That application be made for such benefits within one year after such injury or aggravation was suffered or such death occurred or after the passage of this act or whichever is the latest date.

The amendment was agreed to.

The next amendment was, on page 50, after the word "resignation," to insert a colon and the following:

Provided, That application for insurance must be made by cadets of the United States Military Academy and midshipmen of the United States Naval Academy within 120 days after admission to such

academy or 120 days after the approval of this act, whichever is the later date.

The insurance shall be payable only to a spouse, child, grandchild, parent, brother, sister, uncle, aunt, nephew, niece, brother-in-law or sister-in-law, or to any or all of them, and also during total and permanent disability to the injured person.

The United States shall bear the expenses of administration and the excess mortality and disability cost resulting from the hazards of war. The premium rates shall be the net rates based upon the American Experience Table of Mortality and interest at 3½ per cent per annum.

The amendment was agreed to.

The next amendment was, on page 54, line 5, after "Sec. 303," to strike out "If no person within the permitted class of beneficiaries survive the insured, then there shall be paid to the estate of the insured the monthly installments payable and applicable under the provisions of this title" and to insert "If no person within the permitted class of beneficiaries survive the insured, or if before the completion of payments the beneficiary or beneficiaries shall die and there be no surviving person within said permitted class, then there shall be paid to the estate of the insured the present value of the monthly installments thereafter payable under the provisions of this title commuted at 5 per cent interest with annual rests," so as to read:

SEC. 303. If no person within the permitted class of beneficiaries survive the insured, or if before the completion of payments the beneficiary or beneficiaries shall die and there be no surviving person within said permitted class, then there shall be paid to the estate of the insured the present value of the monthly installments thereafter payable under the provisions of this title commuted at 5 per cent interest with annual rests: *Provided*, That in cases where the estate of the insured would escheat under the laws of the place of his residence the insurance shall not be paid to the estate of the insured, but shall escheat to the United States and shall be credited to the United States Government life insurance fund or the military and naval insurance appropriation, as may be proper. This section shall be deemed to be in effect as of October 6, 1917.

The amendment was agreed to.

The next amendment was, at the top of page 56, to insert a new section as follows:

SEC. 305. Where any person has heretofore allowed his insurance to lapse while suffering from a compensable disability for which compensation was not collected and dies or has died, or becomes or has become permanently and totally disabled and at the time of such death or permanent total disability was or is entitled to compensation remaining uncollected, then and in that event so much of his insurance as said uncollected compensation, computed in all cases at the rate provided by section 302 of the war risk insurance act as amended December 24, 1919, would purchase if applied as premiums when due, shall not be considered as lapsed; and the United States Veterans' Bureau is hereby authorized and directed to pay to said soldier, or his beneficiaries as the case may be, the amount of said insurance less the unpaid premiums and interest thereon at 5 per cent per annum compounded annually in installments as provided by law.

The amendment was agreed to.

The next amendment was, on page 56, line 18, to change the section number from 305 to 306.

The amendment was agreed to.

The next amendment was, on page 58, line 22, after the word "premiums" to insert "and subject to the provisions of section 23," so as to read:

SEC. 306. All such policies of insurance heretofore or hereafter issued shall be incontestable after the insurance has been in force six months from the date of issuance or reinstatement, except for fraud or nonpayment of premiums and subject to the provisions of section 23.

The amendment was agreed to.

The next amendment was, on page 59, line 10, after the word "in," to strike out "line of duty" and to insert "the military service," so as to read:

SEC. 400. That every person who was enlisted, enrolled, drafted, inducted, or appointed in the military or naval forces of the United States, including members of training camps authorized by law, and who has resigned or has been discharged or furloughed therefrom, having a disability incurred, increased, or aggravated after April 6, 1917, and before July 2, 1921, in the military service and not the result of his own willful misconduct while a member of such forces or later developing a disability traceable in the opinion of the director to service during said period with such forces in line of duty and not the result of his own willful misconduct, and who, in the opinion of the director, is in need of vocational rehabilitation to overcome the handicap of such disability, shall be furnished by the bureau, where vocational rehabilitation is feasible, such course of vocational rehabilitation as the bureau shall prescribe and provide.

The amendment was agreed to.

The next amendment was, on page 60, line 6, after the words "be paid," to strike out "monthly"; and in line 7, after the word "bureau," to strike out "from the appropriation hereinafter provided," and to insert "monthly or semimonthly, as the director may prescribe," so as to read:

SEC. 401. The bureau shall have the power, and it shall be its duty until June 30, 1926, to furnish the persons included in section 400 hereof suitable courses of vocational rehabilitation, to be prescribed and provided by the bureau; and every person electing to follow such a course of vocational rehabilitation shall, while following the same, be paid by the bureau monthly or semimonthly, as the director may prescribe, such sum as in the judgment of the director is necessary for his maintenance and support and for the maintenance and support of persons depending upon him, if any.

The amendment was agreed to.

The next amendment was, on page 61, after line 16, to strike out:

Any trainee who shall suffer physical injury in and by reason of his vocational training shall receive compensation therefor in accordance with the terms of an act entitled, "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and any amendments thereto.

The amendment was agreed to.

The next amendment was, on page 61, line 25, after the word "vocational," to strike out "rehabilitation," and to insert "training," so as to read:

SEC. 402. That until June 30, 1926, the courses of vocational training provided for under this act shall, as far as practicable, and under such conditions as the director may prescribe, be made available without cost for instruction for the benefit of any person who is disabled under circumstances entitling him, after discharge from the military or naval forces of the United States, to compensation under Title II hereof and who is not included in section 400 hereof.

The amendment was agreed to.

The next amendment was, on page 65, after line 6, to insert a new section, as follows:

SEC. 505. Every guardian, conservator, curator, or other person having charge and custody in a fiduciary capacity of the compensation or insurance of his ward, or any other benefits, payable to his ward by the bureau, who shall embezzle the same in violation of his trust, or fraudulently convert the same to his own use, shall be punished by fine not exceeding $2,000, or imprisonment at hard labor for a term not exceeding five years, or both, at the discretion of the court.

The amendment was agreed to.

The next amendment was, on page 66, at the beginning of line 17, to strike out "section" and insert "sections 313 and," so as to read:

(5) An act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917; saving and excepting from repeal sections 313 and 314 of Article III of said act.

The amendment was agreed to.

The next amendment was, on page 67, after line 4, to strike out:

The incorporation in this codification of any general and permanent provision taken from an act making appropriations shall not repeal or in any way affect any appropriation contained in any of said acts, but the same shall remain in force.

The amendment was agreed to.

The next amendment was, on page 67, line 12, after the word "right," to strike out "accruing"; in the same line, before the word "accrued," to insert "liability"; in the same line, after the word "suit," to strike out "or proceeding had or"; in line 13, before the word "before," to strike out "in any civil cause"; and in line 14, before the word "rights," to insert "such," so as to read:

SEC. 602. The repeal of the several acts as provided in sections 600 and 601 hereof shall not affect any act done or any right or liability accrued or any suit commenced before the said repeal, but all such rights and liabilities under said acts shall continue and may be enforced in the same manner as if said repeal had not been made; nor shall said repeal in any manner affect the right to any office or change the term or tenure thereof.

The amendment was agreed to.

The next amendment was, on page 68, after line 6, to strike out:

SEC. 605. The arrangement and classification of the several sections of this codification have been made for the purpose of a more convenient and orderly arrangement of the same and therefore no inference or presumption of a legislative construction is to be drawn by reason of the title, chapter, or section heading under which any particular section is placed except where specifically provided.

The amendment was agreed to.

The next amendment was, on page 68, line 14, to change the section number from 606 to 605.

The amendment was agreed to.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that the Secretary be authorized to make all necessary corrections in paragraph and section numbering and lettering.

The PRESIDENT pro tempore. Without objection, the Secretary is authorized to make these changes in the relettering of paragraphs and the renumbering of sections.

Mr. REED of Pennsylvania. Mr. President, I have three small amendments agreed to by the committee but not shown in the draft of the calendar print.

First, on page 12, line 25, after the words "Public Health Service," I move to amend by inserting the words "or of the Treasury Department."

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 12, line 25, in the committee amendment heretofore agreed to, after the words "Public Health Service," it is proposed to insert "or of the Treasury Department."

The PRESIDENT pro tempore. Without objection, the vote whereby the committee amendment was agreed to will be reconsidered. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. REED of Pennsylvania. On page 13, line 1, in the same committee amendment, I move to strike out the word "and" and insert the word "or."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. REED of Pennsylvania. On page 45, line 4, I move to strike out "one year" and insert "two years."

The amendment was agreed to.

Mr. REED of Pennsylvania. On page 62, line 21, I move to strike out "1924" and insert "1925."

The amendment was agreed to.

Mr. REED of Pennsylvania. The committee amendments are now completed.

Mr. CURTIS. Mr. President, if that completes the committee amendments, I understand that there will not be a final vote on the bill to-night, and I therefore ask that the unanimous-consent agreement be carried out.

Mr. REED of Pennsylvania. There is only one committee amendment left, and that is the one relating to the salary of the director, which was passed over. I think it ought to be voted on by a full Senate; so I have no objection to the request of the Senator from Kansas.

RECESS

Mr. CURTIS. I move that the Senate take a recess, the recess being, under the unanimous-consent agreement, until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, April 30, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, *April 29, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In the blush of a new day, gracious Heavenly Father, Thou hast spoken unto us again. Thy mercy fills the earth with promise, which no sorrow can repress. It works for righteousness, it makes the just cause prevail, it secures moral progress and spiritual growth. We therefore say with reverent and grateful breath, "God is good." Glory be to Thy name, O Lord most high. Help our purposes and plans to develop into new deeds, and may Thy blessed Holy Spirit give direction to the whole day, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEFERRING PAYMENTS ON RECLAMATION CHARGES

Mr. SMITH of Idaho. Mr. Speaker, I call up the conference report on the bill (S. 1631) to authorize the deferring of payments on reclamation charges, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Idaho calls up the conference report on the bill S. 1631, which the Clerk will report by title.

The Clerk read as follows:

Conference report on the bill (S. 1631) to authorize the deferring of payments on reclamation charges.

The SPEAKER. The gentleman from Idaho asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The statement accompanying the conference report was read.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1631) to authorize the deferring of payments of reclamation charges having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with amendments as follows:

In lieu of the matter inserted by the amendment of the House insert the following:

"That the Secretary of the Interior is hereby authorized and empowered, in his discretion, to defer the dates of payments of any charges, rentals, and penalties which have accrued prior to the 2d day of March, 1924, under the act of June 17, 1902 (32 Stat. L. p. 388), and amendatory and supplemental acts, or prior to that date as against water users on any irrigation project benefiting Indians or being constructed or operated and maintained under the direction of the Commissioner of Indian Affairs, as may, in his judgment, be necessary in or concerning any irrigation project now existing under said act: *Provided*, That no payment shall be deferred under this section in any particular case beyond March 1, 1927: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *And provided further*, That in case the principal and interest herein provided for are not paid in the manner and at the time provided by this section, any penalty now provided by law shall thereupon attach from the date of such default.

"SEC. 2. That where an individual water user, or individual applicant for a water right under a Federal irrigation project constructed or being constructed under the act of June 17, 1902 (32 Stat. L. p. 388), or any act amendatory thereof or supplementary thereto, makes application prior to January 1, 1925, alleging that he will be unable to make the payments as required in section 1 hereof, the Secretary of the Interior is hereby authorized in his discretion prior to March 1, 1925, to add such accrued and unpaid charges to the construction charge of the land of such water user or applicant, and to distribute such accumulated charges equally over each of the subsequent years, beginning with the year 1925, or, in the discretion of the Secretary, distribute a total of one-fourth over the first half of the remaining years of the 20-year period beginning with the year 1925, and three-fourths over the second half of such period, so as to complete the payment during the remaining years of the 20-year period of payment of the original construction charge: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *Provided further*, That the applicant for the extension shall first show to the satisfaction of the Secretary of the Interior detailed statement of his assets and liabilities and probable inability to make payment at the time required in section 1: *And provided further*, That

in case the principal and interest herein provided for are not paid in the manner and at the time provided by this act, any penalty now provided by law shall thereupon attach from the date of such default: *And provided further*, That similar relief in whole or in part may be extended by the Secretary of the Interior to a legally organized group of water users of a project, upon presentation of a sufficient number of individual showings made in accordance with the foregoing proviso to satisfy the Secretary of the Interior that such extension is necessary."

And the House agree to the same.

ADDISON T. SMITH,
N. J. SINNOTT,
CARL HAYDEN,
Managers on the part of the House.
CHAS. L. MCNARY,
W. L. JONES,
LAWRENCE C. PHIPPS,
JOHN B. KENDRICK,
KEY PITTMAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1631) entitled "An act to authorize the deferring of payments of reclamation charges," submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

The date prior to which accrued charges may be taken care of under the pending bill is extended from March 1, 1924, to March 2, 1924.

The bill as it passed the Senate contained a provision that relief should be afforded settlers on irrigation projects on Indian reservations. The House eliminated the words "upon irrigation projects on Indian reservations." The Senate disagreed to this amendment, and the conference committee which was appointed has agreed upon the following language in lieu of the language stricken out by the House "or prior to that date as against water users on any irrigation project benefiting Indians, or projects being constructed or operated and maintained under the direction of the Commissioner of Indian Affairs."

Under this provision the settlers on Indian irrigation projects would be afforded the same relief as those upon the United States reclamation projects, evidence having been submitted by the Secretary of the Interior to the chairman of the Committee on Indian Affairs, as contained in House Report No. 569 on H. R. 8581, providing for extensions of water charges in connection with Indian irrigation projects, which bill is on the House Calendar, that this relief is necessary to enable these water users to carry on their farming operations.

The conferees have also agreed upon the elimination of the following words in section 2: "Excepting operation and maintenance charges for drainage on the Boise, Idaho, project for the year 1923, or prior thereto." This provision was carried in the relief act approved March 28, 1923, at the request of the Boise Water Users' Association, as this organization had made arrangements to pay the drainage charges for the year 1922, but as the charges for drainage have been carried into the construction charge this language is not now necessary, and the drainage charges will hereafter be included in the construction charges, and the pending relief legislation will apply to the delinquent drainage charges as well as to the other charges.

ADDISON T. SMITH,
N. J. SINNOTT,
CARL HAYDEN,
Managers on the part of the House.
CHAS. L. MCNARY,
W. L. JONES,
LAWRENCE C. PHIPPS,
JOHN B. KENDRICK,
KEY PITTMAN,
Managers on the part of the Senate.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following joint resolution:

H. J. Res. 163. Joint resolution authorizing the Secretary of War to loan certain tents, cots, chairs, etc., to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924.

EXTENSION OF REMARKS

Mr. JACOBSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the child-labor amendment.

The SPEAKER. All Members of the House have that privilege for five legislative days.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, the District of Columbia appropriation bill; and pending that motion, I will ask the gentleman from Kansas [Mr. AYRES] if he can not agree on the time for general debate. I have suggested to him heretofore four hours. If that is not satisfactory, we shall have to agree on something else.

Mr. AYRES. I suggested five hours, but I should think about four hours and a half would be a fair compromise.

Mr. DAVIS of Minnesota. Four hours and a half?

Mr. AYRES. Yes.

Mr. DAVIS of Minnesota. That will be satisfactory to me, I to occupy one half of the time and the gentleman from Kansas the other half?

Mr. AYRES. Yes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the general debate be limited to four and a half hours, one half the time to be controlled by himself and the other half to be controlled by the gentleman from Kansas [Mr. AYRES]. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Minnesota, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, the District of Columbia appropriation bill.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, the District of Columbia appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8839, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District of Columbia for the fiscal year ending June 30, 1925, and for other purposes.

Mr. DAVIS of Minnesota. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. TINCHER].

The CHAIRMAN. The gentleman from Kansas is recognized for 15 minutes.

Mr. TINCHER. Mr. Chairman and gentlemen of the committee, I propose to take these 15 minutes to discuss the bill which is to come before Congress under the new rule next Monday, known as the Barkley bill. Under the terms of that bill there are four adjustment boards.

The first one has 14 members; 7 named by organized capital, and 7 by organized labor, at $7,000 per year.

The second one has 14 members; 7 named by organized capital, and 7 by organized labor, at $7,000 per year.

The third has 6 members; 3 named by organized capital, and 3 by organized labor, at $7,000 per year.

The fourth board has 6 members; 3 named by organized capital, and 3 by organized labor, at $7,000 per year.

Each adjustment board has a secretary at a salary of $4,000 a year. In addition to this, each adjustment board shall employ and fix salaries of such employees as it may deem necessary. Thus we see that we have forty $7,000-a-year Government employees, four $4,000-a-year Government employees, and God only knows how many employees in all.

The Board of Mediation and Conciliation is composed of five members at $12,000 a year each. This board has the power

deeds, and may Thy blessed Holy Spirit give direction to the whole day, through Jesus Christ our Lord. Amen.

assets and liabilities and probable inability to make payment at the time required in section 1: *And provided further*, That

"to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees as it may from time to time find necessary." This Board of Mediation and Conciliation has no power, except that which the parties to the contest agree to give it. No doubt this board would expend more than the half a million dollars authorized in the act every year after the first year.

There is positively no limit to the number of men that may be appointed.

The problem of capital and labor has occupied the best thought of thinking men for a great many years, and the tendency in recent years has been to recognize the right and interest of the public, of the 100,000,000 people not directly involved in that immediate controversy or the question involved. This is natural, because every strike and every controversy affects the price of the necessaries of life, and affects not only the price of the necessaries of life, but affects our ability to get them at any price; and the tendency of the best thinkers has been toward giving the American public, the people interested, some rights. [Applause.]

But this bill departs from the ordinary rule of our Government, that judicial officers must be impartial. It makes the sudden and rapid and revolutionary departure of making it obligatory upon the judicial officer to be partial and partisan.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BLACK of Texas. And the man also, as I understand it, if he represents the labor end of it, must be a member of the union, and can not be on the board unless he is a member of the union?

Mr. TINCHER. Yes; he must be a member of a union affiliated with the American Federation of Labor.

I am fond of my good friend the gentleman from Kentucky [Mr. BARKLEY], but I do not like the title of the bill which he has adopted, especially since the speech of the gentleman from Alabama [Mr. HUDDLESTON] who said the other day, "We did not introduce this bill to be considered by a committee. We introduced it to use the new rule on, and now you indorse it, and now you take it." I do not think that bill ought to bear the name of my friend Mr. BARKLEY. The right name for the bill is "the resumption of strikes bill."

Mr. BLANTON. Will the gentleman yield right there?

Mr. TINCHER. Certainly.

Mr. BLANTON. I understood the gentleman from Kentucky [Mr. BARKLEY] to say that this bill had been drawn by the representatives of the railroad employees?

Mr. TINCHER. That is right.

Mr. BLANTON. Now, may I ask this: If all these boards have equal rights, half of railroad employees and half of railroad capital, does not that embrace most of the membership of the House, so that we few fellows who are looking after the people's interest have no chance at all?

Mr. TINCHER. It not only does that, but it effects a tie during which time the public must suffer. Let me tell you what happened. The exploiters of labor who are behind this bill are the same bunch that double-crossed labor in the West in the strike of 1922. They are the crowd that settled the strike on the eastern railroads and left the poor devils in the West to fight their own battle.

Lots of good men with good families and owning their homes in little towns were left out by these exploiters and some of them are now awakening to the fact that the strike is not their remedy, and they are awakening to the fact that they have been paying too much of their hard-earned money to the paid exploiter and walking delegate, who is the man behind this bill.

I just wonder what they have been thinking about. Here is agriculture. The other day before our committee stood a representative of the American Federation of Labor—the Committee on Agriculture—a fair man of intelligence. He said to us, "I want you to pass a bill for the relief of the American farmer because I realize that the present existing prosperity and high wages that the American Federation of Labor members are enjoying to-day can not continue unless you bring about some relief for agriculture." I did not know then that they were planning to absolutely kick out of Congress any chance for the consideration of agricultural relief by bringing onto this floor, by petition, a bill longer than any bill we have been considering, and we have had one under consideration in that committee of 21 for three months—a longer bill than any we have been considering to be voted on without any hearing and without any consideration. Just one of two things will happen when the Barkley bill comes before this House. They will take four months in perfecting it and do nothing else—because it will take that long to consider this bill in this House—or the House will take the dictation of the gentleman from Alabama [Mr. HUDDLESTON], who told us the other day that this is labor's bill; you must vote for it or you are against labor. I am going to vote against it and I am a friend of labor. [Applause.] And I do not believe the American Federation of Labor ought to put itself in this attitude.

My friends, this bill creates more offices and puts more men on the Federal pay roll than the salary of the President of the United States, the Vice President of the United States, and all the Cabinet officers combined. They are permanently placed on the Federal pay roll and they are not impartial men but men put there because of their partiality.

In the Committee on Interstate and Foreign Commerce they have been considering a bill to reduce freight rates, a bill to give the shipper some chance. Is that to be supplanted by the petition route by a bill to create strikes and to return to that old form of government by force? Under such a bill we shall have strikes, and I think the average laboring man has had about enough of them. He ought to wake up as to what is happening to him through his representatives here if this is their demand.

Think how ridiculous Congress will be if next Monday we decide to forget what is on the calendar for agriculture, if we forget what is on the calendar and has been regularly considered by the Committee on Interstate and Foreign Commerce for the reduction of freight rates—forget all those things. There are members of the committee qualified and ready to explain every little provision in these bills. Are we going to forget the rights of 100,000,000 people and take up a proposition which has for its purpose the getting of the votes of those at the head of the American Federation of Labor and who tell you how to vote? Ah, my friends, Congress did that eight years ago and four years ago the Executive did it, but surely this Congress is not going to put itself in the attitude of going before the people this fall and saying, "We did not have time to consider agriculture; we did not have time to consider the matter of a reduction in freight rates, but all the time we had we used in obeying the demands that were made on us to pass the Barkley bill"—not a little bill but one to create more executive officers than we already have. Not only will there be more offices created and more expense incurred than the expense of paying the President, the Vice President, and all of the Cabinet, but these men will have more power under the Barkley bill, or the strike bill, to hire help than any Cabinet officer has, and will have more power to spend the Government's money than any member of the Cabinet has or the President himself has under any existing law.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. TINCHER. Yes.

Mr. BLANTON. I just want to suggest to the gentleman that if he were to attempt to offer an amendment to the Barkley bill they would get a rule and pass it without debate.

Mr. TINCHER. I do not believe that at all. I do not believe they will ever get a rule from the present Rules Committee to consider a bill that ought to be considered in committee, and I believe if this bill is considered it will be by the petition route, because 150 men filed up there and signed the petition when the gentleman from Alabama [Mr. HUDDLESTON] said that this was a demand of organized labor and told them to sign it. Members signed that petition who have told me since that they had not then read the bill and they have not read it since. Members of Congress signed that petition to consider a 40-page bill, and said they had not read the bill then and they say they have not read it since.

Mr. HERSEY. Will the gentleman yield right there? With all the power that these four new organizations are given they have not a single power, have they, to settle a labor strike or anything else, because they can not enforce anything?

Mr. TINCHER. Certainly not. This bill is not to go back to the brotherhood of government; this bill is to go back to the strike system and let the mighty win in the strike, and its purpose is to restore the right to settle all labor disputes by the strike method. I believe the best thinking part of organized labor, if they were cognizant of the fact, would be against it.

Mr. McKEOWN. Will the gentleman yield?

Mr. TINCHER. Yes; I yield.

Mr. McKEOWN. Does the gentleman favor continuing the present Labor Board which has been functioning in these matters?

Mr. TINCHER. I introduced a bill to abolish the Labor Board and give its power to the Interstate Commerce Commission. I am opposed to having one board fix prices for the men and another board fix rates for the farmers to pay. [Ap-

plause.] So long as you have that system you will have trouble, but I am not in favor now of repealing the only agency that seems to have any interest in the public and turning it over to the warring factions, and I hope it will not pass.

Mr. McKEOWN. Will the gentleman yield further?

Mr. TINCHER. Will the gentleman answer me a question? Did you sign the petition?

Mr. McKEOWN. Yes.

Mr. TINCHER. Have you read the bill?

Mr. McKEOWN. Yes.

Mr. TINCHER. How many offices does it create?

Mr. McKEOWN. Quite a good many of them.

Mr. TINCHER. Do you like that? Do you know that it costs more every 12 months to pay those officers than to pay the President of the United States, the Vice President, and every member of the President's Cabinet, and there is no limitation in the bill on the number of employees they can hire?

Mr. McKEOWN. The gentleman knows that this bill makes compulsory the settlement of disputes——

Mr. TINCHER. I say the bill does not. It absolutely takes that power away from the board which it has now.

Mr. McKEOWN. The gentleman is wrong about that.

Mr. TINCHER. This bill restores the right to strike, and it recognizes that right and recognizes that means of settlement of labor disputes, and I have too many men in my district who are homeless to-day by reason of it not to know that.

Mr. HERSEY. Have not the highest courts decided in a number of decisions that there is no such thing as compulsory arbitration?

Mr. TINCHER. Certainly they have.

Mr. McKEOWN. If the gentleman will yield there, I would like to state that this bill does not affect any power in any bill to require the individual to work, but this bill does settle the proposition of the organization continuing a strike. That is the distinction.

Mr. TINCHER. No. I want to give the gentleman credit for having read the bill because he signed the petition, but if he keeps on I will wonder whether he has read it. This bill takes away from the board the power to enforce an order, gives that power to another board, if the order is satisfactory to both sides. That is what this bill does.

Mr. McKEOWN. The order is filed with the court.

Mr. TINCHER. This bill should not be called the Barkley bill. This bill should be called the great-return-to-the-right-to-strike bill. This bill is not a step backward; this bill is a mile and a half backward. [Laughter and applause.]

Mr. RAYBURN. Will the gentleman from Kansas yield before he takes his seat?

Mr. TINCHER. Yes; I will yield.

Mr. RAYBURN. Did the gentleman vote for the discharge rule?

Mr. TINCHER. I voted to amend the discharge rule to make it as ineffective as possible, and I do not remember whether I voted for it or not; but I voted in favor of crippling it in any way I could. I suspected then, as I know now, that it would never be used for any good purpose. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. AYRES. Mr. Chairman, I yield one minute to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, the gentleman from Kansas [Mr. TINCHER] has stated that this may prevent the consideration of agricultural bills. I want to say that if he will examine the list of those who signed the discharge petition, the gentleman will find that in the vast majority of cases they are the men who will also vote for measures to relieve the situation in the agricultural districts.

Mr. TINCHER. Will the gentleman vote to take up the agricultural legislation first?

Mr. KVALE. I have been here for four months looking for a chance to vote for relief for agriculture, and I will vote to take that up any time the gentleman is ready.

Mr. TINCHER. It has been before the committee during all that time, and it is on the calendar now, having been reported within the last two or three days. The committee has worked on the bill and has absolutely given consideration to it——

Mr. KVALE. I know it has.

Mr. TINCHER. Regardless of party, every day, and it is not as long a bill as the Barkley bill and will not cost the Government one-twentieth as much as that bill.

Mr. GARRETT of Texas. Could the gentleman get a rule for the Agricultural bill?

Mr. KVALE. Let Congress remain in session until some relief measure for agriculture has been enacted into law, even if it has to stay here all summer.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. DAVIS of Minnesota. Mr. Chairman and gentlemen of the committee, it is again my privilege to present for your consideration the annual District of Columbia appropriation bill. I say privilege advisedly, for, in my judgment, it is a privilege to be your intermediary in ascertaining and proposing for your consideration the money requirements of the Capitol City of the Nation—the Capitol City of your constituents and of mine—toward the support of which they contribute in generous measure.

Before proceeding with a discussion of the bill I wish to say to the House that three of my colleagues on the subcommittee had had no previous experience with the fiscal affairs of the local government. I refer to Mr. FUNK, of Illinois; Mr. AYRES, of Kansas; and Mr. EAGAN, of New Jersey. I found, however, that their business training and natural ability peculiarly well fitted them for the assignment; and I am sure my friend, Mr. TINKHAM, who has served on this subcommittee before, will bear me out that their sound judgment was of inestimable value in shaping the bill which you have before you.

TOTAL APPROPRIATIONS

The appropriations proposed amount in the aggregate to $23,770,517. This sum is $803,465 less than appropriated for the present fiscal year. At first blush that may sound as if I were bearing down on the District of Columbia, but before this discussion is over I will show you that I am not and have not any such design on the District of Columbia. Of the total sum proposed $1,152,860 is payable wholly out of the water revenues, $183,490 is payable wholly from the revenues of the District of Columbia, $13,460,500.20 represents the District of Columbia's portion on the 60-40 method of dividing expenses, and the Federal Government's contribution or share is $8,973,666.80. The activities to which it is proposed the Government shall not contribute, apart from the appropriations proposed on account of the water service, are the public employment service, playgrounds, other than sites, and community center activities. This is in agreement with the practice which heretofore has obtained.

I shall not in the limited time at my disposal attempt to analyze the numerous increases and decreases which the bill proposes. These are set out in great detail in the report on the bill which you have before you. I am inclined to believe that it would be better to give the reasons which prompted our action when the various items are considered under the five-minute rule. Perhaps I should say, however, with respect to the proposed reduction below the current appropriation, that while it is the net of a number of increases and decreases, it will not be sufficient to offset such increases as later may be provided to take care of increased or additional compensation in one form or another for those employments under the local municipal government which are specifically exempted from the provisions of the reclassification act.

EXEMPT FROM RECLASSIFICATION

I refer to teachers, librarians, school attendance officers, and employments under the community center department, all under the Board of Education; to officers and members of the police and fire departments, and to the park police. The $240 bonus for these employees alone creates a demand of more than $1,000,000. So it is manifest that if legislation be enacted dealing with the pay of such employments it will most likely involve a sum not less than is now occasioned by the $240 bonus.

AMOUNT FOR RECLASSIFICATION CARRIED IN BILL

While alluding to reclassification I might at this point remark that as to the employments not excepted from the operation of the law the appropriations proposed in this bill to follow the form employed in the annual appropriation bills previously presented at this session, and their application is proposed to be similarly restricted. The total amount carried in the bill on account of reclassification over the present basic pay plus the $240 bonus is $322,033.80, or an increase of 12.28 per cent. This increase is distributed over 2,230 employments.

I will say right there that continuing the bonus alone for policemen, firemen, and teachers will bring the bill above the present law, while the special pay laws dealing with such employments will carry it about a million and a quarter above the sum total of the current appropriation.

Mr. LAZARO. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. LAZARO. Several editorials have been written in one of the papers of the District criticizing the committee for not appropriating enough money for the District of Columbia, and when the gentleman comes to deal with the proposition I thought we ought to get a little information on that and in relation to the suits that are pending in which four or five million dollars is involved. They complain that they have not been provided with assistant attorneys to meet the legal advisers on the other side. Will the gentleman explain that?

Mr. DAVIS of Minnesota. I will say to the gentleman that that is vital in many ways, and I understand my associate, Mr. AYRES, of Kansas, is going to explain that fully in detail. He can do it as well as any living man, and he is fully informed. When he gets through I think the gentleman will be perfectly satisfied on the proposition.

Mr. LAZARO. I want the gentleman to understand that I am not criticizing the committee. I am merely trying to get information.

Mr. DAVIS of Minnesota. The gentleman knows that sometimes arrangements are made between members of the committee whereby members discuss various subjects, and that particular subject my friend from Kansas [Mr. AYRES] will discuss.

THE 3.65 BONDS

The committee was confronted by two new sizeable appropriations not carried in the current appropriation act. I refer to the sum required finally and fully to close out the old 50-year 3.65 bonds which mature next August, and to the proposition to make an annual appropriation out of the policemen and firemen's relief fund and to have the Government appropriate 40 per cent of the sum required for such purpose.

The 3.65 bonds amounted originally to $15,000,000. They have been reduced to $4,589,250. The sinking fund assets held for the liquidation of this indebtedness amounted to $4,423,640.91 on June 30 last, or $165,609 less than the outstanding debt on the same date. The estimate is that by August 1 next, when all of such outstanding bonds mature, an appropriation of $300,000 must be available to supplement the sinking fund and accrued interest thereon fully to satisfy the maturing debt. The bill carries an appropriation in that amount.

POLICE AND FIREMEN'S RELIEF FUND

With respect to the policemen and firemen's relief fund the proposition to have the Federal and District Governments contribute in the 60–40 proportion to the support of this fund admittedly perplexed the committee not a little. However, when it is considered that the District, by the terms of the District of Columbia appropriation act for 1923, was required to divide with the Federal Government the receipts from police court fines—and such fines amounted last year to more than $460,000—and that such fines supplemented the District revenues which were drawn upon to supply any deficiency in the regular revenues of the policemen and firemen's relief fund, the committee felt that there was considerable equity in the proposition and has acceded to the recommendation.

ADDITIONAL POSITIONS

Taking the main headings of the bill seriatim, I shall briefly outline the major changes which are presented for your action. The committee was asked to provide for additional positions apart from teachers, policemen, and firemen. The committee is recommending 47 of these positions at an additional expense of $53,540. Twenty-nine of the 47 are engineers, janitors, and so forth, for new public-school buildings; six are for duty on account of the new school for white girls, maintained by the National Training School for Girls; three are for duty at the free Public Library; and the remainder are distributed among seven different activities. Included in the number is a new business manager, to be in charge of the business administration of the public-school system, at a salary of $3,750 per annum. Such a position has the strong indorsement of the Bureau of the Budget, the commissioners, and the board of education. Properly filled, the amount required for the pay of this position should be money well expended. The employments refused for the most part were requested for new branch libraries and for augmenting the clerical force of the schools.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. DAVIS of Minnesota. I will.

Mr. LAZARO. There was some criticism made also that the committee did not make sufficient appropriation for new buildings for the children of the District. Is there anything in that?

Mr. DAVIS of Minnesota. Absolutely nothing. We have given a number of items here amounting to over a million dollars—eight hundred and eighty thousand for buildings alone, and the balance for equipment and for repairs and improvements. I will get to the schools in a minute.

LIBRARIES

With respect to libraries, the Budget includes provision for the establishment of three branch libraries in public-school buildings, for which purpose $25,520 was specifically allocated. The committee felt that if this request were acceded to it would prove the forerunner of a demand to have circulating libraries provided as an adjunct to many more if not all of the schools throughout the District. There probably is no city in the country better equipped with library facilities than Washington. We have here the Congressional Library, with its countless volumes and a splendid free public library, situated in the center of the city, with a branch in Takoma Park, another in the southeast section of the city, and a third about to be built in the Mount Pleasant section.

STREET IMPROVEMENTS AND REPAIRS

We next come to the matter of street improvements and repairs. There are but few of the many other items in this bill which arouse a greater degree of local interest. I think I speak the sentiment of the entire House when I say that all of us are desirous of seeing local thoroughfares properly paved, but, at the same time, I believe that there is a unanimity of thought among us that few, if any, cities can boast of better streets than will be found in this city. Just at this time the principal needs are in the newly built areas. Building operations have been proceeding here during the past two or three years on a scale never before paralleled, and the consequence is that in these newly built sections there is an unprecedented amount of paving work to be done. The Budget this year included quite a number of specific projects, three or four of the number being grading items. Each of these and a number of others besides were inspected personally by the members of the subcommittee in charge of this bill, and they were sufficiently impressed with the merits of 50 of the items as to present them to you in this bill. Some of the projects recommended in the Budget involve the replacement of permanent pavement, while a temporary covering had been applied to a number of others which rendered them, in the judgment of the committee, less pressing than a number of streets which it examined or noticed during its inspection trip for which no estimates were submitted. We have provided for one item not included in the Budget, to which, perhaps, I should direct your especial attention. That is the one to widen Thirteenth Street NW. from F to I Streets, from 40 to 80 feet. There is an item of prime importance to abutting property owners or tenants of such property. It is also a project that will greatly benefit traffic conditions, and in a section, it is submitted, where relief is badly needed. This item is urged by the entire Thirteenth Street Business Men's Association, which has proposed that abutting property owners be charged with 40 per cent of the entire cost, and the appropriation proposed provides for such a distribution of the expense. Under the law abutting property owners would be assessed for but 25 per cent of the cost, excluding street intersections.

REPAIRING STREETS, URBAN AND SUBURBAN

For repairing streets, urban and suburban, the bill provides appropriations corresponding with those made for this present fiscal year, which amounted to $825,000. This would seem to be a generous allowance. I might remind you that a year ago these appropriations were increased over $100,000.

SEWERS AND GARBAGE

For sewers and for the collection and disposal of refuse the appropriations proposed exceed the current appropriations by $176,900. Additional funds are necessary to keep pace with the city's growth.

SCHOOLS

I will now turn to the appropriations for schools. At first blush it would appear that the committee is proposing rather drastic action, but an analysis of the figures will show quite the contrary. As I have previously pointed out, teachers, librarians, school attendance officers, and community center employees are exempted from the provisions of the classification act. They have been estimated for at their present basic salaries without increased compensation of any kind. To pay such employees the $240 bonus this year requires an appropriation of $629,320. As we are obliged, you might say,

to provide increased compensation in one form or another for these public servants in some subsequent measure, it is apparent that, instead of the proposed appropriations aggregating less than the current appropriation, we are in reality, assuming that the increased compensation later to be provided will amount at least to the sum now required to pay the $240 bonus, proposing appropriations approximately $80,000 in excess of the current appropriations.

Mr. McKENZIE. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. McKENZIE. In the matter of schools I have understood that we have a school here in Washington for the teaching of foreigners, and in that school there was a pupil 80 years of age.

Mr. DAVIS of Minnesota. That is the fact.

Mr. McKENZIE. I would like to know if that school is still in existence, and if that pupil is still there.

Mr. DAVIS of Minnesota. I can not say whether the pupil is there, but we have made an appropriation for the school which is now in existence. We have given it considerable money, and there was a good deal of pressure to keep it. In the hearings a year or two ago I asked the age of the pupils and they said both young and old, and I asked how old is the oldest one and they said 80.

Mr. DYER. Mr. Chairman, referring to the courts——

Mr. DAVIS of Minnesota. I shall come to the courts in a few minutes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. BLANTON. In view of the fact that the Washington Times on Saturday last criticized the gentleman very severely, I want to say that I think the work done by the gentleman and his colleagues on this bill deserves the commendation of the entire Congress and of the people of the country. [Applause.] With regard to Mr. Syme, over whom the Times criticized the gentleman from Minnesota, I wish that the chairman would get an accurate statement of what the Supreme Court said to Mr. Syme when he was attempting to represent the people of the District as against the utilities board and put that criticism by the Supreme Court into the RECORD. If he does that, I think then that these Washington newspapers will let the gentleman alone.

Mr. DAVIS of Minnesota. If the gentleman will wait for about 15 or 20 minutes, he will hear the gentleman from Kansas [Mr. AYRES] explain that fully. It will be seen from the table accompanying the report that a number of substantial increases are proposed over the current year. The bill provides for 84 additional school-teachers required for new buildings, for teaching special subjects, conducting kindergartens, and so forth. It provides for 29 additional building attendants for new schools or additions to existing schools. It provides $152,169 more than was appropriated for the current fiscal year for furniture and equipment for new school buildings and additions to existing buildings; and it provides $875,000, as requested in the Budget, for continuing work on buildings under construction. Now, I do not believe any fair-minded person can say we have not been liberal with the schools. The committee is not proposing any appropriations for the purchase of additional land for school purposes.

Mr. SPROUL of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. SPROUL of Illinois. How many new schools have been erected in the last year in the District?

Mr. DAVIS of Minnesota. I will enlighten the gentleman on that subject in a moment.

Four additional tracts have been acquired for which no funds have been requested for erecting buildings thereon, namely:

New McKinley Manual Training School	$215,000
For elementary school in Woodley Park section	40,000
For new junior high school between Twentieth Street and Rock Creek and K and O Streets	50,000
For site for remodeling and building addition to Garnet and Patterson Schools	50,000

No funds were requested in the Budget for erecting buildings on any of these four sites.

Since July 1, 1920, the following amounts have been appropriated on account of additional school facilities:

For school building sites alone	$789,500
For additions to buildings	2,015,000
For new buildings	2,230,000
For replacement of buildings	545,000
Total	5,579,500

Mr. SPROUL of Illinois. Does not the gentleman think it was a good idea to buy this property while it is low instead of buying it now?

Mr. DAVIS of Minnesota. Yes; I do, when you have sufficient classroom accommodations, but when the contention is made in many quarters that classroom facilities are inadequate, then, if that be true, I think we should forego the purchase of land and put the money into needed buildings. The appropriations on account of buildings—that is, $4,790,000—supplemented by the $875,000 carried in this bill for completing certain construction now under way will provide a net increase of 164 schoolrooms for elementary pupils and additional accommodations for about 3,000 high-school pupils. While there is much clamor in some quarters respecting the inadequacy of school accommodations, when the Budget includes provision for the acquirement of an athletic field at a cost of $125,000 to the exclusion of any additional elementary schools it is difficult to believe that an alarming situation prevails.

The high-school situation has not been neglected by Congress, either. Since the school year terminating in June, 1920, provision has been made for the—

	Capacity.
New Eastern High School	1,500
Addition to Western High School	500
Addition to Armstrong High School	850
Total	2,850

Also two new junior high schools have been built—the Macfarland and Langley—and the old Eastern High has been converted into a junior high and likewise the Randall School. Plus the Shaw and Columbia Junior Highs heretofore established, we have now in operation six junior high schools, and they, while given over largely to elementary classrooms, aid in a large measure in relieving the high schools.

POLICE AND FIRE DEPARTMENTS

Both the police and fire departments have been adequately taken care of. The salary appropriations for members of these departments include nothing on account of increased compensation. This year there is required to pay the $240 bonus in these departments $410,880. An appropriation will have to be provided later to cover increased compensation for the policemen and firemen or else to continue the $240 bonus, which, of course, will have the effect of making the appropriations for 1925 go well beyond those proposed in this bill and in the Budget as well. We are providing for 20 additional policemen and 4 additional firemen, precisely as recommended in the Budget.

COURT ITEMS

The court items, with one exception, are devoid of anything unusual or out of the ordinary. The employees of the supreme court and the court of appeals were construed to be field-service employees and have been provided for in this bill at their present rates of pay without any provision to take care of the $240 bonus which they are now receiving. This is a matter, of course, which must be taken care of in a later measure. With respect to the municipal court the committee, of its own volition, is providing $300 extra compensation for presiding judge. There are five judges of the municipal court, each of whom is scheduled to receive $5,300 under the classification act. The committee is proposing that the presiding judge shall receive $300 more than the other judges of the court.

CHARITIES AND CORRECTIONS

For charities and corrections the appropriations proposed total $2,570,890, being $57,319 more than current law. This is made up of a multiplicity of items, the largest of which is $850,000 for the care of indigent insane. For the Florence Crittenton Home, the Southern Relief Society, the National Library for the Blind, and the Columbia Polytechnic Institute for the Blind it will be observed the committee has gone beyond the Budget proposals. I have not heard and I can conceive of no good reason which could be advanced that would not warrant the amounts the committee is proposing for these four charities. Their field of usefulness is well known to you; the good which they do is immeasurable, and never with my sanction shall they be denied the full measure of support which they richly merit.

ANACOSTIA FLATS

The usual amount and as recommended by the Budget is $150,000. In former bills all appropriations were provided for the money to be expended below Benning Bridge. Much work still remains to be done in this section. On October 1 last the expenditures amounted to $1,610,647.45. Approximately $900,000 will be required to finish this part of the project. You will recall that in the current appropriation act a report was required to be submitted on the desirability or undesirability of continuing the project above Benning Bridge. That report was submitted, as appears in Senate Document No. 37, Sixty-eighth Congress, first session. The report recommends that the

project be proceeded with, but on a modified scale. The total cost of the work above Benning Bridge under the revised plan is $1,806,000.

REGARDING CONNECTING PARKWAY BETWEEN ROCK CREEK AND POTOMAC PARKS

Regarding the connecting parkway between Rock Creek and Potomac Parks, funds have been made available for purchasing all but 12.68 acres of the 92 acres which have to be thus acquired. These 12 acres, it has been estimated, will cost around $500,000. They are situated chiefly in the built-up section in the vicinity where Pennsylvania Avenue crosses Rock Creek. Condemnation proceedings will have to be instituted, and it is, of course, difficult to approximate what the awards will aggregate.

The committee in this bill proposes to appropriate $75,000, which the commission can use in purchasing certain very small tracts or parcels of land which may become necessary to properly make the connection between Rock Creek and Potomac Parks.

WATER SUPPLY

I have acquainted you in a general way with our action, I believe, on all of the matters upon which interest largely centers with the single exception of the project for increasing the local water supply, and for this purpose your committee proposes an appropriation of $800,000, which accords with the Budget estimate. I believe it will suit the Members of the House better if I should defer making a more particular statement regarding this undertaking until the item is reached when we are reading this bill under the five-minute rule.

CONCLUSION

Before concluding there is a matter which I wish to bring to the attention of the House and particularly the members of the District Committee. There is an urgent and pressing need that there be enacted some well-studied, comprehensive school development program for the District of Columbia.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. CHINDBLOM. If the committee were to undertake that, it could not give so much time to passing model legislation for the balance of the country. Surely the gentleman does not feel that the schools are more important than the passing of model legislation for the rest of the country?

Mr. DAVIS of Minnesota. Oh, the gentleman must remember that this is the capital of the Nation, and we must make this a model city, and everything else must be modeled upon it, our buildings, our laws, our conduct, and everything else. Surely, the gentleman must have read the newspapers published here in the city, and if he has, he will have noticed, I have no doubt, at some times some slight reference to the great need there is for making this the model city—I was going to say of the country, but let me say of the whole world.

Mr. CHINDBLOM. I am in entire accord with the gentleman. I think we ought to have legislation here pertaining more to the particular needs of the District as a municipality.

Mr. DAVIS of Minnesota. And particularly with respect to the method of handling and locating our schools, and so forth, because this city is building up in a peculiar way, and there ought to be some legislation along that line. We have been proceeding here for a number of years to appropriate for a building here and a building there and for a site here and for a site there, none a part of any legally recognized plan to build up a system which will properly and adequately serve the various communities. This is a most unbusinesslike way to proceed and one that should not be longer tolerated. In recent years what is termed the junior high school has come into existence. We have six of them now. I am not aware that any committee of Congress has considered whether or not a junior high school should be a part of the school system. I am certain the question as to the number of them which should be provided has not been considered or the localities in which they should be built. I submit it is time to call a halt on this haphazard method of providing for local educational facilities, and I earnestly hope that the District Committee will call on the school authorities to present a program, to extend over a period of years, and give it consideration and bring in a bill here by which the Appropriation Committee can be guided in considering the requests which are presented to it for funds.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. DYER. I want to ask the gentleman a question or two on the subject of the bonus.

Mr. DAVIS of Minnesota. Yes.

Mr. DYER. The bill provides for the Supreme Court of the District of Columbia and the Court of Appeals of the District of Columbia. The gentleman does not state there that the salaries of the clerks and the employees of these courts are in accordance with the classification act of 1923.

Mr. DAVIS of Minnesota. No; they are not.

Mr. DYER. The matter I want to call to his attention is the fact that the employees of the Supreme Court of the District of Columbia and the Court of Appeals of the District are left out of the classification act.

Mr. DAVIS of Minnesota. They come in under what is called the field service.

Mr. DYER. They do not come under classification which gives them salary in lieu of bonus, which is to be chopped off on the 1st of July. Did the gentleman's committee consider that question?

Mr. DAVIS of Minnesota. They were construed to be field-service employees. They are now receiving the $240 bonus.

Mr. DYER. On the 1st of July that comes off.

Mr. DAVIS of Minnesota. Yes.

Mr. DYER. They are not provided for.

Mr. DAVIS of Minnesota. They will be taken care of.

Mr. DYER. They will not unless there is legislation.

Mr. DAVIS of Minnesota. What is the matter with the deficiency bill? We will have to provide for all employments not heretofore taken care of either in that or some special bill.

Mr. DYER. That is the question.

Mr. DAVIS of Minnesota. It can and will be done.

Mr. DYER. A bill has been presented to the Committee on the Judiciary of the House asking for increases of pay for certain courts, including these. Of course the gentleman knows the difficulty of getting general legislation through. I invite his attention to this apparent oversight so that his committee will take care of these other courts.

Mr. DAVIS of Minnesota. I shall endeavor to see that they are taken care of. I am also on the subcommittee which has charge of the deficiency bill.

Mr. DYER. It includes the Supreme Court of the District of Columbia, the Court of Appeals of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals. None of these are taken care of in the classification act.

Mr. DAVIS of Minnesota. They will certainly be taken care of.

Mr. DYER. Certain salaries there are very meager; for instance, stenographers to the court of appeals and the supreme court at $1,100. The gentleman knows that no competent stenographer can be found for that salary.

Mr. DAVIS of Minnesota. Yes. I thank you very much, gentlemen, for your attention. [Applause.]

The CHAIRMAN. The gentleman from Kansas [Mr. AYRES] is recognized.

Mr. AYRES. Mr. Chairman and gentlemen of the committee, I want to make a brief statement regarding this appropriation bill, at least to a few of the items, and I particularly want to call attention to one of the greatest items of increase in this appropriation bill. It is that of salaries of Government employees of the District of Columbia. This is due to the classification act of 1923, which expressly provides that the reclassification of salaries shall be applicable to the municipal government employees of the District. It does apply to all except teachers and librarians in the public schools, members of the Metropolitan police force, the fire department, and the United States park police.

The total amount carried in this appropriation bill on account of the reclassification of these employees is $322,113.80. This is considerable of an increase over the present pay plus the $240, which has been paid for several years. I might say there has been passed by the House bills which are now pending in the Senate, known as compensation adjustment bills which care for the teachers and librarians of public schools, the firemen and policemen, in the way of salaries, and which it is estimated will require a further appropriation of approximately $2,200,000.

REGARDING PUBLIC SCHOOLS

The proposed appropriation carried in this bill for educational purposes or activities is $6,974,007. This is $1,044,463 less than proposed in the Budget. But as already stated the classification act does not extend to teachers or librarians, and basic salaries provided for in this bill remain the same, or unchanged. If the rates of pay should be increased, which no doubt they will be if the bills I have already referred to should pass the Senate and should become effective June 30 next, it would very materially reduce this amount which the

was a good idea to buy this property while it is low instead of | eighth Congress, first session. The report recommends that the
buying it now?

Mr. DAVIS of Minnesota. Yes.

committee is proposing below the Budget estimate. The committee has appropriated for 84 more teachers than now provided for and 15 less than recommended by the Budget. There is no question but that the 84 additional teachers are needed on account of new rooms which are used to relieve the congestion.

The committee, however, did not feel justified in making appropriation for the employment of teachers in schools for buildings not yet erected; in fact, they have not been contracted for, and but little prospects of completion of the buildings before the beginning of the school year of 1925. This accounts for the reduction in number of the teachers asked for by the Budget. We were asked to appropriate for the hiring of teachers and attendants and the purchase of equipment for such as the Raymond School, which has not as yet been contracted for, and the John F. Cook School, where there has to be at least two parcels of property obtained and the plans for the school building completed before the school authorities can even think of starting the buildings.

On the question of furniture and equipment for new school buildings and additions to existing buildings the committee made a decided cut in the appropriation recommended by the Budget. We propose $182,351, while the Budget recommended $287,000, being $104,649 more than we propose. Of the amount requested by the school board to be appropriated for furniture and equipment for these new buildings, $160,000 was for the Armstrong Manual Training School. We felt this was unreasonable, so we arbitrarily cut that amount to one-half, or $80,000; and while the cut may seem a little drastic, the committee is unanimous in the opinion a much less sum than $160,000 should be estimated. The balance of the reduction of appropriation for equipment is on account of schools not completed and which will not be during the fiscal year. We did not deem it necessary to appropriate for equipment and furniture for contemplated school buildings.

Mr. Chairman, I want at this time to make a statement regarding the furnishing and equipment of some of these schools. I want it understood I will go just as far as anyone in the way of expenditures for education and for all necessary equipment to carry out fully and thoroughly any reasonable idea pertaining to the interest and advancement of education and its institutions. Let me say, however, that during these times, when the individual is admonished daily it is necessary to economize, and when business all over the Nation is endeavoring to economize, when national and municipal governments everywhere are asked to economize, when the taxpayers all over the country are appealing for a reduction in their taxes, and Congress should be doing its utmost to heed that appeal, knowing full well it can be done only by reducing governmental expenditures, I feel it is unnecessary to put into a school building a $2,500 grand piano. I also feel there are many other articles enumerated in the items of equipment of some of these schools that might cost less, and many that could be dispensed with at this time and wait, at least, until we can get back on our feet again, so to speak. I must say, until that times comes, so long as I remain a member of this committee it is going to be a difficult matter to convince me that I am wrong.

REGARDING TAXATION

Regarding taxes I want to say that I tried to develop at the hearings the method of arriving at the value of real property in this city for taxing purposes. While I did not succeed very well, at least not to my satisfaction, I did find that from all appearances there are two values placed on real property in the city. One is a rental value, or value for rental purposes, and the other is a taxing value, and it is needless to say there is a vast difference in many cases in these values. For instance, the assessor's office depends largely on the consideration shown in the instrument of conveyance, coupled with the amount of revenue stamps placed thereon. That, of course, is by no means a safe or reliable way to arrive at a fair value in all cases. I appreciate it is a little difficult to get the actual value of residential property for taxing purposes, especially when occupied as a home by the owner. It is a question of judgment of the assessor largely based on sales made of like property in the immediate vicinity. It seems to me, however, this difficulty is obviated when it comes to apartment houses and other properties used for business and rental purposes.

I asked the question of the city assessor what his method was in case an owner of an apartment house should go before the Rent Commission and value his property at a million and two hundred thousand dollars for the purpose of convincing that commission he should be permitted to charge his tenants so much rent in order to be able to receive an 8 per cent income on his investment, as I understand that is what he is allowed, and then when it comes to valuing his property for taxing purposes he insisted that it was worth not to exceed $750,000; which value would the assessor take? His only explanation was that when there were two or three values placed on a piece of property they had to equalize it as best they could. It would seem to me, so long as they are making the assessment on the full value of the property, as they say they are doing at this time, it would be an easy matter to arrive at the true value of an apartment house for taxing purposes where the owner has already fixed its value for rental purposes. I think if that method should be pursued for a while it will have one of two effects—either increase taxes on real estate and the amount of revenue derived therefrom, or it will be the means of reducing the unconscionable rents every poor devil not owning a home has to pay. For one I want to see if there is not some way to get at it and equalize it. If I have to pay a third to one-half more rent than I should pay, I want to know that my landlord is paying taxes accordingly. Putting it another way, I do not feel that a Washington landlord should be permitted to play both ends against the middle, and more particularly when I am the middle. The taxpayers of the Nation as a whole pay 40 per cent of the expenses of running the District of Columbia. The property owners of the District pay the other 60 per cent. The less revenue they receive from taxes in the District, the greater the appropriations will have to be on the part of Congress and the more there will have to be taken from the Treasury of the United States.

GRADING STREETS AND ALLEYS

I have a purpose in calling attention of the House to this item. It is a small item, only $50,000. However, $15,000 more than the current law, and at that rate of increase, with the present growth of the city, it will amount to much more each year. Besides, it is the numerous small items that go to make up a large appropriation. The engineer of highways stated to the committee that this $50,000 appropriation would be sufficient to do only a small part of the grading that should be done at this time. The method of carrying on this work, in my opinion, is an injustice to the taxpayers as a whole. This money appropriated is practically all expended upon requests of property owners for sewer and water mains to be extended to their properties where homes are intended to be built. In order to extend these mains along the thoroughfare of the property the streets must be graded. This work is spread all over the District. Under the present law neither the property owners requesting this work nor the property owners along whose property the mains run pay for any proportion of this work or expense, and that notwithstanding the fact it enhances the value of their property. It seems to me that when water and sewer mains are placed along the property of an owner there should be declared a benefit district the same as in other cities and the owner be required to pay his portion of the costs entailed in creating those benefits. Until some law of that kind is passed Congress will have to appropriate thousands of dollars each year to bear such expenses.

REGARDING SEWER AND WATER MAINS

In this connection I want to call attention to the law regarding sewer and water mains. Section 5 of the act passed in April, 1904, authorizing the laying of water mains and service sewers in the District of Columbia and the levying of assessments therefor, and for other purposes, provides that property in the county of Washington, not subdivided into blocks or lots or both, shall not be assessed for water mains or service sewers until subdivided. It is estimated since the passage of that act that there has been advanced for sewer mains alone, where no assessment has been returned, the amount of $384,000. This amount, it must be understood, does not include large trunk or storm water sewers constructed under general appropriations, or out of specific appropriations made for particular sewers.

An examination of the records of the water department since the passage of the 1904 law, referred to a moment ago, will show that the water revenues have been depleted to approximately $216,725, because under the law it was impossible to levy assessments against abutting unsubdivided property. It seems to me the District Legislative Committee should amend the act of 1904 so as to create a benefit district just as soon as these mains are laid. It is the only fair and just method of handling this matter.

WITH REFERENCE TO HOSPITALS

I want to say a word about hospitals and appropriations for same. In addition to our Government hospitals we are appropriating amounts annually from $5,000 to $20,000 and up for 10 to 11 privately owned hospitals, and in view of what

was shown in the hearings it seems there is no way of getting out of it. These appropriations are made principally to take care of the indigent patients which fall to the lot of the District.

I am inclined to the belief that a thorough investigation would reveal the fact that many States, and especially those close to Washington, are relieved to a great extent of the responsibility and expense of caring for their needy and indigent people. My limited experience on this committee for the past few months, consisting of just one hearing before the committee on the needs of the District of Columbia, has convinced me that, owing to the fact those in charge of the administration of affairs of the District are so generous and kind-hearted, they are woefully imposed upon. I am thoroughly convinced the District of Columbia and the National Government are expending thousands of dollars taking care of helpless, diseased, indigent people who are in a sense floaters; that is, they have not received the attention probably they should have received in their own States and municipalities, so they become floaters, and naturally float into Washington, where they know they will be cared for at the expense of the District and National Governments, as I have said. As a result not only our Government hospitals are filled, but some 10 or 11 privately owned hospitals are crowded taking care of these unfortunates.

In the Middle West if an insane or a diseased or a helpless person from any cause should conclude to find a more considerate community than that in which he lived, and journeyed to another State, or even another county or city in the same State, and became a charge on the State or municipality of his new abode, he would be bundled up and sent back from whence he came. While that may seem hard-boiled, it is the only fair and just method to pursue. These unfortunates have to be cared for, that is true; but each State and municipality should care for its own indigent and not shift them or permit them to be shifted for the care of some other government. That, in my opinion, is what is being done to an alarming degree here in Washington, simply because of the generosity and kind-heartedness of the authorities of the city. As one member of this committee, I not only urge but insist that a close inspection be made of these floaters as they come here and they be sent back to where they belong. The city of Washington should not be made the dumping ground and asylum for the unfortunates of other municipalities and States.

In this connection I want to say I am also opposed to using prisoners or jailbirds as help in hospitals in the manner as shown by the hearings in the Gallinger Municipal Hospital. These prisoners might be used for some purposes around a hospital, like menial labor, but they should not be used as orderlies or in any manner waiting on the sick, nor should they be used to guard the mentally afflicted patients. The hearings developed the fact that some of these prisoners were trusted to the extent of letting them have the keys to the doors of the ward. Some of the women prisoners are used as maids in the nurses' home. I do not know of any good reason why refined women, such as I have always found considerate nurses to be, should be compelled to have to be served by such a class as this when they are off duty trying to get needed rest. It is an injustice to a class of good women engaged in a self-sacrificing work, and they are entitled to the best that can be given them during their hours of rest.

In this particular I am not in agreement with this bill and wish at this time to give warning that when the next appropriation measure is considered by this committee for the District of Columbia, unless the Budget allows a sufficient amount for the employing of efficient or at least decent help in this hospital and the nurses' quarters, I shall do my best to put it in the bill anyway.

WIDENING THIRTEENTH STREET NW.

The business men and property owners on Thirteenth Street NW., between F and I Streets, are asking that this street be widened. At the present time the roadway is only 40 feet wide. The sidewalk from building line to curb is 70 feet; that is, 35 feet on each side. Anyone driving over that street will appreciate there should be more street and less sidewalk. These people want the street widened to 70 feet, leaving 20 feet of sidewalk on each side. It has been estimated that this will cost $80,000, of which the adjoining property owners will pay 40 per cent and the remaining 60 per cent will be met by the District and National Governments at the rate of 60 and 40 per cent, respectively. The committee felt, in view of the congestion in that particular locality, that these requests should not be ignored and made the appropriation for the amount of $80,000.

One of the most difficult problems the committee had to decide was the question of street improvements. We were compelled in some instances to refuse to appropriate for those improvements where they were to a great degree needed, and this because there were many places where they were needed much more. At best the appropriation will be large. Some places in the older parts of the city had to be refused, while new parts of the city were allowed these improvements. The explanation for this is in the old part of the city, where such improvements were requested, the pavement can be repaired and used for some time to come, while in the newer sections, where street improvements were allowed, there was no pavement at all and the streets and roads were at times impassable. The committee was careful not to appropriate for any improvements on streets where it was, you might say, possible to use the streets without any great inconvenience. There were some streets where we would be glad to replace the old cobble-stone pavement with up-to-date pavement, but we knew the present pavement would keep the traveling public out of the mud, and under the circumstances it could stand the jolts for awhile longer, at least, until the Nation as a whole recovers from the financial jolt it is receiving at the present time. It begins to look as though patches will be a badge of honor in the near future and will be pretty generally displayed the Nation over unless some change in conditions is brought about soon; therefore the committee felt it was no disgrace to the property owners on some streets clamoring for new pavement to be content to use patches for the time being at least.

I want to say, further, that the bill which passed the House a few days ago, what is known as the automobile-tag reciprocity bill, putting a tax of 2 cents a gallon on gasoline, carried with it, as I understand, a proviso to the effect that that money derived from this tax is to be used on the streets and highways of the District of Columbia. It is estimated that that law will probably create a fund anywhere from a half million to three-quarters of a million dollars. That will bring the amount for the coming fiscal year for street purposes to a sum more than is available for the present fiscal year under the last appropriation.

Mr. YOUNG. The gentleman thinks it would not be necessary to have an appropriation?

Mr. AYRES. That is my understanding. It may be used under the present arrangement by the District authorities for street improvements. If not, it will be an easy matter to have it appropriated for that use.

Mr. Chairman, my serving on this subcommittee, which has been only this session of Congress, has been sufficient to convince me that the present arrangement between the District and National Government as to revenue and expenditures is not fair and equitable to either. From the view of the District government it can be seen that there are many improvements that should be made but can not be because the National Government, through Congress, will not permit. The item, or items, of street improvements is a fair illustration. Some of us represent congressional districts containing fairly good-sized cities wherein pavement is badly needed or repairing of streets is badly needed, but owing to hard times, scarcity of money, and the desire to economize the city dads of those municipalities are saying, "No; we will get along for a while." It is rather hard for us to say to the city of Washington, "Notwithstanding the fact my city at home can not have these improvements, I am willing for you to have them, even though the taxpayers of my city help pay for yours and are denied them at home." That is an illustration that can be applied to many other things along the same line.

Owing to the rapid growth of the city of Washington within the past few years and phenomenal real-estate development which should at least increase the taxable value of all property, but which apparently has not kept pace with expenditures of the city made necessary by such developments and increase in population, it has made it impractical in fairness, at least, to continue the present proportional policy of receipts, or rather distribution. In fairness to the city government of Washington, it should be placed in a position where it could keep pace with the remarkable growth of the city in improvements of all kinds, made imperative because of this growth. This means street improvements, such as widening many streets, such as proposed in this bill as to Thirteenth Street NW., between F and I Streets, also the extension of streets, paving many streets now unpaved, the removal of old, out-of-date pavement and replacing it with up-to-date pavement, extension of water and sewer systems, enlargement of park systems, the reclamation of land for park purposes along the river, and hundreds of other matters that could be mentioned

then when it comes to valuing his property for taxing purposes

appropriating amounts annually from $5,000 to $20,000 and up for 10 to 11 privately owned hospitals, and in view of what

necessary to be done in a growing city, but which can not be done so long as her guardians live in Illinois, Minnesota, New Jersey, Massachusetts, Kansas, and some other States. They are not thinking alone of the city of Washington when getting up an appropriation bill for Washington. They are thinking of the taxpayers back in their districts who help pay this appropriation at the same time they are thinking of the city of Washington. They are constantly comparing their own cities with this one; that is to say, their wants which have been denied.

That is natural, and I can not see where they are to be blamed for so doing. Yet it is not fair to the citizens of Washington. Men charged with making up an appropriation to meet the actual needs of Washington, who come from districts where taxes in their cities are anywhere from $2.50 to $4 per hundred because of these improvements a growing city demands, can not be entirely unbiased when confronted with the fact that the rate of taxation here is only $1.20 per hundred. It is such things as this that are apt to make such men unfair in their judgment as to what is right and just to all concerned.

It would seem there is no question but that the National Government interests, so far as property is concerned, have reached the maximum. Therefore it would seem that it should not be a difficult matter to arrive at about what the National Government should appropriate for its holdings here in the District. Beginning with 1915, when I first came to Congress, the appropriations on the part of the National Government for the District have varied some, but not as much as you might expect.

1915 it was	$6,590,431.56
1916 it was	6,103,615.57
1917 it was	7,059,603.79
1918 it was	7,871,136.99
1919 it was	8,316,221.74
1920 it was	9,456,956.84
1921 it was	8,322,931.07
1922 it was	8,868,778.21
1923 it was	8,660,747.92
1924 it was	8,631,745.20

While this bill proposes to appropriate for the National Government's share $8,973,666.80, which is about $1,800,000 less than allowed by the Budget for the District, you can see for the past eight years our proportion of the total appropriation for the District has been around the $8,000,000 mark. I have no suggestion to offer so far as a form of government for the District is concerned. That is a matter than can or should be worked out, if necessary, by those who are on legislative committees. I do feel, however, like offering a suggestion that a committee composed of Members of both branches of Congress, a committee from the citizens of the city of Washington or District, should be appointed, and see if some kind of a plan could not be effected so that the National Government could be assessed a fixed amount as its proportion in meeting the expenses of the government of the District, to be paid annually, and the balance, whatever it might be, be raised by the District of Columbia, and be expended as its officers may be authorized for the benefit and progress of the city of Washington. This is the only fair and just method to pursue.

Now, Mr. Chairman, regarding a few items that I want to speak of other than the statement that I have already made, there has been considerable criticism in the newspapers recently in regard to the lack of appropriations on the part of this committee that we did not make an appropriation to care for the employment of special counsel for the Utilities Commission to prosecute, or rather to complete, the case that is now pending in the Supreme Court regarding the Potomac Electric Co. I asked the clerk of this committee to ascertain just what had been paid to this special counsel up to date, and he said this man was designated as special counsel for this purpose soon after he ceased to be corporation counsel, and I want to give to the committee at this time a statement of the amount paid. In 1920 this special counsel to the Utilities Commission was paid the sum of $5,000. That was in 1920, for the work of carrying on this lawsuit on the part of the Utilities Commission against the Potomac Electric Co. In 1921 he was paid the sum of $4,000. In 1922 he was paid the sum of $3,000; in 1923 the sum of $1,500; making a total of $13,500 that this special counsel has been paid for this supposed work.

In 1924 the appropriation was cut out and we felt there had been enough paid this special counsel to cut it out in 1925, and as one member of this committee I want to say it will continue to be cut out. I think plenty could be said and probably will be said before this bill is finished concerning this special counsel. He has been paid amply for the services rendered in this matter.

Also there has been a criticism offered relative to the item of trees for park purposes.

Mr. LAZARO. Before the gentleman leaves the other proposition I would like to ask him this question: How much is involved in this suit?

Mr. AYRES. Well, that question I can not answer. I do not know whether the chairman of the subcommitee can answer the question or not—how much is involved in this suit?

Mr. LAZARO. As I remember, according to the newspaper editorial, there is something like $5,000,000 involved. What will become of the suit if there is no special counsel who is well versed in the case? Is it not dangerous to separate the District at this time from this special counsel?

Mr. AYRES. No. I think not; nor does the committee think it is dangerous for this reason: We have a corporation counsel and he has a number of assistants who are provided for in this bill. All of the preliminary work of this suit has been done, and all in the world that is necessary is to keep track of it in the Supreme Court, which I understand has already been done in a way which I do not propose to discuss at this time. But, as I say, practically all of the work has been done; the trial has been had, briefs have been prepared, and the matter has been presented. If the corporation counsel has not already familiarized himself with this particular litigation, he should do so, so that if it should become necessary for any further preparation or for any further presentation of the matter before any of the courts of this District he will be in a position to attend to it, and call some of his assistants in to take his place in some of the matters he is giving his attention at this particular time. It seems to me unnecessary to continue each year to carry an appropriation for special counsel in order that he may follow this particular litigation, litigation which has been pending now for six years.

Mr. LAZARO. What I had in mind was this: If it was necessary at all to employ special counsel to prosecute this suit, is it not logical to believe that he should be continued until the suit is finally disposed of?

Mr. AYRES. I do not know as to that, and I do not care to go into the discussion of that because I do not want to embarrass anyone connected with this suit. I have the idea that will be gone into pretty thoroughly by the gentleman from Texas, who is more familiar with this litigation and the present special counsel than I am and the handling of this suit. Therefore, I do not feel like going into that matter further. I am only saying that I think the expense we have been carrying for some time is not justified under the circumstances.

Now, regarding this item of trees for park purposes. It was reported in one of the papers a few days ago that we had been very stingy with regard to this particular appropriation. I want to call attention to the fact that we have appropriated, or, rather, recommended the appropriation of, the same amount in this bill that was carried in the current appropriation, namely, $55,000, which is ample.

Now, regarding an appropriation to which the chairman of the subcomittee has already called to your attention, namely, an appropriation for school purposes. We have been severely criticized because we have not appropriated more for school purposes. I do not intend to dwell on that, but your attention has been called to the fact that we have failed to appropriate for the securing of new sites for junior high schools, the amount being $600,000. As a matter of fact that $600,000 appropriation for high schools was intended for the purpose of a junior high school to be located within a mile of the Eastern High School which we have at this time, and it was absolutely unnecessary.

I think, gentlemen, that as a whole the subcommittee has been very fair. We have tried out level best to treat all concerned fairly and impartially, at the same time keeping these appropriations within the limits of what we considered reasonable and just for all concerned, the national as well as the District taxpayers.

I thank you. [Applause.] Mr. Chairman, I reserve the balance of my time. How much time did I use?

The CHAIRMAN. The gentleman used 42 minutes.

Mr. AYRES. Mr. Chairman, I yield 30 minutes to the gentleman from Kentucky [Mr. JOHNSON].

The CHAIRMAN. The gentleman from Kentucky is recognized for 30 minutes. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, it is not my purpose upon this occasion to discuss this bill, for the reason that there is another matter about which I wish to say something and concerning which until now I have been denied the

opportunity. It is the Army appropriation bill to which I now wish to address my remarks.

When the Army appropriation bill came before the House it contained two limitations upon the pay of officers—active and retired. During the consideration of the bill another limitation upon the pay of officers was adopted.

The first of these limitations applied to two officers—one active and one retired—both of whom, Major Cresson and Colonel Hunt, had been found by a properly constituted committee to be unworthy of our country's uniform or gratuity.

Another limitation was placed upon the gratuity granted by Congress to retired officers; the limitation providing that no part of the money appropriated by the bill should be paid to any retired officer who engaged in selling any kind of goods or merchandise to the Government, no matter how honorable or upright the transaction might be.

The other limitation was placed upon the bill by the House. The one to which I now refer is the one which directs that no money appropriated by the bill shall be paid to any officer who participates in recruiting a soldier under 21 years of age without the consent of the parent or guardian.

I wish, briefly, to invite attention to the inconsistent and even paradoxical reasons, or rather, excuses, made by some in opposing one of the limitations and favoring another, although the two were parallel in principle.

For instance, the gentleman from New York [Mr. STENGLE] bitterly opposed the "principle" of withholding salary or gratuity from those who had been found by a committee, appointed by the present Speaker of this House, to have been part of a conspiracy to turn Grover Cleveland Bergdoll loose. Yet he complacently acquiesced in the adoption of the limitation which forbids a retired officer to accept honorable employment. He said he opposed such limitations "on principle."

However, he stood by the "principle" in the latter case and abandoned it in the other, principally because one of the officers at whom the limitation was aimed was the "buddy" of a friend of his.

The gentleman from New Jersey [Mr. BROWNE] discriminated between the two limitations because, as he said, one of the parties had been his personal friend for 30 years.

The gentleman from Illinois [Mr. MCKENZIE] said that the limitation as to Cresson and Hunt "was not an attempt to legislate by limitation but by confiscation."

Only the other day the Secretary of War, while testifying before the Senate committee relative to this very bill, stated that the annuity of two officers had just been withheld under one of the limitations in the bill, not because either had participated in a conspiracy against our country but because they had merely accepted honorable employment from concerns which have business transactions with the Government.

If one of these limitations is "confiscation," the other also must be. Yet the gentleman inveighs against only one of them. How wonderfully strange it is that the discrimination is in favor of the conspirator and against the other to whom even no suspicion of offense detrimental to our country has been laid.

The gentleman from Texas [Mr. WURZBACH], possibly from Eberbach, consents to the limitation which forbids payments to officers who accept the enlistment of those under 21 years without consent of parents or guardian. He also accepts, without murmur, the limitation which forbids the payment of an annuity to the two officers mentioned by Secretary Weeks, at page 234 of the Senate hearings on this bill, but he balks at another limitation which would deny payment to his "schoolboy friends."

The gentleman from Tennessee [Mr. FISHER] said:

> It is such an unusual procedure to have provisions cutting off the pay of officers * * * that it is beyond comprehension.

To the gentleman the proposition to cut off the pay of an officer is "incomprehensible." Yet the gentleman has given his support to the proposition to cut off the pay of officers for less offenses, if offense at all, than conspiracy to aid desertion to the enemy of our country.

The gentleman from Delaware [Mr. BOYCE] said:

> Assuming all that the gentleman from Kentucky has said to be true, the provision in the bill under consideration is unthinkable.

It is to be hoped that the gentleman, while assuming that the charge against Colonel Cresson be true, that he was one of several conspirators who turned Bergdoll loose, did not really mean to say that to withhhold the pay of Colonel Cresson was "unthinkable," while to withhold the pay of another for enlisting a young man under 21 years or to withhold the pay of one who did no more after his retirement from the Army than to accept employment from a business concern that sold Army supplies to the Government was "thinkable."

The gentleman from Nebraska [Mr. SIMMONS] told how Colonel Cresson had appeared before the American Legion in Nebraska and related to the Legion how vigorously he had prosecuted the Bergdolls. No one that I have ever heard of has said that Cresson did not properly prosecute the Bergdolls. The charge against Cresson is that he did not in good faith prosecute Colonel Hunt, who was one of the conspirators who turned Grover Bergdoll loose. It would have been equivalent to suicide had Cresson not properly prosecuted the several Bergdolls.

Regardless of his motives I commend him for prosecuting the Bergdolls, but blame him for making only a pretense toward the prosecuting of Hunt.

Cresson's conduct or attitude is comparable to that of Benedict Arnold while marauding through Virginia after he had become traitor, when upon capturing a young officer in our Army and while deliberating upon what punishment he should inflict upon the young captain, asked:

> What would you do with me if you had taken me prisoner?

The young fellow quickly replied by saying:

> While storming Quebec you received an honorable wound in the leg. Again while forcing the British at Saratoga you were wounded in the same leg. If you were my prisoner, I would bury that crippled leg with the highest of our military honors, but the rest of that damned carcass of yours I would hang on an ignominious scaffold and afterwards throw it to the dogs.

Just here I feel that I should speak of the attitude of two other Virginians toward limitations on appropriation bills. One is the delightfully genial gentleman, Mr. MONTAGUE. The other, Mr. TUCKER, I understand, left a kindergarten class in constitutional law at one of the colleges or universities in Virginia to succeed in this Chamber the lamented and beloved Hal Flood.

The former, Mr. MONTAGUE, while discussing and opposing the limitations aimed at Colonel Cresson, arose in all his splendor and pomp, assumed an imposing attitude and tragically exclaimed:

> What power has this House to convict Major Cresson?

My answer is that it has the same power to "convict" Major Cresson for corruptly conspiring to let Bergdoll escape as it has to "convict" the officer who takes boys under 21 years into the Army. It has as much right to "convict" Cresson for conniving at the acquittal of Hunt, the traitor, as it has to "convict" another retired officer for accepting honorable employment from an honorable business concern having honorable dealings with honorable officers of our Government. Of the former proposition the gentleman complains; of the latter proposition he approves.

Congress has authorized the employment of Colonel Cresson in the Army and has fixed his pay. Congress by the same authority can stop that which it has authorized. Congress giveth and Congress taketh away. It is not necessary to "convict" one of crime in order to stop paying a salary, as in Colonel Cresson's case, or to stop an annual gratuity, as in Colonel Hunt's.

To stop the salary of Cresson or the gratuity of Hunt without "convicting" either of crime is just as logical as it is to stop the pay of an officer who enlists boys under 21 years of age, or to stop the gratuity of a retired officer who engages in business with a firm or corporation that sells to the Government.

And just here I may refer to the remarks of the gentleman from Minnesota [Mr. NEWTON], who spoke of the attempt to take salary from Cresson and gratuity from Hunt "without a trial of any kind." I can not but wonder what kindly spirit moved this gentleman to oppose a limitation which would deprive one class of officers of their pay "without trial of any kind" when an ominous silence overwhelms him when it comes to depriving another class of officers of their pay "without trial of any kind."

But, back to Mr. MONTAGUE'S question: "What power has this House to 'convict' Major Cresson?" Already I have given my answer. There is yet another answer: It is the power given by resolution to a committee of this House to investigate and report to the House those who committed the crime of unlawfully liberating Bergdoll. The power to withhold Cresson's pay and Hunt's gratuity lies in Congress and is recommended in the report of that committee, one of whom was a noble Virginian who then occupied a seat in this body. If his lips were not forever closed, the gentleman from Vir-

ginia need only to ask the question of him both as to the power of Congress and the guilt of Cresson and Hunt.

The other gentleman from Virginia [Mr. TUCKER] in repudiating Hal Flood's findings of fact and in defending the traitor to his country's flag, opened his address with the admission: "I know nothing in the world about this case or about this officer." What a pitiful admission that is coming from one who is the successor in this body of him who knew all about it, and over his signature named Cresson as one of those who conspired to turn Bergdoll loose; and who, as one of his last official acts, detailed the circumstances which established the guilt of both Cresson and Hunt.

The predecessor of Mr. TUCKER was a capable, a brave, an honorable, and a just man. He realized a duty when responsibility was placed upon him; he possessed the judgment to discern that duty; he had the courage to discharge it; he was just enough to do no wrong to another; he was patriotic enough to permit no wrong to his country's flag to go unrebuked. By the report made to this House, a report which he helped to write and to which he put his now hallowed name, it was recommended that this man Cresson, so lately defended by Mr. TUCKER, should be stripped of his uniform, and that a patient people might not be further taxed to pay Colonel Hunt an annuity of $3,600.

He, of whom the Old Dominion was so proud, sent a large number of that report to his constituents; the papers of his State carried its condensed findings and recommendations. No doubt those who love country and detest the unpatriotic; no doubt those who are nauseated with the thought of being taxed so that he who conspired against his country's honor may live in affluence, unlike the gentleman who came to his defense, can not join him when he says: "I know nothing about this case or about this officer."

If Hal Flood had been spared, his voice would not have been heard in this Chamber discussing a proposition about which admittedly he knew nothing whatever.

Knowing nothing about the question before the House the gentleman from Virginia [Mr. TUCKER] took for his subject another matter about which he knew no more.

The real question was whether or not Colonel Cresson should, during the ensuing fiscal year, draw salary as an officer in the Army, and whether or not Colonel Hunt, a retired Army officer, should during the next fiscal year be paid a gratuity of $10 a day.

As Mr. TUCKER admittedly knew nothing about the subject, notwithstanding that Hal Flood, his predecessor, was one of the authors of the report that told all about it, undertook to impart information upon subjects about which he knew nothing, made a speech on a section of the Constitution which has to do with "attainder, the corruption of blood," and the right of trial by jury, although neither "attainder" nor the corruption of blood, nor the trial by jury had anything whatever to do with the question as to whether Congress could repeal, in whole or in part, an act which it had passed, that act relating only to the pay of officers. If, as he contended, an officer's pay for services not yet rendered, or the gratuity of a retired officer for a period not yet reached, could not be stopped without "corruption of blood," without the denial of the right to inherit, without the trial by jury, then may I ask why the gentleman's ardor arose in behalf of those whom his distinguished predecessor had found guilty of a crime against our country, and yet remained so placidly willing that the pay of an officer who participated in enlisting a boy under 21 years of age be stopped; or that of one accepting, as I have said, honorable employment from a business concern that has not and probably will not undertake to deal dishonorably with our Government.

In the Army men are not tried as in the Federal or State courts. Only a little while ago 12 or 15 negroes were hanged by Army authorities in Texas without the intervention of a jury. We are told—and no doubt it is true—that during the recent war members of our Army were shot or hanged after court-martial trial only. The Supreme Court of the United States and every other court in the land recognizes this as legal. Everybody in the whole country, with one possible exception, knows that such is the law.

The seismograph recently recorded an earth shock somewhere. At first it was thought to be another shock in far-away Japan, then it was found to be a disturbance near here. Some said it was nothing more than John Marshall turning over in his coffin to catch the new doctrine of applying "attainder and corruption of blood" to the question as to whether or not Congress could, in whole or in part, repeal its own made laws relative to the pay of soldiers, either active or retired. Finally, however, the disturbance was located as a rattle in Hal Flood's shoes.

Then, next, the gentleman from Massachusetts [Mr. ROGERS] appeared with a letter from General Bullard giving a final approval of Major Cresson's prosecution of Colonel Hunt.

This final letter from General Bullard no doubt became necessary to clear up the original statement given out by him, which in its original form was used by Cresson with House Members for the purpose of giving himself a clean bill of health as to his prosecution of Hunt, but which had been garbled and changed by him to the extent of becoming a real forgery, he believing that necessary in order to get an indorsement from the American Legion, which he succeeded at last in doing.

The remarks of the gentleman from Massachusetts [Mr. ROGERS], together with the correspondence referred to by him, suggest a somewhat peculiar situation.

Thereby it is disclosed that General Bullard appointed the court to try Hunt; that he also appointed Cresson to prosecute him; that somebody—unnamed—reported to General Bullard that Cresson was disposed to prosecute Hunt too vigorously; and that General Bullard warned him not to be too zealous in the prosecution.

It is possible that this interference with the case by the highest military authority in that corps area may be one of the two reasons why Cresson did not prosecute, and also one of the two reasons why General Bullard gave the letter acquitting Cresson of a lax prosecution.

It is not far-fetched to believe, from these disclosures, that General Bullard has defended himself no little for having interfered with a judicial proceeding conducted by a court and prosecutor of his own making. If he has done that, and I sincerely hope he has not, it would be but one of the human frailties for him to defend the prompted actions of his creatures.

But another factor entered into the giving of the first statement by General Bullard. I use the word "statement" advisedly instead of the word "letter," for such a "letter" was not written. Instead, a "statement" was written and handed to one in distress, who was appealing to his sympathies and gallantry in manner like unto the words attributed to Ulysses when he said:

> A suppliant bends. O, pity human woe,
> 'Tis this the happy to the unhappy owe.

Mr. Chairman, I yield back the time I did not use.

The CHAIRMAN (Mr. RAMSEYER). The gentleman yields back nine minutes.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HUDSON].

Mr. HUDSON. Mr. Chairman and gentlemen of the committee, I ask your indulgence this afternoon not to speak upon the bill before us, but upon House bill 7524, and the other bills commonly known as the beer bloc or beer bills.

Michigan was the first State with a great industrial city in its borders to adopt constitutional prohibition. Michigan adopted prohibition in 1916 by a majority of 68,624 in a total vote of 638,132. At the same election Michigan defeated a proposed constitutional amendment which would have legalized the manufacture and sale of beer and wine by a majority of 122,599, out of a total vote of 635,148. It is an interesting thing to note in passing that at the same election 3,000 voters were more interested in the question of the total abolition of the liquor traffic than they were in any modification of the manufacture and sale thereof.

The state-wide constitutional prohibition amendment went into effect May 1, 1918—the end of the State license year. The liquor forces submitted another amendment to the State constitution which would have legalized the manufacture and sale of 2.75 beer and light wine at the April election of 1919—one year after prohibition had been in effect and one and one-half years after the first vote on prohibition. This proposed constitutional amendment was defeated by a majority of 207,520, in a total vote of 852,726.

Here again is an interesting incident to be noted. At this election there was an increase of the total vote cast of 217,583. The majority against the policy of beer and light wine was increased from 122,599 to 207,520, or nearly 100 per cent. The arguments used throughout these campaigns both in 1916 and 1919 was the same as being used now by the proponents of the modification of the Volstead law, namely, that the electorate in the adopting of the State constitutional amendment wished only to abolish the licensed saloon and the sale of so-called hard liquor. The vote, if not in the first instance, certainly in the

second instance, is a conclusive refutation of such claims. In nine-tenths of the State the law is well enforced and conditions constantly improving. The great metropolis of Detroit presents grave enforcement problems, but even there prohibition has been made a great factor in the city's prosperity. With the determined cooperation of the State executive and the State police powers Detroit's enforcement problem has been greatly reduced.

When the State of Michigan adopted constitutional prohibition in November, 1916, the same taking effect May 1, 1918, there were 3,285 licensed saloons and 62 breweries in the State. Since then the State's population has increased at the rate of more than 30 per cent, and Detroit, our metropolis, at the rate of 113 per cent. Yet here are a few figures of the first years of prohibition in that same metropolis; remember, too, that no great city of the Nation presents more problems for enforcement than the border city of Detroit, with 90 per cent of its population foreign born or of foreign-born parentage.

The number of arrests for drunkenness the last year of saloons in Detroit were 18,488. At the end of three and one-half years the number of arrests for drunkenness had decreased to 6,346, despite the city's growth of over 113 per cent in population.

The sheriffs of the State reported in the last wet year 34,834 confined in county jails; in 1921, 29,552; a decrease of 5,282. Six hundred and six banks in 1917, the last wet year, reported 1,944,936 depositors, with an average of $386.86 per depositor. In 1921, after three and one-half years of prohibition, 690 banks and trust companies reported 2,543,107 depositors, with an average of $589.88 per depositor, an increase of 84 banks, 598,171 depositors, and $203.02 per capita depositor.

The proposition before the committee allowing the manufacture and sale of beer with a 2.75 alcoholic content would be impossible of regulation or enforcement. If the proponents of such a measure contend that the Volstead law can not be enforced, it is surely not within their province to contend that the proposed modification of the Volstead law would be enforceable.

There is a great deal written by the associations against prohibition organizations, which are the strong backers of the beer bills before the Judiciary Committee about the revenue for the Federal Government that might be obtained in passage of such legislation and taxing the output of the breweries. It is such a false sophistry that it scarcely needs to be considered at all. The real answer is that it would be a false revenue, simply a scheme to make the brewers of the Nation its tax collectors. They would create no new product on which a tax is levied, but simply collect it from the public. Instead of reducing taxation it increases it to the masses who must become patrons of drink to enable the brewer to collect the same. No people can prosper on the revenue received from taxing the weaknesses of its people.

The proposal to modify the Volstead law to the extent desired in the proposed legislation would be to admit a degree of intoxicable liquors that would defeat the amendment to the Constitution. This proposed legislation would defeat the Constitution by means of unconstitutional law. The judicial policy of the States from the beginning in handling this question has made that issue very clear. The pronouncement of doctors and chemists and scientists and even the common experience of mankind all reveal the fact that to pass such legislation would mean the defeat and nullification of the eighteenth amendment. If there are any changes to be made in the Volstead law, they should be changes to strengthen and not to weaken it.

It should be as unlawful in law as it is in the marts of trade for the buyer as the seller. There should be a clear determination of section 6 of the Penal Code so as to establish beyond dispute that when A goes to B and says, "Can't you get me one case of liquor by Saturday night," and B gets it from C and delivers it to A, that there has been a conspiracy to defeat the law. It is a situation caused by a certain public difference of opinion in regard to the liquor laws. This situation is real and present, but there is only one way out; if it takes a whole generation we must follow that way. Every man who surrenders, every man who tries to lead in another direction only lengthens the period of corruption and demoralization and helps to weaken our institutions.

Proponents of modification of the national prohibition law to admit manufacture of wines and beer all state that the saloon should not return. In its place they suggest various systems of so-called regulation—all having but one goal, namely, the return of the old-fashioned saloon. We do not even have to speculate as to what the result would be. The Province of Quebec gives a remarkable example of actual conditions under a "temperance" law which provides for government-controlled liquor stores, limited sale, and regulation of alcoholic content. Briefly the law is this: The provincial government controls the manufacture and sale of liquors under a commission. It sells the privilege of manufacture to certain concerns and the retail sale to others who purchase licenses under this vicious political system. Three hundred and seven licensed beer saloons are in Montreal. In addition to these there are 500 grocery stores that sell beer in bottles to families. Investigators report the same old smells, same old maudlin songs, same old quarrelling and wrangling, and the same old drunks as of other liquor days.

Recorder's court shows 12,048 persons came into that court dead drunk in two years—not just maundering drunk, not just shouting drunk, not just singing drunk, not fighting drunk, not staggering drunk, but helplessly dead drunk, lying in a public street or public place.

When the brewers were making their drive for this legislation the promise of the Government was that 2.51 per cent of alcohol would be the limit. It has now been forgotten, and there is no limit to the alcoholic content of beer. The greater part contains from 6 to 8 per cent, and much of it 10 to 12 per cent. Light wine has been forgotten, too, and most of it contains 15 per cent and more of alcohol.

One of the provisions of the new law was that all saloons, hotels, restaurants, and grocery stores should close at 7 o'clock, but the brewers have edged up on that, too, and the friendly liquor commission permits them to stay open until 10 o'clock.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. HUDSON. Certainly.

Mr. BLANTON. The gentleman spoke of Michigan having passed on this question definitely and decisively. I wish the gentleman would put in his remarks the facts concerning the big State of Ohio having passed on it in the last election, definitely and decisively, by nearly 189,000 votes.

Mr. HUDSON. Not only once, but, I believe, four times, with increasing majorities every time.

Mr. BLANTON. And also at the last election.

Mr. HUDSON. Yes.

Mr. BLANTON. And when Michigan and Ohio pass on such questions the country ought to sit up and take notice.

Mr. HUDSON. It ought to be conclusive.

A striking recent demonstration of what prohibition can do when properly enforced has been given in Philadelphia. The saloons which have been masquerading as soft-drink parlors have been closed, and the results are seen in the records of the alcoholic wards of the hospitals and in police courts. The Philadelphia North American of March 24 said:

> The most extraordinary result of the aridity is shown by the fact that after 6 o'clock Saturday night not a case of intoxication was treated at the famous "intoxicating ward" of Hahnemann Hospital. So far as hospital records show this has never happened before in the years Hahnemann has been the headquarters for treatment of bad "hooch" cases picked up in the city's toughest section.

On Saturday, March 22, police stations in the two central police districts reported from two to nine drunks taken into custody. Previous to prohibition it has not been uncommon to report between 200 to 300 on a single Saturday night.

In the present crisis the call of patriotism that comes to every voter admits of two intelligent answers. First, "I will observe the law and use all my influence to have the law enforced and obeyed."

Second, "The sacrifice is too great; let the country go to the dogs; I am going to have my liquor." All other answers come from the twisted logic of honest people or self-deception or intentional subterfuge.

The issue of to-day, therefore, has gone beyond prohibition. It is supremacy of law. All personal rights and property rights are left out in the question of the ability of the Government to enforce its mandates. Anything else is anarchy.

In this connection I desire to bring before the Members of the House the pertinent facts contained in a recent communication received personally by me from Dr. Samuel W. Small, a journalist of international fame and a student of economic and moral questions for many years. His findings are so important that I am impelled to insert them in my remarks to-day:

WASHINGTON, D. C., *April 12, 1924.*

Hon. GRANT M. HUDSON, M. C.,
Washington, D. C.

MY DEAR HUDSON: I am constrained to write you on some recent discussions in Congress.

The antiprohibition speech recently fired off in the House of Congress by General SHERWOOD, of the Toledo district, has not been honored with proper attention by us prohibitionists. Though the old war hero delivered it in solemn and heroic style, it yet happens to be

the most unconsciously humorous speech ever made against prohibition on the floor of Congress.

The good old veteran loves to spend his leisure hours in the lobby of Congress Hall Hotel reciting Civil War stories and getting stuffed with the wild romances of the wet lobbyists who hover about him and flatter him as the Ajax of alcoholism. It is no wonder, then that he persuades himself to believe that it was up to him to go out with his battle-ax and demolish the refuge and remnant of the fanatical prohibitionists.

It sounds funny, but that is exactly what he thought he did; and the Asssociation Against the Prohibition Amendment is now sending his speech, under his frank, to many hundreds of thousands of men and women all over the Union. In the opinion of the A. A. P. A.—Association Against the Prohibition Amendment—the Sherwood speech is their own; they supplied its substance and call it "A Thunderbolt of Jove."

SHERWOOD ON THE STAND

General SHERWOOD began by boasting that when 12 years old he signed a temperance pledge and has kept it ever since, which may account for his being alive and active now in his eighty-ninth year.

He said he went through four years of the Civil War, was in over 40 battles, and "never took a drink of whisky in all those four years," which is rich proof that liquor is not a necessary of life and heroic efficiency to a soldier. This adds to Pershing's testimony that the unbeatableness of the American Expeditionary Forces in France was because his army was "not only peerless but beerless!" He then said, "We have the murder and suicide record of the world," but he did not go on and confess that we Americans have held that record for more than a hundred years. It is no new phenomenon brought about by prohibition. What then was the big idea in advertising that century-old fact, unless to falsely charge our murder and suicide record as the result of prohibition?

General SHERWOOD also is horrified that 10,000 more cases of violations of the Volstead Act were discovered by the law enforcers in 1923 than in 1922, which is greatly to the credit of the officers and gratifying to the friends of prohibition enforcement. The more violations prosecuted and punished the fewer there will be to prosecute, perhaps, hereafter. A Volstead law violator in jail looks safer than one at large and busy.

BIG SMUGGLING RECORD

The dear old general is likewise given a pain in his periscope by the reports of whisky smuggling from Nassau and Glasgow and other places, which he says amounted in 1923 to 25,000,000 gallons and cost the American people $550,000,000 of bootleg prices—"wasted money that goes to a foreign country." But General SHERWOOD failed to state that in 1917, before the prohibition amendment was ratified, our American output of hard liquors was 161,012,068 gallons and our total consumption of all kinds of alcoholic beverages was 2,095,535,005 gallons, or over eight times 25,000,000 gallons. Does he claim that domestic production is now supplying the other seven-eighths with moonshine and home-brew hooch? It is ridiculous.

In 1917 our whisky consumption was officially reported as 1.60 gallons per capita; in 1923 the best estimate is 0.21 per capita.

Besides all that "wasted money that goes to a foreign country" really doesn't go there—only about 20 per cent of it gets over there to stay, while 80 per cent goes to our own rum runners, bootleggers, and high-jack robbers on the highways.

If smuggled rum costs us over half a billion now, our unsmuggled rum several years ago, at low American prices, cost us over two and a half billions. Some saving, I'll tell the world, on our "wasted money" account.

THE DETROIT RIVER DELUGE

General SHERWOOD complains that the beer smugglers from Canada import 400,000 bottles of beer across the Detroit River weekly. "That" he says, "represents a cost of $5,000,000 a year to the people of that one city and the small towns within 20 miles of Detroit." Well, Detroit has more than a million people in it and the towns within 20 miles of it have at least 200,000 inhabitants, making 1,200,000 in all; so that 400,000 bottles of beer weekly would give one bottle per week to each of one-third of the total population. Wonderful supply for a mob of thirsty Michiganders, what?

Especially when one recalls the official record that in 1917 Michigan breweries turned out 2,338,521 barrels of high-power beer, 31 gallons to the barrel. Compare that with 20,800,000 bottles per year for 1,200,000 people, each bottle holding only one-fifth of a gallon. And then in 1917, Ohio helped Michigan some out of the buckeye output of 5,458,368 barrels of beer, much of it produced in General SHERWOOD'S own town of Toledo. Instead of the Sherwood figures being dismaying they are wonderfully revealing of the good results of prohibition.

A BLOOMING DETROIT LIAR

General SHERWOOD trots out "a reliable citizen of Detroit," who says, "Instead of 1,500 saloons we have anywhere from 3,000 to 10,000 blind pigs, spawning loafers, thieves, and murderers." Would not that be an awful condition if truthfully stated? But is it true?

The realtors who know tell us that Detroit has some 70,000 residences, small dwellings, tenement apartments, and boarding rooms inside the city limits. Let us average the 3,000 to 10,000 figures of "a reliable citizen" at 7,000 "blind pigs," and we come to the amazing conclusion that every tenth dwelling place in Detroit is "spawning loafers, thieves, and murderers," and the only relief in sight is to set up against 1,500 open saloons that formerly turned out only hard workers, honest men, and pacifists.

THE MEDICAL MOLOCH

Another horrible discovery by General SHERWOOD is that last year 50,000 of the 150,000 physicians in America took out books of prescription blanks from the Internal Revenue Bureau, each prescription to be for 1 pint of liquor to suffice each patient for 10 days. The general recites with terror that there were issued 11,268,614 such prescriptions, and he says the doctor charged $2 for each prescription, realizing $22,536,938; and he exclaims, "No wonder there are so many ambitious young men seeking the medical profession."

Consider now that 11,268,614 prescriptions allowed each of 50,000 doctors just 225 prescriptions for 365 days in the year. That left each one of them 140 days when he had no prescription to issue to anyone.

And if the $2 prescription was new velvet added to his income wholly by virtue of prohibition, he got an increase of $450 per year; and that is the temptation that is causing a grand rush of "ambitious young men seeking the medical profession." Why, in two months they could make that much money as carpenters or brickmasons. It is to laugh with contempt when such silly arguments are made to prove the inefficiency of prohibition and the ruin of the morale of the Nation by its operations and its violations.

VICTIMS OF POISON LIQUOR

General SHERWOOD deplores, as we do, that "3,000 persons lost their lives from poison liquor during the past two years." Perhaps most of those persons would have been alive to-day if they had observed the law and let illicit liquors alone. They were the victims of their fellow lawbreakers and not of the Volstead Act.

When Congressman Hobson charged hundreds of thousands of untimely deaths against alcohol, the liquor apostles denounced him bitterly and produced their own figures to prove that not more than 68,000 deaths per annum could be laid to alcoholism through the liquor trade. That can be found in the CONGRESSIONAL RECORD proceeding from the mouths of the opponents of the Hobson national prohibition amendment. But what a contrast now. Three thousand deaths from poison liquor in 1922 and 1923 to 68,000 deaths per year from poison liquor bought in American saloons before prohibition.

OLD PURITAN GEORGIA

Just one thing more, passing by a dozen vulnerable errors in General SHERWOOD'S speech. He jeers at Representative UPSHAW, of Georgia, perhaps the most persistent dry in all the Congress. Of him he says: "He is the reincarnation of the old Puritans of the seventeenth century, who hung Quakers in Connecticut and burned witches in Massachusetts"; and the gallant GALLIVAN and terrible TINKHAM, both of Boston, applauded that slander upon the State that boasts proudly of culture and Coolidge, well knowing, both of them, that no witches were ever burned in Massachusetts.

Besides, Georgia was the first and only American colony that began its life by prohibiting traffic in slaves and rum, and to provide a fine for those who failed to vote in public elections.

General SHERWOOD adds no honor to his long career as soldier and statesman of this Republic when he joins the alien cry against the eighteenth amendment that it is un-American and contrary to the principles of the fathers of the Constitution. He forgets the counsel of Washington, who presided over the convention that framed that instrument, that any changes in it should be sought by the peaceful method of amendment provided in the document itself. Madison, still called the "Father of the Constitution," in the Federalist, No. 40, declares: "The transcendent and precious right of the people to abolish or alter this Government as to them shall seem most likely to effect their safety and happiness, since it is impossible for the people spontaneously and universally to move in concert toward their object, it is therefore essential that such changes be instituted by some informal and unauthorized propositions made by some patriotic and respectable citizen or number of citizens."

James Wilson, a powerful member of the convention of 1787 and afterwards justice of the Supreme Court of the United States, said: "The people may change the Constitution whenever and however they please. This is a right of which no positive institution can deprive them." (Wilson's Works, vol. 3, p. 293.)

Justice Iredell, of the Supreme Court, leader in the North Carolina convention for the ratification of the Constitution, said: "The people * * * may remodel the Government whenever they think proper, not merely because it is oppressively exercised but because they think another form is more conducive to their welfare." (Story's Com., vol. 1, p. 326.)

Judge Story himself refers to the final sovereignty of the people and "their right to change the form of government whenever necessary for their safety and happiness." (Story's Com., vol. 1, p. 198.)

John Marshall, "the great Chief Justice," said: "Surely the question whether they (the people) may resume and modify the powers granted to Government does not remain to be settled in this country." (4 Wheat. 405.)

Justice Patterson, of the Supreme Court, said: "A constitution is the form of government delineated by the mighty hand of the people; is paramount to the will of the legislative, and is liable only to be revoked or altered by those who made it." (2 Dallas, p. 304.)

"Rowle on the Constitution," page 17, quotes Vattell, that "the best constitution which can be framed, with the most anxious deliberation that can be bestowed upon it, may in practice be found imperfect and inadequate to the true interests of society. Alterations and amendments then become desirable. * * * So the people may at any time after or abolish the constitution they have made."

And in the famous Bill of Rights of the Virginia Constitution, extant to this day, it was and is declared "that government is or ought to be instituted for the common benefit, protection, and security of the people, nation, or community. And that when any government shall be found inadequate or contrary to these purposes, a majority of the community hath an indubitable, inalienable, and indefeasible right to reform, alter, or abolish it in such manner as shall be judged most conducive to the public weal."

That may be truthfully called the ancient American principle of popular sovereignty, and it was on that principle that the eighteenth amendment was based and is fixed, we may well believe, for all American ages yet to come. How absolutely false, then, is the raucous outcry of the liquor bellowers that it is a wide departure from our constitutional doctrines and was forced into existence by the un-American and unconstitutional trickery of a minority cabal of Puritan fanatics!

Yours in the battle of righteousness.

SAMUEL SMALL.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. AYRES. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. MANSFIELD]. [Applause.]

Mr. BLANTON. Mr. Chairman, I think my colleague should have a better audience, and I make the point of no quorum.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] makes the point of order there is no quorum present. The Chair will count.

Mr. BLANTON. Mr. Chairman, now that the Members have come in from the cloakrooms, I withdraw the point.

Mr. MANSFIELD. Mr. Chairman, the bill before us carries an appropriation of $22,434,167, the estimated cost of running the municipal government of the District of Columbia for the coming year, including the cost of its public free schools. It is proposed that 60 per cent of the sum carried in the bill shall be paid by the people of the District and 40 per cent by the taxpayers of the United States.

Since the year 1874 Congress has appropriated money from the Federal Treasury to pay a portion of the cost of maintaining the local government of the District of Columbia. For the first four years of such payments no definite plan was adopted, but the appropriations ranged from 40 to 50 per cent. By the act of June 30, 1878, it became the fixed and definite policy of Congress to annually pay 50 per cent of the cost of the local government. This plan was kept in operation until the year 1922, when the share to be paid by the Federal Government was reduced to 40 per cent, and this latter plan is still in operation.

Under the sharing plan inaugurated in 1874 Congress appropriated to the District for the four years, 1874 to 1877, sums aggregating $10,725,141.39. For the 44 years under the 50–50 plan—1878 to 1921—the appropriations amounted to $178,871,480.58. For the three years under the 40–60 plan—1922 to 1924—the sum of $25,860,375.11 was appropriated. In all, 1874 to 1924—51 years—the direct appropriations to the District from the Treasury of the United States amounted to the enormous sum of $215,456,997.20.

These sums, enormous as they may appear, do not by any means represent the sum total of the appropriations to the District from the Federal Treasury. These are simply the amounts that have been carried in the annual District appropriation bills. In addition to all this, many of the departmental bills carry large sums for the District to which neither the 50–50 nor the 40–60 plans have ever been applied but which have been paid in full out of the Treasury of the United States.

Under the War Department bills so many millions have been expended in the District that it would require an expert in figures to estimate the totals. Much of this, however, was for a national purpose, to which no objection should be raised. I take for granted that it was the duty of the Federal Government to provide the water transportation which has been made available here, though at an enormous cost. It might also be considered its duty to provide the necessary docks, harbors, and turning basins, although Washington is the only city in the country where the Federal Government has paid in full for such facilities.

The reclamation and improvement of the Potomac Park section, including the tidal basin, Speedway, golf and polo grounds, which, with the many miles of stone retaining walls inclosing the entire water front, costing several million dollars, was largely, if not exclusively, for the local benefit. Still we might accept all that as a Federal liability.

The water system of Washington, including the aqueduct from Great Falls, the artificial lakes, reservoirs, and filtration plant, costing many millions, while furnishing water to the Federal buildings, also constitutes the water supply for the entire city and District. The appropriations for this purpose have in most part been carried in the bills of the War Department. The aqueducts alone, costing more than $4,000,000, were paid for in full by the Federal Government. Improvements to the extent of $6,150,000 were authorized in the Army bill of 1922. In all, the Federal Government has paid approximately 90 per cent of the cost of the water system, while its use and purpose have been at least 90 per cent local. So far as I am informed, this is the only city in this country whose water supply has been furnished by the Federal Government.

As early as the year 1841 Congress commenced making provision for the care of the insane, whereby the District was relieved of that burden. At first the patients were kept in Baltimore and the expenses paid by the Federal Government. In 1852 grounds were purchased and the erection of a hospital was commenced. In this institution, now known as St. Elizabeths, the insane of the District were merged with the insane of the Army and Navy. The expenditures for the joint purpose, paid by the Federal Government up to the year 1874, amounted to $2,595,000.

Since 1874 large additions have been made to the hospital, both as to grounds and buildings, the cost of which has run well up into the millions. These appropriations have been carried in the Interior Department bills, to which the 50–50 plan of payment was never applied. They are still being so carried, but in recent years a nominal charge for the District patients has been paid out of the 50–50 and 40–60 funds.

In the year 1866 Congress inaugurated a school-building program for the District, and from that date up to the year 1874 had expended for sites and buildings the sum of $178,588. This was also under the Department of the Interior. Since 1874 the cost of school buildings, as well as the salaries of the teachers, have been paid jointly by the District and Federal Government under the 50–50 and 40–60 plans. The Federal Government has never relieved the respective States of the cost of their free schools. The taxpayers of the District have been peculiarly blessed in this respect.

On May 22, 1878, Hon. John Sherman, Secretary of the Treasury, in response to a resolution of the Senate submitted a statement of appropriations and expenditures from the National Treasury for public and private purposes in the District of Columbia from July 16, 1790, to June 30, 1876. This report was made a public document and was known as Executive Document No. 84, of the Forty-fifth Congress, second session.

By reference to this document it will be seen that Congress made contributions to the District even before the sharing plan inaugurated in 1874; but for the first half century very little if anything was given for strictly municipal purposes. This is conclusive evidence that the founders of our Government never contemplated that the people of the United States would ever be taxed to pay the local expense of the District. It was after the deaths of Washington, Jefferson, and Madison that this system developed. Through the influence of the local lobby the evil has continued to grow and expand. It will doubtless continue to expand until the District is abolished or else diminished in size and segregated from the local inhabitants.

It might be pertinent to compare the tax rates in Washington with those of other cities. My distinguished colleague from Texas [Mr. BLANTON] recently inserted in the RECORD, a statement of the rates of taxes being paid in 46 cities, reasonably comparable with Washington. The lowest rate reported from any of those cities was far greater than the rate in Washington, while some of them were six and seven times as high.

For the purpose of this comparison I will eliminate the great cities of New York, Cleveland, Detroit, Pittsburgh, Philadelphia, Chicago, Boston, and Baltimore. On account of the large population and commercial importance of those great

cities, the claim might be made that the comparison was unfair. I will simply say that the lowest rate paid in any of those cities is more than double the rate paid in Washington, while the average rate for the eight cities named, is $5.16½ on the $100 valuation. In Washington the rate is $1.20.

According to the figures given by my colleague [Mr. BLANTON] as certified to him by the mayors of the respective cities, the rate in San Francisco is $3.47; Portland, Oreg., $4.52; Peoria, $6.58; Houston, $4.29½; Wichita Falls, $5.05; Boise City, $4.52; Duluth, $5.79; Minneapolis, $6.52; Oakland, $4.02; Mobile, $3.40. The average rate for these 10 cities is 4.79\frac{3}{10}$ on the $100.

Mr. BLANTON. Will my colleague yield there?

Mr. MANSFIELD. Yes.

Mr. BLANTON. That is the total tax which those people pay.

Mr. MANSFIELD. Yes.

Mr. BLANTON. Not merely the city tax that the people in those cities pay.

Mr. MANSFIELD. That is what I understand. The gentleman from Texas will also bear in mind that the $1.20 rate for Washington is the total for all purposes.

Mr. BLANTON. Yes; it is the total tax as compared with the others.

Mr. MANSFIELD. Yes.

Members of the Committee on Rivers and Harbors will recall the hearings held by that committee a few weeks ago, when it had under consideration the question of the diversion of water from Lake Michigan into the Des Plains and Mississippi Rivers through the Chicago Sanitary Canal. The question of taxation was incidentally involved in the investigations.

It was shown that the tax rate in Chicago was not uniform but that the city was divided into a number of taxing districts, or taxing towns, as they are called, the rates being different and in some instances varying considerably. The rate in Hyde Park, one of those taxing towns, was shown to be $7.72 on the $100. In another, Evanston, where a 50 per cent valuation was required, it was $15.50, or the equivalent of $7.75 on the $100 if full valuation had been required.

This is but an illustration of what Washingtonians might expect in the way of taxation if they should be required to pay the cost of their municipal government as the people of Chicago and other cities are required to do.

I believe it can be asserted with truth and accuracy that there is not another incorporated city or town in the United States, regardless of size or commercial importance, whose ad valorem tax rate for State, county, district, and municipal purposes is as low as is the tax rate in the city of Washington for like purposes. It can be further asserted with truth and accuracy that there is not another city or town in the United States, regardless of size or importance, whose inhabitants enjoy, in equal proportion with those of the city of Washington, the benefits, blessings, and pleasures afforded through public expenditures.

In addition to the extremely low tax rate which prevails in the District, the charge has been made that the assessed values are also extremely low. The gentleman from Texas [Mr. BLANTON] recently gave a number of instances where large properties were assessed at figures far below real values. The gentleman from Maryland [Mr. ZIHLMAN] replied by giving a few instances where smaller properties had been assessed at full value. Each of these gentlemen may have been correct in the cases referred to, and still the property of the District as a whole may be fairly well assessed.

In official capacities I have had more than 30 years' actual experience in dealing with this question of tax assessments. I know that it is simply impossible to have the law strictly complied with in the matter of tax values. Where full values are required the average of assessments is frequently only about 50 per cent of full value. If the assessor here can succeed in getting the assessments up to that average, I am willing to accord him the credit due for being an able, zealous, and efficient officer. A four-year membership on the District Committee afforded me the opportunity of judging of the ability and resourcefulness of the tax dodgers with whom he must deal. Instead of criticizing him I more frequently have occasion to remember him kindly in my prayers.

This question of taxation was fully discussed before the Joint Committee on Fiscal Relations of the District and Federal Governments in the year 1915. Two distinguished Members of the present Congress, the gentleman from Illinois [Mr. RAINEY] and the gentleman from Wisconsin [Mr. COOPER], were members of that joint commission.

At the hearings then held the Washington representatives ignored altogether the question of comparative taxation as based upon assessed values. They admited that their ad valorem tax rates were low, but claimed that this was not the true test, as there was no way of fairly comparing the assessed values of one city with those of another city. These tax values, it was claimed, were made under varying conditions by men of differing views, of differing judgments, and for differing purposes of taxation.

It was contended that the officers might more nearly approach real values in one city than would those of another city, and that therefore the per capita tax rate would afford a far more accurate test of true comparison. This contention was not without a degree of reason. It also has the indorsement of the Census Bureau and the Department of Commerce. I will read a few extracts from the hearings in 1915, showing the contention of the Washington representatives at that time upon this question.

On page 67, volume 1, of the hearings Mr. Henry B. F. Macfarland, representing the District, spoke as follows:

> In measuring the tax burdens of cities the census authorities approve, as the best standard of measurement, per capita comparisons of actual tax levies and receipts. There is no factor of irresponsible guesswork anywhere in this calculation to develop erroneous and deceptive results. No other method of measurement enables comparisons to be made between cities of widely varying population, differing more or less from each other in respect to their systems of raising revenue, and no other method promises equally accurate and equitable results. In our inquiry that was all we desired. We desired to show the results accurately and equitably. We went to the best authority we could obtain. We secured the best person for the purpose of compiling these facts.

Beginning on page 257 of the same volume will be found statements of Mr. Theodore W. Noyes, editor and owner of the Washington Star:

> What is the accurate standard of measurement of comparative tax burdens? It is not the tax rate modified by the application to it of the reported relation of assessed to true value. The census authorities and common sense and practical experience unite to discredit this standard of maintenance. The approximately accurate standard of measuring comparative tax burdens is the per capita of taxes actually paid in the various cities.
>
> The method of measuring the comparative tax burdens of cities which accepts as accurate the census-reported relations of assessed to true values, and on this assumption declares that the Washingtonian's tax burden is much lighter than that of the residents of the average American city, is based on a false premise and leads to a false conclusion. It is discredited as unreliable by the census authorities and by comparisons of assessments with true values, as ascertained from sale prices in many cities, and is reduced to a logical absurdity when the attempt is made to apply it practically.
>
> What I say under this heading answers further the question that Mr. COOPER put to Mr. Macfarland when he was discussing this matter. And I consider it of extreme importance to convince you, if I can, of the utter unreliability and worthlessness of that standard of measurement which has been used so seriously to our detriment and which has spread the idea in Congress that we are the lightest taxed among American cities. This standard of measurement is discredited as unsound and misleading by the census authorities themselves. Its foundation is confessed to be unreliable by many of the cities and States.

Again on page 259 he says:

> Shall we disregard the real measure of tax burdens, the total and per capita tax levy, commended as accurate by the census authorities, and apply to the tax rate this confessedly grossly misleading factor of calculation? The result will be worthless as a measure of comparative tax burdens.

Still further discussing this question, on page 263 he says:

> In calculating the actual tax burden the assessment alone is of no value, the tax rate alone is of no value, and the application to the tax rate of the unreliable reported relations of assessed to true value to measure comparative tax burdens gives results that are confessedly erroneous.
>
> The only reliable standards of measuring the tax burdens of the various cities are the tax levies or total tax receipts, the dollars actually raised by taxation, and the per capita tax levy or per capita tax receipts which distributes the total tax burden among the persons constituting the taxed community.
>
> Clearly, then, the comparative tax burdens of cities are most accurately measured by comparison of tax levies and tax receipts, in the aggregate and per capita. There is no factor of irresponsible guesswork anywhere in this calculation to develop erroneous and deceptive results. No other method of measurement enables comparisons to be made between cities of widely varying population, differing more or less from each other in respect to their systems of raising revenue, and no other method promises equally accurate and equitable results.

Mr. Noyes and Mr. Macfarland, distinguished Washingtonians, representing the District, quoted from Bulletin No. 126, issued by the Census Bureau, showing that the per capita revenue receipts in the District for the year 1913 were above the average of that year for cities of comparable size and importance. The committee accepted this per capita test as the true basis for comparing the rates of taxation in Washington with those of other cities, and specifically so stated in its report.

I have here a more recent bulletin of the Census Bureau, and from which it will be seen that tax conditions in Washington at this time are very different from what they were claimed to have been in 1913. This bulletin is what I judge to be the latest report issued, showing the financial statistics of all cities in the United States of 30,000 population and over for the year 1922. It was mailed out only a few weeks ago.

Under this report, 261 cities are listed and divided into five groups. Group I contains those with a population of more than 500,000. There are 12 cities in that group. Group II contains those with a population of 300,000 to 500,000, and includes 11 cities. Washington comes under this group. The list of this group is as follows: Milwaukee, Washington, Newark, Cincinnati, Minneapolis, New Orleans, Kansas City, Indianapolis, Seattle, Rochester, and Jersey City.

Excepting Washington, the lowest tax receipts in any of these cities was $44.46 per capita. The highest, $93.85 per capita. The average for the 11 cities was $58.62 per capita. Washington is listed as having per capita revenue receipts of $57.27, which is $1.35 less than the average in Group II. But these figures do not represent the true condition. In arriving at these figures, Washington is listed as having revenue receipts for that year of $25,059,692. This included not only the taxes paid by the people of the District but also the appropriation to the District for that year from the Federal Treasury.

Observing this fact, I wrote to the Director of the Census, calling his attention to it, and requesting to be informed as to the per capita tax receipts, minus the subvention or appropriations made to the District by Congress. I have here his reply, which I will request the Clerk to read.

The Clerk read as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, March 21, 1924.

Hon. J. J. MANSFIELD,
House of Representatives, Washington, D. C.

MY DEAR MR. MANSFIELD: In reply to your letter of March 17, in which you call attention to the financial statistics of all cities of the United States of 30,000 population and over for the year 1922.

You quote the total of revenue receipts $25,059,692, this being a per capita of $57.27 for the city of Washington for the year ending June 30, 1922, and wish to know the portion of the revenue which comes from the National Government. We report $9,187,793 as a subvention from the Federal Government, and deducting this amount from the total of revenue receipts there is left $15,871,899 revenue receipts, or a per capita of $36.27, derived from the District of Columbia.

The population requested for the cities in Group II is the estimated population as of the middle of the fiscal year reported. For Washington, D. C., it would be January 1, 1922. The estimated population of the 11 cities embraced in Group II for the year 1922 are as follows:

Milwaukee, Wis	477,103
Washington, D. C	437,571
Newark, N. J	431,792
Cincinnati, Ohio	404,865
Minneapolis, Minn	400,970
New Orleans, La	399,616
Kansas City, Mo	338,767
Indianapolis, Ind	335,012
Seattle, Wash	315,685
Rochester, N. Y	311,548
Jersey City, N. J	305,911

Very truly yours,

W. M. STEUART, *Director.*

This bulletin from the Census Bureau discloses further facts of significance. I call attention to pages 4 and 5, showing the per capita tax of the 261 cities embraced in the five groups. In Group I, embracing 12 cities of over 500,000 population, the average per capita tax is $61.33. In Group II, embracing 11 cities of from 300,000 to 500,000, the average per capita tax is $58.62. In Group III, embracing 52 cities of from 100,000 to 300,000, the average per capita tax is $43.37. In Group IV, embracing 79 cities of from 50,000 to 100,000, the average per capita tax is $39.38. In Group V, embracing 107 cities of from 30,000 to 50,000, the average per capita tax is $38.41. The average for the entire list of 261 cities is $51.81 per capita.

Here, gentlemen, are some facts that ought to put this Congress to thinking. Here we have listed in an official bulletin every city in the United States with a population of 30,000 or over, divided into five groups, according to population, and in each and every group the per capita tax rate is higher than it is in the city of Washington. The average rate in the highest group is $25.06 higher than it is in the city of Washington, while the average in the group in which Washington is embraced is $22.25 higher. Even the small towns of from 30,000 to 50,000 have an average per capita tax rate of $2.14 higher than Washington, while the average for all the 261 cities as a whole is $15.54 higher.

Mr. BLANTON. Will my colleague yield?

Mr. MANSFIELD. Certainly.

Mr. BLANTON. A distinguished Senator told me recently that on his home place, in his home State, which he has been trying for some time to sell for $7,000, he pays more taxes on that $7,000 home in his own State than he pays on a residence here in Washington that is worth approximately $25,000.

Mr. MANSFIELD. That is an illustration of the tax conditions as they truly exist.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. AYRES. Mr. Chairman, I yield five minutes more to the gentleman from Texas.

Mr. MANSFIELD. This per capita test is the rule which the Washington representatives have demanded shall be applied in comparing their tax burdens with those of other cities. When we apply this test to the taxation of the District we find that the disparity is even greater than that shown by the tax rates upon assessed values. Like Haman, they have erected their own gallows.

But, Mr. Chairman, there is another significant fact disclosed by this bulletin from the Census Bureau. By reference to page 5 we find that every city in the United States, except Washington, has a large indebtedness hanging over its taxpayers. The cities in Group I have an average per capita debt of $121.72; Group II, $95.99; Group III, $72.89; Group IV, $59.76; Group V, $58.19. When we come down to Washington we find that her per capita debt at that time was 86 cents, and that little debt has been practically wiped out since then. If the Federal Government should be as generous to all the other cities in the United States as she has been to Washington and assume and pay off their indebtedness for them, instead of tax reduction we would now be faced with the proposition of practically doubling the Federal taxes of this country.

The act of June 30, 1878, has frequently been referred to in the hearings by the Washington representatives as the "organic act." They seem to look upon it as a sort of "Magna Charta" or charter of liberties. That they should so personify it is not to be wondered at. It was truly the act that liberated them from the payment of taxes.

In 1874 when the Territorial government was abolished the local tax rate was $3 on the $100. Soon after Congress commenced the payment of a portion of the cost of the District government the rate was reduced to $2, then to $1.50, and later to $1.20. One or two more steps will complete the evolution to the millennium of a zero tax, which is the goal they expect to reach, as evidence clearly indicates.

The historian, Bryan, tells us that after the act of 1874 many people in Washington refused to pay any taxes at all, believing that Congress would eventually pay the total cost of the local government at the National Capital. In 1915, when the Joint Committee on Fiscal Relations was conducting its hearings, the contention was seriously made that Congress had no constitutional right or authority to tax the people of the District except for Federal purposes, and that this Federal tax could not exceed that which was laid upon those residing in the several States.

I will read you a few extracts from the statement of one of the gentlemen of Washington who appeared before the committee at that time, Mr. B. M. Seibold. On page 740, volume 1, of the hearings, appears the following colloquy:

Mr. COOPER. Do you claim that under that provision of the Federal Constitution, construed in connection with the deeds of Maryland and Virginia, the Federal Government has no right to tax the people of the District of Columbia except for purely Federal purposes?

Mr. SEIBOLD. That is it, exactly. That is my contention, and I shall prove that later on, disregarding the decisions by the Supreme Court of the United States, by which some claim that the Supreme Court had decided to the contrary. I deny this, and I shall prove that the question has never come before the Supreme Court of the United States, and therefore could never have been decided.

On page 742 this witness quotes from the Constitution the following:

The Congress shall have the power to levy and collect taxes, duties, imports, and excises, to pay the debts, and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

Upon this he comments, as follows:

Here we have in plain language the taxing power of Congress and the specific purposes for which it has a right to tax. There is nothing in this clause which gives to Congress the power to tax the inhabitants of this District separately for only local purposes.

Upon page 744 appears the following colloquy:

Mr. COOPER. Will you stop there for a moment? You admit that Congress has the power to tax the people in the District of Columbia, the residents of the District of Columbia, in common with all of the mass of their fellow citizens for Federal purposes?

Mr. SEIBOLD. Yes, sir.

Mr. COOPER. I understand you to contend that to impose an additional tax upon the people of the District of Columbia for purely local purposes would be for Congress to tax them more than it taxes the rest of their fellow citizens?

Mr. SEIBOLD. Yes, sir; and that is what Congress has been doing since 1874.

And on page 745 the following:

Mr. GARD. What is it that you claim are proper exemptions that the Government may not tax for?

Mr. SEIBOLD. For nothing that is for local purposes.

Mr. GARD. What are those purposes? In the city of Washington, what do you call local purposes as distinguished from Federal purposes?

Mr. SEIBOLD. The affairs of a municipal corporation which does not exist, only in name. It is for local purposes, and it is for what Congress illegally to-day levies taxes for, and I shall prove that if the gentleman will give me time.

Mr. GARD. I will give you plenty of time. Your contention is that the levying of taxes to support the expenses of a commission form of government, and the courts, and the things like that, is illegal?

Mr. SEIBOLD. Yes, sir. This District is to be Federal property, just the same as the Treasury Department. In fact, it is a part of the Federal Government; it belongs to the Federal family and should be supported entirely out of the Federal Treasury as any other department. I repeat—the power of Congress to lay and collect taxes has been thoroughly discussed in the constitutional convention, every object for which this power has been granted was carefully gone over by the members of the convention, and not once has it been mentioned that Congress would or shall have the power to tax the inhabitants of the 10-mile square for the upholding of the Federal District.

On page 746, after again referring to the Constitution, Mr. Seibold says:

The power to tax the people of the District, as to be selected as the seat of government, is not expressly given in this clause, and therefore those who help Congress in its fraudulent taxation for selfish reasons claim it is an implied power.

On page 749 this witness further says:

If the intent of the framers of the Constitution had been to give to Congress the power to tax the people of this District for other purposes than stated hereinbefore, it could not have escaped them to provide for such a power. Why did they not do it? Because they had too much common sense to think about such a ridiculous proposition.

This program of paying a portion of the administrative costs of the District out of the United States Treasury, first inaugurated in 1874, was based upon the ground that the Federal Government was the owner of a large estate in the District, which was not subject to taxation. The claim was made that without this property upon the tax roll the District was being deprived of a large amount of revenue to which it was justly entitled.

The District officials demanded that the United States either pay a tax upon the Government-owned property or else pay to the District a subvention in lieu of taxes. Congress gave a willing ear to this demand and complied. The question arose as to what proportionate share the Federal Government should be required to pay. Mr. James L. Shepherd, at the head of the Board of Public Works, demanded that Congress pay one-half the cost of the District government, as he claimed the Government-owned property was equal in value to that of the property privately owned.

This contention by Shepherd was first made in 1873, but after placing a very exorbitant valuation upon the Government property it was still about $33,000,000 under the value of the property privately owned. In 1874, after scheming for another year to justify a higher valuation for the public property, he figured it out. He found that by considering the land in the streets as Federal property and placing a valuation of 30 cents a square foot upon it the value would be raised to $96,000,000, which was approximately the assessed value of the property privately owned at that time.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. DAVIS of Minnesota. Mr. Chairman, I think I have four minutes that I have not parceled out, and I will yield the gentleman four additional minutes.

Mr. MANSFIELD. Before the joint committee on fiscal relations in 1915, prominent Washingtonians contended that the Federal Government should still continue to pay a subvention to the District equal to the total taxes paid by the people of the District. Some of their estimates of the public property were rather amusing. For instance, Potomac Park, which the Federal Government, through the War Department, had reclaimed and converted from a death dealing morass into a place of health, beauty, and pleasure, was estimated at a value of $66,000 per acre, or $41,000,000.

Rock Creek Park, consisting of 1,606 acres, was valued at $3,600 030. The Government purchased this property in 1892 for $1,125,215, and previous to its purchase it was assessed to those who owned it at only $133,334. These are illustrations of the methods resorted to for the purpose of securing a continuance of the subvention, or "half and half" policy as they termed it. The value of Rock Creek Park, as estimated for the purpose of the Government subvention in 1915, was 2,700 per cent higher than its assessed value when privately owned.

On page 125, Volume I, of the hearings in 1915, will be found the statement of the estimated values of the Government property upon which they claimed the "half and half" policy should be continued. The District assessment rolls for that year showed a total valuation of $390,098,849, while they claimed that the Government-owned and other exempt property was worth $396,550,898, or approximately $6,000,000 more than the value of the property privately owned.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. MANSFIELD. Certainly.

Mr. WILLIAMSON. Does the gentleman think that the average small home in the city of Washington is under-assessed at the present time?

Mr. MANSFIELD. I do not think it is. The small homes everywhere are usually well assessed as compared with the larger properties.

Mr. WILLIAMSON. You think they are under-assessed at the present time?

Mr. MANSFIELD. The average small home, no, sir.

Mr. WILLIAMSON. I know that out in my section they are assessed at a pretty fair value—at Fourteenth and Farragut Streets.

Mr. MANSFIELD. I will say to the gentleman that small property owners are assessed higher proportionately all over the United States than the big ones.

Mr. WILLIAMSON. As a matter of fact, is it not true that the small property owners are assessed 100 per cent higher than the large property owners upon the actual value of the individual properties?

Mr. MANSFIELD. I agree with the gentleman in that contention.

In this statement it will be found that they included as Government property not only the property owned by the Federal Government, but also property owned by the District of Columbia; also the Soldiers' Home, a private corporation consisting of over 500 acres; also all charitable, benevolent, educational, and religious institutions in Washington. In other words, they would tax the Federal Government for fostering education and encouraging religion at the National Capital.

It is practically impossible for a congressional committee to secure a full, fair, and impartial hearing upon matters pertaining to the affairs of the District. There is at all times a thoroughly equipped lobby here to represent the District, and no one to represent the opposing side. The District has its able lawyers and prominent business men always on the ground and thoroughly familiar with every detail of the situation. No one opposing them has the inclination or the means to employ attorneys to investigate and present the facts and arguments in opposition to the contentions of the District's representatives. I will read from the hearings in 1915 what Senator Works, of California, said about this matter. On pages 1559 and 1560, Volume II of the hearings, appears the following language:

Senator WORKS. Mr. Macfarland, I believe that is one of the misfortunes of this hearing. It has been very badly one-sided. There has been no organized effort to present the other side of the question at all. While there are here and there citizens who have come here upon the invitations of the committee who have freely expressed their views on the subject, that is about the only help the committee have had to arrive at the views of the people here on the other side of that question. I think it results, from what I can learn, a good deal from the

timidity of these people or fear of making themselves unpopular, because they feel these great organizations that you represent are opposing their views, and we have pretty nearly had to drag them in here for the purpose of getting their views on the subject. I can say to you that that is one reason why I participated in the effort to have some of these people come in here who would express themselves freely and who were not organized with one particular thing in view. You may be right about it in saying that it is one-sided because of the people that take the other side of the question.

The District of Columbia was established by act of Congress of July 16, 1790, amended by the act of March 3, 1791. As is well known, the territory was ceded by the States of Maryland and Virginia, respectively, and those States also made large donations in money as a further inducement to have the National Capital located upon the Potomac.

Various forms of government for the District have, from time to time, been prescribed by Congress, none of which, it seems, proved satisfactory to the people. For the first 10 years, by act of Congress, the laws of Maryland and Virginia were kept in operation in the territories respectively ceded by those States. For many years after that period there were three incorporated cities in the District—Washington, Georgetown, and Alexandria—each operating under a separate charter. Rivairies and jealousies soon resulted, and many petitions and memorials were presented to Congress setting forth their respective grievances.

In 1846 the territory south of the Potomac was retroceded to the State of Virginia, after submission of the question to a referendum of the people. The election resulted in favor of retrocession by vote of 763 to 222. Retrocession of the territory north of the Potomac to the State of Maryland has also been frequently agitated. Georgetown, we are told, in the year 1851 would have returned to the State of Maryland but for the economic results that would have obtained. Mr. W. B. Bryan, at page 268, Volume II, of his History of the National Capital, speaks of this matter as follows:

But opinion was divided. Citizens were warned of the burden of taxes which they would be obliged to assume when they leave the District. For, unlike other towns, they were free from State taxation.

That, gentlemen, expresses it in a nutshell. The people of the District of Columbia, unlike other American citizens, are entirely free from the burdens of State and county taxes. They have nothing to pay but their Federal taxes, and a mere pittance of $1.20 on the $100 for municipal purposes. This historian, Mr. Bryan, was himself a Washingtonian and held many important positions here.

To give you the purport of this act of Congress, which not only changed the form of government for the District but assumed the indebtedness of the former régime, I will read you a paragraph from a letter from the Secretary of the Treasury of date March 8, 1924. Among other things, the letter says:

The act of June 20, 1874 (18 Stat. p. 116), abolished the Territorial form of government for the District of Columbia and established a commission form of government, the members of which were appointed by the President. This act continued the sinking fund commission and authorized it to continue the application of the sinking-fund revenues to the payment of the bonded and floating debt. The act also authorized an issue of 50-year bonds in the face amount of $15,000,000, dated August 1, 1874, bearing interest at the rate of 3.65 per cent per annum, payable semiannually. The act pledged the faith of the United States to make the necessary proportional appropriations to cover the interest on the bonds and to provide a sinking fund for their retirement. It was also pledged to levy taxes against the property in the District of Columbia to provide the necessary proportional revenue. The sinking-fund commissioners were authorized to exchange these 3.65 per cent bonds at par for like sums of the indebtedness of the District of Columbia, and a sufficient amount of the bonds were thus utilized by said commissioners to refund the outstanding indebtedness of the District of Columbia.

The act of March 3, 1879 (20 Stat. p. 410), provided the first appropriation for the retirement of the 3.65 per cent bonds, and there is inclosed for your information a statement showing the appropriations provided by Congress since that time for "interest and sinking fund of the District of Columbia," 50 per cent of which was payable from the revenues of the District of Columbia and 50 per cent from the Treasury of the United States.

I have here the statement referred to in the letter showing the payment of the bonded indebtedness of the District, one-half by the people of the United States, amounting in the aggregate to $47,550,774.44. I will insert this statement in the RECORD.

In locating the National Capital, New York, Philadelphia, Baltimore, and other large cities were rejected as being unsuited for such a purpose. Instead, the location selected was in a wilderness, almost without habitation. In the act of Congress there is no reference whatever to a city.

The idea of a Federal district was due to a single historical incident, and without that incident there would not to-day be such an entity as the District of Columbia. When Congress was in session in Philadelphia in 1783, 250 soldiers of the Revolution, who had not received the compensation to which they deemed themselves entitled, mutinied and marched upon the city from Lancaster. They surrounded the State House and made an armed demand upon Congress, then in session. Under conditions existing at that time the State of Pennsylvania and the city of Philadelphia, both of which were appealed to, were powerless to grant protection against the armed and infuriated mutineers.

To this incident alone is due the idea of locating the seat of government in a Federal district, where, as it was contended, the Federal authority would be supreme for the purpose of affording protection against unlawful violence. In those days the rights of a State were evidently more highly regarded than at this time. The idea of the United States Government now appealing to a State or a city to protect Congress from violence would be amusing, to say the least of it.

There being but one reason for the establishment of a Federal district in the first place, and that reason no longer existing, then why further continue in operation this useless and expensive institution? The deliberations of Congress are certainly no longer in danger from soldiers who have not received the consideration due them, as the circumstances conclusively show. Instead of 250 soldiers of the Revolution who felt themselves aggrieved, as was the case in 1783, we now have more than 4,000,000 young men, recently returned from a conflict no less memorable, who have not received as much consideration as has been accorded to speculators and tradesmen who merely suffered financial loss on account of the war. Still, we are not in danger of personal violence, and Congress can hold its sessions with impunity.

This of itself shows conclusively that the single reason which existed for the establishment of a Federal district in the first place does not now exist, and, as based upon that reason solely, the District of Columbia might with propriety be abolished. If there should be serious objection urged to the complete abolishment of the District, then Congress might reasonably consider the question of curtailing its dimensions.

The northern boundary line should in no case extend beyond Pennsylvania Avenue, except to include the necessary public buildings and grounds now in use in the vicinity of the Capitol and White House. The entire southern portion of the city, now an eyesore, should be condemned and converted into a grand and beautiful parkway in which should be located in symmetrical order all the public buildings necessary for housing the governmental activities.

Not only should this new territory be completely and forever divorced from the municipal affairs of the city of Washington, but from private interests as well. Let it be scourged of speculators, tricksters, and tradesmen, as Christ scourged the Temple. The Federal Government should be the sole owner of the property of the District. This "triple alliance," or "dreibund," which has grown up here by which the affairs of the Federal Government have been mingled with the municipal affairs of the District of Columbia, and with the private affairs of realty speculators, and by which the sancity and interests of the Federal Government have been subordinated to both, should be completely and forever dissolved.

The size of the Federal District, in the first place, was a matter upon which Mr. Washington and Mr. Jefferson did not agree. Jefferson's plan was to have a district no larger than necessary to house all the activites of the National Government. He thought that about 1,500 acres would be sufficient for that purpose. Washington thought it should be about four times that large. As finally laid out, it embraced a territory nearly ten and a half times as large as that first contended for by Mr. Washington, and nearly forty-three times as large as Mr. Jefferson thought was necessary.

The District, as originally laid off, embraced 100 square miles. In 1846 approximately one-third of the area was retroceded to the State of Virginia upon the ground, as recited in the act of retrocession, that it was not used or needed for the purposes of the National Capital. Less than one-sixth of the territory in the District as it now exists is owned by the Federal Government, and not more than one-twentieth of it is used for the purposes of the national seat of government. If

it was right and proper to return to the State of Virginia that which was not used or needed, then why withhold from the State of Maryland a large amount of territory likewise not used or needed?

Mr. Chairman, as a Member of Congress, I am not in favor of withholding from the National Capital anything that is necessary for the national use. I am in favor of the expenditure of every cent necessary for that purpose. I believe in the erection of the buildings necessary to that end, and in the beautification and adornment of all the contiguous grounds needed for the public use. I am opposed, however, to the further mingling of the public affairs of the Nation with the private affairs of the inhabitants of the District of Columbia, or, as to that matter, with the private affairs of the people of any other section of the United States. I want the people of the District to be treated by the Federal Government just as all other citizens are treated; no better, no worse.

I want them to be free to tax themselves, just as others are privileged, and to enjoy the exclusive benefits of their taxation, except that for Federal purposes, in which they should be treated in common with others. But I want a divorce from this unholy alliance which now exists.

I want the people of the District to have the privilege of voting and electing their own officers and to be represented in Congress by Representatives of their own selection. They will never be contented or satisfied as long as they are deprived of the ballot, even though they may not then fare so well as now. They feel naturally and make the claim that they have "taxation without representation." Yet an investigation of the facts will show that they have had representation without taxation. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MANSFIELD. I ask unanimous consent, Mr. Chairman, to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. COLE of Iowa. Mr. Chairman, I am preparing some data on the manufacture of sugar from corn, and when I get it assembled I would like to have unanimous consent to insert it in the RECORD, together with some letters I am receiving on the subject.

The CHAIRMAN (Mr. RAMSEYER). The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. COLE of Iowa. Mr. Speaker and gentlemen of the House, it was once said "Blessed is the man who makes two blades of grass grow where but one grew before." But now twice blessed is the man who finds a market for the surplus blade.

Science applied to the soil has greatly multiplied man's dominion over the earth. Production has been increased amazingly. In a single year the number of hogs offered in the American markets was increased 14,500,000. Has it not made the theories of Malthus obsolete?

We now have surplus products to deal with. Scarcity makes a seller's market, but abundance makes a buyer's market.

But the surplus of products is really a world fiction. It is not so much overproduction as it is underconsumption. There are no surplus foodstuffs in the world to-day. There are more empty stomachs than there are superfluous loaves and fishes. The real problem is one of distribution and of ability on the part of the hungry to pay the costs of production and transportation.

But in America, at least, we seem to have surplus products. We are anxious to find an outlet for them. We would be willing to forego profits on them. Yes; we are willing to sell the surplus products of our farms for the costs of production or even less. We have even talked of "dumping" them somewhere so that they may not distress the home markets.

Foreign trade is an excellent thing. It has been a civilizing influence. The great nations have been trading nations.

But, with our eyes fixed on foreign markets, let us not lose sight of the markets at home. Our home markets are our own. Others can not despoil them. Only we ourselves can spoil them. Is it 90 or 95 per cent of our products that we sell at home?

The American people are the best customers, because they are the best consumers in the world. They have the money with which to buy to gratify their tastes and their desires. They are the superconsumers of the world and the world's best spenders. Take the particular and single item of sugar. The world's production of this staple in 1922 was 20,448,334 tons, according to Willett & Gray's estimates. Of this immense aggregate the American people consumed 5,703,889 tons, or at the rate of 103.2 pounds per capita. The United States, with hardly 6 per cent of the world's population, consumed nearly 30 per cent of the sugar produced.

Of all the sugar we consumed, we produced in the United States proper in 1922–23 only 919,000 tons, of which 244,000 tons was from cane grown in Louisiana and Texas—Texas supplying only a "trace"—and 675,000 tons was made from beets grown in 16 or more States. During 1922 we imported 4,580,000 tons of dutiable sugar, nearly all from Cuba, and 1,209,000 tons of free sugar from our so-called insular possessions—Hawaii, Porto Rico, the Virgin Islands, and the Philippines. Our total imports were 5,788,900 tons, which is in excess of our total consumption, for we exported 918,000 tons in the form of refined sugar and sugar used in manufactured products.

Can we not supply a larger proportion of this excessive sugar consumption out of the labor on our own farms and by the labor in our own factories? That is the question that I want to discuss to-day.

The production of cane sugar can not be increased materially except on our islands. We have neither the soil nor the climate for it within the continental United States. The culture of the beet might be increased enormously, for we have both the soil and the climate for it, but it is necessarily limited by available labor.

There is one other source of sugar, and that is a source unlimited as to either soil or climate, and with ample labor. That source is corn—the maize of the Indians. It is to this subject that I want to devote my time and direct your attention especially.

SUGAR, ITS NATURE AND ITS SOURCES

Sugar is sunshine sweetened and stored. That is what it is, poetically considered. In the processes of nature something taken from the soil is mingled with something taken from the air and, under the magic of the sun, the two are converted into sweet saps from which man makes sugar. The cane among the grass plants, the beet among the root plants, and the maple and the palm among the trees are most rich in the sugar-bearing saps and juices. But sugars are derived from many other sources. In Washington the Bureau of Standards has made fucose from seaweed, raffidose from cottonseed meal, arabinose from dahlias, and manose from ivory nuts. From 6 to 8 per cent of sugar has been realized from cornstalks. The hygienic laboratory of the Public Health Service is now experimenting with a sugar called xylose, which is made from corncobs, which yield from 8 to 10 per cent of this product.

Saccharine matter is found also in the mineral world. The best-known mineral saccharine is a white crystalline substance that is manufactured from the toluene of coal tar. Its chemical formula is different from all vegetable sugars, but it is used as a substitute for sugar and is so used especially by those suffering from diabetes. It is antiseptic, and from three hundred to five hundred times as sweet as cane sugar. It has no food value whatever.

Chemically, all the vegetable sugars are known as carbohydrates. That means that they are composed of carbon, hydrogen, and oxygen, variously combined and constituted. The two most abundant sugars are known as sucrose and dextrose. Sucrose is derived chiefly from cane and beets, while the chief source of dextrose now is corn, or Indian maize.

Sucrose and dextrose have different chemical formulas. The actual difference may be described as that of a single molecule of water, which is present in dextrose and absent in sucrose.

SUGAR CANE, ITS ORIGIN AND SPREAD

It is in Hindu records that we find the earliest references to sugar cane. It is therefore assumed that the plant had its origin in India. It is not mentioned in any of the books of the Old Testament, nor in the Talmud. But the Hebrews were not without sweets. They gathered wild honey from the hollows of trees and the crevices of the rocks, as is still done in Palestine, and their dreams of an earthly paradise pictured a land of milk and honey. In the early Greek writings, the sugar cane is called "the honey-bearing reed of India." References to it are found in Chinese books written 800 years before Christ.

We are told that the soldiers of Alexander the Great carried this "sweet reed" from the Indus to Europe, where the product of the cane was first called saccharum, a word derived from the Sanskrit. The word sugar itself is derived from the Persian shakar.

In both India and China they developed crude ways of pressing out the sap and boiling it. Originally, they may have used

it in the form of sap. What is known as solid sugar is not mentioned until about 500 years before Christ. Its refinement is credited to the Egyptians, who were then an advanced people. Throughout the eastern world it gained great repute, both as a food and as a medicine. But it was so costly that its use was confined largely to the rich.

The Mohammedans carried sugar with their religion over wide areas of the medieval world. The Crusaders carried it to Europe. The Moors added it to the civilization of Spain. In time, Venice became the sugar market of the world. The Venetian traders took it to England, where they exchanged it for wool. In the time of Elizabeth it had become an article of considerable household use in England.

Some writers believe that sugar cane was native in the West Indies, but it is more likely that Columbus and his followers transplanted it to the American islands and to the countries of South America. It found its way to Louisiana in the eighteenth century, but it was not commercially produced there until about 1830. The sugar plant thrived on the islands more than it did in Louisiana, where the season is only eight or nine months in length, while the cane requires about 12 months for full maturity.

The botanical name for sugar cane is saccharum officinarum. It is a giant-stemmed perennial grass, growing to heights of from 8 to 24 feet. The tassel alone is from 2 to 4 feet in length. The plant germinates from the buds which grow on the stem around the joints, but practically little cane is propagated from its seed. The sap from which sugar is made is in the pith. The average sugar content is around 16 per cent, with about 2 per cent more in the form of invert sugar, from which sirup is made. The sugar realized from the cane varies greatly. The average for Louisiana is given as 143 pounds from a ton of cane. It is highest in Hawaii, 245 pounds per ton. In Cuba the average is 229 pounds, and Porto Rico, 221.

THE SUGAR BEET AND ITS DEVELOPMENT

The presence of sweet juices in certain root plants, especially in what is botanically the beta vulgaris, was known among the ancients. Herodotus says that the builders of the pyramids subsisted largely on beets.

But it was not until 1747 that Andreas Marggraf, in Germany, made the discovery that these beet juices could be crystallized into sugar. His discovery seems to have lingered long as a chemical curiosity. But developments followed, and in 1799 the manufacture of sugar from beets was seriously undertaken. The first factory for such purposes was built in Silesia.

The wars of Napoleon gave an impetus to this industry. An embargo was placed on colonial imports. This was intended to cripple England, with whom Napoleon was at war. The embargo closed continental Europe to colonial sugar. What they could not get from overseas they sought in their own soil. In France they established schools to promote beet culture and sugar making. They paid bounties for such sugar. They even made the culture of beets compulsory. In Germany and Austria, as well as in France, the industry was rapidly developed. By scientific culture the sugar content of beets was increased from 6 and 8 per cent to 12 and 18 per cent. The humble beet became the rival of the luxurious cane.

THE SUGAR BEET IN AMERICA

The first attempt to make sugar commercially from beets in the United States was made in 1830. It was not very successful. In 1838 the attempt was renewed at Northampton, Mass., with the help of one Isnard, who had served in this industry under Napoleon. The first real financial success in the making of sugar from beets was attained at Alvarado, Calif., in 1870.

In America soil and climate were both favorable for the growing of beets, but from the first the supply of manual labor required has been more or less lacking. The American machine-using farmer does not take kindly to doing such hand labor. Mr. James Wilson, who in Iowa was known as "Tama Jim," when Secretary of Agriculture, from 1897 to 1913, did more than any other one American to promote and develop this industry. Under his stimulating influence $80,000,000 was invested in the erection of 76 beet-sugar factories. Bounties were paid on beet sugar in the States of Idaho, Kansas, Minnesota, Michigan, Nebraska, and New York, while in Iowa beet-sugar manufacturers were exempted from taxation. These bounties and exemptions, however, have all been abandoned. The protective tariff on sugar has aided this industry, and without this tariff the industry could not exist to-day.

COMPETITION BETWEEN CANE AND BEET SUGAR

For the year 1912–13 the total world production of sugar was 20,308,958 tons of 2,000 pounds. Of this total, 10,397,603 tons were derived from cane and 9,911,355 tons from beets. In percentages, 51.2 from cane and 48.8 from beets. At that time the beet had almost overtaken the cane.

But the World War, which soon followed, interrupted the growing of beets in all the European countries. This gave a new stimulation to cane growing. In 1922–23 the world production of sugar was about the same as in 1912–13, to wit, 20,448,334 tons, of which 14,692,609 tons were derived from cane and only 5,755,725 tons from beets. In percentages this was 71.9 from cane and 28.1 from beets. In 11 years the output of cane sugar had been increased around 50 per cent, and the output of beet sugar had been decreased in like per cent.

In the continental United States there was but a slight increase in cane sugar during the same 11 years, and no material increase can be looked for in the future. Of beet sugar, there were produced in the continental United States in 1912–13, 698,952 tons, and in 1922–23, 689,848 tons, showing a slight decrease in spite of all the inducements and encouragements extended to this industry. The highest production was in the year 1920–21, when it was 1,085,749 tons. From this slow increase we may conclude that we can not look to beet culture as a solution of our sugar needs. However, we are deriving around a million tons of sugar from what we may call the American islands. The exact figures are, for 1922, from Hawaii, 523,040 tons; from Porto Rico, 379,071 tons; and from the Virgin Islands, 6,720 tons. We derive also around 300,000 tons from the Philippine Islands.

Of the total sugar consumed in the United States in 1922, 5,700,000 tons, 42.5 per cent, was of what we call domestic production, including the islands in domestic sense, and 57.5 per cent was derived from foreign countries, the bulk of it from Cuba.

This brings me back to my subject—that is, sugar made from corn. The question involved is, Can we make from corn any considerable part of the sugar that we now import, adding thereby to the development of American industry and to the commercial value of this important product of our farms?

DISCOVERY AND DEVELOPMENT OF CORN SUGAR

The Napoleonic embargo on colonial imports, which led to the founding of the beet-sugar industry, may also have had something to do with the discovery and the development of sugar made from starch.

A Russian chemist named Kirchoff, according to the records, was the first to discover the saccharine substance in starches and to develop processes for converting it into crystalline sugar. For this work he was decorated by the Russian Government in 1812 and given a pension for life. Kirchoff used the starch of the potato, and the product was called potato sugar. Cornstarch was then little known in Europe, if it were known at all.

A few years later a French chemist named Saussure developed a process of making sugar from starch by the use of sulphuric acid as a catalizer. The product of his process, because of its sweetness, was called glucose, from the Greek word glucus, meaning sweet. However, but little progress was made in the manufacture of sugar from potato starch. Commercially it was not successful.

In 1830 a patent was granted to Amable Brozier, of Philadelphia, for a process that was called the saccarification of grains, including especially corn and rice.

In 1848 Thomas Kingsford established at Oswego, N. Y., the first cornstarch factory. His experiments and efforts were so successful that the names of Oswego and Kingsford are still associated with this important American product.

The Civil War in America, like the Napoleonic wars in Europe, created one of those necessities out of which new ideas and developments are born. The internal-revenue taxes on distilled spirits were so high that they interfered with the manufacture of vinegar, in which high wines were used. A Government chemist directed the attention of two manufacturers of Buffalo, N. Y., to the conversion of starch into a sirup that could be used as a basis for vinegar.

In 1880 Dr. Arnold Behr, a noted chemist of that time, took a further step and patented a process for the manufacture of what he called anhydrous sugar from cornstarch, using what was called the centrifugal process for crystallization. Faith in his process and product was expressed in the form of a million-dollar factory which was erected by the Chicago Sugar Refining Co. In spite of the fact that this sugar was 98 per cent pure, but little demand was found for it, one of the reasons being that the process was too expensive.

Doctor Behr may be considered the real founder of the new industry. Mr. A. W. H. Lenders, now vice president of Penick & Ford (Ltd.), Cedar Rapids, Iowa, himself a chemist of note

and a successful manufacturer of corn products, in a personal letter to me says:

With the exception of Doctor Behr, there was no one who had a process for the manufacture of high-grade corn sugar until recently.

Mr. Lenders, let me state, was associated with Doctor Behr in some of his experiments and may be regarded as one of his pupils.

In due time one Charles Ebert developed another new process, called the pressing process, as a substitute for the centrifugal process of Doctor Behr, which cheapened the manufacture of such sugar. I believe that the Ebert product was first called cerelose.

Considerable development in the manufacture of sugar from corn followed these inventions, but no effort was made to refine these sugars. They were what are called 70 and 80 sugars, and were used largely and mostly in making vinegar, also by breweries before these were closed, and in the curing of leathers.

About 1902 a factory at Peoria, Ill., began to make sugar 92 per cent pure dextrose. This product was soon used by bakers, ice-cream makers, and by the manufacturers of various food products and candy. But it had a bitter taste, and in sugar the "taste is the test."

New research work followed. "Doctor Behr's anhydrous sugar," says Mr. Lenders in his letter, "was the product they were aiming at." The research work proved successful, and that in a comparatively short time. The United States Government, through the Bureau of Standards and its various experts, including such men as Mr. F. Bates, Dr. R. F. Jackson, and W. B. Newkirk, rendered valuable assistance. In due time the desired taste was attained and the processes cheapened so that factories could be commercially operated.

The Corn Products Refining Co., one of the largest corporations of its kind, has placed all of its resources back of the development of this new sugar. They are now making several kinds—cerelose, 99.5 per cent pure dextrose on a dry basis, and also a 92 sugar called, I believe, argo. Mr. George K. Burgess, Director of the Bureau of Standards, in a letter to me on this subject, under date of May 6, says:

We have recently had occasion to examine some dextrose manufactured by this process and have found that the purity of the sample submitted was above 99.9 per cent.

This bureau is at present engaged in problems incidental to further refinement of the process, such as an accurate system of color measurement, the details of chemical analysis, identification of impurities, and crystallographic studies.

From first to last the Bureau of Standards has rendered most valuable service to this new industry.

So far only a few manufacturers have undertaken to make this supersugar from corn. "Most of the large corn-products manufacturers," writes Mr. Lenders, who, let me state, has given me much valuable assistance in my consideration of this subject, "including ourselves (that is, Penick & Ford (Ltd.), Cedar Rapids, Iowa), are making the 70 and 80 sugar to-day in large quantities."

THE HISTORY OF AMERICAN CORN

The development of this industry will have an important bearing on what is America's premier agricultural product—that is, corn—and therefore it may be well to consider briefly its history.

In England and continental Europe the word "corn" is applied to the edible seeds of many cereal plants, including wheat, barley, rye, and so forth. In the United States the word is restricted to Indian maize. Here maize is corn and corn is maize.

What the Indians called mahiz and the Spaniards maiz was found growing on the West India Islands in great abundance when Columbus made his discovery. He spoke of vast fields of maize. When Cortez conquered Mexico, he marched through fields of this maize. De Soto found it in Florida and on the banks of the Mississippi. Joliet and Marquette, when they discovered the Iowa country in 1673, found it growing on the banks of the Iowa River, where it still grows in its greatest luxuriance.

The Indians believed that corn was bestowed upon them by some special act of Providence. It was at least providential to them. Black Hawk in his autobiography relates quite seriously that once upon a time when three Indians were out hunting a beautiful woman came down out of the sky. She was hungry. They gave her the best portions of venison. Having eaten, she thanked them and told them to return to the place of their meeting one year later. When they so returned, they found growing there corn, beans, and tobacco, but chief was corn.

The legend of the Winnebagoes was a little different. They believed that when the first woman had been created many suitors came to woo her. Among them was one Mondamin, or Corn, who was so strong that he slew all the other suitors, and through him Corn became the father of all the Indians.

CORN AS AMERICA'S PREMIER CROP

In 1922, according to the Yearbook of the Department of Agriculture (p. 572), 102,428,000 acres were planted to corn in the United States. The yield that year was 2,890,712,000 bushels. (The yield has since been as high as over 3,000,000,000 bushels.) The estimated value of the crop of 1922 was $1,900,287,000. These figures leave no doubt as to the premiership of corn in American agriculture.

Corn is grown in every one of the 48 States of the continental United States. In 1922 the smallest acreage was in Nevada—1,000 acres; the largest was in Iowa—10,123,000 acres. In Iowa there was produced that year 455,535,000 bushels, or almost one-sixth of the entire corn product of the United States. The estimated value of Iowa's corn that year was $255,100,100.

Illinois ranked second in corn in 1922, that State having 8,819,000 acres, yielding 313,074,000 bushels, the estimated value of which was $187,844,000. The third State in corn was Nebraska, with 7,419,000 acres, 182,400,000 bushels, valued at $105,792,000. That year three other States—namely, Missouri, Kansas, and Texas—had corn acreages in excess of 5,000,000. Of the Southern States, outside of Texas, Georgia stood first, with over 4,000,000 acres, and the two Carolinas followed, each with more than 2,000,000 acres.

Iowa's preeminence as a corn State is due to ideal conditions of soil and climate, rainfall, and sunshine for such production.

For 300 miles east and west, from the Mississippi to the Missouri, and for 200 miles north and south, practically every acre is susceptible and responsive to the culture of corn. On these facts and figures is based the popular refrain:

We're from Io-way, Io-way,
That's where the tall corn grows.

But corn in its growth is not restricted to the American States. It is grown in many other lands. The total world production is now in excess of 4,000,000,000 bushels. But three-fourths of all the corn is still grown in the United States.

Among foreign countries, Argentina ranks first in corn production. In 1922 its acreage in that country was in excess of 8,000,000, or about four-fifths of the acreage in Iowa alone. But in that year the product of Argentina was only about one-half of that of Iowa, proving Iowa's superiority in this respect. The exact figures for Argentina were, 1922, acres, 8,090,000, and bushels, 230,423,000.

Of the American corn crop 40 per cent is fed to hogs and converted into pork products, 20 per cent is fed to horses and mules, and 15 per cent to cattle. These three uses account for 75 per cent of all American corn. Ten per cent more is used as human food direct. When all its uses, including beef and pork and mutton and poultry and so on, fed on corn, are taken into consideration corn becomes the principal food product of the American people. It is that by which they chiefly subsist.

Corn is almost wholly a commodity of domestic commerce. Very little is exported—that is, in the form of grain. The average exports for the past 20 years have not exceeded 3 per cent of the total. In only one year since 1900 have the exports exceeded 100,000,000 bushels. Of corn exported, one-half goes to England and a sixth to Germany, and if Canada and Holland are added we have three-fourths of our exports accounted for. Our largest imports of corn were in 1914, when under a favorable tariff, we received 15,821,000 bushels from Argentina for use in the Atlantic seaboard industries.

THE WONDERS IN THE KERNEL OF CORN

Corn, like cane, belongs to the grass family. It grows to an average height of about 10 feet, more or less. It is a semi-tropical plant. It is matured in from 90 to 120 days.

The seed or grain grows on a cob and is incased in husks that overlap it. From the tip of the cob and projecting beyond the husk are many tiny silks, one for each kernel, upon which the fertilizing pollen falls from the tassel which crowns the stalk. The long rows of grain on the cob are always even numbered. From a single grain of seed planted a thousand may be produced, and corn is therefore a thousandfold crop, a wonder in productivity.

At the tip of each kernel there is a little germ which is the new life. Nature has guarded and protected this germ most carefully. It is incased in a bit of oil to protect it against drought and moisture, heat and cold, and their changes. The main substance in the kernel is starch, which is the food upon which the new life subsists until it can put forth roots in the

ground and leaves in the air to sustain itself. It is all a wonder wrought in some fairyland of nature.

THE OIL OF THE CORN

Before proceeding with the development of the starch of the corn into commercial sugar I must make a brief reference to the oil in which the germ is protected. This is a precious oil, and it is now successfully extracted and refined, running about 1½ pounds to the bushel of 56 pounds. It is an article of commerce. In 1922 in excess of 11,000,000 gallons were manufactured.

The oil is of a soft golden coloring. It is used in many manufactured foods. As a salad dressing it has displaced many minor oils and has become a competitor of olive oil. In cooking it has many advantages over all other oils and some over lard and even butter. It has a high burning point, 650°, compared with 425 for lard and 250 for butter. The advantage in this lies in the fact that corn oil can be brought to a high heat without either burning or smoking. When the meat to be fried is immersed in this oil at a high heat, which may be 600°, the pores of the meat are immediately sealed and the natural juices, together with the flavoring and aroma, are retained. In other words, the meats so cooked are not soaked or saturated in grease.

GLUCOSE, MALTOSE, AND DEXTROSE

The starch that is extracted from the corn is converted into a raw sugar by a process of cooking under pressure. Dilute hydrochloric acid is used, which is later neutralized by soda, and the liquors decolorized with carbon. The raw sugar is 90 per cent dextrose and corresponds to the raw cane sugars that are imported and refined in this country. The two processes of refining are said to be absolutely identical.

Maltose sugar is made by a different process. The ground corn or grits are mixed with a certain amount of malted barley. By this process the starches are converted into what are called simpler forms of carbohydrates, namely, dextrins and maltose, and, if the action is carried far enough, into complete maltose.

The present commercial corn sugar is dextrose. The manufacture of maltose has not been deemed commercially successful, but the chemists of the Department of Agriculture are at the present time carrying on experiments, already highly successful, I am told, to perfect and cheapen this maltose sugar. They have reached a result of 33 pounds of sugar from a bushel of 56 pounds of corn.

Of the two corn sugars, maltose has the higher calorific value, practically as high as cane or beet sugar; while dextrose ranks lower in that respect. In the element of sweetness the corn sugars are deficient compared with both cane and beet sugar. Dextrose at its best is about three-fourths as sweet as sucrose—that is, cane sugar—and it may run lower—three-fifths. The food values of all these sugars are about the same. As a preservative the corn sugars are probably 30 per cent more effective than either cane or beet sugar. Of all the sugars dextrose is probably most easy of digestion and assimilation.

DEXTROSE CALLED IDEAL SUGAR

The chemical formulas of sucrose and dextrose differ slightly. They are elementally the same, but in different combinations. The difference has been described by one as that of a single molecule of water. In the processes of human digestion, I am told, this molecule of water must be added to the sucrose. That is, the sucrose must be converted into the dextrose, which is called blood sugar, and as such is ready to be absorbed and assimilated in the human system. On the processes of digestion, Dr. M. C. White, Assistant Surgeon General United States Public Health Service, writes me as follows:

The starch ordinarily consumed with the diet is split during digestion in the gastro-intestinal canal into glucose, and is absorbed by the blood in this form. After being carried by the blood to the organs of the body it is burned to carbon dioxide and water. Part of the absorbed glucose is stored in the muscle and liver as a complex carbohydrate called glycogen. On the basis of our present knowledge there is no reason to assume that sugar (glucose) made from corn is digested and utilized by the body in any different way than glucose derived from other sources.

Dr. M. S. Fine, director of the research department of the Postum Cereal Co., Battle Creek, Mich., a recognized authority on food products, writes me as follows:

Both maltose and dextrose are valuable sugars. Maltose is often tolerated by sensitive gastrointestinal tracts when cane sugar and other forms of carbohydrates are not so well tolerated.

Dextrose one might almost consider as the ideal sugar. It requires no digestion whatever in the gastrointestinal tract. It is absorbed into the circulation as such, and it is precisely in the form of dextrose that sugar circulates in the blood normally. In other words, dextrose is immediately available.

Dextrose, like maltose, has recently found much favor in connection with the feeding of babies. * * *

There is, as you probably know, a prejudice against the use of dextrose, or, as it is more commonly known, glucose. The prejudice arose, no doubt, because this material was at one time used as an adulterant.

AS A FOOD FOR CHILDREN

Children are said to require more heat units than adults. This is due to their activities and to a more rapid radiation of heat from their bodies. They therefore both crave and need sweets. They find these first in milk. Two quarts of milk contain 3 ounces of milk sugar. In using cane sugar, or sucrose, the amount must not exceed the capacity of the child to convert it into dextrose. But corn sugar is taken in the form of dextrose, and is therefore said to be less harmful. On this subject I will insert herewith in full a letter written by Dr. McKim Marriott, a recognized pediatric, which is the science of the hygienic care of children:

Hon. CYRENUS COLE,

House of Representatives, Washington, D. C.

DEAR SIR: This is in reply to your letter of May 10, relative to the use of corn as a source of sugar.

I have, for a number of years past, been using and advocating the use of corn sirup in the feeding of infants. Corn sirup is prepared from cornstarch by hydrolysis and consists mostly of dextrin, maltose, and glucose. I have found this form of sugar to be the most suitable for infant feeding. It is digested better than cane sugar or milk sugar and does not lead to diarrhea. It is by far the safest form of sugar to give a bottle-fed baby. Corn sirup is an economical food as well. It is much cheaper and certainly as good, or better, than many of the advertised dextrin and malt sugars used in infant feeding, such as Mellin's Food, etc. As a food for older children corn sirup has a considerable advantage over cane sugar because it is more easily digested and is not as sweet, and can, therefore, be taken in larger amounts.

In the St. Louis Children's Hospital and in the Children's Dispensary of Washington University practically no other form of sugar is used in the feeding of infants, and since the adoption of this policy the mortality rate among babies has been lowered markedly.

Trusting that this is the desired information and that you will not hesitate to call upon me if you wish any further particulars, I am,

Sincerely yours,

MCKIM MARRIOTT, M. D.,
Physician in Chief St. Louis Children's Hospital,
Dean and Professor of Pediatrics,
Washington University School of Medicine.

From another source I learn that when children—and the same is true of adults—eat too much candy made from the sucrose sugars—cane and beet—it distresses them, due to the fact that there are not enough of the molecules of water and of the saliva acids to convert this sucrose into dextrose in the processes of digestion. The mass lies unacted upon awaiting the necessary secretions for the processes of digestion, or fermentations set up, adding to the distress.

In the case of the dextrose sugars—corn—no such distress ensues, for this sugar is already in the form in which it must be to be taken up by the system. The processes to which the stomach and the associated organs are subjected in the use of cane and beet sugar are performed in the laboratories in the case of corn sugar. On this, however, I express no expert opinion, merely repeating what has been told me by those who pretend to know more about such matters.

THE CALORIFIC AND FOOD VALUES COMPARED

As to the calorific value of corn sugar compared with other sugar, I have a statement from Mr. A. C. Browne, who wrote to me as Acting Chief of the Bureau of Chemistry, of the Department of Agriculture, under date of May 7, as follows:

The calorific value of cane sugar—that is, the heat units formed by the complete combustion of a unit quantity of sugar—is known to be 3,955.2 calories per gram of sugar. In the case of maltose sugar the calorific value is 3,949.3 calories per gram. In the case of dextrose the calorific value is 3,742.6 calories per gram.

In this respect, as I have already said, maltose sugar is practically on a par with cane sugar. Dextrose sugar would seem to suffer in comparison with both maltose and sucrose; but, as a matter of fact, I am assured upon good authority this is not really so, for "while its actual calorific value is somewhat less than cane sugar the human system expends considerably less energy in its digestion, so that the final result

is about the same." In the case of sucrose the 200 calories by which it exceeds dextrose are fully consumed in the processes of converting the sucrose into dextrose, into which it must be converted before digestion and assimilation can proceed.

As to the nutritive and food values of these sugars, so far as I have been able to learn, they do not vary greatly. All the authorities that I have consulted seem to place corn sugar on as high a plane as either cane or beet sugar as food. Mr. A. C. Browne, of the Bureau of Chemistry, from whom I have already quoted, in the same letter says on this subject:

All evidence points to the fact that in the case of normal individuals these sugars are all digested completely in the human body and have approximately the same nutritive value, weight for weight.

THE UTILITY OF DEXTROSE SUGAR

The process of converting cornstarch into sugar has been described as "practically identical with the digestion of starch in the human body * * *. In the factory hydrochloric acid corresponds to the enzyme in the human saliva." Dextrose has been styled predigested starch, a sugar that is "taken up in the blood stream and is known as blood sugar." Because of ease in digestion and of assimilation a very high value has been placed on this sugar by dieticians and by experts in such matters.

Dr. Cyrus Edson, at one time president of the board of health of New York, has left a record of his opinion that on a diet of corn sirup a man can perform more muscular work than under any other single diet.

Dr. Harry Gideon Wells, at one time dean of medical work in the University of Chicago, in a hearing before the Illinois State Food Standards Commission, gave like testimony. Speaking of corn sirup, and other sirups and sugars, he was asked if he would prefer glucose, "as far as digestion is concerned." He answered:

Yes; for the purpose of feeding a child or an adult, for that matter. If you had to limit your carbohydrates to cane sugar or glucose, you would find a person would get along much better on commercial glucose than on sugar (cane), because he would get sick of the amount of sweetness that he would get with cane sugar as the sole source of carbohydrate foods. That is why we eat bread, starch, and such things instead of cane sugar.

Dr. John C. Olson, professor of analytical chemistry, Polytechnical Institute, Brooklyn, N. Y., has said:

When starch is rendered soluble it passes into other sugars which are less sweet, such as dextrose and maltose. They are fully as nourishing as cane sugar and pass into the blood more quickly, because cane sugar must first be broken up into the two simpler sugars called dextrose and levulose.

Dr. Henry C. Sherman, of Columbia University, speaking on the same subject, has said that "from frequent free use of sugar it occurs repeatedly some injury to the stomach must be anticipated." He ascribed this to certain fermentations which are apt to result from the use of the highly sweetened cane and beet sugars and to the "distinct abstraction of water from the mucous membrane" which occurs in the processes of converting sucrose sugar into dextrose sugar when it is taken into the human system.

THE DEFICIENCY IN SWEETNESS

One of the somewhat adverse facts that corn sugar will have to contend with is its admitted deficiency in sweetness. Compared with the best cane sugar it is ranked from 60 to 75 per cent in this respect. The sugar consumers of America are accustomed to the sweeter sugars. They have an abnormal taste for them, just as Americans have had an abnormal taste for the stronger alcoholic liquors.

This deficiency in corn sugar, however, is all in the taste and is without bearing on the food value of the sugar. If sweetness were the test, then the saccharine substance which is derived from coal tar would be the best sugar in the world. In sweetness it has from three to five hundred times the strength of cane sugar. But this mineral sugar has no food value whatever. It is sweet to the taste, but it is neither digested nor assimilated.

But in any event in such matters the "taste is the test," and to satisfy the taste all that is necessary is to use more for given purposes of corn sugar than of cane sugar, and as its manufacture is cheaper this will be no real handicap.

THE COST OF MANUFACTURING CORN SUGAR

The ultimate cost of manufacturing corn sugar has not yet been wholly determined. That will depend on quantity of output, and also upon the development of processes that are still new. In a general way it is stated that dextrose can be manufactured for as much as a cent and a half less per pound than beet sugar, which now competes successfully with cane sugar.

I submitted this question to the bureau of the Department of Agriculture which is now perfecting maltose sugar. The reply is that it is hard to answer, for "the final cost could only be determined by actual operation on a large scale." A tentative estimate of the cost of production is around 3 cents per pound or less for pure maltose sugar based on corn around 70 cents a bushel, the present market price. In this process 33 pounds of sugar are realized from a bushel of 56 pounds of corn. There is also left the oil from the corn and, theoretically, from 15 to 20 pounds of dry material or by-product which can be used in stock foods.

THE PRESERVATIVE VALUE OF CORN SUGAR

Sugar as a preservative is used in canning fruits and certain vegetables and in condensing milk. It is also used in preserves and jellies.

As a preservative the sweetness in sugar is not a factor. Corn sugar with a lower saccharine content has a higher preserving potency than cane sugar. This higher efficiency is placed over 30 per cent. On this subject the following statement is apropos and I am told authoritative:

It is well known that the preserving power of sugar solutions depends largely upon the osmotic pressure of the solutions. Statistical information shows that the osmotic pressure of 15.2 per cent of dextrose solution is equal to the osmotic pressure of 24.3 per cent sucrose solution, and from this it is logical to conclude that, when applied to the same material and the same organism, a 15.2 per cent dextrose solution will have the same preserving value of a 24.3 cane-sugar solution.

According to this statement, the preserving efficiency of corn sugar will make it a desired article in such processes, which account for a large part of the consumption of sugar. It would be especially useful in preserving such fruits as have naturally a high sweetness.

At the present time, under official rulings, where corn sugar is used in manufactured products, the fact must be stated on the labels, which is said to operate as a discrimination.

THE ALLEGED DISCRIMINATIONS UNDER FOOD ACT

The labeling referred to has led to some differences and disputes between manufacturers and the Department of Agriculture, which interprets the food and drugs act. In its rulings the department has, of course, no desire to discriminate against corn sugar. On the contrary, it is anxious to promote the manufacture and use of such sugar, and, as already stated, it is now carrying on experiments to perfect the processes for making maltose sugar from corn. This is in consonance with the purposes for which the Department of Agriculture was created; that is, the promotion of agriculture.

The manufacturers complain that the labels required when corn sugar is used in prepared foods operate as a prejudice. The very fact that the designation "corn sugar" is required, they say, in the minds of many implies an inferiority, or at least a substitution. They argue that competitors call attention to such labelings to arouse the prejudices of would-be purchasers.

This alleged discrimination on the part of the Department of Agriculture in the interpretation of the food and drugs act arises from a definition of sugar laid down many years ago, and which is still adhered to. This definition is as follows:

Sugar is the product chemically known as sucrose (saccharose), chiefly obtained from sugar cane, sugar beets, sorghum, maple, and palm.

Under this definition, sugar made from corn is not sugar per se, for it is dextrose and not sucrose. The modern dictionaries give a more comprehensive definition of sugar. The Standard Dictionary says:

Sugar is "any of many sweets or sweetish carbohydrates which are ketonic or aldehydic derivatives of the higher alcohols * * * formerly divided into the glucose group and the saccharose group."

The use of the word "formerly" in this definition may imply that they are not now so divided. But the Department of Agriculture officially still insists on such a division, and that is why it requires special designation on labels when corn sugar is used. Secretary Wallace, in a letter on this matter, says:

The question of whether or not the law requires products ordinarily sweetened with sucrose to bear a declaration of dextrose, or so-called corn sugar, when this substance has supplanted sucrose, is not one involving the department's authority to promulgate food standards. It rests solely upon the fundamental requirements of the Federal food and drugs act, which define a food product as adulterated if any substance has been substituted wholly or in part for the article, and misbranded

if it bear any statement, design, or device that is false, misleading, or deceptive in any particular.

Dextrose has an entirely definite, different identity from sucrose, and this difference in identity is reflected in the lower sweetening power and lower solubility of the first-named product.

He says also that usage determines the designation on the labels. In preparing commercial food products, such as jam, for instance, sucrose or cane sugar has so long been used that the purchasers have a right to expect, and do expect, that it has been used, unless a statement is made to the contrary.

As to sweetness, to which reference is made by the Secretary, that difference is not material, for it is true that "the taste is the test," and when a sugar of lower saccharine content is used, all that is necessary is to add enough more to meet the required taste. Such additions of corn sugar in prepared foods would at the same time mean additions to the total food values of the product.

Corn sugar is so wholesome that it might well be capitalized on the labels of manufactured food products. Instead of printing the fact that corn sugar is one of the ingredients in the form of an apology, or even as an explanation, why not print it as a label of superiority, a badge of purity, of healthfulness, and of nutritiousness? May it not be possible that the labels officially required may be converted into advantageous advertisements? If corn sugar is what the chemists and dieticians whom I have quoted have found it to be, why not emphasize its superiority on every label? Secretary Wallace suggests the same thought in the letter from which I have already quoted, as follows:

Frankly, I do not believe that the present requirements * * * will work any unnecessary hardship on industries manufacturing and employing dextrose or decrease its possible use to any material extent. * * * The employment of a label conveying exact information to the consumer concerning the identity of the article creates public confidence in the article, if it has merit that is decidedly advantageous. * * * I am sure no one really interested in the increased production of dextrose will concede that this substance does not possess the merit necessary to justify its increased consumption.

Let me renew to you the department's assurances of its interest in the increased consumption of products of corn, which will insure to producers of corn a more equitable return. I am convinced, however, that the marketing of corn products on the basis of their merit alone and with full knowledge of the public of their identity is the only certain way of accomplishing this object and making such increased consumption of any enduring character.

The Secretary may be right. Corn sugar must be sold on its merits, and I believe it has merits on which it can be sold. All it needs is publicity. Advertising is the magic wand that will put it across, to use a commercial phrase. The skill and the potency of the advertiser are the things desired. There is in this sugar itself the inherent quality that can not be overstated. Make the labels now required the hallmarks of that quality in food products.

THE MANUFACTURER'S VIEW OF THIS DISCRIMINATION

Having set forth the views of the Secretary of Agriculture on this alleged discrimination in the labeling of corn sugar, I will reprint herewith a letter which I have received from Mr. Moffett, whose efforts to promote this sugar are entitled to the praise of all corn growers and sugar consumers, dealing in part with these discriminations. He is vice president of the Corn Products Refining Co.

The letter, aside from setting forth these views, is worth printing for the information it gives, in reply to a series of inquiries submitted by me, on the processes of making this new sugar, its uses, merits, and so forth. The letter in full is as follows:

Hon. CYRENUS COLE,
House of Representatives, Washington, D. C.

DEAR SIR: Referring to yours of the 23d, I will try to answer your questions in the order that you have asked them.

First. The preserving power of any sugar depends on the osmotic pressure of the solution. The recognized authorities show that a solution of corn sugar containing 15 per cent has the same osmotic pressure as a cane-sugar solution containing 25 per cent of sugar. As a practical demonstration this has only been established so far absolutely in milk-condensing experiments carried on at Grove City, Pa., in cooperation with the Bureau of Animal Industry, Department of Agriculture.

The fruit-canning experiments have been carried on, using the same amount of corn sugar as is customary with cane sugar. In the case of the fruit it was considered superior to ordinary fruit canned with cane sugar, inasmuch as there was more of a fruit flavor and less of plain sweetness than usual. In a report made by the California Packing Corporation they say as follows: "Unfortunately we can not use this material in our products because we would have to mark on the package that they contained," etc.

The Beacon Chocolate Co., of North Tonawanda, N. Y., advise that in the manufacture of chocolate coatings this sugar is very desirable, but they can not use it because a regulation of the Department of Agriculture requires that if anything except cane sugar is used it must be marked on the package. This is ridiculous. I would call your attention to the fact that chocolate coatings are used in the manufacture of confectionery, and in confectionery there are no standards that call for specific naming of any sugar; corn sugar, corn sirup, cane sugar, or any other kind of sugar can be used at will, providing it is wholesome.

Second. In canning processes deficiency in sweetness is not a factor to be considered since the amount of sugar used for preserving is generally accepted to be much in excess of what is really required so far as the taste is concerned. This is particularly exemplified in canned fruits, which are so sweet that the fruit flavor is obscured, and as for condensed milk, you no doubt have the same opinion as nearly everyone, that it is so sweet it is sickening.

Third. The principal use of corn sugar in manufacturing ice cream is to give body and texture and in order to reduce the sweetness, which is too great under the ordinary formula. In the baking trade corn sugar is used as yeast food. In general corn sugar sells at a price in relation to cane sugar, so that the cost per unit of sweetening is the same. The cost per unit of food value is about 25 per cent less in the case of corn sugar.

Fourth. The success of the use of this sugar by ice-cream makers and bakers is absolutely established. These trades are now using about 400,000 bags a year, and this volume is steadily growing. There is no use of it by the canners as yet. They are afraid to use it on account of the present regulations.

Fifth. We have no desire to sell corn sugar as anything except corn sugar when it is sold to the consumer straight. The consumer in that case is perfectly able to determine for himself the value of the sugar; but we do consider that it is an unwarranted discrimination that where this sugar is used as an ingredient in the manufacture of such articles as jams, jellies, preserves, condensed milk, chocolate, etc., the regulations require that it be specifically named, inasmuch as it is admittedly a perfectly wholesome product, possibly better from this standpoint than cane sugar. No manufacturer is going to use it as an ingredient if he thinks it deteriorates the quality of his goods, but the mere fact that he has to put a notation on the label appears to him that he is being forced to warn the buyer that his goods are not standard, and the buyer will think the same way, too, for unless there is something wrong, why is this warning necessary?

Advertising is perfectly all right, and we are doing this and going ahead with it, but educating 100,000,000 people is some job and will require years. Can anyone give any good reason why this handicap and discrimination is put on a perfectly wholesome, legitimate, American agricultural product? The more natural thing to expect from our Government would be cooperation in exploiting such a product instead of obstruction.

Sixth. With reference to the percentage of sweetness, unfortunately there are no instruments for determining sweetness. The tests are entirely comparative. I have had made many tests, the results of which indicate to me that this corn sugar is approximately 75 per cent as sweet as cane sugar. It is fair to say that every individual will get a different ratio, but I think we can demonstrate to everyone's satisfaction that on the average 75 per cent is about correct.

Seventh. This industry is growing right along, principally in increasing the quantity sold to the ice-cream and bakery trade. We are at present starting the marketing of this sugar direct to the consumer in central Illinois and in certain parts of Iowa. The actual consumption of this sugar is running at the rate of approximately 50,000,000 pounds per annum, a part of which this company consumes in the manufacture of other products—table sirups.

I wrote you some time ago that our capacity was approximately 400,000 pounds a day. On account of certain technical improvements in the method of operating the process, with our present equipment we can probably produce 600,000 pounds daily, or 200,000,000 pounds a year.

Eighth. Powdered cane sugar is pulverized and a small amount of cornstarch is added to prevent the sugar from caking. Pulverized corn sugar is an extraordinarily good substitute for powdered cane sugar. The addition of cornstarch to corn sugar in order to prevent it caking is not necessary.

If there are any other questions that I can answer, please let me hear from you.

G. M. MOFFETT.

We who are deeply interested in the development of this new sugar industry, because we are interested in the men who grow corn; hope and trust that the manufacturers and the authorities may soon iron out these differences. No discriminations that interfere with such a desirable industry should be continued. The one sugar is as wholesome as the other, and they may, therefore, be used interchangeably, it would seem, without

either harm or deception. Whether sucrose or dextrose, sugar is sugar, just as "pigs is pigs."

Or perhaps a "Hell and Maria" Dawes commission may be called into being to work out the differences that are, I believe, more imaginary than real. Or the food and drugs act may be amended to suit the new conditions. There is an industry at issue, and markets for the farmers of America who grow corn on 100,000,000 acres.

PRESENT AND PROSPECTIVE PRODUCTION

No statistics are available as to the manufacture of corn sugar. A bulletin issued by the Department of Commerce states that in 1921, 152,055,736 pounds of grape sugar were produced. The grape sugar of commerce is largely derived from corn.

The Corn Products Refining Co. has been pioneering in the manufacture of corn sugar. It now has in operation a plant at Argo, Ill., that is turning out 300,000 pounds a day.

I have just received word that Penick & Ford (Ltd.), operating in Cedar Rapids, Iowa, my home city, has let a contract for the first unit of a large plant, to consist of six units, for the manufacture and refining of corn sugar. They have deemed the matter of time so important and so urgent that under the contract the factory must be completed by the 1st of August.

I am proud of the fact that the second factory for this new industry is to be located in my home city, Cedar Rapids, Iowa, which is one of the cereal centers of the country. Fifty years ago two Scotchmen, George Douglas and John Stuart, started in that city, then a village, the manufacture of oatmeal in the "Scotch way." They have left as a monument to themselves a factory that converts, per day, 100,000 bushels of oats into products fitted for human food. Quaker Oats are sold around the world. Agents go to all lands and to the remote islands of the seven seas hunting markets in which to dispose of the surplus products of the farmers of the Middle West. I want, in this connection, to pay a tribute of respect to men of such vision, men who build factories and create markets, and who are the greatest benefactors of their fellow men. The Penick & Ford plant is one of the offspring of Quaker Oats.

It was George B. Douglas and Walter D. Douglas, sons of the pioneer Douglas, who founded the starch industry in Cedar Rapids, out of which the Penick & Ford plant was evolved. Because two men pioneered in "the Scotch way" in Cedar Rapids, 50,000,000 bushels of cereals are now converted into food products in that city annually, wholesome human foods made out of oats and corn and wheat and barley and rice.

Mr. G. M. Moffett, vice president of the Corn Products Refining Co., writing to me under date of April 25, says that his company "holds itself ready to supply whatever plant equipment and capital is necessary to develop this product to its utmost." As to the outlook, he says:

> From an economic standpoint it appears that there is every reason to believe that this product can and will develop a very large market, and very possibly one of such a size that the consumption of corn in its manufacture will be perhaps the greatest single factor in the disposal of the surplus corn produced by this country.
>
> The working out of all the details was a matter of years of experimentation, with the result that two years ago we put into operation a small but practical plant, and subsequently, in September, 1923, a large plant for the manufacture of this product. This plant has a capacity of over 300,000 pounds of sugar daily, and is uniformly and economically producing this sugar. From a manufacturing standpoint, there is no limit to the amount of this sugar that can be produced, it being entirely a question of how much can be sold. By this process of manufacture, we produce approximately 25 pounds of pure corn sugar from a bushel of corn.

THE POSSIBLE MARKET FOR CORN SUGAR

There are now consumed in the United States 5,700,000 tons of sugar per year. Reduced to pounds this is 11,400,000,000. Sugar consumption is still growing, and that much more rapidly than population. Sugar is an American habit and diet.

This sugar reduced to bushels of corn, counting 25 pounds of sugar in a bushel, stands 456,000,000 bushels. That was almost exactly the whole corn crop of Iowa of 1922, the product of 10,000,000 acres. This corn, if loaded into standard railroad cars, would make a train of cars reaching from San Francisco to New York. I reduce these figures to such terms so that you may visualize America's consumption of sugar, and with it the possibilities of sugar made from corn.

Of course, I know as you know, that we are not going to make all the sugar we consume out of corn. That is not what we desire to do. It would not even be desirable. We have an expanding beet-sugar industry and we want to promote its larger expansion.

In California and in Colorado, and other States as far east as Iowa and Michigan, we have soils admirably adapted to the culture of the sugar beet. The only retarding element is that of the labor required, and in this the new immigration law will become an important factor. We want to continue the manufacture of beet sugar, and we shall always have a large demand for sugar made from cane because of its saccharine content. In many uses there will never be a substitute for cane sugar. But the field is so large that we may well seek in it a place for this newer sugar. To find and fill that possible market will be a great achievement not only for the farmers but for all the people.

Of the sugar we consume, including what we export in manufactured products, we now produce 919,000 tons within the continental United States, two-thirds of it from beets. Another almost equal amount, 931,000 tons, is termed "domestic" because derived from islands under the American flag—Hawaii, Porto Rico, and the Virgin Islands. And we also draw large quantities—over 300,000 tons—from the Philippine Islands, from which our flag will ultimately be withdrawn.

But the bulk of all our sugar is at the present time derived from Cuba under the terms of a favorable reciprocity treaty, negotiated in 1903, granting a 20 per cent reduction of the full sugar tariffs. The amount so derived is largely in excess of 4,000,000 tons.

Let us do a little assumptive computing. If we transferred to corn sugar one-fourth of our total consumption, it would require 114,000,000 bushels of corn; or if one-fourth of the sugar that we now import from Cuba were transferred to corn as a source, it would provide a market for more than 80,000,000 bushels of corn.

Surely such a consumption of corn sugar is not an impossible and certainly not a preposterous assumption. On the contrary, it is very reasonable, considering the merits of this new sugar, its wholesomeness, and its nutritiousness as food.

And let me emphasize the patriotic appeal there is in this new sugar. It is an American, an all-American product. Is not the corn produced by American labor on American farms, and is not the sugar from it produced by American labor in American factories? Shall anyone say that it contains no patriotic appeal to the American consumers of sugar?

There is also a self-interest—call it a selfish economic interest—in the development of this new industry. A well-developed corn-sugar output will operate to hold down sugar prices for all time. With such competition it will never again be possible, either through artificial manipulations or natural causes, to increase sugar prices as in the past. We still have within our financial and household memories 20 and almost 30 cent sugar. With an abundant source at our own command, with factories competing for the market, no such absurd conditions could ever arise again.

Taking all these things into consideration, I can come to no other conclusion than that there is a bright future for this new industry. To me it looks like the dawn of another new industrial era. It spells progress, too.

But the way is not wholly cleared as yet. There are inertias and prejudices to overcome. The cane-sugar interests are well intrenched in business and the use of cane sugar is deeply ingrained in the people. Campaigns of education must be carried on. Promotive advertising is presented with great opportunities in this field.

PRESENT AND POSSIBLE USES

The superrefined corn sugar is just now making its bid for public favor. But corn sugar in its cruder form has already come into general use. At the present time it is used in bakeries and in ice-cream factories and for condensing milk. In the manufacture of food products well over a million tons of sugar are now used per annum, and, in the opinion of an expert, "in a very large percentage of these uses corn sugar can displace cane and beet to advantage." Speaking of maltose sugar, the experts of the Department of Agriculture say that "in confectionery it is, for some purposes, preferable to cane sugar, and for that reason might command a price slightly in excess" of what is indicated as the ratio price between cane and corn sugar, a price based on comparative saccharine contents. Speaking of the household use of sugar, Mr. Moffett, in his letter, says:

> At the moment we are sanguine that we shall make considerable headway, with only the usual difficulties coincident with marketing a new and unknown product. Of course, the primary use in the household for sugar is for sweetening solely, and while this sugar is less sweet than cane or beet sugar, the price at which it can sell is sufficiently less to offset this, so that the consumer will receive equivalent sweetening power and more food values for a given amount of money.

For sweetening tea and coffee corn sugar is less desirable than cane or beet sugar, but in the so-called soft drinks it can be and is being used advantageously. For the sweetening of

fruits on the table, such as oranges and grapefruit, it is very desirable. Wherever so-called powdered sugar is used corn sugar can be substituted very properly. In powdered sugar raw cornstarch is added, while in corn sugar this raw starch has been reduced to dextrose, to which the stomach must reduce both the cane sugar and the raw starch composing the powdered sugar.

It may also be possible to make blended sugar, using cane or beet sugar to supply desired sweetness and corn sugar for nutritiousness. Such blends would not be adulterations, or even substitutions, but dietetic combinations. In sirup we already have such blending of corn and cane, blendings that are at once pleasing to the eye and to the taste of even the epicures.

AND NOW, IN CONCLUSION

As an Iowa Member of the Congress, conscious of the needs of agriculture, and seeking to promote the health and the welfare of all the American people, I have found pleasure in the study of the possibilities of this new product. It is with that pleasure, and I hope also with profit, that I present my conclusions to my colleagues in this House, and through them, to the American people.

I have sought diligently for that market which we covet for that additional blade of grass—and corn is only a glorified form of grass—that the husbandman is now bringing forth from the soil through the practices of scientific farming.

To find and to develop such a new market for an old product is worth while. It is worth doing more than is the enactment of another new law. We already have laws too many for doing impossible things in impossible ways, and laws that too often only lay new burdens on one class for the benefit of another class. The finding of markets is more than the making of laws.

When we get this new industry under way, as I believe we shall get it under way, the tribute which the late Gov. Richard J. Oglesby, of Illinois, paid to corn at a banquet in Springfield in 1894 will have a newer meaning. Let me quote the vital paragraph of that historic and literary address:

> Aye, the corn, the royal corn, within whose yellow heart there is of health and strength for all the nations. The corn triumphant, that with the aid of man hath made victorious processions across the tufted plain and laid foundation for the social excellence that is and is to be. This glorious plant transmuted by the alchemy of God sustains the warrior in battle, the poet in song, and strengthens everywhere the thousand arms that work the purposes of life.

In the form of sugar may this "royal corn," which was contemporaneous with America when Columbus reached its shores, and which is contemporaneous still, sweeten alike the labors of the farmers of the Corn Belt and the tables of all the people, the tables of plenty in a prosperous land.

Mr. AYRES. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. DAVIS of Minnesota. Mr. Chairman, I also yield the gentleman from Texas 15 minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 30 minutes.

Mr. BLANTON. Mr. Chairman, on our Appropriations Committee there are 35 distinguished Members of Congress. With bills providing revenue for the various departments of the Government it was necessary, of course, that this committee should be divided up into subcommittees to consider and frame the various supply bills. I want to specially commend the subcommittee that has had in charge this bill involving $24,000,000 now before the Committee of the Whole. As one Member of Congress I want to commend the chairman of the subcommittee, the gentleman from Minnesota [Mr. DAVIS], and also the gentleman from Kansas [Mr. AYRES], the ranking minority member. I think they have performed a laborious, patriotic service.

You know it is rather a thankless job to frame any bill that affects the people of the District of Columbia. If you do not give them all that they ask for, they curse you privately; they have their mouthpieces—the newspapers—which curse you publicly, and they once in a while sit in the gallery of the House and hiss you. To do your duty you must be impervious to all these influences. You have got to stand like the Rock of Gibraltar and perform your duty, which is under arduous, trying circumstances.

I think it was unfair and uncalled-for criticism that the Washington Times last Saturday alleged against this subcommittee. They criticized the committee because it did not employ special counsel for the Utilities Commission. Congress provides the corporation counsel here, and we already had an attorney to take care of all the public business for the District and the Government and all of the legal business of the Utility Commission. But the newspapers wanted one particular individual to be employed as special counsel. They wanted him to do the business that some other man was paid for doing. The newspapers insist that this committee should continue to employ a certain, particular gentleman and pay him $5,000 per annum. I do not know the gentleman; I do not know that I ever saw him; I have nothing in the world against him, but I know why this committee did not employ him. If the newspapers that have so unjustly criticized the committee would go down to some regular attendant at the sessions of the Supreme Court and get him to relate what happened to their favorite when he was attempting to argue a case before the Supreme Court, it would be unnecessary to say anything further on the subject.

But, Mr. Chairman, I want to take up my time in the consideration and discussion of another subject that is to come before this House shortly, and which is one of the most important subjects, in my judgment, that this House has considered since I have been in Congress, for seven years.

On the 15th day of April our friend the distinguished and able gentleman from Kentucky [Mr. BARKLEY] discussed what is now known as the Barkley bill before the House, although in his opening remarks he showed that it is not his bill. He claims no pride of authorship in it. It was prepared by representatives of certain railroad employees. He merely introduced it for them.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SPROUL of Illinois. I would like to ask the gentleman from Texas if he would not like to have a quorum present.

Mr. BLANTON. No; let us not waste the time.

Mr. SPROUL of Illinois. I do not think it is a waste of time.

Mr. BLANTON. I am seeking primarily to get these remarks into the RECORD. There are 40,000 copies of this RECORD that will go into the various States of this Union to-morrow.

Mr. SPROUL of Illinois. But I am afraid the Members will not read the RECORD.

Mr. BLANTON. That is true; many will not. But some will; and I want to say to my colleague that the people of the United States in the 48 States of this Union are now reading the CONGRESSIONAL RECORD like they never read it before, because they are vitally interested in what we do here, and when our people at home find out what is going on in Congress, whether we read the RECORD or not, we will hear from them.

We are reliably informed that this bill of 35 pages of printed matter was prepared by one class of people in the United States. We are reliably informed that it was specially prepared by representatives of the railroad employees. We may presume, therefore, if we knew nothing more about it, that it specially represents their interest; that it represents their views as they may be antagonistic to the views of all other classes of people that live in this country.

When the distinguished gentleman from Kentucky [Mr. BARKLEY] was discussing the bill he said that to prevent the bill from being a partisan measure, on the same day he introduced it in the House, it was also introduced in the Senate by a Republican. He being a Democrat and it being introduced in the Senate by a Republican was to keep it from being partisan. His idea of a partisan measure therefore seemed to be confined to a political standpoint. He thought if a Republican could introduce it in the Senate and a Democrat in the House, there would be no partisanship about it. Well, there are several kinds of partisanship. Partisanship is not confined merely to politics. There could be a partisanship that would favor one class over another. And there is such partisanship in this bill to a superlative degree. While the distinguished gentleman from Kentucky was speaking he kindly yielded to me. I then said to him that he had intimated that the ideal situation on the settlement of disputes between railroad employers and employees was for them to sit across the table, the railroad employers on one side and the railroad employees on the other, with no other parties present, and for them to settle it in that way. I then asked him what about the other very important and very vitally affected third party to the transaction, the public, the 110,000,000 people of the United States, who had a just right to be at that settlement table, and what was going to be done in respect to them. I asked him why they too should not be at that council table, when their interests above all others are mostly involved, because they are the ones for whose benefit all railroads are operated, and who pay the traffic tolls that are inaugurated and fixed by the Interstate Commerce Commission. They are the ones who pay the bills. The gentleman from Kentucky said "I will discuss that a little later." But he devoted only one short sentence to a discussion of the public's rights. I want to show you what his discussion

as Iowa and Michigan, we have soils admirably adapted to the be and is being used advantageously. For the sweetening of

was. I have looked through his entire speech for a reference to the public, and find just one line, and here is what he says:

There are some here who may think that the public only has an interest.

He stopped there and said nothing else. That is as far as he went in his argument concerning the rights and interests of the American people, and that is just as far as the 35 printed pages of his Barkley bill go with reference to the interests and rights of the 110,000,000 American people.

Let me show you just what this Barkley bill does, which 150 of you colleagues have taken from a committee of Congress, and which you are going to force on the floor of this House next week for passage without due consideration by any committee. I feel sure that not over 25 of you have read it. Do you remember that petition which a member of the Republican steering committee, Mr. DARROW, brought in here, which covered that stand there, from 350,000 actual dirt farmers scattered all over the United States, telling you that they did not want you to create any more boards; telling you that they did not want you to create any more commissions; telling you that they did not want you to raise any more salaries or expenses of Government; telling you that they demanded that the expenses of the Government should be reduced? Do you remember that petition? It will pay us to remember it. Keep that in mind when you consider what this Barkley bill does, which was specially drawn up by the representatives of only one class of employees in the United States—certain employees of railroads, and for their especial benefit. It creates an adjustment board No. 1, to consist of 14 members, 7 railroad employers and 7 railroad employees. There is no public interest represented, no place whatever is made for the public, although it is most concerned; there is no looking after and providing for the interests of the general public at that round-table session. It is only a two-sided table, with the railroad employees on one side and the railroad employers on the other, and both willing to let the general public pay the bill. Each one of those 14 members of that adjustment board No. 1 is to receive a salary of $7,000, aggregating $98,000 alone for that one board. They are given a secretary at $4,000 a year, and they are given the right to employ just as many employees, including private secretaries, clerks, stenographers, and janitors, and messengers for each, as they want, and they are further given the authority to fix their salaries at whatever sum they deem expedient.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a few moments, if the gentleman from New York will kindly excuse me. I prefer not to yield until I state these facts consecutively. The bill also provides that these 14 members of this adjustment board No. 1 shall have a central office at Chicago, but that they may sit anywhere in the United States they desire. They may junket into every one of the 48 States. They can divide themselves up and sit anywhere over this big Nation at your expense and at mine.

Then there is also provided an adjustment board No. 2, likewise with 14 members, 7 from the railroad employers and 7 from the railroad employees. The public has been given no representation at all; the public has no representation whatever at this second two-sided counsel table or in its settlements. Each one of these 14 members of adjustment board No. 2 is to receive a salary of $7,000 a year, or an aggregate of $98,000. A secretary is provided for them also, at $4,000, and they, too, can employ just as many employees, including secretaries, clerks, stenographers, janitors, and messengers, as they want and fix their salaries at will without any limitation whatever as to salary or number. They, too, can sit anywhere in the United States that they want to and junket regularly into every one of the 48 States at will.

Then we have provided in this bill an adjustment board No. 3, composed of six members, three railroad employers and three railroad employees. Again the public has no representation. The public has no look in; the public has not a right to say a word about their deliberations or settlements although it will pay the bill. Each one of these members of adjustment board No. 3 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are also supplied with a secretary, at $4,000 a year, and may employ all private secretaries, clerks, stenographers, janitors, and messengers they want at salaries they fix, and they can sit anywhere in the United States and junket regularly into all of the 48 States of the Union at public expense. We have to pay the bill out of the tax money in the Treasury that we levy upon the already tax-burdened people of our country.

Then there is provided in this Barkley bill an adjustment board No. 4, to be composed of six members, three railroad employers and three railroad employees, with the American public again given no representation whatever. The public is given no voice in the settlements, yet it will pay the bill. Each one of these members of adjustment board No. 4 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are given a secretary at $4,000 a year and they, too, are given all of the employees, including private secretaries, clerks, stenographers, janitors, and messengers, they want at salaries fixed by them. There is no limitation as to salary and no limitation as to kind or class or number of employees. It is within their discretion alone, and they, too, can sit anywhere in the United States that they desire and junket regularly into all of the 48 States at will, at the expense of the taxpayers of the country.

Do they stop there? Do you know how many members of boards that already makes? That already makes 40 high-salaried members of these various boards, and their salaries alone amount to $280,000 per annum, not counting the salaries of the army of their employees and their expenses. Do you not know that every one of these 40 commissioners will have to have a private secretary? That means 40 private secretaries; and don't you know that when they are not restricted as to fixing salaries they will pay them at least $5,000 a year each, which will amount to $200,000 more?

Then each one of these 40 commissioners of these four adjustment boards will have to have a clerk or two and a stenographer or two, and a messenger or two, and a janitor or two to sit outside of their front door. I say to you that before you get through, under the provisions of this bill, you will be putting at least 500 new, high-salaried employees on the pay roll of this Government, with a pay roll ranging up to several million dollars.

Mr. MACLAFFERTY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a few moments. I regret I can not now yield. That is not all. The Barkley bill then provides for a board of mediation and conciliation to consist of five members. Their salary is fixed at $12,000 a year each, or $4,500 more than a United States Senator receives, which is $60,000 per year for this board, and ultimately to hold office for seven years. It is provided that this board shall have authority "to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees" as they deem necessary, without any limitation whatever by Congress, either as to number of employees or the amounts of their salaries. You will have another Shipping Board situation, with an army of high-salaried, worthless employees. You will have another Department of Justice situation, with an army of high-priced attorneys and worthless employees on the pay roll that even they, themselves, can not count and keep up with.

After you appoint them all, what has been accomplished? Absolutely nothing! I was rather interested in the speech of the gentleman from Kentucky [Mr. BARKLEY]. He is a very distinguished Member of this House. He is an able man, and when he speaks on this floor he speaks with authority. When he speaks his audience is interested in what he says. He is a man of eloquence, when he attempts eloquence, necessary to convince his audience. He is a man of high standing in his own State, but I say to him concerning this bill he has introduced for one class of employees only, that if he would carefully study this bill he would not force it to be torn away from that distinguished committee that should give it consideration before it comes on the floor of this House, no matter how many railroad employees there are demanding its passage. I gathered from what he said that we were going to have a workable means of adjustment that would force a final settlement, that would force a settlement upon all these men, employers and employees, with the public safeguarded; but when I looked through this bill and gave it careful study I found it was simply a makeshift, a sham, something that is as useless and worthless and decisionless, far more so than even the present board which we have. There is no improvement whatever.

It does not prevent strikes. On the contrary, just as many strikes as ever are possible under it. And in providing them these five boards, 40 of whom draw $7,000, and 5 of whom draw $12,000 each per year, we are granting to these railroad employees about ten times as many ways and means of forcing their will upon the railroads, which means forcing their will upon the public, for the public eventually and ultimately pays the full bill every time. When there is a raise in salary, it is always passed on to the public. When there is an added expense put on the railroads, it is always passed on to the public. It is the public, the 110,000,000 American people who have to pay the bill.

FOUR ADJUSTMENT BOARDS ABSOLUTELY WORTHLESS

When controversies are submitted to any of these four adjustments boards, and they decide the issue, there is no way whatever to enforce the decision against the employees. It is possible that it could be enforced against the railroads. But it is very clear that the employees are given the privilege of disregarding and disobeying it at will. So what is the use of having these four boards of 40 members, each drawing $7,000 per year, and each having a horde of high-salaried employees, and each authorized to incur huge expenses against the Government each year, when a decision made by any of them is absolutely worthless in that it is not enforceable against any employee? It is buncombe, pure and simple.

But when any of these four boards fail to decide a controversy submitted to them, which in ninety-nine cases out of every hundred they would do, as no board composed equally of railroad employees and railroad employers would ever agree, unless they could pass the burden of the agreement on to the public, the bill provides that in such cases such board would so notify the parties. And that is an end of action by such four boards of 40 members. A notice is sent to the parties that the board has failed to decide the issue.

AND THEN THE FIFTH BOARD FUNCTIONS

When the notice is given that the adjustment board has failed to decide the controversy, then the parties submit the matter to the Board of Mediation and Conciliation, and through all of its gyrations provided for in the bill, in the end there is no way whatever to force any employee to abide by any decision. He is allowed to disregard and disobey any decision at will. No penalty whatever is placed on him.

AMPLE MEANS OF ESCAPE PROVIDED

And throughout the bill, where means of arbitration are provided, whenever the employees become dissatisfied with the deciding arbiter, they are given many ways to have him sidetracked before final decision is made.

COURT APPEALS PROVIDED ARE FARCICAL

And the provisions in the bill providing for appeals to courts are futile and worthless, as the only thing the court decides is whether a decree is upheld or not, and when upheld the decree is not worth anything, as it can not compel any employee to abide by it, and employees will disregard and disobey it at will, as there is no penalty provided.

ATTEMPT TO CONTROL INTRASTATE AFFAIRS

In line 24 on page 2 and line 1 on page 3 the expression "or between points in the same State" is used in defining what "commerce" as controlled by this bill means, and such term clearly embraces intrastate railroads. And this would specially affect practically every short-line railroad in the United States.

WOULD MAKE RAILROADS HELPLESS UNDER STRIKE

In subdivision (2) on page 3 the following language is used:

It shall be deemed a violation of the obligations herein imposed upon carriers for any carrier or its officers or agents to interfere with or attempt to influence or control, directly or indirectly, the organization of employees, or participate in the functioning thereof, or the designation of employees.

And so forth.

The above could be construed to prevent railroads from attempting to run their trains with other employees during strikes, and would make railroads absolutely helpless whenever a strike occurred. This would allow employees to force their will upon railroads, and thus force the public in the end to bear the burden and expenses of all forced settlements.

EACH AND ALL OF THE 40 MEMBERS GIVEN UNUSUAL POWERS

Subdivision (f) on page 12 has the following provisions:

(f) When necessary to the efficient administration of the functions vested in any adjustment board created by this act, the board or any member thereof shall at any time, for the purpose of examination, require the production of, or have access to and the right to copy any book, account, record, paper, correspondence, or memoranda relating to any matter which the board is authorized to consider or investigate. Any person who upon demand refuses any member of any adjustment board such right of access or copying, or hinders, obstructs, or resists him in the exercise of such right, shall upon conviction thereof be liable to a penalty of $500 for such offense. Each day during any part of which such offense continues shall constitute a separate offense.

There will be 20 representatives of railroad employees on these four adjustment boards, and any one of them, and every one of them, is given the right to force every railroad and every railroad officer to turn over to them upon demand every book, account, record, paper, correspondence, or memoranda that any one of said 20 members might be seized with some insane desire to see, and would provoke endless worry, expense, dissatisfaction, annoyance, and trouble, all of which ultimately is visited upon the suffering public, which has to pay the bill and all expenses.

PRESENT PAY FIXED AS MINIMUM

Under section 6 the present pay to employees is fixed as the minimum, and can not be changed except by decision of the board provided for in this bill. And note that subdivision (B) of section 6 provides the following:

(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as heretofore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double any loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved.

You will note that a penalty is fixed by the bill, should the carrier attempt to change the rates of pay, rules, or working conditions, but no such penalty is fixed on the employees, who may attempt any changes they desire, when, where, and how they desire, with no penalty against them whatever. We did not have to be told that this bill was specially drawn by representatives of certain railroad employees. Even a casual reading of it would reveal who drew it.

ARBITRATION ONLY BY AGREEMENT

Section 7 provides that there shall be arbitration only by agreement. As stated the other day by the distinguished gentleman from Maine [Mr. HERSEY], parties now can arbitrate by agreement without all these expensive 45 commissioners drawing salaries from $7,000 to $12,000 each. We do not have to have these expensive boards to make parties arbitrate "by agreement." They can do that now. What we need is a board to make them arbitrate, whether they want to or not, when the rights and interests of 110,000,000 people are vitally involved. And note the following proviso in section 7:

Provided, however, That the failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon such party by the terms of this act or otherwise.

The above clause alone ought to condemn this bill as a makeshift, a sham, and absolutely worthless.

MORE ADDITIONAL EMPLOYEES

In addition to the army of employees already mentioned as provided for in this bill, note that the following subdivision (7) of section 7 provides more employees and lets the board fix the salaries:

(7) The board may employ such assistants as it deems necessary and proper in carrying on the arbitration proceedings and fix the compensation of such employees. Whenever practicable, the board shall be supplied with suitable quarters in any Federal building located at its place of meeting or at any place where the board may conduct its proceedings or deliberations.

INDICATION OF WHAT THIS BILL WILL COST

In violation of the rules of the House, this bill attempts to make an appropriation. That is subject to a point of order. Just to cover the time between when the bill becomes a law and June 30, 1924, this bill appropriates $500,000 as an initial appropriation, which indicates what it is to cost hereafter.

In the first place, you can not force these men to arbitrate unless they want to. It is a voluntary matter with them. It is a matter that they can do or not do, according to their own preference. And then, after they submit to arbitration, and a decision is rendered, and all the appeals are gone through that they are given a right to resort to at great expense to the public, before the decision becomes final, the decision is not worth anything after it is rendered, as it carries with it no penalty.

Listen to this last paragraph. Let me read to you the last paragraph, which absolutely makes it a nullity. It says:

Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by an individual employee or subordinate official an illegal act, nor shall any court of the United States or of any State issue any process to compel the performance of any employee or subordinate official of such labor or service without his consent.

board No. 4, to be composed of six members, three railroad

pay the bill.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. In just a few moments. And that is the kind of a measure now offered the country, when it effects nothing but added expenses. We are to provide five boards of 45 members, drawing salaries from $7,000 to $12,000 each, and given unlimited authority to employ all the employees they want and pay them all the salaries they want and go to all the expense they want, and have their vouchers paid on their own signatures, without acts of Congress; and then it is all worthless after we provide it. The decision is absolutely worthless.

And this is the bill that 150 of our colleagues have recently taken away from a regular committee of this House by signing a petition to make it in order without consideration by a regular committee, and they are to bring it upon the floor of this House for early passage next week and railroad it through the House. Are you going to be a party to the transaction? Are your already tax-burdened people at home in favor of it when they now have to pay more in freight charges frequently to carry their products to market than they receive, and they thereby lose a whole year's work. Are you going to pass it just because certain railroad employees demand it? The infamous Adamson law was thus passed, and many men have been ashamed of it ever since.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield there for a moment?

Mr. BLANTON. In just a few moments. I must present some facts first. If you will read this bill from beginning to end, there may be a few men in the House who will vote for it; that is, if they vote their own sentiments. But I doubt if there will be many unless some outside influence would actuate them.

I have no feeling against railroad employees. I have no bias for a railroad employer. One of the best friends I have got on earth, a man with whom I fish and hunt every time I get away from Congress, a man with whom I have been fishing and camping out, sleeping on the ground and looking up at the blue sky together for 30 years, is a railroad conductor.

I have not a dollar's worth of corporate stock to my name. I never have owned a dollar's worth of corporate stock in my lifetime. I am 51 years of age, and I have no connection with any corporation in the United States. I have never been on the pay roll of any corporation in my life, and during the time I was actively engaged in practice before the courts I believe I tried as many cases as any man in this House in the courthouse, and I have always represented the individual against the corporation. My whole feeling has been for the individual, not the corporations. But I have a feeling and an instinct in my breast that you can not take out, and that is an instinct for the whole people of my country, not for any one class as against any other.

This is a fine bill for the railroad employees. This is a fine bill, I will say to the able gentleman from Kentucky [Mr. BARKLEY], for the railroad employers. What do they care what increases they have to pay if they can pass them on to the public? Why, the history of these matters is that your Interstate Commerce Commission is not going to permit any of the railroads in this land to do business at a loss. It is not going to do it. Whenever you increase wages you can just bet your head that the Interstate Commerce Commission is going to grant a corresponding raise for the railroads in freight tariffs, or enough to enable them to make a living investment on their money. That is certain, and you know it as well as I do. They are not going to be permitted to do business at a loss; and every time there is a raise in wages there is going to be a corresponding raise in freight rates, to be visited on the agriculturists of this country more than anybody else. Why, a farmer or a stockman is helpless unless he can get his products to market.

If he can not get his products to market, his whole year's work has been done for nothing and he is absolutely at the mercy of the railroad carriers. And whenever you pass a bill that increases a freight rate you put that burden upon the neck of the farmers and the stockmen of this country. I am thinking of them when I am passing upon a bill of this character.

The railroad men sit on one side of the table; the employees on the other. The railroad men know they are not going to lose, for the public will pay.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. To the author of the bill I have to yield. It would not be courteous to do otherwise.

Mr. BARKLEY. I want to call the gentleman's attention to the fact that on these four boards where men sit on both sides of the table they do not deal with wages at all. They deal only with disputes that arise out on the road.

Mr. BLANTON. The Board of Mediation and Conciliation deal with that, do they not?

Mr. BARKLEY. Yes; and that is made up altogether of those drawn from the public, and there is no representative of the roads or the men on this board.

Mr. BLANTON. But section 6 makes present wages permanent as a minimum. Let me tell you this: If you want to have any kind of a board to settle disputes, you should have one that can settle them and put their decisions into force and effect, decisions which will have the power of a court behind them, with penalties provided. I will vote with my friend if he will give each one of these boards the right to decide questions and enforce their decisions.

Mr. BARKLEY. Would you enforce them by criminal prosecutions?

Mr. BLANTON. I would enforce them by forcing those men to keep a contract and do right by the public.

Mr. BARKLEY. How would you do it—by putting them in jail if they did not keep their contracts?

Mr. BLANTON. No; here is what I would do. Do you know what this bill does?

Mr. BARKLEY. What would the gentleman do? The gentleman said he would tell us what he would do.

Mr. BLANTON. I would make them keep their contracts.

Mr. BARKLEY. How would you do it?

Mr. BLANTON. Whenever a man does not keep his contract I would give the railroad the right to kick him out and put somebody else in his place, destroy his seniority, and let the roads of the country say they would not have him any more; that he had not performed his contract and they would not keep him.

Mr. BARKLEY. They have that right already.

Mr. BLANTON. I can not agree with my colleague. Employees quit work, make all sorts of demands, attempt to prevent railroads from operating, attempt to prevent other men from taking their jobs, resort to assaults, intimidations, threats, and even murder to prevent railroads from operating, and then when they finally settle, they force the railroads to take them back with full seniority restored.

By reason of the public interest in transportation and the Government's interest in same, I would force railroads and all of their employees to arbitrate all differences, and I would prevent all strikes by law, and I would give the public a right to sit at the council table and take part in the settlement of all differences, and I would make the decision binding and effective on all parties. If the gentleman from Kentucky and the 150 men who have signed this petition taking this bill away from its jurisdictional committee would propose constructive legislation like that, I would support it, and they would render signal service to their country.

But I have taken up too much time already. But I felt that some Member should make this speech and present these facts to the country. Putting these remarks in the RECORD does not cost anything extra, except the cheap paper it is printed on, as all of the Government employees in the Printing Office are paid regular salaries anyway, and they had just as well be printing these remarks as any others.

I am one of the economists of the House. I would not do one thing that would cause extra expense to the Government, except in hoping to save greater expense.

Yesterday I printed numerous pages of facts connected with the Rent Commission bill that was passed. If the Government printers had not been engaged in printing this matter, they would have been engaged in printing matter less important, for every line that I put in the RECORD will be considered by the Supreme Court of the United States as pertinent, vital, controlling evidence showing that no war emergency now exists authorizing a Rent Commission, and the Supreme Court will hold that such law is unconstitutional and will knock out this worthless Rent Commission and thereby save the Government and the people of the United States and the tenants of Washington several hundred thousand dollars each year.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. AYRES. Mr. Chairman, I yield 30 minutes to the gentleman from North Carolina [Mr. ABERNETHY].

The CHAIRMAN. The gentleman from Kansas will please give heed. The timekeeper advises the Chair that the gentleman from Kansas has 21 minutes remaining.

Mr. AYRES. There must be some mistake about that. The gentleman from Minnesota [Mr. DAVIS] yielded me 20 minutes.

Mr. DAVIS of Minnesota. I yielded 20 minutes of my time to the gentleman from Kansas [Mr. AYRES].

The CHAIRMAN. You did or do now?

Mr. DAVIS of Minnesota. I did.

Mr. AYRES. Which would make me remaining 41 minutes.

The CHAIRMAN. The gentleman yields how much time to the gentleman from North Carolina?

Mr. AYRES. I yield 30 minutes to the gentleman from North Carolina.

Mr. CHINDBLOM. Mr. Chairman, how much time is left for general debate?

The CHAIRMAN. Fifty-seven minutes. The gentleman from North Carolina [Mr. ABERNETHY] is recognized for 30 minutes.

Mr. ABERNETHY. Mr. Chairman and gentlemen of the House, it will not be amiss, under the privilege granted under general debate during the consideration of the present bill, to speak to the country about the great State of North Carolina, which I, in part, have the honor to represent, of its history, its glories, and its material progress among the galaxy of States.

When Amadas and Barlowe hove in sight of the North Carolina coast in 1584 and took possession of the land in the right of the Queen, to be delivered over to Sir Walter Raleigh, then was the birthday and the birthplace of our great Anglo-Saxon empire. It was the beginning of a new order of things in the world. Another and hardier race was springing into existence which was to people the New World from the Atlantic to the Pacific and was to perpetuate and carry forward the torch of freedom and liberty and to found a Government upon a lasting and permanent basis to be the greatest of all the world.

Upon the sacred soil of North Carolina the first white child of America was born, around whose departed spirit was woven the beautiful Indian legend that took the form of a beautiful white fawn of more than natural beauty, which at times could be seen lingering around the place of its birth, and at other times could be seen standing on the edge of the ocean gazing over the waters as longing to cross over to the home of its forefathers; and according to another Indian legend was killed with an enchanted arrow by a young chief who loved Virginia Dare during her life, believing if he shot the fawn with the magic arrow the animal would be changed back into the lovely form of his lost Virginia.

Notwithstanding the unsuccessful attempts of Sir Walter Raleigh to colonize the territory which is now comprised within North Carolina, the history of which attempts are so well known, the lure of its richness caused others to attempt its colonization. Charles I of England first granted a charter to Sir Robert Heath, of the southern part of Virginia, latitude 31° to 36°, under the name and in honor of the King, as Carolina. But Heath did nothing under the charter, and a renewal was granted in 1663 to eight lords proprietors two years afterwards with an enlargement of the territory, the first permanent settlement being called the county of Albemarle. The proprietory government under the eight proprietors lasted until 1728, when seven of them sold their interest to the Crown. Lord Carteret, afterwards Earl of Granville, turned over the right of government to the Crown, but retained his one-eighth interest in the land, and in 1774 he received a grant for about half of North Carolina next to the Virginia line.

The history of the early settlers of North Carolina is one of great dangers, sacrifices, and hardships. The cruel Indian wars of 1711 and following, when so many of the early settlers were massacred; the horrible story of how John Lawson, surveyor general, who was tortured by having his naked body filled with fine splinters and burned, are but some of the many things which can be related as illustrative of that period of time. These colonists were considered by some as being turbulent in character, but their real grievances were the cause for such a reputation. They had wisdom to discern their rights and could take care of the attacks made upon them. Our population took a most formal part in resisting the arbitrary aggressions of England. The first pitched battle of the Revolution was at Alamance on May 12, 1771; and at New Bern on August 25, 1774, the legislature openly defied the royal governor; and on May 20, 1775, the patriots of Mecklenburg met in convention and declared the independence of the Colonies; and at Moores Creek Bridge the Tory Highlanders were crushed in February, 1776; and on April 25, 1776, North Carolina, first of all the Colonies, empowered her delegates to the Continental Congress to vote for independence.

The Battles of Kings Mountain and Guilford Court House are written in emblazoned glory upon the pages of history. The part played by North Carolina in the Revolution was second to none of the original thirteen Colonies.

The steady increase and population of our State after the Revolution was phenominal. This remarkable growth was only arrested by the Civil War. We were backward in adopting secession, but when we finally decided to enter the conflict our State with a military population of 115,369, yet furnished 125,000 Confederate soldiers, and the impartial historian has so written of our deeds in the great war that we can proudly boast that we were "first at Bethel, fartherest at Gettysburg and Chickamauga, and last at Appomattox."

The ravages of the internecine conflict left our fair land despoiled and in gloom. The story of this terrible situation has so often been told that a repetition now would serve no useful purpose. But Phœnixlike, our State arose from the ashes of direful and dreadful desolation and with a cheerful courage began the rebuilding of the new North Carolina, having to overthrow the reconstruction government forced upon her in order that she might in an unfettered and untrammeled manner take her place along with her sister States in the making of the new South.

Has she kept the pace? Has she been laggard in the onward march of progress? I declare to you that she has not only kept the pace but she has rushed forward in leaps and bounds until to-day she stands at the forefront among the States of the Union.

North Carolina from east to west is 503¼ miles, with an average breadth of 100 miles, with an area embracing 52,286 square miles, of which 48,666 is land and 3,620 is water, and with a population of 2,550,123 at the present time. It has its mountains the equal of the Alps of Switzerland, its western boundary containing mountains constituting a part of the great Appalachian chain which attains its greatest height, the highest peak east of the Rocky Mountains, with the towering Mount Mitchell.

The topography of our State may be pictured as a declivity sloping down from an altitude of nearly 7,000 feet from the Smoky Mountains to the Piedmont Plateau, to the coastal plain, and to the Atlantic Ocean.

No better climate can be found anywhere. We are on the same parallel of latitude as the Mediterranean. As has been said of our State, "All the climates of Italy from the Palermo to Milan and Venice are represented."

The natural resources of North Carolina compare favorably with any other State in the Union. We have a soil so diversified and so composed in connection with such favorable climatic conditions as to offer the greatest agricultural possibilities.

North Carolina in 1923 retained fourth rank in the United States in crop values. The total value of the principal national 22 crops being $375,710,000, and the total value of all the crops raised in North Carolina for 1923 was $431,500,000. The rank of the State's crops in 1909 as compared with other States was twenty-first in crop value, and in 1922 and 1923 it ranked fourth in crop values as compared with other States of the principal national 22 crops.

We find that in 1923 the average accrued value of crops in North Carolina was $59 per acre, and that in 1922 it was $48.60 per acre. In comparison with this showing we find the Middle Western States averaging in 1922 as follows, according to their national rank in the value of their 22 principal crops: Texas, $27.50; Illinois, $20.15; Ohio, $23.60; Missouri, $18.50; North Carolina, $48.60.

North Carolina has the largest hosiery mills in the world.

North Carolina has the largest denim mill in the United States.

North Carolina has the largest towel mill in the world at Kannapolis.

North Carolina has the largest damask mills in the United States.

North Carolina has the largest aluminum plant in the world at Badin.

North Carolina has the largest underwear factory in America.

North Carolina has the largest pulp mill in the United States.

North Carolina has more mills that dye and finish their own products than any other southern State.

North Carolina leads the world in the manufacture of tobacco.

North Carolina has a total of more than 6,000 factories.

These factories give employment to 158,000 workers, whose total annual wages amount to more than $127,000,000.

North Carolina has $669,000,000 invested in manufacturing establishments.

North Carolina leads every southern State in the number of wage and salary earners.

Again, she leads the Southern States in values added to the raw materials after process of manufacture: North Carolina,

$417,000,000; Texas, $296,000,000; Virginia, $269,000,000; and Georgia, $263,000,000.

North Carolina has the second largest hydroelectric power development in the world.

North Carolina consumes one-fourth of all the tobacco used in manufacture in the entire United States.

North Carolina pays one-fourth of all the tobacco taxes of the Union.

In 1921 North Carolina paid the Government $80,000,000 tobacco tax, more than any other State in the Union. New York, the next State, paid only $45,000,000.

North Carolina manufactures more cigarettes than any other State in the Union.

Mr. BLANTON. Will the gentleman yield?

Mr. ABERNETHY. Certainly.

Mr. BLANTON. Is that why the gentleman was so assiduous in getting his amendment passed to the bill we had in here not long ago?

Mr. ABERNETHY. That was one of the reasons, because I knew it would be very detrimental to our tobacco farmers to increase the tax on cigarettes $1 a thousand.

Mr. BLANTON. I knew the gentleman had a good reason, but what are the women going to say about it?

Mr. ABERNETHY. Women do not mind the taking of taxes off of the farmers; they do not object to that at all. I thank the gentleman for the interruption.

One North Carolina city manufactures more tobacco than any other city in the world.

North Carolina leads the South in the number of furniture factories; in the capital invested; the number of operatives employed; the variety of products, and the value of the annual output.

North Carolina has more cotton mills than any State in the Union. We are second in the value of cotton manufactures.

Only one other city in the United States manufactures more furniture than does one of our North Carolina cities.

North Carolina ranks fifth in the value of agricultural counties in the Union.

The North Carolina tobacco was of more value last year than any other State.

North Carolina ranks third in the production of sorghum, peanuts, and sweet potatoes in the United States.

North Carolina has grown more corn to the acre than any other State in the Union.

North Carolina leads the Union in the number of debt-free homes.

North Carolina ranks first in the value and quantity of mica produced, mining 15 per cent of all mica mined in America.

North Carolina ranks first in the value and quality of millstones produced in the United States.

The talc mined in North Carolina demands the highest price per ton of any mined in the United States.

Western North Carolina is world famed as a tourist and health resort. Our unequaled year-around climate; our healthy balsam-laden mountain air; our pure crystal water; the beauty and grandeur of our mountain peaks, help make this section foremost of any other in America as a playground for pleasure and health-seeking tourists. North Carolina is a great place for sportsmen. Such famous sportsmen as Rex Beach, Irvin Cobb, Bud Fisher, and others look upon eastern North Carolina as the greatest hunting ground in America. Eastern North Carolina has famous seashore resorts, and the health resort and playgrounds at Pinehurst and Southern Pines are known all over the country.

The forests of North Carolina are incomparable. Nineteen million six hundred thousand acres and 43,000,000,000 feet of timber. There are more varieties of trees than in any other State in the Union.

The commercial value of the fisheries as estimated by the North Carolina Fisheries Commission is something over $4,000,000 per year. Of this amount $677,775 was due to shellfish, such as oysters, clams, scallops, and so forth.

There are 50,758 miles of public roads in North Carolina. We are well to the forefront on the good roads movement. In 1921 the State appropriated $50,000,000 for good roads, and supplemented this amount in 1923 with $15,000,000 more. No other Southern State can compare with us in this matter. We are to-day building more than 6,000 miles of hard surface and dependable roads.

When I speak of the mineral wealth of North Carolina I feel sure very few appreciate it fully. It is not generally known that we have in North Carolina 184 different varieties of native minerals. Practically every known mineral in the United States and some not found elsewhere can be found in North Carolina. Our mineral production has amounted to many millions yearly.

We possibly have more inland waterways than any other State in the Union and the Federal Government has recognized their value by spending millions of dollars upon them for their improvement and development.

As far as can be ascertained there is at the present time water power development in North Carolina of approximately 450,000 horsepower. Of this amount 80,000 horsepower is transmitted for use outside the State; 113,000 horsepower is used chiefly by the producer locally, leaving approximately 257,000 horsepower available for general industrial and public use. This output of water power in North Carolina has increased about 40 per cent from 1919 to 1922. There is probably an equal amount of power produced by steam plants. The demand for power is rapidly increasing and North Carolina should furnish a considerable percentage of this future demand, and it can if the streams are investigated so as to determine the most efficient method of developing their power, and then develop it in accordance with this method.

While several of the larger water powers in North Carolina have already been developed there still remains large available undeveloped powers. The maximum potential water power of North Carolina is estimated at 875,000 horsepower, and the maximum power with storage at 2,000,000 horsepower. (This interesting data was furnished me by Col. Joseph Hyde Pratt, former State Geologist of North Carolina.)

Mr. BLANTON. Will the gentleman yield?

Mr. ABERNETHY. Gladly.

Mr. BLANTON. I notice the gentleman refrains from mentioning one subject.

Mr. ABERNETHY. What is that?

Mr. BLANTON. Have you no bathing beach beauties in North Carolina?

Mr. ABERNETHY. The prettiest in the world! I thought I was dealing with statistics and not with the things which beautify the earth. But we have some very beautiful women in North Carolina.

Mr. BLANTON. Those are the most important statistics any State has.

Mr. ABERNETHY. We do not call them statistics in North Carolina; we call them by a different name. We call them bathing beauties. I thank the gentleman again for the interruption, as he brought out something I had overlooked, although I did not intend to overlook it.

North Carolina and South Carolina have far outstripped all the other States of the southeastern group in the development of hydroelectric power, according to 1923 figures compiled for industry. In these two States the total development is 911,400—North Carolina 458,400 and South Carolina 453,000. The total for the remaining eight States, including Georgia, Alabama, Tennessee, Virginia, Kentucky, West Virginia, Florida, and Mississippi, is 1,007,900. Thus it is shown that the electricity developed by water power in the Carolinas almost equals the combined output of the eight other States. Conservative estimates give the potential horsepower of the two Carolinas as 1,552,000—North Carolina 875,000 and South Carolina 677,000. Of the States east of the Mississippi, North Carolina is led only by New York in hydroelectric development. Unprecedented industrial growth is largely responsible for this remarkable development and use of electric power in the two States, according to a statement by the North and South Carolina Public Utility Information Bureau. Expansion of industry has reached such proportions as to attract comment from authoritative sources throughout the United States. In its latest issue the Textile World says:

The first impression the visitor gets en route from Danville, Va., to Atlanta, Ga., is that the South is on a constructive spree. Particularly in North Carolina is this evident. Every hundred yards or so one sees a new mill or a new school or a new bridge. Mr. Thorndike Saville, of the University of North Carolina and hydraulic engineer of the North Carolina geological and economic survey, in his review of the water-power situation in the State, says:

"A sudden metamorphosis has occurred in North Carolina within the past decade, by which the State has moved from twenty-third to fifteenth place in the value of its industries and from nineteenth to about fourth in the value of crops, as well as becoming the greatest industrial State in the South. Accompanying this has come a tremendous demand for power to meet the needs of

our growing water-power business. Even so, there is a dearth of power in the State to-day and the hydroelectric industry is bound to be greatly extended within the next decade."

Mr. Saville estimates that power demands for the year 1930 will be approximately 1,000,000 horsepower in North Carolina alone.

How much time have I remaining, Mr. Chairman?

The CHAIRMAN (Mr. GRAHAM of Illinois). The gentleman has eight minutes remaining.

Mr. ABERNETHY. With the permission of the committee I will insert in the RECORD some very interesting statistics furnished me by the Income Tax Unit through the courtesy of Hon. D. H. Blair, Commissioner of Internal Revenue.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The data referred to follow:

DATA SHOWING THE ECONOMIC POSITION OF THE STATE OF NORTH CAROLINA IN RELATION TO THE STATES AND TERRITORIES OF THE UNITED STATES, AND ITS POSITION IN RELATION TO THE SOUTHERN STATES.

For the purposes of this memorandum the Southern States comprise the following: North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, and Virginia. By the United States is meant all the States, including the District of Columbia, and where so stated the Territories of Hawaii and Alaska.

ESTIMATED WEALTH

The Department of Commerce has compiled figures on the estimated wealth of 23 States, showing the estimated wealth for 1922 as compared with 1912. Of these 23 States the per cent of increase in the wealth of North Carolina (175.7) was the highest. The estimated tion of North Carolina in relation to the other Southern States shows that in regard to the total wealth its rank was fifth in 1912 and first in 1922, as shown by the following detailed figures:

Estimated wealth for the Southern States

Southern States	1912	1922	Increase	Per cent of increase	Rank, Southern States: Total wealth 1912	Total wealth 1922	Per cent of increase
North Carolina	$1,647,781,000	$4,543,110,000	$2,895,329,000	175.7	5	1	1
South Carolina	1,235,541,000	2,404,845,000	1,169,304,000	94.6	6	7	4
Georgia	2,117,410,000	3,896,759,000	1,779,349,000	84.0	1	3	5
Florida	921,796,000	2,423,602,000	1,501,806,000	162.9	8	6	2
Alabama	1,977,218,000	3,002,043,000	1,024,825,000	51.8	2	5	8
Mississippi	1,204,267,000	2,177,795,000	973,528,000	80.8	7	8	6
Louisiana	1,957,074,000	3,416,860,000	1,459,786,000	74.6	3	4	7
Arkansas	(1)	(1)					
Tennessee	1,844,630,000	4,228,253,000	2,383,623,000	129.2	4	2	3
Virginia	(1)	(1)					

[1] Not available.

Estimated wealth for the United States—States for which data are available

States	1912	1922	Increase	Per cent of increase	Rank for the United States[1]: Total wealth 1912	Total wealth 1922	Per cent of increase
Alabama	$1,977,218,000	$3,002,043,000	$1,024,825,000	51.8	14	17	20
Alaska	(2)	(2)					
Arizona	(2)	(2)					
Arkansas	(2)	(2)					
California	(2)	(2)					
Colorado	2,346,118,000	5,281,559,000	2,933,441,000	125.1	11	10	4
Connecticut	304,012,000	629,430,000	325,418,000	107.0	23	23	6
Delaware	(2)	(2)					
District of Columbia	921,796,000	2,423,602,000	1,501,806,000	162.9	20	18	2
Florida	2,117,410,000	3,896,759,000	1,779,349,000	84.0	13	14	12
Georgia	(2)	(2)					
Hawaii	(2)	(2)					
Idaho	15,204,979,000	22,232,794,000	6,937,815,000	45.4	2	2	22
Illinois	8,391,506,000	8,529,726,000	3,528,220,000	66.6	7	7	18
Indiana	(2)	(2)					
Iowa	4,543,785,000	6,263,058,000	1,719,273,000	37.8	8	9	23
Kansas	2,235,353,000	3,582,727,000	1,347,374,000	60.3	12	15	19
Kentucky	1,957,074,000	3,416,860,000	1,459,786,000	74.6	15	16	16
Louisiana	(2)	(2)					
Maine	(2)	(2)					
Maryland	6,279,266,000	12,980,839,000	6,701,573,000	106.7	4	4	7
Massachusetts	(2)	(2)					
Michigan	(2)	(2)					
Minnesota	1,204,267,000	2,177,795,000	973,528,000	80.8	19	20	14
Mississippi	5,534,808,000	9,981,409,000	4,346,601,000	77.1	6	6	15
Missouri	(2)	(2)					
Montana	(2)	(2)					
Nebraska	(2)	(2)					
Nevada	649,881,000	1,374,135,000	724,254,000	111.4	21	21	5
New Hampshire	5,956,414,000	11,794,101,000	5,837,687,000	98.0	5	5	9
New Jersey	(2)	(2)					
New Mexico	25,031,447,000	36,986,638,000	11,955,191,000	47.8	1	1	21
New York	1,647,781,000	4,543,110,000	2,895,329,000	175.7	17	12	1
North Carolina	(2)	(2)					
North Dakota	9,011,026,000	18,473,316,000	9,462,290,000	105.0	3	3	3
Ohio	(2)	(2)					
Oklahoma	(2)	(2)					
Oregon	(2)	(2)					
Pennsylvania	(2)	(2)					
Rhode Island	1,235,541,000	2,404,845,000	1,169,304,000	94.6	18	19	10
South Carolina	1,844,630,000	4,228,253,000	2,383,623,000	129.2	16	13	3
Tennessee	(2)	(2)					
Texas	(2)	(2)					
Utah	498,318,000	840,076,000	341,758,000	68.6	22	22	17
Vermont	(2)	(2)					
Virginia	(2)	(2)					
Washington	2,404,346,000	4,677,919,000	2,273,573,000	94.6	10	11	11
West Virginia	4,277,509,000	7,866,021,000	3,588,512,000	83.9	9	8	13
Wisconsin	(2)	(2)					
Wyoming							

[1] Rank of the 23 States for which data are available.

[2] Not available.

The position of North Carolina as a manufacturing State is based on the census figures for 1919. These more nearly reflect the magnitude of the industrial activities of that State and of the United States than the 1921 figures, which latter represent conditions at the trough of the industrial depression, and if taken as the basis would be misleading both as a measure of the magnitude or the economic trend of the manufacturing industry of the United States. Detailed figures for the Southern States are given below:

Manufactures for 1919, Southern States

Southern States	Number of establishments	Rank: For United States	Rank: For Southern States	Number of wage earners	Rank: For United States	Rank: For Southern States	Value of products	Rank: For United States	Rank: For Southern States
North Carolina	5,999	13	1	157,659	13	1	$943,808,000	15	1
South Carolina	2,004	36	10	79,450	28	7	381,453,000	32	7
Georgia	4,803	20	3	123,441	17	2	693,237,000	21	2
Florida	2,582	32	8	74,415	29	8	213,327,000	35	8
Alabama	3,654	23	5	107,159	21	4	492,731,000	26	6
Mississippi	2,455	34	9	57,560	33	9	197,747,000	37	10
Louisiana	2,617	31	7	98,265	22	5	676,190,000	22	3
Arkansas	3,123	25	6	49,954	34	10	200,313,000	36	9
Tennessee	4,589	21	4	95,167	23	6	556,253,000	25	5
Virginia	5,603	16	2	119,352	18	3	643,512,000	23	4

As a taxpayer to the Federal Government, the State of North Carolina stands sixth highest of the total States and Territories in the amount of internal revenue taxes paid for the calendar year ended December 31, 1923. The total internal revenue taxes paid by North Carolina to the Federal Government in that year amounted to $153,576,801, which was more than $11,900,000 in excess of the aggregate paid by the following 24 States and Territories: Oklahoma, Florida, District of Columbia, Nebraska, Maine, Oregon, Delaware, Alabama, South Carolina, Arkansas, New Hampshire, Hawaii, Mississippi, Utah, Vermont, Montana, Idaho, South Dakota, Wyoming, Arizona, North Dakota, New Mexico, Nevada, and Alaska.

In relation to the Southern States, North Carolina was not only first in rank but actually paid more by $13,397,190 than all the remaining Southern States put together, as shown by the following:

Federal internal revenue taxes, calendar year ended December 31, 1923

Southern States	Income and profits taxes	Total internal revenue taxes, including income and profits taxes	Rank as to total internal revenue taxes: For the United States	Rank as to total internal revenue taxes: For the Southern States	Aggregate collections by groups
North Carolina	$19,309,566	$153,576,801	6	1	$153,576,801
South Carolina	6,393,606	7,654,137	36	8	
Georgia	13,066,664	18,069,366	24	5	
Florida	7,077,931	14,507,386	29	6	
Alabama	7,036,854	8,446,852	35	7	
Mississippi	3,568,405	4,400,000	40	10	
Louisiana	12,183,580	18,807,414	22	3	
Arkansas	5,444,003	6,443,666	37	9	
Tennessee	11,894,501	18,393,124	23	4	
Virginia	15,786,931	18,457,766	12	2	140,179,611

Federal internal revenue taxes, calendar year ended December 31, 1923, by States and Territories tabulated in the order of magnitude

States and Territories	Total internal revenue taxes including income and profits taxes	Rank as to total internal revenue taxes	Aggregate collections by groups	States and Territories	Total internal revenue taxes including income and profits taxes	Rank as to total internal revenue taxes	Aggregate collections by groups
New York	$711,231,341	1		Oklahoma	$15,247,439	28	
Pennsylvania	261,004,978	2		Florida	14,507,386	29	
Illinois	232,800,024	3		District of Columbia	[1] 11,250,000	30	
Michigan	199,007,914	4		Nebraska	10,995,796	31	
Ohio	155,811,479	5		Maine	10,717,920	32	
North Carolina	153,576,801	6		Oregon	10,618,261	33	
Massachusetts	147,467,492	7		Delaware	9,405,034	34	
California	123,351,325	8		Alabama	8,446,852	35	
New Jersey	113,870,844	9		South Carolina	7,654,137	36	
Missouri	68,764,229	10		Arkansas	6,443,666	37	
Indiana	46,471,166	11		New Hampshire	5,286,653	38	
Virginia	43,457,766	12		Hawaii	5,106,528	39	
Wisconsin	40,265,411	13	$123,032,087	Mississippi	4,400,000	40	
Maryland	[1] 39,308,910	14		Utah	4,276,662	41	
Connecticut	37,678,661	15		Vermont	3,331,421	42	
Texas	35,700,398	16		Montana	3,301,419	43	
Minnesota	29,900,089	17	153,965,857	Idaho	2,193,152	44	
Kentucky	27,356,693	18		South Dakota	2,093,241	45	
Kansas	23,270,016	19		Wyoming	1,986,859	46	
Rhode Island	21,654,206	20		Arizona	1,880,694	47	
West Virginia	19,094,432	21		North Dakota	1,384,614	48	
Louisiana	18,807,414	22		New Mexico	1,087,079	49	
Tennessee	18,393,124	23	147,490,848	Nevada	718,069	50	
Georgia	18,069,266	24		Alaska	[1] 190,000	51	142,521,122
Iowa	17,560,700	25					
Colorado	17,115,186	26		Total	2,780,367,507		
Washington	[1] 16,856,530	27					

[1] Approximated.

The latest available figures of the United States Department of Agriculture as to the value of farm products, by States, are its estimates for the calendar year 1922. These figures show North Carolina as first for the Southern States in the total value of farm products for that year and fourteenth for the whole United States. Detailed figures showing separately the value of crops and animal products for the Southern States and for the entire United States are given below:

Estimated value of farm products, by States, for 1922, United States Department of Agriculture

SOUTHERN STATES

	Crops	Rank: For United States	Rank: For Southern States	Animal products	Rank: For United States	Rank: For Southern States	Total	Rank: For United States	Rank: For Southern States
North Carolina	$361,000,000	5	1	$67,100,000	21	3	$428,100,000	14	1
South Carolina	171,500,000	26	8	33,200,000	37	8	204,700,000	26	8
Georgia	223,700,000	23	6	65,300,000	22	4	289,000,000	22	5
Florida	74,000,000	33	10	13,500,000	45	10	87,500,000	36	10
Alabama	242,900,000	16	3	51,600,000	29	6	294,500,000	21	4
Mississippi	238,600,000	17	4	49,300,000	30	7	287,900,000	23	6
Louisiana	146,700,000	27	9	22,200,000	42	9	168,900,000	29	9
Arkansas	245,700,000	15	2	60,200,000	25	5	305,900,000	19	3
Tennessee	229,100,000	21	5	131,600,000	16	1	360,700,000	17	2
Virginia	180,500,000	25	7	93,000,000	18	2	273,800,000	25	7

THE UNITED STATES

	Crops	Rank: For United States	Rank: For Southern States	Animal products	Rank: For United States	Rank: For Southern States	Total	Rank: For United States	Rank: For Southern States
Alabama	$242,900,000	16		$51,600,000	29		$294,500,000	21	
Arizona	28,400,000	42		14,900,000	44		43,300,000	44	
Arkansas	245,700,000	15		60,200,000	25		305,900,000	19	
California	441,400,000	4		148,400,000	14		589,800,000	5	
Colorado	111,700,000	29		84,500,000	20		196,200,000	28	
Connecticut	38,500,000	40		23,800,000	41		62,300,000	40	
Delaware	15,500,000	46		7,100,000	47		22,600,000	46	
District of Columbia	1,100,000	49		200,000	49		1,300,000	49	
Florida	74,000,000	33		13,500,000	45		87,500,000	36	
Georgia	223,700,000	23		65,300,000	22		289,000,000	22	
Idaho	77,600,000	32		45,600,000	31		123,200,000	32	
Illinois	442,100,000	3		361,200,000	2		803,300,000	3	
Indiana	238,200,000	19		234,200,000	9		472,400,000	13	
Iowa	479,300,000	2		476,700,000	1		956,000,000	2	
Kansas	305,300,000	6		251,500,000	7		556,800,000	8	
Kentucky	231,200,000	20		127,900,000	17		359,100,000	18	
Louisiana	146,700,000	27		22,200,000	42		168,900,000	29	
Maine	41,200,000	39		36,200,000	35		77,400,000	39	
Maryland	68,100,000	35		36,600,000	34		104,700,000	34	
Massachusetts	46,500,000	37		38,700,000	33		85,200,000	37	
Michigan	225,700,000	22		161,600,000	13		387,300,000	15	
Minnesota	300,100,000	7		188,100,000	12		488,200,000	11	
Mississippi	238,600,000	17		49,300,000	30		287,900,000	23	
Missouri	291,100,000	10		325,900,000	3		617,000,000	4	
Montana	92,500,000	31		61,300,000	24		153,800,000	31	
Nebraska	273,900,000	12		228,000,000	10		501,900,000	10	
Nevada	11,300,000	47		10,700,000	46		22,000,000	47	
New Hampshire	20,400,000	44		19,400,000	43		39,800,000	45	
New Jersey	58,800,000	36		34,800,000	36		93,600,000	35	
New Mexico	19,100,000	45		29,600,000	39		48,700,000	43	
New York	291,800,000	9		256,700,000	6		548,500,000	9	
North Carolina	361,000,000	5		67,100,000	21		428,100,000	14	
North Dakota	238,400,000	18		57,000,000	27		295,400,000	20	
Ohio	296,200,000	8		272,700,000	5		568,900,000	6	
Oklahoma	251,600,000	14		133,100,000	15		384,700,000	16	
Oregon	95,600,000	30		61,800,000	23		155,400,000	30	
Pennsylvania	266,300,000	13		213,400,000	11		479,700,000	12	
Rhode Island	3,900,000	48		5,800,000	48		9,700,000	48	
South Carolina	171,500,000	26		33,200,000	37		204,700,000	26	
South Dakota	191,200,000	24		86,100,000	19		277,300,000	24	
Tennessee	229,100,000	21		131,600,000	16		360,700,000	17	
Texas	755,000,000	1		246,500,000	8		1,001,500,000	1	
Utah	34,800,000	41		25,400,000	40		60,200,000	41	
Vermont	44,200,000	38		38,800,000	32		83,000,000	38	
Virginia	180,800,000	25		93,000,000	18		273,800,000	25	
Washington	142,200,000	28		58,800,000	26		201,000,000	27	
West Virginia	69,900,000	34		52,700,000	28		122,600,000	33	
Wisconsin	283,800,000	11		273,900,000	4		557,700,000	7	
Wyoming	25,100,000	43		32,600,000	38		57,700,000	42	
Total	8,961,000,000			5,349,200,000			14,310,200,000		

Comparative data of the value of farm products for the year 1919 with 1909, published by the Bureau of the Census, show that North Carolina was second for the whole United States in the per cent of increase in the gross value of its farm products for 1919, as compared with 1909, and first for the Southern States. Its increase in the value of its farm products for that decade was 248.4 per cent.

Value of farm products for Southern States, 1909 and 1919

Southern States	1909	Rank: For United States	Rank: For Southern States	1919	Rank: For United States	Rank: For Southern States	Per cent of increase	Rank: For United States	Rank: For Southern States
North Carolina	$176,261,942	21	3	$614,084,854	16	2	248.4	2	1
South Carolina	156,350,420	24	6	486,979,710	20	4	213.4	6	2
Georgia	257,351,095	13	1	638,430,053	15	1	148.1	20	7
Florida	43,689,425	39	10	101,204,046	38	10	131.6	31	9
Alabama	170,939,250	23	5	383,178,279	25	8	124.2	35	10
Mississippi	172,702,838	22	4	407,499,799	24	7	136.0	29	8
Louisiana	93,401,857	28	9	237,628,052	29	9	162.9	16	5
Arkansas	153,834,875	25	7	424,486,802	22	6	175.9	14	4
Tennessee	192,931,905	19	2	492,407,214	19	3	155.2	18	6
Virginia	150,872,046	26	8	425,199,212	21	5	181.8	13	3

The value of farm property (land, buildings, implements and machinery, and livestock) for North Carolina in 1920 is given by the Bureau of the Census as $1,250,166,995 as compared with $537,716,210 in 1910, showing an increase of 132.5 per cent. This percentage of increase was third largest for the Southern States and eighth largest for the United States.

Value of farm property, 1910 and 1920

Southern States	1909	Rank: For United States	Rank: For Southern States	1920	Rank: For United States	Rank: For Southern States	Per cent of increase	Rank: For United States	Rank: For Southern States
North Carolina	$537,716,210	23	4	$1,250,166,995	21	3	132.5	8	3
South Carolina	392,128,314	28	7	933,064,742	27	6	142.0	4	1
Georgia	580,546,381	22	3	1,356,685,196	19	1	133.7	7	2
Florida	143,183,183	43	10	330,301,717	36	10	130.7	10	5
Alabama	370,138,429	29	8	600,848,720	31	8	86.6	25	10
Mississippi	426,314,634	26	5	964,751,855	26	5	126.3	12	6
Louisiana	301,220,988	33	9	589,526,679	32	9	95.8	21	8
Arkansas	400,089,303	27	6	924,395,483	28	7	131.0	9	4
Tennessee	612,520,836	21	2	1,251,904,585	20	2	104.4	16	7
Virginia	625,065,383	20	1	1,196,555,772	22	4	91.4	23	9

The number of farms in North Carolina in 1920 was 269,763, the State ranking fifth for the United States and third for the Southern States. The number of acres in farms in 1920 was 20,021,736, which as relating to the Southern States was only exceeded by Georgia with 25,441,061. Detailed figures for the Southern States are given below:

Number of farms and acreage, 1920, Southern States

Southern States	Number of farms	Rank: For United States	Rank: For Southern States	Land in farms by acres	Rank: For United States	Rank: For Southern States
North Carolina	269,763	5	3	20,021,736	21	2
South Carolina	192,693	17	7	12,426,675	31	8
Georgia	310,732	2	1	25,441,061	13	1
Florida	54,005	32	10	6,046,691	36	10
Alabama	256,099	8	4	19,576,856	22	3
Mississippi	272,101	3	2	18,196,979	26	6
Louisiana	135,463	25	9	10,019,822	33	9
Arkansas	252,604	11	6	17,456,750	28	7
Tennessee	252,774	9	5	19,510,856	23	4
Virginia	186,242	20	8	18,561,112	25	5

The farm population of North Carolina in 1920 was 1,501,227, which represented 58.7 per cent of the total population of the State. The number of farm population was second highest for all the Southern States, and as to the percentage of farm population to total population North Carolina was fourth highest.

Farm population, 1920, Southern States

Southern States	Number of farm population	Rank: For United States	Rank: For Southern States	Per cent of farm population to total	Rank: For United States	Rank: For Southern States
North Carolina	1,501,227	3	2	58.7	5	4
South Carolina	1,074,693	12	7	63.8	3	3
Georgia	1,685,213	2	1	58.2	6	5
Florida	281,893	30	10	29.1	29	10
Alabama	1,335,885	4	3	56.9	8	6
Mississippi	1,270,482	7	5	71	1	1
Louisiana	786,050	22	9	43.7	17	9
Arkansas	1,147,049	9	6	65.5	2	2
Tennessee	1,271,708	6	4	54.4	9	7
Virginia	1,064,417	13	8	46.1	14	6

The total population of North Carolina by the census of 1920 was 2,559,123. Its foreign-born population was only 7,272. This State had the least foreign-born population with the exception of South Carolina of any State in the Union, and in the per cent of foreign born to total population, it had the lowest, only three-tenths of 1 per cent; having a smaller percentage even than South Carolina, in which the per cent of foreign born to total population was four-tenths of 1 per cent.

Population of the Southern States, census 1920, showing proportion of foreign-born to total

Southern States	Total	Rank: For United States	Rank: For Southern States	Foreign-born population	Rank: For United States	Rank: For Southern States	Per cent of foreign born to total population	Rank[1]: For United States	Rank[1]: For Southern States
North Carolina	2,559,123	14	2	7,272	2	2	0.3	1	1
South Carolina	1,683,724	26	9	6,582	1	1	.4	2	2
Georgia	2,895,832	12	1	16,564	7	6	.6	4	4
Florida	968,470	32	10	53,864	19	10	5.6	15	10
Alabama	2,348,174	18	3	18,027	8	7	.8	7	7
Mississippi	1,790,618	23	7	8,408	3	3	.5	3	3
Louisiana	1,798,509	22	6	46,427	18	9	2.6	11	9
Arkansas	1,752,204	25	8	14,137	4	4	.8	6	6
Tennessee	2,337,885	19	4	15,648	5	5	.7	5	5
Virginia	2,309,187	20	5	31,705	14	8	1.4	9	8

[1] Rank as to lowest.

Mr. ABERNETHY. Very interesting data have been furnished me by the courtesy of the Secretary of Commerce, Hon. Herbert Hoover, and Hon. W. M. Steuart, Director of the Census, and by Mr. Emmet, of that department, as follows:

North Carolina, which at the last census (1920) was outranked in population by 13 States, was outranked by only 10 States in respect of numerical contribution to the increase in the population of the United States between 1910 and 1920. That is to say, although 13 States exceeded North Carolina in population, only 10 contributed a greater number toward the total increase in population during the decade. North Carolina's rate of increase for the period 1910–1920 was 10 per cent, a rate somewhat higher than that for the United States as a whole, which was 14.9 per cent. But it must be remembered that North Carolina's growth was due almost entirely to natural increase, whereas the growth of the United States as a whole resulted in considerable measure from immigration. The birth rate of North Carolina for the year 1922—30.2 per 1,000 population—was greater than that shown for any other State from which the Census Bureau collects data as to births. Data were collected in 1922 from 28 States and the District of Columbia, whose total population constituted about three-fifths of the total for the United States. The average birth rate for the 28 States from which data were collected was 22.7, a rate only three-fourths as large as that for North Carolina. The death rate for North Carolina—11.5 per 1,000 population—was slightly below the average for the registration area—11.8.

North Carolina can take especial pride in the knowledge that it still leads all other States in the purity of its native stock. Of its 1,783,779 white inhabitants in 1920, no fewer than 1,778,680 were born in the United States, and of this number 1,765,203 were born of parents who were native to the United States. Of its total white population, 99.6 per cent were born in the United States and 99 per cent were born

of parents who were native to the United States. Of the total white population of the United States, only 85.5 per cent were native and only 61.6 per cent were native of native parents. North Carolina's nearest competitors in this respect are South Carolina, Tennessee, and Mississippi. In each of these States the native whites constitute more than 99 per cent, and the native whites of native parents more than 96 per cent of the total white population.

In the value of tobacco grown North Carolina leads all other States. According to the last decennial census, it grew tobacco to the value of $151,288,264 in 1919. Its nearest competitor, Kentucky, reported $116,414,639, and no other State reported as much as $50,000,000.

Although in 1919 South Carolina, Georgia, Mississippi, Arkansas, Oklahoma, and Texas all reported greater cotton production than North Carolina, the statistics of cotton ginned from the crop of 1923 show North Carolina as second only to Texas, and if the comparison took into account the difference in area North Carolina would outrank even that State, for with an area of less than one-fifth as great as that of Texas, it produced one-fourth as much cotton.

In school attendance for 1920 North Carolina ranked ninth for the United States and first for the Southern States.

School attendance, Southern States, 1920

Southern States	Total	Rank: For United States	Rank: For Southern States	Per cent of total population	Rank: For United States	Rank: For Southern States
North Carolina	626,981	9	1	24.50	4	2
South Carolina	427,962	23	7	25.42	2	1
Georgia	624,776	10	2	21.57	18	7
Florida	196,979	33	10	20.34	26	9
Alabama	527,595	16	4	22.47	14	6
Mississippi	437,365	22	6	24.43	5	3
Louisiana	356,690	26	9	19.83	31	10
Arkansas	410,853	24	8	23.45	8	4
Tennessee	528,993	15	3	22.62	12	5
Virginia	495,674	20	5	21.47	19	8

In the following table there is summarized the population, industrial and vital statistics relating to North Carolina, and the State is compared with the United States and its rank among the other States:

Subject	Census year	Number or amount	Per cent of United States total	Rank among States
Population	1920	2,559,123	2.4	14
Agriculture:				
Total value of farm crops	1919	$503,229,313	3.4	12
Total value of livestock products	1919	$35,860,056	1.3	21
Tobacco	1919	$151,288,264	34.0	1
Cotton and cottonseed	1919	$177,974,734	7.6	6
Cotton ginned	1923	1,028,908	10.3	2
Manufactures:				
Total value of products	1921	$665,117,738	1.5	15
Number of wage earners	1921	135,833	2.0	13
Cotton manufactures:				
Total value of products	1921	$190,989,590	14.4	2
Wage earners	1921	66,316	15.6	2
Lumber industry:				
Total value of products	1921	$37,795,655	2.5	15
Wage earners	1921	17,807	3.7	11
Births:				
Number	1922	79,920	.....	.....
Rate per 1,000 population	1922	30.2	.....	.....
Deaths:				
Number	1922	30,446	.....	.....
Rate per 1,000 population	1922	11.5	.....	.....

Mr. ABERNETHY. In cotton manufactures North Carolina leads all other States except Massachusetts. This State led all other Southern States in spinning spindles in place on January 1, 1924, the State of Massachusetts alone having more spindles in place on this date. It is worthy of note also that on that date the active spindle hours were the greatest for any Southern State, being exceeded in this activity by Massachusetts only. On this date, a total of 1,642,000,000 active spindle hours were reported for spindles in place in Massachusetts against 1,363,000,000 active spindle hours in North Carolina.

The American Exchange National Bank, of New York, in its monthly letter in January, 1924, had the following to say about North Carolina cotton mills:

During the 20 years from 1899 to 1919 the value of the product of North Carolina cotton mills increased from $28,373,000 to $318,368,181, and the value added by manufacture increased from $10,986,000 to $131,588,466. The number of workers employed increased 123 per cent, and the capital employed increased 712 per cent.

The Department of Commerce of February 8, 1924, had this to say about the State of North Carolina:

The Department of Commerce announces for the State of North Carolina, its preliminary estimate of the value, December 31, 1922, of the principal forms of wealth, the total amounting to $4,543,110,000, as compared with $1,647,781,000 in 1912, an increase of 175.7 per cent. Per capita values increased from $724 to $1,703, or 135.2 per cent.

All classes of property increased in value from 1912 to 1922. The estimated value of taxed real property and improvements increased from $337,960,000 to $2,209,432,000, or 246.3 per cent; exempt real property from $62,340,000 to $161,933,000, or 159.8 per cent; livestock from $85,068,000 to $103,397,000, or 21.5 per cent; farm implements and machinery from $20,315,000 to $33,853,000, or 66.6 per cent; manufacturing machinery, tools, and implements from $85,120,000, to $238,327,000, or 180 per cent; and railroads and their equipment from $204,606,000 to $251,694,000, or 23 per cent. Privately owned transportation and transmission enterprises, other than railroads, increased in value from $44,411,000 to $81,257,000, or 83 per cent; and stocks of goods, vehicles other than motor, furniture, and clothing from $507,961,000 to $1,359,438,000, or 174.7 per cent. No comparison is possible for the value of motor vehicles, which was estimated in 1922 at $67,779,000, because no separate estimate was made in 1912.

Hon. C. A. Webb, of the city of Asheville, N. C., recently in making a speech on North Carolina had this to say:

If all the chewing tobacco manufactured in one year in North Carolina were made into one big, succulent plug, and a man standing on the top of Mount Mitchell bit a chew from its thick corner, his voracious chin would drop so far that it would break the back of a somnolent shark at the profoundest bottom of the Gulf of Mexico, while his anticipative mustache, standing out like the quills of a fretful porcupine, would make the silk-clad ankles of the flappers on New Jersey's northernmost verandas shrinkingly suspect the sting and bite of a new and unconquerable mosquito.

[Applause.]

If all the towels made in one year in North Carolina were fastened together fringe to fringe into one great towel, the man who dried his feet with one end of it on the rocky coast of the Straits of Magellan would, with an agitated elbow, overturn a pearl fisher's sampan in the calm, warm waters of the Indian Ocean, and find himself wiping his surprised and distant face with the other end of it on top of the highest peak of Greenland's frosty, famous, and far-flung mountains.

If all the stockings woven in one year in North Carolina were made into one big stocking, its imperishable foot would hold all the toys Santa Claus has brought down the chimneys of America since the ride of Paul Revere; its leg would contain all the dear, dim dreams of romance that sweetly thronged the corridors of men's brains in the time of the long provocative skirt, and its soft and silken top would reach up into the heavenly vault where Venus, tiring of her flirtations with the militant Mars, would with discriminatory fingers and appreciative thumb form flattering judgment of its filmy and caressing texture and its deathless, undarned durability.

[Applause.]

If the North Carolina apple could be grown all over the world with its original and irresistible flavor, it would be substituted by the Latin-Americans for their garlic and by the Mongolians for their rice, and by the Ethiopians for their watermelons; its brown and bubbling cider would be the world's champagne, dirt cheap at a thousand dollars a quart, and doctors would prescribe its pungent, powerful, and puissant brandy as the elixir of life, the fountain of youth, a substitute for a futile and antiquated pharmacopœia, and a sudden, sure, and sweeping destroyer of the dumps, death, and disease.

If all the cigarettes manufactured in North Carolina in one year were rolled into one great, long cigarette, a young sport leaning nonchalantly against the South Pole would light it with the everlasting fire in the tail of Halley's swift and restless comet, use the starry dipper as its ash tray, blow smoke rings which, unbroken by all the hurricanes which lash the seven seas, would hide the circles around Saturn for a thousand years, and with the immeasurable inferno of its stub blot out and usurp the glowing fame and place of the hitherto quenchless morning star.

[Applause.]

If all the tables manufactured in one year in North Carolina were made into one great table, and if that table were covered with one vast tablecloth consisting of all the tablecloths woven in one year in North Carolina, there would be a banquet board under which could be hidden, piled one on top of the other, all the festal tables under which men have thrust their feet from the days of the round table of King Arthur to the time of the fiasco of the Genoa conference.

Representing as I do such a great State, I feel sure that my colleagues will forgive me for trespassing upon their valuable time. [Applause.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD on the Barkley bill.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD on the Barkley bill. Is there objection? [After a pause.] The Chair hears none.

Mr. AYRES. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. Twelve minutes.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. O'CONNOR].

The CHAIRMAN. The gentleman from Louisiana is recognized for 15 minutes.

Mr. O'CONNOR of Louisiana. Mr. Chairman and gentlemen of the committee, I wish to thank the gentleman from Minnesota [Mr. DAVIS] for his kindness in granting me the 15 minutes he has allotted to me.

I appreciate it very much. I did not think I had any call on him, and he has extended the courtesy in such a splendid and gracious manner that I feel I am obliged to extend my thanks to him for having done so.

I want to talk about the Mississippi River, gentlemen of the committee. As a matter of fact, I propose during the balance of this session, whenever I get the opportunity and the time is appropriate, as clearly as I can, to bring a situation to the attention of this country which, in my judgment, is one of the most pressing situations that ever confronted the United States in all their history.

From the sunrise of Roman history the shores of the Mediterranean Sea have been occupied and populated by splendid people. Not far from the shores of the Mediterranean is the great volcano Vesuvius, and not a great distance from Vesuvius is Etna. One of the singular things about these great volcanoes, which every now and then, if I may use centuries as "now and then," send out their lava to devastate the lands around them and to bring the people into terror, is the fact that after each eruption the people, saddened, tear-stained, broken apparently in spirit, will come back and attempt to uncover their lands and again till the soil that was tilled by their ancestors.

It is one of the pathetic traits of human nature, and we on this side of the ocean are inclined to marvel at that instinct of humanity to drag itself back, after the tragedies of human existence, to its cradle, and begin life all over again, and yet down in the southern reaches of the Mississippi River we find a people living behind enormous levees and embankments, levees and embankments which scare the visitor from the North when he first sees them dwelling light-heartedly under the same if not more terribly menacing condition. A visitor can not understand why on earth a people should live behind these great mud structures that are their only defense against the roaring waters of the Mississippi, and notwithstanding crevasses, and crevasses which sometimes create a roar that would make the thundering of Niagara Falls seem a whisper—but notwithstanding these crevasses, these terrible inundations, these devastations, the people will always come back and get behind the banks of the old Mississippi River; and during most of the months when there is no fear, when there is no panic, when there is no agony, when there is no stress, most of them love to think of the old river as a grand old friend, as a splendid means by which all of the song in their heart is expressed. You know the old lines:

I am tired of striving in the crowded haunts of men,
Heart weary of building and spoiling and spoiling and building again;
And I long for the dear old river, where I dreamed my youth away,
For a dreamer lives forever and a toiler dies in a day.

[Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. O'CONNOR of Louisiana. Yes.

Mr. BLANTON. I notice that the gentleman from time to time quotes many little verses for us and I want to tell him that a lady who lives over 2,000 miles away visited in Washington not long ago and called my attention to a little poem that the gentleman quoted and said she would like to meet him, but I did not get an opportunity to bring her to see the gentleman.

Mr. O'CONNOR of Louisiana. Born and reared in the grand old State of Louisiana, adjoining the Lone Star State of Texas, I am glad to have such a message conveyed to me and to tell the gentleman from the State of the single star I long for the pleasure of that day when I will bow before the gracious lady to whom he refers.

But we are at a time when in all probability the magnificent song that river inspires will be temporarily stilled in the soul suspense of the days and nights of strain and watching attending the May rise. The old river has a song when rolling on to the Gulf serenely and tranquilly. Abraham Lincoln, standing on the wharf immediately over the banks of the Mississippi at New Orleans, said on a moonlight night that he heard its song. You know he went to New Orleans twice, once as a worker on a raft and subsequently as the owner of a raft. In those days it looked as if New Orleans were destined to be the greatest city in all the world's history and would have been had it not been for the invention of the locomotive, the first one of which was placed on the Baltimore & Ohio tracks in 1828. That changed the destiny of the Mississippi Valley, for if all of its commerce had been brought to the Gulf of Mexico by water craft instead of over the Alleghenies by rail, unquestionably New Orleans would have surpassed any city that the world has ever seen.

But back to our story, as Kipling says. Lincoln said he could hear the songs sung by every raindrop that fell from the heavens between the peak of the Rocky Mountains and the peak of the Allegheny Mountains, and he could hear the gurgling and bursting joy of every spring that sprung up throughout that great valley, because through tributaries, through affluent streams and the majestic connecting rivers like the mighty Ohio and sweeping Missouri, the grand old Father of Waters carries every drop that falls from the clouds and every jet that comes from mother earth pass the city of New Orleans. [Applause.]

It was a wonderful thought for even the Great Emancipator with his poetic and dream soul. It must have been an inspiring sight to him in those nights when he stood as a lad under the starlit skies on the banks of this great stream years and years ago, and, my friends, is it not a wonderful thing also to conjure that this lowly and humble lad, standing in front of his raft on the Mississippi River became one of the greatest figures in all the world's history—a flight that human imagination can hardly follow—from the poor boy on the banks of the Mississippi to the great Executive of this Nation.

But we are at a time when the river does not inspire song. We are nearing the end of April. You know the ice and the snows are beginning to melt in the far north. The song is leaving the river for us who live in the bottoms. The rushing waters are becoming a mighty roar, and restless and uneasy will be our nights for weeks to come. Gentlemen of this House, listen. A brave people—your own in blood, flesh, and bone—ask your attention to a national problem that threatens the very existence of your kinsmen along the lower Mississippi. Listen! Levees, embankments, mud walls, however great and strong, alone can not protect us against unspeakable disaster, for the farther and farther down into the Gulf of Mexico the river runs the less and less able does the soil become to support the superstructure put upon it. As we approach the Gulf, Mother Earth along the big river shows less and less resistance and gradually falls into the embrace of the waters that wash it from the moment they leave their far-off Itasca home and goal until they joyfully mingle with their blue kinsmen of the Gulf as it swirls on its way to the eternal sea.

You must have a subsoil; you must have a foundation upon which to erect the superstructure. We can not go any higher with our levees. My friends, let me endeavor to bring home to you the facts concerning the flood menace of the Mississippi. With that end in view I am going to ask the privilege of incorporating two papers in these remarks in hopes they will attract the attention of the engineering profession throughout the country to the tremendous problem that is comprehended in that part of the United States which lies between the Alleghenies and the Rocky Mountains. I hope that they will contribute their views to that subject and write me, because it means much to us, because we have got to have relief and we are not getting it. These letters I will have put in digested form and submit to the Committee on Flood Control. My friends, the engineers assure us that the embankments, being standardized, will protect us; yet I have seen crevasses—which mean breaks in the river banks—where fish would drown, turned over and over by the force of the water, their gills forced open.

Down in New Orleans lives a gentleman by the name of Peter Lawton. He has reached the age and rendered such splendid service to our people that they are glad to look upon him not only as an individual but as an institution.

I hope that I will live long enough to render such service to my people and that I will reach that enviable position. Not long since he took part as a witness in a celebrated case that forms a part of the legal history of the country to-day. During his testimony he said that the crest of the Mississippi River

had risen in front of New Orleans since the Battle of New Orleans was fought 19 feet and 6 inches. In other words, our high-water mark is approximately 20 feet higher to-day than the high-water mark of 1815. Gentlemen, when you realize that the city of New Orleans is about on a level with the Gulf of Mexico and a little higher than the Mississippi River at its lowest, you can understand what 19 feet and 6 inches of rise in the waters of the Mississippi River means during the period mentioned. Should that rise continue proportionately even, the end is inevitable.

Gentlemen, the principal things I want to get into this address—and I ask unanimous consent to extend my remarks in the RECORD—are the two great papers written by magnificent men down there—men who love their city because it is their own and scorn to give aught other reason why—men who have labored for it unceasingly without hope of reward or fear of punishment. But before closing my own remarks in connection with this reference to hope of reward or fear of punishment I am going to ask my friend from Virginia, Mr. TUCKER, to look into this story and the origin of it. To my good friend from Kansas, Judge LITTLE, I also direct a similar request. I understand the phrase has a wonderfully inspiring history behind it. I am going to ask the engineers of this country who may do me the honor to read this preliminary address, and the thoughtful papers made part of it, to send me their opinions on the control of the Mississippi in order that I may submit them in a digest form to the Flood Control Committee. I know that I can ask these engineers to submit their views, because they are of a noble profession and have always responded when the occasion required it.

True to my habit I am going to tell you a story. I have searched libraries and many great papers, and failed to find anyone who was able to tell me the origin of the beautiful story which, I think, carries the point that I have in mind splendidly, and that is to pay a deserved tribute to all of our great professions. They have always responded to the call of duty when any part of the country sounded the bugle.

Years ago, when I was a law student in Tulane University, in the city of New Orleans, a celebrated law professor in that famous university tried to bring home to us the value of an oath taken in a judicial proceeding. He said:

You take it without hope of reward or fear of punishment, and you testify to the truth, the whole truth, and nothing but the truth.

Then ruminatively, as if he were trying to think, when he had read or heard it himself, he said:

In all probability the origin of that phraseology may be found in the beautiful story of the vestal virgin who walked on the walls of an ancient city carrying in one hand a pail of water and in the other a torch, chanting and singing, "With the torch I will burn the heavens, and with the pail of water I will extinguish the fires of hell, so that God may be loved for himself alone without hope of reward or fear of punishment."

I always thought it was a beautiful story and conveyed a sentiment that would adorn any story most felicitously and pleasingly, but I have never been able to ascertain whence it came. The nearest approach to it I ever got, and that was a sort of false light, came one night when I was addressing a labor organization in New Orleans in the labor hall. I told this story of the vestal, and I called for inspiration as to its origin. A young man walked over to me and he said, "I think you will find the information you are looking for in the chapter on the vestal virgins, by Gibbons, in the Decline and Fall of the Roman Empire." I looked it over several times, but never did find it.

That is the thought I had in mind, that by printing these papers as a part of my speech, calling attention to the tremendous menace the Mississippi River is.

I might, to repeat, be successful in securing opinions that may prove of great value in working out a solution of the problem of the lower valley. My fellow citizens, before reading the two great papers below, stand in front of a map of the United States, look at the vast space covered by the Mississippi Valley. Then look at the streak down its middle, the Father of Waters; then connect with its tributaries. Speculate for a moment upon this drainage system and the rapidity of that drainage in view of the clearing of the wilderness, the disappearance of the forests, the building of great cities along the banks of connecting streams. Then think of the rainfall over that vast area, then read—

STATEMENT SUBMITTED BY JOHN KLORER, CITY ENGINEER, NEW ORLEANS, LA.

APRIL 27, 1923.

To His Excellency WARREN G. HARDING,
President of the United States, Washington, D. C.

MR. PRESIDENT: May I be permitted to say, by way of introduction, that the views I hold on the Mississippi River flood problem are opinions formed after 20 years' experience in the construction and maintenance of the levee system in Louisiana? Twelve of those years were in the United States engineer service as junior engineer in the fourth Mississippi River district, and eight years were in the service of the State as a member of the Board of State Engineers of Louisiana.

As far as the lower part of the Mississippi Valley is concerned, I wish to state, with all seriousness, the problem of adequate flood protection is as far removed from satisfactory solution to-day as it was 20 years ago.

Flood protection by means of levees alone is a justifiable procedure only if the end of levee raising is in sight. Such is not the case on the lower Mississippi River. The president of the Mississippi River Commission, at a public hearing before the Flood Control Committee last December, stated that no man could tell how much higher than the 1922 flood height the river would go to pass a stated flood discharge that was reasonably probable and which unquestionably should be provided against.

There is every reason to believe that if the Mississippi River Commission persists in its policy of reclaiming areas now being used as flood-retarding basins, without providing increased facilities on the lower river for removing the extra amount of water thus sent to the lower river, the present grades for levees will be insufficient, and will have to be superseded by higher grades before many years.

The city of New Orleans, with its half a billion dollars of assessed values behind the levees, can not become reconciled to a policy of progressively increasing levee grades. The levee crowns in front of the city constitute paved roadways from 50 to 100 feet wide, that serve the docks over which $500,000,000 of domestic and foreign commerce is annually handled. The levee crown and slopes in places are occupied with railroad tracks, also serving this water front, and many of the rail connections between the levee and the street elevations are at the present time at limiting grades and curvatures for practical railroad operation. There will have to be expended by the Board of Port Commissioners of New Orleans Harbor—which is an agency of the State of Louisiana—approximately $4,000,000 to reconstruct low wharves and docks to conform to the present grade.

The people of New Orleans are agreeable to the plan of completing all the levee protection in front of the city to the present approved grade of the Mississippi River Commission, but we want levee raising to stop then. We want to see a change of policy from the present policy of giving protection against flood heights that are created artificially, and we want to see some effort made to give us flood relief rather than flood protection.

The flood problem of the lower valley is simply a problem of safely conducting to the sea the drainage run-off that originates in the vast territory to the north of us; but the Mississippi River Commission is intent on taking all of that run-off by the longest and most circuitous route to the sea, notwithstanding the fact that nature has provided a topographical condition just below New Orleans favorable to spilling the excess water into the Gulf through a short route of 5 miles, as against the present route of 100 miles.

A committee of engineers working in the interest of better flood protection for the city of New Orleans has recommended a spillway as a flood-reducing device, but the Mississippi River Commission objects, and prefers higher levees to take care of the higher floods, which it classes as "tried methods wholly feasible and much cheaper."

The main objection of the Mississippi River Commission to the spillway is the cost of the structure, which in its judgment is incommensurate with the flood relief that will be obtained. The weighing of the cost of enlarging the existing levee line to take care of 4 feet additional flood height, as against the cost of a structure designed to accomplish a reduction of flood height of 4 feet, while interesting as an academic proposition does not meet the issue fairly. There is the human element to be considered, and the human element should be of first importance in the instance when nearly a half million of people have their homes on ground elevations of from 10 to 20 feet below present flood heights.

We people of New Orleans and of the lower river believe we are being sacrificed on the altar of consistency, and we are asking your kind offices to help us in our predicament. We would like to see the flood problem on the lower Mississippi studied and solved in the comprehensive manner that the flood problem was solved in your own State by the Miami Conservancy District. We would like to see the Mississippi River Commission take counsel with eminent hydraulic engineers, such as, for example, Mr. John R. Freeman, of Providence, R. I., Mr. C. E. Grunsky, of San Francisco, or Mr. Daniel W. Mead, of

ing his testimony he said that the crest of the Mississippi River

Madison, Wis., in the consideration of a flood problem that is of vital interest to a community of 400,000 persons, to see if some means can not be found to lessen the hazard by reducing flood heights to such a stage that breaks in the levee can be closed should crevasses occur, and not be permitted to run unchecked for months until the river falls below the bank-full stage, as is the case now.

On account of lack of time to discuss this matter at greater length I should like to leave with you Mr. President, a copy of a paper that I had the honor of reading before the spring meeting of the American Society of Civil Engineers, which was held in New Orleans last week, and which attempts to give a brief statement of the flood problem on the lower Mississippi River. I believe that the contents, supplemented by what you have heard to-day, will give you a fairly good idea of the situation that confronts us.

ADDRESS DELIVERED AT THE CONFERENCE HELD AT NEW ORLEANS SEPTEMBER 17, 1923, AND ATTENDED BY VARIOUS LEVEE BOARDS, THE BOARD OF STATE ENGINEERS, THE SAFE RIVER COMMITTEE OF ONE HUNDRED, AND OTHER PARTIES INTERESTED IN FLOOD CONTROL OF THE LOWER MISSISSIPPI

(By John Klorer, chairman Subcommittee of Engineers, Safe River Committee of One Hundred)

* * * * * * *

There is little that is new that can be added to the previous presentations made of the merits of a spillway as a flood relief device. It is by no means a simple task to prove a proposition that is elemental or axiomatic, and the proposition of lowering the flood heights by taking some of the water out of the river is an axiomatic proposition. The old school of Mississippi River engineers will admit that you can reduce flood levels on the Ohio River by taking some of the water out of it, or on the Allegheny or on many other rivers, but the Mississippi River, they explain, is different in that the Mississippi River is a sedimentary stream flowing in a bed of its own formation. It has been so long held up to us as being in a class by itself and not amenable to the laws of physics and hydraulics, that the majority of us were accustomed to accept unquestionably statements concerning the river's characteristics that were as amazing as they were paradoxical.

In the consideration of the various problems presented by the Mississippi River the cold calculating reasoning powers of the engineer seemed at times to yield to a realization or a fear that he was not dealing alone with a physical force in the shape of water in motion, but was dealing as well with a personality that was governed by moods and whims and notions. On one occasion that I remember distinctly one of the old school of Mississippi River engineers described the river as being almost organic in its behavior, as being the nearest approach of inanimate matter to a living organism that he knew of. It had to be coaxed and coddled, and any regulation of its behavior should be applied gently, very gently. If any lateral opening were introduced to remove surplus water, the river would choke itself.

According to the old school of Mississippi engineers, this sedimentary stream flowing in a bed of its own formation was so responsive to any additional burden placed upon it that you could go so far as to deprive it of a natural outlet like the Atchafalaya that took off 30 per cent of the total river discharge, and it would adjust itself to carry this extra amount of water without raising the flood heights appreciably in the lower river.

It matters not that levee grades have had to be repeatedly raised to take care of increased flood volume, and in some instances to take care of an equal flood volume, the doctrine that the river will automatically adjust itself to carry increased flood volume still persists unshaken as an article of faith with the old school. With this sort of attitude toward the problem and with deep-rooted opinions like these prevailing among the levee authorities, it is not surprising that the proposition to lower flood heights by means of a spillway should encounter opposition.

The advocacy of a spillway by the Safe River Committee of One Hundred is based on one assumption—the correctness or incorrectness of which is left to the individual judgment of those that have given some thought to the subject.

The safe river committee assumes that the record-breaking flood of 1922 is not the highest flood that will visit the lower river; not the highest flood by 3 or 4 feet. It does not base this assumption on the probability that some of these days, all the tributaries will be in flood simultaneously, which statement is often referred to as a possibility and then brushed aside as being so remotely probable as not to merit consideration.

The safe river committee believes that higher flood elevations are certain in the future even with floods of no greater volume than some of those of the past. The facts that form the basis for such an opinion are these:

First. There has been an impairment in the discharge capacity of the lower river, indisputably proven by the fact that less water now passes down the river each second or each hour during flood stages than passed in former years at the same gauge readings.

Second. The further reclamation of areas now subject to overflow and serving as detention reservoirs can not possibly have any other effect on future flood heights than the raising of these heights to greater elevations than those that obtained in the past for floods of the same volume. In an official statement prepared by Capt. Edw. N. Chisholm, Corps of Engineers, United States Army, and secretary of the Mississippi River Commission, and published in the Engineering News-Record, January 18, 1923, the admission is made that "the increased height of the flood line below the mouth of White River can be attributed only to the closure of the gap between the Arkansas River levees and the Mississippi River levees at Cypress Creek." The closure of the gap, completed in 1921, withdrew from the available reservoir capacity of the river approximately 687 square miles of territory previously flooded in the southern part of Arkansas and the northern part of Louisiana.

There is a similar flood-water reservoir on the east side of the river at the lower end of the lower Yazoo levee district, immediately north of Vicksburg, and which is approximately 1,000 square miles in extent during great floods. This area is flooded through an unleveed gap of about 20 miles, known as Brunswick Gap, and the closure of this gap has been undertaken with construction now in progress. Can any expectation other than higher flood levels be counted on following the elimination of this reservoir?

Third. Greater flood heights than past records are also clearly indicated by an analysis of the flood volumes of the 1912 high water. The amount of flood water that was passing the latitude of Red River Landing in 1912 was slightly over 2,300,000 cubic feet per second. The distribution of this quantity was as follows: Approximately 1,500,000 cubic feet per second went down the Mississippi River; approximately 400,000 cubic feet per second went down the Atchafalaya; approximately 250,000 cubic feet per second went through Torras Crevasse into the Atchafalaya Basin, and approximately 150,000 cubic feet per second through the Moreauville Crevasse (see Report Chief of Engineers U. S. Army for 1912, p. 3700). The total of 2,300,000 cubic feet per second is further corroborated by the discharge measurements taken at Columbus, Ky.—21 miles below Cairo—and at Helena and Arkansas City, all of which recorded over 2,000,000 cubic feet per second, and to which quantity there should be added proper allowance for tributaries south of these points. Had there been no crevasse at Moreauville and at Torras, the Atchafalaya River and the reservoir at the lower end of the fifth Louisiana levee district would have taken possibly 600,000 cubic feet per second and the Mississippi River at Red River landing would have been discharging 1,700,000 cubic feet per second instead of 1,490,000 cubic feet per second. Making liberal allowances for the reservoir effect of that part of the river below Red River landing and assuming that there had been no Hymelia crevasse, it is within the range of reasonable deduction to conclude that the discharge at Carrollton would have been approximately 1,500,000 cubic feet per second, instead of 1,350,000.

The discharge of 1,500,000 cubic feet per second at Carrollton is what the safe river committee believes should be used as a minimum in determining the estimated flood heights in front of this city. To have passed 1,500,000 cubic feet per second during the 1912 high water the gage-discharge relation indicates that the river would have read 24 feet on the Carrollton gage, instead of 20.7, and to have passed that same amount during the 1922 flood the gage-discharge relation for that year indicates that the Carrollton gage would have read slightly over 25 feet, instead of 21.3, which was the highest reading, the day before the Poydras crevasse occurred.

The question accordingly presents itself: How shall we meet this certainty of future increases in flood heights? Shall we meet it by raising the levee grades again, or shall we resort to some flood-reducing device that will keep future floods from reaching higher elevations?

This community has spent and is spending millions on our river front in a type of levee that serves as a protection against floods and that must also serve the needs of commerce. The crown of this levee varies from 50 to 100 feet in width and is occupied with freight sheds, through which pass high-class modern roadways. The floors of these sheds are of reinforced concrete and rest directly on the crown of the levee. Raising the low levees under these sheds and placing thereon the necessary rat-proof concrete floor and the high-class roadway pavement costs approximately $200 per linear foot of shed, or $1,000,000 per mile. It is apparent at a glance that this type of levee does not easily lend itself to future increases in grade.

The safe river committee believes that the levees should be built to the existing Mississippi River Commission grade, but the necessary flood protection beyond what is thus afforded must be obtained by some other means. It believes the levee system has reached and passed the practical limit of height to which a levee system should be built. When levees are so high that a crevasse in the levee line from any cause whatsoever can not be closed, regardless of money and men available, the practical limit of levees has been reached.

Following the Poydras crevasse in 1922, the engineering committee of the safe river committee made a study of the practicability of a spillway being used to reduce flood heights on the lower river and

reported favorably thereon. The report of the engineering committee demonstrated that the Poydras crevasse had a lowering effect of 2.7 feet on the Canal Street gauge, if allowance be made for the additional estimated height of seven-tenths that the river would have reached had there been no crevasse. The report of the committee also demonstrated that the effect of the crevasse was felt as far up the river as Donaldsonville and as far down the river as Fort Jackson.

At the request of the Safe River Committee of One Hundred an engineering brief was presented to the Mississippi River Commission inviting attention to the continued smaller discharge for the same gauge readings at New Orleans; and that judging by the river's performance in that respect it was not reasonable to expect that future great floods, such as should be provided for, could be passed between the levees at the elevation assumed by the commission, and that consequently the approved grades were too low. The difficulty of building levees to higher grades was touched upon and many cases of subsiding levees referred to, indicating that the limit of the supporting power of the soil upon which levees were built was being reached by levees built to the present grade.

A spillway was recommended, to be located about 6 miles below the lower limits of the city, discharging into Lake Borgne, an arm of the Gulf and only 5 miles distant. It was to be 6,600 feet wide, with a crest elevation placed about 6 feet below flood height, and to have removable shutters that would permit the passage of a river flood 3 feet higher than the crest of the weir without operating the spillway, if so desired. The last feature was a concession made to the anticipated objection that the operation of the spillway would cause shoaling of the main channel below, and the purpose of the removable crest being to minimize the frequency of operation of the spillway without reducing its relief capacity when it was needed. At the same time it was pointed out that there was no relation between gauge heights and the amount of sediment carried in suspension, and as a matter of fact the maximum sedimentary load was carried at stages lower than the bank-full stage. Consequently if the river was capable of carrying in suspension its maximum load of silt, with slopes such as it had at stages 6 or 7 feet below the maximum height, the fear that it may drop its sedimentary load as a result of lowering its height below the spillway may justly be questioned. Particularly should a spillway with a crest 6 feet below flood stage be considered in a different light from a crevasse or outlet discharging from the main river at low stages and low velocities and with the high turbidity content accompanying these conditions.

A table of the relief expected at varying stages of the river was submitted which indicated that a flood that normally would reach 25 feet on the Canal Street gauge could be passed at a reading of 21 feet, with a discharge of 250,000 second-feet over the weir. The high reading in front of New Orleans in 1922 was 22.6. With the spillway in operation and with the levees brought up to present approved grade, it was concluded that adequate flood protection would be provided.

The answer of the commission to this brief was to the effect that—

> "In view of the comparatively slight reduction in stage, the increased jeopardy incident to increasing the length of levee lines, and the bad effect of the spillway on the river itself, it would seem wise first to make the city safe by tried methods which are wholly feasible and much cheaper."

It is not admitted by the safe river committee that a possible reduction of an anticipated 25-foot flood stage at Canal Street to a 21-foot stage on that gauge can by any means be considered a "comparatively slight reduction in stage." The flood height of 20 years ago at New Orleans was 2.3 feet lower than that of 1922, and the proper yardstick with which to measure the benefit of even 2.3 feet reduction in flood height is the money and activities expended during the past 20 years by the levee interests for additional protection to take care of an increase of 2.3 feet in flood heights after making proper deduction for the construction of new levees caused by caving banks.

Nor can it be admitted that there would result any bad effect of the spillway on the river itself. The reported shoaling of 7 per cent that took place in the main river below Poydras Crevasse was probably the result of sedimentation at lower stages of the river than that at which the crest of the proposed spillway was placed and during low-velocity periods and high-turbidity content. At any rate, the significant fact is that the river completely recovered its lost cross-sectional area, as was determined by a resurvey in the early spring following the crevasse.

A former president of the Mississippi River Commission, in a criticism of the proposed spillway (see Engineering News-Record, vol. 90, No. 1), questions the practicability of safely conducting a flow of 250,000 second-feet between parallel levees 6,600 feet apart over a bed of alluvium such as forms the banks of the Mississippi River and with an average slope of 4 feet to the mile. As a matter of fact, the slope is less than 4 feet to the mile and probably will not average 3 feet to the mile if the cataract action at the crest of the spillway is taken into account. Also it should be stated that there is at the present time on the left descending bank of the Mississippi River about 80 miles below New Orleans a stream known as Baptiste Collette Bayou flowing between parallel levees and connecting the Mississippi River with an area of the Gulf with a high-water slope in excess of 4 feet per mile and none of the dire consequences predicted in the article referred to has materialized. The Baptiste Collette Bayou was diked across at a distance of about 3,500 feet back from the river, but the dike was blown up or cut during 1915 and the river has been going through ever since with no protection works to prevent the enlargement of the bayou.

The distinguished engineer above referred to has stated that, if an additional spillway to the Atchafalaya outlet is required, a spillway in the vicinity of Bayou Manchac is the least dangerous location for it and the one that will produce the maximum lowering of flood heights on the lower river, and by giving it ample width scour can be reduced to a minimum. He realizes that such a location would necessitate the construction of levees along the shores of Lake Maurepas and Lake Pontchartrain, a consideration which in the opinion of the safe river committee engineers makes this suggested location impracticable.

The advocates of the Lake Borgne spillway did not contemplate that it would be possible to maintain the bed of the spillway channel without erosion. It was recognized that erosion would follow, and as an attempt at directing the location of the erosion it was believed that in building the side levees these should not be built from excavations taken near the berme, but should be built by hydraulic dredge, digging a pit along the axis of the proposed channel to induce, as much as possible, the scour to take place midway between the side levees. Manifestly it would be desirable to permit the discharge from the spillway to dig a channel for itself and depress its bed or entrench itself for the entire 5 miles from the lake to the weir. It is also evident that with the erosion of the bed of the spillway channel there will follow an increase in its flood-carrying capacity. The deeper the scour and the more capacious the channel the slower the water will flow and a point will be reached when erosion will stop. By bringing Gulf level from Lake Borgne to the flexible concrete mattress apron provided for at the rear of the weir, the problem of maintenance could be localized and better handled.

As to the danger of the structure washing out on account of the character of the foundation and insufficient dimensions, which was also referred to in the article mentioned, this is a question open to discussion after examination of a suggested plan that was prepared for the consideration of the Government authorities.

The engineering committee anticipates no such treacherous soil conditions as are feared by the distinguished engineer who criticized the plan submitted. The general permanency of the river bank at the suggested location leads the committee to believe that the underground material is not of that character as would readily flow from underneath the proposed structure into any erosion of the spillway channel.

When a condition like this exists the liquid or slushy material is just as likely to flow into the channel of the river itself and is evidenced by actively caving banks.

Certainly no structure of this kind should be undertaken without investigation being made as to the character of the subsurface conditions to be encountered and modifying the foundation plans accordingly. The safe river engineering committee did not have the necessary funds at its disposal to have borings made to determine exact data of this kind, but drew on its general information as to the soil conditions along the river front in the preparation of the suggested plan.

The shape of the rear surface of the weir was admitted not to be final but should be dependent on the outcome of observed results on experimental models constructed to scale. The question as to the proper width of the flexible concrete mattress beyond the rock cribs while shown as being 200 feet wide was also recognized as being a detail open to further discussion. A combination of the rigid type of structure typical of American practice and of the flexible type of structure as practiced in Egypt and India was chosen, since both types seem to have desirable features.

With reference to the boldness of the undertaking to relieve the Mississippi River of 250,000 second-feet over a weir 6,600 feet long constructed on a clay foundation, the job does not rate in magnitude with similar structures successfully executed by English engineers in India, notably the Dehri Weir (on the Sone River), which is 12,500 feet long and constructed on a sand foundation and with a discharge of 830,000 second-feet.

Let it not be said that the spillway can not be constructed on account of inability to build a structure that will not wash out. Such a challenge to the engineers and contractors of this country will be quickly accepted. There was a time when "quicksand" was a word to terrorize both the engineer and the contractor, and many a worthy project never got beyond the blue-print stage by reason of the fear that that word engendered. That was before we realized that quicksand was not a material but rather a condition of a material, and once the water was removed from quicksand it was stripped of its terror. The most ambitious engineering structure in this city has its foundation in a bed of so-called "quicksand."

Many years ago, a very competent and able engineer of the United States Army, Capt. John Millis, who was then in charge of the fourth Mississippi River district, in reporting on a proposed spillway into Lake Pontchartrain or Lake Borgne used these words:

"I also believe that whatever may be the standard of height and strength to which the levee system below Red River is finally completed, some such provision as herein proposed for relieving the river in the event of an extraordinary flood will be a judicious and economical measure."

And in 1893, three of the seven members of the Mississippi River Commission, General Comstock, Colonel Ernst, and Mr. Henry Flad, submitted a minority report which contained the following statement:

"Concurring in the inadvisability of an attempt to create new outlets from the Mississippi River which shall be large streams at all stages of the river, we do not wish to be understood as condemning the use in levees of long waste weirs to take off the top of the flood if it shall be found that at certain places on the lower part of the river the further increase in flood flow which will come from raising the levees at points farther up the river can be controlled in whole or in part by such weirs more economically than by higher levees."

It will therefore be seen that a spillway as a flood relief device on the lower river does not lack the sanction or approval of United States engineers high in authority on mattera referring to the Mississippi River.

Then read, as a close to this feeble attempt on my part to get the views of our eminent men of New Orleans to the country, this excerpt from a paper by Mr. Lawton:

It is a great pity that honorable Senators and Representatives do not take up this river problem along the lines originally laid down by the engineers, now that the levees are nearly completed, so that the second and final phase of this great work could be pushed vigorously toward completion.

I refer to the mattressing of the banks from low water down, the riprapping of the battures, and the revetting of the levee beyond the high water line, which work all of the engineers agree must be done before the Mississippi can fairly be said to be under control.

Whether this colossal undertaking of putting this lawless river in a strait-jacket from Cairo to The Passes will require a half billion or a billion, or whether it will take a half century or a century to complete the job, it will have to be started, and properly started, now pretty soon if the American people mean to actually solve this problem for the coming generation. If this work had been undertaken 40 years ago, when the Mississippi River Commission in its initial report outlined this plan, and had been uninterruptedly and properly prosecuted ever since there would be a relatively clear-water condition in the river to-day, when the engineers would be hard at work widening the Atchafalaya, opening the Lafourche and Plaquemine, while digging spillways at every available site below the Red. All river engineers agree that were it not for the vast amount of silt carried by the Mississippi, very nearly all of which comes from the caving of its own banks, there would be no trouble about lowering its level except at the cost of laterals and their available sites along its banks.

In this connection the Mississippi River Commission in its report above mentioned (February, 1880. Report Chief of Engineers, United States Army, 1881, p. 2725), in discussing outlets, said:

"This method would undoubtedly be effective if the flood waters of the Mississippi were not highly charged with sedimentary matters which are held in suspension in the water by the current."

The engineers of the river boards mentioned, as well as all of our Army engineers, most of whom have been graduated from West Point, represents undoubtedly the highest type of American citizenship. Progressive, efficient, and unpurchasable, they would, if given the means and their work was freed from the malign interference and influence of the professional politician, such as the railroad lobbyist, build from the Mississippi as it stands to-day the grandest transportation medium in all the world.

Why not, then, try to get for the engineers, say, $10,000,000 a year for the next 50 years and permit them to finish this job, as they know how to finish it and as they would finish it if they simply got the money and the mandate and were let alone? Why not, even at this late day, reorganize the present commission into a Panama Canal commission and permit them to transform this presently crude, uncontrolled, and costly river into the great low-level productive highway they are going to give us some day? Why not begin shaping things with a view of getting some water out of the lower river instead of trying to force more into it, at the unknown cost of raising the flood heights at New Orleans?

Mr. AYRES. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Chairman, a favorable report on the McNary-Haugen bill has been ordered by the House Committee on Agriculture. That report will be made to-day or to-morrow, so that within the next few days you will have an opportunity to examine the provisions of the measure as reported. This bill was introduced in the Senate by Senator MCNARY, of Oregon, and in the House by Mr. HAUGEN, of Iowa, the distinguished chairman of the House Committee on Agriculture. These bills were introduced in the early part of the present session of Congress. In the House Committee on Agriculture exhaustive hearings were held, extending over several weeks. After the hearings closed the committee took the bill up, considered it paragraph by paragraph, and for more than a month, meeting every day, gave it most thorough consideration. Many amendments were offered; some were rejected, but many were adopted. The bill has indeed been completely revised by the committee, so that the measure ordered reported may well be called the revised McNary-Haugen bill. I urge every Member of this body to study carefully the provisions of this new bill before passing judgment upon it.

It is not my intention at this time to make an argument in favor of the McNary Haugen bill, but rather to call the attention of the Members of the House as briefly as possible to its provisions. Later on, when the bill is brought up for consideration, I shall seek the opportunity to present my views and my arguments and to tell the House why I think the bill should be passed just as speedily as possible.

THE PURPOSE OF THIS LEGISLATION

Before proceeding with a detailed outline of this bill let me state in a few brief words the object to be attained.

By the passage of the McNary-Haugen bill we seek to place agriculture upon an equality with the other industries of America and to restore the dollar which the farmer gets for the sale of his commodities to its pre-war purchasing power. This bill will give the farmers increased prices for their basic agricultural commodities and consequently fairer and better returns for their toil and labor than they are now receiving.

THE EXPORT CORPORATION

A general emergency is declared to exist in respect to agricultural commodities. To relieve that emergency the United States agricultural export corporation is incorporated. The board of directors of this corporation is composed of the Secretary of Agriculture, who is the chairman of the board, and four persons appointed by the President, by and with the advice and consent of the Senate. The 12 Federal land bank districts of the United States are divided into four groups, and the President appoints one director from each of these groups. Each of these directors receives an annual salary of $10,000 and shall hold office during the corporate existence, which shall not exceed five years. Not more than two of these appointed directors shall be members of the same political party.

CAPITAL STOCK

The capital stock of the corporation shall be $200,000,000, subscribed by the United States, the subscription to be called for as needed. The funds thus secured constitute the original working capital of the corporation. According to the plan of the bill, protected by the equalization fund, to be described later, these funds are in the end to be returned to the Treasury unimpaired.

ISSUANCE OF SECURITIES

The corporation may borrow money and issue its notes or bonds therefor. Its obligations shall not at any one time exceed five times its capital stock.

UNITED STATES NOT LIABLE

The United States shall not assume any liability directly or indirectly for any notes, bonds, or any other indebtedness of the corporation, and each note, bond, or other evidence of indebtedness shall so state upon its face.

COMMODITIES DEALT WITH IN THIS ACT

The only agricultural commodities that can be dealt with under this act are wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine. Whenever the corporation finds that there is a surplus of one or more of these commodities and that the domestic price of the commodity is below the ratio price—this ratio price will hereafter be explained—the corporation shall notify the President and it shall be the duty of the President immediately to declare by proclamation that a special emergency exists as to such commodity. Only after such a proclamation has been made can any of the commodities listed above be handled by the corporation. Provision is made for the termination of the special emergency as to each particular commodity when the conditions which brought about the emergency no longer exist. After a special emergency is proclaimed as to any particular commodity, and until it is terminated, such commodity,

to distinguish it from the rest, is called a "basic agricultural commodity."

RATIO PRICE

The act provides how the ratio price of an agricultural commodity is to be determined and further provides for its timely publication. The ratio price of a basic agricultural product for any ratio period shall bear the same relation to the pre-war price of such basic commodity as the current average all-commodities price in effect for such period bears to the pre-war average all-commodities price. These wholesale price indexes of all commodities are now based on 404 different commodities.

The Secretary of Labor computes the average price (the index number) of all commodities for the period 1905 to 1914, inclusive. This computation is made from data in the hands of the Bureau of Labor Statistics. This figure for these 10 years represents the pre-war average all-commodities price, and is used as a constant unchanging figure in determining the ratio price for each commodity. It is taken as 100.

The Secretary of Agriculture and the Secretary of Labor compute the average price of each basic agricultural product for the period 1905 to 1914. This is the pre-war basic commodity price, and is constant and unchanging for each basic agricultural commodity. The Secretary of Labor after the end of each month computes and publishes the average price (the index number) of all commodities for that month. This average price is the current all-commodities price and changes from month to month, but the change normally is not very great.

From the information furnished by the Secretary of Agriculture and the Secretary of Labor the ratio price of any commodity can be readily ascertained, and the ratio price of each basic agricultural product will be published each month at every terminal market.

RATIO AND ACTUAL PRICES OF A FEW COMMODITIES

Some will be interested in additional information as to how ratio prices are arrived at and what the prices would have been on some of the important basic commodities named in the bill during recent months.

Index numbers of wholesale prices of all commodities, as described above under "Ratio price," are prepared regularly by the Department of Labor. They use as their basis the year 1913, instead of the 10-year average, 1905 to 1914. Having all the necesary figures, it is very easy to convert the average prices of one basis period into another. In fact, this is already done monthly by the Department of Agriculture for many of the products named in the bill.

Actual and ratio prices of basic agricultural commodities for 1924 on 1905 to 1914 basis, and current all commodities price index compared with pre-war

Month	Actual price	X ratio price	Pre-war basic commodity price (1905–1914 basis)	Current all commodities price	Prewar all commodities price
Wheat:					
No. 2 red winter, Chicago—					
January	1.13	1.59	$0.987	161.3	100
February	1.13	1.60	.987	162.4	100
March	1.09	1.58	.987	160.3	100
No. 2 hard winter, Kansas City—					
January	1.13	1.51	.936	161.3	100
February	1.11	1.52	.936	162.4	100
March	1.09	1.50	.936	160.3	100
Average No. 1 northern and No. 2 red winter, Chicago—					
January	1.12	1.61	1.001	161.3	100
February	1.16	1.63	1.001	162.4	100
March	1.13	1.60	1.001	160.3	100
Corn:					
Contract grades, Chicago—					
January	.76	.97	.602	161.3	100
February	.80	.98	.602	162.4	100
March	.769	.97	.602	160.3	100
Hogs:					
Average of heavy and light—					
January	7.20	11.45	7.10	161.3	100
February	7.08	11.53	7.10	162.4	100
March	7.36	11.38	7.10	160.3	100

Given the information contained in the various columns of the above table and remembering that the basis period, 1905 to 1914, always equals 100, with which current all commodities are compared in each case, it is easy to figure the ratio price given in the third column. The actual price given in the second column is merely put in for purpose of comparison. It is not used in any way in computing the ratio price.

Let us now compute a ratio price for hogs for March, 1924:

X equals the ratio price when determined.

$7.10 equals the pre-war basic commodity price, namely, the average price of hogs for the 10 years, 1905 to 1914.

160.3 equals the current all-commodities price for March, 1924.

100 equals the pre-war all-commodities price.

We now have the following proportion to solve:

X : $7.10 : : 160.3 : 100.

Multiplying the means, $7.10, by 160.3, and dividing by the extreme, 100, we get the ratio price of hogs at Chicago that the corporation would use from April 15 to May 15, namely, $11.38 per hundred, in event the monthly ratio period was decided on by the corporation for hogs.

The actual average price that did prevail during March at Chicago was $7.36, based on the average of light and heavy hogs. The prevailing price, of course, plays no part in the calculation of the ratio price. It is mentioned only to show how out of line the present price is compared with the 10-year pre-war average purchasing power.

We can now define very simply what the ratio price at which the corporation will buy is. It is that money price of a given basic agricultural commodity that will give a unit thereof the same purchasing power now in terms of all commodities as such unit had on the average in the 10 years, 1905–1914. In order for 100 pounds of live hogs to buy as much as they did then the price would have to be $11.38, not $7.36. The reason for this condition is obvious. The prices of other things have gone up out of proportion to the prices of hogs, wheat, and other farm products, particularly those we export to foreign countries.

For convenience the expressions "current all-commodities price," "pre-war all-commodities price," are commonly used. Of course, there is no such thing as a price of all commodities, but the idea to be conveyed is, nevertheless, a very definite one. If you could fuse the 404 commodities now included in the Bureau of Labor Statistics' wholesale price index, you would have a single commodity to which a price known as an "all-commodities price", might be assigned. The following table shows the groups included in the wholesale index, their importance in percentage, and the valuation in exchange based on the 1919 census:

Relative importance of commodity groups as measured by their wholesale computed value,

Group No.	Group name	Percentage of aggregate value of all commodities	Computed value
I	Farm products	26.80	$8,322,081,000
II	Foods	22.19	6,051,100,000
III	Cloths and clothing	9.48	2,944,369,000
IV	Fuel and lighting	17.37	5,391,260,000
V	Metal and metal products	7.61	2,357,094,000
VI	Building materials	5.28	1,914,067,000
VII	Chemicals and drugs	1.67	529,244,000
VIII	House-furnishing goods	3.35	1,044,975,000
IX	Miscellaneous	6.25	1,939,799,000
	Total computed value	100.00	32,494,089,000

MAINTAINING THE RATIO PRICE

The bill in effect says that any quantity of a basic agricultural commodity that must be removed from the domestic market in order to maintain the price at the level of the ratio price is export surplus. So the corporation goes into the domestic market and buys the commodity at the ratio price and thus maintains the domestic price and keeps it at the level of the ratio price.

The corporation exports and sells its purchases in the foreign markets at the best prices obtainable, or it may sell in the domestic market under certain conditions and for certain purposes.

If for any reason the corporation deems it advisable to have a basic commodity processed and then to export the processed products, or to have them exported, the law gives it power to do so. In such case it may sell the raw commodity to the processor at the highest prices obtainable, and he may be required to give a bond to insure the exportation or other agreed disposition of the processed commodity.

After a special emergency ends the corporation in winding up its affairs may sell either in the domestic or foreign markets, whichever will pay the highest prices.

POWERS OF THE CORPORATION

The corporation in the transaction of its business shall utilize, as far as it is possible to do so, existing facilities, agencies, and associations of producers. In order that it may be unhampered in its transactions, it is by this act given special powers. It is authorized to lease, maintain, and operate storage warehouses and facilities for the processing of agricultural commodities. In functioning through mills, elevators, packing plants, and other facilities it may make such agreements and enter into such contracts as are necessary for the transaction of its business. The corporation may make advances to any person, provided the notes, bonds, or other evidences of indebtedness are properly secured by warehouse receipts, shipping documents, or other adequate securities.

It is given such powers as are necessary to conduct in accordance with approved business methods the business of trading in basic agricultural commodities.

EQUALIZATION FEE—PURPOSES

It is intended that in the operation of this act the producers who are the ones benefited by its provisions shall pay the losses and the expenses of the corporation. In order that the producers may pay ratably their equitable share of the losses and the expenses there is created what is known as an equalization fee. This act provides what shall constitute a sale of each basic agricultural product. It also provides what shall not be a sale under this act. We seek, as far as possible, to exempt trading among farmers from the provisions of this act.

AMOUNT OF FEE—HOW DETERMINED

The corporation is required to make a careful estimate of export surplus of each basic agricultural commodity, the probable losses from the export of each commodity, and the estimated expenses of the corporation. It shall ascertain the standard unit of weight or measure by which each commodity is sold or traded in and make a careful determination of the amount to be collected from the sale of such unit. The amount thus determined is the equalization fee. The amount of the equalization fee of each commodity when determined shall be published in each terminal market.

EQUALIZATION FEE—HOW COLLECTED

The corporation is directed by this act to collect under such rules and regulations as it may promulgate the equalization fee due in respect to the basic agricultural commodities. The corporation is authorized to enter into agreements or make contracts with any individual purchaser or any agency of trade or commerce, and the corporation may call to its assistance any executive department of the Government in the collection of this fee.

In the main this fee will be collected by or through the purchasers of the various commodities. The act requires that a receipt be given to each producer, and this receipt will be evidence not only that he has paid the fee, but at the end of the year, if the corporation finds that it has accumulated a surplus in the fund of any commodity, this receipt will show each producer's participating interest in that fund. The corporation is given broad powers in collecting from the producers of the country these equalization fees so as to meet the losses and expenses of the corporation, and is at the same time given authority to redistribute equitably to the producers any surplus in any fund.

EQUALIZATION FUND—DIVIDENDS

The corporation is required to keep a separate equalization fund in its treasury for each basic agricultural commodity, into which the proceeds for the respective commodity shall be deposited.

The corporation is directed to distribute ratably any balance remaining in any of these funds to the persons by, or on account of, whom such equalization fees have been paid.

ADJUSTMENT OF IMPORTS

The purpose of this act is to provide a means whereby the producers' prices of basic commodities are increased. When this is accomplished, we do not propose to allow the farmers or the handlers of farm products of other countries to come in and take advantage of the high prices of the American farmer. Provision is therefore made in the act which will permit the President to increase the duty on basic agricultural commodities whenever necessary, or to exclude during the emergency the importation of these commodities.

INFORMATION FOR PRODUCERS

The corporation shall cooperate with and encourage the formation of associations of producers. It shall keep producers informed, as far as possible, of world-wide production of basic commodities and shall impress upon them the evil results which may follow from overproduction in our own country.

PENALTY SECTIONS

The last few sections of this bill contain the penalty provisions which were thought necessary by the committee to prevent violations of the act.

CONCLUSION

In conclusion I may say that the McNary-Haugen bill has been discussed far and wide throughout the country for the past three months. Much has been said in opposition to it by editorial writers in our large daily papers and in pamphlets sent to Members of Congress. A careful reading of many of these editorials and pamphlets by anyone at all acquainted with the provisions of this bill will disclose the fact that the writers thereof had not given careful study to the measure before setting forth their views thereon. I sincerely hope that the new bill presented to this House will receive fair and courteous consideration by everyone. I know that that kind of treatment will be accorded it by Members of this House. Let us hope that the same fair and courteous consideration will be given this proposed legislation by the press and by all others, even though they may be opposed to its enactment.

Mr. AYRES. Mr. Chairman, I yield the remainder of my time to the gentleman from Nebraska [Mr. HOWARD].

Mr. HOWARD of Nebraska. Mr. Chairman, if I should forget all I intend to say, may I now ask permission to extend my remarks in the RECORD?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the House, I secured from my kindly manager a little time here this afternoon to speak on a rather serious subject. Oh, but how may I speak seriously, following the soulful conversation of the gentleman from North Carolina [Mr. ABERNETHY], and then having been translated into the ethereal zone, almost, by the whispered eloquence of my friend from Louisiana [Mr. O'CONNOR]? Having been drawn so far away from sordid things I feel that I ought to speak just a little about that wonderful Nebraska of mine. I grant that all is true that the gentleman from North Carolina has said about his wonderful Carolina, and I know that all is true that the gentleman from Louisiana has said about the Mississippi River, and the mouth of it particularly. What may I tell you about my own Nebraska? Aside from its women, I think the most beautiful thing in Nebraska is a prairie sunset. Did any of you ever see a prairie sunset in Nebraska? Oh, you have seen them in other places, but I want to know if you have ever seen a real prairie sunset. I have never been privileged to travel over the seas. I do not know what visions an artist beholds when he views an Italian sunset. I have never seen anything of that kind. I have never been privileged to see the great orb of day sinking into the limpid waters of the Mediterranean, but I have seen a Nebraska sunset, and I know what a Nebraska dreamer sees sometimes when he views a Nebraska sunset, more beautiful than any other clime has known. I remember particularly one sunset there. The great orb of day was flooding the landscape with a radiance of unspeakable beauty. I tried to count the colors in that sunset. Did any of you ever ask yourselves how many colors God hangs in the sky when he paints a beautiful sunset? I tried to count the colors.

I could not, but I made a wonderful discovery. I made the discovery that there is in that sunset I beheld colors sufficient to bear to me every fragrant flower from my own conservatory of memory. Sometimes I saw the peach-blush bloom on the cheek of my boyhood sweetheart, and often I saw the golden gleam of my true chum's friendship, and sometimes I saw or thought I saw the carmine tint of holy mother love. I could not surely count the colors, but there they were in number sufficient to plead with me more earnestly than orators' words or authors' lines to struggle along the upward way, with promise sure that at the end of the journey it may be my privilege to behold upon the horizon of Paradise another sunset, and in the radiance of it to count the colors of a welcome smile.

My friends, I would much prefer to talk along the lines which lift me off the floor rather than to talk along the sordid lines which hold me close to earth, but I have a mission to perform here and right now, and that mission is to call attention to a sad situation and to try to carry to you and to the country a knowledge of the blame for that situation.

My friends, we came here, every Member of this House, I think, nearly six months ago with a firm knowledge of the fact that the instant need of our country was some sort of legislation to relieve distress in all the agricultural regions. We are here to-night, and we have not plowed one furrow in that direction. [Applause.] Many of you, perhaps, will recall that I

offered here yesterday morning a little resolution. You did not hear it read. Objection was made to the reading of it. Well, of course, that was all right, because the rules of the House do not permit it, except by unanimous consent. But I asked that unanimous consent be given in order that the contents of the little resolution might be conveyed to the ears of the House for its information. I did not attempt to take anybody by surprise. My friends on the administration side of the aisle often seem to anticipate that I am going to surprise them.

I do not like surprises myself, and I never try to surprise anybody; and so in the effort not to surprise anybody I had borne a copy of this little resolution to the ear and to the eye of the generalissimo on the staff of the administration leader, the leader himself being absent for the moment, and he told me that, however much he loved me, he would have to object to its reading. That is all I asked. I asked permission then that it might be read by the Clerk. May I ask that same permission now, Mr. Chairman?

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks by including——

Mr. HOWARD of Nebraska. Oh, no; by having it read right now——

The CHAIRMAN. To have read from the Clerk's desk the resolution that he offers. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. He can read it more distinctly than I.

Mr. LONGWORTH. I am afraid my friend's voice is giving out.

Mr. HOWARD of Nebraska. Oh, no. My voice is so softened by the lilting tones of my literary friends preceding me that I can not speak as harshly as I should upon the mission of my resolution. [Laughter.]

The CHAIRMAN. Without objection, the Clerk will read the resolution.

The Clerk read as follows:

House Resolution 273

Whereas the probable date for adjournment of the present session of the Sixty-eighth Congress is now a subject for daily discussion among the Members of this House, not open discussion upon the floor, but privately, in the cloakrooms and hotel lobbies; and

Whereas the generally admitted chief need of the country—legislation to relieve the ills of agriculture—has not been in any wise accomplished by the Congress: Therefore be it

Resolved, That it is the sense of this House that the problem of fixing a day for final adjournment shall be held in abeyance until the prime problem of the hour—legislation to relieve distress in agricultural zones—shall have been accomplished by legislative enactment.

Mr. HOWARD of Nebraska. I thank you.

Mr. BLANTON. It never would adjourn.

The CHAIRMAN. The time of the gentleman from Nebraska has expired. The gentleman from Minnesota has one minute remaining.

Mr. DAVIS of Minnesota. Mr. Chairman, I will yield that one minute to the gentleman from Nebraska.

Mr. HOWARD of Nebraska. No. I was perhaps too long in speaking. My leader was very magnanimous with me. That is very sweet of you, but I do not need it.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield to the gentleman from Washington [Mr. SUMMERS] one minute.

Mr. SUMMERS of Washington addressed the committee, and asked permission to extend his remarks in the RECORD.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD by including the matter suggested by him. Is there objection?

Mr. HOWARD of Nebraska. Reserving the right to object, will the gentleman kindly tell us whether the argument is in favor of agricultural legislation?

Mr. SUMMERS of Washington. It is. It is the strongest appeal I have heard.

Mr. HOWARD of Nebraska. I will do anything I can to help my friends on the other side, and so I withhold objection.

Mr. BLANTON. Reserving the right to object, Mr. Chairman, although I will not object, I do not think the gentleman ought to state that that is the Democratic standpoint. I do not know of any one man in the United States who is now authorized to discuss any subject under that category.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SUMMERS of Washington. Mr. Chairman, I desire to bring to the attention of Members the best discussion of the situation of agriculture throughout the United States that has come to my attention. This is captioned "Agriculture is dying." It is from the publisher of the Missouri Farmer. I want to bring it especially to the attention of our friends on the other side of the aisle, since the author of this article is Mr. William Hirt, one of the leading Democrats of the State of Missouri. He discusses some of the features of the McNary-Haugen bill from the Democratic viewpoint. I ask the privilege of extending my remarks by inserting a part of this in the RECORD.

The matter referred to is as follows:

AGRICULTURE IS DYING

[An open letter from the publisher of the Missouri Farmer]

It may be said that the one and only purpose of the McNary-Haugen bill is to place the farmer on an even footing with organized industry and labor and to have the Government do for him in these premises what in his present unorganized condition he is not able to do for himself!

IS THIS LEGISLATION NECESSARY

No doubt the first question the average Member of Congress will ask himself is, "Is this legislation necessary—is the condition of agriculture so desperate that Congress will be justified in a time of peace in taking a step as far-reaching as the one contemplated in this act?" And as one who is, as you know, quite intimately acquainted with agricultural conditions not only in Missouri but in other of the great Corn Belt States, my unequivocal answer is that it is. In fact, I will go further and say that American agriculture is to-day facing the greatest crisis in its history; and even if the McNary-Haugen bill is passed, thousands of farmers will be sold out by the sheriff and hundreds of country banks that are considered solvent to-day will close their doors before aid can possibly come from legislation or from any other source.

And in saying this I need only point to the foreclosure sales on farms and the great number of banks that have gone upon the rocks in the great farming States during the last two years. Here in Missouri—one of the greatest agricultural States in the Union—we have thousands of farms that have been abandoned during the last three years because their owners could not rent them, and thus despairing of what they considered a hopeless and useless struggle they turned them over to the mortgage holders and moved to some town or city in the hope of getting hold of some of the "easy money" which has been so plentiful in these quarters since the time when the World War reached its crest.

"What is the trouble?" you ask. Fundamentally, it is very simple. When the World War came to an end, and when the frenzied demand for the surplus food products of this country ceased, the American farmer was suddenly thrown back completely upon the world markets; and thus for the last four years the price of American wheat, pork, beef, and other surplus farm products has been determined, not on the basis of the American farmer's production costs, not on the basis of our so-called American "living standards," but purely on the basis of the competitive value of these commodities in Liverpool and in other world clearing ports where the peasant and peon farmers of the four corners of the earth dump their yearly surplus. And these world price levels govern not only with reference to our surplus but they fix the price of these commodities in our home markets; and thus we have the remarkable situation where the daily wage of a bricklayer or plasterer during 1923 equaled the value of an average acre of wheat or of a 230-pound hog which it took seven months of the farmer's care and feed to produce. Mind you, I am not saying that the bricklayer or plasterer should accept less, for this precipitates a question which I do not care to discuss at this time. I am merely citing the cold facts as they are and why there is serious trouble out at the "crossroads."

On the other hand, while the conclusion of the World War suddenly threw the farmer back completely upon the world markets, both industry and labor, which are powerfully organized, were able for the most part to "hold their first-line trenches"; and thus to-day industry is fighting its battles from behind the great protecting walls of the Fordney-McCumber Act, while labor has not only held to most of the advantages it obtained during the war but in the aggregate I think I am safe in saying that the Nation's pay rolls have been increased to the extent of hundreds of millions of dollars since the armistice was signed, and this isn't taking into account the tightening up of our immigration laws. And thus the American farmer finds himself between two fires: On the one hand, the selling price of his commodities is determined by the peasant and peon farmers of the wide universe, while on the other hand his living and production costs are determined under the highest merchandise values, freight rates, and taxes ever known in this country and under the highest wage scales that obtain in any nation in the world. And thus, like a great ship, American agriculture is being pounded to pieces on the reefs of low world price levels; and in these premises one of two things must happen: Either industry and labor will have to reduce the cost of their wares and service to the level of the farmer's living and production costs or, as certain as the sun shines above, the destruction of agriculture will follow.

IS THIS MEASURE "WORKABLE"

Already, as was to be expected, the critics of this bill say it isn't "workable" for a thousand different reasons, more or less. But why is it necessarily not a practical proposal?

When a governmental agency takes the surplus wheat, pork, or beef out of the domestic markets and fixes a definite tariff which will protect these commodities against the importation of cheaper similar commodities from the outside, then why will not such a tariff fix the domestic price? From time out of mind our great manufacturing enterprises that enjoy protection have charged a price within the United States, up even with the tariff wall—and when the export price lost them money they curtailed their output. But the farmer has never been able to "collect the tariff," because, unlike our great manufacturers, he is not in position to concentrate his selling—he is not in position to separate those of his commodities which are consumed in the domestic markets as against those which are exported, and therefore a tariff on wheat or other surplus farm commodities is as meaningless to him under existing conditions as the number of spots on the sun. And under these circumstances the fixing of tariff duties on surplus farm commodities has been nothing less than a ghastly political joke. Nor is the farmer in position to abandon the production of a surplus, as are our great manufacturers, first, because droughts, floods, and insect pestilence may disastrously affect his acre yields, while disease may devastate his flocks and herds. Again, with no organization or central directing force, about all our 6,500,000 farmers can do is to use their own best individual judgment, whether with reference to the production of grain or livestock.

But that a tariff can be made 100 per cent effective when the surplus of a given farm commodity is taken out of the domestic market, of this there is not the slightest question; and therefore we come back to the proposition which I made before, namely, that under this bill the Government would assist the farmer in doing what he is not now in position to do for himself.

And, furthermore, the Government can do this without the loss of a single penny. To illustrate let us assume that the world price level on No. 2 wheat will be $1 per bushel f. o. b. Chicago on July 15 of this year. Unless the McNary-Haugen bill or a similar measure is passed, this is all the wheat grower could hope to receive under any circumstances. But if the "ratio price" established by the proposed export commission should say that No. 2 wheat is worth $1.50 per bushel f. o. b. Chicago, then the farmer would receive this amount less his proportionate loss on the exportable surplus and the expense of the export corporation. To illustrate further, suppose we produce 800,000,000 bushels of wheat during 1924, and that 600,000,000 bushels of this is required for home consumption, leaving 200,000,000 bushels for export; next let us assume that the "ratio price" within the United States is $1.50 per bushel while the world price is only $1 per bushel, thus representing a loss of $100,000,000 on the surplus, and this loss charged up against the domestic price would mean a reduction of approximately 17 cents per bushel; next, in order to play perfectly safe, let us assume that it will cost 3 cents per bushel to operate the commission, or a total charge off of 20 cents per bushel, which would still leave the wheat grower 30 cents per bushel "ahead of the hounds" at the end of the equalization period as against existing conditions.

And now here occurs the most serious difference of opinion I entertain against the McNary-Haugen bill; instead of attempting the issuance of "scrip" as a means of finally clearing up the transaction I would simply require the elevators, mills, and grain buyers throughout the country to keep a record of the amount and grade of wheat purchased from each grower and then as soon as the loss on the surplus and the costs of operation had been ascertained I would pay the balance due in the form of a patronage dividend.

And while I am stating my opinion on this phase of the matter in very general terms, I have no doubt that it could be worked out—and thus the final windup of the whole matter would be that the farmer would receive a "ratio price" based on the all-commodity price, less his share of the loss on the surplus and costs of operation and the Government would not have lost a cent in the transaction. Therefore why isn't the plan "workable?" And why can not the commission and the packers arrive at a similar arrangement on pork and beef? And why can not the millers and packers of the country adjust themselves to this kind of a program if they really have a desire to do so? In the meantime, our choice lies between trying to make the thing "workable," or sending agriculture to certain destruction. There is no other alternative!

Moreover, those who insist that this bill is not "workable" ought to get busy and bring forth some other measure that is, for certainly agriculture has a right to expect something more than a mere "dog in the manger" attitude from them. If they think the farmers' present cry for help is unwarranted—that actual conditions have been overdrawn—then let them have the courage to say so frankly. But if they do not desire to assume this attitude, if they do believe that something needs to be done, then let us remember the old saying that, "where there's a will, there's a way!"

The suggestion that the Government may under this bill invest "billions of dollars" in packing plants, warehouses, etc., is to me the purest claptrap. My personal view is that the commission should not invest a single dollar in such facilities and if there is any doubt on this score as the act now stands it should be amended and made "fool proof" in this respect—for why acquire such facilities when they are already in existence and when all that the owners have a right to expect is fair compensation for their use?

AS TO "PRICE FIXING"

I am perfectly aware that this measure is being assaulted on the theory that it is "price fixing" and also that it seeks to "defy the law of supply and demand." But when a great manufacturing industry demands a tariff which shuts out foreign competition and when it then proceeds to collect a price in the home markets up even with the tariff wall which surrounds it (often selling for less in the foreign markets)—in Heaven's name, what is this but "price fixing" and in such premises what becomes of the sacred law of supply and demand?

And likewise when the great labor unions through their organized might demand and enforce the payment of stipulated wage scales, again what is this but "price fixing"—and what chance has the farmer who stands at the end of the line to escape these superimposed burdens which come down to him in the form of inflated prices for farm implements, building materials, clothing, dry goods, shoes, transportation rates, etc.? For he is the "Jones" who "pays the freight"—he is the fellow to whom everybody else "passes the buck" and who can not pass it on to anybody else.

Therefore what is the fairness of raising our hands in virtuous horror at the idea of "price fixing"? What is the fairness of delivering profound platitudes about the law of supply and demand—a sacred white ox that departed "to where the woodbine twineth" for lo, these many years? And when I say this I do not concede that the McNary-Haugen bill is a "price-fixing" measure as that term is generally understood. On the contrary, it merely seeks to establish a fair "price ratio" between certain great basic surplus farm commodities and the current cost of living which forms the inevitable basis of the farmer's production costs.

And again let me say that I am not pronouncing an indictment in these premises against the Fordney-McCumber Act nor against the wage scales of organized labor, regardless of what my views concerning them may be, were they under discussion on their merits. What I am trying to do is to show that through the exactions of these forces the farmer is confronted by a "condition and not a theory"—that while he himself is helplessly chained to the world-wide law of supply and demand, there is no such animal, so far as American industry and labor are concerned—and there isn't an intelligent or fair-minded student of economic conditions in this country who doesn't know that this is the simple truth.

As the sorely perplexed farmer realizes that the purchasing power of his dollar (as expressed in the fruits of his toil) has been knocked into a cocked hat, and when he thinks of the fact that it takes $2 of his money to pay off an old debt, while industry and labor can still retire their obligations on an even basis—in these circumstances when supercritical gentlemen prattle about the law of supply and demand, let them not believe that they are fooling the farmer who knows perfectly well that he is getting the "hot end of the poker" and who is pretty apt to demand an accounting from those who continue to make him do it.

"WORKING ITSELF OUT"

This chatter that we should not seek to "defy the law of supply and demand" comes chiefly from the boards of trade and certain big grain exporters who pose as "experts" in these premises. Of course, the boards of trade don't want dealing in futures interfered with, for this is one of their chief sources of income. And, even so, certain eminent grain exporters don't want a commission to step in and perform functions which, under existing conditions, are a source of great profit to them—but if the time has come when Congress must make a choice between these gentlemen and the preservation of American agriculture, should it find that choice very difficult?

These same critics who prattle about the inviolability of the law of supply and demand say that the farmer is the victim of "natural causes" and that "everything will come out all right if we will only be patient," etc. And if Congress takes them at their word, it will do so at the peril of the whole Nation. For where is there a sane man who believes that either industry or labor will or can submit to a deflation during the next two or three years that will bring them down to a level with agriculture? And remember this is the issue—to assume that "everything will come out all right for the farmer" is predicated upon the idea that just as the peon and peasant farmers of the wide universe are fixing the price of American farm products at home and abroad, that in a like manner the American manufacturer and the American workingman will consent to get down on an even basis of remuneration with the manufacturers and workingmen

of Germany, France, and England. And I believe you will agree with me that if such a suggestion were seriously made it would produce a riot in industrial and labor circles within 24 hours.

LIVING IN A FOOLS' PARADISE

Since the armistice was signed our cities have been living in a sort of fools' paradise—in other words, we have been speeding on the "gas" that we inherited from the World War period during which time construction work of all kinds had largely ceased and also the rolling stock of our great railroad systems was so nearly shot to pieces that hundreds of millions of dollars had to be spent for its rehabilitation—and this isn't saying anything about the enormous amount of other repair work that had to be done. And thus things have been going along as merrily as a marriage bell, and we have paid little attention to the tragedy that is taking place out at the "crossroads" and which is becoming more serious with each passing day.

But during recent months there has been a perceptible slacking up in business circles, and there is every indication that we will soon "catch up with the hounds," if, in fact, we have not already done so—and the reason is that the American farmer is out of the game, as in truth he has been for the best part of the last four years. In other words, he is out on a "buyers' strike," not because he wants to be—not because he doesn't need billions of dollars worth of new building materials, farm implements, fencing, etc., but because since the deflation following the war struck him his one thought has been to keep his farm from falling into the clutches of the sheriff, and therefore interest and taxes have had his first consideration.

Of course, the passage of the McNary-Haugen bill will somewhat increase the cost of the commodities it touches, such as bread, pork, beef, etc., and yet if the handlers of these commodities do not use this measure as a profiteering pretext, then that increase will not amount to enough to seriously affect a single family in the country, for our so-called "high cost of living" comes, not from food costs, but from the output of our mills and factories.

In the meantime the fact that the American Federation of Labor has sent some of its leading representatives to the Agricultural Committees to urge the passage of the McNary-Haugen bill should be a tremendous eye opener to every Member of Congress. And back of this action are three exceedingly pertinent reasons—first, having compelled the passage of the Adamson law during the war, labor knows that it has greatly benefited by specific congressional action, and this isn't saying anything about the favors it expects to continue to receive with reference to the matter of immigration; second, it knows that if it expects to continue to enforce its present exceedingly generous wage scales, then the 40,000,000 people who reside on our farms must be placed in position to once more become aggressive buyers of merchandise, and, lastly, it realizes that if farmers continue to flock to our great industrial centers by the tens of thousands the soup house will be the final answer and that this time is not far away.

EMBARRASSING TO A DEMOCRAT

And now I have no doubt that the average Democratic Member of Congress who is deeply grounded in the old idea of a "tariff for revenue only" will find some difficulty in reconciling himself to a measure which so strongly invokes the principle of protection—but like the farmer we are confronted by a "condition and not a theory" in these premises. In the past, or before the World War, no one believed more steadfastly in the historic position of our party on the tariff than I did—and in proof of this I wrote from beginning to end the last Democratic platform adopted in this State under the old delegate convention system (in the latter part of the Folk administration), and I doubt whether the party ever gave out an expression in Missouri that contained a more deliberate arraignment of the protective system.

But the World War has changed many things and even if Democrats were in undisputed power in Congress to-day I doubt very much whether we would have the hardihood to place the country upon a purely "tariff for revenue only" basis—and I say this because with our inflated wage scales I seriously question whether American industry is in position to hold its own against the low wage scales of Germany, France, England, and other foreign countries at this time. In other words, it is going to take time for both industry and labor to get down off the high horses they are riding, even should they honestly and earnestly strive to do so and for the time being therefore it may be the part of practical wisdom to regard the Fordney-McCumber Act as more or less of a necessary evil. And by this I don't mean that it does not contain many iniquities which should be eliminated at the first opportunity.

And this makes the situation from the farmer's standpoint appear all the more alarming to me—the fact that if agriculture is to live, the farmer must be provided with a dollar of as great purchasing power as the dollar of industry and labor (which is the basis of his production costs) and the deep-seated conviction that, considering the manufacturing profit margins and wage scales of Europe, American industry and labor will not and in fact can not place themselves on a level with our foreign competitors at this time. Therefore it brings us back to the starting point—namely, that if agriculture is to be preserved, then either the price of farm commodities must be raised or the wares and service of industry and labor must be brought down to a level with them—and the latter hope seems to me an idle dream for some years to come!

Therefore as a Democrat I would take the position that so long as industry and labor are beneficiaries of the protective system, the farmer is entitled to his share of the spoils—and I would demand that if the Republicans think so, they make it more than an idle farce—that having given the farmer a tariff, they make it possible for him to collect it! And in these premises let me say that the McNary-Haugen bill is the "acid test," it is the greatest challenge to the sincerity of protectionists in the history of Congress!

AMERICAN AGRICULTURE IS DYING

Never in my humble opinion has Congress been confronted (in times of peace) with a question more profoundly grave than the one that is involved in the McNary-Haugen bill. If the measure is defeated, there will be no loud outcry at the "crossroads"—for the "crossroads" has long since grown accustomed to being told that its pleas are "impractical" for one reason or another and therefore with stoical resignation it will accept its fate, whatever it may be. But in the meantime, the sheriffs' sales will multiply, country banks by the hundreds during the next two or three years will close their doors and the steady stream from the farms to the towns and cities will continue—make no mistake on this score, for the rising and setting of the sun is not more certain!

And if Congress believes that we can safely run the gantlet—if our great captains of industry and our eminent bankers think they can keep our mills and factories in full-time operation and that the buying power of the 40,000,000 people who reside upon our farms is no longer necessary to this end—if they believe that our railroads can pay the present price of fuel, steel, and labor without hauling merchandise out to the "crossroads," as well as grain and livestock away from it—in short, if they believe that agriculture has ceased to be the great "basic industry" of the Nation and that it is no longer necessary in compelling favorable international trade balances, why, then perhaps the fate of the McNary-Haugen bill is of no great consequence! But let gentlemen make sure of their ground—let them be willing to accept the consequences if they have guessed wrongly.

And then there is another side to it. During recent years the tendency toward socialism and radicalism in our great centers of population has grown apace and it is from these realms whence comes ever-more insistently the demand that the Government shall operate the railroads and the coal mines and that the decisions of the Supreme Court shall be subject to congressional review—and unless laughter and the joy of contentment is brought back to the "crossroads," unless the deadly decay which is eating its way deeper and deeper into the heart of American agriculture can be arrested in the not distant future, then instead of our myriad farm homes continuing to be the great bulwark against this ever-increasing tide of radicalism which they have been through all the years of the past, let no one be surprised if farmers shall be found in increasing numbers among those who are striving with might and main to destroy our venerable institutions of government which have made the history of the Republic as wonderful as an Arabian Night's dream. Under normal conditions the farmer is a wholesome conservative, intensely proud of his country, and a firm believer in individual effort and responsibility—in fact the latter tendency is chiefly responsible for his present condition of helplessness. But the farmer is also human and as he contemplates the contentment and comparative luxury of those who fix his living and production costs and who seem to have no great difficulty in obtaining the ear of Congress, who will blame him if he voices the pitiful plea of Shylock, "If you tickle us, do we not laugh? If you prick us, do we not bleed?"

If the Republic of Washington and Lincoln is to remain anchored to its moorings in the years to come—if the sinister prophecy of Carlisle is not to be fulfilled—if in the future, as in the past, the farmer is to remain a wholesome "balance of power," who will say "Hands off" to those who would destroy the glorious handiwork of the fathers—then let Congress lose no time in directing its attention to the tragedy that is taking place out at the "crossroads," for as certain as God reigns above, American agriculture is dying!

CONGRESSMAN RAINEY'S OBJECTIONS

The flies of old Egypt were not more numerous than the objections raised against the McNary-Haugen bill by Congressman HENRY T. RAINEY, of Illinois, in a letter to S. H. Thompson, head of the Illinois Agriculture Association, and I shall therefore endeavor to answer only the more pertinent ones:

No. 1. "Will not the 'scrip' bring about an 'expansion in our currency' and increase our 'circulating medium without increasing our gold base'?"

Answer. The "scrip" should not affect our circulating medium in the slightest degree, for in substance it is nothing more than a "due bill" upon which a future dividend will be declared, and if there is any

doubt on this score because of the present wording of the bill, it should be amended. Surely it is not intended that the "scrip" shall be "circulating medium."

No. 2. "Do you think farmers will be satisfied with 'scrip'?"

Answer. Well, in view of the fact that they will be just that much "ahead of the hounds"—that the "scrip" or whatever is decided on will pay them the difference between the "ratio price" and the world price, less the loss on the surplus and the commission's costs of operation, certainly they shouldn't raise any "kick" on this score.

No. 3. "Will it not make it necessary for the Government to slaughter food animals and to invest in packing plants, stockyards, etc., involving perhaps an 'expenditure of billions of dollars in railroad switches, terminals, refrigerator cars, warehouses, etc., etc.'?"

Answer. No. Why should the commission invest a single dollar in these facilities which are already in existence? All on earth the bill seeks to do is to require existing agencies to operate under the "ratio price." If the intention was to have the Government finance such facilities and to build up an enormous pay roll, I would be against it unqualifiedly.

No. 4. "Is it not time to keep the Government out of business as much as possible?"

Answer. You bet your life; and whenever you take it "out of business" in such premises as the Fordney-McCumber Act and with reference to tightening up the immigration laws, then perhaps farmers will not ask for legislation like the McNary-Haugen bill. But since this would be a horse of decidedly different color—since, in fact, Congress could possibly not safely do this at this time—in these circumstances hasn't the farmer a right to expect the Government to "go into business" as much for him as it already has for the other fellows?

No. 5. "Do you not think that in the end the farmer will become the greatest sufferer from its imposition, should it become a law?"

Answer. With the peasant and peon farmers of the world fixing his prices at home and abroad, how can it make the farmer a worse "sufferer" than he already is? And if a fair "ratio price" is enforced in the home markets, as I have already said, won't he be just that much "ahead of the hounds"?

No. 6. As to Mr. RAINEY's reference to wool and cotton and how to apply the "ratio price" to meat products, and the charge that it is only intended to help the wheat grower, I have already covered these points in my answer to Congressman ANDERSON's objections.

No. 7. "Isn't it time to ask what benefits farmers have received from the alleged remedial legislation demanded by the farm organizations, etc.?"

Answer. Well, the organizations have demanded very little specific legislation, and about all Congress has done is to expand credit facilities, and what the farmer wants and needs is not additional credit so much as prices that will enable him to pay debts and to buy sorely needed merchandise.

No. 8. "Has the farmer benefited by the protective tariff Congress has given him on practically everything he produces?"

Answer. Not so that you could notice it with an ordinary magnifying glass. On a commodity like wool, of which we only produce about half enough to supply our home needs, it "brings home the bacon," while on such surplus commodities as wheat it is a delusion and a snare; and all farmers, as well as most Members of Congress, know this.

No. 9. "I notice hogs are going up on the Chicago market. Is this due to the protective tariff, inasmuch as there is no protective tariff on hogs?"

Answer. No; the tariff has nothing to do with it. The heavy winter runs are over, and most likely the packers are "stiffening" the market so as to unload the hogs purchased at a low price and which are stored away in their coolers, at a good profit. This is one way the big packer has of collecting a "ratio price" of his own.

No. 10. "Would it not be advisable (for farmers) to advocate a reduction in the tariff on all articles the farmer buys?"

Answer. Well, why not try it out on the dog? Why not put it up to the industries which only a few short moons ago insisted that the Fordney-McCumber Act was the only thing that could save them from destruction? Very likely they would say that to place them on the world price level, along with Germany, France, England, and other foreign countries, that this would put them out of business—and no doubt there would be much justice in this contention. But if this is true, then how can Congress expect the farmer to exist on the world-price level and carry protected industry and organized labor on his back, to say nothing of enormously increased taxes?

No. 11. "How will the 'ratio price' be reflected back to the farmer through the local elevator?"

Answer. I would say that the local elevator would pay the farmer cash in hand such a part of the "ratio price" as would put the commission safe on the loss on the exportable surplus and its costs of operation, and then later on it could authorize the elevator to pay the remaining dividend when the season's business had been wound up.

No. 12. "Is there any authority in the bill by which the miller can be indemnified against possible loss?"

Answer. If the "ratio price" is applied to seasonal periods in the home markets, it will be a "lead-pipe cinch" for the miller, for then there will be no occasion to "hedge." As to export flour, this will have to be equalized on the world-price basis, just as export wheat itself; and it won't make any difference to the commission or to the farmer as to the form in which the surplus is gotten out of the country.

No. 13. "How many employees will there be?"

Answer. There ought not to be very many, if the law is applied so that existing private agencies can perform its functions.

No. 14. "Can you point to any method so far adopted by this Government in the matter of controlling food prices which has been successful?"

Answer. You bet! During the World War the Government fixed the price of wheat at $2.26 f. o. b. Chicago, and it held it there, despite the fact that the price in Europe was as high as $4.50 per bushel.

No. 15. "Is it not true that the only way to maintain a price is to have a buyer willing and able to take everything offered at the price specified?"

Answer. Under existing conditions the American consumer is buying the farmer's food commodities on the basis of the world-price level, while in turn the farmer's living and production costs are determined by our so-called "American living standards," which were created and which are being maintained by organized industry and labor, and the farmer has no choice except to "dance to the music." And under the McNary-Haugen bill the consumer would have to "dance to the music" also; he would have to pay the "ratio price," while the surplus would continue to be dumped onto the world market. If the farmer has nothing to say about the cost of merchandise, freight rates, etc., then why should the consumer have any greater immunity with reference to the price of farm commodities? Why shouldn't he be fair, and who has any right to assume that he doesn't want to be fair?

No. 16. "What is a Member of Congress to do when two agricultural organizations—equally important and equally interested—reach absolutely different conclusions?"

Answer. Except for some of the smaller units of the wheat growers, there is no appreciable disagreement over this matter—the Farmers' Union and the American Farm Bureau Federation and other of the leading farm organizations are for it—in fact never before have the farm organizations been in as complete agreement as they are in demanding the passage of this bill or a similar one that will accomplish its purpose.

No. 17. "Would not the McNary-Haugen bill put the Federal Government actively into the grain business?"

Answer. The only difference between what the Government would do for the farmer under this bill and what it has been doing for industry for years under the protective system is that it would make the tariff mean something for agriculture—after having given the farmer a tariff it would help him to collect it and it would do this without the loss of a penny! Therefore it is just as fair to say that the Government goes into the steel business when it gives steel the benefit of a tariff as that it is going into the grain business when it gives the wheat growers the benefit of a tariff—except that under this act it will go one step further and help the wheat grower to do what, in his present unorganized condition, he is not able to do for himself. Hence the real question is not whether the Government should take this extra step but whether the producers of wheat, pork, and beef really need this assistance! If they do, then why should the Government hesitate to make this assistance effective?

No. 18. "Do you not think the Russian experiment with its dead numbering over 7,000,000 ought to dissuade our people from proceeding in that direction?"

Answer. Good Lord—if it is half as bad as this, by all means kill the bill!

OBJECTIONS OF MR. ROBERTS, VICE PRESIDENT NATIONAL CITY BANK, NEW YORK CITY

In an able address delivered at the University of Ohio on February 6, 1924, Mr. Roberts made certain observations which may come to the attention of Members of Congress, and therefore I offer the following comment:

No. 1. Speaking against governmental "price fixing," Mr. Roberts among other things said: "There is no remedy for the situation except by reducing the production of wheat. Any form of Government aid, such as price fixing above the market, which has the effect of inducing farmers to continue wheat growing on the present scale would be a mistake, because wheat growing on this scale is not needed."

Answer. The farmer isn't kicking on having to accept the world price on the yearly surplus of 150,000,000 or 200,000,000 bushels—what he is sore about and what he has a right to be sore about is having to accept the world price on the 600,000,000 bushels that are ordinarily required to supply bread for the consumers of the United States. And with the uncertainty of acre yields because of flood, drought, winter killing, and insect pestilence how is the farmer to plan a wheat crop that will exactly meet our national needs?

But remember that under the McNary-Haugen bill the "ratio price" will merely apply to domestic consumption and from this price will be deducted the loss on the surplus and the commission's

costs of operation. Therefore the surplus is not an issue; the issue is, Is the American wheat grower entitled to a fair price for the bread he supplies to American consumers?

No. 2. "The remedy is simply for some of them to stop growing wheat and go into something else, or for them as a whole to scale down the production of wheat to such an extent as will bring the situation back into balance."

Answer. With 6,500,000 farmers scattered between the two oceans such teamwork would be extremely difficult, considering the farmer's present unorganized condition, for unlike the manufacturer the farmer can not regulate his production with exact precision. But for argument's sake, let us assume that such regulation had been practiced with reference to the 1924 crop and that we would produce a round 600,000,000 bushels, or just enough to supply our home demands; if this were true, let us suppose next that the spokesmen of the wheat growers would go to Congress and say, "You have extended protection to industry and labor with a generous hand, and turn about is fair play, therefore we ask that you give us a tariff that will make No. 2 wheat sell at $1.75 per bushel f. o. b. Chicago"—and could Congress consistently deny their plea and wouldn't this be "price fixing" with much greater vengeance than the McNary-Haugen bill has in view? The point I want to drive home is that if the wheat grower was in position to do what Mr. Roberts implies he should do, then he would ask Congress to "deliver"—to give him his "pound of flesh," and it could not consistently deny him!

But because the farmer is helpless; because he is forced to come to Congress with a plea rather than a demand; this is why he is told in substance, "We are sorry for you—we know you are in a mighty tight place—but we can't do anything for you."

Also it may be said if Mr. Roberts's advice is sound for the wheat grower, then it must be equally sound for the hog and cattle raiser, for the latter find themselves in an even worse position; and if these tens of thousands of farmers are to quit raising wheat, hogs, and cattle, then what are they to do? Would Mr. Roberts suggest that they take to raising peanuts, onions, and cauliflower? Well, these things don't grow very well in the Corn Belt, and anyway the country is already surfeited with them. Far be it from me to become facetious in these grave premises, and yet if out of sheer desperation these farmers go to raising h—— instead, let Mr. Roberts and certain gentlemen who dread the "ides of November" not be surprised! And in these premises I respectfully remind them of one MAGNUS JOHNSON!

No. 3. "If the Government is to guarantee a price for wheat, the natural question is, Why not for copper, cotton goods, and everything else?"

Answer. Well, if Mr. Roberts doesn't think as the song had it some years back that "Everybody's doing it," let him get hold of the Fordney-McCumber Act and also take a squint at our immigration laws—and last but by no means least, let him contemplate the present wage scales of organized labor.

No. 4. "One might think from much that is written on the subject that there was danger of general desertion of the farms unless artificial means of some kind were adopted to improve the returns, etc."

Answer. And this is exactly what is taking place at this very moment. As I have said elsewhere, thousands of farms here in Missouri have been deserted and thousands of others will be sold by the sheriff before aid can possibly come. Therefore if Mr. Roberts means that this fact might cause him to view matters in a more serious light, his change of front is in order.

No. 5. "The Government could not for long continue to buy and store such commodities upon terms that would encourage their production above the rate of consumption."

Answer. The farmer doesn't ask this. All the McNary-Haugen bill seeks to do is to maintain a "ratio price" in the home markets, letting the surplus bring what it will in the world markets, meanwhile charging the loss and costs of operation up against the said "ratio price"—and the only "buying and storing" the commission would have to do would be through the process of getting the surplus out of the country and in determining the amount of such surplus.

No. 6. "Finally, if the plan was workable at all, it would divide society into warring factions, emphasizing conflicting interests instead of mutual interests. It would be worse than socialism, for it would be syndicalism, the end of individual liberty and of reward for individual efficiency."

Answer. If it is as bad as all this, then why doesn't the protective system which can not be applied with scientific precision or equity "divide society into warring factions"? And even so, when through organized action our bricklayers and plasterers demand and receive two or three times as much per day as tens of thousands of school teachers, clerks, bookkeepers, etc., why doesn't this "divide society into warring factions"? What eminent business men like Mr. Roberts and the Members of Congress must do and do quickly is to get themselves "located" on agriculture. If it has ceased to be the Nation's great "basic industry"—if we can afford to let it shift for itself and still keep our mills and factories going and our railroads running, why, then all right. But let them make sure that they know what they are doing in these premises!

OBJECTIONS OF MR. ANDERSON

I now propose to briefly answer the criticisms of Congressman SYDNEY ANDERSON, which have been widely published:

First, Mr. ANDERSON says that the bill applies to flour, corn, cotton, wool, swine, cattle, sheep, or any of the food products of these commodities and then he doubts its practicability in these premises.

As to flour that is exported, undoubtedly the world price of wheat will have to be taken into consideration in behalf of the miller—and there is no reason why the difference between the domestic and world price can not be practically applied to export flour for the miller's protection. As to wool, he is correct when he says that we are an importing rather than an exporting Nation and this item should therefore be stricken from the bill, for the present wool tariff is 100 per cent effective. As to cotton, the future alone can tell whether an emergency should be declared with reference to it and therefore why not let the future decide? In any event, why not leave the door open if the cotton grower should need assistance? Manifestly any bill of this kind must apply to all the great staples of agriculture, should they be menaced in the world markets. With reference to corn, I am again inclined to agree with Mr. ANDERSON, not only because our corn exports are negligible but also the price of hogs and cattle very largely regulates the price of corn and would do so (in my opinion) almost absolutely under the operation of this measure. I do not, however, agree with him with reference to rye, oats, and barley, which are merly incidental and related crops.

Mr. ANDERSON next concludes that the bill is intended only to pull the wheat grower out of the hole and that the inclusion of hogs and cattle is for "political purposes only"—and if I thought so I would be against it. That its application to hogs and cattle will be more difficult than on wheat is undoubtedly true—and yet why should a commission made up of the Secretaries of Agriculture, Commerce, and the Treasury, together with the other able gentlemen whom it is assumed the President will appoint—why should not such a commission be able to reach a workable understanding with the meat packers of the country that will preserve a "ratio price" in these premises? At least why not try? In any case, we can not make things worse than they already are—for the farmer can not continue to supply the Nation's meat at a tremendous loss to himself and therefore the price must be raised by one means or another, if the meat producing industry is to live!

Next, Mr. ANDERSON concludes that to establish a "ratio price" between wheat (or any other farm commodity) and the all-commodity price is a "fundamental weakness"—that the "appropriate price for agricultural commodities depends upon economic factors, etc.," and of course this is the well-known red herring about the law of supply and demand—and the simple answer which I have already given is that the farmer can not continue to pay tribute to organized industry and labor according to their standards of value and then permit the peasant and peon farmers of the world to fix a price on the products of his toil.

This is the foundation of this bill and it can not be waived aside by producing a smoke screen of mere technicalities!

As to the charge that the operation of this measure will make the all-commodities price go up, I do not think so to any appreciable extent—first, because a fair "ratio price" chiefly applied to wheat and meats will not perceptibly increase the "cost of living" and, second, the fact that prominent labor leaders are championing the McNary-Haugen bill without "saving their exceptions" would indicate that they are willing to "stand the raise"—that they prefer to see the farmer get back in the buying game, rather than to welcome the coming of soup houses.

As to his conclusion that a "ratio price" is "absolutely unsound" and "unworkable," why is this true? Has not the farmer the right to receive a dollar for his toil of as great purchasing power as the dollar of those who determine his production costs and whom he therefore helps to sustain, and is not this the equilibrium which the "ratio price" seeks to establish? As to Mr. ANDERSON's suggestion that the "ratio price" must be determined by anchoring it to certain great terminal markets, in this he is, of course, correct; but why not assume that the commission and the handlers of the commodities in question will be able to arrive at a "workable" understanding in this respect?

As to his statement that the commission would have to ascertain production "a year in advance," this would not be possible nor would it be necessary. With reference to wheat, once the crop is made we will know measurably where we stand, whether the exportable surplus will be around 200,000,000 or 150,000,000 bushels; therefore if the commission removes a safe quantity from the domestic markets through export channels, why should it not warehouse for the time being a sufficient additional quantity until it knows where it stands, and why should it not, through the aid of the great meat packers, pursue the same tactics with reference to pork and beef? I do not pose as an authority in these premises, but why assume in advance that practical problems of marketing are impossible of solution? The statement that we have different grades of wheat, hogs,

and cattle is of course true, but why should not the "ratio price" be applied accordingly?

As to Mr. ANDERSON's objections to the issuance of "scrip," this I have already covered elsewhere. As to his statement that the purpose of the McNary-Haugen bill is as "old as history itself," this also is partially true, and the reason it is true is because for many years under the protective system the great industries of this country have made the farmer stand for this principle whether he liked it or not, and even so our workingmen have been and are at this hour protected against the so-called "pauper labor of Europe." Therefore, can anybody blame the farmer for also hankering after a little of the "pie"?

And, finally, his suggestion that it will lead to "overproduction"; in the first place every intelligent farmer will realize that this would "kill the goose that laid the golden egg," and also the commission is empowered to withdraw its support whenever the menace of overproduction becomes manifest with reference to any given commodity. In the meantime, to oppose the bill on this score is a good deal like advising a starving man against eating on the theory that he might die of indigestion!

Trusting that you will consider these views for what they may be worth, I am, with best wishes,

Sincerely yours,

WILLIAM HIRTH,
Publisher The Missouri Farmer, Columbia, Mo.

The CHAIRMAN. All time has expired. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That in order to defray the expenses of the District of Columbia for the fiscal year ending June 30, 1925, 40 per cent of each of the following sums, except those herein directed to be paid otherwise, is appropriated out of any money in the Treasury not otherwise appropriated, and all the remainder out of the combined revenues of the District of Columbia and such advances from the Federal Treasury as are authorized in the District of Columbia appropriation act for the fiscal year 1923, namely.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

Mr. CRAMTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAMTON. I was on my feet, prepared to offer an amendment to the first paragraph.

The CHAIRMAN. The gentleman can defer that until the consideration of the bill is resumed. The gentleman from Minnesota moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. TILSON as Speaker pro tempore having assumed the chair, Mr. GRAHAM of Illinois, Chairman of the Whole House on the state of the Union reported that that committee, having had under consideration the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, in this morning's RECORD of yesterday's proceedings we find the gentleman from Texas [Mr. BLANTON] extended his remarks to the extent of 12 pages, 5 pages of which had been previously printed as committee hearings; and then again, without permission as I can find in the RECORD, 15 pages of advertisements taken from the issue of the Washington Star. I maintain that that is contrary to the use of the RECORD, and it is an expense of $1,042, estimated by the Government Printing Office. I maintain that that is an expenditure that the gentleman from Texas ought not to inflict on the House.

Mr. BLANTON. Mr. Speaker, I ask leave to proceed for half a minute.

The SPEAKER. The gentleman asks unanimous consent to proceed for half a minute. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, the gentleman from Massachusetts [Mr. TREADWAY] is entirely mistaken. "The gentleman from Texas" got leave to extend his remarks, and he extended them under that leave. That matter is as important a matter as is ever seen in the RECORD, because the Supreme Court will pay more attention to those advertisements of property for rent on the issue of emergency than to any part of the debate on the bill when they come to construe the language of the bill and the debates thereon.

Mr. TREADWAY. They do not need it.

LEAVE TO ADDRESS THE HOUSE

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes to-morrow, to discuss the question of the West Virginia mine disaster, and I wish to bring the matter to the attention of the country.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. LONGWORTH. Reserving the right to object, Mr. Speaker, has the gentleman consulted with the chairman of the Committee on Foreign Affairs?

Mr. ROBSION of Kentucky. It has no relation to that subject.

Mr. LONGWORTH. Except that the Committee on Foreign Affairs has the call to-morrow, Calendar Wednesday, and I understand they have a number of bills of large importance, and they might object.

Mr. ROBSION of Kentucky. It is only 15 minutes and it is a matter of great importance to the country. We are having so many great mine explosions and disasters that I want to bring just a few facts to the attention of the country which I have gathered from those who know. I think the people ought to know them and perhaps some of these explosions and disasters may be avoided.

Mr. LONGWORTH. I shall offer no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TYDINGS, for five days, on account of important business.

To Mr. WINTER, for 16 days, on account of important business.

ADJOURNMENT

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House adjourned until to-morrow, Wednesday, April 30, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 466. A bill to amend section 90 of the Judicial Code of the United States, approved March 3, 1911, so as to change the time of holding certain terms of the district court of Mississippi; without amendment (Rept. No. 594). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 6860. A bill to authorize each of the judges of the United States District Court for the District of Hawaii to hold sessions of the said court separately at the same time; with amendments (Rept. No. 595). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 8657. A bill to amend section 98 of the Judicial Code, providing for the holding of the United States district court at Shelby, N. C.; with amendments (Rept. No. 596). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 8711. A bill to authorize the consolidation and coordination of Government purchases, to enlarge the functions of the General Supply Committee, and for other purposes; without amendment (Rept. No. 597). Referred to the Committee of the Whole House on the state of the Union.

Mr. ABERNETHY: Committee on the Public Lands. S. 807. An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.; without amendment (Rept. No. 598). Referred to the Committee of the Whole House on the state of the Union.

Mr. SHERWOOD: Committee on Military Affairs. H. R. 3669. A bill to provide for the inspection of the battle fields of the siege of Petersburg, Va.; without amendment (Rept. No. 599). Referred to the Committee of the Whole House on the state of the Union.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 248. A joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity; without amendment (Rept. No. 600). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBSION of Kentucky: Committee on Mines and Mining. S. 2797. An act to authorize the payment of claims under the provisions of the so-called war minerals relief act; without amendment (Rept. No. 601). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CABLE: A bill (H. R. 8956) to prevent corrupt practices in congressional elections; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. SUMMERS of Washington: A bill (H. R. 8957) amending sections 1, 2, and 14 of an act entitled "An act extending the period of payment under reclamation projects, and for other purposes," approved August 13, 1914, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 8958) to amend secion 194 of the Penal Code; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado: A bill (H. R. 8959) to add certain lands to the Grand Mesa National Forest, in the State of Colorado; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 8960) granting a pension to Bettie Short; to the Committee on Invalid Pensions.

By Mr. DEMPSEY: A bill (H. R. 8961) for the relief of Frank Stinchcomb; to the Committee on Naval Affairs.

By Mr. GOLDSBOROUGH: A bill (H. R. 8962) for the relief of John C. Hines; to the Committee on Claims.

By Mr. HAMMER: A bill (H. R. 8963) granting an increase of pension to Eliza Lemmond; to the Committee on Pensions.

Also, a bill (H. R. 8964) for the rembursement of Emma Pulliam; to the Committee on Claims.

By Mr. HOWARD of Nebraska: A bill (H. R. 8965) for the relief of the Omaha Indians of Nebraska; to the Committee on Indian Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 8966) granting a pension to Lula E. Winans; to the Committee on Pensions.

Also, a bill (H. R. 8967) granting an increase of pension to Mary E. Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8968) granting an increase of pension to George W. James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8969) for the relief of John B. Canter; to the Committee on Claims.

Also, a bill (H. R. 8970) for the relief of James Monroe Caplinger; to the Committee on Claims.

Also, a bill (H. R. 8971) for the relief of Joseph P. Jones; to the Committee on Claims.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 8972) for the relief of Lieut. (Junior Grade) Thomas J. Ryan; to the Committee on Claims.

By Mr. ROSENBLOOM: A bill (H. R. 8973) for the relief of George W. McKeever; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 8974) granting a pension to Sarah Mobley; to the Committee on Invalid Pensions.

By Mr. SPEAKS: A bill (H. R. 8975) for the relief of Joseph Maier; to the Committee on Claims.

By Mr. WILLIAMS of Michigan: A bill (H. R. 8976) granting a pension to Jane S. Gillingham; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2562. By Mr. BIXLER: Petition of Presbyterian Church of Utica, Pa., protesting against proposed bills legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2563. Also, petition of citizens of Elk County, Pa., against enactment of law nullifying the enighteenth amendment, and against legalizing 2.75 per cent beer; to the Committe on the Judiciary.

2564. Also, petition of citizens of Elk County, Pa., protesting against enactment of law nullifying the eighteenth amendment and against legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2565. Also, petition of citizens of Kersey, Elk Co., Pa., protesting against act nullifying eighteenth amendment and legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2566. By Mr. BLOOM: Petition of residents of the nineteenth congressional district, favoring increase in salary for postal employees; to the Committee on the Post Office and Post Roads.

2567. By Mr. FENN. Petitions of Emma Hart Willard Chapter, Daughters of the American Revolution, Berlin, Conn., favoring the passage of Senate Joint Resolution 64, being a joint resolution to change the name of "Mount Rainier" to "Mount Tacoma," and for other purposes; to the Committee on the Public Lands.

2568. By Mr. GALLIVAN: Petition of the Bar Association of the city of Boston, Mass., protesting against Senate bill 624 and House bill 3260, which purpose amending the practice and procedure in Federal courts; to the Committee on the Judiciary.

2569. Also, petition of Miss Ella M. Clarke, 27 Milton Avenue, Dorchester, Mass., recommending favorable consideration of Dill radio bill; to the Committee on the Merchant Marine and Fisheries.

2570. By Mr. McDUFFIE: Petition of executive committee of the Chamber of Commerce, Mobile, Ala., supporting the national defense act of 1920, and urging Congress to appropriate money sufficient to carry out the purpose and intent of said act, and for other purposes; to the Committee on Military Affairs.

2571. By Mr. RAKER: Petition of Shelton F. McGrath, Peoria, Ill., opposing waterway on the Illinois River provided for by House bill 5475; to the Committee on Rivers and Harbors.

2572. Also, petition of Ex-service Men's Antibonus League, Montclair, N. J., in opposition to the soldiers' bonus bill; to the Committee on Ways and Means.

2573. Also, petition of C. A. Simmons, 1910 Union Street, San Francisco, Calif., indorsing Senate bill 5 in re ex-service men incapacitated for work; to the Committee on Pensions.

2574. Also, petition of E. L. Baker Camp, No. 71, United States War Veterans, Department of California, Los Angeles, Calif., indorsing Knutson bill (H. R. 5034); to the Committee on Pensions.

2575. Also, petition of the Sacramento Chamber of Commerce, California, urging the organizatton of an independent board of tax appeals separate from the Treasury Department; to the Committee on Appropriations.

2576. Also, petition of United States Customs Service Openers and Packers Association, New York City, indorsing Lehlbach bill to increase salaries of customs service employees; to the Committee on the Civil Service.

2577. Also, petitions of Patients Publicity Committee, United States Veterans' Hospital 72, Helena, Mont., indorsing Johnson immigration bill and opposing the Reed bill (S. 2257); and the Loyal Orange Institution, U. S. A., Oakland, Calif., resolutions indorsing passage of Johnson immigration bill; to the Committee on Immigration and Naturalization.

2578. Also, petition of Colonel Liscum Camp, Spanish-American War Veterans, Dayton, Ohio, extending vote of thanks to Senators assisting in passage of Bursum bill; to the Committee on Invalid Pensions.

2579. Also, petitions of Building Owners and Managers Association, San Francisco, Calif., and Apartment House Owners and Managers Association, Stockton, Calif., opposing passage of House bill 7962 in re Rent Commission; to the Committee on the District of Columbia.

2580. Also, petition of National Bank of D. O. Mills & Co., Sacramento, Calif., indorsing House bill 6855 permitting national banks to make real-estate loans; to the Committee on Banking and Currency.

2581. Also, petition of the Board of City Commissioners, Trenton, N. J., relative to cost and advisability of deepening the channel of the Delaware River from Philadelphia to Landing Street, N. J.; to the Committee on Rivers and Harbors.

2582. Also, petition of Orange County Farm Bureau, Santa Ana, Calif., opposing increase in parcel-post rates and rates on fourth-class mail matter; to the Committee on the Post Office and Post Roads.

2583. Also, petition of Montana Wheat Growers' Association, Lewistown, Mont., indorsing McNary-Haugen bill; to the Committee on Agriculture.

2584. Also, petitions of C. H. Coar, Los Angeles, Calif., opposing Smith-Towner bill, and Anna Anderson, chairman legislative committee, San Francisco Grade Teachers' Association, indorsing Sterling-Reed bill; to the Committee on Education.

2585. Also, petition of directors of the California White and Sugar Pine Manufacturers, resolutions in re subdivision C of section 201 of the proposed internal revenue law; to the Committee on Ways and Means.

2586. Also, petition of C. C. Thomas Navy Post, No. 244, San Francisco, Calif., relative to hydrographic surveys; to the Committee on Naval Affairs.

2587. Also, petition of Tacoma Conference of Commercial and Port Organizations of the Pacific Coast of the United States, Tacoma, Wash., in re section 28 of the merchant marine act of 1920; to the Committee on the Merchant Marine and Fisheries.

2588. Also, petitions of the Ebell Club, Long Beach, Calif., in re Senate bill 2313 in re Five Civilized Tribes of Oklahoma, and in re Senate bill 986, for the relief of the Pima Indians of Arizona; to the Committee on Indian Affairs.

2589. Also, petitions of the Woman's Civic League, San Fernando, Calif., indorsing Senate bill 2015, for welfare of the Pueblo Indians, and Beverly Hills Woman's Club, indorsing Senate bill 2313, for the relief of the Five Civilized Tribes of Indians in Oklahoma; to the Committee on Indian Affairs.

2590. Also, petition of the Ebell Club of Los Angeles, Calif., in re disabled veterans of the World War; to the Committee on Military Affairs.

2591. Also, petition of Fremont Morse, Berkeley, Calif., urging support of House bill 5007 in retired officers of various military services; to the Committee on Military Affairs.

2592. Also, petition of the C. C. Thomas Navy Post, No. 244, indorsing House bill 514 providing for meritorious medal for officers and men of the Navy and Marine Corps; to the Committee on Military Affairs.

2593. Also, petition of Department of Arizona, Disabled American Veterans of the World War, resolutions indorsing United States Veterans' Hospital No. 51, at Tucson, Ariz., for a permanent hospital; to the Committee on Military Affairs.

2594. Also, petition of San Francisco Labor Council, San Francisco, Calif., resolutions protesting against policy of the United States Shipping Board and the Emergency Fleet Corporation in permitting their ships to be manned by aliens ineligible to United States citizenship; to the Committee on the Merchant Marine and Fisheries.

2595. Also, petition of J. Edmond Wood, president of the National Baptist Convention, box 235, Danville, Ky., in re an appeal to the lawmakers of the Nation on behalf of the railroads, discouraging antirailroad legislations; to the Committee on Interstate and Foreign Commerce.

2596. Also, petition of Tacoma Conference of Commercial and Port Organization of the Pacific Coast of the United States, Tacoma, Wash., opposing the Gooding bill (S. 2327) relative to supervision of the Interstate Commerce Commission rail carriers; to the Committee on Interstate and Foreign Commerce.

2597. Also, petition of R. E. Ford, 5121 Laroda Avenue, Los Angeles, Calif., opposing passage of Senate bill 2646 and House bill 7358 for the purpose of amending the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

2598. Also, petition of Dr. Chevalier Jackson, 128 South Tenth Street, Philadelphia, Pa., indorsing House bill 7822, requiring proper labeling of household preparations; to the Committee on Interstate and Foreign Commerce.

2599. Also, petitions of Sunset Lodge No. 1117, I. A. of M., Berkeley, Calif., indorsing Howell-Barkley bill abolishing Railway Labor Board, and Frank L. Harmon, Charles F. Collins, and Edith L. Harmon, Gold Run, Calif., indorsing Howell-Barkley bill abolishing Railway Labor Board; to the Committee on Interstate and Foreign Commerce.

2600. Also, petitions of West Coast Theaters (Inc.), Los Angeles, Calif., relative to music license fee under revision of copyright law, and Sol Lesser, vice president West Coast Theaters (Inc.), Los Angeles, Calif., in re decision of judges regarding copyright laws; to the Committee on Interstate and Foreign Commerce.

2601. Also, petition of Dried Fruit Association of California, San Francisco, Calif., opposing Senate bill 2327, in re fourth section of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

2602. By Mr. ROGERS of New Hampshire: Resolutions of Reserve Officers' Association, of Laconia, N. H., that there should be maintained an adequate military force as contemplated in the national defense act of 1920, etc.; to the Committee on Military Affairs.

2603. By Mr. SEGER: Petition of 216 citizens of Paterson, Passaic, Clifton, and Little Falls, N. J., protesting against the 2.75 beer bills; to the Committee on the Judiciary.

2604. Also, petition of 208 citizens of Paterson, N. J., and vicinity, protesting against the 10 per cent luxury tax on radio sets and parts; to the Committee on Ways and Means.

2605. By Mr. STEPHENS: Petition of the Aid Society of Wyoming Presbyterian Church, of Wyoming, Ohio, opposing the modification of the Volstead Act; to the Committee on the Judiciary.

SENATE

WEDNESDAY, *April 30, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	King	Reed, Pa.
Ashurst	Fess	Ladd	Sheppard
Ball	Fletcher	Lodge	Shields
Bayard	Frazier	McCormick	Shipstead
Borah	George	McKellar	Shortridge
Broussard	Gerry	McKinley	Simmons
Bruce	Glass	McLean	Smith
Bursum	Gooding	McNary	Smoot
Cameron	Hale	Mayfield	Stanfield
Capper	Harreld	Moses	Stanley
Cummins	Harris	Neely	Stephens
Curtis	Harrison	Norbeck	Sterling
Dale	Heflin	Norris	Swanson
Dial	Howell	Oddie	Trammell
Dill	Johnson, Calif.	Overman	Walsh, Mass.
Edge	Johnson, Minn.	Phipps	Walsh, Mont.
Edwards	Jones, N. Mex.	Pittman	Warren
Ernst	Kendrick	Ralston	Watson
Fernald	Keyes	Ransdell	Willis

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. There is a quorum present.

WORLD WAR VETERANS

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to have printed in the RECORD an analysis prepared at my request by the Veterans' Bureau relating to Senate bill 2257, which was under consideration last night at the time the Senate took a recess. This bill, not yet finally disposed of, is the result of much study and consideration by the select committee of the Senate which investigated the Veterans' Bureau of the whole problem of our World War veterans—compensation, rehabilitation, hospitalization, and insurance. It contains many changes, most of them enlarging existing benefits. The printing in the RECORD of this analysis will permit Members of Congress, veterans, and others to become familiar more readily with the numerous proposed changes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is so ordered.

The statement is as follows:

ANALYSIS OF SENATE BILL 2257, AS REPORTED BY THE COMMITTEE ON FINANCE

The purpose of this memorandum is to note the changes from existing law as contained in S. 2257, as reported by the committee; but no mention will be made of mere differences in phraseology.

TITLE I

Section 1: The short title for the act, as contained in this section, is new. It is called the World War veterans act of 1924.

Section 2: The first definition in this section is new; the second definition is contained in existing law.

Section 3: In subdivision 9 the language contained in the last two lines is new. Subdivisions 14 and 15 are new; otherwise, the section continues existing law.

Section 5: This section in the main continues existing law, but adds authority for the director to delegate authority to employees.

Section 6: In the main this is a reenactment of existing law. There is included, however, a provision that the test of rehabilitation shall be employability. This is new.

Section 7 (as renumbered) extends the existing authorization for decentralization by permitting decentralization to such suboffices as the director may designate, the functions now exercised by district offices.

Section 8 (as renumbered) continues the existing provisions and adds authority for the investigation of frauds or attempts to defraud the Government, or irregularity or misconduct of officers.

Section 9 (as renumbered): This is an entirely new provision enabling the director to seek the opinion and assistance of the Attorney General.

Section 10 (as renumbered): The only new portion of this section is contained in the last paragraph, which proposes the permanent transfer to the Veterans' Bureau of all hospitals under the jurisdiction of the Public Health Service, the operation, management, and control of which have heretofore been transferred to this bureau pursuant to the act approved August 9, 1921. This paragraph is substituted in lieu of the continuation of the authority to transfer to the director the operation, management, and control of public-health hospitals.

Section 11 (as renumbered) makes no change from existing law.

Section 12 (as renumbered) makes no change from existing law.

Section 13 (as renumbered) makes no change from existing law.

Section 14 (as renumbered) makes no change from existing law.

Section 15 (as renumbered) continues appropriations heretofore made.

Section 16 (as renumbered) continues the military and naval insurance appropriation and provides that premiums collected for yearly renewable term insurance shall be covered into the Treasury for the credit of this appropriation. This provision is not new. However, the section does contain a new provision to the effect that the appropriation shall be available for such liabilities under contracts of yearly renewable term insurance as shall have been reduced to judgment in a district court of the United States, or in the Supreme Court of the District of Columbia.

Section 17 (as renumbered): This is a continuation of the United States Government life-insurance fund, the only new provision being the fund shall be available for liabilities as may be reduced to judgment in a district court of the United States or in the Supreme Court of the District of Columbia.

Section 18 (as renumbered): This provision is now contained in the statute.

Section 19: The new portion of this section authorizes the bureau to recognize the accredited representatives of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars in the presentation and adjudication of claims. Another new provision contained in this section is that providing that all persons having, or claim to have, an interest in insurance may be made parties to any suit brought on the contract of insurance and establishing the procedure in such suits.

Section 20 (as renumbered): This section reposes in the director the authority to determine marriage for the purposes of the statute leaving out the purely regulatory provisions which were included in the earlier statute. There is also omitted the provision which terminates payments of compensation or insurance in the event of misconduct of a widow.

Section 21 (as renumbered): A new proviso added to the existing law contemplates the suspension of payments to guardians on behalf of minors, or mental incompetents where the guardian fails to render an account showing the application of the funds of his ward.

Section 22 (as renumbered): This section reenacts existing law, with the addition that the provision that benefits shall not be assignable and shall not be subject to the claims of creditors and shall be exempt from taxation, is extended to maintenance and support allowance for trainees as well as to beneficiaries of compensation and insurance.

Section 23 (as renumbered) contains no change.

Section 24 (as renumbered) extends to those persons who were called into Federal service as members of the National Guard, without being accepted and enrolled for active service, the benefits now provided for persons inducted by local draft boards who died or became disable before acceptance and enrollment for active service.

Section 25 (as renumbered) continues the provisions of the existing statute.

Section 26 (as renumbered) continues the provision for payment to personal representatives of the deceased those sums which had accrued during his lifetime as monthly installments of compensation, or term insurance, and extends the provision to maintenance and support allowance payable to a person receiving vocational training. There is also included a provision that no payment will be made in the event the estate would escheat.

Section 27 (as renumbered) is new. It provides that payments of compensation made under the provisions of Bureau of War Risk Insurance, regulation No. 57, which permits a presumption of permanent total disability after hospitalization, or a rating of less than total permanent disability shall be deemed valid, thereby relieving the bureau from making recovery in these cases.

Section 28 (as renumbered) is new, providing that there shall be no recovery of payments from any beneficiary who is without fault where such recovery would defeat the purpose of benefits otherwise authorized, or would be against equity or good conscience.

Section 29 (as renumbered) is new, and authorizes the sale, lease, or exchange of surplus equipment, supplies, etc., the proceeds to be covered into the Treasury.

Section 30 (as renumbered): This section also is new. It provides that the files, records, reports, and papers of the bureau shall be deemed confidential and privileged. There are included, however, certain exceptions where disclosure of the contents of such files may be made. The section further provides that when the production of a file, record, report, or other document is required, or permitted, a certified copy may be produced and shall be received with like force and effect as the original.

TITLE II

This title as a whole reenacts article 3 of the war risk insurance act, to which it corresponds.

Section 200: For the provision that death or disability must result from injury suffered or disease contracted in line of duty on or after April 6, 1917, and before July 2, 1921, this section substitutes the provision for payment if the injury was suffered or the disease was contracted in the "military service."

Where the existing statute does not contain any ultimate limit as to the time the injury or disease must have occurred, section 200 states July 2, 1921, as the last date of the period. This ultimate date, July 2, 1921, is continued throughout the section, so that the provision of the section applies only to those injuries suffered or diseases contracted between the dates April 6, 1917, and July 2, 1921.

Coming to the presumption of service connection of diseases, encephalitis lethargica has been added to those diseases included within the presumption. Thus, under the new provision, if a neuropsychiatric disease, an active tuberculous disease, or encephalitis lethargica developed prior to January 1, 1924, the section provides that it shall be conclusively presumed to have been acquired or aggravated in the service between the dates mentioned.

Section 201: The schedule contained in this section changes slightly the present provisions in subdivisions (b) and (e). Subdivision (b) changes the compensation allowed for the widow and two or more children from $42.50 in all cases, as at present, to $40 for a widow with two children with $5 for each additional child. Subdivision (e) omits the present limitation to the allowance provided for additional children, the new provision authorizing payment of $5 for each additional child, irrespective of the number. Subdivision (f) omits the present provision that "compensation shall be payable for the death of but one child, but no compensation for the death of the child shall be payable if the dependent mother is in receipt of compensation under the provisions of this article for the death of her husband."

Subparagraph (1) increases the allowance for burial expenses to $150, instead of $100 as at present allowed.

Subparagraph (7) contains the new provision that no change in rates of compensation made by the new act shall be retroactive in effect. This subparagraph also provides that the receipt of a gratuity, pension, or compensation by the widow or parent on account of the death of any person shall not bar the payment of compensation on account of the death of any other person.

Section 202: Subparagraph (1) contains the new provision that monthly compensation shall be payable monthly or semimonthly, as the director may prescribe.

Subparagraph (3) changes somewhat the description of the conditions which shall be deemed permanent total disability. The present statute reads that the loss of certain members, or becoming helpless and permanently bedridden, shall be deemed to be total permanent disability, whereas S. 2257 provides that the permanent loss of the use of such members, or becoming permanently helpless or permanently bedridden, shall be deemed to be total permanent disability. There is also added to this class the condition of the loss of hearing of both ears.

Subdivision (4): In the second paragraph of this subdivision there is a new provision introduced. This change provides that ratings shall be based, as far as practicable, upon the average impairments of earning capacity resulting from injuries in civil occupations similar to the occupation of the injured man at the time of enlistment, whereas the present language of the statute provides only that the rating shall be based upon the average impairments of earning capacity resulting from injury in civil occupation. The language "similar to the occupation of the injured man at time of enlistment" is new.

Subdivision (5) increases the allowance for a nurse or an attendant to $50, in all cases in the director's discretion. The present statute allows this amount only in case the injured person is armless, legless, or blind, the allowance in other cases being limited to $20.

Subdivision (7) is entirely new, providing a special rate of compensation at $20 a month for insane persons, having no dependents, who are maintained in bureau hospitals. A further provision made is that if the patient shall recover and be discharged from the hospital as cured an additional amount of $60 will be paid to him for each month the

rate of compensation is reduced. This subdivision also provides that the compensation of any inmate of an asylum or hospital for the insane may, in the discretion of the director, be paid to the chief officer of the institution, to be used for the benefit of the inmate, this being a slight extension of the exact law, which authorizes the director to pay benefits to the chief executive officer of any Government or State institution for the insane.

Subdivision (8) continues the present provision concerning allotments of compensation by patients in hospital and adds a provision authorizing the director to require the deposit of three-fourths of the compensation to the patient's credit in the Treasury, in the event that the patient is retarding his own progress to recovery by reason of gross dissipation.

Subdivision 10 continues the existing provision with respect to making hospital facilities available for treatment of veterans of the Spanish-American War, the Philippine insurrection, the Boxer rebellion who are suffering from neuropsychiatric or tubercular ailments or diseases. It adds to this class of beneficiaries veterans of the World War and also adds to the class of ailments "encephalitis lethargica, or the loss of sight of both eyes." It adds a further provision that so far as the director shall find that existing Government facilities permit he is authorized to furnish hospitalization to honorably discharged veterans of any war, military occupation, or military expedition since 1897, without regard to the nature of origin of their disabilities, if such veterans have no adequate means of support and by reason of their disability are incapable of earning their living.

Subdivision 11 authorizes the director to sell surplus property and material in the same manner as now pertains to the Secretary of War. This is new. The provision that the director may make regulations regarding the disposal of articles made by patients in the course of their treatment is a reenactment of existing law, the language "or to allow the patients to sell or to retain such articles" being a slight modification of the present provision.

Subdivision 12 provides for the apportionment of compensation where the disabled person is a patient in a hospital. This part of the subdivision is new.

Subdivision 15 continues the existing law, with the exception contained in subparagraph 7 of section 201 with respect to death benefits.

Other than the changes noted, section 202 reenacts existing law.

Section 203 corresponds to a provision of the war risk insurance act, except that it refers also to neglect to submit to examination, providing that no compensation shall be payable while neglect to submit to examination continues, as well as continuing the present provision that no compensation will be payable while refusal or obstruction continues.

Section 204 makes no change in existing law.

Section 205 continues the existing law, but adds that except in cases of fraud participated in by the beneficiary no reduction in compensation shall be made retroactive. There is the further addition that a reduction or discontinuance of compensation will not take effect until the first of the second calendar month after the finding on which it is based.

Section 206 is a revision of the section providing that compensation will not be payable unless death or disability for which claim is made occurs prior to or within one year after discharge or resignation from the service. The exceptions to this general provision are where there is official record of injury during service or at time of separation from active service or where satisfactory evidence to establish the injury suffered or aggravated during service is submitted within one year of the approval of this act. The section as modified entirely omits any reference to certificates of injury.

Section 207 continues existing provisions.

Section 208 makes no change in the existing law.

Section 209 makes no change in existing provisions.

Section 210 reduces the time for which retroactive payments of compensation may be made, allowing compensation to be paid for not more than one year prior to the date of claim, instead of two years, as under the present statute, and allowing increased compensation to be paid for not more than six months prior to the date of claim, instead of not more than one year, as under the present statute. There is further added the provision that, except in case of fraud participated in by the beneficiary, no reduction in compensation shall be made retroactive.

Section 211 continues existing law.

Section 212 is new. This states the intent of the act to provide a system of relief for persons who are disabled and for the dependents of those who died as a result of disability suffered in the military service between April 6, 1917, and July 2, 1921. It further provides that the laws relating to the retirement of persons in the military or naval service shall not be considered laws providing for payments of gratuities or pensions within the meaning of this section, and continues the existing provision that compensation shall not be paid while person is in receipt of service or retirement pay. However, the service pay so referred to is specifically designated as active service pay. Another new provision in this section is the distinct and specific language that Titles II and IV (compensation and treatment and rehabilitation) shall not be applicable to any disability or resultant death in the service if the disability occurred as a result of service prior to April 6, 1917, or after July 2, 1921.

Section 213 is a new provision providing for the payment of additional compensation if injury occurs as the result of training, hospitalization or treatment furnished by the bureau, if the injury or death is not the result of the person's misconduct.

TITLE III.

This title is primarily a reenactment of article 4 of the war risk insurance act, to which it corresponds.

Section 300: This is a continuation of the existing law, including a new provision for application by cadets at West Point and Annapolis. There have been omitted, however, certain details concerning yearly renewable term insurance as rights under such insurance are continued under the provisions of Title VI.

Section 301: In the main this is a reenactment of existing law, the only change being the date when all insurance must be converted. Under the present law that date is March 4, 1926. S. 2257 extends that date to July 2, 1926. The significance of the two dates is that March 4, 1926, is five years after the termination of the war as provided by the joint resolution approved March 4, 1921, and the date, July 2, 1926, is five years after the so-called Knox peace resolution.

Section 302 makes no change in the existing law.

Section 303 continues the present law concerning payments where no person within the permitted class of beneficiaries survives; but instead of providing for continuing payments of installments, authorizes the present (commuted) value of the remaining monthly installments.

Section 304 continues the provisions with respect to reinstatement of insurance in the event that all the requirements as to physical condition of the applicant for insurance have not been complied with and the disability is the result of service. There is included, however, the new provision that application for reinstatement under such circumstances must be made within one year after the passage of the act or within two years after the date of lapse.

Section 305: This section is a revision of the third proviso of the present section 408 and is designed to provide for the automatic reinstatement of insurance in those cases where a person entitled to compensation which was uncollected at the time of his death had, during the time he was so entitled to compensation benefits, allowed his insurance to lapse. This will cure the decision in the Schwartz case by declaring that the increase in compensation made under the schedule adopted December 24, 1919, shall be construed as due from the date retroactive payments were effective. It will also permit a revival of a proportionate part of the insurance when the amount of compensation was not sufficient to pay the premium on the total amount that had lapsed.

Section 306 (as renumbered): The new provision in this section is the automatic waiver of the payment of premiums in the cases of persons mentally incompetent for not more than six months after the appointment of a guardian.

Section 307 (as renumbered) makes no change in the existing law.

TITLE IV

This title is a reenactment of the existing statute with respect to vocational training furnished by this bureau.

Section 400 changes the existing law by establishing the ultimate time limit in connection with dates between which the disability must have been incurred to entitle a man to vocational training. This date (July 2, 1921) corresponds with the date of limitation in connection with compensation. The section likewise has incorporated a new provision that the disability must not have resulted from the man's own willful misconduct in order to entitle him to the benefits of training.

Section 401: This section is a reenactment of existing law with the exception of the ultimate date of the period during which training may be furnished, which is set as June 30, 1926. It also authorizes payment of training allowance semimonthly in the discretion of the director and slightly increases the allowance for dependents.

Section 402 makes no change in existing law.

Section 403 is a reenactment of existing law with the addition of the definite limit set as June 30, 1925, after which no course of training may be commenced.

Section 404 extends the time for filing applications for vocational training from December 16, 1922, the present limit, to June 30, 1923.

Section 405 is a new provision establishing June 30, 1926, as the date beyond which no training may be granted or continued or training allowance paid.

TITLE V

This title reenacts the penalties contained in the various parts of the existing laws, making them applicable with existing force to acts committed in connection with claims for vocational training, as well as for compensation and insurance; otherwise there is no change in the existing law except the addition of a new section (section 505), which provides that every guardian or person having in charge in a fiduciary capacity any benefits payable to his ward by the bureau, who shall embezzle the same or fraudulently convert the same to his own use, shall be punished by fine or imprisonment, or both.

TITLE VI

This title contains the repealing features and saving clauses of the act.

Section 600 is a definite repeal of certain acts.

Section 601 is the repeal of certain acts and the substitution of sections in the codification therefor.

Section 602 saves the rights and liabilities accrued under any claim made prior to the passage of this act or any suit commenced before the repeal.

Section 603 makes continuing all offenses committed or penalties or forfeitures incurred under any law repealed.

Section 604 continues all acts of limitation under the laws repealed.

Section 605 (as renumbered) contains the usual provision that if any clause, section, paragraph, or part of the act shall be adjudged invalid, such judgment shall not affect the remainder of the act which shall be confined in its operation to the particular portion involved in the controversy in which the judgment is rendered.

Aside from the changes and omissions noted in the foregoing text, there are two subjects which have been entirely omitted from the present bill. No reference to marines' and seamen's insurance is contained in S. 2257, but rights and liabilities accrued and suits commenced are saved by the repealing sections. This is entirely proper as the benefits granted by marines' and seamen's insurance provisions are now entirely obsolete, the statute being continued at present merely for the purpose of closing the books.

Another feature entirely omitted is that of allotment and allowance. This also is obsolete, as all current benefits ceased July, 1921. Any rights accrued under the article of the war risk insurance act providing these benefits, however, have been saved in Title VI of S. 2257.

The present provision authorizing allowances to the commissioned personnel detailed from the Public Health Service not enjoyed by other medical personnel of the bureau is omitted. This will place all of the medical personnel of the bureau in the same status as civilian employees of the bureau.

The details concerning yearly renewable term insurance have been omitted as mentioned in connection with section 300. Otherwise there have been no other omissions of existing provisions except those which concern the minor administrative matters, properly and obviously subject for regulation, and a few sections rendered ineffective because of amendment or lapse of time or otherwise obsolete. An illustration of this class of omissions is section 24 of the war risk insurance act, which provided that the Bureau of War Risk Insurance, so far as practicable, shall, upon request, furnish information to and act for persons in the military service with respect to contracts of private insurance. Such provisions as these contribute nothing to current administration, and therefore have been omitted as unnecessary.

PETITIONS AND MEMORIALS

Mr. McCORMICK. I ask unanimous consent to present for inclusion in the RECORD and reference to the Committee on Foreign Relations some half dozen telegrams and a letter.

There being no objection, the telegrams and letter were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *April 26, 1924.*

Senator MEDILL McCORMICK,
United States Senate, Washington, D. C.:
I urge your support of world court.

F. E. GILLESPIE,
Instructor, University, Chicago.

DETROIT, MICH., *April 29, 1924.*

Senator MEDILL McCORMICK,
Office of the Senate, Washington, D. C.:
I want the world court reported favorably out of committee May 1.

ELEANOR ELLIS PERKINS,
Evanston, Ill.

CHICAGO, ILL., *April 27, 1924.*

Hon. MEDILL McCORMICK,
United States Senate, Washington, D. C.:
Teacher political science University Chicago supports World Court.

HAROLD F. GOSNELL.

CHICAGO, ILL., *April 28, 1924.*

MEDILL McCORMICK,
United States Senate, Washington, D. C.:
Thousands of your constituents expect your support World Court plan.

N. A. TOLLES.

CHICAGO, ILL., *April 28, 1924.*

Senator MEDILL McCORMICK,
Washington, D. C.:
We faculty members and graduates, University of Chicago, organized to study international relations express our conviction that refusal of Senate to enter World Court would be disaster of first magnitude and wholly inconsistent with America's traditional policy looking toward establishment of supremacy of law in international affairs.

THE DIPLOMATIC CLUB,
NORMAN BECK, *President.*

NEW YORK, N. Y., *April 17, 1924.*

Senator MEDILL McCORMICK,
Foreign Relations Committee,
United States Senate, Washington, D. C.:
Earnestly hope public hearing on World Court will be arranged at an early date.

ROBERT FULTON CUTTING.

NEW YORK, N. Y., *April 17, 1924.*

Hon. MEDILL McCORMICK,
Senate Chamber, Washington, D. C.:
Respectfully and earnestly request Foreign Relations Committee hold public hearing on World Court resolution at earliest possible date.

EVERETT COLBY.

WASHINGTON, D. C., *April 17, 1924.*

MEDILL McCORMICK,
1801 F Street NW., Washington, D. C.:
Respectfully urge that a subcommittee be appointed to hear arguments respecting the adherence by United States to Permanent Court of International Justice on terms submitted February, 1923, by President Harding and Secretary Hughes, later recommended by President Coolidge and approved by many bodies of citizens throughout the country.

GEORGE W. WICKERSHAM.

HOTEL NEWCOMB,
QUINCY, ILL., *April 24, 1924.*

Senator MEDILL McCORMICK,
United States Senate.

DEAR SIR: In behalf of the Quincy branch of the American Association of University Women I am writing to ask you to support the Harding-Hughes world-court proposal, and to use your influence with the Foreign Relations Committee for action before Congress adjourns.

Yours respectfully,
MISS BEULAH W. PRANTE,
Branch Secretary American Association of University Women.

Mr. WARREN presented telegrams in the nature of memorials of sundry citizens of Lander and sundry citizens and business firms of Douglas, in the State of Wyoming, remonstrating against any immediate amendment of the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

Mr. NEELY. I present a large number of memorials, resolutions, telegrams, and letters in the nature of memorials of sundry citizens and various organizations in the State of West Virginia, remonstrating against any amendment of the transportation act of 1920, with particular reference to section 15a, which I ask may be referred to the Committee on Interstate Commerce.

There being no objection, the memorials, resolutions, telegrams, and letters in the nature of memorials from the following citizens and firms in the State of West Virginia were referred to the Committee on Interstate Commerce:

H. A. Abbott, cashier, the Grafton Banking & Trust Co., of Grafton; Beckley Chamber of Commerce, the Kiwanis Club of Beckley, the Rotary Club of Beckley; Chamber of Commerce of Bluefield; Crescent Glass Co., of Wellsburg; Davidson Porcelain Co., of Chester; the Dean Coal & Mining Co., of Elk Garden; Eagle Manufacturing Co. and the Erskine Glass & Manufacturing Co., of Wellsburg; O. Jay Fleming, vice president, First National Bank of Grafton; Follansbee Bros. Co., of Follansbee; George & Sherrard Paper Co. and Hammond Bag & Paper Co., of Wellsburg; the Kanawha Coal Operators' Association, of Charleston; N. F. Kendall, cashier and vice president Taylor County Bank, of Grafton; E. M. Knowles China Co., of East Liverpool, Ohio; Logan Coal Operators' Association, of Logan; Merchant & Evans, of Warwood; Merchants and Mechanics Saving Bank, of Grafton; New River Coal Operators' Association, of Mount Hope; Norfolk & West-

new provision in this section is the distinct and specific language that Titles II and IV (compensation and treatment and rehabilitation)

shall embezzle the same or fraudulently convert the same to his own use, shall be punished by fine or imprisonment, or both.

ern Railway employees, of Roanoke, Va.; Oil Well Supply Co., Parkersburg Grocery Co., Parkersburg Rib & Reel Co., and Parkersburg Supply Co., of Parkersburg; Pendleton & Hedges, of Spencer; Pocahontas Operators' Association, of Bluefield; E. V. Romig, mayor of the city of Keyser, Keyser; the Rotary Club of Huntington; Smith Big Vein Coal Co., of Elk Garden; Snider Bros. (Inc.), of Keyser; the Taylor Smith and Taylor China Co., of Chester; U. S. Corrugated Fiber Box Co. and Warwood Tool Co., of Wheeling; Weirton Steel Co., of Weirton; Welch Chamber of Commerce, of Welch; W. E. Wells, secretary and treasurer the Homer Laughlin China Co., of Newell; the Kiwanis Club and West Virginia Pittsburgh Coal Co., of Wellsburg; the Chamber of Commerce of Williamson; the Willison-Earle Co., of Clarksburg, and the Winding Gulf Operators' Association, of Beckley.

I also present a number of petitions and letters in the nature of petitions from various citizens and organizations in the State of West Virginia, favoring the immediate repeal or modification of the Esch-Cummins law, especially the section relative to the Railway Labor Board, which I ask may be referred to the Committee on Interstate Commerce.

There being no objection, the letters and communications in the nature of petitions from the following citizens and organizations in the State of West Virginia were referred to the Committee on Interstate Commerce:

Kendall R. Hagen, C. F. Casper, John A. Cox, and C. E. Adams, of Parkersburg; C. E. Hosler chairman Order of Railroad Telegraphers, of Grafton; H. H. Goudy, Brotherhood of Railroad Trainmen, of Fairmont; J. A. Diehl, Order of Railroad Telegraphers, of Hartford; B. B. Glover and E. H. Cochran, of Reader.

REPORTS OF COMMITTEES

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia, reported it with amendments.

Mr. CURTIS, from the Committee on Rules, to which was referred the resolution (S. Res. 197) directing the Secretary of War and the Secretary of the Navy to cooperate in the appointment of a joint commission to report to the Senate respecting the use of the radio stations of the War and Navy Departments for the broadcasting of the proceedings of Congress, reported it with amendments.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3199) to authorize the payment of an indemnity to the Government of China on account of the killing of two of her nationals by members of American military forces; to the Committee on Foreign Relations.

By Mr. McKINLEY:

A bill (S. 3200) for the relief of Frank J. Young; to the Committee on Claims.

A bill (S. 3201) for the relief of Lieut. Col. Charles Burnett, Cavalry; Maj. Philip R. Faymonville, Ordnance Department; First Lieut. Warren J. Clear, Infantry; and Second Lieut. Thomas G. Cranford, jr., Coast Artillery Corps; to the Committee on Military Affairs.

By Mr. RANSDELL:

A bill (S. 3202) for the relief of Lieut. (Junior Grade) Thomas J. Ryan, United States Navy; to the Committee on Naval Affairs.

By Mr. JOHNSON of Minnesota:

A bill (S. 3203) for the relief of Joseph Harkness, jr.; to the Committee on Claims.

A bill (S. 3204) to amend the act known as the Federal reserve act, approved December 23, 1913, as amended by an act approved March 3, 1919; and

A bill (S. 3205) to amend the act known as the Federal reserve act, approved December 23, 1913, as amended by an act approved March 3, 1919; to the Committee on Banking and Currency.

By Mr. RALSTON:

A bill (S. 3206) granting a pension to Rebecca Jetmore (with accompanying papers); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 3207) for the relief of Lemuel Simpson (with accompanying papers); to the Committee on Military Affairs.

By Mr. NEELY:

A bill (S. 3208) to increase the limit of cost of the public building at Williamson, W. Va., and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. McKINLEY:

A joint resolution (S. J. Res. 118) to authorize the United States Shipping Board to adjust the claim of the Near East Relief; to the Committee on Commerce.

SALARIES OF LEGISLATIVE OFFICERS AND EMPLOYEES

Mr. MOSES submitted an amendment intended to be proposed by him to the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government, which was referred to the Joint Select Committee on Readjustment of Compensation of Officers and Employees of Congress, and ordered to be printed.

TOLLS ON MERCHANT SHIPS IN THE PANAMA CANAL

Mr. RANSDELL submitted an amendment intended to be proposed by him to the bill (S. 2400) providing that the Panama Canal rules shall govern in the measurement of vessels for the imposition of tolls, which was referred to the Committee on Interoceanic Canals, and ordered to be printed.

AMENDMENTS TO TAX-REDUCTION BILL

Mr. JONES of New Mexico submitted two amendments intended to be proposed by him to House bill 6715, the tax-reduction bill, which were ordered to lie on the table and to be printed.

Mr. McKELLAR and Mr. SHIELDS each submitted an amendment intended to be proposed to House bill 6715, the tax-reduction bill, which were ordered to lie on the table and to be printed.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on April 29, 1924, the President had approved and signed the following acts:

S. 431. An act to extend the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn;

S. 2108. An act to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee; and

S. 2736. An act authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during State convention of Texas Shriners.

AMENDMENT OF WAR RISK INSURANCE ACT

Mr. RALSTON. Mr. President, on January 22 last I introduced a bill to modify or amend the war risk insurance act, which was referred to the Committee on Finance. There has been no action taken by that committee on this bill. I have taken the subject up several times with a member or two of the committee. I was finally given to believe that there might be a reasonable prospect of having my proposed amendments to this act incorporated in the Veterans' Bureau codification act which is before the Senate, but this morning I was informed that there is no such prospect. These proposed amendments are very important ones, in my judgment, and they will mean much to the boys who have attempted and are attempting to carry insurance, but for different reasons have been unable to do so. Therefore, Mr. President, I ask unanimous consent that the Committee on Finance be discharged from the further consideration of the bill (S. 2155) to amend the war risk insurance act.

The PRESIDENT pro tempore. The Senator from Indiana asks unanimous consent that the Committee on Finance be discharged from the further consideration of Senate bill 2155. Is there objection?

Mr. SMOOT. Mr. President, my attention was diverted for a moment. I do not know what the request is, and I ask that it be stated.

Mr. WALSH of Massachusetts. The Senator from Indiana [Mr. RALSTON], in January last, introduced a bill seeking to amend the war risk insurance act. He complains that no action has been taken by the Finance Committee, and has asked unanimous consent to have the committee discharged from the further consideration of the bill.

Mr. SMOOT. Why does the Senator not offer the bill as an amendment to the Veterans' Bureau bill, which is in charge of the Senator from Pennsylvania?

Mr. RALSTON. I had contemplated doing so, but have been informed by the Senator from Pennsylvania this morning that, in his judgment, there is no show to have the amendments provided for in my bill incorporated in the measure in his charge.

I wish to have an opportunity to present them to this body in order to show that the bill as I have tendered it should be passed.

Mr. SMOOT. The Senator may offer the bill as an amendment to the bill providing for a revision of the laws affecting the Veterans' Bureau.

Mr. RALSTON. I understand that; but the Senator from Pennsylvania this morning told me that, in his judgment, there was no prospect for my bill to be incorporated as amendments in that measure.

Mr. SMOOT. The Senator can offer his amendment, no matter who objects to it, when the Veterans' Bureau bill is up for consideration, and then the Senate will decide whether it wants to put the amendment on that bill, just the same as the Senate will decide whether it desires to pass the bill of the Senator from Indiana as a separate measure. I should like to have the Senator withhold his request, at least until later.

Mr. RALSTON. If I can get some assurance that there is going to be serious consideration given to my proposed amendments, I will withold the request, but I have not been able to get anybody to encourage me as yet that any action will be taken on my bill.

Mr. REED of Pennsylvania. Will the Senator from Indiana yield to me?

Mr. RALSTON. Certainly.

Mr. REED of Pennsylvania. I do not agree with the suggestions in the Senator's proposed amendments, and I would oppose their being adopted as a part of the veterans' code measure; but I agree with the Senator that he is entitled to have the opinion of the Senate. I suggest that the bill might just as well come out from the committee and go to the calendar. Then it may be debated at the next call of the calendar, and in that way the Senator can get the judgment of the Senate upon it.

Mr. RALSTON. I acted upon the suggestion of the Senator from Pennsylvania in making my request.

Mr. SMOOT. Mr. President, the only thing that I had in mind was that it might appear, on account of the motion to discharge the Finance Committee, that the committee had been negligent in not considering the bill, and that the only way it could be considered was to have the committee discharged.

Mr. WALSH of Massachusetts. Of course, the Senator from Indiana can offer his bill as an amendment to the bill that is under consideration affecting the Veterans' Bureau, but he prefers to present it as a separate measure, and I do not see why the chairman of the committee can not agree that the committee may be discharged so that the bill may go upon the calendar in regular order.

Mr. SMOOT. With that understanding, I do not object to letting the bill go to the calendar.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Indiana that the Committee on Finance be discharged from the further consideration of Senate bill 2155? The Chair hears none; the committee is discharged from the further consideration of the bill, and the bill will be placed on the calendar.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. HARRELD. Mr. President, yesterday an amendment was adopted to the pending bill proposing a tax on radio instruments. I desire to give notice that I shall ask for a separate consideration of that item when the bill reaches the Senate.

Mr. SIMMONS. Mr. President, on yesterday the amendments relating to the tax imposed in the bill on radio receiving sets were acted upon without any consideration and adopted. I am advised this morning by a number of Senators that they were out of the Chamber when that action was taken, and that if they had been present they would have voiced some opposition to the amendments. Personally I do not remember being in the Chamber when the matter was taken up. It is not on my account, therefore, that I am going to make a request of the chairman of the Finance Committee. This statement has come to me from several Senators on this side of the Chamber who are deeply interested in the matter and who have committed themselves to their constituents. I ask the chairman of the committee if he will not consent to a reconsideration of the vote by which the amendments to which I have referred were adopted, so that Senators may have an opportunity to discuss them?

Mr. SMOOT. I have no objection to a reconsideration of the vote by which the amendments were agreed to, although I thought that the proper course to pursue would be to have such amendments offered when the bill gets into the Senate.

Mr. DILL. There are two sections, one relating to receiving sets and one to parts.

Mr. SMOOT. Of course that is all radio.

Mr. DILL. I was not here at the time, or I certainly would have objected, because I have an amendment that I desire to offer to that section.

Mr. SMOOT. I have no objection to the request of the Senator from North Carolina; but at this time I ask unanimous consent that the unfinished business be temporarily laid aside for a few moments. I am informed that it will take but a few moments to pass Senate bill 2257, the bill that was under consideration last night when we took a recess. There is but one committee amendment to that bill yet to be voted upon.

The PRESIDENT pro tempore. The Senator from North Carolina asks unanimous consent for a reconsideration of the vote by which the two amendments on page 197, lines 5 to 18, were agreed to. Is there objection?

Mr. DIAL. Mr. President——

Mr. SIMMONS. Does the Senator from South Carolina intend to object?

Mr. DIAL. No; I merely want to entertain the Senate for a few moments.

Mr. SIMMONS. Will not the Senator let us get the order to reconsider before he begins?

Mr. DIAL. Very well.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina? The Chair hears none, and the vote is reconsidered.

Mr. SMOOT. I ask unanimous consent that the unfinished business be temporarily laid aside for the purpose of completing consideration of the bill that was before the Senate last night, known as the veterans' bill.

The PRESIDENT pro tempore. The Senator from Utah asks unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate bill 2257.

Mr. NORRIS. Pending that request, I want to get some information. I was told this morning when I was in committee that the Senate intended to take up this morning the question of making income tax returns public records. I have an amendment which I desire to offer on that question. If the Senate does intend to take up that feature of the bill, I want to offer an amendment. It will be necessary for me to be out of the Chamber a part of the time this afternoon. I would like to get the information, because I want to offer the amendment when the question is reached.

Mr. SMOOT. The first amendment that I shall ask to have considered this morning is the unearned income amendment on page 29 of the bill. I do not know how long that will take. I will assure the Senator from Nebraska, however, that when the item is reached to which he has referred, I shall get word to him so that he can come into the Senate and offer his amendment.

Mr. NORRIS. I thank the Senator.

Mr. SMOOT. I want to add that there are also other amendments to be offered on that subject.

Mr. McKELLAR. I have an amendment to offer to it, which I shall ask may have consideration at the proper time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah?

Mr. DILL. Mr. President, the bill in reference to the Veterans' Bureau is an extremely important measure, and it seems to me that it ought to be discussed here and considered in a number of its phases. I think it would be much better for a time to be agreed upon for the consideration of the bill, in order that Senators who are interested in it may know that it is coming up and be prepared to discuss it. At this time they are not prepared to offer certain amendments which they desire to offer, and, therefore, I do not think we ought to attempt to pass the bill now. Has unanimous consent been given to take up the bill?

The PRESIDENT pro tempore. That was the request of the Senator from Utah [Mr. SMOOT].

Mr. DILL. I do not wish to be put in the position of obstructing the bill, other than I should like to see a time agreed upon for its consideration, in order that Senators may know when it is going to come up.

Mr. SMOOT. All the Senator from Washington has to do is to object to the request for unanimous consent.

Mr. DILL. For that reason, I think I shall object at this time.

Mr. REED of Pennsylvania. I ask the Senator to withhold his objection for the present. We have disposed of all the committee amendments to the bill except one. The measure ought to be sent over to the House of Representatives in order that that body may have a proper opportunity to work on it. The bill has been on our calendar for a month. It is the product of about three months of most tremendous work by the Senator from Massachusetts [Mr. WALSH], the Senator from Nevada [Mr. ODDIE], and myself. It has been threshed around over and over again. I am afraid a postponement of its consideration now is going to work a tremendous hardship to a great number of disabled veterans. It is for their sake that I now ask consideration of the bill.

Mr. DILL. I merely wish to say to the Senator that I have no desire to delay the Veterans' Bureau bill, but the revenue bill is now before the Senate. In my own case, I desire to say that I have a large number of telegrams and letters about certain sections of the veterans' bill. I do not know what they are, and I should like to have sufficient time to examine them and be prepared to present whatever views I may desire to present in connection with the bill. If the Senator from Pennsylvania desires to postpone the consideration of the bill until later in the afternoon, that will be agreeable to me. I am simply asking for a little time until I can be prepared to say what I wish to say about the bill and to offer any amendments I may wish to offer. That was my reason for raising the question in reference to the consideration of the bill at this time.

Mr. REED of Pennsylvania. Might we have it understood, then, that the Veterans' Bureau bill shall be taken up at, say, 3 o'clock this afternoon?

Mr. DILL. Could the bill not be taken up to-morrow?

Mr. SMOOT. I should not like to give consent ahead to take up any bill as against the revenue bill. I am perfectly willing to permit the bill to come up for discussion some time in the morning when there is nothing particularly pressing, but I do not like to agree that at a certain hour to-morrow we shall take up the bill.

Mr. REED of Pennsylvania. Might we not agree that at a certain hour to-day we shall take the bill up and occupy the remainder of the day on it?

Mr. SMOOT. There may be a time when that can be done and not interfere at all with the consideration of the revenue bill. If that time comes, I certainly shall be glad to consent, as the Senator knows.

Mr. REED of Pennsylvania. Would the Senator from Utah be willing to agree that by unanimous consent we might take up the bill at 4 o'clock this afternoon and spend the remainder of the day on it?

Mr. SMOOT. If the bill is only going to consume a half hour, why not make the request that the bill be taken up not later than 5 o'clock?

Mr. REED of Pennsylvania. I have requested that the hour be 4 o'clock because I now understand that the Senator from Washington [Mr. DILL] intends to speak upon the bill. I did not previously know that.

Mr. DILL. I do not see any necessity for rushing the consideration of an important bill like that measure, which has had no consideration by the Senate other than to be read here on yesterday when but a few Senators were in the Chamber. The bill is of extreme importance to the veterans, and, with all due respect and regard for the committee which has framed the bill, there are other Senators who are interested in the legislation in addition to myself. I think the bill ought to go over for the day at least, and it may be that an agreement can be reached to take it up on some other day.

Mr. REED of Pennsylvania. Without any agreement that the bill go over for the day, I should like to say that if an opportunity offers later in the afternoon, I hope the Senator will then agree that the bill may be taken up, for, Mr. President, we have been ready enough to give all kinds of relief to able-bodied veterans, who have votes, and now I wish to see the same consideration given to men who were disabled in the service of their country. We have been trying day after day to get their case before the Senate, and I think they are entitled to claim that much consideration.

Mr. DILL. Mr. President, the Veterans' Bureau bill proposes to appropriate $27,000,000, and it also proposes to revise the entire Veterans' Bureau legislation. I do not, therefore, think it is unreasonable to ask that it go over, at least in order that some of us may be prepared to state whatever position we wish to take with regard to certain sections of the bill.

Mr. REED of Pennsylvania. All I wish to do is to get started on it, and that is where we have had our trouble.

Mr. DILL. For the present, I object.

The PRESIDENT pro tempore. The Chair understands that objection is made to the request for the unanimous-consent agreement asked for by the Senator from Utah [Mr. SMOOT]. The Secretary will state the next amendment passed over on the revenue bill.

Mr. SMOOT. The next amendment passed over is on page 29.

The READING CLERK. The next amendment passed over is on page 29, line 19, to strike out "'Earned income' also means reasonable compensation or allowance for personal service where income is derived from combined personal service and capital in the prosecution by unincorporated persons of agriculture or other business, but not exceeding 20 per cent of the net profits of the taxpayer from the business in connection with which his personal services are rendered," and in lieu thereof to insert:

> In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, a reasonable allowance as compensation for the personal services actually rendered by the taxpayer, not in excess of 20 per cent of his share of the net profits of such trade or business, shall be considered as earned income.

Mr. SMOOT. The amendment merely proposes a clerical change, Mr. President, and will not, I think, be contested. I do not think there will be any objection to that amendment.

Mr. McKELLAR. I was unable to hear what the Senator from Utah said.

Mr. SMOOT. I have stated that the provision has merely been rewritten for clerical purposes. The contested amendment will be found on page 30, line 19, where the committee propose to strike out "$20,000" and to insert "$10,000."

Mr. DIAL. Mr. President——

Mr. SMOOT. If the Senator has no objection, I should be glad if he would let us agree to the amendment which has just been stated, and then we can take up the next amendment and the Senator can speak on that.

Mr. DIAL. I should like to get the floor pretty soon, Mr. President.

Mr. SMOOT. The Senator can get it just as soon as we agree to the pending amendment and take up the next one.

Mr. SIMMONS. Mr. President, we can not agree to the amendment which has been stated without very considerable discussion. On yesterday afternoon I offered an amendment to this amendment which I think will create considerable debate.

Mr. SMOOT. Does the Senator refer to the amendment which has been stated which provides for striking out certain words and inserting others?

Mr. SIMMONS. I have offered an amendment to the earned-income section.

Mr. SMOOT. But the Senator's amendment is not, I think, to the amendment which has just been stated. His amendment will follow on page 30, where it is proposed to strike out "$20,000" and to insert "$10,000."

Mr. SIMMONS. My attention was diverted for a moment and I did not hear the amendment stated; but I understood it related to earned income. I have no objection to the amendment which has been stated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment passed over was, on page 30, line 19, after the word "than," to strike out "$20,000" and to insert "$10,000," so as to read:

> (3) The term "earned net income" means the excess of the amount of the earned income over the sum of the earned-income deductions. If the taxpayer's net income is not more than $5,000, his entire net income shall be considered to be earned net income, and if his net income is more than $5,000, his earned net income shall not be considered to be less than $5,000. In no case shall the earned net income be considered to be more than $10,000.

Mr. JONES of New Mexico. Mr. President, I propose two amendments to the bill and ask that they may be printed and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SALE OF COTTON FUTURES

Mr. DIAL. Mr. President, I desire to detain the Senate only for a few moments. In 1921 I introduced a bill to amend the cotton futures contract law. Realizing this was a technical subject, in March, 1922, I had the whole subject referred to the Federal Trade Commission. I wanted it to be investigated most thoroughly, so that Senators could have the benefit of expert testimony, opinions, and findings on the subject.

My contention was that the present law operates injuriously against the grower, because of allowing the wrong party, to wit, the seller, to select and giving him too much latitude to select from, to wit, 10 grades. I offered a remedy to divide the 10 grades into three classes. The Federal Trade Commission on Monday made a report to the Senate sustaining my contention. This report went further, however, recommending certain matters for which I did not contend, and, in fact, which I have opposed. It recommended (1) abolition of New York as a tender market; (2) making New York contracts deliverable in the South; (3) authorizing odd-lot sales—that is, less than 100 bales.

I did not advocate the abolition of the New York market as a delivery market, either. That was outside of anything I contended for; on the contrary, I strongly disagree. The commission recommended that cotton should be delivered on contracts in certain places in the South; that the New York market should be maintained as a trading market, but not for delivery, and cotton should be delivered in certain stations in the South. I did not contend for that. On the contrary, I opposed any such suggestion. To my mind to authorize delivery in the South on New York contracts would be very injurious to the price of cotton. The trouble to-day is that a large amount of uninvested wealth in New York is used to cause violent fluctuations and to manipulate the market. One reason to-day why the market does not go lower is because delivery might be requested of the contracts in New York, and, of course, the commodity would bring a higher price there than it would if it could be delivered in the South. It is just like potatoes, for instance; if you had a contract to sell potatoes they could be sold cheaper in Maine, where they are grown, than in New York. Just so as to cotton. For this kind of proposition to be enacted into law would be very injurious, according to my ideas, to the growers of cotton.

Some arguments were produced to sustain that contention. I did not include it in my bill. In fact I opposed it before the Federal Trade Commission, and there is nothing pending in Congress, so far as I know, to carry out that suggestion of the Federal Trade Commission; and I very much fear the commission did not give it the very careful study that it ought to have given it. My contention is that the law as it exists to-day is wrong, because the wrong party to the contract—to wit, the seller—has the right to select any one or all of 10 grades in which he can deliver the contract. In other words, the wrong party to the contract has the right of selecting the quality of the contract. Then it is wrong in the second respect because it gives the seller too much latitude to select from. Therefore the contract, of course, is a depreciated contract, and it fixes the price of the actual cotton. That is where the wrong comes in, and that is what the Federal Trade Commission sustains, and that is all my bill meant, all I ask for, and all that I advocated.

This matter has been before the Agricultural Committee for something like two years or longer, and it has neglected to make a report. I have pending a motion, which I propose to bring up at the first opportunity, to discharge the committee from further consideration of the bill. I feel, with all due respect to the committee, that they are taking naps on the job. As a remedy for this condition, the southern Senators and Congressmen ought to have a meeting and get together like business men and agree on the subject.

The South is in a bad condition as to agriculture. On account of the wide and wild fluctuations of cotton manufacturers are not able to sell their goods; hence, they are piling them up. Converters and, in fact, all buyers of goods are withdrawing from the market. Mills are compelled to shut down, and labor is being thrown out of employment without any fault of theirs, and they are leaving our section. This is more serious in the South than it has ever been heretofore. Our mill laborers are of the best class and are anxious to work. Before the advent of the boll weevil, if laborers should lose their employment in the South, they could go on some one's farm and get work until employment would be opened up in some other line, because at that time we all knew that some cotton could be produced, but since the boll weevil is present it is doubtful whether one can produce any cotton, so many people to-day are unwilling to finance the operations of farming, especially where they are not compelled to do so. At least they are reluctant to expand. Therefore labor is thrown out of employment, and a great deal of suffering will ensue.

Mr. President, I hope to bring up this subject at an early date, and I am going to press for passage of my amendment.

Mr. SMITH. Mr. President, on yesterday, I believe, my colleague introduced an amendment to the law looking toward the regulation in reference to the buyer of a contract. I want to state here, because I have already given a statement to the press as to the rules and regulations governing the exchange in reference to the seller having certain privileges as to notice of intention to deliver without like privileges on the part of the buyer to serve notice under what conditions he would demand specific fulfillment, that I think the amendment my colleague has introduced, if put in the proper shape—and I have not yet had time to study it as closely as I intend to—will have more effect upon the stabilizing of prices under present conditions than perhaps anything that has yet been introduced. It gives the buyer the same opportunity at the expiration of his contract to say under what conditions he intends to demand specific fulfillment as the seller now has of stating almost entirely at his own pleasure when he intends to offer or give notice that he will deliver.

Mr. DIAL. Mr. President, I am glad to have my colleague's approval of the amendment I offered yesterday. It is one that he and I have been discussing for some time, and I agree with him that it will help a good deal, but whether or not it goes far enough, I am frank to say that I do not know. I certainly thought the other two parts of my former amendment would help to stabilize prices a good deal, and I agree with him. I think this would improve the proposition greatly. Possibly there should be some more amendments put in along that line, but we should endeavor to give each party to the contract an equal opportunity. I think we can improve this proposition greatly, and I am satisfied that the southern Senators will get together and do that, and thereby we will help our people.

My colleague has made different speeches on the subject, and he is on the right line in saying that unlimited short selling should be prevented. That is entirely right, but I confess I do not know how to limit it. How much we should limit it, whether to the amount of the crop of cotton grown that year or in some other way, I confess I do not know; but my amendment would automatically limit it in a great measure, because it would make the party specify the quality of the cotton he was contracting to sell. Therefore, he would not sell to such an extent nor with such ease and rapidity. I am persuaded to believe the days of unlimited short-selling are drawing to an end.

The report of the Federal Trade Commission is a very voluminous document. It has not been printed. The Senate yesterday passed a resolution authorizing it to be printed, and I have read but very little of the report. It is several hundred pages in length. The commission, however, made a synopsis of its findings, which is very short. It does not take up a column in a newspaper, and I see that it is quoted in the News and Courier of my State, and also in some other papers. I ask unanimous consent that the synopsis made by the Federal Trade Commission of its findings be printed in the RECORD. It is just one column, I believe.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The matter referred to is as follows:

[From the News and Courier, Charleston, S. C., Monday April 28, 1924.]

ADVOCATES CHANGE OF PRACTICES ON COTTON EXCHANGES—REPORT OF TRADE COMMISSION TO BE TRANSMITTED TO THE SENATE TO-DAY—REVISIONS ARE RECOMMENDED—INQUIRY MADE IN RESPONSE TO ALLEGED VIOLATION OF ANTITRUST LAWS

WASHINGTON, April 27.—Revision of trading practices on the Nation's cotton exchanges is recommended by the Federal Trade Commission in a report on the cotton industry to be transmitted to the Senate to-morrow.

The report made public to-night is in response to a resolution directing the commission to investigate alleged violations of the antitrust laws by cotton exchange and cotton dealers, and the effect of such alleged violations on spot-cotton prices.

The commission recommended revision of grades of cotton deliverable on future contracts, changes in the system of making spot-cotton quotations and differences, delivery on New York future contracts at southern ports, and publication of the total volume of futute and open trades. No proof could be obtained, the commission reported, on charges that cotton merchants have pooled their interests to manipulate future prices or of any attempt to restrict competition in the trade.

CONTIGUOUS GRADE CONTRACT

"A three contiguous grade contract," providing that delivery on each contract shall be composed of not more than three adjacent or contiguous grades of cotton, was recommended for future dealing. This system, the report said, should be used only on condition that the southern warehouse delivery system is adopted.

More accurate spot quotations, the commission claimed, would give true commercial differences for use in settlement of the future contracts which make for a more stable relation between spot and future prices and therefore for a better market.

Mr. DILL. For the present, I object.

most thoroughly, so that Senators could have the benefit of expert testimony, opinions, and findings on the subject.

league introduced an amendment to the law looking toward the regulation in reference to the buyer of a contract. I want to

prices and therefore for a better market.

The report pointed out that both the producer, merchant, and manufacturer are entitled to know what prevailing prices of cotton are, as shown by actual sales, not only for middling, but for all other grades of cotton.

To establish accurate spot quotations and correct differences, the commission recommended uniformity of procedure in determining them, that all pertinent price information be reported for every sale and be made the basis of the spot quotations and differences by mathematical computation, and that such information be verified by competent "classers." The feasibility of taking a weighted instead of a simple average for settlement of the future contract should be considered.

FURNISHES SAFE HEDGE

Supporting its recommendation of some form of southern delivery on New York contracts, the commission said:

"The strongest claim for a futures market is that it furnishes a safe hedge for cotton merchants. This the New York market does not always do; in fact, it is frequently manipulated, its prices being forced out of line. It is a truism to say that for some years past the New York futures market has failed to perform satisfactorily its chief functions.

"There are asserted objections to abolishing the New York futures market. New York has an important advantage over any other city in the United States; it is the financial and trading center of the world. It is stated by some cotton merchants that New Orleans has a better contract than New York in that delivery takes place at a large spot market.

"But the volume of trading in futures at New York is much greater than that at New Orleans. But it is believed that this time it is the part of wisdom to try to retain the better features of the New York futures market. Much of the ground for criticism will be eliminated by the adoption of some system of southern warehouse deliveries on New York contracts. Southern deliveries will do much to eliminate manipulation and determine New York future prices in their proper relation to spot prices."

ABOUT SOUTHERN DELIVERY

The commission recommended that the number of southern delivery points be few, and at present only Atlantic and Gulf ports. Delivery, inspection, and certification of cotton at the southern ports should be under rigid Government supervision, and tender of cotton on futures at New York should be no longer permitted.

The commission asked that consideration be given to a reduction in the size of the contract delivery (100 bales). The value of the present contract, with cotton at 20 to 30 cents, "seems entirely out of proportion with the value of the deliveries on future contracts for wheat, corn, and oats," said the report, adding that a reduction of the size of the delivery would render the contract more merchantable and at the same time would permit closer hedging.

The commission suggested that a prohibitive tax on cotton "puts and calls" like that now in force for grain be enacted, "thus contributing to the elimination of such trading which is now prohibited by the rules of both of the cotton exchanges."

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

Mr. KING and Mr. WALSH of Massachusetts. Let the amendment be stated.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 30, line 19, it is proposed to strike out "$20,000" and insert "$10,000," so as to make the paragraph read:

(3) The term "earned net income" means the excess of the amount of the earned income over the sum of the earned income deductions. If the taxpayer's net income is not more than $5,000, his entire net income shall be considered to be earned net income, and if his net income is more than $5,000, his earned net income shall not be considered to be less than $5,000. In no case shall the earned net income be considered to be more than $10,000.

Mr. SIMMONS. I desire to offer an amendment.

Mr. KING. Does the Senator desire to discuss this particular amendment?

Mr. SIMMONS. No; I do not. I was about to offer an amendment. I send an amendment to the desk, which I ask to have read.

Mr. SMOOT. I have no objection to it at all.

Mr. SIMMONS. I do not know whether I have correctly stated the place at which the amendment is to be inserted, but it ought to come in on page 30, line 20.

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from North Carolina.

The READING CLERK. On page 30, beginning with line 21, the Senator proposes to strike out all of subsection (b) and subsection (c), and to insert in place thereof the following:

(b) In the case of an individual who is taxed under the provision of section 210 the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable on a total ordinary net income equal in amount to his earned net income as defined in this section.

Mr. SMOOT. I have no objection to the amendment.

The PRESIDENT pro tempore. The question now is on the amendment found in line 19, page 30.

Mr. SMOOT. I understand that the committee amendment has been agreed to.

The PRESIDENT pro tempore. It has not been agreed to.

Mr. KING. That was the reason why I interrupted the Senator from North Carolina.

The PRESIDENT pro tempore. The question is on agreeing to the amendment on line 19, page 30.

The amendment was agreed to.

The PRESIDENT pro tempore. Now, the question is upon agreeing to the amendment proposed by the Senator from North Carolina.

Mr. SIMMONS. I recognize that probably my amendment is not in order now, and if the Senator from Utah prefers, I am perfectly willing to have it go over.

Mr. SMOOT. It might just as well be acted on now.

Mr. SIMMONS. I am very glad to know that the Senator from Utah [Mr. SMOOT], the chairman of the Finance Committee, finds this amendment acceptable to him.

It has developed that under the bill as reported by the committee a taxpayer with an income of $100,000 would get eight times as much exemption from taxation under the $10,000 limit as the taxpayer whose income amounted to only $10,000 or less would get; making a very glaring inequality in the benefits conferred by the provision. Of course, if the proposition that came from the Treasury Department in the original bill had been adopted that disparity would have been even greater, enormously greater. The purpose of this amendment, and it undoubtedly will accomplish that purpose, is to allow all taxpayers the same amount of exemption on earned incomes of $10,000, or up to $10,000—that is, the man whose income is $100,000 shall take his tax exemption out of the first $10,000 of taxable income, and the man whose income is only $10,000, of course, as a matter of necessity takes his out of that earned income.

Mr. KING. His 25 per cent.

Mr. SIMMONS. Yes; of his taxable income. Without regard to the amount of his income, each would get the same amount of exemption from taxes as the other would get. That, I think, is a very just provision. I do not want to elaborate it, because I assume there will be no objection to it, the chairman of the committee having said that it is entirely satisfactory to him.

Mr. SMOOT. I have no objection whatever.

Mr. SIMMONS. I want to say that while the House reduced the limit on earned income subject to this deduction to $20,000, and the Finance Committee reduced that limit to $10,000, with the adoption of this amendment I would be perfectly willing to restore the original House limit, or even make that limit greater. I supported a reduction in the committee because, as the bill was then drawn, it was apparent to me that the man with a large income would get very much greater benefit from the bill than the man with small income, and the degree of disparity would increase with the increase in the amount of income. I thought that unfair. But it occurred to me that this amendment might be adopted, operative to correct an inequality, and to allow all taxpayers exactly the same reduction on account of this allowance of 25 per cent off of at least $10,000 of earned income. Unless there is some opposition, I have nothing more to say.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will report the next amendment passed over.

The READING CLERK. On page 31, line 23, under "Normal tax," the committee proposes to strike out lines 23, 24, and 25, all of page 32, and lines 1 to 4 on page 33.

Mr. SMOOT. The Senator from North Carolina wants that amendment to go over, and I ask that it may go over.

The PRESIDENT pro tempore. It will be passed over.

Mr. WALSH of Massachusetts. Mr. President, this bill is now getting into such a condition that we are approaching the very important amendments, and I think it would be of great help to Senators and also expedite the passage of the bill if a calendar could be prepared stating the important amendments which will be taken up from now on in the order in which they will be taken up. For instance, we have yet to consider the normal tax, the surtax, the estate tax, and the corporation tax, and if we knew the order in which they were to be taken up Senators could prepare themselves, be here to hear the discussions, and take an immediate vote after any one of these subjects was thoroughly discussed.

I hope the Senator from Utah will at some time, when he thinks the opportune time has arrived, prepare a calendar, so that Senators will know what important amendments are left undisposed of, and suggest, if he can get unanimous consent to it, the order in which they shall be taken up. I would like to have the opinion of the Senator from Utah on that method of expediting the business of the Senate.

Mr. SMOOT. The suggestion is a very good one; but the Senator knows I have not tried to crowd any amendment in which the Senator from North Carolina or any other Senator was deeply interested. I understand now that the Senator from North Carolina will be ready to proceed to-morrow with the discussion of the normal tax and surtax on individuals, and after that we will make out a list of the amendments in the order in which they are to be considered.

Mr. WALSH of Massachusetts. What I have in mind is this: If, for instance, we know that on Friday the corporation tax amendment will be taken up, and that that day will be given over to a discussion of that amendment; that on Saturday the estate tax amendment will be discussed; and that on Monday some other matter in the bill will be discussed, if we have that information before us we can be prepared to discuss each particular subject and have a vote and dispose of it.

Mr. SMOOT. The suggestion is a good one. The next amendment passed over is on page 47, but the amendment on page 52 ought to be agreed to first. Whatever action is taken on the amendment on page 52 will have a bearing on the action to be taken by the Senate on the amendment on page 47.

Mr. SIMMONS. What is the amendment now to be considered?

Mr. SMOOT. The amendment on page 52.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 52 the committee proposes to strike out lines 19 to 25, both inclusive, and on page 53 lines 1 and 2.

The next amendment was, in section 214, on page 52, after line 18, to strike out:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. SIMMONS. I think the Senator from Pennsylvania [Mr. REED] probably wants to present his views about this amendment. If he does not, I want to present mine.

Mr. REED of Pennsylvania obtained the floor.

Mr. SMOOT. Will the Senator yield?

Mr. REED of Pennsylvania. I yield.

Mr. SMOOT. I want to call the attention of Senators present to the fact that this is a very important amendment.

Mr. SIMMONS. Let us have a quorum.

Mr. SMOOT. I intend to call for one. As I said in the committee, I voted to strike this language from the bill for the very purpose of getting the subject upon the floor of the Senate for discussion. There is a vital principle involved in this amendment; and for that reason I suggest the absence of a quorum, with the hope that Senators will remain in the Chamber while we are discussing the amendment.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Cameron	Dill	Frazier
Ashurst	Capper	Edge	George
Bayard	Cummins	Edwards	Gerry
Broussard	Curtis	Ferris	Glass
Bruce	Dale	Fess	Gooding
Bursum	Dial	Fletcher	Hale
Harreld	Ladd	Overman	Spencer
Harris	Lodge	Pittman	Stanfield
Harrison	McCormick	Ralston	Stanley
Heflin	McKellar	Ransdell	Stephens
Howell	McKinley	Reed, Pa.	Sterling
Johnson, Calif.	McLean	Sheppard	Swanson
Johnson, Minn.	McNary	Shields	Trammell
Jones, N. Mex.	Mayfield	Shipstead	Walsh, Mass.
Jones, Wash.	Moses	Shortridge	Walsh, Mont.
Kendrick	Neely	Simmons	Watson
Keyes	Norris	Smith	Willis
King	Oddie	Smoot	

The PRESIDENT pro tempore. Seventy-one Senators have answered to their names. There is a quorum present.

Mr. REED of Pennsylvania. Mr. President, the pending amendment will be found on page 52, beginning at line 19. The committee amendment consists in striking out the provision which was recommended by the Treasury Department as a means of putting an end to what has become not only an instrument of unfairness to the Government but a great evil. In substance the provision of the House text was that if a man was in receipt of tax-free interest on securities, municipal or State, he might deduct from his taxable income losses and interest paid by him only to the extent that his losses and his interest paid exceeded the amount of the tax-free income. As I stated it that sounds involved, but it is not an involved idea. Many men reduce the amount of their income tax by charging against their income the interest which they pay on their own loans, and it is proper that they should. Many men reduce their taxable income by deducting from it losses which they have sustained in the sale of securities, and it is proper that they should if the losses are sustained in good faith.

I beg Senators' attention to this because it is really the first phase of one of the biggest questions that the Congress of the United States has got to solve if it is going to retain an income tax law. It is the first effort to reach the evil that has grown up around the issuance of tax-exempt securities, and it is something that deserves the earnest thought of all of us.

The idea of the Treasury Department is not to tax securities which are tax exempt. They do not ask us in this provision to go that far. I have an amendment pending which I shall offer when the committee amendments are disposed of which would reduce——

Mr. OVERMAN. Is the Senator discussing the amendment which he introduced on yesterday?

Mr. REED of Pennsylvania. No; I am discussing the committee amendment on page 52, beginning at line 19, where the committee recommends that there be stricken from the bill the provision which the House put in to limit the amount of losses and the amount of interest that he might deduct from his taxable income. It is proposed to limit him by providing that if a man has a lot of tax-exempt interest coming in from State and municipal bonds, then he may only deduct so much of his losses and so much of the interest that he pays as exceeds the tax-exempt income. That seems a peculiar way to get at it, but it is necessary for the reason that a great many men who borrow heavily put the borrowed money or its equivalent into tax-exempt securities, so that not only is that interest exempt from taxation but the interest that they pay in borrowing money is deductible from their taxable income. The result of that is that we get such paradoxical cases as the estate of William Rockefeller, who had borrowed $31,000,000 and whose estate consisted of $44,000,000 of tax-exempt securities. In other words that man—and we might as well use him as an illustration because the facts of his estate are public property——

Mr. JONES of New Mexico. Mr. President, will the Senator yield?

Mr. REED of Pennsylvania. I yield.

Mr. JONES of New Mexico. Will the Senator state further that the money so borrowed by Mr. Rockefeller was borrowed from his children?

Mr. REED of Pennsylvania. That I believe was the fact as to practically all of it.

Mr. JONES of New Mexico. It seems to me that modifies to a very material degree the inference which might be drawn from the statement of the Senator. I can understand how a man might borrow a large amount of money from his children and pay them interest on it, when he would not be willing to borrow that money from outside sources and pay a rate of interest on it merely for the purpose of having it invested in tax-exempt securities which produce only 4½ per cent interest.

Mr. REED of Pennsylvania. I do not quite agree with the Senator in his conclusion. It seems to me that the fact that it was borrowed from Mr. Rockefeller's children makes it a more

The PRESIDENT pro tempore. It will be passed over.

Bruce	Dale	Fess	Gooding
Bursum	Dial	Fletcher	Hale

was borrowed from Mr. Rockefeller's children makes it a more

emphatic case. It shows a greater evasion of the income tax law. But let us consider just what the facts were.

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. REED of Pennsylvania. I yield to the Senator from Utah.

Mr. KING. I apologize to the Senator for interrupting him. I am not sure that the Senator ought to deduce any general rule for the determination of our policy because of the Rockefeller case. I regard it as sort of an exception. It stands out sui generis. The Senator will recall that the returns for 1922 showed only 241 estates of more than $1,000,000 in value that had any tax-exempt securities held at all, and they were inconsiderable, not sufficient to pay the expenses of administration.

Mr. REED of Pennsylvania. I am taking this case because the facts are all in the public records, and it is no abuse of confidence to discuss it. I believe it is the experience of most of the Members of the Senate that such cases do exist and are common, although I grant that the figures are as the Senator from Utah has just given them. But let me explain just what happened in this particular case and just what can happen in every other case. The amendment we are considering only reaches the cases where that is done.

Rockefeller had two-thirds of his estate in tax-exempt bonds. Forty-four million dollars' worth of tax-exempt bonds constituted two-thirds of his assets. As to that much he sat by and paid no tax, and to that extent the rest of his fellow countrymen were paying for the Government and he was not.

Mr. JONES of New Mexico. Mr. President, may I interrupt the Senator again?

Mr. REED of Pennsylvania. I yield.

Mr. JONES of New Mexico. May I inquire how he invested that borrowed money of $31,000,000?

Mr. REED of Pennsylvania. I do not know any more about Mr. Rockefeller's behavior than has been given by the newspaper accounts, and I do not know what he did with the $31,000,000.

Mr. JONES of New Mexico. Does not the Senator believe that we ought to know that, so as to know whether or not the Treasury has suffered any? If he borrowed $31,000,000, he perhaps purchased other securities with it, and the income from those securities would likewise be subject to tax. I am interested to know how the Senator figures the proposition so that the Government loses any revenue.

Mr. REED of Pennsylvania. I do not claim to be a great mathematician, but I think it is obvious that if the taxable part of his estate consisted of only $20,000,000 and his borrowings consisted of $31,000,000 and his tax-exempt securities consisted of $44,000,000, at least $11,000,000 of his borrowings must have been in tax-exempt securities or else thrown away.

Mr. JONES of New Mexico. May I remind the Senator that there is a provision in the statute which prohibits the allowance of interest for the purpose of buying tax-exempt securities; but if he should do it, I assume that the rate of interest which would be paid for the borrowed money would be at least equivalent to the rate of return upon the tax-exempt securities. If it were not, I can not see the advantage of the transaction. I am unable to satisfy my mind that Rockefeller did not pay his children really in that way a bonus, making gifts to them of the difference in interest, because if he was paying them a rate of interest in excess of the return upon the tax-exempt securities, there certainly must have been some favor involved in the transaction, because there would be no business advantage in it.

Mr. REED of Pennsylvania. If the Senator from New Mexico will have patience with me for just a moment, I think I can show how there was a business advantage in it.

Mr. Rockefeller borrowed $31,000,000. Now, at least $11,000,000 of that must have been spent for tax-exempt securities, because he only had $20,000,000 of taxable securities in his estate when he died. That much we have. Let me show how he worked it. His interest on $44,000,000 of tax-exempt securities was approximately $2,000,000 a year. All of that $2,000,000 was absolutely tax exempt. The interest that he paid his creditors, who happened in this case to be his children, if he paid 6 per cent, was $1,800,000 a year.

Under the law as it stands, and we are trying to correct it, that $1,800,000 was deductible from his taxable income. He had about $20,000,000 of taxable securities. Now, let us suppose that he got a high rate of interest on the $20,000,000. Let us suppose that he got as much as 9 per cent upon all of his taxable estate. It would be absolutely wiped out by the deduction of the $1,800,000 of interest that he was paying to his children. Therefore he got $2,000,000 of tax-exempt income and did not pay one penny of tax on it, and he got 9 per cent on his $20,000,000 of taxable securities and paid no tax on that.

Now, let me apply it to a simpler case. Suppose that I have a business that yields me $50,000 a year; I am running a shop, we will say, or am practicing law, or have investments, and I have $50,000 a year coming in. If I have simply let matters rest there, I have to pay a substantial income tax on that amount, but if I go to my banker and borrow $1,000,000 and put it into 5 per cent municipals—and there are plenty of them coming out every day; one's mail is full of advertisements of them, if he shows the slightest interest in the subject—if I borrow $1,000,000 at 5 per cent and put up the municipal bonds, and perhaps a little more, for collateral, and pay 5 per cent to the bank, what happens? The 5 per cent interest I get on the $1,000,000 of tax-exempts comes in to me, and I pay no tax on it. The $50,000 that I get from my business is entirely wiped out by the interest that I pay, and I have converted a $50,000 taxable income into $50,000 of nontaxable income, and I actually get the same amount net each year, but pay no tax. I pass my share of the burden of paying for the Government over to my fellow citizens. I sit under the umbrella of this tax exemption.

Mr. WATSON. And that is being done right along.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED of Pennsylvania. Will not the Senator let me finish one or two more thoughts?

Mr. BROOKHART. Certainly.

Mr. REED of Pennsylvania. In addition to that there is the man who registers off losses. We all know the phenomenon that occurs on the New York Stock Exchange in the last couple of weeks of the year, especially if prices are down. There is great ado and prices are very much upset each day. The financial column of every newspaper explains it as, "This is the season for registering off losses." What that means in plain English is that every man of wealth has gone to his safe deposit box and thumbed over the papers there to find securities that are then selling on the market at less than he paid for them. He takes them to his broker and he says, "Here, I have $100,000 of Union Pacific 4's; they are down 10 points from what I paid for them; sell them for me and buy me the same amount of Atchison 4's or some other security equally good." Then he goes back with his head up and his conscience untroubled and deducts $10,000 from his taxable income by registering off that paper loss. It is not a real loss; he has merely turned one good bond into another good bond; he has just as much property as he had in the beginning; but he has cut down his taxable income for that year, and the United States is the sufferer.

There are two ways of reaching that kind of gentleman. One is to subject to taxation what is called the tax-free income from future issues of such securities. I have an amendment which I am going to offer when the time comes to try to accomplish that object. The other way, about which there can be no constitutional difficulty, is the method provided here at the suggestion of the Treasury Department; that is, do not let a man register off losses from his taxable income; do not let him charge off interest paid from his taxable income except to the extent that those losses or that interest paid exceeds the amount of his tax-exempt income; so that if I have $5,000 coming to me from tax-exempt bonds and if I am paying $5,000 worth of interest on a loan of approximately the same amount, I can not take the tax-free income and put it in one pocket and then use that deduction to cut down the amount of my properly taxable income in the other pocket.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Nebraska?

Mr. REED of Pennsylvania. I yield.

Mr. NORRIS. Will not the Senator take the same illustration that he gives as to the sale of $100,000 of Union Pacific bonds and the purchase of an equal amount of Atchison bonds and, assuming that the law has been amended as he suggests, see where that illustration will bring us?

Mr. REED of Pennsylvania. Certainly. We will assume that I have $10,000 of taxable income from my business or from ordinary corporation bonds. If I go through the process which I described awhile ago of swapping bonds and registering off a nominal loss, I can deduct that nominal loss from my income, and absolutely wipe it out for the purpose of taxation, although at the same time I may be receiving tax-exempt income for any amount, or, say, $10,000 of tax-exempt income. As the law now stands, under peculiar privileges which we allow to capitalists, the deductions are made first from their taxable income. What we want to do is to make the deductions from their tax-free income. I can not see any reason ethically why they are

entitled to deduct these losses from their taxable income rather than from their nontaxable income. What the amendment provides is that, if a taxpayer registers off his losses on his bonds he has got, in substance, to deduct that loss first from his tax-free income, and then only the excess on it from his taxable income.

Do you not see, Senators, that the present law works all to the advantage of the capitalist? He has all these loopholes that we have left him in the law, so that, without breaking the law in the least, he can cut down his taxes to a small fragment of what they would be if he had paid on his total real income, while the man who works for his living pays up to the last penny, because there is no deduction, there is no loophole open for him. But the capitalist has these tax-frees to put his money into; he has this method of registering off losses, and he has the privilege of charging off his interest. All these things are loopholes for him, but the man who works for what he gets has no similar privilege. There is nothing that corresponds to that in advantage to the worker. The advantage is all to the capitalist.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED of Pennsylvania. I yield to the Senator.

Mr. BROOKHART. I should like to ask the Senator a question. Are the transactions which the Senator has described whereby the taxpayer reduces his taxes a fraudulent evasion of his taxes?

Mr. REED of Pennsylvania. The Senator has not heard the subject under discussion; I think he came in——

Mr. BROOKHART. I did not hear all of it.

Mr. REED of Pennsylvania. I think he came in after the amendment was suggested. It has nothing to do with the taxable earned income or the reduction of the taxes on earned income, but the amendment proposes to strike out a provision that is intended to prevent these evasions.

Mr. BROOKHART. In the case of the transfer of stock that is made on the loss theory, is that a genuine legal switching of property within the law such as an honest court would allow the taxpayer in the reduction of his taxes, or is it a fraudulent evasion?

Mr. REED of Pennsylvania. It is not a fraudulent evasion in a legal sense. The tax law provides, and it always has provided, that a loss suffered on the sale of securities might be deducted.

Mr. BROOKHART. The Senator described a stock transaction which he said did not in fact involve a loss at all, and yet the taxpayer was allowed to deduct it as a loss. Is not that fraud?

Mr. REED of Pennsylvania. It is not a legal fraud; no.

Mr. BROOKHART. The technicality of the law protects the taxpayer in that kind of a situation?

Mr. KING. It is not a question of the technicalities of the law but it is the law itself.

Mr. REED of Pennsylvania. The law itself protects him and affirmatively allows him to charge off that loss. Now, what we are trying to do is to stop his being able to deduct that loss.

Mr. BROOKHART. I am not out of sympathy with the Senator's idea; I believe it is all right so far as that is concerned; but I was rather interested to know if the capitalists of the country are that kind of tax dodgers and then accuse the I. W. W.'s of being Bolsheviks.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Pennsylvania yield to the Senator from Florida?

Mr. REED of Pennsylvania. I yield to the Senator from Florida.

Mr. FLETCHER. Does not the Senator's proposition lead to this: By way of illustration I will take farm-loan bonds, which under the law are exempt from taxation. Say I have a little money to spare and I want to see the farm-loan bonds marketed because out of the proceeds of the farm-loan bonds loans are made to the farmers on long time. They are bought largely because they are tax exempt and are sold at par or a little above par, bearing an interest rate of 4½ per cent. I can ordinarily get more than 4½ per cent for any spare money which I may have to invest, but the farm-loan bonds are perfectly safe, and I rather desire to encourage the sale of such bonds in order that there may be ample proceeds to meet the demands of agriculture.

The law provides, as I have said, that they are exempt from taxation. If the Senate does not agree to the committee amendment, but agrees with the Senator from Pennsylvania, the result in effect will be to tax these exempt bonds. If, for instance, I am entitled as an individual to certain deductions—say, to illustrate, that I have borrowed money and am paying $2,000 a year interest—if I happened to have a few farm-loan bonds and am getting interest from these bonds, I can not make any deductions, if the Senator's position is well taken, of the interest which I am paying in another direction, unless that interest exceeds what I receive in the way of interest from my farm-loan bonds.

Mr. REED of Pennsylvania. That is exactly right.

Mr. FLETCHER. That in effect taxes the farm-loan bonds. There can be no escape from that conclusion, it seems to me. I call the Senator's attention to another provision in this bill under which I am not allowed to borrow money for the purpose of investing in farm-loan bonds to escape taxation. There is a provision in the bill, on page 48, which obliges me in that kind of an instance not to make any deduction for the interest which I have to pay in order to get money to purchase tax-exempt securities. I can not do that; that is prohibited.

Mr. REED of Pennsylvania. The Senator knows that provision does not work. I was coming to that in a moment if I had been permitted.

Mr. SMOOT. That is also the present law.

Mr. FLETCHER. Yes; and it is in this bill.

Mr. REED of Pennsylvania. Will the Senator allow me to answer the question which he has asked before he goes on further?

Mr. FLETCHER. Certainly.

Mr. REED of Pennsylvania. There is and has been for years a provision in the law that interest on money borrowed for the purpose of buying tax exempts shall not have the privilege of being deducted. The way taxpayers get around that—and it is as simple as the A, B, C's—is to borrow money for some other purpose and then use the money that they have for the other purpose to buy tax exempts. Practically, that section is a dead letter. We all know that tax exempts are bought on borrowed money, because when men die we find in their estates great blocks of tax exempts and at the same time many outstanding debts. If the man did not have the tax exempts he would not have the debts, but he so arranged matters that the money he paid for the tax exempts came out of some fund that he had before, and then he borrowed money and replenished the fund. That is the way they all do it. That law is a dead letter.

The proposal I am advocating will put life in it.

Mr. GLASS. Mr. President, if I may ask the Senator a question, is it not a fact that comparatively few people of moderate means buy tax-exempt 4½ per cent farm-loan bonds?

Mr. REED of Pennsylvania. That is my belief.

Mr. GLASS. Men of moderate means residing in those sections of the country where the interest rate is high are not going to borrow money at 6 per cent, at the very least, with which to buy 4½ per cent tax-exempt bonds.

Mr. REED of Pennsylvania. That is quite true; but men of large incomes to whom a tax-exempt bond paying 4.4 per cent is the equivalent of a 10½ per cent taxable bond under the present law are going to borrow money, and they have been borrowing money by the millions of dollars, to buy tax-exempts; and every time they do it the Government loses income tax on the interest that they get, and it loses income tax again on the interest that they pay. That is what it comes down to. Not only does the purchase of a tax exempt on that basis, as by Rockefeller, lose to the United States the tax on his income but it makes a double loss, because the United States is losing on an amount equal to the interest that he is paying. So that not only is the tax exemption granted to him one way but it is granted to him two ways every time he makes such an investment.

That is the situation to which the Treasury wants to put an end. You can depend upon it that Rockefeller's estate never would have shown any such preposterous condition if this had been the law before he died, and there will not be any more Rockefellers with a vault of tax-free securities and a bank full of notes on the other hand if you will put this clause into effect; and to my mind there is no reason in ethics or common sense why these deductions should be applied to the taxable part of a man's income and not to the nontaxable part.

A man has no vested right to say that all these deductions shall be scored off this branch of his income and not off that branch, and yet that is what the present law does. We have put the rich men of this country on "Easy Street." It is all very well for us to talk on the stump about the high surtaxes which we are putting on the rich men; but, as a matter of fact, we know and the country ought to know that it is not

the rich men that are paying those high surtaxes. It is the men who are creating wealth to-day who are paying the surtaxes and not the men who have it. This is the first step toward cutting down the immunity of the rich man who sits back behind his citadel of invested wealth, and it ought to be cut down, and he ought to pay his share of the expense of government.

I hope the Senate will reject the committee amendment.

Mr. GLASS. Mr. President——

Mr. KING. Will the Senator yield?

Mr. REED of Pennsylvania. I yield first to the Senator from Virginia. I think he rose first.

Mr. GLASS. I was about to suggest that the principle involved in this amendment, as well as the ethics involved, is tantamount to a suggestion once before made by the Treasury, which was, in effect, that the taxpayer be required to return all of his income, whether from taxable or nontaxable sources, in which event his taxable income would be thrown into the higher brackets, and the Government thereby would be enabled to offset the disadvantage of large investments in nontaxable securities.

Mr. REED of Pennsylvania. I think that suggestion was made at the time that the Senator from Virginia was Secretary of the Treasury, if my memory serves me right; and it has been a condition which every Secretary of the Treasury has realized to be an evil ever since the income tax was first adopted.

Mr. SMOOT. Mr. President, in connection with what the Senator from Virginia says, I might add that if the House provision, which I am in favor of, is adopted it simply means a limitation on deductions. That is the only question involved. It is not a question of violation of the Constitution of the United States. The Congress says that there shall be a limitation of deductions allowed.

Mr. REED of Pennsylvania. I thought I had made that clear. There is no constitutional question involved in this at all. It is simply a matter of cutting down on the favors that are given to the taxpayer.

Mr. KING. Mr. President, has the Senator any figures to indicate the amount of tax-exempt securities held for the purpose of obtaining deductions against possible losses in business activities, and also the amount of tax-exempt securities held purely for investment, and which would not be subject to the criticism which the Senator has just made, and which are not used and not intended to be used for the purpose of obtaining deductions?

Mr. REED of Pennsylvania. I think I can answer that very directly. In the first place, I call the Senator's attention to the fact that this provision does not prevent the deduction of losses incurred in trade. It relates only to the deduction of losses in collateral business, like the matter of making investments and selling them and reselling them. The Treasury figures that this provision as the House had it will increase the Government revenue $35,000,000 a year, and all of that obviously will come out of the higher brackets—that is to say, from the men of large invested wealth. They are the men who will pay this additional $35,000,000. That is how much it means to the United States.

Mr. BRUCE. Mr. President, I do not feel so sure by any means as the Senator from Pennsylvania seems to be that the committee amendment in this case is a bad one. It seems to me that there is a great deal to be said in its behalf, though I propose to say very little.

If the Government proposes to tax tax-exempt securities, it should do so directly; above all, it should do it in a manner that does not savor of sharp practice.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, the exemption ought to apply to all holders, and not just to a particular class.

Mr. BRUCE. To all holders; yes.

A bill was introduced in the House providing for an amendment to the Federal Constitution empowering the Federal Government to tax municipal and State securities, which are now exempt from taxation. Personally, I am somewhat in sympathy with that proposition, and I should have been glad to have had an opportunity to vote on it. The matter was discussed fully in the House and the result was that by a very decisive vote, as I remember, the House refused to give its approval to the amendment. In other words, the view of the House was that it was entirely consistent with public policy in every respect that securities issued by the States and State municipalities should remain tax exempt; and that is the only declaration of policy in regard to the subject that has emanated from either the House or the Senate. Now, here comes along the Government and proposes to do obliquely what the House of Representatives said it is not expedient from a public point of view to do frankly and directly.

Mr. REED of Pennsylvania. Mr. President, has the Senator noticed that the House of Representatives adopted the provision that we are urging the Senate to retain?

Mr. BRUCE. Yes; but the House of Representatives, like individuals in the Senate, can be inconsistent sometimes. One act of the House may be thoroughly defensible and another may not be defensible at all.

Mr. GLASS. Mr. President, may I suggest to the Senator from Maryland that it would be entirely permissible, and in my view ethical, if the Congress should prohibit any deduction on account of borrowed money, would it not?

Mr. BRUCE. Yes; but in point of fact it allows a deduction, and then——

Mr. GLASS. Well, I know; but here is a proposition partially to circumscribe deductions. Certainly if it would be within the province of Congress and would be ethical to deny all deductions on account of borrowed money, it would be ethical to circumscribe deductions.

Mr. BRUCE. I agree with the Senator, except that in such a case as the present I would substitute the word "circumscribe" for the word "circumvent."

Mr. GLASS. Very well; "circumvent." There is no trouble about circumvention if it is ethical and proper.

Mr. BRUCE. Not at all; but the very word "circumvent," of course, suggests something that as a rule is just a little shady.

Mr. GLASS. Not necessarily. Sometimes we seek to circumvent an evil practice.

Mr. BRUCE. Yes. The Government at this time is absolutely powerless to tax securities issued by the States or State municipalities. Of course, it was held years and years ago that it is not competent for it to tax any property held by the States or held by municipalities created by the States, or to tax any securities issued by the States or State municipalities. As I have said, the House of Representatives has deliberately refused to change this state of things; and then the Government itself has issued, on the popular faith that it would be in every respect faithful to its promises, great quantities of tax-exempt securities. It has impressed upon them the character of complete or partial freedom from taxation; and yet now, in the same breath—I really shall have to ask for order, Mr. President.

The PRESIDING OFFICER. Let us have order in the Senate.

Mr. BRUCE. There are some gentlemen in this assemblage who, when a speaker is endeavoring to express his thoughts, remind me in their conversation with each other of what our first father said to our first mother in Paradise Lost:

> With thee conversing, I forget all times,
> All seasons, and their changes.

There are times for conversation and times for efforts to shed a little light on problems of importance like the one under discussion, and it seems to me that the present time belongs to the latter rather than to the former category. However, I have only a few more words to utter.

As I said, the Government at one moment declares that it will allow a deduction for losses, and for interest on indebtedness, and then a moment afterwards declares that from those losses and that interest shall be deducted all interest on tax-exempt securities. I say that is blowing hot and cold; that is creating a hopeless incompatability of ideas.

I doubt not that there are rich men in the country, unhappily a number of rich men, who abuse the privilege afforded by tax-exempt securities, but that is not true by any means of thousands of wealthy men and well-to-do men. There are a great many men who care very little about money, and who yet make from year to year a considerable amount more of income than the sum of their expenditures, and to save themselves trouble, if for no other reason, invest their surplus income in tax-exempt securities; that is to say, in securities which bear a very low rate of interest. Of course, these individuals, like other human beings, are subject to losses, and have to borrow money at times. When a perfectly honest individual has all of his property, or the greater part of his property, invested in tax-exempt securities, and incurs an indebtedness on which he has to pay interest, or incurs a loss of some kind or other, it would be utterly repugnant to fair treatment for the Government to say to him, "We have no power to tax the Government, State, or city securities in which you have prudently invested your money; we have no power to do that, but we will accomplish the same result by deducting the interest you receive on those municipal securities from the total amount of

your losses and the interest which you pay on your indebtedness."

I say that such a position on the part of the Government is utterly untenable. I even say that it has a flavor of sharp practice about it. The Government is attempting, I will not say covinously, but circuitously and disingenuously and in a manner that it can not for a moment justify, to deprive the taxpayer of an exemption to which he is justly entitled without abatement. The Government has no more right to resort to a dishonorable artifice for the purpose of imposing taxation than the taxpayer has for the purpose of evading it.

The Senator from Pennsylvania [Mr. REED] speaks as if there were no wealthy men in the United States except William Rockefeller. My observation is that the most honest and the most prudent people who have anything to do with money at all are likely to invest it in low interest-bearing securities, which, of course, are usually Government, State, or municipal securities. The treatment that they would get when they were so unfortunate as to owe a little interest on indebtedness or to incur a loss of some sort would be to be deprived of the tax-exempt feature of their property by having the Government deduct the interest on that property from the amount of the losses or the amount of interest on the indebtedness.

It seems to me that this matter has not received the consideration that it deserves at the hands of the Senate, though it does seem to have received the consideration that it deserves at the hands of the Senate Finance Committee. I happen to know that before this last degree of consideration was given to the subject, the House provision was going along to enactment almost as a matter of course, and then the attention of the Senate committee was called to the injustice and lack of good faith inherent in the proposition, and it was, I am happy to say, to no small degree the result of exposition and reasoning on the part of one of the very ablest members of the Baltimore City bar that the Senate Finance Committee came to the conclusion that it reached, and I saw without hesitation that that just and honest conclusion should be ratified by the good judgment and honest spirit of the United States Senate.

Mr. McLEAN. In the instance which the Senator has cited, the case of a man who might properly invest in nontaxable securities and yet meet with a serious capital loss which he could not deduct except as to the excess of the loss over the income from the tax-exempt securities—and that kind of a case I think would be very rare—the individual could easily sell his nontaxable securities. Anticipating his difficulty in deduction, he could easily sell them and invest in something else, and then deduct his losses.

Mr. BRUCE. Why should a perfectly honest, conservative investor be compelled to resort to a tax artifice to relieve himself of an obligation which should never have been placed upon him?

Mr. McLEAN. The reason is that there are a great many men who are using the tax-exempt securities for the sole purpose of evading a tax which they should in good conscience pay, and if we can reach those cases and prevent that, and still leave a way by which an individual who properly invests in tax-exempt securities without any ulterior purpose can exchange his tax-exempt securities, and then take advantage of his losses, it seems to me no hardship would be done.

Mr. BRUCE. But if you strike down the innocent at the same time that you strike down the guilty.

Mr. McLEAN. You do not strike him down at all. You put him to the trouble of changing an investment if he has made a serious loss.

Mr. BRUCE. We have no right to compel or force him to resort to some cunning device or nice artifice or other expedient to secure proper treatment when he is not Rockefeller, but perhaps a man who cares nothing about money, except perhaps to make some moderate provision for himself and his family.

Mr. McLEAN. He would be justified in doing it. It would be no artifice.

Mr. FLETCHER. Mr. President——

Mr. BRUCE. I yield.

Mr. FLETCHER. I will not interrupt the Senator.

Mr. BRUCE. There is nobody to whom I would yield with greater pleasure than to the Senator from Florida, because the Senator is so courteous always in yielding when he has the floor.

Mr. FLETCHER. I thought the Senator had concluded his remarks.

Mr. BRUCE. I have completed what I had to say.

Mr. SIMMONS. Mr. President, I regard this amendment as one of the most important amendments in the whole bill. I think its adoption would be more far-reaching than Senators at first blush would suppose. On account of the great importance of the matter, I think we ought to have more Senators present than are here now. I should like to discuss this question, but I should like to have more Senators present when I do discuss it.

Mr. FLETCHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fess	Lodge	Shields
Ashurst	Fletcher	McCormick	Shortridge
Bayard	Frazier	McKellar	Simmons
Borah	Gerry	McKinley	Smith
Brookhart	Glass	McLean	Stanfield
Bruce	Hale	McNary	Stephens
Bursum	Harreld	Mayfield	Sterling
Cameron	Harris	Neely	Swanson
Capper	Harrison	Norris	Trammell
Caraway	Heflin	Oddie	Underwood
Curtis	Howell	Overman	Walsh, Mass.
Dale	Johnson, Minn.	Pepper	Walsh, Mont.
Dial	Jones, N. Mex.	Pittman	Warren
Dill	Jones, Wash.	Ralston	Watson
Edge	Kendrick	Ransdell	Willis
Edwards	King	Reed, Pa.	
Ferris	Ladd	Sheppard	

The PRESIDING OFFICER. Sixty-six Senators having answered to their names, a quorum is present.

Mr. SIMMONS. Mr. President, I am not sure that we have quite as many Senators since we called a quorum as we had before we called it. The situation evidences lack of interest on the part of Senators in the discussion of very important and vital provisions in the bill. I regret it very much. I shall not find it necessary to detain the Senate long upon this matter, because the Senator from Maryland [Mr. BRUCE] has admirably said some things that I had in mind to say, and to that extent relieved me of as full a discussion of certain features of the matter as I otherwise would have indulged in.

Mr. President, from my viewpoint this is nothing more or less than an attempt to deny to the holder of tax-exempt bonds, whether issued by the Federal Government or by the States or by the Federal land banks or the War Finance Corporation, to a certain extent the exemption from taxation promised him upon the face of the bonds. It is the first step toward repealing all laws and removing all obstacles for the purpose of getting rid of tax-exempt securities altogether. Of course, if we are going to repeal all exemption and to subject all of this class of bonds and securities to taxation, we ought to do it by direct action and not indirect action, and we ought to do it in such a way that the denial of the exemption will extend to all holders of such securties, and not to a small part of them. As the Senator from Maryland said, a movement was started—I think it originated with the Treasury Department—to secure the submisson of a constitutional amendment to the people for the purpose of changing the laws so as to allow the Government to tax all such securities. That movement has for the present failed. It did not succeed in passage through the House. The pending amendment is to accomplish to a limited extent and by indirection the very purpose of that proposal.

Every Liberty bond issued by the Government carries with it to the purchaser of that bond a promise of exemption from taxation on the part of the Government. It is a solemn promise. It is a promise made by the sovereign to the subject. The States have heretofore enjoyed and now enjoy the right of exemption from Federal taxation. These bonds have been issued and the purchasers of the bonds have been guaranteed exemption, not only from State but from Federal taxation. In my judgment these promises ought sacredly to be kept. I do not think the Government should discard such promises or deny to the holder the full benefit of the promises because of any matter of expediency or because some—I will not say evil-minded—but perverse people have used the privilge for the purpose of escaping some other tax to which they are properly subject under the law. The Government is the last person that ought to teach the citizen by example that a solemn contract can be repudiated or ignored because it is to the interest of the Government to do it or because of some public exigency. If these observations are not pertinent to the purpose and intent and what will be the effect of this provision, then I am utterly unable to understand the contract by the Government with the people and the effect of this proposition upon that contract.

The Senator from Pennsylvania [Mr. REED] very cleverly seeks to make or, whether he sought to do it, has made, I apprehend, the impression that the amendment only denies the exemption or the full benefit of the exemption in cases where the bondholder has borrowed money for the purpose of purchasing such

from either the House or the Senate. Now, here comes along the Government and proposes to do obliquely what the House accomplish the same result by deducting the interest you receive on those municipal securities from the total amount of one of the most important amendments in the whole bill. I holder has borrowed money for the purpose of purchasing

bonds. Such is not the case. The amendment reaches very much further than that. In fact, there is nothing in the amendment that indicates that it is intended to be limited to cases of that character.

I think it is well for the Senate to understand exactly what the amendment is. The law provides that every citizen of the country who is a taxpayer and whose income is a taxable income shall be entitled to a certain deduction from his net income and that only the residue after such deduction is made shall be subject to income taxation. One of the deductions which the law provides and which is referred to in the amendment is a deduction to the extent of interest that may be paid by the taxpayer for borrowed money. Another one of the deductions is that in case of a loss, we will say by fire or otherwise, not covered by insurance, he shall be entitled to deduct the amount of that loss. Every citizen in the United States under those provisions is entitled to those deductions—interest and loss not covered by insurance.

The pending amendment provides that he shall not have the full benefit of those losses in certain cases. In other words, the amendment provides that certain citizens of the country who are so unfortunate, from the standpoint of the amendment, as to hold Government securities guaranteeing them against taxation, by reason of the fact that they hold such Government securities, shall lose the benefit of the deductions allowed to every other citizen of the country. It penalizes the possession of such securities.

The amendment follows after those provisions. If there is a situation which requires the denial of those deductions, if it is thought to be against public policy that the taxpayer should be entitled to deduct from his taxable income the interest paid on borrowed money, then let us repeal the provision granting the deduction. But if the deductions are to obtain, every man should have the benefit of them, and not every man except the man who happens to hold some of the securities of the Federal Government or one of our States.

Now, let us see what the House text provides:

The amount of the deduction—

That refers to the two deductions I have mentioned, as well as others—

provided for in paragraph (2) of subdivision (a)—

That is the deduction of interest paid—

unless the interest on the indebtedness is paid or incurred in carrying on a trade or business—

This section does not apply if the indebtedness is incurred in the trade or business of the taxpayer—

and the amount of the deduction provided for in paragraph (5) of subdivision (a)—

That is the deduction of losses not covered by insurance. So it will be seen that the amendment not only embraces interest upon borrowed money but it embraces losses accruing from the destruction of property by fire or other providential visitation.

If those losses are sustained outside of the business, in the first place, and by reason of fire, then if a man engaged, we will say, in mercantile business happens to have some side line which does not constitute his regular business and is not properly classified as his trade, and if, as the result of his ordinary outside business transactions, he pays out interest or suffers a loss, he is allowed the deduction in that case "only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title."

He has a loss, Mr. President, not incurred in his ordinary business but on the side; he has a deduction on account of interest, and he has a deduction on account of losses by fire. The losses which he is entitled under the amendment to deduct, and that any citizen not covered by this amendment would be entitled to deduct from his income before it is subject to taxation, we will say, amount to $10,000. I, not possessing any tax-free bonds at all, would be entitled to the full amount of that deduction, thereby reducing my tax to that extent; but my distinguished colleague from the State of Indiana, who is really entitled to the same deductions and in the same amount, happens to own some tax-free bonds the interest upon which amounts to $10,000. Before he is allowed a cent of deduction he must subtract that interest upon his tax-free bonds from his deductions on account of interest and fire losses. That wipes his deduction out and leaves him no deduction on that account, and to the full extent of that deduction with the rate prescribed his governmental tax is increased. If that is not indirect taxation imposed upon these Government securities, I can not understand what it is.

It is the entering wedge, as the Senator from Pennsylvania [Mr. REED] has stated. The purpose probably is, Mr. President, to get a decision of the Supreme Court upon the constitutionality of the scheme. Then it will be enlarged, and in the process of enlargement probably it will be required that the interest on tax-exempt securities shall be subtracted not only from the interest and the fire losses but from the ordinary expenditures allowed as a deduction to the taxpayer. The general effect of such a provision would be to subject to taxation every Government tax-free security and every State tax-free security to just the same extent as if we were to place and had the power to place them all upon a taxable basis.

Mr. President, I happen to know that this provision has greatly alarmed persons who are responsible for the faithful performance of the contracts which the States have made and the contracts which the Government has made, especially in connection with certain tax-exempt bonds which are allowed to be issued by certain agencies of the Government. I have here a telegram from the Governor of the State of Maryland, to whom the Senator from Maryland has referred—I think he referred to the governor—as one of the ablest lawyers in the State of Maryland. I am going to ask the Secretary to read the telegram to the Senate. It voices the convictions of this great governor and legal luminary that the effect of this amendment will be just what I have indicated it will be, and that it would be not only in violation of the Constitution but it would be exceedingly embarrassing to the States which are now issuing tax-exempt securities.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The principal clerk read as follows:

BALTIMORE, MD., *April 6, 1924.*

Hon. F. M. SIMMONS,

Finance Committee, Senate Office Building, Washington, D. C.:

I wish to earnestly protest against the passage of the section of the tax law known as subdivision C of section 214 of the revenue bill of 1924. Nominally this section is intended to prevent certain large taxpayers from avoiding the Federal income tax through the purchase of exempt securities with borrowed money. The effect of the section, however, is to tax indirectly the tax-exempt securities issued by the States, counties, and municipalities. I would most earnestly join in any effort to prevent the use of tax-exempt securities for the purpose of tax evasion. The proposed section, however, has a very different effect. While it succeeds in taxing exempt securities in the hands of certain Federal income-tax payers, and thereby relieves other Federal income-tax payers, it eventually transfers the burden to those who hold no tax-exempt securities, but who pay direct taxes to the State. I hold no brief for the rights of owners of tax-exempt securities. On this phase of the question it seems only fair and proper to suggest that those who have honestly adhered to their bargain with the Governments of the United States and the States are entitled to similar consideration on the part of the Governments concerned. At no time in the history of the country has it been more important that those responsible for government should set an example of the strictest good faith in the matter of government promises and assurances.

But I do hold a brief for the taxpayers of my State. And if a tax aimed primarily at one class of Federal income-tax payers rests eventually on those who pay direct taxes to my State it becomes my duty to protect them so far as it is in my power to do so. I protest, therefore, for these reasons:

1. I protest against any effort of the Federal Government to impair any of the sovereign powers of the State. If the Federal Government can indirectly tax State, county, and municipal securities, it can impair their credit and seriously interfere with their ability to carry on necessary public work. If the power to indirectly tax exists, it involves the power to destroy, and the power to injure or destroy the credit of the States involves the power of the Federal Government to control many of the States' most important activities. Congress has recently refused to submit an amendment authorizing the taxation of future issues of State, county, and municipal securities. The proposed legislation nevertheless seeks to accomplish this same purpose and to settle this important constitutional question by indirection and device. If it can be successfully done to a limited extent, as in the present subdivision C, the method may be in the future easily and largely extended.

2. The provision merely transfers a portion of the taxation burden from the group of Federal income-tax payers to those who pay direct taxes to the State. The citizens of the State of Maryland now pay to the Federal Government more than four times as much in taxes as they pay to the State. The amendment may succeed in requiring a portion of the group of Federal income-tax payers to pay taxes on their exempt State, municipal, and county securities. As the aggregate budget raised by the Federal Government will remain the same, this will have the effect of relieving other members of the

group of Federal income-tax payers from a portion of the tax by lowering the general rate. It is very desirable to reduce all taxes, but not merely to transfer them to others less able to pay. If you succeed in so taxing heretofore exempt State, county, and municipal securities the effect will be to raise the interest rate on future State, county, and municipal issues. This increased tax must be paid by the taxpayers of the States and paid in the form of direct taxes. While the provision therefore relieves some of the group of Federal income-tax payers who are reasonably capable of paying the tax from a portion of the present burden it will eventually transfer that burden to those who pay direct taxes in the State.

3. The increase in direct taxation which will result from this provision falls with peculiar force upon a class whose burden should be decreased rather than increased; that is, the agricultural class in the community. They are the largest direct taxpayers and the increase in direct taxes due to the increase in interest rates on State, county, and municipal securities, which we must issue, falls largely on them. The provision, moreover, imposes upon them another burden. It will similarly increase the interest rate on Federal farm-loan bonds. The low interest rate provided by the Federal farm-loan bonds not only saves interest to the farmer who borrows from that body, but its lower competing rate keeps down the interest rate on all farm loans, and an increase in the Federal farm-loan interest rate will therefore raise the rate to practically all farmers. The provision will, therefore, cause a double hardship to this class.

4. I suggest to you that any such indirect attempt by the Federal Government to tax State, county, and municipal securities may result in retaliatory legislation by the States. We have no State income tax in Maryland, but States which do levy such taxes may also adopt artificial rules for ascertaining the taxable income and through such rules reach the income on farm-loan bonds and other tax-exempt United States securities.

Chief Justice Marshall's premise that the power to tax involves the power to destroy warns every State executive to jealously guard the right of the State from the improper exercise of the Federal taxing power. I can not see either the wisdom, logic, or fairness of such a provision and would ask why it is not possible to insert in the law a provision which directly punishes the evaders of the tax instead of one which levies a new tax on those who have nothing whatever to do with such evasions. But even if such an evasion can not be prevented surely no provision can be justified which not only subverts the fundamental principles of the Constitution but punishes the larger number of innocent people for the sake of preventing tax evasion by others.

I hope sincerely it will not be necessary to force the States to question the constitutionality of such a provision as subdivision C, and yet I can not now see what else the States can do to protect their rights of self-government.

ALBERT C. RITCHIE,
Governor of Maryland.

Mr. SIMMONS. Mr. President, what the Governor of Maryland says with reference to punishing all the people for the derelictions or the greed of a few is very pertinent and very true. In order that you may reach a case like the Rockefeller case—and I imagine there are not so very many of those—in this indirect way it is proposed that you apply the same drastic remedy to innocent people and deny to them that to which other citizens under the law are entitled.

That is a bad way of legislating. We have fallen into that habit somewhat. We find a hard case, a flagrant case, resorted to by a small portion of the people of the country, and in order to meet that we are too prone to apply a remedy which will not only affect them and frustrate their scheme of wrongdoing but will affect just as disastrously every innocent taxpayer or citizen of the country.

I think the majority of the people who hold the tax-exempt bonds have not borrowed the money; or if they have borrowed it, they have borrowed it with no intent to defraud the Government of what it is entitled to demand of them. They borrowed it as other good citizens borrow money, for the purpose of carrying on their business or to meet their obligations; and they ought not to be punished because some other citizen has seen fit to resort to this method of escaping his just obligations to the Government.

Mr. President, I also want to refer to a conversation I have had with Hon. Angus W. McLean, of my State. Senators know all about Mr. McLean. For five or six years he was a director and for some time managing director of the War Finance Corporation. He is one of the ablest lawyers and ablest men in my State, and he ranks with the big men of America, as his record here at Washington proves. His business acumen and his business ability are unsurpassed. As a director of the War Finance Corporation, which issues bonds of this class, he is familiar with situations of this kind. He speaks out of experience and out of knowledge. He is now a candidate for governor in my State. He is the president of a large joint-stock land bank, also, and as such has a direct interest in this matter as well as the broader interest of good citizenship.

Mr. McLean earnestly opposes this scheme because he knows what the hurtful effect of it would be on the issuance and sale of securities by the farm-loan banks and other Government agencies established for the benefit and relief of the American farmers.

Mr. McLean thinks, and properly so, that the effect of this attempt to violate the good faith of the Government by indirection would be far-reaching and disastrous. He protests earnestly against this move which he regards as an assault upon the relief agencies for the farmers of the United States, gained by hard and long fighting in the Congress. I entirely agree with Mr. McLean.

If this does not call for a real rally upon the part of men who represent agricultural districts and States, I do not know what should cause a rally. Of course, the farmers do not know what is going on, but they will know the moment they find themselves unable to borrow from these land banks as well as the intermediate credit banks, and they are going to scrutinize very closely the activities of their friends in Congress.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Tennessee?

Mr. SIMMONS. I do.

Mr. McKELLAR. I understand that Mr. McLean spoke of the constitutionality of the provision. Does the Senator agree with him that the provision raises any constitutional question?

Mr. SIMMONS. The telegram which I had read from Governor Ritchie, who is a great lawyer, expresses that opinion, and Mr. McLean expressed it. I presume they have investigated the question. I have not investigated it; but, without investigation, I will say to the Senator that it is my opinion that if the Government of the United States indirectly undertakes to subject to taxation its bonds that have been issued exempt from taxation, a constitutional question of very serious import would be raised.

Mr. McKELLAR. Mr. President, if the Senator will permit me, I will ask him to let me read the provision, changing the last phrase of it only:

The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations——

Mr. SIMMONS. Exempt from taxes.

Mr. McKELLAR. No; no—

on obligations arising from real-estate loans.

Would not that be a perfectly proper classification, if the Congress wanted to do that?

Mr. SIMMONS. "Arising from real-estate loans"?

Mr. McKELLAR. Yes.

Mr. SIMMONS. I do not catch the point.

Mr. McKELLAR. Instead of making the classification upon obligations or securities the interest upon which is wholly exempt from taxation under that title, suppose they made the same provision in regard to the income from real-estate loans?

Mr. SIMMONS. That would not be an analogous case at all, because the deduction which they do make is a deduction which in effect makes taxable that thing which is not taxable.

For instance, if I may illustrate, under the general law that applies to every citizen he is allowed a deduction of interest that he pays upon borrowed money. He is allowed a deduction for losses that he sustains from fire or other casualties which are not covered by insurance. If those losses that every citizen of the country is entitled to deduct, and the man who is covered by this amendment is entitled to deduct, amount to $4,400, we will say, that deduction is taken away from him by offsetting against it the interest on Government bonds which under the law is exempt. That exemption, I think, is protected by the Constitution of the country, because it is a part of a contract, and the effect of what is proposed here is to repudiate that contract.

Mr. McKELLAR. Suppose it said, instead of interest——

stand what it is.

the same, this will have the effect of relieving other members of the

Mr. SIMMONS. If it mentioned some deduction that the Government might legitimately deal with, of course, that would be different.

Mr. McKELLAR. Let us take this case. Suppose it said—

On obligations or securities arising from investments in gambling houses.

Would not that be a perfect and legitimate division?

Mr. SIMMONS. I think it would, undoubtedly.

Mr. McKELLAR. Suppose it said "on obligations or securities" of certain kinds of corporations the interest on which now forms an exemption; that is, the income from those corporations up to a certain amount is deducted. Why could not the Government increase the amount of those or diminish the amount?

Mr. SIMMONS. The Senator does not get the point of all my discussion. My discussion is that it is not permissible nor is it right that the legitimate and legal deduction that a man is entitled to should be taken away from him by offsetting it with a class of income that under the law is exempt from any taxation. That is the only question I raise about it.

Mr. McKELLAR. As to the question of the morality or right of the transaction, of course, there can be very serious difference of opinion on a question like this, but so far as the constitutionality of the question is concerned, I do not think the Constitution affects it. Of course, I do not know what our Supreme Court will hold.

Mr. SIMMONS. I have not discussed the constitutionality of it, because while I used to be a lawyer, and probably a pretty diligent one, I have not discussed constitutional questions since I have been in the Senate, because I have not had time to investigate them.

Mr. FLETCHER. May I make a suggestion to the Senator from Tennessee? He readily recognizes that there is no right or authority or power in Congress to tax State securities which are exempt from taxation under State law. He will admit that.

Mr. McKELLAR. I do not go that far. I do not agree to the proposition which the Senator expresses.

Mr. FLETCHER. The Supreme Court has held that that did not broaden the power of taxation.

Mr. McKELLAR. I am not at all sure that that is correct.

Mr. FLETCHER. I can convince the Senator of that. I can cite him the cases on it.

Mr. McKELLAR. Cases do not amount to anything. We have had some very peculiar cases coming from some of our courts. They are not always convincing at all.

Mr. FLETCHER. The decisions are uniform on that proposition. There is not a shadow of doubt about it. But the question here is, if the effect of this provision is to tax—I am not saying it is absolutely conclusive in my mind—to my mind it is an indirect tax on exempt securities of the Government, either issued by the Government or authorized by the Government, but whether it is a tax on securities that are exempt under State laws may be a question. If it is, undoubtedly Governor Ritchie's position is absolutely sound—it is unconstitutional, and we can not tax State securities.

Mr. SIMMONS. I do not want to discuss the constitutionality of it. It is too plain to my mind that it is a violation of faith, whether it can be done constitutionally or not. It is a provision attempted to be inserted in the law which would cost the States of this country, if it were held to be constitutional, millions piled upon millions in the increased interest rates they would have to pay upon all the bonds, or in the reduced market price of the bonds they may issue for the accomplishment of the vast schemes of development and improvement, which I am glad to say are being carried on by practically all the States of the Union.

Mr. McKELLAR. Will the Senator yield to me for a moment?

Mr. SIMMONS. Just let me finish this idea. It is going to mean an increase in expense to the farmers of this country, who have been very fortunately securing relief from a situation of dire distress at low rates of interest through that great agency which the Government has set up to enable the farmers in this country to tide over the misfortunes and calamities that have come to them in recent years, because of the increased rate of interest that these institutions will have to pay. Mr. McLean, whom the Senator from Tennessee and others Senators know is a man of calm, deliberate, sound judgment, of large experience and large ability to understand and to comprehend and to visualize results, now, as the head of a great joint-stock land bank, says that if this passes and goes to the Supreme Court, during the period of time that will elapse between its passage and a final decision, these banks might have to suspend issuing bonds or have to pay rates of interest very much higher than those they are paying now, and pass them on to the farmers.

I have had several conversations about this amendment with the chairman of the farm loan board, Governor Cooper of South Carolina. I have found him to be a man of keen understanding and broad vision. He occupies an exceedingly responsible position. He is the head of this great institution, which is serving the farmers so well and affording relief against what otherwise would be distress, if not bankruptcy. I happen to know that he is profoundly apprehensive of the effect of this amendment, and he expressed to me the opinion that if it were adopted that board would not be able to float its bonds at the rates of interest at which they had been selling them, and upon the terms imposed by the limitations of the act under which they operate.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Tennessee?

Mr. SIMMONS. I yield.

Mr. McKELLAR. Before the Senator finishes, I would like to read the constitutional provision to which I have referred, so that we will have recalled to our minds just what the Constitution says about the matter. Amendment 16 reads as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

It is possible that our courts may legislate into that provision the suggestion which has been made, that the income from State bonds or other bonds is not taxable, but that provision of the Constitution provides that all income is taxable, from whatever source it comes.

I disagree with the Senator. I want to say to him that I join him in the high respect he has for his distinguished constituent, Mr. McLean. He is one of the able men of the country. I have great respect for his views as a lawyer, but I do not think there is any constitutional question raised in the proposal of the amendment on page 52 of the bill. I believe it is a mere matter of dealing with the subject wholly within the provisions of the Constitution, and that there is no inhibition against the legislation. As to the wisdom of the legislation, that is an entirely different thing; but I do not think any constitutional provision is in issue.

Mr. SIMMONS. I have not based my argument upon the constitutionality or unconstitutionality of the amendment. I had not mentioned that up to the time the telegram from the Governor of Maryland was read, and then mentioned it only incidentally. I am not basing my opposition to this upon any constitutional ground. I am putting it upon grounds of good faith and the keeping by the sovereign of its contract with the citizen.

I know that there is a strong movement in this country to subject all securities of the Government and of the States to taxation. There has been a drive in that direction for some time, which I have not quite understood. I do not myself regard it as wise. I think to subject the bonds being issued by the States of this Nation for the purpose of internal improvements to taxation would simply mean that while the Government would get a relatively small amount of income from that source, the States would have to pay, in order to accomplish the broad program of development in which they are now engaged, an increased rate of interest, which would be many times greater than the savings to the Federal Government, and that would, to a very serious degree, retard this most commendable work that is going on in the States, which means so much to the development of the agricultural resources and the business resources of this Nation and to each individual State and community.

Mr. RALSTON. Mr. President, will the Senator yield?

Mr. SIMMONS. I yield.

Mr. RALSTON. The Senator may remember that some months ago I attempted to point out what, in my judgment, would be the effect of taxing the securities of States and municipalities, and I pointed out that if the State and municipal securities were made taxable the States and municipalities would necessarily have to increase the rates of interest on such securities.

Mr. SIMMONS. Certainly.

Mr. RALSTON. Not only that, but when that increase was made, then those securities would find their way into markets such as New York, where there is practically no tax on them at all, and the State or municipality could realize nothing in

the end except the small increase which it might receive for such securities when sold.

Mr. SIMMONS. Mr. President, there are some people who think the States are doing too much, that they are too extravagant in their public expenditures, and that they ought to be checked. One of my constituents has written me a letter—I will not mention his name, because his letter is confidential in some respects, though I do not think that characterization would apply to what I am to read. He says in his letter:

It is more vital to all States and minor subdivisions thereof, especially the small communities, that they be able to obtain cheap money for sanitary improvements, sewage, water, drainage, than it is to the Federal Government to stop the investment by a relatively few income taxpayers in these securities. The very existence of these communities, their life and health, depend upon the cost of the necessary improvements. Cheap money is vital even to the Government itself.

Many of the expenditures by the States for which these bonds were issued were to provide the things which go to the health and the life of the citizen, and which give to this day and generation a condition of life that unfortunately our ancestors did not enjoy. Anything that is going to overburden the States in this work, anything that is going to pile up interest upon the agricultural classes of the country, in my judgment, is too important a matter to be jeopardized in order that the Government may save a few dollars in taxes.

Oh, Mr. President, there is in the country to-day a tremendous effort to prize up the rates of interest and to bring about those conditions that existed before we established governmental loan agencies to help agriculture, to return to conditions when the farmers of the West and the South, the farmers of the East and the North, if they needed money, had to mortgage their farms and pay from 10 to 12 per cent interest. The great investment banks, the great land mortgage companies in the country, are to the front in this movement to subject State bonds, municipal bonds, farm-loan bonds, and Government bonds to taxation in order that the rates of interest may be raised in the United States and that they may be able to lend out their private hoards at higher rates than they are now obtaining.

Mr. GLASS. Mr. President, the discussion of this paragraph of the tax bill has taken what is to me a most extraordinary course and tenor. I am distressed that statements have been made by responsible public men which to me are so contrary to the facts involved in the discussion and so really damaging to the interests of that class of people in whose behalf the utterances are made as that I marvel at them. By one of these gentlemen attention is called to the fact that there was litigation extending over a period of 18 months as to the constitutionality of the act under which the Federal land banks and joint-stock land banks were authorized to issue tax-exempt securities, the implication being that there was some such constitutional issue involved here which might result in protracted litigation before the Federal courts.

Why, Mr. President, that issue was a constitutional issue. There was a specific direct attack on the constitutionality of the act of Congress authorizing the issuance of tax-exempt securities by the land banks and general stock land banks. There is nothing whatsoever of that nature involved here. The Senator from North Carolina [Mr. SIMMONS] would not venture to say that there was any constitutional question involved, although he had read from the desk two papers showing, if not directly at least by implication, that there was a constitutional question involved.

Then, too, one of the gentlemen said that if this limitation upon deduction, and that is all it is, should be adopted by the Congress there would not be another dollar of farm-loan bonds issued in the country. I think that is a most unfortunate statement to be publicly made by anybody, and much less by gentlemen who ought to know better. It brings to mind an incident that occurred in 1914, soon after the World War began, when a distinguished United States Senator from the South appeared before the Banking and Currency Committee of the House of Representatives and insisted that if we did not appropriate $500,000,000 immediately to valorize cotton there would not be one bale of cotton ginned in the ensuing year. We did nothing of the kind, and the statistics of the Department of Agriculture of record will show that for that particular year we ginned more cotton than for any preceding five years, and very likely for any succeeding five years. To sound such an alarm as this, to say that if the Congress adopts a simple limitation upon deductions from taxation it would result in any such disaster as that suggested, is affording no aid to the class of people of whom these gentlemen speak, but is actually damaging their interests.

I was never a member of the War Finance Corporation and I am not governor of the State of Maryland, but I have had somewhat to do with these matters. I was chairman of the joint congressional committee which framed and carried through Congress the bill to establish the land banks and joint-stock land banks, and heard all of the testimony that was there given. I give it as my deliberate judgment that the passage of this proposition by the Congress will not result in the curtailment of the sale of a single bond at a normal rate of interest by these institutions.

The Senator from Pennsylvania [Mr. REED] very clearly pointed out the intent of this provision of the bill. It is not purposed and it will not result in damage to anybody or any appreciable number of persons other than those persons who by hook and crook seek to evade their responsibility to the Government of the United States by the payment of taxes assessed against them. Why, in terms there are omitted from the provisions of this paragraph all persons who have borrowed money for use in their trade and in their business. It is intended to reach those adroit and cunning people who are addicted to the very practice mentioned by the Senator from Pennsylvania, at the end of each fiscal year, of making a mere pretense of selling their stocks and bonds in order that they may write off their imaginary losses and cheat the Government out of what is due it.

Mr BROOKHART. Mr. President, will the Senator yield?

Mr. GLASS. I yield to the Senator from Iowa.

Mr. BROOKHART. I would like to ask the Senator from Virginia why money borrowed for such purposes should be exempt from these provisions?

Mr. SMOOT. It is just the interest paid on such money that is exempt.

Mr. BROOKHART. It seems to me that about the same reason in that case would apply as where it is done deliberately for the purpose of evading taxation. It has the same effect.

Mr. GLASS. I think money employed in legitimate business is entitled to greater consideration than money employed in gambling purposes and money employed to buy these bonds for the express purpose of writing off imaginary losses.

I have been somewhat disposed to think that the Senator from North Carolina [Mr. SIMMONS] had confused this particular item of the tax bill with a proposed amendment to be offered by the Senator from Pennsylvania [Mr. REED], which does raise a constitutional issue.

Mr. OVERMAN. I am not contending with the Senator, but what does he have to say as to whether or not this is directed against efforts to escape from taxation by means of tax-exempt securities?

Mr. GLASS. I think it is quite directly a reprisal against those people who have been guilty of this legally sanctioned but morally illicit transaction to which the Senator from Pennsylvania referred, of writing off imaginary losses and deducting their taxes thereupon, in which transaction they not only get a freedom from taxation by reason of holding the tax-exempt bonds, but they get further relief from taxation on the interest which they have paid upon the money borrowed to buy the bonds in order to write off losses they had never sustained.

Mr. BROOKHART. On that proposition, it seems to me, if he has money borrowed which he claims is in his business and at the same time he owns tax-exempt bonds, I do not see how we can tell whether in fact it was borrowed for business or for bonds.

Mr. GLASS. That is one of the perplexities of the Revenue Bureau; that is one of the burdens of those who have to administer the law.

Mr. BROOKHART. But we have that same law now, and they get around, it seems, and dodge away from it. Why not cut that out entirely? Then there would be no chance at all for evasion.

Mr. GLASS. I would not favor cutting it out, because the man who borrows money in his legitimate trade or business is entitled to a deduction on account of interest paid upon these bonds.

Mr. SMOOT. He never would borrow the money unless it was necessary that he should have it.

Mr. GLASS. The persons who are borrowing money on tax-exempt securities, aside from those who are obliged to borrow money for trade and business purposes, are the persons so clearly and particularly described by the Senator from Pennsylvania [Mr. REED] who are writing off imaginary losses, and this provision of the tax bill is intended purely to meet that difficulty.

Mr. BROOKHART. In a case where a man has borrowed money for use in his business and at the same time is the

Court, during the period at time that will elapse between its passage and a final decision, these banks might have to suspend at all, and the State or municipality could realize nothing in

owner of Liberty bonds or of tax-exempt bonds, does the amendment provide for his deducting the interest from his income?

Mr. GLASS. No; not if the money be borrowed for trade and business purposes.

Mr. SMOOT. But wherever he makes it on any transaction or speculation it does?

Mr. GLASS. Exactly.

Mr. BROOKHART. I think it should be considered as not having been borrowed for business when the man is the owner of tax-exempt bonds at the same time.

Mr. SMOOT. Mr. President, I wish to say in relation to interest on tax-exempt bonds that a taxpayer has got to show that the interest comes from such bonds and he can not claim an exemption in any other way. Unless he does show that, the bonds are not tax exempt.

Mr. BROOKHART. Under the present law in order to claim a deduction a man has got to show that he had a loss on his stocks, but he juggles them around in such a way as to make it appear that he did have a loss when in fact there was no loss.

Mr. GLASS. Mr. President, in just a moment I shall yield the floor. I wish before doing so, however, to dissent from the notion that this legislation is an entering wedge in the fight which is alleged to be on against further issues of tax-exempt securities.

Mr. CARAWAY. May I ask the Senator from Virginia a question right there?

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Virginia yield to the Senator from Arkansas?

Mr. GLASS. Yes.

Mr. CARAWAY. If by legislation we shall render the market for the sale of tax-exempt securities narrower, would it not be an attack on them? If we shall render them less negotiable, if we shall keep certain people from being in the market to buy them, shall we not raise the interest on every community and every State and on every farmer who borrows from the Federal Farm Loan Board?

Mr. GLASS. I should unhesitatingly favor a limitation upon an illicit use of tax-exempt securities, whether it narrowed the market or not, but I have not the slightest idea that it will narrow the market to the extent of one dollar.

Mr. CARAWAY. Does the Senator think the same people would buy them should this provision be retained in the bill who would buy them as the law now stands?

Mr. GLASS. I should hope the same people would not buy them if they were going to put them to illicit uses, but if they should not buy them there would be other people to buy them. They are in demand all over the country. The latest issues of such securities have been oversubscribed; they have been taken with surprising alacrity as soon as the announcement has been made that they were for sale. There would be other people to buy them if those people who write off imaginary losses shall not use them for that illicit purpose. If I could think that the reasonable limitation here proposed upon deductions would in any degree harm the market price of Government securities or of farm loan bonds, which are not Government securities, I should unhesitatingly reject the proposition. However, nothing but the actual event, at which I should be greatly surprised, could possibly convince me that that would be the result of retaining this provision in the tax bill.

Mr. CARAWAY. I wish to ask the Senator from Virginia another question. A man buys a bond, which, under the Constitution, is exempt from taxes of certain kinds. If by action here we strike down one market for that bond he has bought, have we not invaded his contractual right just that far?

Mr. GLASS. I do not think so. I do not think that question is involved. I can see how men may draw a fine ethical point there; but what we are doing is exercising our right to put a limitation upon deductions upon sums which a man may under the law deduct from his tax payments. We have a perfect right to do that. We have a right to say that there shall be no deductions whatsoever. Therefore, if we have a right to say that there shall be no deductions whatever, we have a right to say that a limitation upon deductions shall be made.

I do not concur at all in the notion—and this I wish to say in conclusion—that this has anything to do whatsoever with the proposition to put an end to issuing tax-exempt Government securities, whether National, State, municipal, or other subdivisions of government. In this connection, I wish to add that I think, just as the distinguished Senator from Indiana [Mr. RALSTON] stated some time ago, that the relation of tax-exempt securities to the general issues of National, State, and municipal bonds has been greatly exaggerated. I confess, to my own surprise, that a more careful examination and analysis of the subject, prompted by the address made in the Senate by the Senator from Indiana, has convinced me that that is a fact. I fail to find that the proportion is such, at this time at least, as to seriously menace the fiscal policy of the United States Government; but what it will be at some time in the future no man may say. We are, however, now engaged in issuing tax-exempt securities at a rather alarming extent—in excess of $200,000,000 a year by the farm loan and joint-stock land banks, and many millions more by the States and subdivisions of the States—but even at the present rate it will be a long while before the issuance of these securities will become an actual menace to the fiscal affairs of the Government. Primarily, I have been opposed to the policy of tax exemptions; but discussion of the policy at this time is purely academic, as many States are averse to the suggested change, and it will not be made now. That is certain.

Mr. FLETCHER. Mr. President, I must differ with the Senator from Virginia, whose opinion and judgment I very greatly prize and value. In my judgment, it is not so much a question of constitutionality or unconstitutionality that is involved here; perhaps it is not so much a question of affecting the actual value of tax-exempt securities if this provision as it came from the House remains in the bill. It is a serious question, however, first, of good faith on the part of the Government when by law we provide that certain securities shall be exempt from all taxation and in this indirect way we provide that they shall not be fully exempt. That is an important and a serious question, as the Senator from Maryland has said.

Not only that, but there is another question which is very important and serious: Some of this class of securities have been advertised all over the country and are being advertised—for instance, the farm loan bonds, the debentures of the intermediate credit banks, and the joint-stock land bonds—as exempt from all taxation. The land bank bonds are sold, on that representation, through a syndicate. That syndicate of bond houses throughout the country receives a certain commission for the handling, the sale, and the distribution of these bonds. That syndicate advertises the bonds and represents to the public that they are exempt from all taxation—Federal, State, county, municipal, and every other form of taxation. Of course, a representation of that sort aids very greatly in the sale and disposition of the bonds. It broadens the market; it creates a demand for them which otherwise would not exist. The bond houses, the syndicate, and the Farm Loan Board will not be able to represent these bonds as tax exempt if this provision remains in the bill; the syndicate will not be able to advertise truthfully and tell the world that these bonds are exempt from taxation, although laws of Congress do now exempt them.

Mr. GLASS. They are exempt, and we are not proposing here to tax them.

Mr. FLETCHER. That is precisely what it is proposed to do.

Mr. GLASS. We are proposing to put a limitation upon the misuse of them by people who are entitled to no consideration.

Mr. FLETCHER. Oh, there is much talk about their misuse. Does the Senator wish to do away with tax-exempt securities?

Mr. GLASS. No; merely a limitation on their use.

Mr. FLETCHER. Well, it is desired to cure the evil of tax evasion. Complaint is made of people who devise all sorts of methods and schemes for escaping taxation. Very well; remedy that situation in some legitimate and proper way. We are not reaching that problem by putting into the law that hereafter interest on tax-exempt securities shall not be deducted from the income; that, although the interest paid by the taxpayer is deducted from the income, that amount is to be reduced by the amount of interest which he receives from tax-exempt securities. So it is proposed indirectly to tax these securities. There is no escape from that conclusion.

Mr. GLASS. If my colleague from Florida will permit me, I wish to modify the very sharp answer I gave about tax-exempt securities. I go so far as to say that if we had not already adopted the policy of issuing tax-exempt bonds I would not now embark on it; but I do think, from my recent examination of the statistics and facts, that its relation to the fiscal affairs of the United States has been very greatly exaggerated.

Mr. FLETCHER. Mr. President, I want to say this just at this point: The moment you empower the Federal Government to go into the States and tax the securities issued by the States, counties, and municipalities, that moment you put into the hands of the Federal Government authority and power sufficient to destroy the States.

Mr. GLASS. Mr. President, I am not going to embark on an academic discussion with the Senator——

Mr. FLETCHER. I want to go on with the thought I was expressing.

Mr. GLASS. But I want to say this: The Senator ought to be fair and state the whole question and not merely part of it. The proposition was, as I understood it, to enable the States to come into the National Capital and tax Federal securities as well.

Mr. FLETCHER. Why, of course; and what does that amount to?

Mr. GLASS. But the Senator did not say so.

Mr. FLETCHER. I had not finished what I began to say. What does that amount to? The proposition originally was to authorize the Federal Government to tax State securities, but they saw there was no chance to get through that sort of a provision, and so they said, "If the Federal Government is given the right to do that, we will provide also that the States may tax Federal securities"; but that amounts to nothing and especially in those State where there are no income tax laws and no inheritance tax laws.

Mr. CARAWAY. Mr. President, may I suggest to the Senator that that is just making the people pay two taxes.

Mr. FLETCHER. Precisely; it is making them pay two taxes.

Mr. CARAWAY. And may I call this to the Senator's attention: As he knows, in the original income tax law we undertook to tax the salaries of the President and the judges of the courts.

Mr. FLETCHER. Yes.

Mr. CARAWAY. We said, just as this provision says, that we were not taxing their salaries; that they were just compelled, like other folks, to bear their part of the burdens of government. It is rather interesting to notice their opinion upon that question, however. It was an indirect way of diminishing their salaries, they said, and therefore it was unconstitutional, and they promptly walked out from under it. This is an indirect way to avoid the provision of the bond that it is tax-exempt by limiting the use to which it may be put and narrowing the market for it and destroying its value.

Mr. FLETCHER. Precisely; detracting from its value.

Mr. CARAWAY. Without question it is as much an attack upon the bonds as the original bill was upon the salary of the President and judges of the courts.

Mr. FLETCHER. I think the Senator is quite right; and while, as I say, I have the very highest regard for the opinion of the Senator from Virginia [Mr. GLASS], and know from his experience both in legislative and in executive affairs that he is most competent to speak on these questions, here is a matter, however, which I think other people have had, perhaps, a little different and a little more direct experience in handling.

For instance, this bond syndicate actually advertises, sells, and distributes these bonds. I wrote to Alexander Brown Sons & Co., and received a reply from Mr. B. Howard Griswold, jr., of that firm, one of the important members of this syndicate, which has had experience, as I say, in selling the Federal land bank bonds, extending from the very beginning of the operations of the farm loan act, and such experience for much longer time in handling other securities, and they are one of the chief factors in the syndicate mentioned. I asked them about the effect of this amendment, and this is what Mr. Griswold says:

MARCH 24, 1924.

MY DEAR SENATOR FLETCHER: I have just received your letter of the 22d instant, asking for an opinion and views respecting paragraph (c), page 46, of H. R. 6715 as it passed the House. It is indeed a serious attack upon the exempt features not only of farm-loan bonds but of State, municipal, and county bonds. I am anxious to answer your inquiry as fully and accurately as possible, and at the first opportunity will send you a full reply.

Subsequently I offered an amendment striking out this paragraph, and I appeared before the Finance Committee. The paragraph, as you see, was stricken out by that committee. There was no occasion for any further reply from Mr. Griswold, or any further discussion by him; but this is his positive statement, based upon his experience in the bond market as a seller of bonds and his knowledge of the proper method of marketing these securities and what it takes to sell them; and he said:

It is indeed a serious attack upon the exempt features not only of farm-loan bonds, but of State, municipal, and county bonds.

I submit that we can not ignore the views, the judgment, the opinion of the people who are in this business day in and day out. That is their life. That is their occupation. They can not any longer put upon their literature a statement, clear and unqualified, that these bonds are exempt from all taxation if this provision remains in the bill.

Not only that, but Governor Cooper, of the Farm Loan Board, saw me about this matter, and I have a letter from him to the same effect. I have here also a copy of his letter to the Finance Committee dated March 27, 1924. He is the farm-loan commissioner and was formerly Governor of South Carolina. He has been for some years a member of the Farm Loan Board. He knows precisely what is necessary to continue the operation and the effective functioning of that great bureau of the Treasury, and he knows how these bonds are sold. He knows that unless the bonds are sold there are no funds to be loaned to the farmers of the country. They must depend upon the proceeds of the sale of these bonds for the money with which to make the long-time loans provided for in the act, and he knows the importance of this tax-exempt feature. He knows that it is provided for in the existing law. He knows that the representation has been made to the public everywhere that these bonds are fully tax exempt. He knows the importance of that feature in the matter of the sale of the bonds, and especially with regard to the low interest rate which these bonds must bear in order to meet the needs of agriculture.

The purpose of putting the tax-exempt feature in those bonds was to enable them to be sold at par at a low rate of interest. They have been sold at 4½ per cent and 5 per cent at a premium; they have been readily taken up, as the Senator from Virginia has said, heretofore; and the law is such that the farm borrowers get all the benefit of this low rate of interest, because we have provided further in the act that no borrower shall be charged more than 6 per cent on any loan obtained through that system. The borrower therefore gets the benefit of the low rate of interest, and not the bank that makes the loan. The law further provides that the bank can not charge the borrower over 1 per cent above the rate of interest which the bonds bear. It was intended that that 1 per cent should cover the cost of administration. As a matter of fact, one-half of 1 per cent covers it. As a matter of fact, too, if the system is allowed to function to its full possible limit one-fourth of 1 per cent and, finally, one-eighth of 1 per cent will pay the cost of administering the system; and the borrowers are to get the benefit of the low rate of interest the bonds bear, plus the cost of administration.

That is the law. You can not strike down that tax-exempt feature without increasing the rate of interest which the borrowers must pay through that system. You can not do that without destroying the statement of facts which is now properly made in the literature and the advertisements respecting these bonds that they are totally and absolutely exempt from all taxation; and you will make that impossible unless you agree to this committee amendment and strike this provision out of the bill, so Governor Cooper says.

Mr. DIAL. Mr. President, the demand for these funds is very great, too, is it not?

Mr. FLETCHER. Why, of course. There are outstanding mortgages on farms of this country to-day of over $7,000,000,000.

Mr. DIAL. I mean there is a great demand for more, too?

Mr. FLETCHER. Of course there is a great demand for more. It is to the interest of these farmers who are paying all the way from 7 to 8 or 10 or 12 per cent, counting commissions, fees, and expenses, on those loans to have them taken up under the farm-loan system, where they can get their money at 5½ per cent; so the demand on the Federal land banks for loans is almost unlimited, if for no other purpose than to take up outstanding mortgages on which in many instances the farmers are paying twice as much interest as the interest charged by the Federal land banks.

Mr. CARAWAY. And in addition to that they do not get the advantage of the amortization plan.

Mr. FLETCHER. Yes; amortization and terms practically of their own choosing are provided for in this act, allowing them to pay 1 per cent per annum until the whole principal is paid; so that they pay off the principal and have the use of the money, and by paying at the rate of about 6 per cent per annum they pay the interest on the loan and pay the principal at the same time. They have the privilege of having these loans run for 35 years if they like, or they have the right to pay off any part or all of the loan at any interest period after five years. The act provides that they can do these things in a way that relieves them of the fear of losing their homes; and all those features, of course, are intended to meet the needs of the farmers of the county by supplying them with accommodation through these facilities. The tax-exempt feature is an important part of the plan, the policy, and the law; and whenever you undertake to strike that down, to take it away, to destroy it, you are interfering seriously with this

great system, and if you carry it far enough you will destroy the system, because it will be impossible for the Federal land banks to make loans within the limitation provided by the act.

People talk a great deal about tax-exempt securities and about the evasion of the law. For Heaven's sake, are there no evasions of the payment of taxes except through tax-exempt securities? People talk as if this were the only thing that produces rascality in the payment of taxes and evasion of the law. Why, it is almost an infinitesimal thing, because the total of the tax-exempt securities outstanding in the whole country is only $12,300,000,000, whereas the total of all securities throughout the country amounts to $300,000,000,000.

People talk about necessity for taxing these tax-exempt securities in order to make people honest and have them pay their legitimate income taxes, although $12,300,000,000 takes in the whole of the tax-exempt securities throughout the whole country, and there are other securities amounting to $300,000,000,000. We do not hear any talk about them.

This is a drive at the tax-exempt feature of these farm-loan bonds, I tell you. It is a drive in which there are three groups interested, determined to win if they can. They are present holders of tax-exempt securities, land-mortgage bankers, and public utilities. At first an effort was made simply to repeal the law exempting these bonds from taxation. The people who were behind that were the land-mortgage bankers, with headquarters in Chicago. They had been negotiating loans upon farms, charging the borrowers 6 or 8 per cent, with 2 per cent commission, and so forth, loans running from three to five years, and whenever they fell due another commission of 2 per cent or such a matter had to be paid by the borrower. They did not want that business interfered with, so they proceeded to attack this feature of the farm-loan bonds. They did not get very far, however, because they saw that they were antagonizing the greatest industry in this country, agriculture; that they were attacking in this particular way the people who produce the Nation's food, and they could not make much headway in Congress.

Then they devised this bright scheme of proposing an amendment to the Constitution of the United States whereby the incomes on all securities issued by the Federal Government or authorized by the Federal Government may be taxed by the States, and the incomes on all securities issued by the States and by authorities of the States may be taxed by the Federal Government. They said, "That is fair enough. We are going to let the States tax the incomes on such securities as the Federal Government issues or authorizes and then the Federal Government must have the right to tax incomes of all those issued by the States." That would mean, of course, that the farm-loan bonds issued not by the Federal Government but by authority of the Federal Government would be taxed. Otherwise the Federal Government could not tax the incomes on State securities. Consequently it is a drive again at the farm-loan bonds. That is the real intention of it.

Mr. GEORGE. That would be a very unfair proposal, especially to a State that did not have any income-tax system of its own—that had not imposed that system upon its people. The Senator has spoken of the Federal farm-loan banks. Of course, his observations relate to the joint-stock land banks and to the intermediate credit banks.

Mr. FLETCHER. Precisely. I am glad the Senator mentioned that. I refer to that whole system, including the joint-stock land banks and the intermediate credit banks. And there are States, like Florida, which imposed no income or inheritance tax whatever. They would, of course, derive no benefit from the privilege of taxing Federal securities, but all their securities could be taxed by the Federal Government.

There are three groups primarily interested in this movement, this attack upon tax-exempt securities; first, those who already have tax-exempt securities. The minute you impose taxes on further issues of securities which are now exempt, that minute you increase the value of those securities now outstanding; you will increase by $120,000,000 or more the value of the securities now held by people, including the Rockefeller estate, so much talked about here to-day.

Mr. SMITH. Mr. President, if the Senator will allow me, I do not want him to fail to notice in this connection that the bonded indebtedness of the United States is some 15 or 20 times greater at the present time than it has been perhaps since the Civil War, and we have almost reached the limit of the issue of the bonds. Therefore, if we shall impose a tax on those that are hereafter to come, we will greatly enhance the value of those already existing.

Mr. FLETCHER. That is quite true, and that raises another thought which had escaped me, namely, that we can not of course make any law which will be retroactive; we can not pass a law to tax securities issued under a law which made them exempt from taxation. We can only pass a law, by constitutional amendment and by legislation, to apply to the future, so that only future issues will be affected by either a constitutional amendment or legislation.

The Senator from South Carolina [Mr. SMITH] mentioned the fact of our enormous outstanding bonded indebtedness. We are reducing that instead of increasing it. The Federal Government will have practically no new issues of bonds, and therefore the States will get nothing in this trade. This swap to the States is simply a pretense, it is one-sided as to the States, and I am satisfied they will see it. That kind of an amendment will never be adopted by the required number of States in this country.

That is the situation. The Federal Government does not contemplate issuing any more tax-exempt securities; it does not have to. We are reducing those now in existence. The States, counties, and municipalities, of course, will be issuing more bonds and more securities as time goes on. The Federal Government will get the right to tax the incomes on those issues, and the States will get the right to tax the incomes on the new issues of the Federal Government, which will be nil.

I started to read from this letter of Governor Cooper. I offered an amendment, as I said, to strike out the provisions of the House text, as the committee has done, and he refers to that and says:

> The amendment proposes to strike out subdivision (c) of section 214.
>
> That deals with deductions allowable from taxable income.
>
> The Federal loan act declares Federal farm loan bonds, and the income derived therefrom, to be free from all taxation, National, State, and local. The provisions of subdivision (c), which it is proposed to strike out, do not impose a direct tax on income derived from tax-exempt securities, but it does deny in certain cases to the owner of a tax-exempt security deductions from his taxable income which would be allowable if he did not own the tax-exempt security. The effect, therefore, is the same as if a tax were imposed on an instrumentality which the Government has declared to be tax exempt if the owner of the security is in debt or if he sustains losses in nonbusiness investments. The purpose in providing for tax exemption of farm loan bonds was to broaden the market and induce persons to buy this particular security. It occurs to me as an act of bad faith for the Government now to deny to the owner of a tax-exempt bond a deduction from his taxable income which would be allowance to him if he was not the owner of the tax-exempt security.

He says further:

> If subdivision (c) is to remain as a part of the revenue act, and it shall become law, the Federal land banks, joint-stock land banks, and Federal intermediate-credit banks will hardly be in a position to offer their obligation to the public as wholly tax exempt. We have given this matter quite a good deal of consideration before reaching this conclusion.

That is signed by the farm loan commissioner. I ask to have the letter go into the RECORD at the conclusion of my remarks without reading it. This is the opinion of the Farm Loan Board as expressed by Commissioner Cooper.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See Appendix.)

Mr. FLETCHER. A short time ago I mentioned the fact that great stress had been laid on the transactions of one individual. We have heard a good deal about Mr. Rockefeller's estate investing in tax-exempt securities very largely. That is a mere bagatelle, and it should not be urged here as an evidence that big taxpayers are seeking to escape legitimate taxation by investment in tax-exempt securities. In my judgment a man who invests in tax-exempt securities is prepaying his income tax on his investment. He is investing in a security at such a low rate of interest—and he does it because it is safe, because it is tax exempt—as practically to put him in the position of paying in advance the income tax on the money which he puts into those securities.

There were incomes in the form of dividends, profits, interest, and business savings for all industries amounting in 1918 to more than $27,000,000,000, nearly one-half of the total output of these industries, which was a little over $67,000,000,000. What figure does it cut for Mr. Rockefeller to invest $40,000,000 in tax-exempt securities? As I said a moment ago, the tax-exempt securities now outstanding amount to $12,300,000,000, and the total securities held by private individuals amount to some $300,000,000,000.

The people who are evading taxation and whom it is desired to circumvent by this sort of legislation are all shown on page 383 of the annual report of the Secretary of the Treasury for

1923. The table there gives the incomes wholly tax exempt reported by individuals paying net incomes of $5,000 and over for the calendar year 1920, showing that interest on United States obligations amounted to $37,550,400 and interest and salaries from States and Territories amounted to $67,925,712, a total of wholly tax-exempt incomes reported by individuals having net incomes of $5,000 and over for the calendar year 1920 of $105,485,172.

Turning to that report, also at page 382, where the totals are given, under the head of "Personal returns," the number of returns are given, and the net income as shown by the returns amounted to $23,735,629,168. That gives the amount of total net incomes of individuals for the time stated, for the calendar year ended December 31, 1920, showing these enormous figures as to the total incomes shown by the returns of 7,259,944 taxpayers, whereas the income from tax-exempt securities amounted to only $105,485,172.

I say, Mr. President, this is a stab at the tax-exempt feature which has been so conscientiously and wisely devised by Congress as an essential factor and means of providing an adequate financial system to meet the needs of agriculture of this country. It is an effort to destroy that feature. It is the beginning. It is a part of the whole scheme connected with the proposed constitutional amendment. I expect to go into that question pretty fully at some later date.

In my judgment it would be a step backward, a serious mistake, for the Senate not to agree to the amendment proposed by the committee in this paragraph. Certainly that provision in the House bill, if not eliminated, will interfere with the market and the sale of these securities. Certainly it will make it impossible for the syndicate which handles these securities under the farm-loan system to represent to the public that they are, as the public knows they are now, exempt from all taxation.

I do not care to go into the constitutional question at this time nor the question whether the amendment reaches to State securities or not. It seems to me that the proposal does extend to all tax-exempt securities whether issued by the Federal Government or by a State. If, under the provisions of the bill as it came from the House, securities issued by the State are attempted to be taxed, clearly that is beyond the power of Congress to do. That would be unconstitutional. That may be rather a remote conclusion to reach with reference to it, and I am not basing my support of the committee amendment upon the unconstitutionality of the provision. However, that is a question which is really involved and entitled to some study and consideration by those who can analyze it and follow it to its ultimate limit.

The Governor of Maryland evidently holds and believes fully that it does in effect tax State securities. The expert on bonds and bond sales, Mr. Griswold—and I understand there is no better informed man on the subject in the country, and that he is a thoroughly trustworthy and honorable man of the highest standing—has said that it is a serious attack upon the tax-exempt features, not only of farm-loan bonds but of State and municipal bonds. The Senator from Tennessee [Mr. MCKELLAR] raised the question whether the sixteenth amendment takes care of it, and I called his attention to the fact that the sixteenth amendment did not confer any new power of taxation on the Federal Government. I very briefly refer to it now because it may come up later and it is worthy of being kept in mind.

In the first case which arose under the sixteenth amendment, the case of Brushabor v. Union Pacific Railroad Co. (240 U. S.), the Supreme Court committed itself on the question of whether or not the sixteenth amendment gave to Congress any new power of taxation. This was a suit by a stockholder to restrain the defendant corporation from paying an income tax imposed by the tariff act of 1913 on the ground that it was unconstitutional. Chief Justice White, in the course of upholding the validity of the act, said:

> It is clear on the face of this text that it [the amendment] does not purport to confer power to levy income taxes in a general sense—an authority already possessed and never questioned—or to limit and distinguish between one kind of income taxes and another, but that the whole purpose of the amendment was to relieve all income taxes when imposed from apportionment from a consideration of the source whence the income was derived.

In the case of Stanton v. Baltic Mining Co. (1916) (240 U. S. 103), an action in form similar to the Brushabor case, the court said:

> But aside from these obvious errors of the proposition intrinsically considered, it manifestly disregards the fact that by the previous ruling it was settled that the provisions of the sixteenth amendment conferred no new power of taxation, but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged and being placed in the category of direct taxation, subject to apportionment by a consideration of the sources from which the incomes were derived; that is, by testing the tax not by what it was, a tax on income, but by a mistaken theory deduced from the origin or source of the income taxed.

It is significant, Mr. President, that the court saw fit to announce in each of these cases that the amendment did not extend the taxing power of Congress to cover any new subject. That we ought to keep in mind. That undoubtedly was the reason the opponents of tax-exempt securities determined to propose the constitutional amendment the House recently defeated.

Since the ratification of the sixteenth amendment the Supreme Court of the United States in dicta and in decision has consistently adhered to the view that the amendment does not extend the taxing power of Congress to cover any new or excepted subject.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Georgia?

Mr. FLETCHER. I yield.

Mr. GEORGE. I want to call the Senator's attention to the fact that the latest case is that of Evans against Gore, although the question was not directly involved, but substantially decided by the court, upholding the decision to which the Senator has referred, all of which was, of course, since the adoption of the sixteenth amendment. In most of these cases the question was not directly or necessarily involved, and the language of the court is, of course, dicta; but in the latest case it is very much more than dicta in effect and certainly does substantially hold that the power of the Congress to tax incomes since the ratification of the sixteenth amendment is now precisely what it was prior to the adoption of the sixteenth amendment, except that Congress is relieved of the necessity of apportioning it according to population.

Mr. FLETCHER. I am obliged to the Senator from Georgia.

Mr. REED of Pennsylvania. Will the Senator state what case he refers to when he mentions the latest case? Is that the case of Evans against Gore?

Mr. GEORGE. Yes; that is the case.

Mr. FLETCHER. I had referred to the cases of Brushabor against Union Pacific Railroad Co. and Stanton against Baltic Mining Co. Similar dicta appears in Eisner against Macomber and in Pack & Co. against Lowe. The case of Evans against Gore is found in Two hundred and thirty-third United States, at page 245.

I had not intended to go into this subject fully at this time. I feel it important to refer to it inasmuch as the question has been suggested by others and really is a question that is involved, in my judgment. The effect of this sort of legislation would be to discriminate at least against tax-exempt securities and in a way—a very serious way—interfere with the salability of those securities and make it impossible to advertise them as being fully tax exempt. I think it is a step that is aimed at and has eventually the purpose to destroy the tax-exempt features, especially in farm-loan bonds.

APPENDIX

MARCH 27, 1924.

Committee on Finance, United States Senate, Washington, D. C.

GENTLEMEN: Responding to yours of March 17, requesting that the Farm Loan Board furnish the committee with such suggestions as it may deem proper touching the merits of the amendment proposed by Senator FLETCHER to H. R. 6715.

The amendment proposes to strike out subdivision (c) of section 214. Section 214 deals with deductions allowable from taxable income. Paragraph 2 of subdivision (a) allows as a deduction all interest paid or accrued within the taxable year on indebtedness. Paragraph 5 of the same section provides that losses sustained during the taxable year and not compensated for by insurance, or otherwise, if incurred in any transaction entered into for profit though not connected with a trade or business, are deductible.

The Federal farm loan act declares Federal farm-loan bonds, and the income derived therefrom, to be free from all taxation—National, State, and local. The provisions of subdivision (c), which it is proposed to strike out, do not impose a direct tax on income derived from tax-exempt securities, but it does deny in certain cases to the owner of a tax-exempt security deductions from his taxable income which would be allowable if he did not own the tax-exempt security. The effect, therefore, is the same as if a tax were imposed on an instrumentality which the Government has declared to be tax-exempt if the

exempt securities to the general issues of National, State, and

an academic discussion with the Senator——

course make any law which will be retroactive; we can not 383 of the annual report of the Secretary of the Treasury for

owner of the security is in debt or if he sustains losses in nonbusiness investments. The purpose in providing for tax exemption of farm-loan bonds was to broaden the market and induce persons to buy this particular security. It occurs to us as an act of bad faith for the Government now to deny to the owner of a tax-exempt bond a deduction from his taxable income which would be allowable to him if he was not the owner of the tax-exempt security.

On January 31, 1924, there was outstanding in the hands of the investing public $1,207,428,260 of farm-loan bonds. By the terms of the act under which they were issued and sold they were declared to be tax exempt. The original purchaser paid for this tax exemption in that the rate of interest borne by these bonds is less than it otherwise would have been. The consideration having been paid in good faith, and the bonds having been offered in good faith to the public, it is respectfully submitted that any act of the Congress which in any way limits the benefits of the tax-exempt security to the investor would very materially affect future sales.

It is very essential that institutions of a quasi-public character, like Federal and joint-stock land banks and Federal intermediate credit banks, may be able to definitely assure investors that these institutions are able to carry out the terms of any contract entered into by authority of Congress. The Federal Government is not obligated to grant tax exemption to farm loan bonds, but since it saw fit to do so, and the obligations were sold to the public, we submit that any person who desires to purchase and own one of these bonds should be able to do so without depriving himself of any deduction allowable by law from his taxable income.

If subdivision (c) is to remain as a part of the revenue act, and it shall become law, the Federal land banks, joint-stock land banks, and Federal intermediate credit banks will hardly be in a position to offer their obligations to the public as wholly tax exempt. We have given this matter quite a good deal of consideration before reaching this conclusion. If it is the purpose of Congress to limit deductions from gross income as provided in subdivision (c) then we respectfully urge that a provision be inserted to the effect that the limitation shall apply only to future issues.

We think it proper to state that the Secretary of the Treasury, who is ex-officio chairman of the Farm Loan Board, does not concur in the views herein expressed.

Respectfully submitted.

R. A. COOPER,
Farm Loan Commissioner.

Mr. DIAL. Mr. President, I had intended to make a few observations on the pending question, but the Senator from Florida [Mr. FLETCHER] and the Senator from North Carolina [Mr. SIMMONS] have expressed my views better than I could have done. I concur with them in all they have said in commendation of the ability and conscientiousness of Governor Cooper, who is at the head of the Farm Loan Bureau. I also concur with what the Senator from North Carolina said in reference to Mr. McLean, whom I know well. Those are two able and conscientious men trying to do everything they can to help the country and particularly the agricultural interests.

As I understand the proposition, we would be acting in bad faith not to sustain the committee amendment, and that we would certainly increase the rate of interest hereafter on bonds we may float or renew. We should do everything we can to make the burdens upon the laboring people as light as possible. I know that Governor Cooper is very much concerned about the matter. I have a letter from him, but it is no doubt similar to the letter to which the Senator from Florida [Mr. FLETCHER] has referred. I also know that he was greatly relieved when the Senate committee struck out the House provision. I thought then that the matter was settled, and would not be brought up again in the Senate. I hope very much that the committee amendment will be agreed to.

Mr. JONES of New Mexico. Mr. President, I desire to say only a few words. It seems to me that I am somewhat confused about the situation and I should like to be sure that I am not. For instance, the Senator from Pennsylvania [Mr. REED] contended that to strike out this paragraph would open the door to tax evasion. The illustration which he gave was that if a man had a taxable net income of $50,000 a year, he could borrow the money and buy a million dollars worth of tax-exempt securities and through deduction of interest which he paid he would equalize his tax and pay nothing.

Now, I have thought of that question in this way: If a man had $50,000 net income and wanted to evade the tax, in order to adopt the scheme suggested by the Senator from Pennsylvania it would be necessary for him to buy a million dollars' worth of tax-exempt securities which would bear a rate of interest of 5 per cent. It is generally recognized that the rate of interest on money which is not tax exempt is at least 1 per cent higher than that which is tax exempt. So I take it that the man who would borrow the million dollars with which to buy the million dollars' worth of tax-exempt securities would have to pay out in interest during that year $60,000, because he would have to hold the tax-exempt securities for a year if the amount of interest derived therefrom was equivalent to the $50,000. So we have the very anomalous situation of a man borrowing a million dollars at 6 per cent interest for a year and paying $60,000 for it, when the income from the tax-exempt securities which he buys is only $50,000. In other words, as to that part of the transaction he has paid out $10,000 more than he has received.

I turn to the schedule in order to ascertain what the inducement would be and I find this: On a net income of $50,000 subject to tax the amount of tax proposed by the majority of the Finance Committee would be $6,657.50, while under the plan proposed by the minority it would be $6,137.50. In order to save the payment of six thousand and odd dollars the taxpayer is out on his transaction $10,000.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. JONES of New Mexico. I am glad to yield to the Senator.

Mr. REED of Pennsylvania. Of course the illustration which I gave presupposed the ability of the borrower to borrow at a rate somewhere near the interest received on the tax exempts; and I grant that in order to make the illustration a simple one I took low figures which did not sound extravagant and impossible. If the Senator will apply it to the case of William Rockefeller—the precise case that I used in what I said earlier to the Senate—it will be found that Mr. Rockefeller saved over $1,000,000 a year and the Government lost that amount from that one taxpayer alone.

Mr. JONES of New Mexico. Mr. President, if I understand the case of William Rockefeller it is this: Mr. Rockefeller wanted to divide his income with his children, and he gave them his notes for $31,000,000. He happened to own at the time he died $43,000,000 worth of tax-exempt securities; but if Mr. Rockefeller had borrowed the $31,000,000 from his children he would have invested it in something.

Mr. REED of Pennsylvania. But, Mr. President, the facts in reference to the estate show that he gave that amount to the children, then borrowed it back, and then deducted from his taxable income the whole amount of interest accruing to his children of $1,800,000 a year. By that process he took away from the reach of the Government his entire taxable income. That man had his share of government paid for by his fellow citizens entirely. The process in his case worked out to exempt from taxation $1,800,000 a year; and according to the rates of taxation on it, the tax would have been, if he had paid it, over a million dollars a year.

Mr. OVERMAN. Was not that a fraud on the Government?

Mr. JONES of New Mexico. The Senator from Pennsylvania necessarily ignores the fact that the children had to pay some tax on what they got as interest paid on the promissory notes.

Mr. REED of Pennsylvania. I am not familiar with the tax returns of the children, but if they were half as adroit as was their ancestor I very much suspect that they did not pay a very high tax.

Mr. OVERMAN. I repeat, was not that a fraud on the Government?

Mr. REED of Pennsylvania. If it is a fraud on the Government to take advantage of loopholes which Congress, after such warnings as it has been getting to-day, deliberately persists in leaving open, then it was a fraud.

Mr. OVERMAN. Could not the Secretary of the Treasury to-day collect that tax?

Mr. REED of Pennsylvania. I do not think he could.

Mr. OVERMAN. I think he could.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield further to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. SMOOT. I will say to the Senator that the first time I knew of evasions of taxes in this way was from a conversation with a man who was interested in business in New York and who in a boastful manner told how he had evaded the tax. He told me that he borrowed a million dollars; that he paid but 5 per cent on that million dollars; that he bought securities, I think he stated, of one of the cities of North Carolina or of the State of North Carolina, which netted him a little over 5 per cent; and that he not only had his $50,000, but that he had a little more than the $50,000 on the basis on which he purchased the North Carolina bonds. That man further told me exactly what he did that for; that it was in order to evade the taxes. He did it under the law, as anyone else can do it.

ruling it was settled that the provisions of the sixteenth amendment

Mr. OVERMAN. He can not evade the taxes in that way. The Government can recover every cent of the tax.

Mr. SMOOT. The Senator from North Carolina says that, but the law permits it.

Mr. JONES of New Mexico. Mr. President, I think this matter is worthy of a little further consideration. I think the sanity of the individual with whom the Senator from Utah [Mr. SMOOT] talked ought to be inquired into if any such transaction as that occurred. I can understand how Mr. Rockefeller, dealing with his children, may have done a very unnatural thing, but if we examine this question a little further, even if a man were able to borrow the money at the same rate of interest as the tax-exempt security bears, I submit that it does not comport with good business judgment for him to enter into such a transaction.

I can illustrate that. Assume that a man borrows a million dollars for the purpose of evading taxes on a net income of $50,000, and assume that he borrows at the same rate of interest as the tax-exempt securities bear. Then what do we find? We find that he has borrowed $1,000,000; that he has bought tax-exempt securities to the amount of $1,000,000, face value, and has held them for a whole year in order to avoid the payment of a tax of something over $6,000. Where is the sane business man who would subject himself to a liability of $1,000,000 for a year in order to avoid the payment of $6,000?

I submit, however, that there are very few individuals who would be able to borrow money at the same rate of interest as the tax-exempt securities bear. It is generally conceded, I say, that money loaned in the market which is subject to tax brings in about 1 per cent more than does the tax-exempt security. That is the ordinary course of business in this country; and a man who acts in the ordinary way, the usual way, would be absolutely penalized in the transaction for attempting to do any such unnatural thing.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. SMOOT. If a man has an income largely in excess of the interest paid, then his income would fall in the higher brackets. That is the case with a business man, and then the rate the Senator from New Mexico suggests would not apply.

Mr. JONES of New Mexico. I have figured such a case on a hundred thousand dollar basis.

Mr. SMOOT. But if a man has an income of a hundred and fifty thousand dollars and should borrow the amount referred to and should pay $50,000 in interest, he would be taxed on a hundred and fifty thousand dollars less the $50,000. His income would fall in a higher bracket, and he would have a great deal more than a tax of $6,000 to pay.

Mr. JONES of New Mexico. The Senator understands that it goes up progressively. He would have to borrow a million dollars to attempt an equalization of $50,000, and to attempt to equalize $100,000 he would have to borrow $2,000,000; and where is the man who is going to borrow $2,000,000 for the purpose of evading the tax on a hundred thousand dollars?

Mr. SMOOT. I had reference only to a partial borrowing of money in order to bring the brackets down lower so that the surtax will fall in a lower bracket. If a man has a large income, one over $50,000, and can succeed in reducing the taxable amount his income falls in a lower bracket not only as to the fifty thousand but as to all that he makes over and above the $50,000.

Mr. JONES of New Mexico. Yes; but the Senator knows that the taxpayer would have to borrow $1,000,000 in order to save the tax on $50,000; so that whether a man's income is $1,000,000 or $5,000,000 for every $50,000 of it he has got to borrow $1,000,000.

Mr. SMOOT. I see the Senator does not get the point I am endeavoring to make.

Mr. JONES of New Mexico. I think I do.

Mr. SMOOT. There is not so much liability in the case of a man who borrows money with which to buy tax-exempt securities, for he can sell them at any time he desires to do so.

Mr. JONES of New Mexico. But does not the Senator realize that the taxpayer has got to keep those tax-exempt securities for a year in order to accumulate the earnings on them?

Mr. SMOOT. Certainly, but the taxes are only due at the end of the year also. That is the object of the scheme. The taxpayer can keep the bonds for 10 years, so far as that is concerned, and so long as he keeps them he has that advantage.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Connecticut?

Mr. JONES of New Mexico. I yield.

Mr. McLEAN. If a taxpayer whose income is $150,000 borrows money and pays $50,000 interest, he saves the 30 per cent surtax and only pays 6 per cent interest, and on that basis is in just 24 per cent on the surtax.

Mr. JONES of New Mexico. That is true.

Mr. McLEAN. That is worth while.

Mr. JONES of New Mexico. There may be some little inducement when the very high brackets are reached, I recognize that; but it must be understood that the man who goes into that sort of an undertaking must do it deliberately, and he must stay in the transaction the whole year and be subject to the liability upon his own promissory notes for that length of time in order to get the benefit or to have accrue to him the interest upon the tax-exempt securities.

Mr. REED of Pennsylvania. May I give the Senator an illustration?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Pennsylvania?

Mr. JONES of New Mexico. I yield.

Mr. REED of Pennsylvania. I will give the Senator an illustration which practically shows just what happens. This is not the case of Rockefeller, although it is the same kind of a trick. I know of a man who bought a million and a quarter dollars of tax-free Liberty bonds paying 3½ per cent. He went to the bank to get the money to buy them, and he had to pay 5 per cent interest, because money was high at that time. That is a still more extreme case than the one which the Senator has supposed. He put up as collateral other securities so that he could not be accused of borrowing the money to buy the tax exempts and so thereby come within the meaning of the present law on that subject, but he did it for that purpose. In all he bought a million and a quarter dollars worth of Liberty 3½ per cent bonds at slightly under par, and he paid 5 per cent for the money; but he was a very rich man and the 5 per cent that he paid reduced his taxable income more than one-half. In other words, he could afford to pay 1½ per cent more interest than the tax frees were bringing him because of the very great saving that he made in the tax on his taxable income. He was in the upper brackets; he was paying 58 per cent, the maximum rate, and he could have afforded to pay the bank 7 per cent to buy 3½ per cent tax frees and still make money on them. That is the way it works out.

Mr. JONES of New Mexico. That is assuming that the taxpayer has unlimited credit——

Mr. REED of Pennsylvania. This man had unlimited credit.

Mr. JONES of New Mexico. And can buy all the tax-exempt securities he wants, but he would have to buy a million of them in order to save the taxation upon $50,000, and how many millions would a man have to borrow in order to save the tax on a half a million dollars income? He would have to borrow $10,000,000?

Mr. REED of Pennsylvania. The record shows Mr. Rockefeller borrowed $31,000,000 to get rid of taxes on $1,800,000.

Mr. JONES of New Mexico. Mr. President, that Rockefeller transaction I do not think is worthy of any comment. That was a case of a man dealing with his own children. So I do not think we need worry about this.

The Senator from Virginia [Mr. GLASS] did not think that this would affect the market for tax-exempt securities. My judgment is that it would, and I want to say briefly why I hold to that opinion.

It is quite a common thing for a man, whether in business or out, to carry some securities which are unquestioned, usually some tax-exempt securities. All of the Liberty bonds are tax exempt to a certain extent. They are exempt from the normal tax, and at the present time I believe that an individual may own as much as $55,000 of these 4¼ per cent bonds and have them wholly exempt. A man of moderate means who has $50,000 or $100,000 invested in Government bonds merely to enable him to secure money to meet any special demands upon him holds those bonds to use as collateral when he wants to borrow some money. A man with such a limited income that he has only $25,000 or $50,000 of tax-exempt securities concludes to build himself a house. He does not want to sell those securities. He is holding them as a permanent investment. He realizes that his income from other sources will gradually pay for the building of the house; but in the meantime, instead of selling his securities, he concludes to borrow money on them. He pays an additional rate of interest above that which he would get on his tax-exempt securities, because he realizes that his loan is only a temporary one. To put in this kind of a provision—the provision as it came from the House—would practically say to that man that he could not hold tax-exempt securities for such a purpose. He would be forced to sell his tax-exempt securities and buy some other kind of safe securities

so that he might put them up as collateral instead of the tax-exempt securities.

Of course, a man could do that, but why should he be forced to do it? Why not permit him to get the same reduction because of these tax-exempt securities that he would get if he were to put up as collateral some other kind of securities?

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Virginia?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. GLASS. I am glad to find that the people of New Mexico are in such affluent circumstances. In Virginia a man who owns as an investment $100,000 of Government bonds is not exactly looked upon as a man of merely moderate means; but what I rose to ask the Senator from New Mexico was, if he does not think the suppositious case that he cited is of very, very rare occurrence? Does he think that would apply generally to taxpayers who make deductions on account of borrowed money?

Mr. JONES of New Mexico. I am willing to accept the rather humiliating innuendo expressed by the Senator from Virginia, and pass to the serious question which he really asks me. I think it is, generally speaking, somewhat rare, but I do not believe that it is as rare as the cases where they attempt to evade this tax through the buying of tax-exempt securities. So, when we come to consider the rarity question in connection with this subject, I think the shoe is on the other foot. I should guess at that. I have no figures on the subject.

Mr. GLASS. The Senator does not think that these stock and bond speculators in the great money markets make a practice of making these sales and repurchases to cover imaginary losses, does he?

Mr. JONES of New Mexico. I do not believe they do to any great extent, for the reason that they have to pay out more than they get in in the individual transaction, and I do not believe that is done to any considerable extent.

Mr. GLASS. Of course I have no personal knowledge of the transactions, but I have been led to believe that it is done to a very considerable extent, and that the Government is deprived of many millions of dollars of taxes by reason of this practice. If I am misinformed as to that I see no point in this paragraph of the tax bill, because I am supporting it purely upon that information that I have had.

Mr. JONES of New Mexico. The only information that I have on the subject is what little statistics we have as to the ownership of the tax-exempt securities. On yesterday, I believe, or the day before, I gave to the Senate a statement of the holding of tax-exempt securities, taken from the Treasurer's report, and from that statement I found that 68 per cent of the tax-exempt securities were owned by corporations, that 32 per cent only were owned by individuals, and that one-third of that 32 per cent was owned by people who had incomes between $5,000 and $20,000. So I think by elimination we will discover that there are relatively very few of these bonds in the hands of the very wealthy people of this country, and as to those who are engaged in the investment business, this proposal does not apply to them. It does not apply to any one engaged in trade or business, but it is going to apply only to those who have retired from business altogether, or a poor, unfortunate Senator who is engaged in an unprofitable business.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. Pardon me just a moment. If the Senator will bear in mind the discrimination which is going to arise from the adoption of the proposal as it came from the House——

Mr. GLASS. Mr. President, right at that point may I ask the Senator, if his theory is to be accepted, what possible harm the paragraph can do in any event?

Mr. JONES of New Mexico. I think there is a very great possible harm. Take the illustration which I gave awhile ago of the poor Senator who might have accumulated a few Liberty bonds. He builds himself a house. He borrows some money. He does not want to part with his bonds, because he hopes that his salary ultimately will so accumulate that he can pay for the house and keep the bonds.

Mr. SMOOT. Foolish man!

Mr. JONES of New Mexico. I submit that that is a most violent assumption; but from other sources he has income which will ultimately pay off the loan, and he wants to be able to do just the same as a man in business would do and keep some liquid securities whose value is well established which he can use as collateral at any time to meet his running expenses, his business expenses; and why should not the individual do it, whether he be engaged in trade or business or not? Why shut off that opportunity to that class of people and thus destroy pro tanto the market for the tax-exempt securities?

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. SMOOT. In answer to the question of the Senator from Virginia as to what effect this amendment would have upon the revenues of the Government, I will say that if the committee amendment is agreed to it will make $35,000,000 difference in our revenue.

Mr. JONES of New Mexico. Mr. President, I want to challenge that statement and call for proof. I should like to know where the Senator gets his information.

Mr. SMOOT. I get it from the Treasury Department and from the actuary, Mr. McCoy.

Mr. JONES of New Mexico. I say to the Senator and to Mr. McCoy both that there are no figures in the Treasury Department which will furnish a basis for any such estimate. I challenge anyone to produce here the figures on which the calculation is made.

Mr. SMOOT. Of course, the Senator can say that; but it seems very strange that whenever an estimate is made by Mr. McCoy that does not quite satisfy us we object to it, while when it does satisfy us we approve of it and say that he is a great actuary. The Senator knows that in the past, when estimates have been given by Mr. McCoy, no matter whether for or against us or whether we liked them or whether we did not, the result at the end of the year has demonstrated that his estimates were very close, indeed.

Mr. JONES of New Mexico. Mr. President, I want to say that the year 1920 is the last year for which the Secretary of the Treasury has called for a statement from the taxpayers of the country as to their holdings of tax-exempt securities. Mr. McCoy can make an estimate or a guess as well as anybody, but when he has no basis on which to guess his guess is no better than that of anyone else. He is one of the best actuaries I know, and I would rely upon him as quickly and as confidently as upon any man in the country in making estimates; but you have to have some basis on which to make an estimate, and in this case it does not exist.

Mr. SMOOT. I will assure the Senator that Mr. McCoy never made any estimate unless he had some basis for making it. If he had not a basis, he would have told the committee that he had not the basis for making it. I thought he was in the Chamber, but I see that he has gone. I have not any doubt that there is a basis upon which he made it.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Maryland?

Mr. JONES of New Mexico. I do.

Mr. BRUCE. If the Senator from New Mexico will yield just a moment, in connection with what he was saying a few moments ago with regard to the indiscriminate treatment to which the William Rockefellers and the hundreds of other innocent and honest taxpayers in the United States would be subjected to by the proposition of the Senator from Pennsylvania and the Senator from Utah, I should like to recall a historic story, which seems to me to have a bearing upon that feature of the Senator's address.

When the Catholics were butchering the Protestants on St. Bartholomew's Day in the streets of Paris, one of the Catholic soldiers ran to a priest and said: "What are we to do? The Catholics and the Protestants are all mixed up, and we are killing our own people." "Well," he said, "kill them all, and God will know his own."

It seems to me that is just about the indiscriminate treatment to which holders of tax-exempt securities are proposed to be subjected by the proposition of the Senator from Utah and the Senator from Pennsylvania. As I say, and as the Senator has so seasonably pointed out, the enormous amounts of these tax-exempt securities are not held by Rockefellers. They are held just by ordinary, prudent, careful investors, who, instead of reaching out for the larger gain of business enterprise, are content with the smaller gain of perfectly safe investment.

Mr. JONES of New Mexico. I think the observations of the Senator from Maryland are quite appropriate. I simply rose to call attention to the fact that in my judgment the evasion attempted to be prevented is more or less a mere conjuring of the imagination. In the second place, that it does to a considerable extent destroy the market for tax-exempt securities. I submit that anyone who is opposed to the issuance of tax-exempt securities should oppose the amendment offered by the committee. My judgment is that in this instance at least the recommendation of the majority of the committee ought to be accepted. It will be understood that the majority of the committee proposes to strike out a provision inserted in the House which undertook to conjure up and then obliterate this alleged improper use of tax-exempt securities. So in my judgment the committee amendment should be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were ordered.

The reading clerk proceeded to call the roll, and called the name of Mr. ADAMS.

Mr. ADAMS. Mr. President, I want to understand the question. The question is on sustaining the committee amendment striking out subdivision (c)?

The PRESIDING OFFICER. The question is on the committee amendment to strike out lines 19 to 25 on page 52 and lines 1 and 2 on page 53 of the bill.

Mr. McNARY. Let the amendment be reported by the Secretary.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 52, after line 18, the committee proposes to strike out:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

Mr. SMOOT. I understand that the Senator from Arkansas [Mr. CARAWAY] desires to speak on the amendment.

Mr. CARAWAY. I was hoping that there would not be a vote on it to-night. I want to discuss it, and I hope it may go over until the morning.

Mr. SMOOT. I will be glad to have the Senator proceed now if he wants to do so. I have taken no advantage of anybody, and I do not propose to do so during the consideration of the bill or at any other time.

Mr. CARAWAY. I am not proposing to argue with the Senator about that. I merely stated my desire.

The PRESIDING OFFICER. The roll call had begun.

Mr. SIMMONS. Before the roll call had started I addressed the Chair, but did not get recognition until the Secretary had called one name.

Mr. SMOOT. The Senator from North Carolina did address the Chair before the roll call had started. There is no doubt about that.

The PRESIDING OFFICER. The Chair did not so understand.

Mr. SMOOT. That is the fact. I will lay the bill aside now if I can have unanimous consent that the Senate will meet at 11 o'clock to-morrow morning.

Mr. HARRISON. Is the Senator asking unanimous consent now that we meet at 11 o'clock to-morrow morning?

Mr. SMOOT. I simply said I would be glad to lay the bill aside now providing we can agree to recess until 11 o'clock to-morrow morning.

Mr. HARRISON. The Senator realizes that there are important committees at work, and there is one committee, the Committee on Agriculture and Forestry, which has some important witnesses before it on the Ford offer and other offers, and we can not be at two places at the same time.

Mr. SMOOT. There would be the same difficulty if we met at 12 o'clock. For instance, to-day between 12 and 2 o'clock not a dozen Senators were in the Chamber listening to the debate. We have spent the whole day on this one amendment, and I thought we ought to have a vote; but I am perfectly willing that it shall go over until to-morrow if we can recess until 11 o'clock.

Mr. CURTIS. I understand that there are two Senators on the other side who want to make speeches, which will probably take an hour, and there would be no vote before 12 o'clock, anyway.

Mr. SMOOT. I assure the Senator from Mississippi of that.

Mr. EDGE. I thought the Senator would ask unanimous consent that a vote be taken at 12 o'clock.

Mr. SMOOT. I do not want to do that, because I do not know whether Senators would be ready for a vote by that time. I ask unanimous consent that at the close of the business of the Senate this day the Senate take a recess until 11 o'clock to-morrow.

Mr. HARRISON. With the understanding that there will be no vote before 12 o'clock?

Mr. SMOOT. There will be no vote before 12 o'clock, if I have to take the floor and talk until that time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. SMOOT. I ask unanimous consent to lay aside temporarily the unfinished business.

The PRESIDING OFFICER. Without objection, it is temporarily laid aside.

DEFERRING PAYMENTS OF RECLAMATION CHARGES—CONFERENCE REPORT

Mr. PHIPPS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1631), to authorize the deferring of payments of reclamation charges having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows:

"That the Secretary of the Interior is hereby authorized and empowered, in his discretion, to defer the dates of payments of any charges, rentals, and penalties which have accrued prior to the 2d day of March, 1924, under the act of June 17, 1902 (32 Stat. L. p. 388), and amendatory and supplemental acts or prior to that date, as against water users on any irrigation project being constructed or operated and maintained under the direction of the Commissioner of Indian Affairs, as may, in his judgment, be necessary in or concerning any irrigation project now existing under said act: *Provided*, That no payment shall be deferred under this section in any particular case beyond March 1, 1927: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *And provided further*, That in case the principal and interest herein provided for are not paid in the manner and at the time provided by this section, any penalty now provided by law shall thereupon attach from the date of such default.

"SEC. 2. That where an individual water user, or individual applicant for a water right under a Federal irrigation project constructed or being constructed under the act of June 17, 1902 (32 Stat. L. p. 388), or any act amendatory thereof or supplementary thereto, makes application prior to January 1, 1925, alleging that he will be unable to make the payments as required in section 1 hereof, the Secretary of the Interior is hereby authorized in his discretion prior to March 1, 1925, to add such accrued and unpaid charges to the construction charge of the land of such water user or applicant, and to distribute such accumulated charges equally over each of the subsequent years, beginning with the year 1925, or, in the discretion of the Secretary, distribute a total of one-fourth over the first half of the remaining years of the 20-year period beginning with the year 1925, and three-fourths over the second half of such period, so as to complete the payment during the remaining years of the 20-year period of payment of the original construction charge: *Provided*, That upon such adjustment being made, any penalties or interest which may have accrued in connection with such unpaid construction and operation and maintenance charges shall be canceled, and in lieu thereof the amount so due, and the payment of which is hereby extended, shall draw interest at the rate of 5 per cent per annum, paid annually from the time said amount became due to date of payment: *Provided further*, That the applicant for the extension shall first show to the satisfaction of the Secretary of the Interior detailed statement of his assets and liabilities and probable inability to make payment at the time required in section 1: *And provided further*, That in case the principal and interest herein provided for are not paid in the manner and at the time provided by this act, any penalty now provided by law shall thereupon attach from the date of such default: *And provided further*, That similar relief in whole or in part may be extended by the Secretary of the Interior to a legally organized group of water users of a project, upon presentation of a sufficient number of individual showings made in accordance with the foregoing proviso to satisfy the Secretary of the Interior that such extension is necessary."

And the House agree to the same.

CHAS. L. MCNARY,
W. L. JONES,
LAWRENCE C. PHIPPS,
JOHN B. KENDRICK,
KEY PITTMAN,
Managers on the part of the Senate.

ADDISON T. SMITH,
N. J. SINNOTT,
Managers on the part of the House.

pro tanto the market for the tax-exempt securities?

improper use of tax-exempt securities. So in my judgment the committee amendment should be adopted.

Mr. McKELLAR. What is this bill?

Mr. PHIPPS. This is the reclamation bill, to authorize the Secretary of the Interior to extend the time of payment of charges on payment of interest. The House made the rate 5 per cent and the Senate had proposed 6 per cent.

Mr. KING. Let me ask the Senator from Colorado what effect this legislation would have upon the recommendations by the fact-finding commission which were recently approved by the President, or what effect would the President's recommendations have upon this measure? Would there be any conflict?

Mr. PHIPPS. No; this relates only to the charges which have accrued up to March 1, 1924. The Senate proposed to extend the time for another season, and the House objected to that feature.

Mr. McKELLAR. It extends it one year.

Mr. PHIPPS. No; it permits the Secretary of the Interior to extend it until 1927, with the provision that in the event a certain showing is made, if they are unable to pay it at that time, it may be distributed over the remainder of the reclamation period of 20 years.

Mr. ADAMS. Mr. President, this bill really is in aid of the consideration of the report of the fact-finding commission, and tends to preserve the condition in statu quo for a limited period, particularly in Colorado, where they were just on the verge of default. This would put that default over temporarily.

Mr. SMOOT. If the water user can not pay his interest, the United States can not get it anyhow.

Mr. ADAMS. That is true.

Mr. SMOOT. And the only question is as to the rate of interest. We provide 5 per cent interest.

Mr. PHIPPS. I move the adoption of the report.

The PRESIDING OFFICER. The question is upon agreeing to the conference report.

The report was agreed to.

FISCAL RELATIONS OF THE DISTRICT OF COLUMBIA

Mr. PHIPPS. Mr. President, I have spoken several times in reference to the report of the special committee which has considered the fiscal relations of the District of Columbia.

Mr. McKELLAR. Mr. President, that is too important a measure to take up at this time of the day, and I shall have to object to its consideration.

Mr. PHIPPS. I requested the Senator from Tennessee to give this matter his consideration, and I assume he has read the report by this time. I have mentioned it several times.

Mr. McKELLAR. I have, and it is too important a matter to take up at this time.

Mr. PHIPPS. We are faced to-day with a building of, and we are building, a new water line. It is proposed to authorize the expenditure of three and a half million dollars, and yet the condition of the District treasury is such that the committee of the House is only appropriating $800,000 this year. I shall ask at the first opportunity for consideration of the committee report, and, if necessary, shall move to take up the bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia.

Mr. McKELLAR. The last time this bill came up the senior Senator from Arkansas [Mr. ROBINSON] expressed a desire to be heard on it, and while he is out of the city I shall have to object to its consideration.

Mr. PHIPPS. May I say that it would not be fair to ask for delay in the consideration of the bill until the return of the Senator from Arkansas, because I have talked with him since, and I understood him to be quite satisfied to have the bill taken up and considered and passed.

Mr. McKELLAR. We can discuss that when we come to it.

ORDER OF BUSINESS

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that we proceed to the consideration of Senate bill 2257, the veterans' code bill.

Mr. DILL. Reserving the right to object, I wish to state that a number of Senators have spoken to me since the measure was discussed earlier in the day and said that if the bill came up this afternoon they would want to be heard. If the Senator feels that he wants to go on with it now, I think we ought to have a quorum present, and I shall suggest the absence of a quorum.

Mr. REED of Pennsylvania. May I have the consent agreement submitted first?

Mr. DILL. No; I do not want the consent agreement submitted before absent Senators are here, and I shall suggest the absence of a quorum, in order that all Senators may have a chance to be heard.

Mr. REED of Pennsylvania. Then may I be recognized when the presence of a quorum has been ascertained?

Mr. DILL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Dill	Johnson, Minn.	Phipps
Ashurst	Edge	Jones, Wash.	Ralston
Ball	Edwards	Kendrick	Ransdell
Bayard	Ernst	King	Reed, Pa.
Borah	Ferris	Lodge	Sheppard
Brookhart	Fess	McKellar	Shields
Broussard	Fletcher	McKinley	Smoot
Bruce	Frazier	McLean	Spencer
Bursum	George	McNary	Stephens
Cameron	Gerry	Neely	Sterling
Capper	Glass	Norbeck	Walsh, Mass.
Caraway	Harris	Norris	Warren
Curtis	Harrison	Oddie	Willis
Dial	Heflin	Overman	

The PRESIDING OFFICER. Fifty-five Senators having answered to their names, a quorum is present.

LANDS NEAR SHREVEPORT, LA.

Mr. RANSDELL. Mr. President, in the press of this city on the 27th instant there was published an article in regard to lands near Shreveport, La., reference being made therein to the statements of an attorney residing in that city. This lawyer had placed in my hands on the 24th letters and documents explaining the claims of his clients to the said lands and indicating the relief desired by them.

On the 24th instant, three days prior to the aforesaid publications, I sent these papers to the Hon. William Spry, Commissioner of the General Land Office, with the request that he furnish me all pertinent facts disclosed by the records of his office. He has just sent me a reply, and as it covers the case fully, I ask leave to publish it as part of my remarks without comment.

The PRESIDENT pro tempore. Without objection it is so ordered.

The matter referred to is as follows:

THE SECRETARY OF THE INTERIOR,
Washington, April 30, 1924.

Hon. JOSEPH E. RANSDELL,
United States Senate.

MY DEAR SENATOR RANSDELL: In response to your request of April 24, 1924, relative to alleged public lands existing in the areas of Ferry and Cross Lakes, La., called to your attention by the communication of one Mr. Theriot, I have the honor to submit herewith a memorandum statement covering the facts and conclusions relative thereto as developed by careful and painstaking investigation prosecuted through a number of years by this department. I trust that this statement will fully serve your purpose, and if any further information is desired it will be promptly submitted.

The inclosures accompanying your communication are returned herewith.

Very truly yours,

E. C. FINNEY, *Acting Secretary.*

MEMORANDUM FROM THE SECRETARY OF THE INTERIOR RELATIVE TO PUBLIC LANDS IN FERRY AND CROSS LAKE AREAS, LOUISIANA

A peculiar situation or phenomena of nature affecting a considerable area of northwestern Louisiana has given rise to a controversy of long standing respecting the question of title to thousands of acres of lands within that locality. The question has been considered at various times by the Department of the Interior, the Department of Justice, and the courts, both State and Federal.

The generally accepted theory regarding the status of the areas in question is that some time during the eighteenth century, perhaps about 1777, a raft, known as the Great Raft, formed in Red River and that the backwater spread out over the adjacent territory, causing the formation of a chain of lakes locally known as Caddo or Ferry (Fairy), Cross, Soda, and Clear Lakes.

From the best information obtainable the raft commenced to form on the old course of Red River along the Bayous Boeuf and Teche and its head reached a point in the flood plain near Alexandria, La., in the latter part of the fifteenth century. It was more properly a series of log jams each completely filling the river, starting with a more or less accidental jamming of trees and driftwood. As it advanced it blocked the outlets of the tributaries, streams, and channels which drained the low lands between the higher front lands and the bordering hills and, by preventing the discharge of the water from them at a level equal to the original low water of the main channel, produced a series of lakes. (See Professional Paper No. 46, U. S. Geological Survey, 1906, p. 60.)

The area locally known as Caddo or Fairy or Ferry Lake is partly in the State of Texas and partly in the State of Louisiana, the portion thereof east of the Texas boundary line in the State of Louisiana comprising about 17,380 acres, of which 12,711 acres are in township 20 north, range 16 west, Louisiana meridian. (See S. Doc. No. 101, 54th Cong., 1st sess.)

At various times inquiries had been directed to the Department of the Interior requesting advice as to the status of title to the beds of the raft-formed lakes. During 1909 and 1910 the question as regards the ownership of the Ferry Lake area was definitely presented to the Department of the Interior in applications for the survey of that area filed on behalf of Thomas D. Singleton, jr., John B. King, and others, who represented that they had made mineral locations on lands within the area of the lake and had discovered gas thereupon. In the meantime, however, the Land Department took immediate steps to protect the interests of the Government in the event that it should be determined that the lake beds belonged to the United States by withdrawing the lands from all forms of disposal. The initial withdrawal was a temporary withdrawal dated December 15, 1908, and was later, July 2, 1910, made permanent by an Executive order approved by the President.

In view of the great importance of the questions involved, very careful consideration was given to the Ferry Lake case, and hearings were held before the First Assistant Secretary, at which all parties in interest, including the State of Louisiana, were personally represented. Furthermore, under an order issued by the Department of the Interior September 3, 1913, an exhaustive field investigation was made for the purpose of ascertaining the following questions:

(1) Did Ferry Lake exist as a navigable body of water in 1812, when Louisiana was admitted to statehood?

(2) Did the survey made by the deputy surveyor, A. W. Warren, in 1839 (the original survey of the township) correctly meander Ferry Lake as it existed at that date and at the date of the admission of Louisiana?

Louisiana was admitted into the Union by the act of April 8, 1812 (2 Stat. 703). The investigation disclosed that the 173.09-foot contour above the mean level of the Gulf of Mexico was approximately the mean high-water level of the lake in 1812 and that there had been practically little if any change in that high-water level between then and 1839, the date of the Government survey. It was also ascertained that at such elevation the depth of Ferry Lake in the old channels of Cypress Bayou and James Bayou was over 10 feet, sufficient for the navigation of at least that part of the lake, navigation of the remainder being difficult, if not impossible, on account of dead trees; that the channel of Cypress Bayou could still be traced by its greater depth of water throughout the whole extent of the lake and the absence of any vestige of standing timber within its banks. The lake was represented as a navigable body of water by the surveyor in 1839.

In the year 1833 the United States, through one Shreve, began operations for the removal of the raft, the head of which at that time was opposite the mouth of Twelve Mile Bayou. The operations in 1833 and 1834 were below Shreveport and remote from Ferry Lake. In 1835 the raft was removed as far upstream as Twelve Mile Bayou, 23 miles of it remaining. During 1836 21 miles were removed, but the raft had increased in the meantime, so that 9 miles still remained. During 1837 it increased to 13 miles, but during that and the following year it was entirely removed. The raft continued to form each year until 1843, when appropriations for its removal were discontinued. The raft was completely removed during 1872 and 1873, and the formation of new rafts since that time has ceased.

Navigation began about the year 1840 from Shreveport to Jefferson, Tex., through Ferry Lake, the boats following the old channel of Cypress Bayou. This commerce was quite extensive for some time, but diminished between 1870 and 1880, due to the construction of railroads in the territory. Congress, upon several occasions, made appropriations for the improvement of this particular waterway as part of the navigable waters of the United States. Acts of August 5, 1886 (24 Stat. 322); August 11, 1888 (25 Stat. 414); July 13, 1892 (27 Stat. 103); March 3, 1909 (35 Stat. 826); June 25, 1910 (36 Stat. 650); February 27, 1911 (36 Stat. 955); January 27, 1912 (37 Stat. 56). The act of January 27, 1912, supra, authorized Caddo Parish, La., to construct a bridge across Ferry Lake, near the village of Mooringsport, "at a point suitable to the interests of navigation."

The waters in Ferry Lake were at the date of the investigation about 6 feet lower than in 1812. In 1914 the United States began work on the construction of a dam across the outlet of Ferry Lake, in order to maintain a navigable stage of water. The construction of this dam was authorized and appropriation made therefor by the act of June 25, 1910, supra. The act of February 27, 1911, supra, provided for a lock in the dam.

The investigation further disclosed that the original survey of 1839 had not followed the 173.09-foot contour in certain situations and that there were still disconnected tracts of unsurveyed lands above the mean high-water mark of the lake as it existed in 1839, that should have been surveyed. The original survey was considered clearly erroneous as to these areas. Later corrective surveys supplemental to the survey of 1839 had previously been made as follows:

1846: Correcting Warren's survey to the boundary line between the States of Texas and Louisiana and eliminating the areas of the Warren survey found to be in the former State.

1854: Adding 45.40 acres and 45.04 acres to fractional sections 31 and 32, respectively; total 90.44 acres.

1871: Adding 24.28 acres, 179.00 acres, and 76.24 acres to sections 4, 9, and 10, respectively; total 280.12 acres.

The aggregate unsurveyed areas of high lands still erroneously omitted from the previous surveys were found to be 670.05 acres, consisting of scattered tracts in the various fractional sections bordering on the mean high water level of the lake of 1839.

At the time of the investigation the Ferry Lake area and the adjoining lands had been developed into a producing oil field. Some 28 oil wells had been drilled upon the 670.05 acres of unsurveyed high lands above the 173.09-foot contour, and some 63 oil wells had been drilled in the submerged area of the lake, by lessees of the State and of the Caddo levee board. Considerable quantities of oil had been produced.

On March 22, 1916, the Acting Secretary of the Interior submitted the entire record in the Ferry Lake case to the Department of Justice for the institution of legal proceedings to assert and protect the interests of the United States in and to the land and the minerals as to the entire lake area, if, in the judgment of the latter department, the law and facts seemed to warrant such proceeding.

On September 11, 1916, the Acting Attorney General submitted his opinion to the Secretary of the Interior in which he discussed somewhat at length the issues involved. He concluded that the lake area below the mean high water level of 1812 and 1839, the 173.09-foot contour, had either become vested in the State of Louisiana upon its admission to the Union in 1812, by virtue of sovereignty, as a navigable body of water at that time, or that it inured to the State as swamp land under the grant to that State of March 2, 1849 (9 Stat. 352).

As to the status of the submerged lake area the Acting Attorney General gave his opinion as follows:

> "In view of the entire situation I feel that no action should be taken to enforce or assert any claim by the Government to that portion of the area involved which is covered by the waters of the lake, because if the State's title by virtue of its sovereignty should fail for any reason, I see no way of successfully resisting her claim under the swamp-land grant."

As to the unsurveyed tracts between the 173.09-foot contour and the meander line of the Government plat he concluded that action should be taken to quiet title in the United States to those areas and to recover for the oil illegally extracted therefrom. A copy of the Acting Attorney General's opinion of September 11, 1916, is appended.

Subsequently some 17 suits were instituted in the Federal courts with the view to quieting the title in the United States to the tracts of high lands alleged to have been erroneously omitted from the Government surveys and to obtaining accountings for the oil extracted therefrom. The United States obtained favorable decrees in the United States District Court and the Circuit Court of Appeals in all of the suits. Appeals were taken to the United States Supreme Court in nearly all of the suits, and they were consolidated into several groups before that court. During January, 1922, the United States Supreme Court rendered its decisions, as a result of which the United States finally won 10 suits and lost 7 suits. The suits lost involved very small tracts which the Supreme Court held belong to the owners of the adjacent originally surveyed lands as riparian to their holdings. The suits that were won are reported as Mason et al. v. United States (260 U. S. 545) and Jeems Bayou Fishing Club v. United States (260 U. S. 561). Those lost are reported as United States v. Lane et al. (260 U. S. 662) and Stockley v. United States (260 U. S. 532). The United States recovered approximately 500 acres of land and a sum total of $475,667.71 for the value of the oil illegally extracted therefrom.

In the consideration of the Ferry Lake case the Department of the Interior resorted to information obtained from the following sources:

One of its supervisors of surveys, assisted by surveyors under his supervision.

A geologist from the United States Geological Survey.

An ecologist employed by the General Land Office.

A report by Dr. John Sibley addressed to Gen. Henry Dearborn, Secretary of War, incorporated in the message from the President to Congress in 1806.

A report of the Freeman and Custis expedition of 1806, entitled "An account of the Red River in Louisiana, drawn up from the returns of Messrs. Freeman and Custis to the War Office of the United States, who explored the same in the year 1806," copied from book No. 4863, United States Geological Survey library.

A report made by Maj. Amos Stoddard, who in 1804 took possession of Louisiana under the treaty of cession, entitled "Sketches historical and descriptive of Louisiana," published in Philadelphia by Mathew Carey.

William Darby's Geographical Description of Louisiana, published in Philadelphia in 1816.

A report by Dr. Joseph Paxton contained in a letter to Hon. A. H. Sevier, Delegate to Congress from the Territory of Arkansas, dated August 1, 1828, published as Senate Document No. 78, Twentieth Congress, second session (1829).

A report from Henry M. Shreve relative to the navigation of Red River, incorporated in a Senate document of the Twenty-fourth Congress, first session, volume 1 (1835).

House Documents Nos. 236 (61st Cong., 1st sess.) and 680 (61st Cong., 2d sess.).

Report or journal of the joint commission appointed for the survey of the Texas-Louisiana boundary line.

Official report of the Geological Survey of Louisiana for 1899.

Professional Paper No. 46, United States Geological Survey, 1906.

Annual reports of the Chief of Engineers, United States Army, 1890, 1901.

House Document No. 785, Fifty-ninth Congress, first session.

Report of E. A. Woodruff, first lieutenant of Engineers, 1872, messages and documents of the War Department, Part II, 1873–74, page 649.

Report of W. M. Washburn, civil engineer, October 23, 1858, addressed to T. P. Hotchkiss, commissioner of the third swamp land district of Louisiana, published in the annual report of the board of swamp land commissioners and submitted to the legislature of Louisiana (copy in the Congressional Library).

The inception and progress of the Ferry Lake case was reported in the annual reports of the Commissioner of the General Land Office. See his annual reports, 1914, pages 15, 16; 1915, pages 12, 13; 1916, pages 7, 8; 1917, pages 11–13; 1918, pages 12, 13; 1919, pages 11–13; 1920, pages 11, 12.

Numerous citations of court decisions, State and Federal, were referred to and many of those decisions analyzed and applied. References to them may be found in the special reports of the Commissioner of the General Land Office in the Ferry Lake case dated January 10, 1913, and July 9, 1915, and in the opinion of the acting Attorney General of September 11, 1916.

From the foregoing it is to be observed that the Department of the Interior concluded from the facts presented to it as supplemented by the historical data contained in the documents referred to above that Ferry Lake was a navigable body of water at the date of the admission of the State into the Union and thereafter and, in reliance upon that conclusion, it accepted and followed the opinion of the acting Attorney General of September 11, 1916 supra, so far as it held that the title to the bed of the lake had become vested in the State of Louisiana at the date of its admission to Statehood by virtue of its sovereignty.

Cross Lake is situated in townships 17 and 18 north, ranges 14 and 15 west, and township 18 north, range 16 west. The estimated area of the lake as shown on the plats of original survey approved in 1839 is about 13,000 acres. Cross Lake like Ferry Lake at one time constituted a link in the so-called Jefferson-Shreveport waterway referred to in a report of the Chief of Engineers of the United States Army dated September 11, 1913, printed in House Document No. 236, sixty-third Congress first session. The general facts with respect to the history of Cross Lake and Ferry Lake are almost identical as both lakes came into existence about the same time as a result of the great raft which formed in Red River.

Township 18 north, range 14 west, was resurveyed by Deputy Surveyor J. P. Parsons in 1871. That portion of the bed of Cross Lake in this township (about 8,000 acres) was by the resurvey returned as land, duly sectionized and subdivided, leaving about 10,000 acres of the lake surface (original survey) over which the public land surveys have not been extended. On the new plat the area formerly in the lake was marked as "old bed of Cross Lake," the former meander lines were delineated and the areas abutting thereon were lotted. As early as 1852 the State had made swamp selections in this township based on the survey of 1839. In 1871 it selected numerous tracts in the lake bed by swamp land list No. 13 based upon the approved field notes and plat of the Parsons resurvey. Since 1871 the State has filed a number of other swamp-land selections covering the lake bed areas. A few tracts were long ago adjudged to be swamp in character and approved to the State.

Numerous tracts are still included in pending swamp-land selections. Most, if not all, of these tracts are claimed adversely to the State by settlers or applicants under the homestead law, and while the lands are shown by the field notes of the survey of 1871 to be swamp or overflowed it was held by the department under date of July 18, 1921, that they did not inure to the State under the swamp-land grant because they were known to be mineral in character. In this connection see 48 L. D. 201. The matter was taken to the courts by the State and the Supreme Court of the District of Columbia held that the swamp grant was not affected by subsequent legislation providing for the reservation of minerals. This holding was affirmed by the Court of Appeals of the District of Columbia March 5, 1923 (287 Fed. 999), and the question is now pending on appeal to the Supreme Court of the United States.

It appears, moreover, that the major portion of the Cross Lake area is within the primary limits of the grant made by the act of June 3, 1856 (11 Stat. 18), to the Vicksburg, Shreveport & Texas Railroad Co. This grant embraces the odd sections.

Township 18 north, range 14 west, was first withdrawn on December 15, 1908, and was by Executive Order of July 2, 1910, included with other townships in petroleum reserve No. 4 pursuant to the Pickett Act of June 25, 1910 (36 Stat. 847). This withdrawal is still intact. In the southern portion of the township it would appear many gas wells have been drilled. In the northwest quarter, section 34, gas center is located. Different wells have yielded from 1 to 10,000,000 cubic feet of gas according to report. Township 17 north, ranges 14 and 15 west, were included in petroleum reserve No. 48 by Executive order of May 22, 1916.

By act No. 31 of the General Assembly of the State of Louisiana, approved June 29, 1910 (1910 acts of Louisiana, p. 50), the register of the State land office, upon favorable termination of then pending litigation and after survey, was authorized and empowered to sell to the city of Shreveport for a water supply, with a reservation of all minerals and mineral rights to the State, all lands belonging to the State of Louisiana in what is known as the bed of Cross Lake. The area to be conveyed was further particularly referred to as "that portion of the bed of said lake embraced within the traverse lines thereof" in sections 28, 29, 30, 31, 32, 33, and 34, township 18 north, range 14 west, and in designated sections in the other townships on the south, southwest, and west of the land described. The description in the act covers a large portion of Cross Lake, substantially all thereof except the easterly part. The specified sections in township 18 north, range 14 west, were included in the survey of 1871. There does not appear to have been any general resurvey of the other three townships affected by Cross Lake.

By the information at hand it is represented that the State of Louisiana has sold and conveyed to the city of Shreveport an area of Cross Lake, but the department is not advised as to what lands are described in the State's conveyance, or whether such transfer covers all the area described in the act.

Litigation as to some 11,000 acres of land in the bed of Cross Lake arose some years ago. In 1895 the Caddo Levee Board sold said area of the lake bed to W. B. Jacobs et al., at about 10 cents per acre, and in the suit of the Shreveport Rod and Gun Club v. The Board, this sale was sustained by the supreme court of the State in its decision of June 15, 1896 (20 So. Rep. 293). In 1906 the State sued to recover said land on the theory that no conveyance from the State to the levee board was ever executed or registered, as required by the State statute. In the lower court the State was defeated. On appeal the State supreme court reversed and ordered a decree entered against the club, which claimed the land under the levee board. See case of State of Louisiana v. Cross Lake Shooting and Fishing Club (48 So. Rep. 291). In the court's decision the land is referred to as "some 11,000 acres of land, lying in the parish of Caddo and formerly constituting the bed of Cross Lake." * * *:

> "The lands here claimed constituted the bed of a body of water, near Shreveport, known as 'Cross Lake,' which, in consequence of the removal of a raft, which for many years obstructed Red River, and the reconstruction of the levees, is drying up, leaving said lands available for farming purposes, the 11,000 acres in controversy being, at the time of the trial in the district court, worth from $50,000 to $100,000. * * *"

That case was taken to the Supreme Court of the United States upon a writ of error. The Supreme Court decided that the case presented no question under the contract clause of the Constitution and as there was no suggestion of any other Federal question, the writ was dismissed. As a part of the recital of the facts of the case in the opinion of the court appears the following (Cross Lake Shooting and Fishing Club v. State of Louisiana, 224 U. S. 632, 635):

> "The lands in question were within the district so created and at the date of the act were owned by the State, but whether it had acquired them as swamp lands under the legislation of Congress (acts March 2, 1849, 9 Stat. 352, c. 87; September 28, 1850, 9 Stat. 519, c. 84) or as the bed of what was a navigable lake when the State was admitted into the Union (see Pollard v. Hagan, 3 How. 212) is left uncertain. For present purposes, however, this uncertainty may be disregarded and the State's title treated as resting on the swamp-land grant by Congress, as was claimed by the fishing club in the State courts. No instrument conveying the lands to the board of the levee district was ever executed by the State auditor or the register of the Stand land office or recorded in the recorder's office of the parish. * * *"

In 1921 and early in 1922, Mr. Rell S. Theriot, attorney at law of Shreveport, La., submitted numerous applications for the survey of certain alleged unsurveyed lands in the area of what is shown upon the official plats of Township 17 north, range 14 west, and Townships 17 and 18 north, range 15 west, approved in 1839, as underlying the waters of Cross Lake. Mr. Theriot was advised by the Commissioner of the General Land Office that pending an examination and report on the matter by a United States cadastral engineer, action on the applications would be suspended, and in December, 1921, Mr. Robert W. Livingston was detailed to make the examination. A thorough and exhaustive field examination was made and a report submitted under date of June 30, 1922. A map was submitted illustrating the report. He stated that Ferry Lake and Cross Lake are very much alike in most of their aspects; that the historical facts respecting their formation are the same and that the geologic and ecologic conditions are identical.

It was stated that the improved drainage of Red River accounts for the gradual lowering of said waters; that this lowering began in 1850 and that in 1860 the mean high water of the lake had fallen about 6 or 8 feet; that the final removal of the raft in 1872–73 seemed to have no immediate effect on Cross Lake, as it had already fallen to some extent, and the deposits of silt at its lower end prevented it from returning to its preraft drainage condition. Mr. Livingston goes on to say that since that time the outflowing waters of the lake have been gradually cutting channels through the soft matter until "at the present time" the outlet of the lake will drain out all but about 2 feet of the water in its deepest part; that this remaining water dries up during the dry months of the summer, so that for several months each year the lake is entirely dry. He further states that Cross Lake was in existence in 1812, when Louisiana was admitted into the Union, and was navigable; that the lake was not correctly meandered in 1837 and 1838 and that there were approximately 2,500 acres of land in place in township 17 north, range 14 west, and townships 17 and 18 north, range 15 west, erroneously omitted from the original survey which were mainly upland in character, suitable for agricultural purposes without artificial drainage in 1849; that the mean high water elevation of the lake during the great raft in Red River, including the years 1812, 1837, and 1849, was 172 feet above the mean level of the Gulf of Mexico.

The report in question shows:

1. Cross Lake was in existence in the year 1812 as a navigable body of water.

2. Cross Lake was not correctly meandered in the years 1837 and 1838. Approximately 2,500 acres of land in place in township 17 north, range 14 west, and townships 17 and 18 north, range 15 west, were erroneously omitted. Said omitted area is graphically shown in yellow color on the map prepared by Mr. Livingston. This land is in every way similar to the adjoining subdivided area of these townships.

3. The mean high-water elevation of Cross Lake during the period of the great raft in Red River, including the years 1812, 1837, and 1849 was 172 feet above the mean level of the Gulf of Mexico. This contour is shown on Livingston's map as an irregular black line inclosing the true bed of Cross Lake. The meander line of 1837 and 1838 in places runs out into the lake a considerable distance and in other places the meander line is found to have been located more than one-half mile back onto the upland. In section 23, township 18 north, range 15 west, the record meander line of the west side of Irving Bayou is found to cross the bayou and include certain upland actually on the east side of the bayou.

4. The lands erroneously omitted from the surveys of 1837 and 1838 are mainly upland in character and were suitable for agriculture without drainage in the year 1849. The report shows that much of this land has been improved and cultivated for many years by colored tenants in the employ of or paying rent to the owners of the adjacent surveyed upland. The report shows that in general practically all of the unsurveyed land has been settled upon and improved and is being claimed by squatters.

Based upon this report, the commissioner recommended to the department under date of October 18, 1922, with regard solely to the surveying questions involved that action be taken as follows:

1. Extend the section lines of township 17 north, range 14 west, and townships 17 and 18 north, range 15 west, so as to include all of the larger yellow omitted areas, the record meander line of 1837 and 1838 to be reestablished as a fixed boundary between the lands formerly surveyed and those now in process of survey, and the contour 172 feet to be established as the boundary between the public land and the bed of Cross Lake. Supplemental plats will be required showing the lotting of all the larger yellow areas, giving description and area for purposes of disposal.

2. In township 18 north, range 14 west, the contour 172 feet above mean Gulf level should be established as a boundary between the land subject to survey in 1871 and the area belonging to the State by right of sovereignty, a supplemental plat to be prepared showing this segregation.

It was further recommended that the uplands and islands erroneously omitted from the original survey in sections 4, 5, 6, 7, 8, and 9, township 17 north, range 14 west; sections 1, 4, 6, 12, township 17 north, range 15 west; sections 13, 14, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, and 36, township 18 north, range 15 west, be surveyed; also that such other well-defined islands which may be found in township 17 north, range 14 west, and townships 17 and 18 north, range 15 west, which existed and were above ordinary high-water mark in 1812 when Louisiana was admitted into the Union be surveyed, the question of disposing of the lands and islands to be subsequently considered by his office upon the filing of the approved plats in the United States local land office.

It was further recommended that the application for the survey of the lands transmitted by Mr. Theriot, so far as they include lands in the bed of the lake not specified above in township 17 north, range 14 west, township 17 north, range 15 west, and township 18 north, range 15 west, be rejected, inasmuch as the lands appear to belong to the State under her rights of sovereignty. These recommendations were approved under date of October 28, 1922, and a United States surveyor was detailed to execute the survey of the lands and islands erroneously omitted from the original survey. This survey is now practically completed.

Recent decisions of the department involving claims in the Cross Lake area will be found reported in volume 49 of the Land Decisions, at page 452, and in volume 50 (advance sheets), page 180.

A petition to reconsider the matter and vacate the department's action of October 28, 1922, with request that the surveys be extended over the entire area embraced in the old bed of Cross Lake is now pending before the department.

SEPTEMBER 11, 1916.

The SECRETARY OF THE INTERIOR.

SIR: With your letter of March 22, 1916, you submitted to this department the papers relating to the area known as Ferry Lake, in township 20 north, range 16 west, in the State of Louisiana, consisting of some 670 acres of land lying between the mean high water mark and the meander line established by the public land survey in 1839, and nearly 10,000 acres covered by the waters of the lake itself.

This matter was first called to the attention of your department in 1908 by the application of Thomas Singleton, jr., and others for the survey of the resurveyed area of public land in the township named. Later, in the year 1910, John B. King and others filed amended applications under the mining laws of the United States, asserting an interest in portions of the area involved alleged to be valuable for oil and gas. From that time until the papers were submitted here last March the matter has been pending before your department in various forms. Investigations have been made by surveyors, geologists, and ecologists of your department. Several hearings have been had before the Commissioner of the General Land Office and the Secretary of the Interior, culminating in a lengthy communication to you from the commissioner under date of July 9, 1915, in which the latter finds that the entire area—that under the waters of the lake as well as the land between the high-water mark and the old meander line—is the property of the United States and recommends its survey as such.

While you approve the facts found by the commissioner, you conclude that there is no necessity for a survey at the present time owing to the fact that all the vacant public lands in the township have been withdrawn from location, sale, etc., by departmental order of December 15, 1908, because containing valuable oil and gas deposits, and that the lands are now included in Executive order of withdrawal dated July 2, 1910; as to the 670 acres of land lying between the old meander line and the mean high-water mark, you state that wells have been drilled thereon in trespass and in defiance of the withdrawal orders, and you accordingly recommend that appropriate proceedings be instituted to assert the right and claim of the Government to the lands and the minerals therein and also to recover for the trespass already committed.

As to the area below the mean high-water mark of the lake—that is, the portion actually covered by water—upon which it seems more than than 60 wells have been drilled under leases from the State or the levee board, which are producing large quantities of oil, you make no definite recommendation further than to "submit the entire record to you (the Attorney General) for the institution of legal proceedings to assert and protect the interests of the United States in and to the land and the minerals if, in your (the Attorney General's) judgment, the law and facts warrant such proceedings."

The papers in this case are voluminous, consisting of affidavits, briefs, reports, and documents, some of which date back to the early days of the century. From such examination as this department has been able to make of these papers, and from the facts stated by the Commissioner of the General Land Office in his lengthy report to you, and from the briefs of opposing counsel, as well as admissions made

by them at a hearing which was held in this department, I can safely say there is little, if any, real controversy over the material facts, which may be substantially stated as follows:

What is known as Ferry Lake, or Caddo Lake, as it is sometimes called, covers an area of some 20 by 15 miles, lying partly in Louisiana and partly in Texas. In this area there are two bayous, known as Cypress Bayou and James Bayou, the latter emptying into the former at a point now covered by the waters of the lake, and the water carried by both bayous later found its way through Cypress Bayou into the Red River. A large part, if not all, of this area was low land, and at some time prior to the last part of the eighteenth century, i. e., about 1780, was covered by a growth of forest trees. However, several hundred years ago there formed at the mouth of the Red River an accumulation of logs and débris which practically closed up the river and greatly impeded its flow. This accumulation was locally known as a raft, and while it existed it continued to grow at its upper end by reason of the lodgment against it of other trees and matter flowing down the river, while the lower end, on the contrary, after a time began to decay and fall away so that the progress of the raft was up the current of the stream.

Some time about the year 1780, the particular date being immaterial, the raft had progressed up the stream to the point opposite Cypress Bayou. This impeded, if it did not stop, the flow of the water from the bayou into the river, as a result of which sediment was deposited in the bayou's mouth and the waters were backed up until they extended beyond the banks and over the entire surrounding low area now known as Ferry Lake. It should be said here that by reason of this deposit at the lower end of the bayou, its original course below the lake has been entirely obliterated and it no longer constitutes an outlet of Ferry Lake, which at some time formed another outlet higher up, known as Twelvemile Bayou.

The raft continued in the river for many years, but has now been entirely removed. Indeed the removal took place a number of years ago, but upon the removal of the raft Ferry Lake did not disappear. In this connection it should be said that a few years ago the Federal Government constructed a concrete dam across the lower end of the lake so as to maintain a certain stage of water, and while the construction of the dam has maintained a higher level of water in the lake, it is not pretended that the lake would now be dry if the dam were removed, or if it had not been constructed. The most that is contended in this regard is that when the hard soil in the bed of Twelve-mile Bayou is sufficiently eaten away, which the applicants for survey predict will be within some 25 years, then the fall from Ferry Lake to Red River will be sufficient for Twelve-mile Bayou to drain the lake.

For many years, beginning possibly as early as 1840, there was considerable navigation across Ferry Lake from a point in Texas known as Jefferson. This navigation was through Ferry Lake and other lakes to the Red River and thence down that river to the Mississippi and to various points along the latter. This commerce was at times by no means inconsiderable, but it has now diminished, principally on account of the construction of railways in that part of the country. The channel of Cypress Bayou can be distinctly traced even now through the bed of the lake. The trees that formerly grew on the land adjoining the bayou have been killed. Many of the stumps are still in existence, some of them projecting above the water, but many of them have entirely disappeared. The channel of the bayou is now susceptible of navigation, and has been so from a date prior to the establishment of the Government of the United States. That portion of the lake outside of the channel of the bayou varies in depth, some of it being 9 or 10 feet deep. Plats filed on behalf of the State of Louisiana show that a depth of 3 feet obtains over practically the entire area of the lake, a depth of 5 feet over a somewhat smaller area and a depth of 7 feet over a still smaller portion.

The meander line of the lake was surveyed in 1839, when the public lands surveys were extended over this section of the country, and from the examinations and surveys recently made by the General Land Office, that line did not accord with what was then the mean high-water mark of the lake. Notably on the north and near James Bayou a considerable area of what was land at that time was omitted from the survey, and elsewhere there are slight variations between the survey of 1839 and the recent survey made by the General Land Office. However, on the whole, the recent careful investigations made by the agents of your department show that with the exception of the land omitted on the north end of the lake, the old survey of 1839 was remarkably accurate and practically followed in the main the mean high-water mark.

It is possible that the waters of Red River in times of flood now find their way into Ferry Lake, and it may be that some of them did so at the time of the formation of the lake, or soon afterwards, but Cypress Bayou has a watershed of some 2,800 square miles, and its own waters are sufficient for the maintenance of the lake.

About the year 1908 the lands in this vicinity became known to be valuable for oil and gas. Exploration resulted in the discovery of wells of large production. The State of Louisiana claiming to own the lands under the waters of the lake by virtue of its sovereignty granted them to the Caddo levee district, which in turn leased them to the Gulf Refining Co., the latter paying a royalty of one-half of the mineral produced. Under this lease large sums of money have been paid into the treasury of the levee district. The claim of the State of Louisiana is confined to the area actually covered by the waters of the lake, and it lays no claim to the 670 acres of land lying between the high water mark and the old meander line.

It is claimed on behalf of the State of Louisiana that Ferry Lake as a whole is a navigable body of water; that it was such in 1812, when Louisiana was admitted into the Union on an equality with the other States, and that she thereby became entitled to the bed of the lake by virtue of her sovereignty; but if this contention should not prevail—that is, if the lake should be held to be nonnavigable—in that event the State claims to be entitled to the lands lying under the water by virtue of the swamp-land grant made under the act of March 2, 1849 (9 Stat. 352).

The applicants for survey, of course, base their claim under the mining laws of the United States, and they accordingly assert that the land is public land and urge that it be surveyed as such, to the end that they may be afforded an opportunity of perfecting their claims.

It is well settled that lands lying under navigable waters in this country belong to the States by virtue of their sovereignty. So numerous and well known are the decisions on this point it is not necessary to mention that. The only question presented in this regard is one of fact; whether the lake is navigable. That it was navigable at one time is beyond dispute, and that portions are even now navigable is also true. This applies at least to what is known as the channels of Cypress and James Bayous. I do not think we are concerned with the cause from which the lake resulted. It may have been unusual, even extraordinary, but the admitted cause in this case was unquestionably not artificial.

It may be that about the time of the admission of Louisiana into the Union in 1812 the waters of the lake outside of the channel of the bayous were filled with stumps and bodies of dying or dead trees, which would have interfered with practicable navigation and possibly have prevented it entirely. That, however, I regard as immaterial, because I have been referred to no decision to support the contention that there can be such a thing as the severance of the navigable from the nonnavigable portion of a body of water. Certainly, until now the United States has never questioned the navigability of this lake nor has it done anything to show that it regarded the channel of Cypress Bayou as severable from the other waters of the lake. On the contrary, the entire area has been regarded as a lake or body of water susceptible of navigation. When the public-lands surveys were made nearly 75 years ago they represented the lake practically as it now is, with the exception heretofore noted, where on the north some considerable portion of high land was erroneously represented as water.

Until the land lying under the water was discovered to be valuable for oil and gas, there was not even a suggestion that Ferry Lake was not a permanent body of water susceptible of navigation, nor was any request made of the Government to extend its surveys across it, except in so far as certain comparatively small areas of land were concerned which had been erroneously omitted from the original survey of 1839. This body of water as a whole furnished a channel for commerce, and had done so for a number of years. On the face of it, therefore, the State was clearly justified in regarding the lake as a navigable body of water, and the Federal Government, by the construction of the dam across the lower end of the lake, has encouraged the State in this belief.

The channel of the bayou itself is unquestionably navigable, and the moment an attempt is made to regard the channel of the bayou as an independent navigable stream, entirely severable from the outlying waters of the lake, another question is presented: If the waters may be properly severable, are not the submerged lands lying beyond the banks of the bayou overflowed lands and therefore subject to the grant made to the State of Louisiana in 1849 of all the swamp and overflowed lands "which may be or are found unfit for cultivation."

It is beyond dispute that within the present boundaries of the lake and outside of the channels of Cypress Bayou and the other bayous flowing into it, there was at one time, probably as late as 1780, a dense growth of forest timber, which proves conclusively that this area was at one time not covered by water. This area is styled by the applicants for the survey as "submerged forests" or "submerged land," but it might as well be called "overflowed land." To my mind there is no difference.

It is contended by the applicants for survey that the water can be drained from this land. Indeed, they assert that if let alone the lake will drain itself in perhaps another 25 years. If that be so (and it must be conceded that the land can be drained by artificial means, whatever may occur if it be let alone), the case would seem to be one peculiarly within the swamp-land grant, which was made "to aid the State of Louisiana in constructing the necessary levees and drains to

reclaim the swamp and overflowed lands therein." It is not improbable that this very situation, and others like it, were in the mind of Congress when the swamp-land grant was made. This case seems to fall within the very letter of the law, and I can conceive of nothing that would justify us in saying that it was not within its spirit.

I see little force in the contention that the State can not consistently now assert title under the swamp-land grant. Its failure to do so earlier is accounted for by the fact that the lake was regarded as a navigable body of water. And it is idle to say that the State, having asserted a claim by virtue of its sovereignty, is now estopped to assert any other claim. If the officers of the State, misconceiving her rights, assert one claim, their action in so doing in no sense estops the State from subsequently asserting any rights she may have under the law.

As I see it, Ferry Lake is either a navigable body of water as a whole or the area outside of the beds of the bayous must be regarded as submerged or overflowed lands, which, being susceptible of drainage, the State of Louisiana is entitled to acquire under the swamp-land grant. I do not believe that in the State of Louisiana, where the swamp-land grant obtains, the Government can properly close its surveys on a shallow, nonnavigable body of water and thus prevent the State from acquiring title under the swamp and overflowed land grant. This is clearly indicated by the Supreme Court in its decision in Mitchell *v.* Smale (140 U. S. 406), where, considering a somewhat similar question, the court said:

> "Nor do we mean to say that in granting lands bordering on a nonnavigable lake or stream the authorities might not *formerly*, by express words, have limited the granted premises to the water's edge and reserved the right to survey and grant out the lake or river bottom to other parties. *But since the grant to the respective States of all swamp and overflowed lands therein, this can not be done.*" (Italics mine.) (Pp. 413, 414.)

This brings me to a consideration of the last contention made by the applicants for survey, and in which they are sustained by the Commissioner of the General Land Office, namely, that the land in question is mineral, and therefore did not pass to the State under the swamp-land grant.

In this connection it is urged that such title as the State acquired under that grant was merely inchoate, and that if prior to the perfection of that title by the performance of all the acts necessary to pass title, the land is discovered to be valuable for mineral, it is excepted from the grant. I do not understand this to be the law. There was no exception of mineral land from the swamp-land grant made to the State of Louisiana and prior to that time, so far as Louisiana is concerned, the only reservation of minerals made by the Federal Government in any of its legislation affecting the public lands related to lands containing salt springs, lead mines, and contiguous tracts. The policy of reserving minerals generally was not established until after the swamp-land grant was made to Louisiana. The act of 1849 was a present grant, operative, if at all, from its date, and as this land was not known to be valuable for mineral at the date of the grant, I do not see how the subsequent discovery of mineral can in any way affect the right of the State to acquire title. Nor would the situation be materially changed even if the mineral character of the land had been known in 1849, because there was no exception of mineral in the swamp grant made to Louisiana.

This view is supported by the Supreme Court's decision in Cooper *v.* Roberts (18 How. 173), which involved a question essentially similar. In that case the State's title under the school grant was contested upon the ground that the land was valuable for its deposit of copper and it was contended that by the act of March 1, 1847 (9 Stat. 146), all the reported mining lands in that district were removed from the operation of the general laws. The land there involved had been reported as mining land, and, indeed, it has been leased for mining purposes by the Secretary of War, large expenditures having been made under the lease.

The school grant involved in that case was like the swamp grant, one in præsenti, though unlike the latter, the former attaches to no particular tract of land until survey is made, notwithstanding which the Supreme Court held that as there had been no reservation of gold, silver, or copper mines until after Michigan had been admitted into the Union the act of 1847 which made such reservation did not affect the State's right.

The decision in Cooper *v.* Roberts sheds further light upon this question in that it refers to subsequent legislation which abrogated those clauses of the act of 1847 which distinguished the mineral from other public lands and placed them alike under the ordinary system for the disposal of the public domain. (See the act of September 26, 1850, 9 Stat. 472.)

In view of the entire situation, I feel that no action should be taken to enforce or assert any claim by the Government to that portion of the area involved which is covered by the waters of the lake, because if the State's title by virtue of its sovereignty should fail for any reason I see no way of successfully resisting her claim under the swamp-land grant.

However, in so far as concerns the land lying between the old meander line and the waters of the lake I entirely agree with you that it constitutes unsurveyed public land of the United States and that appropriate proceedings should be taken to enforce the Government's claims. I am so advising the United States attorney at Shreveport by letter of even date and am sending him copies of the special agent's reports received with your letter of July 28 last, showing the trespasses which have been committed thereon.

In this connection permit me to say that I think it altogether advisable, if not in fact imperative, that the public-land surveys be extended over the land before the suits which are to be brought are actually filed. While your department has approved the finding of the Commissioner of the General Land Office, that this land was erroneously omitted from the survey, I still feel that the survey should be actually corrected before legal proceedings are instituted. The courts have no power to make or correct surveys and until the survey is corrected the Government might experience some difficulty in establishing its claim to the land. In this connection I invite your attention to the decisions of the Supreme Court of Cragin *v.* Powell (128 U. S. 691); Knight *v.* United States Land Association (142 U. S. 161); and Kirwan *v.* Murphy (189 U. S. 35).

I have accordingly advised the United States attorney that he should, as early as possible, prepare his pleadings, but that he should delay the filing of them pending the execution of the surveys, or at least until after one has been ordered and undertaken.

I am returning, under separate cover, all of the papers, maps, etc., received with your letter of March 22.

Very respectfully,

JOHN W. DAVIS,
Acting Attorney General.

Mr. RANSDELL. I understand that the Louisiana Supreme Court on Monday, April 21, rendered an opinion and gave judgment affirming a decision of the Caddo Parish district court affecting the lands in the Cross Lake section which upheld the contention of the city of Shreveport and gave validity to its title to the lands in question, which were acquired from the State of Louisiana, the State having previously acquired said lands from the Federal Government. I shall insert in the RECORD a copy of this decision as soon as it can be obtained.

VETERANS OF THE WORLD WAR

Mr. REED of Pennsylvania. I ask unanimous consent that the Senate resume the consideration of the veterans' bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2257) to consolidate, codify, revise, and reenact the laws effecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended, the pending question being on the amendment of the Committee on Finance, on page 4, line 22, to strike out "$12,000" and insert "$10,000" as salary of the Director of the Veterans' Bureau.

Mr. REED of Pennsylvania. Mr. President, the only remaining committee amendment in the bill is the amendment reducing the salary of the Director of the Veterans' Bureau from $12,000, as it was in the bill when introduced, to $10,000. The Director of the Veterans' Bureau has under his command a larger force of employees than many of the departments. His bureau is spending over $400,000,000 this year. He is charged with the application of measures of relief for over 250,000 soldiers and their dependents. His responsibility exceeds that of most of the Cabinet officers of the United States. He is dealing with a new bureau which has not the benefit of settled practice to guide it. There is called for in him a greater measure of judgment and of responsibility than is called for in most of the officers of the United States Government.

I earnestly hope that the Senate will see fit to allow the salary provided in the original text, to wit, $12,000.

Mr. DILL. What salary did the director get when the bureau was established?

Mr. REED of Pennsylvania. My impression is that the Director of the Bureau of War Risk Insurance originally received $7,500.

Mr. DILL. And then it was raised to $10,000?

Mr. REED of Pennsylvania. I think it was immediately raised to $10,000.

Mr. DILL. And it is now proposed to increase it to $12,000?

Mr. REED of Pennsylvania. Yes; it is now proposed to increase it to $12,000.

Mr. DILL. How many directors have there been of the bureau?

Mr. REED of Pennsylvania. There have been two directors of the Veterans' Bureau. When it was established in 1921 Forbes was then Director of the Bureau of War Risk Insurance, and he became Director of the Veterans' Bureau upon its establishment.

Mr. WALSH of Massachusetts. But there was a Director of the War Risk Insurance Bureau previous to that time.

Mr. REED of Pennsylvania. Previous to that there was another Director of War Risk Insurance, Mr. Cholmeley-Jones.

Mr. ASHURST. Mr. President, I am aware, as, of course, every other Senator is aware, of the sacred duty imposed upon the Director of the Veterans' Bureau. I have no disposition to hamper the director in the performance of his great work. Whoever attempts to perform the work devolving upon the Director of the Veterans' Bureau will be confronted with a colossal task.

Whilst we are considering the question of fixing the salary of the director I desire to make some observations, and I shall do so without any heat or prejudice. The director is oppressed and enmeshed by the same system of red tape and circumlocution that enmeshes practically all men in the executive departments of our Government. No sooner does a man of high character and generous impulse take office in Washington than it appears he becomes somewhat of a bureaucrat. I do not say that the present Director of the Veterans' Bureau has become more of a bureaucrat than the ordinary human being becomes when he takes office in Washington.

About one-eighth of the moneys collected in the way of taxes and appropriated by Congress is spent through the Veterans' Bureau. With that I have no complaint. Indeed, on the contrary, my complaint in the past has been that we did not with sufficient celerity appropriate requisite sums to carry on the energies of the Veterans' Bureau. I am not now retracting or contradicting anything I have previously said with reference to the necessity for adequate hospitals for disabled sailors and soldiers afflicted with tuberculosis. Indeed, I am reasserting all that I have previously said upon this subject. But the present régime is developing a tendency toward holding the ex-service men too much in hospitals, especially those afflicted with tuberculosis.

Let us for a moment consider the situation as to tuberculosis of the lungs. Tuberculosis does not respond to treatment as readily as one may suppose. A person afflicted with tuberculosis of the lungs will recover his health only in so far as he is able to build up healthy tissue and healthy corpuscles. Therefore there must be successful digestion and alimentation. Merely to build a large hospital building with lines of elegance is not sufficient.

Every reasonable thing within the domain of possibility that may be done should and ought to be done to minister to the appetite, digestion, and alimentation of a person afflicted with tuberculosis, so that he may be able to assimilate the amount of food required to build up healthy tissue. If these boys are herded and confined too strictly in great hospitals and are allowed no liberty of movement, no liberty of action, but are treated more or less as men in the Army, in spite of the efforts of the ablest physicians and nurses, there comes that wistfulness, that belief that they would grow better and improve if allowed more freedom, and this element must be yielded to on behalf of the patients. So there has grown up what some call "home treatment"; that is to say, the patient who has been in the hospital during many weary months, possibly years, grows tired of the hospital, with its regimen and its rules. He believes that if he were permitted to leave the hospital, with his compensation still paid to him, and purchase a tent or to erect somewhere a small "shack" or furnish his own quarters and with some member of his family be somewhat independent he would recover more quickly. I am here to say that in every case where that may reasonably be done—and I have followed this subject with some care—the recovery of the patient is promoted. I do not wish to be understood that, therefore, all men afflicted with tuberculosis should leave the hospital; not by any means; but I do mean to say—and I assert it after an observation of some years—that the director of the bureau and the commanding officers of the various Veterans' Bureau hospitals ought to be more generous, more considerate, and more yielding with respect to those patients who, within reasonable limitations, desire to take this so-called "home-treatment" method.

Mr. DILL. Mr. President, will the Senator from Arizona yield to me?

Mr. ASHURST. I yield.

Mr. DILL. As to "home treatment," when soldiers now take "home treatment," as some of them attempt to do, they are deprived of compensation.

Mr. ASHURST. I was just going to make that remark, and I thank the Senator. For example, a soldier has been in a hospital for a year or for two years; he makes no apparent progress looking toward recovery, and he believes that if he could go into the meadows, fields, forests, hills, or on the plains and in some degree have his own way he could recover; but under the present harsh rules no sooner does he sever himself from the hospital to seek cheerful surroundings than his compensation is materially reduced or is cut practically to nothing. The result is this: Instead of having a serene mind, instead of being in a condition where he can digest food, he is worrying about his compensation; he is worrying as to whether or not his wife or his dependents will be adequately provided for. Down goes his compensation; up goes his temperature. He looks upon the reduction in compensation as an attempt of the bureau to drive him back into the hospital. That increases his temperature, disturbs his digestion and alimentation, and he is retarded in his recovery.

I make this statement in no unkind spirit, but in the hope that the Director of the Veterans' Bureau and the other officers of the bureau will read it. If they do deign to read what I have to say, I trust they will remember that it is not said in a spirit of carping criticism but of helpful criticism. I want the Veterans' Bureau to be more liberal and more generous toward those patients who wish treatment away from the hospitals.

Mr. DILL. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. DILL. Does not the Senator think the pending bill ought to provide that where a patient takes home treatment his compensation shall not be cut off?

Mr. ASHURST. I have an amendment to that effect.

Mr. DILL. I am glad to know that.

Mr. ASHURST. I will say that the junior Senator from Nevada [Mr. ODDIE] has a number of amendments which I think may effectuate this purpose.

I intend to propose an amendment if the Senator from Nevada does not propose his amendment; but he will probably propose something of this sort, because he served on the committee to investigate the Veterans' Bureau, of which committee the Senator from Pennsylvania [Mr. REED] was chairman, and of which the Senator from Massachusetts [Mr. WALSH] was a member. The Senator from Nevada also did himself the justice and the credit to visit the Veterans' Bureau hospitals in Arizona and throughout the twelfth district. The amendment which I intend to propose reads as follows:

> That any ex-service man shown to have a tuberculous disease of a compensable degree, and who has been hospitalized for a period of one year, and who in the judgment of the director will not reach a condition of arrest by further hospitalization, and whose discharge from hospitalization will not be prejudicial to the beneficiary or his family, and who is not feasible for training, shall upon his request be discharged from hospitalization and rated as permanently and totally disabled, said rating to continue for the period of three years.

That amendment, if adopted, would mean that when the ex-soldier makes the application, in the judgment of the director, he may be discharged from the hospital; and if he is discharged after having been there one year, he is to be rated as totally and permanently disabled, and that rating shall not be reduced during three years. That amendment, if adopted, would give to the ex-service man a feeling of security and a satisfaction that he and his dependents will not be subjected to penury during the time that he is taking treatment away from the hospital.

There are many imponderables to be considered in the difficult question of treating tuberculosis. In the twelfth district, for instance, the present manager when in the Philippine Islands some years ago was arrested, charged with smuggling narcotics into the Philippine Islands. He pleaded guilty and was sentenced to a term in the penitentiary.

It is a most unpleasant duty; indeed, it is a sad duty to stand here and rehearse the misfortunes of a fellow creature; but my duty is first to the ex-service men, and practically every ex-soldier being hospitalized in the twelfth district resents the fact that a man who was convicted of smuggling narcotics should be the manager of the twelfth district and should hold their destiny in his hands.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Pennsylvania?

Mr. ASHURST. Certainly.

Mr. REED of Pennsylvania. I am surprised at the Senator's last statement because I was under the impression, from a

report that was furnished us by a committee of investigation organized by the American Legion in that district, that they were entirely satisfied with Major Grant's administration of the district office. Does the Senator know whether the Legion has taken any action one way or the other about it?

Mr. ASHURST. Frankly, Mr. President, I do not know whether the Legion has done so or not, but various soldier organizations in my State have appealed to me to try to secure the removal of the present manager of the twelfth district. I repeat it is a most unpleasant duty to stand here and rehearse the defects of a fellow man.

Mr. REED of Pennsylvania. I did not ask the question in criticism. The Senator, of course, understands that.

Mr. ASHURST. I know that; but I repeat that it is not soothing; on the contrary, it is irritating to the tubercular ex-soldiers to have their destinies presided over by a man who served a term in prison for smuggling narcotics. I repeat, the soldiers resent that and feel that the Director of the Veterans' Bureau ought to find some other man in the twelfth district to take charge of that office. They do not presume to tell the director whom to select, but they do feel that the director ought to choose some one other than this man.

I have mentioned the matter to show the harsh tendencies, the unyielding attitude, that grows up in and about Government bureaus.

I have received some letters from Arizona, from worthy persons, persons whose judgment is entitled to respect, saying that we ought not now at this late date bring against the record of a man something that happened years ago, and that he ought to be permitted to remain in the twelfth district as the manager. That is a beautiful sentiment, but the disabled ex-service men, the persons intimately affected, and whose health and destiny are bound up in the twelfth district, do not want the present manager, and their wishes should be considered.

I believe it to be my duty to urge his dismissal. I have requested the Veterans' Bureau to do so. I have urged the President to remove this manager, but it is said to me that this man was pardoned. Be it so; be it so; but the pardon was procured by Forbes, who was a "pal," a partner in the Orient of the director of the twelfth district, years ago.

A pardon procured at the solicitation of Forbes is one upon which I may properly comment, because it has been disclosed by the hearings before the committee of which the able junior Senator from Pennsylvania [Mr. REED] was chairman that Mr. Forbes was recreant to his trust. Forbes is about to go upon trial for his liberty, and it would not become me, therefore, to make any further statement as to this matter. I do not believe it would be right for me to say anything that might tend to cause any sensation, or tend to prejudge his cause, but I do not think that any man, especially an officer of the Veterans' Bureau, ought to screen himself behind a pardon procured at the solicitation of C. R. Forbes.

I pass from this painful duty which I have now performed and I reach a more pleasant duty.

The committee appointed to investigate the Veterans' Bureau, which committee was presided over by the junior Senator from Pennsylvania [Mr. REED], of which the Senator from Nevada [Mr. ODDIE] was a member, and of which the Senator from Massachusetts [Mr. WALSH] was a member, held hearings which are published in five volumes, available for all Senators, and at this juncture I desire to read the telegram of the Senator from Nevada to the director, found on page 1569 of volume 5 of the testimony. It is as follows:

PRESCOTT, ARIZ., *October 11, 1923.*

Gen. FRANK T. HINES,
Director Veterans' Bureau, San Francisco, Calif.:

I have just completed examination of Veterans' Bureau hospital situation in Arizona and strongly urge the retention of the tubercular hospitals at both Prescott and Tucson and the making of necessary alterations and improvements to these hospitals soon as possible in order that they be made thoroughly adequate to meet demands on them and modern and complete, which they are far from being now. Also that local architects be consulted, especially in Tucson construction, in order that buildings be made suitable for warm climate. The buildings there now are wretchedly inadequate. I have studied conditions surrounding these hospitals and talked with many of the patients and find that over 90 per cent are from other States than Arizona and are typical of large number of tubercular patients throughout the United States who have set their hearts on going to certain sections of the country where they believe they can be cured and will go to these places in any event; therefore the problem is one of national necessity and national obligation and not of State or sectional interest.

The abandoning of either the Prescott or Tucson hospitals would result in severe hardship to many of the patients who desire to remain where they are, irrespective of opinions of various authorities as to the merits of certain other localities. These patients would remain in these places in any event and become charges on the communities, which are unprepared to and should not be called on to assume a duty that belongs to the Government, which it must not delegate or avoid. Rumors regarding abandonment of these hospitals are doing harm to patients in Prescott and Tucson hospitals by causing them unrest and worry. Contentment and peace of mind are necessary in effecting cure. Can testify from observation that both these places are admirably adapted for curing tuberculosis. Statistics of cures available which verify this.

TASKER L. ODDIE.

When the committee concluded their hearings they were so courteous as to ask me to express some views with reference to hospitalization in general, and I ask unanimous consent that the views I there expressed to the committee be printed at the conclusion of and as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

STATEMENT OF HON. HENRY F. ASHURST, A SENATOR FROM THE STATE OF ARIZONA

Senator ASHURST. I thank you, Mr. Chairman, for the opportunity of saying a word. This honorable committee of the Senate is now about to close its hearings your labors have been arduous and you have been diligent, and I doubt not they have engrossed all of your time for the past two or three months.

You are entitled to and will receive the thanks, not only of the veterans themselves, but of the country at large for your patient labor.

It is obvious to me that it is neither necessary nor desirable at this time that I should enter into a protracted discussion of the vital question of soldier hospitalization. However, I will ask leave of the committee to file some exhibits. Senator ODDIE, to whom I will again refer later, filed some exhibits, but it may be that his modesty caused him to omit from the record a copy of a telegram from himself to General Hines respecting hospitalization in the Southwest.

Senator ODDIE. That is in the record, Senator.

Senator ASHURST. I am very glad his modesty did not prevent his performing that duty.

Then, Mr. Chairman, I ask leave to include in the record a copy of a telegram from the American Legion of Phoenix, Ariz., which I think substantiates, although no substantiation is necessary, Senator ODDIE's report.

The CHAIRMAN. We will be glad to have it in the record.

(The telegram referred to by Senator ASHURST is here printed in full, as follows:)

PHOENIX, ARIZ., *December 28, 1922.*

Hon. HENRY ASHURST,
United States Senate, Washington, D. C.:

Kindly use your influence to get hospitalized locally more than 150 disabled men who have families and relatives here, also men who have been sent into this altitude by the best medical men in the United States and who can not go into other climates. Also other men who have tried other climates unsuccessfully. These disabled veterans are being forced to live at a disadvantage as compared with those who can accept hospitalization in any climate. They are being forced to live on their compensation, which has already been reduced in many instances because they are out of hospitals. These cuts in compensation are occurring daily, and daily the men are becoming less able to care for themselves properly because in their own minds and from experience in other locations they refuse to accept transportation into less favorable climates. This condition prevails throughout southern Arizona and merits correction.

THE AMERICAN LEGION.

Senator ASHURST. I pause, Mr. Chairman, at this time to thank Senator ODDIE for the zeal and the earnestness with which he worked whilst in the State I have the honor, in part, to represent. He visited, as his report discloses—I speak only of his visits to the hospitals in my State—the hospital at Prescott, called Whipple Barracks, No. 50, and the hospital at Tucson, No. 51. I have said a vast deal about those two hospitals, about what ought to be done, and I have made some severe criticisms in times gone by, both in the Senate and before its committees. But I believe that the concise and compact report of Senator ODDIE embraces all that I could say.

I am sure, from my examination of the papers, that his report discloses a most thorough and painstaking investigation on his part. For this, of course, he has not only my thanks but, I think, the thanks of all persons, like yourselves, who are interested in the one question of rehabilitating the disabled soldier.

I might, however, contribute now a word which I hope will prove to be of some illumination to the committee in its labors in the future, for I certainly take it as the judgment of the committee that they will not at this point conclude their work, but they will ask, as I believe they should ask, Congress for a further appropriation and will ask for further time to sit, for you will remember that Congress knows nothing about hospitals except in so far as you advise them.

That is no reflection on Congress. This is a vast country; this is a vast problem; vital in its importance. Congress will know about hospitals only so much as you gentlemen tell them. That applies to me just as it applies to all other Members of Congress.

We can not, gentlemen of the committee, know to a certainty just how many hospitals are functioning properly. We can not know to a certainty whether the hospitals have been appropriately located, because, forsooth, we can not go to each hospital. We must depend upon you. I am happy to state that I am profoundly penetrated with the idea that there are no Senators upon whom we might rely to give us facts and conclusions with more confidence than we do upon you gentlemen. I trust that I am not presumptuous and will not be accused of trying to instruct my fellow Senators when I say I hope you will ask for an additional appropriation and for additional time in which to sit and continue your great work, because I know that you agree with me that this country owes to its disabled and stricken soldiers all that money and science can do to aid in restoring them to health.

I hope that you will not deem me obtrusive when I say that in our tuberculosis hospitals especially we find as time goes on in treating tubercular patients that there is what is called an "imponderable." Summons the best physicians, summons all that science can bring, but you are not sure, gentlemen, of a complete restoration to health. Tuberculosis of the lungs is indeed curable, always in its first stages, usually in its second stages. But alimentation or digestion, in my opinion, is one of the secrets of the restoration to health of a tubercular patient.

One of your number served with great honor and gallantry in the World War. He will know that the war was won because we were able to summon vigorous men at the right time.

When the lungs of a tubercular patient are attacked with tuberculosis an innumerable host of germs assail the healthy segments and structure of the lungs. Only in so far as that patient, through metabolism and the processes which are so well known to physicians, can build up healthy corpuscles of the blood to fight these invaders, overcome them, and drive them out, can that patient hope for recovery. A great conflict of armies takes place in the lungs of the tubercular patient. If the healthy "soldiers" can be assembled in sufficient numbers to overcome the unhealthy ones, we can hope that the patient will recover.

How may you summon these vast armies of healthy corpuscles? First, by taking into the stomach the proper amount of digestible, assimilable foods. But that is not all. There must be a serene and contented mind or he will not digest his food.

The imponderable in tuberculosis of the lungs is that there settles upon the patient a wistfulness; sometimes it runs to the point of melancholia, which leads him to believe that if he were over here he would be better or if he were over there he would be better; and frequently, under very good conditions, he is not wholly satisfied.

Physicians will agree with that general statement. I notice that Senator ODDIE in his report and even in his telegram to General Hines lays emphasis upon the fact that you must have cheerful surroundings for the patient.

All this means that in a tuberculosis hospital unpleasant surroundings, where conditions lead to gloom and melancholy, must be avoided. There must be pleasant places, beautiful prospects, much sunshine, which will lead the patient to a serene condition of mind that promotes his alimentation and digestion, which, of course, promotes his health.

I will close with the question as to how many copies of your hearings will be printed. I have a number of inquiries for copies of the testimony.

The CHAIRMAN. Under the rule of the Senate, I think, Sentaor, we are limited to a thousand copies, without a special order of the Senate. Of course, we will have to apply for many additional copies as soon as the Senate convenes.

Senator ASHURST. I presume the printed copies will not be available for a month.

The CHAIRMAN. The printer has been working pretty hard, but he has not yet given us the complete printed copies of our first week's testimony.

Senator ASHURST. That is all.

The CHAIRMAN. The committee appreciates the kind words that you have said about our efforts. We realize that our efforts are necessarily fragmentary. There are about 50 Government hospitals, four hundred and thirty and odd contract hospitals, and it is physically impossible for us to visit them all. But we have reports through General O'Ryan's very efficient organization on practically every one of them. Those, of course, have not come out, and it was not necessary to bring them out in the public hearings, but they will be printed as part of our record, and I think they will make a useful source of information for Congress and the public on the general hospitalization situation.

I am interested to know, Senator, whether since Senator ODDIE'S visit there and since he has taken up the Arizona hospitals with the Veterans' Bureau there has been any perceptible improvement reported to you from the hospitals.

Senator ASHURST. Yes; at hospital No. 50 there has been some improvement along the lines of Senator ODDIE'S report, but not that general improvement that we would expect. I appreciate the practical difficulty, and I am not going to be impatient at the tediousness with which these reforms and improvements come. The situation at Tucson, if you will pardon just a reference, is really desperate.

The CHAIRMAN. That is the place where food has to be carried half a mile or some such distance?

Senator ODDIE. Yes; over a thousand feet.

The CHAIRMAN. Out of doors?

Senator ASHURST. I will ask you to be kind enough to let me know when my time expires.

The CHAIRMAN. It is a matter that we are much interested in, and we know you are, Senator.

Senator ASHURST. For example, I know one hospital where the prevailing winds are from the south. Yet the contractor in building a furnace placed it so that the fumes and gases would blow right into the hospital.

The CHAIRMAN. That is the architect's fault.

Senator ASHURST. Certainly. Care should be taken in the matter of food. A sick man, especially a man sick from tuberculosis, wants food daintily served. He must have his appetite appealed to. In some hospitals they buy beef in enormous quantities, of the best kind. No person could ask for better beef. But frequently it is cooked in great hunks, raw on one side and burned on the other. Now, I feel that the bureau ought to use better care in selecting chefs. And I think you found that situation to be true, Senator.

Senator ODDIE. I found it so.

Senator ASHURST. That is all at this time. I thank you.

Senator WALSH of Massachusetts. Do you think that one or two new hospitals should be built in Arizona? Are the present plans capable of being remodeled?

Senator ASHURST. The enlargement of the buildings, or the construction of proper buildings at Tucson, and the carrying out of Senator ODDIE'S report would improve the situation in Arizona. And we must bear in mind that in these hospitals in Arizona only about 10 per cent—I think you dwelt on that—come from Arizona. They come, if you please, from other States.

Senator ODDIE. Yes; I called attention to the fact that in the Tucson hospital there are two patients from Arizona and the rest are from 40 of the other States.

Senator ASHURST. Exactly.

Senator ODDIE. And I want to add one thing. Senator ASHURST comes from Prescott. The people of Prescott have shown an unusual disposition toward the patients in that hospital. They take them into their homes. They take a personal interest in those men. And it is very different from conditions in many places, where people are too busy to look after such details. But this condition means bringing these men back to health much sooner than would otherwise occur. It contributes to their happiness and contentment of mind, which is very important in effecting a cure.

Senator ASHURST. Well, I am very gratified to have that go into the record.

Mr. ASHURST. In conclusion, I believe the Government ought to pay the director a fair salary. A man who is going to disburse $400,000,000 a year, and who has charge of all the vast and complicated details of the Veterans' Bureau, ought to be paid a good salary; but, in return, he ought to do the highest type of work and exercise the highest type of good faith.

Therefore, expressing the hope that the present régime will not develop any further tendencies toward bureaucracy and will be more liberal and more considerate, that it will not have a "set" policy to enforce against the opinion of the overwhelming numbers of ex-soldiers, I am willing to vote to pay $12,000 a year for the work. Whoever does the work of the Director of the Veterans' Bureau, whoever administers well the affairs of the Veterans' Bureau, will earn, believe me, $12,000 a year.

Mr. SMOOT. Mr. President, I send to the desk a proposed unanimous-consent agreement which I ask to have stated.

The PRESIDENT pro tempore. The Secretary will state the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that at 11 o'clock a. m. on the calendar day of May 1, 1924, the Senate will proceed to the consideration of the bill, S. 2257, a bill to consolidate, codify, revise, and

reenact the laws affecting the establishment of the United States Veterans' Bureau, and that after the hour of 11.30 o'clock a. m. on said calendar day no Senator shall speak more than once or longer than 5 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement?

Mr. ODDIE. I object.

The PRESIDENT pro tempore. There is objection.

Mr. SPENCER. Mr. President, I desire to call the attention of the Senate to the fact, which I have been thinking of this afternoon as this discussion went on, that 135 years ago to-day George Washington was inaugurated the first President of the United States, and that at that time the aggregate wealth of the United States was only about eight times as much or nine times as much as we are to-day appropriating for our disabled ex-service men; and certainly there is no disposition to curtail that appropriation. The aggregate wealth of the United States at that time I suppose was approximately $3,000,000,000, and now the aggregate wealth of the United States is over $300,000,000,000, and the annual amount which we are seeking to raise every year for the Government is substantially as much as the entire aggregate wealth of the Nation when George Washington was inaugurated President.

Mr. FESS. Mr. President, will the Senator yield?

Mr. SPENCER. Certainly.

Mr. FESS. I saw a statement from an economist yesterday to the effect that the wealth of the United States had accumulated from 1785 to the present time more than the total accumulation of 40 centuries of all the world before then.

Mr. SPENCER. I have no doubt that is true. It makes an American intensely proud, because when George Washington was inaugurated, as I say, 135 years ago to-day, the area of the United States was 892,135 square miles, and the center of population was 23 miles east of Baltimore. Now the area of the United States is 3,743,448 square miles, and the center of population is about 8 miles southeast of Spencer, Ind. The population increase has been equally as great; for at that time the population of the entire United States was not as great as is the population of five individual States of the United States to-day. The population then was 3,928,214, and the population of the United States to-day, including our possessions, is 117,859,358.

Mr. FESS. Mr. President, will the Senator yield again?

Mr. SPENCER. I yield to the Senator from Ohio.

Mr. FESS. The Senator might have said that the population then was only one-half of the population of a single city in the United States now.

Mr. SPENCER. That is quite true; and there are five States in the Union that to-day have a larger population than the entire United States had then.

AMENDMENT OF PORTO RICAN ORGANIC ACT

Mr. WILLIS. Mr. President, I had intended at this point to ask unanimous consent to call up Senate bill 2448, to amend the organic act of Porto Rico, approved March 2, 1917. It is a bill of great importance to the people of Porto Rico. I think it would lead to no discussion; but I have been informed by the Senator from Utah that there was an understanding among Senators that there would be no vote this evening. If that is the case, I do not desire to ask that that agreement be broken.

Mr. SMOOT. That was the agreement, Mr. President.

Mr. WILLIS. Then, with that understanding, I will let the bill go over until some other time, though I shall call it up as soon as I have an opportunity.

THE COTTON TRADE (S. DOC. NO. 100)

Mr. DIAL. Mr. President, on day before yesterday the report of the Federal Trade Commission in response to Senate Resolution 262 of the Sixty-seventh Congress was presented to the Senate, and I asked at that time that it be printed as a public document, and permission was granted. I have since ascertained that there are some charts and drawings accompanying the report, and I am informed that special permission will be necessary to have them included. I desire to have them go along with the report, for it is a very important one; and I now ask unanimous consent to have that done.

Mr. SMOOT. Mr. President, what report is it?

Mr. DIAL. The report of the Federal Trade Commission.

Mr. SMOOT. Do they not print their own reports?

Mr. DIAL. I think they have run out of funds.

Mr. SMOOT. That is exactly what I thought; and I object, because the Congress of the United States and the Senate have agreed that they will not print those department reports. We make appropriations for every department of the Government to print its own reports.

Mr. DIAL. I will say to the Senator that this is a very unusual report. It is a very long report.

Mr. SMOOT. If we let one in, they will all go in. We have fought the matter here for 10 years; and I object, Mr. President.

The PRESIDENT pro tempore. Objection is made.

Mr. HEFLIN. I ask for the regular order.

RECESS

Mr. SMOOT. Now, Mr. President, I move that the Senate take a recess, the recess being under the unanimous-consent agreement, until 11 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 1, 1924, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *April 30, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O eternal God, Thou art our refuge and strength, and the same yesterday, to-day, and forever. Do Thou lead us to a high plane of Christian faith and life that our influence, example, and service may be for Thy glory and for the good of our country. Warn our people, O Lord, against the heresy that material possessions determine the greatness and permanence of nations. Teach us that we can not dispense with the heart and soul of things and survive. Bless our land more and more that it may fulfill its splendid mission. Lead it to use its unequaled opportunity to bring mankind into living fellowship with Jesus, the Son of the living God, so that the world may know the teachings of His glorified cross. Amen.

The Journal of the proceedings of yesterday was read and approved.

VOCATIONAL REHABILITATION

Mr. SNELL. Mr. Speaker, I present a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a privileged report, which the Clerk will report.

The Clerk read as follows:

House Resolution 274

Resolution providing for the consideration of H. R. 5478, a bill to amend an act providing vocational rehabilitation of persons injured in civil employment.

HOSPITAL FACILITIES

Mr. SNELL. Mr. Speaker, I present another privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a privileged report, which the Clerk will report.

The Clerk read as follows:

House Resolution 275

Resolution providing for the consideration of H. R. 5209, a bill authorizing additional hospital facilities for the Veterans' Bureau.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. By unanimous consent the gentleman from Kentucky [Mr. ROBSION] was given permission to address the House for 15 minutes.

Mr. LONGWORTH. Will the gentleman from Kentucky yield to me to make a request?

Mr. ROBSION of Kentucky. Certainly.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that on Friday, immediately after the reading of the Journal, the gentleman from Indiana [Mr. SANDERS] may address the House for half an hour, and the gentleman from Massachusetts [Mr. WINSLOW] may address the House for half an hour, on the subject of the so-called Barkley bill.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none.

MINE DISASTER AT BENWOOD, W. VA.

Mr. ROBSION of Kentucky. Mr. Speaker and gentlemen of the House, I have asked you to indulge me while I bring to your attention what I regard as a very vital and pressing matter. The country is shocked, appalled, and grief stricken again, and for the eighth time in the last nine months, because of the

horrible mine disaster at Benwood, W. Va. Yesterday and to-day the entire population, about 5,000 people, of that community, with tear-dimmed eyes and heavy hearts, gathered about the Benwood mine opening. Practically every one of them had a relative that was killed in that terrible disaster. My heartfelt sympathy goes out to that grief-stricken community. The other morning something like 110 or 115 men left their homes; went to their work to make a support for their wives, children, and themselves. A few minutes after they entered upon their work an explosion took place that killed every man in the mine at that time.

EIGHT GREAT DISASTERS IN NINE MONTHS

If the Benwood disaster was the only one that had occurred within the last year or two we might be more able to reconcile ourselves. Coal mining is a dangerous and hazardous employment, but we are more horrified when we stop to think that we have had eight of these great mine disasters in this country in less than nine months. It is high time for the whole country, for the Congress and for those in the States charged with the responsibility of providing proper working conditions for the miners, to give this matter most serious thought.

On the 14th day of August, 1923, 93 men were killed in a coal-mine explosion at Frontier, No. 1, Wyoming; November 6, 1923, 27 men were killed in a coal-mine explosion at Glen Rogers, W. Va.; 33 men were killed in a coal-mine explosion at MacClintocah, Ill., January 25, 1924; 36 men were killed in a coal-mine explosion at Lancashire, Pa., January 26, 1924; 41 men drowned in an iron mine at Milford, Minn., February 5, 1924; 173 were killed in a coal-mine explosion at Castlegate, Utah, March 8, 1924; 24 men were killed in a coal-mine explosion at Yukon, No. 2, W. Va., March 28, 1924; and 111 men were killed in a coal-mine explosion at Benwood, W. Va., on April 28, 1924. I have not mentioned perhaps a dozen or more other coal-mine explosions in various parts of the country within the same period of time in which from 1 to 7 men were killed and from 1 to 35 were injured. There have been killed nearly 500 men and nearly 100 seriously injured within the last nine months by reason of these explosions and disasters. I have not mentioned the great number who have been killed by falling slate, bad air, and in other ways. I have only mentioned the outstanding explosions and disasters.

FIVE TO ONE

The mining of coal in Great Britain, France, and Belgium is more dangerous and hazardous than in this country, yet there are killed in coal mines of the United States nearly five times as many men as there are in Great Britain, France, and Belgium according to the number of men employed. It is obvious that there is something radically wrong in some of the mines of this country. In our haste we are not giving due regard to the safety of the miners and the protection of human lives. What I shall say, of course, is not intended for those coal operators who are giving proper care to the health and lives of the men employed in their mines. I know that a great many coal operators in this country are using every reasonable means possible to safeguard the health and lives of their men; but, on the other hand, I know there are many coal operators that have been and do now disregard safety methods and devices to protect the lives of their workmen, and it is to that class of operators and to those men who work in the mines that do not use proper care to protect themselves and their fellow workmen that I am addressing my criticisms.

COAL DUST AND CARELESSNESS

I think it can safely be asserted that coal dust and carelessness are responsible for seven of these mine disasters of which I have spoken. One of the great authorities on the question of coal-mine explosions stated recently that "coal dust is the cause of all widespread coal-mine explosions." He further asserts "stone dusting" is the only real safeguard against coal-dust explosions. This stone dust is made from limestone and other rocks and is scattered about in the mines. It has been shown that sprinkling will not prevent coal-dust explosions. The British mine operators tested this out. The British Government passed a law which went into effect June 30, 1920, requiring operators of dry-coal mines to use "stone dust," and since that time there have been no explosions in properly "stone-dusted" mines. Stone dust is being used in 60 coal mines in this country with splendid results. The Bureau of Mines has been for some time urging the coal operators of our country to use the stone dust. The Bureau of Mines contends that this is the only real safeguard against coal-dust explosions. Stone dust was not in use in any of the mines in which these recent explosions occurred. We must bear in mind that coal dust is highly explosive and perhaps has as much force as gunpowder. Coal dust collects on the walls and tops of the entries and rooms of the mines. Some gas, a match, a spark, a live wire, an open lamp may set it off, and when it is set off traverses all parts of the mine where this dust has collected, and it is the coal dust that makes these continuous explosions throughout, with the disastrous results pointed out by me.

BETTER SUPERVISION

I am sure that more adequate supervision by the operating companies and the exercise of greater care by mining employees would eliminate more than half of all accidents. They need to employ more experienced and careful supervisors. I know that many operators under close competition strive to reduce the overhead charges as much as possible in order to compete in the market, but in my humble opinion the saving in the reduction of the number of accidents would in the end more than pay for this additional supervision. We have about 200,000 nonfatal accidents in our mines each year. This means an economic loss of nearly $40,000,000 annually, but the loss from fatal accidents represents a much greater sum annually. Are we thinking too much of cheap coal and dividends and too little of the health and the lives of the men who work in the mines? The Nation is more concerned in affording proper protection to the health and lives of those who produce the coal than they are of cheap coal or dividends. The operator is entitled to and he should receive a proper and a fair return on his investment, and the miner should receive just and fair wages. The public should always be willing to pay such a price for the coal as will accomplish both of these results, and the operators should see to it that the public does pay a just and a fair price for the coal. The hazards of the coal-mining industry are very great, not only to the miners but to those who have invested their capital. Neither the States or the Nation should permit coal mines to become charnel houses or slaughter pens. Humanity dictates that the States and Nation should see to it that there are fewer widows and orphans produced in our coal mines. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. BLANTON. I notice that one of the 110 men who so unfortunately lost their lives was an inspector, and the bulletin board showed that he had just posted his inspection notice approving of conditions. I was wondering how we are going to stop it when inspectors can not detect these matters.

Mr. ROBSION of Kentucky. I am coming to that. The inspector, if this report is true, evidently failed to do his duty. The mine was not safe. All of these explosions that I have referred to are the result of coal dust. Coal dust is highly explosive. No doubt the coal dust had been collecting in the Benwood mines for years. It no doubt was seen, but disregarded. I think it is another case where the operators plainly disregarded the warning from the Bureau of Mines and other experts as to the danger of coal dust. The use of stone dust or plenty of water no doubt would have prevented this fearful disaster.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. GRAHAM of Illinois. Does the gentleman think there is any failure on the part of any Federal official?

Mr. ROBSION of Kentucky. None that I know of. The Bureau of Mines has been warning the operators and miners of the country. They have sent out the very best information on these subjects, and have conducted schools of instruction throughout the Nation. I am afraid that some of our operators have not followed these suggestions.

Mr. McKEOWN. Will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. McKEOWN. Is there any kind of insurance that the employees may have to protect their wives and children?

Mr. ROBSION of Kentucky. Most States have workmen's compensation laws, but the compensation in many cases is not adequate. What we want to do is to prevent this loss of life and the making of thousands of widows and orphans. The coal mines must not be slaughter pens, like some have been I have mentioned. The Bureau of Mines of the Federal Government is doing a wonderful work. America can not go on butchering her people as they were butchered at Benwood and at these other mines.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield? I want to suggest that in our State of Illinois we have very efficient legislation now, I think. Does not the gentleman think that this is primarily the duty of the States?

Mr. ROBSION of Kentucky. In the State of Illinois, since their coal mine explosion at MacClintocah, they are using stone dust to prevent these explosions, and I understand with splendid

results. I do not contend that Congress has the power to regulate or provide for the safety of mines. Perhaps this is the duty of the States. Congress has the power and it has exercised that power by creating a Bureau of Mines and by providing mine-rescue stations and mine-rescue cars and by gathering and sending out information that will be helpful to the coal-mining industry and to the business of coal mining. I think Congress ought to provide more funds for this bureau and to enlarge its benefits. It is not trying to run the coal business but it has and can bring helpful suggestions and information to the operators and miners. I am bringing these disasters to the attention of the country again. I want to get the ear of the country, the miners, and the coal operators, and urge the operators to take steps to provide proper safeguards to protect the health and the lives of the men who must go into the mines to produce the coal for the Nation and to provide a living for themselves and their children.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. BLANTON. Just a short time ago there were a hundred people killed in Washington in one building, the Knickerbocker Theater. That is something that the Congress has jurisdiction over.

Mr. ROBSION of Kentucky. That was a most regretable accident, but that does not justify the killing of hundreds of coal miners. The coal miner, as a matter of necessity, assumes a great deal of hazard. I want to make that hazard as small as possible for their health and for their lives. Every time you kill a hundred or so of men in the coal mines you add to the price of coal to the consumers of the Nation and make a lot of helpless widows and orphans. I represent one of the great soft-coal producing sections of the Nation. We have not had a coal-dust explosion in my section of the country for more than 20 years and have not had any other kind of explosion. I am sure this is because proper safeguards have been employed. Of course, the miner should exercise proper care the same as the operator. In many places unskilled and inexperienced men are employed and are given dangerous tasks.

REMEDIES

There have been so many of these great mine disasters in recent months, I would suggest a conference of the governors of the coal-producing States and those who are charged with the administration of the State mining laws, representatives of the operators and the miners, and representatives of the Bureau of Mines to work out such policies and suggest such State laws as will practically eliminate any of these great mine disasters in the future. Our Committee on Mines and Mining will in a few days begin hearings on some bills, and we invite those to appear before our committee who may have helpful suggestions. These agencies, I am sure, can and will solve this problem. [Applause.]

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday and the Clerk will call the roll of the committees.

REORGANIZATION OF FOREIGN SERVICE

The Clerk called the Committee on Foreign Affairs.

Mr. ROGERS of Massachusetts. Mr. Speaker, by direction of the Committee on Foreign Affairs I call up the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The SPEAKER. This bill is on the Union Calendar. The House will automatically resolve itself into the Committee of the Whole House on the state of the Union, and the gentleman from Connecticut, Mr. TILSON, will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6357, with Mr. TILSON in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. ALLEN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from West Virginia makes the point of order that there is no quorum present. The Chair will count.

Mr. ROGERS of Massachusetts. Mr. Speaker, I move that the committee do now rise, and on that motion I ask for tellers.

The CHAIRMAN. The gentleman from Massachusetts moves that the committee do now rise and demands tellers.

Tellers were ordered, and Mr. ROGERS of Massachusetts and Mr. ALLEN were appointed to act as tellers.

The Committee divided; and the tellers reported—ayes 3, noes 99.

The CHAIRMAN. On this vote the ayes are 3 and the noes are 99. So the motion is not agreed to. A quorum is present. The committee refuses to rise, the Clerk will continue reporting the bill.

Mr. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. PORTER] is recognized for one hour.

Mr. PORTER. Mr. Chairman, I yield 30 minutes of that time to the gentleman from Massachusetts [Mr. ROGERS].

Mr. CONNALLY of Texas. Mr. Chairman, has there been any arrangement made in respect to the time?

The CHAIRMAN. The time is under the regular Calendar Wednesday rule.

Mr. CONNALLY of Texas. I understand that provides for an hour on a side. Who gets the hour?

The CHAIRMAN. The chairman of the committee gets the hour in favor of the bill.

Mr. CONNALLY of Texas. I claim the hour against it.

Mr. BLANTON. Mr. Chairman, if the gentleman is against the bill he is entitled to it, but this is a bill on which there ought to be some active opposition.

The CHAIRMAN. We will cross that bridge when we come to it. The gentleman from Massachusetts is recognized for 30 minutes.

Mr. ROGERS of Massachusetts. Mr. Chairman, the predecessor of this bill was before the Congress about a year ago. It passed this body by an overwhelming vote, only 27 votes being cast in the negative. We think in the Committee on Foreign Affairs that we have improved the bill in a number of respects in the intervening year. In the course of the discussion a year ago I made a very full explanation of the bill, perhaps wearisomely full. If it is agreeable to the membership of the House, I should prefer to make my remarks this morning, so far as possible, in the form of answers to questions. In other words, I shall welcome inquiries or comments, because I think perhaps in that way will best be brought out the features of the bill that interest or disturb members of the committee.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. HASTINGS. For the benefit of those Members who were not here during the past session of Congress I was going to suggest the advisability of the gentleman from Massachusetts taking a few minutes to make a general statement about the bill, and then later yield to questions.

Mr. ROGERS of Massachusetts. I shall be very glad indeed to make a brief general statement.

This bill is a reintroduction of the bill H. R. 17 and embodies the modifications thereto which the Committee on Foreign Affairs found advisable. I should like to call to the attention of the Members of the House the degree of support and sanction which the bill has from those who are best qualified by reason of their information to appraise its value. We have the support of two Secretaries of State for this specific legislation. I have in my hand a letter from former Secretary of State Robert Lansing under date of February 2, 1923, in which he categorically indorses the measure in the strongest possible terms. The testimony of Mr. Secretary Hughes is spread at length in the hearings of a year ago. Again during the past winter he testified before the Committee on Foreign Affairs indorsing the measure. Former Undersecretary of State Frank Polk, whom the Members of the House who were here during the war period will recall as one of the ablest officials that the State Department ever had, made a special journey from New York to Washington, interrupting his very busy law practice, in order to tell the Committee on Foreign Affairs that he thought this bill ought to pass for the good of the country.

Former Ambassador John W. Davis, a distinguished former Member of this House and an authority upon the foreign-service problems of America, also made a special trip from New York to Washington to indorse the bill. Almost every trade and commerce organization, almost every export organization throughout the length and breadth of the United States, has put itself on record in favor of this particular proposal.

It is interesting to note that the American Federation of Labor also espouses the legislation, because it recognizes that the system which has heretofore prevailed has not been a democratic system; and it recognizes at the same time that a measure such as that now before the House, by broadening the field of opportunity, by broadening the field of selection, will enable a much larger percentage of the young men of America to aspire to become members of the foreign service of the United States.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield for a question?

Mr. ROGERS of Massachusetts. I yield.

Mr. McKEOWN. After the passage of this bill will it be possible that men of small fortunes, men of reasonable fortunes, can aspire or can fit themselves for appointment to positions in the foreign service?

Mr. ROGERS of Massachusetts. After the passage of this bill, for the first time in the history of the United States, it will be possible for a young man without private means to aspire to this service with the assurance that he will be able to represent the country worthily and at the same time be self-supporting.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. LAGUARDIA. Along the line of the inquiry made by the gentleman from Oklahoma [Mr. McKEOWN], this bill provides for the possibility of advancement and promotion and appointment to the higher diplomatic offices; but there is nothing in this bill that provides for the payment of the rent and the dwelling and costs incidental to such position. I think that is what the gentleman had in mind.

Mr. McKEOWN. I had in mind this, if the gentleman will yield, that heretofore the greatest thing that has been in the way of the proper representation of the people of the United States abroad has been that these places have been confined by the nature of things to men of large means who are able to accept them. That is no reflection on these gentlemen, but it has called for great sacrifices on the part of many men, and there are many young men and other men in the United States who could fill the places just as creditably.

Mr. ROGERS of Massachusetts. I do not mean to suggest that the foreign service after this bill is passed will be a service that will attract the mercenary. It should not be that kind of service. After this bill goes through—and I repeat it emphatically—it will be possible for a young man without private means to maintain himself decently abroad and at the same time to represent worthily the United States. That has not been possible up to this time in the history of the United States.

Mr. LAGUARDIA. That is particularly true with respect to the Consular Service?

Mr. ROGERS of Massachusetts. Yes.

Mr. LAGUARDIA. It does not go as far as to provide that ideal in the Diplomatic Service?

Mr. ROGERS of Massachusetts. It aims at it. The ideal, perhaps, is not attainable at home or abroad. Our duty is to go as far as we can, remembering both our own duty to the Government and the obligation of the Government to be worthily represented abroad.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. WILLIAMSON. Under the terms of this bill I understand appointments of foreign officers shall be by commission to a class, and not by commission to any particular post, and such officers shall be assigned to posts and may be transferred from one post to another as the interests of the service may require. I want to ask, in that connection, whether those who are appointed to the Consular Service can be automatically transferred from that class to the Diplomatic Service?

Mr. ROGERS of Massachusetts. That is one of the primary purposes of the bill. Up to this time we have kept the diplomatic side of our foreign service and the consular side of our foreign service in two water-tight compartments. There was a theoretical possibility of appointing a diplomat to consular work and vice versa. In practice the interchange was never effected. It was only about 25 years ago that the question of interchangeability became important. It has only been since the time of the Spanish-American War that the United States has become a world power. Before that time, speaking very generally, questions of international politics and questions of international trade were separate and distinct. It was perfectly proper, perhaps, in those days for the Diplomatic Corps, dealing with international politics on the one hand, and for the Consular Corps, dealing with international business on the other hand, to be distinct and to be kept apart in water-tight compartments.

I do not need to remind the membership of this House that to-day all that is over. To-day every question of international politics involves a question of business, a question of expanding or protecting American trade. The old artificial separation between the two sides of our foreign service is just as archaic as ordeal by battle.

Mr. McKEOWN. Will the gentleman yield?

Mr. ROGERS of Massachusetts. And another point before I yield. Since the World War, especially, the conditions which were growing up during the first 15 years of this century have become accentuated and are to-day very acute. The race for world trade is a rivalry of an intensity which has never been seen before in the history of the United States or of the world. We must be prepared to compete; we must be prepared to go out and get our share of world business. The only way we, as a nation, can be sure of accomplishing our goal in that respect is to be represented by our very best men in the foreign service of the United States. Up to this time we have not universally been represented by our best men, although we have been represented by and large by pretty good men.

The purpose of this bill is to put the foreign service of the United States on such a basis that it can give America the place in world trade and world diplomacy to which it is entitled and to which it can successfully aspire only if the proper instrumentalities are provided.

I will now yield to the gentleman from Oklahoma.

Mr. McKEOWN. I am in thorough sympathy with the statement made by the gentleman. I wanted to know what difference there would be after the passage of this bill with reference to a duplication of work on the part of the representatives of the Department of Commerce in the foreign field and what effect the passage of this bill will have on reducing any duplication of work if any exists.

Mr. ROGERS of Massachusetts. A full answer to that question, which I am very glad to have the gentleman ask, is rather a long one, but I think the question is important enough to warrant its being replied to at some length.

For years in this House we have heard discussions as to whether the Department of Commerce foreign service was not at least in part duplicating the foreign service of the Department of State. I have participated in that discussion a good many times, and I have in the past taken the view that the Department of Commerce foreign service was duplicative. The judgment of this House and of this Congress has been that even though there was some duplication, that duplication was for the best interests of the country. The two services have therefore been allowed to continue.

Within the last month the most important step in this connection that has ever been taken was taken through the medium of an Executive order. Under date of April 4, 1924, the President issued an Executive order with the view of avoiding duplication, with the view of giving unified direction to the activities of the representatives of the Government of the United States in foreign countries, with the view of coordinating the promotion and protection of the commercial and other interests of the United States, and with the view of insuring effective cooperation and encouraging economy in administration. That Executive order, I think, is not very generally appreciated at its full importance throughout the country. Mr. Chairman, I ask unanimous consent to have the Executive order printed as a part of my remarks, together with the short statement which was issued from the White House when the Executive order was issued.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated by him. Is there objection?

Mr. CONNALLY of Texas. Reserving the right to object, why does not the gentleman read it? If it is printed in the RECORD after the passage of this bill, the members of the committee will not have the benefit of it.

Mr. ROGERS of Massachusetts. I will read the first few sentences of the Executive order:

The following regulations are hereby prescribed for the guidance of the representatives of the Government of the United States in foreign countries with a view to giving unified direction to their activities in behalf of the promotion and protection of the commercial and other interests of the United States, insuring effective cooperation, and encouraging economy in administration.

Whenever representatives of the Department of State and other departments of the Government of the United States are stationed in the same city in a foreign country they will meet in conference at least fortnightly under such arrangements as may be made by the chief diplomatic officer or, at posts where there is no diplomatic officer, by the ranking consular or other officer.

It shall be the purpose of such conferences to secure a free interchange of all information bearing upon the promotion and protection of American ifiterests.

I am not going to read all of the Executive order, but I renew my request that as a matter of record it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

The Executive order is as follows:

EXECUTIVE ORDER

The following regulations are hereby prescribed for the guidance of the representatives of the Government of the United States in foreign countries with a view to giving unified direction to their activities in behalf of the promotion and protection of the commercial and other interests of the United States, insuring effective cooperation, and encouraging economy in administration.

Whenever representatives of the Department of State and other departments of the Government of the United States are stationed in the same city in a foreign country they will meet in conference at least fortnightly under such arrangements as may be made by the chief diplomatic officer or, at posts where there is no diplomatic officer, by the ranking consular or other officer.

It shall be the purpose of such conferences to secure a free interchange of all information bearing upon the promotion and protection of American interests.

It shall be the duty of all officers to furnish in the most expeditious manner, without further reference, all economic and trade information requested by the ranking officers in the service of other departments of the Government assigned to the same territory: *Provided*, That where such compliance would be incompatible with the public interest or where the collection of such information requires research of such exhaustive character that the question of interference with regular duties arises, decision as to compliance shall be referred to the chief diplomatic officer or to his designated representative or, in the absence of such officers, to the supervising consular officer in the said jurisdiction. All failures to provide information requested as hereinbefore set forth shall be reported immediately by cable to the departments having jurisdiction over the officers concerned.

With a view to eliminating unnecessary duplication of work officers in the same jurisdiction shall exchange at least fortnightly a complete inventory of all economic and trade reports in preparation or in contemplation.

Copies of all economic and trade reports prepared by consular or other foreign representatives shall be filed in the appropriate embassy or legation of the United States or, where no such office exists, in the consulate general and shall be available to the ranking foreign representatives of all departments of the Government. Extra copies shall be supplied upon request by the officer making the report.

The customary channel of communication between consular officers and officers of other departments in the foreign field shall be through the supervising consul general, but in urgent cases or those involving minor transactions such communications may be made direct: *Provided*, That copies of all written communications thereof are simultaneously furnished to the consul general for his information. It shall be the duty of supervising consuls general to expedite intercommunication and exchange of material between the Consular Service and all other foreign representatives of the United States.

Upon the arrival of a representative of any department of the Government of the United States in any foreign territory in which there is an embassy, legation, or consulate general, for the purpose of special investigation, he shall at once notify the head of the diplomatic mission of his arrival and the purpose of his visit; and it shall be the duty of said officer or of his designated representative, or in the absence of such officer then the supervising consular officer, to notify, when not incompatible with the public interest, all other representatives of the Government of the United States in that territory of the arrival and the purpose of the visit and to take such steps as may be appropriate to assist in the accomplishment of the object of the visit without needless duplication of work.

In all cases of collaboration, or where material supplied by one officer is utilized by another, full credit therefor shall be given.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 4, 1924.*

STATEMENT ISSUED BY THE WHITE HOUSE WHEN THE FOREGOING ORDER WAS MADE PUBLIC

It is the purpose of the Executive order herewith promulgated to establish in the foreign service of the United States the basis for a coordination of effort in advancing American economic and commercial interests which will eliminate unnecessary duplication of work and enourage representatives of this Government in foreign countries to cooperate more fully in the accomplishment of their respective missions. The order does not modify the existing functions of the several executive departments, nor will it affect any changes hereafter made in these functions by subsequent act of Congress. As originally proposed it applied only to relations between foreign officers of the Department of Commerce and the Consular Service. In its perfected form it is reciprocal in nature and all inclusive in scope, placing alike upon all representatives of this Government abroad the responsibility to assist their colleagues of the foreign service in the performance of all regularly assigned duties.

It may be appropriately stated that the regulation of interdepartmental relations in the foreign field as herewith ordered is in harmony with the effort now proceeding through the Bureau of the Budget and the Joint Congressional Committee on Reorganization to realize a balance in administrative relations which will conserve the public funds. It is confidently expected that in effect this regulation will give purposeful unity to the activities of this Government in foreign countries, and in so doing will give additional impetus here at home to the endeavor being made to practice intelligent economy in public expenditures through coordination of the work of the several executive departments.

In this matter the Executive has had the friendly and most helpful counsel of Members of the Congress acquainted with the practical phases of administrative problems in the foreign service.

Mr. ROGERS of Massachusetts. It is interesting to note that before the issuance of the Executive order various departments of the Government—and there are a number of them which have agencies in the foreign field—cooperated in agreeing upon the text and terms of that order

The other day we passed in this House a bill introduced by the gentleman from Michigan [Mr. KETCHAM] establishing and giving an organized status to the agricultural attachés who are sent forth by the department in Washington to take care of agricultural investigations and inquiries throughout the world. There is at present on the calendar a bill introduced by my colleague from Massachusetts [Mr. WINSLOW], of which the number is H. R. 7034, and which is a bill to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a foreign commerce service of the United States, and for other purposes. That bill is to give legislative recognition to the foreign commerce service of the United States. Up to this time the foreign agencies of the Department of Commerce have been very largely dependent upon items in appropriation bills. I think it is safe to say, gentlemen of the committee, that when the Ketcham bill, when the Winslow bill, and when the bill which is now before the House have become law, we shall for the first time in our history have a well-rounded, well-conceived, and efficient fighting machine, fighting for the best interests of the country abroad in the realms of international trade.

It is a rather remarkable thing that though this country has been in existence something like 140 years, there has never been but one act put through Congress providing a general reorganization of the foreign service. That law was enacted in 1856, nearly 70 years ago.

Mr. Wilbur J. Carr, who is the director of the Consular Service and who is also the budget officer of the Department of State, is well known to a great many Members of this House, and is beloved and respected, I think, by all. In the course of the hearings upon the bill he said this concerning the measure:

The second measure in all the history of this country in relation to the foreign service, and by far the most important and most far-reaching, is this measure which you have before you. There has not been anything like it since the Government began to exist. In my judgment, if you enact it you have a bill which will furnish the basic structure of the organization for your foreign service for 50 years, a bill on which you can build any kind of a foreign service you please, a bill on which you can provide for ministers and ambassadors, secretaries, and consuls, in the light of what you believe to be responsive to the opinion of the country. I do not think I can stress too much the importance of this bill being enacted into law.

I should like to suggest—and, of course, this is an important consideration in these days when economy is demanded—what the cost involved in this measure is.

In the first place, I wonder if Members of the House generally realize that the foreign service of the United States is nearly, and frequently completely, a self-supporting service. On page 5, of the report on this bill, you will find the situation as of the fiscal year which ended June 30 last. The expenditures for the foreign-service establishment amounted in that year, the latest year, of course, for which we have complete figures, to $8,435,000. The receipts from the foreign service amounted to $7,981,000. The net cost of the service, the net amount which must necessarily have been defrayed from the Treasury of the United States, was thus less than one-half million dollars.

Mr. CELLER. Will the gentleman yield for a question?

Mr. ROGERS of Massachusetts. Just one more point and then I will be glad to yield.

I have just been furnished the figures for the first half of the fiscal year 1924; that is, the figures for the period which ran from July 1 last until January 1 last. I find that the consular receipts this year are coming in at the rate of eight and a half million dollars, as compared with $6,800,000 for the last fiscal year. If this showing is maintained, it will mean, of course, that the technical deficit shown for 1923 will be

wiped out. Thus, for the year 1924 the foreign service of the United States will be maintained without a single cent of appropriation or of burden upon the taxpayers of the United States. In fact, it will show more than a million-dollar profit.

I yield now to the gentleman from New York.

Mr. CELLER. Will that condition obtain after you have set up your pension fund and have taken into consideration the deficiency because of that pension fund?

Mr. ROGERS of Massachusetts. Yes, indeed. I shall be glad to discuss the pension fund in a moment.

Mr. LONGWORTH. Will the gentleman yield?

Mr. ROGERS of Massachusetts. I yield to the gentleman from Ohio.

Mr. LONGWORTH. What was the amount of the passport charges?

Mr. ROGERS of Massachusetts. The passport fees for the year ended last June 30 were $1,144,000. They were very much larger than the previous year.

Mr. LONGWORTH. The passport and visé fees.

Mr. ROGERS of Massachusetts. Yes; both the passport and visé fees were larger.

Mr. CRISP. Will the gentleman yield for a question?

Mr. ROGERS of Massachusetts. I yield to the gentleman.

Mr. CRISP. I would just like to ask my friend how much will be the initial increase in the salaries of the Consular Service if this bill is enacted into law?

Mr. ROGERS of Massachusetts. The present salary scale for the Diplomatic and Consular Service combined is $2,311,600. The proposed salary scale is $2,807,100. The apparent increase is thus $495,500. To be deducted from this, if the House shall so decide as a result of this legislation, would be the current appropriation of $150,000 for post allowances, which the House may think should properly be deducted if a reorganization of salaries goes through. In the event that post allowances are deducted, then the actual increase in salaries involved in this bill is $345,500 a year.

As I was on the train last night I picked up a newspaper describing a large coast-defense gun which is now on its way from Watervliet Arsenal, N. Y., to its emplacement in Boston Harbor. I find that that one gun with the carriage and the emplacement will cost something like $2,000,000, four times and more the annual cost of giving us what will be the best foreign service the United States has ever had, instead of the service of to-day, which is merely a pretty good foreign service. I am not underestimating, I am sure, the value of the coast defenses of the Nation. We must have proper defense, but, gentlemen, in my judgment, if you can give us the best foreign service that the country can provide, you are doing a lot more toward peace insurance than you are by multiplying munitions of war. [Applause.]

I yield to the gentleman from Oklahoma.

Mr. McKEOWN. This revenue or income is derived from fees charged for services rendered by the department?

Mr. ROGERS of Massachusetts. Yes.

Mr. McKEOWN. Can the gentleman tell us whether the other services of the other departments derive any income at all from their services?

Mr. ROGERS of Massachusetts. In the foreign field?

Mr. McKEOWN. Yes.

Mr. ROGERS of Massachusetts. There is very little work done by the other branches of the Government for which fees can be charged. The gentleman will remember that the foreign service of the Department of Commerce is only 10 years old; the foreign service of the Department of Agriculture is still more recent. The Consular Service, since the foundation of the Government in 1789, has been the primary agency that represented the American business men abroad, both the exporter and the importer.

Mr. McKEOWN. This just emphasizes something I have contended for in the House, that there are many departments here in Washington, in addition to the State Department, that render service to private individuals for which there ought to be some reasonable charge.

Mr. ROGERS of Massachusetts. I have no doubt that is true.

I have spoken earlier in my remarks of the importance of interchangeability from the standpoint of the service and its smooth and facile operation. I should like to speak of it also from the standpoint of the young men who enter the service.

Up to this time, I repeat, the two sides of our foreign agency have been kept entirely distinct and apart. A young man just out of college would go into the Diplomatic Service, oftentimes, because he liked the work; oftentimes because he liked the kind of play he thought might develop from that particular occupation. He went, I say, direct from college. He never had the first instincts of a business training. He never knew anything about how a consulate was operated. He often got a somewhat warped idea of his own importance. He would be fêted and made socially much of in the foreign capital to which he was assigned. He would lose his sense of values and his perspective.

What are we going to do under this bill? Every young man, when he is originally appointed to the unified foreign service is going to be sent to a consulate. He is going to be sent to Singapore, perhaps, or to the West Coast of Africa or to some point in the Transvaal or to Saigon. He will not find social opportunities awaiting him in those cities. He will rather find an opportunity for the hardest kind of hard work. He is going to get an experience and an education that will be valuable to him and his country all his life. He will be a better public servant because of the practical training the bill will give him that he has never had before.

Mr. KING. Will the gentleman yield?

Mr. ROGERS of Massachusetts. I will.

Mr. KING. It has been a constant mystery to me how all these places have been maintained for the sons of rich parents as a general rule. Will the bill open up the foreign service for people who have no money?

Mr. ROGERS of Massachusetts. This bill, for the first time in the history of the United States, will make the service available for the poor man.

Mr. HILL of Maryland. Is it not true that no man except those of independent means could heretofore afford to accept a place in the service?

Mr. ROGERS of Massachusetts. That is true of the diplomatic side. A man on the consular side could support himself in a proper way without private means. The gentleman from New York can perhaps answer that question better than I can.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PORTER. I yield the gentleman five minutes more.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. ROGERS of Massachusetts. I yield.

Mr. LAGUARDIA. Section 14 provides that the State may assign officers to duty in the Department of State. Did the committee consider the desirability of requiring officers after serving abroad to serve 1 or 2 years at home every 5 or 10 years?

Mr. ROGERS of Massachusetts. We have a new provision in the bill which I hope will meet with the approval of the committee. It embodies the gentleman's suggestion. It will be found in section 15:

> That the Secretary of State is authorized, whenever he deems it to be in the public interest, to order to the United States on his statutory leave of absence any foreign service officer who has performed three years or more of continuous service abroad.

Our notion in committee was that it was important to the individual after he had served a certain period abroad to have an opportunity to come home, but that it was vastly more important to the country that the man should come back so as to get first-hand information from and about America, and also so as to give American business men the benefit of the things he had learned during his service abroad.

Mr. CELLER. In other words, a man is more or less affected by the color of his surroundings.

Mr. ROGERS of Massachusetts. It takes a level-headed, hard-headed man not to be influenced by his environment. We want to bring every foreign service officer back to the American environment every so often for the sake of the country.

Mr. CELLER. I know the gentleman's time is short, but will he not say something about the pension question?

Mr. ROGERS of Massachusetts. There never has been a retirement system for the foreign service. We retire our Army officials and our Navy officials. We retire our judges. We retire all these three services without exacting any contributions from the beneficiaries. We retire the civil-service employees of the Government, but we exact 2½ per cent from these men out of their annual salary. In this bill we say that the principle of retirement is so firmly established in this country in almost every other Government activity that there seems no reason why we should not extend it to this additional realm of Government activity.

We say this—and in my judgment it is too niggardly, but we wanted to present a bill that would certainly meet with the approval of the House—we say to the foreign service men, "You must contribute 5 per cent of your salary." I think the analogy of the foreign service officer to the Army officer and to the naval officer is much more complete than to the civil-service employee in Washington.

The foreign-service officer is going hither and yon about the world, giving up fixed places of abode, often rendering difficult and hazardous service of prime importance to the United States.

Yet we say that we will not treat him as we do the Army and Navy, which are upon a noncontributory basis. We will not do for them what Great Britain does, by retiring her foreign-service men on two-thirds pay without exacting contributions. We will not even do what we do for the civil-service employees of the Government in requiring them to pay but 2½ per cent. What we do for the foreign-service officials is to take 5 per cent of their salary; but on the other hand—and I think you will agree that we could not do less—we remove the artificial provision which provides a maximum annuity of $720.

Mr. CELLER. You make the retiring age 65 years?

Mr. ROGERS of Massachusetts. Sixty-five.

Mr. CELLER. And the clerk in Washington in the field service is retired at 70 years of age?

Mr. ROGERS of Massachusetts. There is added a provision that the Secretary of State may retain any man for five years if he finds it wise for the country so to retain him.

I call to the attention of the gentleman the fact that the kind of service which these men must render involves going to the Tropics; it involves very difficult and unsettling changes in the mode of life. The consensus of opinion was that the country was better off to retire them, as a general rule, at 65. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. COLLINS rose.

The CHAIRMAN. Is the gentleman from Mississippi opposed to the bill?

Mr. COLLINS. I am.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi in opposition to the bill.

Mr. COLLINS. Mr. Chairman, I am always more or less reluctant to oppose my colleagues on the committee, but in this instance I can not see my way clear to join with them in support of this measure. This bill does not confer upon the Secretary of State any additional power except to increase the salaries and emoluments of these officers. There is no power that is given in this bill, except to grant pay increases, that the Secretary of State does not now possess. In order to let you know the extent of these pay increases so that you may determine whether or not you are willing to grant them, the bill provides that the clerks in embassies are given a maximum salary of $9,000 a year. Consuls general of a certain class are likewise given $9,000 a year.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Let me finish my statement first. The existing salaries of clerks in embassies range from $2,500 to $4,000 per annum. This bill increases the salaries of these clerks so that in the future they will range from $3,000 to $9,000 per annum. In other words, there is an increase of more than 100 per cent in some of the salaries.

The bill is framed more in the interest of diplomatic employees than consular. There are two consuls now who receive $12,000 a year, and there are others who receive $8,000 and on down to the minimum of $2,500 a year. Of course, increases are granted to consular employees, too, but not to the extent granted to diplomatic clerks. It is a pay increase bill, and that is all there is to it.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Not now. That is not all it does for this foreign force. It gives them a retirement allowance with a maximum of $5,400 a year—not beginning with those who are to serve 10 or more years in the future, but providing that a man can retire at the present time, if he has served a given length of time, and can begin drawing this $5,400 a year as a retirement allowance for the rest of his natural life, without having paid anything for this pension. You gentlemen know where this is going to lead. You know there will not be an employee in any of the departments of the Government who will not contend for similar retirement allowances in the future. If we are willing to open the doors and grant such retirement allowances, well and good; but as for me, I am not going to vote for them.

Do you realize that certain clerks in certain embassies will draw more salary than a United States Senator or a Member of this body? I have not yet reached the point where I think a clerk in an embassy is more valuable to this Government than a Member of the House or a Member of the United States Senate, nor that some of them of a lower order termed "cookie pushers" by Minister Hugh Gibson are worth from $6,000 to $8,000 per year to us.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Not now.

Mr. KING. What is a cookie pusher?

Mr. COLLINS. He is a cake eater. That is not all that these young gentlemen will receive under the provisions of this bill. This does not fully satisfy them. They are given what is termed a "representation allowance." A representation allowance is very much more than a post allowance. Any sort of expense that can be imagined can be listed under the head of representation allowance. Let me read to you what Mr. Carr's definition of representation allowance is, page 156 of the hearings:

> A representation allowance is an allowance which has its origin in the practice of foreign Governments. It may cover furniture and furnishings for the official residence and the rents of the officer's residence. It may cover entertainment; it may cover an allowance for receptions on the annual 4th of July celebration; it may cover an allowance for expenses for official entertainment given to officers and commanders of our fleets when they visit foreign ports; it may cover various outlays which the head of the mission or a consulate makes in properly representing his Government.

I noticed a few days ago where the price of a court uniform, including the short trousers commonly worn in some of the embassies of Europe, is $640. Under this bill our ambassador can pay for such uniforms.

Mr. CELLER. Are those golfing trousers?

Mr. COLLINS. No; I think they are called "spoofing" trousers. It may be said that this representation allowance goes to the head of the mission. This is not the case. It is worded so as to take care of any expense whether incurred by the head of the mission or by a clerk in the mission. He can spend it in any way he pleases, he can allow a part of it to his clerks if he desires, he can spend it himself. Throughout the hearings there runs the suggestion that ambassadors, ministers, and clerks should be allowed representation allowance.

We now come to the question of the increased cost to the Government as a result of this salary bill. Mr. Hughes testified that the additional pay of the men now in the service would be $495,000—page 15 of the hearings. In addition to this the retirement allowance will ultimately reach the amount of $504,000 per annum—page 120 of the hearings. The cost of representation allowance will be the full amount that these gentlemen will be able to get the Appropriations Committee to grant them. It will increase, as we know, as the years go by. Therefore we will have to begin with an approximate increase of about a million and a half dollars a year in salaries and perquisites. I do no believe such increases are warranted.

Some one said something about the character of these young men and that only the sons of rich men can get these diplomatic places. It has been testified in the hearings that in these examinations a thorough inquiry as to the ancestry of the applicants is made in order to find out the eligibility of the person applying.

Mr. ROGERS of Massachusetts. I wish the gentleman would read the passage to which he refers.

Mr. COLLINS. I shall certainly do it. Mr. Wright, on page 52 of the hearings, said:

> They must possess that peculiar adaptability, breeding, character, personality, education, intelligence, poise, and common sense which I suppose one might consider as a rather broad definition of diplomacy.

Of course, all this does not refer to the Consular Service.

Mr. ROGERS of Massachusetts. The gentleman would not conclude from Mr. Wright's testimony, I am sure, that there was any question of pedigree involved.

Mr. COLLINS. Let me read on and see if there is:

> In other words, he has to establish with the Department of State sufficient bona fides as to his reputation and antecedents, and we look closely into it by various ways after the designation to take the examination. He then takes the examination.

This is on page 60.

Another instance:

> Because in the majority of these instances we have some of our more confidential means of examination to follow up each individual and find out what his or her antecedents are.

This is on page 60 of the hearing, Mr. Wright still testifying.

Mr. KING. Mr. Chairman, will the gentleman yield there?

Mr. COLLINS. I do.

Mr. KING. I am very much interested in that phase of the gentleman's speech. I was just wondering if the younger son of General Wood, who has recently gone to Paris and who previously made several million dollars on the stock exchange,

first instincts of a business training. He never knew anything and hazardous service of prime importance to the United States.

and who last week entered the races in France, will have a chance to enter the foreign service? I wonder if he would be considered as a capable man to represent us abroad?

Mr. ROGERS of Massachusetts. I want to ask the gentleman if he is not confusing antecedents and ancestors? Of course those are entirely different.

Mr. COLLINS. Perhaps the gentleman remembers the full statement made by Mr. Wright.

Mr. ROGERS of Massachusetts. "Antecedents" goes no further than any prudent employer would require.

Mr. COLLINS. These words are synonymous used in this way, but I think the gentleman understands what Mr. Wright means.

Mr. ROGERS of Massachusetts. I do.

Mr. COLLINS. Now, gentlemen, this bill increases the salaries of these young men in the Diplomatic Service to an extent very much larger than those employed in any of the other departments of this Government. These salaries are greater than those paid some of the best men occupying exalted positions in Washington.

The sponsors of the bill say we want interchangeability between the Consular Service and the Diplomatic Service, and that is their excuse for these salary increases.

This right of interchangeability exists now. But imagine placing a consul in a diplomatic clerkship! He is unfitted for such a place, and hence there will be no such transfers. And it is hinted throughout the hearings by Mr. Gibson and others that transfers would be very unwise. If we do have any, they will be few and of little consequence.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. WAINWRIGHT. I would like to ask the gentleman if he has personally visited many of our consulates to see the caliber and class of young men who are serving in them?

Mr. COLLINS. Yes. I have visited a great many of them. I have nothing to say about the gentlemen in these consulates. If this bill dealt entirely with consuls and consuls general, I perhaps would favor the provisions for increased salaries. But this bill is not in the interest of consuls and consuls general. It is in the interest of clerks or secretaries in the embassies. That is all there is to it.

Mr. TABER. Does the gentleman mean by "clerks" the secretaries to embassies?

Mr. COLLINS. Yes; clerks, counselors, and so on.

Mr. TABER. The men next to the chargé and ambassador?

Mr. COLLINS. That is the counselor.

Mr. TABER. And the secretary of the embassy is next in charge.

Mr. COLLINS. The secretary comes next to the counselor.

The CHAIRMAN. The time indicated by the gentleman has expired.

Mr. COLLINS. I yield myself five more minutes.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. WAINWRIGHT. Does the gentleman mean to say that it is possible to-day, under the present regulations of law, for these young men in the Consular Service, where there are very splendid young persons of education, ability, and force—that it is possible for them to be appointed to diplomatic positions such as secretaries of legations?

Mr. COLLINS. It is the testimony of witnesses appearing before the committee. Officials of the State Department testify that this bill gives the Secretary of State no powers that he does not now possess. See Mr. Gibson's testimony on page 22 of the hearings. Also on page 101. He and others who testified should know. Anyway, I am assuming that they do.

Mr. WAINWRIGHT. My understanding is that the main purpose of this bill is to tone up the Diplomatic Service

Mr. COLLINS. It is "to tone it up" by toning up their pocketbooks at the expense of the American people, and that is the only way the service is toned up.

It is testified by everyone that came before the committee that the Consular Service and likewise the Diplomatic Service of our country is the best of all of them. Only one witness made an exception, and he testified that England's service was perhaps equal with ours. Now, if our service is the best—and that is the preponderance of the testimony—why is it necessary to change it? And will this bill make it better? I doubt seriously if an increase in the salaries of these gentlemen will improve the service. And that is all this bill does. There is not a feature of the bill, including the retirement feature, but is written in behalf of the man in the service. All questions of doubt are resolved in favor of him, and none in favor of the Government, and all are at Government expense. If we voted ourselves similar benefits it would defeat nine-tenths of us.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. LAGUARDIA. Is it the policy of the Government to pay these young men so that they will be fitted to become diplomatic officers? And if so, is it not necessary to give them decent salaries?

Mr. COLLINS. Yes; but there are thousands of clerks in this city that do infinitely more work than do the clerks of missions that do not receive one-third the salary these men will receive; and the mere fact that they happen to be stationed in a foreign country where we can not see them is no reason why we should prefer them over those that we do see every day.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. KING. I was much impressed by the statement of the gentleman from Massachusetts [Mr. ROGERS], where he said this was the first bill that ever came before the Congress that will give a meritorious young man a chance to get into the foreign service. Will you explain how that is made possible under this bill?

Mr. COLLINS. There is not a syllable in this bill that will change the present method of selecting consuls and secretaries in embassies and legations.

Mr. CELLER. Is there not a provision made for a basic or starting salary of $3,000 instead of $2,000, and is not that an inducement for a man in more humble circumstances to enter the service?

Mr. COLLINS. Well, if you believe the way to tone up the foreign service of this Government is to more than double the pay of some in it and otherwise raise the pay of all of them, then it will be your duty to vote for this bill, because that is what it does.

Mr. CELLER. In addition to a feature not adverted is there not the additional feature of retirement under which a man who has been in the service many years can realize that when he gets old and gray in the service he will be able to retire on a pension?

Mr. COLLINS. As a Member of Congress I would like to be able to retire on a pension, but I will not vote for one for Members of Congress.

Mr. CELLER. I think we ought to be able to retire on a pension if we are here long enough.

Mr. COLLINS. I am not in favor of giving a clerk in an embassy $1,500 more in salary than a United States Senator or a Member of this House and in addition giving him a retirement allowance of $5,400, and a representation allowance, too.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ROGERS of Massachusetts. The increase of salary is 21 per cent and not 100 per cent, as the gentleman stated.

Mr. COLLINS. Mr. Chairman, I yield myself one minute more in order to answer that statement. The maximum salary paid clerks in the Diplomatic Service is $4,000 per annum. This bill fixes the maximum at $9,000 per year. This is more than 100 per cent increase. The increases in bulk, according to Secretary Hughes, in salaries alone, are $495,000.

Mr. ROGERS of Massachusetts. That was last year's testimony and has been corrected.

Mr. COLLINS. No; it is in this year's testimony. If the gentleman will turn to page 15 he will find this statement made by Secretary Hughes:

> Under the proposed combined service the 641 officers will receive a total of $2,807,100, which, you will see, is about $495,000 increase.

This testimony was given January 14, 1924.

Mr. ROGERS of Massachusetts. But the gentleman has not checked off the post allowance to which I called attention in my remarks.

Mr. COLLINS. But the post allowance will be more. Representation allowance includes post allowance and the representation allowance is a larger and broader term, and hence appropriations will be increased to take care of this added expense. [Applause.]

Mr. LINTHICUM. Will not the gentleman yield himself one minute in order that I may ask him a question?

Mr. COLLINS. Mr. Chairman, I yield myself one more minute.

Mr. LINTHICUM. I notice on page 5 of the report that the Diplomatic Service receives $2,360,000 plus and the Consular Service $4,978,000 plus, making a total of $7,300,000. Now, the total increase under this bill is $345,000.

Mr. COLLINS. I do not admit that.

Mr. LINTHICUM. The gentleman may not admit it, but that is a fact. Now, then, if you will take 5 per cent of the $7,300,000 you will get just about $345,000, so that the salary increase at the utmost is not more than 5 per cent.

Mr. COLLINS. Well, Secretary Hughes, in the statement I have just read, says the salary increase is $485,000. Mr. ROGERS has just admitted the increase is 21 per cent. I contend that it will be infinitely greater than this.

Mr. LINTHICUM. But from that you take $180,000 for post allowance.

Mr. COLLINS. No; only $150,000 is now appropriated for the post allowance, and this bill provides for a representation allowance, which is a broader term and covers more subjects than post allowance. Post allowance covers only a difference in exchange rates.

Mr. LINTHICUM. They have always had that.

Mr. COLLINS. No; it was started during the last war.

Mr. PORTER. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. MOORE.]

The CHAIRMAN. The gentleman from Virginia is recognized for 10 minutes.

Mr. MOORE of Virginia. Mr. Chairman and gentlemen of the committee: I do not expect to take 10 minutes in discussing this matter. I discussed it quite in detail in February of last year, when the bill was then under consideration; and it is necessary for me to attend a meeting of a special committee very soon, which will prevent me from remaining here.

But there are just two or three observations I would like to make. The whole purpose of the bill is, somebody has said, to tone up our foreign service, but I prefer to say it is to strengthen and invigorate our foreign service. That is the only purpose which existed in the mind of the committee which reported the bill and that is the only purpose which can exist in the minds of any of the advocates of the measure so far as I know.

This country is in many ways dependent, as we all know, upon a proper representation of our Government abroad, and we should desire to make that representation as satisfactory as possible.

There were elaborate hearings, as gentlemen have said, before the Committee on Foreign Affairs, and there was no contest among those who appeared as to the propriety of doing what we have in view as proper to be done. On the contrary, as has been said, men of great distinction, and men of less distinction who have more practical knowledge, came before the committee and urged that the bill be favorably reported. I wish to quote an utterance, a very striking utterance, made by one of the outstanding men of the country, for whom I have personally the highest admiration and respect; a man who has always served successfully in the positions which he has occupied and who will serve successfully in any positions to which he may possibly hereafter be called. I refer to Mr. John W. Davis.

Mr. Davis appeared before the committee, not to accomplish any selfish end, but to give the committee the benefit of the experience which he acquired while ambassador in London in contact with consular and diplomatic officials. Not to quote him at length, I confine myself to one specific utterance of his relative to the foreign service. He said:

> Speaking generally, of course, the diplomatic branch of that service is the first line in the country's defense, and the Consular Service is the spearhead of the country's trade.

The design of the measure is to make the Consular Service and the Diplomatic Service as effective as is possible. There are many things of importance we are called on to deal with, but is not that a matter of major importance in view of our widening relations with other nations and in view of the fact that so much of our future prosperity and happiness depends upon maintaining the right sort of relations with other nations?

So far as the expense is concerned—and the expense seems to be the thing which is troubling some Members—the bill increases the total salaries to the extent of $345,500 annually. Further, it provides an initial payment of $50,000; the Government is to contribute nothing more to the retirement fund for 20 years, and at the end of 20 years may make a contribution of $48,000. Even so far off as 1965 the total expense to the Government on account of retirement payments will be only $260,000. And bear this in mind, that as shown by the record of the past—and we can predicate upon that a prophecy for the future—with the extension of our foreign business the fees that will accrue to our officials located in foreign countries will increase, so that in all human probability in the near future it will be found that the entire service will be as self-sustaining as the Post Office Department.

Mr. CELLER. [illegible]

Mr. MOORE o[illegible]

Mr. CELLER. [illegible] he expressed some [illegible] tirement feature. I pre[illegible] doubts on that score and I would [illegible] come from. Were there any actuaries [illegible] ment provisions with reference to the contribution [illegible] by the Government?

Mr. MOORE of Virginia. Yes; Government actuaries worked upon the matter and the committee had the benefit of their statements. I do say, frankly, to my friend, that I had doubts about making the retirement payments as large as they are, but I have waived those doubts for several reasons, and one reason, as I stated a moment ago, is that I think the entire liability on that account is going to be taken care of by the fees collected by our officials who serve in diplomatic and consular offices.

Mr. CELLER. Were the consular agents and the diplomatic officers consulted with reference to the 5 per cent contribution? That is a very large contribution.

Mr. MOORE of Virginia. They were not consulted but the fact is that so far as I know, and I get my knowledge very largely from publications in which they are interested, this bill has their approval, notwithstanding the fact that the 5 per cent payment exacted of them is 2½ per cent in excess of the payment made by the Lehlbach law.

Mr. PORTER. If the gentleman will yield, may I say for the information of the House that this bill has the unanimous approval of all the men in the foreign service.

Mr. MOORE of Virginia. A great majority of this House the other day—I did not happen to be included in the majority—said, "We wish not only to relieve suffering, but to put ourselves on a better footing with one particular foreign nation by making a gift of money to the people of that nation."

The House voted $10,000,000 for use in Germany. It will take a long, long time, it will be a long road to travel, before the increases that are provided by this measure will ever total that amount.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. CONNALLY of Texas. I yield five minutes more to the gentleman from Virginia.

Mr. WAINWRIGHT. Will the gentleman give way for one question?

Mr. MOORE of Virginia. Certainly.

Mr. WAINWRIGHT. Is it not the real purpose of this bill to start the men at a somewhat higher salary and give them a somewhat higher salary throughout their career, so as to attract to this unified service a grade of men who will probably be better fitted for the two functions of consular officer and diplomatic officer?

Mr. MOORE of Virginia. That is true. Mr. Davis in his testimony says that young men continually came to him at his office in London and asked whether they should remain in the foreign service, and he always inquired as to their pecuniary condition. We want to cut out the necessity of that by paying men fair salaries and fairly assisting them after they are compelled to retire.

Just one further suggestion. Everybody knows that our principal competitor among the foreign nations is Great Britain. Everybody knows how at this time we are endeavoring to build up and maintain a merchant marine that can successfully compete with Great Britain. This bill in dealing with the Diplomatic and Consular Service will merely approximate what Great Britain has found necessary in order to carry on her business with other nations. If this bill is passed, still the Americans will receive lower salaries than the Englishmen who serve their country in other countries. If this bill is passed the retirement provisions will be less liberal than those that are made for the Englishman. The Englishman who enters the foreign service receives a larger retirement allowance and is not required to make any contribution to it; and the law of England does one thing that is not contemplated here, namely, it makes special provision for the men of that nation who serve in countries where climatic conditions injuriously affect their health so that they are compelled to forego any active work.

Mr. BLANTON. Will the gentleman yield?

Mr. MOORE of Virginia. Of course, to my distinguished friend.

Mr. BLANTON. The distinguished gentleman from Illinois, Mr. Cannon, served the country faithfully in this House on this floor for 44 years.

Mr. MOORE of Virginia. Yes.

Mr. BLANTON. And he is now at home, making his own living, without a single dollar contributed by the Government toward his support. Why are these people entitled to more consideration than Uncle Joe Cannon?

Mr. MOORE of Virginia. And the men who are on the retired list of the Army and Navy are given allowances which our eminent friend, Mr. Cannon, does not enjoy, and in order that this Government may function properly; that it may not break down; that we may hold up the institutions which our fathers have created, the law has established retirement allowances for the civil employees of the Government.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. MOORE of Virginia. I will.

Mr. SHALLENBERGER. Has the gentleman made any estimate of the cost of its representation allowance, or the probable cost of that per year?

Mr. MOORE of Virginia. I will say to my friend that post allowances are made now, but are not proposed by the bill. The bill carries a general provision for representation allowances.

The CHAIRMAN. The time of the gentleman from Virginia has again expired.

Mr. CONNALLY of Texas. I yield the gentleman one more minute.

Mr. MOORE of Virginia. I think, Mr. Chairman, that this bill, which has been considered more carefully than any bill that has come before the Committee on Foreign Affairs during my membership on that committee, is altogether in the right direction, and I trust that so far as its main object is concerned, at least, it will receive the approval and the support of the House. [Applause.]

Mr. PORTER. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, I am very much in favor of this bill. I believe it is the greatest step we have made in our Diplomatic and Consular Service in many years.

I feel that the very fact that we are consolidating the Diplomatic and Consular Service into one class will do more to democratize this service than any other one thing will do. It provides that the men shall be appointed to a class and not to any particular position. It provides that they can be changed from one post to another, that a man who has shown great aptness and ability as a consul may on recommendation by the department as fitted for a minister be so appointed. It provides that men may be transferred from the Diplomatic Service to the Consular Service and vice versa; in other words, it puts this entire foreign service in one class, to be known as "the foreign service" of the United States.

We all know just what the Diplomatic Service has been and what the Consular Service has been. It is no secret that there has been no commingling of interests. We know that members of the Diplomatic Service are invited to functions to which a man in the Consular Service could never hope to aspire in a lifetime. But under this bill the man who is a consul to-day may become a minister to-morrow. Under this bill a man who is secretary in the Diplomatic Service may be in the Consular Service to-morrow, and so these offices are interchangeable from the diplomatic to the consular and from the consular to the diplomatic and the whole service is democratized, and for that reason is more accessible to the people.

I heard the speech of the gentleman from Mississippi in which he said there was a great increase in salary. I find by looking at the report that the total cost of the Consular Service and Diplomatic Service amount to $7,300,000. And the total increase, after you deduct $150,000 now appropriated for host allowances, amounts to $345,000. In other words, just about 5 per cent increase in expense to the Government.

Now, I am sure that every member of this committee is very anxious that we should have the very best foreign service of any nation in the world. I am sure that you would like to equal the salaries of our greatest competitor, Great Britain, if it were possible to do so. And yet all down the line we find Great Britain is giving far more to her consuls and to her diplomats than we are giving, in many instances twice as much. The consequence is that she is forging ahead with her great world commerce.

Mr. TEMPLE. Will the gentleman yield?

Mr. LINTHICUM. I yield.

Mr. TEMPLE. If I understood the gentleman correctly, he inadvertently overstated the salary. In the report on page 5 the total salaries of the Diplomatic and Consular Service amounts to $2,807,105.

Mr. LINTHICUM. I was talking about the total expenses, and I take it from page 5 of the report.

Mr. TEMPLE. The total expenses and not the salaries?

Mr. LINTHICUM. Yes.

Mr. BANKHEAD. Will the gentleman yield?

Mr. LINTHICUM. I will.

Mr. BANKHEAD. I have been very much interested in the merchant marine. It has developed before the Merchant Marine Committee and also the special committee of which I am a member that the matter of developing the foreign trade very largely depends upon an efficient commercial or consular agent in the foreign markets. Does the gentleman think the development of the foreign service will have a tendency to increase commercial enterprises abroad?

Mr. LINTHICUM. I believe the adoption of this bill will establish our foreign relations upon a different basis and give us a greater and more efficient and more enduring service abroad which must benefit our foreign trade.

What I mean by more enduring is this: We have provided for retirement, and by doing so a man can enter the foreign service and he knows that that is his life's work if he so desires. He can have it until he is 65 years of age, and if he has performed 15 years' service he can retire with a substantial allowance. So I believe that while young men now enter the service and continue therein a certain time and then have to do what many Members of Congress are compelled to do, leave the service and go back home in order to provide for a competency, with this retirement feature they know that in the years to come they will have a retirement competency upon which to live. For this reason they will continue in the service and make it a life work, a more enduring work.

The gentleman from Texas has just mentioned our good friend Uncle Joe Cannon. There is no one in the House who would not like to see him receive a retirement sum if it did not involve retirement features for all Members of Congress. But I heard on the floor of this House when the gentleman from Texas was talking against an increase of salary which might have helped him—I heard Uncle Joe get up and say that he was opposed to increasing the salaries because he thought it was unwise.

Mr. BLANTON. Will the gentleman yield?

Mr. LINTHICUM. I will.

Mr. BLANTON. The gentleman is mistaken about the increase. If he will look at page 5, the increase in this bill is $241,500 for salaries for the Consular Service increase, and $254,000 in the Diplomatic, making a total of $495,500, but they say if we abolish the post allowance that will take off $150,000. If they abolish the post allowance they are authorizing the Appropriations Committee to make a representation allowance with the blue sky as the limit.

Mr. LINTHICUM. Oh, I think the Congress can take care of any blue sky limit on the question of the representation allowance. The intention of this bill is to discontinue the $150,000 post allowance, and thereby reduce it to about $345,000 additional expense. I was speaking a moment ago about the salaries paid by Great Britain, and she is no more able to pay competent salaries than is the United States. Certainly we owe a competency to our men in the foreign service. Take the matter of ambassadors and ministers. The ambassador of the British to Portugal receives $19,466 a year, while the United States representative receives only $10,000. The British ambassador to Uruguay is paid $20,439 as salary and the one from the United States is paid $10,000.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield for a comment there?

Mr. LINTHICUM. Yes.

Mr. ROGERS of Massachusetts. The British foreign service costs between eight and nine million dollars per year, whereas at the present time ours is operating at a profit.

Mr. LINTHICUM. The gentleman from Massachusetts is quite right; besides I think the foreign service is worth every dollar that you spend upon it. It is the great market-producing service of any country.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. In a moment. Our farmers are suffering to-day. Why? Because we have not sufficient foreign markets. I believe that if we encourage this foreign service, give them efficient men and sufficient salaries on which to live, give them retirement which guarantees a competency when they are too old to work, that these men will go out and get the trade for the United States, and the trade in our foreign markets will rapidly increase I yield to the gentleman.

Mr. BLANTON. The gentleman spoke of Great Britain paying $20,000 to a representative in Uruguay.

Mr. LINTHICUM. Yes.

Mr. BLANTON. Possibly that is why she asked for sixty-odd years in which to pay her debt to the United States, and if she would pay a little more attention to what she pays out in expenses, she would not have to ask for so much time.

Mr. LINTHICUM. That is a question, and carries an insinuation, that any gentleman might ask, but there is no basis for it, of course. Great Britain has sixty-odd years in which to pay this enormous sum of $4,000,000,000. Possibly she did that because she did not want to discontinue any of her great activities, and it is true that many countries during the war, with the tremendous expense that they were under, never neglected those things upon which the nation depended for its trade and commerce.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. SHALLENBERGER. In addition to the salaries paid, does Great Britain allow to her ambassadors and representatives a representation allowance?

Mr. LINTHICUM. Oh, yes; every country practically does that, and Great Britain allows more as a retirement fund than we do under this bill.

Mr. SHALLENBERGER. Does she allow enough to pay the entire expenses so that a representative does not have to go into his own pocket as ours do?

Mr. LINTHICUM. I think that is a matter which depends very much on the particular individual.

Mr. SHALLENBERGER. Is it the idea of this proposed law that the Government will pay the necessary expenses of our representatives in foreign countries hereafter?

Mr. LINTHICUM. It is the intention to pay the necessary expenses, but the amount of money that a man spends depends very largely on himself. Take the case of a Member of Congress. Some men entertain and some men do not, and their expenses necessarily vary.

Mr. SHALLENBERGER. In the statement of Mr. Davis in your report, I read that he said that his necessary expenses were something like $50,000 when he represented us in London. Is it the idea that under this bill such expenses would be paid?

Mr. LINTHICUM. Oh, no; those expenses must be within reason and subject to congressional appropriations. The ambassador gets $17,500 under this bill just the same as he does now, but of course no man can represent the United States at the Court of St. James as he should upon the salary which the United States pays him. If he did, it would be extremely poor service.

Mr. SHALLENBERGER. Is it contemplated under this bill, with this authority, that the Government will take care of those expenses?

Mr. LINTHICUM. The Government will take care of some of them, but it would not take care of all of them.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. CONNALLY of Texas. If the gentleman will permit, representation allowances are authorized under the bill so that it would depend somewhat upon the Committee on Appropriations. That committee could appropriate any amount that it saw fit.

Mr. LINTHICUM. Of course the committee could, but Congress does not divest itself of the right to appropriate or refuse appropriations.

Mr. CONNALLY of Texas. I suggest that, because the gentleman from Nebraska asks the question, and I thought he should receive the information.

Mr. LINTHICUM. Congress can do it now, if it feels so disposed.

Mr. CONNALLY of Texas. Oh, no; there is no authorization for it.

Mr. SHALLENBERGER. It seems to me that that is a matter which very much needs to be corrected, so that our representatives may be reimbursed for the necessary expenses they have to incur. I hope that under this bill that will be the fact.

Mr. LINTHICUM. Under this bill Congress can appropriate the money to meet the necessary expenses.

Mr. McSWAIN. In other words, it is the idea of this bill to make it possible for a poor man, if he has the brains and character, to go over there and represent the Nation.

Mr. LINTHICUM. Absolutely, and if he is in the Consular Service the idea is that he can be promoted to the position of minister. Now, as to the retirement, I do not believe the retirement feature is really going to cost this country anything, because, as the gentleman from Virginia [Mr. MOORE] said, after the first appropriation of $50,000 made in the bill, then there will be no further necessity for appropriation for 20 years, and then probably about $48,000. I believe that the increased business that the Consular Service will bring will more than take case of its total expense, including the retirement fund.

It almost does it now. It takes care, within $400,000, of all the expenses of the service, and, I think, with all the traveling public and with the increase of business the service will develop to a sufficient extent to take care of all the expenses, including the retirement feature, before it becomes a charge upon the Government.

When we realize the importance of our foreign service not only in our relations with other nations in diplomatic matters but also the importance of our trade relations through which we can build up a large foreign trade, thereby helping to dispose of the products of our farms and factories, it is difficult to realize how little interest is taken in the subject in comparison with those matters nearer home.

We have recently established a very satisfactory retirement system for our civil employees in this country, and yet there is great opposition when we attempt to establish such a system for those of the foreign service, who are separated from their homes in America, sent to foreign fields and shifted from place to place, thereby preventing them from either establishing a permanent home or making those necessary savings for old age.

I feel that if we can establish our foreign service on a basis of satisfactory salaries, with representation allowance where deemed advisable, and then afford them retirement with a competent fund, we will not only draw good men into the service, realizing it would be a life work in the interest of the Government, but we will also build up such a system as will not alone reflect great credit upon our country but at the same time great markets for our products.

I have shown that the increase in salaries is extremely small, and I hope I have demonstrated that the service itself within the next few years will provide all the funds necessary not alone for the present service but for all additional expenses incurred under this bill. We have charged the salaries of members of the foreign service 5 per cent, to be paid into the retirement and disability fund for annuities, refunds, and allowances. At such a high rate of payment this fund will rapidly increase and after the appropriation of $50,000 authorized in this bill, will not likely cost the Government anything for the next 20 years.

This has been figured out by expert accountants, and I append their statement, giving full particulars of the cost to the employees of the foreign service and the eventual cost to the National Government:

FOREIGN-SERVICE RETIREMENT SYSTEM

Statement showing estimated annuities payable to foreign-service officers under the proposed retirement system prior to the year 1945 which will be paid solely from the contributions, with interest thereon, of such officers

Fiscal year ending June 30—	Annuities payable during year	Available retirement fund from contributions with interest compounded at 4 per cent	Balance after payment of annuities	Necessary appropriation
1925	$61,176.41	$143,719.85	$82,543.44	$50,000.00
1926	71,791.67	229,405.80	157,614.13	
1927	80,806.60	307,343.20	226,476.60	
1928	86,653.43	375,873.36	292,219.93	
1929	93,260.35	446,654.93	353,394.58	
1930	97,131.26	510,257.20	413,125.94	
1931	101,759.00	572,762.10	471,003.10	
1932	111,163.40	632,812.27	521,648.87	
1933	116,355.09	665,406.97	549,051.88	
1934	129,925.29	734,502.58	604,577.28	
1935	141,961.55	771,268.00	629,316.95	
1936	149,410.66	796,989.63	647,578.97	
1937	164,715.13	815,962.13	651,247.00	
1938	179,978.65	819,817.06	639,839.13	
1939	199,987.14	807,932.70	607,945.56	
1940	212,814.00	774,763.38	561,949.38	
1941	232,009.55	726,927.36	494,827.81	
1942	268,431.01	657,120.92	408,689.91	
1943	295,266.43	567,537.51	302,271.08	
1944	308,209.60	456,861.92	148,652.32	
1945	346,050.10	297,098.00		48,951.69

The salary increase will amount to about 14 per cent over the present salaries paid, but this will give to the service a stability the value of which can not possibly be estimated. At the present time the salaries are so low that men finding it impossible

to exist under present conditions and being fully equipped through their service with the Government are compelled by reason of their financial condition to enter the employ of private individuals and corporations, thereby depriving the Government of those very men who were educated in the service and who have become so valuable.

Individuals and corporations may continue to outbid the Government on a question of salaries, but, through the retirement system, the increase of salary, the advantages of educational and social features of the foreign service, I believe we will be able to hold our men and that they will feel satisfied to make this their life work, thereby affording the Government men of exceptional training, ability, and experience.

It is not my desire to increase salaries except where it is found necessary and where other governments have found it to their advantage to pay a salary adequate to the service rendered. I have said that we should like to treat our men as well as our greatest competitor, Great Britain, but we are not compelled fully to do that at this time. While we have under this bill increased salaries, we have not yet by great odds provided as much as Great Britain. For the benefit of comparison I have appended the following statement:

Comparative statement showing salaries of ambassadors and ministers at important posts

	Great Britain	United States
Cuba	$19,012	[1] $12,000
Czechoslovakia	19,466	10,000
Denmark	21,899	10,000
Egypt	[1] 58,398	7,500
Esthonia, Latvia, and Lithuania	18,006	10,000
Finland	18,735	10,000
France	[1] 80,297	17,500
Germany	[1] 38,932	17,500
Great Britain		17,500
Greece	19,466	10,000
Italy	[1] 38,932	17,500
Japan	[1] 29,199	[1] 17,500
Mexico	14,599	[1] 17,500
Netherlands	[1] 24,332	12,000
Norway	21,899	10,000
Panama	15,572	[1] 10,000
Persia	24,332	10,000
Peru	18,102	17,500
Poland	27,252	12,000
Portugal	19,466	10,000
Rumania	19,466	10,000
Serbs, Croats, and Slovenes	18,979	10,000
Siam	14,599	[1] 10,000
Spain	[1] 29,199	17,500
Sweden	21,899	10,000
Switzerland	[1] 18,248	10,000
Turkey	[1] 42,581	[1] 17,500
United States	[1] 97,330	
Uruguay	20,439	10,000
Venezuela	14,599	10,000

[1] Residences owned by Government and supplied in addition to salary.

This comparison does not alone apply to the Diplomatic Service, but likewise to the Consular Service of the two countries, and for that reason I append statement showing salaries paid by these two great nations to their principal consular officers, to wit:

Comparative statement showing salaries of principal consular officers at important posts

	Great Britain	United States
Argentina:		
Buenos Aires	$11,922	$8,000
Rosario	7,907	3,500
Austria, Vienna	6,325	3,500
Belgium, Antwerp	9,246	4,500
Brazil:		
Bahia	8,394	4,000
Para	9,124	5,000
Rio de Janeiro	12,166	8,000
Chile, Valparaiso	11,679	5,500
Denmark, Copenhagen	6,569	5,500
Ecuador, Guayaquil	6,812	5,500
France:		
Bordeaux	6,447	4,500
Havre	6,569	5,500
Lille	6,325	4,000
Lyon	6,569	5,000
Marseille	9,246	5,000
Paris	9,246	12,000
Germany:		
Berlin	9,002	6,000
Cologne	9,002	4,500
Hamburg	8,759	4,000
Munich	6,325	2,500
Great Britain, London		12,000

Comparative statement showing salaries of principal consular officers at important posts—Continued

	Great Britain	United States
Greece, Athens	$6,325	$5,500
Italy:		
Genoa	9,246	5,500
Milan	9,246	5,000
Naples	9,246	5,000
Palermo	6,447	4,000
Mexico, Mexico City	8,273	[1] 5,000
Netherlands:		
Amsterdam	6,325	5,000
Rotterdam	9,246	8,000
Norway:		
Christiania	6,569	5,500
Bergen	6,325	4,500
Paraguay, Asuncion	6,813	4,000
Poland, Warsaw	6,447	6,000
Portugal:		
Lisbon	6,325	4,500
Lourenco Marques	8,515	3,500
Rumania, Bucharest	6,447	5,000
Russia:		
Moscow	9,246	[1] 5,500
Petrograd	7,664	[1] 3,500
Spain:		
Barcelona	9,246	5,500
Madrid	6,447	2,500
Sweden:		
Goteborg	9,246	3,000
Stockholm	6,447	8,000
Switzerland:		
Geneva	6,326	3,500
Zurich	9,246	8,000
Turkey:		
Constantinople	8,759	8,000
Beirut	8,759	4,000
Smyrna	8,759	5,500
United States, New York	26,035	

[1] Office now closed.

I look upon this bill as a great step in advance for another reason: It has heretofore been almost as difficult for a young man to enter the Diplomatic Service and continue therein without having private means of his own or private means accessible as it is for the scriptural "camel to go through the eye of a needle," owing to the expense and the low salaries. The State Department has been compelled to so inform applicants who wish to enter the service. The Consular Service has had to refuse applicants who were married, because the salary of deputies and clerks was not sufficient to maintain them. A deplorable situation for a country like the United States to say the least.

The increase provided in the bill with the representation allowance will enable men of brain and ability who are without private means to represent the United States as well as those men who have private means. [Applause.] Furthermore, the progressive action taken by Congress in the provision of legation and consular buildings in the various countries provides a home and offices for the representatives of the United States, which is another great adjunct to the service. [Applause.]

When I came to the Sixty-second Congress, which convened in 1911, I, together with other gentlemen, constantly advocated the purchase of embassies, legations, and consular buildings in the various countries of the world. I am pleased to say that we have received much support and attained great success in the movement. The United States at that time owned but two embassies, that in Constantinople, Turkey, and Tokyo, Japan. It owned several legations and two consulates. It now owns many embassies, legations, and consulates, as shown by the following table:

Embassy, legation, and consular buildings owned by the Government

Embassies	Legations	Consular
London, England.[1]	Pekin, China.	Shanghai, China.[1]
Santiago, Chile.[1]	San Jose, Costa Rica.[1]	Seoul, Chosen.
Constantinople, Turkey.	Habana, Cuba.[1]	Tahiti, Amoy.
Tokyo, Japan.[1]	Panama.[1]	Yokohama, Japan.[1]
Paris, France.[1]	San Salvador, Salvador.[1]	
Rio de Janerio, Brazil.[1]	Bangkok, Siam.	
Mexico City.[1]	Tangier, Morocco.	
	Christiania, Norway.	

[1] Building purchased since the beginning of the Sixty-second Congress.
[2] The Embassy building in Tokyo, and consulate building in Yokohama were destroyed by the recent earthquake, and an appropriation for rebuilding is being requested.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. PORTER. Mr. Chairman, will the gentleman from Texas [Mr. CONNALLY] use some of his time?

The CHAIRMAN. The gentleman has 20 minutes.

Mr. CONNALLY of Texas. Mr. Chairman, I yield to the gentleman from Texas [Mr. BLANTON] five minutes.

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, no man on earth could discuss this bill in five minutes. The committee admits that in salaries alone this bill is giving an increase of $495,500. It admits that in the report. But they say they are taking off some post allowances, and they say they are merely authorizing Congress to grant a representation allowance. I want to ask the distinguished gentleman from Massachusetts [Mr. ROGERS] how could the 400 Members of Congress, if they wanted to, stop the representation allowances after the Committee on Appropriations had brought it in here in a bill? Gentlemen, just try it some time. Just one of you new Members try it; try to change an appropriation bill that has been framed across the hall yonder and brought in here by that committee. You can not do it.

Here we have about 40 Members present on this House floor now. In considering a $24,000,000 bill yesterday we had at one time only 16 Members on the floor. You let one of us get up here and offer an amendment to strike the representation allowance out of the bill brought in by the Committee on Appropriations, and you will see the chairman in charge send in to the cloakroom after the rest of the 35 members of that Committee on Appropriations, and they stand together like the rock of Gibraltar, fighting for their bill, and they will not let you change it at all. They will not let you strike out one word of it. Try it some time. I have tried it. The only way you can strike any of it out is by a point of order when it is unauthorized legislation. Then you talk about Congress allowing it. Congress will allow just exactly what the Committee on Appropriations puts in that bill.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LINTHICUM. Did we not at the last session increase the Army appropriation bill over $20,000,000 for rivers and harbors?

Mr. BLANTON. Yes; but that was when you formed a combine on the committee, and the committee made rather a straw fight on it then. Only a few of us really fought against it. It was a good deal like other fights I have seen here on the floor—straw fights.

I know where the main increases in appropriations are made—in the other body. We never send one appropriation bill away from here but what it comes back with several million dollars added to it. That is where the big increases are made. But as to this bill, no man here and no man on the committee can tell what extra it will cost this Government. As to the annuities, there is a difference of about $500,000 between the idea of the gentleman from Texas [Mr. CONNALLY] and that of the gentleman from Massachusetts [Mr. ROGERS], one claiming one figure and one claiming another. And who knows how much the Committee on Appropriations is going to allow on the representation allowance? Nobody knows.

I am amused every time a Member of Congress gets up here, week after week, and talks for the farmer, for the agriculturist, saying that we must do something for them. We have not done a thing worth while for them this year. As to that petition which the gentleman from Pennsylvania [Mr. DARROW] put into this RECORD, that petition coming from 350,000 farmers, demanding that we stop raising salaries, demanding that we stop increasing appropriations, demanding that we cut down the expenses of the Government, there has not been a bill passed here that complied with the demands of those farmers. I want to say to those farmers right here—because you can not reach them through the newspapers—that in every bill that has been passed on this floor in this Congress so far this Congress has turned down their demands. It has raised salaries, added new employees, and increased expenses in every bill that we have passed up to this time, and it seems we are going to continue to raise salaries on every bill that comes up, because we can not get enough men to vote it down. But this bill ought to be defeated.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Will the gentleman yield me two minutes more?

Mr. CONNALLY of Texas. I yield the gentleman two minutes more.

The CHAIRMAN. The gentleman is recognized for two minutes more.

Mr. BROWNE of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BROWNE of Wisconsin. Why do you not introduce a bill for the benefit of the farmers? You say so many have been introduced. Why do you not introduce one yourself?

Mr. BLANTON. There is not a single day that passes but finds me in my seat here and on the floor fighting for these farmers' petition to reduce expenses.

Mr. BROWNE of Wisconsin. Why do you not introduce a bill yourself?

Mr. BLANTON. Oh, a bill. They do not ask us to introduce a bill. They do not want a bill. They just ask us for one thing, to cut down expenses, and that is what I have been fighting for; to reduce expenses.

I want to say to the gentleman from Wisconsin that if he wants to help the farmer he can help him by doing just one thing: Cut down his expenses and give him a market. That is all he wants.

Why did not this bill become a law in the last Congress?

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. I want to discuss this bill. It passed this House on the 8th day of February, 1923, in the last Congress. They had from the 8th day of February until the 4th day of March to pass it in the Senate. If it is such a good bill, why did they not pass it? Those Senators over there knew that it was a bill that the people of the United States did not want, and they let it die on the calendar.

Mr. ROGERS of Massachusetts. The gentleman knows why it did not pass. There was a filibuster on the shipping bill.

Mr. BLANTON. The gentleman ought not to interrupt me when I have only a minute. This bill ought to die again on the calendar this time.

Twenty men here could stop the passage of this bill if they would get up and fight it; if just 20 of you would stand up here and fight this bill, you could stop its passage; but you will not do it. You sit down there and let it pass, and it is probably going to pass this evening. But we ought to kill it and stop this everlasting increase of salaries and governmental expenses.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PORTER. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has five minutes remaining.

Mr. PORTER. I yield two minutes to the gentleman from Pennsylvania [Mr. SHREVE].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for two minutes.

Mr. SHREVE. Mr. Chairman and gentlemen of the committee, I am strongly in favor of the passage of this bill. There probably never has been a time in the history of our country when our Diplomatic Service, when our Consular Service, and all the other services we have in foreign countries needed strengthening so much as they do at the present time, for the reason that all the countries of the world doing business everywhere have already begun to reorganize their consular, their diplomatic, and their foreign services. The result is we are in direct competition with all the countries of the world.

We are seeking a market in the old countries of the world for our surplus farm and manufactured products. There was a time when we could get along without those markets; there was a time when we were self-sufficient and when we could consume all we could produce, but that time has passed. The World War has changed conditions entirely in this country. Other nations are now changing their foreign policies, are adopting new systems, are becoming vigilant and active in the countries with which we are doing business, and if we are to continue the commercial supremacy of the United States, to which we are so justly entitled, we certainly must be aggressive.

This department has not been reorganized in the last 100 years. I happen to handle the appropriations for this department, and the thing that amazed me all the way through was the low salaries. The gentleman speaks about the increase; it is a mere bagatelle. When you compare it with the great work that is being done by these departments I am satisfied you will pass the bill and pass it without any hesitation. It is right and it is just; it is the one thing that the United States needs at the present time.

We have never been properly equipped in foreign countries. We are to-day adopting some of their systems, particularly the

system of finding and securing business in foreign countries. Our commercial attachés are going abroad and they are finding business everywhere. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CONNALLY of Texas. Mr. Chairman, I yield three minutes to the gentleman from New Hampshire [Mr. ROGERS].

The CHAIRMAN. The gentleman from New Hampshire is recognized for three minutes.

Mr. ROGERS of New Hampshire. Mr. Chairman and members of the committee, I desire to state my approval of this measure for the following reasons: In listening to the witnesses who came before the committee to discuss this proposition I was convinced that there were two facts standing out very clearly as established. In the first place, it is manifest, from any study given to these matters, that a reorganization and a rehabilitation of our foreign service is most desirable if we are to continue our foreign service on the high plane of the past and if we are to maintain an American foreign service which shall be equal to that maintained by any nation in the world. Secondly, Mr. Chairman, I believe there is an even more important reason why this bill should pass. From the very foundation of the American Government we have boasted of the fact that any American citizen, no matter how poor he may be, if he has ability and a desire to make good, is given the opportunity to work his way up and to enter into the ranks of any office within the power of the country to bestow. We have boasted of the fact that any poor man in America, no matter how humble his parentage, may have the opportunity, if he has the ability and the brains, to take his place as the governor of any of our sovereign States, as a Member of our national legislative body, and even become President of the United States. Yet it must be said, to the humiliation of every patriotic American citizen, that under the present law as it exists to-day no poor, honest, humble American citizen, no matter how much ability he may have, and no matter how much he may desire to enter the foreign service of his Government, can be admitted to take his place in the foreign service of this country unless he has independent means. If this bill passes it will no longer be necessary when any young man in America who is about to finish his course in a school or college desires to enter the foreign service of this country and make that his life work and when he submits himself to the State Department to be accepted for the foreign service to inform him that he can not enter into the honorable foreign service of this country unless he has sufficient independent means to enable him to support himself, and to give him an opportunity to go into foreign countries he must have such means, otherwise he can not serve his country in its foreign service. To obviate this disgraceful situation and to make it possible for the young Americans engaged in our foreign diplomatic service to receive a salary on which they can live, I hope this bill may pass. [Applause.]

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. CONNALLY of Texas. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. Seventeen minutes, and the other side has three minutes remaining.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, this bill is one that in some respects meets with my approval, but it contains some features that I think should be eliminated.

I want to take this occasion, however, to take issue with my good friend from New Hampshire [Mr. ROGERS] who has just spoken, when he says that be it to the humiliation of the American people at the present time it is impossible for a man who is poor, no matter how worthy, to enter the foreign service. That is not true, gentlemen. I do not charge that that statement was made willfully, but I do charge that the gentleman is in error.

Mr. ROGERS of New Hampshire. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. ROGERS of New Hampshire. I desire to state my authority and call the attention of the gentleman from Texas to the fact that my remarks were based on the testimony of the Third Assistant Secretary of State, Mr. Wright. If the gentleman will pardon me, I would like to quote his statement. Mr. Wright said that when application is made for service in the foreign service, "We inform them that at present it is necessary for individuals to have some private means."

Mr. CONNALLY of Texas. In the Consular or Diplomatic Service?

Mr. ROGERS of New Hampshire. In the Diplomatic Service.

Mr. CONNALLY of Texas. I grant you that, and I heard him say that.

Mr. ROGERS of New Hampshire. I just wanted the gentleman to understand the source of my information.

Mr. CONNALLY of Texas. I disclaim any intention to say that the gentleman from New Hampshire willfully made a misrepresentation. I heard Mr. Wright make that statement, and while I have a very high regard for Mr. Wright I deny that Mr. Wright is reflecting any credit on himself when he says that as an official of this Government he tells a young man in advance that he can not consider him for a diplomatic secretaryship unless he possesses private means. That is not the law. That is a department-made ukase.

The statement of Mr. Wright does not refer to the Consular Service, and the term "foreign service," as used by the gentleman from New Hampshire, comprehends both the Diplomatic and the Consular Service.

Let me now tell you something about the Diplomatic Service. This bill, so far as the Diplomatic Service is concerned, only deals with the secretaries of embassies. They are a very small part of the foreign service, a very insignificant part, as to numbers, but when it comes to the Consular Service it is full of men to-day who are poor and who have no other means of livelihood except their salaries. I know some of them personally. I know a young man who received a position in the Consular Service some years ago, partly through my instrumentality. He is now attached to the consulate in Paris, and I know that he maintains himself and since entering the service has married, and I hope is in the process of raising a family on the salary of a consul.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield.

Mr. CHINDBLOM. Is it not a fact that it is a little easier for men stationed abroad to sustain themselves with the present depreciated currency of 17 francs to the dollar, for instance, so that conditions that exist right now are not a safe indication of ordinary, normal conditions?

Mr. CONNALLY of Texas. I grant you that, but the point I am undertaking to make is that this bill on the whole does not materially help the Consular Service, because already in that service the salaries are very nearly as high, on an average, as they will be under this bill; in fact, in one or two instances this bill reduces the salaries of consuls general. We have in the service now two consuls general at a salary of $12,000, and under this bill the maximum will be $9,000. But that is not what I wanted to advert to.

I would not object to some increase in salaries in the foreign service, but I do object to that feature of the bill which provides the high rates of retirement which it undertakes to provide. Under this bill it would be possible for a secretary of embassy, not a minister, because this bill does not deal with ministers and does not deal with ambassadors, but a secretary of embassy, and all of you have secretaries—it would be possible for a secretary of embassy after 30 years of service to retire at an annual retirement compensation of $5,400. That is too high, gentlemen. Just as surely as we adopt this kind of a provision for the State Department, we shall have every other branch of this Government coming to the doors of Congress and asking for an increase in their retirement pay, and they will find justification in doing so.

This bill provides, in addition, for a representation allowance, and I am opposed to representation allowances. I opposed representation allowances in the Foreign Affairs Committee all during the war. We never had such a thing prior to the war, and it was adopted during the war to supplement the compensation of certain missions in foreign countries where extraordinary conditions existed. I do not believe it is sound public policy, and I do not believe it comports with the best administration to turn over to the State Department a lump sum out of which it will dole allowances to the various missions for entertainment and for living purposes. I believe that whatever salaries our foreign representatives should receive should be fixed by law.

Another feature of this bill to which I object is the provision that after a man has been abroad three years, he is granted a statutory leave. I do not object to that, but the Secretary of State can authorize and direct him during his leave to return to the United States and all of the expenses of the trip coming and going are to be borne by the Federal Government.

I have no objection to the features of this bill, which make the two services interchangeable from one branch to the other. I think the Secretary of State, perhaps, could do that under the existing law, but I do contend that the whole purpose of this bill is not to benefit especially the Consular Service, but is to benefit the secretaries of embassies, and I deny that the

salaries as carried in this bill will be lower than those that obtain in the British service.

If you will turn to the hearings, on page 154 there appears a table which shows the relative salaries of positions in the British and American services.

Mr. Chairman, what I oppose and what I regret to observe is that gentlemen who have spoken on this bill so far seem to believe that the only function of our foreign service is to get trade and get commerce with the United States. That is a legitimate activity, but the trouble with our foreign service now is that it has got a dollar mark written all over it.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. CONNALLY of Texas. I yield to the gentleman.

Mr. COOPER of Wisconsin. A wrong inference might be drawn from what the gentleman has just said. The gentleman will remember that our diplomatic and consular officers are prohibited from themselves engaging in any private business in a country where they are located, and they are prohibited from investing their savings in securities of any foreign country so that they are confined to their salary absolutely.

Mr. CONNALLY of Texas. I will say to the gentleman from Wisconsin I did not mean to suggest they were engaged in private profit making, but what I meant was that all of our foreign policy seems to be motivated, if I may use that rather mouth-filling term, by the dollar mark. The only object of our foreign policy seems to be to set up some kind of agency in a foreign country to make selling agents of our consuls and our diplomatic officers.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. CONNALLY of Texas. I do not want to be discourteous, but I have only two minutes and I regret I can not yield.

To make selling agents and salesmen of our diplomats and of our consular officers. I rather think that the United States in a more simple way, in the way of Benjamin Franklin, in the way of other distinguished representatives of this country abroad in the early days, is not dependent for its standing upon expensive diplomatic entertainment.

We do not need to provide salaries sufficient for every little secretary to hold parties and levees and to entertain abroad; but what we need is a foreign service that is not simply looking out for the dollar but trying to look out for the United States abroad as a country that believes in international good will, international peace, and in those higher international policies that will place America before the world as a great country of liberal ideas and of peace rather than a country that is going forth with a salesman's satchel with dollar marks all over it.

I hope the President of the United States will persevere in his so far rather tame and colorless advocacy of the world court. I hope the President of the United States will make good his proclamation that he proposes to follow up the doctrines of President Harding in that respect, and that instead of lamely and colorlessly, in a whisper, saying to the United States Senate, "You have got the world court before you, and you can do what you please with it," I hope the President of the United States will come forth with a clear and striking and insistent call upon the country and really carry on a campaign in behalf of the world court and by so doing say to all the world that America not only wants international trade, that we not only want the commerce of the world, but that the United States is willing to assume its own place, willing to take up its own obligations at the council table of the world in behalf of peace, in behalf of liberty, in behalf of fair dealing between all countries of the world, as well as going forth with a satchel covered all over by dollar marks. [Applause.] Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. TEMPLE] four minutes.

Mr. PORTER. Mr. Chairman, I yield my remaining time to the gentleman from Pennsylvania [Mr. TEMPLE].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for seven minutes.

Mr. TEMPLE. Mr. Chairman and gentlemen of the committee, this bill is one of very great importance and I think deserves the support of every Member of the House who is interested in the proper conduct of the foreign affairs of this country. I have been astonished for many years, not merely to-day, but every time I have recalled the fact, that we are in the habit of appropriating from year to year over $300,000,000 for the Army and within a measurable distance the same sum for the Navy—six or seven hundred million dollars annually to prepare against war and only $8,000,000 to carry on the foreign affairs of the country in such a way as to prevent war by reaching an amicable agreement on matters which might become irritating if neglected or improperly handled.

This is a bill of four fundamental propositions. The first is for the adoption of salaries which will be uniform for the relative grades in the two services, the Diplomatic and Consular, and it combines the two services, so far as the legal standard is concerned, by creating the one foreign service. The amalgamation is such that an officer may be transferred from one service to the other, from the Consular Service to the Diplomatic Service, and from the Diplomatic Service to the Consular Service. The present salaries of the Consular Service, with the exception of two posts at $12,000, run from $2,000 to $8,000. Under the proposed bill the salaries will be from $3,000 to $9,000, a material increase of salaries in the Consular Service.

In the Diplomatic Service the present salaries run from $2,500 to $4,000 for secretaries of embassies and legations. Under this bill they will range from $3,000 to $9,000, which, of course, is a considerable increase.

These salaries are not for clerks, as was stated by the gentleman from Mississippi. I hope the gentleman understands the difference between a clerk employed in an embassy and the secretary of an embassy. There is no reproach in the word "secretary." We employ it when speaking of Members of the Cabinet, Secretary of State, Secretary of the Treasury, Secretary of Commerce. The bill does not touch the salaries of clerks employed in embassies or legations. It deals with secretaries. Who are these secretaries? John Hay spent the most of his life as secretary in the Diplomatic Service and later became ambassador and Secretary of State. He was just as big a man and did just as good work when secretary of embassy as when he was Secretary of State in the President's Cabinet.

Mr. COLLINS. Will the gentleman yield?

Mr. TEMPLE. I will yield to the gentleman.

Mr. COLLINS. Do not these gentlemen perform strictly clerical duties?

Mr. TEMPLE. They are not clerks. The gentleman intended to give the Members of the House the idea that these men were simply clerks, but they are not. There is a class of men who are clerks. They, and not the secretaries, do the clerical work of the embassies. Their salaries are not changed by this bill, but secretaries of embassies are men who will be permitted, if they show their fitness, to be ministers and ambassadors in the future. The men whom the gentleman from Mississippi called clerks at $9,000 a year are high officers of the foreign service. Under this bill the salary of $9,000 is to be paid only to foreign service officers of class 1, which includes only secretaries designated as counselors of embassy, ranking next to the ambassador and acting in the ambassador's place during his absence, and including also consuls general of classes 1 and 2.

Many of these men are fitted to become ministers and ambassadors, are eligible for promotion to such places, and several of our representatives, ambassadors, and ministers, have been promoted after long service as secretaries. The secretaries are men of the right type, fitted for the Diplomatic Service, and a salary that runs up in the later years as high as $9,000 is not too much for those men.

Also, the gentleman said something about the possibility of using the representation allowance to buy clothing. He said something about trousers at $600 a pair. My information is that the standard price for the complete outfit in London, including all of the trappings that go with it, is £50, or about $250.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TEMPLE. In just a moment. The representation allowance would not be available for such use in any event. It is not an allowance made to each individual in the service. It is an allowance made to the embassy or legation, or to the consular office, and it is to be accounted for under the terms of this bill after it has been expended in accordance with the regulations to be made by the President of the United States. There is nothing loose about that plan. Every dollar of it will be accounted for, and the expenditures will be made according to rules fixed by the President of the United States.

The bill does not increase the total expenses of the State Department beyond half a million dollars, and as has been pointed out here, the income received for the services of the consular officers runs within half a million dollars of the total appropriation that we make. It is a bagatelle in comparison with the billions of dollars that we spend.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired. All time has expired. The Clerk will read the bill for amendment.

Mr. BLANTON. Mr. Chairman, we ought to have a quorum here to read the bill and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-five Members present, not

a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Fenn	Little	Scott
Anthony	Fish	Logan	Sears, Nebr.
Arnold	Foster	Lyon	Sears, Fla.
Aswell	Fredericks	McClintic	Seger
Bacharach	Freeman	McDuffie	Sherwood
Berkley	Funk	McLaughlin, Nebr.	Sites
Bell	Gallivan	MacGregor	Smithwick
Berger	Garber	Magee, Pa.	Snell
Bloom	Garrett, Tex.	Mansfield	Snyder
Bowling	Geran	Mead	Sproul, Ill.
Boyce	Gilbert	Michaelson	Stengle
Boylan	Goldsborough	Miller, Ill.	Strong, Pa.
Briggs	Greene, Mass.	Milligan	Sullivan
Britten	Griffin	Montague	Sweet
Browne, N. J.	Hadley	Mooney	Tague
Burdick	Hammer	Moore, Ill.	Taylor, Colo.
Burton	Hawley	Morin	Taylor, Tenn.
Busby	Hayden	Mudd	Thatcher
Byrns, Tenn.	Hersey	Murphy	Tincher
Campbell	Hill, Md.	Nelson, Wis.	Tucker
Carew	Hoch	Newton, Minn.	Tydings
Casey	Hooker	O'Connell, N.Y.	Upshaw
Clark, Fla.	Howard, Okla.	O'Connor, N.Y.	Vare
Clarke, N.Y.	Hudspeth	O'Sullivan	Vestal
Cleary	Hull, Tenn.	Parker	Ward, N.Y.
Cole, Ohio	Hull, William E.	Patterson	Ward, N. C.
Connolly, Pa.	Humphreys	Peavey	Wason
Cullen	Jeffers	Peery	Watkins
Curry	Johnson, Wash.	Perkins	Watres
Davey	Johnson, W. Va.	Perlman	Watson
Deal	Kahn	Quayle	Weller
Dempsey	Kelly	Rainey	Welsh
Denison	Kendall	Ramseyer	Winslow
Dickstein	Kent	Ransley	Winter
Dominick	Kiess	Reece	Wood
Doughton	Kindred	Reed, W. Va.	Woodruff
Doyle	King	Reid, Ill.	Woodrum
Drane	Knutson	Robinson	Wurzbach
Dyer	Kurtz	Romjue	Yates
Edmonds	LaGuardia	Rosenbloom	Zihlman
Fairchild	Langley	Sabath	
Faust	Lindsay	Schall	
Favrot	Lineberger	Schneider	

The committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 6357, had found itself without a quorum, that he had directed the roll to be called, whereupon 263 Members answered to their names, a quorum, and he handed in the list of the absentees for printing in the RECORD and the Journal.

The committee resumed its session.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That hereafter the Diplomatic and Consular Service of the United States shall be known as the foreign service of the United States.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. It is not necessary for me to say a word for the bill, I think, to convince every man in the House of its merit. The bill proposes, first, the adoption of a new uniform salary scale, with a modest increase in the average rate of compensation, an amalgamation of the Diplomatic and Consular Service, and an interchange or transfer of men from one service to another, so that if a man in the Consular Service develops any peculiar or special ability for the Diplomatic Service, his knowledge and experience may be taken advantage of by the Government through his transfer to the Diplomatic Service. On the other hand, if a man should develop a peculiar and special knowledge in the Diplomatic Service which would be of great advantage to the Government in the Consular Service, a similar transfer may be made.

The purpose of the bill, as I understand it, is to use all of the knowledge and experience of a man in both of these services where the knowledge and experience can be best utilized to the advantage of the American people.

The compensation paid to the men in both the Diplomatic and Consular Service in the past has been totally inadequate. The men who have gone into both of these services are men of special training. No man can enter either service without passing the most rigid examination, except in the case of the appointment of an ambassador or a diplomat of high place. The peculiar educational qualifications required of men in the foreign service of the country justifies the Government in paying them a compensation which will enable them to live without borrowing money from rich relatives, and they have not been able to do that in the past.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. CONNALLY of Texas. I have a very high regard for the gentleman's statesmanship, and especially do I admire his wonderful attitude respecting economy. I understand the gentleman is in favor of raising salaries generally?

Mr. MADDEN. I am favoring the raise of these salaries.

Mr. CONNALLY of Texas. But of no others?

Mr. MADDEN. Oh, yes; I have favored others. I want adequate compensation for proper service rendered.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I do not think I ought to yield further. I want to express just one or two thoughts. The peculiar laws under which we have operated our Diplomatic and Consular Service in the past have prevented the Government from getting the best talent that could be obtained. They have kept out of the service men who would like to serve their country, who have no desire whatever to make money, but who have been specially trained for a class of work which the Government very much needs. Up to this time many of the best men who would like to do this service for the country have not been able to do it.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Not now. They have not been able to do it because they could not afford to do it. This bill encourages the hope that in the future we will be able to get the best men, because the compensation will meet the needs of the case.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. May I have two minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for two minutes more. Is there objection?

Mr. BLANTON. I ask unanimous consent that the gentleman may have five minutes more. I want to ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes more.

Mr. MADDEN. There is one other feature of the bill that I think is important, and that is the retirement feature of it. The men who are engaged in these services under this law, if it is enacted, will be required to pay substantially all that will be necessary to pay the retirement compensation. I believe that this is the most salutary feature of the law, because after men have given their whole life to the Government without any hope or opportunity of accumulating a competence to care for themselves in their old age, they should be entitled to a retirement compensation which will provide for them in their late days in life, and if they are willing themselves during the course of their service to make the contribution to the fund from which they are to be paid and these contributions are adequate to meet the payment, why, they are simply using the Government in such a case as the depository for the funds which they themselves have taken from their salaries.

Mr. BLANTON. Mr. Chairman, will the gentleman allow me to ask him a question?

Mr. MADDEN. Yes.

Mr. BLANTON. The gentleman spoke of the salary raises as being "moderate." Does the gentleman know that there is one man whose salary is doubled in this bill?

Mr. MADDEN. Oh, yes.

Mr. BLANTON. I want to ask this further question. The greatest speech I ever heard the gentleman make in all his great speeches was made at 3 o'clock in the closing hours of the last Congress, when he took just the opposite view of these foreign matters that he now takes.

Mr. MADDEN. I was not talking then about salaries at all. I was then talking about an appropriation for an embassy, not about salaries, not about men, except incidentally.

Now, Mr. Chairman, I have said substantially all I have to say. There has been no bill pending before this House during this session that has more merit than the pending bill, and I hope that every man in the House who believes that we ought to have an efficient foreign service will vote for the bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has again expired. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 3. That the officers in the foreign service shall hereafter be graded and classified as follows, with the salaries of each class herein affixed thereto, but not exceeding in number for each class a proportion to the total number of officers in the service represented in the following percentage limitations: Ambassadors and ministers as now or hereafter provided; foreign-service officers as follows: Class 1, 6 per cent, $9,000; class 2, 7 per cent, $8,000; class 3, 8 per cent, $7,000; class 4, 9 per cent, $6,000; class 5, 10 per cent, $5,000; class 6, 14 per cent, $4,500; class 7, $4,000; class 8, $3,500; class 9, $3,000; unclassified, $3,000 to $1,500.

Mr. ROGERS of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Massachusetts: Page 2, line 12, at the end of section 3, add the following: "*Provided*, That as many foreign-service officers above class 6 as may be required for the purpose of inspection be detailed by the Secretary of State for that purpose."

Mr. ROGERS of Massachusetts. Mr. Chairman, the purpose of that amendment is in order to remedy an error that was made in transcribing the bill. The language of the amendment was carried in the bill that was passed at the last session by the House, and it was in the bill as introduced in this Congress. It was before the committee and was approved by the committee, but by an error when the present draft of the bill was introduced it was omitted. It simply provides for the detailing of a suitable number of inspectors of missions and consulates throughout the world.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. COLLINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

Amendment offered by Mr. COLLINS: Page 2, line 7, after the colon, strike out rest of section and insert in lieu thereof the following: "Class 1, 6 per cent, $7,500; class 2, 7 per cent, $6,500; class 3, 8 per cent, $5,500; class 4, 9 per cent, $5,000; class 5, 10 per cent, $4,500; class 6, 14 per cent, $4,000; class 7, $3,500; class 8, $3,250; class 9, $3,000; unclassified, $2,500 to $1,500."

Mr. COLLINS. Mr. Chairman, this amendment simply fixes the maximum salary of clerks and consuls. One Member prefers that clerks be called "secretaries." The maximum is fixed at $7,500, the same salary that a Member of Congress receives or that a Member of the United States Senate receives. These young gentlemen working in the legations and embassies whom I have called clerks—many of them are stenographers or do purely clerical work. We call the persons that work for us and in the departments and perform duties of that kind "clerks"; and I do not feel that we are reflecting on them when we call them "clerks." The fact that those in the Diplomatic Service are in Europe does not make them better than those here.

Under my amendment the maximum salaries are fixed at $7,500 a year. This amendment does not reduce the salary of any person in the foreign service. Very few are receiving more than that. As a matter of fact, there is no one in the Diplomatic Service that is receiving that now. The minimum there is now $2,500. The maximum is $4,000. My amendment gives the highest paid an increase of $3,500, and that is a substantial increase.

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. BLACK of Texas. I would like to call my friend's attention also to the fact that in the Lehlbach classification bill the highest salary that can be paid to any civilian in any department of the Government is $7,500, and that must be the head of a department.

Mr. COLLINS. I thank the gentleman for this information. These men are not the heads of departments; they perform purely clerical duties.

Mr. BLANTON. Will the gentleman yield?

Mr. COLLINS. Yes.

Mr. BLANTON. That is true except as to 30 men. Except as to 30 men that statement is absolutely true.

Mr. COLLINS. As far as the consuls and consuls general are concerned their salaries are not decreased by my amendment, because there is an express provision in this bill that the salaries which are now in effect shall continue until some one else is placed in their positions. On the other hand, if their salaries are lower than is provided herein, they are given the benefit of the higher salary. No man's salary is reduced and many salaries are raised.

Mr. BEEDY. Will the gentleman yield?

Mr. COLLINS. Yes.

Mr. BEEDY. The gentleman, in the course of his travels last summer, had occasion to visit some of the American consuls abroad, did he not?

Mr. COLLINS. Yes.

Mr. BEEDY. Does the gentlemen want the Members of this House to understand it is his belief that the services which those consuls were rendering their country are the same as the services now being rendered in Washington by his clerk and mine?

Mr. COLLINS. If the gentleman had heard my first speech——

Mr. BEEDY. I am asking the gentleman a question and he can answer it yes or no.

Mr. COLLINS. I am going to answer his question, but I am going to answer it in my own way, not by yes or no. I said earlier in the day that if this bill had related simply to consuls and consuls general perhaps I would have supported that part of it relating to salaries. But this bill is not in the interest of the Consular Service. It is of benefit chiefly to employees in embassies and legations. My amendment does not reduce the salary of a single consul general or consul connected with the service; it will raise most of them, and raise them substantially. I have the very highest regard for those persons in the Consular Service. They are high-class officials and deserve just treatment by the Government. Neither have I anything against the young men in the Diplomatic Service. I do not feel, however, the salary increases to the latter class especially is wise or warranted.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BROWNE of Wisconsin. Mr. Chairman, I rise in opposition to the amendment. This bill, gentlemen, limits all salaries to $9,000. We now pay the consuls general in London and in Paris $12,000, but we decrease the salaries of these officers to $9,000 per year. The purpose of this bill is to begin at the foundation with the small-salaried men and raise their salaries.

We know we can not have efficient service without having the clerks and the secretaries skilled, experienced, and efficient. This bill does not raise the salary of any ambassador or any minister. The efficiency of an ambassador or of a minister depends quite largely upon the efficiency of the employees—the secretaries and subordinates under them—employees who have served an apprenticeship and have been in the foreign service many years and gained valuable experience. These men go out and procure the data, the facts upon which the ambassador or the minister forms his judgment and makes his decisions. If you do not have men of efficiency, capability, and experience as secretaries and as clerks you can not have efficient service and the ambassadors and ministers can not render sound judgments upon the facts which are brought before them.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BROWNE of Wisconsin. Yes.

Mr. GREEN of Iowa. The gentleman from Mississippi [Mr. COLLINS] said the services of these people were simply clerical. I take it the gentleman does not agree with that statement?

Mr. BROWNE of Wisconsin. My distinguished friend from Mississippi, I think, is in error in his statement that the secretaries in the embassies and legations are simply secretaries in the way we think of secretaries to Congressmen or the secretaries we meet in the departments in Washington. These diplomatic secretaries before they become secretaries must have a great deal of experience; most of them are lawyers, and if the gentleman will look at the civil-service examinations that these secretaries are obliged to take he will see they must have a very thorough education, equivalent to a college education, and must be versed in at least one or two foreign languages; they must have a fair knowledge of international law and diplomatic usage; they must be very efficient men, men who could go out in the business field and command a good deal larger salary than they are getting in the foreign service.

Mr. BLANTON. Will the gentleman yield?

Mr. BROWNE of Wisconsin. In just a second. If you meet the secretaries and clerks of our legations and embassies, you will find them men well equipped by education and natural ability for their positions. You will find they are men, as a rule, who could go right out of the service of the Government into private life and command a good deal larger salary than they are getting from the Government.

Consul General Skinner, of London, gets $12,000 a year. He is the man whose reports are deemed so important that the business men all over the Nation are eager to get them. This man has been in the public service for 30 years; he has worked up from the smallest station, beginning with a salary of $1,800 a year until he is now getting $12,000 a year. There are only two consuls general who receive this salary. We want this whole foreign service on a basis that will attract young men, young men of ability and young men who can see a career ahead of them. It takes a splendid education to enter our foreign service, and as this service is to-day, without any retirement feature and with the small salaries, it offers no inducement to young men without an independent fortune; the result is that only men of wealth are entering our public service, which is absolutely undemocratic and un-American. By this bill we make it possible for young men of good education and ambition to enter the foreign service, with the possibility of promotion and with the satisfaction of knowing that when they reach 65 years of age they can be retired with a fair annuity.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin may proceed for one more minute.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from Wisconsin may proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. The gentleman knows that under this bill the consul general in London, of whom he spoke, will still get $12,000?

Mr. BROWNE of Wisconsin. Yes.

Mr. BLANTON. Then, he will not be reduced, will he?

Mr. BROWNE of Wisconsin. He will not be reduced during his term, but the salary of his office will be reduced.

Mr. BLANTON. His salary will continue at $12,000 just as long as he occupies the position?

Mr. BROWNE of Wisconsin. Yes; as long as he occupies the position.

Mr. BLANTON. That was not stated awhile ago.

Mr. BROWNE of Wisconsin. Six thousand dollars in the two salaries will go on for the length of time that these men of great experience hold the positions.

Mr. BLANTON. Then, the gentleman from Mississippi was correct in his statement?

Mr. BROWNE of Wisconsin. No; he was not correct in his statement, as I understood it. The gentleman's statement was that the Consular Service would remain the same, but under this bill they are all under the foreign service and we can exchange consuls and secretaries back and forth; they are interchangeable, which is one of the purposes of the bill.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

MESSAGE FROM THE SENATE

The committee rose informally, and the Speaker resumed the chair.

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed H. R. 6820, entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes," with amendments, in which the concurrence of the House was requested.

REORGANIZATION OF FOREIGN SERVICE

The committee resumed its session.

Mr. WINSLOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, it is not my purpose, for a lack of full information as to the details of this bill, to undertake to discuss the merits of every feature of it. It has happened, however, that ever since this Congress has been in session there has been a bill known as the Department of Commerce Foreign Bureau bill before the Interstate and Foreign Commerce Committee, and it has fallen to my lot to follow that bill in its development and in its connection with the interests of the Department of Agriculture and the State Department. When we reviewed the work of the three departments each was rather working on its own account, after a tradition of many years, and no one in particular had come to realize the extent to which the work was necessarily dovetailed. We had many sessions and in one way and another and for one purpose and another until finally we came to some conclusions, and among the conclusions—and I am speaking now as an individual and not as the chairman of a committee—is that in respect of the importance of keeping this foreign Diplomatic Service in good order.

As I tell you, I am not prepared to discuss the merits of any particular feature of this Rogers bill; but I have been led to believe that a reorganization, if we may call it such, of the State Department foreign service has become imperative; and in order to fit into the fine work which is being done by the Agricultural Department and by the Department of Commerce in foreign fields it has been found desirable to have a reorganization all along the line, and the purpose is to fit those departments together, in so far as they can be, and have all their work properly coordinated.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. WINSLOW. I want to keep within the time, but beyond that I yield.

Mr. OLIVER of Alabama. How do the salaries fixed in this bill compare with the salaries fixed for the commercial attachés?

Mr. WINSLOW. Regretfully, I can not give you that information.

Mr. ROGERS of Massachusetts. Will the gentleman from Massachusetts permit me to answer that question?

Mr. WINSLOW. If I have the necessary time.

Mr. ROGERS of Massachusetts. The maximum salary provided in the Winslow bill for comparable offices is $10,000, and the maximum salary in this bill, as has been brought out in the discussion, is $9,000.

Mr. WINSLOW. As to the merits of these salaries, I regret I do not know enough about the subject to be intelligent in making remarks, and I am only speaking to the general purposes of the bill. Others who are defending the provisions of this proposed legislation will be able, I have no doubt, to give you accurate information.

It is highly important that we give encouragement to these three great departments that are representing the interests of the United States. They do dovetail. It is important they should work together, and under a proclamation recently promulgated by the President of the United States it will be a pretty difficult thing for the representatives in any of our foreign departments to go far afield from the line of work which is laid out for them to do, under the President's proclamation, which I presume has been explained to you. They will have to work together wherever they might come in conflict or wherever their work is in the same territory and in the same line. I desire only to speak for the bill as to its general purpose and intent and to emphasize the importance of working out some legislation along the lines of this bill, for the reason that I have knowledge of the fact that the three departments are in sympathy with the provision of this diplomatic rearrangement.

I am not so sure of my authority to speak for the Secretary of Agriculture, but I am perfectly willing to assure the gentlemen of the committee that, so far as the Department of Commerce is concerned and the Secretary of Commerce, they are heartily in favor of the bill and hope it will go through, not only for its own sake but in conjunction with the work of the other departments.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BLANTON. I ask unanimous consent that the gentleman may have one more minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. If the gentleman will yield, the foreign service is a valuable asset to every business man in the United States, is it not?

Mr. WINSLOW. You mean all foreign service?

Mr. BLANTON. Yes.

Mr. WINSLOW. As we have it to-day, I think so, decidedly.

Mr. BLANTON. It is performing a service at the expense of the Government which the individual business man used to have to perform at his own expense, largely; is not that true?

Mr. WINSLOW. No; not quite that.

Mr. BLANTON. Partially?

Mr. WINSLOW. I think we have the same idea. It performs a service, twofold in its character, in respect of your inquiry. In the first place, it does what the business man hoped could be done but did not know how to do; and in the next place it has discovered new avenues of trade which the business man never knew existed. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 15, noes 49.

So the amendment was rejected.

Mr. CONNALLY of Texas. Mr. Chairman, I have an amendment at the desk.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY of Texas: Page 2, line 7, after the word "follows," strike out and insert: "Class 1, 6 per cent, $8,000; class 2, 7 per cent, $7,000; class 3, 8 per cent, $6,500; class 4, 9 per cent, $5,500; class 5, 10 per cent, $4,500; class 6, 14 per cent, $4,000; class 7, $3,500; class 8, $3,250; class 9, $3,000; unclassified, $3,000 to $1,500."

Mr. CONNALLY of Texas. Mr. Chairman, I do not want to make a speech on this proposed amendment. I simply want to say that this amendment slightly scales the salaries in the bill about $500 a year in each class, beginning with a maximum of $8,000 and leaving the minimum the same.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. CONNALLY of Texas) there were 26 ayes and 49 noes.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, on page 2, line 8, I move to strike out "nine thousand" and insert in lieu there of "eight thousand seven hundred and fifty."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 8, strike out "nine thousand" and insert in lieu thereof "eight thousand seven hundred and fifty."

Mr. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on the section and amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, this is merely a pro forma amendment. There is no chance in the world to alter an item in this bill. I realize that. There have been two opportunities given this body to economize. Two opportunities have been given you to reduce the expenses in this bill, and you have turned them both down. They were not radical propositions; they were conservative business propositions that were offered. The amendment of the gentleman from Mississippi [Mr. COLLINS] and the amendment of my colleague from Texas [Mr. CONNALLY] were both business propositions. You have turned them both down. I want the RECORD to show that there was not a single Republican in this body that voted for either proposition—not one. I want the blame placed right where it belongs.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. STRONG of Kansas. Does the gentleman know that the sums fixed in this bill have been considered by a committee upon hearings?

Mr. BLANTON. Yes; I know that. That was done last year; and therefore we are all bound to vote for everything in the bill, are we?

Mr. STRONG of Kansas. And no specific reason has been assigned for reducing them.

Mr. BLANTON. In the Republican Party nothing is any reason for reducing expenses. That is the policy of the Republican Party. As long as they can increase officeholders and raise their salaries you will never get Republicans to vote against it. They are always in favor of raising salaries, and that is the reason that this Government is now nearly a $4,000,000,000 Government. We have had a war. Yes; but why do we not forget it. The gentleman from Illinois [Mr. MADDEN] admitted here on the floor of this House the other day that we still have on the Government pay roll in the city of Washington 30,000 surplus employees, and he said they ought to be sent home. Why does he not cut them off? Because every time he cuts one of them off they run down to one of you Representatives or Senators and have you force the department to put them back.

They are on the pay roll because the gentleman from Illinois would not reduce the appropriation to pay for their salaries. If he would reduce the appropriations, and not provide salaries for them, we could send the 30,000 surplus employees out of town. They ought to be sent home. But you will not find Republicans voting to do that.

Mr. FITZGERALD. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. FITZGERALD. Did not the Republican Party reduce the Budget from six billion to three billion and a half?

Mr. BLANTON. That was an automatic reduction. [Laughter on the Republican side.] The reduction was the automatic result of peace. If there had been even a bolshevistic administration it would have been reduced just the same, as ridiculous as that might seem. Because with a bolshevistic administration God knows we could have a $10,000,000,000 Government.

Mr. FITZGERALD. And doesn't the gentleman know that the Republican administration reduced the Federal employees by more than 107,000 during that administration?

Mr. BLANTON. I just told the gentleman that was an automatic reduction. [Laughter on the Republican side.] You can claim credit for it if you want to, but if you want to really deserve credit for making reductions you ought to make good what the gentleman from Illinois [Mr. MADDEN] said when he said there were 30,000 surplus employees on the pay roll and send them home. If you will send them home and take them off the pay roll, I will take my hat off to you and send each of you a bouquet. [Laughter.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

Mr. BLANTON. That was a pro forma amendment which I am willing to withdraw.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 4. That foreign service officers may be appointed as secretaries in the Diplomatic Service or as consular officers, or both: *Provided*, That all such appointments shall be made by and with the advice and consent of the Senate: *Provided further*, That all official acts of such officers while on duty in either the diplomatic or consular branch of the foreign service shall be performed under their respective commissions as secretaries or as consular officers.

Mr. STEVENSON. Mr. Chairman, I move to strike out the last word. I hope I am in time to file a lis pendens against my distinguished friend from North Carolina [Mr. ABERNETHY]. On yesterday he made a speech in which he claimed everything for North Carolina except Andrew Jackson, and I was here watching him or he would have claimed him. But the part of his speech that I want to lodge a caveat against is this:

And on April 25, 1776, North Carolina, first of all the Colonies, empowered her delegates to the Continental Congress to vote for independence.

The Battles of Kings Mountain and Guilford Courthouse are written in emblazoned glory upon the pages of history. The part played by North Carolina in the Revolution was second to none of the original thirteen Colonies.

I rise to serve notice that Kings Mountain has been in my district and has been in South Carolina ever since the battle was fought, unless it has been moved recently. Furthermore, this Congress established Kings Mountain as being in South Carolina by putting a monument there. I do not believe the gentleman from North Carolina will be able to carry it across the line, and I serve notice on him that he is going to have a lawsuit if he tries it.

Mr. LOWREY. The gentleman from North Carolina claimed oysters for North Carolina. I do not think the gentleman will deny that he has met some of them.

Mr. STEVENSON. Oh, yes; I have; but the gentleman to whom I refer is not one of them, because he can talk all right.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 7. That on the date on which this act becomes effective the Secretary of State shall certify to the President, with his recommendation in each case, the record of efficiency of the several secretaries in the Diplomatic Service, consuls general, consuls, vice consuls of career, consular assistants, interpreters, and student interpreters then in office and shall, except in cases of persons found to merit reduction in rank or dismissal from the service, recommend to the President the recommissioning, without further examination, of those then in office as follows:

Secretaries of class 1 designated as counselors of legation, and consuls general of classes 1 and 2, as foreign service officers of class 1.

Secretaries of class 1 designated as counselors of legations and consuls of class 3 as foreign service officers of class 2.

Secretaries of class 1 not designated as counselors, consuls general of class 4, and consuls general at large as foreign service officers of class 3.

Secretaries of class 2, consuls general of class 5, consuls of classes 1, 2, and 3, and Chinese, Japanese, and Turkish secretaries as foreign service officers of class 4.

Consuls of class 4 as foreign service officers of class 5.

Secretaries of class 3, consuls of class 5, and Chinese, Japanese, and Turkish assistant secretaries as foreign service officers of class 6.

Consuls of class 6 as foreign service officers of class 7.

Secretaries of class 4 and consuls of class 7 as foreign service officers of class 8.

Consuls of classes 8 and 9 as foreign service officers of class 9.

Vice consuls of career, consular assistants, interpreters, and student interpreters as foreign service officers, unclassified.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 4, line 12, strike out the words "and student interpreters."

Mr. BLANTON. Mr. Chairman, for a number of years we have been carrying appropriations every year to pay salaries and subsistence, board and lodging, and schooling for a lot of student interpreters in Turkey, China, and Japan, and possibly some other places. I am informed that they are mostly patronage jobs. They are for friends of some of our friends in a great many instances. You have a young man who is a bright young fellow and you want to help educate him, and you send him over there to enter school as a student interpreter and have the Government pay him a salary, pay for his lodging and his subsistence and his schooling, and when he becomes educated so that he can speak the language fluently, instead of him giving his service to Uncle Sam, in many instances he sells what the Government has given him to some private commercial enterprise. That has been done in a number of cases that have been called to my attention in the last 10 years.

Mr. TEMPLE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TEMPLE. Does not the gentleman know that the reason that he sells his services to some corporation is because the corporation outbids the Government and pays the higher salary?

Mr. BLANTON. Oh, of course it does. The Government will never be able to compete with outside business on salaries. We may just as well quit trying to do anything of that kind. We take a young fellow who does not know A from izzard and we send him over there and educate him. Of course, we have made him a valuable man. We teach him to speak fluently the Chinese language or the Japanese language, or the various other substitutes that are used for the main language, and he becomes a valuable man, and commerce wants him and commerce takes him, and all the public money that we have spent upon him is lost.

Mr. TEMPLE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Oh, by yielding continually I am not going to put myself up here as a target for committee men and their friends who travel to shoot at. You know all of our committees, mostly, are traveling committees, to a more or less extent, and the Foreign Affairs Committee is the main traveling committee of the House. It travels abroad. All of its members have been abroad, have they not?

Mr. TEMPLE. Not at Government expense.

Mr. BLANTON. I did not say that. I say that they have been abroad.

Mr. TEMPLE. I wanted the RECORD to show that what might be concluded from the gentleman's remarks is a mistake.

Mr. BLANTON. Some of them have been abroad at Government expense.

Mr. TEMPLE. Not as members of the committee.

Mr. BLANTON. Oh, the chairman and various others have.

Mr. TEMPLE. Not as members of the committee.

Mr. BLANTON. But we sent the chairman of this committee over there twice last year.

Mr. TEMPLE. Not as a member of the committee.

Mr. BLANTON. But we sent him over there, nevertheless, and paid his expenses twice, and we are going to send him twice this year, for you have already passed a measure allowing $40,000. It doesn't make any difference whether he went as a member of the committee or of a commission. He went just the same and is going again this year.

Mr. TEMPLE. If he will do as much good this year as he did last year, we ought to send him more than twice.

Mr. BLANTON. Oh, I am not complaining. He likely performs valuable service. I did try to reduce his appropriation from $40,000 to $10,000, as I thought $40,000 was too much for five people to spend. I mentioned about these trips abroad, because members of the committee come in contact with these foreign officers, and the foreign officers are nice to them and entertain them royally over there, and they appeal to them, and then these gentlemen come back and immediately want to raise their salaries.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LINTHICUM. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COLLINS. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROGERS of Massachusetts. Mr. Chairman, I rise in opposition to the amendment. By way of variety and only for a moment I desire to give the committee the facts about these student interpreters. There are but three student interpreters at the moment. All of them are in Peking. Each of the three receives a salary of $1,500 a year, and no more. They are under contract to stay on in the employment of the Government for at least five years, at the end of which time they are free to resign, as they ought to be. After they have been trained for a period of three years they will, if found competent, rise to be interpreters. After a time as interpreters, they will be promoted to be Chinese secretaries. These officials, in my judgment, are as important as any that the United States has anywhere in the field to-day. There is no patronage whatever in the appointments. They are selected on merit after examination. It is not easy to find competent Americans who know the Chinese language or who will learn it. I know of no way to get the men that the Government must have in the Orient for its purposes as good as the way proposed here.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. ABERNETHY rose.

Mr. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate upon this section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. ABERNETHY. Mr. Chairman and gentlemen of the committee, a very serious diplomatic controversy has arisen during my absence from the Chamber. I was charged with removing a mountain yesterday by the name of Kings Mountain, and I desire to lodge my objection to what has been said by the gentleman from South Carolina [Mr. STEVENSON]. We could readily have claimed the birthplace of Andrew Jackson, but we did not do it, and I never said anything in my speech at all yesterday about Kings Mountain being in North Carolina. Half of the mountain is in South Carolina, but North Carolina furnished the larger portion of the troops that carried on the battle, and that is all that I referred to. The gentleman was born in North Carolina, and he is only temporarily living in South Carolina, being loaned to that State, and he should not go back on the place of his birth and try to take away the credit due to my State.

Mr. LOWREY. Does the gentleman think it is right for the State of North Carolina to claim two such distinguished gentlemen as the gentleman from South Carolina [Mr. STEVENSON] and the gentleman from North Carolina [Mr. ABERNETHY]? [Laughter.]

Mr. CONNALLY of Texas. Does not the gentleman think that if the gentleman from North Carolina and the gentleman from South Carolina were to revive that historic transaction which took place between the governors of those States respectively, they could settle upon the facts? [Laughter.]

Mr. ABERNETHY. Since the Volstead Act was passed that has been made impracticable. [Laughter.]

The CHAIRMAN. The time of the gentleman has expired. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 8. That consuls general of class 1 and consuls of class 1 holding office at the time this act takes effect shall not, as a result of their recommissioning or reclassification, suffer a reduction in salary below that which they are then receiving: *Provided, however,* That this provision shall apply only to the incumbents of the offices mentioned at the time this act becomes effective.

That the grade of consular assistant is hereby abolished, and that all consular assistants now in the service shall be recommissioned as foreign service officers, unclassified,

Mr. BLANTON. Mr. Chairman, I move to strike out all of the first paragraph of section 8, beginning with line 19 to line 25, inclusive.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 5, line 19, strike out all of lines 19 to 25, inclusive.

Mr. BLANTON. Mr. Chairman, the report on this bill now under discussion indicated that there would be some salaries reduced, but this paragraph prevents any of the present incumbents from having their salaries reduced, and these consuls general will continue to draw the $12,000 just as long as they live and hold that office.

Mr. MOORES of Indiana. And one of them is 79 years of age.

Mr. BLANTON. Well, I know of a man who is 101 years old. Of course, we not all live that long.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ROGERS of Massachusetts. There are only two consuls general of class 1.

Mr. BLANTON. Does the gentleman say that only two consuls general are affected by this paragraph?

Mr. ROGERS of Massachusetts. Yes; and one of them soon retires automatically. We thought it was not fair to take away the best consul general that we have, Consul General Skinner at London. There is a limitation in the law that no retirement basic pay shall be higher than $9,000. The gentleman will find that is provided for on line 12.

Mr. BLANTON. Then that is not controlled by the language of that article?

Mr. ROGERS of Massachusetts. It is not.

Mr. BLANTON. Well, if it only embraces those two men I will not insist upon it. I will ask leave to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 12. That the President is hereby authorized to grant to diplomatic missions and to consular offices at capitals of countries where there is no diplomatic mission of the United States representation allowances out of any money which may be appropriated for such purpose from time to time by Congress, the expenditure of such representation allowance to be accounted for in detail to the Department of State quarterly under such rules and regulations as the President may prescribe.

Mr. COLLINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 7, strike out all of section 12.

Mr. COLLINS. Mr. Chairman, this is an entirely new section. As I understand, it is contained in this bill for the first time.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman permit an interruption?

Mr. COLLINS. Yes.

Mr. ROGERS of Massachusetts. It was carried in this bill at the last session in identically the same language.

Mr. COLLINS. This bill has been before this committee since May, 1919, and I understood that this section was now carried for the first time. I stand corrected, however, on this. This section authorizes the grant to diplomatic missions or to consular officers at capitals of countries where there is no diplomatic mission of the United States representation allowance out of any money appropriated, and so forth.

Now, as I pointed out, representation allowance is a very much larger allowance than a post allowance. Post allowances have been granted in the past few years, and I think are carried in appropriation bills now to the extent of $150,000 per annum. Post allowance covers merely the difference in exchange rates and is allowed only to the lower-paid employees, according to the testimony of the witnesses who appeared before this committee.

Representation allowance covers everything; it covers any sort of expense that a mission goes to as the result of representing this Government abroad. An automobile can be purchased by an ambassador under this section. Entertainments can be paid for out of this fund. Almost anything you can conceive of can be paid for under a representation allowance. Now, the amount that is going to be involved annually as a result of this provision in this bill is something that none of us can estimate.

It will be up to the whims and caprices of the people who represent this Government abroad; and, contrary to what might be supposed, the language in this section does not give the representation allowance solely to the minister or ambassador but gives it to the mission, and the mission includes not only the minister or ambassador but likewise everyone who is in the employ of that particular mission abroad.

Mr. BLANTON. Mr. Chairman, will the gentleman yield there?

Mr. COLLINS. I will.

Mr. BLANTON. Suppose they got the distinguished chairman of the committee over there some summer and entertained him well and got him to feeling good; then when he came back they put $200,000 or $300,000 in one of these bills for the representation allowance—how are we going to cut it out? We would be steam rollered and crushed on the floor.

Mr. MADDEN. They would not entertain me.

Mr. COLLINS. Post allowance, which represents merely the difference in exchange, amounted at one time during the war to $700,000 a year. If difference in exchange alone should amount to $700,000 a year, you can conceive by that what a representation allowance is going to be and what appropriation will be necessary in order to carry into effect the terms of section 12. I hazard the guess it will amount to $1,000,000 annually within five years.

Now, so that no one will misunderstand what a representation allowance is, I am going to read what Mr. Carr, of the State Department, says:

A representation allowance is an allowance which has its origin in the practice of foreign governments. It may cover furniture and furnishings for the official residence and the rent of the officer's residence. It may cover entertainment. It may cover an allowance for receptions on the annual Fourth of July celebration. It may cover an allowance for expenses of official entertainment given to the officers and commanders of our fleets when they visit foreign ports.

It seems to me we ought not to be any more liberal with these gentlemen than they want us to be, and it seems to me we ought not to go out of our way to grant them a representation allowance when, according to their own testimony, they do not want additional pay. Mr. Gibson, on page 18, says:

I don't believe chiefs of missions do need more pay.

Well, a representation allowance is nothing but an increase in the pay. It is an indirect way of increasing the pay of this class of officers. We are certainly liberal enough without adding this additional pay increase.

This Government should not embark upon a program of paying for entertainment allowances for any class of public officers. There is no more reason—not so much—for entertainment allowance for officers abroad than those higher ones on this side, and certainly we do not favor entertainment allowance for even Cabinet officers, and why should we grant such to our clerical forces abroad?

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ROGERS of Massachusetts. Mr. Chairman, I should like to request, if there is no further demand for time, that in five minutes all debate on this section and all amendments thereto be closed.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section and all amendments thereto close in five minutes. Is there objection?

Mr. BLANTON. This is an important section and I want five minutes on this section. This is one of the most important sections in the bill.

Mr. CONNALLY of Texas. And I should like to have five minutes.

Mr. ROGERS of Massachusetts. I have no desire to cut off debate.

Mr. BLANTON. Will the gentleman from Massachusetts make it 15 minutes?

Mr. ROGERS of Massachusetts. Then make it 17 minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section and all amendments thereto close in 17 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TEMPLE. Mr. Chairman, the gentleman from Mississippi, who just took his seat, quoted one sentence, and only one, from the statement of Mr. Gibson before the committee:

I don't believe chiefs of missions do need more pay.

ive people to spend. I mentioned about these trips abroad, ' foreign service officers, unclassified,

senting this Government abroad. An automobile can be purchased by an ambassador under this section. Entertainments

I don't believe chiefs of missions do need more pay.

But quoting so much and stopping there is very misleading. I should like to quote the rest of that paragraph. Mr. Gibson said:

I don't believe chiefs of missions do need more pay. This is a very old story, and year after year our friends have agitated to have us better paid. There have been a large number of friendly and appreciative newspaper articles written and a sincere effort on the part of many of our friends to get our pay increased. I honestly feel, however, that we can get on perfectly well with the pay we now have, subject to one condition. That condition is that our pay shall be considered in the same light as the pay granted to a man in private life, to a banker, or to a hod carrier; i. e., that it shall be considered as remuneration for services rendered and not as a contribution toward paying the expenses of doing Government business.

The representation allowance which it is proposed to give is to take the place of that contribution toward paying the expenses of doing Government business, which contribution every one of these men now makes in holding official receptions and in other ways. Mr. Gibson very justly characterizes that as a contribution out of the pocket of the ambassador or minister to the Government for the purpose of doing the Government's business, because such entertainment is absolutely necessary in the kind of service that the minister or ambassador is performing.

Now, Mr. Gibson continues:

The pay now given to a chief of mission is not his own, and to all intents and purposes, instead of being paid, a diplomatic official pays for the privilege of representing his country. I, for instance, am paid the very respectable sum of $10,000 a year as minister in Warsaw. If this were my own money, to be spent on my own affairs, and part of it to be set aside to provide for my future, I should consider myself suitably paid. Instead of this, I spend all this money in order to represent the United States Government in a decent and dignified way.

I think the gentleman's remarks need no further answer.

Mr. CONNALLY of Texas. Mr. Chairman, I have no desire to be insistent about my objection to this section, but I do want the House to know what it is doing when it adopts this provision in the bill.

Now, the gentleman from Pennsylvania [Mr. TEMPLE], of course, is an enthusiast about the foreign service, and he is an enthusiast about our representatives living abroad in a dignified and decent way, as some of them term it. But he did not go far enough. If the gentleman from Mississippi did not quote all that Mr. Gibson said, neither did the gentleman from Pennsylvania.

Mr. TEMPLE. There are several pages of it.

Mr. CONNALLY of Texas. The gentleman from Pennsylvania did not quote something that is material. After saying that as minister to Poland he received $10,000 a year and spent it all in living, what else did he say?

If I had twice as much income as I now have available, it could all be used advantageously for the same purpose, and with increased results for the people who have to look to me for support and protection.

Now, gentlemen, when it comes to matters of entertaining and when it comes to the matter of living in a dignified way abroad there is no limit. You could spend $100,000 a year.

Mr. TEMPLE. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. TEMPLE. The limit will be the sum appropriated each year by the Congress.

Mr. CONNALLY of Texas. I understand that, of course, but what I mean is that the Government can not undertake to do these things adequately or at all, according to my view. We could spend $100,000 a year at every foreign post and then you would not entertain everybody who thought they ought to be entertained. It is not wise for this Government to adopt the policy of giving to diplomatic missions abroad Government funds out of which they may pay the expense of entertaining and various other expenses connected with foreign representation. If you adopt this provision and it becomes law, I want to warn you now that you will regret it, because you are turning over to the absolute whim of the State Department untold millions in the years that are to come.

I want to ask gentlemen on that side; I want to ask the chairman of the Appropriations Committee, who was pulled from his committee room here by influences to exert his great power in behalf of this bill; I want to ask the chairman of the Appropriations Committee, does he favor granting entertainment allowances to members of the Cabinet in this country? Does he believe the Secretary of the Navy ought to have a fund provided out of the Public Treasury for entertainment purposes? He will not say he is in favor of that. Does he believe that the Secretary of War ought to have a fund—a representation allowance—for entertainment purposes? He will not say he is in favor of that.

Gentlemen, the best conception of public service is builded upon the theory that we can not receive the emoluments of people out in industry and in trade. What Congressman who sits on this floor could not spend twice his salary and spend it decently, if he undertook to live in Washington in a way that a great many foreign representatives live and in the way that successful business men in this city live? We can not do it.

It is one of the disadvantages under which we must suffer when we undertake public service.

If the time ever comes when the prestige of America abroad must be dependent upon the number of teas which its diplomats give to foreign people; if the influence of America abroad ever falls to that low level, when its barometer will register according to the number of receptions and levees which its representatives abroad give; whenever that time comes it will evidence the fact that the fiber of America and the things for which we are supposed to stand shall have perished.

I do not believe in it. I believe we ought to pay our foreign representatives a decent wage and a decent salary and let their influence spring from the fact that they represent a great country like our own, and not let their influence depend upon the amount of entertaining which they are able to do.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CONNALLY of Texas. I ask for two minutes more.

The CHAIRMAN. The time has been limited. The gentleman from Texas asks unanimous consent to proceed for two additional minutes.

Mr. CONNALLY of Texas. Never mind, Mr. Chairman. The House is not sympathetic, and I do not care to speak further.

The CHAIRMAN. The gentleman from Texas withdraws his request.

Mr. BLANTON. Mr. Chairman, a man has to talk sometimes when the House is not sympathetic. I believe deep down in the heart of every man here who is not a member of this committee that he is against this paragraph. I believe the Members are against allowing large entertainment funds for our foreign officers, and if our distinguished chairman of the Committee on Appropriations [Mr. MADDEN] was not chairman of that committee, knowing him as well as I have known him here in the last seven years, I know that he would be the first man to take this floor against this provision. He is only permitting this to go through now for two reasons: First, he is intimidated [laughter and applause] by his party; and, secondly, he believes that, as chairman of the committee, he is going to be able to control it.

Mr. LEHLBACH. Will the gentleman yield?

Mr. BLANTON. I ask the gentleman to excuse me. The gentleman from Illinois [Mr. MADDEN] thinks he will control it, and I want to say this for him, because I do not believe in waiting until a man dies and then putting flowers on his grave. He does believe in economy just as far as it is within the power of a Republican to believe in it. [Laughter and applause.] He works all the time for economy according to his lights. He tries hard to effect it, but he can not do it. And he is a valuable man to the country.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CONNALLY of Texas. I want to call the gentleman's attention to the Republican platform, which says that they all believe in it.

Mr. BLANTON. That is just a mouth declaration.

Mr. CONNALLY of Texas. The platform states that they believe in a policy of rigid economy.

Mr. BLANTON. That is for the public. I now yield to the gentleman from New Jersey.

Mr. LEHLBACH. Seeing that the gentleman yielded to the gentleman from Texas, I would like to ask the gentleman whether the chairman of the Appropriations Committee has authorized him to speak for him.

Mr. BLANTON. The gentleman from Illinois is one of the genial, courteous men of the House; he will let any friend speak for him [laughter]; but I want to say this: He soon may get tired of this job. There is going to be something much better probably for him in the future than this job. We are not going to have him in there always to watch our finances, and there may be somebody in there at the head of that committee who will not think on these questions as the gentleman

from Illinois now thinks, and that may cost this Government hundreds of thousands of dollars annually in this one little item alone.

Why can we not vote this out? Are we hobbled by this committee? It is not the proper kind of legislation to pass. It is against the ideals and the policies of this Government, and the distinguished gentleman [Mr. MADDEN] forcefully and eloquently told us about it here, as I mentioned, at 3 o'clock in the morning during the closing hours of the last Congress. Why does he not tell us so now? What have they done to him to make him come in here and speak for a bill like that?

We have no chance to stop it. The committee is going to pass the bill. I am wasting time; I know that [laughter]; but somebody has got to protest. Let me call your attention to this fact: There was just a little handful of us when we began talking against the annual $360,000 garden-seed proposition, and everybody laughed at us. They said we were wasting time. They said we could not stop it. We could only get 10 votes the first time we put it to a vote—just 10 votes against it—but we finally hammered on that proposition each and every year, and we got more and more votes against it each succeeding year until the House voted it out of the bill. That encourages me to fight and protest against these matters, even though some of you think we are not getting anywhere.

Mr. GREEN of Iowa. Does not the gentleman know that there were more Members on this side opposed to the garden-seed proposition than on that side?

Mr. BLANTON. Possibly so during this and last year, but the first time we put it to a vote there were only 10 votes against it.

I have the record of the fight for every year since I have been here when a vote was taken, and in the first fight we made there were only 10 votes against it.

Mr. LEHLBACH. That was on a motion to recommit made by the gentleman from Texas, and, of course, there were only 10 votes.

Mr. BLANTON. The gentleman from New Jersey, I presume, does not look at the measure before him but looks at and is controlled by the author of the measure. I look always at the measure. I do not care who proposes it. I would not care if the gentleman from New Jersey were sponsor for it, if it were a good measure I would support it. [Laughter and applause.]

The CHAIRMAN. The gentleman from Michigan [Mr. KETCHAM] is recognized for two minutes.

Mr. KETCHAM. Mr. Chairman and members of the committee, I am sure we have been delighted by the usual entertainment furnished by the gentleman from Texas [Mr. BLANTON] in his discussions on the bill. As I listened, however, an old saying came to my mind, "What you are speaks so loud that I can not hear what you say." [Laughter.]

In that connection I want to bring to the committee in the moment given me a curious coincidence. Objection was raised by the gentleman from Massachusetts [Mr. TREADWAY], I think on yesterday, concerning the extension privilege given the gentleman from Texas. The gentleman from Massachusetts made the statement that the expense of printing the extension granted the gentleman from Texas of 27 pages of advertising material gleaned from current newspapers was $1,042. If the 435 Members of the House of Representatives had likewise on that day all availed themselves of the same privilege, the total cost of their extensions would have been over $453,000, and that is within a few dollars of the exact net cost of our foreign establishment, both consular and diplomatic, for last year. [Laughter.]

More than that, if all the Members of the House had availed themselves of the same privilege of extension, the total number of pages on that day in the RECORD would have amounted to over 11,000, which is 4,000 more than the total number of pages filled by Members of both Houses of Congress thus far this session.

So I may say to the gentleman from Texas that when he speaks of economies it is well to practice as well as to preach. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired, all time has expired, and the question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 19 ayes and 46 noes.

So the amendment was rejected.

The Clerk read as follows:

SEC. 13. Appropriations are authorized for the salary of a private secretary to each ambassador, who shall be appointed by the ambassador and hold office at his pleasure.

Mr. BLANTON. Mr. Chairman, on page 7, line 23, I move to strike out the words "appropriations are authorized."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 7, line 23, strike out the words "appropriations are authorized."

Mr. BLANTON. Mr. Chairman and gentlemen, the gentleman from Michigan [Mr. KETCHAM] spoke of my having put some matter in the RECORD day before yesterday, and he says it cost the Government money. We have approximately 4,000 employees in the Government Printing Office who work on a regular salary. Now, get this in your minds. What goes into the RECORD at night does not cost the Government one cent more, whether it is put in by the gentleman from Texas or the gentleman from Michigan.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MORTON D. HULL. Perhaps we can get rid of some of them.

Mr. BLANTON. I have been trying to get rid of the surplus employees ever since I have been here. If they had not been printing matter furnished by me, they would have been printing matter uttered by the gentleman from Michigan, which would have been of less importance. [Laughter.] I want to show you the importance of this matter. I want to show you that I saved the country and the people $500,000.

Unfortunately, Mr. Chairman, neither our friend from Michigan [Mr. KETCHAM] nor our friend from Massachusetts [Mr. TREADWAY] are lawyers. They know nothing about law. They know nothing about "construction of statutes." Neither of them know anything whatever about the importance of placing in the record of a congressional debate of a measure that is unconstitutional, all facts demonstrating its unconstitutionality.

They did not know that, when passing upon the question of whether or not a law is unconstitutional, the Supreme Court looks not only to the Constitution but also to the debate of Congress at the time it passed such law. So we must make allowance for their ignorance. We must consider the source from which the criticism comes. We must feel sorry for them, because they are not qualified to discern what is clearly apparent to every posted lawyer.

Now, what was the importance of those 15 pages of advertisements from the Washington Star which I placed in the RECORD? To our two criticizing friends they appeared merely as ordinary advertisements that had no significance whatever. But Congress was passing a measure which recited a "legislative declaration" that a "war emergency" still existed as a basis for extending a war bureau known as the Rent Commission, which has kept rental property occupied by tenants in the District of Columbia away from lawful owners for over five years and which, by such extension, was attempting to keep such property from lawful owners for an additional two years, until May 22, 1926.

The House of Representatives passed this bill last Monday, April 28, 1924, declaring that a war emergency still existed and would continue to exist until May 22, 1926, right in the face of a decision rendered by the Supreme Court on the preceding Monday, April 21, 1924, wherein the Supreme Court said that from judicial knowledge they would hold that no such war emergency existed now. And on last Monday there were three new cases pending before the Supreme Court of the District of Columbia involving the constitutionality of this Rent Commission, which cases will eventually reach the Supreme Court of the United States. And when passing upon such cases, and upon the new extension act which the House passed last Monday, the main question that will be before the court will be whether there is such a scarcity of rooms, apartments, and houses here in Washington as to constitute the emergency declared by Congress to exist. And the Supreme Court will look to the entire debate in the CONGRESSIONAL RECORD, at the time the bill was passed, to determine whether such emergency in fact existed. Every posted lawyer knows this. So, knowing this, I placed in said debate on such bill in said RECORD 15 pages from one newspaper alone, of date April 27, 1924, of advertisements offering property scattered all over this city for rent, and in instances some owners offered a bonus of one month's rent free to any tenant who would rent the property. And in such connection I offered excerpts from the printed hearings of the committee, from sworn testimony of the witnesses, showing not only that vacant properties existed all over the city offered for rent at fair prices but also that this war institution, the Rent Commission, was being used by avaricious landlords as an excuse for raising rents and for keeping vacant hundreds of unoccupied residences

which the owners would not rent because they did not want same controlled by undesirable tenants who they could not ever put out as long as the Rent Commission existed. This evidence showed that rents in the District of Columbia were higher because of the Rent Commission than they would be if we did not have it. And poor tenants all over the city were suffering thereby. And the Government was paying the bill for keeping up this war bureau, when by getting rid of this Rent Commission would save the Government, and the people, and the tenants several hundred thousand dollars each year.

And I knew that the only way to get rid of this Rent Commission and of this new extension act passed last Monday by the House was for the Supreme Court to knock it out as being unconstitutional. And, up to the time that I put that evidence in the RECORD, there was not any evidence of the existing conditions here in the District embraced in the entire debate, and I realized that it was necessary for such evidence to be incorporated in such debate, and therefore I had same printed in the RECORD, knowing that it would be instrumental in saving the Government, the municipality, and the good people here who are tenants several hundred thousand dollars each year.

In extending such remarks, the gentleman from Massachusetts [Mr. TREADWAY] last night intimated that I did not get permission to do so. He is mistaken, just as he is about all of his criticism. If you will turn to page 7568 of the RECORD for last Monday, April 28, 1924, at the bottom of column 2, you will see the following:

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

During the debate last Monday, I was in control of one-half of the opposition time against that bill, and if I hadn't been using the time, it would have been used by somebody else, probably by the two criticizing gentlemen, Mr. KETCHAM and Mr. TREADWAY, and what they would have said would have gone into the RECORD, and would have occupied space according to what they said.

In what the gentleman from Massachusetts [Mr. TREADWAY] said yesterday, and what the gentleman from Michigan [Mr. KETCHAM] has just said to-day, they would have the uninformed to believe that when there is not much to print in the RECORD of any day, there are some Government employees in the Printing Office who would make nothing that day, and would go hungry. That is not the case. Our force of approximately 4,600 employees in the Government Printing Office are regular employees, who work regularly, who are paid salaries, and get their pay checks every two weeks just like other Government employees, and who get their vacation leave, and their sick leave, and who are retired on retirement pay when they reach certain ages, and some of whom print the RECORD every night, whether it is much or little.

In said debate I was not making a record for the lower court, as I knew what the House would do, but I was preparing the record for the Supreme Court of the United States, which, on such record, will hold that rent act unconstitutional and void, and save $500,000 annually.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MACLAFFERTY. How does the gentleman get definite information on the coming decisions of the Supreme Court?

Mr. BLANTON. Because of what they held on the 21st day of April, 1924, when they then decided the rent act was unconstitutional, and they will hold it so again. The money that was spent in printing which the gentleman from Massachusetts talks about, despite what the gentleman from Massachusetts said about it in his speech, was well spent. I know how easy it is to get up and try to hamstring a man when he was against that kind of Rent Commission legislation. He [Mr. TREADWAY] must want the Supreme Court to hold it in order. They must believe in that kind of Rent Commission legislation up in Massachusetts, taking a man's property away from him without compensation for eight years after the war. His constituents must believe in it, and he is therefore getting up here and trying to hamstring me to please his Massachusetts constituents.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ROGERS of Massachusetts. Mr. Chairman, I think the committee would like to finish this bill to-night. I think we can do it to-night if we hasten debate as much as we can. I ask unanimous consent that all debate on this section close in five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

Mr. TREADWAY. Mr. Chairman, I rise in opposition to the pro forma amendment offered by the gentleman from Texas.

Mr. CONNALLY of Texas. Mr. Charman, I do not want to interfere with the gentleman, but is the gentleman going to speak on the bill?

Mr. TREADWAY. This is on the amendment offered by the gentleman from Texas.

Mr. CONNALLY of Texas. If the chairman of the committee is going to hold us here late to-night and fill up the intervening time with debate upon matters not connected with the bill, I am going to start something.

Mr. ROGERS of Massachusetts. Inasmuch as the gentleman from Massachusetts, my colleague [Mr. TREADWAY], has been engaged in this colloquy, I thought it was only fair that he should be given opportunity to reply.

Mr. CONNALLY of Texas. I have no objection to that.

Mr. ROGERS of Massachusetts. I shall ask the members of the committee hereafter to confine themselves to the subject matter of the bill.

Mr. CONNALLY of Texas. When does the gentleman propose to have the committee rise?

Mr. ROGERS of Massachusetts. I think we can complete the bill this evening, in half an hour.

Mr. CONNALLY of Texas. Does the gentleman intend to move to rise about 5 o'clock?

Mr. ROGERS of Massachusetts. I should like to complete the bill in committee to-night.

Mr. CONNALLY of Texas. I know; but I do not propose to stay here listening to debate on matters outside of the bill.

Mr. ROGERS of Massachusetts. It is not possible to make a prediction with any accuracy.

Mr. CONNALLY of Texas. We have had the gentleman from Michigan [Mr. KETCHAM] debate this matter, and then the gentleman from Texas [Mr. BLANTON], and we will now have the gentleman from Massachusetts [Mr. TREADWAY] and then probably somebody else.

Mr. BLANTON. Oh, I shall want to answer the gentleman.

Mr. CONNALLY of Texas. Of course, the gentleman from Texas would want to answer.

Mr. TREADWAY. I shall yield part of my five minutes for his answer.

Mr. CONNALLY of Texas. I do not care how much these gentlemen talk, but I am not going to stay here late to-night to listen to them.

Mr. TREADWAY. Mr. Chairman, the gentleman from Texas [Mr. BLANTON] stated that if the matter that he put into the RECORD—advertisements from the Washington Star—had not been inserted the pay of the employees of the Government Printing Office would have gone on just the same. I am reliably informed that the greater part of the work on the CONGRESSIONAL RECORD is piecework, and that the men are paid by the amount of type set. I called up the Public Printer yesterday and was told that, per page, the amount was $38.60. Therefore, the extension that the gentleman made, which he put in the RECORD of yesterday, did cost, as the gentleman from Michigan said, $1,042. Nothing would have taken its place, so far as payment is concerned, if it had not been inserted, and it was therefore an additional expense.

The gentleman laid stress upon the fact that his insertion is of great value to the Supreme Court of the United States. Whoever heard of the Supreme Court accepting as evidence hearsay matter copied from the advertising pages of the newspapers, printed in the CONGRESSIONAL RECORD? I am not a lawyer, but I defy anyone to say that that is legitimate and good evidence before the highest tribunal in the land. I think the gentleman was not furnishing anything to the Supreme Court when he caused the taxpayers to be charged with a thousand dollars or more for the insertion of extraneous matter, more than half of which he published in the RECORD without permission of this House.

Mr. BLANTON. Oh, I deny that, and as a matter of fact it would save $500,000.

Mr. TREADWAY. It will save nothing, and the Supreme Court does not care a rap what the gentleman puts into the RECORD.

Mr. BLANTON. Oh, the gentleman says that because he is a layman and not a lawyer, and does not know.

Mr. TREADWAY. But I have a little common sense, and certainly the Supreme Court uses the same sort of common sense in combination with their great legal learning. Matter

printed in the CONGRESSIONAL RECORD is not of the slightest interest to the Supreme Court, nor is it legitimate evidence. The gentleman could not submit it to a court in his own district in Texas and get away with it. Why, it would not be evidence even before one of these investigating committees of the United States Senate, and the Lord knows they accept almost anything as evidence.

Mr. BLANTON. Oh, the gentleman is like an ostrich with his head in the sand.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 18. The President is authorized to prescribe rules and regulations for the establishment of a foreign service retirement and disability system to be administered under the direction of the Secretary of State and in accordance with the following principles, to wit:

(a) The Secretary of State shall submit annually a comparative report showing all receipts and disbursements on account of refunds, allowances, and annuities, together with the total number of persons receiving annuities and the amounts paid them, and shall submit annually estimates of appropriations necessary to continue this section in full force: *Provided*, That in no event shall the aggregate total appropriations exceed the aggregate total of the contributions of the foreign service officers theretofore made, and accumulated interest thereon.

(b) There is hereby created a special fund to be known as the foreign service retirement and disability fund.

(c) Five per cent of the basic salary of all foreign service officers eligible to retirement shall be contributed to the foreign service retirement and disability fund and the Secretary of the Treasury is directed on the date on which this act takes effect to cause such deductions to be made and the sums transferred on the books of the Treasury Department to the credit of the foreign service retirement and disability fund for the payment of annuities, refunds, and allowances: *Provided*, That all basic salaries in excess of $9,000 per annum shall be treated as $9,000.

(d) When any foreign service officer has reached the age of 65 years and rendered at least 15 years of service he shall be retired: *Provided*, That the President may, in his discretion, retain any such officer on active duty for such period not exceeding five years as he may deem for the interest of the United States.

(e) Annuities shall be paid to retired foreign service officers under the following classification, based upon length of service and at the following percentages of the average annual basic salary for the 10 years next preceding the date of retirement: Class A, 30 years or more, 60 per cent; class B, from 27 to 30 years, 54 per cent; class C, from 24 to 27 years, 48 per cent; class D, from 21 to 24 years, 42 per cent; class E, from 18 to 21 years, 36 per cent; class F, from 15 to 18 years, 30 per cent.

(f) Those officers who retire before having contributed for each year of service shall have withheld from their annuities to the credit of the foreign service retirement and disability fund such proportion of 5 per cent as the number of years in which they did not contribute bears to the total length of service.

(g) The Secretary of the Treasury is directed to invest from time to time in interest-bearing securities of the United States such portions of the foreign service retirement and disability fund as in his judgment may not be immediately required for the payment of annuities, refunds, and allowances, and the income derived from such investments shall constitute a part of said fund.

(h) None of the moneys mentioned in this section shall be assignable, either in law or equity, or be subject to execution, levy, or attachment, garnishment, or other legal process.

(i) In case an annuitant dies without having received in annuities an amount equal to the total amount of his contributions from salary with interest thereon at 4 per cent per annum compounded up to the time of his death, the excess of the said accumulated contributions over the said annuity payments shall be paid to his or her legal representatives; and in case a foreign service officer shall die without having reached the retirement age the total amount of his contributions with accrued interest shall be paid to his legal representatives.

(j) That any foreign service officer who before reaching the age of retirement becomes totally disabled for useful and efficient service by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the President, be retired on an annuity under paragraph (d) of this section: *Provided, however*, That in each case such disability shall be determined by the report of a duly qualified physician or surgeon designated by the Secretary of State to conduct the examination: *Provided further*, That unless the disability be permanent, a like examination shall be made annually in order to determine the degree of disability, and the payment of annuity shall cease from the date of the medical examination showing recovery.

Fees for examinations under this provision, together with reasonable traveling and other expenses incurred in order to submit to examination, shall be paid out of the foreign service retirement and disability fund.

When the annuity is discontinued under this provision, before the annuitant has received a sum equal to the total amount of his contributions with accrued interest, the difference shall be paid to him or to his legal representatives.

(k) The President is authorized from time to time to establish, by Executive order, a list of places in tropical countries which by reason of climatic or other extreme conditions are to be classed as unhealthful posts, and each year of duty at such posts, while so classed, inclusive of regular leaves of absence, shall be counted as one year and a half, and so on in like proportion in reckoning the length of service for the purposes of retirement.

(l) Whenever a foreign service officer becomes separated from the service except for disability before reaching the age of retirement, 50 per cent of the total amount of contribution from his salary without interest shall be returned to him.

(m) Whenever any foreign service officer, after the date of his retirement, accepts a position of employment the emoluments of which are greater than the annuity received by him from the United States Government by virtue of his retirement under this act, the amount of the said annuity during the continuance of such employment shall be reduced by an equal amount: *Provided*, That all retired foreign service officers shall notify the Secretary of State once a year of any positions of employment accepted by them stating the amount of compensation received therefrom, and whenever any such officer fails to so report it shall be the duty of the Secretary of State to order the payment of the annuity to be suspended until such report is received.

(n) The Secretary of State is authorized to expend from surplus money to the credit of the foreign service retirement and disability fund an amount not exceeding $5,000 for the expenses necessary in carrying out the provisions of this section, including actuarial advice.

(o) Any diplomatic secretary or consular officer who has been or any foreign service officer who may hereafter be promoted from the classified service to the grade of ambassador or minister, or appointed to a position in the Department of State, shall be entitled to all the benefits of this section in the same manner and under the same conditions as foreign service officers.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend in the RECORD the remarks I made upon this bill.

The CHAIRMAN. Is there objection?

There was no objection.

The following committee amendments were severally reported and severally agreed to:

Page 10, line 22, after the word "force," insert the words "and such appropriations are hereby authorized."

Page 11, line 22, strike out the word "next," after the word "the," and insert the word "next," after the word "years."

Page 23, line 11, correct the spelling of the word "retirement."

Page 13, line 12, strike out the letter "f" in the parentheses and insert the letter "e."

Page 15, line 6, strike out the letter "m" in the parentheses and insert the letter "n."

Mr. ROGERS of Massachusetts. Mr. Chairman, I offer the following committee amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Massachusetts: Page 12, line 25, after the word "compounded," insert the word "annually."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROGERS of Massachusetts. Mr. Chairman, I offer the following committee amendment, which I send to the desk.

The Clerk read as follows:

Page 15, line 17, at the end of subsection (o), insert new subsection, as follows:

"(p) For the purposes of this act the period of service shall be computed from the date of original oath of office as secretary in the Diplomatic Service, consul general, consul, vice consul, deputy consul, consular assistant, consular agent, commercial agent, interpreter, or student interpreter, and shall include periods of service at different times in either the Diplomatic or Consular Service, or while on assignment to the Department of State, or on special duty, but all periods of separation from the service and so much of any period of leave of absence as may exceed six months shall be excluded: *Provided*, That service in the Department of State prior to appointment as a foreign-service officer may be included in the period of service, in which case the officer shall pay into the foreign-service retirement and disability

fund a special contribution equal to 5 per cent of his annual salary for each year of such employment, with interest thereon to date of payment compounded annually at 4 per cent."

Mr. ROGERS of Massachusetts. Mr. Chairman, the purpose of this amendment is to fix clearly, for the benefit of the comptroller, the exact moment at which an entrant into the foreign service shall be deemed to have become connected with the service. The provision in effect was included in the retirement section as it was passed by the House last year. I think the amendment simply gives effect to what would happen even if the language were not presented. It is intended merely to be a safeguard for the benefit of the comptroller.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. McLAUGHLIN of Michigan. As I caught the reading of the amendment offered by the gentleman from Massachusetts, it includes anyone employed in the State Department.

Mr. ROGERS of Massachusetts. It includes any foreign service officer who at any time was employed in the State Department.

Mr. McLAUGHLIN of Michigan. I do not understand that the amendment is restricted enough. It says "anyone employed in the State Department." It may have been a janitor.

Mr. LEHLBACH. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. LEHLBACH. I followed the reading very closely and I am familiar with provisions of this sort. The only persons in the service of the State Department who are covered are of two classes: One a diplomatic or consular officer who is assigned to the State Department, who is assigned to duty there, or a person who begins his diplomatic service as an employee of the State Department in the first place.

Mr. McLAUGHLIN of Michigan. That is, no doubt, the intention of the amendment offered by the gentleman from Massachusetts, but the amendment is drawn in such a way that I doubt very much if that will be the construction, although I realize that I have not had time or opportunity to examine it closely. I would suggest the reading of it again, if there is no objection.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the amendment be again reported. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will again report the amendment.

The amendment was again read.

Mr. BLANTON. Mr. Chairman, I reserve a point of order.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I submit that the first two lines of the proviso are wide open:

Provided, That service in the Department of State prior to the appointment of a foreign-service officer may be included.

Service in the Department of State in what capacity? Any and all capacities.

Mr. CONNALLY of Texas. Why should it not be so?

Mr. McLAUGHLIN of Michigan. Service in the Department of State as a stenographer or doorkeeper?

Mr. CONNALLY of Texas. Why should not a doorkeeper be retired as well as anyone else?

Mr. McLAUGHLIN of Michigan. Well, if that is the intention, that is another matter.

Mr. ROGERS of Massachusetts. It relates only to the foreign-service officer, but it does not discriminate against the foreign-service officer who has risen from the ranks. It provides in a case of that sort that the beneficiary shall pay into the retirement fund 5 per cent of his salary.

Mr. McLAUGHLIN of Michigan. And regardless of the character of his employment before he went into the Diplomatic Service?

Mr. ROGERS of Massachusetts. Yes.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] reserves a point of order.

Mr. BLANTON. Mr. Chairman, I make the point of order that it is not germane to this paragraph of the bill.

The CHAIRMAN. The gentleman realizes that it has been debated for a considerable time.

Mr. BLANTON. I realize that; but I still make the point of order.

The CHAIRMAN. The Chair overrules the point of order.

Mr. LONGWORTH. I make the point of order, Mr. Chairman, that it is too late.

Mr. BLANTON. I make the point of order——

Mr. LONGWORTH. It is too late, because the chairman of the committee and the gentleman from Texas [Mr. CONNALLY] have debated the point of order.

The CHAIRMAN. The Chair will enforce the rule. The Chair is disposed to overrule the point of order made by the gentleman from Texas.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BEEDY. Mr. Chairman, I offer an amendment.

Mr. CONNALLY of Texas. Mr. Chairman, I had an amendment pending, but I yield to the gentleman from Maine.

Mr. BEEDY. I thank the gentleman very much. I wanted to offer this amendment: On page 14, line 15, strike out "50 per cent of."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maine.

The Clerk read as follows:

Amendment offered by Mr. BEEDY: Page 14, line 15, strike out the figures and words "50 per cent of."

Mr. BEEDY. Mr. Chairman, I would like to ask the chairman of the subcommittee where the idea originated of inserting this provision, which operates in the way of a penalty on a man who contributed toward the retirement fund and for reasons other than disability left the service and is unable to avail himself of the benefits?

Mr. ROGERS of Massachusetts. That amendment was not carried in the bill as I introduced it, and was adopted as the result of a rather elaborate discussion in the committee. The gentleman's point, I take it, is that it departs from the practice set forth in the Lehlbach law.

Mr. BEEDY. Mr. Chairman and gentlemen of the House, we have a retirement fund from which the officers of the Army and Navy receive the benefits, a retirement fund to which they contribute not a dollar. Now, we are proposing a retirement fund for men who, in my humble opinion, are very much underpaid, and will be, even if this bill is passed. I think subsection (1) is not in keeping with the general purpose of the bill. I do not think it is fair, and I do not think that the men on this floor, if they give this matter a moment's thought, will want to vote to retain this section, which in practice operates as follows: Here is a man who has been in the foreign service. Five per cent of his pay has been taken from him to put into the retirement fund, but for some reason or other he leaves the service at the end of five years.

Perhaps he finds himself unable to keep abreast of his financial obligations under the salary which he is receiving. Now, then, are you going to say to that man, "We will take away from you half of all the money you have already paid into this retirement fund"?

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. BEEDY. Yes.

Mr. CONNALLY of Texas. Has he not had during all of that five years the insurance of retirement and being continued in the service? Would it be fair to allow those people to only get something out of the Treasury and not put anything into that fund?

Mr. BEEDY. If I understand the gentleman, my answer would be this: Anybody, if this law goes into effect, who stays in the service 15 years would, of course, receive the benefit of the retirement fund, but in those cases of voluntary withdrawal prior to the 15-year period the Government has had the money paid into the retirement fund, and for the Government to take half of all the money which a man has contributed, if he sees fit to leave the service, does not seem to me to be in conformity with the general spirit of the bill, which, as I understand, is to treat the men in our foreign service decently.

Mr. BEGG. Will the gentleman yield?

Mr. BEEDY. Yes.

Mr. BEGG. If the gentleman buys an insurance policy in public life anywhere and carries it for 5 years or 10 years and then decides to drop it, does the company pay back all the money that has been paid in or even return half of it?

Mr. BEEDY. On such life insurance as I hold I get more than half if I carry it more than three years.

Mr. BEGG. I would like to know the gentleman's company, because I would like to take out some insurance in that company.

Mr. BEEDY. If the gentleman will come to my office, I will let him read the policies.

Last summer I had occasion to visit 10 foreign countries, I was impressed with the high order of ability of the men in our foreign service, I was impressed with the fact that they were very greatly underpaid. I am very much in sympathy with

this bill, but it does not seem to me that this particular provision of it conforms to the general spirit of the bill. The House will be the better judge of that matter than I am, but I should like to see the matter brought to a vote.

Mr. LITTLE. Did I understand the gentleman to say he thought they were underestimated?

Mr. BEEDY. No; I said I thought they were underpaid.

Mr. BEGG. Mr. Chairman, I rise in opposition to the amendment. I think it only fair to say in this connection that this provision is in the bill more because of my insistence, perhaps, than because of the gentleman from Massachusetts. He was rather inclined to be against it, but I brought the proposition down to a straight business basis. I am not at all alarmed about these fellows in the Consular Service being imposed upon. I have a constituent in the Consular Service who is married and has two children. He prefers to have that job and live over there than to have a job in the United States. He stated to me that he could live over there better on the salary he is getting from the Government now—because this was before this bill was reported—than he could live back in Ohio on any salary that he could earn there.

Now, I am for the bill increasing the salaries of these men and I am for doing everything I can to stimulate trade, because trade is the life of the country. But why should you select a certain class of people and give them preferential gratuities in old age which are at the expense of the people who are not employed by the Government and who receive no gratuity? We do it for the Army and the Navy and I really think they ought to be compelled to pay something, yet with the Army and the Navy it is an entirely different proposition because there is more or less hazard there. But why should I get into the Consular Service and stay 5 years, 10 years, or 14 years, enjoy, if you please, insurance against old age and then leave the service of my own volition and receive what I have paid in, because I would no doubt leave the service on the presumption that I was bettering my condition or I would stay. Every kind of a condition is covered in the bill. If a man is discharged from the Government service for any reason that is covered, and if a man voluntarily quits the Government service, should the Government act as a savings bank for him and charge him no penalty? There is not a bank in the world that will do it for you, nor is there an insurance company in the world that will do it for you. The gentleman from Maine is absolutely wrong when he says there are insurance companies in the United States which will, if you drop your insurance, refund you even 50 per cent; they will not even refund you 10 per cent, nor 5 per cent, nor 1 per cent, and because they do not do that they can write cheaper insurance for the men who carry it.

Mr. BEEDY. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. BEEDY. Lest there be any misunderstanding about it, did I understand the gentleman in his recent statement to imply that I am arguing that we ought to give back to a person leaving the service what he has contributed with interest.

Mr. BEGG. Well, if the gentleman's amendment succeeds, that is exactly what will be done. He puts in 5 per cent annually for 14 years, the Government compounds it annually, and then he quits to get a better job, and then the Government turns in all the money he has paid in for the insurance he has carried, plus 4 per cent compound interest.

Mr. BEEDY. If the gentleman will read the provision, he will find it provides for no interest. It is a special section and stipulates no interest.

Mr. BEGG. The gentleman only struck out the 50 per cent?

Mr. BEEDY. That is all.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. MACLAFFERTY. If a man has paid insurance for a certain length of time and then drops it, does not the gentleman know that while the company does not return him all or half the money it carries him on with paid-up insurance?

Mr. BEGG. Absolutely, and that is what is provided here. I am carrying him to the extent of 50 per cent.

Mr. MACLAFFERTY. The gentleman did not make that clear.

Mr. BEGG. Well, it is hard to make every point clear in a brief time.

If the gentleman's amendment succeeds, we provide these men with an annuity for life after retirement, or if they quit to take a better job before reaching the age of retirement under the gentleman's amendment we would give them back the total amount of their contribution from their salary without interest. I was in error when I said we compounded it. We do not compound it.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BEGG. May I have just one more minute?

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. BEGG. I do not want to misstate the facts. We do not compound the premium, but we return him all the premium. If the bill stays as it is, we penalize him 50 per cent of the premiums and refund the other 50 per cent, which I think is absolutely equitable and absolutely fair, and I hope the gentleman's amendment will not prevail.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maine.

The amendment was rejected.

Mr. CONNALLY of Texas. Mr. Chairman, I offer an amendment.

Mr. ROGERS of Massachusetts. Mr. Chairman, I understand there are two more amendments to be offered, and I wonder if we could agree at this time, for the convenience of the committee, to close debate in 15 minutes, and I ask unanimous consent for that purpose.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section and all amendments thereto close in 15 minutes. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY of Texas: Page 11, line 24, strike out the "60" and insert "40"; in line 25 strike out "54" and insert "36"; and on page 12, line 1, strike out "48" and insert "32"; and in line 2 strike out "42" and insert "28," and in line 3 strike out "36" and insert "24," and in line 4, strike out "30" and insert "20."

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, this amendment proposes to reduce the scale of percentages on retirement by one-third as carried in the bill.

The bill carries increases of salary on the theory that persons in the Diplomatic and Consular Service should have more than sufficient to barely exist and that salaries provided would be fairly adequate for a decent and comfortable livelihood. By adding a liberal retirement feature the bill proposes to encourage these gentlemen to live up to every dollar of their salary. It is possible under this bill for a secretary who has been in the service for 30 years to retire on an annual compensation of $5,400 per year. You gentlemen may think that is good public policy, but I believe that these rates are too high.

Gentlemen, you have heard on this floor this very afternoon retirements in the Army and the Navy cited as reasons why we should adopt this retirement provision in behalf of the foreign service. The gentleman from Maine stood here and said:

Why, the Army and the Navy have a retirement system and the Government pays all of it. Why should we not have a similar system for the foreign service?

If you adopt this provision in the bill you will simply be affording another precedent, and it will not be long until the clerks and the secretaries in the departments here in Washington and the secretaries of Congressmen will be at the doors of Congress wanting their retirement wages increased, and they will make their complaint with forcefulness when they call your attention to the fact you have adopted a bill making it possible for a secretary in the Diplomatic Service to retire and to draw out of the Public Treasury money raised by the sweat of the American taxpayers and give that secretary $5,400 out of the Treasury, a secretary who neither sows nor does he reap; who neither tolls nor does he spin. I want to say, my friends, that when you do that you will be encouraging every department in this Government ——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COLLINS. I yield the gentleman four minutes.

The CHAIRMAN. Without objection, the gentleman may proceed four additional minutes.

Mr. CONNALLY of Texas. Mr. Chairman, let me tell you something. The Republican platform—and I am not making a partisan appeal, because the Democrats do it, too—the Republican platform proclaims the doctrine that you believe in economy, in rigid economy:

We pledge ourselves to a careful plan of readjustment to a peacetime basis and to a policy of rigid economy.

The Democratic platform pledges that kind of a policy. We go before the American people and you go before the American people and we tell them we are in favor of retrenchment. We believe in cutting people off the pay roll, we believe in rigid economy, and yet by this act, gentlemen, you are adding to the pay roll employees who retire from the service; and, mind you, you are not adding them to the rolls simply during your administration of four years, but you are adding them to the pay roll until Gabriel himself by a blast from his horn announces that their time for an accounting has come.

You are putting them on the pay roll, some of them at $5,400 a year. Why, gentlemen, they will not have to entertain anyone after they retire. There will be no necessity for the retirement salary to be so high. If you are going to retire them, do not put them on a salary that, supplemented by their savings, will permit them to live in luxury, but give them a salary upon which they can get along comfortably.

Mr. LITTLE. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. LITTLE. Does the gentleman say that these men get $5,400?

Mr. CONNALLY of Texas. That is the maximum.

Mr. LITTLE. Secretary of what?

Mr. CONNALLY of Texas. Embassies.

Mr. LITTLE. Has the gentleman offered an amendment?

Mr. CONNALLY of Texas. Yes; my amendment is to scale it down one-third. Of course, that is the maximum, but if only one gets $5,400 that will be too much out of the Treasury of the United States.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes; I yield to the statistician of Illinois.

Mr. CHINDBLOM. I will fortify my statement I made a while ago. Does the gentleman contend that the statement in the report as written on the basis of the bill that the Government will contribute only 1.94 of the salary is wrong?

Mr. CONNALLY of Texas. Yes; I contend that is wrong. All of these things were recommended and submitted by people who were in favor of the bill. I do not say that the estimates were willfully wrong, but I do say that all of these estimates were based on speculation and figures of actuaries, and the gentleman knows that there is no mathematical accuracy in those figures.

Mr. CHINDBLOM. I think we may take the figures of the actuaries.

Mr. CONNALLY of Texas. Well I do dispute the statement that only 1.94 is contributed by the Government. If the gentleman will read the bill, he will see that it is provided the Government shall not pay any more toward the retirement fund than individuals contribute, which shows that the Government will pay half.

Mr. CHINDBLOM. That is only a safeguard.

Mr. CONNALLY of Texas. No; it is not.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk will report the amendment offered by the gentleman from Mississippi.

The Clerk read as follows:

Page 11, line 14, strike out the figures "65" and insert "70" and strike out all after the word "retired," in line 15, page 11.

The CHAIRMAN. The gentleman from Mississippi is recognized for one minute.

Mr. COLLINS. Mr. Speaker, the amendment I have offered simply makes the retirement age 70 instead of 65 and makes it conform to the civil service retirement law as it now stands.

Mr. ROGERS of Massachusetts. Mr. Chairman, I shall not detain the committee for much of the five minutes that I reserved for myself. It is extremely difficult to get the precise cost of a retirement law. The Committee on Foreign Affairs realized that, but at the same time desired to go as far as it could go toward getting all information that was humanly possible. We consulted the board of actuaries which is administering the civil service retirement disability fund. Under date of January 7 we received the actuaries' report. They may have made mistakes, there may be a margin of errors, but I think we can say that they are more likely to guess right than anybody in the House or anybody outside. This is what they say:

The calculation indicates the contribution equal to 6.94 per cent of the salaries of all new employees will be sufficient to provide the benefits for employees entering the foreign service under the plan proposed in this bill. Employees' contributions at the rate of 5 per cent of their salaries will therefore cover 72 per cent of the normal cost of the benefits and a contribution equal to 1.94 per cent of the salaries of new employees will be required by the Government in order to cover the remainder of the normal cost of the benefits.

In other words, gentlemen, the committee, by fixing a 5 per cent contribution under this section, provides that the contribution of the employees shall be at the rate of $5 in comparison with every $2 contributed by the Government. The effect of the Connally amendment would be that the Government would make a profit out of the salaries which it had been paying the officers.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. The gentleman does not want to make a mistake; the most favorable testimony is that they would pay 72 and the Government 28 per cent.

Mr. ROGERS of Massachusetts. Seventy-two per cent of the cost would be paid by the employees and 28 per cent would be paid by the Government. The effect of the gentleman's amendment would be that by reducing annuities one-third the Government would make a profit out of the retirement fund. Considering the way we have established other retirement funds, that seems rather an absurd result.

We retire our Federal judges on full pay without contribution. We retire Army and Navy officers on three-quarters pay without contribution. Great Britain retires her foreign-service people on two-thirds pay without contribution. We retire our Coast Guard; we retire our Lighthouse Service; we retire pretty generally the employees of the Government without contribution. We retire the mass of civil-service employees of the Government on the basis of 2½ per cent contribution. The effect of the civil service retirement law—and the gentleman from New Jersey [Mr. LEHLBACH], the author of the law, will correct me if I am wrong—is that the Government pays 58 per cent of the benefits and the employees 42 per cent. At least it was so testified in the hearings. What we are asking in this provision is merely that the Government shall pay $1.94 for every $5 that is contributed by the employee.

Mr. LEHLBACH. The testimony shows that the cost of the retirement system as recommended in the bill will be 6.94 per cent of the pay roll. If that benefit is reduced two-thirds; that is, if the annuities are reduced by one-third, the cost of the annuities would be 4.64 per cent of the pay roll, and you are asking the employees to contribute 5 per cent, which is 0.32 of 1 per cent more than it costs.

Mr. ROGERS of Massachusetts. In other words, my statement is verified, that the Connally amendment would result in a net profit to the Government.

Mr. CHINDBLOM. These calculations by the board of actuaries are based on specific terms not dependent at all upon longevity, and there seems to be no reason why there should be any mistake in the calculations.

Mr. ROGERS of Massachusetts. They may be wrong, but they were as nearly right as we could get in the committee.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. All time has expired. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. CONNALLY of Texas) there were—ayes 21, noes 40.

So the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Mississippi, Mr. COLLINS, which without objection the Clerk will again report.

The Clerk again reported the Collins amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 21. That the appropriations contained in Title I of the act entitled "An act making appropriations for the Departments of State and Justice and for the judiciary for the fiscal year ending June 30, 1925, and for other purposes," for such compensation and expenses as affected by the provisions of this act are made available and may be applied toward the payment of the compensation and expenses herein provided for, except that no part of such appropriations shall be available for payment of annuities to retired foreign-service officers.

Mr. ROGERS of Massachusetts. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Massachusetts: On page 16, line 7, after the word "judiciary" insert the words "and for the Departments of Commerce and Labor."

Mr. BLANTON. Mr. Chairman, what is the purpose of that?

Mr. ROGERS of Massachusetts. The only purpose is to correct the title of the bill which we quote in this section. At the time this particular bill was reported it was not known what the exact title of that appropriation bill would be. Last year it comprised only two departments.

Mr. BLANTON. What is the necessity of adding the Departments of Labor and Commerce?

Mr. ROGERS of Massachusetts. It is simply to correctly quote the title of that act.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. TEMPLE. Mr. Chairman, I ask unanimous consent to extend in the RECORD the remarks that I made on this bill.

The CHAIRMAN. Is their objection?

There was no objection.

Mr. ROGERS of Massachusetts. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ROGERS of Massachusetts. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The SPEAKER. The gentleman moves the previous question on the bill and all amendments to final passage. The question is on agreeing to that motion.

Mr. CONNALLY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNALLY of Texas. That does not include the offer of a motion to recommit?

The SPEAKER. No. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CONNALLY of Texas. Mr. Speaker, I understood the gentleman from Massachusetts [Mr. ROGERS] said he would not try to pass the bill until to-morrow. I have not yet prepared my motion to recommit.

Mr. ROGERS of Massachusetts. I am willing to have it postponed until to-morrow. Mr. Speaker, will the bill come up to-morrow as the unfinished business if it is not passed tonight?

The SPEAKER. Yes.

Mr. CONNALLY of Texas. If we adjourn now a motion to recommit will be in order to-morrow?

The SPEAKER. Yes.

Mr. ROGERS of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

Mr. LONGWORTH. Mr. Speaker, there are a number of matters to be considered.

LEAVE TO ADDRESS THE HOUSE

Mr. HAWES. Mr. Speaker, I ask unanimous consent to address the House for half an hour on Friday next.

The SPEAKER. The gentleman from Missouri asks unanimous consent to address the House for half an hour on Friday next. Is there objection.

There was no objection.

NAVY DEPARTMENT APPROPRIATION BILL

Mr. FRENCH rose.

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to address the House now for three minutes.

The SPEAKER. The Chair thinks he must first recognize the gentleman having in charge an appropriation bill or conference report. It has the right of way.

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, disagree to all the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Idaho asks unanimous consent to take from the Speaker's table the bill H. R. 6820, the naval bill, disagree to all the Senate amendments, and ask for a conference. Is there objection?

Mr. CONNALLY of Texas. Reserving the right to object, Mr. Speaker, I want to ask the gentleman from Idaho a question with reference to the provision in the bill adopted by this House relating to enlistments under 21 years of age. I notice that the Senate has eliminated that amendment. Is there going to be a disposition on the part of the conferees just tamely to recede from the House position, or can we have assurance that the House will have an opportunity to vote on that when the bill comes back to the House?

Mr. FRENCH. I have no hesitation in letting the gentleman understand that we will give the opportunity desired.

Mr. CONNALLY of Texas. You will bring it back to the House before you agree to accept the Senate amendment?

Mr. FRENCH. Yes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER announced as conferees on the part of the House Mr. FRENCH, Mr. HARDY, Mr. TABER, Mr. BYRNES of South Carolina, and Mr. OLIVER of Alabama.

STOCK-RAISING HOMESTEADS

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 381, insist on the amendments of the House, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Oregon asks unanimous consent to take from the Speaker's table the bill S. 381, insist on the House amendments, and agree to the conference asked for by the Senate. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 21, 1916 (39 Stat. L. p. 862).

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER announced as the conferees on the part of the House Mr. SINNOTT, Mr. SMITH, and Mr. RAKER.

GAUGES AND NATIONAL DEFENSE

Mr. TILSON. Mr. Speaker, I ask unanimous consent to extend in the RECORD my own remarks on the subject of gauges and their importance in national defense.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to extend his own remarks in the RECORD on the subject indicated. Is there objection?

There was no objection.

Mr. TILSON. Mr. Speaker, it is appropriate that the Representative in Congress from the New Haven, Conn., district should consider the subject of gauges and their relation to interchangeability in manufacture, for it was just outside the city limits of New Haven, and within a half mile of the place where the present Representative of that district now lives, that the principle of interchangeability of parts in manufacture was first practically worked out and applied in this country, and probably in the world. A letter written by Thomas Jefferson when he was minister to France, addressed to John Jay, states that a Frenchman by the name of Le Blanc had invented an improvement in the manufacture of muskets which "consists in making every part of them so exactly alike that what belongs to any one may be used for every other musket in the magazine." That the idea was not worked out and utilized, however, is shown in a later letter from Jefferson in which he states that he tried to get the United States to bring this Frenchman over, but failed and afterwards he lost track of him. I refer to this in order to give credit where credit is due for the idea, although, along with the originator of the idea, it seems to have been lost. At any rate, the principle of interchangeability of parts in manufacture was not used in France or any other country outside the United States until many years after it was in use here.

Eli Whitney, the inventor of the cotton gin, was probably the originator, and it is claimed quite confidently was the first to work out and practically apply the principle of interchangeability of parts in the manufacture of firearms. Although the cotton gin was one of the most important and far-reaching inventions of any age, the difficulties encountered in protecting his patent were so great that Whitney reaped almost no financial reward from it. We therefore find him turning to the manufacture of firearms, in which he was eminently successful. The great Winchester Repeating Arms Co. of to-day is the direct descendant of the small enterprise in which he embarked.

In 1798 an order for muskets was given by the War Department to the famous cotton-gin inventor, which were to be manufactured "on a new principle." Jefferson, in a letter to Monroe, written in 1801, in speaking of Whitney and his "new principle," says:

He has invented molds and machines for making the pieces of his locks so exactly equal that take 100 locks to pieces and mingle their parts and the 100 locks may be put together by taking the pieces which come to hand.

About 10 years elapsed before the order was fully completed, and the Government had to make a number of extensions of time for the completion of the order. Recalling the obstacles to be overcome 120 years later, during the World War, it is not to be wondered at that some delays were encountered in this pioneer undertaking. In connection with one of these extensions, Whitney brought to Washington all of the parts for the assembling of 10 complete muskets. The different parts of the musket were segregated into as many groups as there were parts in the musket. In the presence of the Secretary of War and other officials, Whitney performed what then appeared to be the most amazing feat of taking at random a part from each of the groups and assembling the parts into a complete musket. The exhibition seems to have been convincing. At any rate, the time was extended and he was allowed to finish the order.

That the Whitney muskets were more than satisfactory is well attested. In 1847 Jefferson Davis, then commanding a Mississippi regiment in the War with Mexico, wrote to the Ordnance Department that the steel-barreled muskets from the Whitney armory were "the best rifles ever issued to any regiment in the world."

In 1799 an order for pistols was given to Simeon North, of Middletown, Conn., and it is apparent from the result that before the completion of this order he used the same principle. It has been contended that North, and not Whitney, is entitled to first credit for this new principle. Unfortunately the papers, drawings, designs, and many other things which might give valuable information concerning the work of both Whitney and North along this line were destroyed by fire in their respective shops. It is quite probable, in view of the fact that the two pioneers along this line lived within 20 miles of each other, that ideas were exchanged between them; but from the records still extant it appears that Whitney used the "new principle" from the beginning, whereas in the case of North it does not affirmatively appear that he used it prior to 1808. In 1813 North contracted to furnish 20,000 pistols, and in the agreement appears this significant clause:

The component parts of the pistols are to correspond so exactly that any limb or part of one pistol may be fitted to any other pistol of the 20,000.

North's first contract with the Government was made in 1790, his last was finished in 1853, a year after his death, aggregating 50,000 pistols and more than 80,000 rifles. It has been said of him that he worked under 16 administrations, representing all parties, and that in all the 53 years he never received a reproof or a criticism of his work. He was a country-bred man, strong, quiet, and almost painfully modest. He lacked Whitney's education and influence, but, like him, he represented the best which American mechanical and business life has produced.

Without attempting to positively decide which of these two worthy sons of the same Commonwealth is entitled to the credit for originating or for the earliest development of the principle of interchangeability, it is sufficient to say that this principle, which has become of such tremendous importance in manufacturing, was during the first decade of the nineteenth century developed through the experimental stages by these two notable Connecticut men.

Whatever may have been the form or designation of the tools and other devices used in these early ventures, they were doubtless of a somewhat crude and primitive character. Their use, however, was the beginning of a chapter in American history far more important than the threatened wars for which the muskets were to be made, which have been almost forgotten.

Interchangeability of parts and the devices necessary to insure interchangeability are preeminently American in their use and development. When the principle spread to Europe, as it did before the middle of the nineteenth century, it was universally characterized as the American system. The scarcity and high cost of labor in this country exerted a great influence in the development and use of such a principle. The increased use of labor-saving machinery accentuated development in this direction. In fact, it can be said that jigs and gauges, in connection with machinery, more than anything else, are responsible for the marvelous development of American manufacturing and for the ability of our manufacturers to successfully cope with foreign competition while paying much higher wages.

The primary credit for the development of the principle of interchangeability is due, as has been shown to the firearms industry, although its greatest application has been in the production of such articles as sewing machines, bicycles, typewriters, clocks, watches, and tools. The Ford automobile should also be mentioned as a conspicuous example. On account of the comparatively small quantities of military firearms required in this country development of the use of gauges in the manufacture of military firearms and other matériel did not keep pace with the development in the industries of peace. From the time that Whitney first used such devices, as he did in making interchangeable parts for muskets until shortly before the World War began, there had been a very great improvement in the character and quality of gauges and also an increase in their number and use, but not comparable with the development in lines of peaceful industry, so that when we entered the World War the supply of gauges and other precision and inspection devices, even for the most used of weapons, such as the Springfield rifle, was quite limited. For other important articles there were few or none.

It may not be generally known that up to 1916 no authority of law existed even for making appropriations for gauges, so that an item in an appropriation bill before Congress authorizing money to be spent for such a purpose would have had to go out of the bill on a point of order made against it. Early in 1916 I introduced a bill to authorize the War Department to manufacture and otherwise procure gauges, dies, jigs, tools, fixtures, and other special devices and appliances for the manufacture of arms, ammunition, and other matériel. When the national defense act of 1916 was under consideration in the House of Representatives I offered my bill as an amendment, and the amendment was carried as section 123 of the national defense act. In considering the development and present status of the gauge problem this section should have a place, so it is inserted here in full:

SEC. 123. Procurement of gauges, dies, jigs, etc., necessary for the manufacture of arms, etc. The Secretary of War be, and he is hereby, authorized to prepare or cause to be prepared, to purchase or otherwise procure such gauges, dies, jigs, tools, fixtures, and other special aids and appliances, including specifications and detailed drawings as may be necessary for the immediate manufacture of arms, ammunition, and special equipment necessary to arm and equip the land forces likely to be required by the United States in time of war: *Provided*, That in the expenditure of any sums appropriated to carry out the purposes of this section the existing laws prescribing competition shall not govern whenever in the opinion of the Secretary of War such action will be for the best interests of the public service.

The story of what happened as a result of the new provision of law during the few months intervening between its enactment and our entrance into the war is short. The Army appropriation bill for 1917 and the fortifications bill, as well, carried appropriations under authority of the new provision. Very little was or could have been done owing to the lack of time before war was declared on April 6, 1917. The war found us with little except the law itself upon which to lay the foundation upon which was later constructed a great munitions program.

At the outset of the war it became apparent that the gauge problem was a determining factor as to the types and kinds of arms to be used in the struggle. I can best illustrate by taking one element of ordnance equipment as typical and going into it somewhat in detail. I therefore choose the shoulder rifle. For a few weeks after we entered the war there was some more or less pertinent discussion as to the kind of rifle with which the Infantry should be armed. A careful observation had been made of all the rifles in use by the allied forces, which only served to reenforce the general belief in this country that the United States Springfield, model 1903, was

superior to any other rifle in the war. It was the arm to which our small Regular Army and our National Guard had become accustomed and it was quite naturally desired that the emergency army to be raised should be armed with the same weapon. Lack of gauges caused the decision to use another rifle.

Soon after the United States had entered the war a conference of gauge manufacturers and rifle manufacturers was called to meet with the responsible officers of the Ordnance Department to discuss the subject of gauges as related to the production of rifles. Being greatly interested in the subject matter of the conference I secured the conference room in the House Office Building as the place of meeting and had the privilege of attending. Representatives of all the larger gauge manufacturers in this country were present and stated quite fully and clearly what could be counted upon in this direction. As a result of the conference it became apparent that for the bulk of our troops some other than the Springfield rifle must be adopted.

The situation as to rifles was that when we entered the war in 1917 we had on hand less than 700,000 Springfield rifles. As is well known, this arm is made only in Government arsenals. We had accumulated in the arsenals gauges of one type or another to such an extent that our capacity in rifle production was about 200,000 annually, although, of course, nothing like maximum production had ever been attempted. This capacity was quite sufficient in peace time, when all that was required was to replace wastage and very gradually increase the stock on hand. In war, however, such a capacity was not sufficient to even replace wastage; so that, relying upon this source alone, we must limit the Infantry forces to less than 700,000 rifles. Such increase in gauge capacity as was found to be practicable without seriously interfering with other features of the munitions program would have supplied little more than the inevitable wastage of war-time service. In this situation it was necessary to turn to sources outside of our Government arsenals, and here also the element of gauges was the decisive factor.

It was fortunate for the United States that necessity in a great emergency had compelled Great Britain to place very large orders for rifles with American manufacturers and that these manufacturers had equipped themselves with the gauges and other necessary tools for quantity production of an improved type of the British Enfield rifle. The practicability of using this equipment with slight modifications saved us from serious embarrassment in our rifle program.

The adoption of the improved British Enfield rifle—designated by us as the United States model 1917—as our principal reliance for the war is such an interesting illustration of the vital importance of gauges in any program of national defense that a brief reference to it is entitled to a place here. Prior to 1914 the British Ordnance Bureau had been engaged in designing a new rifle which was to take the place of the old Enfield. The new design was a decided improvement in many ways over the old one. It was to be .285 caliber instead of .303, as was and is now the caliber of the British rifle.

The new rifle, however, had not progressed beyond the blueprint stage when the war broke out. Any kind of rifle made of metal is superior to one on paper. Such rifles as were in existence were of the old type. Such facilities as existed for making rifles were of the old type. Such ammunition as was on hand fitted the old rifle, and such gauges, dies, and other necessary tools and equipment as existed for the production of rifles and ammunition were of the old type. Therefore, only one course was open to Great Britain and that was to continue making what could be made with existing facilities.

British agents brought drawings for their new rifle, modified so as to use .303 instead of .285 caliber ammunition, to this country and entered into contracts with such as could be induced to undertake its manufacture. The demand for rifles was pressing. At this stage of the British mobilization rifles were not available for more than 1 recruit in 10 enlisted. American manufacturers were urged to produce rifles with all possible speed. Time rather than money was the most essential element of the contracts.

The cry was rifles at the earliest possible moment, and then more rifles. Some of the strongest and best concerns in America took these contracts, companies with abundant capital and practically unlimited credit. Peace prevailed here; labor, both skilled and unskilled, was plentiful, and yet no rifles were produced for a whole year, the reason being the difficulty of the solution of the gauge problem.

The wrestling of American manufacturers with the gauge problem during the years 1915 and 1916 was a most instructive lesson in industrial preparedness for war. I watched and studied it with great interest and intensity, believing it to be a most useful lesson for this country to learn. After a year's struggle with the problem, only a few rifles were being produced. Meanwhile much of the best blood of Great Britain was being shed that might have been saved, because of the lack of rifles. Eighteen months saw the number of rifles on the way toward France rapidly increasing, but more than two years of most precious time had passed before the 1915 orders for rifles had been filled. The rifles were hurried away to France, but the gauges and other necessary equipment which had been created for their production, and which had been paid for in British gold, remained and saved us from an embarrassing and dangerous situation.

We had entered the war and were now able to use the gauges and other equipment created for the purpose of meeting the dire need of Great Britain to likewise meet our own necessity. Comparatively slight modifications were necessary in order to produce a rifle that could use the United States service cartridge, but even this slight change, requiring only a few new gauges, held up the rifle program for months.

In the light of our war experience it is now possible to estimate about what time it would have required to create the necessary gauge capacity to have supplied rifles to our armies as they were mobilized and to make good the wastage. One thing is quite certain, and that is that if it had not been for the fortunate circumstance referred to more than two-thirds of the 2,000,000 men sent to France would have had to use the rifle of either France or Great Britain during their entire service.

Quite as good an illustration of the importance of gauges and the time required to procure them is furnished by the machine-gun problem. The Browning gun had been designed, made, and tested. It was a success. We were practically without machine guns of any kind, while the rapidly increasing importance of this arm was being daily demonstrated on the battle fields of France. The need for machine guns was most urgent. The Lewis gun, chambered for British ammunition, had been put into quantity production. The Marlin Co. had equipped itself for making a machine gun for Russia. These two might have been modified, as they were a little later, to use United States ammunition, and probably, in the light of subsequent events, should have been modified at once and manufactured in much greater numbers than they were, while the gauge problem for the Browning was being worked out. At any rate, with all possible effort concentrated on the Browning, it was a full year before these guns were being turned out in adequate quantities. Meanwhile our troops in France were inadequately supplied with such French and British machine guns as were available and with all the inconvenience and confusion attendant upon the use of the two kinds of Infantry ammunition in the same army.

The pistol problem furnished another forceful illustration of the same character, if one were needed. Our officers literally used such pistols as they could get, or went without, while the frantic, unceasing efforts of the Ordnance Department to procure the Colt automatic were rendered practically fruitless until almost the end of the war, by reason of the difficulties necessary to be overcome in working out the gage problem.

Certain components of the artillery program would furnish almost as good illustrations as those already given of the difficulties encountered in trying to work out, in the midst of war, a problem which is peculiarly one of peace. Enough instances have been cited, however, to emphasize the vital importance of this problem in any rational or adequate program of national defense.

It is a work that can best be done in time of peace; in fact, can be done satisfactorily only in time of peace. A thorough study should be made of every essential component of matériel. Those necessitating the use of considerable gauge, jig, and fixture equipment, involving long time and special mechanical skill in manufacture, should be given priority of consideration. The goal should be an adequate reserve of such equipment, kept well up to date. Nothing short of this will satisfy the proper demands of a great country, which is entitled at all times to a reasonable degree of preparedness for its own defense.

It is a source of very great satisfaction that the Ordnance Department has tackled the problem in such a determined manner, indicating that it is not to be allowed to be lost sight of or sidetracked, but is to be worked out with vigor and persistence. The oncoming generations will soon forget the lessons of the Great War if allowed to do so. I trust that those who are charged with the responsibility of our national defense will see to it that at least the most vital of the lessons learned at such enormous cost are not forgotten.

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. CONNALLY of Texas. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Ohio what business will be taken up?

Mr. LONGWORTH. We wish to conclude the consideration of the District of Columbia appropriation bill. It could not be done, probably, unless we began at 11 o'clock.

Mr. BLANTON. I hope the gentleman will not do that.

Mr. LONGWORTH. I have been requested to submit the request by members of the committee.

Mr. CONNALLY of Texas. I think if the Republican Congress wants to work we should let it work.

Mr. LONGWORTH. I think that is admirable.

Mr. BLANTON. We have a lot of work to do, Mr. Speaker. I have a lot of work to do on that particular bill. I hope the gentleman will not insist on that.

Mr. LONGWORTH. There are a number of gentlemen on the subcommittee and others, together with the chairman of the Committee on Appropriations, who have asked me to make that request.

The SPEAKER. Is there objection?

Mr. ALLEN. Reserving the right to object, Mr. Speaker, I would not object if the Members would come at the hour, but when you say 11 o'clock and then meet really at 12 o'clock, I do not see any necessity for it.

The SPEAKER. Is there objection?

Mr. ALLEN. I object.

The SPEAKER. The gentleman from West Virginia objects.

REPORT FROM COMMITTEE ON ENROLLED BILLS

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, bill of the following title:

H. R. 1831. An act to loan to the College of William and Mary, in Virginia, two of the cannon surrendered by the British at Yorktown on October 19, 1781.

REREFERENCE

The SPEAKER. H. R. 7217, a bill for the purchase of the Oldroyd collection of Lincoln relics and the erection of a monument or tablet to mark the spot where Lincoln died, was referred by the Chair to the Committee on Public Buildings and Grounds. Request had been made that it be transferred to the Committee on the Library, and the chairmen of both committees agree to the rereference. If there is no objection, the Chair will rerefer it to the Committee on the Library.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. McCLINTIC (at the request of Mr. McKEOWN) for an indefinite time, on account of illness.

Mr. WATKINS, indefinitely, on account of sickness.

ADJOURNMENT

Mr. ROGERS of Massachusetts. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p. m.) the House adjourned until to-morrow, Thursday, May 1, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

447. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the District of Columbia for the fiscal year ending June 30, 1925, for rent of offices for the recorder of deeds, $6,800 (H. Doc. No. 252), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 274. A resolution providing for the consideration of H. R. 5478, a bill to amend an act providing vocational rehabilitation of persons injured in civil employment; without amendment (Rept. No. 602). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 275. A resolution providing for the consideration of H. R. 5209, a bill to provide additional hospital facilities for the Veterans' Bureau; without amendment (Rept. No. 603). Referred to the House Calendar.

Mr. LUCE: Committee on the Library. S. J. Res. 7. A joint resolution granting permission for the erection of a monument to symbolize the national game of baseball; without amendment (Rept. No. 604). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. S. J. Res. 106. A joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of an equestrian statue of Gen. San Martin which the people of Argentina have presented to the United States; without amendment (Rept. No. 605). Referred to the Committee of the Whole House on the state of the Union.

Mr. QUIN: Committee on Military Affairs. S. J. Res. 105. A joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes; without amendment (Rept. No. 606). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5420. A bill to provide fees to be charged by clerks of the district courts of the United States; without amendment (Rept. No. 607). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5422. A bill to provide for reporting and accounting of fines, fees, forfeitures, and penalties, and all other moneys paid to or received by clerks of United States courts; without amendment (Rept. No. 608). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5421. A bill to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization; without amendment (Rept. No. 609). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5423. A bill to amend section 2 of the act of August 1, 1888 (25 Stat. L., p. 357); with an amendment (Rept. No. 610). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. S. 2236. An act to designate the time and places of holding terms of the United States district court in the first division of the district at Kansas City; without amendment (Rept. No. 611). Referred to the House Calendar.

Mr. McKENZIE: Committee on Military Affairs. H. R. 8886. A bill providing for sundry matters affecting the Military Establishment; without amendment (Rept. No. 612). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUTHERLAND: Committee on Military Affairs. H. R. 3847. A bill granting a certain right of way, with authority to improve the same, across the old canal right of way between Lakes Union and Washington, King County, Wash.; with amendments (Rept. No. 615). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREENE of Massachusetts: Committee on the Merchant Marine and Fisheries. H. R. 8638. A bill to amend section 28 of the merchant marine act, an act of 1920; with an amendment (Rept. No. 617). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XXIII,

Mr. UNDERHILL: Committee on Claims. H. R. 3071. A bill for the relief of Daniel A. Spaight; with an amendment (Rept. No. 613). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 3132. A bill for the relief of the William J. Oliver Manufacturing Co. and William J. Oliver, of Knoxville, Tenn.; without amendment (Rept. No. 614). Referred to the Committee of the Whole House.

Mr. SUTHERLAND: Committee on Military Affairs. H. R. 7389. A bill for the relief of John Solen; without amendment (Rept. No. 616). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII the Committee on Public Buildings and Grounds was discharged from the consideration of the bill (H. R. 7217) for the purchase of the Oldroyd collection of Lincoln relics and the erection of a monument or tablet to mark the spot where Lincoln died, and the same was referred to the Committee on the Library.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DOYLE (by request): A bill (H. R. 8977) to provide for the furnishing of surety bonds by national banks for the protection of depositors; to the Committee on Banking and Currency.

By Mr. BRAND of Ohio: A bill (H. R. 8978) to amend the Federal highway act; to the Committee on Roads.

By Mr. DALLINGER: A bill (H. R. 8979) authorizing the extension and operation of the transcontinental airplane mail service to Boston, Mass.; to the Committee on the Post Office and Post Roads.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 8980) to incorporate the National American War Mothers; to the Committee on the Judiciary.

By Mr. BRAND of Ohio: A bill (H. R. 8981) to establish standard weights for loaves of bread, to prevent deception in respect thereto, to prevent contamination thereof, and for other purposes; to the Committee on Agriculture.

By Mr. BLACK of Texas: A bill (H. R. 8982) exempting farmers' or other mutual hail, cyclone, casualty, life, or fire insurance companies, mutual or cooperative telephone companies, or like organizations from corporation taxes under Title III, under certain conditions, and providing for the abatement, credit, or refund of such taxes under prior acts; to the Committee on Ways and Means.

By Mr. RAKER: A bill (H. R. 8983) to prohibit the importation of meats, hides, hair, bones, or other parts of cattle, horses, sheep, goats, or swine until January 1, 1925, from certain countries where the foot-and-mouth disease is prevalent; to the Committee on Agriculture.

By Mr. HUDDLESTON: A bill (H. R. 8984) to prevent frauds in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: Resolution (H. Res. 276) for the appointment of a select committee to inquire into the need and form of a nation-wide system for the distribution of labor and to report thereon, and for other purposes; to the Committee on Rules.

By Mr. HUDDLESTON: Resolution (H. Res. 277) to investigate the Cleveland Passenger Terminal scheme; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 8985) granting a pension to Annie L. Robinson; to the Committee on Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 8986) granting a pension to Nettie Truman; to the Committee on Invalid Pensions.

By Mr. CROLL: A bill (H. R. 8987) granting a pension to Ida L. Walters; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 8988) for the relief of Elmer White; to the Committee on Military Affairs.

Also, a bill (H. R. 8989) for the relief of Henry Juvenile; to the Committee on Pensions.

By Mr. FULBRIGHT: A bill (H. R. 8990) granting a pension to Martha Abernathy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8991) granting an increase of pension to Ada M. Standish; to the Committee on Invalid Pensions.

By Mr. KUNZ: A bill (H. R. 8992) to correct the military record of Daniel D. Dorsey; to the Committee on Military Affairs.

Also, a bill (H. R. 8993) to correct the military record of Rocco Pecora; to the Committee on Military Affairs.

By Mr. LOZIER: A bill (H. R. 8994) granting a pension to Reuben J. Allen; to the Committee on Invalid Pensions.

By Mr. PATTERSON: A bill (H. R. 8995) granting an increase of pension to Ida J. Black; to the Committee on Invalid Pensions.

By Mr. RAGON: A bill (H. R. 8996) for the relief of John Zachary; to the Committee on Military Affairs.

By Mr. ROACH: A bill (H. R. 8997) for the relief of Mrs. G. A. Guenther; to the Committee on War Claims.

Also, a bill (H. R. 8998) to provide payment of war risk insurance policy of Ensign Gordon Guenther to his mother, Mrs. G. A. Guenther; to the Committee on War Claims.

By Mr. SANDERS of Indiana: A bill (H. R. 8999) granting a pension to Anna C. Platt; to the Committee on Invalid Pensions.

By Mr. SITES: A bill (H. R. 9000) granting an increase of pension to Allen R. Read; to the Committee on Pensions.

By Mr. SPROUL of Kansas: A bill (H. R. 9001) granting a pension to William J. Brueser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9002) granting a pension to Louise H. Rush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9003) granting a pension to Susan Stuneart; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 9004) granting a pension to Lydia H. Squires; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 9005) for the relief of Pleasant H. Sells; to the Committee on Military Affairs.

By Mr. SWING: A bill (H. R. 9006) authorizing the appointment of Kenneth K. Little as second lieutenant, United States Army; to the Committee on Military Affairs.

By Mr. TABER: A bill (H. R. 9007) granting a pension to Patrick H. Bushnell; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 9008) granting a pension to Lewis B. Jones; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2606. By the SPEAKER (by request): Petition of Massachusetts Society, Sons of the American Revolution, asking that authorization be granted for the complete restoration and repairing of the frigate *Constitution* at the Charlestown Navy Yard; to the Committee on Naval Affairs.

2607. Also (by request), petition of Advertising Men's Post, No. 38, American Legion, Department of Illinois, urging the President of the United States to sign the Johnson immigration bill; to the Committee on Immigration and Naturalization.

2608. Also (by request), petition of the preachers' meeting of the Methodist Episcopal Church of Baltimore and vicinity, requesting the Congress of the United States to reconsider the subject of immigration as affects Japan; to the Committee on Immigration and Naturalization.

2609. By Mr. ANDREW: Petition of the Massachusetts Society, Sons of the American Revolution, petitioning Congress to grant authorization and appropriate funds for the complete restoration and repairing of the frigate *Constitution* at the Charlestown (Mass.) Navy Yard, so that it may be preserved as a priceless memorial of the heroism of the United States Navy; to the Committee on Appropriations.

2610. By Mr. FULLER: Petition of the American Federation of Railroad Workers, Railroad Harbor and Terminal Workers, Lodge No. 342, Jersey City, protesting against the passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2611. Also, petitions of sundry citizens of Streator, Ill., favoring the Edge bill (S. 1324) to modify the Volstead Act; to the Committee on the Judiciary.

2612. Also, petitions of the Rockford (Ill.) Malleable Works and the Rockford Lumber & Fuel Co., opposing any change in the existing transportation act; to the Committee on Interstate and Foreign Commerce.

2613. Also, petition of the Rockford (Ill.) Manufacturers & Shippers' Association, protesting against abolishing the present labor board as proposed by the bills S. 2646 and H. R. 7358; to the Committee on Interstate and Foreign Commerce.

2614. By Mr. GALLIVAN: Petition of National Legislative and Information Bureau, Washington, D. C., recommending a "fair consideration of the Barkley-Howell bill on its merits"; to the Committee on Interstate and Foreign Commerce.

2615. By Mr. GRAHAM of Illinois: Petition of Mrs. James A. Allen and others, of Aledo, Ill., favoring Senate Joint Resolution 64; to the Committee on the Public Lands.

2616. Also, petition of Tri-City Typographical Union, No. 107, of Rock Island, Ill., favoring the early passage of the 2.75 per cent beverage bill; to the Committee on the Judiciary.

2617. By Mr. RAKER: Petition of Leaf Spring Manufacturers' Association, Richmond, Ind., calling attention to inadequate law in regard to rulings of Bureau of Internal Revenue; to the Committee on Ways and Means.

2618. Also, petition of Pasadena Ice Co., Pasadena, Calif., in re Senate bill 624, opposing enactment of same into law; to the Committee on the Judiciary.

2619. Also, petition of M. L. Ryder, 5117 Mount Helena Avenue, Eagle Rock, Calif., opposing Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2620. Also, petitions of A. R. Dora, 1619 Whitefield Road, Pasadena, Calif., opposing Howell-Barkley bill abolishing Railway Labor Board; C. L. Herbst, 198 Live Oak Street, Los Angeles, Calif., and William A. Clark, 5407 Ash Street, Los Angeles, Calif., opposing Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2621. Also, petitions of D. M. Bassi, Lotus, Calif., and Nevada County Farm Bureau, Grass Valley, Calif., opposing increase in parcel-post rates; to the Committee on the Post Office and Post Roads.

2622. By Mr. SITES: Petition of Woman's Christian Temperance Union, of Shiremanstown, Pa., opposing any modification of the Volstead Act; to the Committee on the Judiciary.

2623. Also, petition of members of the Woman's Christian Temperance Union and the different churches of Boiling Springs, Pa., protesting against any modification of the Volstead Act which would legalize the sale of light wines and beer; to the Committee on the Judiciary.

SENATE

THURSDAY, *May 1, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Bayard	Dill	Keyes	Sheppard
Brookhart	Ferris	King	Shortridge
Broussard	Fess	McKinley	Simmons
Bursum	Frazier	McLean	Smoot
Capper	Gooding	Neely	Stephens
Cummins	Hale	Oddie	Warren
Curtis	Harris	Overman	Willis
Dale	Howell	Phipps	
Dial	Jones, Wash.	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Oregon [Mr. MCNARY], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Virginia [Mr. SWANSON] are absent attending a committee meeting.

I was also requested to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from South Dakota [Mr. NORBECK], the Senator from Minnesota [Mr. JOHNSON], the Senator from Louisiana [Mr. RANSDELL], the Senator from Wyoming [Mr. KENDRICK], the Senator from Mississippi [Mr. HARRISON], the Senator from Alabama [Mr. HEFLIN], the Senator from Arkansas [Mr. CARAWAY], and the Senator from Indiana [Mr. RALSTON] are absent attending a hearing before the Committee on Agriculture and Forestry.

Mr. KING. I desire to announce that the Senator from Colorado [Mr. ADAMS] is detained at a meeting of the Committee on Public Lands.

The PRESIDENT pro tempore. Thirty-four Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The principal clerk called the names of the absent Senators, and the following Senators answered to their names when called:

Glass	Pittman	Smith	Walsh, Mass.
Lodge			

The following Senators entered the Chamber and answered to their names:

Bruce	Ernst	George

The PRESIDENT pro tempore. Forty-two Senators have answered to their names. There is not a quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay the following Senators entered the Chamber and answered to their names:

Ball	Edge	Johnson, Calif.	Stanley
Brandegee	Harreld	Mayfield	

The PRESIDENT pro tempore. Forty-nine Senators have answered to their names. There is a quorum present. Without objection, the further execution of the order to the Sergeant at Arms will be dispensed with.

M. S. DAUGHERTY

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the Sergeant at Arms, which the Secretary will read.

The reading clerk read as follows:

SENATE OF THE UNITED STATES,
Sergeant at Arms, April 30, 1924.

Hon. ALBERT B. CUMMINS,
President pro tempore, United States Senate.

SIR: In pursuance of the order of the Senate dated April 26, 1924, commanding me to forthwith arrest and take into custody and bring to the bar of the Senate M. S. Daugherty, president of the Midland National Bank, Washington Court House, Ohio, I did, acting through my deputy, John J. McGrain, on April 28, 1924, at 3 o'clock p. m., arrest and take Mr. Daugherty into custody.

I was, however, prevented from bringing him to the bar of the Senate by the action of the District Court of the United States for the Southern District of Ohio, western division, at Cincinnati, in granting a writ of habeas corpus upon the application of Mally S. Daugherty, and setting the case for hearing on Saturday, May 10, 1924, at 8.30 o'clock a. m. The court further ordered that the said petitioner, Mally S. Daugherty, be released upon his own recognizance in the sum of $5,000, conditioned to appear at the time, place, and hour stated.

Respectfully,

DAVID S. BARRY.

The PRESIDENT pro tempore. The communication will lie on the table for such action as the Senate may desire to take.

Mr. BROOKHART subsequently said: Mr. President, I offer a resolution with reference to the report from the Sergeant at Arms laid before the Senate this morning, and I ask for its present consideration.

The resolution (S. Res. 218) was read, considered by unanimous consent, and agreed to, as follows:

Whereas under Senate Resolution No. 157 the special committee appointed to investigate the conduct of the office of Attorney General Harry M. Daugherty and his assistants did summon M. S. Daugherty to appear before it in person and to produce certain books and papers at room 410, Senate Office Building, Washington, D. C., which summons he disregarded, and the Senate thereupon ordered the arrest of said M. S. Daugherty, which order was executed by the Deputy Sergeant at Arms. Thereupon the said M. S. Daugherty procured a writ of habeas corpus in the United States District Court of the Southern District of Ohio, the same being assigned for hearing at Cincinnati, Ohio, on May 10, 1924; and

Whereas the said committee did summon said M. S. Daugherty to appear before a subcommittee in person at Washington Court House, Ohio, which summons he disregarded, and thereupon brought an injunction suit in the Ohio court of common pleas in said city against SMITH W. BROOKHART and BURTON K. WHEELER, said subcommittee, requiring them to answer on May 10, 1924:

Resolved, therefore, That the President of the United States be respectfully requested to direct the Attorney General to defend said suits on behalf of the Senate of the United States.

PETITIONS AND MEMORIALS

Mr. WARREN presented a letter in the nature of a memorial from the committee on marketing of the Business Men's Club of Moorcroft, Wyo., remonstrating against a proposed readjustment of parcel-post rates, which was referred to the Committee on Post Offices and Post Roads.

Mr. LADD presented a resolution of the Commercial Club of Aneta, N. Dak., favoring the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

Mr. LODGE presented a resolution of the City Council of Brockton, Mass., favoring the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. JOHNSON of California presented a petition of sundry citizens of Long Beach, Calif, praying an amendment to the Constitution granting equal rights to women, which was referred to the Committee on the Judiciary.

Mr. WILLIS. I present resolutions adopted by the Council of the City of Toledo, Ohio, protesting against the diversion of waters from the Great Lakes by the city of Chicago, which I ask may be referred to the Committee on Commerce and printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

A resolution protesting against the diversion of waters from the Great Lakes by the city of Chicago

Whereas the city of Chicago is contemplating the diversion of water from Lake Michigan;

Whereas such diversion will lower the lake levels throughout the Great Lakes waterways; and

Whereas such diversion will be prejudicial to navigation on the Great Lakes and to the interests of the various ports that are situated thereon: Therefore be it

Resolved by the Council of the City of Toledo. That it hereby, in behalf of said city, declares its protest against the diversion of water from Lake Michigan by the city of Chicago, resulting in lower lake levels; be it further

Resolved, That in the opinion of our engineers this diversion would lower the lake level of Lake Erie and Maumee River, and that the same would be prejudicial to Toledo as a port on the Great Lakes.

That a copy of this resolution be forwarded to the congressional Committee on Rivers and Harbors, and to our Representative in the House of Representatives, and to the United States Senators of Ohio, with the request that they use all means in their power to cause the refusal by the Federal Government to the request of the city of Chicago to divert waters from the Great Lakes.

That this resolution, being an emergency measure, shall take effect and be in force from and after its passage.

Adopted: April 21, 1924.

F. J. MERY, *President of Council.*

Attest:

A. W. PAYNE, *Clerk of Council.*

I, A. W. Payne, clerk of the council of the city of Toledo, State of Ohio, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by council April 21, 1924; approved by the mayor April 25, 1924; and published in the Toledo City Journal April 26, 1924.

Attest: A. W. PAYNE, *Clerk of Council.*

TOLEDO, OHIO, *April 29, 1924.*

(Copy to Hon. S. WALLACE DEMPSEY, chairman Rivers and Harbors Committee; United States Senator S. D. FESS; United States Senator F. B. WILLIS; Congressman I. R. SHERWOOD.)

SALARIES OF LEGISLATIVE OFFICERS AND EMPLOYEES

Mr. WARREN. Mr. President, from the Joint Select Committee on Adjustment of Compensation of Officers and Employees of Congress I report back favorably without amendment the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government, and I submit a report (No. 481) thereon. I wish to give notice that I shall try to improve the first opportunity to take up the bill for passage.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRELD:

A bill (S. 3209) granting a pension to Robert B. Martin; to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 3210) authorizing the Secretary of War to donate to the town of Kingsport, Tenn., one German cannon or field-piece; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 3212) granting a pension to Cora Dixie Willett; to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 3213) to incorporate the American War Mothers; to the Committee on the Judiciary.

MUSCLE SHOALS

Mr. NORRIS. Mr. President, I have here and desire to introduce a bill relating to Muscle Shoals that was prepared by ex-Congressman Lloyd. I did not prepare the bill, and have not been consulted in its production; but in order that Mr. Lloyd's associates, who are interested in the bill, can have an opportunity to be heard officially before the committee, he has asked me to introduce his bill.

I have great confidence in Mr. Lloyd, and know that the bill is drawn in the best of faith, and it is probably a very good bill, although I think I ought to make this explanation before I introduce it and have it referred to the Committee on Agriculture and Forestry.

Mr. OVERMAN. Is that Mr. Lloyd, of Missouri?

Mr. NORRIS. Mr. Lloyd, of Missouri.

Mr. McKELLAR. May I ask whether or not he proposes to transfer the shoals to Mr. Ford?

Mr. NORRIS. I do not think he does, but I have not read the bill. I read the title of it.

Mr. OVERMAN. Would the Senator introduce a bill to transfer the shoals to Mr. Ford?

Mr. NORRIS. When the clerk reads the title of the bill, Senators will find that it does not transfer the shoals to anybody; and as far as I have read the bill it sounds good to me.

I ask to have the bill read by title and referred.

The bill (S. 3214) to provide for the manufacture of explosives for the use of the Army and Navy, to provide for the manufacture of fertilizer for agricultural purposes, to incorporate the Federal Chemical Corporation, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

AMENDMENTS TO TAX REDUCTION BILL

Mr. McKELLAR submitted three amendments intended to be proposed by him to House bill 6715, the tax-reduction bill, which were ordered to lie on the table and to be printed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 881) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862), disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SINNOTT, Mr. SMITH, and Mr. RAKER were appointed managers on the part of the House at the conference.

The message also announced that the House disagreed to the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FRENCH, Mr. HARDY, Mr. TABER, Mr. BYRNES of South Carolina, and Mr. OLIVER of Alabama were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message further announced that the Speaker of the House had signed the enrolled bill (S. 1032) to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road, and it was thereupon signed by the President pro tempore.

NAVAL APPROPRIATIONS

Mr. HALE. I ask the Chair to lay before the Senate the action of the House of Representatives on the naval appropriation bill.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HALE. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. HALE, Mr. PHIPPS, and Mr. SWANSON conferees on the part of the Senate.

PRESIDENTIAL APPROVAL

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on April 30, 1924, the President approved and signed the act (S. 1609) to fix the time for the terms of the United States district courts in the western district of Virginia.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The PRESIDENT pro tempore. The pending amendment is on page 52, line 19.

Mr. STEPHENS. Mr. President, the Mellon tax plan has been sold to the public by the most extensive, the most insidious, and the most misleading propaganda that was ever used on any subject. It has been stated thousands of times in the newspapers and magazines, in public addresses, and in letters sent out by large corporations and organizations that it is the only sound and scientific way by which the Government can derive its needed revenue, reduce the burdens of taxation, and give a stimulus to business. The phrase "the only sound and scientific plan" has been used so frequently that it has been adopted by thousands who never read the whole of the plan and who have no clear idea of its full meaning.

It is not my purpose, however, at this time to enter into a general discussion of this plan. I shall direct my attention to only one phase of it.

The question that is before the Senate at this moment is the committee amendment proposing to strike out certain language in the House bill which proposes to limit the amount of losses and the amount of interest that may be deducted in the payment of income taxes. There is also before us an amendment intended to be proposed by the Senator from Pennsylvania [Mr. REED]. A copy of this amendment has been on the desk of Senators for several days. It reads:

On page 42, after the period in line 19, insert the following:

"There shall also be included in gross income the interest upon securities issued after the date of the enactment of this act by (1) the United States, (2) any State, Territory, or possession of the United States, (3) the District of Columbia, or (4) any political subdivision or governmental agency of any of the foregoing."

There are also certain resolutions pending before the two branches of the Congress under which it is proposed that the Constitution of the United States shall be amended, the effect of which is to wipe out all tax-exempt securities.

On yesterday this whole broad field of tax-exempt securities was discussed by the various Senators. This question has been brought into prominence and there is a great war being waged against such securities. Propaganda has played a large part. Catch words are used to attract attention. Often these words are all the information that the average person has on the subject. Because they sound well they cause a person to form an opinion that is not warranted by the facts. And so he adds his voice to the demand for this legislation.

One of these catch phrases is, "No tax-exempt class." Another is, "The rich are escaping taxation."

Class legislation is repugnant to Democratic principles; it is hateful to the average man. He believes in the doctrine of "equal rights to all and special privilege to none." Knowing this, the proponents of this measure play upon the feelings of the people by attempting to create the impression that this principle is being violated and that they are being oppressed by the issuance of bonds that are tax free.

Mr. President, I am a firm believer in that old Jeffersonian doctrine. It is under it alone that our people can have that measure of freedom, happiness, and prosperity to which they are entitled. Until it is fully recognized by our lawmakers and written into the statutes of the land, the public will continue to be oppressed and made to bear heavy and unjust burdens.

But for those who are making this fight to tax these securities, to invoke the doctrine of equal rights is like satan quoting scripture for an unholy purpose. There is no sincerity in them. They are attempting to arouse the feelings and prejudices of the people by invoking a principle in which they believe, but one which the advocates of the measure themselves refuse to adopt in their own business and on the abuse of which they have fattened.

Who is behind this movement? It will be interesting to know.

It was stated by the Senator from Pennsylvania [Mr. REED], as I remember, that Andrew W. Mellon, the Secretary of the Treasury, made this proposition. Who is he? I read in the morning paper that he is the second richest man not only in the United States but in the world. It has been frequently stated that he was director in 68 large corporations at the time he became Secretary of the Treasury. Those corporations with which he is connected have grown rich very largely at the expense of those whom he now pretends to want to relieve from onerous tax burdens.

Hearings were had before the Ways and Means Committee of the House. Among those who appeared before the committee were the following:

Edward D. Chassell, secretary of the Farm Mortgage Bankers' Association of America.

Phillip H. Gasden, Philadelphia, vice president of the United Gas Improvement Co. Mr. Gasden stated that he appeared for the American Gas Association, the American Electric Railway Association, and the National Electric Light Association.

Edward P. Doyle, representing the National Association of Real Estate Boards.

There is much of wisdom in the familiar saying, "Beware of Greeks bearing gifts." Finding that these great interests are behind this proposition, it is well to stop and consider very carefully what it means. When did they become knight-errants of the people, fighting to protect them against the acts of certain of the wealthy class? When did they become paladins of the Government, seeking to protect the Treasury against the tax dodgers? These great corporations have not grown rich looking after the interests of the public. They are not conducting their business as institutions of charity; they are not making this fight in the interests of the public. Business with them is a selfish and cold-blooded proposition.

What is their purpose? Why are they interested?

The answer is easy. They want to increase interest rates. The issuance of tax-exempt securities interferes with their business. Occasionally we find some great corporation advocating this proposition when it does not appear on the surface that it is one in which it would have any selfish interest, but there is such an intimate connection between various large corporations and the men who operate them that if we should be able to trace it out, we would find that their interest is more direct than is apparent.

One of the most active and insistent advocates of this system is the Farm Mortgage Bankers' Association of America. State, county, and municipal bonds have always been exempt from Federal taxation. No protest was ever heard against this until recently. When Congress, realizing the necessity of giving the farmers a lower interest rate, established the Federal farm-loan system, then this opposition arose. The Federal farm-loan system came into competition with this association. It reduced the rate of interest. The attack made on the Federal farm-loan system is fresh in our minds. The constitutionality of the act establishing it was attacked, but it was finally upheld by the Supreme Court of the United States. Thus the fight of the association was lost. Effort is now being made to accomplish the same purpose by legislative enactment.

That the Farm Mortgage Bankers' Association has been leading the fight against tax-exempt securities is shown by its own records. I quote from an address delivered at one of its meetings:

Let me call your attention to the campaign which Secretary Chassell has directed against tax-exempt securities for the past several years. A few years ago tax exemption, or the mention of it by a member of this association, was thought to have been mentioned from an extremely selfish standpoint, but we have, by persistent work among all of our members, by talking, by giving public speeches, getting editorials and articles published in the home papers, the sending of pamphlets and circulars broadcast to farm borrowers, to newspapers, and magazines, and the encouraging of reading articles along these lines, together with the fact of a high surtax, changed entirely the sentiment of the general public against tax exemption. The general public as a whole, at the present time, realizes the menace of tax exemption more than they ever did. It is largely due to the efforts of this association and of its officers and of its very efficient secretary that the public realizes the danger of tax-exempt securities and the continued issuance of the same.

A resolution providing for an amendment to the Constitution of the United States, under the provisions of which incomes from tax-exempt securities could be taxed, was introduced in the Congress. Mr. Chassell, the secretary referred to, at the same meeting had this to say on the subject:

The high-water mark of our hopes was reached when the resolution to amend the Constitution was put on the congressional calendar with a favorable recommendation.

Probably at no time in the history of the American Constitution has such a marked advance been made with an entirely new proposition as that of the tax-exempt amendment in the last four years.

Thus we see, Mr. President, that they boast of the progress that has come as a result of the activities of this association in its effort to strike down tax-exempt securities. This whole effort grows out of the fact, as I said a moment ago, that the Federal farm-loan system, the joint-stock land banks, and the intermediate credit banks have come into competition with the

Bankers' Association. They have lessened its earnings, decreased its profits, and it is not at all strange that they should be here making this fight.

What will be the effect of this change?

It will seriously interfere with the operation of the Federal farm-loan system. Indeed, I believe it will practically destroy it. If it shall continue to operate, nothing is more certain than that the purposes of its establishment will be almost entirely nullified. The farm-loan banks, the joint-stock banks, and the intermediate credit banks will all be adversely affected.

The farmers had been for years at the mercy of the private money lenders and great financial corporations. High rates of interest were charged. They were made to pay excessive commissions on loans. The effect of the establishment of this system has been to make a material reduction in those charges. Not alone the farmers who borrowed from the farm-loan banks but others profited as a result of a general reduction of rates. It is estimated that the establishment of the Government system has effected an annual saving to the farmers of $80,000,000. If this law is changed it will mean that they will have to pay each year that additional sum as interest. Who will profit by this? Those who are advocating the taxing of incomes from these securities. Therefore there is great interest and activity.

I have heard it stated during this debate, and have seen the figures in other places, that the amount of outstanding securities of the Federal farm-land banks is about $1,300,000,000. If we calculate the entire interest on that sum, it would be about $65,000,000, I believe. If this whole interest were confiscated by the Government and placed in the Public Treasury, still the farmers of the Nation would be the losers; and unless their interests are protected, unless they are given opportunity to prosper, unless they are given cheaper money and lower interest rates, our whole country of course will be adversely affected.

The amount they pay in interest or would have to pay as additional interest would far exceed the whole interest paid on the amount of outstanding bonds. As a matter of fact, only a portion of that money would go into the Treasury, even if the law should be changed so that those incomes would be taxable.

This is not the only way that the farmers will be affected. Whenever a security is to be taxed it always bears a higher rate of interest than a tax-free security. The interest rate is fixed high enough to cover the tax. The Government may get the revenue, but it is not paid by the bondholder but by the issuer of the bond. The bondholder becomes merely the agency through which the Government collects the taxes. There is no financial burden on him. That falls on the one who pays the interest.

Not only will the farmer be affected. The business man and all others who pay taxes to defray the interest charges on State, county, district, and municipal bonds will be adversely affected. Every improvement undertaken by a State or any of its subdivisions will be at a greater cost.

All over this country, in every State and practically in every community, public improvements are being made. This is true also of our municipalities. These improvements result very largely because the States and the subdivisions of the States have the right to issue tax-free bonds. When that right is taken away as a matter of course the cost of those improvements will be increased.

Of course, I am speaking broadly with reference to the striking down of all tax-exempt securities. There is another thing in connection with what I have said with reference to the increased cost. Many outstanding issues of bonds would be affected, to the hurt of those who issued them. When a State, county, or municipality comes to refund present outstanding bonds, as is often done, it will have to be done at a higher rate of interest. In every State good roads are being built; many States have laid out a good-roads program that will require years to complete, and this program will be retarded or the cost thereof will be greatly increased if the amendment is adopted. I am referring now to the amendment proposed to be offered by the Senator from Pennsylvania [Mr. REED]. There is progress along educational lines. Better schoolhouses are being built, and better equipment is being provided. This will be a severe blow to education, as many communities will be unable to bear the added expenses. Municipalities are enlarging themselves and providing improvements needed in the interest of comfort and sanitation. They issue bonds in order that they may make those improvements. It is now proposed to add to the cost of all such things.

Large bodies of overflowed lands are being reclaimed. Drainage districts are being organized, and some of the most fertile lands are being put into cultivation. This will add much to the national wealth. Bonds are required for this purpose. This amendment will interfere with this work. It will increase the cost, because of the higher interest charge. Thus it will be a tax upon the owners of this property.

Education, good roads, drainage of wet lands, municipal improvements, and the loans to the farmers, the frequent requirements of the State—all these things that sometimes demand the issuance of bonds—will be directly and adversely affected.

These things are matters of prime importance. It is frequently said that some of the wealthy invest their money in tax-exempt securities and that in this way money is taken out of business and turned into unproductive enterprises. The argument is not sound. Money invested in tax-exempt bonds is not buried or destroyed. It remains in the channels of trade. It pays wages and buys material just as other money does. It does not escape the burden of taxation. A tax-free bond always bears a lower rate of interest, and the price paid for it is usually higher than would be paid for a taxable bond. In this way the cost to the issuer of the bond by way of the interest paid is lessened. Building schoolhouses and good roads, draining lands, giving the farmers cheaper money with which to improve his land or to buy a home, is investment in productive enterprises just as much as when it is used to build factories and railroads or employed in any other commercial enterprise. In fact, the money expended thusly is the most profitable. It yields a larger return because it goes into character and adds to the happiness, as well as to the prosperity, of thousands who are reached by the influence and effects of those things for which it is spent.

So far as it relates to securities now outstanding, it would not only be unfair but dishonest to tax incomes derived from them. They were sold with the understanding that no such taxes would be assessed. It was a part of the contract, for it was the law at the time the bonds were issued. To make this change is a repudiation of the promise of exemption; it is a confiscation of the tax-exempt value of the securities.

This is true because the securities brought a higher price than would have been paid if they had not been tax free. To deprive the holders of these securities of any part of their value is a breach of faith on the part of the Government. It is, in my judgment, illegal to do so. There was a contract. A vested right in the whole of the interest derived from them had accrued to the owners of the bonds.

It may be that a large part of these bonds are held by wealthy persons, but that does not affect the matter. The principle is not changed. To rob a rich man is just as immoral and illegal as to rob a poor man. Rich or poor, the holder of the bonds is entitled to have the exemption protected unless it can be lawfully destroyed. The Government has no authority to destroy any rights that have been acquired under the laws. This is a principle of law too familiar, it seems to me, to require argument.

In the case of Choate *v.* Trapp (224 U. S. 665) it is said:

There is a broad distinction between the power to abrogate a statute and to destroy rights acquired under it. * * * Congress can not destroy actually existing individual rights of property acquired under a former statute.

In the case of a large part of these outstanding securities, farm loan, State, municipal and school, road and drainage bonds were sold after the sixteenth amendment to the Constitution was adopted. If we grant that, under the terms of that amendment, Congress had a right to tax incomes from securities issued by a State or political subdivision thereof, we are still confronted by the proposition that these bonds were sold with the understanding that they were to be tax free. Giving the amendment the construction contended for by the proponents of this measure, it means only that the United States Government has a right to impose a tax on such incomes.

At the time of the issuance of the securities the right had not been exercised. As there was no provision of law providing for such a tax or prohibiting the issuance of tax-free bonds the holders acquired them as such, and there is no legal way in which they can be deprived of any of the property rights so acquired. In other words, any provision of law at the time a contract is made or any lack of such provision becomes a part of such contract.

There is a wide distinction between having a right to lay a tax and actually providing for the assessment. The amendment reads:

The Congress shall have power—

And so forth. This is merely a grant of power. It can be put into operation only by legislative action. As no such action was taken before the issuance of outstanding bonds, they are

onerous tax burdens.

farm-loan system, the joint-stock land banks, and the intermediate credit banks have come into competition with the

Drainage districts are being organized, and some of the most fertile lands are being put into cultivation. This will add

put into operation only by legislative action. As no such action was taken before the issuance of outstanding bonds, they are

not affected by the terms of the constitutional amendment, no matter how broad its terms.

There is another serious objection to this amendment. It deprives the States of fundamental rights. The right of a State to maintain its existence and to exercise all the functions necessary to this end, including the right to borrow money, issue bonds, and levy taxes, are inherent in the very nature of its being, with two exceptions, to which I shall refer later.

The fact that a State is a member of the Federal Government does not lessen its right to maintain itself by the use of any necessary means, unless the right to exercise a defined power has been relinquished to the General Government.

To maintain its institutions and to conduct its affairs the State must raise revenue. With but two exceptions, the State can provide for the raising of revenue by any method it sees proper to adopt. One is an exception provided in the Constitution of the United States; the other arises from an indirect right of the Federal Government.

The sole limitation of the Constitution upon the taxing power of the State is the inhibition upon duties of tonnage or imposts upon exports and imports. Clause 2 of section 10 of the Constitution provides that—

no State shall, without the consent of the Congress, lay any imposts or duties on imports and exports except what may be absolutely necessary for executing its inspection laws.

The other exception to the general rule that a State may lay any tax that it cares to is that the States have no right to tax the securities and instrumentalities of the Federal Government. In the case of McCulloch *v.* Maryland (4 Wheat. 316), it was held that the States have no power by taxation to impede, burden, or in any manner control the operation of the Constitution and laws enacted by Congress to carry into execution the powers vested in the General Government.

In the case of Home Savings Banks against Des Moines this language is used:

The State can not by any form of taxation impose any burden upon any part of the national public debt. The Constitution has conferred upon the Government power to borrow money on the credit of the United States, and that power can not be burdened or imperiled or in any way affected by the action of any State.

This principle was announced in Weston *v.* Charleston (2 Pet. 449), where it was held that taxes upon the stock of the United States levied by one of the municipal corporations of South Carolina were invalid. From that time no one has questioned the immunity of national securities from State taxation.

The power to provide means to carry on its government is an inherent power never parted with. This is true of both the Federal Government and the States. It is just as true of one as of the other. It is an original and reserved power. The question of the supremacy of one government over the other is not involved.

The two governments are upon an equality—

Says the court in the case of The Collector *v.* Day (11 Wall). In the same case this language is found:

It is a familiar rule of construction of the Constitution of the Union that the sovereign powers vested in the State governments by their respective constitutions remained unaltered and unimpaired, except so far as they were granted to the Government of the United States. * * * The General Government and the States, although both exist within the same territorial limits, are separate and distinct sovereignties, acting separately and independently of each other within their respective spheres. The former in its appropriate sphere is supreme; but the States, within the limits of their powers not granted * * * one as independent of the General Government as that Government within its sphere is independent of the States.

Again quoting from the Day case, I read:

Such being the separate and independent condition of the States in our complex system, as recognized by the Constitution, and the existence of which is so indispensable that without them the General Government itself would disappear from the family of nations, it would seem to follow as a reasonable if not a necessary consequence that the means and instrumentalities employed for carrying on the operations of their governments, for preserving their existence, and fulfilling the high and responsible duties assigned to them in the Constitution should be left free and unimpaired, should not be liable to be crippled, much less defeated by the taxing power of another government, which power acknowledges no limits but the will of the legislative body imposing the tax.

In the same opinion there is this language:

And if the means and instrumentalities employed by that Government to carry into operation the powers granted to it are necessarily and for the sake of self-preservation exempt from taxation by the States why are not those of the States, depending upon their reserved powers, for like reasons equally exempt from Federal taxation? Their unimpaired existence in the one case is as essential as in the other. It is admitted that there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation, as any government whose means employed in conducting its operations if subject to the control of another and distinct government can exist only at the mercy of that government.

Judge Cooley in his work on Constitutional Law says:

The power to tax, whether by the United States or by the States, is to be construed in the light of, and limited by, the fact that the States and the Union are inseparable, and that the Constitution contemplates the perpetual maintenance of each with all its constitutional powers, unembarrassed and unimpaired by any action of the other. The taxing power of the Federal Government does not therefore extend to the means or agencies through or by the employment of which the States perform their essential functions.

Thus we see that it has been consistently held by the courts that the General Government has no right to tax the securities of a State. This question was settled early in our history. From time to time the proposition has been passed on by the United States Supreme Court, but there has been no deviation from the first decision.

Pollock's case (157 U. S.) is one that has been widely discussed. It was rendered by a divided court. There were dissenting opinions. But all the justices were agreed on certain propositions. All recognized the fact that ours is a dual form of government; that we have a Federal system in which the people divide their power between two governments; that there are two sovereignties, each supreme in its own sphere; that each has the full right to perform its proper functions without interference from the other; that the issuance of securities is a proper and necessary function of government; that laying a tax against the securities of one government by another is an interference with the rights of the one issuing the securities; and that neither government has the right to do so.

Chief Justice Fuller, who rendered the opinion of the court, said:

The Constitution contemplates the independent exercise by the Nation and the State, severally, of their constitutional powers.

Justice Field said:

The law applies to both kinds of bonds, those of the States as well as those of municipal bodies. These bonds and securities are as important to the performance of the duties of the State as like bonds and securities of the United States are important to the performance of their duties, and are as exempt from the taxation of the United States as the former are exempt from the taxation of the States.

Justices White and Harlan wrote dissenting opinions. Each agreed, however, to the propositions just stated. Justice White said:

It is a settled line of authority.

Justice Harlan said:

The instrumentalities employed by the States in execution of their powers are not subjects of taxation by the General Government any more than the instrumentalities of the United States are the subjects of taxation by the States; and any tax imposed directly upon interest derived from bonds issued by a municipal corporation for public purposes, under the authority of the State whose instrumentality it is, is a burden upon the exercise of the powers of that corporation which only the State creating it may impose.

Mr. President, it was argued on yesterday that there was no constitutional proposition involved in the question that is immediately before the Senate of striking out the language contained in the House text. In my judgment that is not true. The question of constitutionality arises not only with reference to the amendment proposed by the Senator from Pennsylvania but with reference to the very language that the Senate is now considering. It is true that it does not do so in such a broad way. It does not reach out and touch and affect all of the tax-exempt securities, but it is a start in that direction. It is only a beginning, but the beginning will lead to the end that tax-exempt securities will finally be a thing of the past. I have seen great flood waters come down and strike the levees. I have seen those levees washed away and completely destroyed, but it was not the work of a moment. They were not washed away by the first force of the water. First there

was a small stream through a slight break in the levee. It widened and broadened until such a volume of water came through that the ground was pushed back, the levees were destroyed, and the whole volume of the stream came rushing out upon the surrounding lands. That is what will happen if we refuse to adopt the amendment which the committee has proposed. It would be a beginning that would lead to the absolute destruction of tax-exempt securities.

As I said a moment ago, there have been introduced in both branches of the Congress resolutions proposing to amend the Constitution. The amendment proposed to be offered by the Senator from Pennsylvania follows up the idea set forth in those resolutions. So it is the definite purpose of those who are opposing the committee amendment, it seems to me, to make the beginning, to prepare the way, in order that the other propositions may be adopted.

During the debate on yesterday the Senator from Tennessee [Mr. McKELLAR] denied that any constitutional proposition was involved. He read the sixteenth amendment to the Constitution and laid stress upon the language of that amendment wherein it refers to power given "to lay and collect taxes against the income from whatever source derived," and his argument was to the effect that by the words "from whatever source derived" full power was granted to tax incomes from tax-exempt securities. I do not give that language the same construction that the Senator from Tennessee gives it; nor has the Supreme Court of the United States given it the same construction that the Senator from Tennessee gives it.

Reviewing for a moment the history of the decisions of the Supreme Court of the United States, I call attention to the fact that it has been decided by that court that, from the very moment our Constitution was adopted, the Congress had full right to levy taxes against incomes. That is a proposition that is entirely well settled. The only question involved or that complicated the matter or that gave any trouble or concern was the fact that there was a further provision in the Constitution with reference to apportionment. It was the sole thought in the minds of the legislators, Senators, and Congressmen, and in the minds of the people, I dare say, when the constitutional amendment was passed in the Congress and then passed upon by the legislators of the various States, to get rid of the unfortunate requirement, the unworkable requirement, that taxes should be apportioned according to census and enumeration, because that particular requirement practically nullified the right of the Federal Government to lay taxes against incomes.

Mr. KING. Mr. President, will the Senator yield?

Mr. STEPHENS. Certainly.

Mr. KING. I wish the Senator would refer to the case of Brushaber *v.* Union Pacific Railroad Co. (240 U. S. 1), where the decision was rendered by Chief Justice White and in which he said the sixteenth amendment gave no power to deal with the generic subject of taxation, but only, as the Senator has very clearly and concisely stated, sought to relieve the Federal Government of the question of apportionment which under the Constitution it was held necessary to have in order to levy an income tax. But the power of taxation was not conferred by the sixteenth amendment per se. The power of taxation, if it exists at all, exists in virtue of other provisions of the Constitution of the United States. When the Senator from Tennessee [Mr. McKELLAR] yesterday said that the sixteenth amendment swept away all restrictions or impediments or obstacles by the Federal Government to the imposition of taxes from any source and from every source, it seemed to me the statement is in contravention of the position taken by the Supreme Court of the United States, although it has been said by many that the statement of Chief Justice White is dictum, but very good dictum.

Mr. STEPHENS. I will say to the Senator from Utah that I have before me the case to which he has referred, and I shall advert to it in a moment.

Mr. President, from the time of Chief Justice Marshall until to-day, by an unbroken line of decisions, the Supreme Court has held along the line that I have indicated. All these were cases decided before the adoption of the sixteenth amendment. However, the Supreme Court of the United States has construed this amendment in two cases.

The Senator from Utah called attention to the Brushaber case in Two hundred and fortieth United States Reports, and I shall read just a few words from that case. It is quoted in a later case, the Evans case, Two hundred and fifty-third United States Reports. The opinion of the court in the Evans case states this:

In Brushaber *v.* United States Pacific Railroad Co. (240 U. S. 1), where the purpose and effect of the amendment were first drawn in question, the Chief Justice reviewed at length the legislative and judicial action which prompted its adoption, and then, referring to its text and speaking for a unanimous court, said:

"It is clear on the face of this text that it does not purport to confer power to levy income taxes in a generic sense—an authority already possessed and never questioned—or to limit and distinguish between one kind of income taxes and another, but that the whole purpose of the amendment was to relieve all income taxes when imposed from apportionment from a consideration of the source whence the income was derived. Indeed, in the light of the history which we have given and of the decision in the Pollock case and the ground upon which the ruling in that case was based, there is no escape from the conclusion that the amendment was drawn for the purpose of doing away for the future with the principle upon which the Pollock case was decided; that is, of determining whether a tax on income was direct, not by a consideration of the burden placed on the taxed income upon which it directly operated but by taking into view the burden which resulted on the property from which the income was derived, since in express terms the amendment provides that income taxes, from whatever source the income may be derived, shall not be subject to the regulation of apportionment."

We see from this language, Mr. President, that Chief Justice White, one of the ablest lawyers who ever occupied a place in that high body, passed directly upon the language referred to by the Senator from Tennessee, and he says it does not have the broad meaning as stated by the Senator; that it is not used in a generic sense, but that it has reference to the question of apportionment, to which I referred a few moments ago.

Mr. President, there is more to be considered in construing this amendment than a single phrase of it. In the case of Evans against Gore, in 253 United States Reports, from which I have just been reading, the court recognizes the well-known legal proposition with reference to interpretation and construction of the Constitution, and it says that the court had a right to take into consideration the debates in the Senate and in the House of Representatives when that matter was being considered.

In this volume which I hold in my hand references are made by the court to the debates as they are set out in the CONGRESSIONAL RECORD. Attention is called to the fact that Governor Hughes, who was then Governor of the State of New York, in his message laying this amendment before the legislature of that State for ratification or rejection, expressed some apprehension that it might be construed as extending the taxing power to income not previously taxable, but the court said this:

But his message promptly brought forth from statesmen who participated in proposing the amendment such convincing expositions of its purpose, as here stated, that the apprehension was effectively dispelled and ratification followed.

It is rather interesting to me to find that Hon. E. F. Noel, one of the ablest lawyers in my State, and at that time governor, took issue with Governor Hughes and wrote a letter to the New York Times, in which he said: "I do not believe the courts would hold that authority to tax incomes would authorize any action that would impair any instrumentality of the State or municipal governments." He construed the language of the amendment just as the Supreme Court afterwards did.

The court says further:

Thus the genesis and words of the amendment unite in showing that it does not extend the taxing power to new or excepted subjects, but merely removes all occasion otherwise existing for an apportionment among the States of taxes made on income, whether derived from one source or another.

So it seems to me, Mr. President, that in these few cases that were decided after the adoption of the sixteenth amendment we have an absolute answer to the proposition that the Federal Government has a right to levy taxes on income derived from tax-exempt securities.

There is another consideration in that connection, and that is this: These proposals I understand relate to the whole body of tax-exempt securities.

Many of these securities were issued after the adoption of the sixteenth amendment to the Constitution of the United States. If we should give the language of that amendment the effect that has been argued should be given to it, it would not help those who present the argument for the reason that the constitutional amendment is merely a grant of power. It merely gives the right—if we give it that construction—to levy taxes against income from tax-exempt securities; it does not impose such a tax. Such a tax can only be laid by the action of the Congress and that, not having been done, that amendment is not pertinent and is not relevant to the proposition as affecting

securities that were issued after the adoption of the amendment and before legislative action was taken.

To levy taxes against tax-free securities not only will have the effect of increasing the burden of the States and municipalities and of the communities that desire to issue bonds, but it will have the effect of taking away from certain of our citizens—and I am not interested as to whether they be rich or not—vested property rights. They purchased those bonds under contract with the States and with the Nation that they should have all of the income, every cent of it. I want to say, Mr. President, that, as I see it, to deprive them of any part of such income is morally dishonest; it is a legal injustice inflicted upon them; it impairs their contracts, and deprives them of property rights, as I said a moment ago.

But it is said that by the proposition that is before the Senate the income really is not taxed. Mr. President, that is but subterfuge. Whenever the income from tax-exempt securities goes in as a part of the gross income, or whenever it is refused to be allowed as a proper deduction, the whole effect is taxing the income itself. It is a well-known proposition of law that we have no right to do indirectly what we are prohibited from doing directly.

So, Mr. President I shall support the committee amendment. I shall oppose the Reed amendment, or any proposed constitutional amendment on this subject. My position is so taken because I believe that to follow another course would be to add to the tax burdens of the people instead of lessening them. It would be to add to the interest charge that the farmers of the Nation, the people of the States, and of, the communities in the States, would have to pay, because I believe that to follow the other course would be to cripple, if not indeed to destroy, the great Federal farm-loan system that has been established by the Government in order to give relief to those who need it most.

I can not believe that any such action as is proposed is warranted by the condition that has been described here. It is true that we are told that certain men have bought tax-exempt securities and have evaded the payment of taxes. Perhaps so. Perhaps that has been done in many instances; but it occurs to me that no matter what the purpose of the investor, whenever money is invested in tax-exempt securities it still goes out into the channels of trade and enters into productive enterprises.

To summarize let me say that to tax incomes from tax-exempt securities means—

1. An increase of interest rates to farmers.
2. Increased cost of public improvements and will seriously affect the building of schoolhouses, good roads, the drainage of farm lands, and the construction of public improvements in municipalities.
3. The interference with the rights of sovereign States.
4. The repudiation of a contract so far as outstanding issues are concerned.
5. A violation of the Constitution of the United States, unless the Constitution is further amended, by confiscating property.
6. A severe blow to the farm-loan banks, the joint-stock banks, and the intermediate-credit banks.
7. That it will add largely to the wealth of those who are affected by the organization and operation of those banks.

For these reasons I am opposed to this proposal that comes from Mr. Mellon, the Secretary of the Treasury.

Mr. CARAWAY. Mr. President, I am not without sympathy for the objects sought to be attained by the amendment offered by the Senator from Pennsylvania [Mr. REED]. I hold no brief for men who seek to avoid bearing their full share of the burdens of government, and I am in no position to affirm or deny the contention made by the Secretary of the Treasury that certain rich men are availing themselves of tax-exempt securities in order to shift the burden of taxation.

If the amendment went to that, and that alone, Mr. President, I should not be heard to object. I do not believe any Senator on this floor would object. I believe that on both sides of the Chamber there is a sincere desire to find some means to distribute the burdens of taxation so that they may be borne in proportion to the wealth of the taxpayer; but I am not willing to lend myself to a propaganda originating with an organization that has fattened off of the misfortunes of people who are compelled to borrow. I am not willing to add to the burdens of the unfortunate man who is compelled to mortgage his home in order to support his family.

That is the effect of this suggestion. I do not say it is the purpose of it. I certainly credit those who stand for it and advocate its adoption with the same sincerity of motive that I claim for us who oppose it. It is a question, therefore, to determine which is the wiser course to pursue.

I should say this: It is my judgment—and I express it, as I said a minute ago, without impugning the motives of those who differ with me with reference to this question—that this proposal is dishonest—not in intention but in effect. I think it seeks to do by indirection what one can not do by direction. In other words, it seeks to strike down tax-exempt securities by an indirect method.

It does not make any difference that the effort would not be wholly successful. It does not answer the objection that it is not honest to say that only in a slight degree would it affect the value of tax-exempt securities. It is just as dishonest to take one dollar to which one has no right as it is to take a million. It is just as dishonest to invade one's right to any extent as it is wholly to destroy that right. Therefore I say—and I acquit those who advocate it—that in my judgment it is dishonest; not, I want to repeat, consciously so or intended to be so by those who propose it or those who advocate it, but in effect that is true.

I want to read the latter part of the provision which the committee amendment seeks to strike out. I am commencing on line 23 of page 52, after the letter "(a)." It speaks about allowances that shall be deducted, and says:

> shall be allowed as deductions only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

This provision seeks to reach that part of the income which is derived from tax-exempt securities, provided the holder of the tax-exempt securities is himself a borrower of capital to invest in business. Its very language carries with it, to my judgment, the inevitable conclusion that there is something concealed about it. If you wanted to strike down tax-exempt securities, you should have said that "no exemption shall be allowed for income derived from tax-exempt securities." Anybody would at once recognize that as an invasion of the right to have your income from tax-exempt securities exempt from taxation. Therefore, in order to do this, they say that only that part of your interest derived from tax-exempt securities shall be exempt which is in excess of the interest that you pay on borrowed money to be invested in business.

We ought to do by direction what we seek to do by indirection, if there is nothing wrong with what we seek to do. Therefore we ought to be courageous enough to say—the Constitution and the contract with Congress to the contrary notwithstanding—that we are going to lay our legislative hands upon tax-exempt securities and make the holders of them pay a tax on the interest they derive from them, because that is what we seek to do and, in effect, that is what we do.

I believe anybody would know that the minute you impair the obligation to hold them tax exempt, to that extent you destroy the guaranty which the Constitution gives to the holder of the bond, and you invade the contract that we made when we legislated the bonds into existence and said they should be tax exempt.

Mr. SMITH. Mr. President——

Mr. CARAWAY. I yield to the Senator from South Carolina.

Mr. SMITH. Under the application of this provision the only citizen who could get the benefit of tax-exempt bonds would be the man who incurred no obligation, who paid no interest and who simply clipped his coupons.

Mr. CARAWAY. And contributed absolutely nothing to the general welfare. I agree with my colleague. It would be very helpful to those people; but I should like to say this to my colleagues: It is sometimes enlightening to know in what company you are traveling. Sometimes, where the question is close, you can determine whether it is wise or otherwise, or whether it is honest or dishonest, by finding out what people who do know think about it.

I hold in my hand the United States Investor, the farm mortgage bankers' number, printed at Boston and New York, October 14, 1922. On page 2090(3) is an address made by the president of the Farm Mortgage Bankers' Convention. It is his annual address as president. Kingman Nott Robins was the president. I do not think there is anything significant in the name; but, anyway, he launches out at once into a campaign against tax-exempt securities.

In the second subdivision of his address he touched on the subject of excessive taxation, and went into some detail to show how taxes have been doubled and trebled, and even, I

believe he says, are ten times higher than they were a few years ago. He stated his remedy for these burdens; and he was talking about farmers, because these associations get all their money from farmers.

I happen to know something about dealing with these people. I have been a victim of their method for a number of years. I have borrowed from them. When I say I have been a victim, I do not mean to say they did not carry out their contract as they made it. They made the contract because I was under the necessity of borrowing, and everybody who has had the experience of being compelled to borrow, where the man who is to make the loan knows of the necessity, knows what sort of terms he gets. The lowest rate of interest I ever paid on a loan from one of these farm-mortgage companies was 8 per cent. I am indebted to one of them now for quite a large sum.

After talking about the interest that people have to pay and the taxes they have to pay, he said, and I am reading from his statement:

> I will not bore you with repetitions of the arguments against tax exemption, which we have, as an association, put before the public constantly for over four years.

Here is his admission that his association, the people who fatten and grow rich off the necessities of the farmers, for four years prior to 1922 were putting out arguments against tax-exempt securities. If I may be permitted to say it, the first convention of this association after the farm loan act was passed met immediately thereafter in the city of Memphis. Inasmuch as I had been a very warm advocate of the Federal farm loan system, I was asked to come before the association and give an accounting to them of what effect the legislation we had just written into law would have upon their business. That was the first meeting they had after the law was passed.

Mr. OVERMAN. Let us have order, Mr. President.

The PRESIDENT pro tempore. Senators will please come to order.

Mr. CARAWAY. Never mind; they have made up their minds to vote against the amendment, and they do not need to be worried about it. It concerns nobody but the farmers, and they feel no interest in them.

At this first meeting they organized and appointed a committee to start a campaign. It was announced by the president of the association that day that they must destroy this farm-loan legislation or it would destroy them, and under that theory they have waged this campaign, and here is the statement of their president that they have been carrying on the propaganda ever since.

I shall not worry the Senate by reading his arguments, if I might call them that, because this is such a frank appeal, such a barefaced appeal, to the selfish greed of people whose only source of income is the necessity of agriculture. I shall merely include it in the RECORD, with the permission of the Senate.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(See Appendix.)

Mr. CARAWAY. In his annual report the secretary, Mr. Chassell, said:

> Public slow to see.

He is complaining because their propaganda was so slow in its effect. He said:

> PUBLIC SLOW TO SEE
>
> The public has been slow to realize the results of this unfair discrimination.

May I pause long enough to ask against whom was the discrimination? Certainly not against the farmer, who was relieved from paying 10 per cent and permitted to borrow at 5½ per cent. The agricultural interests of this country could not complain of a reduction in their interest rate greater than the taxation rate at that time. Therefore, against whom was this unfair discrimination? Against no one except the Shylocks who sought to lend to the farmers.

One of the funniest things in the world about the lending of money is this: An association has been in existence here in the District of Columbia ever since I have been in Congress trying to persuade Congress that it is unfair to the working men to permit him to pay only 2 per cent a month as interest. They went before the committee when I was a member of the District of Columbia council in the House, and they told me that I was obstructing the interests of the working people because I would not agree to put over an amendment to the then existing law so that workingmen would be permitted to pay 10 per cent a month. It would have been such an infinite advantage to a workingman to pay 10 per cent a month instead of paying 2. There are a lot of folks who talk that kind of stuff until actually they have gotten as crazy about it as they have gotten about other things, and almost believe it.

These mortgage associations want us to believe—and I shall read it in a moment—that it is an actual disadvantage to the farmer to permit him to borrow money at 6 per cent instead of paying 10, and for that reason they are now pleading with the country to give the farmers a chance to pay 10 per cent instead of 6. I want the people who advocate this scheme to know the company in which they travel. They state it certainly as convincingly as do the Senators here who oppose this amendment, and the Senators are actuated, unconsciously, no doubt, by the same motive that actuated Mr. Chassell when he made his brilliant deduction. He said:

> PUBLIC SLOW TO SEE
>
> The public has been slow to realize the results of this unfair discrimination, but it is now rapidly becoming aroused to the economic disasters that come through making a double attack on the Public Treasury, first, by increasing the gross amount of taxes, and second, by cutting down the sources of revenue through the exemption of property from taxation.

Do not Senators know for whom they were setting up this Jeremiah wail? Who is it who has received some exemption? The farmer had gotten a little surcease from exorbitant rates which the farm mortgage lenders were compelling him to pay.

The rule in my State is this: You borrow for a short time; you pay the interest the lenders are able to exact, and in addition, you pay their agent, who then declares himself to be your agent, 2 per cent commission. Then, in addition to that, you must pay an additional sum to their agent in doing for them what they are pleased to say he does for you. Before you get through you pay probably 9 or 10 per cent upon every loan.

Agriculture can not pay it. It can not pay it to-day, and because it can not pay it, they joyfully rushed to these Federal farm loan associations and get relief from the Shylocks, who now come to Congress and say, "Look here; you have done us incalculable harm. You have enabled our victims, the farmers, to escape from our clutches, and therefore we ask you to support this proposal and hand us back our victims, from whom we were wringing every dollar they could wring from the soil"; and good men find themselves aligned with that crowd. He goes further and says:

> This awakening of popular intelligence to the importance of fair taxation is one of the most hopeful signs of the year. There is a rising tide of public opinion which is sure ultimately to bring legislative results.

And we will know in an hour whether they are correct about it.

> Editorials and general news comment favorable to taxing bonds that are now tax exempt is a good general indication of the drift of the current. When business men in convention adopt resolutions favoring the taxing of bonds that is another good sign, but when candidates for Congress and for State legislatures incorporate such a declaration in their speeches and make it a part of their announced policies, then we may know that the tree is well rooted in our civic soil.

And, God bless us, we will soon be exacting our toll from the farmer. That is not the end of his prayer; he takes it up again. I added that last line.

> President Harding raised the tax-exemption movement to the dignity of a national issue by declaring for a constitutional amendment in his message to Congress last December. Secretary Mellon was the third successive Secretary of the Treasury to affirm squarely that securities now untaxed should be subject to taxation. The Ways and Means Committee of the House, after extended hearings, reported a constitutional amendment for passage last spring. Representatives of numerous business organizations testified before the committee, including the president and secretary of this association.

And we know they testified with much joy, and I rather imagine they were like the old lady who, when asked at the conclusion of her testimony if she had told all she knew, replied, "Yes, and a little the rise."

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

Mr. CARAWAY. I yield.

Mr. FLETCHER. I think the record of the hearing will show that those who appeared were representatives of this

organization to which the Senator has referred and also representatives of public utilities.

Mr. CARAWAY. That is so. I just want to read a little further.

In addition to the usual number of copies printed by the Government—

Listen to this—

this association distributed 1,000 copies of the evidence of P. H. Gadsden, of the association of public utilities, and 2,400 copies of a complete report of the hearings. The tariff bill and the soldiers' bonus bill had the right of way all summer, so that less pressing matters were not considered.

COME UP IN DECEMBER

It is expected that the amendment will come up for consideration in its regular order some time in December. It is now on the calendar subject to consideration at any time before the close of this Congress on March 4 next. It is hoped that it may be passed early so that it may be considered by the legislatures of several States this coming winter, as over 40 States hold legislative sessions in 1923.

The amendment will meet with considerable opposition in Congress, open opposition on the part of those who think tax exemption is a good thing for the country and secret opposition from those who desire personally to profit by the traffic in tax-exempt bonds.

It will be up to every American taxpayer to exercise every possible influence in favor of the amendment if it is to receive the necessary two-thirds vote in both Houses of Congress.

You can see the result of the influence. These folks were bragging about what they did. On page 3018 of this magazine Mr. F. C. Waples contributed his personal views and, among other things, he said this, and I wish the Senators would read it, because it is indicative of just what has happened:

If you will permit the speaker to express at this point his own personal views, without reference to the committee who have had this matter in charge, and to give you his own ideas—

For fear somebody does not know what this matter is, it was the striking down of the tax-exempt securities so that these farm-mortgage companies could charge their old rates of 8 and 10 per cent. He said:

I would like to suggest that this association has been carrying on through its secretary, Mr. Chassell—

Some of whose statements I read a moment ago——

a much more subtle method of advertising and a much more effective method of advertising than can ever be obtained by large paid ads in the newspapers.

That is interesting. He has been carrying on a subtle advertising campaign that is more effective than any paid advertising in the newspapers. Let us see what he says further:

Because paid advertising goes only so far, but the matter of suggestion, coming from what may seem a more or less unbiased source, is much more effective.

I would say that he ought to be tapped for something, but it is not a lack of frankness. He admits that the association is carrying on a campaign that is subtle, that is carried on by people who pretend they have no interest in the result, and it is much more effective, said he, than paid advertising. He possibly knows with whom he conferred and what was the subtle argument he offered. He goes on further:

To be specific let me call your attention to the campaign which Secretary Chassell has directed against tax-exempt securities for the past several years. A few years ago tax exemption, or the mention of it by a member of this association, was thought to have been mentioned from an extremely selfish standpoint.

They suspected him and now he says, "We have found a subtle way to disarm them. We approach them as friends and strike them as enemies."

But we have by persistent work among all of our members, by talking, giving public speeches, getting editorials and articles published in the home papers, sending of pamphlets and circulars broadcast to farm borrowers, to newspapers and magazines, and encouraging the reading of articles along these lines, together with the fact of a high surtax, changed entirely the sentiment of the general public toward tax exemption. The general public, as a whole, at the present time realizes the menace of tax exemption more than they ever did. It is largely due to the efforts of this association and of its officers and its very efficient secretary that the public recognizes the danger of tax-exempt securities and the continued issuance of the same.

I want to call to the attention, therefore, of the Senators who oppose the committee amendment that they now know who claims to be their boss. These people frankly say, "We are the folks who have maneuvered this situation. We are the ones who by subtle means procured the publication of editorials and newspaper comments and distributed literature. To us, and to us alone, belongs the credit," or the infamy, as the case may be, "for the sentiment that is now in favor of striking down the Federal farm loan bonds and making the farmer pay 10 per cent instead of 6 per cent." Therefore, Senators who are opposed to the committee amendment recognize the man who claims to have been responsible for their position. He modestly asserts it. I hope Senators will be as frank in admitting it.

Mr. SIMMONS. He represents the farm-mortgage association?

Mr. CARAWAY. Oh, yes. He was in 1922 the secretary of the Iowa Farm Mortgage Association, and Mr. Chassell, of whom he was speaking, is or was the secretary of the national association.

Mr. SIMMONS. He is the man who appeared before the Judiciary Committee in favor of striking down tax-exempt securities?

Mr. CARAWAY. Of course. He said, "As long as we told the truth"—I am only interpolating what he said—"as long as we were out advocating this openly they thought we were selfish and therefore we did not get results, but we found a subtle way of handing it to the public—this propaganda—and making them think it came from some disinterested source, and therefore we are getting results." I want to introduce the Senate to its master, who proudly proclaims that by handing you something in a subtle way he has made you reverse yourselves and vote the other way in order that the farmers now may be hurt.

We may as well be frank with ourselves. We will not fool anybody outside of this Chamber. There is not a farmer, however poor and uninformed he may be, in any State of these United States when he reads how you shall have voted on this amendment and when he knows what the amendment is who will not know the truth. He will require no explanation from anybody to make him realize that if you vote for striking down the provision, as the amendment seeks to prevent you doing, that you are the friend of the Federal Farm Mortgage Association in preference to being the benefactor of the agricultural interests of the country. Everybody knows it and what is the use of arguing about it? Let us be as frank with him as he was frank with us, and let us say we stand for or against the farmer and let the farmer know that at least we have what he evidently has—the courage to be absolutely frank—and tell him that we are against him because we think the farmer will be more prosperous if he pays 10 per cent instead of 6 per cent interest. If you can make the farmer believe that, you will have a different experience, I rather believe, than anybody else heretofore has had.

Let us go a bit beyond that. Everybody knows there is a tendency now and there are a lot of people who honestly believe that the rights of the States ought to be stricken down. This is a step in that direction. It will be said, of course, that this does not mean the State can not issue its bonds. It does mean it can not sell them in an unrestricted market, and the right to issue tax-exempt bonds is not worth a cent unless you can find a market in which to sell them at less than you can sell a bond that is subject to taxation. Everybody understands that. There is no use trying to fool ourselves, because even if we succeed in hypnotizing ourselves by making ourselves think that 10 per cent is cheaper than 6 per cent we will not fool anybody else. That is all.

It is said this proposition does not reach the right to issue tax-exempt securities. It strikes in that direction and it will be so much easier, with the same argument and with this as an excuse, then to put over the constitutional amendment and make the State become the servile creature of the Federal Government.

Mr. SIMMONS. Mr. President, may I ask the Senator from Arkansas a question?

Mr. CARAWAY. Certainly.

Mr. SIMMONS. Does the Senator know of any State in the Union that taxes the bonds which it issues?

Mr. CARAWAY. No. Nobody has been so simple as to propose a thing like that because the people pay the taxes. What strikes me so farcical that I can not keep from smiling when they say it, is that they say in the constitutional amendment we will give the States the right to tax Federal securities. But,

God bless them, the Government does not pay the taxes. It does not do that, of course. It compels you and me to pay the taxes. It simply means that the people are taxed twice, and that is all. They will tax the State bonds, and the people will pay that tax, and then they will tax them to pay the tax on the Federal bonds, because the Government has not a dollar unless it takes it from somebody who has earned it by the sweat of his brow. Therefore, of all the silly things ever brought out and exhibited before the people is the proposition to confer some right upon the State to tax a Federal bond when the Government has not got a penny but what it gets from the people's pockets, and it always costs something to collect a tax and pay it out. Anybody who is silly enough to believe there is any advantage in taxing himself when he has to pay the tax himself, to create a horde of taxgatherers and tax distributers, ought not to be taxed at all. He ought to be in some institution for the feeble-minded.

Mr. SIMMONS. He has not only to pay the tax the State has to pay, but he will have to pay a higher rate of interest.

Mr. CARAWAY. It gets him both ways. It would be just as foolish to say that I could get rich by having a $5 bill and getting somebody to change it for me and letting him keep 50 cents out of it for his trouble, and then have him change the 4 dollars and 50 cents I had left and take 50 cents out for changing that. Of course, ultimately I would have nothing left, and yet that is exactly the legerdemain by which they seek to persuade people that they can all get rich by taxing State securities and in return give the privilege to the State of taxing Federal securities and paying for both collections. I hope that we will lay aside this hypocrisy by which we seek to deceive ourselves, because we will not deceive anybody else even if we do succeed in deceiving ourselves.

Mr. SIMMONS. The people who are demanding this, the mortgage associations to which the Senator has referred, are demanding it in order to get an opportunity to loan their money at higher rates.

Mr. CARAWAY. Absolutely. They make no pretense of denying that. They say they used to tell the truth about it, but when they found they did not get anywhere they adoped more subtle methods and sought to do by indirection what they were unable to do by direction, and by those subtle methods they have gotten certain people to advocate their idea. Nobody would be courageous enough to stand on the floor of the Senate or anywhere else and say, "I am in favor of making the great agricultural interests of this country, staggering under a burden which they can hardly carry, pay additional interest rates on the billions of dollars they borrow."

Senators who represent the cities may well pause and consider. Sooner or later the consumer must pay the cost of production. He is not doing it now. The city man is getting his living for less than it costs the farmer to produce it. The farmers are leaving the farm at the rate of more than a million a year. There are a million more mouths to be fed every year in the cities than the year previous. There are a million fewer people to produce the things they eat. Sooner or later agriculture, like other industries, is going to organize and demand the price for its products which will not only pay the cost of production but pay a profit to the man who produces. When they do it you folks who make the burden of agriculture heavier by striking down its cheap rate of interest will pay for that error in the increased cost of the things you eat. Therefore you may for a few short years enhance the wealth of the cities, the loaners of money, by laying still heavier burdens on the agriculture of America, but what you get now you will pay back with compound interest when the situation shall have been changed.

God knows that sooner or later the situation will change, because with abandoned farms everywhere, fewer people to produce what you eat and more people to eat, the increased cost of things we eat is inevitable. Therefore I would be absolutely frank, if I wanted to oppose the amendment, and say, "While the getting is good, let us have no restraint; let us strike down the borrowers' friends, which stand between helpless agriculture and the greed of the people who loan money, and let them, like Shylock, demand their pound of flesh, forgetting what happened to Shylock when he sought to collect his bond which he had exacted from his helpless creditor."

I know that certain interests are demanding that you demand of the farmers this sacrifice. I feel certain that, having promised to do it, you will do it; but do not deceive yourselves. You can not fool any agriculturist by saying you are not directly or indirectly seeking to lay a heavier burden on him, because you are doing it and everybody who reads will know. I hope that the committee amendment may prevail.

APPENDIX

[From the United States Investor, October 14, 1922]

FARM MORTGAGE BANKERS' CONVENTION—ANNUAL ADDRESS OF THE PRESIDENT

(By Kingman Nott Robins)

A wise man remarked the other day: "You say we are living in the most critical period of the world's history. Granted; but there never was a time that was not critical." What there is of truth in that remark will give comfort to those who argue that having survived so many crises civilization—our civilization, if you like—will survive now. But, I take it, that the thoughtful will see more in the thought than occasion for blind optimism. Will they not see that crises are continually in the making as well as upon us; that the tendencies that culminate in crises, operating below the surface of things, are always at work, and that the time to meet a crisis is, if possible, before it comes to a head?

I take it that wisdom in individual and nation consists in correctly appraising the power and direction of the evil tendencies which are continually operating and in checking them before they reach the critical stage.

CRISES SHOULD BE AVOIDED

If we were wise enough there would be no crises to confront. Is that not so? That we are constantly facing real crises and having to spend ourselves to the utmost in surmounting them may be creditable to our courage and tenacity, but is our failure to see the crisis coming until it is upon us a compliment to our heads and hearts?

A mere generalization, you may say, and what of it? Let us apply it, then, to some of our own particular problems in farm-mortgage banking. I do not think of any critical situation in the history of our business that did not arise from conditions and practices that were apparent in their tendency long before they had run their logical course to the point of crisis. That we have at times had to face crises simply meant that we had either ignored our warnings or failed to apply correctives.

LESSONS FOR THE FUTURE

A post-mortem analysis of this sort would not greatly interest you or me if it did not hold something of value for us now and for the future. We are in what is obviously a critical time for agriculture and agricultural banking. There is little use in defining the occasion at length of our present troubles, most of which even our imperfect human wisdom and capacity for prophecy would have avoided if we had taken counsel of our own best judgments and acted accordingly. The point is that the crisis is upon us and promises to be with us for some time to come. What can we do not only to meet this crisis but avoid another? To be specific:

1. DIVERSIFICATION AND PRODUCTION

The earning power of the farmer has been for two years and still is far below normal and out of line with the earning power of other occupations.

There are many reasons for it. What are the remedies, and are we doing what we can to apply them? We bewail our loss of our foreign markets, but at the same time adopt a tariff which effectively destroys most of the foreign trade we had left. I do not say that we are wrong, but obviously we can not sell to foreign markets with one hand while we cut off the means of payment with the other. If we want to isolate ourselves, are we doing what we should to cultivate our home market? Are we adapting our product, in variety and quantity, to the home market? If the home market can not consume all our wheat and beef, are there crops which it will consume which we can substitute for the crops of which we are now producing a surplus above requirements? The manufacturer makes goods in quantity and kind to suit his market—not just for the sake of making what his father made before him, regardless of demand.

Our business is virtually dependent on the farmer's earning capacity. There is no value in land without it. Are we as operators and financiers of farms doing what we can to think this problem through to the bottom and to apply the remedy?

It is an axiom that diversified farming is, in the long run, the only safe and profitable farming. More diversification, and still more, seems the most obvious remedy for our present troubles, especially in the Cotton and Wheat Belts. The boll weevil seems to have effectively offset what might otherwise have been an overproduction of cotton; but how about wheat? How does our annual production of each of the major foodstuffs compare with our national home consumption?

This is information that I am hoping the research department of the Farm Bureau Federation will be able to make available to every

farmer for his own guidance, and we can do much to aid by educational work based on that knowledge with our field men and borrowers. The farmer who refuses to be guided by the best available advice is a poor credit risk.

2. EXCESSIVE TAXATION

A friend of mine who owns 14,000 acres of the finest land in the Corn Belt tells me his taxes on that land this year will absorb 25 per cent of the gross revenue; there can be no net revenue where that is true. All over the country taxes are mounting in almost geometrical progression, while we face what promises to be an era of lessened earning power and lower values. Even if we were to eliminate all graft and incompetence, our public expenditures for highways, consolidated schools, reclamation, and other admirable improvements would still far exceed our ability to pay. We are living beyond our means. No student of the situation can deny it, and to the doubter I would commend a careful reading of the report of the committee on taxation of the Legislature of the State of New York. Let me quote some startling figures:

The total per capita cost of Federal, State, and local government for a resident of the State of New York increased 170 per cent from 1910 to 1920.

The per capita cost in 1920 was about $100, or $500 for the average family of five.

Only a communist can view this process of public confiscation of private property by taxation with composure. What are those of us who are not of the Bolshevist persuasion doing to curb this Bolshevistic process in our own country?

The friend of the farmer cries to high heaven at the interest burden of the farmer. What has he to say about his tax burden, multiplied as it has been in the last decade, ten, fifty, and a hundredfold? Indeed, I am interested in a farm the taxes on part of which have increased 1,500 per cent since 1914, and this without any added value in the way of better schools, highways, or drainage.

3. TAX EXEMPTION

I will not bore you with repetition of the arguments against tax exemption, which we have as an association put before the public constantly for over four years. Tax exemption is now recognized as a crying evil of our present fiscal policy. Are we, each of us, doing all we can to combat it in our respective communities or are we content to let the other fellow fight the battle? We talk about hating autocracy and special privileges, but no tyrant in history ever devised a more cunning plan for shifting taxation from those best able to bear it to those least able than we find in tax-exempt bonds.

The irony of it, from the farmer's standpoint, is that those who would keep this privilege to themselves at the expense of the great majority of the taxpayers, including the farmers, throw dust in the eyes of the people by saying that attacks on tax exemption are directed against the farmer. How long will he be "the goat"?

4. MORTGAGE BANKERS RESPONSIBLE

In a period of rising land values and good prices for farm products excessive loans and weak borrowers do not reveal themselves. Nature works with the careless banker to offset his mistakes. Even the most experienced and careful bankers are tempted to take chances contrary to their own best judgment, and for a time the most venturesome seem to reap the greatest rewards. But farm-mortgage banking is a business founded not on years or even decades of results but on generations, and departures from the most conservative practice bring their penalties as surely as economic law operates. It was so in the seventies and in the nineties; it is so now. The wisest have made mistakes, but only the wisest and strongest can survive these periods of testing. The disappointments and burdens of carrying such a business as ours through these difficult periods have not seemed "worth the candle" to many in the business, and these are turning their attention to other securities at the moment seemingly more attractive. Others with the courage of their convictions are sticking to their guns, despite hard times and subsidizing competition, in the belief that there are enough wise men among the investors of this country to appreciate devotion to their interest through thick and thin. They believe, too, that there are enough investors who know that the key to safe investment in farm mortgages is in the making and the care of them and not in guaranties and tax exemptions, no matter how skillfully and attractive these superficial coverings may conceal the real article for the time being.

The guaranties and financial backing of the debenture companies of '83 sold their securities like "hot cakes," but the crash came in due time and the guaranties and the impressive financial statement availed nothing. Some of us have faith that there are enough investors still left who appreciate proved capacity to make good loans more than all else and who will intrust their investments to those who have kept the faith.

5. INFLATION AND EXCESSIVE LOANS

More than one student of the farmer's problems has truly said that not too little credit but too much, unwisely bestowed, was the farmer's undoing. In a period of inflation and the immediate reaction of deflation the constant clamor is for more credit and more money. The foundations of money and credit are lost sight of and, intoxicated by inflation, the victim asks for repeated and stronger doses. America and Great Britain alone have dared to attempt to sober up. Many of our own people are rebelling. Mr. Ford and Mr. Edison would summon the printing press to postpone the inevitable. Organizations of capital and labor refuse to take their share of the common burden of readjustment, and we stagger along through a maze of uncertainties, each trying to get more than our share of a national income which statistics show is inadequate to support our inflated standard of living. There is no ultimate way out but to increase our national revenue by harder work, longer hours, and greater thrift, and sooner or later we will realize it and stop butting our heads against an economic stone wall.

In the meantime, however, those of us who are trustees for our investor customers must look the facts in the face. I quite agree that the economic law of action and reaction will in due time again put the farmer where he belongs in the scale of rewards for productive effort. In the long run I believe the farmer will enjoy a constantly increasing degree of prosperity, but this can not come until we put our economic house in order, and this is a long-drawn-out process for 105,000,000 housekeepers to accomplish.

So, I say, in the meantime let us look present facts in the face. What are farm lands worth now? If the readjustment is postponed, can our farmer borrowers carry on with their present resources? These are the two questions that a wise banker friend of mine—our honored first president—put to me last week, and they are, I take it, the fundamental questions for us to ask in making every loan. We can not wisely or conscientiously, either in our own or our clients' interests, predicate any loan on other than satisfactory answers to these questions. In other words, we must scale loaning values to conform reasonably to present conditions. We must confine our loans to sound banking risks. I commend this thought especially to some of our new friends in the business, who seem to think that volume is the main consideration if they have a tax-exempt market that will absorb their output of securities.

6. WORK OF THE ASSOCIATION

But enough of preaching. Your secretary will tell you the story of the association's work during the year. It speaks for itself. We have stuck to our text as defenders of the American doctrine of equal rights and fair competition and sworn enemies of special privilege for special interests at the expense of the public, ourselves included. We are vastly encouraged by the result of our efforts. The issue is at last clearly defined and will shortly be put to a vote. Even our opponents admit that they are defending "a subsidy the like of which has never been granted to another enterprise under the Stars and Stripes," to quote the distinguished farm loan commissioner. Whatever the outcome, we have "fought the good fight." Our country and its institutions will suffer from defeat, if defeat is in store, more than we, and we can do no less than to see the fight through to a finish. We have no patience with quitters. We do not want them in this association.

For those of us who stick to our guns there is work to be done. We must carry on our educational campaign. We must at least subscribe to the limit of our ability to back up the magnificent work of Mr. Chassell. He has sacrificed not alone his other business interests, he has sacrificed himself to this cause of yours. Year in and year out, all day and far into the night he has worked almost single handed and economizing to the last cent to make your dollars go the limit in effectiveness. We can never repay him; we can rally to his support and show him that we appreciate and will back him to the limit, good fighter that he is!

I can not close without a personal word of appreciation not only in my own behalf of all that Mr. Chassell has done for the association but also of the fine and loyal support and friendship that the members of the association have invariably given me as president. I see before the association an ever-expanding field of usefulness to its members and to the country in which we live. These are the hard and difficult days. Our stability and faithfulness to our trust now will build a sure foundation for our future as an association. We are gaining in public recognition and influence; our most valuable asset is our record of definite, effective work for the best interests of the most important industry in the country. This record, maintained through the years, will help every farm-mortgage banker to build up his own business more rapidly and more safely. Every selfish consideration bids you work to maintain this association and the business it represents. Every unselfish consideration leaves you no other choice. Let us get behind the new administration and make 1923 the best we have yet achieved.

Mr. SIMMONS. Mr. President, I discussed the amendment on yesterday and I do not propose to cover the ground that I then went over. I merely want to say before the vote is taken that I have heard advanced no reason whatsoever in favor of the amendment except that some few people in the country have borrowed money and invested that money in tax-free securities, and that because of that fact it is fair and just that the interest upon the tax-free securities should be an offset against the interest that is paid by them upon the borrowed money.

If that is the only reason for the amendment—and no other has been assigned—then the amendment ought to be confined to cases of that kind, but the amendment is not confined to cases of that kind. The amendment applies to any interest paid for borrowed money outside of the regular channels of the business of the borrower; so that we have this situation: A man honestly borrows a sum of money and he pays a certain interest upon that loan. The law gives him the right in his tax return to deduct from his gross income the interest upon that loan. It may be all right; it might be justified in morals; but it can not be justified in good faith to deny that deduction if he borrowed the money for the purpose of buying securities. Where one man makes a loan of that sort, the kind of loan that is contemplated and included in the provision now under discussion, 10 men will borrow money for some other purpose, and yet they will be subject to the provisions of the amendment. I ask the Senator from Utah if that is not true?

Mr. SMOOT. Mr. President, I could not say. I do not think there are any statistics which would justify me in stating any comparison.

Mr. SIMMONS. I do not ask whether the proportion is true. I do not say that the Senator has evaded the question, but I will change it, and I will ask the Senator if this amendment reaches only cases where the money is borrowed to be invested in and is invested in tax-exempt securities?

Mr. SMOOT. No; the theory of it is that no man would borrow money in order to buy tax-exempt securities that pay a less rate of interest if he did not intend to compute that interest for the purpose of evading taxes.

Mr. SIMMONS. Does not the Senator realize that many men who are engaged in business borrow money outside of their business for purposes not connected with their business; and would not this deduction be applied in such a case?

Mr. SMOOT. Certainly, if the man were carrying tax-exempt securities.

Mr. SIMMONS. If he were carrying tax-exempt securities, although the money was not borrowed for the purpose of buying tax-exempt securities but was borrowed for absolutely legitimately recognized business purposes, with no idea of defrauding the Government or evading any taxes?

Mr. SMOOT. It is not probable that anyone would borrow money to put into his business and still hold tax-exempt securities which were drawing a less rate of interest. That does not seem to me like good business. I am quite sure that I would not do it.

Mr. SIMMONS. Does the Senator mean that no man who has tax-exempt securities will borrow money?

Mr. SMOOT. I did not say that.

Mr. SIMMONS. That is what the Senator's statement would seem to mean.

Mr. SMOOT. I mean that as a regular thing no business man would ever borrow money and pay 5 per cent on it and then hold his tax-exempt securities and get but 4 per cent on them when he could sell his tax-exempt securities and pay his obligations. The only reason a man does such a thing is because he expects to use the interest upon his loan in order to reduce the amount of his taxable income.

Mr. SIMMONS. Does the Senator mean to say that if I had purchased tax-exempt securities five years ago and still held them, that I would not borrow money but that I would sell my tax-exempt securities to get money? Is that what the Senator contends?

Mr. SMOOT. Yes; I so contend, if the Senator intended to make an investment or he intended to carry the loan. I certainly should do so, and I think that every other business man would do so.

Mr. SIMMONS. The Senator, then, means to say that nobody who holds tax-exempt securities would go out and borrow money.

Mr. SMOOT. The Senator from Utah did not say that.

Mr. SIMMONS. That is what the Senator's statement means.

Mr. SMOOT. I do not say that nobody would do that; I am speaking now of the man who is in business; the man who ordinarily has good common sense; he would do it; and I take it for granted that the business men of the country generally have good common sense. According to Mr. McCoy, if this provision should not be adopted it would mean a loss of $35,000,000 to the Treasury of the United States.

Mr. SIMMONS. I am not concerned about the loss.

Mr. SMOOT. I know the Senator is not, but I am.

Mr. SIMMONS. Nor am I concerned about the gain. I do not want to discuss a question, right or wrong, upon the basis of what it is going to bring the Government or what the Government is going to lose.

Mr. SMOOT. Nor would I, I will say to the Senator, but I can not understand why Senators here are perfectly willing to vote for a 40 per cent surtax and then leave the gap open or the hole open to the taxpayer to crawl out from under.

Mr. SIMMONS. The Senator from Utah means that he can not see why we should vote for a 40 per cent surtax unless we vote to repeal these tax exemptions. That is what the Senator means.

Mr. SMOOT. I say, "Leave the hole open," and that is exactly what the Senator is proposing to do. That is where these men are going to escape. That is the cyclone cellar to which they will run.

Mr. SIMMONS. Mr. President, before we get through we shall see that that "cyclone cellar" is but a myth, a camouflage; that the leak is not there, but that the leak is somewhere else, and Senators on this side of the Chamber will present to the Senate a means of stopping that leak. I venture the prediction now that when we do present an amendment here, which, if adopted, would stop the leak and not be a camouflage amendment, as is the amendment with reference to tax-exempt securities, Senators on the other side of the Chamber will be found trying to defeat the amendment. But that is not what I am discussing.

Mr. HARRELD. Mr. President——

The PRESIDING OFFICER (Mr. SMITH in the chair). Does the Senator from North Carolina yield to the Senator from Oklahoma?

Mr. SIMMONS. I yield.

Mr. HARRELD. I should like to ask the Senator if it is not a fact that there is a practice growing in the country among men who use their capital only for two or three months in the year of buying, for instance, cotton in the cotton season, investing their capital in tax-exempt securities for the whole year and using those tax-exempt securities as collateral to borrow money for their business during the three or four months when they need it? What effect would this amendment have on that condition?

Mr. SMOOT. That would be a transaction in trade or business, and the provision we are now discussing would not apply. It does not apply to a case like that; it is specifically stated in the amendment that it does not apply to money borrowed in trade or business.

Mr. HARRELD. I wanted to hear what the Senator had to say about that.

Mr. SIMMONS. I do not understand that if a man is engaged in buying cotton, and then buys securities, that necessarily that has any connection with his trade or business. I think the provision exempts interest on money borrowed to be used in the regular channels of business, and in that event this provision does not apply.

Mr. HARRELD. But would not that open the floodgates——

Mr. SIMMONS. I think it would.

Mr. HARRELD. For some taxpayers to practice a fraud in making out their income-tax reports?

Mr. SIMMONS. I do not know that I quite comprehend the idea that is in the mind of the Senator, but the point I am trying to bring to the attention of the Senate is that the specific reason that is assigned for this provision is that it is intended to reach, and will reach, the case of a man deliberately borrowing money for the purpose of investing that money in tax-exempt securities, and the argument I am making is that if the amendment were confined to that specific case where there is some suspicion of a purpose to defraud the Government of its taxes it would not be so bad; but it is not confined to the case; it extends to every case where a man borrows money to be used outside of his business and not connected with his regular ordinary business. The interest that he pays upon that money will not be allowed as a deduction under the provisions of this amendment.

Mr. FLETCHER. Mr. President, may I interrupt the Senator to say——

Mr. SIMMONS. The reason given for the support of the amendment does not apply to a case of that sort. That man may be innocent of any purpose to defraud the Government, but he may be unfortunate in the fact that he happens to hold some Government securities at the time of the transaction or may subsequently buy some Government securities.

It is inconceivable that the Senate would deliberately vote to take away from an honest man who happens to have some Government securities his exemption on account of interest paid when that interest was paid upon obligations created not for the purpose of investing in securities or of evading taxes, but for an absolutely honest and legitimate purpose.

Mr. FLETCHER. Mr. President, I was going to call the Senate's attention to page 47, paragraph 2, which seems to me to carry the contingency which I gather the Senator has in mind as being somewhat involved in this proposed amendment and which is taken care of in this part of the bill:

> (2) All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

That I think has been agreed to.

Mr. REED of Pennsylvania. That is in the present law, and I understand it has been agreed to.

Mr. FLETCHER. That takes care of the situation where a man borrows money for the purpose of buying tax-exempt securities.

Mr. SIMMONS. Yes.

Mr. FLETCHER. In that sort of a case the interest which he paid is not deductible if he borrowed the money for the purpose of buying tax-exempt securities, and that takes care of the situation.

Mr. SIMMONS. Yes; and that is the only reason that is given for this amendment. That is the very point I am making.

Mr. FLETCHER. Precisely, and that is taken care of in another part of the bill.

Mr. SIMMONS. I might happen to have some tax-exempt securities and there may be reasons why I do not want to dispose of them; I desire to keep them; I want to buy a home, and I have not the money, so I borrow the money to buy a home. Why should I be denied my legitimate lawful deduction of that interest on account of the fact that I happen to have a few Government securities in my possession? There is no reason assigned by any advocate of this bill why an honest loan of that sort should be subject to the provisions of this section.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. SIMMONS. I yield.

Mr. REED of Pennsylvania. Does the Senator concede that the provision of the present law to which the Senator from Florida has just referred is a proper provision?

Mr. SIMMONS. I said a little while ago that that was not so bad, because there was inherent in that transaction some evidence of a purpose to defraud the Government.

Mr. REED of Pennsylvania. Does not the Senator know that the section which was read by the Senator from Florida has been a dead letter, because it is so easily evaded?

Mr. SIMMONS. I do not know that.

Mr. REED of Pennsylvania. A man borrows the money and puts it in one pocket and takes the money from another pocket to buy tax exempts.

Mr. SIMMONS. I suppose that if this provision is adopted it will also be a dead letter so long as there is no disposition to enforce the law against the taxpayer. I do not see why this provision would not be subject to just the same evasions, just the same concealment, just the same difficulties that the Senator complains of with reference to the other law—difficulties which he says have made that law a dead letter.

Mr. REED of Pennsylvania. Does not the Senator know that this administration, like the last administration, with the utmost desire to enforce the law, has found itself unable to prove the purpose for which the man borrowed the money, and that is why it is a dead letter?

Mr. SIMMONS. If it be true that that law is a dead letter by a parity of reasoning, as this simply extends the scope of that dead letter, this would be equally a dead letter.

Mr. FLETCHER. Why put it in the bill if it is a dead letter? Why reenact it?

Mr. REED of Pennsylvania. But the purpose of putting this provision in the bill is that it dispenses with the necessity of the Treasury Department proving the man's purpose in borrowing the money. That is what is the matter now. We can not prove that he borrowed to buy tax exempts. If we put this in, we will not have to prove that.

Mr. SIMMONS. In other words, because it is difficult to catch a dishonest man, you will, in order to enable you to catch him, throw our your net and catch 8 or 9 or 10 honest men and subject them to the penalty that you propose to impose upon the dishonest man. That is one of my fundamental objections to this provision. Every citizen of this country under the law is entitled to deduct his interest.

Now you propose here to say that a perfectly honest man shall be denied the benefit of this deduction because some dishonest man has been found who has invented a scheme by which he can evade the law. To my mind it is perfectly inconceivable and preposterous that the United States Senate should not make this distinction.

But, Mr. President, that is not all. I will ask the Senator from Pennsylvania why he included in the same category the amount of deductions provided for in paragraph (5) of subdivision (a), which refers to losses that are not compensated by insurance?

Mr. REED of Pennsylvania. Mr. President, I tried to explain that yesterday.

Mr. SIMMONS. I did not hear the Senator's explanation.

Mr. REED of Pennsylvania. That is because of the very great number of men who have resorted to the expedient called registering off losses. The law has been very liberal in allowing the deduction of losses incurred outside of one's trade or business. We want to put an end to the abuse of that, if it can be done. At the end of every year we see the stock market thrown into a state of mild convulsions because men are taking out from their safe-deposit boxes and selling all the securities on which they can show a loss, and they immediately put back the money into something just the same, or substantially the same. They incur no real loss, but they have a paper loss with which they wipe out their taxable income.

Mr. SIMMONS. What per cent of taxpayers who have sustained losses of this character resort to those methods?

Mr. REED of Pennsylvania. Mr. President, I do not mean to intrude too far upon the Senator's time, but I have here a diagram that will illustrate that better than anything I can say.

Mr. SIMMONS. The theory of this bill, to my mind, seems to be that if we pass a law of any kind that is evaded by a few men, everybody else who may not be guilty of that offense shall be punished in the same way that the rascal is punished.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina further yield to the Senator from Pennsylvania?

Mr. SIMMONS. Yes.

Mr. REED of Pennsylvania. The Treasury Department has taken 471 individuals who happened to be in the class of men who in 1916 had incomes of $300,000 or more, and who also have reported their incomes in each of the five succeeding years—that is, out of all the men who had that much income in 1916 there are 471 of them who have made reports on their incomes for 1916, 1917, 1918, 1919, 1920, and 1921—471 individuals in that rich man's class. Now, let me show you what has happened to the incomes of these 471 men in these six years.

In 1916 they reported for taxation $460,000,000 of income and the Government got the tax on that.

In the next year, 1917, it had shrunk to less than $270,000,000.

In the next year, 1918—still these same men—it had come down to about $125,000,000.

In 1919—I am giving only the round figures—it had shrunk to $120,000,000.

In the tremendously prosperous year of 1920 it had shrunk to less than $35,000,000.

In 1921 those 471 men altogether showed a loss of $40,000,000.

That is the way it works. In 1921 prices were down; and these 471 rich men, who had reported for taxation over $460,000,000 in 1916, registered off losses, and actually the group of them, taken as a whole, showed $40,000,000 less than nothing as their income in 1921.

I ask unanimous consent that this diagram, which is a fine diagram, be incorporated in the RECORD.

There being no objection, the diagram was ordered to be printed in the RECORD, as follows:

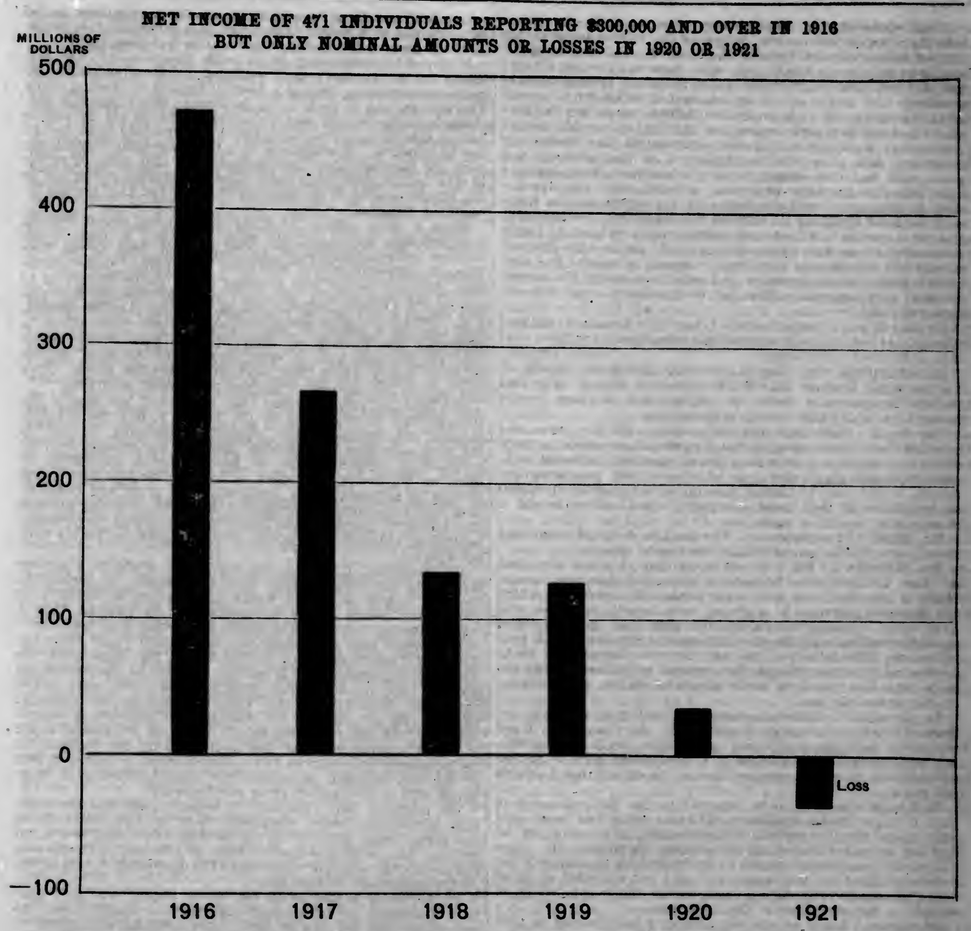

Mr. FLETCHER. Mr. President, does the Senator's diagram show how much these men had invested in tax-exempt securities during that time?

Mr. REED of Pennsylvania. That was not the question. The Senator asked me whether they had registered off losses, and I think this diagram shows graphically the extent to which they have done it.

Mr. KENDRICK and Mr. BRUCE addressed the Chair.

Mr. REED of Pennsylvania. The floor belongs to the Senator from North Carolina.

Mr. SIMMONS. I yield first to the Senator from Wyoming, then I will yield to the Senator from Maryland.

Mr. KENDRICK. Mr. President, I desire to ask the Senator from Pennsylvania if, in connection with this chart, he has any record of the way these losses were arrived at by these 471 individuals? Has he any figures to show how they sustained the losses, through the sale and purchase of stocks of a similar character?

Mr. REED of Pennsylvania. I have not the statistics that show the details of the losses in all those cases; no. Some of them, I dare say, were losses incurred in cattle raising or businesses of that sort, where prices have gone down; but most of them, I am confident, were losses nominally incurred by the resale of securities, which at that time were quoted very low.

Mr. KENDRICK. That is what I understood the figures to indicate; and I was wondering if the department had secured any record of the transactions indicating how the manipulation had been carried on.

Mr. REED of Pennsylvania. The department, of course, could take the 471 returns and tell us what proportion of them were losses incurred in the resale of stocks or bonds and what proportion were incurred in commodities.

Mr. KENDRICK. The returns of the different individuals would, of course, necessarily indicate the source of the losses.

Mr. REED of Pennsylvania. Surely.

Mr. SIMMONS. Mr. President, the losses to which the Senator referred have no connection with tax-exempt securities.

Mr. REED of Pennsylvania. No, Mr. President; they have no connection with them, but what we are trying to stop is the abuse of this loss provision by rich men who have these large incomes from tax exempts.

Mr. SIMMONS. I understand. Then the proposition of the Senator is that although tax-exempt securities have nothing to do with this fraud growing out of losses, because some very rich men have trampled under their feet that law and have committed a fraud upon the Government in making their claims for losses, therefore the Government will make them surrender their tax exemption upon their Government securities.

What connection is there between the two? In the other case there was a connection, so far as the reason assigned for the law was concerned, between the interest which the taxpayer sought to deduct and the interest upon these tax-free securities; but the loss that the Senator seeks to guard against in this provision is a loss that has no connection at all with tax-exempt securities. It is a bare case of fraud upon the Government, and the Senator's proposition carries him to this logical conclusion: Notwithstanding the Government has issued its securities, sold them to the taxpayers of the country, and guaranteed that they should not pay a tax upon them, because somebody else has been practicing a fraud upon the Government in connection with the losses he has sustained, the innocent taxpayer shall not be allowed his exemption! What logic and what morals! You do not confine this provision to losses sustained by men who have resorted to the devices the Senator speaks of. You extend them to the honest man who has sustained these losses honestly, and who has made his honest account, who happens to have in his possession some Government securities.

Mr. REED of Pennsyvania. I beg the Senator's pardon. The losses that are mentioned in this amendment are those outside of the trade or business.

Mr. SIMMONS. Oh, well, a man may have losses outside of his trade and business that he is entitled to deduct. The loss that a taxpayer may deduct is not confined to losses in his business; it is any loss that he may sustain.

The Senator says that there were about 400 rich men who resorted to the practice of defrauding the Government in their returns in connection with their losses; and yet the Senator, in order to reach those rich men who have been practicing the frauds, would visit the same penalty upon the other 6,000,000 of taxpayers in this country, against whom there is not a charge or a breath of suspicion.

Mr. REED of Pennsylvania. The Senator does not mean that there are 6,000,000 owners of tax-free bonds, does he?

Mr. SIMMONS. No, I do not mean that; I mean every one of those 6,000,000 who happens to possess Government bonds. Here, to punish a rich man—and I think this device to which the Senator referred is confined very largely to those who have large incomes—to punish the rich man for his fraud upon the revenues of the Government the Senator would punish every little fellow in this country who happens to be in possession or ownership of Government securities and at the same time has sustained losses which he claims, and honestly claims, under the law.

To my mind a more outrageous proposition of intended, deliberate wrong was never presented to the Congress. I am willing to catch the guilty and punish him, but I am not willing because there are rascals in a certain category to punish every honest man in a category just to the extent that I punish the rascal.

If this provision is to be retained in the bill, my point is that it ought to be limited to interest which has been paid upon loans for the purpose of investment in Government securities or was invested in Government securities. In other words, the amendment ought to be framed so as to reach the reason assigned for the amendment and not extended so as to apply to persons who do not come within the reason which is stated for the enactment of the legislation.

Of course, I know we are not getting a fair hearing in this Chamber upon this question. I know very largely the reason for it. This amendment originates with the Treasury Department. The Treasury Department seems to be making a drive against tax-exempt securities. This is the entering wedge. This is sent up here by the Treasury Department in order that it may be passed, become a part of the law, and be taken into the courts by innocent people whose rights it will violate and outrage in the hope that they may get from the court a decision which will enable them, without a constitutional amendment, to subject future issues of bonds, State and Government, to taxation. That is the purpose of it. It is an entering wedge. It is a device to secure a decision from the Supreme Court. It is not expected that the law will be any more rigidly enforced than the present law is enforced, or than the law which the Senator says is a dead letter has been enforced. It is a scheme to get a decision for a definite purpose.

The Senator from Arkansas [Mr. CARAWAY] is right. We have been issuing Government tax-exempt bonds in this country from the very beginning. Is it a good policy or is it a bad policy? Every State in this Union to-day has a law by which the bonds it issues, and which its subdivisions issue, are exempt from taxation. Those laws are not recent. They are long standing. Those laws were adopted because of a settled public opinion that they were in the interest of the public. Our tax-exemption laws have been in existence for a very long period of years, and only recently this drive, this campaign, this propaganda to subject future issues to taxation has been begun.

Where did it originate? What is the theory of it? The Secretary of the Treasury says we must tax these securities because investment in them is a fruitful method of evading taxes. There is nothing to that, in my judgment; and if there is anything to it, the remedy may be applied. That is not the reason behind this recent agitation in favor of subjecting these securities to taxation. It originates with the investment institutions, with the farm-mortgage institutions, with that class of people in this country who make their money by lending money not in the regular course of the banking business but as a private investment business.

Since a large volume of these bonds were issued bearing this privilege, and especially since we began to issue bonds through certain agencies of the Government, such as the War Finance Corporation and the farm loan banks, these gentlemen, who had before been exacting of the public from 8 to 10 and 12 per cent interest, especially from the farmers, and who had reaped a rich harvest from these usurious rates of interest, find that as a result of this activity of the Government in supplying the farmers in their distress with cheap money they are not now able to exact and obtain the large returns on their money which they received in previous times. They are behind the movement against tax-exempt securities.

The Senator from Arkansas [Mr. CARAWAY] has done a distinct service in presenting to the Senate to-day the evidence showing the origin of this legislation, centering it right in the farm-mortgage associations. He did not present hearsay evidence or conjecture, but he gave authentic statements of those on the inside, who speak of this matter and their great success in arousing public sentiment with pride and boastfulness, and who claim for themselves the credit of having aroused the American people to the importance of taxing Government securities, although that action was prompted by purely selfish motives.

Mr. President, I had no idea that there would be a serious contest in the Senate about this amendment. It seemed to me that it was so utterly wrong in principle, so violative of the solemn pledge of the Government to its citizens, that a mere statement of the facts would be all that was necessary; but it seems that this particular amendment came from the Treasury Department, just as the Mellon bill came from the Treasury Department; it is sacred; it must be adopted in its entirety, just as the Mellon plan must be. We must follow the great Secretary of the Treasury. He is our financial adviser. He is strong in the country. We are safe in following him. He has recommended it; therefore we should adopt it. This is great business—the abdication by the Congress of its legislative prerogatives and responsibilities in fear and awe of the very excellent gentleman and multimillionaire of Pittsburgh who is now Secretary of the Treasury.

Mr. BRUCE. Mr. President, it seems to me that the question immediately under discussion leads up very naturally to the surtax issue involved in the pending bill. As I see it, all of these efforts, in one protean form or another, to circumvent the income tax law, are referable to the oppressive nature of the surtax provisions of that law.

A good story is told of an old Scotch deacon who took part in a discussion as to whether instrumental music should be introduced into his kirk or not. After listening attentively to all that was said in the negative, he declared himself in favor of the instrumental music, adding, "I don't see why the devil should have all the good music." So as to surtaxes, I can not see why the Republican Secretary of the Treasury or the Republican majority of the Senate Finance Committee should have all the sound finance.

There are some things in the Mellon tax plan of which I never did approve. I never could see why Mr. Mellon should have been disposed to relieve amusements of taxation in advance of relieving all business activities, and I must say that it was a source of real surprise to me, entertaining the high opinion I do, in many respects, of the Secretary of the Treasury, that he should have suggested in his plan the idea of the interest on tax-exempt securities held by innocent as well as dishonest holders being deducted from losses or from interest on indebtedness claimed by the taxpayer.

There are still other features of the Mellon tax plan which do not meet with my approval, but its surtax feature receives my unqualified approval. If the surtax is placed any higher than 25 per cent on incomes in excess of $100,000, in my judgment, no truly fruitful result of any kind will be achieved. The fact is that I am inclined to think that instead of the maximum surtax being placed at 25 per cent on incomes in excess of $100,000 it should be placed at 20 or 15 per cent. My own personal opinion is that it will not be until it shall have been placed at 15 per cent that all those artifices of one sort or another which are so frequently invoked for the purpose of evading the surtax will cease. Indeed, if the matter was one of first impression, I think that it would be a fair question whether there should be such a thing as a surtax at all.

If I have twice the income that you have, Mr. President, it is only fair and just that I should pay twice the income tax that you do; but I think it doubtful, indeed, whether that fact is any reason why I should pay three or four times the income tax that you do. The whole surtax idea rests upon the fundamental fallacy that a rich man has all of his fortune to himself. The only rich man who has all his fortune to himself is the miser who keeps his wealth in a hole in the ground or in a hollow tree, and the miser, of course, can not be said to be so much the master as the slave of his wealth.

Under normal conditions the use of money is found entirely in its active employment. It is only so much dross, so much refuse, until it is turned to the purchase of some of the commodities that minister to human necessity or luxury. It is impossible for a rich man to expend his income without benefiting not only himself but his neighbors. And if the money of a rich man has flowed out into highly productive enterprises, when he dies the likelihood is that the community in which he has lived will have benefited to a far greater extent from his wealth than he ever did. The trouble about many individuals at the present time is that they think of wealth as simply, to use a slang expression, something to be "swatted" or "soaked." That is a perfectly false attitude. There are, of course, wealthy men who have the respect of no one. No one has esteem for a mere niggard or skinflint; nor has anyone anything except the deepest disesteem, not to say disgust, for the wealthy usurer or extortionist who grinds the faces of the poor, or for the affluent individual who resorts to all kinds of equivocal or dishonest expedients for the purpose of escaping his just share of taxation. But, except when perverted, the wealth of the rich in any community is nothing but a blessing to that community. It carries growth and thrift along with it just as much as the irrigation produced by a stream carries fertility and growth along with its current.

I can not speak for any State except the one in which I happen to live, but I am delighted to say that that State is singularly free from any blind, unreasoning prejudice against the rich. We have no men in the State of Maryland who correspond to Sir Giles Overreach of the Elizabethan period. We have no tyrannical captains of industry. We have no class of wealthy men in Maryland of any kind, so far as I know, who are in the habit of bleeding the poor or justly deserve the opprobrium of the plunderer. Our great institutions of every sort, educational and eleemosynary, are built up upon the beneficence of our wealthy men. The most opulent men in our State are among the best citizens in every respect that we have. They never fail to respond to any call for human relief or for the promotion of popular education or for the promotion of the well-being of the public in any respect. We do not want any Dohenys or Sinclairs in Maryland. We have none. But if there is any State in the Union which entertains such a strong prepossession against its rich men as to desire to get rid of them, all I have to say is that if they are like our citizens of the same type I trust that it will pass them on to us. We will take, and gladly take them, and we will see to it that if any of them are disposed to allow human selfishness to run into excess our wise and wholesome laws and our honest officials will, I am sure, suffice to protect the popular interests.

Only a very small part of the wealth that any rich man has, I repeat, can be truly said to belong to him exclusively. It belongs to his neighbors, to his local community, to his State, to his country as well. He can not spend a dollar of it without benefiting the butcher or the baker or the candlestick maker with whom he deals. The consequence is that the very first thing that should be done in connection with any just or rational system of taxation is to assume the proper posture toward wealth and toward rich men. The able minister of Louis XIV, Colbert, said upon one occasion that the whole art of taxation consists in plucking the goose without making him squawk. There never was a truer thing said. There is nothing so futile, so sterile, as exorbitant taxation. Somebody has said that it is not possible for human ingenuity to invent a code that human ingenuity can not decipher, and I affirm with equal confidence that it is not possible for human ingenuity to frame an arbitrary, unjust tax system that it is not competent for human skill to circumvent.

Of course, it is not easy to withdraw real estate from the scope of taxation. It is a part of the visible, solid universe. It is permanent. It can not go into hiding. It can not migrate. So it has always been the very backbone of taxation; and unfortunately, for too many years in the history of American taxation, furnished the standard by which all species of property however dissimilar were taxed. Even where taxation on real estate is high the owner can usually without difficulty, where the real estate is improved, shift the tax to the occupier of the premises. As every human being, as a rule, is sheltered by something, whether it be a palace or a hut, the burden of taxation on real estate is always widely distributed. It is also competent for the taxgatherer to reach tangible personal property though the taxation of such property involves a certain amount of inquisitorial intrusion, and in many forms is quickly perishable and can be easily hidden or transferred from one place to another. But when we come to the taxation of that great class of property which includes incomes and is usually termed invisible or intangible property—that is to say, bonds or forms of property akin to bonds—we have to handle a thing that has the faculty of the individual in the fairy tale who could at any moment that he pleased don the garment of invisibility.

Almost all signal failures in taxation are attributable to the omission to take this fact into proper account. Men have always resorted and always will resort to means of defeating taxation on this species of property when it is oppressively excessive. It is not permanent like real estate. It can go into hiding unlike real estate. It can migrate unlike real estate. It can almost at pleasure, at any time that it pleases, evade the tax assessor. There could be no better illustration of this fact than the history of the present surtax.

During the war it will be remembered that the maximum surtax ranged as high as 65 per cent. I had a friend in the city of Baltimore who earned a net income of $250,000 a year from his business when the World War began. During the war, after he had enlarged his plant, extended his pay roll, and assumed a heavy additional burden of labor, anxiety, and risk, he earned from that same business a net income of $1,000,000 a year; and yet was no, or but little, if anything, better off than he was at the beginning of the World War.

I might ask what reasonable expectation is there that any man who is despoiled in that way of a greater part of the wealth to which his energy and sagacity entitle him will pay any strictly scrupulous regard to the requirements of the income-tax law if he can in some legal manner evade them?

Later, in 1921, Mr. Mellon recommended a maximum surtax rate of 25 per cent. When his proposition reached the House of Representatives that body made the maximum surtax rate 32 per cent on all incomes in excess of $66,000 a year. Then, unfortunately, the Senate insisted on fixing the rate at 50 per cent of all incomes in excess of $200,000 a year. A worse day's work was never done. A more fatal, a more fatuous, a more fruitless act never was performed by any legislative body.

What was the general result? Though there was a threefold increase in all incomes of every sort returned for taxation between 1916 and 1921, so far as taxable incomes in excess of $300,000 a year was concerned, the total sank from nearly $1,000,000,000 in 1916 to $150,000,000 in 1921. The Senator from Pennsylvania [Mr. REED] selected a few moments ago some 471 individual taxpayers who had incomes in excess of $200,000 a year in 1916 and had no difficulty in showing that in 1921 the Government was not deriving a cent of taxation from them.

Of course, during the World War the people of the whole country, rich and poor alike, were keyed up to a high pitch of patriotic ardor and moral exaltation. At such a crisis as that men were willing to endure privations and to incur sacrifices that they are unwilling to endure or to incur in normal time; and so the enormous burden of the surtax was, during the war, borne with commendable patience, but as soon as the stimulus of the war had passed away, as soon as the lofty enthusiasm bred by it had died out, the wealthy men who had large incomes subject to the surtax did what wealthy men have always done and will always do when they find themselves charged with legal tax obligations that they have good reason to think are unjust and inordinately onerous. They set themselves and their lawyers to work to find legal devices—not illegal devices, mind you, but legal devices—by which they could in some manner or other mitigate the pressure of the crushing taxation to which they were subject. Some of them bought large amounts of tax-exempt securities, though in my opinion the extent to which this was actually done has been grossly exaggerated. I think that the sale of securities, which at that time were quoted very low.

their tax exemption upon their Government securities.

Senator from New Mexico [Mr. JONES] established that fact beyond a peradventure a few days ago, not to say anything of the Senator from Indiana [Mr. RALSTON], who discussed the same subject some weeks ago. However, Mr. William Rockefeller, and many of the other wealthy men of the country, did invest their means largely in tax-exempt securities so as to escape the surtax. A larger number, in my judgment, resorted to incorporation for the same purpose.

Mr. FLETCHER. Mr. President, will the Senator from Maryland yield to me for just a moment at that point?

Mr. BRUCE. I yield to the Senator from Florida with pleasure.

Mr. FLETCHER. The discussion, as it seems to me, particularly on the part of those who are opposed to the committee amendment, leaves a sort of an implication that it is an offense against society for any one to invest his money in tax-exempt securities. I desire to say that those securities are offered to the public, and if somebody does not buy them the proceeds can never be put to use. It is not a question of hoarding the money or of locking it up when it is invested in tax-exempt securities. I think the Senator from Maryland will agree to that?

Mr. BRUCE. Undoubtedly.

Mr. FLETCHER. When an investment of that sort is made the proceeds go to build roads, to build schoolhouses, for loans to farmers, and that sort of thing, so that the money which is invested in tax-exempt securities is actually put to use. That point seems to have been overlooked.

Mr. BRUCE. It ought not to be overlooked. The money derived from the sale of tax-exempt securities is invested in useful forms in a thousand and one ways.

Moreover, I have no doubt that, as the Senator from Connecticut [Mr. MCLEAN] suggested the other day, great sums find their way into all kinds of speculative ventures. If the Government is going to take all of my income above a certain amount, anyway, of course the temptation to me to engage in risky enterprises of one sort or another, such as mining ventures or what not, that might bring me a phenomenal return is acutely stimulated; but be the agencies by which this reduction in the surtax has been brought about what they may, the fact remains that to-day, so far as incomes in excess of $300,000 a year are concerned, the surtax is nothing more than a Dead Sea apple.

Mr. MCLEAN. Mr. President, will the Senator yield for a question?

Mr. BRUCE. Certainly.

Mr. MCLEAN. Does not the Senator think if we could reduce the surtax to 20 per cent that it would to a very great extent remove the temptation and avoid the evil that we want to provide against?

Mr. BRUCE. I was coming to that point at that very moment, for it is really the true burden of all that I have to say to-day. When we come to deal with a Federal income surtax or with the taxation of invisible or intangible properties, such as bonds, in the province of State or municipal taxation, there is only one effective way in which the income on that incorporeal property can be reached, and that is by adjusting the taxation to the point where the natural impulses of human integrity will counterbalance the natural impulses of human selfishness.

Mr. MCLEAN. Mr. President, I was prompted to ask the question because I notice that most of the gentlemen who are opposed to the amendment offered by the Senator from Pennsylvania [Mr. REED] are in favor of a very high surtax.

Mr. BRUCE. Yes.

Mr. MCLEAN. It is rather amusing to observe those gentlemen insisting upon a nontaxable security which will furnish a cyclone cellar into which millionaires may go for protection from the high surtax which they want to impose.

Mr. BRUCE. My idea is that if we reduce the surtax to a proper level we will have no occasion for any such amendment as that proposed by the Senator from Pennsylvania.

Mr. SMOOT. There is no doubt about that.

Mr. MCLEAN. I will say if we could be sure of a surtax of 20 per cent I would be glad to vote against the amendment of the Senator from Pennsylvania.

Mr. BRUCE. So should I but for the fact that I am going to vote against it on other grounds.

Mr. SMOOT. I think the same thing would be true if the surtax were reduced to 25 per cent.

Mr. BRUCE. Mr. President, the whole income-surtax problem in this country is closely allied to the old general property tax problem. When I began life in Maryland there was a provision in the Maryland constitution, coming down from the early history of the State, that every man ought to contribute to the expenses of the government in proportion to his actual worth in real and personal property. That provision, smooth as it is as an abstraction, has been repealed by our intelligent people. They have now provided, by a change in their organic law, that the legislature shall be free to classify the different kinds of property, real and personal, according to their several specific characteristics and relative amenability—for that is a most important consideration—to taxation.

When the idea of altering the old constitutional provision relating to taxation was first broached the discussion engendered a considerable amount of bitterness, just as the discussion of the surtax is likely to engender a certain amount of bitterness likewise. The farmers especially thought that it was outrageous that when they were paying taxes on their real estate at the general tax rate other taxpayers who happened to hold 4 per cent bonds should not be subject to exactly the same tax rate.

I remember that a very indignant citizen once declared in my presence that he thought that anybody who formed a conviction to the contrary was little less than a thief. The discussion, however, went on in the press, in the Maryland Legislature, and on the hustings, and finally resulted in a constitutional change allowing the legislature to classify the different species of property according to their specific pecularities and to tax them on different principles.

In 1896 bonds in the State of Maryland were assessed and taxed exactly as real estate. I might own a bond that netted me only 3½ per cent or 4 per cent a year, and yet theoretically, under the Maryland constitution and laws I was subject to a tax of $2 or more per $100 a year on the market value of that bond. Under this state of things, the whole amount of the assessment on bonds and securities akin to bonds in the city of Baltimore in 1896 was only $6,000,000. Think of that! In that great, populous, and comparatively wealthy city, the total amount of the assessment on such property was only that insignificant amount.

Then the legislature came along—this was before the change was made in the Maryland constitution, mind you—and said that in the place of the general property tax there should be a uniform local tax on bonds throughout the State of 30 cents only, in addition to the small State tax which they also have. To-day the entire local and State tax in Maryland on bonds amounts to only 0.45 of 1 per cent.

The very next year after the new law went into effect the total assessment on bonds and like securities in the city of Baltimore rose at a leap from $6,000,000 to $58,000,000, and under the fostering effect of the liberal and enlightened system of taxation that we have now adopted this total assessment of $58,000,000 has now risen to some $250,000,000.

So perfectly satisfied were the people of Maryland after the long agitation which had gone on with this new system of taxing bonds that even before the old general property tax provisions in the Maryland constitution were altered by the constitutional amendment not one single finger within the limits of the State of Maryland was lifted for the purpose of testing the constitutionality of the legislative measure which had imposed the lower rate of taxation on bonds, and if there is any man in the State of Maryland to-day who is not satisfied with our system of classifying the different kinds of property and imposing a lower rate of taxation on intangible property than on real estate or tangible personal property I do not know who that man is. In other words, in Maryland we have found the point at which the natural impulses of human integrity counterbalances the natural impulses of human selfishness in the matter of taxing invisible or intangible property. We have discovered the point at which we can actually touch intangible property and actually see invisible property.

If you will only lower the surtax in the same way from 50 per cent to 25 per cent, or, better still, 20 per cent or 15 per cent, my prediction is that precisely the same practical consequences will ensue. Then it will no longer be worth the while of our wealthier men to resort to legal devices or expedients of one sort or another for the purpose of escaping the surtax.

This matter of surtax taxation is at present like shearing a hog; it is all cry and no wool; but with the reduction in the surtax that I suggest the Government would be able to clip not a little wool from the back of the tax sheep. All men naturally want to be at peace with the law—all except criminals or quasi criminals.

All men naturally wish to contribute their proper quota of effort or pecuniary contribution to the welfare of the Commonwealth; but you can not expect any man to pay taxes for the

benefit of the State with any real degree of willingness if by your legislation you fill his breast with a sense of rankling injustice.

Instead of trying the experiment of high surtaxes, let us try for a while the experiment of low surtaxes and see whether we can not coax some of this vanished wealth out of the cracks and crannies into which it has crept for protection.

For the life of me I can not see—I wish I could see it, because I have no desire for the standing of a heretic, party or otherwise—that any substantial results would follow from a maximum surtax rate of 40 per cent. Wealth secrets itself when it is subjected to a surtax of 50 per cent. What has been conclusively demonstrated? What reason is there for believing that it will not do the same thing when it is subjected to a surtax only 10 per cent lower? You are not pitching your pipe in the right key; you are not placing your legislation on the right level, if you propose to adopt either 50 per cent or 40 per cent as your maximum surtax rate. You must bring these surtax rates down much further. Not only will you get more revenue, just as a street railway company often obtains more revenue when it lowers its fares, but, as the Secretary of the Treasury has repeatedly pointed out, then again a great stream of refreshing, life-giving, quickening wealth would pour back into the productive energies of the country from which wealth has now been largely estranged; and if the productive energies of the country are stimulated, of course, that means more factories, more employment, more income for the individual, more revenue for the State.

I have given a great deal of reflection to this matter, whether my conclusions are right or wrong. I do not know when I have meditated more closely upon any subject. Every man who has any good, practical sense knows the importance of keeping in touch with those whose faces are set in the same general direction as his. No man is willing lightly to incur the reputation of being a mere eccentric, an erratic fellow who is whipped about first by one flaw of mental aberration and then another; but it so happens that all through my life I have been intimately associated in one manner or another with problems of taxation, and in speaking as I have done to-day I have not spoken simply from the point of view of philosophical speculation or abstract inquiry but from the point of view of a practical administrator who has been actually charged with duties, and important duties, in relation to taxation. My conclusions, I repeat, whether sound or unsound, judicious or injudicious, have been reached after the closest and the most exhaustive reflection of which I am capable.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Maryland yield to the Senator from Utah?

Mr. BRUCE. I do.

Mr. KING. The Senator, as a historian and also a student of political economy, which embraces the subject of taxation, has doubtless discovered that in the United States, with, I was about to say, our complex system of taxation—complex because we have the States charged with the responsibility of domestic matters, and the Federal Government charged with certain duties—it is more difficult to devise and to execute a national system of taxation than in other governments where they do not have the dual form of government. Does not the Senator feel that in laying Federal taxes there ought to be a due consideration for the system of taxation employed in the States; that we ought to take into account the fact that in the States the land, to which the Senator has referred, is one of the chief objects or subjects of taxation; that in the States, because the Federal Government has adopted the income-tax system, we ought so far as possible to leave some fields unexplored, uninvaded, for the States to obtain needed State revenue?

I was wondering if the Senator cared at this time to give his views upon the question of high income taxes, estate taxes in contradistinction to inheritance taxes, and what, in his judgment, would be the effect of imposing very high taxes, whether the result would be beneficial in getting larger revenue or whether those high taxes would not inevitably, no matter how moral and ethical and virtuous people may be, dry up many of the fountains of taxation. My question is rather discursive——

Mr. BRUCE. I understand very clearly what the Senator has said. For me, however, to attempt to draw the line of demarcation between the proper province of national taxation and the proper province of State taxation would lead to too extended an inquiry at this time.

I might say, as to what the Senator says about the practical effects of taxation, that it brings me back merely to some aspects of taxation which I have already been discussing. When you come to assess real estate you can assess it at anything you please, provided you can satisfy a court of review that you have not taxed it excessively, but when you come to tax incorporeal forms of property, then you have to be careful to adjust your scale of taxation to the actual workings of human nature. We all know that human nature is a mere amalgam of selfish and unselfish motives. One of the things that made Benjamin Franklin so sage was the fact that he always took into account, in dealing with any social or political problem, both the selfish and the benevolent sides of the human character. He knew that they went along together.

If you do not tax a man oppressively, tyrannically, destructively, unless he is a more or less abnormal man, he will cheerfully bear the burden which the State imposes on him, but just as soon as he feels that the burden is imposed upon him arbitrarily or rapaciously imposed, that moment he begins to cast about for some scheme by which he can secure relief.

Just one illustration escaped my mind in connection with the decline, under the operation of the general property tax, of assessments of intangible property. In the city of New York in 1866 the ratio of the total amount of assessed personal property to the total amount of assessed property of every kind was 25.5 per cent, but in 1921 the ratio was only 1.6 per cent. Mind you, that was under the operation of the general property tax, which produced similar results in the State of Maryland.

THE TWO POLITICAL PARTIES—A CONTRAST

Mr. FLETCHER. Mr. President, I ask unanimous consent to have inserted in the RECORD an editorial which appears in The Ocala (Fla.) Banner of April 18, 1924. In doing so I am prompted very largely by the address of the Senator from Ohio [Mr. WILLIS], which was printed in the CONGRESSIONAL RECORD of April 29.

The PRESIDING OFFICER (Mr. HARRIS in the chair). Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

The editorial is as follows:

THE TWO POLITICAL PARTIES—A CONTRAST

One perusing the annals of the past is made to feel quite proud of the achievements of the Democratic Party.

Its founder was Thomas Jefferson, author of the Declaration of Independence.

He is everywhere acknowledged as the most gifted, the most profound, and the most irreproachable of our earlier statesmen.

On entering the White House he inaugurated the reign of simplicity, which was not only felt and felt in all social and State functions, but in all the simpler walks of life—all stately ceremonials, such as the wearing of wigs, knee breeches, gold buckles, and other forms of aristocracy were done away with.

Under his administration Louisiana and all that wonderful territory stretching way out to the Pacific Ocean was acquired by his wonderful diplomacy for the small sum of $15,000,000 and no suspicion of a penny's worth of graft was ever entertained.

In fact, graft is not an heirloom of the Democratic Party.

Under Jefferson's administration the flag was everywhere respected and prosperity throughout the Nation made his administration memorable.

Jackson was next in line of this party's great leaders.

He had just fought the Battle of New Orleans and was still wearing his epaulettes. It seems that there had been some trouble with the Malays of Sumatra, which was agitating the public mind at the time he took the oath of office and his first act was to send the then head of the Navy over to that country without waiting for the formality of the ceremonials of treating but to strike the assassins in their dens, which was done, and they were made to pay in terror and blood for the outrage they had committed.

He let it be made known to the world that the name of an "American citizen," like that of the ancient "Roman citizen," was a passport inviolable to the remotest ends of the earth.

Jackson's administration was attacked with all the venom and animosity as Wilson's was, but at its ending the most gratifying picture was presented to the country.

The public debt was paid off; taxes were reduced one-half; many of the public defenses were finished.

Contrary to the predictions of the opposition the currency was not raised. The Treasury was heaped with more bullion than was ever thought possible. United States money was made good the world over.

Domestic industry was not paralyzed; factories were not stopped; workmen were not without employment; credit was not extinguished; grass did not grow in the streets of populous cities; the wharves were not lumbered with decaying vessels; columns of curses, rising from the bosoms of ruined and agonized people, did not ascend to heaven against a party bent on destroying the Nation's prosperity.

None of the doleful predictions of the politicians of the opposing party materialized.

It was said that General Jackson entered Washington the first of generals and left the Executive Mansion the first of statesmen because of his lofty courage and determined stand on the things that brought about such widespread prosperity which was predicted, if persisted in, would bring about universal disaster.

"Old Hickory's" was a wonderful administration.

The next in line of leadership was that of Grover Cleveland.

See how quickly and with what firmness he quelled that Venezuela affair and what measure of contentment ensued.

Under his administration there were no "empty dinner pails"; no "black Fridays"; there were not unseemly or vexing agitations; no unrest; no graft; no scandals.

The next great leader was Woodrow Wilson.

He drove the lobbyists from Washington as Christ drove the "money changers from the temple," and cleared the political atmosphere of the capital as it had not been cleansed in any number of years.

He fought and won the greatest war of all history. He landed 2,000,000 soldiers in France with a dexterity that was unparalleled in all time.

Though the seas were infested with submarines not a boat was sunk and not a man was lost.

Not only were these 2,000,000 soldiers transported expeditiously but all the paraphernalia of war, including horses, wagons, foodstuffs, and feedstuffs and all the necessary material for terminals and warehouses, were sent across with marvelous speed.

Then in a little while with a dash and splendor the Hindenberg line was broken and the shout of victory resulted.

And with what dignity and commanding ability he presided at the peace table and how world peace would have been secured had it not been for envious and embittered partisans at home.

As many as 65 digging investigations found his administrations free from scandals.

How is it with the party now in power—

Is it too harsh to say that it was conceived and had its birth in sectionalism and all through its existence has been nurtured and held in power along this line?

During the reconstruction period it may be well to say that Andrew Johnson's hands were tied, so he is held blameless for the "whipping post" that was made of the South and for the humiliation she was made to endure during that period.

Let us see what was the state of morals of the country under the first administration of General Grant.

Gen. Dick Taylor in his book entitled "Destruction and Reconstruction" gives us an insight into the state society had fallen.

General Taylor was born in the White House so was acquainted with many of the influential men of that period of both political parties.

He and General Grant served in Mexico together and on a visit to Washington he made a friendly call on the President and chatted over old times.

We make the following extract from his book:

"Before the conventions to nominate candidates for the presidency met in 1868, I had much intercourse with General Grant, and found him ever modest and determined to steer clear of politics, or at least not permit himself to be used by partisans; and I have no doubt that he was sincere. But the radical Satan took him up to the high places and promised him dominion over all in view. Perhaps none but a divine being can resist such temptation. He accepted the nomination from the radicals, and was elected; and though I received friendly messages from him, I did not see him until near the close of his first administration. As ignorant of civil government as of the characters of the Moabitish stone, President Grant begun badly, and went from bad to worse. The appointments to office that he made, the associates whom he gathered around him, were astounding. All his own relatives, all his wife's relatives, all the relatives of these relatives, to the remotest cousinhood, were quartered on the public Treasury. Never, since King Jamie crossed the Tweed with the hungry Scotch nation at his heels, has the like been seen; and the soul of old Newcastle, greatest of English nepotists, must have turned green with envy. The influence of this on the public was most disastrous. Already shortened by the war, the standard of morality, honesty, and right was buried out of sight.

"For two or three years I was much in the North, and especially in New York, where I had dear friends. The war had afforded opportunities and stimulated appetite for reckless speculation. Vast fortunes had been acquired by new men, destitute of manners, taste, or principles. The vulgar insolence of wealth held complete possession of public places and carried by storm the citadels of society. Indeed, society disappeared. As in the Middle Ages, to escape pollution, honorable men and refined women—and there are many such in the North—fled to sanctuary and desert, or, like early Christians in the catacombs, met secretly and in fear. The masses sank into a condition that would disgrace Australian natives and lost all power of discrimination.

"The Vice President of the United States accepted bribes and perjured himself in vain to escape exposure. President Grant wrote him a letter to assure him of his continued esteem and confidence, and the Vice President has since lectured before Young Men's Christian Associations. Plunderings by Members of the Congress excited no attention so long as they were confined to individuals or corporations. It was only when they voted themselves money out of taxes paid by the people that these last growled and frightened some of the statesmen into returning it. A banker, the pet of the Government, holding the same especial relation to it that the Bank of England held to William of Orange, discovered that 'a great national debt was a blessing,' and was commended and rewarded therefor. With a palace on the shores of the Delaware, this banker owned a summer retreat on a lovely isle amid the waters of Lake Erie. A pious man, he filled this with many divines, who blessed all his enterprises. He contributed largely, too, to the support of an influential Christian journal to aid in disseminating truth to Jew, gentile, and heathen. The divines and the Christian journal were employed to persuade widows and weak men to purchase his rotten securities as things too righteous to occasion loss.

"The most eloquent preacher in the land, of a race devoted to adoration of negroes as Hannibal to hatred of Rome, compromised the wife of a member of his congregation. Discovered by the husband, he groveled before him in humiliation as before 'his God' (his own expression). Brought before the public, he swore that he was innocent and denied the meaning of his own written words. The scandal endured for months and gave opportunity to the metropolitan journals to display their enterprise by furnishing daily and minute reports of all details to their readers. The influence of the preacher was increased by this. His congregation flocked to him as the Anabaptists to John of Leyden, and shopkeepers profitably advertised their wares by doubling their subscriptions to augment his salary. Far from concealing this wound inflicted on his domestic honor, the injured husband proclaimed it from the housetops, clothed himself in it as in a robe of price, and has successfully used it to become a popular lecturer.

"To represent the country at the capital of an ancient monarchy, a man was selected whom, it is no abuse of language to declare, Titus Oates after his release from the pillory would have blushed to recognize. On the eve of his departure, as one may learn from the newspapers of the day, all that was richest and best in New York gathered around a banquet in his honor, congratulated the country to which he was accredited, and lamented the misfortune of their own that it would be deprived, even temporarily, of such virtue. Another was sent to an empire which is assured by oft-succeeding envoys that it is the object of our particular affection. To the aristocracy of the realm this genial person taught the favorite game of the mighty West. A man of broad views, feeling that diplomatic attentions were due to commons as well as the crown and nobles, he occasionally withdrew himself from the social pleasures of the 'West End' to inform the stags of Capel Court of the value of American mines. Benefactors are ever misjudged. Aristocracy and the many antlered have since united to defame him; but Galileo in the dungeon, Pascal by his solitary lamp, More, Sidney, and Russell on the scaffold, will console him; and in the broad bosom of his native Ohio he has found the exception to the rule that prophets are not without honor but in their own country.

"The years of Methuselah and the pen of Juvenal would not suffice to exhaust the list, or depict the benighted state into which we had fallen; but it can be asserted of the popular idols of the day that unveiled, they resembled Mokanna, and can each exclaim:

"Here, judge if hell, with all its power to damn,
Can add one curse to the foul thing I am!"

"The examples of thousands of pure and upright people in the North were as powerless to mitigate the general corruption as song of seraphim to purify the orgies of harlots and burglars; for they were not in harmony with the brutal passions of the masses."

Under Grant's and succeeding administrations history records the Credit Mobilier frauds, the star route frauds, the paving contracts frauds, the whisky ring frauds, and other frauds almost without number.

In the Credit Mobilier frauds the name of Vice President Colfax was involved, and in the whisky frauds it was shown that 238 more or less influential persons were involved and within the period of 10 months the Government was defrauded in the sum of $1,650,000.

Among those named in these grave transactions were General Babcock, General Grant's private secretary, and a number of other influential Government officials.

Now, the whole country is shocked and have a right to be more than shocked over the naval oil leases, the Teapot Dome affair, that "frame-up" against Senator WHEELER, and other transactions that are enough to consign any party into oblivion if not into perdition.

So in this crisis all eyes are turned on HIRAM JOHNSON, LA FOLLETTE, MAGNUS JOHNSON, Senator NORRIS, and other high-minded men with the prayer that these awful things shall not meet with indorsement at the polls by keeping this discredited party in power.

Let us hope that righteousness will triumph!

POLITICAL ISSUES

Mr. HARRISON. Mr. President, for the last few weeks there has been developing a custom on the part of Senators to go out into the country and make political speeches to gatherings, defend their do-nothing policy here, try to deceive the people to whom they are speaking, and then return and have some colleague insert their speeches in the CONGRESSIONAL RECORD. Of course, everyone knows what the object is, but it does seem to some of us that these Senators who show so much courage in going to Pittsburgh to make a speech to a Republican gathering, or up into Maine to speak to a Republican State convention, or to some other place away from Washington, attempting in those speeches to defend certain misdeeds of the party in power and criticizing and ridiculing the investigations which have been going on here, should show the same degree of courage in making their speeches upon the floor of the Senate, where they could be answered.

Everyone who has attended the deliberations of the Senate knows that for months Republican Members of the Senate have sat silent in their seats and refused to respond to any statements of facts from Senators on this side, because they knew they could not respond, because they knew that the country was with us in what was being said, and so they do the brave, or rather safe, thing—go to Pittsburgh or up into Maine and speak.

Pittsburgh is a nice place for the Senator from Ohio to go. It is the home of Andrew Mellon, and it gives him a good opportunity to praise the wonderful qualities of Andrew among his home people.

The climax of this custom was reached in a speech I read yesterday in the CONGRESSIONAL RECORD, inserted by my friend the Senator from Pennsylvania [Mr. PEPPER], "a speech made by the Hon. FRANK B. WILLIS," of the Buckeye State, in Pittsburgh a few nights ago. This is such a remarkable speech that it does not seem to me it should go unnoticed. While it would be giving dignity to the speech to notice it, there are so many misstatements in it, so many strange illustrations, that I do not understand how my friend from Ohio got away with it, even up in the smoky city of Pittsburgh.

Let us analyze it a little bit. Certainly this speech was prepared with great care. The Senator must have had all the experts of the Republican national headquarters working on it. He must have read the speech made by my good friend the Senator from Massachusetts [Mr. LODGE] in opening his campaign in Massachusetts two years ago, when he was reported by the papers to have stated that $7,000,000,000 had already been saved by the Harding administration. The next day, when the attention of the Senator was called to it, he acknowledged that he was just about $7,000,000,000 wrong. So I think the Senator from Ohio must have been reading the newspaper clippings containing the speech made by the leader of his party in this Chamber in Boston at that time, or perhaps a speech of the senior Senator from Illinois [Mr. MCCORMICK], who once upon a time was chairman of the senatorial campaign committee. That is ancient history now. He made a speech somewhere containing a statement of the same alleged facts. They must have gotten them from the same expert, who was, of course, wrong in his figures. That did not make any difference though. The speeches answered the end sought.

Mr. MCKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Tennessee?

Mr. HARRISON. I yield.

Mr. MCKELLAR. Will the Senator inform us whether or not this speech about which he is talking was delivered while the contest for "keynoter" of the Republican Party was going on, or was it after the keynote contest among the leaders of the Republican Party had been decided?

Mr. HARRISON. This was made on the 26th of April by the Senator from Ohio. I hope that when the "keynoter" from Ohio makes his keynote speech at Cleveland he will not take the same figures my friend used in this speech.

Let us analyze this, it is so interesting. The Senator started his speech by paying a tribute to a great war hero. He said:

Ulysses S. Grant was President of the United States at a time when the Nation was beset with all the fads and heresies and real evils that are the inevitable aftermath of war.

* * * * * * *

Necessary war expenditures made the people accustomed to large figures; governmental costs that had been measured in hundreds and thousands came to be counted in millions. * * * Strange cries and weird calls filled the air; pseudo reformers ran rampant; government was denounced by hungry scandal mongers eager to make the people believe that all officials were dishonest and all government corrupt.

I shall not read it all, but it runs along that strain, the object being to draw the attention of the country to the fact that the two administrations charged to a greater extent than any other administrations in all the history of the country with graft and corruption were Grant's administration and the present administration.

I congratulate my friend, and I must admit that in all history no administration was so assailed as was Grant's administration. They charged it with every kind of graft and corruption—and proved it in many instances—but, as bad as it was, as graphically as it might be pictured by my friend to have been corrupt, it can not rise in the minutest degree to the level of the graft and corruption rampant in this administration. So I congratulate my friend, when trying to find some analogous case to illustrate his point, that he went back to the Republican administration of Grant for a comparison.

He used this language:

But when they degenerate into mere muckraking for political purposes, when an innocent chance telegram is greedily seized upon in an effort to besmirch the President, when witnesses of more than doubtful veracity are permitted by suggestion and suspicion to malign the dead and slander the living, when a dragnet is put out to bring in disappointed, discharged employees, convicts, and criminals and they are given free rein and encouragement to wag the slimy tongue of scandal, it is time to call a halt.

May I say in passing, Mr. President, that the Senator could have told his Pittsburgh audience that the so-called convicts who "were brought here" to testify were the convicts of his administration. May I call to his attention the fact that the criminals, so called and designated by him, to accuse this administration were the criminals of his own party. May I say to the Senator that he could have gone further and told that audience at Pittsburgh that the "discharged employees" who appeared here against the administration were the discharged employees of the present Republican administration, and they were in all instances, so far as I know, Republicans. He could have told his audience there that those "disappointed men" who were brought here to bolster up the evidence before these committees were the disappointed men of this administration.

So it is, Mr. President. He could have told his audience there also that in the investigations that were made, this muckraking process that was pictured as being on a parallel with Grant's administration, the matters were being conducted by men of his own party; that the committees were named by Senators on the other side of the aisle as well as on this side; that every committee of muckrakers, so called, who had brought muckrakers here were of the Senator's own party and were committees composed of a Republican majority. Every committee that has made these investigations and heralded the corruption and the graft to the country is headed by a Republican Senator. Take the Teapot Dome investigation committee, for instance. It was headed by one of the ablest and most partisan of Republican Senators, a splendid man of high purpose and fine motives, the junior Senator from Wisconsin [Mr. LENROOT].

Mr. STANFIELD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Oregon?

Mr. HARRISON. I would rather not yield, but——

Mr. STANFIELD. I shall not insist. I just wanted to ask a question.

Mr. HARRISON. I yield. The Senator looks at me so pleasantly that I am bound to yield.

Mr. STANFIELD. It may all be true, as the Senator from Mississippi has said, that the various criminals, or those with criminal records, who have been brought before the various investigating committees to testify did belong to the Republican Party, but I do not see that it matters to what party they belong.

Mr. HARRISON. Of course not, and that is why I am answering the speech made by the Senator from Ohio.

Mr. STANFIELD. Their testimony should be viewed in the light of their reputation and their character. The Senator does not doubt for a moment but what we have put ourselves in a questionable attitude by bringing such irresponsible witnesses before the investigating committees to prove the allegations that were made. The investigations were prompted——

Mr. HARRISON. I hope the Senator will not make a speech in my time, because I want the tax bill to proceed on its way.

Mr. STANFIELD. I do not want to use the Senator's time at all. He was expounding the fact that the men who came before the investigating committees belonged to the Republican Party.

Mr. HARRISON. They were called "muckrakers" by the Senator from Ohio. I like to defend a Republican, even if he is Al Jennings, who ran for governor on the Republican ticket in Oklahoma. Then there was Miss Stinson, too. I do not know anything about her except that she impressed the committee, I think, as knowing a good deal, and her sources, as well as her association, were all Republican.

When the Senator from Oregon rose I was about to say that these muckraking committees were made up of a majority of Republicans. They were headed by Republican Senators. The Senator from Wisconsin [Mr. LENROOT] was for a while at the head of the Teapot Dome investigating committee, and when he retired he was succeeded by the Senator from North Dakota [Mr. LADD]. Now, who would charge my friend from North Dakota with being a muckraker? He became chairman of that committee. Who would charge my friend from Utah [Mr. SMOOT], who is a distinguished member of that committee, with being a muckraker?

Let us take the committee that is investigating the Mellon proposition. The Senator from Ohio spoke in great praise of the Mellon plan in this speech of his. That committee was appointed by the Senate. Three out of five of the members are Republicans. The distinguished Senator from Indiana [Mr. WATSON] is the chairman of that committee. The Senator from Michigan [Mr. COUZENS] is a member of it. Who would say that my friend from Indiana is a muckraker?

Then let us take the so-called Wheeler investigation committee. It is true that the junior Senator from Montana [Mr. WHEELER] himself offered the resolution, but the committee was not even named by the Presiding Officer. It was voted for by the Senate on a ballot. Three Republicans are members of the committee out of a total membership of five. The Republican Senator from Iowa [Mr. BROOKHART] is chairman of the committee; and who would say that he is a muckraker? So I could go on down the list of these committees which my friend from Ohio says are muckraking committees and show that they are made up of men in the Republican Party who stand high and control the operations of the committees.

A little further on in his speech the Senator from Ohio said:

Without minimizing in any respect any beneficial results that have come from investigations thus far conducted, the time has now come for Congress to attend to its own business for awhile.

The Senator from Ohio has had that impression a good long while. The only other man in the country that I know of who has been of that opinion from the beginning is the President of the United States. But I will say to my friend from Ohio and I will say to the President of the United States that we did not ask them when to start these investigations and we shall not ask them when to stop the investigations. All we want is to cut out the graft and the corruption in this administration, as illustrated by the incident referred to in Grant's administration, and that is the only parallel my friend can find. Of course, both are Republican administrations, and it is natural that they should compete with each other in the degree of graft of which each is guilty.

The Senator said:

Any beneficial results.

My friend from Ohio does not think there are any beneficial results from these investigations. The country believes there have been beneficial results from the investigations. All the scandal and corruption attaching to the Teapot Dome matter would never have been revealed if it had not been for the splendid work of the investigating committee under the guiding hand of the distinguished Senator from Montana [Mr. WALSH]. Yet the distinguished Senator from Ohio in his Pittsburgh speech does not admit that there has been a single benefit from the investigation. He said:

Without minimizing in any respect any beneficial results.

It would have been easy enough for him to have said:

Without minimizing in any respect the beneficial results.

Then he would have admitted that there had been beneficial results from the investigation. Now, let me go further. He followed this up by criticizing the investigation as a muckraking proposition, and he castigates muckraking and critics of the administration. Yet my friend from Ohio said this in his speech:

Yet, in view of this damning record of incompetency, if not graft and corruption, our Democratic friends have the unbridled effrontery to criticize Republican management and sing the praises of Democratic methods.

What is it that he says is graft and corruption? Of what is he speaking? He was speaking then of the eight years of Wilson's administration. He was speaking of the war period, when Democrats and Republicans forget their party affiliations and joined hands to win the war. My distinguished friend took 30 minutes of his time to tell about the great number of alleged mistakes that were committed during the war, the high cost of war materials and all the money that was expended in proper ways to win the war, in preparing and sending our boys across the water to fight and bring glory to the Stars and Stripes. I wish to say to my friend that after 51 so-called and properly called "smelling" committees were appointed following the war, directed to make investigations of charges such as the Senator from Ohio made to his Pittsburgh audience, that not a piece of graft or corruption has yet been shown to the American people. It will always stand as one of the brightest pages of American history that so big a work was performed in such a matchless way and that such large expenditures were made without any corruption or graft being involved.

We do not claim the credit because the Democratic Party was in control, but I resent the suggestion that in the winning of the war graft and corruption were involved. The work of those committees, 51 in number, and their reports are the best evidence on that proposition.

Who is it that is the muckraker in these proceedings? Who is it that has misrepresented the facts? Was there any justification for criticism of Fall's action and Denby's action and Forbes's action, and of Goldstein's action, and the actions of many others that breeded corruption and graft? And yet, because we criticize it, because we pass through the Senate unanimously resolutions carrying out the idea of investigation, all voted for by the Senator from Ohio, he has said that we are muckrakers. He criticises muckraking, and yet in the same speech he charges graft and corruption to the Democratic administration in preparing for and winning the war.

Now, here are some of the startling facts. Here is what the Republican leaders are trying to do to deceive the American people in the coming campaign. Why do you not state the facts on the floor of the Senate? Let me read a few things further that my friend from Ohio said:

When Harding took the oath of office the annual appropriations were $7,000,000,000. The first year of Republican control appropriations were reduced $3,000,000,000.

Then he goes on further to say that for the next year the appropriations were cut $220,000,000, and so on. Then he said:

These are achievements. The record shows that in the closing days of the Democratic Congress Republicans prevented the passage of appropriation bills framed by Democratic committees, and because those bills were defeated, President Wilson had to call a special session of the new Congress to pass the bills, and thereby saved over a billion dollars.

What are the facts? The facts are these, and the Senator from Ohio knows it, and every Republican orator who goes on the stump and tries to deceive the American people knows it. In the summer of 1918 the estimates for the next year were made and presented to Congress. The armistice came in November, 1918, and of course when the estimates were made we were preparing for larger appropriations to win the war. Nobody thought the war would close at that time. The estimates were in the billions. Congress was expected to appropriate every nickel that was necessary. There was no division along that line. Republicans and Democrats alike voted for those appropriations. So when the armistice came on November 11, 1918, although the estimates had been away up in the billions, naturally we did not need the appropriations. We could cut them off. We did cut them off, and we thus saved billions of dollars.

The Democrats controlled both the Senate and the House in 1918; the Republicans did not take charge until March, 1919; that is when they got the House, and that is when they got the Senate, but my friend did not tell them that at that time a

Democratic Congress did not pass the bills according to the estimates. The reason of that was that the World War came to a close and the Government did not then need the money; but yet—merely making the statement which my friend did to the people out in Pittsburgh—they ate it up. Those people thought the Senator from Ohio was giving the facts, and my friend may have thought he was giving them the facts because he had read the statement from the speech of the Senator from Massachusetts or from some other Republican's speech which was not based on facts.

The Senator stated that in three years the present administration had reduced our national indebtedness by $3,000,000,000, and in that speech he also stated that in one year the Republicans had reduced the national indebtedness over a billion and a half dollars. Why did not the Senator tell those people that during the last 18 months while Wilson was in the White House the Democrats had reduced our national indebtedness over two and a half billion dollars? Oh, he wanted to keep that from the American people, because he thought he might deceive them. The Democrats reduced the national indebtedness as much in 18 months as the Republicans did in almost three years. We claim no credit for it. Why? Because the World War came to a close, and we sold a lot of material which we had bought in order to win the war, and from the salvage of that material and cutting down the expenses for a great Army and a big Navy we reduced the national indebtedness. I now make this statement merely because what the Senator from Ohio has stated is only half the truth. I want the people to know the whole truth about the matter.

I shall not discuss other facts touching figures. But my friend from Ohio will not contradict what I have stated, though he sits before me. I have the figures here, if any Senator on the other side denies it. No, they will not deny it here, but when they go to Pittsburgh or to Kansas or somewhere else, that is where they will deny it.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. I yield to my friend from Kansas.

Mr. CURTIS. I have not heard all of the Senator's remarks, but does he claim that the Democratic Congress passed all the appropriation bills at the short session which ended March 4, 1919?

Mr. HARRISON. No; I did not claim that.

Mr. CURTIS. The Democrats failed to pass six appropriation bills, and the Republican Congress, which met in extraordinary session, reduced the appropriations originally carried by those bills below what the Democratic committees had recommended to the extent of about $900,000,000.

Mr. HARRISON. The Senator from Kansas did not understand me to say anything to the contrary. What he has stated is quite true; but the estimates for the appropriations were made in the summer of 1918 and were based upon the probable continuance of the World War. Congress adjourned shortly after that, and the bills were not passed during that Congress. In March, 1919, the Republicans came into power, and naturally they reduced the appropriations, because the World War had closed on November 11, 1918, and there was no necessity for making appropriations based on the previous estimates.

Mr. CURTIS. At the last session of that Congress, which was the short session in December after the armistice, the Democratic Committees on Appropriations only recommended a reduction in the estimates of about $300,000,000; but when the Republican Congress assumed control it reduced the amount carried in those bills below the amounts as originally reported to this body by a sum in the neighborhood of $900,000,000.

Mr. HARRISON. The appropriations did not pass in the short session of Congress beginning in December for the reason that we did not know just how much money was going to be required; but it was known that the estimates were tremendously too high. The war material that was salvaged brought in some instances more than it was estimated they would bring, consequently the reduction. The appropriations were based upon the war estimates, and it was thought best to let the bills go over, and the Republicans killed them in the closing hours of that Congress in February, 1919, in order to capitalize an abnormal situation for political purposes.

Now, Mr. President, to bear out my statement, I desire to quote from the report of the comptroller. The bonded indebtedness of the United States on August 31, 1919, which was while Wilson was President, was $26,594,000,000. Just before the Democrats went out—about six days before Mr. Wilson's administration ended—on February 28, 1921, the national debt was $24,000,000,000.

I shall not read how much the Army appropriation bill was reduced from the estimates nor how much the naval appropriation bill was reduced from the estimate; but all appropriations were reduced because of the cessation of the war and because we were trying to get upon a normal basis.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. HARRISON. I yield to the Senator from Kansas.

Mr. CURTIS. Does not the Senator from Mississippi remember how the bonded indebtedness happened to be reduced?

Mr. HARRISON. I have just stated it to the Senator.

Mr. CURTIS. Did not the Democratic administration buy bonds on the public market and expend a billion, nine hundred million dollars for that purpose?

Mr. HARRISON. If the policy of the Government were to issue more bonds to pay off certain other bonds, it certainly would not reduce the indebtedness; it would have no effect upon that. Do I understand the Senator from Kansas to say that the figures which I have just quoted are incorrect?

Mr. CURTIS. I do not say that the figures are incorrect, but I do say that for some reason or other the Senator from Mississippi is not giving all the facts. I do not know why the Senator is not doing so.

Mr. HARRISON. What are the other facts?

Mr. CURTIS. I gave the facts a moment ago.

Mr. HARRISON. Does the Senator think that when the Government sells bonds in order to purchase other bonds which are outsanding that would reduce the national indebtedness?

Mr. CURTIS. Other bonds were not issued. The Government took the money that had been realized from the sale of the old bonds which had been sold at par and went into the market when the bonds were selling at from 82 to 96 cents on the dollar and bought about $1,900,000,000 worth at the market price. That is how the Democrats reduced the indebtedness. They took the bonds for which the Senator from Mississippi and I paid 100 cents on the dollar and bought them with the money they had in the Treasury at from 82 to 96 cents on the dollar. That is how the Democrats reduced the national indebtedness by over a billion dollars.

Mr. HARRISON. The Senator attempts to confuse the issue. The Democrats proceeded in the orderly way. It was not unlike the practice followed in such cases by every administration. They tried to protect the credit of this country, and they did, under most trying and unusual circumstances. And while they did that they at the same time reduced the national debt two and a half billion dollars. Before the Finance Committee the Secretary of the Treasury stated that one of the reasons why we have a surplus to-day was that usually we had carried a certain amount as a balance in the Treasury, but that they had reduced that to the amount of somewhere between $200,000,000 and $300,000,000, and in that way the Republican administration now claims that they have saved so much.

They took the money that was in the Treasury and which had been carried theretofore as a balance and paid off some of the indebtedness and endeavored to create the impression that they had saved that much. I recall one instance where $7,500 was appropriated to pay the widow of a Member of Congress who had died. She would not take the money the first year, and finally she died. That amount was carried in the appropriation bill year by year. Mr. Dawes recommended that it should be taken off of the books and off the estimates, and it was taken off, and then the Republicans came in and claimed that they had saved $7,500.

Mr. SMOOT. Mr. President——

Mr. HARRISON. I yield to my friend from Utah.

Mr. SMOOT. I did not quite understand the Senator's statement in relation to the amount which he claims was saved during the past year. It is true, Mr. President, as I said in my opening speech, that a part of that was money taken from the amount that was carried on hand in the Treasury of the United States. The Senator does not mean that that amount has been carried year in and year out ever since 1921, does he?

Mr. HARRISON. No; I do not mean that at all. I said the Treasury had carried a certain amount every year at the end of the year; but this year, because there was a certain amount there, the Republican administration canceled some indebtedness and claimed that as a saving.

Mr. SMOOT. The Treasury Department never made such a claim. If the Senator will look back he will discover that there was never carried in the Treasury so large an amount of

money, and it is not wise to carry it. It ought to have been used before it was used last year.

Mr. HARRISON. That was carrying out the Republican policy of taxing the people too high and putting the money in the Treasury to enable the Government to prematurely pay off some indebtedness. We do not believe in that.

Mr. SMOOT. No, Mr. President; that is not the case at all.

Mr. HARRISON. That is what was done.

Mr. SMOOT. No; the Senator ought to be fair about it. If he is going to make a statement as to the true conditions, he ought to be perfectly fair.

Mr. HARRISON. That money was raised by taxation, was it not?

Mr. SMOOT. Necessarily.

Mr. HARRISON. If you had not raised that much money by taxation you would not have had it there, and if you had reduced taxes you could not have had that much there, could you?

Mr. SMOOT. That money was charged up as being a saving in that year. I took particular pains to say just the amount that was saved in that year and told the Senate and the country how it was saved. No Republican ever claimed that that amount of money was saved in one year. Therefore, I called attention to the fact that the reduction of taxes could not be based upon that; but the saving for the year was $395,000,000. With the $337,000,000, which, as I remember, was the amount of money that was carried on hand, together with the sinking fund of $425,000,000, in round numbers, left $395,000,000 that was actually saved in the year 1922.

Mr. HARRISON. I thank the Senator for backing me up in my statement.

Mr. President, the Senator from Ohio having claimed all this credit, said further:

> One factor that has aided in these tremendous Government economies has been a reduction in the number of civilian employees of the Government. In 1918 this number had amounted to almost a million. On March 4, 1920, the number was approximately 700,000.

So there was a reduction of 300,000 while Mr. Wilson was President, and yet you are not willing to give us even credit for that. Since that time the reduction has not been equal to 300,000. On December 31, 1923, there were 544,000 civilian employees, which is only a reduction of 150,000 since President Wilson's retirement, although within the two years preceding the time when he retired he reduced the number 300,000. Yet my friend claims it as a credit for this administration.

The only thing my friend talks about except the President—and I will get to that in a moment—is the Mellon tax bill. It was perfectly natural for him to talk about the Mellon tax bill in Pittsburgh. It was doubtless pleasing to his particular audience, because perhaps he had many millionaires around him when he made that particular speech. In the course of his remarks here is what he said about that—

> I prefer the plan presented by Secretary Mellon and strongly indorsed by President Coolidge—
>
> "Strongly indorsed by President Coolidge"—
>
> Tax reduction is the imperative need of the hour—it must not and will not fail. The Mellon plan has the confidence of the country.

Ah, Mr. President, the Senator could have told them that two years before Wilson went out of office when a Republican House and Senate controlled Congress he recommended tax reduction; he pleaded in a special message to Congress for tax reduction; but you paid no attention to his request; you did not bring the measure out of the committee; you did not relieve the tax burdens of the American people at that time, and the way they are now about to be relieved equitably is due not to the Republicans, but it is due to the Democrats on this side of the Chamber and a few progressive Republicans on the other side, because if you had had your way—I am speaking now and pointing and looking at the Senator from Utah—if you had had your way you would have put the Mellon tax bill on the statute books about three years ago and perhaps earlier than that if you had thought about it.

Mr. SMOOT. Of course, then we would have followed out the recommendation of the last three Secretaries of the Treasury. I will also say to the Senator that the Senator will not follow out the recommendation of President Wilson; the Senator will not vote to-day for the recommendation as to surtaxes of Secretary Houston or Secretary GLASS. The Senator will not vote for them, and his party will not vote for them.

Mr. HARRISON. No; the Senator is right about that.

Mr. SMOOT. Certainly.

Mr. HARRISON. He states the situation correctly and the Senator knows that his party is not going to follow it.

[At this point, Mr. Latta, one of the President's secretaries, appeared with a message from the President of the United States.]

Mr. SMOOT. There are some Republicans who will not do it, but I am glad to say that there are some Democrats who will do it. However, we have not got enough votes to do it. If we had the votes——

Mr. HEFLIN. Mr. President, may we have an opportunity to have the message received.

Mr. SMOOT The Senator need not worry about the message. The Chair will take care of the message.

Mr. HEFLIN. The Senator had his arms stretched across the aisle, and I knew that the message could not be delivered to the Presiding Officer's desk across his arm.

Mr. SMOOT. I know the Senator is very solicitous about any message that may come to this body.

The PRESIDING OFFICER. The Senate will receive a message from the President of the United States.

[The message from the President was communicated to the Senate.]

Mr. HARRISON. Mr. President, in the first message that President Wilson sent to Congress when the Republicans were in control he asked for a simplification of the tax laws and a reduction of taxes, but he did not ask for a reduction to 25 per cent. Afterwards Secretary Houston did ask for the reduction.

Mr. SMOOT. Secretary GLASS asked for it.

Mr. HARRISON. Now, Mr. President, let us see about the Mellon plan of tax reduction. I will admit that because of the propaganda that has been broadcast throughout this country for the Mellon plan it was temporarily sold to the country. Newspapers, magazines, big business organizations indorsed it. A lot of them did not know what they were indorsing, but they indorsed it all right, and it was sold to the country. Mellon recommended it. The President took it up and made his speech to Congress and indorsed it. My friend from Ohio, in his speech, told one fact, and that was that Mellon was the big part of this administration, so far as selling his plan temporarily to the country was concerned. Why, if you should read his speech you would think that Mellon was really a bigger man than the President of the United States. The Mellon plan has been repudiated at every opportunity that anyone has gotten to it. It was submitted to the House over two years ago, I believe, in 1921. Did it pass? A Republican Congress in the House repudiated it then. Why, even when the plan first came out of the committee the high surtax was 32 per cent. President Harding repudiated it. He wrote a letter to Mr. Fordney and asked him to compromise on a 40 per cent rate.

The Senate repudiated it, notwithstanding the fact that my friend from Utah fought valiantly for it, and we put a tax of 50 per cent in the higher brackets. So every chance that the Representatives of the American people have gotten at the proposition they have repudiated it.

Why, over in the House this time, with the burning words of the ringing speech of President Coolidge still resounding through the corridors of the House of Representatives, when they voted on it even the Republican leader in the House of Representatives, Mr. LONGWORTH, put his proposal through at 37 per cent, I believe, on the higher brackets.

Mr. SMOOT. Of course, the Senator knows the explanation of that.

Mr. HARRISON. Oh, it calls for an explanation. Yes; I know the reason, and the Senator knows it.

Mr. SMOOT. I know that the reason was because it was a compromise. They could not put through the other rate because the Democrats voted solidly against it with a certain number of Republicans. That is why it was.

Mr. HARRISON. Why, of course, yes. That is what I say. They were against it.

Mr. SMOOT. Yes; and that is why the 50 per cent rate was put in the existing law.

Mr. HARRISON. Why, of course it is—because the Representatives of the American people wanted it. They repudiated Mellon and Smoot and their ideas about it.

Mr. SMOOT. I recognize that it is a political rate all right. It is nice to say to the people that you have imposed this rate; but as far as the Treasury of the United States is concerned, as far as the business interests of the United States are concerned, as far as the taxpayers are concerned, they reap no benefit whatever from it, while they would reap a benefit from a rate of 25 per cent.

Mr. HARRISON. Oh, yes. The Senator has never told the American taxpayers, however, that on the provisions carried in the Simmons bill up to an income of $63,000 they get a greater

reduction than they do in the Mellon plan. Has the Senator told them that?

Mr. SMOOT. Mr. President, every report that has been made shows that.

Mr. HARRISON. Oh, yes.

Mr. SMOOT. Every statement that has been made here in comparison shows it. That is not the principle; that is not what I am talking about.

Mr. HARRISON. It is not the principle the Senator believes in.

Mr. SMOOT. No; it is not a question of the intermediate rates. The question is this: I have already discussed it, and I am not going to take the time of the Senator now, because he has the floor, but I believe it just as much as I believe anything in all the world. I believe it just as strongly as the Senator from Maryland [Mr. BRUCE] believes it—that with a 25 per cent rate of surtax we would collect more money within two years; we would stop all the present evasions of taxation; and if that rate, or thereabouts, is not adopted we will have these evasions no matter what else we do.

Mr. HARRISON. I hope my friend from Utah will go out in North Dakota or some of these Middle Western States, or anywhere in the country for that matter, and tell the audiences he addresses in the coming campaign that "The reason why we taxed you more and relieved the fellow higher up was because it would help you."

Mr. SMOOT. We are not relieving the fellow higher up. We are allowing the fellow higher up to escape all taxes. That is what we are doing.

Mr. HARRISON. If the Senator thinks he can make the fellow who has an income up to $63,000 a year believe that the reason why he should be taxed away up high and the fellow who makes $500,000 or $1,000,000 a year should be taxed low is because it will help the fellow who has an income of $60,000, he will never be able to get away with it.

Mr. SMOOT. That is not what I would tell the people in North Dakota or elsewhere in the United States.

Mr. HARRISON. Why, of course the Senator is not going to tell the people that.

Mr. SMOOT. I would tell the people the truth, not any humbuggery. I would tell the people that the rates are such that they allow these people with great wealth, with incomes of $500,000 and above, to escape taxes altogether.

Mr. REED of Missouri. Mr. President, may I ask the Senator from Utah how they escape these taxes?

Mr. SMOOT. They escape them just the same as Rockefeller escaped them, just the same as other men that we know are escaping them.

Mr. REED of Missouri. How?

Mr. SMOOT. By purchasing tax-exempt securities.

Mr. REED of Missouri. All right. When a man takes money which will bring 6 per cent in the market and invests it in a 4 per cent tax-exempt security is he not paying his tax at the source?

Mr. SMOOT. Why, no; Mr. President, because if he paid the tax on $500,000 or $200,000 the rate would be equal to 10½ per cent on $200,000 or 12½ per cent on $500,000.

Mr. HARRISON. Mr. President——

Mr. REED of Missouri. I shall be glad to answer that.

Mr. SMOOT. It is true.

Mr. HARRISON. Mr. President, I am glad there is one Senator here who still defends the Mellon plan. It was repudiated, as I said, in the House by the organization of the Senator's own party.

Mr. SMOOT. It was not repudiated by 153 votes in the House.

Mr. HARRISON. There are 435 Members over there.

Mr. SMOOT. I am perfectly aware of that.

Mr. HARRISON. I thought the Senator had forgotten that.

Mr. SMOOT. There was a majority against it there and no doubt there will be a majority against it in this body.

Mr. HARRISON. The Senator might as well say that out of 96 Senators there is one Senator, the Senator from Utah, who is still for it.

Mr. SMOOT. Yes; and the Senator's remark will be construed to mean that there is only one Senator in this body who believes in it.

Mr. HARRISON. The Senator from Utah is about the only one that attempts to defend it at all. The Senator knows that the Mellon plan has not a chance.

Mr. SMOOT. That does not mean that it is not right.

Mr. HARRISON. But the fact that the Senator from Utah is for it is one of the reasons that makes me think it is not right. If the truth were known, if the Senator from Utah would take us all into his confidence, I suspect that he has already drafted a substitute plan that is higher than the Mellon plan to get them all together over there, if possible; or, if he has not, that some of his colleagues on the Finance Committee are working along that line.

Mr. SMOOT. I saw something in the papers about it, but I will say to the Senator that I know nothing about what it is.

Mr. HARRISON. It can not be going on if the Senator does not know about it.

Mr. SMOOT. After there is a rate of 32 per cent in the surtax, I care nothing about it. Above that the hole is wide open, and I do not care what rate you put in at all.

Mr. HARRISON. Mr. President, I will pass from that for the present.

The Senator from Ohio [Mr. WILLIS], in his speech at Pittsburgh, uses this language. He talks about President Coolidge, and says:

> The work of the committee on resolutions at Cleveland will be easy, because, whatever is written by platform makers, the real platform will be our presidential candidate, and our slogan of triumphant victory for the Republican Party will be, "Keep cool and keep Coolidge."

Not "Keep Coolidge and keep cool," but "Keep cool and keep Coolidge." So you do not need any platform. You are just going to have a presidential candidate. You are not going to write any platform, and it is a good idea for you not to have any platform. If you had a platform and had to write it, you would have to tell some of your achievements, and, having no achievements, consequently you will not need any platform, and consequently you will just have your presidential candidate with the slogan, "Keep cool and keep Coolidge."

He goes farther in speaking of the President, and says:

> He is unbossed, uncontrolled, unafraid.

Remarkable qualities—"unbossed, uncontrolled, and unafraid."

Mr. CARAWAY. Mr. President, did the Senator say anything about Daugherty's resignation at that time?

Mr. HARRISON. No; he forgot to mention anything about Daugherty. He didn't desire to hamper Daugherty's chances for election as delegate in Ohio. He was too near by.

He further says about the President:

> He is calm and kindly as a June day among the Vermont hills.
> He is one of the plain people, from a typical American farm home.

You will hear that, Mr. President, in every political speech made by my friends in this coming campaign—talk about the "typical American farm home." Why, they even had motion-pictures up there, and they took his picture farming, raking hay, using the spade, in the night, about 2 o'clock in the morning. I do not know why the motion-picture men were there at that particular time. I recall that I saw on the screen in many American cities the next week this remarkable, calm, cool, unafraid, uncontrolled, and unbossed President on his farm working among the Vermont hills.

Mr. President, I have said what I did because I thought the speech of the Senator from Ohio should be analyzed a little bit. I hope that when my friend gets ready to make his political speeches he will make them here on the floor of the Senate, and will have some facts to base them on.

Mr. WILLIS. Mr. President, of course I had not thought to take any of the time of the Senate, but the remarks of the Senator from Mississippi [Mr. HARRISON] having been addressed somewhat to a feeble effort made by me in the city of Pittsburgh a few evenings ago, it is perhaps not improper that I should say a word.

I feel rather complimented that my remarks should be used as a basis for the time-killing proceeding going on on the other side holding up the consideration of the tax bill pending the outcome of the Democratic caucus. We are advised by the press that a caucus was held by our friends on the other side of the aisle which lasted from 8 o'clock last evening until midnight. We have been further advised that another meeting is to be held in order to bring the recalcitrant Members, wherever they may be, into line, it having been stated that there would be a number, when the caucus adjourned in the small wee hours of the morning, who had not been brought into line. So I asume that this eloquent address by one of the leaders of our friends on the other side is simply calculated to use up the time until agreement can be reached, and I have no objection at all to that.

Mr. REED of Pennsylvania. Will the Senator yield?

Mr. WILLIS. I will yield briefly, but I want to proceed.

Mr. REED of Pennsylvania. Does not the Senator think it would be more useful if we could "waste" the time in passing the veterans' code bill, for the relief of disabled soldiers, instead of making political speeches?

Mr. WILLIS. It would seem to me that is a very wise suggestion. That leads to the answer I wanted to make my good friend, the Senator from Mississippi, as to why I chanced to make this speech in Pittsburgh.

I have known the Senator from Mississippi for a good many years. I knew him when we served together in another body, and with all my faults, which are numerous, I think it can not be justly said that I run away from this place because of my fear to make the humble arguments which I desire to make, even in the presence of my friend the Senator from Mississippi, awed as I always am by his benign face.

The fact is, Mr. President, I seldom make a political speech in the Senate because, if I may speak frankly, I rather think it is the business of the Senate to transact the business of the people of the United States rather than to listen to campaign speches. The speech I made at Pittsburgh was for political consumption, and it was a pretty good speech, everything considered, evidenced by the fact that the eloquent leader on the other side of the aisle has taken a half hour here to discuss just fleeting paragraphs, and if he had taken it all, some of the very important things which he passed over, and had undertaken to analyze them, it would have taken him a good while. So I feel complimented by this proceeding, and I want it understood that I did not flee away to the quiet precincts of Pittsburgh because of any fear of my friend from Mississippi.

As to the statements my friend read from that speech, I am perfectly willing to stand by them, only I think all of the statements ought to be read. I said nothing there, I will say nothing elsewhere, which I am afraid to say here, and I do not go into another forum to make any assault upon my associates. I will read all I said. The first portion of what the Senator read was historic. My friend wondered why I went to Pittsburgh to make a speech on the 26th of April. Of course, he had forgotten the fact that that was the anniversary of the birth of Grant, and very naturally reference was made to that great character.

Mr. HARRISON. May I ask the Senator——

Mr. WILLIS. I yield.

Mr. HARRISON. Does the Senator think he was complimenting Grant on his birthday when telling about all the things that were corrupt in his administration?

Mr. WILLIS. I will be perfectly willing to leave judgment on that point to the audience which heard the address. It would be indelicate for me to express an opinion upon that point.

Here is what I said about that historic period:

> Those were the golden days for the muckraker. He got on the front page of the newspaper and monopolized the editorial columns. Any Senator who had a bad dream at night felt that he had justification and license in telling the country about it in the morning.

I was not talking about present conditions. I did not in that remark refer to the Senator from Mississippi at all. I was talking about what took place in Grant's administration. Then I proceeded:

> No matter whether there was any basis in fact for his phantasmagoria—

Whatever that is—

> fiction was more popular than truth.

I am still talking about Grant's administration:

> Suspicion was more compelling than evidence. The old-fashioned presumption that any man was supposed to be innocent until proven guilty was airily swept aside to give place to the new idea that when the finger of suspicion had once been pointed at any man by testimony however flimsy and untrustworthy he was to be forthwith condemned in the forum or public opinion, hanged, drawn, and quartered unless he immediately shouldered the new presumption and proved himself innocent.

I was talking about the situation in Grant's administration, and just so that there may be no doubt as to my attitude, I read all of that paragraph. My friend read only a part of it. It was an oversight on his part. He is always fair, fair in debate and fair to behold. This is what I said:

> There has been investigation in our day—

I beg seriously now that my friend the Senator from Mississippi will note this:

> Nowhere in any respectable quarter is there any disposition to condone wrongdoing or to permit any criminal to go unwhipped of justice. No matter who is hurt, no honest man of any political faith has any right to complain of orderly, legal inquiry for the promotion of the public good; but the sense of fairness of any decent citizen will inevitably revolt when sincere inquiry after truth for the protection of the public interest gives place to pharisaical profession of self-admitted virtue on the one hand with attribution of unproven and foundationless charges on the other.

Further on I said:

> Congress is, or at any rate ought to be, a legislative body. So far as investigations in proper form are necessary to obtain basis of fact for legislative action or to bring to light wrongdoing of officials with a view to improvement of the public service, such investigations are justifiable. But when they degenerate into mere muckraking for political purposes, when an innocent chance telegram is greedily seized upon in an effort to besmirch the President, when witnesses of more than doubtful veracity are permitted by suggestion and suspicion to malign the dead and slander the living, when a dragnet is put out to bring in disappointed, discharged employees, convicts, and criminals, and they are given free rein and encouragement to wag the slimy tongue of scandal it is time to call a halt. The President's duty is to administer and enforce the law. That responsibility he does not shirk; he is directly and personally responsible to the people for the proper discharge of that obligation. If the Senate is to supervise grand juries and try persons accused of crime there will be a total subversion of those constitutional balances of power upon which the safety of the people depends. Let us return to constitutional methods; let trials be had before courts and juries where testimony is taken according to the rules of evidence and not given by disappointed disturbers encouraged to tell fairy stories. Without minimizing in any respect any beneficial results that have come from investigations thus far conducted the time has now come for Congress to attend to its own business for a while.
>
> Congress itself is being investigated by the American people—it is being weighed in the balance and, in some respects at least, found wanting. Important constructive legislation is delayed by long-winded speeches delivered for political effect. The country now confidently expects and insistently demands that Congress follow the suggestion of the President that legislation rather than investigation is the imperative demand of the hour. Let the builder's trowel be substituted for the muck rake.

I was just making a general observation, without referring to any particular individual. Then, to show my utter fairness in the matter, I read this language. I thought my friend was going to read it, but he did not. I said:

> The faults of the individual can not be attributed to an organization unless that organization condones and adopts the acts of the individual as its own. If Mr. Fall should be nominated for any important office by the Republican Party in face of the disclosures that have been made concerning his official conduct, the Republican Party would properly be held responsible as an organization for its indorsement of his record. If the Democratic Party should name Mr. McAdoo as its candidate for the Presidency, it would thereby adopt and indorse as its own his record.

Then, just so that the record may be complete, I quoted in my address the report that was made to the Senate by the Secretary of the Navy, found in the records of the Senate, read here just a few days ago, in which the Secretary reported that—

> An examination of the records of the Navy Department, its bureaus and offices, discloses that the Hon. William Gibbs McAdoo, former Secretary of the Treasury; the Hon. James Hamilton Lewis, ex-Senator; and the Hon. Hoke Smith, ex-Senator, appeared before this department in advocacy of claims against the Government of the United States, and who at the time of their advocacy came within the provisions as set forth by Senate Resolution 176.

I called attention to the fact that it was a dull day in the Senate when there was not some official report of the proceedings of this potential candidate for the Democratic nomination, Mr. McAdoo. One day comes a report from the Secretary of the Navy of the performances of Mr. McAdoo a little after he went out of office, practicing in cases where influence was tremendously important, and where it does not appear that he rendered any legal service in court. That is one day. Another day a report comes in about his performances before the War Department, cases he was reputed to have handled there, and the next day before the Shipping Board. He knew how to charge, for I remember that it was stated he claimed that his services to Mr. Doheny were worth a million dollars.

I was speaking of all those things in a kindly and Christian spirit; and if I had been bright enough to have thought of it, I would have used the terse description applied to that gentleman by a most distinguished and able and eloquent Democrat on the other side of the aisle, when he said in characteristic fashion:

> Some lawyers practice law, but Mr. McAdoo practiced son-in-law.

> That was the kind of business he was practicing before the departments.

Mr. HARRISON. May I ask the Senator a question?

Mr. WILLIS. I dislike to be interrupted in this recital; but I yield to my friend.

Mr. HARRISON. I dislike to interrupt the Senator, but I was just wondering if he read in this list—I do not know whether it was that report or another one—that Jim Good, the Coolidge manager in the western headquarters, had done likewise?

Mr. WILLIS. No; but I read that Thomas Gregory did, and that A. Mitchell Palmer did, and there were about four Democrats to every Republican. I read that, and so did the Senator. But, to be very frank about it, I think that is not material to the discussion. I was speaking of those matters simply to illustrate what I believed to be the facts, that no decent man of any political faith or in any quarter condones wrongdoing, or has any thought other than that the guilty, whoever they are and wherever they may be, should be brought to justice.

In that connection I want to correct my friend, because I value his opinion most highly and his friendship, of course, very greatly. He mistook a statement I made, and I hope I may have his attention. I did not mean to say—and if he will refer to the printed page he will find that I did not say—that his party was guilty of graft and corruption. Here is what I said after enumerating a few of the billions of dollars that had been wasted. I closed with the statement that the money had been wasted by a Democratic administration.

I think I was fair in that, Mr. President, because I called attention to the fact that there was a great war, and that there was the inevitable waste of war, and that the increase in debt up to $25,000,000,000 was due—I read the language:

> Of course, the later increase to $25,000,000,000, in 1919, is chargeable to necessary war expenditures, augmented as they were by cost-plus system, waste, extravagance, and other Democratic devices to extract coin from the Treasury.

I was very fair about it; but here was the sentence, at the top of page 7714 of the RECORD. I said:

> Yet in view of this damning record of incompetency—

That is the way I characterized it, as a "record of incompetency," and I have never heard anybody say yet but what the thing to which I have referred was a record of incompetency. I said:

> Yet in view of this damning record of incompetency, if not graft and corruption—

I did not say "graft and corruption" at all. I said, "If not graft and corruption, it was incompetency."

> Yet in view of this damning record of incompetency, if not graft and corruption, our Democratic friends have the unbridled effrontery to criticize Republican management and sing the praises of Democratic methods.

Now, about these figures; I was rather interested in those. I hold in my hand a leaf torn out of the report of the Secretary of the Treasury. It is rather interesting to note the fact that every year that a Democratic administration runs the Government it runs it further in debt. When the Democrats took hold of the Government in 1913, according to the report of the Secretary of the Treasury, the debt was $1,193,000,000. When they let loose of it—of course two of the years had included the great expenditures of the war and they could not fairly be included, and were not included by me—but in 1917, before there had been any war expenditures appreciably, the debt had piled up to $2,975,000,000. A Democratic administration always increases the debt, as these figures show, and that is what I said at Pittsburgh. They always increase appropriations, and I have the figures here for that.

Mr. HARRISON. Mr. President, will the Senator permit me to interrupt him?

Mr. WILLIS. Certainly.

Mr. HARRISON. The Senator has shown an increase from 1913 to 1917.

Mr. WILLIS. Yes.

Mr. HARRISON. Will the Senator be fair enough to state that in 1916, I believe it was, the greatly increased Army called for very large appropriations, two or three times what they had been. I remember in the Sixty-second Congress the Army appropriations amounted to $100,000,000 and in 1917 I think they amounted to $360,000,000. I remember in the Sixty-second Congress, when my friend and I served together in the House, the Navy appropriation was $160,000,000 and it increased just before the war to somewhere around $600,000,000. Under the preparedness program a policy was enacted into law, I think in 1916, which increased by hundreds of millions of dollars the appropriations, and that accounts for the increase in the appropriations for running the Government.

Mr. WILLIS. I thought I was entirely fair about that because I called attention to the war expenditures. In order that I may be understood to be entirely fair I give the figures for each year. The next year the debt bounded up to $12,000,000,000, leaving off the odd figures. The next year it went to $25,000,000,000. Then there was a reduction thereafter, but it appears, and that is the statement I have made, that in times of peace every year the Democrats run the Government they always increase the debt and always increase the appropriations. I have figures which I obtained from the Appropriations Committee showing that in 1913 the annual appropriations were $1,121,000,000 and that they had increased by 1917 to $1,328,000,000.

Now, the figures that my friend quoted from my address show that when the Republicans took control in 1920 the annual appropriation required was over $7,000,000,000, the very next year $4,000,000,000, with a reduction the following year of $237,000,000 and the next year after that a reduction of $240,000,000. So that during the period of Republican control there has been an approximate reduction of $3,500,000,000.

Now another thing——

Mr. HARRISON. Before the Senator goes from that point will he let me ask him one question?

Mr. WILLIS. Yes.

Mr. HARRISON. The Senator said that when the Democrats get in control they increase appropriations every year. Is it not a fact that during the 16 years preceding the Wilson administration, when the Republican Party was in control, each succeeding year carried a larger appropriation over the preceding year? Is not that a fact?

Mr. WILLIS. I shall be glad to answer the Senator when he has concluded his speech.

Mr. HARRISON. And in view of the fact that the country is gradually growing bigger all the time, is it not necessary to have larger appropriations?

Mr. WILLIS. We must always be fair with each other. Inevitably it is true that the expenses of the Government increase somewhat. But the Senator will observe, if he will take the years in which his party has controlled, that the expenses through some peculiar reason have increased amazingly. Somehow a Democratic administration has a curious effect upon governmental finances. It has to be followed by a Republican administration to straighten things out. A Republican administration to follow and clean up the havoc and chaos that are always in the wake of a Democratic administration is as necessary as an ambulance after a gas explosion. We have to have it.

Mr. STANLEY. Mr. President, to what gas explosion does the Senator from Ohio refer?

Mr. WILLIS. The one on the other side of the aisle was the one I had in mind.

Mr. REED of Missouri. Are we to understand the Senator from Ohio is the ambulance in this case?

Mr. WILLIS. I think it is a fairly good figure of speech, though it was rather hastily made. I am perfectly willing to let it stand.

Now, as to the number of employees, I was fair with my friend. He does not read all of my speech. If he would read all of it he would know a great deal more about things, and he would not know so many things that are not so. I said:

> In other words, about 150,000 fewer employees do the work now than were kept on the pay roll by the Democrats.

That is exactly what I said and the Senator will observe by looking over the figures that I was entirely fair in my statement.

I owe an apology to the Senate for taking any time because, frankly and without criticizing anybody, it is not my theory that the Senate Chamber, where great measures are pending, where the business of the people must be attended to, is the place to make political speeches. This is the first time I have been guilty of offense, and I should not have been so except that I was wheedled into it by the alluring eloquence of my friend the Senator from Mississippi.

Mr. HEFLIN. Mr. President, I indorse very heartily the able and eloquent speech made by the Senator from Mississippi [Mr. HARRISON], in which he suggests that Republican Senators who desire to discuss the doings of Congress should make their speeches here and not go out in the States somewhere and speak to some club that furnishes the occasion, when no Democrat is present and no Progressive Senator there to interrogate the Republican Senator making a speech. They would take us all into his confidence, I suspect that he has instead of making political speeches?

should make their speeches here, so that we would have the opportunity to interrogate them, as the Senator from Mississippi interrogated the Senator from Ohio [Mr. WILLIS] to-day.

The senior Senator from Pennsylvania [Mr. PEPPER] made one of those speeches up in Maine. His colleague, the junior Senator from Pennsylvania [Mr. REED], has made one of them, I believe. The Senator from New Hampshire [Mr. MOSES] made one, and at last the Senator from Ohio [Mr. WILLIS] has made one. The big four on the other side of the Chamber have gone away from this body where we could not hear them and expose the fallacy of their arguments. They have poured forth their wrath upon Democratic Senators, printed their speeches in Republican papers, and then some Republican in the Senate has risen in his place and asked to have the speeches printed in the RECORD. Is not that a miserable performance? These Senators, if they have anything to say in defense of all the crookedness and corruption that have been going on in a Republican administration, should stand up and say it in the open Senate.

But the Senator from Ohio tells us that this is not the place to make a political speech. What is this body? Is it the king's council chamber, or is it the great deliberative body of the American people? Who runs this Government? It is supposed to be run by the people through political parties. What do those parties do? They are supposed to understand something of the science of government and to stand in this place and, through their leaders, speak the policies of their party, show their faith by their works, and give account of their conduct to the American people.

Ill does it become Republican Senators to try to escape responsibility for the conduct of a Republican administration and when brought to judgment say, "This is not the place to make political speeches." Time has been under Republican control when very few speeches were made here in behalf of the people. Time has been when Republican leaders could practically control speech making in this body. Time has been when big interests controlled the leadership of the Republican Party as now and could say what should be done and what should not be done in this Chamber.

Senators on the other side of the aisle who could not answer our arguments have been sitting silent for quite a while. Why? Because, as one Republican leader said, not long ago, "What can we say? You ask us why we do not get up and answer the Democrats when they charge us with all these things. They say they have been done in our administration. We can not deny it. What can we say? We can not say anything, and therefore we remain silent."

But it is rumored about the Capitol that word has come to Republican Senators in a caucus which they held, to which the Senator from Ohio made no reference, that they must get up and say something; that whenever they are attacked by a Democrat, whether they have anything to say or not, they must get up and make a noise, and let the Republican newspaper reporters have something to send back to the papers in the States showing that they are at least trying to make some sort of fight.

The Senator from Ohio and other Republican leaders over there are anxious to forget these investigations and all the terrible things that they have disclosed. They are anxious to have the investigations stopped. Anyone can read the speeches of every one of them and they will show something like this: "While I do not object to investigation, and would be glad to see anyone that is guilty apprehended and punished, but"—— They just trip over it rapidly like that. "But," and then they will strike the table in front of them so hard that it frequently knocks the glass off of it. "But it is high time," they say with emphasis, "that the Senate was getting down to business." What is more important in the business of this body than driving crooked and corrupt men from office? What is more important in the line of a Senator's duty than running down and apprehending and punishing those who have betrayed their trust? What is more important in the line of a Senator's duty than requiring honesty in public office, and doing his bit to expose and condemn those found guilty of wrongdoing in official positions?

No Democrat should use his position to the hurt and injury of his country to build up his party. No Republican should do that. When the Democratic Party is in power and officials in it, Cabinet officers, are guilty of wrongdoing, the Democratic Party ought to be held responsible for it. The Senator from Ohio would escape that responsibility. The Senator from Ohio said, "If Senator Fall should now be nominated for an office by the Republicans we should be criticized." The Senator undertakes to escape the responsibility that attaches to any party and to all parties. If we do not hold a party responsible for its conduct by what means are the people going to punish those who have betrayed their trust? The only way to compel that party to get right is to punish it with the stripes of defeat when it has been unfaithful. The Bible says—and I am going to repeat that text until every Republican in the Senate knows it—"By their fruits ye shall know them." If Republican officials are crooked and corrupt, are we going to hold the Democratic Party responsible for it? If Democratic officials are crooked and corrupt, are we going to hold the Republican Party responsible for it? I say, hold my party responsible for the conduct of those whom it puts in office. That is what I ask. The way to treat both parties is to hold them respectively responsible for the conduct of the Government when under their control, and the way to judge a party is by what it does, the things that it tolerates and stands for, for "By their fruits ye shall know them."

Hold the Republican Party responsible for what its officeholders do when in charge of the affairs of the country. Who is it that led in all the extravagant expenditures under the Wilson administration, if you please? When we were building airplanes—a subject referred to by the Senator from Ohio in his Pittsburgh speech—when that suggested scandal was brought to light what did President Wilson do? Did he say, "Go bring me the most prominent Democrat you can get, I want to hide and cover things up and keep the truth from coming out"? Oh, no. That great American statesman said, "Go bring Mr. Hughes; he ran against me for President; he is certainly the most prominent Republican in America; I want to appoint him as counsel to look after that and to go to the bottom of it and expose anything and everything that he can find." And what did Mr. Hughes do? He smeared the fault of that wrongdoing all over Colonel Deeds, of Ohio, and about eight others. Every one of them was a Republican. Were those men taking advantage of the war situation when Republican and Democratic fathers and mothers alike were sending their boys into the Army to win the war against a foreign foe? Were those Republicans thinking they owed no duty to the country, and no responsibility to the flag, and taking advantage of an opportunity to steal, and doing it at a time like that? Did Wilson undertake to cover anything up? Did any Democrat seek to shield anybody? Not at all.

The Senator from Ohio mentioned shipbuilding and wooden ships which were built which he said rotted at the docks. Who built those ships? Who was put in charge of them? Some Democrat. No. No partisanship was displayed in that trying hour when the Government cried out for a merchant fleet big enough to follow our Navy wherever necessary.

What did Woodrow Wilson do? Upon the recommendation, no doubt, of leading Republicans, he selected Mr. Schwab, a Republican from Pennsylvania, a great friend of Mr. Mellon and of the present Republican administration. Who was next to him in authority? Mr. Piez, of Chicago. Both of them were rank, dyed-in-the-wool Republicans and all the scandal and graft attaching to the building of those ships is properly laid at the door of prominent Republicans. Did they take advantage of a condition existing when the Nation's life was in peril and our boys were pouring out their blood on the battle line in France? Were they taking advantage of the Democratic administration at a time like that so that they could be able to say, "We built ships that rotted at the dock; we built the ships, but too much money was put into them"? Were Republicans playing politics in the darkest hour of the Nation's history or were they robbing their Government while our boys were fighting and dying to save it? Oh, Mr. President, these are matters to be considered by the Senator from Ohio and those like him who make their bitter tirades against the Democratic Party hundreds of miles away from Washington, when no Democrat is present to challenge the propositions which they lay down.

The Senator from Ohio would, of course, be glad to pull the curtain down and say, "Good-by, Mr. Fall; good-by, Mr. Denby; good-by, Mr. Daugherty; good-by, Mr. Forbes; good-by, Mr. Goldstein"; and good-by to all that long line of corruptionists who hang like leeches on the body of the Republican Party.

He would like to do that, Mr. President. The Senator, with a wave of the hand, says, "Why, if we should nominate Mr. Fall and should present him to the country we would be responsible." Mr. President, I have never heard anybody advance that idea before. That is something "new under the sun," and the Senator from Ohio is responsible for that brilliant idea. When a party comes into power, what does it say? "We pledge ourselves to a faithful performance of our duty as officials in charge of the Government." Then when their terms have expired we call them to the judgment bar of the people. "Come up here, you Democrats. Give an account of your stewardship.

Were you faithful? Call the roll." Begin with the towering statesman who stands like Saul amongst his brethren, head and shoulders above them all—Woodrow Wilson. "Were you faithful?" There he stands, pure as light and stainless as a star. Go down the line, and not one member of his Cabinet is tainted with wrongdoing. The only thing you can do is to trump up something. So, after they have gone out of office and gone into the general practice of law in your sheer desperation you commence to search for something hurtful to some Democratic Cabinet member, and you say: "I believe I see a track—we have got to find the tracks of some Democrat—and that track looks like McAdoo's track, or somebody's else track, and it looks like it is going toward a Government building. We must find a track that will give us something to trail and bark on," and a track of ex-Cabinet members is all you found. It was not an official's track.

What do we find? We have shaken your Republican tree and three stalwart Republican Cabinet officers have fallen out—Fall, Denby, and Daugherty. There has never been such an administration in all the history of the Government. The Grant administration was a corrupt administration in some respects. The Senator from Ohio was unfortunate in referring to that. In many respects I admired General Grant as a man, but he did not know what it was all about. They put it over him just like they put it over some other Republican leaders.

Mr. President, the Republican Party can not escape responsibility to the people. Republicans who have voted the Republican ticket in 1920 will not vote it this fall. I know that Republican Senators think by enacting a tax bill that takes taxes off those most able to pay, that pleases the mighty rich, they are going to raise a big compaign fund, but the electorate of America will not be for sale in this good year of 1924. We have not witnessed in our lifetime such a struggle on the part of the plain people to regain their lost liberties as we are going to witness in the campaign this fall. The battle cry is going to be, "Back to the Constitution! Back to the old-time standards of common honesty and clean Government! Away with special privilege, with governmental favoritism, with the refunding of taxes to the big rich by the big, rich Secretary of the Treasury!" Away with it, I say with them; God speed the day.

The Republican Party, in the last Congress, put a tax on the medicine of the sick baby; they have put a tax on the medicine of the sick man wracked with pain and scorched with fever. They have placed a tax on the liniment with which to rub the leg of the lame and halt soldier who was wounded on the battle line in France. Every time medicine is handed over the counter in a drug store it is these distressed and afflicted poor who pay the tax which is laid upon them by the Republican Party. I have not heard a single Republican leader lift his voice and ask for relief for one of them. Their failure to do so reminds me of what the lowly Nazarene said, "Inasmuch as ye did it unto one of the least of these, ye did it unto me."

Oh, no; they do not give campaign funds to the Republican Party. They can not buy a newspaper and pay a million dollars for it; they can not help to subsidize the press, to close the avenues of news to those who are fighting the battles of the people, to blue pencil everything except that which foists the interests of the enemy upon the masses of the people. Oh, no; they have no power to do that. "Away with your cry. We have not time to hear it," you say; but here are men who gave $50,000 or $75,000 or $100,000 to our campaign funds in 1920. They are talking as if they are not going to give any more unless we bring the surtax down to satisfy them. So what do we find? The leadership on the other side of the Chamber and the Secretary of the Treasury have brought a tax bill into this body that burdens the common man and woman, that burdens the plain people of the country, that takes the tax off of those men most able to pay and drops it down upon the backs of those least able to bear it. That is what we have in this rotten tax bill which the Republican Party has brought into the Senate.

For the Mellon plan a propaganda was started at the outset. The Literary Digest, as shown by the able, useful, and eloquent Senator from Mississipi [Mr. HARRISON], spent between $75,000 and $150,000 in taking a poll of the people and in advocating and boosting the Mellon plan. Who put up that money? Who paid that bill? The big tax dodgers, of course! Who lifted a voice in the Chamber against a tax on medicine for the sick and the afflicted? Who lifted a voice against a tax on harness, on saddles, on bridles, on vehicles, on shears, on scissors, on the needles and thread and buttons which the farmers and their wives have to use? Nobody except the Democratic Senators; no Republican voice was lifted then.

You drove "stern Ruin's plowshare" through their rights and interests; you left them stranded, and many of them are now eking out a miserable existence. You have come to worship purely at the altar of Baal; the god of gold is your deity; campaign funds are the main goal toward which your leaders move—campaign contributions to the Republican Party.

The cry of your party leaders seems to be:

> What care we for wrongs and crimes;
> It's dimes and dollars, dollars and dimes.

Then slip off out in the States somewhere, make a speech, and then come in and ask permission to print in the RECORD.

I want you to stand up here and meet our arguments, meet them as Senators should meet them. If you can not meet them, invite some Democrat to go with you and have a joint debate with you where both sides can be presented. I will accept a challenge of the Senator from Ohio to meet him at any place that he wants to go where we can both speak, and I will tell him in advance what my text will be.

By their fruits ye shall know them.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield.

Mr. JOHNSON of Minnesota. I should advise the Senator from Alabama not to go to Philadelphia or Pittsburgh.

Mr. HEFLIN. I have spoken in both places, I want to say to my friend from Minnesota, and there are some good people in both places. There are good people and other kinds of people in a great many places that I know, but I am ready to go to Pittsburgh and discuss the issue with the Senator from Ohio or any other Senator who so desires.

My good friend from Minnesota used to be a Republican, but he has long since abandoned that corrupt, time-serving, boss-ridden old party. The Senator has escaped and there is a chance for him to be saved ultimately. He has turned his back on the Republican Party, and why? Because he would not longer stand sponsor for its conduct; because he saw who was controlling that party; and because he sees now who literally guides its destinies. The leadership of that party now does nothing until it has consulted the powers that be, and they are over in Wall Street.

The Senator from Ohio tells us that "if we should now nominate Mr. Fall," speaking of the Republicans, "we would be responsible for him"; and since I have operated on that suggestion a little I want to turn the picture around for a moment. Mr. Daugherty has been found guilty at the bar of public opinion of all sorts of crimes and misdemeanors. He has been accused of becoming wealthy while a Republican Cabinet officer by his corrupt handling of the instrumentalities of the Department of Justice. No greater crime could be committed, no more serious charge could be laid at the door of an American, than has been laid at his door; and what did he do under the charge and under this serious indictment? He is out of the Cabinet. Would he have gotten out of the Cabinet if he had been innocent? And what excuse did he give when he got out? He gave the excuse that the reason why he would not turn over the papers asked for in the Department of Justice—I had been discussing here the fact that he would not do it, that he would hide those papers and would not let them come here—he said: "The reason why I did not turn them over was that they contained important evidence about a communistic move to overthrow America," and he said that the Senator from Iowa [Mr. BROOKHART] and the Senator from Montana [Mr. WHEELER] had visited Russia last year, in a roundabout way trying to connect them and smear them with a suggestion that they were connected with such a movement against their own country, where both of them had been elected to the Senate by the sovereign power in their States; and what did he say?

"Why did you not turn over those papers, Mr. Daugherty?"

"Why, because they involved these things."

Well, now, Mr. Daugherty, what sort of hole have you put the President in by making that suggestion? You have put him in the position of trying to side with BROOKHART and WHEELER, all of them trying to overthrow the Government, and you, who handled its instrumentalities as a matter of barter in the market-place, were coming to the rescue and hugging them to your holy bosom and trying to save from their sinful gaze these sacred pieces of testimony—you, Mr. Daugherty, whose sudden rise to fortune nobody has been able to explain.

But the Senator from Ohio tells us that if we, the Republicans, should nominate Fall to an office after these things have been disclosed we should be held responsible. Now, I am coming closer home to the Senator with the proposition that he himself has laid down.

and to all parties. If we do not hold a party responsible for up here, you Democrats. Give an account of your stewardship.

Just recently in his State, the great old Buckeye State, the Republican Party, with its eyes open, elected Daugherty to represent the Republican Party of that State in the next Republican National Convention, with all of these charges and all this slime hanging on him and dripping off of him. Who is going to take the responsibility for that? What does that disclose, Mr. President? Does not that disclose a bad situation in the leadership of the Republican Party? Why, certainly it does. What is that bad situation? A bad state of mind, a color-blindness. The leadership of that party is unable to see the right path, unable to tell right from wrong, justice from injustice, crookedness and crime from straightforward dealing and upright conduct, and the party has elected him, and "by their fruits ye shall know them."

Mr. President, if the Senator's theory is correct that they are to be held responsible for those that they have taken up out of the ditch and gutter of corruption and crime, and clothed them in the robes of authority of their party, what have they to say about Daugherty? While he trailed behind and was the last on the ticket in Ohio, thousands of Republicans, be it said to their credit, would not vote for him, the Senator who is now presiding, the junior Senator from Ohio [Mr. FESS] leading the ticket, I believe—while Daugherty trailed behind, yet he was elected, and he has been commissioned to go to the convention from Ohio and sit in that body of delegates and help choose a Republican candidate for President.

So under the theory advanced by the Senator from Ohio [Mr. WILLIS] we shall hold the Republicans responsible for the election of Mr. Daugherty as a delegate to the next Republican National Convention.

Daugherty, driven out of office by the terrible charges against him and by the convincing disclosures about him, goes back up to Ohio, and they say his friends "single-shotted" him; that they passed around the word: "Do not vote for any other Republicans, but vote for Daugherty. We must put him over"; and you put him over. Now, according to the principle laid down by the Senator from Ohio [Mr. WILLIS], they must take the responsibility for Daugherty, because he said that if we should nominate Fall, knowing what we do about him, then we would take the responsibility. They have nominated Daugherty, knowing what they do about him, and therefore they must take the responsibility for him.

Jess Smith, Roxy Stinson, and the others who handled thousands and tens of thousands and hundreds of thousands of dollars—one of them is dead; the other one has been hawked about and scolded in the speeches of Republicans around in the States as being unworthy of belief.

Mr. President, let us see whether or not this man was skillful. If he was going into crooked conduct, and he feared that something might happen and the truth might get out, is there anything more natural than that he would pick crooks to do this particular crooked work, so that if it ever should get out he could say: "You are not going to believe Roxy Stinson. Here is something we can prove on her. You are not going to believe Jess Smith and the others." Have Senators ever considered that phase of it? But Jess Smith is not here. Nobody but one witness knows exactly how he died. Some think that he was talked to and frightened about what was going to be done with him when all these things came out, and how he must take the responsibility and be mum as to everybody else, and that he was kept in a state of excitement and nervousness and drunk besides until, if he killed himself, he did it under those conditions; and when he died a sigh of relief came from those who would have been hurt by the facts that Jess Smith had in his possession.

The Senator from Ohio said that when the Democrats got in power the Republicans had to come along and clean up. Well, he hit it right that time. What they did in the way of cleaning up was a plenty. Fall cleaned up. Daugherty cleaned up. Forbes cleaned up. Goldstein cleaned up, and nobody knows whether Denby cleaned up or not. We will know some day, I think.

His conduct never has been satisfactorily explained to me. I have doubts and misgivings about his being free of guilt, very many of them. I recall his testimony when the Senator from Montana [Mr. WALSH] asked him:

> Why did you think it necessary to do something with these oil lands to stop the leakage?

He said:

> Well, I found out we were having these leaks.

Listen. The Senator from Montana said:

> How did you find it out?

Mr. Denby said:

> I do not remember now.
> Who told you?
> I do not know.

That is the substance of what he said.

Think of that, Mr. President, transferring over to Fall the whole naval reserves of the United States on a hearsay statement! The Senator from Ohio indicated in his speech that we were saying things on hearsay, rumors floating around. Here is the Secretary of the Navy in a Republican Cabinet transferring the oil reserves of the Nation on a hearsay rumor, and he could not tell who put the rumor afloat—hundreds of millions of dollars' worth of oil reserves lost to the Nation on Denby's hearsay statement.

Was Mr. Denby innocent? His part in it was so adroitly handled that we have been unable to prove anything on him from the records that he and others interested kept. What did he do? He said:

> I will pass it over to you, Secretary Fall, and you can do as you like.
> Now, then, Mr. Denby, you are going to send this up to the President, are you not?
> Yes, sir.
> Admiral Griffin has a letter there condemning your movement, has he not?
> Yes, sir.
> You are going to send it to the President?
> Sure.

Did he do it? Not once. That letter never reached the President. They took it out because they were afraid it would influence the President and perhaps he might not agree to that.

> Whom are you going to get to take charge of this thing? You have a number of admirals. Get this one.
> Oh, no.
> That one?
> No.
> The other one?
> Oh, no.
> Whom are you going to get?
> I am going to get Admiral Robison.
> Why?
> He is the only one of them in favor of the transfer.

Is there anything connected with them which makes it singular? Yes. Doheny had been out to his ship, and Doheny had a son on board his ship, and there a deal was made of some sort, and Denby is going to take the other admirals out of the way and put it in the hands of Admiral Robison. Is there anything suspicious about that? Yes; it stinks to high heaven of crookedness and crime.

Why do you not put that letter in the file and let the President read Admiral Griffin's objection? He wrote a letter that tore your proposition to pieces, but you or somebody else took it out before it got there, we are told. The President said he never got it, I understand, and it was not in the file when Secretary Denby's letter reached the White House.

Where is Admiral Griffin? He is transferred off yonder. Who is put in charge? The only man in all the Navy amongst the admirals who was favorable to the crime of Fall and Denby. Is that strange, or did that just happen? You can not make anybody believe that just happened, Mr. President. Of course it did not just happen. It happened out of design. It happened premeditatedly. It happened as a part of a plan to put this deal over, and it went over; and the Senator from Ohio was correct when he said the Republicans, when they succeed the Democrats, clean up. They certainly do.

Mr. President, when the Republicans came into power what did they do toward cleaning up? The big profiteers, pompous fellows, stood around this Capitol and shoved down the steps the soldiers who were begging for something on which to live. What did they do for the profiteers? They just passed them out checks, $450,000,000 a year in taxes, cleaning up after a Democratic administration. Oh, yes; you were cleaning up, relieving the big profiteers, men most able of all men to pay taxes to help settle the war debt. What else did they do toward cleaning up? They took off $90,000,000 of the big income taxes and passed checks out to them, relieved them of $90,000,000 a year, making $540,000,000 a year in all. What else did they do toward cleaning up? They paid $700,000,000 on war contracts—questionable, many of them—to these people. That was Republican cleaning up. Your cleaning-up process has made many favored Republicans rich.

You then grabbed our fleet of merchant ships. You passed through the House a bill cleaning them up, and but for us you would have cleaned up the merchant fleet. You would have bartered it for $200,000,000, at a loss to the Government of twenty-eight hundred millions of dollars, as I said the other day. You did that toward cleaning up. The Ship Trust was helping you to clean up. What else? You then turned your attention to the oil reserves of the Government. You turned over to Doheny and Sinclair all the oil reserves, amounting to hundreds of millions of dollars. You did that while you were cleaning up when you followed a Democratic administration; and the Senator from Ohio is eminently correct when he says that Republicans always clean up when they follow a Democratic administration. We will not know until we inaugurate a Democratic President and see assembled here a Democratic Congress on the 4th of March, 1925, just how far you have gone toward cleaning up and taking everything in sight.

If we had not defeated your ship subsidy bill in the Senate you would have cleaned up three thousand million dollars there. But we defeated that. The Democratic Party in the Senate threw itself across its corrupt and miserable path and cried out, as the soldiers did at Verdun, "They shall not pass"; and you did not pass.

Now we are working toward the glorious consummation of a complete house cleaning; and, thank God, it is coming. You can no more stop it than a tiny bush upon the western plain can stop a mighty cyclone sweeping across the country. The issue is clearly defined. Those who believe that the Government belongs to the people, that it ought to be run in the interest of the people, that our free institutions should be preserved, that honesty in office is essential, that we should do that which will bring about the greatest good to the greatest number, those who believe that way—Democrats, Republicans, Progressives and independents—will all be on that side. Those who believe that this Chamber has become a clearing house for tradesmen, a millionaires' club, a counting room for the mighty rich, a council chamber to record the edicts of those who would escape their fair share of the burden of taxation, and those who believe that governmental instrumentalities should be perverted and used in the interest of a favored few and to the hurt and injury of the many, will be on the other side.

Choose ye this day whom ye will serve—God or mammon.

ORDER FOR RECESS

Mr. SMOOT. Mr. President, at this time I ask unanimous consent that when the Senate closes its business to-day it take a recess until 11 o'clock to-morrow.

The PRESIDING OFFICER (Mr. FESS). The Senator from Utah asks unanimous consent that at the close of business to-day the Senate stand in recess until 11 o'clock to-morrow. Is there objection? The Chair hears none, and it is so ordered.

Mr. CURTIS. Will the Senator from Utah yield to me to submit a conference report?

Mr. SMOOT. If it will not lead to any discussion.

Mr. CURTIS. If it does, I will withdraw it.

ADJUSTED COMPENSATION FOR WORLD WAR VETERANS—CONFERENCE REPORT

Mr. CURTIS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for the veterans of the World War, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 7, 21, 34, 35, 36, 47, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 6, 8, 9, 9½, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 49, 51, 52, 53, 57, 58, 59, 60, 63, 64, 65, 66, 67, 68, 69, 70, 71, 73, and 74, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by said amendment and on page 4, line 24, of the House bill strike out "or"; and on page 5, line 9, strike out the period, insert a semicolon and the word "or"; and on page 5, after line 9, insert the following paragraph:

"(i) Any individual who was discharged or otherwise released from the draft—for the period of service terminating with such discharge or release" and a period.

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "March 1, 1925," and a comma; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50 and agree to the same with an amendment which, in addition to the language stricken out by the Senate amendment, strikes out, on page 17, line 13, of the House bill, the following: "either (1)"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "(as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before March 1, 1925)"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment which restores the language of the House bill except the words "upon him for support" appearing on page 21, in lines 4 and 5 of the House bill; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "(2) The widow or widower shall be presumed to have been dependent upon the veteran upon showing by them, respectively, the marital cohabitation; the father and mother, respectively, shall submit under oath a statement of the dependency, to be filed with the application" and a period; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: On page 7 of the Senate engrossed amendments, line 8, after "veteran," insert "on or"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: On page 8 of the Senate engrossed amendments, line 4, strike out the period, insert a comma and the following: "together with the facts of record in the department upon which such above conclusions are based" and a period; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "For the administration of the provisions of this act, the President may except from the operation of section 4c of the act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, as amended, or of any act amendatory thereof or supplemental thereto, not more than seven officers of the Army" and a period; and the Senate agree to the same.

CHARLES CURTIS,
JAMES E. WATSON,
GEO. P. MCLEAN,
F. M. SIMMONS,
DAVID I. WALSH,
Managers on the part of the Senate.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
Managers on the part of the House.

Mr. CURTIS. I ask unanimous consent for the immediate consideration of the conference report. It is a unanimous report, signed by all the conferees of the House and Senate, Democrats and Republicans alike.

Mr. McKELLAR. Will the Senator state the substance of the report?

Mr. SMOOT. If it is to lead to any discussion, I shall have to object.

Mr. CURTIS. It will not lead to any discussion.

Mr. McKELLAR. I apprehend there will be no discussion. I would like to hear what the Senator has to say about the agreement.

Mr. CURTIS. The Senate conferees yielded on 9 amendments, the House conferees on 58, and there was a yielding on 9 amendments with amendments. The principal change was with reference to the date when the bill should take effect, which the Senate fixed at July 1, 1925. Instead of the House provision making it effective nine months after the passage of the act, the date was fixed at March 1, 1925. That affected about three amendments. The Senate receded on the Philippine Scouts amendment, because the Philippine Scouts were only called on to perform service in the Philippine Islands. The Senate yielded on the compound interest provision, involving two amendments. Those were all the substantial recessions on the part of the Senate. The balance were on the part of the House. The bill is substantially as it passed the Senate.

Mr. REED of Missouri. Mr. President, I suggest the absence of a quorum.

Mr. CURTIS. We have before us the conference report on the soldiers' bonus bill. I hope the Senator will not ask for a quorum to pass on it.

Mr. REED of Missouri. I withdraw the request, if it will delay action at all.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fletcher	McKinley	Smith
Ashurst	Frazier	McLean	Smoot
Brandegee	George	McNary	Spencer
Breckhart	Gerry	Neely	Stanfield
Bruce	Glass	Norbeck	Stanley
Bursum	Harris	Norris	Stephens
Cameron	Harrison	Oddie	Sterling
Capper	Heflin	Overman	Underwood
Caraway	Johnson, Minn.	Pepper	Walsh, Mass.
Curtis	Jones, N. Mex.	Ralston	Walsh, Mont.
Dale	Jones, Wash.	Reed, Mo.	Warren
Dial	Kendrick	Reed, Pa.	Watson
Dill	King	Sheppard	Willis
Edge	Ladd	Shields	
Ferris	Lodge	Shortridge	
Fess	McKellar	Simmons	

Mr. CURTIS. I desire to announce that the Senator from Maine [Mr. HALE], the Senator from Delaware [Mr. BALL], and the Senator from Louisiana [Mr. BROUSSARD] are absent on business of the Senate.

Mr. HARRIS. I wish to announce that the Senator from Louisiana [Mr. BROUSSARD] is absent on official business as a member of the Board of Visitors at Annapolis.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

Mr. CURTIS. If we can get a vote on the conference report, I would like to have it; otherwise, I am willing to have it go over. I move the adoption of the conference report.

Mr. UNDERWOOD. Is this a final report?

Mr. CURTIS. It is.

Mr. HARRISON. It seems to me there ought to be some explanation made of the report.

Mr. McKELLAR. The Senator from Kansas just made the explanation a moment ago.

Mr. CURTIS. I made an explanation while the Senator from Mississippi was out of the Chamber. It is a unanimous report signed by all the conferees, Republicans and Democrats alike. The only amendments upon which the Senate conferees had to yield were those offered by the Senator from Mississippi [Mr. HARRISON]. They were the last two amendments upon which the Senate conferees yielded. They included the amendment striking out the compound interest proposition.

Mr. HARRISON. So they insisted upon compound interest being charged on loans made to the soldiers?

Mr. McKELLAR. Yes; and they agreed to put it off still longer. It will go over for at least four years before any soldier can get anything out of it.

Mr. CURTIS. No; it shortens up the time from July to March.

Mr. McKELLAR. But it was previously July to January.

Mr. CURTIS. No; it was July to March. We have shortened it up three months.

Mr. McKELLAR. It is three and a half years yet.

Mr. CURTIS. No; it is about two and a half years.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. UNDERWOOD. Mr. President, I am not going to detain the Senate in regard to the conference report. Some days ago when the bill was before the Senate I expressed my views in opposition to the bonus bill. I realize that there is an overwhelming majority in the Senate in favor of the bill and that it would be futile for me to attempt to do anything now to prevent its passage. I do not know whether there will be a roll call on its passage or not. Not knowing that fact, I wish merely to let the RECORD show that I oppose the adoption of the conference report because I am opposed to the bill itself.

Mr. HARRISON. Mr. President, I merely desire to say that of course the record has been made on the soldiers' bonus legislation. I voted for the optional cash bonus proposition. I thought and many other Senators thought, but not a majority, that the men should have the option or choice of whether they should get a cash bonus or get an insurance policy. We were defeated in the fight we made along that line. I voted on the final passage for the insurance plan even though the cash option was defeated. I was very hopeful, however, that the amendment adopted by the Senate that struck out the provision for charging compound interest on the loans made to the soldiers would be insisted upon and that when advances were made or loans made compound interest would not be charged to the soldiers. The Senator from Kansas [Mr. CURTIS] has stated, however, that the House insisted upon their provision. The Senate conferees have no doubt done their best to maintain the provision as incorporated in the bill by the Senate. Notwithstanding this change brought about by the conferees, and in spite of the fact that on the loans the soldiers will be charged compound interest, I shall vote for the conference report.

Mr. REED of Missouri. Mr. President, it was my misfortune to be absent from the Senate while the bonus bill was under consideration. I had arranged, however, to be paired in favor of a cash-bonus plan. I merely want to say now that in my judgment the present bill is far from meeting our obligations to the soldiers who served in the war. I think the soldiers are being put off with a measure which is little less than a subterfuge and fraud upon them.

The debates have demonstrated that as strong a fight was made by the majority of Senators on this side of the Chamber as could be made for the redemption of the pledges that had been made by both political parties and the implied pledge that existed outside of any political party pledge. That battle was ineffective because it met with the determined opposition of the administration and the organization on the majority side. What the soldiers are failing to get, therefore, is not chargeable to those of us who have done our best.

I regret exceedingly that we are giving to the soldiers this wholly inadequate recompense. I think it would have been better to have allowed the entire question to go by and to have met it after election than to have passed the bill in the form in which it has passed. I repeat that I regard it as a breach of faith to the soldiers, and as a measure that will bring to them but little real satisfaction or relief.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. REED of Missouri. Mr. President, I wish to ask if the Senator in charge of the tax bill is willing to allow the pending amendment to go over until to-morrow? I want to submit some remarks upon it and it is now pretty late. The Senate is tired, and I am tired.

Mr. SMOOT. The bill making appropriations for the Departments of State, Justice, and so forth, is ready for consideration. I understand there is no real objection to it. I am also informed that the Democratic Members of the Senate are to hold a conference to-night and their desire is to get away not later than 6 o'clock. I doubt very much whether we could get a vote upon the pending amendment by that hour.

I take this occasion, however, to give notice that I shall expect, if possible, to hold a night session of the Senate to-morrow night. We have been two days considering the one amendment. We have not had a vote on it at all. I am not complaining of any Senator who has spoken upon the bill, but politics have been injected into the proceedings to-day and the day has gone by without any progress on the bill itself. I call the attention of Senators to the fact that when the bill passes the Senate I do not believe it possible to get it out of conference short of two weeks. It will be rather remarkable if a bill of this character should get out of conference in less than that time.

I will say to the Senator from Missouri that I am going to comply with his request now. I ask unanimous consent that the unfinished business be temporarily laid aside for the consideration of the appropriation bill in charge of the Senator from Washington [Mr. JONES.]

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none and the unfinished business is temporarily laid aside.

APPROPRIATIONS FOR DEPARTMENTS OF STATE AND JUSTICE, ETC.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of House bill 8350, making appropriations for the Departments of State, Justice, and so forth.

Mr. KING. May I inquire of the Senator if he expects to pass the bill to-night?

Mr. JONES of Washington. I do not suppose we will be able to pass it. I would like to get as far as possible with it, however. Of course, if there is any item to which a Senator seriously objects and which he would like to have go over, I will gladly let it go over.

Mr. KING. The Senator knows that because of our activities we have had no opportunity to read the bill. I have no objection to its consideration and to its being proceeded with so long as we do not have any vote on its passage this evening.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. KING. May I ask the Senator from Washington if there was any objection by any member of the committee?

Mr. JONES of Washington. Not that I know of.

Mr. KING. So it is a unanimous report?

Mr. JONES of Washington. There may be some difference of opinion as to some amendments, and if there is those amendments will be permitted to go over, if desired. But I appreciate the situation Senators are in and I am not crowding them unnecessarily.

Mr. KING. This is the appropriation bill for the Department of Commerce?

Mr. JONES of Washington. For the Departments of State, Commerce, Justice, and Labor. There are four departments cared for in the one bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington for the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. JONES of Washington. I ask unanimous consent that the formal reading of the bill be dispensed with and the bill read for amendment, the committee amendments to be considered and disposed of first.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Secretary will proceed to read the bill.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "Title I.—Department of State. Contingent expenses, foreign missions," on page 7, line 16, after the word "exceeding," to strike out "$1,800" and to insert "$2,500," so as to read:

To enable the President to provide at the public expense all such stationery, blanks, records, and other books, seals, presses, flags, and signs as he shall think necessary for the several embassies and legations in the transaction of their business, and also for rent, repairs, postage, telegrams, furniture, typewriters, including exchange of same, messenger service, operation and maintenance of launch for embassy at Constantinople not exceeding $2,500, compensation of kavasses, guards, dragomans, and porters, including compensation of interpreters, translators, and the compensation of and rent for dispatch agents at London, New York, San Francisco, Seattle, and New Orleans, and for traveling and miscellaneous expenses of embassies and legations, and for loss on bills of exchange to and from embassies and legations, including such loss on bills of exchange to officers of the United States Court for China, and payment in advance of subscriptions for newspapers (foreign and domestic) under this appropriation is hereby authorized, $720,000.

The amendment was agreed to.

The reading of the bill was continued to page 8, line 20, "Consular Service, salaries of the Consular Service."

Mr. SHEPPARD. Mr. President, I desire to ask the Senator in charge of the bill a question. What has become of the so-called Rogers bill reorganizing the Consular Service?

Mr. JONES of Washington. I think it was considered in the House yesterday. I do not know whether it passed the House yesterday or not; but it was up for consideration, I think, under the call of the committee.

Mr. SHEPPARD. What effect would that bill have, if enacted, on the appropriations made in the pending measure?

Mr. JONES of Washington. I do not know what effect it would have, but whatever would be necessary, of course, could be taken care of in a subsequent appropriation bill.

Mr. KING. Mr. President, I wish to say to the chairman of the committee that I am advised that this bill, notwithstanding the professions of economy and the promises that through the operation of the Budget Bureau there would be reform and retrenchment, carries more than $4,000,000 above the appropriations for like purposes for the same departments for the present fiscal year; that is, the fiscal year which will end June 30 of this year. I express my keen disappointment at the action of the committee. The Senator, who stands for economy, must appreciate the fact that the tax bill, according to the estimates of the revenue to be derived under its provisions, will leave a deficit of, perhaps, several hundred million dollars. What is the reason that there has been no retrenchment, no reform?

Mr. JONES of Washington. Mr. President, of course there is a natural growth of the Government that must be taken care of and also of the various governmental activities. The Senate has added $293,287 to the bill as it passed the other House, and we added nothing except what we felt was fully justified and absolutely necessary.

Mr. OVERMAN. Most of the additions made by the Senate are for the Department of Commerce, which is the most extravagant department of the Government.

Mr. JONES of Washington. The clerk of the committee calls my attention to the fact that there is an item on page 58 of the bill, which was put in by the House, of $3,500,000 for a census of agriculture, to carry out a law that Congress has passed. That practically accounts for the increase in the appropriations in the bill for the coming fiscal year over those for the current fiscal year. Let me say also that the House added over a million dollars for the enforcement of the immigration law.

Those two items alone account for the increase in appropriations for the year 1925 over that of 1924. Those increases were considered absolutely essential on the floor of the House. The sum of $1,200,000 was put on the bill on the floor of the House upon the showing made, and the other amount was added, as I have said, to carry out a law passed by Congress.

Mr. SMITH. What is the amount of the appropriation made for the purpose of taking the agricultural census?

Mr. JONES of Washington. The bill provides an appropriation of $3,500,000, "to continue available until June 30, 1926." It really covers two years.

Mr. KING. May I inquire what are the data not now obtainable from the Census Department and from the commercial organizations of the Agricultural Department that are not now available under the existing machinery for the use of the Agricultural Department?

Mr. JONES of Washington. I can not advise the Senator as to that. That is a provision which was put on in the other House, and the committee of the Senate did not disturb it. It is—

for salaries and necessary expenses for preparing for, taking, compiling, and publishing the census of agriculture of the United States for 1925—

And so forth.

Mr. KING. Is that the census which was taken in 1920 by the Census Bureau?

Mr. JONES of Washington. It is a census of agriculture to be taken in 1925. It is not a general census at all. I suppose it is to secure data as to various agricultural products, the quantity on hand at various times, and so on. I will state frankly to the Senator that I have not examined the law providing for the census, and so I can not give him the information now.

Mr. KING. I ask that the amendment go over.

Mr. JONES of Washington. There is no amendment which has been proposed by the Senate committee with reference to that. It is an item in the bill as it came from the other House; and if the Senator desires that it be stricken out, he can propose an amendment to that effect afterwards.

Mr. McKELLAR. Mr. President, may I ask the Senator from Washington if this appropriation was estimated for by the Budget Bureau?

Mr. JONES of Washington. It was estimated for by the Budget Bureau.

Mr. FLETCHER. I notice from the report of the committee that the appropriations carried by the bill as reported to the Senate exceed the appropriations for 1925 by $4,593,423.30; and then the report states that it exceeds the estimates for 1925 by $1,278,944.

Mr. JONES of Washington. Yes; there was an item of $1,200,000 above the estimates placed on in the House of Representatives to enforce the immigration law.

Mr. FLETCHER. The committee has not increased the amount above estimates of the Budget?

Mr. JONES of Washington. There is one item which we have put on that is above the estimates, which, of course, I will explain when it is reached in the consideration of the bill.

Mr. LODGE. May I ask the Senator from Washington a question?

Mr. JONES of Washington. Certainly.

Mr. LODGE. The Senate is now considering the bill making appropriations for the Diplomatic and Consular Service?

Mr. JONES of Washington. The portion of the bill providing for the Diplomatic and Consular Service comes first and will be first read and considered.

Mr. LODGE. Exactly. The total increase made by the Senate committee in that appropriation is $28,500, which is all for the payment of widows of consuls who died in the service. Such payments are always made.

Mr. JONES of Washington. There is only a very slight increase in the appropriations for the Diplomatic and Consular Service.

Mr. OVERMAN. Most of the increase is for the Department of Commerce. As I have stated, Mr. Hoover's department is one of the most extravagant in Washington, and most of the increases on this bill are in his department.

Mr. JONES of Washington. Most of the increases put on by the Senate committee are with reference to the Department of Commerce.

I call attention to a paragraph in the hearings with reference to the appropriation for the census of agriculture. Mr. Drake, apparently representing the department, was asked to explain the matter, and he said:

> The schedule will cover the number and acreage of farms, the acreage of improved and unimproved land, the acreage planted in different crops, the number of farm animals, and other data that will enable a comparison with the last census, which related to 1919. Conditions at that time were far from normal, and every person or organization interested in agriculture feels the need of having another census as quickly as possible.

That briefly states the reasons upon which, I suppose, the House inserted the provision.

Mr. KING. May I ask the Senator how much more is allowed the Department of Commerce in the pending bill than in the bill for last year?

Mr. JONES of Washington. For the Department of Commerce there was an appropriation made for the current year of $21,844,957. The amount carried by this bill for the Department of Commerce——

Mr. FLETCHER. The total increase for the Department of Commerce proposed by the Senate committee is $172,450.

Mr. JONES of Washington. Yes; that is over the amount carried by the House bill.

Mr. FLETCHER. Yes.

Mr. JONES of Washington. I have the figures the Senator from Utah desired. The appropriation for the current year for the Department of Commerce was $21,844,957. In this bill the appropriation carried for that department is $24,027,105, being an increase of about $3,000,000. That includes, of course, the items carried in the House bill.

Mr. KING. Then nearly one-third of the entire appropriation carried by the bill is for the Department of Commerce.

Mr. JONES of Washington. The increase over the appropriations carried in the bill of last year is about $3,000,000, which is an increase of about one-seventh as compared with that bill. The appropriation for the current year, as I have said, is about $21,000,000. We have increased that for the next year by a little over $3,000,000.

Mr. KING. Yes; but the percentage I gave a moment ago related to the entire bill; so that nearly one-third of the appropriation carried by the bill is for the Department of Commerce.

Mr. JONES of Washington. Yes; that is correct.

Mr. KING. I wish to state to the Senator that I desire to offer some amendments, not only to the text of the bill as it came from the House but to some of the amendments reported by the committee relating to the Department of Commerce. I feel constrained to say that the Department of Commerce is not as important to the business and commerce of our country as some connected with it affect to believe.

If he would increase the functions and duties of the Diplomatic and Consular Service and diminish some of the activities of the Commerce Department, it would be advantageous to business and would result in economy to the Government. I had hoped that some plan could be worked out by which the various attachés and representatives of the Department of Commerce who are abroad, or at least some of them, might be cut off from their jobs abroad. When in Europe recently I found some representatives of the Commerce Department; but the information obtained by the representatives of the Treasury Department, the Tariff Commission, the Department of Agriculture, and the Department of Commerce was found with our consular and diplomatic representatives.

Mr. OVERMAN. The Senator found a great deal of duplication of work, did he not?

Mr. KING. Of course, there was duplication. My recollection is that in the city of Berlin during the week I was there there were representatives of three or four or five agencies or departments of the Government engaged in making examinations which in practically all instances were parallel where they were not duplications.

There is a proposition before us to increase the appropriation in this bill and in another bill so as to provide additional representatives——

Mr. OVERMAN. Agricultural attachés.

Mr. KING. And, as the Senator from North Carolina suggests, agricultural attachés. The Senator from Washington knows that some of the countries that are wiser than ours in matters of trade and commerce utilize to a greater extent their diplomatic and consular service. If we would do that it would be far better for the business men and business interests of the United States and far better for the agricultural interests of the United States. I think that if the Department of Commerce were restricted there would be nothing lost and there would be considerable gain to the Government in the matter of economy.

Mr. McKELLAR. Mr. President, I can indorse what the Senator from Utah has said about our various services in Berlin. I found seven services there; and to-morrow, when this bill comes up again, I want to have something to say about just what I did find.

Unquestionably, in my judgment, all of those foreign services ought to be combined and put under the general control of the ambassador or minister, as the case may be. There is no coordination at all in our various foreign services. There is a great duplication of work. I found the representatives of the Department of Agriculture, the representatives of the Department of Commerce, and the representatives of the Department of State all doing the same thing.

Of course, the Government is paying for that duplication of work. In addition to that, I found that all of the departments had to get their information through what they call the foreign office. They had to get it through the ambassador's office, and, of course, they did not report to him at all. They reported to their chief over here; and the result was that in the city of Berlin I found seven services in all, as I remember. I have a memorandum in my office, and I will bring it with me to-morrow, so that my recollection can be refreshed and the exact facts as I found them given to the Senate.

I think by all means that when the combination consular and diplomatic bill comes over here we should amend it so as to put all of our foreign services under the general supervision of our foreign ambassador or minister, as the case may be, so that duplication of work shall be avoided, economy secured, and the best service for our country obtained.

Mr. SMOOT. Mr. President, in that connection I want to call the attention of the Senate to a bill that is now on the calendar providing for a duplication of work for the Agriculture Department in foreign lands. If we pass that bill and it becomes a law, we will have consuls from the Treasury Department—I do not know how many. I have been trying to ascertain what it is going to cost; but in the reorganization of our departments we have tried to consolidate these agencies just as much as possible. I want to say that when that bill comes up I hope we are going to discuss it, because nobody can tell where this step is going to lead or how much it is going to cost.

Mr. McKELLAR. Mr. President, I am glad the Senator called my attention to that. Whatever is done ought to be done in the way of consolidating in one place all of our services in a foreign country and putting the work under the direction and control of the ambassador or minister, as the case may be, and requiring all the attachés to report to him, because all of the information they collect must be obtained through his office. I think the Senator from Massachusetts [Mr. LODGE], who is the head of the Foreign Relations Committee, will agree that some systematic arrangement ought to be made.

Mr. SMOOT. There is one thing I want to say to the Senator in this connection, and I have not any doubt but that he noticed it if he visited our representatives in a foreign country, and it is this: I felt like congratulating Secretary Hoover upon the class of men he had in Europe. I have been there a good many times, and I have visited our foreign representatives, but it seemed to me I had never had the pleasure of seeing such a class of men representing the Department of Commerce in Europe as is the case to-day.

Mr. McKELLAR. I am confident that the Senator will make one exception to that statement, and that is the representatives of the Department of Commerce in the city of Berlin. I have too great a regard for my country even to repeat—more than privately, at any rate—what I witnessed there.

Mr. SMOOT. Mr. President, of course, I spoke generally. I have not any doubt but that there are a few of them that I should like to see changed.

Mr. OVERMAN. Mr. President, if the Senator will yield to me, the Senator no doubt remembers that this matter of sending abroad commercial attachés was my idea and the idea of the Senator from Wyoming [Mr. WARREN]. About 10 years ago we got an appropriation, with the aid of President Roosevelt, of $60,000.

Mr. McKELLAR. It was more than 10 years ago.

Mr. OVERMAN. It may have been 12 or 15 years ago; but, whenever it was, President Roosevelt enabled us to get it through, and they then sent two traveling men abroad to get statistics for our manufacturers. It was a splendid thing, and everybody wanted to increase it; the manufacturers, the business men, wanted to increase it and send more agents; and it has grown from the $60,000 then appropriated to about a million dollars now. They are sending attachés everywhere in the whole world, to every place you can think of, almost; and I think it is very extravagant to be sending so many men abroad when the State Department has attachés who can cooperate with these men. Instead of having them located as attachés in these cities and not coordinating, if we could have half a dozen or a dozen men coordinate and act without duplication of work with the attachés of the Department of State we would accomplish all that is desired, and get all the information that is needed by the business men of this country. At each of our meetings the business men come here in large droves and insist on this and insist on that, and insist on these appropriations, and we have gone on and gone on until now we are appropriating a million dollars.

Mr. LODGE. Mr. President, I only want to say a single word on this subject.

I think the attachés who have been sent over by the Department of Commerce have done good work, but I think it is very prejudicial to any service to have it broken up into different compartments. This is the foreign service of the Government. It all belongs under the State Department. The Army sends military attachés, the Navy sends naval attachés—and it is very proper that they should—to the great powers; but those military and naval attachés are under the ambassador or the minister at the post to which they are accredited. It is all one service.

I think having different services—some from the Agricultural Department, some from the Department of Commerce—is a bad form of administration. The work that the attachés of the Department of Commerce and the Department of Agriculture are doing ought to be consolidated at every post under the responsible head of the post. The information will come to us just the same. It does not matter, after it gets here, whether it is delivered to the Department of Commerce or whether it is delivered to another department, though it is more convenient to have it all under one; but this matter of building up little services in different branches, just as we had at one time half a dozen little navies, is a bad form of administration. They are not quite so numerous now; but at one time we had that condition, and I dare say a duplication of surveys exists. We ought to put an end to that duplication, concentrate the work under one head, have the reports come here, and they can be distributed here perfectly well.

Mr. McKELLAR. Mr. President, if the Senator will permit me, I indorse all that he has said about that matter. After a very careful examination in the city of Berlin, to use an illustration, I found that the State Department of course had its embassy and its employees; the Army and the Navy were also represented there, and they were connected with the State Department. Then the Treasury Department had its representatives there, and they were in a different building. The Department of Agriculture was represented there, and its representatives were in a different building, and all going it alone. The Tariff Commission had representatives over there, and they were in a different place, a different building, and going it alone. The Department of Commerce was represented there by 6 or 8 or 10 representatives, and they were going it alone and in a different building. I think there were seven or eight different services there, nearly all of them in different places, difficult to locate, and they are not doing the splendid work that they might do if they were all consolidated under the American ambassador at that place.

I agree with the Senator that these commercial attachés for the most part do good work. I believe that they build up American trade, or could be made to do so if they were properly managed; but I believe that the only way to do the work is under our foreign representative.

Mr. LODGE. But on the ground where they are to serve, in the country to which they are accredited, they ought all to be under one responsibile head.

Mr. McKELLAR. And required to report to him.

Mr. LODGE. There have been cases, I know—I do not care to go into them—where representatives of one of the other outstanding things, I will not say what, have gotten in their heads the idea that they were representing the diplomatic side, and they have made representations to foreign countries which they ought not to have made. That is, they ought to be under the head of the mission, and first report to him, and get his authority. Otherwise, we may have all sorts of troubles. It is not good organization.

Mr. OVERMAN. Mr. President, it never was intended that these attachés should be located at any one point in connection with the Consular Service. The idea was that they should travel around to the different cities. I remember that they were paid $10 a day and all their expenses to travel from one place to another, soliciting business for America, giving American manufacturers information about business opportunities in connection with the Department of State; but now it seems that they go and locate them in the same building with the Department of State, and the thing that was intended is not accomplished at all.

Mr. LODGE. They do. The trouble is that they do not travel. A great many of them are permanently fixed in the cities, and get very large salaries. Of course the Consular Service is entirely detached from them. The consul, of course, is under the minister or ambassador, but the Consular Service is a totally different service. A very important bill that has passed the House is coming over here, and then the Senator can offer his amendment.

Mr. McKELLAR. I was just going to ask whether the Senator's committee has considered the so-called Rogers bill that came over from the House?

Mr. LODGE. No; it has only just passed. I think it passed yesterday.

Mr. McKELLAR. I think it applies only to the Consular and Diplomatic Services, but it ought to be amended; and I hope the Senator will carry out his views when that bill is under consideration.

Mr. LODGE. It is coming to our committee and I shall bring it up just as soon as I can.

Mr. JONES of Washington. Mr. President, most of these suggestions have referred to the Department of Commerce, and I want to notice just a word or two that has been said.

The Senator from North Carolina stated that these commercial attachés should not be fixed locally or kept at a definite place; that they used to travel about from place to place. That is still their policy.

Mr. OVERMAN. The Senator from Tennessee said he found them located at one place under the State Department.

Mr. JONES of Washington. That does not mean that the head man stayed there all the time. Here is what Mr. Klein said about that:

> The outstanding contrast, perhaps, between the Consular Service and our service—and I say this, of course, with no disrespect whatever for the Consular Service, because it renders invaluable help to our men—is that the commercial attaché must be mobile. For instance, not long ago when the Ruhr situation was at its height our commercial attachés from Berlin and Paris made a joint survey of that situation.

They went out on the ground and looked it over. I take it that is not the duty of consular officers.

Mr. LODGE. That is political business.

Mr. JONES of Washington. Yes; a sort of work they can not do.

Mr. LODGE. Their work is not political, it is economic and statistical, and using them for political work like that in the Ruhr, which required the training of a consul or of a diplomat, is just the thing that is most objectionable. When they are in a capital where there is an ambassador they ought to report to him.

Mr. McKELLAR. There ought to be a responsible head to whom they could report. If I left the impression that these men did not travel around—these men in the Department of Commerce, for instance—in Germany or in Poland, I did not express myself accurately. I recall that one of the employees at Berlin was absent at the time in the country making some investigations, as I was informed. I want to be absolutely fair about it. I think they can be made to do great work, but in order to do it they should have some one on the ground to whom they must report.

Mr. JONES of Washington. I agree with that. Of course, this appropriation bill is not a bill with which we can meet that situation. I will just read a few words more from Mr. Klein:

Whenever an emergency problem of any sort arises they are thrown in first and can work expeditiously for they have no quantity of documents to be visèd and papers to be checked up and other, what might be called, office obligations.

Senator JONES. Is that mobility one of the principal differences between the commercial attaché and the consular office?

Doctor KLEIN. That is one; I am not prepared to say that it would be one of the principal ones.

Senator JONES. What are the principal differences?

Doctor KLEIN. Another would be that of the completely economic and commercial point of view of the commercial attaché. He is selected primarily because of his equipment and knowledge to deal with economic problems.

I also want to call attention to a statement from Secretary Hoover with reference to trying to bring these people together. They recognize the necessity of having them cooperate and work together, and he said this in answer to a question with reference to the various activities of the consular officers and the commercial attachés, and the suggestion that there is room for both:

Yes, not only that, but within the last three or four weeks we planed out the last difficulty remaining. We made a special effort with the State Department and fixed it by an Executive order of the President, so that there is no question of conflict. That particular order was directed to the fact that there should be a periodical meeting of all of the economic agencies of the Government, particularly for the coordination of their work under the direction of the commercial attaché; and I think that planed out the last item of competition there was between these services.

These are matters, of course, that we can discuss more fully when we get to the commerce provisions of the bill, and I will not take more time upon it now.

Mr. FLETCHER. It is a very important service.

Mr. OVERMAN. We can discuss that later.

The PRESIDENT pro tempore. The Secretary will continue the reading.

The reading was continued, the next amendment being, under the subhead "Allowance to widows or heirs of diplomatic or consular officers who die abroad," on page 11, after line 24, to insert:

For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

The amendment was agreed to.

The next amendment was, on page 12, after line 3, to insert:

For Pauline M. Robinson, widow of Fred R. Robinson, late consul to Saltillo, Mexico, one year's salary of her deceased husband, who died while returning to the United States from his post of duty, of illness incurred in the Consular Service, $3,500.

The amendment was agreed to.

The next amendment was, on page 12, after line 8, to insert:

For May Adelaide Sharp, widow of Hunter Sharp, late consul at Edinburgh, Scotland, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $5,000.

The amendment was agreed to.

The next amendment was, on page 12, after line 12, to insert:

For Ethel Roberts Loop, widow of Carl R. Loop, late consul at Catania, Italy, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,000.

The amendment was agreed to.

The next amendment was, on page 12, after line 16, to insert:

For William B. Kirjassoff and David M. Kirjassoff, minor children of Max D. Kirjassoff, late consul at Yokohama, Japan, one year's salary of their deceased father, who died in the earthquake and fire, while at his post of duty, $3,500.

The amendment was agreed to.

The next amendment was, on page 12, after line 21, to insert:

For Eliza R. Seidmore, sister of George H. Seidmore, late consul general at Yokohama, Japan, one year's salary of her deceased brother, who died of illness, incurred in the Consular Service, $8,000.

The amendment was agreed to.

Mr. LODGE. At that point I desire to offer another amendment of precisely the same character for the widow of a consul who died in office at Trondhjem, Norway.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. At the bottom of page 12 the Senator from Massachusetts proposes to insert the following:

For Frances R. Jewett, widow of Milo A. Jewett, late consul of the United States at Trondhjem, Norway, $3,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

Mr. McKELLAR. Was he in the service at the time he died?

Mr. JONES of Washington. He was.

The amendment was agreed to.

Mr. LODGE. I offer another amendment, on page 12, at the bottom of the page, to insert the following:

For Teresa B. Handley, widow of William W. Handley, late consul general at Callao-Lima, Peru, $5,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

Mr. OVERMAN. At what place was Handley?

Mr. LODGE. He was at Callao, Peru.

Mr. OVERMAN. He got $7,500 there?

Mr. LODGE. He received the salary of $5,500.

The amendment was agreed to.

The next amendment was, under the heading "International obligations, commissions, bureaus, etc.," on page 14, after line 18, to insert:

REVISION OF CHINESE CUSTOMS TARIFF

The unexpended balance of the appropriation of $47,750 to enable the United States Government to carry out its obligations arising under the treaty relating to the Chinese customs tariff made in the act making appropriations for the Departments of State and Justice and for the judiciary, approved June 1, 1922, shall remain available for the purposes therein described for the fiscal year 1925.

The amendment was agreed to.

The next amendment was, on page 15, after line 2, to insert:

INQUIRY INTO EXTRATERRITORIALITY IN CHINA

The unexpended balance of the appropriation of $21,000 to enable the United States Government to carry out its obligations arising under Resolution No. 4, adopted by the Conference on the Limitation of Armament, December 10, 1921, regarding extraterritoriality in China, made by the act making appropriations for the Departments of State and Justice and for the judiciary, approved June 1, 1922, shall remain available for the purposes therein described for the fiscal year 1925.

The amendment was agreed to.

The next amendment was, on page 18, after line 15, to insert:

INTERNATIONAL COMMISSION ON PUBLIC AND PRIVATE INTERNATIONAL LAW

The appropriation of $15,000 for the payment of compensation to and the necessary expenses of the representative or representatives of the United States on the International Commission of Jurists, made by the act making appropriations for the Departments of State and Justice and for the judiciary, approved June 1, 1922, is hereby made available for the purposes therein described for the fiscal year 1925.

The amendment was agreed to.

The next amendment was, under the subhead "International Office of Public Health," on page 19, line 23, after the word

"payment," to strike out "in gold francs," so as to make the paragraph read:

For the payment of the quota of the United States for the year 1925 toward the support of the International Office of Public Health, created by the international arrangement signed at Rome, December 9, 1907, in pursuance of article 181 of the International Sanitary Convention signed at Paris on December 3, 1903, $3,860.

The amendment was agreed to.

The next amendment was, on page 22, after line 5, to insert:

THIRD PAN AMERICAN SCIENTIFIC CONGRESS

The unexpended balance of the appropriation of $20,000 for the expenses of the delegates of the United States to the Third Pan American Scientific Congress to be held at the city of Lima, Peru, made by the act making appropriations for the Departments of State and Justice and for the judiciary, approved June 1, 1922, is hereby made available for the fiscal year 1925.

The amendment was agreed to.

The reading of the bill was continued to line 9, page 25.

Mr. JONES of Washington. Some Senators have gone, and we have now reached the appropriation covering the Department of Justice. I understand there is to be an executive session, and I ask that we suspend the consideration of the bill at this point.

USE OF THE WATERS OF THE RIO GRANDE

Mr. SHEPPARD. Mr. President, there is a bill on the calendar which should be passed promptly in order that the United States may cooperate with Mexico in studying the question of the equitable use of the waters of the Rio Grande. It is Senate bill 2998, providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico.

The PRESIDENT pro tempore. The Senator from Texas asks unanimous consent for the present consideration of Senate bill 2998.

Mr. JONES of Washington. I think it had better be reported.

The PRESIDENT pro tempore. The Secretary will read the bill.

The reading clerk read the bill, as follows.

Be it enacted, etc., That the President is hereby authorized to designate three special commissioners to cooperate with representatives of the United States of Mexico in a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., with a view to their proper utilization for irrigation and other beneficial uses. One of the commissioners so appointed shall be an engineer experienced in such work. Upon completion of such study the results shall be reported to Congress.

SEC. 2. The sum of $20,000 is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated for carrying out the provisions hereof.

Mr. LODGE. Mr. President, I merely desire to say that that bill has been reported from the Committee on Foreign Relations unanimously, and I think it is a very important public work, which should be disposed of.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CUSTOMS SERVICE, PORTO RICO

Mr. WILLIS. Mr. President, I ask unanimous consent that there be taken up Senate bill 2572, to purchase grounds, erect, and repair buildings for customhouses, offices, and warehouses in Porto Rico. It has been unanimously reported.

The bill had been reported from the Committee on Territories and Insular Possessions with amendments, on page 2, line 2, after the word "to," to insert the words "transfer and"; on line 5, after the word "paid," to strike out the words "as needed": on line 6, after the word "collection" and the comma, to insert the words "in such amounts and at such periods and," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to purchase or otherwise secure grounds where necessary in the municipalities of Aguadilla, Arecibo, Arroyo, Guanica, and Fajardo, in Porto Rico, and to build or rebuild thereon customhouses, offices, and warehouses, the grounds and buildings not to exceed in cost as follows: Arecibo, $30,000; Aguadilla, $25,000; Arroyo, $30,000; Fajardo, $40,000; Guanica, $30,000; for repairs to the customhouse at Ponce, $18,000; for repairs to the customhouse at Humacao, $4,000; and for repairs to the custom warehouse at Mayaguez, $8,000. Authority is also granted the Secretary of the Treasury to transfer and use the excess in any amount so specified not expended to any other item or items where the amount specified should be insufficient; all said amounts to be paid out of duties collected in Porto Rico as an expense of collection, in such amounts and at such periods and under such rules and regulations as may be prescribed by the Secretary of the Treasury.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. McKELLAR. Reserving the right to object, I would like to have some explanation of it.

Mr. WILLIS. The Senator will understand that Porto Rico has its own revenues. This will come entirely out of the Porto Rican revenues and not out of our Federal Treasury.

Mr. McKELLAR. It is not a charge against our Treasury?

Mr. WILLIS. Not in any respect at all. It is the money of the Porto Ricans. The Governor of Porto Rico and a large delegation were here, appeared before the committee, and made a very convincing statement. The total expenditure is something like $200,000, and if we may have this considered I shall offer an amendment, at the request of the Governor, to provide that not more than $65,000 of it shall be spent in any one year. It is very greatly needed down there in the handling of the public business. All of the delegation agreed upon it, and the whole committee were a unit in the matter.

Mr. FLETCHER. Is it necessary to be authorized by the Congress?

Mr. WILLIS. Yes; I so understand.

Mr. McKELLAR. They can not use their own funds without authorization by our Congress?

Mr. LODGE. These are buildings of the Government. It is for customhouses for the transaction of our business.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. McKELLAR. I shall not object.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, and the amendments were agreed to.

Mr. WILLIS. I offer the following amendment—at the end of line 8, page 2, to insert the following:

Provided, That not more than $65,000 of the total expenditure herein authorized shall be made in any one year.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIM FOR DEATH OF JUAN SORIANO (S. DOC. NO. 102)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report respecting a claim against the United States for the death on October 2, 1923, at Guerra, Dominican Republic, of Juan Soriano, a Dominican subject, who was killed by the landing of an airplane belonging to the United States Marine Corps, with the request that the recommendation of the Acting Secretary of the Navy as indicated therein be adopted, and that the Congress authorize the appropriation of the sum necessary to pay the indemnity as suggested by the Acting Secretary of the Navy.

I recommend that, in order to effect a settlement of this claim in accordance with the recommendation of the Secretary of State, the Congress, as an act of grace, and without reference to the legal liability of the United States in the premises, authorize an appropriation in the sum of $2,000.

CALVIN COOLIDGE.

Inclosure: Report of Secretary of State, with inclosure.

THE WHITE HOUSE, *May 1, 1924.*

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 6 o'clock and 5 minutes p. m.) took a recess until to-morrow, Friday, May 2, 1924, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 1 (legislative day of April 24), 1924

COAST GUARD

The following permanent commissioned officers to be temporarily promoted to the rank as indicated below, in the Coast Guard of the United States, to rank as such from April 21, 1924:

To be captains

Commander George C. Carmine.
Commander Detlef F. A. de Otte.

To be commanders

Lieut. Commander William J. Wheeler.
Lieut. Commander Eugene Blake, jr.
Lieut. Commander Philip H. Scott.
Lieut. Commander James F. Hottel.
Lieut. Commander Harold D. Hinckley.
Lieut. Commander Benjamin L. Brockway.
Lieut. Commander John Boedeker.
Lieut. Commander William H. Munter.
Lieut. Commander Philip W. Lauriat.
Lieut. Commander Leon C. Covell.

To be lieutenant commanders

Lieut. William K. Scammell.
Lieut. Russell L. Lucas.
Lieut. Stephen S. Yeandle.
Lieut. Frederick A. Zeusler.
Lieut. Thomas S. Klinger.
Lieut. Henry G. Hemingway.
Lieut. Jeremiah A. Starr.
Lieut. Joseph E. Stika.
Lieut. Floyd J. Sexton.
Lieut. Clement J. Todd.
Lieut. Gustavus U. Stewart.
Lieut. Joseph F. Farley.
Lieut. Carl H. Abel.
Lieut. Frank J. Gorman.
Lieut. Gordon W. MacLane.
Lieut. Robert Donohue.
Lieut. Earl G. Rose.
Lieut. Loyd V. Kielhorn.
Lieut. Edward H. Smith.
Lieut. Elmer F. Stone.
Lieut. Carl C. von Paulsen.
Lieut. Fletcher W. Brown.
Lieut. John E. Whitbeck.
Lieut. Henry Coyle.
Lieut. Frederick J. Birkett.

To be commanders (engineering)

Lieut. Commander Albert C. Norman.
Lieut. Commander Theodore G. Lewton.
Lieut. Commander Christopher G. Porcher.
Lieut. Commander John B. Turner.
Lieut. Commander Charles A. Wheeler.

To be lieutenant commanders (engineering)

Lieut. Charles J. Odend'hal.
Lieut. Henry C. Roach.
Lieut. Clinton P. Kendall.
Lieut. Herbert N. Perham.
Lieut. Benjamin C. Thorn.
Lieut. Milton R. Daniels.
Lieut. Ellis Reed-Hill.
Lieut. Mayson W. Torbet.
Lieut. Gustavus R. O'Connor.
Lieut. Walter M. Troll.
Lieut. Charles T. Henley, jr.

The above temporary promotions are recommended in accordance with the provisions of the act approved April 21, 1924.

APPOINTMENTS IN THE REGULAR ARMY

ADJUTANT GENERAL'S DEPARTMENT

To be Assistant The Adjutant General for a period of four years from date of acceptance, with the rank of brigadier general from May 16, 1924

Col. Lutz Wahl, Adjutant General's Department, vice Brig. Gen. Benjamin Alvord, Assistant The Adjutant General, to be retired from active service May 15, 1924.

CORPS OF ENGINEERS

To be Chief of Engineers for a period of four years from date of acceptance, with the rank of major general from June 19, 1924

Brig. Gen. Harry Taylor, assistant to the Chief of Engineers, vice Maj. Gen. Lansing H. Beach, Chief of Engineers, to be retired from active service June 18, 1924.

To be assistant to the Chief of Engineers for a period of four years from date of acceptance, with the rank of brigadier general

Col. Edgar Jadwin, Corps of Engineers, vice Brig. Gen. Harry Taylor, assistant to the Chief of Engineers, nominated for appointment as Chief of Engineers.

POSTMASTERS

ALABAMA

Samuel J. Tucker to be postmaster at Springville, Ala., in place of S. C. Puckett, resigned.

Hugh H. Dale to be postmaster at Camden, Ala., in place of J. S. Foster, resigned.

ARIZONA

James A. Jones to be postmaster at Phœnix, Ariz., in place of S. J. Michelson. Incumbent's commission expired February 11, 1924.

ARKANSAS

Robert E. Jeter to be postmaster at Wabbaseka, Ark., in place of R. E. Jeter. Office became third class April 1, 1924.

Maud Jackson to be postmaster at Sherrill, Ark., in place of Maud Jackson. Office became third class April 1, 1924.

John N. Phillips to be postmaster at Jasper, Ark., in place of J. M. Phillips. Office became third class April 1, 1924.

Maida W. Russell to be postmaster at Star City, Ark., in place of M. W. Russell. Office became third class April 1, 1924.

Nellie V. Gilbert to be postmaster at Millville, Ark., in place of N. V. Gilbert. Office became third class April 1, 1924.

CALIFORNIA

Ellen M. Gholson to be postmaster at Tennant, Calif., in place of E. M. Gholson. Office became third class April 1, 1924.

Myrtle H. Turner to be postmaster at Reseda, Calif., in place of M. H. Turner. Office became third class April 1, 1924.

Frances W. Brown to be postmaster at Montrose, Calif., in place of F. W. Brown. Office became third class April 1, 1924.

Ralph R. Merritt to be postmaster at Tehachapi, Calif., in place of W. C. Brite. Incumbent's commission expired April 14, 1924.

COLORADO

Thomas A. Davis to be postmaster at Portland, Colo., in place of T. A. Davis. Office became third class April 1, 1924.

John A. Williams to be postmaster at Marble, Colo., in place of J. A. Williams. Office became third class April 1, 1924.

CONNECTICUT

Frederick W. Foster to be postmaster at Short Beach, Conn., in place of F. W. Foster. Office became third class April 1, 1924.

FLORIDA

Edward O. Sawyers to be postmaster at Zolfo Springs, Fla., in place of E. O. Sawyers. Incumbent's commission expired February 20, 1924.

ILLINOIS

Willis G. Hodge to be postmaster at Ina, Ill., in place of W. G. Hodge. Office became third class April 1, 1924.

Harry V. Popejoy to be postmaster at Cropsey, Ill., in place of H. L. Eyre. Office became third class April 1, 1924.

John H. Lawder to be postmaster at Campbell Hill, Ill., in place of J. H. Lawder. Office became third class April 1, 1924.

Oscar N. De Forde to be postmaster at Alma, Ill., in place of G. H. Winks, resigned.

Louis A. Willman to be postmaster at Metamora, Ill., in place of N. E. Moulton. Incumbent's commission expired March 9, 1924.

Irene L. Ford to be postmaster at Mahomet, Ill., in place of Audie Lindsey. Incumbent's commission expired August 29, 1923.

Lyle E. Wilcox to be postmaster at McLean, Ill., in place of N. C. Ebinger. Incumbent's commission expired March 9, 1924.

Charles J. Rohde to be postmaster at Lena, Ill., in place of J. C. Lampert. Incumbent's commission expired August 29, 1923.

INDIANA

Alexis G. Coffman to be postmaster at Roachdale, Ind., in place of G. A. Wilson, resigned.

John N. Hunter to be postmaster at South Bend, Ind., in place of J. N. Hunter. Incumbent's commission expires May 6, 1924.

IOWA

William C. Harbach to be postmaster at Des Moines, Iowa, in place of G. A. Huffman. Incumbent's commission expired April 28, 1924.

Harry W. Burgess to be postmaster at Rose Hill, Iowa, in place of H. W. Burgess. Office became third class April 1, 1924.

George McKinnis to be postmaster at Ollie, Iowa, in place of George McKinnis. Office became third class April 1, 1924.

John E. Mieras to be postmaster at Maurice, Iowa, in place of J. E. Mieras. Office became third class April 1, 1924.

Cora M. Lamer to be postmaster at Goodell, Iowa, in place of F. W. McNutt. Office became third class July 1, 1923.

Charles B. Santee to be postmaster at Cedar Falls, Iowa, in place of G. W. Hughes. Incumbent's commission expired March 22, 1924.

KANSAS

Alice M. McLavy to be postmaster at Morganville, Kans., in place of Alice M. McLavy. Office became third class January 1, 1924.

Elizabeth R. Bell to be postmaster at Towanda, Kans., in place of E. R. Bell. Incumbent's commission expires May 6, 1924.

Charles E. Schul to be postmaster at Grenola, Kans., in place of C. E. Schul. Incumbent's commission expires May 6, 1924.

KENTUCKY

John F. Graves to be postmaster at Arlington, Ky., in place of L. B. Owen. Incumbent's commission expired February 14, 1924.

Ella M. Geddes to be postmaster at Pippapass, Ky., in place of E. M. Geddes. Office became third class April 1, 1924.

Gertrude Berry to be postmaster at La Center, Ky., in place of J. S. Peal, jr., resigned.

Anna E. Fuqua to be postmaster at Rockvale, Ky., in place of A. E. Fuqua. Office became third class October 1, 1923.

LOUISIANA

Daniel Crowe to be postmaster at Vivian, La., in place of Daniel Crowe. Incumbent's commission expired February 11, 1924.

Emma Roussel to be postmaster at Patterson, La., in place of S. J. Folse. Incumbent's commission expired February 11, 1924.

Annie B. Netterville to be postmaster at Newellton, La., in place of J. D. Fultz, removed.

MAINE

Roy A. Evans to be postmaster at Kennebunk, Me., in place of J. H. Cooper, resigned.

Lyman E. Stinson to be postmaster at Stonington, Me., in place of L. G. Tewksbury, resigned.

MICHIGAN

Laurence C. Snyder to be postmaster at Blanchard, Mich., in place of L. C. Snyder. Incumbent's commission expired April 13, 1924.

MINNESOTA

Fred J. Page to be postmaster at Cusson, Minn., in place of F. J. Page. Office became third class April 1, 1924.

Alfred M. Oss to be postmaster at Hitterdal, Minn., in place of A. M. Oss. Office became third class April 1, 1924.

MISSOURI

Ezra L. Plummer to be postmaster at Seneca, Mo., in place of T. G. Buxton, deceased.

Robert J. Smith to be postmaster at Miller, Mo., in place of Fay Webbs. Incumbent's commission expired January 23, 1924.

Milton C. Terry to be postmaster at Carterville, Mo., in place of J. C. Sanders. Incumbent's commission expired January 23, 1924.

MONTANA

Margaret McGlumphy to be postmaster at Sumatra, Mont., in place of Margaret McGlumphy. Office became third class April 1, 1924.

NEBRASKA

Perry Barnett to be postmaster at South Sioux City, Nebr., in place of Gustav Blassl, resigned.

Frank Hopkirk to be postmaster at Ruskin, Nebr., in place of Frank Hopkirk. Office became third class April 1, 1924.

Albert E. Pratt to be postmaster at Tobias, Nebr., in place of A. E. Pratt. Incumbent's commission expired April 9, 1924.

NEVADA

Louis H. Ulrich to be postmaster at Hawthorne, Nev., in place of L. H. Ulrich. Office became third class April 1, 1924.

William E. Dalton to be postmaster at Gerlach, Nev., in place of W. E. Dalton. Office became third class April 1, 1924.

John W. Christian to be postmaster at Pioche, Nev., in place of J. W. Christian. Incumbent's commission expires May 6, 1924.

NEW JERSEY

Rachel E. Berger to be postmaster at Ringoes, N. J., in place of R. E. Berger. Office became third class April 1, 1924.

William A. Reeves to be postmaster at New Lisbon, N. J., in place of W. A. Reeves. Office became third class April 1, 1924.

George A. Yewell to be postmaster at Yardville, N. J., in place of G. W. Scarborough, resigned.

Francis M. Denver to be postmaster at Blackwood, N. J., in place of A. W. Weikel, resigned.

NEW MEXICO

George H. Disinger to be postmaster at Hillsboro, N. Mex., in place of F. V. Conniff, resigned.

NEW YORK

Charles J. Ryemiller to be postmaster at West Sand Lake, N. Y., in place of C. J. Ryemiller. Office became third class October 1, 1923.

NORTH CAROLINA

Julia B. Greer to be postmaster at Moravian Falls, N. C., in place of J. B. Greer. Office became third class April 1, 1924.

Ocie O. Freeman to be postmaster at Gates, N. C., in place of F. C. Willey. Office became third class October 1, 1923.

Lucile L. White to be postmaster at Salemburg, N. C., in place of L. L. White. Office became third class April 1, 1924.

Ivey M. Parker (Mr.) to be postmaster at Hobgood, N. C., in place of I. M. Parker. Office became third class April 1, 1924.

Bertha E. Craver to be postmaster at Boonville, N. C., in place of B. E. Craver. Office became third class April 1, 1924.

OHIO

William J. Lawrence to be postmaster at Syracuse, Ohio, in place of I. B. Carleton. Office became third class January 1, 1924.

Irvin F. Sherman to be postmaster at Deshler, Ohio, in place of T. A. Sherman, removed.

OKLAHOMA

J. Warren White to be postmaster at Hollis, Okla., in place of G. P. Morton, resigned.

OREGON

Henry W. Bahringer to be postmaster at Dundee, Oreg., in place of H. W. Bahringer. Office became third class April 1, 1924.

William P. Skiens to be postmaster at Burns, Oreg., in place of L. J. Locher, resigned.

PENNSYLVANIA

Joseph S. Gillingham to be postmaster at Lincoln University, Pa., in place of R. F. Turner. Incumbent's commission expired March 22, 1924.

RHODE ISLAND

Marion A. Smith to be postmaster at Conimicut, R. I., in place of M. A. Smith. Office became third class April 1, 1924.

SOUTH DAKOTA

Helen E. Becker to be postmaster at Turton, S. Dak., in place of H. E. Becker. Office became third class April 1, 1924.

Pius Boehm to be postmaster at Stephan, S. Dak., in place of Pius Boehm. Office became third class April 1, 1924.

TEXAS

Charles W. Ford to be postmaster at Gatesville, Tex., in place of W. A. Smith. Incumbent's commission expired July 28, 1923.

Sudie Gaut to be postmaster at Arp, Tex., in place of Sudie Gaut. Incumbent's commission expired April 9, 1924.

Fred N. Bland to be postmaster at Orangefield, Tex., in place of F. N. Bland. Office became third class April 1, 1924.

Thomas C. Hood to be postmaster at Lyford, Tex., in place of T. C. Hood. Office became third class April 1, 1924.

Lee M. Feagin to be postmaster at Colmesneil, Tex., in place of L. M. Feagin. Office became third class April 1, 1924.

Lenora A. Rudder to be postmaster at Coahoma, Tex., in place of L. A. Rudder. Office became third class April 1, 1924.

George H. Fricke to be postmaster at Cat Spring, Tex., in place of G. H. Fricke. Office became third class April 1, 1924.

Manton W. Williams to be postmaster at Sinton, Tex., in place of M. W. Williams. Incumbent's commission expires May 6, 1924.

Mabel E. Kennedy to be postmaster at Rockport, Tex., in place of M. E. Kennedy. Incumbent's commission expired April 9, 1924.

Edgar Lewis to be postmaster at Mesquite, Tex., in place of Edgar Lewis. Incumbent's commission expired March 3, 1924.

Robert W. Bourland to be postmaster at Marathon, Tex., in place of E. H. Todd. Incumbent's commission expired April 5, 1924.

Charles F. Palm to be postmaster at Carrizo Springs, Tex., in place of F. F. Kellogg. Incumbent's commission expired January 31, 1924.

UTAH

Diantha Hammond to be postmaster at Providence, Utah, in place of Josephine Jensen. Office became third class April 1, 1923.

Andrew Adamson, jr., to be postmaster at North Salt Lake, Utah, in place of Andrew Adamson, jr. Office became third class April 1, 1924.

VIRGINIA

Thaddeus Y. Price to be postmaster at Green Bay, Va., in place of T. Y. Price. Office became third class April 1, 1924.

WASHINGTON

Thomas D. Johnson to be postmaster at Cosmopolis, Wash., in place of P. L. Breakiron. Incumbent's commission expired February 11, 1924.

Rose M. Illy to be postmaster at Uniontown, Wash., in place of R. M. Illy. Incumbent's commission expired March 11, 1924.

WEST VIRGINIA

Harry A. Pettigrew to be postmaster at Pursglove, W. Va., in place of H. A. Pettigrew. Office became third class April 1, 1924.

Aileen J. Calfee to be postmaster at Eckman, W. Va., in place of A. J. Calfee. Incumbent's commission expired March 23, 1924.

WYOMING

William G. Haas to be postmaster at Cheyenne, Wyo., in place of W. G. Haas. Incumbent's commission expires May 4, 1924.

Eugene W. Gillespie to be postmaster at Rock River, Wyo., in place of E. W. Gillespie. Incumbent's commission expires May 4, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 1 (legislative day of April 24), 1924

POSTMASTERS

CALIFORNIA

Zylpha Potter, Hughson.
Frank M. Lawrence, Mount Shasta (late Sisson).
Barbara J. Emerick, Sugar Pine.

LOUISIANA

Claudia L. Currie, Alco.
William G. Stinson, Benton.
Alfred T. Maund, Jennings.

OREGON

Ernest J. Schneider, Myrtle Point.
George B. Bourhill, Moro.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 1 (legislative day of April 24), 1924

Bessie Worley to be postmaster at Eckman, in the State of West Virginia.

HOUSE OF REPRESENTATIVES

THURSDAY, *May 1, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, blessed Lord, we would make declaration of our dependence and gratitude by approaching Thy footstool. Do Thou always enable us to keep the way open to it by having humble and contrite hearts. Let Thy spirit brood over all and eternal love remain. Bless the poor, the afflicted, the distressed in the storm-swept districts of our country. Comfort the bereft in those sections where human life has been snuffed out by accident. The Lord put into all hearts the deepest concern for the unfortunate, that shall lead to greater protection for those who wear the yoke of hard service. May the Christ always speak to us of God, of responsibility, of duty, of earth, and heaven beyond. Amen.

The Journal of the proceedings of yesterday was read and approved.

Mr. GRAHAM of Illinois. Mr. Speaker, I make the point of order there is no quorum present.

Mr. ASWELL. Will the gentleman withhold that a moment?

Mr. GRAHAM of Illinois. Yes.

FARM LEGISLATION

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on farm legislation and to print a very short letter from Mr. B. F. Yoakum on that subject.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. ASWELL. Mr. Speaker, in view of the fact that it is clear that the McNary-Haugen bill, proposing when emergencies occur to apply the Einstein theory of relativity to the prices of 404 agricultural products in their relations to the prices of all other commodities, is socialistic and communistic, unsound in principle, unworkable in practice, and of doubtful constitutionality, this letter of Mr. Yoakum, which reaches the heart of the farmers' troubles for permanent relief, should appeal effectively to every friend of agriculture who is not controlled by political exigency.

The Curtis-Aswell bill does not propose an overnight, patent-medicine, quack remedy, but it offers sound and permanent relief for the farmers.

The letter of Mr. Yoakum follows:

NEW YORK, *April 22, 1924.*

DEAR MR. MCELDERRY: Your letter of April 15 inviting me to address a mass meeting of the farmers at Marion, Ala., on April 26, received. I greatly appreciate the invitation, but other appointments that I have make it impossible for me to be with you.

Government officials are more concerned over placing the shackles of paternalism on the farmers of the Nation, that their political use may be continued, than they are in helping the farmers organize a marketing system that will make their business profitable.

The President, the Congressmen, the Cabinet officers occupy their places through the farmers' vote. Heretofore their vote has been cast unselfishly and they are entitled to be treated with fair consideration by those they helped to elect.

For more than 50 years the farmers have been given the same old stereotyped promises, while their industry has gone down until it is in the most disastrous condition and the farm worker and tenants are in the worst financial straits in the history of the United States.

The Curtis-Aswell bill is sound, it is constructive, it will change farming from a losing drudgery business to a profitable one.

When the Curtis-Aswell bill is enacted into law without being tampered with for political purposes it will put in operation a plan in the interest of farmers and manned by farmers.

The terms of the Curtis-Aswell bill, in a nutshell, mean that the Government will loan to the Interstate Farm Marketing Association a working fund of $10,000,000 at 4½ per cent per annum; this fund to be used for organizing a marketing system that will insure to the farmers an equitable share of what their goods sell for to the ultimate consumer. For this loan the Government will receive ample security through a commodity assessment, the assessments to be against such commodities as the members designated, assessments and method of collection to be determined and fixed by the State boards of directors elected by the farmers of the different States. The lack of a practical, well-organized system of marketing by the farmers is absolutely the only thing needed to make farming one of the most profitable industries of the country. Why shall those engaged in this vocation continue to be penalized for purely political purposes?

Not a member of the administration, nor a Congressman, can oppose the principle of the Curtis-Aswell bill and defend this opposition with sound and reliable argument.

A large number of Congressmen are heartily in favor of the plan embraced within the Curtis-Aswell bill, and are anxious to see the bill placed on the calendar and passed this session; but unless the farmers make a determined demand, this bill will probably remain with the committee until too late for action during the present session.

Mr. J. W. Batcheller, president of the Farmers' Cooperative Union, Mission Hill, S. Dak., expressed his opinion to me, as follows:

"Two weeks after you presented your plan for organizing a strictly farmer organization and marketing agency of national scope, to be organized by farmers and manned by farmers, with the Government as a silent and sympathetic assistant, the substitutes began to pour in.

"Therefore, since the appearance of the Curtis-Aswell bill I have had little hope of the Yoakum plan, for somebody's profits are involved, nor is that army of lobbyists on the job all the time for nothing.

"I shall await with interest reports on the bill. In the meantime I will get it sufficiently throughout each State organization that our membership should be thoroughly familiar with it.

"If I could get two or three hundred more of your statements explaining the plan, I could use them to good advantage."

Since receipt of Mr. Batcheller's letter (which expresses the sentiments of farmers and farm organizations throughout the country) there has been introduced a new bill proposing to create a Federal marketing board, under which it undertakes to use the most important principles of the Curtis-Aswell bill, but entirely different from the Curtis-Aswell bill, as in effect the Capper-Williams bill says to the farmers of Kansas and other States:

"We propose to spend $5,000,000, more money than is provided in the Curtis-Aswell bill, to organize a marketing system to handle the farmers' business for them, provided they will turn their products over to the Government to sell under a system of rules and regulations promulgated by the Department of Agriculture and five other Government officials."

Section No. 13 of the Capper-Williams bill provides for a subsidiary association called the "Terminal Marketing Association," which provides that it shall be open for membership "to persons, firms, wholesalers, brokers, commission agents, and others dealing in or large consumers of agricultural products." This gives the organized dealers an equal voice with the Government officials in fixing the prices and conditions of sale of farm products at the terminal markets.

This gigantic political machine proposes to take over and market the crops of the farmers of the State of Kansas and other States, placing the marketing under the control of the Government.

I called Congressman WILLIAMS to-day by long distance and called his attention to the fact that he and Senator CAPPER had incorporated in their bill the basic principles of the Curtis-Aswell bill, which he said was true; and I said to him, this being true, then the Capper-Williams bill is being favored by the Department of Agriculture over the Curtis-Aswell bill because their bill undertakes to place the marketing control in the hands of the Government, while the Curtis-Aswell bill provides for the farmers managing their own marketing.

The farmers of the 48 States should call the roll, inquiring of their respective Congressmen if they would prefer to have the farmers in control of their own business in every respect, or if they would prefer that the sale of farm products be placed under the management of the Government through a commission to be appointed by the President, of which the Secretary of Agriculture would be the predominating officer.

There is nothing to be gained and much to be lost by prolonging the farm solution. If the administration and a majority of Congress are seriously in sympathy and want to help the farmers to market the fruits of their labor and investment, they will, I am sure, say so. On the other hand, if for any reason a majority of the Members of Congress do not believe the farmers capable of handling their own business and prefer governmental marketing, I am sure they will be just as frank in telling them so. In this way the farmers may know where they stand and what they can depend upon from Congress.

The aid of the administration officers of the Government is important to a successful marketing system. By this I mean that the Department of Agriculture can, through political maneuvering, delay and block the efforts of the friends of the farmers by postponing permanent and favorable legislation in this session until a great injustice will be imposed upon the farmers.

There are other plans favored by some of the administration officers that mean nothing less than the exploitation of the farmers on a gigantic scale. This I may discuss more at length at another time.

I am inclosing you a copy of the Williams bill.

Very truly yours,

B. F. YOAKUM.

Mr. G. T. MCELDERRY,
President the Farmers' Cooperative Union,
404 North Twenty-third Street, Birmingham, Ala.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

S. 1982. An act to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

A message in writing from the President of the United States, by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On April 26:

H. J. Res. 247. Joint resolution making an additional appropriation for the Department of Agriculture for the fiscal years 1924 and 1925.

On April 28:

H. J. Res. 222. Joint resolution granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service, to accept certain decorations bestowed upon him by the Republics of France and Poland; and

H. R. 3761. An act for the relief of George A. Nickles.

On April 30:

H. J. Res. 163. Joint resolution authorizing the Secretary of War to loan certain tents, cots, chairs, etc., to the executive committee of the United Confederate Veterans for use at the thirty-fourth annual reunion to be held at Memphis, Tenn., in June, 1924.

PERMISSION TO ADDRESS THE HOUSE

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent that on to-morrow at the conclusion of the remarks of the gentleman from Massachusetts [Mr. WINSLOW], the gentleman from Indiana [Mr. SANDERS], and the gentleman from Missouri [Mr. HAWES], I may be permitted to proceed for 30 minutes on the railroad labor bill.

The SPEAKER. The gentleman from Alabama asks unanimous consent to address the House to-morrow for 30 minutes. Is there objection? [After a pause.] The Chair hears none.

FEDERAL LAND RECLAMATION

Mr. PEAVEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of Federal land reclamation.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. PEAVEY. Mr. Speaker, in the beginning God made the earth and the sea. He created the fertile lands of Wisconsin, Minnesota, and Michigan, and He caused to grow thereon the richest single crop known to man, the great pine forest. Federal and State Government, by a destructive policy, governmental carelessness, or willful purpose, has permitted these great pine forests to be ruthlessly slaughtered, as much or more going to absolute waste as ever graced a home residence, or business block. Whole empires were given in the form of railroad grants on the supposition that railroads would be built and the new country developed. Where this has occurred, it is due to incidents of the lumber or other industry and by no purpose or intention on the part of those receiving the land grants. In truth, all of the narrow and much of the standard gauge railroad that was originally built to remove this timber has been torn up and destroyed, leaving but the scars of habitation and the abandoned grades and deep "Swede holes," a severe handicap to present-day settlers.

Under this generous national policy was constructed in my own county a railroad known as the "Battle Axe," being a feeder and the property of the Northern Pacific system. This road was built largely upon the receipts from the sale of $240,000 of bonus bonds given to the railroad promoters by Bayfield County. As soon as all the timber tributary to this 37 miles of railroad had been removed, the owners, the Northern Pacific Co., asked authority of the Wisconsin Railroad Commission to demolish the line. After an exhaustive hearing and trial, the company's petition was denied. Some six years later, 1913–14, the right to destroy this railroad was again asked, with the same result.

In 1919, under the Esch-Cummins law, the power to consider and pass on all such questions, all jurisdiction of such matters having passed by the terms of the act from the Wisconsin State Railroad Commission to the Interstate Commerce Commission, an appeal by the railroad company to demolish the road was made to this tribunal and readily granted, in spite of the fact that the county of Bayfield has $35,000 of the original gift bonds still to pay, and in spite of the fact that hundreds of settlers who had settled along this railroad, many of them by railroad inducement, were in this manner left without a means of transportation and many of them without a road of any kind.

The same thing was done in the case of the Peerless Railroad in Ashland County and others. The people having knowledge of the facts believe such things to be contrary to all laws or justice and a travesty upon American principles of free Government, as written in the Constitution.

Millions of these rich, fertile, glacial acres now lay wasting in the sun. Constant brush fires destroy the humus from the great pines and even burn into the rich soil deposits left by the glaciers centuries ago.

Thirty million acres, an empire longer in extent and wider in area than most of the countries of Europe, of these virgin lands are going to waste, a desolate sea of decaying logs, rotting slashings and brush, mottled with tens of thousands of grizzly pine stumps with long pitch-filled roots, tenacious and defiant of human power to remove, measuring from 3 to 8 feet in height and 2 to 6 feet across, they offer a more formidable opposition

to man than did the combined forces of wild savages, desolate wilderness, and uncharted trails in 1849. Varying in number from 30 to 80 to the acre, I can assure any Member of this House, who may be unfamiliar with clearing pine stump land, that there is a dozen real backaches in the removal of every one, even with the aid of dynamite.

Right here, gentlemen, let me explain to you why, in the interest of the Government, this explosive should be furnished free. To reclaim even a 20 or 40 acre farm home from among the stumps and brush is a disheartening task, requiring 5 to 20 long, hard years of labor. Thousands of courageous home-builders have undertaken it and failed, not because they were not industrious, frugal, and persevering, but because it was a human impossibility to feed and clothe a wife and children, pay an occasional doctor bill, and save any actual cash with which to purchase explosive to clear more land. Many a brave father, with the natural love of the American man for a home, has bravely started out, with the result that here and there all over the cut-over sections of Wisconsin, Michigan, and Minnesota the traveler sees to-day the mute evidence of blasted hopes of what might have easily become a good farm home had the Government furnished to the man the explosive necessary to remove the stumps left as a result of exploitation of the timberlands of the great Northwest States under Government grant.

Five to fifteen dollars per acre expended for explosives by the Government in reclaiming these rich agricultural lands would not be a gift nor would it be a charity but, on the contrary, would be the best investment in the reclamation of agricultural land ever made by the United States. Every acre of these lands so cleared and reclaimed will produce in new wealth each year two or three times what the explosives necessary to clear it would cost. Once reclaimed, it is reclaimed forever without one cent necessary for its maintenance or support.

Two million dollars a year invested by the Government in this manner will produce in these three States alone forty millions a year in new wealth for all time to come. Before I leave this phase of the subject let me call your attention, gentlemen, to these significant facts compared to any other Government reclamation project, most of which are located 1,000 to 2,000 miles from the nearest market. The lands I propose, by the passage of this bill, to reclaim lay on the shores of the Great Lakes, the greatest single channel of commerce in the world. They are right at the world's market door.

For four years past the Government has been furnishing salvaged war explosives, piric acid and sodatol, to the people of the Northwest at the cost of packing, cartridging, and transporting. I am informed the available supply of these explosives is exhausted and hence my bill, the provisions of which would leave up to the proper officials the task of securing the explosives required from whatever Government source they might be secured.

Millions of dollars have been generously, and I believe rightfully, given by the Federal Government in reclaiming the desert areas of the West, many more millions to drain and reclaim the swamp areas of the South, but not a cent, comparatively speaking, has ever been expended by the Federal Government to reclaim the areas of the Northwest, the cut-over sections of Wisconsin, Michigan, and Minnesota. There are also many districts of Eastern, Western, and Southern States that would benefit by the passage of a Federal reclamation act granting free explosive by the Federal Government to the man who will reclaim and settle these lands as provided in my bill, H. R. 766.

I do not begrudge the millions given from the Federal Treasury in reclaiming many of the desert valleys and dry-land sections of the West—in fact, I approve both the acts and the policy—but why confine reclamation to the West and South? Why not offer some Federal encouragement to those who have the physical courage and forbearance to match their brawn against the Government's dynamite in clearing the devastated areas of the great Northwest?

It is true the cut-over section of this country has no powerful friends at court in the Capital of the Nation as have the Western States in the person of the representatives of all the transcontinental railroads.

It is true that we have no such powerful leaders to plead our cause before Congress or the President's Cabinet as did the people of Florida, but I would ask the Members of Congress to bear witness that many of the richest and most powerful advocates of reclamation in the South to-day are those men and concerns who made their original wealth out of lumber and railroads in the great Northwest.

It is accepted as the universal law that every man shall bury or destroy his own refuse or offal; where this is not done by the individual or concern and Government agency exists, it is done by the Government. We do not ask that the Government will even go thus far and destroy the slashings, logs, and débris left by the timber barons. I do plead that the Government will give the dynamite or explosive necessary to remove the logs and stumps left by the wasteful and destructive acts of the original recipients of the Nation's bounty.

Surely if it were sound policy to give these vast areas of virgin pine lands to those who would build railroads with which to remove their own timber, it would seem much more sound and practical that the Government give the explosive necessary to the man who by hard labor will reclaim these lands to productive agriculture for all time to come without a single charge for maintenance or subsistence.

It may be offered by those opposing this bill, if there be such, that the present disastrous condition confronting those engaged in farming would not warrant the Government in securing further agricultural development and production. I will admit the seriousness of this situation; that it is due to overproduction I will not concede. Tenantry and the high cost of everything he must buy and the low price received for his products is what ails the American farmer to-day. Give him two-thirds—yes; even one-half—what the consumer pays for his wheat, butter, eggs, corn, or livestock, and our farmers would actually be in clover.

There are more people and less farms that raise a smaller yield per acre in America to-day than there was 10 years ago. Will anyone maintain that the people eat less or wear less clothes or shoes? It is, in my opinion, political flimflam to say that the present sad plight of our farmers is due to overproduction. It is, in my opinion, pure political bunk for political railroad leaders to say that the present exorbitant freight and passenger rates are not one of the primary causes of the bankruptcy of the American farmers.

Business conditions in the Atlantic States have been fairly prosperous for the past two years. Pacific Coast States report fairly stable conditions in most lines of trade. Then why should the great American bread belt, the agricultural districts of the Central and Northwestern States, be so impoverished? I will give you what, in my opinion, is the chief reason: Because in the central United States, where the food supply of the Nation is grown, we must ship east or west to market—a long haul at a high freight rate. Whatever our farmers buy is for the most part shipped the same general distance at much the same rate. The farmers of central United States are being bankrupted on high freight rates as against the Atlantic and Pacific Coast States, where low water transportation not only offers general relief but of itself enforces competitive freight rates that enable business in all lines to prosper and live.

I offer as proof of this the testimony of Chicago manufacturers and importers, who testified before the House Committee on Rivers and Harbors in the present session that their firms, doing a Pacific coast business, had found it necessary because of existing freight rates to build manufacturing plants on the Atlantic seaboard that they might ship their goods via the Panama Canal to the Pacific coast, and thereby hold their western trade.

Permit me, gentlemen, at this point to explain to you why the present exorbitant freight rates are prohibitive to the people trying to develop this new section of the country. Nearly all of our products are wood materials and diversified farm crops—logs, lumber, potatoes, clover, hay, and so forth. They are all heavy-weight, low-priced products. Therefore they cost much to transport and bring the owner little, if any, net return. It is true that there is no other place in all the world where clover—white, red, and Alsace—grows wild, reseeding itself, as it does in northern Wisconsin, Michigan, and Minnesota, but even to raise clover hay profitably the stumps must be blasted and the land cleared.

ALL THE TRAFFIC WILL BEAR

The railroads of the Central West are to-day pursuing the short-sighted policy of bankrupting their best friends, their everyday patrons. They are, in my opinion, following as narrow and greedy a policy as some corner groceryman who became so enamored with war prices and war profits that he continues to exact them. Just as his trade decreases, he reduces his overhead by cutting off his labor and reducing the quality and size of his stock, but he stubbornly refuses to cut the war price attached to a single article that he sells.

This is in fact the counterpart of the attitude of central railroads to-day; they would, by their actions, say to the public, "We will cut down our help, reduce the quality of our service, raise our salaries as bosses, and continue to charge 35 per cent more than war rates. We will make you, the people of the Central West, say you like the Esch-Cummins railroad

law or we will break you." Needless to say, they are rapidly doing the former, but I believe the people of the Northwest will starve before they will concede the latter.

These are not reasons against further agricultural development or Government support thereof, but, on the contrary, are good reasons why it should be done.

The people of States like Iowa and Illinois, where land values are two or three hundred dollars per acre, can not and will not long plant and sell on present prices and under present conditions. The people of southern Wisconsin, Minnesota, the Dakotas, Kansas, and Nebraska will not long continue to grow at a net loss on their medium-priced land. The values can not well be reduced because the 5 and 6 per cent mortgages that exist against these lands are for the most part held by banks, trust companies, and insurance companies; in fact, their value and security furnishes the very foundation on which the financial and business structure of each State rests. To destroy these is to destroy everything of value in these States. That is what the managers of the railroads are doing to-day.

Their political leaders, in and out of Congress, will tell you that anyone who utters ideas or opinions like those I have advanced is without good judgment or reason, that we are political demagogues who know nothing of railroading or finance, and that we seek only for votes and a political job. They will say that conditions are improving, that it is not one-half as bad as depicted, and so forth. They would have the Congress and the people understand that the present deplorable conditions are due to some act of God, over which they have no control; that, if we will just tighten up our belt and grit our teeth and work a little harder, longer hours, save more and spend less, that everything will be all right. They would have the people believe that all that is necessary to remedy conditions is to give some reactionary party leaders power in the coming national conventions to select a good, "safe" candidate in both parties for President, in which case, "We, the people" can not go wrong and immediate prosperity will return. More bunk, political ballast, given out to bolster up the hopes of a populace that is fast growing desperate because of existing conditions. People that come from a new section of the country like northern Wisconsin, are always optimistic by nature; I claim to be an optimist myself. I do not intend to be stampeded by idle fears, lurid descriptions, or false rhetoric as to what is transpiring in agricultural America.

Proponents of the railroads, who levy a 30 to 90 per cent charge on every dollar produced and marketed from these stricken States, might easily be prejudiced in favor of the railroads in considering these questions. I might, although I intend and try not to, be prejudiced against the carriers, but gentlemen, neither of us can alter positive and indisputable facts. Over 1,000 State and national banks in 10 Northwestern States have failed, closed their doors, never to reopen, in the past three years.

Over 20,000,000 acres, worth more than $2,000,000,000, of the richest and most productive farm land in America has been foreclosed, is now in the process of foreclosure or is being retained by the owner at the request and financial support of the trust company or insurance company holding the mortgage. Millions of acres are being sold for taxes, and thousands of acres of unoccupied lands are passing back into the legal possession of State or county because the owners can not meet the past due taxes. City and county governments are fast becoming insolvent and demoralized because of the accumulation of tax certificates and the failure to realize the collection of cash on their tax levies for operating and other fixed expenditures.

The dogged hope that followed the deflation order of three years ago has now given way to grim despair. Could the truth be known, thousands of the old homestead pioneers or their descendants now fill new and premature graves on the prairie farms of the Central West, where once peace and prosperity did rule, the victims of needless grief, strain, and worry, and all this in spite of the fact the Lord has been bounteous in the elements and nature has blessed these areas with the greatest and best crops in any given period of years in their history.

ECONOMIC LAW RESCINDED

On the face of these facts, my colleagues, I submit to you this vital question: Has not railroad influence and man-made laws superseded economic law and that made by God in the Central and Northwestern States of America, and changed a prosperous, contented, and peaceful populace into a horde of disgusted, embittered, and discouraged souls without a home, and many of them without a hope?

In conclusion I would ask you to support my bill, H. R. 766, that the broken and bankrupt farmers of the old Central States may come to the cut-over sections of Wisconsin, Michigan, and Minnesota and, with "free explosive" furnished by the Government, reclaim to themselves, their families, and their country, the right of every good citizen, a home. Farmers on high-priced land under the conditions that now prevail are broke, most of them bankrupt. Those who live in districts where the values are fair to medium are unable to pay interest and taxes. I therefore appeal to you to pass this bill enabling the Government to furnish "free explosive" to those who live on the cheap five to fifteen dollar land in the cut-over sections of these and other States.

The principal provisions of this bill are as follows: That such explosive, upon written application by the settler, shall be furnished free by the Government; that such applications shall be made prior to March 1 and October 1 of each year and shall state the amount of the acreage to be cleared within that year. Such applicant must be a bona fide settler and owner of the land. No single settler is to be allowed more explosive than is necessary to clear more than one-half of his or her uncleared acreage, and in no case more than sufficient explosive to clear 80 acres.

The existing State and governmental agencies will be used in distribution of the explosive and provide such rules and regulations as they may deem necessary in protection of the Government interest. There is to be appropriated to carry out the provisions of this act such sums as may be necessary, not to exceed $2,000,000.

DAVID PATTERSON DYER

Mr. DYER. Mr. Speaker, I ask unanimous consent that I may proceed for two minutes.

The SPEAKER. The gentleman from Missouri asks unanimous consent to address the House for two minutes. Is there objection? [After a pause]. The Chair hears none.

Mr. DYER. Mr. Speaker, three days ago in the city of St. Louis, his home, there passed away a former Member of this House who served in the Forty-first Congress, my uncle, David Patterson Dyer. He served here more than 50 years ago, and was the last of that or any previous Congress to go. During his life he occupied many distinguished positions in the public service. At the time of his death he was a judge of the United States court at St. Louis. I desire to testify personally to my great love for him and for his splendid public service and private character.

I do this also in lieu of going to St. Louis to attend his funeral, as I know he would prefer that I stay here and attend to my important public duties, which at this time are very pressing. David Patterson Dyer was born in Henry County, Va., February 12, 1838, and came to Missouri with his parents, David and Nancy R., and his brothers and sisters, among whom was my father, James Coleman Dyer, in 1841. He was elected to the Forty-first Congress from a district in Missouri that included his home county, Pike. Later on his successor from that district was the beloved Champ Clark. David Patterson Dyer served the public in many positions. He was prosecuting attorney of the third judicial circuit in 1860. He recruited and commanded the Forty-ninth Missouri Volunteer Infantry during the Civil War. He was a member of the Missouri House of Representatives, 1862 to 1865, and secretary of the Missouri State Senate in 1866. He moved to the city of St. Louis in 1875 and was appointed by President Grant United States attorney. In the following year he prosecuted for the Government what was known as the "whisky ring." In 1890 he was the Republican candidate for Governor for Missouri. In 1902 he was again appointed United States district attorney by President Roosevelt, and on April 1, 1907, he was promoted as United States district judge by Roosevelt. He served in this position up to his death. He died rich in good deeds and countless friends.

CALL OF THE HOUSE

Mr. GRAHAM of Illinois. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order there is no quorum present. Evidently there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Abernethy	Favrot	McNulty	Snyder
Anderson	Foster	MacGregor	Strong, Pa.
Bacharach	Funk	Magee, Pa.	Sullivan
Barkley	Gallivan	Michaelson	Sweet
Bell	Garber	Mooney	Tague
Berger	Geran	Moore, Ill.	Taylor, Colo.
Boylan	Gilbert	Morin	Taylor, Tenn.
Britten	Greene, Mass.	Mudd	Tincher
Browne, N. J.	Harrison	Murphy	Treadway
Bulwinkle	Haugen	Newton, Mo.	Tucker
Burdick	Hawley	Newton, Minn.	Tydings
Burtness	Hoch	O'Brien	Upshaw
Burton	Howard, Okla.	O'Connell, N. Y.	Vare
Byrns, Tenn.	Hull, Morton D.	O'Connor, La.	Vestal
Campbell	Hull, William E.	Oliver, N. Y.	Ward, N. Y.
Carew	Humphreys	Parker	Ward, N. C.
Clark, Fla.	Johnson, S. Dak.	Perkins	Wason
Cleary	Jost	Phillips	Watkins
Connery	Kendall	Quayle	Watres
Connolly, Pa.	Kindred	Ransley	Watson
Corning	Knutson	Reece	Welsh
Crosser	Langley	Reed, W. Va.	Williams, Ill.
Curry	Larson, Minn.	Reid, Ill.	Wilson, La.
Davey	Lindsay	Robinson, Iowa	Winslow
Dempsey	Lineberger	Rosenbloom	Winter
Dickstein	Logan	Schall	Wood
Dominick	Lyon	Scott	Woodruff
Doughton	McClintic	Sears, Nebr.	Woodrum
Drane	McFadden	Sears, Fla.	Wurzbach
Edmonds	McKeown	Shreve	Yates
Fairfield	McLaughlin, Nebr.	Stengle	Zihlman

The SPEAKER. Three hundred and seven Members have answered to their names. A quorum is present.

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

REORGANIZATION OF THE FOREIGN SERVICE

The SPEAKER. The unfinished business is the bill for the reclassification of the foreign service. On that the previous question was ordered; the bill has been read a third time and the question is on the passage.

Mr. COLLINS. Mr. Speaker, I move to recommit the bill to the Committee on Foreign Affairs.

The SPEAKER. The gentleman from Mississippi offers a motion to recommit which the Clerk will report.

The Clerk read as follows:

MOTION TO RECOMMIT

Mr. COLLINS moves to recommit to the Committee on Foreign Affairs with instructions to report the same back to the House forthwith with the following amendments, to wit:

"On page 2, line 7, strike out the rest of section 3 and insert in lieu thereof the following:

"Class 1, 6 per cent, $7,500; class 2, 7 per cent, $6,500; class 3, 8 per cent, $5,500; class 4, 9 per cent, $5,000; class 5, 10 per cent, $4,500; class 6, 14 per cent, $4,000; class 7, $3,500; class 8, $3,250; class 9, $3,000; unclassified, $2,500 to $1,500.

"And on page 7, line 14, strike out all of section 12.

"And on page 11, line 24, strike out the '60' and insert '40'; in line 25 strike out '54' and insert '36'; and on page 12, line 1, strike out '48' and insert '32,' and in line 2 strike out '42' and insert '28,' and in line 3, strike out '36' and insert '24,' and in line 4, strike out '30' and insert '20.'"

Mr. ROGERS of Massachusetts. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit the bill.

Mr. CONNALLY of Texas. I demand the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays. All those in favor of taking the question by the yeas and nays will rise. [After counting.] Fifty-four Members have risen, not a sufficient number, and the yeas and nays are refused.

Mr. CONNALLY of Texas. I demand the other side, Mr. Speaker.

The SPEAKER. The gentleman from Texas demands the other side, and the Chair will count. [After counting.] Two hundred and fifty-four Members present, a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 110, nays 201, answered "present" 2, not voting 119, as follows:

YEAS—110

Allen	Bland	Browning	Carter
Allgood	Blanton	Buchanan	Collier
Almon	Box	Bulwinkle	Collins
Arnold	Boyce	Busby	Connally, Tex.
Aswell	Brand, Ga.	Byrnes, S. C.	Crisp
Bankhead	Brand, Ohio	Canfield	Croll
Black, Tex.	Briggs	Cannon	Cummings
Dickinson, Mo.	Jeffers	Milligan	Sherwood
Evans, Iowa	Johnson, Tex.	Moore, Ga.	Smithwick
Evans, Mont.	Johnson, W. Va.	Morehead	Steagall
Fulbright	Jones	Morris	Stevenson
Fullmer	Jost	Morrow	Summers, Tex.
Gardner, Ind.	Kent	Oldfield	Swank
Garner, Tex.	Kincheloe	Oliver, Ala.	Taylor, W. Va.
Garrett, Tenn.	Lanham	Park, Ga.	Thomas, Ky.
Garrett, Tex.	Lankford	Parks, Ark.	Thomas, Okla.
Gasque	Larsen, Ga.	Pou	Tillman
Glatfelter	Lee, Ga.	Quin	Underwood
Greenwood	Lilly	Rankin	Vinson, Ga.
Hammer	Lowrey	Rayburn	Weaver
Hastings	Lozier	Reed, Ark.	Wefald
Hill, Ala.	McKeown	Richards	Williams, Tex.
Hill, Wash.	McReynolds	Romjue	Wilson, Ind.
Hooker	McSwain	Rouse	Wilson, Miss.
Howard, Nebr.	McSweeney	Rubey	Wingo
Huddleston	Major, Mo.	Salmon	Wright
Hudspeth	Mansfield	Sanders, Tex.	
Hull, Tenn.	Martin	Sandlin	

NAYS—201

Ackerman	Faust	Leatherwood	Rogers, N. H.
Aldrich	Fenn	Leavitt	Sabath
Andrew	Fish	Lehlbach	Sanders, Ind.
Anthony	Fitzgerald	Linthicum	Sanders, N. Y.
Bacon	Fleetwood	Longworth	Schafer
Barbour	Frear	Luce	Scott
Beck	Fredericks	McDuffie	Seger
Beedy	Free	McFadden	Shallenberger
Beers	Freeman	McKenzie	Simmons
Begg	French	McLaughlin, Mich.	Sinclair
Bixler	Frothingham	McLeod	Sinnott
Black, N. Y.	Fuller	MacGregor	Smith
Bloom	Gibson	MacLafferty	Snell
Boies	Gifford	Madden	Speaks
Browne, Wis.	Goldsborough	Magee, N. Y.	Sproul, Ill.
Brumm	Graham, Ill.	Major, Ill.	Sproul, Kans.
Buckley	Graham, Pa.	Manlove	Stalker
Burtness	Green, Iowa	Mapes	Stedman
Butler	Griest	Mead	Stephens
Cable	Griffin	Merritt	Strong, Kans.
Celler	Hadley	Michener	Summers, Wash.
Chindblom	Hardy	Miller, Ill.	Sweet
Christopherson	Haugen	Miller, Wash.	Swing
Clague	Hawes	Mills	Swoope
Clancy	Hayden	Minahan	Taber
Clarke, N. Y.	Hersey	Montague	Temple
Cole, Iowa	Hickey	Moore, Ohio	Thatcher
Cole, Ohio	Hill, Md.	Moore, Va.	Thompson
Colton	Holaday	Moores, Ind.	Tilson
Cook	Hudson	Morgan	Timberlake
Cooper, Ohio	Hull, William E.	Nelson, Me.	Tinkham
Cooper, Wis.	Hull, Iowa	Nelson, Wis.	Underhill
Cramton	Jacobstein	Nolan	Valle
Crosser	James	O'Connell, R. I.	Vincent, Mich.
Crowther	Johnson, Ky.	O'Connor, N. Y.	Vinson, Ky.
Cullen	Johnson, S. Dak.	Paige	Volpe
Dallinger	Johnson, Wash.	Patterson	Wainwright
Darrow	Kearns	Peavey	Weller
Davis, Minn.	Keller	Perlman	Wertz
Deal	Kerr	Porter	White, Kans.
Denison	Ketcham	Prall	White, Me.
Dickinson, Iowa	Kiess	Purnell	Williams, Ill.
Dowell	King	Ragon	Williams, Mich.
Doyle	Kopp	Rainey	Williamson
Drewry	Kunz	Raker	Winslow
Driver	Kurtz	Ramseyer	Wolff
Dyer	Kvale	Rathbone	Wyant
Eagan	LaGuardia	Reed, N. Y.	Young
Elliott	Lampert	Roach	
Fairchild	Lazaro	Robsion, Ky.	
Fairfield	Lea, Calif.	Rogers, Mass.	

ANSWERED "PRESENT"—2

Ayres	Peery

NOT VOTING—119

Abernethy	Favrot	Magee, Pa.	Snyder
Anderson	Fisher	Michaelson	Stengle
Bacharach	Foster	Mooney	Strong, Pa.
Barkley	Funk	Moore, Ill.	Sullivan
Bell	Gallivan	Morin	Tague
Berger	Garber	Mudd	Taylor, Colo.
Bowling	Geran	Murphy	Taylor, Tenn.
Boylan	Gilbert	Newton, Minn.	Tincher
Britten	Greene, Mass.	Newton, Mo.	Treadway
Browne, N. J.	Harrison	O'Brien	Tucker
Burdick	Hawley	O'Connell, N. Y.	Tydings
Burton	Hoch	O'Connor, La.	Upshaw
Byrns, Tenn.	Howard, Okla.	O'Sullivan	Vare
Campbell	Hull, Morton D.	Oliver, N. Y.	Vestal
Carew	Humphreys	Parker	Ward, N. C.
Casey	Kahn	Perkins	Ward, N. Y.
Clark, Fla.	Kelly	Phillips	Wason
Cleary	Kendall	Quayle	Watkins
Connery	Kindred	Ransley	Watres
Connolly, Pa.	Knutson	Reece	Watson
Corning	Langley	Reed, W. Va.	Welsh
Curry	Larson, Minn.	Reid, Ill.	Wilson, La.
Davey	Lindsay	Robinson, Iowa	Winter
Davis, Tenn.	Lineberger	Rosenbloom	Wood
Dempsey	Little	Schall	Woodruff
Dickstein	Logan	Schneider	Woodrum
Dominick	Lyon	Sears, Fla.	Wurzbach
Doughton	McClintic	Sears, Nebr.	Yates
Drane	McLaughlin, Nebr.	Shreve	Zihlman
Edmonds	McNulty	Sites	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On the vote:

Mr. Dominick (for) with Mr. Treadway (against).
Mr. Ayres (for) with Mr. Hoch (against).

Until further notice:

Mr. Shreve with Mr. Gallivan.
Mr. Wurzbach with Mr. Browne of New Jersey.
Mr. Bacharach with Mr. Tucker.
Mr. Magee of Pennsylvania with Mr. Howard of Oklahoma.
Mr. Newton of Missouri with Mr. Bell.
Mr. Ransley with Mr. McNulty.
Mr. Wood with Mr. Quayle.
Mr. Vestal with Mr. Gilbert.
Mr. Strong of Pennsylvania with Mr. Taylor of Colorado.
Mr. McLaughlin of Nebraska with Mr. Woodrum.
Mr. Burdick with Mr. O'Sullivan.
Mr. Connolly of Pennsylvania with Mr. Lindsay.
Mr. Foster with Mr. Connery.
Mr. Greene of Massachusetts with Mr. Humphreys.
Mr. Kendall with Mr. Bowling.
Mr. Langley with Mr. Clark of Florida.
Mr. Snyder with Mr. Geran.
Mr. Wason with Mr. Upshaw.
Mr. Perkins with Mr. Kindred.
Mr. Reid of Illinois with Mr. Lyon.
Mr. Vare with Mr. O'Connell of New York.
Mr. Winter with Mr. Davis of Tennessee.
Mr. Taylor of Tennessee with Mr. Boylan.
Mr. Rosenbloom with Mr. Tydings.
Mr. Welsh with Mr. Wilson of Louisiana.
Mr. Phillips with Mr. O'Brien.
Mr. Mudd with Mr. Ward of North Carolina.
Mr. Lineberger with Mr. Stengel.
Mr. Watson with Mr. O'Connor of Louisiana.
Mr. Parker with Mr. Logan.
Mr. Morin with Mr. Dickstein.
Mr. Brand of Ohio with Mr. Sears of Florida.
Mr. Watres with Mr. Favrot.
Mr. Michaelson with Mr. Oliver of New York.
Mr. Burton with Mr. Doughton.
Mr. Ward of New York with Mr. Mooney.
Mr. Curry with Mr. Fisher.
Mr. Campbell with Mr. Sullivan.
Mr. Funk with Mr. Carew.
Mr. Hull, Morton D., with Mr. Drane.
Mr. Barbour with Mr. Tague.
Mr. Yates with Mr. Watkins.
Mr. Woodruff with Mr. Abernethy.
Mr. Tincher with Mr. McClintic.
Mr. Murphy with Mr. Barkley.
Mr. Reece with Mr. Casey.
Mr. Robinson of Iowa with Mr. Byrns of Tennessee.
Mr. Sears of Nebraska with Mr. Corning.
Mr. Hawley with Mr. Davey.
Mr. Dempsey with Mr. Cleary.
Mr. Kelly with Mr. Berger.
Mr. Newton of Minnesota with Mr. Harrison.

Mr. AYRES. Mr. Speaker, I voted in the affirmative, but as I paired with the gentleman from Kansas, Mr. HOCH, I withdraw that vote of "yea" and answer "present."

Mr. ANDREW. Mr. Speaker, my colleague Mr. CONNERY is unable to be present and asked me to state that had he been here he would have voted against the motion to recommit and in favor of the passage of the bill.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 134, noes 27.

So the bill was passed.

On motion of Mr. ROGERS of Massachusetts, a motion to reconsider the vote by which the bill was passed was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District, for the fiscal year ending June 30, 1925, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The Clerk read the title of the bill.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 1, lines 4 to 6, after the figures "1925" in line 4, strike out "40 per cent of each of the following sums, except those herein directed to be paid otherwise," and insert in lieu thereof the following: "$8,000,000."

Mr. MOORE of Virginia. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill and is not germane.

Mr. CRAMTON. Mr. Chairman, the amendment which I have offered is in order under the Holman rule. The bill before us appropriates $23,755,600, of which 40 per cent is to be paid from the Federal Treasury, or $8,967,666.08. The amendment which I have offered proposes that instead of contributing that 40 per cent, amounting to $8,900,000 plus, the contribution shall be simply $8,000,000. On the face of the bill it is apparent that it is a reduction in the charge upon the Federal Treasury.

Mr. MOORE of Virginia. Mr. Chairman, of course I have no intention to go into the question now of the wisdom of suddenly making a change in the basis of the fiscal relations of the District of Columbia and the Government of the United States. I shall confine myself altogether in a few words to the discussion of the point of order. The Chair, I have no doubt, is familiar with the statute which applies, and it is my contention that that statute will be departed from, even considering the Holman rule, should the amendment of the gentleman from Michigan be adopted. That statute is a part of the appropriation act for the District of Columbia for the year ending June 30, 1923. It provides for a ratio of 60 per cent to be paid by the District and 40 per cent to be paid by the Government.

The CHAIRMAN. Would the gentleman permit an interruption?

Mr. MOORE of Virginia. Certainly.

The CHAIRMAN. The Chair understands the gentleman from Michigan to contend that this is not legislation?

Mr. CRAMTON. It provides a different form of contribution than that fixed by existing law, but being a retrenchment apparent on the face of the bill it is in order under the Holman rule.

The CHAIRMAN. That will narrow the issue.

Mr. MOORE of Virginia. I understand exactly what the issue is. The gentleman from Michigan has stated that the bill provides an appropriation, 40 per cent of which will be something over $8,000,000, but that his amendment which confines the contribution of the Federal Government the sum of $8,000,000 is within the limits of the Holman rule. I call the attention of the Chair to a provision in the statute which I have just cited which makes it certain, not simply possible, but certain, that as against that contribution of the Government carried in the bill the Government will receive certain set-offs, the amount of which the Chair can not know, the gentleman from Michigan can not know, and no one can know. Those set-offs, I am informed, heretofore under the continuing provision in the appropriation bill of 1923 have run up into the hundreds of thousands of dollars and will probably in the coming fiscal year exceed $1,000,000. But that conjecture is neither here nor there.

The proposition which I am submitting to the Chair is that while the Chair can look at the bill and say that the bill carries a certain total amount, the Chair in order to sustain the amendment under the Holman rule must also consult the provisions of the statute which provides for the set-offs to the Government. In other words, confessedly or admittedly, the bill can not speak the final word on the question as to the amount which will be taken out of the Treasury of the United States, because the statute itself which has to be read in connection with the bill provides that the Government of the United States is to get back a certain amount. If that be true, any construction of the Holman rule which will confine it to the face of the bill simply would make it an absurdity. What I contend is that under this statute the amount of something in excess of $8,000,000 carried in this bill will probably be cut down to much less than $8,000,000, and if that be true, it follows, it is the logic of the thing that no one can controvert, that an amendment specifying $8,000,000 would be the very thing that the Congress did not contemplate as a possibility when the Holman rule was adopted; that is to say, it would exceed the amount that is expressed in the figures that happen to be marked on the face of the bill itself. There was no requirement, there is no requirement in the law that an appropriation bill should state in the manner which has become the custom, in tabulated form, the appropriations and the total of those appropriations. The only thing that was known at the time the House adopted the Holman rule was that appropriation bills were brought in providing appropriations for various purposes, and each of those appropriations contained in an individual bill totaled so much. It was further known that the statute under which an appropriation bill was framed often embodies, as it does in this case, provisions which would

operate in such manner that if an amendment, apparently making a reduction, should be entertained the whole object and purpose of the Holman rule would be defeated, that object and purpose being to retrench and not to increase.

Unless the Chair is going to discard the language of the statute relative to this matter of set-off, unless the Chair is prepared to take that course, then I submit we have a case here where the amending of this bill by inserting $8,000,000 in substitution for the original provision may increase over what is carried in this bill the amount which has been reported for the purposes of the District of Columbia during the next fiscal year.

Mr. CRAMTON. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. CRAMTON. I want to call to the attention of the gentleman as well as the Chair that whatever there may be in the law as to return or drawback under existing law, that is not disturbed by the amendment which I have sent to the desk. Now, whatever may be my idea of what the complete legislation ought to be, what may be a completed scheme of legislation that may be in my mind, is not before the committee. What is before the committee is simply one amendment that instead of contributing 40 per cent that there may be $8,000,000 contributed, and so far as the amendment is concerned there would be continued the same return to the Treasury of the United States under my amendment as under existing law. The amendment does not interfere with the return to the Treasury; that is fines, property assessments, and so forth, that may come back into the Treasury under the present law and which are to be divided between the District and the Federal Government in the proportion that the two Governments contribute to the expenses. That will still be the case. Under my pending amendment that would still be divided in the same proportion as we contribute to the maintenance, and inasmuch as the reduction that I am proposing from $8,900,000 to $8,000,000 is not a radical reduction, the proportion would continue practically the same, so to make your comparison on the lines the gentleman suggests you need to deduct, say, a million dollars from the $8,900,000, making a net of $7,900,000, deducting substantially the same amount from the $8,000,000, making approximately $7,000,000.

Mr. MOORE of Virginia. Mr. Chairman, that, I think, with great respect to my friend, is an untenable argument. His amendment would have the effect of closing up the question as to the amount that the Federal Government would contribute, the net amount which the Federal Government would contribute, confining it to $8,000,000, because the law would cease to be operative under the terms of his amendment as to offsets, which might otherwise be received.

Mr. TINKHAM. Mr. Chairman, I make a further point of order that the amendment does not show upon its face a reduction. I refer the Chair——

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman's point of order comes too late. He should have made or reserved it before this argument began.

The CHAIRMAN. The Chair would hardly think so when the argument is being made on the point of order. There is a distinction between this kind of an argument and ordinarily. Of course, if this point of order is overruled, would it be in order for the gentleman to offer another?

Mr. BLANTON. I cite the Chair to a distinct precedent. The Chair will remember on this very bill two or three years ago—at least, the parliamentarian will and, I am sure, will show the Chair that decision—the gentleman from Illinois [Mr. MANN] reserved the point of order on the bill and he argued it at length and when it appeared that the point of order might not be upheld by the Chair I sought to make an additional point of order, and, if I am not mistaken, the gentleman from Michigan [Mr. CRAMTON] was in charge of the bill and made the point of order that my point of order came too late, and it was sustained by the Chair. In other words, he decided I should have made the point of order when the paragraph was first read.

The CHAIRMAN. It seems to the Chair that even if that is true the point of order made by the gentleman from Massachusetts is practically covered by that of the gentleman from Virginia.

Mr. MOORE of Virginia. Exactly.

The CHAIRMAN. If the gentleman from Massachusetts cares to be heard on his point of order, the Chair will be glad to hear him.

Mr. TINKHAM. I desire to make a point of order that the amendment upon its face does not show a reduction of expenditures. The point of order made by the honorable Representative from Virginia only covered the so-called Holman rule generally, but did not make the point of order which I now make explicitly. In relation to my point of order I wish to draw the attention of the Chair to House Manual and Digest, page 371, at the top, where it says:

> It is not enough that the provision reduces the number and salary of the officers of the United States or reduces the compensation of any person paid out of the Treasury, but it "must retrench expenditures" by doing that.

The proposition now before the committee does not show that the expenditures will be retrenched. Again, continuing at the top of page 371:

> Where a paragraph containing new legislation provides in one part for a discharge of employees, which means a retrenchment, and in another part embodies legislation to bring about this particular legislation, which in turn shows on its face an expenditure the amount of which is not apparent, the Chair is unable to hold that the net result will retrench expenditures.

But where the additional legislation does not show on its face an additional expenditure the Chair will not speculate as to a possible expenditure under the additional legislation. The Chair, in order to allow this amendment to be made over a point of order, must speculate as to whether there is a reduction or an increase. There is no evidence before the Chair, nor could there be placed at this time evidence before the Chair, because the items are so numerous, the drawbacks to the Federal Treasury are so great and complicated, that without an accounting and a report from an accountant the Chair is absolutely unable to say whether the amendment increases or decreases expenditures; and if it falls into a class of speculation—and it must of necessity under the facts—then under the rulings that I have read to the Chair, the Chair must sustain the point of order.

Mr. BLANTON. Mr. Chairman, will the Chair hear me a moment? I hate to offer anything additional to that just offered by the parliamentary Daniel-come-to-judgment; but, Mr. Chairman, the Chair will take notice and judicial cognizance of the fact that this bill embraces $24,000,000 to be taken in one way or another out of the Treasury, $8,973,000 of which is paid by the Federal Government. The Chair will further take judicial cognizance of the fact that there will be appropriated under the provisions of this bill under the Cramton amendment only $8,000,000 by the Federal Government. If the Cramton amendment is adopted, the Chair can see readily at a glance that it will save to the Public Treasury at least $973,000. That being the case, under the Holman rule it retrenches expenditures to the extent of $973,000. I do not think it is necessary to argue the question further.

The CHAIRMAN. The Holman rule is involved here. That portion of it relating to this matter says:

> Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salaries of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

Of course it is contended here that this amendment comes under the rule because of a reduction of the amount of money covered by the bill. It is admitted in the argument that it is legislation, and the only question then for determination is whether it is a retrenchment. As to that matter the Chair is largely influenced by the opinions of past Chairmen and Speakers. It seems to me that in such an investigation it is not the business of the Chair to investigate the facts and try to find out whether in fact it does or does not involve retrenchment. It is the business of the Chair, if he can determine it on the face of the bill, to so determine. If he can not, then he ought not to go into an investigation of the facts to see if in fact it will constitute a retrenchment.

However, the Chair is justified in looking at the report which accompanies this bill. This report shows that the total amounts payable from the United States Treasury at 40 per cent is $8,973,666.80. The statement is made in the report that of the total amount recommended by the committee—that is, on the second page of the report—the Federal Government's share is $8,973,666.80.

A portion of this will be refunded by reason of the fact that the Government shares in collections from various sources in the same proportion as it contributes to the activities which produce revenue. In 1921 it received from such sources $515,-

010.55, and in 1922, $412,464.89. For 1923, the figures for which are not final, the receipts will amount to about $1,028,270.07.

This bill is an appropriation bill for the fiscal year 1925. The provisions of the statute of June 29, 1922, are called to the Chair's attention by the gentleman from Virginia [Mr. MOORE]. That statute, which introduced the 60-40 proposition, also contained language as follows:

> That after June 30, 1922, where the United States is the owner of ground or the holder thereof in trust for the public, upon which improvements have been made at the joint expense of the United States and the District of Columbia, the revenues therefrom shall first be used to pay the United States 3 per cent of the full value of the ground as a ground rent, and the remainder shall be divided between them in the same proportion that each contributed to said improvements.

Then it provides certain duties to be performed by the assessor. There are further amounts derived from motor-vehicle licenses, which shall be covered into the Treasury. For 1923, the figures for which are not final, the receipts from those sources will amount to about $1,028,270.07. What it will be for 1925 nobody knows. No statement is made. Nobody can tell. It might be one million; it might be two millions; it might be three millions.

Mr. CRAMTON. The Chair should not overlook this, that the return will be the same substantially, whether my amendment is adopted or whether the bill stands as at present. That return is not disturbed by the amendment that I have offered. The law requires that returns should be divided in proportion as the Federal Government and the District contribute. Whether it is $8,000,000 or $8,900,000, our contribution is about the same, so that the sum that will come back, the return, will be substantially the same. It would operate to reduce the $8,000,000 just as it would operate to reduce the $8,900,000.

The CHAIRMAN. Well, if that is admitted, of course the gentleman's argument is correct.

Mr. CRAMTON. It can not be otherwise. As I stated to the gentleman from Virginia a little while ago, the amendment I have offered does not touch that question.

The drawback or refund to the Federal Government continues, and the law provides that the return shall be in the same proportion as the original appropriations were. Now, I am not disturbing that in this amendment, and that is all that is before the Chair. This amendment provides the relation, we will say, of between $8,000,000 out of $24,000,000, and the amendment provides for a difference between $8,900,000 and $8,000,000.

The CHAIRMAN. If the gentleman's statement is correct, that changes the Chair's view.

Mr. CRAMTON. There is nothing in my amendment to disturb that return. The law does not say it shall be a return of 60-40, but the law says the return shall be in the same proportion as the two governments have made the original contribution, and I am not disturbing that at all.

Mr. GARRETT of Tennessee. May I ask the gentleman a question?

Mr. CRAMTON. Yes.

Mr. GARRETT of Tennessee. If the amendment offered by the gentleman should be adopted without other amendments, would it change the aggregate amount which will be carried in the bill?

Mr. CRAMTON. Well, not directly, no; but it does change the amount contributed by the Federal Government.

Mr. GARRETT of Tennessee. In other words, the aggregate amount carried in the bill, made up from two different sources, is $24,000,000.

Mr. CRAMTON. It does not change that.

Mr. GARRETT of Tennessee. It does not change the amount carried in the bill. Now, as I recall, the only part of the Holman rule upon which this amendment could depend for life is that which reduces the amount carried in the bill.

Mr. CRAMTON. No.

Mr. GARRETT of Tennessee. Because, avowedly, it does not reduce salaries and it does not retrench expenditures.

Mr. CRAMTON. It does retrench expenditures from the Federal Treasury, and we are legislating for the Federal Government.

Mr. GARRETT of Tennessee. That raises this very particular question, and I think it is quite important; That it does retrench Federal expenditures; that is, I assume it would.

Mr. CRAMTON. We are assuming that, of course.

Mr. GARRETT of Tennessee. But the Holman rule does not apply to Federal expenditures alone. The Holman rule applies, if it has any application at all, to the District bill as well as to all other appropriation bills.

Mr. CRAMTON. The Holman rule was intended to protect the Federal Treasury. It was enacted with the view of protecting the Federal Treasury. Suppose a river and harbor bill were pending with an appropriation of $5,000,000 for the improvement of a certain harbor or a certain river, and it contained the provision that so much of it should come from the Federal Treasury and the balance from the State or city treasury. We could pass such a bill, but if the provision in the bill were for $3,000,000 from the Federal Treasury and $2,000,000 from the treasury of the city of New York, an amendment that would cut the Federal contribution to $2,000,000 and leave the contribution of the city of New York at $3,000,000 would certainly be in order under the Holman rule, because it would be a retrenchment of expenditures from the Federal Treasury, and that is what this House is primarily concerned about. That is what the Holman rule has reference to. It has no reference to the question of retrenchment in the expenditures of the city of New York or in the District of Columbia. Wherever there is a cooperative effort the issue is, How much of it is coming out of the Federal Treasury?

Mr. GARRETT of Tennessee. Mr. Chairman, of course, the gentleman states a supposititious case, while what we have before us is an actual bill. It is a general appropriation bill.

The CHAIRMAN. Let the Chair ask the gentleman a question, because this is very confusing to the Chair.

Mr. GARRETT of Tennessee. I am willing to try to answer any question, although I did not care to get into this argument. However, I am rather in favor of lump sums.

The CHAIRMAN. This bill purports to carry $8,973,000 as the 40 per cent which the Federal Treasury shall bear. Now, if this $8,000,000 proposition is agreed to, will the Government have to pay any less?

Mr. GARRETT of Tennessee. Will the Government have to pay any less?

The CHAIRMAN. Will there be any less paid out of the Federal Treasury? That is the question.

Mr. GARRETT of Tennessee. Assuming that it will carry $8,500,000 out of the Federal Treasury, I suppose that if you provided it shall carry only $8,000,000 out of the Federal Treasury, of course it will only carry $8,000,000 out of the Federal Treasury; but unless it reduces the aggregate amount, it means that that much more will be made up out of District funds that are deposited in the Treasury. The point is that it does not reduce the aggregate amount of the bill, but it shifts the amounts that shall come from the respective funds.

The CHAIRMAN. That leads to another inquiry. When the Holman rule says "retrenchment" does it mean retrenchment so far as the Federal Treasury is concerned, or does it mean a retrenchment in the total amount expended? In other words, are we here to regard only the Federal Treasury and regard the District funds as something separate and apart? What does the word "retrench" mean?

Mr. GARRETT of Tennessee. Well, Mr. Chairman, that of course carries us into the fiscal relations. As I understand it, all the funds which are collected by taxation in the District now go into the Federal Treasury.

Mr. BLANTON. To the credit of the District.

Mr. GARRETT of Tennessee. To the credit of the District. They are separate funds, but nevertheless they go through the Treasury.

Mr. BLANTON. Will the gentleman yield?

Mr. GARRETT of Tennessee. Surely I yield.

Mr. BLANTON. The adoption of the Cramton amendment would simply mean this: That the present $1.20 tax rate on the $100 would have to be raised to about $1.35 or $1.40.

Mr. GARRETT of Tennessee. That may be the meaning, and that may be very proper, but that does not, after all, affect the merits of the point of order.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Surely.

Mr. CRAMTON. Of course, the gentleman is quite correct in saying that the illustration which I used was only a hypothetical case. Manifestly there could be only one question pending here now, but the case to which I called attention is one that might arise to-morrow, and it is an illustration of what might often arise. What I am proposing is to fix a limit to the expenditures from the Federal Treasury, and to the extent that the expenditure is reduced, so far as the Federal Treasury is concerned, it is increased so far as some other treasury is concerned. It appeals to me that it would be a dangerous doctrine for this House to adopt, that the Holman rule is not primarily concerned about the Federal Treasury; that the Holman rule is as much concerned about the treasury of the District of Columbia as the Federal Treasury, or that it is as much

concerned about the treasury of the city of New York or the State of Missouri or any other treasury as it is the Federal Treasury. The only safe construction to carry out the purpose of the Holman rule, which is economy in Federal expenditure, is to hold that its chief concern is the matter of retrenchment of Federal expenditures.

Mr. GARRETT of Tennessee. Let me ask the gentleman a question. At the time the Holman rule was adopted, even the old form of the Holman rule, the first form—and, of course, the gentleman, being familiar as he is with the development of that rule, knows that it is in a different form now from when it was first adopted—but even when the original rule was adopted the same system of appropriating was in effect then as regards District appropriations as is in effect now.

Mr. CRAMTON. I think the system of appropriating is quite immaterial. The appropriations come from the same source.

Mr. GARRETT of Tennessee. The District bill was regarded then, as now, as a general appropriation bill.

Mr. CRAMTON. Yes; I suppose it always has been.

Mr. GARRETT of Tennessee. And does not the gentleman suppose that the logic of the Holman rule applied to the District bill as well as to all other bills, and that it would have to carry a retrenchment of the whole amount expended, no matter from what source it came?

Mr. CRAMTON. Retrenchment of the Federal expenditure.

Mr. GARRETT of Tennessee. That is not what the Holman rule says.

Mr. CRAMTON. For the protection of the Federal Treasury.

Mr. JOHNSON of Kentucky. Mr. Chairman, I am the author of the present law relative to this subject. I did not favor that law except because it was the best that could be gotten under the then existing circumstances. I think a lump-sum appropriation very much better than a fixed proportion to be paid by each the United States and the District of Columbia. With that statement I wish to say that the case put by the gentleman from Michigan is not, as has been alleged, a hypothetical case when he referred to the rivers and harbors appropriations. The Army appropriation bill which passed the House the other day contains appropriations for rivers and harbors. In that bill there are several provisions appropriating money out of the Public Treasury, and naming the amounts, upon condition that different localities supply the other part of the amount needed.

Under the Constitution Congress legislates exclusively for the District of Columbia, although the District of Columbia is just as distinct from the United States as is any other city or as the rivers and harbors.

If the District of Columbia were legislated for by another body than this body, then no sort of confusion would arise, because the question then would be so plain that Congress is acting in the dual capacity of legislating for the United States and at the same time legislating for the District of Columbia.

In the Army appropriation bill certain appropriations were made by Congress, while the rest of the needed money was appropriated by the State legislature or by a city government. If the District of Columbia had its own legislature having authority to appropriate, then Congress would appropriate part of the money needed for any purpose and the District of Columbia would appropriate the remainder. Exactly that thing is now being done here, except it is done by one legislative body acting in a dual capacity.

Therefore the amendment of the gentleman from Michigan proposing to reduce the amount of the contribution upon the part of the United States is in order.

Under the Holman rule the proposition offered by the gentleman from Michigan is to reduce the amount contributed by the United States.

The CHAIRMAN. Let the Chair ask the gentleman a question. Does the gentleman understand the term "retrenchment of expenditures covered by the bill" simply to mean the funds that are to come out of the United States Treasury?

Mr. JOHNSON of Kentucky. Yes; in my judgment it means that the $8,900,000 would come out of the United States Treasury.

The CHAIRMAN. And does not refer to the District of Columbia funds?

Mr. JOHNSON of Kentucky. No; because under the law which the Chair has before him it provides that whatever revenue is gathered from the District of Columbia shall go into the Treasury of the United States to the credit of the District of Columbia, and this is the first question that has been raised since that law of 1922 was passed.

Mr. CRAMTON. Mr. Chairman, may I call to the attention of the Chair a precedent, on page 367 of the Manual, where the language is as follows:

A motion to recommit the District of Columbia appropriation bill with instructions to reduce the proportion of the fund appropriated from the Public Treasury from one-half, as provided in the bill, to one-fourth of the entire appropriation is in order, since the effect of the amendment, if adopted, would reduce the expenditure of public money, although not reducing the amount of the appropriation.

That is as squarely in point as a case could be, and there is cited the Journal of the Fifty-second Congress, first session, pages 86 and 87.

The CHAIRMAN. The Chair was of the impression when this question first arose that these refunds mentioned in the act of June 29, 1922, would operate as an offset to the amount carried by this bill, and therefore it might not be possible to tell whether the $8,000,000 was a retrenchment or not. But it appears on further consideration of the matter that the bill carries an appropriation from the Federal Treasury of $8,973,000. That is subject, of course, to reduction or retrenchment by any amounts that will be paid into the Treasury as the result of drawbacks, whatever they may be. The fact that they are set-offs to the amounts covered by the appropriation bill will not change the amount at all if the amount covered by the bill is $8,000,000. Manifestly the same offset will occur whether the appropriation is 40 per cent and the amount $8,973,000, or whether it is $8,000,000, and therefore the amount will be reduced equally in any event.

The Chair is justified in assuming the amount is properly stated in the report accompanying the bill. The Chair has not computed it but is justified in assuming $8,000,000 a retrenchment and reduction below $8,973,000.

The Chair will state his idea about retrenchment. Under the ruling read by the gentleman from Michigan the word "retrenchment," as used in Rule XXI, was held to be retrenchment of the amount to be taken out of the Federal Treasury. It does not mean the total amount appropriated by the bill but the amount taken out of the Federal Treasury. The amount in this case would be $8,000,000, and the rest would be taken out of the Treasury of the District of Columbia, which is a separate governmental entity, and, while under the control of Congress, the funds are its own and the retrenchment of the amount covered by the bill is a retrenchment of the amount from the Federal Treasury. In view of these considerations, the Chair overrules the point of order.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes and have permission to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to proceed for 10 minutes and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Chairman, I realize the desire to make progress on the bill, and it is my desire to confine myself to the 10 minutes. This is an old question with which the House is very familiar and I do not want to trespass on your time.

The amendment I have offered is a part of a bill I offered in the last Congress and again in this, which in all reads as follows:

A bill (H. R. 473) to fix the amount to be contributed by the United States toward defraying expenses of the District of Columbia

Be it enacted, etc., That on and after July 1, 1924, the Government of the United States shall not bear any fixed proportion of the expenses of the District of Columbia, but shall pay the sum of $8,000,000 annually toward defraying such expenses of the District as may be appropriated for by law.

SEC. 2. That on and after such date there shall be credited wholly to the District of Columbia any revenue now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived.

SEC. 3. That nothing contained in this act shall be construed to prevent, until July 1, 1927, the advancements permitted to be made for expenses of the District by the Treasury Department in accordance with the first paragraph of section 1 of the District of Columbia appropriation act, approved June 29, 1922.

It proposes that instead of the 40 per cent contribution which we now make to the District expenditures and which is indefinite, the amount contributed depending on what is the sum total of the bill, we shall appropriate a definite amount. The larger the bill for the District, under the present arrangement, the larger the Federal contribution, and I substitute for that a definite fixed lump-sum appropriation of $8,000,000, the balance being paid by the District, and the larger the appropriation bill the larger the District contribution, the Federal contribution remaining constant.

That amount of $8,000,000 is approximately what we are expending now, when you give credit for the rebates, assessments, and so forth that come back to the Treasury. I am not particularly desirous of reducing the Federal contribution, but wish to guard against a continued increase in it, while at the same time making possible more rapid development of the District with District taxation.

While I have not in the amendment at the desk been able to include any proposal to change the law as to drawback or rebates because of the legislative situation, I should say to the committee that if that amendment is agreed to I shall offer another amendment that will propose that there be no rebates to the Federal Treasury, so that the $8,000,000 would be the net Federal contribution with no return of any part of it to the Federal Treasury. It will be a definite fixed sum. That is about the net amount that has been contributed of late. The gross and net contributions by the Federal Government and the part borne by the District the past 10 years are as follows:

Statements showing amounts paid by the United States for expenses of the District of Columbia, fiscal years 1914 to 1923; municipal revenues credited to the United States; net amounts paid by the United States; and amounts paid by the District of Columbia

Fiscal year	Paid by the United States			Paid by the District of Columbia
	Gross amount paid by United States	Municipal revenues credited to United States	Net amount paid by United States	
1914	$5,799,011.80	$232,886.86	$5,566,124.94	$5,924,740.11
1915	6,118,015.99	215,909.82	5,902,106.17	7,372,719.48
1916	6,332,691.79	275,440.02	6,057,251.77	6,407,267.78
1917	6,313,903.06	255,855.13	6,058,037.93	7,060,582.01
1918	7,052,408.17	211,771.33	6,828,631.84	7,188,911.56
1919	8,083,958.46	368,025.63	7,715,932.86	8,826,442.81
1920	9,958,256.74	394,232.98	9,558,922.81	10,252,498.30
1921	9,218,092.97	515,010.55	8,703,082.42	13,127,811.52
1922	9,187,792.98	412,464.89	8,775,328.09	13,718,199.43
1923	8,910,085.05	628,270.07	8,281,815.98	13,739,422.46
Total	76,949,212.10	3,509,977.32	73,439,234.78	93,835,598.88

The amendment that I am proposing would accomplish three things which I think are desirable. It would protect the interests of the Federal Treasury at this time when its burdens are unprecedented, and when the taxpayers of the Nation who are contributing such large amounts to the Federal Government have such tremendous tax burdens upon them in their own cities, counties, and States. Second, it would make possible needed development in the District. This is a growing city, and we are not appropriating for it as rapidly as the needs of the District demand. It paves the way for the District to get improvements by increasing their own contribution, and because of the rapid increase in taxable property here, the local contribution can be constantly increased without any great increase in the rate. Third, it would remove the year by year contention between the District and Congress. Congress constantly feels that the District is not paying its share of local expenses. The speeches made this last week or two show that, and I refer to the discussion of the local tax rates. On the other hand, the District feels that Congress is niggardly in District appropriations; that we do not take care of their needs for schools, and sewers, and streets, and so forth. But let this new arrangement be brought about with a fixed contribution by the Federal Government; then when the District comes to Congress and says "We want a bigger appropriation, we want more sewers, more schools," Congress will realize that the District is asking for something that is to come out of its own pocket with no increase of burden on the Federal Treasury. The people of the District then, asking for larger appropriations, would be placed in a dignified position, and so long as their tax rate is reasonable and the things they ask for are wise and judicious, I do not know of any reason why Congress should refuse to give it to them under that condition. It is not the purpose to reduce particularly the amount now contributed by the Federal Government to local expenses, but it is rather my purpose to make it possible to increase the District contribution as much as the District may need and may desire without a parallel increase in the Federal contribution.

At the present time the tax rate of the District is $1.20 per hundred. I am not going to take any time in arguing whether that is a low tax rate or not. Each one of you can compare it with conditions in your own home.

I do not care where you live, and regardless of basis of assessment, you must know that $1.20 is a lower tax rate than prevails in your town or city. The Census Bureau reports that the average rate per $100 of assessed valuation in the entire United States, town and counties, in 1922 was $2.81. Certainly with a rate of $1.20 in Washington some slight increase could be made without any hardship to anyone. In my little town we wanted a new school building, and it has boosted my tax this year very materially. I do not complain, because I know that we needed the school building, and that was the way to get it. We voted it out of our own money. If the people here want a new school building or to have new schools built more rapidly than is possible on the basis of present appropriations, let them pay with a little increase in taxes. An increase from $1.20 to $1.30 would produce a million and a half dollars additional. But instead, notwithstanding a reserve is being built up, the rate, which was $1.30, has been reduced to $1.20 and, on the present program, will be further reduced in the near future.

This city is building up rapidly, and as it does build up these thousands of new homes and apartments will furnish more material for taxation, so that even at the present rate of $1.20 there will come a considerable constant increase in the amount raised by taxes here. That means a reduction in the rate or an increase in the Federal contribution. I can plainly see in the near future, under the present plan, there will be a constantly decreasing local tax rate, accompanied by a discreditable holding back of needed public improvements, or a rapid increase of the Federal contribution to $10,000,000, to $12,000,000, or to $15,000,000. I am equally opposed to both alternatives.

Some impression of the rapid building up of Washington, its surprising expansion, the rapid increase in taxable property, may be obtained from the following statement of building operations given me by the District officials, the years referred to being the fiscal years ending June 30—

1910: Number of permits, 10,937; valuation, $16,431,946.
1920: Number of permits, 8,196; valuation, $22,659,452.
1921: Number of permits, 8,561; valuation, $19,025,291.
1922: Number of permits, 10,997; valuation, $36,223,969.
1923: Number of permits, 13,296; valuation, $57,690,038.
1924, July 1, 1923, to March 31, 1924: Number of permits, 6,762; valuation, $26,928,530.

[From records of building inspection division.]

(Does not include Federal Government buildings nor municipal schoolhouses or other municipal buildings.)

In 1923, the fiscal year ending June 30, 1923, the valuation of building operations was not $16,000,000, as it was in 1910, or $22,000,000, as in 1920, but it was $57,690,038. That shows how rapidly the city is growing. Real-estate valuations in the District were $345,000,000 in 1914, 10 years ago, and in 1923 they had mounted up to $723,000,000. The personal tangible property has increased from $48,000,000 in 1910 to $123,000,000 in 1923. The following figures covering the total assessments and tax levies the past 10 years on real estate and tangible and intangible personal property are furnished me by the auditor of the District:

Real-estate levies

Year	Assessment	Levy
1914	$345,124,144.00	$5,170,852.16
1915	360,068,849.00	5,401,032.74
1916	394,239,904.00	5,913,148.56
1917	402,699,222.00	6,037,488.33
1918	410,176,609.00	8,162,604.14
1919	414,016,094.00	6,218,160.37
1920	425,623,630.00	6,399,374.45
1921	434,794,758.00	8,478,498.32
1922	472,045,805.00	8,607,612.69
1923	723,100,203.00	9,407,599.49

Assessment personal property

TANGIBLE

Year	Levy	Rate	Assessment
1914	$1,238,091.87	$1.60 per $100	$48,803,413.79
1915	1,275,827.30	do	51,341,826.17
1916	1,318,342.72	do	52,564,052.04
1917	1,371,374.92	do	55,089,098.18
1918	1,462,288.98	do	61,594,147.12
1919	1,794,653.70	do	77,422,530.16
1920	2,120,704.97	do	91,981,374.13
1921	3,107,020.44	$1.95 per $100	114,028,520.69
1922	3,009,198.73	$1.82 per $100	119,895,186.55
1923	2,754,918.46	$1.30 per $100	123,763,372.85
1924			
Total	19,834,371.09		803,215,429.69

Assessment personal property—Continued

INTANGIBLE

Year	Levy	Rate	Assessment
1918	$890,779.39	0.3 of 1 per cent	$296,926,464.00
1919	880,519.34	do	293,506,445.00
1920	969,093.83	do	320,031,277.00
1921	971,848.74	do	323,949,583.01
1922	1,007,249.46	do	335,749,819.00
1923	1,825,395.45	0.5 of 1 per cent	365,079,089.00
1924			
Total	6,544,886.21		1,935,242,677.01

But the Federal interests here are not increasing in the same proportion. The Federal property, in area or in value, is only slowly increasing. The $8,000,000 contribution the United States is now making is a fair figure and ought not to increase simply because the private interests in the District are rapidly being augmented.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. AYRES. In investigations made by the gentleman, does he not find that the Government possessions here have about reached their maximum?

Mr. CRAMTON. It is my impression that they have. I have been here for 12 years, and I have seen a wonderful development of the city in that time, but the Government activities have not increased materially. What the United States should contribute I think is based on two things. First, the amount ought to be sufficient to be a fair repayment for what the Government gets here in the way of police protection, and so forth, in lieu of taxation; and, second, there should be some contribution by the Nation in the upbuilding of the Capital City to make it beautiful. But there is a limit beyond which we can not afford to go for that purpose, especially in these postwar days when the burden of taxation everywhere, except in Washington, is so distressing.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DAVIS of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CRAMTON. I urge this, first, in the interest of the Federal Treasury, and, second, in the interest of the District of Columbia. This city is growing rapidly. It is not able to get its schools and sewers and paving as rapidly as it ought to have them. This offers a way for the people here to get them. Let me illustrate how the present plan works. Last August the Budget called for preliminary estimates, and the Commissioners of the District sent to the Budget office their preliminary estimate, amounting to $32,538,702. Generally speaking, I have no doubt that those were fair estimates. I do not believe they were extravagant. I think that the things that were asked for are probably needed in the District. Under the present law that would have taken $12,800,000 from the Treasury, three to four million more than heretofore. What did the Budget office say? Because the President had given word or instruction to the Budget office that the total Federal expenditure must be kept down to $3,000,000,000, therefore, the Federal contribution in the District had to share in the common cut with other Federal expenditures, and the Budget told the Commissioners of the District $25,144,882 would be the limit that could be allotted the District, not because the expenditures proposed were not desirable or needed, but because the Federal contribution had to be limited, as are all other Federal expenditures. In that way $7,000,000 of desired and needed and proper expenditures in the District were turned down by the Budget, not because the District could not afford to pay for them, but because the Federal Government could not afford to contribute more than 40 per cent of $25,000,000.

But if my amendment should become a law—and I am not overly encouraged at the prospect, though I do want an expression of this committee and of the House and the final accomplishment will be greatly helped thereby—and if the Congress should put it on this fixed contribution basis of $8,000,000, then when the estimates would come in, everything above the $8,000,000, whether the total should be $25,000,000 or $32,000,000, its approval by the Budget and by Congress would not revolve about how much the Federal Government could afford, because its contribution would be fixed, but how much the District could afford to pay, and desired to pay, and what would be a fair tax rate, and whether the improvements desired were proper improvements. Under that condition the District would get needed improvements more rapidly.

Mr. McKEOWN. And if the gentleman's amendment was adopted, who would have supervision over the amount of money that would be raised by the District? Would there be anyone to pass on that?

Mr. CRAMTON. Oh, the law provides now for the fixing of a tax rate in the District within certain limits.

Mr. DAVIS of Minnesota. I do not think there is any limit. I think they can fix anything they wish.

Mr. CRAMTON. They fix a tax rate sufficient to raise their share of the expenditures. The tax rate has varied a little.

Mr. McKEOWN. There would be no necessity then to submit their requirements to the Budget Committee if we should contribute a fixed sum?

Mr. CRAMTON. Under the present machinery unless there was other legislation they would submit them to the Budget and come to Congress as now.

That would be the only function of the Budget and it would be up to the Congress to say whether it desires to have the Budget Bureau continue exercising that function and make a preliminary investigation of the advisability of the expenditure, but the condition of the Federal Treasury would have no connection with it.

Mr. McKEOWN. So the gentleman thinks if this amendment were adopted it would be right and fair to them——

Mr. CRAMTON. That is another question apart from this. I yield now to the gentleman from Texas.

Mr. MANSFIELD. The gentleman has answered the question I intended to ask, except where it might come through the Budget, would it be submitted to the Congress?

Mr. CRAMTON. Yes; as under the present law. My amendment only operates as to the fixing of our contribution.

Mr. HASTINGS. Would the gentleman have read his proposed amendment.

Mr. CRAMTON. My amendment simply strikes out the provision in the bill providing for a 40 per cent limitation and inserts $8,000,000.

Mr. HASTINGS. I thought the Chair sustained the point of order on the amendment.

Mr. CRAMTON. No; the Chair did not, I am thankful to say.

Mr. TINKHAM. Mr. Chairman, I wish to speak on the Cramton amendment, and I ask unanimous consent that I may address the committee for 15 minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TINKHAM. The discussion of this amendment must, it seems to me, be purely academic unless this committee wishes to repudiate the agreement formally entered into to which they have formally committed themselves in relation to the fiscal relationship between the District of Columbia and its treasury and the Federal Treasury. What is the law that it is proposed to revise by this amendment? That law is found in the 1922 District of Columbia appropriation bill, and it reads, in part, as follows:

> That annually from and after July 1, 1922, 60 per cent of such expenses of the District of Columbia as Congress may appropriate for, shall be paid out of the revenues of the District of Columbia derived from taxation and privileges, and the remaining 40 per cent by the United States, excepting such items of expense as Congress may direct shall be paid on another basis; and that in order that the District of Columbia may be able annually to comply with the provisions hereof, and also in order that the said District may be put upon a cash basis as to payment of expenses, there hereby is levied for each of the fiscal years ending June 30, 1923, 1924, 1925, 1926, and 1927 a tax at such rate on the full value, and no less, of all real estate and tangible personal property subject to taxation in the District of Columbia as will, when added to the revenues derived from privileges and from the tax on franchises, corporations, and public utilities, as fixed by law, and also from the tax, which hereby is levied, on such intangible personal property as is subject to taxation in the District of Columbia, at the rate of five-tenths of 1 per cent on the full market value thereof, produce money enough to pay such annual expenses as may be imposed on the District of Columbia by Congress, and in addition to such annual expenses a surplus fund sufficient to enable the District of Columbia to get upon a cash-paying basis by the end of the fiscal year 1927.

You have made a contract or, if you will, adopted a policy until 1927 with the District of Columbia.

Mr. BEGG. Does the gentleman care to be interrupted at that point? How can the District of Columbia make a contract with the Congress of the United States?

Mr. TINKHAM. They can come before a committee of Congress that proposes certain legislation and agree to it, and that agreement can be embodied in legislation, and it can be fairly said that there is a contract.

Mr. BEGG. How does the gentleman mean they can come?

Mr. TINKHAM. I mean the citizens, either individually or represented by their organizations and their officials.

Mr. BEGG. If the gentleman will yield, I do not care to interrupt or take up time, but I think this is a very vital point. I can not understand how the District of Columbia can make a contract with the United States Congress. Is not that a law which was passed in an appropriation bill?

Mr. TINKHAM. When I said "contract," I meant that what I have just read, which is now law, was an assertion on the part of the United States as to what it proposed to do for five years with regard to its fiscal relations with this District. It calls for accumulations of money on the part of the District which have been to date accumulated, and if the District or its representatives would not agree to a change in the contract—I call it a contract; you may call it a policy—I should deem it improper for the Congress to repudiate it.

Mr. BEGG. Right there. I listened to the reading of that law and I did not detect anything in the law that said this law that was passed was accorded priority of privilege over every other law, namely, that it could not be repealed.

Mr. TINKHAM. I do not say Congress can not repeal it.

Mr. BEGG. Are we doing, then, what the gentleman said—violating a contract?

Mr. TINKHAM. In my opinion, you are violating a moral contract upon which the District of Columbia had a right to rely and under which they have accumulated a surplus, or have performed their part, which contract two years after its adoption you propose to repudiate. The agreement, or policy, if you wish to call it so, was to hold good until 1927 and must if honorable conduct and high standards are to be maintained by Congress.

Mr. CARTER. I want to ask the gentleman one question, and that is this: Does the gentleman claim——

Mr. BEGG. If the gentleman from Oklahoma will permit, by the same logic of reasoning that the gentleman is going through now regarding the District of Columbia, if we should change the Volstead law we would be violating a contract with the American people, would we not?

Mr. TINKHAM. I think not. No limiting dates were set in that law, and no surpluses were to be accumulated. It was a criminal law.

Mr. BEGG. The gentleman would not be in favor of that, would he? [Laughter.]

Mr. TINKHAM. That is not involved here. There is no parallel.

Mr. BLANTON. And if we should change conditions down in Mississippi or in Georgia we would be violating the contract. Now will the gentleman permit a question?

Mr. TINKHAM. Yes.

Mr. BLANTON. That so-called contract that the gentleman speaks of was put in here by about 10 Members, and 425 other Members did not have anything to do with it. Here is our friend from Vermont; his people were not a party to it. And here is the gentleman from Nevada; his people were not a party to it. Do you mean to say that a law like that can not be set aside, and the present tax rate must be continued when the gentleman's constituents are paying about $3.20 taxes on the hundred?

Mr. TINKHAM. It was a solemn arrangement, that was to continue in effect for five years in accordance with its very terms. Particularly should it stand when there has been no hearing before a legislative committee, when there has been no hearing before a commission, when the proposition is simply offered from this floor with only 50 Members present, a complete change in an asserted policy for a term of years.

Mr. CARTER. The gentleman does not contend that there have been no hearings on that proposition?

Mr. TINKHAM. There were none on this particular policy and since the 1922 law was passed.

Mr. CARTER. Oh, I have not heard anything in this Congress for the last 10 years but that.

Mr. BLANTON. If the gentleman had stayed here on the floor he would have heard this discussed every week during the entire session of Congress.

Mr. TINKHAM. But that is not what we call a hearing of the interested parties on both sides.

Mr. DAVIS of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. DAVIS of Minnesota. If the gentleman will permit, he does not seem to understand this contract, moral or otherwise. I myself had something to do with the making of that so-called contract. The contract was this: Heretofore, for 25 or 30 or 40 years, the District of Columbia tax receipts did not begin to come into the Treasury, so that they could use them, for five or six or eight or nine months, and the United States Treasury advanced anywhere from $5,000,000 to $10,000,000 for several months under those circumstances. Accordingly, when this contract that the gentleman speaks of was gotten up, the object was that the District should raise a little surplus from year to year, so that by the year 1927 they could begin to pay their own bills without borrowing from the Treasury in any instance. That is all there is in this so-called contract.

Now if this law goes into effect, they need not raise so much money. It was discretionary with them how much they should raise to meet their tax for the year 1927.

Mr. TINKHAM. Why did not the honorable gentleman from Minnesota two years ago propose this policy which should have been adopted then—this policy that he now proposes in the bill?

Mr. DAVIS of Minnesota. I have proposed so many policies in the District of Columbia that I am tired of proposing. Here is a smarter man from the State of Michigan. I live in an older State, away up where the Indians come from.

Mr. TINKHAM. Is there not enough confusion already existing in the fiscal relations between the District of Columbia and Congress because of the many new policies that have been adopted without end? Fix a policy such as was fixed in 1922 and stand by it. That is the only sound course of procedure. Change it if necessary but in a regular way and upon the date upon which the policy is to terminate by its terms.

Mr. CRAMTON. I was a conferee on the District bill in 1922 when that language was agreed upon, so that this is not the first time when the fiscal relations between the District and the Government were touched upon in the District of Columbia appropriation bill. What the gentleman from Minnesota [Mr. DAVIS] says is entirely correct. The date fixed was simply the date effective when the District should begin to pay their own bills. But the 60-40 ratio has nothing to do with this fixed date of 1927, and the 60-40 ratio is law just as long as it is law. But when we appropriate on a different basis that new arrangement will be just as sacred an obligation as the 60-40, and no more.

Mr. TINKHAM. I ask the honorable Representative from Michigan why he comes here two years after he has made that arrangement, which has been satisfactory and acceptable to the District of Columbia, and proposes a new arrangement which, if it is right, should have been proposed two years ago?

Mr. CRAMTON. There are just two reasons why that proposal was not made two years ago. First, I hope I have learned more in association with my distinguished friends in Congress; and second, I was only one member of the committee of conference.

Mr. TINKHAM. I hope next year there will be further light shed on the gentleman's mind. But I hope it will not lead to more chaos and confusion to this vexatious question.

Mr. THATCHER. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. THATCHER. In what way, if any, are the people of the District harmed by the proposed change? In other words, have they, in the face of the law under discussion, made investments or arranged their business affairs in such a way that they will be materially harmed by this change?

Mr. TINKHAM. Let the organizations of the District of Columbia reply. I have in my hand a petition of citizens of the District of Columbia with regard to the fiscal relations existing between the citizens and the United States. It is signed by the chairman of the executive committee of the Citizens' Joint Committee on District of Columbia Fiscal Relations; by the president of the Board of Trade; by the president of the Chamber of Commerce; by the president of the Merchants and Manufacturers' Association; by the president of the Federation of Citizens' Associations; by the president of the Bar Association; by the president of the Columbia Heights Citizens' Association; by the president of the Northeast Citizens' Association; by the president of the Georgetown Citizens' Association; by the president of the City Club; by the president of the District of Columbia Bankers' Association; by the president of the Real Estate Board; by the president

of the Rotary Club; by the president of the Kiwanis Club; and by the president of the Civitan Club.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. What is that that the gentleman is reading from?

Mr. TINKHAM. This is a petition from these various organizations on the subject now at issue.

Mr. BLANTON. We do not often have the pleasure of hearing the gentleman from Massachusetts speak. It is an unusual pleasure. I was wondering if that petition is what has brought the gentleman here on the floor?

Mr. TINKHAM. Not at all. But the improper and ill-considered action now proposed.

Mr. BLANTON. Another question: Does the gentleman know exactly how much this Federal Government has given this city, not when it paid off its bonded indebtedness, but actually out of the Treasury, out of this fiscal relations plan? Does the gentleman know how much it has paid already?

Mr. TINKHAM. I do not know exactly.

Mr. BLANTON. I will tell you, $215,000,000. Two hundred and fifteen million dollars in addition to all the sums that the Treasury has taken out of the people's tax money and spent here, and the gentleman wants us to continue that, as I understand him. We have never done that for Boston.

Mr. TINKHAM. May I say to the honorable Representative from Texas that I served four years on the Committee on the District of Columbia, of which he is a member, and I have served six years on the subcommittee having in charge the appropriations for the District of Columbia, so I am somewhat familiar with both the appropriations and the laws relating to the District of Columbia. The gentleman should remember that this is no other territory than Federal territory and that we are responsible for its management, its development, and its improvement.

Mr. BLANTON. It has ceased to be Federal territory; it belongs to Theodore Noyes, William Randolph Hearst, Garfinkle, and Woodward & Lothrop.

Mr. TINKHAM. Oh, I think not.

Mr. McKENZIE. Will the gentleman yield?

Mr. TINKHAM. Certainly.

Mr. McKENZIE. I have listened to the gentleman's argument on this proposition, and I gather from it that he views this proposition as a breach of faith on the part of Congress with the people of the District of Columbia.

Mr. TINKHAM. I do.

Mr. McKENZIE. I want to ask the gentleman this further question: In view of the fact that your ancient ancestors came over on the *Mayflower* and your more recent ancestors stood at Concord and Lexington fighting for a principle, is not your principle animus against this legislation due to the fact that you believe it is taxation without representation?

Mr. TINKHAM. I think there is an important element of that principle in it; that is, that we are disposing of matters vitally affecting the taxpayers of this District, who are not represented here, in a most cavalier and casual way, and that having implied for five years that the relations were to be upon a certain fixed basis and then lightly to repudiate that basis, the fact that they are not represented here has a bearing and an important one upon my opposition to the treatment of the question that is now under discussion.

Mr. SCHAFER. Will the gentleman yield?

Mr. TINKHAM. Certainly I shall, if I may have time to read the protest of the people of the District of Columbia as presented in this petition.

Mr. SCHAFER. The gentleman opposes the amendment, as intimated, on the ground of taxation without representation. That being so, would not the gentleman advocate that the Federal Government pay all the cost of operation of the government of the District of Columbia?

Mr. TINKHAM. No; I should not say that. There should be some division of obligations. There is a joint use and benefit.

[Mr. TINKHAM began the reading of the petition, which appears in full at the end of his remarks, and during the reading of which the following colloquy occurred:]

Mr. CARTER. The committee with which they had this agreement?

Mr. TINKHAM. Yes.

Mr. CARTER. And that committee is now attempting to repudiate the agreement and make it 50–50?

Mr. TINKHAM. No; they are simply reciting the history of the proposition and bringing it down to the present.

Mr. CARTER. But they say it ought to be 50–50.

Mr. TINKHAM. No; I think not, except, perhaps, in retrospect.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TINKHAM. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes more in order to read this petition.

Mr. BLANTON. I do not object, but everyone of us has read it. I have read just such slush as that.

Mr. DAVIS of Minnesota. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in 20 minutes.

Mr. BLANTON. No. We have another important amendment to offer to this section.

Mr. DAVIS of Minnesota. I said this particular amendment.

Mr. BLANTON. We have another amendment to offer.

Mr. DAVIS of Minnesota. Then I withdraw my request.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. BLANTON. Fortunately the gentleman is a great stickler for the Constitution. Is not that so?

Mr. TINKHAM. I am.

Mr. BLANTON. Well, you are not now preaching against the Constitution?

Mr. TINKHAM. I am not.

Mr. BLANTON. The Constitution is responsible for that condition. The very condition the gentleman is protesting against in what he is reading is a fixed matter of the Constitution.

Mr. TINKHAM. I am not protesting against treating this District as a Federal district but I am protesting against the law which is proposed because Congress is not treating, by statute, the Federal District, as constituted by the Constitution, in a fair manner, but is attempting to violate what is more or less of a pledge or policy which it set two years ago.

Mr. BLANTON. What particular halo is there about the heads of these outside millionaires who move into Washington and buy property, conduct businesses here, have no connection with the Government and make millions out of it. What halo is there about their heads that this Government should give them everything free?

Mr. TINKHAM. It does not seem to me, let me say to the honorable Representative from Texas, that his remarks are particularly pertinent to the exact issue before us. The exact issue before us is whether we should carry out a policy that was fixed in relation to this District in 1922 or whether we should not; and whether, if there is going to be a change in that policy, it should be decided upon on the floor of the House of Representatives without argument, without representation from the District before a Committee of the House or a commission appointed for the purpose.

Mr. BLANTON. We have given the distinguished gentleman 35 minutes to argue it.

Mr. TINKHAM. That is a good deal for me by this committee, I realize.

Mr. SNELL. Will the gentleman yield for a question?

Mr. TINKHAM. I will.

Mr. SNELL. I did not know we had ever adopted a final policy in regard to the taxation of the District or what we should contribute to the District.

Mr. TINKHAM. May I ask the honorable gentleman from New York whether he heard me read part of the appropriation bill of 1922, in which for five years plans were made to be carried out by the District government and the Federal Government? The District government having carried out its arrangement——

Mr. SNELL. Is there anything in that provision guaranteeing that we would pay 60 per cent or 40 per cent or 75 per cent of the taxation? Is there anything in that particular act you refer to that does that?

Mr. TINKHAM. Congress can change, of course, its enactments overnight if it wants to, but is it sound to do so?

Mr. SNELL. I guess the gentleman does not understand me.

Mr. TINKHAM. I think I do.

Mr. SNELL. As I understand it, we did not guarantee for any particular period of time to pay a certain amount toward the running expenses of the District government.

Mr. TINKHAM. It depends on what the honorable Representative means by "guaranteeing." If this Congress enacts into law a statute which purports to fix for five years the financial relations between the United States Government and any person or organization or Federal district, and for a period of two years that arrangement is carried out by the National Government and carried out by the other party, it seems to me there is an obligation, in reasonable honor, as a business matter, for them to carry it through, unless something has arisen which should change the status of the arrangement.

Mr. SNELL. Are we to assume from the language you have read that it was understood we should pay 60 per cent for a period of five years?

Mr. TINKHAM. Shall I read the enactment?

Mr. SNELL. Just to that extent.

Mr. TINKMAN. It says—

that annually, from and after July 1, 1922, 60 per cent of such expenses of the District of Columbia as Congress may appropriate for shall be paid out of the revenues of the District of Columbia derived from taxation and privileges, and the remaining 40 per cent by the United States.

And then continues:

There shall be levied for each of the fiscal years ending June 30, 1923, 1924, 1925, 1926, and 1927, a tax at such rate on the full value——

Mr. SNELL. Let me ask a question right there.

Mr. BLANTON. Where did the gentleman get that?

Mr. TINKHAM. Out of the statutes.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the gentleman may have two additional minutes.

The CHAIRMAN. Is there objection?

Mr. AYRES. Mr. Chairman, reserving the right to object, there has got to be a halt put on this discussion sometime, and I want to serve notice at this particular time that I am going to object to any further extensions of time, after this speaker, especially where an extension over 10 minutes is asked.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SNELL. As I understand it, that language does not definitely commit the Congress to pay 60 per cent for five years. It speaks about a levy of taxes for five years, but I have always understood that these arrangements were made from year to year.

Mr. BLANTON. Of course, they are.

Mr. TINKHAM. Appropriation bills, of course, are passed from year to year. All of them are annual bills.

Mr. SNELL. This matter comes up during every Congress and I supposed that it was a matter of policy which we settled from year to year and have never tried to settle it for any distance in the future, and there is nothing in what the gentleman has read that convinces me that Congress did not intend to do that in this instance.

Mr. TINKHAM. But there was a clear implication that it was the intent of Congress it should continue for five years or it would not have said so.

Mr. SNELL. That speaks of the levy of taxes but does not refer to the previous paragraph, in my judgment.

Mr. CRAMTON. If the gentleman will yield, is it the contention of the gentleman further that in 1927 the present arrangement does expire?

Mr. TINKHAM. It well can be argued that it does expire, and I would suppose that it might expire, but I do not believe, in honesty and in fairness to the District, that it expires now, nor do I believe it is a high standard for Congress to repudiate what on its face can be called a definite agreement.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TINKHAM. Mr. Chairman, I ask unanimous consent that I may insert in the RECORD the petition which I had not finished reading.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to insert the petition to which he has referred in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The petition referred to follows:

PETITION OF CITIZENS' JOINT COMMITTEE ON FISCAL RELATIONS BETWEEN UNITED STATES AND DISTRICT OF COLUMBIA FOR PRESERVATION OF JUST PRINCIPLE OF DEFINITE PROPORTIONATE CONTRIBUTIONS BY NATION AND PEOPLE OF WASHINGTON IN CAPITAL UPBUILDING

Petition to Congress, urging rejection of H. R. 473, which substitutes lump-sum payment by Nation for Capital upbuilding in lieu of definite proportionate contribution payment, as provided by new organic act of June 29, 1922.

To the Congress of the United States:

Your petitioners, the Citizens' Joint Committee on Fiscal Relations between the United States and the District of Columbia and the presidents of its constituent organizations respectfully represent:

The Citizens' Joint Committee on Fiscal Relations between the United States and District of Columbia, organized in 1915, is now composed of authorized representatives of the Board of Trade, Chamber of Commerce, Merchants and Manufacturers' Association, Federation of Citizens' Associations, Committee of One Hundred, Builders and Manufacturers' Exchange, Bar Association, Columbia Heights Citizens' Association, Northeast Citizens' Association, Georgetown Citizens' Association, the City Club, the District of Columbia Bankers' Association, the Real Estate Board, the Rotary Club, the Kiwanis Club, the Civitan Club, and the Cosmopolitan Club.

The platform of principles laid down by the joint committee and adhered to in the committee's brief in the hearings before the joint select committee in 1915, the House District Committee in December, 1919, and the Senate Appropriations Committee in April, 1920, is as follows:

We contend: First, that the United States should contribute largely to the expenses of the District. Second, that this contribution should be a fixed and definite proportion. Third, that this proportion should be at least one-half.

This platform was modified by the District's new organic act of 1922, which reaffirmed the principle of definite proportionate contribution by local community, and Nation toward Capital upbuilding, but changed the 50–50 ratio to 60–40, imposing the 60 per cent burden upon the local taxpayers.

The committee's platform of principles, thus modified, was announced by the executive committee of the citizens' joint committee October 31, 1923, as follows:

We contend, first, that the United States should contribute largely to the maintenance and upbuilding of the National Capital; second, that this contribution should be a fixed and definite proportion; third, that this proportion should be 60–40, 60 by the District taxpayers and 40 by the United States.

House bill 473 provides "that on and after July 1, 1924, the Government of the United States shall not bear any fixed proportion of the expenses of the District of Columbia, but shall pay the sum of $8,000,000 annually toward defraying such expenses of the District as may be appropriated for by law." This bill thus destroys utterly the definite proportionate related plan of Capital contribution, to protect which practically all of organized Washington has united in the citizens' joint committee.

This bill (H. R. 473) should be rejected for the following reasons:

1. It destroys the definite proportionate contribution system, under the beneficial operation of which the National Capital has wonderfully developed, and which after seven years of exhaustive investigation and prolonged discussion has been vindicated by retention in the 1922 law.

2. It destroys the unrepresented Capital's safeguard against excessive and unjust taxation. The compromise law of 1922, coupled with the imposition of new and heavier tax burdens upon the Capital, the vitally important offsetting benefit of retention of the principle of definite, proportionate contribution, the District's safeguard against excessive and unjust taxation by a taxing body in which it is not represented. This bill deprives the District of the only feature of the compromise law of 1922 which is clearly advantageous to the people of the Capital.

The vital feature of the act of 1922, carried over from the act of 1878, is that it fixes a definite equitable standard of national participation in Capital making, related to the contribution exacted in taxes from the Capital community, and does not leave this standard to the shiftings of caprice.

From 1800 to 1874–1878 the national and local Capital contributions were indefinite and unrelated. Each contributed what it pleased toward Capital upbuilding. The Nation measured its own obligations in terms of dollars as next to nothing. The local community raised and disbursed its own taxes at its pleasure. It measured its Capital obligation considerably beyond the limits of its meager taxable resources, and twice became practically bankrupt in performing almost unaided the Nation's task of Capital building.

In 1878 the Nation confessed its violation or gross neglect of its Capital obligation. It gave practical expression to its revived sense of

this obligation in its undertaking to pay one-half the accumulated funded indebtedness of the District and one-half of future expenses. It took from the District the power of self-taxation and assumed completely exercise of the right to fix the local contribution as well as its own. In thus exercising taxation without representation over the District the Nation safeguarded the national community by the pledge that to every dollar collected in taxes from the local taxpayers should be added a dollar from the National Treasury, and that the aggregate revenue should be expended for Capital upbuilding. This provision protected the District from excessive taxation by causing a taxgatherer alien to the unrepresented District to appropriate from his own Treasury for the District's benefit every time he appropriated from the District's tax revenue. Every dollar he took under the tax power from the local community increased correspondingly his own Capital contribution.

The law of 1922 retains the principle of definite related Capital contributions in which the law of 1878 was rooted. That the ratio of this relation was changed from the 50-50 to 60-40 did not alter the basic principle involved.

The pending proposition destroys all relation between the national and local contributions and, leaving all taxing power in the hands of the United States, deprives the unrepresented Capital of its safeguard against excessive taxation by a taxing body in which it is not represented.

3. It destroys the fiscal peace settlement promised by the new organic act.

To raise now the issue of a lump-sum payment substitute for a definite proportionate contribution by the Nation is to reopen the fiscal relations peace settlement of June 29, 1922, and to plunge the House and Senate into the old, wearisome wrangle, so hurtful to the District, over the issue of definite or indefinite proportionate contribution toward Capital upbuilding and over the ratio (50-50 or 60-40) of definite proportionate contribution.

The avowed purpose and promised result of the new law were to bring to House and Senate and people of the District a period of wholesome and refreshing rest from fiscal-relations controversy. If the act of 1922 is left for a few years to work out its vindication on its merits or its failure on its demerits, this needed rest will be secured. If the old controversy over definite proportionate contribution is to be renewed by compulsory discussion of this bill, this rest will be denied, one of the avowed main purposes of the act of 1922 will be defeated, and the understanding upon which this compromise legislation was based will be flagrantly violated.

4. It teaches a false theory concerning the relation of Nation to Capital.

It obtrudes annually upon the attention of Congress the suggestion of a large cash donation to the Capital, as if the primary obligation of national city upbuilding were upon the local taxpayers, and the Nation were only an incidental contributor, a voluntary and benevolent donor. Since the Nation in 1878 recognized and assumed its National Capital power and obligation, its responsibility in respect to the Capital has been primary and dominating. As late as 1916 this relation of Nation to Capital was fully recognized and clearly set forth in the report of the joint select committee of Congress, which made the most thorough, exhaustive, and able study of the fiscal relations of Nation and Capital that statesmen had given to the subject since 1874-1878. As long as all the assets and revenues of the national and local joint contributors toward Capital upbuilding are in the hands of the national joint contributor, and as long as all decisions concerning the amounts to be paid by the joint contributors, respectively, and concerning the expenditure of the joint revenues are to be made by the national contributor, the latter must in equity, and will, in fact, bear the primary responsibility of Capital upbuilding, and the local taxpayers will be recognized in their true relation as merely incidental contributors of tax money, not fixed in amount by themselves, but exacted at the pleasure of the other joint contributor.

5. It reduces to a minimum or destroys any chance of equitable proportionate contribution by the United States in appropriating and spending the District's accumulated Treasury tax surplus.

Another practical effect of destroying the 60-40 ratio will be to reduce to a minimum any chance of equitable proportionate contribution by the United States when our accumulated tax surplus comes to be expended. This tax money was collected by authority of the half-and-half law solely to apply upon the District's half of District appropriations. Whenever it is expended, it would be equitable to spend it under the half-and-half law, the United States duplicating it. If when the surplus comes to be used the proportionate contributions are on the 60-40 ratio, the Nation through Congress will either apply, as equity seems to demand, the 50-50 ratio, or will make the existing 60-40 ratio retroactive and add to the District's surplus only 40 per cent from the National Treasury. But if both the 50-50 and the 60-40 ratios are destroyed, and when the surplus comes to be expended there is no definite proportionate contribution by Nation and taxpaying Capital, then the chances are 100 to 1 that the Nation will not participate at all under any percentage of obligation to enlarge the surplus fund for the upbuilding of the Capital.

6. There are no offsetting benefits to the injuries inflicted by the bill.

Broadly, Washington is tempted to surrender its safeguard of national proportionate contribution by the assurance that through a lump-sum payment system the Capital will escape the tender mercies of the Budget Bureau and will win the privilege, not of taxing itself without restraint but of being taxed by Congress without limit for the upbuilding of the Nation's city.

It is suggested that there will be immunity from Budget Bureau cutting down of Uncle Sam's Capital upbuilding outlay, if the expenditures are made in a lump sum instead of as a proportionate part of the District's total municipal appropriation.

But if Uncle Sam is compelled by any year's fiscal conditions to cut down all of his expenditures, including his outlay on National Capital upbuilding, he will obviously make this retrenchment, whether in order to do it he reduces a lump-sum contribution or holds down the total District outlay, of which he pays a proportionate part. Indeed, it is easier to make this direct specific reduction than indirectly by cutting and mutilating the District appropriations. There is greater fixity to the definite proportionate contribution than to that of a lump sum. It is far easier for those who think that the Nation should pay nothing to-day toward Capital maintenance and development to reduce or deny entirely the annual lump sum than to change the ratio of proportionate contribution.

This bill will not cause the District to escape supervision and national-contribution cutting by the Budget Bureau. It does not increase the certainty of a national contribution or fixity in the amount of such contribution. It does not avoid friction-breeding ratio discussion, but on the contrary aggravates it. It does not increase a particle the District's power to participate in its municipal legislature. Congress still has exclusive power to determine how much it shall be taxed, and by whom and for what purposes its tax money shall be expended.

7. This bill is jug handled, one-sided, unfair. It gives back to the Nation its pledge of proportionate contribution, which accompanied national seizure of the Capital's power of self-taxation, without restoring to the District this self-taxing power of which it had been deprived. Its practical effect is to place a maximum limit on the contribution of the United States and to remove the limit entirely from the contribution of the local taxpayers.

Indeed, the announced purpose of the proposed legislation is to enable a taxing body in which the District is not represented to increase the local burden of taxation at its pleasure unchecked by the existing requirement that every such increase be reflected in some measure in national taxation for Capital upbuilding.

The maximum national contribution is made definite during the time in which Congress refrains from diminishing it; but all limits are declared off in respect to the local contribution, and it remains definite only in the certainty that the local tax burden will be largely increased and that the local taxpayers will not participate at any time in the decision of the amount of the increase, the methods of taxation by which the increase is secured and the purposes for which the tax money is spent.

For the reasons above stated your petitioners earnestly urge the rejection by Congress of House Resolution 473.

Theodore W. Noyes, chairman executive committee of Citizens' Joint Committee on District of Columbia Fiscal Relations; E. F. Colladay, president Board of Trade; Isaac Gans, president Chamber of Commerce; Anton Stephan, president Merchants' and Manufacturers' Association; Chas. A. Baker, president Federation of Citizens' Associations; Stanton C. Peelle, president Bar Association; Herbert L. Davis, president Columbia Heights Citizens' Association; Evan H. Tucker, president Northeast Citizens' Association; J. A. Oliver, president Georgetown Citizens' Association; H. E. Stringer, president City Club; H. V. Haynes, president District of Columbia Bankers' Association; J. C. Weedon, president the Real Estate Board; Arthur D. Marks, president Rotary Club; Harry G. Kimball, president Kiwanis Club; James M. Proctor, president Civitan Club.

Mr. AYRES. Mr. Chairman, I want to renew the suggestion I made a few minutes ago in order not to be discourteous to any Member while discussing this amendment, and they might just as well be governed accordingly because I will certainly object to any extension of time over 10 minutes.

Mr. MOORE of Virginia. Mr. Chairman, I have no property interests in the District of Columbia and no business affiliations of any kind here so I can speak without prejudice on

this subject. For once we have no constitutional question here and I am free to admit that there is no question of contract. I think the only question is the question of the policy that is to be adopted for the coming fiscal year and the future.

The policy desired by the Committee on Appropriations is expressed in this bill. The committee took something like 600 pages of evidence and apparently passed over any suggestion of changing the basis of the fiscal relations between the Government of the United States and the District of Columbia. So we have the Committee on Appropriations not recommending any change at this time. The gentleman from Michigan last year in the last Congress——

Mr. DAVIS of Minnesota. Will the gentleman yield?

Mr. MOORE of Virginia. I have so little time——

Mr. DAVIS of Minnesota. For just one statement. You know the Committee on Appropriations can not inaugurate a new law because that would be subject to a point of order.

Mr. MOORE of Virginia. Oh, they can under the Holman rule, but they did not undertake to do so, and that is all I mean to say about that because I am not intending to criticize anybody. It is a simple naked fact that there is no recommendation by the Appropriations Committee that there should be a change.

The gentleman from Michigan in the last Congress introduced a bill which is the equivalent of his amendment which is now pending. He did not secure action by any legislative committee on that bill. He has introduced a bill in the present Congress and has not yet secured any action upon it. And so we are asked to do something very important in the estimation of a good many people without any real consideration; we are to put aside the orderly processes of legislation usually obtaining here. I, for one, think that is unfortunate. I have great respect for the gentleman from Michigan, but when he rises here and says he thinks that $8,000,000 is a proper amount I am at liberty to believe his individual conception ought to be passed upon in the normal way.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. And then another point: My friend frankly stated that some machinery will have to be devised in order to couple up his proposition with many activities affecting the District relative to the Budget Bureau, and so forth. That all leads me to the conclusion that we should not take action now.

Anticipating that this amendment would be offered, and also anticipating that possibly the point of order would not be sustained—and I have no criticism to make of the Chair because of his ruling upon the point of order—I addressed an inquiry to the president of the Board of Commissioners of the District of Columbia and he has upheld the inquiry I made of him as to whether in his opinion this thing ought to be done all at once or await some additional consideration.

Here is the letter:

MAY 1, 1924.

Hon. R. WALTON MOORE,
House of Representatives, Washington, D. C.

DEAR SIR: The Commissioners of the District of Columbia have the honor to inform you, in response to your inquiry of yesterday as to whether they have any objection to the substitution of a fixed or lump-sum contribution by the United States for the present percentage proportion basis of appropriating for the expenses of the District of Columbia, that they most strongly feel that no change should be made in existing fiscal relations between the United States and the District except as the result of careful investigation and consideration by Congress of the equities involved.

The commissioners believe that Congress, through the appointment of a committee of Senators and Representatives, should conduct such an investigation, as otherwise it would be extremely difficult to ascertain the equitable proportions of appropriations that should be borne by the United States and the District of Columbia. The proposal to substitute the lump-sum contribution should wait upon the results of this investigation.

Very respectfully,

CUNO H. RUDOLPH,
President Board of Commissioners of the District of Columbia.

Mr. CRAMTON. Will the gentleman yield for an observation?

Mr. MOORE of Virginia. I will.

Mr. CRAMTON. Is it not a fact that Mr. Rudolph, chairman of the Board of Commissioners, has personally and repeatedly indorsed my proposal?

Mr. MOORE of Virginia. I think that only adds force to what I am suggesting. We have the president of the Board of District Commissioners, who, the gentleman from Michigan tells us, is in favor of a lump-sum appropriation, which I did not know to be the fact, saying, and he speaks for the other commissioners, that we ought not to act hastily but as a result of careful, deliberate investigation.

Adopting the thought expressed in the letter of Commissioner Rudolph, since the ruling of the Chair on the point of order, I have put in the box a resolution providing for the appointment of a special joint committee of the Senate and House to take up this entire matter in all its features, and many other matters which relate to the District, and consider and make a report upon them. In the beginning of this Congress I recall distinctly that one of the oldest Members of the House and one of the ablest of our associates, the gentleman from Ohio [Mr. BURTON], in the course of his remarks on the modification of the House rules said that the entire situation should be dealt with in order that Congress itself may be relieved of a great deal of work and conditions in the District become more satisfactory.

Mr. MANSFIELD. Will the gentleman yield?

Mr. MOORE of Virginia. I yield.

Mr. MANSFIELD. The gentleman realizes that that has been done on two or three occasions.

Mr. MOORE of Virginia. Yes; and there has been hardly any important subject that has not been under scrutiny by Congress on many occasions.

Mr. Chairman, I ask permission to incorporate in the RECORD the resolution which I have mentioned and which I offered about an hour ago.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The resolution is as follows:

Resolved, etc., That a joint committee to be composed of three Senators, to be appointed by the President of the Senate, and three Representatives, to be appointed by the Speaker of the House of Representatives, is created and is authorized and directed to inquire into the present fiscal relations between the United States and the District of Columbia with a view of ascertaining and reporting to Congress whether the present percentage proportion basis of appropriating for the expenses of the government of the District of Columbia should continue; and if so, what percentage of appropriations for such purpose should be paid by the United States and the District of Columbia, respectively; or whether the United States should contribute a fixed or lump-sum amount annually as its share of appropriations for the District of Columbia in lieu of the existing or any other percentage proportion basis; and if so, what would be a fair and equitable amount to be so contributed.

The committee is further authorized and directed to inquire into the relations of the government of the District of Columbia with departments and branches of the Government of the United States with a view of ascertaining and reporting whether there should be vested in municipal officers certain duties and responsibilities in connection with estimates, appropriations, and expenditures of the District of Columbia now vested in the Federal officers.

The committee is further authorized and directed to make a survey of the administrative services of the government of the District of Columbia and report what changes, if any, may be desirable or expedient in the present municipal organization.

That the officers and employees of all administrative services of the government of the District of Columbia shall furnish to the committee such information regarding powers, duties, activities, organization, and methods of business as the committee may from time to time require, and the committee, or any of its employees when duly authorized by the committee, shall have access to and the right to examine any books, documents, papers, or records of any administrative service for the purpose of securing the information needed by the committee in the prosecution of its work.

The committee shall report its findings relative to all matters herein contained to the Senate and House, respectively, on or before the first Monday in January, 1925.

Mr. BLANTON. Mr. Chairman, I offer a substitute for the Cramton amendment.

Mr. MANSFIELD. Mr. Chairman, I offer an amendment to the Cramton amendment which, I think, would have preference over the substitute.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Texas [Mr. BLANTON].

The Clerk read as follows:

Substitute amendment offered by Mr. BLANTON to the amendment offered by Mr. CRAMTON: Page 1, line 4, after "1925," strike out the balance of the paragraph and insert in lieu thereof the following:

"No contribution shall be made out of the Federal Treasury toward such expenses until property owners within the District of Columbia, in lieu of the present tax rate of $1.20 on the $100, shall themselves pay toward such expenses a tax rate of as much as $2.50 per $100 full valuation on all real and personal property subject to taxation within the District of Columbia: *Provided*, That whatever amount needed each year additional to the revenue derived from taxes levied, assessed, and collected on all real and personal property, full valuation within the District of Columbia, shall be furnished and appropriated by Congress out of the Federal Treasury."

Mr. BLANTON. Mr. Chairman and gentlemen, the Cramton amendment will not remedy this situation, but the amendment I have offered will. Now, what is the situation? I have placed in the RECORD lately for your consideration the result of letters I have received from the mayors of every city in the United States of any size, showing you that these people elsewhere in their cities are paying a tax running all the way from $2.75 up to $8 per $100. And the people of Washington pay a total tax of only $1.20 per $100, and even with the Cramton amendment adopted they would pay only about $1.30 or $1.40 on the $100, while they would pay $2.50 under my amendment.

Let me again quote a few excerpts from the letter sent me by the mayor of the city of Peoria, Ill.:

[City of Peoria, Ill. Mayor's office. Edward N. Woodruff, mayor]

NOVEMBER 1, 1923.

Hon. THOMAS L. BLANTON,
Representative, Washington, D. C.

DEAR SIR: Answering your questionnaire of October 15, concerning relative tax rates of the cities of Washington and Peoria:

The tax rates on each $100 taxable valuation levied against the real and personal property of the citizens of Peoria for the year 1922 is itemized as follows:

City corporate tax, including library, tuberculosis, garbage, and police and fire pension fund	$1.94	
Street and bridge	.34	
School district	2.70	
Park district	.41	
		$5.29
State	.45	
County	.59	
County highway	.25	
		1.29
Total, all purposes		6.58

Unless there is a tremendous revenue derived from sources other than from taxes, the rate of $1.20 for Washington is ridiculous. While I have never had my attention called to this disparity, I am amazed that the light has not been let into financial affairs of the Capital City long before this time.

You should be supported by every colleague in your effort to compel the citizens of Washington to do theirs, even as every citizen outside the District is doing his.

Wishing you success, I am,

Very truly yours, E. N. WOODRUFF, *Mayor*.

The foregoing statement from the mayor of Peoria, Ill., fairly indicates the sentiment of the people over the United States. It might be enlightening to quote from a few of the letters received the tax rates of some of the cities over the United States as certified to me by the mayors of such cities.

During the recess of Congress I wrote to the mayor of every city of any size in the United States and asked them to advise us of their local tax rate, of the charges for water, sewer, paving, and so forth, and what rate, in their judgment, they thought Washington people should pay as a minimum. I want to insert just a few in this report. The consensus of opinion was that the rate here should be at least $2.50 per $100, and there was a large per cent who were in favor of it being much higher, and the rates for taxation ranged from $2.75 to over $6.50, and in all these cities the people were charged more for water, sewer, and paving.

When I speak of the tax rate of these cities I, of course, mean their total tax—State, county, school, and municipal—which is the total tax citizens of those respective cities have to pay on their property, as compared with the $1.20 on the $100 rate Washington people have to pay in the District of Columbia.

The tax rate paid by the people in Baltimore, Md., $3.27 on the $100; in New Orleans, La., $3.16½ on the $100; in Portland, Oreg., $4.52 on the $100; in my birthplace, Houston, Tex., $4.29½ on the $100; in Ogden, Utah, $3.33 on the $100; in Cheyenne, Wyo., $3.75 on the $100; in Fort Smith, Ark., $3.32 on the $100; in New Bedford, Mass., $3.13; in Burlington, Vt., $3.10 on the $100; in Pittsburgh, Pa., $3.22 on the $100; in St. Louis, Mo., which is a distinct political subdivision of the State, the city tax is $2.43 on the $100; in Boston, Mass., $2.47 on the $100; in Rochester, N. Y., $3.36 on the $100; in Portland, Me., $3.40 on the $100; in Boise City, Idaho, $4.29 on the $100; in Mobile, Ala., $3.40 on the $100; in Detroit, Mich., $2.75 per $100; in Duluth, Minn., $5.79 on the $100; in Atlanta, Ga., $3.15 on the $100; in Kansas City, Mo., $2.93 on the $100; in Minneapolis, Minn., $6.52 on the $100; in Salt Lake City, Utah, $3.18 on the $100; in Oakland, Calif., $4.02 on the $100; in Austin, the capital of Texas, $3.54 on the $100; in Denver, Colo., $2.76 on the $100; in Trenton, N. J., $3.22 on the $100; in Racine, Wis., $2.87 on the $100; in Nashville, Tenn., $2.80 on the $100; in Charlottesville, Va., $2.85. And let me illustrate as the tax rate runs generally over Texas: In Paris, Tex., $4.10 on the $100; in Port Arthur, Tex., $3.54 on the $100; in Tyler, Tex., $4.61 on the $100; in Denison, Tex., $3.32 on the $100; in Waco, Tex., $3.63 on the $100; in Amarillo, Tex., $3.55 on the $100; in Temple, Tex., $3.15; in Wichita Falls, Tex., $5.05 on the $100; in Beaumont, Tex., $4.04.

Mr. Edward F. Bryant, tax collector for San Francisco, Calif., has sent me a statement certifying that the following is the tax rate paid by the citizens in the following cities: In Seattle, Wash., $8.80 on the $100; Chicago, Ill., $8 on the $100; in Reno, Nev., $7.38 on the $100; in New York, N. Y., $5.48 on the $100; in Philadelphia, Pa., $6 on the $100; in Detroit, Mich., $4.48 on the $100; in San Francisco, Calif., $3.47 on the $100; in Los Angeles, Calif., $3.89 on the $100.

What excuse have we to offer to our constituents back at home who are paying the above tax rates for permitting by our votes here the 437,000 people in Washington, D. C., to continue paying the measly little pittance of only $1.20 on the $100, based on a half to two-thirds valuation, when our constituents have to pay all the balance of the expenses of this great city?

PRESENT 60–40 FISCAL RELATION

Under the present system now in force the people of Washington pay a total tax of only $1.20 on the $100, on both real and personal property, with a personal property exemption of $1,000 free of all taxation, and with their property assessed at about half valuation, and the whole people of the United States then pay all the balance of their expenses under this ridiculous 60–40 fiscal system, under which the Government makes numerous appropriations for the District of Columbia local civic matters, in numerous supply bills, where the appropriation is taken out of the United States Treasury 100 per cent.

THE OLD SLOGAN HAS WORN THREADBARE

Whenever a Member of Congress seeks to change the unjust system of allowing the people of Washington to pay the ridiculous tax rate of only $1.20 on the $100, the newspapers and citizens' associations immediately resort to their old battle cry—

That Washington is the Nation's Capital and must be made the most beautiful city in the world; that the Government should pay a big part of the local city expenses because it owns so much property here.

Washington is the Nation's Capital and should be made the most beautiful city in the world, and I will go just as far as any other man through all legitimate and proper means to make it the most beautiful city in the world. Before the Government built all of its fine institutions here Washington was a mere village. Property here was of little value. It is because of the fact that the United States has spent its millions here that has caused some lots to jump in value from $100 to $100,000. Every piece of property owned by the Government in Washington is daily enjoyed by the people of Washington.

The local pay roll of the Government is a bonanza to the merchants and business enterprises of Washington. The Government pays its nearly 100,000 employees in Washington their wages promptly every two weeks in new money that has never been spent before. Chicago, or any other big city in the United States, would gladly exempt the Government from paying all taxes on its property to get it to move its capital to such city.

Because we want to make it the most beautiful city in the world is no reason why the Government should pay for building million-dollar school buildings and employing 2,500 teachers and buying the schoolbooks for the 70,000 school children of the thousands of families living in Washington who have no connection whatever with the Government except to bleed it on all occasions and to grow rich on the Government pay rolls expended here.

Because we want to make Washington the most beautiful city in the world is no reason why the Government should pay for the army of garbage gatherers, the army of ash gatherers, the army of trash gatherers, the army of street cleaners and sprinklers, the army of tree pruners and sprayers, and the street-lighting system for the several hundred miles of private residences owned by rich tax dodgers who have no connection whatever with the Government; nor is it any reason why the Government should pay for their water system, their sewer system,

their police protection, their fire protection, for playgrounds for their children, for parks for their enjoyment, for their municipal golf grounds, for their numerous public tennis courts, for their bathing beaches, for their skating ponds, for their cricket grounds, for their baseball and football grounds, for their horseback riding paths, for paving the streets in front of their residences and maintaining and keeping them in repair, for building their million-dollar bridges, furnishing million-and-a-half-dollar market houses, their municipal trial and appellate courts, their jails and houses of correction, their municipal hospitals, asylums for their insane, special asylum schools for their deaf and dumb, asylums for their orphans, a university for their 110,000 colored people, their municipal libraries, their municipal community-center facilities, salaries of all their municipal officers, employees, buildings, furnishings, equipments, sanitary and health departments, and the hundreds of other things that all other cities of the United States must furnish and pay for themselves, but a very substantial part of which the people of Washington have been getting out of the Federal Treasury for years.

The magnificent Capitol and its beautiful grounds are daily enjoyed by Washington people. The Congressional Library, which cost $6,032,124, in addition to the sum of $585,000 paid for its grounds, and for the upkeep of which Congress annually spends a large sum of money, is daily enjoyed by the people of Washington. The Government furnished and maintains the magnificent Botanic Garden here for the pleasure and enjoyment of Washington people. The Government furnished and maintains the wonderful Zoo Park with all of its interesting animals for the instruction and amusement of Washington children. The Government furnished and maintains the extensive and most beautiful Rock Creek Park, with its picturesque picnic grounds, its miles of wonderful boulevards, its incomparable scenery, all for the pleasure of Washington people. Congress has spent millions of dollars reclaiming and purchasing the lands now embraced in the Potomac Parks and Speedway, daily used and enjoyed by Washington people. The Government has spent several million dollars building the various bridges spanning the Potomac River and huge sums for the bridges spanning the Anacostia River, and spent $1,000,000 building the beautiful "million-dollar bridge" on Connecticut Avenue. The Government has spent millions of dollars on the Lincoln Memorial, grounds, and reflecting pools, the Washington Monument Grounds, Lincoln Park on East Capitol Street, and the numerous beautiful little parks scattered all over the city, all for the pleasure and benefit of Washington people.

CONGRESSMAN MANSFIELD'S SPEECH

This Congress and the country owes a debt of gratitude to our distinguished friend and colleague from Texas, Judge MANSFIELD, for the very enlightening speech he made on this subject day before yesterday. Let me quote the following from his speech:

Under the sharing plan inaugurated in 1874 Congress appropriated to the District for the four years, 1874 to 1877, sums aggregating $10,725,141.39. For the 44 years under the 50–50 plan, 1878 to 1921, the appropriations amounted to $178,871,480.58. For the three years under the 40–60 plan, 1922 to 1924, the sum of $25,860,375.11 was appropriated. In all, 1874 to 1924—51 years—the direct appropriations to the District from the Treasury of the United States amounted to the enormous sum of $215,456,997.20.

These sums, enormous as they may appear, do not by any means represent the sum total of the appropriations to the District from the Federal Treasury. These are simply the amounts that have been carried in the annual District appropriation bills. In addition to all this, many of the departmental bills carry large sums for the District to which neither the 50–50 nor the 40–60 plans have ever been applied, but which have been paid in full out of the Treasury of the United States.

Under the War Department bills so many millions have been expended in the District that it would require an expert in figures to estimate the totals.

No wonder the people of Washington only pay the ridiculous little tax rate of $1.20 on the $100, when through certain bills alone Congress has given these people $215,456,997.20 for civic purposes, besides the many other millions of dollars in other bills.

The people living here to-day in the District of Columbia, in our Nation's Capital, the most beautiful in the world, enjoy more privileges and special benefits from the Government than all of the rest of the people in the United States do put together. They enjoy the water system, the main conduit of which is owned wholly by the United States, and toward the expense of which this District and the people of it have never contributed one dollar. In this bill now there is an authorization of $8,900,000 more of the people's money to be spent upon that water system. They enjoy that water at a nominal rate. They have 2,675 school-teachers here who are partly paid by the people of the United States outside of the District.

Their free schoolbooks for their 70,000 school children are partly paid for by the people of the United States outside of the District.

In this bill we are providing $1,174,910 annual expense for their fire department. In this bill we are providing $1,743,000 for their police department, notwithstanding that the Government furnishes its own police for the public buildings and parks. In this bill we are providing as their annual allowance for public schools $6,974,007 more than any city in our home States receives. And for street paving, improvements, and repairs we are providing in this bill $1,112,750.

Yet these 437,000 people here continue to pay a tax of only $1.20 on $100, and thousands of them are rich—millionaires, who have come here to live in this city because of these advantages, and have no connection whatever with the Federal Government.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SCHAFER. Has the gentleman received any figures showing the value of the Government property within the confines of the District, as compared with the value of non-Government property?

Mr. BLANTON. That is a pertinent question. All property owned by the Government is daily enjoyed by the people here, yet if it were taxed at the same rate paid by them it would not have to pay one-third of what we now are paying. Talk about this $8,000,000 that our friend from Michigan proposes that the Government shall pay annually as a fixed contribution! That is just about three times as much as the Government should pay, when all people profit by and enjoy every feature of the Government's plant here.

I have given you gentlemen the benefit of my investigations as a member of the District Committee. It is foolishness, it is ridiculous for the people here in this District to talk about the property of the Government. There is not a piece of property that belongs to this Government but is daily enjoyed by the people of Washington. They enjoy everything the Government has here. It is for their own pleasure and enjoyment, and yet they fight against paying more than a little measly $1.20 on the hundred. I say again what I said on this floor before. A distinguished southern Senator told me only recently that he has a residence down in his home city which he has been for several years trying to sell for $7,000 and can not do it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. He can not sell that residence in his home city for $7,000, and yet he pays more taxes down in his home city on that $7,000 residence than he pays on his $25,000 residence here in the city of Washington. It is a shame and a disgrace that we Congressmen sit here and permit that to longer exist. The Cramton amendment gives us no relief, for it will not require these people to pay more than about $1.30 per $100 taxes.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I have only five minutes.

Mr. CHINDBLOM. I am wondering whether the Senator was getting any particular privilege.

Mr. BLANTON. He is getting the benefit of this law that allows that low taxation on the $25,000 residence, and this particular Senator said, "BLANTON, we ought to stop it." He was not in favor of it. Oh, there are Senators and Members of the House who own great big gobs of property in the District that is taxed at $1.20 on the hundred. Of course it appeals to some of them, but, thank God, this southern Senator told me that he was going to vote to stop it, and we ought to stop it. It is foolishness. You can not go home and face your constituents and defend it.

What is offered by the Cramton amendment? Nothing. It will merely raise their taxes from $1.20 to perhaps $1.25 or $1.30. Is there anything radical about my amendment? Is there anything wrong about it? Is there anything unjust to the people about it? It simply requires them to pay as much as $2.50 on the hundred as their total taxes. There is not another city in the United States that has as low a tax rate, counting all the taxes their people have to pay. I do not even ask them to pay as much as the people do in the lowest city, which is about $2.75. I merely ask that they pay $2.50 on the hundred, as they did some years ago, and then the balance

shall be paid out of the Federal Treasury, and you will stop all of this opposition and fight. It will be really a Godsend to the people of the District to have my amendment passed.

Mr. HASTINGS. What is the average rate of taxation in cities of this size at a full valuation?

Mr. BLANTON. About $4.10 on the hundred in cities having anything like the advantages of Washington.

Mr. LOWREY. What is the personal exemption here in the personal tax?

Mr. BLANTON. One thousand dollars personal property.

Mr. LOWREY. It is $250 in my town.

Mr. BLANTON. This amendment of mine does not hurt the poor people. Every poor person in this city has an exemption of personal property to the extent of $1,000, and that makes everything they have in their homes free from taxation. It is only those who are able to pay who would have to meet this. Our friend TINKHAM comes in here and talks about a contract. Is there any contract here in laws that some other Congress passed that binds our friend from Wisconsin by? Have they bound our friend from Minnesota with the act of some other Congress? They know how these laws are passed. They are brought in here by some committee, and about seven or eight of the committee know something about the bill, and the balance of the members do not know a thing on God's earth about what is in the bill. It is passed and then Brother TINKHAM talks about a binding contract on all Congresses to come hereafter. This is a good opportunity to correct this very unjust situation. I am for my amendment first and for that of my colleague [Mr. MANSFIELD] second; and if they fail, I am, of course, for the Cramton amendment, which affords at least a crumb of relief.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BEGG. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair has already indicated that he would recognize next the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, I ask that my amendment be read.

The CHAIRMAN. The gentleman from Texas [Mr. MANSFIELD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MANSFIELD to the amendment offered by Mr. CRAMTON——

Mr. DAVIS of Minnesota. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 15

that the Federal property in the District of Columbia is greater in value than the property of half a dozen ordinary States. If he will read the hearings heretofore held upon the question of the fiscal relationship between the Federal Government and the District of Columbia, he will find that the representatives of the District have come before committees of Congress and actually demanded the right to levy taxes upon the money in the United States Treasury, and sometimes that is of very great amount. A few years ago I was in a vault in the Treasury where there was $15,000,000,000 of Government securities in one vault. If this Government is going to have the District of Columbia levy taxes upon such property as that, then we might as well quit and be done with it.

Mr. WEFALD. Turn it over to them.

Mr. MANSFIELD. Yes. Now, the ground upon which this subvention or tax to the District of Columbia has been based is that the Government owns property here which the District has no right to levy taxes upon, and that this is a liability to the District because they claim that they have had to pave the streets around Government property and all such as that. They have also claimed that they have had to furnish police for the purpose of guarding Government property. No man can justify the Congress in paying for the expense of their schools and the thousand and one other things which we are paying now. The people of the District of Columbia should no more be released from the payment of taxes for these purposes than the people of New York or Chicago or the least town in the country. Now, if you will examine this bill you will find that there is approximately one and three-quarter million dollars for police service and one and three-quarter million dollars for the upkeep of streets. That makes three and a half million dollars. And if we bear the whole of that, it would be only three and a half million dollars. They have never claimed we ought to pay more than half.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. MANSFIELD. I will.

Mr. JOHNSON of Kentucky. Is it not true that the expense of the police is paid out of public funds as to private property and the United States Government polices all of its own property at its own expense?

Mr. MANSFIELD. That is correct.

Mr. BLANTON. One hundred per cent out of the Treasury.

Mr. MANSFIELD. Yes, sir. Now, the amendment I have offered not only allows enough to cover all the police expense of this District, all street improvements of this District, but I am giving one and a half million more in addition to that; and, I say, there is no man in this House or elsewhere who can pre-

one dollar. In this bill now there is an authorization of

hundred, as they did some years ago, and then the balance

not a city of the same size of the city of Washington that has not better school facilities for the children of their community than has this city. If the people of this District know that they will get $8,000,000, and then if it is left to them to levy enough tax to establish and lay down a complete program for their schools, there is not a Congressman who has any authority or right to stand up and vote against that policy and that tax rate.

The same thing is true with respect to streets. At the present time the condition of the streets in this city is getting worse every single time the sun sets, and yet the citizenship in this city are absolutely at the mercy of the Congress for their money, regardless of the fact that the Federal Government pays only 20 cents on a dollar for the street improvements. The fire and the police patrol, let me say, are not on a standard with any city of the United States of this size. And yet in talking to the police commissioner last fall about some things that should be done to solve even the traffic problem he shot back at me the statement, "If you will give us more money we can rectify those things."

I want to be in such a position that we can give them a stipulated amount, and then place the responsibility for the welfare of the city squarely on the people who live here, because after all that is where the responsibility for the welfare of any community ought to rest.

Mr. TINKHAM. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. TINKHAM. How can you place the responsibility on the citizenship of Washington when the responsibility for making the appropriation is placed on Congress?

Mr. BEGG. Well, I will come to that. I want to say a few other things first. If we give them this $8,000,000 and say to them by implication, "We will ratify whatever tax you bring in, no matter how high it is," that is placing the responsibility on them.

Mr. TINKHAM. Who shall come in?

Mr. BEGG. The officials will come in. If a scheme is devised so that they can have representation on their tax problem, I shall be for that. [Applause.]

The CHAIRMAN (Mr. MAPES). The time of the gentleman from Ohio has expired.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, Washington at the outset had a peculiar beginning. It was proposed to be set aside along the line that Campbell Russell tried to erect in Oklahoma, a New Jerusalem, a place to be the seat of the government. But it soon got away from that

knitting and figure out just what they will spend when they have the responsibility of spending it. They ought not to have to report to the National Budget Committee as to their part of the Budget. Why should the National Government supervise it? What you should do would be to create a board, a special board, that will review the tax levies, and if they propose to give more money than a certain limit, say 2½ or 3 mills, on these taxpayers, the taxpayers ought to have a referendum and have a vote on that. In all the States we fix the power somewhere to limit the amount to be levied on the people.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. CHINDBLOM and Mr. JOHNSON of Kentucky rose.

Mr. CHINDBLOM. Mr. Chairman, I want to speak in opposition to all the pending motions.

Mr. JOHNSON of Kentucky. If the Chair will recognize me next I am willing that the gentleman from Illinois proceed now.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. How much time is left?

The CHAIRMAN. Ten minutes. The Chair will recognize the gentleman from Illinois for five minutes.

Mr. CHINDBLOM. Mr. Chairman and gentlemen of the committee, during the five years I have served in the House I think this is the first time I have asked for five minutes' time to discuss matters relating to the District appropriation bill. I have sat here patiently during all these years listening to the debates and I have voted upon the various propositions that have arisen as my best judgment dictated.

I want to say to the committee that I think this House ought to legislate more intelligently and more permanently upon this subject. Every year since I have been here this question of the apportionment of the appropriations for the District between the Federal Government and the District of Columbia has come up during the consideration of the appropriation bill, and every year the question of the tax rate in the District of Columbia has been discussed in connection with the appropriation bill. Those subjects do not belong here. In my opinion, the proper committee should frame and report to the House a permanent law or a proposal for a permanent law to establish the fiscal relations between the Federal Government and the District of Columbia.

At this particular time I want to voice my protest against any further tinkering with this matter. I do not take the

tee, if you please, take up this whole matter of the relations between the District and the Federal Government, and recommend to Congress some permanent policy with reference to taxation in the District and the contribution of the Federal Government toward the expenses of the District. That would be statesmanlike; that would be businesslike; and that would be for the benefit both of the Federal Government and of the District.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The gentleman from Kentucky [Mr. JOHNSON] is recognized for five minutes.

Mr. JOHNSON of Kentucky. Mr. Chairman, it is an old, old saying that nothing is settled until it is settled right. The settlement of this matter has been going on for many years. It has just been remarked—I believe by the gentleman from Massachusetts [Mr. TINKHAM]—that there is a contract between the United States Government and the District of Columbia, made by the act of 1922, to which the gentleman from Illinois [Mr. CHINDBLOM] has just made reference.

The act of 1878 came to be considered by the people of the District of Columbia as "the organic act." Notwithstanding that, from the very first minute that act was passed until this minute, that act has been infringed upon at the behest of the District of Columbia.

In 1878 a tax rate of $2.50 was fixed. That was regarded as a permanent act, yet within a very short time after its enactment the District people—forever beating at the door of this body—prevailed upon the District Committee and upon Congress to reduce that rate of taxation from $2.50 to $1.50. Then their next progress was to reduce the value of taxable property to two-thirds instead of three-thirds, and in that way they got another reduction, leaving the rate on personal property standing, except as to intangible personal property, and they wiped out all taxation whatever against that. So I say no man has a right to come here now and say that any act which Congress may fix as permanent will be considered as permanent by the taxpayers of the District of Columbia, who are getting off lighter than any other people in the country.

Even now, while we stand here—and every man knows it has been going on during all of this session—there is propaganda to change the law that is now being dignified by being called a permanent law, and while it passed only in 1922, they want to change now for the benefit of the local taxpayers. They want to repudiate it for their benefit, but they deny that right to anyone else if that change embodies anything for the benefit of the taxpayers throughout the land, who are asked to pay the taxes for the people of the District of Columbia. They are the most favored people in this country in the way of taxation, and yet they are forever complaining.

Mr. MANSFIELD. Can not the gentleman say they are the most favored in the world?

Mr. JOHNSON of Kentucky. I have not looked up other parts of the world, but if the people here are not complaining it is because they do not know that other places in the world have a cheaper rate.

One thing that you see in the local papers is that the District of Columbia pays a larger per capita tax than some other place. A tax is not levied upon persons, but is levied on property, so if more property is found in the District of Columbia than in any other place then a tax should properly be levied on that property, although it be here.

I can pick out a few men in the United States and locate them in one little place and make that a place where the greatest per capita tax would be placed. I would pick out Henry Ford and Rockefeller and the present Secretary of the Treasury and a few others and put them in one small locality and thereby increase the per capita tax greater even than that which obtains in the District of Columbia.

When it comes to making a "permanent law" for the District of Columbia, relative to taxation, you will never make one that five minutes after it is made they will not be beating at the doors of this Capitol for the purpose of changing and reducing it so they can get off lighter.

Mr. SCHAFER. Mr. Chairman, has all time expired?

The CHAIRMAN. All time has expired. The question is first upon the amendment of the gentleman from Texas [Mr. MANSFIELD] to the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

Mr. BLANTON. Mr. Chairman, may we have that amendment reported?

The amendment to the amendment was again reported.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 11, noes 15.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I ask that that may be again reported.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry. Does the gentleman from Texas want to know what his own amendment is?

Mr. BLANTON. No; I want the gentleman from Illinois to know it.

Mr. CHINDBLOM. I heard it read, and did not ask for it to be read again.

The CHAIRMAN. Does the gentleman from Illinois object to its being read again?

Mr. CHINDBLOM. I do not object.

The substitute amendment was again reported.

The CHAIRMAN. The question is on the substitute amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 14, noes 18.

So the substitute amendment was rejected.

Mr. BLANTON. Mr. Chairman, if there were enough Members here to provide tellers, I would ask for them; but there are not enough present.

The CHAIRMAN. The question now is on the amendment of the gentleman from Michigan [Mr. CRAMTON].

The question was taken; and on a division (demanded by Mr. CHINDBLOM) there were—ayes 28, noes 5.

So the amendment was agreed to.

Mr. CRAMTON. Mr. Chairman, I offer a further amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Insert after the figures "1923," in line 3, page 2, the following: "and any revenue now required by law to be credited to the District of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived, shall be credited entirely to the District of Columbia wherever the activity or source from which such revenue was derived is maintained by appropriations herein."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment. It is legislation on an appropriation bill, unauthorized by law. It is a change in existing law without authority from a legislative committee, and there is no retrenchment of expenses and therefore does not come within the Holman rule.

Mr. CRAMTON. Mr. Chairman, if the gentleman from Texas will withhold his point of order, or with a point of order pending——

Mr. BLANTON. I prefer to make it now, because we have wasted enough time on the bill. It is clearly subject to a point of order, because it is legislation.

Mr. CRAMTON. I should like, Mr. Chairman, to be heard on the point of order. I will say that the amendment that is before the Chair simply provides that the returns that come back from fines, from assessments, and from rentals, and so forth, instead of being divided in the proportion that the appropriations are made, as is the present law, shall instead go entirely to the District in order to end the uncertainty as to amounts and make it definitely a fixed sum contributed by the Federal Government with no question of any refund.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Whatever force there may be in the point of order made by the gentleman from Texas, and I am obliged to admit that there is some force in his point of order, I should be very sorry, indeed, to have the point of order made or to have the amendment stricken out, because it does not, in my mind, leave the matter entirely in a just position.

However, if the gentleman from Texas should insist upon his point of order, as he has said he would, and the Chair should sustain the point of order, I would still hope that before the change should become finally fixed and definite the situation would be corrected either in this body or in another body.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. BLANTON. If the gentleman had attached this amendment to his first amendment, the Chair would have held his first amendment out of order, because instead of retrenching expenses the two amendments together will make this Government pay more under this bill than it has paid under the last year's bill or the bill of year before last.

Mr. CRAMTON. I am obliged to admit there is a great deal of force in what the gentleman from Texas says.

Mr. BLANTON. Then you are not retrenching, but you are increasing expenses on the Federal Government, and I insist on the point of order.

The CHAIRMAN (Mr. GRAHAM of Illinois). The point of order will have to be sustained. This amendment constitutes legislation and does not retrench expenditures. It seems to add to them, and the point of order is therefore sustained.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry. Is all debate closed on paragraph 1?

The CHAIRMAN. The Chair is so informed.

Mr. CHINDBLOM. For information I ask unanimous consent that it may be read as it now stands, so that we may know how it reads with the changes that have been made.

Mr. BLANTON. I object, Mr. Chairman. That is water that has gone over the wheel, and we want to get along with the bill.

The CHAIRMAN. Objection is heard, and the Clerk will read.

The Clerk read as follows:

GENERAL EXPENSES

EXECUTIVE OFFICE

For personal services in accordance with the classification act of 1923, $40,500, plus so much as may be necessary to make salary of engineer commissioner $7,500: *Provided*, That in expending appropriations or portions of appropriations contained in this act for the payment for personal services in accordance with the classification act of 1923 the average of the salaries of the total number of persons under any grade or class thereof in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation is fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, or (3) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the classification act of 1923 and is specifically authorized by other law.

Mr. BLANTON. Mr. Chairman, I make the point of order to that part of the paragraph in line 8 which, without authority of law, attempts to increase the salary of the engineer commissioner from $5,000 to $7,500. The present law authorizes only $5,000. This bill from the Appropriations Committee seeks to increase it to $7,500 without authority of law.

Mr. DAVIS of Minnesota. This is to put the salary of this man on an equality with the other commissioners. Under the reclassification law they are entitled to $7,500.

The CHAIRMAN. Is it a change of existing law?

Mr. CRAMTON. Mr. Chairman, I understand the situation to be about this: The reclassification law authorizes $7,500 for each commissioner. The engineer gets his pay in part from the Army. If it were not for that he would draw $7,500 under the reclassification act. Under the law he would be entitled to $7,500 in this bill, but the part that he gets as an officer in the Army is carried in the Army appropriation bill, so that it would not be desirable for this bill to carry $7,500. It is not necessary or desirable to appropriate except that part of the $7,500 to bring the Army salary up to the reclassification salary. So I understand that there is law for this appropriation.

Mr. BLANTON. Mr. Chairman, so far as the merits are concerned, I want to pay the engineer commissioner just as much as the other commissioners. I am merely trying to protect the integrity of the rules of the House and the jurisdiction of the Appropriations Committee and the jurisdiction of the legislative committee. There is no law authorizing the engineer commissioner to be paid more than $5,000. The reclassification act does not apply to the engineer commissioner. If it did, they would not have to put it in, for he would get it automatically. He is in a class by himself; he is not affected by the reclassification act. The reclassification act has nothing to do with it.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BEGG. The engineer commissioner, in addition, whenever he ceases to be engineer commissioner, continues to hold his place in the Army and enjoy the benefits of two-thirds pay on retirement.

Mr. BLANTON. Yes; he, of course, will be retired under the Army pay. He is in an entirely different class. I am willing to fix his salary by proper legislation from the proper legislative committee, by a proper bill at $7,500. If the Appropriation Committee wants to retain the present situation in the House of 35 men bringing in all the appropriations, it must quit encroaching on the legislative committees. There is legislation from the first page to the last page in this bill, and I am going to call the attention of the House to it. There is legislation all through the bill. I commended the committee for trying to keep down appropriations, but they have put legislation in this bill to a greater extent than any other appropriation bill that has come from their committee this session. Mr. Chairman, I insist on the point of order.

Mr. CRAMTON. Mr. Chairman, I want to call the attention of the Chair in confirmation of what I have said that the schedules for the salaries in the District of Columbia authorized by the reclassification is at the back of the hearings beginning on page 546. That is the schedule fixed under the law, and the first line of that schedule says "commissioners, fiscal year 1924, base rate $5,000, 1925, $7,500." Of course that is the salary fixed by law for that character of service. The engineer commissioner would not draw $7,500 under this bill for I understand he gets $7,000 out of the Army appropriation bill. It is contemplated by the law that he should get the extra $500 to bring him up on a par with the other commissioners.

The CHAIRMAN. Can any Member cite the Chair to the statute assigning an engineer officer of the Army to this commission?

Mr. BLANTON. If they could, that would be all the Chair would want.

Mr. CRAMTON. I have the reference here but not the statute. It is 21 Statutes, 460; that is the original statute as I understand it, but the reclassification act changes that salary.

Mr. JOHNSON of Kentucky. Mr. Chairman, while I have not the law before me, I think I can state it. By the act of 1878 the District of Columbia was given two civilian commissioners and one engineer commissioner to be detailed from the Army by the President. When that act first went into effect the engineer commissioner received salary of an Army officer only, but, at a later date, during my service here, it was deemed wise that the engineer commissioner should receive as much salary as the civilian commissioners receive. Therefore, for many years the District of Columbia appropriation bill has contained a clause fixing the salary of the engineer commissioner at the same figure that is paid to the civilian commissioners. The reason has seemed good for many years, and I see no reason why it should not be just as good at this time.

Mr. CHINDBLOM. Mr. Chairman, it might be suggested that the very language itself shows that it is a retrenchment. It is a diminution of expenditures because it provides not that the full sum of $7,500 shall be paid but that only so much of it as may be needed to make the salary that sum shall be paid.

The CHAIRMAN. It might be a retrenchment, but is it?

Mr. CHINDBLOM. I think the chairman can look only to the language of the proposal.

Mr. BLANTON. But the statute says $5,000.

Mr. CHINDBLOM. I think the burden is on those who make the point of order to show that there is no authority for it.

Mr. BLANTON. And we have so shown.

The CHAIRMAN. The Chair thinks that he has a fairly intelligent idea of this matter. The appropriation act covering the general expenses of the District of Columbia for 1881 is found in Twenty-first Statutes at Large, on page 460. It first provides for two commissioners at $5,000 each, for a secretary and certain other subordinate officers who are named, and then contains this language:

And hereafter the engineer commissioner shall be entitled to receive such compensation in addition to his Army pay and allowances as will make his compensation equal to $5,000 per annum, and a sum sufficient to pay such additional compensation is hereby appropriated.

The committee will observe that that language is legislative, that hereafter he shall receive a certain amount for his salary. How it got into this appropriation act I do not know. Evidently no point of order was made to it, or similar rules did not obtain at that time as obtain now. In any event it is legislation and nothing has been indicated to the Chair that there has been any change in that legislation, so that the salary is fixed by law at $5,000. The language in the bill does not purport to change the law. It simply makes an appropriation. It reads:

For personal services in accordance with the classification act of 1923, $40,500, plus so much as may be necessary to make the salary of engineer commissioner $7,500.

That, of course, is appropriation language and not legislative, so that no change of law is made by that. The Chair is referred to the hearings before the subcommittee of the House Committee on Appropriations in regard to the District of Co-

lumbia appropriation bill for 1925, page 546, giving the classification of salaries as established by the reclassification act. It is true, as the gentleman from Michigan [Mr. CRAMTON] says, that in that report indicating the base pay of the District Commissioners for 1924, the sum of $5,000 is fixed, and then the report fixes the pay for 1925 at $7,500, for two commissioners. But that is not all that appears here. The line, to read it in full, is as follows:

Commissioners, 2, service, C. A. & F., grade 14, $7,500.

That shows plainly that the classification act extends only to the two commissioners and not to the engineer commissioner. The Chair thinks that must be the situation, that the classification act did not extend at all to the Army officer who temporarily sits with the District Commissioners, and for that reason the point of order is sustained.

The Clerk read as follows:

Purchasing division: For personal services in accordance with the classification act of 1923, $40,880; temporary labor, $200; in all, $50,080.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. What is the necessity for raising the expense in this paragraph $9,640?

Mr. DAVIS of Minnesota. Owing to the reclassification of the employees under the classification act.

Mr. BLANTON. Then the chairman will admit that he is raising the salaries of the employees in this paragraph $9,640?

Mr. DAVIS of Minnesota. Under the classification act, yes.

Mr. AYRES. The bonus amounts to $7,440 and the reclassification raised that somewhat.

Mr. BLANTON. But this is $9,640 more than it was in the bill of last year.

Mr. DAVIS of Minnesota. I read exactly what it is. There is $7,440 in the bonus and $2,200 in the reclassification.

Mr. BLANTON. But it is $9,640 more than this paragraph carried in last year's bill.

Mr. DAVIS of Minnesota. Yes.

Mr. BEGG. Mr. Chairman, I move to strike out the last two words. I do that for the purpose of asking the chairman of the committee a question which seems to me to be vital. The Cramton amendment was adopted, and that appropriates $8,000,000 toward the expenses of the District of Columbia. We have started now to wade through item by item, and we come now to this one of $40,500. Where are we getting off?

Mr. BLANTON. We have been getting on instead of off.

Mr. BEGG. And where are we going?

Mr. CRAMTON. With the chairman's permission I shall be glad to answer that question. The Cramton amendment which has been adopted does not need to change our attitude toward the balance of the bill at this time, because it is not yet a law. It must first meet the approval of the House and of the Senate and become a law. If it were a law, then my own attitude and that of the gentleman from Ohio [Mr. BEGG] would undoubtedly lead toward the extension of more liberality in meeting the needs of the District so far as that course might meet with the views of the taxpayers of the District. Inasmuch as the Cramton amendment is not yet law, and it is not certain it will become law, I think we should proceed with the bill just the same as if it had not been adopted.

Mr. BEGG. But supposing that the Cramton amendment becomes a law in this bill. What happens to the item of $40,500?

Mr CRAMTON. It makes no difference whatever, not a particle; it has nothing to do with it.

Mr. BEGG. On the ground that out of that $40,000 we will contribute whatever the proportionate part $40,000 bears to the $8,000,000.

Mr. CRAMTON. Yes; surely.

Mr. HASTINGS. Mr. Chairman, I am not going to detain the committee more than five minutes. But I want to state what my position is with reference to the taxing of the people of the District of Columbia. I would ascertain the tax rate of cities of the size of Washington all over the United States. Then I would tax the people of the city of Washington the average tax rate that the people of like cities are taxed throughout the United States. I do not see how I could justify myself if I went out home and somebody asked me, "What are you taxing the people in the city of Washington? Are you not paying the expenses of the city of Washington from the Federal Treasury?" I would say, "Yes" But if I said "We are taxing them at an average rate that cities of a like size are being taxed throughout the United States and paying the additional amount from the Federal Treasury," I feel like I would answer any criticism that may be leveled against the system, and I believe the people of the country would be satisfied. But I can not understand, if the gentleman from Texas is correct, when he says the average rate of taxes in like cities is $4.50——

Mr. BLANTON. Four dollars and ten cents.

Mr. HASTINGS. Whereas we are taxing the people of the city of Washington $1.20. I can not justify that rate, and I can not justify such legislation if I were criticized out in my own State and in my own district.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. HASTINGS. I will.

Mr. CHINDBLOM. Does not the gentleman think, as I had the temerity to suggest awhile ago, that either the District of Columbia Committee, or, perhaps, a special committee, should go into this whole question and report permanent legislation?

Mr. HASTINGS. No; in answer to the gentleman's statement, I think not. I was elected to Congress in 1914, and we have been considering this very question every year since I have been here in Congress. Now, it seems to me, assuming the population is 450,000 or 400,000, we should take, I believe, 10, 15, or 20 of the cities of the United States about the same population and ascertain the taxes of all of them and find the average taxes that the citizens pay in all the cities of like size and then place that same tax upon the citizens of Washington. Then I think you would do justice and be fair to the citizens of Washington as well as the Federal Treasury.

Mr. CHINDBLOM. If the gentleman will yield for one word more. The gentleman, of course, appreciates that at this time we have changed the entire system of taxation for the District upon an amendment proposed by a single Member of the House, a very distinguished and very able gentleman, and still the proposal itself does not come from any committee.

Mr. HASTINGS. The gentleman from Oklahoma does not believe we have gone far enough. I would increase the tax rate upon the people to the average rate paid by citizens of cities of like size and pay the remainder, if any, from the Treasury.

Mr. BLANTON. Even if the Cramton amendment becomes a law, and the gentleman goes back to Muskogee, and the people ask what the tax rate is fixed at on these people, he will say that while it was $1.20 we raised it to about $1.30.

Mr. HASTINGS. I will be compelled to tell my own people out home that their local tax rate is approximately four times as much as they have in the city of Washington, and that will not justify a vote on that basis. The people of the country want us to deal fairly with the residents of Washington; but I think we are dealing fairly with them if we cause them to be taxed the average rate that citizens of cities of a like size pay. Will anyone deny that?

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Oklahoma [Mr. HASTINGS] what he can say to his people in his district when he explains to them the average tax rate of cities about the size of Washington which average rate he would require the citizens of Washington to pay, if one of those citizens would state that while those cities whose average you have taken to fix a tax rate in the District of Columbia have a voice in the expenditure of the money when they pay the taxes, have a voice in the Government, have the right guaranteed under the Constitution to vote, to vote for their board of aldermen, and other officials, or if a town, for their town officials who will spend the money, whereas the people of the District of Columbia do not have that right, and should they bear the same burdens of taxation as the citizens of other cities bear——

Mr. HASTINGS. Why not?

Mr. SCHAFER. Not when the citizens here have no voice in their Government.

Mr. HASTINGS. Why is that unjust to the citizens who do have a voice and who do fix the tax rate, and if they do not fix it higher than it is fixed in cities of this size throughout the United States where is the injustice in fixing that tax rate here?

Mr. SCHAFER. Those citizens of the cities upon which the average tax rate would be fixed have taxation with representation. They have a voice in the municipal government, have a right to determine what rates they shall pay, and furthermore they have a right to determine for what purposes the money raised by taxes should be expended. We, as Members of Congress, sit here and legislate and spend the people's money in the District of Columbia and they have no voice in the District government or the expenditure of money raised by taxation. Should we then say to those people of the District they shall pay the same tax rate as other cities, and we, the Congress, should spend the money and run the District government. The people in other municipalities do have a voice in their municipal governments. I believe we should have an investigating committee to investigate the possibilities of bringing before this House of Representatives legislation which will give the people of the District of Columbia the same rights as the citizens of other municipalities have under the Constitution, the right of suffrage and the right to have a voice in the government of the District.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER. Yes.

Mr. BLANTON. That is the reason why they have not the right to vote. It is because the Constitution says so. They knew that when they came here to live. They knew that the Constitution said they had not the right to vote.

Mr. SCHAFER. If that is so then let us amend the Constitution. We have had various other amendments to the Constitution. Let us give them the right to vote.

Mr. HASTINGS. Does the gentleman think $1.50 is high enough?

Mr. SCHAFER. I do not think it is.

Mr. HASTINGS. Do you think $2.50 is too high?

Mr. SCHAFER. I should say any rate, whether 20 cents or $1.20, is too high if they have not the right to vote and have a voice in the Government.

Mr. HASTINGS. Then you do not believe they should have any rate?

Mr. SCHAFER. Yes; but I should say they ought not to be taxed without representation.

Mr. HASTINGS. You would not tax them at all?

Mr. SCHAFER. Not unless you gave them the right of representation—a voice in the government of the District.

Mr. DAVIS of Minnesota. Then you would never have school buildings here at all.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Building inspection division: For personal services in accordance with the classification act of 1923, $57,080; for temporary additional assistant inspectors, $15,000; in all, $72,080.

Mr. BLANTON. Mr. Chairman, reserving a point of order, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. First, Mr. Chairman, I will reserve a point of order on the whole paragraph. I want to ask the chairman of the subcommittee what was the reason for adding $13,140 to the salaries? That is increasing them from the amount allowed under the present law to $57,080, which is a raise of $13,140.

Mr. DAVIS of Minnesota. The former amount, $6,960, was raised by the classification act by $5,150. We have added one employee.

Mr. BLANTON. That is more than the basic law allows.

Mr. DAVIS of Minnesota. We have simply followed the classification.

Mr. BLANTON. But you have added more than the law authorizes, although some of these employees have been in the previous appropriation bills unauthorized. "Additional assistant inspectors, $15,000." There is no authority in law for that.

Mr. DAVIS of Minnesota. Oh, yes.

Mr. BLANTON. You have "For temporary additional assistant inspectors, $15,000."

Mr. DAVIS of Minnesota. The same thing has been year after year.

Mr. BLANTON. That has been in the appropriation bill, but there is no law for it.

Mr. DAVIS of Minnesota. I can not help it.

Mr. BLANTON. I make a point of order on it.

Mr. DAVIS of Minnesota. I do not think it is subject to a point of order.

Mr. BLANTON. I make the point of order to the language "For temporary additional assistant inspectors, $15,000." It is legislation unauthorized on an appropriation bill.

Mr. DAVIS of Minnesota. The law imposes on the District here the duty of supervising the construction of buildings and having building inspectors, and there is no limit as to the number they can employ.

The CHAIRMAN. Has the gentleman the statutes there?

Mr. DAVIS of Minnesota. We have not. If we did have all the statutes here there would not be room enough in this Chamber for them.

Mr. BLANTON. The gentleman had better have the statutes here, because a point of order will be made against each of these legislative items in this bill. You had better get your statutes here.

Mr. DAVIS of Minnesota. For 20 years we have had the same bill, and this is the first time a point of order has been made on these items.

Mr. BLANTON. That is no excuse. Does the gentleman remember when the gentleman from New York [Mr. SNYDER] began operating on that Indian appropriation bill one day, and when he got through there was hardly a paragraph left in it? He was not controlled by what had been permitted to happen in 20 years. He wanted to stop the Appropriations Committee from putting in legislation. It took a special rule to reframe that bill before he got through with it.

Mr. DAVIS of Minnesota. I have not the statutes here respecting the District of Columbia since the year 1878.

The CHAIRMAN. The gentleman from Texas claims there is no law to sustain this item. He says it is not authorized by law. Can the gentleman from Minnesota state whether there is or not? The Chair will have to have some time to investigate that matter if the gentleman from Minnesota can not enlighten him upon it.

Mr. BLANTON. There is no law for it.

Mr. DAVIS of Minnesota. I think there is, but I could not say. It has been in every bill since I have been in Congress.

The CHAIRMAN. The Chair has not time to look at the various statutes on this matter. The Chair understands that the parliamentary rule is that where an item is challenged on the ground that it is not authorized by law the burden is upon the committee to sustain it.

Mr. BLANTON. Of course it is.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

Mr. DAVIS of Minnesota. If you will give us time, we can look up the law.

The CHAIRMAN. Let me suggest that the gentleman from Minnesota asks unanimous consent to pass over this item.

Mr. DAVIS of Minnesota. I will do that. I ask unanimous consent, Mr. Chairman, to pass over this item.

Mr. BLANTON. I suggest this: Let the point of order stand, and if the gentleman later on can show the law for it, I am willing for the point of order to be set aside by the Chair.

The CHAIRMAN. The Chair thinks the better procedure is to let the point of order stand, and let the paragraph stand for the present. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

To reimburse eight inspectors for expenses incurred by them in the maintenance of their own motor cycles or automobiles incident to the performance of their official duties, at the rate of $13 and $26 each per month, respectively, $2,028.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word and reserve a point of order at the same time.

The CHAIRMAN. The gentleman from Texas reserves a point of order on the item.

Mr. BLANTON. Mr. Chairman, the committee in line 14 has raised the allowance from $10 to $13 and from $20 to $26. Why was that raise made?

Mr. DAVIS of Minnesota. Two years ago it was $15 and $30.

Mr. BLANTON. And we cut it down?

Mr. DAVIS of Minnesota. Yes; we cut it down, and we put it back. We have been running through the bill a uniform schedule here of $13 and $26, instead of $15 and $30.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. BEGG. What is the basis for raising to $26 a month and $30 a month?

Mr. DAVIS of Minnesota. I can not tell you what the basis is except that it costs that much to maintain the machines.

Mr. BEGG. Is the Government paying for the repair of those machines and for the gasoline for joy riding in the evening? I think this is a poor policy for the Government to operate on.

Mr. DAVIS of Minnesota. I agree with you.

Mr. BEGG. If it is subject to a point of order, I think it ought to be stricken out. I would suggest the policy of furnishing the machines.

Mr. DAVIS of Minnesota. You can not do that.

Mr. BLANTON. Does not the gentleman know that most of these are Ford cars? You can now buy a Ford touring car for about $295, and you can maintain it and operate it for about $15 a month. So what is the use of allowing $26 a month? They can buy a new Ford car every year with the money they will save. Mr. Chairman, I make a point of order against the items in this section unless the chairman will accept an amendment to reduce these items to the amount carried in last year's

bill. If the gentleman will consent to that, I will not make the point of order.

Mr. DAVIS of Minnesota. I can not do that.

Mr. BLANTON. Then, Mr. Chairman, I make the point of order against the paragraph that they have exceeded the allowance authorized by the present law. The present law authorizes $10 for a motor cycle, and they have raised it to $13; the present law authorizes $20 for an automobile, and they have raised the allowance to $26, all without authority of law.

Mr. CRAMTON. Where does the gentleman find that basic law?

Mr. BLANTON. I am going to let the distinguished chairman of the subcommittee submit that to the Chair, because it is his duty to do so.

Mr. CRAMTON. I only want to make this suggestion to the Chair, and I regret I have not been in touch with this matter and prepared to cite specific authority. But, with all due respect to the gentleman from Texas, I am obliged to argue from the premise that there is no statute which fixes the amount that can be paid to these employees as an allowance for the care of their own motor cycles and automobiles.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. I yield to the gentleman from Texas in order that he may give me that information.

Mr. BLANTON. Does not the gentleman from Michigan remember the other day when we had the police and firemen's bill here, a legislative bill from the legislative Committee on the District of Columbia? That bill authorized what should be allowed for a motor cycle and for an automobile, and even for horseback policemen; so much for each one of them.

Mr. CRAMTON. I can not yield further because the gentleman is not contributing to the total sum of my knowledge at all. The matter of what we allow the police has nothing to do with building inspectors.

Now, my assumption is that there is a statute requiring the inspection of buildings—unfortunately, it is not right at hand although it ought to be—but there is a statute requiring the inspection of buildings, and it is necessary for the building inspectors to get about the city to the various buildings; it is in the interest of efficiency and economy of time that they should do so, and unless there is some limitation fixed by law as to what that transportation—which is necessarily incident to their employment—shall cost then $13 is just as much in order as $10.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BEGG. Does the gentleman think for a minute there is a statute authorizing our giving them $1?

Mr. CRAMTON. There is no necessity of finding a statute authorizing the giving of $1 to them, because when we require these officials to inspect buildings located all over the city and we authorize a definite or indefinite number of employees for that purpose it is a necessary incident of the employment that they should have some means of traveling about the city.

Mr. BEGG. Does the gentleman argue that they could hire a limousine to go out and inspect these buildings?

Mr. CRAMTON. Yes; if the Congress should give them the money to do that, and Congress has the authority to give them the money.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLANTON. The gentleman knows that we have been fixing the subsistence allowance at $4 until recently when the House raised it to $5, $6, and $7, but it took legislation to do that.

Mr. CRAMTON. There is a statute fixing the limit as to that, but in this case in the absence of a limitation of $10, which the gentleman says exists and in which I have been sufficiently interested to ask him to tell me where it is——

Mr. BLANTON. I am asking the chairman of the subcommittee to show us any law that authorizes a $13 and a $26 allowance. But he can not do it.

The CHAIRMAN. Can the gentleman from Minnesota cite the Chair to any authority for this allowance?

Mr. DAVIS of Minnesota. I can not do that, but it has been the custom, and I know there is a law providing building inspectors, and the number of them depends upon the amount of the appropriation. Now, this has been the custom in every bill I have ever seen. They have had the allowance as high as $30 and as low as $20. We have now fixed it at $26. I do not know of any definite statute fixing the amount for an automobile, but I do know we must have building inspectors and I know the number is fixed by the Budget. In this case it was fixed by the Budget and we left the amount where we found it.

The CHAIRMAN. Can the gentleman cite the Chair to where the amount was fixed by the Budget?

Mr. DAVIS of Minnesota. I do not know that the Budget fixed the amount on automobiles, but they fixed the number.

Mr. BLANTON. That would not be law.

Mr. DAVIS of Minnesota. The Budget fixed $13 for a motor cycle and $26 for an automobile.

Mr. BLANTON. What has the Budget to do with it? That is just a little secretarial adjunct of the President's office.

The CHAIRMAN. The Budget Bureau, as the Chair understands it, is an official bureau that passes on estimates which are made by the heads of the various departments. Now, the question arises whether, if an item in an appropriation bill is based upon the estimate of the Budget Bureau, it is not presumed to be based on a matter of law?

Mr. BLANTON. No.

Mr. BEGG. I certainly think the gentleman would not even intimate that the Chair would hold on any such assumption as that.

So far as the gentleman from Ohio is concerned, it is immaterial how the Chair rules, other than to keep the precedents of the House somewhat in order, but on the intimation of the Chair, suppose the Budget was in favor as an individual of something that was not appropriated for at all or was not legislated for, and should put in $100,000 for that purpose, would the Chair hold that on the ground the Budget was infallible and could not go wrong——

The CHAIRMAN. The Chair does not so hold. The Chair is simply indicating to the gentleman——

Mr. BEGG. I take it the Chair was only intimating that in the question that was put.

The CHAIRMAN. That is all, and the Chair is in doubt whether it can be safely assumed that the Budget Bureau will not pass on any item that is not authorized in law.

Mr. BEGG. If the Chair will permit, I think I can suggest a test to put to this that will at least form a good deal of argument one way. If there is a law anywhere fixing an allowance, the committee would not be bobbing up and down on either side of it every year.

Mr. BLANTON. May I suggest this to the Chair? The Budget Bureau has lately approved of an item of $14,600,000 to build what is known as the proposed Lincoln Memorial Bridge across the Potomac. That has been sent here to the Congress by the President with the approval of the Budget asking for such a law. There is no such law now. That matter is pending right now before the Committee on Buildings and Grounds of the House, and the Chair could not hold just because the Budget had approved of a matter——

Mr. HUDSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSON. Is it not a fact that the Budget commissioner and the Budget Commission is to try to keep the expenses within the revenues of the Government, and that is all?

Mr. BLANTON. Why, certainly. The Budget Bureau just maps out how far we can go in passing laws to take money out of the Treasury.

Mr. McKENZIE. Mr. Chairman, I do not want to argue the point of order because I am not a parliamentary shark, but it does seem to me, as suggested by the Chair, that the Budget Bureau in making up estimates found those estimates on law, and it seems to me that when a question comes up such as the one now before the Chair, it is a fair presumption that the Chair should take judicial notice of the fact that these estimates are based on law to the extent that the burden is on the person challenging that fact to show that there is no law on which such an enactment could be based rather than placing the burden on the committee.

Mr. BEGG. Will the gentleman yield at that point?

Mr. McKENZIE. Certainly.

Mr. BEGG. Why, Mr. Chairman, if the gentleman from Illinois is correct in his assumption, there is not a private bill which comes before the House carrying an appropriation that does not carry with it a letter of recommendation from the Budget commissioner saying that it is not out of harmony with the program of the Budget.

Mr. BLANTON. Of course.

Mr. BEGG. And there is no law for it at all.

Mr. McKENZIE. I fail to see the analogy.

Mr. HUDSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HUDSON. Should the point of order be sustained, does that strike out the paragraph?

The CHAIRMAN. The paragraph would be stricken out. Gentlemen of the committee, the Chair is in an unfortunate position about this matter. If these points of order are to be interposed to each section or to several sections of the bill, and I assume that will be done wherever there is an item that is questioned, the parliamentary precedents are that the burden is on the committee to sustain their bill by proof that there is some law authorizing the items.

Mr. CRAMTON. Mr. Chairman, will the Chair permit an interruption?

The CHAIRMAN. Yes.

Mr. CRAMTON. I realize fully the attitude of the Chair, with which we must all coincide, and I have here a statute (20 Stat. 131), the act of June 14, 1878, "An act to authorize the Commissioners of the District of Columbia to make and enforce regulations relative to the sale of coal, and also building regulations":

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they hereby are, authorized and directed to make and enforce such rules and regulations relative to sale of coal in the District of Columbia as shall insure full weight to the purchasers of coal; also such building regulations for the said District as they may deem advisable.

SEC. 2. That such rules and regulations made as above provided shall have the same force and effect within the District of Columbia as if enacted by Congress.

And it is my information that that is still the law. We authorize the commissioners to make regulations as to buildings in the District, and having authorized them to do that, the Committee on Appropriations of the House has the authority to recommend the employment of employees to carry out those regulations. Those regulations, we will assume, require that when a new building is being erected, the plans must be submitted, and that as the building progresses, it must conform to the specifications set forth in the regulations which the commissioners have made, on the authority of Congress, and then the owner who is constructing the building must submit to inspection of it as the work progresses; and that certain regulations for the prevention of fire shall be followed in the building of that structure. Having authorized the regulations making certain requirements, it follows, as a necessary incident, that they have the authority to employ such persons as Congress may provide the money for to follow up and make these regulations effective. In the work of inspection, transportation is a necessary incident, and in so far as there is no limitation in some labor law, any amount would be in order as an appropriation for inspectors or for their necessary expenses, including transportation.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. I yield.

Mr. BLANTON. You will find a basic legislative law authorizing every employee of this District government, every one of them. They have all been provided for by legislation, and whenever they want additional employees they come to the legislative committee, except when they can get the Committee on Appropriations across the hall here to stick in something of this sort.

Mr. CRAMTON. The gentleman has made a very broad statement which is contrary to my information and belief. I think the gentleman is very much in error about that.

Mr. BLANTON. That is where you are in error; the burden is on you.

Mr. CRAMTON. I have cited the Chair the statute which requires the commissioners to make regulations, and when they have made them they shall have the same effect as law enacted by Congress. A necessary incident is to make the inspection provided for.

Mr. BLANTON. Regulations have nothing to do with the employment of inspectors.

Mr. AYRES. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. AYRES. Does the gentleman say that the law applies to every employee in the department?

Mr. BLANTON. Yes.

Mr. AYRES. Then why did the gentleman make the point against the assistant inspectors?

Mr. BLANTON. Because there was no law for them, and the Chair sustained it.

Mr. AYRES. I know the Chair did, but I thought the gentleman made the statement that there was a law providing for all the various officers and employees.

Mr. BLANTON. I meant every employee of the District government—authorized employees. Of course, there are provisions that this Appropriations Committee has put in here that have gone through because nobody made a point of order against it.

Mr. AYRES. Do I understand the gentleman to say that there is a law providing for inspectors?

Mr. BLANTON. For every employee not subject to a point of order you will find a basic law. I am not going to discuss any academic questions.

Mr. AYRES. But the gentleman said there was a law providing for every department employee.

Mr. BLANTON. Yes; members of the police force, firemen, teachers, trash gatherers, and so forth.

Mr. AYRES. And plumbing inspectors and building inspectors. Then why did the gentleman make the point of order against the assistant inspectors?

Mr. BLANTON. Because there was no authorization of law.

The CHAIRMAN. The act of June 14, 1898, cited by the gentleman from Michigan, authorizes the Commissioners of the District of Columbia as follows:

The Commissioners of the District of Columbia be, and they are hereby, authorized and directed to make and enforce such building regulations for the District as they may deem advisable.

That is as broad as any authority can be.

Mr. JOHNSON of Kentucky. Mr. Chairman, may I interrupt the Chair?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. JOHNSON of Kentucky. Is the Chair inclined to believe that the enforcement of law can be otherwise than through the courts?

The CHAIRMAN. The Chair does not quite understand the gentleman's question.

Mr. JOHNSON of Kentucky. What I mean to say is that the commissioners can not enforce a law by the failure or explicit authorization of Congress to make appointments. The law is executed only through the court for those who might fail to obey the rules and regulations made by the commissioners.

The CHAIRMAN. That may be true; the only question here is whether the item appropriating this sum is authorized by law—whether there is any authority at law for building inspectors, and any authority at law for paying them.

Mr. JOHNSON of Kentucky. I trust that there is, because we are bound to have them, but I think for the benefit of orderly procedure the point of order ought not to be overruled or sustained unless proper authority is shown for it. I do not believe it was ever contemplated that the commissioners should have the right without limit to appoint inspectors, and neither do I believe that they are authorized to give them transportation.

Mr. BEGG. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BEGG. Does the gentleman think under the interpretation of the law as intimated by the Chair that the building inspectors or the committee would be authorized to provide Packard automobiles with a chauffeur for them to go to and from their work?

Mr. JOHNSON of Kentucky. If the commissioners have the right to provide a Ford or a bicycle for the inspectors they have a right to provide a Packard.

Mr. BEGG. That is the point, they could send them about their work on a special train under the law if they could send them with an automobile or a motor cycle.

The CHAIRMAN. The Chair is ready to rule. The statute provides that they shall make such building regulations as they may deem advisable. Under that language they may deem it advisable to have 15 inspectors and provide for them and to get Packard automobiles. If there is no limitation, if that is all the law there is, it is as broad as any authorization could be. Under such authorizations 15 inspectors are possible or 50 are possible. Of course it is for Congress to appropriate for such expenses of this department as it desires. It is always a question of how far Congress will go.

Mr. JOHNSON of Kentucky. But, Mr. Chairman, the right to appoint one inspector is challenged. There is no authorization for the appointment of the first one. The commissioners may make rules and regulations, but there is nowhere authority at all given to appoint even with a limit or without limit.

The CHAIRMAN. Suppose the District Commissioners should make rules and regulations providing for the appointment of 50 inspectors.

Mr. JOHNSON of Kentucky. It would be unlawful unless they have authority.

The CHAIRMAN. The authority is so broad that it would give them authority to do most anything in that line.

Mr. JOHNSON of Kentucky. If it does, they will exercise it.

The CHAIRMAN. Unless the committee can show that it has been restricted——

Mr. JOHNSON of Kentucky. If the Chair will permit me, the chairman is about to decide upon the presumption that the

gentleman who made the point of order must furnish the authority. The burden is on the other side.

The CHAIRMAN. The Chair does not assume that. The Chair assumes the contrary, and so stated, that where the legality of an appropriation is challenged the burden is then upon the proponents of the bill to show that it is sustained by law. In answer to the proposition of the gentleman from Texas [Mr. BLANTON], the gentleman from Michigan [Mr. CRAMTON] has shown this statute to the Chair, which is extremely broad. If there are any limitations on that, it is now the burden of those who make the point of order to show the Chair that this statute has been limited by some subsequent enactment.

Mr. BLANTON. Mr. Chairman, will the Chair indulge me for a moment?

The CHAIRMAN. Certainly.

Mr. BLANTON. I know what is running in the mind of the Chair, that because they are allowed to make regulations they could provide the means of carrying them out. I want to show the absurdity that would lead to.

Suppose they provided for a chief architect at $50,000 a year, and that he should have a White House mansion to live in; that they should further provide in these regulations that there should be 10,000 assistant architects, each drawing $25,000 a year. If the Chair would carry out what he has intimated he may rule, he would hold that that was absolutely beyond the reach of a point of order on the floor of this House.

The CHAIRMAN. The Chair would hold that it was justified by the original authorization, but that it would be up to Congress to say whether it would appropriate for such foolish purposes.

Mr. BLANTON. I am afraid the Chair will have to back up on that later on, because he will reflect on it some time and see how absurd it is.

Mr. JOHNSON of Kentucky. Mr. Chairman, to get a specific ruling, may I ask if the Chair holds that when a commission is authorized to make rules and regulations it may employ officers without limit?

The CHAIRMAN. The Chair has held, as regards these officers, that the Chair believes the commissioners could under this authority of law employ such building inspectors as they desire. The Chair can not see any limit to the authority at all, if that is all the authority there is, and the only limitation this act places upon them is the limitation which we have a right to exercise here by failing to appropriate for such purposes as they may provide.

Mr. JOHNSON of Kentucky. Mr. Chairman, since we have one commission that has been operating for 114 years which makes rules and regulations, and since we have another commission which has been operating for sixty-odd years which makes rules and regulations, and since we have an almost untold number of commissions that make rules and regulations, I think that this question should not be passed in any trivial way; in other words, that it should be met in the most serious way. Therefore, with all due respect to the Chair, I ask that the question be submitted to the House.

The CHAIRMAN. The Chair has not yet ruled, but the Chair will rule now. The point of order is overruled. The gentleman from Kentucky appeals from the decision of the Chair. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. JOHNSON of Kentucky. Mr. Chairman, I believe that the whole House or least a larger membership than is present ought to have a voice upon this most important question which ultimately will cost the Government untold millions. Therefore, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Kentucky makes the point of order that there is no quorum present.

Mr. CHINDBLOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. The point of order was decided, and as I understand it there was some statement by the gentleman from Kentucky, and at the conclusion of that statement he made the point of order that there is no quorum present, so that the point of no quorum will have no reference to the decision of the point of order?

Mr. JOHNSON of Kentucky. It may go over.

Mr. BLANTON. The question is not decided until a quorum decides it.

Mr. CHINDBLOM. This is an independent point of order of no quorum, it seems to me.

Mr. LONGWORTH. Mr. Chairman, I did not quite follow the proceedings, but I understood the Chair to call for the ayes, which voted, but that the noes did not vote.

The CHAIRMAN. Both sides voted and the Chair announced that the ayes seemed to have it. Thereupon the gentleman from Kentucky rose and said that he thought that there ought to be a quorum here, and he called for one.

Mr. LONGWORTH. In case no further action is taken with reference to the committee rising there will be a call of the committee?

The CHAIRMAN. If no quorum is present, there will be a call of the committee.

Mr. BLANTON. And then we would have another vote upon it.

The CHAIRMAN. The Chair will count. [After counting.] Thirty-two Members are present, not a quorum. The Clerk will call the roll.

Mr. BEGG. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Ohio moves that the committee do now rise.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BEGG. Mr. Chairman, on that I ask for tellers.

The CHAIRMAN. The committee will divide first, and then the gentleman can ask for tellers.

The committee divided; and there were—ayes 11, noes 13.

Mr. BEGG. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. BEGG and Mr. BLANTON to act as tellers.

The committee again divided; and the tellers reported ayes 16, noes 24.

The CHAIRMAN. A quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Gallivan	Milligan	Strong, Pa.
Aldrich	Garrett, Tex.	Mills	Sullivan
Anderson	Geran	Mooney	Summers, Wash.
Anthony	Gifford	Moore, Ill.	Sweet
Bacharach	Gilbert	Moores, Ind.	Swoope
Barkley	Goldsborough	Morin	Taber
Beck	Greene, Mass.	Morris	Tague
Bell	Greenwood	Mudd	Taylor, Colo.
Berger	Harrison	Murphy	Taylor, Tenn.
Boylan	Haugen	Nelson, Wis.	Thomas, Ky.
Britten	Hawes	Newton, Minn.	Timberlake
Browne, N. J.	Hawley	Nolan	Tincher
Burdick	Hoch	O'Brien	Treadway
Burton	Holaday	O'Connell, N. Y.	Tucker
Byrnes, S. C.	Howard, Nebr.	O'Connor, La.	Tydings
Byrns, Tenn.	Howard, Okla.	O'Connor, N. Y.	Underhill
Cable	Hull, Tenn.	O'Sullivan	Upshaw
Campbell	Hull, Iowa	Oliver, N. Y.	Vare
Carew	Hull, Morton D.	Parker	Vestal
Casey	Hull, William E.	Peavey	Vincent, Mich.
Clark, Fla.	Humphreys	Perkins	Vinson, Ga.
Connolly, Pa	Johnson, W. Va.	Perlman	Voigt
Corning	Kahn	Quayle	Ward, N. Y.
Crisp	Kelly	Rainey	Ward, N. C.
Curry	Kendall	Ransley	Wason
Davey	Kiess	Reece	Watkins
Dempsey	Kindred	Reed, W. Va.	Watres
Dickstein	Knutson	Reid, Ill.	Watson
Dominick	Kvale	Robinson, Iowa	Welsh
Doughton	Langley	Robsion, Ky.	Wertz
Doyle	Larson, Minn.	Rogers, N. H.	Winslow
Drane	Lindsay	Rosenbloom	Winter
Edmonds	Lineberger	Sanders, Ind.	Wood
Fairchild	Little	Schall	Woodrum
Faust	Logan	Sears, Nebr.	Wright
Favrot	Lyon	Sears, Fla.	Wurzbach
Fenn	McClintic	Shreve	Wyant
Foster	McNulty	Snyder	Yates
Fredericks	Magee, Pa.	Sproul, Ill.	Zihlman
Frothingham	Michaelson	Sproul, Kans.	
Funk	Miller, Ill.	Stengle	

The committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 8839, finding itself without a quorum, under the rule he caused the roll to be called, whereupon 271 Members answered to their names, a quorum, and he presented the list of absentees to be placed in the Journal.

The SPEAKER. The committee will resume its session.

The CHAIRMAN. When the committee rose the committee was dividing an appeal from the decision of the Chair made by the gentleman from Kentucky [Mr. JOHNSON]. The question is now, Shall the decision of the Chair stand as the judgment of the committee?

Mr. AYRES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. AYRES. There are quite a number of Members here now who were not present at the time the appeal was taken. Would it be all right now to have the decision or, rather, the point, explained to the committee? Only about 25 or 30 Members were present at the time the appeal was taken.

The CHAIRMAN. That can be done by unanimous consent.

Mr. AYRES. Mr. Chairman, I ask unanimous consent that the decision of the Chair be explained to the committee now, and also that the ruling of the Chair be explained.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent that the ruling which the Chair made upon which the committee divided shall be explained. Is there objection?

Mr. BEGG. Reserving the right to object, if that is done it opens the whole question for discussion for half or three-quarters of an hour, and I think I shall be forced to object to it.

The CHAIRMAN. Objection is heard. The question is, Shall the decision of the Chair stand as the decision of the committee?

The committee divided; and there were—ayes 105, noes 11.

So the decision of the Chair stood as the decision of the committee.

Mr. HUDSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment of Mr. HUDSON: Page 3, line 14, after the word "of," strike out "$13 and $26" and insert "$10 and $20."

Mr. HUDSON. Mr. Chairman, this puts the matter back to where it has been in previous bills.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced the ayes appeared to have it.

On a division (demanded by Mr. DAVIS of Minnesota), there were ayes 55, noes 12.

So the amendment was agreed to.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 1631) to authorize the deferring of payments of reclamation charges.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. HALE, Mr. PHIPPS, and Mr. SWANSON as the conferees on the part of the Senate.

APPROPRIATIONS FOR THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

The committee resumed its session.

The Clerk read as follows:

Plumbing inspection division: For personal services in accordance with the classification act of 1923, $21,420; for temporary employment of additional assistant inspectors of plumbing and laborers for such time as their services may be required, $3,000; three members of plumbing board, at $150 each; in all, $24,870.

Mr. BLANTON. Mr. Chairman, I make a point of order to the following language of this paragraph. In line 17, after the figures "$21,420," I make the point of order against the following language: "for temporary employment of additional assistant inspectors of plumbing and laborers for such time as their services may be required, $3,000."

That is legislation, Mr. Chairman, unauthorized by any existing law on an appropriation bill.

The CHAIRMAN. What does the gentleman from Minnesota have to say about that?

Mr. DAVIS of Minnesota. Mr. Chairman, I read from chapter 53 of the Statutes, volume 27:

That the Commissioners of the District of Columbia and their successors be, and hereby are, authorized and empowered to make, modify, and enforce regulations governing plumbing, house drainage, ventilation—

And so forth. Now I read from section 4:

That the inspector of plumbing and his assistants shall be under the direction of said commissioners, and they are hereby empowered accordingly to inspect or cause to be inspected houses in course of erection—

And so forth. And under that there is no question but what they are authorized to employ temporary employees for the time being.

Mr. BLANTON. Mr. Chairman, there is no provision anywhere for employing temporary assistant inspectors.

The CHAIRMAN. There are two statutes authorizing this item; one that the Chair has before him, and the other cited by the gentleman from Minnesota [Mr. DAVIS]. The first one is found in section 6 of the Legislative Code of the District. It reads:

And the health officer of the District of Columbia is hereby authorized, under the direction of the commissioners, to execute and enforce regulations covering dwellings, house drainage, and house sewers.

Then this is the section referred to by the gentleman from Minnesota:

That the inspector of plumbing and his assistants shall be under the direction of said commissioners, and they are hereby empowered accordingly to inspect or cause to be inspected all houses when in course of erection in said District, to see that the plumbing, drainage, and ventilation of sewers thereof conform to the regulations hereinbefore provided for.

The Chair does not see how the commissioners and the inspector of plumbing and his assistants can carry out those statutes without also having the right to appoint inspectors and temporary inspectors; and in view of the fact that there is no inhibition in the law against their so doing, the Chair overrules the point of order. The Clerk will read.

The Clerk read as follows:

To reimburse five assistant inspectors of plumbing for provision and maintenance by themselves of five motor cycles for use in their official inspections in the District of Columbia, $13 per month each, $780.

In all, executive office, $192,368.

Mr. HUDSON and Mr. BLANTON rose.

Mr. BLANTON. Mr. Chairman, before the Clerk finished reading that last item both the gentleman from Michigan and myself were on our feet. I yield to the gentleman from Michigan.

Mr. HUDSON. Mr. Chairman, on page 4, line 2, after the word "Columbia," I move to strike out "$13" and insert "$10," in accordance with the last amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. HUDSON: Page 4, line 2, after the word "Columbia," strike out the figures "$13" and insert in lieu thereof the figures "$10."

Mr. HUDSON. Mr. Chairman, I think I ought to explain to the members of the committee the situation here. This places the allowance for motor cycles, and in the other amendment adopted for automobiles, the same as we are paying now. We are now paying 50 per cent more than the cost of the upkeep, as shown in the committee hearings.

Mr. DAVIS of Minnesota. I think the gentleman will find that the amounts heretofore paid, $15 and $30—$15 for motor cycles and $30 for automobiles—were cut down last year to $10 and $20. This year we insert $13 and $26. My information, from all that I can learn, is that if they do not receive $13 for motor cycles and $26 for automobiles they will not keep their own machines, and it will cost more money to the District of Columbia than if we leave it at $13 and $26.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. DAVIS of Minnesota. Mr. Chairman, a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 38, noes 19.

So the amendment was agreed to.

Mr. HUDSON. Mr. Chairman, will the Clerk correct the total?

Mr. BLANTON. Ask unanimous consent that the Clerk be authorized to correct the total.

Mr. HUDSON. Mr. Chairman, I ask unanimous consent that the Clerk may be authorized to correct the total.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the Clerk be authorized to correct the total. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. That is what I was going to suggest.

Now, another thing: All through this bill you will find very many items for $13 for motor cycles and $26 for the upkeep and care of automobiles. I ask now, since the House desires to cut this amount down, that the Clerk be authorized to change those figures wherever they occur throughout the entire list.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the Clerk be authorized to correct the totals in accordance with the amendment just adopted.

Mr. DAVIS of Minnesota. From $13 for the motor cycle and $26 for the automobile down to $10 for the motor cycle and $20 for the automobile, in accordance with the vote heretofore taken.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the Clerk be authorized to change the totals and to change the allowance for motor cycles and automobiles to conform with the amendment which has just been made by the committee.

Mr. DAVIS of Minnesota. And in accordance with the previous amendment just before this.

The CHAIRMAN. Yes. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CARE OF DISTRICT BUILDING

For personal services in accordance with the classification act of 1923, $44,000; services of cleaners as necessary, not to exceed 48 cents per hour, $14,400; in all, $58,400: *Provided*, That no other appropriation made in this act shall be available for the employment of additional assistant engineers or watchmen for the care of the District Building.

Mr. BLANTON. Mr. Chairman, I reserve a point of order against the paragraph. The chairman has increased the payment from 30 cents an hour, which is now allowed, to 48 cents an hour, and has increased the appropriation from $40,000, which is now allowed, to $58,400; in other words, there is an increase of $18,000. May I ask the chairman why that is necessary?

Mr. DAVIS of Minnesota. Under the reclassification act there is $3,400 for the reclassification of employees, and $9,600 on account of the bonus. Then we increased the amount for cleaners from $9,000 to $14,400. We raised the cleaners from 30 cents an hour to 48 cents an hour.

Mr. BLANTON. But the reclassification act does not raise them from 30 cents an hour to 48 cents an hour.

Mr. DAVIS of Minnesota. No; except that everybody down there was getting their salaries raised and we thought we ought to raise the cleaners from 30 cents an hour to 48 cents an hour.

Mr. BLANTON. That is unskilled labor.

Mr. DAVIS of Minnesota. I know it is; but unskilled labor has got to live and, as you know, the cost of living here is high. I think this raise is not as much in proportion as the raise for the clerks, and so forth, and I think it is a very moderate raise.

Mr. BLANTON. Does the gentleman know how much time they put in?

Mr. DAVIS of Minnesota. Four hours is all they put in.

Mr. BLANTON. If that is all the time they put in I will withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn, and the Clerk will read.

The Clerk read as follows:

For fuel, light, power, repairs, laundry, mechanics, and labor not to exceed $5,000, and miscellaneous supplies, $35,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph. My point of order is that this is a new paragraph which has been placed in the bill. This paragraph was not carried last year.

Mr. DAVIS of Minnesota. This is just transferred from another place in the bill; that is all.

Mr. BLANTON. Probably it is authorized, and I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn, and the Clerk will read.

The Clerk read as follows:

ASSESSOR'S OFFICE

For personal services in accordance with the classification act of 1923, $115,740; temporary clerk hire, $3,000; in all, $118,740.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. The committee has increased this appropriation by quite a large amount. I have not had the time to figure it out. Is there more than the reclassification bill authorized in this?

Mr. DAVIS of Minnesota. Nothing more than the reclassification bill, which is $3,750, and the bonus, $13,920. The temporary clerk hire is increased from $1,000 to $3,000.

Mr. BLANTON. That makes an increase of $19,000 in this one paragraph.

Mr. DAVIS of Minnesota. There are 65 employees, though.

Mr. MADDEN. It is not an increase of $19,000, because the bonus was not carried in the bill before.

Mr. BLANTON. I just want to call attention as we go along to the fact that every paragraph in this bill has been increased from $2,000 and $3,000 on up to $25,000, $30,000, and $40,000.

Mr. DAVIS of Minnesota. Under the reclassification bill we were obliged to make these increases.

Mr. BLANTON. Yet the gentleman from New Jersey, our good friend [Mr. LEHLBACH], who had charge of that bill and who railroaded it through here, assured us it was not going to cost us so much.

Mr. LEHLBACH. I will call the gentleman's attention to the fact that you are avoiding the bonus.

Mr. DAVIS of Minnesota. We carried the bonus in another bill and that is why it is added here.

Mr. BLANTON. The people who pay the taxes do not care whether you call it a bonus or something else.

Mr. DAVIS of Minnesota. But when you see the bonus added on, when it was not added on before, you think it is an additional appropriation, but it is not; it is not an additional appropriation.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to extend my own remarks in the RECORD on H. R. 5, its present and past history.

The CHAIRMAN. The gentleman from California asks unanimous consent to revise and extend his remarks in the RECORD on H. R. 5. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Hereafter the charge for each certificate of taxes issued by the collector of taxes of the District of Columbia shall be $1.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph. The point of order is that this legislation is unauthorized by law.

Mr. DAVIS of Minnesota. To which paragraph does the gentleman make his point of order?

Mr. BLANTON. Beginning "hereafter."

Mr. DAVIS of Minnesota. I will admit it is subject to a point of order. It was 50 cents and we thought we should raise it to $1 in order to get a little return for the benefit of the Government and the District of Columbia.

Mr. BLANTON. I am against putting any more taxes on the already tax-burdened people of the District of Columbia.

Mr. DAVIS of Minnesota. The gentleman objects, then, to paying $1 for a tax certificate because that might add something to the Government's revenue?

Mr. BLANTON. Yes; when we have raised their taxes to the great sum of $1.30.

The Clerk read as follows:

For installation of refrigerating plant at the morgue, $5,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph in lines 16 and 17, which is legislation unauthorized on an appropriation bill.

Mr. DAVIS of Minnesota. Mr. Chairman, this is an absolutely necessary facility in order to run the morgue.

Mr. BLANTON. But it is legislation.

Mr. DAVIS of Minnesota. I do not think it is. It is simply a requirement that is absolutely necessary. In order to run a morgue at all you have to have a refrigerating plant.

Mr. BLANTON. You have not had one, have you, and the morgue has been running for 15 years?

Mr. DAVIS of Minnesota. They have been asking for it all the time, and we find that they have been keeping ice in a little old ice box and this is to take its place.

Mr. BLANTON. It is something you absolutely had to have and yet you have not had it.

Mr. DAVIS of Minnesota. It is work in progress, so far as that is concerned.

The CHAIRMAN. The point of order is overruled. This is in continuation of an existing work, the Chair thinks.

The Clerk read as follows:

For the maintenance of a nonpassenger-carrying motor wagon for the morgue, jurors' fees, witness fees, making autopsies, ice, disinfectants, telephone service, and other necessary supplies for the morgue, and the necessary expenses of holding inquests, including stenographic services in taking testimony, and photographing unidentified bodies, $6,000, and including an allowance at the rate of $26 per month to the coroner for furnishing an automobile in the performance of official duties.

Mr. BLANTON. Mr. Chairman, I make a point of order against the following language on page 5, line 24, after the figures "$6,000," against all of the balance of the language, to

wit, "including an allowance at the rate of $26 per month to the coroner for furnishing an automobile in the performance of official duties." There is no legislation whatever authorizing the Committee on Appropriations to furnish an automobile at $26 a month to the coroner.

Mr. DAVIS of Minnesota. Mr. Chairman, that $26 should be changed to $20, as I requested awhile ago.

Mr. BLANTON. But there is no legislation for this man having it at all. There is no authority for him to have it to begin with. If there was such authority, you could furnish an automobile to every one of the 37,000 needless, surplus employees whom we now have working in Washington.

Mr. DAVIS of Minnesota. The coroner furnishes his own automobile, and he would have to be furnished an automobile by the District of Columbia if he did not furnish his own machine, and they prefer to let him furnish his own automobile and then allow him $20 a month.

Mr. BLANTON. Does the Government furnish the gentleman from Minnesota an automobile? It does not furnish me one, and it does not furnish me with any maintenance or upkeep.

The CHAIRMAN. The Chair is ready to rule. The office of coroner, I assume, is established by law. The coroner is authorized by law to perform certain duties. Therefore there is ample authority for the work he does. If Congress desires to appropriate for some of his expenses, that is a matter that Congress alone can determine. The point of order is overruled.

Mr. BLANTON. Mr. Chairman, while there is only $26 per month in money involved in this question, it is nevertheless a very serious matter. Would the Chair hear me on this point? The Chair does not want to overrule the precedents of this House for 100 years.

The CHAIRMAN. The Chair does not overrule the precedents of the House.

Mr. BLANTON. If without specific authority you can allow this $26 a month or $20 a month to this officer to maintain an automobile, there would be ample authority for the Committee on Appropriations to allow every Congressman and every Senator a Rolls-Royce limousine with a chauffeur and with gasoline to run it.

The CHAIRMAN. Let the Chair suggest to the gentleman that the House has passed at the present session an authorization for an appropriation adding to the clerk hire of Members of Congress.

Mr. BLANTON. But that came from a specially created legislative committee created by Congress for that express purpose.

The CHAIRMAN. That does not make any difference. If this work is authorized by law appropriations for it are authorized, and the Chair is satisfied that the office of coroner is authorized by law and that his work is authorized by law.

Mr. BLANTON. Well, expediency controls lots of rules.

The Clerk read as follows:

ENGINEER COMMISSIONER'S OFFICE

For personal services in accordance with the classification act of 1923, $244,760.

Mr. BLANTON. Mr. Chairman, I reserve a point of order. The committee has raised this amount from $182,210 in the present bill to $244,760. This is a raise of over $62,000 for one commissioner's office. It occurs to me this is an unusual raise.

Mr. DAVIS of Minnesota. There is $29,000 and some odd on account of reclassification alone, and the balance of it is on account of the bonus.

Mr. BLANTON. In other words, the employees of one commissioner's office are raised $62,000.

Mr. DAVIS of Minnesota. Yes, sir; in consequence of the reclassification and the bonus.

Mr. BLANTON. There is no way of stopping it. If there was, I would try to stop it.

Mr. CRAMTON. The gentleman's statement is not quite correct. The gentleman overlooks the bonus, which was carried in a separate bill.

Mr. DAVIS of Minnesota. This item is simply raised $29,370 over the present bill.

Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 8839, the District of Columbia appropriation bill, and had come to no resolution thereon.

ADJUSTED COMPENSATION BILL

Mr. GREEN of Iowa, chairman of the Committee on Ways and Means, presented for printing under the rule a conference report on the bill H. R. 7959, the veterans' adjusted compensation bill.

LEAVE TO ADDRESS THE HOUSE

Mr. DENISON. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes to-morrow morning after the conclusion of the other speeches.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House to-morrow after the conclusion of the other speeches. Is there objection?

There was no objection.

POWER TO DRAFT WEALTH IN WAR

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the power of Congress to draft material resources from the country in time of war to take the profits out of war.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

THE WAR POWER OF CONGRESS

Mr. McSWAIN. Mr. Speaker, Congress is given the power to lay taxes, duties, imposts, and excises to "provide for the common defense," also the power "to declare war," and "to raise and support armies," and "to provide and maintain a navy," and "to make all other laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof." It will be observed that, coupled with the power to declare war, and therefore to conduct and carry on war, is not only the power to raise armies but to support armies and not only the power to provide a navy but to maintain a navy. To support and maintain navies and armies requires not merely men but material and supplies for sustenance and machinery and transportation facilities and money with which to provide all of these material things.

THE ENTIRE NATIONAL POWER OF SELF-DEFENSE VESTS EXCLUSIVELY IN CONGRESS

The power to declare and carry on war by means of armies and navies is the exclusive province of the Federal Government. No such power is reserved to the States except the power to appoint the officers of the State militia according to the discipline prescribed by Congress. Every other scrap of the war-making prerogative of Government vests exclusively in the Federal Government. Therefore the Federal Government has all the power that any nation has with respect to the making and conduct of war. The power is absolute and unrestrained except by the discretion of the Congress and the Chief Executive. There is no constitutional limit set for its exercise. No part of that power is vested in any other Government or department.

It has been held that the fifth amendment whereby it is provided that "No person shall be held to answer for any capital or otherwise infamous crime unless on a presentment or indictment of a grand jury" has no application to the punishment of military offenses by courts-martial. In other words, the argument that this particular congressional power to prescribe rules to govern the land and naval forces of the United States must be exercised in accordance with all the other restrictions and limitations on Federal power has been made and presented to the United States Supreme Court and rejected in the following cases:

Kurtz *v.* Moffit (115 U. S. 500) the court citing Dynes *v.* Hoover (20 How. 65), Ex parte Mason (105 U. S. 700), and Wales *v.* Whitney (114 U. S. 564).

From Northern Pacific Railway Co. *v.* North Dakota (250 U. S. 149), we find the following proposition:

The complete and undivided character of the war power of the United States is not disputable. (Selective Draft Law Cases, 245 U. S. 366; Ex parte Milligan, 4 Wall. 2; Legal Tender Cases, 12 Wall. 457; Stewart *v.* Kahn, 11 Wall. 493.)

In Selective Draft Law Cases (245 U. S. 380), we find the following:

In fact, the duty of the citizen to render military service and the power to compel him against his consent to do so was expressly sanctioned by the constitutions of at least nine of the States, an illustration being afforded by the following provision of the Pennsylvania Constitution of 1776. "That every member of society hath a right to

be protected in the enjoyment of life, liberty, and property, and therefore is bound to contribute his proportion toward the expense of that protection and yield his personal service when necessary, or an equivalent thereto." Article 8 (Thorpe, American Charters, Constitutions and Organic Laws, vol. 5, pp. 3081, 3083).

Again at page 381 we find the following proposition:

When the Constitution came to be formed it may not be disputed that one of the recognized necessities for its adoption was the want of power in Congress to raise an army and the dependence upon the States for their quotas. In supplying the power it was manifestly intended to give it all and leave none to the States, since besides the delegation to Congress of authority to raise armies the Constitution prohibited the States, without the consent of Congress, from keeping troops in time of peace or engaging in war. (Article I, par. 10.)

In the case of Hamilton v. Kentucky Distilleries Co., Two hundred and fifty-first United States, at page 156, we find the following statement respecting the war power of Congress carrying with it a police power, and that such police power is not restrained by the fifth amendment any more than State police power is restrained by the fourteenth amendment:

That the United States lacks the police power and that this was reserved to the States by the tenth amendment is true. But it is none the less true that when the United States exerts any of the powers conferred upon it by the Constitution, no valid objection can be based upon the fact that such exercise may be attended by the same incidents which attend the exercise by a State of its police power, or that it may tend to accomplish a similar purpose. (Lottery Case, 188 U. S. 321, 357; McCray v. United States, 195 U. S. 27; Hipolite Egg Co. v. United States, 220 U. S. 45, 58; Hoke v. United States, 227 U. S. 308, 323; Seven Cases v. United States, 239 U. S. 510, 515; United States v. Doremus, 249 U. S. 86, 93-94.)

The war power of the United States, like its other powers and like the police power of the States, is subject to applicable constitutional limitations (Ex parte Milligan, 4 Wall. 2, 121-127; Monongahela Navigation Co. v. United States, 148 U. S. 312, 336; United States v. Joint Traffic Association, 171 U. S. 505, 571; McCray v. United States, 195 U. S. 27, 61; United States v. Cress, 243 U. S. 316, 326); but the fifth amendment imposes in this respect no greater limitation upon the national power than does the fourteenth amendment upon State power. (In re Kemmler, 136 U. S. 436, 448; Carroll v. Greenwich Insurance Co., 199 U. S. 401, 410.) If the nature and conditions of a restriction upon the use or disposition of property is such that a State could, under the police power, impose it consistently with the fourteenth amendment without making compensation, then the United States may for a permitted purpose impose a like restriction consistently with the fifth amendment without making compensation, for prohibition of the liquor traffic is conceded to be an appropriate means of increasing our war efficiency.

In the case of United States v. Billings, Two hundred and thirty-second United States, at page 282, we find announced that the power of the United States to tax is not restrained nor subject to the fifth amendment. The power to tax is an absolute power like the power to make war. At page 282 we extract the following:

It has been conclusively determined that the requirement of uniformity which the Constitution imposes upon Congress in the levy of excise taxes is not an intrinsic uniformity, but merely a geographical one. (Flint v. Stone-Tracy Co., 220 U. S. 107; McCray v. United States, 195 U. S. 27; Knowlton v. Moore, 178 U. S. 41.) It is also settled beyond dispute that the Constitution is not self-destructive. In other words, that the powers which it confers on the one hand does not immediately take away on the other; that is to say, that the authority to tax, which is given in express terms, is not limited or restricted by the subsequent provisions of the Constitution or the amendments thereto, especially by the due process clause of the fifth amendment. (McCray v. United States, 195 U. S. 27, and authorities there cited.)

So we must conclude that since Congress has the sole exclusive power of national self-defense by war, the other parts of the Constitution are not to be held to paralyze the war arm, will not be construed to restrict the Nation's duty of self-preservation by self-defense by war. The fifth amendment can not weaken the war power.

WAR IS THE GREATEST EMERGENCY

In Parham v. The Justices (9 Ga. 341), it was declared:

It is not to be doubted but that there are cases in which private property may be taken for a public use without consent of the owner and without compensation and without any provision of law for making compensation. There are cases of urgent public necessity, which no law has anticipated and which can not await the action of the legislature. In such cases the injured individual has no redress at law—those who seize the property are not trespassers, and there is no relief for him but by petition to the legislature. For example, the pulling down houses and raising bulwarks for the defense of the State against an enemy; seizing corn and other provisions for the sustenance of an army in the time of war, or taking cotton bags, as General Jackson did at New Orleans, to build ramparts against an invading foe. These cases illustrate the maxim salus populi suprema lex—the good of the public is the supreme law. Extreme necessity alone can justify these cases and all others occupying the same grounds.

LIMITS OF FIFTH AMENDMENT

Bedford v. United States (192 U. S. 217) was a case where the Government constructed a revetment or line of wall along the banks of the Mississippi River, the effect of which was to resist the erosion of the bank by the water, there being no other interference with natural conditions. The court held that an action for damages as the result of such improvements could not be maintained, and that such incidental consequences as the result of the improvement were not a taking of the property within the meaning of the fifth amendment.

In United States v. Certain Lands (112 Fed. Rep. 622) the erection and use of a fortification for coast defense were declared by the owner of a summer residence upon neighboring lands not taken for the public use "to defeat much of the purpose he had in view in the purchase thereof and in making his erections and improvements thereon." The court held that the fact that the value of his estate is impaired thereby gives him no right to compensation. Acts done in the proper exercise of governmental powers and not directly encroaching upon private property, though their consequences may impair its use, are universally held not to be a taking within the meaning of the amendment.

The principles of American democracy require that all citizens, irrespective of age or sex, shall contribute to bearing the burdens of war as equally as practicable. As a corollary of these principles American fair play was written into the fifth amendment that individuals shall make no special and unusual contributions to the common welfare and defense out of private property but shall be fairly compensated from money raised by a general tax levy.

DRAFT BOTH MAN-POWER AND MONEY POWER

It was argued against the draft law, that while Congress had "power to raise armies," it does not have power to compel men to serve in the Army, but could beg for volunteers and plead with the people to lend it money with which to pay and "support" these men under arms. It was unanimously decided (245 U. S. 380) that the "power to raise armies" means "power" unlimited and unconditional and that Congress must choose the ways and means to raise armies. So, it must follow, by the same logical process, that Congress has "power to support armies," not merely begging citizens to sell to the Government arms, ammunition, clothing, food, and so forth, and by begging the people to lend the Government money to pay for these things, but "Congress has power to support armies" by compelling citizens to furnish arms, ammunition, food, clothing, and so forth, and by compelling people to furnish money with which to pay for same.

In the spirit of American fairness, expressed in the fifth amendment to the Constitution that "private property shall not be taken for public use without just compensation," in the spirit of democratic justice and republican equality, it is intended that the money thus compulsorily exacted to pay for war supplies shall be collected, as are taxes, according to the abilities of the taxpayers and the proportionate benefits derived or to be derived from, or loss and damage to be averted by war. By compulsory draft, conscription, commandeering, or taking of arms, ammunition, food, cothing, and so forth, it is not intended that they shall be taken without compensation. As all citizens would not possess, and therefore all could not contribute in proportion to respective ability, arms, ammunition, food, clothing, and so forth, to support the armies, to take from some and not from others, and to take more from some than from others, would not only violate the letter of the fifth amendment, but the spirit of American fair play, and instead of "equalizing the burdens of war," would increase the inequality of burden.

The proposition is simply to tax the financial resources of the country on a fair and just basis for justly distributing the burdens of war sufficiently to raise money to pay for what private property the Government shall draft, conscript, or commandeer to support the Army and maintain the Navy with arms, ammunition, food, clothing, and so forth. Observe there is to be no haggling, dickering, and bargaining about prices. The Government will take whatever material things it needs

to support the Army and maintain the Navy, and if not in existence will order manufacturers to produce it, and will order railroad and steamship companies to transport it, and then by "courts of compensation" will award fair and just compensation and pay it to the citizen from whom things were taken, drafted, or commandeered. The Government did not bargain, haggle, or dicker with the men, living human bodies, bearing minds, and immortal souls, about the price to be paid for time, service, suffering, and life itself. It is true there is no constitutional provision saying that "human beings can not be taken for public purposes without just compensation." Private lives, personal suffering, human lives, and emotions were sacrificed without price upon the altar of public defense. Consequently, in the same spirit of American fair play and democratic justice, efforts have been made to readjust by increasing the compensation paid to human beings for services rendered for the public benefit. Though nearly six years since the armistice have passed, numerous efforts to readjust that compensation have failed. Just how much opposition to this adjusted compensation for human services has been inspired and financed by those persons and interests that reaped huge financial benefits from and during the war is hard to estimate. It is true that practically every profiteer that heaped up his millions high during war is now bitterly opposing any increase of compensation for human services. If the principles of the legislation now sought to take the profits out of war and to equalize the burdens of war had been operative in legislation and administration during the World War, the long struggle and bitter feelings over adjusted compensation would never have occurred.

Money power is no more sacred essentially than man power. Since we are to require all citizens qualified physically to render personal services in war, whether in actual combat or in serving or supplying or transporting or supporting the combatant forces, then we must follow out the same principle and collect by tax or levy sufficient money, or evidence of debt, or actual materials, to carry on and pay for the war while it is being fought, so that none shall gain great profits and riches while others sacrifice time, service, and life.

The provision of the fifth amendment to the Constitution that private property shall not be taken for public use without just compensation, applies only to cases where the property itself is actually taken, and in the case of real estate the taking must be such complete physical dominion as to imply the conversion of the possession and the fee. In the case of mere consequential damages, or where property is taken in the case of an emergency, for a limited period of time, not to be appropriated perpetually, then the provisions of the fifth amendment have no application. In support we cite the case of United States v. Horstmann (257 U. S.) and extract the following from page 146:

It is to be remembered that to bind the Government there must be implication of a contract to pay, but the circumstances may rebut that implication. In other words, what is done may be in the exercise of a right and the consequences only incidental, incurring no liability. (Bedford v. United States, 192 U. S. 217; Kansas v. Colorado, 206 U. S. 46; Tempel v. United States, supra.) And there is characterization of the Lynah case in United States v. Cress (243 U. S. 316).

Where the Government destroyed the value of oyster beds along the river banks, said destruction resulting from the improvement of the channel of the river for navigation purposes, the Government is not liable to make compensation because the oyster beds were not taken within the meaning of the fifth amendment. (Lewis Oyster Co. v. Briggs, 229 U. S. 82.)

War is certainly a national nuisance. Even though justifiable from every point of view, it certainly is a public evil which must be endured as the lesser of two evils. In the case of Richards v. Washington Terminal Co. (233 U. S. at p. 554) we extract the following proposition to support the principle that there is immunity from liability to pay for private property suffering damages necessarily incident to a public enterprise for the promotion of the common benefit:

Any diminution of the value of property not directly invaded nor peculiarly affected, but sharing in the common burden of incidental damages arising from the legalized nuisance, is held not to be a "taking" within the constitutional provision. The immunity is limited to such damages as naturally and unavoidably result from the proper conduct of the road and are shared generally by property owners whose lands lie within range of the inconveniences necessarily incident to proximity to a railroad. It includes the noises and vibrations incident to the running of trains, the necessary emission of smoke and sparks from the locomotives, and similar annoyances inseparable from the normal and nonnegligent operation of a railroad.

The distinction between actual taking and incidental damage is squarely made and decided in the case of Bedford v. United States (192 U. S.), from which we extract, at page 224, the following:

The Constitution provides that private property shall not be taken without just compensation, but a distinction has been made between damage and taking, and that distinction must be observed in applying the constitutional provision. An excellent illustration is found in Gibson v. United States (166 U. S. 269). The distinction is there instructively explained and other cases need not be cited.

SPECIAL COURTS OF COMPENSATION CONSTITUTIONAL

Supporting the constitutionality of the "courts of compensation" proposed to be set up by section 33 of H. R. 8111, to the effect that the court need not be a regular law court or a court of equity, with all its machinery, including a jury, but may be in effect a board or commission charged with the duty of fixing just compensation, I cite the case of Bauman v. Ross (167 U. S.), and at page 593 I extract the following:

By the Constitution of the United States the estimate of the just compensation for property taken for the public use under the right of eminent domain is not required to be made by a jury, but may be intrusted by Congress to commissioners appointed by a court or by the Executive, or to an inquest consisting of more or fewer men than an ordinary jury. (Curtiss v. Georgetown & Alexandria Turnpike Co., 6 Cranch, 233; Secombe v. Railroad Co., 23 Wall. 108, 117, 118; United States v. Jones, 109 U. S. 513, 519; Shoemaker v. United States, 147 U. S. 282, 300, 301; Long Island Co. v. Brooklyn, 166 U. S. 685.)

It must be remembered that the Constitution nowhere confers upon any department of the Federal Government the power to take private property for public purposes, but that power or right of eminent domain is implied and necessarily implied by the first existence of government. This implication is strong in the event of a taking for the purpose of carrying on a war of defense, because the war may involve the very life of the Nation, and in any event it would be better for the citizens to part with a large part of their property in order to maintain national independence rather than that this same property should be paid as a part of an indemnity to a foreign nation that might be victorious over us in war. (U. S. v. Jones, 109 U. S. 513.)

COTTON

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD an article from Mr. Wanamaker, president of the American Cotton Association.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD by printing an article by Mr. Wanamaker, president of the American Cotton Association. Is there objection?

Mr. LONGWORTH. Reserving the right to object, I think I must object. If the gentleman were to extend his own remarks, I would have no objection.

Mr. FULMER. This is a scientific article, a cotton article, giving the amount of cotton on hand, and so forth, by the president of the cotton association.

Mr. LONGWORTH. I will not object.

Mr. FULMER. Mr. Speaker, under permission granted me, I herewith insert in the RECORD an article written by Mr. J. S. Wannamaker, St. Mathews, S. C., president American Cotton Association, which is as follows:

The recent article in the Manufacturers' Record regarding the "Bully" year, 1904, under the heading "History repeats itself," is not altogether an analogous application to the present cotton situation. The fundamental business conditions, especially in this country, were nothing like so sound in the spring of 1904 as they are to-day. Hardly has there been at any time within the past half century less excuse for the world-wide demoralization which has been artificially injected into the cotton industry and the enormous losses inflicted upon legitimate business as at present.

In regard to stocks of cotton in the United States: The total stocks of cotton in the country, including estimates of invisible, on March 31, were 4,055,000 bales, against 5,019,000 a year ago and 10,444,000 bales three years ago. If the same disappearance occurs from April 1 to August 1 this year as last, the total stocks of all cotton in this country on August 1 will be 1,058,000 bales, against 2,111,000 a year earlier, the smallest for several decades. The most important change in stocks of cotton from normal years is the insignificant amount of invisible, or uncounted, cotton, which was 573,000 bales on March 31 against 606,000 a year ago and 3,855,000 three years ago. Something like this same proportion probably exists in other countries also. Southern mill stocks were 365,000 bales less than for March 31 a year ago. It seems that southern mills have allowed the demoralized cotton goods market to prevent them from purchasing cotton even on the recent very low level.

It is not surprising that the decline in cotton prices would cause goods jobbers to refrain from buying, but it is astonishing that mills would allow a temporary decline to prevent them from taking any advantage of it. It is conceded by every reputable student of the cotton industry that it is necessary to have a minimum of 2,000,000 bales of cotton in this country at the end of the cotton year to carry the consuming establishments over until the new cotton can be spun, it being necessary to mix a certain amount of old cotton with the new cotton. The present crop is getting an extremely late start. This is disastrous under boll-weevil conditions. The early cotton in Texas, which reaches the market the latter part of July, was all killed, and it will be necessary to plant that over, so that there will be no new crop of cotton to relieve the famine conditions until fully 30 days later. All of these facts point to the inevitable certainty that we are facing an acute famine of cotton and cotton goods.

Even in 1920, with an anticipated surplus of eight to nine million bales of cotton in the American crop, prices were maintained at very high levels of values until artificial deflation in market values was drastically enforced by nation-wide curtailment of credits and contraction of the currency. The visible supplies of raw cotton for consumptive requirements were much more favorable in the spring of 1904 and 1910, when prices reached comparatively high levels of value for both those years. Furthermore, the cotton season years of 1903–4 and 1909–10 were followed, in both instances, with large crops in excess of consumptive demand, creating an unwieldy and depressing surplus.

No such conditions have been experienced since 1920. Quite the contrary. The textile world has faced three successive short-crop years, and the large surplus brought over from the crop of 1920 has been consumed. Since 1920 there has been an exodus of fully 600,000 farm laborers from the Cotton Belt States, and the totally abandoned farms in the southeastern cotton States have been reliably placed at $40,000. The widespread devastation of the cotton boll weevil, reinforced by scarcity of farm labor, has combined not only to make the industry of cotton growing extremely hazardous but has largely increased the relative cost of production.

There can be no dependable forecast of a full crop of cotton this year, even though an abnormally large acreage be planted. In no year in the past history of cotton growing has the crop of one year been in excess of 35 per cent of the previous year's production under the most favorable southwide climatic conditions. If the South should possibly produce 13,500,000 bales in 1924, every posted cotton authority knows that famine conditions in the raw product 12 months from to-day would be more pronounced even than at the present time. Moreover, the cost of growing cotton is steadily increasing instead of decreasing. Federal statistics estimated the cost of growing cotton from 1918 to 1921 to be from 28 to 35 cents per pound, bulk line. In 1922 the average cost was estimated to have been 24½ cents per pound, bulk line.

It is a well-known fact that the present pending famine in raw cotton supplies will become exceedingly acute before the 1924 crop can be harvested. Under this condition the question might well be asked: Why is cotton selling at $30 per bale less than the price the staple commanded last November? Why is it the contract market on the exchanges fluctuates so widely each day as to disorganize the entire textile industry? Probably no crop in the past 50 years has been sold in such large quantity on "call" as the crop of 1923. At the high level values in November hundreds of thousands of bales of cotton were sold on call for delivery in spring months by individual farmers. Realizing a pending cotton famine, cotton sold on a basis of 35 cents at the time expected to be called at higher values as the dates of delivery months in the future were reached. It is estimated that nearly a million bales of such cotton were sold by farmers on call around 35 cents per pound at the time the transactions were made. It is also estimated by the best posted authorities that fully 2,000,000 bales of cotton were sold by cotton merchants in November under contracts for actual delivery of spot cotton which had not at the time been bought.

The fact that the world was facing a cotton famine was realized by every line of the cotton industry in the early fall. It was heralded to the world by every cotton authority, and correctly so, that we were facing the most acute famine since the sixties, and far higher prices were predicted by practically every reputable authority, and it was these facts which bring about this condition—those who had cotton to sell accepted the glittering proposition of selling on call, being assured of far higher prices in the spring, and many speculators and investors bought cotton. It was established by every reputable authority the first part of December that the present cotton crop had been sold on contract for sale over a million bales in excess of the total amount of cotton available, and there is no question had the law of supply and demand been permitted to function, instead of the market being assassinated by the sale of the call cotton, we would have had far higher prices.

The party owning cotton wished to sell it on seller's call at the most distant months possible, this giving him the right to fix the price and feeling convinced he would be able to call the price far higher. The buyer, especially the speculator, wished to buy on buyer's call, feeling likewise convinced far higher prices were inevitable and wishing the opportunity to call the price at once. Therefore the party selling the cotton did not call; the party buying immediately called, so that when the trap was sprung and the crash came in prices both were caught, the buyer, not only the speculator but many legitimate lines, having fixed price at the peak, the seller not having fixed his price at all, although he had had the opportunity to fix at the peak; and both the seller and buyer have been caught between the lower and upper millstones and ground to powder and have been forced to pay a fearful penalty.

Cotton sold on call, and its value, largely drawn against, must be margined, if the market declines, at the rate of $5 per bale for each 100 points decline. Instead of advancing as anticipated, the market steadily declined and margins were called for from the sellers. It is reported that 800,000 bales sold by farmers on call—who had exhausted their ability to continue margins—below 28 cents, were forced to deliver the spots at that price with a net loss of $40 per bale in margins, or a total loss of $32,000,000.

While the market was advancing last November mills which could not secure deliveries of spot cotton bought futures and ultimately lost heavily. Others who anticipated a decline sold futures and made money. The failure of the trade to deliver the spot cotton and later unexpected decline in the markets practically forced many mills to speculate to protect their interests, thereby seriously jeopardizing the textile industry.

With the knowledge that 1,000,000 bales of spot cotton had been sold by farmers on call and that 2,000,000 bales of spots had been contracted for future delivery by merchants, all of which had to be margined on a declining market, the stage was set for the most spectacular and uncalled-for drive against the market in the history of the industry. The first bearish factor upon which the pyramid of an unprecedented speculative drive was constructed was the February 1 report on cotton supplies and distribution issued in an admittedly padded report by the Department of Commerce. This misleading bearish report, showing 579,999 bales of cotton in the estimated supplies which had no existence in fact, was quickly reinforced by concerted action of the English spinners to go on an extended 50 per cent curtailment of mill operations. Leading speculative interests took advantage of the whole situation to sell large blocks of fictitious cotton, and with immediate falling prices in February a national and world-wide buyer's panic was created in the spot cotton and dry goods markets. New England mills curtailed consumption, and the stagnation in the dry-goods market soon forced southern mills to go on short time to check the piling up of manufactured fabrics in their warehouses which could not be sold except at heavy losses.

The buyer's panic of 1920 has been repeated in 1923–24, without rhyme or reason, and in the face of depleted stocks of raw cotton and a pending famine of cotton supplies. The combination of interests to artificially depress the value of spot cotton worked smoothly on both sides of the Atlantic but with far greater intensity and effectiveness in this country.

There were three classes of the legitimate cotton trade caught in the dragnet of the bearish speculative drive against the market, namely: The growers, whose cotton was sold, approximately 800,000 bales, on call at around 35 cents per pound, and which would have to be margined under a decline in values; cotton merchants, who contracted sales of actual cotton on call; and the cotton mills, which had bought their forward supplies at the higher level of prices. The precipitation of a buyer's panic by artificial manipulation of the market forced these three classes to hedge down until margins were practically exhausted, and a year of prosperity indicated in January was quickly turned into a shambles of disappointment, wreck, and ruin, comparable only to the experiences of 1920–21.

The orderly law of supply and demand based upon actual conditions was nullified by an unprecedented orgy of speculation, artificially enforced by manipulation, which in less than two months has demoralized trade and has cost the legitimate interests engaged in the cotton industry losses totaling hundreds of millions of dollars. Had the legitimate law of supply and demand been upheld by protective Federal statutes, actual demand for raw cotton would have kept fully apace with the limited supplies available for consumptive requirements, the mills would have maintained full operations, there would have been no stagnation in trade conditions and the small balance of the 1923 crop would have been readily absorbed at a fair level of values to the growers and the cotton merchants. Huge fortunes have been harvested by the speculative interests, while a trail of chaos and heavy financial losses have been left along the highway of an artificially created buyer's panic in the ranks of the legitimate cotton trade and manufacturers of the staple. Thousands of farmers are grieving to-day because for the first time in history their cotton was sold on call around 35 cents and above, with certain expectancy of higher prices, had the law of supply and demand been permitted to function. Hundreds of mills and merchants are despondent and financially depressed, while a number of cotton firms have been forced into bankruptcy.

If legitimate trade conditions can be artificially overthrown at the will of speculative manipulation and a country-wide buyer's panic created, the only protective solution of the problem lies in Federal correction of the abuses which are permitted under cotton-futures trading.

The unlimited sale of fictitious cotton by those who can command millions of dollars for such purpose should be restricted within reasonable limitations. The buyer of a futures contract should have the same rights to call for deliveries of such contract during the several periods of the delivery month as the rights now accorded to the seller of such contract. The seller should be forced to deliver and not allowed to violate the contract by the payment of a small penalty. The contract should be arranged so as to put the buyer absolutely on an equal footing with the seller. Bills are now pending in Congress assuring a correct census of cotton and cotton goods annually and to arrange for the issuance of all reports on cotton and cotton supplies by one department—the Department of Agriculture—and other measures are also being enacted to prevent a repetition of the disastrous conditions brought about by the report of 1923.

These reforms must be inaugurated or else the various legitimate departments of the cotton trade will continue to be helpless and absolutely defenseless against the present arrogant power of the purely speculative traders. There can be no hope or expectation for stability of cotton prices so long as existing methods can be employed, backed by Federal statutes, by speculative agencies for market manipulations and daily violent fluctuations in prices.

The extreme shortage of cotton supplies and the gradual improvement in domestic consumption and export demand will unquestionably force the market to gradually reassert itself by a normal return to sane and sound conditions.

As explained in the foregoing paragraphs, during the past year the entire cotton trade was thoroughly converted to the idea we were facing a cotton famine and that far higher prices for cotton were therefore inevitable. It was conceded by every reputable student of the cotton industry that it would be necessary for mills to curtail production on account of insufficient supplies, and this was correct. So converted were all lines to the idea of the certainty of higher prices that everybody who owned cotton wished a string tied to it so as to get the benefit of the higher prices. The speculators and investors were in the market for buying cotton, feeling convinced of higher prices.

Now, the party who owned cotton, in selling on call, wished to sell seller's call, usually basis May or July, as this would give him the right to call the price, and he wished to call it as high as possible, and felt convinced he would be able to call it, based upon the information which he was being fed, at the highest price since the sixties, 45 and 50 cents being freely predicted.

The investors, speculators, merchants, and various legitimate lines of the cotton trade were in the market for buying cotton. They wished to buy it on buyer's call, so they could immediately fix prices. Now, those who were selling cotton did not call the price at all. Those who bought cotton under this régime immediately fixed the price, frequently at 36 and 37 cents, so that as the market was forced down it paralyzed those who had bought cotton and in like manner paralyzed those who had sold cotton, and it finally came to the point where neither could margin. Of course, their margins were swept into the earnings of those behind the drive.

It was a peculiar situation. In face of a cotton famine, under ordinary operations of the law of supply and demand, it has been extremely hard to buy cotton. Much of it has been held until the very last part of the year and some carried over into the following season on account of the uncertainty of the new crop, thus forcing far higher prices; yet all precedents were broken and, regardless of a cotton famine, the crop was sold under contract up to December 1 and then the trap sprung.

JUAN SORIANO (S. DOC. NO. 102)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with accompanying papers, referred to the Committee on Foreign Affairs.

To the Congress of the United States:

I transmit herewith a report respecting a claim against the United States for the death on October 2, 1923, at Guerra, Dominican Republic, of Juan Soriano, a Dominican subject, who was killed by the landing of an airplane belonging to the United States Marine Corps, with the request that the recommendation of the Acting Secretary of the Navy as indicated therein be adopted, and that the Congress authorize the appropriation of the sum necessary to pay the indemnity as suggested by the Acting Secretary of the Navy.

I recommend that, in order to effect a settlement of this claim in accordance with the recommendation of the Secretary of State, the Congress, as an act of grace, and without reference to the legal liability of the United States in the premises, authorize an appropriation in the sum of $2,000.

CALVIN COOLIDGE.

(Inclosure: Report of Secretary of State, with inclosure.)

THE WHITE HOUSE, *May, 1, 1924.*

LEAVE OF ABSENCE

By unanimous consent, the following leave of absence was granted:

To Mr. SUMMERS of Washington, for to-day and to-morrow, on account of the marriage of his son, Paul D. Summers, in Philadelphia.

To Mr. PARK of Georgia (at the request of Mr. CRISP), indefinitely, on account of the serious illness of his wife.

HOUR OF MEETING TO-MORROW

Mr. LONGWORTH. Mr. Speaker, in view of the slow progress to-day on the District of Columbia appropriation bill I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that on Saturday immediately after the reading of the Journal and disposition of business on the Speaker's table the gentleman from Michigan [Mr. MAPES], a member of the Committee on Interstate and Foreign Commerce, may address the House for 20 minutes on the subject of the so-called Barkley bill.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the gentleman from Michigan [Mr. MAPES] on Saturday next immediately after the reading of the Journal and disposition of business on the Speaker's table may address the House for 20 minutes. Is there objection?

There was no objection.

SPEAKER PRO TEMPORE TO-MORROW

The SPEAKER. The Chair, having an engagement to-morrow at 11 o'clock, in case he should not be present, will designate as Speaker pro tempore the gentleman from Michigan, Mr. MAPES.

ADJOURNMENT

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.) the House adjourned until to-morrow, Friday, May 2, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

448. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Justice for the fiscal year ending June 30, 1924, for additional funds in connection with court appropriations and to provide a supplemental amount sufficient to continue investigations in connection with War transactions, $2,187,000 (H. Doc. No. 253), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNYDER: Committee on Indian Affairs. S. 906. An act for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes; with an amendment. (Rept. No. 618). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5424. A bill to provide for the rendition of accounts by United States attorneys, United States marshals, clerks of United States courts, and United States commissioners; without amendment (Rept. No. 619). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5425. A bill to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence, in any case growing out of any such transaction; without amendment (Rept. No. 620). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 5428. A bill to provide for accounting by clerks of United States district courts of fees received by them in naturalization proceedings; without amendment (Rept. No. 621). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 1445. A bill to change the retired status of Chief Pay Clerk R. E. Ames, United States Navy, retired; without amendment (Rept. No. 622). Referred to the Committee of the Whole House.

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 4732. A bill to correct the naval record of Garnet A. Sylvester; with an amendment (Rept. No. 623). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. COOPER of Ohio: A bill (H. R. 9009) to provide for the settlement, mediation, conciliation, and arbitration of railway labor disputes between carriers and their employees and subordinate officials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 9010) to regulate the pay, allowances, and grades of certain officers in the United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 9011) providing that chief warrant officers on the active list of the Navy shall be allowed to compute their service in the same manner as is now authorized for retired warrant officers on active duty; to the Committee on Naval Affairs.

By Mr. RATHBONE: A bill (H. R. 9012) to make available an officer of the Army of appropriate grade for service in charge of public buildings and grounds of the District of Columbia and for the exercise of certain other functions; to the Committee on Military Affairs.

By Mr. SMITH: A bill (H. R. 9013) to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; to the Committee on Military Affairs.

Also, a bill (H. R. 9014), granting to the State of Idaho 200,000 acres of land in said State; to the Committee on the Public Lands.

By Mr. DRANE: A bill (H. R. 9015) authorizing the sale of Gasparilla Island Military Reservation; to the Committee on Military Affairs.

By Mr. LUCE: A bill (H. R. 9016) to further amend an act entitled "An act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes," approved August 24, 1912; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER: A bill (H. R. 9017) for the relief of the Choctaw and Chickasaw Tribes of Indians of Oklahoma, and for other purposes; to the Committee on Indian Affairs.

By Mr. BRITTEN: A bill (H. R. 9018) for making changes in the turret guns of 13 battleships, and for other purposes; to the Committee on Appropriations.

By Mr. SUTHERLAND: A bill (H. R. 9019) to extend the operation of the laws of the United States relating to the development and disposition of minerals to lands in Annette Island, Alaska; to the Committee on the Public Lands.

By Mr. MOORE of Virginia: Joint resolution (H. J. Res. 252) to create a joint committee to inquire into and report on fiscal matters between the United States and the District of Columbia, and for other purposes; to the Committee on Rules.

By Mr. BRAND of Ohio: Joint resolution (H. J. Res. 253) to provide for an investigation in respect of the suspension and determination of the suspension of the operation of the provisions of section 28 of the merchant marine act of 1920; to the Committee on the Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLGOOD: A bill (H. R. 9020) for the relief of heirs of James W. Fennell; to the Committee on War Claims.

By Mr. BACON: A bill (H. R. 9021) for the relief of Edgar William Miller; to the Committee on Military Affairs.

By Mr. GARDNER of Indiana: A bill (H. R. 9022) granting a pension to Robert T. Burton; to the Committee on Pensions.

Also, a bill (H. R. 9023) granting an increase of pension to William H. Grimes; to the Committee on Invalid Pensions.

By Mr. HILL of Maryland: A bill (H. R. 9024) granting a pension to Maggie Garner; to the Committee on Invalid Pensions.

By Mr. HOWARD of Nebraska: A bill (H. R. 9025) granting a pension to Lulu Stanley; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 9026) granting a pension to Roy Kelley; to the Committee on Invalid Pensions.

By Mr. WILSON of Louisiana: A bill (H. R. 9027) authorizing the Secretary of the Interior to sell and patent to William G. Johnson certain lands in Louisiana; to the Committee on the Public Lands.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2624. By Mr. CULLEN: Petition of the New York Commandery, the Naval and Military Order of the Spanish-American War, indorsing House bill 5097, known as the Hull bill; to the Committee on Naval Affairs.

2625. By Mr. FROTHINGHAM: Resolution of the City Council of Brockton, Mass., favoring the bill providing for an increase in pay for postal employees; to the Committee on the Post Office and Post Roads.

2626. By Mr. FULLER: Petitions of Hon. C. B. Brown, mayor of Sycamore, Ill.; J. A. Colberg & Sons, of Pecatonica, Ill.; and A. L. Bartlett Co., of Rockford, Ill., protesting against any change or amendment of the present transportation act; to the Committee on Interstate and Foreign Commerce.

2627. Also, petition of the Chicago Woman's Club, favoring the McNary-Clarke bill (H. R. 4830) for a national-forest policy; to the Committee on Agriculture.

2628. Also, petition of the Shop Employees' Association, Union Pacific system, opposing the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2629. By Mr. GALLIVAN: Petition of Paint and Oil Club of New England, protesting against enactment of House bill 6645, which proposes to place the supervision of industrial alcohol under the prohibition enforcement officers; to the Committee on the Judiciary.

2630. Also, petition of Railroad, Harbor, and Terminal Workers, Lodge No. 342, American Federation of Railroad Workers, Jersey City, N. J., protesting against the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2631. By Mr. JACOBSTEIN (by request): Petition of various citizens of the thirty-eighth congressional district, New York, for the repeal of all unfair war-excise taxes, as those on motor vehicles; to the Committee on Ways and Means.

2632. By Mr. KVALE: Petition of Railroad Post, No. 416, American Legion, St. Paul, Minn., urging continuation of the transportation act of 1920; to the Committee on Interstate and Foreign Commerce.

2633. Also, petition of 29 members of the Woman's Christian Temperance Union, of Hector, Minn., protesting against any modification of the national prohibition act; to the Committee on the Judiciary.

2634. Also, petition of Anna Lee Johnson and 43 other citizens of Russell, Minn., protesting against any modification of the national prohibition act; to the Committee on the Judiciary.

2635. Also, petition of the Great Lakes-St. Lawrence Tidewater Commission of Minnesota, protesting against consideration of the Oswego-Hudson canal route for the Great Lakes to Atlantic Ocean deep waterway; to the Committee on Rivers and Harbors.

2636. Also, petition of United Garment Workers' Local, No. 171, St. Paul, Minn., protesting against the so-called equal rights amendment; to the Committee on the Judiciary.

2637. Also, petition of Central Labor Union, Willmar, Minn., approving results reached by the Stephen G. Porter Narcotic Commission, and urging enactment of legislation to carry out recommendations of the commission; to the Committee on the Judiciary.

2638. By Mr. SITES: Papers to accompany House bill 9000, granting a pension to Allen R. Read; to the Committee on Pensions.

2639. By Mr. WILSON of Indiana: Petition of 68 voters of the State of Indiana, protesting against adoption of House bill 7016, which aims to increase parcel-post rates; to the Committee on the Post Office and Post Roads.

SENATE

FRIDAY, *May 2, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Dial	Lodge	Smith
Bayard	Dill	McKinley	Smoot
Borah	Ferris	McLean	Stephens
Broussard	Fess	Oddie	Sterling
Bursum	Frazier	Overman	Walsh, Mass.
Cameron	Gooding	Pepper	Walsh, Mont.
Capper	Harris	Phipps	Warren
Caraway	Howell	Reed, Pa.	Willis
Copeland	Johnson, Minn.	Sheppard	
Cummins	Keyes	Shortridge	
Curtis	King	Simmons	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I request that this announcement may stand for the day.

I was requested to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. MCNARY], the Senator from North Dakota [Mr. LADD], the Senator from Illinois [Mr. MCKINLEY], the Senator from South Carolina [Mr. SMITH], the Senator from Louisiana [Mr. RANSDELL], the Senator from Wyoming [Mr. KENDRICK], the Senator from Mississippi [Mr. HARRISON], and the Senator from Alabama [Mr. HEFLIN] are attending a hearing before the Committee on Agriculture and Forestry.

I was also requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], the Senator from Arizona [Mr. ASHURST], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigating committee of the Senate.

Mr. PHIPPS. I wish to announce that the Senator from Maine [Mr. HALE] and the Senator from Virginia [Mr. SWANSON] are engaged in a meeting of the conferees on the naval appropriation bill.

The PRESIDENT pro tempore. Forty-one Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absentees.

The principal clerk called the names of the absent Senators, and the following Senators answered to their names when called:

Bruce	Neely	Pittman	Shields
Glass	Norbeck	Ransdell	Watson
Johnson, Calif.			

The following Senators entered the Chamber and answered to their names:

Ball	Fernald	McKellar	Stanley
Brandegee	Fletcher	Mayfield	Wadsworth
Dale	George	Ralston	
Edwards	Harreld	Shipstead	
Ernst	Ladd	Stanfield	

The PRESIDENT pro tempore. Sixty-seven Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes, in which it requested the concurrence of the Senate.

ACCOUNTS OF THE FARM LOAN COMMISSIONER

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, which was ordered to be printed in the RECORD, and, with, the accompanying report, referred to the Committee on Banking and Currency, as follows:

THE SECRETARY OF THE TREASURY,
Washington, April 30, 1924.

Hon. ALBERT B. CUMMINS,
President pro tempore of the Senate.

MY DEAR MR. PRESIDENT PRO TEMPORE: In compliance with Senate Resolution 190, I herewith inclose a statement in detail of the funds that have been covered into the account of the Farm Loan Commissioner, together with a statement of the sources of said funds in each case and the date of each disbursement from said account. The account is stated up to March 12, 1924, the date of the resolution.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

PETITIONS AND MEMORIALS

Mr. SHORTRIDGE presented 157 resolutions, petitions, and papers in the nature of petitions from sundry citizens and organizations in the State of California, and 61 resolutions, petitions, and papers in the nature of petitions from sundry citizens and organizations of other States in the Union, praying or favoring, respectively, an amendment to the Constitution conferring power upon Congress to regulate child labor, which were referred to the Committee on the Judiciary.

Mr. WILLIS presented a petition of sundry members of the Urbana Manufacturers' Association, of Urbana, Ohio, praying for the adoption of the so-called Mellon plan of tax reduction, which was referred to the Committee on Finance.

He also presented telegrams in the nature of memorials from officers of shop crafts (representing about 650 men employed by the Norfolk & Western Railway Co.), of Columbus, and from officers of shop crafts (representing some 1,800 employees of the Norfolk & Western Railway Co.), of Portsmouth, in the State of Ohio, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. JONES of Washington presented a memorial of members of the Woman's Christian Temperance Union of Deming, Wash., remonstrating against the passage of legislation to modify or weaken the prohibition law, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry citizens of Spokane, Wash., remonstrating against the passage of legislation imposing a 10 per cent luxury tax on radio apparatus, sets, and parts, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Thurston County and vicinity, in the State of Washington, praying an amendment to the Constitution regulating the labor of persons under 18 years of age, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Okanogan Chapter No. 113, Order of the Eastern Star, of Okanogan, Wash., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. PEPPER presented the memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of House bill 7358, to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, which was referred to the Committee on Interstate Commerce.

He also presented the memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of House bill 2762, to relieve unemployment among civilian workers of the Government, to remove the financial incentives to war, to stabilize production in Federal industrial plants, to promote the economical and efficient operation of these plants, and for other purposes, which was referred to the Committee on Naval Affairs.

Mr. FLETCHER presented memorials of sundry citizens of Fort Pierce, Tampa, Jacksonville, Miami, Atlantic Beach, and Orange Park, all in the State of Florida, remonstrating against the passage of legislation imposing a 10 per cent luxury tax on radio apparatus, sets, and parts, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. BALL, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 3016) to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance (Rept. No. 482);

A bill (S. 3077) to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes (Rept. No. 483); and

A bill (H. R. 6628) to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue (Rept. No. 484).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 893) for the relief of John H. Rheinlander, reported it without amendment and submitted a report (No. 485) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 149) for the relief of Almeda Lucas (Rept. No. 486); and

A bill (S. 367) for the relief of James W. Laxson (Rept. No. 487).

By Mr. BACON: A bill (H. R. 9021) for the relief of Edgar William Miller; to the Committee on Military Affairs.

7016, which aims to increase parcel-post rates; to the Committee on the Post Office and Post Roads.

Secretary of the Treasury.

487).

Mr. PEPPER, from the Committee on the Library, to which was referred the joint resolution (S. J. Res. 87) authorizing the erection of a flagstaff at Fort Sumter, and for other purposes, reported it without amendment.

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 73) providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War, reported it with an amendment.

Mr. ODDIE, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 1051) to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department, reported it with amendments and submitted a report (No. 488) thereon.

Mr. McKINLEY, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 3181) to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities, reported it without amendment and submitted a report (No. 489) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 3215) providing for the appointment of certain field clerks, Quartermaster Corps, whose military service during the World War prevented their appointment; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 3216) granting permission to Col. Harry F. Rethers, Quartermaster Corps, United States Army, to accept the gift of a Sevres statuette entitled "Le Courage Militaire," tendered by the President of the French Republic; to the Committee on Military Affairs.

By Mr. PEPPER:

A bill (S. 3217) granting an increase of pension to Isabel M. Quackenbush; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 3218) to secure Sunday as a day of rest in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

FEDERAL RECLAMATION BY IRRIGATION (S. DOC. NO. 92)

On motion of Mr. McNARY, it was

Ordered, That the order to print as a Senate document the message of the President of the United States, with accompanying report and illustrations, relative to the necessity of revising the present reclamation law, transmitted to the Senate on April 21, 1924, be rescinded, and that the said message and accompanying report be printed without the illustrations.

AMENDMENTS TO TAX REDUCTION BILL

Mr. WALSH of Massachusetts submitted sundry amendments intended to be proposed by him to House bill 6715, the tax reduction bill, which were ordered to lie on the table and to be printed.

REDUCTION OF TAXATION—AGRICULTURAL EXPORT COMMISSION

Mr. NORBECK submitted an amendment intended to be proposed by him to House bill 6715, the tax reduction bill, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

LANDS ON THE FORT HALL INDIAN RESERVATION, IDAHO

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2902) authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project, which were, on page 2, line 10, after the word "enactment," to insert: ", in so far as such uses shall not interfere with the use of said lands for reservoir purposes"; on page 3, line 1, to strike out all after "reservoir" down to and including "both," in line 4, page 3; on page 3, line 6, to strike out all after "annum" down to and including "prescribe," in line 8, page 3; on page 3, line 17, to strike out all after "be" down to and including "States," in line 18, page 3, and insert: "taken from moneys appropriated for the construction of said reservoir and deposited in the Treasury of the United States"; on page 3, line 19, to strike out all after "Indians" down to and including "prescribe," in line 21, page 3; and on page 3, line 22, to strike out all after "That" down to and including "use," in line 23, page 3, and to insert: "there is hereby authorized to be appropriated."

Mr. CURTIS. I move that the Senate concur in the amendments of the House.

Mr. McKELLAR. What is the bill?

Mr. CURTIS. It is a bill to provide for the condemning of certain Indian lands for reservoir purposes at a price of $750,000, the money to be put into the Treasury to the credit of the Indians. The only amendments made, and the members of the committee agreed to them, were, first, allowing the Indians to use the condemned land if it does not interfere with reservoir purposes; and, second, instead of appropriating or taking all the money directly out of the Treasury, an appropriation of only $100,000 is made.

Mr. KING. May I say to the Senator that I received a letter from some person who claimed to be advised that there is one appropriation—and not being a member of the Committee on Indian Affairs, I am not familiar with it—which calls for the payment, my recollection is, of only $50,000 for the condemnation of a reservoir or right of way across certain lands.

Mr. CURTIS. This is to condemn certain Indian lands for reservoir purposes and pay the Indians $750,000. If the Senator has any question about it, I will let it go over until to-morrow.

Mr. KING. It may be another matter. My recollection is that the inquiry I have was with reference to a transaction in one of the Dakotas.

Mr. CURTIS. This is in Idaho.

Mr. KING. Very well.

The PRESIDENT pro tempore. The Senator from Kansas moves that the Senate concur in the amendments of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

INSTALLATION OF RADIO DEVICES IN SENATE CHAMBER

Mr. REED of Missouri obtained the floor.

Mr. HOWELL. Mr. President——

Mr. REED of Missouri. Does the Senator from Nebraska desire to introduce a bill?

Mr. HOWELL. I merely wish to ask unanimous consent for the consideration of a resolution which has been reported out of the Committee on Rules and which merely asks for information. As the committee has had the resolution under consideration for a month, and it has now been reported out, I thought possibly it might be considered at this time.

Mr. REED of Missouri. If it will require no discussion, and is agreeable to the Senator in charge of the pending measure, I shall yield to the Senator for that purpose.

Mr. SMOOT. I have no objection to the consideration of the resolution if it will not require any discussion.

Mr. HOWELL. I ask unanimous consent for the present consideration of Senate Resolution 197. The resolution was introduced by me about a month ago, and asks for certain information from the Navy and War Departments respecting the installation of radio devices. The resolution was referred to the Committee on Rules, and that committee has reported it out with certain amendments, which are generally agreeable to Senators. I now ask that the resolution be considered, and hope that the information for which it asks may be requested.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent for the present consideration of the resolution to which he has referred. Is there objection?

Mr. SMOOT. Mr. President, I shall have no objection provided the resolution does not lead to any discussion. If it shall do so, I shall ask the Senator from Nebraska to withdraw the request.

The PRESIDENT pro tempore. The Chair hears no objection to the consideration of the resolution.

The Senate proceeded to consider the resolution (S. Res. 197) submitted by Mr. HOWELL on March 27, 1924, which had been reported from the Committee on Rules with amendments, on page 1, line 2, after the word "hereby," to strike out "directed" and to insert "requested"; on the same page, after the word "Senate," in line 13, to strike out "and the House of Representatives"; and on page 2, after line 5, to strike out:

Resolved further, That such commission also be requested to recommend a limited area of the country that for experimental purposes be

initially afforded such broadcasting of the proceedings of Congress to the end of determining the advisability of extending such service to cover the entire country; such report to include the cost of such experimental installation, together with the expense of maintenance and operation thereof.

So as to make the resolution read:

Resolved, That the Secretary of War and the Secretary of the Navy be, and are hereby, requested to cooperate in the appointment of a joint commission of radio experts from the War and Navy Departments to investigate and report to the Senate upon the following problems, to wit:

First. The equipment of the Senate Chamber with electrical transmission and receiving apparatus such that without defacing the Senate Chamber each Senator at his desk may individually and clearly hear, without the use of a head receiver, the proceedings of the Senate at all times in whatever tone of voice conducted.

Second. The additional equipment necessary for the broadcasting by radio of the proceedings of the Senate throughout the country, utilizing the radio stations of the War and Navy Departments.

The report of said commission to include the estimated cost of installation, maintenance, and operation of the proposed systems suggested in paragraphs 1 and 2 hereof.

The amendments were agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

CONTINGENT EXPENSES OF THE SENATE FOR FISCAL YEAR 1924

Mr. WARREN. From the Committee on Appropriations I report a joint resolution making appropriation for contingent expenses of the United States Senate, fiscal year 1924, and I ask unanimous consent for its present consideration. When the joint resolution shall have been acted on I shall take a moment or two of time to explain the situation which renders the immediate passage of the joint resolution necessary.

The PRESIDENT pro tempore. The Senator from Wyoming asks unanimous consent for the immediate consideration of the joint resolution, which the Secretary will read.

The joint resolution (S. J. Res. 119) making appropriation for contingent expenses of the United States Senate, fiscal year 1924, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the sum of $100,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1924, for expenses of inquiries and investigations ordered by the Senate, including compensation of stenographers to committees at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WARREN. Mr. President, I desire to call the attention of the Senate for a moment or two to the condition of the contingent fund of the Senate and to the demands made upon it. Of course, it is needless for me to say that we are appropriating enormous sums for contingent expenses compared with those of former times. The money has to come from the Treasury upon appropriations passed by both Houses, but the Senate itself, of course, gives orders on its contingent fund and it is drawn upon from time to time.

There are a number of committees engaged in various investigations, doing their work and incurring expenses which have to be met, and some of those committees no doubt will be live committees during the recess. The Committee on Appropriations desires to know before Congress shall adjourn what may be the expectations as to expenditures of such various live committees which will carry on their work during the recess.

The expenses of the special committee to investigate the Veterans' Bureau, as I understand, have been paid, and that committee has closed its work; but the original appropriation of $20,000 for that committee fell short some $25,000 of meeting its expenses. The people to whom money was due on account of the activities of that committee had to wait until Congress assembled in the fall for their payment. That, perhaps, is all right in the case of attorneys who are employed, but in cases where witnesses and others are brought from long distances and transportation has to be paid, as well as per diem allowances, the amounts ought to be covered at once.

There are at present nine different committees which are drawing upon the contingent fund from time to time, or have been drawing upon it, in connection with the pursuit of investigations, and they have cost so far $325,000. We hope that the $100,000 appropriated in the joint resolution which has just been passed will cover such expenses until the 1st of July, although there is some reason to doubt that it will.

The estimate for next year for the contingent fund is but $200,000. The lowest cost of any of the investigating committees to which I have referred is nearly $4,000 and the highest cost is over $56,000. At least three of these committees are each expending somewhere between five and ten thousand dollars a month.

I shall ask in this connection to have printed in the RECORD a statement showing the expenditures made in connection with nine of the principal investigations conducted by the Senate from March 4, 1923, to April 16, 1924. In the meantime I should like to inform the various investigating committees that the Committee on Appropriations would like to have from them before we adjourn an estimate, as nearly as one can be made, of what amounts they will require in order to carry their work to a conclusion or until Congress shall again meet.

Of the nine committees on the list which I submit, six of them are living committees—that is, are still in action—while three of them are what may be called "dead" committees; but there are a quite large number of other authorizations for other investigations, the expenses in connection with which have not as yet commenced. As to some of these authorizations, no limit of time has been placed, while as to others there has been a time limit. For instance, the committee investigating the causes of the decrease in the production of gold and silver, as I recall, had authority to proceed through the Sixty-seventh and Sixty-eighth Congresses, but in other cases such a provision is not made. The work of the gold and silver investigating committee has cost thus far $56,409.86, and they are expending about $4,500 a month; so that we can calculate on that amount, perhaps, if it shall be necessary for them to pursue further investigations. As to some of the other investigating committees, I think the only ones who can estimate the probable future expenses are the various chairmen.

Mr. President, with that explanation, I ask that the paper I send to the desk may be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The paper referred to is as follows:

Expenditures made in connection with the principal and more extensive investigations conducted by the Senate from March 4, 1923, to April 16, 1924.

Investigation	Clerical salaries and expenses	Counsel fees and experts' salaries	Expenses of witnesses	Stenographic reporting	Miscellaneous expenses	Total
Naval oil reserves (Tea Pot Dome, etc.)	$3,111.44	$11,718.75	$8,570.09	$4,790.90	$23.26	$32,908.03
Problems of reforestation	6,300.63		39.80	2,601.40		8,941.83
Veterans' Bureau	8,820.38	30,950.00	667.03	5,137.55	327.71	45,902.67
Gold and silver (causes of decrease in production)	27,641.31	20,282.50	(1)	1,721.25	2,308.64	56,409.86
Nine-foot channel from Great Lakes to Gulf of Mexico	9,292.30			999.20		10,291.50
Election of a Senator from Texas in 1922 [1]						37,096.18
Alleged official misconduct of Attorney General Daugherty	1,760.35	520.83	4,348.93	1,638.45	27.15	12,419.07
Rental and housing conditions in the District of Columbia [1]						5,976.46
Investigation of indictment of Senator Wheeler						3,814.38

[1] No attorneys.
[2] Collection, care, and counting of ballots.
[3] Services of special investigators and assistants and their expenses.

Mr. WARREN. I thank the Senator from Missouri for yielding me the time.

posited in the Treasury of the United States"; on page 3,

mend a limited area of the country that for experimental purposes be

TAX REDUCTION

Mr. SMOOT. I ask that the unfinished business be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, the pending question being on the amendment of the Committee on Finance to strike out on page 52, after line 18, the following paragraph:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

Mr. REED of Missouri. Mr. President, the last thing any government can afford to do is to break its contracts. It can not afford to break its contracts either in letter or in spirit; and the breach of a contract is not relieved from its enormity by the fact that some subterfuge may have been devised which will enable the doing of a particular act in a manner which avoids the technical legal obligation.

The States of the Union, the municipalities thereof, and the Federal Government, have from the first issued securities which were exempt from taxation. The exemption from taxation is as much a part of the obligation as is the promise to pay. These securities have been sold in the market upon the faith of the various governmental agencies that the debt will be paid, and that the securities will not be taxed.

It is now proposed by an artifice to breach that contract, and to place the United States Government in the position of saying, notwithstanding its obligation and despite its solemn agreement, that it proposes by a trick, a device, to circumvent and avoid the plain intendments of the obligations assumed by the Government.

To say in one breath that a security shall remain untaxed, and in the next breath that deductions shall be allowed on general taxation, but that if a citizen shall hold tax-exempt securities the extent of the reduction shall be diminished by the interest on the obligations of the Government which he holds, is only another way of saying that a tax shall be levied upon these securities.

Mr. President, an individual who would resort to that sort of device to escape the terms of his obligations would be a dishonest man, and he would not be able to maintain his standing either in financial or business circles; and he would be the most foolish of individuals, for he would write across his own name and character the word "dishonor," and he would in advance dishonor every obligation he might thereafter issue; for every man thereafter purchasing his obligations would know that he was dealing with a rogue who would escape payment if he could possibly conceive of any device or design that would enable him to breach the terms of his contract.

If this Congress should pass the bill in the form it was brought to the Senate, this Congress would prove itself capable of repudiating the contracts of the Government, would place itself on a par with those governments of Europe which have sought to repudiate the debts of their predecessors, and it would do so with less excuse. There may be some sort of moral ground afforded for a revolutionary government which has overthrown a preceding government which it claims was oppressive and unjust to repudiate the obligations of that preceding government. Of course, neither I nor any other man pretending to be honest will sanction such a doctrine; but there would be more justification for it than there can possibly be for this Government in a time of profound peace, and, with no other motive than to collect a little tax, to repudiate the obligations heretofore made by the Government.

Mr. President, the Senate convened this morning and then proceeded to adjourn one at a time. I am, therefore, going just briefly to state my reasons for supporting the motion to strike out this provision of the bill, and I shall not try to argue it, because there are in the Senate Chamber now, I think, 9 Senators all told, perhaps 10. I am not criticizing——

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I should like to say in this connection that in my mind there is no more important proposition involved in this bill than the one which the Senator is now discussing. As the country has come to understand what it means there is great interest in it outside of this Chamber, although there does not seem to be much inside of the Chamber. I have felt myself in discussing the matter—I have addressed myself to it twice—that it was highly important, even if we could not succeed in accomplishing our purpose, to let the country understand what the bill proposes to do with respect to this question.

Mr. HARRELD. Mr. President, will the Senator yield?

Mr. REED of Missouri. Certainly.

Mr. HARRELD. I feel that I ought to say, in defense of those who are not here, that I think it is a bad practice to have the Senate begin at 11 o'clock a. m. every day.

Mr. SIMMONS. It has seemed to me to be so.

Mr. HARRELD. Because these committees are grinding so that Senators are all in committee meetings at this hour, and we can not get them here. I know from my own experience that I have been at two committee meetings this morning, and just had to pull away from them to get here; and I want to protest against the 11 o'clock sessions.

Mr. SIMMONS. The Senator is entirely right about that. I am perfectly willing to come here at 11 o'clock; but we threw away the hour that we attempted to save yesterday, and I think it is just for the reason that the Senator gives. There are a great many committees that are now hard at work, because they are anxious to get their bills before the Senate in order that we may take them up and consider them rapidly. The general feeling is that we want to get away from here as soon as possible, and the committees are working to that end. They are considerably behind. The time taken up in these investigations probably put them a little behind, and they are now trying to catch up, and I think this hour is devoted to that purpose.

Mr. REED of Missouri. Mr. President, of course I am making no complaint. I am simply saying this by way of explanation of the fact that I do not intend to argue the pending bill at length, and I am cutting my remarks short because there are so few Members in attendance; and I fully appreciate the fact that it is neither discourtesy to me nor, perhaps, lack of interest in the bill. I think these unusual hours of meeting are always a mistake. We might save some time in the Senate if Senators could refrain from injecting bitter, partisan political speeches into the RECORD, and then bringing forward partisan replies, and having a sort of a joint debate regarding what somebody said at some other place. We might save some time in other ways. We are now approaching the time when the Senate will desire to adjourn, and we are doing what we have always done; we are making haste on important measures, having thrown away a vast amount of time in discussing unimportant measures in the early part of the session.

The matter that is now before us is important. It has been perhaps sufficiently discussed, however, by men much abler than myself. I was asked to make some remarks upon it, and I shall endeavor to bring what I have to say to a speedy close.

I have already said that this is an attempt at the repudiation of an obligation. No candid man can examine the bill without knowing that to be the case; and it is simply appalling that any single Member of either House of Congress could ever have induced himself to introduce a bill having for its purpose the repudiation of any part of any obligation that his Government had taken, and it is still more appalling that the bill in that form should have passed one of the Houses of Congress.

I say, however, that in all probability it passed the House of Representatives without the attention of the Members being particularly challenged to the bald attempt at breach of contract and repudiation of obligations which the measure contains. Nor is there anything substantial to be gained even of a temporary nature by this attempted repudiation. The excuse offered is that there are certain individuals or companies possessing very large fortunes and making very large profits, and that some of these institutions or individuals, in the desire to escape heavy surtaxes, have resorted to the device of investing their money in the so-called tax-exempt securities of the Government or of the various political divisions of the country, and that in order to stop that practice we should resort to this device, so that in fact we would levy a tax upon securities which were nontaxable. Suppose what I have said is an accurate statement of the facts.

The first thought occurring to any person ought to be that the penalties of the bill are visited upon the ordinary investor, just as they will be visited upon the few individuals or corporations engaged in the practice to which I have referred. These bonds of the United States are held even to-day, I have no doubt, by hundreds of thousands of people, and because a few individuals or corporations may be investing their money in tax-exempt securities in order to avoid the higher brackets of the tax bill, it is proposed to breach our contract with

every man, woman, and child in the United States who ever bought a Government bond.

It is proposed, in my judgment, to do a thing we can not do; to impose by this indirect method a tax upon the securities issued by the sovereign States of this Union and by the municipalities and subdivisions thereof. I should be very much disappointed in our courts if they did not, under the rule that has been announced in several cases in the last year, look behind the pretense of the law to its real purpose and, having ascertained that the purpose is violative of the Constitution, to declare the law itself unconstitutional and void. That was the doctrine laid down in the Nebraska case, where it was sought to prohibit the teaching of a certain language under the claim that it was a police regulation for the benefit of the health of the child. The fact was it was a law born in the hatred of somebody's heart for a particular race of people, and it was intended to prohibit teaching the language of that people. The Supreme Court looked back of its declared purpose and destroyed it.

Likewise, in several other cases our Supreme Court has adopted the rule that when the real purpose of an act is something different from the pretended excuse for the act the court will determine the validity of the act by its real purpose and intent, instead of determining it by looking at the language of the act, as under the old rule, which was laid down first, I believe, in the State bank tax cases, followed afterwards in other cases.

I do not desire to spend more time upon that phase of this question. I invite the Senate's attention to the broader question which is involved in this amendment, namely, the attempt being made to entirely do away with tax-exempt securities. More confusion has been caused in this world by the use of improper descriptive terms or names than by almost any other reason. These so-called tax-exempt securities are the only securities that are never exempt from taxation. The tax-exempt securities, so called, ought to be described as securities which pay the tax at the source and pay it every year and never escape it.

Here are two classes of securities being issued. One is the security of the corporation or individual, which is taxable. That security brings 6 or 7 per cent, and the corporation out of its coffers, or the individual out of his pocket, must raise the money every year to pay the 6 or 7 per cent interest. Here is another class of securities, issued by the State or by the Federal Government and not taxable, and they bring in normal times 3½ or 4 per cent interest, because the governments do not levy any tax upon them. The man who buys the 6 or 7 per cent security has added the amount of the tax he may have to pay to the interest which he has charged, and he collects it every year from his debtor and pays his taxes out of it, if he can be caught by the assessor. The man who buys the 3½ or 4 per cent security because it is untaxed has cut his rate of interest to a greater extent than the tax will ever amount to, and that amount of money which he thus has discounted remains in the Public Treasury in place of the tax which otherwise would have to be levied.

I can illustrate that. Let us assume a $100,000,000 tax levy of the State of Missouri for road purposes. This is purely an illustrative statement I am making. If the securities were to be taxed, that State would be obliged to pay at least 6 per cent to get its money, and it would therefore be forced to collect $6,000,000 every year from the taxpayers to pay the interest. Then the State of Missouri might get part of it back out of taxes it levied on the securities, and it might not.

On the other hand, if those securities are tax exempt and are sold at 4 per cent, there is collected from the taxpayer to pay that interest only $4,000,000, and that leaves $2,000,000 in the treasury more than would be there under the other arrangement. So that under the 6 per cent arrangement, where the taxes are to be levied, what is done is this: For the sake of levying a tax upon these securities to the extent of a much smaller sum than the difference, which I will show in a moment, they resort to the levying of taxes upon all the people to the amount of $2,000,000 in the illustration I have given. The tax which would ordinarily be paid upon an income of $6,000,000 would be $174,817, the expert informs me. The tax that is saved to the State by sending out what is called a tax-exempt security would be $2,000,000. The difference against the State is $1,825,000, which would be the result of adopting the newfangled notion.

I do not know whether I have stated that very well or not. If a State issues $100,000,000 of tax-exempt securities at 4 per cent interest, which the taxpayers must raise, they pay every year $4,000,000. If those securities are taxed, the State will have to pay 6 per cent, or $2,000,000 more, which the taxpayers must every year take out of their pockets and turn over to the man who buys the security.

Suppose we assume that he paid his taxes on all those securities and paid back the whole of the $2,000,000 in taxes; the State would gain nothing, but, as a matter of fact, on the ordinary income the tax he would return to the State or to the Government would not equal more than 10 per cent of the $2,000,000 which the State is obliged to pay in excess over the amount it would pay if it sold its securities as tax exempt. The proposition is simply monstrous when you come to consider it in that way. What would be thought of an individual who provided that his own note should bear some heavy burden, that he himself would pay that burden, and then think he was getting rich by that sort of a device?

Mr. President, there is another phase of this matter. Let us assume the case of the State of Missouri again. It issues a 6 per cent security which is taxed. The people of the State of Missouri must collect $6,000,000 every year from their taxpayers to pay that interest. They send that interest to the holders of those securities. If that gentleman lives in England or outside the United States he may wholly escape any tax upon those securities. If he lives in a State where the taxes are very light, and he generally goes to that sort of a State, he escapes a large part of his taxes. But if he goes to any other State and holds the securities, the taxes are paid in the State of his location, and consequently they do not come back to the State of Missouri, yet the people of Missouri must pay the additional $2,000,000 every year because some gentlemen undertake to repudiate the obligations that have ordinarily existed in cases of this kind.

Illustrations can be multiplied, and I could stand upon the floor of the Senate by the hour and produce them, but the cold fact of the matter is that when we put a tax upon the securities of the Government we simply increase the rate of interest by that amount and take out of the taxpayer's pockets the money with which to pay that increased interest, and then there are some people foolish enough to think that we can get rich by taxing the people who own the securities to get back the taxes that we have already taxed the people to pay for the additional interest on the securities. That is about the last word in idiocy, if idiocy can have a last word.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Utah?

Mr. REED of Missouri. I yield.

Mr. KING. Does not the Senator see a difference between a direct tax on tax-exempt securities or an attempt to impose a tax upon tax-exempt securities—either by the State, for instance, or by the Federal Government, and we are dealing now, of course, with the Federal Government—and a provision in the law which merely says that a taxpayer may not use the income derived from his tax-exempt securities for the purpose of diminishing his gains or for the purpose of deducting from his gain which would be subject to taxation, and a provision which, putting it in the alternative, in effect says that he may not use tax-exempt securities for the purpose of going into the field of speculation to enable him in those speculative ventures to protect himself against losses that he may sustain in connection with his activities?

Mr. REED of Missouri. The Senator has made his question so long and so complicated and injected so many conditions into it that it is hard to answer it either directly or indirectly.

I see nothing in this measure except an attempt to take away from tax-exempt securities the benefit of their exemption under certain particular cases; in other words, to breach the contract to that extent. That is the purpose and the fraud so badly perpetrated that it would not even need a court of equity to set it aside because it is apparent upon its face and it would be disregarded in a court of law. That is the purpose. Somebody sat down and thought he had devised a scheme that would work out the end, and yet that he could go around the law and cover his tracks in a way so that he could deny to tax-exempt securities the full benefit of the exemption. That is the purpose. There is no escape from it. So far as I am concerned, I do not propose to be a party to ever writing a bill or ever passing a bill and making it a law that undertakes to repudiate by one jot or tittle, by one hair's weight, any obligation the United States Government assumes.

Mr. President, there is another phase of the matter to which I shall refer very briefly, and that is the cry that has been put forward that all of the money of the country is being put in tax-exempt securities and that all the rich men of the country are putting their money away in that form to escape taxes. As I have already shown, when a man buys a 4 per cent

obligation when the money market is 6 per cent and buys it at 4 per cent because it is tax exempt, he is paying his 2 per cent taxes in the purchase price, for the public that pays the taxes to pay the interest is relieved of the taxes to the extent of the difference between the tax-exempt interest and the interest that is levied upon ordinary securities.

Mr. President, what is there in all that talk? The public of the United States, the people of the United States, through their Federal Government, through their State governments, and through their various municipal governments, desire to borrow money and they borrow in the form of public bonds. They want to sell those bonds at as low a rate of interest as possible in order that their taxes to pay their interest shall be as small as possible. Now it is baldly proposed—not in this particular amendment, but the proposition is akin to this amendment and embraces it—that the people of the United States and of the various States and municipalities shall deny to themselves the opportunity to sell their securities at a low rate of interest. Who would gain anything by that? Certainly not the taxpayer, because the man who buys a security and buys it at a low rate of interest must pay or suffer the loss incident to that low rate of interest every year. He never escapes. The man who buys a 50-year bond at 3 per cent interest when the market is 6 per cent for taxable money pays every year his 3 per cent into the public treasury because he saves the taxpayer paying 6 per cent as he otherwise would be obliged to pay. So the public is not going to gain anything.

Who will gain? Who is back of this propaganda? Every big trust company in the United States that wants to loan money at 6 per cent would be very glad indeed if its rival, the State or the Government, was obliged to charge 6 per cent, but if the Government or the State can sell its securities at 3½, 4, or 4½ per cent, some of the money will be obtained by the Government at these low rates, and to that extent there will be a lack of money to buy the higher securities. The Government is a dangerous and bad rival for the gentlemen who have vast sums of money which they want to loan or want to invest. They would like to remove that rivalry and get the foolish Government to vote away the little advantage it now has in the matter of the issuance and sale of its own securities. This movement is not intended merely to affect the securities of the Federal Government, but every big loan company in the United States would like to see a condition created whereby no municipality, no State, nor the Government itself, would get its money in any better market than these great loan companies afford. That is the long and the short of the whole business. That is why this agitation. It never would be heard of otherwise.

Now, let me make one further remark. Suppose that it does happen that a few great capitalists put their money into tax-exempt securities and escape the highest brackets of the tax law. They at least have afforded a market and a ready market for the securities of the various States and municipalities. The better that market is, the better prices the bonds will bring and the lower the rate of interest will be. I am in favor of promoting that kind of a market, because it is one case where direct benefits flow directly to the people of the States and of the municipalities and of the United States.

How do we come to hear that argument from the particular voice that is now advancing it? We hear it from Mr. Mellon and Mr. Mellon's crowd of financial overlords. Mr. Mellon tells us that we should reduce the taxes upon the very large incomes, and in the same breath he gives as his reason that those large incomes are being invested in Government bonds. He wants their taxes reduced. What right has he, then, to complain if these gentlemen, in an effort to reduce surtaxes, do put their money in Government bonds? It is a forked-tongue argument. The truth is he wants to reduce the surtaxes upon those great incomes and then he wants to fix it so that the possessors of those great incomes may have an untrammeled field in which to loan their money and the Government be denied the right to go into that field to sell tax-exempt securities and get a decent rate of interest. That is the cold fact about this matter.

It is said that Mr. Mellon is one of the greatest financiers in the United States; and I think he is; but I do not want to follow blindly the advice of a man who knows as much about finance as does Mr. Mellon and whose private interests are so great that he can not help thinking of those private interests every time he writes a bill or makes a recommendation to this body. A man with his wealth and with his financial entanglements has no business to be Secretary of the Treasury, because his own interests are constantly pulling him in their direction. He has no more right to occupy that high position, under the law of this country as it stands, than has a judge to occupy the bench in a case where he has a financial interest. Senators may think they can Mellonize this country; he himself may think that he can Mellonize this country; but there is one melon he will not cut, and that is the American people at the next election.

I have no war in the world to make upon money; I have no war to make upon the institution that has gained great wealth and gained it honestly; I have no war to make upon any man because he has succeeded in financial ventures; but I insist that it is not right to put and keep a man at the head of the finances of the United States whose own interests are so large that every time he writes a tax bill he is trying to have the taxes reduced upon his own swollen fortunes and upon the swollen fortunes of his associates; and when we find him recommending measures here to take the taxes off the very great incomes we are warranted in concluding that he is thinking about his own fortunes and the fortunes of his associates instead of thinking about the interests of the entire country.

But, Mr. President, above everything else let us keep the faith. We issued these bonds, and I care not who holds them, let us keep the faith. When we issued them we made them fully negotiable. They can now pass from hand to hand; we knew they would pass from hand to hand. We sought to make them attractive to the investor. We wanted to get our money as cheaply as possible; therefore we said, "These obligations shall be forever exempt from taxation." Now it is proposed to deny to them the attributes and the qualities which every man who purchased them understood they would possess until the day of their final redemption. It is now proposed to single them out and to say that in certain instances the income derived therefrom shall not have the same benefits as the income derived from other securities. That is simply a crooked, fraudulent, scandalous thing for any nation to undertake. Any nation that does undertake it will soon find that its security has gone. No nation can afford to take it, for it will thereby lose more than it will gain.

Who is it to-day who does not know that Great Britain gained more than the total amount of money represented by the bonds which she issued to us in payment of her debt? She gained it in credit; she gained it in standing. While she drove a hard bargain and got a low rate of interest—a ridiculous rate of interest under the circumstances—nevertheless, she kept her contract, in the sense that she signed one which was accepted by us. In the end that will be worth more than the four and one-half billion dollars to Great Britain. I will ask the Senator from Utah [Mr. SMOOT] whether she is to pay us three and a half or four and a half billion dollars?

Mr. SMOOT. The amount of the principal of the British debt to us is $4,600,000,000.

Mr. REED of Missouri. Very well; that will do.

Mr. SMOOT. But she ultimately will pay $12,000,000,000 to us.

Mr. REED of Missouri. Yes; but she will escape the payment of $22,000,000,000, representing the difference between the interest she ought to pay and the interest she will pay us running through to the end of the term. But she signed up. France, however, will lose a great deal more than the amount that she owes us if she repudiates that debt, even if our Government is supine enough to wait forever and allow repudiation.

If England and France were to engage in a struggle tomorrow or next year, as they may—for they have been at war more than have any other two nations on earth—and if they desire to get money—and money it is that wins wars now—and they came to the United States or went to any other nation on earth to borrow money, which of them do you think would get the money—England, who at least measurably has kept her obligations, or France, who up to this date has repudiated her obligations? One would go into the money markets of the world with credit; the other would go into them with discredit. When one of them gave its obligation, it could get money, because the man who furnished the money would know he was going to get it back; the other could not get money, because there would be a grave doubt whether it ever would be returned.

So in this instance we have issued tax-exempt bonds, and have done so from the first. Any proposal to cut down or whittle away that obligation, or take from it so much as a hair's weight of its value, is unworthy of a great nation, and unworthy of a great body representing that great nation.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Utah?

Mr. REED of Missouri. I was about to yield the floor.

Mr. KING. I did not perhaps make myself very clear, because, as the Senator suggested, of the rather complicated

nature of the question which I asked a moment ago. I will put it in a more concrete form and ask again if the Senator does not see a distinction between an attempt to tax directly tax-exempt securities and to deny the right of deductions to tax-exempt securities? Suppose the Senator had an income of $50,000 a year from his practice—and his ability is worth four or five times that amount, of course—and that he had tax-exempt securities amounting to $1,000,000, and should take those tax-exempt securities and borrow $1,000,000 at 5 per cent. Under existing law, as I understand it, he would be permitted to deduct from his earnings of $50,000, upon which he would otherwise pay taxes, the entire amount of interest, which would in that case be $50,000, and he would escape all taxation. Then, of course, he would derive interest from the Government from the tax-exempt securities.

Mr. REED of Missouri. I do not understand that can be done.

Mr. KING. That can be done and is done.

Mr. SMOOT. It is done right along.

Mr. KING. And the House provision is aimed at the evils arising from that character of transaction.

Mr. REED of Missouri. Very well. There is no form of security that can be issued and no tax bill that can be drawn as to which somebody can not devise some sort of a scheme of that kind. If you want to reach that sort of a situation, do not reach it by attacking the obligations of your own Government; reach it by changing the law, so that a man, no matter what his securities may be, can not deduct any more than a certain percentage or a certain amount; but do not lay your hand upon a tax-exempt security and say, "We issued this security; we solemnly signed it and put it forth to the world, and we said that it should be exempt from taxation; that it was our obligation; but now we propose to say that as to our obligation we will discredit it by denying it the privileges and advantages which the obligations issued by a private corporation might have under the same circumstances." Do not say that. We can not afford to say that. Reach the evil in some other way. If there be such an evil as that spoken of, it is very easy to reach it in another way. I can sit down with a tax expert who will explain the minutia of this matter, and draw a measure that will meet it, and do it in 15 minutes after I have a thorough understanding of the details; and so can my friend from Utah.

No, Mr. President; let us keep our obligation; let us let it be said forever that when old Uncle Sam issues his note of hand and says that it is tax exempt and that it will be paid, it goes through this world with his faith and credit stamped upon it; and that means 100 per cent of principal, 100 per cent of interest, 100 per cent of tax exemption, 100 per cent of good faith by the only 100 per cent Government there is on earth.

Mr. ADAMS. Mr. President, what I have to say is really an inquiry of those in charge of the bill, with a suggestion, rather than any effort to make comment of any considerable extent.

I listened a few days ago with great interest to the speech of the senior Senator from Idaho [Mr. BORAH], in which he laid great stress upon the tax burdens of the farmer. He urged expedition in connection with the income-tax measure, and in part, at least, based his argument upon the farmer's condition. The farmers in my country have not seen a net income for so long that they would not recognize it if it came their way. Consequently, the farmer is not concerned with the income tax directly.

The particular provision which is under discussion in fact will operate to increase the burdens which are now upon the farmer. Those burdens which the farmer feels are the State taxes, the county taxes, the school taxes, and the district taxes of one kind and another. When you strike down the tax-exempt features of the bonds issued by those public corporations, you increase the taxes of this already overburdened part of our people.

So it seems to me that we ought to follow in good faith the suggestion of the senior Senator from Idaho and endeavor to work out this problem in a way that will accomplish first the purpose of the framers of this section. There are great evasions of income-tax payments by means of the borrowing of moneys on the part of men of large interests. The illustration given by the junior Senator from Pennsylvania [Mr. REED] the other day pointed it out clearly.

A rich man borrows $31,000,000. He pays on that sum $1,800,000 of interest. He deducts that from his net income. It so happens that his total net income from taxable securities and other sources is substantially the same as the amount of interest he paid upon his borrowings. The result was that he paid no income tax whatever. So far as normal taxes were concerned, he made practically no gain. The place where the Government lost was in connection with the surtaxes. In the absence of this borrowing this rich man probably would have paid 30 to 40 per cent in the way of surtaxes, so that he was saving 30 per cent or 40 per cent or even 50 per cent at a cost to himself of 5½ or 6 per cent. It is in that way, as I understand, that the Government loses. It is in the reduction of net income upon which surtaxes are calculated. I am correct in that, am I not?

Mr. REED of Pennsylvania. Substantially, that is so; yes.

Mr. ADAMS. So that so far as a man is concerned who is not paying surtaxes, he can not accomplish any substantial evasion of tax payments through the process of borrowing money.

Mr. REED of Pennsylvania. It is not worth while for a man who pays only the normal tax to do it, because the interest he pays is usually slightly in excess of the interest on the tax frees. It is worth while only for the man with the big surtax, which in the particular case I cited ran up to 50 per cent. An income of $1,800,000 is in the 50 per cent surtax class.

Mr. ADAMS. He is really in a position to save 44 per cent of that 50 per cent tax, practically; that is, the 50 per cent surtax, less the 6 per cent that he pays upon his borrowings, and he probably borrowed at a little less than 6 per cent.

The point I have in mind is substantially this: Throughout the United States are many men holding small amounts of Liberty bonds. The senior Senator from Utah [Mr. SMOOT] is in error, I think, in his statement that no one holding tax-exempt securities would at the same time borrow. I happen occasionally to see the interior of a couple of small banks in my community, and I know that perhaps 20 per cent, perhaps 30 per cent, of the notes in those banks are secured by Liberty bonds. The banks encourage their borrowers to hold Liberty bonds and to use them as collateral for their loans.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. REED of Pennsylvania. The language of this amendment as it is drawn would apply only to the 3½ per cent Liberty bonds, because they are the only ones that are wholly tax exempt. It does not apply to the 4¼'s, because it uses the words:

> The interest upon which is wholly exempt from taxation under this title.

And the 4¼'s are not wholly tax exempt. The kind of bonds that the Senator has in mind are those held by the small investor. Almost without a single exception the small investor holds the 4¼'s. I am a director in a savings bank, too, where we lend millions of dollars on Liberty bonds as collateral; and there are thousands of just such cases as the Senator speaks of; but I have never known a single case where a small investor owned a 3½ per cent tax-free Liberty bond.

Mr. SMOOT. Mr. President, I was going to make the same statement that the Senator from Pennsylvania has made, but I will add this: I know that the bank of which I am president has not a single, solitary loan made upon a 3½ per cent tax-exempt security. I want also to add this, and I suppose it applies to the bank to which the Senator referred: Those notes in many cases have been carried the whole time since the purchase of those bonds for war purposes. I know that notes are held in the bank there on which the bank loaned the money for the very purpose of purchasing those bonds from the Government, but they are all the other bonds, which are not wholly tax exempt.

Mr. ADAMS. Mr. President, I puzzled over the clause called to my attention, the matter of their being "wholly exempt from taxation under this title." I felt that, perhaps, that was the intention of it, but to me it is not absolutely beyond question that that would be the interpretation of the clause. I have had some experience with the interpretation placed upon tax matters in the department, and notwithstanding the Supreme Court of the United States has frequently declared that the benefit of all questions of doubt shall be given to the taxpayers, I know, as a matter of fact, that the benefit of the doubt is given to the Government, and the instructions to the collector in the past, at least, have usually been "get the money," and the taxpayer is advised that if the construction is unfavorable to him he can seek recourse by an appeal to the department or by some other proceeding. I am afraid that this language, "wholly exempt," is open to that construction. If you mean the 3½ per cent bonds, it is very easy to describe that particular issue of bonds definitely in this amendment.

Mr. SMOOT. Mr. President, I want to say to the Senator, and I think it will quiet his apprehensions on the matter, that these are the exact words of the existing law. The ruling of

the bench in a case where he has a financial interest. Senators' cause, as the Senator suggested, of the rather complicated

the department has already been that this language applies only to the wholly tax-exempt bonds, the 3½ per cent bonds that the Government issues.

Mr. REED of Pennsylvania. And, of course, the municipals.

Mr. SMOOT. And, of course, the municipal bonds. I am speaking now of the Government issues.

Mr. ADAMS. I feel, however, that there is in this section a discrimination which is unfair, and which ought not to be made. Assuming that the limitation is as is suggested, I do not understand why the man who holds the bonds and who is not compelled to borrow, or who does not for any reason wish to borrow, should be given an exemption which is denied to the man who does borrow; that is, under conditions where the borrowing is in good faith and not for the purpose of evasion. That is, you are drawing a line on one side of which the holder of this bond is given the benefit of the deduction privileges, and on the other side it is denied to him, and that is solely because of his own personal financial necessities. You deny it to the man who, perhaps, has been compelled to borrow for his personal uses.

Take my community; take, for instance, my own case. I have a very few of these bonds laid in a safe-deposit box, so that if something should happen to me and my family should be in need of something there would be an available source of ready money. Bonds of this character are one of the best forms of providing a fund to meet the emergency which comes to a family when the man who ordinarily looks after them is stricken down. Like many others, I am compelled from time to time to borrow. I do not go to this small group of bonds and sell them in order to get that money, but I hold them intact for my own personal purposes. I may be exercising bad judgment in doing that, but I have the right to make that election in my own personal business.

Mr. REED of Pennsylvania. Mr. President, would the Senator mind saying whether those are 3½ or 4¼ per cent bonds?

Mr. ADAMS. I have a few of both.

Mr. REED of Pennsylvania. Of course, this would not apply at all to the 4¼'s.

Mr. ADAMS. My holdings were so small that I did not take the trouble to have them converted. I was not concerned with the interest feature, frankly; but I do feel, to go back of that, that there is another group of bonds that ought to be considered in this connection, and those are the bonds of the State, of the county, of the municipality, of the water district, and of the school district.

As I understand, the amount of those bonds outstanding is far greater than the amount of these particular 3½ per cent bonds, so that you are seeking to take away from the holder of the bonds of the State and its subdivisions this right of deduction for income-tax purposes. I think that so far as they are handled in good faith, that ought not to be done. I have in mind, apparently, two conflicting purposes. One is to do justice to the man who owns these securities in good faith for his own purposes, and the other is to prevent the abuse of this privilege by the man who uses them to evade the surtax; and my suggestion, Mr. President, is this:

If those who are sponsoring this particular clause are willing to limit the application of this clause to surtaxes, they can do so by assimilating the section to the provisions which we have already put into effect governing dividends from corporations as to deductions for income-tax purposes. We say that dividends received from a corporation are deductible so far as the normal tax is concerned, but are not deductible so far as the surtax is concerned. So I am suggesting to the Finance Committee and those who favor this clause that you revise your wording so as to say that so far as the normal tax is concerned the taxpayer may deduct the interest he pays upon his borrowings, even when he holds these tax-exempt securities, but that he may not deduct it for the purpose of computing surtaxes.

Mr. SMOOT. Mr. President, I think there is a good deal in what the Senator says in relation to having this language not apply to normal taxes, but apply only to surtaxes. If the Senate amendment is not agreed to, the House provision, of course, will stand, and then will be open to amendment; and I see no particular reason why such an amendment as that suggested by the Senator, allowing this provision to apply to surtaxes but not to normal taxes, should not be adopted. I will say to the Senator frankly that as far as I am concerned I am perfectly willing to accept such an amendment.

Mr. ADAMS. Would not the insertion of words such as these accomplish the purpose?—For instance, after the word "deductions," in line 23 of that language as it stands, suppose there were inserted the words "for the computation of surtaxes."

Mr. SMOOT. "Only."

Mr. ADAMS. The word "only" is there already.

Mr. SMOOT. Yes; I see.

Mr. ADAMS. If you cause it to read "shall be allowed as deductions for the computation of surtaxes only," if it is really to prevent the evasion of taxes by those paying great surtaxes and not for the purpose of striking at other tax-exempt bonds, such as farm-loan bonds and others which are not held by those much concerned with surtaxes, an amendment of that kind will protect the municipality and the State largely, will protect the small holder, and yet will prevent evasion by the large holder.

Mr. SMOOT. I will submit the offer to the draftsman, and if the Senate disagrees to this amendment, I will submit to the Senator an amendment to carry out the idea expressed by him before it is suggested when the bill gets into the Senate.

Mr. NORRIS and Mr. FLETCHER addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Colorado yield; and if so, to whom?

Mr. ADAMS. I yield to the Senator from Nebraska.

Mr. NORRIS. I have been very much interested in listening to the Senator from Colorado. In fact, I am convinced that he has the proper solution, which will bring justice all around. But I want to suggest to the Senator that it is not necessary for him to wait until we vote on the pending amendment before offering his amendment. The committee amendment is to strike out the House language.

Mr. SMOOT. The whole of it.

Mr. NORRIS. The committee amendment is not to strike the provision out of the House text, but simply to strike out some of the language of the House text.

Mr. SMOOT. The whole paragraph.

Mr. NORRIS. Is not that paragraph subject to amendment, and would not an amendment offered to amend the part sought to be stricken out take precedence over the committee amendment? In other words, may not the language be perfected first before the vote is taken on striking it out?

Mr. SMOOT. This is not a substitute. The only way to get the House provision back into the bill is to disagree to the amendment of the Senate committee.

Mr. NORRIS. If the Senator will permit me——

Mr. SMOOT. I will ask the Senator to look at the language on page 52.

Mr. NORRIS. I have not the bill before me, but I have had it before me a good many times in the last two or three days. The amendment is a committee amendment, to strike out certain language in the House text. That is pending. Before we vote on it, have we not a right to perfect the language sought to be stricken out by the amendment? If so, then the suggestion made by the Senator from Colorado would be in order, and we would vote on it before we voted on the committee amendment to strike it all out.

If there is any question about that, I submit the proposition to the Chair. I would not like to see the Senator from Colorado put in a position where he and others, perhaps, might want to vote for the committee amendment striking it out unless he knew that the language sought to be stricken out was first modified. So the Senator's amendment ought to be voted on first. I ask the Chair, as a matter of parliamentary law, whether an amendment offered by the Senator from Colorado or any other Senator to the language the committee amendment seeks to strike out does not take precedence over the motion to strike out all of the language?

The PRESIDENT pro tempore. The Senator from Nebraska makes a parliamentary inquiry, and the Chair will say in reply that the Chair is of the opinion that the text of the House can be amended, and that such proposed amendment would be first voted upon, before the motion to strike out is acted upon.

Mr. NORRIS. That makes it perfectly plain, I think, and, of course, the Senator ought to follow that opinion of the Chair.

Mr. ADAMS. Mr. President, following that suggestion I desire to offer an amendment, if permissible. On page 52, at the end of line 23, following the word "deductions," I move to insert the words "for the computation of surtaxes."

Mr. REED of Pennsylvania. Will not the Senator make it read "in the calculation of the surtaxes"? It means the same thing, and I think conforms to the other wording of the bill.

Mr. ADAMS. Very well.

Mr. REED of Missouri. What is the amendment?

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The READING CLERK. On page 52, line 23, after the word "deductions," the Senator from Colorado proposes to insert the words "in the calculation of the surtaxes."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Colorado.

Mr. SIMMONS. The Chair has ruled that this amendment is in order?

The PRESIDENT pro tempore. The Chair answered a parliamentary inquiry to the effect that a motion to amend the House text is in order.

Mr. REED of Pennsylvania. A point of order, Mr. President.

The PRESIDENT pro tempore. The Senator from Pennsylvania will state his point of order.

Mr. REED of Pennsylvania. Under Rule XVIII of the Senate it is provided that "motions to amend the part to be stricken out shall have precedence." So I submit that the motion of the Senator from Colorado necessarily has precedence.

The PRESIDENT pro tempore. So the Chair ruled.

Mr. FLETCHER. There is no doubt about that. Nobody has questioned it. I think the amendment offered by the Senator from Colorado will very greatly improve the language, if it is not to be stricken out. I am in favor of striking it out absolutely, however, and I hope the Senator will support the committee amendment to strike out the paragraph, even after it has been amended.

Mr. SIMMONS. Mr. President, I agree with the Senator from Florida. The amendment of the Senator from Colorado would improve the language to some extent if it is finally adopted by the Senate; but what would be left in the bill would still be subject to all the objections we have made to it. It would simply ameliorate the situation; that is all.

Mr. REED of Missouri. I would like to suggest to my friend from Colorado that he allow a vote to be taken on whether we are going to strike out the paragraph as it now stands. If the Senate strikes it out, that ends the iniquity. If the Senate leaves it in, then the Senator will still have an opportunity to offer his amendment when the bill comes into the Senate.

Mr. SMOOT. Will the Senator yield at that point?

Mr. REED of Missouri. Certainly.

Mr. SMOOT. Even if we took the course the Senator suggests, when the bill got into the Senate we could offer the same amendment, including the amendment of the Senator from Colorado.

Mr. REED of Missouri. That is what I have said.

Mr. SMOOT. So we might just as well vote on it right now in the way the Senator from Colorado suggests. It makes no difference.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

The PRESIDENT pro tempore. The question now is upon agreeing to the committee amendment striking out the paragraph as it has been amended.

Mr. REED of Missouri. I move to strike out the two lines at the top of page 53, which read, "the interest upon which is wholly exempt from taxation under this title."

The PRESIDENT pro tempore. The Secretary will state the amendment of the Senator from Missouri.

The READING CLERK. On page 53, lines 1 and 2, the Senator from Missouri moves to strike out the following words, "the interest upon which is wholly exempt from taxation under this title."

Mr. SMOOT. Mr. President, I want to say to the Senator from Missouri that then it would apply to all securities.

Mr. REED of Missouri. I intend it to.

Mr. SMOOT. I did not know whether the Senator went that far or not.

Mr. REED of Missouri. I intend that it shall.

Mr. SMOOT. I hope that the amendment will not be agreed to.

Mr. REED of Missouri. I am trying to strike out of the bill the discrimination against our own obligations.

Mr. SIMMONS. The amendment does not affect that at all. It still subjects the securities of the States and the Government to the provisions of the bill.

Mr. REED of Missouri. If my amendment is agreed to, then they would all stand alike.

Mr. SIMMONS. Let us strike out the whole thing.

Mr. NORRIS. The way to strike out the whole thing is to vote for the committee amendment.

Mr. REED of Missouri. I withdraw the amendment I suggested.

The PRESIDENT pro tempore. The Secretary will state the pending amendment.

The READING CLERK. On page 52, after line 18, to strike out:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions in the calculation of the surtaxes only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

The PRESIDENT pro tempore. The yeas and nays have been ordered, and the Secretary will call the roll on agreeing to the amendment.

Mr. REED of Missouri. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. REED of Missouri. What is the form of the question before the Senate?

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the committee to strike out the House text as amended.

Mr. REED of Missouri. An affirmative vote will be a vote the effect of which would be to strike out the House provision?

The President pro tempore. An affirmative vote upon the question will be a vote to strike out the entire paragraph as amended.

The reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from New Jersey [Mr. EDGE], and vote "nay."

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON], which I transfer to the senior Senator from Vermont [Mr. GREENE], and vote "nay."

The roll call was concluded.

Mr. CURTIS. I wish to announce that the Senator from Washington [Mr. JONES] and the Senator from Iowa [Mr. BROOKHART] are detained at a committee hearing.

I also wish to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Missouri [Mr. SPENCER] with the Senator from Utah [Mr. KING].

Mr. FLETCHER. I desire to announce the unavoidable absence of my colleague [Mr. TRAMMELL]. He is paired with the Senator from Rhode Island [Mr. COLT]. If my colleague were present, he would vote "yea."

Mr. WALSH of Massachusetts. I desire to announce the unavoidable absence of the junior Senator from Rhode Island [Mr. GERRY]. If he were present, he would vote "nay."

Mr. SWANSON (after having voted in the affirmative). I have a pair with the senior Senator from Washington [Mr. JONES]. I transfer that pair to the Senator from Rhode Island [Mr. GERRY] and let my vote stand.

Mr. MOSES (after having voted in the negative). I transfer my pair with the Senator from Louisiana [Mr. PAGUSSAND] to the Senator from Maryland [Mr. WELLER] and let my vote stand.

Mr. WALSH of Massachusetts. I desire to announce that the junior Senator from New Jersey [Mr. EDWARDS] is paired with the senior Senator from West Virginia [Mr. ELKINS]. If the junior Senator from New Jersey were present and at liberty to vote, he would vote "nay."

Mr. CURTIS. I have been requested to announce that the Senator from New Jersey [Mr. EDGE] and the Senator from Missouri [Mr. SPENCER] if present and at liberty to vote, would vote "nay."

The result was announced—yeas 37, nays 36, as follows:

YEAS—37

Bayard	Fletcher	Ladd	Shields
Bruce	Frazier	McNary	Shipstead
Bursum	George	Mayfield	Simmons
Cameron	Harris	Neely	Smith
Caraway	Harrison	Norbeck	Stanley
Copeland	Heflin	Overman	Stephens
Dale	Howell	Pittman	Swanson
Dial	Johnson, Minn.	Ralston	
Dill	Jones, N. Mex.	Sandell	
Ferris	Kendrick	Sheppard	

NAYS—36

Adams	Fernald	McKinley	Stanfield
Ashurst	Fess	McLean	Sterling
Ball	Glass	Moses	Wadsworth
Borah	Gooding	Norris	Walsh, Mass.
Brandegee	Hale	Oddie	Walsh, Mont.
Capper	Harreld	Pepper	Warren
Cummins	Keyes	Phipps	Watson
Curtis	Lodge	Reed, Pa.	Wheeler
Ernst	McKellar	Smoot	Willis

NOT VOTING—23

Brookhart	Elkins	La Follette	Shortridge
Broussard	Gerry	Lenroot	Spencer
Colt	Greene	McCormick	Trammell
Couzens	Johnson, Calif.	Owen	Underwood
Edge	Jones, Wash.	Reed, Mo.	Weller
Edwards	King	Robinson	

So the amendment was agreed to.

Mr. KING subsequently said: Mr. President, I was unavoidably detained from the Senate for just a few minutes and therefore was not present on the last yea and nay vote. I understand that I was paired with the Senator from Missouri [Mr. SPENCER]. If I had been here and had been permitted to vote, I should have voted to retain the House provision in the bill.

Mr. SMOOT. Mr. President, I desire to give notice that I shall ask for a separate vote on the amendment when the bill reaches the Senate.

On account of the vote just taken, I ask that we may return to page 47 of the bill. On that page there is an amendment passed over, beginning in line 22 and ending in line 2, on page 48.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 47, line 22, strike out the word "indebtedness" and insert "indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title," so as to read:

(2) All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

Mr. SMOOT. The action just taken by the Senate will require the adoption of the amendment just stated. I ask that it may be agreed to at this time.

Mr. FLETCHER. I think there is really no objection to it, but the action just taken does not necessarily require its adoption.

Mr. SMOOT. I am perfectly willing, if the Senator does not think it is required, to let it be rejected. I know it is required inasmuch as we have agreed to the other amendment. I am perfectly willing that this amendment should not be agreed to.

Mr. FLETCHER. Oh, let it be agreed to.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair.) The question is on agreeing to the amendment of the committee on page 47.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I desire out of order to introduce certain amendments and have them printed and lie on the table.

The PRESIDING OFFICER. The amendments will be printed and lie on the table.

Mr. JONES of New Mexico. The amendments which I propose are designed to be substituted for the provisions of the bill relating to the taxes upon corporations. I will state very briefly the proposal and what is intended to be accomplished by the amendments.

The amendments are proposed as a substitute for the majority Republican plan to impose a uniform tax of 14 per cent upon the taxable net income of all corporations, and are as follows:

1. By unanimous agreement of the shareholders the net income of the corporation may be returned by shareholders and taxed to them in the same manner as net income of a partnership.

2. The normal tax on net income is reduced from 14 per cent to 9 per cent.

3. A surtax is imposed upon the net income which is undistributed to shareholders on the basis following:

(a) The "surtax income" includes taxable income subject to normal tax and also dividends from other corporations and income from Government obligations which are exempt only from a normal tax.

(b) All dividends, whether paid in cash or interest-bearing obligations, which would be subject to the surtax imposed upon individual shareholders and the amount of the normal tax and 10 per cent of the total "surtax income," are exempt from any surtax.

(c) The "undistributed net income" is the amount by which the surtax net income exceeds the amount of the normal tax plus the amount of the cash dividend paid during the 12 months preceding the fifteenth day of the third month following the close of the taxable year.

(d) No surtax is imposed upon undistributed net income which does not exceed 10 per cent of the surtax income.

(e) If the undistributed net income exceeds 10 per cent of the surtax income, a graduated tax is imposed upon the undistributed net income based upon the proportion which the undistributed net income bears to the surtax income. The surtax rates commence with one-fourth of 1 per cent of the undistributed net income if such income is more than 10 per cent but not more than 11 per cent of the surtax net income. Upon each additional per cent of undistributed net income an additional tax is imposed graduated according to the plan of the graduated surtaxes upon individual incomes in such manner that the maximum surtax reaches the maximum surtax imposed upon individual incomes. This maximum is reached at the point where the undistributed net income equals or exceeds 60 per cent of the total surtax income.

4. The amount of revenue to be derived from this substitute is estimated to be the same as would be derived from a flat or normal tax of 14 per cent levied upon the taxable net income of all corporations.

5. All corporations which distribute in dividends more than 30 per cent of their net income will pay less taxes than they would pay under the proposed 14 per cent flat or normal tax. Of the 48,875 corporations paying any dividends in 1922, 80.4 per cent of them will pay less taxes under this substitute provision than under the 14 per cent flat tax proposal. The purpose of the substitute is both to reduce and equalize taxation upon corporate incomes. It reduces taxation upon the shareholders of corporations which are doing business in a reasonable and normal way and equalizes taxation by increasing the tax upon shareholders which are using the device of corporate organization for the purpose of evading their just share of the tax burden.

Mr. SIMMONS. As a whole, the Senator's amendment is a tax-reduction proposition?

Mr. JONES of New Mexico. It is a tax-reduction proposition.

The PRESIDING OFFICER. Without objection, the amendments will be printed and lie on the table.

Mr. SMOOT. The next amendment passed over is on page 111, under the subhead "Returns to be public records."

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. The next amendment passed over is, under the subhead "Returns to be public records," in section 257, on page 111, line 17, after the word "records," to strike out "but they" and insert "but, except as hereinafter provided in this section, they," so as to read:

SEC. 257. (a) Returns upon which the tax has been determined by the commissioner shall constitute public records; but, except as hereinafter provided in this section, they shall be open to inspection only upon order of the President.

The PRESIDING OFFICER. The question is on the adoption of the amendment.

Mr. SIMMONS. Mr. President, we are now taking up a very important amendment. A number of Senators who are interested in it, and probably did not expect to have it called up at this time, are absent. I think we ought to have a quorum, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from North Carolina suggests the absence of a quorum. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McKinley	Simmons
Ashurst	Fletcher	McLean	Smith
Borah	Frazier	McNary	Smoot
Brandegee	Glass	Mayfield	Stanfield
Bruce	Hale	Neely	Swanson
Bursum	Harris	Norbeck	Wadsworth
Cameron	Harrison	Norris	Walsh, Mass.
Capper	Heflin	Oddie	Walsh, Mont.
Copeland	Johnson, Minn.	Overman	Warren
Curtis	Jones, N. Mex.	Pepper	Watson
Dale	Kendrick	Ralston	Wheeler
Dial	Keyes	Reed, Mo.	Willis
Dill	King	Reed, Pa.	
Fernald	Ladd	Sheppard	
Ferris	Lodge	Shipstead	

Mr. CURTIS. I desire to announce that the Senator from Iowa [Mr. BROOKHART] and the Senator from Washington [Mr. JONES] are detained from the Senate in attendance upon a special investigating committee.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, a quorum is present.

Mr. NORRIS. Mr. President, I desire to offer an amendment. I understand that we have returned to that portion of the bill where my amendment will apply.

Mr. SMOOT. I will say to the Senator that I do not think there is any objection to the amendment which has been stated, as found on page 111, but I did not want to have action on the amendment until I was sure that it was not objected to by the Senator from Nebraska. I advised him that I would take that course.

Mr. NORRIS. The amendment which I desire to offer comes in on the same page.

Mr. SMOOT. Inasmuch as the Senator from Nebraska is present I suggest that the amendment on page 111, in lines 17 and 18, be agreed to. It is merely a clerical change, I will say.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment passed over was, in section 257 (a), on page 111, line 20, after the words "approved by the," to strike out: "President: *Provided*, That the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a special committee of the Senate or House, shall have the right to call on the Secretary of the Treasury, and it shall be his duty to furnish any data of any character contained in or shown by the returns or any of them, that may be required by the committee; and any such committee shall have the right, acting directly as a committee, or by and through such examiners or agents as it may designate or appoint, to inspect all or any of the returns at such times and in such manner as it may determine; and any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and House, as the case may be: *Provided further*, That the" and in lieu thereof to insert the word "President" and the following paragraphs:

(b) (1) The Secretary and any officer or employee of the Treasury Department, upon request from the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a standing or select committee of the Senate or House specially authorized to investigate returns by a resolution of the Senate or House, or a joint committee so authorized by concurrent resolution, shall furnish such committee sitting in executive session with any data of any character contained in or shown by any return.

(2) Any such committee shall have the right, acting directly as a committee, or by or through such examiners or agents as it may designate or appoint, to inspect any or all of the returns at such times and in such manner as it may determine.

(3) Any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and the House, as the case may be.

So as to read:

Shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President.

(b) (1) The Secretary and any officer or employee of the Treasury Department, etc.

Mr. NORRIS. Mr. President, the amendment which has just been stated at the desk ends on line 4, page 113. I should like to ask the Chair whether the amendment which I desire to offer would be in order at this time, or whether the committee amendments must first be acted upon. My amendment proposed to strike out, as the Chair will notice by observing the bill, not only the committee amendments but the language of the House text. My amendment commences after the word "records," in line 17, page 111, and proposes to strike out the remainder of that page, all of the next page, and the first four lines of page 113, and in lieu thereof to insert other language. The question I wish to submit to the Chair is whether my amendment is now in order while the committee amendments are pending, or whether we must first dispose of the committee amendments?

The PRESIDING OFFICER. The Chair understands that the amendment intended to be proposed by the Senator from Nebraska commences after the word "records," in line 17, page 111.

Mr. NORRIS. Yes.

The PRESIDING OFFICER. The Senate has just adopted an amendment in that same line, which is printed in italics.

Mr. NORRIS. Yes; but there are some other amendments included in the language which I seek to strike out by my amendment that as yet have not been acted upon.

Mr. FLETCHER. Would it not be in order to allow the Senator's amendment to be offered as a substitute for the committee amendment?

Mr. NORRIS. But it strikes out more than is proposed to be stricken out by the committee amendment, I will say to the Chair.

The PRESIDING OFFICER. The first difficulty that occurs to the present occupant of the chair is that the Senator from Nebraska would have to secure a reconsideration of the vote by which the amendment on line 17 has been adopted.

Mr. NORRIS. I do not suppose there would be any objection to that request, but I should like to direct the attention of the Chair to the fact that my amendment strikes out not only the amendment which has been agreed to and the committee amendment which is pending but certain portions of the House text which the committee does not seek to amend. In other words, my amendment proposes to strike out not only what the committee seeks to put in but it proposes to strike out a portion of the House text as well. I can not, therefore, offer it as a substitute for the committee amendment. It has always seemed to me that the proper way would be to dispose first of the committee amendments, and then it would be in order to strike out, whether the committee amendments were adopted or not, because I seek to strike out not only what they would put it in if they were agreed to but some of the text of the House bill as well. Still, I do not want to take any chances.

Mr. SIMMONS. Would not this difficulty arise: The Senate having adopted the amendment, it could not then consider an amendment which changed that amendment.

Mr. NORRIS. No, Mr. President; the Senator, I think, does not understand the situation. The Senate has adopted an amendment, but my amendment strikes out the House text as well. It strikes out the whole thing. I could not seek to offer it as a substitute for the committee amendment, because I include in it something that the committee amendment does not strike at or change.

Mr. FLETCHER. Mr. President it seems to me clearly it would be in order to offer it as a substitute. The committee amendment proposes to strike out certain portions of the House bill and insert new matter. Now, the Senator wishes to substitute something for what is proposed to be inserted and to strike out some additional matter in the House bill. I see no reason why his amendment is not a good substitute for the committee amendment, striking out some language of the House bill and as a substitute inserting all the new matter which he proposes.

Mr. NORRIS. I have no objection, if the Senate wants to proceed on what to me seems a perfectly illogical proposition, to offering it as a substitute for the committee amendment, but a substitute which strikes out not only the committee amendment but a lot of other language that is not included in the committee amendment.

Mr. FLETCHER. That is all right.

Mr. NORRIS. It is not a substitute for the committee amendment. It would be wrong to say that it is, because it substitutes language not only for the committee amendment but for two or three committee amendments and some additional House text. If the Chair wants to hold that way, however, it does not make any difference to me.

Mr. FLETCHER. But where a committee amendment strikes out a certain portion of the House text, it would be proper to include some more language in the substitute.

Mr. NORRIS. I have not offered it yet.

Mr. SMOOT. Let me ask the Senator a question, so that I may understand his amendment. I understand that his amendment strikes out everything after the word "records" in line 17, page 111, down to and including the word "be" in line 4, page 113.

Mr. NORRIS. That is correct.

Mr. SMOOT. Then it seems to me the proper way to do is for the Senate first to agree or disagree to the pending committee amendment, and then, if it is agreed to, the Senator can offer his amendment as a substitute.

Mr. NORRIS. I agree entirely with the Senator from Utah. That is the idea I have been trying to convey. I think that is the proper procedure. I have not any doubt about it; but if there was some doubt about it I did not want to go on and be put in a hole where I could not offer any amendment at all.

The PRESIDING OFFICER. The Chair simply desires to remind Senators that the committee amendment strikes out and inserts. It is within the rights of any Senator to offer an amendment either to the House text which is proposed to be stricken out or to the committee text which is proposed to be inserted. The Senator's amendment goes further than that.

Mr. NORRIS. Yes; that is right.

The PRESIDING OFFICER. The Senator's amendment, if offered now, would not strike out the Senate committee amendment, because that is not in the bill.

Mr. NORRIS. I agree with the Chair. Then suppose we act on the committee amendment, and the Chair will recognize me when it is acted on, because no matter what words are put in or out I want to offer the substitute.

Mr. FESS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Ohio will state it.

Mr. FESS. Suppose the Senate acts upon the committee amendment and inserts it. Can it be stricken out after it has been once inserted?

Mr. NORRIS. It can be stricken out, because I seek to strike out something else with it. It would not be right simply to strike it out by itself; but I include about three committee amendments and a lot of House text.

The PRESIDING OFFICER. Three committee amendments?

Mr. NORRIS. Two at least.

The PRESIDING OFFICER. It is all one amendment.

Mr. NORRIS. Is it? All right.

The PRESIDING OFFICER. There are three subdivisions, but the committee substitute for the House language in one amendment.

Mr. NORRIS. There is one committee amendment on line 17, but——

Mr. SMOOT. That has been agreed to.

Mr. NORRIS. I understand, but that one committee amendment I strike out. Then another committee amendment strikes out a lot and inserts a lot more. I strike out all of that.

Mr. McKELLAR. Mr. President, have all the committee amendments been agreed to?

Mr. SMOOT. No; not as yet.

Mr. McKELLAR. Then just let them be agreed to, and then we will offer this as an amendment.

Mr. SMOOT. It seems to me that is the proper way to proceed.

Mr. McKELLAR. We can do it by unanimous consent. Let us do it that way.

Mr. SMOOT. It seems to me the proper way is to agree to the committee amendment, and then allow whatever amendment may be offered to it to be considered.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, which strikes out the language commencing at the end of line 20 on page 111, down to and including the words "That the" on line 10, page 112, and substitutes the language printed in italics immediately following, ending on line 4 of page 113.

Mr. SMOOT. That is correct.

Mr. SIMMONS. Mr. President, I have no objection to a vote upon that question, but I want to be quite sure that if we adopt the committee amendment a subsitute for it will be in order.

Mr. McKELLAR. The Chair has already held that.

The PRESIDING OFFICER. The Chair has not made any ruling. The Chair has assumed from the colloquies that have been going on that such an amendment would be offered and that no one would object to it.

Mr. SMOOT. No one will object to it.

The PRESIDING OFFICER. Strictly speaking, none but committee amendments are in order at this time, but the Chair would not raise the question himself.

Mr. SMOOT. I should like to have it understood——

Mr. SIMMONS. I understand that none but committee amendments are in order at this time.

The PRESIDING OFFICER. The present occupant of the chair understands the point, and the Chair certainly will not raise any objection.

Mr. SMOOT. Mr. President, I should like to have the Senate consider, and will ask unanimous consent that the Senate shall consider, the amendments that are to be offered as amendments to the committee amendment. Then there will not be any question about it.

The PRESIDING OFFICER. Without objection, that understanding will be entered into.

Mr. SMOOT. Very well. That will cover the whole thing.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. NORRIS. Mr. President, I now offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 111, line 17, after the word "records," it is proposed to strike out all down to and including line 4 on page 112, and in lieu thereof to insert the following:

and shall be open to examination and inspection as other public records, under the same rules and regulations as may govern the examination of public documents generally.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield; yes.

Mr. McKELLAR. I have an amendment somewhat similar to the Senator's amendment, but I believe I like the Senator's amendment better than I do my own, with one exception—that immediately after the language that the Senator would insert by his amendment I should like to insert a few words. Has the Senator my amendment before him?

Mr. NORRIS. No; I have not the Senator's amendment, but I have mine.

Mr. McKELLAR. I will pass it over to the Senator. Immediately after the word "generally" in the Senator's amendment I would offer the last paragraph of the amendment that the Senator from Nebraska now has in his hands, which reads in this way:

All claims for abatement or refunds of taxes shall likewise be public property, subject to inspection under similar rules.

If the tax returns themselves are to be public, then of course applications for refunds and abatements should likewise be public.

Mr. NORRIS. Mr. President, I fully agree with the Senator from Tennessee. I think the Senator's suggestion improves my amendment, and I will gladly accept it and modify it accordingly.

Mr. McKELLAR. I thank the Senator.

Mr. SIMMONS. Mr. President, I want to inquire of the Senator from Tennessee if he would not be willing to withhold his amendment until the amendment of the Senator from Nebraska is acted upon, and then offer his amendment as an additional one? My reason for making that suggestion is this: There are some Senators, I think, who might be in favor of the proposition of the Senator from Nebraska who might not be in favor of the proposition of the Senator from Tennessee, and I think his proposition would complicate the vote.

Mr. McKELLAR. With the understanding that I can offer my amendment later, if that is satisfactory to the Senator from Nebraska, I shall be glad to do it.

Mr. NORRIS. What is the suggestion?

Mr. McKELLAR. The suggestion is that we vote first upon the amendment of the Senator from Nebraska, and then, in the next place, upon my suggestion.

Mr. NORRIS. The Senator's amendment, of course, would be in order afterwards.

Mr. McKELLAR. I think so.

Mr. NORRIS. Oh, yes; there is no doubt about it.

Mr. SIMMONS. I suggested the segregation because I think the other course would complicate the proposition, and it would be better to vote upon the two matters as separate propositions.

Mr. NORRIS. All right; that may be, although I was glad to accept the amendment.

Mr. McKELLAR. I think it strengthens the original amendment, but I yield to the view of the Senator from North Carolina.

Mr. NORRIS. As far as I can see, I think the amendment is a very good one. Then, under that suggestion, I will withdraw the modification I have made, and let my amendment stand as I have offered it.

Now, Mr. President, upon the question itself I want to speak but briefly.

This is not a new question to the Senate. It has been up in every income tax bill that has ever been presented to the Senate since I have been a Member of it. I have always had definite ideas on the question, and have always wondered why it was that those who oppose it so often—not always, all of them, but so often—did it with bitterness, it seemed to me, with a feeling that those who favor this kind of an amendment were really not acting, perhaps not trying to act, for the best interests of the country generally.

I can not myself see any objection to the publicity of these tax returns, and I can see, I think, a great many ways in which the country would be benefited if they were made public records. It is akin to the return that we all make in our home States to the assessor. As far as I know, there is not a single State but that provides that these returns shall be public, and that they shall be liable to inspection by any citizen, under reasonable rules and regulations. In my own State the law not only provides that they shall be open to inspection but it provides for the making of objections to the return of any taxpayer in the county by any other taxpayer, and there is a provision for hearing and summoning taxpayers when complaints are made.

I never have known of any danger or injury to a man's business because his tax returns to the assessor were public property. I can not myself understand how, in making an income-tax return to the Federal Government, there is any more reason why it should be secret than the tax returns made under our State laws, which, instead of being secret, are held to be public documents and public property, subject to examination. The fact that this is true has a tendency to bring about more honesty in returns and a fairer statement of property—in this case of incomes—because it is known that it will be possible for people to examine the return when it is filed and becomes a public record.

But, Mr. President, I am not trying to argue that point. It seems to me that that, perhaps, is apparent to everybody. There is another reason, the importance of which has been disclosed during this session of Congress, why publicity should take place.

We voted just to-day upon an amendment, and there was practically a tie vote upon it in the Senate, when if we had had publicity of returns it would have been so plain that there would not have been any doubt as to what the Senate should do. As it was, Senators all of whom were trying to reach the same conclusion voted differently, and there was practically a tie in the Senate.

Here we have discovered, or we think we have—the Senate committee thinks so, and the House thought so—a loophole by which men are avoiding the payment of their income taxes; and the provision in the House bill was intended to close up that loophole. Nobody knows just to what extent it has been carried on in the past because of the secrecy of these returns, because there is no publicity of the records; and we are confined for our consideration to a few cases that become public property when a man dies, and his estate is subject to administration under the law.

We appointed a committee some time ago, known as the Couzens committee, to make certain investigations of the Bureau of Internal Revenue. There were some other things that crept into that, of a partisan nature, perhaps, and I am going to have something to say about that when we consider either the motion to discharge the committee or to give it power to hire an attorney, and I do not want to discuss it in detail now. I only want to refer to it as far as the investigation applied to the question now before the Senate is concerned. I was in favor of the appointment of that committee, mainly because I thought it would bring out some of the things that were hidden that would enable Congress properly to legislate on the income-tax provisions of the law. We are all in the dark. When that committee got to work, they came up against this law of secrecy, so that they would have been in the end of a blind alley if it had not been that some people, including the Secretary of the Treasury, agreed that the secrecy covering their returns provided for by the law should be set aside, and that the committee should have information as to the returns. They got some information in that way. I have read a good part of the hearings, as far as they went. They just got started when the whole thing was stopped on account of the illness of the Senator from Michigan.

What little evidence was adduced throws a good deal of light on the question of how we ought to legislate in this very bill now before the Senate. It was disclosed, in what little came out, that when a claim is made by the taxpayer of some error in the assessment, he goes before a board or a collector, or somebody—it is hardly disclosed just what is done—he gets before some kind of a tribunal and has a hearing, and it is secret.

If he finds out that something is wrong with his tax assessment; if he finds he has been erroneously assessed, that the Government has taken too much, we will say, and they refund it to him, there may be a thousand other men in the same predicament, but they do not find it out. The very wealthy, the very large corporations, in some way or other usually do find out such things, get in and get their remedy. So, in a case like that, it is an injury to the taxpayer, and it all comes about because of the secrecy in this great machine, in this great bureau. Publicity of these returns would relieve it of every one of these objections. If, on the one hand, a man has been erroneously assessed, and he shows it, and there is publicity of the official action of the department or the bureau or the officer, every citizen in the United States knows about it the next day. If some one else is in the same predicament, if the same thing has happened to him, he will be enabled to get justice, whereas perhaps he might not even have knowledge that a mistake had been made in his case.

Mr. CARAWAY. And secrecy lends itself to the corruption.

Mr. NORRIS. Absolutely; there is no question on earth about that. Secrecy lends itself to the corruption not only of the man who is dishonest and wants to evade proper taxation in his return, but it lends itself to corruption of the people who are passing on the question in secret, if it is ever raised before any tribunal.

Mr. CARAWAY. May I suggest to the Senator that when a taxpayer goes and tries to get an adjustment, he is met with this situation: The Government will receive in confidence statements made against him reflecting upon the honesty of his return, and he never knows who makes the statements. Therefore it is an invitation for somebody who wants to give trouble to some one else to make a confidential statement to a secret agent of the Government. The whole thing reeks with corruption, and affords untold opportunities for blackmail and for doing everything else wrong.

Mr. NORRIS. If the Couzens investigation had gone on, I think all of this would have been disclosed along the very lines the Senator from Arkansas has pointed out. What little has been done has disclosed that in some instances some clerk in the bureau having a confederate on the outside, knowing in secret what has happened to this man's claim or that man's claim and a thousand other claims, where perhaps the man does not know anything about it, can communicate with his confederate, giving the names of the taxpayers. His confederate then can communicate with the taxpayers, be employed as an attorney, perhaps on a 50-50 basis, when there is really nothing to do, but because it is all secret, the clients do not know anything about it. They pay extortionate fees to get what they ought to have without the payment of any fee.

Mr. CARAWAY. May I just suggest right there that a man who has held a most important position in the Treasury Department told me that they were splitting fees four ways. He would not permit me to quote him, because he, like many other people, would rather have a job than be an honest man. He wanted me to make certain inquiries to establish the truth or falsity of his statement without revealing his name, and I would not do it.

Mr. NORRIS. Mr. President, it has been disclosed in the argument on the amendment we have voted on to-day that Mr. William Rockefeller died, that publicity was given, of course, to the settlement of his estate, and that it was discovered that this loophole in the present tax law, which everybody wants to close up, was resorted to by him, and he escaped paying income taxes. Nobody knew anything about it until the settlement of a dead man's estate brought it into public view. Nobody knows now how many thousands of other cases there are like that or whether there are thousands of other cases like it. We do know it worked very successfully in that case. No person anywhere outside of the bureau itself knows to-day how many million dollars of taxation have been avoided by the taxpayers creeping through that one loophole, which was discovered only by the death of some one who had been using it to escape taxation. Maybe we can not remedy the matter. Maybe we will find that some of these things can not be remedied. The Senate disagrees as to just how it should remedy this one, but we never will know anything about it until we take off the shield of secrecy and see and examine the conditions just as they are.

Who would be hurt by it? Where is there a citizen in the United States who would be injured by publicity? I can not myself imagine such an individual. No one who is willing to pay all the income tax he ought to pay under the law, whether he believes the law to be right or not, it seems to me, can have any legitimate objection to publicity of income-tax returns.

Mr. President, it will not only enable us to legislate correctly and to finally get a law without loopholes, but it will bring into the Treasury of the United States many millions of income taxes, coming from men who are avoiding the payment of proper taxes simply because there is no publicity.

Mr. CARAWAY. It will also put an end to the activities of a great many people and some corporations pretending to be gold mines and getting people to invest in schemes on the statement that they make large earnings.

Mr. NORRIS. It will do that. I thank the Senator. That is quite an important proposition, it seems to me.

Mr. DILL. Mr. President, I suggest that it might also prevent some of our investigation work, where we try to find out some of these things. They would all then be a matter of public record.

Mr. NORRIS. Yes; I was trying to show that the investigation going on by the so-called Couzens committee of the Bureau of Internal Revenue so far has disclosed nothing except what would have been public to everybody if it had not been for the secrecy that surrounds this entire business.

The PRESIDING OFFICER (Mr. LADD in the chair). The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. McKELLAR. Mr. President——

Mr. REED of Missouri. Let it be reported.

Mr. McKELLAR. It can be reported when I finish what I am about to say. I offer an amendment similar to that of the Senator from Nebraska, and ask to have it printed in the RECORD.

There being no objection, Mr. McKELLAR's amendment was ordered to be printed in the RECORD, as follows:

On page 111, line 17, after the word "records," strike out the semicolon and all of the paragraph down to and including line 10 on page 112, insert a comma and the following: "and shall be open to inspection by any citizen under rules and regulations prescribed by the Secretary and approved by the President, covering only the time and manner of such inspection, to the end that all officials and employees of the Treasury in charge of such records may be inconvenienced as little as possible in the discharge of their usual duties and that the business of the department may be as little interfered with as possible.

"All claims for abatement or refunds of taxes shall likewise be public property subject to inspection under similar rules."

Mr. McKELLAR addressed the Senate. After having spoken for 20 minutes,

Mr. BAYARD. Mr. President——

Mr. McKELLAR. I yield to the Senator from Delaware for a question.

FORMER SENATOR WILLARD SAULSBURY

Mr. BAYARD. Mr. President, from 1913 to 1919 Hon. Willard Saulsbury was a Senator from the State of Delaware in this body. In the last week or two the Secretary of War and the Secretary of the Navy have seen fit to make public announcement in regard to his record so far as practicing before those departments is concerned. Those statements are absolutely false in fact, and I have letters to me refuting them, copies of letters to the several Secretaries, and a copy of the letter of the legal firm with which Mr. Saulsbury was said to be associated. I ask unanimous consent that this correspondence be placed in the RECORD, inasmuch as the alleged statements were heretofore published in the RECORD.

Mr. SMOOT. Mr. President, the Senator says the Secretaries saw fit to make public statements. The Secretaries answered a resolution of the Senate. They could not do otherwise.

Mr. McKELLAR. I do not yield for a colloquy on this subject.

Mr. BAYARD. Does the Senator object to my offer?

Mr. SMOOT. No; I do not object.

Mr. McKELLAR. The Senator has made his statement, and I do not want all this matter brought up in my time.

The PRESIDING OFFICER. Without objection, the correspondence will be printed in the RECORD.

The matter referred to is as follows:

WASHINGTON, D. C., *May 1, 1924.*

Hon. THOMAS F. BAYARD,
United States Senate, Washington, D. C.

DEAR SENATOR: I notice in the CONGRESSIONAL RECORD of April 28 last a report of the Secretary of War in which my name appears as one of the former United States Senators who appeared as attorney in connection with claims before the War Department.

It is stated that "former Senator Saulsbury is understood to have been a member of the firm" of Britton & Gray, who, on May 8, 1919, wrote a letter to the War Department concerning demurrage on some cars to Aberdeen, Wash., the amount involved being $60. I noticed in one of the newspapers recently a similar reference to myself as connected with the same firm which had had some business with the Land Office, possibly at or about the same time. I paid no attention to it, but as it seems to be considered a proper thing in making reports under the Senate resolution to refer to me as being connected with or interested in matters presented to any of the departments by Messrs. Britton & Gray, and as nobody can foresee what conclusion some evil-disposed person may seek to draw from the attempt to connect me with claims against the Government, I think it is excusable for me to make this statement:

I have never been personally and pecuniarily interested in any case which the firm of Britton & Gray had or has before any department of the Government. On May 8, 1919, I doubt if I had ever been in their offices. In December, 1920, I became associated with that firm, but not as a partner, simply having my Washington office in their suite. This was an agreeable connection for me because the firm of Britton & Gray, under that name, has been a firm of the highest reputation among the lawyers of the District for more than 50 years. They have a very large practice in the various departments, and not a day passes, I am sure, that communications are not going backward and forward between one or more of the Government departments and Britton & Gray concerning business to which they are attending for clients in the legitimate practice of their profession. As is known to everyone connected with such firm, their practice is very large before the General Land Office, and with that office I have never had the slightest connection, nor have I any knowledge of that branch of the law which would justify me in attempting to practice in that office.

As you know, for a long time prior to my election to the Senate I was the chairman of the board of censors of my home bar association, and only resigned that position when I went into the Senate. I should, therefore, be supposed to have more than average knowledge of the ethics of the legal profession; therefore, any imputation of impropriety of any character connected with my profession is extremely disagreeable to me and absolutely without any foundation.

I inclose copies of letters just sent by Britton & Gray to the War and Interior Departments. May I ask you to give this communication such publicity as was given the War Department report? If anything further occurs in the Senate which you think would call for any explanation or denial on my part, I will greatly appreciate it if you will let me hear of it.

Yours very truly,

WILLARD SAULSBURY.

MAY 1, 1924.

Hon. JOHN W. WEEKS,
Secretary of War, Washington, D. C.

SIR: In a report made over your signature to the President of the Senate it is stated that Britton & Gray, attorneys at law of this city, on May 8, 1919, wrote a letter to your department regarding a trifling claim amounting to $60, made by one of their clients for demurrage on cars, and this gratuitous, unnecessary, and untrue statement is included—

"of which firm (Britton & Gray) former Senator Saulsbury is understood to have been a member."

I can not escape the conclusion that the object of inserting this falsehood is the endeavor to connect my name with the nauseous and disgusting condition disclosed in some of the Government departments. For this reason I can not attribute it to you personally.

I had not the slightest connection with Britton & Gray's office for more than a year and a half after the date given for this letter. The triviality of the matter would make it unworthy of notice were it not for the motive. I, however, have the honor to suggest that any one of your subordinates who would be guilty of such an act is unworthy of confidence and unfit to hold any Government position where he may be further enabled to show vicious partisanship.

Yours very respectfully,

WILLARD SAULSBURY.

MAY 1, 1924.

Hon. JOHN W. WEEKS,
Secretary of War, Washington, D. C.

SIR: We note in the CONGRESSIONAL RECORD of April 28 a report by you to the President of the Senate with respect to any ex-Members of the House of Representatives, ex-Senators, or any ex-Cabinet officers who may have appeared as attorneys or agents in connection with claims of the War Department, as follows:

"Willard Saulsbury: May 8, 1919, Britton & Gray, attorneys at law, of which firm Senator Saulsbury is understood to have been a member, wrote a letter to the Engineer Department concerning certain demurrage on cars furnished at Aberdeen, Wash., in September, 1917, which had been disallowed by the Auditor for the War Department. The correspondence requested further information as to the dates the cars were placed on order of a representative of the Engineer Department. This could not be furnished, and, so far as known, the disallowance stands. The amount involved was $60."

Permit us to advise you that ex-Senator Saulsbury has never been and is not a member of the firm of Britton & Gray. In January, 1921, we arranged with ex-Senator Saulsbury that he should use a portion of our offices, which arrangement still continues.

It seems to us with a firm of practitioners, having daily business before your department, and with established headquarters in this city, it would have been a very easy matter for the officials in charge to have called upon Britton & Gray for the facts before making such an erroneous return in response to Senate resolution, and in view of the above we respectfully request that you may supplement your previous report by advising the Senate in accordance with the facts.

Very respectfully,

BRITTON & GRAY.

MAY 1, 1924.

To the SECRETARY OF THE INTERIOR,
Washington, D. C.

SIR: In a recent number of the CONGRESSIONAL RECORD we notice that, in reply to the resolution of the Senate of the United States calling for information with reference to ex-Members of the House of Representatives, ex-Senators, and ex-Cabinet officers who have appeared as attorneys or agents in connection with claims before your department, a statement that ex-Senator Willard Saulsbury, of Delaware, had appeared as counsel or attorney in the case of the Bolton oil and gas lease.

The oil and gas lease to which reference was made was in the hands of the firm of Britton & Gray, with which firm ex-Senator Saulsbury has never had any official connection. Ex-Senator Saulsbury is associated with the firm of Britton & Gray in the sense that he has office rooms in connection with those of this firm. He had no connection or knowledge of any kind with the matter above referred to, and this fact could have easily been ascertained by the officer in your office having charge of the matter if he had called upon this firm for information.

In view of the above, we respectfully request that you may correct your previous report to the Senate, so that the facts may be correctly placed of record.

Yours very respectfully,

BRITTON & GRAY.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. McKELLAR resumed and concluded his speech, which is entire, as follows:

Mr. McKELLAR. Mr. President, I agree with what has been so well said by the Senator from Nebraska [Mr. NORRIS] in reference to the publicity of tax returns. I do not think there is a more important provision in this bill. Publicity of tax returns is in exact accordance with the spirit if not the very letter of our Constitution. That is provided for in an article which is not very generally kept; but, at the same time, it is in the Constitution now. Section 9 of Article I of the Constitution provides as follows:

A regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

The framers of our Government intended that its affairs should be transacted in public, and especially its tax affairs. I doubt if it was dreamed by them that the Government would ever impose taxes and make the records concerning their imposition secret records, only to be opened upon the direction of the officer in charge of their collection.

I stop here long enough to say that under the present law no officer of this Government except the Secretary of the Treasury and those whom he designates has the right to look at any tax return. No Member of Congress, not a committee of this body, not a committee of the other House, has the slightest right or power to get any information from the Treasury about tax returns.

It is a remarkable thing that Members of both Houses of Congress would be willing to impose taxes on the people of the United States and then provide for their being secretly imposed, secretly refunded, secretly abated; yet that is exactly the provision in the present law.

A policy of secrecy in reference to the collection of billions of dollars of taxes a year is in effect now. Not even a Congressman or a Senator is permitted to look into the records, not even a committee of either House is permitted to look into the records. They are hermetically sealed, and only by passing a resolution in the Congress through its committees able to get any information concerning taxes, and then, when the information is obtained the records are sacredly guarded by the official in charge of them, and an expert, so I am informed, is sent along to the committee for the purpose of explaining the return.

The Senator from Nebraska said a few moments ago that he had read the report of the hearings before the Couzens committee. I ask him if there was an officer of the Treasury Department brought along to explain all returns to the committee when they were offered to the committee. Was that the way it was handled?

Mr. NORRIS. I can not answer the question. I do not know whether that occurred in all cases or not. That did happen, I think.

Mr. McKELLAR. The papers so reported.

Mr. NORRIS. Whether that was the case always or not, I can not say.

Mr. McKELLAR. What information can a committee of the Senate or the House get as to these secret returns, none of them being specialists in taxation, involving the most complicated questions of law and fact? What information can they get, other than what the expert is pleased to give them, upon an examination of the returns in that way?

Again, Mr. President, the secret imposition of taxes—for that is what it means—the secret repayment of taxes, the secret abatement of taxes, is contrary to the genius and policy of American institutions, and ought not to be tolerated in any free country.

We have 48 States in this Union, all imposing taxes; almost innumerable counties imposing taxes; almost innumerable cities, all imposing taxes; and the tax records of every city, of every county, and of every State are public records, and, so far as I know, the tax records of the United States are public records except in the case of income taxes. They alone are secret. What is the reason for this secrecy? Why should we have secrecy in tax returns?

Again, Mr. President, what has been the result of this policy of secrecy in connection with income-tax returns? It has become almost a public scandal. In 1921, there were refunded in taxes by the Treasury Department, in round numbers $28,000,000. In 1922 they refunded $48,000,000 and in 1923 $229,000,000. They went so far beyond the estimate that we have just passed a bill—I do not know whether the bill has actually become the law now—but we have just passed a deficiency bill appropriating the enormous sum of $105,000,000 for the purpose of refunding taxes that have been declared illegally assessed and collected. What kind of a department have we down there that in one year has illegally assessed against the citizens of the United States $229,000,000 of taxes? Is it any wonder that there is to be an investigation of the department that is so inefficient, so utterly incompetent, that it makes mistakes and admits it has made mistakes in the assessment of taxes in the enormous sum of $229,000,000 in one year?

Were they refunded openly? Were these refunded after a public hearing? Oh, no. They were refunded only after a secret hearing. The taxpayer makes a claim to clerks in the Internal Revenue Bureau, and if he is able to convince those clerks that such taxes should be refunded, the matter goes through, and thus hundreds of millions of dollars are being returned to taxpayers without a public hearing, without it being judicially passed upon. All other claims against the Government have to go before a public tribunal. These claims alone do not have to go before a public tribunal. In like manner, claims for abatements are made by taxpayers. They are passed upon by clerks in the department, and I mean no offense when I speak of clerks. Some of the best men I know are engaged in this business.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Indiana?

Mr. McKELLAR. I yield.

Mr. WATSON. Is the Senator aware of the fact that while the refunds amounted to $123,000,000——

Mr. McKELLAR. There was $124,000,000 appropriated in the previous bill and there is a deficiency bill now before the Congress, which means that there will be, by July 1, 1924, the end of the fiscal year 1923, $105,000,000 more refunded.

Mr. WATSON. But for 1917 and 1918, which were the great years when all this difficulty occurred and all these complexities arose that had to be solved, the refund of taxes amounted to $123,000,000. However, in going over all of those tax returns, they collected the additional sum of $600,000,000 for the Government, while at the same time they were refunding $123,000,000 to the taxpayers. The largest of them all, $9,000,000, to any one individual was the result of a decision of the Supreme Court of the United States.

Mr. McKELLAR. The Senator talks about there being $600,000,000 additional collection of reassessments that were made by us. I think I have seen those figures, but the amount of abatement that has been allowed to the taxpayers of the country upon claims largely exceeds the enormous sum that has been paid in refunds. So that I doubt, from the figures we have been able to obtain, whether we have really gained anything or not. We have to use a gimlet in order to extract any information from the department about it. For a long time the Secretary of the Treasury refused or failed to give any information about it. I had to offer a resolution. I had resolutions passed twice in this body before we could get any information about it, and the amount of the abatements and of the refunds is probably more, I will say to the Senator, than the amount of additional taxes collected.

Mr. WATSON. But in the first place there are no figures for the total abatements——

Mr. McKELLAR. Oh, no; the Treasury Department is not giving them to us. I have asked for them time and again and did not get them. I did get figures as to the refunds, and the only reason why I could get those figures was because in an old law it was provided that the figures should be prepared and sent to the Speaker of the House of Representatives. The Speaker of the House of Representatives told me that he had sent them to the chairman of the Ways and Means Committee. When I went to the chairman of the Ways and Means Committee for them he said that they were buried in some cellar. I went to the cellar for them, and when I finally got them I published them. That was the only way I could get them. I understood from the gentleman who actually made the investigation of them in the cellar that the Treasury Department did not want them turned over to me even under those conditions, but they are in the RECORD. The enormous amount of refunds for the last three years aggregated over $24,000,000 in 1921, $48,000,000 in 1922, and $229,000,000 in 1923, amounting in the aggregate to the enormous sum of approximately $300,000,000.

Mr. WATSON. I am trying to tell my friend some facts about the situation.

Mr. McKELLAR. I hope the Senator has them. That is what we have been trying to get from the Treasury Department. I hope the Senator from Indiana has the information.

Mr. WATSON. It is easy enough to charge dereliction of duty in the collection of a vast sum, and especially when billions of dollars of taxes had to be collected by a department wholly inadequate from the time of the beginning of the war.

Mr. McKELLAR. We collected a great many more taxes than that during the war and by the same department.

Mr. WATSON. No; that is when the trouble occurred, in 1917 and 1918.

Mr. McKELLAR. Oh, no; the Senator is mistaken about that.

Mr. WATSON. That is when practically all of the trouble occurred.

Mr. McKELLAR. Oh, no; the Senator is mistaken.

Mr. WATSON. No; I am not. I know exactly what I am talking about.

Mr. SMOOT. The reports were all made in those years.

Mr. McKELLAR. The abatements occurred to a very great extent during that time.

Mr. WATSON. The department keeps no figures as to the total amount of abatements, because that is a purely temporary question. A man comes in and for some cause or other wants the question held up.

Mr. McKELLAR. The Senator said abatements are temporary?

Mr. WATSON. Certainly.

Mr. McKELLAR. They may be temporary, but the claims for abatements are the most effective way of the rich taxpayer withdrawing funds from the Treasury that ought to be retained in the Treasury.

Mr. WATSON. That is another assertion, if my friend will permit me in all kindness to say, which is unfounded.

Mr. McKELLAR. I challenge the Senator to bring from the Treasury Department the claims allowed as abatements and the names of those to whom abatements were given. I challenge him to do it. Will he do it?

Mr. WATSON. If my friend will permit me to make an assertion——

Mr. McKELLAR. No. I want to know if the Senator will bring them.

Mr. WATSON. No; because they are not kept as the Senator thinks.

Mr. McKELLAR. Not kept?

Mr. WATSON. On all these questions of refunds and abatements, when they were settled, there were $123,000,000 of refunds and $600,000,000 of additional taxes collected after all the proposition of abatements had been determined. A taxpayer comes in, whether he be rich or poor, and makes a statement upon which he asks for a reaudit, and they simply hold up the final decision until a reaudit is given. That is an abatement. It is not a final settlement of the question. It does not finally determine the amounts to be paid, but when it is all said and done and all the declamations shall have been indulged in, the fact remains that $123,000,000 has been refunded and $600,000,000 of additional taxes collected, and that is the sum and substance of it all.

Mr. McKELLAR. That is not the sum and substance of it all. The Senator from Indiana is not at all informed about the matter. I ask him to read the letters of the Secretary of the Treasury that were published in the RECORD on March 12, 1924, and he will see how mistaken he is. The Senator says they do not keep a record of abatements.

Mr. WATSON. Oh, no.

Mr. McKELLAR. I am a taxpayer. A reassessment is made on the ground that I have not given a proper return. An inspector is sent to my home and an examination is made and I am reassessed, say, for $100,000 taxes. Of course, that could not be in my case because I have no such fortune. But suppose it is done; I come here by my agent or by some former employee of the Treasury Department and get that claim for abatement allowed.

Mr. WATSON. Will my friend permit me?

Mr. McKELLAR. Then the Senator from Indiana says in a case like that, though I have escaped the $100,000 of taxes that have been reassessed against me, that the Treasury Department does not even keep a record of it.

Mr. WATSON. Oh, no.

Mr. McKELLAR. If it does not keep a record of it, it ought to keep such a record.

Mr. WATSON. The Senator from Indiana did not make any such statement.

Mr. McKELLAR. If the Senator will look at his remarks in the RECORD he will see that is just what he said.

Mr. WATSON. The Senator from Indiana, of course, knows——

Mr. McKELLAR. If the Senator does not think that is so when it is submitted to him in its exact form, then I am glad to have him change his position.

Mr. WATSON. The Senator from Indiana is perfectly familiar with the operations of the Treasury Department.

Mr. McKELLAR. I am glad to hear that.

Mr. WATSON. I am a Member of the Committee on Finance and I have some knowledge of the situation. The Senator from Indiana knows that each separate record of abatement of course is kept by itself, but no compilation of the total amount is kept. No compilation of the amount is kept because it is purely a temporary proposition.

Mr. McKELLAR. The Senator says he is familiar with it. He is on the Finance Committee, and, of course, he is one of the leaders on the floor and one of the keynoters of the Republican Party.

Mr. WATSON. Oh, no.

Mr. McKELLAR. Will the Senator furnish a list of the abatement claims or a copy of the abatement claims that have been made for 1923? The Senator does not answer.

Mr. WATSON. I did not hear the Senator's question. My attention was diverted.

Mr. McKELLAR. I asked if the Senator will see that the Treasury Department furnishes the Senate with the abatement claims for 1923 that were allowed.

Mr. WATSON. They would have to go through every case of abatement and it would take weeks and weeks to do it. What is the difference whether or not a claim was abated?

Mr. McKELLAR. I will tell the Senator what the difference is. The difference is between an honest collection of the revenue of the country that has been imposed by the Congress and one that is partial and shows favoritism.

Mr. WATSON. Not at all. In other words, a far greater number of cases that were abated were finally decided against the taxpayer than were decided in favor of the taxpayer.

Mr. McKELLAR. The Senator says there is no record kept. So how can he make that statement?

Mr. WATSON. The Senator did not say there was no record kept. I have repeatedly stated that there was a record in each case kept, but no record of the compilation of the total amount.

Mr. McKELLAR. Why ought not such a record be kept?

Mr. WATSON. Because it would involve an endless amount of work for no purpose. Why should it be done? Has the Senator any idea in the world of the vast amount of work done in the Treasury Department?

Mr. McKELLAR. Of course, and I know, too, the vast body of men employed down there to do the work. We furnish all the necessary employees to do that work and they ought to do it. If they have not the information as to abatements, one of the most important things in the department, so far as revenue is concerned, they ought to have kept it. I believe if the Senator from Indiana would make inquiry he would find that they have the information and could furnish the information, but when it is furnished it will be found that the abatements so far exceed what has actually been collected on reassessment that it would show a condition that they do not want to have shown.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Wyoming?

Mr. McKELLAR. I yield with pleasure.

Mr. KENDRICK. In connection with the question of publicity, I am in favor of publicity as provided in the amendment offered by the Senator from Nebraska [Mr. NORRIS]. I want to ask the Senator from Tennessee if he does not believe that in the interest of fairness to the taxpayer some provisions more satisfactory than the present ones should be made for levying an increase on one's taxes. In all the cases that have been brought to my attention the taxpayer is first notified that his taxes have been increased, without giving him any hearing whatsoever in connection with such increase. Some provision should be made which would give him a hearing before an increase in taxes is levied. I ask the Senator if he does not believe that such an arrangement, either through administration or provision of law, would go a long ways toward correcting the return of taxes?

Mr. McKELLAR. I agree with the Senator entirely, but I merely wish to point out to him what is done. The Senator from Wyoming, we will say, makes out a tax return for some corporation with which he is connected. That return is examined by some employee of the Internal Revenue Bureau, who then sends an inspector to Wyoming or designates an inspector who is already in Wyoming, to examine into the accounts of that corporation. That inspector acts secretly; there is no openness about it; he can take just what course he pleases. He usually goes over the books and makes an assessment. It is done secretly. He sends his report here to Washington and his assessment is placed on the tax books. He increases the assessment, he increases the amount of taxes, and that increased assessment of the tax is sent to the collection district of which the Senator's State is a part, and frequently without any knowledge of the taxpayer. Then the taxpayer's only recourse is to send a man all the way to Washington to look into the matter.

Mr. KENDRICK. He usually has to send an attorney.

Mr. McKELLAR. It is usually an attorney who is selected, or a man who has been in the tax bureau and is no longer there; some man who practices before the Internal Revenue Bureau. He goes to see a clerk or perhaps two clerks. By the way, I have no complaint to make of them; they are very nice gentlemen. But there is a secret hearing on the taxes of the corporation in which the Senator is interested; the matter is passed on in secret. When it is over, a statement of the amount of the tax which has been assessed is sent to the Wyoming district; and the Senator's corporation has got to pay it outright or pay it under protest, and then sue the Government in order to get it back.

Now, Mr. President, the Senator is exactly right in his position that in such cases as that there ought to be a tribunal which is open, just as open as is any court, where the Senator may go or where the Government may go and undertake to collect the taxes from the Senator's company, if the tax is due; but after the Senator has made his return, after it has been examined into, and after he has paid his taxes, the matter certainly ought not to be opened up in secret in any such way.

Mr. KENDRICK. Mr. President, it seems to me it could hardly fail to be a public benefit to have these records made public.

Mr. McKELLAR. That is absolutely true.

Mr. KENDRICK. And at the same time, I see no reason why, in the interest of fairness, the taxpayer should not be given a hearing before his taxes are increased.

In connection with the method of procedure at this particular time, I desire to say that it involves a trip of 2,020 miles from my home town to Washington in order to correct an increase which has been made by the Government even though it were made in error.

Mr. McKELLAR. Not only that, Mr. President, but when such increase is made it is done secretly; the whole proceeding is in secret. The taxpayers do not know of it. There are innumerable rules in the Treasury Department, none of which are published, none of which the public knows. The officials of the department pass upon those rules and regulations and are familiar with them, of course, but cases are often times settled on such rules of which the taxpayer never heard, and which have never been submitted to him.

Mr. KENDRICK. Mr. President, I merely wish to say one more word about this matter. I am one of those who are not sitting in judgment upon the Treasury Department. I believe that the officials of that department are enforcing the law as nearly with integrity as they know how, and under very great difficulties, because the income tax law is even yet an innovation in our country, and there are many complications connected with it. I have been unable in the past, however, and I am now unable, to see any good reason why the present arbitrary method of raising one's taxes without first giving him a hearing, should be employed.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I yield to the Senator from Utah.

Mr. SMOOT. I wish to state to the Senator that every taxpayer now has that right if there is a question raised as to the amount of taxes due. The Senator would not have the law require that the taxpayer should be present when his tax returns are examined, would he?

Mr. KENDRICK. No.

Mr. SMOOT. Just a moment. There is a just criticism offered by the Senator in relation to the taxpayer having to come here or to send somebody here in case there is a dispute as to the amount of his taxes. Such disputes, of course, arise, but in this bill we provide a tax-appeal board; and some of the members of that board will sit somewhere near the State of Wyoming, perhaps in Wyoming, or in Utah, or in Colorado, so that the cases which arise in that section can be considered by the appeal board without the taxpayer coming near Washington.

Mr. KENDRICK. Mr. President——

Mr. McKELLAR. Allow me just a moment to answer the Senator's suggestion. The Senator from Utah says that under this bill we are going to send out a nomadic court or board.

Mr. SMOOT. Yes.

Mr. McKELLAR. Does the Senator mean to tell me that the committee has returned to the tax-collection principles and laws of Henry VII of England? That was the way in which he proceeded.

Mr. SMOOT. No; Mr. President.

Mr. McKELLAR. Henry VII was known as the greatest tax collector in the world, and the way he proceeded was to send out from his office in London a nomadic court, which went around and levied and collected taxes from the various citizens in his dominions. I hope the Senator from Utah has not reintroduced the principle and policies of tax collection of Henry VII.

Mr. SMOOT. I should like to say a word further to the Senator from Wyoming [Mr. KENDRICK].

Mr. McKELLAR. Very well.

Mr. SMOOT. I wish to say to the Senator from Wyoming that the taxes for the year 1917—and that is the year in which the first tax returns which amounted to anything were made—are the ones that are not settled up to date. They have involved more time and more expense than have the tax returns for all the other years put together, with the exception of the year 1918.

Mr. McKELLAR. Mr. President, the Senator knows that there is a five-year limit.

Mr. SMOOT. Oh, well——

Mr. McKELLAR. Wait one moment. It has been said by the Senator from Utah and the Senator from Indiana that most of the tax claims and most of the contested tax payments arose during the years of the war. Why, Mr. President, every tax claim brought about by the war has been barred by the statute of limitations for more than 18 months.

Mr. SMOOT. The Senator says that, but he does not mean it.

Mr. McKELLAR. Yes; I do mean exactly that. There is a five-year limitation, and this is 1924 and not 1922.

Mr. SMOOT. I will tell the Senator that waivers were made in those cases; and if waivers had not been made suits would have been started.

Mr. McKELLAR. But there were not many of such cases.

Mr. SMOOT. That action was taken before the present administration went into office. I never talk politics here when I talk business, and this is business and not politics; and I want to state to the Senator——

Mr. McKELLAR. I think it is very fine political business—that often certain taxpayers of the country can get refunds utterly out of proportion, in my judgment, to what is due.

Mr. SMOOT. The refunds amount to about 2 per cent of what we have collected.

Mr. McKELLAR. The Senator and I can not agree as to that.

Mr. SMOOT. No; but the figures will speak for themselves.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Wyoming?

Mr. McKELLAR. I yield to the Senator from Wyoming.

Mr. KENDRICK. I can understand very well that the arrangement for the appointment of this board, to which reference has been made, to sit in different sections nearer to the taxpayers would prove a great convenience and a great economy.

Mr. SMOOT. There are to be not more than 28 members of the board for two years, and I wanted to explain to the Senator the reason for that.

Mr. KENDRICK. The thought I have in connection with the increasing of one's taxes is that notice might very well be given to a taxpayer that it appears to the department he owes a certain additional amount in taxes; but I insist that that increase should not be made until an examination has been had in a public manner of the facts in connection with the increased assessment.

Mr. SMOOT. That is exactly what will be done under this bill. It provides for a 60-day notice, and no action can be taken for 60 days.

Mr. KENDRICK. The Senator will remember that such a rule applies even in the counties of our States. When it is proposed to increase the taxes of a taxpayer he is given a hearing before the increase becomes effective. In income-tax cases, however, according to the circumstances which have been brought to my attention, almost invariably the taxpayer has no thought or idea that his taxes are to be increased until he is notified to pay. I say that is unfair to the taxpayer.

Mr. SMOOT. Under this bill that is prohibited. I will say to the Senator, and the taxpayer is given 60 days. There will be a hearing before an impartial board, and no action can be taken by the Government until after the 60 days have elapsed.

Mr. KENDRICK. I am glad to hear that is true.

Mr. McKELLAR. Mr. President, all other claims against the Government, except tax claims, have to go before a public tribunal. Tax claims, the most important of all claims to our citizens, are alone singled out to be determined in secret.

In like manner claims for abatement are made by taxpayers, and they are passed upon by clerks in the department. I mean no offense when I speak about clerks, for some of the very best men I know are engaged in this business in the revenue office. They are high-minded, conscientious, splendid young men, and I am not complaining of them. I am complaining, however, of the system of secrecy under which they work. They work in secret and their findings are in secret. They do not even advise the taxpayer until it is all settled what it is proposed to assess him.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I yield.

Mr. SMOOT. I wish to ask the Senator what he means by secrecy? Does he mean that the thousands of workers here in the Treasury Department shall at the close of each day make public what they have accomplished, or does he mean that they should not perform any work unless the taxpayer, or some representative who wants to know what they are going to do in connection with tax returns, is present? I do not think the Senator believes that that would be at all feasible.

Mr. McKELLAR. Oh, no, Mr. President. I will tell the Senator and the Senate what I believe as to how it should be done. As to the enormous claims for abatement, amounting to hundreds of millions and perhaps billions of dollars, and the enormous claims for refunds, amounting to over $200,000,000 this year, there should be a public tribunal before which the honest taxpayer may go and receive what he is entitled to, namely, a public hearing. There should be a tribunal, in the nature of a court, where a taxpayer may go and be heard and receive what he is entitled to, and where the Government of the United States may receive what it is entitled to. I am opposed to a department or bureau passing upon these enormous claims in secret, where the public is not to be taken into consideration, and where oftentimes not even the taxpayer is taken into consideration.

Mr. President, these tax records are all secret; the results are all secret; the refunds are all secret; the abatements are all secret. It is contrary to the policy and genius of American institutions to have these enormous sums either abated or refunded by secret departmental acts. It has gotten to be a scandal. It has been openly charged—with how much truth I can not say—but it has been charged time and again that the rich taxpayers having a "pull" can get refunds when the poorer taxpayers are unable to do it. We should not permit a system that will lead to this kind of a charge. We should not permit a system that on its face smacks of favoritism in government. We should not permit a system that will so readily give rise to fraud and wrongdoing in the matter of taxes.

Mr. President, it is no crime to be a rich man or a rich woman. On the contrary, if riches are obtained honestly, it is a very great credit to any person to have them. It is not necessary for these riches to be covered up. There is no reason why their possession should not be publicly known. It casts no odium upon the person who owns the riches, and therefore there is no reason why the Government should enter into a contract to keep secret the tax returns of its taxpayers. It ought to be a matter of great pride to one who has honestly made his or her wealth, who has honestly received it, for the public to know that he or she has this wealth. Mr. President, the whole purpose of secrecy is to get favors. There can be no other reason for it. There can be no other excuse for it; and favors in government should not be given. All taxpayers should be treated alike.

Mr. SMOOT. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. SMOOT. Why was not the Senator interested in this question after the passage of the laws of 1917 and 1918? Why did he leave the matter until 1924 and then talk about it?

Mr. McKELLAR. Ah, Mr. President, the Senator knows perfectly well that in 1921, when the last revenue bill was passed, the Senator from Nebraska [Mr. NORRIS] and I made identically the same fight that we are making here to-day; and I will stop here long enough to give the names of the Senators voting on the matter on that occasion. It was voted on on November 7, 1921, just the time when the Senator said I ought to have made the fight, and I did make the fight at that time.

Mr. SMOOT. The Senator——

Mr. McKELLAR. Let me finish this.

Mr. SMOOT. But that was the question of making the records public.

Mr. McKELLAR. Yes; making public tax returns; and whenever you do that you have cured this situation.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I will yield to my friend, but I want to put in here just what the Senator has called out, and I will ask him to wait for just a moment.

On the Norris amendment—and it was substantially the same amendment that this is, almost in words exactly the same—there were 28 yeas and 34 nays.

The yeas were:

Ashurst	Jones, N. Mex.	Myers	Reed
Broussard	Jones, Wash.	Norbeck	Sheppard
Capper	Kenyon	Norris	Shields
Fletcher	King	Overman	Stanley
Gerry	La Follette	Pittman	Swanson
Harris	McKellar	Pomerene	Walsh, Mass.
Heflin	McNary	Ransdell	Walsh, Mont.

The nays were:

Ball	Frelinghuysen	Nelson	Smoot
Brandegee	Gooding	New	Spencer
Bursum	Hale	Newberry	Sutherland
Cameron	Keyes	Nicholson	Townsend
Curtis	Lenroot	Oddie	Warren
Edge	Lodge	Penrose	Watson, Ind.
Ernst	McCumber	Phipps	Willis
Fernald	McKinley	Poindexter	
France	Moses	Shortridge	

Mr. President, the Senator wanted to know why I was not fighting for this publicity at a time when a fight might be effective. I was fighting for it then, and at that very time the Senator from Utah by his vote and by his speeches was undertaking to defeat the very publicity that we are now talking about.

Mr. SMOOT rose.

Mr. McKELLAR. I will yield to the Senator in a moment, but before I do so I want to read another list. The one Senator who was defeated who voted "yea"—that is, in favor of publicity—was Mr. Pomerene, and here is a list of those who were defeated who voted "nay":

France	McCumber	Newberry	Sutherland
Frelinghuysen	New	Poindexter	

All of them were defeated. I do not mean to say that they were defeated on this question; but I am calling attention to the fact that eight Senators were defeated who voted against publicity as against one who was defeated who voted for publicity.

Mr. WATSON. Mr. President, does the Senator honestly think, down in his heart, that anybody in the States of either one of those Senators ever mentioned that as an issue?

Mr. McKELLAR. They may not have, but it indicates the general trend of senatorial conduct. It indicates the reactionary view that those Senators had, which reactionary view, in my humble judgment, brought about their defeat.

Mr. WATSON. That is going a long way to make an answer, or a pretended answer, to my question. Does the Senator really think, now, back in the back part of his head, that that question was ever mentioned by anybody in the campaign in any of those States as a reason why that Senator should be defeated, or that any Senator who voted "nay" on that question ever lost a single vote on that account?

Mr. McKELLAR. Yes; I think this was one of the votes cast by these gentlemen, taken with others, all of a similar reactionary nature, that brought about their defeat; but I want to say, for the benefit of my distinguished friend from Indiana, whom I love very dearly, who is always in a good humor and always smiling, that I hope when the next election rolls around in which he is interested the voters will be thinking about other questions and not about this, and that the Senator may escape.

Mr. WATSON. I thank the Senator; but it is entirely agreeable to me to have them think about that question, because I propose to vote precisely as I voted before and, if necessary, to defend it on the stump.

Mr. McKELLAR. I am quite sure of that. I think the Senator, however, will have a very hard time defending on the stump a position in favor of secret tax imposition, secret tax assessment, secret tax collection in this country, regardless of who it is that the taxes are assessed against.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I yield to the Senator. I will say to the Senator before he starts, however, that though I find his name here as voting "nay," just as he is going to vote "nay" in a little while, I hope personally that he will escape the penalty of having voted against the best interests of the American people.

Mr. SMOOT. Mr. President, I have been up for election since that vote, and it did not worry me. The Senator, however, mentioned Senator Sutherland. Senator Sutherland did not run since 1916, which was about five years before the vote to which the Senator refers.

Mr. McKELLAR. This vote was in 1921, and Senator Sutherland and all the other Senators that I have mentioned here ran in 1922 and were defeated. I am talking about Senator Sutherland of West Virginia. There are other Sutherlands besides the distinguished and splendid former Senator Sutherland of Utah.

Mr. SMOOT. Oh! I apologize to the Senator.

Mr. McKELLAR. That is all right. I knew the Senator just had them mixed up.

Mr. SMOOT. I thought the Senator referred to Senator Sutherland of Utah.

Mr. McKELLAR. I am sure of that.

Mr. McLEAN. Mr. President——

Mr. McKELLAR. I yield to the Senator from Connecticut.

Mr. McLEAN. Has the Senator from Tennessee any objection to having incorporated in the RECORD at this time and read a letter written by the present chairman of the Democratic National Committee, the Hon. CORDELL HULL, to Mr. MILLS, of the House of Representatives, on this subject?

Mr. McKELLAR. I have no objection to its being put in the RECORD, but I want it to go in, not in my speech, but in the other part of the RECORD. I shall be glad to have the Senator compliment the distinguished chairman of the Democratic National Committee, Mr. HULL, who is my warm friend, and one of the best men in the country and one of the ablest men in the country. I shall be delighted if the Senator will put it in the RECORD and let is be published in the part of the RECORD where it should be published.

Mr. McLEAN. I have no doubt the Senator has very great respect for Mr. HULL's opinion.

Mr. McKELLAR. I have great respect for his opinion. I do not always agree with him, but I have great respect for him.

Mr. McLEAN. I should like to have the letter put in now, because it relates to this very subject.

Mr. McKELLAR. I am perfectly willing to have it put in, but not in my speech.

Mr. McLEAN. I will ask to have it read by the Secretary.

Mr. McKELLAR. Let it go in under the rule, Mr. President.

The PRESIDING OFFICER. The letter will be printed in the RECORD under the rule.

Mr. McLEAN. I want it read.

Mr. McKELLAR. Oh, no; I am not going to have it read at this time.

Mr. McLEAN. I will read it when the Senator finishes, then.

Mr. McKELLAR. All right.

Mr. President, it has been truly said that the science of taxation is the science of government. It is the one all-important thing in government. It is the most important thing in government. Without it there can be no government; and yet this Government has adopted the policy of secrecy, of covering up the sources from which it gets the taxation, and in doing so, in my judgment it violates every principle of honest, free, open government, and such a course ought not to be tolerated for a moment. This policy of secrecy leads to frauds. It leads to impositions upon the Government. It leads to impositions upon the taxpayers. It leads to evasions of taxes. It leads to ignorance in assessing and collecting our taxes. The Congress can not properly deal with the subject of taxation when they do not know what the real facts are about taxation. We have no such actual information about taxes in our country that we can really intelligently deal with the subject, and we can not have such information until this policy of secrecy in the assessment and collection of taxes is done away with and a policy of publicity established.

Look at the present situation. If a billion dollars of claims for abatement of taxes were allowed last year, is not that a fact that Congress should know about? If the revenue department abated a billion dollars in taxes last year, or half a billion dollars in taxes last year, or even $100,000,000—and nobody estimates the figure as low as that—ought not Congress to know it? And how can we deal intelligently with it unless we do know it? Yet we have covered it up ourselves. We tell the Secretary: "You take charge of the tax returns. You are the only one that is permitted to read them, to see them, to know about them." No other person in this country has the right to look into them. Not even the Senators, not even the Congressmen, not even our committees, are permitted to do it. It is a policy of secrecy that we ought not to permit to go on for one moment longer.

Three years ago, Mr. President, there were many of us who fought for this policy of publicity—not a halfway publicity, not the kind of publicity under which a Senator or Congressman can take his hat in his hand and go up to the Secretary of the Treasury and say, "Mister, please let me look at your books"; not the kind of publicity that requires a committee of the Senate to pass resolutions and then merely get a peep at the records, but the kind of publicity that will mean something, that will mean honest imposition of taxes, honest collection of taxes, a fair and just administration of the system of national taxation.

Surely the Government has nothing to hide. Why, then, should we continue this system of secrecy? I have been informed that no other government in the world has secrecy of returns except the United States.

Mr. McLEAN. Mr. President, precisely the contrary is the case.

Mr. McKELLAR. There is no other State in this Union that has secrecy of tax returns.

Mr. McLEAN. The Senator said "no other government in the world."

Mr. McKELLAR. What nation has it? Let the Senator state what nation has it. My information is that the other nations of the world all have open tax returns.

Mr. McLEAN. England, Holland, Denmark, Austria, Canada, France are among those.

Mr. McKELLAR. Among those?

Mr. McLEAN. And many others.

Mr. McKELLAR. Mr. President, that is not my information.

Mr. SMOOT. Well, that is correct.

Mr. McLEAN. I am giving as my authority the statement made by the chairman of the Democratic National Committee, and I understand——

Mr. McKELLAR. When was that made?

Mr. McLEAN. June 14, 1918.

Mr. McKELLAR. Mr. President, if it is made on that authority, I will just say that I will examine into it; but I am confident the chairman of the national committee made a mistake about it. Canada does not have secret returns, nor has Great Britain. That was six years ago, when the greatest war that ever occurred was on.

Mr. McLEAN. It ended shortly after that.

Mr. McKELLAR. The war was on in the year 1918, as I remember it, unless I am very greatly mistaken. The Senator is mistaken about the war not going on at that time. Armistice day was November 11, 1918.

Mr. McLEAN. We all remember that date. I said just before the close of the war.

Mr. McKELLAR. What was the date?

Mr. McLEAN. November 11, 1918.

Mr. McKELLAR. I know that was the date of the armistice, but I want to know the date of the letter.

Mr. McLEAN. June 14, 1918.

Mr. McKELLAR. I may be mistaken and the Senator may be right, but, as I recall it, the war was going on on June 14, 1918; but we will dismiss that as purely immaterial. I want to say this: That there are 48 States in the Union, and many of them have income tax laws, and in not a State in our Union do we have secret tax returns as to income taxes or any other

taxes. In the very nature of things the taxes that are paid by citizens ought to be a matter of public record which any citizen should have a right to examine into. I believe that should be the rule.

As illustrative of what the secrecy of tax collection does, just a month or two ago the Secretary of the Treasury wrote a letter to me saying that he had not undertaken to enforce section 220 of the act, by which an attempt was made to prevent evasions of the income tax law. He said he had been advised by many lawyers, not his own lawyer, not the Attorney General of the United States, not the solicitor of his department, but by many lawyers—and who the many were we do not know—that this provision of the tax law was unenforceable.

Mr. President, if we had publicity of tax returns that section of the law would have been enforced just as any other section of the law was enforced, or the Secretary of the Treasury would have filed a bill in the proper court, or would have caused a bill to be filed in the proper court, having the courts construe the statute before he permitted that section to be violated or evaded.

If Senators vote to-day to put the Norris amendment into this bill providing for publicity of tax returns there will be no more sections of any revenue law declared unconstitutional and void or nugatory upon the advice of many lawyers, or of any lawyer, in my judgment.

What we need, so that all taxpayers may be treated fairly and alike, is for the light of publicity to be turned upon tax returns. What has anybody to fear? Why is anybody fighting? Why is it that the department fights against publicity? Why are Senators who are in control of the Government against publicity? What is there to be concealed about tax returns? Why should we conceal from the public documents that are inherently public records? When those records are made, when taxes are paid under those records, they are public property, and this bill declares them to be public property. Yet, after declaring them public property, it is said that nobody can see them. Let me read the provision of this bill. Listen to this:

> Returns upon which the tax has been determined by the commissioner shall constitute public records.

That is in the present law, and it is proposed to put it into the law we are about to enact. Then Senators say that they can only be examined under rules and regulations established by the Secretary of the Treasury and approved by the President. You do graciously permit, not in the old law, not in the secret law you voted for in 1921, but yielding a small amount to public opinion, in this bill you do graciously agree that committees of the two Houses of Congress may have a squint at them if they act pleasantly and graciously and do not find anything in them.

You, gentlemen, even have that in the secret law which you passed three years ago, but you found that eight of those who voted against publicity went down in ignominious defeat the last time—I should say nine of them; I left one of them out. Seeing the Senator from Minnesota, I recall that there is another one. You still declare them public records, but then say that they shall only be examined by a committee of Congress, and whenever a committee of Congress wants to examine them you denounce the members of the committee, although three out of five are members of your own party; you denounce them as being muckrakers, meddlers, inquirers into something they ought not to inquire into.

That is the kind of law you are passing for the American people, when about the most important thing they have is their tax returns. The most important thing in Government is the tax returns, and you declare them to be public records, and then say the public can not see them. You declare them to be the property of the United States and then will not permit anybody in the United States to see them.

It is a manifest subterfuge and virtually a fraud upon the American people to put anything like that in the law. Why do you declare them public records if you are going to keep them secret? You do keep them secret.

Mr. President, there is but one way in the world that taxes can be fairly and honestly collected, and that is under a system of publicity. I have read already the list of Senators and how they voted on this before. The proposal to make the records public was lost by 7 votes. I hope the changes that have come in the Senate will be sufficient to bring about publicity of tax returns, and that the amendment of the Senator from Nebraska may be adopted.

Mr. McLEAN. Mr. President, the Senator did not mention my name as one of the candidates for the Senate who was defeated two years ago. I was reelected, and it is probable that it was largely due to the fact that I had as high Democratic authority as there is in the country in favor of keeping these tax returns secret.

I ask that this letter, written by the Hon. CORDELL HULL, be read into the RECORD. I think everyone who is acquainted with Mr. HULL or knows about his record in the House will agree with me that he is probably as well posted on the subject of taxation as any man in either branch of Congress. I ask that the Secretary read this letter.

Mr. WILLIS. He is chairman of the Democratic National Committee.

Mr. McKELLAR. It has already been said that he is the chairman of the Democratic National Committee. He has been a Member of Congress from Tennessee for many years. He is one of the finest men in this country, one of the ablest men in this country, one of the most expert men on taxation in this country. He is really one of the authors of the income tax law. There is nothing too good to be said about Judge HULL by me. My vocabulary is not sufficient to say what I would say. I want to give him the credit for everything that the Senator has said about him, and then ten times more. But I say this, that no man is infallible, and if Judge HULL argues for secrecy of income-tax returns, or argued for it six years ago, he made a mistake.

Mr. McLEAN. I think he is qualified.

Mr. McKELLAR. Some men change their minds when they make a mistake. I hope——

Mr. WILLIS. Has Judge HULL changed his mind?

Mr. McKELLAR. I do not know. I did not know he had taken that position until the Senator from New Mexico said so, but with six years of added wisdom, six years of service to his country, six years of knowledge of how this thing runs, I hope he has changed his mind.

Mr. WATSON. My friend from Tennessee is as far off in his argument as he is in his geography when he places my friend on my left [Mr. McLEAN] as being from New Mexico.

Mr. McKELLAR. I said Connecticut, did I not?

Mr. WATSON. The Senator said New Mexico.

Mr. McLEAN. I hope the Senator from New Mexico agrees with me; I do not know whether he does or not.

Mr. McKELLAR. I apologize to the Senator.

Mr. JONES of New Mexico. The apology is due the other section of the country.

Mr. McKELLAR. I make it to both, then.

Mr. SMOOT. I want to say to my genial friend from Tennessee that that very letter was read into the RECORD when Congressman HULL was present, and he did not deny it.

Mr. McKELLAR. That may be so.

Mr. SMOOT. That was about two months ago.

Mr. McKELLAR. I imagine that the Senator from Utah, the Senator from Connecticut, and the Senator from Indiana are prepared to put Judge HULL's views on secrecy of tax returns in their party platform in order to defend themselves against the mistake they are going to make when they vote for secret tax returns here this afternoon.

Mr. WATSON. Let it be read.

The PRESIDING OFFICER. The Secretary will read.

The principal clerk read from pages 2956 and 2957 of the CONGRESSIONAL RECORD of February 22, 1924, as follows:

WASHINGTON, D. C., *June 14, 1918.*

MY DEAR SIR: May I venture to offer limited comment on the subject of the publicity of income-tax returns, which course has been rather vigorously urged from time to time by certain phases of sentiment in the country? I am not quite sure whether the chief reason advanced is that publicity would secure fuller and more accurate returns of taxable income, or whether it is based on the desire which has manifested itself more or less during recent years for unrestricted publicity of the affairs of business generally to the end that any improper trade policies, methods, or conduct might be exposed.

If the demand for publicity rests on the former ground, I should like to set out some of the points of the opposing views; if it rests on the last ground, without regard to the effect of publicity on the success of the tax, I should like in this connection to suggest that, however desirable and necessary this character of publicity may be—and I strongly favor it to the fullest extent suggested by the public interest—the plan should not be coupled with and made a part of the general tax law unless it were calculated to sustain, rather than materially to injure, the operation of the tax law.

Attention may be called to the enactment of the Federal Trade Commission act, one of the prime purposes of which was publicity of the inner affairs, private trade methods, trade practices, and conduct of business concerns whenever deemed to be in the public interest. This act, however, imposes penalties on any officer or employee of the Federal Trade Commission for divulging any facts of this character developed by the commission, unless first authorized to do so by the commission itself. The commission is only authorized to make public such portions of the information obtained by it "as it shall deem expedient in the public interest," and it is entirely prohibited from making public "trade secrets and names of customers." The report of the commission after an investigation of a business concern on charges of antitrust practices can only be made public in the discretion of the commission. It will thus be seen that careful restrictions against any general publicity are contained in the law, one of the underlying purposes of which is to expose to the condemnation of the public and, by appropriate official proceedings, to curb certain business practices, methods, or conduct, including that prohibited by antitrust and other legislation.

What is, or at least what should be, the main ground on which the policy of publicity of tax returns is urged is to secure fuller and more accurate returns of taxable income. The controlling purpose of any tax statute designed to secure a large revenue yield should be such satisfactory and effective administration as would secure the maximum yield, and no other plan or purpose should be allowed materially to hamper or handicap the law operating to this end.

In the abstract and at the first blush it seems most natural that these tax returns might or even should be subjected to any and every kind of publicity at all times. Assuming, as I have, that the Department of Justice, the Federal Trade Commission, and numerous other governmental agencies and authorities have been given ample statutory authority to deal effectively with any and all acts, trade practices, methods, or other conduct on the part of any citizen or business concern which the Federal laws have thought it wise to suppress or prevent. I have investigated and reached my individual conclusion with respect to the proposed general publicity of income-tax returns solely from the standpoint of the most satisfactory and successful administration of the income tax law and the securing of the largest possible yield of revenue. Viewed from this standpoint, I have been unable to bring myself to the conclusion that publicity would secure the most desirable revenue results. I may first refer to the experience of some governments which have tried out income taxation for the longest periods. England, after 75 years' experience with her present income tax law, retains her policy of keeping the results secret. There is no demand from any source, so far as I am advised, for publicity of English income-tax returns. Holland retains secrecy under her income tax law, which has been in operation some 25 years. Denmark pursues the same policy of secrecy under her income tax law, in operation for 14 years; Austria pursues the same policy under her law, enacted some 75 years ago; Canada's recent income tax law contains the same provision; France in her recent law has some form of secrecy, the exact nature and extent of which I am not definitely informed. This policy of these different countries, after many years' trial, is controlled entirely by the question of the most satisfactory administration and the largest revenue yield of their respective laws. They evidently have not felt justified in allowing considerations of collateral or other government policies, however strongly and plausibly urged, to effect a change of this policy.

Let us now turn to the United States. The first Civil War income tax acts did not prohibit publicity. The Commissioner of Internal Revenue early recommended a provision of secrecy to Congress. This was disregarded, however, until the income tax act of 1870 was enacted. A lengthy debate on this act occurred in Congress, during which Garfield referred to one feature of the income tax "which has made it very odious in many parts of the country," namely, publicity of returns. The outcome of the discussion was the insertion of a provision in section 11 requiring secrecy, and it became a law. The view on which this provision was inserted was that it would meet the complaint that income tax laws are inquisitorial and also that publicity often discloses secret trade processes, methods, etc., even though ever so legitimate, and that, therefore, a taxpayer would be more encouraged to make a full and complete return when he had the assurance that his trade secrets, processes, etc., would not be exposed to his competitors.

The strength, stability, and perpetuity of the income tax is based on the rather fixed opinion among the people generally that in both theory and practice it accomplishes relative fairness among the taxpayers more accurately than any other tax method thus far devised. Both now and after the war it is extremely vital that a tax method productive of a larger revenue than any other should be safeguarded by the most effective means. Whatever may be thought or said to the contrary, there is a phase of human nature which while entirely willing to make full and complete returns of income and pay taxes accordingly in the belief that all taxpayers are receiving equitable treatment is at the same time utterly averse to the idea of general publicity of private business methods and private business affairs. The States and the Federal Government can provide for investigations and full publicity of business methods, practices, and affairs generally by separate enactment, as has already been done to a measurable extent. Publicity at this stage, when business conditions and methods have become far more complicated and consist of a far greater variety than those in existence during and following the Civil War period, would be resented by the taxpayer to a correspondingly greater extent than it was during the operations of the Civil War acts. I strongly favor any and every kind of publicity needed with respect to all phases of our financial, commercial, and industrial activities, but I think it unwise in the light of almost universal experience in the past to discredit or break down the income-tax system or seriously jeopardize it by utilizing this law instead of some separate law or laws for publicity purposes.

The Federal income tax act of 1894 in section 34 reenacted section 3167 of the Revised Statutes, containing secrecy of returns, and without special opposition, so far as I now recall. In this connection it is my recollection that when this act was declared invalid by the Supreme Court the Treasury directed that all income-tax returns on file be burned. The Federal corporation excise act of 1909 contained a provision that the returns filed in the office of the Commissioner of Internal Revenue should constitute public records and be open to inspection as such. It was soon deemed wise in the interest of the more successful administration of the law to adopt secrecy, with the result that an appropriation bill which passed Congress in June, 1910, among other things provided that these corporation excise-tax returns should be open to inspection only upon the order of the President, under rules and regulations to be prescribed by the Secretary of the Treasury and approved by the President. The Treasury later in the year issued a regulation, which the President approved, restricting inspection of these returns virtually to certain officials of the Government under certain conditions and to stockholders of a given corporation which had filed its return. This regulation also provided that returns could only be inspected in the office of the Commissioner of Internal Revenue. This policy of secrecy was followed without particular objection or complaint until the repeal of the law.

The Federal income tax act of 1913 contains secrecy as to individuals, but allows inspection of corporate returns upon the order of the President, under rules and regulations prescribed by the Treasury and approved by the President, which was the same provision as that contained in the amendment to the corporation excise act of 1909. It contained the additional provision, however, that the proper officers of any State imposing a general income tax may, upon the request of the governor, have access to said returns or to an abstract thereof showing the name and income of each corporation, at such times and in such manner as the Secretary of the Treasury may prescribe. The President accordingly approved a Treasury regulation under the act of 1913 for the benefit of State officials whose States have a general income tax law. This regulation also allowed Federal officials and stockholders to make inspections under certain conditions very similar to the Treasury regulation allowing inspections under corporation excise act of 1909. The States, however, are only allowed, I believe, to secure the name of the corporation and its income. The character and extent of publicity of income-tax returns above described practically represents the present policy of publicity of the Federal Government under existing income tax law.

Wisconsin has the most modernized, successful, and comprehensive income tax law of any State. It contains a provision requiring secrecy of returns. A new, progressive income tax law of Massachusetts requires secrecy except as to the name and address of the taxpayer. It will thus be seen from the proven experience of foreign countries, of our Federal Government, and of the States, which have the most successful revenue-producing income tax laws and which have been able most successfully to overcome the objection of inquisitorialness, that secrecy of returns has been found essential to this result.

Another consideration and object lesson which arises in connection with the publicity proposal under our Federal law relates to the general property-tax systems in most of the States. It is a fact generally recognized that the general property-tax systems of most of the States have measurably broken down in their administration, with the result that personalty, and especially intangible personalty, almost entirely evades or avoids taxation. Some of the States, such as Connecticut, New York, Pennsylvania, Maryland, and New Hampshire, have always maintained the widest publicity of tax returns under their general property-tax systems, but this system has fallen down just as rapidly and extensively in those States as it has in other States where publicity was not practiced or permitted. This experience of the States with publicity proves, at least, that it was powerless to increase or even maintain the revenue yield, or to prevent the breaking down of the laws. This experience but illustrates that phase of human nature which discourages and gives but little credit to the informer, no matter how good or worthy his intentions. No tax or penal law the successful operation of which is dependent upon facts voluntarily furnished by informers, with or without pecuniary reward, can expect more than a precarious existence.

With respect to the question of securing information, the present income tax law specifically requires, under severe penalties, every citizen who has personal knowledge of the receipt of income by his neighbor or another citizen, by reason of having paid it, to transmit

such information in writing to the Commissioner of Internal Revenue, in all cases where the amount of fixed income exceeds $800, and in case of interest from corporate bonds without regard to amount. This provision, therefore, really provides for and requires all direct information, except what might be rumor and hearsay, save as to isolated items or as fixed income under $800.

There is still another condition arising from the operation of the present general property-tax systems of the States which should be considered by the Federal Government in determining the policy of publicity. It is a well-known fact that when a citizen undertakes to make a full return of his property at its full value the present general systems of the States impose a most severe penalty on his honesty by levying practically confiscatory rates, which amount to nearly 40 per cent of his income on the average. The result is that most citizens in the various States by general consent give in their real property at figures substantially below its value and their personality, on the average, at almost a nominal value. The tax rates of the States are now almost confiscatory when applied to full values, for the reason that they have been raised to considerable heights in order to secure adequate revenue from greatly scaled valuations of property which the citizens are now in the habit of giving in for taxation. From past experience it would appear but natural that if the citizen should make a full and complete return of his income for Federal taxation this would be equivalent to making a like full return to his State in many cases, and the result would be that he would undertake to make the same inadequate return to the Federal Government that he now makes to the States rather than to have the full value of his property subjected to the present practically confiscatory rates of the States. If it would assist the States in rehabilitating their present general property-tax systems and equalizing their tax burdens under these systems, I should strongly favor any reasonable sacrifice on the part of the Federal Government in aiding to bring about this situation; but if instead of revitalizing and putting into successful operation the grossly inequitable and broken-down general property-tax systems of the States, the effect of publicity would be likewise to discredit and more or less break down the Federal income-tax system, I am unable to discover any advantage or benefits which could be repaid either by the States or the Federal Government from such course.

Whenever the States reform their general-property tax systems, or whenever they adopt general income tax laws similar to the Federal law, there could and should be the fullest and freest cooperation between the States and the Federal Government in the successful administration of their respective laws, just as there is cooperation now with respect to State and Federal income tax on corporations.

My individual opinion is that the only effective method by which either the States or the Federal Government will ever be able to reach for taxation in full measure the income from personality, and especially intangible personality, will be under a system of so-called collection or retention at the source.

In conclusion I may call attention to the course of the Treasury Department under authority now given it by statute to compile and make public income-tax statistics. Under this statute the Treasury will give amount of the individual and corporate income as a whole, by States, by industries, by classification as to the number of taxpayers, amount of income and taxes paid as to classes of individuals, the percentage of the income of each to the total amount, as well as the percentage of taxes paid to the total, etc. This information, which will come out annually as to each preceding tax year, should meet practically every requirement, expectation, or desire of the public in considering and dealing with economic conditions, apportioning the tax burdens, and properly curbing or regulating any practice, method, or conduct of general business or any class of business.

Very respectfully, CORDELL HULL.

During the reading of the letter,

Mr. McLEAN. Mr. President, I wish we could have order in the Senate. It seems to me the letter is not only interesting, but sound.

The PRESIDING OFFICER. The Senate will be in order.

After the conclusion of the reading of the letter,

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Nebraska [Mr. NORRIS].

Mr. McLEAN. Mr. President, the Senator from Tennessee [Mr. McKELLAR] stated the amount of refunds for the year 1923 and for one or two other years. I think it might be interesting to have published in the RECORD at this point the total of the additional assessments and collections and refunds from the year 1917 down to the year 1923 and including the first three months of the year 1924. I make the request that they be published in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it will be so ordered.

The matter referred to is as follows:

Year	Total internal revenue receipts	Amount of additional assessments and collections resulting from office audits and field investigations	Amount of refunds of taxes illegally collected
1917	$809,393,640.44	$16,597,255.00	$887,127.94
1918	3,698,965,820.93	29,984,655.00	2,088,565.46
1919	3,850,150,078.56	123,275,768.00	8,654,171.21
1920	5,407,580,251.81	466,889,359.00	14,127,098.00
1921	4,595,000,765.74	416,483,708.00	28,656,357.96
1922	3,197,451,683.00	266,978,873.00	48,134,127.83
1923	2,621,745,227.57	600,670,632.00	123,992,520.04
Total (7 years)	24,180,276,568.05	1,920,880,250.00	226,540,269.13
1924 (first 3 months)	694,083,590.02	113,820,881.00	35,624,968.73
Grand total (7 years, 3 months)	24,874,360,458.07	2,034,701,131.00	262,165,238.08

Mr. McKELLAR. I am glad the Senator has given that information. My figures were obtained from the Treasury Department in this way: There was received from the Secretary of the Treasury a letter which was published by me, in which he gave the total amount of refunds for 1923——

Mr. McLEAN. As being one hundred and twenty-three million and some hundreds of thousands of dollars.

Mr. McKELLAR. The amount was one hundred and twenty-three million and some hundreds of thousands of dollars?

Mr. McLEAN. Yes.

Mr. McKELLAR. Since that time there has been a deficiency bill passed by the House of Representatives and reported to the Senate and I think passed by the Senate—if I am wrong about that the Senator from Utah, who is on the committee, will probably correct me—but I think the bill has been passed; at any rate it will be passed, and carrying an appropriation of one hundred and five million and some odd thousands of dollars for the purpose of paying refunds between now and July 1 next.

Mr. McLEAN. That is for future and is based on estimates, I suppose?

Mr. McKELLAR. No; it is for deficiencies for the fiscal year 1923, and it was so stated before the committee. If up until this time or up until the time the Secretary wrote that letter and gave that explanation one hundred and three million and some hundreds of thousands of dollars had been paid out in refunds—and I take his word for it; I am sure he must be correct about it; I do not believe that he would furnish me figures which were wrong—and since that time there has been a deficiency appropriation of $105,000,000 in round numbers, by a simple calculation, $105,000,000 and one hundred twenty-three million and eight or nine hundred thousand dollars amount to about the sum of $229,000,000 of refunds for this year. If my figures are wrong the Secretary is responsible for the error, because I am taking his figures as he has sent them.

Mr. McLEAN. The statement from which I am about to quote, if the Senator will permit me, gives the total of the tax collected, the amount of additional assessments and collections and refunds for seven years, beginning in 1917 and ending on the 1st of April last.

Mr. McKELLAR. When did the refund end?

Mr. McLEAN. This statement includes the first three months of the year 1924. It extends to the 1st of April of this year.

Mr. SMOOT. That is for the fiscal year of 1924.

Mr. McLEAN. The total revenue receipts for the seven years and three months was $24,874,360,458.07; the total amount of additional assessments and collections resulting from office audits and field investigations was $2,034,701,131; while the total amount of refunds of taxes illegally collected was only $262,165,238.

It would not be fair to say that this very large sum of $2,000,000,000 and upward in additional collections was due to attempted frauds upon the Government; they were made possible because of underestimates; probably in many instances the additional collections were due to mistakes that were unintentional; but still, Mr. President, it is a very large sum of money which the Government has collected from the taxpayers of the country upon a reaudit and further examination of tax returns.

I think it very important that the Senate in passing upon this question should take into consideration the question of the revenue to be collected. We know from experience that when we place taxes too high the taxpayer will evade the tax. So

when we come to consider this matter we want to produce, if possible, the largest revenue yield; and that is the point which was stressed by Mr. HULL in his letter.

Mr. HULL considered this question free from any political interest of any kind. He is one of the ablest authorities on taxation in the country, and is so recognized. His letter goes back into the history of revenue legislation in other countries and in the States of this Union, and shows that experience has demonstrated the necessity of throwing a reasonable amount of protection around the tax returns. Otherwise, the taxing authority will lose very large sums of money. I think it very significant that in the State of Wisconsin it has recently been found necessary to provide secrecy for their tax return, for what reason I do not know; Mr. HULL does not state; but, as we all recognize that to be one of the most progressive States in the Union, I think it is safe to say that they have tried the experiment which seems just now to be so popular in the minds of Members of this body and have found, as other States have found and as other nations have found, that it occasions serious loss in revenue.

There is a reason for that. We all know that competitors in business—large business interests—can not afford to disclose all of their business secrets, and they ought not to be compelled to do so; yet, if these returns are made public in every particular, it seems to me that we add a thousandfold to the temptations which now exist for these companies and other large producers of the country to indulge in all manner of concealment rather than to let their competitors know their innermost trade secrets.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. McLEAN. Certainly.

Mr. NORRIS. The Senator has referred to the action of the State of Wisconsin. I am not informed as to what the law of that State is or what change may have been made, and both of the Senators from Wisconsin are absent on account of illness, as the Senator knows. It is fair to say that those Senators would have some knowledge about the State of Wisconsin that none of the rest of us has, I take it, and as bearing on that subject I wish to call the attention of the Senator to the fact that since this amendment has been offered this afternoon I have been communicated with by a representative of the senior Senator from Wisconsin [Mr. LA FOLLETTE], who, it seems, was informed or found out in some way of this amendment and advised that, if present, he would vote for it. I was not aware that he even knew that the amendment was pending, but he found out that it was going to be offered, because the amendment that I have offered was printed a week or so ago.

Mr. BROOKHART. It was printed on April 24.

Mr. NORRIS. Yes. So, as I have said, since this amendment has been offered this afternoon I have been asked by a representative of the senior Senator from Wisconsin to announce that when the vote came on this amendment, if he were present, he would vote for it, and that he is paired with another Senator here in the Chamber.

I have not heard from the junior Senator from Wisconsin [Mr. LENROOT], but when he voted on this question at a previous time, as I remember, he also voted for the amendment. I may be wrong about that, but we can ascertain the fact by looking up the RECORD. It seems to me, therefore, that, so far as Wisconsin is concerned, the best evidence we have here of how the people of Wisconsin are satisfied with the proposal I have made would be the vote of the Senators from that State, and, as I have announced, the senior Senator from Wisconsin is in favor of the amendment.

Mr. McKELLAR. Mr. President, the RECORD shows that the senior Senator from Wisconsin [Mr. LA FOLLETTE] voted for publicity, while the junior Senator from Wisconsin [Mr. LENROOT] voted against it. That is found in the RECORD of November 7, 1921, at page 7519.

Mr. McLEAN. I do not know how the Senator from Wisconsin stands on this subject, and I did not quote him.

Mr. NORRIS. I do not want to be understood as intimating that the Senator did. The Senator's statement in regard to the action of Wisconsin was perfectly fair. He obtained it from what was read at the desk.

Mr. McLEAN. It is one of the States of the Union that has found it necessary to throw some secrecy around tax returns. I mentioned the State of Wisconsin because we all assume that it is one of the most progressive States in the Union.

Mr. NORRIS. Yes; I think we can assume that. I merely offered the suggestion I did in reference to the senior Senator from Wisconsin to show that if he were here, in the face of whatever had been done in Wisconsin, he would favor this amendment.

Mr. McKELLAR. If the law has been changed in Wisconsin I have no doubt it has been done over the protest of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. McLEAN. Mr. President, there was no disposition on the part of the Committee on Finance to cover up or protect tax returns any further than seemed necessary in order to secure the largest possible amount of revenue. When we learned that in the last seven years the Government by reaudit has collected more than $2,000,000,000 from the taxpayers of the country, it seemed to us that if we threw the returns open to the public, large corporations and large business interests—I say "large," but I imagine that there are a great many small producers of the country whose business competition is very active and that the number as a whole would be very great—rather than have their secrets exposed to their competitors would be under an almost irresistible temptation to conceal facts from the Government, and when we considered the additional activities that would be required on the part of the Government to make the necessary investigations, we feared that it would disturb the whole revenue situation and, perhaps, bring about a condition of temporary chaos; but we went as far as we thought necessary to permit any legitimate inquiry into the tax returns of any individual.

I wish there were more Senators here, because I think the committee went to the full extent that is necessary to enable not only the officers of the Government but any interested party to secure any information that may be necessary to secure the last penny of legitimate tax from any citizen or corporation in this country.

I want to read just what the full amendment provides:

> The Secretary and any officer or employee of the Treasury Department, upon request from the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a standing or select committee of the Senate or House—

We provided for a permanent standing or select committee whose sole duty it may be to investigate and inform Congress, and we naturally supposed that upon any information showing a proper cause that committee would immediately act—

> or a standing or select committee of the Senate or House specially authorized to investigate returns by a resolution of the Senate or House, or a joint committee so authorized by concurrent resolution, shall furnish such committee sitting in executive session with any data of any character contained in or shown by any return.
>
> Any such committee shall have the right, acting directly as a committee or by or through such examiners or agents as it may designate or appoint, to inspect any or all of the returns at such times and in such manner as it may determine.

Not only may the committee, acting as a committee, get this information, but any agent whom they may designate may make these investigations.

Further, we provide that the commissioner shall publish—

> the name and the post-office address of each person making an income-tax return in such district, together with the amount of income tax paid by and the amount of refunds made to each such person.

So we made public the total tax paid by every taxpayer in this country, and that has not been done before. So I say, Mr. President, that it seems to me that before we go any further in this matter it will be wise to experiment with the provisions for publicity which the committee recommends; and if, in the course of time, we find it necessary to make these returns public from the start, we can do it. Experience teaches, however, and the Treasury Department is very certain, that if we throw them open to public inspection without any protection it will result in serious loss to the Government.

The committee provides in another part of the bill for a court of appeal, where any contested case may be heard, and the findings of that court are to be made public, so that where there is any question about an income-tax return, and it is contested, a hearing is had before this newly established court, and the finding of that court is made public. I submit that the committee itself has gone as far as we ought to go, and I am confident that to throw open these accounts to the public without any protection whatever will be regretted by the very gentlemen who insist now that it is necessary in order that we may collect all the tax that ought to be collected.

Mr. BROOKHART. Mr. President, a long letter has just been read from CORDELL HULL. He is described as a Democrat—I guess as chairman of the Democrats or something of that kind. That seemed to disturb the Senator from Tennessee [Mr. McKELLAR] a good deal, and he came back with many profuse compliments without changing his mind.

So far as I am concerned, it does not make any difference to me if Mr. HULL is a Democrat; I should judge, from the reading of his letter, that he is a standpatter. If that letter had been read in my State, I should have said at once that it had been written by the tax experts of the Burlington Railroad. It sounds exactly like the arguments that are constantly made by those experts for secrecy, and then for leniency in tax rates on the big fellow.

To me one of the most remarkable arguments I meet all the time on this tax question is that if you levy an adequate tax on a rich man he is going to dodge it; if you levy on him a rate that he can justly pay, he will turn criminal and get out of it in some way or other.

I do not think any more of a tax dodger than I do of a bootlegger, and I am not in favor of modifying the law or covering it up with secrecy or anything else to shield the one any more than I am the other. I have reached the conclusion that secrecy is one of the great enemies of honest business. Investigations which we have just been holding show that the big business of this country is not only keeping secret its systems and its methods but it is employing a secret-service system to spy on every other big business. It has developed the most remarkable system of espionage that I have ever read about in the history of the world, and it has all developed under this theory of secrecy for everything.

I investigated a little different system of business during the past summer. I investigated the cooperative business as it is in operation on a very great scale in 15 different countries. I found in many of those countries that the cooperative business is the big business of the country. That is true of Great Britain, but there is none of this secrecy about it. The experts of the Department of Commerce who assisted me in every one of those countries, who helped me in every way, told me everywhere that they could go to the cooperatives and get the details of their business all the time, and they were always complete and always reliable; but they told me if they got it at all from other lines of business it was necessary to do it almost by this system of espionage.

As I compared the two systems I think the civilized system is the cooperative system, and I am for open publicity in business and in tax returns and in everything else where the interest of the public is involved.

I want to fix this law to catch the fellows described by the Senator from Connecticut [Mr. MCLEAN], who as soon as the light of publicity is turned on will hide their taxable assets.

I have not any sympathy at all with those fellows, and I would go a long way to strengthen the law to bring them to justice. I am not so much concerned in whether the amount of this tax is going up or down as a result of this publicity. The great principle involved is that it will make it open and fair and honest, and everybody will have a better chance to pay his honest proportion of the taxes and no more.

Publicity is not going to weaken the administration of this tax collection, in my judgment. I believe the tax will be collected more easily than it is now. My guess in regard to it would be that there would not be so many rebates as there are now. My guess in regard to it would be that the effect would be the opposite from what the Senator from Connecticut says. I believe we will get more taxes; but, of course, that is only a guess. At any rate, the truth is not going to hurt anybody, and publicity of the truth is certainly not going to hurt the honest man at any time.

What is our system of business in this country? I have just been checking through the investigations of the Federal Trade Commission that were mentioned in the letter of Mr. HULL. Those trade organizations that have been built up for criminal purposes in the United States were all built up under this system of secrecy, built up to maintain prices, to control production, and to violate the laws of our country. Publicity will do more to cure them, perhaps, than any kind of prosecution. Publicity will do more than anything else to make this question of taxes honest.

I am against the whole secret system. I do not believe in it on principle. I do not believe that it is American in any sense; and I say that the business of this country must halt in this criminal progress that it has been making under these secret combinations. The time has come when the big business man must transact his affairs in the open light of publicity, the same as the little business man or the worker or the farmer must transact his business. Those are public and known. There is nothing concealed in their affairs; but the crime of excess profits, which is the crime of our civilization at this time, is covered up, protected, developed, brought about by the system of secrecy in our business.

Let us publish these income-tax returns as a public record, and that will be one step toward curing one of the greatest business evils of the time.

Mr. COPELAND. Mr. President, if I rightly understood the Senator from Connecticut [Mr. MCLEAN], he used the fact that other countries have a different custom from the one proposed in this amendment as the reason why the United States ought to follow the same system they use over there. I am frank to say that so far as I am concerned those old countries, which are broken down and deserted of popular following, should not be used as models for our country. If we really believe that this is a Government of the people, we must conclude that the officials who are in office just now are only temporary representatives of the people; they are not the people.

It is my judgment that every official act performed by any governmental body should be an open and public act. I do not think there should be secrecy as regards the records of the various departments of the Government. Permits and licenses which are issued should be made public. We have from earliest times had our tax rolls of real property open to the public. There is no reason why any exception should be made as regards income taxes.

My feeling is that the burden of proof in this matter lies with those who oppose publicity. For myself, I am amazed that anybody should appear to oppose publicity of official papers and records.

In the debate which we have had on this matter of tax reduction the public has learned a lot of things. The public has learned the fallacy of the doctrine that the loss of income has come from investment in tax-exempt securities. There is an accumulation of evidence that there has been an evasion of the spirit of our tax laws. Rich men have incorporated and have paid simply the corporation tax, and have evaded the payment of the surtaxes.

The Senator from Connecticut says that there will be chaos if we adopt this plan of publicity. There will be chaos with those who seek to evade the payment of taxes. There will be unhappiness in the hearts of those who seek to evade doing their part to maintain the Government.

Relentless publicity is the surest way to make people honest. No matter what the inclination may be to evade the payment of taxes, to cover it up in the return in some secret way in the hope that there may be no discovery of the deception, when it is known that all such papers are to be open to the public and that the competitors spoken of by the Senator from Connecticut will have access to those papers, the man who files his tax returns will file honest returns.

So, as I see it, from every standpoint, from the standpoint of common sense, of desire to maintain the Government, of desire to place on the tax rolls all the income which should go there, everything points in the direction of publicity. I trust that this plan of full publicity will be put into effect.

Mr. McLEAN. Mr. President, I want to say to the Senator from New York that if the Senator were in business and heavily in debt, and subject to active and fierce competition, he might not like to have his competitors know just how severely his credit was affected. He might feel that the Government could collect his tax, and ought to be able to collect his tax, without ruining him, and putting him in a position where he could not obtain another dollar of accommodation.

Mr. REED of Missouri. Mr. President, every institution which seeks to borrow money must lay before the money lender the very information to which the Senator refers. He now says that if that information is filed with the Government, the man would be unable to borrow any more money, and his financial condition would be exposed. Yet he must expose it in order to borrow money, because there is no financial institution that loans any considerable sum of money to anybody without financial statement.

Mr. McLEAN. His competitor does not get that information, and the public does not get that information. His bank may have the information.

Mr. REED of Missouri. The bank gets the information.

Mr. McLEAN. And the Secretary of the Treasury gets it. I will say to the Senator from Missouri that if he were in business and wanted to borrow money that is quite as far as he would want the information to go.

Mr. REED of Missouri. Certainly, that is quite as far as a man would like to have it known, because everyone of us would like to transact all of his business between four walls, not that we are engaged in crooked business but because every man naturally would like to keep his business private. But there comes a point where you must come in contact with the outside world, and you are required to make a return of your taxes. I have no doubt that there will be occasional instances

where a competitor might come, look over the tax returns, and find out some facts about his competitor which he might otherwise not know, but upon the other hand there will be a flood of useful information obtained which will far offset the disadvantage referred to.

To begin with, a great door of fraud will be closed to concerns which claim to be healthy, claim to be solvent, which may be floating their securities, being exposed by this means to the absolute truth, and if a concern is in fact insolvent, is in fact floating its securities and borrowing money when it is not entitled to, the complaint that it may be discovered through the means of a public tax return does not appeal to me.

On the other hand, if a concern is engaged in floating its securities, is engaged in putting them off upon the public when it is in an unsubstantial condition, that fact may be discovered through the tax returns, just as it may be discovered through other sources.

Mr. CARAWAY. May I make just one other suggestion to the Senator? He spoke of discovering concerns floating securities when they were not solvent. On the other hand, a good many concerns which might be regulated, like public utilities, which are making very much more than the public is aware of, might also have that fact disclosed.

Mr. REED of Missouri. Certainly; it would go to that extent.

Mr. McLEAN. We provide for that, because we provide that the total tax shall be made public, and that would cover any instance of excessive earnings, or large earnings, or surprising earnings.

Mr. CARAWAY. It would not disclose the fact that there might be a holding company, that there might be 20 ways to conceal where earnings may have been made by one concern and absorbed by some affiliated company.

Mr. McLEAN. We have tried to prevent that, and I hope we have done so.

Mr. CARAWAY. You never have presented it before.

Mr. McLEAN. Mr. President, I have just one thing to say, and then nothing more to say on this subject. Among other objections to this amendment entertained by the committee was this: That it would give an opportunity to the very strong concerns in this country—monopolies, if there are any such—to know the weak points of all of their smaller competitors, and to put them in a position where they could crowd them out of business entirely.

Mr. REED of Missouri. Mr. President, I am going to answer that. All of the concerns to which the Senator refers now have access to inside information with reference to all of their competitors. Every one of them is a subscriber to the Dun and Bradstreet agencies and to other commercial agencies, and every institution of any importance is rated in Dun and Bradstreet, and every subscriber has the right to call for the detailed information upon which Dun and Bradstreet act. When I speak of Dun and Bradstreet I include all commercial agencies. So that business institutions, if they desire to get information upon which to wreck their competitors, if they want to know whether their competitors are in a safe condition or not, if they want to know the amount of the loans of their competitors, are in a position to get that information substantially to-day through these various agencies.

They get the ratings. They may not get every detail, but they get a sufficient rating to enable them to tell whether an institution is sound or unsound. I am not speaking now of the published book, but of their right to call for specific information and to get it. So there is not much in that argument, although there is something in it.

Mr. McLEAN. I have heard the Senator discuss very ably and at great length the right which the individual has to resist search of his private papers.

Mr. REED of Missouri. Yes; and I am standing for that now. But when a man files a tax return with his Government it is not private. Public records belong to the public and public business belongs to the public, and every element of secrecy that enters into it affords an opportunity for crooked dealing and for chicanery and fraud of every kind. Whenever you take any department of this Government out of the light of public action you imperil the integrity of that department.

It has been recently exposed that a department or an agency of the Government created for the purpose of merely detecting the commission of crime has been employed to search the private books and papers and to break into the desks of officials of the Government. For that matter, to break into the desk of a Senator or of a Vice President is no worse than to break into the desk of any citizen, but the boldness of the operation is accentuated or evidenced by the fact that this Secret Service has not hesitated, in violation of law, to unlock the private files of Senators of the United States and of Congressmen. It has been suspected for a long time that they have not hesitated to open the letters of private citizens and violate the statutes, and they make themselves criminals when they do that.

That condition of affairs would hardly ever have arisen if the officers had been public officers, if they had been known as officers engaged in a particular line of business. It is when a thing can be done in the dark, when it can be covered up, when men can proceed along the line of absolute secrecy, working in the shadows, that corrupt and offensive things occur. There was such a department connected with the Government of France, and the name of the man who organized that department to spy upon the people of his country is anathema to-day and has become synonymous with criminality and oppression. That is apparently a long distance from the question we are discussing, but it serves to illustrate what happens when public officers are allowed to secrete their acts.

Upon the other hand, there are great benefits to flow from the publicity of tax returns. First, if tax returns are falsely made, and if they are made public, somebody is very likely to find it out or to know that the return is false and to report it. Second, the officers of the Government in dealing with public problems have absolute facts before them upon which they can base their action. Third, the general public, becoming advised of the condition, have the necessary accurate information to enable the general public or the individuals composing the general public to act wisely with reference to any matter.

Discussing the latter proposition, it is said there are certain institutions that make such enormous profits that if they had to expose the facts in their tax returns they would commit perjury to conceal the facts from the public. Admitting that some of these gentlemen would commit perjury and that they would thereby succeed for the time being in concealing the amount of their profits, it must be true that the majority of them would not do that wicked and dangerous thing.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. REED of Missouri. Certainly.

Mr. CARAWAY. If a man morally is so irresponsible that he is willing to commit perjury to keep the public from knowing what he earns, would he not be equally willing to commit perjury to keep the Government from finding out what he earned?

Mr. REED of Missouri. I was about to say that if a man were willing to commit perjury to keep other people from knowing how much he was making, that individual would certainly commit perjury to keep the Government from separating him from his money in collecting a large tax. I do not think there is much in that argument, but assuming that some of them should commit perjury we must deal with them as we would with other criminals. When their perjury is found out we must punish them as we would other individuals for a similar crime. But we must assume that infinitely the larger number would not commit perjury. Let us then conclude that there might be laid before the American people the fact, the awful fact, that some people were making an enormous percentage on their business, and thereby would follow another awful fact that, it being supposed that the business was exceedingly profitable, somebody else might enter the business and the profits might be cut down; but the public would get the benefit. Now, what would be wrong with that? Would not that be a thing that would be of benefit to the public? It seems to me it would.

Mr. McLEAN. We have provided for that.

Mr. REED of Missouri. If that has been provided for——

Mr. McLEAN. The amount of the tax is made public.

Mr. REED of Missouri. The amount of the tax, but the amount of the investment is not known, nor how it is made nor where it is made. The Senator does not escape from my argument and yet maintain his own when he asserts that he has already provided for publicity and yet says that publicity is destructive. He can hardly occupy the two positions at the same time.

There is abundant reason also of a public nature why the facts regarding business should be known. It is especially true when we are called upon by great numbers of business institutions to pass laws for the purpose of increasing their profits.

My friend the Senator from Connecticut has sat on the Finance Committee, the distinguished Senator in charge of the bill [Mr. SMOOT] has sat there for a long time, and they have both seen men come before the committee urging a high protective tariff be levied for the purpose of keeping their business from going to destruction; that a high protective tariff be so laid as to raise prices or enable them to raise

by the system of secrecy in our business.

taxes. I have no doubt that there will be occasional instances

prices to the American consumer. Both of my distinguished friends have heard more than one man, when he was asked the profits of his business upon which he was asking an additional profit, to be made possible by virtue of the law he was advocating, decline to state the profits of his business and to say that it was his private matter.

When business institutions come to the United States Government, as they have been coming for many years, and assert that they are in an impoverished condition or a condition of danger of impoverishment, and when they ask us to levy a tax upon the American people so that they may increase their profits, business has so far called for governmental aid that it is in no position to say that it is not willing to expose to the Government the full facts touching its business.

Mr. President, there has been some argument about whether tax returns are public in England and in other European countries. I do not know what the facts are. I think we can always learn something from other governments, but I constantly bear in mind the fact that because a European government may pursue a certain course is no conclusive reason why we should follow it. If we were to do that, we might adopt their entire system of government and create a few kings and dukes, counts and no-accounts, as my friend the Senator from Arkansas [Mr. CARAWAY] suggests. We might set up a nobility. So that the fact that any particular thing happens to be done in Europe is not conclusive. I do not say that it is even persuasive.

The fact that Mr. CORDELL HULL some years ago wrote a letter is not very conclusive with me. I speak of him with the utmost respect, but I have no more respect for the opinion of Mr. CORDELL HULL upon a tax question than I have for the opinion of any single Senator in this body, and I say that with all respect to Mr. HULL. The fact that he happens to be chairman of the Democratic committee does not, in my opinion, qualify him as a tax expert who speaks with the lips of infallibility and whose word is a finality.

In fact, I would hardly regard the opinion even of the chairman of the Republican Committee, whom, we understand, is to be speedily displaced, as conclusive, and yet I have respect for him as a man, as I have respect for all gentlemen who differ from me on this question. The opinion of any man is worth just as much as the reasons upon which it is based, and I have heard no sound reason advanced why the public records of this country should not all be made public without an exception, except in preliminary or temporary negotiations with foreign governments which it is sometimes necessary, during the period of negotiation, to withhold from the general public but which, before they are made consummate, should always be laid before the general public.

Mr. President, as the years go by we all are compelled to realize that great industries constantly become more and more important in their relations to the private citizens, more and more important in their relation to the Government itself. Conservative as any of us may be, we recognize the fact that a great organization which may in its inception have been purely a private business enterprise, without any necessity of governmental interference or control being attached to it, may grow to such proportions as absolutely to become a public utility, and between the absolute public utility and the entirely private institution there are all gradations and degrees. Just in proportion as those great institutions become powerful, capable of great good or of great injury, the necessity increases for a full advisement to the public of that which they are doing. It is on behalf of those very large institutions that the plea of secrecy in tax returns is chiefly made.

Speaking for myself I hope I will never be called upon to cast any vote which keeps from the people of the United States the information with reference to the transaction of their business by the temporary agent who happens to be here in Washington.

Furthermore, to reiterate what has already been said, regardless of what European governments may or may not have done, the fact remains that in nearly every State of the Union no one dreams of saying that the tax books shall be kept under lock and key. Every return made is a public return. Every citizen has the right at proper times and under reasonable conditions to look into those public records. Of course that carries with it the right to know what refunds of taxes are made.

The courts of the world on down through the ages, bad as they have been at certain times, oppressive as they have appeared at certain intervals, have, nevertheless, always represented the purest part of existing governments. In our own country our courts, although far from infallible, nevertheless have from the first represented, and do at the present time represent, the purest and highest attributes of our governmental functions. Why is that so? It is largely because every act in a court of justice must be made a public record. The decision must be publicly rendered. The appeal, if it be taken, must be publicly made, and the decision of the judges of the court of last resort, including the Supreme Court of the United States, must be publicly delivered and publicly recorded for all time; so that every man composing the judiciary knows that upon his every act the eyes of the public can be directed at any moment and that for whatever he does he must be answerable at least at the bar of an enlightened public conscience. Our courts have remained pure; and one of the great reforms wrought in the jurisprudence of the Anglo-Saxon race was when the final vestiges of secrecy were removed from the tribunals of justice.

Most frequently where tyranny or corruption have sought to accomplish their purpose in any way through the judiciary, it has been in those countries where secret decisions could be rendered and secret processes issued. In the last analysis the best safeguard one can have for his business which is being conducted by his agents is to know what his agents are doing. We are but the agents of the people of the United States; Treasury officials are but the agents of the people of the United States; and the people of the United States have the right to know every act of every agent they employ.

Mr. HOWELL. Mr. President, to-day the price of liberty is not only eternal vigilence but also publicity. I know of nothing, of no procedure in this country of a public character, where it is not required that there should be publicity except in the matter of income-tax returns. As the Senator from Missouri has recently stated, it was with the dawning of liberty that secrecy in judicial procedure was wiped out; and yet we have reactions of this character constantly in public affairs.

In this matter, for instance, we have returned to secrecy, and for what reason? It is urged, for the protection of business interests, to protect competitors from each other. As I have sat here and listened to the proceedings of the Senate I have been impressed with the thought that if we could conduct more of our business in executive session we would proceed with far greater expedition than we now do; there is no question about that. That is one of the reasons why, in private affairs, the action of boards of directors is behind closed doors and not in public. It leads to the expedition of business.

Why do we in this Chamber not proceed in such a manner, when at this time we are so behind in our work? It is simply because it would be against public policy. Public policy requires that in public affairs there should be the utmost publicity. It is not because of a theory, but because it has been found that secrecy is of the greatest aid to corruption. The criticism that has been made of Secretary Fall for his action in connection with the oil leases was largely because of the secrecy employed in leasing the naval oil reserves and in not asking for public bids. That was one of the chief criticisms made here; and yet in the Treasury Department last year hundreds of millions of dollars of the taxpayers' money was returned to complaining individual taxpayers behind closed doors. Mr. President, there is no such thing possible elsewhere in the United States to-day. It would not be tolerated in any State.

It is urged, as I have stated, that competitors would know about each other's business and that as a consequence the big fellows might swallow up the little fellows. We have had publicity in banking for decades. We require reports every so often. Does anyone pretend to urge that that sort of publicity is a disadvantage to the banking business of the country or urge that that kind of publicity places the small banker at the mercy of the big banker? Not for a moment.

As the Senator from Missouri has stated, Dun and Bradstreet afford to competitors just such information. It was suggested that only their ratings were procurable, but anyone knows that he can get a special report going into the details of the affairs of any business or firm in this country from Dun or Bradstreet. There is absolutely nothing to that argument. If one wishes to find out the condition of a wholesale drug house in some city he can go to its competitors and, if he can get them to talk, he can ascertain all he wants to know. The competitors know the condition of their rivals; they know exactly what they are doing; they can tell one how many million dollars' worth of business a competing concern did last year, what it is doing this year; and they can tell how many men it has out on the road. There is no source of information so complete with reference to any business as that to be obtained in the offices of a competitor. All one has to do is to subscribe to Dun or Bradstreet, send in a request for a special report, and he will get the details about the assets, the liabilities, and other affairs of any institution. So there

can be no argument that there is secrecy now so far as competitors are concerned.

Then, why should we have secrecy respecting income-tax returns? It has been suggested that we might lose in taxes which we now collect.

Mr. REED of Missouri. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. HOWELL. I yield.

Mr. REED of Missouri. The Senator from Nebraska has just mentioned banks as an illustration. I call his attention also to insurance companies, which are now required in nearly every State to make detailed public statements and to be subject to examination. I recall when we were originally passing those laws the great complaint that went up from insurance companies that it was an interference with private business and would destroy their institutions. The fact is that insurance companies never became the great institutions they now are until some of their bad practices were weeded out under inspection and publicity, and thereupon the public became satisfied that insurance was an investment and not a speculation. As suggested by the Senator from Arkansas [Mr. CARAWAY], Secretary Hughes made his great reputation in investigating an insurance company and bringing it to book. That is another illustration merely of what the Senator from Nebraska has already advanced.

Mr. CARAWAY. Mr. President, if I may merely make a suggestion concerning the cry that publicity of tax returns is an invasion of private rights, Congress by law requires a newspaper to disclose who owns it, who publishes it, and who owns its securities down to 1 per cent. That is certainly a greater invasion of private rights than merely to require the making public of tax returns; yet it was thought to be wise, because back of the newspaper might lurk some sinister interest and it was to be brought to light so that the public might know who was molding its opinion. If we thought well of that, why should we not disclose how much those publications make by making public their returns?

Mr. HOWELL. Mr. President, private rights must give way before public necessity, and I will call your attention to this fact:

Not 25 years ago the public-utility corporations in this country insisted that their affairs were their own, that we were not entitled to know anything about their incomes and their expenditures; but to-day those same public-utility corporations in nearly all the States are insisting upon State regulation and willingly granting the facts respecting receipts and costs of operation. The argument respecting the loss of taxes, as I stated a few moments ago, it seems to me, is the least cogent that has been offered.

The fact that a man is under the duty of paying income taxes in this country arises from the fact that in most cases he acquires his income here, or largely here, from investments or an occupation, and therefore it is almost impossible for him to shirk taxation even with secrecy; but if he were compelled to make a public statement of his income in detail the difficulties would be very much greater.

The practice in Great Britain has been referred to. I have great respect for English methods. There is no such tax avoidance in England as there is in this country. It is true that the taxation of land in Great Britain has been a scandal for a great many years, but that has been because of the valuations placed thereon; but when it comes to collecting taxes due from individuals and business institutions on account of income England affords an example of careful, expeditious, and economical collection. She has levied an income tax for a great many years, and we for only a comparatively few years, and her experience has dictated that, as with the secrecy of court proceedings, the secrecy of income-tax returns can not be tolerated.

In my opinion, the reason why secrecy has been practiced in this country is because there are those who have something that they do not want the public to know; not competitors, for, as I have stated, competitors do know. Such interests do not want the public to know because of their fear of public condemnation; and inasmuch as in the case of every other function exercised by a public body in this country we afford the utmost publicity, we certainly should not hesitate when it comes to the matter of income-tax returns. Such returns should be open to the inspection of everyone, the same as with every other tax return, wherever made.

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to present an important amendment to H. R. 6715, seeking to substitute an inheritance tax for the estate tax provisions of the bill. I ask that it be printed and lie upon the table.

The PRESIDENT pro tempore. Is there objection? The Chair hears none; and the amendment will be received at this time, printed, and lie on the table.

Mr. SMOOT. Mr. President, I will say at this point that I should like to have the amendment printed and on the table of every Senator by to-morrow morning. I give this notice so that the Public Printer will print it to-night; and I should like to have it placed upon the desk of every Senator in the morning.

Mr. WALSH of Massachusetts. A preliminary proof has already been submitted, so that there will be no trouble about it being printed by to-morrow morning.

Mr. SMOOT. The reason why I make the announcement now is so that it will be on the desks in the morning.

THE VETERANS' BUREAU

Mr. CARAWAY. Mr. President, I wish not to discuss the pending amendment, but to put into the RECORD, as I shall do from time to time, some of the occurrences at the Veterans' Bureau. We are discussing publicity, and I have dedicated myself to be an agent of publicity for some of the wonderful occurrences that take place in that institution.

I have in my hand the correspondence dealing with the claim for compensation of Giles L. Matthews, of Conway, Ark. He is an ex-service man, and claims to be entitled to compensation for injuries received during service. His case is now pending before the Board of Appeals here in Washington, and has been there for nearly four months. Excuses have been given for not deciding it. Last week I had a letter from Charles E. Mulhearn, assistant director in charge of claims and insurance service, in which he tells me that the claim is being delayed because he has not yet received a report from The Adjutant General, to whom he had applied for information.

That sounds all right, Mr. President, if this were not the fact: This man was in the Navy. On each of the papers filed in this record appears this notation:

Giles L. Matthews, apprentice seaman, United States Navy.

Therefore, here is the legal department, the head of the appeal board, holding up a claim of a disabled ex-service man for four months to get a report from The Adjutant General, when had he asked the negro who runs the elevator, he would have been told that he must apply for this information to the Surgeon General of the Navy.

That is such an intelligible, such a comprehensive, understandable thing showing why there is complaint against the bureau. The head of its legal department says he can not pass upon the claim of this ex-service man because he can not get a report of The Adjutant General, when everybody except this learned lawyer knows that the information would have to come from the Surgeon General of the Navy.

Mr. DILL. Mr. President, will the Senator yield?

Mr. CARAWAY. I yield.

Mr. DILL. The Senator knows that we have pending before the Senate now on the Veterans' Bureau bill an amendment to raise the salary of the director $2,000 a year. Does he think that instances of this sort would justify an increase in the salary of the director?

Mr. CARAWAY. There is no justification at all, because this is the usual, ordinary, intelligent course of disposing of these matters.

I have many of these instances that have come to my office. I shall publish them from time to time for the enlightenment of the Senate. And yet we are expected to be patient while they reorganize the Veterans' Bureau, when there is not an elevator conductor who could not have told the assistant director that he ought to have applied to the Surgeon General of the Navy and not to The Adjutant General of the Army when he wanted the record of some one who had served in the Navy.

I will reserve this correspondence for publication, together with the entire correspondence, because it is so enlightening.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. DILL. Mr. President, I wish to take just a moment to express my approval of the amendment offered by the Senator from Nebraska [Mr. NORRIS] for the publicity of income-tax returns.

In 1916, when this amendment was offered in another body, there was scarcely a handful of Members who would support such a proposition. The sentiment for it has grown. It is still growing, and if not sufficient to-day to amend this bill, it

will be so within a very few years. It is so manifestly proper that the income-tax returns filed with the Internal Revenue Bureau of the Government should be made public that just as certainly as time goes on converts will be won to it.

I hope that to-day we shall amend this bill so that in the future the income-tax returns, like other tax returns, will be public for everybody in this whole country to know.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Senator from Nebraska [Mr. NORRIS].

Mr. NORRIS, Mr. SMOOT, and Mr. McKELLAR called for the yeas and nays, and they were ordered.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). I was requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of illness. If he were present and not paired, on this question he would vote "yea." He is paired with the Senator from Missouri [Mr. SPENCER].

Mr. WATSON (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON], which I transfer to the Senator from Vermont [Mr. GREENE] and vote "nay."

The roll call was concluded.

Mr. BALL. I have a general pair with the senior Senator from Florida [Mr. FLETCHER]. I transfer that pair to the senior Senator from New Jersey [Mr. EDGE] and vote "nay."

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL];

The Senator from Illinois [Mr. McCORMICK] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from West Virginia [Mr. ELKINS] with the Senator from New Jersey [Mr. EDWARDS].

Mr. STANLEY. Has the junior Senator from Kentucky [Mr. ERNST] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. STANLEY. I have a general pair with that Senator, which I transfer to the Senator from Montana [Mr. WHEELER] and vote "yea."

The result was announced—yeas 48, nays 27, as follows:

YEAS—48

Adams	Ferris	Jones, N. Mex.	Ralston
Ashurst	Frazier	Jones, Wash.	Reed, Mo.
Borah	George	Kendrick	Sheppard
Brookhart	Glass	King	Shipstead
Broussard	Gooding	Ladd	Simmons
Bruce	Harreld	McKellar	Smith
Capper	Harris	McNary	Stanley
Caraway	Harrison	Mayfield	Stephens
Copeland	Heflin	Neely	Swanson
Cummins	Howell	Norbeck	Underwood
Dial	Johnson, Calif.	Norris	Walsh, Mass.
Dill	Johnson, Minn.	Overman	Walsh, Mont.

NAYS—27

Ball	Fernald	Moses	Stanfield
Bayard	Fess	Oddie	Sterling
Brandegee	Hale	Pepper	Wadsworth
Bursum	Keyes	Phipps	Warren
Cameron	Lodge	Reed, Pa.	Watson
Curtis	McKinley	Shields	Willis
Dale	McLean	Smoot	

NOT VOTING—21

Colt	Fletcher	Owen	Trammell
Couzens	Gerry	Pittman	Weller
Edge	Greene	Ransdell	Wheeler
Edwards	La Follette	Robinson	
Elkins	Lenroot	Shortridge	
Ernst	McCormick	Spencer	

So Mr. NORRIS's amendment was agreed to.

The PRESIDENT pro tempore. The Chair understands that the following amendment is to be acted on at this time, which the Secretary will report.

The READING CLERK. The Senator from Tennessee [Mr. McKELLAR] proposes to add as a separate paragraph following the amendment just agreed to:

All claims for abatement or refunds of taxes shall likewise be public property subject to inspection under similar rules.

Mr. McKELLAR. Mr. President, that is exactly the same question which has just been acted on. It merely refers to claims for abatement and refunds, which shall likewise be public property under exactly the same conditions.

Mr. SMOOT. It all applies to the returns, which will be public under the vote just taken.

Mr. McKELLAR. Perhaps it does. I ask for the yeas and nays on this amendment.

Mr. REED of Missouri. I would like to have the privilege of seeing what is in the amendment.

Mr. SMOOT. There is no need to take the yeas and nays on agreeing to it. There is nothing in it but what has been voted on.

Mr. BRANDEGEE. The Senator would not want to say that they were to be "public property."

Mr. McKELLAR. Open to inspection.

Mr. BRANDEGEE. Made "public," then; not "public property."

Mr. McKELLAR. If I strike out the words "public property," will it be acceptable? If so, I will do that.

Mr. REED of Missouri. I move to insert in the amendment——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield?

Mr. McKELLAR. I yield to the Senator from Missouri to offer an amendment. I desire to perfect my own amendment by making it read as follows:

All claims for abatement or refunds of taxes shall likewise be subject to inspection under similar rules.

Mr. REED of Missouri. I move to insert after the word "taxes" the clause "including the records of all rulings."

Mr. SMOOT. They are all made public and printed.

Mr. REED of Missouri. The final record is, the mere decision, but not the proceedings.

Mr. SMOOT. Then the Senator should change the wording, because all rules of the department are published.

Mr. REED of Missouri. I use the term "all rulings." I mean by that decisions.

Mr. BRANDEGEE. The Senator has used the term "records of all rulings." I do not know what he means by that.

Mr. McKELLAR. "All claims for abatement or refunds of taxes, including the records of all rulings."

Mr. REED of Missouri. Including all decisions.

Mr. McKELLAR. I accept the amendment offered by the Senator from Missouri.

The PRESIDENT pro tempore. The Senator from Tennessee accepts the suggestion, and modifies his amendment so as to read:

All claims for abatement or refunds of taxes, including the decisions, shall likewise be subject to inspection under similar rules.

Mr. WADSWORTH. Will the Senator from Tennessee enlighten me as to what, in his judgment, is the meaning of the word "claims" in that connection? Perhaps I can shorten the Senator's answer by elaborating my question.

Mr. McKELLAR. I shall be very glad to have the Senator.

Mr. WADSWORTH. The amendment proposes the making public of all claims. Merely the lodging of a claim for a refund is a comparatively simple matter. Does the Senator mean, however, to include in that all the papers, the records, documents, and account books of any person or concern making application for a refund, which, of course, must be examined by the internal-revenue people? Are all those things to be made public in their last detail?

Mr. McKELLAR. Just such records as are filed with the department in making a claim for a refund. As a rule, as I understand it, affidavits are filed, copies of papers are certified frequently. Such evidence and such documents as accompany the claim for a refund or for abatement should be open to public inspection.

Mr. WADSWORTH. Of course, the Senator realizes that in the prosecution of these claims by persons for refunds from the Internal Revenue Bureau the bureau constantly calls for additional information, more and more accounts, more and more statements, down to the last details of where every penny was spent by the taxpayer, for what it was spent, to whom it was paid, every penny he has borrowed, from whom he has borrowed it, how much he has borrowed, the rate of interest, and the purpose for which it was borrowed. Does the Senator intend under that phrase "all claims for refunds" to make public everything that any man does in business, of any kind or description?

Mr. McKELLAR. Whatever is placed in the record at the tax office. The Senator no doubt has seen the files that are kept.

Mr. WADSWORTH. They are immense.

Mr. McKELLAR. Some of them are, just as the papers in some lawsuits are immense; but they are public records, and it seems to me that they should be made public records in the same way, if an effective administration of this department is desired.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Tennessee, as modified.

Mr. JONES of New Mexico. May I inquire of the Senator from Tennessee whether he thinks it would carry out his thought more clearly if he were to insert after the word "claims" the words "and evidence pertaining thereto"? The word "claims" might be subject to a very narrow interpretation. The word "claims" as used——

Mr. WADSWORTH. In order to make it complete, why not add the words "relevant or otherwise"?

Mr. McKELLAR. It seems to me that the wording is sufficient as it is.

Mr. JONES of New Mexico. Very well, if the Senator thinks so.

Mr. McKELLAR. I think it is.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when Mr. TRAMMELL's name was called). I wish to announce that my colleague, the junior Senator from Florida [Mr. TRAMMELL], is unavoidably absent. He is paired with the Senator from Rhode Island [Mr. COLT]. If my colleague were present, he would vote "yea."

Mr. WATSON (when his name was called). I again announce my general pair with the senior Senator from Arkansas [Mr. ROBINSON]. I transfer that pair to the senior Senator from Vermont [Mr. GREENE] and vote "nay."

The roll call was concluded.

Mr. FLETCHER (after having voted in the affirmative). I have a general pair with the Senator from Delaware [Mr. BALL]. In his absence, I transfer that pair to the Senator from Louisiana [Mr. RANSDELL] and let my vote stand.

Mr. STANLEY. I have a general pair with the junior Senator from Kentucky [Mr. ERNST]. In his absence, I withhold my vote.

Mr. HARRISON. I wish to announce that the Senator from Rhode Island [Mr. GERRY] is necessarily absent.

The result was announced—yeas 47, nays 26, as follows:

YEAS—47

Adams	Fletcher	Jones, N. Mex.	Ralston
Ashurst	Frazier	Jones, Wash.	Reed, Mo.
Borah	George	Kendrick	Sheppard
Brookhart	Glass	King	Shipstead
Broussard	Gooding	Ladd	Simmons
Bruce	Harreld	McKellar	Smith
Capper	Harris	McNary	Stephens
Caraway	Harrison	Mayfield	Swanson
Copeland	Heflin	Neely	Underwood
Dial	Howell	Norbeck	Walsh, Mass.
Dill	Johnson, Calif.	Norris	Walsh, Mont.
Ferris	Johnson, Minn.	Overman	

NAYS—26

Bayard	Fess	Oddie	Sterling
Brandegee	Hale	Pepper	Wadsworth
Bursum	Keyes	Phipps	Warren
Cameron	Lodge	Reed, Pa.	Watson
Curtis	McKinley	Shields	Willis
Dale	McLean	Smoot	
Fernald	Moses	Stanfield	

NOT VOTING—23

Ball	Elkins	McCormick	Spencer
Colt	Ernst	Owen	Stanley
Couzens	Gerry	Pittman	Trammell
Cummins	Greene	Ransdell	Weller
Edge	La Follette	Robinson	Wheeler
Edwards	Lenroot	Shortridge	

So Mr. McKELLAR's amendment was agreed to.

Mr. SMOOT. Mr. President, I ask that we may now turn to page 234 of the bill, to the amendment relating to the board of tax appeals. I would like to say to Senators at this time that if we can dispose of that amendment and the radio amendment, I shall be glad to move to take a recess until to-morrow.

Mr. HARRISON. Will not the Senator agree that if we dispose of the amendment on page 234, we shall then take a recess and let the radio proposition go over until the first thing in the morning, or else take up the radio proposition to-night and dispose of it and let the board of tax appeals amendment go over until to-morrow?

Mr. SMOOT. I have told so many Senators that this amendment would come up next and so many have asked me to have the amendment considered first that I think it better to dispose of it first.

Mr. HARRISON. The Senator is moving along rapidly in the consideration of the bill.

Mr. DILL. I hope the Senator will let the radio amendment go over until to-morrow if possible.

Mr. SMOOT. We will take up the board of tax appeals amendment now and see about the other when we get through with it.

I intend to take just time enough to read from the report affecting this title of the bill. I hope Senators will listen to it because in the report there is given the specific provisions of the bill and an explanation, I think, in as few words as it is possible to give it. It is as follows:

The bill provides for the establishment of a board of tax appeals to which a taxpayer may appeal prior to the payment of an additional assessment of income, excess-profits, war-profits, or estate taxes. Although under the existing law a taxpayer may, after payment of his tax, bring suit for the recovery thereof and thus secure a judicial determination on the questions involved he can not, in view of section 3224 of the Revised Statutes, which prohibits suits to enjoin the collection of taxes, secure such a determination prior to the payment of the tax. The right of appeal after payment of the tax is an incomplete remedy and does little to remove the hardship occasioned by an incorrect assessment. The payment of a large additional tax on income received several years previous and which may have since its receipt been either wiped out by subsequent losses, invested in nonliquid assets, or spent, sometimes forces taxpayers into bankruptcy and often causes great financial hardship and sacrifice. These results are not remedied by permitting the taxpayer to sue for the recovery of the tax after this payment. He is entitled to an appeal and to a determination of his liability for the tax prior to its payment.

Under the existing law a taxpayer prior to the payment of his tax may appeal to the commissioner, who has established the committee on appeals and review to determine these appeals for him. The objections that have been raised to this procedure are four: (1) The appeal is from the action of the Bureau of Internal Revenue, but is taken to a committee in and a part of the bureau. It is urged that such an appeal does not involve a review by an impartial outside body, such as the taxpayer is entitled to prior to payment of the tax. (2) In the hearing on the appeal the person who is to decide the appeal acts both as advocate and judge, since he must both protect the interests of the Government and decide the questions involved. Such conditions do not insure an impartial determination of the case. (3) If the decision on the appeal is in favor of the Government, the taxpayer has the right to test the correctness of the decision in the courts, but if the decision is in favor of the taxpayer, the action of the bureau is final and the correctness of the decision can never be tested in the courts. It is contended that this condition results in the decision of most doubtful points in favor of the Government. (4) The taxpayer is usually forced to come to Washington for the hearing on his appeal, an expensive and burdensome procedure.

Under the provisions of the proposed bill creating a board of tax appeals the taxpayer may, prior to the payment of the additional assessment of income, war-profits, excess-profits, or estate taxes, appeal to the board of tax appeals and secure an impartial and disinterested determination of the issues involved. In the consideration of the appeal both the Government and the taxpayer will appear before the board to present their cases, with the result that each member of the board will sit solely as judge and not as both judge and advocate. The provision allowing the commissioner to sue in court for the recovery of any taxes thought by him to be due in excess of that decided by the board to be due relieves the board from the responsibility of finally passing upon questions involving large amounts and removes the necessity for a decision in favor of the Government in order to force the issues into court. The divisions of the board will sit locally throughout the United States to enable taxpayers to argue their cases with as little inconvenience and expense as is practicable. This proposal meets all the objections that have been raised as to the existing system and at the same time provides for a flexible and informal procedure which will permit the board to determine expeditiously the cases brought before it on appeal.

Mr. McKELLAR. Mr. President, I have an amendment that I desire to offer, which I shall read, and perhaps the Senator from Utah will accept it.

On page 237 I desire to add a new section to the committee amendment, which shall be known as subsection (EA) and reading as follows:

The board shall have original jurisdiction to try and determine all claims for abatements or refunds on account of losses, depletions, depreciation, or otherwise where the amount of tax involved is in excess of $10,000. All such claims for abatements or refunds involving more than $10,000 of taxes shall be automatically referred to the board and heard upon the evidence on file and such other evidence as may be presented under the rules of the board. The board shall certify its findings to the Treasury Department, such findings shall be final, and

the taxes shall be collected by the Commissioner of Internal Revenue upon the basis of such findings.

The board shall also have original jurisdiction to determine all cases arising under section 221 of this act, and when their findings are certified to the Treasury Department such findings shall be final and the Commissioner of Internal Revenue shall collect the taxes thus found to be due as provided by this act.

The inquiry I wish to make of the Chair is, if this amendment shall be agreed to, will I then have the right to offer my amendment or should my amendment be offered now?

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I hope the Senator from Utah will accept the amendment.

Mr. SMOOT. Mr. President, I ask unanimous consent that a vote be taken upon the committee amendment, and then I shall ask unanimous consent that any amendment desired to be offered by any Senator may be offered to the committee amendment.

Mr. McKELLAR. That will be entirely satisfactory.

The PRESIDENT pro tempore. The Chair then is not required to answer the inquiry of the Senator from Tennessee [Mr. McKELLAR].

Mr. McKELLAR. I am satisfied with the arrangement for unanimous consent.

The PRESIDENT pro tempore. The Chair is not bound by any suggestion made by the Senator from Utah [Mr. SMOOT]. The question is upon agreeing to the committee amendment.

Mr. NORRIS. Mr. President, I desire to inquire, is the pending amendment the amendment commencing on page 234 of the bill?

Mr. SMOOT. Yes; that is, the House provision begins on page 234, and the amendment begins at the bottom of page 235.

Mr. NORRIS. And ends on line 21, page 237?

Mr. SMOOT. Yes; it ends on page 237.

Mr. NORRIS. Is the main difference between the provision as it comes from the other House and the provision as reported by the Senate committee the salary which is to be paid to members of the tax board? I notice the House text provides for a salary of $7,500, while the bill as reported from the Senate committee provides for a salary of $10,000.

Mr. SMOOT. The difference which the Senator from Nebraska has stated is about the only difference between the proposition of the House and the Senate committee, so far as money matters are involved. We think that the wording is a little clearer in the committee amendment than in the House provision; as the language now stands it is virtually the House provision so rewritten as to make it clearer, and providing for an increase of salary above the $7,500 provided for by the House.

Then there is another quite important change to which I will call the Senator's attention. The Senate committee amendment provides that the number of judges after the two years shall be 7, while the House provides that 28 judges shall continue to constitute the court.

The Senate committee amendment proposes to change the text of the bill in that respect, because the committee thought that by having the judges do nothing else and requiring that they shall sit in the different districts in two years, a great majority of the cases could be decided, and then, after that, the one court, consisting of seven members, could take care of the appeals.

Mr. NORRIS. Mr. President, I have not any objection—indeed, I do not know enough about the matter to act on it intelligently without further time to consider it—if the Senator from Utah is willing to accept an amendment to the committee amendment striking out the salary of $10,000 and inserting a salary of $7,000. If the Senator will do that, I shall make no further controversy in reference to the amendment.

Mr. SMOOT. I think that there is an amendment to be offered to increase the salary from $10,000 to $12,000.

Mr. NORRIS. That amendment may be offered, of course.

Mr. SMOOT. Then, we had better vote upon the question of the salary at once. I am perfectly willing to do that.

Mr. NORRIS. I wish to submit merely a few observations. In the first place, an appeal will be from this court to a regular United States court.

Mr. SMOOT. That is correct.

Mr. NORRIS. We are now proposing to set up an intermediate court, a lower court, and yet we are providing for an appeal to a higher court, and we are providing for the payment of a larger salary to the judges of the lower court than is received by the judges of the higher court. To my mind, that is not the proper kind of a law to pass. What will be the result? If we provide for a salary of $10,000 for the members of this court, we shall be importuned at once to increase the salaries of all the Federal judges, because they are of a higher grade than are the judges of the tax court.

Mr. SMOOT. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. Yes.

Mr. SMOOT. I should like to tell the Senator the reason for this action in so far as the majority of the committee were concerned.

Mr. NORRIS. Very well; I will yield to the Senator from Utah.

Mr. SMOOT. The Senator from Nebraska knows that 21 of the judges provided for will be appointed for only two years. We do not wish them to act as judges in tax cases unless they know their business, unless they are familiar with the revenue laws of the United States. In order to get such men to leave their business for two years and then to be retired, it seems to me $10,000 is as little as could be paid in order to secure the proper kind of men.

Mr. NORRIS. The probabilities are that the tax court judges, unless they are made the footballs of politics, which I hope they will not be, will be selected out of the department itself. The probabilities are that we shall have judges selected who are now engaged in this work, perhaps, performing the same kind of service on a salary of $2,000 or $3,000 a year. It seems to me that would be the natural result. It looks to me as though the appointing power, unless, as I said, it be desired to make a lot of political appointees here—and I assume that is not going to be done—would select men who are already in the Government service, and who are more or less familiar with the kind of work which the tax court is going to be called upon to perform.

It seems to me, Senators, that if we consider only the merits of the question it is inexcusable to set up a court of original jurisdiction whose judges shall draw salaries larger than the salaries drawn by the judges of the courts of appeal to which the cases, many of which will be of importance, will be appealed. That is contrary to our entire system, not only judicial but legislative and otherwise.

Mr. President, this question was debated in the House of Representatives. The committee brought in a report calling for salaries of $10,000.

Mr. SMOOT. That is correct.

Mr. NORRIS. A Representative from my State made the motion to cut the salary down to $7,500, and on the floor of the House that was done after a vote on this identical question without anything else being involved. So the language of the House bill, so far as the salaries are concerned, represents the opinion of the House of Representatives. That entitles the proposal to more weight than though it had gone in simply as a matter of form, because it was decided on the floor of the House after debate. I do not know whether there was a roll call on the question or a vote by tellers, but it was put in by a very large majority.

Mr. President, if we start out by adding 28 inferior judges to our judicial system, and fixing their salaries higher than the salaries of district judges of the United States and of judges of the court of appeals of the United States, let us not forget that we will be confronted at once—and properly so—with a request to increase the salary of every Federal judge in the United States. How are we going to refuse to take such action? There might be times when it would not be so serious, but when a large proportion of our countrymen, particularly the agriculturists and farmers of the country, are not able to make both ends meet, I tell you, Mr. President, it is a poor time for us to make a precedent of fixing salaries at $10,000 a year, which will be used as a stepping stone to fix the salaries of hundreds of other men at $10,000 a year.

If we fix the salaries of these officials at $10,000 a year, a district judge who now receives $7,500 a year would have a right to say, "I am above the court on which these tax judges sit; an appeal lies from that court to mine." It would be like going from the court of a justice of the peace to the common pleas court or the district court and from there to the Supreme Court, and starting in by giving the justice of the peace a salary higher than that received by the supreme judge and higher than that received by the district judge, so that as the courts are reached where we are supposed to get more wisdom and more ability the salary paid is less. That argument can not be met when the proposition will be made to increase the salary of every one of the Federal judges.

Mr. DILL. Mr. President——

Mr. NORRIS. I will yield in just a moment. Then, going on from the district court to the United States court of appeals, the judges of that court receive $8,000 a year, and yet it

is proposed to jump the salaries of the tax court clear over the salaries received by the other judges and give them $10,000 a year. It is inconsistent; it is illogical; it is not necessary; and, in my opinion, the country is not in a condition to stand it now when we are trying to economize and cut down expenses. I now yield to the Senator from Washington.

Mr. DILL. Mr. President, what is the particular requirement in the way of ability for these men that they should have the high salary of $10,000 a year?

Mr. NORRIS. I do not know of any. They ought to be good men; I concede that.

Mr. McKELLAR. Are there any legal requirements? Are there any of them to be lawyers?

Mr. NORRIS. I can be corrected if I am wrong, but I hardly suppose that these men would have to be admitted to the bar under the definition in the bill.

Mr. SMOOT. No; but there is no doubt that they will be.

Mr. NORRIS. I think they will be; I assume that they will be.

Mr. McKELLAR. I did not hear the statement of the Senator from Utah.

Mr. SMOOT. I said there is no doubt that they will be members of the bar.

Mr. McKELLAR. Does not the Senator think that we ought to require that some of them shall be lawyers?

Mr. SMOOT. I do not think so.

Mr. McKELLAR. Some of the members of this court should be lawyers.

Mr. SMOOT. There will be lawyers on it, no doubt.

Mr. NORRIS. Mr. President, I do not care to yield the floor for a debate between other Senators. There may be two sides to the question, whether the members of this board ought to be lawyers or not; I assume that they will be. It seems to me if I had the appointing power I would want to appoint men well versed in the law, because their duty is going to be to pass on legal questions.

Now, let me compare them with the district judges and see what type of ability will be required. A district judge receives $7,500 a year and has to pass upon all kinds of litigation that comes before him. He has to be versed——

Mr. JONES of New Mexico. Mr. President——

Mr. NORRIS. I will yield in a moment. He has to be versed in all branches of jurisprudence and of law. The members of the proposed tax court are going to become, after they have been educated by serving for a while, experts in tax matters only; they will have nothing else to do.

The man who has the qualifications of a district judge possesses qualifications much superior to the qualifications necessary to fill one of these places, and a judge of the court of appeals more yet, so there is not anything involved in this work that requires a salary superior to that of our judges.

Mr. FLETCHER. Mr. President——

Mr. NORRIS. I will yield to the Senator, but first I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, I wanted to call the attention of the Senator from Nebraska to this peculiar situation: These judges are appointed for two years only.

Mr. NORRIS. Yes; that has already been called to my attention. Some of them will be permanent.

Mr. JONES of New Mexico. Under paragraph (c), on page 237, they will be prohibited from appearing before the board of appeals subsequently for a period of two years. I think that makes the situation quite different. I could understand the argument of the Senator if he would suggest an amendment providing that the seven judges retained after the expiration of the two years should receive a salary of $7,500 only. That would be entirely consistent with the argument of the Senator, but these people serve only two years, and are prohibited for two years thereafter from appearing before the board in this kind of work. I think that presents a situation entirely different from that where a judge goes ahead year after year, and if he should happen to go off the bench he is permitted to carry on his profession the next day before his successor. Under the provision, however——

Mr. NORRIS. I have heard the Senator's suggestion, and I appreciate the force of it. It has already been suggested by the Senator from Utah. In my opinion it is not at all conclusive. When we talk about judges who are appointed for life, who serve for life, and are trying to fix their salaries, this is the kind of argument that is always made. They say: "Why, these men are taken out; they are taken away even from society sometimes. They can not go into business. They have to give up investments. They can not do this, and they can not do that, because they are going to isolate themselves, as it were, for life, and therefore we ought to pay them a big salary."

Now, it is said that because these men are going to be on the bench for two years only, therefore we ought to pay them a big salary because they do not stay on longer.

Mr. President, I do not believe there is going to be any trouble in getting good men for two years for $7,500 a year. Probably we will be extending the time, and it will be more than two years; and bear in mind that to get the most effective results men will be appointed for two years who are already in the service of the United States, and at the expiration of the two years they will go back into the service, and go back, very likely, at a reduced salary. They are getting a bonus for the two years they will serve. They ought to be prohibited from practicing before the board after they have gone off the bench, I think. That ought to apply not only to them but to everybody else in the departments.

Mr. President, I move to amend the committee amendment, on page 237, line 4, by striking out "$10,000" and inserting "$7,500"; and upon that amendment I ask for the yeas and nays.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Nebraska to the amendment of the committee. Upon that amendment the yeas and nays have been requested. Is the request seconded?

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). I have been requested to announce that if the Senator from Wisconsin [Mr. LA FOLLETTE] were present, he would vote "yea" on this question.

Mr. OVERMAN (when Mr. SHIELDS's name was called). I have been requested to announce that the Senator from Tennessee [Mr. SHIELDS] is unavoidably detained.

Mr. STANLEY (when his name was called). I transfer my general pair with the Senator from Kentucky [Mr. ERNST] to the Senator from Louisiana [Mr. RANSDELL] and will vote. I vote "yea."

Mr. WATSON (when his name was called). Making the same announcement as on the preceding vote with reference to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. LODGE. I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Virginia [Mr. SWANSON] and will vote. I vote "nay."

Mr. JONES of New Mexico (after having voted in the negative). I have a general pair with the Senator from Maine [Mr. FERNALD]. I understand that that Senator, if present, would vote as I have voted, and I therefore allow my vote to stand.

Mr. HARRISON. On this question I am paired with the Senator from New Jersey [Mr. EDGE]. If at liberty to vote, I should vote "yea," and the Senator from New Jersey would vote "nay."

Mr. CURTIS. I have been requested to announce the following general pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL];

The Senator from Illinois [Mr. McCORMICK] with the Senator from Oklahoma [Mr. OWEN];

The Senator from West Virginia [Mr. ELKINS] with the Senator from New Jersey [Mr. EDWARDS];

The Senator from Pennsylvania [Mr. PEPPER] with the Senator from Rhode Island [Mr. GERRY]; and

The Senator from New Jersey [Mr. EDGE] with the Senator from Mississippi [Mr. HARRISON].

The result was announced—yeas 41, nays 26, as follows:

YEAS—41

Ashurst	Dill	Jones, Wash.	Reed, Mo.
Borah	Ferris	Kendrick	Sheppard
Brookhart	Fletcher	King	Simmons
Broussard	Frazier	McKellar	Smith
Capper	George	McNary	Stanley
Caraway	Harreld	Mayfield	Stephens
Copeland	Harris	Neely	Swanson
Cummins	Heflin	Norbeck	Walsh, Mont.
Curtis	Howell	Norris	
Dale	Johnson, Calif.	Overman	
Dial	Johnson, Minn.	Ralston	

NAYS—26

Adams	Glass	McLean	Sterling
Ball	Gooding	Moses	Wadsworth
Bayard	Hale	Oddie	Warren
Brandegee	Jones, N. Mex.	Phipps	Watson
Bursum	Keyes	Reed, Pa.	Willis
Cameron	Lodge	Smoot	
Fess	McKinley	Stanfield	

provide for a salary of $10,000 for the members of this court, peals, the judges of that court receive $8,000 a year, and yet it

NOT VOTING—29

Bruce	Gerry	Pepper	Trammell
Colt	Greene	Pittman	Underwood
Couzens	Harrison	Ransdell	Walsh, Mass.
Edge	Ladd	Robinson	Weller
Edwards	La Follette	Shields	Wheeler
Elkins	Lenroot	Shipstead	
Ernst	McCormick	Shortridge	
Fernald	Owen	Spencer	

So Mr. NORRIS's amendment to the amendment of the committee was agreed to.

The PRESIDENT pro tempore. The question now is upon agreeing to the committee amendment as amended.

Mr. REED of Missouri. Mr. President, I understand that we are now on section 1000. I offered in the committee an entirely different plan than has been reported here, one which I desire very much to submit to the Senate. I have talked to the chairman of the committee, who has been very courteous and accommodating in regard to this bill, and asked him to allow this particular provision to go over until to-morrow morning. Apparently, he does not feel that he can do that; and yet I feel impelled to insist that the question shall be discussed before the Senate as in Committee of the Whole. I am sorry not to be able to agree with the Senator in charge of the bill.

If this particular provision could be passed over until to-morrow morning, I would be ready to present my objections to it, and a substitute for the provision. I hope the Senator can allow the bill to take that course.

Mr. SMOOT. I would like to do it, but the Senator can offer the amendment when the bill reaches the Senate. I do want to get through with this and the radio amendment.

Mr. REED of Missouri. Then let us take up the radio amendment.

Mr. HARRISON. Will the Senator from Missouri yield?

Mr. REED of Missouri. I yield.

Mr. HARRISON. May I say to the Senator in charge of the bill that he will recall that this is one provision in which the Senator from Missouri was more interested than any other provision of the bill; that is, he discussed it quite fully before the committee. We have been in session since 11 o'clock this morning, seven hours, in the consideration of this bill, working hard——

Mr. McKELLAR. And made good progress.

Mr. HARRISON. And we have made fine progress. It does seem to some of us over here that the Senator is almost unreasonable in his insistence that we finish with this provision to-night and take up the radio proposition, on which there will be many speeches.

Mr. SMOOT. Mr. President, all the vital part of the bill is yet untouched. We have the normal tax, the surtax, the corporation tax, the estate tax, and the gift tax all yet to be acted upon, and there will be more discussion on those amendments than there has been on all the amendments we have acted on.

Mr. HARRISON. The Senator appreciates the fact that there have been many changes in the administrative features of this proposed legislation and that we have been considering the measure but a few days. Heretofore the consideration of a tax bill has taken weeks on weeks of time. We can finish the consideration of this bill by the end of next week, at least, it would seem to some of us, and these matters will be discussed. The Senator from North Carolina [Mr. SIMMONS], who has been working hard on the surtax proposition, will be able to go on to-morrow. All these matters can be settled to-morrow, and then we can take up the surtax and the normal tax features.

The Senator ought to bear in mind also that the Democrats have been in caucus for two nights in succession, last night and the night before last. He does not want to work us to death.

Mr. SMOOT. The Senator from Missouri can offer his amendment in the Senate, and there will be no objection whatever to that course. It can be discussed and voted upon.

Mr. REED of Missouri. That is true; but how much time would we be able to save by that? If it should go over until to-morrow it would be discussed in the Committee of the Whole, and that would be the end of it, in all human probability. All I am asking is a day's delay. If I withhold the amendment now until the bill gets into the Senate, the discussion will occur and the delay will be just as long. If it can go over until to-morrow I will be in a little better shape to present my views, and I think I can save some time. If I had to explain my position on the amendment to-night, in my present unprepared condition, I am afraid it would take so long to do it that we would really not save any time.

Mr. SMOOT. There are some amendments which the Senator from Tennessee [Mr. McKELLAR] desires to offer. Let us discuss those amendments now. The Senator is ready to discuss those, anyway.

Mr. REED of Missouri. My proposition is an entire substitute for this section; and if my amendment should succeed, then the discussion of any amendments to this particular section would have meant time lost.

Mr. SMOOT. I would like to have the Senator from Tennessee go on.

Mr. McKELLAR. Very well. Mr. President, I offer the following amendment.

The PRESIDENT pro tempore. The Secretary will report the amendment offered by the Senator from Tennessee.

The READING CLERK. After line 21, on page 237, the Senator from Tennessee proposes to add a new subsection, to be known as (EA), as follows:

The board shall have original jurisdiction to try and determine all claims for abatements or refunds on account of losses, depletions, depreciation, or otherwise, where the amount of tax involved is in excess of $10,000. All such claims for abatements or refunds involving more than $10,000 of taxes shall be automatically referred to the board and heard upon the evidence on file and such other evidence as may be presented under the rules of the board. The board shall certify its findings to the Treasury Department, such findings shall be final, and the taxes shall be collected by the Commissioner of Internal Revenue upon the basis of such findings.

The board shall also have original jurisdiction to determine all cases arising under section 221 of this act, and when their findings are certified to the Treasury Department such findings shall be final and the Commissioner of Internal Revenue shall collect the taxes thus found to be due as provided by this act.

Mr. McKELLAR. Mr. President, I will explain, in a very brief manner, the meaning of this amendment. I am inclined to think that this board is a step in the right direction. We ought to have had it long ago. I think it can be made a very useful piece of tax machinery. This amendment merely gives to that board jurisdiction over claims for refunds or abatements where the amount of taxes claimed is more than $10,000.

It seems to me that in matters of such importance the tax board which is created by this act manifestly should try and determine those claims for refunds and abatements. When that is done it seems to me this provision makes it certain that those taxes will be collected, and they are to be matters of public jurisdiction, and there is no reason in the world why this board should not have jurisdiction of them.

As to the second provision of the amendment, it will be recalled that letters from the Secretary of the Treasury show that section 221 has not been enforced. Section 221 relates to corporations formed or used for the purpose of evading taxes. It merely gives this board jurisdiction to determine those matters. I hope this amendment will be agreed to, and I hope the Senator from Utah will accept it.

Mr. SMOOT. I do not think that even the Senator will ask that it be agreed to when he knows what it means.

Mr. McKELLAR. I think I do know what it means.

Mr. SMOOT. This is what it means: It means that instead of having 28 judges we will have over 300 judges. We have over 5,000,000 claims pending now, and if they are all to go——

Mr. McKELLAR. Mr. President, it relates only to claims of over $10,000.

Mr. SMOOT. I know that it relates to claims of over $10,000. Could 400 judges handle it? I am sure we would have to have at least 300 before the expiration of the time fixed in the amendment. I know the Senator has not studied the question. In fact, when I looked at it myself first I did not know how many claims there were.

Mr. McKELLAR. How many claims did the Senator say there were?

Mr. SMOOT. Over 5,000,000.

Mr. McKELLAR. Of over $10,000 each?

Mr. SMOOT. Of over $10,000.

Mr. McKELLAR. In taxes?

Mr. SMOOT. These claims.

Mr. McKELLAR. I asked the Senator's assistant, the gentleman from the Treasury Department, to give me the facts and he said he could not do it, that it would take him some time to find them.

Mr. SMOOT. That was as to claims and abatements. That is quite different from this amendment. This amendment relates to any claim, refund, or abatement.

Mr. McKELLAR. There are how many?

Mr. SMOOT. Over 5,000,000.

Mr. McKELLAR. Above $10,000?

Mr. SMOOT. Above $10,000.

Mr. McKELLAR. That involves quite a large amount of money.

Mr. SMOOT. It certainly does.

Mr. McKELLAR. Five million claims of over $10,000 each? I am sure the Senator can not be accurate in his statement.

Mr. SMOOT. All I know is that I have been informed by the department, since reading the amendment, that that is the fact. I asked for the information, and that is what they told me.

Mr. McKELLAR. Has the Senator any information he can put in the RECORD from the department that there are over—did the Senator say 10,000,000?

Mr. SMOOT. Five million.

Mr. McKELLAR. That there are more than 5,000,000 claims of over $10,000 each?

Mr. SMOOT. We can get the information for the Senator by to-morrow.

Mr. McKELLAR. I ask to be allowed to have the amendment go over until we can get the facts.

Mr. SMOOT. There is no necessity of that. If there were half that number, we have not enough judges. We are not going to provide 200 judges.

Mr. OVERMAN. The Senator certainly did not mean 5,000,000 claims?

Mr. McKELLAR. That would mean $50,000,000,000——

Mr. SMOOT. I do not mean that.

Mr. McKELLAR. I am sure the Senator could not mean that.

Mr. SMOOT. I do not mean in dollars at all; I mean in claims.

Mr. McKELLAR. Five million claims of more than $10,000 each would be over $50,000,000,000 in claims.

Mr. SMOOT. The claims are not to be paid.

Mr. McKELLAR. I know, but——

Mr. SMOOT. Not 2 per cent of them have been paid, as I stated to-day, and as the Senator knows; but the claims are made, and whenever there is a dispute as to the taxes, the taxpayers claim nearly all the amount of their taxes, and therefore all such claims would have to go to a court, and we would not have courts enough in the United States.

Mr. KING. Will my colleague yield?

Mr. SMOOT. I yield.

Mr. KING. May I say to my friend from Tennessee that the situation is like this: Many of those claims go back to the year 1917, and there are claims by many taxpayers for 1917, 1918, 1919, 1920, 1921, 1922, and 1923. Nearly every taxpayer of any large amount makes some sort of a claim for refund or for abatement, so that there may be two or three or four or five or six claims by the same taxpayer. In the aggregate, I am told that it would be several million. That does not mean that each one claims $10,000, but they make a claim for a refund or abatement upon an assessment that involves in the aggregate more than $10,000.

Mr. McKELLAR. If there were 5,000,000 claims of $10,000 each in taxes, it would be something so stupendous that the mind of man could hardly conceive it. I am sure the Senator from Utah [Mr. SMOOT], who is generally accurate and who accused me of not knowing what my amendment meant, has his facts sadly mixed on this proposition. I challenge him to bring the facts from the Treasury Department. The Treasury Department can give them.

Mr. SMOOT. I have already stated to the Senator that I have not made a personal examination into those claims, and no one else has done so outside of the Treasury Department; but the Treasury Department officials tell me that there are over 5,000,000 claims which would be affected by this amendment. It is impossible to have enough judges to handle those claims. Of course, there is nothing to many of the claims. There probably is nothing to 98 per cent of them. But the taxpayers have a right to file claims. They make the claims, and I refer to claims to abatement as well.

For the reasons I have given, I hope the amendment will not be agreed to.

Mr. McKELLAR. It is absolutely a physical impossibility from the indisputed facts for any such number of claims to be in the Treasury Department. There are 4,300,000 taxpayers. A tax claim can only go back five years. Back of that time they are barred by the statute of limitations. When the Senator tells me that there are a million taxpayers in the country whose taxes involve more than $10,000—1,000,000 for each of the years—he is just saying something that he can not, in my judgment, substantiate from the records in the Treasury Department. Just think of it for a moment—4,300,000 taxpayers of all kinds. It is impossible that there should be 5,000,000 involving taxes of over $10,000. It is a physical impossibility.

Mr. SMOOT. The Senator may think that, and it may be so.

Mr. McKELLAR. Then let us get the facts. The Treasury can give us the facts to-morrow morning.

Mr. SMOOT. There is no question about it that there are so many claims that without a particle of doubt any kind of an amendment of this sort would require many additional judges. It is impractical, and the amendment should not be agreed to.

SEVERAL SENATORS. Vote! Vote!

Mr. McKELLAR. Mr. President, just a moment before we vote. I want to ask the Senator, if I permit this amendment to be agreed to, when it is reached in the Senate will the Senator give us the information about the number of claims, or have it given to us by the Treasury Department?

Mr. SMOOT. The Senator has a perfect right to bring up the question in the Senate.

Mr. McKELLAR. I know, but I want to get the information. The Senator has disputed the facts.

Mr. SMOOT. I will give the information that I have already given, and the source from which it came, when the bill reaches the Senate.

Mr. McKELLAR. If it is not disposed of now, I will offer it to-morrow.

Mr. SMOOT. But I want to dispose of it now.

Mr. McKELLAR. Very well. I withdraw my amendment for the present.

The PRESIDENT pro tempore. The Senator from Tennessee withdraws his amendment. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

Mr. SMOOT. Mr. President, on page 197 I am informed that the word "Mah-jongg" is spelled wrong and I ask that the spelling of that word in line 3 be "Mah-jongg."

Mr. DILL. Does the Senator know where the correct spelling can be found? Is the Senator establishing the correct spelling legally?

Mr. SMOOT. This is the legal spelling of the word, I am informed by an expert in whom I have great confidence.

Mr. SWANSON. Will the Senator from Utah have incorporated in the RECORD as a part of his remarks the rules governing the game? [Laughter.]

Mr. SMOOT. I have never played the game and do not know anything about it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

Mr. SMOOT. I now desire to have the Senate take up the amendment on page 197, line 5.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 197, line 5, the committee proposes to insert:

(10) Radio receiving sets, 10 per cent.

Mr. WADSWORTH. Mr. President, may I ask the chairman of the committee to state to the Senate the committee's attitude on the taxing of radio sets?

Mr. SMOOT. Yes; I think I can do it in a very few words. Your committee was advised that radio sets are made by one great concern in the United States, a monopoly pure and simple. They are demanding to-day every dollar that they can get, and yet keep up the maximum demand. Every dollar that the trade will bear is being charged for them now, and any tax that is imposed upon them will not make a single penny of difference in the price at which they will be sold.

Mr. DILL. What is there in the proposed amendment that will keep the Radio Corporation, which the Senator says is a monopoly and which I shall not argue just now, from adding the amount of the tax to the present price?

Mr. SMOOT. Because if they do it their sales will be cut off, and because of the fact that they are charging now every cent that they can get.

Mr. DILL. That is merely the Senator's opinion about it.

Mr. SMOOT. I get it direct from a large stockholder of that concern.

Mr. DILL. I disagree with the Senator very much.

Mr. WADSWORTH. I am not prepared to contradict flatly the statement of the Senator from Utah, but I would observe that it is a very, very sweeping one.

Mr. SMOOT. Yes; it is.

Mr. WADSWORTH. And apparently his testimony comes from one person. I am not prepared to agree with the statement that all the radio sets used in the United States

are made by one concern, by a monopoly, and that the last penny is being wrung from the public in the sale of them. I know this, however, about the sale of them, that they are sold within the reach of the public at present prices and that they are being sold by the millions. I do not detect any great degree of oppression manifest upon the consumers or customers by whoever makes the sets. I know that little boys are able to buy them with from $12 to $15 as the price.

My object in bringing the matter up at this hour, and I do not intend to discuss it at length, is simply to make this observation. Here we have a brand-new development. It is in its infancy. Apparently the committee believes that because it has had such an astonishing spread all over the country, "here is something to tax right away; do not let it get away." We do not know what is going to develop out of it. It is in its infancy. We can not tell what it will be two or three or five years from now. It seems to me the Government might at least wait a year or two or three years before it places its heavy hand upon a brand-new undertaking which bids fair to be so successful. If it turns out in the years to come that the industry becomes stabilized and the character of the instrument becomes standarized and we all know what we want and what we mean when we say a radio set or the spare parts thereof, whatever it is, then let us tax it. But it seems to me this is proceeding pretty fast.

Mr. SMITH. Mr. President, if the Senator will allow me, I do not think anyone here would think for a moment that the tax which we impose on this business which, as the Senator from New York said, is in its infancy——

Mr. SMOOT. Not so far as its profits are concerned, I will say to the Senator.

Mr. SMITH. We know that it is just now beginning to be appreciated by the people. It is not only educational in its influence, but it is a wonderful convenience to a vast number of people. The Senator knows that the moment we put this tax on it will automatically reflect itself in the sale price.

Mr. SMOOT. No; the Senator from Utah does not know that.

Mr. SMITH. The Senator knows that it will check the spread of it to the extent that the tax adds to the cost thereof. The Senator will not forget that when we added the war tax to the moving-picture shows it immediately was seized upon by the moving-picture people and not only was added to the price of the tickets but became the basis of raising prices almost three or four times. The Senator is well enough acquainted with statistics and with finance to know that when we put a tax upon an article it is not alone the imposition of the direct tax in the sale, but it multiplies itself two or three times before it reaches the ultimate consumer or possessor of it.

Mr. SMOOT. Not in this case, I will say to the Senator from South Carolina.

Mr. SMITH. I protest that here, right in the very dawn of a most wonderful scientific discovery that is available for everybody, taking the place possibly in the next few years of our system of telephoning and telegraphing and making available a new means of communication—right at the very inception of it, before anything is standardized or perfected, we begin to discourage it by imposing taxes on it. I sincerely hope, in the interest of the development of this wonderfully applicable invention or triumph, that we shall not begin to discourage it by taxation.

Mr. SMOOT. Mr. President——

Mr. SMITH. If the Senator will allow me, we have gotten ourselves in a position where——

Mr. SMOOT. Where we are not raising enough money to pay the expenses of the Government; that is where we have gotten ourselves to.

Mr. SMITH. It does seem to me that we tax everything on land and on sea, and for God's sake let us try to leave the air at least free.

Mr. SWANSON. Will the Senator from Utah allow me to ask a question? Are there any other taxes imposed by this bill on new subjects of taxation.

Mr. WADSWORTH. There is Mah-jongg.

Mr. SMOOT. There is Mah-jongg.

Mr. DILL. Is there any significance that Mah-jongg and radio are put on the same plane?

Mr. SWANSON. I ask the question for information. I thought this was a tax reduction bill and not a tax increase bill, and I am very loath to vote for taxes on new items in a tax reduction bill or to increase the tax on anything in what is designated as a tax reduction bill. Is there any other new item on which we impose a tax?

Mr. McKELLAR. We have increased the tax on corporations to $19,000,000.

Mr. SMOOT. If there is anything on earth that is a luxury it is this.

Mr. CARAWAY. Does the Senator refer to the radio?

Mr. SMITH. Radio is a luxury?

Mr. SMOOT. Yes; it is a luxury.

Mr. CARAWAY. The air one breathes, then, is a luxury, because radio has largely to do with the air.

Mr. SMOOT. The tax is on the receivers.

Mr. CARAWAY. The receivers will be the American people when the Senator from Utah gets through.

Mr. SMOOT. I know the Senator feels that there is politics in it; that it is going to have an effect throughout the country, and that our action will be radioed from one end of the land to the other and will be charged up to the Republican Party. I will say, however, that there was not a member of the committee who did not vote for this amendment.

Mr. DILL. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. I yield.

Mr. DILL. Does the Senator think it is a luxury to the farmer who is getting market reports and weather reports to-night by radio?

Mr. SMOOT. The farmer who is using the radio gets such reports from the daily papers every day.

Mr. DILL. I wish to say to the Senator that there are literally thousands of farmers who can not get newspapers, but who get reports through the air every night.

Mr. SMOOT. Then, the farmer buys a radio set.

Mr. COPELAND. But if we tax the radio set the farmer will have to pay more for it.

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. COPELAND. The most familiar argument to which we listen from the Republican Party is that the public does not pay the tax; but the public does pay the tax, and if we put a 10 per cent tax on radio sets, the owners of the patents, who, as the Senator has said, have gotten everything they can from the public, will add 10 per cent more, and the public will pay it.

Mr. SMOOT. They will if they can sell their receivers for any more than the price at which they sell them to-day, but they are selling their receivers for every dollar for which they can sell them and keep production going. That is understood.

Mr. COPELAND. Mr. President, in my judgment, several things have done very much to promote the happiness of the human family—the daily newspaper, the free delivery of mail, the telephone, the automobile, and now the radio; but I look upon the radio as the most remarkable of all inventions, not because of the mystery attached to it but because of the result coming from it. There is not any question but that it has wiped out the isolation of millions of families. It is a means for the dissemination of education in every line, even the dissemination of knowledge of political movements. I assume that the President of the United States will make great use of the radio during the next few months.

Mr. SMOOT. Then he can pay a 10 per cent tax on his receiver.

Mr. COPELAND. I think the tax would be very desirable in that case.

Mr. JOHNSON of Minnesota. Mr. President, there is a church in my county the congregation of which could not afford to hire a minister, so they bought a radio set and now they can listen to the sermons of ministers of other churches.

Mr. COPELAND. Mr. President, the use of the radio gives a knowledge of health, of the chemistry of the soil, of the weather, of marketing, of literature, and of music. It has done much for the comfort and happiness of the people. I say it would be a great mistake to tax the people who now are paying, as the Senator from Utah has said, every dollar which can be extorted from them still more in order that they may have this great convenience, this invention which adds not alone to their happiness but to their length of life.

Mr. SMOOT. I recognize that the radio is a great convenience and has great utility. There is not any doubt about that; but, Mr. President, it is not the only great convenience which we propose to tax.

Mr. McKELLAR. How much revenue would be derived from the tax?

Mr. SMOOT. It is estimated that it would amount to about $10,000,000.

Mr. SIMMONS and Mr. HEFLIN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Utah yield; and if so, to whom?

Mr. SMOOT. I yield the floor to the Senator from North Carolina. He may take it.

Mr. SIMMONS. I simply wish to say——

Mr. FLETCHER. Mr. President, will the Senator allow me to interrupt him long enough to ask to have noted in the RECORD petitions on this subject from various sources?

Mr. SIMMONS. Very well.

[The petitions will be found noted in their proper place in the RECORD.]

Mr. HEFLIN. Mr. President, will the Senator from North Carolina permit me to ask the Senator from Utah if it is his purpose to ask for a vote on the amendment to-night?

Mr. SMOOT. Yes; I desire to have a vote on the amendment to-night.

Mr. SIMMONS. Mr. President, I think, so far as this matter was presented to the committee, the situation was about this: We were discussing a reduction of miscellaneous taxes and the committee decided to impose a tax upon telegrams and telephone messages, the House having stricken that tax from the bill, and also to impose a tax upon radio. The view that I had at the time was that, if we were to tax telegrams and telephone messages, we probably ought also to impose a tax upon radio. It was for that reason that I acquiesced in the action of the committee. But the Senate has decided not to impose any tax upon telegrams and telephone messages, and I do not see why, if that action is to stand, we should not also reverse our action upon the subject of radio.

Mr. SMOOT. The Senator knows that there were not 20 Senators in the Chamber when the action as to telegrams and telephone messages was taken.

Mr. SIMMONS. I was going to suggest to the Senator—and that is the reason I rose—that I presume there will be another vote after the bill shall be reported to the Senate.

Mr. SMOOT. Yes.

Mr. SIMMONS. Why not, therefore, let the radio tax go out now, just as the tax on telegrams and telephone messages has gone out; and if in the Senate the tax on telegrams and telephone messages is restored, then we may take another vote with reference to radio and restore that tax also, so as to let them go along together; but if when the bill gets into the Senate we confirm the action taken as in Committee of the Whole on the subject of telegrams and telephone messages, then let the radio tax go out with the tax on such messages. I simply make that suggestion to the chairman of the committee.

Mr. DILL. Mr. President, has the Senator concluded?

Mr. SIMMONS. I merely rose to make a suggestion; that was all.

Mr. DILL. Mr. President, I wish to say to the Senator from Utah that there are a number of Senators who have left the Chamber with the understanding that the radio tax would not come to a vote to-night. I do not know where they got that understanding.

Mr. SMOOT. Nor do I.

Mr. DILL. I feel that they ought to be present if this question is to be voted on, and I think that we ought to have a quorum if this matter is going to be pressed to a conclusion to-night.

Mr. SMOOT. The Senator can suggest the absence of a quorum now if he desires to do so.

Mr. DILL. I should like to see the matter go over until to-morrow morning in order that a full Senate may be present.

Mr. SMITH. I should like to ask the Senator from Utah a question. The Senator from North Carolina [Mr. SIMMONS] has suggested that in view of the fact that the tax on telegrams and telephone messages has been removed, which action the Senator from Utah said was on account of the few Senators present and he indicates that he will ask for another vote on the question when the bill gets into the Senate, why not allow the radio tax to go along with the tax on telegrams and telephone messages and take it up when we get into the Senate?

Mr. SMOOT. So far as I am concerned, I think there ought to be a tax on radio whether there is a tax on telegrams and telephone messages or not.

Mr. SMITH. Will the Senator allow me to call his attention to a practical illustration that has just occurred and that interests me because it relates to my section of the country?

Mr. SMOOT. Yes.

Mr. SMITH. The terrific tornado that swept through the South and particularly through my State isolated the section visited by tearing down the telegraph and telephone wires, and had it not been for the radio the outside world would not have been acquainted for hours with the condition of that stricken territory. The Senator will not pretend to say that the radio in its practical application and in its service to the public is not superior to both the telephone and the telegraph, even right now in its infancy.

Mr. SMOOT. If we took that position on the tax question, we would not raise any revenue.

Mr. SMITH. Oh, no; we would be more judicious in what we imposed taxes upon, and that is what I am pleading for now.

Mr. HEFLIN. Mr. President, I wish to suggest that when the Senate meets on to-morrow, if the Senator from Utah proposes to go far beyond the usual time for adjournment, he announce to Senators that he expects to have a night session or a late session.

Mr. SMOOT. I will say to the Senator I did make such an announcement last night.

Mr. HEFLIN. Now, if we are going on, we ought to have a quorum, and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fletcher	McKellar	Simmons
Ball	Frazier	McKinley	Smith
Bayard	Gooding	McLean	Smoot
Brookhart	Hale	McNary	Stanfield
Bursum	Harreld	Moses	Stanley
Cameron	Harris	Neely	Sterling
Capper	Harrison	Oddie	Swanson
Caraway	Heflin	Overman	Wadsworth
Copeland	Howell	Phipps	Warren
Cummins	Johnson, Minn.	Ralston	Watson
Curtis	Jones, N. Mex.	Ransdell	Willis
Dale	Jones, Wash.	Reed, Pa.	
Dill	Kendrick	Sheppard	
Fess	Keyes	Shipstead	

Mr. OVERMAN. I desire to announce that the Senator from Tennessee [Mr. SHIELDS] is unavoidably detained.

The PRESIDENT pro tempore. Fifty-three Senators have answered to their names. There is a quorum present.

Mr. DILL. Mr. President, I want to take just a moment to say a few things in reply to the Senator from Utah [Mr. SMOOT] in regard to the nature of radio.

This tax, in the first place, is what might be called a nuisance tax, because it will be more trouble to collect it than the money it will bring in. It is a new nuisance tax, and it is on a new and developing art.

The Senator referred to radio as a luxury. I am surprised that the Senator, with his wide knowledge of other affairs, should call radio a luxury in this day and age, when literally thousands and hundred of thousands of people to-night will secure the only information they can secure at this time by means of radio and radio alone. It is not a luxury, but it is a practical necessity to the people who live in the country districts of this Nation. The newspapers reach them to-morrow or to-morrow night; but this evening, after they eat their dinners in their homes, they will hear the market returns, they will hear the weather returns, and they will hear all sorts of information, to say nothing of the entertainment they secure.

The Senator gives as the reason why this tax should be levied the fact that the Radio Corporation, which handles the patents on radio, is making enormous profits. If that be the principle upon which you are going to base taxes, why not lay taxes upon every other concern that is making immense profits? The Senator has not proposed any tax on the Standard Oil Co. The Senator has not proposed any tax on the use of steel articles in this country, yet the great steel corporations are making enormous profits. If the Senator wants to reach the profits of the Radio Corporation, then he should introduce a bill and let it go to the Committee on Patents to limit the amount of profit that can be made on a patent that is held as a monopoly. Then he would get somewhere in stopping the profits of this monopoly on radio concerning which he speaks.

I want to call attention to another feature of this legislation. It is unworkable. It proposes a tax upon the parts of radio sets. Who is a manufacturer of radio? Is every small boy and every high-school boy in this country who gets a little wire and a crystal that costs him a dollar or two and a set of head phones a manufacturer of radio sets? And when does he become a manufacturer? When he goes in to buy some wire, if he buys the wire for radio, they will tax him; and if not, they will not tax him. If he buys parts for a bigger set, if he buys a battery and says it is to run a doorbell, it is not taxed; but if he takes it home and uses it for radio, then, according to this amendment, it should be taxed.

Mr. SMOOT. Mr. President, the same thing applies to automobiles, and that matter is regulated by the department, and

they are having no trouble whatever about it. Under this amendment the regulations of the department will say just what is and what is not to be taxed. There are screws in an automobile; there are bolts in an automobile; but the regulations cover those things.

Mr. DILL. I want to remind the Senator, however, that there is no comparison between automobiles and radio sets, because automobiles are manufactured by great corporations or organizations. Individuals do not go around buying pieces and putting them together and making automobiles. That is a ridiculous comparison.

Mr. SMOOT. But they buy bolts, and they buy screws, and so on.

Mr. DILL. But they do it as an organization, a corporation that is engaged in building automobiles.

Mr. SMOOT. Oh, no; the Senator himself, if he is running an automobile and taking care of one, will buy parts for it.

Mr. DILL. The Senator from Washington is not going to go to building automobiles by buying parts. He has enough trouble to run the one he has.

Mr. SMOOT. He can buy the parts all right.

Mr. DILL. Then there is just one other thing: I had a letter from a farmer yesterday. He said: "You might just as well tax the rural-delivery box that the rural carrier puts my mail in as to tax my radio set." We might just as well tax the newspapers that bring the news to his door. It seems to me that in a tax reduction bill the last thing we ought to allow a tax to be imposed upon is a new and developing art that means so much to the common people, not only of this country but of the world; and just as firmly as I believe that the press ought to be kept free, and that speech ought to be kept free, I believe the right to use radio ought to be kept free, because I believe it will eventually be a greater blessing than the free press has ever been in this country.

Mr. CURTIS. Mr. President, I desire to make a suggestion. Undoubtedly this question will be taken up again when the bill reaches the Senate. I ask unanimous consent that without further debate we decide this question now on a standing vote. Then, no matter how it is decided, there will be another vote in the Senate and it will then be open to discussion.

Mr. FLETCHER. Why decide it on a standing vote?

Mr. REED of Missouri. Mr. President, I can not consent to a disposition of this matter in that way. The idea that postponing a matter until it reaches the Senate saves much time does not appeal to me. I wonder if the Senator in charge of the bill expects to get a vote on this proposition to-night?

Mr. SMOOT. Mr. President, I do desire to get a vote upon it to-night. I want to do what the Finance Committee authorized me to do, and that was, by a unanimous vote, to bring in this amendment. If the Senate feel that they want to strike it out, well and good; but it is my duty to do just exactly what I have been instructed by the committee to do, and I want a vote upon this amendment.

Mr. REED of Missouri. Of course, the committee did not instruct the Senator to get a vote to-night. It instructed him to report the bill.

Mr. SMOOT. I know that. I am perfectly aware of that.

Mr. REED of Missouri. This is an important amendment.

Mr. SMOOT. I want, however, to call the Senator's attention to the fact that we have had two days here when there has not been a vote.

Mr. REED of Missouri. Why, we have had several votes.

Mr. SIMMONS. We have had several votes to-day.

Mr. SMOOT. I do not mean to-day; I mean before to-day.

Mr. REED of Missouri. Mr. President, I have seen these attempts made to rush matters through, and I have seen the Senate held here until it is impatient and wants to vote. Perhaps everybody has made up his mind about this proposition, but I think it is a matter of great importance. Some Senators want to vote on it without discussing it. They might perhaps vote on every proposition in the bill without discussing it.

Mr. SMOOT. I have not any doubt how the Senate will vote upon this amendment.

Mr. REED of Missouri. If I had no doubt and knew they were going to vote it out, I should be perfectly content.

Mr. CARAWAY. They are.

Mr. McKELLAR. I think we are.

Mr. REED of Missouri. Very well, let us have a roll call on it.

Mr. SMOOT. I do not think there is any doubt at all about it.

Mr. McKELLAR. I call for the yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. HOWELL. Mr. President, I should like to call attention to one fact in connection with radio apparatus, and that is that the inexpensive apparatus can be used in cities where the broadcasting stations are located. It costs comparatively little. The expensive sets, those that will bear the greatest tax, must be purchased by farmers who are far away from these broadcasting stations. The consequence is that the agricultural communities will pay the major portion of this tax, and it ought not to be imposed upon them.

Mr. SMOOT. Mr. President——

Mr. DILL. Mr. President, let us have an understanding.

Mr. FLETCHER. The question is whether or not the Senate will agree to the committee amendment.

Mr. DILL. A vote "yea" is for the radio tax, and a vote "nay" is against the radio tax?

Mr. McKELLAR. That is right.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Missouri [Mr. SPENCER] and will vote. I vote "yea."

Mr. McLEAN (when his name was called). I have a general pair with the junior Senator from Virginia [Mr. GLASS]. I transfer that pair to the senior Senator from New Jersey [Mr. EDGE] and will vote. I vote "yea."

Mr. HOWELL (when Mr. NORRIS's name was called). At the request of the senior Senator from Nebraska [Mr. NORRIS] I wish to say that if he were present he would vote "nay."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. I transfer that pair to the senior Senator from Maryland [Mr. WELLER] and will vote. I vote "nay."

Mr. STANLEY (when his name was called). Making the same announcement as before as to my pair, I withhold my vote.

Mr. HARRISON (when the name of Mr. WALSH of Massachusetts was called). I desire to announce that the Senator from Massachusetts [Mr. WALSH] is unavoidably detained.

Mr. WATSON (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "yea."

The roll call was concluded.

Mr. COPELAND. I have a pair with the junior Senator from Utah [Mr. KING], which I transfer to the junior Senator from Montana [Mr. WHEELER] and vote "nay." If the Senator from Utah [Mr. KING] were present, he would vote "yea" on this proposition.

Mr. FLETCHER. My colleague [Mr. TRAMMELL] is unavoidably absent. He is paired with the Senator from Rhode Island [Mr. COLT]. If he were present, he would vote "nay."

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. PEPPER] with the Senator from Rhode Island [Mr. GERRY];

The Senator from West Virginia [Mr. ELKINS] with the Senator from New Jersey [Mr. EDWARDS]; and

The Senator from Illinois [Mr. McCORMICK] with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 13, nays 40, as follows:

YEAS—13

Cummins	Hale	Smoot	Watson
Curtis	Lodge	Stanfield	
Fess	McLean	Sterling	
Gooding	Reed, Pa.	Warren	

NAYS—40

Adams	Dill	Kendrick	Ralston
Ball	Fletcher	Keyes	Ransdell
Bayard	Frazier	McKellar	Reed, Mo.
Broekhart	Harreld	McKinley	Sheppard
Bursum	Harris	McNary	Shipstead
Cameron	Harrison	Moses	Simmons
Capper	Heflin	Neely	Smith
Caraway	Howell	Oddie	Swanson
Copeland	Johnson, Minn.	Overman	Wadsworth
Dale	Jones, Wash.	Phipps	Willis

NOT VOTING—43

Ashurst	Ernst	La Follette	Shortridge
Borah	Fernald	Lenroot	Spencer
Brandegee	Ferris	McCormick	Stanley
Broussard	George	Mayfield	Stephens
Bruce	Gerry	Norbeck	Trammell
Colt	Glass	Norris	Underwood
Couzens	Greene	Owen	Walsh, Mass.
Dial	Johnson, Calif.	Pepper	Walsh, Mont.
Edge	Jones, N. Mex.	Pittman	Weller
Edwards	King	Robinson	Wheeler
Elkins	Ladd	Shields	

So the amendment of the committee was rejected.

Mr. SMOOT. Mr. President, that covers all the amendments in the bill with the exception of the normal and surtax amendments, the amendment covering the tax on corporations, the amendment covering the estate tax, and the amendment covering the gift tax. I understand the Senator from North Carolina [Mr. SIMMONS] will be ready to take up the surtax to-morrow morning.

I ask unanimous consent that the Senate take a recess until 12 o'clock to-morrow.

There being no objection, the Senate (at 6 o'clock and 50 minutes p. m.) took a recess until to-morrow, Saturday, May 3, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 2, 1924*

The House met at 11 o'clock a. m., and was called to order by Mr. MAPES, as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, O Lord, for all Thy impartial benevolence, for the Fatherhood of God, and the brotherhood of man. We thank Thee that Thy love is infinitely broader and deeper than the measure of man's mind. In Thy holy name may all error give way and righteous truth survive. O help truth to absorb all the little meanings that we can give the word. Direct the citizens of our land and fortify them against all the threatened inroads of destructive materialism, of selfishness, of bigotry, and hold our country close to the great truths of our Christian faith. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. BEGG. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Ohio makes the point of order that there is no quorum present. Evidently there is not.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Elliott	Lyon	Schneider
Anderson	Fairfield	McClintic	Scott
Anthony	Favrot	McFadden	Sears, Fla.
Bachmann	Fish	McKenzie	Sears, Nebr.
Barkley	Freeman	McNulty	Sites
Bell	French	Magee, Pa.	Snell
Berger	Funk	Major, Ill.	Snyder
Black, N. Y.	Gallivan	Mansfield	Sproul, Ill.
Boylan	Garber	Mead	Stalker
Brand, Ohio	Garrett, Tex.	Merritt	Stengle
Britten	Geran	Michaelson	Strong, Pa.
Browne, N. J.	Gilbert	Miller, Ill.	Sullivan
Buckley	Gladfelter	Mills	Summers, Wash.
Burdick	Goldsborough	Mooney	Sweet
Burton	Graham, Pa.	Morin	Swoope
Butler	Greene, Mass.	Mudd	Taber
Byrnes, S. C.	Hardy	Murphy	Tague
Campbell	Harrison	Nelson, Wis.	Taylor, Colo.
Carew	Hoch	Newton, Mo.	Taylor, Tenn.
Clague	Howard, Okla.	O'Brien	Tincher
Clancy	Hull, Tenn.	O'Connell, N. Y.	Treadway
Clark, Fla.	Hull, William E.	O'Connor, La.	Tucker
Clarke, N. Y.	Humphreys	Oliver, N. Y.	Tydings
Cole, Ohio	Johnson, Ky.	Oliver, Ala.	Upshaw
Connery	Jost	Paige	Vare
Connolly, Pa.	Kahn	Park, Ga.	Vestal
Cook	Kearns	Phillips	Ward, N. C.
Corning	Keller	Porter	Ward, N. Y.
Cullen	Kelly	Quayle	Wason
Cummings	Kendall	Ransley	Weller
Curry	Kiess	Reece	Welsh
Davey	Kindred	Reed, W. Va.	Wilson, La.
Deal	Langley	Reid, Ill.	Wilson, Miss.
Dempsey	Leatherwood	Robinson	Winter
Dickinson, Iowa	Leavitt	Rogers, Mass.	Wood
Dickstein	Lehlbach	Rogers, N. H.	Wurzbach
Dominick	Lindsay	Romjue	Wyant
Doughton	Little	Rosenbloom	Yates
Drane	Logan	Schafer	Zihlman
Edmonds	Luce	Schall	

The SPEAKER. Two hundred and seventy-three Members have answered to their names, a quorum.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; and

S. 2572. An act to purchase grounds, erect and repair buildings for customhouses, offices, and warehouses in Porto Rico.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes.

SENATE BILLS REFERRED

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; to the Committee on Irrigation and Reclamation.

S. 2572. An act to purchase grounds, erect and repair buildings for customhouses, offices, and warehouses in Porto Rico; to the Committee on Insular Affairs.

RAILROAD LEGISLATION

The SPEAKER. By special order of the House the gentleman from Indiana [Mr. SANDERS] is recognized to address the House for 30 minutes.

Mr. SANDERS of Indiana. Mr. Speaker, I ask unanimous consent to speak for 7 minutes in addition to the time I have been already granted.

The SPEAKER. The gentleman from Indiana asks unanimous consent that his time be extended for 7 minutes. Is there objection?

There was no objection.

Mr. SANDERS of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SANDERS of Indiana. Mr. Speaker, on Monday, May 5, an attempt will probably be made to carry a motion to discharge the Interstate and Foreign Commerce Committee from the consideration of the Barkley railroad labor bill.

Under the rule but 10 minutes on each side is permitted to enlighten the House as to the advisability of taking this drastic step. It is my purpose to discuss the merits of the Barkley bill in the hope of bringing to the House an appreciation of the magnitude of its importance. The bill is composed of eight complicated sections and covers 35 pages. Its far-reaching effect is not apparent on the face of the bill but becomes manifest when considered with knowledge of labor controversies which have arisen between railroad labor on the one hand and the carriers on the other, and also controversies within labor circles.

The membership of the House, if considering the bill reported with accompanying hearings, could obtain from the hearings the information needed for a thorough understanding of the bill. Since it is sought to bring this measure up when no hearings have been held, it seems to me that it is important to bring to the House such supplemental information as will make clear the purpose and effect of the Barkley bill.

This bill is announced by its authors as "Old successful law brought down to date." It was not prepared by Mr. BARKLEY, but was created in the manner indicated by the following statement of its sponsors:

Preparatory work on the bill: Before presenting their ideas to Members of Congress, the railway labor organizations felt it their duty to work out their solution of this problem to present a united, constructive program, to attempt to solve their own problems, not to ask Congress to lead them paternally into the paths of good citizenship, but to show their readiness and ability to find these paths themselves. Although legislation of the character now under consideration has heretofore been opposed by the railway employees they are mindful of the general trend of public thought toward the railroad problem and, having regard for the situation and in their own self-interest, they are as a unit in support of the program contained in the Howell-Barkley bill.

For 18 months they labored in committees and conferences to develop their program. During the last nine months they consulted with their attorneys in order to shape their ideas in accordance with sound legal precedents and to express them in appropriate and unmistakable language in order that the letter of the law might express its spirit.

The railroad labor question involves three parties—the employees, the carriers, and the public. It is exceedingly unfortunate that the House of Representatives will be called upon to decide, after a debate of 10 minutes on each side, whether it shall

act upon legislation which has required 18 months for one of the three parties to formulate. I say this because although there may be discussion in its further consideration by the House, yet every legislator of experience knows that it must be taken or rejected as it is. A bill of this magnitude can not be rewritten on the floor of the House.

This bill comes to the Congress with a divided support of the laborers who would be affected by the bill—the majority of the national organizations favoring it. It is the third drive made since the end of the war by certain railroad labor unions to induce the enactment of comprehensive legislation relating to transportation. The first drive was for the so-called McAdoo five-year plan for extended Government operation. This occurred during Government control of railroads, and after the advisability of terminating Federal control was being strongly urged. This drive failed. The overwhelming public sentiment brought about the termination of Federal control. The second drive was for the enactment of the Plumb plan, by which it was proposed to take over the roads by a Government corporation and to divide the profits of transportation between the employees on the one hand and the Government on the other. This effort failed. Its author, Mr. Glenn E. Plumb, a lawyer of great ability, devoted to the interests of the railroad employees, who were his clients, has since died. The chief sponsor of this legislation is the successor of Mr. Plumb, Mr. Donald R. Richberg.

I believe thoroughly in organized labor. It is not always in the right. Sometimes wrongful acts are done by some of its individual members, who number into the millions. But great good has been done by organization to better wages and working conditions. I am not in sympathy with those who criticize union-labor leaders for their activities in behalf of, or in opposition to, legislation affecting employees. They are aggressively looking after what they conceive to be their constituents' interests. All other great interests in the country pursue the same general course. The particular course in forcing this bill onto the floor of the House does not meet with my approval. But a measure coming from but one of a three-party interest, inspired by its councils, molded in its conferences, drafted finally by its lawyer, which it is proposed to put through by a direct appeal to the House over the head of the committee to which it has been referred, warrants extraordinary scrutiny regardless of which of the three parties in interest may be its sponsor. [Applause.]

The essential features of the Barkley bill are as follows:

First. It wipes off the statute books all existing legislation respecting railroad labor controversies.

Second. It undertakes to provide compulsory conferences between carriers and their employees under ironclad conditions which never before have been written in any law, and in the very nature of things can not be practically formulated into law.

Third. It creates equipartisan conference boards with a total personnel of 40 members, patterned in a general way after the plan of the railroad administration during the war, yet clothed with the formality and sanctity of a governmental tribunal, the individual members of which are each given far-reaching inquisitorial powers, with no actual power as to settlement of disputes. The boards are without jurisdiction to consider controversies as to amount of wages or what rules or working conditions shall govern.

Fourth. It creates a board of mediation and conciliation, which has no initiatory powers, and whose chief and only function is to urge the parties to conciliate their difficulties, and in event of failure to do so, to try to persuade them to arbitrate. If they agree to arbitrate the board does not arbitrate, but is given certain powers to assist in effecting the appointment of arbitration machinery and in securing for the arbitration boards the necessary witnesses and other evidence.

Fifth. It brings to the jurisdiction of the labor-controversy machinery many employees, carriers, and outside associations, which have not hitherto been under the jurisdiction of the Railroad Labor Board.

Sixth. By a carefully worked-out plan it intends to accomplish for the railroad employees the closed shop as a matter of law by excluding from representation on any of the adjustment boards any employees not nationally organized.

Seventh. It writes into law an artificial classification of employees which was made by the Interstate Commerce Commission solely for the classification of labor-cost data, supplemented by certain additional provisions, which classification will be binding upon the carriers but may be modified by the organizations. In the new proposed classification the effect of the administration of the law is intended to draw into the labor organization shop foremen and many other classes of employees who have hitherto not affiliated with such organizations, and which affiliation would have a tendency to destroy the proper discipline necessary for carrying on the transportation work.

Eighth. The public is absolutely excluded from representation in determination of wage controversies except in agreed cases of arbitration.

Ninth. The result of the wage controversy can not be made dependent upon the effect it would have upon the cost to the public for carriage of freight and passengers.

Tenth. The expense of the adjustment boards, which will be equipartisan in their nature and are meant to be simply a more or less formal continuation of the effort of the parties to agree, are to be borne by the Government and the appropriation of $500,000 for the first month or two is made. The expense, on a low estimate, would run to over a million dollars a year.

I do not know that we now have the most effective and just machinery for dealing with railway labor controversies which could be devised. I am quite inclined to think that the present method can be improved upon. But this bill would be immeasurably worse than no law on the subject and would demoralize the transportation system.

The railroad labor controversies have brought about the most difficult and trying situations which have confronted the Government. They have extended over a long period of time and have been particularly acute during the last quarter of a century, and the fact that everything is not harmonious now and that the arrangement does not meet with universal approval does not argue against the present method.

The Railroad Labor Board, created at the time of the passage of the transportation act of 1920, had a most unfortunate situation with which to deal. Railroad labor had been aggressively fighting against the passage of the transportation act of 1920. This had been carried to the extent of urging President Wilson to veto the entire law. On the day that President Wilson signed the transportation act of 1920 in a letter to the railroad labor unions the President said:

> I can not share the apprehension of yourselves and your constituents as to the provisions of the law concerning the labor board. I believe those provisions are not only appropriate in the interest of the public, which after all is principally composed of workers and their families, but will be found to be particularly in the interests of railroad employees as a class. * * * My hopes are that the putting into effect of these provisions of a carefully selected labor board, whose public representatives can be relied upon to be fair to labor and to appreciate the point of view of labor—that it is not longer to be considered as a mere commodity—will mark the beginning of a new era of better understanding between the railroad managements and their employees and will furnish additional safeguards to the just interests of railroad labor.

With their prejudice against the board, the employees were lukewarm about its success. Some of the carriers were disappointed in not securing antistrike legislation and hence were not enthusiastic about the Railroad Labor Board.

The first important decision of the Railroad Labor Board was issued July 20, 1920, and made retroactive, effective as of May 1, 1920, and increased the pay roll $650,000,000 annually. On July 1, 1921, the board made a reduction, taking off of that $650,000,000 about $448,000,000, leaving an increase in the annual pay roll of $202,000,000 in excess of that paid during the Government control of railroads. Since that time increases in pay to various classes of employees have been made by individual railroads in numerous instances. When it is remembered that the increase after January 1, 1918, during governmental control in the annual pay roll of employees amounted to $965,000,000, it can not be contended that the agencies of the Government during and after Federal control have been unmindful of needed increases in pay.

There seems to be an impression in some circles that railroad labor is much overpaid. I do not share that view. I think there are instances where certain classes of employees are paid more, according to the usual standard, in comparison with certain other classes of railroad employees, than is justified, but the comparatively small number of men who leave railroad employment in the usual course corroborates the opinion that as a class railroad labor is certainly not poorly paid.

My view of the situation is that the present Railroad Labor Board should not now be disturbed. More time should be given before even amending the present law.

It is urged against the present railroad labor law that many of the railroads refused to join the employees in creating boards of adjustment. The truth about the matter is that the national organized employees desired the formation of national boards

of adjustment copied after the plan carried on by the Railroad Administration. Many of the roads concluded that the formation of such adjustment boards was not wise because the boards of that type had a tendency to lose contact with the conditions of the particular locality where the disputes arose, and that such boards tended to make a national standardization of conditions without regard to difference in local situations. That the attendance upon conferences consumed unnecessary time and money, and that the existence of these boards invited appeals for slight alleged grievances.

However the present railway labor act did not require the boards of labor adjustment to be established but merely made them permissive, and required the Railroad Labor Board to assume original jurisdiction of the grievances where no adjustment board was provided. Many of the carriers have established boards of adjustment or other similar agencies, and the relations existing at the present are as harmonious as at any time for many years.

It is proposed by this bill to organize four national adjustment boards, two to be composed of 14 members each, and two of 6 members each. These boards are to have equal representation of employees and carriers. The appointment is to be made by the President, but he must select from the nominations made by the carriers and these different national labor organizations. The public is to have no representation and each board will be composed of an even number, and being equally divided in sentiment as between carriers and employees will, of course, deadlock on every important problem presented to them. Even if one side should happen to win one vote from the other side so as to have a majority, no decision of the board is binding. It is difficult to see how this cumbersome machinery, which is to be forced upon the carriers, would help in the amicable adjustment of the controversies over which the board is given jurisdiction. If a railroad company desired local adjustment of its troubles with its employees it could entirely ignore the action of any of these national adjustment boards. No power is given to the national adjustment board to enforce its decrees.

It is urged that the national adjustment boards were tried out by the Railroad Administration during the war. There is quite a sharp division of opinion as to the value of national adjustment boards during the war, and they certainly had their attendant evils as well as their good points.

But the argument that adjustment boards during Government control succeeded and that therefore they must succeed under private control is absolutely fallacious. The fallacy is apparent to anyone who will analyze and compare the two situations. The adjustment boards under Government control were the creations of the director general, who acted for the roads and had the power of approval or disapproval of every decision. He stood in the place of the carriers and could increase or decrease wages, and could discharge or retain employees. The carriers did not depend upon their revenues, but were paid a stipulated return by the Government irrespective of earnings. In other words, all of this machinery was his own, which he could control at will. Under private control, unless the adjustment boards act under the full sanction of both carriers and employees their work is fruitless and simply constitutes lost motion in the economic world.

Aside from the cumbersome, trouble-making, power-lacking method of adjustment, these proposed boards do not have jurisdiction over controversies in which the public has the greatest interest; namely, increase and decrease in pay and changes in rules and working conditions. That is the great affirmative harm done by the proposed destruction of the present machinery and the substitution of this new machinery. The things that caused the interruption of transportation and that affect freight rates are thrown back where they were, to be adjusted between the parties. The adjustment boards and the boards of mediation and conciliation have no power or authority to investigate a dispute involving these questions, and no machinery is provided by law for making such investigations except the hazy provision for the creation of an arbitration board in the event that the parties decide they desire to arbitrate.

If the evil in the Railroad Labor Board is lack of power to enforce its decrees, all of these instrumentalities have the same evil. If dissension was caused by the Railroad Labor Board because there were representatives of both the carriers and employees who took partisan rather than judicial views, then each of these boards of adjustment inherits the same evils. But the one power given the Railroad Labor Board of great value to the public—namely, the power to investigate labor disputes involving wages, irrespective of the desires of the parties thereto—is lost when the old law is destroyed and the new one created. We lose the one thing of value; we gain nothing in its place. It is a backward step which constitutes a strike-inviting situation.

This fight to retain some semblance of Government supervision as to labor costs which enter into the cost of transportation paid by the public overshadows any mere dispute between labor and railroad capital. It is a fight for the preservation of private operation of transportation. The labor charge constitutes 55 per cent of the entire cost of transportation. When it is remembered that in 1921 the net railway operating income was but $600,000,000, and that in that year the demand for increases was $1,100,000,000, instead of the $650,000,00 granted, it is easily seen that to have granted the full demand would have meant either increased freight rates or meant the destruction of private operation of the railroads.

The history of the settlement of the disputes under the Erdman and Newlands Acts discloses that there was not a single important arbitration where the decision rendered could adversely affect the employees as to the existing status at the time of the arbitration. In other words, the questions which the parties agreed to arbitrate were questions as to whether wages should be advanced or rules and working conditions should be modified in a beneficial way for employees. In notable instances they refused to arbitrate disputes where changes beneficial to them were demanded. The carriers likewise refused to arbitrate in other instances, particularly where their contentions for changes could not also be arbitrated. This proposed law, according to its author, aside from the boards of adjustment and for conferences between the parties, is a substantial reenactment of the Erdman Act and the Newlands amendment.

The boards of national adjustment are created by this proposed law for the purpose of considering complaints of the employees that the carriers have violated an existing contract.

The power in the carrier to interpret the contract by paying the amount of wages and enforcing the rule and working conditions according to its interpretation makes unnecessary the presentation by the carrier of any complaint or grievance against the employees. But the labor provisions of the act of 1920 assure hearings of such complaints or grievances by the employees through adjustment boards and the Labor Board on the one hand or the Labor Board originally on the other hand.

Notice the significance of the machinery here builded up. It is a machinery affording employees a place to litigate every grievance which they may have. It is a machinery which, in the very nature of things, would not be appealed to by the carrier. It is a machinery in which the public has no voice, and the Board of Mediation and Conciliation has for its function the attempt to get the carrier to change its interpretation of the contracts existing or to get employees to abandon their claims that violations have been made. The Board of Mediation and Conciliation may urge the employees and the carriers to arbitrate. But the machinery provided is substantially the same as provided in the Erdman and Newlands Act, and the employees, according to the history of those acts, would never submit to arbitration any question except the advancement of wages and a change in rules and working conditions beneficial to them.

Let us look into the detail organization of these governmental tribunals.

1. They are to be paid $7,000 each per year, which means an annual cost of $280,000.

2. The secretaries are to be paid $4,000 each, an annual cost of $16,000.

3. The five commissioners of mediation and conciliation are to be paid $12,000 each, an annual cost of $60,000, making a total of $356,000.

4. The boards may employ and fix the salaries for such employees as may be necessary. In other words, they determine not only the number of employees but how much they shall be paid (bill, p. 12).

5. Boards of arbitration brought into being may employ such assistants as they deem necessary and fix compensation.

6. The Board of Mediation and Conciliation employs and—

> fixes the compensation of such attorneys, assistants, special experts, clerks, and other employees as it may from time to time find necessary for the performance of their duties.

I have never seen such a raid on the Public Treasury as is here proposed.

Look at the unusual powers given not the adjustment boards but the individual members. Two of them may conduct hearings; any one of them—

> shall at any time for the purpose of examination require the production of or have access to and the right to copy any book account, record, paper, correspondence, or memoranda relating to any matter which the board is authorized to consider.

Anyone denying this inquisitorial power is subjected to a penalty of $500 per day. My friends, the difficulty about this measure is that it starts out to write into law what can not be written into law. It is based upon the theory of collective bargaining. I believe in collective bargaining, but you can not write it into law, because bargaining means a voluntary contract between two parties, and there is an attempt here to write into law the requirement that whenever an employee has a complaint against a carrier, the carrier must go and negotiate with him any place along the line in the way that the organization sees fit. The carrier is denied any right to deal with the employees with respect to choosing any of their representatives. It may be that the closed shop is a desirable thing. I am not going to discuss that, but you can not write it into law. It was never undertaken before. It may be that the one big union is a good thing. It may be that all employees of railroads ought to be in this union. I am not going to discuss that, but you can not write it into law. It is not susceptible of being written into law. The very nature of it forbids it.

My friends, this bill will work havoc with the private transportation in the United States. We have the very "era of better understanding between the railroad managements and their employees" predicted by President Wilson when he signed the transportation act of 1920. Shall we destroy all that has been accomplished because perfection is not found? The sponsors of this bill urged five-year Government control; they urged the Plumb plan; Mr. Richberg himself believes in Government ownership. I do not.

Our transportation system is in the best condition it has been in for many years. The roads are carrying a greater tonnage than ever before. The train service is good. Car service is good. The equipment is in fine repair. We ought not disturb this condition. The employees are entitled to more of the glory and credit for this than anyone else. But it has been brought about under the present law. Leave this tribunal created by the present law. After it has had further trial amend it where helpful amendments can be made. The Congress must represent the public interest. The carriers have their legislative representatives; the organized laborers have theirs. It is our peculiar function to represent the public and give the very best transportation service consistent with just and adequate pay and proper working conditions to the employees with tribunals for their relief on which the public has representation. In the long run, in defeating this motion to discharge this committee and preventing the enactment of this law, we will render a service to America that it is difficult to express in words. I wish these great economic principles had the appeal in them that some of the emotional questions like the soldier legislation has. I am sorry they do not, because the happiness and the prosperity of our people throughout the entire country, in every village and hamlet, on the farm and in the city, all depend upon taking the right course in these great fundamental economic questions. When you are called upon to act, if you act wrongly, you are doing the country a great injury, and if you act rightly and vote according to the principles of economic justice, you advance the happiness and the prosperity of all our people throughout all the land. (Applause.)

The SPEAKER. By special order of the House the gentleman from Massachusetts [Mr. WINSLOW] is given permission to address the House for 30 minutes. [Applause.]

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent to continue for 10 extra minutes.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to speak for 10 extra minutes. Is there objection. [After a pause.] The Chair hears none.

Mr. WINSLOW. Mr. Speaker and Members of the House, some days ago the gentleman from Kentucky [Mr. BARKLEY] took out a petition, which he signed, for the purpose of discharging from the Committee on Interstate and Foreign Commerce a bill known as the Barkley bill, or the Howell-Barkley bill. The petition was properly signed; and we expect, on Monday next, May 5, that the petition for discharge will be taken up under the provision of the new discharge rule. It is not my purpose, after the very clear statement made by the gentleman from Indiana [Mr. SANDERS], to discuss the subject matter of the bill. I do, however, feel it is highly desirable that the Members of this House come to know as much as possible of the reasons why it may be unwise to withdraw the bill or to discharge the committee and for Members to get information which may help them in arriving at their conclusions. I voted against the discharge rule which made the discharge possible, and I did it because I foresaw, or thought I did, occasions which might arise under its provisions which would be very unfortunate and which might make the House regret its existence.

I was not alone in feeling that way among the members of our committee. In order that we may have the views of two persons, both members of the Interstate and Foreign Commerce Committee, on the merits of this proposed method of legislation, I ask permission to have read, in my time by the Clerk, some utterances of the gentleman from Kentucky [Mr. BARKLEY] when the consideration of this discharge rule was before the House, and, if it is quite in order, I would like to have marked portions of two pages of the CONGRESSIONAL RECORD read, and I wish to say, in order to forestall any query which may arise in anyone's mind, that I have not selected only parts of Mr. BARKLEY's utterances which would favor my contention, but have marked all that I thought bore on the subject at that time before us and such as will furnish information to the House.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the Clerk read portions of Mr. BARKLEY's remarks. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

In view of the position I take I desire to call attention to a few practical situations which we might as well face. I deny that any Member or every Member in this House has an inherent right to have every bill he introduces brought before the House for consideration. [Applause.] I have been here for 10 years, and I have in mind certain bills which have been introduced in every Congress, one or two of which have been referred to the Committee on Interstate and Foreign Commerce, of which I am a member. There is a widespread, well-organized, well-paid propaganda in behalf of these bills which have never been reported from that committee, which ought never to be reported from that committee, and never will be reported from that committee by my vote. [Applause.]

Yet there is sufficient organized propaganda behind them to induce 100 Members of this House to sign a petition to discharge the committee from further consideration and bring the bills onto the floor of this House, with a debate of 10 minutes on each side, and stampede the House into their enactment.

* * * * * * *

Mr. BARKLEY. Mr. Speaker, the gentleman from Mississippi [Mr. QUIN] has referred to the Esch-Cummins law. Members who were here when that bill was enacted will recall that I not only voted against the bill, but I made the fight which was made on the floor of this House against its adoption, and I have never yet apologized for voting against it and for fighting that bill, and I have no apology to make now. I think now I was right just as I thought I was right at that time. The Esch-Cummins law ought to be amended. There ought to be railroad legislation enacted by this Congress, but is there a Member on either side who knows to a certainty what that legislation ought to be? There have been perhaps 25 or 30 popgun railroad bills introduced, and each one represents what the individual behind the particular measure thinks ought to be done, but in order to pass wise railroad legislation or any other legislation on a subject of such magnitude as that the committee to which that legislation is referred must consider it. It must consider it from every standpoint, not only from the standpoint of the effect it may have upon the properties involved but from the standpoint of the effect it may have upon the structure of railroad rates as regards the whole country. [Applause.] Yet under this proposition you can get 100 Members to sign a petition to discharge the Committee on Interstate and Foreign Commerce from any one or perhaps a dozen of these popgun bills, and pass the bill on a debate of 10 minutes, when the Members of the House know nothing whatever about the effect that it may have upon the country.

* * * * * * *

Mr. BARKLEY. Oh, we might as well not assume any halo or a seraphic attitude here, simply because we are Members of the House. It is true that some may come here with a halo, but we lose it soon after we get here, and very few of us acquire one after we arrive. [Laughter and applause.] The gentleman knows how easy it is to get Members to sign petitions, and that is no reflection upon the membership of the House.

* * * * * * *

Mr. BARKLEY. Oh, let us take a practical case. Suppose some Member of the House is interested in some particular pet measure of his own. He approaches another Member to induce him to sign a petition. It is easier to sign a petition and keep on good terms with the man who makes the request than it is to refuse and run the risk of offending him.

* * * * * * *

Mr. BARKLEY. Certainly, gentlemen, it strikes me that we ought not to be stampeded here in behalf of a proposition that will open Pandora's box of trouble, no matter what party is in power.

* * * * * * *

Mr. BARKLEY. Oh, nobody has said anything about dishonesty. I am talking about human nature as it is. I am in favor of some method by which committees that deliberately stifle meritorious legislation can be discharged, and I am not here arguing against any proposition to discharge a committee; but I have been here for 10 years, and I am not able to say that the United States of America is any worse off by reason of the fact that any committee has failed to report any particular measure to the House of Representatives. [Applause.]

One of the functions of a committee is to kill vicious legislation as well as to bring out meritorious measures. [Applause.] That is why I deny the fact that any Member or every Member has an inherent right to have every fool bill he drops into the box reported on by a committee and brought here for consideration.

* * * * * * *

Mr. BARKLEY. That is not a legitimate conclusion from the argument that I have made. It is an illegitimate conclusion. If you say that every man who is a Member of the House who introduces a bill has an inherent right to have that bill brought up for consideration, then you ought to follow the legitimate conclusion of that and abolish all committees and make a calendar, according to the date of introduction of every bill, and let every man's bill be brought up and voted upon according to its priority of date. The business of committees is to investigate and sift and hold hearings and consider every angle of legislation and pass judgment through a majority of that committee upon meritorious propositions that may be before it, but if you make it possible for 100 Members by signing a petition to discharge a committee and bring up a measure here and pass it on a 10-minute debate, you are opening the doors to a world of half-baked laws. Of course, I agree that it takes a majority of the House to discharge the committee, but a majority of the House upon a proposition which has not been before it and which individual Members have had no opportunity to investigate can not reach a deliberate and mature judgment in 10 or 20 minutes' debate. [Applause.]

[Applause.]

Mr. WINSLOW. The bill that we will be asked to consider on Monday in one way or another seeks to abolish the present Labor Board and to establish in its place other organizations expensive and under very new and intricate provisions. I assume Members of the House would like to have some statement, if possible, in respect of the difficulties attending the work involved in this labor legislative undertaking. When the Esch-Cummins bill was under consideration November 12, 1919, in the course of remarks that I made as representing the committee, I went on record with respect of one particular view, and I ask the Clerk to read the statement in my time.

The SPEAKER. Without objection, the Clerk will read.

There was no objection.

The Clerk read as follows:

[Extract from CONGRESSIONAL RECORD of November 12, 1919, from speech by Mr. WINSLOW]

Now, the other subject that I want to talk about is the labor question. Intricate and troublesome as the financial proposition has been to everybody, both on the subcommittee and on the full committee, I am sure it has not tried the souls of the members as has this labor proposition. That was the subject entering into the discussion of every phase of the construction of this bill. We were never without it. Its shadow was over us from the beginning to the end. We referred to it from time to time, and finally got down to the point where we had to consider it specifically, and for four days and a half we worked on that labor problem, and I think every member was dreaming of it every night. We had all sorts of suggestions, all the wild-eyed schemes you could think of, every sort of ism and ajism that you could imagine. [Laughter.]

Mr. WINSLOW. My view of the situation as affecting the practical necessities in connection with this bill now before us is quite the same as reflected in that quotation. I want to give you a little idea of the highly developed transportation act of 1920 for the purpose of showing the need of consideration. On June 2, 1919, the original Esch-Cummins bill was introduced, and for weeks and months, even two or three months, it was being worked on by our committee, and it was not shot in on us with a demand that we attend to it in half a day.

HISTORY OF DEVELOPMENT OF TRANSPORTATION ACT, 1920

(Sixty-sixth Congress)

June 2, 1919: Original Esch bill introduced (H. R. 4378).

July 15, 1919, to September 27, 1919: Hearings (mostly two sessions daily) before House committee. This period covers 72 days on which witnesses gave testimony. Thereafter a subcommittee studied this bill for about four weeks and reported back duly to the full committee, which in turn held a number of sessions on the bill, which was amended and reintroduced by Mr. Esch.

November 8, 1919: Reintroduced by Mr. Esch as H. R. 10453.

November 8, 1919: Ordered favorably reported as finally passed by the committee.

November 10, 1919: Report No. 456, by Mr. Esch.

November 11, 1919: Taken up under a rule, and discussion continued over the 11th, 12th, 13th, 14th, 15th, and 17th, including a night session on the 11th.

November 17, 1919: Passed House.

December 20, 1919: S. 3288 substituted and passed Senate.

December 20, 1919: Sent to conference. In conference daily, including holidays, to February 18.

February 18, 1920: Conference Report 650, by Mr. Esch.

February 21, 1920: Conference report passed House.

February 23, 1920: Passed Senate.

February 28, 1920: Approved, Public, No. 152.

Please note that the hearings before the Interstate and Foreign Commerce Committee furnished 3,600 pages of printed testimony. The amount of this testimony bearing on the labor features of the bill was upward of 1,200 pages.

The sessions of the House, devoted to the consideration of this bill, were eight. The CONGRESSIONAL RECORD of this period discloses the fact that about one-third of all the discussion on the bill was devoted to provisions affecting labor interests.

Now we are asked with 20 minutes' debate next Monday to make up our minds whether we will take it up or otherwise. If decided so to do we are expected thereafter to proceed according to the rule and debate the bill and pass it. We all know that that rule would never have been brought in here in good faith—I do not say it was brought in in bad faith, mind you—unless somebody connected with the development of that petition and so on had it in his mind that time could be saved and that the bill could be rushed on through the House. That somebody knew, as we all know that testimony was of great importance, that hearings could not be given with expressions and views which we ought to have from people interested in such a vast subject, and that somebody knew that by force only could that bill be passed, and that is by the force of night, with explanation not to be made and information not to be desired. Now the query is whether or not we want to take up a bill of such moment as this under these circumstances. Mind you, I am not discussing the merits of the bill. Do we want to jump in here and say we will pass this bill in one or two days, or whatever the time may be, and that without any definite testimony on the subject?

It will uproot the time-honored principles of this House. If this were a matter of bringing in a petition on the side for putting up a monument to somebody somewhere, I would not then think much of it; but here is a bill more intricate than any bill that has ever been before the Committee on Interstate and Foreign Commerce. There are pitfalls in it and opportunities for doing things never before presented. There are opportunities to do things which even the framers of the bill never anticipated and never foresaw.

At any rate, on February 28, 1924, the gentleman from Kentucky [Mr. BARKLEY] introduced the bill H. R. 7358. On the same day the bill was referred to the Committee on Interstate and Foreign Commerce. That was next to the last day of the month, the 28th. On March 1, 1924, as soon as the mechanical operations could be complied with and executed, our committee, in accordance with custom, started inquiries, with requests for reports from departments in regard to the bill H. R. 7358, just as quickly as could have been done.

I must hurry on, and shall have time to touch only the high spots. On the 8th of March our committee began to consider procedure as to the future program of the committee with respect of the consideration of bills. We had a little discussion on the 8th of March and a little more on the 11th of March. Then we came to certain conclusions as to what we would do. On the 14th of March the committee voted to further consider and finish all bills on which hearings had been held and which might be ready for committee action. This work continued to and included March 25. We went on until the 26th of March attending meanwhile to various bills. Then the plan of the committee procedure was discussed and fixed in respect of certain defined bills, and arrangements were made for considering all transportation bills and other bills immediately following the conclusion of bills specified for immediate action.

The details of that meeting have all been explained by me to the House and can be found in the CONGRESSIONAL RECORD. You will see by reference to them that the committee was going

along in its orderly way, attending to these things in transit, so to speak, and attending to matters which we could take up and give attention.

On April 15, 1924, without notice to the Interstate and Foreign Commerce Committee, the gentleman from Kentucky [Mr. BARKLEY] a member of the committee, made a speech on the bill H. R. 7358, the Barkley bill, and forthwith filed a petition for the discharge of the committee in respect of H. R. 7358.

Three days later, on April 18, it was my fortune to be afforded an opportunity to make a statement in reference to the procedure of the committee and to set forth the facts in regard to the action of the committee with direct and indirect reference to the bill H. R. 7358, and to read records of the committee in explanation.

On the 21st of April a petition for the discharge of the committee, with sufficient number of signatures, was filed with the Clerk of the House of Representatives. And so we are brought up to date.

There have been many rumors and statements flying about, as usual when anything is under contention here, as to what the chairman of the committee has said, or what some member of the committee said, or what the committee did do, or did not do, or would do; but it is all common everyday bunk.

It is a sewing-circle representation, as it were, that we have around here, with some few malicious ones to pass on those rumors which they find take root and develop, but so far as I have uttered on previous occasions and now, I am giving you facts and only facts. Do not mind what the other fellow tells you. If you think of something you want to know about and you want to determine its accuracy, come to the captain's office and get the record. We want you to work on the facts. [Laughter.]

Now note, gentlemen: The Interstate Commerce Committee has never discussed the question of not taking up the Barkley bill, H. R. 7358, nor was the matter ever brought before the committee for such determination, all reports to the contrary notwithstanding, and the only conclusion ever reached in respect of this bill was in regard to taking it up at any definite date. It was never set aside except for the temporary convenience of the committee as affecting its orderly procedure. The only measures connected with transportation matters which were selected for definite action, apart from the great bulk of them, were the Cooper bill (H. R. 5836) and the Hoch resolution (H. J Res. 141). Upon these the committee held hearings and gave consideration as they themselves arranged.

The Cooper bill was indorsed by large railroads and short-line railroads and by representatives of the four great railroad brotherhoods. There was no objection offered to this bill, and the committee voted to report it out favorably.

Hearings have been held on the Hoch resolution (H. J. Res. 141), but as yet the committee has not reached a vote on the bill, although hearings and executive sessions appear to have come to an end. The Hoch resolution is a measure providing for a recreated or reconstructed rate structure, and the immediate cause for urging it was the insistency of agricultural interests, which felt and represented that there were elements in the present method of establishing rates which reacted to their disadvantage, and they wanted the rates to be remade; in deference to those interests the committee gave consideration to that measure. If you want to take the evidently popular course in the Congress of the United States, you might think that we were playing politics, but we were not. We were endeavoring to meet the call of the employees of the railroads, who wanted more locomotive inspectors, and so forth, in the interest of human life and limb, as under the Cooper bill, on the one hand, and to meet the cry for a new rate structure in the interest of the agricultural interests of the country on the other hand. It was not a stand-off or anything of the kind. These were two measures that appeared to provoke little contention, and we felt we could well pass them and get them out of the way and in operation in the interest of the two elements which I have mentioned.

The committee, at the time it determined on its procedure, on March 26, postponed the consideration of all remaining transportation matters filed to the number of 78. There were, however, many duplicates in number.

It was, at the same time, determined that after the bills scheduled for consideration had been disposed of all transportation bills would be forthwith considered with a view to selection, action, and so forth, and likewise it was arranged to go over the schedule of all other bills before the committee for the purpose of fixing a tentative or final plan of procedure.

I have attempted to explain to you what the committee's attitude has been toward taking up the Barkley bill or any other railroad bill save the Hoch matter. I have undertaken to tell you what took place in connection with the labor features involved in the transportation act, 1920, as indicating the need of time, of testimony, and of consideration.

I could go further if the time were sufficient to permit and show you that there is need of House hearings and that there is need of time on the ground that we have no competent report upon which we can fully depend. The subcommittee of the general committee of the Senate, which had the Howell-Barkley bill in charge, held five days' hearings, and those hearings were unexpectedly terminated. In the course of those hearings representations were made by witnesses which, in the light of developments since then, are shown to be incorrect. No chance for contention can be made on the floor of this House; no chance for rebuttal can be offered if we discuss this thing without testimony, and there will be no opportunity to correct any misstatements which may have been made there, but we will be obliged, if we are studious enough—and I hope we will be—to read the Senate proceedings. We will be obliged to take what is on that flat printed page with no opportunity to learn anything about the representations which were incorrect, and with no opportunity to have the thoroughgoing kind of an investigation which your committee of this House is in the habit of giving.

Mr. SCHAFER. Will the gentleman yield?

Mr. WINSLOW. How much time have I?

The SPEAKER. The gentleman has 11 minutes more.

Mr. WINSLOW. Then I yield.

Mr. SCHAFER. If there are statements in the hearings before the Senate which are incorrect can not the gentleman extend his remarks to correct the statements which he claims are incorrect for the benefit of the House?

Mr. WINSLOW. I might pick out one or two, but that would be fruitless. If we had hearings or if we could get up here on the floor with unlimited time to answer any misstatements that might appear in those hearings that could be done and I would be mighty glad to do it, but it is manifestly impossible to do it now, and I do not think it would serve any good purpose to extend them in the form of suggestions.

Mr. WEFALD. Will the gentleman yield?

Mr. WINSLOW. Just this once and this is the last time.

Mr. WEFALD. I am one of those who want to have light upon this subject. I would like to know how much time the committee would require for the proper consideration of this bill.

Mr. WINSLOW. The gentleman is asking a perfectly fair question in good faith. I realize that. We have before our committee now bills relating to truth in fabrics and merchandizing, and about once a day some member of the committee asks the chairman how much longer we are going to take on those questions, and the chairman says, in effect, but not using the impolite word I shall now use, "Chestnut," and chestnut means this: I have such questions asked of me every day, and when I was young at the job I undertook to say how long it would take, but as I get older and find myself surrounded by 17 lawyers out of 21 members, I say to them, "God only knows; it depends on when you fellows get through asking questions." [Laughter and applause.]

Mr. WEFALD. I ask this question for the reason that we were told how long it took the committee to consider the Esch-Cummins bill, and I was thinking that since that did not turn out to be a good law possibly this would take a much longer time.

Mr. WINSLOW. I think the gentleman's thought is probably right. It may have been that if we had taken a year to consider that bill we would have gotten a better one, but still I believe it would have been full of holes in spite of the best we could do. If we should turn loose the proponents and opponents on this bill in hearings, I think the committee, if it did its duty strictly, might be until next September on hearings.

Mr. WEFALD. I am glad to get the mental attitude of the chairman of the committee.

Mr. WINSLOW. I always want to tell you what I think if I think I know.

We now come to the last ditch, not of defense, but in the way of overcoming the lack of wisdom shown in picking this bill up and carrying it through as is proposed. I have no ill will against the men who signed the petition. We have not had the other fellow's point of view. We do not know what the labor men themselves expect. They say they want the Barkley bill passed, but that is no argument in itself to influence a committee.

About every letter we have for or against it is based on the statement, "We want it and we want you to put it through," or "We do not want it and we do not want you to put it through." Under such circumstances, how can you expect an intelligent man to arrive at any conclusion merely from hearing

fellows say what they want or what they do not want, if they do not tell him why? It is the why we are after. [Applause.]

Now, if there is any man here who can reconcile his intelligence, can reconcile the dictates of his conscience, can reconcile himself to the provisions of the oath he has taken, and can agree to be a part and parcel of an attempt to rush through a bill like this, I say to him, "May God have mercy on your soul." I do not believe there is a man as an individual who is willing to do it. I do not believe there is a Member of this House who, in the days of his sanity, would ever say that he could take a bill like the Barkley bill and read it and understand it in one, two, or three days. I do not believe there is a man here who would ever stake his life or his reputation outside of this Congress—outside of the bunch which may go with him—on voting on this bill and determining the results of it in a single day or two days or three days. If you are willing to give the bill only House consideration, as is proposed, do so if you will, and so let the country know that a group of people representing organizations of any kind are in a position to come to us and say, in effect, "You do what we want when we want it." I was told when the rule providing for a consideration such as we will have next Monday was up for consideration and adoption that our committee would be the first one that would feel the strain, because there was a frame up to take from us a certain bill that would one day come before us.

I did not believe it then. I hate to believe it now; but when I hark back to the utterance of a member of our committee who followed me on the floor a few days ago and said that this situation was well known and that the brotherhoods, or those who are back of the Barkley bill, had looked over the personnel of our committee and taken their number—this is the substance and not an accurate quotation—had expected to have it brought up on the floor of the House. If that does not substantiate the rumor which came to me that there was a frame up going on I do not know what would.

We have had it said by others that the brotherhoods back of this were bound to put it through and put it through now. I have been told so by their friends. If such is a fact, I think it is time in this Republic of ours for the legislative branch to have a straight up-and-down showdown [applause], not on the merits of brotherhoods; I have no fight with them at all; not on the principle of unionism, there is much good in it, and more could be had; not in defense of capital or any other agency, but for the purpose of deciding who is who in running the legislative business of "Uncle Sam." Have we come to a point in the life of the Congress of the United States when any organized body or bodies outside can come to us and by the force of its might, whatever it is, say, "We do not care about your rules; we do not care about your precedents; we do not care about the history of orderly procedure; we can get bills out of your committee any old time. We do not like the members on the committee on so-and-so. We can bring our bills up directly on the floor of the House, because we can run the Congress and we can make the Members vote our way."

Whether the bill involved is this bill or any other bill, for my part I would resent such outside influence or use of power. I would resent it if every association of mine in the world were tied up in such an undertaking. We want to make this Congress good for something. We are being attacked and bullyragged all over this land for being a bunch of no-goods, and if anything on earth will prove it, it will be the adoption of the proposed plan of procedure for next Monday. [Prolonger applause.]

The SPEAKER. The gentleman from Missouri [Mr. HAWES] is recognized for 30 minutes. [Applause.]

Mr. HAWES. Mr. Speaker and gentlemen of the House, I have not, in private or in public, expressed an opinion upon the merits of the Barkley bill.

It is my intention not even to form a fixed opinion upon this bill prior to a hearing at which both sides will be heard.

I believe in the principle of mediation, conciliation, and arbitration.

But I withhold an opinion upon the matter of the official machinery by which they are to be operated.

Very painful experience has taught me the danger of committing myself in advance upon a controversial subject.

Frequently, prior to hearings and examinations, I have had strong feelings of opposition to or commendation for a measure, and hearings and testimony have changed these premature opinions.

I voted in the committee to take up the Barkley bill for consideration and will do so again and with entire confidence that the committee will order this to be done when it has disposed of some important bills introduced long prior to the Barkley bill.

If the committee, because of opposition to the Barkley bill, should refuse such hearings, I would join with other Members of the House in ordering a hearing and report.

It is not my contention that the petition for discharge should not be used in emergencies or in aggravated cases where a committee wrongfully refuses to hear a bill or attempts to smother its consideration.

I voted for the rule, believing it was a weapon to be used in extraordinary cases for the correction of abuses and to take from a committee a bill which it refused to consider or report.

This is not the case with this bill. The committee has not refused to consider the bill or been guilty of the charge of suppression. [Applause.]

I shall not discuss the Barkley bill. I shall not appeal to the House on questions of parliamentary law, but for a greater rule, the highest rule of all, the rule of common sense, and a second rule, the rule of fair play.

Next Monday the House for the first time will have under consideration the operation of an entirely new rule, upon which the debate will be limited to a total of 20 minutes, allowing but 10 minutes' discussion for those Members advocating and opposing the exercise of this rule.

It is proposed to withdraw from the Committee on Interstate and Foreign Commerce a bill introduced by the gentleman from Kentucky [Mr. BARKLEY] on February 28, to bring this bill before the House without hearing or consideration by any committee of the House; and thus, without investigation, without hearing, without affording either the friends or the opponents of the bill an expression of opinion, it is proposed for the first time in the legislative history of the House since its creation—in violation of all precedent, in violation of the theory of the right of petition—to take up for consideration and passage a measure which it has been stated it took 18 months to prepare and which contains 35 pages of printed matter.

The matter resolves itself into questions of fact.

I voted in the committee to take up the Barkley bill for discussion, and I voted for the rule of 150 by which in an emergency, where a committee wrongfully withheld consideration or suppresses consideration or wrongfully delayed consideration of a bill, the House might order that committee to report, but it never occurred to me that this Congress would proceed to discuss a bill upon which there had been no hearings and upon which both sides of the question had not been heard.

Gentlemen have referred to the hearings in the Senate. The hearings in the Senate on this subject were before a subcommittee. The hearings lasted six days. The hearings were not complete and were not concluded, but if they had lasted for six months I can not recognize the principle that the Senate will do investigating for the House and make reports for the House, and that the House exercising its function should be bound by the findings of the other body. [Applause.]

The motion for the discharge of the Committee on Interstate and Foreign Commerce was made during my absence from the House on sick leave; but since my return, in conversation with Members, I have formed the impression that many would not have signed the petition had they known the facts, and that others signed the petition because the real facts of the conduct of the committee had not been properly presented to them.

Mr. LINEBERGER. Will the gentleman yield right there?

Mr. HAWES. Yes.

Mr. LINEBERGER. Can the gentleman conceive of a Member signing the petition for the purpose of bringing out the facts?

Mr. HAWES. No, sir; not when there is only 10 minutes allowed for debate.

Mr. LINEBERGER. How are the facts to be ascertained, except by some action such as has taken place here, when explanation is made of the merits of the case such as the gentleman is now making?

Mr. HAWES. A gentleman can ask for time on the floor of this House, complain about the conduct of a committee, make his statement to the House instead of in the lobbies and in the cloakrooms and in the corners.

Mr. LINEBERGER. Would the gentleman now be on his feet making the explanation he is making, and making very ably, had this petition not been signed?

Mr. HAWES. No.

Mr. LINEBERGER. That is the point I asked the gentleman about. Could he conceive of a Member signing this petition with the object of getting such explanations as he and other Members of the committee have presented to the House this morning?

Mr. HAWES. I can conceive that there may be Members of the House who signed that petition for that purpose, and if they did, each man who signed it for that purpose performed a real service to the House.

Mr. LINEBERGER. I will say to the gentleman I signed the petition and that was the particular object which I had in view—getting information, and I find I am getting it, and I think it was because of that petition that we are now getting the information.

Mr. HAWES. My appeal to this House is not in relation to the Barkley bill. It is to look before you leap and to think before you act in a matter of this kind.

The matter that concerns me is the proper investigation of facts by committees. It may be well to consider the general subject of committee investigation and the right of public hearing before we reach this particular subject; and it may interest the House to know that at the present time it has before it for consideration 9,008 bills, and on the Senate side 3,208 bills, a total of 12,216 bills introduced at this session of Congress. In addition to these bills the House has before it for consideration 892 resolutions, making a total of 13,000 measures to be considered.

There are 435 men in the House and 96 in the Senate, a total of 531 Members in Congress. This makes an average of 25 bills to each one of the Members. Some Member of Congress, some influence somewhere, must support each one of these bills and each of these resolutions. They did not drop upon the Speaker's desk by accident. Some Member thought there was some merit in each one of these bills, and yet from that vast number of 13,000 bills one alone is selected and brought on the floor of this House to be passed without hearings. It is to be promoted above every other bill and every other resolution in the House.

It has been insinuated that the reason this was done was because the committee refused to consider this bill. I deny the truth of that statement.

The Committee on Interstate and Foreign Commerce did not refuse to consider the Barkley bill, and I believe there are men in this House who signed this petition because they were told that this committee did refuse to consider it.

We know it is physically and mentally impossible for men in this House to consider all these 13,000 bills, or even a small portion of them.

So we find that in order to expedite the business of a legislative body measures are first referred to committees for consideration and report; and this custom is not purely an American institution—it is practiced throughout the world.

Not only in England but in France, in the Chamber of Deputies, committees function in a manner similar to our own. This is true in Italy, Belgium, Holland, and Switzerland.

It is the accepted method in the legislature of each of our 48 States. In all our great cities controlled by municipal assemblies the greater portion of the work of legislation is first done by standing committees.

Not only is this the custom of State legislatures but a number of States—Pennsylvania, Alabama, Texas, Missouri, Colorado, Louisiana, Wyoming, Kentucky, and other States—require the submission and consideration of a bill by a committee prior to its passage by the legislature.

It has been found to be an indispensable essential for proper and intelligent legislation.

The First Congress began with two committees—one on enrolled bills and a House Committee on Elections. It was then the custom to do work by what was called select committees, especially selected for a special purpose. This number grew until the Third Congress, when there were 350 such committees.

This system did not last long. It proved unsatisfactory, a waste of time, and provoked endless discussion as to who should be made members of these select committees.

From the Third Congress with 350 select committees they had been reduced by the years 1813–1815 to 70 committees, and 20 years later this had been again reduced by one-half.

During this period the number of standing and permanent committees in the House had been increased from 2 to 60 and in the Senate to more than 70.

Speaking of the work of committees to investigate, digest, and arrange details of complicated subjects, Calhoun, in 1812, said:

> The House may more easily comprehend the whole, the reason for this being that this body is too large for either of these operations and therefore a reference is made to smaller ones.

I call the attention of my colleague from Kentucky to two quotations made by a Member of this House, Mr. LUCE, in his learned and able work on Legislative Procedure, where he quotes two Kentuckians on this subject:

> Hardin, of Kentucky, in January, 1816, greatly regretted to observe in the House "an unconquerable indisposition to alter, change, or modify anything reported by any of the standing committees." Three weeks later Taul, of Kentucky, confessed he distrusted his own judgment when it differed from that of any of the standing committees. "The members composing these committees," he said, "are selected for their capacity and particular knowledge of the business to be referred to them. These selections have been judiciously made. The standing committees have a double responsibility on them. Hence it is presumed that every measure, before it is reported to the House, undergoes a very nice scrutiny. Those committees have deservedly great weight in the investigation and decision of such questions as may have come before and been decided by them."

I call the attention of my colleague from Alabama to this statement in the same work:

> Then Alabama, in 1901, stiffened its provision into: "No bill shall become a law until it shall have been referred to a standing committee of each House, acted upon by such committee in session, and returned therefrom, which fact shall affirmatively appear upon the Journal of each House." Notice that the reference is to a "standing committee." Here was official and formal discord of the special or select committee system.

It would seem that in the first place all great legislative bodies throughout the world, whether of national or local importance, employ the agencies of committees for examination, hearings, and reports; and, secondly, the appointment of special committees for the consideration of subjects has been superseded by the creation of regular standing committees with a specified jurisdiction.

To-day we find this Congress has over 60 standing committees.

Sufficient has been said to show that legislative bodies can not properly function without the assistance of committees.

HEARINGS BEFORE COMMITTEES

In this country it is the universal custom to hear both sides of a question presented to a committee, and this is the rule in England, where it has been held:

> Where it is held that though the public interest should be paramount, yet public interest ought to be subserved with the least possible injury to private interest, and for this reason private interest endangered ought to be heard.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. HAWES. I yield.

Mr. CONNALLY of Texas. The gentleman said he voted in committee to take up the bill and that the committee had not refused to take it up. Did the committee take it up?

Mr. HAWES. I propose after I develop my subject to make a statement of that matter with all the details, and then I would be glad to have gentlemen ask questions.

Members who desire to take this bill from the proper committee without a hearing, before the House, leaving the impression that a hearing was refused, seem now to have some fear of a proper hearing. They want to rest their case upon a partial hearing made in the Senate by a subcommittee of the Senate. They will attempt to tell this House that hearings have been held. I deny that statement. No complete hearings on this bill have been held either in the House or in the Senate.

Mr. BURTNESS. Will the gentleman yield?

Mr. HAWES. I will.

Mr. BURTNESS. Upon these hearings which have been held in the Senate by the subcommittee, has any report ever been made by the subcommittee to the full committee?

Mr. HAWES. I understand that no report has been made by the subcommittee of the Senate to the whole committee of the Senate and the Senate committee has not reported on this subject.

Mr. BURTNESS. The subcommittee of the Senate has not held hearings sufficient for it to make a recommendation to its own committee.

Mr. HAWES. The gentleman from North Dakota is right.

Mr. KUNZ. Will the gentleman yield?

Mr. HAWES. Yes.

Mr. KUNZ. In reference to the gentleman's statement that he voted in committee to take the bill up and the statement from the gentleman from Massachusetts [Mr. WINSLOW] that he voted in opposition, I would like to know and I think the membership of the House would like to know whether that vote was taken before or after the petition was presented for the discharge of the committee from consideration of the bill.

Mr. HAWES. If the gentleman will please permit me to proceed, I propose to answer that matter in detail after further developing this subject. It seems to me this is not a matter of the Barkley bill. It is a plain question of whether a great committee of this House, composed of 21 men from 20 States in the Union, shall be practically indicted before the American people for doing something of which they are not guilty.

The primary purpose of a hearing is to secure information, and certainly it has been the custom of the committee of which I am a member to hear both sides of every question and where the matter affects a Government agency or a Government function to call before the committee officials from that branch of the Government, so that frequently three different points of view are ascertained by a committee.

Not to seek information on a bill would involve a breach of faith to the House, and the committee is justified frequently even in calling before it disinterested experts. What a committee should really seek is not so much an expression of opinion, which is usually biased by the inclination of a witness, as it is an ascertainment of the facts.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. HAWES. Mr. Speaker, I ask unanimous consent to conclude my remarks, which I shall make as brief as possible. I have been interrupted and have not really arrived at the heart of the subject because of interruptions.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the gentleman may be permitted to proceed for 20 minutes more.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHALLENBERGER. Mr. Speaker, if the gentleman will permit, I hope he will explain in those 20 minutes how he could vote for the consideration of the bill and then say that the committee had not refused to consider the bill.

Mr. HAWES. I expect to go into that in detail. The State of Wisconsin considers the hearings by committees of grave importance. The State of Alabama, from which my friend HUDDLESTON comes, does the same thing, as does the State of Kentucky, from which the author of this bill comes.

So important does the State of Wisconsin consider the matter of committee hearings that it has provided by law that each committee is to keep a record in which is to be entered—

First. The time and place of each hearing and each meeting.

Second. The attendance of committee members.

Third. The name of each person appearing before the committee, and of the person, firm, or corporation in whose behalf such appearance is made.

Fourth. The vote of each member on all motions, bills, resolutions, and amendments.

Mr. SCHAFER. Mr. Speaker, will the gentleman yield?

Mr. HAWES. Yes.

Mr. SCHAFER. Does not the State of Wisconsin also provide that the legislature can take up for consideration and passage bills and resolutions without committee hearings?

Mr. HAWES. I do not know of any such law. It is not the usual custom in States unless the committee has abused its privilege.

Mr. SCHAFER. Well, it does.

Mr. HAWES. The element of time is considered by legislatures, and even in the short period of the life of a legislature—from 60 to 90 days—a committee is allowed a reasonable time for the consideration of a bill, and due consideration is given to the business of that committee and to what its docket contains.

Every man in this House knows that some of the work of the House is done in committees and that the big questions require long consideration. The language of bills has to be changed, various conflicting interests considered, conciliation effected, all of which requires reasonable time; and most of the men in this House, I believe, will agree that it is impossible for the House to do this as successfully and as minutely as it can be done by committees.

When a committee has finished its hearings, they are printed for the benefit of all the Members of the House. This is followed by a majority and minority report, to be reviewed by each Member of the House. Time is given each Member to read these hearings and to study the reports.

If the House takes up the Barkley bill, it will be denied this opportunity for study and denied the benefit of hearings, all of which would help in debates and discussions upon the floor of the House.

None of our legislative machinery is perfect, and perfection has not been attained in the matter of committee hearings; but it is the usually accepted method of procedure, and no better plan has yet been devised.

For Congress to attempt to abandon this method would make perpetual sessions necessary and so clog the legislative machinery that little or nothing would be accomplished. Instead of speeding up the work of Congress it would delay and retard it.

In the case of the Barkley bill the House will not receive a report from the committee, nor has the House demanded a report from the committee. If the House had demanded a report, it would present another subject. That is not the subject we have before us. It is a matter of taking up a bill that has not been considered and which is to be given priority over 9,000 different bills in this House. The whole House has the benefit of a committee hearing. Copies of the hearings are printed for the benefit of the Members of the House. A majority report is filed, as is also a minority report, so that before a measure comes to the House for consideration on the floor every one of its Members has an opportunity to know everything the committee knew or that was stated before the committee. It is now proposed to bring before the House a bill introduced as late as February 28 without such hearing and without a report.

Just a few words about the work of the Interstate and Foreign Commerce Committee.

I believe the records will show that it meets more frequently than any other committee in the House. Questions come before it, dealing as they do with regulation and proposed extended regulation of all forms of business under the interstate commerce clause of the Constitution, requiring nice judgment in questions of law.

They are not matters to be gone over hastily, as they involve enormous sums in invested capital and diversified functions of government.

An honest criticism of the work of this committee would be not that it does not do enough work but that it has too much work to do.

This committee keeps regular minutes, including records of attendance, and in addition to the amount of time consumed in hearings I am quite satisfied that a great many members devote considerable time in the evenings and on holidays to investigation of the many legal points that arise.

I have taken the liberty of calling the attention of the House to these matters because I believe they are facts worthy of your very thoughtful consideration, and I am under the impression that Members of the House have been given some erroneous impressions regarding the conduct of this committee and the manner and volume of the work it performs.

Mr. Speaker Clark said the Interstate and Foreign Commerce Committee is one of the great committees. It has the broadest jurisdiction of any committee in the House. It deals with more diversified subjects than any other committee; this will not be disputed. Its history runs back to 1795. Its jurisdiction is as broad as the constitutional provision which reads:

> Congress shall have power to regulate commerce with foreign nations and among the several States and with the Indian tribes.

There are before our committee to-day a large number of bills. The committee now has before it 174 bills, according to a statement given to me by the clerk of the committee. Those bills refer to agriculture, aeronautics, bridges, bridge surveys, blue sky laws, coal, Coast Guard, commerce, contracts, Federal Trade Commission, Public Health Service, firearms, films, all of the Lighthouse Service, hospitals, health, maternity, canal bills, all navigable streams, the Panama Canal, quarantine stations, railroads, the interstate commerce act, the transportation act, topographical survey, trading with the enemy act, and a variety of other subjects.

It had before it for consideration 276 bills before the Barkley bill was introduced into the House. I assume that back of each one of these bills there were men who thought they were of great importance, or they would not have introduced them. Back of each of these bills was something of merit. Some sentiment caused their introduction, and just because the committee delayed its program on one special bill which followed the introduction of 274 bills, demand is made that the House shall push aside and postpone hearing on all other bills and put this bill upon passage without hearing by any committee.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. HAWES. Yes.

Mr. LONGWORTH. The gentleman a moment ago alluded to the fact that upon the motion to discharge the committee from consideration of the bill there is allowed but 20 minutes

for debate. Will the gentleman add that on the motion to follow that, to consider the bill at once, no debate whatever is allowed?

Mr. HAWES. That is my understanding.

Mr. CRISP. But should the House decide to consider it, then it would be considered under the general rules of the House, subject to unlimited debate and amendment.

Mr. LONGWORTH. Precisely; but it would be immediately in order to move to go into the Committee of the Whole House on the state of the Union for the consideration of the bill.

Mr. HAWES. Mr. Speaker, the gentleman from Texas [Mr. CONNALLY] propounded a pertinent inquiry, and the gentleman from Illinois [Mr. KUNZ] made the same inquiry. I now direct attention to facts which, I submit, will not be disputed by members of the committee. With 276 bills before that committee, informal discussion was held as to which bills should be first considered. That informal discussion decided that bills affecting the navigation of rivers, small bills, and bills that had been held over from the last session of Congress should be given first consideration as being greater in number and being more quickly disposed of. The committee gave some preference to a bill relating to transportation in the Mississippi Valley, a measure that is of vital interest to all of the Mississippi Valley States—not to a small group but of interest to a group that feeds America, mighty sovereign States, and finally there came the 26th day of March, a period less than one month after the introduction of the Barkley bill.

The committee then decided what bill should at that time be given immediate priority, and that is the only question they did decide. Amongst those bills to which they gave preference over the Barkley bill was a bill of great interest to union labor, introduced by the gentleman from Ohio [Mr. COOPER], involving the expenditure of $200,000 for additional inspectors. Another bill was given the next place in order, a bill proposed by the gentleman from Kansas [Mr. HOCH] that goes to the vitals of the transportation question, a bill demanded by the great agricultural interests of our country, and on a vote the committee gave the Cooper bill prior consideration, and on the next vote of the committee the Hoch bill, relating to the survey of railroad rates, was given second consideration, and then it was that the gentleman from Kentucky [Mr. BARKLEY] moved that the Barkley bill be placed next on this program for immediate consideration, and I voted for its consideration, but the committee in its judgment decided that as it had bills from that committee since last session it could be temporarily laid aside. Then I made the motion in answer to requests made upon me by representatives of agricultural interests that bills relating to truth in fabric and misbranding be given consideration, and the committee then made that bill the third in order, but at no time or upon no occasion did the committee ever refuse to take up the Barkley bill, and it is my impression that if it is called up the committee will vote for its consideration. What the committee did do was to hold the Barkley bill for later consideration.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HAWES. I will.

Mr. LONGWORTH. It seems to me I recall in the last Congress the committee was quite severely criticized for not having given consideration to the truth in fabric bill.

Mr. HAWES. Mr. LONGWORTH, there are 12 bills introduced by 12 Members relating to said subjects, introduced two and three years ago, two years before anyone ever heard of the Barkley bill.

Mr. BURTNESS. Will the gentleman yield further?

Mr. HAWES. I will.

Mr. BURTNESS. The truth in fabric bill which is now being considered by the committee, as well as most of the misbranding bills which are being considered, were introduced on the very first day of this session of Congress.

Mr. HAWES. Not only on the first day of this Congress, but they were introduced in the last session of Congress.

Mr. BURTNESS. Is it not also a fact that the Committee on Interstate and Foreign Commerce has met for five or six days of every single week since it was possible to organize the committee, in the first part of January?

Mr. HAWES. This committee in the last session of Congress handled 395 bills. It had hearings on 27 different subjects. It occupied 130 days in those hearings. It had 18 days in executive session on bills, and there is no other committee of this House that has that record. It has held hearings this year on 12 different subjects, occupying 46 days. It had 24 executive meetings, and it has three or four subcommittees at work now on different subjects. We have a vast number of bills that relate to the railroad problem, the greatest problem before this country; but those railroad bills, my friends, are connected—they are related subjects—and I, for one, am ready to commence their consideration to-morrow; but when their consideration is undertaken, this House must understand that when that order is given all other legislation before that committee ceases, because it would be a physical and mental impossibility for the committee to consider anything else but railroad bills. So the committee has been trying to put out some of these other bills.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. HAWES. I will.

Mr. SHALLENBERGER. I understood from the gentleman's statement, and I agree with it, that we came to a position in the committee where a motion was made by the gentleman from Kentucky to take up the consideration of his bill after the consideration of these other bills had been disposed of, and the gentleman from Missouri made a motion as a substitute to take up before the Barkley bill these so-called misbranding bills, and that is what we are operating under now; is that right?

Mr. HAWES. The gentleman is not quite right. A motion was made after the Hoch bill that the Barkley bill be taken up, and I voted for that motion. Then the committee having voted down that motion I moved that the truth in fabric bill be given first consideraion.

Mr. SHALLENBERGER. So the committee did vote down the consideration of the Barkley bill?

Mr. HAWES. Not permanently, but only as to immediate consideration.

Mr. SHALLENBERGER. And that raises a question of whether or not we have taken up a bill of sufficient importance to warrant the attention of that great committee. We have 12 bills dealing with misbranding possibly before the committee. How many hearings have we had on those bills?

Mr. HAWES. I have been away.

Mr. SHALLENBERGER. How many of those hearings has the gentleman attended upon the bill?

Mr. HAWES. That I could not tell the gentleman.

Mr. SHALLENBERGER. How many members of the committee attend those hearings on a bill of such importance as to put aside the consideration of this bill now? I will state as a matter of fact that we can not get a quorum on that bill, and the time of the committee in my judgment if we adjourn in June will be easily taken up in the consideration of those 12 bills for which the consideration of this bill was set aside.

The SPEAKER. The time of the gentleman has again expired.

Mr. HAWES. Mr. Speaker, I must have a little more time. If I refuse to answer questions, it creates an appearance of unfairness.

Mr. SANDERS of Indiana. Mr. Speaker, I ask unanimous consent that the gentleman may have, how much time?

Mr. HAWES. Ten minutes.

Mr. SANDERS of Indiana. May have 10 minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the gentleman from Missouri may have 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HAWES. The new rule was intended to take a bill from a negligent committee, or a bill that was suppressed by a committee, or a bill that was unjustly or improperly held without hearings before a committee.

Each Member of this House should know whether there are any facts back of the present movement in relation to this bill justifying such course.

Two hundred and seventy-six bills were referred to this committee prior to the introduction of the Barkley bill, which was not done until the 28th day of February.

On the 26th of March, just a month later, Mr. BARKLEY moved to take up and give precedence to his bill over all the 276 bills then before the committee and which had been introduced prior to his bill. That is to say, bills representing the wishes of or prepared by 276 Members of this House were to be set aside for this one bill.

When his motion was made to take up this bill, I was one of those who voted for the consideration.

I am informed that Members of this House have been told that the committee voted not to consider the Barkley bill.

I desire to protest against such a statement because it is untrue and not in keeping with the facts.

The committee was trying to arrange a tentative program of procedure.

Mr. COOPER of Ohio had a bill of special interest to labor, involving the expenditure of $200,000 by increasing the number of inspectors for locomotives. The committee voted to

give this bill consideration after it had disposed of some unfinished work before it.

It then took up the Hoch bill, an amendment to the interstate commerce law, which provides for a survey of the entire rate structure, with the view of making such adjustments as are necessary, and placed that bill upon its program for second consideration.

Mr. BARKLEY moved that the Barkley bill should follow the Hoch bill, but the committee decided to delay consideration of this bill until such time as it could be taken up in connection with other bills relating to the railroad question, of which it seemed to be part, involving some 78 bills of more or less connected subjects.

In response to repeated demands from farm bureaus and agricultural interests, the committee then ordered for discussion and hearing 12 bills, popularly known as the "truth in fabric" and "misbranding" bills, and the hearings on these bills are now in progress.

The bills placed on this program were all introduced either in the last session of Congress or the early part of this session. They included the Cooper labor bill, the Hoch rate bill, and 12 bills relating to "truth in fabric" and "misbranding."

It will be seen, therefore, that the bills which were given priority over the Barkley bill had been in the committee for some months prior to the introduction of his bill, and some of them at least a year.

Now, it is proposed that these 276 bills shall be pushed back and that the bills which have been in the committee for a year and longer should be placed on a retired list in favor of a new bill which found its way into the House for the first time on February 28.

The committee did not vote not to consider the Barkley bill, and I am thoroughly well satisfied they want to have hearings upon this bill. Certainly I do, as expressed by my vote.

It has been stated, by way of explanation or, more properly, by way of excuse, that hearings have been held upon this bill before the Senate. As a matter of fact, a partial hearing was held before a subcommittee of the Senate, but the hearing was not conclusive or complete; yet gentlemen are advocating the very novel doctrine that the House should abandon its prerogatives and accept partial hearings held before a Senate subcommittee as conclusive upon the House.

The logic of this argument would be that all the 62 committees in the House should abandon their hearings and submit that function of the House to the Senate.

It is a new and novel doctrine. If carried to its logical extreme, it would be a humiliating abasement to which I do not for a moment anticipate the intelligent, self-respecting Members of this House will agree.

I assume there are many Members whose bills have not been considered or reported by committees who have just cause for complaint.

I feel aggrieved myself. I have some bills, introduced early in the session, long prior to the introduction of the Barkley bill, which are now before my committee. I consider them to be measures of importance which I believe will meet with the approval of this House.

Suppose each Member of the House who was disappointed or chagrined should proceed to circulate a petition for 150 signatures asking for the discharge of committees from the further consideration of bills?

How many committees would be discharged, how many bills of conflicting interests would be brought on the floor of the House, creating confusion, blocking legislation, and preventing the orderly discussion of bills properly reported from committees?

The question each man should decide is not the merits of the Barkley bill, but whether the facts justify this House in taking from one of its great committees—from one of its hard-working committees—one single bill which was only introduced on February 28, and give it precedence over 9,000 other bills now before this House.

A partial consideration and hearing on the Barkley bill before a subcommittee of the Senate, I am informed, occupied about one week.

In my judgment, it would not be possible to give a proper hearing on this bill before any self-respecting, intelligent committee of the House under two weeks, and I do not think the House, in an attempt to discuss the bill in the Committee of the Whole House, could properly do so if it occupied three weeks, and then the House would not have the benefit of the testimony of witnesses and investigation, because there is no machinery by which these witnesses can be brought before the House for the purpose of testifying.

I have tried to make this question clear. On Monday next you do not vote for or against the Barkley bill; you vote for or against the right of petition, the right of hearing. One of the old sacred rights in American and Anglo-Saxon struggles for liberty is the right of petition. The modern exercise of the right of petition means the right of hearing before legislative committees. I heard the gentleman from Alabama [Mr. HUDDLESTON], a member of my committee, complain of the practice of holding hearings before subcommittees of his own committee, and I have sustained his position on a number of occasions because I thought he was right. But now I assume that the gentleman from Alabama, who opposed hearings before subcommittees, may state that he is satisfied with hearings taken before a subcommittee of the Senate.

How many times have Members had a fixed conviction on a subject and then changed that opinion upon investigation of the facts? Many are guilty in political fights of committing ourselves to the advocacy of a bill which they have never read. The Barkley bill is a big bill. It involves the great modern questions of mediation, conciliation, and arbitration in the settlement of labor disputes. God speed the time when this House may have an opportunity to vote for a righteous measure! There is not a Member who would not almost give his good right hand to secure the passage of a fair and proper measure of such great importance. I am not one of those who are opposing that kind of a bill, but if the gentleman from Kentucky [Mr. BARKLEY] can take his bill, with 276 committee bills before it, and give it precedence over 9,000 other bills in this House, who in the future will decide what bills are to be first heard, and what bills are to be given first preference? Will the Members of this House say that the Barkley bill should be heard and the Cooper bill should not be heard? Will the Members of this House say that a great measure relating to railroad rates should be set aside for the Barkley bill? Will Members of this House say that bills waiting for a year, representing the authorship of 12 men in this House, should be set aside in order that one bill, intruduced late in the session, should be given preference? If that is done with this bill, it will be done with other bills. The right of petition, the right to be heard, will be taken away.

Every man standing for and defending the rights of union labor must realize that the first thing union labor requires is a fair hearing.

It was their demand to be heard that overthrew the power of kings.

Would union labor to-day say that it favored the passage of a bill upon which the other side could not be heard?

May not the time come when union labor is on trial and a gag rule is brought in, so that their rights and their grievances could not be heard before a committee of this House?

I do not believe that understanding union labor demands that the House shall pass upon a bill upon which no testimony has been taken.

I would again vote to take up the Barkley bill, and I believe the committee will vote to take up the Barkley bill; but a committee representing 20 sovereign States in the Union should certainly be allowed the right of selection of what immediate subject shall be discussed by that committee, and that is all there is in this question. It is not the Barkley bill; it is the denial of the right of petition; it is the denial of the right of hearings. Shall we take from the House those agencies which since the time of Washington have informed the House upon the business that is brought before it? [Applause.]

NO QUORUM—CALL OF THE HOUSE

Mr. COLLINS. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Alabama moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Carew	Dickstein	Gallivan
Anderson	Celler	Dominick	Garber
Bacharach	Clark, Fla.	Doughton	Garrett, Tex.
Barkley	Clarke, N. Y.	Doyle	Geran
Bell	Cole, Ohio	Deame	Gifford
Berger	Connolly, Pa.	Edmonds	Goldsborough
Boylan	Corning	Favrot	Graham, Pa.
Brand, Ohio	Cummings	Fish	Hardy
Britten	Curry	Fredericks	Harrison
Browne, N. J.	Davey	Freeman	Hauzen
Burton	Deal	Funk	Howard, Okla.

Humphreys	Magee, Pa.	Reed, W. Va.	Taylor, Colo.
Jost	Michaelson	Reid, Ill.	Taylor, Tenn.
Kahn	Mooney	Robinson	Tincher
Keller	Moore, Ill.	Romjue	Treadway
Kelly	Morin	Rosenbloom	Tucker
Kendall	Morris	Schall	Tydings
Kerr	Mudd	Scott	Underhill
Kiess	Murphy	Sears, Fla.	Upshaw
Kindred	Nolan	Sears, Nebr.	Vare
Knutson	O'Brien	Snell	Vestal
Langley	O'Connell, N. Y.	Snyder	Ward, N. C.
Lindsay	O'Connor, La.	Sproul, Ill.	Ward, N. Y.
Little	O'Connor, N. Y.	Stalker	Wason
Logan	Oliver, N. Y.	Stengle	Weller
Luce	Park, Ga.	Stevenson	Welsh
Lyon	Phillips	Strong, Pa.	Wurzbach
McClintic	Porter	Sullivan	Wyant
McDuffie	Purnell	Summers, Wash.	Zihlman
McFadden	Quayle	Sweet	
McKenzie	Ramseyer	Swoope	
McNulty	Reece	Tague	

The SPEAKER. Three hundred and five Members have answered to their names; a quorum is present.

Mr. CHINDBLOM. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. By special order of the House, the gentleman from Alabama [Mr. HUDDLESTON] is recognized for 30 minutes. [Applause.]

RAILROAD LEGISLATION

Mr. HUDDLESTON. Mr. Speaker, it is with hesitation that I rise in the attempt to answer the remarks of the three outstanding champions in the House of the "philosophy of standing still." [Applause.] I should not do so except for the fact that the gentleman from Kentucky [Mr. BARKLEY], who introduced this bill, is unavoidably absent to-day. I felt that some advocate of the bill should make some sort of reply to the big guns of the opposition, Mr. SANDERS of Indiana, Mr. WINSLOW of Massachusetts, and Mr. HAWES of Missouri.

When I learned on yesterday that these gentlemen had obtained leave to address the House on the Howell-Barkley bill, and that Mr. BARKLEY was absent, I asked for time for myself. They had not announced upon which side they would speak, but that was unnecessary. We, who are acquainted with their habit of thought, their attitude of mind, and their point of view, would have been grossly surprised had we come here to-day and heard them make any different arguments from those which they have made, or take any different positions from those which they have taken.

The gentleman from Missouri [Mr. HAWES] is correct, so far as I know, in saying that he had not previously expressed himself on the bill; but I knew just as well as I knew the sun was going to rise to-day that at this hour and in this place I would hear the gentleman from Missouri offering some splendid reasons—I almost said excuses—for his resolve to obstruct the passage of this bill.

Oh, there are many ways of opposing measures, many ways of preventing the will of the people from being written into law, and perhaps one of the ways is just as legitimate as another. Perhaps it is just as legitimate to stab under the "fifth rib" as it is to strike in the face; perhaps it is just as legitimate to oppose bringing up a measure in the only practicable way possible as it is to say "I am against it under any and all circumstances." The people who work on the railroads—the train crews, shopmen, and others—do not feel any particular interest in whether a Member is opposed to their bill coming up or whether he is against it after it comes up. They are men of common sense and are interested in results. They will judge him by the consequences of his action.

COMMITTEE OVERBURDENED WITH LITTLE THINGS

I have almost shed tears over the pitiful plight in which the Committee on Interstate and Foreign Commerce has been portrayed. Bowed down with, oh, such an opulence of jurisdiction, multitudes of important measures pressing upon it, and no time to do anything except report bridge bills. [Applause.] Congress has now been in session for five months, and that committee, the busiest in the House, has been sitting almost daily, yet they have never completed hearings upon a single measure of prime importance.

Mr. NELSON of Wisconsin. The Cape Cod bill has come through easily in some way or other, and we are going to take that up under a special rule.

Mr. HUDDLESTON. The gentleman must remember that the chairman of the committee [Mr. WINSLOW] is especially interested in that bill.

No hearings on any measure of prime importance have been completed by that committee, yet 175 important bills are still before it. Are you not sorry for the committee? Do you not want to do something to relieve them of their burden? They have bridges to be thinking about; they have Cape Cod to think about, the Panama Canal, the Coast Guard, the lighthouse system, and a thousand and one trifling and unimportant things, and they have no time to give to railroad legislation or other matters of prime importance. [Applause.] Do you not want to do something for this great committee and its amiable chairman? I beg you do something for him, relieve him of some of his burdens, take away this troublesome Howell-Barkley bill and bring it before the House.

I remember how the gentleman from Massachusetts [Mr. WINSLOW] fought for jurisdiction of the St. Lawrence ship canal bill, how he succeeded by might and main of his influence in wresting it away from another committee and bringing it to the Committee on Interstate and Foreign Commerce. Having done that noble deed, we have never mentioned that bill in the committee from that day until this. [Laughter and applause.]

Mr. WINSLOW. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. WINSLOW. Did the gentleman ever ask anything about the St. Lawrence ship canal bill in the discharge of his duties as a member of the committee?

Mr. HUDDLESTON. No; I was not especially interested in that measure. I realized that there were so many other matters within our jurisdiction, real matters, and needing our attention so much worse than that bill that I did not mention it. I also realized that the chairman would deal with it at his pleasure in his own good time.

Mr. BURTNESS. Will the gentleman yield?

Mr. HUDDLESTON. I do not want to yield and have my time frittered away with questioning.

Mr. BURTNESS. I was wondering whether the gentleman was present at a couple of meetings where I personally raised the question with reference to the St. Lawrence ship canal project and the state of the situation with reference thereto, and when it was plainly shown that this was not the time when that legislation was advisable, due to the fact that a treaty had not been effected with Canada.

Mr. HUDDLESTON. Let the gentleman ask a question and then stop.

Mr. BURTNESS. That is a question.

Mr. HUDDLESTON. No; the gentleman is defending himself from the implication that he neglected that matter.

Mr. BURTNESS. But the gentleman stated that the St. Lawrence project has not been mentioned in the committee.

Mr. HUDDLESTON. The gentleman is trying to defend himself from the implication that he has neglected that bill.

Mr. BURTNESS. Not at all.

Mr. HUDDLESTON. The gentleman was not a member of the committee during last Congress; he could not have brought it up in the committee for that reason. It may be barely possible that he has spoken of the matter during the present session of Congress, but if he did mention it I have no recollection of it.

Mr. BURTNESS. If the gentleman had been at the meetings of the committee, he would know better than that.

Mr. HUDDLESTON. I decline to yield further to the gentleman. I am, as he knows, one of the most regular attendants at committee sessions.

The committee is burdened with a multitude of bills. There are dozens of bills of tremendous importance to the people of this country pending before our committee. There are bills to repeal other objectionable provisions of the transportation act. There is a bill to deal with section 15a, but it has not been considered and it will not be considered. There is not a chance to get such a measure before the House except by some method such as this which is being used on the Howell-Barkley bill.

Our committee are disciples of Fabius. We follow his strategy. We quote Fabius to the people of the country, who are vitally interested in these important bills, "If you are a great soldier, you will make us come down and fight." That is our answer, and in the meantime we hold interminable hearings upon unimportant bills; we are always busy, very busy, doing little things that might as well be done a year hence, or possibly never.

COMMITTEE FOLLOWS FABIAN STRATEGY

On the motion of the gentleman from Missouri [Mr. HAWES] we took up the truth in fabric and misbranding bills nearly three weeks ago, and since doing so he has honored us with his presence only upon one day, so far as I can recollect. We have gone on and on, holding these hearings day after day, with iteration and reiteration. We have never had a quorum pres-

ent; this morning only two Members, the gentleman from Nebraska [Mr. SHALLENBERGER] and the chairman of the committee were present. I do not blame Members for staying away. They know the committee is just following the Fabian strategy, busying themselves with doing little things so as to avoid being called upon to do important things; they know that nothing worth while is going to happen, so what is the use of going to the hearings and wasting their time.

I would like to see a real misbranding bill brought out by the committee, but do not imagine that I am such an optimist as to expect it. Such a measure as will be brought out, if any at all, will be such as the great exploiting interests of the country want brought out.

Next Monday, May 5, is going to be an eventful day in this House. We are going to put in operation for the first time the committee-discharge rule. Did we mean to use it when we adopted it? When we voted for it, did we really believe in it? It will be an eventful day, because those who did not really believe in the rule will find an excuse to vote against using the rule to bring the Howell-Barkley bill before the House.

Oh, the gentleman from Kentucky [Mr. BARKLEY], so the gentleman from Massachusetts [Mr. WINSLOW] says, argued against the adoption of the committee-discharge rule and now is going to use it. He sees an inconsistency in that. That is for the gentleman from Kentucky [Mr. BARKLEY] to defend against if it needs defense, but it looks to me like he has paid a tribute to Mr. BARKLEY. He has shown that he at least had intelligence enough to see the light, and the House having adopted this rule, he proposes to take advantage of it and use it for the benefit of the people whenever possible. But the gentleman from Massachusetts [Mr. WINSLOW] and the gentleman from Indiana [Mr. SANDERS] are undoubtedly consistent. They voted against the adoption of the rule, and they are going to vote against using it. They believe in the policy advocated to-day in his speech by the gentleman from Missouri [Mr. HAWES] of throttling bills in committees, of killing legislation which the people want because a committee has been so arranged and adjusted and manipulated that a majority can not be induced to vote for it. [Applause.]

FORCES OF REACTION WORKING EVERYWHERE

The gentleman from Missouri [Mr. HAWES] seems to think that because in my State it is required that a bill be referred to a committee and reported therefrom I am precluded from all argument. Let me say to the gentleman from Missouri [Mr. HAWES] that the forces of reaction are working down in Alabama just the same as they are here in Congress. Just as there are in Congress, so there are those in Alabama who do not want the voice of the people to be heard or their interests considered, and want to find some left-handed way of striking down legislation without meeting it squarely and saying "yes" or "no" upon the merits of a measure.

But let me say in defense of my State, that it is beyond the power of a committee in that State to pigeonhole a bill like this bill has been pigeonholed in the Committee on Interstate and Foreign Commerce. Under the established procedure in the Alabama Legislature a measure referred to a committee by a majority vote can be forced into the open for consideration and passage, exactly as we are trying to do here now.

Oh, the issue is plain, gentlemen. Let us not deceive ourselves; we will be unable to deceive anyone else. Let us not argue here with sophistry and subterfuge and evasion about this matter. The whole question is, Are you for this bill or are you against it? That is all there is to it.

It seems to me the part of courage to meet the issue squarely, and I want to say to you that the people who believe in this bill will interpret your action, whether it be by "sideswiping" or some more direct method; they will interpret your action correctly. Do not forget that.

When, against the practically unanimous opposition of the laboring people of the United States, we passed the Esch-Cummins bill four years ago they were very much wrought up over it. They have remembered it down to this good day against some Members who previously had been their friends. And Members of Congress who voted for that bill have complained to me and said, "I have always been a friend of labor and they ought not to hold this against me. They did not warn me. They ought to have told me in advance that they were going to accept my action upon that bill as the test of my friendship for them, so that I might have understood what consequences would ensue." Without thought of any threat or desire to influence your action it may be that I am doing my duty by you, gentlemen, to tell you, simply as a matter of information, that the laboring people of this country have set their hearts upon this bill and are going to accept your action upon it as the test of your professions of friendship for them. [Applause.] Now, no man can hereafter say he was not warned in time.

LOOKING ONE WAY, BUT SHOOTING ANOTHER

The gentleman from Indiana [Mr. SANDERS] said—and I ought to be able to repeat it because I have heard it so often here—the gentleman said, "I believe in organized labor." I have heard that so often in this House, and so often have I heard it come from gentlemen whose professions were the sole evidence of their statements. They said they "believed in organized labor" but always they voted against the things that organized labor wanted and asked. And I have heard another type of gentleman say, "I believe in labor, in those who toil, but I do not believe in labor organizations." That also is an old story, for I have noted on so many occasions that I might almost say always, that those who make that profession are, even as they make it, getting ready to strike at the common man, and are merely offering an excuse for the injustice which they are about to do.

I can well understand the type of mind and the political philosophy of Members who believe that those of wealth and intelligence and those who belong to the upper social classes should rule the country, and should enjoy special privileges and receive the best of everything. We once had a very respectable President of the United States who held to a similar philosophy. Gentlemen in these times are usually not so bold and open as he was, but many of them still hold to that same philosophy. Given a man who feels that way I can at least understand his voting against the common people, and I can understand his fighting labor organizations, the only organized fighting forces that labor has for its defense.

Mr. HAWES. Will the gentleman yield for one question?

Mr. HUDDLESTON. Will the gentleman excuse me just a moment?

Mr. HAWES. You refuse?

Mr. HUDDLESTON. Why, certainly, I refuse.

If a man holds to that theory, he is entirely consistent in fighting labor and organized labor and everybody that does not belong to the favored classes and being all the time for those who ride upon the shoulders of the masses. I have more respect for a man of that type than I have for one who says, "I believe in organized labor," yet always stabs organized labor, or who says, "I believe in labor but not in the unions," yet always stabs at common men and women.

Mr. BARKLEY called this bill to the attention of the committee. He moved that the committee take it up as soon as it had finished a measure which it was considering. Discussion was had, and it was decided to take up two certain matters of legislation as soon as the matter under consideration was finished. Then Mr. BARKLEY moved that his bill be taken up next following, but the committee voted by a majority against taking it up.

The bill went into the long sleep. The committee did not vote that they would never take it up. Nobody ever heard of a committee doing anything like that. But they resorted to exactly the same method as they would had they intended never to take it up.

I am sorry that the Members of the committee who have spoken are not more clear in expressing their candor. They cast the haze over the House that if given more time they would take up the bill, give it consideration, and favorably report it. Yet they know that nothing of the kind is contemplated or will be done. The committee might hold hearings as a "bluff"; but hearings would be futile, for every member of the committee knows there is not the slightest chance on earth that the bill will be favorably reported by the committee during the present Congress or even during a Congress 10 years from now if the committee should remain as at present constituted.

Mr. HAWES. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. HAWES. Did the gentleman from Alabama at any meeting of the committee ever move to take up one of these railroad bills?

Mr. HUDDLESTON. No. Does the gentleman from Missouri think that with men like those who compose the majority of the committee I would be foolish enough to waste my time in trying to get a reduction of railroad rates? Surely I have not a reputation in the House of utter senselessness. [Laughter.]

HOWELL-BARKLEY BILL MISREPRESENTED

Now, gentlemen, I want to discuss the bill somewhat on its merits. A great hullabaloo has been raised over it. These big guns of the stand-pat policy have tried to make you believe that it means tremendous things, something revolutionary. I suppose

their attitude is owing to their revulsion against anything that would touch the Esch-Cummins Act. Having brought that measure out of committee and foisted it upon the country, having incorporated in it section 15a, which has raised railroad rates from 25 to 40 per cent, having thrust into it the labor sections which produced the greatest strike this country ever saw, having done this great work, they feel there is something sacrosanct about the Esch-Cummins Act, and pray the Deity to strike any man who dares lay a hand on that "ark of the covenant." If a majority of the Members of the House agree with them, the sooner we know it the better.

The people of the country will find out next Monday just what to expect of the House. There is no use bluffing that you are trying to give the people relief if the majority of the House is against it. Next Monday will be a very good time for the people to find it out. That will be before the elections. It is timely that we should know on next Monday who are the Members of the House who want to do something to remedy the wrong that was done by passing the transportation act of 1920.

Mr. JACOBSTEIN. Will the gentleman yield for a simple question?

Mr. HUDDLESTON. I will.

Mr. JACOBSTEIN. Is it not a fact that President Harding recommended legislation which would amend the Esch-Cummins Act in a speech delivered in Kansas City, Mo., June 26, 1923?

Mr. HUDDLESTON. Yes; President Harding urged that the act be amended so as to stimulate consolidation, and stated that he would have legislation to that end brought before the present Congress. President Coolidge, in his address to Congress of December 6, 1923, said:

> The Labor Board was established to protect the public in the enjoyment of continuous service by attempting to insure justice between the companies and their employees. It has been a great help, but is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested, there should be no hesitation in enacting such agreement into law.

He also at that time urged amendments to the act which would stimulate consolidation of railroads and which would provide for a reorganization of the rate structure.

WHAT "DON'T TOUCH THE TRANSPORTATION ACT" REALLY MEANS

But the gentleman from New York [Mr. JACOBSTEIN] must bear in mind that the transportation act becomes sacred literature only when it is proposed to amend it so as to reduce rates or to relieve labor or do something else for the benefit of the general public. It is not sacred against amendments to further the interests of the railroads. Our committee would already have reported such amendments had there not been the fear that thereby countenance would be given to some "vicious" effort to amend the act in the interest of the people.

The railroads fear that, once amendment is started, some provision that is not for their interest will be inserted. Hence we have the nation-wide propaganda for standing still. "Don't touch the Transportation Act." That is the cry of every railroad executive, and its echoes come back from every railroad-controlled organization, individual, and newspaper in the land.

In harmony with the position of the railroad managers and the powerful financial interests back of them and the echoes which they have called from commercial bodies in nearly every whitewashed village in the country, the majority of the Committee on Interstate and Foreign Commerce have accepted the dogma of the inviolability of the Transportation Act. I remember that in the course of his speech in behalf of the bill when it was being forced through the House four years ago I heard the gentleman from Indiana [Mr. SANDERS] say that it was "a great constructive piece of legislation." His phrase has hung to me until this day. A "constructive piece of legislation" which raised railroad rates from 25 to 40 per cent and provoked the greatest labor disturbance in all the history of the Nation. But they hang to their obsession that no profane hand must be permitted to defile it.

A MOVE FOR PEACE NOT FOR STRIFE

This bill is a measure for industrial peace and not for strife. It is true it comes from the minds of leaders of the American labor movement. It represents the best effort they can make. It is not destructive legislation such as that advocated by the gentleman from Kansas [Mr. TINCHER], whose statesmanlike bill proposed the flat repeal of the labor sections of the act, and to leave the railroads and the employees to fight to a finish. It is constructive legislation, intended to present a remedy for labor strife in transportation. It is peace legislation, and will make for peace and harmony between the carriers and their employees and thereby promote the general public welfare. Let me say to you, my friends, that the twelve hundred thousand members of the labor organizations advocating this bill are men and women, citizens of this country and consumers, and as much interested in keeping transportation going as any class of people in the world.

In point of fact, the laboring man is more interested in preserving industrial peace than either the employers or the public. Always the laboring man is interested in preventing strikes. Always the strike costs the striking laboring man more than it does anyone else. True, the public has an indirect interest and the employer also has an interest, but the laboring man has more at stake than all the rest. When he goes on a strike, whatever the final result may be, he makes the sacrifice of a part of his life. His commodity, the only thing he has to sell, is labor; and that part of his irreplenishable stock in trade, measured by the period of the strike, spoils upon his hands and is lost to him beyond recall. The necessaries of life for himself and his family, his hope of making himself independent for his old age—all these things go when the strike comes.

Let me, as one who knows the intelligent workingman, say to you that every such man enters upon a strike even as you would go upon a surgeon's table for a major operation—only as a last resort. The laboring man strikes because he feels that his loyalty—not to his immediate, selfish interest, but to his class, to his calling, to his wife and children, and to other workingmen who shall come after him—demands that he make the sacrifice.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to proceed for 20 minutes more.

The SPEAKER. Is there objection?

There was no objection.

Mr. HUDDLESTON. The laboring man goes out upon a strike even as a soldier goes into the front-line trench to fight for his country, fighting not for himself but for all common men, that their labor may be made to yield a just return and their future be assured. Of course the strike costs him more than anybody else.

RAILROAD EMPLOYEES WANT PEACE

The railroad employees of this country want peace between themselves and their employers, and they realize that there can be no peace under the present system. After long and careful consideration and with the aid of the most skilled advice, they have drafted this bill. They have worked it over and over from every angle. Having completed the bill they submitted it to the administration itself. They were referred to Mr. Hoover and had consultations with him. He considered the measure from the standpoint of the public. He endeavored to get the railroads executives to meet with their employees to discuss this bill but they declined to do so.

Mr. NELSON of Wisconsin. Is there a single thing in this bill that the railroad employees ask for themselves that they have not equally accorded to the carriers?

Mr. HUDDLESTON. Not one thing on earth. There has been more misrepresentation about the purpose of this bill than any measure which has been before Congress within recent years.

Mr. WINSLOW. Mr. Speaker, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. WINSLOW. In order that the House may have the benefit of the gentleman's statement, with reference to Mr. Hoover's attitude, would the gentleman like to read a letter from Mr. Hoover in regard to his position?

Mr. HUDDLESTON. I will be glad to read it privately. I prefer not to take up my time with it now. So that there will be no misunderstanding I state that the President was approached about this bill by the committee which drafted it. He referred the committee to Mr. Hoover and they submitted the bill to him. Mr. Hoover made two suggestions for changes, which after discussion and explanation he did not insist upon. He made an effort to get Mr. Holden and the representatives of the railroads to confer with the employees, but was unable to get them to do so. That is the history of the matter. We do not need any letter to tell that.

Mr. WINSLOW. That is the gentleman's hearsay, but I will give the gentleman what Mr. Hoover said.

Mr. HUDDLESTON. I suggest that the gentleman print his letter in the RECORD. I feel no great interest in what Mr. Hoover says, nor in what his views may be.

What does this bill do? There is not a single important element of untried legislation in it. Do not take my word or that of the gentleman from Indiana [Mr. SANDERS] for it, but study

the bill. He has tried to scare you, and, as you know, he is a very able man and good at scaring. I want each Member of the House to acquit his conscience by studying this bill for himself, and making up his own mind about it. Do not take anyone's opinion.

I repeat, however, there is not a single substantial piece of new matter in the bill.

Mr. HUDSON. Mr. Speaker, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. HUDSON. I am interested in what the gentleman is saying, and I wondered if I heard him correctly that the bill would make no new legislation.

Mr. HUDDLESTON. No legislation which has not heretofore been in force.

Mr. HUDSON. If so, what is the need for considering it at all?

Mr. HUDDLESTON. Oh, it is not now in force. I do not want the gentleman to believe that I mean that it is merely a rehash of existing law. It carries no provisions of any moment which have not heretofore been in force, nor does it introduce any new practice.

The Esch-Cummins Act, the sacred literature of the gentleman from Massachusetts [Mr. WINSLOW] and the gentleman from Indiana [Mr. SANDERS] dealt with this subject. As it was brought upon the floor of the House and originally passed by the votes of both those gentlemen the Esch bill provided for boards of adjustment and expressly provided that the labor representatives on those boards should be designated by the chief executives of the several labor organizations, specifically naming the organizations. These gentlemen voted for it, and one of them said at the time that it was a great piece of constructive legislation. These boards were permissive boards. It went over to the Senate. The Senate passed the Cummins bill, which provided for a compulsory system for the settlement of labor disputes. The legislation then went to conference.

The gentleman from Massachusetts [Mr. WINSLOW] has emphasized the need for consideration of the Howell-Barkley bill and for hearings upon it. Yet we find that when the Esch-Cummins bill went into conference entirely new labor sections were written into that bill by the conferees. No hearings whatever were held. Those sections were written by the conferees alone. The House was not taken into their confidence. The entire bill was rewritten in eight days. There was not a tenth part of the debate over it that already there has been over this bill. The conferees wrote the labor sections of the transportation act and there they provided for adjustment boards. I wonder if the gentleman from Indiana [Mr. SANDERS] has read that act recently. Section 302 reads:

> Boards of labor adjustment may be established by agreement between any carrier, group of carriers, or carriers as a whole, and any employees or subordinate officials of the carriers or organization or group of organizations thereof.

Mark you, that is a provision of the existing law. The boards are permissive or voluntary. The only difference between existing law and the provision in the Howell-Barkley bill is that the latter makes the creation of adjustment boards compulsory.

Mr. NELSON of Wisconsin. The gentleman from Indiana stressed the fact that wage questions would not be taken up by the adjustment boards. Is not that so in the present law?

Mr. HUDDLESTON. Yes; under existing law wage questions are considered only by the Labor Board.

ONLY CHANGES FROM EXISTING LAW

The only substantial changes made in existing law is: First, to substitute for the present Railroad Labor Board, a Board of Mediation and Conciliation; and, second, to make the creation of adjustment boards compulsory instead of voluntary.

Mr. MILLS. Will the gentleman yield?

Mr. HUDDLESTON. I will.

Mr. MILLS. Is it not likewise true that under the present law boards of adjustment may be created for a single railroad system as between the carrier and its employees, whereas in your bill you provide solely for national boards?

Mr. HUDDLESTON. The existing law provides that the boards may be created by a carrier, group of carriers, or the carriers as a whole.

Mr. MILLS. Whereas your present bill provides only national boards of adjustment? Is not that the fundamental difference?

Mr. HUDDLESTON. No; I think it is merely an advance in the line of economy, efficiency, and good sense, so that instead of having a hundred adjustment boards throughout the country dealing separately with every carrier over the country and every dispute separately we provide for only four boards. What would be the expense for the multitude of boards created as the gentleman from New York [Mr. MILLS] intimates he would like to have done? Instead of costing $500,000 a year they would probably cost many times that much—they would cost vastly more and accomplish no better purpose. It would be an utterly nonsensical thing to do.

PASSAGE OF BILL MADE NECESSARY BY FAULT OF RAILROAD MANAGERS

Why has it become necessary to pass this bill? Because the adjustment boards, made voluntary under the transportation act, are by it made compulsory. That is the answer, because the railroads refused to appoint the boards under section 302 of the transportation act and the result was that every labor dispute and grievance that originated among the millions of employees was thrown into the Railroad Labor Board, which was thereby so deluged with cases that they could not possibly accomplish their work. These disputes were thrown for decision into the Labor Board, which was wholly inadequate to meet the situation. The result was that several hundred of these cases are pending even to this time; some of these cases have been pending from two to three years with yet no prospects of a decision. The unavoidable delay in decisions became a denial of justice and will remain of itself a matter of grievance as long as we fail to provide some means of relief by which they may be determined.

What the employees are trying to do is to promote peace. And what are the railroads trying to do? I give you the key to it in the statement made by Mr. Atterbury who was one of the labor committee of the railroad executives appointed to consider what they should do with reference to section 302. Eight out of nine of that committee of the leading railroad executives of the country agreed that if they should appoint the adjustment boards it would promote peace, and these eight recommended that the carriers should cooperate with the employees in creating the boards. But one man stood out, the hard-boiled financier Mr. Atterbury, who boasted that "he had learned his lesson in France." He stood out and his influence, and that of the Wall Street interests which stood back of him, were strong enough to force the adoption of his recommendation by the railroads instead of the recommendation of the eight other members of the committee which had dealt with the subject.

What reason did Mr. Atterbury give for his position? I have here an extract from his minority report:

> As an evidence of the interest of the public in this situation, I invite attention to a question recently submitted by the United States Chamber of Commerce to its membership throughout the country to a referendum vote. This question, which is analogous to that with which we are dealing, read: "The right of open-shop operations; that is, the right of the employer and employee to enter into and determine the condition of employment relations with each other is an essential part of the individual right of contract possessed by each of the parties."
>
> And the vote was: In favor, 1,665; opposed, 4.

Remember that this vote was taken under the auspices of that great benevolent institution the United States Chamber of Commerce. Mr. Atterbury said further:

> Private ownership is on its last trial.

Atterbury said that, which shows that he thinks along the same line as the gentleman from Indiana, Mr. SANDERS, who made about the same statement in his speech to-day. Mr. SANDERS said that this effort on the part of the railroad employees to promote peace between themselves and their employees is an attack on private operation. That is what all that type of gentlemen say. They see a Bolshevik in every bush, and if they see a man with corns on his hands they know that he has a bomb in his coat tail.

Mr. Atterbury further said:

> Can it be possible that you will deliberately invite a condition inevitably enlarging the power and amplifying the influence of those forces which are determined to wrest from your control the properties which you now operate?

Do you notice that these men whose affairs run into millions and who represent great interests love to talk about lands, railroads, and houses as "properties" just like that? He said:

> Throughout the critical situation through which the railroads have passed from Federal control to their return to private ownership, the railroads have had, most generally, the sympathetic cooperation and support of the industrial and commercial organizations.

Later he added his climax:

Our duty is clear. Make no contract whatever with the labor organizations.

So now, my friends, you have the reason why the railroads refused to appoint the adjustment boards. It was because that by acting with them in that matter they would recognize the labor organizations. Those of the Atterbury school made it a question of whether they would recognize the labor organizations or fight them to the death. It is these railroad executives, who want to destroy the labor organizations, who are now fighting this bill. They have inspired every little town in the country large enough to have a civic body to send to Congress a lot of foolish propaganda against this bill.

WHERE OPPOSITION COMES FROM

The inspiration for the opposition of the Howell-Barkley bill comes from three sources. The first is those who have been misled by the cloud of misleading propaganda which had been emitted by the railroad executives, who are fighting the bill. The purpose of the bill has been grossly misrepresented to business interests, officials of short-line railroads, company union men, and the public generally. Well-meaning but misguided persons from almost every community in the country have been induced to write or wire their Congressman opposing the bill. Few indeed are the instances in which these parties have read the bill or have any fair idea of what it means. Their opposition is based on cold ignorance and their willingness to obey a prod from the "higher ups" of railroad lawyers and railroad officials.

The railroad propagandists have told business men to oppose the bill on the ground that "the public is not represented on the adjustment boards." There is no provision for public representation on the adjustment boards provided by section 302 of the present law. There was no reason for public representation, because the adjustment boards, alike under section 302 and under the Howell-Barkley bill, deal merely with grievances and disputes between the carriers and their employees in which wages are not involved. The public has no interest in these disputes. Nonexperts could not function in settling them. On the other hand, to take the place of the Railroad Labor Board in its function relating to wage contracts, in which the public is interested, instead of a board with three public members and equal numbers of labor and carrier members, as provided by the eixsting law, the Howell-Barkley bill creates a board of mediation composed wholly of public members and with no labor or carrier representatives thereon.

The short-line officials have been told to protest that the Barkley bill would interfere with their labor or in some other way harmfully affect them. This is not true. The short lines will be left in exactly the same situation as they are under existing law. No additional duty will be imposed upon them. They will not be forced to do anything whatsoever against their will. They will be left to settle any disputes or wage questions by conferences with their employees, just as they may now do, and if their employees are willing to work for 50 cents a day they can still work for that amount under the Howell-Barkley bill. There is no attempt by the bill to enforce union contracts, rules, conditions, practices, or other matters upon any carrier or employee.

THE "COMPANY UNIONS"

The "company unions," "system unions," and "shop unions" are so-called labor organizations, organized with the permission and under the fostering care of the employer. In most cases they are under the employer's control, do his bidding, and are intended for no other purpose than to be used as a club to fight the regular organizations. In the case of the Pennsylvania system's unions the members pay no dues. Their sole function consist in voting for their officials upon ballots upon which each voter must sign his name and which are counted by company officials. It is said that the union officers elected in this way are usually those dictated by the company. The union members hold no meetings, and their unions' existence is merely colorable. The P. R. R. Company pays the expenses and transportation of the officers of the union and any compensation which they may receive. The company even pays rent for the offices which the union officials occupy. Of course, such a union is merely an arm of the company. It represents the company and in no sense can express the sentiments of the employees.

The company-union men, who probably number from 150,000 to 300,000 nominal members, have been told to protest against the bill on the grounds that it would force them under the control of the regular organizations. This is wholly untrue. They will be left to continue their separate existence, nominal and fugitive though it may be. They can go on negotiating with their employers and accepting employer dictation as they are forced to do. There is nothing in the bill to prevent this.

But the company-union men say that the labor members of adjustment boards will be composed of members of the regular ganizations. This does not follow. Any labor organization organized on craft lines is free to make nominations for the adjustment boards if by their fundamental law the nominating organization is no confined to a locality or system—that is, it must by its fundamental law be of the nature of a national organization. It is intended that the adjustment boards shall be composed of experts and that the labor members shall be skilled craftsmen, competent to deal with disputes relating to their crafts. This purpose necessitates nominations by a craft organization, and since the boards are to have national jurisdiction, manifestly it is proper that the nominating organization should not be circumscribed by its fundamental law and confined to a single locality or system. All that the company unions need to do to entitle them to make nominations is to organize along craft lines and to omit from their constitutions any limitation upon their geographical extent and activity. We may thus have a dozen independent national organizations and associations of company unions and each of them nominating members of adjustment boards in opposition to the nominees of the regular organizations. And the President, in appointing the boards, may name the nominees of the independent, outside, or company-union organizations.

And there is the opposition which comes from gentlemen like those who have spoken here to-day who regard the Transportation Act as a piece of sacred literature, from which for anyone to take away or add a word is to invoke damnation upon their souls. They look upon it as something that must not be changed and apply to it the words found in the last chapter of the Book of Revelations:

If any man shall take away from the words of the book of this prophecy, God shall take away his part out of the book of life, and out of the Holy City—

that is to say, he shall be damned, or something worse. [Applause.] With them it is the same with the Transportation Act. They worship it. And in the meantime the people of the country groan under the burden of excessive railroad charges and the railroad employees feel that they are being deprived of their rights in connection with their employment.

Then there is another source of opposition: They are the labor haters, those who, like Atterbury, say, "Make no contract whatever with the labor organizations." A lot of this opposition comes from men who under all circumstances are fighting the workingman's organizations and who say, "Do not treat them as though they were human beings. Beat them down. The first thing you know they will be thinking they are men. Beat them down. Use every process of force. Destroy their organizations, undermine their confidence in their leaders, drive them down to be the brothers of the ox." That is really the philosophy back of their attitude. I wonder whether, here in this popular branch of the American Congress, where men have come fresh from the great body of the people—I wonder whether such a philosophy will be sustained. God forbid that it should.

THE RAILROAD LABOR BOARD A FAILURE

The Railroad Labor Board as an instrument for promoting labor peace has failed. Its usefulness, if any it ever had, has ended. The failure of the board has been due in part to its faulty constitution. I quote from Mr. Hoover's address to the Transportation Congress on January 9, 1924:

The present set-up of labor adjustments has not given entire satisfaction, and in considerable degree this is due to inherent faults in the construction of the board and in its authorities. We have in this board confused four different functions in labor relationship. The board has in parts the machinery for collective bargaining, for arbitration, for conciliation, and judicial determination.

The board has failed in collective bargaining because it tried to represent both sides. It has failed as an adjustment board because it was controlled by nonexpert public members who of course could not function. It has failed at mediation because it had carrier and labor members who were partisans of their separate sides. It failed as a court both because it had carrier and labor members who were partisans and because its decrees were unenforceable.

But the failure of the Railroad Labor Board has in chief been due to the fact that the employees became convinced that it had been packed against them and that its public members were prejudiced, partisan, and unfair. Even two of its labor members were appointed against the wish of the employees and without having been nominated by the organizations to which they were credited. Its public member, Chairman Hooper, became an active propagandist against the employees, and while quite complacent over the flouting of the board's authority by the railroads was tremendously aroused when the employees retaliated.

The Railroad Labor Board has failed. Already certain of the powerful labor organizations have definitely decided to ignore the board entirely in future and to endeavor to settle their issues directly with the employing railroads. A few months ago, by direct negotiation with the great New York Central, the train organizations made a contract which yields them an advance in wages. Following that precedent the bulk of the great systems west of the Mississippi have negotiated contracts with their employees.

There appears to be a general tacit understanding that the Labor Board is useless and can not function in future. We are left, therefore, either to revert to the labor system in force prior to the Erdman and Newlands Acts under which railroads and their employees might negotiate contracts with each other or resort to strikes and lockouts disastrous to transportation, or to adopt some law which will promote negotiations and adjustment.

Shall the employees and the railroads fight to a finish, with the stronger left to impose its will upon the other, incidentally crucifying the public interest, or shall the public intervene by a moderate and reasonable law to promote labor harmony in the railroad world? This is the issue which is squarely up to us. It is to meet this issue that the labor organizations have prepared this bill and are asking that it should be considered by Congress.

Not by any means are all railroad executives opposing this bill. The opposition comes in chief from those who have organized company unions to fight the regular unions and who are more interested in destroying the labor organizations than they are in successfully operating a railroad. These men oppose the bill chiefly because it was proposed by organized labor. As a matter of fact, there is really nothing in this bill which should provoke the opposition of any railroad official, whether he is opposed to the unions or not. The opposition of this class is largely due to blind prejudice.

But there is no doubt that the railroad interests generally are unfavorable to the bill not because of the bill itself but because of the fear that it will prove the entering wedge for other railroad legislation. They are opposed to railroad legislation of any kind. Their cry, which they are transmitting through Civic bodies and other interests under their control, is, "Let the Transportation Act alone"; "Let us give it a further trial." They would be glad enough to amend the transportation act in particulars for their own interest if they could be sure that it would not lead to amendments offered by the interests which they are exploiting. They fear the repeal of section 15a and the reduction of freight rates. They fight all amendments in the interest of holding section 15a and their present extortionate rates intact.

"PEACE AND WAR; TAKE WHICH YOU PLEASE"

Do not think, however, my friends, when you vote for this measure on next Monday, that you are voting for or against the labor organizations, you Members who live in rural sections and who have no labor organizations or other interests except the farmers. It is not merely a question of labor. It is a question of peace in the transportation industry. It is a question whether we shall have transportation interfered with by labor strikes or not. It is a question of whether we will settle disputes between railroads and their employees by peaceful methods or by the strike. That is the choice that you are invited to make.

As a sort of spokesman for the employees, I may quote the words of the Roman ambassador:

Here we bring you peace and war; take which you please.

Which do the interests of the folks at home require that you take? Will you stand with employers who can not see an inch beyond their noses and strive to drive down the American workingman to a lower basis, or will you carry in your hearts the future of our country, its development, and what may follow in the way of prosperity and success in the years that are to come?

These laboring men have brought you a bill, not drawn in their own interest, but drawn in the public interest. They ask you to bring it before the House. Are they not entitled to have it considered? Will you consign it to remain at the tender mercies of the Committee on Interstate and Foreign Commerce? If you do, do not rise up and plead infancy and non compos mentis when the question is hereafter brought up, because I tell you that to refuse to discharge the committee means that this bill will never come before the House, and you will never have an opportunity to consider it.

Consider the bill on its merits. If you feel it ought to be voted down, vote accordingly, of course. But do not shove it in a pigeonhole. Do not refuse these twelve hundred thousand working men a chance to get their measure considered. Examine it for yourselves. The issue is before you.

Mr. NELSON of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. NELSON of Wisconsin. There are hearings in the other Chamber on this question, are there not?

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. Mr. Speaker, may I have one minute more?

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. HUDDLESTON. Answering the question of the gentleman from Wisconsin, I say yes; full hearings on this bill have been held by the Senate committee. The railroads have been represented at those hearings by nearly a dozen of the ablest railroad executives in this country, including their able attorney, Colonel Thom. They have said everything that could be called an argument that men can say against this bill. Also, the proponents of the bill have presented their views in a brief and succinct way. Those hearings have been printed. Get a copy of them. Read them, and prepare yourselves on the bill. They are better hearings than those that would have been held by our committee, for they are shorter. They are long enough. Read the hearings, and let us have a vote on this bill. [Applause.]

In recapitulation I desire to state in brief the objections which were made to the Barkley bill by the carriers' witnesses in the Senate hearing, and to make answers thereto, as follows:

I. THE GENERAL DUTY IMPOSED ON EMPLOYERS AND EMPLOYEES

There seemed to be no objection to the general duty imposed in section 2 upon carriers and employees "*to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions, and to settle all disputes arising out of the application of said agreements.*"

Carrier witnesses agreed that such effort is "the established practice and is the method promoted and desired not only by representatives of employees but also by railroad management." (Testimony of Mr. Hale Holden.)

II. THE SELECTION OF REPRESENTATIVES TO DECIDE DISPUTES IN CONFERENCE

Objection A: The requirement of section 3 that conferences upon disputes shall be held "between representatives designated and authorized so to confer" is followed by the provision that such representatives shall be designated by each party "*without interference, influence, or coercion exercised*" by the other party. It was objected that this would prevent a management from "submitting its side of the case to the employees" (Mr. Walker); which was later explained (by Mr. Thom) to mean that a management would be prevented from protesting against the character or conduct of employee representatives.

Answer A: The bill *only* prohibits the employer from interfering in the *selection* of representatives, or from controlling the organizations of employees so as to dictate the selection of employee representatives. There is no limitation whatsoever upon the power of the employer to persuade the employees or their representatives to agree with him. On the contrary, the bill requires the parties to "exert every reasonable effort" to agree.

The necessity for a provision prohibiting the employer from controlling the organization of employees—whereby their pretended "representatives" are merely secret agents of the employer—has been proved by the persistent evasion in this manner of the present law by a few large railroads.

Chairman Hooper, of the present Labor Board, who testified in favor of retaining the Labor Board, nevertheless urged that the law be amended so that "the carrier should not be permitted to evade the law by conferring with somebody else under the pretense that it is conferring with the employees' representatives. If this is done, and it has been done, the very vitals of the law are cut out and cast away."

Members of Congress are now being deluged with memorials from officers of company unions claiming to "represent" thousands of employees who are stated to be opposed to this bill which would insure them *honest* representation. These company-union officers who are sending in messages are paid by the employers, *according to their own admissions in the committee hearings*. It was admitted that the railroads helped prepare their statements and paid their expenses. Their "organizations" are supported by company funds or by dues

forcibly collected from workers compelled to join these company unions. Yet these company agents insult the intelligence of Members of Congress by claiming that the employees whom they are hired to betray do not want Congress to free them from their enforced and un-American servility.

III. THE REQUIREMENT THAT CONFERENCES SHALL BE BEGUN PROMPTLY

Objection B: The carriers objected to the provisions of section 3, A-3, requiring the fixing of a time and place for conferences, on the ground that when there are many disputes it may be difficult or impossible to hold conferences within 20 days of notice.

Answer B. The bill does not require conferences to be held continuously or to be terminated within any fixed time. But they must be started promptly. A similar right is given to every litigant in any court to require his opponent to respond promptly to a motion. Then the matter is heard according to the convenience of the court and of the parties. Nothing more exacting is required by the proposed act. Nothing less will prevent carriers from evading the proposed law as they have evaded the present law, by postponing indefinitely the beginning of conferences.

Chairman Hooper, of the present labor board, testified that the mandatory requirements of the present act for conferences "have been disregarded and evaded by a number of railroads with consequent disadvantage and injustice to the employees." The requirements of the proposed act are designed to prevent such evasions.

IV. BOARDS OF ADJUSTMENT

The principal objections of opponents of the bill were directed against the creation of four national boards for the adjustment of grievances of employees arising out of the application of agreements.

Objection C 1: The carriers and others (who either misunderstood or willfully misinterpreted the provisions of the Howell-Barkley bill) objected that the four national adjustment boards would bring about standardized national wages or rules.

Answer C 1. The national adjustment boards have nothing to do with either *making* or *changing* of agreements whereby wages or rules are established. They only decide disputes over the *application* of agreements, called "grievances."

Section 4 reads as follows: *"If any dispute arising only out of grievances or the application of agreements concerning rates of pay, rules, or working conditions is not decided in a conference * * * it shall * * * be referred * * * to the adjustment board which * * * is authorized to hear and decide such dispute."*

Section 5 provides that *"if any proposed change in rates of pay, rules, or working conditions is not decided in conference between the parties, either party may invoke the services of the board of mediation and conciliation."*

Thus it is plain that agreements are *made* and *changed* (1) by conference between representatives of a single carrier and its employees; (2) by mediation; or (3) by arbitration. There is no provision made for any action by any national adjustment board to fix wages or rules or to make or change agreements. Nor is there any machinery provided for making any "national agreement" upon wages or rules.

Objection C 2: It has been objected that the national adjustment boards are substituted for the Labor Board and that there is no "public" representative on them.

Answer C 2: The boards of adjustment are *not* substituted for the Labor Board. The board of mediation and conciliation, composed only of *five* public members is substituted for the Labor Board, which is now composed of *three* public members, three carrier members, and three labor members. The carrier witnesses—supported by company unions—urged that the present Labor Board be changed to *five* public members, two carrier members, and two labor members. The board would then be controlled by the five public members and, as their decisions would not be enforceable, they would constitute practically a board of five public mediators *which is precisely what is provided in the proposed law.*

BOARDS OF ADJUSTMENT ARE PROVIDED FOR IN THE PRESENT TRANSPORTATION ACT

The insincerity of objections to the proposed boards of adjustment is shown by the following facts:

1. The present law provides for the establishment of boards of adjustment (sec. 302) to handle *grievances only* (sec. 303)—but they were to be established by *agreement between* carriers and employees. Such boards were recognized by railway executives (March, 1920) and the Labor Board (July, 1920) as "an essential part of the machinery to decide disputes."

2. The labor committee of the Association of Railway Executives in March, 1920, voted 8 to 1 in favor of establishing *three national adjustment boards*, substantially the same as Boards No. 1, 2, and 3 in the present bill. The carriers and the national labor unions were to name an equal number on each board. The 8 who voted for national boards were Presidents Gray and Holden—who now testify "there has never been offered any satisfactory reason for their creation"—Besler, Hustis, Loomis, Maher, Markham, and Young. Vice President Atterbury, of the Pennsylvania, *alone* dissented. Mr. Atterbury, backed by bankers and large industrial employers, advocated a labor-union-smashing campaign. "Make no contract whatever with the labor organizations," he urged. The Association of Railway Executives eventually voted with him 60 to 41, and reversed its labor committee.

3. Because the railroads refused to establish adjustment boards the Labor Board was swamped with grievance disputes which it had not been expected to handle and which it was incapable of handling efficiently.

4. The proposed act will simply establish by law the boards which were provided for—but to be created voluntarily—in the transportation act—boards which are essential to prompt, effective settlement of grievance disputes over the application of agreements.

5. Chairman Hooper testified that "the employees are correct in their contention that the failure of the carriers and employees to agree upon the establishment of adjustment boards has substantially detracted from the effectiveness of the law." This is putting it mildly. The fact is that the financial masters of the railroads deliberately destroyed the legal machinery intended to provide prompt justice for the employees, against the advice of the best railroad operating executives.

Objection D: The carriers and some company unions contend that establishing national adjustment boards will prevent single railroads from establishing local adjustment boards.

Answer D: Local adjustment boards are merely extensions of "conferences" between a single carrier and representatives of its employees. The bill requires every reasonable effort to settle disputes in *conference*. Nothing in the bill prevents the establishment of local adjustment boards by agreement whereby their decisions shall be final, so that the parties *are not required* to go before the national boards, if they agree to settle their disputes otherwise.

Objection E: A few small labor organizations object that the disputes of their members do not come within the jurisdiction of any one of the national boards, and that they have no tribunal of appeal.

Answer E: Any dispute not settled in conference or by an appropriate adjustment board will go to the board of mediation and conciliation (sec. 5). Therefore these organizations *have* an appeal to the board which is substituted for the present Labor Board.

It would be unreasonable to establish boards of adjustment for every class of railroad labor. One actively protesting organization has had less than five grievance disputes a year before the Labor Board. The board of mediation will provide ample relief for them. The purpose of the adjustment boards is to provide a speedy machinery for settling the numerous technical disputes of more than 90 per cent of all railroad employees.

NECESSITY FOR ADJUSTMENT BOARDS

The efficiency of and necessity for such boards have been proved. During Federal control the corresponding Board No. 1 decided 3,000 cases without an appeal; Board No. 2 decided 2,000 cases with less than 10 appeals; Board No. 3 decided 1,100 cases with only 1 appeal.

(Testimony of Director General Hines in hearings on Senate Resolution 23, January 24, 1922)

In its first two years the Labor Board was improperly required to decide some 1,200 cases and accumulated about 1,500 more undisposed of. At the start of this year hundreds of small cases were still undecided which had been pending for between three months and three years, working untold hardship on large numbers of employees and fermenting unrest. Furthermore, Labor Board decisions are not enforceable and have been frequently violated by the railroads (Labor Board report, November 15, 1923), whereas decisions of adjustment boards are made enforceable (sec. 4).

Objection F: The carriers and company unions object that the national organizations have the "special privilege" of "naming" the labor members of the national adjustment boards.

Answer F: The President of the United States will appoint all members of the national adjustment boards (sec. 3-B). No labor organization is mentioned anywhere in the bill. All "nationally organized crafts" have an equal right to offer two nominations for each position to be filled. This is a proper classification. It would be unreasonable to ask the President to consider the nominees of every local organization (of perhaps 50 or 500 men) for an appointment to represent perhaps 100,000 workers. But *any* national organization of employees whose work comes within a board's jurisdiction has the privilege of offering two nominations to the President. It is, of course, assumed that the President will desire to appoint bona fide representatives of the largest groups of employees interested. The regulation of how nominations shall be made and what organizations come within the spirit of the law can, and should, be left to the discretion of the President.

FOUR OBJECTIONS OF THE CARRIERS TO NATIONAL ADJUSTMENT BOARDS

Speaking for all the carriers, Mr. Holden listed four objections, which will be answered briefly.

Objection G 1: That national boards lose contact with local conditions.

Answer G 1: If the present law remains, all disputes will go to the Labor Board, which is a *national* board, having no contract with local conditions. This Labor Board has three public members who have no technical knowledge of railroad operation. The carrier and employee members will not be technically informed on a large proportion of the disputes they must consider. The proposed boards will be composed entirely of experts in the particular controversies which they will review. Being removed from the local atmosphere of prejudice they will be able to interpret contracts in the impartial light of good railroad practice.

Objection G 2: That national boards will standardize conditions.

Answer G 2: These boards will only standardize *interpretations* of agreements; that is, they will only standardize the law of railway labor contracts, which is obviously desirable. They will have no power to make or change rules, whereas the present Labor Board, having power to decide disputes over the making of rules, will continue its demonstrated tendency toward standardizing rules.

Objection G 3: That national boards will offer an invitation to appeal and so prevent settlements in conference.

Answer G 3: The present Labor Board, having the three nonexpert members, encourages appeals of poor cases. A disputant with a poor case will be far less inclined to appeal to an expert board, which would give him short shrift.

Objection G 4: That these boards involve unnecessary expense in maintaining and attending upon them.

Answer G 4: The expense of maintaining these boards will be far less per case than that of the Labor Board, because they will not sit as judicial bodies and require a staff of stenographers, clerks, examiners, and investigators. Their procedure will be simple and inexpensive and the cost to disputants will be infinitely less than the present excessive cost of producing evidence and making a record to educate the lay members of the Labor Board. These assertions are amply proved by experience with adjustment boards and with the present Labor Board.

V. THE CLAIM THAT THIS IS "NEW AND PARTISAN LEGISLATION"

Objection H: The carriers claim that the proponents of this bill are seeking new and partisan legislation.

Answer H: Ninety per cent of the Howell-Barkley bill is merely a rewriting of previous acts of Congress. It is a codification of tried and successful legislation. The duties imposed and conferences required are taken from the present transportation act. The provisions for mediation, conciliation, and arbitrations are simply revisions of the Erdman and Newlands Acts that have been the law since 1898. Under these acts peace was preserved on the railroads for 20 years. From 1913 to 1919, under the Newlands Act, which only covered train-service men, 148 major disputes were adjusted, affecting 586 roads and 620,810 men, without a single strike resulting.

The adjustment board provisions in this bill were in effect and operated with remarkable success (as previously shown) during two years of Federal control. Similar boards, established by the train-service men, by agreement with certain roads, have operated with uniform success since Federal control. Similar boards have been in completely successful operation for years in Canada.

In the conference between the Senate and House on the Esch-Cummins bills in 1920 the conferees agreed to provide for three national boards of adjustment (comparable to the proposed boards 1, 2, and 3), the labor members of which were to be appointed *directly* by the chief executives of the national labor organizations that are supporting the present bill. At the last moment, at the suggestion of Mr. Hines, the director general, but previously and now a railroad official, this provision was stricken out and the boards were left to be created by agreement.

Mr. Hines evidently assumed that the railway executives would continue voluntarily these boards, which he declared to have been "eminently satisfactory." The good faith of his suggestion is not questioned, but it was misplaced faith and did incalculable injury to the employees and the public.

The fact remains clear that Congress was on the verge of establishing in 1920 national boards of adjustment whose labor members would be *directly named by* certain designated national labor organizations. Yet in 1924 when *these same organizations* seek merely the privilege, in common with any other nationally organized crafts, of offering nominations to the President they are accused of advocating "new and partisan legislation."

MINOR OBJECTIONS

The carriers and other witnesses have offered some minor objections to the bill which need receive little attention. A sincere objector who has any constructive purpose should be able to present such objections in the form of proposed amendments. But since no such amendments have been offered such objections can be properly regarded as simply efforts to discredit the constructive work of those who are seeking the enactment of a just law. One example of these minor objections will suffice:

Objection I. One carrier witness (Mr. Walber) objected to the provision (section 1, (7)) adopting the Interstate Commerce Commission's classification as a "legal classification" of railway employments and prohibiting changes without approval of the commission, on the fanciful ground that it interfered with managerial freedom of action.

Answer I. If some fixed occupational classification is not established, a railroad management is able merely by changing an employee's title to make the claim that he can no longer be represented by his craft organization. This method of depriving an employee of the right to the representation he desires has been repeatedly used by certain railroads to evade the provisions of the present law. That is the purpose and necessity for providing that the Interstate Commerce Commission classifications shall furnish an official description of a railroad employment "*for the purposes of this act.*"

SHORT-LINE RAILROADS

Objection J: Representatives of short-line railroads objected that the proposed bill would increase their expense of operation and made a pathetic plea against burdening their semibankrupt roads any further.

Answer J: To carry grievance disputes or wages and rules disputes to the present Labor Board costs far more than it will cost to take unsettled grievance disputes to the proposed adjustment boards or to invoke the services of the proposed board of mediation and conciliation in disputes over wages and rules. The short-line objections were simply assertions contrary to facts.

The records of previous Federal mediation and of the Labor Board show clearly that some machinery must be provided to insure adjustment of the many disputes which have threatened to interrupt service on these lines. The proposed machinery is less expensive for all parties than the present machinery and the short lines offered no evidence to prove the contrary; relying simply on unsupported assertions. As has repeatedly happened when legislation has been proposed, the short lines came forward with a plea of poverty to excite sympathy in order to pull chestnuts out of the fire for the class I railroads.

EXPENSE

Objection K: Some objections have been made, though not very vigorously, to the expense entailed by enactment of the proposed law.

Answer K: The appropriations for the Labor Board have been between $400,000 and $350,000 annually. This has been the *direct* cost to the Government of this unhappy experiment. In addition the Government paid, in 1922, over $2,000,000 for expenses of the Department of Justice in connection with one strike alone—the shopmen's strike. This strike cost the public hundreds of millions of dollars. It cost the railroads in "out-of-pocket" expense *alone* over $100,000,000. It was brought about largely through the ineffectiveness of the Labor Board, which instead of functioning as a body of public mediators attempted arbitrarily to force drastic changes in wages and working conditions. Thereby the board appeared to the employees as merely an instrument of certain railroad managements in bringing about what Federal Judge Anderson described as a "provoked strike" as a means for smashing the labor organizations. The cost of maintaining such a tribunal was Government money thrown away. If a real board of mediation had been available it is the firm belief of the proponents of the present bill that that costly strike would have never occurred.

To make effective even the machinery of the present transportation act it is generally admitted that boards of adjustment must be established. The least possible number would be the four provided in the present bill. Therefore this additional expense over the Labor Board expense is inevitable.

The board of mediation and conciliation which will be substituted for the present Labor Board will cost less than $100,000 per year—thus between $250,000 and $300,000 will be saved over the cost of the present Labor Board by establishing the proposed tribunal of proved success for the present tribunal of proved failure.

The national boards of adjustment should be *Government tribunals*, in order (1) that their authority may be clearly established and (2) that they may not be abolished at the will of either party, which would be always possible if they were privately supported. It is doubtful whether Congress could constitutionally *compel* the railroads and their employees to maintain a prescribed machinery at their own expense. Therefore the money saved in abolishing the Labor Board should be expended upon the maintenance of these boards, for which $400,000 annually should be sufficient. Thus by an annual expenditure of approximately $100,000 more than at present the Government can provide a well-tested and proven machinery for settlement of labor problems in the transportation industry—an investment of public funds that will return 100 times the investment annually to the entire American people whose comfort and prosperity depends upon transportation service.

It is hardly believable that advocates of false "economy" can persuade Congress that an additional expenditure of $100,000 per year to insure just treatment of 2,000,000 workers and the resulting continuous reliable operation of the railroads is unjustifiable.

Congress appropriates $5,000,000 annually for the Interstate Commerce Commission—and the value and necessity of its labors would

warrant a larger amount. This expenditure is all for the purpose of requiring railroad managements to furnish adequate service at reasonable rates and without discrimination. But, as the late President A. H. Smith, of the New York Central, stated, "95 per cent of this railroading is human; the other 5 per cent is merely coal and steel, and it is not worth anything if you do not get good men with it."

One-tenth of the amount appropriated for the Interstate Commerce Commission is surely not a large sum to expend upon a machinery to insure the fair treatment of human beings who perform "95 per cent of this railroading."

It has been found necessary to establish a public machinery to compel the railroads to treat the public fairly in furnishing service and in making charges. Likewise it has been found to be necessary to establish a public machinery to compel the railroads to treat their employees fairly in fixing working conditions and rates of pay. This proposed machinery is required for the public interest as urgently as the machinery of rates and service regulation. It is opposed by selfish private interests in the railroads, just as they have always opposed every exercise of public authority to protect public interests. It is sponsored by the genuine representatives of "the overwhelming majority of the railroad employees and subordinate officials, stated by those who are in a position to speak with confidence and authority to be more than 90 per cent." (Interstate Commerce Commission Report in Ex parte 72.)

The organized railway employees bring forward a tried and successful program for industrial cooperation with the encouragement and support of governmental authority. It is submitted as the most effective measure ever presented to Congress to eliminate strikes from the American railroads. It will be absolutely effective if railroad managements cooperate, particularly because the employees will be pledged to the public and to each other to prove that their constructive program to solve labor problems in the transportation industry is in truth a program of peace.

The SPEAKER. The gentleman from Illinois [Mr. DENISON] is recognized to address the House for 15 minutes.

The SPEAKER. The gentleman from Illinois [Mr. DENISON] is recognized to address the House for 15 minutes.

Mr. DENISON. Mr. Speaker and gentlemen of the House, different ones among us approach this subject from different points of view. It happens that I see my duty from just a little different viewpoint from that of all those who have addressed you on the subject to-day. Perhaps that is the best excuse I can offer for asking to take up a few minutes of your time just now.

Mr. Speaker, I am representing here what may be properly called one of the largest labor districts in the country. My constituency contains about 50,000 bituminous coal miners and several thousand railroad workmen, as well as many other thousands of organized laborers. With very few exceptions these men are all American citizens, loyal, patriotic, striving against hard economic conditions and aspiring to own their own homes, educate their families, and improve their conditions in life.

I am interested in their welfare. It is my duty to represent them in this Chamber. I have been their consistent friend during my entire service in Congress, and I intend to remain their friend and support all legislation that will fairly benefit them and improve their conditions and that will not be injurious to others who may be affected thereby. If I could not do this conscientiously and willingly, I would no longer ask to be here to represent them.

For the past six years I have been a member of your Committee on Interstate and Foreign Commerce. That committee, I believe, is the most important strictly legislative committee of this body. Its chairman and its members are men of splendid ability and without exception devoted to the duties and traditions of the committee. In the performance of their duties no committee of the House would have worked more assiduously or more fairly to those whose interests are committed to them and with less partisanship than has the Committee on Interstate and Foreign Commerce.

I owe it both to the people I represent, whose support I must have if I remain here, as well as to the members of my committee and of the House, without whose good opinion and respect service here would be to me of little value, to state briefly my position with reference to the pending proceedings connected with the consideration of the so-called Barkley bill, or railway labor bill.

This bill as introduced on February 28 last.

On March 26 Mr. BARKLEY asked the committee for hearings. Between those dates the committee had held hearings on the Cooper bill to provide for additional boiler inspectors for the railroads, a bill in which the railroad men of the country were very deeply interested. Hearings were also held on other important bills, including the Hoch bill to provide for a general survey of freight rates of the country. I was in favor of the consideration of each of these bills. There were pending before our committee a great number of bills known as the truth in fabric or misbranding bills. Many of these bills had been before Congress for a great many years. Some had been pending before our committee ever since I have been a member, and I know not how long before. We had been urged by the farmers of the country, and by many others interested in them, to have hearings and give the bills consideration. And I may say in that connection that the motion to discharge might well have been filed, and, I have no doubt, would have been filed to discharge our committee from consideration of those bills if we had longer delayed hearings on them and had begun consideration of the Barkley bill.

On March 26 the committee decided to hold hearings on the truth in fabric and misbranding bills. I was not present when this decision of the committee was taken. I left for my home in Illinois that day and did not participate in the proceedings which resulted in the decision to hold hearings on those bills. Had I been present I would have voted to hold hearings on the Barkley bill.

On April 15 the gentleman from Kentucky [Mr. BARKLEY] addressed the House, discussing ably and at some length the provisions of his bill, and in the course of his remarks announced that he would that day file a motion to discharge the Committee on Interstate and Foreign Commerce from further consideration of the railway labor bill. He took occasion to criticize the committee for failing to hold hearings on his bill, and in substance charged the committee with ignoring it and refusing to give it consideration. His criticism of the committee was, I think, unfair to the committee and wholly without justification, and has, I regret to say, placed the committee in a position before the House which the records and facts, if they were fully known, would not sustain. The committee took no action indicating any desire or intention to ignore the gentleman from Kentucky or the bill he had filed. There was no disposition shown, so far as I could discover, to refuse prompt hearings and consideration of that bill. There was no unusual delay in view of other important business pending before it, and such delay as there was, was due wholly, I think, to a desire on the part of the committee to give hearings on other bills that were of great importance and that had been pending before the committee not only for months but for years.

I regret that the management of this proposed legislation has been allowed to assume a political aspect. There is not the slightest justification for making such legislation a partisan matter. Legislation affecting the interests and the welfare of those employed on the railroads of the country is too vital to them and of too great importance to the country to be considered and determined from a political or a partisan point of view. And yet somebody is responsible for allowing or causing this bill to be treated as a political matter.

The gentleman from Kentucky [Mr. BARKLEY] has chosen to proceed under the new discharge rule adopted by the House early in this session and on next Monday will ask the House to discharge the committee from further consideration of the bill and to consider it in the House without hearings.

This new discharge rule is the one exclusively political rule among all those we now have that govern the proceedings in this Chamber. It was conceived and proposed for political purposes. It was adopted by an unnatural political combination of the Democratic and progressive or radical parties in the House. It will enable a minority party to begin proceedings to discharge committees from the consideration of important legislation and will authorize a combination of minority parties to take from the majority party the control of and responsibility for legislation which it ought to control and for which it ought to be responsible. It is subversive of orderly parliamentary procedure. It is revolutionary, in that it tends to and in my judgment will ultimately overthrow the committee system for considering legislation that has for more than a hundred years been recognized as a fundamental part of our legislative procedure. It will deprive the people of the right to be heard on legislation that will affect their interests and will result in the enactment of unsound, unfair, and inadequately considered legislation. I voted against the adoption of this rule, and I venture the prediction that sooner or later it will have to be modified or repealed.

Now, when those who prepared and drafted the Barkley bill were ready for its introduction they chose to make use of the two political minorities who were responsible for the adoption of the discharge rule. They asked Mr. BARKLEY, a Democrat, and Senator HOWELL, a radical or so-called progressive, to introduce the bill in the House and the Senate. And the same

combination, with a few exceptions, signed the petition to discharge the committee. I wish that this had not been done. I regret that those who are responsible for the management of this bill have chosen to make a political matter of legislation which I think is meritorious. I wish that it might have occurred to them to at least consult some Republican who is responsible here for the control of legislation, with reference to the introduction of the bill and its course through what is supposed to be a Republican Congress and up to a Republican President for his approval. But instead of doing that, the Republicans in the House were ignored; and this bill was placed in the hands of the political combination of Democrats and so-called progressives; they signed the petition to discharge the committee and have been placed on the so-called "honor roll."

Gentlemen, does anyone in this Chamber seriously think that if this bill is jammed through Congress without a fair and reasonable hearing and without proper consideration, if the committee to which it is referred is flouted, and if the Republican leadership of the House and the Senate is wholly ignored; does anyone seriously believe that the President would approve it?

I want to submit that thought to the gentleman from Alabama [Mr. HUDDLESTON] particularly, because I believe that my sympathies and his are the same in these matters. We are both alike interested in the welfare of the workingmen who are employed on our railroads.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. DENISON. I will.

Mr. HUDDLESTON. Does not the gentleman think we can trust the President to approve it if it is a proper bill?

Mr. DENISON. I do.

Mr. HUDDLESTON. And if it is right for him to approve it, he will approve it?

Mr. DENISON. I think so.

Mr. HUDDLESTON. Irrespective of whether the committee would report it out or not?

Mr. DENISON. No; I do not think the President would countenance the passage of a bill of this importance through Congress in this manner and without giving those interested in it a chance to be heard.

Mr. HUDDLESTON. Does the gentleman think the President should veto a proper and right bill merely because a committee of the House did not report it out?

Mr. DENISON. The gentleman is assuming in his question that the President would find it was a proper and right bill, but I am saying this—that I do not believe the President would approve this method of passing a bill. I believe the President would think that a bill of this importance ought to be given careful consideration by the committee, after those who were both for and against it were allowed to be heard. Therefore, if the proceedings now begun are continued, I do not think he would give it his approval.

Mr. HUDDLESTON. Does not the gentleman think the House is competent to decide its own processes in passing legislation?

Mr. DENISON. I think I have explained my point, and I do not care to yield further.

Is it possible that there are those here or elsewhere who want this bill vetoed on the threshold of a national campaign with the hope of promoting the interests of some candidate for President, or possibly of injuring those of another? Should the interests of the hard-working railroad men of the country be made a political football? So far as I am concerned, I will not join in such a movement.

I do not think it is fair to the railroad workmen themselves who, of course, know nothing about our parliamentary procedure and who are themselves not directly responsible for the way the bill is handled, that it should have become tainted with partisanship. Railroad workmen have their own politics. They can not be delivered politically to any candidate or to any party. There are Members of this House who belong to both of the old political parties who are loyal to the best interests of the railroad men. We want to promote their welfare, but we must also maintain our loyalty to the political party with which we are affiliated. I am a Republican and I think the Republicans here can handle legislation for the railroad men just as well as the Democrats or Progressives can.

And so, Mr. Speaker, I regret that an attempt has been made in connection with this bill to put the Republicans here in the attitude of opposing it. It puts us in a false attitude because the railroad men of the country have no better friends than will be found among the Republicans of this House.

As to the merits of the Barkley bill, I want to say this: I was a member of the Committee on Interstate and Foreign Commerce when the transportation act of 1920 was under consideration. We held hearings on that important legislation which lasted from June until October, I believe. I voted against the Esch-Cummins bill because I did not approve some of its provisions. I stated in this Chamber that I did not approve the method provided for settling labor disputes. I did not believe that the Railroad Labor Board would prove satisfactory to the men or to the railroads.

My study of this question has convinced me that the most effective and most satisfactory method of adjusting differences and settling disputes with reference to grievances and wages and working conditions is to allow representatives of the men themselves and of the companies to get together and without obstruction or interference by outside parties counsel and consider and resolve their differences among themselves; and I have favored any legislation that would authorize and legalize some such method of disposing of disputes between the railroads and their employees.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. DENISON. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes more.

The SPEAKER. The gentleman from Illinois asks unanimous consent to proceed for 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DENISON. I have not had time to give careful study to all the provisions of the Barkley bill. It is long and more or less technical and is somewhat difficult to understand, but from what I know of it I approve in the main of the plan there proposed for settling railroad labor disputes. Therefore I want it understood that in the main I am in favor of the general plan for adjusting labor disputes that is proposed in the Barkley bill.

But it is a matter of such vital importance to the railroad laborers and the railroads themselves, it is a matter of such far-reaching importance to the entire country, that I do not believe it ought to be given merely superficial consideration. I think this bill should have been allowed to take the usual orderly course of procedure that is followed in the consideration of other important legislation.

We are not confronted by any impending emergency. The railroads and their employees are at peace. There is no impelling necessity for such precipitate haste as to make it necessary that this bill be passed without allowing anyone whose interests may be involved to appear before a committee and be heard. I think the House should carefully preserve the long-established policy of committee hearings on important legislation. The people whose interests are so vitally involved have no other effective way to petition Congress and make known their wishes and their views. Railroad men have nothing to conceal nor any reason to fear the fullest investigation of any legislation that is proposed for their benefit or relief. This legislation is too important to be considered on the floor of the House without some knowledge or information of the interests and the conditions about which we are to legislate.

There are various provisions in the Barkley bill that the Members of Congress can not understand unless they chance to be familiar with all of the delicate relations that exist between railroads and their employees and the difficult and far-reaching problems involved in a national transportation system. For instance, I have received in the last few days a number of petitions and letters from railroad men and organizations of railroad men in my district protesting against this bill and claiming they are not represented on the various adjustment boards provided for in the bill. They ask for the privilege to be heard. None of us can know how much this bill will cost the Government. A reasonable time for hearings would allow all parties interested in the legislation to be heard, estimates as to the amount it will cost the Government to be presented, and suggestions which might improve it or remove some objections to it could be offered, and the House would be enabled to consider it intelligently and in an orderly way.

I believe that if there could be hearings on this bill and if it could be carefully considered by the committee, and if perhaps objections that may be made to some of its provisions could be removed by amendment, the bill will be approved and passed by the House. But without hearings, without full information, and without careful consideration by both the committee and the House, I fear the best interests of the millions of railroad men in the country will not be considered on their merits and the bill will not pass.

I think it is unfortunate that this bill could not have been filed a year or more ago. The Railroad Labor Board has been

in existence four years. Congress could then have had ample time to consider it on its merits with no national presidential campaign imminent. I regret that it was not filed until near the 1st of March, when it was known that the committee calendars were crowded and Congress was trying to adjourn before the national conventions.

I understand that 18 months were required for the preparation and final drafting of the bill. And yet our committee was asked to consider it and dispose of it to the exclusion of all other business of the committee within a month or so after it was filed. I do not think this is quite fair to the committee or to the House or to the men whose interests are involved.

So, Mr. Speaker, while I approve of the general principles of the bill and intend to vote for it, I do not approve of the method adopted by the gentleman from Kentucky [Mr. BARKLEY] for forcing its consideration by the House without hearings and without time for its consideration by the committee to which it was referred. I do not approve of his criticism of the committee of which I am a member, nor will I by my vote become a party to the plan unfairly to put our committee in the false attitude of either obstructing or refusing to give prompt consideration to this bill. For these reasons I shall vote against discharging the committee, and I shall vote against the consideration of the bill until hearings are held. [Applause.]

Suppose the railroads, or their attorney, Mr. Thom, referred to by the gentleman from Alabama, had spent 18 months in preparing a bill for the adjustment of labor disputes from their point of view; that he had filed it and then tried to rush it through Congress without hearings, without giving the men an opportunity to be heard or the committee a chance to consider it. I am wondering how many would have walked up here to the Clerk's desk and signed a petition to discharge the committee from the consideration of such a bill. I wonder how many here would vote to take up such a bill on the floor of the House and try to put it through Congress without hearings or orderly consideration. I would vote against a bill of that kind and I would not vote to discharge the committee under such circumstances. I want to be fair with all and deal justly with both sides.

Mr. BLANTON. Will the gentleman yield for one question?

Mr. DENISON. Yes.

Mr. BLANTON. If this should be an improper bill, does the gentleman think it would be possible to frame it and amend it on the floor of the House under the rules?

Mr. DENISON. I do not concede it is an improper bill, in the first place. In the main, I think it is a good bill, but it is not possible to consider it properly on the floor of the House. Everyone familiar with our procedure here knows that. I think if a chance is given to have hearings on the bill and it is given intelligent consideration that in the main it will be found to be all right.

If the House will lay aside politics and follow the course of precedent, wisdom, and fairness, and send the bill back to the committee for further consideration, I will approve holding immediate hearings and giving the bill prompt consideration.

I appeal to the better judgment of my friends on the Democratic side of this Chamber, many of whom I know are really interested in securing the enactment of legislation that will provide a better method of settling disputes between the railroads and their employees. Let us not do or attempt to do anything here that will be futile. Let us not try to play politics with the railroad men. Let us try to pass a bill through the House that will pass the Senate and receive the President's approval. If this bill can be returned to the committee for hearings, I venture the assertion that it will be fairly considered, those whose interests are involved can be heard, the legislation will be more carefully considered, and the interests of the railroad men and of the country will be better promoted and we may then pass a law that the President will approve. [Applause.]

ADJUSTED COMPENSATION BILL

Mr. GREEN of Iowa. Mr. Speaker, I call up the conference report on H. R. 7959, the veterans' adjusted compensation bill.

The SPEAKER. The gentleman from Iowa calls up a conference report, which the Clerk will report.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that the statement be read instead of the report.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the statement be read instead of the report. Is there objection? [After a pause.] The Chair hears none.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for the veterans of the World War, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 4, 7, 21, 34, 35, 36, 47, and 48.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 6, 8, 9, 9½, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 49, 51, 52, 53, 57, 58, 59, 60, 63, 64, 65, 66, 67, 68, 69, 70, 71, 73, and 74, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by said amendment and on page 4, line 24, of the House bill strike out "or"; and on page 5, line 9, strike out the period, insert a semicolon and the word "or"; and on page 5, after line 9, insert the following paragraph: "Any individual who was discharged or otherwise released from the draft—for the period of service terminating with such discharge or release" and a period; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "March 1, 1925" and a comma; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment which, in addition to the language stricken out by the Senate amendment, strikes out, on page 17, line 13, of the House bill, the following: "either (1)"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "(as soon as practicable after receipt of an application in accordance with the provisions of section 604, but not before March 1, 1925)"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment which restores the language of the House bill except the words "upon him for support" appearing on page 21, in lines 4 and 5 of the House bill; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "(2) The widow or widower shall be presumed to have been dependent upon the veteran upon showing by them, respectively, the marital cohabitation; the father and mother, respectively, shall submit under oath a statement of the dependency, to be filed with the application" and a period; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: On page 7 of the Senate engrossed amendments, line 8, after "veteran" insert "on or"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: On page 8 of the Senate engrossed amendments, line 4, strike out the period, insert a comma and the following: "together with the facts of record in the department upon which such above conclusions are based" and a period; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert the following: "For the administration of the provisions of this act, the President may except from the operation of section 4c of the act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, as amended, or of any act amendatory thereof or supplemental thereto, not more than seven officers of the Army" and a period; and the Senate agree to the same.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
Managers on the part of the House.

CHARLES CURTIS,
JAMES E. WATSON,
GEO. P. MCLEAN,
F. M. SIMMONS,
DAVID I. WALSH,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7959) to provide adjusted compensation for the veterans of the World War, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following amendments are clerical changes, and the House recedes: 9½, 11, 13, 18, 27, 29, 32, 40, 58, 67, 68, 69.

On amendment No. 1: This amendment excludes from the term "veteran" any individual who was discharged or otherwise released from the draft. The House bill contained no such provision; and the House recedes with a clarifying amendment and inserts the amendment at the proper place in the bill.

On amendment No. 2: This amendment provides that in the case of a member of the Porto Rico Regiment of Infantry, service in the Panama Canal Zone shall be considered as overseas service. The House bill contained no provision upon this subject; and the Senate recedes.

On amendments Nos. 3, 4, 5, and 6: The House bill provided that in computing the adjusted service credit no allowance shall be made to a cadet of the Coast Guard, a Philippine Scout, a member of the Porto Rico Regiment of Infantry, and a female yeoman of the Navy or the Marine Corps, respectively. Amendment No. 3 extends the House provisions to a cadet engineer of the Coast Guard; amendments Nos. 4, 5, and 6 strike out the House provisions in the case of a Philippine Scout, a member of the Porto Rico Regiment of Infantry, and a female yeoman of the Navy or Marine Corps, respectively. The House recedes on amendments Nos. 3, 5, and 6, and the Senate recedes on amendment No. 4. The result of this action is to give the benefits of the act to members of the Porto Rico Regiment of Infantry and female yeoman, and to exclude cadet engineers of the Coast Guard and Philippine Scouts.

On amendment No. 7: The House bill provided that in computing the adjusted-service credit no allowance shall be made to any member of the Public Health Service—for any period during which he was not detailed for duty with the Army and Navy. The Senate amendment excluded any member of the Public Health Service, irrespective of whether he was detailed for duty with the Army or Navy; and the Senate recedes.

On amendment No. 8: This amendment is a change in a subheading; and the House recedes.

On amendment No. 9: This amendment strikes out surplus language of the House bill and inserts "(hereinafter referred to as the 'director')" where the first reference is made to the Director of the United States Veterans' Bureau; and the House recedes.

On amendment No. 10: This amendment strikes out surplus language; and the House recedes.

On amendment No. 12: This amendment requires the Secretary of War or the Secretary of the Navy to transmit the facts of record in his department upon which his conclusions in respect of the application of a veteran are based. The House bill contained no such provision; and the House recedes.

On amendments Nos. 14, 15, 16, 17, and 19: The House bill provided three agencies, namely, the Secretary of War, the Secretary of the Navy, and the Director of the United States Veterans' Bureau, to administer the act and pay the benefits provided in the bill. The Senate amendments to the bill make the Director of the United States Veterans' Bureau the agency through whom the benefits are to be paid, and confine, as far as possible, the general administration of the act to the director. The foregoing amendments relating to publicity are necessary in carrying out this policy; and the House recedes.

On amendment No. 20: The House bill provided for publicity to inform veterans of their rights under the act. The Senate amendment extends this publicity to dependents; and the House recedes.

On amendment No. 21: The House bill provided that the findings of the Secretary of War and the Secretary of the Navy as to the number of days of service in the military and naval forces of the veteran shall not be subject to review by the General Accounting Office. The Senate amendment strikes this provision from the bill; and the Senate recedes.

On amendments Nos. 22, 25, 28, 30, 31, 59, 60, 64, and 65: These amendments conform with the action of the conferees as explained in amendment No. 14; and the House recedes.

On amendments Nos. 23 and 66: The House bill exempted from attachment and taxation sums payable to veterans and to dependents of veterans under sections 308 and 607, respectively. The Senate amendments combine these provisions; and the House recedes.

On amendments Nos. 24 and 63: The House bill provided penalties for the collection of unlawful fees from veterans under section 309 and similar penalties in the case of dependents under section 605. The Senate amendments combine these provisions; and the House recedes.

On amendment No. 26: The House bill provided that payment, in the case of those entitled to cash, should be made as soon as practicable, but not before the expiration of nine months after the enactment of the act. The Senate amendment makes July 1, 1925, the date upon which such payments should begin; and the House recedes with an amendment changing the date to March 1, 1925.

On amendment No. 33: This amendment eliminates fractional parts of a dollar from the face value of the adjusted service certificate; and the House recedes.

On amendments Nos. 34, 35, and 36: The House bill provided that the adjusted service certificates shall be dated on the first day of the month in which the application is filed, but in no case before January 1, 1925. The Senate amendments made the date July 1, 1925; and the Senate recedes on these amendments.

On amendments Nos. 37 and 41: The House bill provided that the rate of interest charged upon a loan by the bank shall not exceed by more than 2 per cent the rate charged at the date of the loan for the discount of commercial paper, under section 13 of the Federal reserve act by the Federal reserve bank for the Federal reserve district in which the bank is located. The Senate amendment, for the purpose of definiteness, provides that the rate for 90-day commercial paper is the one to be followed in reckoning the interest rate; and the House recedes on both amendments.

On amendment No. 38: The House bill provided that upon the indorsement of any bank and subject to regulations to be prescribed by the Federal Reserve Board, any such note secured by a certificate and held by a bank shall be eligible for discount or rediscount by the Federal reserve bank for the Federal reserve district in which the bank is located. The Senate amendment provides that the indorsement shall be deemed a waiver of demand, notice, and protest by such bank as to its own indorsement exclusively; and the House recedes.

On amendment No. 39: This amendment makes a clerical change for purposes of clarity; and the House recedes.

On amendment No. 42: The House bill provided that any such note secured by a certificate may be offered as collateral security for the issuance of Federal reserve notes under the provisions of section 16 of the Federal reserve act. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 43: The House bill authorized the Federal Reserve Board to permit a Federal reserve bank to rediscount, for any other Federal reserve bank, notes secured by a certificate. The Senate amendment broadens this provision so as to require member banks to rediscount the notes on the affirmative vote of at least five members of the Federal Reserve Board; and the House recedes.

On amendments Nos. 44, 45, and 46: These amendments are clerical changes for the purpose of clarity; and the House recedes.

On amendments Nos. 47 and 48: Subdivision (c) of section 502 of the House bill provided that the notes of the veteran during the time they are held by the director shall pay interest at the rate of 6 per cent, compounded annually, in order to insure the redemption of the notes upon maturity. Subdivision (d) made provision for the redemption of the notes in the event of the death or failure of the veteran to redeem same before the certificate matures, applying the same rule in respect of interest. The Senate amendments strike out the compound-interest requirement; and the Senate recedes on both amendments.

On amendment No. 49: This amendment is a clerical change for the purpose of clarity; and the House recedes.

On amendment No. 50: The House bill provided that the loan basis of any certificate shall be an amount which is not in excess of either (1) 90 per cent of the reserve value of the certificate on the last day of the current certificate year, or (2) 60 per cent of the face value of the certificate. The Senate amendment strikes out the 60 per cent limitation; and the House recedes with an amendment making a clerical change.

On amendment No. 51: This amendment is a clerical change for the purpose of clarity; and the House recedes.

On amendment No. 52: This amendment inserts a subheading; and the House recedes.

On amendment No. 53: The House bill provided that if the United States has not made or is not obligated to make any payments to any person on account of the death of a veteran (either as compensation under the war risk insurance act, or as insurance under such act), the dependents of the veterans should be entitled to the benefits of the bill. The Senate amendment removes this limitation; and the House recedes.

On amendment No. 54: The House bill provided for the payment of the adjusted service credit to the dependent of a veteran in the event of his death in an order or preference named in the bill without stating the time for payment. The Senate amendment provides that payment shall be made as soon as practicable after receipt of an application, but not before the expiration of nine months after the enactment of this act; and the House recedes with an amendment providing that payment shall not be made before March 1, 1925.

On amendment No. 55: The House bill provided that no payment shall be made to any individual under Title VI unless at the time of the death of the veteran such individual was dependent upon him for support. The Senate amendment struck out this provision; and the House recedes with an amendment reinstating the language of the House bill with the exception of the words "upon him for support."

On amendment No. 56: The House bill provided that the widow, widower, father, or mother of the veteran shall be presumed to have been dependent upon him at the time of his death upon filing an affidavit to that effect with the application. The Senate amendment presumed dependency in the case of a widow or widower upon showing marital cohabitation, and required the father or mother to submit a statement under oath of the facts of the dependency, together with the affidavit of one or more disinterested persons having knowledge thereof. The House recedes with an amendment which presumes the father or mother to be dependent upon submitting a statement under oath with the application.

On amendment No. 57: This amendment inserts a subheading; and the House recedes.

On amendment No. 61: The House bill provided that an application by the dependent shall be made on or before January 1, 1928, and if not made on or before such date shall be held void. The Senate amendment broadens this provision so as to allow the dependent six months to file application after the death of the veteran if he had failed to make application six months prior to the date fixed; and the House recedes with an amendment making a clerical change.

On amendment No. 62: The House bill provided for the transmittal of the application from the Secretary of War or the Secretary of the Navy to the director in the case of a veteran, but made no such provision in the case of a dependent. The Senate amendment inserts a new section to take care of the dependent; and the House recedes with an amendment adding additional language to make the provisions uniform in each case.

On amendments Nos. 70 and 71: The House bill provided that, with the exception of such special experts may be found necessary for the conduct of the work, the appointments made under this act shall be subject to the civil service laws, but for the purposes of carrying out the provisions of section 305 such appointments may be made without regard to such laws, until the services of persons duly qualified under such laws are available. The Senate amendments confine the appointments to those entitled under the civil service laws; and the House recedes.

Amendment No. 72: The Senate amendment provides that the Senate may except not more than seven officers of the Army from the provisions of the national defense act, as amended, with reference to detail with troops, for the purpose of carrying out the administrative provisions of this act; and the House recedes with an amendment making a clerical change.

On amendments 73 and 74: These amendments strike out surplus language; and the House recedes.

W. R. GREEN,
W. C. HAWLEY,
JNO. N. GARNER,
ALLEN T. TREADWAY,
Managers on the part of the House.

Mr. GREEN of Iowa. Mr. Speaker, I notice a misprint in the statement with reference to the very last amendment, No. 72. It states that—

The Senate amendment provides that the Senate may except not more than seven officers of the Army from the provisions of the national defense act—

And so forth.

That is giving more credit to the Senate than should be given. It should be "President" instead of "Senate." It is correctly printed in the bill.

Mr. McKENZIE. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. McKENZIE. I desire to call attention to amendment No. 6 on page 4 of the bill. The House bill provided that "Indian scout, female yeomen of the Navy, or female marine of the Marine Corps" should be excluded from the benefits of this law. I desire to ask the chairman of the conference committee whether the force of the Senate amendment is that these particular yeomenettes shall be included in the bonus.

Mr. GREEN of Iowa. Yes; that is the effect of the amendment. The reason why my colleagues on the conference were persuaded to agree to that was because, under the provisions of the bill as agreed to by both Houses, which we could not change, there were yeomen of the Navy in exactly the same situation as these women who would receive the benefits of the bonus.

Mr. McKENZIE. Will the gentleman yield me two minutes?

Mr. GREEN of Iowa. Later on; yes.

Mr. McKENZIE. Right on this point.

Mr. GREEN of Iowa. Right now?

Mr. McKENZIE. Yes; while we are discussing this matter.

Mr. BLANTON. Will the gentleman from Iowa yield for a question before the gentleman from Illinois commences his discussion?

Mr. GREEN of Iowa. I will yield to the gentleman from Illinois later.

Mr. BLANTON. Will the gentleman yield to me?

Mr. GREEN of Iowa. Yes.

Mr. BLANTON. The gentleman spoke of not wanting to give too much credit to another body. I notice 74 amendments by another body, and yet the gentlemen whom we sent to conference receded as to 57 amendments.

Mr. GREEN of Iowa. It is quite true we receded on the greater number of amendments, but it is also true that the Senate receded on the really important amendments.

Mr. GARNER of Texas. Out of 57 amendments there are 47 clerical amendments.

Mr. GREEN of Iowa. Yes; that is true; they are simply slight changes in the wording, the combination of sections, the insertion of new headings, or something of that kind, which amounts to nothing whatever.

Mr. BLANTON. I was not criticizing the gentleman, because I was in a conference not long ago where we had to recede on 67 amendments in order to get an agreement.

Mr. CHINDBLOM. Will the gentleman from Iowa yield?

Mr. GREEN of Iowa. I will yield to the gentleman from Illinois.

Mr. CHINDBLOM. It is a fact, is it not, that a large number of these clerical amendments, as to which the House receded, were due to the change made by the Senate placing the administration of this measure more in the hands of the Director of the Veterans' Bureau than in the officers of the Army and Navy?

Mr. GREEN of Iowa. The gentleman is quite right as to that. I trust I will not infringe on the rules of the House or cause any astonishment or heart failure on the part of any of the Members when I say that when the Senate inserted the provision which put all of the administration of this act under the Veterans' Bureau the conferees on the part of the House, upon examining it, at once came to the conclusion that it was really a good amendment, and agreed to it.

Mr. WINGO. I notice on page 6 of the statement just read, amendment 43, you state that the Senate amendment broadens this provision so as to require member banks to rediscount the

notes on the affirmative vote of at least five members of the Federal Reserve Board; that is an error, is it not?

Mr. GREEN of Iowa. An error in what way? The original provision as carried in the House bill simply provided that these notes might be discounted. The Senate inserted a provision, to which we agreed, which authorized on the affirmative vote of at least five members of the Federal Board that the bank be directed to rediscount them.

Mr. WINGO. The gentleman does not catch the point. The statement is that the Federal Reserve Board can control a member bank, when you mean a Federal reserve bank. Your statement is in error, but your bill is all right.

Mr. GREEN of Iowa. I think the gentleman, speaking technically, is correct.

Mr. WINGO. No; I did not want that impression to go out, because we have proposals asking us to permit the Federal reserve bank to require a member bank—that is, the initial bank down in the home town—to make a loan; and, of course, I know the gentleman would not want to say that you can make a bank in his home town, through a bureau here in Washington, pass on whether or not they should make such a loan. Clearly, it should be the Federal reserve bank.

Mr. HAWLEY. That is the language in the act.

Mr. WINGO. As I understand, the conferees have agreed also on a proposition which will prevent a loan, which has one of these certificates as security, ever being the basis of a Federal reserve note issue.

Mr. GREEN of Iowa. The gentleman is correct. That is one of the Senate amendments to which the conferees have agreed.

Mr. WINGO. So there can be nothing to the cry that the provisions will mean a possible inflation of the Federal reserve note issue based upon a nonliquid asset.

Mr. GREEN of Iowa. The gentleman is correct. The House conferees considered, as a practical matter, owing to the abundance of funds on hand, that that provision was not needed at all, and there were objections to it as a matter of financial policy.

Mr. WINGO. If the gentleman will permit, those who make the demagogic statement that we are discriminating against this class of paper are either ignorant or not acquainted with the facts. The truth of the business is there is a great deal of paper that is just as prime as this that it was never contemplated should be the basis of a note issue, and it will not be necessary to have that privilege for this class of notes in order for the soldier boys to get every privilege intended under the law, because a member bank that has this note of the soldier, if it finds it needs additional funds, certainly has plenty of prime commercial paper that is a liquid asset that it can take up and rediscount and get Federal reserve notes, even for the purpose of making loans to the soldiers. So there is no necessity for the full benefit of this act to give to this class of paper a note issue basis.

Mr. GREEN of Iowa. That is the view that the House conferees took of the matter.

There are just three important amendments, or perhaps only two, of very great importance. One amendment I might mention, however, that the Senate made to which the House agreed, provided that the dependents of soldiers who were killed in the war should receive the benefits of the bill. On that the House receded. It will to a considerable extent increase the amount of cash payments; that is, the payments in 10 quarterly divisions.

The other two amendments which are important are as follows: The first related to the time in which the act should go into effect. The Senate bill provided that the cash payments should not be made until July 1 of next year, 1925, and also that the certificates should not be issued until that time. The Senate conferees receded on that point and the date of the cash payment is now fixed at March 1, which is believed to be as soon as the officers can get ready to make them, and the date when the certificates shall be issued is January 1. The point is to have this matter finally settled in the bill.

The other important matter related to the allowance of compound interest upon the notes of the veterans that were taken up by the Veterans' Bureau after being held by the bank six months. The conferees of the House believed this to be a very important provision in order that these notes might be a proper investment for the sinking fund, and also as the veterans were allowed compound interest in computing the amount of insurance it was thought proper that compound interest should be allowed the Government on these notes, and the Senate receded on that.

There was one other amendment we had a little difficulty about, and that was as to whether the accounting office should have the right to review the decisions of the Secretary of War and the Secretary of the Navy as to the amount and extent of the service of the veterans, and, consequently, determine the amount of the insurance policy or the amount of the cash payment, as the case might be. The House bill originally carried a provision that this decision of the Secretary of War or the Secretary of the Navy was not subject to review by the accounting office. The Senate struck that out, and we were not able to agree upon it on the first day. Afterwards the clerk of the committee called my attention to the fact that the provisions in the House bill were copied from the former bill; that it had not been in the former bill when it was first passed by the House, but was put in at the insistence of the Senate conferees. In other words, the Senate was now insisting on a matter when heretofore they had insisted exactly to the contrary. When that was discovered we did not have very much difficulty in agreeing on that point.

Mr. STEPHENS. How did you agree?

Mr. GREEN of Iowa. The Senate receded.

Mr. GRAHAM of Illinois. I observe in the conference report that the female yeomen are now given the benefit of this act. Also, on page 22 of the bill, amendment 56, it seems that a rule applicable to them is introduced providing that the widower of such a female yeoman entitled to the benefit under this act would be presumed to have been a dependent. Is that what the committee has decided?

Mr. GREEN of Iowa. That was a provision in the Senate bill which we regarded of no importance, as we are not aware that there are any in such position. This would apply only, if the gentleman will remember, to such of the female yeomen as died during the war. They were not on the battle field and not in any place of very great danger.

Mr. GRAHAM of Illinois. Then why put in the provision for the widower?

Mr. GREEN of Iowa. That is a general provision, and relates to all dependents. It was necessary in the original House bill.

Mr. GRAHAM of Illinois. What other females were there?

Mr. GREEN of Iowa. Army nurses and others.

Mr. GRAHAM of Illinois. The committee agreed to establish the principle that the husband should be deemed their dependent. That is surely equalizing rights.

Mr. GARNER of Texas. In the first place, the yeomanettes ought never to have been in here. The gentleman knows that the field clerks get more money, and when we came to argue it we had to yield——

Mr. GRAHAM of Illinois. Can the gentleman state how much this is going to cost?

Mr. GARNER of Texas. A small sum. Does the gentleman regard this as a debt owed by the Government, or is it a gratuity?

Mr. GRAHAM of Illinois. I do not believe I care to go on record as to that. [Laughter.]

Mr. GARNER of Texas. If it is a debt, the widower is as much entitled to it as the beneficiary.

Mr. GRAHAM of Illinois. I do not like to establish the principle that a man is wholly dependent on a woman.

Mr. GREEN of Iowa. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. McKENZIE].

Mr. McKENZIE. Mr. Speaker and gentlemen of the House, as one of the men in this House who has stood consistently from the beginning for granting adjusted compensation to the veterans of the World War, I rise to express my protest against amendment No. 6, put into the bill by the Senate and agreed to by the conferees on the part of the House. War has demonstrated that certain people benefit from it, while others make sacrifices. The soldiers of our country, in my judgment, made great sacrifices, and the sole purpose of this legislation is to recompense through adjusted compensation what the Government owed to these soldiers of our Army who sacrificed, while, on the other hand, the yeomanettes and the marinettes, with all due respect to their character, received more compensation as a general rule than they ever received in their lives before. Consequently they did not suffer in reduction of pay.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. GREEN of Iowa. We made further examination into that matter, and the reports from the War and the Navy De-

partments in many cases showed that they received less pay than they had received before.

Mr. McKENZIE. It may be that some of them did, but most of them received more pay than they ever received before, and in addition obtained allowances for their families living in Washington, Philadelphia, and elsewhere. I have tried to be consistent. I have opposed the payment of adjusted compensation to yeomanettes and marinettes from its inception. It is wrong to impose upon the taxpayers of this country the payment of the bonus to people who received more through the war than they ever received before, and I say here to-day that as an advocate of the bonus I can see only one purpose that this amendment can serve, and that is to give the President of the United States a just ground on which to veto the bill. I have hoped for this legislation. I have hoped that he would sign it, but the man who succeeded in getting this amendment into this bill has laid a foundation that is solid for the President to stand upon in exercising the veto power. When I think of the soldiers serving for $30 a month and think of these people getting from $900 up a year as yeomanettes here in Washington, receiving more in the first instance, Mr. Speaker, than many of the soldiers will receive when their compensation is adjusted, I feel that the term "adjusted compensation" means but little, and I must therefore conclude, that it is nothing more or less than a further scheme to hold up the people of this country in that one particular, when we are sincerely trying to do something for the soldiers of this country.

Mr. GREEN of Iowa. Mr. Speaker, I yield to the gentleman from Texas [Mr. GARNER].

Mr. GARNER of Texas. Mr. Speaker, let me say in reply to the gentleman from Illinois [Mr. McKENZIE], as I stated a moment ago, I do not think the yeomanettes ought to be in this bill; but there is a greater defense for putting the yeomanettes in than there was for putting the field clerks in, a good portion of whom came from the offices about this Capitol, and I think that is one reason why they are included in the bill. I do not believe you can defend the proposition of including within the provisions of this bill a young man who went to France and who did not have an opportunity to be killed. He got more money as a field clerk than he was getting here in Washington. The gentleman himself [Mr. McKENZIE] put the field clerks in this bill, and I think he is somewhat estopped from making the statement as to the hold-up which he claims to exist on account of including the yeomanettes.

I want to say one word about another amendment that is of more importance than all of the other amendments we have considered. The Senate struck out the provision in the House bill that interest at the rate of 6 per cent per annum, compounded annually, should be charged on notes given by a veteran to secure a loan made by a bank. The Senate receded from that amendment. If the amendment had remained in the bill, it would have cost us two or three hundred million dollars more for this legislation, in my judgment, because the soldier would have gotten his loan at the end of 3 years and carried it for 17 years, and by the time we got to the seventeenth year he would be paying about 2¾ per cent.

Mr. MORTON D. HULL. Mr. Speaker, I rise to ask a question of the gentleman from Iowa. There are to be included within the bill now dependents of those who were killed or who died of disease in the war?

Mr. GREEN of Iowa. Yes.

Mr. MORTON D. HULL. What will be the additional financial requirement to meet that item?

Mr. GREEN of Iowa. I can only make a guess as to the additional amount, and, in fact, nobody knows anything more than they could guess, because in the first place we have no idea what proportion of these men have dependents, but we do know, of course, that the most of them were not married. Probably not more than 20 per cent of them were married, and there would be only a small proportion who would have dependents. We can not tell how much service they had, and there is no way of figuring it at this time. There is nothing in the records of the department to tell how much service they had.

My guess would be it might take perhaps $30,000,000, which divided by 10——

Mr. GARNER of Texas. The better estimate would be one-fourth of 45, which would be from ten to fifteen million dollars.

Mr. GREEN of Iowa. Somewhere along there; it is nothing but a guess. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

CHILD-LABOR CONSTITUTIONAL AMENDMENT

Mr. BRAND of Georgia. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from Georgia asks unanimous consent to proceed for five minutes. Is there objection?

Mr. BEGG. Mr. Speaker, on what subject?

Mr. BRAND of Georgia. Well, it is not a political subject. It is an explanation of my vote on the child-labor amendment. I spoke to Mr. LONGWORTH in regard to it and he made no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BRAND of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. BRAND of Georgia. Mr. Speaker, in the first one of the Letters of Junius the author says:

> The ruin or prosperity of a State depends so much upon the administration of its government that, to be acquainted with the merit of a ministry, we need only observe the condition of the people. If we see them obedient to the laws, prosperous in their industry, united at home, and respected abroad, we may reasonably presume that their affairs are conducted by men of experience, ability, and virtue. If, on the contrary, we see a universal spirit of distrust and dissatisfaction, a rapid decay of trade, dissensions in all parts of the empire, we may pronounce without hesitation that the government of that country is weak, distracted, and corrupt.

The letter from which this excerpt is quoted was written 155 years ago, and yet it announces an axiom which was true then and is true now.

I am strongly against the pending resolution because I am firmly convinced if ratified into law it will create in my district and State—and I believe in all the agricultural States—a spirit of distrust and dissatisfaction; that it will disturb the peaceful relations, the happiness and well-being of the agricultural classes, and reduce to involuntary servitude the children of the working people and the poor people of both races and both sexes. [Applause.]

I am not against child-labor laws, but heartily in favor of State laws which have been enacted and which may hereafter be enacted having in view the welfare of children. Sincerely entertaining this view in regard to the protection of children against improper employment and service, and yet, being intensely opposed to this resolution, I feel it my duty in justice to myself and my constituents to explain the reasons why I am opposed to this resolution.

The Georgia law upon this subject is satisfactory to the people of my district and State. At least, I have never heard anything to the contrary. The Georgia law provides that no child under the age of 14 years shall be employed by or permitted to work in or about any mill, factory, laundry, manufacturing establishment, or place of amusement, except that children over 12 years of age who have widowed mothers dependent upon them for support or orphan children over 12 years of age dependent upon their own labor for support may work in factories and manufactories.

The Georgia law further provides that no child under 14 years and 6 months of age shall be permitted to work in or about any of the establishments mentioned between the hours of 7 p. m. and 6 a. m.

Statistics show that the Georgia law as to the prohibitive age is in consonance with practically all the States of the Union, 46 of the 48 having adopted laws regulating child labor, 42 of which puts the maximum age at 14, 5 at 15, and 1 at 16.

The pending resolution provides:

> The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

I concede to Members of Congress supporting this resolution and to all of the good women who have sponsored the movement good faith and honesty of conviction in their support of the proposition that Congress should be given the right to regulate, control, and prohibit the labor of children under 18 years of age, yet if Congress is thus empowered it remains for the

future to decree whether our children shall remain free or be reduced to servile employment.

I believe in the States controlling this question without interference on the part of the Federal Government. If a State desires to increase the age limit of children, this is its privilege and is no concern of Congress or the Federal Government. I resent this resolution because it is a deliberate attempt to impair the rights of the States. I am opposed to parents being forced to take orders from Washington and the Federal Government or being dictated to by Federal agents in regard to the services and custody of their minor children. I do not believe that there is a single family in my district whose parents would be willing to yield their rights to the control of their sons and daughters under 18 years of age to the Federal Government and its Federal agents.

Neither do I believe that the framers of the Constitution of the United States ever contemplated that the parents of this country, so far as the control of the labor of their children under 18 years of age is concerned, should ever be required to yield to Federal authority this God-given privilege or that this right of the people should ever be diminished, impaired, or controlled from Washington.

I am unalterably and eternally opposed to the enactment of any law which authorizes the Federal Government to send its agents and officers into the homes of the people when no law is being violated to dictate to the fathers and mothers of the Nation whether their children should work, when they should work, where and for whom they should work, and what character of work they should perform. This is none of the Government's business so long as the child-labor laws of the State are wise and just to minors and are being obeyed.

I have an intense fear for the liberty of the home, the freedom of its inmates, and the rights of the parents if this resolution becomes a part of the Constitution of this country. I am opposed to its adoption because it is against the spirit of the Constitution of this country; it destroys one of the fundamental rights of the States; it will work a hardship upon both races of our people, black and white alike; it substantially destroys the rights of the parents of the control of their children; it seriously impairs the rights and liberties of the children themselves; and because control of the children will be directed from a bureau in Washington by a Federal agency, hundreds of miles from the homes of the people, by persons who are rank strangers, and not only unsympathetic with the people but likely to be autocratic in the exercise of their power.

The children whose parents consent for them to receive the proceeds of their own labor will probably lose this privilege by the absorption of it on the part of the Federal Government. This proposition to control children under 18 applies not only to both the white and colored races but to both sexes, boys and girls alike, and implies loss of custody of their persons by the parents and assumption thereof by the Government, which, to my mind, is one of the vulnerable phases of this legislation.

It will create anxiety, mental anguish, and suffering on the part of the mothers and fathers of children.

I am afraid if enforced strictly, as it will likely be, the law will be disobeyed, conflicts between the citizens and Federal agents will ensue, and the Federal courts will be filled with indictments. It will upset the labor conditions in my State, and I believe in all the cotton-growing States, among the laboring people of both races. More than any other section of our country this legislation will more injuriously affect the agricultural sections of the South. It will substantially cripple, if not destroy, the labor conditions of my district and State by driving the boys of both races from the farms and the homes of the cotton growers.

It will likely bring about an era of idleness on the part of boys under 18 years of age of both races, particularly of the colored people; and if so, it may result in Congress having to establish a new bureau, which will carry with it the creation of thousands of new jobs and untold expenses to the taxpayer and to pass new laws carrying millions of appropriations annually to take care of the idle and unemployed.

Members of Congress supporting this resolution showed what was in their minds and how they felt toward the people of the agricultural sections when they voted down an amendment offered to confine the age limit to 16, and likewise did so when they voted down an amendment providing that Congress should pass no law controlling the labor of any minor in the home and on the farms of the parents or on the premises or farms where they reside.

I never did believe until I witnessed it that there would be a single Member of Congress to vote for a proposition to take away from the girls and boys of this country under the age of 18 years the right to work in their own homes for their own parents and in the places of business and the farms of their fathers, and yet this is exactly what happened. I shall never believe that any father of my district and State would ever consent to the exercise of such tyrannical authority. I do not believe there is a mother of my district or State who would look upon such a proposition with the slightest degree of patience and sympathy; but, on the contrary, would abhor such a suggestion. I can not for the life of me see how any Member of Congress, who has any compassion for the working people or pity for the poor, can get his consent to support such a monstrous proposition. [Applause.]

Thomas Paine, in his Rights of Man, speaking of the duty of man, says "the duty of man is not a wilderness of turnpike gates, through which he has to pass by ticket from one point to the other. It is plain and simple, and consists of but two points. His duty to God, which every man must feel; and with respect to his neighbor, to do as he would be done by." This is another way of expressing the immortal doctrine of the Golden Rule, first put forth on the plains of Palestine over 20 centuries ago. I hold that this doctrine applies to me as a Member of Congress as well as a man. This has been my creed during my whole public career. I have done my best to keep the faith. [Applause.]

REORGANIZATION OF FOREIGN SERVICE

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Rogers Diplomatic and Consular measure.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. LOZIER. Mr. Speaker, availing myself of leave granted to extend my remarks in the RECORD, I regret that I can not at this time consistently vote for the pending bill (H. R. 6357), which provides for a reorganization of our foreign consular and diplomatic service. I concede that such a reorganization as this bill proposes is needed, and under different circumstances would be entirely justified. But in governmental matters we can not always reorganize bureaus, commissions, and departments, even when such reorganization would promote greater efficiency, because we must always consider the cost of such reorganization and determine whether or not conditions justify us in incurring such additional expense. This measure increases the salary list at a time when the business affairs of the Nation are far from satisfactory. Existing economic conditions suggest strict economy and retrenchment in governmental expenses.

The committee reports that this bill will increase the cost of our Diplomatic and Consular Service $495,500. If the post allowances are abolished this amount will be reduced to $345,500, but in any event this bill, if enacted, will probably increase the annual expense of our foreign service approximately one-half million dollars. In prosperous times this increase might probably be justified, but in view of the nation-wide demand for reduction of taxation and economy in public expenses, it seems to me that this is not an opportune time to add a third or a half million dollars to the Budget of our national expense. By adopting this bill we add to the tax burden, postpone or limit tax reduction, and establish a salary basis that will never be reduced, but which will probably be increased from year to year.

Why not postpone this reorganization and increase of salaries until economic conditions have improved? Why not wait until the farmers get out of their present financial predicament? The reasons urged for the reorganization of our foreign service are persuasive but not entirely convincing. Conditions will not permit us to reorganize every department of our Government when such reorganization may be considered advisable. Under present conditions we must not enter upon a general salary-raising policy. Every department of our Government is clamoring for an increase in salary allowance. Evey bureau or commission argues that it could function more efficiently if given more employees at higher salaries. There must be an end to this policy of multiplying the number of employees and increasing salaries.

Why not try to get along with our foreign service as now constituted until the country becomes prosperous and business conditions justify increasing the personnel and salaries in our Consular and Diplomatic Service? Moreover, unless this Government makes an earnest and aggressive effort to enlarge our world markets for our farm commodities, I see no occasion for spending any more money on our Consular Service than is now being expended for that purpose. We maintain this Consular Service, in theory at least, to supervise and extend

our markets and to aid our citizens in their commercial operations in foreign lands.

I have neglected no opportunity to bring this Congress to a realization of the importance of finding new markets for our farm products. We must enlarge and extend our markets for our farm commodities. The prosperity and economic well-being of our agricultural classes depend very largely upon our ability to introduce our agricultural products into new world markets. In the past our manufacturers have very largely benefited from the activities of our consular officers.

Too little attention has been given to agricultural commodities. From some quarters comes the suggestion that we should now abandon our export markets for some of our chief agricultural products. If this suicidal policy is to be adopted and forced on the farmers of this Nation, I see no reason why we should enlarge or improve our Consular Service. If the farm commodities are to be denied access to the world markets, and if our consular officers are to give their time primarily to promote the sale of manufactured commodities, then I shall oppose any reorganization of the service and all increases in the salaries of consular and diplomatic officers. But if the American consuls will spend as much of their time in creating new markets for our farm commodities as they spend in creating new markets for our manufactured products, then I will favor any reasonable plan of reorganization which will promote the efficiency of the service.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District of Columbia appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District of Columbia appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CENTRAL GARAGE

For personal services in accordance with the classification act of 1923, $4,260.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Why is it necessary to raise the municipal garage from $3,500 to $4,260?

Mr. DAVIS of Minnesota. The increase under the reclassification act.

Mr. BLANTON. How many employees are in this central garage?

Mr. DAVIS of Minnesota. Three.

Mr. BLANTON. How many garages are maintained here for the District of Columbia?

Mr. DAVIS of Minnesota. One central garage; that is all.

Mr. BLANTON. How many cars stay in there?

Mr. DAVIS of Minnesota. Well, I can not tell the gentleman, but quite a number.

Mr. BLANTON. There is nothing in the item except reclassification increases for three men?

Mr. DAVIS of Minnesota. Not a thing.

Mr. BLANTON. I withdraw the pro forma amendment.

The Clerk read read as follows:

All apportionments of appropriations made for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors, employed on construction work provided for by said appropriations, shall be based on an amount not exceeding 2½ per cent of the amount of the appropriation made for each project.

Mr. BLANTON. Mr. Chairman, I make the point of order against the entire paragraph, beginning on page 6, line 24, and ending on page 7, line 5, as being new legislation on an appropriation bill unauthorized by law and not carried in preceding bills.

Mr. CRAMTON. Mr. Chairman, the language amounts to an allotment of money, not legislation. It says—

All apportionments of appropriations made for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors, employed on construction work provided for by said appropriations, shall be based on amounts not exceeding 2½ per cent of the amount of the appropriation made for each project.

It is an allotment amounting to a limitation. That is, the amount out of any appropriation for building purposes that shall be available for the services of the architect's office shall not exceed 2½ per cent of the appropriation.

Mr. BLANTON. Why, it is not a limitation, Mr. Chairman.

Mr. CRAMTON. Without this language it might amount to 5 per cent. Of course, it never would; but it would be discretionary, and this language cuts it down to 2½ per cent.

Mr. BLANTON. It is clearly legislation; it has not been carried in any previous appropriation bill.

Mr. DAVIS of Minnesota. I will state it is really cut down almost in two. Heretofore they were paying a great deal larger sum.

Mr. BLANTON. They ought to cut it out entirely.

The CHAIRMAN. The Chair is inclined to think this is legislation.

Mr. CRAMTON. Let me make this illustration of just how this operates: I recall a year ago we made an appropriation of $35,000 for a nurses' home. After that appropriation was made the District authorities had the right to use any part of that which was necessary in the preparation of plans for that building. The municipal architect's office has a limited number of employees, but so far as their services are available they take care of the plans.

It is the custom for the municipal architect—that has been the case very largely in the case of municipal buildings—when the work is more than his limited funds can take care of, to hire per diem employees, draftsmen, and so forth, and they are engaged, and they work upon these plans; and without this language any part of any appropriation in this bill for new construction could be used without limit in the preparation of plans. There are some school buildings provided for here, and without this language there would be no limit upon the proportion of the appropriations that may be used for the preparation of plans. This language, if it stays in the bill, is a limitation. We could very well say, each time there is an appropriation for a new building, "Not more than 2½ per cent of this appropriation shall be used in the preparation of plans." That would clearly be a limitation. But instead of including that limitation in connection with each appropriation for construction, there is this general language employed here. But it still remains a limitation, just as it would be otherwise.

Mr. BEGG. Does not the gentleman think, when we are spending $35,000 for architects, that a better plan would be to hire them on a salary instead of on a commission?

Mr. CRAMTON. That is a question of policy, entirely apart from this question of whether a certain percentage should be used in the preparation of plans. I have had that matter up with the municipal architect. Something should be done to avoid the delay that now exists. In the particular case I refer to, the Nurses' Home, it was over a year after the appropriation was made that the plans were produced. But that has nothing to do with the point of order.

The CHAIRMAN. The Chair is ready to rule. This language is general:

All apportionments of appropriations made for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors, employed on construction provided for by said appropriations, shall be based on an amount not exceeding 2½ per cent of the amount of the appropriation made for each project.

That seems to be law, a general law, establishing a basis upon which these particular employees shall be paid out of the appropriations. The Chair can well see how a limitation could be framed, but if it is to be a limitation it must be framed as a limitation. This is general legislative language. It establishes law. The point of order is sustained. The Clerk will read.

Mr. DAVIS of Minnesota. Mr. Chairman, I offer this item again. After the word "appropriations" in line 24, insert the words "herein made." Perhaps that will remedy the matter.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Minnesota.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Minnesota: Page 6, after line 23, insert "All apportionments of appropriations herein made for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors, employed on construction work provided for by said appropriations, shall be based upon an amount not exceeding 2½ per cent of the amount of the appropriation made for each project."

Mr. BLANTON. Mr. Chairman, I make the point of order that it is legislation on an appropriation bill, not authorized by law. I call the attention of the Chair to the fact that it changes the system and pays them on a percentage basis. It is one of the worst systems you can have. On a building costing $2,000,000 a percentage basis would absolutely exhaust any appropriation we can make here unless we know what we are doing. Most of these parties ought to be on an annual salary.

Mr. DAVIS of Minnesota. It is a limitation, and its purpose is to cut down what it has cost to make these plans and specifications heretofore. If you strike this out, each building will cost a quarter or a half more.

Mr. CRAMTON. Mr. Chairman, it is not the purpose to pay anyone a percentage for preparing the plans. The employees are either on a salary or per diem. The limit of cost of the plans is fixed. It is limited.

The CHAIRMAN. The Chair still believes this is legislation. If it were a limitation it should be couched in such language as this: "*Provided*, That not more than 2½ per cent shall be paid for certain specific purposes." The point of order is sustained. The Clerk will read.

Mr. CRAMTON. Mr. Chairman, I offer the paragraph again with this language: "Not more than 2½ per cent of appropriations herein made shall be available for the use," and so forth; then the balance of the paragraph down to and including the word "appropriations," in line 3 of page 7.

Mr. BLANTON. Now, that is better.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 6, after line 23, insert "Not more than 2½ per cent of the appropriations herein made for the use of the municipal architect"——

Mr. CRAMTON. "Not more than 2½ per cent of the appropriations herein made shall be available," and so forth.

Mr. BLANTON. You want to restrict the architect's office?

Mr. CRAMTON. If the gentleman from Texas will be quiet a moment I think we can get this right.

The Clerk read as follows:

Not more than 2½ per cent of the appropriations herein made shall be available for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors employed on construction work provided for by said appropriations.

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is subject to a point of order, for this reason: If the Chair will look at that language closely, he will see that the purpose of this amendment is to make available 2½ per cent of all the appropriations made in this bill, or, in other words, of the full $24,000,000 for this office alone.

Two and a half per cent is not confined to the appropriations for the architect's office. I tried to call the attention of the gentleman from Michigan [Mr. CRAMTON] to that point, but he would not let me. The words "appropriations for the municipal architect's office" ought to be in there, and not make the appropriations in the entire bill applicable to this one item. There is no authority of law for that.

Mr. CRAMTON. They are limited to those employed on construction work.

Mr. BLANTON. It should be of the "appropriations for the municipal architect's office." Those words ought to be in there.

The CHAIRMAN. The Clerk has shown me the amendment, and those words are in the paragraph.

Mr. BLANTON. May we have the Clerk report the amendment again, and I think my point will appeal even to the gentleman from Michigan.

The CHAIRMAN. The Clerk will report the amendment again. The Chair understands that language is in the amendment, but the Clerk will again report it.

The Clerk read as follows:

Not more than 2½ per cent of the appropriations herein made shall be available for the use——

Mr. BLANTON. Right there should be included the words "for the architect's office."

Mr. BEGG. No; that is not what he wants.

The CHAIRMAN. Let the Clerk finish reading the amendment.

The Clerk continued the reading as follows:

Appropriations herein made shall be available for the use of the municipal architect in payment for the services of draftsmen, assistant engineers, clerks, copyists, and inspectors employed on construction work.

The CHAIRMAN. The Chair agrees with the gentleman from Texas. The Chair thinks the gentleman from Michigan should modify the amendment in that respect.

Mr. CRAMTON. I think this will reach it. After the words "appropriations herein made" insert "for new construction or building repair work."

I want to emphasize something which I think the Chair understands but which the gentleman from Texas does not. There is one appropriation in this bill for the municipal architect's office, but that is not what we are talking about here. There are numerous items for new building construction and we want to limit the percentage of each of those building items which can go into architects' fees.

Mr. BEGG. The gentleman can accomplish what he has in mind by adding this after each one of those appropriations:

Provided, That not more than 2½ per cent of this appropriation shall be used for architects' expenses.

Mr. CRAMTON. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The Clerk read as follows:

For incidental and all other general necessary expenses authorized by law, $5,000.

Mr. CRAMTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 7, line 10, after the word "law" insert "of which not more than $1,000 shall be available for enforcement of the act entitled 'An act for the relief of street-car motormen,' approved March 3, 1905."

Mr. BLANTON. Mr. Chairman, I make the point of order that that is legislation; that it is unauthorized by law and is not germane to this paragraph; and also that it is not a limitation. There is nothing in this paragraph—which is embraced in but two lines, lines 9 and 10, reading: "For incidental and all other general necessary expenses authorized by law, $5,000"—that relates to the subject of the amendment at all. That appertains wholly to the subject of the Public Utilities Commission, and there is no relation between that subject and the subject of the gentleman's amendment.

Mr. CRAMTON. Mr. Chairman, I do not want to take a great deal of time. The act referred to is an act requiring street-car companies to inclose the vestibules of their cars, and a penalty is provided for failure to do so. Under the act creating the Public Utilities Commission the commission is charged with the supervision of matters pertaining to street-car companies. This does not give the commission any authority it does not have; it does not require them to spend any particular portion of this appropriation, but it is strictly a limitation that not more than so much shall be used for this particular purpose. It is such a worthy purpose that I had hoped to have the support of the gentleman from Texas.

The CHAIRMAN. Let the Chair make an inquiry of the gentleman from Michigan. The Chair has before him an act for the relief of street-car motormen, approved March 3, 1905. That act provides that each street-car company which operates street cars in the District of Columbia shall provide each of the same with a glass vestibule where the motorman does his work. Then there is the provision that every person or corporation who or which violates the provisions of the act shall be guilty of a misdemeanor, and upon conviction shall be fined and punished, and so forth. That makes the violation of the provisions of the act a misdemeanor. Now, just where does the Public Utilities Commission of the District get any authority?

Mr. CRAMTON. Since that time the Public Utilities Commission has been created and given general supervision of affairs concerning public utilities, and it would be entirely proper for that commission to expend money to secure evidence and to employ persons to take charge of the prosecution of such cases, even in the corporation counsel's office, and any incidental expenses of such a procedure could very well be

borne by this commission charged with the supervision of these common carriers. It is to be emphasized that the language does not confer authority but is a limitation upon expense.

Mr. BLANTON. If the Chair will hear me a moment, I will say that the act referred to merely provided for the violation of the law, with a criminal penalty attached, which places it in the corporation court and the corporation counsel has that duty to perform. The Public Utilities Commission has no function of looking for evidence for the corporation counsel. It would be ridiculous to hold that. Their function is definitely fixed by the organic act which created them and it does not involve this question at all. I do not see how the gentleman from Michigan can for one moment try to bring it within that act.

Mr. CHINDBLOM. Will the Chair permit a suggestion?

The CHAIRMAN. Yes.

Mr. CHINDBLOM. While the Public Utilities Commission, of course, would not have charge of the prosecutions, would it not be proper for the Public Utilities Commission to take steps to see to it that conveyances are equipped as required by some system of inspection, by rules and regulations, by issuing printed material advising the public utilities companies under their jurisdiction of the regulations established by them, and many other similar purposes? Could not in those ways expenditures be incurred under that act by the Public Utilities Commission?

Mr. CRAMTON. I might say, Mr. Chairman, here is a statute passed 19 years ago which has not yet been complied with by the Washington Railway & Electric Co. I presume this is the only city in the United States where weather as severe as we have here at times in the winter prevails where street cars are permitted to be operated with open vestibules, with motormen exposed to the storm and the sleet, standing in one place hour after hour operating a street car, with the safety of passengers intrusted to their keeping, and exposed to the cold and the storm. It is time that this condition was ended through some attention on the part of the public officials of the District in enforcing a law that Congress passed 19 years ago. While it is true the Public Utilities Commission can not go into the court, I think perhaps they have the authority to issue an order independent of this statute, but that they have not chosen to do, although for two years I have had the matter up with them. They do have the authority to employ men to go about the streets to check up on these companies and see to what extent they are operating cars that are in violation of this law, and that can be paid for from this appropriation.

Mr. BLANTON. I withdraw the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is withdrawn.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the gentleman's amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON to the amendment offered by Mr. CRAMTON: At the end of the Cramton amendment insert: "*Provided*, That all orders issued by the Public Utilities Commission permitting electric street railways to increase the fares authorized by their charters are void, and no such orders hereafter shall be issued by such commission."

Mr. CRAMTON. Mr. Chairman, I make a point of order against the amendment to the amendment.

Mr. BLANTON. Mr. Chairman, I want to be heard on that a moment.

The CHAIRMAN. What is the gentleman's point of order?

Mr. CRAMTON. Mr. Chairman, this is the situation: If the amendment presented by me was in order, as I am sure the Chair was about to rule, it is no basis for an amendment such as the gentleman offers, which is of a legislative character. If my amendment was not in order—and I do not concede that, and I am sure the Chair agrees with me in that—still the amendment offered by the gentleman from Texas is not germane to the amendment which I offered, and hence my amendment would afford no basis for it.

Mr. BLANTON. Mr. Chairman, let us see about that. Here is a gentleman [Mr. CRAMTON] who offers an amendment which is out of order, clearly subject to a point of order, has no relation whatever to the subject, and under the rules of the House the very minute no point of order is made against it then an amendment to that amendment, which is likewise subject to a point of order, is in order. The Chair knows the precedents established here by our former distinguished colleague from Illinois, Mr. Mann. I think the distinguished Chairman was in the chair at that time.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BEGG. Does the gentleman claim his amendment is germane to the amendment?

Mr. BLANTON. Certainly; because it applies to street cars and to the service they shall give to the people of this District. Here are the charters of these street railways, something that is very valuable that the people have granted these street railways, which prohibit them from charging more than 5-cent fares, and yet with orders of this Public Utilities Commission they have been robbing the people of this District for several years, charging them 8 cents, when the Nation's great metropolis of New York has been charging only 5 cents for going all over that tremendous city. It is a shame, it is an outrage, it is a disgrace to this Nation's Capital, and we ought to have a chance to vote on this amendment that would make these street car companies go back to their charters and not charge these people here in the District of Columbia more than 5 cents.

One of the street-car companies here is making a fortune in profits every year. They want but 5 cents and say they can get along with 5 cents, but the company charges 8 cents because the Public Utilities Commission wants it to do so. The amendment is clearly in order as an amendment to the gentleman's amendment, which itself was subject to a point of order.

Mr. CHINDBLOM. Will the Chair permit a suggestion?

The CHAIRMAN. Yes.

Mr. CHINDBLOM. The first part of the gentleman's amendment, of course, is merely a recital. It reads, "That all orders issued by the Public Utilities Commission permitting electric street railways to increase the fares authorized by their charters are void." That is merely an expression of opinion. It might not mean anything one way or the other.

Mr. BLANTON. It is a legislative expression which absolutely repeals everything they have done in that respect.

Mr. CHINDBLOM. Fortunately, the Supreme Court has very recently called a halt on the theory that legislative bodies by so-called legislative expressions can establish status of fact.

Mr. BLANTON. Will the gentleman yield? The Public Utilities Commission is nothing in the world but a creature and a servant of this Congress. We created it. It is our creature, our servant, and we are simply saying that the act of our servant is void and repudiated by the Congress.

Mr. CHINDBLOM. Mr. Chairman, if that act is void or has been void up to this time, there have been remedies at law, and proper steps could be taken with respect to any illegal acts, but I call the attention of the Chair to the balance of the amendment; "and no such orders hereafter shall be issued by such commission." That is clearly legislation.

Mr. BLANTON. Of course it is. But as an amendment to another legislative amendment, it is in order.

Mr. CHINDBLOM. Where is the authority for that? That is an amendment to the Public Utilities Commission act, if it is anything, and can not be considered.

Mr. BLANTON. It is in order under the rules as established by a long line of precedents of this House.

The CHAIRMAN. Even if it were true that all parts of the act of March 3, 1905, were before the House at this time, which the Chair does not concede or believe, that act only makes it a misdemeanor to fail to inclose the vestibules of street cars for proper shelter, and if the amendment of the gentleman from Michigan had been held not germane and subject to a point of order, the only amendment which would be proper to it would be a germane amendment; that is, germane to the substance of the amendment itself. That amendment seems to have in mind the allotment of $1,000 for carrying into effect the act of March 3, 1905, while the amendment of the gentleman from Texas provides that all orders of the Public Utilities Commission permitting the street railway companies to increase fares are void. In other words, the amendment is not germane to the Cramton amendment.

Mr. BLANTON. Mr. Chairman, I offer another amendment. At the end of the Cramton amendment insert the following: "*Provided*, That no part of this appropriation shall be available to the Public Utilities Commission as long as any order by it shall be in force and effect permitting an increase of fares that may be charged by electric street railways greater than the amount of fares authorized in their respective charters."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON to the amendment offered by Mr. CRAMTON: At the end of the Cramton amendment insert: "*Provided*, That no part of this appropriation shall be available to the Public Utilities Commission as long as any order by it shall be in force and

effect permitting an increase of fares that may be charged by electric street railways greater than the amount of fares authorized in their respective charters."

Mr. CHINDBLOM. Mr. Chairman, I make a point of order against the amendment. This proviso does not relate to the Cramton amendment.

The CHAIRMAN. The Chair sustains the point of order. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For revision of the highway plan, $1,500.

Mr. BEGG. Mr. Chairman, I move to strike out the last word. I do that to call to the attention of the House and ask the chairman of the committee to state whether or not he thinks the Rent Commission appropriation ought to be put in this bill at this point where it was carried last year, or whether he prefers to have it come in a deficiency bill.

Mr. DAVIS of Minnesota. In the deficiency bill.

Mr. BEGG. There is no question but that it will be brought in.

Mr. DAVIS of Minnesota. I do not think there is.

Mr. BLANTON. If the gentleman from Ohio will yield, I want to say that he need not worry about that because when the Supreme Court gets through with that so-called law, which we attempted to pass, there will be no necessity for an appropriation.

Mr. BEGG. We will have the Rent Commission a long while before a decision is handed down.

The Clerk read as follows:

Free public library.

Mr. CRAMTON. Mr. Chairman, I offer an amendment that the words "free public library," in line 11, page 8, shall be printed in caps instead of small caps.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Insert the words "FREE PUBLIC LIBRARY," on page 8, line 11, in capital letters.

The CHAIRMAN. Without objection, the amendment will be agreed to.

There was no objection.

The Clerk read as follows:

For personal services in accordance with the classification act of 1923, including the Takoma Park and southeast branch libraries, $126,558.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. This paragraph in the present appropriation bill for the present fiscal year carries only $84,140, while this item carries $126,558. That is an awful big increase. If that increase is only authorized by the reclassification act, then that act is costing the people of this country a much larger amount than Members of Congress ever dreamed it would cost. On the preceding page, for the superintendent of weights and measures and markets, the first item is increased from $24,160 to $33,160. The engineer commissioner's office, lines 16 and 17, are increased from $182,210 in the present bill to $244,760 in this bill. Then the central garage from $3,500 to $4,260; the municipal architect's office from $23,060 to $30,100; the Public Utilities Commission from $31,520 to $36,120; the department of insurance from $16,500 to $17,860; the surveyor's office, $26,000 to $39,000 in one place, and increased from $36,000 to $49,920 in another place. Then under this item for the free Public Library, let me say that it was increased from $84,140 to $126,558.

Mr. DAVIS of Minnesota. Heretofore, before this bill was drawn, we had the bonus, which was carried in a separate bill, and now the bonus and the classification act are added together here.

Mr. BLANTON. But the bonus was considered merely a temporary war allowance.

Mr. DAVIS of Minnesota. Yes; but it is still in effect.

Mr. BLANTON. You are not only giving them the war bonus but a big additional appropriation that runs it up tremendously.

Mr. DAVIS of Minnesota. We are giving it what the classification bill provided for. It is law, and the gentleman can make a point of order against it if he wishes.

Mr. BLANTON. I am not going to make a point of order against it, because the Chairman would overrule it, but I think the people of the country ought to know that in every single bill we are passing there is a big increase in salaries. There has not been a bill passed by this session of Congress that has not contained a great big increase in salaries.

Mr. DAVIS of Minnesota. Does the gentleman know any way to stop it? He ought to have killed the Lehlbach bill.

Mr. BLANTON. I fought hard against the Lehlbach bill.

Mr. DAVIS of Minnesota. I can not help that.

Mr. CRAMTON. The gentleman's recollection is a little faint there. He was not recorded as voting against the bill when it became a law.

Mr. BLANTON. I do not think we had a record vote upon it.

Mr. CRAMTON. On the last record vote there was upon it the gentleman was not recorded.

Mr. BLANTON. Possibly so; but I was against the bill and did everything I could to stop it, though it passed by an overwhelming majority, and if we had known what the Lehlbach bill was going to cost us probably it never would have passed; but you Members did not realize then what it was going to cost the people.

The Clerk read as follows:

CONTINGENT AND MISCELLANEOUS EXPENSES

For printing, checks, books, law books, books of reference, periodicals, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; purchase of laboratory apparatus and equipment and maintenance of laboratory in the office of the inspector of asphalt and cement; damages; livery, purchase, and care of horses and carriages or buggies and bicycles not otherwise provided for; horseshoeing; ice; repairs to pound and vehicles; use of bicycles by inspectors in the engineer department not to exceed $800 in the aggregate; and other general necessary expenses of District offices, including the personal-tax board, harbor master, health department, surveyor's office, office of superintendent of weights, measures, and markets, department of insurance, and Board of Charities, including an allowance to the secretary of the Board of Charities, not exceeding the rate of $26 per month, for the maintenance of an automobile to be furnished by him and used in the discharge of his official duties, $47,900.

Mr. DAVIS of Minnesota. Mr. Chairman, that rate of "$26" in line 24 should be changed to "$20."

Mr. BLANTON. It was agreed to yesterday that that change should be made all the way through the bill, but the RECORD does not show that very clearly. After the vote was taken upon the two Hudson amendments, it was agreed that wherever the Clerk finds $13 for motor cycles and $26 for automobiles they should be changed to $10 and $20, respectively.

The CHAIRMAN. The Chair did not examine the RECORD closely about that.

Mr. DAVIS of Minnesota. I made the request and asked that it be done by the Clerk clear through the bill.

The CHAIRMAN. The RECORD will show it correctly now.

The Clerk read as follows:

For the exchange of such automobiles now owned by the District of Columbia as, in the judgment of the commissioners of said District, have or shall become unserviceable, $3,000.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph contained in lines 18 to 21, inclusive. It is legislation on an appropriation bill and unauthorized by law. There is no law whatever authorizing these appropriations.

Mr. DAVIS of Minnesota. I do not think there is any question but that they have a right to exchange their automobiles and keep them in repair.

Mr. BLANTON. But it takes law for it, and there is no law for it.

Mr. DAVIS of Minnesota. It has been the custom and the law in every bill that I have ever known anything about.

Mr. BLANTON. The purpose of this paragraph is to buy new automobiles and turn in the old ones for the new ones, but it takes law, even for the exchange of Government property. It will be noticed in the paragraph just above that we allow $28,000 for maintenance of automobiles, and now this paragraph is designed for new automobiles, to turn in the old ones and have them apply on some new ones.

The CHAIRMAN. Is it admitted by the chairman of the subcommittee that it would require legislation to buy new automobiles?

Mr. CRAMTON. No.

The CHAIRMAN. Where is the general law?

Mr. DAVIS of Minnesota. I do not know that there is any general authority.

Mr. BEGG. Mr. Chairman, I think the position that the Chair took yesterday is ample precedent to hold this in order,

namely, that the law that creates the department authorizes the head of a department to furnish automobiles if the Congress will make the appropriation.

The CHAIRMAN. The Chair thinks that the gentleman is correct, and the point of order is overruled.

Mr. BLANTON. That is an awful precedent to set.

The CHAIRMAN. The gentleman has his right to proceed in the regular way. The Clerk will read.

The Clerk read as follows:

All estimates of appropriations for the fiscal year 1926 on account of the purchase, exchange, maintenance, repair, and operation of horse-drawn and motor-propelled vehicles, and for allowances to employees for supplying their own vehicles, shall be submitted in three paragraphs under the head of "Contingent and miscellaneous expenses." One paragraph shall apply to motor-propelled vehicles, one to horse-drawn vehicles, and one to privately owned vehicles, and each shall be accompanied by detailed information showing numbers and distribution by types, and comparative actual and estimated cost figures for the fiscal years 1924, 1925, and 1926. This requirement shall not apply to the police and fire departments, or to the activities provided for herein which are not administered by the Commissioners of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph. It is clearly legislation unauthorized by law. It deals not only with this fiscal year but with succeeding fiscal years. If the Chair will look at the bottom of the page he will see that it provides for the fiscal years 1924, 1925, and 1926.

Mr. CRAMTON. Mr. Chairman, this is a paragraph that is effective only during the next fiscal year. It is effective only during the fiscal year 1925. It has to do only with the preparation of estimates for the fiscal year 1926, which, as the Chair knows, must be submitted to Congress before the 1st day of next December; so that the operation of this provision is not perpetual. It is effective only during the next fiscal year. In the preparation of those estimates and in their submission to Congress certain information has to be set forth with reference to the current fiscal year and for the next fiscal year and the one to follow, but that is the nature of information that is to be included in the estimates. The operation is entirely during the next fiscal year.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. The Congress has expressed its direction to the District authorities as to how they shall submit their information to Congress during this next fiscal year through the Budget.

Mr. BLANTON. Why has not the gentleman and his distinguished committee carried this heretofore? This is the first time this language has appeared in any appropriation bill.

Mr. CRAMTON. What does that prove?

Mr. BLANTON. It proves it is new legislation. The committee has not carried it before in this bill.

Mr. CRAMTON. If it had carried it annually for 50 years heretofore, if it is legislation the fact that it had been carried for 50 years before would not cure it.

Mr. BLANTON. I think it ought to come from the proper legislative committee and not be put in the bill by the Appropriations Committee.

Mr. CRAMTON. I admit it is a new paragraph but not legislation.

Mr. BEGG. Mr. Chairman, one word. The only reason I make any comment is just for the sake of what I believe is orderly procedure. If there is any appropriation about this paragraph, I would like to have it pointed out. If there is any limitation, I would like to have it pointed out. Now, the gentleman from Michigan says it is put in there for instruction. Why, necessarily it becomes legislation. I am not trying to sustain the point of order but I do want to sustain the rules, and I do not think we ought to go wild on them.

Mr. CRAMTON. I want to say it is not my purpose to argue that, but I am stating the facts as to the amendment. As a matter of fact, this language substantially was in the bill a year ago. It was stricken out in the Senate. It was promised by the District authorities that this information would be furnished to the Congress with this present bill. That promise was not kept, and hence the Appropriations Committee, in a desire to have before it information upon which it and the House could most intelligently act, have placed here this direction.

If this is legislation, it goes out on the point of order which the gentleman from Texas makes. I will say this, that I am amazed that the gentleman from Texas, preaching economy, should object to a provision here in the interest of economy and which is intended to require these departments to furnish us information so we can know how much the automobiles are costing this Government.

SEVERAL MEMBERS. Rule!

Mr. BLANTON. One moment.

The CHAIRMAN. The Chair is ready to rule.

Mr. BLANTON. Permit me to reply to the reference which the gentleman made to me. The Chair has a right to hear me.

The CHAIRMAN. The Chair will hear the gentleman briefly.

Mr. BLANTON. Mr. Chairman, I voted for the law that placed all the appropriations in the hands of these 35 gentlemen on the Appropriations Committee. It was my vote that helped to give them authority, and I am now merely trying to maintain the integrity of the rest of the committees of the House, the legislative committees, in protecting their jurisdiction.

The CHAIRMAN. This provision is manifestly legislation. It does not come within any of the exceptions of legislation on appropriation bills, and the point of order is sustained.

The Clerk read as follows:

For advertising notice of taxes in arrears July 1, 1924, as required to be given by the act of March 19, 1890, to be reimbursed by a charge of 50 cents for each lot or piece of property advertised, $5,500.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Twenty-six Members are present, not a quorum.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. SNELL having taken the chair as Speaker pro tempore, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 8839 had come to no resolution thereon.

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL of Maryland. Mr. Speaker, this being the anniversary of my birth, I ask unanimous consent to address the House for 45 seconds.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to address the House for 45 seconds.

Mr. BLANTON. Is that a second for each year of the gentleman's life?

Mr. HILL of Maryland. Mr. Speaker, I deeply regret that that is the case. Mr. Speaker and gentlemen of the House, having lived a great many years and heard both good and poor speeches in great numbers, I ask unanimous consent to extend my remarks in the RECORD by printing an excellent address on Americanization delivered by the Hon. Nicholas Murray Butler before the Missouri Society at the Hotel Plaza in New York on the evening of April 29, 1924.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. BEGG. Mr. Speaker, I object.

Mr. HILL of Maryland. I regret that the gentleman from Ohio objects, and I yield back the remainder of my time.

PREPAREDNESS FOR PEACE

Mr. MACGREGOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech made by my colleague, Hon. HAMILTON FISH, before the New York League of Women Voters at Buffalo last Sunday.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks for the purpose indicated. Is there objection?

Mr. CONNALLY of Texas. Does that also contain the reply to his speech made by Mrs. Catt?

Mr. MACGREGOR. No. I did not propose to print the reply.

The SPEAKER. Is there objection?

There was no objection.

Mr. MACGREGOR. Mr. Speaker, under leave granted to extend my remarks, I insert a speech by Hon. HAMILTON FISH, Jr., before the fifth annual convention of the National League of Women Voters at Buffalo on April 27, 1924, which is as follows:

PREPAREDNESS FOR PEACE

It is a great honor to be invited to speak before the National League of Women Voters, and I appreciate doubly the opportunity to discuss

the peace problem and limitation of armament before an organization such as yours, which has given so much thought to solving these vital problems.

It is fitting and appropriate that your great organization, composed of patriotic and peace-loving American citizens, should meet in Buffalo to discuss ways and means to lessen the likelihood of war through limitation of armament and arbitration of international disputes, for it was in Buffalo on September 5, 1901, the very day President McKinley was assassinated, that he gave out his famous epoch-making message to the American people to the effect that the period of aloofness and exclusiveness was past, and advocated the settlement of all misunderstandings and disputes among nations by international arbitration.

We are also reminded that the city of Buffalo, the outpost of the Empire State and the sentinel city of the United States on the Canadian border, is a visible example of the result of the arrangement for limitation of armament entered into by the United States and Canada in 1817. Buffalo is one of the main beneficiaries of this limitation of armament agreement and has been far better protected than if there had been a hundred forts built for her defense. The growth of Buffalo is a mute testimonial of the efficacy of this agreement of 1817, which is the most successful example of its kind in all history and has made for peace and good will for over a century on our common borderland of 3,000 miles.

With the exception of the veterans of the World War who took part in actual battle and saw for themselves the horrors of war, no element in our body politic is more concerned with bringing about peaceful relations among nations and lessening the opportunities and likelihood of war than the women of America. That is why I am glad to leave Washington and come all the way to Buffalo to add my voice in support of President Coolidge's proposed conference to limit armaments.

I believe in preparedness. I believe in a small, efficient Regular Army, with a goodly number of officers; a large federalized National Guard; and an Officers' Reserve Corps with sufficient appropriations to provide two weeks' training annually for at least 10,000 of the 80,000 reserve officers. I have no sympathy or patience with the militarists, on the one hand, who are constantly seeking to increase our Military Establishment and perceive dire disaster in any move for peace and limitation of armaments, or with the pacifists, on the other hand, who would have America defenseless and advocate the doctrine of turning the other cheek. Without fear of contradiction, I say we are far better prepared for national defense than in any period of our history except during actual conflict.

I put my faith in preparedness for peace, believing as I do that the most vital unsolved problem to-day is the achievement and maintaining of world peace. I believe that the United States, because of its position of leadership in the world, has a great moral responsibility to exert its influence and power to promote peaceful relations between nations and show by its example that peace based on justice, cooperation, and conciliation is the only kind of peace that is lasting and worth having.

Let us prepare for peace by inculcating the right kind of peace ideals in the minds of the coming generation and by glorifying peace. Let us reveal the horrors of war and teach the truth that war is the blackest, least excusable, and most damnable crime against man and God. There can be no peace without there being a genuine desire for peace, and that will come when the women of the world unite in demanding proportional limitation of armaments and the settlement of international disputes by means of international arbitration.

I am going to let you in on a secret if you promise not to tell the Secretary of State, Mr. Hughes: It was the overwhelming, persistent, and insistent demand of the women of America on the platform, by petitions, and by letters to Congress and to ex-President Harding that caused the calling of the Washington conference to limit naval armaments. I believe that credit should be given where credit is due, and your organization was largely responsible not only for having the conference called but for arousing public opinion in support of proportional limitation of naval armaments. In my opinion it was the greatest step toward peace since the armistice, and a far greater achievement than anything the League of Nations has accomplished.

The agreement to proportionally reduce the number of battleships wiped away overnight competitive rivalry and all thought of war between Japan and the United States—so much so that even now in the stress of the immigration question there is no jingo talk of resorting to war on either side. The Washington conference accomplished much and saved the taxpayers $250,000,000 annually, but the precedent it established was of even more importance by showing how and what would be done to limit armaments and prevent war-producing competition in naval armament.

I believe that widespread education against war is an effective method of preventing war, and should be encouraged by the women of America. War is a blight, a curse to the world, and the only hope is the maintenance of peace through the aid of the united and constructive effort of such organizations as yours.

There is no one solution to the peace problem. I believe that the entrance of the United States into the World Court would be a step in the right direction. The American people, however, should be fully informed regarding the exact nature of the duties and functions of the court and not told that it will bring about the millennium, but is only a step toward adjusting international disputes and would be of psychological value in promoting peace. I hope in the near future that the great powers will agree to sign the compulsory arbitration clause, which would go a long way toward solving the peace problem.

I am not an irreconcilable, but in my opinion it would be the part of wisdom for the United States to keep out of the League of Nations for the present at least, until European nations begin to disarm, bond their debts, and signify a desire for peace. Article V of the league covenant requires unanimous consent of all nations in the league before action by the league can take place. This is just the same as if unanimous consent were required to put a bill through the Senate. It would be obviously impossible to pass any measure of importance under these conditions. That is why I am opposed to the league, because as constituted to-day it has no means of achieving or preserving the peace of the world. It is simply the enforcement agent for the Versailles treaty, without the power to amend any of its harsh or unworkable territorial provisions. I am also opposed to entering the league without a reservation to Article X guaranteeing the political independence and the territorial integrity of the members.

The league is impotent and powerless as at present constituted to limit armaments or settle major issues, and by staying out of the league we retain our freedom of action to call international conferences for the purpose of promoting world peace. The American people delivered their verdict on the league issue four years ago and there has been no new evidence produced to cause a change of sentiment. It is more than ever evident that the noble conception of the league has been turned into a combination of the victors to exploit their own advantage. The constitution of the league was so framed as to render futile any efforts to remedy or amend the Versailles covenant. The league is not a judicial organization like the Permanent Court of International Justice, but political, dominated by England and France. Were we to enter the league we could not help taking sides on questions which would involve and entangle us hopelessly in European jealousies, ambitions, and intrigues.

I introduced on January 8 a resolution calling for another limitation of armament conference, and believe that the time will soon be ripe for arousing the women of America to united and concerted action to make such a conference a success. The Premier of England, Ramsay MacDonald, has repeatedly shown his broad vision and earnest desire for peace by advocating further limitation of armaments, and it is to be hoped that the Dawes report will furnish a basis for an early settlement of the reparation question, without which there can be no peace in Europe.

In my opinion President Coolidge has a wonderful opportunity, supported by the women of America, to take an unselfish and constructive step toward promoting world peace by calling a conference in Washington to further limit armaments, which can not come too soon for the good of the world.

The present appalling situation in Europe can not last long without an appeal to the sword. The racial and national hatred there amounting to blood vengeance is too strong to be kept down by coercion and the rule of foreign bayonets. The rule of force especially applied from without can not endure and is only a passing phase in countries where civil rights and liberties have once flourished. Revolts, civil wars, foreign wars, and wars of liberation are bound to occur and reoccur for the next 30 years, unless the representatives of the big nations can reach an agreement based on justice, conciliation, and cooperation. That is the only road to peace; there can be no peace unless there is a genuine desire for peace. There can be no desire for peace in Europe with militarism gone mad, and wars and rumors of war the daily food of the entire continental population. All militarism is brutal and creates war psychology wherever it exists. In heavily armed nations there is unconsciously developed a spirit of conquest, imperialism, and belief in force. In nations like the United States with limited armaments our belief in the principles of justice, conciliation, and cooperation make for enduring peace. On our northern frontier of 3,000 miles, as emphasized at the beginning of my remarks, there is no need for a single soldier, a single gun, or a single fort, because of our belief in international righteousness and our desire for peace.

The first step toward developing a desire for peace in Europe is to call a conference, and the only way to call an international conference of the leading nations is to call it without fear, favor, or apologies. The preservation of international peace should be the continuous policy of all civilized nations, and no nation need apologize for advocating and furthering such a policy by all means within its power, particularly through its moral influence.

I will gladly cooperate with the League of Women Voters in any constructive effort to promote peaceful relations and good will among the

nations of the earth, as I believe that the preservation of international peace is the most important and vital issue affecting the welfare of humanity and the entire structure of our modern civilization.

ORDER OF BUSINESS

Mr. DAVIS of Minnesota. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, will there be anything to-morrow other than the District appropriation bill?

Mr. DAVIS of Minnesota. I hope not.

Mr. BEGG. I will say to the gentleman that there will not be. There might be a conference report or something privileged.

Mr. BLANTON. Time was also allowed to the gentleman from Michigan [Mr. MAPES]—20 minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

JUDGE DAVID PATTERSON DYER

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning former Representative David Patterson Dyer.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, on Tuesday afternoon, terminating a long and eventful career at the ripe age of four score and six years, Judge David Patterson Dyer, a former Member of this House, passed peacefully to his great reward.

Judge Dyer was the last survivor of the Forty-first Congress, which convened in 1869, and the beginning of his term antedated by two years the historic service of Speaker Cannon, of Illinois, of whom he was always an ardent admirer.

A Virginian by birth and a Missourian by adoption, he represented and exemplified the highest ideals and the best traditions of both States.

His public career began in 1860 with his election as district attorney, and for the remaining 64 years of his life he was prominently identified with the public life of the State. He was elected to the State legislature in 1862 and reelected in 1864, and while serving in that capacity recruited the Forty-ninth Regiment of Missouri Volunteers, and as its colonel commanded it through the battles of an active and successful campaign in Missouri and the South. At the close of the war he was elected to Congress and served one term, beginning in 1869. He was an active supporter of President Grant, who appointed him United States attorney for the eastern district of Missouri, where he won immediate fame in the prosecution of the notorious whisky ring.

Four years later he was the Republican candidate for governor, but was defeated and returned to his law practice, where he remained until again appointed United States attorney for the eastern district by President Roosevelt. He was reappointed in 1906 and the following year was elevated to the Federal judgeship. He died as he wished to die—in the harness, holding court but two days before his death.

Few men have possessed so generally the genuine affection of the people of his section. He was particularly loved by his old neighbors, and his home-coming to attend service at old Sand Run Church was an annual event and was looked forward to as a red-letter day on the calendar of three counties. His name and career enrich and embellish one of the longest and most interesting chapters in the history of Missouri.

Able, brilliant, democratic, and of magnetic personality, his name has been a household word throughout the State for more than a generation. He was true to every trust and faithful to every obligation—soldier, statesman, jurist, gentleman.

WITHDRAWAL OF PAPERS

Mr. MACGREGOR, by unanimous consent, was granted leave to withdraw the papers on file in connection with the bill H. R. 6562, a pension bill, no adverse report having been made thereon.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 7959. An act to provide adjusted compensation for veterans of the World War, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PERLMAN, for four days, on account of illness.

To Mr. JOHNSON of Texas, for to-morrow, May 3, on account of important business.

To Mr. CAMPBELL, for 10 days, on account of the illness of his wife.

ADJOURNMENT

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 13 minutes p. m.) the House adjourned until to-morrow, Saturday, May 3, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

449. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year ending June 30, 1924, for expenses of inquiries and investigations ordered by the Senate (H. Doc. No. 254); to the Committee on Appropriations and ordered to be printed.

450. A communication from the President of the United States, transmitting two communications from the Postmaster General of the United States, submitting estimate of appropriations in the sum of $6,413.81, to pay 118 claims which have been adjusted and require an appropriation for their payment (H. Doc. No. 255); to the Committee on Appropriations and ordered to be printed.

451. A communication from the President of the United States, transmitting a communication from the Acting Secretary of Commerce, submitting a claim of the Oregon Short Line Railroad for damages to privately owned property in the sum of $487.39, which claim has been adjusted by the Director of the Coast and Geodetic Survey, and which require an appropriation for their payment (H. Doc. No. 256); to the Committee on Appropriations and ordered to be printed.

452. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1923, $953.23, and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, $51,000, for the Department of Justice, amounting in all to the sum of $51,953.23; also a draft of proposed legislation affecting the appropriation for 1925, to authorize the lease of court rooms in New York City for a period of five years (H. Doc. No. 257); to the Committee on Appropriations and ordered to be printed.

453. A communication from the President of the United States, transmitting a communication from the Secretary of the Navy, submitting an estimate of appropriation in the sum of $1,947.33 to pay eight claims which he has adjusted and which require an appropriation for their payment (H. Doc. No. 258); to the Committee on Appropriations and ordered to be printed.

454. A communication from the President of the United States, transmitting two communications from the Secretary of War, submitting claims for damages to or loss of privately owned property in the sum of $4,496.23 of seven claimants, which have been adjusted and which require an appropriation for their payment (H. Doc. No. 259); to the Committee on Appropriations and ordered to be printed.

455. A communication from the President of the United States, transmitting a communication from the Secretary of the Navy, submitting an estimate of appropriation in the sum of $40,149.04 to pay claims of Jeremiah J. Kelley and 49 others, which have been adjusted and which require an appropriation for their payment (H. Doc. No. 260); to the Committee on Appropriations and ordered to be printed.

456. A communication from the President of the United States, transmitting a communication from the Secretary of the Navy, submitting an estimate of appropriation in the sum of $6,316.74 to pay claims of the Texas Oil Co., Port Arthur, Tex., and 22 other claimants, which have been adjusted and which require an appropriation for their payment (H. Doc. No. 261); to the Committee on Appropriations and ordered to be printed.

457. A communication from the President of the United States, transmitting a communication from the Acting Secretary of Commerce, submitting claims for damages to privately owned property in the sum of $390.64 of four claimants, which claims have been adjusted by the Commissioner of Lighthouses, and which require an appropriation for their payment (H. Doc. No. 262); to the Committee on Appropriations and ordered to be printed.

458. A communication from the President of the United States, transmitting a communication from the Treasury Department under date of March 4, 1924, submitting the claim of Richard P. Moore in the sum of $42.82 which has been adjusted and which require an appropriation for its payment (H. Doc. No. 263); to the Committee on Appropriations and ordered to be printed.

459. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State for the fiscal year ending June 30, 1924, to defray the cost of representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City, Mexico, beginning May 27, 1924, $30,000 (H. Doc. No. 264); to the Committee on Appropriations and ordered to be printed.

460. A communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriations for the District of Columbia for the fiscal year ending June 30, 1924, and for prior fiscal years, amounting to $359,373.20, together with certain proposed legislation (H. Doc. No. 265); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 5722. A bill authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes; with amendments (Rept. No. 627). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 9033. A bill declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes; without amendment (Rept. No. 631). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLY: Committee on the Post Office and Post Roads. H. R. 8586. A bill to provide for the free transmission through the mails of certain publications for the blind; without amendment (Rept. No. 633). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. H. R. 5567. A bill to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Courthouse, Va.; without amendment (Rept. No. 634). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WILLIAMS of Michigan: Committee on War Claims. S. 2357. An act for the relief of the Pacific Commissary Co.; with an amendment (Rept. No. 625). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on War Claims. H. R. 2336. A bill for the relief of F. J. Belcher, jr., trustee for Ed Fletcher; without amendment (Rept. No. 626). Referred to the Committee of the Whole House.

Br. BURDICK: Committee on Naval Affairs. H. R. 2016. A bill for the relief of William M. Phillipson; without amendment (Rept. No. 628). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 5061. A bill for the relief of Russell Wilmer Johnson; without amendment (Rept. No. 629). Referred to the Committee of the Whole House.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 5456. A bill granting six months' pay to Lucy B. Knox; without amendment (Rept. No. 630). Referred to the Committee of the Whole House.

Mr. MAGEE of Pennsylvania: Committee on Naval Affairs. H. R. 3736. A bill for the relief of James J. Meehan; without amendment (Rept. No. 632). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 6442. A bill for the relief of William H. Armstrong; with an amendment (Rept. No. 635). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SINNOTT: A bill (H. R. 9028) to authorize the addition of certain lands to the Whitman National Forest; to the Committee on the Public Lands.

Also (by request), a bill (H. R. 9029) to promote the mining of potash on the public domain; to the Committee on the Public Lands.

Also (by request), a bill (H. R. 9030) to provide for the consolidation of the land service in Alaska, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 9031) to amend section 5 of an act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916; to the Committee on the Public Lands.

By Mr. NEWTON of Missouri: A bill (H. R. 9032) to amend section 1015 of the Revised Statutes; to the Committee on the Judiciary.

By Mr. HAUGEN: A bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes; to the Committee on Agriculture.

By Mr. GREEN of Iowa: A bill (H. R. 9034) to provide for the regauging of distilled spirits, and for other purposes; to the Committee on Ways and Means.

By Mr. GRIEST: A bill (H. R. 9035) reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9036) for the relief of Henry Simons; to the Committee on Military Affairs.

By Mr. CARTER: A bill (H. R. 9037) granting an increase of pension to Thomas V. Hunt; to the Committee on Pensions.

By Mr. HULL of Iowa: A bill (H. R. 9038) granting a pension to Amy H. Brown; to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 9039) for the relief of David F. Reid; to the Committee on Military Affairs.

By Mr. MUDD: A bill (H. R. 9040) for the relief of Clarence C. Cadell; to the Committee on Claims.

Also, a bill (H. R. 9041) granting a pension to Robert Gore; to the Committee on Pensions.

Also, a bill (H. R. 9042) granting an increase of pension to Frank Coalman; to the Committee on Pensions.

Also, a bill (H. R. 9043) granting an increase of pension to Margaret W. Dexter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9044) granting an increase of pension to Harriet E. Dennison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9045) granting a pension to Nannie Ogle Bird; to the Committee on Invalid Pensions.

By Mr. NEWTON of Missouri: A bill (H. R. 9046) for the relief of Philip Osburg; to the Committee on Claims.

By Mr. RUBEY: A bill (H. R. 9047) granting an increase of pension to Nancy C. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9048) granting a pension to Julia Dugan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9049) granting a pension to Lettie Painter; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 9050) granting a pension to Emily J. Foust; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9051) for the relief of Joseph H. Seymour; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 9052) granting a pension to William Smallwood; to the Committee on Pensions.

By Mr. WARD of New York: A bill (H. R. 9053) granting a pension to Anna Smith; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2640. By Mr. BOX: Petition of S. W. Sinclair and sundry persons of Marshall, Tex., members of the International Machinists' Association, asking for the enactment of the Brookhart-Hull bill (S. 742, H. R. 2702), requiring that all strictly

military supplies be manufactured in Government-owned navy yards and arsenals; to the Committee on Military Affairs.

2641. By Mr. CRAMTON: Petition of the members of the Methodist Episcopal Church of Romeo, Mich., and the Woman's Christian Temperance Union of Romeo, Mich., protesting against any modification of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

2642. By Mr. CULLEN: Petition of Openers and Packers' Association of the United States Customs Service, New York City, asking for a living wage, and also favoring House bill 8202, to amend the retirement act, providing for a pension after 30 years' service; to the Committee on the Civil Service.

2643. Also, petition of the Associated Traffic Clubs of America, opposing the making of freight rates out of political expediency, and viewing with great concern anything that would restrict the Interstate Commerce Commission in the free and unbiased consideration of any and all matters coming before it; to the Committee on Interstate and Foreign Commerce.

2644. By Mr. DARROW: Petition of 138 employees of the Wayne Junction car shop of the Philadelphia & Reading Railway Co., protesting against the adoption of the Howell-Barkley labor bill; to the Committee on Interstate and Foreign Commerce.

2645. By Mr. FENN: Petition of the Manufacturers' Association of Hartford County, Conn., protesting against the proposal to discharge the Committee on Interstate and Foreign Commerce from further consideration of House bill 7358; to the Committee on Interstate and Foreign Commerce.

2646. Also, petition of the Employers' Association of Hartford, Conn. (Inc.), comprising 300 business concerns, protesting against the proposal to discharge the Committee on Interstate and Foreign Commerce from further consideration of House bill 7358; to the Committee on Interstate and Foreign Commerce.

2647. Also, petition of the Connecticut Chamber of Commerce, objecting to the passage of the so-called Fitzgerald bill (H. R. 487) with reference to workmen's compensation; to the Committee on Interstate and Foreign Commerce.

2648. By Mr. FULLER: Petition of the American Federation of Railroad Workers, Harsimus Lodge, No. 99, protesting against the passage of the Howell-Barkley bill (H. R. 7358); to the Committee on Interstate and Foreign Commerce.

2649. Also, petition of the Illinois Agricultural Association, favoring the enactment of the McNary-Haugen bill; to the Committee on Agriculture.

2650. Also, petition of the Millers' National Federation, opposing the McNary-Haugen bill; to the Committee on Agriculture.

2651. Also, petitions of the Illinois Valley Manufacturers' Club, of La Salle; the Ingersoll Milling Machine Co., of Rockford; L. E. Block, chairman board of directors of the Inland Steel Co., of Chicago; and George D. Roper, of Rockford, all of Illinois, opposing amendment of the transportation act; to the Committee on Interstate and Foreign Commerce.

2652. Also, petition of the American Farm Bureau Federation, opposing the proposed tax on radio receiving sets; to the Committee on Ways and Means.

2653. By Mr. GALLIVAN: Petition of American Federation of Railroad Workers, Chicago, Ill., protesting against the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2654. Also, petition of Harsimus Lodge, No. 99, American Federation of Railroad Workers, Jersey City, N. J., protesting against passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2655. By Mr. SITES: Petition of citizens of Carlisle and Cumberland County, Pa., requesting favorable consideration of House bill 3799, providing an increase in pension for Mr. B. F. Cornman, of Carlisle; to the Committee on Invalid Pensions.

SENATE

SATURDAY, *May 3, 1924*

(Legislative day of Thursday, April 24, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, and it was subsequently signed by the President pro tempore.

CALL OF THE ROLL

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	King	Shields
Ashurst	Fletcher	Ladd	Shipstead
Ball	Frazier	Lodge	Shortridge
Bayard	George	McKellar	Simmons
Borah	Glass	McKinley	Smith
Brandegee	Gooding	McLean	Smoot
Brookhart	Hale	McNary	Stanley
Bruce	Harreld	Moses	Stephens
Bursum	Harris	Neely	Sterling
Cameron	Harrison	Norris	Swanson
Capper	Heflin	Oddie	Underwood
Caraway	Howell	Overman	Wadsworth
Copeland	Johnson, Calif.	Pepper	Walsh, Mass.
Cummins	Johnson, Minn.	Phipps	Walsh, Mont.
Dale	Jones, N. Mex.	Pittman	Warren
Dial	Jones, Wash.	Ransdell	Watson
Dill	Kendrick	Reed, Pa.	Weller
Ferris	Keyes	Sheppard	Willis

Mr. SMOOT. I wish to announce that the senior Senator from Kansas [Mr. CURTIS] is detained from the Senate on official business. I ask that the announcement may stand for the day.

Mr. JONES of Washington. I desire to announce that the Senator from Wisconsin [Mr. LENROOT] is absent owing to illness. I ask to have this announcement stand for the day.

The PRESIDENT pro tempore. Seventy-two Senators having answer to their names, there is a quorum present.

PERSONAL EXPLANATION—VOTE ON RADIO AMENDMENT

Mr. FESS. Mr. President, yesterday on the vote upon the radio amendment I was paired with the junior Senator from Mississippi [Mr. STEPHENS]. I inadvertently voted and failed to announce the pair. I make the statement at this time that he would have voted against the committee amendment had he been present, and if the rule permitted I would withdraw my vote in order to take care of him. My vote, of course, did not affect the result. It was an inadvertence on my part.

SPECULATIONS IN WHEAT

The PRESIDENT pro tempore laid before the Senate the following communication from the Secretary of Agriculture, which was ordered to be printed in the RECORD, and, with the accompanying report, referred to the Committee on Agriculture and Forestry:

DEPARTMENT OF AGRICULTURE,
Washington, May 2, 1924.

HON. ALBERT B. CUMMINS,
President pro tempore, United States Senate.

DEAR SENATOR CUMMINS: In response to Senate Resolution No. 9, adopted by Senate on January 8, 1924, I have the honor to transmit herewith the report of the Grain Futures Administration under the grain futures act of September 21, 1922, with respect to trading in grain futures on the Chicago Board of Trade.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a communication in the nature of a petition of the Trenton Council of Churches, of Trenton, N. J., praying that a more satisfactory method of dealing with the problem of Japanese immigration be found than that contained in pending immigration legislation, etc., which was referred to the Committee on Immigration.

He also laid before the Senate a memorial of the National Association of Manufacturers, remonstrating against ratification of the convention for the protection of trade-marks signed at Santiago, Chile, April 28, 1923, which was referred to the Committee on Patents.

He also laid before the Senate a petition of the constituent bodies of the Federal Council of the Churches of Christ in America, and other bodies, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a petition of the National Council of Administration, Veterans of Foreign Wars of the United States, praying that the next appointee to the Civil

Service Commission be an ex-service man, which was referred to the Committee on Civil Service.

He also laid before the Senate resolutions of the New York Chapter of the Military Order of the World War, protesting against the passage of legislation for the relief of the distressed and starving women and children of Germany, which were referred to the Committee on Foreign Relations.

Mr. DILL presented a petition of sundry citizens of Tacoma, Wash., praying for the passage of the so-called Dyer anti-lynching bill, which was referred to the Committee on the Judiciary.

Mr. WARREN presented memorials of sundry members of Laramie (Wyo.) Lodge No. 10 and Rock Springs (Wyo.) Lodge No. 16, The Shop Employees' Association, Union Pacific System, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. PEPPER. I present a petition of the Roosevelt Memorial Association and request consent that it be referred to the Committee on the Library and printed in the RECORD.

There being no objection, the petition was referred to the Committee on the Library and ordered to be printed in the RECORD, as follows:

Petition of the Roosevelt Memorial Association, a corporation of the District of Columbia, praying that a site in the city of Washington be approved for the erection of a monument to Theodore Roosevelt.

To the Congress of the United States of America:

Inasmuch as five years have now elapsed since the death of Theodore Roosevelt, the Roosevelt Memorial Association, desiring to erect an enduring monument to the memory of Theodore Roosevelt in the city of Washington, has set aside the initial sum of $1,000,000 for the furtherance of that purpose.

The association can not proceed with that purpose until the Congress shall have given its approval to the use of a site in the city of Washington. Such approval is necessary to the accomplishment of the plans of the association, because the association wishes to obtain a fitting design for the proposed monument through a competition which shall be limited to the best-qualified American architects, sculptors, and other artists, and the designs to be submitted can not be adequately prepared except in relation to a designated site.

In selecting a year ago the site hereinafter proposed, after close examination of numerous other sites in the District of Columbia, the association was influenced by the knowledge of President Roosevelt's part in the creation of the Park Commission plan of 1901, by his unswerving support of it, and by his insistence that each new element of beauty or utility introduced into the city should be in harmony with it. The association respectfully submits that it is peculiarly fitting that his memorial should be an important factor in the realization of the plan of 1901. It desires to carry this plan forward by placing the national memorial to him on a site so situated that the creation of the memorial will mean the development of one of the hitherto undeveloped but major portions of the plan.

The association is aware of the problems and the practical considerations involved in connection with the site which it has in view. The existence of such difficulties and the importance of their correct solution make it impracticable to define the exact nature of the memorial and the exact limits of the site desired until the whole problem shall have been considered by the architects to whom it is to be submitted.

It is equally impracticable to estimate at this time the exact cost of the memorial. In case the sum now set aside by the association for the erection of the memorial should prove insufficient for the purpose, and in case the necessary further funds should not be otherwise contributed, the association may request the Congress to appropriate such further sums as may be necessary. The association does not at the present time request any such appropriation.

Wherefore the Roosevelt Memorial Association respectfully prays that the Congress of the United States will approve by appropriate resolution the following proposal subject to the conditions thereto attached:

That that portion of the territory included in the Park Commission plan of 1901, lying in general between the Washington Monument and the Potomac River and bounded by Fifteenth and Seventeenth Streets projected southward, including the waters of Twining Lake, be granted and dedicated as a site for the erection by the Roosevelt Memorial Association of a monument to Theodore Roosevelt. This grant is made subject to the following conditions:

1. The Roosevelt Memorial Association shall proceed forthwith to secure an appropriate design for the monument in accordance with the plans embodied in its petition. The design selected shall provide adequately for the requirements of traffic circulation and recreational facilities.

2. The design selected shall be submitted to the Congress before the 1st day of January, 1925.

3. Unless the Congress approves the design submitted within one year thereafter this grant shall be deemed revoked without further resolution thereon, unless the time for submitting a satisfactory design be extended.

ROOSEVELT MEMORIAL ASSOCIATION (INC.),
WILLIAM BOYCE THOMPSON, *President.*

LAWRENCE F. ABBOTT,	ARTHUR W. PAGE,
R. J. CUDDIHY,	JOHN M. PARKER,
HERMANN HAGEDORN,	GIFFORD PINCHOT,
WILL H. HAYS,	ELIHU ROOT,
ELON H. HOOKER,	MARK SULLIVAN,
IRWIN B. KIRKWOOD,	WILLIAM BOYCE THOMPSON,
WILLIAM LOEB,	ALBERT H. WIGGIN,

The Executive Committee of the Board of Trustees,
[SEAL] HERMANN HAGEDORN, *Secretary.*
NEW YORK, *February 8, 1924.*

Mr. LODGE presented the memorial of the Association to Abolish War, of Boston, Mass., remonstrating against the enactment of legislation excluding Japanese immigrants to the United States, which was referred to the Committee on Immigration.

Mr. CAPPER presented the petition of sundry members of the Mothers' Club of Columbus, Kans., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. WILLIS presented a resolution adopted by the Woman's Christian Temperance Union of Lisbon, Ohio, favoring the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Woman's Christian Temperance Union of Lisbon, Ohio, protesting against the enactment of legislation excluding Japanese immigrants to the United States, which was referred to the Committee on Immigration.

He also presented a resolution adopted at a mass meeting held under the auspices of a committee of the Yugoslav Workingmen's Benevolent Organization at Bellaire, Ohio, remonstrating against the passage of discriminatory legislation affecting foreign-born workers, which was referred to the Committee on Immigration.

Mr. FLETCHER presented petitions of sundry citizens and business firms in the State of Florida praying for the enactment of legislation to protect the public against the so-called "cut-rate evil" and false pretense in merchandising under trade-mark or special brand of articles of standard quality, which was referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. FESS, from the Committee on the Library, to which was referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

A bill (S. 2434) for the purchase of the Oldroyd collection of Lincoln relics (Rept. No. 490); and

A joint resolution (S. J. Res. 85) authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington (Rept. No. 491).

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2962) to quiet the title to lands within Pueblo Indian land grants, and for other purposes, reported it with amendments and submitted a report (No. 492) thereon.

Mr. KEYES, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 2284) to provide for the construction of certain public buildings in the District of Columbia, reported it with an amendment and submitted a report (No. 493) thereon.

Mr. JONES of Washington, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2232) to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service" (Rept. No. 494);

A bill (H. R. 1475) for the relief of Luke Ratigan (Rept. No. 495);

A bill (H. R. 6817) to provide for the construction of a vessel for the Coast Guard (Rept. No. 496); and

A bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods (Rept. No. 497).

GREAT PEEDEE RIVER BRIDGE, S. C.

Mr. DIAL. From the Committee on Commerce, I report back favorably with amendments the bill (S. 3097) to authorize the building of a bridge across the Great Peedee River, in South Carolina, and I submit a report (No. 498) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments were, in section 1, page 1, line 6, before the word "bridge" to strike out "highway"; in line 7, before the word "at" to insert "at a point suitable to the interests of navigation," and on page 2, line 2, after the word "navigable," to strike out "water" and to insert "waters," so as to make the bill read:

Be it enacted, etc., That the State Highway Department of South Carolina, in connection with the Lower Peedee bridge commission, be, and they are hereby, authorized to construct and maintain a bridge and approaches thereto across the Great Peedee River at a point suitable to the interests of navigation, at or near a point known as Yawhanna Ferry, between the counties of Georgetown and Horry, S. C., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ENROLLED BILL PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on May 2, 1924, that committee presented to the President of the United States the enrolled bill (S. 1932) to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 3219) to amend the China trade act, 1922; to the Committee on Commerce.

By Mr. BURSUM:

A bill (S. 3220) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md.; to the Committee on the District of Columbia.

By Mr. CARAWAY:

A bill (S. 3221) for the relief of employees of the Bureau of Printing and Engraving who were removed by Executive order of the President, dated March 31, 1922; to the Committee on the Judiciary.

A bill (S. 3222) for the relief of S. Davidson & Sons; to the Committee on Claims.

A bill (S. 3223) for the relief of certain landowners; to the Committee on Public Lands and Surveys.

By Mr. DILL:

A bill (S. 3224) for the relief of J. P. Boland (with accompanying papers); to the Committee on Claims.

A bill (S. 3225) granting a pension to A. A. Henry (with accompanying papers); to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 3226) for the relief of Harry P. Hollidge (with accompanying papers); to the Committee on Claims.

By Mr. KENDRICK:

A bill (S. 3227) authorizing the Secretary of the Interior to accept on behalf of the United States title to certain lands within the Medicine Bow National Forest, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. COPELAND:

A bill (S. 3228) to encourage home ownership and to stimulate the buying and building of homes; to create a standard form of investment based on building-association mortgages; to create Government depositories and financial agents for the United States; to furnish a market for Government bonds; and for other purposes; to the Committee on Banking and Currency.

A bill (S. 3229) for the relief of the owners of the barge *Mary M;*

A bill (S. 3230) for the relief of all owners of cargo laden aboard the lighter *Linwood* at the time of her collision with the U. S. S. *Absecom;*

A bill (S. 3231) for the relief of all owners of cargo laden aboard the U. S. transport *Florence Luckenbach* on or about December 27, 1918;

A bill (S. 3232) for the relief of the owners of the steamship *Basse Indre* and all owners of cargo laden aboard said vessel at the time of her collision with the steamship *Housatonic;* and

A bill (S. 3233) for the relief of owners of cargo aboard the steamship *Boxley;* to the Committee on Claims.

By Mr. SMOOT:

A bill (S. 3234) to amend the act entitled "An act to license customhouse brokers," approved June 10, 1910; to the Committee on Finance.

By Mr. CUMMINS (Mr. OVERMAN in the chair):

A bill (S. 3235) for the relief of Christina Conniff (with accompanying papers); to the Committee on Claims.

By Mr. PEPPER:

A joint resolution (S. J. Res. 120) approving, conditionally, a site for the erection of a monument to Theodore Roosevelt; to the Committee on the Library.

AMENDMENT TO TAX REDUCTION BILL

Mr. SHORTRIDGE submitted an amendment intended to be proposed by him to House bill 6715, the tax reduction bill, which was ordered to lie on the table and to be printed.

WORLD WAR VETERANS

Mr. SHIELDS submitted three amendments intended to be proposed by him to the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended, which were ordered to lie on the table and to be printed.

AMENDMENT TO RIVERS AND HARBORS BILL

Mr. FLETCHER submitted an amendment authorizing a preliminary examination and survey, and so forth, of the Homosassa River, Fla., intended to be proposed by him to the bill (H. R. 8914) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. STANFIELD submitted an amendment proposing to increase the appropriation for investigating the food habits of North American birds and other animals in relation to agriculture, horticulture, and forestry, and so forth, from $508,880 to $652,240, intended to be proposed by him to House bill 7220, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

PRESIDENTIAL APPROVAL

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on May 1, 1924, the President approved and signed the act (S. 2821) to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911.

METROPOLITAN POLICE AND FIRE DEPARTMENT

On motion of Mr. BALL and by unanimous consent, the bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia was recommitted to the Committee on the District of Columbia.

PERSONAL EXPLANATION—BLAIR COAN

Mr. WALSH of Montana. Mr. President, the press generally on yesterday morning carried a statement to the effect that a witness—one Blair Coan—appearing before the committee investigating charges against my colleague had told that he was sent to Montana by Mr. Lockwood, secretary of the National Republican Committee, to get something on my colleague and another Senator, and that upon the adjournment of the committee, to a group of newspaper reporters, Mr. Coan had stated that the other Senator was myself. The New York World carried the news item, and in addition thereto a statement to the effect that in giving the information the witness proudly slapped his breast and said that he had in his inside coat pocket the evidence against Senator WALSH.

On yesterday morning I received a telegram from Mr. Coan, which reads as follows:

WASHINGTON, D. C., *May 1, 1924.*

Hon. THOMAS J. WALSH,
United States Senate, Washington, D. C.:

I learned to-night the New York World correspondent had sent out a story saying I said I found information in Montana sufficient to cause an indictment against you. This is not so. I made no such statement, and it was evidently sent out for some purpose. I phoned New York and had it killed in World after first edition, and have called and wired all newspapers whom I thought might have carried such a statement.

BLAIR COAN.

Notwithstanding this denial, Mr. President, the fact is that Mr. Coan did say and did do what he is reported in the New York World to have said and done. It was said and done in the presence of Mr. Kinsley, of the Chicago Tribune; of Mr. Speer, of the New York Times; of Mr. Hopkins, of the New York World; and of Mr. Bean, of the New York Times, all of whom will aver that the report in the New York World of what transpired is correct.

Mr. President, I do not desire to comment upon this transaction further than to observe that it is a perfectly plain and flagrant contempt of the Senate of the United States, not only on the part of Mr. Coan but of everyone who is responsible for his acts, calculated, as a matter of course, if not obviously intended, to intimidate Senators in the discharge of their duties in this Chamber and before the committees of the Senate.

Obviously any action taken with reference to the matter upon this side of the Chamber or by myself would be attributed to motives other than a desire to preserve the dignity and to maintain the independence of Senators. Doubtless some Senator upon the other side of the Chamber will feel that it calls for notice, if not for action, by this body.

TAX REDUCTION

Mr. SMOOT. I ask that the tax bill be now proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SIMMONS. Mr. President, I send to the desk and offer as a substitute for the surtax provisions of the pending bill an amendment, which I will not, however, ask to be read.

The amendment proposed by Mr. SIMMONS is as follows:

On page 34, beginning with line 5, strike out all of subdivision (a), section 211, and in place thereof insert the following:

"SEC. 211. (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax as follows:

"Upon a net income of $10,000 there shall be no surtax; upon net incomes in excess of $10,000 and not in excess of $14,000, 1 per cent of such excess.

"Forty dollars upon net incomes of $14,000; and upon net incomes in excess of $14,000 and not in excess of $16,000, 2 per cent in addition of such excess.

"Eighty dollars upon net incomes of $16,000; and upon net incomes in excess of $16,000 and not in excess of $18,000, 3 per cent in addition of such excess.

"One hundred and forty dollars upon net incomes of $18,000; and upon net incomes in excess of $18,000 and not in excess of $20,000, 4 per cent in addition of such excess.

"Two hundred and twenty dollars upon net incomes of $20,000; and upon net incomes in excess of $20,000 and not in excess of $22,000, 5 per cent in addition of such excess.

"Three hundred and twenty dollars upon net incomes of $22,000; and upon net incomes in excess of $22,000 and not in excess of $24,000, 6 per cent in addition of such excess.

"Four hundred and forty dollars upon net incomes of $24,000; and upon net incomes in excess of $24,000 and not in excess of $26,000, 7 per cent in addition of such excess.

"Five hundred and eighty dollars upon net incomes of $26,000; and upon net incomes in excess of $26,000 and not in excess of $28,000, 8 per cent in addition of such excess.

"Seven hundred and forty dollars upon net incomes of $28,000; and upon net incomes in excess of $28,000 and not in excess of $30,000, 9 per cent in addition of such excess.

"Nine hundred and twenty dollars upon net incomes of $30,000; and upon net incomes in excess of $30,000 and not in excess of $34,000, 10 per cent in addition of such access.

"One thousand three hundred and twenty dollars upon net incomes of $34,000; and upon net incomes in excess of $34,000 and not in excess of $36,000, 11 per cent in addition of such excess.

"One thousand five hundred and forty dollars upon net incomes of $36,000; and upon net incomes in excess of $36,000 and not in excess of $38,000, 12 per cent in addition of such excess.

"One thousand seven hundred and eighty dollars upon net incomes of $38,000; and upon net incomes in excess of $38,000 and net in excess of $42,000, 13 per cent in addition of such excess.

"Two thousand three hundred dollars upon net incomes of $42,000; and upon net incomes in excess of $42,000 and not in excess of $44,000, 14 per cent in addition of such excess.

"Two thousand five hundred and eighty dollars upon net incomes of $44,000; and upon net incomes in excess of $44,000 and not in excess of $46,000, 15 per cent in addition of such excess.

"Two thousand eight hundred and eighty dollars upon net incomes of $46,000; and upon net incomes in excess of $46,000 and not in excess of $48,000, 16 per cent in addition of such excess.

"Three thousand two hundred dollars upon net incomes of $48,000; and upon net incomes in excess of $48,000 and not in excess of $50,000, 17 per cent in addition of such excess.

"Three thousand five hundred and forty dollars upon net incomes of $50,000; and upon net incomes in excess of $50,000 and not in excess of $52,000, 18 per cent in addition of such excess.

"Three thousand nine hundred dollars upon net incomes of $52,000; and upon net incomes in excess of $52,000 and not in excess of $56,000, 19 per cent in addition of such excess.

"Four thousand six hundred and sixty dollars upon net incomes of $56,000; and upon net incomes in excess of $56,000 and not in excess of $58,000, 20 per cent in addition of such excess.

"Five thousand and sixty dollars upon net incomes of $58,000; and upon net incomes in excess of $58,000 and not in excess of $62,000, 21 per cent in addition of such excess.

"Five thousand nine hundred dollars upon net incomes of $62,000; and upon net incomes in excess of $62,000 and not in excess of $64,000, 22 per cent in addition of such excess.

"Six thousand three hundred and forty dollars upon net incomes of $64,000; and upon net incomes in excess of $64,000 and not in excess of $66,000, 23 per cent in addition of such excess.

"Six thousand eight hundred dollars upon net incomes of $66,000; and upon net incomes in excess of $66,000 and not in excess of $68,000, 24 per cent in addition of such excess.

"Seven thousand two hundred and eighty dollars upon net incomes of $68,000; and upon net incomes in excess of $68,000 and not in excess of $70,000, 25 per cent in addition of such excess.

"Seven thousand seven hundred and eighty dollars upon net incomes of $70,000; and upon net incomes in excess of $70,000 and not in excess of $74,000, 26 per cent in addition of such excess.

"Eight thousand eight hundred and twenty dollars upon net incomes of $74,000; and upon net incomes in excess of $74,000 and not in excess of $76,000, 27 per cent in addition of such excess.

"Nine thousand three hundred and sixty dollars upon net incomes of $76,000; and upon net incomes in excess of $76,000 and not in excess of $80,000, 28 per cent in addition of such excess.

"Ten thousand four hundred and eighty dollars upon net incomes of $80,000; and upon net incomes in excess of $80,000 and not in excess of $82,000, 29 per cent in addition of such excess.

"Eleven thousand and sixty dollars upon net incomes of $82,000; and upon net incomes in excess of $82,000 and not in excess of $84,000, 30 per cent in addition of such excess.

"Eleven thousand six hundred and sixty dollars upon net incomes of $84,000; and upon net incomes in excess of $84,000 and not in excess of $88,000, 31 per cent in addition of such excess.

"Twelve thousand nine hundred dollars upon net incomes of $88,000; and upon net incomes in excess of $88,000 and not in excess of $90,000, 32 per cent in addition of such excess.

"Thirteen thousand five hundred and forty dollars upon net incomes of $90,000; and upon net incomes in excess of $90,000 and not in excess of $92,000, 33 per cent in addition of such excess.

"Fourteen thousand two hundred dollars upon net incomes of $92,000; and upon net incomes in excess of $92,000 and not in excess of $94,000, 34 per cent in addition of such excess.

"Fourteen thousand eight hundred and eighty dollars upon net incomes of $94,000; and upon net incomes in excess of $94,000 and not in excess of $96,000, 35 per cent in addition of such excess.

"Fifteen thousand five hundred and eighty dollars upon net incomes of $96,000; and upon net incomes in excess of $96,000 and not in excess of $100,000, 36 per cent in addition of such excess.

"Seventeen thousand and twenty dollars upon net incomes of $100,000; and upon net incomes in excess of $100,000 and not in excess of $200,000, 37 per cent in addition of such excess.

"Fifty-four thousand and twenty dollars upon net incomes of $200,000; and upon net incomes in excess of $200,000 and not in excess of $300,000, 38 per cent in addition of such excess.

"Ninety-two thousand and twenty dollars upon net incomes of $300,000; and upon net incomes in excess of $300,000 and not in excess of $500,000, 39 per cent in addition of such excess.

"One hundred and seventy thousand and twenty dollars upon net incomes of $500,000; and upon net incomes in excess of $500,000, in addition 40 per cent of such excess."

Mr. SIMMONS addressed the Senate. After having spoken for some time, he said:

Mr. President, I wish now to discuss the majority plan; and as it is about the lunch hour, and as I probably have been a little tiresome in my assaults upon the Mellon plan, I have not sufficient attendance here to induce me to proceed.

Mr. GEORGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	King	Reed, Mo.
Ball	Fletcher	Lodge	Reed, Pa.
Borah	Frazier	McKellar	Sheppard
Brandegee	George	McKinley	Shipstead
Brookhart	Glass	McLean	Simmons
Bruce	Gooding	McNary	Smith
Bursum	Hale	Moses	Smoot
Cameron	Harreld	Neely	Stanley
Capper	Harris	Norbeck	Stephens
Caraway	Harrison	Norris	Sterling
Cummins	Heflin	Oddie	Wadsworth
Dale	Johnson, Calif.	Overman	Walsh, Mont.
Dial	Johnson, Minn.	Pepper	Watson
Dill	Jones, Wash.	Phipps	Willis
Fernald	Kendrick	Pittman	
Ferris	Keyes	Ransdell	

The PRESIDING OFFICER. Sixty-two Senators having answered to their names, a quorum of the Senate is present. The Senator from North Carolina will proceed.

Mr. SIMMONS resumed his speech. It is in full as follows:

Mr. President, I think I shall follow the precedent established by the chairman of the Committee on Finance, the senior Senator from Utah [Mr. SMOOT], and ask that I be not interrupted while I am discussing this question. When I shall have finished, I shall be glad to answer questions.

Mr. President, in discussing the amendment I have just offered it may be opportune to review briefly the history of these income taxes. Prior to 1912, under the Republican Party, wealth went practically untaxed. Practically no specific levies were made against it. It is true that under the régime of Mr. Aldrich a small income tax was imposed on corporations, a tax of 1 per cent above an exemption of $5,000. The masses paid the taxes necessary to support the Government. With the exception of this little corporation income tax, wealth escaped taxation. It was a great privilege and put the masses at great disadvantage in the matter of taxation. The Democratic Party denounced this exemption as a special privilege accorded those taxpayers best able to pay, and when it came into power under President Wilson it proceeded to remedy the evil and to enact legislation abolishing discriminatory exemptions and to require wealth to contribute its fair share to the support of the Government. Naturally the beneficiaries of these exemptions wished them continued, and therefore resented the action of the Democratic Party in discontinuing them. They did not seriously complain when the war was on, but when it was over a campaign to reduce war taxes was inaugurated, not so much to reduce general taxes, but to reduce the taxes the Democrats, to equalize burdens, had imposed upon wealth.

Naturally in these conditions these people looked to the Republican Party to restore the discriminatory exemption the Democratic Party had taken from them. Therefore, to that end, in the 1920 campaign they mobilized all their resources and put them behind the movement to restore the Republican Party to power. What promises were then made or assurances given I do not know, but I do know that in the revision which was undertaken and accomplished in 1921, Secretary Mellon then demanded that surtaxes be reduced from 65 per cent to 25 per cent, as he now demands that they be reduced from 50 per cent to 25 per cent. He also suggested the reduction or elimination of certain so-called nuisance taxes, but it soon became evident that his chief interest was centered in the reduction of surtaxes. I also know that when the surtax rate was held at 50 per cent by the efforts of Democrats and progressive Republicans there was great disappointment on the part of Republicans and resentment and disgust on the part of the "interests." There were intimations that the "interests" claimed they had not received what they expected and what had been promised, and veiled apologies were made and assurances given that what they demanded would thereafter be granted.

Another election was approaching and the "interests" were doubtless demanding that something be done to make good the assurances and promises given after the disappointments of the revision of 1921. To meet these demands and arouse and rally to the Republican standard in the approaching contest these powerful forces of organized wealth something had to be done and done quickly, and the surplus in the Treasury afforded an opportunity for another revision. Accordingly a bill was prepared by the Secretary of the Treasury, known as the Mellon plan, and sent to Congress with what amounted to an emphatic demand from the Secretary of the Treasury and the President that it be passed practically without amendment. Undoubtedly if this plan could be put through as demanded and expected by its author, it would be eminently satisfactory to the interests demanding undertaxation and would have overcome the discontent growing out of the disappointing result of the revision of 1921. An attempt was made to camouflage the proposed reduction by advertising it as a measure in the interest of the mass of taxpayers. That fraud was soon exposed. By this time it is hoped that the sponsors for this unequal and discriminatory scheme of tax legislation have discovered that while fair and equal tax reduction is popular, undertaxing overgrown incomes is not favored except by its beneficiaries.

The interests which in 1923 demanded and now demand that their taxes be cut in two are also strenuously opposed to bonus legislation. I do not attribute this attitude as to the bonus to a lack of patriotism, but it is obvious that the large expenditures incident to a bonus might jeopardize or defeat tax reduction of the sort that they desire. Opposition to the bonus from this source was therefore but natural. It would interfere with, perhaps defeat, their supreme objective, which was to relieve wealth of its fair share of taxes.

Just before the adjournment of Congress in December, 1923, Mr. Mellon renewed his recommendation of 1921 and advised the Congress that instead of the deficit he himself had predicted there was a fat surplus in the Treasury and vigorously recommended the reduction of surtaxes to a maximum of 25 per cent, simultaneously warning the Congress against the bonus. Indeed, he told the people and the Congress that they must choose between tax reduction and the bonus.

It soon developed that the stage was set for the powerful, insidious, misleading propaganda which followed, not only in favor of the Mellon plan but against the bonus.

Simultaneously with the recommendations of the Secretary and the approval of the President, through all the agencies which the Treasury Department, the administration, the Republican Party organization, and the big interests could command, a nation-wide campaign was inaugurated to sell the dual scheme of the Secretary of the Treasury to the country. As was expected, both proposals appealed to the owners of big fortunes and big incomes. Under such circumstances it was not difficult to organize and launch the campaign then inaugurated to cut the taxes of the rich in two and kill the bonus.

Ubiquitous influences and agencies and the organized machinery of propaganda and publicity exercised or controlled by great wealth were quickly mobilized to put through this, to them, attractive program of the Secretary. No propaganda, no scheme of publicity, was ever more powerfully financed or more ably engineered and directed. On the other hand, the opponents of the program were unorganized. Their facilities of publicity were relatively meager. Under these circumstances the Mellon plan, both to untax the rich and to kill the bonus, had almost full possession of the field of publicity, and his schemes were subjected to the full test of public opinion and approval.

What has been the result? What has been the response?

The answer may be compressed into one sentence. No two propositions so powerfully backed have ever met with such an overwhelmingly crushing repudiation. The bonus so vigorously assailed, ridiculed, and spurned has received the emphatic indorsement of both Houses of Congress. The vaunted Mellon plan was able to command in the House of Representatives only about one-half of even the Republican strength of that body, and it is now known that its few sponsors in the Senate have abandoned hope, if they ever had any, and are fishing on both sides of the Chamber for a compromise. The overwhelming repudiation which this proposition has so far received is conclusive evidence of its utter lack of merit and of its amenability to the charge leveled against it of inherent iniquity and selfishness.

Repudiation of the Mellon plan does not mean that the people or their representatives are not in favor of tax reduction to the full extent consistent with the public welfare.

But it does mean an emphatic disapproval of the so-called Mellon plan of accomplishing that result, and a rejection of

the assumptions and conjectures upon which the Secretary predicated his plan; and it does mean a repudiation of his suggestion that we could not have both tax reduction and a bonus.

I have denounced the Mellon plan—and that is the only plan of surtax legislation so far proposed by the majority, it is the plan before the Senate—as discriminatory in favor of the overgrown incomes of great wealth. That charge is the gravamen of our attack upon it. Therefore, before discussing this plan in detail, I deem it proper to state to the Senate in a general way the grounds upon which that charge is made.

It is not difficult to establish the fact that this so-called Mellon plan of surtax reduction clearly favors taxpayers with big incomes and clearly discriminates against the taxpayers with small incomes. It is not difficult to do it because it is written upon the face of the bill, if you will just take the time to make a mathematical calculation.

I have here a calculation of the average rates proposed by the Mellon plan upon the different groups of brackets in the bill. It shows that upon incomes less than $64,000 the Mellon plan makes an average reduction of only 22 per cent. On incomes in excess of $64,000 and up to $100,000 the Mellon plan makes an average reduction of 35 per cent—22 per cent reduction on incomes below $64,000, 35 per cent on incomes between $64,000 and $100,000, and a flat reduction on incomes in excess of $100,000 of 50 per cent! Reduced to percentages, this is a reduction on incomes in excess of $100,000 more than twice as great as on incomes below $64,000.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Iowa?

Mr. SIMMONS. I do.

Mr. BROOKHART. In addition to that, is it not true that the last Congress reduced those upper brackets 15 per cent without reducing the lower ones?

Mr. SIMMONS. Yes; I will get to that later. I am talking now about the reductions from the present law.

Mr. BROOKHART. That is the true situation as to the reductions since the war taxes.

Mr. SIMMONS. Yes.

There is the evidence of our charge. It is written in the bill. It can not be camouflaged. It can not be evaded. It can not be explained. It condemns the Mellon plan as a gross, flagrant attempt to pervert legislation from the channels of public welfare into the channels of private selfishness and greed.

Carrying out the minority theory that surtax reductions should be based upon the fundamental principles of ability to pay—a principle we hold sound politically, economically, and philosophically—I offer on the part of the minority the substitute amendment for the Mellon surtax rates that I have just presented. I shall now discuss this amendment with some degree of detail and elaboration.

In the beginning of the propaganda for the Mellon plan Democrats were charged with opposing tax reduction when they denounced that plan as unfair and discriminatory, and a part of the public were temporarily deceived.

The people now understand both our position and that of the advocates of the Mellon plan. They know that the Democratic Party, in and out of Congress, stands for reductions to the full extent compatible with the Government's needs and the public welfare. They know that it demands that these reductions should be accomplished in a way that will be fair to the people as well as the classes, to the masses as well as the interests, to the small as well as the big income, and against reductions which unduly favor big and discriminate against small incomes.

The plan of reductions the minority proposes is based upon the traditional Democratic principle of ability to pay. The plan of the majority, the so-called Mellon plan, reverses that principle. It gives the greatest reduction to the man who is best able to pay and the least reduction to the man who is least able to pay.

Before discussing the details of the surtax substitute, I wish to advert to the grounds upon which Mr. Mellon and his followers base their arguments and contentions for a 50 per cent cut in the surtax rates of the present law, and the manner of distributing these reductions.

First, the Secretary of the Treasury contends that the Government will get more revenue from a 25 per cent than a 50 per cent surtax maximum. This contention would seem upon its face to be wholly illogical. This fact seems to have been recognized by the Secretary for the reason that he seeks to differentiate it from the ordinary rule by the claim that the 50 per cent maximum rate can not be effectively enforced because of evasions induced, as he claims, by the alleged excessively high surtax rate. This contention is based upon the assumption that unless these taxes are reduced to the extent he proposes investments will be withdrawn in the future, as he claims they have been in the past, from productive industries and put into tax-exempt securities, and that the result will be disastrous in the future, as he claims it has been in the past, to business prosperity and to the revenues of the Government.

The evidence offered by the Secretary to establish this contention is, first, alleged wholesale investment in tax-free securities to escape surtaxes; secondly, the decrease in the number of individual income-tax payers and the decrease in revenues received from individual incomes; third, business depression resulting from these alleged evasions.

The answer to these contentions, to my mind, is not difficult. First, as to the alleged withdrawal of capital from productive investment and its effect on business: The Secretary claims, as I understand him, not that this scheme of evasion will be inaugurated unless his plan is adopted but that it already obtains and is now going on and has been going on for some time. The rate which now obtains, and which has obtained since 1921, is 50 per cent. Do the conditions of business during this period support the Secretary's contention? Do they show a lack of prosperity or the serious embarrassment to our productive industries which the Secretary portrays? I think not.

Is there anything in the business situation of the past 18 months to justify or confirm the Secretary's contention with respect to the disastrous effect of rates 10 per cent higher than those proposed in the substitute I have offered?

Manifestly the facts of the situation do not sustain his contention, but refute it. Under a 50 per cent rate, the year 1923 was one of great prosperity; one of the most prosperous in our history; business was unusually brisk and profits large; earnings of corporations phenomenal; money for all sound enterprises plentiful; interest rates moderate.

What has happened to change so radically the situation? What has suddenly developed that makes it impossible, unless the plan of the Secretary is adopted, for the business interests of the country to proceed and continue upon the same level of prosperity as during the past year or two years? Certainly the temptation to take money out of productive industry was just as great—yes, greater—under the existing rate of 50 per cent than it will be under the 40 per cent rate we propose for future years. The truth is the Secretary has set up a bogey man, and his whole argument is predicated upon a myth.

Mr. President, neither the evidence presented nor the records of the Government sustain the claim that large sums have been thus diverted to tax-free securities.

The Government reports, which have already been presented to the Senate, conclusively refute this contention of the Secretary and his followers. There has been no sufficient answer to the record evidence in refutation of that contention presented to the Senate by the Senator from New Mexico [Mr. JONES] a few days ago in his very able speech in opposition to the Mellon rates.

I assume that in the year 1922, which I think was the year to which the statistics offered by the Senator from New Mexico applied, the number of rich men who died was about the average. I do not remember now exactly how many estates valued at amounts in excess of a million dollars were included in the table of decedents of that year presented by the Senator, but I remember that the total gross value of the estates listed for estate taxes in that year were not much below $3,000,000,000. My impression is that quite a large number of these estates were in excess of $1,000,000. The aggregate included estates of many men who while living were engaged in large business enterprises, as well as the estates of men whose business was relatively small. The official reports show that of the nearly $3,000,000,000 gross value of these estates the tax-exempt securities included were barely sufficient to defray funeral and administration expenses.

When the proponents of the Mellon plan ask that surtaxes on big incomes be reduced 50 per cent upon the ground that existing rates are forcing money out of productive channels into tax-exempt securities, it is incumbent upon them to present some reliable and tangible evidence, something more satisfactory and persuasive than assumptions and finespun arguments, to show that the alleged plan of evasion is systematically practiced and that it has attained such proportions as to jeopardize the industrial and business prosperity of the country. I submit that the Congress should not be asked to make the

sweeping and drastic cut in surtaxes proposed by Mr. Mellon in the interest of a small number of taxpayers, especially when the beneficiaries are those best able to pay taxes, unless the reason assigned for the reduction is proved and established to the satisfaction of the Congress.

Now, I do not overlook in this connection the arguments and conclusions in this behalf based on the fact that the number of individual income-tax payers has decreased and that the receipts of revenues from this source have likewise declined. It is probable that the facts as to such decreases are as contended by the Secretary, but the reason is not the one assigned by him and by the majority. If these decreases are due to successful efforts to evade surtaxes, the evasion commonly resorted to to accomplish this end is not investment in tax-free securities but evasions of an entirely different and much more attractive character, many of which the Treasury Department could probably have circumvented if it had been as keen to collect money out of the big interests for the Government as it is now to reduce their taxes.

If the Secretary has assigned the correct reason for it, if the decline in the number and in the incomes of individual taxpayers is the result of investment of funds in tax-free securities, then, of course, there is force in the suggestion. But what is the evidence of that? There is no convincing evidence that these decreases have resulted from tax evasion by the device of investment in Government securities, but there is evidence of the most satisfactory character of a wide tendency toward investment in corporations and toward the incorporation of individual enterprises because of opportunity which the corporate method affords to evade surtaxes by nondistribution of surplus earnings.

The method I have just pointed out obviously offers far greater and more attractive opportunities of evasion than investment in tax-free securities, opportunities that the evidence shows are systematically resorted to. The record of the results of these methods shows a state of facts which—approximately, at least—accounts for the decreased number of individual surtax payers and the decreased amount of revenue derived from that source. These evasions, as I indicated, can be traced to the laws and practices of corporations respecting their surplus earnings. The normal tax imposed upon corporation incomes under existing law is only 12½ per cent. That part of the income not distributed pays no surtax. This fact makes investment in corporations very tempting and attractive to surtax dodgers. It has resulted in large increases in undistributed surpluses, and it has also resulted in the systematic establishment of holding companies who hold the stock of the mother corporations and furnish a barrage to protect their earnings against the surtax gatherer. More than this, individuals engaged in productive enterprise find they can escape surtaxes by incorporating their businesses and retaining their earnings. The opportunities to escape surtax through these methods are almost unlimited and they have largely revolutionized the method of conducting business operations of considerable size.

As a result more than one-half the earnings of corporations escape surtax. Official records show that the undistributed surplus earnings of all corporations amount to about $19,000,000,000, as I recollect it—almost as much as the entire national debt. The success of this scheme of incorporation to evade surtax has been so great that it has tempted individuals to incorporate their individual business and to withhold their surplus earnings from distribution. The effect of this is to escape all tax except the 12½ per cent normal tax now imposed on corporations. Surely this situation could not have escaped the attention of the Secretary, and it is very significant that he should have confined his recommendations to legislation to prevent evasions by investment in tax-free securities and overlooked these much more extensively and effectively employed plans to accomplish the same result.

Realizing the importance of this matter, the minority members of the committee, after much study and deliberation of the question, have offered an amendment which, if adopted and effectively enforced, will go far in defeating these schemes which have so successfully evaded the payment of surtaxes and furnished a refuge for individual taxpayers who wished to escape their obligations, and which largely account for the decrease in the number of individual taxpayers and in the revenue derived from individual incomes.

Mr. President, I desire permission, without reading, to incorporate, in connection with the argument I have just been presenting in reference to corporate undistributed surplus, a table showing the earnings of corporations which are not distributed and which escape surtaxes.

The PRESIDING OFFICER. Without objection, permission is granted.

The table referred to is as follows:

Corporation statistics, 1922 income

[From Senate Document 85]

	Number	Net taxable income	Cash dividends	Surplus and undivided profits on hand at end of year
Corporations paying cash dividends	49,207	$4,485,063,843	$2,781,865,137	$15,206,522,345
Corporations paying no cash dividends	30,418	904,217,435		4,073,223,702
Total	79,625	5,389,274,326	2,781,865,137	19,290,746,047
Additional returns, data, however, fragmentary	29,688	1,197,500,436	249,459,248	(1)
Grand total	109,313	6,586,774,764	(1)	

[1] Unknown.

Segregation of industries among corporations, 1922

Industry	Number	Net income
Agriculture and related industries	1,603	$57,420,704
Mining and quarrying	2,282	772,060,990
Manufacturing	28,841	3,336,464,364
Construction	3,552	85,008,281
Transportation and other public utilities	5,776	874,615,097
Trade	31,100	939,620,578
Service	5,800	137,940,148
Finance	29,223	845,998,531
Others	430	37,707,471
Total	109,313	6,586,774,764

Mr. SIMMONS. Mr. President, the surtax amendment presented by the minority, as I have previously intimated, is based upon the Democratic theory of equalizing taxation upon the principle of ability to pay. Acting upon this principle we have applied very low rates, relatively speaking, to small incomes as compared with the rates imposed upon large incomes.

Upon incomes below $64,000 we have made reductions much greater than those provided by the so-called Mellon plan presented by the majority, and we have made reductions somewhat less than the Mellon plan on incomes between $64,000 and $100,000. We have, however, carefully graduated the reductions.

As the income increases from $100,000 upward the reductions we make are greatly less than those made in the Mellon plan, so that when we reach the maximum of 40 per cent at $500,000 the reduction from that point upward amounts to only 20 per cent from the present law as against 50 per cent under the Mellon plan as reported by the majority.

In making these proposed reductions the minority have given full consideration to two important facts.

First and foremost, as I have heretofore said, the principle of ability to pay.

A tax of $100 to a man whose income is only $5,000 or $6,000 is a heavier tax than a tax of many times that amount to a man whose income is $50,000 or $100,000, and the disparity increases as the income increases. If this principle be correct in imposing taxes, it is equally correct in reducing taxes.

But there is another consideration of determining influence which received our consideration and influenced our action. It is this: The large incomes of the country are made chiefly through the so-called productive industries, whether conducted by individuals or corporations. It has been said, and truthfully said, that it is difficult to impose a tax upon these industries that can not be passed on to the consumer, whether it be a revenue tax or a tariff tax, and that statement is true of practically all of these taxes except an income tax. Of all taxes income taxes are most difficult to pass on. To the extent that the taxes imposed by the Government can be passed on they impose but little financial burden, though some inconvenience, to the original taxpayer. This is true of tariff as it is of internal-revenue taxes. But the earners of small incomes are chiefly salaried men, artisans, mechanics, craftsmen, employees, laborers, and, under present conditions, farmers, who have nothing to do with fixing the price of their products and therefore can not pass on to others the burdens of government which are imposed upon them by taxation. These are the people who have to pay the taxes that are passed on to them by those who are more fortunate and whose incomes are large. They are the people who pay the excise tax in the last analysis imposed upon the industries; they are the people who in the last analysis pay the miscellaneous taxes; they are the people who pay the tariff

taxes imposed for the benefit of large productive industries. The tariff levies alone are estimated to cost the consumers of the country $3,000,000,000 annually. Therefore in distributing reductions in income taxes, practically the only tax which can not easily be passed on, we thought justice suggested that a larger proportionate reduction should be given to small than to large incomes.

There is another circumstance that appealed to us. In the reduction of war taxes made in 1921 large incomes were relieved to a far greater extent than small ones. The excess-profits tax upon corporations was repealed, thus remitting to them over $400,000,000 in taxes and thereby to that extent increasing the incomes of the individual stockholders of those corporations. The reductions then made in individual income taxes amounting to over 20 per cent inured chiefly to the benefit of the larger taxpayers. The total of reductions then accorded to the larger incomes was between five and six hundred millions of dollars, while the total reductions on small individual incomes were relatively very small. If the Mellon plan should pass, the big incomes would again get the lion's share of the reductions. Indeed, it is now apparent and generally recognized that the paramount objective of this Mellon scheme is to reduce the surtaxes of the big taxpayers. For this reason we felt that in the reductions now to be made special consideration should be accorded to that class of income-tax payers who were unjustly discriminated against in the 1921 revision. For these reasons the reductions we have made on incomes of less than $64,000 are much greater in percentage than those made under the Mellon plan or those proposed in any other plan that has been suggested.

While the reductions made in the minority plan upon the lower brackets are much greater than those of the Mellon bill, those upon incomes between $64,000 and $100,000 are substantially less than those of the Mellon plan, but they are carefully graduated downward.

The general result is that a taxpayer with an income of $100,000 will pay under the minority plan a surtax of only about $2,900 more than under the Mellon plan. While under the minority plan the tax rate upon an income of this size is 36 per cent, the amount of tax actually to be paid upon an income of this size is only 17.2 per cent. This is because in computing the tax upon each income the taxpayer gets the benefit of all the lower rates in the lower brackets; that is to say, upon the first $2,000 of his income he pays the rate fixed in the first bracket, which is 2 per cent normal and no surtax, upon the next $2,000 the same reduction, and so on through all the intervening brackets. Under the minority plan the total tax upon $100,000 income is $17,020, which evidently is only 17.02 per cent.

The great bulk of business—the so-called productive industries—is owned and operated by men whose individual incomes do not exceed $100,000. These are the men Mr. Mellon, the Secretary of the Treasury, claims should be safeguarded against a deterring surtax and a rate that will subject them to the temptations to evade the law or withdraw their capital from these enterprises for investment in nonproductive securities. While we do not accept either the statements of facts or the reasoning of the Secretary, we have recognized the fact that by far the larger part of the competitive business of the country is operated or controlled by individuals whose incomes do not exceed $100,000, and for that reason we have accorded liberal reductions to this class of income-tax payers.

When we get above $100,000 we soon reach the domain of the enormously rich, the realm of the overgrown trusts and monopolies that dominate business and politics, stifle competition, crush small competitors, drive out of productive channels millions invested in private competitive enterprise, and exploit the masses at will. Most of these enormous individual incomes can be traced back to these great monopolies, and the great dividends accruing from these monopolies are in part the fruits of tax evasions, such as undistributed surplus; of great benefactions at the expense of the masses, such as tariff bounties; monopolistic exploitation of the consumers of their products; and the heartless smashing of private competitors. These powerful and overweening combinations, whose profits make possible these enormous incomes, have driven and are driving more capital out of productive channels than any and all other determining causes, including the Mellonites' bogy of tax-exempt securities.

Ought not the beneficiaries of these great incomes derived through monopolies fostered by privileges and exemptions to be taxed at a much higher percentage rate than the man of relatively small income and whose income is made in active, wholesome competition with his fellows and represents largely the earnings of personal industry, initiative, effort, and toil?

I can not agree with my Republican colleagues on the Finance Committee that it would be either fair or just to the great mass of taxpayers to make a second drastic cut in the taxes of a few thousand taxpayers whose great incomes make it possible for them to pay the taxes now imposed and yet prosper beyond the dreams of avarice. For these reasons we have felt that the chief beneficiaries of the reduction should be, and we have given it to, the taxpayers whose incomes do not exceed $100,000.

Mr. President, I have heretofore stated the average reductions made under the Mellon plan. I now wish to place in juxtaposition the reduction under the two plans. I ask that the table which I have in my hand and which states the per cent of reductions in parallel columns may be published as a part of my remarks.

The PRESIDING OFFICER. Without objection, it will be printed in the RECORD.

The table referred to is as follows:

Average reduction of surtax rates from the 1921 base

Income	Mellon plan	Simmons plan
	Per cent	*Per cent*
Less than $64,000	22	28
$64,000 to $100,000	35	24
$100,000 to $200,000	48	23
$200,000 to $500,000	50	22½
Over $500,000	50	20

Mr. SIMMONS. Under the Mellon plan incomes less than $64,000 are given an average reduction of 22 per cent. Under the minority plan they are given an average reduction of 28 per cent. Incomes between $64,000 and $100,000 under the Mellon plan are given a reduction of 35 per cent, and under our plan 24 per cent. It will be seen that upon these lower incomes, up to $64,000, our reductions are much greater than the Mellon reductions. Upon incomes from $64,000 to $100,000 our reductions are less than the Mellon reductions.

From $100,000 to $200,000 the Mellon plan gives a reduction of 48 per cent, the minority plan a reduction of 23 per cent, still proportionally very much less than the Mellon plan. Incomes are getting very large when they reach $200,000.

From $200,000 up the Mellon plan gives an average reduction of 50 per cent, while we give an average reduction of only 22½ per cent.

From $500,000 up—there is where we reach our maximum—we give a reduction of 20 per cent to all that vast wealth that is in the higher domain of finance and of business; but the Mellon plan, while giving only 22 per cent reduction to the small taxpayer whose income is less than $64,000, gives to every taxpayer whose income exceeds $200,000 a flat reduction of 50 per cent. The minority amendment gives to incomes in excess of $500,000 a reduction of only 20 per cent.

Mr. REED of Missouri. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. SIMMONS. Yes; I yield.

Mr. REED of Missouri. The Senator's statement is very clear to those who understand the bill, but of course he means to say that the man with the $500,000 income gets upon that income exactly the same rate of taxes as the man with the small income on that proportion of his income which is within the lower brackets, and is only on that part of his income which is in excess of $500,000—using that for illustration—that he pays the higher rates. The Senator's idea is perfectly clear, but his language on that point might have been misconstrued.

Mr. SIMMONS. I will correct the mistake, Mr. President. I might as well right at this point—it is an appropriate point to do it—make some explanation with reference to the manner in which these surtaxes are assessed and calculated.

The percentage rate of taxation upon an income of $100,000 in the minority amendment is 36 per cent, but that does not mean that the taxpayer with that income will have to pay 36 per cent of his income in taxes. As a matter of fact, the tax he will actually have to pay will amount to only 17 per cent of his total net income, and the table as worked out in the substitute amendment shows that the taxes to be paid upon that income are only $17,020, which is only 17.02 per cent.

It is difficult for the ordinary man who has not studied these questions to understand how that result follows the rate imposed. It follows in this way, Mr. President:

The man who has $100,000 income gets the full benefit of the reduction given to every small taxpayer in every

lower bracket. That is to say, in calculating the amount of tax to be paid on the $100,000 income, it is divided up into parts, and the taxpayer is given the benefit of the lower rates of every bracket below the $100,000 bracket. As a result of that process the amount of tax actually to be paid upon an income of $100,000 is not 36 per cent, the rate of that bracket, for the reason, that by getting the benefit of the rates of all the lower brackets the 36 per cent will only apply to the $2,000 in the 36 per cent bracket. I wish to insert at this point a table prepared for me by Mr. Joseph S. McCoy, the Actuary of the Treasury, showing how the surtax on incomes of $100,000 is calculated under the law:

Surtax on $100,000 net income

Total net income, increasing by tax brackets	Mellon plan				Simmons plan		
	Amount	Rate	Tax on each bracket	Total tax	Rate	Tax on each bracket	Total tax
		Per cent			*Per cent*		
$10,000	$10,000	0	$0	$0	0	$0	$0
$12,000	2,000	1	20	20	1	20	20
$14,000	2,000	2	40	60	1	20	40
$16,000	2,000	3	60	120	2	40	80
$18,000	2,000	4	80	200	3	60	140
$20,000	2,000	5	100	300	4	80	220
$22,000	2,000	6	120	420	5	100	320
$24,000	2,000	7	140	560	6	120	440
$26,000	2,000	8	160	720	7	140	580
$28,000	2,000	9	180	900	8	160	740
$30,000	2,000	10	200	1,100	9	180	920
$32,000	2,000	11	220	1,320	10	200	1,120
$34,000	2,000	12	240	1,560	10	200	1,320
$36,000	2,000	13	260	1,820	11	220	1,540
$40,000	4,000	14	560	2,380	12-13	500	2,040
$46,000	6,000	15	900	3,280	13-14-15	840	2,880
$52,000	6,000	16	960	4,240	16-17-18	1,020	3,900
$58,000	6,000	17	1,020	5,260	19-19-20	1,160	5,060
$64,000	6,000	18	1,080	6,340	21-21-22	1,260	6,340
$70,000	6,000	19	1,140	7,480	23-24-25	1,440	7,780
$76,000	6,000	20	1,200	8,680	26-26-27	1,580	9,360
$82,000	6,000	21	1,260	9,940	28-28-29	1,700	11,060
$88,000	6,000	22	1,320	11,260	30-31-31	1,840	12,900
$94,000	6,000	23	1,380	12,640	32-33-34	1,980	14,880
$100,000	6,000	24	1,440	14,080	35-35-36	2,140	17,020
Total			$14,080			$17,020	

The average rate of surtax on a net income of $100,000 under the Simmons rate is only 3 per cent larger than the Mellon rate. The above table shows the method of computing the surtax.

Our rates are brought closer into the range of Mellon's rates by reason of the fact that our rates upon the first $64,000 have been largely reduced as compared with the Mellon rates, and the taxpayers whose incomes are above $64,000 will get the benefit of those reductions; so that getting the benefit of our higher reductions upon the low incomes brings the amount of the tax to be paid when we get to $100,000 income closer to those of the Mellon plan than the per cent rates of that bracket indicate. The amendment I have offered will reduce the taxes on a great many more taxpayers with incomes of less than $100,000 than the Mellon plan.

Mr. President, when the Nation was in the throes of war, and had to tap every available source of possible national income the Democratic Party, which then held the reins of government, apportioned the burden upon the broad philosophic principle of ability to pay. We paid probably one-third of the colossal expenditures incident to that great struggle from current taxes. The rest of the stupendous outlay we borrowed, and by far the greater part of that sum still hangs over us unpaid. The war is now over, but the war indebtedness still endures and must be paid. The only way open to us to pay it is by taxation. We can reduce taxes from time to time, but we can not get to a normal peace-time basis until we shall have liquidated these emergency borrowings.

In 1921, shortly after the advent to power of the Republican Party, Congress made a substantial reduction, but the reduction was not apportioned upon the theory of ability to pay but upon the contrary theory that if those able to pay are relieved from their burdens they will create a condition that will enable the weak to bear those burdens for them, and that enlightened statesmanship and sound business demanded this shifting of the burden. In other words, the Republican majority seemed to proceed upon the theory that the way to prosperity was to untax wealth and give it a free hand. But you can not untax wealth without transferring the burden thus lifted to the shoulders of the masses. Acting upon this unjust and mistaken theory in the 1921 revision the lion's share of the reductions was given to those whose ability to pay was greatest and, as I said before, overgrown wealth was relieved of between five and six hundred millions of dollars of war taxes.

Now, another opportunity is given to make a small additional reduction, only about $300,000,000, and wealth again seizes upon the opportunity to demand that their remaining taxes be cut half in two. Undoubtedly it is our duty to reduce taxes to the full extent compatible with the requirements of the Government, but undoubtedly it is equally our duty to distribute the reductions fairly, and if former reductions have been unequal, to repair that injustice as far as conditions will permit in the reductions now to be made.

The action of the minority in framing the substitute now presented has given due consideration to all the facts and conditions of the situation and has endeavored to be just and fair in their treatment of all classes.

Mr. President, in the observations I have made to-day with reference to the discriminations in favor of wealth, whether individual or corporate, I do not wish to be understood by my colleagues in the Senate or by the country as inveighing against wealth.

I have no prejudice against wealth. I have never had any. I would not knowingly do an injustice to a rich man any more quickly than I would to a poor man. But I can not give my consent to any legislation which in my judgment is discriminatory and therefore unjust and violative of that great and fundamental principle of equality in the benefits and burdens of government.

Mr. McLEAN. Mr. President, the Senator from North Caroline [Mr. SIMMONS] has just addressed the Senate in defense of the minority plan, so called, for a revision of the revenue act. He has expressed the views of the minority with great ability, as he always does when he undertakes to discuss an important question. He had for his audience six Senators a part of the time, but most of the time when I was in the Chamber he addressed himself to only three or four Members of this body. I am not surprised. We all know that the Democratic Senators held a caucus day before yesterday and decided almost unanimously to repudiate the revenue plan recommended by the Secretary of the Treasury, that they decided to maintain the high surtaxes and, in addition, to protect all the avenues through which the interests, so called, could escape the payment of their legitimate taxes.

I realize that further debate on the bill is a sheer waste of time. The minds of Senators on the other side of the Chamber and upon this side are already made up. The matter has been discussed a long time and agitated and argued, and we might just as well dispose of the bill on Monday next as to continue the discussion any longer. But as a member of the Committee on Finance, I have taken some interest in the measure with the hope that we might secure the adoption of amendments to the present law that would be approved by well-recognized authorities on the subject, the impartial, disinterested students of the subject who have no political axes to grind, no seat to keep, hoping that we might adopt a plan in a measure consonant with experience and common sense. I have, as I said, taken some interest with the other members of the committee in the endeavor to recommend such amendments as would really improve the present law. But I realize that our labors have been in vain. Still, as I have said, as a member of the committee I feel it my duty to offer a few general observations upon the question of taxation.

Mr. President, there was a period in our history when taxes were high and good money was not to be had. In some sections the only coin in circulation was the copper penny. During this period there was some concern in Connecticut as to what would happen to the exchanges when the copper mine in the town of Simsbury should fail to produce ore. There was a time when our grandmothers made cloth of wool, and when the rickets and other diseases threatened to exterminate their flocks they shook their heads at the prospect. There was a time when the bean weevil, which threatened to destroy the field bean, caused great consternation in New England, and especially in the thickly settled parts of Massachusetts. My grandfather wrote his sermons with the aid of a whale oil lamp, and he used to wonder what the good ministers would do for light when the whale crop was exhausted.

We still have money and cloth and light and beans.

If a Rip Van Winkle should awaken to-day from a century nap he would find much that is new and worth having under the sun and not much of anything old except the weather and human nature. And the weather has materially changed for the better since the glacial period. It is much better in some respects than it was in the days of Noah. Human nature has improved greatly since the Javanese gentleman ate his neighbor

for breakfast, but it is true that the homo sapiens still finds his greatest comfort in unnecessary worry.

Mr. President, I have heard so much in the last few months about back-breaking burdens and unnecessary taxes that I thought I would see if I could find a silver or at least a copper lining to our revenue cloud. The Senator from Virginia [Mr. GLASS] in his brief but earnest argument against the soldiers' bonus, graciously conceded to those who disagree with him an honesty of conviction equal to his own.

The Senator from Idaho [Mr. BORAH] in his eloquent and impressive criticism of things in general and the soldiers' bonus in particular, admitted that the hardships which the farmers and others are suffering to-day could not be attributed to a law which has not yet become a law. But realizing, as I do, that when the adjusted compensation bill becomes a law all of our subsequent misfortunes will be laid at its door, I shall take this opportunity to call attention to some of the things that I think we ought to be thankful for, some things we may well worry about, and all of which I think have an intimate bearing upon the payment of our legal and moral obligations and the best way to raise the necessary funds.

President Coolidge, in his Washington's Birthday address, told us, among other things, that the institutions which Washington founded can not be maintained unless we accept responsibilities and make sacrifices, and that "under all the laws of God and man there is no other way." A great truth this—bravely spoken by a brave and wise man. I wish the President had gone a little further and told the American people how comparatively easy it would be for them to bear their tax burdens if they would meet their responsibilities with a fair modicum of the fortitude with which the Father of his Country met his.

The fact is, no people in all history have had as few economic ills or as many economic blessings as is the lot of the American people at this hour. The average man to-day has and can afford to have many comforts which the rich did not have in Washington's day and for the simple reason that they did not then exist. The purchasing power of the average day's work to-day is more than four times what it was when Washington was a boy. Seventy per cent of the national income goes to individuals who receive less than $5,000 a year. Eighty-five per cent of the American people pay no Federal taxes. More than 15,000,000 automobiles are now registered in this country. The American people own and operate 77 per cent of the automobiles of the world. Less than five millions of people have incomes large enough to call for an income tax, and yet thirteen millions have incomes large enough to own and operate automobiles.

In the list of luxuries purchased in 1923, which I quoted the other day, totaling $24,000,000,000, I did not include a half billion dollars invested annually in fake securities. I am not criticizing expenditures—that is not my concern. I am simply calling attention to the fact that they indicate a degree of prosperity never before enjoyed by any people anywhere. These vast expenditures for things not necessary to a comfortable existence clearly demonstrate that the American people can pay their war obligations without adding a single ill to existing conditions if they will meet the tax problem with courage and foresight.

In the first place and at all times we must bear in mind that while the killing phase of the war is over the debt-paying phase is at its height. There are no more death lists for anxious mothers to read. The guns are silent, but the tax-paying battles of the war are still to be won and, of course, must be won. We remember those striking lithographs that were posted on the corners of our streets to encourage investment in the Victory loan; that rugged, patriotic workman putting his hand into his pocket and exclaiming, "Yes, I'll see it through." All praise for what he did then, and yet he was simply making the best investment of his life. From 1914 to 1919, most of us were as deeply interested in making our bit as we were in doing it. In other words, our sacrifices were largely measured in constantly increasing profits and wages. If we spent less freely than before, we put our surplus into safe investments. A few of us went without beef and gasoline one day in the week. There were a few noble men and women who made real sacrifices, but the great mass of the American people boomed the market for flags and everything else. At the end of the war we found that our wealth as a Nation had doubled; the purchasing power of the dollar was reduced, but the fact remains that the average day's work to-day will buy four times the food and clothing that it would 80 years ago.

Wages are now eight times what they were in 1843 and that is the reason why the American people can spend and do spend so many billions of dollars for things that are not necessary to sustain life in comfort. I believe in good wages and good prices—I simply want to urge the fact that with all our taxes we as a nation are more prosperous than ever before in our history and more prosperous than any other nation is or ever has been.

If the American people could be taken back to the colonial days or to the last quarter of the eighteenth century and compelled to live for two days as their forbears lived, at the close of the first day of this experience they would, upon their bended knees, beg to be returned to the United States of 1924, with all its taxes and other troubles. Anyone who is familiar with the debts and tax rates and other trials and burdens borne by those who won and gave to us the garden spot of the earth can have little patience with the men and women of to-day who, living in luxury and leisure, are prone to shirk the comparatively light responsibilities of the present hour. The fact is the generations of the American people above 21 years of age living at the time the war began in 1914 knew nothing about taxes and to-day about all the average man knows about taxes is that he wants them reduced. The prevailing idea seems to be that taxes are of unwise and evil origin. During my service as a member of the Committee on Finance I have heard from no one who feels that his tax is just or necessary. The moving pictures throughout the country and many other ingenious devices are employed to create and spread the belief that Congress is willfully negligent in that it does not immediately abolish taxes and grant liberal appropriations to help those sections of the country where profits are unsatisfactory.

If we spent $24,000,000,000 in luxuries in 1923 we must add at least $2,000,000,000 to such expenditures in 1924; and we must remain able to pay any and all kinds of prices for the things we think we want. When we indulge in our favorite fad we get a run for our money, as the sporting gentlemen say, and while we would like to have the tax or price we pay for a Rolls-Royce or a joy ride in a Ford reduced, being good sports we raise the necessary lucre. We scold about it and then we do the best we can to get even by raising the price of the things we have to sell. But when we are called upon to pay into the common purse money for the common good our sporting blood suddenly becomes cold. Rachel weeping for her first-born has nothing in the grief line on the gentleman who delivers his fat income baby to the tender mercy of the collector of internal revenue. It has been estimated that the amount of money spent every year in attempts to have taxes cut or evaded is 40 per cent of the total tax collected. This can not well be avoided. And yet with all the taxes that we pay and all the money that we pay lawyers and experts and others to help us avoid taxes, we have more money left each year with which to gratify our sporting proclivities.

During the war we did not look with much favor upon the pacifist or the boy who tried to escape enlistment. We called them "slackers," and yet a large number of the American people to-day seem to have conscientious or other scruples against paying the cost of saving the life and honor of the Nation.

I shall try to make it clear that we can pay our debts, legal and moral, and cut taxes so they will stay cut if the American people will face the situation in a spirit of intelligent selfishness. The biologists and sociologists tell us that we are losing the pioneer spirit which made us what we are; that our prosperity is becoming too heavy for our inherited capacities; that the spending habit is getting the better of the earning habit; that we are growing weaker physically, morally, and mentally, and instead of looking for salvation in the only direction it is to be found, instead of rallying around the man who carries the flag of self-reliance and individual responsibility, we are demanding that Congress stay the inevitable consequences of our physical and spiritual regression. Some of the gentlemen who are voicing this demand denominate themselves as progressives. I do not attempt to define a progressive, but I am confident that the time has come when a conservative may rightly be classed as one who defends sound principles after they have become unpopular.

The laboring man fails to realize that his most valuable tool is capital; that we can not progress industrially unless production capital increases progressively. High wages depend upon large sales at reasonable profits, which in turn require large production units. He looks upon a great factory as representing great riches, permanent wealth, but a factory that is not running at a profit is worth nothing, or less than nothing, to the owner, and the larger the factory the greater the loss. All bills in the final accounting are paid out of the national income. If the laboring man understood this subject he would demand that all taxes be collected from sources that will to the least degree directly or indirectly reduce the amount of capital required to keep the great industries in a healthy financial condition.

No estate, inheritance, or capital tax should be greater than one year's income. The right to transmit large estates by will to lazy, extravagant children is looked upon with increasing disfavor by the masses of the people. The insolence of inherited wealth, its supine self-worship and arrogant assumption of superiority, are a growing offense in the eyes of all right-minded people. We find in the estate and inheritance tax a weapon with which we can easily confiscate swollen fortunes and turn them into the Public Treasury, but the nation that permits itself to use the taxing power to equalize existing inequalities in the distribution of capital will soon find itself in a state of universal poverty. An estate or succession tax of 20 per cent during a period of hard times would close 50 per cent of the productive industries of the country if the owners should die during that period. Moreover, if estate or succession taxes are high the successful business man, anxious to provide for his children, as soon as he has accumulated a moderate fortune will be tempted to close up his business and invest his accumulations in tax-exempt securities. Inheritance taxes and estate taxes should be left to the States, where they will be fairly constant and moderate, otherwise great injustice will be done to those who die or inherit during a high-tax period.

The Federal Government should look for its income to annual profits, net incomes, and stamp and consumption taxes. The economists tell us that we can not charge surtaxes to the cost of production, that we can not shift such taxes or taxes on profits to the consumer. They are right in theory but they all admit that when we consider the effect of surtaxes and high income taxes, while they can not be shifted they prevent reduction in prices. Consequently, the consumer would be much better off with a light turnover tax which he can see than he is with an invisible tax of from 5 to 15 per cent upon many things that he buys.

There would seem to be an element of justice in distinguishing between an earned and unearned income, but when we go back a decade and ascertain the effect of the war upon earned or funded incomes, we shall find that the inequalities which would result from a lighter tax on earned incomes would be far greater than would result if we make no change in the existing law. The war laid a tax upon unearned incomes of nearly 40 per cent by reducing the purchasing power of the dollar to 60 cents. The man who worked hard all his life and left $50,000 to his widow in 1914 belongs to a class that was severely penalized by the war. The income of the widow, measured in dollars, has not increased. If it was a 5 per cent investment she gets $2,500 a year, and her dollars will not purchase as much by 40 per cent as they did in 1914. On the other hand, wages, fees, and all current expenses have been doubled by the war. When we take a sane and just view of the tax problem we should unhesitatingly collect, and collect now when prices are good, money enough to meet current expenses and provide for an ample sinking fund, and we should collect this money from profits, annual profits, and consumption taxes on luxuries or a small turnover tax on all sales. While it is true that a sales tax will be proportionately heavier on the man of small income, the surtax and other taxes upon the larger incomes will fully offset this disproportion.

It does not follow that an unpopular tax is an unwise or an unjust tax. In my desire to reach a wise conclusion as to which one of the many pending taxation plans I should support I have found it profitable to consider some of the experiments that have been tried before my time. As one who still believes that experience and the rule of three have their uses in the drafting of revenue bills, I have been interested to note the evolution of our present system of taxation. I have been greatly impressed by the diversity of opinion upon this subject that has emanated from our statesmen, and I have noted without surprise that in former days as now lawmakers have easily denounced unpopular taxes as unwise and unscientific and as easily have given their sanction to those cash-producing processes that have left unmolested the majority of the voting population.

Mr. President, for the sake of the CONGRESSIONAL RECORD, which the Senator from Utah [Mr. SMOOT] says is being widely perused at this time, I shall now call attention to a few items in history which have greatly fortified my view that our present tax burdens, though heavy and unwelcome, are not unbearable if we will meet them in the right spirit, and, I repeat, wisely use the taxing power for the purpose of raising the needed funds and as wisely refuse to use this power for destructive, punitive, or political purposes.

I have said that wages to-day are eight times what they were when Washington was a boy. In support of this statement I will put in the RECORD at this point the wages paid by one of the oldest and largest manufacturing plants in this country, beginning in 1843, and my investigation has satisfied me that they are fairly comparable with and quite as high as the wages paid in other industries.

Period	Working hours	Earnings per hour	Per week
1843	72	$0.042	$3.08
1848	72	.072	5.18
1856	72	.078	5.62
1860	72	.081	5.80
1863	60	.107	6.42
1870	60	.149	8.94
1880	60	.132	7.92
1890	60	.151	7.92
1900	60	.156	9.36
1910	60	.179	10.74
1914	55	.204	11.22
1920	48	.440	21.15
1923	48	.608	29.18

The first organized strike in the building trades occurred in New York in the early thirties, when skilled labor, working 12 hours a day for $1.37½, struck for a 10-hour day and $1.50. As late as 1850 stone masons and carpenters received 10 cents an hour and they did excellent work. I am not saying that wages were too low then or too high now. I call attention to the incomes received in former times for the sole purpose of indicating the comparative ease with which the tax burdens of to-day can be borne when compared with the taxes paid in those days.

If we go back to the period following the close of the Revolution we find our forefathers struggling for their existence without money or credit. We find them eating the coarsest food and wearing the coarsest apparel, many of the best of them living in windowless cabins and knowing nothing about the comforts which the humblest citizen enjoys to-day. I have said that the purchasing power of the dollar is less now than it was then, but this statement must be taken with many important qualifications. Many articles of food which are now counted as common necessities were much more expensive then. For many years after the Revolution sugar sold for 50 cents a pound and upward, tea for $1 a pound and upward. Wheat flour was practically unknown in the East. Pork, corn meal, and rye flour constituted a major portion of the daily diet, and these articles are cheap now. The death rate then was probably three times what it is to-day. Typhoid fever, tuberculosis, diphtheria, cholera, yellow fever, annually took a heavy toll. In many instances medical and theological students upon completing their education voluntarily contracted smallpox and went to the public pesthouses in order that, if their lives were spared, they might be immune from this dread plague and be able to administer to their parishioners and patients when their turn came. These men and women found their happiness and the courage to "carry on" in the firm belief that they were preparing themselves for mansions not made with hands and, for their progeny, a great and God-fearing Nation. So rapid has been our advance in national prosperity that we forget the hardships of yesterday and are even beginning to look upon the necessity for labor as nature's greatest bane instead of her greatest blessing. The record shows that the forces that have organized and kept in motion the historic procession from poverty to wealth and from wealth to war or paternalism and from war or paternalism back to poverty are still in working order.

When Europe goes to work again and meets the responsibilities and makes the sacrifices necessary to pay her debts and restore her lost capital and credit she will in the process breed a superior generation of men and women who will have every incentive to follow that ancient and attractive plan "which gives to him who has the power and lets him keep who can." Europe will come back sooner or later and under the leadership born of stern necessity she will mother a mighty brood whose definition of right may not conform to ours. Our title to the garden spot of the earth will be recognized as long as we are fit and strong enough to hold it and no longer. To-day we are loved by nobody but ourselves and there is no emotion more fatal to individual or national progress than self-adulation. Unless we mend our faults while we are bragging about our virtues, if we forget that everything we possess to-day that our ancestors did not have is due to the fact that we inherited from them a continent of fertile acres and heads and hands that could meet responsibilities, nothing that we remember will save us.

I have said that they were poor. I could cover pages with details of their deprivations and sufferings. At times the

burdens they were compelled to bear were due to their experiments in unsound legislation, tax and otherwise. It is most interesting to note how they slowly and ofttimes reluctantly learned that taxing the few for the benefit of the many or taxing the many for the benefit of the few are economic impossibilities.

Historians all agree that the most critical period in the history of our country embraced the years between 1783 and 1788. As Fiske says, "That period was preeminently the turning point in the development of political society in the Western Hemisphere. It was the work done in these years between 1783 and 1787 that created a Federal Nation capable of enduring the storm and stress of the years 1861–1865."

In 1774 the 13 Commonwealths began to act in concert, but how feeble did they soon find this attempt at national integrity. The most fundamental of all attributes of sovereignty—the power of taxation—was not given to the Continental Congress. It could not collect taxes. It could make requisitions upon the 13 members of the Confederacy in proportion to the assumed value of their real estate, but it had no means of enforcing these requisitions. The power of levying taxes as we understand the term was entirely retained by the States. It could not collect its requisitions for its yearly budget without firing upon its citizens or blockading State ports. Every State had its own debt and some of them were applicants for foreign loans. In 1781 for current expenses of the Government $9,000,000 was needed. It was proposed to raise $4,000,000 by loans and secure $5,000,000 from the States. At the end of the first year $422,000 had been collected. Three States refused to pay anything, one paid one-third of the amount demanded. Of the continental taxes assumed in 1783, only one-fifth had been paid by the middle of 1785. The new nation had no credit at home or abroad.

In the summer of 1783, before the British troops evacuated New York, the disbandment of the Continental troops was hastened by the inability of the Government to pay the officers and men. Naturally, there was great discontent among the officers and men, which Congress dreaded. At the critical moment Washington asked Congress for half pay for the soldiers for life. Threatened mutiny was suppressed by the tact and skillful appeals of Washington. In response to a letter from Washington to Congress the latter voted the soldiers a gross sum equal to five years' pay in certificates bearing interest at 6 per cent. In September, 1776, Congress paid a bounty of $20 and gave 100 acres of land to each noncommissioned officer. In January of that year Congress granted small bounties. In 1778, in response to Washington's appeal, Congress offered one-half pay for seven years after the war to those who remained in the service. Suffice it to say that Congress did much more for the defenders of the Nation then, in proportion to the ability of the people to pay, than we are asked to do now. Soldiers were human then as now. They would not be good for much if they were not.

On April 21, 1778, Washington, in a communication to Congress, said:

> Men may talk of patriotism, but whosoever builds upon this as a sufficient basis for conducting a long and bloody war will find himself deceived in the end. * * * I know it exists, and I know it has done much in the present contest. But I will venture to assert that a great and lasting war can never be supported on this principle alone. It must be aided by a prospect of interest or some reward. For a time it may, of itself, push men to action, to bear much, to encounter difficulties; but it will not endure unassisted by interest.

I commend this great and good man's conception of the virtues and shortcomings of the combative instinct to those who hold that the soldier should enjoy losing his life in defense of his country, and his wages as well, while so engaged, especially if he faces death and debts and disease at the command of the richest nation in the world.

At the close of the eighteenth century the "League of Friends" was drifting toward anarchy. We were bullied by England, insulted by France and Spain, and eyed with suspicion by Holland. Our position was most humiliating. Our envoys were compelled to beg for money for a Government which could give no security, which could not raise money enough by taxes to pay its current expenses. Financial distress was widespread and deep-seated. There was no accumulated capital and the great majority of the people suffered unspeakable hardships. One of the prime causes of their poverty was an irredeemable currency worth 2 cents on the dollar. It created a false and fleeting show of prosperity by violently disturbing values.

The cost of the Revolutionary War was estimated at $170,000,000, a staggering sum in those days when a paper dollar was worth 2 cents at home and nothing abroad. The Colonies secured their independence to avoid paying taxes laid by the mother country, and when they secured their independence they found that taxation with representation was equally distasteful in all its important particulars to taxation without representation. As I have stated, Congress could not compel obedience to its requisitions. It was compelled to get new money, good money, and yet had no means of collecting funds sufficient to pay the interest on the loans it might obtain.

Meanwhile, the people had never been accustomed to paying taxes into a Federal Treasury. In 1784 Congress decided to secure sufficient funds to pay the interest on the domestic debt of $42,000,000 by import taxes and secure $2,500,000 additional by requisitions on the States. This constituted the entire revenue system of 1783. The States refused to pay. Rhode Island voted to abolish taxes, to suspend the excise and emit a paper currency. In New Hampshire a mob demanded paper money, equal distribution of property, annihilation of debts, and the abolition of taxes. Between 1781 and 1786 requisitions amounting to $10,000,000 had been made on the States and less than $2,500,000 had come into the Treasury. The interest on the foreign debt was defaulted; the Treasury was empty.

Shays's rebellion in Massachusetts in 1786 was organized for the purpose of abolishing taxes and the courts and the issuance of paper money and plenty of it. At this time Washington remarked:

> It was but the other day that we were shedding our blood to obtain the constitutions under which we live—constitutions of our own choice and making—and now we are unsheathing the sword to overturn them.

State debts at that time were large. In 1786 the funded debt of Massachusetts was $1,300,000. In the general court a bill was presented prohibiting the redemption of paper money. Of this period Fiske says:

> These unspeakably stupid and contemptible local antipathies are inherited by civilized men from that clan system which prevailed over the face of the earth, and the hand of every clan was raised against its neighbor.

Referring to jealousies and quarrels between the different States, Fiske says:

> Incidents like these seem trivial perhaps; but their historic lesson is none the less clear. Though they lift the curtain but a little way, they show us a glimpse of the untold dangers and horrors from which the adoption of our Federal Constitution has so thoroughly freed us that we can only, with some effort, realize how narrowly we have escaped them In the very face of the miseries so plainly traceable to the deadly paper currency, it may seem strange that people should now have begun to clamor for a renewal of the experiment which had worked so much evil. Yet so it was. As starving men are said to dream of dainty banquets, so now a craze for fictitious wealth in the shape of paper money ran like an epidemic through the country.

The Articles of Confederation provided three ways for meeting Government obligations—requisitions, loans, and bills of credit. The first paragraph of the Federal Constitution, Article I, defines the powers of Congress and recites: "To lay and collect taxes, duties, imposts, and excises." This power alone gave life and vitality to the instrument and power to the newborn Nation.

The success of Hamilton's plan of funding the public debt and raising revenue is a matter of common knowledge. He put into practice sound principles—the same principles that have been followed to this day where common sense has attended taxation legislation. The sensation of the second session of the First Congress was the financial report of the Secretary of the Treasury. No sooner had this report been made than United States securities rose 50 per cent. But funding of the public debt and maintenance of the public credit required money, and the customs receipts were sufficient to pay only two-thirds of the annual expenses of the Government. There was a deficit of $826,000, and to meet such a contingency the Secretary of the Treasury urged the passage of excise taxes.

Most interesting are the early experiments with this latter class of taxation. All the States except Vermont and Delaware taxed land. Carriages were taxed in Connecticut, New Jersey, Pennsylvania, Kentucky, and North Carolina. Processes of the law were taxed in Maryland, Virginia, Kentucky, and North Carolina. Seven of the States clung to the uniform capitation tax, four imposed the general property tax upon all forms of wealth, while others specifically indicated the articles to be

taxed. To a limited extent and under various disguises the income tax was imposed by the States. Vermont provided for assessments proportional to the profits of all lawyers, traders, and owners of mills, according to the judgment and discretion of the assessors; Massachusetts taxed incomes from any profession, faculty, handicraft, trade, or employment. Similar taxes were to be found in Connecticut, Pennsylvania, Delaware, and New Jersey, as well as in several of the Southern States. Some of the States taxed ardent spirits until 1796 when all these taxes were relinquished for a time. Hamilton's proposal to impose excise taxes though familiar to the people in many of the States was yet an entirely new experiment in national finance. The excise tax upon spirits caused bitter opposition. It was denounced as "hostile to true liberty of the people" and would "let loose a swarm of harpies who, under the domination of revenue officers, would range the country and pry into every man's house and affairs." With characteristic courage Hamilton proposed and had passed a bill to tax snuff, tobacco, carriages, sales at auction, licenses for the practice of law, and privilege of selling wines and spirits, and the machinery which he then set up has served as a model for all subsequent legislation. But his plan was bitterly opposed by the opposition party and by taxpayers generally. Indignation meetings were held. One tax collector was tarred and feathered. The whisky insurrection had its cause in this tax levy. In three years receipts were only $350,000. The tax was condemned by the people of the South especially.

Hamilton's great purpose was to cement more closely the union of States and to establish public order on the basis of an upright and liberal policy, but he discovered that the taxing power was an unpopular instrumentality for the accomplishment of this laudable purpose. We find the same arguments against excise taxes now, namely, their tendency to contravene the liberty of the citizens, their injury to morals by inducing false swearing, their burdensome penalties, and their interference with industry. During the fiscal year 1793 the total tax receipts were $422,000; the cost of collecting was $130,000—30 per cent of the amount collected. During the fiscal year of 1923 the total revenue tax collections were $2,621,745,227; the cost of collecting was $36,501,062—about 1½ per cent of the amount collected.

In 1798 a tax was imposed upon houses, but the collections were inconsiderable.

The Democratic Party came into power in 1801, and its advent was signalized by the complete abolition of all the taxes so laboriously established by Hamilton and his successors. Jefferson, the father of Democracy, called the whole system an infernal one and hostile to the genius of a free people. All excise and direct taxes were repealed early in 1802, and from that time to the War of 1812 such taxes were not imposed. Jefferson's party made rich and prolific political capital out of the congenital hostility to taxes. In 1800 half the population were seeking empires in the West. It was the beginning of the reign of the pioneer. The hardships endured were beyond description. Poverty was extreme. Food was scarce. There was little taxable property outside the older cities and towns of the East. Jefferson's political religion was freedom from restraint and taxes.

Mr. Jefferson crowned his career as a tax expert and insured his popularity as a wise and gracious statesman by securing the repeal of all duties on spirits and refined sugar, postage on newspapers, and coaches. This bill passed Congress March 22, 1802, and deprived the Treasury of $900,000 a year. Mr. Jameson, of Pennsylvania, and Mr. Mason, of Virginia, in debating this bill declared that it was bad policy to wrest from the people their spare cash. Democracy, then as now, sought a popular tax, and not finding it they let the ax fall upon the smallest number of voters who could raise the required revenue.

The record shows that the Democratic program brought its customary results. The condition of the wage earner during that period is full of warning for those who would follow Democratic leadership. Unskilled workmen were hired by the day if they could feed themselves and find lodging, and they received from $70 to $100 a year. Farm workers were paid about $10 a month, with food and lodging. In Baltimore the prevailing wages were $6 a month for skilled labor. The average wage the country over was $65 a year, with food and perhaps lodging.

I want to be as fair as is possible to Mr. Jefferson and his party. Excise taxes were unpopular then as they are now, but conditions then were such as to render an excise tax much less defensible than now.

The War of 1812 necessitated a return to internal taxes. They were called "temporary war taxes." The articles selected were almost the same as those selected by Hamilton. Congress was abused for reimposing these taxes as it is abused now for retaining some of them; nevertheless, as was the case in 1861, the patriotism of the people met the need. The internal taxes were accepted without complaint. The people were beginning to realize that taxes are ultimately paid by the consumer regardless of their starting point.

The entire system from 1814 to 1862 was erected on the foundation of earlier days, and the very taxes which aroused so much opposition in the Nation's infancy later were the groundwork of the system under which we are living to-day.

The public debt in 1815 was about $127,000,000. The excise taxes were retained and paid without serious complaint until 1817. Their repeal was a mistake. In 1819 there was a deficit of $3,000,000, which had to be met by a temporary loan under the act of May 15, 1820. Our failure to repel immediately the invasion of 1812 was largely due to the lack of money owing to the repeal of the internal taxes.

Between 1817 and 1861 no recourse to internal taxation was contemplated by either of the great political parties. In 1860 the Treasury was practically empty. Public credit was at a low ebb. The public debt had increased to $65,000,000. The retiring Secretary of the Treasury sounded a warning, but nothing was done until the advent of the Republican administration under Lincoln.

From the opening of the extra session July 4, 1861, down to 1872 more revenue legislation was enacted than during the preceding 70 years, and the amount of money extracted from the pockets of the people in the form of loans and taxes was incredible for that period. Professor Seligman, of Columbia, in a recent report prepared for use in New York tells us that the system of indirect taxation applied in 1866 would, if in operation to-day, produce more than $2,000,000,000 instead of the $350,000,000 which we expect to collect under existing law. I commend this startling fact to those who feel that the present indirect taxes are unbearable.

Tax legislation, though based on the foundation laid by Hamilton, was experimental in many of its details and of vast proportions. Secretary Chase's financial program was to raise $318,000,000 for the annual needs of the Treasury by loans; to raise the interest on the public debt and deficiencies by taxation. The apportioned State tax was $20,000,000. An income tax of 3 per cent on all incomes over $800 was assessed. In December, 1861, direct taxes were increased and an excise-tax system modeled after that of the War of 1812 was inaugurated. The articles taxed were whisky, tobacco, carriages, bank notes, conveyances, legacies, and the like. Secretary Chase was fearful of his experiment, but so far as I am able to ascertain he underestimated the patriotism of the people. The taxes were paid without serious complaint.

The revenue tax bill of 1862, covering 57 pages of the Revised Statutes at Large, was discussed for three months in Congress, and it forms the basis of the elaborate internal-revenue system of to-day. As I have said, it was based upon the fundamental principles approved by Hamilton.

It is interesting to note the wide discrepancy between the estimated receipts of Chairman Morrill and Secretary Chase and of experts on the one hand and the actual amount raised the first year. The estimated receipts the first year were from $50,000,000 to $100,000,000. The actual receipts were $37,000,000. This was in 1863. In 1864 the same sources yielded $109,000,000 and in 1865 more than $209,000,000. These enormous and unanticipated increases were a complete surprise and were accounted for upon the theory of evasions and fraudulent returns during the first year. In 1863 business had adjusted itself to changed conditions in production, largely due to inflation and high prices.

In 1864 Congress amended the law and omitted nothing from the direct list, from the raw product to the finished commodity. An observant writer of the day said:

> The citizen of the Union paid a tax every hour of the day for each act of his life; for his movable and immovable property, for his income as well as his expenditures; for his business as well as pleasure. Stamps were affixed to the smallest agreements. Incomes were not only burdened by a regular tax but also by an extraordinary payment, while to these must be added State, county, and municipal taxes of almost equal amount.

The increasing taxes imposed upon manufactured articles were received with unconcealed opposition by the producing interest as a burden to production and they urged a sales tax.

The increase in the returns from revenue taxes from 1862 to 1866 was as follows:

1862	$1,790,000
1863	39,120,000
1864	110,210,000
1865	210,660,000
1866	310,200,000

Had there existed in 1861 income-tax machinery with which the people were familiar and which was reasonably elastic so as to permit immediate extension, the Treasury of the country would not have suffered as it did for nearly three of the four years of the war. In 1865 the public debt was approximately $3,000,000,000 with annual interest amounting to $165,000,000. The burden of taxation, as will be observed, was much greater in proportion than in 1924.

The population in 1865 was about 34,000,000, the public debt $3,000,000,000, the total national wealth about $28,000,000,000. In 1924 the total population is about 110,000,000, the public debt about $22,000,000,000, the total national wealth estimated at about $318,000,000,000. In 1865 the total debt was about one-eighth the total estimated wealth. In 1924 the total public debt is about one-thirteenth of the total estimated wealth. I am now speaking of the Federal debt, but if we add the State debts the proportion will not be materially changed.

At this point I want to put into the RECORD a statement of the public debt, the population, per capita debt, and per capita wealth of the Nation at stated periods from 1786 to 1924, as follows:

United States public debt, population, wealth, etc.

Year	Debt	Population	Wealth	Debt per capita	Wealth per capita
1786	$42,375,000	2,800,000	$2,000,000,000	$15.20	$700
1791	75,000,000	3,000,000	3,000,000,000	25.00	-------
1800	82,900,000	5,300,000	3,500,000,000	15.63	-------
1830	91,000,000	9,600,000	4,000,000,000	9.44	-------
1830	48,500,000	12,800,000	5,000,000,000	3.77	-------
1840	3,500,000	17,000,000	6,000,000,000	.21	400
1850	63,500,000	23,190,000	6,500,000,000	2.74	300
1860	64,800,000	31,400,000	16,000,000,000	2.06	500
1870	2,436,000,000	38,500,000	30,000,000,000	63.19	800
1880	2,090,000,000	50,100,000	43,000,000,000	41.69	-------
1890	1,122,000,000	63,000,000	65,000,000,000	14.74	-------
1900	1,260,000,000	76,100,000	88,500,000,000	16.60	-------
1910	1,146,000,000	92,200,000	180,000,000,000	12.43	-------
1920	24,297,000,000	106,400,000	250,000,000,000	228.32	-------
1924	22,000,000,000	110,000,000	320,000,000,000	200.00	3,000

It will be noted by this table that in 1850 our per capita debt was $2.74 and the per capita wealth was $300. In 1860 the per capita debt was $2.06 and the per capita wealth $500. In 1870, four years after the close of the war, the per capita debt was $63.19 and the per capita wealth was $800. In 1924 the per capita debt is $200 and the per capita wealth $3,000. In 1840, when the per capita debt was only 21 cents, we could pay our debts and have $399.79 left. In 1924, with a per capita debt of $200 and a per capita wealth of $3,000, we can pay our per capita debt of $200 and have $2,800 left.

This record seems to me to be an unanswerable argument in support of the position which I maintain that the debt of to-day, though large and burdensome and unwelcome, can be easily borne if met in the right spirit. And if, as the President says, our economic ills are due to high taxes, it is vitally important that we adopt a system of taxation that will meet current expenses, pay bills that must be paid, and establish a generous sinking fund that will save us from greater economic ills that will inevitably follow if we postpone this all-important duty until we are visited with a period of hard times when half present prices will double our debt and at the same time cut our tax-paying power by 50 per cent.

It will be observed, and it is very important that it should be borne in mind by those who phophesy an insolvent Nation and a bankrupt Treasury unless taxes are immediately reduced, that a nation's wealth like that of an individual depends upon its equities as well as its debts. In other words, a man with $10,000 in the bank and a debt of $5,000 is much better off than the man with $100 in the bank and no debts. I am not advocating a continuation of the present inexcusable extravagance in many lines of Federal, State, and municipal expenditures. I am merely stressing the fact that we are solvent and can remain solvent if we are fairly economical and adopt wise forms of taxation.

Not until 1868 did Congress make an appreciable effort to reduce internal taxes. But this reduction in taxes did not contribute as much to lower prices as did deflation of the currency. Inflation and speculation rather than high taxes brought ruin in their wake. Trade and industry were abnormal and even tax reduction could not avert the panic of 1873, and tax reduction now or later will not remove the economic evils which now exist if inflation, speculation, unwilling service, extravagance, and extortionate prices are continued.

It is to be noted that the experience from 1861 to 1871 demonstrated that time is an essential requisite in a wise excise system and that the machinery should never get out of order and that a moderate rate imposed regularly will be less injurious to the social and industrial life of the Nation than an excessive rate inviting evasion and fraud.

By the provisions of the act of 1861 a tax of 3 per cent was laid upon incomes above $800. In 1862 the exemption was reduced to $600 and the rate made slightly progressive, 3 per cent from $600 to $10,000 and 5 per cent above $10,000. In 1864 incomes between $600 and $5,000 were taxed 5 per cent, those between $5,000 and $10,000, 7½ per cent, above $10,000, 10 per cent. In July, 1864, Congress imposed a special income tax of 5 per cent on all incomes in excess of $600, in addition to the regular income tax. In 1865 all income taxes were consolidated at 5 per cent between $600 and $5,000. In 1867 the income tax was made uniform on incomes above $1,000 and in 1870 changed to $2,000. This tax was removed in 1872. In 1871 so many exemptions were allowed that receipts were only about $14,000,000, and in 1872 about $8,000,000. The testimony of this period is that high income taxes then as now shackled industry and unsettled trade. The returns from income taxes rapidly decreased as soon as the war was over. In 1866, $72,000,000 in round numbers was collected: in 1867, $60,000,000; in 1868, $41,000,000; in 1869, $34,000,000; in 1870, $37,000,000; in 1871, $19,000,000; in 1872, $14,000,000; and in 1873, the last fiscal year, $5,000,000.

I repeat, one of the sound principles taught by long years of observation and varied experience is that capital sets the limit to industry. Reduce the total of production capital and you reduce the demand for labor and when labor is not employed production ceases and the national income is correspondingly reduced.

In his work on public debts, Doctor Adams says, in substance, that the universal testimony of history is that any great industrial disturbance rests most heavily upon those who, possessing no property, depend upon their income for their daily bread. It is the wage-earning class that feels most sensitively depression in business.

The experience of the Civil War period was not unlike the experience of the past six years. It clearly demonstrated that there are limits to popular lines of taxation beyond which the Government can not go and secure revenue.

The income tax of 1913 was section 2 of the tariff act of October 13, 1913. It was frankly acknowledged by its authors as a bill to tax the money of the rich. In debating the bill in the House, April 13, 1913, Mr. UNDERWOOD said:

> We removed the tax at the customhouse on necessaries purposely to levy a tax on wealth.

But hardly a year elapsed when the Democratic majority in the House brought forward another revenue bill made necessary, as they said, because "of the reduction of revenue derived from customs receipts, caused by dislocated conditions resulting from the war in Europe." Yet the war in Europe did not begin until August, 1914. During the 10 months of the operation of the law before the beginning of the war, income tax receipts on individuals amounted to $31,344,000 and the total income tax was $45,851,000. The majority committee report in the House admitted that these small receipts were due to the unsettled business conditions. These unsettled business conditions appeared the day the Underwood Tariff Act was signed by the President, and the record shows that the receipts were falling off rapidly and additional funds were needed before the war began. The President had advised Congress that "the revenues necessary to the support of the Government have been so seriously disturbed by the war in Europe that it is necessary immediately to pass legislation that will furnish sufficient money to meet the ordinary expenses of the Government." Business was going from bad to worse before the war began and the drain upon the Treasury was not due to the war in Europe but was due to the threatened and partly accomplished destruction of American industries by foreign competition.

The act of September 15, 1914, was about to expire when a new financial crisis confronted the Treasury. The Democratic majority pleaded with Congress to continue the act of 1914 for one year to avoid serious financial difficulty and perhaps Government bankruptcy. The chairman of the House Ways and Means Committee said:

> It is necessary, unpopular as it may be.

The act of 1914 did not produce enough revenue to meet the ordinary expenses of the Government for the preceding 12 months. The act of 1914 was extended to December 31, 1916, yet up to that date the United States had not entered the World War. The World War operated as an embargo against importations and saved the country from the disastrous effect of the

Underwood tariff rates. Between September 14, 1914, and April, 1917, Congress was obliged to enact three direct tax laws increasing the revenues of the Government. The revenue act of 1917 incorporated an excise tax, higher State taxes, and a bond issue. The majority report of the committee said that our revenue system should be more evenly and equitably balanced.

War-revenue legislation began in May, 1917. It was the fourth revenue measure presented to Congress since March 4, 1913. When the bill of January, 1917, was under consideration I said in the Senate, February 20, 1917:

> In a time like the present every care should be had to use the merciless power to tax in a way that will encourage and protect the sources from which other and larger taxes may be demanded in the future. It can not be assumed that the industrial life of the Nation can be protected and sustained by excessive taxes at home and unrestricted competition from abroad.

In May, 1917, the President asked Congress for $1,800,000,000 to defray war expenses. Then was enacted the war revenue law of 1917, providing for a war income tax, a war excess-profits tax, war taxes on tobacco, on manufactures, on public utilities, on estates, on postal rates and nearly every activity. The country was hunted over to find sources of revenue. When this war finance legislation began it was started on the theory that the money should be raised one-half from taxes and one-half from bonds. Soon it was found impossible to maintain this ratio and bonds outran taxes. Again in May, 1918, the President asked Congress for money. It was planned to raise an additional $8,000,000,000 by taxes on incomes, excess and war profits, luxuries and semiluxuries.

We all realize now that it would have been wiser if we had raised more money by taxes in 1917, 1918, and 1919, when prices and patriotism were at flood tide. But our hindsight is always better than our foresight. I make these brief references to our tax history in order that we may profit, if possible, by experience and avoid the mistakes of the past.

The chart prepared by the Senator from Utah [Mr. SMOOT], based upon incontrovertible figures, shows that the returns from incomes above $100,000 have dropped from 29.5 per cent of the total in 1916 to 4.5 per cent in 1923.

If we follow the advice of the impartial and unprejudiced economist of note, if we follow our own experience, we shall collect more money by reducing the surtax to a point where evasions will be unprofitable, and by "evasions" I mean legitimate evasions. We can not expect to curtail the issuance of tax-exempt securities for some years to come. With a surtax of more than 20 per cent the recipients of large incomes can to-day and will continue to find ample opportunity to escape taxation by purchasing tax-exempt securities; by investments in nonincome producing properties, such as undeveloped mines, growing timber tracts, unoccupied building sites in and about large cities, and in antemortem distribution of large estates to children and nearest of kin.

In the throes of the Civil War when the credit of the Nation was at a low ebb and its preservation was at stake 10 per cent was the highest income tax imposed. I have said that Professor Seligman in his recent report to the New York State Tax Association estimated that the indirect tax imposed in 1866 if imposed to-day would produce $2,000,000,000, as against the $350,000,000 which we are now expected to secure. In that report Professor Seligman says that Congress at the present time "ought carefully to consider the entire situation before encroaching still further upon the restricted resources of the State revenues. There is still a vast field of indirect taxation available for Federal purposes." It is estimated by the Census Bureau that in 353 different lines of industry in 1921 the manufacturing capacity was only 56.8 per cent of its total. From the best information I can get there has been a considerable increase since that year; 1921 was a poor year, but it is probable that our industries are still short 25 per cent of their full production capacity.

A low surtax in years of full production, which means full employment and consumption, will bring much more than a high surtax which can and will be evaded, and the direct effect of which, if not evaded, will be to retard both production and consumption. In 1916, with a maximum surtax of 10 per cent, the Treasury collected $81,000,000, and in 1921, with a maximum of 65 per cent, the Treasury collected from these same taxpayers only $84,000,000.

The report is current, and I think well founded, that a constitutional amendment to prohibit the further issuance of tax-exempt securities would fail of adoption. Assuming that the capital which escapes taxation in a tax-exempt security would otherwise be taxed, these securities benefit no one but the lender and in a period of industrial depression and low prices the purchasing power of the income from these securities is greatly increased. The States and municipalities which think they are finding easy money in tax-exempt securities are blind to the inevitable consequences of such a course. Sooner or later they will realize that they have greatly increased the purchasing power of the incomes from these bonds held by the wealthy and at the same time increased the tax on real estate and other capital which is still subject to taxation. If the American people would put a stop to the issuance of tax-exempt securities, if they would approve a straight income tax with a surtax not to exceed 20 per cent as the principal norm for taxation, and would add to this a small sales tax not to exceed one-half of 1 per cent, and a tax not to exceed 5 per cent upon acknowledged luxuries, funds to meet current expenses and to pay interest on the public debt could be raised without difficulty.

Mr. President, the wealth of the United States to-day is as great as the combined wealth of Great Britain, France, Italy, Japan, Austria, Hungary, and Germany. Our public debt is about one-eighth of our estimated wealth, whereas the public debt of the European countries is eight times the total debt of the United States.

Whenever it has been suggested that we reduce or cancel any debt owed to us by a foreign country, that suggestion has been met with a storm of opposition. We do not lack courage when we demand that our debtors pay us for the money we loaned them and which saved them from destruction. This is natural and proper. But if England and Europe can pay their bills and again become self-supporting and prosperous what excuse have we for failure at home, and what right have we to permit or prophesy hard times and National and State insolvency?

Great Britain's budget for 1922 and 1923 shows $4,165,000,000 from internal taxes, of which $1,980,400,000 was from property and income, $148,300,000 from excess profits, and $88,500,000 from corporation taxes. In addition, Great Britain has a government land tax, a house tax, and a land value tax. Also, Great Britain raised $97,800,000 from stamp taxes of various sorts. In other words, Great Britain must raise annually $1,000,000,000 more than we do and her population is less than half of ours, being 47,600,000.

France's internal tax in 1923 amounted to $5,400,000,000, $7,000,000,000 from stamp taxes, $500,000,000 from turnover taxes, and about $1,000,000,000 from various other direct taxes. The population of France is about 40,000,000.

Italy's direct taxes for 1923 for ordinary purposes was $2,400,000,000, of which $1,946,000,000 was from personal incomes, $100,000,000 from stamps, $500,000,000 from tobacco. Italy's population is 37,000,000.

To be sure they have been paying these taxes in depreciated currency, but their burden will only be the heavier when the inevitable day of reckoning comes.

Here are some interesting comparisons for the American citizen to consider and then cheer up:

Country	Population	Internal tax—1923	Per capita tax
United States	110,000,000	$2,165,000,000	$20.00
Great Britain	47,600,000	4,165,000,000	95.00
France	40,000,000	5,400,000,000	130.00
Italy	37,275,000	2,400,000,000	60.00
Canada	4,300,000	225,000,000	55.00

The British pound has not greatly depreciated nor has the Canadian dollar. The per capita tax in Great Britain is four times what it is in this country, in Canada two and one-half times our tax, and, I repeat, the wealth of the United States is as great as that of Great Britain, France, Italy, Japan, Austria, Hungary, and Germany.

According to figures given in the London Economist of March 29, 1924, the burden of direct taxation in France has increased from 14 per cent of the national income in 1913 to 16 per cent in 1923, and to 20 per cent in 1924. In England the direct tax burden in 1922 was 20 per cent of the national income and to-day is probably 23 per cent.

The financial ministry in Germany has published a final report on revenue for 1922 and 1923. It calls for 958,000,000,000 marks in direct taxes and taxes on business and about 200,000,000,000 marks on consumption.

When we attempt to comprehend these incomprehensible sums which must be raised by other nations we can understand why we are envied and criticized by them.

We have more than half of the gold of the world and a mortgage upon England and Europe that all the gold in the

world would not remove. We not only lead the procession of great nations but we are around the corner and out of sight of all of them. But, once we lose our confidence in our own future, once we let the prophets of failure and apostles of despair prevail, once we conclude that our burdens are too heavy for our much-boasted racial and moral superiority, once the politicians in exchange for our votes convince us that we are incapable of meeting the responsibilities and making the sacrifices necessary to pay our bills, then I say, with all our self-complacency as the leading exemplar of the white race, we shall soon find ourselves distanced and despised by our competitors in Europe and elsewhere whose very necessities will develop braver hearts and stronger hands than ours.

In closing let me repeat that I am not encouraging extravagance or commending high taxes. To be perfectly frank I hate taxes. I was born with a mortal dread of debts; I was brought up to pay cash or go without. If I could have my way I would go to unnecessary extremes and probably be very foolish. If I could have my way I would not tickle the nettle of taxation with my nose, I would not grasp it firmly with my hands, I would not take any chances, I would stamp on it with both feet until it was dead. I would gladly make any needed sacrifice to see this $22,000,000,000 reduced to $2,000,000,000 in the next five years. But I realize that deprivation is unnecessary and would be unwise. I do not want to hurt any industry for the sake of killing nonexistent ghosts. We can pay these bills without disturbing production or consumption.

We have already paid $5,000,000,000 of them, and yet the great corporate and producing industries of the country have largely increased their incomes since 1921. Good wages and the American standard of living have been maintained. When Democrats talk about the tariff, when they talk about the Republican policy of protection to American industries, they tell us that this policy will bring disaster, but when they come to discuss income taxes they find that we have grown prosperous since the enactment of the Fordney-McCumber bill. They find that the tariff has protected first of all the wage earner, maintained his wages, and sustained his purchasing power. Now they want to imperil his prosperity by a system of taxation devised for its vote-getting power, and for nothing else.

If we would solve this problem intelligently, and by that I mean follow impartial, nonpolitical advice and avoid the mistakes of the past, this cloud of taxation will soon be dissipated. I am an optimist, but I have lived through three or four periods of business depression, and I do not want any more of them if they can be avoided.

When I hear men and women complaining as they do about taxes and pretty much everything else, I ask the ethnologists and other "ologists" for the cause, and they tell me that these whimperings are the well-understood symptoms of race senility which always appear when wealth accumulates and responsibilities lighten.

If I had the capital I would for a premium of one-tenth of 1 per cent guarantee to the American people four years of unprecedented prosperity provided they would vote the Republican ticket in November next and meet current responsibilities with one tithe of the courage and foresight that enabled our forbears to survive the threatened shortage of copper, wool, light, and beans.

PULLMAN SURCHARGE

Mr. SMITH. Mr. President, I do not know what is the purpose of the Senator having this bill in charge, but I want to take this occasion to call attention to another matter that is important.

There has been, perhaps, no measure before the Congress that has been of greater interest than the railroad legislation; and that in part has been evidenced by the number of bills that have been introduced looking toward an order to the commission to discontinue the surcharge upon Pullman fares. I, as chairman of the committee, and other members of the committee, have been criticized by the public as well as criticized by Members of the Senate for not taking some action on the bills that are pending. The bills have been introduced by Members on the Republican side as well as by Members on the Democratic side.

In justice to the committee and to myself, I want to state that when this matter was brought to the attention of the Interstate Commerce Commission they replied that they had instituted, some time in April, 1923, a full inquiry into the facts pertaining to the Pullman surcharge. It had been imposed about the time that the 20 per cent horizontal increase in rates was allowed, as a necessary step to obtain certain revenue, and, they claimed, to meet the necessities of the roads. The matter was referred to a subcommission, which, under the order of the Interstate Commerce Commission, has been in session since 1923. The subcommission has completed its work. It has gone into all the facts pertaining to this surcharge, and I desire to read its conclusion in reference thereto, and desire to incorporate the report in the RECORD in order that Senators may be fully advised as to the situation, and be prepared to meet whatever decision the Interstate Commerce Commission shall make when it meets on May 8 for a final determination as to what it will do in reference to this matter and the report.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

Mr. SMITH. I yield to the Senator from Florida.

Mr. FLETCHER. Does it appear that there is need of any further legislation? Has not the Interstate Commerce Commission now all the power and all the authority necessary to readjust that matter?

Mr. SMITH. The commission has the power to readjust the matter, but I am calling attention to the findings of this subcommission so that we may be fully prepared with the facts in case the commission, after hearing argument on May 8, should decide adversely to the findings here.

Mr. FLETCHER. Then we may have to amend the law.

Mr. SMITH. Then we may have to amend the law so as to express the view of Congress in reference to the continuation of this surcharge.

The final clause of the report is to the effect that—

> It is accordingly recommended that the commission find that the practice of respondents of assessing a surcharge on Pullman-car travel is unjust and unreasonable and that the commission order that the practice be discontinued.

I am taking occasion this afternoon to call attention to this fact in order that the public may be thoroughly advised as to the reason why the committee has not taken action in reference to this matter. It was wholly within the power of the commission, under the law, on its own initiative, to lay this tax. It is wholly within its power to remove it. I think a majority of the committee and a majority of the Senate think that the charge is an unjust and unreasonable one in view of all the facts, and we only postponed action because we were waiting until the commission could find the facts.

Mr. President, I ask unanimous consent to have this report printed in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The report is as follows:

Interstate Commerce Commission

(No. 14785)

This report also includes No. 11567. Order of United Commercial Travelers of America v. Pullman Co.

IN THE MATTER OF CHARGES FOR PASSENGERS TRAVELING IN SLEEPING AND PARLOR CARS

[Submitted May 8, 1924. Decided May —, 1924]

PRACTICE OF RESPONDENTS OF ASSESSING A SURCHARGE ON PULLMAN TRAVEL FOUND UNREASONABLE, AND PRACTICE ORDERED DISCONTINUED

Clyde Brown, Henry Wolf Bikle, N. S. Brown, George F. Brownell, E. G. Bochland, W. S. Bronson, J. C. Bills, R. V. Fletcher, Francis I. Gowen, and E. G. Buckland for eastern carriers.

James L. Coleman, Wallace T. Hughes, J. N. Davis, E. L. Bevington, R. H. Widdicombe, L. E. Wettling, R. S. Outlaw, J. M. Souby, and B. W. Scandrett for western carriers.

C. J. Rixey, F. W. Gwathmey, Edward D. Mohr, Henry Thurtell, W. N. McGehee, W. A. Northcutt, Thomas W. Davis, W. J. Craig, J. D. Rohner, C. B. Ryan, W. H. Tayloe, A. H. Plant, S. A. Stockard, H. F. Cary, W. L. McMorris, and W. A. Russell for southern carriers.

G. S. Fernald, L. M. Greenlaw, Edgar E. Clark, Luther M. Walter, J. S. Lane, and H. H. Sanborn for the Pullman Co.

J. E. Hannegan for Southwestern Passenger Association.

W. H. Howard for Southeastern Passenger Association.

C. M. Burt for Trunk Line Association.

W. L. Pratt for New England Passenger Association.

C. A. Cairns and R. Thomson for Chicago & North Western Railway.

W. W. Meyer for New York, New Haven & Hartford Railroad Co.

B. Newhouse for Minneapolis, St. Paul & Sault Ste. Marie Railway Co.

E. E. Bennett for Union Pacific system.

Stephen F. Otis for Western Pacific Railroad Co.

J. E. Lyons and F. S. Howard for Southern Pacific Co.

Henry J. Hart for Bangor & Aroostook Railroad.

Eben E. MacLeod for Western Passenger Association.

B. M. Bukey and A. L. Conrad for Atchison, Topeka & Santa Fe Railway Co.

George J. Charlton for Chicago & Alton Railroad Co.

Charles M. Blatchford for Maine Central Railroad.

Charles R. Webber for Baltimore & Ohio Railroad Co.

Hugh Gordon, W. P. Geary, and J. C. Harraman for California Railroad Commission, Arizona Corporation Commission, Public Service Commission of Oregon, and Department of Public Works of the State of Washington.

Samuel Blumberg and Arthur M. Loeb for National Council of Traveling Men's Associations.

D. K. Clink for International Federation of Commercial Traviers Organizations.

W. S. Cornell for Shreveport Chamber of Commerce.

E. S. Briggs for American Fruit and Vegetable Shippers' Association.

Leon B. Lamfrom for National Association of Men's Apparel Clubs.

L. C. Parshall for Battle Creek Sanitarium and National Industrial Traffic League.

C. B. Hutchings and O. W. Sandberg for American Farm Bureau Federation.

J. A. Roberts for Roberts-Pettijohn-Wood Corporation.

Joseph H. Beek for the National Industrial Traffic League.

Seth Mann for San Francisco Chamber of Commerce.

Albert I. Loeb for California Hotel Association.

Frank M. Hill for Fresno Traffic Association.

A. J. Beirsdorf for Men's Apparel Club of California.

I. Marovitch for National Shoe Travelers' Association.

Sidney Levy for United Commercial Travelers.

Walton O. Wright for National Industrial Traffic League and Associated Industries of Massachusetts.

William E. Whelpley for Walworth Manufacturing Co.

Charles J. Campbell for American Hotel Association of United States and Canada, New York State Hotel Association, and Hotel Association of New York City.

John F. Shea for American Hotel Association of United States and Canada, California State Hotel Association, Western States Hotel Scenic Association, and California Hotel Association.

REPORT PROPOSED BY JOHN B. KEELER, EXAMINER

This investigation, instituted by order of the commission of April 2, 1923, has for its purpose the determination of the propriety and reasonableness of the charges assessed by the Pullman Co. and the railroads for the transportation and accommodation of passengers in sleeping and parlor cars. At the time of the institution of the investigation there was pending before the commission No. 11567, Order of United Commercial Travelers of America v. Pullman Co., in which the charges of the Pullman Co. were under attack. It developed during the course of the hearings in No. 11567 that much of the dissatisfaction of the traveling public with the charges for sleeping and parlor car accommodations arose from the so-called surcharge. The desirability of making a general examination of the accounts of the Pullman Co. also developed, and the commission accordingly instituted this investigation, consolidating therewith No. 11567. The public not having had full opportunity to be heard with regard to the surcharge during the hearings in No. 11567, hearings on the surcharge feature of the investigation were held at Chicago, Ill., San Francisco, Calif., Portland, Me., and Washington, D. C., during the summer and fall of 1923. It was hoped that the accounting examination could be completed so that both the surcharge and the Pullman charges proper could be considered at the same time, but that examination proved to be a task of such magnitude and intricacy that it was found impossible to have the results available without unduly delaying disposition of the surcharge feature. It was accordingly decided that that feature should be disposed of separately, and final hearing thereon was held on March 19 of this year. Briefs were presented on April 19, and the matter now stands set for oral argument before the whole commission on May 8. The railroads will be hereinafter referred to as respondents.

The surcharge, consisting of one-half of the current Pullman charge for the space occupied by the passenger, was established on August 26, 1920, as a result of the report of the commission in Increased Rates, 1920, 58 I. C. C. 220, and accrues wholly to respondents. On July 20, 1920, after the close of the hearings in Increased Rates, 1920, the United States Labor Board awarded material increases in wages to railroad employees and the surcharge was one of the ways thereafter devised to provide the additional revenue to meet this emergency. It was not necessarily established as a permanent charge.

A somewhat similar charge, known as an additional passage charge and amounting to 16⅔ per cent of the normal one-way passenger fare in the case of standard Pullman cars and 8⅓ per cent in the case of tourist cars, was established by the Director General of Railroads on June 10, 1918, but the charge proved to be so unpopular that it was canceled on December 1, 1918.

The present surcharge, which is applicable to all interstate Pullman travel and to all intrastate Pullman travel except in the States of North Carolina and West Virginia, amounts to approximately 10 per cent of the one-way passenger fare and yields approximately 3.3 mills per passenger mile from passengers traveling in standard Pullman cars and one-half of that amount from passengers traveling in tourist cars. In 1922 it produced revenue of $32,891,124, and in 1923, $37,490,869, or slightly over 3 per cent of the total passenger revenues of respondents for those years. By districts, the surcharge amounted in 1922 to $14,872,004 for the eastern, including the Pocahontas region; $13,780,549 for the western; and $4,238,571 for the southern; and in 1923 $16,035,003 for the eastern, $15,695,403 for the western, and $5,760,463 for the southern. In the amounts shown for 1923 the Pocahontas region is included in the southern district.

Respondents seek to justify the continuance of the surcharge on two general grounds—first, that it costs them more to transport passengers in Pullman cars than in day coaches, and, second, that the superior accommodations furnished passengers in Pullman cars justifies charging them a higher transportation rate than charged passengers using the day coaches.

Chief among the things cited by respondents as creating the alleged higher cost to them of handling the Pullman traffic is the greater weight transported per passenger. Respondents made studies to ascertain, among other things, the average weight, occupancy, and earnings of Pullman cars as contrasted with day coaches, and the results are set forth below:

	Average weight		Average occupancy		Average car-mile earnings [1]	
	Pullman	Day coaches	Pullman	Day coaches	Pullman	Day coaches
					Cents	Cents
Eastern district	148,915	124,140	[2] 13.59	27.44	43.5	87.8
Western district	144,640	97,547	11.46	14.36	36.95	46.27
Southern district	148,987	110,068	11.30	19.21	36.6	62.1

[1] Excluding surcharge.
[2] Sleeping cars—Parlor car occupancy, 18.56.

The figures submitted for the eastern and southern districts are based on studies covering selected runs for one week in May, 1923. While respondents were undoubtedly sincere in endeavoring to select runs which they considered representative, it is obvious that the judgment exercised in making the choice might materially affect the results. Furthermore, the studies which are based on the heavier passenger-carrying sections of defendants' lines are not fair to the Pullman traffic, at least from the standpoint of occupancy and car-mile earnings, for they constitute a comparison of the normal Pullman travel with the best of the coach travel. Comparisons of results of Pullman and coach operations should be predicated on the entire business of both services. The figures shown for the western district present perhaps the fairest comparison, but even these, in the case of car weights at least, are fairly subject to criticism, as they do not reflect the varying use of different classes of cars. In other words, the average car weights shown are not weighted averages. It is reasonably certain, however, that the average weight of Pullman cars is considerably greater than the average weight of day coaches. But there are many individual steel coaches that weigh nearly as much as the steel Pullman cars and more than the wooden Pullman cars, and there is as great or greater difference in weight between different classes of day coaches as between day coaches and Pullman cars. Furthermore, the heavy steel coaches are usually used in trains carrying steel Pullman cars on the long, heavy passenger runs. Figures submitted by the Pullman Co. show that for the month of April, 1923, the average occupancy of sleeping cars was 14.44 passengers and of parlor cars 17.77 passengers. The average occupancy of all coaches in the United States for 1922, excluding commutation travel, was 15.88 passengers and of all sleeping and parlor cars 12.82 passengers. The average car-mile earnings for the United States were 52.69 cents for coaches and 42.55 cents for sleeping and parlor cars, excluding the surcharge.

Among other things cited by respondents as creating the alleged higher operating costs to them of handling the Pullman traffic are extra switching incident to parking sleeping cars at stations for use by passengers prior to train departures or subsequent to train arrivals; added use of passenger terminals by reason of such parking and the necessity of keeping available different classes of Pullman cars to meet the varying demands of Pullman travel; extra switching at junction points of Pullman cars in connection with through travel and at terminals in making up trains; furnishing of sanitary cans for Pullman cars parked at stations; greater deadheading; furnishing and hauling

of observation cars and other special facilities; and greater use of the telephone and telegraph service in arranging Pullman accommodations.

Against the added expenses to respondents of handling the Pullman traffic already enumerated there is among other things the saving of capital investment in and maintenance and inside cleaning of the Pullman cars. In the case of the Pennsylvania, New York Central, and New York, New Haven & Hartford there is a further saving of running expenses as hereinafter more specifically set forth.

The following table shows for 1923 the revenue accruing to respondents under their contracts with the Pullman Co.:

	Average number of Pullman cars operated	Pullman contract revenue due railroads	Average contract revenue per car operated	Number of Pullman car-miles run	Average mileage per car
Eastern district:					
Baltimore & Ohio R. R.	202.60	$97,677.41	$478.95	28,313,373	139,688
Chesapeake & Ohio Ry.	60.26	88,601.87	1,750.63	6,761,756	134,836
Chicago & Eastern Illinois R. R.	36.84	3,374.66	91.60	4,573,495	124,145
Delaware, Lackawanna & Western R. R.	43.54	34,045.35	801.91	4,931,766	113,270
Delaware & Hudson Co.	15.40	48,483.73	3,148.95	1,844,033	119,742
Erie Railroad	30.54	30,727.75	1,006.15	4,860,796	159,162
Lehigh Valley R. R.	37.60	42,303.45	1,122.41	5,174,027	137,579
Norfolk Western R. R.	46.14	35,963.05	779.43	6,079,835	131,769
New York Central System	820.81	512,501.59	624.39	124,952,194	152,230
New York, New Haven & Hartford R. R.	195.74	140,600.00	715.23	17,296,041	88,362
Pennsylvania System	838.02	573,061.06	685.74	122,133,734	145,741
Richmond, Fredericksburg & Potomac R. R.	27.45	54,367.99	1,998.69	3,928,617	143,046
Total		1,662,388.16			
Southern district:					
Alabama & Vicksburg R. R.	2.43	2,632.21	1,083.21	319,682	131,556
Alabama Great Southern R. R.	10.49	29,214.94	2,213.05	1,698,160	161,884
Atlantic Coast Line R. R.	126.45	115,971.03	917.13	20,285,660	160,424
Cincinnati, New Orleans & Texas Pacific Ry.	27.50	38,438.25	1,400.44	4,505,158	163,290
Florida East Coast Ry.	39.84	78,000.24	1,957.84	6,175,930	155,018
Illinois Central R. R.	113.77	296,626.99	2,607.25	18,173,956	159,743
Louisville & Nashville R. R. (including Georgia R. R.)	144.12	68,920.29	478.21	20,086,361	139,372
Nashville, Chattanooga & St. Louis R. R.	31.70	15,718.66	495.86	3,760,209	118,619
New Orleans & Northeastern R. R.	5.06	5,971.12	1,180.06	839,449	165,899
Seaboard Air Line Ry.	75.46	55,492.87	735.49	10,918,907	144,717
Southern Ry. Co.	178.01	512,351.19	2,878.22	25,175,597	141,428
Western Ry. of Alabama	7.90	26,596.10	3,366.59	1,409,796	178,455
Total		1,240,133.89			
Western district:					
Atchison, Topeka & Santa Fe Ry.	377.83	1,255,188.71	3,322.02	67,075,265	177,528
Chicago & Alton R. R.	38.51	7,816.53	202.97	4,172,094	108,338
Chicago, Burlington & Quincy R. R.	161.61	499,977.38	3,091.83	28,922,498	160,402
Colorado & Southern Ry.	26.79	72,636.99	2,714.16	3,330,786	124,409
Chicago & Northwestern Ry.	132.86	419,136.63	3,154.72	21,547,124	162,179
Chicago, St. Paul, Minneapolis & Omaha Ry.	28.43	90,276.92	3,175.41	3,963,871	139,426
Chicago, Rock Island & Pacific Ry.	165.40	376,944.95	2,278.99	25,609,986	151,209
Denver & Rio Grande Western R. R.	46.99	34,066.25	699.53	6,691,220	136,835
El Paso & Southwestern System	18.12	10,240.25	704.91	3,286,400	181,538
Gulf Coast Lines	15.37	11,018.25	716.87	1,983,090	129,674
Los Angeles & Salt Lake R. R.	52.41	275,838.41	5,263.00	9,078,069	173,213
Missouri-Kansas-Texas Lines	81.54	7,940.74	97.38	10,898,965	132,552
Missouri Pacific (including St. L. I. M. & S.)	99.79	16,588.42	166.23	12,787,445	128,144
Northern Pacific Ry.	116.44	294,963.58	2,676.26	16,969,400	155,571
St. Louis-San Francisco Ry.	91.93	191,089.50	2,078.64	11,411,370	124,131
Southern Pacific Co.	455.06	1,703,266.67	3,742.95	67,635,721	148,630
Texas & Pacific Ry.	48.56	34,327.70	706.91	6,683,624	124,230
Union Pacific System	263.10	939,834.31	3,572.16	45,450,515	172,750
Western Pacific Ry.	24.13	24,819.20	1,028.66	4,215,995	174,720
Total		6,263,899.39			
Total United States		9,158,391.44			

In addition to the payments of contract revenue to the Pennsylvania and New York Central indicated above, the Pullman Co. paid on these two lines all running Pullman-car expenses, such as expenses for lubrication, ice, water, heat, and light. On the New York, New Haven & Hartford the Pullman Co. bore a large part, but possibly not all of these running expenses. The aggregate amount of running expenses borne by the Pullman Co. on these three roads was $3,282,-629.81, divided as follows:

	Amount	Average per car
New York Central system	$1,611,229.61	$1,962.98
Pennsylvania system	1,451,485.07	1,732.06
New York, New Haven & Hartford	219,915.13	1,123.51

Adding to these payments for running expenses the contract revenue payments results in aggregate per car payments by the Pullman Co. to the three roads in question during 1923 of $2,587.37 in the case of the New York Central, $2,417.78 in the case of the Pennsylvania, and $1,838.74 in the case of the New Haven. The railroads which, owing to the low Pullman earnings, did not participate in the Pullman revenues accruing on their lines during 1923 are shown below:

	Average number of Pullman cars operated	Number of Pullman car-miles run	Average mileage per car
Eastern district:			
Buffalo, Rochester & Pittsburgh Ry.	4.23	467,372	110,499
Central R. R. Co. of New Jersey	16.54	1,264,507	76,457
Chicago, Indianapolis & Louisville Ry.	30.35	2,702,383	89,041
Hocking Valley Ry.	3.74	236,991	63,369
New York, Chicago & St. Louis R. R.	9.15	1,412,537	154,354
New York, Chicago & St. Louis R. R. (Clover Leaf district)	2.02	332,656	164,681
Toledo, Peoria & Western Ry.	1.32	74,237	56,233
Wabash Ry.	60.68	7,423,341	122,416
Western Maryland Ry.	.22	12,371	60,777
Southern district:			
Atlanta, Birmingham & Atlantic Ry.	3.71	388,108	104,611
Georgia Southern & Florida Ry.	14.14	1,979,492	139,992
Mobile & Ohio R. R.	7.80	1,181,763	151,503
Western district:			
Chicago Great Western R. R.	30.15	3,985,971	132,205
International & Great Northern Ry.	16.14	2,122,159	131,484
Kansas City Southern Ry.	16.58	1,917,153	115,630
Minneapolis & St. Louis R. R.	5.73	649,194	113,296
Minneapolis, St. Paul & Sault Ste. Marie Ry.	19.34	2,904,417	150,267
San Antonio & Aransas Pass Ry.	2.22	115,600	52,072
San Antonio, Uvalde & Gulf R. R.	3.13	216,547	69,184
St. Louis Southwestern Ry. and St. Louis Southwestern Ry. of Texas	12.83	1,509,294	117,669
Spokane, Portland & Seattle Ry.	13.40	1,673,571	124,919
Vicksburg, Shreveport & Pacific Ry.	3.59	432,216	120,394

It is interesting to note that the Baltimore & Ohio during 1922 received no revenue from the Pullman Co. under its contract and in 1923 received less than $500 per car, whereas its chief competitor, the Pennsylvania, received the equivalent of $2,500 per car for each year. This indicates one of two things, either that the contract between the Pullman Co. and the Baltimore & Ohio is very much less favorable to the Baltimore & Ohio than the contract between the Pullman Co. and the Pennsylvania is to the Pennsylvania, or that the Baltimore & Ohio is running much more space per passenger carried than the Pennsylvania. In this connection it may be stated that studies of Pullman car occupancy submitted in evidence indicate that on many roads sleeping cars are operated practically on a lower-berth basis. It would seem that somewhat greater use of upper berths could be enforced on many roads without seriously inconveniencing the traveling public.

There is set forth as an appendix hereto a statement showing for class I railroads surcharge collections and rate of return on investment for 1923. The rate of return is computed on basis of the 1922 investment and 1923 net railway operating income. Of the $16,035,003 surcharge collected in the eastern district $13,664,541 accrued to the New York Central, Pennsylvania, New Haven, and Baltimore & Ohio system lines. Of these all but the Baltimore & Ohio received heavy payments from the Pullman Co. under their contracts, the average being approximately $2,500 per car. Of the remaining $2,370,462 the Delaware & Hudson, Lehigh Valley, and Erie, with contract payments of $3,148.95, $1,122.41 and $1,006.15 per car, respectively, received $449,-365, leaving less than $2,000,000 received by roads which had no contract payments or payments of less than $1,000 per car. The situation on the Baltimore & Ohio, which is something of an enigma, has already been commented on. In the western district 11 railroads, receiving from the Pullman Co. contract payments averaging $3,274.17 per car, received $10,552,882 of the $15,695,403 surcharge collected. Eleven other railroads receiving contract payments ranging from $97.38 to $1,028.56 per car received $1,909,425 of the remainder of $5,142,521. Of the latter the Chicago, Milwaukee & St. Paul, which operates its own cars, and therefore received all the revenue from the sale of parlor and sleeping-car space, collected $761,866. In the

southern district 10 railroads with average contract payments from the Pullman Co. of $2,433.88 per car, received $3,010,066 of the $5,760,463 surcharge collected in that district, and five other railroads with contract payments ranging from $478.21 to $917.13 per car collected $2,081,693 of the remainder of $2,750,397. From the above it will be seen that the greater part of the surcharge goes to railroads which receive substantial payments from the Pullman Co. under their contracts.

The extent, if any, to which the surcharge has curtailed travel on Pullman cars is somewhat conjectural. Respondents submitted statistics showing that over a period of years Pullman travel has increased in greater ratio than day-coach travel and that since the establishment of the surcharge the falling off of Pullman travel has not been as great as the falling off of coach travel. Immediately following the establishment of the surcharge there was a marked falling off of Pullman travel, but this was undoubtedly due in considerable measure to the fact that the deflation period commenced at about that time.

The sleeping and parlor car passenger miles for the years 1919 to 1922, inclusive, were 13,387,182,735, 14,279,557,237, 11,133,647,492, and 11,233,301,727, respectively, while the coach passenger miles for the same period were 32,971,121,005, 32,569,119,750, 26,178,938,474, and 24,273,920,273, respectively. Commencing with 100 per cent for 1919 as a premise, the sleeping and parlor passenger miles increased to 106.67 per cent in 1920, and decreased to 83.17 and 83.91 per cent, respectively, in 1921 and 1922, whereas the coach passenger miles decreased to 98.78 per cent in 1920, 79.40 per cent in 1921, and 73.62 per cent in 1922. There is, of course, no way of ascertaining what the situation would have been had the surcharge not been in effect. It is reasonable to believe, however, especially considering that it has been a great irritant to the traveling public, that the surcharge has resulted in considerable loss of business from the Pullman cars.

In the early days of the operation of Pullman cars the Pullman Co. received all the revenue from the sale of seats and berths and in addition the railroads generally paid the Pullman Co. mileage for the use of the cars in the event that the revenue derived from the sale of seats and berths did not reach specified minimum amounts. As the Pullman business grew, railroad participation in the Pullman earnings commenced and has steadily increased, until to-day it amounts to over $9,000,000 a year. It would seem that if the early arrangements were advantageous to the railroads the present-day arrangements should be very much more so without the imposition of the surcharge. But assuming that, as contended by the railroads, they are not adequately compensated under their contracts with the Pullman Co. for hauling the greater weight per passenger in the Pullman cars, does that constitute a ground for imposing a surcharge to recoup losses growing out of their improvidence in failing to make contracts which would afford them proper compensation for the service of hauling the cars? In our judgment it does not.

The Pullman passenger receives a higher class of service than the coach passenger and should pay more for it, but the payments should be through the Pullman charge proper and not spread out in two charges, one collected by the Pullman Co. and the other by the railroad. Under such an arrangement the Pullman charges could be so adjusted as to produce the revenue necessary to enable the Pullman Co. to meet its obligations to the railroads and also provide a fair return on its own operations. Under the present system, with two transportation agencies charging for what should be one service, opportunity for duplicate and excessive charges is multiplied and regulation rendered more difficult. The present system, devised temporarily to meet an emergency, is illogical and unscientific as a permanency.

Greater uniformity in the contracts between the Pullman Co. and the railroads would seem to be desirable. The present contracts are the result of bargaining between the Pullman Co. and the railroads, with the natural result of the larger roads getting the more favorable contracts. There is also considerable variation in the contracts with the larger roads. For instance, on the Southern Pacific there is participation by that road in the Pullman earnings after the earnings per standard car average $7,250, whereas on the Santa Fe there is no participation by the railroad until the per car earnings, speaking still of standard cars, average $9,000. Of course, it must be taken into consideration that the Southern Pacific contract was made in 1912, at a time when operating costs were much lower than at present, whereas the Santa Fe contract was made in 1923. But the Southern Pacific contract has six years yet to run, and assuming that at the end of that period it is succeeded by the same class of contract as in effect on the Santa Fe, there will still be in the interim a different treatment of these two great competing transportation agencies. This of itself is a strong indictment of the present system of making the contracts. The relations between the Pullman Co. and the railroads should be subject to more complete regulation by this commission. It is doubtful whether jurisdiction lies with the commission under the existing law to prescribe divisions of earnings between the Pullman Co. and the railroads, and the commission should request the Congress to correct any deficiencies in the law so that it may have full jurisdiction to prescribe all the terms and conditions as between the Pullman Co. and the railroads under which the Pullman cars shall be operated.

Considering that in connection with the handling of Pullman traffic as compared with day-coach traffic, respondents are saved the capital investment in Pullman equipment and other facilities necessary to maintain and to an extent operate the cars; that they are saved the expense of inside cleaning of the cars; that they are saved the cost of repairs and maintenance of the cars; that most of respondents are receiving substantial payments out of the charges collected for the Pullman service proper; that the greater part of the surcharge is collected for the roads which are receiving the heaviest payments from the Pullman Co.; that the average hauls of Pullman passengers is several times the average haul of coach passengers; that most of the Pullman travel is over the parts of respondents' lines which have the greatest density of traffic and lowest ton-mile operating costs; that Pullman cars are utilized to a considerable extent in the transportation of railroad officials and employees engaged in other branches of railroad service; that there can be enforced without unduly inconveniencing the traveling public more economical use of space on many roads; that the present passenger fare was established for application to both coach and Pullman travel; that there has been no reduction in passenger charges corresponding to the reduction made in 1922 in freight charges and the relationship prescribed in 1920 between passenger and freight charges has accordingly been disturbed; that there will probably be some stimulation of Pullman business as a result of the removal of the surcharge; and, further, because if, as contended by respondents, they are not adequately compensated under their contracts for hauling the greater weight per passenger in the Pullman cars, and furnishing the other extra services in connection with the hauling of the Pullman cars, they should secure that extra compensation from the Pullman Co. rather than through a separate charge for what should be treated as one service, it is believed that the time has come when the commission may well eliminate the surcharge.

It is accordingly recommended that the commission find that the practice of respondents of assessing a surcharge on Pullman-car travel is unjust and unreasonable and that the commission order that the practice be discontinued.

APPENDIX

Pullman surcharge and rate of return on investment, Class I roads, 1923 [1]

Name of district, region, and road	Pullman surcharge collections, year ended Dec. 31, 1923	Rate of return on investment
Eastern district:		
New England region—		
Atlantic & St. Lawrence R. R	$8,440	
Bangor & Aroostook R. R	7,266	5.56
Boston & Maine R. R	292,484	1.30
Canadian Pacific Ry. (lines in Maine)	16,084	
Central New England Ry	7	3.70
Central Vermont Ry	28,417	.71
Maine Central R. R	102,617	3.21
New York, New Haven & Hartford R. R	1,333,070	3.47
Rutland R. R	47,877	3.55
Total New England region	1,836,262	
Great Lakes region—		
Ann Arbor R. R	953	2.41
Buffalo, Rochester & Pittsburgh Ry	19,561	4.32
Chicago & Erie R. R	17,475	1.17
Delaware & Hudson Co	97,344	5.69
Delaware, Lackawanna & Western R. R. (system)	248,488	5.68
Detroit & Mackinac Ry	5,511	2.01
Detroit, Grand Haven & Milwaukee Ry	13,100	7.86
Erie R. R	140,931	4.31
Grand Trunk Western Ry	65,543	4.02
Lehigh Valley R. R	211,090	2.91
Michigan Central R. R	904,951	12.38
Monongahela Ry	2,928	5.34
New Jersey & New York R. R	8	
New York Central R. R	4,135,789	6.23
New York, Chicago & St. Louis R. R	43,528	5.74
New York, Ontario & Western Ry	23,079	1.16
Pere Marquette Ry	121,709	6.02
Pittsburgh & Lake Erie R. R	38,749	17.76
Ulster & Delaware R. R	2,150	2.55
Wabash Ry	286,672	3.97
Total Great Lakes region	6,379,559	
Central Eastern region—		
Atlantic City R. R	5,400	
Baltimore & Ohio R. R	906,385	5.84
Baltimore, Chesapeake & Atlantic Ry	865	
Buffalo & Susquehanna R. R. Corp	19	5.44
Central R. R. of New Jersey	57,890	2.85

[1] On basis of 1922 investment and net railway operating income for 1923. Investment figures for 1923 not yet available.

Pullman surcharge and rate of return on investment, etc.—Continued

Name of district, region, and road	Pullman surcharge collections, year ended Dec. 31, 1923	Rate of return on investment
Eastern district—Continued.		
Central Eastern region—Continued		
Chicago & Eastern Illinois Ry	$191,873	4.17
Cincinnati, Indianapolis & Western R. R	5,372	1.81
Chicago, Indianapolis & Louisville Ry	129,528	5.32
Cleveland, Cincinnati, Chicago & St. Louis Ry	712,468	6.96
Hocking Valley Ry	23,106	4.47
Long Island R. R	31,288	4.31
Pennsylvania R. R	5,584,293	4.22
Philadelphia & Reading Ry	72,500	9.86
West Jersey & Seashore R. R	87,585	3.38
Western Maryland Ry	2,271	3.34
Wheeling & Lake Erie Ry	8,339	3.17
Total Central Eastern region	7,819,182	
Total Eastern district	16,035,003	
Pocahontas region:		
Chesapeake & Ohio Ry	321,902	6.27
Norfolk & Western Ry	237,572	6.02
Richmond, Fredericksburg & Potomac R. R	187,956	11.85
Virginian Ry	5,266	5.02
Total, Pocahontas region	752,696	
Southern region:		
Alabama & Vicksburg Ry	15,004	8.14
Alabama Great Southern R. R	68,017	9.66
Atlanta & West Point R. R	29,429	6.98
Atlanta, Birmingham & Atlantic Ry	8,671	
Atlantic Coast Line R. R	736,445	7.37
Carolina, Clinchfield & Ohio Ry. (system)	2,486	4.16
Central of Georgia Ry	187,142	4.98
Charleston & Western Carolina Ry	435	4.80
Cincinnati, New Orleans & Texas Pacific Ry	152,891	9.05
Florida East Coast Ry	262,083	5.53
Georgia R. R. Lessee Organization	35,931	8.90
Georgia & Florida Ry	3,068	1.40
Georgia Southern & Florida Ry	56,767	4.94
Gulf & Ship Island R. R	5,563	3.62
Columbus & Greenville Ry	68	.02
Illinois Central R. R	726,935	5.65
Louisville & Nashville R. R	725,267	5.94
Louisville, Henderson & St. Louis Ry	23,929	6.81
Mississippi Central R. R	52	3.27
Mobile & Ohio R. R	22,698	5.77
Nashville, Chattanooga & St. Louis Ry	172,150	4.88
New Orleans & Northeastern R. R	25,631	4.57
New Orleans Great Northern R. R	1,446	4.24
Norfolk Southern R. R	15,647	3.89
Northern Alabama Ry	32	6.99
Seaboard Air Line	411,900	4.01
Southern Ry	1,209,894	5.47
Tennessee Central Ry	7,739	8.95
Western Ry. of Alabama	39,153	7.45
Yazoo & Mississippi Valley R. R	60,694	2.80
Total, Southern region	5,007,767	
Total, Southern district (including Pocahontas region)	5,760,463	
Western district:		
Northwestern region—		
Chicago & North Western Ry	912,242	3.46
Chicago Great Western R. R	139,081	1.27
Chicago, Milwaukee & St. Paul Ry	761,866	2.89
Chicago, St. Paul, Minneapolis & Omaha Ry	171,139	3.49
Duluth & Iron Range R. R	376	5.75
Duluth, Missabe & Northern Ry	798	22.76
Duluth, South Shore & Atlantic Ry	23,368	1.25
Duluth, Winnipeg & Pacific Ry	4,004	.60
Great Northern Ry	401,121	5.56
Minneapolis & St. Louis R. R	13,790	1.26
Minneapolis, St. Paul & Sault Ste. Marie Ry	242,917	3.94
Northern Pacific Ry	582,457	3.19
Oregon-Washington Railroad & Navigation Co	239,140	.64
Spokane, International Ry	2,843	2.35
Spokane, Portland & Seattle Ry	53,611	3.04
Total, Northwestern region	3,548,753	
Central Western region—		
Arizona Eastern R. R	5,400	4.40
Atchison, Topeka & Santa Fe Ry	2,660,740	5.62
Chicago & Alton R. R	249,245	3.67
Chicago, Burlington & Quincy R. R	918,358	4.74
Chicago, Rock Island & Gulf Ry	30,150	3.82
Chicago, Rock Island & Pacific Ry	796,774	3.90
Colorado & Southern Ry	60,857	.92
Denver & Rio Grande Western R. R	281,361	1.73
El Paso & Southwestern Co	95,761	3.13
Fort Worth & Denver City Ry	73,923	9.47
Los Angeles & Salt Lake R. R	379,326	4.08
Northwestern Pacific R. R	27,955	2.03
Oregon Short Line R. R	242,407	4.79
Panhandle & Santa Fe Ry	40,483	4.49
St. Joseph & Grand Island Ry	2,588	.94
Southern Pacific Co. (Pacific System)	2,258,582	5.51
Toledo, Peoria & Western Ry	2,548	
Union Pacific R. R	1,115,842	7.73
Western Pacific R. R	159,823	3.03
Total Central Western region	9,411,123	

Pullman surcharge and rate of return on investment, etc.—Continued

Name of district, region, and road	Pullman surcharge collections, year ended Dec. 31, 1923	Rate of return on investment
Western district—Continued		
Southwestern region—		
Beaumont, Sour Lake & Western Ry	$8,283	10.89
Fort Smith & Western Ry	5,856	.53
Fort Worth & Rio Grande Ry	12,350	
Galveston, Harrisburg & San Antonio Ry	277,610	2.82
Gulf, Colorado & Santa Fe Ry	105,510	6.59
Houston & Texas Central R. R	150,700	4.57
Houston East & West Texas Ry	16,255	1.86
International Great Northern R. R	72,044	5.35
Kansas City Southern Ry	54,224	2.99
Louisiana & Arkansas Ry	81	6.73
Louisiana Ry. & Navigation Co	6,981	.58
Louisiana Ry. & Navigation Co. of Texas	587	
Louisiana Western R. R	45,664	9.24
Missouri, Kansas & Texas R. R	195,543	3.89
Missouri, Kansas & Texas R. R. of Texas	202,412	
Missouri Pacific R. R	485,832	2.31
Morgan's Louisiana & Texas Railroad & Steamship Co	76,291	.77
New Orleans, Texas & Mexico Ry	12,060	6.46
St. Louis, Brownsville & Mexico Ry	38,585	11.02
St. Louis-San Francisco Ry	151,825	4.87
St. Louis, San Francisco & Texas Ry	9,158	1.18
St. Louis Southwestern Ry	29,052	7.94
St. Louis Southwestern Ry. of Texas	14,967	
San Antonio & Aransas Pass Ry	7,560	3.42
San Antonio, Uvalde & Gulf R. R	11,489	2.07
Texarkana & Fort Smith Ry	4,854	17.61
Texas & New Orleans R. R	55,680	
Texas & Pacific Ry	270,520	4.10
Vicksburg, Shreveport & Pacific Ry	16,820	6.97
Wichita Valley Ry	1,714	7.06
Total, Southwestern Region	2,735,527	
Total, Western District	15,695,403	
Total, United States	37,490,869	

SALE OF ARMS TO MEXICO

Mr. WALSH of Montana. Mr. President, some time ago, in response to a resolution introduced by myself, the Secretary of War transmitted to the Senate a report concerning arms sold to the Republic of Mexico. Considerable interest has been displayed by the public in this report, and I ask unanimous consent that it be printed as a public document.

The PRESIDENT pro tempore. Without objection, the report will be printed as a public document.

The order was reduced to writing, as follows:

Ordered, That the communication from the Secretary of War transmitting in response to Senate Resolution 193, agreed to March 20, 1924, further information relative to the sale of arms and munitions to the Government of Mexico, be printed as a document.

INCREASE OF PENSIONS—VETO MESSAGE (S. DOC. NO. 103)

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The reading clerk read the message, as follows:

To the Senate:

I am returning herewith Senate bill 5, "An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars, and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes," without my approval.

For the next fiscal year the effect of this act will be to take an additional $58,000,000 of the moneys paid by the taxpayers of the Nation and add it to the pension checks of the veterans of the wars from 1812 to 1902 and their widows and dependents. This is the effect for the first year; but the burden upon the taxpayers will continue for many years to come. While impossible of accurate estimation, the Commissioner of Pensions states that the proposed addition to the pension roll will total approximately $242,000,000 for the first five years and $415,000,000 for the first 10 years.

No conditions exist which justify the imposition of this additional burden upon the taxpayers of the Nation. All our pensions were revised and many liberal increases made no longer ago than 1920. Every survivor of the Civil War draws $50 per month, and those in need of regular aid and attendance, which already includes 41,000 of them, draw $72 per month. As others come to need this the law already gives it to them. The act also proposes to extend the limits of the war period from

April 13, 1865, to August 20, 1866, so that those who enlisted during this year and four months of peace now become eligible for the same treatment as those who fought through the war. There are other questionable provisions providing for the pensioning of civilians and relating to the pensioning of certain classes of widows.

But the main objection to the whole bill is the unwarranted expenditure of the money of the taxpayers. It proposes to add more than 25 per cent to the cost of the pension roll. It is estimated that it would bring the total pension bill of the country to a point higher than ever before reached, notwithstanding it is now nearly 60 years since the close of the Civil War. A generous Nation increased its pensions to well over a quarter of a billion annually, and has already bestowed nearly $6,250,000,000 in pensions upon the survivors of that conflict and their dependents. While there has been some decrease in the annual expense, it is now proposed by a horizontal increase to pay all survivors $72 each month, without regard to age, to their physical condition, or financial condition. With the other proposals a new high record of cost would be established.

The need for economy in public expenditure at the present time can not be overestimated. I am for economy. I am against every unnecessary payment of the money of the taxpayers. No public requirement at the present time ranks with the necessity for the reduction of taxation. This result can not be secured unless those in authority cease to pass laws which increase the permanent cost of Government. The burden on the taxpayers must not be increased; it must be decreased. Every proposal for legislation must be considered in the light of this necessity. The cost of commodities is diminishing. Under such conditions the cost of Government ought not to be increasing. The welfare of the whole country must be considered. The desire to do justice to pensioners, however great their merit, must be attended by some solicitude to do justice to taxpayers. The advantage of a class can not be greater than the welfare of the Nation.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 3, 1924.*

Mr. BURSUM. Mr. President, I ask that the message be printed and lie on the table; and I desire to serve notice that I shall move to take up the message for consideration upon Tuesday next.

Mr. BRUCE. Mr. President, is unanimous consent necessary in that case?

Mr. FLETCHER. No; the Senator simply gives notice of his intention.

Mr. BRUCE. I was simply going to say that it seems to me there is no reason why we should not act on it now, instead of postponing it until next Tuesday.

The PRESIDENT pro tempore. Allow the Chair to state that in order to comply with the Constitution and the precedents of Congress it will be necessary that the Chair shall state the question, which is, Shall the bill pass, the objections of the President to the contrary notwithstanding? In accordance with the request of the Senator from New Mexico, the message will be printed and lie on the table until the Senate decides to bring it forward for consideration.

POLITICAL INCIDENTS

Mr. CARAWAY. Mr. President, there does not seem to be anything before the Senate except an understanding that is to be arrived at by Senators on the other side to try to override the veto of the President.

I want to read into the RECORD a little story of a harmonious Republican convention which was held in Memphis, Tenn., on the 29th of last month. Incidentally, may I explain that the trouble arose between the white and the black-and-tan Republicans about which should sit on the front seats. The white folks said they were entitled to sit on the front seats, but the negroes got there first and sat there. Before they could indorse the President they had to have all the police force and most of the deputy sheriffs in Shelby County, Tenn., to pull chairs off each others heads, where they had hung them in the little friendly argument.

Since this shows such beautiful harmony among the Republicans when it comes to indorsing what my friend from Ohio [Mr. WILLIS] says is the cold-storage plant of the Republican Party, I want to read this little touching story. It reads:

FIGHT BETWEEN RACES IS G. O. P. MEETING FEATURE—ROW OVER WHETHER WHITES OR BLACKS SHOULD OCCUPY FRONT-ROW SEATS PRECIPITATES ROUGH-AND-TUMBLE BATTLE AT MEMPHIS

MEMPHIS, April 29.—Police and deputy sheriffs participated in the tenth district Republican convention here to-day when the races clashed in a riot over the question of whether negroes or whites should occupy the front-row seats in the convention hall—the basement of the Shelby County courthouse.

Nobody knew exactly how the riot started, but the fight got away to a good start before the officers arrived and restored order. Chairs and fists were employed as weapons and several members of both the white and negro delegations were slightly injured. None was seriously hurt.

One negro was injured when he was struck on the head by a chair which he declared was hurled at Bob Church, local negro political leader. Church emerged from the fray unscratched. A deputy sheriff suffered a slight bruise as he entered the hall with other officers to quell the riot.

Many of the negro delegates climbed through the windows to the street, but when order was restored they returned to the hall and found seats to the rear of the white delegation.

I imagine if my good friend from New Hampshire [Mr. MOSES], who was delegated to handle the negroes for Wood in his delegation in 1920, had been present, he could have quelled the riot with less force, possibly, owing to the arguments he said he used at that time to corral negroes. I read further:

Then C. H. King, leader of the so-called black-and-tan faction, seized the chair and called the convention to order. He was overridden on the first ruling he made and the "lily-white" faction assumed control of the meeting, electing Harry Spears first as temporary chairman and then as permanent chairman. King and his followers "bolted" and organized a convention of their own in another section of the chamber.

The "regular"—

And the Lord never knows who are the regulars; you can not even tell who is regular here in the Senate on the Republican side—

The "regular" convention elected J. M. Johnson and H. O. True as delegates to the national convention and indorsed John Farley for delegate at large. They also adopted a set of resolutions and indorsed President Coolidge.

I merely wanted to call attention to the fact that they could not indorse the President until they had had a riot.

Mr. HEFLIN. Mr. President, the remarks of the Senator from Arkansas [Mr. CARAWAY] concerning the Republican convention at Memphis reminded me of something that occurred in 1916, when the Republican convention was in session at Chicago. I was going down Pennsylvania Avenue and stopped in front of the Star Building to look at the bulletin board and read the announcements as to the doings of the Republican convention. Old Uncle Rufus, a good old Virginia negro, was standing there, and he said:

"Boss, I ain't got my glasses, and I cain't read what's on the billiken board. Who did the Republicans nominate?"

I said, "They nominated Hughes."

He said, "Hughes? I ain't never heerd tell of him. Who did the Progressives nominate?"

I said, "They nominated Roosevelt; but he hasn't decided yet whether he will accept the nomination or not."

He said, "Yas, suh." He was silent for a moment, and then said, "Who do you suppose the white folks gwine nominate this time?" [Laughter.]

THE MERCHANT MARINE

Mr. FLETCHER. Mr. President, I have been receiving a number of inquiries, not only from South Atlantic and Gulf ports but from other portions of the country, with regard to the order putting into effect section 28 of the merchant marine act of 1920. The act provided that it might be made enforceable by the order of the Interstate Commerce Commission on a certificate from the Shipping Board that there was an adequate American tonnage to take care of the business through the various ports. That certificate was made some time back this year, and an order was made putting section 28 into effect, I think, to begin on May 20, but it has now been postponed until June 20.

In the meantime at a number of ports throughout the country chambers of commerce, shippers, and shipping interests have become very much exercised. They are apprehensive that it will mean great interruption to business and will very seriously affect trade conditions. That is especially true in some portions of the Gulf States, at Galveston and New Orleans, Mobile, and Pensacola. There it is felt that there is not a sufficient number of ships under our flag, that we are lacking both in quantity and in type of vessels required to handle the business from those ports. Of course, if that is true, it would be rather unfortunate to have section 28 put into effect at this time.

Mr. SHEPPARD. Mr. President——

Mr. FLETCHER. If the Senator will allow me just a minute——

Mr. SHEPPARD. Certainly.

Mr. FLETCHER. From the very beginning I have been in favor of section 28. I was in favor of it when the bill was passed in 1920 and have felt all along that there were great benefits to American shipping to be derived from the enforcement of that section. Of course, that is predicated and has always been conditioned upon there being an adequate supply of American ships to take care of our trade. I now yield to the Senator from Texas.

Mr. SHEPPARD. The Senator has referred to my State. Let me say to him that the representatives of the independent oil-producing companies have advised me that they now require more than 1,200 tank ships to carry their products abroad from Texas ports; that they are now using tank ships that are owned abroad; that the Shipping Board has less than 50 tank ships available for this service, and that, therefore, they would be placed under very severe hardship if they had to depend on tankers of the Shipping Board. I called that situation to the attention of the Senator from Washington [Mr. JONES], and he has asked the Shipping Board to make a thorough investigation of the situation. I believe I am correct in that statement, am I not?

Mr. JONES of Washington. Yes; the Senator is correct.

Mr. FLETCHER. I had heard of that situation. Of course we are not confined here to the Shipping Board vessels. If there are tankers owned by American oil companies adequate in capacity and number to meet the needs down there, that would be a compliance with the law. We are not confined to tankers owned by the Shipping Board.

Mr. SHEPPARD. But it is my information the American oil companies that own their own tank ships confine those ships to their own service. Independent oil producers do not own their tank ships and must rely on foreign-owned ships for the present at least.

Mr. FLETCHER. They are dependent on the foreign ships.

Mr. OVERMAN. I am told that at Norfolk and other places along the Atlantic Coast they have not freighters sufficient to carry the freight, the cotton, and the tobacco. I would like to know what the situation is. If the order should go into effect at once, they absolutely could not ship at all. Has the Senator investigated that matter?

Mr. FLETCHER. That is just another instance. The same sort of claim comes from Pensacola, where they require vessels for the movement of lumber, particularly to South American ports. They have been relying upon vessels that fly foreign flags, because the Shipping Board vessels are all "long-legged" fellows and draw too much water for the South American ports. That situation applies also to some extent to New Orleans, Mobile, and other ports. In other words, the kind and type of vessels is as important as sufficiency in number. The ports of nearly all South American countries, and largely the Caribbean countries and Central American countries, are comparatively shallow. It is difficult to operate Shipping Board vessels especially in that trade.

Mr. President, I ask that the statement which I have, entitled "Export and Import Rates" and reciting what has occurred with reference to section 28 and quoting the section itself, may be printed in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

EXPORT AND IMPORT RATES

The theory or underlying principle of export rates is that such rates are the same as domestic rates, except (1) when it is necessary to make lower on classes or commodities as a factor in meeting foreign competition; (2) as a factor in equalizing rates through competing ports; (3) to enable manufacturers of similar articles in widely separated groups to compete with each other on a fairly related basis.

The theory or underlying principle of import rates is to some extent different from that of export rates in that domestic competition, as contrasted with foreign competition, is not the controlling factor to the same extent as in export rates; therefore import rates are usually the same as domestic rates, except (1) when made less to meet port competition and (2) to establish a fair relationship between rates from the ports and rates on like commodities from domestic producing points, distance considered.

SECTION 28, MERCHANT MARINE ACT, 1920

This section reads as follows:

"SEC. 28. That no common carrier shall charge, collect, or receive for transportation subject to the interstate commerce act of persons or property, under any joint rate, fare, or charge, or under any export, import, or other proportional rate, fare, or charge which is based in whole or in part on the fact that the persons or property affected thereby is to be transported to, or has been transported from, any port in a possession or dependency of the United States, or in a foreign country, by a carrier by water in foreign commerce, any lower rate, fare, or charge than that charged, collected, or received by it for the transportation of persons, or of a like kind of property, for the same distance, in the same direction, and over the same route, in connection with commerce wholly within the United States, unless the vessel so transporting such persons or property is, or unless it was at the time of such transportation by water, documented under the laws of the United States. Whenever the board is of the opinion, however, that adequate shipping facilities to or from any port in a possession or dependency of the United States or a foreign country are not afforded by vessels so documented, it shall certify this fact to the Interstate Commerce Commission, and the commission may, by order, suspend the operation of the provisions of this section with respect to the rates, fares, and charges for the transportation by rail of persons and property transported from, or to be transported to, such ports for such length of time and under such terms and conditions as it may prescribe in such order, or in any order supplemental thereto. Such suspension of operation of the provisions of this section may be terminated by order of the commission whenever the board is of the opinion that adequate shipping facilities by such vessels to such ports are afforded, and shall so certify to the commission."

If and when this section is enforced, either in whole or in part, it does not require rail carriers to publish export or import rates less than domestic rates, but, in brief, does require that where export and import rates are published less than the full domestic rates that such lower export and import rates will apply as specified only when moved from or to ports of exit or entry in vessels of American registry, and that the full domestic rates will apply on movement in foreign-line vessels, subject to modification by suspension order of the Interstate Commerce Commission.

Where export rates are made less than domestic rates between the same points it represents what may be termed the rail carriers' contribution to foreign-trade development in aid to marketing our surplus products in foreign countries, and apparently the intent of section 28 is to capitalize this aid in behalf of vessels of American registry.

On February 27, 1924, the United States Shipping Board adopted the following resolution:

"Whereas adequate shipping facilities to handle the transportation of all commerce other than grain between ports of the United States and ports of Great Britain and Northern Ireland and the Irish Free State, the ports of continental Europe north of and including Bordeaux and the east coast of Asia, the islands of the Pacific Ocean, Australia, and the East India Islands and the ports of Central and South America are now afforded by vessels documented under the laws of the United States: Be it

"*Resolved*, That the United States Shipping Board certify to the Interstate Commerce Commission that the operations of the provisions of section 28 of the merchant marine act of 1920 should not be further suspended by said Interstate Commerce Commission so far as relates to all commodities except grain transported between ports of the United States and Great Britain and Northern Ireland and the Irish Free State, the ports of continental Europe north of and including Bordeaux and the east coast of Asia, the islands of the Pacific Ocean, Australia, and the East India Islands and the ports of Central and South America: And be it further

"*Resolved*, That the order of the Interstate Commerce Commission made on the 11th day of December, 1920, should be continued in force except as modified pursuant to this certification."

The third supplemental order of the Interstate Commerce Commission, issued March 11, 1924, reads as follows:

"It appearing that section 28 of the merchant marine act, 1920, provides for suspension by the commission of the provisions of that section for such length of time and under such terms and conditions as the commission may by order prescribe upon certification from the United States Shipping Board that adequate shipping facilities in vessels documented under the laws of the United States are not available, and for termination of such suspension by order of the commission upon appropriate certification of the said board;

"It further appearing that by order of June 14, 1920, and supplemental order of July 27, 1920, and second supplemental order of December 11, 1920, the provisions of said section 28 were, upon proper certifications of the United States Shipping Board, suspended until further order of the commission;

"And it further appearing that the United States Shipping Board on February 27, 1924, made further certification to the commission that adequate shipping facilities to handle the transportation of all commodities other than grain between ports of the United States and ports of Great Britain and Northern Ireland and the Irish Free State, the ports of continental Europe north

of and including Bordeaux and the east coast of Asia, the islands of the Pacific Ocean, Australia, and the East India Islands and the ports of Central and South America are now offered by vessels documented under the laws of the United States;

"It is ordered that said suspension order of June 14, 1920, as modified as aforesaid be, and it is hereby, terminated, effective May 20, 1924, as to the transportation of all commodities other than grain between ports of the United States and ports of Great Britain and Northern Ireland and the Irish Free State, the ports of continental Europe north of and including Bordeaux and the east coast of Asia, the islands of the Pacific Ocean, Australia, and the East India Islands and the ports of Central and South America.

"It is further ordered that tariffs published and filed with the commission by common carriers subject to the interstate commerce act as a result of this order shall be so published and filed upon not less than 15 days' notice to the commission and the general public.

"And it is further ordered that, except as herein otherwise provided, the provisions of said order of June 14, 1920, as modified as aforesaid, shall continue in force until further order of the commission."

This order is effective May 20, 1924. It does not apply on grain; it does apply on all other commodities to and from Great Britain (England, Scotland, and Wales), Northern Ireland, Irish Free State, continental Europe north of and including Bordeaux, east coast of Asia, islands of the Pacific Ocean, Australia, East India islands, Central America, and South America.

It does not apply to and from Cuba, Jamaica, and other islands of the West Indies, Mexico, Africa, India, Spain, Portugal, Mediterranean ports, Black Sea ports, and islands of the Atlantic Ocean.

The Interstate Commerce Commission's foreign commerce order, No. 5, of August 7, 1922, in connection with section 441 of the transportation act of 1920 and section 25 of the interstate commerce act, provides for the enforcement on part of the commission of the requirement to specify the stations of railway carriers at which information relative to the handling of export shipments by common carriers by water in foreign commerce shall be maintained, and from which railway carriers shall issue through bills of lading to the point of foreign destination in connection with vessels documented under the laws of the United States.

The handling of export and import commodities in connection with foreign-flag vessels will not be disturbed by the commission's order of March 11, except to and from countries specified therein and restricted thereby to handling in vessels of American registry in order to get the benefit of special export and import rail rates where such rates are less than domestic rates.

Mr. OVERMAN. Has the committee made any report in reference to this matter?

Mr. FLETCHER. No. I understand a bill has been introduced in the House, and I believe reported favorably by the committee, postponing for a year the effective date of the order.

Mr. OVERMAN. That is my understanding. The bill has not yet come over to the Senate, has it?

Mr. FLETCHER. A bill has been introduced in the Senate and referred to the Committee on Commerce, but we have not yet had it up for discussion.

Mr. OVERMAN. I hope the Senator will take it up and consider it, because it is a very important matter.

Mr. FLETCHER. If there is a serious question about our having adequate amount of tonnage under our flag and of the type required, of course it would be advisable not to hurry the enforcement of the section.

As I have said all along, I have felt in favor of section 28. I do not know now whether the situation is entirely such that we ought to advocate any further delay. I have felt that the importers and exporters of the United States have reached the point where they must decide which is more valuable to our foreign commerce, an American merchant marine or the continued use of foreign flag vessels. Section 28 is the most substantial advantage to American shipping that has yet been afforded and does not cost the taxpayers a cent. That is according to the testimony of all the experts on the subject and those who have written and studied it for years and years.

Mr. OVERMAN. I agree with the position the Senator is taking now, but we must not do anything revolutionary to stop our freight and to stop our people from shipping their freight. If the Shipping Board can not do it, the Senator realizes the question ought to be investigated.

Mr. FLETCHER. It will be investigated, I think, and we will decide whether or not we will ask for a postponement of the effective date of the section.

Mr. McKELLAR. When in the opinion of the Senator will it be investigated?

Mr. FLETCHER. There is a bill in the House which has been favorably reported and, I think, is on the calendar. A similar bill has been referred to our Committee on Commerce, which will be considered in due course. I should favor an inquiry being made sufficient to ascertain what is the actual condition. It may be that the certificate of the Shipping Board is premature. I do not know as to that. If it is premature, then they ought either to withdraw it or to admit that it was premature, so that we can determine whether we ought to pass the bill carrying it over further or not.

Mr. McKELLAR. It seems to me the report from such an investigation ought to be had at a very early date so we can act upon it before Congress adjourns by all means.

Mr. FLETCHER. I think so.

Mr. McKELLAR. It is an important matter.

Mr. SHEPPARD. Will the Senator allow me to say that it is my understanding that the Senator from Washington [Mr. JONES] has called on the Shipping Board for a statement of the number of ships available?

Mr. FLETCHER. I have not talked with the chairman of the Committee on Commerce about the matter as yet. In fact, I was merely going to put into the RECORD a statement of the situation and leave it there for the present. I did not know we would get into this colloquy about it. The chairman of the Committee on Commerce is here, however, and can speak for himself.

Mr. SHEPPARD. Will the Senator from Florida permit me to ask the Senator from Washington if he has had an answer to his inquiry?

Mr. JONES of Washington. With reference to the matter submitted by the Senator from Texas?

Mr. SHEPPARD. And with reference to the number of ships in general under the American flag.

Mr. JONES of Washington. No; I have not asked the Shipping Board for a statement as to the ships they might have available generally. I know they have a great many ships, and that is a matter entirely for them to consider. The Shipping Board has entire authority with reference to the suspension of the effective date of section 28. I have urged the Shipping Board to canvass the situation very carefully so that no mistake will be made. If facts have been developed and conditions have arisen that show that they have not ample ships to take care of the service and have service that is to be rendered, I have urged that it would be better to postpone further the effective date of section 28 than to put it into effect under such conditions.

Mr. OVERMAN. Is it true that shippers can ship more cheaply on American ships and that the only reason why they ship in American bottoms is to get cheaper rates?

Mr. JONES of Washington. That is true. There is no provision against shipping in foreign ships. That will continue in effect the same, but they would not get the reduction and the preferential rates.

Mr. FLETCHER. That is the whole question.

Mr. McKELLAR. If that is the question, there is no reason why it should not be put into effect at once.

Mr. FLETCHER. Of course, that ought to be considered too. I have said that section 28, if not made effective shortly, may as well be considered a dead letter along with the remainder of the merchant marine act of 1920. Its enforcement six months hence will be no more practicable or possible than at present. The Shipping Board should withdraw its certificate which it has made to the Interstate Commerce Commission and admit that it was premature, or the section should be enforced within a reasonable time, one or the other. There is no need to dilly-dally about it. Six or eight months from now we will be in no better condition than we are now to have it go into effect.

The amendment that will make its enforcement discretionary with the Interstate Commerce Commission transfers in effect the responsibility of the Shipping Board to the Interstate Commerce Commission. There is a proposal of that sort, and of course I am utterly opposed to it. I want the Shipping Board to turn its attention seriously to sections 16, 17, 18, and 19 of the shipping act of 1916. The interests that should stand solidly behind the enforcement of section 28 should be the American shipowners, American shipbuilders, operators of Shipping Board vessels, ports having a majority of American flag service, and American marine insurance companies. The opposition of foreign flag lines and allied interests reflects the value to American vessels of the enforcement of section 28.

I wish to put in the RECORD now a statement appearing in the American Economist of April 4, 1924, at page 117, discussing the subject entitled "To discourage American shipping."

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article referred to is as follows:

TO DISCOURAGE AMERICAN SHIPPING

For many years it was the custom of our railroads to make lower freight rates on certain export and import products than were charged on domestic freight. Quite some years ago the late Senator Foraker, of Ohio, sought by law to limit such reduced rates only to such goods as were carried in American vessels. But this was before the war, when the number of American ships in foreign trade could be counted on the fingers of one's hand, so to speak, and Senator Foraker found it impracticable to carry out his desire to help American ships in foreign trade.

Senator W. L. JONES, chairman of the Senate Commerce Committee, however, when he framed his great merchant marine act of 1920, had clearly in mind the opportunity this practice of lower railroad rates on exports and imports still held out to give aid to American ships, and so he proposed and provided in section 28 of that famous maritime law that as soon as it was assured that enough American vessels were available lower import and export rail rates should be limited only to such goods as were carried in American vessels. Section 28 provides, therefore, that if the Shipping Board should advise the Interstate Commerce Commission of the inadequacy of American shipping in foreign trade to carry the imports and exports that such a discrimination might divert to American vessels the Interstate Commerce Commission should suspend the section's operation until advised by the Shipping Board of the adequacy of such American shipping. Recently the Shipping Board has certified to the Interstate Commerce Commission that American shipping in foreign trade is now adequate enough to permit of the enforcement of section 28, except as to grain exports, and so the Interstate Commerce Commission has removed the suspension of the section and ordered that it shall go into effect on May 20.

It should be clear that there was nothing that compelled the railroads to reduce their freight rates on imports and exports. Quite without regard to American shipping, these lower rates were made by the railroads, no doubt with the purpose in view of benefiting the railroads by stimulating foreign trade through reduced transportation charges. The limitation of such rates, therefore, only to such imports and exports as are carried in American vessels does not subject the railroads to any loss; rather the contrary, because on imports and exports in foreign vessels rail rates would be advanced to parity with domestic rates.

These actions by the Shipping Board and Interstate Commerce Commission removing the suspension that held in check the enforcement of section 28 is not received with favor in a number of directions. First, it is regarded as injurious to foreign shipping, and it is surprising the number of people in the United States who are deeply concerned in seeing to it that no discriminations whatever are made in favor of American or against foreign ships in our foreign trade. The roots of foreign steamship lines, it is found, are actually tap roots, so deeply do they pierce our soil and so strong and hardy are they.

And so it is that all sorts of objections are being raised to the enforcement of section 28 of the merchant marine act of 1920. It is even hinted that its enforcement is not popular with the members of the Interstate Commerce Commission, and now it has developed that it is decidedly unpopular with the railroads themselves, as is shown in a policy adopted by members of the eastern presidents' conference of railroad executives, held last week in New York, at which it was planned to oppose the enforcement of section 28, because it has been discovered that railroads that extend into Canada or from Canada into the United States may be able to evade the law or divert traffic to Canadian ports that might otherwise come to American.

It was feared that the railroads would resent this interference with their voluntary application of lower freight charges on imports and exports and that no consideration for the welfare of an American merchant marine would cause them to unite to make the law popular and effective. Now, this proves to be the case. If the enforcement of section 28 can be prevented, manifestly foreign ships will benefit, and it is equally manifest that American ships will not benefit.

Nor is it believed that the enforcement of section 28 of the merchant marine act of 1920 is altogether popular with the executive branch of the Government. If a way can be devised to circumvent the enforcement of section 28, unquestionably its enforcement will be circumvented. The executive branch of our Government, led by the State Department, is opposed to any discriminations whatever that would favor American ships and the goods they carry over foreign ships and their cargoes. While the enforcement of section 28 has not been regarded as in any way opposed to any treaty provision, it is now held by Japan that it infringes articles 1 and 6 of the treaty between the United States and Japan of 1911. This is a singular attitude for Japan to take if it be true, as we understand it is, that Japan practices the very same thing in respect to import and export goods carried on Japanese railroads that the Government of Japan now claims when adopted by us to be in violation of her treaty rights. It may work out that our Government will not object to Japan's violation of treaty provisions if they are violated, but it is quite likely that if it can be authoritatively found that a law of the United States would violate Japan's treaty rights, it would not be enforced.

Before the war Germany practiced this same thing. Goods were shipped from the interior of Germany to the interior of the United States, and vice versa, on single through bills of lading at rates lower by rail in both Germany and in the United States than applied to domestic goods in transit, but the Germans saw to it that the benefits of these reduced rates applied only to such imports and exports as were carried in German vessels. No objection was made by our Government to that German discrimination, least of all did our State Department seek to discover that the German policy was in violation of any American treaty rights.

It has recently been proposed to require that at least 50 per cent of our immigrants come to us in American vessels, but at once such a provision is discovered to be in violation of treaty provisions. But for a couple of years Italy has had in force a law that requires all emigrants leaving Italy to depart only in Italian ships. We have never heard that the State Department raised the question of violation of treaty provisions in respect to the Italian law, but it is keen to discover and to oppose any similar action by the United States until our treaties are modified, the State Department, however, being decidedly opposed to any modification of treaties, least of all in a manner to help American shipping.

And so it is that the forces at work, hitherto secretly to a large extent, to discourage American shipping development in foreign trade are being smoked out onto the open. So far so good. But it is sad to find arrayed with such forces any of the executive branches of the Government. It is time, evidently, for congressional action of a very definite and drastic character.

Mr. FLETCHER. I also wish to have inserted in the RECORD a copy of a communication sent to me by Mr. Frederick I. Thompson, chairman of the committee of the United States Shipping Board on Interstate Commerce Commission Conferences, being a letter which he addressed to Hon ELLISON D. SMITH, chairman of the Interstate Commerce Committee, in which he discussed the question. I called on him for his views about the matter, and he sent me a copy of that letter as giving his views.

The PRESIDENT pro tempore. Without objection, permission is granted.

The letter is as follows:

APRIL 1, 1924.

Hon. ELLISON D. SMITH,
Chairman Interstate Commerce Committee,
United States Senate, Washington, D. C.

MY DEAR SENATOR SMITH: Conforming with your request for certain facts and conclusions with respect to the application of section 28, merchant marine act, 1920, as a preliminary, first it should be defined that the enforcement of this preferential portion of our marine laws will not alter the present export rate structure nor disturb the flow of commerce moving under the export rate where there is sufficient service by vessels under the American flag to transport that portion of the export commerce now moving under the export rate in vessels of foreign registry. The application of section 28 merely permits the present export and import rates to apply when the commerce moves in American-flag ships, as contrary to the present policy of permitting these rates to apply upon the movement in either American-flag or foreign-flag ships.

In that connection it is deemed appropriate for clarification to draw your attention to that particular statement embodied in the letter addressed to you by Hon. Henry C. Hall, chairman of the Interstate Commerce Commission, in which opposition to the enforcement of this section of the merchant marine act is reflected. Referring to the inclusion of grain products and the exclusion of grain in the certification, Chairman Hall says:

> "There has always been a close relationship between the rates on grain and on its products. To except grain and not grain products means that while grain may still move to the ports on the export rates, flour and other products will take export rates lower than the domestic basis only when shipments are moved beyond the port in American bottoms. Presumably the effect of this will be to handicap American millers in competition with foreign millers buying American grain, as the latter will be able to take advantage of any low ocean rates to foreign markets

which may be offered by vessels under flags other than the American, while the former will not unless domestic grain rates to the ports be reduced to the export basis."

The adverse effect feared by Chairman Hall, it will be noted from his language, is based upon the presumption that there will be lacking sufficient American flag facilities to transport that portion of the export flour movement now being carried in foreign flag vessels. If sufficient American-flag ships are provided, of course, the present status with respect to the transport of this commodity in no manner will be altered.

That the chairman of the Interstate Commerce Commission should oppose the application of one of the preferential features designed to build an American merchant marine upon presumption that there is absence of American-flag ships particularly is not understandable, when it is noted that no request was made of the United States Shipping Board by Chairman Hall for specific information as to whether or not there is or will be in operation sufficient American-flag ships to provide for the commerce moving under export rates in foreign ships, and when officially before him was the certification of the Shipping Board that adequate American-flag facilities did exist.

Without emphasizing the point too strongly, it would appear as unusual for the chairman of the Interstate Commerce Commission not to have sought this specific information from that other agency of Government having direct jurisdiction over American-flag shipping before voicing opposition to a preferential feature of our marine law and voicing such opposition on what was stated by him as a presumption.

With respect to the question of flour movement, it may be enlightening to advise of facts developed at the hearing held at St. Louis, Mo. A protest on behalf of the Southwestern Millers' League was filed with the committee. The stenographic record evidences that the protestant admitted that the export agent of the Southwestern Millers' League was the export agent of foreign steamship lines, prompting me, as chairman of the committee, to say that the committee, in ascertaining that fact, desired to determine—

"whether or not those who may protest against the application of a preferential feature of our marine laws speak free from selfish or direct financial interest, and that if the protestant, the Southwestern Millers' League, maintains as its agent a man who is the representative of foreign shipping lines and financially concerned in the continuance of such relation, the committee could not construe a protest from them as reflecting an unselfish interest."

For your information it may be well to emphasize that section 28 is interpreted by the United States Shipping Board as a mandatory section of the statute, the only discretionary power lodged in the Shipping Board being that of determination of shipping facilities under the American flag. The Shipping Board held hearings upon this question at Boston and New York on the Atlantic; at New Orleans on the Gulf; at Portland, San Francisco, and Los Angeles on the Pacific; and at Chicago and St. Louis on the Great Lakes and the interior. Keeping particularly in view the fact that in addition to the established services at present in active operation, there were in reserve ample ships to meet any required addition to existing services, the Shipping Board, in possession of opinion that American-flag facilities existed, in propriety, could not nullify a law of the Congress, when upon the commissioners of the Shipping Board was imposed the duty to enforce the law. Clearly, enforcement of the law is not a matter of discretion with those upon whom the duty of enforcement rests.

At the hearings so held opposition to the application of section 28 developed from:

"Railroads having preferential interchange of freight agreements or understanding;

"Ship operators and certain organizations closely identified with the operation of vessels under foreign registry;

"Exporters whose buyers in foreign countries sought to designate the transport of the commodities purchased by them in the ships of their own nation."

The United States Shipping Board also held hearings on agreements between American railroads and foreign shipping companies. With your permission, for specific illustration, I will refer particularly to the agreements between the Chicago, Milwaukee & St. Paul Railroad and the Japanese shipping line, Osaki Shosen Kaisha, and the Great Northern Railroad and the Nippon Yusen Kaisha, another Japanese shipping line. It was developed clearly that these American railroads, through preferential working agreements with these Japanese shipping lines for interchange of freight, became in effect the soliciting agents of the Japanese shipping lines operating in competition with vessels operated by the United States. The terminus of the Chicago, Milwaukee & St. Paul and the Great Northern Railroads is in the Puget Sound area, from which terminus, acting under the mandate of the merchant marine act requiring to be established strategic trade routes, the United States Shipping Board established a service to the Orient, placing in such service five of the *President* type of combined passenger and cargo ships. Quoting from the stenographic record, in reply to a question addressed to Mr. Kenney, vice president in charge of traffic of the Great Northern Railroad, he stated that he did not think "there is anything superior to it"; that the service given by the Government was "comparable to anything on the Pacific." When further asked if the preferential contract with the Japanese shipping line were prompted by a desire to procure a superior steamship connection, Mr. Kenney replied, "No, sir."

With this fact clearly established as to the adequacy of facilities under the American flag, that of 75,188 tons of export commerce originating on the lines of these two railroads, only 4,954 tons were delivered for transport to American-flag ships; yet these two railroads refused to abrogate the agreements with the foreign shipping lines for interchange of freight. The continued existence of these preferential contracts, resulting in diversion of commerce from American-flag ships, has occasioned unnecessary losses to the taxpayers in the operation of American-flag ships from the Puget Sound area, a service established for the economic protection of American consumers and producers as insuring that excessive ocean transportation charges could not be levied on American commerce. The enforcement of section 28 will correct this harmful condition.

Although desiring to avoid expression of individual opinion in this communication to you, I am prompted to refer to the adverse effect the principle of preferential contracts between American railroads and foreign shipping interests would have if accepted as a national policy. The ultimate end would be the control of ocean transportation by the rail carriers in conjunction with ships either of domestic or foreign registry; it would operate against free competition on the ocean; and would be unjust to those ports not located at the ocean terminus of the rail carriers, occasioning congested movement through certain base ports, which the merchant marine act of 1920 clearly seeks to avoid as a matter of national policy.

Except through the actual operation of ships at sea there can be no control of ocean transportation rates. Regulation of rail charges is clearly domestic, and the Interstate Commerce Commission enforces the policies established by the Congress. No such control is possible on the ocean, the only regulatory influence being the operation, under the national flag, of those nations desiring to participate in the regulation of freight charges for the protection of their nationals.

It is believed that the application of section 28 as one of the preferential features of the merchant marine act will augment greatly the tonnage moving in American flag ships; will lessen the losses now entailed in American flag operation by the Government; will tend to stabilize financially the operation of strategic trade routes and be helpful toward the ultimate acquisition by private operators of the ships at present engaged in the overseas trade. At present, exclusive of the Caribbean and West Indies services, there are approximately 20 ships engaged in overseas commerce under private ownership, and in operation in overseas trade by the United States Shipping Board 375 vessels of approximately 2,216,742 gross tons and 3,325,113 deadweight tons. If the operation by the Government under that provision of the merchant marine act requiring the establishment and maintenance of essential trade routes not covered by private American flag operation should be withdrawn it would permit the export and import movement of the United States to be controlled by foreign shipping interests whose nationals, in conjunction with their Government, could name, without interference, the ocean freight charges to be imposed upon both the export and import commerce of the United States.

Aside altogether from the economic protection referred to, the necessity for a merchant marine fleet in active operating condition for the national protection in emergency is the highest essential, and on that point the testimony of naval officers is impellingly enlightening. The operation by the Government of the ships in its possession is but a peace-time utilization of a unit of national defense, carrying with such utilization, however, a very primary purpose of economic protection and benefit to American commerce.

For these reasons the United States Shipping Board could not take cognizance of the recommendations of the American Steamship Owners' Association and the resolutions adopted by the Merchant Marine Congress, which were that the Shipping Board and Emergency Fleet Corporation should retire from the business of operating ships; should scrap immediately vessels inferior in design, equipment, or condition; should offer its remaining vessels for sale to American citizens without any restrictions; and then after the lapse of a reasonable time all vessels, even of proper design, equipment, and condition, which were not sold and were without immediate prospective sale value, should be scrapped also. To have followed the first suggestion would have been an abandonment of the mandate of Congress. To have followed the

second and fourth—to scrap all vessels except those sold and to sell the few it could without any restrictions—would have resulted in unthinkable abandonment of American flag operation on the seas and a return to the postwar condition of leaving the American manufacturer, the American farmer, and the American consumer without voice in the regulation or control of the ocean charges to be levied upon the products exported or consumed by citizens of the United States.

Attached hereto is an exhibit showing the routes at present being maintained by the United States Shipping Board through the agency of the Fleet Corporation to various world markets and base ports. It is believed that these services with the "spot" ships immediately available for entry into service meet the intent of the Congress as to the adequacy of facilities referred to in section 28; and it is to be hoped that the United States Shipping Board, having established these strategic and essential trade routes in order that both the letter and the spirit of the law may be met, will be given opportunity to test the beneficial aspects of a section of the merchant marine act unquestionably designed by the Congress to bring into being a merchant marine representative of the position occupied by the United States among the nations of the world.

Very sincerely yours,

FREDERICK I. THOMPSON,
Chairman Committee of the United States Shipping Board on Interstate Commerce Commission Conferences.

Mr. FLETCHER. I also wish to have printed in the RECORD a clipping giving the views of Mr. Winthrop L. Marvin, who is vice president and general manager of the American Ship Owners' Association. Mr. Marvin is a great student of the subject. He has written a great deal on it and lectured on it and written a book on the subject. He is fairly well posted on the whole history of the struggle to establish an American merchant marine. I discussed the matter with him. I ask to have that inserted in the RECORD, together with a clipping from the Star of April 4, 1924, showing the attitude taken by the Association of Railway Executives, which may have a bearing on it, although it is not very important. I also desire to have inserted in the RECORD an editorial from the Export Trade and Finance of April 12, 1924, page 18, entitled "What is the alternative?" It is not a very long editorial, but it is a very forceful presentation of the matter.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

UNITED STATES VESSELS BOYCOTTED BY FORWARDERS ABROAD, SAYS SHIP ASSOCIATION CHIEF—WINTHROP L. MARVIN CITES INSTANCES OF DISCRIMINATION IN REPLY TO CRITICISM OF APPLICATION OF SECTION 28—ASSOCIATION TO DEFINE POSITION ON ORDER TO-DAY

The executive committee of the American Steamship Owners' Association will consider to-morrow the subject of section 28 of the merchant marine act, 1920, reserving to American ships the carrying of export or import merchandise that receives the benefit of low preferential rates on American railroads.

"The association," says Winthrop L. Marvin, vice president and general manager, "has taken no recent action on section 28, and is open-minded on the subject. When a study is made of this section, granting a certain preference to American ships, it is necessary to consider at the same time the well-established fact that many foreign shippers in our export and import trade have long had exclusive arrangements with foreign shipping companies by which a virtual boycott has been imposed against American vessels. These discriminations have been enforced against the American merchant flag whether borne by privately owned or Government-owned steamers, and they date back to the signing of the armistice in 1918, long prior to the framing and passage of the merchant marine act, 1920.

CITES EGYPTIAN COTTON INCIDENT

"For example, the experience of American ships of the Harriman Line in endeavoring to obtain part cargoes of Egyptian cotton at Alexandria for Boston is readily recalled. Through the then dominant influence of the Liverpool liners' conference in the port of Alexandria not a pound of cotton destined for the mills of New England could be obtained for American ships in spite of persistent efforts until it was signified to this British liners' combination, of which the Cunard and Prince companies were the chief factors, that there might be reprisals on the part of the Government of the United States. Then 50 per cent of our Egyptian cotton imports were grudgingly conceded to the American flag, which was actually entitled to the whole trade as Egypt, now independent, has little or no ocean tonnage of her own.

"In September, 1922, it was reported to the office of the American Shipowners' Association that British consignees of a quantity of copper shipped from Baltimore demanded that this be sent in British ships, 'though the freight rate of American steamers was the same and abundant tonnage was available.' At the same time, a shipper of lumber through Hampton Roads to the United Kingdom declared that he was 'compelled by external interests to favor the British lines.' Chicago shippers of American flour reported 'a boycott of American steamers by orders from the other side'—rates and facilities being the same by American or foreign vessels.

FAVORED BRITISH LINES

"Manufacturers of steel nuts and bolts through Philadelphia to the United Kingdom reported that 'foreign houses insisted on controlling the routing of their shipments through a Liverpool representative who favored British lines.' A simultaneous report stated that 'Michigan lumber manufacturers declared that the same discriminatory methods were being applied to their exports of maple flooring.' Importers of grain to ports of the United Kingdom instructed their buyers in the United States 'to accept no other boat than a British steamer. There have been cases where the American boat has quoted a lower rate than the British, but the grain must go by British bottoms.' American exporters who furnished this information declared that 'there seems to be a high-handed foreign propaganda to drive American shipping out of foreign trade.'

"These foreign discriminations against American ships are still continuing. Secretary Hoover, in 'Commerce Reports' of October 22, 1923, quoted this significant instance: 'A British firm placing an order with an American company says: "We shall be glad if you will make a special note always to forward our goods in the future by the Cunard or other British lines sailing between New York and England."'

14 FIRMS BARRED UNITED STATES SHIPS

"A subsequent canvass of the manufacturers and exporters of one of the chief British commercial districts brought out a statement from 14 of 16 firms that they would not ship to the United States in American vessels under any circumstances—some of them proclaimed that they would hold their goods a month for a British ship, if necessary.

"In large part as a result of this organized and determined boycott of the American merchant flag, our American ship proportion, in value, of the carriage of American imports has shrunk from 40.59 per cent in April, 1920, to 31.72 per cent in January, 1924, and our American ship proportion, in value, of exports has fallen from 47.70 per cent in April, 1920, to 38.65 per cent in January, 1924.

"Nor is the United Kingdom the only country which enforces against us the equivalent and more than the equivalent of section 28—for that section applies to only a special list of commodities. In June, 1922, American exporters of grain complained to the United States Shipping Board of 'the discrimination shown by the Scandinavian and especially the Swedish grain trade against American vessels'—Swedish houses insisting on the use of Swedish flag ships, 'even at a higher cost of freight.' The same discriminations were enforced by Swedish merchants in the matter of our exports of flour. In July, 1922, an American firm at Baltimore offered 600 tons of heavy grain to Norwegian buyers at a freight rate of 17 cents per 100 pounds. The cable reply insisted that the grain be carried by Norwegian steamers, although the Norwegian freight rate was 20 cents a hundred pounds. Subsequently this same American house offered other grain cargoes to Norwegian houses, 'and in each instance except one the replies received stated plainly "American steamers excluded."'

"An American steamship company, with privately owned tonnage, offered space for malt to Rotterdam and Amsterdam at 25 cents per 100 pounds. Holland merchants cabled a reply that the malt must be sent by Holland ships at a rate of 30 cents per 100 pounds, 'no matter what the rate by the American lines.'

"This reply, like the others in each case, is in the hands of American merchants. It is announced in the press that the Government of Holland has sent a protest to our Government against section 28. That is to say, the Dutch, while insisting in cases like the above that American goods must be exported only in Dutch ships, are fighting against any policy by our own Government that might countervail their own exclusive discriminatory practices.

"Let it be borne in mind that every one of our trans-Atlantic American cargo steamship services above referred to is being operated by experienced and capable men, and that in general even the London insurance companies offer as favorable rates to American ships and their cargoes as to foreign ships and their cargoes.

"It will be borne in mind also that these foreign discriminations above described apply to the American flag, whether borne by steamers of the Shipping Board or of the old established American private companies. The fight is against the Stars and Stripes on the ocean."

[From the Washington Star, April 4, 1924]

Section 28 of the merchant marine act, providing for through export and import rates to shippers patronizing American-flag vessels, in reality "does not effect any reduction in any rate," the Association of Railway Executives declared in a statement late yesterday. It merely imposes upon the railroad companies, the statement said, the obligation to apply the domestic rates on export and import traffic unless shipped in vessels of American registry.

The association declared traffic executives of lines serving eastern territory had carefully considered the application of the section and that in substance it requires that domestic rates and regulations affecting them shall be "applied on all export and import traffic excepting grain, unless it is exported or imported in ships of American registry."

PORTS TO WHICH RATES APPLY

The ports to which the rates will apply were said to embrace substantially all except African, Mediterranean, Spanish, Portuguese, southern Asian, and West Indian. The section does not apply, under the interpretation, to traffic originating in the United States for export to Canada or through a Canadian port, nor domestic traffic moving through Canada for exportation through an American port.

"Vice versa," the statement continued, "section 28 does not apply to traffic from the foreign ports covered by the order moving through Canadian ports to points in the United States, nor to traffic moving through an American port to a point in Canada or passing through Canada to a point of destination in the United States, nor to traffic originating in Canada and moving to a point of destination in the United States.

TRANSSHIPMENT PROVISION

"Certain transshipment rates on coal, coke, etc., which are lower than track-delivery rates on the same commodities to the port of transshipment are not included within the operation of section 28, because such rates are not based upon contemplated exportation, but, on the contrary, are based primarily on the incident of coastwise transportation to other points in the United States.

"It will of course be necessary for the carriers to police the application of export and import rates so that they may be applied only in connection with ships of American registry. Where the shipper gives reasonable assurance that the property will be exported in a vessel of American registry the export rate will in the first instance be applied. If the shipper changes the through route to provide for forwarding in a vessel of foreign registry, correction will be made to the basis of the domestic rate and the additional charges will be collected."

[From Export Trade and Finance, April 12, 1924]

WHAT'S THE ALTERNATIVE

As was to be expected, the contemplated enforcement of section 28 of the merchant marine act by the Shipping Board has raised a storm of protest among shippers throughout the country.

On all sides we hear the complaint that after May 20, when the preferential rail rates go into effect, there will not be adequate American flag services to care for all the tonnage offered, and that, as a result, operation of the law will work a direct hardship on American exporters.

That there will not be as great a frequency of choice of sailings for inland shippers to take advantage of is an obvious and undoubted truth. But in voicing their complaints it seems that many of the shippers and commercial organizations are confusing two issues. The first, and perhaps most important, is: Do we want an American merchant marine? It would seem from many of the letters, resolutions, and editorials we have read that the answer to this question is not unanimously in the affirmative. "Why should not the Shipping Board make money * * * or, lacking such success, go entirely out of business?" asked one prominent New York daily recently. Of course, for those who take the position that an American merchant marine is an uneconomic encumbrance it naturally follows that the enforcement of section 28 is an unjustifiable hardship.

But what would be the result if the merchant marine act were repealed and the American flag disappeared from the sea? Out of the pockets of the American citizen, both producer and consumer, would begin a steady drain. Rate increases on the part of the remaining foreign lines would inevitably go into effect. This is only one aspect. The need of a merchant marine as a means of defense is another. The desirability of conducting our foreign trade through channels of our own nationality is still a third. Shippers should appreciate the fact that the United States now has a merchant marine and realize that we plan to keep it in operation.

Realizing that fact, why not accept the inevitable and cooperate with the Shipping Board in making the operation of these ships profitable so that they can eventually be turned over to private ownership? Certainly some sort of direct or indirect aid is necessary. Possibly the enforcement of section 28 is not an altogether satisfactory solution of our shipping problems. Undoubtedly there will be difficulties to be overcome and necessary exceptions to be made which can only come to light after the section is put in operation.

But, as exporters and shippers, let us realize that the purpose of section 28 is to strengthen the merchant marine, and if we believe in the ultimate necessity of the American flag flying on privately owned American ships, let us at least give the Shipping Board a fair trial.

If we do not believe in the need of an American merchant marine, let us frankly say so. But the critic who with one hand waves the flag in his enthusiasm for American ocean-borne commerce and with the other pens his rabid objection to the most logical present means by which American shipping can be supported holds an untenable position.

Congress has very definitely refused a direct subsidy. Some support is necessary. Section 28 is on the statute books, a law of the country. Suppose the Shipping Board continued to refrain from enforcing its provisions, what is the alternative? Continued Government operation at an annual loss to the taxpayers of from thirty to fifty million dollars and, lacking congressional appropriations for new construction, the ultimate disappearance of the American flag from the ports of the world.

SHIPMENT OF PRODUCTS FROM FLORIDA

Mr. FLETCHER. Mr. President, a short time ago I received a letter from R. A. Brand, vice president of the Atlantic Coast Line Railroad Co., referring especially to the situation regarding the shipment and marketing of Florida cabbage, and the results. It is quite a cry from a discussion of the revenue bill and millionaires to a more homely subject like cabbage, but it is really a very important industry in Florida.

We shall produce this year some 37,000,000 tons of cabbage. Florida has become the vegetable garden of the Nation, especially for winter vegetables, and produces largely celery, lettuce, beans, strawberries, cabbage, potatoes, and other vegetables, and gets them to market before they can be had from any other portion of the country. There is some competition from a few countries of similar soil and climate in respect to cabbage, and considerable competition has developed from Holland. The statement says that:

Cabbages are not doing well the past two weeks—

This was written April 4—

On account of a lot of imported cabbage reaching the eastern cities prices have dropped from $2 per hamper to $1.25. We farmers should make an effort to keep these foreign cabbages from reaching the United States.

That is a quotation from a letter written to Mr. Brand by a grower. I have had some letters from growers and producers in various parts of the State. So the question seems to be whether or not the Holland cabbage shall be allowed to take the market away from the producers in the United States. Texas also is largely interested in this matter. Texas produces more cabbage than Florida, but Florida is next in the production of cabbage.

I took the matter up with the Tariff Commission. Of course I looked up the tariff law and ascertained what the duty was on cabbage. Under the last act the duty is 25 per cent ad valorem. I asked them to make rather a full investigation as to the causes of cabbage grown in the United States being practically unsalable and without demand in the chief markets of our own country. I have here a communication from the Tariff Commission, which is dated May 2, accompanied by a memorandum and a table giving the situation and showing that there is some misapprehension about the extent and the significance of the foreign competition. I ask to have inserted in the RECORD the communication and memorandum, with all of the accompanying figures, because they go into the whole subject and will be of very great interest to the producers of cabbage throughout the country.

The PRESIDENT pro tempore. In the absence of objection, it will be so ordered.

The matter referred to is as follows:

UNITED STATES TARIFF COMMISSION,
Washington, May 2, 1924.

Hon. D. U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR FLETCHER: In accordance with your recent telephone request, I take pleasure in submitting herewith a memorandum on the effect of imports of cabbage from Holland on the price of Florida cabbage in the New York market.

The memorandum gives statistics of imports and of domestic production and also a comparison of prices of Holland and of Florida cabbage.

On page 8 of the memorandum will be found a comparison of Holland and Florida cabbage in respect to quality. I presume that Florida has an agricultural experiment station, and would suggest that it might lead to good results for the Florida cabbage growers if the State agricultural bureau would undertake experiments looking toward an improvement in the quality of the Florida cabbage, particularly in relation to its keeping qualities.

May I suggest also that the process of marketing might be studied to see if a glutting of the New York market can be prevented, and shipments made in quantities that would more nearly correspond to the daily or weekly demand, thus resulting in better and more stable prices.

Sincerely yours,

THOMAS O. MARVIN.

[Memorandum from the United States Tariff Commission]

CABBAGE APRIL 23, 1924.

RATES OF DUTY

Act of 1909: 2 cents each, or an equivalent average ad valorem for the period, 1910 to 1913, inclusive, of 38.8 per cent.

Act of 1913: 15 per cent ad valorem.

Act of 1922: 25 per cent—under the basket provision for all other vegetables in their natural state, not especially provided for.

THE EFFECT OF IMPORTS OF CABBAGE ON THE MARKETING OF EARLY CABBAGE

PRODUCTION

Two main types of cabbage are grown in the United States—

1. Cabbage for kraut manufacture.
2. Cabbage for table use.

It is only in cabbage for table use that there is any foreign competition. Therefore, it is to this branch of the industry that the following discussion is confined.

In the United States the production of cabbage for table use is classified as follows:

1. Early cabbage.
2. Intermediate cabbage.
3. Late cabbage.

Florida and Texas produce the bulk of our early cabbage. As the growing season progresses the intermediate cabbage comes on the market from Virginia, Maryland, Delaware, and New Jersey. For late, or fall cabbage, New York and Wisconsin are the most important States. The following table gives the production, yield, and farm value of cabbage in the United States for a series of years:

Commercial acreage, yield per acre, production, price, and farm value, of cabbage, 1920-1923

State	Acreage				Yield per acre (tons)				Production (tons)				Prices (per ton)				Farm value (000 omitted)			
	1920	1921	1922	1923	1920	1921	1922	1923	1920	1921	1922	1923	1920	1921	1922	1923	1920	1921	1922	1923
Alabama	1,080	1,600	2,200	2,200	7.8	8.0	8.5	7.5	8,400	12,800	18,700	16,500	$39.00	$27.76	$22.20	$49.76	$328	$355	$415	$821
California	7,800	7,320	7,320	5,300	7.1	7.0	6.0	7.0	55,800	51,200	43,900	37,100	18.47	13.84	26.33	42.62	1,031	709	1,156	1,581
Colorado	4,300	4,000	5,240	5,270	15.1	11.7	12.0	11.0	65,300	46,800	62,900	58,000	9.04	24.55	4.27	7.40	590	1,149	269	429
Florida	9,280	5,370	11,280	2,070	6.8	6.0	7.0	8.0	63,100	32,200	79,000	16,600	42.40	25.60	21.96	46.57	2,675	824	1,735	773
Georgia	120	250	520	220	7.8	7.0	5.0	5.5	900	1,800	2,600	1,200	37.33	35.50	25.28	35.87	34	64	66	43
Illinois	2,080	1,620	1,880	1,400	8.1	5.0	8.0	5.0	16,800	8,100	15,000	7,000	18.15	26.64	6.39	16.92	305	216	96	118
Indiana	1,300	1,000	1,660	1,300	9.8	6.0	7.0	10.0	12,700	6,500	11,600	13,000	25.75	32.89	10.21	13.61	327	214	118	177
Iowa	1,080	600	1,840	1,200	8.0	5.0	8.0	5.5	8,600	3,000	14,700	6,600	34.00	37.19	9.36	16.69	292	112	138	110
Kentucky	350	350	300	300	6.6	6.0	6.0	5.0	2,300	2,100	1,800	1,500	25.00	21.99	21.00	60.00	58	46	38	90
Louisiana	1,600	1,380	1,670	1,640	8.2	6.4	6.0	4.5	13,100	10,100	10,000	7,400	40.29	13.42	20.00	55.90	527	136	200	414
Maryland	2,180	2,060	2,750	2,600	5.8	4.8	5.0	6.0	12,600	9,900	13,800	12,000	18.03	24.70	14.67	32.71	227	245	202	393
Michigan	2,870	1,990	3,570	3,290	10.7	6.5	11.0	9.8	30,700	12,900	39,300	32,200	14.78	22.73	5.65	9.33	454	293	222	300
Minnesota	3,200	2,740	3,840	3,260	8.9	5.0	9.0	7.5	28,500	13,700	34,600	24,400	21.19	22.53	5.75	12.12	604	308	199	296
Mississippi	1,850	1,420	4,640	4,240	8.4	6.0	5.0	3.5	15,500	8,500	23,200	14,800	34.29	39.47	20.00	48.60	530	335	464	719
Missouri	720	700	700	800	8.0	8.1	7.0	6.0	5,800	5,700	4,900	4,800	43.57	44.79	30.00	28.12	253	255	147	135
New Jersey	4,530	4,220	4,500	4,100	8.1	6.5	8.0	5.5	36,600	27,400	36,000	22,600	21.27	18.65	21.80	39.75	778	511	785	898
New Mexico	200	130	400	300	6.0	8.0	9.0	7.0	1,200	1,000	3,600	2,100	26.00	28.00	22.57	50.22	31	28	81	105
New York	26,600	22,900	22,680	11.6	6.5	9.0	7.5	308,600	148,800	224,100	170,100	8.49	25.24	6.44	16.53	2,620	3,756	1,443	2,812
North Carolina	310	450	350	440	7.5	6.5	8.0	7.5	2,300	2,900	2,100	3,300	60.00	30.00	34.40	30.00	138	87	72	99
Ohio	3,190	2,360	2,870	3,220	9.1	5.7	8.2	8.5	29,000	13,500	23,500	27,400	17.76	25.64	15.14	15.22	515	346	356	417
Oregon	820	780	900	900	7.7	9.5	7.0	5.0	6,300	7,400	6,300	4,500	20.00	30.00	25.00	35.18	126	222	158	158
Pennsylvania	2,900	2,720	2,800	2,750	10.3	6.0	7.0	5.0	29,900	16,300	19,600	13,800	12.00	31.55	15.22	23.84	350	514	298	329
South Carolina	1,900	3,970	4,100	3,450	7.4	9.7	7.5	11.5	14,700	38,500	30,800	39,700	53.52	24.00	23.47	57.93	787	924	723	2,300
Tennessee	720	720	1,500	1,200	4.0	6.1	7.0	7.0	2,900	4,400	10,500	8,400	37.40	32.00	19.60	26.97	108	141	206	218
Texas	16,250	11,210	14,880	4,070	4.8	4.0	5.0	5.0	78,000	44,800	74,400	20,400	29.70	7.21	9.12	31.99	2,317	323	723	653
Virginia	5,420	6,700	7,660	6,370	8.9	7.8	8.5	6.4	48,200	52,300	65,100	40,800	44.37	38.66	17.59	27.66	2,139	2,022	1,145	1,129
Washington	1,030	920	950	890	10.2	8.0	9.0	8.0	10,500	7,400	8,600	7,100	22.40	44.27	24.07	58.27	235	326	207	414
Wisconsin	15,300	10,660	16,560	13,340	10.0	6.0	11.0	9.5	153,000	64,000	182,200	126,700	8.51	23.61	4.97	9.88	1,302	1,511	906	1,252
Total	119,210	100,430	131,780	98,200	8.9	6.5	8.1	7.5	1,062,300	654,000	1,062,800	740,000	18.54	24.43	11.83	23.22	19,690	15,974	12,566	17,183

Florida early cabbage is marketed between December 15 and March 31, and Texas cabbage from December 1 to June 15. Estimated production of early cabbage for the season of 1923–24, is 85,800 tons, compared with only 38,800 tons in the preceding season, or an increase of over 200 per cent. Southern growers vary the acreage from year to year according to the price return of the previous season.

TABLE 2.—*Early cabbage production*

State	Acreage			Yield per acre			Production		
	1922	1923	1924	1922	1923	Indicated, 1924	1922	1923	Forecast, 1924
	Acres	*Acres*	*Acres*	*Tons*	*Tons*	*Tons*	*Tons*	*Tons*	*Tons*
Florida	11,280	2,070	4,780	7.0	8.0	7.6	79,000	16,600	36,200
Texas	14,880	4,440	9,700	5.0	5.0	5.1	74,400	22,200	49,500
Total	26,180	6,510	14,480	5.9	6.0	5.9	153,400	38,800	85,800

IMPORTS

Imports have been relatively unimportant. Most of the imports come from Holland. Small quantities are also received from Canada and other countries. Holland shipped 3,328 tons from November, 1922, to May, 1923, inclusive. From October, 1923, to February, 1924, inclusive, imports from Holland were 770 tons, compared with a domestic production of early cabbage of 85,800 tons. So small an import trade can scarcely exert a material influence upon prices.

In fact, there is a somewhat distinct demand for Dutch and Florida cabbage, and the record of prices indicates that the market for each of these two products is, in some degree at least, independent of the other.

TABLE 3.—*Imports for consumption of cabbage*

	Rates of duty	Quantities	Values	Duties collected	Value per unit of quantity	Actual and computed ad valorem rate
		Number	*Dollars*	*Dollars*		
Fiscal year:						
1910	3 cents each; 12 cents each	235,259	9,201	4,718		
1911	do	11,166	583	233	0.048	41.90
1912	do	7,400	562	148	.076	26.33
1913	do	4,250	238	85	.056	35.64
1914	do; 15 per cent		22,861	3,430		
1915	do		1,476	221		15.00
1916	do		68	10		15.00
1917	do		61,256	9,188		15.00
1918	do		9,643	1,446		15.00
Calendar year:						
1918	do		4,483	672		15.00
1919	do		12,832	1,925		15.00
1920	do		99,808	14,971		15.00
1921	do		30,152	4,522		15.00
1922	do; 25 per cent		10,902	1,737		
1923	do		84,850	21,212		25.00

TABLE 4.—*Imports for consumption of cabbage, October, 1922, to February, 1924*

	From Holland[1]		Total imports	
	Quantity	Value	Quantity	Value
1922	*Tons*	*Dollars*	*Tons*	*Dollars*
October			50.2	694
November	0.8	14	1.2	22
December			4.8	398
1923				
January	318.0	5,425	357.0	7,200
February	334.5	6,813	421.9	7,836
March	1,885.3	35,611	2,377.8	46,011
April	692.3	17,517	736.1	18,087
May	97.0	2,888	97.1	2,916
June			1.3	143
August			0.1	4
September			13.3	143
October	43.4	1,052	43.5	1,056
November	65.8	1,425	66.0	1,444
December			0.2	8
1924				
January	285.2	5,968	286.4	6,177
February	375.7	11,533	378.6	11,631
Grand total	4,098.5	88,246	4,341.5	103,677
Total, October, 1922, to May, 1923	3,328.4	68,298		
Total, October, 1923, to February, 1924	770.1	19,978		

[1] Imports from Holland consist largely of red cabbage.

MARKET RECEIPTS AND PRICES

The increase in shipments of early cabbage for the present season is plainly shown in the following table.

TABLE 5.—*Weekly summary of car-lot shipments of cabbage (new crop)*

[Source: Crops and Markets, United States Department of Agriculture]

Period	Florida cars	Texas cars	Total this season to date	Total last season for a comparable period
Dec. 23-29, 1923	27	24	112	67
Dec. 30, 1923-Jan. 5, 1924	74	52	238	129
Jan. 6-12, 1924	80	58	376	200
Jan. 13-19, 1924	182	64	622	295
Jan. 20-26, 1924	228	48	898	380
Jan. 27-Feb. 2, 1924	261	66	1,227	495
Feb. 3-9, 1924	238	192	1,657	649
Feb. 10-16, 1924	202	177	2,036	792
Feb. 17-23, 1924	245	232	2,513	904
Feb. 24-Mar. 1, 1924	226	390	3,123	1,184
Mar. 2-8, 1924	236	481	3,948	1,456
Mar. 9-15, 1924	234	442	4,644	1,645
Mar. 16-22, 1924	225	467	5,336	1,834

The total arrivals in New York City of all types of cabbage from January 1 to March 31, 1924, was 1,365 cars. For the same period in 1923 the arrivals were only 1,068 cars. On March 31, 1924, the jobbing price range for Florida cabbage in 1½-bushel hampers (which hold approximately 50 pounds) was $1.50 to $2. The corresponding price in 1923 was about the same—$1.75 to $2.

TABLE 6.—*Comparable prices of early Florida and Holland cabbage in New York City*[1]

Date	Florida cabbage				Holland cabbage[2]			
	Per 50-pound basket		Per ton		Per 100-pound hamper		Per ton	
	High	Low	High	Low	High	Low	High	Low
Dec. 10, 1923	$2.00	$1.75	$80.00	$70.00	$2.00	$1.75	$40.00	$35.00
Dec. 17, 1923	1.75	1.00	70.00	40.00	2.00	1.50	40.00	30.00
Dec. 24, 1923	1.25	1.00	50.00	40.00	2.00	1.25	40.00	25.00
Dec. 31, 1923	1.50	1.25	60.00	50.00	3.00	2.50	60.00	50.00
Jan. 7, 1924	1.75	1.00	70.00	40.00	3.00	2.50	60.00	50.00
Jan. 14, 1924	1.75	1.25	70.00	50.00	2.50	2.25	50.00	45.00
Jan. 21, 1924	2.00	1.50	80.00	60.00				
Jan. 28, 1924	1.75	1.25	70.00	50.00				
Feb. 4, 1924	2.25	2.00	90.00	80.00	4.50	4.00	90.00	80.00
Feb. 11, 1924	2.00	1.50	80.00	60.00	4.50	4.00	90.00	80.00
Feb. 18, 1924	2.00	1.75	80.00	70.00	4.50	4.00	90.00	80.00
Feb. 25, 1924	2.25	2.00	90.00	80.00	5.00	4.50	100.00	90.00
Mar. 3, 1924	3.00	2.62	120.00	105.00	4.50	4.00	90.00	80.00
Mar. 10, 1924	2.50	2.25	100.00	90.00	4.50	4.00	90.00	80.00
Mar. 17, 1924	2.00	1.75	80.00	70.00	4.00	3.75	80.00	75.00
Mar. 24, 1924	2.50	1.75	100.00	70.00	4.00	3.75	80.00	75.00
Mar. 31, 1924	2.00	1.75	80.00	70.00	5.00	4.50	100.00	90.00
Apr. 7, 1924	2.50	2.25	100.00	90.00	5.00	4.50	100.00	90.00

[1] Prices from producers Daily Price Current.
[2] Prices are for red Holland cabbage.

Florida's first shipment to the New York market for the season 1923–24 was on December 10, 1923, when the price range was from $1.75 to $2. From December 10, 1923, to April 9, 1924, the top daily price of the domestic cabbage per basket of approximately 50 pounds fluctuated from $1.50 to $3.25. The average was approximately $2. The daily low price varied from $0.75 to $2.87, with an average low price between $1.50 to $1.75. During this period of wide price fluctuations for Florida cabbage the imported Holland cabbage sold at a relatively stable price. In December, 1923, the top price for a basket (100 pounds) of imported cabbage was $2. In January, 1924, the price rose to $3. During the latter part of January, 1924, there were no importations and no competition between the Florida and Dutch early cabbage. Nevertheless, the price of the Florida cabbage for the best grades was $2, shading off at the end of the month to $1.75 per basket of 50 pounds. With the beginning of February fresh arrivals of Holland cabbage sold at a top price of $4.50 per hundred pounds. Toward the end of the month the price of Dutch cabbage moved to $5 and in March receded to $4.50, but was followed by another rise in April to $5. The low daily price was about 50 cents per hundred pounds lower than the top price. It is, therefore, apparent that the receipts and prices of Dutch cabbage exert no appreciable influence upon the Florida product.

This difference in prices grows out of the fact that Florida cabbage is distinctly different from the Dutch or fall cabbage. The Florida cabbage is a rather small pointed head of spongy texture. It is relatively high in moisture, with inferior keeping qualities. On the other hand, the Danish type or late cabbage raised in the North is a large firm head, which may be stored for comparatively long periods without much loss. Our imports of cabbage from Holland are of the Danish type and come here particularly during the period when our supply of domestic late cabbage is becoming exhausted. Thus the Florida cabbage and Holland cabbage differ considerably from the point of view of the housewife. Although the two are used for similar purposes, the Florida cabbage must be used up immediately, whereas the Holland cabbage may be used over a fairly long period without a considerable loss through spoilage.

The factors which govern the price return of the early Florida cabbage may be listed as follows:

1. The condition of the cabbage upon arrival at the New York market.
2. The quantity offered on the market daily.
3. The quantity of the Danish type cabbage available.

As shown previously there has been a decided increase in the production of early cabbages in the present season. This, of course, has been accompanied by increased shipments, not only to New York, but to other consuming centers of the United States. However, there has been a decided decrease in the imports of cabbage from Holland. Furthermore, these imports, because of their small quantity, could have had little if any effect upon prices of the Florida cabbage, although they may have had some effect upon our northern or Danish type of cabbage. According to the market men in New York City, the price of cabbage depends largely not only upon the quantity

arriving daily, but also upon the quality, many of the shipments coming in are in part deteriorated and do not bring top prices. This is clearly shown by a study of the high and low daily prices which show fluctuations of as much as $1 between the high and low prices for a basket of 50 pounds of Florida white cabbage. Furthermore, a glut of the market, caused by the arrival of an excessive number of cars, will force the price down. Thus a study of the price changes of the Florida cabbages in the New York market shows at times violent fluctuations from day to day.

It is noteworthy that during the present season the prices obtained by the jobbers for the Florida cabbages are comparable to the prices obtained during the season of 1922–23, although the Danish type cabbages have sold at a considerably lower figure. Furthermore, the sale of cabbages in New York City is conducted differently than that of citrus fruits and similar products. Although some cars are auctioned off at times, usually the goods upon arrival are consigned to commission men who dispose of them to best advantage. Thus the marketing problem is somewhat different than that in the case of fruits or onions, which are auctioned off daily in a centralized market.

Respectfully submitted.

HARRY L. LOWRIE,
Special Expert.

Approved:

L. B. ZAHOLSON,
Chief of Division.

THE MERCHANT MARINE

Mr. McKELLAR. Mr. President, I rose to suggest the absence of a quorum, but——

Mr. SMOOT. I do not think there is any necessity to suggest the absence of a quorum, for I was going to move that the Senate adjourn.

Mr. McKELLAR. If the Senator is going to move to adjourn, I shall not make the suggestion. I understood, however, there are some Senators who wished to be present this afternoon who are not now here.

Mr. SMOOT. Those Senators have not shown any disposition up to this moment to be present.

Mr. McKELLAR. I understood that the Senator from Pennsylvania [Mr. REED] and the Senator from Georgia [Mr. HARRIS] probably had some statements to make to the Senate.

Mr. SMOOT. I did not know that.

Mr. McKELLAR. But if they have not and if the Senator from Utah is going to move that the Senate adjourn anyway, I shall not make the point.

Mr. SMOOT obtained the floor.

Mr. JONES of Washington. Mr. President——

Mr. SMOOT. I yield to the Senator from Washington.

Mr. JONES of Washington. Mr. President, I desire to make a brief statement in relation to the same matter to which the Senator from Florida [Mr. FLETCHER] has referred; that is, with reference to section 28 of the merchant marine act of 1920. I have had a great many inquiries in regard to the situation and a great many requests for a hearing by the Committee on Commerce of the Senate. A bill was introduced in the other House extending the time for the taking effect of the section. Extensive hearings have been held before the committee of that body. The committee has presented a report, and I felt that it was unnecessary for the Senate committee to meet and duplicate those hearings, which have been printed and are available for our consideration. If the House shall act upon the bill, I want to say that when it comes to the Senate the Committee on Commerce will take up the matter very promptly and decide upon what we think is the wise thing to do.

As I said awhile ago, the Shipping Board was invested with the power and authority to put section 28 into effect. The committee felt that the administrative agency that has charge of shipping would be better able to determine when that section should go into effect than would any other agency. I feel that the Shipping Board ought to be able to take care of the situation. If the situation is not as they thought it was when they issued the order, if a showing has been made disclosing different conditions to exist from what they thought existed when they issued the order, they have the authority to withdraw that order, as I have said. I myself have urged the Shipping Board to canvass the situation very carefully and if, perchance, a mistake has been made that they should withdraw the order.

Like the Senator from Florida, I have been in favor of section 28. I believe that it is about all that is left that will enable us to give direct aid to the development of an American merchant marine. No one can tell what its effect will be until it is tried. Of course, those who oppose it, those whose interests would be adversely affected by its operation will try to keep it from going into effect, and I have not any doubt that those interests have been influencing and attempting to influence the various commercial organizations and commercial bodies and shippers throughout the country to resist the going into effect of that section. That is natural; it is a business way to proceed from their personal standpoint.

I want to see section 28 put into operation some of these days, so that it may be determined whether or not it will benefit the American merchant marine. I believe, too, that the people of this country and the interests of the country ought to be willing to endure a little inconvenience and possibly, at first, a little loss and a little disarrangement of business or transportation facilities in order to give it a trial, so that if it does what its sponsors believe it will do, they will have an American merchant marine to carry a large part of their products.

Briefly, section 28 merely provides that where under the law reduced rates are permitted over the American railroads for the transportation of goods imported into this country or of goods exported out of this country—and under the law as it is now they can be carried in any ship, whether American or foreign, and receive the preferential rates—such preferential rates can not be given when the section is put into effect except on imports or exports carried in American ships.

It can not be contended, of course, that there are American shipping lines from every port in this country to every other port in the world; there will never be a time when that condition exists. Neither is it true that there are foreign ships running from every port in this country to every port in the world. We can not expect to have American ships take advantage of the benefits of this act until the act is put into effect; but if this provision shall do what many of us hope it will do, then, when it shall be put into effect, the ports that have no American ships will probably get American ships, because American ships will know that if they go into the export and import trade they will get this preferential rate. It will be an inducement for American shipping to go into this business, but it offers no inducement to them to go into the business so long as its application may be put off from day to day or from month to month or from year to year.

For a long time American railroads were tied up by ironclad contracts with foreign shipping lines under which our railroads bound themselves to ship only over such foreign shipping lines. They bound themselves to furnish to them free docking facilities and, in many cases, wharfage facilities; they bound themselves to give many other different sorts of advantage that would aid the foreign shipping lines. I do not blame the railroads for doing that at that time, because we had no American ships; we had none built that were available; but I have not any doubt that many of these contracts are still in force. It is a very natural thing, it is a binding thing, and where these contracts are in force our own railroads are working to the detriment of American ships. I have not any doubt that in some cases our own railroads are behind much of the agitation against putting section 28 into effect. I have some confidential advices from persons, whom I know to be very reliable, who have attended the meetings of some of the commercial bodies of this country which have protested against the putting into effect of section 28, and they tell me that the representatives of foreign shipping lines and foreign railroads were present at such meetings and active and energetic in directing and influencing the proceedings.

There is not any doubt but that they have had very great effect and very great influence in working up this propaganda, which is indeed and in truth propaganda. There has come in from every section and port throughout the country telegram after telegram urging that this section be not put into effect, and then we see activities in foreign countries. I saw that over in Japan a few days ago they were protesting against this section going into effect, and even threatening to go so far as to invoke some treaty stipulations of some sort or character.

I can not believe that there are any treaty provisions that would be violated by putting this section into effect; but I want to say that so far as I am concerned one of the strongest arguments in favor of section 28 is the activity of foreign interests to prevent its going into effect.

Mr. OVERMAN. Mr. President, I desire to say that the responses of the Senator from Washington to the questions I asked have enlightened me very much, and I stand with him on this proposition.

Mr. JONES of Washington. I shall not take any more time, except that I have a few things here that I should like to put in the RECORD. I have had them here, intending to put them in, for some time, but the opportune moment did not arrive.

I see the Senator from Utah [Mr. SMOOT] looking at the large amount of matter I have before me, but I am not going to put all of it into the RECORD. It would be very interesting to do so, but I am going to put in just a little.

I have here some letters from the treasurer of the Moore & McCormack Co., of New York, managers of the Commercial Steamship Lines, which I ask may go into the RECORD. I also have here a letter from the Interstate Commerce Commission stating briefly the character of the products that have this preferential rate, and also the rates in a general form—of course not in full detail. It probably will be surprising to Senators to know how few of the articles of the country going into the export and import trade have this preferential rate. There is not such a great multitude of them.

Mr. FLETCHER. Mr. President, I think it likely that that is covered in one of the first statements I put in the RECORD; but this comes officially from the Interstate Commerce Commission?

Mr. JONES of Washington. Yes; this comes officially from the Interstate Commerce Commission.

Mr. FLETCHER. There is no doubt, as the Senator has said, that propaganda is back of this whole thing.

Mr. JONES of Washington. I ask unanimous consent that these letters may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, that order will be made.

The letters are as follows:

MOORE & MCCORMACK CO., INC.,
New York, N. Y., April 11, 1924.

Hon. WESLEY JONES,
Chairman Commerce Committee,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The recent action of the American Steamship Owners' Association, of which I am a member, was taken by the executive committee and to which action I most vigorously protested. I contend that the proposed Newton bill in effect would nullify section 28 in that it proposed discretion taken from the United States Shipping Board and vested in the Interstate Commerce Commission, which was notoriously known as hostile to section 28. I would therefore like you to know that all the members of the American Steamship Owners' Association are not in accord with the action of the executive committee.

I contend that the American Steamship Owners' Association is not concerned as to whether or not this will invite retaliation. I contend further we are not the guardians of the railroads, who apparently are very well able to take care of themselves and further seem to be very ably guarded by the Interstate Commerce Commission.

I have passed a letter to Mr. Bansman, representing the Flour Mill Association of the United States, a copy of which I am inclosing for your information.

With kind personal regards, I am,

Yours very truly,

E. J. MCCORMACK, *Treasurer.*

APRIL 11, 1924.

Mr. R. F. BAUSMAN,
Manager Messrs. Washburn Crosby Co.,
11 Battery Place, New York, N. Y.

DEAR MR. BAUSMAN: I have the honor of acknowledging your letter of April 8 and note with a great deal of interest your forecast as to the effect of the application of section 28. I will reply in sequence to the various questions you raise.

1. In practical application I perceive no difference between "adequacy of tonnage" and "adequate shipping facilities." Both terms are intended to convey adequate service to meet the requirements of our foreign commerce.

2. I hesitate to question the good faith of the United States Shipping Board in their certification to the Interstate Commerce Commission that steamers of the proper type and character for the efficient handling of our foreign commerce obtains, or to prejudge that in the event of insufficient service obtaining, they will not correct the situation to meet the requirements of our commerce. I think that until such time as the United States Shipping Board fails to meet its obligations, it is ill-advised to question the sincerity of this governmental agency.

3. At the present time, the American services to various United Kingdom ports may not be on a parity with some of the foreign services. Section 28, however, was enacted into law for the specific purpose of enabling the American services to obtain a greater portion of this traffic, and the section itself is preferential and intended to bring about a situation whereby a major portion of our foreign commerce will be attracted to American vessels. The certification of the Shipping Board that adequate services obtain can not be construed as their obligation under section 28 to furnish a steamer for every barrel of flour destined to every remote hamlet or inlet in foreign countries. I know of no instance where foreign services obtain on this uneconomic basis. It is quite possible that some inconvenience does obtain by reason of shipments being discharged at Tilbury docks, some 21 miles from London, and that possibly some inconvenience may result to the shippers. But, as aforestated, section 28 was intended to develop, and facilities will obtain in the course of such development, commensurate with the support that the shippers give our Government. Certainly Mr. Woolworth did not build the Woolworth Building when he first opened his first 5-and-10-cent store. It is quite evident that you are not familiar with all the American services now in existence to United Kingdom ports. Our records indicate that you have been solicited repeatedly for cargo for Manchester without results. As to Hamburg from Philadelphia, New York, and Baltimore, I respectfully ask you to seek a little more information as to American services to German ports.

4. There is an inference in the reading of this paragraph that foreign lines have maintained, and are maintaining, adequate services to all 70 ports of Scandinavia and the Baltic. I am certain that your vast experience over so many years in the export business is sufficient to warrant more accurate information in this respect. For your information the only regular foreign service to Norway is to the port of Christiania; as cargo offers an infrequent service obtains to some of the west coast ports of Norway. There is another frequent service to Gothenburg, Sweden. It is, however, necessary to transship cargo from Gothenburg to all other ports in Sweden. To Copenhagen a regular service obtains, but cargo for Danish provincial ports is accepted conditional on transshipment at Copenhagen. To Finland there is only one direct service, which is a Shipping Board service, and to other Finnish ports we follow the same procedure as the foreign lines do in the transshipment to Finnish ports. Our other American services to the major ports of the Scandinavian and Baltic countries are as frequent and take in more direct ports than any of the foreign lines.

It would be very enlightening to ascertain the amount of foreign tonnage engaged in this traffic prior to and since the war, and compare it with the number of American vessels which have been added by the United States Shipping Board.

5. I am glad to know the flour exporters fully appreciate the value of the American merchant marine. If I may be pardoned for saying so, I think that their judgment as to the value of section 28 in the development of an American merchant marine is highly prospective and not based on any operative experience or knowledge of the operative features of an American steamer as compared with a foreign steamer. The development of the American merchant marine has been and is a problem which has taxed the minds of some of the most astute shipping men of the country. It has attracted the intelligent thought and study of the various shipping authorities of the world and up to the present no definite solution or accomplishment is in evidence. Therefore, with apologies to you for the thought you may have given this matter, I hesitate to accept your judgment or the judgment of the flour exporters which necessarily must be selfish as to whether or not section 28 is beneficial. I note your particular reference to Canadian flour in bond through the United States. The remedy to overcome what might appear to be a discrimination is to confine yourselves to the shipment in American ships and not in nullifying legislation intended to benefit American ships.

Your whole protest seems to be predicated on a prejudgment as to the adequacy of services. When the time arrives that the Shipping Board and owners of American tonnage have not fulfilled the implied requirement of establishing and maintaining reasonable services to conform with the act of 1920, you may be sure that you will have my heartiest cooperation in correcting any situation which operates to the detriment of the flour exporters or any other exporters.

Concluding, may I say that I am extremely pleased to have your comprehensive letter dealing with this situation because of the interest evidenced by the letter in the general problem with which we are all confronted? I am sure you will appreciate that we have a large investment in American steamers. The necessity of our existing and protecting our investment is as essential to us as is the sale of your abroad to you. You are the shippers. We operate the ship. Our interests are mutual and therefore require cooperation. This mutuality is emphasized by reason of our living under the same flag.

Yours faithfully,

By ——— ———, *Treasurer.*

MOORE & MCCORMICK CO. (INC.),
New York, N. Y., April 24, 1924.

Hon. WESLEY L. JONES,
Chairman of the Commerce Committee,
United States Senate, Washington, D. C.

SECTION 28

MY DEAR SENATOR: Thanks very much for your kindly letter of April 19. You may be sure that I have no objection to your incorporating my letter to the flour exporters in the RECORD. The position of the flour exporters as to preferentials is particularly unique. The very principle of an export rate to tidewater is a preferential rate to exporters to enable them to compete successfully with foreign competitors on their products. They have jealously guarded this preference, as applied to themselves, but protest most vigorously if it is contemplated that another American industry shall enjoy preference intended to overcome economic differentials as between American and foreign standards. In my opinion, their position is untenable and inconsistent. Now that an opportunity is given to make this preference in rail rates a weapon in favor of the hard-pressed American shipowner, the flour shippers protest vehemently because they fear some slight inconvenience to themselves in the application of the law.

Others protesting against this section have taken the position that it will invite port discrimination. From a practical standpoint I fail to follow their reasoning on this. The freight-rate structure, applying to all ports, has been developed after a comprehensive study both by the railroads and the Interstate Commerce Commission, and differentials presently exist and have been developed as a result of considering a wide scope of factors entering into each situation. I may mention some of them:

Volume of commodity originating on a trunk line.

Desire of the particular trunk line to attract that commodity to a port where it has the largest investment in terminal facilities and equipment.

Desire of the railroad to obtain the major portion of the rail haul.

Economy of handling freight at the various ports.

Limits of navigation and seasonal restrictions.

Docks and harbor facilities.

Prospect of the railroad obtaining a substantial back haul.

Steamship services and operation, and more particularly the rates, are developed by taking into consideration a number of the above factors. Steamship services have been developed as a result of the steamer following the largest volume of traffic, on the principle that volume is conducive to economy. Therefore there will always be the suggestion of port discrimination as between the larger ports having the greater number of rail arteries to and from and the smaller ports having the lesser number of rail connections. The question resolves itself down to "port jealousy versus economics." Section 28 will not change this situation.

An interesting protest was made by an attorney by the name of Defore, representing American companies engaged in the Caribbean Sea and transporting their products in foreign bottoms. These companies enjoy revenue on a basis of the American standards, and all their profits accrue from this direction, but they hesitate to make disbursements based on the same standards.

There are ports in the Caribbean Sea of very shallow draft which have not been exempted by the Shipping Board, for which service American vessels of the type necessary do not obtain, and which business is presently carried by time-chartered foreign ships, which would preclude the operators from changing the flags. In an instance of this kind, where the tonnage of a character necessary to accommodate this commerce is not available, either in the possessions of the Shipping Board or private owners, I am sure that the Shipping Board will recognize this situation and lift the ban as applying to these ports.

I have no patience, however, with operators who are operating tonnage under a foreign flag which they own and control and can readily transfer to the American flag.

I am certain that section 28 will not have the effect of eliminating any important foreign services from United States ports, for the reason that foreign buyers will continue to dictate carriage of their purchases in vessels of their own nationality, in which case they will be called upon to pay a premium for their patriotism. The American seller can always be guided by the desires of the buyer as to how far the latter cares to go from an economic standpoint with his patriotism. It is only a matter of the seller indicating two rates, one routing by an American vessel and the other by a foreign vessel, which method is not altogether new to the seller, inasmuch as there always obtained a differential as between fast and slow freight.

Knowing foreign services, as I do, I am confident that the real effect of this legislation will be to force foreign lines to absorb the amount of this differential, thus having the effect in the final analysis of placing the shipper on a parity of rates on either foreign or American vessels. The shipper will not be affected at all, but the American shipowner can more nearly meet the competition of lower foreign operating costs.

Some propaganda has been aroused by the discussion of this legislation against the Shipping Board. I am opposed to the abolishment of the Shipping Board for the reason that it is the first time in the history of the American Government that an American merchant marine has been recognized by the Congress as a necessity and has reflected such recognition in the creation of a governmental agency for such development.

If the Shipping Board functions badly, the remedy is not its abolishment or the abolishment of such beneficial legislation intended to help the American merchant marine; the remedy is changing the personnel of the Shipping Board. It may be that many changes will have to be effected before this governmental agency functions to the satisfaction of the country; but eventually this governmental agency should become just as efficient as the Interstate Commerce Commission, which, as you know, at its inception was fought strenuously by the railroads, who forecast their ruination by reason of its creation. The Shipping Board was called upon to function during a period of chaos and emergency and is still in the atmosphere of a post-war situation. That it has made many mistakes is conceded; that it will make a great many more mistakes is not beyond the range of possibility; but the remedy is not its abolishment or the abolishment of the Jones Act of 1920.

The Interstate Commerce Commission has become the bulwark of the railroads and at the same time it is the greatest safeguard and protector of the small shipper. I am sure that by the operation of the same economic laws the Shipping Board when finally it is evolved into as thorough and competent an organization as the Interstate Commerce Commission will prove to be quite as important in our commercial régime as the older body and will afford shippers in foreign trade the same degree of protection as is now afforded domestic shippers by the railroads.

Unfortunately there are very few Americans engaged in American steamship business, and, naturally, they have not the facility of broadcasting their views, but we are indeed fortunate in having a few men like yourself who have the interest of the country at heart and are not influenced by selfish propaganda.

Thanking you again for your very kindly letter, I am,

Yours faithfully,

E. J. MCCORMACK.

M. & J. TRACY, INC.,
New York, April 25, 1924.

Senator WESLEY L. JONES,
Washington, D. C.

MY DEAR SENATOR: For your information, I am inclosing copy of a letter sent to the President in reference to section 28 of the merchant marine act.

Kindly be advised that, outside of the International Mercantile Marine and the Shipping Board, I do not know of any American ships, plying between here and Europe, that will be effected by section 28, as there are very few steamship operators who can afford, under the present conditions, to operate their ships between here and Europe. Therefore, the opposition to this section was not opposed by anyone but the Shipping Board representatives.

As far as section 28 is concerned, I do not believe that over 20 per cent of the tonnage exported from this port is exported on "through bill of lading" and "low export rate" of the railroads. Fully 80 per cent of the tonnage is moved on the domestic rate out of this port for European points, so that this enormous tonnage would not be effected by section 28.

I am in the hope that at least section 28 will be given a trial, and I do not hesitate to say that there will be scarcely a ripple in the export trade after a six months trial of this section.

Thanking you for your interest in the merchant marine, I remain

Very truly yours,

CHARLES L. O'CONNOR.

NEW YORK CITY, *April 25, 1924.*

To the PRESIDENT,
White House, Washington, D. C.

MY DEAR MR. PRESIDENT: Referring to the enforcement of section 28 of the merchant marine act approved June 5, 1920:

Evidently there is a difference of opinion as to how this section will work out, but anyone who will state that section 28 will not benefit the American merchant marine is stating something that is not so.

Why not let the section go into effect; and if there are not ample facilities furnished by the American merchant marine, then, according to the act, there is provision that "the commission, by order, may suspend the operation of the same."

What is simpler? And why all the protests that the section will prove a menace to the American export trade when it can be suspended by order of the board through the commission at any time a protest is made?

The flour-milling interests are the chief objectors, voicing a vigorous protest against the section. Why? Do they expect an American ship to compete against the world in foreign trade without any protection?

Why is the milling industry one of the most highly protected industries in the United States, receiving protection through the tariff to the extent of 78 cents per 100 pounds of flour, meanwhile paying $1 per bushel to the farmer for wheat and charging $6 to $7 per barrel for flour, and then requesting that the American merchant marine compete against the world without the protection which they demand for themselves but deny to the American ship?

Suppose the entire export milling industry was lost to the United States, would it affect the farmers? Very little, because the farmers could export their wheat just the same.

The export of flour for the year 1923 was about 15,000 tons per month, and when the United States Shipping Board certified that they had ample facilities to take care of the export trade, they certainly could find cargo space for only 15,000 tons of flour per month.

May I ask a few questions from the following departments of our great Government—

Executive department: Section 34 of the merchant marine or Jones Act is identical with section 102 of the La Follette Act. The La Follette Act is enforced, section 34 of the Jones Act is not enforced. Why?

State Department: The general commercial treaty between the United States and Germany signed and indorsed by this department practically signed away the power of America to protect the merchant marine. Why?

Tariff Commission: Certifying to the executive department that the Philippine Islands could not be included within the coastwise laws because it would violate certain treaty rights. What treaty rights?

Interstate Commerce Commission: We also find one of the interstate commerce commissioners criticizing and condemning section 28, but he has nothing to say about the violations of the railroads issuing through bills of lading from inland points to foreign destinations in connection with foreign flag steamers in direct violation of section 25 of the interstate commerce act as added February 28, 1920.

Congress intended that the privilege of issuing through bills of lading by the railroad applied to American vessels only and so specified it in section 25 of the act. Why has this board refused to carry out the laws of Congress?

I now make the statement that nothing can be done for the American merchant marine until the executive branch of the Government, the State Department, the Tariff Commission, and the Interstate Commerce Commission cease working to destroy the right arm of the Navy by nullifying the laws of the United States, both by delay and nonenforcement and by signing away the rights of America to protect one of the oldest industries established in this country and the only industry that by law compels the employer to protect and feed its workers according to the American standard of living. And then these bodies deny to the industry that gives him a living wage and American conditions of living the protection that should be given to an American industry that is compelled to compete against the world.

Why not give to the American ship the right to live in competition against the world by allowing the first constructive legislation that has been passed by Congress for over a century of go into effect—the greatest piece of marine legislation ever enacted by the United States, fostered by that great American, Senator W. L. JONES of Washington? Why condemn it without a trial?

Allow the American ships to be free to hire labor in the cheapest market (the same as foreign ships) and we will take our chances of competing with them, but if you desire to protect the American boy who wants to work the sea then prescribe for him any law or condition you wish him to work under, but remember at the same time to prescribe and formulate the laws under which the ship that gives him his employment can and will compete against the ships that do not have to live up to the laws of this land. The Jones Act, if enforced in full, gives to the American ship the measure of justice that is due her by the Congress of the United States, and now that it is a law, why delay the enforcement?

Respectfully yours, CHARLES L. O'CONNOR.

INTERSTATE COMMERCE COMMISSION,
Washington, April 22, 1924.

Hon. W. L. JONES,
Chairman Committee on Commerce,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I take up for reply your two letters of April 15, previously acknowledged, in which you ask for information with respect to rate differentials maintained by our railroads between export or import traffic on the one hand and domestic traffic on the other.

Many export and import rates, particularly the former, are maintained between points in the interior of the United States and various ports which are lower than the domestic rates between the same points. These differentials between foreign and domestic traffic are not uniform and vary widely as between commodities, ports, and localities. To make a complete compilation of export and import rates, together with the domestic rates from and to the same points, in order to ascertain the existing differentials, would be a colossal task and require much time and expense. The situation is illustrated to some extent by the attached statement. This shows a number of export rates on various commodities, the domestic rates from and to the same points, and the differentials. You will note that the differentials in cents per 100 pounds range from 1 cent to $2.15. You will further note that the differentials at the various ports on the same commodities from the same point of origin differ widely. For example, on automobiles (passenger) from Detroit the differential at New York is 30½ cents, at Boston 47½ cents, at New Orleans 97 cents, at Charleston $1.26, and at San Francisco $2.15.

In further explanation of the situation it should be said that except on grain, grain products, automobiles, iron and steel articles, agricultural implements, and a few other commodities, there are few export or import rates which are made lower than the domestic rates primarily to encourage exportation or importation. The general basis for most existing export or import rates is the system of port equalization established by the rail carriers under which traffic generally moves to or from the port having the lowest domestic rate at that or an equivalent rate, but to or from other ports export or import rates are maintained lower than the domestic rates with a view to equalizing, at least in part, the flow of traffic through the various ports. Otherwise the major portion of the traffic to or from given points would tend to flow through the port having the lowest domestic rate, thereby adding to transportation difficulties and making it less possible for shippers to obtain the benefit of the most favorable ocean rates and service at any given time.

As an illustration, your attention is called to the rates on soap from Cincinnati shown on the attached statement. The domestic rate to New York is 49 cents and export traffic moves on that rate. To Boston the domestic rate is 52 cents, but the export rate is 49 cents in order to permit the traffic to move through Boston on an equality with New York. To San Francisco and Seattle the domestic rate and export rate are, respectively, $1.50 and $1.15. The latter rate is not the same as to New York but is made considerably lower than the domestic rate in order to encourage movement to the Orient through Pacific ports. As ocean rates from Pacific ports to the Orient are in most cases lower than from North Atlantic ports the combination of rail and ocean rates through Pacific ports is thus made attractive even though the rail rates from point of origin are higher than to the Atlantic ports.

The inquiry in your second letter relative to "the approximate amount of this preferential under what the amounts received by the railroads would be under normal rates" is not entirely clear. If it is intended to inquire the average differential between export or import rates on the one hand and domestic rates on the other, the data on the attached statement will indicate that owing to the great diversity of rates and the great divergence between the differentials no estimate of the average differential would be sufficiently accurate to be of material value. The regular reports of carriers to the commission do not contain data as to movements upon particular rates, and there is no information on file with the commission showing the relative tonnage of, or revenue derived from, export or import traffic as compared with domestic traffic between the same points. Even if such data were available, it would be at best a guess to attempt to approximate the effect upon the carriers' revenues of substituting domestic rates for export or import rates because of the uncertainty as to the effect of such a change upon the tonnage moving. For example, manifestly much less soap would be likely to move from Cincinnati to Seattle on a rate of $1.50 than on the present rate of $1.15.

It is hoped that the information herewith submitted will serve your purpose, but I shall be glad to supply, if I can, such additional data as you may indicate.

Very truly yours, HENRY C. HALL, *Chairman.*

(Inclosure.)

Statement showing export and import rates and the differentials between such rates

[In cents per 100 pounds]

From—	To—	Commodity	Domestic	Export	Differential
Cincinnati, Ohio	Boston	Soap	52	49	3
Do	New York	do	49	49	0
Do	New Orleans	do	80½	46	34½
Do	San Francisco	do	150	115	35
Do	Seattle	do	150	115	35
Do	New York	Machinery	49	49	0
Do	Boston	do	52	49	3
Do	New Orleans	do	80½	47½	33
Do	San Francisco	do	203	115	88
Chicago, Ill	New York	Packing-house products.	56½	56½	0
Do	Boston	do	59½	56½	3
Do	Charleston, S. C	do	81	54	27
Do	New Orleans	do	65	50½	14½
Cleveland, Ohio	New York	Enamel ware	47	47	0
Do	Boston	do	51	47	4
Do	Charleston	do	127	45	82
Do	New Orleans	do	136½	45	91½
Do	San Francisco	do	200	195	5
Detroit, Mich	Boston	Automobiles (passenger).	130	82½	47½
Do	New York	do	122	82½	39½
Do	Charleston	do	242½	116½	126
Do	New Orleans	do	213½	116½	97
Do	San Francisco	do	465	250	215

Statement showing export and import rates and the differentials between such rates—Continued

From—	To—	Commodity	Domestic	Export	Differential
Oklahoma City	Galveston	Cotton	106	106	0
Do	San Francisco	do	154½	135	19½
Do	Seattle	do	184½	135	49½
Chicago, Ill	New York	Agricultural implements	56½	47½	9
Do	Boston	do	59½	47½	12
Do	Charleston	do	81	54	27
Do	New Orleans	do	73	41½	31½
Do	San Francisco	do	193	100	93
Pittsburgh	New York	Structural iron	34	25½	8½
Do	Boston	do	36½	25½	11
Do	San Francisco	do	115	72	43
Chicago	New York	Flour	30½	23½	7
Do	do	Grain	30	22½	7½
Do	do	Grain products	30½	24½	6
Do	do	Glucose	51	40½	10½
Do	Boston	Grain	32	22½	9½
Chicago	do	Grain products	32½	24½	8
Do	do	Flour	32½	23½	9
Do	do	Glucose	53	40½	12½
Do	New Orleans	Grain	45½	30½	15
Do	do	Grain products	45½	32½	13
St. Louis	New York	Sugar-mill machinery	73½	52½	21
Do	Boston	do	76½	52½	24
Lexington, Ky	New York	Unmanufactured tobacco.	66	57½	8½
Do	Boston	do	70	57½	12½
Ashtabula, Ohio	New York	Iron and steel	42	31½	10½
Do	Boston	do	45	31½	13½
Chicago	Pacific coast ports	Canned goods	150	120	30
Do	do	Plate glass	233½	110	123½
Do	do	Pig lead	168	100	68
Do	do	Pianos	358	240	18
Do	do	Starch	166½	110	56½

Mr. JONES of Washington. Mr. President, the documents that I hold in my hand are copies of contracts between American railroads and foreign steamship lines of the character to which I have referred. I am not going to ask to put these in the RECORD at this time, although I think it would be a good thing for us to have them printed, and I may ask that by and by. Many of these contracts have been canceled, however. Two or three years ago the Shipping Board made a very determined effort to have all these contracts canceled, and many of our railroads did cancel their contracts; but I have in my hand a copy of a contract between the Great Northern Railway Co. and the Nippon Yusen Kabushiki Kaisha, of Tokyo, in the Empire of Japan. This contract is dated the 18th day of October, 1921, and I want to read just one or two paragraphs from it.

In the first place, article 4 says:

The N. Y. K.—

That is the Japanese line—

shall have the right to name the ocean rates. The G. N.—

That is the Great Northern—

or its connecting lines shall have the right to name the inland rail rates.

* * * * * * *

ART. 6. The G. N. hereby agrees to act as agent in the United States and Canada for the N. Y. K., except at places where the N. Y. K. provides its own office, agent, and necessary help. * * *

What is the effect of that? It makes every agent of the Great Northern Railway an agent for the Japanese shipping line across the Pacific.

ART. 7. The N. Y. K. shall pay to the G. N. a commission of 2½ per cent of the revenue derived by the N. Y. K. on outward local cargo and passengers secured for the N. Y. K. through the medium of the said agencies of the said G. N.

Now, notice: The G. N. is an American railway company.

ART. 8. The G. N. shall give preference to the N. Y. K. over all other steamer lines in the routing of cargo and passengers outbound, and preference of transportation to the through cargo and passengers which are carried or are to be carried inbound or outbound by N. Y. K. steamers.

Mr. WILLIS. Mr. President, does the Senator know whether the other contracts, copies of which he has before him, are similar to this one in the statement which he has just read?

Mr. JONES of Washington. Very similar; yes.

Mr. WILLIS. I hope the Senator will place at least one of those contracts in the RECORD in full, so that the country may know of the foreign influence that is active here to break down the efforts made to build up an American merchant marine.

Mr. JONES of Washington. I am going to put this contract in the RECORD in full.

ART. 10. If steamers in addition to the steamers of the N. Y. K. shall be required by the G. N. for the transportation of through cargo and passengers carried via said ports, the N. Y. K. shall have the first right to furnish such additional steamers or accommodations.

This contract is to continue in force for 10 years, with provision, of course, for its revocation at an earlier date.

Mr. FLETCHER. What is the date of it?

Mr. JONES of Washington. It is dated the 18th day of October, 1921.

Mr. FLETCHER. I think perhaps that is the same contract that is referred to by Commissioner Thompson.

Mr. JONES of Washington. It may be. I understand, though I do not think I have that contract, that the Chicago, Milwaukee & St. Paul has a similar contract with Japanese lines; and these two roads absolutely refused to cancel those contracts, although very urgently requested and urged to do so by the Shipping Board.

I ask that this contract may be printed in full in the RECORD.

The PRESIDENT pro tempore. Without objection, the contract will be printed in full in the RECORD.

The contract is as follows:

Agreement, made in St. Paul, Minn., in the United States of America, this 18th day of October, 1921, between the Nippon Yusen Kabushiki Kaisha, of Tokyo, in the Empire of Japan, party of the first part, and the Great Northern Railway Co., party of the second part.

Witnesseth:

Whereas the parties hereto heretofore entered into a certain agreement of date the 1st day of November, 1908, said agreement being canceled, except as to unfinished business, by the agreement dated the 1st day of November, 1911, for the purpose of establishing connecting lines for the carrying of through cargo and passengers between points served by the lines of the party of the second part through Seattle, or other equally safe port on the waters of Puget Sound, and the different ports of Japan; China, including Hongkong; Russia, bordering on the Japan Sea; the Philippine group, the Straits Settlements, Dutch East Indies, ports of India, Australia, and the east generally, served by the lines of the party of the first part; and

Whereas it is the desire of the parties to continue their contractual relations for the maintenance of such through traffic, but upon terms and conditions somewhat different from those contained in the contracts as above dated;

Now, therefore, the parties hereto agree as follows:

ARTICLE 1. The party of the first part shall be hereinafter designated the "N. Y. K.," and the party of the second part shall be hereinafter designated the "G. N."

ART. 2. The parties hereto or their authorized agents may respectively issue through bills of lading and passenger tickets to various points as shown in the tariffs of the parties hereto or their connections, as authorized from time to time.

ART. 3. The through rates for the transportation of through cargo and passengers between the different ports referred to herein and the proportions thereof of the respective parties hereto shall be governed by the proper current tariffs or division agreements, subject, so far as possible, only to such changes as may be required by the necessities and exigencies of trade.

ART. 4. The N. Y. K. shall have the right to name the ocean rates.

The G. N. or its connecting lines shall have the right to name the inland rail rates.

The right to name rates hereunder conferred upon the parties hereto, respectively, shall extend only to the usual and ordinary changes in rates and published tariff rules. Any extraordinary change in rates shall be made only after mutual conference, so far as possible.

ART. 5. All contracts for through cargo and passengers, both Japan and American bound, shall be made in United States gold or its equivalent.

ART. 6. The G. N. hereby agrees to act as agent in the United States and Canada for the N. Y. K., except at places where the N. Y. K. provides its own office, agent, and necessary clerical help.

The N. Y. K. shall act as agent for the G. N. in China, Japan, and in the East generally, performing such reasonable duties as are from time to time authorized by the G. N.

Each of the parties, however, hereby reserves the right to appoint and maintain at its own sole cost and expense its own office and agent at any point for the purpose of soliciting and securing freight and passenger traffic.

ART. 7. The N. Y. K. shall pay to the G. N. a commission of 2½ per cent of the revenue derived by the N. Y. K. on outward local cargo and passengers secured for the N. Y. K. through the medium of the said agencies of the G. N.

ART. 8. The G. N. shall give preference to the N. Y. K. over all other steamer lines in the routing of cargo and passengers outbound, and preference of transportation to the through cargo and passengers which are carried or are to be carried inbound or outbound by N. Y. K. steamers.

The N. Y. K. shall give preference to the G. N. over all other rail lines in the routing of cargo and passengers inbound, and preference of transportation to the through cargo and passengers which are carried or are to be carried by the G. N., provided that the G. N. give due notice of at least 30 days to the N. Y. K. offices at Seattle or New York of space required for through cargo upon any boat and obtain confirmation thereof.

However, either of the parties hereto may forward such through cargo via other rail lines or other steamship lines under through bills of lading in case of extreme necessity or when in its judgment failure to so forward cargo will subject it to loss of future business or to claims for damage.

ART. 9. Each party shall use its best endeavors to secure through cargo and passengers hereunder, and such through cargo and passengers shall have reasonable dispatch. Special attention shall be given by the G. N. to the protection of high-class cargo, such as silk and tea.

ART. 10. If steamers in addition to the steamers of the N. Y. K. shall be required by the G. N. for the transportation of through cargo and passengers carried via said ports, the N. Y. K. shall have the first right to furnish such additional steamers or accomodations.

ART. 11. In the exchange of cargo at said Seattle or such other equally safe port on the waters of Puget Sound, delivery of such cargo shall be made alongside the steamers or at the proper place of rest in shed, or otherwise, according to the practice of the operating docks, and liability of the respective parties for such cargo shall terminate with such delivery. On delivery of such cargo by the N. Y. K. to the G. N. and on receipt of such cargo by the N. Y. K. from the G. N. receipts shall be exchanged between the parties which shall fairly indicate the loss or damage, if any, at the time of such receipt or delivery, and the responsibility of the respective parties shall be determined thereby.

ART. 12. The G. N. shall be responsible for any loss or damage to cargo, whether local or through, while the cargo is held in the possession or under the supervision of the G. N.'s docks.

ART. 13. The N. Y. K. shall keep and save the G. N. harmless from any and all damages, loss, or claims arising out of any loss or damage to the cargo transported hereunder at any time prior to the delivery of such cargo by the N. Y. K. to the G. N., or after the same shall be delivered by the G. N. to the N. Y. K.

The G. N. shall keep and save the N. Y. K. harmless from any damages, loss, or claims growing out of any loss or damage to said cargo prior to the delivery thereof by the G. N. to the N. Y. K., or after such cargoes shall have been delivered to the G. N. by the N. Y. K.

ART. 14. The N. Y. K. shall keep and save the G. N. harmless from all loss, damage, or expense growing out of any injury to passengers or to their baggage, caused by its servants or agents, or by any defects in its property, tools, or any facilities provided by it for use in the transaction of its business.

The G. N. shall keep and save the N. Y. K. harmless from all loss, damage, or expense growing out of any injury to passengers or to their baggage, caused by its servants or agents, or by any defect in its property, tools, or any facilities provided by it for use in the transaction of its business.

ART. 15. The delivery of all through American bound cargo transported hereunder shall be effected by the G. N. to be cleared when necessary by the G. N's. agents on the consular or other necessary documents to be furnished by the parties hereto, respectively, and if any expense is necessary in connection with clearance of such through cargo by the United States customs authorities, such expense shall be paid by the G. N.

ART. 16. The G. N. shall, when necessary, execute all proper bonds to the Government of the United States, to secure the right to receive and handle through cargo and passengers in bond.

ART. 17. On receipt of through cargo from the N. Y. K., the G. N. shall promptly pay to the N. Y. K. according to the proper ocean rates the full cargo earnings due the N. Y. K. on shipments on which the freight is collectible at destination, and the N. Y. K. shall promptly pay to the G. N. any amounts which have been collected by the N. Y. K. for prepayment of rail charges to be earned by the G. N. and its connecting lines.

On receipt of through cargo from the G. N., the N. Y. K. shall promptly pay to the G. N., according to the proper legal tariffs, the full cargo earnings due the G. N. and its connecting lines on shipments on which the freight is collectible at destination, and the G. N. shall promptly pay to the N. Y. K. any amounts which have been collected by the G. N. or its connecting lines for prepayment of ocean charges to be earned by the N. Y. K.

ART. 18. All accounting shall be handled between the respective offices of the parties hereto in accordance with procedure agreed upon from time to time between the parties, it being understood that any accounts kept and statements made up by the G. N. are to be kept and made up and settlements made in the money of the country where the respective officers of the G. N. are located.

ART. 19. Any loss of earnings on cargo ultimately arising without any fault on the part of either of the parties hereto, or of their connecting lines, or where the responsibility for loss or damage can not be placed as between the parties, shall be divided in proportion to the respective earnings on the shipments out of which such loss arises.

ART. 20. Any dispute concerning these presents shall be referred to the decision of an arbitrator to be appointed by mutual agreement by the N. Y. K. and the G. N., or if they can not agree upon the appointment of a single arbitrator, to the decision of a board composed of three arbitrators, one of whom shall be appointed by the N. Y. K., one by the G. N., and the third by the two so appointed, before entering upon the hearing of such dispute. Said arbitrators shall make their award in writing, and the award so made by said arbitrators or any two of them, shall be binding and conclusive upon the parties hereto, upon the matters submitted to them for decision.

ART. 21. Pending such arbitration and the decision of the arbitrators, business shall be conducted hereunder, and this agreement shall be carried out in all respects, as it was conducted and carried out prior to the submission of such dispute to arbitration; but after the decision of the arbitrators, such payments or refunds shall be made and such changes in the method of doing business shall be adopted as may be required by such decision.

ART. 22. The agreement heretofore existing between the parties hereto of date 1st day November, 1911, referred to in the recital herein, having expired, is hereby declared to be of no further effect, except that all matters and things done thereunder and yet incomplete shall be completed in accordance with the terms thereof.

ART. 23. This agreement shall take effect on the 1st day of November, 1921, and shall, except as hereinafter provided, continue in force for the period of 10 years thereafter, but either party shall have the privilege of canceling the agreement by giving six months' written notice of its desire to withdraw therefrom, it being understood that this agreement, or any supplement thereto, may, at any time be altered or amended by mutual consent.

In witness whereof, the said parties hereto, the Nippon Yusen Kabushiki Kaisha, and the Great Northern Railway Co. have, through their lawfully appointed representatives, caused their names to be subscribed and their seals affixed, on this 18th day of October, 1921, in St. Paul, Minn., in the United States of America.

NIPPON YUSEN KABUSHIKI KAISHA,
By M. WATANABE, *Attorney in Fact.*
GREAT NORTHERN RAILWAY CO.,
By RALPH BUDD, *President.*

In presence of—
W. P. KENNEY,
P. H. MCCLELLAND.

Mr. JONES of Washington. I shall not at this time ask for the printing of these other contracts; but they are very similar, going in some particulars further than this contract in the way that they agree, as I said awhile ago, to see that free wharfage facilities are furnished, and in some cases they pledge themselves to seek to relieve the shipping companies from local taxation in every way that they possibly can.

RESTRICTION OF IMMIGRATION

Mr. HARRISON. Mr. President, I notice that at least one of the Senate conferees on the immigration bill is on the floor of the Senate, and it has been rumored around on the floor of the Senate that they are going to read a statement to the Senate this afternoon. I observe that the Senator from South Dakota [Mr. STERLING] is present.

Mr. STERLING. Mr. President, did the Senator from Mississippi refer to me?

Mr. HARRISON. I have just stated that I saw some of the conferees on the immigration bill here, and it is rumored that they are going to make a statement this afternoon.

Mr. STERLING. I think it is the expectation of the Senator from Pennsylvania [Mr. REED] to do so. In fact, I thought he had already appeared in the Senate and made the statement. He can be found, I think, in a few moments, and it can be ascertained whether or not he desires to make a statement.

Mr. SMOOT. The Senator from Pennsylvania just sent word to me about adjourning. He does not expect to make any statement.

Mr. HARRISON. I had understood that there was some difference between the conferees and the President, and I was just wondering if they had gotten it ironed out.

Mr. STERLING. That was not the subject of any statement the Senator from Pennsylvania [Mr. REED] expected to make.

Mr. HARRISON. A statement will not be made, then, touching the Japanese question?

Mr. STERLING. No.

PROTECTION OF ALASKAN FISHERIES

Mr. JONES of Washington. Mr. President, I understand that the Senator from Utah [Mr. SMOOT] is about to move an adjournment until Monday. We will have a morning hour, of course, if that is done. I want to state that I should like to take up at some time during the morning hour—I think probably it can be done without very much discussion, probably by unanimous consent—House bill 8143, for the protection of the fisheries of Alaska, and for other purposes. It is a very important measure indeed. The salmon season is coming on very rapidly, and I hope I shall be able to have the bill passed on Monday at some time.

Mr. LODGE. It is a very important bill.

EXECUTIVE SESSION

Mr. SMOOT. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session the doors were reopened, and (at 4 o'clock and 47 minutes p. m.) the Senate adjourned until Monday, May 5, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 3 (legislative day of April 24), 1924

PROMOTION IN THE ARMY

To be major

Second Lieut. Ambrose Irving Moriarty, retired, to be a major on the retired list of the Regular Army, to rank from April 28, 1924, with retired pay as prescribed by law for a major of his length of service retired prior to July 1, 1922.

COAST AND GEODETIC SURVEY

Roger Cushing Rowse, of Missouri, to be aid, with relative rank of ensign in the Navy, by promotion from deck officer, vice R. W. Byrns.

Frederick Gurnee Outcalt, of New Jersey, to be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy, vice W. O. Manchester.

Edwin Jay Brown, of Michigan, to be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy, vice J. A. Bond.

Henry Arnold Karo, of Nebraska, to be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy, vice J. D. Crichton, promoted.

Jack Chester Sammons, of Kentucky, to be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy, vice J. W. Cox, resigned.

George Livingston Anderson, of Virginia, to be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy, vice Benjamin Friedenberg, promoted.

Isidor Rittenburg, of Massachusetts, to be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy, vice L. O. Stewart.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 3 (legislative day of April 24), 1924

SECRETARIES OF EMBASSIES OR LEGATIONS OF THE DIPLOMATIC SERVICE

CLASS 1

John Campbell White.

CLASS 3

Raymond E. Cox.
Percy A. Blair.
Thomas L. Daniels.
Lawrence Dennis.

POSTMASTERS

PENNSYLVANIA

James I. Steel, Shamokin.
Ray J. Crowthers, West Elizabeth.

WEST VIRGINIA

Alphonse Leuthardt, Grafton.

HOUSE OF REPRESENTATIVES

SATURDAY, *May 3, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou, in whose presence our souls take delight and find calm and joy and peace, give us the faith that casts out fear and fortifies the heart. With all eagerness for truth and wisdom, may we approach our duties and bear our responsibilities. Let come into our lives a more charitable, vigorous, and richer religion, flowering into sweeter sentiments and ripening a larger harvest of human brotherhood and cooperation. Bless the Speaker and all Members and officers of this Congress. As men chosen for a great service, help us to stand for truth and right. Always bless us with the assurance that we have as our allies time and eternity, the universe, and God. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CAPE COD CANAL

Mr. SNELL. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Report from the Committee on Rules for the consideration of H. R. 8933, entitled "A bill to provide for the purchase of the Cape Cod Canal property, and for other purposes."

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed joint resolution (S. J. Res. 119) making appropriations for contingent expenses of the United States Senate, fiscal year 1924, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate concurs in the amendments of the House to the bill of the Senate (S. 2902) entitled "An act authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation in Idaho for reservoir purposes in connection with the Minidoka irrigation project."

SENATE JOINT RESOLUTION REFERRED

Under clause 2, Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 119. Joint resolution making appropriations for contingent expenses of the United States Senate, fiscal year 1924; to the Committee on Appropriations.

INLAND WATERWAYS CORPORATION

Mr. SNELL. Mr. Speaker, I present another privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents another privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Report from the Committee on Rules for the consideration of H. R. 8209, a bill entitled "To create the Inland Waterways Corporation, for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes."

EXTENSION OF REMARKS

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent that I may have leave to revise and extend the remarks which I made on yesterday.

The SPEAKER. The gentleman from Alabama asks unanimous consent to revise and extend the remarks he made on yesterday. Is there objection? [After a pause.] The Chair hears none.

BARKLEY-HOWELL BILL

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Barkley bill.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks in the RECORD on the Barkley bill. Is there objection? [After a pause.] The Chair hears none.

Mr. PATTERSON. Mr. Speaker and fellow Members of the House of Representatives, during the past two weeks my mail

has consisted mainly of protests from railroad employees and business men against the passage by Congress of H. R. 7358, introduced by Mr. BARKLEY, of Kentucky. Hundreds of such letters have been received by me, the total reaching almost the same number of epistles received in favor of the plan of tax reduction advocated by Secretary of the Treasury Mellon. But one letter in favor of the passage of the Barkley bill was included in the large volume that poured into my office.

To show the wide interest that the Barkley-Howell bill is creating throughout our great country, I wish to quote the following communication, which is a fair sample of the manner in which this proposed legislation is viewed throughout the land:

DEAR SIR: Attention is respectfully drawn to a bill known as S. 2646, and the Howell-Barkley bill before Congress at the present time, which if enacted into law will deprive a great number of men working in the employ of railroads all over the United States, and particularly on western railroads, of their inalienable right to representation on any board or body presuming to function for them.

It has been pictured to the Senate Committee on Interstate Commerce that the whole country, excepting the railroad management, is supporting the bill. This is anything but the truth, and the obvious purpose of the statement is to befuddle the minds of those not fully informed in the matter so that the measure might be enacted into law for the benefit of the proponents of the act to the exclusion of others to the number of possibly 700,000.

The bill proposes adjustment boards which are made up of an equal number of men, respectively, from the managements of railroads and from the nationally organized crafts. In this connection I would beg to draw your attention to the fact that there are, as far as the crafts mentioned in boards No. 2 and No. 3 are concerned, a greater number of men that are not members of the nationally organized crafts than those that are.

The plan as laid out proposes to place a cost against our Government to the extent of $356,000 for salaries alone, and with the added expense that is made permissible the first cost can easily be increased to a million dollars a year. The fact is that the framers of the bill have appreciated the cost and have made provision in section 8 for drawing on any unappropriated funds in the Treasury to the extent of $500,000 up to the 1st of July, 1924. And this expense to be saddled upon us and the rest of the public without either of us having one iota of representation. This is "taxation without representation" with a vengeance and makes one wonder if it is going to be necessary to reenact the scenes of the Boston tea party.

Inclosed you will find a little paper published by our independent organization, which carries on page 4, under the caption "Presentation by your delegates," our statement made before the subcommittee of the Committee on Interstate Commerce April 7, 1924.

We most respectfully ask that you give said article such consideration as you can, so as to learn our views on the matter, the better to determine whether the proposed bill does not smack of class legislation.

Naturally these hundreds of letters aroused my interest and led me to make a more careful study of this legislation than might have been the case under other circumstances, especially in view of the fact that the Committee on Interstate Commerce had been relieved of any consideration of the measure by reason of the presentation of a petition to the House of Representatives signed by 154 Members, thus precipitating the matter into this body before any of the Members had had time to digest its provisions or gain any idea of its importance. Such methods of legislation bear a close relation to mob rule and should be condemned by everyone who has the interest of the people and his country at heart. The committee of this House of which I have the honor to be a member sat for 42 days to hear the proponents and opponents of an important measure before that body for consideration, and at the end of that lengthy hearing the proposed legislation was rejected by a decisive vote, and, although I was favorably inclined toward the bill and voted to report it to the House, I also had the satisfaction of knowing that the proponents of the legislation had had their day in court and had no cause for complaint.

But in this case there has been no hearing given either side, and all the information that the Members of the House have on the subject is what they have been able to obtain themselves or gleaned from the propaganda sent them by either labor leaders or the representatives of the railroads.

To my mind that is certainly a most crude manner in which to attempt to enact important legislation that is bound to affect many millions of people and cause bitter controversy in place of the peace and contentment now existing under the provisions of the present transportation act. The railroads are just getting upon their feet, and their employees are prosperous and happy. Why, then, should we start another industrial war that possibly would upset all business and lead to endless strife and trouble before we have given a fair trial to the present transportation act? To me it seems the height of folly to countenance such legislation at this time, and the only explanation I can find for this attempt to unstabilize business is the fact that we are on the eve of a presidential election, and such occasions are always seized upon as the opportune moment to force through measures supposed to be in the interest of labor. But the word that I have received from the business men and the people of my district is that they are opposed to the Barkley bill and the methods employed to attempt its forced passage by Congress, and therefore my vote will be recorded against it.

The Barkley bill, from my reading of it, provides for four boards of adjustment, two of 14 members each and two of 6 members each, appointed by the President, half from nominations made by nationally organized crafts and half from nominations made by carriers. This creates 40 annual salaries of $7,000 each, amounting to $280,000; and four secretaries, at $4,000 each, $16,000 more; besides salaries of employees to be employed by the boards at rates they fix—see page 12. Also, a board of mediation and conciliation of five members, at $12,000 per annum each, a total of $60,000; besides the pay of attorneys, assistants, special experts, clerks, and other employees provided for in paragraph 3, page 15, and arbitration boards, further provided for in section 7, the estimated annual expense being about $1,000,000. In these days, when the people are demanding a reduction in taxation and the abolition of the many useless boards and bureaus that now encumber our Government, it would seem to me that we should go rather slow in considering such legislation and adding that expense to an already overburdened public.

One of the objections to the bill is that the 16 nationally organized crafts absolutely control the appointment of one-half of the adjustment boards, while a majority of the railroads' employees are not affiliated with the nationally organized crafts, but are local independent unions, and their members will be at the mercy of the nationally organized crafts.

I am not opposed to union labor. In fact, I am in favor of it unless they go too far and make demands that are unreasonable and unjust, and that is what I claim they do in this instance. I have employed union labor for over 30 years, and have never had a dispute with my employees during that time. In that period their wages have risen from $12 a week to $60, and my firm has paid them several million dollars.

On page 5 of the Barkley bill, section 2, the reference to general duty is taken from title 3 of the transportation act, which act made it the duty of carriers, officers, and so forth, to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between carrier and employee. The Barkley bill makes it the duty of the carrier, officers, and so forth, to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions and to settle all disputes arising out of the application of said agreements in order to avoid any interruption to the operation, and so forth. But paragraph 8, page 34, relieves the employees in case of adverse decision by the arbitrators, because there is nothing to prevent them from quitting their jobs. That seems to be one of the jokers in the Barkley bill, and if the employees do not like the decision of the arbitrators the public can walk, as far as they are concerned. The report is prevalent that the bill has been designed to bring about Government control or ownership, or at least make the nationally organized unions the dictators to the railroads and the public, and you will find that a great majority of the American people are opposed to any such program. They want labor to secure fair treatment and a square deal, but they are not willing to abdicate railroad control into the power of any one class. Personally, it seems to me the bill is un-American, unfair, and not as good for the public as the legislation it seeks to replace.

There should be a clear explanation of the alleged defects in title 3 of the transportation act of 1920 and the act of July 15, 1913, providing for mediation, concillation, and arbitration, so as to justify the repealing of those acts and substituting the provisions of the Barkley bill, with its questioned procedure and enormous expense, and that explanation should be before a committee where everyone in favor of or opposed to the pending bill could be fully heard—the public who are vitally interested, the employees not represented by nationally organized labor unions, the carriers, and the nationally organized labor unions themselves. So much labor and care were expended on the act of 1920 that it seems to me almost criminal to repeal it and substitute something else without an opportunity for interested persons to be fully heard.

SOLDIERS' ADJUSTED COMPENSATION

Mr. FAIRCHILD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the adjusted compensation bill.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on the adjusted compensation bill. Is there objection? [After a pause.] The Chair hears none.

Mr. FAIRCHILD. Mr. Speaker, it is now nearly five and a half years since the close of the European war, when a great victory was won by the valor and the fighting qualities of the American soldier boys. Lest we forget—who is there who can forget? Who is there among the membership of this House who served during the war Congress who can forget those fearful days when by our votes more than 4,000,000 of our young men were separated from homes and loved ones, from jobs and opportunities in life, to fight the battles of our country? And they fought. They fought like heroes. They turned the tide of battle and carried the American flag to a glorious triumph, the fame whereof will live with an increasing luster as long as history continues to be written.

Lest we forget—who is there among us who can forget? During the war days, and since, our work here in Congress has constantly brought home to our knowledge the great sacrifices made by our brave soldier boys; the great sacrifices, the distress and suffering endured by the dependents at home. We have come to know something of the economical and physical handicaps from which these boys and their families have suffered. Time has not lessened our knowledge. It has, rather, increased it with each new distressing case claiming our attention and arousing our sympathies.

We know something of the vast numbers of young men who, due to their Army experiences, have suffered and are still suffering not only from economical handicaps but from physical ills as well. We have been told in one of those phrases coined by the propagandists that everything should be done for the sick and disabled but nothing for the "able-bodied young men better off because of their Army experiences." "Able-bodied young huskies," wrote one correspondent from home, influenced, no doubt unconsciously, by one of the many expressions to which a certain portion of the press has given currency. But we who served in Congress during the war and since have come, with the lapse of time, more and more to know, as distressing incidents have piled upon distressing incidents, how utterly false is that propaganda which seeks to divide the veterans into only two classes—those who are injured to a compensable degree where relief can be obtained from the Veterans' Bureau and those who are able-bodied and better off because of the war experiences.

We know there are large numbers with impaired health, with physical suffering from war experiences, not of a nature permitting compensation through the Veterans' Bureau. No statute can describe with that degree of accuracy essential to proper administration by administrative officers those ills of the many who physically are not as well off as prior to their terrible war experiences. We know when we see and converse with them and ineffectually fight their cases before the Veterans' Bureau that they have lost ground physically, and one's sympathies and sense of fair play can not but be aroused. Mothers, wives, and children, dependents of these soldier boys, have suffered and are suffering, and it is with some thought of these dependents that the adjusted compensation bill has provided a 20-year endowment policy in lieu of cash, the same as did the adjusted compensation bill that passed the last Congress.

Mr. Speaker, we have passed a bill with the purpose that it shall be enacted into law. The recognition, much too long deferred, justly due the veterans is at last in some measure to be accorded them. In its essential feature the bill is the same as passed the last Congress—a 20-year endowment policy in lieu of cash. When the boys returned home in 1919, out of employment, with their meager Army pay discontinued, and dependents unprovided for, then was the time their compensation should have been adjusted and paid in cash. The failure to do so was a grievous wrong and has entailed much suffering, as we all know.

In 1922 we met the objection of the President that without new and additional taxes no money was in the Treasury with which to pay the compensation. It was then that the plan of a 20-year endowment policy was first adopted, embodied in the bill that passed the last Congress. But by 1922 there was another and an appealing reason for the endowment policy plan instead of cash. The veterans had mostly secured some measure of employment, although it was a struggle to make ends meet with the high cost of living and with the accumulated debts for family support accumulated while the boys were at the front or before they secured employment after arrival home. Every thrift argument in favor of life-insurance 20-year policies was equally applicable to these Government endowment policies. The accrued value is made payable to the veterans at the end of 20 years, or in event of death to his beneficiaries. Here is something to take home to wife or mother. Here is something to make the veteran and his family feel that some recognition has at last been given to those whose services and great sacrifices won the war.

The speech I made in the last Congress in favor of the adjusted compensation bill is equally applicable to-day. When letters from opponents of the bill have mirrored the misrepresentations of the press, I have fervently wished that there could have been opportunity to discuss with these correspondents the various features of the proposed legislation. I realized then, and with the renewed attacks from certain of the press during this Congress I have continued to realize, that unfortunately the active business man has little opportunity for independent investigation and is therefore of necessity dependent upon the ex parte statements of the papers he reads.

The gross misrepresentations of the press opposing this legislation have exceeded in mendacity any previous instance within my experience and observation. Recently, in evident anticipation that the bill would become a law, when the truth would be brought home to the people, these papers abandoned their "five-billion raid" cry and indulged in a new falsehood to the effect that the endowment policy plan is a change from the bill in the last Congress, which it is not. There is no cash option in the present bill. There was no cash option in the bill that passed the last Congress.

In that portion of the press opposing this legislation it has been repeatedly suggested that Members of this House are being subjected to threats, coercion, and undue pressure upon the part of those who favor this legislation. I have received letters from good, sincere friends at home, misled by this false propaganda, urging me not to surrender to "the threats of bonus propagandists." Mr. Speaker, upon my solemn oath, up to the present moment I have yet to receive the slightest hint of a threat from those who favor this legislation. I have received from them appeals and arguments upon the merits but not the slightest semblance of attempted pressure or threats. This statement was made by me in the last Congress. It was true then. It is true to-day. All the threats, all the questioning of motives, have come exclusively from opponents of the bill.

It is true that I have received threats. It is true that I have been subjected to attempted coercion. A considerable number of communications have attempted to influence my vote on this measure, with threats of loss of votes for me on election day. But, Mr. Speaker, communications of this nature have been limited exclusively to those who have written in opposition to any adjustment of compensation for the boys who were taken away from opportunities in life and sent to the battle front at $1 and $1.25 per day. From those who have sympathized with these boys, with their lost opportunities, with the lack of employment they have suffered, with the uncertainties of their future, with their impaired health, has come no word of threat, not even a word of protest. Only kindly appeals have come from them. The intolerant demands, coupled with threats, have come from their nonsympathizers.

For the great majority of those who have thus threatened, no one should have other than a kindly thought. It is evident that they have been misled, carried away, by the false notion that the alleged "bludgeon" was being used by the proponents and therefore should be offset. How little they have realized that they themselves were misled into being exclusively guilty. I received an apology from one who, unprompted, has taken a second thought and has been willing to believe the truth that the legislators here in Washington have been conscientiously endeavoring to arrive at a just conclusion uninfluenced by threats or attempted coercion from any source.

To those who have attempted to influence my vote against this adjusted compensation bill, not by argument but by threats of reprisal, let me suggest that ever present before me in my home there has stood for years, in a frame, those inspiring words of the immortal Lincoln:

I am not bound to win, but I am bound to be true. I am not bound to succeed, but I am bound to live up to what light I have.

Mr. Speaker, in the war Congress I voted for the declaration of war, and I voted for the selective service law that took these boys from their jobs, from their opportunities in life, and sent them to the battle front. You will recall, Mr. Speaker, the burden of responsibility felt by all in this House at that time.

and happy. Why, then, should we start another industrial war ! for interested persons to be fully heard.

ends meet with the high cost of living and with the accumu

There was no lack of understanding. We fully realized what it all meant.

We could foresee the great loss of American lives, and if life was spared, the sacrifices required of our young men who would return home disabled not only in health and limb but also in lost opportunities in life's struggle. We could foresee all this. And we could foresee the great burden of indebtedness under which this country must struggle for many years to come. It was no easy task. The thought of the boys who would be torn from their homes brought tears to the eyes of many of us as we voted for war. Those were days burdened with heavy responsibilities, from which there was no escape. I for one am glad to be in this Congress to vote for some measure of recognition and recompense to the disabled boys; to those disabled physically to a compensable degree under the Veterans' Bureau law something additional to what they are now receiving, and something to those disabled in lost positions and lost opportunities in life, and to the many disabled physically but unable to secure compensation through the Veterans' Bureau under the present law or under any law that ingenuity could possibly devise to describe the innumerable cases of weakened constitutions and lost energy.

One good neighbor wrote me in opposition to the proposed legislation. He wrote feelingly of the loss of my only son in the war. In his reference to adjusted compensation legislation, I take the liberty of quoting from his letter:

No one could give more than you gave to the war—your only son. And I am quite sure that if he was living to-day he would feel that money offered to him for the service he did could only place those services on the same plane and the same basis as other things that can be bought with money.

To this suggestion I could only reply that—

I appreciate deeply what you say in regard to my son. You are quite right. I am sure that if my son were living to-day he would not accept the bonus if offered. He would not need it. I am also quite sure that if he were here his lack of need for himself would not prevent him sympathizing with the many who have returned from the war in need and disabled through the loss of position and opportunity. That thought is one of the elements which I feel bound to consider in my efforts to reach a right conclusion.

Mr. Speaker, this reference to my personal bereavement took my mind back to 1917 and to a thought in my mind when in the spring of that year my son graduated at Yale in the class of 1917. I recall how rejoiced I then felt that my boy had finished his college course before the war came to take him away. It was then, Mr. Speaker, my thoughts first turned to the boys who had not been so fortunate, who had to be taken from college before graduation. Most of them, unless greatly blessed in this world's goods, would be too long away to make it possible ever to retrieve the lost ground. Those of the class of 1917 were fortunate. But how about those of the later classes in the colleges of the land, except the wealthy few who could afford to return to college, where time did not count so much in their lives? I speak of those not so well off. No hope for them.

And, Mr. Speaker, what about the young men who were then just starting in a business of their own with thrifty savings all invested in the venture? The selective service law for which we voted permitted no exemption because of loss of business. The business had to be sacrificed in each case when the young man was taken. His accumulation, with his life's ambition, was destroyed overnight to meet the exigencies of war.

And how about the boys taken from jobs that meant more than the then job? In the great corporations where many were employed the job meant a life's opportunity. How about them when they returned to find the places filled by those who had not gone to the war? Is there nothing to be said for these when it is proposed to readjust to some small extent the pittance of a compensation accorded to them under the exigencies of war by our votes when they were taken away?

Accorded to them by our votes! I recall, Mr. Speaker, the debate on the selective service law when the $1 per day was agreed upon. We named $1 per day, and then later $1.25 for overseas duty. We dared not name more because we did not know how long the war would last. If we had then named $2 per day and $2.50 per day for overseas duty, no voice would have been raised in protest, and it would have been little enough. No one would have called it "placing a dollar mark on patriotism." Patriotism impels the young man to do, but patriotism requires of us who could not go that some just consideration be accorded to those who suffered the sacrifice.

Let me quote from one of the speeches of that day—April 28, 1917—when we adopted what legislation termed the "selective service" law and the newspapers designated "conscription":

Back of it all I want to see this Government, great and rich and resourceful as it is, furnish the means to pay the men who go to the front to fight its battles for it at least as much money as men can earn at home who are left out of danger to continue in the vocations that will furnish them prosperity not only for the present but after the war is over, when the soldier boys are out of their jobs.

This sentiment met with applause, but the soldier boys were voted only $1 per day. Now we propose to readjust this compensation with $1 per day additional and $1.25 per day additional for overseas service. There is no element of gift, no element of gratuity, in performing this act of justice.

I for one can not understand how any Member of this House who then voted to conscript these boys, at $1 per day, under the exigencies of war, can now fail to readjust the compensation on the basis of $1 per day additional. These boys by their valor shortened the war. If the armistice had been delayed one month, the additional cost to our Government would have been far greater than the total involved in this readjusted compensation. Every other country associated with us in the war has since the close of the war granted additional compensation to the returned soldiers. Is this country of ours, the richest country of them all, to be the only country to refuse readjustment of a pitiable small pay to the soldiers who have sacrificed so much to gain the victory for our flag?

And what will be the total cost of this readjusted compensation? One New York paper, which I have read daily since my maturity and shall continue from habit to read notwithstanding its continued despicable misrepresentations, has repeatedly reiterated the falsehood that it would cost $5,000,000,000, intending to mislead its readers with the thought that on a cash basis paid now there could be no reduction of taxes. The fact is that the provisions of this bill bear no relation whatever to the administration tax-reduction plan. It has not interfered with the tax-reduction plans one dollar nor postponed them one day. In the place of a present cash payment the bill offers a 20-year paid-up endowment insurance policy. The total cost will amount to not more than $2,000,000,000. The utmost possible maximum will not be more than $2,025,889,696, a difference of $3,000,000,000 between truth and newspaper falsehood.

Mr. Speaker, the more I have studied the provisions of this bill the more willing I have been to give it my support. The substitution of paid-up insurance policies in lieu of cash will tend to encourage thrift and will provide immediate cash payment for the full amount of the policy to the loved ones in case of death. It presents a splendid solution of a difficult problem.

Mr. Speaker, the adjusted compensation has now become the law of the land. The tax reduction bill has now been enacted into law. The country will now know that we can have both. We have both. In the adjusted compensation bill recognition has been given to the valor and to the sacrifices of the defenders of the Republic without interference with the purpose to reduce taxes. The new revenue law reduces taxes more than $400,000,000. Before its enactment the assertion was made that a deficiency would be created. The Treasury Department now admits that there will be no deficiency. A table by the Actuary of the Treasury shows a surplus under the new tax reduction law for the fiscal year 1925 of $138,000,000, exclusive of taxes to be collected for previous years. The estimated surplus for the fiscal year 1925 is more than $400,000,000. Contemplate these figures, Mr. Speaker. The people relieved of tax burden more than $400,000,000, and also we will have a surplus in the fiscal year 1925 of $400,000,000, promising a still further reduction of taxes at an early date.

Through the cordial cooperation of the Republicans in Congress with the President in effectuating Government economies this result has been achieved. It only needs the reelection of our Republican President with a Republican Congress to give him support in order to carry on the good work to a triumphant conclusion. Those of us who loyally supported the administration plans for tax reduction have had an uphill fight in this Congress, where in both the Senate and in the House the administration Republicans were in a minority. We have not obtained all for which we fought, but we have a better tax reduction bill than would have been possible if the fight had not been made. Although in the one matter of adjusted compensation for the veterans of the war, the President accorded with the views of Secretary Mellon and not with the views of the large majority of the Republicans in Congress, it is absurd to pretend that we have not given the President a cordial and willing support. The President has no misgivings on this score. The public will soon come to learn the truth. They will not remain deceived, the

misleading, exaggerated statements in the press notwithstanding.

The President has no misgivings on this score. He does not share the views of that portion of the press which, while claiming to give him support, are preaching the strange doctrine that a President of this Republic should dictate the vote of the people's representatives on every measure that comes before Congress. Here is what President Coolidge has said about Congress:

The independence of the Congress must be preserved. It is not the fortune of legislatures to be popular; they do not catch the public fancy. Being human, they may err. But no legislature ever usurped the liberties of a country, and no country ever lost its liberties until its legislative representatives had been stripped of their independence and their power. The sole defender of the liberties of the nation by the only effective means for their preservation, an independent Congress, now left to the American people is the Republican Party.

Mr. Speaker, the opposition to the adjusted compensation bill will never cease to be beyond my comprehension. It has been said that republics are ungrateful. I do not believe it. We by our votes in favor of some recognition to our brave soldiers have been unwilling to admit it. Why, Mr. Speaker, have the valiant soldiers been singled out as the sole object of attack? When the civil employees of the Government were given $240 bonus per annum to meet the increasing cost of living, no protest was made. This bonus was granted in 1918 to all civil employees receiving basic salaries up to $2,500 per annum. The increased cost of living justified the increase. The need for the increase was universally recognized for the civilian employees who had dependents to support. But the boys at the front also had dependents at home suffering from the increasing cost of living. Why the discrimination? The sacrifices were great. The sufferings were terrible. Why give a bonus to a civilian employee receiving $2,500 per annum and deny it to the soldier who far away from his dependents faces death for the Republic at $365 per annum? Will any of the opponents of the adjusted compensation bill answer this question? Treasury figures disclose that $300,000,000 have already been expended to meet this readjusted compensation for the civilian employees and their additional compensation under new legislation is to continue permanently, merged in their basic salaries. The soldier boys received only $30 per month. From this $30 was deducted $15 for compulsory family allowance. A further deduction was made to pay Government insurance premiums. From the balance of the paltry sum these soldiers were urged to purchase Liberty bonds. They did so willingly in large numbers; and living necessities compelled them later to sell their bonds far below the par they paid to the Government from their meager wages. Business corporations are required by law to pay the insurance premiums to insure their employees in hazardous employments. Fighting at the battle front is the most hazardous of all employments, and yet this great, prosperous Government compelled our soldier boys to pay for their own insurance, and those who are keeping up their insurance premiums are now furnishing the money to support the dependents of those who lost their lives in the war. They, with their premiums, and not the Government, are in great measure paying to the widows and orphans of our dead the insurance that has been substituted for pensions. It is incredible that any American citizen should be opposed to some measure of readjustment for these boys.

The Government did not tell these boys when they were called to the colors that their pay of $30 per month would be taken away from them to do the work that the Government should do—care for the dependents of dead soldiers. Deduct compulsory allotment, insurance premiums, fines for every infraction of regulations and loss of equipment, and subscription to Liberty bonds—how much was left? Where was money to come from to meet the increasing cost of living for the dependents at home?

Mr. Speaker, the intolerant attack in the press against these valiant soldiers has been disgraceful, selfishly disgraceful, beyond measure. In 1917 these boys were called "flower of our youth"; in 1918, "our brave soldier boys"; in 1919, "our heroes"; in 1920, "the returned soldiers"; in 1921, "ex-service men"; and now we hear them called by a mercenary press "Treasury raiders." To some of us, Mr. Speaker, they still are and shall ever remain the brave soldier boys who suffered much and sacrificed much, and whose dependents suffered much, for the country we love.

The Republican platform of 1920, upon which President Harding was elected and President Coolidge was elected Vice President, pledged to the people that we would discharge to the fullest the obligation of a grateful Nation to these veterans of the war. Not only must republics not be ungrateful. The platform announced that "Republicans are not ungrateful. Throughout their history they have shown their gratitude toward the Nation's defenders." Two paragraphs of the platform made pledges for the physically disabled and another paragraph pledged ourselves to discharge the obligations of the Nation in appreciation of its defenders' services. I quote this paragraph as follows:

We hold in imperishable remembrance the valor and the patriotism of the soldiers and sailors of America who fought in the Great War for human liberty, and we pledge ourselves to discharge to the fullest the obligations which a grateful Nation justly should fulfill in appreciation of the services rendered by its defenders on sea and on land.

Mr. Speaker, there was no mistake in President Harding's recognition and interpretation of this pledge. During the campaign in his speeches he advocated adjusted compensation for the soldiers. Misled by the statement from the Treasury Department to the effect that we were confronting a large deficiency, he suggested that Congress provide some new taxation to meet the payments. In his veto of the adjusted compensation bill which passed the last Congress without imposing new taxes, he said:

The latest Budget figures for the current fiscal year show an estimated deficit of more than $650,000,000 and a further deficit for the year succeeding.

We now know the extent the President was misled by the Treasury estimates. Instead of a deficit of $650,000,000 we have a surplus of $400,000,000 after payment of $200,000,000 in reduction of public debt. In other words, the Treasury Department when giving out figures to prejudice the adjusted compensation bill erred to the extent of the modest sum of $1,250,000,000. And, Mr. Speaker, we have sufficient to meet all adjusted compensation payments for several years from the balance of this year's surplus alone, after remitting to the taxpayers 25 per cent of this year's taxes in accordance with the suggestion first proposed by the Ways and Means Committee of the House.

Mr. Speaker, my convictions on the subject of adjusted compensation were given birth during the war when my vote helped to send the boys to the front and when I came to know from contact with many distressing cases the irreparable injury suffered by them and by their dependents at home. I believe that with few exceptions those who have written me in opposition would themselves be possessed by convictions as deep as mine had they had the same opportunity to be in touch with these distressing cases. The problem has been solved in favor of the soldiers, and I shall always feel that it was a privilege to be a Member of this House to lend my voice and vote in grateful recognition of the heroes of the Republic.

CALL OF THE HOUSE.

Mr. JAMES. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that there is no quorum present. Evidently there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Abernethy	Corning	Hoch	Mead
Anderson	Croll	Howard, Okla.	Michaelson
Anthony	Cummings	Hull, Tenn.	Miller, Ill.
Bacharach	Curry	Johnson, Tex.	Mills
Bankhead	Davey	Kahn	Mooney
Beck	Dickstein	Kelly	Moore, Ill.
Bell	Dominick	Kiess	Morin
Berger	Doyle	Kindred	Morris
Black, Tex.	Drane	Knudson	Mudd
Black, N. Y.	Drewry	Kurtz	Murphy
Bloom	Eagan	Kvale	Nelson, Wis.
Bowling	Edmonds	Langley	Nolan
Boylan	Fairfield	Larson, Minn.	O'Brien
Britten	Favrot	Lilly	O'Connell, N. Y.
Browne, N. J.	Fish	Lindsay	O'Connor, La.
Browne, Wis.	Freeman	Linebarger	Park, Ga.
Burton	Funk	Linthicum	Peavey
Cable	Gallivan	Little	Perlman
Campbell	Geran	Logan	Phillips
Carew	Glatfelter	Luce	Quayle
Casey	Goldsborough	McClintic	Ransley
Celler	Greene, Mass.	McFadden	Reed, W. Va.
Clague	Griffin	McKenzie	Reid, Ill.
Clark, Fla.	Hammer	McLaughlin, Nebr.	Robinson, Iowa
Cole, Ohio	Hardy	McNulty	Rogers, N. H.
Connolly, Pa.	Harrison	Magee, Pa.	Romjue

Rosenbloom	Stengle	Tydings	Weller
Schneider	Strong, Pa.	Upshaw	Welsh
Scott	Sullivan	Valle	Wertz
Sears, Nebr.	Sweet	Vare	Winter
Sears, Fla.	Tague	Vestal	Wood
Sites	Taylor, Colo.	Voigt	Wurzbach
Snyder	Taylor, Tenn.	Ward, N. C.	Wyant
Sproul, Ill.	Tinkham	Ward, N. Y.	Zihlman
Sproul, Kans.	Treadway	Wason	
Stalker	Tucker	Wefald	

The SPEAKER. Two hundred and ninety Members have answered to their names, a quorum.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

ORDER OF BUSINESS

The SPEAKER. By special order of the House the gentleman from Michigan [Mr. MAPES] is entitled to address the House for 20 minutes. [Applause.]

Mr. BARKLEY. Mr. Speaker, the gentleman from Michigan has yielded in order that I may propound a request. I request that at the conclusion of the speech of the gentleman from Michigan I may be permitted to address the House for 30 minutes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that he may address the House for 30 minutes. Is there objection?

Mr. MADDEN. Mr. Speaker, I reserve the right to object. We have an appropriation bill on the floor of the House which has been here for four or five days and it has been kicked about from one place to another and nobody knows when we are going to get to the consideration of it. It ought to be passed, and I do not believe we ought to let everybody in under these unanimous-consent requests.

Mr. LONGWORTH. Mr. Speaker, reserving the right to object, I have no objection to the gentleman from Kentucky having some time, and believe he should have it, but in view of the fact that the gentleman has had something more than an hour and the gentleman from Michigan is having 20 minutes, would the gentleman from Kentucky object to modifying his request and asking for 20 minutes?

Mr. BARKLEY. Ten minutes does not look like much difference, but here is the situation: In my hour I spoke generally on the subject of the history of legislation of the kind we are discussing, and I did not devote more than 10 minutes to the bill which is to come up Monday. A number of speeches have been made during my unavoidable absence this week, and I think I ought to have at least 30 minutes.

Mr. MADDEN. The gentleman from Kentucky had one hour on this bill.

Mr. BARKLEY. No; not on this bill. I had an hour on the general subject, but I did not devote more than 10 minutes to the specific purposes of this bill, and in view of that I would like to have 30 minutes.

Mr. MADDEN. It does not seem to me we ought to be forever shunted from the consideration of appropriation bills.

Mr. BARKLEY. But let me call the gentleman's attention to the fact that we are nearly through with appropriation bills.

Mr. MADDEN. I shall not object to this request, but if anyone else makes a request for further time, I shall object.

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, I just want to call attention to the fact that this is Saturday and the Appropriations Committee must not expect to work us into the night on the District bill in consequence of the time that is now being taken with these speeches. The gentleman from Kentucky has already had more than an hour, but I am not going to object to his request.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none.

SENATE RESOLUTION

Mr. MADDEN. Mr. Speaker, before the gentleman from Michigan begins, I would like to make a unanimous-consent request. A resolution has just come from the Senate asking $100,000 for the contingent fund of the Senate in order to pay expenses over there. I would like to ask unanimous consent that the House agree to the Senate resolution.

Mr. BLANTON. Mr. Speaker, I object.

BARKLEY RAILROAD LABOR BILL

Mr. MAPES. Mr. Speaker, the first thing Monday morning the Members of the House will be required to vote upon the motion to discharge the Committee on Interstate and Foreign Commerce from consideration of the so-called Barkley railroad labor bill (H. R. 7358) before holding hearings upon it or giving it any consideration. I do not intend to discuss the merits of the legislation at this time, but shall confine myself to the question of procedure.

As a member of the Committee on Interstate and Foreign Commerce I wrote two of my constituents under date of March 26, 1924, that I should be glad to see the Barkley bill—

considered by the committee at the earliest practicable moment, giving due regard to the general legislative situation and the rights of other legislation pending before the committee.

For my part I intended then, and I intend now, to make good that statement, and if the bill is not taken from the committee to vote for hearings upon it and other bills proposing amendments to certain other sections of the transportation act at the earliest practicable moment after the committee completes consideration of the truth in fabric and misbranding bills upon which it is now working.

No fair or reasonable opportunity has been given the committee to consider the Barkley bill. The committee has been busily working practically every day since the bill was introduced. It has never refused to consider the bill. It did decline on a close vote to put it ahead of the truth in fabric and misbranding bills, which were introduced early in the session, and are urged by farm organizations and others. Certain members of the committee felt that they had committed themselves to vote for hearings on those bills before the Barkley bill was ever heard of.

I am one of those who believe that the transportation act of 1920, including Title III, the railroad labor provisions, should be amended. It was humanly impossible to write a law as comprehensive as it is and make it perfect. Time and experience were bound to bring out imperfections in it and to show the necessity for its amendment. But that is not the question raised by the motion to discharge the committee. The question now is whether amendments to the law are to be considered and made by Congress—in fact, as well as nominally—or are they to be dictated by the representatives of a particular group and forced through Congress without the crossing of a "t" or the dotting of an "i" and without giving its Members time to understand what they are voting upon. Is Congress going to abdicate its function as a deliberative legislative body?

One of the principal criticisms of the present law has been that no adequate consideration was given to the labor provisions in it. This in spite of the fact that the committees in Congress worked upon it intensively for upward of a year, if not more, as was fully stated by the gentleman from Massachusetts [Mr. WINSLOW] yesterday. The House committee alone held hearings on the legislation almost daily from June 15 to October 4, 1919, and the bill was pending before the committee and before Congress from that time on until it was finally approved February 28, 1920. During all that time one of the principal topics considered and discussed in connection with it by the Congress and by the public as well was the proposals for the settlement of labor questions and disputes.

Listen to the testimony on this point of the president of the Brotherhood of Locomotive Firemen and Enginemen, Mr. Robertson, before the Senate committee on the Senate bill similar to the Barkley bill (p. 2 of the hearings):

The failure of the transportation act, Title III—

He said—

is summarized as follows:

1. Its enactment was the result of hasty compromise.

It is evident that the representatives of the brotherhoods, while they may subject themselves to the charge of being "hasty" in this proceeding, do not intend to have it said of them that they were guilty of accepting any "compromise."

Mr. Robertson at the same hearing quotes with approval this statement, among others, of the Secretary of Commerce, Mr. Hoover, who, speaking of the Railroad Labor Board, said (p. 8, Senate hearings):

Whatever change is made in the machinery to solve these relationships the changes should if possible be constructively developed by the railway employees and executives themselves, plus, perhaps the assistance of independent persons who represent the public interest.

At another point in the hearings—page 9—Mr. Robertson testified:

Mr. Henry Bruère, vice president Metropolitan Life Insurance Co., for years in charge of industrial, etc., investigations, and research; Federal director United States Employment Service for New York State; director National Railways of Mexico, etc., at national transportation conference, Washington, D. C., January, 1924, as reported in 76 Railway Age, 237 (240):

"Henry Bruère * * * proposed that the railroad managers and their employees hold a conference to establish some plan of cooperation."

Mr. Robertson told the Senate committee, to use his own words, that—

before presenting their ideas to Members of Congress the railway labor organizations "labored" for 18 months in committees and conferences to develop their program. During the last nine months—

He continued—

they consulted with their attorneys.

He further stated that the bill as finally presented was redrafted by the representatives of these organizations "no less than six times" before it was satisfactory to them and that it not only repeals Title III of the transportation act but "establishes a new and independent machinery." (Page 15, Senate hearings.)

The counsel for the organized railway employees, Mr. Donald R. Richberg, in his statement (p. 21, Senate hearings) said:

It should not be claimed that the bill is perfect. * * * Under congressional consideration it may well be improved—

But, as he modestly stated it—

we desire to express the hope that it may not be substantially altered.

And yet the representatives of these organizations, without consulting any except their own interests, after having worked in secret with the aid of experts for 18 months before they got a bill satisfactory to themselves, presented it to Congress on the 28th day of February and immediately demanded that the committee stop the consideration of all other legislation pending before it and pass their bill at once before Congress or the country had a chance even to study it to find out what it contained.

It can not be said that there has been any public demand to take the bill from the committee because the public has not had time to study it and become familiar with its provisions. When a bill is taken away from a legislative committee it ought to be done in the public interest and not at the behest of the private and selfish interests of any particular class. [Applause.]

After years of observation and study Vice President Marshall announced this as a part of his creed:

I believe—

He said—

that every inequality which exists in the social and economic condition of the American people is traceable to the successful demands of interested classes for class legislation, and I believe, therefore, that practical equality can be obtained under our form of government by remedial legislation in the interest of the American people and not in the interest of any body thereof, large or small.

As far as we are permitted to know, no agency of the Government anywhere has recommended or approved the Barkley bill. No one having the responsibility which comes with public office had anything to do with the preparation of it, not even the gentleman from Kentucky [Mr. BARKLEY] who introduced it, according to his own statement.

The situation which confronts the House is the result of no accident. It has been deliberately planned. No one who heard the speech of the gentleman from Alabama Mr. [HUDDLESTON] yesterday will question the truth of that statement. The proponents of this legislation are familiar with legislative procedure. They know that ordinarily legislation of this importance must be introduced at the very beginning of a session of Congress in order to stand any chance of being considered and passed before adjournment. In spite of this and in spite of the fact that they had been working upon it for 18 months they waited for three months after Congress convened before bringing it to light.

I am not a mind reader, but judging from the procedure adopted in its preparation, the time of its introduction in Congress, and from the statements that have been made by the proponents of the legislation since it was introduced, one is forced to the conclusion that they never intended, if they could help it, to let Congress or the country have time to study it.

The more they reveal their plans and purposes the more it looks as though they intended from the beginning to pretend that the committee would not give them a hearing, and now they hasten to take the bill away from the committee before it has a reasonable opportunity to do so for fear it will.

The whole proceeding smacks of politics. Eliminate the politics, partisanship, and selfishness from it and there would be very little left. It is known that the national representatives of the brotherhoods are personally and politically opposed to the present Republican administration, and it has been suggested that their hope is by this maneuver to get the members of these great brotherhoods throughout the country to follow them in the coming election and vote against the Republican ticket. Incidentally, the same observation might be made about the lobbyists for certain other organizations that infest Washington. In fact, it has got almost to the point where an independent Member of Congress, even though he may agree with their views on a particular subject, resents their presence and propaganda and their apparent assumption that he can not do his duty or form a conclusion upon questions of legislation without their assistance. [Applause.]

Lobbyists may have their proper function; Congress certainly has its, and it is not the proper function of Congress to abdicate its legislative duty to lobbyists of any kind or nature.

The railway brotherhoods are strongly organized. It is said that their organization is the most compact and effective one extant in this country to-day. No sooner had the motion of the gentleman from Kentucky [Mr. BARKLEY] to take their bill away from the committee been filed than their representatives went through the House Office Building in companies of two urging the Members of this body to walk up to the Clerk's desk and sign the motion to discharge the committee on the dotted line and afterwards to vote for it. It is said that they have been assured that a majority of the Members will do their bidding and that they are confident of success. If so, there is no need of anyone being deceived over the situation. I do not complain, but I refuse to be a party to any such procedure and I think every one ought to know what it is.

Their bill may be the best piece of proposed legislation ever drafted by the pen of man, but the Members of Congress have not been given an opportunity to form any intelligent judgment of their own as to whether it is or not. The bill is one of the most important that could be introduced in any Congress. If enacted into law, it will affect not only the employees of the railroads directly involved, numbering something over two millions, and the railroads, but indirectly the welfare of all the American people and their industries. Without extensive hearings no Member of Congress can form any intelligent judgment on what its practical effect will be if enacted into law. It takes no lesson from existing law. It does not attempt to perfect that but repeals it altogether and goes much further. In the language of the representative of the brotherhoods it "establishes a new and independent machinery" after hearing only one side of the case. It may well be that some time in the future interests adverse to those who drafted this bill will come along and want to tear it up by its roots and establish a system of their choosing. Is this the way to make progress? Is this the conception that the representatives of the brotherhoods have of the recommendation of Secretary Hoover that amendments to the railroad labor provisions of the transportation act should be—

constructively developed by the railway employees and executives themselves, plus, perhaps, the assistance of independent persons who represent the public interest?

The language of the bill embraces within its scope not only the carriers now embraced in the transportation act but it includes—

interurban and suburban electric railways operating as independent units—

As well as—

as a part of the general railroad system of transportation. * * * and any receiver or any other individual or body, judicial or otherwise, when in the possession of the business of employers or carriers—

And the term "employees" is made to cover—

all persons in the employ of bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers.

The language evidently includes suburban and interurban electric railways whether engaged in interstate commerce or not, even though they operate entirely within the territorial limits of a single State. Since when has Congress jurisdiction over carriers engaged solely in intrastate commerce?

What does the language "any receiver or any other individual or body, judicial or otherwise," mean? Does it mean that the courts are to be stripped of the power which they now

have? Is Congress going to pass upon such legislation without knowing what it is?

The gentleman from Alabama [Mr. HUDDLESTON] said on this floor yesterday:

The issue is plain.

I agree. The issue is not whether the legislation is meritorious or not but whether Congress is going to be given sufficient length of time to study it to ascertain for itself whether it is or not. In fact, the issue is whether Congress is going to abdicate its function as a legislative body in favor of the lobbyists for the railway brotherhoods and allied organizations whenever their interests are involved under the threat of political destruction. [Applause.]

Mr. BLANTON. Would the gentleman mind yielding?

Mr. MAPES. I prefer not to yield. I have only two or three minutes remaining, and I am sorry I can not yield.

They made the issue. We did not. It is of their choosing, not ours. They threw out the challenge. Are we to run away from it?

It will not hurt the committee to take the bill away from it. In fact, it will relieve it of a great responsibility and much hard work. It will hurt the cause of labor. It will be a bigger setback to labor than it has received in a generation. No fair-minded friend of labor will approve of the strong-arm method of forcing it through Congress without giving adequate time for its consideration. The rank and file of the membership of the railway brotherhoods themselves, being self-reliant, independent, and self-respecting men, as they are, must look with contempt upon the membership of this body if it surrenders its right to exercise its own judgment in this crisis. Every free American despises a truckler, even though at times he may make use of him to further his own selfish interests. [Applause.]

Mr. BARKLEY. Mr. Speaker, I have been unavoidably out of the city almost continuously since I addressed the House on the 15th of April with reference to this measure, and by reason of that unavoidable absence I have been unable to hear any of the addresses which have been delivered by those participating in the Hindenburg drive which was instituted about a week ago against the motion which I have made to discharge the committee and against the bill as a whole.

I shall not undertake in the 30 minutes which have been allotted to me, because I do not wish to ask for any more time, to go into any great detail about a description of this bill or the action of the committee in declining to consider it.

It has been attacked by the gentleman from Indiana [Mr. SANDERS] and by the gentleman from Illinois [Mr. DENISON], who in his attack undertook to ride both ways by saying that he approved of the main features of the bill but doubted whether it ought to be considered.

The gentleman from Kansas [Mr. TINCHER] and the gentleman from Massachusetts [Mr. WINSLOW] dragged their frail forms over the bill and over me in an effort not only to flatten it out physically but politically and legislatively as well, and I was somewhat astonished at what I saw in the remarks of the gentleman from Kansas [Mr. TINCHER], which plainly evidenced the fact that he knew very little about the bill or unintentionally misinterpreted it.

The effort has been made here—the gentleman who has just spoken talked about propaganda, about members of labor organizations walking up and down the corridors of the House Office Building to intimidate Members of this House. Why, Mr. Speaker and gentlemen, the greatest propaganda that has ever been instituted by anybody with reference to this measure has been by those who have sought deliberately to misrepresent its provisions and to intimidate Members of Congress against voting for it or for the motion to take it away from the committee.

Telegrams have been pouring in here for weeks, and they are being delivered on the floor of this House at this very moment from organizations either of short-line railroads or independent organizations of employees who have been induced by the railroad companies, that financed their organizations, to bombard Congress into the belief that this bill is unjust to them, because they say it gives them no protection in its operation. I want to clear up a little misapprehension with reference to that.

During the strike of 1922 certain men took the positions of those who had ceased to be employees of the railroads. I am not going to discuss the merits of that controversy, but the strike of 1922 was brought about because the men who were involved in it were unable in anyway to compel the railroads, who deliberately disobeyed the decisions of the present Railroad Labor Board, to obey them, and if the men themselves disobeyed them the only remedy they had was either to get fired or voluntarily to quit, while the railroads that saw fit to disobey could go unpunished, and there was no economic or legal power that could compel them to obey the decisions of the present Railroad Labor Board; and, as I pointed out the other day, they have violated its decisions in 148 cases; and yet there has been no violation on the part of the employees except by their voluntarily retiring from their employment or subjecting themselves to compulsory discharge on the part of the railroads themselves.

The strike of 1922 grew out of this situation. Men were gathered from the four corners of the country to take the places of those who had ceased to work, and after they had gotten in, many of the railroads organized these temporary employees who had taken the places of their regular employees who had quit work, because they found, as they thought, no remedy under the present law—they organized them into company unions. They financed their organizations and they are directing the propaganda that is coming in here to-day on the part of these independent organizations against this measure on the ground it gives them no protection.

If a controversy should arise between the independent employees or the unorganized employees of any railroad in the United States and the railroad, this machinery will be as available to them as the present machinery is, and will be more efficient and more economical and more just. These organizations have no representation on the present Railroad Labor Board. They have no power even to submit names to the President from whom he may select the three members to represent the employees on the present Railroad Labor Board.

Propaganda has been scattered here on the part of certain railroads and other interests that represent an unfriendly attitude to labor that if this bill is passed, it proposes to bring about what is known as the "closed shop" on the railroads of the United States. There is not a line—no member who has charged that interpretation has pointed to a single line or syllable in this bill that provides for that or even permits or looks toward the creation of what we know as a "closed shop" on the railroads of this country.

There is no such thing as a "closed shop" on the railroads of the United States. There never has been and in all probability there never will be because the conditions of labor that exist upon the transportation systems are entirely different from those which exist and obtain in the various manufacturing centers of the United States; and I am here to say to the credit of the organized part of railroad labor that there never has yet been a controversy that has arisen between the employees and the transportation companies, although the unorganized have no direct representation, where the interests of the unorganized classes were not cared for and sustained by the organized representatives of labor just as much as if they had been organized and had direct representation upon the boards that have settled these various disputes.

I want to speak now for just a few moments about the discharge of this committee.

Mr. STEVENSON. Before the gentleman leaves that point I want to say that we have heard a good many complaints from the short-line railroads that the law compels them to pay the same rates as the through lines and they will not be allowed to work out anything except that specifically adopted by the other roads.

Mr. BARKLEY. That is another form of propaganda that has been organized by many of the trunk lines. This bill does not in any particular affect the short-line railroads; it does not affect them any way different from the way they are now affected under the labor sections in the transportation act. They can go on and settle their labor questions on their own account, and they do settle them; they can employ such labor as they see fit under whatever terms they agree on. Of course, there are some short lines under the act regulating commerce under the interpretation of the law and the decisions of the Interstate Commerce Commission—under the law that deals with the railroads under the interstate commerce act they must deal with them all alike; they can not make exceptions. As a matter of fact the short lines have undertaken to misinterpret the law by saying that it is going to put them out of business. The gentleman from Kansas [Mr. TINCHER] said it would put the short lines out of business. It will not affect them at all except favorably, because if they can not settle their own disputes by conference the bill sets up machinery which will be available to them if they choose to use it.

Mr. KING. Will the gentleman yield for a short question?

Mr. BARKLEY. I will.

Mr. KING. Would the gentleman be willing, if the committee would begin hearings on the bill at once, to permit this bill to go back to the committee for that purpose?

Mr. BARKLEY. I do not think that would be effective, because this committee would do just what it is doing with the truth in fabric bill—prolong the hearings until the Congress is about to adjourn, and then it will be too late.

Mr. KING. But if they give reasonable assurance that this will not be the case.

Mr. BARKLEY. I have not had any reasonable assurance. If this bill should be sent back to the committee under any kind of instruction, it is dead. Gentlemen have stated that the public is not represented with reference to the boards provided by this act. I wish I had time to compare this bill with the present law. Both enjoin on the roads the settlement of their own disputes without resort to tribunals. Both provide for the appointment of adjustment boards. The difference is that the present law leaves it voluntary, while the bill makes it compulsory, and the reason is that many roads have refused to enter into an agreement with the employees to submit to expert technicians the question and let them iron out the grievances and disputes that arise during the operation of the roads.

They do not deal with wages or increase in compensation of employees. They do not deal with changes in the fundamental working conditions about which the public knows nothing and about which the public is not concerned. It is the settlement of disputes that arise in the interpretation of rules and working conditions which engages the attention of these adjustment boards.

When it comes to the settlement of wage conditions, they are dealt with by the board of five, which is drawn from the public, and the bill provides that there shall be no one on the board who is employed on or interested in the road. If anybody appointed on it should become financially interested in any railroad or becomes a member of any organization of employees, he automatically is disqualified as a representative on the board. So that the board that deals with the wage and working conditions is drawn entirely from the public.

Now let me get down to the committee. It has been stated here by one or two gentlemen that I have not as a member of the committee made diligent effort to secure consideration of the bill. It was stated yesterday by the gentleman from Illinois [Mr. DENISON] and a moment ago by the gentleman from Michigan [Mr. MAPES] that this is a political move, that politics had been interjected into this question. I ask either of the gentlemen to stand on his feet on the floor and say who first injected politics into this proposition. I have been a member of the Interstate Commerce Committee for 11 years, and it is the only committee I have been on since I have been a Member of this House.

Mr. MAPES. Will the gentleman yield?

Mr. BARKLEY. I will.

Mr. MAPES. My recollection is that the gentleman in discussing this bill referred to politics and partisanship for the first time since I have been a member of the committee.

Mr. BARKLEY. I will come to that. I have been a member of the committee for 11 years and have never been on any other committee. I never uttered a political syllable in the discussion of a bill that came out of the Interstate Commerce Committee since I was a Member of the House, and I challenge any man on the committee to say to the contrary. On the contrary, I have repeatedly over the objections of some of my colleagues on the Democratic side, and almost alone, fought for bills under previous Chairman Esch and under the present chairman, the gentleman from Massachusetts [Mr. WINSLOW].

Mr. MAPES. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. MAPES. The gentleman referred to the discussion on the floor——

Mr. BARKLEY. I am coming to that. If the gentleman will wait, I will say what happened.

In January, before I had ever introduced this bill, I undertook to find out what was the program of the Committee on Interstate and Foreign Commerce. Many gentlemen here had introduced bills, and I was one of them, seeking to repeal or eliminate the surcharge upon Pullman cars, charged by the railroads of the country. The gentleman from Illinois [Mr. GRAHAM] had introduced a bill to repeal and modify section 15a of the transportation act. There were some 15 or 20 bills introduced at the very beginning of the session of Congress pertaining to the transportation act. Some time in January I undertook to secure from the chairman of the committee some statement as to the policy of the committee with reference to legislation, and the reply was that the President was working on something and he could not find out just what it was, and he wanted to wait until the President had formulated his program. Weeks went on, probably six weeks, and nothing was said. The subject was never brought up again by the chairman until I again brought it up in the committee and asked that the committee hold an executive session to form its own program, because up until that time nothing had been brought in by the committee for consideration except what might be called chicken-feed legislation, with all of the important bills that were at that time pending before that committee. The thing was maneuvered around like a first baseman maneuvers to keep the runner from touching the sack, until weeks went by, and then I undertook again to bring it up in the committee. Finally we obtained an executive session of the committee after the delays and the maneuvers and the procrastinations on insignificant bills, some of them taking a week when a day was enough. Finally we got into executive session to formulate a program. The gentleman from Ohio [Mr. COOPER] had introduced a bill increasing the number of boiler inspectors. The gentleman from Kansas [Mr. HOCH] had introduced a bill providing for a general survey of railroad rates, and it was upon my motion that the Cooper bill was taken up.

I first moved that the Cooper bill be taken up first, that the Hoch bill be taken up second, and that my railroad labor bill be made the third bill on the program of the committee. The committee adopted the motion and took up the Cooper bill, and that was entirely agreeable. It adopted the motion to take up the Hoch bill, which was entirely agreeable; but when it came to the consideration of this labor proposition it was voted down, and immediately a motion was made to take up as the third proposition the truth in fabrics bill, and they began hearings on that bill on the 15th or 16th of April and they are still holding hearings, and, in my judgment, unless they make more progress in the future than they have in the past, when the Speaker raps the gavel for the last time to adjourn this session of Congress without day those hearings on the truth in fabrics bill will still be in progress, and if those who want that bill brought up before this House for consideration desire to get it here, they will have to get it, in my judgment, in the same manner in which I am trying to get the railroad labor bill before this House for consideration. [Applause.]

Mr. WINSLOW. Mr. Speaker, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. WINSLOW. I would like to know who told the gentleman what is going on in the committee.

Mr. BARKLEY. I am judging the future by the past. I have been unwilling to waste my time listening to witnesses who testified two years ago for nearly four weeks on this very same proposition, and by reason of the fact that I did not want to waste the committee's time I have not been present very much, if that is what the gentleman has reference to. [Applause.]

The gentleman from Michigan [Mr. MAPES] asked me a question. During these efforts on my part not only to have my bill considered but anybody's bill that affected the transportation act I did say something which possibly the gentleman from Michigan had in mind.

We have been commanded to wait and not to touch this sacred ox, the transportation act. Propaganda has come in here from all kinds of organizations, including commercial bodies, boards of trades from towns that do not even have a mayor or a policeman. We are told that we must not touch the transportation act, that we must let the railroads alone. This bill does not deal with the general provisions of the transportation act. It deals with Title III, and Title III might be cut out by the heart and it would not affect any other provisions of the transportation act. During the deliberations of the committee one day, perhaps in some disgust and with a little bit of resentment, because I had introduced this bill in good faith and not as a political measure—it was introduced in the Senate by a Republican and in the House by a Democrat in order that it might not be considered a partisan measure—during the efforts that I was making to get consideration of the bill, I did say that it might be unfortunate for the bill itself to have been introduced in the House by a Democrat and not by a Republican. I did say that, and that is all I said, and I said it after it had been made manifest that the bill would not be taken up by the committee. I have not taken a partisan view of the Committee on Interstate and Foreign Commerce, and I do not want to do it now. Nothing pains me more than to be compelled to make this motion, because I have served on the committee for nine years with the genial chairman of the committee, and Mr. RAYBURN and I are the oldest members

of that committee by reason of service. I have the greatest respect and admiration and affection for the members of that committee with whom I have associated during the last 10 or 11 years, but there comes a time in legislative history sometimes when a man must forget all about his friendships in order that justice may be done and that measures may be considered that are entitled to consideration.

This motion to discharge the committee the members of the committee seem to take as a reflection upon their integrity. I assume that this rule was adopted for some purpose. The gentleman from Massachusetts [Mr. WINSLOW] referred yesterday to the fact that I opposed the adoption of the rule in the beginning providing for 100 men to sign a petition to make a motion for discharging the committee. I did oppose that and I stand by everything that I said at that time. I voted for the motion as it was amended, however, to provide for 150, and if I had known then that I would have to deal with such an obstinate, recalcitrant, and incorrigible committee as the one which dealt with this bill I would have voted for 100 instead of 150. [Applause.]

Gentlemen, on next Monday this motion will be voted on, and I tell you that if you want this bill to be considered the only way to get it is to vote for that motion. It will do no good to refer it back to the committee where it has been. Congress is about to adjourn. Everybody is trying to get away from here by June. You know that unless this bill is taken up under this discharge rule there will be no chance to secure consideration of it during the present session. The next session of Congress is the short session in December. It can not consider anything except appropriation bills. The next Congress will not meet in all probability until December of next year, so that unless this bill is taken from this committee and given such consideration as the House may see fit to give it under the rules of the House, there will be no chance for at least two years to consider a bill of this character, dealing, as it does, with great interests from one end of the Nation to the other.

Some gentleman has said that there was no emergency that demands this legislation. Why, there was a strike to which I referred in 1922 on which the Department of Justice alone spent more than $2,000,000 in efforts to coerce a settlement of that strike, and the inefficiency, loss of time, and depreciation of railroad property cost the railroads of this country and the public together more than $100,000,000. The time to legislate and settle labor disputes is not when there is a strike, not when the emergency is at hand, not when the cloud rises and is about to precipitate a catastrophe, but the time to legislate in reference to disputes is when there is no emergency, when we may approach the subject calmly and with a desire to do justice to all sides and create the machinery that may be resorted to by both sides when the emergency does arise with some confidence that its adjustment may be respected, and that it may be respected not through fear but through a desire to obey the law [applause] and a desire to bring peace not only in industry but in the transportation systems of the United States.

Mr. GILBERT. Will the gentleman yield there?

Mr. BARKLEY. I will.

Mr. GILBERT. The impression was left on me by speakers opposing the rule that this was a step backward in that it eliminated public consideration. Do I understand the gentleman to say that under the theory in this bill in all matters affecting the public the public has more interest, in fact determines that matter exclusively?

Mr. BARKLEY. It has exclusive representation on the board. Neither side can be directly represented on the Board of Mediation and Conciliation. Mr. Speaker, how much more time have I?

The SPEAKER. The gentleman has five minutes remaining.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. BARKLEY. I will yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. Is there any board or tribunal created by the gentleman's proposed measure which has the power to investigate any disputes as to increase of wages unless the parties agree beforehand they shall do so?

Mr. BARKLEY. Well, yes and no. The provisions of the original Erdman Act and the provisions of the Newlands Act, under which hundreds of disputes were settled and under which there was no nation-wide strike at any time subsequent to the enactment of either of those laws, were somewhat similar to the provisions in the bill now before the House in reference to the settlement of wage disputes. There is no compulsion upon either party to submit that dispute to the Board of Mediation and Conciliation and there can not be any compulsion upon either party under the law unless you are going to take the whole step and prevent strikes by criminal prosecution and that has never been attempted successfully. Australia attempted such a law and it is a dead letter. Canada attempted it, and although under that law there have been hundreds of violations, there have been only 11 prosecutions, and that law is a dead letter in Canada. France undertook it, and the only way she could enforce a rigid compulsory provision of an antistrike law was if there was a strike to call the employees into the army and make them work as soldiers. But we can not do that and we ought not to attempt that in the United States of America. [Applause.]

Mr. SANDERS of Indiana. I am not talking about antistrike legislation, but I am asking the gentleman if there is any tribunal under the proposed law which has the power to investigate and give to the public—independently of any agreement between parties—to give to the public their decision on the controversy irrespective of whether the decision is enforceable?

Mr. BARKLEY. The Board of Mediation is not a deciding body. It may be approached by either side or both sides, or it may offer its services and conduct investigations and give out to the public whatever it wants in reference to the facts, but it can not decide anything, and it ought not to decide anything, if you are going to leave it like the present Railroad Labor Board, without power to enforce its decisions.

Mr. SANDERS of Indiana. I would like the gentleman to point to a single phrase in his bill that gives to the Board of Conciliation and Arbitration the power to make investigations and a determination unless the parties agree to it beforehand.

Mr. BARKLEY. I do not understand it has to do with a decision. It is a board of mediation to bring parties together in an effort to induce a settlement upon the basis of agreement and contract, and it does not provide that this board shall be superimposed upon the transportation systems of the country and render a decision that one side may obey and the other may disobey without its having power to force its decisions.

Mr. SANDERS of Indiana. Then the gentleman agrees with me that there is no such tribunal provided for that can make such a decision?

Mr. BURTNESS. Mr. Speaker, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. BURTNESS. Is not the real important question, when you come right down to the merits of your proposed bill and the present law, the question whether you want to take away from the Railroad Labor Board the power to make a decision, with the incidental result, of course, that if that decision appears fair and just to the public, the public opinion will enforce the decision? Under your bill you are going away back from that situation. And, as a matter of fact, is not the main element of the question to decide as to whether that is proper or not?

Mr. BARKLEY. That is a question of distance and a question of the compass as to whether you are going back or forward. I think the present law brought you back to confusion, with the present board attempting, as Mr. Hoover said, to combine the functions of mediation with those of decision, but with no powers to mediate or to enforce decisions.

Mr. BURTNESS. I mean back in the way of practice, not in time.

Mr. BARKLEY. You go backward when you create an agency in which neither side has full confidence, and you go forward when you make it easy for both sides to be drawn together in confidence and respect. If the Congress of the United States desires to amend the bill in any provision, it has the right to do it.

Nobody has undertaken to create the impression, except those who are against the bill, that we are trying to drive it down your throats without the dotting of an "i" or the crossing of a "t." I myself am going to offer amendments to the bill if it is brought up for consideration. I say it is important enough to entitle it to consideration, and on Monday, without regard to party or the efforts of men on either side to crack the party whip, a majority of the House will, I trust, decide to discharge the committee and bring this measure before the House, where it can consider it under appropriate rules. [Applause.]

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District appropriation bill.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] will please resume the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes.

Mr. DAVIS of Minnesota. Mr. Chairman, I could not hear what the Clerk read. What was it?

The CHAIRMAN. It was merely the title of the bill.

Mr. DAVIS of Minnesota. I could not hear a word that he read.

The CHAIRMAN. There was nothing pending when the committee rose yesterday. The Clerk will read.

The Clerk read as follows:

For all expenses necessary and incident to the enforcement of an act entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes," approved May 1, 1906, including personal services when authorized by the commissioners, $2,452, including an allowance at the rate of $26 per month for furnishing an automobile for the performance of official duties.

Mr. BLANTON. Mr. Chairman, I make a point of order against the following language: Page 14, line 19, against the following: "including an allowance at the rate of $26 per month for furnishing an automobile for the performance of official duties."

In that connection, Mr. Chairman, I want to say that no official of this Government and no employee of this Government is entitled to any allowance for an automobile that is not authorized by law. There is absolutely no law whatever for this. I appeal to the Chair on this point that there should be legislation before we allow it. Otherwise there might be a Congress some day that would want to give a Pierce-Arrow limousine to every one of the 300,000 employees of this Government. There ought to be some way of stopping it by points of order in accordance with the rules of this House that have prevailed for a hundred years. I submit that that is legislation on an appropriation bill and that it is not authorized by law.

Mr. CRAMTON. Mr. Chairman, the act referred to, an act authorizing the District of Columbia to remove unsafe buildings and parts thereof, and for other purposes, in section 1 provides that if in the District of Columbia any building or part of building, and so forth, is reported unsafe the inspector of buildings shall examine such structure; and if in his opinion the same shall be unsafe, he shall immediately notify the owner, and so forth. And section 3 provides that whenever a report of a certain survey shall declare a certain structure to be unsafe and the owner refuses in three days to cause such structure to be taken down, the inspector shall proceed to make such structure safe, and so forth. There is a duty imposed on the inspector of buildings to carry out the provisions of that act, and Congress of course has the authority to give an expense fund for that purpose and has the same authority to provide an automobile for the use of that inspector in making his visitations and his going about the city; the same right that it has to provide him with stationery and postage, and so forth.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Certainly.

Mr. BLANTON. Of course not, because stationery and postage are incidental to office work, and it is official, but an automobile is not.

Mr. CRAMTON. Right there the gentleman has brought the issue to the point, that if it is incidental to the proper performance of the authority given to the official, we may appropriate for it; and in carrying on the work in the District of Columbia, 10 miles square, barring what was given back to Virginia, it is self-evident that in the performance of that duty some means of transportation is necessary, and it is for Congress to decide whether an automobile is better than a street car.

Mr. BLANTON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BLANTON. Then, of course, we could furnish a Pierce-Arrow limousine if Congress saw fit to vote for it.

Mr. CRAMTON. Well, when the committee proposes it, it will be time enough to talk about that.

The CHAIRMAN. The act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes, approved May 1, 1906, as cited by the gentleman from Michigan [Mr. CRAMTON], is a general act. It gives broad and comprehensive powers to a board, to be known as the Board for the Condemnation of Insanitary Buildings in the District of Columbia, to do certain things in and about the District in the examination and condemnation of insanitary buildings, a very useful work and a necessary adjunct to the government of such a place as the District of Columbia.

Now, the gentleman from Texas [Mr. BLANTON] states, in support of his point of order, that an allowance for an automobile would not be permissible and in order, unless there was some authority of law for the hiring of an automobile. The Chair can not see how that can follow. Would it be contended, for instance, that it would be necessary, before the Congress could appropriate for stationery for typewriting purposes, that there must be authority given by law to the board to buy typewriting machines?

Mr. BLANTON. If it were not for the law, this Congress could not furnish a Congressman with his stationery allowance. There is a legislative statute which authorizes it, and if it were not for that legislative statute we Congressmen would be without a stationery allowance.

The CHAIRMAN. Yes; but there is no law which authorizes the Board for the Condemnation of Insanitary Buildings to buy typewriters, to buy vehicles, or buy office furniture, specifically stating it, but it is commonly conceded that they must have that right, otherwise they could not function. So it must be true that if it is necessary for them to use an automobile they ought to have the right to do so, and if they can buy an automobile it follows that Congress may appropriate a reasonable amount for the maintenance of the automobile. That is always true when Congress gives broad, general powers and does not restrict and limit those powers, and Congress has not done so in this case.

Mr. CHINDBLOM. If the Chair will permit, as a matter of fact, there is probably nothing in the law which directly authorizes the employment of personal services.

The CHAIRMAN. The Chair sees nothing of the kind in it, and the Chair has the act before him.

Mr. CHINDBLOM. But such an appropriation is made in this language:

Including personal services when authorized by the commissioners.

The CHAIRMAN. The Chair has not closely examined the statute, but it is sufficient to say the board is authorized to inspect and examine buildings. Now, the Chair must adhere to his former conclusion. If a department is authorized by law to perform certain duties, it must necessarily follow, unless Congress has limited it, that that department must have the necessary things with which to do its business and the Congress may appropriate for such purposes. The point of order is overruled.

Mr. BLANTON. Mr. Chairman, I offer an amendment merely for the purpose of finding out where we are at. At the end of the paragraph, strike out the period, insert a colon, and add the following proviso:

Provided, That in the performance of his duties, every official connected with this department shall be furnished with a Pierce-Arrow limousine, and to cover the expense thereof there is hereby appropriated $500,000.

Mr. DAVIS of Minnesota. Mr. Chairman, I make a point of order against that amendment.

The CHAIRMAN. The point of order is sustained.

Mr. BLANTON. Well, we have gotten somewhere, then.

The Clerk read as follows:

For rent of offices of the recorder of deeds, including services of cleaners as necessary, not to exceed 30 cents per hour, to be expended under the direction of the Commissioners of the District of Columbia, $6,000.

Mr. DAVIS of Minnesota. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. DAVIS of Minnesota: On page 15, line 4, strike out "$6,000" and insert in lieu thereof "$14,400."

Mr. DAVIS of Minnesota. Mr. Chairman, this pertains to the building in which the office of the recorder of deeds is

located. It has been a known fact to all those who have investigated at all that for quite a number of years there has not been sufficient room in the two rooms they occupy on the first floor to carry on the business of the office. They are much in arrears now and it is because there is not space there in which to put a sufficient number of employees.

The original amount in the bill was $6,000, and is for rent and the services of cleaners.

Now, the gentleman from Illinois [Mr. MADDEN], and others, have been down there and investigated that building. The parties who own the building have threatened to remove—and I think they can properly remove—the recorder of deeds office forthwith from that building. The proposition they make now is that they will rent the entire building and furnish heat, light, janitor service, elevator service, and everything else, for the sum of $14,400, and this committee feels confident that it is the best solution that can be had at this time. It gives us the entire building.

Of course, in the near future, Mr. Chairman, two or three years from now, there will be a building in this city, a new building near the court house, for the recorder of deeds office, but in the interim there is no question but what they must have more room, and this gives them two additional floors and sufficient room for the sum of $14,400.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. The Committee on Appropriations, embracing 35 members, is one of the most peculiar committees you ever saw. Without any authority of Congress they exercise the right continually of putting legislation in an appropriation bill at will. They have no authority to do it, but they do it, and when one of us exercises his prerogative of enforcing the rules and makes a point of order against such improper legislation they have 47 spasms, but whenever they want to introduce legislation in the way of an amendment they do it. They do it and they do not want you to make any point of order against it. Now, they get a little out of humor when I call attention to these matters which are legislation, and when the Chair sustains them under the rules they get out of humor.

Mr. DAVIS of Minnesota. I will say to the gentleman that he can make a point of order against this if he wants to and as many more as he wants to make.

Mr. BLANTON. I do not yield to the gentleman. He is disobeying the rules now.

But when I offer, Mr. Chairman, an amendment that would benefit every man, woman, and child in this District, to restrict the street-car companies to their charter rights and not permit them to charge over 5-cent fares here, when their charter restricts them to 5-cent fares, the distinguished gentleman from Michigan gets up and makes a point of order against it and will not even let the House vote on it. The idea of charging 70,000 little school children here in this District 8 cents car fare, when most of the cities of the United States are charging 5 cents for adults and charging school children half price. They are now charging 8 cents apiece street-car fare for the 70,000 school children of this District.

Oh, but the gentleman from Michigan [Mr. CRAMTON] introduced an amendment here the other day that slightly changes the fiscal plan of this District. It is true he only raised the tax rate a few pennies, raising it from $1.20 to about $1.30, when other people everywhere else are paying $3.75; but when he does that the newspapers come out and tell us about who is going to stop it. They even name the individual who is going to put an end to that matter in this bill. They say he is not going to stand for it. He is going to have the Cramton amendment put out of this bill and is going to keep the tax rate here at $1.20. I thought maybe you would like to see where that individual lives. I can not mention his name, because the rules of the House prohibit it, but here is where the gentleman lives. I can show you this picture of his fine residence here in Washington, and if he succeeds in beating the Cramton amendment he pays just $1.20 on this fine property instead of $1.30.

I want to tell you that the time has come in this great city when every Congressman and every Senator who votes for that ridiculous $1.20 tax rate to continue at the time he votes for it ought to put in the RECORD, in fairness to his constituents, the value of his property that he owns here in Washington and the assessment and the tax rate and the measly little pittance of taxes that he pays on it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Gentlemen, I have a list of every Congressman and every Senator in Washington who owns property here; and I have a list of his property and I have a list of the taxes he pays. I have not put it in the RECORD because it would not look nice for me to do it. Many Congressmen and Senators here who own property do not approve of this low tax rate. I do not want to make the others angry, but if they continue to keep this $1.20 tax rate here when the people of the United States are paying $3.75 all over this land I am going to put it in the RECORD some time as sure as you live, and I am going to let the people of this country know who it is that is benefiting here when they vote to keep the tax rate at $1.20.

I am going to let the people of this country know about it. Is not that right? Is there anything wrong about that? I do not think they are going to vote out this Cramton amendment; but if they do, it does not amount to very much for the people who live here, as the increase is slight. The gentleman from Michigan [Mr. CRAMTON] has not done much for the country in increasing the tax rate from $1.20 to $1.30. He ought to have accepted my amendment and put the tax rate here at $2.50, like it was a few years ago, and not let it be kept down to $1.20 on the $100 assessed at about 50 per cent of a real valuation.

I challenge one Congressman or one Senator to show that his property is assessed at more than 60 per cent of the cash market value of it right now. He can not do it. Property here is assessed at from 40 to 60 per cent of the real value and then taxed at only $1.20 per $100; and we ought to stop it. It is not fair to the people of the United States.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. CHINDBLOM. Mr. Chairman, I want to bring the discussion back to the amendment before the committee, namely, to increase the appropriation for the quarters occupied by the recorder of deeds from $6,000 to $14,400.

On this subject I merely want to say I had occasion recently to go down to the recorder of deeds' office to inspect a document which had been recorded there. I never saw a public office so congested in my life. I never saw men working in a public office under such cramped and almost impossible conditions as exist there. There is practically no room for desks and furniture, and the documents which have been recorded have to be put away in most inconvenient and inaccessible places.

I am glad the amendment has been offered and hope it will be passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

The Clerk read as follows:

EMERGENCY FUND

To be expended only in case of emergency, such as riot, pestilence, public insanitary conditions, calamity by flood or fire or storm, and of like character; and in all cases of emergency not otherwise sufficiently provided for, in the discretion of the commissioners, $4,000; *Provided*, That in the purchase of all articles provided for in this act no more than the market price shall be paid for any such articles, and all bids for any such articles above the market price shall be rejected and new bids received or purchases made in open market, as may be most economical and advantageous to the District of Columbia.

Mr. BLANTON. Mr. Chairman, I make a point of order to the following language: "And in all cases of emergency otherwise sufficiently provided for in the discretion of the commissioners."

Mr. Chairman, that is new legislation. It was not in the last appropriation bill. It has never been put in any appropriation bill. It is something new that our friends have put in this bill for the first time.

Mr. AYRES. That is put in the bill to cover cases of emergency. For instance, take the death of President Harding. They were absolutely helpless because they had no funds to cover the expense of that funeral. This is simply to take care of matters of that kind.

Mr. BLANTON. Does not the gentleman from Kansas know that whenever any official of the Government dies, of that importance, the Sergeant at Arms of the House and the Sergeant at Arms of the Senate, the Clerk of the House and the disbursing officer of the Senate get together and arrange for the funeral?

Mr. AYRES. They do not as far as policing the District.

Mr. BLANTON. If Congress were not in session and a Member should die, our friend the Sergeant at Arms would take charge of his body and send it to his home. He would desig-

nate the ones to go with it. He is authorized to do that by law and pay the expenses out of the contingent fund of the House. That is the law of the land when Congress is not in session.

Mr. BEGG. If this goes out on a point of order, would it not meet the gentleman's objection to strike out the words in the item "such as riot, pestilence, public insanitary conditions, calamity by flood, fire, or storm, and of like character" and leave it a straight emergency?

Mr. AYRES. We put it in to cover these emergencies, and it was said at the time that it would give somebody an opportunity to talk, and that would be all there was of it.

Mr. CRAMTON. Mr. Chairman, it is not subject to a point of order. It is simply a broadening of the proposition. The hearings give as an instance of the need for this the Knickerbocker disaster where many of the fire engines were put out of order. It covers any emergency that may come up where there is necessity for a small emergency fund.

Mr. AYRES. Take the Knickerbocker disaster where the fire apparatus went back on them.

Mr. CRAMTON. We put the language in not to broaden the authority of the commissioners but to give them some money to use in cases of emergency.

The CHAIRMAN. The Chair has not had much time to look this up. This is an item of appropriation to be used as an emergency fund for the District of Columbia. What is there in the law that prohibits Congress from establishing an emergency fund for any department?

Mr. BLANTON. Congress provides for the expenditure of every dollar that is authorized to be taken out of the Treasury by the Appropriation Committee. If there is no authorization for the fund, the Appropriation Committee has no right to appropriate money for it. It ought to be appropriated only when there is specific authority to do so.

The CHAIRMAN. Here is an appropriation for an emergency fund. The Chair believes that it is a legitimate function of Congress to make such a fund if it wants to do so. For instance, Chairman Walsh on February 10, 1921, decided that an appropriation for an emergency, an extraordinary expenditure in the Navy Department, was in order as a necessary incident to the operation of the department. The point of order is overruled.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, line 6, after the word "character," strike out the semicolon and insert in lieu thereof a comma.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

Mr. CHINDBLOM. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, line 17, after the word "all," insert the word "other."

Mr. CHINDBLOM. Mr. Chairman, I do this because it has been held that general language followed by specific language will be interpreted to mean instances of the same general class.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

REFUND OF ERRONEOUS COLLECTIONS

To enable the commissioners, in any case where special assessments, school tuition charges, rents, fees, or collections of any character have been erroneously covered into the Treasury to the credit of the United States and the District of Columbia in the proportion that the appropriations for the expenses of the government of the District of Columbia for the fiscal year involved were or are paid from the Treasury of the United States and the revenues of the District of Columbia, to refund such erroneous payments, wholly or in part, including the refunding of fees paid for building permits authorized by the District of Columbia appropriation act approved March 2, 1911, $1,500: *Provided*, That this appropriation shall be available for such refunds of payments made within the past three years.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 16, line 6, after the word "proportion," strike out the language "that the appropriations for the expenses of the government of the District of Columbia for the fiscal year involved were or are paid from the Treasury of the United States and the revenues of the District of Columbia" and insert in lieu thereof "required by law."

Mr. CRAMTON. Mr. Chairman, that does not change the effect at all; but if some change was made in the first section of the bill, there would be no conflict by reason of this.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For interest and sinking fund on the funded debt of the District of Columbia, $300,000.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph that it is not authorized by law, that it is new legislation on an appropriation bill.

Mr. DAVIS of Minnesota rose.

The CHAIRMAN. The Chair does not care to hear any argument. The point of order is overruled. The Clerk will read.

The Clerk read as follows:

For the purchase of special typewriting equipment, typewriters, cards, and file cases, for the use of the offices of the assessor and collector of taxes, to be immediately available, $5,000.

Mr. BLANTON. Mr. Chairman, I make the point of order that this is new legislation on an appropriation bill, unauthorized by law, and that it is additional to the appropriation bill of last year. It is new matter that was not in the last District appropriation bill.

Mr. CRAMTON. Mr. Chairman, whether it was in the last appropriation bill or not is immaterial. If it was in and was then legislation it is still subject to the point of order now, and if it is not legislation the fact that it was not in a former bill has nothing to do with the question.

The CHAIRMAN. The Chair does not want to seem to be at all brusque or to dismiss these matters without consideration. The Chair has endeavored on several occasions to express his ideas about matters which were necessary for the conduct of an office which is authorized by law. When these points of order are raised, if any are raised in the future, the Chair will not go into his reasons for so holding. It is sufficient to say that the Chair thinks that he has expressed his opinion. The Chair is of opinion that such things as are necessary to carry on these legally constituted offices can be appropriated for, and therefore the point of order is overruled.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Some time ago I went down to the collector's office and I was taken into his vaults by one of his assistants and saw there on the floor in his vault four open-top wooden boxes full of letters with checks and money attached to them, sent there in payment of taxes; checks that had been there for over a month, not cashed, lying there on the floor in those boxes. I asked him why it was and he said that they had not been able to reach them, that they did not have enough employees. The people who sent those checks there could have died or become insolvent before their checks were presented to the bank for payment. Do you know what my secretary would have done if he had been working in that office? He would have stayed there until 1 or 2 o'clock at night and on Sunday but what he would have gotten those checks filed, credited, and deposited, and he would not have done it because I told him to do it, but he would have done it from a sense of duty to his country. The idea of leaving for over a month four boxes full of checks there, together with money sent for the payment of taxes! I asked him how long they had been there and he said over a month. They ought to get some old-fashioned Yankee thrift into the business enterprises and business transactions of this District government.

Back of my house is an alley which runs behind five different houses on a down-hill grade, a very steep incline, and it has never been paved. When it rains hard the water runs away from that alley into the cellars of five different families there. About two years ago I got after the commissioners to stop that if they could. They said that they would pave the alley, and they began to send assistant engineers up there, two or three together, from time to time, and they began to look at it and make plats. It is just a little alley, about as far as from here to that door. I could have gone out there I believe myself and paved it with the assistance of a few laborers in a week. That was about two years ago that this trouble with the water began. They had been sending up there on several occasions. Finally they had a fine plan all mapped out and it was to have terraced steps down that alley. I saw how much it was going to cost and how much red tape there was to it, and I said, "For God's sake let it alone; we people will stand it if it is going to put the Government to all of that expense; stop it." And they did stop it at our request. The idea of messing around with business like that! They need some New England Yankee thrift in the conduct of their business affairs.

Mr. MORTON D. HULL. Or Illinois thrift?

Mr. BLANTON. Yes.

Mr. MADDEN. Or Texas thrift?

Mr. BLANTON. Yes.

Mr. WOODRUFF. Or Michigan thrift?

Mr. BLANTON. Yes. They ought to put some business thrift into the conduct of their government in this District.

The Clerk read as follows:

Northwest: For paving Varnum Street, Second Street to Fourth Street, 30 feet wide, $11,600.

Mr. BLANTON. Mr. Chairman, I make the point of order that that is legislation unauthorized on an appropriation bill. This same point of order affects all of these paving cases, provisions, from line 8 on page 17 down to line 8 on page 22, and will be made by me after each provision is read. It is all legislation. I do not want to repeat the point of order after the reading of each little paragraph, and I am willing to have the Chair pass on all of it at one time. It takes legislation to pave these streets. There is a legislative District Committee here to provide for it. There has not been a single representation made to the legislative committee asking for this paving. They do not come to the legislative committee, but they come to the Committee on Appropriations. They ought to be taught to come to the legislative committee for legislative matters, and it is the integrity of the jurisdiction of these legislative committees for which I am contending.

Mr. CRAMTON. Mr. Chairman, the Government owns all of these streets. Some of them have already been paved and need repaving, and some of them partially paved and need to be finished. In every case it is a continuation of a work in progress. Furthermore, the law provides that hereafter the commissioners, in submitting schedules of streets and avenues to be improved, shall each year recommend such streets and avenues in the order of their importance, as determined by them after personal examination of said streets and avenues, and there are other provisions as to how the streets shall be paved and how they shall be graded. I refer to Thirty-second Statutes, page 962. The statute clearly contemplates the paving of the streets and provides how the estimates shall be prepared. It is continuation of a work in progress.

The CHAIRMAN. The statute referred to by the gentleman from Michigan [Mr. CRAMTON] specifies how the estimates shall be made to Congress, and provides that in submitting the schedules of streets and avenues to be improved the commissioners shall arrange such streets and avenues in the order of their importance, and so forth. That estimate, of course, goes to the Congress. Then the Congress passes upon the matter as to how far it shall go in providing the money for these purposes. The gentleman from Texas [Mr. BLANTON] says that special authority should be given by the District Committee for such work. However, the Chair finds on a hasty examination of the authorities as given in the House Manual the following citations which the Chair has not had time to look up, but assumes properly bear out the syllabus:

But appropriations for rent and repairs of buildings, for Government roads, and purchase have been admitted as in continuation of a work, although it is not in order as such to provide for a new building in place of one destroyed.

Mr. BLANTON. Will the Chair yield right there for an explanation?

The CHAIRMAN. Yes.

Mr. BLANTON. This is not a Government road, for instance, like the Military Road we own over in Arlington or like the one down at Camp Meade. These are streets, if the Chair pleases, and the contiguous property owners are taxed. In other words, under the present Borland law, passed in 1914, every contiguous property owner is taxed for the pavement of 20 feet contiguous to his property. This is not a Government road; it is a public street, just as public as any street in Philadelphia or New York. The public has as much interest in it as in the streets of New York and Philadelphia and the property owners are taxed. That is one reason why there should be a hearing before the legislative District Committee. These property owners might come in and say that there is no emergency for paving this particular street that would warrant their having to pay for this 20 feet of their own property.

Mr. CRAMTON. May I call the attention of the Chair to how far the Chair has gone in the past with reference to work in progress. I recall the case of the topographic survey of the United States where an appropriation for its extension was held to have reference to a work in progress. Now, the pavement of the streets of the city is work in progress. Every single one of these pavements is to connect with an existing system of paving. There will be no breaks whatever. Every pavement to be laid under this paragraph will connect up immediately with the existing system of pavement.

The CHAIRMAN. The Chair has referred to the opinion in Fourth Hinds, paragraph 3779, which was a proposition to repair a pavement originally laid in that case in the city of Chicago, where a pavement had been laid by the Government adjacent to a Federal building in that city. The opinion was by Mr. WATSON, now Senator WATSON, of Indiana, and it goes off on the proposition entirely as to whether this road was a Government road—that is, whether the fee of the road was in the Government or not—holding by implication that if the fee was in the Government, then it was a work in progress, but inasmuch as the fee was in the city of Chicago a point of order was good against such an appropriation. Now, the fee of the streets of the District of Columbia is in the United States; they are Government roads, existing works. Corpus Juris (vol. 18, p. 1373) cites the authorities upon this proposition, citing principally Morris v. United States (174 U. S. 196). The point of order is overruled.

The Clerk read as follows:

Northwest: For paving Princeton Place, Warder Place to Georgia Avenue, 30 feet wide, $10,000.

Mr. BLANTON. Mr. Chairman, I am not complaining about the ruling of the Chair, because I believe the Chair is conscientious, but I am making this point of order merely to give the Chair a chance to straighten out the inaccuracy which he has fallen into from a conscientious belief in his position. Here is Princeton Place. This is to pave streets of this addition to the city of Washington. The fee to these streets is not in the Government, as the Chair indicated. Most of these streets, as the Chair will find, the dedications of those streets and additions are to the District of Columbia and not to the Government of the United States. This is the District of Columbia entity here that exists; it is Washington, D. C., not the Government of the United States. The Government has the seat of government in the District of Columbia, but every street here, every one of these additions here, the Chair will find the fee is in the District of Columbia; and I do not want the Chair's opinion to stay here in the RECORD as indicating that these streets belong to the Government, when everybody knows that they do not. The gentleman from Michigan and the gentleman from Minnesota ought not to pull the Chair into such an error. They ought to enlighten him and give him the benefit of the facts before he makes a ruling here that is to stand as a precedent in this House for all time and eternity.

Mr. CRAMTON. If the gentleman will yield, our activities are chiefly to protect the Chair from being led into error by the gentleman from Texas.

Mr. BLANTON. I know the gentleman when he wants legislation he puts it in and when he does not want it in he keeps it out. I understand the gentleman's modus operandi, and, of course, the committee backs him up in it, and he backs his brother members on the committee.

The Clerk read as follows:

In all, $482,750; to be disbursed and accounted for as "Street improvements," and for that purpose shall constitute one fund, and shall be available immediately: *Provided*, That no part of such fund shall be used for the improvement of any street or section thereof not herein specified.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word. I do it for the purpose of asking the Chairman whether this is all that is appropriated for paving purposes in the bill.

Mr. DAVIS of Minnesota. Oh, no.

Mr. BLANTON. There are $550,000 on the next page.

Mr. DAVIS of Minnesota. These are all of the specific items. There is repair paving and things of that sort, and these are simply specific new items.

Mr. GREEN of Iowa. Well——

Mr. DAVIS of Minnesota. I will give the gentleman full statistics: Street improvements, specific improvements, $482,750; repairs to streets, avenues and alleys, $573,300; repairs in outlying sections, $275,000; assessment and permit work, $285,000; other miscellaneous items, $250,320; making a total of $1,876,370. I have given the gentleman the exact figures. The gentleman has read the papers, I guess.

Mr. GREEN of Iowa. No; I have not. But I have been traveling over the pavements, and I can say of all towns of this size or even very much smaller than Washington I never saw one that had such poor paving.

Mr. DAVIS of Minnesota. There has been a vast building improvement made in the city of Washington in the last few years.

There are more items in this bill, two to one, than the bill has ever carried in recent years. We have fifty-odd items here.

You can not put them all in one bill, because it would bankrupt the Treasury of the United States and of the District of Columbia; but we are taking them up just as fast as we can, consistently with the rules and with the money that is available.

Mr. GREEN of Iowa. The gentleman is all right about his figures, but he is wrong about my not having ridden over the streets in the last few years.

Mr. DAVIS of Minnesota. Of course, our committee has gone around and viewed every item recommended by the commissioners and by the Budget, and the items in the bill are the ones that in our opinion are the most important and the most needed. Heretofore, I will say, most of these improvements have gone down into the northwest portion of the city, in the so-called wealthier part; but recently there have been a lot of new and small buildings put up in the northeast section. That is the reason why we put these in. Probably the gentleman has ridden out in the northeast. The gentleman will find that it will be necessary to provide for as many or more items in next year's bill.

Mr. GREEN of Iowa. Mr. Chairman, has my time expired?

The CHAIRMAN. The gentleman has one minute left.

Mr. BLANTON. Mr. Chairman, will the gentleman let me ask him a question?

Mr. GREEN of Iowa. Yes. What is the question? I do not want to hold up the committee more than is necessary.

Mr. BLANTON. This is more than $800,000 that we are providing for the streets here. The taxpayers out in Iowa, where the tall corn grows, and in other States, pay approximately 40 per cent of this amount.

Mr. BEGG. No; 20 per cent. I will explain it to the gentleman when I get the floor.

Mr. GREEN of Iowa. Out in Iowa the taxpayers pay all the cost of the pavements. But it seems to me that the bad condition of the pavements is almost universal throughout the city here. Here and there you may find good pavements, but they are pretty rare.

Mr. BEGG. Mr. Chairman, I wish to offer an amendment. On page 22, line 9, I move to strike out "$482,750" and insert "$600,000."

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 22, line 9, strike out "$482,750" and insert "$600,000."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment, that it is not only unauthorized by legislation but it is an increase. If the Chair is taking the last year's legislative bill as the authority, it is an increase over that item, and it is unauthorized by law.

Mr. BEGG. What are you making the point of order against?

Mr. BLANTON. Against the amendment.

The CHAIRMAN. The point of order is overruled.

Mr. BEGG. Now, Mr. Chairman, the main reason why I offered this amendment—I am sincere and think we ought to appropriate it—is to call attention to the same fact that the gentleman from Iowa [Mr. GREEN] called attention to, namely, the unreasonable and unnecessary condition of the streets in the city. This bill carries $110,000 less money for new streets than it carried last year.

Now, the statement of the gentleman from Texas [Mr. BLANTON] that the people back home are paying so much of this is not correct. They pay 20 cents on the dollar for new pavements and no more, and if the Federal Government's damage to those streets does not represent 20 per cent of the wear, then there is no justification at all for levying any tax against the Federal Government.

I think that the policy of parsimony that has been practiced by the Congress toward nearly everything in the city of Washington is a wrong policy. I would like to see the streets in Washington and the schoolhouses the best that there are in any city in the country. What I said the other day about the schoolhouses I now say about both schoolhouses and the streets. There is not a city of 500,000 inhabitants in the United States anywhere where the streets are in as horrible condition as they are in this city and where the schoolhouses are in such a shameful condition.

Why? The only reason is that we come here and talk about the part of the Federal Government's upkeep. If the Federal Government should not pay it, let us change the system in some way, so that the people who live on the streets and send their children to school may have the opportunity to have the streets and the schools in as good condition as they are in other cities, and pay for them.

What is the condition now? If every property holder on a street wants to have that street improved what is the process? Why, in other cities if they petition the city government, the city government never turns them down if there is a big enough representation of the property holders.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. BEGG. When I am through with this statement I will yield. But in the city of Washington, if every citizen resident on a street wants a pavement, and even if the street is in such bad condition that you could not drive a two-horse wagon through it, let alone an automobile, and if they do not satisfy five men on the District Committee, they have no recourse and no appeal. And I want to say to you that that is the most outrageous condition that ever existed in any city in the United States.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield? I can contribute a little illumination.

Mr. BEGG. I do not think the gentleman can contribute any illumination on that proposition. Those are the facts of the case.

Mr. CRAMTON. Mr. Chairman, it used to be that abutting property contributed nothing, and everybody wanted to improve the streets. Since we required a contribution from abutting property I asked the District authorities a week ago what was their practice. Did they wait until they received a petition from the property owners, or did they proceed without one? He said:

We proceed without them, because, since the Borland amendment, we never get a request.

Mr. BEGG. The gentleman does not know what he is talking about. "The gentleman from Ohio" did not say what the gentleman was talking about. I said if every citizen did petition for a street——

Mr. CRAMTON. But they never do.

Mr. BEGG. But I know better. The gentleman can not tell me about what I know about. Now, then, a situation like that. Mr. Chairman and gentlemen of this House, is absolutely unfair, to deny property holders an improved street if they are willing to pay for it.

Now, there is just one other comment I want to make.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BEGG. I ask for two minutes more in order to make that comment.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BEGG. When they do improve a street in the city of Washington, if it is by any other method than a pavement, they will haul out and dump ashes in it, and when the ashes dry out and the water they dump on the ashes dries out, and a wind comes up it beats any alkali storm I ever heard of or read about. If they would dump that same load of ashes in any other city in the United States that I know anything about they would be arrested before they got off the premises.

Now, I do this not to criticize the committee nor anybody else. The committee is only an agency of the machinery we set up through which the people may secure their improvements, but I make these remarks in order to call attention to a condition which I think is outrageous as regards the citizenship of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. BEGG. Mr. Chairman, I withdraw my amendment.

Mr. BLANTON. Then, Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word and is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, the gentleman from Ohio is mistaken. Under the Borland Act, which was passed in 1914, every property owner contributes for the paving of 20 feet in the street. The Government and the District pay the balance 60–40. To pay that balance, 60–40, this $1,800,000 is appropriated in this bill, of which the taxpayers of the country pay approximately 40 per cent, if the gentlemen's amendment is adopted; but if it is not adopted then they pay the full 40 per cent.

You know, gentlemen, the gentleman from Ohio [Mr. BEGG] is the cutest man in this House. [Laughter.] He knows that if he gets up here on the floor——

Mr. SNELL. He admits it.

Mr. BLANTON. He does not have to admit it. We all knew it.

Mr. AYRES. Mr. Chairman, I make the point of order that the gentleman is not discussing the section.

The CHAIRMAN. The gentleman will confine himself to the section.

Mr. BLANTON. The gentleman will keep himself within the rules. I know the rules, Mr. Chairman. As to knowledge about everything that exists in the world the gentleman from Ohio [Mr. BEGG] is the last word, and he admits it. He knows that if he makes this speech for Washington his picture will be in every paper in Washington, and they will all be for BEGG, while everybody who is against the amendment will be cussed by these newspapers. Naturally, he wants his picture in the papers. [Laughter.]

Mr. TAYLOR of West Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. BLANTON. Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

Mr. TAYLOR of West Virginia. Then, Mr. Chairman, I move to strike out the last two words. Mr. Chairman and gentlemen, it seems that the Northwest has been adequately taken care of in the preceding sections of this bill which have just been read. I know nothing about these conditions, but I was down in the Southwest the other evening, and I saw something which I feel should be called to the attention of the men who are in charge of this bill, because these men are in charge of the District. I refer to a carnival which had its tents pitched down there and had set itself up to demoralize the youth of this city. [Applause.] I find that this bill appropriates hundreds of thousands of dollars for schools, parks, playgrounds, and police protection, yet at the same time it seems the District allows carnivals to come here and set up 47 gambling devices and a lot of fake shows, where they have snake eaters, wild men, and other things which certainly do not contribute in the least to the edification or welfare of the community. It seems to me the persons in charge of the District of Columbia should see that conditions like that do not prevail in any community. [Applause.] What I saw the other evening was a disgrace to any community, much less a city of the size and standing of this great city, the Capital of our Nation.

I certainly and sincerely hope that what I say to-day will go to the persons who are in charge of the District of Columbia and that they will see to it that carnivals are not allowed to come here that do not have some standing in the community.

I am glad to say that all of the carnivals which come to the city are not like the one I saw in the Southwest.

Mr. AYRES. Will the gentleman yield?

Mr. TAYLOR of West Virginia. Yes.

Mr. AYRES. I will say that is a question for the legislative committee and not for the Appropriations Committee. That legislative committee has not much to do, and I suggest the gentleman take it up with them.

Mr. BLANTON. We have lost all jurisdiction since the Appropriations Committee assumed charge of affairs.

Mr. AYRES. I agree with what the gentleman from West Virginia has been saying.

Mr. TAYLOR of West Virginia. As I say, all of the carnivals which come to the city are not like the one I saw in the Southwest. I attended a carnival at Fifteenth and H Streets NE. recently which had some elements of respectability about it. I know there are carnivals of that kind in the country, and certainly only this kind should be allowed to come here and the revenue derived from such carnivals gives splendid regulatory powers. And yet this carnival that exists down in Southwest Washington here, on South Capitol Street, would be a positive disgrace to any community and it seems to me the District authorities should do something to see that such disgraceful shows are not allowed to pitch their tents within the confines of the city of Washington.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

To carry out the provisions contained in the District of Columbia appropriation act for the fiscal year 1914 which authorize the commissioners to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside of the cities of Washington and Georgetown there is appropriated such sum as is necessary for said purpose during the fiscal year 1925, to be paid wholly out of the revenues of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph that it is legislation unauthorized in an appropriation bill. Mr. Chairman, no paragraph that authorizes an unlimited appropriation ought ever to be adopted by this committee. In other words, there is no limitation whatever placed on this appropriation. It provides "there is appropriated such sum," and so forth, and of course it is without any limitation or restriction. This was merely in an appropriation act back in 1914 and is not legislative authority for this bill. It was authority simply for that year.

Mr. CRAMTON. Mr. Chairman, of course, if the proper language is used an item can be legislation as much in an appropriation act as any other place provided it is kept in the act and does not go out on a point of order.

In 1914 a certain paragraph was put in the act, which I will not take the time to read further than to say that it does authorize the commissioners to open up, extend, and widen streets, and so forth. Legislation having been passed by Congress, the paragraph before us simply provides the money to carry out that legislative enactment, and the fact that the amount is indefinite rather than definite, of course, does not render it subject to a point of order.

Mr. DAVIS of Minnesota. It is wholly paid out of the revenues of the District of Columbia, anyway.

Mr. McKENZIE. Mr. Chairman, I would like to ask the gentleman a question. Would this authorize the opening of new streets—for example, opening a street through Walter Reed Hospital?

Mr. BLANTON. Of course.

Mr. CRAMTON. It would give no authority except such as was given by the act of 1914. That act says:

That the Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside of the cities of Washington and Georgetown, adopted under the act of Congress approved March 2, 1893, as amended—

And so forth—

by condemnation under the provisions of subchapter 1 of chapter 15 of the code of law for the District of Columbia: *Provided*, That the entire amount found to be due and awarded by the jury under such proceedings as damages for and in respect of the land condemned, plus the cost and expenses of said proceedings, shall be assessed by the jury as benefits.

The paragraph before us, as the gentleman will see, is not an enlargement at all. It says to carry out the provisions of the statute which I have just read hurriedly in part, which authorizes the commissioners to open and extend highways, there is appropriated such amount as is necessary for said purpose during the fiscal year 1925. They used for this purpose $26,477.58 last year, and that is about what it runs ordinarily.

Mr. McKENZIE. Will the gentleman yield further?

Mr. CRAMTON. I yield.

Mr. McKENZIE. The gentleman is well aware of the fact that the Committee on Military Affairs in the last Congress had a bill before it to prohibit the opening of Fourteenth Street through the Walter Reed Hospital grounds.

Mr. DAVIS of Minnesota. That is in the city of Washington and this does not apply within the cities of Georgetown and Washington.

Mr. McKENZIE. It is in the District of Columbia.

Mr. DAVIS of Minnesota. No; this says outside of the cities of Washington and Georgetown.

Mr. McKENZIE. Do you say the Walter Reed Hospital is in the city of Washington or in the District of Columbia?

Mr. DAVIS of Minnesota. That is right. It is in the District of Columbia.

Mr. McKENZIE. It is in the District of Columbia, as I understand it. Following that, realizing the opposition that existed in the Committee on Military Affairs and the opposition of the Surgeon General of the United States Army to the proposition of opening Fourteenth Street through these grounds, they introduced a bill which went to the District of Columbia Committee and was reported out, and owing to opposition to the bill in the last Congress it was not finally acted upon. In this Congress there has been such a bill introduced and reported from the Committee on the District of Columbia and it is now on the calendar. There are some of us who believe in preserving the integrity of the Walter Reed Hospital grounds who have been watching that bill, hoping this Congress would defeat it. The only thing I am interested in is whether or not this provision in this bill is so written that it will permit these gentlemen in Washington to go ahead and do that which in my judgment the Congress of the United States does not want done, and that is the opening of Fourteenth Street through the grounds at Walter Reed Hospital.

Mr. CRAMTON. If the gentleman will permit, during all these years during which they have been agitating the Fourteenth Street proposition, this provision has been in the law year after year, and it is to be assumed that if the language were sufficiently broad to reach the case the gentleman has in mind, they would never have come to Congress for such authority. I am not familiar sufficiently with the facts, but my explanation would be that that extension is not a part of the permanent plan of the District of Columbia which is referred to in the statute. The statute I have read does not permit this money to be used for an extension of a street except in accordance with the permanent highway plan of the District.

Mr. McKENZIE. I do not wish to quarrel with the committee or to delay the committee, and I want to ask the gentleman from Michigan and the chairman of the committee if they will accept the following amendment, which will correct the whole thing, and that is, in line 25, after the word "highway," insert "except the Fourteenth Street extension." That will remove all question about it.

Mr. DAVIS of Minnesota. I have no objection to it—none whatever. It does not apply to such an extension, and I have no objection to your putting it in.

Mr. CRAMTON. If it is satisfactory to the gentleman from Minnesota, it is to me; but there is this danger: The present highway plan does not include this proposition or a good many other things that have been proposed. Now, to say here they may do anything that is in that statute except the Fourteenth Street matter, which is not within the statute, is a pretty cumbersome mixing up of the law.

Mr. BLANTON. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. BLANTON. The gentleman from Michigan, who has control of the bill, having agreed to the amendment, I presume the gentleman from Illinois will permit my point of order to be overruled.

Mr. McKENZIE. I am not passing on the point of order.

The CHAIRMAN. The Chair is ready to rule. The provisions of the statute, 37 Statutes at Large, page 950, was contained in the District of Columbia appropriation bill of 1914. The only question for the Chair to decide is whether that was permanent legislation or simply for the year.

Mr. BLANTON. Does it say "hereafter"?

The CHAIRMAN. This is the language of the act of 1914:

The Commissioners of the District of Columbia are hereby authorized to open, extend, or widen any street, avenue, road, or highway to conform with the plan of the permanent system of highways in that portion of the District of Columbia outside of the cities of Washington and Georgetown—

And so forth—

adopted under the act of Congress approved March 2, 1893, as amended by the act of Congress approved June 28, 1898—

And so forth.

Therefore they are authorized to open, extend, or widen any street, avenue, road, or highway in accordance with that plan. Of course, such language means that they are authorized to do it at any time, and any other contention would seem to the Chair unjustified. The Chair thinks it was permanent legislation. He is further sustained in this ruling by the ruling of Chairman Hicks in Committee of the Whole in passing on the widening of a street in the District of Columbia, who said that the widening of the street was authorized in accordance with the act of 1914. That decision was made in 1923 on a subsequent appropriation bill, and the Chair thinks it was sound. There can be no doubt that this was permanent legislation. The point of order is overruled.

Mr. McKENZIE. Mr. Chairman, I offer the following amendment, to insert in line 25, after the word "highway," the words "except the Fourteenth Street extension."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. McKENZIE: Page 22, line 25, after the word "highway," insert the words "except the Fourteenth Street extension."

Mr. CRAMTON. Mr. Chairman, I am afraid of that, and I am going to ask the gentleman if he insists on that to put in the words "and Piney Branch extension." Let the amendment cover both.

Mr. McKENZIE. Very well; I will modify my amendment.

The CHAIRMAN. Without objection, the amendment of the gentleman from Illinois will be modified and again reported.

The Clerk read as follows:

Modified amendment by Mr. McKENZIE: Page 22, line 25, after the word "highway," insert the words "except the Fourteenth Street extension and the Piney Branch Road extension."

Mr. BLANTON. Mr. Chairman, I offer the following amendment: At the end of the McKenzie amendment, add the following proviso:

Provided, That the authority given in the act of 1914 is not hereby in any way extended.

If you are going to put in these two exceptions, as the gentleman from Michigan knows, it opens up every street in the District of Columbia, both in old Georgetown and the city of Washington.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON to the amendment of Mr. McKENZIE: "*Provided*, That the authority given in the act of 1914 is not hereby in any way extended."

The CHAIRMAN. The question is on the amendment.

Mr. BLANTON. Mr. Chairman, I think, as this is an important matter, we ought to have a quorum.

Mr. DAVIS of Minnesota. I will state that if the point of order is withdrawn we will put the gentleman's amendment in a new paragraph.

Mr. CRAMTON. If it is adopted in the way the gentleman has offered it, it is right in the middle of a sentence.

Mr. BLANTON. Very well; I will withdraw the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. McKENZIE].

The question was taken, and the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment at the end of the paragraph.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 23, line 5, after the word "Columbia," insert "*Provided*, That the authority given in the act of 1914 is not hereby in any way extended."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For completion of trestle and bins in N Street NE., between First Street and Second Street, $20,000.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

Mr. BLANTON. Mr. Chairman, I reserve a point of order on the paragraph first and then the gentleman's amendment can be reported.

Mr. CRAMTON. Mr. Chairman, I prefer to withhold the amendment until the point of order is determined.

Mr. BLANTON. Mr. Chairman, this is a new item, lines 12 and 13, not carried in the last year's appropriation bill, and while it provides for completion, yet there is a fund provided to build a trestle and bins at N Street NE.

Mr. DAVIS of Minnesota. Mr. Chairman, in the act of October, 1922, we appropriated $20,000 for the completion of a trestle and bins at N Street NE., between First and Second Streets, and this is simply a continuation of that work and sufficient to carry out the provision.

The CHAIRMAN. The point of order is overruled. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 24, after line 13, insert the following:

"GASOLINE TAX ROAD AND STREET FUND

"For paving, repaving, grading, and otherwise improving streets, avenues, suburban roads and suburban streets, respectively, including personal services and the maintenance of motor vehicles used in this work as follows, to be paid from the special fund created by section 1 of the act entitled 'An act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes,' approved April 23, 1924:

"Northwest and Southwest: For paving Fourteenth Street, B Street south to C Street north, 50 and 70 feet wide, $30,000;

"Southeast: For paving Eleventh Street, Pennsylvania Avenue to the Anacostia Bridge, present width, $75,000;

"Northwest: For paving Twentieth Street, E Street to Virginia Avenue, 32 feet wide, $10,000;

"Northeast: For paving Central Avenue, Benning Road to District line, $78,000;

"Northeast: For paving Fifteenth Street, B Street to E Street, 82 feet wide, $38,000;

"Southeast: For paving Fifteenth Street, B Street to E Street, 82 feet wide, $38,000;

"Northwest: For paving Butternut Street, Fifth Street to Blair Road, 45 feet wide, $10,000;

"Northwest: For paving Forty-first Street, Davenport Street to Livingston Street, 30 feet wide, $49,000;

"Northwest: For paving Georgia Avenue, Military Road to Fern Street, 60 feet wide, $112,000;

"Southeast: For paving Nichols Avenue, Portland Street to Fourth Street, 56 feet wide, $25,000;

"Northeast: For paving Bladensburg Road, end of concrete to District line, 45 and 60 feet wide, $55,000;

"Northwest: For paving Wisconsin Avenue, Massachusetts Avenue to River Road, 60 feet wide, including necessary relocation of street car tracks and water mains, 60 feet wide, refund to be obtained from the street railway company so far as provided under existing law, $350,000;

"Southeast: For repairing and refloering the Pennsylvania Avenue Bridge, $20,000;

"In all, $890,000; to be disbursed and accounted for as 'gasoline tax road and street improvements,' and for that purpose shall constitute one fund: *Provided*, That no part of such fund shall be used for the improvement of any street or section thereof not herein specified: *Provided further*, That hereafter any moneys derived from assessments against private property for paving and resurfacing streets under provisions of existing law arising from the expenditure of the fund created by such act of April 23, 1924, shall be paid into the Treasury of the United States and be credited to and shall constitute a part of said fund and shall thereafter be available for appropriation in the same manner as the proceeds of the gasoline tax."

Mr. BLANTON. Mr. Chairman, I make the point of order to the following language in the amendment, which is clearly legislation and subject to a point of order:

Provided further, That hereafter any moneys derived from assessments against private property for paving and resurfacing streets under provisions of the existing law arising from the expenditure of the fund created by such act of April 23, 1924, shall be paid into the Treasury of the United States and be credited to, and shall constitute a part of said fund and shall thereafter be available for appropriation in the same manner as the proceeds of the gasoline tax.

Mr. CRAMTON. Mr. Chairman, I admit that language is subject to the point of order. I reoffer the amendment without that language.

Mr. BLANTON. It will not be necessary to reoffer it without the language, because that is all I make the point of order to, and the amendment stands with that out.

The CHAIRMAN. The point of order is sustained.

Mr. CRAMTON. Mr. Chairman, I hope before we dispose of it that the gentleman will modify his position. Explaining the amendment, recently we passed "an act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," which was approved April 23, 1924. When that gas tax bill was pending in the House I offered an amendment which suffered some change in the course of the legislative history of the bill, but which finally stands out as follows in the law:

The proceeds of the tax, except as provided in section 10, shall be paid into the Treasury of the United States entirely to the credit of the District of Columbia, and shall be available for appropriation by the Congress exclusively for road and street improvement and repairs.

That means that the proceeds of the gas tax, the 2 cents a gallon paid by the automobile owners and truck drivers, shall be paid into the Treasury entirely to the credit of the District of Columbia, to be available exclusively for street and road improvement and repairs. Since that became a law the people of the District, who are always expecting the worst, have been sure that the worst that could be imagined has happened.

The amendment I have offered now is an attempt on my part, which I thought incumbent upon me to make as the author of that provision in the law, to keep faith with the people of the District. The motorist who pays 2 cents a gallon into this tax fund is assured that the money will be used for street and road improvement and repair. The District of Columbia bill which is now before us was made up some time ago. I understand it was completed in its terms several weeks before it was reported to the House.

Mr. DAVIS of Minnesota. Nearly two months.

Mr. CRAMTON. The gentleman from Minnesota says two months, and it was not reported to the House sooner than it was because of pressure of other business. Therefore, the bill as reported to the House carries the program for street and road improvement and repair which it would ordinarily carry if there had been no gas tax. As there has now been enacted this gas tax law, the tax to be paid by the people of the District and the tourists of the country and visitors to Washington, I am now offering the amendment to provide a program of additional street and road repair for the next fiscal year, to be taken from that fund. The estimates are that that fund will amount to about $900,000 a year. There is, of course, an element of speculation in that. The commissioners have their opinion that it will not vary $100,000 either way from that figure. The law will become effective May 23, 1924, in respect to the payment of the 2-cent tax, so that there will probably be available by the next fiscal year, 1925, a little better than 13 months' tax, or a little better than $980,000 under that estimate.

As it is my desire to see this work out in a manner perfectly fair, in a way which will keep faith, I took the matter up with the officials of the District several days ago. I remember one year ago when we were making up the appropriations for street improvements our committee gave emphasis, and I think the committee has this year, and I think the officials in making their estimates have given emphasis to the need of adjacent property owners who were entitled to have paving in front of their several residences, where the property was 100 per cent built up, but in connection with this expenditure where it is contributed by those who drive automobiles and trucks, and so forth, it has seemed to me that a different policy should be followed.

We should endeavor to give first consideration when we are improving streets out of the gasoline tax to those arteries of travel which will be most commonly used by automobiles. The authorities of the District are in agreement with me as to that theory. I asked the authorities of the District, Major Bell, Mr. Hunt, and so forth, to prepare a program that they thought would be the most beneficial in the improving of the main arteries and streets that would be of general convenience to motorists, and the program that I have offered substantially is the one suggested by the engineer's office. There are two or three items which have seemed to me of importance that I have suggested be added to Major Bell's list, and those suggestions have been heartily concurred in by the engineer's office—for instance, the resurfacing of the Pennsylvania Avenue Bridge across the Anacostia River, and also the extension of the proposed repaving of Eleventh Street SE. so that it would go entirely from Pennsylvania Avenue to the bridge; also the paving of Fifteenth Street SE. from B to E. This program that I have suggested touches most of the main arteries leading out of the city. It proposes the improvement of Fourteenth Street, leading to the Highway Bridge; also of Wisconsin Avenue, that very important artery leading out into Maryland and the National Pike. It provides something for the improvement of Georgia Avenue.

It completes the cementing of Bladensburg Road. It provides for the paving of Central Avenue to connect up with the paved highway in Maryland at Capitol Heights. It provides for the improvement of the Pennsylvania Avenue Bridge, the completion of Fifteenth Street from Fifteenth and H Streets NE. to Pennsylvania Avenue SE., and also the improvement of Eleventh Street, leading to the Anacostia Bridge. I want to say that when the program was completed I asked Colonel Keller and Mr. Hunt, in charge of the highway improvement, and Mr. Kennedy, representing the Budget, whether in their judgment that was the best program that could be made to expend this gas-tax money for the general benefit of those who pay the tax, and they have all agreed that in their opinion it does represent the best arrangement that could be made. The chairman of the committee, Mr. DAVIS, and the ranking minority member, Mr. AYRES, with whom I have consulted, have cordially supported the proposal.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

Mr. CRAMTON. I will offer that part of the proposition that went out on the point of order, and ask the gentleman from Texas to withhold the point of order if he feels that he must make one.

Mr. BLANTON. Mr. Chairman, I make the point of order.

Mr. CRAMTON. Will the gentleman withhold it while I make a statement?

Mr. BLANTON. I want to state this to the gentleman as the reason why I do it.

Mr. CRAMTON. In a moment. I offer that as a proviso to be added to the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: After the word "specified" in the last line of the amendment just adopted insert a colon and the following: "*Provided further*, That hereafter any moneys derived from assessments against private property for paving and resurfacing the streets under provisions of existing law arising from the expenditure of the funds created by such acts of April 23, 1924, shall be paid into the Treasury of the United States and be credited to and shall constitute a part of said funds and shall thereafter be available for appropriation in the same manner as the proceeds of the gasoline tax."

Mr. BLANTON. Mr. Chairman, I reserve a point of order, and I want to state this to the gentleman from Michigan. The only reason I make this point of order is this: Ninety per cent of all the streets in old Washington have been paved before the Borland amendment was passed, when the District paid one-half of all of it and the Government of the United States paid the other half of all of it, and the property owners did not pay a cent of it. Ninety per cent of such streets have been thus paved before the Borland Act passed in 1914 and became operative in 1915. Now, the taxpayers of the Government have already paid into this District $215,456,000 for civic expenses, and it is only right that this little bagatelle should go back into the National Treasury.

Mr. CRAMTON. If the gentleman will listen to me for a moment, I hope I can affect his judgment on this, because it is very imperative to keep full faith.

Mr. BLANTON. I am willing to withhold the point of order, only I want to have it understood that this is Saturday afternoon and the employees here have got to do their Sunday marketing, and they should be given time to do their Sunday marketing. I see present over there our genial friend from Massachusetts, whom we have missed every minute since he left us, who was one of the strongest legislators in the whole United States [applause], and he used to insist from a humanitarian standpoint that the employees of this Capitol should have Saturday afternoon in order to market. I wish he were back here, for he would make you committeemen stand around.

Mr. CHINDBLOM. The gentleman is referring to Judge Walsh?

Mr. BLANTON. To Judge Joe Walsh of Massachusetts, of course.

Mr. CRAMTON. Mr. Chairman, here is the way this thing works, and I want the attention of the gentleman from Texas because I want him to withdraw the point of order. This appropriation provides the entire expense of the pavings in question, and the abutting property owners will eventually, in the next three years, pay back a portion of the expenses. Now, all of this $890,000 will come out of the 2-cent gasoline tax. Every penny of it. The gentleman from Texas as a conferee, and I, as a Member on this floor, have done what we could to provide this fund, and he and I have been responsible in assuring the motorists that if they paid that 2 cents every cent of it would go into street improvement. Now, the effect of my amendment is this: If in the first instance we spend $10,000 on a street and in the next three years $4,000 comes back out of that $10,000 it goes into the Treasury, part to the credit of the District and 40 per cent to the credit of the United States. My amendment would provide when it came back, having come from the motorists, having come from the gas-tax fund, when it came back it should go to the gas-tax fund and be used hereafter just as the law provides that fund shall be used. Now, if the gentleman's point of order is insisted upon and Congress does not legislate, a little matter like this is apt to be lost sight of. Then, when the money comes back next year it goes into the general fund, 40 per cent goes to the Federal Government——

Mr. BLANTON. It ought to.

Mr. CRAMTON. It ought not. Whenever we get ready to require the District to pay back anything we think they owe us, if we ever do, let us take it out of the people of the District and not penalize those who contribute to this special fund which the gentleman from Texas and I have both pledged ourselves shall be kept inviolate for street and road improvement.

Mr. BLANTON. If the gentleman will yield, that is exactly what we are doing with the gentleman's amendment—we are spending it all upon the streets.

Mr. CRAMTON. No; we are not.

Mr. BLANTON. We are spending all the money upon the streets.

Mr. CRAMTON. And 40 per cent of it will, inside of three years, come back; and unless my amendment is adopted it will go into the Treasury, to be used by the District and by the Federal Government for anything.

Mr. BLANTON. I will tell the gentleman from Michigan how he will stop it. If, when he goes into conference——

Mr. CRAMTON. I will not be a conferee——

Mr. BLANTON. If the gentleman can get the conferees to put a provision in here to the effect that the taxpayers shall pay $2.50 on the hundred, he will solve the problem for all time.

Mr. CRAMTON. We want to be fair. I do not want the time to come when I shall not keep my plighted word to the people of the District.

Mr. BLANTON. I did not make any pledge.

Mr. CRAMTON. The gentleman was a conferee.

Mr. BLANTON. On the bill that the people of the District went to the White House and tried to get a veto on; yes, I did not make any pledge except the pledge I am going to fight here until the people of the District of Columbia pay a tax of $2.50 a hundred, and I am going to keep that fight up as long as I am in Congress.

Mr. CRAMTON. I appeal to the gentleman not to make the point of order.

Mr. BLANTON. Mr. Chairman, I make the point of order.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

BRIDGES

For construction and repair of bridges, including an allowance at the rate of $26 per month to the overseer of bridges for the maintenance of an automobile for use in performance of his official duties, and including maintenance of motor vehicles, $30,000.

Mr. BLANTON. Mr. Chairman, I do not care to make a point of order on the whole paragraph. I just make it to that part that is subject to a point of order. I make it on the word "construction" in line 15, which would cut out new construction, which requires legislation, and which is unauthorized by law. It has come from no legislative committee.

Mr. DAVIS of Minnesota. Mr. Chairman, that word "construction" has been carried in there for many years. I do not see any particular harm in leaving it in there now. It is construction and repair of bridges. I do not think there is anything wrong in it, or anything that is subject to a point of order.

Mr. CRAMTON. Mr. Chairman, I will make the suggestion to the Chair that a bridge is simply a part of a street improvement. When you proceed with your paving, when you come to the stream or otherwise where a bridge or culvert is necessary, the construction of that is simply in continuation of a work in progress.

Mr. BLANTON. Then it is not necessary that we shall have to legislate to complete this $14,600,000 memorial bridge across the Potomac.

Mr. CRAMTON. It will be necessary to get an appropriation.

Mr. DAVIS of Minnesota. You can not build it out of this fund.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Pennsylvania [Mr. DALZELL], on May 4, 1900, made a ruling that is in point here. I read from Rinds' Precedents, Volume IV, section 3794:

On May 4, 1900, the sundry civil appropriation bill being under consideration in Committee of the Whole House on the state of the Union, this paragraph was read:

"For construction of a bridge across Rock Creek on the line of the roadway from Quarry Road entrance under the direction of the Engineer Commissioner of the District of Columbia, $22,000, one-half of which sum shall be paid out of the revenues of the District of Columbia."

Mr. J. H. Bankhead, of Alabama, having made a point of order, the Chairman held:

"The Chair has no doubt that this appropriation is in continuance of a public work already begun and is not subject to a point of order."

With this the Chair concurs, and the point of order is overruled.

Mr. LOZIER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Missouri moves to strike out the last word.

Mr. LOZIER. Mr. Chairman and gentlemen, as a new Member of this House, I had not been here but a few weeks until I became convinced that there was something radically wrong in the system under which the District of Columbia is governed. Subsequent investigation has confirmed this opinion. The length of time consumed by Congress in District of Columbia legislation is out of all proportion to the time consumed in legislating for the rest of the United States. Under the rules of this House, two Mondays in each month are de-

voted to District legislation; that is, 2 days out of every 24 must be spent by Congress in District of Columbia legislation, and the other legislative days are reserved for general legislation. Two days to legislate for one-half million people and 24 days to legislate for the remaining 100,500,000 people in the United States.

I am not criticizing Congress for this legislation, but I am criticizing a system that requires so much of the time of Congress in legislating for the District of Columbia. We are spending practically one-twelfth of the entire session in legislation involving an infinity of detail with reference to the District of Columbia, while the major things involving the prosperity and economic life of the Nation are pushed aside.

Mr. AYRES. Mr. Chairman, will the gentleman yield there?

Mr. LOZIER. Yes.

Mr. AYRES. And at the rate we are going, we shall probably spend one-twelfth more.

Mr. LOZIER. This is probably true. The Members of this House must realize that this policy was never contemplated when the District of Columbia was selected as our seat of government. And if the fathers of this Republic, who voted to establish the Capital at the falls of the Potomac, instead of at the falls of the Delaware, could see the trouble and perplexity which surround Congress now over the legislation with reference to the District of Columbia, they would wonder whether or not they were wise in coming out to what was then almost a wilderness for a site for our National Capital.

The founders of our Government encountered serious difficulties in deciding on a location for our Capital.

The Continental Congress met in different cities, having had an ambulatory experience. It assembled on 10 occasions at 8 different places—Philadelphia, Baltimore, Philadelphia, Lancaster, York, Philadelphia, Princeton, Annapolis, Trenton, and New York. The first five meetings were during the Revolutionary War. On June 21, 1783, a mob interrupted the session of the Congress in Philadelphia. This mob was composed largely of militiamen who were demanding payment for their services. The Members were not permitted to speak, and loaded muskets were drawn on the Members. As a result Congress decided to erect a building near the falls of the Delaware river (Trenton). This plan was opposed by the southern Members of the Continental Congress, who demanded that another meeting place should be provided near the falls of the Potomac and that Congress should meet first at one of these places and then at the other. The New Jersey proposition was adopted, but as the Government had no money to build a Capitol it was decided that Congress should meet in New York City until the new Capitol was ready for occupancy.

There was widespread opposition to Congress meeting in New York City, where it was claimed the Members would be under the sinister and corrupting influence of the "money power." The proposal to select Philadelphia as the permanent Capital was objected to because the Quakers favored the abolition of slavery, which indicates that even at that early day the slavery question was becoming a factor in public affairs.

The first Congress after the adoption of our Federal Constitution seriously contemplated establishing the Capital of the Nation on the banks of the Susquehanna. To Thomas Jefferson is ascribed the credit of having defeated this carefully prepared plan. He desired to locate the Capital of the Nation on the Potomac, midway between the South and North and far from the then centers of wealth and population, to the end that Congress and the National Government might at all times be free and far removed from the "corrupting influences" of the money power and commercial classes, who were then beginning to exercise a potential influence in public affairs.

Mr. Jefferson gave a dinner to which a large number of Members of Congress were invited. Among the guests were two very aggressive anti-Federalists who were opposing the assumption of the State debt by the Federal Government. As a result of "logrolling," these two anti-Federalists withdrew their opposition to the Federal Government assuming the debts of the States on condition that the Federalists vote to establish the Capital on the banks of the Potomac after 10 years, during which time the Capital was to remain at Philadelphia. The Federalists were very anxious to have the General Government assume the debts of the several States, and in order to secure the adoption of this policy a sufficient number of the Federalists voted with the southern Members to insure the location of the Capital on the Potomac.

The act of Congress of June 28, 1790, established the Capital "at some place between the mouths of the Eastern Branch and the Connogochegue." The District was laid out by General Washington. It may be of interest to note that it included the site of the ancient village of Powhatan.

A man named Pope had at one time owned and occupied this land as a plantation. Strange as it may seem, he must have dreamed that at some time the Capitol of the Nation would be located here, for in his will he called this hill "the Capitol" and a brook nearby "the Tiber."

When the Capital was established here it was far removed, as distance was then computed, from the great centers of wealth and population. Washington, Jefferson, Madison, and other constitutional fathers contributed materially to the upbuilding of the District of Columbia and the city of Washington. After the burning by the British Army, Congress decided to remove the Capital to some northern locality. The Speaker cast the deciding vote on this proposal, but the plan was abandoned and the Capitol of our Nation remained on the site where the founders of our Republic established it.

The District of Columbia was governed by three commissioners appointed by the President until 1871, at which time, in response to a general demand from the people of the District, it was given a governor, legislature, and a Delegate in Congress. After three years of self-government the District was bankrupt. During this period graft and corruption permeated every branch of the District government, and it was necessary for Congress to again assume direct legislative control over the affairs of the District.

By the act of June, 1878, the present comprehensive scheme of government was adopted. This bill has been referred to by our Supreme Court as "the Constitution of the District of Columbia." Up to 1874, all of the expenses of the District were paid by the people of the District. For a time thereafter these expenses were divided equally between the District and the Federal Government. Later on these expenses were apportioned on a 60–40 basis.

Now, we shall have in the city of Washington within less than a quarter of a century, 1,000,000 people; and the complications which now confront the Congress will be multiplied over and over again. When the people of the District of Columbia want anything they come before Congress and say, "We are the wards of the Government. The United States is the wet nurse of this municipality, and you must open the Treasury of the United States and make appropriations for the maintenance of the District." The contention as to how the expense of the District shall be apportioned waxes warmer at each session of Congress.

Now, some method must be devised within the next few years by which Congress and the people of the United States will be relieved from the necessity of legislating in matters involving an infinity of details, with reference to the municipal and local matters of the District of Columbia.

It seems to me that ultimately we shall be forced, in self-defense, to cede back to the State of Maryland this District territory, the United States Government retaining jurisdiction and sovereignty over its buildings and grounds, with such additional sovereignty and jurisdiction as may be found necessary to enable the Federal Government to efficiently and effectively function. If that is done, the District will become a part of the State of Maryland, with all the civil and political rights of the present citizens of Maryland. Then the people of the District will have representation in Congress. They will have the right to vote for President and Vice President. They will not be disfranchised as they now claim to be, and yet at the same time they will be subject to State laws and enjoy the municipal powers now exercised by the citizens of Maryland. This done, they will not be clamoring at the doors of Congress each year for appropriations, and the time of Congress can be given to the enactment of legislation in which the people of the entire United States have an interest.

I have not formulated a definite plan, but I am making this suggestion hoping that before the assembling of the second session of the Sixty-eighth Congress the leaders in the House—the men who are familiar with District affairs, the men who have studied these problems and know the needs and difficulties of the people of the District—will get together and formulate a plan which will permanently solve this complicated problem of District of Columbia government.

We have been quibbling and engaging in child's play so far as legislation for the District is concerned, and there will always be trouble and contention until we have adopted a system by which Congress will be relieved of the necessity at every session of Congress of devoting a considerable part of its time in legislating for the District.

No other nation has "a District of Columbia problem." Other nations efficiently function with their seat of government in cities which are not under national control.

I am suggesting no definite plan. I am committed to no particular policy, but I do say that a change in the system for

the government of the city of Washington and the District of Columbia is inevitable. This is a big question, and Congress might as well begin in earnest to consider its proper solution.

It is out of the question to talk about giving the District self-government in the sense of according it representation in the House, Senate, and Electoral College, but I do favor some system which will, in so far as possible, give the District self-government, with the burdens and benefits incident thereto; and it may be necessary to relinquish the District territory to the State of Maryland, the Federal Government retaining jurisdiction and sovereignty over its buildings and grounds and all such additional sovereignty and jurisdiction as may be necessary to enable the Government to efficiently and effectively function. [Applause.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. The distinguished gentleman from Missouri [Mr. LOZIER] complains because Congress, as he says, devotes about one-fifth of its time to District legislation, but there is not one-fifth of the Members of Congress who do that at all. Until some few extra Members came in a few minutes ago, I counted at one time to-day only 15 Members on the floor who were devoting their time to District affairs.

Mr. LOZIER. The gentleman from Missouri has been here all day.

Mr. BLANTON. If the gentleman will count, he will see that not over 30 or 35 Members devote very much time to District business at any time when this bill is up, so that when bills affecting the District of Columbia come up it is natural for those of us who have studied District business to take the floor. We have made a study of them during many days and sometimes during a part of the night, so gentlemen should not complain when we do have to take the floor.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HILL of Maryland. I just want to say that I agree entirely with the gentleman that when we are discussing District affairs, which are of so much importance to the general taxpayers as well as to Washington itself, there should be more Members here. I would like to say at the same time that the gentleman's [Mr. LOZIER] suggestion that the District of Columbia be returned to its mother State of Maryland is one which interests me very greatly.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Appropriations hereafter made for the construction and repair of bridges shall be available for repairing, when necessary, any bridge carrying a public street over the right of way of property of any railway company, or for constructing, reconstructing, or repairing in such manner as shall in the judgment of the commissioners be necessary reasonably to accommodate public traffic, any bridge required to carry or carrying such traffic in a public street over the right of way or property of any canal company operating as such in the District of Columbia, on the neglect or refusal of such railway or canal company to do such work when notified and required by the commissioners, and the amounts thus expended shall be a valid and subsisting lien against the property of such railway company or of such canal company, and shall be collected from such railway company or from such canal company in the manner provided in section 5 of an act providing a permanent form of government for the District of Government, approved June 11, 1878, and shall be deposited in the Treasury to the credit of the United States and the District of Columbia in the same proportions as the appropriations for such purposes have been or may be paid from the Treasury of the United States and the revenues of the District of Columbia.

Mr. CRAMTON. Mr. Chairman, I offer an amendment, and I will say that this amendment is the same amendment that I previously offered.

The CHAIRMAN. The gentleman from Michigan offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 25, line 15, after the words "in the" strike out "same proportions as the appropriations for such purposes have been may be paid from the Treasury of the United States and the revenues of the District of Columbia," and insert in lieu thereof the following: "proportions required by law."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment.

Mr. CRAMTON. Let me say to the gentleman from Texas that it does not change the law.

Mr. BLANTON. I withdraw the point of order.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken and the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word in order to ask a question. We have several bridges across rivers here, the Anacostia and the Potomac Rivers, over which street railway companies run their cars. The law requires these car companies to pay a toll. They have gotten the benefit of the bridges which have been built at Government expense, yet I understand these street railway companies refuse to pay that toll and it is not being collected. I want to know why the committee does not take steps to make them pay for the privilege of crossing bridges which they themselves would have to furnish if they were not constructed otherwise.

Mr. DAVIS of Minnesota. Let the District legislative committee, of which the gentleman is a member, enact some law which will force them to do that.

Mr. BLANTON. The law is already here requiring them to do it, but they are not doing it. I imagine that if this committee were to withhold the salaries of the individuals whose duty it is to make them pay that toll they would begin making them pay it at once. I want to suggest that to the committee, that it withhold those salaries if they do not begin collecting those tolls in full and make them pay. Why should we furnish this big, fine $3,000,000 Francis Scott Key Bridge across the Potomac and let the railroad companies cross it, when they would have had to build it themselves if they were not given the privilege of crossing it? We had to make it wide enough to carry their tracks, and they ought to pay the full amount of the toll required by law or they ought not to be permitted to cross it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. This would be a fruitful subject for investigation, would it not?

Mr. BLANTON. Oh, investigations! I am sick of them; when they cost hundreds of thousands of dollars and accomplish nothing.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Francis Scott Key Bridge across Potomac River: For miscellaneous supplies and expenses of every kind necessarily incident to the maintenance of the bridge and approaches, including personal services, $2,000.

Mr. DAVIS of Minnesota. Mr. Chairman, I offer the following amendment: After the word "Bridge" in line 4, page 26, strike out the words "across Potomac River."

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. DAVIS of Minnesota: On page 26, line 4, after the word "Bridge," strike out the words "across Potomac River."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEWERS

For cleaning and repairing sewers and basins, including the purchase of two motor field wagons at not to exceed $650 each, the purchase of two motor trucks at not to exceed $650 each, and the purchase of one motor tractor at not to exceed $650; for operation and maintenance of the sewage pumping service, including repairs to boilers, machinery, and pumping stations, and employment of mechanics and laborers, purchase of coal, oils, waste, and other supplies, and for the maintenance of motor vehicles used in this work, $231,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the following language on page 26, lines 22 and 23, which reads as follows: "and the purchase of one motor tractor at not to exceed $650," being legislation, unauthorized.

The CHAIRMAN. The Chair does not desire to be considered discourteous, but thinks the Chair has indicated his opinion on this matter. The point is overruled.

Mr. BLANTON. I offer an amendment, Mr. Chairman. On page 3, line 27, after the figures "$231,000," strike out the period, insert a colon, and add the following language:

Provided, That no part of this sum shall become available until regulations shall prescribe that parties connecting with such sewer system shall bear the full expense of all such connections, including necessary excavation.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: On page 27, line 3, after the figures "$231,000," strike out the period, insert a colon, and add the following: "*Provided*, That no part of this sum shall become available until regulations shall prescribe that parties connecting with such sewer system shall bear the full expense of all such connections, including excavation."

Mr. CHINDBLOM. Mr. Chairman, I make a point of order on that.

The CHAIRMAN. On what ground?

Mr. CHINDBLOM. On the ground it is legislation and not a limitation.

Mr. BLANTON. Oh, it is a limitation, pure and simple. I would like to be heard, Mr. Chairman.

Mr. CHINDBLOM. The language itself, as the Chair well knows, must show a limitation on the expenditure.

Mr. BLANTON. Mr. Chairman, here is the situation, I will state for the benefit of the committee, that ought to be interested in this just as much as I am. At present, just to illustrate the matter and show you that it does retrench, here is a 20-foot lot that the gentleman from Illinois [Mr. CHINDBLOM] may own. He builds a residence on it and wants to connect with this Government sewer system. He does not make the connection. He applies to the District government down here at the Municipal Building. They send their plumbers up there and their dirt diggers and make all that excavation themselves out into the street, sometimes costing $200 or $300, if you please; they lay all the pipes, they make all the plumbing connections, sometimes costing quite a large sum, and for all of that they charge the gentleman from Illinois [Mr. CHINDBLOM] only $30, or $1.50 a front foot for the 20 feet, in a flat-rate charge. That is the total charge for making such a connection.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BEGG. I just want a little information. I just asked the chairman of the committee about this matter. I may have misunderstood the gentleman. If they are running a sewer down a street, that, of course, the city and the Federal Government pays for?

Mr. BLANTON. Yes.

Mr. BEGG. Now, do you mean to say that if I own a lot and want to tap the main sewer the city pays the bill?

Mr. BLANTON. Yes; and you pay just $30 for a 20-foot lot.

Mr. BEGG. The chairman of the committee says otherwise.

Mr. BLANTON. The chairman does not know. I have been down to the District Building myself and have found out. I have Auditor Donovan's statement in writing over his signature that that is the case—a man with a 20-foot front lot pays $1.50 a front foot, which would be $30.

Mr. DAVIS of Minnesota. That is for the main sewer laid in the street.

Mr. BLANTON. That is for connecting the premises with that sewer to obtain service.

Mr. DAVIS of Minnesota. Where the property owner wants to connect with that sewer in order to connect it with his house he pays all the expense.

Mr. BLANTON. I have Auditor Donovan's statement to the effect that the property owner does not, but pays just $30 where it is a lot 20-foot front.

Mr. BEGG. Will the gentleman read his statement?

Mr. BLANTON. I have not the letter here. It is in my office. I have called attention to this a dozen times here on the floor.

Mr. BEGG. I think the gentleman is wrong, and the chairman of the committee says he is wrong.

Mr. BLANTON. That just shows how little some of our friends know about the District business. Let me tell you also about the water system. When the gentleman from Ohio [Mr. BEGG] and the gentleman from Illinois [Mr. CHINDBLOM] and the gentleman from Minnesota [Mr. DAVIS] have their 20-foot lots here, if they want to connect with the water system to get the water to their private family residence, with a 20-foot lot they pay $2 a front foot, which is only $40. The District and Government pay all the balance.

Mr. BEGG. What is the $2 for?

Mr. BLANTON. It is just a straight, flat-rate charge, a lump-sum charge of $2 per front foot.

Mr. BEGG. What for?

Mr. BLANTON. It is a bagatelle of an excuse for getting a connection and having the District and Government pay for it. That is the kind of benefits these people living here have been getting for 25 or 30 years.

Mr. BEGG. Will the gentleman yield again?

Mr. BLANTON. Yes. Two dollars a front foot is all they pay for getting that water connection.

Mr. BEGG. Wait until I ask the question, please. Does the city pay for the water pipe or the sewer pipe or whatever it is that is used?

Mr. BLANTON. The city and the Government pay all of it, except the $1.50 and the $2 per front foot for making the respective connections.

Mr. BEGG. For piping it into the house, I suppose?

Mr. BLANTON. Yes.

Mr. BEGG. And pay for the plumbing, too?

Mr. BLANTON. All of it and the excavation, and charges $1.50 per front foot for sewer and $2 per front foot for water connection.

Mr. BEGG. That is so ridiculous——

Mr. BLANTON. I know it sounds ridiculous, and it is ridiculous, and that is the reason I am calling attention to it. It is something that has been going on here that ought to be stopped. This is the reason the people here in the District kick when you try to make them pay more taxes. They have been getting these things almost free for years.

Mr. BEGG. Now, will the gentleman cool down and not get so excited and listen to my question until I am through so he will know what I am asking?

Mr. BLANTON. I am going to send over and get Auditor Donovan's letter and ask permission to put it in the RECORD to-night.

Mr. BEGG. Let us pass this particular paragraph until you get that.

Mr. BLANTON. Mr Chairman, I ask unanimous consent to put in the RECORD in connection with my remarks, Mr. Donovan's letter showing that these very conditions exist here.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks——

Mr. BLANTON. All I want is to put in the RECORD Mr. Donovan's letter if I can find it in my office.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CHINDBLOM. Mr. Chairman, if the point of order leads to any particular discussion, I am willing to withdraw it, but without prejudice.

LETTER FROM AUDITOR DONOVAN

The following is the letter referred to as received from Auditor Donovan:

OFFICE OF THE AUDITOR OF THE DISTRICT OF COLUMBIA,
Washington, January 25, 1924.

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

MY DEAR MR. BLANTON: In response to your request of several days ago I take pleasure in furnishing you the information you desire.

Prior to the passage of the Borland amendment property owners were subject to an assessment for sidewalks, alleys, and curbs to the extent of one-half of the total cost. This is also the law at the present time. Property of the United States and the District of Columbia is not subject to assessment for special improvements. Roadway improvements were first charged against property owners by the terms of the Borland law. Service sewers and water mains were and are now also charged in part against abutting property.

The half cost of roadway pavement immediately abutting the frontage of assessable property, excluding street intersections between building lines of the intersecting streets and excluding any pavement area beyond a line 20 feet abutting the property, is assessed as a special improvement tax against such property. The cost of any pavement area in excess of 40 feet is borne by the United States and the District of Columbia in the proportion that each is charged with the appropriation. On streets where there are street railway tracks the railway companies are chargeable under the law with the whole cost of paving between the tracks and 2 feet exterior to the outer rail of the tracks. The property of the United States and the District of Columbia is not subject to assessment under the Borland law.

For service sewers the law at present provides for a flat rate assessment of $1.50 per front foot, with certain deductions made for corner property. This rate represents approximately 37 per cent of the cost of the work.

The special assessments received for the several forms of improvements indicated are paid into the Treasury of the United States, 60 per cent to the credit of the District of Columbia and 40 per cent to the credit of the United States, this being the proportion that each bears of the appropriations for the improvements.

For water mains the law provides a special assessment of $2 per front foot, and this amount represents approximately 66 per cent of the cost of the work. Water-main assessments when received are paid into the Treasury of the United States to the credit of the water-department fund.

At the time of the passage of the Borland law approximately 90 per cent of the streets within the limits of the old city of Washington were already paved, and many of the streets outside of those limits also were paved. I am unable at this time to give you an idea of the proportion of the streets outside of the original city of Washington that were paved when the Borland law was passed.

Not only new paving, but the resurfacing and replacing of pavements is chargeable against abutting property under the Borland law.

The Knox case in the court of appeals involved the question of the application of the Borland law to outlying sections of the District of Columbia and to the particular matter of paving Naylor Road, near the eastern boundary of the District of Columbia. The Knox property was agricultural property. There were no settlements in the immediate vicinity. There were no sewers, water mains, electric or gas lights, curbs, sidewalks, or building lines, and no other conditions which might be called town or village conditions. The court of appeals held in that case that because of the language of the law Congress intended it to apply to those settlements or sections which exhibited town or village conditions, and that the law did not apply to situations like those presented in the Knox case. The assessments were therefore ordered to be canceled. Similar cases are now pending in the courts in regard to other localities, which are claimed to present conditions that existed in the Knox case.

The following appropriations were made by Congress for repair and maintenance of streets during the fiscal years 1921, 1922, 1923, and 1924, each of such appropriations being charged 60 per cent against the revenues of the District of Columbia and 40 per cent against the revenues of the United States:

Fiscal year 1921	$575,000
Fiscal year 1922	575,000
Fiscal year 1923	460,000
Fiscal year 1924	550,000
Total	2,160,000

The following appropriations covering the same period have been made for repairs to suburban streets and roads, payable 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States:

Fiscal year 1921	$250,000
Fiscal year 1922	250,000
Fiscal year 1923	225,000
Fiscal year 1924	275,000
Total	1,000,000

The following appropriations have been made for the same period for street improvements, including the paving and grading of streets, payable 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States:

Fiscal year 1921	$614,200
Fiscal year 1922	144,840
Fiscal year 1923	233,500
Fiscal year 1924	573,360
Total	1,565,000

The following appropriations have been made for construction and maintenance of sewers for the fiscal years 1921, 1922, 1923, and 1924, payable 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States:

Fiscal year 1921	$515,000
Fiscal year 1922	528,000
Fiscal year 1923	503,000
Fiscal year 1924	690,000
Total	2,231,000

I regret very much that it has not been practicable for me to furnish you with this information at an earlier date. In the event that you desire any more details regarding the several matters herein, I shall be very glad to respond to such a request from you.

Very truly yours,

D. J. DONOVAN,
Auditor, District of Columbia.

Mr. CHINDBLOM. Mr. Chairman, I will withdraw the point of order without prejudice.

The CHAIRMAN. The Chair is ready to rule; but if the gentleman wishes to withdraw the point of order, he can do so.

Mr. CHINDBLOM. If the Chair is ready to rule, I would like to have the ruling.

The CHAIRMAN. The Chair will rule as soon as the Clerk has the amendment in form.

Mr. CHINDBLOM. While the matter is being prepared I want to say that "the gentleman from Illinois," with his 20-foot lot in the District, is altogether hypothetical. The "gentleman from Illinois" would not know what to do with a 20-foot lot if he had it. [Laughter.]

The CHAIRMAN. This amendment provides that no part of this sum shall become available until regulations shall prescribe that parties connecting with such sewer system shall bear the full expense of all such connection, including the expense of excavation.

That is intended to be a limitation. Under the ordinary rules applicable to these matters a limitation is proper only when it reduces the amount, puts a proper limitation on expenditures of amount, if it does not require some affirmative act on the part of some executive officer or change exitsing law. If it does either of these two things, it is not a proper limitation.

Mr. BEGG. The gentleman from Illinois made a point of order against it, but I think I can convince the Chair that it is a change of existing law and hence legislation.

The CHAIRMAN. The Chair does not disagree with the gentleman. It is admitted to be legislation, but it is contended that it is a limitation and therefore comes within the rule.

Mr. BLANTON. It comes within the Holman rule.

The CHAIRMAN. That was not stated by the gentleman from Texas; the Chair understood the gentleman to contend that it was a proper limitation.

Mr. BLANTON. No; I contend that it retrenches expenditures, for it makes them pay, where we are now paying for it out of the Treasury.

The CHAIRMAN. In what manner does it reduce the item to which it is offered as an amendment? The item authorizes the expenditure of $231,000. There is nothing in the amendment making any change in the amount of the appropriation.

Mr. BLANTON. Out of that $200,000 will be made connections which the individual will pay for.

The CHAIRMAN. The item in the bill under consideration appropriates for cleaning and repairing sewers and basins, including the purchase of two motor field wagons, and so forth, for the operation and maintenance of the sewage pumping service, and so forth, $231,000. The gentleman from Texas offers an amendment which provides that none of this sum shall be available until certain regulations have been made by the District commissioners, and the consequence of such an amendment would be that after they had made such regulations the amount of $231,000 is available and can be used. Therefore it does not retrench expenditures.

Mr. CHINDBLOM. And it is not germane; it relates to sewer-pipe extension. This does not relate to the extension of sewers, it is for the cleaning of sewers.

The CHAIRMAN. The Chair is of the opinion for several reasons that the point of order ought to be sustained, and so rules.

The Clerk read as follows:

For continuing the construction of the Upper Potomac, main interceptor, $20,000.

Mr. BLANTON. Mr. Chairman, I offer an amendment as a new paragraph.

The CHAIRMAN. Will the gentleman put it in writing.

Mr. BLANTON. Mr. Chairman, while I am putting this in writing I ask unanimous consent to pass by the item with the privilege of returning to it after the amendment is completed.

The CHAIRMAN. Without objection, the item will be passed over with the privilege of returning to it when the gentleman completes his amendment. The Clerk will read.

The Clerk read as follows:

To enable the commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia (no contract shall be let for the collection of dead animals), including inspection and allowance to inspectors for maintenance of horses and vehicles or motor vehicles used in the performance of official duties, not to exceed for each inspector $20 per month for a horse and vehicle, $26 per month for automobiles, and $13 per month for motor cycles; fencing of public and private property designated by the commissioners as public dumps; and incidental expenses, $900,000: *Provided*, That any proceeds received from the disposal of city refuse or garbage shall be paid into the Treasury of the United States to the credit of the United States and the District of Columbia in the same proportions as the appropriations for such purposes are paid from the Treasury of the United States and the revenues of the District of Columbia: *Provided further*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses of four or more apartments in which the landlord furnishes heat to tenants.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 29, line 6, after the word "Columbia," strike out the words "in the same proportions as the appropriations for such purposes are paid from the Treasury of the United States and the revenues of the District of Columbia," and insert the words "in the proportion required by law."

Mr. CRAMTON. This is the same amendment that we have been carrying through the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken and the amendment was agreed to.

The Clerk read as follows:

PUBLIC PLAYGROUNDS

For personal services in accordance with the classification act of 1923, $71,270; for services of extra directors at not exceeding 35 cents per hour, $800; for services of extra watchmen at not exceeding 25 cents per hour, $600; in all $72,670: *Provided*, That employments hereunder other than of persons paid by the hour shall be distributed as to duration in accordance with the District of Columbia appropriation act for the fiscal year 1924.

Mr. BEGG. Mr. Chairman, I move to strike out the last word. Who are the extra watchmen, what do they do, and when are they on duty?

Mr. DAVIS of Minnesota. They are on duty quite a number of months in the year. Mrs. Rhodes is the foreman of the whole thing.

Mr. BEGG. As director or watchman?

Mr. DAVIS of Minnesota. Supervisor of playgrounds.

Mr. BEGG. What is a watchman of playgrounds?

Mr. DAVIS of Minnesota. There is a watchman and a director as to how it shall be done. The watchman stays there an hour, sometimes two, and sometimes not more than 10 minutes. He is there to see that there is nothing going wrong on the playgrounds.

Mr. BEGG. Mr. Chairman, I understand the purpose of the director, but I do not understand the need for a watchman on the playgrounds. What is he watching for?

Mr. DAVIS of Minnesota. I could not tell the gentleman, except to say that after the playgrounds are shut up he watches to see that nobody goes there and interferes with them. The gentleman knows that the playgrounds have swings and things of that sort. That is what the watchman is for.

Mr. BEGG. He goes on duty when the director goes off?

Mr. DAVIS of Minnesota. Yes.

Mr. BEGG. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

In all, for playgrounds, $151,270; of which $144,270 shall be paid wholly out of the revenues of the District of Columbia and $7,000, or so much thereof as may be expended, for the purchase of land for playground purposes, shall be paid 40 per cent out of the Treasury of the United States and 60 per cent out of the revenues of the District of Columbia.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 30, line 20, after the figures "$151,270," strike out the remainder of the paragraph and insert in lieu thereof a period.

Mr. CRAMTON. Mr. Chairman, the amendment is simply to carry out the change made in the fiscal relations. Of course, if the amendment to section 1 is continued, it will not be necessary to continue that any more.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. No newspaper in Washington ought ever hereafter to condemn the gentleman from Michigan [Mr. CRAMTON] for any amendment that he might offer to a bill as unfriendly to the District. The amendment that he has had put on this bill is not unfriendly to the District. It requires this Government to pay $8,000,000 a year. We paid over $400,000 for that playground out there opposite Mrs. Henderson's on Sixteenth Street—100 per cent out of the Treasury—and we have paid over $150,000 since to put that wall there and improve it. And for other playgrounds which have been bought and paid for partly by the Government we have spent huge sums.

The law now is that a playground shall be paid for wholly out of the District revenues, and this bill is merely providing for the present law, with the exception of $7,000. It provides that the $144,270 shall be taken wholly out of the revenues of the District, but the Cramton amendment would change it. That is in accordance with the present law, but it is fudging over the present law by providing that $7,000 shall be under this pro rata plan. The gentleman from Michigan wants to change that law. He seems to want to go back to the old law, having the Government continue to buy the playgrounds for the 70,000 children of the city of Washington. That is not right. I do not know why he has changed front on this situation so suddenly, unless possibly he does not understand the fact that that law exists. He may be squirming under this criticism that has lately been made of him. I did not think that my friend from Michigan would squirm, when he has made so many good fights for prohibition and had the wets attack him all over the country. He ought to be impervious to these attacks by newspapers by this time. I do not think it is right for this little handful of Members to change that law, although I did not want to make the point of order against it. People may as well find out where we stand on this proposition. If you are going to have the taxpayers of this Government pay even for the playgrounds for the children of the city of Washington, the taxpayers ought to know it.

Mr. CRAMTON. Mr. Chairman, I have never believed until to-day that one Member of the House could contribute so much misinformation as the gentleman from Texas [Mr. BLANTON] has succeeded in doing to-day. As a matter of fact, the amendment which I offered, the $8,000,000 proposition, provides that everything above that shall be paid by the District, and if that becomes a law that will include this $144,270, which is consuming the gentleman's soul in anguish. If I did not offer the amendment to strike out this language, the $7,000 would be still a charge in part upon the Treasury in addition to the $8,000,000, and the first part of it would be entirely unnecessary, and hence the amendment that I have offered.

The gentleman thinks that the $8,000,000 would not accomplish anything for the protection of the Federal Treasury. I am not desirous of greatly reducing the Federal contribution, but the estimates that went to the Budget this year, if they had been approved by the Budget, would have cost the Treasury $13,000,000 instead of $8,000,000. Those expenditures and those improvements ought to be made, and I am providing a way by which those expenditures and improvements can be made without increasing the $8,000,000 of expenditure from the Federal Treasury.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, at this point I offer the amendment which the committee granted me leave to offer a few minutes ago.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 27, line 19, insert a new paragraph as follows:

"That no part of any appropriation made under this head, sewers, shall be paid in, covering the expenses incident to a private-property owner having his residence or business property connected up with said sewer system, in order to obtain service, but that all of such expenses shall be paid by said private-property owner."

Mr. CHINDBLOM. Mr. Chairman, I make the point of order that this is not in the proper place. This has nothing to do with continuing the construction of the Upper Potomac main interceptor, which is the paragraph immediately preceding it.

Mr. BLANTON. If the gentleman from Illinois does not want the people to pay their share of sewer connections, it is all right with me.

Mr. CHINDBLOM. I am willing that the people of the District shall pay their share of the expenses of this Government, but I want it done in a regular and orderly way. I think that a proposition of this sort should be considered by the proper committee.

Mr. BLANTON. That is a limitation pure and simple, and it retrenches expenditures.

Mr. CRAMTON. It may interest the gentleman from Texas to know that a Member of the House just called the auditor's office and he finds that the gentleman from Texas is in error.

Mr. BLANTON. What is the situation?

Mr. CRAMTON. I have not talked with him.

Mr. BLANTON. Will the gentleman who has talked with him state it?

Mr. CRAMTON. He seems to have stepped out.

Mr. BLANTON. I have the auditor's letter in black and white.

Mr. DAVIS of Minnesota. The auditor denies the statement the gentleman made a few minutes ago.

Mr. BLANTON. He can not deny his own signature.

Mr. DAVIS of Minnesota. The law absolutely denies it, too.

Mr. BLANTON. We will see when I get the auditor's letter.

The CHAIRMAN. The Chair is of opinion that the first part of this amendment is in order as a limitation and that the latter part of it is faulty. The Chair will read the amendment:

That no part of any appropriation made under this head, sewers, shall be paid in covering the expenses incident to a private property owner having his residence or business property connected up with said sewer system in order to obtain service.

Now, that plainly is a limitation. But this following language is not—

But that all of such expenses shall be paid by said private property owner.

That is legislation, and the point of order being made on the whole amendment it must be sustained.

Mr. BLANTON. Mr. Chairman, I reoffer the amendment with the other part stricken out.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 27, line 19, insert a new paragraph:

"That no part of any appropriation made under this head 'sewers' shall be paid in covering the expenses incident to a private property owner having his residence or business property connected up with this sewer system in order to obtain service."

The CHAIRMAN. The question is on the amendment.

The question was taken, and the Chair announced that the "noes" seemed to have it.

On a division (demanded by Mr. BLANTON) there were ayes 3, noes 13.

So the amendment was rejected.

The Clerk read as follows:

For alterations in police-patrol signal system in the second, eighth, and tenth police precincts, rearrangement of circuits and reconnection of certain boxes because of changes in boundaries of those precincts incident to establishment of the new twelfth police precinct, including the purchase and installation of necessary poles, cross arms, insulators, pins, braces, wire, cable, conduit connections, posts, instruments, extra labor, and other necessary items, to be immediately available, $3,120.

Mr. BLANTON. Mr. Chairman, it is Saturday evening and 4 o'clock, and I think we need a new shift, and I make the point of order of no quorum.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Thirty-eight Members are present, not a quorum.

Mr. BLANTON. Mr. Chairman, I withdraw it; we have an understanding——

SEVERAL MEMBERS. Too late.

Mr. BLANTON. Mr. Chairman, I move that the committee do now rise, and on that I ask for tellers.

Mr. AYRES. Mr. Chairman, I move a call of the House.

The CHAIRMAN. The gentleman from Texas moves the committee do now rise.

The question was taken, and the Chair announced the noes seemed to have it.

Mr. BLANTON. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Three gentlemen have arisen, not a sufficient number; and the committee refuses to rise.

Mr. BEGG. Mr. Chairman——

Mr. AYRES. I withdraw my request.

Mr. BEGG. Can not we come to some amicable agreement?

Mr. AYRES. We can; we can go ahead with this bill without killing so much time. We have been on this bill for the last four days and have gotten through 26 pages, and for one I want it understood we are going to proceed with it, and if I could have my way we would stay here until 11 o'clock at night.

Mr. BEGG. Some of us are trying to help the gentleman.

Mr. AYRES. I appreciate the fact that some are and also that some are not.

The CHAIRMAN. The Clerk will call the roll.

Mr. BEGG. Mr. Chairman, I ask for a division on that vote.

The CHAIRMAN. There is no division on the question of tellers. Tellers were demanded, and not a sufficient number arose.

Mr. BEGG. On the motion that the committee rise I ask for a division.

Mr. CRAMTON. I make the point of order that the roll call has commenced.

The CHAIRMAN. The Committee voted; some gentleman asked for tellers and only three gentlemen rose, not a sufficient number and tellers were refused. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Fish	McClintic	Rogers, N. H.
Aldrich	Frear	McDuffie	Romjue
Anderson	Fredericks	McFadden	Rosenbloom
Anthony	Freeman	McKenzie	Rubey
Bacharach	Frothingham	McLaughlin, Nebr.	Sabath
Bankhead	Funk	McNulty	Schneider
Barkley	Gallivan	McSweeney	Scott
Beck	Garber	Magee, Pa.	Sears, Fla.
Bell	Geran	Major, Ill.	Sears, Nebr.
Berger	Gifford	Manlove	Shreve
Bixler	Glatfelter	Mead	Sites
Black, N. Y.	Goldsborough	Merritt	Snyder
Bowling	Greene, Mass.	Michaelson	Sproul, Ill.
Boylan	Greenwood	Miller, Ill.	Stalker
Britten	Griest	Mills	Stengle
Browne, N. J.	Hardy	Montague	Strong, Pa.
Browne, Wis.	Harrison	Mooney	Sullivan
Brumm	Hawley	Moore, Ga.	Sweet
Buchanan	Hayden	Moore, Ill.	Swoope
Burdick	Hersey	Morgan	Tague
Butler	Hoch	Morin	Taylor, Colo.
Campbell	Holaday	Morris	Taylor, Tenn.
Carew	Hooker	Morrow	Thomas, Okla.
Carter	Howard, Nebr.	Mudd	Thompson
Casey	Howard, Okla.	Murphy	Treadway
Celler	Hull, William E.	Nelson, Wis.	Tucker
Clague	Johnson, Ky.	Newton, Minn.	Tydings
Clark, Fla.	Johnson, Tex.	Nolan	Underhill
Cole, Ohio	Johnson, Wash.	O'Brien	Upshaw
Connolly, Pa.	Jost	O'Connell, R. I.	Valle
Corning	Kahn	Oliver, Ala.	Vare
Crisp	Kelly	Park, Ga.	Vestal
Croll	Kendall	Parker	Vinson, Ga.
Cummings	Ketcham	Peavey	Voigt
Curry	Kiess	Peery	Ward, N. C.
Davey	Kindred	Perlman	Ward, N. Y.
Deal	Kunz	Phillips	Wason
Dickinson, Mo.	Kurtz	Porter	Watson
Dickstein	Langley	Pou	Weller
Dominick	Lanham	Prall	Welsh
Doyle	Larson, Minn.	Quayle	Wertz
Drane	Leatherwood	Ransley	Williamson
Drewry	Leavitt	Reece	Winslow
Eagan	Lindsay	Reed, Ark.	Winter
Edmonds	Lineberger	Reed, N. Y.	Wood
Fairchild	Linthicum	Reed, W. Va.	Wurzbach
Fairfield	Little	Reid, Ill.	Wyant
Favrot	Logan	Robinson	Yates
Fenn	Luce	Rogers, Mass.	Zihlman

The committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 8839, finding itself without a quorum, under the rule he caused the roll to be called, whereupon 235 Members answered to their names, a quorum, and he reported the list of absentees for entry in the Journal.

The SPEAKER. The committee will resume its session.

Mr. LOZIER. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Missouri rise?

Mr. LOZIER. I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

PUBLIC SCHOOLS

Salaries: Superintendent, $6,000; 2 assistant superintendents, at $3,750 each; business manager, to be in charge of the business administration of the public-school system, and to be appointed by and responsible to the Commissioners of the District of Columbia, $3,750; director of intermediate instruction, 13 supervising principals, supervisor of manual training and director of primary instruction, 16 in all, at a minimum salary of $2,400 each; in all, $55,650.

Mr. BLANTON. Mr. Chairman, I make a point of order——

Mr. HUDSON. Mr. Chairman, I reserve a point of order.

Mr. BLANTON. I make a point of order to the language beginning in line 16, on page 33, reading as follows:

Business manager, to be in charge of the business administration of the public-school system, and to be appointed by and responsible to the Commissioners of the District of Columbia, $3,750.

That is new legislation, a new position, unauthorized by law. If, however, the school bill were passed and had become a law, this would be in order.

The CHAIRMAN. Let the Chair inquire of the gentleman from Texas, are the officers named in this particular paragraph statutory officers?

Mr. BLANTON. Yes. This particular position is provided for in the school bill which the House passed the other day,

over the present law by providing that $7,000 shall be under

Mr. BLANTON. We will see when I get the author's letter.

but it has not been reported out of the Senate committee, as I understand; or if it has been, it has been in the last day or so.

Mr. HUDSON. Will the gentleman yield for a question?

Mr. BLANTON. Certainly.

Mr. HUDSON. Would the gentleman reserve his point of order if the position were changed so that he could be appointed by and be responsible to the Board of Education?

Mr. BLANTON. Well, I will say this to the gentleman: If the school bill passes—and I understand it will pass—it is going to be necessary for the Committee on Appropriations to bring in a deficiency bill not only for the school bill but also for the police and fire bill when it becomes a law. So we might just as well provide for all of these positions after the school bill passes. There is no use in carrying this position in this bill.

Mr. HUDSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSON. I agree with the gentleman as to his point of order, but we might as well agree here.

Mr. BLANTON. These matters all have to be threshed out after the Senate passes on the school bill.

The CHAIRMAN. Does the gentleman from Minnesota agree that these are statutory provisions?

Mr. DAVIS of Minnesota. I will concede that this is subject to a point of order. But it is the most important thing in this bill. Heretofore we have never had a business manager. The school business is tangled up because we have no efficient man to attend to the business management of the schools.

The CHAIRMAN. The point of order is sustained.

Mr. SUMMERS of Washington. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 33, at the end of line 22, insert: "*Provided*, That no part of this sum shall be available for the payment of the salaries of any superintendent, assistant superintendent, director of intermediate instruction, or supervising principal who permits the teaching of partisan politics, disrespect to the Holy Bible, or that ours is an inferior form of government."

Mr. BLANTON. Mr. Chairman, I shall not make a point of order to that.

Mr. SUMMERS of Washington. Mr. Chairman, this is a limitation, and of course it is in order.

I think everyone will agree with me that no teaching of this kind should be permitted in the schools of this District nor in the public school of any city or town in any State in the Union.

I have spoken to a number of Members, and it is an exception to find one who does not say that his children have come to him with complaints in regard to one or the other of the points mentioned in this amendment.

In the interest of the highest possible standard of education in this city, and because I believe that the schools here should be as nearly as possible a model for those throughout the country, I think this thing ought to be stopped, and this amendment will have that effect.

If it should be contended that no one is guilty of permitting this, then the amendment will do no harm. If they are guilty of permitting it knowingly, then it should apply.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. SUMMERS of Washington. Yes; I yield.

Mr. CONNALLY of Texas. Has the gentleman information that such things are going on in the schools which his amendment is intended to reach?

Mr. SUMMERS of Washington. I have.

Mr. CONNALLY of Texas. Who will pass upon the question as to whether this is happening or not? Who will be the arbiter?

Mr. SUMMERS of Washington. The school board.

Mr. CONNALLY of Texas. Will not the man who issues or pays these warrants be the one? This being a limitation on this appropriation, will they not pass this question up to the accounting officers of the Government?

Mr. SUMMERS of Washington. All right.

Mr. CONNALLY of Texas. In a practical way, I would like to know how that is going to work.

Mr. SUMMERS of Washington. It might be up to the accounting officers. Anyhow, there would be a way then by which one might file a complaint and stop the payment of salaries to anyone who has been permitting this pernicious teaching. It has unquestionably been going on for years, and is going on in this present year.

Mr. CONNALLY of Texas. Does not the gentleman think that the Board of Education can control this matter? Does the gentleman think it wise to put a limitation upon the appropriation?

Mr. SUMMERS of Washington. Yes, I do; because I know of no other way to reach it. This will stop it.

Mr. CONNALLY of Texas. An act of Congress would reach it in the regular way.

Mr. SUMMERS of Washington. There is no other way that I know of whereby we can reach it in a practical manner. In the interest of our children and of the Government itself this teaching must stop.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Washington.

Mr. LOWREY. Mr. Chairman, may we have it again reported?

The CHAIRMAN. Without objection, the amendment will again be reported.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken and the amendment was agreed to.

The Clerk read as follows:

Principals of junior high schools, eight at $2,700 each; seven assistant principals, who shall be deans of girls of the Central High School, Eastern High School, Dunbar High School, Business High School, Western High School, McKinley Manual Training High School, and Armstrong Manual Training High School, at $2,400 each: *Provided*, That said assistant principals shall be placed at a basic salary of $2,400 per annum and shall be entitled to an increase of $100 per annum for five years.

Mr. BLANTON. Mr. Chairman, I make a point of order against the legislation that is in this paragraph, as follows: "Seven assistant principals, who shall be deans of girls of the Central High School, Eastern High School, Dunbar High School, Business High School, Western High School, McKinley Manual Training High School, and Armstrong Manual Training High School." In that connection I will state that it is legislation unauthorized by law. If the teachers' salary bill had become a law this would be authorized, and when the teachers' salary bill finally becomes a law it is going to require that all of those salaries be taken care of in a deficiency bill, so there is no use of providing here for these new positions. In other words, there are four new assistants here provided, and the present law permits only three assistants. When the teachers' salary bill passes it will permit seven, but that bill has not yet passed the Senate.

The CHAIRMAN. Which of these schools are not authorized by law?

Mr. BLANTON. The following are not authorized by law, and they are the only ones I am attempting to reach: Business High School, Western High School, McKinley Manual Training High School, and Armstrong Manual Training High School. The only part I care to make a point of order against is that relating to the word "seven" when it ought to be "three" and those four high schools named above, because they are new positions that are created by the school-teachers' salary bill which is now before the Senate. There is no use of putting them in until the bill has passed the Senate and becomes law. The Senate might change the bill and restrict the number to six or less. A fight is now being made on this very item by one of the Senators who is on the Senate District Committee. We do not know what the Senate is going to do, so what is the use of putting it in this bill until the legislative bill passes.

The CHAIRMAN. Is the point of order conceded by the chairman of the subcommittee?

Mr. DAVIS of Minnesota. I concede the point of order.

The CHAIRMAN. The point of order is sustained against the four named by the gentleman from Texas, the Business High School, Western High School, McKinley Manual Training High School, and Armstrong Manual Training High School. The rest of the language remains. Without objection the word "seven" will be changed to "three."

There was no objection.

The Clerk read as follows:

In all, for teachers, $3,459,740.

Mr. SUMMERS of Washington. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. SUMMERS of Washington offers the following amendment: Page 36, at the end of line 17, insert: "*Provided*, That no part of this sum

shall be available for the payment of the salary of any teacher who teaches partisan politics, disrespect for the Holy Bible, or that ours is an inferior form of government."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For contingent expenses, including furniture and repairs of same, pay of cabinetmaker, stationery, printing, ice, and other necessary items not otherwise provided for, including an allowance of not exceeding $312 per annum for a motor vehicle for each of the superintendents of schools, the superintendent of janitors, the two assistant superintendents, the director of primary instruction, the school cabinetmaker, the supervising principal in charge of the white special schools, the chief medical and sanitary inspector of schools, and the supervising principal of the colored special schools, and including not exceeding $3,000 for books of reference and periodicals, $76,040: *Provided*, That a bond shall not be required on account of military supplies or equipment issued by the War Department for military instruction and practice by the students of high schools in the District of Columbia.

Mr. BEGG. Mr. Chairman, I reserve a point of order on the proviso for the purpose of asking a question. Has it been customary heretofore to have a bond?

Mr. DAVIS of Minnesota. The law requires that they shall put up a bond.

Mr. BEGG. Then, what is the reason for providing that they shall not put up a bond?

Mr. DAVIS of Minnesota. It would take $600 to pay the premium on this bond, but we want to save that and it does not amount to anything at all.

Mr. BEGG. I withdraw the reservation.

The Clerk read as follows:

For completing the construction of a building to replace the present John F. Cook School, $150,000.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the last word. I was somewhat surprised when I learned that there has been no Budget estimate for the construction of new schools in the District of Columbia. From what has been told me by citizens who live here and who have children in these public schools there is, particularly in certain sections, a very crowded condition, and in a sense children are being denied proper school facilities. That is a condition which I do not think ought to exist in the National Capital.

Mr. DAVIS of Minnesota. It does not exist.

Mr. BYRNS of Tennessee. I beg the gentleman's pardon. I am going to cite the gentleman to a case where it does exist and I shall show facts which show that that condition exists.

Mr. DAVIS of Minnesota. It may exist in one or two places.

Mr. BYRNS of Tennessee. That is the point. If that is true, the Congress should provide relief for those one or two places, and that is the point I am making.

Mr. DAVIS of Minnesota. They have asked for no new school buildings at all.

Mr. BYRNS of Tennessee. I am not criticizing the gentlemen or the committee, but I am criticizing the commissioners and the Board of Education, if they are the ones who should submit such an estimate. I stated I was surprised there had been no estimate made for the construction of new schools, and it seems to me it is a neglect that ought to be called to the attention of those in authority here in the District. The Government pays 40 per cent of the expenditures of the District. Other cities do not have that contribution to their expenditures. Taxes are less in the District, as has been stated here many times, far less, than they are in any other city in the United States, where not only city taxes have to be paid but State and county taxes as well, and yet here in the National Capital we are confronted, as the gentleman says—in one or two sections, at least—with a situation that ought not to exist, because certainly the city of Washington ought to be a model for city governments throughout the United States, and certainly it ought not to be said that here in the National Capital we are denying the school children of this District proper school facilities. I want now to call your attention to a specific instance.

Mr. DAVIS of Minnesota. May I interrupt the gentleman just a moment?

Mr. BYRNS of Tennessee. I yield to the gentleman.

Mr. DAVIS of Minnesota. I will say that the construction of the buildings in this bill and what they are about to put into effect in less than three or four months will provide for 9,888 elementary pupils more than we have now and 3,000 more high-school children, so that the chances are 10 to 1 that the places the gentleman is speaking about will be amply taken care of in two or three months. One hundred and sixty-four additional rooms will be provided in this bill.

Mr. BYRNS of Tennessee. I beg the gentleman's pardon; it will not relieve the situation in the locality to which I am going to refer now. Children ought not to be required to go from one end of this District to the other in order to get to school.

We know that the city of Washington in the last few years has grown as rapidly, if not more rapidly, than any other city in the Nation of its size, and I dare say there are few other cities where in the last three or four years they have not started the construction of additional school buildings.

This is a situation which has been called to my attention by a citizen of this community. He has no selfish interest, I want to say, because his youngest child is now in the high school, but as a citizen of the community he is interested in the children of the community and is interested in seeing proper school facilities provided. I want to read to you a statement which has been submitted to me which will show you that at least in this rapidly growing section in Cleveland Park the school facilities are being neglected, and those in authority, who ought to have submitted estimates, have neglected their duty in failing to come to Congress and submit estimates for the erection of at least one new school building in this particular locality.

Mr. BEGG. Will the gentleman yield before reading that particular statement?

Mr. BYRNS of Tennessee. I yield.

Mr. BEGG. Does the gentleman think it is the business of the commissioners or the Board of Education or the Appropriations Committee to lay out a policy of new buildings, or does that belong to some committee of the House like the District Committee? I admit that what the gentleman is saying is absolutely true; in fact, I have made a statement along the same line; but who is at fault?

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BEGG. I ask unanimous consent that the gentleman may have five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. I said at the outset that I was not criticizing the committee of which I happen to be a member, because the Committee on Appropriations has always followed the policy, and must follow the policy, as the gentleman knows, of only acting on the estimates submitted. I am not criticizing particularly the District Committee.

Mr. BEGG. Whose business is it?

Mr. BYRNS of Tennessee. I am criticizing whoever it is in this District whose duty it is to come to Congress and tell Congress what is necessary in order to make proper provision for these children. I do not know whether it is the Board of Education or the commissioners, but somebody is certainly at fault.

Mr. DAVIS of Minnesota. It is not the fault of the committee.

Mr. BYRNS of Tennessee. I am sure of that.

Mr. BEGG. The gentleman knows that there is a whole list of new buildings in this bill, all of which could be knocked out on a point of order if anybody cared to make it, and if the Committee on Appropriations can not do this, what committee ought to take that responsibility?

Mr. BYRNS of Tennessee. The District Committee, of course, is the committee that should make the authorization.

Here is a case which I am going to call to your attention where I do not think legislation is necessary. All that is necessary is for somebody to come and tell the Committee on Appropriations what amount of money is necessary to begin the construction of a school there, and I think Congress would then have the authority to make the appropriation.

Mr. FREE. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. FREE. Is not it a fact that they have just completed a building in Cleveland Park and yet there are not facilities for the children to go to school. My two children are only permitted to go to school half a day because in that locality they have not buildings enough to take care of all of the children. My children have to stay away half a day or else go to some other part of the city.

Mr. BYRNS of Tennessee. The gentleman is correct and in accord with the statement that I am going to read. That is the locality I had in mind, and the reason for my submitting these remarks. They talk about putting up buildings. Do you know that in the Woodley Park section, the vicinity of this school, in 1921 they made an appropriation of $40,000 to buy a lot upon which to build a school building. That was three

years ago. The lot is there without having any building erected upon it. Some one in this District charged with the official duty of looking after the facilities for school children has failed to come here and tell us what is necessary to put a building on that lot. I say there is gross neglect in that particular locality of the needs of the school children of this District.

Mr. DAVIS of Minnesota. If the gentleman will yield, I want to say in that connection that the same conditions as to the school children exist in the Western High School. There are so many pupils there that they have to have two shifts a day.

Mr. BYRNS of Tennessee. I think that is the situation in almost every school in the city, if the information that comes to me is correct. Now let me read this statement:

John Eaton School, at Thirty-fourth and Lowell Streets, serves the large and rapidly growing section including Cleveland Park, the English village, Massachusetts Heights Park, and the large apartment houses on and near Connecticut Avenue from the Million-Dollar and Calvert Street Bridges to the Klingle Valley Bridge near Cleveland Park. Included in this area are Wardman Park Hotel, Cathedral Mansions, and the large apartment houses at Connecticut and Cathedral Avenues; also the large Shapiro subdivision, one block east of Connecticut Avenue, between Connecticut Avenue and Woodley Place.

When the present John Eaton School was completed it was thought the school needs of this section had been met for some time. Four portables had been used before the building was finished. Upon its completion three of these were removed.

Now the school is filled to overflowing, and a general condition of congestion prevails. It has been found necessary in order to accommodate the pupils to take the following steps:

Create a new first grade.

Create a new fifth and sixth—a combination or doubling up.

Create a new seventh and eighth—a combination or doubling up.

Put the third grade into the portable.

Put the new kindergarten in the teachers' room.

Have the first and second grades go half time.

The scholastic increase at John Eaton year before last was 100. Last year it was 150.

John Eaton School serves the immense area from Chevy Chase to the Cook and Morgan Schools on Seventeenth and Eighteenth Streets, respectively. Its present enrollment is 799, which is 121 more than the school, under school regulations, is intended to accommodate.

Around this little school there are now being finished or built, or being projected for immediate building, 730 homes and apartment houses containing 1,174 individual apartments. Real-estate operators estimate this will increase the population around John Eaton School by 7,600. Allowing one child of school age for each two adults, this will mean an addition in the near future of 3,750 school children. Nowhere in Washington in an area of like size are such extensive building operations under way, amounting to some $28,000,000.

The present situation is critical. If another year is allowed to elapse without action being taken, a crisis will have been precipitated.

School population situation near John Eaton School as shown by building under way and projected

Builder	Homes or apartments built, building, or planned [1]	Value of improvement	Increase in population	Increase in school children
Wardman	Cathedral Mansions: 500 apartments nearing completion.	$5,000,000	2,000	1,000
	English Village: 80 houses south of Klingle Road; 250 north of Woodley Road—built, building and planned—5-year project.	7,000,000	1,500	700
Joseph Shapiro	100 houses built and building—east of Connecticut Avenue, between Woodley Place and Cathedral Avenue.	1,500,000	500	250
	Apartment house to be built between Woodley Place and Woodley Road and Cathedral Avenue, 100 apartments, to be finished in year and a half.	1,000,000	400	200
Kennedy Bros.	60-room apartment just built; 44-room apartment just built; 70-room apartment building; projected: 1 of 50, 1 of 50, and 1 of 300 apartments; Connecticut and Cathedral Avenues.	5,000,000	2,000	1,000
Middaugh & Shannon.	300 homes Massachusetts Heights Park—built or projected for near future.	9,000,000	1,200	600
Total	1,904	28,500,000	7,600	3,750

[1] Does not include small or individual operations in this section.

And yet here we are making appropriations for the fiscal year 1925 and making no suitable provision for the increase of school children in that section of this city. In other words we are going another year without new buildings being contemplated, not due to the fault of Congress—and possibly some citizens may say that Congress is niggardly—but due to the fact that the officials of this city, those responsible for the city government, have failed to come to Congress and tell what they need and what is necessary to appropriate to give these children proper school facilities. Oh, they were quick to come to the Appropriations Committee and ask for $200,000 to increase the park and buy somebody's property up in Klingle Valley for park purposes, but when it comes to the school children, giving them proper advantages of education, then they fail to take into account their necessities.

I have taken this time to call attention to the fact that somebody is failing to give attention to the needs of the District of Columbia for the school facilities which it ought to have. Certainly the citizens of Washington pay less taxes than the citizens of any other city in the United States and can afford proper facilities for school children. I know that all who take pride in this city are particularly anxious to see that the children are given the facilities that they ought to have.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BYRNS of Tennessee. Certainly.

Mr. SPROUL of Kansas. Who is it in the gentleman's judgment that is at fault in not looking out for this matter?

Mr. BYRNS of Tennessee. Of course, the commissioners make the estimates for the Budget Bureau. Whether there is some one who must make these estimates for the commissioners I do not know. My opinion is that if I was a commissioner in this city and if I realized the conditions are as I have described I would see to it that those who had this duty imposed upon them in the first instance performed it; or as a commissioner I would take it on myself to come to Congress and see if I could not get what is needed.

Mr. DAVIS of Minnesota. Mr. Chairman, I desire to say a few words. Had the gentleman from Tennessee been here when I opened debate upon this appropriation bill and came to the matter of schools, about a week ago, he would have got my opinion—I do not say that he would have got any information, but he would have got an idea along the lines I was talking about. I then stated everything that the gentleman has now said. You will find it in the RECORD. I said that they wanted to buy large tracts of land when they already had four large tracts bought within the last two years, one costing $215,000, two others at $50,000 each, and another at $40,000, upon which no estimates have ever been asked for buildings. I wound up my statement in conclusion by saying that it was time that some plan be devised, that they should get together and map out a regular plan and not go along haphazard, building here and buying a site there without any plan whatever. I said that I desired that to be done in order that the Appropriations Committee might proceed along proper lines.

Mr. BYRNS of Tennessee rose.

Mr. BLANTON. Mr. Chairman, I renew my point of order, that there is no quorum present.

Mr. BYRNS of Tennessee. The gentleman from Texas takes more time than anybody else in the House.

Mr. BLANTON. I know, but we have some business to attend to besides here.

Mr. BYRNS of Tennessee. The gentleman has consumed more time to-day than 95 Members of the House.

Mr. BLANTON. Yes; and I guarantee that I have spent 25 hours on this more than the gentleman has, in my office and at night, with the gentleman somewhere else.

Mr. BYRNS of Tennessee. That is not true.

Mr. BLANTON. Well, it is true.

Mr. DAVIS of Minnesota. Mr. Chairman, I am going to stop——

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. DAVIS of Minnesota. I have mapped out in my speech the same program as the gentleman from Tennessee——

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union,

reported that that committee had had under consideration the bill H. R. 8839, the District of Columbia appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. CONNERY, for one week, on account of important business.

Mr. MORGAN, indefinitely, on account of the death of his wife.

APPOINTMENT OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates to preside to-morrow, as Speaker pro tempore, at the memorial exercises for deceased New York Members, the gentleman from New York, Mr. PARKER.

INCREASE OF POSTAL SALARIES

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent that I may have 10 days within which to file minority views on the bill H. R. 9035, the postal salary increase bill. I understand the majority report was to be filed to-day.

The SPEAKER. The gentleman from Iowa asks unanimous consent for 10 days within which to file views of the minority on the bill H. R. 9035. Is there objection?

There was no objection.

THE LATE M. E. BENTON

Mr. DICKINSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the late M. E. Benton, a former member of the Committee on Appropriations, who died a few days ago at Springfield, Mo.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKINSON of Missouri. Mr. Speaker, a notable ex-Missouri Congressman has passed away. On April 27 at Springfield, Mo., Col. M. E. Benton, died at the home of his son, Nat W. Benton. His home was at Neosho in southwest Missouri, and he had gone to Springfield to attend a democratic State convention assembled there to elect delegates to the national convention in New York City. M. E. Benton was born in Obion County, Tenn., in 1847 and was over 77 years of age when he died. He served in the Civil War on the Confederate side. In 1870 he graduated from the Cumberland University of Tennessee and shortly thereafter moved to Missouri, following the example of his illustrious great uncle and statesman, Thomas H. Benton, who likewise was a native of Tennessee and moved to Missouri and afterwards served 30 years in the United States Senate from his adopted State.

M. E. Benton was a former Member of Congress from the fifteenth district of Missouri, now represented with ability by our colleague, Hon. JOE J. MANLOVE. This district was formerly represented by Hon. Charles H. Morgan and Hon. William J. Stone, later Senator from Missouri. M. E. Benton entered the fifty-fifth Congress and served four successive terms with honor and distinction and for three terms was a member of the Appropriations Committee. He was an active Member during his entire service—eloquent of tongue and prominent in debate. Prior to his election to Congress he was United States district attorney for the western district of Missouri under Grover Cleveland, by whom he was appointed. A notable incident occurred while he was district attorney. For years he had never failed to take part in Democratic campaigns and his services were always in demand. While holding this Federal position he accepted an invitation and went out and made a Democratic speech in campaign year, and President Cleveland promptly removed him from office. It attracted the attention of the entire country. His party did not love him less because of his sacrifice. His friends did not fail him. Senators Vest and Cockrell and other friends rallied to his support and he was reinstated to office by Mr. Cleveland, who admonished him to forego making Democratic speeches in campaign times. Shortly after that he was elected to Congress. He was a courageous Democratic leader, bold in debate, and forceful in the discussion of public questions. He had taken active and prominent part in the political activities of his party for 50 years and never failed to attend and take part in the conventions of his party, over which he frequently presided, chosen because of his ability as a presiding officer and his parliamentary knowledge. He was learned in the law and enjoyed a large practice. He was a member of the constitutional convention of Missouri that recently framed and submitted many amendments to our constitution of 1875. He earned and deserved the high place to which he attained as a great Democrat, worthy of the honors that came to him because of his ability and unusual service.

He was my personal friend, and his notable record and service here makes it fitting that mention be made here of the passing into the great beyond of this strong and historic character.

TRANSPORTATION ACT

Mr. LANKFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the proposed amendment to the labor provision of the transportation act.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANKFORD. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to have printed the telegram which I received to-day and which is as follows:

WAYCROSS, GA., *May 2, 1924.*

Congressman W. C. LANKFORD,
United States Capital Building, Washington, D. C.:

The shopmen's association of the Atlantic Coast Line Railroad, representing 7,000 employees in the mechanical department, located at various points in the States of Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama, desire to file strenuous objections against the proposed legislation designed to change the labor provisions of the transportation act. Under the present law, we are free from dictation of the so-called standard labor organization and we have worked out a harmonious method for the handling of our own affairs with our employers in a manner that we believe will result in lasting benefit to ourselves, the traveling public, and the people of the communities where we reside and work. The satisfactory conditions now existing furnish full evidence that no change is necessary. We respectfully request that you oppose in our behalf the passage of the proposed law.

G. C. STEPHENS, *President.*
R. A. EVERETT, *General Secretary-Treasurer.*

To this telegram I replied as follows:

WASHINGTON, D. C., *May 3, 1924.*

Messrs. G. C. STEPHENS, *President*, and
R. A. EVERETT, *General Secretary and Treasurer,*
Waycross, Ga.:

Your message received. I have received many telegrams and letters from workingmen, railroad owners, and citizens generally relative to the proposed change of the labor provisions of the transportation act, some advocating and some opposing it.

I am giving the matter most careful consideration, with an earnest desire to do what is best for all the people. It certainly is not my desire to do anything that will injure the workers of this country, and I would not vote for any measure which I thought would do this. I shall give your request most careful consideration; and thank you for wiring me.

W. C. LANKFORD.

Mr. Speaker, I shall indeed be very happy if we ever succeed here in Congress in working out a plan for the adjustment of the problems of labor and capital, which will be fair to both labor and capital and to the great mass of common people. Everyone is vitally interested in the proper solution of this very important problem.

I realize that capital is entitled to a fair return on its investment and that unless it receives such a return the railroads of our country and other such public utilities will cease to grow and help develop our Nation. I realize equally as well that labor is entitled to a fair return for keeping these great enterprises going and for its most splendid contribution to the welfare of the whole country. My sympathies are especially strong for railroad employees, my father having been a railroad employee for many years. He worked for several years as a track hand and later section foreman on what is now the Atlantic Coast Line, from Waycross to the Altamaha River, beyond Jesup, Ga. Although he quit the service of the railroad company before I was born I often heard him talk of his work as a railroad hand, and know that he always felt most kindly for others working for railroad companies and earning wages in any line of work. I always shared this feeling of my father. I might here add that I have every reason to be in deepest sympathy with the farmers of the country who are also vitally interested in this legislation. I was raised on the farm, and nearly all of my best friends in the world either live on the farm or were raised on the farm. So it is, Mr. Speaker, that when this bill comes up I shall approach it feeling in deep sympathy with all the parties concerned and most anxious to do what is best for all. There is no one thing which this Congress could do which would be of more vital importance to the whole Nation in the way of a law than a proper solution of the question presented by this proposed change of the labor provision of the transportation act.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

S. 1631. An act to authorize the deferring of payments of reclamation charges.

* Does not include small or individual operations in this section.

Committee of the Whole House on the state of the Union,

ADJOURNMENT

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and, in accordance with the order heretofore made (at 5 o'clock and 13 minutes, p. m.), the House adjourned until to-morrow, Sunday, May 4, 1924, at 3 o'clock, p. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 278. A resolution providing for the consideration of H. R. 3933, the Cape Cod Canal bill; without amendment (Rept. No. 636). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 279. A resolution providing for the consideration of H. R. 8209, the Inland Waterways Corporation bill; without amendment (Rept. No. 637). Referred to the House Calendar.

Mr. CRISP: Committee on Ways and Means. H. R. 8905. A bill to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America; without amendment (Rept. No. 654). Referred to the Committee of the Whole House on the state of the Union.

Mr. PAIGE: Committee on the Post Office and Post Roads. H. R. 9035. A bill reclassifying the salaries of postmasters and employees of the Postal Service and readjusting their salaries and compensation on an equitable basis, and for other purposes; without amendment (Rept. No. 655). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FREDERICKS: Committee on Claims. S. 87. An act for the relief of the Near East Relief (Inc.); without amendment (Rept. No. 638). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. S. 555. An act for the relief of Blattmann & Co.; with an amendment (Rept. No. 639). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 799. An act for the relief of F. A. Maron; with an amendment (Rept. No. 640). Referred to the Committee of the Whole House.

Mr. BLACK of New York: Committee on Claims. S. 935. An act for the relief of the Erie Railroad Co.; without amendment (Rept. No. 641). Referred to the Committee of the Whole House.

Mr. STEPHENS: Committee on Naval Affairs. H. R. 1717. A bill authorizing the payment of six months' pay to Joseph J. Martin; with an amendment (Rept. No. 642). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. H. R. 1830. A bill for the refund of income tax erroneously collected; with an amendment (Rept. No. 643). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. H. R. 2373. A bill for the relief of the Standard Oil Co. at Savannah, Ga.; without amendment (Rept. No. 644). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. H. R. 2989. A bill for the relief of Mrs. E. L. Guess; with an amendment (Rept. No. 645). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 4290. A bill for the relief of W. F. Payne; with amendments (Rept. No. 646). Referred to the Committee of the Whole House.

Mr. STEPHENS: Committee on Naval Affairs. H. R. 5819. A bill for the relief of Capt. D. H. Tribou, chaplain, United States Navy; with amendments (Rept. No. 647). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 6506. A bill for the relief of John Baumen; without amendment (Rept. No. 648). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 8297. A bill for the relief of the Canadian Pacific Railway Co.; without amendment (Rept. No. 649). Referred to the Committee of the Whole House.

Mr. BECK: Committee on Claims. H. R. 8893. A bill for the relief of Juana F. Gamboa; without amendment (Rept. No. 650). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 5774. A bill for the relief of Beatrice J. Kettlewell; without amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. H. R. 7194. A bill for the relief of Bertram Gardner, collector of internal revenue for the first district of New York; with amendments (Rept. No. 652). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on Naval Affairs. H. R. 909. A bill to remove the charge of desertion against the name of Frank George Bagshaw; with an amendment (Rept. No. 653). Referred to the Committee of the Whole House.

Mr. ANDREW: Committee on Naval Affairs. H. R. 2105. A bill for the relief of Milton M. Fenner; without amendment (Rept. No. 656). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 9054) to authorize the Secretary of Commerce to transfer to the city of Port Huron, Mich., a portion of the Fort Gratiot Lighthouse Reservation, Mich.; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWNING: A bill (H. R. 9055) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. HAWLEY: A bill (H. R. 9056) to include as part of the national forests in Oregon certain lands within the exterior boundaries of such forests, which were a part of the former Oregon and California land grant; to the Committee on the Public Lands.

By Mr. McKENZIE: A bill (H. R. 9057) amending section 27 of the national defense act of June 4, 1920, relating to enlistments; to the Committee on Military Affairs.

By Mr. CONNALLY of Texas: A bill (H. R. 9058) to provide for the purchase of a site and for the erection of a public building thereon at Gatesville, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9059) to provide for the purchase of a site for a post-office building at Mart, Tex.. to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9060) to provide for the purchase of a site and for the erection of a public building thereon at Hamilton, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. GREEN of Iowa (by request): A bill (H. R. 9061) to amend an act entitled "An act to license customhouse brokers," approved June 10, 1910, and for other purposes; to the Committee on Ways and Means.

By Mr. GARBER: A bill (H. R. 9062) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any and all claims, of whatever nature, which the Kansas or Kaw Tribe of Indians may have or claim to have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. RICHARDS: A bill (H. R. 9063) to add certain lands to the Nevada National Forest, in Nevada; to the Committee on the Public Lands.

By Mr. COLTON: A bill (H. R. 9064) to provide for the protection of the Dinosaur National Monument, and for other purposes; to the Committee on the Public Lands.

By Mr. RAGON: Joint resolution (H. J. Res. 254) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas; to the Committee on Military Affairs.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 280) for the immediate consideration of House bill 5195, to provide for a bureau of prohibition in the Treasury Department; to the Committee on Rules.

By Mr. FROTHINGHAM: Resolution (H. Res. 281) for the consideration of House bill 5722, authorizing the conservation, production, and exploitation of helium gas, and for other purposes; to the Committee on Rules.

By Mr. LEHLBACH: Resolution (H. Res. 282) to make in order House bill 8202, a bill to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes"; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK: A bill (H. R. 9065) for the relief of Joseph F. Daniels; to the Committee on Naval Affairs.

By Mr. CLANCY: A bill (H. R. 9066) for the relief of William J. Nagel; to the Committee on Claims.

By Mr. CRAMTON: A bill (H. R. 9067) granting an increase of pension to Sarah Compton; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 9068) granting a pension to Elizabeth Barnacle; to the Committee on Pensions.

By Mr. MADDEN: A bill (H. R. 9069) to credit the accounts of James Hawkins, special disbursing agent, Department of Labor; to the Committee on Claims.

By Mr. PORTER: A bill (H. R. 9070) granting a pension to Elizabeth C. R. Hill; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 9071) granting a pension to William C. Younce; to the Committee on Pensions.

By Mr. RUBEY: A bill (H. R. 9072) for the relief of Morgan L. Atchley; to the Committee on Military Affairs.

By Mr. SWING: A bill (H. R. 9073) for the relief of John A. West; to the Committee on Naval Affairs.

By Mr. TILLMAN: A bill (H. R. 9074) for the relief of Garrett Parker; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2656. By Mr. FULLER: Petition of Emerson-Brantingham Co., Rockford Paper Box Board Co., Rockford Manufacturers & Shippers' Association, Rockford Wholesale Grocery Co., Burson Knitting Co., Hess & Hopkins Leather Co., Barber-Colman Co., and J. Holmquist & Sons, all of Rockford, Ill., protesting against any change in the present transportation act; to the Committee on Interstate and Foreign Commerce.

2657. Also, petition of the American Federation of Railroad Workers, protesting against the passage of the Howell-Barkley bill (H. R. 7358); to the Committee on Interstate and Foreign Commerce.

2658. Also, petition of the Cox Jewelry Co. and C. A. Jensen, of La Salle; Lining Bros., of Peru; and W. T. Tress, Fred S. Keeler & Co., Fred H. Sanders, and Birger Carsen, of Ottawa, all in the State of Illinois, protesting against the tax on jewelry; to the Committee on Ways and Means.

2659. By Mr. Gallivan: Petition of Massachusetts Society, Sons of the American Revolution, Boston, Mass., petitioning that authorization be granted for the complete restoration and repairing of the frigate *Constitution* at the Charlestown Navy Yard, Boston, Mass.; to the Committee on Naval Affairs.

2660. Also, petition of general executive board, International Association of Machinists, recommending favorable consideration of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2661. By Mr. RAKER: Petition of California Independent Telephone Association, Pomona, Calif., in re elimination of tax on telephone and telegrams; to the Committee on Ways and Means.

2662. Also, petition of National Paper Box Manufacturers' Association, Philadelphia, Pa., protesting against passage of House bill 762, providing for amendment of the pure food and drugs act of June 30, 1906; to the Committee on Agriculture.

2663. Also, petitions of T. W. Simpson, Kennett, Calif., urging support of the Howell-Brinkley bill in re abolishment of Railway Labor Board, and American Federation of Railroad Workers, Jersey City, N. J., protesting against passage of Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2664. Also, petition of Penobscot Farm Center, Cool, Calif., opposing passage of the Paige-Kelly-Edge bills; to the Committee on the Post Office and Post Roads.

2665. Also, petition of Arbold Spring, Pasadena, Calif., urging passage of Senate bill 966, the San Carlos Dam project for the relief of the Pima Indians; to the Committee on Indian Affairs.

2666. Also, petitions of Seth Mann, of San Francisco Chamber of Commerce, California, resolutions adopted in opposition to passage of Gooding bill (S. 2327), and the Associated Traffic Clubs of America, New York City, resolutions against anything that would restrict the Interstate Commerce Commission in re rate making; to the Committee on Interstate and Foreign Commerce.

2667. Also, petition of Board of Supervisors of Contra Costa County, State of California, resolution urging passage of the Reece-Capper bill providing for distribution of surplus military material; to the Committee on Military Affairs.

2668. By Mr. RAMSEYER: Petition of citizens of Eldon, Iowa, urging the passage of House bill 2702 and Senate bill 742; to the Committee on Naval Affairs.

2669. By Mr. YOUNG: Petition of the Aneta Commercial Club, Aneta, N. Dak., indorsing the McNary-Haugen bill; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

SUNDAY, *May 4, 1924*

The House met at 3 o'clock p. m., and was called to order by the Speaker pro tempore, Hon. JAMES S. PARKER, of New York.

Rev. M. J. Riordan, pastor of St. Martin's Church, Washington, D. C., offered the following prayer:

Out of the depths have I cried unto Thee, O Lord. Lord, hear my voice; let Thine ears be attentive to the voice of my supplication. If Thou, Lord, shouldest mark iniquities, O Lord, who shall stand? But there is forgiveness with Thee, that Thou mayest be feared. I wait for the Lord, my soul doth wait, and in His word do I hope. My soul waiteth for the Lord more than they that watch for the morning. Let Israel hope in the Lord, for with the Lord there is mercy, and with Him is plenteous redemption.

Eternal rest grant unto them, O Lord, and let perpetual light shine upon them.

Mr. SNELL. Mr. Speaker, I ask unanimous consent that the reading of the Journal of the proceedings of yesterday may be deferred until to-morrow.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that the reading of the Journal of yesterday's proceedings may be deferred until to-morrow. Is there objection?

There was no objection.

MEMORIAL EXERCISES FOR HON. W. BOURKE COCKRAN, HON. DANIEL J. RIORDAN, HON. LUTHER W. MOTT, AND HON. JAMES V. GANLY

The SPEAKER pro tempore. The Clerk will read the special order for to-day.

The Clerk read as follows:

On motion of Mr. CAREW, by unanimous consent—

Ordered, That Sunday, May 4, 1924, at 3 o'clock p. m., be set apart for addresses on the life, character, and public services of Hon. W. BOURKE COCKRAN, Hon. DANIEL J. RIORDAN, Hon. LUTHER W. MOTT, and Hon. JAMES V. GANLY, late Representatives from the State of New York.

Mr. CAREW. Mr. Speaker, I offer the following resolutions.

The Clerk read as follows:

House Resolution 283

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. W. BOURKE COCKRAN, Hon. DANIEL J. RIORDAN, Hon. LUTHER W. MOTT, and Hon. JAMES V. GANLY, late Members of the House from the State of New York.

Resolved, That Members be granted leave to extend their remarks on the life, character, and public services of the late Representatives.

Resolved, That, as a particular mark of respect to the memory of the deceased, and in recognition of their distinguished public careers, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send copies of these resolutions to the families of the deceased.

The resolutions were agreed to.

Mr. MADDEN. Mr. Speaker and gentlemen, we meet here this afternoon to pay tribute to the memory of four men who gave distinguished services to their country in this body—W. BOURKE COCKRAN, DANIEL J. RIORDAN, LUTHER W. MOTT, and JAMES V. GANLY. I came here this afternoon, not to mourn the death of any of these men, but to call attention to the reasons why we should be happy that they lived and rendered such distinguished services to their country. I came here especially to speak of the work and life and character of my very warm personal friend and fellow associate here for 20 years, DANIEL J. RIORDAN. He was one of the most kindly spirits I ever knew. There was no day too long and no work too hard for him to do. There was no task too difficult for him to undertake for the people of the State from which he came and in which he lived.

He was a very modest, unassuming man, simple in his daily life. He had ability that few men realized. He was one of the most eloquent, interesting, and humorous men when he chose to exercise the gift of oratory. He seldom chose to exercise it. He believed that much better results for the country could be obtained by doing the real work for which he was sent here than by occupying the time of the House in delivering speeches. He was one of the most influential men who ever served on the Committee on Naval Affairs. He

served on that committee during the upbuilding of the Navy. When he first became a member of the committee the Navy was but the skeleton of a military organization. He, together with George Foss, from my own State, the distinguished chairman of that committee, one a Republican and the other a Democrat, worked to build a Navy and succeeded in its upbuilding so that it was second to none in all the world.

Mr. RIORDAN was a member of this committee during the late war. It was during that period that men's souls were tried and their ability and patriotism tested. DAN RIORDAN was always equal to the task, whatever the task might be. He had the courage of his convictions. He had the integrity of purpose that led him to the place that he always ought to go. He was foremost in his advocacy of American rights in all that terrible conflict. He was an unobtrusive Member of the House, so far as work on the floor was concerned. His work in committee was where he shone. After all, that is where the work of Congress is done. You show me a man who qualifies as a working member of the committee, with a singleness of purpose and integrity of mind and heart, with a love for his country that knows no turning, and I will show you a man who in season and out of season is the bulwark upon which the stability of the Nation may depend. DAN RIORDAN was such a man. It was my good fortune to know him, perhaps, better than most men who have not had the privilege of coming into daily contact with him.

Early in our service here we became attached to each other; and I have never known the time or the condition, where the country's interest was at stake, that DAN RIORDAN was found wanting. It is a wonderful record to leave behind to his family and to his friends.

Of riches DAN RIORDAN had none; and that is the best test, after all, of faithful public service, for public service is not calculated to enable a man to accumulate riches, if we count riches in dollars. But what DAN RIORDAN did accumulate was riches in the character of the service he rendered to his Nation and to his State. He left a heritage to those who were responsible for sending him here which ought to inspire them to do what they may be called upon to do better than they would have otherwise done it.

He was a persuasive man in his modesty. He would come and sit beside an associate in the House and tell him the story of his needs and the needs of the people who sent him here in that modest, unassuming, characteristic way of his that carried conviction. No speech after such a conversation with DAN RIORDAN was necessary to portray the subject to the man with whom he had the conversation. He had a mind that was alert. He was always on the outlook for the things that would be beneficial to his great State and advantageous to the Nation which honored him, and which he honored in the great service which he rendered.

His life was one that went out to those who were less fortunate than he. He was able to meet and greet, if I may use the expression, the down-and-outer and leave him with a better outlook on life. The man who had concluded that his days were ended, that his hopes were gone, that his life was fruitless, that misery was the only thing in store for him had his heart gladdened by the words of affection and friendship and the handshake and the smile of recognition given to him by Mr. RIORDAN. He was made to feel that life was not hopeless, and it was in things of this sort that he was conspicuous—not so by any effort upon his part to become conspicuous, but, rather, conspicuous by the the innate modesty with which he did the things that I have described. There is not much satisfaction in a man doing the things that Mr. RIORDAN did, if he did them only to become conspicuous through the effort of doing them. The conspicuity that he sought was in the work itself, with a distinct determination in his own mind that what he did no one should know except the one for whom he did it. That is the sort of thing that makes life worth living, that is the kind of service that I think makes men worth while, and if worthwhile lives are of any consequence to those who live them, then DAN RIORDAN lived a life worth while and did worth-while things.

So I say that I did not come here to mourn the death of Mr. RIORDAN. I came here to praise God that he lived, and that we knew him, and that we had the benefit of the life that he lived and the thoughts that he expressed. I came here to thank God that such a man was given to earth to mingle with his fellows, and that this man was permitted to become a part of the warp and woof of the Nation which gave him birth. It is because of this class of men that the Nation stands conspicuous throughout the world for its simplicity and determination to live for the future as well as for the present. What I mean by living for the future is to sow the seeds of service, to do one's duty well, to set an example of clean living, and to make others proud of the citizenship which they bear, and which gives them such privileges as exist nowhere else. Mr. RIORDAN was an example of this simplicity and this kind of life, and we are proud that he lived and that he served and that what he did and what he said was worthy and clean and right. There is no reason why we should mourn the passing of men like this, and particularly there is no reason why we who believe in the future life should mourn, because we have been taught to believe that there is a future, and that that future will enable us to meet again with those with whom we fraternize while here. He is gone in body, but his soul is with us. He has passed on. We are here for only a short time, and our days are not long. We should be mindful of that, and being mindful of that it should be our greatest aim in life to so live and serve that when we pass on our fellows who remain behind may be able to say of us what it has been my great pride to say here to-day of my departed friend, DAN RIORDAN.

Mr. GILLETT. Mr. Speaker, I was here during the entire service of Mr. MOTT, Mr. RIORDAN, and Mr. GANLY. I knew them all well and had a warm regard and esteem for each of them and mourned the sad and untimely end of their service here. With Mr. COCKRAN my acquaintance was much longer and more intimate. When I first came to Congress 31 years ago I found him already here with an established reputation as an orator. Although a young man in his thirties, his name was famous throughout the country, and though he had only been in Congress four years he was recognized as one of the formidable debaters and as one of the speakers whom his party put forward on gala days, and was a member of the important Committee on Ways and Means, which at that time consisted of only 17 members and was just beginning the consideration of the famous Wilson tariff bill.

The first time I ever heard Mr. COCKRAN was at the extra session of that Congress which President Cleveland called for the consideration of the silver question, and he made a great impression upon me, not only by his oratorical powers but by the philosophical way in which he sought to probe to the foundation of the subject and develop its fundamental principles.

A few years later Mr. COCKRAN and I were both members of a party which visited the Philippine Islands and in that way I came to know him intimately. He was a most agreeable and delightful companion, good tempered, considerate, entertaining, and showing those same powers of brilliant and epigrammatic speech which characterized him on the platform. Indeed, I sometimes thought that, perhaps unconsciously, he was always rehearsing in private for his public appearances, and was constantly schooling himself in forms of phrase as well as in argument and logic for public discussions. It became a habit with him to talk forensically and brilliantly. And yet, while his conversation was sparkling and argumentative, it was not so studied as to be affected or disagreeable, but indicated a mind ever on the alert and disciplining itself. He must have had a tremendous energy of temperament to be willing or able to always appear at his best and never require the relaxation which comes from careless utterance. To me that was one of his strongest characteristics, a prodigious and unfailing energy which made him always interesting, stimulating, and effective.

As an orator he was one of the best whom it has been my fortune to hear. He had a fine and powerful voice, an impressive presence, with a leonine head, great vigor and even vehemence of gesture, a consummate skill in arranging and developing his subject, a wealth of vocabulary, and an unfailing supply of wit and epigram, so that his speeches were entertaining and delightful as an exhibition, as well as powerful as arguments. Both his intellect and wit were extraordinarily quick and at his command, and the man who interrupted him nearly always suffered for his boldness. He was one of the brightest ornaments of this House. Whenever he spoke he was sure of a large audience, for those who disagreed with his opinions enjoyed the brilliancy and wit with which they were expressed.

As a friend and companion he was delightful, warm hearted, and loyal and generous, always sociable and responsive, one of those rare men blessed with the qualities of both heart and intellect which make men both love and admire them.

Mr. SNELL. Mr. Speaker, we are met here to-day to mourn the death of a colleague and friend who has answered the last roll call, who has passed to the great beyond, loved by his family and friends, respected by his associates, and honored by a constituency he had so faithfully and conscientiously served for many years.

LUTHER WRIGHT MOTT was born in Oswego, N. Y., on November 30, 1874, and died at the family homestead in that city on July 10, 1923, at the age of 51 years. He attended the public schools and graduated from the Oswego High School in 1892, and from Harvard College with the class of 1896. After graduating from college he returned and took a post-graduate course. He first entered newspaper work but soon left that to become associated with his father, the Hon John T. Mott, who was then and is now president of the First National Bank of Oswego. On account of diligent application to this work within a short time he was advanced to the position of vice president and cashier, and held these positions until the time of his death.

Coming as he did from a long line of men, both father and grandfather, who had been prominent in the politics of New York State, he naturally became interested in public affairs. His training and inherent adeptness to this work made him early in life a leader in local politics. He held a few minor city offices, but his first real prominence in New York State politics was when Charles E. Hughes, then Governor of New York State, appointed him superintendent of banks, one of the most important appointive offices in the State. From this time on he assumed an important rôle in the political life of Oswego County and the north country. Coming to Congress in the fall of 1911, the beginning of the Sixty-third Congress, he served continually until the time of his death and had been reelected to the Sixty-eighth Congress. During his service here he was a member of the Committee on Claims, Foreign Affairs, and for the last three terms had been a member on the Ways and Means Committee. He was also chairman of the New York Republican delegation.

LUTHER W. MOTT was an energetic, hard-working Member of Congress, and no man in this body was more active or knew the wishes of his constituents better than he. He was a good judge of public sentiment and at all times represented it as he found it among his people. He figured service was stronger than talk, and I know of no man who was more influential or had more friends among the people of his district. Prompt attention to the people's business was his motto at all times. He was a pioneer in both the prohibition and woman suffrage causes, and in both he proved himself not only progressive but awake to the spirit of the time.

Of all the public men I have known I think I can truthfully say LUTHER MOTT was the kindliest, and never was he too busy to do a favor or render a service to a friend. Another of his strong points was his loyalty to his friends. When a man was once a friend he always stood by him, and this loyalty of friends is plainly shown by the fact that during the seven times he was a candidate for Congress he never had a contest in the primaries and was elected each time by increased majorities. While a Member of Congress he was honored with a degree of doctor of laws by St. Lawrence University at Canton, N. Y., and George Washington University, Washington.

As a private citizen, as a public official, he maintained that same modest, unassuming mode of life, and never ceased to grow in mental power and capacity to serve his people. He met each new responsibility and successfully mastered it. He filled with credit to himself, his family, and his State each new responsibility thrust upon him. He died at the height of his popularity and usefulness, a faithful public servant, mourned by a devoted people, who loved him for his frank and kindly dealings with his fellow men.

Mr. CULLEN. Mr. Speaker, putting our thoughts in language that will properly express our feelings toward departed friends is, indeed, a hard task. To pay fitting tribute to four statesmen like WILLIAM BOURKE COCKRAN, DANIEL J. RIORDAN, LUTHER W. MOTT, and JAMES VINCENT GANLY is doubly hard, because their passing is a loss not only to their families and friends but is a loss to the entire Empire State and to the Nation.

I shall address myself more particularly to DANIEL J. RIORDAN, as I knew him best and longest. Our acquaintance and friendship covered a period of 30 years or more. We served together in the New York State Senate from 1903 to 1906 and then again in the House when I had the honor of becoming a Member in 1919 until his death, he having served continuously in this body for 18 years.

The individuals who stand out in prominence the world over are the ones whose honesty and simplicity first attract you and whose gigantic ability to perform their tasks afterwards impresses you. Words of praise can be used in the description of anybody who has ceased to exist, but truthful words describing a character that had to do with all of the different phases of human nature and came through without a scar is, indeed, the exception. This I can justly say of our departed friend, DAN RIORDAN.

He was always ready to lend a helping hand to the needy and never tired of doing favors for those in need of his service as a Representative in Congress, a position in which he so long and so ably acquitted himself. His ability as a legislator was recognized and was emphasized by his assignment to two of the most important committees in the House—Naval Affairs and Rules. It can truly be said of him that he died in the performance of duty. He came to his office in the House Office Building one afternoon. While at his desk he complained of feeling badly, but little did those with him know how seriously he was ill. It was characteristic of him not to complain, and he assured those with him that he would soon be all right. Later that afternoon he was found unconscious sitting in the chair at his work desk. He was taken immediately to a hospital, and that evening came the announcement that his spirit had taken its flight and passed on over the Great Divide. It was a surprise and a shock.

To me it was personal. He had always been "DAN RIORDAN," tireless, undaunted, and invincible. He was my friend. His friendship was really worth having. Public life makes many fair weather friends. Many there are who shake your hand and pat your back when you are in the heyday of your power; but RIORDAN's friendship was of the kind that was much stronger when the clouds of political or other adversity frowned upon you. He had a smile and a good word for everybody, from the highest to the lowest, who were connected with the busy life of the Capitol.

Never posing as an orator, he was never a "victim of words nor a phrasesmith." He was simple and direct in thought and action; frank, truthful, and free from hypocrisy and cowardice. Naturally he had an unconscious courage. He was an excellent judge of men and measures, and never have I known a man in the State who in the halls of legislation or in the marts of trade won a larger or more loyal following. The attendance at his funeral bore silent testimony to this.

It was often and truthful said of DAN RIORDAN: "Everybody likes DAN." If he had any enemies, I do not know of them. Strenuous at times as were his political contests, they never left bitterness or revengeful feelings with him. He was a charitable man, and many a poor family and bereft widow to-day will miss the efforts which DAN RIORDAN was wont to put forth in their behalf. Among all the multitudes who knew him in boyhood and in manhood, in private and in public life, not one can recall a mean, vindictive, or deceitful word. Sincere in his beliefs, faithful to his convictions, steadfast in his friendships, he was loyal to every cause he espoused. His life has made many a man happier, his example will make many better, and his service to his constituency and to New York State will endure so long as our country shall last.

I personally deeply mourn the passing away of DANIEL J. RIORDAN, W. BOURKE COCKRAN, LUTHER W. MOTT, and JAMES VINCENT GANLY, all of whom typified the highest ideals and the very noblest and best American manhood and statesmanship. And thus I bid farewell to beloved friends and colleagues and leave them to the rest that they have so nobly earned, the rest which is the portion of the just till they are called to the dawn of the eternal day.

Mr. O'CONNELL of New York. Mr. Speaker, it is to-day my sad duty and yet my happy privilege to speak to you of the passing of one who was for many years an honored and beloved Member of this House—DANIEL J. RIORDAN, Representative from the eleventh district of New York. He was a New Yorker born and bred, a product of our teeming East Side, where he first saw the light in 1870. He attended the public schools of the district until his seventeenth year, when he entered Manhattan College, graduating from that institution four years later with the degree of A. B. He then became a partner in the real-estate business conducted by his father. He was, however, always interested in politics and an active worker for the interests of the Democratic Party, to which his family and friends belonged. This resulted at last in his selection as a candidate for the State senate, to which he was elected in 1902, at the early age of 32. He filled this office so satisfactorily that he was renominated in 1904 and once more elected. On this second election he was appointed by Lieutenant Governor Bruce a member of the committees on insurance, forest, fish and game, and military affairs. His work on these committees led to his being appointed in 1905 a member of the special insurance investigating committee.

By this time he was marked out for advancement and was nominated by his party as one of the Representatives to this

House from New York City and elected to the Fifty-sixth Congress. He was once more elected to the Fifty-ninth Congress, to serve out the unexpired term of Timothy D. Sullivan, who had resigned. After that, for 16 successive years, from the Sixtieth to the Sixty-seventh Congresses, inclusive, he served as Representative for the eleventh district of New York, covering the lower part of Manhattan and including Staten Island. He was beloved by every man, woman, and child in his district, of which he was a typical product, and was so popular that he was invariably returned to Congress by immense majorities.

This, in brief, is the story of his political career, during which he was uniformly successful and in which he has left a shining mark for those of us who were his colleagues to strive after. But to detail this is to give you only the husks and to ignore the good grain within. There is another side to this public record of office efficiently filled. That side is written in the minds and engraved upon the hearts of those—and their name is legion—whom he helped and befriended in one way or another during his long career in the people's service. Service—there is a word that largely epitomizes what this man was, what his life meant to all of us who knew and loved him. No kindness that he could do for anyone, however humble, was ever refused. His heart was big with sympathy for those less fortunate than himself, and his hand ever went out to do what his heart prompted. Hundreds of men and women on the East Side have cause to bless the memory of DANIEL RIORDAN for many a hidden act of kindness, many a private deed of unselfish charity. Unselfishness, indeed, was the keynote of his character. He gave himself constantly and unsparingly and found joy in the giving. I can testify personally to this, as can others of you who hear me to-day. Well do I remember when I first came to Washington, considerably awed by my new responsibilities and decidedly vague as to the correct performance of my duties. He took me in hand, as he did many another, and made the path easy for my feet. He was never too busy or too much engaged to give me wise advice and kindly counsel or to discuss with me some matter of policy or conduct upon which I was in doubt. His help to me was never failing, and the mere knowledge that I had his ripe experience to rely upon worked wonders for me in the way of making me sure of myself amid surroundings that were at first decidedly strange.

My story in this respect has, I am sure, been the story of all his colleagues from New York who came to this House later than he and whose good fortune it was to have in him a mentor and a guide. I can say of him whole-heartedly that he was a tower of strength to every one of us. His office door was always ajar for his fellow Members seeking advice or suggestions upon questions of importance. No man of us ever went to him for help, political or personal, and came away empty handed. And what he was to us he was in a wider sense to all his constituents, a steadfast friend and a stalwart champion. He was a true Democrat in every sense of the word, a plain man born of the plain people and devoting himself to their interests. He not only represented his district politically—other men have done that ably enough—but he was, in a manner of speaking, the soul of it, the very type and flower of what it stands for. Behind every act and word of his in this House lay the all-absorbing thought "How can I best serve these good people who have sent me here and whom I represent?" His life proved how faithfully he answered that question, and his continual reelection was the tribute paid to that unswerving devotion.

There is little more that I need say. I have pictured the man to you as he was—a great Democrat, modest in his greatness, resourceful, tender, considerate, tactful, wholly dependable and whole-heartedly generous. He had all the virtues of the kindly race from which he came and was quick to catch the hint of sadness or of mirth and to respond to either—at once a genuine Celt and a true American. He was my friend and I mourn his passing. He was beside that the friend of all his fellow Members, and I verily believe of every living soul in his district. In saying that I have said everything. No man can earn a greater reward than this, and none that I ever knew more richly deserved it.

But yesterday, it seems to me, he walked and worked among us in these narrow rooms, in this poor Chamber of ours, and then, on a sudden, his "cabined ample spirit fluttered, and failed for breath," and to-day "it doth inherit the vasty halls of death." His taking up of that great inheritance—his ending of this adventure that we call life—reminds me irresistibly, must in fact of necessity recall to us all, that we also are journeying in the same direction, and that as old Omar sings so sweetly, "The bird of time has but a little way to fly, and lo! The bird is on the wing." All too soon we also shall be called upon to take that last pilgrimage, and when that call comes for you and me my prayer is that we may set foot upon that lonely road with as high a courage and as clean a record as did DANIEL RIORDAN. If you will bear with me for a moment, I should like to recite to you some lines written by another friend of mine for an occasion such as this—lines that appeal to me as being peculiarly fitted to express what I find it hard to say:

A good man died to-day. At work he was
When Death, who wished him well, at eventide
Summoned him gently. Now, we weep because
Too soon he died.

Yet not too soon. Was not his work well done?
And when the task is o'er repose is best.
Earth hath no greater gift for this, her son,
Than peaceful rest.

Honest and honored, faithful, kind, and true,
His name untarnished he was proud to keep.
Simple and just, well has he earned his due—
A dreamless sleep.

His life was quiet, even as his end;
His homespun virtues joy about him spread.
He was a tender husband, father, friend—
And he is dead.

Nay! Never dead while in the hearts of those
Who loved him for his worth he lives enshrined.
Death takes the bloom, the perfume of the rose
It leaves behind.

So, while we keep his memory green, we know
His living presence all our tears hath dried.
Death has his body, but himself—ah, no—
He has not died.

That is the note I should like to leave with you. Let this be our friend's epitaph—one that, I think, he would himself have chosen:

To DANIEL RIORDAN, who for a few years lived and labored with us in this House and who lives forever in our hearts.

And now in all sorrow and reverence we commend his spirit to the Great Father of us all, from whom it drew. May his soul rest in peace!

Mr. SWEET. Mr. Chairman, Members of the House of Representatives, the invitation to say something of the life and public services of LUTHER WRIGHT MOTT upon this occasion and in this presence touches me very deeply.

It is indeed an honor which I appreciate, and I am gratified at being afforded an opportunity to testify to the high character and great achievement of a dear friend with whom I was so intimately associated in social and political life.

LUTHER WRIGHT MOTT was born in old Oswego, a city rich in history and tradition, and there in his early life molded a character which stood the test throughout his entire career, both private and public; his education in the city grammar and high schools, continued through that great institution of learning, Harvard University, from which he graduated with the degree of bachelor of arts, nurtured those soul-implanted ideals that bespeak manhood, integrity, and honor.

The man who receives honor is the man whose life and work are most consonant with the ideals of the country in which he lives. To be true to such an ideal means honor and renown. In no land has such honor ever been purchased by wealth. It comes alone from service, self-sacrifice, and patriotic devotion to duty. In every land honor and renown are accorded to every citizen who fills his life with service to others in any walk of life, public or private, civil or martial; and such was the life of LUTHER MOTT. No one can point out the source of the American ideal of manhood. Like our people, our ideals seem to have been drawn from every part of the civilized globe. In them are to be discovered the religious teachings of all denominations, the self-sacrifice of the early founders of our Republic, who were willing to endure anything that they might enjoy freedom of conscience, and the courage and bravery of the early colonists, whose bold patriotism compelled them to take up arms to fight for a place where their ideals might be worked out in human conduct.

From whatever source this well-recognized American spirit came, in these days and times it expresses itself in self-reliance, fair play, and the giving of equal opportunity. We visualize the American ideal in the self-reliant man, who asks no favors but demands an opportunity as his right, in the self-sacrificing man who is willing to spend and be spent that good may prevail, and in the patriotic man who under heaven finds his country's demand superior and undeniable.

The American ideal demands honesty, clean living, fair dealing, equal opportunity to all, industry, and devotion to her institutions; and the American citizen who is true to that ideal, who is alert, active, unrestrained, and devoted in the performance of his duty, the American people have always crowned and will always continue to crown with honor; and as men who have lived consistently and honorably up to that ideal pass away the hearts of the American people are proud to acknowledge their service with the highest measure of praise, and whether or not their memorials consist of statues or other material construction, they earn and they possess an everlasting memorial in the hearts and affections of the country's people. Those of you who were privileged to know LUTHER WRIGHT MOTT and with him labor in these Halls of Congress, know of his great devotion to the interests of our country, his untiring effort for the greatest service to his district and its people, his self-sacrifice that greatest good and the best for all might prevail, know that his was a life in keeping with the ideals I have endeavored to picture and to him an indestructible monument of love, devotion, and undying confidence he himself builded in the hearts of his people.

To-day we gather to pay tribute to his memory; and while it seemed cruel that he should have been stricken from the field of activity in the summer of his life, we can but take comfort and give comfort to his loved ones who patiently wait the rejoining in the great beyond by bringing afresh to their minds that Almighty God asks nothing for nothing, and as we lift our hearts to Him in prayer we say, "Thy will be done on earth as it is in heaven." If we mean this, and if it comes from our hearts, He will respond with a balm for every wound and a joy to balance every sorrow, and He will give us each day in our affliction abundant consolation in that almost universal belief that Divine Providence makes all things equal and solves for the just man the mystery of death as life everlasting.

Mr. PRALL. Mr. Speaker, on April 28, 1923, the Members of this House and the citizens of the State of New York were shocked at the news of the sudden death of DANIEL JOSEPH RIORDAN, a Representative in Congress.

From out of the turmoil of New York life came DANIEL J. RIORDAN.

Born of Irish-American stock in an East Side district, it was the ambition of his parents to provide for him a professional career.

He was an honor graduate of the public schools of the city of New York and later Manhattan College.

As he attained manhood he became a dominant factor of that great throbbing East Side as it was constituted in those days, and naturally acquired many of the characteristics of those from whom he sprang and with whom he played such a prominent part.

Political life has its attractions for many men. Through it some seek prominence and power, others financial gain, while still others use it as a means to an end. To "DAN" RIORDAN, as he was affectionately known, it meant more than these; it meant life itself.

He considered it a mark of distinction to be selected by his fellow citizens for positions of honor that made him a force in American life.

It has been said of the French that every soldier carries in his knapsack a marshal's baton, and there is fixed in the mind of every stout-hearted American boy the thought that some day he may sit in the legislative halls of his State or perhaps of the Nation and in the end become President.

That is no mean aspiration for any American boy to cherish, and that was the aspiration of young DANIEL J. RIORDAN.

He became interested in the civic affairs of his city and an active worker in the ranks of his party.

He was of that rare type of man who never strayed from the straight path of duty and who was never out of touch with the people whom he loved and served so faithfully.

To say he was appreciated at home is merely to say that the people who supported him in his political engagements knew him best.

He was first a good citizen, a real Democrat, and a loyal party man, who, from his humble beginning, attained all of the honors during a period of years that his people could give him.

Trusted in every relation of life, he responded fully to the expectations of those who honored him.

His home life was ideal. His political life was security itself, because he fairly breathed loyalty. To his frends he was as pure gold.

He was never known to shirk an obligation. His manner was quiet and unassuming, his disposition genial and sunny, his companionship delightful, and his efforts to serve untiring.

With all these fine attributes it is no wonder that he acquired great influence with the people.

He was of the type they delight to honor and elevate to official life. In his case they did that with such regularity that his tenure of public office was practically permanent.

At the time of his death he represented the eleventh New York congressional district in the House of Representatives. In this district is located the "melting pot" of the Nation, where perhaps every nationality on the face of the globe is represented. Here also may be found the homes of the sturdy mechanic, the small shopkeeper, the clerk, and the salesman; the great shipping port of New York; Richmond, the great home borough; Wall Street, the most important financial center of the world; the wholesale dry goods mart; in fact, the center of all the great business interests of our country.

Life to him was interesting because he was in constant touch with all these elements.

The major and happiest part of his time, however, was devoted to the poor, the needy, the oppressed, and the unfortunates in his district.

He had always lived where he was born. His office was near his home. He knew every resident of his district and they in turn knew him. Their haven at all times was "DAN" RIORDAN'S home or office. There he met them and listened patiently to their tales of poverty, distress, trouble, and hardship; and these tales were never told in vain.

Sympathetic and charitable to a degree, he never turned them down.

No case was too trivial for his personal attention.

"DAN" RIORDAN knew human nature and its weaknesses, and the powerful and sustaining hand of the Congressman was always there when needed.

Day in and day out, year in and year out, the infirm and the aged, the young man or young woman starting out in life, the business man, the policeman, the fireman, the city employee or politician would go to him for something, and, regardless of race, creed, or color, it was never denied.

His method of doing things for others was quiet but persistent, and he obtained results. His life was devoted to service, which was always given willingly and cheerfully.

It is not suprising, therefore, to find that Mr. RIORDAN was elected to the Senate of the State of New York in 1902 and reelected in 1904.

Thereafter he was elected a Member of the Fifty-sixth Congress, later returned to the State senate, and again elected to the Fifty-ninth Congress, where he served continuously until the Sixty-seventh Congress, having been elected to the House of Representatives twelve times.

His service in the House was effective and of great benefit to the people of the district he represented, to the State, and to the Nation.

The very characteristics that endeared him to his friends made him a popular and beloved Member of the House.

He had old-fashioned notions regarding his work as a Member of the House of Representatives.

Receiving his daily mail, he would reply to the many requests by writing personally to his constituents.

It required many long hours to accomplish this task, and it was while he was so occupied alone in his office that he was stricken. He was so weakened before assistance came that within a few hours he had passed away.

Removed to his home in Oliver Street among those he loved and by whom he was loved, every manifestation of their affection was bestowed upon him.

High and low, rich and poor alike, called to say their last farewell to "DAN."

The city official and the business man rubbed shoulders with the peddler and the poor of the tenements in paying their respects to his memory.

Magnificent floral pieces were sent by the prosperous, while a single rose or a faded flower, purchased with the last few cents by the poor, bore silent testimony of their love and esteem.

Thousands attended the services in the church just around the corner from his home, where as boy and man he had worshiped and attended his devotions and to which he gave fealty and loyalty.

Mr. Speaker, during the last term of the Congress Mr. WILLIAM BOURKE COCKRAN, Mr. JAMES VINCENT GANLY, and Mr. LUTHER WRIGHT MOTT, former Members of this House from the State of New York, also passed along to their inevitable end, all having given generously of their talents to the Nation.

Those of us who still remain must be reminded that we, too, must soon account for our stewardship to the Great Master.

In contemplation of this thought I am reminded of a verse from a little poem:

Again a parting sail we see,
Another boat has left the shore;
A kinder soul on board has she
Than ever left the land before;
And as her outward course she bends
Sit closer, friends.

Mr. PARKER. Mr. Speaker, among the oldest customs of this House is that of commemorating the lives, character, and public services of men who die while serving in its membership. However this custom may have originated, it is particularly appropriate that it should be perpetuated and followed by the House. In this era public men are subjected to so much criticism, and so much evil is attributed to them, so many sinister motives are charged as characterizing their every public act that it is highly fitting that their intimate associates in public life should at some time make a record of the good things for which such men have been noted and the good they have been able to accomplish.

It is difficult for anyone who is not familiar with the complex life of the great metropolis of this country to understand and appreciate such a character as the late DANIEL J. RIORDAN. New York is a great cosmopolitan community to which come the poor and the oppressed from every clime in the civilized world. They naturally seek the help, friendship, and assistance of some strong, dominant personality.

Mr. RIORDAN was born in the city of New York, but his activities were identified wth the lower East Side, a section of the city much discussed but so little understood by idealists who attempt the impossible in the reformation of human nature. He was brought up in a school where strong men naturally force their way to the front. A man of great courage, of big heart, of winning personality, with sympathy always ready to extend to the unfortunate and the oppressed, he very quickly attracted to himself the loyal support of many persons who, indifferent to his political views, were attached to him because of the innumerable secret kindnesses which were extended through his bounty.

He served a number of years in the Senate of the State of New York. He was elected to this House, retired, and reelected.

He was successful in the bodies in which he had served because his peculiar talents, his indefatigable industry, and his intimate knowledge of the business transacted by those bodies made him an effective and influential member.

In political life in the city of New York there is not much else that men have upon which they can build their reputations and acquire power except the reputation for veracity, the knowledge that their plighted word is sacred, and an unswerving loyalty to their friends and associates. Whatever the turn of the wheel of fortune may be, men like Mr. RIORDAN remain loyal to their friends. No matter what trouble overtakes them, no matter what criticism is provoked, no matter what personal sacrifice may be necessary, they are loyal to their followers and to their friends. My experience in politics leads me to believe that it is the very best and the most essential characteristic for success in public men. We frequently see the cold, selfish, keen, able man ready to sacrifice everyone and every principle that contributes to his success so long as his advancement will be furthered; but the rare and enduring characteristic of the man of lasting power and influence in public life is the strong sense of loyalty always in evidence, which makes their friends, their associates, and their followers know that they will not be deserted in the time of travail and trouble.

I knew Mr. RIORDAN for 20 years. I became acquainted with him when I was quite a young man and I got to know him intimately. We join with those who have reason to cherish his memory in paying this brief tribute to the personality and character of a man who rose to power, influence, and domination in the great metropolis of this country, and who in a quiet but effective way rendered valuable services to his city and his State.

Mr. Speaker, we assemble to pay tribute to our colleagues whose lives were closely linked with the war Congresses and who recently passed from human mystery to divine understanding. Each in his way performed his duty as he believed to be right; each rendered valuable service to his country; each left affectionate recollections in our hearts.

I speak more particularly of my friend and fellow colleague of New York, who faithfully and conscientiously represented his district in formulating the laws of our Republic.

He was a student of economic questions, familiar with the political history of all ages, a man of acute knowledge of the industries of his State, which he jealously guarded, a banker of keen perception.

Men are singled by nature with positive powers to evolve new thoughts, new ideas for the benefit of the world, leaving in their wills a heritage to all mankind. Why one is born to power and another to live in obscurity is a secret that rests with Providence.

LUTHER WRIGHT MOTT was an indefatigable worker; his mind was being daily repaired by diligent application. He studied legislation with attention and deep thought. He gave his talents in the interest of the public good for peace and concord.

LUTHER WRIGHT MOTT was born, reared, educated, lived, worked, and passed away in the State of his nativity, New York.

Whenever a colleague or an associate or one who has attained distinction passes away there rises a duty which the living owe to the dead. In the discharge of that duty, solemn as it is, we are met here this day. LUTHER WRIGHT MOTT was my office neighbor.

He came from my State. He was my associate upon the floor of this House. He knew many of my acquaintances. We have strolled the streets of this city together at different times. We have exchanged views upon important pending legislation and on varied subjects. He was my friend. I grew to know the man, his methods, his purposes, his opinions and his worth.

He brought to the investigation of any subject under consideration a trained mind. His arguments were logical, forceful, his statements concise, and his judgments sound, his mental processes were rapid, his industry intense, his integrity was unquestioned, his character above reproach, and that, after all, is the best asset a man can have. He was resolute and firm in his convictions. His reputation was not confined to the boundaries of his own district; it extended far beyond. Some men like so to live that when they have gone they will be held in loving remembrance by those whom they have left behind; some there are who like so to work that when the last dread summons comes they may know that the influence and the results of good deeds wrought here may be projected far into the future. Our colleague has secured both of these. He lived as though he were to die to-morrow, and he worked as though he were to live forever. His labors are finished, his life is ended, the door was open, he crossed its threshold; he is absent but not forgotten.

WILLIAM BOURKE COCKRAN

Mr. FISH. Mr. Speaker—

None knew him but to love him, nor named him but to praise.

The life story of WILLIAM BOURKE COCKRAN is synonymous with the growth and industrial development of the United States since reconstruction days, and more especially with that of New York City. Born in Sligo, Ireland, February 28, 1854, he immigrated at 14 years of age. His phenomenal climb up the ladder to great distinction purely on his own efforts is an inspiration to hold out to immigrants and native born alike as emphasizing that recognition of individual ability and reward which merit obtains under our laws and form of government.

At his death WILLIAM BOURKE COCKRAN was acknowledged as one of the greatest orators in America, or, as a matter of fact, anywhere in the world. His massive head and sturdy physique gave added strength to his deep and resonant voice. He was skilled in all the arts of oratory and could speak in thunder tones of denunciation or in the quiet and easy flow of a conversationalist. He was never at loss for the right words to convey a particular shade of meaning, and had an extraordinary memory of all he had read or seen. He could speak fluently on most subjects with little preparation, and curiously enough this characteristic was a detriment to his reputation as an orator and as a leader of thought and molder of public opinion, for the reason that his friends took advantage of his good nature to persuade him to speak for their bills and often bolster up poor causes. It is expected of an orator so distinguished as Mr. COCKRAN that whenever he opened his lips pearls of wisdom would come forth, and frequently, through lack of preparation or a weak cause, he would disappoint his admirers.

He was without a rival as a public speaker. His varied and brilliant accomplishments, copious diction, marvelous memory, magnificent rhetoric, gracious presence, dazzling humor, glorious voice, and Irish brogue made him the complete embodiment of an orator such as has not been seen in Congress since the days of Webster, Clay, or Calhoun. There is no man who has lived in our generation who had more knowledge of the history of the world and none who saw more with the eyes of

the prophet or the vision of the seer. He was not troubled with what the world was thinking to-day, but anticipated with clearness and vision the future of to-day's politics. He predicted events with almost uncanny or superhuman divination. He was unafraid either to form his own views on important political issues or to maintain them, even to the extent of leaving the Democratic Party in 1896 because of his advocacy of the gold standard. Time has proved that he was right and his party was wrong; but because he openly supported McKinley he has been charged with being inconsistent politically, a charge that refutes itself, as he showed the courage of his convictions by upholding a great political and economic principle. He demonstrated his independence in politics again when he followed his intimate friend Theodore Roosevelt into the Progressive camp and ran a hopeless race for Congress from the Long Island district where his summer home was located, although he polled a few hundred more votes than the Republican candidate. He was impelled to join the Progressive movement partly out of friendship for Theodore Roosevelt and partly out of sheer admiration for the principles in the Progressive covenant with the people. From the beginning of his career to the very end WILLIAM BOURKE COCKRAN was a progressive in political thought.

He was a tribune of the people in behalf of human rights, and a ready champion of the oppressed of all nations, including his own much cherished but not always appreciative kinsmen in Ireland.

He was not only endowed with great intellectual and mental powers but to his last day he was blessed with remarkable physical strength and vigor far beyond that of a man of his years. I had the good fortune of knowing Mr. COCKRAN well before I came to Congress and my admiration and devotion increased as I was drawn into closer contact with him. We served on the same committee, that of Foreign Affairs, and he often helped me with legislation I was interested in, especially in having my resolution reported favoring the establishment of a homeland for the Jewish people in Palestine.

He enjoyed exercise and liked to walk up from the Capitol to the Metropolitan Club after Congress had adjourned for the day, so invariably twice a week we would take this 2-mile walk. It was no leisurely stroll as Mr. COCKRAN always acted as pacemaker and set a good gait. On the surface, my friendship with Mr. COCKRAN was that of a younger man for an older, although he flattered me by treating me as his equal, in reality it was that of a disciple or student for his master. It was a treat for the gods to walk along with Mr. COCKRAN and listen to him discuss historical, political, or religious questions. I doubt if there ever was a more charming conversationalist. I am quite sure that there is no layman in the Roman Catholic Church, and few priests who have such detailed knowledge of early church history.

I believe he could name all the Popes chronologically and explain to the smallest details the issues involved at the great church conferences of medieval days. I always marveled that one human brain could retain such a vast amount of information. He was pious to a degree, and attended mass regularly. Sincere in his religious devotions, he was never intolerant of others, and was always ready to discuss religious questions openly and with real breadth of vision. His beautiful and charming wife, daughter of Henry Clay Ide, the former Governor General of the Philippines, to whom he was devoted, remained a Protestant, and to his dying day both worshipped after their own manner, and both respected each others religious views. Deeply religious in thought and action, always kindly, courteous, and considerate of others, and with never a harsh word for his employees, two of whom, his secretary and his chauffeur, had been with him more than a score of years, he was the personification of a Christian gentleman.

He was stricken in his own house at Washington, February 28, 1923, after celebrating his sixty-ninth birthday. There was never a Christian better prepared to meet his Maker, and enter into the gates of heaven.

With the exception of Theodore Roosevelt I have never known a more gifted character, or one endowed with such vigorous physical and mental qualities. He was one of the few great public servants that New York City has developed since reconstruction, and as years go by and his speeches are studied his fame will increase. In my opinion he was one of the greatest Americans of our generation, but not fully understood or appreciated.

His funeral services were held at New York City, attended by all the dignitaries of his church and by a vast throng of friends and admirers. He had eight pallbearers, two of whom, former Congressman DANIEL J. RIORDAN and former Congressman Thomas F. Smith, have since died, and among those on the congressional delegation attending the funeral, LUTHER W. MOTT, the dean of the Republican Representatives from New York, has passed to the great beyond.

Let us remember that, whatever is the destiny of the Republic, we must die. Let us reflect how vain are the personal strifes and partisan contests in which we daily engage in view of the great account which we may so soon be called to render.

The memory of BOURKE COCKRAN will always be among the cherished treasures of the House of Representatives and in the hearts of all the Members who served with him. He was one of the few veteran statesmen left in the Halls of Congress. He touched nothing which he did not adorn. His noble acts survive him. Of him it is just to say that "all the ends he aimed at were his country's, his God's, and truth's." Those of us who knew him welf admired, respected, and loved him for what he was and not for his oratory or for all his fame. Of such as him we may say with the poet—

The dead are like the stars by day,
Withdrawn from mortal eye;
But not extinct—they hold their way
In glory through the sky.

LUTHER WRIGHT MOTT

LUTHER W. MOTT, the dean of the Republican Members of Congress from New York State, came from an ancient and distinguished line of ancestors who for generations have served their country in politics. Their family history has been closely identified with the growth and development of the northwestern section of New York State.

Born in Oswego November 30, 1874, he was educated at the Oswego High School and Harvard College. He early became affiliated with the banking business, which was his sole avocation, except politics, until he died.

In 1910 he was elected president of the New York State Bankers' Association.

Mr. MOTT was elected to Congress as a Republican in 1912, the year that the Progressive Party polled more electoral votes than the Republicans. Most of the Republican candidates for Congress from New York State suffered defeat in the Democratic landslide when Woodrow Wilson was elected President. Therefore Mr. MOTT, although belonging to the minority party on his entrance into Congress, immediately became an important factor in Republican councils.

When the Republicans returned to power in the House of Representatives in 1919, LUTHER MOTT became the dean of the Republican Members from the Empire State, and was elected chairman of the delegation. He also became a member of the important Ways and Means Committee, where he took an active part in helping and in securing adequate protection for the great manufacturing interests of his State.

Gentle and courteous in manner, liberal in his views, he made an ideal Representative of his people. He always appreciated there were two sides to every question, and never rushed in blindly on account of prejudice or sentiment. He was a trained and experienced political leader, and had he lived longer would unquestionably have become one of the most influential Republican leaders in New York State politics, and consequently in the United States.

Although a banker by inheritance and training, he was an outspoken advocate of adjusted compensation for the veterans of the World War; he was equally the friend of the disabled soldiers, and stood for all veteran relief legislation.

He devoted his entire time to serving and representing his constituents, which was appreciated fully in his district, as shown by the large majorities he received. In 1922 when the Democrats swept New York State and elected their governor by 300,000, LUTHER MOTT received over 20,000 majority, whereas his Republican colleagues everywhere suffered largely reduced majorities or were defeated. He was untiring in his willingness and eagerness to do kind and obliging things for all who reasonably or unreasonably asked them at his hands at any cost or time or trouble to himself. He literally sacrificed his own personal and private interests on the altar of public service.

When he died at his home at Oswego last summer he was in the prime of life and at the height of his career, with a bright future to look forward to.

His family life had been most happy. His attractive and intelligent wife was his helpmate in politics and in social circles in Washington. He left two daughters and a son, who was a student in Harvard University.

If ever a man had a loving family, a bright political future, and everything worth while in the world to live for it was LUTHER W. MOTT.

A good name is rather to be chosen than great riches, and loving favor rather than silver and gold.

Mr. SNYDER. Mr. Speaker, those who have already addressed the House have, in glowing phrase, detailed the splendid public service of LUTHER W. MOTT to his country and sketched a loving portrait of his life. I can add no coloring to this portrait, but for many years LUTHER W. MOTT was my true and tried friend. On many occasions I drew upon his friendship, and on every occasion received from him unstinted testimonial of his affection. I can not, therefore, be silent on an occasion of this character and not lay my humble tribute upon the bier of my beloved friend.

The district which he represented in Congress adjoined the district which I have the honor of representing, and I speak for his daily associates and neighbors; people who loved him as one of their own household; people to whom his unofficial life was a beautiful inspiration. He was a devoted husband, and his death was a great loss to his family, to the Nation, and to the State of New York. Those of us whom he has left behind honor his high character and love his memory.

Mr. O'CONNOR of New York. Mr. Speaker, within a few months, about a year ago, the great State of New York suffered the loss of four of its Representatives in Congress, the Hon. DANIEL JOSEPH RIORDAN, the Hon. LUTHER WRIGHT MOTT, the Hon. WILLIAM BOURKE COCKRAN, and the Hon. JAMES VINCENT GANLY.

The time allotted to me would not permit anything like an adequate eulogy of all of those distinguished sons of the Empire State.

I shall, therefore, confine my remarks to that illustrious gentleman who preceded me as a Representative in Congress of the sixteenth congressional district of the State of New York—the Hon. WILLIAM BOURKE COCKRAN.

BOURKE COCKRAN! What memories that name conjures in our minds!

It is my privilege to-day, solely because chance has honored me by election in his stead from the congressional district which he so ably and eloquently represented, to participate in these services to his memory.

How inadequately I take his place and how unfittingly can I render appropriate expression on this occasion no one is more conscious than I. To call myself his successor would be gross vanity. He was my predecessor. No living man could succeed him, could take his place in this greatest of public forums.

Student, scholar, orator, statesman, man. Other characterizations have been and may still be applied to him.

It has been given to few men to hold a forefront place on the public stage as long as he. Whether he loved the all-penetrating calcium of public life might well be questioned, because his biography demonstrates that time and again he sought to retire to the quietude of private life only to be called again into the public service for which he was so exceptionally adapted.

Student, scholar—no college or university tutored him. He was self-instructed. Privation and laborious concentration and determination were his stimuli. Those who knew him best—and it was only my privilege to know him intimately of recent years—will lay emphasis upon his faculties as a student and a scholar. Many there are who believe that as a conversationalist he reached his greatest heights. He was a veritable storehouse of history and the world's development and progress in science, in art, in economics, in literature. He was a linguist who had encircled the globe and absorbed the thoughts and aspirations of all peoples. He was the antithesis of a provincial. He detested physical or mental confinement.

Statesman! How begrudgingly does history give space to the achievements of the man in public life. The sculptor, the artist, the scientist, the litterateur leaves tangible, age-resisting evidence of his accomplishment. How few statesmen live in the memory of the next generation! To this unfair treatment by posterity the gentleman whose memory we all honor will stand out as an exception.

Orator! The word itself does not do him justice. God's endowments are many. BOURKE COCKRAN was singled out for especial preferment at the hands of the Creator. In human form he lacked nothing to cause his personality to immediately impress itself upon all within his presence. Half close our eyes and we can see him now on the public platform or in the rostrum of this House—his fine physique, his classic head, his abundant hair, the fascination of his eyes—leaning back against this desk, inviting debate that he might submerge it with the power of his repartee.

With a voice which is given to few men, BOURKE COCKRAN will long live in memory as a master orator. In the power of expression, no contemporary was his superior, few his peer.

His voice, now stilled, had resounded around the world. It had stirred multitudes. Listen! Do you hear it? The melody of Beethoven—the cadence of a cathedral organ—the sweet perfume of the rose in the flowers of his speech.

Gesture was his natural movement. Every movement of his body synchronized in perfect harmony with his voice. Those arms—those hands falling so gracefully and so expressively against his sturdy thighs.

Man! Is not this the consummation of all human attributes? With unbounded faith in his convictions, with inimitable power of voice and expression, he offended no man but welded his acquaintance into a great bond of friendship. Class or caste, party or race or creed did not confine those friends. The closest held opposite views on all or most of those subjects which so often set men off against one another. BOURKE COCKRAN was bigger than any dispute.

He was a fighter—a champion in the arena of politics, of thought of human affairs! But he knew how to wage his battles cleanly and fairly, so that his encounters and his victories left no sting.

Memories are the sweetest consolations of life. Without them existence would mean but the present transient moment. One year has passed since this great man, after 70 years of service, passed into the great beyond—passed as he had lived, a devout Christian. We exult in the memory of him. We treasure our recollection of him. We are sad because he was taken from us, but we fervently thank God for having given him to us.

Mr. MEAD. Mr. Speaker, DANIEL J. RIORDAN, at the time of his death the dean of the Democratic delegation in Congress from the State of New York, held the distinction of holding public office longer than most men are permitted to do.

Year after year he was returned to the House of Representatives by a constituency that loved and admired him. He had an unbroken record of a quarter of a century of public service. His greatest work as a Member of the House was done as a member of the most important Committee on Naval Affairs. In the trying days prior to the World War he labored unceasingly to make the American Navy ready for the tremendous task it was to accomplish, and when war finally broke upon us he aided in every possible way to uphold the glorious traditions of America's first arm of defense. When "DAN," as we all loved to call him, passed away the Navy suffered the loss of a true and steadfast friend.

Very well do I recall when first I came to Washington, after being elected a Member of the House in 1918, I called as a stranger at Representative RIORDAN's office. The warmth and friendliness with which he greeted me left its impress upon me. Setting aside his work he came with me to the House Chamber, where he introduced me to the Members and assured me of his eagerness to help and assist me in beginning my duties as a Member of Congress. Throughout the four years I enjoyed the pleasure of serving with him I could ever go to him for advice and inspiration, and he always, as was characteristic of him, enjoyed being helpful to those who were his friends. He lived in harmony with God's commandments, for his whole life was devoted to helpfulness and service.

Fitting, indeed, were the words of his spiritual adviser who was himself moved with great sorrow at the loss of a faithful parishioner and a devoted friend when at his solemn funeral exercises, in speaking of Representative RIORDAN, he said, among other things:

> He visited the sick, fed the hungry, comforted the afflicted, and was charitable to those who met with adversity, and in doing so he carried out the corporal works of mercy until the hand of God touched him and his soul departed for its eternal reward.

Mr. Speaker, W. BOURKE COCKRAN was one of the most picturesque and striking and at the same time one of the most lovable characters in the public life of our time. His magnificent physical appearance and his superb intellectual accomplishments made him a fascinating and interesting personality. Always courteous and manly in debate, he commanded the respect and admiration of all, even those who may have differed with him on great public questions. History will record him among the greatest and most effective orators of his day and generation.

Of a deep religious nature, Representative COCKRAN's private life was at once an example and an inspiration to all who enjoyed the privilege of his acquaintance and friendship. He lived as one in constant preparation for the everlasting life. He worked as one who would live forever. His earthly remains are no more, but his great spirit still lives in the minds and hearts of the legion of friends who are better men and women because they knew him.

Mr. Speaker, JAMES VINCENT GANLY, who represented the twenty-fourth congressional district of New York in the House of Representatives, was born in the city of New York September 13, 1878, in which city he received his education. In 1907 he began his public career as a member of the New York State Legislature, and when Bronx County was created he became its first county clerk, serving in that office from 1914 until he was elected to Congress in 1918.

Coming to Congress the same year from New York State and being affiliated with the same political party, we became fast friends. I learned to admire his manly traits and to respect the integrity of his character. He assumed the responsibilities of his office with the fervor and devotion of a loyal and patriotic citizen. He worked faithfully and earnestly in the discharge of his official duties, and although serving but one term he more than proved his ability and gave promise of attaining greater heights in his official career. Shortly after his reelection in 1922 we were shocked to learn of his tragic death.

What a mysterious messenger death is! Striking at times in the evening of life when mortal man's mission here below seems completed, and again, as in the case of our departed colleague, Mr. GANLY, in the prime of life, at the very beginning of what gave every evidence of being a most useful and promising public serivce. But while death is harder to bear and more difficult to comprehend when it occurs at such an early period of one's existence, we must place our trust in our Heavenly Father, who knows and does that which is best. Into His care we commend the spirit of our departed friend.

Mr. REED of New York. Mr. Speaker, it has been said that he who sets before his fellows an example of industry and upright honesty of purpose in life has a present as well as a future influence upon the well-being of his country, for his life and character pass unconsciously into the lives of others and propagate good examples for all time to come. I wish to pay a brief tribute of affection and respect to such a man.

Hon. LUTHER WRIGHT MOTT, whose untimely death we all mourn, exemplified the admirable virtues which I have mentioned. A man may possess these noble attributes of character and yet be unapproachable and austere. Such was not the case with our departed colleague. Although quiet and unassuming, he was always kind, courteous, and deeply interested in those who came to him for help. I am one of those who was the recipient of his many acts of kindness.

I shall not attempt to touch upon those details of his early life which are better known to the good people whom he had the honor to represent. We first met when I entered Congress in 1918. This acquaintance soon ripened into an intimate personal friendship, which I shall always treasure.

There is no need for me to set forth his achievements in Congress, for these are a matter of public record. I know that the people of his congressional district held him in high esteem not only by reason of his distinguished public service but because of his unfailing kindness to them and sympathetic interest in them. It was his constant aim and joy to be of service to his district and to his friends. This was especially true with reference to the veterans of the Civil War, the Spanish War, and the World War. He was unremitting in his efforts in their behalf. I mention this because it reveals the kindly and sympathetic character of the man.

It is safe to say that thousands of those who believed in him and supported him politically will never know of the long hours which he devoted to the duties of his office. Whether or not the files of his office or the public records ever disclose fully the burden of business which he transacted, there are some of us who feel that he worked beyond his strength. The mental and physical strain to which he subjected himself in the faithful discharge of public duties was, no doubt, a contributing cause to his untimely and sudden death. His tireless work as a member of the Ways and Means Committee and the ability with which he performed each task assigned to him is best known to his colleagues who served with him. I believe that his associates will bear witness that there are few men in public life who have discharged their duties with more energy and with greater fidelity than did Congressman MOTT during the consideration of the recent tariff measure.

I believe that his unselfish devotion to duty has a present as well as a future value to his country; that his life and his character will be an inspiration to others; that his actions and his deeds will propagate good example throughout the years to come.

Hon. LUTHER WRIGHT MOTT has left to his bereaved family the rich heritage of a spotless record of conspicuous public service and a good name.

Mr. MACGREGOR. Mr. Speaker, what is life? What is the purpose of our existence? Whence came we and whither bound? These are mysteries unsolved. Our visions are limited, our strength but small. The Creater has implanted in our being aspirations and desires and ambitions. There is also within us a sense of immortality. We do not know, but believe that the passing from this life is not the end. We reason that there must be some divine purpose in our creation. Without this belief life would be bereft of its inspiration.

When we analyze success in life we find but one true basis, and that is "service." A man may achieve fame, he may amass the wealth of a Cræsus, but if his life has not added to the advancement or happiness of mankind he has failed.

LUTHER MOTT's life was a success. The proof is that he was enshrined in the hearts of his friends and the people who knew him. He knew the people—he knew the man on the street, he knew the children, he knew the poor and the afflicted—they came to him with a knowledge that he was their companion and friend, in whom they could confide and from whom they could expect aid and assistance in time of need. They loved him. His life exemplified that beautiful poem of Sam Foss:

> There are hermit souls that live withdrawn
> In the place of their self-content;
> There are souls, like stars, that dwell apart
> In a fellowless firmament;
> There are pioneer souls that blaze their paths
> Where highways never ran;
> But let me live by the side of the road
> And be a friend to man.
>
> Let me live in a house by the side of the road
> Where the race of men go by—
> The men who are good and the men who are bad,
> As good and as bad as I.
> I would not sit in the scorner's seat
> Or hurl a cynic's ban;
> Let me live in a house by the side of the road
> And be a friend to man.
>
> I see from my house by the side of the road,
> By the side of the highway of life,
> The men who press with the ardor of hope;
> The men who are faint with the strife,
> But I turn not away from their smiles nor their tears,
> Both parts of an infinite plan—
> Let me live in a house by the side of the road
> And be a friend to man.
>
> I know there are brook-gladdened meadows ahead,
> And mountains of wearisome height;
> That the road passes on through the long afternoon
> And stretches away to the night.
> And still I rejoice when the travelers rejoice
> And weep with the strangers that moan,
> Nor live in my house by the side of the road
> Like a man who dwells alone.
>
> Let me live in my house by the side of the road,
> It's here the race of men go by—
> They are good, they are bad, they are weak, they are strong,
> Wise—foolish—so am I.
> Then why should I sit in the scorner's seat,
> Or hurl the cynic's ban?
> Let me live in my house by the side of the road
> And be a friend to man.

Our colleague's spirit has passed to the great beyond but the sweetness of his life lingers with us—a pleasant memory and an encouragement to us toward greater service to our fellow man.

Mr. RAINEY. Mr. Speaker, it has not happened within my experience that in one service we have honored the memories of four Members of this body who came from the same State. I knew them all, but I knew best COCKRAN and RIORDAN. Their careers were strangely parallel in this life. They came both from the same racial stock. Their ancestors for many generations had lived in the same section of this world. They had been submitted to the same oppressions of government, and from long lines of ancestors they both inherited their theories of freedom. They both belonged to that governing organization which usually controls the affairs of the greatest city in the world. They both belonged to the same party, they were both devoted to the same ideas, and they both entertained the same ideals. They were both Members of this body at the same time; they both left their impress upon the legislation of the last 20 years. But in what a different way.

They were both courteous and quiet gentlemen. RIORDAN in his forceful, quiet way assisted in organizing those elements of his party here which were able to effect legislative changes. He possessed in a superlative degree those elements of human sympathy which made friends of all who knew him best. Of him it can be truly said that if everyone indebted to him for a kindly act should this afternoon drop a flower on his grave, he would rest to-night beneath a wilderness of flowers.

COCKRAN did not possess the same methods of accomplishing things. He depended for his force and influence in public life upon his ability as an orator, and among all the orators this country has produced in the last 100 years there are none of them greater than COCKRAN.

How many times has this great auditorium echoed to his eloquence. How many times have men on both sides of this Chamber been convinced by his arguments. Painting, sculpture, oratory—the greatest of these is oratory. The painter with his brush and his colors transfers his ideas of beauty and his ideals to canvas and you can take it with you and live with it and it grows on you as the hours and the days and the weeks pass, and finally you understand what he means. The sculptor chisels in marble his ideas and his ideals and you can look at it day after day, and finally understand all that he means when with his art he transfers to the cold marble the ideals for which he stood. But the orator must convey his impressions instantly to the brain of man. He appeals directly to the intellect of those who listen to him, and the impression he makes must always be an instantaneous impression. The orator develops instantly an approval and an enthusiasm greater than painter or sculptor can hope to accomplish. His triumph is the greatest of all.

I remember BOURKE COCKRAN as he stood on one occasion in this middle aisle down near the door delivering an address. He was interrupted from that side of the Chamber by one of the most accomplished debaters in the House, one of the most tactful orators on that side. He was questioned as to his belief and his affiliations in 1896 when the party to which he belonged divided on the issue of silver. He was asked why he left his party on this issue, and the reply came in convincing terms—that the issue for which he then stood appealed to him. Then there came a statement from the leader on that side of the Chamber to the effect that he understood that "it was profitable" for COCKRAN to make the speeches that he did.

That story had been told before throughout the country, and throughout the country there were men who believed it. Then there came the reply of COCKRAN. I can see him now as he left his position toward the rear of this aisle and marched with great strides down to the well of the House where I now stand, holding his clenched fist aloft and shouting out at each step he took, "False! False! False!"; and that was all there was to his denial. But no man who heard it that day ever again believed that story. Then I heard him on another occasion, standing where I stand now, define a gentleman. He described a man in New York City in lowly occupation, a hod carrier, whose ideas of service were so fine, whose methods of meeting his fellow workmen were so courteous, that he was always addressed by men with whom he worked and by his superiors as "Mr." In spite of his lowly occupation, they all by this tribute agreed that he possessed the qualities which constitute a gentleman. I knew RIORDAN and COCKRAN best. My contacts with both of them were many. In their death I experienced a strong sense of personal loss.

I like to think of life as a journey over a broad highway. We start out in the morning traveling over a road watered with last night's rains, and the journey is always upward. There are those who branch out from the main traveled highway and go along into untraveled paths on either side. These are the pioneers; and finally, if they are successful in what they undertake, the highway of life broadens out and takes in also the paths over which they have traveled.

A better and a wider highway is made for those who follow. As we go along there are places where the green ferns grow, and we ought to linger there, and RIORDAN and COCKRAN knew how to do that. As you travel along there are meadows where dreams come true, and RIORDAN and COCKRAN found them many times, and so have you. As you travel along there are fields where the four-leaf clovers grow; they are the prizes of this life, and RIORDAN and COCKRAN found them many times. As you journey along always upward there comes always the call of the crest, and when you reach it there is another ascent and another crest and another call, and so the travel is always upward until there comes a call at the last crest, and it comes always from the uttermost places that lie at the back of the sun. Some hear it early in life, some late in life when they have had much of service back of them, as RIORDAN and COCKRAN had, but it comes sooner or later to all. It is the great adventure of this life. It has come to both of my friends. It came to them at the same time. They both at the same time slipped their anchors and sailed away over the unknown seas to an unknown shore, where at anchor lie the craft of those of their friends who have gone ahead of them.

Over their graves may the snows of winter lie light; over their graves may the winds of winter blow low; over their graves may the birds throughout the long summer days sing always their sweetest songs. Good night, kind friends, good night!

Mr. FAIRCHILD. Mr. Speaker, to-day with me is a day of real mourning, as we are assembled here in memorial services for four of our colleagues who have gone to the great beyond. Those among us who knew DANIEL J. RIORDAN the more intimately will speak of his splendid qualifications that endeared him to the memory of all who knew him. My closer acquaintance with my colleague and party associate, LUTHER W. MOTT; with my committee associate on the Foreign Affairs Committee, my lovable friend WILLIAM BOURKE COCKRAN; and my deep-seated regard for my three times opponent and good friend JAMES VINCENT GANLY, leads me in reference to them to express in a few words my feeling of personal loss. To each and all of the loved ones in homes made desolate our hearts go out in deepest sympathy.

My first acquaintance with LUTHER W. MOTT was at the commencement of the war Congress. I soon became impressed, as all who knew him were impressed, with his quiet, earnest efficiency and his loyalty to his convictions. During the last Congress he was my close neighbor in the House Office Building, and I came to know him the more intimately and more and more to appreciate both his splendid qualifications and his kindly thoughtful feeling for others.

The whole world knows of the great brain, the mighty intellect of WILLIAM BOURKE COCKRAN. The world knows something of his great heart. It will always be a personal gratification to me that during the last Congress he and I served together on the same committee. It gave me an opportunity to know him the more intimately. I became more and more impressed with his brilliant intellect, but the closer acquaintance also gave me a more intimate realization of his great heart and love for humanity, which outshines, in the memory of those who knew him best, all of his other illustrious attributes.

To-day I feel like speaking more particularly of JAMES VINCENT GANLY. I met him first in the 1918 campaign, when he was my political opponent and defeated me in the election for Congress. I shall never forget when first we met and clasped hands during the early part of that campaign. Until that meeting I had heard of him only as my opponent. From the minute that I held his hand in mine and met him face to face I knew him as my friend. We went through three campaigns as political opponents, but as personal friends. He defeated me in 1918. I was the victor in 1920, but again surrendered the laurels to him in 1922. With the experience of three such campaigns I can speak with authority. He always fought fairly. Throughout three successive campaigns there was never an incident that left a feeling of rancor, and throughout three successive campaigns, with the battle lines fiercely drawn, our personal friendship for one another became closer and closer. When the news of his sudden death came to me last summer in a telegram which reached me in camp in the wilds of the high Sierras calling me home for another campaign I felt saddened with the sense of a personal loss. My heart responds in unison with my tongue when I pay here to-day a deserved tribute to the memory of one always loyal in his friendships and true to the cause he espoused. Everyone who knew him deeply regretted his death, but no one more than I.

Mr. LINDSAY. Mr. Speaker, BOURKE COCKRAN is gone. That splendid figure will grace our councils no more. The noble voice that pleased the ear no less than it convinced the mind is stilled forever. To hear BOURKE COCKRAN was to enjoy his great gift. The skill and charm of the orator were his indeed, but always was that gift expended with sincerity of belief in the matter under consideration. As a Member of Congress he lent distinction to the House of Representatives and rendered valuable service to his constituents and his State. New York City in particular admired him as her own, but BOURKE COCKRAN was known throughout the country for his devoted service to the cause which he espoused. This House pays deserved tribute publicly to his memory and unknown thousands mourn his passing.

Born in Ireland on February 28, 1854, he came to this country at the age of 17 and immediately gave himself without stint to his new allegiance. Like that brave patriot, Charles Carroll of Carrollton, who signed the Declaration of Independence, BOURKE COCKRAN, born in Ireland, received his education in Ireland and in France. On arrival in the United States he became a teacher in a private academy and subsequently became principal of a public school in Westchester County, N. Y. Like many of our great statesmen, he studied law while teaching school, and was admitted to the bar in 1876, a brief five years after he landed on these shores of opportunity. Six years later, in 1882, he was appointed counsel to the sheriff of New York City, indicating his activities in public affairs and his aptitude for a public career. He served two terms as counsel to the sheriff and then was elected a Member of the House of Representatives in the Fiftieth Congress. His long record thereafter is too well known to need recounting. It is neither necessary nor desirable that I recount his many accomplishments, for this was a modest man.

Contemporary history records his contribution to society. Man is a frail vessel, and his allotted span is brief. His highest duty is to leave things a little better than he found them.

Measured by this standard, BOURKE COCKRAN lived a long and fruitful life. Into his 70 years he crowded the experiences of greatly changing times. During the seven decades in which he lived tremendous things have occurred. And always the voice of our friend was lifted in behalf of progress and understanding.

Though BOURKE COCKRAN has left us, his words remain to remind us of our trust and our duty. The memory of his faith, his loyalty to the things in which he believed, abide with us forever.

Mr. WARD of New York. Mr. Speaker, no Member of this House, either from the State of New York or from any other State of the Union, who knew LUTHER W. MOTT has failed to have felt a sense of personal loss in his absence from these legislative Halls.

Leaves of the forest, responsive to the inexorable laws of nature, burst forth into greatest glory just before withering winter breathes icily upon them and sends them reeling to earth. So often fares the life of man. Just when he seems to have attained a period of greatest usefulness death, which is the ultimate common heritage of us all, steals forth unerringly to its goal, and, as a star twinkles and disappears in the gray of the dawn, so the life that once pulsed and throbbed, glows fitfully, grows cold, and is gathered to the eternal ages.

Leaves have their time to fall
And flowers to wither at the north wind's breath
And stars to set; but all,
Thou hast all seasons for thine own, O Death.

The inevitable hand of death laid itself upon LUTHER MOTT before his life and service had blossomed into full fruition. Born in Oswego, N. Y., November 30, 1874, he had not yet reached the half-century mark in years. Comparatively he was yet a young man.

LUTHER MOTT had served in the Legislature of the State of New York and was in his thirteenth year of service in this body. As chairman of the New York State Republican delegation, he ranked as a party leader. As a member of the Committee on Ways and Means, he had the respect of his colleagues. On the floor of this House he was held in highest esteem.

His untimely death, unexpected as it was, shocked and grieved me. I always found him kindly and affable, sincere and sympathetic, considerate and courteous, and I am glad for the opportunity of paying tribute to his memory. This House was honored and dignified by his presence. The great State of New York is better because of his service. The community in which he lived profited in him as its representative.

During my melancholy privilege of attending his funeral last July I saw first-hand an abundance of evidence in testimony to the honor and reverence of his immediate fellow citizens. It was deeply impressed upon me that though these mourners must turn away from the mound marking his eternal resting place, there would be no turning away from his memory, enshrined forever in the hearts and minds of those who knew and loved him best.

In accordance as men serve, so they live on and never die. LUTHER MOTT, colleague and friend, served well and faithfully, and we gather to-day not with misty eyes or weary hearts to dwell upon the sorrow of his passing. Rather, accepting this resignedly as part of the Divine order of things, we rejoice that LUTHER MOTT lived.

Mr. O'CONNELL of New York. Mr. Speaker, at the request of the distinguished gentleman from Ohio [Mr. BURTON] I present the following for insertion in the RECORD:

Memorial resolution upon the death of Hon. WILLIAM BOURKE COCKRAN adopted by the Committee on Foreign Affairs of the House of Representatives.

The members of the Committee on Foreign Affairs have heard with the deepest sorrow of the sudden death of Hon. WILLIAM BOURKE COCKRAN.

His association with the committee has left a lasting impression because of his remarkable knowledge of general history and his keen discernment of international policies and relations, coupled with an exalted sense of public duty and untiring industry worthy of the highest standards of legislative activity and of statesmanship.

His geniality and helpfulness were so constantly manifested that each member of the committee mourns his death as a personal loss.

For 40 years he maintained an unsurpassed position among orators of the English-speaking tongue. His eloquence and readiness in debate on manifold occasions, both in the Old World and the New, have given him a distinctive place among the public speakers of our time.

The eminence of his public service has made his name an inspiration and a permanent heritage for the country which he loved so well.

With a profound appreciation of their own loss and that of his constituency and the Nation, the members of the committee, by formal resolution unanimously adopt this memorial and convey to the bereaved wife of Mr. COCKRAN their utmost heartfelt sympathy.

Mr. DEMPSEY. Mr. Speaker, eight years ago I came to the House of Representatives and found LUTHER W. MOTT here with a service of four years. After a brief time I became more closely associated with him than any of his other colleagues. I knew, as Congressman SNELL has told you, that he came of good stock on both sides. I knew that he had graduated from that great university, Harvard, and that he had had a splendid preparation for public life. I knew that in his initial contest he had met one of the ablest men in our State, Hon. Elon F. Brown, a man much older, well known, and of rare ability as a debater, and I knew that Mr. MOTT, much younger, had defeated him. I knew that there was no man who was stronger with his constituents in all this body than was LUTHER W. MOTT, and on the surface it was hard to reconcile these known facts with Mr. MOTT's personality. He was small and not impressive in appearance. He had an unobtrusive, quiet manner. He had the misfortune of being partially deaf so that he was unable to wholly regulate by ear the volume of his own voice, and often would speak so low that the listener would be obliged to have him repeat what he had said. He rarely spoke on the floor of this House. He was not a figure in the House debates, and the question often arose how one could reconcile these things with the fact of his being so remarkably strong a figure with his constituents and in all northern New York. It was not at all difficult when you came to know Mr. MOTT and his character to reconcile these superficial contradictions, to see why he was a great force in politics, a leader among men, and to realize that his very marked success in spite of his drawbacks proved more clearly his great ability.

I remember very well walking one morning with Uncle Joe Cannon from the Army and Navy Club to the House. I asked Mr. Cannon whom in all of the long service he had in the House he regarded as the ablest debater? He told me who the man was, and said that he had seen him repeatedly make remarkable speeches, replete with quotations, logical, convincing, eloquent, without opportunity of preparation, and then I remember how Uncle Joe finished the description of that man by condemning him because he had no moral courage whatever. Mr. Cannon said that he would slink away into the cloakroom after having led his party in a remarkable debate and avoid voting. Mr. MOTT had two rare qualities. One was remarkable foresight and the other was undaunted courage. Let me illustrate this by two instances. Those of us who came to serve with Mr. MOTT, as I did, long after he had espoused woman suffrage, had the impression that he was an advocate of that cause because his wife warmly espoused it and to please her. I imbibed that opinion, as did my friends, and one day when Mr. MOTT and I were walking down town he said to me, "WALLACE, I do not believe that you know the history of my association with woman suffrage. In the first parade in the city of Washington for woman suffrage just two men marched. The day before the march my wife came to me and said, 'LUTHER, I always leave you to manage your political matters, but this is not simply a political matter, this is a social matter as well, and I am going to ask you as a favor to me not to

march in that parade to-morrow.' I said to her, 'You are absolutely wrong, and I am going to march,'" and march he did.

It was a fair and good illustration of his general characteristics. He could foresee that woman suffrage was bound to come long in advance of the generality of men who were devoting their time to politics, and he had the courage to espouse the cause when other men were afraid to advocate it. Take another public question. There was no earlier advocate, no more earnest supporter of prohibition in the United States than LUTHER MOTT in season and out of season. Throughout his district and wherever he had any influence he worked valiantly for the cause. Now, there are no two characteristics in public men more admirable or as valuable as courage and foresight, and those two illustrations, which could be multiplied, give the secret and the reason of MOTT's wonderful strength among his people and among those who knew him best. He had one other characteristic. MOTT was a man faithful and devoted to his friends. He loved politics. He loved public life. He had no other interest in life aside from his family and his social activities. He did not care for business; he loved to devote 24 hours every day to politics and public affairs, and he loved to work in that field in association with friends. Why, no man acquires friends except the man who is able to devote himself to the interests of his friends and to give them help and inspire them in their work, and MOTT had that quality in a superlative degree.

One who was his friend never had to go to him and ask him to do things, never had to go and ask what his position was in that which concerned his friend. He knew that MOTT would be for him and with him and do unsparingly, ungrudgingly, and untiringly all one friend could do for another. His home life, his family life, was ideal. His wife and he were devoted to one another. They worked together in the most admirable companionship. She is a college woman, with a splendid mind, and she entered whole-heartedly into all of her husband's plans and struggles. He had a splendid family of children of whom he was entitled to be and was proud. MOTT left a very distinguished mark in all northern New York. There was no one in all that wide expanse of country who did not believe he could accomplish results in Washington, and that he could accomplish results is evidenced in two ways. First, all over the State of New York those who were interested in the present tariff, when that bill was under consideration, came to MOTT with their tariff problems. He worked untiringly on their questions. He studied so that he understood what they ought to have, and through his efforts they secured much of what ought to have been provided for them in the bill. He had a long and hard fight to become a member of the Ways and Means Committee. It was contended by those opposing him that some one should be made a member of the committee who could come on this floor and debate tariff schedules and tariff issues, and that it was not sufficient simply to have a man who was able to sit in committee and do his work well there, but in spite of the fact that it was concededly true that he could not come here and debate because of his infirmity of hearing, MOTT, after a long struggle, after a long debate in his own delegation, went on the committee triumphantly and unanimously. Mr. MOTT will be long mourned by his multitude of friends; among whom you can include all of his constituents, all of northern New York, as well as those who bore personal relations to him. He rendered a marked and valuable public service and made a mark upon his time.

Mr. KINDRED. Mr. Speaker, my colleagues have to-day paid a fitting tribute to the memory of Hon. W. BOURKE COCKRAN, to the Hon. LUTHER WRIGHT MOTT, and the Hon. JAMES VINCENT GANLY, late Representatives from the State of New York.

I will confine my brief eulogy to the life and services of the Hon. DANIEL J. RIORDAN, with whom I had many years of very delightful acquaintance.

It is well that we, in life, should, in the midst of life's activities, pause to sacredly observe an occasion like this and to drop a flower and a tear in memory of our departed friend. In the exercise of this high but sad duty we not only confer some measure of honor upon him who has gone to "that undiscovered country, from whose bourne no traveler returns" to greet us again on this material earth, but we at the same time cultivate our own conceptions and understanding regarding the highest of things—that is, what we call life here and life hereafter. We ourselves profit in thus meditating upon the virtues and even the failings of the lives of those who have left us and in cherishing the sublime philosophy leading us to an abiding faith in immortality of the soul.

It is peculiarly fitting, then, that we to-day gather here to memorialize the life and character of one of our most worthy colleagues, DANIEL J. RIORDAN, the late Representative from the eleventh congressional district of New York, who served as a Member of this House with honor and distinction from the date of his election to the Fifty-sixth Congress to the time of his death, with the exception of the Fifty-seventh and Fifty-eighth Congresses.

DANIEL J. RIORDAN was born in New York City in 1870. He died after the severe strain incident to his arduous congressional duties at Washington, D. C., on April 28, 1923.

He attended the district schools of his native city until 1886, when he entered Manhattan College, and was graduated in 1890, receiving the degree of bachelor of arts. He then became a partner in the real estate business conducted by his father. In 1902 he was elected to the New York State Senate as a Democrat. He was reelected State senator in 1904, and on his election was appointed a member of the committees on insurance, forest, fish, and game, and military affairs. In the latter part of 1905 he was appointed a member of the famous special insurance investigating committee. He was elected to the Fifty-sixth Congress and to the Fifty-ninth Congress to serve out the unexpired term of Timothy D. Sullivan, resigned, and to the Sixtieth, Sixty-first, Sixty-second, Sixty-third, Sixty-fourth, Sixty-fifth, Sixty-sixth, and Sixty-seventh Congresses, and reelected to the Sixty-eighth Congress.

His course and record as a Member of the House and as an active member of the important Committees on Rules and Naval Affairs and other committees were such as to win for him the approval and friendship of his fellow Members and of his constituents, whom he always faithfully and industriously represented.

We come now to consider him in his more intimate and personal relations. Like so many others of the Irish-American race, from which he sprang, his was a choice, lovable, and true spirit, shining out most to those who knew him best. We all remember his quiet, quaint humor. It was my good fortune to have known him, as already stated, for many years. He was always a loyal friend, always sympathetic, a reliable guide, and one of the broadest, most liberal minded men I ever knew. His was a helpful, hopeful life, shedding its luster of generous, cheerful helpfulness upon all with whom he came in contact. He was free from affectation; a constructive, good citizen and neighbor; a patriotic, patient, consistent worker for the upbuilding of his city, his State, and his country; but above all these were those still nobler qualities as a family man, a faithful and devoted husband and father.

I along with many other Members of Congress attended his funeral ceremonies at St. James Church, New York City, and was profoundly impressed by the sincere evidences of genuine sorrow, love, and respect manifested by the vast throng who gathered there to honor him on that solemn occasion, representing, as they did, every phase of religious, political, and social life of the great metropolitan city in whose life he played a useful and important part, both as a private citizen and public official.

A man of DANIEL J. RIORDAN's life and character still lives; such men do not die.

For—

There is no death; the stars go down
To rise upon some fairer shore,
And bright in heaven's jeweled crown
They shine forevermore.

There is no death; an angel form
Walks o'er the earth with silent tread;
He bears our best-loved things away,
And then we call them dead.

Born into that undying life,
They leave us but to come again;
In all, in everything, the same,
Except in grief and pain.

And ever near us, though unseen,
The dear immortal spirits tread,
For all the boundless universe is life;
There are no dead.

Mr. CROWTHER. Mr. Speaker and Members of the House, I shall be very brief at this time. LUTHER W. MOTT was a very close personal friend of mine. He was a member of the committee of which I have the privilege of now being a member, and my association with him in relation to the necessities of the particular territory in which I live showed me conclusively that he had the interest not only of his particular constituency at heart but of all the people of this great Nation. If there is one thing to be gained or to be developed from

these memorial exercises, so many of which we have been compelled within a brief time to hold, it is the inspiration gained from the record of the distinguished Members who have passed to the great beyond. It was not my privilege to know the Hon. BOURKE COCKRAN intimately. DAN RIORDAN I knew very well, and at one time I had an office in the territory where his constituents lived. I know something of the love that his constituents had for him. The Hon. JAMES VINCENT GANLY I did not have the pleasure of knowing personally, but Mr. MOTT, as I have said, was my personal friend. He was a student at Harvard College, taking a scholastic course in 1896, when I attended one of the professional schools and graduated two years later. So we had the bond of union as graduates belonging to the same alumnus.

There is a great deal of talk in this day and generation regarding efficiency, and that leads, of course, to better service, but if there ever was an efficient servant of his constituency it was LUTHER W. MOTT. MOTT was not an orator, as my colleague from New York [Mr. DEMPSEY] has stated, but he was in close touch with the needs of the home folks. He was a real friend. Somebody very aptly described a friend as one who knows all about you and still likes you, and that is a very expressive definition, if you will take the time to analyze it. So MOTT knew pretty well about me, and I knew very well about him, and we liked each other and kept up our friendship that had extended over some period of years. He was a helpful Member of the House, helpful not only to his constituents but helpful to his fellow colleagues. He was friendly to a degree, and you did not have to go and ask him if there was anything that appeared to him that would be helpful to you in your territory. If there was something; a clipping from a newspaper, if there was a thought in an editorial, if there was a news item that had any bearing, he was most anxious to go to you and help you if he possibly could. And right at the midst of his strength and his power politically he was taken from us. I was in the far West last summer when the news of his death reached me.

Our families had been acquainted, and those of you who knew of the splendid culture and refinement of his wife and his children must have realized what happiness it was to him to live, and what sorrow it was for them to lose a loved husband and father at that time. It was impossible for me to come home in time to attend the funeral services, which was a matter of great regret to me.

Many times I had occasion to call on him for services that had been asked of me by people in my own territory, and I always found him willing to serve, willing to give his advice and give me the benefit of his judgment on matters that he had some six or eight years' experience with before it was my privilege to sit with him in this House.

I hope that at some time the House in its wisdom will see fit to make these memorial services an annual affair, that we may mourn or rejoice, as my colleague, Mr. MADDEN, said he came to rejoice—and I agree with him that it is no day of mourning—that we may come here to rejoice that we knew them, served with them, and appreciated their accomplishments.

I had the temerity to differ with the political philosophy of that great orator on that side, the late lamented W. BOURKE COCKRAN, but I never permitted my prejudices to interfere with the enjoyment of his cultured, scholastic expressions. So I hope that some day the House in its wisdom will make these services an annual affair that we may have an orator of the day, the well of the House filled with beautiful palms and banks of flowers, the Clerk of the House reading the roll of the honored dead, with galleries well filled with the friends and loved ones of those who have taken the long journey, and thus pay a real tribute to those illustrious men, those resourceful, masterly, able men that devote years of their lives to the public service. Of course, the end of it all is the grave. The Arabs have a saying that "Death is a camel that kneels before every man's tent," and sooner or later comes the white messenger, and none may say him nay. We must all take that great journey.

The men with whom we associate in our daily labors sometimes forget during the life period to say the kind things and do the helpful things that will make life better and happier for men with whom we journey down the road.

You know the opportunity to do that is so often just at our elbows that we neglect it, and we think that way off yonder, somewhere, somewhere in the future, there will be the opportunity to do the things we have forgotten to do while our brother, our neighbor, and colleague walked down with us on the daily journey of life. Our duty lies here, our opportunity to express kindness, to do the kindly thing, to do the helpful thing is here on this green sward and not way over yonder somewhere, where we are always going to do it to-morrow. To-morrow is 3,000,000 miles northeast of nowhere, and that is the reason we never accomplish anything that we are going to do to-morrow. Now is the time. If I can express my thought, I will do so in these few closing lines:

A parish priest of great austerity
Climbed high in his church steeple
That he might be near to God
And bring God's word down to his people.

So on sermon script he daily wrote
What he thought came from heaven
And dropped it down on his people's heads
Two times each day in seven.

In His time God cried, "Come down and die,"
And the priest from out the steeple
Cried, "Where art Thou, Lord?"
And the Lord replied, "Down here among the people."

Mr. GRIFFIN. Mr. Speaker, may I ask if there are any other Members on your list who are delegated to speak on our late colleagues, Mr. COCKRAN, Mr. RIORDAN, and Mr. MOTT?

The SPEAKER pro tempore. There is one more.

Mr. GRIFFIN. It is now half past 5. The arrangements for the joint memorial were made with a very laudable intention, and I do not at all reflect upon that idea. But we have evidently overshot our mark. We have taken off more than we can chew. I concur very fully with all that has been said in tribute to the splendid characteristics of Mr. COCKRAN, Mr. RIORDAN, and Mr. MOTT, but I was requested to prepare and did prepare an address paying a slight tribute to Mr. JAMES VINCENT GANLY, my late colleague from the Bronx. His friends were invited here to-day to attend these services. They came. Twice during the services I was called out to answer the inquiry as to when Mr. GANLY's part of the ceremony would begin, as they had to return to New York on the 5 o'clock train. I was sorry that I could not give them any information. It seems to me in all justice to the memory of Mr. GANLY and to the Bronx, no mean borough, and to the great district which sent him here twice, we ought to have memorial exercises for Mr. GANLY alone, and I now move that next Sunday, May 11, at 3 o'clock be set apart for the purpose of holding memorial services in honor of JAMES VINCENT GANLY, a former Member of this House.

The SPEAKER pro tempore. The Chair hopes that the gentleman will not insist upon putting that motion at this time. If the point of no quorum should be made, the Chair could not put the motion.

Mr. GRIFFIN. I am sorry, Mr. Speaker, but I must insist upon the motion being recorded. I can not withdraw it.

Mr. DEMPSEY. Would it not be well to withhold the motion and to take up the matter during the week and see what is best to do about it?

Mr. GRIFFIN. I am advised, Mr. Speaker, by my colleague from Tennessee [Mr. GARRETT] that the order designating a day for memorial services provides that no other business shall take place on that day, and, of course, that being true, my motion would not be in order, and I withdraw it, but hope that I may have the cooperation of my colleagues in forwarding a motion to set aside next Sunday for exclusive memorial exercises for Mr. GANLY.

Mr. O'BRIEN. Mr. Speaker, "the good that men do lives after them." If we may paraphrase this sentiment of the Bard of Avon, we may apply it with emphasis to him whom we memorialize to-day.

It would be a trite statement to say that a great man has passed from amongst us. The word "great" at times has little or no particular meaning; it is often misused; sometimes it is a victim of indiscrimination; but when we recall the words and accomplishments of BOURKE COCKRAN, when we consider the story of his life, his ability, his devotion to principle, his loyalty to the land of his adoption, the one word "great" must appropriately be applied to his career. There is no question but what he helped to make this world a better place in which to live by reason of his existence here, and it can not be gainsaid that his life redounded to the benefit of humanity in general and to his own community in particular.

While we assemble here to do him honor, indirectly we do honor to ourselves, because upon us is reflected by association the glory that is attached to his day and generation. The life of BOURKE COCKRAN is so interwoven with the fabric of our country that the success of one adds to the renown of the other.

When he came here no blaring of trumphets or martial music announced his approach. He came, the scion of a sturdy,

vigorous race, with the greatest assets that a man can possess, a healthy mind in a healthy body; and after becoming imbued with the spirit of citizenship, a determination to do his share in perpetuating American principles and American institutions. At that time our country was emerging from the long struggle of fraternal strife, and from that period his personal achievements kept pace with the progress and growth of our Republic.

Endowed with great natural, physical attributes and a mind such as is the fortune of few men to possess, we find him engaged as a dispenser of knowledge to the young, as a student himself, and as a lawyer. With every favorable requisite it was only natural that the people of that day should find him proclaiming and advocating those political principles which he espoused as a matter of conviction and which were an inspiration to those who came within the magic spell of his eloquence.

Much has been said and written about his ability as an orator. For ages to come his will be the standard by which men of similar genius will be judged. In all the history of the world no man has surpassed and but few have equaled him. From ancient times we learn of the fame of Demosthenes by reason of his speech on The Crown. Cicero's name endures because of his denunciation of "Cataline." Edmund Burke survives through his Speech on the Impeachment of Warren Hastings. The reputation of our own Daniel Webster is secure because of his Reply to Hayne. BOURKE COCKRAN will live because of the uniform perfection of his speeches in knowledge of his subject, o'er-mastering logic, dominant personality, and the power of delivery that thrilled his auditors.

As an orator in his day he stood in solitary grandeur, like some snowcapped lofty mountain peak overlooking the valley.

It may be said that nothing became him more fittingly in life than the circumstance of his leaving it. We can well recall how at the close of that winter's day after a typical perfervid display of oratory he retired to his seat with the plaudits of his colleagues resounding throughout this Chamber and how within a few hours word came that BOURKE COCKRAN was dead. Unwittingly he had drawn more heavily on his physical reserve than he knew and nature could no longer withstand the strain which could easily have been borne at an earlier day. It may be said of him, for his country he lived, for his country he died, and that to it he gave the last full measure of devotion.

But his reputation is not limited to his ability as an orator. He was a fully rounded man. He was the result of that system of education which may be defined as the development of all the faculties so as to produce the perfect man, as far as anything human may be called perfect. He detested to an exceptional degree sham and hypocrisy. He was a broad-minded man and treated with respect the opinions of those who disagreed with him. His voice was always raised against tyranny, either physical or political. Though placing the welfare of this country above every other material consideration, it was but natural that he should retain a deep affection for the land of his birth, and no son of Erin ever strove more earnestly that Emmet's Epitaph might be written. He was a kindly, affable, courteous, and approachable man, always willing to contribute from his vast storehouse of knowledge to the enlightenment or benefit of a friend or colleague. His benefactions were many, but made without display or ostentation. His disposition was a most cheerful one, for, despite the terrible upheaval of the set order of things due to the Great War, he believed that relatively this world was the best that could be fashioned by a Deity for man's use and enjoyment.

His personal tastes were many and varied. Athletic activities appealed to him as did a painting, a song, a piece of sculpture, or a tapestry. His home life was the gauge by which the Nation's domestic bliss and faithfulness might be measured. His daily life was a sermon as powerful as any ever preached from a pulpit. If there be, and we most potently believe there is, a state of eternal happiness to which the souls of the just wing their flight, we may take the assurance unalloyed with presumption that BOURKE COCKRAN now enjoys that blessedness that comes as a reward of duty faithfully performed.

We repeat, a great one has passed from amongst us and with one acclaim we say—

He was a man, take him for all in all,
We shall not look upon his like again.

Mr. COLE of Iowa. Mr. Speaker and gentlemen of the House, my time on this memorial program is brief and my part is a minor one. Others who knew him better and longer than I did must write his biography and bestow the eulogies that we owe to our distinguished dead. I am here simply to pay a tribute and to express an appreciation of one whom we all admired and loved, W. BOURKE COCKRAN, orator and statesman.

It was my privilege to serve with him for a short time on the Committee on Foreign Affairs of the House of Representatives. It is in the committee rooms rather than on the floor that we learn to know each other intimately. There we gather as around a family table to express our views and to harmonize our differences so far as we can in the service of the Nation.

In our committee room we were always conscious of the power of the personality of Mr. COCKRAN. His manners were charming and his speech was illuminating. Well read in all things that pertained to foreign affairs and widely traveled, he spoke as one having authority—the authority of knowledge adorned in the grace of fluent words summoned with precision and used with effectiveness out of the vast vocabulary which he had at his command.

He knew the great capitals of the world from intimate observations. He had read their traditions and their histories. He knew the policies and the politics of the nations they served. He might have been a world diplomat or a world historian.

But it was as an orator that Mr. COCKRAN was supreme. As such he leaped into national fame in a historic party crisis. The orator, like the soldier, is always the product of some crisis in which he is able to assert his powers and his leadership. As an orator he often used finesse, the skill of the reasoner, and the dexterity of one accustomed to persuade others, but more often he poured out through his words in irresistible torrents his own overwhelming personality. The tremendous volume of his words was almost bewildering. He piled word on word and sentence on sentence like Pelion on Ossa in the poet's figure of speech until he reached his climax, holding his auditors spellbound.

He often reminded one of Edmund Burke and of Lord Macaulay, those lofty masters of English grandiloquence. Upon the conclusion of one of his speeches I recalled those masters. He at once admitted their influence upon himself, adding the observation that while style was always something innate, it was still susceptible of culture. In that brief conversation I learned how deeply and how widely read he was, and how susceptible to all erudite and artistic influences. But to all his preparedness he gave the spontaneity of his own abounding personality.

My first contact with Mr. COCKRAN dates back to 1896, at a time when he had broken with his party on a great financial issue. He passed through Iowa, where I was then the associate editor of the most potential newspaper, giving voice to his most profound convictions. I interviewed him personally, and I sat spellbound under his oratory—and the spell of that eloquence remained with me through the last speech which I heard him deliver in the House of Representatives on the eve of his sad and sudden death.

It is well and fitting that we remember the dead and that we pay to them these tributes. We who are among the living need the dead more than those who are among the dead need us. We can not help them so much as they can help us. Their example can ennoble our lives and their recorded and remembered thoughts can make us wiser.

Education and civilization are not wrought out of the thoughts that each generation can think for itself or out of the things that each generation can do for itself. Oh, no; they are the accretions and the accumulations of all the thoughts and all the deeds that remain to us from all the generations which have preceded us. If we did not have the heritage of the dead, we would be like children wandering and wondering in a beautiful garden whose vast and varied resources we could neither comprehend nor use.

It is what the dead have left us that makes us rich and wise and useful and good in this world, and therefore it is well that we bow our heads in their invisible presence and pay our tributes to them as to our benefactors.

Mr. FREAR. Mr. Speaker, we speak a common language here to-day. The sounds of debate and of party strife are stilled as we pause to commemorate in feeble words the lives and records of those who were with us yesterday.

I knew LUTHER MOTT. He sat next to me on the great Ways and Means Committee for several years. Quiet, modest, sincere, evenly poised, and always friendly, he served his State and country with high purpose and ability. What more can be said in praise of any man? Signally honored by the presidency of the Bankers' Association of his own State in recent years, chairman of the congressional delegation of that

great State, he maintained the dignity of his position and the confidence of his associates in this House to the end.

For years I occupied an office close to another strong member of the New York delegation, DAN RIORDAN. His quaint humor, capacity, frankness, understanding of men and human sympathy were known to all his colleagues, and these qualities given him by an all-wise Creator were marked advantages with which RIORDAN met his duties here and overcome many obstacles in the battle of life.

Each, in his way, had some attribute that helped fit into the scheme of life to attain success, and the employment of such talents is demanded from all those who would succeed. LUTHER MOTT and DAN RIORDAN were taken away before their allotted time, and each left friends without number who can not comprehend the inscrutable ways of the Infinite or why our colleagues are gone and we are left to carry on.

The problem of life is never more hard to understand than by those privileged to participate, however humbly, in the activities of this great legislative body and who witness the constant dropping off of the changing pilots without notice, while the ship of state moves on her even course.

The good which men do lives after them, never more certainly than under the dome of the Nation's Capitol. However much we may differ politically or fundamentally in individual methods or in our belief or reasoning, we soon learn here the value of mutual counsel and helpful advice. So, too, we soon recognize the high standards and legislative ideals of our colleagues and the influence of those who in past history have made this Hall famous. Every arch, every niche, every great window that admits the God-given light from above has echoed and reechoed with the voices of America's great statesmen who once stood where we stand to-day—voices now stilled—of those who have joined the innumerable throng.

Few, if any there be, of men long in public place of this generation whose knowledge of history, persuasive eloquence, strength of expression, and broad statesmanship surpassed these recognized talents found in BOURKE COCKRAN.

It was a privilege to know him and to counsel with him. Words of warning from his lips have been sounded again and again in this Hall during recent years, warnings that the fundamental rights and parliamentary privileges, dear to popular government and necessary to wise legislation, should not be infringed upon or forgotten. This House must function legislatively, he declared repeatedly on this floor. Our self-respect as legislators and safety of constitutional government must not depart from the standards set by our forefathers if we would retain the privileges and rights placed by them in our hands.

To BOURKE COCKRAN more than to any other one man I am personally indebted for advice that found fruition in a liberalization of rules and change in practices invoked by a majority of the House that ever occurs when parliamentary principles are encroached upon. COCKRAN demanded constructive laws should be here framed that would reflect the will of the people under the same wise, liberal procedure that governs every other great parliamentary body in the world. His plea for the supremacy of the legislative body over the encroachments of its own agencies and his championship of the widest and fullest rights of debate will be long remembered. With these sound principles of democratic government he was in sympathy and his powerful influence was devoted to its strict maintenance.

No other testimonial to broad statesmanlike comprehension of fundamentals of government will overshadow recognition of this service given to the country by BOURKE COCKRAN, and it is a tribute to his memory that every man might well hope to deserve in some small degree for his own.

It knows no creed, no politics, no partisanship, but is founded on a deep love of country and of firmly fixed ideals that COCKRAN possessed.

In these brief, halting words of appreciation for our distinguished colleagues whose memory we this day honor I believe I express the common judgment of all who knew them.

The world goes on without marked incident whether we stay or go, and in that is a lesson for all of us that the greatest reward for service, if reward is deserved, comes from the right use of talents, however small or great, talents given us by the Creator. That is the brief tribute I am privileged to offer to the memory of our deceased colleagues who in this Hall represented their constituents of the great Empire State faithfully and the people of this country so long and well.

Mr. DICKSTEIN. Mr. Speaker and gentlemen, the death of Hon. BOURKE COCKRAN has been a great loss to this House, to his party, and to the American people. The name of BOURKE COCKRAN has sounded in the ears of the American public for many years. I personally became acquainted with the distinguished statesman about 10 years ago and had occasion to be with him at various functions, both politically and socially. During all of my personal acquaintance with him I had every admiration for his ability, his position on public questions, his manner of delivery, and his presentation of debates, which were of the highest thought and study of the subjects. Listening to him just once would convince and impress any fair-minded American of his sincerity of the subject he was discussing and of his great desire to do the right thing for the people of this glorious country. He has proven that in the many debates on the floor of this House time after time. Though I was not a Member of Congress when BOURKE COCKRAN served in this body, I followed his career through the usual channels, and my opinion, respect, and admiration strengthened as time went on. I admired him as a man, as a statesman, and as an orator. His sudden and untimely death was a great shock to the State of New York and, no doubt, to every Member of this House who then served with him. A few days before his death he delivered a speech on the floor of this House which could be put in manuscript and you would enjoy his delivery and picture BOURKE COCKRAN just by reading his address. The country has lost a great man, and the people of the State he represented will always remember the man of the hour, the man of the people, the real American, BOURKE COCKRAN.

DANIEL J. RIORDAN

Mr. Speaker and gentlemen of the House, the untimely death of the Hon. DANIEL J. RIORDAN, a former Member of this House, no doubt has shocked his colleagues with whom he had associated for many years and it surely had the same effect on his constituents in his district in the city of New York. His long services in this House and his keen and fatherly interest which he took in the new Members as they came and went, that of itself was a monument to his name which he left behind. He spent hard and continuous hours in his labors as a Member of this important body, particularly during the war period, which was the outstanding feature of his career. His cooperation and unceasing efforts to carry out the policy of Woodrow Wilson, our late President, was 100 per cent, thereby insuring our United States safety of democracy and everlasting peace. It was because of that unceasing continuous work, depriving himself of the recreation which is necessary for the human body, and as a result of this continuous session his physical condition became so weakened that the machinery of his system could not withstand the attack which resulted in his untimely death. I have known him for over 20 years. During that time I had occasion to meet him at least once a week, and I grew to respect him more and more for his understanding and for his love of the common people, for his aid and assistance not only to his own constituents but to the constituents of the neighboring districts and throughout the State of New York. I had the opportunity to observe him because the eleventh congressional district, which he represented, adjoins my own, the twelfth congressional district.

He was the talk of his constituents and the people of this city for the kind deeds which he had shown to the helpless and defenseless women and children. His word was his bond; his word was his promise. The people looked upon him as one of their own people. He was not called DANIEL J. RIORDAN. We called him "DAN," and he liked it.

He guided me during the same year which he ran, namely, 1922, and it was successful guidance. His knowledge of conditions was thorough. We lost a great man who has not only been respected by the communities but by the Members of Congress—Senate and House—whether they be Republicans or Democrats. He left behind him a good name, and when we think of the deceased we think about his wonderful characteristics, his qualities, his principles, his manner and talk, his kindness, and everything which goes to make up a great man.

I personally feel his loss because I was so intimately acquainted with him. I have no doubt there are thousands like me, and all I can say, Mr. Speaker and gentlemen of the House, is that I shall always remember him just as if he were always alive.

His wife lost a great husband, his children lost a great and good father, and the people lost a great friend.

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, we are assembled here to-day to pay the last tribute to four distinguished sons of New York, who but a few days ago were living Members of this distinguished House—W. BOURKE COCKRAN, DANIEL J. RIORDAN, LUTHER W. MOTT, and JAMES V. GANLY.

On account of my personal associations, of many years standing with DANIEL J. RIORDAN I will speak especially of his life and work.

DANIEL J. RIORDAN was a man's man. During a friendship of over 20 years I grew to know, to admire, and to respect him. His was a friendship not of an evanescent or passing kind that vanished with the years; his friendship was of an enduring character, a type that grew stronger and wore better during the passing of the years.

At an early period in his life marked adaptability for public service was recognized by his friends and neighbors. It naturally followed that he was selected by them to represent the district in the legislative halls of Albany. Working there with such distinguished Americans as Grover Cleveland, David B. Hill, Theodore Roosevelt, and others, he acquired a knowledge of State politics second to none.

After several years of exceptional service to his people at the State Capital at Albany, he was singled out to be the recipient of greater honors in representing his people at the National Capital.

He came to the city of Washington, and on account of his early training in State matters he rapidly acquired a knowledge of national affairs.

Through an earnest desire to be helpful to his people and the Nation, he devoted himself to the careful, particular, and detailed study of the legislative and departmental activities of government.

He soon became known as an expert in these matters, and many members consulted him relative to the procedure to be followed to successfully pass their legislation.

No service was requested of him that he did not perform. No call was ever made on him to which he did not respond. He gave all that was in him to the successful termination of the matter in hand. His heart was ever open to the appeal of the disabled veteran, the widow, the dependent mother or father, or the orphan. No matter was too small nor too great in which to enlist his help and assistance.

He has left behind human memorials. The men, the women, and the children whom he has helped are humanity's memorial to him. Although he has passed on, his example shall ever live in the memory and in the hearts of those who knew him; and in speaking of him we can, with all sincerity, say that he was one of those men whose life and creed is best expressed by the words of the poet:

I do not fear to tread the path that those I love have
long since trod.
I do not fear to pass the gates and stand before the
living God.
In this world's fight I've done my part, and God is God.
He knows it well.

Mr. WELLER. Mr. Speaker, it becomes my sad duty to record a personal word to the Members of this House upon the life and services of that distinguished statesman who came to Congress from the State of New York and who dedicated his life to the upbuilding and perpetuation of American institutions—the late WILLIAM BOURKE COCKRAN.

When Mr. COCKRAN was called to his great reward he represented a district in the heart of the city of New York consisting of all types and classes of people, the rich and the humble. His energies and attentions were directed in expounding and protecting the cause of pure democracy. He cherished the safeguards and the rights of the people. His work in Congress made us think of him as one of the noble senators of ancient Rome, conservative, thoughtful, and persuasive in debate.

WILLIAM BOURKE COCKRAN was born in Sligo, Ireland. In his youth he was taken to France and there received his early education, coming to the United States when he was 17 years of age. His tall commanding height, his large leonine-shaped head, his classical features, his nimble athletic walk gave him a commanding figure, which, coupled with a deep resonant voice and an accent that savored of "Old Erin," it seemed as though nature had particularly endowed him.

Admitted to the New York bar in 1876, Mr. COCKRAN took a prominent part in the court work of our State and Nation. In court he was a skillful advocate with an interesting personality and disclosed an intimate knowledge of his cause. Whether in court or on the political rostrum or in discussing a question of economy or political science, he exhibited so unusual a knowledge of the subject under discussion as to command the attention of all and was soon recognized as an orator of unique equipment and distinction. To those who heard him it was a rare treat; logical always, with a gentleness which was almost feminine, yet when moved to establish his point in the minds of his hearers he exhibited an intellectual strength that was dynamic; he was almost compelling.

Always religious and seeking Divine consolation, he attended while living in Washington a modest little church near his home. It is told by one of his friends that Mr. COCKRAN almost every day retired to this little church for prayer and meditation. On one occasion, in the absence of an assistant at the altar performing ministerial duties, the pastor called for a volunteer to assist him. Mr. COCKRAN responded and took his place within the altar rail and assisted the pastor in the services. Apparently he was happy in the belief that his life was so prepared that the required duties of the occasion were not strange to him and that he was able to satisfactorily assist in the conduct of the services. Later it was learned that a suitable endowment for the church had been established. His religious training and habits had prepared and prompted him to take his position satisfactorily within the altar rail.

At political conventions and gatherings Mr. COCKRAN was watched and heard by all admiringly. He was frequently referred to as the mouthpiece of the Democracy of the State of New York. His strategy in these gatherings and the commanding influence of his oratory made him a conspicuous figure. His advice on the policy of his party was frequently sought.

Mr. COCKRAN served seven terms as a Representative in Congress, truly a wonderful conclusion to a great life. His record has been inspiring, his friendships many, and our memory of him will always be dear and precious.

I am taking the liberty of appending to the RECORD a memorial of Mr. COCKRAN delivered by the Hon. Martin T. Manton, judge of the United States Circuit Court of Appeals, before the New York County Lawyers' Association; also a memorial compiled and delivered by Robert J. Fox, Esq., formerly Mr. COCKRAN's law associate, and the Hon. Daniel F. Cohalan, which was delivered at a meeting of the Friendly Sons of St. Patrick on May 7, 1923:

MEMORIAL OF WILLIAM BOURKE COCKRAN

[By Martin T. Manton]

Death has stilled the most eloquent voice in America. When, on March 1, 1923, this announcement came, it gave me the profoundest sorrow to realize that those ties of personal affection and respect which united me to W. BOURKE COCKRAN were severed. This sorrow, I know, is shared by his brethren at the bar to whom he was so strongly and devotedly attached, and it will be shared by all Americans, as they fully realize that this country will be for the future deprived of the benefits which would have come from a continued public service at the bar and in the Halls of Congress.

Mr. COCKRAN was born in County Sligo, Ireland, on February 28, 1854, and came to the United States when 17 years of age. His earlier education was had in schools of Ireland and later in France. When, in 1871, he came to what was destined to be his land of opportunity, he worked for a short time in a clerical position, and then assumed the duties of a private tutor. He became an instructor and later a principal in a public school at Tuckahoe, Westchester County, N. Y. It was while so employed that he studied law. Thus, he prepared in the university of necessity, taking advantage of a friend's offer—Judge Abram R. Tappan—who had taken a fancy to the young and promising Irish gentleman and accorded him access to his law library. Thus encouraged, he embraced the opportunity and studied industriously at night while employed during the day. In 1876 he was admitted to the bar and commenced his professional career in Mount Vernon, N. Y. Shortly thereafter he moved to New York City, and it was not long before his natural talents and industry gave such promise that he became conspicuous with the bench and bar. He was educated in the old-fashioned school of classical studies and his oratory bore the impress of that training. He soon took high rank in his profession; that rank he never lost, but his services in his profession became overshadowed because of his standing as a foremost orator in our national life.

The splendor of his voice as a public debater obscured, to some extent, the real and solid talent and achievements underlying his genius that made for a great legal luminary. In the spotlight of politics he was ever in the public gaze. To public service, to the law, and to his church he looked at all questions of any debatable character as worthy of detailed and full preparation—he briefed them all before he argued. He rarely spoke unprepared, but always had the appearance of speaking extemporaneously. He had the faculty of hiding the labor of preparation with perfect art.

A certain optimism was always the foundation upon which he planted every effort to convince. He never made an effort that he himself did not believe in. He was an acute lawyer; he was always a student. A scholar who never forgot his classics in anything he spoke or wrote.

His build and gracious carriage were unusual, unique and picturesque; his leonine head, his heavy features, his broad shoulders, and swelling chest. As an advocate, nature had given him a tremendous advantage over other lawyers—he had a magnificent organ of a voice whose attractiveness was increased by the touch of a sweet Erin accent, not always discerned, but most captivating and persuasive. The compelling secret of his success in argument was in his strength and power. In the court room he was a conqueror in any interruption of his opponent. His repartee had all the persuasion a great mind could mobilize. He could charm his most hostile adversary.

He was a man of great determination and perfect courage, but he was so gentle and unselfish that all who knew him loved him. No one in want of legal aid ever knocked at his door looking for assistance in vain. He little thought of fees or lawyer's rewards. He but loved the opportunity, fraught with serious responsibility, to help the poor litigant. Often he tided one who need legal assistance over that period when all hope seemed gone. His devotion to his professional duty won back ambition for the disheartened, and his victory brought back faith in the justice of mankind. He cherished the opportunity to send on a poor litigant a victor to new accomplishments.

Whether discussing law or facts before a court or jury, he was clear, brilliant, logical, and convincing. When you opposed him, you felt his power but appreciated his courtesy and perfect fairness. When associated with him, there was a sense of relief that his part would be splendidly sustained.

He could see further into the future than any man of his time. How interesting it was to find time unfold in actual happenings, Mr. COCKRAN's predictions. Particularly was his prophecy of future political occurrences truly stated. He was a Member of Congress for seven terms. Each time he brought to that service an equipment that seemed to be superior to his last term of service, but constant application at his banquet of learning made it possible to improve. Many lawyers have entered the bodies of Congress, but few ever brought more of the lawyer's worth than Mr. COCKRAN. He had all the fire, all the directness, all the terseness, all the qualities of simplicity of form and straightness of thought which have made for the greatest statesmen from the time of Daniel Webster or Henry Clay. What he said in speeches will live in glittering phrase and golden words—the spoken sentence that stirs the soul and flutters the heart.

His life always was most religious. He found unbounded consolation in the teachings of the Catholic Church. His eloquent exposition of Catholic doctrine on many occasions were public expressions of the true moral man he was. He was very anxious to proclaim himself a simple Catholic man. He was in the practice of his religious belief a fervent man, ever devoted to its teachings. He was charitable, and his charity knew no limits. His acts went so often unmentioned.

The lessons afforded by the life of this great lawyer and American whose loss the New York County Lawyers' Association deplores exemplifies a character of dependency and constitutes an incentive calling upon all lawyers to dedicate their lives to a higher and more complete fulfillment of duty. It is also true that a right contemplation of his life and its results will serve in some measure to assuage the feeling of sorrow begotten by his death.

It was given to him to almost reach the allotted span of mortal existence and during his fruitful career to faithfully serve his country, to win the affection of all who knew him, and to afford an elevating and noble example of duty well and faithfully performed. Contemplating his life, its simplicity, its courage, its devotion to duty, its love of country, the faith that comes to us for service to country and to God, the highest reward of man will be ours.

May I in this my humble effort add this word to help lay the foundation in the permanent records of this association of a monument to his memory, which shall continue to speak of his great moral and mental qualities and his courageous and conscientious discharge of professional duty long after we ourselves shall have gone.

[Compiled and delivered at a meeting of Friendly Sons of St. Patrick by Robert J. Fox, Esq., and Judge Daniel F. Cohalan, May 7, 1923]

That WILLIAM BOURKE COCKRAN was one of the most remarkable and outstanding Americans of his day and generation will be admitted by all impartial commentators.

That he bulked large in the public eye; that he made a strong and it may be an enduring impression upon the history of his times; that his death brought sorrow to large and divergent groups whose sympathies or views rarely are affected by the same event must be granted. This should cause us carefully to review his career and study his qualities in order to discover what it was that set him apart from other men and made of him a figure at once unique, attractive, and picturesque.

It is difficult while still we labor under the sense of personal loss to appraise fairly the qualities or to estimate justly the character of a departed friend.

We are too apt at such a time to permit our emotions to color our judgment and to sway our verdict.

Lord Bacon says that narrative biography requires knowledge of important facts, and veracity and impartiality in recording them.

It is hard to restrain the ardor of friendship in writing of so widely gifted and attractive a man, but a just appreciation should stand upon a foundation of understatement.

It was Macaulay who said that if one stopped under a doorway for a moment with Edmund Burke to escape a shower, he would be impressed with the certainty that he had met a great man. That was true of BOURKE COCKRAN.

His charm of manner, his musical voice, his unexcelled diction, his multifarious knowledge, his leonine head and massive body made him a personality at once outstanding, remarkable, and striking.

He was essentially a product of the times in which he lived and moved and had his being.

Born in Sligo about the middle of the last century, of a family in good circumstances and position, he was early intended for the church, and received in his native land at the hands of the great teaching order of the Irish Christian Brothers a splendid grounding in the fundamentals of education and a thorough training in the art of assimilating as well as acquiring that learning for which in later years he became so conspicuous.

Later in France he added to his stores of knowledge and acquired with the French tongue a fondness for its literature which gave him a mastery of the history of the Continent—both classical and profane—that shed distinction upon him throughout all his after years.

Presently he decided that his vocation was rather for the world than for the cloister, and we find him in his young manhood turning his face to the west, to the land which had opened the door of opportunity and eminence to so many of his countrymen. Here he hewed out for himself a career which has had few parallels among his contemporaries. Men of great talents largely form themselves. By the untrammeled exertion of their own powers rather than by the aid of patrons or fictitious circumstances they break through the barriers of power or the obstacles of fate and make for themselves a position which they owe to native ability and unrelenting toil. So it was with COCKRAN. In his young manhood, after reaching our shores, he may have spent with lavish hand some of the talent and energy with which nature had so prodigally endowed him. But he never lost sight of the goal for which he steered, and the passing years brought him onward and upward in the regard and affection and esteem of his countrymen.

His studies were regular, his contacts with his fellow men constant, and all his varied experiences tended to invigorate, enrich, and expand his thoughts. His vigorous and penetrating mind, always at work, gained for him an immense extent and variety of knowledge. But he had the learning of a philosopher rather than a pedant, and to that learning he added the manners of a gentleman. His company was sought by the fashionable of the world, for he was a wit with a subtle sense of humor and a keen knowledge of proportion. He had an inexhaustible fund of discourse, with constant cheerfulness and high spirits, and that great art of good breeding which made his company pleased with themselves as well as with him. He avoided, either in speech or conversation, the reputation of being a joker or farceur, and pointed often to the fate of several of his brilliant rivals whose genuine talents could not sustain them as against the name of being masters of humor. BOURKE COCKRAN was a many-sided man, and one who might have won distinction and rank in any one of several callings.

He was well read, a great conversationalist, a linguist, a trained and experienced lawyer, a successful man of business and of affairs. But it will be as an orator—ranking among the great orators not alone of his own but of all ages—that his name will live and his fame be secure. So great was his power and so exalted his talent in this direction that his other distinctions must be classed as episodes in his career, and no language which is restrained and deliberate can fairly give an estimate of the influence he exercised and the passion he aroused in multitudes when he fulminated against a great wrong, advocated a great cause, or exhorted upon behalf of a great principle.

One well might have thought in listening to him that he was transported to the Roman Senate in its best days. In his higher flights of oratory his stately periods reminded his hearers of the traditions of Burke and Sheridan, of Fox and Chatham in the British Parliament; of Curran and Flood, of Grattan and Plunkett in the old Parliament of his native land; or of the storied eloquence of Clay and Webster and Calhoun in our own Senate.

Verily in listening to him one would well believe that the age of oratory had not departed, and it is an interesting speculation as to how far the best traditions of the past may be revived when the occasion again shall call forth the passion and eloquence of men gifted like him.

This short memorial would not justify any attempt to tell in detail the story of his triumphs in the field in which he stood without a superior.

Suffice it to say that for nearly two score years no great cause has been discussed in our country upon which he did not shed the luster of his talents, the spell of his eloquence, and the music of his voice. He was a strong partisan, but he never permitted his loyalty to his party to interfere with his duty to his country. He was an aggressive advocate, but he always tried to be fair to an opponent even when dealing his most telling blows. He believed intensely in his own side of an argument, but he was tolerant of opposition, and ever ready to applaud in an adversary that ability and character which bespeak conviction and denote sincerity. He was a lover of liberty, whose passion it was to see it preserved in our country and extended to his native land. He has gone to his reward—after having fought the good fight. May we not say in closing, as men who knew him intimately, who admired

his extraordinary talents and his unrivaled attainments, and who took notice of his failings, for from them, in common with all men, he was not exempt; that the great, outstanding quality in his make-up was his intense and ever-present belief in the God of his fathers.

BOURKE COCKRAN was gifted and blessed above most of the men of his day and generation, but above all in that simple, childlike faith which was fostered at the knees of his mother and which survived and grew with all the triumphs of his great career, and carried him onward into the next world with the fervor of a martyr and the certainty of one who knows.

May the Lord deal with him as with one who has gained the palm, and may his place in the world beyond the grave be even higher and more glorious than that which he won for himself among men.

DANIEL F. COHALAN,
MARTIN T. MANTON,
ROBERT J. FOX,
Committee.

Mr. BUTLER. Mr. Speaker, if the time of going had been left to man the life of DANIEL J. RIORDAN would have been greatly prolonged, because his friends and associates would have been unwilling to have broken an association so enjoyable to them. But death does not consider the wishes of associates when it issues a peremptory summons, which no one has ever been strong enough to decline.

We had no notice that man's God had determined to take him before his work had seemed to have been accomplished; yet our friend worked with an industry which some one might now say was owing to a suggestion that his time for life on earth had been limited. I do not give a credit for such a thought, for we knew each other with sufficient intimacy to have warranted any confidence which we might have seen fit to pass between us. He never complained, and life seemed long before him. I did not think of him and death at the same time.

He was to me a man of bodily and mental strength, cheerful even when suffering disappointment. He showed neither passion nor resentment toward those who opposed those things on which his heart was set. His unfailing gentility made opposition to him or his wishes difficult, and, indeed, it was usually without avail, for he was a man of resolution, tempered with reason, insistent and persuasive; a candid, honest man, who prided the keeping of his word when once passed.

He was never accused by his adversaries of duplicity, yet his argument was made with a natural tenderness for the feelings of others which led his associates to frequently remark, "DAN's big heart is on his coat sleeve."

I found a delight in his company which I never tried to avoid. As I write this line I am reminded of a long official trip made with him during the summer of 1918, a part of which carried us through the place where his ancestors first lived. His love for them and their nativity impressed me with favor as he recounted with unaffected joy their habits of life, their hopes, and their aspirations as they struggled for their independence. I liked my friend for his traits, but if I could separate one from the other, I would speak of his intense Americanism. On this occasion, during the war period, he had one and only one thought—the preparation of America for the contest, together with his constant hope of its success.

This candid man had the intense loyalty of his race to a cause which he espoused. Never at any time did he break from the judgment of his party associates, who believed in his political wisdom and named him one of their leaders.

DANIEL J. RIORDAN was a liberal man, of excellent mind, and could be safely intrusted with a leadership which in his modesty he did not seem anxious to assume. He was an excellent judge of human nature and rarely advocated a measure before carefully consulting those who might be interested or enlisted. He showed in all things a cool head and a careful preparation, avoiding needless and useless discussion, thereby avoiding needless antagonisms.

In my official relations with him I never saw a weakness in his conduct, although he was always inclined to respect the wisdom of others in whom he had confidence. In all things he was an honest man and deserves to live in the confidence of those who confided in him when he went away from the sight of all men to live elsewhere forever. While he did not build alone, he did much here below to make a great country greater, to improve and develop its people, all of which must have comforted him as he gazed back from the sky line dividing life from death. It was to our advantage to have known him. What more could he have desired? Those of us who have lived to speak of him bear witness to his complete fitness for the duties given him, faithful and intelligent in all things, with a character of rugged integrity worthy of imitation by the best of us.

Mr. LITTLE. Mr. Speaker, eight years in the American House of Representatives is the greatest education our country now affords to an American citizen. Those of us who saw the sunrise of our lives from the doors of a junior western school, now become a great university, had a glimpse of the world that came when we were young and everything was new to us. We unrolled the ancient books of life and read in shining letters the history and philosophy of the world when it was worth reading—

When all the world was young, lad,
And all the trees were green,
When all the geese were swans, lad,
And every lass a queen.

Those who assembled around the altars of Harvard and Yale and those famous American schools enjoyed all the advantages that come with the development of American history and American citizenship. Others who trod the halls of Oxford or drank beer on the tables of Heidelberg or Vienna or Paris got a glimpse of everything in Europe worth while. In the Mosque of Elhazar, at Cairo, those of us who love mankind saw the youth of the whole Mohammedan world on exhibition at its studies and drank deep of the mysteries of that ancient abode of learning. Some have improved their resources and polished their attainments by weeks in Japan, or China, among the places where the world was born. They sipped of the wisdom of Confucius and learned with astonishment of the 300-year-old statecraft and poetry of Ieayasu.

When we came here we knew that there were kings before Agamemnon and generals from whom Cæsar and Alexander learned the art of war. By the time that the average man came to this Hall he was on reasonably familiar terms with the characters and capacities of the great millionaire princes who so dominate the public and private life of this country. He may have known the youth of his native land showing its best on the field of battle for his country on the other side of the world. He may perhaps have lived in the palaces of the most ancient country of the Mediterranean East and spent many hours at the foot of the Sphinx, still keeping her own counsel. At any rate, he had known men in all walks of life and in all measures of victory and defeat. But never until he came here and received the diploma of several years' experience among his colleagues could he possibly have sounded all the depths that are now in the souls and hearts of his countrymen, sent to represent them here with all the powers of this mighty Republic. However provincial his feeling may have been, however narrow his views, he learned here the higher values of human nature, a broader and more generous understanding and comprehension of its attributes, and a kindlier sympathy with all its ambitions. Here I finally learned the absolute truth of a little verse my mother taught me:

In men whom men condemn as ill
I see so much of goodness still,
In men whom men pronounce divine
I see so much of sin and blot,
I hesitate to draw the line
Between the two where God has not.

When we assemble in this Hall to pay tribute to the memories of our departed colleagues we fully realize the responsibilities and duties that bring us here and the value of their association and services. On this day all are equal. Millionaire and mendicant, sultan and slave, sage and simple, all march to the same music through that grim and ghostly cordon beyond which we may well all meet when the sun goes down.

When I came here, for example, Tammany Hall was a harsh word, and its denizens were subjects of my very stern suspicion. I saw at the head of the great appropriations of this country a man whose outstanding characteristic was absolute integrity and who came here from that great political headquarters. To my astonishment I found that in the very prime of his political career and the very summit of his political mastery of the wealth of the Republic he abandoned an assured seat in this House to go home and make a living for his family and start them in life. Moved by a sudden but matured and very natural impulse, I went to John J. Fitzgerald and apologized to him for my early misconception of him and told him that his departure was a very distinct and important loss to this country, and that I was proud to have been the colleague of so brilliant, so able, and so honest a gentleman.

This day death takes a heavy toll of our colleagues of Tammany Hall and of its environment and friends. It writes on the wall this day the name of BOURKE COCKRAN, the greatest orator of the House; of LUTHER MOTT, who leaves to posterity a record of faithful industry and loyal adherence to the great causes of woman suffrage and prohibition, which stamps his as

a name long to be remembered in the councils of the upper State of New York; of DANIEL RIORDAN, who was an honest gentleman, kind and courteous, and at all times actuated by the motive of service to his constituency; and of JAMES V. GANLY, who departed this life at the very time when he gave evidence of a most useful and promising public career, who labored zealously in discharging his duties, and in the short time that he was here gained the respect of his fellow Members.

We may well doubt whether on any one day in our career in this House any of us shall see fate snatch so brilliant a page from our books of membership. Except one or two great names, most of them pass off unwept, unhonored, and unsung among the constituents who sent us here from the West, but they all carry with them the profound respect and affection of the colleagues with whom they are best acquainted in this House. We know that they all have at home this day in the great metropolitan city vast audiences which assemble to pay due and well-deserved respect to their memories. We know that this night in the great New York City there will be many sad hearts and many sorrowful homes where they are held in loving and gracious memory, to which they are well entitled. We will spread on the record of this Congress forever these feeble testimonies to their high character, their sound patriotism, and their many talents, so that the young men and the young women of this country for the next century may find the record and from it broaden their own respect for their own great country of which we are all a part.

Mr. GRIFFIN. Mr. Speaker, during the past year there has hardly been a month in which we have not been called upon to pay solemn tribute to the memory of some Member of our House who has been summoned to enter the mysterious portals of eternity.

Since the Sixty-eighth Congress has begun its career 16 of our Members have answered the imperative summons. Four times has the Herald of Death addressed that summons to the delegation from the Empire State.

First, WILLIAM BOURKE COCKRAN, the scholar and finished orator, who in eloquent periods so often reverberating within this Chamber pictured the past, presaged the future, and drew from the bountiful stores of his mighty brain wise counsels for the present.

Then DANIEL J. RIORDAN, that incomparable man, whose personality, without the meretricious aid of empty pretense, wielded so powerful an influence upon his colleagues throughout the long period of his legislative service.

The summons then came to LUTHER WRIGHT MOTT, the refined and delicate scholar, courtly yet sincere, whose service of seven terms at great personal sacrifice was a credit to his fidelity, an honor to his constituency, and a boon to his country.

Lastly, JAMES VINCENT GANLY answered the imperious call. His death came as a bolt from a clear sky and grieved intensely all who knew and loved him. The very circumstances of the fatal accident which marked him for sacrifice were profoundly and significantly indicative of his generous, kindly nature.

He was driving his car upon a tortuous stretch of country road, and putting into practice what he had so often preached, namely, the doctrine of courtesy, he turned off his course to make room for a car coming toward him around a curve.

His magnanimity, always stronger than his love of self, gave way too much. His vehicle struck the stump of a tree, was overturned, and he was impaled—a martyr to the kindly impulses of his generous heart.

JAMES VINCENT GANLY was born in the city of New York on September 13, 1878. He attended the public schools and, having an ambition for a business career, continued his education in a commercial school. He was successful in his chosen calling. He did not enter politics for a living, but after he had made a name for himself for business ability and personal integrity he ran for the assembly and was elected. He served but one term, and that was during the year 1907. At the conclusion of this political experience he continued his application to his business with renewed zeal.

On June 14, 1911, he married Miss Mary R. Leddy, a handsome and charming girl who made him a devoted wife—one who shared in all his joys and sorrows and contributed largely by her wise counsel and indefatigable zeal to promote his subsequent political successes.

In 1913, when the new county of the Bronx was organized, he was drafted as a candidate for the important office of county clerk. He was elected triumphantly, and, when he was sworn in on January 1, 1914, it became his duty to organize the new office. His long experience in business enabled him to do this so successfully that the Bronx County clerk's office very soon became known as one of the most orderly, systematic, and efficient in the entire State. Here is where his personality exercised a striking influence: His own inherent courtesy spread itself indefinably and was communicated to the entire office force, who, during his incumbency, and even since, has been distinguished by the sterling marks of courtesy, efficiency, and integrity.

At the conclusion of his term he was elected to the Sixty-sixth Congress. In 1920 he went down to defeat in a closely but honorably fought campaign. His kindly greeting was missed in the Sixty-seventh Congress. In 1923 he was once again elected to Congress, but was not destined to live out his term. His untimely death on September 7, 1923, cut short an honorable and promising legislative career.

To-day we unite to pay this slight tribute to his memory, and when these words shall have been forgotten those who knew him will long cherish and remember their genial friend and kindly colleague, JAMES VINCENT GANLY.

Good deeds, however humble, still survive. The conquering hero may lash the surface of life into huge billows, carrying destruction in their wake, but the lowly elements hidden in its depths give the ocean its stability, its color, and its strength.

For nothing dies—nor deed nor word nor thought—
Although their memory perchance may fade.

If this be true, the beautiful, the calm, and stormless life of GANLY was of as deep import to his time as though he reached the highest pinnacle of human glory.

It can not be said of him that his eloquence shook the battlements of fame. He made no adventures into novel spheres. He resorted to no showy expedients to attract the crowd or attain ephemeral distinction. His life was simple, his aims modest. He sought only to be kind, to be just, to be true; and he loved his fellow men.

ADJOURNMENT

In accordance with the order heretofore made and as a further mark of respect (at 5 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Monday, May 5, 1924, at 12 o'clock noon.

SENATE

MONDAY, *May 5, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, surely goodness and mercy have been following us all our days. Thou dost crown with Thy benefits each day as it comes. Enable us to realize our dependence upon Thee, seeking from Thee that guidance necessary in dealing with great affairs, understanding the path along which we tread, and being certain that we are under Thy guidance even in the midst of the uncertainties of life. The Lord lead us to-day and all the days according to His good pleasure. In Christ Jesus. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Thursday, April 24, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, communicated to the Senate the resolutions (H. Res. 283) of the House adopted as a tribute to the memory of Hon. W. BOURKE COCKRAN, Hon. DANIEL J. RIORDAN, Hon. LUTHER W. MOTT, and Hon. JAMES V. GANLY, late Representatives from the State of New York.

ENROLLED BILL SIGNED

The message announced that the Speaker of the House had signed the enrolled bill (S. 1631) to authorize the deferring of payments of reclamation charges, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS

Mr. ASHURST. I present a letter from the Governor of Arizona respecting the reforestation of denuded lands, which I asked be referred to the Committee on Public Lands and Surveys and included in the RECORD. It is in the nature of a petition.

There being no objection, the letter was referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE, STATE HOUSE,
Phoenix, Ariz., April 29, 1924.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

MY DEAR SENATOR: My attention has been called to H. R. 4830, to provide for the protection of forest lands, for the reforestation of

denuded forests, and the extension of national forests, which I am advised has passed the House and is before the Senate.

I am not in possession of a copy of the bill as it was amended, but it appears to me that this bill deserves very careful consideration, especially section 7. Over 61 per cent of the area of this State is now in reserve of one kind or another, and I do not believe that any extension should be made which would reduce the taxable area to any greater per cent.

As a matter of fact, I am coming to the conclusion that the Federal Government should pay taxes to the State on reservations made by it within the States.

I trust that you will examine this bill carefully and determine whether the proper amendments have been made which will prevent the State from being deprived of revenues derived from taxation on lands which might be covered by this bill.

Respectfully yours,

GEO. W. P. HUNT, *Governor.*

Mr. ASHURST. I also present a telegram from the department commander for Arizona of the United Spanish War Veterans, which I ask be referred to the Committee on Pensions and included in the RECORD.

There being no objection, the telegram was referred to the Committee on Pensions and ordered to be printed in the RECORD, as follows:

PHOENIX, ARIZ., *May 5, 1924.*

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.:

We do not believe that the President's veto of the Bursum bill reflects or represents the sentiment of the American people, but feel confident that the vast majority of our people recognize that the pensions provided to be paid are reasonable and justly deserved by the beneficiaries therein mentioned and favor the bill. The payments provided are not an unwarranted expenditure of the taxpayers' money nor an unreasonable burden upon them. Dollars must not be placed above the services and sacrifices of the loyal men who saved the Union and made the Republic great and its flag respected and reverenced in every land and on every sea; therefore, in behalf of the Spanish War Veterans of Arizona, I respectfully and earnestly request that you vote to pass the bill, notwithstanding the President's veto thereof.

J. L. B. ALEXANDER,
Department Commander for Arizona,
United Spanish War Veterans.

Mr. WATSON. I present petitions of various banks and bankers approving the 25 per cent surtax, together with a list of 8,556 different banks joining in the approval. I ask that the Secretary read merely the summary, and that the petitions be referred to the Committee on Finance.

The PRESIDENT pro tempore. The Secretary will read as requested.

The reading clerk read as follows:

Recapitulation

BANKS INDORSING 25 PER CENT MAXIMUM SURTAX RATE

Alabama		138
Arizona		46
Arkansas		124
California		269
Colorado		137
Connecticut		120
District of Columbia		11
Delaware		36
Florida		121
Georgia		167
Idaho		67
Illinois		316
Indiana		308
Iowa		370
Kansas		190
Kentucky		212
Louisiana		290
Maine		87
Maryland		89
Massachusetts		135
Michigan		201
Minnesota		279
Mississippi		107
Missouri		128
Montana		97
Nebraska		124
Nevada		23
New Hampshire		77
New Jersey		195
New Mexico		37
New York		454
North Carolina:		
Banks indorsing	147	
Manufacturers indorsing	106	
		253
North Dakota		169
Ohio		422
Oklahoma		212
Oregon		67
Pennsylvania		667
Rhode Island		13
South Carolina		128
South Dakota		111
Tennessee:		
Banks indorsing	181	
Manufacturers indorsing	127	
		308
Texas		352
Utah		52
Vermont		74
Virginia		163
Washington		143
West Virginia		116
Wisconsin		316
Wyoming		45
Total		8,556

The PRESIDENT pro tempore. The petitions will be referred to the Committee on Finance.

Mr. BROOKHART. I present a letter in the nature of a memorial from A. J. Hinecker, of Marshalltown, Iowa, which I ask be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

The memorial was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

MARSHALLTOWN, IOWA, *April 29, 1924.*

Hon. SMITH W. BROOKHART,
Washington, D. C.

HONORABLE SIR: This is to inform you that the Board of Trade of Chicago are flooding the Corn Belt to-day with representatives going around leaving cards with cheap politicians instructing them to think up five men which they consider would be against the McNary-Haugen bill, and these cheap politicians are writing day laborers', renters', coal heavers' names to these cards and forwarding them to these representatives, claiming these men to be representative farmers, and they are figuring on forwarding all of these cards to Washington, D. C., in order to kill the McNary-Haugen bill.

One of these cards was placed in the hands of an attorney who I am personally acquainted with in Marshalltown, and he is filling it out and sending the class of men that I referred to above.

If any of these cards from Marshall County, Iowa, come to your attention, if you will wire or write me these names I will guarantee a personal letter from each of these men disputing what claim that they made for them. These cheap politicians are going up and down the streets of Marshalltown and telling the merchants that if this McNary-Haugen bill goes through that all of the big elevator terminals will be closed and there will be no market for the grain and they are getting a lot of dissatisfaction stirred up among a class of people that has to look to the farmer for a greater portion of their trade. The merchants here are in sympathy with the farmer and they feel that they are doing the farmer a favor in helping kill this bill.

I have been in the land and loan business 30 years and in all my experience never saw our country in the condition that it is to-day, and to think that men that never grew a bushel of corn or a grain of wheat should sit in our terminal markets and say what we are to get for our products, and as it is to-day there is no competition nowhere, and if the Senators lay down on this bill they can rest assured that when the next election comes there will be strange faces in Washington.

We are going to hope that you are going to use your influence in every way honorable to promote the interest of the people who are the greatest sacrificers of our Commonwealth.

Leaving the rest with you, as our honorable representative, I am

Respectfully yours,

A. J. HINECKER.

Mr. WARREN presented memorials of sundry employees of the Union Pacific system at Green River, and 426 members of the Union Pacific Unit of the Shop Employees' Association at Cheyenne, in the State of Wyoming, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

Mr. ROBINSON presented a memorial of sundry citizens of Heber Springs, Ark., remonstrating against the imposition of a tax on radio apparatus in pending tax legislation, which was referred to the Committee on Finance.

Mr. CURTIS presented a petition of sundry railroad telegraphers of Topeka, Kans., praying for the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

Mr. KEYES presented a resolution of the Durham Woman's Club, of Durham, N. H., favoring an appropriation to enable the United States to participate in the forthcoming international conferences for the suppression of the narcotic traffic, which was referred to the Committee on Foreign Relations.

Mr. KENDRICK presented a petition of over 500 members of the Shop Employees' Association, Union Pacific System, of Cheyenne and Rawlins, in the State of Wyoming, remonstrating against the passage of Senate bill 2646, to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, which were referred to the Committee on Interstate Commerce.

Mr. FRAZIER presented the petition of J. F. Whistler and five other citizens, of Sweetbriar, N. Dak., praying for the passage of Senate bill 2646, to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted at a meeting of the People's Party, Maryland Branch Farmer-Labor Party, at Baltimore, Md., favoring an amendment to the Constitution granting equal rights to women, which was referred to the Committee on the Judiciary.

He also presented the memorial of Karl Kildahl and 10 other citizens, of Clifford, N. Dak., remonstrating against the imposition of a tax on radio receiving sets, which was referred to the Committee on Finance.

He also presented the memorial of W. A. Samski and 26 other citizens, of Dunseith, N. Dak., remonstrating against the passage of legislation reducing the tariff on eggs, which was referred to the Committee on Finance.

He also presented memorials of the officers of the Towner County Farm Bureau and the Cando Welfare Club, both in the State of North Dakota, remonstrating against the passage of legislation increasing salaries of employees in the Postal Service, which were referred to the Committee on Post Offices and Post Roads.

Mr. SHIPSTEAD presented resolutions adopted at the annual convention of the Minnesota Telephone Association, favoring the adoption of the so-called Mellon tax-reduction plan, and especially the repeal of the so-called nuisance taxes, including taxes on admissions and telephone and telegraph messages, which were referred to the Committee on Finance.

He also presented a petition of sundry citizens in the State of Minnesota, praying for the repeal of the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented resolutions adopted at a meeting of women held in Eveleth, St. Louis County, and the fortieth annual convention of the Minnesota State Federation of Labor, both in the State of Minnesota, favoring an amendment to the Constitution granting equal rights to women, which were referred to the Committee on the Judiciary.

He also presented a memorial of sundry members of the Woman's Christian Temperance Union of Morristown, Minn., remonstrating against the passage of legislation increasing the alcoholic content allowable in beers, which was referred to the Committee on the Judiciary.

He also presented a resolution of the Kiwanis Club of Red Wing, Minn., protesting against the classification of nurses by the Federal Government as not being in the professional service, which was referred to the Committee on Civil Service.

He also presented a resolution adopted by the Mahonomen Business Association at Mahonomen, Minn., favoring the passage of Senate Resolution 34, instructing the Committee on Indian Affairs to investigate the controversy between the Chippewa Indians of Minnesota and the Government of the United States, which was referred to the Committee on Indian Affairs.

He also presented petitions of sundry members of the Storden Farm Bureau Unit, of Storeden, and of sundry citizens of Lafayette Township, Nicollet County, all in the State of Minnesota, praying for the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by the Minnesota Wheat Growers' Cooperative Marketing Association at Minneapolis, a county alfalfa meeting held at Litchfield, and by a mass meeting of citizens in Rock County, all in the State of Minnesota, favoring the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

Mr. McLEAN presented a resolution of the Woman's Club of Greenwich, Conn., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a telegram in the nature of a petition from the Student Association of Hartford (Conn.) Theological Seminary, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Republican Women's Club of Hartford, Conn., favoring the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented the petitions of Branch No. 47, National Association of Postal Supervisors, of Bridgeport, and of sundry employees of the post office of Danbury, both in the State of Connecticut, praying for the passage of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the Connecticut State Prohibition Officers' Association at Hartford, Conn., favoring the passage of Senate bill 1042, to provide for the establishment of a probation system in the United States courts, except in the District of Columbia, which was referred to the Committee on the Judiciary.

He also presented the petition of the Meriden (Conn.) Central Labor Union, praying for the passage of Senate bill 742, to relieve unemployment among civilian workers of the Government, to remove the financial incentives to war, to stabilize production in Federal industrial plants, to promote the economical and efficient operation of these plants, etc., which was referred to the Committee on Military Affairs.

He also presented the petition of Martha Pitkin Walcott Chapter, Daughters of the American Revolution, of East Hartford, Conn., praying for the passage of Senate Joint Resolution 64, to change the name of "Mount Rainier" to "Mount Tacoma," etc., which was referred to the Committee on Public Lands and Surveys.

He also presented petitions of Cigarmakers' International Union, No. 39, of New Haven, and of the Central Labor Union of Danbury and vicinity, both in the State of Connecticut, praying for the passage of legislation legalizing the manufacture and sale of 2.75 per cent beer, which were referred to the Committee on the Judiciary.

He also presented a resolution of the Woman's Club of Meriden, Conn., favoring the passage of House bill 3269, providing for the placing of Government employees engaged in the enforcement of national prohibition under the civil service, which was referred to the Committee on Civil Service.

He also presented the petition of the Mount Carmel Book Club, of Mount Carmel, Conn., praying for the passage of House Joint Resolution 69, proposing the adoption of the Star-Spangled Banner as the national anthem, which was referred to the Committee on the Judiciary.

He also presented a resolution of the Connecticut Vegetable Growers' Association, of New Haven, Conn., protesting against the passage of legislation revising freight rates on farm products, which was referred to the Committee on Interstate Commerce.

Mr. NEELY. I present a large number of telegrams, letters, and resolutions in the nature of memorials remonstrating against the passage of the Howell-Barkley railway labor bill, which I ask be referred to the Committee on Interstate Commerce.

The telegrams, letters, and resolutions in the nature of memorials from the following citizens and organizations in the State of West Virginia were referred to the Committee on Interstate Commerce:

Campbells Creek Railroad Co., of Dana; Dr. S. A. Daniel, of Welch; A. W. Reynolds, of Princeton; R. L. Hunter, of Jarrolds Valley; Hans Watts Realty Co., of Huntington; J. Clark Killey, of Vivian; Clarence E. Ridley, Morris Watts, J. L. Alexander (Bluefield Milling Co.), W. A. Bodell, and E. A. Leonard (Bluefield Hardware Co.), Bluefield; John J. Lincoln (Elkridge Coal & Coke Co.), North Fork; H. I. Shott, W. E. Gilkeson, O. M. Deyerle (Flat Top Fuel Co.), and C. L. Borden, Bluefield; Jobbers and Manufacturers Bureau, Chamber of Commerce, Huntington; C. E. Lilley, Bluefield; and Randolph Bias, president Chamber of Commerce, Williamson.

Mr. NEELY. I also present a number of telegrams, letters, and resolutions in the nature of petitions praying the passage of the Howell-Barkley railway labor bill, which I ask be referred to the Committee on Interstate Commerce.

The telegrams, letters, and resolutions in the nature of petitions from the following citizens and organizations in the State of West Virginia were referred to the Committee on Interstate Commerce:

Boilermakers' Lodge, No. 326, of Grafton; H. Enoch, Order of Railroad Telegraphers, of Flatwoods; H. S. Frashire, Brotherhood Railway Carmen of America, Thomas Lodge, No. 924, of Cumberland, Md.; A. L. Sawyers, of Gauley Bridge; W. R. Smith, of Gauley Bridge; and G. M. Diefenbach, of Hinton.

REPORTS OF COMMITTEES

Mr. BALL, from the Committee on the District of Columbia, to which was recommitted the bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia, reported it with amendments.

Mr. EDGE. From the Committee on Post Offices and Post Roads I report back favorably with an amendment in the nature of a substitute Senate bill 1898, being a bill to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Serv-

ice, and I submit a report (No. 500) thereon. I give notice that at some convenient time I shall ask for its early consideration.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

Mr. CARAWAY, from the Committee on Claims, to which was referred the bill (S. 2519) to extend the benefits of the employers' liability act of September 7, 1916, to Carol E. Reeves, reported it with an amendment.

Mr. SPENCER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 2586) for the relief of Robert June (Rept. No. 501); and

A bill (H. R. 1438) for the relief of D. H. MacAdam (Rept. No. 502).

Mr. SPENCER also, from the Committee on Claims, to which was referred the bill (S. 660) for the relief of the Ogden Chamber of Commerce, reported it with an amendment and submitted a report (No. 503) thereon.

INTERNATIONAL CONFERENCES ON NARCOTIC DRUGS

Mr. LODGE. From the Committee on Foreign Relations I report back favorably with amendments the joint resolution (H. J. Res. 195) authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs, and I submit a report thereon (Rept. No 499). I ask for the immediate consideration of the joint resolution.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The amendments were, on page 3, line 5, after the word "conferences," to insert "or any postponement thereof"; and on page 4, line 2, after the word "authorized," to insert a colon and the following proviso:

Provided, That the representatives of the United States shall sign no agreement which does not fulfill the conditions necessary for the suppression of the habit-forming narcotic drug traffic as set forth in the preamble.

So as to make the joint resolution read:

Whereas President Roosevelt on October 14, 1907, called an international commission which met in Shanghai, China, in 1909 to make an investigation of the abuses growing out of the opium traffic and to suggest a means for their prevention, and thus the United States, as pointed out by President Wilson in his message to Congress on April 21, 1913, "initiated the world-wide movement toward" the abolition of the traffic in habit-forming narcotic drugs; and

Whereas the international conference at The Hague proposed by President Taft on September 1, 1909, to give international effect and sanction to the resolutions of the Shanghai Opium Commission resulted in the adoption of The Hague Opium Convention of 1912 by the powers assembled, which is in full force and effect between the nations which have ratified it; and

Whereas the original convention delegated certain administrative functions to the Netherlands Government (thereby constituting the said Government an agent for the execution of the treaty), and said Government called two conferences in 1913 and 1914 to consider problems growing out of the execution of the convention; and

Whereas certain of the powers parties thereto have vested in the League of Nations the agency or duty of executing the convention by treaty dated June 28, 1923, article 23 of which provides as follows: "Subject to and in accordance with the provisions of international conventions existing or hereafter to be agreed upon, the members of the league * * * will intrust the league with the general supervision over the execution of agreements with regard to * * * the traffic in opium and other dangerous drugs * * *;" and

Whereas the United States, for the reasons that it is only by international cooperation that the suppression of the world-wide traffic in habit-forming narcotic drugs can be accomplished, and that this Government is bound by The Hague Opium Convention equally with other governments to work toward this end, accepted an invitation from said agency to cooperate with it in the execution of said treaty; and

Whereas as the result of conferences in January, May, and September of 1923 between the representatives of the United States and governments represented by the League of Nations the latter governments agreed that the United States construction of The Hague Opium Convention, as provided in Public Resolution No. 96, Sixty-seventh Congress, approved March 2, 1923, represented the objects which the treaty was intended to accomplish, and that any other construction would render the treaty ineffective and of no practical value, and accordingly it was decided:

"1. If the purpose of The Hague Opium Convention is to be achieved according to its spirit and true intent, it must be recognized that the use of opium products for other than medical and scientific purposes is an abuse and not legitimate.

"2. In order to prevent the abuse of these products it is necessary to exercise the control of the production of raw opium in such a manner that there will be no surplus available for nonmedical and nonscientific purposes"; and

Whereas it was further decided at said conferences that two international conferences should be called in the latter part of the year 1924 to agree upon a plan to enforce said treaty in accordance with said construction and interpretation, bearing in mind that the gradual suppression of the traffic in and use of prepared opium as provided in Chapter II of the convention is not yet accomplished, reservations to that effect having been noted by certain powers (Great Britain, France, Germany, Netherlands, Japan, British India, and Siam in regard to prepared opium): Now, therefore, be it

Resolved, etc., That the appropriation of such sum as may be necessary, not to exceed $40,000, for the participation of the United States in one or both of these conferences, or any postponement thereof, to be expended under the direction of the Secretary of State, is hereby authorized: *Provided*, That the representatives of the United States shall sign no agreement which does not fulfill the conditions necessary for the suppression of the habit-forming narcotic drug traffic as set forth in the preamble.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The preamble was agreed to.

MOLLIE WHITE

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 214, submitted by Mr. CURTIS April 21, 1924, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to Mollie White, widow of Robert White, late an employee on the maintenance roll, Senate Office Building, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

HEARINGS BEFORE COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 217, submitted by Mr. MCNARY April 29, 1924, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Irrigation and Reclamation, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not to exceed 25 cents per hundred words to report such hearings as may be had in connection with any subject that may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 3236) for the relief of John W. Fein; to the Committee on Claims.

By Mr. DIAL:

A bill (S. 3237) to authorize the War Department to repair damages to the roadway between stations 18 and 28½ on Sullivans Island, S. C.; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3238) granting a pension to Elizabeth Evans; to the Committee on Pensions.

A bill (S. 3239) to establish the bureau of medical research; to the Committee on the District of Columbia.

By Mr. EDWARDS:

A bill (S. 3240) to repeal the laws authorizing the purchase of uniforms, accouterments, and equipment from the Government at cost; to the Committee on Naval Affairs.

By Mr. SHEPPARD:

A bill (S. 3241) for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age; to the Committee on Military Affairs.

By Mr. CURTIS:

A bill (S. 3242) for the relief of Sarah C. Brooks (with accompanying papers); to the Committee on Claims.

By Mr. SHIPSTEAD:

A bill (S. 3243) authorizing a per capita payment of $50 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; to the Committee on Indian Affairs.

By Mr. STEPHENS:

A bill (S. 3244) granting the consent of Congress to the board of supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; to the Committee on Commerce.

By Mr. WHEELER:

A bill (S. 3245) granting a pension to Louis M. Semple; to the Committee on Pensions.

AMENDMENT TO DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. PHIPPS submitted an amendment relative to surplus revenues and providing for an adjustment of certain accounts between the United States and the District of Columbia, etc., intended to be proposed by him to House bill 8839, the District of Columbia appropriation bill, which was referred to the Committee on the District of Columbia and ordered to be printed.

AMENDMENTS TO TAX REDUCTION BILL

Mr. REED of Missouri submitted an amendment intended to be proposed by him to House bill 6715, the tax reduction bill, which was ordered to lie on the table and to be printed.

Mr. SHIPSTEAD. On April 7 I introduced an amendment to the revenue act affecting farmers' or other mutual hail, cyclone, or fire insurance companies. The amendment was printed and placed on the table. I find there is an error in the amendment as printed and I ask unanimous consent to withdraw the amendment.

The PRESIDENT pro tempore. Without objection the amendment is withdrawn.

Mr. SHIPSTEAD. I now submit a corrected amendment and ask that it be printed and lie on the table.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

INVESTIGATION OF THE NAVAL ESTABLISHMENT

Mr. KING submitted the following concurrent resolution (S. Con. Res. 9), which was referred to the Committee on Naval Affairs and ordered to be printed in the RECORD:

Resolved by the Senate (the House of Representatives concurring), That a joint committee to consist of four Representatives, members of the Naval Affairs Committee of the House, to be appointed by the Speaker, and four Senators, members of the Naval Affairs Committee of the Senate, to be appointed by the President of the Senate, is authorized and directed to investigate the present condition of the Naval Establishment, and particularly to inquire into and report to Congress whether or not the so-called capital ships ratio of 5-5-3, as agreed on by the Washington Disarmament Conference, is being maintained on the part of the United States, or is being exceeded by the other powers to the agreement; the actual number of cruisers, destroyers, submarines, dirigibles, airplanes, and other auxiliary naval craft in the naval establishments of the other powers signatory to such agreement but not subject to such ratio; the number, class, and description of such auxiliary craft as may be regarded as adequate and necessary to the defense of the country; whether adequate attention has been given by the Navy Department to the construction of submarines, airplanes, and other auxiliary craft; the reasons for delay in completing the V boats now under construction; why no fleet submarines have been constructed; whether the submarines constructed have been efficient; why more airplanes have not been constructed, and whether those constructed are effective and of types comparable to those employed by naval powers; whether the General Board of the Navy is committed to archaic naval plans and archaic types of vessels and is preventing the proper development and perfection of such submarines, airplanes, and auxiliary craft as may be required for the defense of the country; whether a change should be made in the manner of appointing the General Board of the Navy; whether the administration of the Navy Department has tended to the bureaucratic domination of the expert technical officers of the Navy or has prevented the development of officers of such expert qualifications as are required for the technical work of the Navy; whether the recent accidents to naval vessels off the coast of California, and recent casualties to submarines, have been due to deficient official and other personnel, or to lack of adequate sea training in the navigation of submarines and auxiliary craft; the number of navy yards, naval bases, and shore stations which should be maintained; the organization of the Navy Department, including the functions of the separate bureaus in the department, their interrelations, and their relations to the office of the Secretary of the Navy; whether the Navy Department is effectively and prudently expending the moneys appropriated for the Naval Establishment to the advantage of the Government and the potential defense of the country; and whether or not the acts of Congress respecting the organization of the Navy Department should be amended or supplemented by new legislation to secure a more effective expenditure of naval appropriations and to promote the orderly coordination and functioning of the department—and to make recommendations to Congress concerning the questions in the premises set forth.

Such committee as a whole or by subcommittee is authorized to hold hearings, to sit during the sessions or recesses of the Sixty-eighth Congress at such times and places, to employ such experts, and accountants, and clerical and other stenographic assistants as it may deem advisable. The committee is further authorized to send for persons and papers; to require by subpœna or otherwise the attendance of witnesses, the production of books, papers, and documents; to administer oaths, and to take testimony, as it may deem advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or subcommittee thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be liable to the penalties provided by section 102 of the Revised Statutes of the United States.

DEPRESSION IN COTTON MANUFACTURING INDUSTRIES

Mr. WALSH of Massachusetts. I submit a resolution and ask unanimous consent for its present consideration.

The resolution (S. Res. 219) was read as follows:

Whereas a prolonged depression of exceptional magnitude has and is occurring in the cotton textile industry, causing an attendant decrease in production of 40 to 60 per cent and general unemployment and its consequent want and distress in communities where this industry is located; Therefore be it

Resolved, That the United States Tariff Commission be, and hereby is, directed to furnish to the Senate as expeditiously as possible, if not incompatible with the public interests, all available facts requested hereinafter:

(1) Is the present depression in the cotton manufacturing industry confined to the United States or is it world-wide?

(2) To what extent and for how long a period has the present depression in the cotton manufacturing industry of this country been apparent?

(3) To what extent is the present depression due to the high price of cotton, particularly in curtailing the consumption of cotton cloth, and to what extent is it due to other causes?

(4) If there is a difference in the prosperity of this industry in different sections of the country, to what extent, if any, is it attributable to labor legislation of the different States?

(5) What is the quantity and value of cotton cloth imported into and exported from the United States under the present tariff act as compared with those under the acts of 1909?

(6) What is the percentage of imports and exports, as compared to the domestic production, of cotton cloth in the census years 1909, 1914, 1921, and 1923?

(7) What types of cotton cloths constitute the bulk of the import trade, and are these cloths similar or different in character from those produced in this country?

(8) What are the main reasons for the importation of cotton cloths; in particular, are such imports due primarily to price or to quality?

(9) To what extent has the domestic industry been affected by the postwar increases in the importation of cotton cloths?

(10) Would changes in the present tariff rates on cotton cloths be of material assistance to stimulating production and restoring prosperity to this industry?

The PRESIDING OFFICER (Mr. MCNARY in the chair). The Senator from Massachusetts asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. DIAL. Let it go over.

The PRESIDING OFFICER. The resolution will go over under the rule.

LIFE OF JAMES MONROE

Mr. FLETCHER. I present certain material submitted by the Southern Commercial Congress growing out of the international centennial celebration of the promulgation of the Monroe doctrine held in Richmond, Va., December 2 to 4, 1923, embracing an interpretation of the life, character, and achievements of James Monroe, fifth President of the United States, and move that it be printed as a public document and that the matter be referred to the Committee on Printing.

The PRESIDING OFFICER. The Senator from Florida suggests that the matter be printed as a public document. Is there objection?

Mr. MOSES. It should be referred to the Committee on Printing.

Mr. FLETCHER. I asked to have it referred to the Committee on Printing.

The PRESIDING OFFICER. Without objection, the papers will be referred to the Committee on Printing.

THE DISTINCTION BETWEEN LEGAL AND POLITICAL QUESTIONS

Mr. BORAH. I send to the desk an article written by Prof. Edward M. Borchard, of the Yale University of Law, and ask that it be referred to the Committee on Printing, with the request accompanying it that, if the committee deem it proper, it be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the article will be referred to the Committee on Printing.

CENTENARY OF LAFAYETTE'S LAST VISIT TO AMERICA

Mr. COPELAND. Mr. President, I ask unanimous consent to insert in the RECORD two letters, both relating to the proposed celebration of the centenary of Lafayette's last visit to America.

The Thirty-third Continental Congress of the National Society Daughters of the American Revolution unanimously adopted a resolution indorsing the proposed centenary.

A letter from the president of the International Longfellow Society to the Daughters of the American Revolution Congress led to the adoption of the resolution. I ask that this be printed, and also the official communication from the secretary general embodying the resolution adopted.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

MEMORIAL CONTINENTAL HALL,
Washington, D. C., April 22, 1924.

Mr. ARTHUR C. JACKSON,
President International Longfellow Society, Portland, Me.

DEAR SIR: I am pleased to give you below a copy of the resolution adopted by the Thirty-third Continental Congress of the National Society, Daughters of the American Revolution, in which you are interested.

"*Resolved*, That we, the Daughters of the American Revolution, indorse the centenary celebration of the visit of Lafayette to America."

This, I trust, will serve your purposes.

Very truly yours, ALICE FRYE BRIGGS,
Recording Secretary General, N. S. D. A. R.

APRIL 15, 1924.

To the D. A. R. Congress, Washington, D. C.:

The Portland Historical Society and the International Longfellow Society respectfully request that you call the attention of the Congress of the United States to the fact that in 1824—just a century ago—a solemn legislative act, unanimously passed by both Houses of Congress and approved by the President of the United States, charged the Chief Magistrate of the Nation with the duty of communicating to the immortal Lafayette the assurances of grateful and affectionate attachment still cherished for him by the Government and people of the United States, and that it was the ardent desire of the whole Nation once more to see its benefactor.

The Nation of 3,000,000 people, for which he fought by the side of Washington, had grown to 12,000,000; and to-day, after 100 years, numbers 112,000,000. The Union of 24 States has now 48.

The reception afforded Lafayette has scarcely a parallel in the annals of man. "He was received," says Benton in his Thirty Years' View, "with unbounded honor, affection, and gratitude by the American people. To the survivors of the Revolution, it was the return of a brother; to the new generation, born since that time, it was the apparition of an historical character, familiar from the cradle, and combining all the titles of love, admiration, and gratitude."

NO ROMAN MORE HONORED

It has been well said that no Roman ever had such a triumphal procession. Through every one of the then 24 States, week after week, month after month, continuously for more than a year, it was the same. He had given his whole fortune to their fathers; he had offered his life time after time; he had lain with them on the bloody fields; these things they could not forget. They bore him in their arms, they cut the traces of his horses and pulled his carriages themselves; they wept with him at pathetic memories and swore at themselves for weeping at such a time of joy, of jubilant cannon roar, and glorious festivity.

It has been said that no man ever lived through a lifetime of such vicissitudes of fortune, and such severe trials of his virtue, with a character more free from just reproach than Lafayette.

The Portland Historical Society and the International Longfellow Society join in suggesting that not only every community visited, but that all the States of the Union, arrange for some form of observance in commemoration of the centenary of Lafayette's last visit to the land he loved so well.

If such commemoration were to begin at New York on the 16th of August next, the date of his landing, and continue in some form at the many places visited during the year and more following—and in some appropriate manner include every State of the Union—our country could renew its knowledge of and admiration for one whose lifelong ambition was to worthily serve the cause of liberty and promote the realization of the brotherhood of man.

In furtherance of an appropriate observance of this centenary commensurate with its importance will you not urge Congress to authorize and recommend the appointment by the President of the United States of a national commission, to cooperate with similar commissions that may be appointed by the governors of all the States, as one of the best means of promoting and preserving a worthy national spirit and of awakening the emulation of the rising generation in virtue and patriotism.

If the roads traversed by Lafayette in the then 24 States of the Union were retraversed by such a national commission on the anniversaries of his journey, and were designated as permanent Lafayette memorial highways, a monument would be erected worthy of our great friend and benefactor and one more enduring than bronze or marble.

Sincerely yours, ARTHUR C. JACKSON, *President.*

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on May 3, 1924, the President approved and signed the following acts:

S. 1932. An act to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road; and

S. 2112. An act authorizing the Department of Agriculture to issue semimonthly cotton crop reports and providing for their publication simultaneously with the ginning reports of the Department of Commerce.

THE CALENDAR

The PRESIDENT pro tempore. The morning business is closed. The calendar under Rule VIII is in order. The Secretary will report the first bill on the Calendar.

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as first in order.

Mr. OVERMAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

NAMING THE SEAT OF GOVERNMENT

The bill (S. 1181) naming the seat of Government of the United States was announced as next in order.

Mr. SMOOT. I think the Senate ought to have a word of explanation of the bill.

Mr. BALL. It merely takes in all of the District of Columbia under the general name of "Washington." As it stands now we have Georgetown and various subdivisions and names as a part of the District. The bill would take the whole District in under the name of "Washington."

Mr. SMOOT. What effect would it have upon all our legislation enacted in the past?

Mr. BALL. The bill was introduced by the Senator from Minnesota [Mr. SHIPSTEAD]. He can probably explain it better than I can.

Mr. FLETCHER. There seems to be no report of the committee accompanying it. I would like to know how it involves taxation.

Mr. SMOOT. And not only taxation, but legislation affecting the District for the last 50 years.

Mr. FLETCHER. All those laws are repealed according to this bill.

Mr. OVERMAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

TAX COLLECTIONS IN DISTRICT OF COLUMBIA

The bill (S. 1786) to amend sections 5, 6, and 7 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That section 6 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, is hereby amended so as to provide that the permanent board of assistant assessors referred to therein shall consist of six members instead of five members; and the assessor of the District of Columbia shall designate three of the members of said board for the assessment of real estate, and the three other members of said

board to assess personal property, in accordance with law; all members of said board, together with the assessor of the District of Columbia as chairman, shall constitute the board of equalization and review of real-estate assessment and also the board of personal tax appeals.

SEC. 2. That any person maintaining a place of abode in the District of Columbia on May 1 of any year, and for six months or more prior thereto, shall be considered a resident of the District of Columbia for the purpose of taxation on his intangible personal property wherever located, unless evidence shall be submitted to the assessor of the District of Columbia, satisfactory to him, that such intangible personal property or the income thereof is taxed to said person in some other jurisdiction: *Provided*, That Cabinet officers and persons in the service of the United States Government elected for a definite term of office shall not be considered as residents of the District of Columbia for the purposes of this section.

SEC. 3. That section 5 of the said act of July 1, 1902, hereinbefore referred to, is hereby amended by providing that in addition to the annual assessment of all real estate made on or prior to July 1 of each year there shall be added a list of all new buildings erected or under roof prior to January 1 of each year, in the same manner as provided by law for all annual additions; and the amounts thereof shall be added as assessments for the second half of the then current year payable in the month of May. The board of equalization and review, hereinbefore referred to, shall hear such complaints as may be made in respect of said assessments for the second half of said year and determine said complaints between the first and third Mondays of January of the same year.

SEC. 4. That hereafter all real estate and personal property in the District of Columbia subject to taxation shall be listed and assessed at not less than the full and true value thereof in lawful money.

SEC. 5. That all taxes of whatever nature provided for in section 6 of the above mentioned act of July 1, 1902, and all real estate taxes shall hereafter be payable semiannually in equal installments in the months of November and May, and if either of said installments shall not be paid within the months when due and payable said installment shall thereupon be in arrears and delinquent, and there shall then be added, to be collected with such tax, a penalty at the rate of 1 per centum per month upon the amount thereof for the period of such delinquency, and the whole shall constitute a delinquent tax to be dealt with and collected in the manner now provided by law.

SEC. 6. That the returns of all personal property provided for in section 6 of the said act of July 1, 1922, shall be made during the month of May in the fiscal year preceding the one under which the assessment is to be levied, and, except as otherwise provided by law, the value of the tangible and intangible property shall be taken as of May 1 for a basis of assessment for the next fiscal year.

SEC. 7. That hereafter the board of personal tax appeals for the District of Columbia shall convene on the first Monday of August of each year and shall continue in session to and including the first Monday of January of each year, or until such hearings are completed. All appeals to said board shall be made within 30 days after notice of fixing an assessment.

SEC. 8. That the assessor of the District of Columbia shall deliver to the collector of taxes tax ledgers kept on a numerical system, and to be finished or completed at such time as will allow preparation of tax bills for collection purposes.

SEC. 9. That paragraph 32 of section 7 of the act of Congress approved July 1, 1902, above referred to, is hereby amended by inserting after the words "fortune tellers", the word "phrenologists," so that said paragraph shall read as follows:

"That mediums, chairvoyants, soothsayers, fortune tellers, phrenologists, or palmists, by whatsoever name called, conducting business for profit or gain, directly or indirectly, when permitted to practice their calling in the District of Columbia, shall pay a license tax of $25 per annum: *Provided*, That no license shall be issued without the approval of the major and superintendent of police."

That there is hereby added to paragraph 32, section 7, of the act of Congress approved July 1, 1902, above referred to, the following section, to be known as section 32a:

"SEC. 32a. Dancing instructors shall pay a license tax of $10 per annum. Every person who gives instructions in dancing for gain or profit shall be regarded as a dancing instructor: *Provided*, That no license shall be issued without the approval of the major and superintendent of police. Dance halls shall pay a tax of $25 per annum. Any place where a fee is paid or charged for dancing shall be regarded as a dance hall: *Provided*, That no license shall be issued without the approval of the major and superintendent of police."

SEC. 10. That paragraph 46 of section 7 of the act of Congress approved July 1, 1902, above referred to, is hereby amended by adding thereto the following:

"Public guides, $5. Any person engaged in showing visitors about the city for a compensation shall be deemed a public guide: *Provided*, That no license shall be issued as a public guide without the approval of the major and superintendent of police."

SEC. 11. That hereafter no deed, except deeds of release, deeds of trust, or other deeds not involving the transfer of title to real estate, shall be recorded among the land records of the District of Columbia unless it is accompanied by a sealed statement, addressed to the assessor of the District of Columbia, giving the information hereinafter referred to; and the recorder of deeds of said District is directed to receive such sealed statement and transmit it to the assessor of said District without breaking the seal.

Said sealed statement shall be made by the grantee and shall be on a form approved by said assessor and shall contain the names of the grantor and grantee, together with their addresses, the full nature of the transaction, together with the true amount of all moneys paid or received; and any other consideration in addition to said moneys shall be given and certified to by the grantee or an authorized agent.

The information contained in the sealed statement shall be regarded as confidential by said assessor and shall be used by him, or by the said board of assistant assessors, for the equalization of assessments of real estate in the District of Columbia in accordance with the requirements of law.

If any such grantee or his authorized agent shall fail to make any statement, or shall make any false statement of the nature of the transaction or as to the amount of money actually involved, he shall be deemed guilty of a misdemeanor and shall be liable to a fine of not less than $5 and not more than $500 for each offense. Such offenses shall be prosecuted in the police court of the District of Columbia in the name of said District by the corporation counsel or any of his assistants.

Mr. JONES of Washington. The bill has been read before and went over on the last call of the calendar at the request of the Senator from Oregon [Mr. MCNARY]. I understand he has looked into the measure and is satisfied that it should pass. It is rather important. Though it makes no substantial change in existing law, it does aid in the administration of the tax law in the District of Columbia. The bill was reported to the Senate without amendment.

Mr. FLETCHER. I would like to inquire of the Senator from Washington whether the bill changes the present plan of collecting taxes. Are we required under the language of the bill to pay in advance? That is what we are doing now. For instance, we are paying half of the 1924 tax in the present month. At least one-half must be paid during the month of May. That is payment in advance. It is rather unusual. In most States, counties, and municipalities the tax is paid after the year has passed. I do not know that I particularly object to this plan, but the provision in section 5 provides that unless the tax is paid within the months when due then a penalty of 1 per cent shall be added.

Mr. JONES of Washington. This bill simply proposes to reenact the existing law. There are certain particulars in which it seeks to improve the administrative features of existing law, but it does not propose to change the law. The report states briefly what the bill does. The first section provides for six assessors instead of five. We are appropriating each year for six in the appropriation bill; so this merely provides in the law for the same number that we have been appropriating for.

Then section 2 of the bill defines who shall be a resident of the District of Columbia, so as to aid in the tax assessment.

Section 3 gives authority to include in the assessment of real estate certain buildings erected after the assessment books have been made up. It is quite important that that should be done.

Section 4 is a reenactment of existing law providing that property shall be assessed at not less than its true value.

Section 5 also reenacts a provision of existing law requiring taxes on real estate to be payable semiannually in the months of November and May of each year.

It does not change the law, but merely reenacts the law as it now stands.

Section 6 provides that returns on personal property shall be made in the month of May in each fiscal year instead of during the month of July, as now provided by law, and that the value of said property shall be taken as of May 1 as a basis of assessment instead of July 1, as now provided by law.

That is simply to aid in the administration of the law.

Mr. FLETCHER. Does the Senator think that is an improvement over the present system?

Mr. JONES of Washington. Yes. The Commissioners of the District of Columbia recommend that, in order to aid in the administration of the law.

Section 7 provides that the board of personal tax appeals shall convene on the first Monday in August of each year instead of convening on the first Monday in January.

That also is to aid in administration.

Section 8 merely continues the present practice of requiring the assessor to deliver to the collector of taxes ledgers kept on a numerical system instead of an alphabetical system.

Section 9 provides for making some minor changes in the license laws, which have been recommended by the major and superintendent of police as necessary to handle the matter of licensing phrenologists and dancing halls.

For instance, a dance hall must pay a certain license and clairvoyants, I think, must pay a certain license.

Section 11 is intended to require information to be given the assessor as to the consideration involved in the transfer of real estate.

The commissioners conclude their letter with this general statement:

The changes proposed in the bill make no radical departure from the provisions of the existing law, but are intended to improve the administration of tax and license matters.

Mr. FLETCHER. I notice in section 10 the bill provides for licensing public guides. Does that refer to guides in the Capitol?

Mr. JONES of Washington. It includes guides all through the District of Columbia.

Mr. OVERMAN. But not in the Capitol Building itself?

Mr. JONES of Washington. Not in the Capitol Building, but throughout the entire District of Columbia.

Mr. FLETCHER. So far as I can see, I think the bill is a very excellent one. It is recommended by the Commissioners of the District and by the committee. I find no fault with the bill. I am, however, a little inclined to think imposing a penalty of 1 per cent, if there is a failure to pay taxes for instance in May, is a little bit harsh.

Mr. JONES of Washington. That is the existing law. We are not proposing to change existing law. I do not know how it is in other States, but, I know that in my own State we used to have a provision of that kind. Such a provision simply encourages the prompt payment of taxes.

Mr. FLETCHER. In such cases there is generally allowed some 30 days leeway, I think, after the expiration of the month in which the tax is due, before the 1 per cent penalty attaches, but here it is proposed that it shall attach immediately on the taxpayer failing to pay during the month of May. In such case there would at once be an added 1 per cent penalty.

Mr. JONES of Washington. That may be changed, of course, in the other House if it shall be thought wise. This, however, is a reenactment of existing law, and we do not propose to change that.

Mr. FLETCHER. I have no objection to the bill.

Mr. KING. Mr. President, may I ask the Senator from Washington a question?

Mr. JONES of Washington. Yes.

Mr. KING. Is it not a little incongruous to have in a tax bill a provision to license theaters, and what not?

Mr. LODGE. And also licensing dancing masters?

Mr. KING. And also licensing dancing masters, and so on. A tax bill is usually a tax bill.

Mr. JONES of Washington. This is a tax bill and a license bill.

Mr. KING. This bill provides for the licensing of dancing masters and circuses, and what not. It seems to me to be rather incongruous. I was wondering if the present law embraced all of those apparently discordant subjects.

Mr. JONES of Washington. Apparently it does. This is a bill proposing to amend sections 5, 6, and 7 of the act of Congress of July 1, 1902, which apparently covers all these subjects.

Mr. KING. However, much of our legislation is illogical and inconsistent.

Mr. LODGE. Mr. President, I offer an amendment to the pending bill.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Massachusetts will be stated.

The READING CLERK. On page 2, line 14, after the word "jurisdiction" and before the colon, it is proposed to insert the following:

or that the assets of a corporation or association represented by shares or certificates constituting such intangible personal property are taxed by the State in which such corporation or association is chartered or organized and in which such person has a legal residence, in lieu of a tax upon such shares or certificates.

Mr. JONES of Washington. I have no objection to that amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Massachusetts [Mr. LODGE]. Without objection, the amendment is agreed to.

Mr. KING. Mr. President, before the amendment shall be finally agreed to, I desire to ask the Senator from Massachusetts, as this is a new amendment and its full significance may not be fully understood by all—at least, it is not by me—if adopted will it have the effect of enabling many of the very rich persons who establish a residence here, sometimes, it is charged, for the purpose of escaping taxation in their respective States in which their real home and residence and domicile are, to escape taxation in the District?

Mr. LODGE. It is required that a person coming under the provisions of the amendment must have a legal residence in another jurisdiction. The object is simply to prevent what I think is a case of double taxation. In some instances persons are taxed on personal property here and taxed also in the States where they live. I have known of such cases, and I think that the amendment will remedy it. At all events it will go to conference.

Mr. KING. I hope the conferees will consider it carefully, because I am told that there exists a great evil in that men who claim residence here pay no taxes upon large personal holdings which may not be here, but decline to pay upon the same holdings in the States where the personal property is upon the ground that their residence is here.

Mr. JONES of Washington. May I suggest to the Senator that this is a Senate bill and that the amendment would have to be considered by a committee of the House and also considered by the House and then we would have an opportunity to consider it further in conference. I did not make objection to the amendment because this is the first time it has been called to my attention and I thought it would have very careful consideration by the committee when it went over to the House, then by the House, and then by the conferees if any amendments were made by the House.

Mr. LODGE. It is designed merely to avoid double taxation, which is imposed in a measure under the existing law.

Mr. DIAL. Mr. President, I think that the amendment is very far-reaching in effect, and I will ask that it go over. I should like to look into it further.

Mr. LODGE. Does the Senator ask that the amendment shall go over?

Mr. DIAL. I mean the whole bill.

The PRESIDENT pro tempore. The bill will go over.

Mr. JONES of Washington. May I ask the Senator from South Carolina if he desires the bill to go over?

Mr. DIAL. Yes; I should like the whole proposition to go over. I did not catch the purport of the amendment until after it was passed upon, and I thought the Senator from Utah asked that it be held up.

Mr. KING. No.

Mr. JONES of Washington. I very much hope that the Senator will let the bill pass.

Mr. DIAL. I ask that the bill may be passed over for the present, until I can have an opportunity to examine it further. The Senator may call it up later perhaps.

Mr. JONES of Washington. Very well, Mr. President. Let it be passed over without prejudice and perhaps we can take the bill up later.

The PRESIDENT pro tempore. What does the Senator from Washington mean by that?

Mr. JONES of Washington. The Senator from South Carolina said he should like to have the bill passed over temporarily with the understanding that we may go back to it if he withdraws his objection.

The PRESIDENT pro tempore. It will be remembered that the bill is in the Senate.

Mr. JONES of Washington. I understand it is in the Senate.

The PRESIDENT pro tempore. And the question is, Shall the bill be engrossed and read a third time?

Mr. JONES of Washington. Very well.

The PRESIDENT pro tempore. The bill will be passed over without prejudice.

Mr. JONES of Washington subsequently said: Mr. President, I understand that the Senator from South Carolina withdraws his objection to the consideration of Senate bill 1786.

Mr. DIAL. Yes, Mr. President. I asked the Senator to explain it to me and he has done so.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

VETERANS' BUREAU HOSPITAL AT CORPUS CHRISTI, TEX.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2100) authorizing the sale of the United States Veterans' Bureau hospital at Corpus Christi, Tex. It authorizes the Director of the United States Veterans' Bureau to have appraised and, after advertisement, to sell to the highest bidder or bidders as a whole or in parcels, in his discretion and on such terms as he deems proper, the United States Veterans' Bureau hospital reservation at Corpus Christi, Tex., and to make, execute, and deliver all needful conveyances; the director shall have the right to reject any and all bids; and the net proceeds of such sale or sales shall be paid into the Treasury of the United States as miscellaneous receipts.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War was announced as next in order.

Mr. KING. Mr. President, that bill will consume considerable time in debate; it can not be considered during the morning hour, and it had better go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Raymon B. Harrison, was announced as next in order.

Mr. KING. I ask that that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

F. J. BELCHER, JR., TRUSTEE

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1014) for the relief of F. J. Belcher, jr., trustee for Ed Fletcher. It directs the Secretary of the Treasury to pay to F. J. Belcher, jr., trustee for the benefit of Ed Fletcher, $21,838, in full payment of damage to lands owned by Ed Fletcher inflicted thereon by the Government while occupying the lands as an Army training camp.

The PRESIDENT pro tempore. The bill has heretofore been read.

Mr. OVERMAN. Mr. President, this bill having been read heretofore, I do not care to have it read again, but I ask the Senator from California to explain it.

Mr. SHORTRIDGE. Mr. President, responding to the request of the Senator from North Carolina, I will say that this bill was introduced at the last session and referred to the committee, was unanimously reported favorably, but failed of passage before the expiration of the Congress. It was reintroduced at this session, referred in a similar manner to the committee, and reported favorably by the committee.

It arises out of these facts: During the war days some twelve thousand and odd acres of land were turned over for the use of the Government at an expense of $1 to the Government. When the war was over and the Government was in the act of restoring the property to the owners it was found, as set out very fully in the report, that there had been rifle pits and trenches and embankments and other necessary preparatory work which resulted in material damage to the property. Those responsible for it, Mr. Belcher, being the trustee, left the whole matter with the Government to determine the amount of damage. The question was referred to a board of Army officers, and they submitted their report, finding that it would cost the amount set forth in the report. Thus far the bill has met with no opposition from any quarter.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL AND JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 1013) for the relief of Gordon G. MacDonald was announced as next in order.

Mr. KING. Mr. President, I shall ask the Senator to let that bill go over. I am sure we can reach an agreement upon a satisfactory form of bill. Bills similar to this have been objected to on a certain principle which I shall not take the trouble to state now.

Mr. SHORTRIDGE. Just for the record's sake, Mr. President, I sincerely hope that we can agree upon an appropriate bill for the relief of this brave soldier who has been permanently injured in the service of his country.

Mr. KING. I agree with the Senator.

Mr. SHORTRIDGE. I do hope we can agree upon it, and that that relief may be speedily given him.

The PRESIDENT pro tempore. The bill will be passed over.

ADJUSTMENT OF ACCOUNTS BETWEEN UNITED STATES AND DISTRICT OF COLUMBIA

The bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with an amendment, on page 3, line 9, after the word "provide," to insert:

Provided, That nothing contained in this act shall be construed to deprive the District of Columbia, as of and on June 30, 1922, in addition to the sum named herein, of credit for the surplus of revenues of said District collected and deposited in the Treasury of the United States during the fiscal year 1922, over and above all appropriations and other charges for that year; or of credit for the unexpended balances of District of Columbia appropriations covered into the surplus fund by warrant of the Secretary of the Treasury issued on June 30, 1922; or of credit for the proportion the District of Columbia may be entitled to of miscellaneous receipts paid directly into the Treasury during the fiscal year 1922; or of credit for the amount erroneously charged against the revenues of the District for the fiscal year 1922 on account of appropriations made by the third deficiency act, fiscal year 1922, approved July 1, 1922, as the amount of said appropriations were charged against the revenues of the District of Columbia for the fiscal year 1923, totaling the sum of $819,373.83, which is included in the total sum of $2,903,219.93 mentioned in line 8, page 2, of this bill, and taken into account in arriving at the net balance of $4,438,154.92, above stated.

Provided further, That the Comptroller General of the United States shall ascertain and determine whether the items mentioned in the preceding proviso were improperly taken into account in arriving at the net balance of $4,438,154.92, and if, and to the extent that, any or all of said items shall be so determined to have been improperly taken into account, the amount thereof shall be added to the said fund of $4,438,154.92 and likewise shall be available permanently in the general account of the District of Columbia for appropriation by the Congress for such purposes as it may from time to time provide: *And provided further*, That the Comptroller General shall submit to the Congress at its next regular session a detailed report of the result of his determination and action as authorized herein.

So as to make the bill read:

Be it enacted, etc., That pursuant to the report of the joint select committee appointed under the provisions of the act entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes," approved June 29, 1922—

(a) There shall be credited to the general account of the District of Columbia required under the provisions of the first paragraph of such act to be kept in the Treasury Department the following sums:

(1) $7,574,416.90, representing the balance in the general fund in the Treasury for such District on June 30, 1922; and

(2) $665.46, representing an adjustment of certain errors; and

(b) There shall be charged to such account the following sums:

(1) $2,903,219.93, representing the District's proportion of unexpended balances of appropriations on June 30, 1922, together with certain obligations and encumbrances accruing after such date;

(2) $191,890.35, representing the District's proportion of the annual bonus paid to certain employees of the District;

(3) $41,500, representing the District's proportion of the cost of additional land for the National Zoological Park; and

(4) $317.16, representing the District's proportion of an amount appropriated by special act of Congress for the relief of Eldred C. Davis.

Such credits and charges to the general accounts of the District of Columbia shall be made without the payment of interest thereon by either the United States or the District of Columbia; and the making of such credits and charges shall be held to be in full satisfaction of all claims and demands either for or against the United States or the District of Columbia in respect to the items involved therein.

The sum of $4,438,154.92, representing the difference between such credits and charges, is hereby made permanently available in such account of the District of Columbia for appropriation by the Congress for such purposes as it may from time to time provide: *Provided*, That nothing contained in this act shall be construed to deprive the District of Columbia, as of and on June 30, 1922, etc.

Mr. PHIPPS. Mr. President, I will state that the amendment is merely for the purpose of clarifying the RECORD, so that the Comptroller General would have the right to revise and correct any errors or omissions that might be found later. The amendment has been read before. It is not material to the purpose of the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND RESOLUTION PASSED OVER

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. REED of Pennsylvania. I ask that that go over.

Mr. GOODING. I was about to ask that the resolution go over, as I am the author of the resolution.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 185) to promote agriculture by stabilizing the price of wheat, was announced as next in order.

Mr. GOODING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

COMPENSATION OF RETIRED WARRANT OFFICERS AND ENLISTED MEN

The bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy, was announced as next in order.

Mr. KING. Let that go over.

Mr. EDGE. Mr. President, will not the Senator from Utah withhold his objection for a moment?

Mr. KING. I will withhold my request for a moment, if the Senator desires. I do not withdraw it, but I am willing to give the Senator a chance to explain the bill.

Mr. EDGE. I appreciate the Senator's courtesy.

This bill, it seems to me, is an eminently fair bill. It simply provides that soldiers or sailors who, because of their service, have earned a certain retired pay or retired consideration, if employed on the Panama Canal Zone—where a policy has been adopted of employing, where possible, retired sailors and soldiers—shall be permitted to receive the retired pay that they have already earned.

The pay they receive on the Canal Zone is the pay which would be paid to any private individual or civilian or any one who might be employed. To deny these men who have served in the Army or the Navy something that they have earned under the laws of the Nation merely because they happen to work on the Canal Zone, when they would be entitled to that pay if they worked for the United States Steel Corporation or any other private industry, seems to me to be indefensible.

If the system of allowing retired pay is an incorrect one, let us repeal it; but it is the law of the land, and we enable men serving in the Army and Navy to secure this pay. After they have retired, under the law, if they go into any private occupation they are permitted to continue to receive that pay. Why should we deny it to them if they work on the Canal Zone, when the Canal Zone authorities prefer that type of employee?

That is all that the bill provides for.

Mr. KING. Mr. President, just a word.

Complaint has been made that a number of persons who have been retired remain upon the Canal Zone and engage in the same occupations or similar pursuits to those which they had before their retirement, getting the same wages that they formerly obtained. It has been claimed by some who do not have the privileges of retirement that it is unfair for those who want positions to be obliged to compete with these retired persons who remain there, many of them not fully competent, but who hold positions, and in addition to the full compensation which they obtain from the Government or from the Canal Zone organization they receive their retired pay from the Government.

In view of the complaints which have been made to me, until further inquiry is made I shall insist upon my objection.

Mr. EDGE. Mr. President, I may say that while I appreciate that the Senator has that power, of course, if he wishes to invoke it, the Secretary of War, as appears in the report on this bill, has absolutely, without qualification, indorsed the bill as a correct measure, simply because this has always been done until on a technical decision of the Comptroller General it was deemed questionable; and this bill was framed for the purpose of straightening out technicalities connected with a situation that had always heretofore prevailed.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

AMENDMENT OF PENAL CODE

The bill (S. 2691) to amend the Penal Code was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

WRITS OF ERROR

The bill (S. 2693) in reference to writs of error was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the word "That," to insert the word "in," so as to make the bill read:

Be it enacted, etc., That the writ of error in cases, civil and criminal, is abolished. All relief which heretofore could be obtained by writ of error shall hereafter be obtainable by appeal.

SEC. 2. That in all cases where an appeal may be taken as of right it shall be taken by serving upon the adverse party or his attorney of record and by filing in the office of the clerk with whom the order appealed from is entered a written notice to the effect that the appellant appeals from the judgment or order or from a specified part thereof. No petition of appeal or allowance of an appeal shall be required: *Provided, however*, That the review of judgments of State courts of last resort shall be petitioned for and allowed in the same form as now provided by law for writs of error to such courts.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, what is the bill under consideration?

The PRESIDENT pro tempore. It is Senate bill 2693.

Mr. WALSH of Montana. Upon whose suggestion was the matter brought before the Senate now?

The PRESIDENT pro tempore. It has been reached on the calendar.

Mr. WALSH of Montana. I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

The bill (S. 112) providing for a comprehensive development of the park and playground system of the National Capital was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments.

The first amendment was to strike out all of section 1 after the enacting clause and to insert in lieu thereof the following:

That to preserve the flow of water in Rock Creek, to prevent pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive, systematic, and continuous development of the park, parkway, and playground system of the National Capital there is hereby constituted a commission, to be known as the National Capital park commission, composed of the Chief of Engineers of the Army, the engineer commissioner of the District of Columbia, the Director of the National Park Service, the Chief of the Forest Service, the officer in charge of public buildings and grounds, and the chairmen of the Committees on Public Buildings and Grounds of the Senate and House of Representatives. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairmen of committees of the succeeding Congress shall be chosen. The officer in charge of public buildings and grounds shall be the executive and disbursing officer of said commission.

Mr. ROBINSON. Mr. President, what is the calendar number of this bill?

The PRESIDENT pro tempore. The bill is Calendar No. 260.

Mr. ROBINSON. I ask for order in the Chamber. I have been trying for some minutes to hear the proceedings, but I am unable to do so. I can not hear Senators who respond to inquiries. I inquire, What is the calendar number?

The PRESIDENT pro tempore. Calendar No. 260.

Mr. ROBINSON. I suggest that the Senator from Delaware make an explanation of the bill. What is the purpose of the bill?

Mr. BALL. Mr. President, this is a bill to create a permanent park commission.

Mr. ROBINSON. Unless some Senator is prepared to explain the bill, I shall have to ask that it go over until I can look into it.

Mr. BALL. I trust that the Senator will not ask that the bill go over. It is a very important bill.

Mr. ROBINSON. Several times I have asked the Senator in charge of the bill to explain briefly its provisions, and he has failed to do so. Perhaps the Senator did not hear me.

Mr. BALL. The bill creates a permanent park commission and authorizes the appropriation of a certain amount of money for the acquisition of additional parks here, within and without

the District of Columbia. Unless something is done, and done immediately, we shall have no Rock Creek Park shortly. All the streams and springs that go to make up Rock Creek have their origin in Maryland. As the country is becoming built up in that section those streams are being drained into the sewers; and if we intend to have any park system at all in Washington, it is very important that this bill should be passed, and passed immediately.

Mr. McKELLAR. Mr. President, may I ask the Senator a question? The taxes the Federal Government will have to pay are $550,000 extra, and those that the city will have to pay are $250,000? Is that the proportion?

Mr. BALL. The rate is the 60-40 rate as provided by law to-day.

Mr. McKELLAR. That would be $600,000 to $400,000 paid for the park system here in the city.

Mr. ROBINSON. Are the commissioners to receive salaries?

Mr. BALL. No. A commission is to be appointed composed of the Chief of Engineers of the Army, the head of the Forest Service, and others. The bill states the membership of the commission. The bill as originally prepared named the Secretary of War, the Secretary of Agriculture, and other officers that are not permanent.

Mr. OVERMAN. How much money is appropriated?

Mr. BALL. The bill appropriates not exceeding 1 cent for each inhabitant of the continental United States at the last census.

Mr. OVERMAN. That is not the question. I asked the Senator how much it appropriates.

Mr. FLETCHER. About $1,000,000 a year.

Mr. BALL. Yes; about $1,000,000 a year.

Mr. LODGE. Mr. President, will the Senator yield to me for a moment? Anyone who is as familiar with Rock Creek Park as I am and have been for many years knows and has observed with great regret that the stream is drying up. It is rapidly being destroyed. It is the most beautiful park, I believe, in the world—the most beautiful public park I have ever seen—because the natural beauty is so great. Part of it is in the State of Maryland; part of it is in the District of Columbia; and unless some very strenuous effort is made that beautiful park will be destroyed.

Mr. OVERMAN. Is the money appropriated, or simply authorized to be appropriated?

Mr. BALL. Authorized.

Mr. FLETCHER. Mr. President, I think myself that the bill is a very important one, and I hope it will pass. It provides that the total cost to the District of Columbia shall be about $750,000 a year for parks. I think it is a very important matter and ought to be passed.

Mr. LODGE. It is very important.

Mr. KING. Mr. President, I want to ask the Senator a question. Does not the Senator think that it would be wiser, knowing the condition just referred to by the Senator from Massachusetts, to make one large appropriation, take one bite at the cherry, instead of a number of bites, and condemn now such land as it may be necessary to condemn, instead of waiting for two or three years, because, as the Senator knows, perhaps land will go up in value and we might get the land more cheaply now than we could in two or three or four years from this time.

Mr. BALL. Provided this bill passes, they can get all the land they need, because they will know just what their income will be from year to year.

Mr. KING. It is very important that some legislation be had, not only to deal with Rock Creek Park but other territory which the District ought to have for park purposes.

Mr. BALL. This includes all the playgrounds for the District as well.

Mr. COPELAND. Mr. President, I trust this bill will pass. It is perfectly amazing how all the cities of the country are growing and increasing in population. The urban population is increasing very much more rapidly than the rural population, and I think we should now take steps to provide in this city places where the people may go and congregate for health and recreation. Certainly it is desirable that this should be done for the sake of the children.

Mr. BALL. I would like to say to the Senator that it is especially important at the present time to pass this legislation on account of the origin of Rock Creek being in Maryland, and all the springs supplying that stream, as fast as houses are built on that property, are turned into sewers, and very soon we shall have no Rock Creek; it will simply be a park with the dry bed of a stream.

Mr. COPELAND. I agree fully with the chairman of the committee that action should be taken for the very reasons he has stated.

Mr. McKELLAR. Mr. President, I want to call the attention of the Senate to the fact that the city of Washington has a tax rate just about one-third the tax rate in my city and probably in the same proportion to the tax rates in the city of each Senator here who has a home in a city. Under these circumstances it seems to me that when it comes to appropriations of this kind the larger appropriation should be made from the revenues of the city. Washington has such a small tax rate in comparison with all the other cities of the country that probably that fact should be given some consideration. I hope that hereafter the committee will give it consideration.

Mr. BALL. I would like to state that it is objections to such bills as this that make the tax rates low. Congress fails to appropriate a reasonable sum, and the commissioners are authorized to fix a rate that will meet the Government appropriations. If the Government will make reasonable appropriations, the tax rate will go up, but if objection is made to every improvement of the city, of course, the commissioners will have no reason to make an increase in the tax rate. Last year the District people gave nearly $2,000,000 more than the Government appropriated. Why increase the rate until we appropriate the money the people already pay in taxes?

Mr. McKELLAR. The proportion appropriated by the Government and the proportion appropriated by the city, perhaps, should be adjusted so as to take care of that matter. I do not want to raise the tax rate in the District. It does seem to me that when these extraordinary improvements are called for, in view of the fact that the tax rate in Washington is just about one-third of what it is in Boston, the city where the Senator from Massachusetts [Mr. LODGE] resides, or the city of New York, where the Senator from New York [Mr. COPELAND] resides, when we consider these matters the District Committee should take into consideration as well the tax rate and the enormous difference in the rates. I believe in being exceedingly liberal toward the city of Washington. I think it is the duty of the country and of Congress to make this one of the most beautiful cities in the world, but I think the fact that Washington has such a low tax rate and that the other cities have such high tax rates should be taken into consideration.

Mr. BALL. Will not the Senator permit this bill to be passed, and will he not bring up the matter of general tax reduction when the appropriation bill comes before us, which provides for that feature?

The PRESIDENT pro tempore. The question is upon agreeing to the amendment inserting a new section in lieu of section 1 in the text.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment.

The READING CLERK. On page 3, line 21, the committee propose to strike out the words "Secretary of the Treasury" and insert in lieu thereof the words "Chief of Engineers of the Army," so as to make the bill read:

Be it enacted, etc., That to preserve the flow of water in Rock Creek, to prevent pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive, systematic, and continuous development of the park, parkway, and playground system of the National Capital, there is hereby constituted a commission, to be known as the National Capital park commission, composed of the Chief of Engineers of the Army, the engineer commissioner of the District of Columbia, the Director of the National Park Service, the Chief of the Forest Service, the officer in charge of public buildings and grounds, and the chairmen of the Committees on Public Buildings and Grounds of the Senate and House of Representatives. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairmen of committees of the succeeding Congress shall be chosen. The officer in charge of public buildings and grounds shall be the executive and disbursing officer of said commission.

SEC. 2. Said commission or a majority thereof is hereby authorized and directed to acquire such lands as in its judgment shall be necessary and desirable in the District of Columbia and adjacent areas in Maryland and Virginia, within the limits of the appropriations made for such purposes, for suitable development of the National Capital park, parkway, and playround system. That said commission is hereby authorized to acquire such lands by purchase when they can be acquired at prices reasonable in the judgment of said commission, otherwise by condemnation proceedings, such proceedings to acquire lands within the District of Columbia to be in accordance with the provisions of the act of Congress approved August 30, 1890, providing a site for the Government Printing Office (U. S. Stat. L. vol. 26, chap. 837), the Chief of Engineers of the Army being, for the purposes of this act, hereby clothed with all the power vested by the said act of August 30, 1890, in the board created by that act. Said commission is hereby authorized to acquire such lands, located in Mary-

land or Virginia, either by purchase or condemnation proceedings, by such arrangements as to acquisition and payment for the lands as it shall determine upon by agreement with the proper officials of the States of Maryland and Virginia. In the selection of lands to be acquired the advice of the Commission of Fine Arts shall be requested. The designation of all lands to be acquired by condemnation, all contract for purchase of lands, and all agreements between said commission and the officials of the States of Maryland and Virginia shall be subject to the approval of the President of the United States.

SEC. 3. That there is authorized to be appropriated, each year hereafter, in the annual District of Columbia appropriation act, a sum not exceeding 1 cent for each inhabitant of the continental United States as determined by the last preceding decennial census, to be available until used, said sum to be used by said commission for the acquisition of the lands herein authorized to be acquired by said commission for the purposes named, the compensation for the land, the expense of surveys, ascertainment of title, condemnation proceedings, if any, and necessary conveyancing to be paid from said appropriations. That three-fourths of all the funds so appropriated shall be used by said commission for the acquisition of lands within the District of Columbia and the funds so used to acquire property within the District shall be paid from the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenses of the District of Columbia. The land so acquired within the District of Columbia shall be a part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army; that areas suitable for playground purposes may, in the discretion of said commission, be assigned to the control of the Commissioners of the District of Columbia for playground purposes. That the land so acquired outside the District of Columbia shall be controlled as determined by agreement between said commission and the proper officers of the States of Maryland and Virginia, such agreements to be subject to the approval of the President.

SEC. 4. Said commission shall report to Congress annually on the first Monday of December the lands acquired during the preceding fiscal year, the method of acquisition, and the cost of each tract. It shall also submit to the Bureau of the Budget on or before September 15 of each year its estimate of the total sum to be appropriated for expenditure under the provisions of this act during the succeeding fiscal year.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

FLAG FOR THE DISTRICT OF COLUMBIA

The bill (S. 2430) to create a commission to procure a design for a flag for the District of Columbia, and for other purposes, was next in order on the calendar, and the Senate resumed its consideration.

The bill proposes to create a commission to procure a design for a distinctive flag for the District of Columbia, the seat of the Capital of the Nation, but in the selection of such design the commission hereby created shall have the advice of the Commission of Fine Arts.

Section 2 provides that the sum of $1,500 be, and the same is hereby, appropriated, out of any money in the Treasury of the United States not otherwise appropriated, to carry out the purposes of this act.

Mr. McKELLAR. Mr. President, section 2 of the bill provides:

> That the sum of $1,500 be, and the same is hereby, appropriated, out of any money in the Treasury of the United States not otherwise appropriated, to carry out the purposes of this act.

That ought to be changed so as to authorize the appropriation.

The PRESIDENT pro tempore. The pending amendment is that offered by the senior Senator from Florida [Mr. FLETCHER], who proposes to strike out "$1,500," and to insert "$500."

Mr. ROBINSON. Mr. President——

Mr. McKELLAR. If that is agreed to, another amendment will be necessary to make it an authorized appropriation, because the District Committee has no authority to appropriate, and the bill proposes to appropriate the money. After it is passed, if it does pass——

Mr. OVERMAN. Why do they have to have any money at all?

Mr. ROBINSON. That is just the question I was about to ask. A commission is created, composed of many of the most distinguished officers of the United States. It is not expected, of course, that any funds shall be paid to them for services performed in connection with this subject.

Mr. McKELLAR. Mr. President, if the Senator will permit me, he remembers that they can put on a man at $125 a month for 12 months.

Mr. ROBINSON. There is no necessity for that.

Mr. McKELLAR. Not a particle.

Mr. ROBINSON. It does seem to me that, while the appropriation is a small one, it should not be necessary to make an appropriation in connection with the selection of a flag for the District of Columbia.

Mr. REED of Missouri. Let them find a Betsy Ross to make a flag.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Florida.

Mr. ROBINSON. I offer a substitute for the amendment of the Senator from Florida. I move to strike out section 2, which incorporates the appropriation.

The PRESIDENT pro tempore. The question then is upon the amendment proposed by the Senator from Arkansas, to strike out section 2.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PRINTING OF REPORT OF FEDERAL TRADE COMMISSION

Mr. RANSDELL. Mr. President, out of order I ask leave to refer to a matter that was brought before the Senate, I think, a week ago to-day. It was a report of the Federal Trade Commission, Senate Document 100. It was in response to Senate Resolution 262, presented by the Senator from South Carolina [Mr. DIAL], and Senate Resolution 429 of the Sixty-seventh Congress, presented by the Senator from Nebraska [Mr. NORRIS].

The Federal Trade Commission made a very elaborate and extremely interesting report on the question of trading in cotton futures. The report was ordered printed, but it seems there were several charts which were not included in the report, and I ask that they be included and printed as a part of the report. I am told that the report would be, not exactly worthless, but certainly very incomplete, if those charts, which are constantly referred to, are not made a part of it.

I also ask that the hearings be printed as a part of the report. I understand that those hearings were very elaborate, that there were present representatives of the cotton trade, exporters, growers, men representing cooperative marketing associations, men representing the cotton futures markets of New Orleans and New York and the interior markets of the country, such as Norfolk, Houston, and so on. There were also a number of cotton merchants present, men like Mr. McFadden and others, and several cotton-mill men. Two of our colleagues, the senior Senator from South Carolina [Mr. SMITH] and the junior Senator from South Carolina [Mr. DIAL], made elaborate arguments. In fact, it was one of the most elaborate hearings I have ever known of, and I understand that every phase of the question was gone into by the Federal Trade Commission, which devoted three complete days to giving it very full hearings.

It seems to me after all of that was done that we ought to have the hearings printed. We have already ordered the report printed, and my present request is to have the charts which accompany the report printed as a part of it, and the hearings printed as a part of it. It will be incomplete without it.

Mr. CARAWAY. Mr. President, I just came in. What is the Senator's request for printing? Is it something in favor of the cotton exchange?

Mr. RANSDELL. Not at all. I do not know whether there is anything in favor of an exchange in it. It was made on the request of the Senator from South Carolina [Mr. DIAL], and he surely is not in favor of the exchanges.

Mr. WADSWORTH. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator from New York will state his point of order.

Mr. WADSWORTH. Is this discussion in order? If not, I ask for the regular order.

The PRESIDENT pro tempore. The regular order is the consideration of the calendar.

Mr. RANSDELL. I move that the report be printed.

The PRESIDENT pro tempore. The Senator from New York demands the regular order. The regular order is the consideration of the calendar. The Secretary will state the next bill on the calendar.

Mr. DIAL subsequently said: Mr. President, a short time ago the Senator from Louisiana [Mr. RANSDELL] asked that certain charts be printed along with a report of the Federal Trade Commission in response to a Senate resolution. The Senator from New York [Mr. WADSWORTH] objected at that time.

Last month when the Federal Trade Commission made its report I did not have time to read the report, nor did I know that there were any charts referred to in the report. I asked consent at that time that the report be printed. I did not ask consent that the tables and charts be printed, because I did not know that they were referred to in the report. Later, I have found that the report would be unintelligible unless the charts were printed along with it. Nor did I ask at that time that the testimony be printed, because I understood that it was voluminous, and I have been as economical as any Senator on the floor, and I thought we would first have the report printed. No doubt all these things should be printed, however, in order that people may understand the subject intelligently, and I join with the Senator from Louisiana now in asking that the report, the charts, and the testimony be printed.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

ADJUSTMENT OF CERTAIN SUGAR TRANSACTIONS

The joint resolution (S. J. Res. 49) authorizing the President to require the United States Sugar Equalization Board (Inc.) to adjust the transaction relating to 3,500 tons of sugar imported from the Argentine Republic was announced as next in order.

Mr. DIAL. Let it go over.

Mr. CARAWAY. Let the joint resolution go over.

Mr. EDGE. Will the Senator from Arkansas withhold his objection until I make a brief statement?

Mr. CARAWAY. I will withhold it, but I will make it again at the end of the Senator's statement.

Mr. EDGE. I know the Senator's sense of fairness will cause him to withhold his objection after he has heard a statement of the facts involved. This is simply to correct a rank injustice to a citizen of the United States, and the Senate of the United States has gone on record two or three times already endeavoring to adjust similar transactions. The facts are very brief. I will state them hurriedly.

Mr. Watson, a citizen of New Jersey, imported under the direction in this case—if the Senator from Arkansas will give me his attention, I would like to have him listen to this statement.

Mr. CARAWAY. The Senator from South Carolina [Mr. DIAL] was the first to object, but I am listening.

Mr. EDGE. I will try to reach both Senators. The sugar was imported by Mr. Watson, of New Jersey, under the direction of and practically under contract with the Department of Justice of the United States. It is thus in a different position than some other cases, bills relating to which passed this body.

I have in my hand a letter from the Department of Justice, addressed to Mr. Watson, under date of June 24, 1920, which reads as follows:

> DEPARTMENT OF JUSTICE,
> *Washington, D. C., June 24, 1920.*
>
> ROBERT A. WATSON, Esq.,
> *Care of the Nafra Co. (Inc.), 120 Broadway, New York.*
>
> DEAR MR. WATSON: This is to confirm our various conversations and in reply to your letters of June 19 and June 23, 1920.
>
> In view of the fact that the sugar requirements of the people of this country are in excess of the supply now available and in order to encourage the importation into this country of foreign sugars you will be permitted to import the sugars mentioned upon the terms set forth in your said letters.
>
> You are further informed that if you carry out the department's requirements as to price and distribution as so set forth no prosecutions under the Lever Act as amended will arise therefrom.
>
> Very truly yours,
>
> ARMIN W. RILEY,
> *Special Assistant to the Attorney General.*

He accepted that agreement with the Government of the United States and sold his sugar as the Government of the United States directed him to sell and at their price to various individuals throughout the country.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

Mr. EDGE. Certainly.

Mr. OVERMAN. Is the Sugar Equalization Board still in existence?

Mr. EDGE. The Sugar Equalization Board is still in existence. Senate Joint Resolution 49 authorizes the President to refer to that board the entire transaction for their adjudication and nothing else. It does not pay the claimant one dollar.

The Government ordered him to distribute the sugar, one order after another, consuming a portion of the importation. The price of sugar went down, as we all know, and then the Government got out from under, and in effect said, "Do what you can with your sugar." He could have sold every pound of his sugar at a big profit if he had been permitted to do so, but, as it was, he sold as they instructed for 2½ per cent profit, as directed by the Department of Justice, up until the time they ceased giving him instructions.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Arkansas?

Mr. EDGE. I yield.

Mr. CARAWAY. I understood the Senator to say this provided no direction to pay. I do not read it that way. I may be in error about it. On page 1, in line 4, it reads:

> That the President is authorized to require the United States Sugar Equalization Board (Inc.) to adjust with Robert A. Watson, of South Orange, N. J., a certain transaction entered into and carried on by said Watson.

On page 2 it reads:

> And to require the said United States Sugar Equalization Board (Inc.) to liquidate and adjust the entire transaction.

Therefore it does require them to pay him whatever they say the proof of loss may show is due, whether they acknowledge they ought to be liable for the loss or not.

Mr. EDGE. It does require the Sugar Equalization Board so to do, provided—and this is what I tried to make clear—the President agrees that it is such a case as should be referred to the Sugar Equalization Board. The resolution only authorizes him to do it if he feels it is a just case; and if so, as the Senator says, it requires the Sugar Equalization Board to pay the amount justly due in the matter.

Mr. CARAWAY. In other words, it takes away from the board any question of whether this falls within the cases that ought to be paid and that the board ought to recognize and pay. It requires them to recognize it as a just claim and to pay whatever might be finally adjudged to be due.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Oregon?

Mr. EDGE. I yield.

Mr. McNARY. Responding to the inquiry of the Senator from Arkansas, the resolution is in the same form as two others that passed the Congress more than a year ago. Judge Glasgow, who was attorney for the Sugar Equalization Board, felt that under the law creating that corporation it had no authority to pay the claims. He suggested this form, that the President be authorized to require, leaving the discretion largely to the President. If after the inquiry and upon their recommendation he felt there was a legal or moral obligation resting against the Government, there should be some authority under the law to pay the indebtedness out of a specific fund realized from profits through the undertakings of the Sugar Equalization Board. That is the reason for the language.

Mr. CARAWAY. I was not present when this particular case was presented. In the cases that were presented, as I now recall, the attorney for the Sugar Board took the position that they were not liable and ought not to pay.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. EDGE. I ask unanimous consent for a few moments more. The bill involves $1,500,000 and practically placed a citizen in bankruptcy, because the Government of the United States, as I briefly explained, took over his business that he had been engaged in for 25 years.

The PRESIDING OFFICER. The Chair will suggest to the Senator that the bill has gone over under objection.

Mr. CARAWAY. I withhold my objection.

The PRESIDING OFFICER. The Senator can move to take it up.

Mr. CARAWAY. I said I would withhold my objection.

The PRESIDING OFFICER. But the Senator from South Carolina [Mr. DIAL] objected.

Mr. EDGE. If the Senator from South Carolina will withhold his objection for a moment, I think the matter can be adjusted.

Mr. DIAL. I shall have to insist on my objection for the present.

The PRESIDING OFFICER. The Senator from South Carolina objects, and the joint resolution will be passed over.

Mr. EDGE subsequently said: Mr. President, a few moments ago when Senate Joint Resolution 49 was reached on the calendar the Senator from South Carolina [Mr. DIAL] objected to its consideration. I understand he is willing to withdraw his objection, and I am under the impression that the brief explanation

I made of the joint resolution at the time will be sufficient. I ask unanimous consent that we return to that measure.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey?

Mr. ROBINSON. The Senator has already made a statement explaining the joint resolution?

Mr. EDGE. I made an explanation which seemed to satisfy the Senator's colleague [Mr. CARAWAY], who asked me a number of questions.

Mr. ROBINSON. I recall some facts relative to the measure, and I myself will not object to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. DIAL. I do not object to immediate consideration, because I believe every Senator ought to have a chance to have his cases heard on the floor of the Senate. I do not think the measure ought to pass, however. I think it ought to be defeated.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution, which was read, as follows:

Resolved, etc., That the President is authorized to require the United States Sugar Equalization Board (Inc.) to adjust with Robert A. Watson, of South Orange, N. J., a certain transaction entered into and carried on by said Watson under the direction of the Department of Justice, which transaction involved the purchase in the Argentine Republic between the 11th day of June, 1920, and the 30th day of June, 1920, of 3,500 tons of Argentine refined sugar, the importation thereof into the United States, and the distribution of the same within the United States, and to require the said United States Sugar Equalization Board (Inc.) to liquidate and adjust the entire transaction in such manner as may be deemed by said board to be equitable and proper in the premises, paying to the said Watson such sums as may be found by said board to represent the actual loss sustained by him in said transaction, and for this purpose the President is authorized to vote or use the stock of the corporation held by him, or otherwise exercise or use his control over the said United States Sugar Equalization Board and its directors, and to continue the said corporation for such time as may be necessary to carry out the intention of this joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

VALIDATION OF PAYMENTS TO ARMY OFFICERS

The bill (S. 2299) to validate the payment of commutation of quarters, heat, and light, under the act of April 16, 1918, and of rental and subsistence allowances under the act of June 10, 1922, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the bill was passed by the Senate on March 28.

Mr. KING. The Senator from Ohio [Mr. FESS] and the Senator from Nebraska [Mr. HOWELL] want to be heard upon the motion. I do not know whether it can be done under the five-minute rule or not.

The PRESIDING OFFICER. Does the Senator from Nebraska desire to be heard on the motion to reconsider?

Mr. HOWELL. If we are limited under the five-minute rule it can not be possibly presented within five minutes, and I suggest that it go over.

The PRESIDING OFFICER. Objection is made and the bill will go over.

Mr. WADSWORTH. I ask the Senator from Nebraska to withdraw his objection for the moment, because I want to make an explanation of the bill and it will take only four or five minutes.

The PRESIDING OFFICER. Does the Senator from Nebraska withhold his objection?

Mr. HOWELL. I withhold it for a few moments.

The PRESIDING OFFICER. The Chair will state that the Senator can renew his objection at any time if he so desires.

Mr. WADSWORTH. Mr. President, the bill passed the Senate in the latter part of March, after explanation by me, and I thought with a full understanding of all the Members of the Senate then present. The next day, or perhaps that evening, the Senator from Utah [Mr. KING] expressed to me the desire that the bill be brought back to the Senate, and I made no objection. It was recalled from the House of Representatives, put back upon the calendar, with the motion to reconsider that is now pending. The Secretary can state upon what date that occurred.

The PRESIDING OFFICER. The Chair is informed that the bill was passed on March 28, and the motion to reconsider was entered on March 31.

Mr. WADSWORTH. Senators will note that the bill reads—

That payment of commutation of quarters, heat, and light under the act approved April 16, 1918 (40 Stat. p. 530), and of rental and subsistence allowances under sections 4, 5, and 6 of the act of June 10, 1922 (42 Stat. p. 627), made in good faith by disbursing officers prior to June 22, 1923, on account of dependents, and without fraud on the part of the payee as determined by the Secretary of War, be, and the same are hereby, validated.

That is a part of the measure. I am going to stress very briefly what has occurred in the matter and then I am going to ask the Secretary to read a letter from a young naval officer.

Senators will recollect that prior to the readjustment of pay in the Army and Navy and related services, the law provided for the payment of commutation of quarters, heat, and light to those officers of the Army and the Navy who were not provided with public quarters and who had dependents such as a wife or a minor child or a dependent mother. The act of April 16, 1918, established that system of commutation for quarters, heat, and light. In accordance with this act, an officer's certificate was prepared and approved by the Comptroller General and accepted by the General Accounting Office, and all vouchers claiming commutation on account of a dependent parent, so supported by this certificate, were passed as settled by the General Accounting Office.

From April 6, 1922, the Comptroller General of the United States ruled in effect that the certificate was not sufficient to establish dependency and required in lieu thereof an affidavit to be executed by the dependent parent, supported by the affidavit of at least one disinterested party having knowledge of the facts. The War Department and the other departments promptly complied and a formal affidavit was prepared, approved by the Comptroller General, and the officers concerned made out their affidavits in accordance with his ruling and were paid from time to time. But that did not seem to suffice.

On June 10, 1922, the pay readjustment act was passed, which abolished the laws authorizing payment of commutation of quarters, heat, and light, and in their stead authorized the payment of rental and subsistence allowance, which is paid to officers under certain conditions not provided with public quarters and who had a dependent wife or minor children or dependent mother. No other relative is included, merely a wife or minor children or a dependent mother.

On July 22, 1922, a month and 10 days later, the Comptroller General issued an improved form of affidavit to be executed by the dependent mother and a disinterested party. This was promptly adopted by the departments concerned. It had been approved by the Comptroller General. The officers had their mothers make out the affidavit and it was supported by the testimony or affidavits of a disinterested party, approved by the Comptroller General, and the officers were paid.

On January 20, 1923, the Comptroller General in a letter to the Secretary of War inclosed approved forms of a certificate for an officer claiming subsistence and rental allowance, and a new form was gotten up by the Comptroller General, adopted by the department, sent out to the officers, and they made their certificates or their affidavits, as the case might be, in accordance with the statute and in accordance with the forms provided by the Comptroller General.

It will be seen, therefore, that in every case the departments have complied and the personnel of the services have complied. Now it turns out that the Comptroller General is endeavoring to collect back from the disbursing officers who have made those payments, since as far back as 1918, in accordance with the statute and in good faith and in accordance with the forms prepared in the Comptroller General's office itself, and is now endeavoring to assert and does assert in fact that many of those payments were illegal——

Mr. SHORTRIDGE. On what ground?

Mr. WADSWORTH. Lack of dependency—and he has to collect from disbursing officers, who have made the payments in good faith and in accordance with the statute, the money which they have disbursed. It will bankrupt several officers.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FLETCHER. Mr. President——

Mr. HOWELL. Just a moment, Mr. President.

Mr. FLETCHER. Mr. President, I think I can allow the Senator to interrupt me and to use my five minutes.

Mr. WADSWORTH. Mr. President, will the Senator yield to me for a question?

Mr. FLETCHER. I yield to the Senator.

Mr. WADSWORTH. Would the Senator like to hear read here in the Senate a letter addressed by a young naval officer to the Secretary of the Navy describing what has been going on?

Mr. FLETCHER. I should, and I ask that that letter may be read by the Secretary.

Mr. WADSWORTH. I desire to have read the portion of the letter which is bracketed, beginning at the middle of the first page.

The PRESIDING OFFICER. The Secretary will read as requested.

Mr. WADSWORTH. I hope Senators will listen to the reading.

The reading clerk read as follows:

1. It is desired to invite the attention of the Secretary of the Navy to certain personal financial affairs. I drew the allowance for "dependent mother" up to August 30, 1923, on which date I was married and changed dependency to "lawful wife."

2. My mother is a widow, living in Danville, Ill. My father died in January, 1920. My mother has been for 10 years in such poor health as to be a semi-invalid. Her age is 58 years. She was, and is, unable to work or support herself on account of her age and poor health. Living with her, and dependent on her, and therefore on me, for support, was her invalid aged mother, aged 79 years, who was entirely bedridden and helpless. My mother had two children besides myself, both girls, one aged 15 years and one aged 20. The younger was dependent, and a student at high school. The older was a student at college, working her way, and helped by contributions from me.

3. The sole, total, and only income of my mother was $24 per month from the rent of a dwelling house (value $4,200, mortgage of $2,600). This house was left by my father to my mother and her three children, jointly. She had no stocks, bonds, or any other property except household goods, worth perhaps $75, and her sole income was therefore $8 per month, the one-third share of rent mentioned (widow's one-third dower right).

4. I drew the allowance for dependent mother, and supported my mother, grandmother, and two sisters. My younger sister continued dependent in school. My eldest sister graduated from college and obtained a position teaching school at $60 per month, in another city, which was barely enough to support her. My claim for allowance for dependent mother is therefore easily seen to be just, clean-cut, and incontrovertible.

5. In June, 1922, commenced a series of checkages by the Comptroller General, four in all. In each case I produced affidavits and evidence substantiating my claim and, after some delay, the checkages were remitted. During the past four years I have obtained from my mother no less than 45 sworn affidavits. I have turned in to each paymaster carrying my account no less than two and sometimes three each quarter. I have forwarded 10 direct to the General Accounting Office. I was compelled to make two trips to Washington to appear in person at the General Accounting Office and hasten the remission of checkages, in order that I might not have to borrow money on a personal note for my expenses. I have had my mother make out sworn affidavits of every conceivable form, and of each successive variety, as it came out, thus compelling her to expose her most intimate financial expenditures and itemization of her living expenses.

6. On August 30, 1923, I was married. My marriage had been delayed 18 months on account of the constant threat of ruinous checkage by the Comptroller General. My wife and I occupy a very small two-room "court" apartment, for which we are compelled, by the high-cost situation in New York City, to pay $100 per month, unfurnished. We furnished this apartment by buying second-hand furniture at auction sales. My wife has no income or money of her own and our sole income consists of my pay. We own no automobile. We keep no servant, and the entire housekeeping work, cooking, washing, sewing, etc., is done by my wife. My pay is sufficient only for our bare living expenses. Our amusements are of the simplest and do not include any expensive theaters or restaurants. My pay barely covers rent, food, clothes, school expenses, insurance, savings, and medical attention for my wife.

7. Last month I received another letter from the Comptroller General threatening checkages unless I furnished new and more detailed affidavits from my mother for 1922. During the year 1922 I furnished him with every form of affidavit then extant. It is an outrage to have to ask my mother to make out more sworn affidavits for a period of two years ago and to try to remember her living expenses for that time. To-day I have received another letter demanding immediate information as to my father's exact income for 1919, the year before he died.

8. The attention of the Secretary of the Navy is invited to the humiliating, outrageous, and unreasonable demands of the Comptroller General. The situation has become intolerable, due to anxiety over threats of new checkages. A further checkage would mean financial ruin for me, as I would have to attempt to meet it by borrowing money from some bank on a personal note. My interest and pride in the Naval Service of the United States has always been of the highest order, but I can not but admit that this constant persecution and threat of pay checkage is the most excellent destroyer of morale which could be devised.

9. It is respectfully requested that the Secretary of the Navy inform me if there is any hope of relief from this humiliating condition.

The PRESIDING OFFICER. The bill has gone over under objection; but the Chair desires to say that this bill has passed the Senate and is simply here on a motion to reconsider. It was taken from the calendar, and, while it is noted on the calendar, the Chair is of the opinion that it is not a bill which comes up under the rule providing for the call of the calendar.

Mr. HOWELL. Mr. President, I ask unanimous consent to use just five minutes in order to make a statement so that Senators who are present may more fully understand what this bill means.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent to proceed for five minutes in the discussion of this bill. Is there objection? The Chair hears none, and the Senator from Nebraska will proceed.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I will.

Mr. KING. I wish to say to the Senator from New York that, speaking for myself, I shall join with him in trying to have early disposition made of this bill.

Mr. WADSWORTH. I thank the Senator.

Mr. HOWELL. Mr. President, I have no desire to delay this matter, and I should have been glad if it could have come up before.

This bill is not for the purpose of relieving disbursing officers but it is for the purpose of relieving Army officers who have made claims of dependency which the facts do not support. The effect of the bill, if passed, would be to attack the Budget and accounting system and transfer the visé of those accounts from the Auditor General to the Secretary of the Navy and the Secretary of War. It must be evident that neither officer can handle those accounts, but they will be turned over to Army officers and naval officers to be passed upon in detail.

Now, what are the facts? For the first time in the history of this Government in 1916 or 1917 Congress authorized allowance for quarters in the case of a dependent mother. As to whether the mother was dependent or not was a question of fact. Hundreds of officers sent in certificates of dependency where there was no dependency. There are now more than 200 or 300 officers who are paying back the money they obtained through misunderstanding. Single officers have paid back as much as $2,600, and if this bill shall be passed it will relieve every one of those officers and return to them the money they have returned to the Treasury.

It is stated here that there are some pitiful cases. Now, let me cite the Senate a case where the Comptroller General refused to make an allowance. The Comptroller General has refused, for instance, to remove the charge in the case of a major who certified that his mother was dependent upon him for more than half of her reasonable living. It was subsequently shown that she owned the home in which she resided, which was valued at $11,875; that she had $3,500 invested in real estate, $7,500 in bonds, $2,500 in bank stock, $275 in notes, and $1,600 in bank deposits; and yet this major certified that she was dependent upon him.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from New York?

Mr. HOWELL. I yield.

Mr. WADSWORTH. What was the yield from that woman's investments?

Mr. HOWELL. I can not give the yield, but if she will transform that property into an annuity, it will afford her a larger annuity than we allow to employees of the Government who are retired. It was not intended by Congress under the action taken a few years ago, which was the first time in the history of the Government that such a thing was done, to afford quarters and light and heat to some one who had property.

Mr. WADSWORTH. Will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield further to the Senator from New York?

Mr. HOWELL. I do.

Mr. WADSWORTH. Does it make no difference whether or not the property is an income-producing property?

Mr. HOWELL. Just a moment.

Mr. WADSWORTH. I think I know about the case to which the Senator has referred, or one almost exactly like it. The property is a Virginia farm which produces nothing to the mother. She lives there where she has lived all her years.

Mr. HOWELL. Now let me give another case.

Mr. WADSWORTH. The farm itself does not pay, but the comptroller says let her sell the farm and get an annuity.

Mr. HOWELL. Here is a case of a captain: The mother owned real estate of the value of $4,100, tangible personal property of the value of $1,600, intangible personal property of the value of $6,000, and received a pension from the United States of $24 a month. He claimed a dependency in that case.

Here is another case of a lieutenant colonel whose mother owned real estate to the value of $11,600 and was possessed of intangible personal property of a value of $20,900.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HOWELL. I merely want Senators to understand what this bill means.

The PRESIDING OFFICER. The Secretary will proceed with the call of the calendar.

Mr. WADSWORTH. Mr. President, I inquire if the motion to reconsider is pressed.

The PRESIDING OFFICER. The Chair understands that there is objection to the consideration of the matter.

Mr. HOWELL. I object to consideration.

Mr. KING. The Chair stated that under the rule the measure was not in order at this time.

WAR FINANCE CORPORATION LOANS

Mr. GOODING. Mr. President, I rise to a question of personal privilege. Some time in April the New York World printed an article in which they charged that the War Finance Corporation had dealt unfairly with the farmers of Idaho and that I had been shown favoritism. I considered the charges so serious that I introduced a resolution on the 10th of April asking for an investigation of the charges that appeared in the New York newspaper. I now ask, Mr. President, the status of that resolution, it being Senate Resolution 208, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FESS. Mr. President, in the absence of the chairman of the committee I beg leave to state for the committee in answer to the inquiry of the Senator from Idaho, that the committee considered the resolution and addressed a communication to the War Finance Corporation requesting it to give information as to the loans made in the State of Idaho. That information came to us. It is quite fully set out by a member of the War Finance Corporation. I think every member of the committee agreed that the statement was so complete in exoneration of the charges made by the press against the Senator from Idaho that no action was necessary in the way of investigation.

I ask unanimous consent that the facts stated by the War Finance Corporation be read at this time. I think that will satisfy the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Ohio asks unanimous consent that a communication shall be read from the desk. Is there objection? The Chair hears none, and the Secretary will read as requested.

Mr. FESS. I will state, in addition, that unless the Senate thinks it is worth while to go on with the matter after this communication is read, we should prefer to drop the matter entirely, as we believe further action is not warranted.

The PRESIDING OFFICER. The Secretary will read the communication.

The principal clerk read as follows:

WAR FINANCE CORPORATION,
Washington, April 29, 1924.

Hon. SIMEON D. FESS,
Chairman the Committee to Audit and Control the Contingent Expenses of the Senate, United States Senate.

MY DEAR SENATOR: In accordance with your request, I take pleasure in giving you the following information concerning the operations of the War Finance Corporation in the State of Idaho:

To and including March 31, 1924, the War Finance Corporation made advances for agricultural and livestock purposes totaling $5,463,921.50 through banking and financing institutions and livestock loan companies in Idaho. Of this amount, $1,073,475.97 was advanced through 28 banking and financing institutions and $4,390,445.53 through 7 livestock loan companies. These advances were based upon the collateral notes of approximately 2,357 farmers and stockmen. In the case of the loans through banking and financing institutions, there were approximately 1,168 collateral notes averaging $1,450 each, and in the case of loans through livestock loan companies there were approximately 1,189 notes averaging $4,760 each.

The repayments to March 31 totaled $4,181,353.51, of which $954,590.92 was repaid by banking and financing institutions and $3,226,762.59 was repaid by livestock loan companies, leaving a total balance outstanding of $1,282,567.99—$118,885.05 from banking and financing institutions and $1,163,682.94 from livestock loan companies.

In addition to the above advances the corporation made loans totaling $1,573,420 through livestock loan companies in Oregon and Utah on the basis of the collateral notes of stockmen located in Idaho.

Specific inquiry has been made as to the North Side Livestock Loan Co. of Jerome, the Southeastern Livestock Loan Co. of Blackfoot, and the Idaho Agricultural Loan Co. of Pocatello, with request for information concerning the advances made by the corporation through them.

In the case of the North Side Livestock Loan Co., the corporation's advances totaled $226,648.84, of which $109,098.50 had been repaid on March 31, leaving a balance outstanding of $117,550.34. These advances were based upon the collateral notes of approximately 281 farmers or stockmen, averaging $850 each.

In the case of the Southeastern Livestock Loan Co., the corporation's advances totaled $1,891,987.37, of which $1,131,544.13 had been repaid to March 31, 1924, leaving a balance outstanding of $760,443.24. These advances were based upon the collateral notes of approximately 655 farmers and stockmen, averaging $4,400 each.

In the case of the Idaho Agricultural Loan Co., the corporation's advances totaled $275,737, all of which has been repaid. These advances, so far as we can ascertain from our records here, provided financing for between 400 and 500 farmers in amounts averaging about $750 each.

Very truly yours, F. W. MONDELL, *Director.*

Mr. FESS. Mr. President, I have here also a telegram which I should like to have read.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the telegram will be read.

The principal clerk read as follows:

GOODING, IDAHO, *April 12, 1924.*

Senator F. R. GOODING,
Senate Office Building, Washington, D. C.:

North Side Loan Co. made total $226,648 loans through War Finance during its existence. Has loaned money on 4,500 cows and great number of small bunches ranch sheep. Banks on tract have loaned about same amount in addition. Have increased production of butterfat on tract in past three years from one hundred fifty thousand to six hundred fifty thousand annually. Every small farmer in these three counties taken care of who made application and had proper security.

JOHN THOMAS.

Mr. FESS. Mr. President, the committee thought those facts, coming from the War Finance Corporation, were so conclusive that we were not justified in going on with an investigation that would entail considerable time and could not establish anything more definite than these facts. I think the Senator from Idaho will agree with us that there is not a scintilla of basis for the charge that was made, especially that which pertained to him, and therefore we thought it unwise to go further into the matter.

Mr. GOODING. Mr. President, I want the Senate to be the judge of that. I felt and know that the War Finance Corporation has filled a great place in this country in bridging it over a very dangerous condition. In my State the corporation has been a mighty factor in assisting agriculture, and I am sure that early in the existence of the War Finance Corporation I gave more time in urging them to do something for agriculture than I did in connection with any other one subject.

The banks in which I am interested have put up equally as much money as the War Finance Corporation in helping agriculture in the three counties in which they are located. The attack was so unfair and unjust and unreasonable that I felt that it was my duty to call the attention of the Senate to it.

I have here an editorial appearing in another New York paper that I ask to have printed in the RECORD. I shall not ask to have it read at this time, but some time in the future I shall feel called upon to pay some attention to it. It is from the Journal of Commerce and Commercial Bulletin of New York.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho? The Chair hears none, and the editorial will be printed in the RECORD.

The matter referred to is as follows:

[From the New York Journal of Commerce and Commercial Bulletin of Saturday, April 12, 1924]

SENATORIAL FINANCE

It is fortunate that the resolutions passed by the Idaho grange demanding an investigation into the loans made by the War Finance Corporation come at this time. They give Congress, as well as the farmers of the western States, opportunity for profitable meditation on this whole subject of governmental subsidies to special interests. It does not matter in the least whether Senators GOODING and STANFIELD and their friends secured loans in excess of $1,000,000 as reported by

the World investigator. At any rate, GOODING and his brothers seem to have obtained $167,000 in 1921 and 1922, as loans, later repaid. It is very evident in any case, in spite of the secrecy that has surrounded the operations of the War Finance Corporation, that the Government money did not primarily assist the small farmer and livestock grower who had expected to benefit.

Naturally the banks and cattle loan companies which were the direct recipients of the Government funds unloaded their frozen assets upon the Government institution and advanced the proceeds of the Government loans to the big borrowers in whose operations they were largely and intimately involved. There is no necessary impropriety associated with this loan distribution. The small man whose access to banks and ability to borrow is severely limited can never hope to derive any particular benefit from Government loans, advanced, as they have to be, in indirect fashion through the medium of the existing credit mechanism. The advantage inures to the bankers and to their rich borrowers.

Finally, the grange members of Idaho wake up to protest, but still they do not see that their complaint is misplaced. They appear to want to punish somebody for some offense, but they still refuse to recognize that the offense against justice and fair play lies in the very existence of subsidized Government schemes to obtain cheap credit and high prices for farm products.

Since Senator GOODING and his business associates are reported to own a large share of the sheep of their own State they naturally and necessarily obtain the lion's share of the loans which the Government generously hands out to relieve the necessities of farmers and livestock growers. These loans come to GOODING and his kind just as naturally and as inevitably as do the profits from the wool off the backs of his sheep, whose selling price is multiplied by the protective duties upon which he and his colleagues insist.

If the Gooding bill, designed to benefit the shippers of the Intermountain States by destructive amendments to the long and short haul clauses of the interstate commerce act, should pass, Senator GOODING'S business interests will be given further legislative assistance in their struggle for existence. The expense to the railroads and to the public at large involved in a measure calculated to disrupt existing rate structures and to prevent the railways from competing with water routes makes no appeal to the Gooding group of interests, because they live in a region with deficient rainfall and are not interested in the transportation problems of the coastal communities.

Possibly Senator GOODING will be so distracted by his attempts to explain how disinterested he is that he will have no time left to push his favorite measures. If so, the plaintive grange members of Idaho will have done their fellow countrymen an inestimable service.

Mr. FLETCHER. Mr. President, I was unable, on account of some noise, to hear the opening statement of the Senator. Did he state which one of these societies, whether the North Side or the Southeastern, or which one of these organizations he was interested in or connected with?

Mr. GOODING. I was not interested in any of them at all; but the North Side organization, the Jerome organization, is located in a county adjoining Gooding County, and the banker interested in and helping to form that corporation is the president of the bank of which I am a director. He, together with a Mr. Sheppard, was very active in organizing this corporation, which brought about a condition in my county, in Jerome County, and in Lincoln County that practically saved agriculture in those three counties, bringing about conditions which made it possible for them to receive loans and put into those counties something like 4,500 dairy cows and a number of small bands of sheep. Every farmer in those three counties who applied for assistance, and who could give proper security, was taken care of.

Mr. ROBINSON. Mr. President, what action is it proposed shall be taken respecting the resolution offered by the Senator from Idaho [Mr. GOODING]?

The PRESIDING OFFICER. No action is proposed to the Senate at the present time, except that the Senator from Ohio [Mr. FESS] announced that the committee felt that they should not report the resolution after having his letter read from the War Finance Corporation.

Mr. ROBINSON. The Committee to Audit and Control the Contingent Expenses of the Senate received the resolution on the 10th day of April, and apparently it has itself made some sort of investigation into the facts or issues involved in the resolution.

The PRESIDING OFFICER. The Chair will state to the Senator from Arkansas that the Senator from Ohio had read, as an explanation of why the committee had not acted, a letter from the War Finance Corporation explaining the situation fully.

Mr. ROBINSON. I was just about to say that the Senator from Idaho [Mr. GOODING] felt justified in presenting to the Senate a resolution which called for an investigation of charges made against him in a metropolitan newspaper. In presenting the resolution the Senator was entirely within his rights. The Senator is entitled and the Senate is entitled to have action taken upon the resolution. It is rather an extraordinary course that the Committee to Audit and Control the Contingent Expenses of the Senate has taken. That committee usually reports resolutions of this character and permits investigations to proceed.

Here is a case where a Senator himself has asked that charges against him be investigated—charges that affect his good faith and which involve transactions with a department of the Government. It would seem that the proper thing for the Committee to Audit and Control the Contingent Expenses of the Senate to do is to report to the Senate the resolution of the Senator from Idaho [Mr. GOODING]; and if he desires it done or any other Senator desires it done the resolution should go to another committee, and the investigation requested by the Senator from Idaho should be authorized.

It is a very extraordinary proceeding, and it ought not to be satisfactory to the Senator from Idaho himself, for the Committee to Audit and Control the Contingent Expenses of the Senate to procure from the War Finance Corporation a statement of facts relative to the matter, have that read to the Senate, and say that in view of that statement it does not propose to pursue the matter further or to give the Senate the opportunity of ascertaining the facts, or to give the Senator from Idaho the advantage of the investigtaion that his resolution seeks.

Mr. GOODING. Mr. President, I hope my position will not be misunderstood. I want the Senate to know that I court investigation.

Mr. ROBINSON. That is my understanding.

Mr. GOODING. The Senator is correct in his understanding.

Mr. ROBINSON. Then I move that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged from the further consideration of Senate Resolution 208.

Mr. EDGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Ernst	King	Sheppard
Ashurst	Fernald	Ladd	Shields
Ball	Ferris	Lodge	Shipstead
Borah	Fess	McKellar	Shortridge
Brandegee	Fletcher	McKinley	Simmons
Brookhart	Frazier	McLean	Smith
Broussard	George	McNary	Smoot
Bruce	Gooding	Mayfield	Spencer
Butler	Hale	Moses	Stanfield
Cameron	Harreld	Neely	Stephens
Capper	Harris	Norbeck	Sterling
Caraway	Harrison	Norris	Swanson
Copeland	Heflin	Oddie	Underwood
Cummins	Howell	Overman	Wadsworth
Curtis	Johnson, Calif.	Pepper	Walsh, Mass.
Dale	Johnson, Minn.	Phipps	Walsh, Mont.
Dial	Jones, N. Mex.	Pittman	Warren
Dill	Jones, Wash.	Ransdell	Watson
Edge	Kendrick	Reed, Mo.	Weller
Edwards	Keyes	Robinson	Willis

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

The Chair will have to hold that the motion of the Senator from Arkansas is not in order at this time, but it can be entered and be considered as pending.

Mr. ROBINSON. Very well, Mr. President, I give notice that unless the committee shall report the resolution back to the Senate for such action as the Senate may see fit to take, I shall move to discharge the committee.

The PRESIDING OFFICER. The next bill on the calendar will be stated.

FLORENCE PROUD

The bill (S. 1017) for the relief of Florence Proud was announced as next in order and was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 5, to insert the words "out of any money in the Treasury not otherwise appropriated," so as to make the bill read:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Florence Proud, widow of Thomas Proud, formerly a carpenter employed in the construction of the Coast Artillery cantonment, Fort Winfield Scott, Calif., and who was killed while inside the Fort Scott Reservation, the sum of $5,000.

The amendment was agreed to.

Mr. DIAL. Mr. President, in connection with this particular bill, I see that the amount of $5,000 is proposed to be appropriated for Florence Proud, widow of Thomas Proud, deceased. This is a very unfortunate case. I have read the report and it seems the man's death was purely the result of an accident which could not have been avoided, and that the deceased did not bring about his own injury, and perhaps the Government ought to pay the claim. I am not very much in favor of the payment of claims arising in tort, but while I do not object to a payment, I do not know about the amount, although the committee must have studied the case pretty thoroughly. It does seem to me that the words on line 5 "to Florence Proud, widow," should be stricken out and the words "the heirs at law" should be inserted in lieu thereof. I do not see anything in the testimony or the report which shows that Thomas Proud did not have children. If he had children, minor children particularly, they should share along with the widow, and I move to amend by striking out the words to which I have referred, to wit "Florence Proud, widow," inserting in lieu thereof the words "the heirs at law."

The PRESIDING OFFICER. The Senator from South Carolina proposes an amendment, which the Secretary will report.

The READING CLERK. On page 1, line 5, the Senator from South Carolina moves to strike out the words "Florence Proud, widow" and to insert in lieu thereof the words "the heirs at law," so that it will read "to the heirs at law of Thomas Proud, deceased."

Mr. SHORTRIDGE. Mr. President, addressing myself immediately to the Senator from South Carolina, I hope he will not insist upon that amendment. According to my information this money is to go to a very old lady, who is really in financial distress. That fact has been developed, although it may not appear so in terms in the printed report. I believe there was a son, but it is designed by this measure to make the payment applicable to and immediately for her. I can not imagine any controversy that would ever arise between this old mother and the surviving son, of whom, in point of fact, I know nothing beyond what I have just stated. I hope the Senator will not insist upon the amendment.

Mr. DIAL. Is he a minor son?

Mr. SHORTRIDGE. I should infer not, from the lady's late letter to me, in which she writes:

> It was six years ago yesterday that my dear husband was laid away, and it has been a very hard time for me, as I am no longer young, but with the help of God I have never failed to do the best I had the strength to do, and have managed to keep up as much of the time as I could in spite of poor health.

Mr. DIAL. I sympathize deeply with the widow, but the point I am making is that the payment should be a complete bar against any claim against the Government, and if it refers only to the widow, perhaps the son might come in and say the Government ought to pay him. I will leave it to the discretion of the Senate. I think when a bill is drawn, it should be drawn properly and complete.

Mr. SHORTRIDGE. I can not state positively that the son is alive, though I infer that he is.

Mr. REED of Missouri. Is the widow very old?

Mr. SHORTRIDGE. Yes; she is an old woman.

Mr. REED of Missouri. Then she can not have a minor son.

Mr. SHORTRIDE. She can not have a minor son, in all human probability.

Mr. DIAL. As an heir-at-law she would get her proportionate share. I will leave the matter to the Senate.

Mr. SHORTRIDGE. I respectfully ask Senators not to adopt the amendment.

The PRESIDING OFFICER. The question is upon agreeing to the amendment offered by the Senator from South Carolina.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE FOREST SERVICE AND REFORESTATION

The bill (S. 2149) to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation, was announced as next in order.

The PRESIDING OFFICER. The Secretary calls my attention to the fact that this bill was passed once, and then the vote by which it was passed was reconsidered.

Mr. ROBINSON. Mr. President, I suggest that the Senator reporting the bill make a brief statement in explanation of it.

TAX REDUCTION

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The PRESIDING OFFICER. What amendment does the chairman of the committee desire to take up next?

Mr. SMOOT. On page 239, under Title X—Board of tax appeals, there are two amendments that were not agreed to. The first is on page 239 and the next on page 240. I will say to the Senator from North Carolina [Mr. SIMMONS] that they are merely for clarification and it is really only a matter of form to agree to them. The main question was disposed of the other day in making tax returns public.

Mr. SIMMONS. Does the Senator object to the terms of the amendment?

Mr. SMOOT. Oh, no. It is just to complete the record. I want to have the two amendments agreed to.

Mr. SIMMONS. I do not suppose there is any opposition to them, but I would like to know what the amendments are.

The PRESIDING OFFICER. The Secretary will report the amendment of the committee on page 239.

The READING CLERK. On page 239 the committee proposes to strike out lines 7 to 13, in the following words: "(f) Any member of the board may administer oaths, examine witnesses, and require, by subpœna, the attendance and testimony of witnesses and the production of all necessary books, papers, and documents. The attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing," and to insert in lieu thereof:

> (i) For the efficient administration of the functions vested in the board or any division thereof, any member of the board may administer oaths, examine witnesses, and require, by subpœna ordered by the board or any division thereof and signed by the member, (1) the attendance and testimony of witnesses and the production of all necessary returns, books, papers, documents, correspondence, and other evidence from any place in the United States at any designated place of hearing, (2) the taking of a deposition before any designated individual competent to administer oaths under this act, and (3) the answer in writing under oath to any question of fact submitted. In the case of a deposition the testimony shall be reduced to writing by the individual taking the deposition, or under his direction, and shall then be subscribed by the deponent. Any witnesses summoned or whose deposition is taken under this subdivision shall be paid the same fees and mileage as are paid witnesses in the courts of the United States.

Mr. SIMMONS. I have no objection to the amendment.

Mr. REED of Missouri. I think I ought to say to the Senator from Utah that while I am not going to object to the particular amendment about to be agreed to at this time, I intend to introduce a substitute for the entire scheme.

Mr. SMOOT. I understand that the Senator has that in mind.

Mr. REED of Missouri. I take it that the parliamentary situation is not going to be such that if the amendment is agreed to at this time the subject matter can not be taken up by an amendment to strike it all out and insert.

Mr. SMOOT. I assure the Senator it will not be, if he wants to offer a substitute later.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The amendment on page 240 will be stated.

The READING CLERK. On age 240 the committee proposes to strike out, in lines 11 to 23, the following words: "(h) The members and employees assigned to the board, in addition to their compensation, shall receive their necessary traveling expenses and actual expenses incurred for subsistence while traveling on duty and away from their designated stations, in an amount not to exceed $7 per day. The expenditures of the board, including the expenditures for salaries, expenses of transportation and for maintenance, witness fees, rent (where suitable quarters are not available), printing and binding, and contingent and miscellaneous expenses, shall be allowed and paid upon the presentation of itemized vouchers thereof, approved by the board and signed by the chairman, out of any appropriation available for the collection of internal revenue taxes," and to insert in lieu thereof:

> (k) The members and employees of the board and employees assigned thereto shall receive their necessary traveling expenses and their actual expenses incurred for subsistence while traveling on duty and away from their designated stations in an amount not to exceed $7 per day in the case of members and $4 per day in the case of employees. The board is authorized, in accordance with the civil service laws, to appoint and, in accordance with the classification act of 1923, to fix the compensation of such employees and to make such expenditures, including expenditures for personal services and rent at the seat of government and elsewhere, and for law books, books of reference, and periodicals, as may be necessary efficiently to execute the functions vested in the board in case such assistants and such expenditures are not suitably provided for by the Secretary under subdivision (j). All expenditures of the board shall be allowed and paid upon the presentation of itemized vouchers therefor, signed by the chairman, out of any moneys appropriated for the collection of internal-revenue taxes and allotted to the board, or out of any moneys specifically appropriated for the purposes of the board. The board shall be an independent agency in the executive branch of the Government.

Mr. SMOOT. I will explain that under the House provision for subsistence while traveling there was a straight $7 per day allowance for members of the board and also for employees. By the amendment we provide that $7 a day subsistence shall be paid in the case of members of the board and $4 per day in the case of employees, to conform to provisions applying to all other employees of the different departments of the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMOOT. Now, I ask that we may return to the normal-tax provision on page 31 of the bill.

Mr. SIMMONS. If the Senator will pardon me, in the substitute which I offered for the so-called Mellon surtax rate, a mistake was made with reference to the place in the bill where the amendment should apply. The amendment as offered reads that it is to be inserted on page 31. It should be page 38. It reads "beginning with line 14" and it should read "beginning with line 9."

Mr. SMOOT. In other words, the amendment is a substitute for the committee amendment rather than a substitute for the House text?

Mr. SIMMONS. Yes. My understanding is that the Senator from New Mexico [Mr. JONES] desires to present some views to the Senate this morning and he is temporarily absent. I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Ferris	Lodge	Simmons
Borah	Fess	McKellar	Smith
Brookhart	Fletcher	McKinley	Smoot
Broussard	Frazier	McLean	Spencer
Bruce	George	McNary	Stanfield
Bursum	Gooding	Mayfield	Stanley
Cameron	Hale	Moses	Stephens
Capper	Harris	Neely	Sterling
Caraway	Harrison	Norbeck	Swanson
Colt	Heflin	Norris	Underwood
Copeland	Howell	Oddie	Walsh, Mont.
Curtis	Johnson, Calif.	Overman	Warren
Dale	Johnson, Minn.	Pepper	Watson
Dial	Jones, N. Mex.	Ransdell	Weller
Dill	Jones, Wash.	Reed, Mo.	Wheeler
Edge	Kendrick	Reed, Pa.	Willis
Edwards	Keyes	Robinson	
Ernst	King	Sheppard	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

PRINTING OF FEDERAL TRADE COMMISSION REPORTS

Mr. NORRIS. Mr. President, I want to take this opportunity of calling to the attention of the Senate the appropriation for printing for the Federal Trade Commission. I particularly invite the attention of the Senator from Wyoming [Mr. WARREN] and the Senator from Utah [Mr. SMOOT] to what I say.

Some time ago I introduced a resolution which was brought about by some investigations which the Committee on Agriculture and Forestry were making in regard to the price of wheat that the purchaser has to pay, the price of bread the consumer has to pay, and the price of flour that is the raw product of the baker. I did this after the Committee on Agriculture and Forestry had made a partial investigation and with a view of getting some information which we thought would be valuable for us as well as for the general public and the Senate. I introduced a resolution directing the Federal Trade Commission to make an investigation and report the facts to the Senate. That resolution the Senate passed unanimously, and the work was taken up by the Federal Trade Commission.

On Saturday last, having completed the work, they made their report to the Senate. I was this morning informed over the telephone by a member of the Federal Trade Commission, whom I asked in regard to it because I was not in the Chamber, that the matter was withdrawn, and I do not know now whether it was withdrawn for the information of the Senate or whether it was withdrawn by communication to the Presiding Officer; at least it was withdrawn and I find this state of facts existing.

The commissioner tells me that, to begin with, there is a law prohibiting any bureau from doing anything which would create a deficiency and making it a misdemeanor to do so, as I understand. There is another law that prohibits a bureau from coming before the Committee on Appropriations and asking them for an appropriation to meet a deficiency unless the head of the Budget Bureau shall be first considered, and they can not go to the Budget Bureau unless the President takes the matter there.

Sometime in the last Congress I introduced a resolution, also coming from the Committee on Agriculture and Forestry, because of the discussion which was going on over a bill that, if enacted, would change the status of the cotton exchanges of the country. It was a bill as to which Senators from cotton-growing States who were members of the committee, and others who were not members, could come to no agreement. There was quite a bitter disagreement, and a great deal of discussion took place. The committee were unable to reach a conclusion mainly because the positions of the Senators from cotton-growing States were irreconcilable. To get out of that dilemma and to settle the question which was at issue between those Senators, I introduced a resolution asking the Federal Trade Commission to make investigation and ascertain the facts which we needed in order to pass on the bill. They made that investigation. They reported to the Senate some time ago, and the Senate ordered their report printed. Now, I am informed by a member of the Federal Trade Commission, whom I called up on the telephone since the Senate convened this afternoon, that another law provides that when we order printed any report which may be made by the Federal Trade Commission to us, even though it comes in answer to our own resolution, as did both of the reports to which I have referred, 80 per cent of the cost of printing is charged up against the appropriation made for printing for the Federal Trade Commission.

I am told that when we ordered the report asked for in the cotton resolution printed a deficiency had already been brought about, that after they had sent their report to the Senate on the wheat and bread resolution they discovered that, on account of the Senate having ordered the other report printed—and it would not be of any use to us unless it was printed—and the deficit having already been created, they were liable, criminally, if they went any further and caused another deficit. So they withdrew the report. The situation now is that the report is ready. It is in answer to a resolution of the Senate, but there is no way to have it ordered printed by the Senate, because by natural operation of law it would make, as I have been told, criminals of the members of the Federal Trade Commission. We are now in that predicament. The commissioners are prohibited even from going to the Appropriations Committee and asking that a deficiency appropriation be made.

The commissioner told me another startling fact over the telephone, namely, that very often in the litigation which they have—and they have a good deal of it—in cases where they issue an order against what they say is an unfair practice and they meet with an injunction, there being quite a number of such cases pending now, under a rule of court they are required to have their briefs and the record printed—it will not do under the rule of court to have it typewritten, but it must actually be printed—they can not comply with the order of the court without violating a law of Congress; hence they are practically estopped from prosecuting cases where they are brought into court under injunction proceedings.

The report of the Federal Trade Commission, I have been told—I have not as yet seen it—gives some very startling facts in regard to the cost of wheat, the cost of bread, comparing the two, and the cost of making flour. I have been told, although there may be an error about that, for it is only hearsay, that this report shows that when there was the great slump in the price of wheat, when the price of the farmer for his product was cut practically in two, the consumers of bread were paying afterwards practically the same price that they

paid before the price of wheat went down, and that that situation continued.

It seems that they are almost in a "blind alley." We have asked for this information; they have gathered it in response to our command; it is ready for us, but they are unable to give it to us. I do not know what the Committee on Appropriations may do, but I should like to inquire if the chairman of the Appropriations Committee will not officially, as chairman of that committee, communicate with the Federal Trade Commission and ask him to come before the committee the very next time there is a deficiency appropriation bill under consideration; or if there is any other way to get quick action, I should be glad to have it adopted.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Nebraska yield to the Senator from Wyoming?

Mr. NORRIS. I yield.

Mr. WARREN. If the Senator will permit me to interrupt him, let me say that the Federal Trade Commission is an independent body, and therefore reports to the President. It seems to me it would be the easiest thing in the world for them to say to the President "We require more money for printing," and so forth. We have already passed one deficiency bill to provide for items of this kind, but we heard nothing from the Federal Trade Commission in respect to their shortage of funds for printing.

Mr. NORRIS. I am not blaming the commission; I am told that they are prohibited from coming before the committee; that they can not come before the committee. If the committee should ask them to come, of course they could respond, but they can not come unless they are requested so to do.

Mr. WARREN. So far as that is concerned, that is due to the Budget law which we passed; but that law does not prevent them taking such a question up with the head of the Budget, and the President being the head of the Budget and the Federal Trade Commission being an independent establishment, it would seem to me that relief could be afforded in that way. I do not understand that they have asked the President to take such action. He, of course, could order a deficiency, and we would be glad to provide for it.

Of course it will be appreciated that if the committee should request the commission to come before it, that would entail upon us requests from other governmental institutions to adopt a similar procedure in their case.

Mr. NORRIS. No; I think not, because this deficiency has been created by the action taken by the Senate. There was not even a joint or a concurrent resolution which ordered the preparation of the report.

Mr. WARREN. This is the first information I have had that there has been a shortage in the printing appropriation of the Federal Trade Commission. I think the proper way will be to provide for it in the next deficiency appropriation bill—and there will be another such bill—when it comes before the Senate.

Mr. NORRIS. Mr. President, of course I do not know about the members of the commission going to see the President; I do not know why they have not done so; but there is good reason why the Senate should look after this matter, because the Senate is the body that officially has created and brought this condition about. Under the law it is only the duty of the Federal Trade Commission to investigate questions when we direct them to do so; we have so directed them in this instance, and now, if we remain silent, we are putting ourselves in the position, it seems to me, of having directed them to do a certain work and then made it impossible for the work that has been done, which I think is very valuable, to amount to anything.

Mr. WARREN. I repeat that I think they should take the matter up through the head of the Budget and make the request, and then I have no doubt the necessary funds will be provided.

Mr. OVERMAN. What has the Budget got to do with the Senate meeting a deficiency?

Mr. WARREN. The head of the Budget can authorize it, and the President is the head of that branch of the service.

Mr. NORRIS. The bureau officials are prohibited from coming before the committee; they have no right to come.

Mr. OVERMAN. We can call them.

Mr. NORRIS. We can call them, and that is what I am trying to have done.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The PRESIDING OFFICER. Will the Senator from Utah advise the Chair what amendment he desires to call up next?

Mr. SMOOT. The pending amendment is the surtax amendment, found on page 34 of the bill, where the Senate committee proposes to strike out the House text and insert a new section 211 (a).

The PRESIDING OFFICER. The Secretary will state the pending amendment.

The READING CLERK. On page 34 the committee proposes to strike out lines 5 to 24, inclusive, all of pages 35, 36, and 37, down to and including line 8 on page 38, and to insert section 211 (a) as printed in italics. In lieu of the amendment proposed by the committee the Senator from North Carolina proposes an amendment, as follows:

On page 34, beginning with line 5, strike out all of subdivision (a), section 211, and in place thereof insert the following:

"SEC. 211. (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax as follows:

"Upon a net income of $10,000 there shall be no surtax; upon net incomes in excess of $10,000 and not in excess of $14,000, 1 per cent of such excess.

"Forty dollars upon net incomes of $14,000; and upon net incomes excess of $14,000 and not in excess of $16,000, 2 per cent in addition of such excess.

"Eighty dollars upon net incomes of $16,000; and upon net incomes in excess of $16,000 and not in excess of $18,000, 3 per cent in addition of such excess.

"One hundred and forty dollars upon net incomes of $18,000 and upon net incomes in excess of $18,000 and not in excess of $20,000, 4 per cent in addition of such excess.

"Two hundred and twenty dollars upon net incomes of $20,000; and upon net incomes in excess of $20,000 and not in excess of $22,000, 5 per cent in addition of such excess.

"Three hundred and twenty dollars upon net incomes of $22,000; and upon net incomes in excess of $22,000 and not in excess of $24,000, 6 per cent in addition of such excess.

"Four hundred and forty dollars upon net incomes of $24,000; and upon net incomes in excess of $24,000 and not in excess of $26,000, 7 per cent in addition of such excess.

"Five hundred and eighty dollars upon net incomes of $26,000; and upon net incomes in excess of $26,000 and not in excess of $28,000, 8 per cent in addition of such excess.

"Seven hundred and forty dollars upon net incomes of $28,000; and upon net incomes in excess of $28,000 and not in excess of $30,000, 9 per cent in addition of such excess.

"Nine hundred and twenty dollars upon net incomes of $30,000; and upon net incomes in excess of $30,000 and not in excess of $34,000, 10 per cent in addition of such excess.

"One thousand three hundred and twenty dollars upon net incomes of $34,000; and upon net incomes in excess of $34,000 and not in excess of $36,000, 11 per cent in addition of such excess.

"One thousand five hundred and forty dollars upon net incomes of $36,000 and upon net incomes in excess of $36,000 and not in excess of $38,000, 12 per cent in addition of such excess.

"One thousand seven hundred and eighty dollars upon net incomes of $38,000; and upon net incomes in excess of $38,000 and not in excess of $42,000, 13 per cent in addition of such excess.

"Two thousand three hundred dollars upon net incomes of $42,000; and upon net incomes in excess of $42,000 and not in excess of $44,000, 14 per cent in addition of such excess.

"Two thousand five hundred and eighty dollars upon net incomes of $44,000; and upon net incomes in excess of $44,000 and not in excess of $46,000, 15 per cent in addition of such excess.

"Two thousand eight hundred and eighty dollars upon net incomes of $46,000; and upon net incomes in excess of $46,000 and not in excess of $48,000, 16 per cent in addition of such excess.

"Three thousand two hundred dollars upon net incomes of $48,000; and upon net incomes in excess of $48,000 and not in excess of $50,000, 17 per cent in addition of such excess.

"Three thousand five hundred and forty dollars upon net incomes of $50,000; and upon net incomes in excess of $50,000 and not in excess of $52,000, 18 per cent in addition of such excess.

"Three thousand nine hundred dollars upon net incomes of $52,000; and upon net incomes in excess of $52,000 and not in excess of $56,000, 19 per cent in addition of such excess.

"Four thousand six hundred and sixty dollars upon net incomes of $56,000; and upon net incomes in excess of $56,000 and not in excess of $58,000, 20 per cent in addition of such excess.

"Five thousand and sixty dollars upon net incomes of $58,000; and upon net incomes in excess of $58,000 and not in excess of $62,000, 21 per cent in addition of such excess.

"Five thousand nine hundred dollars upon net incomes of $62,000; and upon net incomes in excess of $62,000 and not in excess of $64,000, 22 per cent in addition of such excess.

"Six thousand three hundred and forty dollars upon net incomes of $64,000; and upon net incomes in excess of $64,000 and not in excess of $66,000, 23 per cent in addition of such excess.

"Six thousand eight hundred dollars upon net incomes of $66,000; and upon net incomes in excess of $66,000 and not in excess of $68,000, 24 per cent in addition of such excess.

"Seven thousand two hundred and eighty dollars upon net incomes of $68,000; and upon net incomes in excess of $68,000 and not in excess of $70,000, 25 per cent in addition of such excess.

"Seven thousand seven hundred and eighty dollars upon net incomes of $70,000; and upon net incomes in excess of $70,000 and not in excess of $74,000, 26 per cent in addition of such excess.

"Eight thousand eight hundred and twenty dollars upon net incomes of $74,000; and upon net incomes in excess of $74,000 and not in excess of $76,000, 27 per cent in addition of such excess.

"Nine thousand three hundred and sixty dollars upon net incomes of $76,000; and upon net incomes in excess of $76,000 and not in excess of $80,000, 28 per cent in addition of such excess.

"Ten thousand four hundred and eighty dollars upon net incomes of $80,000; and upon net incomes in excess of $80,000 and not in excess of $82,000, 29 per cent in addition of such excess.

"Eleven thousand and sixty dollars upon net incomes of $82,000; and upon net incomes in excess of $82,000 and not in excess of $84,000, 30 per cent in addition of such excess.

"Eleven thousand six hundred and sixty dollars upon net incomes of $84,000; and upon net incomes in excess of $84,000 and not in excess of $88,000, 31 per cent in addition of such excess.

"Twelve thousand nine hundred dollars upon net incomes of $88,000; and upon net incomes in excess of $88,000 and not in excess of $90,000, 32 per cent in addition of such excess.

"Thirteen thousand five hundred and forty dollars upon net incomes of $90,000; and upon net incomes in excess of $90,000 and not in excess of $92,000, 33 per cent in addition of such excess.

"Fourteen thousand two hundred dollars upon net incomes of $92,000; and upon net incomes in excess of $92,000 and not in excess of $94,000, 34 per cent in addition of such excess.

"Fourteen thousand eight hundred and eighty dollars upon net incomes of $94,000; and upon net incomes in excess of $94,000 and not in excess of $96,000, 35 per cent in addition of such excess.

"Fifteen thousand five hundred and eighty dollars upon net incomes of $96,000; and upon net incomes in excess of $96,000 and not in excess of $100,000, 36 per cent in addition of such excess.

"Seventeen thousand and twenty dollars upon net incomes of $100,000; and upon net incomes in excess of $100,000 and not in excess of $200,000, 37 per cent in addition of such excess.

"Fifty-four thousand and twenty dollars upon net incomes of $200,000; and upon net incomes in excess of $200,000 and not in excess of $300,000, 38 per cent in addition of such excess.

"Ninety-two thousand and twenty dollars upon net incomes of $300,000; and upon net incomes in excess of $300,000 and not in excess of $500,000, 39 per cent in addition of such excess.

"One hundred and seventy thousand and twenty dollars upon net incomes of $500,000; and upon net incomes in excess of $500,000, in addition 40 per cent of such excess."

The PRESIDENT pro tempore. The question is upon agreeing to the substitute for the committee amendment proposed by the Senator from North Carolina.

Mr. SIMMONS. Mr. President, I will take up a few minutes of the time of the Senate until the Senator from New Mexico [Mr. JONES] returns to the Chamber.

This morning I was handed a postal card that is being sent, as I understand, through the mails, and is of course a part of the propaganda now being assiduously fostered to mislead the people with reference to the effect upon the taxpayer of the adoption of any plan of reduction except the so-called Mellon plan. This postal card is not signed, except with the letters "O. I. C." It is marked in big type "Important." It reads as follows:

It is now estimated that there are in the United States over 14,000,000 stockholders, men and women, and over 1,000,000 stockholders in companies that are not quoted by the exchanges.

Meaning, of course, that that should be added to the 14,000,000 and make 15,000,000 stockholders in corporations.

Whether they are Democrats or Republicans, 95 per cent of them are in favor of the Mellon tax bill and speedy action.

It is fair to presume this large body of energetic, thrifty people will vote the Republican nomination on account of the Mellon tax bill.

Is the above not to be considered? Every representative is expected to look to the interest of his people.

The clear intent of this card is to create the impression that the Mellon surtax rates will afford relief to 15,000,000 stockholders of corporations. It is, of course, ridiculous upon its face, and I call attention to it simply because it shows the recklessness of the statements that are being industriously disseminated and that are being sent to the masses for the purpose of creating a palpably false impression. Of course, many will not be deceived, but the expectation of the authors and organizers and promoters of this propaganda is that many will be misled and deceived.

In view of the misrepresentations made in this circular, which is about on a par with many others that are going out, I think it proper to make a statement to the Senate with regard to the number of surtax payers—part of whom are stockholders in corporations—whose incomes exceed $10,000. Of course, it is understood that no surtax is imposed upon incomes of less than $10,000. The figures for the statement I am about to make have been prepared for me by Mr. McCoy, actuary of the Treasury. It is as follows:

Individual tax statistics, 1921 returns—paid in 1922. Total number of returns, 1921, 6,662,176. Number actually returning taxable income, 3,589,985.

Only that number of the 6,662,000 had incomes in excess of their exemptions and credits and gave in any taxable income at all.

Number liable to surtax, beginning at net income of $10,000, 172,359.

Total of this number with incomes not in excess of $60,000, 164,721.

That means, Mr. President, that the number of all of those returning incomes subject to surtax in 1921 whose incomes exceeded $10,000 was 172,000, in round numbers, and that of this number 164,000 showed incomes of less than $60,000, and that the balance, which showed incomes in excess of $60,000, amounted to only 7,638. Of course, every stockholder in a corporation who would pay a surtax is included in these returns, and the number of stockholders who pay income tax in excess of $10,000 and not in excess of $60,000 is 164,721, and only 7,638 pay taxes upon incomes in excess of $60,000.

The income-tax rates imposed in the substitute amendment I have offered on behalf of the majority on incomes less than $60,000 are notably less than the surtax rates imposed upon like incomes in the Mellon bill. In other words, every taxpayer whose income does not exceed $60,000 gets a very much larger reduction of his taxes under my substitute amendment than under the Mellon amendment, while the 5,286 taxpayers whose incomes lie between $60,000 and $100,000 will have their surtax rates increased over the Mellon rates by reason of this proposed substitute, should it be adopted, starting at no increase at $64,000 net income to only 3 per cent at $100,000 net income.

The amount of dividends received by those making returns of net income net exceeding $60,000 on the basis of 1921 returns was $1,936,330,765, while those received by taxpayers with incomes in excess of $60,000 was only $540,621,654. That is, the total dividends to incomes less than $60,000—upon which the rate in the substitute bill, as I said, is less than in the Mellon plan—is nearly four times as much as the dividends that would pay less tax under the Mellon plan.

That is to say that only 5,286 individual taxpayers, including all stockholders in corporations, will pay in excess of my substitute plan on incomes when their individual incomes each reach between sixty and one hundred thousand dollars, while 164,741 taxpayers, including stockholders, under the minority substitute plan will pay very substantially less surtaxes than under the Mellon plan.

I see the Senator from New Mexico has returned to the Chamber, and I yield to him.

Mr. JONES of New Mexico. Mr. President, I think it is wholly useless to discuss the provisions of this bill. I observe there are but few Senators here, and I do not care to discuss the bill merely for the purpose of taking up time. I think we may as well reach a vote upon some of these important provisions, and I therefore am not disposed to discuss the bill at all.

I merely want to say that I believe thoroughly in the general principle of adopting such rates that the taxes will be borne by those best able to pay them. I know that some of these surtaxes appear to be rather high to some people, but I think the question of the ability to pay might very properly be expressed

in another way; that is, we should adopt those rates of taxation which would cause the least sacrifice. That that tax varies with the amount of one's income can not be doubted.

I recall a statement of a witness before the Committee on Public Lands and Surveys a few weeks ago in regard to a loan of $100,000 he had made without security. Being interrogated regarding that, he turned it off with just a little flourish of his hand, saying that it amounted to nothing more than $25 or $50 to the average citizen. I wish that thought might sink into the minds of the American people, especially when we are to consider what have been denominated the high surtaxes.

I just want to call attention to the reductions which we are making in these so-called brackets, and especially with respect to the so-called high surtaxes. Under the rates suggested in the proposal of the minority, which is generally called the Simmons plan, a man with a million-dollar income will have a reduction in his taxes of $121,022.50, a small fortune in itself. The reduction to the man with a half-million-dollar income will be $61,022.50. We propose to reduce the tax of the man with a $300,000 income by $35,000 and more, and to reduce the tax of the man with a $200,000 income by $21,000, and the tax of the man with a $150,000 income by over $14,000. The tax on the income of $100,000 is to be reduced by over $7,500.

Those seem to me to be very great reductions. We are proposing to reduce the highest rate of tax from 58 per cent, that found in the present law, to 46 per cent. The rates of tax fixed in the so-called Mellon plan put the maximum rate on the man with an income of $100,000. If we are to recognize the principle of a graduated tax at all, it seems to me the man with an annual income of over half a million dollars a year might well afford a little higher rate of taxation than the man with an income of only $100,000 a year. That is what the minority amendment means. The maximum rate fixed by the minority on incomes of $100,000 was agreed upon because we felt that incomes above $100,000 a year ought to bear a higher rate of taxation than the $100,000. The surtax rate on the $100,000 income is 37 per cent, but that does not mean that the man would be paying a tax of $37,000 on a $100,000 income. He would pay only a little more than $2,000, and to have that reach its maximum at $100,000 seems to me to be unfair and unjust. I am therefore in hearty accord with putting a higher surtax upon incomes over $100,000 than that proposed by the majority of the committee.

I am not going to discuss this question at any length. In the minority report I presented my views—in a brief way, it is true—and I have attached to them tables making these comparisons. I do not care to repeat, but I ask unanimous consent that the minority report may be published in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INTERNAL REVENUE BILL OF 1924

Mr. JONES of New Mexico, from the Committee on Finance, submitted the following minority views to accompany H. R. 6715:

The minority members of the Finance Committee, deeply conscious of the necessity for the relief of the people from the excessive burdens of taxation, have endeavored to cooperate with the majority of the committee in every reasonable way in the consideration and formulation of this belated attempt to reduce taxation. Through necessities incident to the World War revenue was contributed to the support of the Government in sums never reached at any previous time by any nation. Immediately after the signing of the armistice the party now represented by the minority was then in control of the Congress and formulated and caused to be enacted the revenue law of 1918. Anticipating a decrease in the necessary expenditures of the Government a provision was inserted in that law reducing the normal tax upon individual income from 12 per cent to 8 per cent and very materially reduced the excess-profits tax upon corporations. This action was strenuously opposed by the then leaders of the Republican Party. The Democratic Party does not believe in taxation beyond the actual necessities of the Government wisely and economically administered. We believe also that the burdens of taxation should be so imposed that they shall be borne in accordance with the fundamental principle of ability to pay. The Republican Party in its legislation for the reduction of taxation since the World War has ignored in great measure that basic principle. The revenue act of 1921, passed by a Republican Congress, which was devised for the purpose of reducing taxation, in the main materially reduced the taxes upon those best able to pay and gave but little relief to those who were less able to pay. The differential or excess-profits tax upon those corporations, many of which had profiteered during the war and were continuing to do so, was repealed in its entirety. The financial adviser of the Republican administration, Secretary Mellon, insisted and recommended that the higher surtaxes upon individual incomes should be reduced from the maximum of 65 per cent to 25 per cent. The Republican majority of the House of Representatives passed a bill fixing the maximum surtax at 32 per cent on incomes of $66,000 and above, and this maximum rate was recommended to the Senate by the Republican majority of the Finance Committee.

On the floor of the Senate, however, this maximum rate was increased to 50 per cent on incomes above $200,000. Through the repeal of the excess-profits tax the revenue derived from the profiteering corporations was cut in half while the taxes upon the less prosperous corporations were increased by not less than 25 per cent. The majority of the committee, urgently importuned by the President and his Secretary of the Treasury, now again propose by the present bill to reduce the maximum surtax from 50 per cent to 25 per cent without any corresponding reduction in the rate of taxation upon those who are less able to pay. The differences between the views of the minority and the majority upon this most important subject of taxation are fundamental, and the minority registers its earnest protest against the passage of the bill in the form as presented to the Senate.

The Democratic Party declines to accept responsibility for the unnecessary and protractious delay in reducing war-tax burdens of the American people. In May (20), 1919, President Wilson in a special message to Congress pleaded for the revision downward of the war taxes. His message was ignored through partisan feeling on the part of the Republican Party then in absolute control of the Congress. Not until November 23, 1921, was any action taken by the Republican majority, when the revenue act of 1921 was passed. At that time the Democratic minority urged greater reductions downward, particularly in the normal tax.

The reports in the CONGRESSIONAL RECORD show repeated efforts on the part of the minority to still further reduce the taxes at that time. Had the suggestions of the minority been accepted the discontent so prevalent for the last few years over the excessive tax burdens would have been greatly minimized and extravagant appropriations would have been vastly curtailed.

BURDENS OF TAXATION

It is the belief of the Democratic Party that in the raising of revenue for the support of the Federal Government due consideration should be given to the burdens of taxation, including the taxes imposed by the various States, counties, cities, and other local subdivisions. In a general survey we are impressed with the important fact that since the beginning of the World War the taxes imposed by these various legal entities have necessarily increased to an enormous extent, and this fact should not and can not be ignored in framing a law raising revenue for the support of the Federal Government, and that the incidence or actual burden of all taxation should be profoundly take into account. For the calendar year 1922 the taxes collected by the various States and the District of Columbia and all other civil divisions of the States having the power to levy and collect taxes aggregated $4,224,616,000. Of this total $3,327,166,000, or 78.8 per cent, came from the general property tax. Special taxes, including inheritance, income, etc., contributed $256,647,000; poll taxes, $29,140,000; licenses and permits, $408,271,000; and special assessments, $203,392,000. For the fiscal year ending June 30, 1923, the revenues of the National Government amounted to $3,204,133,000, consisting of customs, $562,189,000; income and profits taxes, $1,691,090,000; miscellaneous taxes, $935,699,000; tax on circulation of national banks, $4,304,000; and Federal reserve franchise tax, $10,851,000. The grand total of all these revenues from taxation was $7,428,749,000. The rate of property taxation in the various States and local divisions increased from $1.94 per $100 of assessed valuation in 1912 to $2.81 in 1922, which represents an average per capita increase from $13.91 in 1912 to $32.22 in 1922. Of the total taxes imposed by State, county, and other local divisions only the $256,647,000 derived from inheritance and income taxes is collected from those with evident ability to pay. This amount constitutes only seven-tenths of 1 per cent of the total taxes collected by these legal entities.

It will further be observed that 78.8 per cent of these total taxes is derived from general property taxes. A general property tax is supposed to be imposed upon all property, real and personnel; but, as is well known, revenue derived from such taxes in actual result is derived from the taxes upon real estate. It may be observed that for practical purposes the theory of the general property tax has broken down. This may be illustrated by the history of such tax in the State of New York. In that State the ratio of the value of personal property to total property actually taxed under the general property tax has steadily declined from 25.5 per cent in 1866 to 11.7 per cent in 1900, 4.8 per cent in 1910, 3.9 per cent in 1915, 1.7 per cent in 1920, and 1.6 per cent in 1921. The actual burden of a tax upon real estate in the cities and towns is borne by the occupiers, and

the taxes upon the farm lands are borne by the farmer. Largely due to Republican policies and Republican legislation, the farmers of the country are in a deplorable state of financial depression. The prices of farm products are not fixed by the farmers but are controlled by the law of supply and demand in the world markets, and the taxes upon farmers can not be shifted. In their present financial condition taxes imposed upon them are in the main taxes upon capital, and money must be borrowed with which to pay.

On an examination of the sources of the Federal revenue we find that substantially all the taxes other than income and profits taxes are imposed upon the necessities of the people, regardless of income and even regardless of the ownership of property, and that in the case of some corporations the income tax is really shifted and is a tax upon consumption. The income of all the railroads and nearly all the public utilities is regulated by law. This regulation is based upon the net amount which may be derived for the use of the stockholders. The income tax imposed upon these corporations becomes, therefore, a fixed charge, and in this and similar cases enters into the cost of the service and is ultimately borne by those who avail themselves of such services, and in result may be termed a consumption tax.

In the above no reference has been made to the actual effect of the tariff or customs duties. In addition to the amount of the tax received by the Federal Government, and which is ultimately borne by the consumer, we can not lose sight of the fact that by reason of the tariff wall the domestic producers of manufactured articles are enabled to increase their prices to an extent, to which the statisticians generally agree, of about $3,500,000,000. This enormous sum is indirectly imposed as a burden upon the necessities of the people and wholly regardless of ability to pay. Invisible property and wealth almost entirely escape taxation except for the very meager portion which is derived through the tax upon net incomes and net profits. It may be generally said that all the burdens of taxation, except those derived from net incomes and net profits and inheritances, are shifted to the consumers as consumption taxes, and the only taxes imposed upon the vast invisible wealth of the Nation is derived from these sources. The Democratic minority, therefore, in insisting upon higher surtaxes than proposed by the majority is not imbued with any desire or purpose to "soak the rich," but profoundly believes that invisible wealth, the prosperous, and those with real ability to pay should bear a greater share of the burdens of Government.

It must be borne in mind that the Democratic proposal on the high surtaxes reduces greatly the rates carried in the present law, and the rates carried in the Democratic proposal on incomes not greater than $67,000 are much less than the proposal of the Mellon plan, and above that amount they are carried on a scientific and equitable basis on the theory that the very large incomes are better able to bear the burden and that the individual having an income of over $500,000 should pay a greater percentage of tax than the man with $100,000.

PROVISIONS OF MAJORITY BILL

We deem it unnecessary in our report upon the bill to do more than refer briefly to a few of the most important provisions. Some changes have been made in the excise taxes which we deem it unnecessary to discuss here. It is proposed by the majority to repeal the taxes imposed by the present law upon cereal beverages and other soft drinks, candy, hunting knives, dirks, smoking stands, hunting garments, and liveries. Some new excise taxes are to be imposed and a few other excise taxes have been reduced. The imposition of the excise tax was controlled by the majority and the minority does not deem it necessary to take any other position in this brief report than one of general policy of disapproval of all special excise taxes originally imposed for raising war revenue.

INDIVIDUAL INCOME TAXES

In the consideration of this subject there are three important provisions to be examined. These are the exemptions, the normal tax, and the surtaxes. The general exemptions to unmarried persons, married persons, and married persons with dependents is not proposed to be changed from existing law. A very important change, however, is now introduced by proposing a special exemption on account of earned incomes. We of the minority agree to the general principle that earned income within reasonable limitations should bear a less portion of the tax than incomes derived from investments. We believe, however, that provisions for this recognition should not permit an individual with a large income to receive a greater advantage than an individual with a lesser income. The bill in this respect really carries what might be termed "a joker." An individual with a large income is permitted a reduction from his total tax of an amount much greater than the individual with a small income even where the earned income of each is the same. We present herewith a table showing the result of the earned income provisions of the Senate bill as applied to various brackets of income:

Earned income provision—Senate bill

Income	Tax, single person			Tax, married person		
	Not earned	$10,000 earned	Saving	Not earned	$10,000 earned	Saving
$5,000	[1] $120	$90.50	$29.50	$75	[1] $56.25	$18.75
$10,000	420	315.00	105.00	300	270.00	90.00
$15,000	810	675.00	135.00	750	625.00	125.00
$20,000	1,320	1,155.00	165.00	1,200	1,042.50	157.50
$50,000	6,740	6,403.00	337.00	6,680	6,346.00	334.00
$100,000	19,900	19,402.50	497.00	19,840	19,344.00	496.00
$200,000	50,900	50,263.75	636.25	50,840	50,204.50	635.50
$500,000	143,900	143,180.50	719.50	143,840	143,120.50	719.50
$1,000,000	298,900	298,152.75	747.25	298,840	298,092.90	747.10

[1] All earned.

That is, the $10,000 earned-income provision helps the $10,000 single man $105, and the $1,000,000 man $747.25, or over seven times as much to the $1,000,000 man, although each have the same $10,000 of earned income.

As to a married person, if head of a family, the $10,000 man saves $60 in tax and the $1,000,000 man $747.10, or over eight times the saving to the $10,000 man.

The larger the income of the taxpayer, under this provision, the larger the reduction in tax on the same amount of earned income.

The means employed for granting this favor to the larger income is found in the provision that the $10,000 of earned income is assumed to have paid not the tax of the lower brackets, nor of the higher, but of the mean, depending upon the income of the taxpayer.

The minority will present an amendment to the bill eliminating this unjust inequality. The so-called Mellon plan, indorsed by the President, provided that there should be a reduction of 25 per cent in case of earned income regardless of the amount of such earned income. Recognizing the fact that through large salaries and large directors' fees many individuals would be able to receive an excessive reduction on account of so-called earned income, the House of Representatives provided that the reduction should not apply to earned income in excess of $20,000 and the Finance Committee proposes that the limitation shall be reduced to $10,000.

The bill as reported by the majority proposes to reduce the present normal tax upon the first $4,000 of net income from 4 per cent to 3 per cent and upon the remainder of the income from 8 per cent to 6 per cent. The minority members of the committee will propose an amendment fixing the normal tax at 2 per cent on the first $4,000 of net income, 4 per cent on the next $4,000, and 6 per cent on the remainder of the net income.

The House of Representatives and all the members of the Finance Committee concurred in the view that no surtaxes should be levied except upon incomes in excess of $10,000. The majority of the Finance Committee with respect to both normal and surtaxes adopted and now proposes to enact into law without change what is known as the Mellon plan. In the opinion of the minority this plan provides for an excessive reduction of the taxes of those having larger incomes and does not afford sufficient relief to those having lesser incomes and less ability to pay. The difference in the effect of the proposal of the majority of the committee and the minority will appear by an examination of the table which follows. This table shows the reduction in taxes from the present law of a married man with no dependents and with the first $5,000 of all income to be deemed to be earned and the remainder unearned.

Comparative table showing amount of tax reduction from the present law under the Mellon and Simmons plans—married man, no dependents, and first $5,000 considered as earned, the balance as unearned

Net income	Mellon plan	Simmons plan
$3,000	$8.75	$12.50
$4,000	26.25	37.50
$5,000	43.75	62.50
$6,000	52.50	102.50
$7,000	92.50	162.50
$9,000	152.50	202.50
$10,000	182.50	312.50
$12,000	267.50	382.50
$14,000	352.50	462.50
$16,000	362.50	542.50
$18,000	422.50	622.50
$20,000	482.50	702.50
$22,000	502.50	802.50
$24,000	542.50	882.50
$26,000	722.50	1,002.50
$28,000	802.50	1,102.50
$30,000	862.50	1,202.50
$32,000	902.50	1,222.50

Comparative table showing amount of tax reduction from the present law under the Mellon and Simmons plans, etc.—Continued

Net income	Mellon plan	Simmons plan
$34,000	$1,062.50	$1,442.50
$36,000	1,142.50	1,562.50
$38,000	1,222.50	1,682.50
$40,000	1,322.50	1,802.50
$42,000	1,422.50	1,942.50
$46,000	1,682.50	2,222.50
$50,000	1,982.50	2,502.50
$60,000	2,982.50	3,262.50
$70,000	4,322.50	4,162.50
$80,000	5,982.50	5,162.50
$90,000	7,982.50	6,302.50
$100,000	10,322.50	7,522.50
$150,000	22,822.50	14,022.50
$200,000	35,822.50	21,022.50
$300,000	62,822.50	35,022.50
$500,000	116,822.50	61,022.50
$1,000,000	251,822.50	121,022.50

It has been generally recognized that the law should provide for a more simple method for calculating the amount of the surtax upon any given income. The minority in an amendment which is appended hereto proposes to fix the actual amount of the surtax to be paid upon the income specified at each of the brackets and a percentage which shall be imposed upon the amount of the income in excess of such bracket and the percentage at which the excess shall be taxed.

The minority also appends hereto several tables, showing by comparison the different results to taxpayers under the present law, the Finance Committee bill, and the minority amendment. (See tables in Appendix.)

Under the plan proposed by the minority there will be a loss of revenue from the Mellon plan amendment of the majority on account of the normal tax amendment an estimated amount of $38,000,000 and a gain over the majority amendment in surtaxes of $41,000,000, making a net gain in revenue under the minority proposal of $3,000,000.

The Secretary of the Treasury, supported by perhaps the most extensive propaganda ever known for general tax reduction, has exhibited as his chief concern a reduction of from 50 per cent to 25 per cent the maximum surtaxes.

It is insisted that the high surtaxes are being evaded by transferences of investments into tax-exempt securities. That this is being done to any material extent is not considered by the minority to be in accordance with the facts. The only official data upon this question can be found in the report giving the statistics of income of decedents' estates which were filed during the year 1922. In the year 1922, 12,203 returns of resident decedents were filed in the Internal Revenue Bureau. The total gross estates amounted to $2,879,372,168. The value of all tax-exempt securities held by these decedents was not sufficient to pay the funeral and administrative expenses, as shown by that document. We attach hereto a table which gives the facts regarding all of these decedents' estates amounting to $1,000,000 and more.

Amount of estate	Number of returns	Total gross estate	Per cent of estate tax free	Investments, tax-free Government bonds	Investments, tax-free municipal and State bonds	Total tax-free investments
$1,000,000 to $1,500,000	111	$170,125,879	4.16	$1,510,051	$5,564,692	$7,074,743
$1,500,000 to $2,000,000	45	90,695,896	5.5	1,807,562	3,214,519	5,022,081
$2,000,000 to $3,000,000	41	132,547,852	3.78	2,818,012	10,067,271	12,885,283
$3,000,000 to $4,000,000	17	65,713,996	8.77	1,661,795	4,102,855	5,764,650
$4,000,000 to $5,000,000	10	53,685,921	6.45	2,473,443	991,424	3,464,867
$5,000,000 to $6,000,000	7	45,489,540	5.07	2,274,531	37,423	2,311,954
$6,000,000 to $7,000,000	2	17,624,080	2.3	99,800	494,599	594,399
$7,000,000 to $8,000,000	2	17,346,808	11.2	903,750	1,071,178	1,974,928
$8,000,000 to $9,000,000	6	97,672,152	10.06	1,975,813	7,855,610	9,834,423
$10,000,000 and over	10	291,937,380	6.2	8,433,189	9,681,658	18,114,847
Total	251	982,839,504	6.8	23,980,946	43,081,229	67,042,175

The next argument urged by the Secretary of the Treasury in favor of reducing the maximum surtax rate from 50 per cent to 25 per cent is based upon the alleged fact that such high surtaxes withdraw capital from productive enterprise and tend to destroy the prosperity of the country. It is clear to even the superficial observer that the contention of the Secretary is not convincing. Assuming that the Federal Government must receive a given amount of revenue, it is difficult to realize the difference in effect upon productive enterprise generally whether such tax comes from a few large taxpayers or from a large number of smaller taxpayers. Moreover, the Government does not retain this revenue in the Treasury. It is soon paid out and once more enters in the channels of industry. Upon an analysis of the actual situation it will also appear that the Secretary of the Treasury is unduly alarmed in his prognostications and that in his testimony and numerous discussions of this subject has indulged in much hyperbole. In the latest statistics upon this subject it appears that of the 6,662,172 taxpayers only 2,352 paid a tax upon income in excess of $100,000. Only 535 paid a tax upon income in excess of $200,000. The total net income of all taxpayers was $19,577,212,529, and of this amount those having incomes above $100,000 reported only $463,003,351, which constitutes only 2.36 per cent of the total net income. For the same year the total tax paid by taxpayers returning a net income in excess of $100,000 was only $202,217,490. This last amount is the thing about which the Secretary so vehemently complains. If this amount were reduced by half the saving to these large taxpayers would only be $101,108,745. The minority of the committee, therefore, believe that some other reason must be found for the determined and uncompromising insistence upon so large reduction in the high surtaxes, because to them it is inconceivable that this difference between the saving of a little more than $100,000,000 to 2,352 taxpayers and the payment of that amount into the Public Treasury should menace the prosperity and progress of this great Nation.

Secretary Mellon advances the further opinion that the high surtax interferes with large, hazardous, and speculative ventures. It should be recalled that under the present law a special tax of 12½ per cent only is imposed upon gains from investments. In our opinion experience has not shown that even the present maximum surtax has had the deterring effect which the Secretary imagines. So-called big business has been exceedingly prosperous during the past year. Loans of hundreds of millions of dollars have been made to foreign governments and building operations during the last year have been carried on to an extent never previously known. The minority proposes to reduce the present maximum surtax of 50 per cent to 38 per cent on incomes above $200,000 and to a maximum of 40 per cent on incomes above $500,000, not because of any supposed deterring effect upon large business but because we earnestly believe that all taxpayers are entitled to a substantial reduction whenever the financial condition of the Government will permit.

The next proposition of the Secretary is that there will be evasions if the maximum surtaxes are not reduced by 50 per cent. He undertakes to suggest that a maximum surtax of 25 per cent is the point at which evasion will cease. A number of provisions against tax evasion have been inserted in the bill as it came from the House, and some additions thereto have been put in by the Finance Committee notwithstanding the fact that the proposed bill reduces the maximum surtax to 25 per cent. This proposed method of the Secretary of the Treasury for saving revenue may be likened to that of one who finds the full barrel leaking between the staves, opens the bunghole, lets out one-half of the water, and then undertakes to stop the leaks in the other half. Why not stop the leaks at both ends of the barrel? Our admonition is, Don't open the bunghole.

Moreover, the Secretary of the Treasury and the majority members of the Finance Committee have made no attempt to change the provisions of the present law which afford the greatest avenues of escape from the high surtaxes. Under existing law the tax upon corporations is a flat or normal tax of 12½ per cent. This has been increased by the majority of the committee to 14 per cent. Under this arrangement there is nothing to prevent an individual with an income taxed upon the average above 14 per cent thereof from organizing a corporation and transferring to it all his income-producing assets. The corporation would only pay a flat normal tax and the owner of the corporation would need to draw therefrom in dividends an amount only sufficient to pay his actual living expenses. It follows, therefore, that in the bill as presented there is a direct inducement for everyone having a net income which would be taxed to him as an individual in an amount in excess of 14 per cent to organize a corporation and evade the payment of more than that percentage of taxes. It is true a penalty against the organization of a corporation for the sole purpose of evading taxation is included in the present law and increased in the proposed bill. In actual result, however, such penalty provision has been and will be for all practical purposes a nullity. The penalty of the present law has only been applied in one or two cases. The Secretary testified before the committee that corporations were not being availed of so as to result in a decrease in taxation. Before another committee of the Senate a prominent attorney from the city of New York testified that such was generally being done. We believe that so long as the inducements exist in the law they will be availed of by interested taxpayers.

In this connection we desire to refer to information from the Treasury Department which has just been made available in response to Senate Resolution No. 110, which was passed in January of this year. On examination of the summary of this information we find that out of a total of 78,923 corporations making complete returns for the year 1922, 30,048 of them with a net taxable income of $896,255,485 paid no cash dividends during the year, notwithstanding the fact that they had an accumulated surplus of $3,954,866,686. One thousand eight

hundred and sixty-seven other such corporations with net taxable income of $247,802,166 paid out in cash dividends less than 10 per cent of their net earnings, or only $14,350,718. There were 29,688 corporations making only fragmentary returns which showed net taxable income of $1,197,500,436 which paid out in cash dividends only $249,459,248. The total number of all these corporations reporting net taxable income was 109,313. The amount of the total net taxable income was $6,586,744,764, and the total cash dividends was $3,031,324,385, showing that the total amount of cash dividends paid out by all these corporations only averaged 46.02 per cent.

Grand summary of all industries

	Number of returns	Net taxable income (gross income less deductions as defined in revenue act)	Net book profit for year before any adjustments are made therein	Cash dividends paid during the year	Stock dividends distributed during the year	Surplus and undivided profits at close of the year	Capital impairment, deficit at close of the year
A. Returns showing schedules completely filled out:							
1. Corporations reporting both net taxable income and net book profit for the year and paying cash dividends—							
Per cent of cash dividends to net book profit—							
Less than 10 per cent	1,867	$247,802,166	$252,261,831	$14,350,718	$117,829,996	$623,557,038	$1,044,424
10 per cent and less than 20 per cent	3,357	415,339,961	426,169,448	65,394,962	198,652,877	1,111,162,645	1,883,594
20 per cent and less than 30 per cent	4,357	583,431,426	597,332,306	147,488,338	289,957,259	1,593,232,498	6,417,939
30 per cent and less than 40 per cent	4,732	580,131,737	585,628,796	202,788,375	417,958,803	1,447,699,403	1,829,459
40 per cent and less than 50 per cent	4,746	503,780,286	505,859,410	226,579,465	210,750,885	1,619,375,020	1,639,139
50 per cent and less than 60 per cent	4,640	408,017,131	453,551,366	250,665,041	149,517,425	1,513,580,560	1,899,893
60 per cent and less than 70 per cent	3,937	519,291,242	516,963,859	270,340,418	118,371,127	1,783,222,114	1,665,537
70 per cent and less than 80 per cent	3,491	250,173,898	253,989,588	189,242,603	72,574,596	1,076,737,441	6,584,675
80 per cent and less than 90 per cent	3,211	256,708,902	331,107,832	275,202,979	51,817,938	1,123,743,314	2,619,709
90 per cent or more	14,537	709,963,683	802,717,216	1,121,045,370	823,296,301	3,218,729,146	48,562,277
Total	48,875	4,468,660,432	4,724,988,687	2,763,068,217	2,547,627,306	15,110,440,149	74,147,816
2. Corporations reporting both net taxable income and net book profit but not paying cash dividends	30,048	896,254,485	894,599,136			3,954,866,686	59,328,946
Total (1 and 2)	78,923	5,364,914,917	5,619,585,793	2,763,068,217	2,547,627,306	19,065,406,835	133,476,762
3. Corporations reporting net taxable income, although book loss, but paying cash dividends	332	16,396,411	[1] 11,835,051	18,796,920	8,301,815	98,082,195	13,085,709
4. Corporations reporting net taxable income, although book loss, and not paying cash dividends	370	7,963,000	[1] 9,662,740		15,000	123,257,016	5,356,046
Total (3 and 4)	702	24,359,411	[1] 21,497,791	18,796,920	8,316,815	221,339,212	18,441,755
Total returns showing schedules completely filled out	79,625	5,389,274,328	[2] 5,598,008,002	2,781,865,137	2,555,944,121	19,286,746,047	151,918,517
B. Returns showing schedules incompletely filled out—Data fragmentary, excepting the item of net income	29,688	1,197,500,436	(3)	[4] 249,459,248	[4] 382,758,794	(3)	(3)
Grand total	109,313	6,586,774,764		3,031,324,385	2,938,702,915		

[1] Net book loss for year.
[2] Book profit less book loss.
[3] Not ascertained due to inadequacy of data.
[4] Total reported on returns incompletely filled out.

TAXES ON INCOME OF CORPORATIONS

Under the revenue act of 1921 all the excess-profit taxes upon corporations were repealed and the normal tax increased from 10 per cent to 12 per cent. In lieu of the corporation tax of $1 per thousand on the value of the stock in corporations the majority of the committee proposes to increase this normal tax to 14 per cent. In the view of the minority such a tax upon corporate net incomes is unjust and inequitable. It wholly ignores the principle of a graduate tax in proportion to real ability to pay. The property of a corporation belongs to the shareholders, and any tax upon corporate net income is a tax upon the shareholders in proportion to the number of shares owned by each individual. A corporation earning a small income under the proposed bill is required to pay the same rate of tax as a corporation with larger income without any regard to the magnitude of the income. Moreover, there are many corporations, including railroads, where the amount of the net income is regulated by law. There are other large industrial corporations with large capital and a large number of shareholders which are earning only a modest return upon the invested capital. All the shareholders of such corporations as to their interest in the corporate income are taxed at the same rate as the wealthiest taxpayer in the entire country. Also, it may be observed that the Federal Government has outstanding about $18,000,000,000 of bonds, the income from which is only exempt from the normal tax.

Inasmuch as the entire tax on corporations is designated as a normal tax, the result is that all the outstanding securities of the Federal Government are wholly exempt from taxation if owned by corporations. This gives to the corporation an undue advantage over the individual taxpayer in the ownership of Federal securities of this vast amount. The result has been most disastrous to the revenues of the Government. During 1923 the Federal Government received taxes on less than $40,000,000 of interest out of a total of nearly $1,000,000,000 actually paid by it. Upon this $40,000,000 the Government collected not in excess of $5,000,000 tax. Neither the Secretary of the Treasury nor the majority of the Finance Committee has been willing to make any change in this law. It would seem, therefore, that before anyone connected with the administration should denounce the issuance of tax-exempt securities by the States he should first suggest such change in the law as would permit the Federal Government to tax Federal securities in accordance with the intent of the law which authorized their issuance.

The majority of the committee upon a roll call decided against any kind of a system of graduated taxes upon the net income of corporations.

ESTATE TAX

The House of Representatives made no change in the plan of the present tax upon estates, but increased the rates to a maximum of 40 per cent. The majority of the Finance Committee proposes to repeal the rates made in the House of Representatives and retain the present law. The minority is of the opinion that the present law is inequitable and based upon a wrong principle. The descent of estates of decedents is regulated by the laws of the various States and many of the States have imposed taxes upon the body of the estate regardless of its descent. We believe that the tax upon the descent of property for the purposes of Federal taxation should be imposed on the basis of the income to the beneficiary. Much has been said against any taxation by the Federal Government of such estates, and it is contended that this source of revenue should be left entirely to the several States. In our opinion, the Federal Government should impose its tax upon the net income of the individual beneficiary after deducting all estate and inheritance taxes imposed by the various States. This plan would carry into this field of taxation the principle of a graduated tax in accordance with ability to pay. Under the present law the rate of taxation is the same whether there be one or many beneficiaries. This is unjust.

PUBLICITY OF TAX ADJUDICATIONS

Controversies between the Government and the taxpayers extending into many thousands and involving revenue of many hundreds of millions of dollars are required to be annually adjudicated. So extensive is this work that the Treasury Department has asked the Congress to provide for several boards of appeals to finally determine thousands of accumulated undisposed of cases and establish a lesser number of permanent boards to finally review the current controversies. Under the present practice all of these adjudications are made in secret. An opportunity is afforded for favoritism, arbitrary action, fraud, and collusion. That such opportunity has been used is evidenced by the fact that more than 500 employees have been discharged from the Internal Revenue Service because of their having been guilty of one or more of these offenses. The majority proposes that all records and proceedings of the Internal Revenue

Bureau shall remain secret as in the past. To the minority it seems inconceivable that any controversy existing between the Government and a taxpayer should be adjudicated and finally determined in a star chamber proceeding. The minority will, therefore, propose an amendment to the bill which will provide that all such proceedings, records, and evidence in connection therewith shall be public.

CONCLUSION

The minority believes that the bill proposed by the majority is fundamentally defective, unscientific, and if enacted into law will vitally affect the basic principle of progressive income taxation. Viewing it in the perspective one must conclude that it was designed to relieve the few at the expense of the many. Those who bear the chief burdens of Government through indirect taxation and also contribute of their meager incomes are afforded but slight relief, while those of the greatest wealth and who contribute relatively inconsequential sums by way of consumption taxes and the support of the States and other subdivisions of the Government are to have their contributions to the Federal Government reduced by one-half, and through the use of corporate entities get a further reduction of a much greater amount.

FURNIFOLD MCL. SIMMONS.
ANDRIEUS A. JONES.
PETER G. GERRY.
JAMES A. REED.
DAVID I. WALSH.
PAT HARRISON.
WILLIAM H. KING.

APPENDIX

Amendment intended to be proposed by Mr. SIMMONS to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, viz: On page 31, beginning with line 14, strike out all of subdivision (a), section 211, and in place thereof insert the following:

SEC. 211. (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax as follows:

Upon a net income of $10,000 there shall be no surtax; upon net incomes in excess of $10,000 and not in excess of $14,000, 1 per cent of such excess.

Forty dollars upon net incomes of $14,000; and upon net incomes in excess of $14,000 and not in excess of $16,000, 2 per cent in addition of such excess.

Eighty dollars upon net incomes of $16,000; and upon net incomes in excess of $16,000 and not in excess of $18,000, 3 per cent in addition of such excess.

One hundred and forty dollars upon net incomes of $18,000; and upon net incomes in excess of $18,000 and not in excess of $20,000, 4 per cent in addition of such excess.

Two hundred and twenty dollars upon net incomes of $20,000; and upon net incomes in excess of $20,000 and not in excess of $22,000, 5 per cent in addition of such excess.

Three hundred and twenty dollars upon net incomes of $22,000; and upon net incomes in excess of $22,000 and not in excess of $24,000, 6 per cent in addition of such excess.

Four hundred and forty dollars upon net incomes of $24,000; and upon net incomes in excess of $24,000 and not in excess of $26,000, 7 per cent in addition of such excess.

Five hundred and eighty dollars upon net incomes of $26,000; and upon net incomes in excess of $26,000 and not in excess of $28,000, 8 per cent in addition of such excess.

Seven hundred and forty dollars upon net incomes of $28,000; and upon net incomes in excess of $28,000 and not in excess of $30,000, 9 per cent in addition of such excess.

Nine hundred and twenty dollars upon net incomes of $30,000; and upon net incomes in excess of $30,000 and not in excess of $34,000, 10 per cent in addition of such excess.

One thousand three hundred and twenty dollars upon net incomes of $34,000; and upon net incomes in excess of $34,000 and not in excess of $36,000, 11 per cent in addition of such excess.

One thousand five hundred and forty dollars upon net incomes of $36,000; and upon net incomes in excess of $36,000 and not in excess of $38,000, 12 per cent in addition of such excess.

One thousand seven hundred and eighty dollars upon net incomes of $38,000; and upon net incomes in excess of $38,000 and not in excess of $42,000, 13 per cent in addition of such excess.

Two thousand three hundred dollars upon net incomes of $42,000; and upon net incomes in excess of $42,000 and not in excess of $44,000, 14 per cent in addition of such excess.

Two thousand five hundred and eighty dollars upon net incomes of $44,000; and upon net incomes in excess of $44,000 and not in excess of $46,000, 15 per cent in addition of such excess.

Two thousand eight hundred and eighty dollars upon net incomes of $46,000; and upon net incomes in excess of $46,000 and not in excess of $48,000, 16 per cent in addition of such excess.

Three thousand two hundred dollars upon net incomes of $48,000; and upon net incomes in excess of $48,000 and not in excess of $50,000, 17 per cent in addition of such excess.

Three thousand five hundred and forty dollars upon net incomes of $50,000; and upon net incomes in excess of $50,000 and not in excess of $52,000, 18 per cent in addition of such excess.

Three thousand nine hundred dollars upon net incomes of $52,000; and upon net incomes in excess of $52,000 and not in excess of $56,000, 19 per cent in addition of such excess.

Four thousand six hundred and sixty dollars upon net incomes of $56,000; and upon net incomes in excess of $56,000 and not in excess of $58,000, 20 per cent in addition of such excess.

Five thousand and sixty dollars upon net incomes of $58,000; and upon net incomes in excess of $58,000 and not in excess of $62,000, 21 per cent in addition of such excess.

Five thousand nine hundred dollars upon net incomes of $62,000; and upon net incomes in excess of $62,000 and not in excess of $64,000, 22 per cent in addition of such excess.

Six thousand three hundred and forty dollars upon net incomes of $64,000; and upon net incomes in excess of $64,000 and not in excess of $66,000, 23 per cent in addition of such excess.

Six thousand eight hundred dollars upon net incomes of $66,000; and upon net incomes in excess of $66,000 and not in excess of $68,000, 24 per cent in addition of such excess.

Seven thousand two hundred and eighty dollars upon net incomes of $68,000; and upon net incomes in excess of $68,000 and not in excess of $70,000, 25 per cent in addition of such excess.

Seven thousand seven hundred and eighty dollars upon net incomes of $70,000; and upon net incomes in excess of $70,000 and not in excess of $74,000, 26 per cent in addition of such excess.

Eight thousand eight hundred and twenty dollars upon net incomes of $74,000; and upon net incomes in excess of $74,000 and not in excess of $76,000, 27 per cent in addition of such excess.

Nine thousand three hundred and sixty dollars upon net incomes of $76,000; and upon net incomes in excess of $76,000 and not in excess of $80,000, 28 per cent in addition of such excess.

Ten thousand four hundred and eighty dollars upon net incomes of $80,000; and upon net incomes in excess of $80,000 and not in excess of $82,000, 29 per cent in addition of such excess.

Eleven thousand and sixty dollars upon net incomes of $82,000; and upon net incomes in excess of $82,000 and not in excess of $84,000, 30 per cent in addition of such excess.

Eleven thousand six hundred and sixty dollars upon net incomes of $84,000; and upon net incomes in excess of $84,000 and not in excess of $88,000, 31 per cent in addition of such excess.

Twelve thousand nine hundred dollars upon net incomes of $88,000; and upon net incomes in excess of $88,000 and not in excess of $90,000, 32 per cent in addition of such excess.

Thirteen thousand five hundred and forty dollars upon net incomes of $90,000; and upon net incomes in excess of $90,000 and not in excess of $92,000, 33 per cent in addition of such excess.

Fourteen thousand two hundred dollars upon net incomes of $92,000; and upon net incomes in excess of $92,000 and not in excess of $94,000, 34 per cent in addition of such excess.

Fourteen thousand eight hundred and eighty dollars upon net incomes of $94,000; and upon net incomes in excess of $94,000 and not in excess of $96,000, 35 per cent in addition of such excess.

Fifteen thousand five hundred and eighty dollars upon net incomes of $96,000; and upon net incomes of $96,000 and not in excess of $100,000, 36 per cent in addition of such excess.

Seventeen thousand and twenty dollars upon net incomes of $100,000; and upon net incomes in excess of $100,000 and not in excess of $200,000, 37 per cent in addition of such excess.

Fifty-four thousand and twenty dollars upon net incomes of $200,000; and upon net incomes in excess of $200,000 and not in excess of $300,000, 38 per cent in addition of such excess.

Ninety-two thousand and twenty dollars upon net incomes of $300,000; and upon net incomes in excess of $300,000 and not in excess of $500,000, 39 per cent in addition of such excess.

One hundred and seventy thousand and twenty dollars upon net incomes of $500,000; and upon net incomes in excess of $500,000, in addition 40 per cent of such excess.

Comparative table showing amount of tax reduction from the present law under the Mellon and Simmons plans—married man, no dependents, and first $5,000 considered as earned, the balance as unearned.

Net income	Mellon plan	Simmons plan
$1,000		
$2,000		
$3,000	$8.75	$12.50
$4,000	26.25	37.50
$5,000	43.75	62.50
$6,000	42.50	102.50
$7,000	92.50	162.50
$8,000	122.50	212.50

Comparative table showing amount of tax reduction from the present law under the Mellon and Simmons plans—Continued

Net income	Mellon plan	Simmons plan
$9,000	$152.50	$262.50
$10,000	182.50	312.50
$11,000	212.50	352.50
$12,000	242.50	382.50
$13,000	272.50	422.50
$14,000	302.50	462.50
$15,000	332.50	502.50
$16,000	362.50	542.50
$17,000	392.50	582.50
$18,000	422.50	622.50
$19,000	452.50	662.50
$20,000	482.50	702.50
$21,000	522.50	752.50
$22,000	562.50	802.50
$23,000	602.50	852.50
$24,000	642.50	902.50
$25,000	682.50	952.50
$26,000	722.50	1,002.50
$27,000	762.50	1,052.50
$28,000	802.50	1,102.50
$29,000	842.50	1,152.50
$30,000	882.50	1,202.50
$31,000	922.50	1,252.50
$32,000	962.50	1,302.50
$33,000	1,012.50	1,372.50
$34,000	1,062.50	1,442.50
$35,000	1,102.50	1,502.50
$36,000	1,142.50	1,562.50
$37,000	1,182.50	1,622.50
$38,000	1,222.50	1,682.50
$39,000	1,272.50	1,742.50
$40,000	1,322.50	1,802.50
$41,000	1,372.50	1,872.50
$42,000	1,422.50	1,942.50
$43,000	1,482.50	2,012.50
$44,000	1,542.50	2,082.50
$45,000	1,612.50	2,152.50
$46,000	1,682.50	2,222.50
$47,000	1,752.50	2,292.50
$48,000	1,822.50	2,362.50
$49,000	1,902.50	2,452.50
$50,000	1,982.50	2,502.50
$51,000	2,072.50	2,572.50
$52,000	2,162.50	2,642.50
$53,000	2,252.50	2,712.50
$54,000	2,342.50	2,782.50
$55,000	2,442.50	2,862.50
$56,000	2,542.50	2,942.50
$57,000	2,652.50	3,022.50
$58,000	2,762.50	3,102.50
$59,000	2,872.50	3,182.50
$60,000	2,982.50	3,262.50

Comparative table showing amount of tax reduction from the present law under the Mellon and Simmons plans—Continued

Net income	Mellon plan	Simmons plan
$61,000	$3,102.50	$3,352.50
$62,000	3,222.50	3,442.50
$63,000	3,352.50	3,532.50
$64,000	3,482.50	3,622.50
$65,000	3,612.50	3,712.50
$66,000	3,742.50	3,802.50
$67,000	3,882.50	3,892.50
$68,000	4,022.50	3,982.50
$69,000	4,172.50	4,072.50
$70,000	4,322.50	4,162.50
$71,000	4,472.50	4,252.50
$72,000	4,622.50	4,342.50
$73,000	4,782.50	4,442.50
$74,000	4,942.50	4,542.50
$75,000	5,112.50	4,642.50
$76,000	5,282.50	4,742.50
$77,000	5,452.50	4,842.50
$78,000	5,622.50	4,942.50
$79,000	5,802.50	5,052.50
$80,000	5,962.50	5,162.50
$81,000	6,172.50	5,272.50
$82,000	6,362.50	5,382.50
$83,000	6,552.50	5,492.50
$84,000	6,742.50	5,602.50
$85,000	6,942.50	5,712.50
$86,000	7,142.50	5,822.50
$87,000	7,352.50	5,942.50
$88,000	7,562.50	6,062.50
$89,000	7,772.50	6,182.50
$90,000	7,982.50	6,302.50
$91,000	8,202.50	6,422.50
$92,000	8,422.50	6,542.50
$93,000	8,652.50	6,662.50
$94,000	8,882.50	6,782.50
$95,000	9,112.50	6,902.50
$96,000	9,342.50	7,022.50
$97,000	9,582.50	7,142.50
$98,000	9,822.50	7,262.50
$99,000	10,072.50	7,392.50
$100,000	10,322.50	7,522.50
$150,000	22,822.50	14,022.50
$200,000	35,822.50	21,022.50
$250,000	49,322.50	28,022.50
$300,000	62,822.50	35,022.50
$500,000	116,822.50	61,022.50
$1,000,000	251,822.50	121,022.50
$2,000,000	521,822.50	241,022.50
$3,000,000	791,822.50	361,022.50
$4,000,000	1,061,822.50	481,022.50
$5,000,000	1,331,822.50	601,022.50

Comparison of the tax on specified incomes to be paid under the provisions of the present law, Mellon plan, Democratic (Simmons) plan—married man, no dependents—the first $5,000 of all income to be deemed to be earned, balance unearned

Net income	Present law					Mellon plan					Democratic (Simmons) plan				
	Normal tax	Surtax	Total tax	Surtax in per cent of total net income	Total tax in per cent of total net income	Normal tax	Surtax	Total tax	Surtax in per cent of total net income	Total tax in per cent of total net income	Normal tax	Surtax	Total tax	Surtax in per cent of total net income	Total tax in per cent of total net income
$3,000	$20	----------	$20	----------	0.67	$11.25	----------	$11.25	----------	0.38	$7.50	----------	$7.50	----------	0.25
4,000	60	----------	60	----------	1.50	33.75	----------	33.75	----------	.84	22.50	----------	22.50	----------	.56
5,000	100	----------	100	----------	2.00	56.25	----------	56.24	----------	1.13	37.50	----------	37.50	----------	.75
6,000	160	----------	160	----------	2.67	97.50	----------	97.50	----------	1.63	57.50	----------	57.50	----------	.94
7,000	240	$10	250	0.14	3.56	157.50	----------	157.50	----------	2.25	87.50	----------	87.50	----------	1.25
9,000	400	30	430	.33	4.78	277.50	----------	277.50	----------	3.08	167.50	----------	167.50	----------	1.86
10,000	480	40	520	.40	5.20	337.50	----------	337.50	----------	3.38	207.50	----------	207.50	----------	2.08
12,000	640	80	720	.67	6.00	457.50	$20	477.50	0.17	3.98	317.50	$20	337.50	0.17	2.81
14,000	800	140	940	1.00	6.71	577.50	60	637.50	.43	4.55	437.50	40	477.50	.29	3.41
16,000	960	220	1,180	1.38	7.38	697.50	120	817.50	.71	5.11	557.50	80	637.50	.50	3.98
18,000	1,120	320	1,440	1.78	8.00	817.50	200	1,017.50	1.11	5.65	677.50	140	817.50	.78	4.54
20,000	1,280	440	1,720	2.20	8.60	937.50	300	1,237.50	1.50	6.19	797.50	220	1,017.50	1.10	5.09
22,000	1,440	600	2,040	2.73	9.27	1,057.50	420	1,477.50	1.90	6.72	917.50	320	1,237.50	1.45	5.62
24,000	1,600	780	2,380	3.25	9.92	1,177.50	560	1,737.50	2.33	7.24	1,037.50	440	1,477.50	1.83	6.15
26,000	1,760	980	2,740	3.77	10.54	1,297.50	720	2,017.50	2.77	7.76	1,157.50	580	1,737.50	2.23	6.95
28,000	1,920	1,200	3,120	4.29	11.14	1,417.50	900	2,317.50	3.21	8.28	1,277.50	740	2,017.50	2.64	7.21
30,000	2,080	1,440	3,520	4.80	11.73	1,537.50	1,100	2,637.50	3.67	8.79	1,397.50	920	2,317.50	3.07	7.73
32,000	2,240	1,700	3,940	5.31	12.31	1,657.50	1,320	2,977.50	4.13	9.30	1,517.50	1,120	2,637.50	3.50	8.24
34,000	2,400	2,000	4,400	5.88	12.94	1,777.50	1,560	3,337.50	4.59	9.82	1,637.50	1,320	2,957.50	3.88	8.70
36,000	2,560	2,300	4,860	6.39	13.50	1,897.50	1,820	3,717.50	5.06	10.33	1,757.50	1,540	3,297.50	4.28	9.15
38,000	2,720	2,620	5,340	6.89	14.05	2,017.50	2,100	4,117.50	5.53	10.84	1,877.50	1,780	3,657.50	4.66	9.63
40,000	2,880	2,960	5,840	7.40	14.60	2,137.50	2,380	4,517.50	5.95	11.29	1,997.50	2,040	4,037.50	5.10	10.09
42,000	3,040	3,320	6,360	7.90	15.14	2,257.50	2,680	4,937.50	6.38	11.76	2,117.50	2,300	4,417.50	5.48	10.52
46,000	3,360	4,100	7,460	8.91	16.22	2,497.50	3,280	5,777.50	7.13	12.56	2,357.50	2,880	5,237.50	6.26	11.39
50,000	3,680	4,960	8,640	9.92	17.28	2,737.50	3,920	6,657.50	7.84	13.32	2,597.50	3,540	6,137.50	7.08	12.28
60,000	4,480	7,460	11,940	12.43	19.90	3,337.50	5,620	8,957.50	9.37	14.93	3,197.50	5,480	8,677.50	9.13	14.46
70,000	5,280	10,460	15,740	14.94	22.49	3,937.50	7,480	11,417.50	10.69	16.31	3,797.50	7,780	11,577.50	11.11	16.53
80,000	6,080	13,960	20,040	17.45	25.05	4,537.50	9,520	14,057.50	11.90	17.57	4,397.50	10,480	14,877.50	13.10	18.60
90,000	6,880	17,960	24,840	19.96	27.60	5,137.50	11,720	16,857.50	13.02	18.73	4,997.50	13,540	18,537.50	15.04	20.60
100,000	7,680	22,460	30,140	22.46	30.14	5,737.50	14,080	19,817.50	14.08	19.82	5,597.50	17,020	22,617.50	17.02	22.62
150,000	11,680	46,460	58,140	30.97	38.76	8,737.50	26,580	35,317.50	17.72	23.55	8,597.50	35,520	44,117.50	23.68	29.41
200,000	15,680	70,960	86,640	35.48	43.32	11,737.50	39,080	50,817.50	19.54	25.41	11,597.50	54,020	65,617.50	27.01	32.82
300,000	23,680	120,960	144,640	40.32	48.21	17,737.50	64,080	81,817.50	21.36	27.27	17,597.50	92,020	109,617.50	30.67	36.54
500,000	39,680	220,960	260,640	44.19	52.13	29,737.50	114,080	143,817.50	22.82	29.76	29,597.50	170,020	199,617.50	34.00	39.92
1,000,000	79,680	470,960	550,640	47.10	55.06	59,737.50	239,080	298,817.50	23.91	29.88	59,597.50	370,020	429,617.50	37.00	42.96

Comparison of the Mellon and Democratic (Act of 1924) tax plans with the Act of 1921 (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned

Number of persons making returns in each class for 1921	Income	Amount of normal tax under—			Amount of surtax under—			Amount of surtax reduction under—		Amount of greater reduction of surtax under—	
		Present	Mellon	Simmons	Present	Mellon	Simmons	Mellon	Simmons	Mellon	Simmons
401,849 under	$1,000.00										
	2,000.00										
	3,000.00	$20.00	$11.25	$7.50							
	4,000.00	60.00	33.75	22.50							
6,087,968	5,000.00	100.00	56.25	37.50							
	6,000.00	160.00	97.50	57.50							
	7,000.00	240.00	157.50	87.50	$10.00			$10.00	$10.00		
	8,000.00	320.00	217.50	127.50	20.00			20.00	20.00		
	9,000.00	400.00	277.50	167.50	30.00			30.00	30.00		
	10,000.00	480.00	337.50	207.50	40.00			40.00	40.00		
	11,000.00	560.00	397.50	247.50	50.00	$10.00	$10.00	50.00	50.00		
	12,000.00	640.00	457.50	317.50	60.00	20.00	20.00	60.00	60.00		
	13,000.00	720.00	517.00	377.50	110.00	40.00	30.00	70.00	80.00		$10.00
114,244	14,000.00	800.00	577.50	437.50	140.00	60.00	40.00	80.00	100.00		20.00
	15,000.00	880.00	637.50	497.50	180.00	90.00	60.00	90.00	120.00		30.00
	16,000.00	960.00	697.50	557.50	220.00	120.00	80.00	100.00	140.00		40.00
	17,000.00	1,040.00	757.50	617.50	270.00	160.00	110.00	110.00	160.00		50.00
	18,000.00	1,120.00	817.50	677.50	320.00	200.00	140.00	120.00	180.00		60.00
	19,000.00	1,200.00	877.50	737.50	380.00	250.00	180.00	130.00	200.00		70.00
	20,000.00	1,280.00	937.50	797.50	440.00	300.00	220.00	140.00	220.00		80.00
	21,000.00	1,360.00	997.50	857.50	520.00	360.00	270.00	160.00	250.00		90.00
	22,000.00	1,440.00	1,057.50	917.50	600.00	420.00	320.00	180.00	280.00		100.00
	23,000.00	1,520.00	1,117.50	977.50	690.00	490.00	380.00	200.00	310.00		110.00
	24,000.00	1,600.00	1,177.50	1,037.50	780.00	560.00	440.00	220.00	340.00		120.00
28,948	25,000.00	1,680.00	1,237.50	1,097.50	880.00	640.00	510.00	240.00	370.00		130.00
	26,000.00	1,760.00	1,297.50	1,157.50	980.00	720.00	580.00	260.00	400.00		140.00
	27,000.00	1,840.00	1,357.50	1,217.50	1,090.00	810.00	660.00	280.00	430.00		150.00
	28,000.00	1,920.00	1,417.50	1,277.50	1,200.00	900.00	740.00	300.00	460.00		160.00
	29,000.00	2,000.00	1,477.50	1,337.50	1,320.00	1,000.00	830.00	320.00	490.00		170.00
	30,000.00	2,080.00	1,537.50	1,397.50	1,440.00	1,100.00	920.00	340.00	520.00		180.00
	31,000.00	2,160.00	1,597.50	1,457.50	1,570.00	1,210.00	1,020.00	360.00	550.00		190.00
	32,000.00	2,240.00	1,657.50	1,517.50	1,700.00	1,320.00	1,120.00	380.00	580.00		200.00
	33,000.00	2,320.00	1,717.50	1,577.50	1,850.00	1,440.00	1,230.00	410.00	610.00		220.00
	34,000.00	2,400.00	1,777.50	1,637.50	2,000.00	1,560.00	1,340.00	440.00	640.00		240.00
12,947	35,000.00	2,480.00	1,837.50	1,697.50	2,180.00	1,690.00	1,460.00	460.00	720.00		260.00
	36,000.00	2,560.00	1,897.50	1,757.50	2,360.00	1,820.00	1,580.00	480.00	760.00		280.00
	37,000.00	2,640.00	1,957.50	1,817.50	2,460.00	1,960.00	1,690.00	500.00	800.00		300.00
	38,000.00	2,720.00	2,017.50	1,877.50	2,620.00	2,100.00	1,790.00	520.00	840.00		320.00
	39,000.00	2,800.00	2,077.50	1,937.50	2,700.00	2,240.00	1,910.00	550.00	880.00		330.00
	40,000.00	2,880.00	2,137.50	1,997.50	2,860.00	2,380.00	2,040.00	580.00	920.00		340.00
	41,000.00	2,960.00	2,197.50	2,057.50	3,140.00	2,530.00	2,170.00	610.00	970.00		360.00
	42,000.00	3,040.00	2,257.50	2,117.50	3,320.00	2,680.00	2,300.00	640.00	1,020.00		380.00
	43,000.00	3,120.00	2,317.50	2,177.50	3,510.00	2,830.00	2,440.00	680.00	1,070.00		390.00
	44,000.00	3,200.00	2,377.50	2,237.50	3,700.00	2,982.00	2,580.00	720.00	1,120.00		400.00
6,051	45,000.00	3,280.00	2,437.50	2,297.50	3,900.00	3,130.00	2,730.00	770.00	1,170.00		400.00
	46,000.00	3,360.00	2,497.50	2,357.50	4,100.00	3,280.00	2,880.00	820.00	1,220.00		400.00
	47,000.00	3,440.00	2,557.50	2,417.50	4,310.00	3,440.00	3,040.00	870.00	1,270.00		400.00
	48,000.00	3,520.00	2,617.50	2,477.50	4,520.00	3,600.00	3,200.00	920.00	1,320.00		400.00
	49,000.00	3,600.00	2,677.50	2,537.50	4,740.00	3,760.00	3,370.00	980.00	1,370.00		390.00
	50,000.00	3,680.00	2,737.50	2,597.50	4,960.00	3,920.00	3,540.00	1,040.00	1,420.00		380.00
	51,000.00	3,760.00	2,797.50	2,657.50	5,190.00	4,080.00	3,720.00	1,110.00	1,470.00		360.00
	52,000.00	3,840.00	2,857.50	2,717.50	5,430.00	4,240.00	3,900.00	1,180.00	1,520.00		340.00
	53,000.00	3,920.00	2,917.50	2,777.50	5,670.00	4,410.00	4,090.00	1,250.00	1,570.00		320.00
	54,000.00	4,000.00	2,977.50	2,837.50	5,900.00	4,582.00	4,280.00	1,320.00	1,620.00		300.00
3,431	55,000.00	4,080.00	3,037.50	2,897.50	6,150.00	4,750.00	4,470.00	1,400.00	1,680.00		280.00
	56,000.00	4,160.00	3,097.50	2,957.50	6,400.00	4,920.00	4,660.00	1,480.00	1,740.00		260.00
	57,000.00	4,240.00	3,157.50	3,017.50	6,650.00	5,090.00	4,860.00	1,570.00	1,800.00		230.00
	58,000.00	4,320.00	3,217.50	3,077.50	6,920.00	5,260.00	5,060.00	1,660.00	1,860.00		200.00
	59,000.00	4,400.00	3,277.50	3,137.50	7,190.00	5,440.00	5,270.00	1,750.00	1,920.00		170.00
	60,000.00	4,480.00	3,337.50	3,197.50	7,460.00	5,620.00	5,480.00	1,840.00	1,980.00		140.00
	61,000.00	4,560.00	3,397.50	3,257.50	7,740.00	5,800.00	5,690.00	1,940.00	2,050.00		110.00
	62,000.00	4,640.00	3,457.50	3,317.50	8,020.00	5,980.00	5,900.00	2,040.00	2,120.00		80.00
	63,000.00	4,720.00	3,517.50	3,377.50	8,310.00	6,160.00	6,120.00	2,150.00	2,190.00		40.00
	64,000.00	4,800.00	3,577.50	3,437.50	8,600.00	6,340.00	6,340.00	2,260.00	2,260.00		
2,240	65,000.00	4,880.00	3,637.50	3,497.50	8,900.00	6,540.00	6,570.00	2,370.00	2,330.00	$40.00	
	66,000.00	4,960.00	3,697.50	3,557.50	9,200.00	6,720.00	6,800.00	2,480.00	2,400.00	80.00	
	67,000.00	5,040.00	3,757.50	3,617.50	9,510.00	6,910.00	7,040.00	2,600.00	2,470.00	130.00	
	68,000.00	5,120.00	3,817.50	3,677.50	9,820.00	7,100.00	7,280.00	2,720.00	2,540.00	180.00	
	69,000.00	5,200.00	3,877.50	3,737.50	10,140.00	7,290.00	7,530.00	2,850.00	2,610.00	240.00	
	70,000.00	5,280.00	3,937.50	3,797.50	10,460.00	7,480.00	7,780.00	2,980.00	2,680.00	300.00	
	71,000.00	5,360.00	3,997.50	3,857.50	10,790.00	7,680.00	8,040.00	3,110.00	2,750.00	360.00	
	72,000.00	5,440.00	4,057.50	3,917.50	11,120.00	7,880.00	8,300.00	3,240.00	2,820.00	420.00	
	73,000.00	5,520.00	4,117.50	3,977.50	11,460.00	8,080.00	8,560.00	3,380.00	2,900.00	480.00	
1,423	74,000.00	5,600.00	4,177.50	4,037.50	11,800.00	8,280.00	8,820.00	3,520.00	2,980.00	540.00	
	75,000.00	5,680.00	4,237.50	4,097.50	12,150.00	8,480.00	9,090.00	3,670.00	3,060.00	610.00	
	76,000.00	5,760.00	4,297.50	4,157.50	12,500.00	8,680.00	9,360.00	3,820.00	3,140.00	680.00	
	77,000.00	5,840.00	4,357.50	4,217.50	12,860.00	8,890.00	9,640.00	3,970.00	3,220.00	750.00	
	78,000.00	5,920.00	4,417.50	4,277.50	13,220.00	9,100.00	9,920.00	4,120.00	3,300.00	820.00	
	79,000.00	6,000.00	4,477.50	4,337.50	13,590.00	9,310.00	10,200.00	4,280.00	3,390.00	890.00	
	80,000.00	6,080.00	4,537.50	4,397.50	13,960.00	9,520.00	10,480.00	4,440.00	3,480.00	960.00	
	81,000.00	6,160.00	4,597.50	4,457.50	14,340.00	9,730.00	10,770.00	4,610.00	3,570.00	1,040.00	
	82,000.00	6,240.00	4,657.50	4,517.50	14,720.00	9,940.00	11,060.00	4,780.00	3,660.00	1,120.00	
	83,000.00	6,320.00	4,717.50	4,577.50	15,110.00	10,160.00	11,360.00	4,950.00	3,750.00	1,200.00	
	84,000.00	6,400.00	4,777.50	4,637.50	15,500.00	10,380.00	11,660.00	5,120.00	3,840.00	1,280.00	
957	85,000.00	6,480.00	4,837.50	4,697.50	15,900.00	10,600.00	11,970.00	5,300.00	3,930.00	1,370.00	
	86,000.00	6,560.00	4,897.50	4,757.50	16,300.00	10,820.00	12,280.00	5,480.00	4,020.00	1,460.00	
	87,000.00	6,640.00	4,957.50	4,817.50	16,710.00	11,040.00	12,590.00	5,670.00	4,120.00	1,550.00	
	88,000.00	6,720.00	5,017.50	4,877.50	17,120.00	11,260.00	12,900.00	5,860.00	4,220.00	1,640.00	
	89,000.00	6,800.00	5,077.50	4,937.50	17,540.00	11,490.00	13,220.00	6,050.00	4,320.00	1,730.00	
	90,000.00	6,880.00	5,137.50	4,997.50	17,960.00	11,720.00	13,540.00	6,240.00	4,420.00	1,830.00	
	91,000.00	6,960.00	5,197.50	5,057.50	18,390.00	11,950.00	13,870.00	6,440.00	4,520.00	1,930.00	
	92,000.00	7,040.00	5,257.50	5,117.50	18,820.00	12,180.00	14,200.00	6,640.00	4,620.00	2,020.00	
	93,000.00	7,120.00	5,317.50	5,177.50	19,260.00	12,410.00	14,540.00	6,850.00	4,720.00	2,130.00	
666	94,000.00	7,200.00	5,377.50	5,237.50	19,700.00	12,640.00	14,880.00	7,060.00	4,820.00	2,240.00	
	95,000.00	7,280.00	5,437.50	5,297.50	20,150.00	12,880.00	15,230.00	7,270.00	4,920.00	2,350.00	
	96,000.00	7,360.00	5,497.50	5,357.50	20,600.00	13,120.00	15,580.00	7,490.00	5,020.00	2,460.00	
	97,000.00	7,440.00	5,557.50	5,417.50	21,060.00	13,360.00	15,940.00	7,700.00	5,120.00	2,580.00	
	98,000.00	7,520.00	5,617.50	5,477.50	21,520.00	13,600.00	16,300.00	7,920.00	5,230.00	2,700.00	
	99,000.00	7,600.00	5,677.50	5,537.50	21,990.00	13,840.00	16,660.00	8,150.00	5,330.00	2,820.00	
	100,000.00	7,680.00	5,737.50	5,597.50	22,460.00	14,080.00	17,020.00	8,380.00	5,440.00	2,940.00	
1,817	150,000.00	11,680.00	8,737.50	8,597.50	46,460.00	26,080.00	35,520.00	19,880.00	10,940.00	8,940.00	
	200,000.00	15,680.00	11,737.50	11,597.50	70,960.00	39,080.00	54,020.00	31,880.00	16,940.00	15,940.00	
451	250,000.00	19,680.00	14,737.50	14,597.50	95,960.00	51,880.00	73,020.00	44,380.00	22,940.00	21,940.00	
	300,000.00	23,680.00	17,737.50	17,597.50	120,960.00	64,880.00	92,020.00	56,880.00	28,940.00	27,940.00	
	500,000.00	39,680.00	29,737.50	29,597.50	220,960.00	114,880.00	170,020.00	106,880.00	50,940.00	55,940.00	
63	1,000,000.00	79,680.00	59,737.50	59,597.50	470,960.00	239,880.00	370,020.00	231,880.00	103,940.00	130,940.00	
	2,000,000.00	159,680.00	119,737.50	119,597.50	970,960.00	489,880.00	770,020.00	481,880.00	209,940.00	280,940.00	
21	3,000,000.00	239,680.00	179,737.50	179,597.50	1,470,960.00	739,880.00	1,170,020.00	731,880.00	309,940.00	430,940.00	
	4,000,000.00	319,680.00	239,737.50	239,597.50	1,970,960.00	989,880.00	1,570,020.00	981,880.00	409,940.00	580,940.00	
	5,000,000.00	399,680.00	299,737.50	299,597.50	2,470,960.00	1,239,880.00	1,970,020.00	1,231,880.00	509,940.00	730,940.00	

Comparison of the Mellon and Democratic (Act of 1924) tax plans with the Act of 1921 (married person without dependents), the first $5,000 of all income to be deemed to be earned; balance unearned—Continued

Number of persons making returns in each class for 1921	Income	Amount of total tax under—			Amount of reduction of total tax under—		Amount of greater reduction of total tax under—		Percentage of reduction of total tax under—	
		Present	Mellon	Simmons	Mellon	Simmons	Mellon	Simmons	Mellon	Simmons
401,849 under	$1,000.00									
	2,000.00									
	3,000.00	$20.00	$11.25	$7.50	$8.75	$12.50		$8.75	$13.75	$62.50
	4,000.00	60.00	33.75	22.50	26.25	37.50		11.25	43.75	62.50
6,087,968	5,000.00	100.00	56.25	37.50	43.75	62.50		18.75	43.75	62.50
	6,000.00	160.00	97.50	67.50	62.50	102.50		60.00	39.06	64.06
	7,000.00	250.00	157.50	87.50	92.50	162.50		70.00	37.00	65.00
	8,000.00	340.00	217.50	127.50	122.50	212.50		90.00	36.03	62.50
	9,000.00	430.00	277.50	167.50	152.50	262.50		110.00	35.47	61.05
	10,000.00	520.00	337.50	207.50	182.50	312.50		130.00	35.10	60.10
	11,000.00	620.00	407.50	267.50	212.50	352.50		140.00	34.27	56.85
	12,000.00	720.00	477.50	337.50	242.50	382.50		140.00	33.68	53.13
	13,000.00	830.00	557.50	407.50	272.50	422.50		130.00	32.83	50.90
	14,000.00	940.00	637.50	477.50	302.50	462.50		160.00	32.18	49.20
114,244	15,000.00	1,060.00	722.50	557.50	332.50	502.50		170.00	31.35	47.41
	16,000.00	1,180.00	817.50	637.50	362.50	542.50		180.00	30.72	45.97
	17,000.00	1,310.00	917.50	727.50	392.50	582.50		190.00	29.96	44.47
	18,000.00	1,440.00	1,017.50	817.50	422.50	622.50		200.00	29.34	43.22
	19,000.00	1,580.00	1,127.50	917.50	452.50	662.50		210.00	28.64	41.98
	20,000.00	1,720.00	1,237.50	1,017.50	482.50	702.50		220.00	28.05	40.84
	21,000.00	1,880.00	1,357.50	1,127.50	522.50	752.50		230.00	27.79	40.00
	22,000.00	2,040.00	1,477.50	1,237.50	562.50	802.50		240.00	27.57	39.34
	23,000.00	2,210.00	1,607.50	1,357.50	602.50	852.50		250.00	27.26	38.57
	24,000.00	2,380.00	1,737.50	1,477.50	642.50	902.50		260.00	27.00	37.92
28,948	25,000.00	2,560.00	1,877.50	1,607.50	682.50	952.50		270.00	26.66	37.21
	26,000.00	2,740.00	2,017.50	1,737.50	722.50	1,002.50		280.00	26.37	36.59
	27,000.00	2,930.00	2,167.50	1,877.50	762.50	1,052.50		290.00	26.02	35.92
	28,000.00	3,120.00	2,317.50	2,017.50	802.50	1,102.50		300.00	25.72	35.34
	29,000.00	3,320.00	2,477.50	2,167.50	842.50	1,152.50		310.00	25.38	34.71
	30,000.00	3,520.00	2,637.50	2,317.50	882.50	1,202.50		320.00	25.07	34.16
	31,000.00	3,730.00	2,807.50	2,477.50	922.50	1,252.50		330.00	24.73	33.58
	32,000.00	3,940.00	2,977.50	2,637.50	962.50	1,302.50		340.00	24.43	33.06
	33,000.00	4,170.00	3,157.50	2,797.50	1,012.50	1,372.50		360.00	24.28	32.91
	34,000.00	4,400.00	3,337.50	2,957.50	1,062.50	1,442.50		380.00	24.15	32.79
12,047	35,000.00	4,630.00	3,527.50	3,127.50	1,102.50	1,502.50		400.00	23.81	32.45
	36,000.00	4,860.00	3,717.50	3,297.50	1,142.50	1,562.50		420.00	23.51	32.15
	37,000.00	5,100.00	3,917.50	3,477.50	1,182.50	1,622.50		440.00	23.19	31.81
	38,000.00	5,340.00	4,117.50	3,657.50	1,222.50	1,682.50		460.00	22.89	31.51
	39,000.00	5,590.00	4,317.50	3,847.50	1,272.50	1,742.50		470.00	22.76	31.17
	40,000.00	5,840.00	4,517.50	4,037.50	1,322.50	1,802.50		480.00	22.65	30.86
	41,000.00	6,100.00	4,727.50	4,227.50	1,372.50	1,872.50		500.00	22.50	30.70
	42,000.00	6,360.00	4,937.50	4,417.50	1,422.50	1,942.50		520.00	22.37	30.54
	43,000.00	6,630.00	5,147.50	4,617.50	1,482.50	2,012.50		530.00	22.36	30.35
	44,000.00	6,900.00	5,357.50	4,817.50	1,542.50	2,082.50		540.00	22.36	30.18
6,051	45,000.00	7,180.00	5,567.50	5,027.50	1,612.50	2,152.50		540.00	22.46	29.98
	46,000.00	7,460.00	5,777.50	5,237.50	1,682.50	2,222.50		540.00	22.55	29.79
	47,000.00	7,750.00	5,997.50	5,457.50	1,752.50	2,292.50		540.00	22.61	29.58
	48,000.00	8,040.00	6,217.50	5,677.50	1,822.50	2,362.50		540.00	22.67	29.38
	49,000.00	8,340.00	6,437.50	5,907.50	1,902.50	2,432.50		530.00	22.81	29.19
	50,000.00	8,640.00	6,657.50	6,137.50	1,982.50	2,502.50		520.00	22.95	28.97
	51,000.00	8,950.00	6,877.50	6,377.50	2,072.50	2,572.50		500.00	23.16	28.74
	52,000.00	9,260.00	7,097.50	6,617.50	2,162.50	2,642.50		480.00	23.34	28.54
	53,000.00	9,580.00	7,327.50	6,867.50	2,252.50	2,712.50		460.00	23.51	28.31
	54,000.00	9,900.00	7,557.50	7,117.50	2,342.50	2,782.50		440.00	23.66	28.11
3,431	55,000.00	10,230.00	7,787.50	7,367.50	2,442.50	2,852.50		420.00	23.68	27.88
	56,000.00	10,560.00	8,017.50	7,617.50	2,542.50	2,942.50		400.00	24.06	27.69
	57,000.00	10,900.00	8,267.50	7,877.50	2,652.50	3,022.50		370.00	24.23	27.73
	58,000.00	11,240.00	8,477.50	8,137.50	2,762.50	3,102.50		340.00	24.58	27.60
	59,000.00	11,590.00	8,717.50	8,407.50	2,872.50	3,182.50		310.00	24.78	27.46
	60,000.00	11,940.00	8,957.50	8,677.50	2,982.50	3,262.50		280.00	24.97	27.23
	61,000.00	12,300.00	9,197.50	8,947.50	3,102.50	3,352.50		250.00	25.22	27.26
	62,000.00	12,660.00	9,437.50	9,217.50	3,222.50	3,442.50		220.00	25.45	27.10
	63,000.00	13,030.00	9,677.50	9,497.50	3,352.50	3,532.50		190.00	25.73	27.11
	64,000.00	13,400.00	9,917.50	9,777.50	3,482.50	3,622.50		140.00	25.91	27.04
2,240	65,000.00	13,780.00	10,167.50	10,057.50	3,612.50	3,712.50		100.00	26.23	26.94
	66,000.00	14,160.00	10,417.50	10,337.50	3,742.50	3,802.50		60.00	26.43	26.85
	67,000.00	14,556.00	10,667.50	10,657.50	3,882.50	3,892.50		10.00	26.68	26.75
	68,000.00	14,940.00	10,917.50	10,957.50	4,022.50	3,982.50	$40.00		26.92	26.66
	69,000.00	15,340.00	11,167.50	11,267.50	4,172.50	4,072.50	100.00		27.20	26.55
	70,000.00	15,740.00	11,417.50	11,577.50	4,322.50	4,162.50	160.00		27.46	26.44
	71,000.00	16,150.00	11,677.50	11,897.50	4,472.50	4,252.50	220.00		27.69	26.23
	72,000.00	16,560.00	11,937.50	12,217.50	4,622.50	4,342.50	280.00		27.91	26.22
	73,000.00	16,980.00	12,197.50	12,537.50	4,782.50	4,442.50	340.00		28.16	26.16
	74,000.00	17,400.00	12,457.50	12,857.50	4,942.50	4,542.50	400.00		28.41	26.11
1,423	75,000.00	17,830.00	12,717.50	13,187.50	5,112.50	4,642.50	470.00		28.73	26.04
	76,000.00	18,260.00	12,977.50	13,517.50	5,282.50	4,742.50	540.00		28.93	25.97
	77,000.00	18,700.00	13,247.50	13,857.50	5,452.50	4,842.50	610.00		29.15	25.91
	78,000.00	19,140.00	13,517.50	14,197.50	5,622.50	4,942.50	680.00		29.37	25.82
	79,000.00	19,590.00	13,787.50	14,537.50	5,802.50	5,052.50	750.00		29.62	25.70
	80,000.00	20,040.00	14,057.50	14,877.50	5,982.50	5,162.50	820.00		29.86	25.76
	81,000.00	20,500.00	14,327.50	15,227.50	6,172.50	5,272.50	900.00		30.10	25.73
	82,000.00	20,960.00	14,597.50	15,577.50	6,362.50	5,382.50	980.00		30.34	25.63
	83,000.00	21,430.00	14,877.50	15,937.50	6,552.50	5,492.50	1,060.00		30.58	25.63
	84,000.00	21,900.00	15,157.50	16,297.50	6,742.50	5,602.50	1,140.00		30.79	25.53
957	85,000.00	22,380.00	15,437.50	16,667.50	6,942.50	5,712.50	1,230.00		31.02	25.47
	86,000.00	22,860.00	15,717.50	17,037.50	7,142.50	5,822.50	1,320.00		31.24	25.45
	87,000.00	23,350.00	15,997.50	17,407.50	7,352.50	5,942.50	1,410.00		31.46	25.43
	88,000.00	23,840.00	16,277.50	17,777.50	7,562.50	6,062.50	1,500.00		31.72	25.43
	89,000.00	24,340.00	16,567.50	18,157.50	7,772.50	6,182.50	1,590.00		31.93	25.40
	90,000.00	24,840.00	16,857.50	18,537.50	7,982.50	6,302.50	1,680.00		32.14	25.37
	91,000.00	25,350.00	17,147.50	18,927.50	8,202.50	6,422.50	1,780.00		32.36	25.34
	92,000.00	25,860.00	17,437.50	19,317.50	8,422.50	6,542.50	1,880.00		32.57	25.30
	93,000.00	26,380.00	17,727.50	19,717.50	8,652.50	6,672.50	1,990.00		32.79	25.26
	94,000.00	26,900.00	18,017.50	20,117.50	8,882.50	6,782.50	2,100.00		33.02	25.21
666	95,000.00	27,430.00	18,317.50	20,527.50	9,112.50	6,902.50	2,210.00		33.22	25.16
	96,000.00	27,960.00	18,617.50	20,937.50	9,342.50	7,022.50	2,320.00		33.41	25.12
	97,000.00	28,500.00	18,917.50	21,357.50	9,582.50	7,142.50	2,440.00		33.62	25.06
	98,000.00	29,040.00	19,217.50	21,777.50	9,822.50	7,262.50	2,560.00		33.83	25.01
	99,000.00	29,590.00	19,517.50	22,197.50	10,072.50	7,392.50	2,680.00		34.04	24.96
	100,000.00	30,140.00	19,817.50	22,617.50	10,322.50	7,522.50	2,800.00		34.25	24.96
1,817	150,000.00	58,140.00	35,317.50	44,117.50	22,822.50	14,022.50	8,800.00		39.25	24.72
	200,000.00	86,640.00	50,817.50	65,617.50	35,822.50	21,022.50	14,800.00		41.35	24.24
451	250,000.00	115,640.00	66,317.50	87,617.50	49,322.50	28,022.50	21,300.00		42.65	24.23
	300

The following table of the number of persons making income-tax returns in 1921 is compiled from the official figures of the Treasury Department, contained in Statistics of Income for 1921.

It shows the total number of persons making income-tax returns in each State, and the number benefited more by the Democratic (Simmons) plan than by the Mellon plan, and the number benefited more by the Mellon plan than by the Democratic (Simmons) plan.

Comparative table showing beneficiaries of the Democratic (Simmons) tax-reduction plan and of the Mellon plan by States

State	Total number making income-tax returns, 1921	Number benefited more by Mellon plan	Number benefited more by act of 1924
Alabama	43,009	25	42,984
Arizona	18,477	1	18,476
Arkansas	33,830	8	33,822
California	385,082	237	385,845
Colorado	69,676	25	69,651
Connecticut	123,269	96	123,173
Delaware	15,889	12	15,877
District of Columbia	89,966	68	89,898
Florida	42,249	14	42,235
Georgia	67,719	24	67,695
Hawaii	11,481	22	11,459
Idaho	22,976	1	22,975
Illinois	611,558	537	611,021
Indiana	150,300	52	150,248
Iowa	111,483	24	111,459
Kansas	88,785	9	88,776
Kentucky	69,496	25	69,471
Louisiana	67,960	34	67,926
Maine	44,397	25	44,372
Maryland	112,963	109	112,854
Massachusetts	388,442	505	387,937
Michigan	250,147	174	249,973
Minnesota	124,501	81	124,420
Mississippi	25,614	5	25,609
Missouri	172,519	106	172,413
Montana	36,907	4	36,903
Nebraska	71,853	14	71,839
Nevada	9,719	1	9,718
New Hampshire	32,410	17	32,393
New Jersey	269,096	274	268,822
New Mexico	11,780	1	11,779
New York	1,096,637	2,050	1,094,587
North Carolina	44,161	38	44,123
North Dakota	18,440	1	18,439
Ohio	367,096	270	366,826
Oklahoma	69,381	15	69,366
Oregon	62,804	18	62,786
Pennsylvania	621,103	833	620,270
Rhode Island	48,057	103	47,954
South Carolina	25,160	6	25,154
South Dakota	21,681	0	21,681
Tennessee	60,949	19	60,930
Texas	200,188	66	200,122
Utah	26,128	1	26,127
Vermont	17,746	8	17,738
Virginia	76,257	21	76,236
Washington, including Alaska	115,688	21	115,667
West Virginia	75,277	38	75,239
Wisconsin	148,437	67	148,390
Wyoming	22,413	4	22,409
Total	6,662,176	6,109	6,656,067

Mr. KING. Mr. President, in this connection, so that the data may be complete, will the Senator state the general result upon the aggregate tax collected, both normal and surtax, under the plan proposed by the minority and the plan proposed by the majority?

Mr. JONES of New Mexico. The actuary estimates that there will be virtually the same amount of revenue derived by the plan proposed by the minority and that proposed by the majority. The minority plan would reduce the tax upon incomes below $64,000, and those having incomes above $64,000 would pay more. The amount of revenue raised would be practically the same as that raised under the majority plan.

In speeches on the floor of the Senate heretofore I have called attention to the fact that the average taxpayer, the one with an income of less than $64,000, bears the real burden of all the State, county, and municipal taxes. The revenues for these entities are raised by a general property tax, and we know that invisible wealth, the wealth represented really by these net incomes, is not the source that pays the State, local, and county taxes.

Moreover, I have called attention time and again to the fact that a tax upon net incomes stays where it is put, as a rule. It is not passed on and finally borne by the consumers of the country. It is not a tax upon the necessities of life, but it is a tax borne by those who have the actual ability to pay and who do not pay otherwise any just share of the burdens of their own Government.

For that reason I am in favor of the amendment proposed by the Senator from North Carolina. I think we have said enough about it, and, so far as I am concerned, I hope we may have a vote.

Mr. SIMMONS. I see no reason why we should not have a vote right now.

Mr. KING. Just one further suggestion to the Senator. A statement has been made through the press, particularly the Republican press, that the measure known as the Mellon plan would grant greater relief from taxation than any other plan which has been proposed. Is it not a fact—in fact, the Senator has practically stated—that if the Mellon plan is a system of tax reduction, the so-called Simmons plan not only meets that plan but goes a little below it and adjusts the taxes so as to be fairer toward the class to which the Senator just referred, those having incomes between $20,000 and $64,000.

Mr. JONES of New Mexico. The Simmons plan is just as much a tax-reduction plan as the so-called Mellon plan. The only difference is that Mr. Mellon makes a reduction on people of his own individual financial class. The Simmons plan makes a reduction on those who have more modest incomes. That is the only difference between the two. It is just a question of where reduction is to be made. All this argument about reducing the taxes on high incomes, and so on, as being a burden upon business generally, and as being finally borne by the masses of the people is untenable. If the people who pay these taxes could shift them, if they knew they could, or if they believed they could, they would not be making such a roar about it. They would pay them and pass them on. But they do not. The tax stays where it is put, and it stays where it should be put and borne.

Mr. SIMMONS. It is about the only tax, I think, if the Senator will pardon me, that can not be passed on.

Mr. JONES of New Mexico. Time and again I have suggested that this is the one kind of a tax that is paid by those who have the money with which to pay it, and that it is not passed on to the consumers of the country. It is borne by those people who have the incomes and it is substantially the only tax of any consequence which this class of people pay.

Mr. SIMMONS. I will ask the Senator if the people to whom it is passed on and who have to pay all the taxes that are passed on are not found almost altogether, or at least very largely, in that class of taxpayers whose incomes do not reach $64,000?

Mr. JONES of New Mexico. The Senator is quite right. As I said a while ago, the people with incomes of $64,000 and less are the people who pay the great burden of the taxes otherwise than through the income taxes as common consumers of the country, and the property taxes imposed by the States, counties, and municipalities. I think it is the fairest tax that could possibly be levied. I think really the very idea of a graduated income tax is at stake now. We ought to stand by the principle of a graduated income tax. There is no reason why a man with an income of $500,000 should not pay a higher rate of tax than the man with an income of $100,000. Why did Mr. Mellon and the majority members of the committee stop at $100,000 with their principle? Why should not they have carried it beyond that? There are people in the country with incomes of $5,000,000 a year. There are people who have incomes tied up in corporations and individual business in excess of $50,000,000 a year.

Mr. President, I am ready to vote at this time upon the substitute offered by the Senator from North Carolina.

The PRESIDENT pro tempore. The question is on agreeing to the substitute offered by the Senator from North Carolina [Mr. SIMMONS] for the amendment of the committee.

Mr. JONES of New Mexico. Upon that I ask for the yeas and nays.

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Ladd	Shields
Ashurst	Fernald	Lodge	Shortridge
Ball	Ferris	McKellar	Simmons
Borah	Fess	McKinley	Smith
Brandegee	Fletcher	McLean	Smoot
Brookhart	Frazier	McNary	Spencer
Broussard	George	Mayfield	Stanfield
Bruce	Gooding	Moses	Stanley
Bursum	Hale	Neely	Stephens
Cameron	Harreld	Norbeck	Sterling
Capper	Harris	Norris	Swanson
Caraway	Harrison	Oddie	Underwood
Colt	Heflin	Overman	Wadsworth
Copeland	Howell	Pepper	Walsh, Mass.
Cummins	Johnson, Calif.	Phipps	Walsh, Mont.
Curtis	Johnson, Minn.	Pittman	Warren
Dale	Jones, N. Mex.	Ransdell	Watson
Dial	Jones, Wash.	Reed, Mo.	Weller
Dill	Kendrick	Reed, Pa.	Wheeler
Edge	Keyes	Robinson	Willis
Edwards	King	Sheppard	

Mr. FLETCHER. I wish to state that my colleague, the junior Senator from Florida [Mr. TRAMMELL] is unavoidably absent. He is paired with the senior Senator from Rhode Island [Mr. COLT]. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. There is a quorum present. The question is on agreeing to the substitute offered by the Senator from North Carolina.

Mr. SMOOT, Mr. ROBINSON, and others. Let us have the yeas and nays.

The PRESIDING OFFICER. The question is upon agreeing to the substitute offered by the Senator from North Carolina [Mr. SIMMONS] for the amendment reported by the Committee on Finance, on which the yeas and nays are demanded.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FESS (when his name was called). I am paired with the junior Senator from Indiana [Mr. RALSTON]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). I was requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained on account of illness. If he were present, he would vote "yea." He is paired with the Senator from Delaware [Mr. BAYARD].

Mr. CURTIS (when Mr. LENROOT's name was called). I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

The roll call was concluded.

Mr. EDWARDS. I was requested to announce that the junior Senator from Delaware [Mr. BAYARD] is necessarily absent. If present, he would vote "nay."

Mr. HARRISON. I desire to announce that the junior Senator from Rhode Island [Mr. GERRY] is paired with the senior Senator from West Virginia [Mr. ELKINS]. If the Senator from Rhode Island were present he would vote "yea," and if the Senator from West Virginia were present he would vote "nay."

Mr. COLT. I have a general pair with the Senator from Florida [Mr. TRAMMELL]. I transfer that pair to the junior Senator from Wisconsin [Mr. LENROOT] and vote "nay."

Mr. CURTIS. I wish to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Oklahoma [Mr. OWEN];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Rhode Island [Mr. GERRY]; and

The Senator from Wisconsin [Mr. LA FOLLETTE] with the Senator from Delaware [Mr. BAYARD].

The result was announced—yeas 43, nays 40, as follows:

YEAS—43

Adams	George	McKellar	Shields
Ashurst	Harris	Mayfield	Simmons
Brookhart	Harrison	Neely	Smith
Broussard	Heflin	Norbeck	Stanley
Caraway	Howell	Norris	Stephens
Copeland	Johnson, Calif.	Overman	Swanson
Dial	Johnson, Minn.	Pittman	Underwood
Dill	Jones, N. Mex.	Ransdell	Walsh, Mass.
Ferris	Kendrick	Reed, Mo.	Walsh, Mont.
Fletcher	King	Robinson	Wheeler
Frazier	Ladd	Sheppard	

NAYS—40

Ball	Dale	Keyes	Shortridge
Borah	Edge	Lodge	Smoot
Brandegee	Edwards	McKinley	Spencer
Bruce	Ernst	McLean	Stanfield
Bursum	Fernald	McNary	Sterling
Cameron	Fess	Moses	Wadsworth
Capper	Gooding	Oddie	Warren
Colt	Hale	Pepper	Watson
Cummins	Harreld	Phipps	Weller
Curtis	Jones, Wash.	Reed, Pa.	Willis

NOT VOTING—13

Bayard	Glass	McCormick	Trammell
Couzens	Greene	Owen	
Elkins	La Follette	Ralston	
Gerry	Lenroot	Shipstead	

So the amendment as amended was agreed to.

Mr. SMOOT. Mr. President, I give notice that when the bill reaches the Senate I shall ask for a separate vote on the amendment just agreed to when the bill reaches the Senate.

The PRESIDENT pro tempore. The question now is upon agreeing to the amendment of the committee as amended by the amendment just adopted.

Mr. SMOOT. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement as before relative to my pair and its transfer, I vote "nay."

Mr. FESS (when his name was called). Making the same announcement that I made a moment ago, I transfer my pair to the Senator from Vermont [Mr. GREENE] and will vote. I vote "nay."

The roll call was concluded.

Mr. NORRIS. Repeating the announcement made in regard to the senior Senator from Wisconsin [Mr. LA FOLLETTE], I am requested to announce that if present he would vote "yea."

Mr. CURTIS. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is paired with the junior Senator from Delaware [Mr. BAYARD] on this vote.

Mr. EDWARDS. I was requested to announce that the junior Senator from Delaware [Mr. BAYARD] is necessarily absent. If present, he would vote "nay."

Mr. HARRISON. I was requested to announce that the Senator from Oklahoma [Mr. OWEN] is paired with the Senator from Illinois [Mr. MCCORMICK].

The result was announced—yeas 43, nays 40, as follows:

YEAS—43

Adams	George	McKellar	Shields
Ashurst	Harris	Mayfield	Simmons
Brookhart	Harrison	Neely	Smith
Broussard	Heflin	Norbeck	Stanley
Caraway	Howell	Norris	Stephens
Copeland	Johnson, Calif.	Overman	Swanson
Dial	Johnson, Minn.	Pittman	Underwood
Dill	Jones, N. Mex.	Ransdell	Walsh, Mass.
Ferris	Kendrick	Reed, Mo.	Walsh, Mont.
Fletcher	King	Robinson	Wheeler
Frazier	Ladd	Sheppard	

NAYS—40

Ball	Dale	Keyes	Shortridge
Borah	Edge	Lodge	Smoot
Brandegee	Edwards	McKinley	Spencer
Bruce	Ernst	McLean	Stanfield
Bursum	Fernald	McNary	Sterling
Cameron	Fess	Moses	Wadsworth
Capper	Gooding	Oddie	Warren
Colt	Hale	Pepper	Watson
Cummins	Harreld	Phipps	Weller
Curtis	Jones, Wash.	Reed, Pa.	Willis

NOT VOTING—13

Bayard	Glass	McCormick	Trammell
Couzens	Greene	Owen	
Elkins	La Follette	Ralston	
Gerry	Lenroot	Shipstead	

So Mr. SIMMONS's amendment in the nature of a substitute for the amendment of the committee was agreed to.

Mr. SMOOT. Mr. President, I give notice that I shall ask for a separate vote on the amendment just agreed to when the bill reaches the Senate.

The PRESIDENT pro tempore. The question now is upon agreeing to the amendment of the committee as amended by the amendment just adopted.

Mr. SMOOT. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement as before relative to my pair and its transfer, I vote "nay."

Mr. FESS (when his name was called). Making the same announcement that I made a moment ago, I transfer my pair to the Senator from Vermont [Mr. GREENE] and will vote. I vote "nay."

The roll call was concluded.

Mr. NORRIS. Repeating the announcement made in regard to the senior Senator from Wisconsin [Mr. LA FOLLETTE], I am requested to announce that if present he would vote "yea."

Mr. CURTIS. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is paired with the junior Senator from Delaware [Mr. BAYARD] on this vote.

Mr. EDWARDS. I was requested to announce that the junior Senator from Delaware [Mr. BAYARD] is necessarily absent. If present, he would vote "nay."

Mr. HARRISON. I was requested to announce that the Senator from Oklahoma [Mr. OWEN] is paired with the Senator from Illinois [Mr. MCCORMICK].

The result was announced—yeas 43, nays 40, as follows:

YEAS—43

Adams	George	McKellar	Shields
Ashurst	Harris	Mayfield	Simmons
Brookhart	Harrison	Neely	Smith
Broussard	Heflin	Norbeck	Stanley
Caraway	Howell	Norris	Stephens
Copeland	Johnson, Calif.	Overman	Swanson
Dial	Johnson, Minn.	Pittman	Underwood
Dill	Jones, N. Mex.	Ransdell	Walsh, Mass.
Ferris	Kendrick	Reed, Mo.	Walsh, Mont.
Fletcher	King	Robinson	Wheeler
Frazier	Ladd	Sheppard	

NAYS—40

Ball	Dale	Keyes	Shortridge
Borah	Edge	Lodge	Smoot
Brandegee	Edwards	McKinley	Spencer
Bruce	Ernst	McLean	Stanfield
Bursum	Fernald	McNary	Sterling
Cameron	Fess	Moses	Wadsworth
Capper	Gooding	Oddie	Warren
Colt	Hale	Pepper	Watson
Cummins	Harreld	Phipps	Weller
Curtis	Jones, Wash.	Reed, Pa.	Willis

NOT VOTING—13

Bayard	Glass	McCormick	Trammell
Couzens	Greene	Owen	
Elkins	La Follette	Ralston	
Gerry	Lenroot	Shipstead	

So the amendment as amended was agreed to.

Mr. SMOOT. Mr. President, I simply desire to give notice that when the bill reaches the Senate I shall ask that this amendment be considered in the Senate and shall offer amendments to it.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. I yield.

Mr. REED of Pennsylvania. I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of the veterans' code bill, being Senate bill 2257.

Mr. SMOOT. I should like to ask the Senator from Pennsylvania if he thinks he can get through with the bill for which he has requested consideration this afternoon?

Mr. REED of Pennsylvania. I feel very confident that we can finish the bill this afternoon. We have already acted upon all but one of the committee amendments.

Mr. SIMMONS. Mr. President, I shall not interpose any objection to the request of the Senator from Pennsylvania if he will withhold it until we shall have voted upon the normal tax rates and the exemptions in the pending revenue bill. I think it will take but a very little time to finish that portion of the bill. Those rates are related to the matter of the surtax, and we ought to dispose of them. So far as this side of the Chamber is concerned, I think I can say that there will be scarcely any discussion, and we shall be willing just to take a vote.

Mr. ROBINSON. I inquire of the Senator from Pennsylvania, who submits the request for unanimous consent, if the arrangement suggested by the Senator from North Carolina will not be satisfactory to him? I myself am very anxious to secure action upon the bill which he has in charge, as I am sure the Senator from North Carolina and other Senators are.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania?

Mr. SMOOT. Mr. President, it will take some little time to discuss the normal taxes, and if we proceed to discuss the normal taxes we will not get through with the Veterans' Bureau bill to-day. It seems to me that the proper thing to do is to dispose of the Veterans' Bureau bill. The Senator

from Pennsylvania thinks that the bill can be disposed of this afternoon, and I would very much prefer to have him go on and get that measure through.

Mr. SIMMONS. I am perfectly willing to give to the Senator from Pennsylvania all day to-morrow, and I am perfectly willing to give him all the remainder of this evening after we shall get through with the provisions of the bill to which I have referred, and I do not think it will take more than an hour and a half to dispose of these two questions.

Mr. SMOOT. If we shall spend an hour and a half on them the day will be gone, as we are not going to hold a night session. I should like to have the remainder of the day given over to the consideration of the Veterans' Bureau bill in the hope of disposing of that measure, and, so far as I am concerned, I am perfectly willing to have the unfinished business temporarily laid aside for the consideration of the Veterans' Bureau measure.

Mr. McKELLAR. If the opponents of the amendment are ready to vote on it, I see no reason why we can not vote this afternoon on the question suggested by the Senator from North Carolina.

Mr. SMOOT. The Senator knows that there will have to be some discussion and explanation.

Mr. McKELLAR. It will not take long to dispose of this portion of the revenue bill.

Mr. SMOOT. If the Senator desires to object to the request for unanimous consent, he can do so.

The PRESIDENT pro tempore. The Chair understands that the request of the Senator from Pennsylvania is that the revenue bill be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2257. Is there objection to that request?

Mr. SIMMONS. Mr. President, while I am very anxious for the Senator to have an opportunity to take up that bill—it is a bill of which I am very much in favor—under the circumstances I feel that we ought not to lay aside this bill at this stage; and I therefore shall be compelled to object.

The PRESIDENT pro tempore. Objection is made. The Secretary will state the next amendment passed over.

Mr. SMOOT. The next amendment begins on page 31—the individual normal tax.

The READING CLERK. On page 31, "Normal tax," the committee proposes to strike out lines 23 to 25, all of page 32, and lines 1 to 4 on page 33, and in lieu thereof to insert:

SEC. 210. (a) In lieu of the tax imposed by section 210 of the revenue act of 1921, there shall be levied, collected, and paid for each taxable year upon the net income of every individual (except as provided in subdivision (b) of this section) a normal tax of 6 per cent of the amount of the net income in excess of the credits provided in section 216, except that in the case of a citizen or resident of the United States the rate upon the first $4,000 of such excess amount shall be 3 per cent.

(b) In lieu of the tax imposed by subdivision (a), there shall be levied, collected, and paid for each taxable year upon the net income of every nonresident alien individual, a resident of a contiguous country, a normal tax equal to the sum of the following:

(1) 3 per cent of the amount of the net income attributable to wages, salaries, professional fees, or other amounts received as compensation for personal services actually performed in the United States, in excess of the credits provided in subdivisions (d) and (e) of section 216; but the amount taxable at such 3 per cent rate shall not exceed $4,000; and

(2) 6 per cent of the amount of the net income in excess of the sum of (A) the amount taxed under paragraph (1), plus (B) the credits provided in section 216.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

Mr. JONES of New Mexico. Mr. President, the Senator from North Carolina [Mr. SIMMONS] has an amendment which he offers as a substitute for this. I have not the amendment before me, but I should like to have a copy of it sent to me.

The PRESIDING OFFICER. The Senator from North Carolina has not offered the amendment.

Mr. SIMMONS. I now offer it, if the Senator will pardon me.

The PRESIDENT pro tempore. The Senator from North Carolina now offers the amendment; and the question is upon agreeing to the amendment offered by the Senator from North Carolina.

Mr. JONES of New Mexico. Then I have nothing further to say. I am perfectly willing that there shall be a vote upon it. I think the meaning of the amendment is generally understood.

Mr. ASHURST. Let us have it read.

Mr. SIMMONS. Let it be read.

Mr. JONES of New Mexico. I ask that the Secretary read the substitute amendment proposed by the Senator from North Carolina.

Mr. ROBINSON. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator will state the point of order.

Mr. ROBINSON. The Senate is in such disorder that it is impossible to hear the proceedings. I think Senators who desire to discuss other matters should retire from the Chamber.

The PRESIDENT pro tempore. The point of order is well taken. The Senate will suspend business until it is in order. [A pause.]

Mr. SIMMONS. Mr. President, I ask now that the amendment be read.

The PRESIDENT pro tempore. The Secretary will read the proposed substitute amendment.

The PRINCIPAL CLERK. In lieu of the amendment proposed by the committee, it is proposed to insert the following:

SEC. 210. (a) In lieu of the tax imposed by section 210 of the revenue act of 1921, there shall be levied, collected, and paid for each taxable year upon the net income of every individual (except as provided in subdivision (b) of this section) a normal tax of 6 per cent of the amount of the net income in excess of the credits provided in section 216, except that in the case of a citizen or resident of the United States the rate upon the first $4,000 of such excess amount shall be 2 per cent, and upon the next $4,000 of such excess amount shall be 4 per cent;

(b) In lieu of the tax imposed by subdivision (a), there shall be levied, collected, and paid for each taxable year upon the net income of every nonresident alien individual, a resident of a contiguous country, a normal tax equal to the sum of the following:

(1) Two per cent of the amount by which the part of the net income attributed to wages, salaries, professional fees, or other amounts received as compensation for personal services actually performed in the United States, exceeds the credits provided in subdivisions (d) and (e) of section 216; but the amount taxable at such 2 per cent rate shall not exceed $4,000;

(2) Four per cent of the amount by which such part of the net income exceeds the sum of (A) the credits provided in subdivisions (d) and (e) of section 216, plus (B) $4,000; but the amount taxable at such 4 per cent rate shall not exceed $4,000; and

(3) Six per cent of the amount of the net income in excess of the sum of (A) the amount taxed under paragraphs (1) and (2), plus (B) the credits provided in section 216.

Mr. SIMMONS. Mr. President, I simply want to make a statement with reference to the normal tax under the present law, the Mellon plan, the House plan, and the substitute plan.

Under the present law the normal tax is 4 per cent and 8 per cent. Under the Mellon proposition the normal tax will be 3 per cent and 6 per cent—3 per cent upon the first $4,000 and 6 per cent upon the balance. Under the substitute plan the normal tax upon the first $4,000 of taxable income will be 2 per cent, on the next $4,000 of taxable income it will be 4 per cent, and on the balance it will be 6 per cent. So it is apparent that the normal tax proposed in this amendment is less than that of the House plan or the Mellon plan or the present law. I wish to say further that the normal tax is paid by every man, woman, and child in the country whose income is in excess of the exemptions allowed them by law.

Mr. HARRISON. I call for the yeas and nays.

Mr. SMOOT. Mr. President, the House provision provided a normal tax of 2 per cent upon the first $4,000, 5 per cent upon the next $4,000, and 6 per cent upon all over $10,000. The only change made by the Senator from North Carolina in the House provision is to strike out "five" wherever it occurs in the amendment and to substitute "four."

Mr. SIMMONS. Mr. President, if the Senator will pardon me for an interruption, I think the Senator has not stated the matter quite accurately. Upon the second $4,000 there is a difference of only 1 per cent.

Mr. SMOOT. I say, the rate is 4 per cent instead of 5. That is what I stated. That is the only change from the House provision.

Mr. SIMMONS. Yes.

Mr. SMOOT. The existing law is 4 per cent and 8 per cent, and the so-called Mellon plan reduces both of those percentages on the normal tax by 25 per cent, making them 3 per cent and 6 per cent, respectively.

I can only see in this amendment—not only the one that is offered by the Senator from North Carolina, but the House provision as well—extra work, more trouble, more expense in administering the law. I can not see why there should be three brackets. Two are ample. I know of no other country whose

income tax has three normal brackets. It only confuses the taxpayers and it will be a burden upon every one of them in making out their tax returns.

I hardly think it worth while to call attention to the amounts received under each bracket and the effect it will have upon the revenues of the Government; but, of course, it is evident upon its face that the amendment suggested to the House provision—and there is only that one, namely, that the 5 per cent bracket shall be 4 per cent—is proposed for the purpose of making a change and saying that this is a Democratic program. I can not see any other reason why it should be done; and, as far as I am concerned, I am perfectly willing to go to a vote upon it at this time. I hope, however, that the change will not be made, and if it is made I want to express the hope that when the bill gets into the Senate we can change it back to the two brackets.

Mr. JONES of New Mexico. Mr. President, I just want to call attention to the difference in these rates of normal tax.

The House had a rate of 2 per cent on the first $4,000, 5 per cent on the next $4,000, and 6 per cent on the balance. I submit that no real reason can be given for jumping from 2 per cent to 5 per cent on the second $4,000; and it was really to bring about an equality in graduation that the changes were made in the suggestion of the Senator from North Carolina. Under his proposal there will be a normal tax of 2 per cent upon the first $4,000, 4 per cent upon the second $4,000, and 6 per cent upon the balance, while the House provision was 2 per cent and then jumped to 5 per cent and then to 6 per cent. I do not see the reason for that jump.

I do not care to consume time; but if the Senator from Utah has any reason to give for the jump to which I have referred, I am sure we will all be glad to hear it.

Mr. SMOOT. I will say to the Senator that that one change means a loss of $38,000,000 in revenue to the Government. There is not any question about that. It can not be dodged. There is a loss of $38,000,000 in the change of that one figure; and I want to say to the Senate now that the way we are cutting off revenue in this bill, unless something is added we are not going to be able to meet the obligations of the Government.

Mr. JONES of New Mexico. Mr. President, my answer to the Senator from Utah is that under his entire plan not a dollar more of revenue will be raised than under the plan proposed by the Senator from North Carolina. On the other hand, the actuary figures that the Simmons plan, including the surtax and the normal rates, will raise $3,000,000 more than the plan proposed by the majority of the Finance Committee. So it seems to me that it ought not to be said we are proposing here to lose $38,000,000. By our entire plan we propose to raise a little more revenue than the Senator's plan would raise.

So it seems to me that it should not be said that we are proposing to lose $38,000,000. By our entire plan we propose to raise a little more revenue than would be raised under the plan of the Senator from Utah.

Mr. WALSH of Massachusetts. Mr. President, this amendment affects 6,087,968 taxpayers. I am sure it will interest the Senate to know how much each taxpayer would have to pay under the amendment proposed by the Finance Committee and under the amendment proposed by the Senator from North Carolina [Mr. SIMMONS].

A taxpayer with an income of $3,000 would have to pay, under the amendment proposed by the Senator from Utah, or the Finance Committee, a total tax of $11.25. Under the amendment proposed by the Senator from North Carolina he would have to pay $7.50.

A taxpayer with an income of $4,000, under the amendment proposed by the Finance Committee, would have to pay a total tax of $33.75. Under the amendment proposed by the Senator from North Carolina he would have to pay $22.50.

A taxpayer with an income of $5,000, under the amendment proposed by the Finance Committee, would have to pay $56.25. Under the amendment proposed by the Senator from North Carolina he would have to pay $37.50. And so on, showing that all taxpayers with incomes of from $1,000 to $10,000 would be materially benefited, and that those with the lesser incomes would receive the greater proportionate benefit.

The Senator from Arizona [Mr. ASHURST] suggests that I continue to read up to an income of $10,000. The taxpayer with an income of $6,000 would pay $97.50 under the Finance Committee amendment, and under the Simmons amendment a total tax of $57.50.

A taxpayer with an income of $7,000 would pay $157 under the committee amendment, and under the Simmons amendment would pay about half, $87.50.

A taxpayer with an income of $8,000 would pay, under the Finance Committee amendment, $217.50, and under the Simmons amendment would pay $127.50.

A taxpayer with an income of $10,000 would pay $337.50 under the committee amendment and $207.50 under the Simmons amendment.

The Simmons amendment seeks to give substantial benefits of this tax-reduction bill to the small taxpayers of the country, those with incomes of less than $10,000, and, as I said before, it would affect over 6,000,000 taxpayers.

Mr. NORRIS. May I interrupt the Senator a moment?

Mr. WALSH of Massachusetts. Certainly.

Mr. NORRIS. There has been so much commotion in the Senate that I do not believe all Senators have understood just what the propositions are. There are three propositions—the House provision, the Senate committee amendment, and the so-called Simmons amendment. Will the Senator tell us just what rates would be charged under each of them?

Mr. WALSH of Massachusetts. I have simply been comparing the operation of the two amendments before the Senate in the total tax paid by taxpayers. I have not before me the tables showing the amounts of taxes which would be paid under the House provision.

Mr. NORRIS. The Senator has not understood my question. Will the Senator state, first, the rate of normal tax provided by the bill as it passed the House; second, the rate of normal tax provided by the committee amendment, and third, the rate of normal tax provided by the pending amendment?

Mr. WALSH of Massachusetts. The Senator from New Mexico [Mr. JONES] has just explained that.

Mr. NORRIS. It has been explained, but there was so much commotion that I doubt very much whether many Senators heard the explanation.

Mr. JONES of New Mexico. There was a good deal of commotion, and I do not suppose what I said was heard by many.

The House fixed a rate of 2 per cent on the first $4,000, 5 per cent on the second $4,000, and 6 per cent on the remainder. The amendment proposed by the Senator from North Carolina makes it 2 per cent on the first $4,000, 4 per cent on the second $4,000, and 6 per cent, as all propose, upon the remainder.

The committee proposes a normal tax of 3 per cent on the first $4,000, and 6 per cent on all the remainder.

As I said awhile ago, there would be no loss of revenue under the two proposals. The plan as to surtax and normal tax proposed by the Senator from North Carolina will raise as much revenue as the plan proposed by the majority of the Finance Committee, if not a little more. The difference is, the reductions proposed by the Senator from North Carolina are in favor of those having smaller incomes, and the increases are on those having incomes above $64,000.

Mr. WALSH of Massachusetts. Will the Senator yield?

Mr. JONES of New Mexico. Certainly.

Mr. WALSH of Massachusetts. In other words, the surtax amendment proposed by the Senator from North Carolina would yield more money than the surtax amendment proposed by the Finance Committee?

Mr. JONES of New Mexico. It would.

Mr. WALSH of Massachusetts. But the normal tax amendment presented by the Senator from North Carolina would not yield as much money as would be yielded by the normal tax amendment proposed by the committee, though both his surtax and normal tax amendments together would equal the amount of revenue raised under the committee amendments.

Mr. JONES of New Mexico. The loss in revenue on account of the normal tax amendment would amount to $38,000,000, as estimated, as stated by the Senator from Utah, but under the surtax amendment we estimate that there would be a gain of $41,000,000; so it would really mean a gain of $3,000,000 in revenue.

Mr. SIMMONS. The total income from the two propositions would be practically the same.

I rose simply to make one additional statement. This is a bill to reduce taxes. It is so advertised to the country. It has received what support it has received on the theory that it is a bill to reduce taxes. The normal tax is the best field in which to make reductions. Taxpayers whose incomes range between four and eight thousand dollars will be given an advantage of 1 per cent over the House provision by the adoption of my amendment. There are 621,000 taxpayers whose incomes lie between those two figures who will get the benefit of this difference of 1 per cent, and the amount of reduction which 621,000 taxpayers, small taxpayers, comparatively poor people, will receive as the result of this difference of 1 per cent under my amendment will be $12,266,000.

If we are to carry out the promise made to the people, this is the best place to make the reduction which we have promised.

Mr. BRUCE. Mr. President, I would like to ask the Senator one question. What assurance have we that the 40 per cent tax rate would make up a sufficient amount of revenue to compensate for the loss on the lower brackets? I just ask for information.

Mr. SIMMONS. The statement has just been made that the income to the Government from the surtax rates which have been adopted will amount to $41,000,000 a year more than the income which would be received under the proposition made by the committee.

Mr. BRUCE. I would like to ask the Senator whether he thinks the Senate committee rate will arrest the steady decline which has been going on from year to year in revenue from the surtax?

Mr. SIMMONS. I discussed that yesterday at very great length. I do not entertain the same views about that which are entertained by the Senator from Maryland.

Mr. BRUCE. Of course the Senator does not.

Mr. SMOOT. The estimate is given for the next year, but there is not an expert in the Treasury who does not feel confident, as I feel confident, that after that the income will steadily decrease.

Mr. BRUCE. That is what I anticipated, and what influenced me to vote as I did.

The PRESIDING OFFICER (Mr. MCNARY in the chair). The question is on agreeing to the amendment offered by the Senator from North Carolina in the nature of a substitute for the amendment of the committee.

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement with regard to my pair and its transfer as before, I vote "nay."

Mr. FESS (when his name was called). I am paired with the junior Senator from Indiana [Mr. RALSTON]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I understand he is necessarily absent from the Chamber. I transfer that pair to the Senator from West Virginia [Mr. ELKINS] and vote "nay."

Mr. McLEAN (when his name was called). On this question I am paired with the Senator from Virginia [Mr. GLASS]. In his absence I withhold my vote. If at liberty to vote, I would vote "nay."

Mr. REED of Pennsylvania (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. BAYARD]. I was requested to state that if that Senator were present he would vote "nay," and that he is paired on this question with the senior Senator from Wisconsin [Mr. LA FOLLETTE], who, if present, would vote "yea." Therefore I am free to vote. I vote "nay."

The roll call was concluded.

Mr. JONES of Washington. Mr. President, I have declined to vote for the reason that I am directly interested in the result of the vote.

Mr. McLEAN. I transfer my pair with the Senator from Virginia [Mr. GLASS] to the Senator from Arizona [Mr. CAMERON] and vote "nay."

Mr. CURTIS. I wish to announce that the Senator from Illinois [Mr. McCORMICK] is paired with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 44, nays 37, as follows:

YEAS—44

Adams	Frazier	Ladd	Sheppard
Ashurst	George	McKellar	Shields
Brookhart	Gerry	Mayfield	Shipstead
Broussard	Harris	Neely	Simmons
Capper	Harrison	Norbeck	Smith
Caraway	Heflin	Norris	Stanley
Copeland	Johnson, Calif.	Overman	Stephens
Dial	Johnson, Minn.	Pittman	Swanson
Dill	Jones, N. Mex.	Ransdell	Walsh, Mass.
Ferris	Kendrick	Reed, Mo.	Walsh, Mont.
Fletcher	King	Robinson	Wheeler

NAYS—37

Bell	Edwards	McLean	Stanfield
Borah	Ernst	McNary	Sterling
Brandegee	Fernald	Moses	Wadsworth
Bruce	Fess	Oddie	Warren
Bursum	Gooding	Pepper	Watson
Colt	Hale	Phipps	Weller
Cummins	Harreld	Reed, Pa.	Willis
Curtis	Keyes	Shortridge	
Dale	Lodge	Smoot	
Edge	McKinley	Spencer	

NOT VOTING—15

Bayard	Glass	La Follette	Ralston
Cameron	Greene	Leavitt	Trammell
Couzens	Howell	McCormick	Underwood
Elkins	Jones, Wash.	Owen	

So Mr. SIMMONS's amendment in the nature of a substitute for the amendment of the committee was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the disabled veterans' relief bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. JONES of New Mexico. I do not intend to object, but I wish to announce that on the assembling of the Senate to-morrow I shall ask the indulgence of the Senate to make some remarks upon the amendment which I have offered regarding the tax upon corporations. A number of Senators have expressed a desire to be present when I speak on the amendment, and those Senators are not confined to one side of the Chamber. So, if I may have the attention of the Senate to-morrow, I shall discuss the proposed corporation-tax amendment which I have offered.

Mr. SMOOT. Mr. President, before the Senate recesses to-night I want to give notice that we will hold evening sessions beginning to-morrow.

Mr. ROBINSON. I call the Senator's attention to the fact that under an order heretofore entered it will be necessary to take an adjournment to-night. There is a unanimous-consent agreement that at the conclusion of the routine business to-morrow certain resolutions shall be taken up for consideration, the first being Senate Resolution 211.

Mr. SMOOT. Technically speaking, I suppose we ought to take an adjournment.

Mr. ROBINSON. If the Senator would prefer to recess, it could be done with the understanding that we shall proceed to the consideration of the resolutions anyway.

Mr. SMOOT. Yes; I would very much prefer to recess, with the distinct understanding that immediately upon convening to-morrow the Senate will take up the resolutions as ordered by the unanimous-consent agreement for consideration on the 6th of May.

Mr. ROBINSON. With that understanding I shall make no objection to taking a recess to-day.

Mr. JONES of New Mexico. I did not have in mind the unanimous-consent agreement, and therefore I shall not discuss the corporation taxes until after the regular order is disposed of on to-morrow.

Mr. SMOOT. Let it be distinctly understood that on the convening of the Senate to-morrow we will take up the resolutions immediately under the unanimous-consent agreement.

Mr. SIMMONS. Mr. President, I am not going to object to the request of the Senator from Pennsylvania. I merely wish to say that I am very anxious, in connection with the two amendments which we have considered and acted upon to-day, to have the Senate act upon the question of exemptions. I find that the committee did not interpose any amendment to the House text covering exemptions, and therefore my amendment with reference to exemptions would not be in order until after all the committee amendments have been disposed of. I do not, therefore, object to the Senator from Pennsylvania proceeding with the veterans' relief bill.

Mr. HARRISON. What did the Senator from Utah say about night sessions?

Mr. SMOOT. That they will begin to-morrow evening.

Mr. ROBINSON. Mr. President, it is with reference to the suggestion of the Senator from Utah that there is an intention to hold night sessions beginning to-morrow night that I rise at this time. The Senate has made very rapid progress to-day. The fact is that if it were not for the request submitted by the Senator from Pennsylvania we might proceed to a final disposition of at least all of the provisions of the revenue bill except one.

There is not the slightest occasion at this stage of the proceedings to threaten the Senate with night sessions. I do not think anyone present can infer, from anything that has happened to-day or recently in the Senate, that there is the slightest disposition on the part of any Senator, certainly there is none on this side of the Chamber, to delay the progress of the business before the Senate.

I merely want to say to the Senator from Utah that in view of the speed which has been made to-day in the disposition of important provisions of the revenue bill, I think the threat of night sessions had better be withdrawn.

Mr. SMOOT. I do not want the Senator to think that this notice is given in the form of a threat. I think we have completed but one appropriation bill.

Mr. ROBINSON. But we have completed every appropriation bill which has been brought before the Senate.

Mr. SMOOT. Oh, no. I think there are three or four of such bills awaiting action on the calendar at this moment.

Mr. ROBINSON. But they have not been brought up for consideration.

Mr. SMOOT. I recognize that, but one of them has been brought up whenever we could get a moment's time in the interval of considering the revenue bill.

Mr. HARRISON. The Senator knows that the consideration of none of them has been unnecessarily delayed after they have reached the Senate.

Mr. SMOOT. No; but I wish to say that when the revenue bill gets into conference it is going to take a long time.

Mr. ROBINSON. We might proceed to consider the revenue bill and dispose of it this evening, so far as I am concerned. I do not know of any reason why the Senator from Utah himself should be delaying his own bill, and then threatening the Senate with night sessions.

Mr. SMOOT. I am not delaying the bill, I will say to the Senator. The Senator from New Mexico [Mr. JONES] is going to make an extended speech to-morrow morning. I know that he is prepared to go on to-morrow with that speech. It will be followed by others, because it affects the taxation of corporations.

I recognize, Mr. President, that there are not so very many questions left for us to decide, but I have before me at least 40 amendments to the revenue bill which are pending. I do not know what length of time they are going to take in discussion. I suppose, however, they will all be offered and will all be discussed. What I was anxious to do was to get the revenue bill into conference; that is all. I do not want in the least to put any Senator to any more inconvenience than I would subject myself to.

Mr. ROBINSON. I suggest that if it were not for the Senator from Utah we might be proceeding with the bill that is immediately before the Senate. Then there is another bill for the consideration of which unanimous consent has been asked.

Mr. SMOOT. Yes; the bill to which the Senator from Arkansas refers has been taken up three times while we have been discussing the revenue bill, but it has failed to pass. I asked the Senator making the request if he could have the bill passed to-night; he said he thought he could; and I thought that perhaps this was the best time to act upon it.

Mr. HARRISON. The Senator from Utah will bear in mind the fact that the Senator from Pennsylvania who now proposes to bring up for consideration another bill, in which we are all interested, is the same Senator who is on a conference committee on a bill which we passed a week or 10 days ago, and we understand is in consultation with the President of the United States touching certain provisions of the bill. The conference committee has not as yet made a report to the Senate, although we have been waiting for it for several days.

Mr. REED of Pennsylvania. The conferees met every day last week, and they hope to finish at their meeting to-morrow. That is one reason I am anxious to get the Veterans' Bureau bill out of the way, so that nothing may interfere with that conference.

Mr. HARRISON. Of course the Senator understands that the immigration question is also important. We thought that we had ironed out our differences pretty well and that there at least would not be many differences for the conference to settle, especially the one touching Japanese exclusion. Of course we on the outside do not know what is going on in the conference, but we are informed that the President of the United States gives to the country before the election which is to be held in California to-morrow, affecting his own interests in a presidential primary in that State, a statement that he is in favor of Japanese exclusion. Then we find out from underground passageways that he is not in favor of writing a provision in the law for immediate Japanese exclusion. So we are left up in the air on that question.

I thought that so far as the Japanese question was concerned we had agreed; that the House had passed certain provisions, and that the Senate had agreed to those provisions, and it was practically unanimously decided, so that the question was not in conference at all, and yet that one question is hanging up the conference on the bill.

Mr. ASHURST. Mr. President, I do not wish to detain the Senate, but I ask the Secretary to read from the desk the copy of a dispatch advising that the Japanese do not respect—in fact, that they contemn—the Monroe doctrine and that the United States may pass all the exclusion laws it wishes but that the Japanese nationals will continue to penetrate the United States through Mexico.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The reading clerk read as follows:

IMMIGRATION BAN STIRS JAPAN—INCREASED EXODUS TO SOUTH AMERICA IS PLANNED AS COUNTER MOVE

[By Duke N. Parry, International News Service]

TOKYO, April 24.—Completely recovered from the serious illness which a few weeks ago caused reports of his death, Prince Matsukata, aged genro, arranged to-day to motor to Tokyo to discuss with the prince regent and Prince Saionji the immigration crisis.

The eta class meeting at Kyoto to-day planned a three-day protest against the Japanese exclusion measure, which will be nation-wide. Speakers accused the Government of "weak diplomacy" in its protests to the United States, until more than a thousand Japanese, graduates of 21 American colleges, to-day sent protests to Secretary Hughes and their alma maters.

The Japanese Nationalists are apparently behind the agitation manifested daily in minor outbreaks. They represent a distinct group and include many members in the army and among the older statesmen.

"We propose to increase our immigration to South America and Mexico," its leaders declare, "thus peacefully penetrating the territory over which the Monroe doctrine had applied hitherto. We do not accept the Monroe doctrine, and we claim the Japanese could have managed the American continent as well as the Caucasians had the Japanese awakened sooner as a member of the family of nations."

Its influence was evidenced to-day in the Overseas Immigration Society voting to increase immigration to South America.

UNITED STATES VETERANS' BUREAU

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that the unfinished business may be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2257. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2257) to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act as amended and the vocational rehabilitation act as amended.

The PRESIDING OFFICER. The Secretary will state the pending amendment.

The READING CLERK. The pending amendment is on page 4, line 22, where the committee proposes to strike out "$12,000" and to insert "$10,000."

Mr. REED of Pennsylvania. Mr. President. the pending amendment is one which would increase the salary of the Director of the Veterans' Bureau from $10,000 to $12,000. The bill as introduced carried the increased salary of $12,000. The Committee on Finance struck out "$12,000" and inserted "$10,000." So a vote in favor of the committee amendment will keep the salary at $10,000, as it now is, while a vote against the committee amendment will increase the salary to $12,000, which had been the hope of some of us.

I am not going to take the time of the Senate in the discussion of this amendment, but our thought has been that so far as expenditures are concerned the Director of the Veterans' Bureau has charge of the largest single bureau or department in the United States Government outside of the service of the public debt. The interest and sinking fund requirements of the public debt constitute the only other item in the whole list of expenditures of the United States which is greater than the amount spent through the Veterans' Bureau for the care of our disabled soldiers. The burden which rests upon the Director of the Veterans' Bureau is a heavier burden than that which rests upon the head of any department, in my judgment.

Mr. DILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Pennsylvania yield to the Senator from Washington?

Mr. REED of Pennsylvania. I yield.

Mr. DILL. As I understand, the Senator believes that the salary of the Director of the Veterans' Bureau ought to be equal to that of a Cabinet officer?

Mr. REED of Pennsylvania. Yes; I do.

Mr. DILL. Is there danger that we can not secure an efficient man for the present salary?

Mr. REED of Pennsylvania. I think that is a position which requires the highest executive talent, and I shall be very sorry

to see the position ever filled by a man who in civil life could not earn three or four times as much as the salary we pay the director.

Mr. DILL. Of course the Senator recognizes that is not a valid argument for raising salaries, because practically every man who occupies a Cabinet office and many other Government officials, to say nothing of Representatives and Senators, in many cases could make eight or ten times what their salaries are. There is something in public service to be considered, and it seems to me the salary of the director has been increased rather rapidly since the Veterans' Bureau was inaugurated.

Mr. REED of Pennsylvania. The duties of the position have increased equally rapidly. However, I do not want to prolong the discussion.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the committee. [Putting the question.] By the sound the "noes" appear to have it.

Mr. CURTIS and Mr. REED of Pennsylvania asked for a division.

Mr. CURTIS. I think the Senate does not understand the purport of the amendment.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the committee.

Mr. CURTIS. And that amendment reduces the salary of the director from $12,000 to $10,0000 a year.

The PRESIDING OFFICER. The Senator from Pennsylvania explained the amendment to the Senate with great lucidity.

Mr. DILL. I thought the proposal was to increase the salary of the director.

Mr. CURTIS. No; it is to decrease his salary from the amount originally carried by the bill.

Mr. McKELLAR. If it decreases it, we will vote for it.

Mr. REED of Pennsylvania. I thought the Senate understood the point. The bill as introduced fixed the salary of the director at $12,000. The committee cut it down. A vote "aye" is in favor of $10,000 while a vote "no" means that a salary of $12,000 is favored. I hope the Senate will vote "no."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee, a division has been asked for.

Mr. WALSH of Massachusetts. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). Making the same announcement that I made on the previous vote as to my pair, I vote "nay."

The roll call was concluded.

Mr. COLT. Making the same announcement as before, I vote "nay."

Mr. FESS. Making the same announcement that I made earlier in the day, I vote "yea."

Mr. REED of Pennsylvania (after having voted in the negative). I have a general pair with the junior Senator from Delaware [Mr. BAYARD]. I transfer that pair to the senior Senator from Maryland [Mr. WELLER], and will allow my vote to stand.

Mr. CURTIS. I desire to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

I also desire to announce that the Senator from Illinois [Mr. McCORMICK] is paired with the Senator from Oklahoma [Mr. OWEN].

Mr. ERNST (after having voted in the affirmative). I have a general pair with the senior Senator from Kentucky [Mr. STANLEY]. I transfer that pair to the Senator from Illinois [Mr. McKINLEY], and will let my vote stand.

The result was announced—yeas 49, nays 23, as follows:

YEAS—49

Ashurst	Dill	Jones, N. Mex.	Simmons
Borah	Ernst	Jones, Wash.	Smith
Brookhart	Fernald	Kendrick	Smoot
Broussard	Ferris	Ladd	Stephens
Bruce	Fess	McKellar	Sterling
Cameron	Fletcher	Neely	Swanson
Capper	Frazier	Norbeck	Wadsworth
Caraway	George	Norris	Walsh, Mont.
Copeland	Hale	Overman	Wheeler
Cummins	Harris	Pittman	Willis
Curtis	Harrison	Reed, Mo.	
Dale	Heflin	Robinson	
Dial	Johnson, Minn.	Sheppard	

NAYS—23

Adams	Gerry	Oddie	Shipstead
Ball	Keyes	Pepper	Spencer
Bratdegee	Lodge	Phipps	Walsh, Mass.
Colt	McLean	Ransdell	Warren
Edge	McNary	Reed, Pa.	Watson
Edwards	Moses	Shields	

NOT VOTING—24

Bayard	Greene	Lenroot	Shortridge
Bursum	Harreld	McCormick	Stanfield
Couzens	Howell	McKinley	Stanley
Elkins	Johnson, Calif.	Mayfield	Trammell
Glass	King	Owen	Underwood
Gooding	LaFollette	Ralston	Weller

So the amendment of the committee was agreed to.

Mr. REED of Pennsylvania. Mr. President, there are two small amendments that I should like to suggest, now that the committee amendments are finished.

The first of them comes on page 18, after the provision which recognizes the American Legion, the Red Cross, the Disabled American Veterans, and the Veterans of Foreign Wars as among the organizations whose representatives are admitted as attorneys or agents for claimants.

The present law, as the Senate knows, is very strict in keeping out attorneys and claim agents from the Veterans' Bureau. It was desired to relax it to the extent of allowing the representatives of these welfare associations to appear. It is now suggested that there are certain other organizations that ought to be permitted to appear and act in behalf of veterans who are making claims within the bureau. We are not desirous of extending that privilege to every such organization, because there are more than 100 associations or organizations that call themselves "welfare organizations" in some connection with veterans, some of which, I am sorry to say, are nothing more or less than an excuse to furnish an office and a salary here at Washington for the man who is at the head of the organization. Some of them are highly deserving. In order to take care of the deserving ones, we propose to insert on page 18, line 2, after the words "Veterans of Foreign Wars," the following words:

and such other organizations of veterans as shall be approved by the director.

That will allow him, as proper organizations from time to time appear, to extend the rule to them and allow their representatives to come in and practice law, in effect, in behalf of the disabled men.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. REED of Pennsylvania. Mr. President, I have one more suggested amendment.

On page 24, the Senate will notice that the committee has inserted, in section 29, a provision which allows the director to sell off surplus supplies. That provision was inserted at the request of the director himself and, in our judgment, was a proper authority to place in his hands. The latter part of the section, however, contains a provision which, in effect, creates a revolving fund. If the director sells off a lot of supplies, the money ought, I think, to be put in the Treasury of the United States and expended only on appropriation; but the committee, without very much thought on this particular phase of the subject, adopted this revolving-fund idea. The Director of the Budget, at the instance of the President, has suggested an amendment which would strike out the last two words in line 18 and all of lines 19, 20, 21, and 22 and insert in lieu thereof, after the words "the United States" in line 18, the words "as miscellaneous receipts." The effect of that will be to put the proceeds of all sales of surplus property back into the Treasury, where they can be expended only on appropriation by Congress. That is the way I think it ought to be.

Mr. McKELLAR. Mr. President, I think that should be done, by all means.

The PRESIDING OFFICER. The Chair will suggest to the Senator from Pennsylvania that the proper procedure will be a motion to reconsider the vote whereby the amendment proposed by the committee was adopted.

Mr. REED of Pennsylvania. I am sure the Chair is correct. Therefore, I modify my motion to make it, first, a motion to reconsider the vote by which section 29 was adopted.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania.

The motion to reconsider was agreed to.

Mr. REED of Pennsylvania. Now, I offer the amendment to the amendment of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SMOOT. Mr. President, I ask unanimous consent that at the close of business to-day the Senate take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that at the close of business to-day the Senate take a recess until 12 o'clock to-morrow. Is there objection? The Chair hears none, and the order will be entered.

Mr. McKELLAR. Mr. President, I want to call the attention of the Senator from Pennsylvania to an amendment I desire to offer on page 27, line 10, after the word "disease," to insert a comma and the words "paralysis agitans" and a comma. I spoke to the Senator from Pennsylvania about it, and I suppose there will be no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

The amendment was agreed to.

Mr. REED of Pennsylvania. With that amendment in the bill, Mr. President, there are other places where the same phrase should be inserted.

Mr. McKELLAR. May we not instruct the Secretary to insert them at the proper places?

Mr. REED of Pennsylvania. Very well.

The PRESIDING OFFICER. Without objection, the Secretary is instructed to make similar entries in the bill wherever necessary to complete the sense.

Mr. SHIELDS. I offer the following amendment, Mr. President.

The PRESIDING OFFICER. The senior Senator from Tennessee offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 32, after line 24, the Senator from Tennessee proposes to add the following:

When a tuberculosis disease is diagnosed as other than that of complete arrest, the compensation shall be on a permanent and total basis, which shall not be changed until one year after such ex-service man has reached an arrested stage, at which time a permanent rating for life shall be granted, which shall not be below $50 per month during the remainder of his life.

Mr. SHIELDS. I have had some discussion with the Senator from Pennsylvania in regard to this amendment, and he was to get certain information. I ask him if he has obtained the information?

Mr. REED of Pennsylvania. I have sent for it, but I have not been able to get it in the short time that has been available. Therefore I suggest that the amendment be agreed to now as the Senator has requested, and that we reserve the right to discuss it later when the bill gets into the Senate.

Mr. SHIELDS. That will be satisfactory.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Tennessee.

The amendment was agreed to.

Mr. DILL. Mr. President, on page 27, line 6, I desire to have stricken out certain language in lines 6, 7, 8, and 9, and to have inserted the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Washington.

The READING CLERK. The Senator from Washington proposes to strike out, beginning with line 6, page 17, all after the word "Provided" in lines 6, 7, 8, and 9, and to insert:

That an ex-service man who is shown to have or, if deceased, to have had, within five years after separation from the active military or naval service of the United States,

So as to read:

That an ex-service man who is shown to have or, if deceased, to have had, within five years after separation from the active military or naval service of the United States, a neuropsychiatric disease.

Mr. DILL. Mr. President, this proposal is to change the date fixed in the bill as amended to January 1, 1924, to five years after the man was discharged from the service. This amendment would have two effects. First, it would extend the time practically of all of these men; in the second place, it allows each man five years after the time he is discharged rather than to fix a date like January 1, 1924. I think these men are entitled to a five-year period. The old law fixed a period of three years, and the committee recognizes that is not long enough, and for that reason I have introduced the amendment to make it a straight five-year period.

Mr. REED of Pennsylvania. Mr. President, I hope the Senate will not adopt the amendment offered by the Senator from Washington. The committee has been most liberal in extending the dates in all cases to January 1 of this year. That practically means that every service man who developed any symptoms of tuberculosis up to four months ago will have a conclusive presumption that the disease had its origin in the service and was caused by the service. It practically extends the presumptive period to four years and a half after the average time of discharge.

We can not see any justice whatever in dating from the time of discharge, so that the presumptive period would run longer for some men than others. They were all exposed to wet and cold at the same time. They all went through hardships at the same time, and it is all wrong to say to me that my period shall not expire until July, 1924, because I happened to get my discharge a little bit later, and to say to some other service man, "Your statute of limitations runs six months earlier because you happened to get your discharge six months before the other man did." They all ought to be treated alike, and the only way to treat them alike is to fix one calendar date and not date the time from the discharge.

Mr. DILL. The present law provides three years from the date of discharge.

Mr. REED of Pennsylvania. It does, and it is unfair to that extent.

Mr. DILL. The Senator says that they were all exposed at the same time, but the exposure ceased for some men when it did not cease for others. The exposure ceased sooner for the man who was discharged six months earlier than the other man.

Mr. REED of Pennsylvania. No, Mr. President, the exposure ceased for everybody about the 1st of December, 1918, because then men ceased to live under battle conditions and began to live under more normal conditions.

Mr. DILL. The Senator assumes that all probability of developing tuberculosis ended on the battlefield. He does not give consideration to the months that followed the armistice, that followed the end of the war, when these men were kept in the service.

Mr. REED of Pennsylvania. The months that followed the armistice, Mr. President, were entirely different from the months that preceded it. While I will admit that living in quarters during wintertime in France was not conducive to anybody's health, yet the winter occurred at the same time for everybody, and the fact that one man was discharged in March and another one in the following September did not make any real difference in the exposure. It is either too soon for one man or it is too late for another. The men ought not to be discriminated against.

Mr. DILL. That is what I am objecting to, the discrimination that exists against certain men who were kept in the service longer than other men were kept in it. I maintain that the danger of tuberculosis developing was greater when a man was in the service than after he had been discharged from the service. You discriminate by the fixed date against the man who was kept in the service months longer than other men.

Mr. REED of Pennsylvania. Mr. President, after the armistice, and after things quieted down, life in the Army was a picnic. There was no particular hazard, no particular exposure, particularly after the winter was over. Life in the Army was just as healthy as life out of it, after the springtime came, particularly, and the real exposure ended about the 1st of April, 1919.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Washington.

Mr. REED of Pennsylvania. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FESS (when his name was called). Making the same announcement that I made earlier in the day as to my pair and its transfer, I vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as to my pair and its transfer as before, I vote "nay."

Mr. REED of Pennsylvania (when his name was called). Making the same announcement as before, I vote "nay."

The roll call was concluded.

Mr. STERLING (after having voted in the negative). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Oregon [Mr. STANFIELD] and let my vote stand.

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Texas [Mr. MAYFIELD] and vote "yea."

The result was announced—yeas 40, nays 32, as follows:

YEAS—40

Adams	Caraway	Edwards	Gerry
Ashurst	Copeland	Ferris	Harris
Brookhart	Dale	Fletcher	Harrison
Broussard	Dial	Frazier	Heflin
Bursum	Dill	George	Johnson, Minn.

Jones, N. Mex.	Norbeck	Robinson	Stanley
Jones, Wash.	Oddie	Sheppard	Stephens
Kendrick	Overman	Shields	Swanson
McKellar	Pittman	Shipstead	Walsh, Mont.
Neely	Reed, Mo.	Simmons	Wheeler

NAYS—31

Ball	Ernst	McKinley	Smoot
Brandegee	Fess	McLean	Spencer
Bruce	Goodling	McNary	Sterling
Cameron	Hale	Moses	Wadsworth
Capper	Harreld	Pepper	Walsh, Mass.
Cummins	Keyes	Phipps	Warren
Curtis	King	Ransdell	Willis
Edge	Lodge	Reed, Pa.	

NOT VOTING—25

Bayard	Greene	Mayfield	Trammell
Borah	Howell	Norris	Underwood
Colt	Johnson, Calif.	Owen	Watson
Couzens	Ladd	Ralston	Weller
Elkins	La Follette	Shortridge	
Fernald	Lenroot	Smith	
Glass	McCormick	Stanfield	

So Mr. DILL's amendment was agreed to.

Mr. ASHURST. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. Add at the proper place in the bill the following:

That any ex-service man shown to have a tubreculous disease of compensable degree, and who has been hospitalized for a period of one year, and who, in the judgment of the director, will not reach a condition of arrest by further hospitalization, and whose discharge from hospitalization will not be prejudicial to the beneficiary or his family, and who is not feasible for training, shall, upon his request, be discharged from hospitalization and rated as permanently and totally disabled, said rating to continue for the period of three years.

Mr. ASHURST. Mr. President, I spoke at some length in support of this amendment on April 30 last, and what I then said appears on page 7556 et seq. of the RECORD. It is unnecessary for me to traverse that ground again, but I am sure the Senate would not vote upon an amendment of such serious nature without some explanation. I will make my explanation as brief as possible, and I can reduce it to compactness of five minutes if I am not interrupted.

I am now and ever have been in favor of adequate hospitalization for our ex-service men. Yet we must not, however, get the idea that merely large hospitals alone are a cure for tuberculosis. Indeed, as science makes its discoveries we ascertain that frequently, indeed in many cases, a recovery from tuberculosis of the lungs is effected, or promoted at least, where the patient may under certain conditions be somewhat at his own will, may leave the hospital, if you please, and take what in this hospital nomenclature is called "home treatment."

The reason why this amendment is necessary is that in many cases, indeed in most cases, where a patient applies for home treatment—that is, wishes to go into his own home, wishes to go upon the desert, into the mountains, the woods, or the fields, and be somewhat free—his compensation is reduced as a penalty for his leaving the hospital. That action creates a resentment, and a just resentment, among the ex-service men. There is no reason known to medical science, to law, or to justice, if a man may safely promote his recovery out of the hospital, why his compensation should be reduced when he leaves the hospital for such treatment. It savors of bureaucracy, it savors or officialdom, to say to a man in the large hospital, "You must remain here. No matter what degree of progress you make or fail to make here, if you leave the hospital, we will reduce your compensation."

Some of the experts on tuberculosis, and whose interest in the ex-service man can not be challenged or denied, say that the tubercular ex-service man ought not to be subjected to a reduction of compensation simply because he wishes to take treatment out of the hospital. So my amendment simply provides that where the patient has been in the hospital a year—I am not quoting literally, but stating it generally—and where he will not reach a condition of arrest by further hospitalization in the hospital, and his discharge from the hospital will not be prejudicial to his beneficiary or to his family, and he is not feasible for training, he may, upon his request, be discharged from the hospital and rated as totally and permanently disabled, and that the rating shall continue for three years. It is astonishing to learn of the great percentage of men whose health is promoted in this way.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. ASHURST. I yield to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. I only wish to say that we have considered the matter because a similar provision is contained in a bill pending in the House. I quite agree with what the Senator from Arizona is saying and I hope the Senate will adopt the amendment he has proposed.

Mr. ASHURST. I thank the Senator.

Mr. COPELAND. Mr. President, I agree fully with what the Senator from Arizona has said and I am glad the Senator from Pennsylvania, in charge of the bill, has accepted his amendment, because if the patient does not recover or reach an arrested state in a year's time in the hospital he certainly will not do so if he stays there another year. It is inhumane to keep a man there when perhaps he can go elsewhere and be happy. At the same time, while he has been in the hospital, he has been taught how to take care of himself and there will be no danger to anyone else. But I want to ask the Senator from Arizona why he limited the period to three years?

Mr. ASHURST. I fully realize that it might look harsh to say to a man, "You must recover in three years." I defer to the learned Senator from New York on a question of therapeutics or medicine. But the disabled men, the tubercular men, are willing to accept the provision. That shows their abundant good faith, and this amendment if enacted into law will give the patient a serene mind.

Mr. COPELAND. Perhaps I had better ask a question of the Senator from Pennsylvania. Suppose the man is a total wreck, suppose he has been discharged from the hospital under conditions referred to in the amendment proposed by the Senator from Arizona but should at the end of three years be a wreck and yet alive; is there any provision in the bill to take care of him?

Mr. REED of Pennsylvania. Oh, yes; clearly. The only effect of the amendment of the Senator from Arizona is to make a permanent total rating compulsory for a period of three years. Now, if the facts justify, the director has ample authority and it is his duty to make that permanent and total rating last for the remainder of the man's life. That is the way it ought to be.

Mr. COPELAND. Then, in my judgment, the amendment should be agreed to exactly as it is worded.

Mr. WALSH of Massachusetts. Mr. President, I would like to ask the Senator from Arizona a question. Will the Senator state just the difference between his amendment and the amendment offered by the Senator from Tennessee?

Mr. ASHURST. I did not study the amendment proposed by the Senator from Tennessee.

Mr. WALSH of Massachusetts. It is very similar and seeks to accomplish the same end.

Mr. ASHURST. An amendment proposed by the senior Senator from Tennessee [Mr. SHIELDS]?

Mr. WALSH of Massachusetts. Of course, I think the amendment of the Senator from Arizona is a good one and should be adopted.

Mr. ODDIE. Mr. President, the amendment which the Senator from Arizona has offered differs very little from one which I offered on the 17th of April, but there are a few little differences in my amendment, and I will ask the Senator if he will agree to these additions?

In the first place, on page 33, I have provided for a period of five years instead of three years, which I think under the conditions will be more satisfactory. And further, on page 33, after the words "five years," my amendment proposes to add:

at the termination of which he shall then be examined, and upon the basis of such examination a rating for life shall be awarded.

Mr. COPELAND. Mr. President, may I ask a question?

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from New York?

Mr. ODDIE. I yield.

Mr. COPELAND. Would the amendment as proposed by the Senator from Nevada mean, if a man recovered his health, we will say at the end of two years, that he would still receive full compensation for five years?

Mr. ODDIE. The intention is that if he recovered he would be rated accordingly at the end of five years. My amendment proposes to give a longer period for examination and for the man to recuperate.

Mr. COPELAND. Let us hear what the Senator from Pennsylvania thinks about that.

Mr. REED of Pennsylvania. I hope the Senator from Arizona will not accept the amendment proposed by the Senator from Nevada to his amendment. The longer we extend these conclusive presumptions the more injustice we shall be doing

to the Government of the United States. I agree that a period of three years is proper, but it seems to me that it is the height of unwisdom to extend the time so long as is proposed by the Senator from Nevada. The Director of the Veterans' Bureau, if the facts justify, may make the rating last for 25 years. The only purpose of this amendment is to take care of the man who is not totally disabled by having a conclusive presumption that he is so disabled; and it is a wrong policy.

I will admit that the three-year period suggested by the Senator from Arizona is a reasonable protection, which will insure a placid state of mind in the convalescent—and it is right that he should have it—but to extend the period beyond three years, in my judgment, would be unwise and unwarranted.

Mr. FLETCHER. Mr. President, it seems to me that the latter clause of the amendment of the Senator from Nevada is advisable. The amendment offered by the Senator from Arizona stops at the three-year period and does not provide for any further examination. I think the addition of the clause as proposed by the Senator from Nevada would improve the provision.

Mr. ASHURST. Will the Senator from Nevada be kind enough to repeat the last clause of his amendment?

Mr. FLETCHER. The last clause of the amendment.

Mr. ODDIE. The last clause reads:

at the termination of which he shall then be examined, and upon the basis of such examination a rating for life shall be awarded.

Mr. FLETCHER. I think there ought to be some provision for another examination at the end of the three-year period.

Mr. ASHURST. I am anxious to reach some arrangement so that my amendment may go on the bill, and I appreciate the valuable services which the Senator from Nevada [Mr. ODDIE] has rendered.

Mr. REED of Pennsylvania. Mr. President, before the Senator from Arizona accepts the amendment I desire to suggest a thought; that is, that a man who seems to be pretty well at the end of three years would be given a rating for life under that amendment, which could not be changed; and if a year later his condition becomes decidedly worse he is not going to thank us for that addition to the amendment, because we should thereby have limited his compensation forever.

Mr. COPELAND. Mr. President, my judgment is that the Senator from Arizona in his original proposal has covered the entire case.

Mr. ASHURST. If the Senator will yield to me, I desire to say that I think I will stand on my original amendment, in view of all that has been said.

Mr. COPELAND. I will review the matter for a moment. Under this amendment, if adopted, a man will have the mental assurance that for three years he is going to be looked after. What is going to happen to him at the end of three years? Either he is going to be buried, poor chap, or else he will be fully recovered; but if by any chance he is still an invalid at the end of three years, the Senator from Pennsylvania assures us that it is the duty of the Director of the Veterans' Bureau to see that he has compensation for a further period. Therefore I believe that what the Senator from Nevada has in mind is thoroughly taken care of by the addition of the amendment proposed by the Senator from Arizona plus the general provisions of the bill.

Mr. REED of Pennsylvania. I wish to utter one final word of caution. All of us sympathize with all our hearts with the tubercular veterans; we all of us want to give them everything that in reason they can ask for. The committee fixed the time limit for this conclusive presumption at January 1, 1924. That was satisfactory to all members of the committee who considered it; it was also satisfactory to the organizations of the ex-service men; and yet here this afternoon on scant argument the committee has overwhelmingly been turned down by the Senate and the amendment of the Senator from Washington [Mr. DILL] has been adopted, which gives the men more than their service organizations were satisfied with. Now, do not let us make the same mistake on this amendment.

Mr. DILL. The service organizations were asking for five years. They may have accepted three years as a compromise, because they could not get anything better, but they have consistently asked for five years.

Mr. WALSH of Massachusetts. Mr. President, I want to give my approval and support to what the Senator from Pennsylvania has said about the extension of time of these conclusive presumptions. The committee gave a great deal of attention and a great deal of thought to the request of the various organizations for the extension of the time of these presumptions; in fact, I think the first amendment on the question attached to any of the bills affecting the Veterans' Bureau was put in on my motion when the Sweet bill was originally adopted, and in that case the period was two years. Since then it has been increased to three years. The committee, after fully considering this question with competent medical authorities, with the experts of the bureau, and with the representatives of the soldiers' organizations, came to the conclusion that a just and fair time to fix was January 1, 1924, practically five years. That is why I reluctantly voted, as I did, against the amendment of the Senator from Washington, because of the agreement practically entered into by the committee, although the Senator from Washington is correct in stating that many of the service men urged the five-year period rather than the fixed date.

But I think that when we come to give a presumptive right of incapacity due to service we ought to use some care and while trying to be fair and just to the service men recognize the fact that there is consideration to be given to the public right of reasonable limitations on presumptions, and that is what the committee tried to do in fixing the date. As a member of the committee I must support its findings, and I am pleased it increased the presumptive period.

Mr. FLETCHER. Mr. President, I want to be certain that the ex-service man at the end of three years is not left high and dry with his rating disposed of and no other rating afforded. I think there ought to be a provision for some examination, because if the rating that is given him is to last for three years, unless there is provision for some other examination, so that he may get proper rating at the end of that time, he is left without any remedy.

Mr. REED of Pennsylvania. No; that is all adequately taken care of. I know the Senator from Massachusetts, who has studied the law with me, will concur in the statement that at the end of the three-year period there is no doubt but the Veterans' Bureau has authority, and it is the duty of that bureau, to give the man a rating in accordance with the actual facts of his particular case.

Mr. FLETCHER. I think, then, that is sufficient.

Mr. ASHURST. I wish to say that the statement of the junior Senator from Pennsylvania, in my judgment, is correct. At the end of three years it would be the duty of the director to examine the patient to fix a rating in accordance with the findings made by the director of the patient's condition.

Mr. WALSH of Massachusetts. Just the same as in the case of any other disease in connection with which there is no presumption.

Mr. ASHURST. Absolutely.

Mr. WALSH of Massachusetts. That occurs in cases where a man has only served three months, for instance.

The PRESIDENT pro tempore. The Chair desires to inquire of the Senator from Arizona whether he wants his amendment as originally proposed to be voted on or does he desire to modify it?

Mr. ASHURST. In view of the circumstances and the arguments that have been made, I think I had better stand on my amendment as I originally presented it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arizona as originally proposed.

The amendment was agreed to.

Mr. DILL. Mr. President, I offer an amendment as a new section to come in on page 50.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 50, after line 6, it is proposed to insert a new section, as follows:

SEC. 214. In the determination of the compensation and treatment hereinbefore provided, the Director of the Veterans' Bureau shall construe and interpret all provisions and directions herein contained liberally toward the ex-service men rather than strictly against the ex-service men.

Mr. DILL. Mr. President, I offer this amendment and hope for its adoption in order that the Veterans' Bureau, and especially the employees in the bureau under the director, may understand that it is their duty to interpret this law in the interest of the ex-service men. I am sure that every Senator has had brought to his attention many cases in which the officials of the bureau have ruled as technically against a man as though they had been specifically hired by the Government to keep these boys from receiving compensation. I recognize that this is not compelling, but it at least gives those of us who plead for the boys an excuse and a reason to insist that a liberal attitude shall be taken regarding their cases.

I do not want to weary the Senate with a long line of cases, but there is one case within my own knowledge that is so striking that I wish to refer to it as an illustration. A man by the name of C. O. Young was engaged as an engineer in the lumber section of northern Idaho when the war broke out. He had been in the service in the Spanish-American War in the Philippine Islands and had made such an excellent record that the Army officers here knowing about him and having his address wired him and asked him if he would be willing to volunteer and go to France. He quit his position and went to France, where he was gassed, wounded, and placed in the hospital. When he was discharged he was placed on a compensation basis, was hospitalized for some months, and then was discharged as being cured. About a year and a half afterwards the old complications returned, and, although I have personally taken this case up, not only with the head of the district at Seattle but with the head of the bureau itself, that man has been compelled to go to the soldiers' home in California without any compensation whatsoever; and all because the bureau insists there is no proof that his present condition is due to military service.

I recall the case of another boy who had stomach trouble; who was operated on three times by the Government surgeons, and was discharged, and yet it is claimed that his present condition can not be established as being the result of his military service, although the boy was wounded in France and placed in the hospital with stomach trouble there. Because he can not get affidavits from other men or doctors in his own company he is not allowed anything by the Government. It happened that the members of his company were practically all killed, so fierce was the fighting in which he engaged, and the Government has been unable to locate any boy in his company. He seems to be the only living man who served in that organization, and yet the officials of the bureau have ruled against him. This young man, Fred G. Kraetschman, is now in the soldiers' home in California because the Veterans' Bureau has ruled against him. So I say it seems to me that as far as we can we ought to insist that the officials of this department shall construe this law in the interest of these boys rather than against them, and for that reason I have offered this amendment.

Mr. REED of Pennsylvania. Mr. President, I do not see that the amendment will do any particular harm. The same principle is already embodied in the regulations of the Veterans' Bureau and it is drilled into the employees again and again; but the trouble is that they have held, and they have to hold, that there must be some evidence to connect the injury with the service. You can not just guess because a man was a soldier and is now an invalid that one thing is the cause of the other. As long as there is some evidence the present rulings are that the man is to have the benefit of every doubt; but I do not see any objection to putting in the amendment the Senator suggests.

Mr. DILL. Mr. President, I want to say to the Senator that there is some evidence—"satisfactory evidence," I think, is the way the law reads. When a man has had a certain disease in the Army, when he had it in the hospital, and came out of the Army in good condition, and that same disease comes back again it seem to me that is pretty good evidence that his service in the Army had something to do with it.

Mr. REED of Pennsylvania. It seems so to me, and that is why we have carefully provided for these recurrences of previously existing diseases. We have made a number of amendments right in line with the Senator's own thought. Therefore, I do not believe we need debate this amendment any longer. We might as well accept it and let it go in.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. ODDIE. Mr. President, on page 32, at the end of line 24, I move to strike out the period and insert a colon, and add the following:

Provided, however, That when a disability shall have been declared to be of service origin and a compensation award thereon has been made, the same disability shall not thereafter be declared to be not of service origin upon the same evidence, except in case of fraud participated in by the claimant.

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from Nevada.

Mr. REED of Pennsylvania. Mr. President, the effect of that amendment would be to prevent the correction of any errors, no matter what they were or how flagrant they were. It would mean that once a decision had been made in favor of the service man the doors of the trap had closed, and no matter how erroneous the decision was or how mistaken the Government official was that gave him his award the thing could not be corrected. I do not see any justice in it, and I hope the amendment will not be adopted.

Mr. ODDIE. Mr. President, the amendment provides that this award shall not be reversed unless new evidence is presented.

Mr. REED of Pennsylvania. Then the copy of the amendment that I have is not right.

Mr. ODDIE. It states here:

That when a disability shall have been declared to be of service origin and a compensation award thereon has been made, the same disability shall not thereafter be declared to be not of service origin upon the same evidence except in case of fraud participated in by the claimant.

The words "upon the same evidence" make that very clear in my mind.

Mr. REED of Pennsylvania. If there has been a clear mistake I do not see why they should not have a right to correct it.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Senator from Nevada.

On a division the amendment was rejected.

Mr. ODDIE. Mr. President, on page 56, I move to strike out section 305 and substitute therefor the following:

SEC. 305. That where the Government insurance of a beneficiary has lapsed after discharge from service of such beneficiary, and where such beneficiary thereafter has received or receives compensation from the bureau for a service-connected disability and becomes, or has become, permanently and totally disabled, such insurance shall not be held to have lapsed. In such event the director is authorized and directed to pay said beneficiary, his heirs or assigns, the amount of said insurance, less the unpaid premium and interest thereon, compounded annually, at 5 per cent per annum in installments, as now provided by law.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Nevada.

Mr. REED of Pennsylvania. Mr. President, the insurance of these World War veterans is costing the United States millions of dollars a year more than the premiums paid. That amount will increase each year for about 40 years yet to come.

I want the Senate to act knowingly on this amendment and to realize its effect. It is all very well to be generous to the veterans, but by this kind of amendment you are removing all idea of contract, and you are making every insurance policy a gift to the beneficiary, whether he has kept up his premiums or has not.

This amendment means that the man who has not paid his premiums stands on the same footing as the other man who has denied himself in order to keep his policy alive. It means that the improvident man who has paid nothing gets the same as the thrifty man who has paid his premiums every month. If there is to be any recognition of care and thrift on the part of these men, if they are not to be penalized for thriftiness in paying these monthly premiums, I think this amendment ought not to be adopted. It just throws the Treasury wide open to any man who ever did have a policy.

Mr. ODDIE. Mr. President, a well man now can have his insurance reinstated by paying two months' premiums; and if the law stands as it is proposed, the disabled man will be penalized.

Mr. DILL. Mr. President, if the Senator will yield, Is this an amendment that proposes that the disabled man shall have the amount of his unpaid premiums deducted from his insurance if he begins to pay now?

Mr. ODDIE. I did not understand the Senator's question.

Mr. DILL. An amendment has been proposed that the policies that have lapsed shall be revived, but that the Government shall withhold from the beneficiaries the amount of the unpaid premiums. Is that what this amendment does?

Mr. ODDIE. Yes.

Mr. REED of Pennsylvania. No, Mr. President, if I understand this amendment, here is the way it will work:

The Senate has just said, by its decision on the amendment offered by the Senator from Washington [Mr. DILL] that the presumptive period for tuberculosis or insanity is extended five years from discharge. That means that if a man who was discharged July 1, 1919, about the average date, begins to spit blood next month, in June of this year, then not only do we say that he is conclusively presumed to have caught tuberculosis in the service five years ago, but in addition to all the compensation he is to get—$100 a month, and we have just said that, properly enough, on the amendment of the Senator from Arizona—we say to him: "The policy of insurance that you deliberately allowed to lapse five years ago is now revived without your paying one cent, and you get total permanent disability allowances under that policy that has been dead five years."

Mr. DILL. The question I asked was whether the amount of the unpaid premiums would be deducted.

Mr. REED of Pennsylvania. No; under this amendment the policy is presumed never to have lapsed, although it has been as dead as Julius Cæsar for five years. Why, this just takes the lid off the Treasury. I do not see anything else to it.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Senator from Nevada.

The amendment was rejected.

Mr. ODDIE. Mr. President, I offer the following amendment: On pages 54 and 55, strike out section 304 and substitute the following:

SEC. 304. In the event that all provisions of the rules and regulations other than the requirements as to the physical condition of the applicant for insurance have been complied with, an application for reinstatement of lapsed or canceled yearly renewable term insurance or application for United States Government life insurance (converted insurance) hereafter made may be approved: *Provided,* That the applicant's disability is the result of an injury or disease, or of an aggravation thereof, suffered or contracted in the active military or naval services during the World War: *Provided further,* That the applicant during his lifetime submits proof satisfactory to the director showing the service origin of the disability or aggravation thereof and that the applicant has not been rated totally and permanently disabled. As a condition, however, to the acceptance of an application for the reinstatement of lapsed or canceled yearly renewable term insurance or United States Government life insurance (converted insurance) the applicant shall be required to pay two back monthly premiums.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Nevada.

Mr. REED of Pennsylvania. Mr. President, I am sorry to say that this is another amendment of the same sort. The bill as it stands provides that at any time within one year after the date of enactment, or at any time within two years after the date of lapse, a man may come in and revive his policy. This takes away both those limitations.

Mr. President, these are grown-up men. They are not little babies. We do not have to nurse them to that extent. If we let them all come in within a year from now, or, in case of future lapse, let them come in at any time within two years after the lapse and reinstate, that is all that any sane man could possibly ask. No sensible service man would ask such a privilege as this amendment would give.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Nevada.

The amendment was rejected.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. ODDIE. Mr. President, the Veterans' Bureau was created to carry out the most important duty and obligation imposed on any branch of the Government—the liberal and proper care of the disabled veterans of the World War. Through the desire and intention of the people that this work be well done, Congress has appropriated over $2,000,000,000 and has passed laws designed to carry out their will in this respect. We are about to pass another law looking to an improvement and a broadening of existing laws.

The most we can do is little enough for those who were disabled in the Great War. The American people owe them a debt of gratitude which they can never repay. A sacred trust is on the shoulders of the people and of Congress to fulfill that duty liberally and honestly. The general opinion is that this has been done, but the sad truth is that it has not. It has been neglected, mismanaged, and bungled to a degree; and were the whole truth known the people of our country would go to any extreme in righting this great wrong.

The cause of the improper functioning of the Veterans' Bureau and of its predecessor, the War Risk Insurance Bureau, has been a wrong policy, improper organization and personnel, and defective administation from the start.

The result has been defective functioning, generally improper and unjust adjustments, ratings, and awards, inhuman treatment and widespread dissatisfaction and suffering in all parts of our country affecting the needs of those of the disabled ex-service men and their dependents. Besides this, large amounts of money which the people have willingly and liberally contributed to this vitally important work have been squandered and misspent. Contracts have been broken and innocent parties have been made to suffer losses unjustly.

Instead of presuming that the majority of the disabled ex-service men have been deserving and honest in their applications to the bureau for relief that is justly due them and which the American people have paid for and expect and want them to have and which it is the purpose of the bureau to furnish them, they have been presumed by the bureau to be gold-brickers or dishonest applicants and presumed to be wrong.

The influential and strongest among them have been able, in some instances, to secure what is their just due, but the weaker ones and those who lack strong political influence have been gradually worn down and allowed to suffer and die.

Does anyone believe that the American people would be guilty of countenancing such inhuman and brutal treatment if they knew it? No.

They have been kept in ignorance of the real conditions.

Mr. President, we are about to pass this bill. It has many beneficial provisions in it, but if something is not done to clean up the Veterans' Bureau, this proposed law and all that could be passed will be futile.

The members of the committee investigating the Veterans' Bureau, of which I am a member, have been very busy on this work since last spring. They have worked untiringly. My colleagues, the Senator from Pennsylvania [Mr. REED] and the Senator from Massachusetts [Mr. WALSH], have also been especially interested, and have specialized and worked particularly hard on this legislation. They have handled many difficult phases of this work and should be commended for the splendid work they have done.

I have been handling one feature of the work which is exceedingly disagreeable and unpleasant; that is, in regard to the personnel, and the operation and management of the bureau itself. I have studied this question tirelessly for a good part of a year and I have put in a good part of my time on it. I have traveled over the western country visiting various hospitals and offices of the Veterans' Bureau, and as a member of the committee have received large numbers of letters and complaints from people all over the country, people who are responsible and worth while, and who know what they are talking about.

A great deal of the time of our committee was taken up last fall in the investigation of scandals and frauds in connection with the bureau. While that work was important, it did not touch the fundamental reason for the existence of the Veterans' Bureau; that is, the expeditious and efficient handling of the claims of the disabled and their dependents. The first and most essential step toward the accomplishment of this object is a thorough reorganization of the bureau and its personnel. I hope that will be completed; I am going to insist that it be done. This reorganization work that I suggest will not cause any delay or in any way impair or impede the necessary work of the bureau. On the contrary, it will immediately speed up the work and increase the efficiency of the bureau. I know that my colleagues are anxious that the bureau be put on the very best possible footing and basis, and that I will receive their assistance when they understand the conditions as they exist.

I contend that within that bureau there is a ring; men who have been there from the start, who were in the War Risk Insurance Bureau, who have come on down through the administration of Director Forbes, and who are now in the bureau under the direction of General Hines. My purpose is to help General Hines in the great work that is to be done. I do not want to handicap him. I want to point out to him wherein the bureau is functioning improperly and make suggestions on which he can act, and on which he should act, which will result in benefit to the bureau and to the disabled ex-service men all over the country.

Mr. EDGE. Mr. President, the bill we are now about to pass, which has provoked the Senator's words, gives the director full power to change the personnel and his assistants, as they are found to be improperly performing their duties, does it not?

Mr. ODDIE. The law now gives the director the power, but the director does not see the situation as I see it, and as it is seen by people all over the United States who have even a slight knowledge of it.

Mr. EDGE. Has the Senator proposed amendments to the pending legislation which would tend to correct the evil he is now discussing? As he puts it, the director apparently does not understand what is going on under him. How could any legislation correct an evil of that character?

Mr. ODDIE. Mr. President, no legislation can correct that. It is a matter for the director to discover himself. He must study this thing. I will say at the start that this is a matter with which politics has nothing to do and with which religion has nothing to do. Some people are trying to inject politics

and religion into this matter and that is a great crime, because no political party and no religious denomination or sect have any monopoly on a desire or intent that the Veterans' Bureau function properly. That is something all of us want brought about, but the question is as to how to do it.

It is my purpose to call attention to certain matters in connection with our hearings and existing conditions which the people should know. The morale is low. It is exceedingly low because these men to whom I have referred have been dictating and tyrannizing there from the start. The policy of the bureau and its functioning are wrong, and we know it.

Mr. President, there is a board of appeals in the central bureau which in January handled somewhere between 5,000 and 6,000 cases. That means that one case was handled by the board every two minutes. Many of those cases involved a vast amount of testimony, great, high piles of papers and reports and statistics, and it is a physical impossibility for them to be handled in as short a time as that. This, of course, means that the cases are not getting just and fair treatment. The director does not know what is going on inside of the bureau as he should, because those composing the ring will not let the necessary information come to him.

Our committee employed a very able New York attorney to act as counsel. He did not know or suspect at the time the existence of this ring which was dictating the policy and the direction of the bureau. In order that the matter might be studied carefully, the counsel prepared a long series of questions looking to the examination of the operations of the bureau. He gave that list of questions to the director of the bureau five months in advance of the investigation that was to be made of the bureau of which the director was the head. Therefore, the director had five months to prepare his answers. He called the heads of the various departments composing the ring to assist him in this work. The result was that when the hearings came he had there before him prepared in advance the answers of the ring to the questions of counsel. In my opinion that part of the investigation for that reason fell far short of what it should have been, because it was not an independent and unbiased investigation, as we intended it should be.

Later on our counsel discovered that there was a ring in the bureau. He called the attention of the director to that fact, and I have his letter to that effect, saying that there was a ring there which was preventing the proper functioning and operation of the bureau, and that he had so informed the director.

I ask that the letter from General O'Ryan to General Hines, of May 3 last, to which I have referred, containing the questions, be inserted in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter referred to is as follows:

40 LAFAYETTE STREET,
New York City, May 3, 1923.

Brig. Gen. FRANK T. HINES,
Director United States Veterans' Bureau,
Washington, D. C.

MY DEAR GENERAL HINES: I plan in some of the earlier public hearings of the Senate committee to present to the public in as concise a manner as possible some of the more important problems and policies of the Veterans' Bureau. This, I think, will give you an opportunity to secure publicity in aid of the policies which must have public support if they are to be made effective by congressional action. To do this intelligently and effectively some preparation is needed.

I have in mind to have you on the stand as among the first of the witnesses to be called in order that you may be prepared to answer questions and to present matters which should have the attention of the committee or needed publicity. It might be well at this time and in preparation for the giving of your testimony to prepare the matter to be covered. I shall therefore outline to you in this memorandum some of the matters which I think should be covered, so that you may be prepared to answer them adequately. At the same time I think it would be well for you to prepare a statement regarding matters which may not be covered by my questions, but which you would wish to cover. Your memoranda so prepared, when received by me, will doubtless suggest to me other phases to be covered by your testimony, and so you may receive from me supplementary inquiries. Out of this exchange of memoranda we should be able to prepare a paper covering your proposed testimony, which I can use as a guide in conducting your examination. In this way the conduct of your examination will not be haphazard or vague, but should make it possible to have your statement in the record constitute a concise, material, and logical exposition of conditions in the bureau as you found them, what you have done and are doing to improve those conditions, and the recommendations, if any, you may make looking to changes in the law.

The following items will be covered by my questions, and I suggest that you prepare the answers in writing as soon as convenient, giving me copy of your memorandum of answers, so that I may suggest further development of some of them, if that should seem desirable:

1. Usual introductory questions of name, residence, occupation.
2. Previous experience as executive.
3. Previous relations with, if any, or knowledge of work of Veterans' Bureau.
4. Date of taking office.
5. What preliminary survey made by you in order to estimate the job.
6. Character of survey, time taken, and conclusions.
7. Have you prepared any graph or chart showing statistically some of the conditions which obtained on the date you took over the management of the bureau? (I'd suggest that you then be prepared to produce a chart or graph showing the number of employees of the bureau on the date you took charge, classified, let us say: Legal, medical, nurses, other professional, managerial and clerical, other employees, aggregate. Same figures under similar classification shown by districts.) Modify the foregoing plan as you may deem desirable, but keep it concise. The public will only deal in generalities, and the details can be furnished by your subordinates when they testify.
8. Another table on the same graph should show the numbers of men in hospital when you took office, classified: T. B., N. P., general, aggregate. Approximate number receiving clinical treatment about the time you took office.
9. In another table the foregoing should be shown by districts.
10. The number receiving home supervision through agency or visiting nurses or doctors.
11. The number undergoing vocational training at that time.
12. A table classifying by avocations those undergoing training.
13. Same information by districts.
14. Appropriate information in the field of insurance. Number of men holding insurance of various kinds when you took office. Data about premiums and losses paid for death and disability, classified.

[NOTE: Foregoing tables are all important. The object is to avoid minutiæ, but to enable the public to visualize in a general way the conditions existing in the Veterans' Bureau in relation to the matters covered when you took charge. If possible, these tables should carry a column giving informing data in relation to estimated annual cost of these several activities. These tables will all be introduced in evidence as part of the record of the investigation.]

15. What other basic facts, other than those disclosed by the tables just offered in evidence, did you develop in your preliminary survey? (Indicate them to me in your next memorandum).
16. Necessary questions to develop your answer to last question.
17. What examination did you make of the laws governing the activities of the Veterans' Bureau?
18. Have you prepared any pamphlet or paper codifying these statutes so that one can find in a single pamphlet all the relevant provisions of law governing the conduct of the Veterans' Bureau? If so, present it. It will be offered in evidence.
19. Similar questions as to regulations of the bureau in force at the time you assumed office.
20. Did you examine the character of the organization which you found in being when you took charge?
21. Did you consider its sufficiency for the mission imposed by law upon the bureau?
22. As a result of your considerations of this subject and of the preliminary survey which you made immediately after you assumed office, please state what conclusions you reached as to the most effective manner of proceeding with your mission as director of the bureau.

[NOTE: In preparing this answer I believe it might be most logical to set forth in a concise way the intent of the law, pointing out that relief is not limited to those whose injuries or disabilities were the result of service, but is extended to all whose disabilities had their inception in service or who, having disabilities which antedated service, found such disabilities to have been aggravated by service. Make clear, in general terms at least, what you believe to be the standards in the mind of the American public which should govern relief; the standards prescribed by law, the manner in which these standards are considered by you to be unfair to the disabled or to the Government, as the case may be; the extent, if any, of departure from standards in the mind of Congress, as these may have resulted from local or departmental interpretation or practice; statistics illustrating your views.]

23. How many complaints were being received daily from veterans about the time you took office? (Complaints are to be distinguished from inquiries not involving complaint.)
24. What information did you derive from examination of these complaints and classification of them, and to what fields of the bureau's work do most of these complaints pertain? Give percentages and other informing data.
25. State your conclusions which developed as a result of your inquiry into these complaints during the first month you were in office in relation to justification for complaint; action taken by you. To

what extent were these complaints justified? Do they still continue? To what extent? Make comparison between present and time you took office, explanatory comments, etc.

26. As a result of your preliminary survey, state in the order of their importance the matters which you believed should first receive your further study or action on your part. Develop in your testimony the more important of these matters, showing what study you made, what conclusions were reached, what action was taken, what results followed. In relation to results be as specific as possible.
27. Have you prepared any graph showing the situation in relation to hospitals available throughout the country for the care of disabled veterans?

[NOTE.—Suggest you be prepared to produce a graph showing list of Veterans' Bureau hospitals, character of hospital, location, bed capacity, and number of patients in each. Similar list showing Government hospitals with similar information, and a third list giving such information in relation to contract hospitals. Additional information which occurs to you to be desirable to include should, of course, be included.]

(Right here I might ask you to make a note that in relation to all of these tables and graphs asked for, at least 40 copies will be required for the use of the committee, counsel, and advisers.)

28. Have you prepared any statement indicating the cost of the hospitals owned by the Veterans Bureau?

[NOTE.—Here introduce statement showing cost of land, date of purchase, acreage, cost of buildings, cost of equipment, and of other installation (at least estimated), present cost of maintenance per year, cost per patient, based upon number of patients at the time report is made, and the cost of maintenance plus interest on the investment.]

29. Can you state in a general way your views in relation to the psychiatric, (c) tuberculous, their availability in relation to their sufficiency for the three classes of patients; (a) general, (b) neuropsychiatric, (c) tuberculous, their availability in relation to their location, the manner in which they are administered.
30. What do you propose as a policy in relation to hospitals?
31. In the field of vocational training, how are the trainees classified? Explain.
32. How many men are at present undergoing training in each class?
33. Have you prepared any graph or chart showing the situation in relation to vocational training as it exists now?

[NOTE.—Be prepared to produce (with 40 copies for the use of the committee) chart or graph showing Government schools, contract schools, and other schools, cost data, maintenance data, work carried on, etc.]

34. The field of dentistry will be covered by appropriate questions. You might get data together and let me have a tentative memorandum of your own views. I will prepare some data from this end and from the two the subject can be adequately developed.
35. What abuses did you find to exist since assuming office?

[NOTE.—List and develop in detail matters to be covered, indicating action taken and results.]

Your examination would logically conclude with your recommendations concerning legislation and policies, and perhaps an outline of the more imperative problems, your testimony to be followed in much greater detail by those in immediate charge of the department of the bureau.

The foregoing has been dictated at odd times, and you will find it somewhat disconnected. Its purpose, however, is to acquaint you well in advance with the general tenor of your examination so that you may have time to prepare it in order that the record may show a logical development of the subject, with accurate statements, illuminating information, and definite conclusions and recommendations. After several exchanges of memoranda your tentative examination should be in quite satisfactory shape.

Very truly yours,

JOHN F. O'RYAN, *Counsel.*

Mr. ODDIE. Later on he made his report to the committee, a very voluminous report, in which he said:

On the other hand, it can be said almost with certainty that he will not succeed unless he dispenses with the services of a substantial number of the men whom he inherited from his predecessor, and who are holding important offices and acting as his assistants. The interests of these individuals must give way to the public interest, and the public interest demands that these positions be filled by men of the highest character and capacity, whose sole interest is the efficient execution of the mission of the bureau. Many circumstances show that a considerable number of those holding these important positions are banded together in their own self-interest, and that they are not to be depended upon faithfully and effectively to carry out the policies of the director when these policies seem to be opposed to their common interests. Making due allowance for a reasonable and proper caution on the part of General Hines in relation to the inauguration of changes along the lines indicated, I believe, nevertheless, that he has been lacking in vigorous and effective action as regards this group.

Later on he gave this group a very severe criticism. On page 56 of his report he said:

It became clear during the nine months of the investigation that a "ring" exists in the central office which largely determines the policies of the bureau. The bureau's activities are so numerous and widespread that the director is forced to depend upon a staff of assistants to execute his general policies and orders. The members of this staff constitute the group who have access to the director. Circumstances bar the admission of others to the director's councils, except under rare conditions. No matter how personally efficient and well intentioned the director may be, the reforms so much needed will fail to materialize unless their development and application are intrusted to assistants of integrity and capacity who are loyal to the director and his policies and who have no personal interests to serve.

Then he stated in his recommendations:

That the director, for the good of the service, secure the resignation of most of his assistants at central office whom he found there when he assumed his duties as director, and by the offer of adequate salaries, which he has the power to provide, and as well by the opportunity thus offered to render a real service to the Government and to the disabled, to secure for such positions men of outstanding ability and integrity.

Mr. EDGE. May I ask the Senator another question without interrupting his argument?

Mr. ODDIE. Certainly.

Mr. EDGE. As the result of those recommendations and criticisms have there been any noticeable separations from the service of the men in rather high executive positions under the director? Has there been any considerable change in the personnel?

Mr. ODDIE. Mr. President, several have been shifted to other positions, but the principal ones have had their salaries most substantially raised from one to three times since our investigation and are still there.

I call attention to a single instance showing their inefficiency, and there were many. During our hearings the question of the Veterans' Bureau supplies at the supply depot at Perryville, Md., was under investigation. This ring in the bureau knew exactly what was going on in regard to this and other transactions and directed the policy to be followed. The men who did these things I am about to mention are not only still in the bureau but have been promoted in position and salary. In one case a great quantity of material was sold at a fraction of its cost, and at the same time the bureau was buying similar material to take the place of that sold at a greatly increased cost.

Mr. CARAWAY. May I interrupt the Senator a moment?

Mr. ODDIE. Certainly.

Mr. CARAWAY. I spoke of this the other day. Just as an evidence of the intelligent functioning of the bureau, a young man down in my State by the name of Matthews had a claim pending here before the board of appeals for four months, or nearly that. Last week I got a letter from Mulhearn, the assistant, who said that the case was awaiting a report from The Adjutant General, and that as soon as that could be had, the case would be disposed of. The man's service had been in the Navy, and every paper filed had on it, "James L. Matthews, apprentice seaman, United States Navy." Yet he was waiting until The Adjutant General of the Army should report on the case.

That is just a fair example of the intelligent administration of the affairs of the bureau. I have several other cases of a similar nature that I hope to put before the Senate during the week.

Mr. ODDIE. In regard to the supplies at Perryville, I will state further that there were 85,280 sheets sold. Seventy-two thousand of them were sold at 16 cents apiece and the balance at 6 cents. The 72,000 were new sheets. It was estimated that they were worth considerably over $1 apiece, but they were sold at 16 cents apiece. At the same time the bureau bought 25,000 sheets for $1.03½ apiece, and yet those sheets, 72,000 of them in number, were going out at 16 cents. The sheets were needed in the hospitals for disabled veterans throughout the country.

President Harding's attention was called to the fact, and he ordered the shipments stopped. Through the machination of those men in the bureau the shipments were continued until they were again ordered stopped. One of the officers in the bureau sent word to President Harding that this was going on and protested against it. The result was this man was punished by being thrown out on the streets. He has been in the street ever since, trying to get employment. He is a most excellent man and has a family to support. When certain men

in the bureau have seen that man in my presence and have seen other employees of the bureau in my presence, they have been condemned and threatened with discharge.

Mr. President, this is a case of tyranny. The men who have done these things are still in power in the bureau. The American people owe a debt of gratitude to the ex-service men. Theirs is a sacred trust, but while this ring is continued in the bureau that trust can not be carried out.

Mr. DALE. Mr. President——

Mr. ODDIE. I yield to the Senator from Vermont.

Mr. DALE. Is there not a regulation in the bureau prohibiting any employee in the bureau from consulting with a Senator or with any Member of the House on any of these matters?

Mr. ODDIE. I understood recently that such a ruling had been made.

Mr. DALE. But there is a regulation of the bureau, printed and published.

Mr. ODDIE. I will ask the Senator if that has not been done since this investigation started and since I have made my charges against the ring in the bureau?

Mr. DALE. I do not know when it was done, but I know it existed some six or eight weeks ago, because I have a copy of it.

Mr. ODDIE. The employee whom I mentioned a little while ago and who was discharged, did not see me until some time after his discharge. I have another case of a young man who is now in Arizona suffering from tuberculosis, who sent to his Senator a protest against the improper treatment he had received. I believe it was the Senator from Mississippi [Mr. HARRISON]. That Senator sent the report to the bureau. The bureau found this man had dared to make complaint, and they cut his compensation off completely. Later it was restored only through the insistence of the Senator from Mississippi. That is a tyranny that the American people will not allow to continue.

One of the examiners in the bureau made this statement, giving a brief outline of conditions and the way claims are handled:

> Upon his appointment as an examiner several years ago he was given to understand that claims were not to be disallowed until every effort had been made to the end that the claimant might establish his right to compensation. But he soon found that was only the theory under which everyone thought the bureau would operate. As a matter of fact it was not practical then and is not practical now, and perhaps it never will be humanly possible, to handle each case with the care, thought, and attention it deserves, until the burden on the shoulders of the examiners is lightened.
>
> Claims examiners are supposed to be professional men, but the manner in which they are forced to proceed in the adjudication of claims is a sorry travesty on the word. Every man has from two to three times as many claims assigned to him daily as he can possibly handle in justice to the claimant and the bureau. The very atmosphere seems to be charged with an urge for speed and still more speed in handling the cases, until the men, becoming discouraged under the burden, find it necessary to take all manner of short cuts which, unfortunately, are often at variance with the facts in the files. This is merely because it is the examiners who disallow the claims.

Mr. President, the Department of Justice has in the last few months been examining into several of the cases which I have mentioned in regard to the selling of materials and supplies and the building of hospitals. The Government saw fit to start proceedings in these matters, but the men who know all about those things and without whose active assistance they could not have occurred are still in the bureau in the principal positions.

I have a letter from a disabled man in Vicksburg, Miss., which I will ask to have placed in the RECORD. I will not ask to have it read at this time, because of the lateness of the hour.

The PRESIDENT pro tempore. Without objection it is so ordered.

The letter is as follows:

THE AMERICAN LEGION ALLEN POST NO. 3,
Vicksburg, Miss., April 10, 1924.

DAVID A. REED, Esq., *Chairman*,
TASKER L. ODDIE, Esq., and DAVID I. WALSH, Esq.,
United States Senate, Select Committee on the Investigation of the Veterans' Bureau, Washington, D. C.

GENTLEMEN: The writer, a permanently and totally disabled ex-officer of the Army in the World War, respectfully petitions your honorable committee to hear and give heed to this, his complaint, of treatment at the hands of the United States Veterans' Bureau under both Directors Forbes and Hines.

Discharged from the Army, captain, Quartermaster Corps, May 23, 1921, after seven months' hospitalization for chronic nephritis, after a decision by the Army medical board that I was incurable, and with a recommendation for 25 per cent permanent disability, the United States Veterans' Bureau during the latter part of that year decided that I was 15 per cent temporarily disabled, but that I was nonfeasible for training. They told me I was unable to attend a school, but to take $15 per month and go starve. My wife did the working—I was absolutely unable to do anything—and we did not starve. After 10 months' careful nursing I had improved somewhat and was told by Col. Dallas B. Smith, manager district 6 at New Orleans, to stand a civil-service examination and he would place me with the United States Veterans' Bureau. I stood the examination, went to work for the subdistrict office at Lafayette, La., worked five months, and then was offered my present position, where a civil engineer is needed. I have been here ever since.

Early in July, 1922, I was examined at New Orleans and rerated—30 per cent that time and the nonfeasibility for training removed. In other words, though my disability had doubled, the ability to go to school had been restored. Curious anomaly!

In January, 1923, I was again examined and given a temporary disability of 100 per cent. This continued 10 months, when notice was received that my disability rating had been changed to 50 per cent. I argued the matter, took it to the district appeal board, was turned down, except that the 50 per cent award of temporary was changed to 50 per cent permanent. I again argued, made showing of serious progress of my disease and the matter was reconsidered and I was given 100 per cent temporary from date of discharge, same to continue indefinitely. On account of the retroactive feature of the award, it had to be confirmed by the central office board of appeals. The papers were submitted on November 8, 1923, with request from district manager for quick action, and decision handed down on November 21, 1923, 13 days.

The central office board decided that 50 per cent from date of discharge was enough, and that 50 per cent temporary for the future was also enough. It is not yet understood just how they reached a decision, since the district board and its physicians had examined me, had me under observation for a year and one-half up to that time, and intimately knew the facts. Their word, their actual knowledge, gained by personal contact, cut only half the figure, so they arbitrarily decided without grounds.

Not thinking I had received justice, I appealed to President Coolidge, my case being handled by Secretary Slemp. General Hines advised that I could appeal direct to him, and the appeal was submitted December 14, 1923.

Assistant Director Mulhearn has handled the case so far, as I am informed, and General Hines, until March 31, 1924, had never seen it, notwithstanding his personal assurance that he would give it his personal attention. I must say, however, I do not believe it was ever allowed to reach him until I wrote a personal letter, sending it by special delivery to General Hines at his residence on March 29, 1924.

On March 31, 1924, General Hines wrote me a letter which I copy here, to wit:

> "I have your letter of March 29 relative to your claim for compensation, C-845389, and wish to advise that I have ordered your case brought to my personal attention for further review and consideration. You will be further advised concerning it at the earliest practicable date."

I have heard nothing since, except as below.

Secretary to the President Slemp inclosed to me a few days later the attached copy of a letter to him supposed to be signed by General Hines, in which he gave an entirely different version to the assurance given me. I do not believe General Hines in that letter did anything but "sign on the dotted line."

Attention is directed to the fact that notwithstanding new evidence, sworn to by the designated physician of the United States Veterans' Bureau here, and several other affidavits by others who had aided my wife when I had succumbed to uremic poison, and the report of the oculist of the district office, who had examined me carefully and noted the structural physical changes in my eyes, which changes indicate positively early dissolution, the former findings of the central office board of appeals was concurred in.

All this convinces me that justice does not prevail in the central office in Washington. Weigh the facts, gentlemen; you have them and they can easily be verified; weigh my statements, I beseech you, and give the disabled some legislation that will not subject us to this damnable injustice.

Look at the promptness in the first case—less than two weeks—then look at the three and one-half months in the second; compare them and reach your own conclusion.

I have been driven to seek the aid of the United States courts, therefore nothing you can do will benefit me; but for the sake of the suffering ones whose cases are pending, do something for them.

Clean out that damnable bureau; either that or say it can not be done. Acknowledge yourselves impotent. Were I in physical condition I would take "the war path" and die in the effort to save my buddies, or else save them.

My position here with the city of Vicksburg, as engineer and manager of its water supply system, is a sinecure. I am physically unable to perform the duties, yet the board of mayor and aldermen have said to me: "You have served so well in the Army at a critical time, given of your time and talent when needed. Do the best you can. We will keep you on the pay roll until the end."

Gentlemen, it is fine to have friends. It is hell to have a country when that country is represented by the personnel of the United States Veterans' Bureau at Washington.

I am a civil engineer by profession, earning from $400 to $700 per month when I entered the service in 1918, at the age of 47. I went because the only son I had old enough to go was rejected because of a blind right eye. It was a hell of a move on my part.

Respectfully,

MAGNUS L. WORRELL (C-845389),
Post-office box 477, Vicksburg, Miss.

Mr. ODDIE. I have large numbers of letters of this kind from all sections of the country. This one is just a cross-section of the conditions of the disabled ex-service men throughout the whole country and of their attitude. The letters have come from every nook and corner of the United States. It can be said with practical certainty that wherever men have dealt with the Veterans' Bureau their efforts have been ignored or treated with contempt.

Mr. DILL. Mr. President, will the Senator yield?

Mr. ODDIE. Certainly.

Mr. DILL. Wherein does the Senator think the bill falls short of taking care of the men as he would have them taken care of?

Mr. ODDIE. I am not criticizing the bill now particularly. There are several items which I would like to have changed, but I think the bill will afford considerable relief. I would like to have seen several amendments adopted that were rejected, but I think it will bring about a decided improvement over present conditions. I am calling specific attention to the maladministration of the bureau, due to improper organization and improper personnel in the principal positions.

Mr. McKELLAR. Did the Senator call the attention of the director of the bureau to these matters, and especially to the cases of the men who the Senator said ought to be put out of the bureau?

Mr. ODDIE. I have called the attention of the director to the men whom I think should be ousted, but the director believes they are all right, and claims an inability to see anything wrong with them, so far as I gather from him. He has been in there 14 months and the ring is still there. The President of the United States is anxious to have the bureau function to the highest degree, but he is advised by the director and the director is advised and dictated to by this ring.

The only thing to do is to have a thorough reorganization. I have a plan ready to present, approved by those thoroughly qualified to advise on matters of organization, which contemplates and provides for a complete reorganization of the bureau. I do not believe in making criticism without substantial constructive suggestions to take the place of the things of which I complain. If the bureau could be handled in an efficient and practical manner as other governmental departments are handled, the American people would see the disabled ex-service men properly cared for and a large saving of money made besides.

Mr. EDGE. Was the plan which the Senator suggests as having in mind considered by the committee of which he is a member in connection with the preparation of the bill?

Mr. ODDIE. I have not had an opportunity to present it to the committee as yet. I am satisfied, however, that when the committee sees the plan it will be glad to cooperate in putting it into effect.

Mr. EDGE. Then the passage of the bill would in no way interfere with the consideration of the Senator's plan?

Mr. ODDIE. Oh, no. The work I have been doing is along different lines than the work other members of the committee have been doing. They have been working hard and earnestly in this matter of preparing legislation. I have taken up the question of personnel and organization, which is a difficult, disagreeable one, because it deals with the human problem.

I hope the bill will be passed. It will bring some relief, but it will not bring the relief that should be brought. All the laws in the world will not bring relief while the men who are still dictating the policies of the bureau believe in conducting the bureau in a manner which is at variance with the interests of the disabled men. The disabled men have been treated in an inhuman and brutal manner in many cases, and in an unjust manner. I hope the American people will understand the real conditions and know that we are trying to improve them and that the improvement can only come when the clean-up I have suggested is made.

Mr. CARAWAY. Mr. President, I presume my own experience is that of other Members of the Senate. Half or more of the letters that come to my office come from ex-service men who are trying to get some kind of relief from the Veterans' Bureau. One clerk in my office does nothing else but look after those letters. Many of them complain that they can get no kind of reply at all to letters addressed to the bureau, and if they do get a reply, it is almost a printed form. If the bureau would function, if they would attempt intelligently to discharge the functions of the bureau, if they cared to do it, they would lighten the work, I presume, in the office of every Senator at least one-half. There is no reason why everyone of us should put in a great deal of our time trying to get the bureau to do those things for which it was created.

I think, without knowing anything about the personnel, because I do not have any personal acquaintance with any of them, that if the bureau were reorganized so that it would have a sense of responsibility, the ex-service men could at least have their cases determined without the intervention of Senators. As it is, I understand an order was issued that they were to pay no attention to what they were pleased to call political influence, but I dare say there is not a Senator on the floor who has not taken up a majority of the cases in his State in order that they may even get some kind of response to the cases as they are filed in the bureau.

I have never in my life come in contact with such an inefficient bureau as the Veterans' Bureau seems to be. If there is any desire—and I seriously question that there is a desire upon the part of some of them down there—to do the things which they were created to do, there is certainly a lack of capacity.

Referring again to the case to which I called the attention of the Senator from Nevada [Mr. ODDIE] a few moments ago, here was a man's case pending for months with one excuse or another delaying him. He is either entitled to compensation or he is not. Finally the assistant in charge of insurance claims informed me by letter that if The Adjutant General would respond to his request, then they would hasten the determination of the case. They could have asked the negro porter who runs the elevator and ascertained that they should not apply to The Adjutant General for a report on a man who served in the Navy. That case does not stand alone. It is just an example of either a lack of efficiency or a lack of desire to do what the bureau was created to do.

I know that whoever wrote the letters touching that case could not have picked up the file in the case and made such an ass of himself. Therefore I know that the request for a hearing was answered without any reference to the status of the case, just merely to put me off by saying, "As soon as we can do so-and-so we will look into the case." They could not have picked up the file. There is not a clerk down there so dumb that he could have looked at the file in that case and not have known that the answer was not responsive as to the necessities of the case.

I feel like everybody else feels about it. I feel that the Veterans' Bureau ought to be abolished and its functions transferred to some other bureau, or else they ought to have some kind of a desire to serve and make some little attempt to do it.

From now on I am going to put these cases in the RECORD, one or two of them every week, until something is done. There is a court to which all bureaus must respond, and that is the court of public opinion. They can not clothe themselves with their little brief authority and deny some kind of substantial justice to the soldiers, and they need not expect to do it. I am going to keep putting the cases in the RECORD until they shame the most ignorant and hard-hearted down there, until he will protect himself by doing something for the men whose cases come under his supervision.

Mr. DILL. Mr. President, I want to ask the Senator from Nevada a question. The Senator stated awhile ago that the bureau would never be efficient and would never serve the needs of the ex-service men as long as this little ring he speaks of is in control. I wonder if the Senator would amplify that statement by telling us who the individuals are in the ring about which he spoke. We would like to know who is inefficient, in his judgment.

Mr. ODDIE. I will answer that by saying that, in my opinion, every assistant director should be dropped from the bureau and that all of these positions should be abolished. I have nothing personal against any of these men. If the bu-

reau were properly organized, these positions of assistant directors would have no place.

Mr. DILL. How many of them are there?

Mr. ODDIE. There are six. The positions should be abolished and the men now occupying them should not be, as heretofore, shifted to other positions within the bureau. There is a policy in the bureau now of taking a man from one position when he is not satisfactory and of shifting him to another, but until he is completely separated from the service his influence will remain.

Mr. DILL. That would remove from the department all of the present officials between the director and the subordinaes?

Mr. ODDIE. Yes.

Mr. DILL. And put new officials in their places?

Mr. ODDIE. Yes. I contend that there are plenty of men right in the ranks in the bureau, several layers down, who can carry on the work just as well and much better than it is being carried on to-day under the assistant directors; so it is not necessary to go outside for new men. Furthermore, these men should be encouraged by a system of promotion, because they are the ones who are actually doing the essential work of the bureau now.

Mr. President, among the assistant directors whom I mention are some who were carried over from the War Risk Bureau and some who have been put on recently. I contend that the positions should be abolished. There is one man to whom I have reference who was one of the assistants to our council. His very position as an investigator renders him unable to function as an official of the bureau in the position he now occupies. With the proper organization, the positions of assistant director will be unnecessary.

Mr. President, I hold in my hand a resolution which I propose to submit to the committee when they meet, which I think will cover the matter very thoroughly. The resolution reads:

Whereas the United States Veterans' Bureau, because of a lack of proper policies, is not efficiently functioning; and

Whereas said bureau and its principal predecessor, the Bureau of War Risk Insurance, have not in the past efficiently functioned for the same reason; and

Whereas the responsibility for the formulation and execution of proper policies for said bureau is lodged in most of the principal officers and persons now in executive and so-called key positions, who have occupied the same or similar positions in said Veterans' and War Risk Bureaus since their establishment; and

Whereas the lack of proper policies and administrative mismanagement in said bureau have caused great suffering to the disabled veterans of the World War and their dependents; and

Whereas said lack of proper policies and administrative mismanagement have resulted in said veterans and their dependents being deprived in large measure of the benefits and assistance which the people of the United States, through the Congress, have intended and provided; and

Whereas additional legislation will not secure for said veterans and their dependents said benefits and assistance in full measure until said bureau shall function efficiently:

Resolved by the Senate Committee on the Investigation of the Veterans' Bureau, That said bureau can be made to function efficiently only by—

(a) Changing its policies and reorganizing its several divisions, sections, and units conformably to the general plan of proven efficiency now in operation in the existing executive departments of the Federal Government.

(b) Abolishing all unnecessary positions, particularly those of the present six assistant directors.

(c) Separating from the service said assistant directors and executives and those principal officers and persons now in so-called key positions who have occupied the same or similar positions in said Veterans' and War Risk Insurance Bureaus.

(d) Improving the morale and encouraging such officers and employees of demonstrated efficiency as may be retained, by promotions to such vacancies as may be created by said reorganization, there being a sufficient number of said officers and employees now in said bureau for this purpose.

(e) Conferences between the director of said bureau and this committee for the purpose of guiding said director in the proper course to be followed by him in a detailed working out of further necessary changes in organization and personnel.

The PRESIDENT pro tempore. The bill is in the Senate and is still open to amendment.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 6 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, May 6, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 5, 1924

PROMOTIONS IN THE REGULAR ARMY

To be major

Capt. Henry Benton Sayler, Ordnance Department, from April 27, 1924.

To be captain

First Lieut. William Ward Wise, Chemical Warfare Service, from April 27, 1924.

To be first lieutenants

Second Lieut. Christian Hildebrand, Infantry, from April 22, 1924.

Second Lieut. Joseph Holleman Warren, Infantry, from April 24, 1924.

Second Lieut. Edgar Mortimer Gregory, Coast Artillery Corps, from April 26, 1924.

Second Lieut. John David Frederick, Infantry, from April 27, 1924.

Second Lieut. Richard Ray Coursey, Infantry, from April 27, 1924.

MEDICAL ADMINISTRATIVE CORPS

To be first lieutenant

Second Lieut. Horace Joseph Caterer, Medical Administrative Corps, from April 30, 1924.

CHAPLAINS

To be chaplain with the rank of major

Chaplain Louis Augustus Carter, United States Army, from April 29, 1924.

APPOINTMENT IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenant

First Lieut. James Alexander Smart, Medical Officers' Reserve Corps, with rank from April 25, 1924.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

ORDNANCE DEPARTMENT

First Lieut. William Wayne Murphey, Coast Artillery Corps (detailed in Ordnance Department), with rank from August 1, 1919.

POSTMASTERS

CALIFORNIA

Alfred Gourdier to be postmaster at Torrance, Calif., in place of Alfred Gourdier. Incumbent's commission expires May 10, 1924.

Felix B. La Crosse to be postmaster at Half Moon Bay, Calif., in place of G. A. Debenedetti. Incumbent's commission expires May 10, 1924.

Charles H. Coffey, jr., to be postmaster at Gonzales, Calif., in place of C. H. Coffey, jr. Incumbent's commission expires May 10, 1924.

COLORADO

Erman D. Acton to be postmaster at Oak Creek, Colo., in place of E. D. Acton. Incumbent's commission expires May 11, 1924.

John C. Kessenger to be postmaster at Limon, Colo., in place of W. H. Bloom. Incumbent's commission expired February 18, 1924.

Thomas F. Beck to be postmaster at Aspen, Colo., in place of C. L. Grover. Incumbent's commission expires May 11, 1924.

ILLINOIS

Louis W. Richter to be postmaster at Melrose Park, Ill., in place of L. W. Richter. Incumbent's commission expired March 9, 1924.

IOWA

Perry D. Burke to be postmaster at Gladbrook, Iowa, in place of H. A. Crawford. Incumbent's commission expired March 22, 1924.

Calvin C. Knoll to be postmaster at Gilmore City, Iowa, in place of C. C. Knoll. Incumbent's commission expired March 22, 1924.

James W. Duckett to be postmaster at Corwith, Iowa, in place of J. W. Duckett. Incumbent's commission expired March 22, 1924.

William E. Clayman to be postmaster at Conrad, Iowa, in place of J. S. Hanna. Incumbent's commission expired March 22, 1924.

Charles H. Cookinham to be postmaster at Ayrshire, Iowa, in place of C. H. Cookinham. Incumbent's commission expired March 22, 1924.

KENTUCKY

J. Whit Wingo to be postmaster at Lynnville, Ky., in place of V. R. Tibbs. Office became third class July 1, 1923.

Nannie J. Wathen to be postmaster at Irvington, Ky., in place of W. G. Bandy, resigned.

Annie M. Thomas to be postmaster at Cadiz, Ky., in place of W. T. Tooke, resigned.

Edna W. Morin to be postmaster at Alexandria, Ky., in place of W. W. Neale. Office became third class October 1, 1923.

Thomas B. Rhoades to be postmaster at Sturgis, Ky., in place of O. C. Quirey. Incumbent's commission expired August 20, 1923.

Henry C. Hurst to be postmaster at Jackson, Ky., in place of H. C. Hurst. Incumbent's commission expired February 11, 1924.

John M. Burkholder to be postmaster at Crofton, Ky., in place of J. H. Myers. Incumbent's commission expired February 11, 1924.

Bryant H. Givens to be postmaster at Caneyville, Ky., in place of Owen Daugherty. Incumbent's commission expired February 20, 1924.

Herbert E. Brown to be postmaster at Brandenburg, Ky., in place of Allie Reid. Incumbent's commission expired August 20, 1923.

MARYLAND

Louis H. Wise to be postmaster at Mechanicsville, Md., in place of H. R. Guyther. Office became third class October 1, 1923.

John F. Mansfield to be postmaster at St. Michaels, Md., in place of A. H. Radcliffe. Incumbent's commission expired February 24, 1924.

MONTANA

Claude C. Alexander to be postmaster at Stanford, Mont., in place of C. C. Alexander. Incumbent's commission expires May 10, 1924.

Hugh C. Walker to be postmaster at Poplar, Mont., in place of W. J. Hubbell. Incumbent's commission expires May 10, 1924.

Robert T. Richardson to be postmaster at Missoula, Mont., in place of J. W. Lister. Incumbent's commission expires May 10, 1924.

Avory W. Dehnert to be postmaster at Denton, Mont., in place of A. W. Dehnert. Incumbent's commission expires May 10, 1924.

George C. Core to be postmaster at Choteau, Mont., in place of G. C. Core. Incumbent's commission expires May 10, 1924.

Charles W. Allison to be postmaster at Bainville, Mont., in place of C. W. Allison. Incumbent's commission expires May 10, 1924.

NEBRASKA

Louis A. Rice to be postmaster at Wilsonville, Nebr., in place of G. E. Gilpin. Incumbent's commission expires May 11, 1924.

Leah P. Rice to be postmaster at Harrison, Nebr., in place of L. P. Rice. Incumbent's commission expires May 11, 1924.

NEW JERSEY

Ida H. Collom to be postmaster at Pemberton, N. J., in place of I. H. Collom. Incumbent's commission expires May 10, 1924.

George Coleman to be postmaster at Delanco, N. J., in place of George Coleman. Incumbent's commission expires May 10, 1924.

NORTH CAROLINA

William B. Ward to be postmaster at Concord, N. C., in place of J. L. Miller. Incumbent's commission expired January 26, 1924.

OHIO

Don B. Stanley to be postmaster at Lowell, Ohio, in place of D. B. Stanley. Incumbent's commission expires May 10, 1924.

Ervin J. Ostermyer to be postmaster at Chatfield, Ohio, in place of E. M. Loyer. Incumbent's commission expired February 24, 1924.

Melroy C. Johns to be postmaster at Caldwell, Ohio, in place of W. J. Schafer. Incumbent's commission expired February 24, 1924.

OKLAHOMA

Henry F. Harwell to be postmaster at Bryant, Okla., in place of H. F. Harwell. Office became third class April 1, 1923.

OREGON

Olof O. Follo to be postmaster at Westport, Oreg., in place of W. C. Holland, resigned.

PENNSYLVANIA

Laura C. Ehler to be postmaster at Shippensville, Pa., in place of L. C. Ehler. Incumbent's commission expires May 11, 1924.

TENNESSEE

Alvin L. Henderson to be postmaster at Tracy City, Tenn., in place of J. A. Byrd. Incumbent's commission expired April 28, 1924.

TEXAS

Raymond G. Hirth to be postmaster at San Juan, Tex., in place of N. L. Tandy. Incumbent's commission expired April 5, 1924.

VIRGINIA

Charles C. Peery to be postmaster at North Tazewell, Va., in place of F. H. Forbes, declined.

WEST VIRGINIA

Gertrude Smith to be postmaster at Oak Hill, W. Va., in place of W. O. Nichols, declined.

Lawrence Barrackman to be postmaster at Barrackville, W. Va., in place of Jesse Bird. Office became third class January 1, 1924.

WYOMING

Bert Williams (Mrs.) to be postmaster at Cumberland, Wyo., in place of David Miller, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 5, 1924

UNITED STATES DISTRICT JUDGE

Benjamin C. Dawkins, to be United States district judge, western district of Louisiana.

COAST GUARD

To be captains

George C. Carmine.
Detlef F. A. de Otte.

To be commanders

William J. Wheeler.
Eugene Blake, jr.
Philip H. Scott.
James F. Hottel.
Harold D. Hinckley.
Benjamin L. Brockway.
John Boedeker.
William H. Munter.
Philip W. Lauriat.
Leon C. Covell.

To be lieutenant commanders

William K. Scammell.
Russell L. Lucas.
Stephen S. Yeandle.
Frederick A. Zeusler.
Thomas S. Klinger.
Henry G. Hemingway.
Jeremiah A. Starr.
Joseph E. Stika.
Floyd J. Sexton.
Clement J. Todd.
Gustavus U. Stewart.
Joseph F. Farley.
Carl H. Abel.
Frank J. Gorman.
Gordon W. MacLane.
Robert Donohue.
Earl G. Rose.
Loyd V. Kielhorn.
Edward H. Smith.
Elmer F. Stone.
Carl C. von Paulsen.
Fletcher W. Brown.
John E. Whitbeck.
Henry Coyle.
Frederick J. Birkett.

To be commanders (engineering)

Albert C. Norman.
Theodore G. Lewton.
Christopher G. Porcher.
John B. Turner.
Charles A. Wheeler.

To be lieutenant commanders (engineering)

Charles J. Odend'hal.
Henry C. Roach.
Clinton P. Kendall.
Herbert N. Perham.
Benjamin C. Thorn.
Milton R. Daniels.
Ellis Reed-Hill.
Mayson W. Torbet.
Gustavus R. O'Connor.
Walter M. Troll.
Charles T. Henley, jr.

To be ensigns

Nathaniel B. Dyer.
Raymond V. Marron.

POSTMASTERS

COLORADO

John A. Williams, Marble.
Thomas A. Davis, Portland.

ILLINOIS

Verda M. Mullhall, Davis.
Charles E. Hartman, Mount Carroll.
John F. Shimkus, Westville.

IOWA

Charles B. Santee, Cedar Falls.
Cora M. Lamer, Goodell.
John E. Mieras, Maurice.
George McKinnis, Ollie.
Harry W. Burgess, Rose Hill.

KANSAS

Charles E. Schul, Grenola.
Alice M. McLavy, Morganville.
Elizabeth R. Bell, Towanda.

MAINE

Roy A. Evans, Kennebunk.
Lyman E. Stinson, Stonington.

MICHIGAN

Laurence C. Snyder, Blanchard.

MINNESOTA

Fred J. Page, Cusson.
Alfred M. Oss, Hitterdal.
Sam Dornfeld, Lake Elmo.

NEBRASKA

Frank Hopkirk, Ruskin.
Perry Barnett, South Sioux City.
Albert E. Pratt, Tobias.

NEW YORK

Thomas C. Richardson, Auburn.
Nellie Fredricson, Cornwall on the Hudson.
L. Frank Little, Endicott.
Clarence E. Snyder, Glenfield.
Ralph D. Sanford, Hammondsport.
Mary A. Blazina, Harrison.
Harold V. Mulford, Hopewell Junction.
Albert F. Becker, Livonia.
Harry M. Lanpher, Lowville.
John Franklin Smith, Patterson.
Austin E. Hummel, Prattsville.
George A. Hager, Watertown.
Thomas Wheatcroft, Watervliet.
Charles J. Ryemiller, West Sand Lake.

NORTH CAROLINA

Bertha E. Craver, Boonville.
Ocie O. Freeman, Gates.
Ivey M. Parker (Mr.), Hobgood.
Julia B. Greer, Moravian Falls.
Lucile L. White, Salemburg.

NORTH DAKOTA

John W. Campbell, Ryder.

OHIO

Irvin F. Sherman, Deshler.
William J. Lawrence, Syracuse.

OKLAHOMA

Samuel H. Bundy, Bethany.
J. Warren White, Hollis.
Stephen M. Gold, Indianola.
Isaac W. Linton, Jones.
Boone A. Leatherman, Rosston.

PENNSYLVANIA

Charles E. Fanning, Alba.
Isaiah M. Stauffer, Millersville.

SOUTH DAKOTA

Pius Boehm, Stephan.
Helen E. Becker, Turton.

UTAH

Andrew Adamson, jr., North Salt Lake.
Diantha Hammond, Providence.

VERMONT

Charles A. Robinson, Milton.
Sheridan P. Dow, Sheldon Springs.

WYOMING

William G. Haas, Cheyenne.
Eugene W. Gillespie, Rock River.

HOUSE OF REPRESENTATIVES

MONDAY, *May 5, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our Lord, grant us all to feel that we are truly in the presence of God, a God who careth and who has heard us before we call. Teach us to pray; help us that we may aspire unto higher heights and nobler experiences. Visit us with Thy compassion, make allowance for our frailties, and give courage to every heart before Thee. Through the hours of this day, mid labor and stir, alone and in reflection, and when in our contact with our colleagues, do Thou speak softly to our hearts. In the name of Jesus, we pray. Amen.

THE JOURNAL

The SPEAKER. The Clerk will read the Journal of the proceedings of Saturday and Sunday——

Mr. LONGWORTH. Mr. Speaker, I desire to address the Chair. In view of the importance of the business in order to-day I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Ohio makes the point of order there is no quorum present. It is clear there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Edmonds	Morin	Taylor, Tenn.
Ayres	Gallivan	Morris	Tilson
Bell	Geran	Mudd	Tydings
Browne, N. J.	Greene, Mass.	Park, Ga.	Upshaw
Campbell	Hooker	Perlman	Vare
Clark, Fla.	Howard, Okla.	Ragon	Vestal
Cole, Ohio	Johnson, Tex.	Reed, W. Va.	Ward, N. C.
Connery	Johnson, W. Va.	Rogers, N. H.	Ward, N. Y.
Cummings	Kahn	Rosenbloom	Wason
Curry	Langley	Sears, Fla.	Williamson
Dallinger	Lineberger	Sears, Nebr.	Winter
Deal	Logan	Snyder	Wood
Dickstein	McKeown	Stalker	Wurzbach
Dominick	McNulty	Stengle	Zihlman
Drane	Michaelson	Sullivan	
Drewry	Morgan	Swope	

The SPEAKER. Three hundred and seventy Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The Clerk will read the Journal of the proceedings of Saturday and yesterday.

The Journal of the proceedings of Saturday and yesterday was read.

Mr. JOHNSON of South Dakota. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. JOHNSON of South Dakota. I desire to submit a unanimous-consent request.

The SPEAKER. The gentleman will withhold it for a moment. The House will be in order.

Mr. JOHNSON of South Dakota. Mr. Speaker, under the new rule adopted by the House I recognize the fact that after the approval of the Journal the Howell-Barkley bill would have precedence. Before the approval of the Journal, therefore, I ask unanimous consent that I be permitted to move to suspend the rules and pass the bill H. R. 8869, a bill on the calendar from the Committee on Veterans' Legislation which contains legislation affecting the hospitalization, compensation, care, and treatment of 108,900 veterans of the late war, including 15,000 tubercular patients and 13,000 neuropsychiatric cases. The reason for desiring to submit that request at the present time, Mr. Speaker, is because I recognize the fact that these suspension Mondays may be taken up with the Howell-Barkley bill. House bill H. R. 8869 would only take 40 minutes. These poor tubercular men are dying at the rate of 20 per cent per annum and we must get some action. If I were to be recognized on a motion to suspend the rules and the bill were passed, then the Howell-Barkley bill would still have the right of way, and therefore I have preferred this unanimous-consent request.

The SPEAKER. The gentleman from South Dakota asks unanimous consent that he have the right to move to suspend the rules and pass the bill referred to. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to ask the gentleman from South Dakota a question.

If that consent is granted, that means the bill will be put through just as it is and all opportunity for amendment shut off. It means that it would pass the House exactly in its present form if it passed at all. Now, the gentleman is a member of the Rules Committee and can get a rule in here at any time to take up this bill, and does not the gentleman think it would be better to do that and give opportunity for those Members of the House who are not altogether satisfied with the bill to offer amendments?

Mr. JOHNSON of South Dakota. The gentleman from Mississippi is a member of the Veterans' Committee. I would say I do not think that procedure is practical, because it is so close to the end of the session, and, furthermore, at the other end of the Capitol there is pending another measure which might be passed to-day. It is not, as the gentleman knows, agreeable to these ex-service men, these wounded men, because it would affect approximately only 20,000 of them, while this measure gives a distinct advantage to 108,900 disabled, and I know of no amendment that any member of the committee desires to present, and even if there were such a desire this bill would have to be taken up in conference and there would be such opportunity probably given. I yield now to the gentleman from Ohio.

Mr. LONGWORTH. Referring to the question asked by the gentleman from Mississippi [Mr. RANKIN] in regard to the possibility of a rule for the consideration of this bill, is it not a fact that there are already on the calendar, having precedence over any subsequent rule, at least eight different rules, the consideration of which will take up considerable time?

Mr. JOHNSON of South Dakota. Answering the gentleman from Ohio, I will say that is true, and under this revision of the rules which we have, the Rules Committee is so restricted that it is compelled to take these rules up in order, and I do not have any idea when this bill could be brought up if a rule were granted, because the other rules have precedence, and I know if we take it up now we can pass the bill in 40 minutes and take care of all these men who need hospitalization.

Mr. LaGUARDIA. Reserving the right to object, I would like——

Mr. MADDEN. Mr. Speaker, I ask for the regular order.

Mr. LaGUARDIA. How long has the report been on the Speaker's table?

Mr. JOHNSON of South Dakota. I will say the report was put in, I think, last Monday or Tuesday.

Mr. LaGUARDIA. I would like to ask the gentleman whether his request is made now for the purpose of expediting the passage of the bill, or whether it is made for strategic reasons?

Mr. JOHNSON of South Dakota. I will say to the gentleman from New York that I am making this request to take care of the 108,900 ex-service men, and for no other reason, because every Member of this House knows that if this Howell-Barkley bill is brought up and you start, perhaps, to filibuster, it will take many, many Mondays, and because I do not now understand anyone will be injured in any way if we now take 40 minutes to pass this bill. Part of that much time has been used already in asking questions.

Mr. BARKLEY. Do I understand it is the plan of somebody to start a filibuster against the Barkley-Howell bill?

Mr. JOHNSON of South Dakota. Not from me; I do not so understand; but I know that men who are as skilled in parliamentary procedure as are the men in charge of that bill would be able to filibuster, and on such occasions usually do so.

Mr. BARKLEY. Has the gentleman any knowledge of a filibuster?

Mr. JOHNSON of South Dakota. Not coming from me, but from those who are strongly opposed to the legislation.

Mr. BARKLEY. Has the gentleman finished?

Mr. JOHNSON of South Dakota. Yes.

Mr. BARKLEY. I want to reserve the right to object.

Mr. RANKIN. With reference to the statement of the gentleman from Ohio [Mr. LONGWORTH], to the effect that there are seven or eight rules on the calendar now ahead of this one, and that that would delay the consideration of this measure, I want to say to the gentleman from Ohio that already more bills have passed the House and have gone to the other end of the Capitol than can possibly be considered and disposed of by the other body in the next two weeks. It seems to me that we are not hurrying things up by taking this measure up under suspension of the rules, instead of bringing in a rule and giving the Members of the House an opportunity to offer amendments to cure whatever defects this bill may appear to have.

Mr. JOHNSON of South Dakota. I want to reply to the gentleman from Mississippi on the parliamentary situation.

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, so far as the Barkley bill at this time is concerned, I have not felt disposed to support it. [Applause.] The House is entitled to pass upon that question, and the gentleman from South Dakota [Mr. JOHNSON[is undertaking by a parliamentary maneuver to delay action upon that proposition. [Applause.] We had as well face this matter at one time as another. Why is it that at this particular period, when it is announced and well understood that this motion is to be presented to the House, the gentleman rises to present this proposition, appealing in the name of the soldiers, in order to delay a vote on this other matter? I do not like such methods as that.

Mr. JOHNSON of South Dakota. I will say to the gentleman from Tennessee that this is the very first day and time since this bill was reported that it could have been brought up under suspension of the rules, as the gentleman well knows; and to move to suspend the rules and pass this bill would delay the Barkley bill but 40 minutes, and if these questions had not been interposed within 30 minutes from now that measure would have been disposed of.

Mr. BARKLEY. Mr. Speaker, as a member of the Committee on Interstate and Foreign Commerce, I have helped to prepare and have supported every measure that has been passed since the World War began for the benefit of the veterans of that war. I have been for every bill for the soldiers' bonus since the subject has been up for consideration. It is strange that this moment should have been selected, before the Journal of the proceedings of the previous session was approved, to ask unanimous consent to consider a veterans' matter. I have been for the bill reported from the Veterans' Committee. The bill can be taken up any day when the House is in session, and if it takes only 40 minutes it will not interfere with other legislation. I object to the request of the gentleman from South Dakota.

The SPEAKER. Objection is made. The question is on the approval of the Journal.

The Journal as read was approved.

THE BARKLEY-HOWELL BILL

The SPEAKER. Under the rule the gentleman from Kentucky [Mr. BARKLEY] is entitled to recognition.

Mr. BARKLEY. Under section 24 of Rule XXVII the motion was made by me on the 11th of April to discharge the Committee on Interstate and Foreign Commerce from the consideration of the bill H. R. 7358, to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinates, and for other purposes.

Mr. SANDERS of Indiana. Mr. Speaker, I make a point of order against the motion.

The SPEAKER. The Clerk will report it.

Mr. SANDERS of Indiana. Mr. Speaker, I make a point of order against it.

The SPEAKER. The gentleman from Indiana will state his point of order.

Mr. SANDERS of Indiana. I make the point of order, Mr. Speaker, that the motion filed by the gentleman from Kentucky [Mr. BARKLEY] and now called up by the gentleman from Kentucky is not in order, because it is not addressed to a bill which is under consideration by the Committee on Interstate and Foreign Commerce properly under the rules of the House. The bill to which this motion is addressed, Mr. Speaker, contains in section 8 the following language:

SEC. 8. Appropriation: (A) There is hereby appropriated for the fiscal year ending June 30, 1924, out of any money in the Treasury not otherwise appropriated, the sum of $500,000, or so much thereof as may be necessary, to be expended for the payment of the necessary and proper expenses incurred in connection with any arbitration and with the carrying on of the work of mediation and conciliation, including salaries, traveling and other necessary expenses of employees of the boards of adjustment, boards of arbitration, and the Board of Mediation and Conciliation, and for furniture, office fixtures, books, supplies, and rent; also salaries and necessary expenses of members of the Board of Mediation and Conciliation, and of arbitrators whose compensation is fixed by the Board of Mediation and Conciliation, as provided in section 7-B(5) of this act.

All of that page, Mr. Speaker, is a direct appropriation. I respectfully contend, Mr. Speaker, that this is a bill which, under the rules of the House, the Committee on Interstate and Foreign Commerce had no authority to report, and therefore had no authority to consider, and is not within the rule which grants the right to move to discharge a bill from the considera-

tion of a committee. I call the Chair's particular attention to the rule established on June 1, 1920. The rule established on that day, Mr. Speaker, reads as follows:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction—

The final sentence being—

a question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

That is section 826 A of the House Manual and Digest, Rule XXI, clause 4. The particular rule invoked here by the gentleman from Kentucky is Rule XXVII, clause 4, found in section 884 A.

This clause of the rule, Mr. Speaker, reads as follows:

A Member may present to the Clerk a motion in writing to discharge a committee from the consideration of a public bill or resolution—

And so forth.

The rules of the House, Mr. Speaker, are considered all together. No one rule is singled out and interpreted by itself, but the body of rules is construed as an entire body of rules. The rule to which I first called the Chair's attention was part and parcel of a rule providing for the Budget system. The House, by the rules, thought it wise to forbid a certain number of committees, including the Committee on Interstate and Foreign Commerce, from reporting out a bill containing an appropriation, and, Mr. Speaker, as I shall show by the reading of a decision on the question, that does not mean that the Committee on Interstate and Foreign Commerce is directed to strike out the appropriation and amend it by an authorization. That rule means that the Committee on Interstate and Foreign Commerce has no authority, without violating the rules of the House, to report a bill containing an appropriation, because, as pointed out by the distinguished parliamentarian, the gentleman from Illinois, Mr. Mann, when a committee reports a bill containing an appropriation suggesting an amendment, when it comes onto the floor of the House the House may reject that amendment and the appropriation would still be there.

Now, the only suggestion that could be made on the other side is that it has been held that when such a bill is reported to the House the point of order is directed to the appropriation and not to the report of the bill. That was the question which the present occupant of the chair passed upon in a very able decision, when the question was brought up by the gentleman from Illinois, Mr. Mann, for the purpose of having the Speaker rule on it rather than to submit the matter to some chairman who might be selected. The Chair held, and very properly, that once a committee had reported such a bill this question must be raised in the House by a point of order directed to the appropriation, but that is in keeping with the provisions of that rule, because, Mr. Speaker, the last sentence in the first rule to which I referred says:

A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

The point of order raised in the House is directed to the appropriation, Mr. Speaker, but the rules of the House forbid the Committee on Interstate and Foreign Commerce from reporting this bill, and when the gentleman from Massachusetts [Mr. WINSLOW], chairman of that committee, called up that measure, if the committee kept in mind the rules of this House, and any member thereof should have said, "Mr. Chairman, I make the point of order that we have not the right to consider this measure and we have not the right to report it," the chairman of that committee, under the rules of the House, would have had to sustain the point of order.

Why, Mr. Speaker, the purpose of that rule was to compel Members of the House to follow the spirit of the budget system and not to write appropriation sections in legislative bills. The purpose of the rule was to say to a Member: "Unless you expect to get your bill up by suspension of the rules or unless you expect to get your bill up by unanimous consent you must write in your bill authorizations and not appropriations."

Now, Mr. Speaker, the consideration of a bill is an incident to the question of its report. If the committee is governed by the rules of the House—and we must assume that the Committee on Interstate and Foreign Commerce is abiding by the rules of the House—that committee does not consider whether it shall report or not report a bill that carries an appropriation but puts it within its files, and that is what the rules direct the committee to do.

Mr. BANKHEAD. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. BANKHEAD. Does the gentleman take the position that the Committee on Interstate and Foreign Commerce is reporting this bill to the House?

Mr. SANDERS of Indiana. I take the position that the Committee on Interstate and Foreign Commerce is acting under the rules of the House in not reporting this bill. I also take the position, Mr. Speaker, that this rule, the purpose of which is to bring out on the floor of the House a bill which a committee unjustly refuses to report—that the whole purpose of the rule shows it was never intended to apply to a measure which the rules of the House forbid a committee to report out either favorably or unfavorably.

Mr. CRISP. Mr. Speaker, if the Chair is, from the argument just made by the distinguished gentleman from Indiana [Mr. SANDERS], of the opinion that the point of order is good, I desire to be heard, but if the Speaker has it in his mind to overrule the point of order I do not care to needlessly take up the time of the House.

The SPEAKER. The Chair will be very glad to hear the gentleman very briefly.

Mr. CRISP. I will try to be brief, Mr. Speaker. I never desire to be tiresome to the Speaker or to the House.

The SPEAKER. The Chair did not mean it in that way.

Mr. CRISP. I understand that, Mr. Speaker. I understood that thoroughly. I do not think there is anything in the point of order of the gentleman from Indiana.

Now, as he said, all of the rules of the House work in harmony together. No one rule is the controlling rule of the House, but it is a complete system of rules for the governing of the House.

Now, when we adopted the Budget system and all appropriations were centered in the Committee on Appropriations the rule provided that no appropriations should be reported from the legislating committees, and that rule has been interpreted by our present able Speaker, and the Speaker has correctly ruled, in my judgment, that if a committee violates that provision by reporting an appropriation a point of order against the appropriation can be made at any time and the appropriation eliminated from the bill.

Mr. LONGWORTH. Will the gentleman yield?

Mr. CRISP. I will.

Mr. LONGWORTH. I understood the gentleman to say that the rule provided that no appropriation should be reported from a legislative committee, but that is not what the rule provides.

Mr. CRISP. No committee shall report an appropriation.

Mr. LONGWORTH. That is not what the rule provides. The rule provides:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations.

Mr. CRISP. Technically the gentleman might be correct, but in answer to that, a fair construction of that rule is that if a bill carrying an appropriation is sent to a legislating committee, the legislating committee has ample, complete, and supreme authority to eliminate the appropriation feature of the bill and to report the bill minus the appropriation. This has frequently happened in the House. The last clause of the rule provides a point of order against the appropriation is in order at any time, which clearly shows the committee can report a bill containing an appropriation, but that the appropriation will be eliminated if a point of order is made against it.

Mr. BARKLEY and Mr. SANDERS of Indiana rose.

Mr. CRISP. I can not argue the proposition logically if I am going to be diverted, but I yield first to the gentleman from Kentucky.

Mr. BARKLEY. If a committee against that rule should report a bill carrying an appropriation, it does not thereby vitiate the report but makes the appropriation subject to a point of order.

Mr. CRISP. That is what I tried to present to the Speaker a moment ago. I yield now to the gentleman from Indiana.

Mr. SANDERS of Indiana. The gentleman from Georgia says that the committee can eliminate the appropriation. The committee must report the bill back and recommend amendment, but the committee can not decide that question.

Mr. CRISP. That is all the committee can do anyhow. If the committee reports the bill without the appropriation, it does not pass the bill. They simply report the bill to the House for the consideration of the House, and I apprehend very few bills are ever sent to a committee that are not reported back with some amendment. The committee could report this bill back with an amendment changing the appropriation to an authorization or striking out the appropriation entirely.

Now, Mr. Speaker, you know and I know and the Members of the House know that bills are introduced in the House that will have matters incorporated in them that should probably go to two or three different committees of the House.

It is physically impossible to send one bill to three different committees; and the Speaker has adopted the rule, and I think the correct one, that when a bill is introduced containing subject matter that legitimately falls within the purview of the jurisdiction of several committees to send the bill to that committee which has jurisdiction of the prime or controlling feature of the bill. Members can introduce bills containing appropriations. They must be sent somewhere. They must either be sent to the legislating committee or to the appropriating committee; and if the legislation is the prime matter in the bill and it also contains an appropriation, the Speaker sends it to the legislating committee. That committee undoubtedly can eliminate the appropriation and report the bill back to the House.

But, Mr. Speaker, what is the object of this discharge rule? The object of the discharge rule is that when a bill has been referred to one of the standing committees of the House and has been before that committee 30 days and the committee has not made any report on it this motion can be filed; and on the first and third Mondays of each month, provided 150 Members have signed it, it can be called up for the House to pass on.

Now, Mr. Speaker, a committee is a special agent of the House, the House being the principal. The principal, the House, can refer a matter to their special agent and place limitations on their authority; and, assuming and admitting for the purposes of this argument that the position of the gentleman from Indiana is correct, that the House by the rules say to their special agent, the committee, "You can not report any legislative bill containing an appropriation," that does not make the House impotent to give that special agent additional instruction or to change their powers altogether.

Mr. LONGWORTH. Will the gentleman yield there?

Mr. CRISP. Yes.

Mr. LONGWORTH. Assuming that the House would have the power to change the jurisdiction of the committee, as the gentleman suggests, it must be done in the regular way, must it not?

Mr. CRISP. Yes.

Mr. LONGWORTH. By an amendment to the rules.

Mr. CRISP. And this is the regular way.

Mr. LONGWORTH. It surely can not be changed by an order which violates the rules of the House.

Mr. CRISP. Yes, it can. One of the rules of the House says that a legislating committee shall not report a bill containing an appropriation. The new rule of the House dealing with committees that do not report within a certain time provides that under certain conditions any bill that has been before the committee 30 days and the committee has not reported upon it, the House can vote and say whether or not they will discharge that committee from its further consideration; and I do not see, Mr. Speaker, how you can differentiate a bill pending before the committee that has an appropriation in it and one that does not. All House committees must comply with the requirements of the discharge rule and report bills referred to it within 30 days, or the House under the discharge rule can vote whether or not it will change even the jurisdiction of that committee; change, if necessary, any other rule of the House, and direct that committee to report the bill back, if a majority of the House sees fit to do it.

Mr. LITTLE. Will the gentleman yield for a question?

Mr. CRISP. I yield.

Mr. LITTLE. If an ordinary tariff bill should get before the Committee on Appropriations could it be brought into the House in the manner you have indicated?

Mr. CRISP. I did not catch the first part of the gentleman's question.

Mr. LITTLE. Suppose an ordinary tariff bill were introduced into the Committee on Appropriations could it be brought into this House by the method you indicate?

Mr. CRISP. If the House were negligent enough to sit supinely by and permit the tariff bill to remain in the Committee on Appropriations, and they held it 30 days, yes; but if the House is efficient, which I know it is, there are three provisions of the rules to take the tariff bill away from the Committee on Appropriations: First, by asking unanimous consent to correct the reference; second, on motion of the committee, the Ways and Means Committee, claiming jurisdiction; or, third, on motion of the Committee on Appropriations disclaiming jurisdiction. The House has an ample remedy to correct an erroneous reference as you suggest. If the House does not do this, but sits supinely by and permits a bill to be erroneously referred to one of the legislating committees and that legislating committee, being without jurisdiction of the subject matter, considers it and reports the bill to the House, then the question of estoppel applies and you can not question the jurisdiction of that committee after it has reported it.

Mr. LITTLE. Will the gentleman yield again?

Mr. CRISP. I will.

Mr. LITTLE. Is it not the duty of the House and the people who want to make that arrangement to not sit supinely by, but to go ahead and do the right thing?

Mr. CRISP. Yes; absolutely.

Mr. LITTLE. And can they take advantage of their own supineness to bring about a situation which the law does not intend?

Mr. CRISP. The fallacy of the gentleman's argument is that this bill is referred to the proper committee. It could not have been referred to any other committee. The principal object of this bill is to amend the Esch-Cummins Act dealing with the transportation situation. This is the only legislating committee in this House that could deal with the bill, and it could not be properly taken away from the committee on a motion to discharge the committee on the ground of an erroneous reference if the House followed the rules of the House.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. CRISP. I will.

Mr. BLANTON. I would like to ask the gentleman this question: Is there not a rule that where a bill has been referred erroneously to a committee that has not jurisdiction of it, if that committee reports it to the House, then it is properly reported and goes on the calendar, but where the committee does not report it to the House the House can not bring it on the floor until some other disposition is made of it?

Mr. CRISP. Of course the House could not bring it in unless by using the new discharge rule. I was answering the gentleman from Kansas [Mr. LITTLE] by saying that if the House stands supinely by they could not avail themselves of their stupidity.

Mr. SABATH. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. SABATH. If the Committee on Interstate and Foreign Commerce had considered the bill, would it not have jurisdiction to strike out the appropriation in the bill to which the gentleman from Indiana objects?

Mr. CRISP. Absolutely, and I so stated in the commencement of my remarks. If the bill was introduced to-day the Speaker would send it to the Committee on Interstate and Foreign Commerce, which is the only committee in the House he could send it to.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. CRISP. Certainly.

Mr. SANDERS of Indiana. On the question of committee amendments the gentleman will notice that the language used by the gentleman from Illinois, Mr. Mann, was as follows:

It does not affect, however, the question as to whether they had the right to report a bill, because the bill does carry an appropriation. The amendment proposed by the committee does not change the status of the bill as reported to the House because the amendment might or might not be agreed to by the House.

Mr. CRISP. Answering my friend from Indiana permit me to say the distinguished chairman of this committee [Mr. WINSLOW], and I have a real affection for him as well as the other gentlemen of the Committee on Interstate and Foreign Commerce, when they spoke last week in opposition to this motion, not one of them raised the point that the committee had not reported this bill because it contained an appropriation. They never made that point. This morning here on the floor is the first I ever heard of it, and my good friends who argued in opposition to discharging the Committee on Interstate and Foreign Commerce from further consideration of the bill did not think enough of the point to mention it in the three or four able speeches which we heard the other day.

Mr. SANDERS of Indiana. The point of order was not timely until this morning.

Mr. CRISP. They could have referred to it as they did to many other things in the discussion of what took place in the committee. [Applause.] This was never mentioned.

Now, Mr. Speaker, I am not going to tire you; I have said all I can say. The Speaker acted within the rules of the House and performed his duty correctly in sending this bill to the Committee on Interstate and Foreign Commerce. The committee accepted it and made no effort to change the reference. The position of the gentleman from Indiana [Mr. SANDERS] that the committee did not report the bill forthwith because of this appropriation is untenable. Even suppose it was true,

this House can direct it to do whatever it sees fit, and the orderly procedure of the House under the new rule provides that after 20 minutes debate the House can discharge any committee from the consideration of any bill that it has had before it for 30 days. Therefore I do not see anything in the point made by the gentleman from Indiana, and in my opinion the point of order should be overruled.

Mr. POU. Mr. Speaker, one point, it seems to me, settles the question now before the Speaker. That is, whether or not the Committee on Interstate and Foreign Commerce has jurisdiction of the Barkley-Howell bill. That question must be answered, I think, in the affirmative. If the Committee on Interstate and Foreign Commerce has jurisdiction, if the bill is properly before that committee, then certainly it is in order to make a motion to discharge the committee according to provisions of the new rule. I think there is nothing else involved except that single proposition.

Mr. GRIFFIN. Mr. Speaker, I would like to say a word on a point that has not yet been developed. Mr. Speaker, this is a new rule we are acting under to-day, and I hope it will not be considered presumptuous if I venture to make a suggestion which I would not make if in the discussion so far it had been presented to the Chair.

The rule under which we are acting calls upon the House to determine whether or not this Barkley bill shall be taken from the Committee on Interstate and Foreign Commerce. The bill is there; it is not hanging in the air, Mr. Speaker. The bill is now with the Interstate Commerce Committee. It is too late now to urge a point of order which should have been raised against its reference to the committee. If it is an appropriation bill, it should not perhaps have been referred to this particular committee but to the Appropriations Committee. However, it is with the Committee on Interstate and Foreign Commerce. The first point to be determined by the House is whether or not the committee shall be discharged from its consideration, and then whether or not it shall be taken up by this House. If the House decides that the bill shall come before it, it can, being supreme, do anything it likes with the bill when it is properly before it. It can then strike out the appropriation clause or amend the bill in any way it sees fit. In other words, deal with it in Committee of the Whole in the same manner as a standing committee would or could.

I submit the point of order is addressed to a measure not before the House; that it comes too late; and that it is irrelevant and incompetent at this time. In other words, it is too late to quarrel with its reference to a standing committee and too early to quarrel with its legislative form until it comes up in Committee of the Whole.

Mr. LONGWORTH. Mr. Speaker, the entire argument of the able gentleman from Georgia [Mr. CRISP] on his side of the proposition is based on the theory that the object of paragraph 4, Rule XXII, is to prevent reporting of appropriations to the House by legislative committees.

Now that is not what the rule says and it is not what the rule is intended to prevent. The rule is intended to prevent the reporting of bills on the floor of the House which contain appropriations. There is a very good reason for that. As expressed by Mr. Mann, the object of this rule was to prevent the reporting of bills because the appropriation while out of order might be sustained by the House.

If that be true, Mr. Speaker, we might as well throw overboard the entire Budget system. If every legislative committee is to be permitted to report to this House bills containing appropriations, and the House sees fit to adopt those appropriations, then good-by to the Budget.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. GARRETT of Tennessee. Even if we assume that in view of the fact that the bill carries an appropriation the Committee on Interstate and Foreign Commerce could not report it on account of this paragraph 4—which I do not agree is a good assumption, because the committee could amend and authorize instead of appropriate—then where are we? Can not the House cure the inability by discharging the committee; or, if it can not, then where are we? If the committee is not discharged, the bill remains with the committee, and it can not be brought out in any way, because there is an appropriation in it. Is not that the logic of the gentleman's contention?

Mr. LONGWORTH. Mr. Speaker, of course I am not responsible for a mistake made in the drafting of the bill carrying an appropriation, which is out of order, and anyone who was responsible for it probably was not aware of the fact that it is violative of the rules of the House; but my contention is simply this, that the House has no right to violate its own rules without a change of the rules. If a committee can not report the bill, has the House the right to violate its own rules by compelling the committee to do it?

Mr. GARRETT of Tennessee. The House can do many things that a committee can not do.

Mr. LONGWORTH. It can, but it must abide by its own rules.

Mr. LITTLE. Is not it still the only right of the House to simply refer that bill to some committee where it belongs?

Mr. LONGWORTH. Of course, I assume that it was the proper committee, except for one paragraph in it, which is out of order for the committee to report.

The SPEAKER. The gentleman from Indiana [Mr. SANDERS] makes the point of order that the motion to discharge can not be applied to this bill because this bill could not be reported out by the Committee on Interstate and Foreign Commerce and was not properly before that committee for any action, and that therefore the House could not act upon it. The language of clause 4 of the rule certainly gives much countenance to that suggestion, because it provides in the beginning that no bill or joint resolution carrying an appropriation shall be reported by any committee not having jurisdiction to report appropriations, and on the face of it that would seem to prevent a committee not having that jurisdiction—as in the present instance, the Committee on Interstate and Foreign Commerce—from reporting out any such bill. But there is a subsequent sentence in the same clause which provides that a question of order on an appropriation in any such bill may be raised at any time.

That relieves the clause of the objection suggested by the gentleman from Ohio [Mr. LONGWORTH] of destroying our Budget system because at any time that point of order can be made against the appropriation. Ever since the present occupant of the chair has been a Member of the House there has been a contention as to appropriating clauses in legislative bills. The Chair remembers that under Mr. Speaker Clark for several sessions he determined on the policy of referring every bill like this which carried an appropriation to the Appropriations Committee. Of course that naturally killed the bill, because the Committee on Appropriations could not report it out. The purpose of Mr. Speaker Clark was to indicate to Members of the House that they must not write appropriations in legislative bills.

While the first clause of the rule does say that no committee shall report out any bill of that kind, yet soon after this rule was adopted the Chair ruled upon it and held that the two clauses were contradictory and therefore that the committee might report out such a bill, the Chair stating very explicitly at the time that it was a new question and that he would welcome a decision by the House upon the question. The House apparently acquiesced in that decision, and that has been the rule since, and the Chair does not see why that does not cover the present case. While technically a committee has no authority under the present language of that clause to report out a bill carrying an appropriation, yet such committees have been reporting out such bills and the House has contented itself with the remedy of striking out the appropriation on a point of order. Therefore, although under the first sentence of that clause it would seem that the Interstate and Foreign Commerce Committee has not jurisdiction, the Chair thinks under the practice it has. The new rule provides that a Member may file a motion to discharge a committee from a bill or resolution which has been referred to it 30 days prior thereto. This bill certainly had been referred to the committee 30 days. The Chair overrules the point of order.

Mr. JOHNSON of Washington. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of Washington. If this bill, then, should be taken up and placed before the House, would a point of order lie against the appropriation clause in the bill?

The SPEAKER. While the Chair does not care to decide that question now, at first blush the Chair would hold that that would still be subject to a point of order.

Mr. BARKLEY. Mr. Speaker, under the rule 10 minutes on a side are allowed for debate upon the motion. I suppose the Chair does not care at this time to pass on who would be entitled to the 10 minutes on each side?

The SPEAKER. The rule says that any Member can call it up, and the Chair will recognize the gentleman from Kentucky.

Mr. BARKLEY. Mr. Speaker, I yield 3 minutes of those 10 minutes to the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. LONGWORTH. Does the gentleman intend to close debate himself upon this?

Mr. BARKLEY. Yes.

Mr. LONGWORTH. Does the gentleman think that that is carrying out the purpose of the rule?

Mr. BARKLEY. Under the rules of the House the mover of any motion is entitled to close debate. I do not see any reason why there should be an exception in this case.

Mr. LONGWORTH. The gentleman proposes to yield some one three minutes and then some one else more time and then close himself?

Mr. BARKLEY. I do not know whether I shall yield any more or not, probably not. It is intended that there will be but one more speech on this side.

The SPEAKER. The gentleman from Nebraska is recognized for three minutes.

Mr. SHALLENBERGER. Mr. Speaker and gentlemen, as a minority member of the Interstate and Foreign Commerce Committee I have been asked by the gentleman from Kentucky [Mr. BARKLEY] to make a short statement to the House of the views of the minority members who favor the motion to discharge, and I shall be as concise in the brief time granted me as possible. The first statement I wish to make is that it is certain that this bill will not be considered by the Interstate and Foreign Commerce Committee so as to result in a vote upon the measure by the Congress.

We must consider it under the discharge rule and at this time or not at all. Some urge to send it back to the committee with instructions to hold hearings and report it back to the House at a stated period. That means no vote upon the bill by this Congress.

Granting that the committee will report it back to Congress, then in that case it goes on the calendar and stays there unless a favorable rule is gotten from the Committee on Rules for its consideration. Every Member knows that a favorable rule can not be secured, so reference back to the committee means death to the bill for the session.

It is charged by those who oppose considering the measure at this time that the Members know little or nothing about the terms and provisions of the bill. That charge is a reflection upon the intelligence, the industry, and ability of the membership of the House. Members have had the same opportunity to read and study this bill that they have had to inform themselves upon every other measure before Congress.

Does any Member want to go to his constituents and excuse himself for refusing to vote for any measure by saying that he did not have time to read and study it and therefore was ignorant of its purposes and provisions? I do not think so. Some Members say that there has been no report from the Commerce Committee upon the bill. The reason for that situation is well understood. A majority of the committee did not desire to make a report upon the measure, not because they do not understand the terms and provisions of the bill, but rather that they do not approve of its principles and purposes.

The House committee might have had as complete hearings upon the bill as the Senate committee if they had so desired. The House committee voted not to hold hearings upon this measure and took up other matters which will employ the time for this session.

I think it is hardly fair for members of the committee to come now to the House with the plea that we should not be allowed to retain the Barkley bill because the committee has held no hearing upon the measure. They have brought the situation that confronts them upon themselves. The Members of the House have had full opportunity to inform themselves upon the provisions and purposes of this bill if they so desired.

The bill itself has been available to every Member for more than two months. Its provisions are easily understood. It brings no new features or principles of practice into being. It is founded upon the oldest principle of Anglo-Saxon justice—the right of trial by jury. The hearings before the Senate committee were very extensive. They are published and available to every Member of Congress. They are too voluminous for most of us to find time to read them all. The advocates of the bill did not take much of the time of the Senate committee or introduce extended evidence in favor of the bill. They let the bill itself speak for them. The opponents of the measure brought in opposition to it a long list of many of the greatest and best-known men in the railroad managerial world.

If anyone believes the propaganda that a full presentation of the objections of the railroad managers was not permitted, let me read you the names of those who appeared before the Senate committee and made full statements of their oppositions and objections to the Barkley bill:

Hale Holden, chairman executive committee, Association of Railway Executives.

Daniel Willard, president, Baltimore & Ohio Railroad Co.

C. E. Gray, president, Union Pacific, Omaha, Nebr.

P. E. Crowley, vice president, New York Central Railroad, Mount Vernon, N. Y.

Charles P. Neill, manager bureau of information, southeastern railways.

John G. Walber, vice president of personnel, New York Central Lines.

Frank Karr, vice president and chief counsel, Pacific Electric Railway, Los Angeles, Calif.

Bird M. Robinson, president, American Short Line Railroad Association, Washington, D. C.

Ben B. Cain, general counsel, American Short Line Railroad Association.

W. T. Hargrett, president and general manager, Live Oak, Perry & Gulf Railroad.

H. W. Purvis, general manager, Georgia & Florida Railway, and president of Statesboro Northern Railway, Augusta, Ga.

Alfred P. Thom, attorney, Washington, D. C.

J. H. Beek, executive secretary, National Industrial Traffic League, Chicago.

Ben W. Hooper, chairman Railroad Labor Board, representing the public.

C. E. Anderson, representing roads in the western and southern territory of the shop crafts.

Theodore H. Davis, general chairman, eastern region, Pennsylvania Railroad system, representing Pennsylvania System Shop Craft Associations.

S. L. Witman, representing shop craftsmen.

E. W. Kilgore.

J. L. Eldridge, president of railroad yardmasters.

L. W. Fairchild, president, Protective Order of Railroad Trainmen.

J. P. MacDonald, representing the clerical employees' associations of the Pennsylvania Railroad system.

E. Peterman, representing the general committee, Association of craft employees, Altoona works, Pennsylvania Railroad system.

M. S. Warfield, president, Order of Sleeping Car Conductors, 2,275 members, and representing Brotherhood of Dining Car Conductors, membership about 1,500.

Halleck Vandermark, vice general chairman, system adjustment board, Central Railroad of New Jersey.

Edward Hoskins, president, American Federation of Railroad Workers, Chicago.

J. L. Eldridge, president of Railroad Yardmasters of America.

E. H. Mallick, Milton, Pa., representing Pennsylvania Railroad Co. miscellaneous employees.

John C. Shafer, Representative in Congress from the fourth district of Wisconsin.

No stronger array of opponents to the measure could be mustered in Washington if months were devoted to hearings on the measure.

So this, in short, is the situation in which we find ourselves upon this matter which is now before the House. We can not send the Barkley bill back to the committee unless our purpose is to kill it. We can not deny consideration upon the plea of insufficient evidence and lack of knowledge unless we admit our own inability as representatives of the American people. So we must admit that if we refuse consideration now it is because we are opposed to the purposes and principles of the bill itself.

The lines are very clearly drawn. This is the first and only opportunity this Congress has had to show whether or not it believes the Esch-Cummins law is a perfect and sacred thing and not to be corrected in any particular. Now is the time and this is the place for every Member of the House to take a stand upon this question.

We are not only going to decide the fate of this railroad labor bill but we are going to determine whether or not the new discharge rule is to be a valuable instrument for the House to use when it chooses to assert its right to consider bills that a majority desires shall be voted on.

The SPEAKER. The time of the gentleman has expired.

Mr. SHALLENBERGER. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska? [After a pause.] The Chair hears none.

Mr. SHALLENBERGER. The other alternative is to still permit Congress to be a body completely controlled by a few powerful committee members.

If we succeed in getting action upon this bill, no matter whether it is voted up or voted down, it will put an end to the tyranny of congressional committees. If the rule fails in this case, the fight to liberalize the rules of the House will go over into the succeeding Congress.

Now, a word as to the merits of the bill itself. It repeals title 3 of the transportation act, which is the authority for the present Railroad Labor Board. There is plenty of proof that the Labor Board has failed to make good the claims of its advocates. Secretary Hoover said, in part:

We have in this board confused four different functions in labor relationship. The board has in parts the machinery for collective bargaining, for arbitration, for conciliation, and judicial determination.

Because it was sought to unite all these separate functions in one board it has failed to function satisfactorily as to any of them.

Judge George W. Anderson, of Massachusetts, formerly a member of the Interstate Commerce Commission, said in part:

Turning to the labor provisions of the transportation act, the situation is still blacker. A large part of the dominant managerial forces did not accept in good faith the labor provisions of the act. The general result is that the mass of railroad employees were, in my opinion, never so embittered and so distrustful of railroad management as now. The relations between the managerial staff and the operating staff were never so bad. The labor provisions of the transportation act are effectively discredited and so is the Labor Board.

President Harding said in his speech at Kansas City upon the railroad situation:

As a means of making possible righteous adjustment between railroads and their employees, with due regard for the interest of the public, which pays, the Government established a Railroad Labor Board. Unfortunately, for reasons which are the subject of no little controversy, the board has never had the cooperation of the employer and employee for which its authors hoped. I am frank to say I do not hope for compliance on the part of employees so long as decisions are ignored by the managers.

It is only necessary to add to the President's statement the fact that 148 decisions of the Labor Board upon railroad disputes have been ignored and defied by railroad managers.

The Railroad Labor Board was doomed to be a failure from the first because its principles and practices contravene the fundamental principle of Anglo-Saxon law for the determination of justice between men. The Railroad Labor Board proposes to be both court and jury in the settlement of disputes, and that plan has always proven a failure wherever tried. The tribunal which is both court and jury seeks to decide all cases coming before it. The same contesting parties are continually bringing their disputes to the Railroad Labor Board, and very soon it is set down by either one party or the other as biased and unfair, and since it has no power to enforce its decisions the litigants on both sides either ignore its judgments or refuse to submit questions to its decisions.

It has proven a complete failure in the opinion of all except those whom it favors and its continuance is only urged by those who fear that its condemnation would make a breach in the wall of sanctity with which they seek to surround the Esch-Cummins Act.

The board of adjustment in the Barkley bill are patterned after those authorized in every prior congressional act that has sought to deal with disputes between employers and employees. The Esch-Cummins Act includes the principle of adjustment boards as one of its fundamental functions, but the railroad managers have refused to establish them. The United States Railroad Administration used adjustment boards so effectively that 6,000 labor disputes were settled by this means with only 12 appeals. The Barkley bill proposes to set up four national adjustment boards with a total membership of 40. Fourteen members on boards 1 and 2 and six on each of boards 3 and 4. Personally I think the number of board members might well be reduced to 24 in all, six on each board with salaries of $5,000 each and five members of the board of mediation and conciliation with salaries of $10,000 each, or a total salary list for board members of $170,000. At that cost, the Government's expense under the Barkley bill will be much less than is required by the present Railroad Labor Board.

But the basic advantage and superiority of the Barkley bill over the present Railroad Labor Board is that the Barkley bill provides for the settlement of labor troubles between representatives of labor and capital discussing and settling their differences between themselves with the aid of boards of adjustment and mediation and conciliation. It is the only means of settlement of labor disputes that has ever been satisfactory to both sides. Such a settlement will make for permanent peace in the railroad world.

Failing the settlement by mutual agreement, the Barkley bill provides a means of bringing about voluntary arbitration of labor disputes. Compulsory arbitration is un-American and has never settled any labor difficulty, and never will. The vital defect of the Labor Board provision of the transportation act is that every case that comes before it is tried by the same jury.

Under the Barkley bill every case affecting wages and working conditions if not settled between the disputants themselves will be tried by a new and unprejudiced tribunal, selected for the settlement of each particular dispute. It may be urged that the adjustment boards are continuing tribunals. Anglo-Saxon judges try matters of minor importance and decide them. But when the English-speaking citizen is put upon trial as to his life, liberty, or his property his rights are decided by a jury of arbitration chosen for the trial of his case alone. How long would the American people as a whole submit to having their right to work and earn a living put in jeopardy before a continuing and permanent jury?

If once it is agreed that a permanent court can act as judge and jury in every case that shall be at issue in certain cases, then the foundation principle of trial by jury is destroyed.

This bill does not interfere in any way with the existing rights of unorganized labor or those combinations outside the national labor organization. Every laboring man will have every right and protection under the Barkley bill he now enjoys. The local organizations and unorganized laborers have no representation on the present Railroad Labor Board nor on any board of adjustment acting under the Esch-Cummins law.

Every labor organization, whether local, district, or national, will settle its grievances with its employers just as is done under the present law. They are not required to go to the boards of adjustment if they do not so desire. No labor organization can now appeal to an adjustment board because there are none existing under the Esch-Cummins Act. Laboring men outside of the national organizations can appeal in cases of dispute to the Board of Mediation and Conciliation exactly the same as can the national organized crafts. That board, consisting entirely of representatives of the public, will give to all the same impartial assistance that they will grant to every labor body in the country.

The public Board of Mediation and Conciliation will not be under the influence of capital or labor. They will represent first of all the people who must suffer when labor and capital come to open war.

The Barkley bill will not stop all strife and disputes between employer and employee. There will always be an eternal struggle for higher wages, and better labor conditions upon the part of those who must labor that they may live. Railroad managers must make railroad capital profitable or they will be deposed. And therefore the managers will strive to keep down labor costs in order that capital may receive greater returns. This brings about a constant conflict. But the Barkley bill will keep down labor strife to the minimum. It is based upon the fundamental principle of deciding disputes by a fairly chosen jury of arbitration acting by mutual agreement between both parties to submit to its judgment and decrees, and is therefore the fairest and surest way to bring about permanent settlements concerning the rights of men and of property. Therefore I must give it my support as a distinct improvement over the discredited and impotent Railroad Labor Board.

Mr. LONGWORTH. Mr. Speaker [applause], of course it is a manifest absurdity to attempt to present the side of those of us who are opposed to this motion in 10 minutes. I can only touch a few of the high spots—and there are some pretty high ones in this bill. We are undertaking to-day, gentlemen, an experiment in legislation, one which changes the process of legislation that has prevailed in this House ever since it was first organized, and one which if conducted recklessly might bring most serious consequences. We are proposing to discharge a committee from the consideration of a bill and to put it upon its passage at once. Have any of you thought of one feature of this bill? It proposes to set up a new governmental machine the salaries of the members of which exceed the total salaries of the President of the United States, the Vice President, the entire Cabinet, the entire Supreme Court, the President of the Senate, and the Speaker of this House, and you are to do that without one word of hearings or consideration by this committee. That is one thing you propose to do. Now, I do not think this rule was ever intended to be applied in cases like this. I favor a discharge rule where it relates to a case of a committee which has had under consideration a bill of importance, with the details of which the House is familiar and the committee is familiar, and upon which hearings have been had, so as to provide for a case where that committee being recalcitrant and refusing to allow the House to consider a matter as to which it was fully advised. But here is a situation where a committee has had no word of hearings upon the subject, upon a bill whose proponents admit took two years to draft. The gentleman from Alabama [Mr. HUDDLESTON], who is one of the strong proponents of this bill, the other day stood here upon the floor of this House and said: "I offer you on the one hand peace; I offer you on the other hand war." Upon what meat has this small Cæsar fed that he has grown so great that he can threaten us with war? What sort of a war? A strike? Who will that strike affect? It will affect 109,000,000 people who are given no consideration whatever in this bill, for this bill by its terms prevents the general public from having any representation whatever on any of these boards or committees or commissions provided herein.

Mr. NELSON of Wisconsin. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. NELSON of Wisconsin. The gentleman does not make that statement in good faith, that the Board of Mediation and Conciliation does not have the public on it.

Mr. LONGWORTH. I think it has one member——

Mr. NELSON of Wisconsin. Oh, five.

Mr. LONGWORTH. It is only one of five boards.

Mr. SANDERS of Indiana. But the Board of Conciliation has not any power whatever unless voluntarily submitted to it.

Mr. LONGWORTH. Unless voluntarily submitted, of course. But I am not here to talk—of course, it is idle to consider or talk about the merits of this bill. The more I read this bill the more I think of the celebrated phrase of the late Commodore Vanderbilt, "The public be damned," because it is the public that is to be excluded from participation in these matters which are of such vital necessity to the transportation system of this country. I do not think that this bill should be put upon its passage until at least some hearing could have been had upon it, and I do not think that any man here conscientiously believes that it ought to be done, but, of course, great pressure has been brought for immediate consideration of this bill, and if there was that vital necessity for action upon this proposition by this House, as gentlemen contend, why was the introduction of this bill delayed until about the 1st of March?

Mr. KING. Will the gentleman yield?

Mr. LONGWORTH. Why was it not introduced earlier? I yield.

Mr. KING. I find myself in a position where it does not seem possible to vote so as to do justice to either party and I am anxious for one to do that, and I am much impressed with the fact that the gentleman said that there ought to be some kind of hearings upon this bill. I think it is due to the proponents of the bill that this precedent be not established in the House of bringing up a bill without a certain amount of hearing and investigation, and I would like to ask the gentleman if he would be willing to support a proposition to attach certain conditions to the motion to send this back to the committee. I desire to make this motion when the proper time comes, if I can secure recognition from the Speaker, and that is that the bill (H. R. 7338) be referred back to the Committee on Interstate and Foreign Commerce with directions to proceed at once to hold hearings on said bill and report same to the House within 10 days with their conclusions thereon, and at that time said bill shall receive a preferential status under the rules of this House.

Mr. LONGWORTH. I can only say to the gentleman as far as I am concerned I would favor and urge the Committee on Interstate and Foreign Commerce to have hearings at once upon this subject, but I see before me the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from Massachusetts [Mr. WINSLOW]. I would like to ask the gentleman if he can answer the question propounded by the gentleman from Illinois [Mr. KING]?

Mr. WINSLOW. Mr. Speaker, it would be easier to answer that question if it were divided.

Mr. Speaker, as the question came to my ear it seemed to be a little complicated. Perhaps I can make a statement that will come somewhere near being an answer, or perhaps I can patch it out if it is not stated to the gentleman's satisfaction.

I have indicated on two occasions, addressing the House, that the Committee on Interstate and Foreign Commerce never refused to give this bill consideration except as to considering it now. We did vote and decided that it was not in the interest of orderly procedure to consider it now. As to the question of never considering it, at no time was that proposition brought up. On the contrary, when the committee determined on a program, we set out this, that, and the other bills on which we had held hearings to complete; and when that was done, as I remember—and I think I am accurate—the committee, in response to a definite question, determined—not officially by vote, but by acquiescence—to take up other legislative bills; principally, in the first place, transportation bills.

My judgment is, if left entirely to their own devices, in the order of things at the very beginning of next week we would pick up transportation bills and have hearings thereon.

Mr. BARKLEY. Mr. Speaker, does this come out of my time? I think the 10 minutes that the gentleman from Ohio [Mr. LONGWORTH] is entitled to must have expired.

The SPEAKER. The gentleman is mistaken.

Mr. LONGWORTH. Mr. Speaker, how much time have I?

The SPEAKER. Three quarters of a minute.

Mr. LONGWORTH. It shows the justice of this new rule. [Laughter.]

Mr. JAMES. Mr. Speaker, I want to say that the proposition made by the gentleman from Illinois is along the same lines as the proposition that was made to me by a railroad attorney from Chicago several days ago.

Mr. LONGWORTH. Mr. Speaker, I reserve three-quarters of a minute.

Mr. BARKLEY. Mr. Speaker, in the seven minutes that I have at my disposal it will be impossible to go into detail about this measure, although I believe that in that time I can answer the gentleman from Ohio [Mr. LONGWORTH]. I felt, while he was discussing the bill, that the appropriate thing would be to move a recess while he read the bill, so that he could understand its provisions. He objects to the salaries that the bill provides for the members of the board set up in the machinery. That is a matter, of course, entirely within the control of the House when the bill is taken up for consideration. If Members of this House do not approve of the salaries fixed in this bill they have the right to reduce them and to fix them at any figure they prefer or wish to fix.

Now, with reference to hearings, I stated the other day what happened in the committee. The gentleman from Massachusetts [Mr. WINSLOW] says the committee decided not to take up the bill "now." The way the thing came up, after many maneuvers, as I related in my description of the transaction on Saturday, was that there was a proposition to take up the bill introduced by the gentleman from Ohio [Mr. COOPER], and when we finally got into executive session to let the committee know what its program would be; that was the first bill decided on. The second bill to be taken up was the bill introduced by the gentleman from Kansas [Mr. HOCH], embodying a general revision of railroad rates. The third was this bill which is now under consideration. They voted to take up the other two bills, but voted against taking up this bill, which was the third, and then the committee voted to take up the "truth in fabrics" bill on the 15th of April.

Mr. LONGWORTH. The gentleman from Massachusetts [Mr. WINSLOW] has just announced that he is prepared to proceed with the consideration of this bill the first of next week.

Mr. BARKLEY. Yes; "he is prepared." The gentleman from Massachusetts is never so happy as when he has the committee room full of witnesses and nothing going on. [Laughter.]

The committee voted to have hearings on the "truth in fabric" bill, which the proponents of the bill did not ask for. They asked for action on the part of the committee. They started on these hearings on the 15th day of April—hearings which have been in progress every day since—and I have in my pocket now a notice from the chairman of the committee stating that on to-morrow they will resume hearings on the "truth in fabric" measure.

Mr. NELSON of Wisconsin. In the event the consideration of this bill should be deferred, it would lose its privileged status, would it not?

Mr. BARKLEY. Yes. Whatever the instructions might be with which it might be sent to the committee, when it came back it would be like any other bill on the calendar, and then it could only be taken up by special rule or called up on Calendar Wednesday when this committee had the call.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. BARKLEY. I can not yield any further. I am sorry, but I am busy. [Laughter.]

Now, about hearings: The Committee on Interstate and Foreign Commerce in the Sixty-sixth Congress held hearings for months on this very subject. They reported out the original Esch bill, which provided for national adjustment boards of the same kind as are provided in this bill. When the bill came on the floor here the Anderson amendment was introduced and substituted. The Anderson amendment provided for national adjustment boards, and nobody representing the public was on those boards, and the bill reported by the Committee on Interstate and Foreign Commerce provided for national adjustment

boards, with equal representation from the railroad men and employees on both sides. The original Anderson amendment also provided for national adjustment boards, with nobody representing the public on them, but an equal number on each side representing the men and the railroads.

That bill went to the Senate in that form. The Cummins bill was substituted. It also provided for national adjustment boards, with equal representation on both sides, and then provided for a different kind of machinery in the place of the Railroad Labor Board, which now exists, and different also from the Board of Mediation and Conciliation in the bill to which I have referred. That bill went to conference, and the conferees—and the gentleman from Massachusetts [Mr. WINSLOW] and I were two of the conferees with the Senate—agreed to the creation of national adjustment boards with equal representation on both sides and with nobody from the public on any of these adjustment boards. That was a tentative agreement on the part of the conferees. An outline of the agreement was sent to Mr. Walker D. Hines, who at that time was Director General of Railroads and is now, I believe, general counsel for the Great Northern Railroad, and he sent it back with the suggestion that the provision for national adjustment boards, which was made compulsory in the tentative agreement of the conferees, should be changed so as to make it voluntary, so that they need not be created unless the railroads and the men should agree to their creation. But in none of these phases, from the original bill reported by the Committee on Interstate and Foreign Commerce until the final report of the committee on conference between the House and Senate, was there ever any provision allowing public representation on the boards of adjustment, because they are technical boards made up of technicians; they are boards dealing with expert questions in which the public is not interested and do not concern wages in any respect whatever.

Mr. NEWTON of Minnesota. But they were not paid for out of the Public Treasury.

Mr. BARKLEY. No; they were not paid for out of the Public Treasury. After the Esch-Cummins bill was adopted, with a provision for voluntary adjustment boards, the Association of Railway Executives held a meeting and appointed a labor committee, at the head of which, I believe, was Mr. Hale Holden. On that committee was Mr. Daniel E. Willard, of the Baltimore & Ohio, and W. W. Atterbury, connected with the Pennsylvania Railroad, although not an actual railroad man. By a vote of 8 to 1 the labor committee of the National Association of Railway Executives recommended that these boards of adjustment, representing an equal number on both sides, be created. That report was made to the National Association of Railway Executives, and Mr. Atterbury, who was making the fight to crush all labor organizations in the United States, won out before the full committee, and by a vote of 60 to 41 they rejected the proposition.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. LONGWORTH. Mr. Speaker, I yield the gentleman three-quarters of a minute in order that he may answer a question.

The SPEAKER. The gentleman from Kentucky has no time.

Mr. LONGWORTH. But, Mr. Speaker, I yield him three-quarters of a minute. I simply want to ask the gentleman this question: If he does not believe that the million or more men who make their living by working on the railroads and who object to this bill ought not to have an opportunity to have a hearing? [Applause.]

Mr. BARKLEY. The million or more men who object, as the gentleman says—there is not the slightest evidence before this House to indicate that not only a million railroad men but that 100,000 railroad men who are free to express their views, object to this bill.

Mr. LONGWORTH. The gentleman from Alabama [Mr. HUDDLESTON] on the floor the other day——

Mr. BARKLEY. I have not read the gentleman's speech.

Mr. LONGWORTH. Of course, he has not yet printed his speech. The gentleman from Alabama in the course of his speech said that this bill was asked for by 1,200,000 men, which leaves about 800,000 or 1,000,000 men.

Mr. BARKLEY. There is nothing in this bill which prevents these million men from having their rights. [Applause.]

The SPEAKER. The time of the gentleman has again expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I desire to submit a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. If the motion to discharge the committee shall prevail, then, as I understand the rule, it will be next in order for any Member who signed the motion to move the consideration of the bill and it shall then be considered under the general rules of the House.

The SPEAKER. Certainly.

Mr. GARRETT of Tennessee. That means that the House will resolve itself into Committee of the Whole for the consideration of the bill, it being a Union Calendar bill. Now, my inquiry is this: If the consideration of the bill be not concluded to-day, when will it again be in order to move to proceed with its consideration? Will it be in order to-morrow, or will it go over for two weeks?

The SPEAKER. Of course, the Chair is willing to hear gentlemen on that question, but the Chair's opinion is it would go over for two weeks.

Mr. BARKLEY. I hope the Chair will not rule on that matter until the point is raised.

The SPEAKER. The Chair will not. The Chair stated he would not preclude argument on that question, but the Chair's opinion at first blush is that it would go over for two weeks.

Mr. JOHNSON of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of South Dakota. If this motion to discharge fails, would we then revert to the original suspension-day status and would it then be in order for me to renew my motion to suspend the rules and pass H. R. 8869?

The SPEAKER. Did the gentleman say if the motion prevailed?

Mr. JOHNSON of South Dakota. If it does not prevail.

The SPEAKER. If it does not prevail, then the regular suspension business will be in order, and the Chair will probably recognize the gentleman.

The question is on the motion made by the gentleman from Kentucky [Mr. BARKLEY] to discharge the committee.

Mr. BARKLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 194, nays 181, not voting 57, as follows:

YEAS—194

Abernethy	Doyle	Lozier	Robsion, Ky.
Allen	Eagan	Lyon	Romjue
Allgood	Evans, Mont.	McClintic	Rubey
Almon	Favrot	McKeown	Sabath
Arnold	Foster	McReynolds	Salmon
Ayres	Frear	McSwain	Sanders, Tex.
Bankhead	Fulbright	McSweeney	Sandlin
Barbour	Fulmer	MacGregor	Schall
Barkley	Funk	Major, Ill.	Schneider
Beck	Garber	Major, Mo.	Seger
Berger	Gardner, Ind.	Manlove	Shallenberger
Black, N. Y.	Garner, Tex.	Mansfield	Sherwood
Bloom	Garrett, Tex.	Martin	Simmons
Boles	Gasque	Mead	Sinclair
Bowling	Gilbert	Miller, Wash.	Sites
Box	Glatfelter	Milligan	Smithwick
Boylan	Greenwood	Minahan	Steagall
Brand, Ga.	Griffin	Montague	Stedman
Briggs	Hammer	Mooney	Stevenson
Browne, Wis.	Hastings	Moore, Ga.	Summers, Wash.
Browning	Hayden	Moore, Va.	Sumners, Tex.
Buchanan	Hill, Ala.	Morehead	Swank
Buckley	Hill, Wash.	Morrow	Swing
Bulwinkle	Holaday	Nelson, Wis.	Tague
Busby	Howard, Nebr.	Nolan	Taylor, Colo.
Byrnes, S. C.	Huddleston	O'Brien	Taylor, W. Va.
Byrns, Tenn.	Hudspeth	O'Connell, N. Y.	Thomas, Ky.
Canfield	Hull, Iowa	O'Connell, R. I.	Thomas, Okla.
Cannon	Hull, Tenn.	O'Connor, La.	Tillman
Carew	Jacobstein	O'Connor, N. Y.	Tucker
Carter	James	O'Sullivan	Underwood
Casey	Jeffers	Oldfield	Vinson, Ga.
Celler	Johnson, W. Va.	Oliver, Ala.	Vinson, Ky.
Clancy	Jones	Oliver, N. Y.	Voigt
Collier	Keller	Parks, Ark.	Watkins
Collins	Kelly	Peavey	Weaver
Connally, Tex.	Kent	Peery	Wefald
Cook	Kindred	Pou	Weller
Cooper, Ohio	King	Prall	Williams, Ill.
Cooper, Wis.	Kopp	Quayle	Wilson, Ind.
Corning	Kvale	Quin	Wilson, Miss.
Crisp	LaGuardia	Ragon	Wingo
Croll	Lampert	Rainey	Wolff
Crosser	Lanham	Raker	Woodruff
Cullen	Lankford	Rankin	Woodrum
Davey	Lazaro	Rathbone	Wright
Dickinson, Mo.	Lee, Ga.	Reed, Ark.	
Doughton	Lilly	Reid, Ill.	
Dowell	Lindsay	Richards	

NAYS—181

Ackerman	Bixler	Burtness	Cole, Ohio
Aldrich	Black, Tex.	Burton	Colton
Andrew	Bland	Butler	Connolly, Pa.
Anthony	Blanton	Cable	Cramton
Aswell	Boyce	Chindblom	Crowther
Bacharach	Brand, Ohio	Christopherson	Darrow
Bacon	Britten	Clague	Davis, Tenn.
Beedy	Browne, N. J.	Clarke, N. Y.	Deal
Beers	Brumm	Cleary	Dempsey
Begg	Burdick	Cole, Iowa	Denison
Dickinson, Iowa	Hill, Md.	Magee, N. Y.	Speaks
Driver	Hoch	Magee, Pa.	Sproul, Ill.
Dyer	Hudson	Mapes	Sproul, Kans.
Edmonds	Hull, Morton D.	Merritt	Stephens
Elliott	Hull, William E.	Michener	Strong, Kans.
Evans, Iowa	Humphreys	Miller, Ill.	Strong, Pa.
Fairchild	Johnson, S. Dak.	Mills	Sweet
Fairfield	Johnson, Ky.	Moore, Ill.	Taber
Faust	Johnson, Wash.	Moore, Ohio	Temple
Fenn	Jost	Moores, Ind.	Thatcher
Fish	Kearns	Mudd	Thompson
Fisher	Kendall	Nelson, Me.	Timberlake
Fitzgerald	Kerr	Newton, Minn.	Tincher
Fleetwood	Ketcham	Newton, Mo.	Tinkham
Fredericks	Kiess	Paige	Treadway
Free	Kincheloe	Parker	Underhill
Freeman	Kurtz	Patterson	Valle
French	Larsen, Ga.	Perkins	Vincent, Mich.
Frothingham	Larson, Minn.	Phillips	Wainwright
Fuller	Lea, Calif.	Porter	Watres
Garrett, Tenn.	Leatherwood	Purnell	Watson
Gibson	Leavitt	Ramseyer	Welsh
Gifford	Lehlbach	Ransley	Wertz
Goldsborough	Linthicum	Reece	White, Kans.
Graham, Ill.	Little	Reed, N. Y.	White, Me.
Graham, Pa.	Longworth	Roach	Williams, Mich.
Green, Iowa	Lowrey	Robinson, Iowa	William, Tex.
Griest	Luce	Rogers, Mass.	Williamson
Hadley	McDuffie	Rouse	Wilson, La.
Hardy	McFadden	Sanders, Ind.	Winslow
Harrison	McKenzie	Sanders, N. Y.	Wyant
Haugen	McLaughlin, Mich.	Scott	Yates
Hawes	McLaughlin, Nebr.	Shreve	Young
Hawley	McLeod	Sinnott	
Hersey	MacLafferty	Smith	
Hickey	Madden	Snell	

NOT VOTING—57

Anderson	Greene, Mass.	Murphy	Tilson
Bell	Hooker	Park, Ga.	Tydings
Campbell	Howard, Okla.	Perlman	Upshaw
Clark, Fla.	Johnson, Tex.	Rayburn	Vare
Connery	Kahn	Reed, W. Va.	Vestal
Cummings	Knutson	Rogers, N. H.	Ward, N. Y.
Curry	Kunz	Rosenbloom	Ward, N. C.
Dallinger	Langley	Sears, Fla.	Wason
Davis, Minn.	Lineberger	Sears, Nebr.	Winter
Dickstein	Logan	Snyder	Wood
Dominick	McNulty	Stalker	Wurzbach
Drane	Michaelson	Stengle	Zihlman
Drewry	Morgan	Sullivan	
Gallivan	Morin	Swoope	
Geran	Morris	Taylor, Tenn.	

So the motion to discharge the committee was agreed to.

Mr. KUNZ. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. KUNZ. I have just come in.

The SPEAKER. The gentleman does not bring himself within the rule.

The Clerk announced the following pairs:

On this vote:

Mr. Gallivan (for) with Mr. Tilson (against).
Mr. Morgan (for) with Mr. Morris (against).
Mr. Wurzbach (for) with Mr. Vare (against).
Mr. Hooker (for) with Mr. Wood (against).
Mr. McNulty (for) with Mr. Geran (against).
Mr. Upshaw (for) with Mr. Drewry (against).
Mr. Knutson (for) with Mr. Winter (against).
Mr. Connery (for) with Mr. Vestal (against).

Until further notice:

Mr. Swoope with Mr. Bell.
Mr. Sears of Nebraska with Mr. Stengle.
Mr. Michaelson with Mr. Park of Georgia.
Mr. Curry with Mr. Kunz.
Mr. Snyder with Mr. Howard of Oklahoma.
Mr. Taylor of Tennessee with Mr. Johnson of Texas.
Mr. Rosenbloom with Mr. Dominick.
Mr. Ward of New York with Mr. Ward of North Carolina.
Mr. Langley with Mr. Clark of Florida.
Mr. Perlman with Mr. Logan.
Mr. Stalker with Mr. Drane.
Mr. Anderson with Mr. Rayburn.
Mr. Dallinger with Mr. Dickstein.
Mr. Green of Massachusetts with Mr. Sears of Florida.
Mr. Campbell with Mr. Rogers of New Hampshire.
Mr. Morin with Mr. Sullivan.
Mr. Davis of Minnesota with Mr. Tydings.
Mr. Kahn with Mr. Cummings.

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker, I move that the House proceed to the immediate consideration of H. R. 7358, a bill to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from Kentucky to take up the bill H. R. 7358 for immediate consideration.

The question was taken; and on a division (demanded by Mr. BARKLEY) there were—ayes 131, noes 143.

Mr. BARKLEY. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 197, nays 172, not voting 63, as follows:

YEAS—197

Abernethy	Evans, Mont.	Lowrey	Romjue
Allgood	Favrot	Lozier	Rubey
Almon	Fish	Lyon	Sabath
Arnold	Foster	McClintic	Salmon
Ayres	Frear	McKeown	Sanders, Tex.
Bankhead	Fulbright	McReynolds	Sandlin
Barbour	Fulmer	McSweeney	Schafer
Barkley	Funk	MacGregor	Schall
Beck	Gardner, Ind.	Major, Ill.	Schneider
Berger	Garner, Tex.	Major, Mo.	Seger
Black, N. Y.	Garrett, Tex.	Manlove	Shallenberger
Bloom	Gasque	Mansfield	Sherwood
Boles	Gilbert	Martin	Simmons
Bowling	Glatfelter	Mead	Sinclair
Box	Greenwood	Miller, Wash.	Sites
Boylan	Griffin	Milligan	Smithwick
Brand, Ga.	Hammer	Minahan	Steagall
Briggs	Hastings	Montague	Stedman
Browne, Wis.	Hayden	Mooney	Stevenson
Buchanan	Hill, Ala.	Moore, Ga.	Summers, Wash.
Buckley	Hill, Wash.	Moore, Va.	Sumners, Tex.
Bulwinkle	Holaday	Morehead	Swank
Busby	Howard, Nebr.	Morrow	Swing
Byrnes, S. C.	Huddleston	Nelson, Wis.	Tague
Byrns, Tenn.	Hudspeth	Nolan	Taylor, Colo.
Canfield	Hull, Iowa	O'Brien	Taylor, W. Va.
Cannon	Hull, Tenn.	O'Connell, N. Y.	Thomas, Ky.
Carew	Jacobstein	O'Connell, R. I.	Thomas, Okla.
Carter	James	O'Connor, La.	Thompson
Casey	Jeffers	O'Connor, N. Y.	Tillman
Celler	Johnson, W. Va.	O'Sullivan	Tucker
Clancy	Jones	Oldfield	Underwood
Collier	Keller	Oliver, Ala.	Vinson, Ga.
Collins	Kelly	Oliver, N. Y.	Vinson, Ky.
Connally, Tex.	Kent	Parks, Ark.	Voigt
Cook	Kindred	Peavey	Watkins
Cooper, Ohio	King	Peery	Weaver
Cooper, Wis.	Kopp	Pou	Wefald
Corning	Kvale	Prall	Weller
Crisp	LaGuardia	Quayle	Williams, Ill.
Croll	Lampert	Quin	Wilson, Ind.
Crosser	Lanham	Ragon	Wilson, Miss.
Cullen	Lankford	Rainey	Wingo
Davey	Lazaro	Raker	Wolff
Dickinson, Mo.	Lee, Ga.	Rankin	Woodruff
Doughton	Lilly	Rathbone	Woodrum
Dowell	Lindsay	Reed, Ark.	Wright
Doyle		Reid, Ill.	
Eagan		Richards	
		Robsion, Ky.	

NAYS—172

Ackerman	Edmonds	Kiess	Roach
Aldrich	Elliott	Kincheloe	Robinson, Iowa
Allen	Evans, Iowa	Kunz	Rogers, Mass.
Andrew	Fairchild	Larson, Minn.	Rouse
Anthony	Fairfield	Lea, Calif.	Sanders, Ind.
Aswell	Faust	Leatherwood	Sanders, N. Y.
Bacon	Fenn	Leavitt	Scott
Beedy	Fisher	Lehlbach	Shreve
Beers	Fitzgerald	Linthicum	Sinnott
Begg	Fleetwood	Little	Smith
Bixler	Fredericks	Longworth	Snell
Black, Tex.	Free	Luce	Speaks
Bland	Freeman	McDuffie	Sproul, Ill.
Blanton	French	McFadden	Sproul, Kans.
Boyce	Frothingham	McKenzie	Stephens
Brand, Ohio.	Fuller	McLaughlin, Mich.	Strong, Kans.
Britten	Garber	McLaughlin, Nebr.	Strong, Pa.
Browne, N. J.	Garrett, Tenn.	McLeod	Sweet
Brumm	Gibson	MacLafferty	Taber
Burdick	Gifford	Madden	Temple
Burtness	Goldsborough	Magee, N. Y.	Thatcher
Burton	Graham, Ill.	Magee, Pa.	Timberlake
Butler	Graham, Pa.	Mapes	Tincher
Cable	Green, Iowa	Merritt	Tinkham
Chindblom	Griest	Michener	Treadway
Christopherson	Hadley	Miller, Ill.	Underhill
Clague	Hardy	Mills	Valle
Clarke, N. Y.	Haugen	Moore, Ill.	Vincent, Mich.
Cleary	Hawley	Moore, Ohio	Wainwright
Cole, Iowa	Hersey	Moores, Ind.	Watres
Cole, Ohio	Hickey	Nelson, Me.	Watson
Colton	Hill, Md.	Newton, Minn.	Welsh
Connolly, Pa.	Hoch	Newton, Mo.	Wertz
Cramton	Hull, Morton D.	Paige	White, Kans.
Crowther	Hull, William E.	Parker	White, Me.
Darrow	Humphreys	Patterson	Williams, Mich.
Davis, Tenn.	Johnson, Ky.	Perkins	Williams, Tex.
Deal	Johnson, S. Dak.	Phillips	Williamson
Dempsey	Johnson, Wash.	Purnell	Wilson, La.
Denison	Jost	Ramseyer	Winslow
Dickinson, Iowa	Kearns	Ransley	Wyant
Driver	Kendall	Reece	Yates
Dyer	Ketcham	Reed, N. Y.	Young

NOT VOTING—63

Anderson	Dominick	Kahn	Morris
Bacharach	Drane	Kerr	Mudd
Bell	Drewry	Knutson	Murphy
Campbell	Gallivan	Langley	Park, Ga.
Clark, Fla.	Geran	Lineberger	Perlman
Connery	Greene, Mass.	Logan	Porter
Cummings	Harrison	McNulty	Rayburn
Curry	Hooker	McSwain	Reed, W. Va.
Dallinger	Howard, Okla.	Michaelson	Rogers, N. H.
Davis, Minn.	Hudson	Morgan	Rosenbloom
Dickstein	Johnson, Tex.	Morin	Sears, Fla.

Sears, Nebr.	Swoope	Vare	Winter
Snyder	Taylor, Tenn.	Vestal	Wood
Stalker	Tilson	Ward, N. Y.	Wurzbach
Stengle	Tydings	Ward, N. C.	Zihlman
Sullivan	Upshaw	Wason	

The Clerk announced the following additional pairs:

On this vote:

Mr. Connery (for) with Mr. Vestal (against).
Mr. Gallivan (for) with Mr. Tilson (against).
Mr. Morgan (for) with Mr. Morris (against).
Mr. Wurzbach (for) with Mr. Vare (against).
Mr. Hooker (for) with Mr. Wood (against).
Mr. McNulty (for) with Mr. Geran (against).
Mr. Upshaw (for) with Mr. Drewry (against).
Mr. Knutson (for) with Mr. Winter (against).

Until further notice:

Mr. Bacharach with Mr. Cummings.
Mr. Mudd with Mr. Harrison.
Mr. Wason with Mr. Kerr.

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker——

Mr. SIMMONS rose.

The SPEAKER. For what purpose does the gentleman from Nebraska rise?

Mr. SIMMONS. Mr. Speaker, my colleague from Nebraska, Mr. SEARS, asked to be recorded as against the Howell-Barkley bill. He is unable to be present.

Mr. BLANTON. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, I make a point of order against the appropriation of $500,000 in this bill at the end of the bill as being unwarranted. The rules say that a point of order may be made at any time.

The SPEAKER. The Chair thinks that is in order. The Chair overrules the point of order.

Mr. BARKLEY. Mr. Speaker, as I understand it, the House having voted to proceed immediately to consider this bill, the House resolves itself automatically into the Committee of the Whole.

The SPEAKER. The Chair rather thinks the gentleman ought to make that motion.

Mr. BARKLEY. If the Chair thinks that, I will make the motion that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of H. R. 7358.

The SPEAKER. The gentleman from Kentucky moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7358.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division. I ask for the yeas and nays. Mr. Speaker.

Mr. BARKLEY. Mr. Speaker, let me ask the Chair this question.

The SPEAKER. No rights will be lost. The gentleman from Kentucky will state his question.

Mr. BARKLEY. Mr. Speaker, I simply want to make this suggestion. I do not want to enter into any discussion. This is a new rule under which the House proceeds and the House has voted to proceed immediately to the consideration of this bill under the rules of the House. It strikes me that that vote would put this bill in a situation where the House automatically, because it is a Union Calendar bill, resolves itself into the Committee of the Whole House without further action for the consideration of the measure, and it is not necessary——

Mr. LONGWORTH. Mr. Speaker, I think the gentleman has made his point of order too late.

Mr. BARKLEY. I asked the Speaker that before we had voted on it.

Mr. LONGWORTH. I know, but the gentleman has made the motion and we have voted and divided.

Mr. BARKLEY. The Speaker said I would not lose any rights.

Mr. LONGWORTH. And the Chair has declared that the noes have it.

Mr. MADDEN. We have voted on the motion.

Mr. SANDERS of Indiana. The gentleman made the motion and we have voted on the gentleman's motion.

Mr. BARKLEY. The motion made was to go into the Committee of the Whole House on the state of the Union——

Mr. BLANTON. Mr. Speaker, I withdraw my demand for the yeas and nays.

Mr. BARKLEY. Mr. Speaker, there might have been either a motion to go into the Committee of the Whole House on the state of the Union or, in the language of the rule, to proceed immediately to consider the bill. Now, having voted to proceed immediately to the consideration of the bill, under this rule, and under the procedure which I think ought to be established as a precedent, because we are going to be governed in the future by rulings on this rule now, the House automatically resolves itself into the Committee of the Whole House on the state of the Union without any further action.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that the gentleman's point of order comes too late. He himself made the motion that the House resolve itself into the Committee of the Whole House on the state of the Union and the House has divided and the Chair has declared that the noes have it.

Mr. BARKLEY. Mr. Speaker, the Chair knows what occurred.

Mr. BEGG. Mr. Speaker, if I might be permitted, I would like to call the attention of the Chair to the fact that this bill is not and never has been on any calendar. Therefore the automatic going into the Committee of the Whole House is impossible. This bill was taken out of the committee without a report, and if the vote to discharge the committee failed then the bill would have been killed. If the motion to discharge the committee was agreed to and the motion to consider the bill had failed, then the bill would have gone on the Union Calendar. The fact that the motion carried precludes the possibility of this bill ever getting on any calendar, and the only question before the House is, Will the House in Committee of the Whole proceed as against some other time to consider the bill? Hence there is no such thing as going automatically into Committee of the Whole.

Mr. BARKLEY. If the motion to proceed immediately to consider the bill was defeated, having been taken from the committee, the bill would have gone on the Union Calendar because it involves an expenditure from the Treasury.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that notwithstanding the merits of the question the gentleman makes his point too late, for he himself moved to go into Committee of the Whole House on the state of the Union which would deprive him of the legality of his point.

Mr. GARNER of Texas. Will the gentleman yield? If the bill is to be considered, do we not have to consider it in Committee of the Whole?

Mr. LONGWORTH. It should be considered in Committee of the Whole, and the gentleman from Kentucky has moved to consider it in Committee of the Whole.

Mr. GARNER of Texas. It makes no difference what the gentleman from Kentucky has done, under the rules of the House it requires it to be considered in Committee of the Whole House on the state of the Union. If the House desires to consider it, how can the House consider it unless it goes into Committee of the Whole House? It makes no difference what the gentleman from Kentucky has done, it has to be considered in Committee of the Whole.

Mr. LONGWORTH. I insist on my point of order, Mr. Speaker, that notwithstanding the merits of this question the gentleman's point comes too late. I would like a ruling on the point of order.

Mr. CANNON. Mr. Speaker——

The SPEAKER. The Chair will hear the gentleman.

Mr. CANNON. I think, Mr. Speaker, we must all concede that the point made by the gentleman from Ohio [Mr. LONGWORTH] is well taken. Undoubtedly the question raised by the gentleman from Kentucky [Mr. BARKLEY] comes too late. But this is a new rule. It is a procedure for which there is no precedent, and we are establishing here a routine to be followed for all time. Under these unusual circumstances I trust the gentleman from Ohio will not insist upon his point of order but will permit at least a brief discussion of this phase of a rule which from its very nature can be invoked only on occasions and measures of exceptional importance.

This bill, Mr. Speaker, is a Union Calendar bill. Under the rules of the House it must be considered in the Committee of the Whole House on the state of the Union. It follows, therefore, that a vote to proceed to its consideration is a vote to proceed to its consideration in the committee.

This being true, a second vote on going into the committee is wholly superfluous. It could have no legitimate purpose and would add nothing pertinent to the proceedings. It would be an unnecessary duplication and would needlessly consume the time of the House in another roll call. The original motion should provide for consideration in the committee. Any other course contributes to delay and obstruction and would contravene the express provisions and purpose of the rule.

I trust the Speaker will be permitted to pass upon the question and to set a precedent which will best provide for the

orderly and expeditious disposition of such motions in the future.

Mr. POU. Mr. Speaker, the sole question here is whether under the new discharge rule the House now automatically resolves itself into Committee of the Whole or whether it requires a motion to go into Committee of the Whole. I quote from the rule, "If it shall be decided in the affirmative, the bill shall be immediately considered under the general rules of the House." The House has just voted affirmatively on that proposition, and I submit that a proper and intelligent construction of the rule would be that the House automatically resolves itself into Committee of the Whole—that being the real question which was submitted to the House. I submit that a motion to go into Committee of the Whole is not necessary. I submit that if the gentleman from Kentucky made the motion on intimation from the Chair, the House does not lose any of the rights and the gentleman from Kentucky does not lose any of his rights. I submit it is unnecessary to take a vote a second time after the House has just voted to consider the bill under the general rules of the House, which consideration must be in Committee of the Whole House on the state of the Union.

Mr. BEGG. Will the gentleman yield?

Mr. POU. Yes.

Mr. BEGG. I concede that the gentleman is correct as far as he goes, but he does not go clear through the proposition. What are the general rules of the House? They are that when a bill is on the Union Calendar on Calendar Wednesday the House goes into Committee of the Whole automatically, but on every other day except on Calendar Wednesday a motion is necessary to go into Committee of the Whole. Now, the gentleman does not contend that this bill either is on the Union Calendar or that it is Calendar Wednesday.

Mr. POU. I contend that when the House voted that this bill should be considered under the rules of the House that action by the House put the bill on the Union Calendar. If not, what does the provision in the rule mean?

Mr. BEGG. The orderly procedure under the rules.

Mr. POU. What is it?

Mr. BEGG. That the House shall go into the Committee of the Whole House on the state of the Union.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. POU. Yes.

Mr. GARRETT of Tennessee. In view of the statement the Speaker made a few moments ago in response to a parliamentary inquiry as to when this bill would next be in order if not concluded to-day, and he said his present idea about it was that it would go over for two weeks; that it could only come up on suspension Mondays. Now, in view of the arguments that will be made sustaining that idea, may I ask the gentleman from North Carolina if he does not think the expression "under the general rules of the House" might mean that they would have to proceed under a motion to suspend the rules? [Laughter.]

Mr. POU. I think I would rather the gentleman would answer that himself. [Laughter.]

Mr. MAPES. Why is not the situation here the same as when the question of consideration is raised on any bill? The question of consideration may be raised when a bill is called up in the regular procedure under the general rules of the House, and if the House desires to do so, it has a roll call on the question. After that if the House decides to consider the bill, the motion must be made to go into the Committee of the Whole. We have here, it seems to me, a parallel situation. The gentleman from Kentucky [Mr. BARKLEY] made the motion to discharge the committee from further consideration of the bill, and that motion was carried. The rule provides that if that motion carries, the House must determine then whether the bill shall go on the calendar, as though it were reported by the committee in the first instance, or whether the House shall immediately consider the bill the same as if the bill was on the calendar. The House having decided to consider the legislation instead of putting it on the calendar in the regular way, it must determine then by vote to go into the Committee of the Whole the same as in other cases. When a bill is on the Union Calendar, called up on Calendar Wednesday, the rule provides specifically that the House automatically resolves itself into the Committee of the Whole House on the state of the Union. There is nothing in this rule that requires any such procedure. The procedure is here set forth step by step, and we have taken only two steps so far, one of them to discharge the committee and the other to consider the legislation under the general rules of the House instead of putting it on the calendar. It seems to me that we must necessarily now decide whether we are going into the Committee of the Whole House on the state of the Union to consider the bill further.

Mr. HOWARD of Nebraska. Mr. Speaker, I rise to propound a question for information, parliamentary and legislatively. The question of time has been seriously discussed by several of the gentlemen this morning, and the gentleman from South Dakota [Mr. JOHNSON] informed us that we were on the verge of adjournment. The information I would like to have is, Did the gentleman from South Dakota speak by authority?

The SPEAKER. That is not a parliamentary inquiry. This is the first time this rule has been interpreted, and the Chair thinks it is quite important that we should settle it now carefully and rightly. The Chair will state the way it lies in his mind at the present time and then he will be glad to hear from gentlemen who have opinions on the parliamentary status. The rule under which we are proceeding provides that if the motion to discharge prevails, it shall then be in order for any Member who signed the motion to move that the House proceed to the immediate consideration of the bill. While the rule provides that the House shall proceed to the immediate consideration of the bill, yet in the case of a bill which must be considered in Committee of the Whole House on the state of the Union, the Chair thinks that the proper motion would be not to proceed to immediate consideration, but that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, because that is the procedure in other similar situations. One can not raise the question of consideration in the House on a bill that is on the Union Calendar, because it has been held that the way to raise the question of consideration in that situation is to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill. That motion raises the question of consideration. It seems to the Chair that it would establish a good precedent if the House should follow that analogy here and decide that when a bill from which the committee has been discharged is on the House Calendar, the proper motion is that the House proceed to its immediate consideration, but that when it is a bill that must be considered in Committee of the Whole, the motion would be to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill. As was suggested by the gentleman from North Carolina [Mr. POU] it seems preposterous to say that we should first move to consider the bill and then move to go into the Committee of the Whole House on the state of the Union to consider it, which raises the same issue. Why would it not be well to follow the analogies of ordinary procedure and hold that with a bill that must be considered in the Committee of the Whole House on the state of the Union, the proper way to raise the question of consideration is to move that the House resolve itself into the Committee of the Whole House on the state of the Union? In that way the question of consideration is raised immediately. When it is a bill which does not need consideration in the Committee of the Whole then the proper motion is that the House proceed to its immediate consideration.

Mr. MADDEN. Mr. Speaker, the question of consideration was raised, and then afterwards the motion was made by the gentleman from Kentucky [Mr. BARKLEY] that the House resolve itself into the Committee of the Whole House on the state of the Union. A vote was taken upon that, and the Chair ruled that the motion was lost.

Mr. LAZARO. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I decline to yield. Then the gentleman from Kentucky, after the motion was made and the vote put and the declaration made by the Chair that it was lost, rose in his place to a point of order, that point of order being that the House should automatically resolve itself into the Committee of the Whole House on the state of the Union. If there ever was a period during the consideration of the problem before us when that suggestion should be made, we had gone by it at the time the gentleman from Kentucky raised the question. My contention is, and I want to impress this upon the Speaker of the House, that the question has already been decided by a vote of the House, and that it is now too late to raise the question or to ask for a roll call.

The SPEAKER. The Chair thinks there is no doubt on that question, and that the gentleman is correct. The gentleman from Ohio [Mr. LONGWORTH] made that point. The Chair thinks it is too late, because the gentleman from Kentucky had made the motion to go into Committee of the Whole House, and then the gentleman from Texas made a point of order, and the Chair assured the gentleman from Kentucky that that should not interfere with his rights.

Mr. LONGWORTH. Mr. Speaker, as I understand it, the Chair suggested that the first motion to discharge having been acted upon favorably, that the second motion, where a bill is on the Union Calendar, should be that the House resolve itself into the Committee of the Whole House on the state of the Union.

The SPEAKER. Yes.

Mr. LONGWORTH. I suggest to the Chair, suppose the consideration of the bill is not completed upon a certain Monday and the bill goes over two weeks, what is the motion then?

The SPEAKER. The motion that the House resolve itself into the Committee of the Whole House on the state of the Union again.

Mr. BANKHEAD. Mr. Speaker, as I understand the Chair, the impression of the Chair was that possibly the motion made by the gentleman from Kentucky for the immediate consideration of the bill was improvident——

The SPEAKER. Superfluous.

Mr. BANKHEAD. Unnecessary, and that the motion that should have been made was that the House resolve itself into the Committee of the Whole House on the state of the Union. The difficulty I see on that proposition is that the bill is in this sort of status, that it is not properly identified with either calendar of the House. The only calendar this bill is mentioned is the calendar of the motion to discharge a committee, and when the question comes up and an affirmative vote had on the motion to discharge the committee, as I understand it, I do not see how that could go automatically to either calendar of the House, although the subject matter of the bill might indicate that it ought to go to the Union Calendar or to the House Calendar.

The SPEAKER. It is not necessary to determine which calendar it should be on. If it involves a charge on the Treasury, it has to be considered in the Committee of the Whole House on the state of the Union, and the bill itself shows that.

Mr. BANKHEAD. In other words, the Chair's opinion is that the bill itself shows it is a bill which would ordinarily go on the Union Calendar and that the proper motion would be to go into the Committee of the Whole House on the state of the Union.

The SPEAKER. It seems to the Chair very clear.

Mr. MADDEN. Mr. Speaker, I insist on my point of order.

Mr. BARKLEY. Mr. Speaker, of course this is a new rule, and there is no precedent for the character of the words or phraseology of the motion after the committee has been discharged. The natural thing under a rule of this kind would be to make a motion in the exact language of the rule, and that is the motion which I made, that under this rule the House proceed to the immediate consideration of the bill. Now, that is the language of the rule, and that motion carried. Now, that being true, the question of consideration having been passed on by the House and having been adopted by the House that it should be considered immediately, the question arose in my mind—and I suppose it would arise in anybody's mind—whether the House automatically went into the Committee of the Whole House on the state of the Union or a motion was necessary. I had some doubt about that and propounded an inquiry to the Speaker, and upon his suggestion I moved that the House go into the Committee of the Whole House on the state of the Union. The House was dividing, and the Speaker had announced that the noes seemed to have it. At that point a demand for the yeas and nays was made, and I arose, and then the Speaker announced that nobody would lose his rights by reason of this discussion, and therefore the motion to go into the Committee of the Whole House on the state of the Union and the procedure we had up to that time had not been declared lost; but if I understand even if the Speaker holds—I do not care personally whether the motion made at first was a motion to go into the Committee of the Whole House on the state of the Union or whether the motion I made was proper; so far as the future is concerned it does not make any difference which the Chair holds; it probably will be a precedent—under the present status of the situation the House would vote on the motion to go into the Committee of the Whole House on the state of the Union that I made originally, so there would be a roll call, as I understand.

A MEMBER. If demanded.

Mr. BARKLEY. If demanded.

The SPEAKER. The Chair thinks it would be well to settle this——

Mr. BARKLEY. While I am on my feet, in order to be absolutely sure, if the demand for the yeas and nays has not been made I make that demand.

The SPEAKER. The gentleman will be recognized for that purpose.

Mr. LONGWORTH. Mr. Speaker, as I understand the situation it is this: The gentleman from Kentucky [Mr. BARKLEY] made a motion that the House resolve itself into the Committee of the Whole House for consideration of this bill. The Chair put the question and the House divided, and the Chair held that the nays have it.

The SPEAKER. That the noes seemed to have it.

Mr. LONGWORTH. That the noes have it. The gentleman from Texas then demanded the yeas and nays, which motion he subsequently withdrew. I contend it is now in order to proceed with the consideration of the Suspension Calendar.

The SPEAKER. The Chair thinks not. The Chair thinks this is the exact status of the case. The gentleman from Kentucky [Mr. BARKLEY] moved that the House resolve itself into the Committee of the Whole House on the state of the Union, on which there was a viva voce vote, and the Chair said that the noes seemed to have it. Then the gentleman from Texas [Mr. BLANTON] demanded the yeas and nays. He then made a point or order, as the Chair remembers the sequence, and the gentleman from Kentucky protested that he should not lose his rights. The Chair assured him that no rights should be lost, and the Chair thinks that the vote has not been permanently determined and the House is still dividing, and that the gentleman from Kentucky still has the right——

Mr. McKEOWN. Will the Chair permit a suggestion?

The SPEAKER. The Chair would like to go a step further, if the gentleman will permit the Chair to finish.

The one question that it seems to the Chair as wise for us to have settled now, with a view to the procedure in the future, is as to whether, when a bill is one which requires to be considered in Committee of the Whole, there shall be two votes on that, one to consider the bill, and second, to go into Committee of the Whole; and the Chair does not criticize the gentleman from Kentucky [Mr. BARKLEY] in moving consideration. He followed the exact language of the rule, as was the proper and safe course. But the Chair thinks we might well decide now that for the future we might give the language a different interpretation. There are two ways of raising the question of consideration in the House—one by using that language and the other, in the case of bills on the Union Calendar, by moving to go into the Committee of the Whole for their consideration. Why should we not follow that precedent here and, in case of bills which impose a charge on the Treasury, move that the House proceed to its immediate consideration by moving that the House resolve itself into the Committee of the Whole House? Then we follow the spirit of the rule if not its exact language, and save one roll call, and the Chair would be inclined in the future, unless the House shall otherwise decide—of course, it is too late on this bill—if it is a bill that requires the House to go into Committee of the Whole, that that motion should be made immediately, and then it would not be necessary to make the motion for immediate consideration.

Mr. McKEOWN. Mr. Speaker, it occurs to me that the Speaker is correct in this particular, that the motion, if the bill were on the House Calendar, would be to consider the bill, and, if it were on the Union Calendar, it would be to immediately consider the bill, and that the House resolve itself into Committee of the Whole House on the state of the Union, the prime purpose being to immediately consider the bill. There might be a question with gentlemen as to whether they would have one or the other. The motion, if it was on the House Calendar, would be to immediately consider the bill, and, if it was on the Union Calendar, it would be to immediately consider the bill and for the House to resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill.

Mr. GRAHAM of Illinois. Mr. Speaker, it seems to me that it is the manifest intention of this rule to have three votes, and I want to briefly state why I think so. In the first place, the motion that is made is to discharge the committee from the consideration of the bill. Now, it is very essential to decide that. The House having decided that the committee for some reason ought to be discharged, it settles that proposition. Then the next proposition that arises is, Shall the House proceed to the immediate consideration of the bill? Now, what is that proceeding for? To see whether the House wants to consider it on the same day or whether it wants to consider it in the orderly procedure that would follow if the bill went on the calendar. If the motion does not prevail, this is what happens: Should the House by vote decide against immediate consideration of such bill or resolution, it shall be referred to its proper calendar and be entitled to the same rights and

privileges as it would have had if the commitee to whom it was referred duly reported the same to the House for consideration.

Now, this House might well vote, Mr. Speaker, to discharge the committee from the consideration of the bill and at the same time conclude that it was not advisable to take it up the same day, but that it ought to be put on the calendar, and take its turn with other calendar bills to be called up on Calendar Wednesday, or by a special rule of the House to consider it. If that is the object of the rule, then the motion of the gentleman from Kentucky [Mr. BARKLEY] is a proper motion.

The SPEAKER. In this case why should not the House, having exactly the same oportunity to express its will, instead of moving that the House proceed to the immediate consideration of it, the language should read, "That the House resolve itself into Commitee of the Whole House on the state of the Union for the consideration of it"?

Mr. SANDERS of Indiana. If the gentleman from Illinois [Mr. GRAHAM] will permit, the House votes to consider it, Mr. Speaker, and the House might desire not to resolve itself into Committee of the Whole House on the state of the Union to consider it, but to move to refer it back to the legislative committee. It is true the motion to go into Committee of the Whole would have preference over that; but the House might desire, after determining to consider it, to postpone it. Suppose it was near night and the House might not desire to consider it at all. Then you might postpone it to another day.

Mr. JOHNSON of South Dakota. The House to-day might not desire to consider it in Committee of the Whole because it might desire instead to consider House bill 8869, coming from the Committee on World War Veterans. [Laughter.]

The SPEAKER. In that case the House might want to vote.

Mr. SANDERS of Indiana. There might not be any Member of the House who would want to go into Committee of the Whole. They might refer it.

The SPEAKER. It is not in order to refer it.

Mr. GRAHAM of Illinois. It is in order for the House to refer it to the proper calendar; and if the motion, in the first instance, has to be that the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of that bill—if that is the proper motion—then the only thing the House would determine was whether it would go into Committee of the Whole House on the state of the Union, while there might be a third of the membership of the House that would prefer to have the bill go on the calendar and come up in an orderly way. Now, it occurs to me, Mr. Speaker, that that was the object of the rule.

Now, Mr. Speaker, one must give to every bit of the language in this rule its reasonable and ordinary interpretation, and the rule says—

It shall be in order to move to proceed with the immediate consideration of the bill.

Now, that can not be varied from. That is the rule of the House. That states the motion, states what it shall be, and while the question of consideration is not necessary and perhaps is not provided for by other rules of the House, it is provided for here, because it occurred to the persons who made this rule, evidently, if they thought about it, that the question would be a proper question for the House to decide in a matter of this kind, whether they should at once proceed to go into Committee of the Whole House or whether they should go through the calendar in the ordinary procedure. In that view of it I think it would be safer for the Chair to hold that this question of consideration was proper in this procedure and that the following motion would be the motion which the gentleman suggested, namely, to go into Committee of the Whole House on the state of the Union for the consideration of the bill.

Mr. SNELL. Mr. Speaker, as this is the first time that we have tried to operate in the House under the new discharge rule, I think it is very important that we do act under and in accordance with the intent and purpose of the House when it adopted this rule. While I was not entirely in favor of it when it was originally adopted, I am very sure that I understand the intent and purpose not only of the Rules Committee but of the House at that time, and I am in entire accord with the suggestion of the Speaker that the wording of the motion, after the committee has been discharged, should depend on whether the bill was on the Union Calendar or on the House Calendar, but that one motion was all that was necessary; and if you refer to the reading of the rule itself, that motion was made high privilege in order to prevent any delay whatever in taking up the legislation in the Committee of the Whole. My contention is, if the gentleman had made his original motion in proper form, that one motion was all that was necessary, and the committee automatically went into the Committee of the Whole for the consideration of the bill.

Mr. BARKLEY. Mr. Speaker, I desire to be recognized to ask for the yeas and nays.

The SPEAKER. Does the gentleman from Tennessee [Mr. GARRETT] desire to discuss the point of order?

Mr. GARRETT of Tennessee. I do not, Mr. Speaker, except to say this: I am in accord with the suggestion of the Chair that the proper motion, after the House has voted to discharge a committee from the consideration of a bill which, if reported from the committee, would be referred to the Union Calendar, is to move to go into Committee of the Whole for the consideration of that bill. That I understand to be the opinion of the Chair, and with that opinion I am in entire accord.

So far as the immediate situation which confronts us is concerned, unless we do go into Committee of the Whole, I do not know what becomes of this bill.

The SPEAKER. It goes on the calendar.

Mr. GARRETT of Tennessee. That is the question. Would it? Because the House has voted to consider it.

The SPEAKER. Oh, yes; it would be put on the calendar, all right.

Mr. GARRETT of Tennessee. The third part of the rule is—and I am reading from page 407, paragraph 885—

Should the House by vote decide against the immediate consideration of such bill or resolution, it shall be referred to its proper calendar.

Well, now, the House has voted for the consideration of this bill, and it is merely a question of how we are going to get at it.

The SPEAKER. Of course, that is an academic question; but the Chair thinks, for instance, that if the House votes for its immediate consideration and then at any time later the House, before it is completed, drops the bill temporarily, it goes on the calendar.

Mr. COOPER of Wisconsin. Mr. Speaker, I should like to present one view of this matter which I have not yet heard presented. The House adopted the second motion, which was that the House proceed to the immediate consideration of the bill; not consideration at some future time, but to the "immediate" consideration of the bill. By rule 27 such motion is made of high privilege. That rule provides also that if such motion be decided in the affirmative, the bill shall be immediately considered—"immediately" considered—under the general rules of the House. Now, one of the general rules of the House is that any bill which would, if enacted into law, impose a charge upon the Public Treasury—as the pending bill would should it become a law—must be first considered in Committee of the Whole. And so the fact clearly is that the House has already voted to consider this bill immediately under a general rule which provides that it, like all other bills of similar character, must be first considered in the Committee of the Whole. One of the general rules of the House is, I repeat, that a bill to impose a charge upon the Public Treasury must first be considered in Committee of the Whole. And therefore, the House having already voted to consider this bill immediately, it automatically goes before the Committee of the Whole. After what the House has done, no motion to go into Committee of the Whole is necessary. To put a motion now to go into Committee of the Whole would be simply putting the same motion which has already been adopted by the House.

Mr. SNELL. That was the intent and purpose of the rule when we originally considered and presented it.

Mr. COOPER of Wisconsin. And that, Mr. Speaker, I am just assured by the chairman of the Committee on Rules, the gentleman from New York [Mr. SNELL], was the plain and only intent and purpose of Rule XXVII when it was considered and reported by the Committee on Rules.

Mr. SNELL. The only trouble is that the gentleman from Kentucky [Mr. BARKLEY] made a motion when he should not have made it, because it was entirely unnecessary under the discharge rule.

Mr. COOPER of Wisconsin. Not only was it entirely unnecessary, but it did not affect the proceedings—the parliamentary status—at all.

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Alabama demands the regular order. The regular order is the motion of the gentleman from Kentucky [Mr. BARKLEY]. The gentleman from Kentucky moved that the House resolve itself into Committee of the Whole House on the state of the Union. On that motion the Chair said the noes seemed to have it.

Mr. COOPER of Wisconsin. Mr. Speaker, I make the point of order that the last motion is unnecessary and it is putting the same motion which, under the rules, was adopted.

The SPEAKER. The Chair thinks it is not necessary, but the Chair feels obliged to recognize the gentleman for that motion.

Mr. COOPER of Wisconsin. The House has already voted on it under the rules.

The question was taken; and there were—yeas 193, nays 164, not voting 75, as follows:

YEAS—193

Abernethy	Doughton	Lea, Calif.	Richards
Allen	Dowell	Lee, Ga.	Romjue
Allgood	Doyle	Lilly	Rubey
Almon	Eagan	Lindsay	Sabath
Arnold	Evans, Mont.	Lowrey	Salmon
Ayres	Farrot	Lozier	Sanders, Tex.
Bankhead	Fisher	Lyon	Sandlin
Barbour	Foster	McClintic	Schafer
Barkley	Frear	McKeown	Schall
Beck	Fulbright	McReynolds	Schneider
Berger	Fulmer	McSweeney	Shallenberger
Black, N. Y.	Funk	MacGregor	Sherwood
Bloom	Gardner, Ind.	Major, Ill.	Simmons
Boies	Garner, Tex.	Major, Mo.	Sinclair
Bowling	Garrett, Tex.	Mansfield	Sites
Box	Gasque	Martin	Smithwick
Boyce	Gilbert	Mead	Steagall
Boylan	Glatfelter	Miller, Wash.	Stedman
Brand, Ga.	Greenwood	Milligan	Stevenson
Briggs	Hammer	Minahan	Summers, Wash.
Browne, Wis.	Hastings	Montague	Sumners, Tex.
Browning	Hawes	Mooney	Swank
Buchanan	Hayden	Moore, Ga.	Swing
Buckley	Hill, Ala.	Moore, Va.	Tague
Bulwinkle	Hill, Wash.	Morehead	Taylor, Colo.
Busby	Holaday	Morrow	Taylor, W. Va.
Byrnes, S. C.	Howard, Nebr.	Nolan	Thomas, Ky.
Byrns, Tenn.	Huddleston	O'Brien	Thomas, Okla.
Canfield	Hudspeth	O'Connell, N. Y.	Thompson
Cannon	Hull, Iowa	O'Connell, R. I.	Tillman
Carew	Hull, Tenn.	O'Connor, La.	Tucker
Carter	Jacobstein	O'Connor, N. Y.	Underwood
Casey	James	O'Sullivan	Vinson, Ga.
Celler	Jeffers	Oldfield	Vinson, Ky.
Clancy	Johnson, W. Va.	Oliver, Ala.	Voigt
Collier	Jones	Oliver, N. Y.	Watkins
Collins	Keller	Parks, Ark.	Weaver
Connally, Tex.	Kelly	Peavey	Wefald
Cook	Kent	Peery	Weller
Cooper, Ohio	Kindred	Pou	Williams, Ill.
Cooper, Wis.	King	Prall	Wilson, Ind.
Crisp	Kopp	Quayle	Wingo
Croll	Kvale	Quin	Wolff
Crosser	LaGuardia	Ragon	Woodruff
Cullen	Lampert	Raker	Woodrum
Cummings	Lanham	Rankin	Wright
Davey	Lankford	Rathbone	
Davis, Tenn.	Larsen, Ga.	Reed, Ark.	
Dickinson, Mo.	Lazaro	Reid, Ill.	

NAYS—164

Ackerman	Elliott	Kiess	Rogers, Mass.
Aldrich	Evans, Iowa	Kincheloe	Rouse
Andrew	Fairchild	Kunz	Sanders, Ind.
Anthony	Faust	Leatherwood	Sanders, N. Y.
Aswell	Fenn	Leavitt	Scott
Bacharach	Fish	Lehlbach	Shreve
Bacon	Fitzgerald	Linthicum	Sinnott
Beedy	Fleetwood	Little	Smith
Beers	Fredericks	Longworth	Snell
Begg	Free	Luce	Speaks
Bixler	French	McLuffie	Sproul, Ill.
Black, Tex.	Frothingham	McFadden	Sproul, Kans.
Bland	Fuller	McKenzie	Stephens
Blanton	Garber	McLaughlin, Mich.	Strong, Kans.
Brand, Ohio	Garrett, Tenn.	McLaughlin, Nebr.	Strong, Pa.
Britten	Gibson	McLeod	Sweet
Browne, N. J.	Gifford	MacLafferty	Taber
Bruum	Goldsborough	Madden	Temple
Burtness	Graham, Ill.	Magee, N. Y.	Thatcher
Burton	Graham, Pa.	Magee, Pa.	Timberlake
Butler	Green, Iowa	Mapes	Tincher
Cable	Griest	Merritt	Tinkham
Chindblom	Hadley	Michener	Treadway
Christopherson	Hardy	Mills	Valle
Clague	Hawley	Moore, Ill.	Vare
Clarke, N. Y.	Hersey	Moore, Ohio	Vincent, Mich.
Cleary	Hickey	Moores, Ind.	Walnwright
Cole, Iowa	Hill, Md.	Newton, Mo.	Waires
Cole, Ohio	Hoch	Paige	Watson
Colton	Hudson	Parker	Welsh
Connolly, Pa.	Hull, Morton D.	Patterson	Wertz
Cramton	Hull, William E.	Perkins	White, Kans.
Crowther	Humphreys	Phillips	White, Me.
Darrow	Johnson, Ky.	Purnell	Williams, Mich.
Deal	Johnson, S. Dak.	Ramseyer	Williams, Tex.
Dempsey	Johnson, Wash.	Ransley	Williamson
Denison	Jost	Reece	Wilson, La.
Dickinson, Iowa	Kearns	Reed, N. Y.	Winslow
Driver	Kendall	Roach	Wyant
Dyer	Kerr	Robinson, Iowa	Yates
Edmonds	Ketcham	Robsion, Ky.	Young

NOT VOTING—75

Anderson	Davis, Minn.	Greene, Mass.	Kurtz
Bell	Dickstein	Griffin	Langley
Burdick	Dominick	Harrison	Larson, Minn.
Campbell	Drane	Haugen	Lineberger
Clark, Fla.	Drewry	Hooker	Logan
Connery	Fairfield	Howard, Okla.	McNulty
Corning	Freeman	Johnson, Tex.	McSwain
Curry	Gallivan	Kahn	Manlove
Dallinger	Geran	Knutson	Michaelson
Miller, Ill.	Perlman	Snyder	Vestal
Morgan	Porter	Stalker	Ward, N. Y.
Morin	Rainey	Stengle	Ward, N. C.
Morris	Rayburn	Sullivan	Wason
Mudd	Reed, W. Va.	Swoope	Wilson, Miss.
Murphy	Rogers, N. H.	Taylor, Tenn.	Winter
Nelson, Me.	Rosenbloom	Tilson	Wood
Nelson, Wis.	Sears, Fla.	Tydings	Wurzbach
Newton, Minn.	Sears, Nebr.	Underhill	Zihlman
Park, Ga.	Seger	Upshaw	

So the motion was agreed to.

Mr. RAINEY. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. RAINEY. No, sir.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. NELSON of Wisconsin. Mr. Speaker——

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. NELSON of Wisconsin. I was listening, but was called out by some one and I do not know whether I was out of the room or not when my name was called.

The SPEAKER. The gentleman himself must take the responsibility of saying whether he was present and listening or not.

Mr. NELSON of Wisconsin. I am afraid I was not.

The SPEAKER. The gentleman then does not bring himself within the rule.

Mr. NEWTON of Minnesota. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. NEWTON of Minnesota. I was not.

The SPEAKER. The gentleman does not bring himself within the rule.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Vestal with Mr. Connery.
Mr. Tilson with Mr. Gallivan.
Mr. Morgan with Mr. Morris.
Mr. Seger with Mr. Corning.
Mr. Wason with Mr. Drewry.
Mr. Freeman with Mr. Upshaw.
Mr. Wood with Mr. Geran.
Mr. Manlove with Mr. McNulty.
Mr. Wurzbach with Mr. Griffin.
Mr. Burdick with Mr. Hooker.
Mr. Fairchild with Mr. McSwain.
Mr. Curry with Mr. Rainey.
Mr. Porter with Mr. Wilson of Mississippi.

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker, before the Speaker leaves the chair I ask unanimous consent——

The SPEAKER. It is too late now.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order it is too late.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7358, to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, with Mr. CRAMTON in the chair.

The Clerk read the title of the bill.

Mr. BARKLEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. BLANTON. I object.

Mr. SANDERS of Indiana. Reserving the right to object——

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. BLANTON. I object, Mr. Chairman.

The Clerk read the bill, as follows:

Be it enacted, etc.—

PRELIMINARY

SECTION 1.

(A) DEFINITIONS

When used in this act—(1) The term "carrier" includes any express company, sleeping-car company, private-car company, and any carrier by railroad subject to the interstate commerce act, including interurban and suburban electric railways operating as independent units or as a part of the general railroad system of transportation, including all bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers and including all floating equipment such as boats, barges, tugs, bridges, ferries, and other transportation facilities owned and operated by electric, gas, or steam operated railways, and any receiver or any other individual or body, judicial or otherwise, when in the possession of the business of employers or carriers covered by this act:

(2) The term "adjustment board" means one of the boards of adjustment created by this act;

(3) The term "Board of Mediation and Conciliation" means the Board of Mediation and Conciliation created by this act;

(4) The term "commerce" means commerce among the several States or between any State, Territory, or the District of Columbia and any foreign nation, or between any Territory or the District of Columbia and any State, or between any Territory and any other Territory, or between any Territory and the District of Columbia, or within any Territory or the District of Columbia, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign nation;

(5) The term "officer" means all persons engaged in the service of carriers included in the "executive officer group," "general officer group," "division officer group," and "official staff assistant group," as these groups are established in the order of the Interstate Commerce Commission dated April 18, A. D. 1921, effective July 1, A. D. 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation";

(6) The terms "employees" and "employees and (or) subordinate officials", mean all persons engaged in the service of carriers not included in the "executive officer group," "general officer group," "division officer group," and "official staff assistant group" as those are established in the order of the Interstate Commerce Commission dated April 18, A. D. 1921, effective July 1, A. D. 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation," including all persons in the employ of bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers;

(7) For the purposes of this act the occupational classification established by the Interstate Commerce Commission in its order dated April 18, A. D. 1921, effective July 1, A. D. 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation," is hereby amended to include, and adopted as the legal classification of, all persons engaged in any capacity in the service of carriers, including all those persons included within the terms "employees" and "subordinate officials": *Provided*, That the occupational classification of any position shall not be changed from that established by the aforesaid occupational classification until such change of classification shall have been first approved by the Interstate Commerce Commission, after due notice and hearing to the carriers, the employees, and subordinate officials of carriers, and organizations thereof directly to be affected by such change of classification: *And provided further*, That such occupational classification shall not be construed to define the crafts according to which railway employees are organized by their voluntary action nor shall the jurisdiction of such national craft organizations be regarded as in any way limited or defined by the provision of this act.

(8) This act may be cited as the railway labor act.

(B) CONSTRUCTION

(1) If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

(2) The definitions of terms made in this act shall not be construed as limitations on the nature of the meaning of the terms herein defined.

(C) REPEAL

All acts and parts of acts in conflict with the provisions of this act are hereby repealed; and particularly Title III of the transportation act, 1920, which is sections 300 to 316, inclusive, of the act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and the act approved July 15, 1913, providing for mediation, conciliation, and arbitration.

OPERATION

SEC. 2. General duty: It shall be the duty of all carriers and all their officers, agents, employees, and subordinate officials to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions, and to settle all disputes arising out of the application of said agreements, in order to avoid any interruption to the operation of any carrier, growing out of any dispute between the carrier and the employees or subordinate officials thereof.

SEC. 3. Administrative machinery for conference, adjustment, mediation, and conciliation.

(A) CONFERENCES

(1) All disputes arising out of (a) grievances, or the application of agreements concerning rates of pay, rules, or working conditions, or (b) proposed changes in rates of pay, rules, or working conditions between a carrier and its employees or subordinate officials, shall be considered, and, if possible, decided, with all expedition, in conference between representatives designated and authorized so to confer, respectively, by the carriers and by the employees or subordinate officials thereof interested in the dispute: *Provided*, That any such representative or representatives may be designated by any carrier or by the employees or subordinate officials thereof, regardless of whether such representative be an official, an employee, or a subordinate official of any carrier, or an organization representing the employees or subordinate officials of any carrier.

(2) Representatives of the carriers and of the employees and subordinate officials shall be designated by the respective parties in such manner as may be provided in their corporate organization or unincorporated association, or otherwise, without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other, and it shall be deemed a violation of the obligations herein imposed upon carriers for any carrier or its officers or agents to interfere with or to attempt to influence or control, directly or indirectly, the organization of employees or subordinate officials, or participate in the functioning thereof, or the designation of employee or subordinate official representatives.

(3) It shall be the duty of the representative or representatives of any carrier and the representative or representatives of the employees or subordinate officials thereof, designated and authorized to confer, in accordance with the provisions of paragraph (A) of this section upon receiving notice of the existence of a dispute between the carrier and its employees or subordinate officials, arising out of grievances or out of the application of agreements concerning rates of pay, rules, or working conditions, and of a desire to confer upon such dispute, to specify within 10 days after the receipt of such notice, a time and place at which such conference shall be held: *Provided*, (1) That any such place so designated shall be situated upon the railroad line of the carrier involved, unless otherwise mutually agreed upon; and (2) that the time so designated shall allow the designated and authorized conferees reasonable opportunity to reach such place of conference, and shall be within 20 days after receipt of such notice.

(B) ADJUSTMENT

(1) There are hereby established four boards, to be described and constituted as follows: (a) Board of Adjustment No. 1 shall be composed of 14 members, seven members constituting the labor group, representing the employees and subordinate officials of the carriers, embraced within the classification of (1) engineers, (2) firemen and hostlers (including outside hostler helpers), (3) conductors, (4) trainmen, (5) switchmen and yard train-service men, (6) telegraphers (including telephoners, agents, levermen, train directors, towermen, and staffmen), and (7) train dispatchers, and seven members constituting the management group, representing the carriers. The labor group of seven is to be appointed by the President, by and with the advice and consent of the Senate, from not less than 14 nominees, whose nominations shall be made and offered by the employees and subordinate officials, two by each of the nationally organized crafts described above; of such two not more than one shall be appointed. The management group of seven is to be appointed by the President, by and with the advice and consent of the Senate, from not less than 14 nominees, whose nominations shall be made and offered by the carriers.

(b) Board of Adjustment No. 2 shall be composed of 14 members; seven members constituting the labor group, representing the employees and subordinate officials of the carriers, embraced within the classification of (1) machinists, (2) boilermakers, (3) blacksmiths, (4) sheet-metal workers, (5) electrical workers, (6) carmen, and (7) signalmen (including the helpers and apprentices of these crafts), and seven members constituting the management group, representing the carriers. The labor group of seven is to be appointed by the President, by and with the advice and consent of the Senate, from not less than 14 nominees, whose nominations shall be made and offered by the employees and subordinate officials, two by each of the nationally organized crafts above described; of such two not more than one shall be appointed. The management group of seven is to be appointed by the President, by and with the advice and consent of the Senate, from not less than 14 nominees, whose nominations shall be made and offered by the carriers.

(c) Board of Adjustment No. 3 shall be composed of six members; three members constituting the labor group, representing the employees and subordinate officials of the carriers, embraced within the classification of (1) railway and steamship clerks, freight handlers, warehouse, storehouse, express, and station employees, (2) stationary engineers, firemen, and oilers, engine house and shop laborers, (3) maintenance of way employees, bridge and building employees, section men, coal-chute laborers, crossing watchmen, and pumpers; and three members constituting the management group, representing the carriers. The labor group of three is to be appointed by the President, by and with the advice and consent of the Senate, from not less than six nominees, whose nominations shall

be made and offered by the employees and subordinate officials, two by each of the nationally organized crafts above described; of such two not more than one shall be appointed. The management group of three is to be appointed by the President, by and with the advice and consent of the Senate, from not less than six nominees, whose nominations shall be made and offered by the carriers.

(d) Board of Adjustment No. 4 shall be composed of six members; three constituting the labor group representing the employees and subordinate officials of the carriers embraced within the classification of (1) masters, mates, and pilots, (2) longshoremen, (3) marine engineers; and three members constituting the management group, representing the carriers. The labor group of three is to be appointed by the President by and with the advice and consent of the Senate from not less than six nominees whose nominations shall be made and offered by the employers and subordinate officials; two by each of the nationally organized crafts described; of such two not more than one shall be appointed. The management group of three is to be appointed by the President by and with the advice and consent of the Senate from not less than six nominees whose nominations shall be made and offered by the carriers.

(2) If either the carriers or the nationally organized crafts which are, in accordance with the provisions of paragraph (b) of this section, eligible to representation upon any such adjustment board fail to make nominations as provided in paragraph (b) of this section, within 30 days after the passage of this act in the case of any original appointment to the office of member of an adjustment board, or in case of a vacancy in any such office within 15 days after such vacancy occurs, the President shall thereupon make the appointment, by and with the advice and consent of the Senate: *Provided, however,* That in making any such appointment the President shall select an individual associated in interest with the carriers or nationally organized craft, whichever he is to represent.

(3) Each adjustment board—

(a) Shall elect from among its members a chairman by majority vote of its members;

(b) Shall appoint a secretary who shall receive an annual salary of $4,000;

(c) Shall employ and fix the salaries of such employees as may be necessary;

(d) Shall maintain central offices in Chicago, Ill., but may, whenever it deems it necessary, meet at such other place as it may determine: *Provided,* That each adjustment board shall have authority to empower two or more of its members to conduct hearings on controversies at any place designated by the adjustment board;

(e) Shall make regulations necessary for the efficient execution of the functions vested in it by this title: *Provided,* That such regulations shall, when made, be immediately communicated to the President and to each adjustment board, and printed for distribution to all interested parties.

(f) When necessary to the efficient administration of the functions vested in any adjustment board created by this act, the board or any member thereof shall at any time, for the purpose of examination, require the production of, or have access to and the right to copy any book, account, record, paper, correspondence, or memoranda relating to any matter which the board is authorized to consider or investigate. Any person who upon demand refuses any member of any adjustment board such right of access or copying, or hinders, obstructs, or resists him in the exercise of such right, shall upon conviction thereof be liable to a penalty of $500 for such offense. Each day during any part of which such offense continues shall constitute a separate offense. Such penalty shall be recoverable in a civil suit brought in the name of the United States and shall be covered into the Treasury of the United States as miscellaneous receipts.

(4) A majority of any adjustment board shall be sufficient to render a decision. All decisions of any adjustment board shall be entered upon the records of the board and copies thereof, together with such statement of facts bearing thereon as the board may deem proper, shall be immediately communicated to the parties to the dispute, the President of the United States, the Board of Mediation and Conciliation, each adjustment board, and shall be given such further publicity as such adjustment board deems proper.

(5) Members of any adjustment board shall be appointed for a term of three years, except that any member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. Any vacancy on any adjustment board shall be filled in the same manner as the original appointment. Each member of an adjustment board shall receive from the United States an annual salary of $7,000. A member of any adjustment board may be removed by the President for neglect of duty or malfeasance in office.

(C) MEDIATION AND CONCILIATION

(1) There is hereby established a Board of Mediation and Conciliation, to consist of five commissioners, to be appointed by the President, by and with the advice and consent of the Senate. One of the commissioners shall be appointed chairman of the board by the President, by and with the advice and consent of the Senate. Each of the commissioners of the Board of Mediation and Conciliation shall receive a salary of $12,000 per annum. Of the original members of the Board of Mediation and Conciliation, two shall be appointed for terms of three years, two for terms of five years, and one for a term of seven years. Their successors shall hold office for terms of seven years, except that any member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. Any member of the Board of Mediation and Conciliation may be removed by the President for neglect of duty or malfeasance in office.

(2) Any member of the Board of Mediation and Conciliation who, during his term of office, is an active member or is in the employ of or holds an office in any organization of employees or subordinate officials, or who holds any office in or who is pecuniarily interested in any carrier coming within the jurisdiction of this act, shall at once become ineligible for further membership upon the Board of Mediation and Conciliation. The Board of Mediation and Conciliation shall not appoint an arbitrator who is similarly interested, as described above. Should the Board of Mediation and Conciliation appoint such an interested arbitrator, upon proper investigation and a presentation of the facts the Board of Mediation and Conciliation shall promptly remove such arbitrator.

(3) The Board of Mediation and Conciliation shall have authority to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties.

(4) All members of the Board of Mediation and Conciliation shall have the power to administer oaths and affirmations. When acting on request of a board of arbitration constituted under section 7 of this act, or any member thereof, they shall in addition have power to issue subpœnas, require the attendance of witnesses and the production of such books, papers, contracts, agreements, and documents deemed by the board of arbitration material to a just determination of the matters submitted to its arbitration, and may for the same purpose invoke the aid of the United States courts to compel witnesses to attend and testify and to produce such books, papers, contracts, agreements, and other documents to the same extent and under the same conditions and penalties as are provided for in aid of the authority of the Interstate Commerce Commission in the act to regulate commerce, approved February 4, 1887, and amendments thereto.

(5) The principal office of the Board of Mediation and Conciliation shall be in the city of Washington, but it may meet and exercise all its powers at any other place.

SEC. 4. Reference of dispute to board of adjustment: (A) If any dispute arising only out of grievances or the application of agreements concerning rates of pay, rules, or working conditions is not decided in a conference, as provided for in section 3, paragraph (A) of this act, it shall, within 15 days after such failure to decide, be referred by the parties thereto to the adjustment board which under the provisions of this act is authorized to hear and decide such dispute. The said board shall receive for hearing and, as soon as practicable and with all due diligence, decide any disputes so referred to it, as hereinafter provided. In the event any adjustment board shall fail to decide any dispute so referred to it, prompt notice to that effect shall be given the respective parties: *Provided,* That all disputes referred to said adjustment boards shall be disposed of within 90 days, unless an extension of time is agreed to in writing by the parties thereto.

(B) In any case in which a controversy arises over the application of any decision of any adjustment board, either party to said decision may apply to the board of adjustment which rendered the decision for an interpretation as to the meaning or application of such decision. The said board shall, upon receipt of such a request, give its interpretation within 30 days.

SEC. 5. Functions of Board of Mediation and Conciliation: (A) If any dispute arising only out of grievances or out of the application of any agreement concerning rates of pay, rules, or working conditions is not decided by the appropriate adjustment board, or if any proposed change in rates of pay, rules, or working conditions is not decided in conferences between the parties, either party may invoke the services of the Board of Mediation and Conciliation created by this act for bringing about an amicable adjustment of the controversy. Upon the request of either party the said board shall promptly put itself in communication with the parties to such controversy, and shall use its best efforts, by mediation and conciliation, to bring them to agreement. If such efforts to bring about an amicable adjustment through mediation and conciliation shall be unsuccessful, the said board shall at once endeavor as its final required action to induce the parties to submit their controversy to arbitration in accordance with the provisions of this act.

(B) If any dispute arising out of grievances or out of the application of any agreement concerning rates of pay, rules, or working conditions is not decided by the appropriate adjustment board, or if any proposed change in rates of pay, rules, or working conditions is not decided in conference between the parties, the Board of Mediation and Conciliation may proffer its services to the respective parties to the dispute or proposed change.

(C) In any case in which a controversy arises over the meaning of the application of any agreement reached through mediation under the provisions of this act, either party to the said agreement may apply to the Board of Mediation and Conciliation for an interpretation as to the meaning or application of such agreement. The said board shall upon receipt of such a request give its interpretation within 30 days.

(D) The Board of Mediation and Conciliation shall have the following duties with respect to the arbitration of disputes under section 7 of this act:

(1) On failure of the arbitrators named by the parties to agree on the remaining arbitrator or arbitrators within the time set by section 7 of this act, it shall be the duty of the Board of Mediation and Conciliation to name such remaining arbitrators as are provided for in section 7. It shall be the duty of the board in naming such arbitrator or arbitrators to appoint only those whom the board shall deem wholly disinterested in the controversy to be arbitrated, and impartial and without bias as between the parties to such arbitration. Should, however, the board name an arbitrator or arbitrators not so disinterested and impartial, then, upon proper investigation and presentation of the facts, the board shall promptly remove such arbitrator, as is provided by section 3, paragraph (C) (2) of this act.

The board of arbitration, when so constituted, or any member thereof, may request that a member of the Board of Mediation and Conciliation be present at the arbitration proceedings, held under the provisions of this act and under agreement to arbitrate, for the purpose, and for the purpose only, of administering oaths and affirmations, issuing subpœnas, requiring the attendance and testimony of witnesses, and the reproduction of such books, papers, contracts, agreements, and other documents deemed by the arbitrators material to a just determination of the matters submitted to its arbitration. When such request is made to the board of mediation it shall be the duty of the Board of Mediation and Conciliation to delegate one of its members to attend such arbitration proceedings for the purposes above described, and for no other. When such member of the Board of Mediation and Conciliation has been so delegated he shall exercise the powers vested for this purpose in the members of the Board of Mediation and Conciliation by section 3, paragraph (C) (5) of this act; or the board of arbitration may request the clerk of the district court of the United States for the district wherein said arbitration is being conducted to exercise the powers herein conferred upon a member of the Board of Mediation and Conciliation directly or through his duly authorized deputy, and upon such request, the said clerk or his duly authorized deputy shall be authorized, and it shall be his duty to administer oaths or issue subpœnas as above provided.

(3) All members of the board of mediation are authorized to acknowledge every agreement of arbitration under this act, when so acknowledged, or when acknowledged by the parties before a notary public or a clerk of the district court or circuit court of appeals of the United States, such agreement to arbitrate shall be delivered to a member of said board, or transmitted to said board to be filed in its office.

(4) When such agreement to arbitrate has been filed with the Board of Mediation and Conciliation, or with one of its members, as provided by this section, and when the said board, or a member thereof, has been furnished the names of the arbitrators chosen by the parties to the controversy, it shall be the duty of the Board of Mediation and Conciliation to cause a notice in writing to be served upon said arbitrators, notifying them of their appointment, requesting them to meet promptly to name the remaining arbitrators necessary to complete the board of arbitration, and advising them of the period within which, as provided by the agreement to arbitrate, they are empowered to name such arbitrator or arbitrators.

(5) If an arbitrator named by the Board of Mediation and Conciliation, in accordance with the provisions of this act, shall be removed by such board as provided by this act, and such removal shall be made before the commencement of proceedings under the agreement to arbitrate, it shall be the duty of the Board of Mediation and Conciliation, within 10 days after such removal to select another arbitrator, in the same manner as provided in this act for an original appointment by the Board of Mediation and Conciliation.

(6) If, prior to the commencement of proceedings by a board of arbitration under the provisions of this act and the agreement to arbitrate, an arbitrator appointed by the Board of Mediation and Conciliation refuses or is unable to act in such capacity, it shall be the duty of the Board of Mediation and Conciliation to make another appointment, and such appointment shall be made within 10 days after the resignation or incapacitating of the arbitrator originally named.

(7) If the parties, or either party, to an arbitration desires the reconvening of a board of arbitration to pass upon any controversy arising over the meaning or application of an award, they shall so notify the Board of Mediation and Conciliation in writing, stating in such notice the question or questions to be submitted to such reconvened board. The Board of Mediation and Conciliation shall thereupon promptly communicate with the members of the board of arbitration or a subcommittee of such board appointed for such purpose pursuant to a provision in the agreement to arbitrate, and arrange for the reconvening of said board or subcommittee; and shall notify the respective parties to the controversy of the time and place at which the board or the subcommittee will meet for hearings upon the matters in controversy to be submitted to it.

(8) The Interstate Commerce Commission, the Bureau of Labor Statistics, and the depositary of the records of the United States Railroad Labor Board, and of the Board of Mediation and Conciliation created by the act approved June 1, 1898, providing for mediation and arbitration, and the act approved July 15, 1913, providing for mediation, conciliation, and arbitration, and hereby authorized and directed to turn over to the Board of Mediation and Conciliation created by this act, upon its request, and the President is authorized to transfer any papers and documents heretofore filed with them or any agency, or transferred to them bearing upon arbitration or mediation proceedings held under the provisions of the act approved June 1, 1898, providing for mediation and arbitration, the act approved July 15, 1913, providing for mediation, conciliation, and arbitration, the act approved March 21, 1918, providing for Federal control of carriers during the war emergency, and the act approved February 28, 1920, providing for the settlement of disputes between carriers and their employees and subordinate officials.

SEC. 6. Duty and procedure in case of proposed change: (A) Carriers and the representatives of the employees or subordinate officials shall give at least 30 days' written notice of an intended change affecting rates of pay, rules or working conditions, and the time and place for conference between the representatives of the parties interested in such intended change shall be agreed upon within 10 days after the expiration of said notice, and said time shall be within 20 days after the expiration of said notice. In every case where such notice of intended change has been given, or conferences are being held with reference thereto, or the services of the Board of Mediation and Conciliation have been requested by either party, or said board has proffered its services, rates of pay, rules, or working conditions shall not be altered by the carrier until the controversy has been finally acted upon, as herein required by section 5, by the Board of Mediation and Conciliation, unless a period of 10 days has elapsed after termination of conferences without request for or proffer of the services of the Board of Mediation and Conciliation.

(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as heretofore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double the loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved.

SEC. 7. Arbitration; procedure; award and effect: (A) Whenever a controversy shall arise between a carrier or carriers and its employees or subordinate officials which can not be settled either in conference between representatives of the parties by the appropriate adjustment board or through mediation and conciliation in the manner provided in the preceding sections, such controversy may, by agreement of the parties to such controversy, be submitted to the arbitration of a board of three (or if the parties to the controversy prefer so to stipulate to a board of six) persons. Such board of arbitration shall be chosen in the following manner:

(1) In the case of a board of three: The carrier or carriers and the representatives of the employees or subordinate officials, parties respectively to the agreement to arbitrate, shall each name one arbitrator; the two arbitrators thus chosen shall select the third arbitrator. But if the arbitrators chosen by the parties shall fail to name the third arbitrator within five days after their first meeting, such third arbitrator shall be named by the Board of Mediation and Conciliation.

(2) In the case of a board of six: The carrier or carriers and the representatives of the employees or subordinate officials, parties respectively to the agreement to arbitrate, shall each name two arbitrators; the four arbitrators thus chosen shall, by a majority vote, select the remaining two arbitrators. But if the arbitrators chosen by the parties shall fail to name the two arbitrators within 15 days after their first meeting, the said two arbitrators, or as many of them as have not been named, shall be named by the Board of Mediation and Conciliation: *Provided, however,* That the failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon such party by the terms of this act or otherwise.

(E) BOARD OF ARBITRATION

(1) When the arbitrators selected by the respective parties have agreed upon the remaining arbitrator or arbitrators, they shall notify the Board of Mediation and Conciliation; and in the event of their failure to agree upon any or upon all of the necessary arbitrators within the period fixed by this act, they shall, at the expiration of

such period, notify the Board of Mediation and Conciliation of the arbitrators selected, if any, or of their failure to make or to complete such selection.

(2) The board of arbitration shall organize and select its own chairman and make all necessary rules for conducting its hearings: *Provided, however,* That the board of arbitration shall be bound to give the parties to the controversy a full and fair hearing, which always shall include an opportunity to present evidence in support of their claims and an opportunity to argue their case in person or by counsel.

(3) Upon notice from the Board of Mediation and Conciliation that the parties, or either party, to an arbitration desire the reconvening of the board of arbitration (or a subcommittee of such board of arbitration appointed for such purpose pursuant to the agreement to arbitrate) to pass upon any controversy over the meaning or application of their award, the board, or its subcommittee, shall at once proceed to reconvene. No questions over the meaning or application of their award, other than or in addition to those submitted for decision by the party or parties in writing, shall be considered by the reconvened board of arbitration, or its subcommittee.

Such rulings shall be acknowledged by such board or subcommittee thereof in the same manner, and filed in the same district court clerk's office as the original award.

(4) Any arbitrator except such as are chosen by the Board of Mediation and Conciliation shall not be incompetent to act as an arbitrator because of his interest in the controversy to be arbitrated, or because of his connection with or partiality to either of the parties to the arbitration.

(5) Each member of any board of arbitration created under the provisions of this act named by either party to the arbitration shall be compensated by the party naming him. Each arbitrator named by the arbitrators or Board of Mediation and Conciliation, while serving as such, shall receive such compensation as may be fixed by the Board of Mediation and Conciliation, together with his traveling and other necessary expenses.

(6) The board of arbitration shall furnish a certified copy of its award to the respective parties to the controversy, and shall transmit the original, together with the papers and proceedings and a transcript of the evidence taken at the hearings, certified under the hands of at least a majority of the arbitrators, to the clerk of the district court of the United States for the district wherein the controversy arose or the arbitration is entered into, to be filed in said clerk's office as hereinafter provided. The said board shall also furnish a certified copy of its award, and the papers and proceedings, including testimony relating thereto, to the Board of Mediation and Conciliation, to be filed in its office.

(7) The board may employ such assistants as it deems necessary and proper in carrying on the arbitration proceedings, and fix the compensation of such employees. Whenever practicable, the board shall be supplied with suitable quarters in any Federal building located at its place of meeting or at any place where the board may conduct its proceedings or deliberations.

(8) All testimony before said board shall be given under oath or affirmation, administered by any individual authorized to administer oaths or affirmations.

(C) THE AGREEMENT TO ARBITRATE

The agreement to arbitrate—

(1) Shall be in writing;

(2) Shall stipulate that the arbitration is had under the provisions of this act;

(3) Shall state whether the board of arbitrators is to consist of three or six members;

(4) Shall be signed by the duly accredited representatives of the carrier or carriers and the employees or subordinate officials, parties respectively to the agreement to arbitrate, and acknowledged by said parties before a notary public, a clerk of the district or circuit court of appeals of the United States, or before a member of the Board of Mediation and Conciliation, and when so acknowledged shall be filed in the office of the Board of Mediation and Conciliation;

(5) Shall state specifically the questions to be submitted to the said board for decision; and that in its award or awards the said board will confine itself strictly to findings or recommendations as to the questions so specifically submitted to it;

(6) Shall provide that the questions submitted by the parties to the board of arbitration, or any one of them, may be withdrawn from arbitration upon notice to that effect signed by the duly accredited representatitves of all the parties being served on the board of arbitration;

(7) Shall stipulate that the signatures of a majority of said board of arbitration, affixed to their award, shall be competent to constitute a valid and binding award;

(8) Shall fix a period from the date of the appointment of the arbitrator or arbitrators necessary to complete the board, as provided for in the agreement, within which the said board shall commence its hearings;

(9) Shall fix a period from the beginning of the hearings within which the said board shall make and file its award: *Provided,* That the parties may agree at any time upon an extension of this period.

(10) Shall provide for the date from which the award shall become effective and shall fix the period during which the award shall continue in force.

(11) Shall provide that the award of the board of arbitrators and the evidence of the proceedings before the board relating thereto, when certified under the hands of at least a majority of the arbitrators, shall be filed in the clerk's office of the district court of the United States for the district wherein the controversy arose or the arbitration was entered into, which district shall be designated in the agreement; and, when so filed, such award and proceedings shall constitute the full and complete record of the arbitration.

(12) Shall provide that the award, when so filed, shall be final and conclusive upon the parties as to the facts determined by said award, and as to the merits of the controversy decided.

(13) Shall also provide that any difference arising as to the meaning of or the application of the provisions of an award made by a board of arbitration shall be referred back for a ruling, to the same board, or to a subcommittee of such board; and that such ruling, when acknowledged in the same manner, and filed in the same district court clerk's office as the original award, shall be a part of and of the same force and effect as such original award: *Provided, however,* That no evidence other than or in addition to that contained in the record filed with the original award shall be received or requested by such reconvened board or subcommittee. If any member of the original board is unable or unwilling to serve on such reconvened board or subcommittee thereof, another arbitrator shall be named in the same manner as such original member was named.

(14) Shall provide that the respective parties to the award will each faithfully execute the same.

(15) The said agreement to arbitrate, when properly signed and acknowledged as herein provided, shall not be revoked by a party to such agreement: *Provided, however,* That such agreement to arbitrate can always be revoked and canceled by the written agreement of both parties, signed by their duly accredited representatives, and (if no board of arbitration has yet been constituted under the agreement) delivered to the Board of Mediation and Conciliation, or any member thereof; or, if the board of arbitration has been constituted, as provided by this act, delivered to such board of arbitration.

(D) AWARD: EFFECT AND IMPEACHMENT

(1) The award of a board of arbitration, having been acknowledged as herein provided, shall be filed in the district court designated in the agreement to arbitrate.

(2) An award acknowledged and filed as herein provided shall be conclusive as to the merits and facts of the controversy submitted to arbitration, and unless within 10 days after the filing of the award, a petition to impeach the award so filed, on the grounds hereinafter set forth, shall be filed in the court in which the award has been filed, the court shall enter judgment on the award, which judgment shall be final and conclusive on the parties.

(3) Such petition for the impeachment or contesting of any award so filed shall be entertained by the court only on one or more of the following grounds:

(a) That the award plainly does not conform to the substantive requirements laid down by this act for such awards, or that the proceedings were not substantially in conformity with this act;

(b) That the award does not conform to nor confine itself to the stipulations of the agreement to arbitrate;

(c) That a member of the board of arbitration rendering the award was guilty of fraud or corruption; or that a party to the arbitration practiced fraud or corruption, which fraud or corruption affected the result of the arbitration.

Provided, however, That no court shall entertain any such petition on the ground that an award is invalid for uncertainty; but the proper remedy in such case shall be a submission of such award to a reconvened board or subcommittee, for interpretation, as provided by this act: *Provided further,* That an award contested as herein provided shall be construed liberally by the court with a view to favoring its validity, and that no award shall be set aside for any trivial irregularity or clerical error going only to form and not to substance.

(4) If the court shall determine that a part of the award is invalid on some ground or grounds designated in this section as a ground of invalidity, but shall determine that a part of the award is valid, the court shall set aside the entire award: *Provided, however,* That if the parties shall agree thereto, and if such valid and invalid parts are separable, the court shall set aside the invalid part and order judgment to stand as to the valid part.

(5) At the expiration of 10 days from the decision of the district court upon the petition filed as aforesaid judgment shall be entered in

accordance with said decision, unless during said 10 days either party shall appeal therefrom to the circuit court of appeals. In such case only such portion of the record shall be transmitted to the appellate court as is necessary to the proper understanding and consideration of the questions of law presented by said petition and to be decided.

(6) The determination of said circuit court of appeals upon said questions shall be final, and, being certified by the clerk thereof to said district court, judgment pursuant thereto shall thereupon be entered by said district court.

(7) If the petitioner's contentions are finally sustained, judgment shall be entered setting aside the award in whole or in part; but in such case the parties may agree upon a judgment to be entered disposing of the subject matter of the controversy, which judgment when entered shall have the same force and effect as judgment entered upon an award.

(8) Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by any employee or subordinate official an illegal act; nor shall any court of the United States, or of any State, issue any process to compel the performance by any employee or subordinate official of such labor or service without his consent.

SEC. 8. Appropriation: (A) There is hereby appropriated for the fiscal year ending June 30, 1924, out of any money in the Treasury not otherwise appropriated, the sum of $500,000, or so much thereof as may be necessary, to be expended for the payment of the necessary and proper expenses incurred in connection with any arbitration and with the carrying on of the work of mediation and conciliation, including salaries, traveling and other necessary expenses of employees of the boards of adjustment, boards of arbitration, and the Board of Mediation and Conciliation, and for furniture, office fixtures, books, supplies, and rent; also salaries and necessary expenses of members of the Board of Mediation and Conciliation, and of arbitrators whose compensation is fixed by the Board of Mediation and Conciliation, as provided in section 7-B (5) of this act.

(B) All of the expenditures herein provided for of the boards of adjustment shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairmen of the respective boards of adjustment. All of the expenditures of any board of arbitration and the Board of Mediation and Conciliation shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the Board of Mediation and Conciliation.

During the reading of the bill the following occurred:

The Clerk read to page 44, line 3.

Mr. SPROUL of Illinois. Mr. Chairman, I make the point of order that no quorum is present.

The CHAIRMAN. The gentleman from Illinois makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and one Members present, a quorum.

The Clerk read to page 16, line 9.

Mr. BLANTON. Mr. Chairman. I make the point of order that no quorum is present. We ought to have a quorum if we are to consider this bill.

The CHAIRMAN. The gentleman from Texas makes the point of order that no quorum is present. The Chair will count. [After counting.] Eighty-eight Members present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Geran	Manlove	Sullivan
Anthony	Greene, Mass.	Michaelson	Swoope
Bacharach	Greenwood	Morgan	Tague
Bell	Harrison	Morin	Taylor, Colo.
Bloom	Haugen	Morris	Taylor, Tenn.
Brand, Ohio	Hooker	Mudd	Tilson
Buchanan	Howard, Okla.	Murphy	Tydings
Campbell	Hudspeth	Nolan	Upshaw
Clark, Fla.	Johnson, Tex.	Park, Ga.	Vestal
Connery	Jost	Perlman	Ward, N. C.
Corning	Kahn	Porter	Ward, N. Y.
Curry	Kerr	Reed, W. Va.	Wason
Dallinger	Knutson	Rogers, N. H.	Weller
Davis, Minn.	Langley	Rosenbloom	Williamson
Dickstein	Larson, Minn.	Sears, Fla.	Winter
Dominick	Lilly	Sears, Nebr.	Wood
Doyle	Lineberger	Sinnott	Wurzbach
Drane	Little	Snyder	Zihlman
Drewry	Logan	Sproul, Kans.	
Fredericks	McLaughlin, Nebr.	Stalker	
Gallivan	McNulty	Stengle	

The committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7358, and finding itself without a quorum he had caused the roll to be called, when 351 members, a quorum, answered to their names, and he presented a list under the rule for entering in the Journal.

The committee resumed its session.

The Clerk completed the reading of the bill.

Mr. LONGWORTH. Mr. Chairman, I move that the committee do now rise.

The question was taken; and on a division (demanded by Mr. BARKLEY) there were 106 ayes and 86 noes.

Mr. BARKLEY. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. LONGWORTH and Mr. BARKLEY.

The committee again divided; and the tellers reported that there were 110 ayes and 93 noes.

So the committee determined to rise.

The committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7358) to provide for the expeditious and prompt settlement, meditation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, and had come to no resolution thereon.

Mr. BARKLEY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7358.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Kentucky moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7358, and the gentleman from Ohio makes the preferential motion that the House do now adjourn.

Mr. BARKLEY. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. If the motion to adjourn is defeated, will it be in order to vote on the motion I made.

The SPEAKER. If the motion to adjourn is defeated any preferential motion will be in order. The question is on the motion of the gentleman from Ohio that the House do now adjourn.

Mr. BARKLEY. And on that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 160, nays 179, not voting 93, as follows:

YEAS—160

Ackerman	Fleetwood	Lehlbach	Sanders, Ind.
Aldrich	Fredericks	Little	Sanders, N. Y.
Andrew	Free	Longworth	Scott
Bacon	Freeman	Luce	Seger
Beedy	French	McDuffie	Shreve
Beers	Frothingham	McFadden	Simmons
Begg	Fuller	McKenzie	Sinnott
Bixler	Garrett, Tenn.	McLaughlin, Mich.	Smith
Black, Tex.	Gibson	McLaughlin, Nebr.	Snell
Bland	Gifford	McLeod	Speaks
Blanton	Goldsborough	MacGregor	Sproul, Ill.
Boyce	Graham, Ill.	MacLafferty	Sproul, Kans.
Brand, Ohio	Graham, Pa.	Madden	Stephens
Britten	Green, Iowa	Magee, N. Y.	Strong, Kans.
Brumm	Griest	Manlove	Strong, Pa.
Butler	Hadley	Mapes	Sweet
Cable	Hardy	Merritt	Taber
Chindblom	Haugen	Michener	Temple
Christopherson	Hawes	Mills	Thatcher
Clarke, N. Y.	Hawley	Moore, Ill.	Timberlake
Cleary	Hersey	Moore, Ohio	Tincher
Cole, Iowa	Hickey	Moores, Ind.	Tinkham
Cole, Ohio	Hill, Md.	Nelson, Me.	Treadway
Colton	Hoch	Newton, Minn.	Underhill
Connolly, Pa.	Hudson	Newton, Mo.	Vaile
Cramton	Hull, Morton D.	Paige	Vare
Crowther	Hull, William E.	Parker	Vincent, Mich.
Darrow	Humphreys	Patterson	Wainwright
Dickinson, Iowa	Johnson, Ky.	Perkins	Watres
Driver	Johnson, S. Dak.	Phillips	Watson
Dyer	Jost	Purnell	Welsh
Edmonds	Kearns	Ramseyer	Wertz
Elliott	Kendall	Ransley	White, Kans.
Evans, Iowa	Kerr	Rayburn	White, Me.
Fairchild	Ketcham	Reece	Williams, Mich.
Fairfield	Kiess	Reed, N. Y.	Williams, Tex.
Faust	Kurtz	Roach	Winslow
Fenn	Larson, Minn.	Robinson, Iowa	Wyant
Fish	Lea, Calif.	Rogers, Mass.	Yates
Fitzgerald	Leatherwood	Rouse	Young

NAYS—179

Abernethy	Box	Celler	Davis, Tenn.
Allen	Boylan	Clancy	Dickinson, Mo.
Allgood	Brand, Ga.	Collier	Doughton
Almon	Briggs	Collins	Dowell
Arnold	Browne, Wis.	Connally, Tex.	Doyle
Aswell	Browning	Cook	Eagan
Ayres	Buckley	Cooper, Ohio	Evans, Mont.
Bankhead	Bulwinkle	Cooper, Wis.	Favrot
Barbour	Busby	Corning	Fisher
Barkley	Byrnes, S. C.	Crisp	Foster
Beck	Byrns, Tenn.	Croll	Frear
Berger	Cannon	Crosser	Fulbright
Bloom	Carew	Cullen	Fulmer
Boies	Casey	Cummings	Funk

Gardner, Ind.	Lankford	O'Connell, R. I.	Sites
Garner, Tex.	Larsen, Ga.	O'Connor, La.	Smithwick
Garrett, Tex.	Lazaro	O'Connor, N. Y.	Steagall
Gasque	Lee, Ga.	O'Sullivan	Stedman
Glatfelter	Lindsay	Oldfield	Stevenson
Greenwood	Lineberger	Oliver, Ala.	Summers, Wash.
Hammer	Linthicum	Parks, Ark.	Sumners, Tex.
Hastings	Lowrey	Peavey	Swank
Hayden	Lozier	Prall	Tague
Hill, Ala.	Lyon	Quayle	Taylor, W. Va.
Hill, Wash.	McClintic	Quin	Thomas, Ky.
Holaday	McKeown	Ragon	Thomas, Okla.
Howard, Nebr.	McReynolds	Raker	Thompson
Huddleston	McSwain	Rankin	Tillman
Hudspeth	McSweeney	Rathbone	Tucker
Hull, Iowa	Major, Ill.	Reed, Ark.	Underwood
Jacobstein	Major, Mo.	Reid, Ill.	Vinson, Ga.
James	Mansfield	Richards	Vinson, Ky.
Jeffers	Martin	Robsion, Ky.	Voigt
Johnson, W. Va.	Mead	Romjue	Watkins
Jones	Miller, Wash.	Ruby	Weaver
Keller	Milligan	Sabath	Wefald
Kelly	Minahan	Salmon	Weller
Kent	Mooney	Sanders, Tex.	Williams, Ill.
Kindred	Moore, Ga.	Sandlin	Wilson, Ind.
King	Moore, Va.	Schafer	Wilson, La.
Kopp	Morehead	Schall	Wingo
Kvale	Morrow	Schneider	Wolff
LaGuardia	Nelson, Wis.	Shallenberger	Woodruff
Lampert	Nolan	Sherwood	Woodrum
Lanham	O'Connell, N. Y.	Sinclair	

NOT VOTING—93

Anderson	Dickstein	McNulty	Stalker
Anthony	Dominick	Magee, Pa.	Stengle
Bacharach	Deane	Michaelson	Sullivan
Bell	Drewry	Miller, Ill.	Swing
Black, N. Y.	Gallivan	Montague	Swoope
Bowling	Garber	Morgan	Taylor, Colo.
Browne, N. J.	Goran	Morin	Taylor, Tenn.
Buchanan	Gilbert	Morris	Tilson
Burdick	Greene, Mass.	Mudd	Tydings
Burtness	Griffin	Murphy	Upshaw
Burton	Harrison	O'Brien	Vestal
Campbell	Hooker	Oliver, N. Y.	Ward, N. C.
Candield	Howard, Okla.	Park, Ga.	Ward, N. Y.
Carter	Hull, Tenn.	Peery	Wason
Clague	Johnson, Tex.	Perlman	Williamson
Clark, Fla.	Johnson, Wash.	Porter	Wilson, Miss.
Connery	Kahn	Pou	Winter
Curry	Kincheloe	Rainey	Wood
Dallinger	Knutson	Reed, W. Va.	Wright
Davey	Kunz	Rogers, N. H.	Wurzbach
Davis, Minn.	Langley	Rosenbloom	Zihlman
Deal	Leavitt	Sears, Fla.	
Dempsey	Lilly	Sears, Nebr.	
Denison	Logan	Snyder	

So the motion to adjourn was rejected.

The Clerk announced the following additional pairs:

Mr. Anthony (for) with Mr. Pou (against).

General pairs:

Mr. Johnson of Washington with Mr. Davey.
Mr. Burton with Mr. Montague.
Mr. Magee of Pennsylvania with Mr. Gilbert.
Mr. Bacharach with Mr. Hull of Tennessee.
Mr. Clague with Mr. Oliver of New York.
Mr. Swing with Mr. Kunz.
Mr. Leavitt with Mr. McNulty.
Mr. Garber with Mr. Candield.
Mr. Murphy with Mr. Carter.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Summers of Washington with Mr. Brown of New Jersey.
Mr. Anderson with Mr. Buchanan.
Mr. Williamson with Mr. Lilly.
Mr. Miller of Illinois with Mr. Black of New York.
Mr. Campbell with Mr. Drewry.
Mr. Burtness with Mr. Kincheloe.
Mr. Zihlman with Mr. O'Brien.
Mr. Denison with Mr. Bowling.
Mr. Dempsey with Mr. Peery.
Mr. Kahn with Mr. Wright.

Mr. SUMMERS of Washington. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. SUMMERS of Washington. I was not.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. GARBER. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. GARBER. I was not.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. Is the motion now pending to go back into the Committee of the Whole House on the state of the Union? If not, I make that motion.

The SPEAKER. The gentleman's motion is pending.

Mr. BARKLEY. I make the motion, and I ask for a vote.

The SPEAKER. It is pending.

Mr. JOHNSON of South Dakota. Mr. Speaker, I would ask the gentleman to withhold his motion for a moment so that I can prefer a unanimous-consent request.

Mr. BARKLEY. Mr. Speaker, I insist on my motion.

The SPEAKER. The question is on the motion of the gentleman from Kentucky that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7358.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. BARKLEY. Mr. Speaker, I ask for a division.

Mr. SPROUL of Illinois. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Illinois demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 184, nays 157, not voting 91, as follows:

YEAS—184

Abernethy	Doyle	Lindsay	Reid, Ill.
Allen	Eagan	Lineberger	Richards
Allgood	Favrot	Linthicum	Robsion, Ky.
Almon	Fisher	Lowrey	Romjue
Arnold	Foster	Lozier	Ruby
Bankhead	Frear	Lyon	Sabath
Barbour	Fulbright	McClintic	Salmon
Barkley	Fulmer	McKeown	Sanders, Tex.
Beck	Gardner, Ind.	McReynolds	Sandlin
Berger	Garner, Tex.	McSwain	Schafer
Black, N. Y.	Garrett, Tex.	McSweeney	Schall
Bloom	Gasque	Major, Ill.	Schneider
Boles	Glatfelter	Major, Mo.	Shallenberger
Box	Greenwood	Mansfield	Sherwood
Boylan	Hammer	Martin	Sinclair
Brand, Ga.	Hastings	Mead	Sites
Briggs	Hawes	Miller, Wash.	Smithwick
Browning	Hayden	Milligan	Steagall
Buckley	Hill, Ala.	Minahan	Stedman
Bulwinkle	Hill, Wash.	Mooney	Stevenson
Busby	Holaday	Moore, Ga.	Summers, Wash.
Byrnes, S. C.	Howard, Nebr.	Moore, Va.	Sumners, Tex.
Byrns, Tenn.	Huddleston	Morehead	Swank
Ayres	Hudspeth	Morrow	Tague
Cannon	Hull, Iowa	Nelson, Wis.	Taylor, W. Va.
Carew	Jacobstein	Nolan	Thomas, Okla.
Carter	James	O'Connell, N. Y.	Thomas, Ky.
Casey	Jeffers	O'Connell, R. I.	Thompson
Celler	Johnson, W. Va.	O'Connor, La.	Tillman
Clancy	Jones	O'Connor, N. Y.	Tucker
Collier	Keller	Oldfield	Underwood
Collins	Kelly	Oliver, N. Y.	Vinson, Ga.
Connally, Tex.	Kent	Oliver, Ala.	Vinson, Ky.
Cook	Kindred	Parks, Ark.	Voigt
Cooper, Ohio	King	Peavey	Watkins
Cooper, Wis.	Kopp	Peery	Weaver
Corning	Kurtz	Prall	Wefald
Crisp	Kvale	Quayle	Weller
Croll	LaGuardia	Quin	Williams, Ill.
Crosser	Lampert	Ragon	Wilson, Ind.
Cullen	Lanham	Rainey	Wilson, La.
Cummings	Lankford	Raker	Wilson, Miss.
Davis, Tenn.	Larsen, Ga.	Rankin	Wingo
Dickinson, Mo.	Lazaro	Rathbone	Wolff
Doughton	Lea, Calif.	Rayburn	Woodruff
Dowell	Lee, Ga.	Reed, Ark.	Woodrum

NAYS—157

Ackerman	Fenn	Little	Seger
Aldrich	Fish	Longworth	Shreve
Andrew	Fitzgerald	Luce	Simmons
Anthony	Fleetwood	McDuffie	Sinnott
Bacon	Free	McFadden	Smith
Beedy	Freeman	McLaughlin, Mich.	Snell
Beers	Frothingham	McLaughlin, Nebr.	Speaks
Begg	Fuller	McLeod	Sproul, Ill.
Bixler	Garber	MacGregor	Sproul, Kans.
Black, Tex.	Garrett, Tenn.	MacLafferty	Stephens
Bland	Gibson	Madden	Strong, Kans.
Blanton	Gifford	Magee, N. Y.	Strong, Pa.
Boyce	Goldsborough	Magee, Pa.	Sweet
Brand, Ohio	Graham, Ill.	Manlove	Taber
Britten	Graham, Pa.	Mapes	Temple
Brumm	Green, Iowa	Merritt	Thatcher
Burtness	Griest	Michener	Timberlake
Butler	Hadley	Mills	Tincher
Cable	Haugen	Moore, Ill.	Tinkham
Chindblom	Hawley	Moore, Ohio	Treadway
Christopherson	Hersey	Moores, Ind.	Underhill
Clague	Hickey	Nelson, Me.	Vaile
Clarke, N. Y.	Hill, Md.	Newton, Minn.	Vare
Cleary	Hoch	Paige	Vincent, Mich.
Cole, Iowa	Hudson	Parker	Wainwright
Cole, Ohio	Hull, Morton D.	Patterson	Watres
Colton	Hull, William E.	Perkins	Watson
Connolly, Pa.	Humphreys	Phillips	Welsh
Cramton	Johnson, Ky.	Purnell	Wertz
Crowther	Johnson, S. Dak.	Rameyer	White, Kans.
Darrow	Jost	Ransley	White, Me.
Dickinson, Iowa	Kearns	Reece	Williams, Mich.
Driver	Kendall	Reed, N. Y.	Williams, Tex.
Dyer	Kerr	Roach	Winslow
Edmonds	Ketcham	Robinson, Iowa	Wyant
Elliott	Kless	Rogers, Mass.	Yates
Evans, Iowa	Larson, Minn.	Rouse	Young
Fairchild	Leatherwood	Sanders, Ind.	
Fairfield	Leavitt	Sanders, N. Y.	
Faust	Lehlbach	Scott	

NOT VOTING—91

Anderson	Drane	Lilly	Sears, Nebr.
Aswell	Drewry	Logan	Snyder
Bacharach	Evans, Mont.	McKenzie	Stalker
Bell	Fredericks	McNulty	Stengle
Bowling	French	Michaelson	Sullivan
Browne, N. J.	Funk	Miller, Ill.	Swing
Browne, Wis.	Gallivan	Montague	Swoope
Buchanan	Geran	Morgan	Taylor, Colo.
Burdick	Gilbert	Morin	Taylor, Tenn.
Burton	Greene, Mass.	Morris	Tilson
Campbell	Griffin	Mudd	Tydings
Candield	Hardy	Murphy	Upshaw
Clark, Fla.	Harrison	Newton, Mo.	Vestal
Connery	Hooker	O'Brien	Ward, N. C.
Curry	Howard, Okla.	O'Sullivan	Ward, N. Y.
Dallinger	Hull, Tenn.	Park, Ga.	Wason
Davey	Johnson, Tex.	Perlman	Williamson
Davis, Minn.	Johnson, Wash.	Porter	Winter
Deal	Kahn	Pou	Wood
Dempsey	Kincheloe	Reed, W. Va.	Wright
Denison	Knutson	Rogers, N. H.	Wurzbach
Dickstein	Kunz	Rosenbloom	Zihlman
Dominick	Langley	Sears, Fla.	

So the motion was agreed to.

The Clerk announced the following additional pairs:

On the vote:

Mr. Pou (for) with Mr. Anthony (against).
Mr. Logan (for) with Mr. French (against).

Until further notice:

Mr. Fredericks with Mr. Aswell.
Mr. Newton of Missouri with Mr. Deal.
Mr. Funk with Mr. Evans of Montana.
Mr. Hardy with Mr. O'Sullivan.

The result of the vote was announced as above recorded.

The SPEAKER. The House resolves itself into Committee of the Whole House on the state of the Union, and the gentleman from Michigan [Mr. CRAMTON] will resume the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, with Mr. CRAMTON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7358, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes.

Mr. BARKLEY. Mr. Chairman, I demand recognition under the rules for the discussion of the bill.

The CHAIRMAN. The gentleman from Kentucky is recognized for one hour.

Mr. BARKLEY. Mr. Chairman and gentleman of the committee, most of those who voted against the motion to discharge the Committee on Interstate and Foreign Commerce from the consideration of this bill pretended to do so on the theory that they wanted discussion and consideration. The motion having prevailed, followed by a motion to consider this bill, which was also adopted, every step and every tactic resorted to by those who have been against this measure has been against the consideration and debate of this measure during this present day and, presumably, for any other time, and against the bill properly coming up for consideration.

I do not desire and it is not my purpose to wear out the Members of this House by indefinite roll calls and by an effort to inconvenience them in any way by keeping them here all night.

Mr. LOWREY. Will the gentleman yield?

Mr. BARKLEY. I will.

Mr. LOWREY. I just want to say that I voted against taking the bill from the committee, but I have voted against this filibuster all the way through. There are some of us who believe, now that the House has voted to consider the bill, that it ought to be allowed to go straight forward with sensible, sane consideration of it and get through with it. I felt like saying that to the gentleman.

Mr. BARKLEY. I appreciate the fact that the gentleman and many others have, after the House decided to consider this measure, voted against the tactics of filibuster, and I should and do here and now exclude from what I said all the Members who have voted in that way and that includes my friend from Maryland [Mr. LINTHICUM].

Now, Mr. Chairman, I want to talk about the merits of this bill for a little while. Of course, it is perfectly apparent to everybody in the House, as I said a moment ago, that the object now is to prevent consideration of this bill by the House.

Mr. LONGWORTH. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. LONGWORTH. Who demanded the yeas and nays on this vote?

Mr. BARKLEY. Oh, that is not an answer or even an insinuation.

Mr. LONGWORTH. The gentleman himself did it and wasted half an hour.

Mr. BARKLEY. Because the yeas and nays were necessary in order to prevent you from carrying on the filibuster you instituted in the beginning. [Applause.] I want the country to understand precisely where the responsibility lies for the tactics that are being resorted to in order to prevent consideration of this bill. The filibuster inaugurated to prevent consideration of this bill is led by the gentleman from Ohio [Mr. LONGWORTH].

Now, there never has been a bill before this House since I have been a Member of it that has been so grossly and willfully misrepresented as the bill now under consideration. It has been represented by those who have organized propaganda from one end of the Nation to the other that this bill is radical and that it makes some unheard of change in the procedure of the settlement of disputes that may arise between the railroads and their employees.

Mr. MADDEN. Will the gentleman yield?

Mr. BARKLEY. I can not now.

Mr. MADDEN. Does not the bill make radical changes?

Mr. BARKLEY. No, it does not; the chairman of the Railroad Labor Board, Mr. Ben W. Hooper, who is presumed to represent the public and who is presumed to be impartial as between the railroads and their employees, has occupied a considerable part of his time since he was appointed upon the board in traveling over the country denouncing the railway employees, and in a statement given out the other day to the newspapers he declared that there had never been in the history of Congress so socialistic a measure presented as the one now under consideration. That statement is grossly untrue. There have been editorials, no doubt inspired by those who are in sympathy at least with the efforts to prevent the consideration of this bill, which have no relation whatever to the real facts in connection with it.

Now, an effort has been made to make it appear that this bill will cripple every short-line railroad in the United States, and they have gotten some of the friends of the short-line railroads frightened into the belief that there is hidden somewhere in the recesses of this measure something that will injuriously affect the short-line railroads.

The short-line railroads, if they are engaged in interstate commerce or if they come under the act to regulate commerce, must come under any bill that deals with railway employees in an effort to settle railroad disputes. The short-line railroads are at present under the interstate commerce law; they are under the transportation act if they are engaged in interstate commerce, and they are under the jurisdiction of the Railroad Labor Board now if a dispute arises upon them that can not be settled by mutual agreement. So this bill does nothing in the way of including short-line railroads that the present law does not also do.

An effort has been made to make it appear that if this bill should become a law it will ipso facto and automatically unionize all the railroad employees of the United States and bring about what is commonly known as the closed shop. Nothing is further from the truth than that statement. This bill undertakes to set up——

Mr. MILLS. Will the gentleman yield?

Mr. BARKLEY. I can not yield now.

This bill undertakes to set up a certain number of adjustment boards similar to the adjustment boards set up in the original Esch bill reported from the Committee on Interstate and Foreign Commerce for which every member of that committee voted; adjustment boards made up of men on both sides to settle not wage questions, not great fundamental questions of labor and the conditions of labor, but to settle private grievances or disputes that arise upon the railroads out of the interpretation of contracts that have been entered into, and when the bill passed the Senate it contained the same provisions.

Mr. MADDEN. Will the gentleman yield for one simple question?

Mr. BARKLEY. Yes.

Mr. MADDEN. Then why do not the men who are parties to the contract pay their own expenses? That is a fair question. Why should the taxpayers pay it?

Mr. BARKLEY. Because you have—I do not say the gentleman, but others—have complained that the public is not considered in this measure and that they are not brought into the equation. These boards are to become national boards. They are to settle questions——

Mr. MADDEN. Will the gentleman yield for one further question?

Mr. BARKLEY. I will yield.

Mr. MADDEN. How does the public become interested in the proposition under the contracts to which the gentleman has just referred except through the payment of the expenses which they create. That is the only way. [Applause.]

Mr. BARKLEY. The objection that was made to the original bill providing that the expenses of these groups of men on each side should be paid for by the respective sides was that as long as their expenses and their salaries are paid for out of private interests and out of private funds that they would still hold that they were representative to the last degree and they would never cross over and agree with the other side, and as a result, making them Government officials, makes it easier for these men, with equal representation on both sides, to agree. [Applause.]

Mr. MADDEN. Will the gentleman yield further?

Mr. BARKLEY. I do not yield any further.

Mr. MADDEN. I think the gentleman ought to be willing to have the facts exposed.

Mr. BARKLEY. I am giving the facts, and I do not yield any further.

Mr. MADDEN. I have another fact I would like to give.

Mr. BARKLEY. I do not yield any further.

The CHAIRMAN. The gentleman from Kentucky declines to yield.

Mr. BARKLEY. The objection originally made, under the various procedures through which this legislation has gone from year to year, was that by setting up these equipartisan boards and having their employees on respective sides it took away from them perhaps that degree of impartiality that might enable them, or at least some of them, to agree with those on the other side in arriving at a conclusion. These adjustment boards do not deal with questions that the public, in the broad sense of fixing wages, are interested in, and there has been a deliberate effort to misinterpret this law to mean that these adjustment boards take the place of the present railroad labor board, one-third of which is made up by the public, and therefore that we have left the public out of consideration.

Mr. MADDEN. Will the gentleman yield for another question?

Mr. BARKLEY. I am sorry I can not yield.

Mr. MADDEN. I am sorry the gentleman does not yield. The gentleman has made a statement that ought to be explained.

Mr. BARKLEY. These adjustment boards I have referred to do not deal in any respect with wages. They have no jurisdiction either over increases or decreases in wages. They are the same kind of adjustment boards that were provided for in the Esch bill; the same kind of adjustment boards provided for in the Cummins bill, with some degree of difference; the same kind of adjustment boards provided for in the Anderson amendment, which was voted in here when the Esch bill was under consideration; the same kind of adjustment boards, practically, that were in operation during Government operation of the railroads; the same kind of adjustment boards that the labor committee of the Association of Railway Executives recommended to those railroads, but which were never appointed because many of the roads refused to enter agreements that would set up the boards.

Mr. MADDEN. Will the gentleman yield?

Mr. BARKLEY. I can not yield.

The board that takes the place of the present Railroad Labor Board is not made up of representatives on either side. No representative of any railroad has any authority to be appointed upon it, and if the President should appoint this board and subsequently it should turn out that any member of it was a member of a labor organization or an employee of a railroad which might be interested in the settlement of the dispute or was interested financially on the side of the railroad automatically he becomes disqualified for service on the board. In other words, whereas the board now has only one-third of its members drawn from the public, the board that we propose to set up here is entirely drawn from the public, and it is by reason of that feature a better provision than the law that is now upon the statute books.

Mr. MILLS and Mr. MAPES rose.

Mr. BARKLEY. I am sorry I can not yield.

The CHAIRMAN. The gentleman from Kentucky declines to yield.

Mr. BARKLEY. Now, Mr. Chairman, the statement has been industriously spread from one end of this country to the other that this bill involves an enormous expense. It has been estimated all the way from $1,000,000 to an indefinite sum. The annual expense of the present Railroad Labor Board is something between $340,000 and $400,000. If the House of Representatives and the Senate should agree to fix the compensation of the boards under this proposed bill at the figure now included within it—and that is a matter for Congress to determine, because if the bill provides salaries that are too high, Congress has the power to reduce them—but if they are left as they are now provided in the bill, the increase in the expense over what is now the expense of the Labor Board would be less than $100,000 a year.

In 1922 the railroad strike cost the Department of Justice itself more than $2,000,000 in an effort to coerce a settlement, and by reason of the breakdown of the machinery and equipment upon the railroads of the country it cost the American people in freight rates which they had to pay and the railroad companies in the depreciation of their equipment more than $100,000,000. Mr. Chairman, if it should cost a million dollars a year to maintain these adjustment boards and the Board of Conciliation, if it should cost a million and a half, it would be cheap if by reason thereof it will prevent ever again recurring the disastrous strike which occurred in the summer of 1922.

Mr. Chairman, I do not propose at this time to go into any further details with reference to the provisions of this bill. Under the five-minute rule I shall undertake to explain every provision in its proper relation and undertake to clear away the deliberate misinformation which has been indulged in on the part of those who set about organizing this artificial sentiment in the country as to the provisions of the bill.

Mr. Chairman, I now move that the committee rise, report the bill back to the House with the recommendation that its further consideration be postponed until to-morrow at 12 o'clock.

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order that that is not in order. Nothing except the simple motion to rise is in order until general debate is closed. A motion to rise with a recommendation that the matter be postponed would be in order, perhaps, and I think under the decision at the closing of the general debate and at the close of debate under the five-minute rule. Then all of these different motions may be made. The reason that it is not in order at the present time is that the established course of procedure in the Committee of the Whole is, first, to read the bill; second, general debate; third, to read the bill under the five-minute rule. It has been held that during the reading of the bill under the five-minute rule such a motion is not in order. That holding is put specifically on this ground—that the motion to amend under the five-minute rule is antagonized by such a motion. It has never been held that anything except a simple motion to rise is in order until after general debate is closed and until after debate under the five-minute rule is closed.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. I yield.

Mr. MAPES. What does the gentleman say to this proposition? The Speaker stated tentatively that if the House adjourns to-day this bill will go over until two weeks from to-day under the rule. If that should be the ruling of the Chair and sustained, would not the recommendation in the motion of the gentleman from Kentucky be in effect a suspension of the rules and require a two-thirds vote of the House to carry it?

Mr. SANDERS of Indiana. I think that is true, and the gentleman might further call attention to the fact that the motion to suspend the rules or anything that does suspend the rules is not in order in committee. It has been held from the beginning that the motion made by the gentleman from Kentucky is not in order. The gentleman from Kentucky will not be able to find in the proceedings of the Committee of the Whole since its first organization a single decision upholding his motion. If it were in order, let me indicate what would happen. If it is in order to make that motion that we adjourn until to-morrow, it is in order to amend that motion and make the motion that we adjourn for 30 days the consideration of this bill.

Mr. BLANTON. Will the gentleman yield?

Mr. SANDERS of Indiana. I yield.

Mr. BLANTON. At this stage of the proceedings, is it not a fact that only one motion is in order, and that is that the committee rise?

Mr. SANDERS of Indiana. That is what I stated. It has been so held in every instance.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. SANDERS of Indiana. I will yield to the gentleman from New York.

Mr. LaGUARDIA. Referring to page 1010 of the RECORD, when the rule was before the House, the gentleman from Indiana said:

> They say they can interrupt the procedure for but two days in a month. Do not be deceived about this rule. This rule gives a mere majority at any time the power to break into the entire orderly procedure and to continue that break as long as they want to.

[Applause.]

Mr. SANDERS of Indiana. I will say to my friend from New York that I did say that very thing, and if the gentleman had read the remainder of my remarks he would have seen the ground on which I put it. The point I made was that this rule gave power and authority. The rule was subsequently amended to apply only to public resolutions—I said that this rule which gave authority to 150 men to sign a petition to discharge the Committee on Rules from the consideration of a resolution brought in would make in order consideration of the matter until it was closed, and I say to my friend from New York I stick to that proposition. The Committee on Rules could have reported a rule making a bill continuing business. The rule was subsequently amended so that it applied only to public resolutions, and I have some doubt whether the statement would now apply.

This rule applied before amended to a report from the Committee on Rules, which has a right to set aside the rules of the House, but we are not considering that but considering merely a report from the Committee on Interstate and Foreign Commerce, which has no such power or authority.

The CHAIRMAN. Does the gentleman from Kentucky care to be heard on the point of order?

Mr. BARKLEY. Mr. Chairman, in reply to the gentleman from Indiana in his statement that this motion would be in order if general debate had been concluded, or if the bill had been considered under the five-minute rule——

Mr. SANDERS of Indiana. "And," not "or." It is not in order at any time until the close of the reading of the bill under the five-minute rule, because a motion, when reading under the five-minute rule, has preference over this. That is what the decisions hold.

Mr. BARKLEY. So far as the question of general debate is concerned, if it were true that a motion of this kind could not be maintained until general debate had concluded that would presuppose there had been some understanding there was to be general debate and how long it should run. In procedure of the Committee of the Whole and where there is no agreement it can not be presumed there will be general debate. Of course, gentlemen may arise and demand recognition, but under the rules if no gentleman rises to his feet and demands recognition then there is no general debate and the next thing in order, if the committee is still in session, is to the bill under the five-minute rule. Now, this is a motion that has to do with the consideration of this bill. If the committee were considering this bill under the five-minute rule and it had not been concluded and for any reason the committee might desire that it should take it up to-morrow or next week they would have the right to report the bill back to the House with the recommendation that the further consideration be postponed until a day certain, just as much right as they have to report the bill back with certain amendments and the recommendation that the amendments be agreed to or that all after the enacting clause be stricken out or any other procedure be had in reference to the bill that kills or facilitates its passage. Now, this is a motion to rise with a recommendation, not that the rules of the House be changed or suspended, but that the further consideration of this bill be postponed until to-morrow, and I maintain that it is in order.

Mr. BLANTON. Mr. Chairman, I make a point of order——

SEVERAL MEMBERS. Rule!

The CHAIRMAN. The gentleman will state his point of order.

Mr. BLANTON. Mr. Chairman, I make the point of order——

Mr. BARKLEY. I reserve the balance of my time.

Mr. BLANTON. I make the point of order that in view of the present situation it is only fair for the RECORD to show that there are Members on their feet demanding recognition in opposition to this bill. There are many Members, and I am one, demanding recognition against this bill.

Mr. MADDEN. So am I.

Mr. MILLS, Mr. TINCHER, Mr. WINSLOW, Mr. NEWTON of Minnesota, Mr. HILL of Maryland, and others. So am I.

Mr. BARKLEY. Gentlemen can not cure the parliamentary situation that existed at the time I made the motion by now in this belated fashion rising and asking for recognition. They are not entitled to recognition even if they had risen before.

The CHAIRMAN. While the gentleman from Kentucky [Mr. BARKLEY] still had the floor he concluded his remarks by making the motion. The motion of the gentleman from Kentucky is that the Committee of the Whole House on the state of the Union do now rise and report the bill back with the recommendation that further consideration of it be postponed until to-morrow's session. That, in substance, is the motion. The Chair will not at this time give consideration to that portion of the question with reference to whether it is in order to move to make this bill the order of business for to-morrow. It will not be necessary for the purposes of the present decision. The motion of the gentleman is to recommend to postpone the consideration of the bill to a day certain. It is a motion of the same status as a motion to rerefer the bill. The precedents, so far as the Chair has knowledge of them, are to the effect that previous to the completion of the reading of the bill for amendment it is not in order to move to rise with the recommendation for a reference, and the same reasons would apply to the recommendations contained in the gentleman's motion. In Hinds' Precedents, volume 4, section 4761, is a case where—

> On January 2, 1852, a resolution of welcome to Louis Kossuth was under consideration in the Committee of the Whole House on the state of the Union, and general debate had been limited by order of the House.
>
> General debate having terminated and the offering and debate of amendments having begun, Mr. William A. Richardson, of Illinois, proposed a motion that the committee rise and report the resolution with a recommendation that it be referred to the Committee on Foreign Affairs.
>
> The Chairman said:
>
> "All debate is terminated by the latter branch of the one hundred and thirty-sixth rule. This rule provides:
>
> "That the House may at any time, by a vote of a majority of the Members present, suspend the rules and orders for the purpose of going into the Committee of the Whole House on the state of the Union; and also to provide for the discharge of the Committee of the Whole House, and the Committee of the Whole House on the state of the Union from the further consideration of any bill referred to it, after acting without debate on all amendments pending, and that may be offered.
>
> "This rule provides that the House itself may discharge the Committee of the Whole House on the state of the Union from the consideration of any proposition committed to it without debate after voting on all amendments which have been offered or may be offered. The committee, by this vote and decision, have determined that the debate on this resolution should terminate. Then, in the opinion of the Chair it can not be reported to the House until all the amendments pending and which may be offered shall be voted on. The Chair overrules the motion of the gentleman from Illinois."

Mr. Richardson having appealed, the decision of the Chair was sustained—ayes 78, noes, 44.

4762. On January 14, 1901, the bill (H. R. 13189) "making appropriations for the construction, repair, and preservation of certain public works of rivers and harbors, and for other purposes" was under consideration in the Committee of the Whole House on the state of the Union.

The reading by paragraphs for amendment had begun, when Mr. F. H. Cushman, of Washington, moved that the bill be reported back to the House with the recommendation that it be recommitted to the Committee on Rivers and Harbors.

Mr. John W. Maddox, of Georgia, made the point of order that the motion was not in order.

The Chairman held:

In relation to this matter the Chair is of the opinion that the admission of the motion to report the bill with a recommendation of recommittal would be in violation of the spirit of the rules and precedents governing the consideration of bills in the Committee of the Whole. The Committee of the Whole is expected to complete consideration of a bill before it is reported to the House; and it is well understood that a motion to report a bill with a favorable recommendation is not in order until the consideration by sections or paragraphs for amendment has been completed.

To admit the motion proposed by the gentleman from Washington would afford a means of taking a bill from the Committee of the Whole before it had been fully considered. By the motion to strike out the enacting clause the rules provide the only proper means for such an action, and the carefully guarded provisions of the rule satisfy the Chair that the framers of the rules intended it to be the only method whereby the Committee of the Whole might escape the mandate of the House to consider a bill referred to it. The Chair is aware

of the fact that in the Fifty-first Congress a motion like that made by the gentleman from Washington was admitted; but in that case there was a question as to the validity of the bill itself, whether it had been rightfully reported in the first instance from a standing committee. A question of privilege was raised; and the motion to recommend recommittal was a part of that question. No such question is involved in the present case, and the Chair sustains the point of order.

In the present case the reading of the bill has been completed, the gentleman from Kentucky [Mr. BARKLEY] has begun the general debate on the bill, and, while still retaining the floor, has made his motion. The general debate on the bill has not been exhausted, to say nothing of the reading of the bill for amendment. The Chair sustains the point of order.

Mr. BARKLEY. Mr. Chairman, I move that the committee rise.

The CHAIRMAN. The gentleman from Kentucky moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The committee votes to rise.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, had come to no resolution thereon.

The SPEAKER. The gentleman from Michigan [Mr. CRAMTON], Chairman of the Committee of the Whole House on the state of the Union, reports that that committee having had under consideration the bill H. R. 7358 had come to no resolution thereon.

Mr. BARKLEY. Mr. Speaker, I move that the House stand in recess until 11 o'clock to-morrow.

Mr. LONGWORTH. Mr. Speaker, I make a point of order, and demand the regular order.

Mr. SANDERS of Indiana. Mr. Speaker, I make a point of order on that.

Mr. BLANTON. Mr. Speaker, I make the point of order that that is against the rules.

The SPEAKER. The gentleman from Kentucky is well aware that such a motion is not in order against the regular order.

Mr. BARKLEY. No; I am not aware of that, and I want to make a suggestion.

The SPEAKER. The Chair will be glad to hear the gentleman.

Mr. BARKLEY. Mr. Speaker, the motion for a recess has been made repeatedly during the history of the House. At one time the motion to take a recess was a privileged motion, and the privileged character of that motion was eliminated by a revision of the rules which took place in 1890. Since that time the motion to recess does not occupy the privileged status. But under the rule, when a matter is under debate in the House only certain motions may be made, one of which is to adjourn, another is to lay on the table, and so forth. These motions are given a privileged status. The motion to recess is not included within those motions which may be made when a proposition is under debate in the House, but the fact that any such motion to take a recess was eliminated from the privileged status does not mean that the motion to recess is not in order. It is in order, Mr. Speaker, when there is nothing under debate in the House of Representatives.

The SPEAKER. Will the gentleman please cite to the Chair either a decision or remark that in the slightest degree upholds his contention?

Mr. LONGWORTH. Mr. Speaker, I desire to call the Chair's attention to the fact that I endeavored to take the floor to make a preferential motion, and however the Chair may decide this point I claim the floor to make a preferential motion.

The SPEAKER. If the gentleman has a preferential motion to make, of course the Chair will entertain it at the proper time.

Mr. BARKLEY. The decisions with reference to the question of taking a recess apply to the rule as it existed at the time when the motion to recess was a privileged motion under the original rules. Since the privileged status was removed from the motion to take a recess there have been no decisions upon it because the question has not been raised, but there are no decisions that make it out of order to move to recess at this stage of the procedure. In view of the fact that it was in order to make that motion and give it a privileged status, and the only change in the rule was to change the privileged status of the motion to recess, it follows that the motion is in order at the proper time; that it is in order to move to recess until the following day or until an hour in this day that would be subsequent to this hour. The Chair has frequently held that even where a motion was made to recess to an hour certain and it was impossible to vote upon that motion until after that hour had passed, it still had to be voted on, although the time for the recess had expired before the vote could be taken.

Mr. BLANTON. Mr. Speaker, may I cite the Chair to a precedent against the gentleman's motion?

The SPEAKER. The Chair does not care to hear the gentleman. Is that all the gentleman from Kentucky has to say?

Mr. BARKLEY. That is all.

The SPEAKER. The gentleman from Kentucky offers a motion to recess, and claims that he has a right to make it, which means, of course, that it is privileged, because no motion can be made in the House which has not priviliege when the regular order is demanded.

Formerly the motion to take a recess was privileged by the rules, but just about 30 years ago it was dropped as a privileged motion.

Mr. BARKLEY. Does the Chair hold that because the motion is not privileged it is not in order?

The SPEAKER. It is in order if nobody demands the regular order.

Mr. BARKLEY. There are many motions which can be made before the House that are not privileged, and they can be made regardless of objection.

The SPEAKER. Will the gentleman give an illustration?

Mr. BARKLEY. This is one of them. [Laughter.]

The SPEAKER. Will the gentleman give some other illustration? The Chair is not aware of any motion which can be made against the demand for the regular order except a privileged motion, and the rules state which ones are privileged. The motion to recess, up to 30 years ago, was privileged, and it was dropped for an express purpose, of course, namely, so that it could not be made.

Now, the gentleman from Kentucky argues that it is in order because in these 30 years there is no precedent against it.

It seems to the Chair the fact that nobody up to this time has ventured to make the motion is pretty good evidence that it is not in order, because there have been ingenious men in the House during the last 30 years and if there were any plausible excuse for making the motion some one would have attempted it.

Mr. BARKLEY. Will the Chair permit an inquiry?

The SPEAKER. Certainly.

Mr. BARKLEY. The Speaker says this motion would not be in order against a demand for the regular order. What is the regular order? There is nothing before the House.

The SPEAKER. The regular order would first be to recognize the gentleman from Kentucky. If he did not wish to make any motion relating to this bill under consideration, then the Chair would say that the regular business of suspension day was in order. There is always an order of business before the House.

Mr. BARKLEY. The Chair recognized me and I desired to make a motion and made one.

The SPEAKER. But that does not mean the gentleman can make any motion he wishes. He must make a motion authorized by the rules of the House. The gentleman can cite no precedents justifying his motion, and the fact no one has ventured to make the motion in 30 years, so far as we know, is pretty good evidence that it is not in order.

The Chair sustains the point of order.

Mr. LONGWORTH. Mr. Speaker, I move the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, I desire to make a further motion. I move that further debate upon the pending bill be limited to three hours, one-half to be controlled by those who favor and one-half by those who are opposed to the bill.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. Of course, the motion that the House adjourn is of the highest privilege.

Mr. BLANTON. Mr. Speaker, I reserve a point of order on the motion of the gentleman from Kentucky.

The SPEAKER. That motion, of course, is eliminated by the motion of the gentleman from Ohio that the House adjourn.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. If the motion to adjourn is defeated, will the motion I have made to limit debate be pending and be voted on?

The SPEAKER. The Chair presumes so unless there is a motion of higher privilege or unless it is not in order. The Chair

does not think it is fair to ask the Chair to decide that in advance.

Mr. BARKLEY. I am not trying to embarrass the Chair, but to preserve my rights.

The SPEAKER. The gentleman from Ohio moves that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 142, nays 173, answered "present" 1, not voting 116, as follows:

YEAS—142

Ackerman	Fleetwood	Linthicum	Sanders, Ind.
Aldrich	Free	Little	Seger
Allen	Freeman	Longworth	Shreve
Andrew	Frothingham	Lace	Simmons
Bacon	Fuller	McFadden	Sinnott
Beers	Garber	McLaughlin, Nebr.	Smith
Begg	Garrett, Tenn.	McLeod	Snell
Bixler	Gibson	MacGregor	Speaks
Black, Tex.	Gifford	MacLafferty	Sproul, Ill.
Bland	Goldsborough	Madden	Sproul, Kans.
Blanton	Graham, Ill.	Magee, N. Y.	Stephens
Boyce	Graham, Pa.	Magee, Pa.	Strong, Kans.
Brand, Ohio	Green, Iowa	Manlove	Strong, Pa.
Brumm	Griest	Mapes	Sweet
Burdick	Hadley	Merritt	Taber
Burtness	Hardy	Michener	Temple
Cable	Haugen	Mills	Thatcher
Chindblom	Hawes	Moore, Ill.	Timberlake
Christopherson	Hersey	Moore, Ohio	Tincher
Clague	Hickey	Moores, Ind.	Tinkham
Clarke, N. Y.	Hill, Md.	Nelson, Me.	Treadway
Cleary	Hudson	Newton, Minn.	Valle
Cole, Iowa	Hull, Morton D.	Newton, Mo.	Vare
Colton	Hull, William E.	Paige	Waiuwright
Connolly, Pa.	Humphreys	Parker	Watres
Cramton	Johnson, Ky.	Patterson	Watson
Crowther	Johnson, S. Dak.	Perkins	Welsh
Darrow	Jost	Phillips	Wertz
Dickinson, Iowa	Kearns	Purnell	White, Me.
Driver	Ketcham	Rausley	Williams, Mich.
Edmonds	Kiess	Reece	Williams, Tex.
Elliott	Kurtz	Reed, N. Y.	Winslow
Evans, Iowa	Lea, Calif.	Roach	Yates
Faust	Leatherwood	Robinson, Iowa	Young
Fenn	Leavitt	Rogers, Mass.	
Fitzgerald	Lehlbach	Rouse	

NAYS—173

Abernethy	Doughton	Lee, Ga.	Robsion, Ky.
Allgood	Dowell	Lilly	Ruhey
Almon	Doyle	Lindsay	Sabath
Arnold	Eagan	Lineberger	Salmon
Aswell	Favrot	Lozier	Sanders, Tex.
Ayres	Fisher	Lyon	Sandlin
Barbour	Foster	McClintic	Schafer
Barkley	Frear	McKeown	Schall
Beck	Fulbright	McReynolds	Schneider
Berger	Fulmer	McSweeney	Shallenberger
Black, N. Y.	Gardner, Ind.	Major, Ill.	Sherwood
Boies	Garrett, Tex.	Major, Mo.	Sinclair
Bowling	Gasque	Martin	Sites
Box	Glatfelter	Mead	Smithwick
Boylan	Greenwood	Miller, Wash.	Stengall
Brand, Ga.	Hammer	Milligan	Stedman
Briggs	Hastings	Minahan	Summers, Wash.
Browning	Hayden	Mooney	Sumners, Tex.
Buchanan	Hill, Ala.	Moore, Ga.	Swank
Buckley	Hill, Wash.	Moore, Va.	Swing
Bulwinkle	Holaday	Morehead	Tague
Busby	Howard, Nebr.	Morrow	Taylor, W. Va.
Brynes, S. C.	Huddleston	Nelson, Wis.	Thomas, Ky.
Byrns, Tenn.	Hudspeth	Nolan	Thomas, Okla.
Cannon	Hull, Tenn.	O'Connell, N. Y.	Thompson
Carew	Jacobstein	O'Connell, R. I.	Tillman
Carter	James	O'Connor, La.	Underwood
Casey	Jeffers	O'Connor, N. Y.	Vinson, Ga.
Celler	Johnson, W. Va.	Oldfield	Vinson, Ky.
Clancy	Jones	Oliver, Ala.	Voigt
Collier	Keller	Oliver, N. Y.	Watkins
Collins	Kelly	Parks, Ark.	Weaver
Connally, Tex.	Kent	Peavey	Wefald
Cook	Kincheloe	Peery	Weller
Cooper, Ohio	Kindred	Prall	Williams, Ill.
Cooper, Wis.	King	Quin	Wilson, Ind.
Corning	Kopp	Ragon	Wilson, Miss.
Crisp	Kvale	Rainey	Wingo
Croll	LaGuardia	Raker	Wolff
Crosser	Lampert	Rankin	Woodrum
Cullen	Lanham	Rathbone	Wright
Cummings	Lankford	Reed, Ark.	
Davis, Tenn.	Larsen, Ga.	Reid, Ill.	
Dickinson, Mo.	Lazaro	Richards	

ANSWERED "PRESENT"—1

Pou

NOT VOTING—116

Anderson	Burton	Davis, Minn.	Fairchild
Anthony	Butler	Deal	Fairfield
Bacharach	Campbell	Dempsey	Fish
Bankhead	Canfield	Denison	Fredericks
Beedy	Clark, Fla.	Dickstein	French
Bell	Cole, Ohio	Dominick	Funk
Bloom	Connery	Drane	Gallivan
Britten	Curry	Drewry	Garner, Tex.
Browne, N. J.	Dallinger	Dyer	Geran
Browne, Wis.	Davey	Evans, Mont.	Gilbert
Greene, Mass.	McDuffie	Quayle	Tilson
Griffin	McKenzie	Ramseyer	Tucker
Harrison	McLaughlin, Mich.	Rayburn	Tydings
Hawley	McNulty	Reed, W. Va.	Underhill
Hoch	McSwain	Rogers, N. H.	Upshaw
Hooker	Mansfield	Romjue	Vestal
Howard, Okla.	Michaelson	Rosenbloom	Vincent, Mich.
Hull, Iowa	Miller, Ill.	Sauders, N. Y.	Ward, N. C.
Johnson, Tex.	Montague	Scott	Ward, N. Y.
Johnson, Wash.	Morgan	Sears, Fla.	Wason
Kahn	Morin	Sears, Nebr.	White, Kans.
Kendall	Morris	Snyder	Williamson
Kerr	Mudd	Stalker	Wilson, La.
Knutson	Murphy	Stengle	Winter
Kunz	O'Brien	Stevenson	Wood
Langley	O'Sullivan	Sullivan	Woodruff
Larson, Minn.	Park, Ga.	Swoope	Wurzbach
Logan	Perlman	Taylor, Colo.	Wyant
Lowrey	Porter	Taylor, Tenn.	Zihlman

So the motion to adjourn was rejected.

Mr. POU. Mr. Speaker, I inadvertently voted "no." I am paired with the gentleman from Kansas, Mr. ANTHONY. I would like to withdraw my vote and to answer "present."

The Clerk announced the following additional pairs:

On this vote:

Mr. Wyant (for) with Mr. Hull of Iowa (against).
Mr. Anthony (for) with Mr. Pou (against).
Mr. Hoch (for) with Mr. Stevenson (against).
Mr. Rayburn (for) with Mr. Bankhead (against).
Mr. McLaughlin of Michigan (for) with Mr. Woodruff (against).
Mr. Underhill (for) with Mr. Mansfield (against).
Mr. French (for) with Mr. Logan (against).
Mr. Vestal (for) with Mr. Connery (against).
Mr. Wood (for) with Mr. Hooker (against).
Mr. Morris (for) with Mr. Morgan (against).
Mr. Tilson (for) with Mr. Gallivan (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Johnson of Washington (for) with Mr. Howard of Oklahoma (against).
Mr. Burton (for) with Mr. Bell (against).

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker, at the time of the roll call I had made a motion to limit debate and to control the time. Part of that motion is out of order, the part controlling the time, and I would like to modify the motion to limit debate to three hours.

Mr. LONGWORTH. Mr. Speaker, I desire to offer an amendment to the motion of the gentleman from Kentucky to strike out 3 hours and insert 10 hours. I think that is a very conservative proposition.

Mr. BLANTON. Mr. Speaker, I offer a substitute for the motion of the gentleman from Kentucky, and that is that the debate shall be limited to 24 hours.

Mr. MILLS. Mr. Speaker, I move to amend the substitute by making it 7 hours instead of 24 hours.

Mr. BLANTON. That, Mr. Speaker, is a motion in the third degree.

The SPEAKER. No; the motion of the gentleman from New York is to amend the substitute. The question is on the motion of the gentleman from New York that general debate be limited to seven hours.

The question was taken; and on a division (demanded by Mr. MILLS) there were 32 ayes and 150 noes.

Mr. SANDERS of Indiana. I object to the vote, Mr. Speaker, on the ground that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-eight Members present; not a quorum.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

Mr. BARKLEY. A parliamentary inquiry.

Mr. SANDERS of Indiana. I demand the regular order.

Mr. BARKLEY. A parliamentary inquiry.

Mr. LONGWORTH. I do not yield.

The SPEAKER. The Chair can not recognize the gentleman for a parliamentary inquiry, as the gentleman from Ohio has moved to adjourn.

Mr. SPROUL of Illinois. I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 134, nays 163, answered "present" 3, not voting 132, as follows:

YEAS—134

Ackerman	Brumm	Darrow	Freeman
Aldrich	Burdick	Dempsey	Frothingham
Allen	Burtness	Driver	Fuller
Andrew	Butler	Dyer	Garner, Tex.
Bacon	Cable	Edmonds	Gibson
Beers	Chindblom	Elliott	Goldsborough
Begg	Christopherson	Evans, Iowa	Graham, Ill.
Bixler	Clague	Fairchild	Graham, Pa.
Black, Tex.	Clarke, N.Y.	Faust	Green, Iowa
Bland	Cole, Iowa	Fenn	Hardy
Blanton	Colton	Fitzgerald	Haugen
Boyce	Connolly, Pa.	Fleetwood	Hersey
Brand, Ohio	Cramton	Fredericks	Hickey
Browne, N. J.	Crowther	Free	Hill, Md.

Hudson	McLeod	Reece	Taber
Hull, Morton D.	MacLafferty	Reed, N. Y.	Temple
Hull, William E.	Magee, N. Y.	Roach	Thatcher
Humphreys	Magee, Pa.	Robinson, Iowa	Thompson
Johnson, Ky.	Manlove	Rogers, Mass.	Tincher
Johnson, S. Dak.	Mapes	Sanders, Ind.	Tinkham
Kearns	Merritt	Scott	Treadway
Kendall	Michener	Seger	Valle
Ketcham	Mills	Shreve	Vare
Kless	Moore, Ill.	Simmons	Wainwright
Kurtz	Moore, Ohio	Sinnott	Watres
Leatherwood	Moores, Ind.	Smith	Welsh
Leavitt	Nelson, Me.	Snell	Wertz
Lehlbach	Newton, Minn.	Speaks	White, Me.
Linthicum	Newton, Mo.	Sproul, Ill.	Williams, Tex.
Little	Parker	Sproul, Kans.	Winslow
Longworth	Patterson	Stephens	Yates
Luce	Perkins	Strong, Pa.	Young
McFadden	Purnell	Summers, Wash.	
McLaughlin, Nebr.	Ransley	Sweet	

NAYS—163

Abernethy	Cummings	Lampert	Rankin
Allgood	Davis, Tenn.	Lankford	Rathbone
Almon	Doughton	Larsen, Ga.	Reid, Ill.
Arnold	Dowell	Lazaro	Richards
Aswell	Doyle	Lee, Ga.	Robsion, Ky.
Ayres	Eagan	Lindsay	Rouse
Barbour	Favrot	Linthicum	Ruby
Barkley	Fisher	Lozier	Salmon
Beck	Foster	Lyon	Sanders, Tex.
Berger	Frear	McKeown	Sandlin
Black, N. Y.	Fulbright	McReynolds	Schafer
Bloom	Fulmer	McSweeney	Schall
Boies	Gardner, Ind.	Major, Ill.	Schneider
Bowling	Garrett, Tenn.	Major, Mo.	Schallenberger
Box	Garrett, Tex.	Martin	Sinclair
Boylan	Gasque	Mead	Sites
Brand, Ga.	Glatfelter	Miller, Wash.	Steagall
Briggs	Greenwood	Milligan	Stedman
Browning	Hammer	Minahan	Summers, Tex.
Buchanan	Hastings	Mooney	Swank
Buckley	Hayden	Moore, Ga.	Swing
Bulwinkle	Hill, Ala.	Moore, Va.	Tague
Busby	Hill, Wash.	Morehead	Taylor, W. Va.
Byrns, S. C.	Holaday	Morrow	Thomas, Okla.
Byrns, Tenn.	Howard, Nebr.	Nelson, Wis.	Tillman
Cannon	Huddleston	Nolan	Underwood
Carter	Hull, Tenn.	O'Connell, N.Y.	Vinson, Ga.
Casey	Jacobstein	O'Connell, R. I.	Vinson, Ky.
Celler	James	O'Connor, La.	Volgt
Clancy	Jeffers	O'Connor, N.Y.	Watkins
Collier	Johnson, Tex.	Oldfield	Weaver
Collins	Johnson, W. Va.	Oliver, Ala.	Wefald
Connally, Tex.	Jones	Oliver, N. Y.	Weller
Cook	Keller	Parks, Ark.	Williams, Ill.
Cooper, Ohio	Kent	Peavey	Wilson, Ind.
Cooper, Wis.	Kincheloe	Peery	Wilson, Miss.
Corning	Kindred	Prall	Wingo
Crisp	King	Quin	Wolff
Croll	Kopp	Ragon	Woodrum
Crosser	Kvale	Ralney	Wright
Cullen	LaGuardia	Raker	

ANSWERED "PRESENT"—3

Carew	Hudspeth	Pou	

NOT VOTING—132

Anderson	Garber	McNulty	Smithwick
Anthony	Geran	McSwain	Snyder
Bacharach	Gifford	MacGregor	Stalker,
Bankhead	Gilbert	Madden	Stengle
Beedy	Greene, Mass.	Mansfield	Stevenson
Bell	Griest	Michaelson	Strong, Kans.
Britten	Griffin	Miller, Ill.	Sullivan
Browne, Wis.	Hadley	Montague	Swoope
Burton	Harrison	Morgan	Taylor, Colo.
Campbell	Hawes	Morin	Taylor, Tenn.
Canfield	Hawley	Morris	Thomas, Ky.
Clark, Fla.	Hoch	Mudd	Tilson
Cleary	Hooker	Murphy	Timberlake
Cole, Ohio	Howard, Okla.	O'Brien	Tucker
Connery	Hull, Iowa	O'Sullivan	Tydings
Curry	Johnson, Wash.	Paige	Underhill
Dallinger	Jost	Park, Ga.	Upshaw
Davey	Kahn	Perlman	Vestal
Davis, Minn.	Kelly	Phillips	Vincent, Mich.
Deal	Kerr	Porter	Ward, N. Y.
Denison	Knutson	Quayle	Ward, N. C.
Dickinson, Iowa	Kunz	Ramseyer	Wason
Dickinson, Mo.	Langley	Rayburn	Watson
Dickstein	Lanham	Reed, Ark.	White, Kans.
Dominick	Larson, Minn.	Reed, W. Va.	Williams, Mich.
Drane	Lea, Calif.	Rogers, N. H.	Williamson
Drewry	Lilly	Romjue	Wilson, La.
Evans, Mont.	Logan	Rosenbloom	Winter
Fairfield	Lowrey	Sabath	Wood
Fish	McClintic	Sanders, N. Y.	Woodruff
French	McDuffie	Sears, Fla.	Wurzbach
Funk	McKenzie	Sears, Nebr.	Wyant
Gallivan	McLaughlin, Mich.	Sherwood	Zihlman

So the motion to adjourn was rejected.

The following additional pairs were announced:

On the vote:

Mr. Vestal (for) with Mr. Connery (against).
Mr. Paige (for) with Mr. Smithwick (against).
Mr. Rayburn (for) with Mr. Bankhead (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Strong of Kansas (for) with Mr. Hudspeth (against).
Mr. French (for) with Mr. Logan (against).
Mr. Anderson (for) with Mr. Bell (against).
Mr. Snyder (for) with Mr. Williams of Illinois (against).
Mr. Anthony (for) with Mr. Pou (against).
Mr. Geran (for) with Mr. McNulty (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Sears of Nebraska (for) with Mr. Wurzbach (against).
Mr. Greene of Massachusetts (for) with Mr. Howard of Oklahoma (against).
Mr. Dallinger (for) with Mr. Curry (against).
Mr. Johnson of Washington (for) with Mr. Sherwood (against).
Mr. Burton (for) with Mr. Thomas of Kentucky (against).
Mr. Tilson (for) with Mr. Gallivan (against).
Mr. Morris (for) with Mr. Morgan (against).
Mr. Wood (for) with Mr. Hooker (against).
Mr. Winter (for) with Mr. Knutson (against).
Mr. Drewry (for) with Mr. Upshaw (against).
Mr. Underhill (for) with Mr. Mansfield (against).
Mr. McLaughlin of Michigan (for) with Mr. Woodruff (against).
Mr. Wyant (for) with Mr. Hull of Iowa (against).
Mr. Hoch (for) with Mr. Stevenson (against).
Mr. Reed of West Virginia (for) with Mr. Lanham (against).
Mr. Swoope (for) with Mr. McClintic (against).

Until further notice:

Mr. Beedy with Mr. Arnold.
Mr. Ramseyer with Mr. Tucker.
Mr. Timberlake with Mr. Boyce.
Mr. Phillips with Mr. Lea of California.
Mr. Hawley with Mr. Byrns of Tennessee.
Mr. Griest with Mr. Kerr.
Mr. Fish with Mr. Evans of Montana.
Mr. Hadley with Mr. Gilbert.
Mr. Fairfield with Mr. Canfield.
Mr. Gifford with Mr. Dominick.

Mr. HADLEY. Mr. Speaker, I would like to vote.

The SPEAKER. Was the gentleman present and listening when his name should have been called?

Mr. HADLEY. No; I just came in after my name was called.

The SPEAKER. The gentleman does not qualify.

Mr. DICKINSON of Missouri. Mr. Speaker, I would like to vote "no."

The SPEAKER. Was the gentleman present and listening when his name should have been called?

Mr. DICKINSON of Missouri. I was not.

The SPEAKER. The gentleman does not qualify.

Mr. McCLINTIC. Mr. Speaker, I came in just after my name was called.

The SPEAKER. The gentleman can not vote.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the amendment offered by the gentleman from New York making the time for general debate seven hours.

Mr. BARKLEY. Has not that already been voted on, Mr. Speaker?

The SPEAKER. No; the point of no quorum was made, which negatived the vote.

Mr. BARKLEY. Was not the point of no quorum made on the motion to adjourn?

The SPEAKER. No; after it was found that there was no quorum there were two motions that could be made, one a call of the House and the other to adjourn. The gentleman from Ohio made the motion to adjourn. That was the vote that we just had.

Mr. BARKLEY. A parliamentary inquiry. Is it in order to move the previous question on my motion and all amendments thereto?

The SPEAKER. Not during the division; it will be after the vote. The question is on the motion of the gentleman from New York [Mr. MILLS] to limit general debate to seven hours.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were 11 ayes and 133 noes.

Mr. SANDERS of Indiana. I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentleman from Indiana makes the point that no quorum is present. The Chair will count.

Mr. BARKLEY. Mr. Speaker, the roll call just demonstrated that there was a quorum present.

Mr. BANKHEAD. I make the point of order that the point of no quorum made by the gentleman from Indiana is dilatory.

The SPEAKER. It is never dilatory unless it is clear that a quorum is present.

Mr. BANKHEAD. It was just demonstrated that a quorum was present a moment ago.

The SPEAKER. The Chair thinks and all Members will agree that it is uncertain now whether a quorum is present or not. If a quorum is present, the Chair will call it dilatory. The Chair rather thinks there is not a quorum. The Chair will count. [After counting.] Two hundred and five Members present, not a quorum.

Mr. SANDERS of Indiana. I move that the House do now adjourn.

Mr. BARKLEY. I make the point of order that that motion is dilatory.

Mr. SANDERS of Indiana. That is the only motion that is in order.

The SPEAKER. The Chair is disposed to rule that it is not dilatory. The condition is this: It has just been proved that there is no quorum present. Therefore, when there is no quorum present, it is always in order to move that the House adjourn. If there were a quorum present the Chair would rule that it was dilatory.

Mr. BARKLEY. A parliamentary inquiry. Does the Chair hold that where a roll call has developed a quorum and before the House can proceed a sufficient number of Members to break a quorum leave the room, that a motion to adjourn is not dilatory?

The SPEAKER. The Chair can not consider the motive by which gentlemen leave the House. The Chair is bound to count.

Mr. BARKLEY. Can not the Chair take into consideration the fact they do leave?

The SPEAKER. Oh, yes; the Chair would think that is evidence of its being dilatory, and if there was a quorum here, the Chair would be disposed to think it is dilatory, but the Chair can not control Members. If a point of no quorum is made and a quorum is present, the Chair would hold that is dilatory, but when there is not a quorum present the Chair can not rule that it is dilatory.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOPER of Wisconsin. When Members are on the floor at the time the point of no quorum is made and 20 or 30 of them walk out of that door and out of that door, can not they be counted as present as they go out?

The SPEAKER. The Chair did count, and the Chair began on this side and counted every Member. The Chair can not count those that are invisible; the Chair's count is limited to those on the floor. The gentleman moves that the House do now adjourn——

Mr. CRISP. Mr. Speaker, I simply desire to call the attention of the Speaker to a ruling—I can not well lay my hands on it at the present time—which grew out of the ruling by Speaker Reed, which the Supreme Court afterwards affirmed and it is in the rules of the House, that in ascertaining a quorum the Speaker can count as present and enter the names of the parties as present in the Journal of the House those who are in the cloak rooms, the lobbies adjoining the House——

The SPEAKER. Only those he can see.

Mr. CRISP. I think under the ruling the Speaker could send out officers and find who they are and enter their names on the Journal. I have not read the ruling for a long time, but I know there is such a rule, and I am familiar with the decision of Speaker Reed which was sustained by the Supreme Court that the Speaker can count as present Members in the gallery, in the cloak rooms, and enter their names in the Journal.

The SPEAKER. The Chair agrees with the gentleman, but he does not believe he can count anybody he can not see.

Mr. BARKLEY. Would the Speaker have the right to order the Sergeant at Arms to bring into the Chamber those who are hiding where the Speaker can not see them?

The SPEAKER. The Chair thinks he would where there was no quorum present.

Mr. BLANTON. Mr. Speaker, I make the point of order that a quorum is a fundamental constitutional right, and we have the right to have one before we do business.

The SPEAKER. The only time the Chair can order them to come in is when the House refuses to adjourn. If the House should now refuse to adjourn and there should not be a quorum present, the Speaker has the right to order the bringing in of absent Members.

Mr. GARRETT of Tennessee. By motion of the House?

The SPEAKER. The Chair thinks without a motion of the House.

Mr. BARKLEY. Mr. Speaker, is there an automatic call on this motion to adjourn when it is developed there is no quorum present?

The SPEAKER. It does not require a quorum to adjourn.

Mr. BARKLEY. On the motion to adjourn I ask for the yeas and nays.

Mr. LONGWORTH. There is evidently a desire to filibuster, Mr. Speaker.

The SPEAKER. Evidently there is a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas, 139, nays 166, answered "present" 5, not voting 122, as follows:

YEAS—139

Ackerman	Faust	Leavitt	Seger
Aldrich	Fenn	Lehlbach	Simmons
Allen	Fitzgerald	Linthicum	Sinnott
Andrew	Fredericks	Little	Smith
Bacon	Free	Longworth	Snell
Beers	Freeman	McFadden	Speaks
Begg	French	McLaughlin, Mich.	Sproul, Ill.
Bixler	Frothingham	McLaughlin, Nebr.	Sproul, Kans.
Bland	Fuller	McLeod	Stephens
Blanton	Garber	MacLafferty	Strong, Pa.
Boyce	Garner, Tex.	Magee, N. Y.	Summers, Wash.
Brand, Ohio	Gibson	Magee, Pa.	Sweet
Browne, N. J.	Gifford	Manlove	Taber
Brumm	Goldsborough	Mapes	Temple
Burdick	Graham, Ill.	Merritt	Thatcher
Burtness	Graham, Pa.	Michener	Thompson
Butler	Green, Iowa	Mills	Timberlake
Cable	Griest	Moore, Ill.	Tincher
Chindblom	Hadley	Moore, Ohio	Tinkham
Christopherson	Hardy	Moores, Ind.	Treadway
Clague	Haugen	Nelson, Me.	Valle
Clarke, N. Y.	Hersey	Newton, Minn.	Vare
Cole, Iowa	Hickey	Newton, Mo.	Wainwright
Colton	Hill, Md.	Parker	Watres
Connolly, Pa.	Hudson	Patterson	Watson
Cramton	Hull, Morton D.	Perkins	Welsh
Crowther	Hull, William E.	Purnell	Wertz
Darrow	Humphreys	Ransley	White, Kans.
Dempsey	Johnson, Ky.	Reece	White, Me.
Dickinson, Iowa	Johnson, S. Dak.	Reed, N. Y.	Williams, Mich.
Dyer	Kearns	Roach	Winslow
Edmonds	Ketcham	Robinson, Iowa	Wyant
Elliott	Kless	Rogers, Mass.	Yates
Evans, Iowa	Kurtz	Sanders, Ind.	Young
Fairchild	Leatherwood	Scott	

NAYS—166

Abernethy	Cummings	LaGuardia	Rankin
Allgood	Davis, Tenn.	Lampert	Rathbone
Almon	Dickinson, Mo.	Lanham	Rayburn
Arnold	Doughton	Lankford	Reed, Ark.
Aswell	Dowell	Larsen, Ga.	Reid, Ill.
Ayres	Doyle	Lazaro	Richards
Bankhead	Eagan	Lindsay	Robsion, Ky.
Barbour	Favrot	Linthicum	Rouse
Barkley	Fisher	Lozier	Ruby
Beck	Foster	Lyon	Sabath
Berger	Frear	McClintic	Salmon
Black, N. Y.	Fulbright	McKeown	Sanders, Tex.
Black, Tex.	Fulmer	McReynolds	Sandlin
Bloom	Gardner, Ind.	McSweeney	Schafer
Boies	Garrett, Tenn.	Major, Ill.	Schall
Bowling	Garrett, Tex.	Major, Mo.	Schneider
Box	Gasque	Martin	Shallenberger
Boylan	Glatfelter	Mead	Sinclair
Brand, Ga.	Greenwood	Miller, Wash.	Sites
Briggs	Hammer	Minahan	Steagall
Browning	Hastings	Mooney	Stedman
Buchanan	Hayden	Moore, Ga.	Summers, Tex.
Buckley	Hill, Ala.	Moore, Va.	Swank
Bulwinkle	Hill, Wash.	Morehead	Tague
Busby	Holaday	Morrow	Taylor, W. Va.
Byrnes, S. C.	Howard, Nebr.	Murphy	Thomas, Okla.
Byrns, Tenn.	Huddleston	Nelson, Wis.	Tillman
Cannon	Hull, Iowa	Nolan	Underwood
Carter	Hull, Tenn.	O'Connell, N. Y.	Vinson, Ga.
Casey	Jacobstein	O'Connell, R. I.	Vinson, Ky.
Celler	James	O'Connor, La.	Volgt
Clancy	Jeffers	O'Connor, N. Y.	Watkins
Collier	Johnson, Tex.	O'Sullivan	Weaver
Connally, Tex.	Johnson, W. Va.	Oldfield	Wefald
Cook	Jones	Oliver, Ala.	Weller
Cooper, Ohio	Keller	Oliver, N. Y.	Williams, Ill.
Cooper, Wis.	Kelly	Parks, Ark.	Wilson, Ind.
Corning	Kent	Peavey	Wingo
Crisp	Kindred	Prall	Wolff
Croll	King	Quin	Woodrum
Crosser	Kopp	Ralney	
Cullen	Kvale	Raker	

ANSWERED "PRESENT"—5

Anthony	Hudspeth	Pou	Smithwick
Carew			

NOT VOTING—122

Anderson	Fairfield	Lee, Ga.	Porter
Bacharach	Fish	Lilly	Quayle
Beedy	Fleetwood	Logan	Ragon
Bell	Funk	Lowrey	Ramseyer
Britten	Gallivan	Luce	Reed, W. Va.
Browne, Wis.	Geran	McDuffie	Rogers, N. H.
Burton	Gilbert	McKenzie	Romjue
Campbell	Greene, Mass.	McNulty	Rosenbloom
Canfield	Griffin	McSwain	Sanders, N. Y.
Clark, Fla.	Harrison	MacGregor	Sears, Fla.
Cleary	Hawes	Madden	Sears, Nebr.
Cole, Ohio	Hawley	Mansfield	Sherwood
Collins	Hoch	Michaelson	Shreve
Connery	Hooker	Miller, Ill.	Snyder
Curry	Howard, Okla.	Milligan	Stalker
Dallinger	Johnson, Wash.	Montague	Stengle
Davey	Jost	Morgan	Stevenson
Davis, Minn.	Kahn	Morin	Strong, Kans.
Deal	Kendall	Morris	Sullivan
Denison	Kerr	Mudd	Swing
Dickstein	Kincheloe	O'Brien	Swoope
Dominick	Knutson	Paige	Taylor, Colo.
Drane	Kunz	Park, Ga.	Taylor, Tenn.
Drewry	Langley	Peery	Thomas, Ky.
Driver	Larson, Minn.	Perlman	Tilson
Evans, Mont.	Lea, Calif.	Phillips	Tucker

Tydings	Ward, N. Y.	Wilson, La.	Wright
Underhill	Ward, N. C.	Wilson, Miss.	Wurzbach
Upshaw	Wason	Winter	Zihlman
Vestal	Williams, Tex.	Wood	
Vincent, Mich.	Williamson	Woodruff	

So the motion to adjourn was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Vestal (for) with Mr. Connery (against).
Mr. Paige (for) with Mr. Smithwick (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Strong of Kansas (for) with Mr. Hudspeth (against).
Mr. French (for) with Mr. Logan (against).
Mr. Anderson (for) with Mr. Bell (against).
Mr. Anthony (for) with Mr. Pou (against).
Mr. Geran (for) with Mr. McNulty (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Sears of Nebraska (for) with Mr. Wurzbach (against).
Mr. Green of Massachusetts (for) with Mr. Howard of Oklahoma (against).
Mr. Dallinger (for) with Mr. Curry (against).
Mr. Johnson of Washington (for) with Mr. Sherwood (against).
Mr. Burton (for) with Mr. Thomas of Kentucky (against).
Mr. Tilson (for) with Mr. Gallivan (against).
Mr. Morris (for) with Mr. Morgan (against).
Mr. Wood (for) with Mr. Hooker (against).
Mr. Winter (for) with Mr. Knutson (against).
Mr. Drewry (for) with Mr. Upshaw (against).
Mr. Underhill (for) with Mr. Mansfield (against).
Mr. McLaughlin of Michigan (for) with Mr. Woodruff (against).
Mr. Hoch (for) with Mr. Stevenson (against).
Mr. Driver (for) with Mr. Wilson of Mississippi (against).
Mr. Williams of Texas (for) with Mr. Ragon (against).
Mr. Tinkham (for) with Mr. Eagan (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Rayburn (for) with Mr. Bankhead (against).
Mr. Humphreys (for) with Mr. Collins (against).
Mr. Kendall (for) with Mr. Milligan (against).

Until further notice:

Mr. Vincent with Mr. Deal.
Mr. Cole of Ohio with Mr. Cleary.
Mr. Kendall with Mr. Hawes.
Mr. Luce with Mr. Jost.
Mr. McKenzie with Mr. Lowrey.
Mr. MacGregor with Mr. McSwain.
Mr. Phillips with Mr. Montague.
Mr. Shreve with Mr. Quayle.
Mr. Swing with Mr. Rouzjue.

Mr. BANKHEAD. Mr. Speaker, I desire to withdraw my vote of "present" and vote "nay."

Mr. McDUFFIE. Mr. Speaker, I would like to vote "yea."

The SPEAKER pro tempore (Mr. GRAHAM). Was the gentleman present and listening when his name was called?

Mr. McDUFFIE. No. If I had been I would have voted "aye." Is this a no-quorum call?

The SPEAKER pro tempore. No.

Mr. CONNALLY of Texas. No quorum was developed before the vote was called. Would the gentleman from Alabama not be entitled to vote?

The SPEAKER pro tempore. He could vote "present."

Mr. ANTHONY. Mr. Speaker, is the gentleman from North Carolina [Mr. POU] recorded?

The SPEAKER pro tempore. He is recorded as "present."

Mr. ANTHONY. I would like to be recorded as "present."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The House does not adjourn.

Mr. MILLS. Mr. Speaker, I demand the yeas and nays on my motion, which was still pending, when the point of no quorum was made.

The SPEAKER pro tempore. The gentleman from New York demands the yeas and nays on his motion.

The yeas and nays were ordered.

The SPEAKER pro tempore. As many as favor the motion offered by the gentleman from New York will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 36, nays 265, answered "present" 2, not voting 129, as follows:

YEAS—36

Aldrich	Edmonds	Jacobstein	Parker
Allen	Faust	Little	Perkins
Boyce	Fitzgerald	McLeod	Ransley
Buchanan	Frothingham	McSweeney	Richards
Burtness	Garrett, Tenn.	Michener	Snell
Celler	Gibson	Mills	Speaks
Clague	Goldsborough	Moore, Ill.	Tincher
Crowther	Graham, Pa.	Moores, Ind.	Welsh
Dyer	Hull, William E.	O'Sullivan	White, Me.

NAYS—265

Abernethy	Barbour	Bloom	Buckley
Ackerman	Barkley	Boies	Bulwinkle
Allgood	Beck	Bowling	Busby
Almon	Beers	Box	Butler
Andrew	Begg	Boylan	Byrnes, S. C.
Anthony	Berger	Brand, Ohio	Byrns, Tenn.
Arnold	Bixler	Briggs	Cable
Aswell	Black, N. Y.	Browne, N. J.	Cannon
Ayres	Black, Tex.	Browne, Wis.	Carter
Bacon	Bland	Browning	Casey
Bankhead	Blanton	Brumm	Chindblom
Christopherson	Hickey	Mapes	Shallenberger
Cole, Iowa	Hill, Ala.	Martin	Shreve
Collier	Hill, Md.	Mead	Simmons
Colton	Hill, Wash.	Merritt	Sinclair
Connally, Tex.	Holaday	Miller, Wash.	Sinnott
Connolly, Pa.	Howard, Nebr.	Minahan	Sites
Cook	Huddleston	Mooney	Smith
Cooper, Ohio	Hudson	Moore, Ga.	Smithwick
Cooper, Wis.	Hull, Iowa	Moore, Ohio	Sproul, Ill.
Corning	Hull, Tenn.	Moore, Va.	Sproul, Kans.
Crisp	James	Morehead	Steagall
Croll	Jeffers	Morrow	Stedman
Crosser	Johnson, Ky.	Murphy	Stephens
Cullen	Johnson, S. Dak.	Nelson, Me.	Strong, Pa.
Cummings	Johnson, Tex.	Nelson, Wis.	Summers, Wash.
Darrow	Johnson, W. Va.	Newton, Minn.	Summers, Tex.
Davis, Tenn.	Jones	Nolan	Swank
Dempsey	Kearns	O'Connell, N. Y.	Sweet
Dickinson, Iowa	Keller	O'Connell, R. I.	Taber
Dickinson, Mo.	Kelly	O'Connor, La.	Tague
Doughton	Kent	O'Connor, N. Y.	Taylor, W. Va.
Dowell	Ketcham	Oldfield	Temple
Doyle	Kiess	Oliver, Ala.	Thatcher
Elliott	Kindred	Oliver, N. Y.	Thomas, Okla.
Evans, Iowa	Kopp	Parks, Ark.	Tillman
Fairchild	Kurtz	Patterson	Timberlake
Favrot	Kvale	Peavey	Treadway
Fenn	LaGuardia	Pou	Underwood
Fisher	Lampert	Prall	Valle
Foster	Lanham	Purnell	Vare
Frear	Lankford	Quayle	Vinson, Ga.
Fredericks	Larsen, Ga.	Quin	Voigt
Free	Lazaro	Raker	Wainwright
Freeman	Lea, Calif.	Rankin	Watkins
French	Leatherwood	Rathbone	Watres
Fulbright	Leavitt	Rayburn	Watson
Fuller	Lehlbach	Reece	Weaver
Fulmer	Lindsay	Reed, Ark.	Wefald
Gardner, Ind.	Lineberger	Reed, N. Y.	Weller
Garner, Tex.	Linthicum	Reid, Ill.	Wertz
Garrett, Tex.	Longworth	Roach	White, Kans.
Gasque	Lozier	Robinson, Iowa	Williams, Ill.
Gifford	Lyon	Robsion, Ky.	Williams, Mich.
Glatfelter	McClintic	Rouse	Wilson, Ind.
Graham, Ill.	McDuffie	Rubey	Wilson, La.
Green, Iowa	McFadden	Sabath	Wingo
Greenwood	McKeown	Salmon	Winslow
Griest	McLaughlin, Nebr.	Sanders, Ind.	Wolff
Hadley	McReynolds	Sanders, N. Y.	Woodrum
Hammer	MacGregor	Sanders, Tex.	Wright
Hardy	MacLafferty	Sandlin	Wyant
Hastings	Magee, N. Y.	Schafer	Yates
Hawes	Magee, Pa.	Schall	Young
Hawley	Major, Ill.	Schneider	
Hayden	Major, Mo.	Scott	
Hersey	Manlove	Seger	

ANSWERED "PRESENT"—2

Carew	Eagan

NOT VOTING—129

Anderson	Funk	McNulty	Stengle
Bacharach	Gallivan	McSwain	Stevenson
Beedy	Garber	Madden	Strong, Kans.
Bell	Geran	Mansfield	Sullivan
Brand, Ga.	Gilbert	Michaelson	Swing
Britten	Greene, Mass.	Miller, Ill.	Swoope
Burdick	Griffin	Milligan	Taylor, Colo.
Burton	Harrison	Montague	Taylor, Tenn.
Campbell	Haugen	Morgan	Thomas, Ky.
Canfield	Hoch	Morin	Thompson
Clancy	Hooker	Morris	Tilson
Clark, Fla.	Howard, Okla.	Mudd	Tinkham
Clarke, N. Y.	Hudspeth	Newton, Mo.	Tucker
Cleary	Hull, Morton D.	O'Brien	Tydings
Cole, Ohio	Humphreys	Paige	Underhill
Collins	Johnson, Wash.	Park, Ga.	Upshaw
Connery	Jost	Peery	Vestal
Cramton	Kahn	Perlman	Vincent, Mich.
Curry	Kendall	Phillips	Vinson, Ky.
Dallinger	Kerr	Porter	Ward, N. Y.
Davey	Kincheloe	Ragon	Ward, N. C.
Davis, Minn.	King	Rainey	Wason
Deal	Knutson	Ramseyer	Williams, Tex.
Denison	Kunz	Reed, W. Va.	Williamson
Dickstein	Langley	Rogers, Mass.	Wilson, Miss.
Dominick	Larson, Minn.	Rogers, N. H.	Winter
Drane	Lee, Ga.	Romjue	Wood
Drewry	Lilly	Rosenbloom	Woodruff
Driver	Logan	Sears, Fla.	Wurzbach
Evans, Mont.	Lowrey	Sears, Nebr.	Zihlman
Fairfield	Luce	Sherwood	
Fish	McKenzie	Snyder	
Fleetwood	McLaughlin, Mich.	Stalker	

So the motion of Mr. MILLS was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Vestal with Mr. Connery.
Mr. Paige with Mr. Brand of Georgia.
Mr. Madden with Mr. Carew.
Mr. Strong of Kansas with Mr. Hudspeth.
Mr. Anderson with Mr. Bell.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Greene of Massachusetts with Mr. Howard of Oklahoma.
Mr. Johnson of Washington with Mr. Sherwood.
Mr. Burton with Mr. Thomas of Kentucky.
Mr. Tilson with Mr. Gallivan.
Mr. Morgan with Mr. Morris.
Mr. Wood with Mr. Hooker.
Mr. Underhill with Mr. Mansfield.
Mr. McLaughlin of Michigan with Mr. Woodruff.

Mr. Hoch with Mr. Stevenson.
Mr. Tinkham with Mr. Eagan.
Mr. Fleetwood with Mr. Lee of Georgia.
Mr. Kendall with Mr. Milligan.

Mr. KING. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. KING. No, sir; I was trying to get a lunch down in the restaurant.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker, I move the previous question on the original motion and all amendments thereto.

The SPEAKER. The gentleman from Kentucky moves the previous question on the original motion and all amendments thereto.

The question was taken, and the Speaker announced that the "noes" seemed to have it.

Mr. BARKLEY. Mr. Speaker, I demand a division—I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 177, nays 131, answered "present" 3, not voting 121, as follows:

YEAS—177

Abernethy	Dickinson, Mo.	Lea, Calif.	Rathbone
Allen	Doughton	Lindsay	Rayburn
Allgood	Dowell	Lineberger	Reed, Ark.
Almon	Doyle	Linthicum	Reid, Ill.
Arnold	Favrot	Little	Rouse
Aswell	Fisher	Lozier	Rubey
Ayres	Foster	Lyon	Sabath
Bankhead	Frear	McClintic	Salmon
Barbour	Fulbright	McKeown	Sanders, Tex.
Barkley	Fulmer	McReynolds	Sandlin
Beck	Gardner, Ind.	McSwain	Schafer
Berger	Garner, Tex.	McSweeney	Schall
Black, N. Y.	Garrett, Tenn.	Major, Ill.	Schneider
Black, Tex.	Garrett, Tex.	Major, Mo.	Shallenberger
Bland	Gasque	Martin	Sinclair
Boies	Glatfelter	Mead	Sites
Bowling	Greenwood	Miller, Wash.	Smithwick
Box	Hammer	Minahan	Steagall
Boylan	Hastings	Mooney	Stedman
Briggs	Hayden	Moore, Ga.	Summers, Wash.
Browne, Wis.	Hill, Ala.	Moore, Ohio	Summers, Tex.
Browning	Hill, Wash.	Moore, Va.	Swank
Buchanan	Holaday	Morehead	Swing
Buckley	Howard, Nebr.	Morrow	Tague
Bulwinkle	Huddleston	Murphy	Taylor, W. Va.
Burtness	Hudspeth	Nelson, Wis.	Thomas, Okla.
Busby	Hull, Iowa	Nolan	Thompson
Brynes, S. C.	Hull, Tenn.	O'Connell, N. Y.	Tillman
Byrns, Tenn.	James	O'Connell, R. I.	Underwood
Cannon	Jeffers	O'Connor, La.	Vinson, Ga.
Carter	Johnson, Tex.	O'Connor, N. Y.	Vinson, Ky.
Casey	Johnson, W. Va.	O'Sullivan	Voigt
Celler	Jones	Oldfield	Watkins
Clague	Keller	Oliver, Ala.	Weaver
Clancy	Kent	Oliver, N. Y.	Wefald
Collier	Kindred	Parks, Ark.	Weller
Connally, Tex.	King	Peavey	Williams, Ill.
Cook	Kopp	Peery	Wilson, Ind.
Cooper, Wis.	Kvale	Pou	Wingo
Corning	LaGuardia	Prall	Wolff
Croll	Lampert	Quayle	Woodrum
Crosser	Lanham	Quin	Wright
Cullen	Lankford	Rainey	
Cummings	Larsen, Ga.	Raker	
Davis, Tenn.	Lazaro	Rankin	

NAYS—131

Ackerman	Fitzgerald	Leavitt	Scott
Aldrich	Fredericks	Lehlbach	Shreve
Andrew	Free	Longworth	Simmons
Anthony	Freeman	Luce	Sinnott
Bacon	French	McDuffie	Smith
Beedy	Frothingham	McFadden	Snell
Beers	Fuller	McLaughlin, Nebr.	Snyder
Begg	Garber	McLeod	Speaks
Bixler	Gibson	MacGregor	Sproul, Ill.
Blanton	Gifford	MacLafferty	Sproul, Kans.
Boyce	Goldsborough	Magee, N. Y.	Stephens
Brand, Ohio	Graham, Ill.	Magee, Pa.	Strong, Pa.
Brumm	Graham, Pa.	Manlove	Sweet
Butler	Green, Iowa	Mapes	Taber
Cable	Griest	Merritt	Temple
Chindblom	Hadley	Michener	Thatcher
Christopherson	Hardy	Mills	Timberlake
Clarke, N. Y.	Haugen	Moore, Ill.	Treadway
Cole, Iowa	Hawley	Moores, Ind.	Valle
Colton	Hersey	Nelson, Me.	Vincent, Mich.
Connolly, Pa.	Hickey	Newton, Minn.	Wainwright
Cooper, Ohio	Hill, Md.	Parker	Watres
Cramton	Hudson	Patterson	Watson
Crowther	Hull, William E.	Perkins	Welsh
Darrow	Jacobstein	Purnell	Wertz
Dickinson, Iowa	Johnson, Ky.	Ransley	White, Kans.
Dyer	Johnson, S. Dak.	Reece	White, Me.
Edmonds	Kearns	Reed, N. Y.	Williams, Mich.
Elliott	Ketcham	Richards	Winslow
Evans, Iowa	Kiess	Roach	Wyant
Fairchild	Kurtz	Robinson, Iowa	Yates
Faust	Larson, Minn.	Sanders, Ind.	Young
Fenn	Leatherwood	Sanders, N.Y.	

ANSWERED "PRESENT"—3

Carew	Eagan	Sherwood

NOT VOTING—121

Anderson	Fish	McNulty	Stevenson
Bacharach	Fleetwood	Madden	Strong, Kans.
Bell	Funk	Mansfield	Sullivan
Bloom	Gallivan	Michaelson	Swoope
Brand, Ga.	Geran	Miller, Ill.	Taylor, Colo.
Britten	Gilbert	Milligan	Taylor, Tenn.
Browne, N. J.	Greene, Mass.	Montague	Thomas, Ky.
Burdick	Griffin	Morgan	Tilson
Burton	Harrison	Morin	Tincher
Campbell	Hawes	Morris	Tinkham
Canfield	Hoch	Mudd	Tucker
Clark, Fla.	Hooker	Newton, Mo.	Tydings
Cleary	Howard, Okla.	O'Brien	Underhill
Cole, Ohio	Hull, Morton D.	Paige	Upshaw
Collins	Humphreys	Park, Ga.	Vare
Connery	Johnson, Wash.	Perlman	Vestal
Crisp	Jost	Phillips	Ward, N. C.
Curry	Kahn	Porter	Ward, N. Y.
Dallinger	Kelly	Ragon	Wason
Davey	Kendall	Ramseyer	Williams, Tex.
Davis, Minn.	Kerr	Reed, W. Va.	Williamson
Deal	Kincheloe	Robsion, Ky.	Wilson, La.
Dempsey	Knutson	Rogers, Mass.	Wilson, Miss.
Denison	Kunz	Rogers, N. H.	Winter
Dickstein	Langley	Romjue	Wood
Dominick	Lee, Ga.	Rosenbloom	Woodruff
Drane	Lilly	Sears, Fla.	Wurzbach
Drewry	Logan	Sears, Nebr.	Zihlman
Driver	Lowrey	Seger	
Evans, Mont.	McKenzie	Stalker	
Fairfield	McLaughlin, Mich.	Stengle	

So the previous question was ordered.

The Clerk announced the following additional pairs:

On this vote—

Mr. Connery (for) with Mr. Vestal (against).
Mr. Brand of Georgia (for) with Mr. Paige (against).
Mr. Carew (for) with Mr. Madden (against).
Mr. Hudspeth (for) with Mr. Strong of Kansas (against).
Mr. Bell (for) with Mr. Anderson (against).
Mr. McNulty (for) with Mr. Geran (against).
Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Wurzbach (for) with Mr. Sears of Nebraska (against).
Mr. Howard of Oklahoma (for) with Mr. Greene of Massachusetts (against).
Mr. Curry (for) with Mr. Dallinger (against).
Mr. Sherwood (for) with Mr. Johnson of Washington (against).
Mr. Thomas of Kentucky (for) with Mr. Burton (against).
Mr. Gallivan (for) with Mr. Tilson (against).
Mr. Morgan (for) with Mr. Morris (against).
Mr. Hooker (for) with Mr. Wood (against).
Mr. Knutson (for) with Mr. Winter (against).
Mr. Upshaw (for) with Mr. Drewry (against).
Mr. Mansfield (for) with Mr. Underhill (against).
Mr. Woodruff (for) with Mr. McLaughlin of Michigan (against).
Mr. Stevenson (for) with Mr. Hoch (against).
Mr. Wilson of Mississippi (for) with Mr. Driver (against).
Mr. Ragon (for) with Mr. Williams of Texas (against).
Mr. Eagan (for) with Mr. Tinkham (against).
Mr. Lee of Georgia (for) with Mr. Fleetwood (against).
Mr. Collins (for) with Mr. Humphreys (against).
Mr. Milligan (for) with Mr. Kendall (against).
Mr. Logan (for) with Mr. Vare (against).
Mr. Lineberger (for) with Mr. Fredericks (against).

The result of the vote was announced as above recorded.

The SPEAKER. The question comes on the substitute offered by the gentleman from Texas.

The question was taken, and on a division (demanded by Mr. LONGWORTH) the Speaker announced that there were—ayes 27, noes 155.

Mr. BARKLEY. Mr. Speaker, I ask for the yeas on this motion.

Mr. BLANTON. Mr. Sepaker, I make the point of order that there is an automatic call of the House because there is no quorum present.

Mr. SNELL. Mr. Speaker, I move the House do now adjourn.

The SPEAKER. There is not an automatic call of the House.

Mr. BARKLEY. Mr. Speaker, I have asked for the yeas and nays.

Mr. SNELL. Mr. Speaker, I make the point of order that no quorum is present.

Mr. BARKLEY. Mr. Speaker, I have asked for the yeas and nays, and I am entitled to have the question determined whether we shall have the yeas and nays on this motion.

The SPEAKER. The Chair thinks the point of no quorum comes first. A Member has the right at any time to make the point of order that no quorum is present. The Chair will count. [After counting.] One hundred and ninety-one Members present.

Mr. SNELL. Mr. Speaker, I move that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, on that motion I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 136, nays 172, answered "present" 5, not voting 119, as follows:

YEAS—136

Ackerman	Fenn	Lehlbach	Seger
Aldrich	Fitzgerald	Linthicum	Shreve
Allen	Fleetwood	Little	Simmons
Andrew	Free	Longworth	Sinnott
Anthony	Freeman	Luce	Smith
Bacon	French	McDuffie	Snell
Beedy	Frothingham	McFadden	Snyder
Beers	Fuller	McLeod	Speaks
Begg	Garber	MacLafferty	Sproul, Ill.
Bixler	Garner, Tex.	Magee, Pa.	Sproul, Kans.
Bland	Gibson	Magee, N. Y.	Stephens
Blanton	Gifford	Manlove	Strong, Pa.
Boyce	Goldsborough	Mapes	Sweet
Brand, Ohio	Graham, Pa.	Merritt	Taber
Brumm	Graham, Ill.	Michener	Temple
Burtness	Green, Iowa	Miller, Ill.	Thatcher
Butler	Griest	Moore, Ill.	Thompson
Cable	Hadley	Moores, Ind.	Timberlake
Chindblom	Hardy	Nelson, Me.	Tincher
Christopherson	Haugen	Newton, Mo.	Treadway
Clarke, N. Y.	Hawley	Newton, Minn.	Vaile
Cole, Iowa	Hickey	Parker	Vincent, Mich.
Colton	Hill, Md.	Patterson	Walnwright
Connolly, Pa.	Hudson	Perkins	Watres
Cramton	Hull, William E.	Porter	Watson
Crowther	Johnson, Ky.	Purnell	Welsh
Darrow	Johnson, S. Dak.	Ransley	Wertz
Dempsey	Kearns	Reece	White, Kans.
Dickinson, Iowa	Ketcham	Reed, N. Y.	White, Me.
Edmonds	Kiess	Roach	Williams, Mich.
Elliott	Kurtz	Robinson, Iowa	Winslow
Evans, Iowa	Larson, Minn.	Sanders, Ind.	Wyant
Fairchild	Leatherwood	Sanders, N. Y.	Yates
Faust	Leavitt	Scott	Young

NAYS—172

Abernethy	Davis, Tenn.	Lankford	Rathbone
Allgood	Dickinson, Mo.	Larsen, Ga.	Rayburn
Almon	Doughton	Lazaro	Reed, Ark.
Arnold	Dowell	Lindsay	Reid, Ill.
Aswell	Doyle	Lozier	Richards
Ayres	Dyer	Lyon	Robsion, Ky.
Bankhead	Favrot	McClintic	Rouse
Barbour	Fisher	McKeown	Rubey
Barkley	Foster	McReynolds	Sabath
Beck	Frear	McSwain	Salmon
Berger	Fulbright	McSweeney	Sanders, Tex.
Black, N. Y.	Fulmer	Major, Ill.	Sandlin
Black, Tex.	Gardner, Ind.	Major, Mo.	Schafer
Bloom	Garrett, Tenn.	Martin	Schall
Boles	Garrett, Tex.	Mead	Schneider
Bowling	Gasque	Miller, Wash.	Shallenberger
Box	Glatfelter	Minahan	Sinclair
Boylan	Greenwood	Mooney	Sites
Briggs	Hammer	Moore, Ga.	Smithwick
Browne, Wis.	Hastings	Morehead	Stengall
Browning	Hayden	Morrow	Stedman
Buchanan	Hill, Ala.	Murphy	Summers, Wash.
Buckley	Hill, Wash.	Nelson, Wis.	Sumners, Tex.
Bulwinkle	Holaday	Nolan	Swank
Busby	Howard, Nebr.	O'Connell, N. Y.	Swing
Byrnes, S. C.	Huddleston	O'Connell, R. I.	Tague
Byrns, Tenn.	Hull, Iowa	O'Connor, La.	Taylor, W. Va.
Cannon	Jacobstein	O'Connor, N. Y.	Thomas, Okla.
Carter	James	O'Sullivan	Tillman
Casey	Jeffers	Oldfield	Underwood
Celler	Johnson, Tex.	Oliver, Ala.	Vinson, Ga.
Clancy	Johnson, W. Va.	Oliver, N. Y.	Vinson, Ky.
Collier	Jones	Parks, Ark.	Voigt
Connally, Tex.	Keller	Peavey	Watkins
Cook	Kelly	Peery	Weaver
Cooper, Ohio	Kent	Pou	Wefald
Cooper, Wis.	Kindred	Prall	Weller
Corning	King	Quayle	Williams, Ill.
Crisp	Kopp	Quin	Wilson, Ind.
Croll	Kvale	Ragon	Wingo
Crosser	LaGuardia	Rainey	Wolff
Cullen	Lampert	Raker	Woodrum
Cummings	Lanham	Rankin	Wright

ANSWERED "PRESENT"—5

Carew	Eagan	Hudspeth	Sherwood
Driver			

NOT VOTING—119

Anderson	Drane	Kendall	Moore, Va.
Bacharach	Drewry	Kerr	Morgan
Bell	Evans, Mont.	Kincheloe	Morin
Brand, Ga.	Fairfield	Knutson	Morris
Britten	Fish	Kunz	Mudd
Browne, N. J.	Fredericks	Langley	O'Brien
Burdick	Funk	Lea, Calif.	Paige
Burton	Gallivan	Lee, Ga.	Park, Ga.
Campbell	Geran	Lilly	Perlman
Canfield	Gilbert	Lineberger	Phillips
Clague	Greene, Mass.	Logan	Ramseyer
Clark, Fla.	Griffin	Lowrey	Reed, W. Va.
Cleary	Harrison	McKenzie	Rogers, Mass.
Cole, Ohio	Hawes	McLaughlin, Mich.	Rogers, N. H.
Collins	Hersey	McLaughlin, Nebr.	Romjue
Connery	Hoch	McNulty	Rosenbloom
Curry	Hooker	MacGregor	Sears, Fla.
Dallinger	Howard, Okla.	Madden	Sears, Nebr.
Davey	Hull, Morton D.	Mansfield	Stalker
Davis, Minn.	Hull, Tenn.	Michaelson	Stengle
Deal	Humphreys	Milligan	Stevenson
Denison	Johnson, Wash.	Mills	Strong, Kans.
Dickstein	Jost	Montague	Sullivan
Dominick	Kahn	Moore, Ohio	Swoope
Taylor, Colo.	Tydings	Ward, N. Y.	Winter
Taylor, Tenn.	Underhill	Wason	Wood
Thomas, Ky.	Upshaw	Williams, Tex.	Woodruff
Tilson	Vare	Williamson	Wurzbach
Tinkham	Vestal	Wilson, La.	Zihlman
Tucker	Ward, N. C.	Wilson, Miss.	

So the motion to adjourn was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Vestal (for) with Mr. Connery (against).
Mr. Paige (for) with Mr. Brand of Georgia (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Strong of Kansas (for) with Mr. Hudspeth (against).
Mr. Anderson (for) with Mr. Bell (against).
Mr. Geran (for) with Mr. McNulty (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Sears of Nebraska (for) with Mr. Wurzbach (against).
Mr. Greene of Massachusetts (for) with Mr. Howard of Oklahoma (against).
Mr. Dallinger (for) with Mr. Curry (against).
Mr. Johnson of Washington (for) with Mr. Sherwood (against).
Mr. Burton (for) with Mr. Thomas of Kentucky (against).
Mr. Tilson (for) with Mr. Gallivan (against).
Mr. Morris (for) with Mr. Morgan (against).
Mr. Wood (for) with Mr. Hooker (against).
Mr. Winter (for) with Mr. Knutson (against).
Mr. Drewry (for) with Mr. Upshaw (against).
Mr. Underhill (for) with Mr. Mansfield (against).
Mr. McLaughlin of Michigan (for) with Mr. Woodruff (against).
Mr. Hoch (for) with Mr. Stevenson (against).
Mr. Driver (for) with Mr. Wilson of Mississippi (against).
Mr. Williams of Texas (for) with Mr. O'Brien (against).
Mr. Tinkham (for) with Mr. Eagan (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Humphreys (for) with Mr. Collins (against).
Mr. Kendall (for) with Mr. Milligan (against).
Mr. Vare (for) with Mr. Moore of Virginia (against).
Mr. Fredericks (for) with Mr. Lineberger (against).

The result of the vote was announced as above recorded.

Mr. BARKLEY. Mr. Speaker, the question now recurs on what?

The SPEAKER. The question recurs now on the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. BARKLEY. And on that, Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Kentucky demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 95, nays 205, answered "present" 6, not voting 126, as follows:

YEAS—95

Ackerman	Fenn	Luce	Sproul, Ill.
Aldrich	Free	McFadden	Sproul, Kans.
Andrew	Freeman	McSweeney	Stephens
Anthony	Fuller	MacLafferty	Strong, Pa.
Bacon	Garber	Magee, Pa.	Taber
Beedy	Goldsborough	Merritt	Temple
Beers	Griest	Michener	Thatcher
Begg	Hadley	Miller, Ill.	Timberlake
Bixler	Hardy	Moore, Ill.	Tincher
Blanton	Haugen	Moores, Ind.	Tinkham
Boyce	Hawes	Newton, Minn.	Treadway
Brand, Ohio	Hickey	Newton, Mo.	Vaile
Brumm	Hill, Md.	Parker	Walnwright
Butler	Hull, William E.	Perkins	Watres
Cable	Jacobstein	Purnell	Watson
Clarke, N. Y.	Johnson, Ky.	Ransley	Welsh
Connolly, Pa.	Johnson, S. Dak.	Reece	Wertz
Darrow	Ketcham	Reed, N. Y.	White, Kans.
Dickinson, Iowa	Kiess	Robinson, Iowa	White, Me.
Dyer	Kurtz	Sanders, N. Y.	Winslow
Edmonds	Larson, Minn.	Shreve	Wyant
Elliott	Leatherwood	Sinnott	Yates
Evans, Iowa	Leavitt	Snell	Young
Fairchild	Lehlbach	Snyder	

NAYS—205

Abernethy	Casey	Frear	Jones
Allen	Celler	French	Keller
Allgood	Chindblom	Fulbright	Kelly
Almon	Christopherson	Fulmer	Kent
Arnold	Clancy	Gardner, Ind.	Kindred
Aswell	Cole, Iowa	Garner, Tex.	King
Ayres	Collier	Garrett, Tenn.	Kopp
Bankhead	Colton	Garrett, Tex.	Kvale
Barbour	Connally, Tex.	Gasque	LaGuardia
Barkley	Cook	Gibson	Lampert
Beck	Cooper, Ohio	Glatfelter	Lanham
Black, N. Y.	Cooper, Wis.	Graham, Ill.	Lankford
Black, Tex.	Corning	Green, Iowa	Larsen, Ga.
Bland	Cramton	Greenwood	Lazaro
Bloom	Crisp	Hammer	Lea, Calif.
Boles	Croll	Harrison	Lindsay
Bowling	Crosser	Hastings	Linthicum
Box	Crowther	Hawley	Longworth
Boylan	Cullen	Hayden	Lozier
Briggs	Cummings	Hill, Ala.	Lyon
Browne, Wis.	Davis, Tenn.	Hill, Wash.	McClintic
Browning	Doughton	Holaday	McKeown
Buchanan	Dowell	Howard, Nebr.	McLeod
Buckley	Doyle	Huddleston	McReynolds
Bulwinkle	Eagan	Hudson	McSwain
Burtness	Faust	Hull, Iowa	Magee, N. Y.
Busby	Favrot	James	Major, Ill.
Byrns, Tenn.	Fisher	Jeffers	Major, Mo.
Cannon	Fitzgerald	Johnson, Tex.	Manlove
Carter	Foster	Johnson, W. Va.	Mapes

Martin	Peery	Sandlin	Thompson
Mead	Pou	Schafer	Tillman
Miller, Wash.	Prall	Schall	Underwood
Minahan	Quayle	Schneider	Vincent, Mich.
Mooney	Quin	Scott	Vinson, Ga.
Moore, Ga.	Ragon	Segee	Vinson, Ky.
Moore, Ohio	Rainey	Shallenberger	Watkins
Morehead	Raker	Simmons	Weaver
Morrow	Rankin	Sinclair	Wefald
Murphy	Rathbone	Sites	Weller
Nelson, Wis.	Rayburn	Smith	Williams, Ill.
Nolan	Reed, Ark.	Smithwick	Williams, Mich.
O'Connell, N. Y.	Reid, Ill.	Speaks	Williams, Tex.
O'Connell, R. I.	Richards	Steagall	Wilson, Ind.
O'Connor, La.	Roach	Stedman	Wilson, La.
O'Connor, N. Y.	Robsion, Ky.	Summers, Wash.	Wingo
O'Sullivan	Rouse	Sumners, Tex.	Wolff
Oldfield	Rubey	Swank	Woodrum
Oliver, Ala.	Sabath	Swing	Wright
Oliver, N. Y.	Salmon	Tague	
Parks, Ark.	Sanders, Ind.	Taylor, W. Va.	
Peavey	Sanders, Tex.	Thomas, Okla.	

ANSWERED "PRESENT"—6

Berger	Driver	Kearns	Sherwood
Carew	Hudspeth		

NOT VOTING—126

Anderson	Fleetwood	Lowrey	Sears, Fla.
Bacharach	Fredericks	McDuffie	Sears, Nebr.
Bell	Frothingham	McKenzie	Stalker
Brand, Ga.	Funk	McLaughlin, Mich.	Stengle
Britten	Gallivan	McLaughlin, Nebr.	Stevenson
Browne, N. J.	Geran	McNulty	Strong, Kans.
Burdick	Gifford	MacGregor	Sullivan
Burton	Gilbert	Madden	Sweet
Byrnes, S. C.	Graham, Pa.	Mansfield	Swoope
Campbell	Greene, Mass.	Michaelson	Taylor, Colo.
Canfield	Griffin	Milligan	Taylor, Tenn.
Clague	Hersey	Mills	Thomas, Ky.
Clark, Fla.	Hoch	Montague	Tilson
Cleary	Hooker	Moore, Va.	Tucker
Cole, Ohio	Howard, Okla.	Morgan	Tydings
Collins	Hull, Morton D.	Morin	Underhill
Connery	Hull, Tenn.	Morris	Upshaw
Curry	Humphreys	Mudd	Vare
Dallinger	Johnson, Wash.	Nelson, Me.	Vestal
Davey	Jost	O'Brien	Voigt
Davis, Minn.	Kahn	Paige	Ward, N. Y.
Deal	Kendall	Park, Ga.	Ward, N. C.
Dempsey	Kerr	Patterson	Wason
Denison	Kincheloe	Perlman	Williamson
Dickinson, Mo.	Knutson	Phillips	Wilson, Miss.
Dickstein	Kunz	Porter	Winter
Dominick	Langley	Ramseyer	Wood
Drane	Lee, Ga.	Reed, W. Va.	Woodruff
Drewry	Lilly	Rogers, Mass.	Wurzbach
Evans, Mont.	Lineberger	Rogers, N. H.	Zihlman
Fairfield	Little	Romjue	
Fish	Logan	Rosenbloom	

So the substitute amendment of Mr. BLANTON was rejected.

The Clerk announced the following additional pairs:

Mr. Kearns (for) with Mr. Byrnes of South Carolina (against).
Mr. Vestal (for) with Mr. Connery (against).
Mr. Paige (for) with Mr. Brand of Georgia (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Strong of Kansas (for) with Mr. Hudspeth (against).
Mr. Anderson (for) with Mr. Bell (against).
Mr. Geran (for) with Mr. McNulty (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Sears of Nebraska (for) with Mr. Wurzbach (against).
Mr. Greene of Massachusetts (for) with Mr. Howard of Oklahoma (against).
Mr. Dallinger (for) with Mr. Curry (against).
Mr. Johnson of Washington (for) with Mr. Sherwood (against).
Mr. Burton (for) with Mr. Thomas of Kentucky (against).
Mr. Tilson (for) with Mr. Gallivan (against).
Mr. Morris (for) with Mr. Morgan (against).
Mr. Wood (for) with Mr. Hooker (against).
Mr. Winter (for) with Mr. Knutson (against).
Mr. Drewry (for) with Mr. Upshaw (against).
Mr. Underhill (for) with Mr. Mansfield (against).
Mr. McLaughlin of Michigan (for) with Mr. Woodruff (against).
Mr. Hoch (for) with Mr. Stevenson (against).
Mr. Driver (for) with Mr. Wilson of Mississippi (against).
Mr. Vare (for) with Mr. Moore of Virginia (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Humphreys (for) with Mr. Collins (against).
Mr. Kendall (for) with Mr. Milligan (against).
Mr. Fredericks (for) with Mr. Lineberger (against).

Mr. KEARNS. Mr. Speaker, did the gentleman from South Carolina [Mr. BYRNES] vote?

The SPEAKER. No.

Mr. KEARNS. I will withdraw my vote of "aye" and answer "present," as I am paired with the gentleman.

The result of the vote was announced as above recorded.

Mr. CHINDBLOM. Mr. Speaker, I move to reconsider the vote. Many Members seem to have voted under a misapprehension; I voted "no" myself——

Mr. BARKLEY. Mr. Speaker, I move that that motion be laid on the table.

The SPEAKER. The gentleman from Kentucky moves to lay the motion on the table. The question is on the motion of the gentleman from Kentucky to lay the motion of the gentleman from Illinois on the table.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. What is the effect if that motion be laid upon the table? Would it carry all the other motions with it?

The SPEAKER. The Chair thinks it would just carry that motion to reconsider.

Mr. LONGWORTH. The gentleman from Kentucky supports that motion?

Mr. GARRETT of Tennessee. There is a motion pending to close debate. If this should be laid upon the table, would it carry these other motions?

The SPEAKER. The Chair thinks not.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry. Is it in order to make——

The SPEAKER. The Chair thinks it simply carries the motion to reconsider and nothing else. The question is on the motion of the gentleman from Kentucky to lay the motion on the table.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. BARKLEY. Mr. Speaker, I ask for the yeas and nays.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that is dilatory. [Laughter.]

The SPEAKER. Obviously a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 179, nays 126, answered "present" 4, not voting 123, as follows:

YEAS—179

Abernethy	Dowell	Larsen, Ga.	Rankin
Allen	Doyle	Lazaro	Rathbone
Allgood	Favrot	Lea, Calif.	Reed, Ark.
Almon	Fisher	Lindsay	Reid, Ill.
Arnold	Foster	Linthicum	Richards
Aswell	Frear	Lozier	Robsion, Ky.
Ayres	Fulbright	Lyon	Rouse
Bankhead	Fulmer	McClintic	Rubey
Barbour	Garber	McKeown	Sabath
Barkley	Gardner, Ind.	McReynolds	Salmon
Beck	Garrett, Tenn.	McSwain	Sanders, Tex.
Black, N. Y.	Garrett, Tex.	McSweeney	Sandlin
Black, Tex.	Gasque	Major, Ill.	Schafer
Bloom	Gibson	Major, Mo.	Schall
Boles	Glatfelter	Manlove	Schneider
Bowling	Greenwood	Martin	Shallenberger
Box	Hammer	Mead	Sherwood
Boylan	Harrison	Miller, Wash.	Sinclair
Briggs	Hastings	Minahan	Sites
Browne, Wis.	Hayden	Mooney	Smithwick
Browning	Hill, Ala.	Moore, Ga.	Steagall
Buchanan	Hill, Wash.	Moore, Ohio	Stedman
Buckley	Holaday	Morehead	Summers, Wash.
Bulwinkle	Howard, Nebr.	Morrow	Sumners, Tex.
Burtness	Huddleston	Murphy	Swank
Busby	Hull, Iowa	Nelson, Wis.	Swing
Byrns, Tenn.	Jacobstein	Nolan	Tague
Cannon	James	O'Connell, N. Y.	Taylor, W. Va.
Casey	Jeffers	O'Connell, R. I.	Thomas, Okla.
Celler	Johnson, Ky.	O'Connor, La.	Tillman
Christopherson	Johnson, Tex.	O'Connor, N. Y.	Underwood
Clancy	Johnson, W. Va.	O'Sullivan	Vinson, Ky.
Collier	Jones	Oldfield	Voigt
Connally, Tex.	Keller	Oliver, Ala.	Watkins
Cook	Kelly	Oliver, N. Y.	Weaver
Cooper, Ohio	Kent	Parks, Ark.	Wefald
Cooper, Wis.	Kincheloe	Peavey	Weller
Corning	Kindred	Peery	Williams, Ill.
Crisp	King	Pou	Williams, Tex.
Croll	Kopp	Prall	Wilson, Ind.
Crosser	Kvale	Quayle	Wingo
Cullen	LaGuardia	Quin	Wolff
Cummings	Lampert	Ragon	Woodrum
Davis, Tenn.	Lanham	Rainey	Wright
Doughton	Lankford	Raker	

NAYS—126

Ackerman	Edmonds	Johnson, S. Dak.	Perkins
Aldrich	Elliott	Johnson, Wash.	Phillips
Andrew	Evans, Iowa	Kearns	Purnell
Anthony	Fairchild	Ketcham	Ransley
Bacon	Fairfield	Kiess	Reece
Beedy	Faust	Kurtz	Reed, N. Y.
Beers	Fenn	Larson, Minn.	Roach
Begg	Fitzgerald	Leatherwood	Robinson, Iowa
Bixler	Free	Leavitt	Sanders, N. Y.
Blanton	Freeman	Lehlbach	Scott
Boyce	French	Longworth	Seger
Brand, Ohio	Frothingham	Luce	Shreve
Britten	Fuller	McDuffie	Simmons
Brumm	Goldsborough	McFadden	Sinnott
Butler	Graham, Ill.	McLeod	Smith
Cable	Graham, Pa.	MacLafferty	Snell
Chindblom	Green, Iowa	Magee, N. Y.	Snyder
Clarke, N. Y.	Griest	Magee, Pa.	Speaks
Cole, Iowa	Hadley	Mapes	Sproul, Ill.
Colton	Hardy	Merritt	Sproul, Kans.
Connolly, Pa.	Haugen	Michener	Stephens
Cramton	Hawley	Mills	Strong, Pa.
Crowther	Hickey	Moore, Ill.	Taber
Darrow	Hill, Md.	Moores, Ind.	Temple
Dempsey	Hudson	Newton, Mo.	Thatcher
Dickinson, Iowa	Hull, Morton D.	Parker	
Dyer	Hull, William E.	Patterson	

Thompson	Vare	Welsh	Wyant
Timberlake	Vincent, Mich.	Wertz	Yates
Tincher	Wainwright	White, Kans.	Young
Treadway	Watres	White, Me.	
Valle	Watson	Winslow	

ANSWERED "PRESENT"—4

Berger	Carew	Eagan	Hudspeth

NOT VOTING—123

Anderson	Fish	McKenzie	Sears, Nebr.
Bacharach	Fleetwood	McLaughlin, Mich.	Stalker
Bell	Fredericks	McLaughlin, Nebr.	Stengle
Bland	Funk	McNulty	Stevenson
Brand, Ga.	Gallivan	MacGregor	Strong, Kans.
Browne, N. J.	Garner, Tex.	Madden	Sullivan
Burdick	Geran	Mansfield	Swoope
Burton	Gifford	Michaelson	Taylor, Colo.
Byrnes, S. C.	Gilbert	Miller, Ill.	Taylor, Tenn.
Campbell	Greene, Mass.	Milligan	Thomas, Ky.
Canfield	Griffin	Montague	Tilson
Carter	Hawes	Moore, Va.	Tinkham
Clague	Hersey	Morgan	Tucker
Clark, Fla.	Hoch	Morin	Tydings
Cleary	Hooker	Morris	Underhill
Cole, Ohio	Howard, Okla.	Mudd	Upshaw
Collins	Hull, Tenn.	Nelson, Me.	Vestal
Connery	Humphreys	Newton, Minn.	Vinson, Ga.
Curry	Jost	O'Brien	Ward, N. Y.
Dallinger	Kahn	Paige	Ward, N. C.
Davey	Kendall	Park, Ga.	Wason
Davis, Minn.	Kerr	Perlman	Williams, Mich.
Deal	Knutson	Porter	Williamson
Denison	Kunz	Ramseyer	Wilson, La.
Dickinson, Mo.	Langley	Rayburn	Wilson, Miss.
Dickstein	Lee, Ga.	Reed, W. Va.	Winter
Dominick	Lilly	Rogers, Mass.	Wood
Drane	Lineberger	Rogers, N. H.	Woodruff
Drewry	Little	Romjue	Wurzbach
Driver	Logan	Rosenbloom	Zihlman
Evans, Mont.	Lowrey	Sears, Fla.	

So the Barkley motion to lay on the table the Chindblom motion to reconsider the last vote was agreed to.

The Clerk announced the following additional pairs:

Mr. Eagan (for) with Mr. Tinkham (against).
Mr. Byrnes of South Carolina (for) with Mr. Kearns (against).
Mr. Connery (for) with Mr. Vestal (against).
Mr. Brand of Georgia (for) with Mr. Paige (against).
Mr. Carew (for) with Mr. Madden (against).
Mr. Hudspeth (for) with Mr. Strong of Kansas (against).
Mr. Bell (for) with Mr. Anderson (against).
Mr. McNulty (for) with Mr. Geran (against).
Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Wurzbach (for) with Mr. Sears of Nebraska (against).
Mr. Howard of Oklahoma (for) with Mr. Greene of Massachusetts (against).
Mr. Curry (for) with Mr. Dallinger (against).
Mr. Thomas of Kentucky (for) with Mr. Burton (against).
Mr. Gallivan (for) with Mr. Tilson (against).
Mr. Morgan (for) with Mr. Morris (against).
Mr. Hooker (for) with Mr. Wood (against).
Mr. Knutson (for) with Mr. Winter (against).
Mr. Upshaw (for) with Mr. Drewry (against).
Mr. Mansfield (for) with Mr. Underhill (against).
Mr. Woodruff (for) with Mr. Laughlin of Michigan (against).
Mr. Stevenson (for) with Mr. Hoch (against).
Mr. Wilson of Mississippi (for) with Mr. Driver (against).
Mr. Moore of Virginia (for) with Mr. Vare (against).
Mr. Lee of Georgia (for) with Mr. Fleetwood (against).
Mr. Collins (for) with Mr. Humphreys (against).
Mr. Milligan (for) with Mr. Kendall (against).
Mr. Lineberger (for) with Mr. Fredericks (against).
Mr. O'Sullivan (for) with Mr. Fenn (against).
Mr. Sabath (for) with Mr. Kunz (against).
Mr. Logan (for) with Mr. Fish (against).

The result of the vote was announced as above recorded.

The SPEAKER. The motion to lay on the table prevails. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. LONGWORTH].

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. LONGWORTH. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 89, noes 122.

Mr. SNELL. Mr. Speaker, I object to the vote because there is no quorum present. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York objects to the vote on the ground that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll. As many as are in favor of the amendment offered by the gentleman from Ohio [Mr. LONGWORTH] will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 139, nays 157, answered "present" 5, not voting 131, as follows:

YEAS—139

Ackerman	Beedy	Brand, Ohio	Chindblom
Aldrich	Beers	Brumm	Christopherson
Andrew	Begg	Buchanan	Clarke, N. Y.
Anthony	Bixler	Burtness	Cole, Iowa
Aswell	Blanton	Butler	Connolly, Pa.
Bacon	Boyce	Cable	Cramton
Crowther	Hawes	Merritt	Sproul, Ill.
Darrow	Hawley	Michener	Sproul, Kans.
Davis, Tenn.	Hickey	Mills	Stephens
Dempsey	Hill, Md	Moore, Ill.	Strong, Pa.
Dickinson, Iowa	Hudson	Moore, Ohio	Sumners, Tex.
Dyer	Hull, Morton D.	Moores, Ind.	Sweet
Edmonds	Hull, William E.	Newton, Minn.	Taber
Elliott	Jacobstein	Newton, Mo.	Temple
Evans, Iowa	Johnson, Ky.	Parker	Thatcher
Fairchild	Johnson, S. Dak.	Patterson	Timberlake
Fairfield	Johnson, Wash.	Perkins	Treadway
Faust	Ketcham	Phillips	Valle
Fish	Kiess	Porter	Vare
Fitzgerald	Kurtz	Ragon	Vincent, Mich.
Foster	Larson, Minn.	Ransley	Wainwright
Free	Lea, Calif.	Reece	Watres
Freeman	Leatherwood	Reed, N.Y.	Watson
French	Leavitt	Roach	Welsh
Fuller	Lehlbach	Robinson, Iowa	Wertz
Garber	Linthicum	Rouse	White, Kans.
Garrett, Tenn.	Longworth	Sanders, Ind.	White, Me.
Gibson	Luce	Sanders, N. Y.	Williams, Mich.
Goldsborough	McFadden	Scott	Williams, Tex.
Graham, Ill.	McLeod	Seger	Williamson
Graham, Pa.	McSweeney	Shreve	Winslow
Green, Iowa	MacLafferty	Simmons	Wyant
Griest	Magee, Pa.	Sinnott	Yates
Hadley	Manlove	Smith	Young
Hardy	Mapes	Snell	

NAYS—157

Abernethy	Dowell	Larsen, Ga.	Reid, Ill.
Allen	Doyle	Lazaro	Richards
Allgood	Eagan	Lindsay	Robsion, Ky.
Almon	Favrot	Lozier	Rubey
Arnold	Fisher	Lyon	Salmon
Ayres	Frear	McClintic	Sanders, Tex.
Bankhead	Fulbright	McKeown	Sandlin
Barbour	Fulmer	McReynolds	Schafer
Barkley	Gardner, Ind.	Magee, N. Y.	Schall
Beck	Garrett, Tex.	Major, Ill.	Schneider
Black, N. Y.	Gasque	Major, Mo.	Shallenberger
Black, Tex.	Glatfelter	Martin	Sinclair
Bloom	Greenwood	Mead	Sites
Boles	Hammer	Miller, Wash.	Smithwick
Bowling	Harrison	Minahan	Speaks
Box	Hastings	Mooney	Steagall
Boylan	Hayden	Moore, Ga.	Stedman
Briggs	Hill, Ala.	Morehead	Summers, Wash.
Browne, Wis.	Hill, Wash.	Morrow	Swank
Browning	Holaday	Murphy	Taylor, W. Va.
Buckley	Howard, Nebr.	Nelson, Wis.	Thomas, Okla.
Bulwinkle	Huddleston	Nolan	Thompson
Busby	Hull, Iowa	O'Connell, N. Y.	Tincher
Byrns, Tenn.	James	O'Connell, R. I.	Underwood
Cannon	Jeffers	O'Connor, La.	Vinson, Ga.
Carter	Johnson, Tex.	O'Connor, N. Y.	Vinson, Ky.
Casey	Johnson, W.Va.	Oldfield	Voigt
Celler	Jones	Oliver, Ala.	Watkins
Clancy	Keller	Oliver, N.Y.	Weaver
Collier	Kelly	Parks, Ark.	Wefald
Connally, Tex.	Kent	Peavey	Weller
Cook	Kincheloe	Pou	Williams, Ill.
Cooper, Wis.	Kindred	Prall	Wilson, Ind.
Corning	King	Quayle	Wingo
Crisp	Kopp	Quin	Wolff
Croll	Kvale	Raker	Woodrum
Crosser	LaGuardia	Rankin	Wright
Cullen	Lampert	Rathbone	
Cummings	Lanham	Rayburn	
Doughton	Lankford	Reed, Ark.	

ANSWERED "PRESENT"—5

Berger	Colton	Driver	Hudspeth
Carew			

NOT VOTING—131

Anderson	Fredericks	McLaughlin, Mich.	Sears, Nebr.
Bacharach	Frothingham	McLaughlin, Nebr.	Sherwood
Bell	Funk	McNulty	Snyder
Bland	Gallivan	McSwain	Stalker
Brand, Ga.	Garner, Tex.	MacGregor	Stengle
Britten	Geran	Madden	Stevenson
Browne, N. J.	Gifford	Mansfield	Strong, Kans.
Burdick	Gilbert	Michaelson	Sullivan
Burton	Greene, Mass.	Miller, Ill.	Swing
Byrnes, S. C.	Griffin	Milligan	Swoope
Campbell	Haugen	Montague	Tague
Canfield	Hersey	Moore, Va.	Taylor, Colo.
Clague	Hoch	Morgan	Taylor, Tenn.
Clark, Fla.	Hooker	Morin	Thomas, Ky.
Cleary	Howard, Okla.	Morris	Tillman
Cole, Ohio	Hull, Tenn.	Mudd	Tilson
Collins	Humphreys	Nelson, Me.	Tinkham
Connery	Jost	O'Brien	Tucker
Cooper, Ohio	Kahn	O'Sullivan	Tydings
Curry	Kearns	Paige	Underhill
Dallinger	Kendall	Park, Ga.	Upshaw
Davey	Kerr	Peery	Vestal
Davis, Minn.	Knutson	Perlman	Ward, N. C.
Deal	Kunz	Purnell	Ward, N.Y.
Denison	Langley	Rainey	Wason
Dickinson, Mo.	Lee, Ga.	Ramseyer	Wilson, La.
Dickstein	Lilly	Reed, W.Va.	Wilson, Miss.
Dominick	Lineberger	Rogers, Mass.	Winter
Drane	Little	Rogers, N. H.	Wood
Drewry	Logan	Romjue	Woodruff
Evans, Mont.	Lowrey	Rosenbloom	Wurzbach
Fenn	McDuffie	Sabath	Zihlman
Fleetwood	McKenzie	Sears, Fla.	

So the amendment was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Tinkham (for) with Mr. Tague (against).
Mr. Kearns (for) with Mr. Byrnes of South Carolina (against).
Mr. Vestal (for) with Mr. Connery (against).
Mr. Paige (for) with Mr. Brand of Georgia (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Strong of Kansas (for) with Mr. Hudspeth (against).
Mr. Anderson (for) with Mr. Bell (against).
Mr. Geran (for) with Mr. McNulty (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Sears of Nebraska (for) with Mr. Wurzbach (against).
Mr. Greene of Massachusetts (for) with Mr. Howard of Oklahoma (against).
Mr. Dallinger (for) with Mr. Curry (against).
Mr. Burton (for) with Mr. Thomas of Kentucky (against).
Mr. Tilson (for) with Mr. Gallivan (against).
Mr. Morris (for) with Mr. Morgan (against).
Mr. Wood (for) with Mr. Hooker (against).
Mr. Winter (for) with Mr. Knutson (against).
Mr. Drewry (for) with Mr. Upshaw (against).
Mr. Underhill (for) with Mr. Mansfield (against).
Mr. McLaughlin of Michigan (for) with Mr. Woodruff (against).
Mr. Hoch (for) with Mr. Stevenson (against).
Mr. Driver (for) with Mr. Wilson of Mississippi (against).
Mr. Vare (for) with Mr. Moore of Virginia (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Humphreys (for) with Mr. Collins (against).
Mr. Kendall (for) with Mr. Milligan (against).
Mr. Fredericks (for) with Mr. Lineberger (against).
Mr. Fenn (for) with Mr. O'Sullivan (against).
Mr. Kunz (for) with Mr. Sabath (against).
Mr. Fish (for) with Mr. Logan (against).
Mr. Colton (for) with Mr. Rainey (against).
Mr. McDuffie (for) with Mr. Tillman (against).
Mr. Frothingham (for) with Mr. Sherwood (against).

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Mr. TINCHER. I move to reconsider that vote, Mr. Speaker.

Mr. BARKLEY. Mr. Speaker, I make the point of order that the motion is dilatory.

Mr. GARRETT of Tennessee. How did the gentleman vote?

Mr. TINCHER. I voted "no," and the motion is not dilatory, because I have a reason for making the motion, and I have reason to believe the motion will be reconsidered.

Mr. BARKLEY. Mr. Speaker, I make the point of order that the motion is dilatory.

Mr. GARRETT of Tennessee. I think the motion must be made by one who voted with the prevailing side.

Mr. TINCHER. I voted with the prevailing side.

Mr. GARRETT of Tennessee. The gentleman voted "no"?

Mr. TINCHER. Yes.

Mr. BARKLEY. Was that intentionally done?

Mr. SANDERS of Indiana. Do I understand that the gentleman from Kentucky makes the point of order that the motion is dilatory?

Mr. BARKLEY. Yes.

Mr. SANDERS of Indiana. Mr. Speaker, it would be a bad precedent to hold that a motion to reconsider, made for the first time, was dilatory, for the reason that the rules of the House specifically provide for a motion to reconsider at any time within three days, and very frequently, in order that a matter may be closed, a motion to reconsider is made and a motion to lay on the table.

Mr. TINCHER. I hope the Chair will not hold this motion, the first motion I have made to-day, dilatory without my having some right to argue the proposition.

The SPEAKER. The Chair will hear the gentleman.

Mr. TINCHER. I voted "No" when the roll was called with the idea that perhaps the House was determined upon three hours of debate. I had had some conversation with some gentlemen who are enthusiastic and were enthusiastic in discharging the committee this afternoon and who are enthusiastic for the consideration of this bill, some men who have voted consistently that way all day I can name them if necessary. They are men who thought that three hours was not sufficient time for general debate on this bill, and after the roll was practically finished one gentleman that I know of voted "Aye" who had voted "No" on the division. There is a sentiment that three hours is not sufficient time for debate on this bill, and I know of some men who voted "No" who want to vote "Aye" on the motion to reconsider. I have in mind no less a personage than the gentleman from Wisconsin [Mr. NELSON]. He voted "Aye" on this motion.

Mr. NELSON of Wisconsin. But he changed his vote.

Mr. TINCHER. In view of conversations like that which I have had on this floor I made the motion, not with any idea of delaying proceedings, because I realize that some time to-night we will finally determine how long a time we shall have for debate on this great, complicated measure, which must be considered for the first time in the House of Representatives and not by any committee. I contend it is unfair to charge a Member of the House, who has taken the interest in it I have, with dilatory tactics because he wants to fully debate it. [Laughter and applause.]

The SPEAKER. The Chair will state he was rather disposed to think it was dilatory, but does the Chair understand the gentleman to state that in his opinion he has some reason to think Members will vote to reconsider?

Mr. TINCHER. I have, and I cite this instance. In conversation with the gentleman from Wisconsin [Mr. NELSON] who voted "no" on the division, who has been enthusiastic and who has been in the conferences on that side all day, finally, when his name was called the last time voted "aye" and that leads me to believe that the crowd following him in this matter will on reconsideration determine it is fair for us to have this matter debated in the House and that we will be successful in the motion to reconsider. [Applause.]

The SPEAKER. The Chair will overrule the point of order.

Mr. BARKLEY. Mr. Speaker——

The SPEAKER. The Chair will hear the gentleman.

Mr. BARKLEY. In view of the proceeding that has occurred here to-day and to-night; in view of the fact that numerous motions to adjourn have been made by Members on the other side, and on numerous occasions we have seen droves of Members on that side leaving the House in order to break a quorum so that a motion to adjourn might not be held dilatory; in view of the fact that the gentleman from Kansas has voted in favor of every dilatory tactic and every obstructive motion that has been made during the day; in view of the fact that he voted with the majority in this particular instance in order that he might qualify to make this dilatory motion, I submit to the Chair it is a dilatory motion and that his vote was cast with the majority in order that he might make it as a dilatory motion. [Applause.]

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER. The Chair will state that he was disposed to rule that it was a dilatory motion, but no motion to adjourn has been made for two hours——

Mr. BARKLEY. The motion to adjourn is not the only dilatory motion.

The SPEAKER. Of course not; but in view of what the gentleman has stated, the Chair does not feel authorized——

Mr. NELSON of Wisconsin. Mr. Speaker, the gentleman has used my name, and incorrectly, and I desire briefly to be heard.

The SPEAKER. The Chair will hear the gentleman.

Mr. NELSON of Wisconsin. The gentleman has no right to say that I was hesitating about this question. He knows I voted inadvertently "aye" and changed my vote. Now, Mr. Speaker, just a word on this point. Clearly the rules prohibit dilatory motions of this kind.

Mr. TINCHER. Will the gentleman yield a moment? Did the gentleman say I knew he voted inadvertently?

Mr. NELSON of Wisconsin. We have had six or seven motions to adjourn, clearly dilatory tactics from start to finish, the House having repeatedly shown a desire to legislate, and yet we have had one constant motion after another, filibustering, and surely it is the duty of the Speaker, it would seem to me, somewhere to stop this dilatory proceeding, and I wish to say that if we can not stop it then we shall attempt to do this thing, because if it works in this case it will work in other cases, and we protest against it.

Mr. TINCHER. Will the gentleman yield to me a minute?

Mr. BLANTON. Regular order, Mr. Speaker.

Mr. LONGWORTH. Mr. Speaker, I submit that a calm perusal of the RECORD will show that not less than two-thirds of the time that has been taken up has been on the motion of the gentleman from Kentucky.

Mr. BARKLEY. In order to save time that would have been lost by your filibuster. [Laughter.]

The SPEAKER. The Chair appreciates the truth of what has been said by the gentleman from Kentucky and the gentleman from Wisconsin, and the Chair thinks it is his duty to prevent what are obviously dilatory tactics, and was disposed to rule that this motion was dilatory, but the gentleman from Kansas has stated that he has reason and the Chair does not feel warranted—has the gentleman from Kansas anything further to say?

Mr. TINCHER. Yes; Mr. Speaker. I regard my word as worth something in the House and I have some regard for the respect of the Speaker of the House. I want the Speaker to understand exactly what occurred between the gentleman from Wisconsin [Mr. NELSON] and myself.

The SPEAKER. The Chair does not think that is important. The Chair overrules the point of order.

Mr. BARKLEY. Mr. Speaker, I move to lay this motion on the table, and on that I ask for the yeas and nays.

Mr. LONGWORTH. I again submit that that is a dilatory motion, Mr. Speaker.

The yeas and nays were ordered.

The question was taken; and there were—yeas 172, nays 128, answered "present" 6, not voting 126, as follows:

YEAS—172

Abernethy	Doughton	Lanham	Rankin
Allen	Dowell	Lankford	Rathbone
Allgood	Doyle	Larson, Ga.	Rayburn
Almon	Ragan	Lazaro	Reed, Ark.
Arnold	Favrot	Lee, Calif.	Reid, Ill.
Aswell	Fisher	Lindsay	Richards
Ayres	Frear	Linthicum	Roach
Bankhead	Fulbright	Lozier	Robsion, Ky.
Barbour	Fulmer	Lyon	Rouse
Barkley	Gardner, Ind.	McClintic	Ruley
Beck	Garrett, Tenn.	McKown	Salmon
Berger	Garrett, Tex.	McReynolds	Sanders, Tex.
Black, N. Y.	Gasque	McSweeney	Sandlin
Black, Tex.	Glatfelter	Major, Ill.	Schafer
Bloom	Greenwood	Major, Mo.	Schall
Boies	Hammer	Martin	Schneider
Bowling	Harrison	Mead	Shallenberger
Box	Hastings	Miller, Wash.	Simmons
Boylan	Hayden	Minahan	Sinclair
Briggs	Hill, Ala.	Mooney	Sites
Browne, Wis.	Hill, Wash.	Moore, Ga.	Smithwick
Browning	Holaday	Moore, Ohio	Steagall
Buchanan	Howard, Nebr.	Morehead	Stedman
Buckley	Huddleston	Morrow	Summers, Wash.
Bulwinkle	Hull, Iowa	Murphy	Sumners, Tex.
Burtness	Jacobstein	Nelson, Wis.	Swank
Busby	James	Nolan	Swing
Byrns, Tenn.	Jeffers	O'Connell, N. Y.	Taylor, W. Va.
Cannon	Johnson, Ky.	O'Connell, R. I.	Thomas, Okla.
Carter	Johnson, S. Dak.	O'Connor, La.	Underwood
Casey	Johnson, Tex.	O'Connor, N.Y.	Vinson, Ga.
Celler	Johnson, W. Va.	Oldfield	Vinson, Ky.
Clancy	Jones	Oliver, Ala.	Volgt
Collier	Keller	Oliver, N. Y.	Watkins
Connally, Tex.	Kelly	Parks, Ark.	Weaver
Cook	Kent	Peavey	Wefald
Cooper, Wis.	Kincheloe	Peery	Weller
Corning	Kindred	Pou	Wilson, Ind.
Crisp	King	Prall	Wingo
Croll	Kopp	Quayle	Winslow
Crosser	Kvale	Quin	Wolff
Cullen	LaGuardia	Ragon	Woodrum
Davis, Tenn.	Lampert	Raker	Wright

NAYS—128

Ackerman	Fairchild	Leatherwood	Sears
Aldrich	Fairfield	Leavitt	Shreve
Andrew	Faust	Lehlbach	Sinnott
Anthony	Fish	Longworth	Snell
Bacon	Fitzgerald	Luce	Snyder
Beedy	Foster	McFadden	Speaks
Beers	Free	MacLafferty	Sproul, Ill.
Begg	Freeman	Magee, N. Y.	Stephens
Bixler	French	Magee, Pa.	Strong, Pa.
Blanton	Fuller	Manlove	Sweet
Boyce	Garber	Mapes	Taber
Britten	Gibson	Merritt	Temple
Brumm	Gifford	Michener	Thatcher
Burdick	Goldsborough	Mills	Thompson
Butler	Graham, Ill.	Moore, Ill.	Tincher
Cable	Graham, Pa.	Moores, Ind.	Treadway
Chindblom	Green, Iowa	Nelson, Me.	Valle
Christopherson	Griest	Newton, Minn.	Vare
Cole, Iowa	Hadley	Parker	Vincent, Mich.
Connolly, Pa.	Hardy	Patterson	Wainwright
Cooper, Ohio	Haugen	Perkins	Watres
Cramton	Hawley	Phillips	Watson
Crowther	Hickey	Porter	Welsh
Cummings	Hill, Md.	Purnell	Wertz
Dallinger	Hudson	Ransley	White, Kans.
Darrow	Hull, Morton D.	Reece	White, Me.
Dempsey	Hull, William E.	Reed, N. Y.	Williams, Ill.
Dickinson, Iowa	Johnson, Wash.	Robinson, Iowa	Williams, Mich.
Dyer	Ketcham	Rogers, Mass.	Williamson
Edmonds	Kiess	Sanders, Ind.	Wyant
Elliott	Kurtz	Sanders, N. Y.	Yates
Evans, Iowa	Larson, Minn.	Scott	Young

ANSWERED "PRESENT"—6

Carew	Driver	McLaughlin, Mich.	Williams, Tex.
Dickinson, Mo.	Hudspeth		

NOT VOTING—126

Anderson	Denison	Humphreys	Mansfield
Bachmann	Dickstein	Jost	Michaelson
Bell	Dominick	Kahn	Miller, Ill.
Bland	Drane	Kearns	Milligan
Brand, Ga.	Drewry	Kendall	Montague
Brand, Ohio	Evans, Mont.	Kerr	Moore, Va.
Browne, N. J.	Fenn	Kunz	Morgan
Burton	Fleetwood	Kunz	Morin
Byrnes, S. C.	Fredericks	Langley	Morris
Campbell	Frothingham	Lee, Ga.	Mudd
Canfield	Funk	Lilly	Newton, Mo.
Clague	Gallivan	Lineberger	O'Brien
Clark, Fla.	Garner, Tex.	Little	O'Sullivan
Clarke, N. Y.	Geran	Logan	Paige
Cleary	Gilbert	Lowrey	Park, Ga.
Cole, Ohio	Green, Mass.	McDuffie	Perlman
Collins	Griffin	McKenzie	Raileey
Colton	Hawes	McLaughlin, Nebr.	Ramseyer
Connery	Herwey	McLeod	Reed, W. Va.
Curry	Hoch	McNulty	Rogers, N. H.
Davey	Hooker	McSwain	Romjue
Davis, Minn.	Howard, Okla.	MacGregor	Rosenbloom
Deal	Hull, Tenn.	Madden	Sabath

Sears, Fla.	Sullivan	Tinkham	Wilson, La.
Sears, Nebr.	Swoope	Tucker	Wilson, Miss.
Sherwood	Tague	Tydings	Winter
Smith	Taylor, Colo.	Underhill	Wood
Sproul, Kans.	Taylor, Tenn.	Upshaw	Woodruff
Stalker	Thomas, Ky.	Vestal	Wurzbach
Stengle	Tillman	Ward, N. C.	Zihlman
Stevenson	Tilson	Ward, N. Y.	
Strong, Kans.	Timberlake	Wason	

So the motion of Mr. BARKLEY was agreed to.

The following additional pairs were announced:

Mr. Tague (for) with Mr. Tinkham (against).
Mr. Byrnes of South Carolina (for) with Mr. Kearns (against).
Mr. Connery (for) with Mr. Vestal (against).
Mr. Brand of Georgia (for) with Mr. Paige (against).
Mr. Carew (for) with Mr. Madden (against).
Mr. Hudspeth (for) with Mr. Strong of Kansas (against).
Mr. Bell (for) with Mr. Anderson (against).
Mr. McNulty (for) with Mr. Geran (against).
Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Wurzbach (for) with Mr. Sears of Nebraska (against).
Mr. Howard of Oklahoma (for) with Mr. Greene of Massachusetts (against).
Mr. Curry (for) with Mr. Dallinger (against).
Mr. Thomas of Kentucky (for) with Mr. Burton (against).
Mr. Gallivan (for) with Mr. Tilson (against).
Mr. Morgan (for) with Mr. Morris (against).
Mr. Hooker (for) with Mr. Wood (against).
Mr. Knutson (for) with Mr. Winter (against).
Mr. Upshaw (for) with Mr. Drewry (against).
Mr. Mansfield (for) with Mr. Underhill (against).
Mr. Woodruff (for) with Mr. McLaughlin of Michigan (against).
Mr. Stevenson (for) with Mr. Hoch (against).
Mr. Wilson of Mississippi (for) with Mr. Driver (against).
Mr. Moore of Virginia (for) with Mr. McLeod (against).
Mr. Lee of Georgia (for) with Mr. Fleetwood (against).
Mr. Collins (for) with Mr. Humphreys (against).
Mr. Milligan (for) with Mr. Kendall (against).
Mr. Lineberger (for) with Mr. Fredericks (against).
Mr. O'Sullivan (for) with Mr. Fenn (against).
Mr. Sabath (for) with Mr. Kunz (against).
Mr. Logan (for) with Mr. Fish (against).
Mr. Rainey (for) with Mr. Colton (against).
Mr. Tillman (for) with Mr. McDuffie (against).
Mr. Sherwood (for) with Mr. Frothingham (against).
Mr. O'Brien (for) with Mr. Smith (against).
Mr. Dickinson of Missouri (for) with Mr. Little (against).

The result of the vote was announced as above recorded.

Mr. SANDERS of Indiana. Mr. Speaker, I move that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, I make the point of order that that motion is dilatory.

The SPEAKER. The Chair sustains the point of order.

Mr. BLANTON. Oh, Mr. Speaker, it is now 20 minutes past 11.

The SPEAKER. The question is on the original motion of the gentleman from Kentucky [Mr. BARKLEY].

The question was taken; and on a division (demanded by Mr. BARKLEY) there were 122 ayes and 115 noes.

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 165, nays 136, answered "present" 4, not voting 127, as follows:

YEAS—165

Abernethy	Davis, Tenn.	Lanham	Reid, Ill.
Allen	Doughton	Lankford	Richards
Allgood	Dowell	Larson, Ga.	Robsion, Ky.
Almon	Ragan	Lazaro	Rouse
Arnold	Favrot	Lindsay	Ruley
Aswell	Fisher	Lozier	Salmon
Ayres	Foster	Lyon	Sanders, Tex.
Bankhead	Frear	McClintic	Sandlin
Barbour	Fulbright	McKown	Schafer
Barkley	Fulmer	McReynolds	Schall
Beck	Funk	McSweeney	Schneider
Berger	Gardner, Ind.	Major, Ill.	Shallenberger
Black, N. Y.	Garrett, Tex.	Major, Mo.	Sinclair
Black, Tex.	Gasque	Martin	Sites
Bloom	Glatfelter	Mead	Smithwick
Boies	Greenwood	Miller, Wash.	Speaks
Bowling	Hammer	Minahan	Steagall
Box	Hastings	Mooney	Stedman
Boylan	Hayden	Moore, Ga.	Summers, Wash.
Briggs	Hill, Ala.	Morehead	Sumners, Tex.
Browne, Wis.	Hill, Wash.	Morrow	Swank
Browning	Holaday	Murphy	Swing
Buchanan	Howard, Nebr.	Nelson, Wis.	Taylor, W. Va.
Buckley	Huddleston	Nolan	Thomas, Okla.
Bulwinkle	Hull, Iowa	O'Connell, N. Y.	Thompson
Busby	Jacobstein	O'Connell, R. I.	Underwood
Byrns, Tenn.	James	O'Connor, La.	Vinson, Ga.
Carter	Jeffers	O'Connor, N. Y.	Vinson, Ky.
Casey	Johnson, Ky.	Oldfield	Volgt
Celler	Johnson, Tex.	Oliver, Ala.	Watkins
Clancy	Johnson, W. Va.	Oliver, N. Y.	Weaver
Collier	Jones	Parks, Ark.	Wefald
Connally, Tex.	Keller	Peavey	Weller
Cook	Kelly	Pou	Williams, Ill.
Cooper, Ohio	Kent	Prall	Wilson, Ind.
Cooper, Wis.	Kincheloe	Quin	Wingo
Corning	Kindred	Ragon	Wolff
Crisp	King	Raker	Woodrum
Croll	Kopp	Rankin	Wright
Crosser	Kvale	Rathbone	
Cullen	LaGuardia	Rayburn	
Cummings	Lampert	Reed, Ark.	

NAYS—136

Ackerman	Fairfield	Leavitt	Scott
Aldrich	Faust	Lehlbach	Seger
Andrew	Fish	Linthicum	Shreve
Anthony	Fitzgerald	Longworth	Simmons
Bacon	Free	Luce	Sinnott
Beedy	Freeman	McFadden	Snell
Beers	French	McLeod	Snyder
Begg	Fuller	MacLafferty	Sproul, Ill.
Bixler	Garber	Magee, N. Y.	Sproul, Kans.
Blanton	Gibson	Magee, Pa.	Stephens
Boyce	Gifford	Manlove	Strong, Pa.
Brand, Ohio	Goldsborough	Mapes	Taber
Brumm	Graham, Ill.	Merritt	Temple
Burdick	Graham, Pa.	Michener	Thatcher
Burtness	Green, Iowa	Mills	Timberlake
Butler	Griest	Moore, Ill.	Tincher
Cable	Hadley	Moore, Ohio	Treadway
Cannon	Hardy	Moores, Ind.	Valle
Chindblom	Haugen	Nelson, Me.	Vare
Christopherson	Hawes	Newton, Minn.	Vincent, Mich.
Clague	Hawley	Parker	Wainwright
Clarke, N. Y.	Hickey	Patterson	Watres
Cole, Iowa	Hill, Md.	Perkins	Watson
Connolly, Pa.	Hudson	Phillips	Welsh
Cramton	Hull, Morton D.	Porter	Wertz
Crowther	Hull, William E.	Purnell	White, Kans.
Darrow	Johnson, S. Dak.	Ransley	White, Me.
Dempsey	Johnson, Wash.	Reece	Williams, Mich.
Dickinson, Iowa	Ketcham	Reed, N. Y.	Williams, Tex.
Dyer	Kiess	Roach	Williamson
Edmonds	Kurtz	Robinson, Iowa	Winslow
Elliott	Larson, Minn.	Rogers, Mass.	Wyant
Evans, Iowa	Lea, Calif.	Sanders, Ind.	Yates
Fairchild	Leatherwood	Sanders, N. Y.	Young

ANSWERED "PRESENT"—4

Carew	Driver	Hudspeth	McLaughlin, Mich.

NOT VOTING—127

Anderson	Fredericks	McLaughlin, Nebr.	Sherwood
Bachmann	Frothingham	McNulty	Smith
Bell	Gallivan	McSwain	Stalker
Bland	Garner, Tex.	MacGregor	Stengle
Brand, Ga.	Garrett, Tenn.	Madden	Stevenson
Britten	Geran	Mansfield	Strong, Kans.
Browne, N. J.	Gilbert	Michaelson	Sullivan
Burton	Greene, Mass.	Miller, Ill.	Sweet
Byrnes, S. C.	Griffin	Milligan	Swoope
Campbell	Harrison	Montague	Tague
Canfield	Hersey	Moore, Va.	Taylor, Colo.
Clark, Fla.	Hoch	Morgan	Taylor, Tenn.
Cleary	Hooker	Morin	Thomas, Ky.
Cole, Ohio	Howard, Okla.	Morris	Tillman
Collins	Hull, Tenn.	Mudd	Tilson
Colton	Humphreys	Newton, Mo.	Tinkham
Connery	Jost	O'Brien	Tucker
Curry	Kahn	O'Sullivan	Tydings
Dallinger	Kearns	Paige	Underhill
Davey	Kendall	Park, Ga.	Upshaw
Davis, Minn.	Kerr	Peery	Vestal
Deal	Knutson	Perlman	Ward, N. Y.
Denison	Kunz	Quayle	Ward, N. C.
Dickinson, Mo.	Langley	Raileey	Wason
Dickstein	Lee, Ga.	Ramseyer	Wilson, La.
Dominick	Lilly	Reed, W. Va.	Wilson, Miss.
Doyle	Lineberger	Rogers, N. H.	Winter
Drane	Little	Romjue	Wood
Drewry	Logan	Rosenbloom	Woodruff
Evans, Mont.	Lowrey	Sabath	Wurzbach
Fenn	McDuffie	Sears, Fla.	Zihlman
Fleetwood	McKenzie	Sears, Nebr.	

So the motion of Mr. BARKLEY was agreed to.

The Clerk announced the following additional pairs:

Mr. Tague (for) with Mr. Tinkham (against).
Mr. Byrnes of South Carolina (for) with Mr. Kearns (against).
Mr. Connery (for) with Mr. Vestal (against).
Mr. Brand of Georgia (for) with Mr. Paige (against).
Mr. Carew (for) with Mr. Madden (against).
Mr. Hudspeth (for) with Mr. Strong of Kansas (against).
Mr. Bell (for) with Mr. Anderson (against).
Mr. McNulty (for) with Mr. Geran (against).
Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Wurzbach (for) with Mr. Sears of Nebraska (against).
Mr. Howard of Oklahoma (for) with Mr. Greene of Massachusetts (against).
Mr. Curry (for) with Mr. Dallinger (against).
Mr. Thomas of Kentucky (for) with Mr. Burton (against).
Mr. Gallivan (for) with Mr. Tilson (against).
Mr. Morgan (for) with Mr. Morris (against).
Mr. Hooker (for) with Mr. Wood (against).
Mr. Knutson (for) with Mr. Winter (against).
Mr. Upshaw (for) with Mr. Drewry (against).
Mr. Mansfield (for) with Mr. Underhill (against).
Mr. Woodruff (for) with Mr. McLaughlin of Michigan (against).
Mr. Stevenson (for) with Mr. Hoch (against).
Mr. Wilson of Mississippi (for) with Mr. Driver (against).
Mr. Moore of Virginia (for) with Mr. Butler (against).
Mr. Lee of Georgia (for) with Mr. Fleetwood (against).
Mr. Collins (for) with Mr. Humphreys (against).
Mr. Milligan (for) with Mr. Kendall (against).
Mr. Lineberger (for) with Mr. Fredericks (against).
Mr. O'Sullivan (for) with Mr. Fenn (against).
Mr. Sabath (for) with Mr. Kunz (against).
Mr. Logan (for) with Mr. Fish (against).
Mr. Rainey (for) with Mr. Colton (against).
Mr. Tillman (for) with Mr. McDuffie (against).
Mr. Sherwood (for) with Mr. Frothingham (against).
Mr. O'Brien (for) with Mr. Smith (against).
Mr. Dickinson of Missouri (for) with Mr. Little (against).

Mr. LOWREY. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. LOWREY. No, sir; I got here after my name was called.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed the bill (S. 3097) to authorize the building of a bridge across the Great Peedee River, in South Carolina, in which the concurrence of the House of Representatives was requested.

SENATE BILL REFERRED

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 3097. An act to authorize the building of a bridge across the Great Peedee River, in South Carolina; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 7959. An act to provide adjusted compensation for veterans of the World War, and for other purposes.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

S. 2902. An act authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project.

ADJOURNMENT

Mr. BARKLEY. Mr. Speaker, having reached the point which we had set for ourselves in reference to this motion, which would have been reached some hours ago except for the filibustering conduct of the Republican leader, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 44 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 6, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

461. A letter from the Secretary of State, transmitting request for permission to dispose of useless executive papers in the Department of State prior to the year 1909; to the Committee on Disposition of Useless Executive Papers.

462. A letter from the Acting Secretary of War, transmitting a draft of proposed legislation "to prevent counterfeiting of the form or request provided by the Government requesting a common carrier to furnish passenger transportation on account of the United States or any department thereof, and providing punishment therefor"; to the Committee on the Judiciary.

463. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1924, to complete the purchase of land lying within the Naval Observatory Circle, $4,041 (H. Doc. No. 266); to the Committee on Appropriations and ordered to be printed.

464. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department for the fiscal year ending June 30, 1924, for the construction of a road at Fort Story, Va., to remain available until June 30, 1925, $40,000, and a draft of proposed legislation to make the appropriation for fire control, Panama Canal, available until June 30, 1925 (H. Doc. No. 267); to the Committee on Appropriations and ordered to be printed.

465. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1924, for the control and eradication of the coconut scale on the island of Guam, to remain available until June 30, 1925, $8,000 (H. Doc. No. 268); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PARKER: Committee on Interstate and Foreign Commerce. H. R. 5434. A bill to provide for the construction of a

public bridge across the Niagara River; without amendment (Rept. No. 657). Referred to the House Calendar.

Mr. PARKS of Arkansas: Committee on Interstate and Foreign Commerce. S. 3116. An act to authorize the Choctaw, Oklahoma & Gulf Railway Co. and the Chicago, Rock Island & Pacific Railway Co. to construct a bridge across the White River near the city of De Valls Bluff, Ark.; without amendment (Rept. No. 658). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 6645. A bill to amend the national prohibition act, to provide for a bureau of prohibition in the Treasury Department, and to define its powers and duties; with amendments (Rept. No. 663). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BOX: Committee on Claims. H. R. 1082. A bill for the relief of Henry A. Kessel Co.; without amendment (Rept. No. 659). Referred to the Committee of the Whole House.

Mr. SWING: Committee on Naval Affairs. H. R. 2342. A bill for the relief of Gordon G. MacDonald; without amendment (Rept. No. 660). Referred to the Committee of the Whole House.

Mr. STEPHENS: Committee on Naval Affairs. H. R. 2418. A bill for the relief of Russell H. Lindsay; with amendments (Rept. No. 661). Referred to the Committee of the Whole House.

Mr. ANDREW: Committee on Naval Affairs. H. R. 2921. A bill for the relief of Paymaster Herbert Elliott Stevens, United States Navy; without amendment (Rept. No. 662). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MILLS: A bill (H. R. 9075) to amend the act entitled "An act authorizing suits against the United States in admiralty, suits for salvage service, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes," approved March 9, 1920; to the Committee on the Judiciary.

By Mr. GREEN of Iowa: A bill (H. R. 9076) to amend sections 2 and 3 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other custom revenue laws," approved March 4, 1923; to the Committee on Ways and Means.

By Mr. COLLIER: A bill (H. R. 9077) granting the consent of Congress to the board of supervisors of Hinds County, Miss., to construct a bridge across the Pearl River, in the State of Mississippi; to the Committee on Interstate and Foreign Commerce.

By Mr. FULMER: A bill (H. R. 9078) to authorize the Secretary of the Treasury to acquire by condemnation or otherwise such additional land in the city of Sumter, S. C., as may be necessary for the extension and remodeling of the post-office building in said city, to cause said building to be extended and remodeled, and authorizing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. GARBER: A bill (H. R. 9079) to extend the limitations of time upon the issuance of medals of honor, distinguished-service crosses, and distinguished-service medals to persons who served in the Army or Navy of the United States during the Spanish War; to the Committee on Military Affairs.

By Mr. ROGERS of Massachusetts: Joint resolution (H. J. Res. 255) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on the Library.

By Mr. DALLINGER: Joint resolution (H. J. Res. 256) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on the Library.

By Mr. LUCE: Joint resolution (H. J. Res. 257) providing for the procurement of a design for the use of grounds in the vicinity of the Mall by the United States Botanic Garden; to the Committee on the Library.

By Mr. ROUSE: Resolution (H. Res. 284) to make the survey necessary for the purpose of determining the feasibility and practicability of building, constructing, and maintaining a military road between Camp Knox Military Reservation in Hardin County, Ky., and Fort Thomas Military Reservation in Campbell County, Ky.; to the Committee on Military Affairs.

By Mr. LEA of California: Resolution (H. Res. 285) to amend Rule XXVII of the House of Representatives; to the Committee on Rules.

By Mr. BRITTEN: Resolution (H. Res. 286) authorizing and directing the Secretary of the Navy to furnish to the House of Representatives information concerning the United States Navy; to the Committee on Naval Affairs.

By Mr. ROGERS of Massachusetts: Resolution (H. Res. 287) requesting the Secretary of the Navy to advise the House of Representatives as to the type and relative strength of the United States Navy as compared with Great Britain and Japan; to the Committee on Naval Affairs.

By Mr. RATHBONE: Resolution (H. Res. 288) authorizing the appointment of August N. Buehne receiving clerk for the House of Representatives; to the Committee on Accounts.

By Mr. GRIEST: Resolution (H. Res. 290) making in order a motion to suspend the rules; to the Committee on Rules.

By Mr. DEMPSEY: Resolution (H. Res. 291) for the consideration of H. R. 8914, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOIES: A bill (H. R. 9080) for the relief of Christina Conniff; to the Committee on Claims.

By Mr. BURTNESS: A bill (H. R. 9081) granting a patent to Paul Welo; to the Committee on Public Lands.

By Mr. GARBER: A bill (H. R. 9082) to award a medal of honor to Corp. William Otjen; to the Committee on Military Affairs.

By Mr. MORTON D. HULL: A bill (H. R. 9083) for the relief of Elizabeth B. Githens; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9084) granting a pension to Francis M. Alderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9085) granting a pension to Sarah Jane Alderson; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 9086) for the relief of Francis B. McCloskey; to the Committee on Military Affairs.

By Mr. MAJOR of Illinois: A bill (H. R. 9087) for the relief of Lieut. Col. Charles Burnett, Cavalry; Maj. Philip R. Faymonville, Ordnance Department; First Lieut. Warren J. Clear, Infantry; and Second Lieut. Thomas G. Cranford, jr., Coast Artillery Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 9088) granting an increase of pension to Ruth M. E. Standage; to the Committee on Pensions.

By Mr. MERRITT: A bill (H. R. 9089) granting a pension to Annie Davis Delevan; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 9090) granting an increase of pension to Eliza A. O'Connor; to the Committee on Invalid Pensions.

By Mr. COLE of Ohio: Resolution (H. Res. 289) to pay Edward F. Janifer additional compensation as janitor to the Committee on Elections No. 1; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2670. By the SPEAKER (by request): Petition of the American Chemical Society, favoring the enactment of legislation to permit the attendance by the scientists of the Government as heads of departments may designate at scientific congresses, conventions, and meetings in the United States and other countries; to the Committee on Foreign Affairs.

2671. Also (by request), petition of the Trenton Council of Churches, Trenton, N. J., urging Congress to reconsider its action in the matter of Japanese immigration; to the Committee on Immigration and Naturalization.

2672. Also (by request), petition of Rope Paper Sack Manufacturers' Association, Providence, R. I., favoring the compilation, tabulation, and exchange of trade information under public regulation; to the Committee on Interstate and Foreign Commerce.

2673. By Mr. CULLEN: Petition of Dayton Post, No. 5, the American Legion, indorsing House bill 244, introduced by Hon. Roy C. Fitzgerald, to appoint a committee of five Members of the House of Representatives to investigate the National Home for Disabled Volunteer Soldiers to determine whether prevailing conditions there are caused by lack of appropriation; to the Committee on Military Affairs.

2674. By Mr. DARROW: Petition of the Philadelphia Bourse, protesting against the passage of the Howell-Barkley railroad labor bill; to the Committee on Interstate and Foreign Commerce.

2675. Also, petition of the Clerks' Association of the Operating Department, Pennsylvania Railroad system, eastern region, opposing the enactment of restrictive railroad legislation; to the Committee on Interstate and Foreign Commerce.

2676. By Mr. FULLER: Petitions of members of Locomotive Firemen, Helpers, Hostlers, and Hostler Helpers, and locomotive engineers' associations of sundry railroads, favoring the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2677. Also, petition of the Sycamore National Bank and the Citizens' National Bank, both of Sycamore, Ill., favoring enactment of the McNary-Haugen bill; to the Committee on Agriculture.

2678. Also, petition of officers of the Mechanical Department Association of the Chicago, Burlington & Quincy Railroad, opposing the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2679. By Mr. GALLIVAN: Petition of 55,000 engineers, firemen, helpers, hostlers, and hostler helpers, employed on 95 railroads operating approximately 150,000 miles of track in the western, southwestern, and northwestern territories, recommending early and favorable action on the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2680. By Mr. HICKEY: Memorial of Mrs. W. E. Bierly and others, of St. Joseph County, Ind., concerning the enforcement of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

2681. By Mr. HUDSON: Petition of Homer L. Doyle, author of History of Peace and several plans for world-wide peace, favoring the passage of an act authorizing and requesting the President of the United States to call an international conference of all nations for purpose of establishing and maintaining an international relief bureau to relieve suffering caused by famine, epidemic, and calamities of all nations; to the Committee on Foreign Affairs.

2682. Also, petition of the Presbytery of Lansing, Mich., of the Presbyterian Churches in the United States of America, indorsing the proposed constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

2683. By Mr. KIESS: Petition of employees of the Reading Railroad at Newberry Junction, Pa., protesting against the passage of H. R. 7358, known as the Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, *May 6, 1924*

(Legislative day of Monday, May 5, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Curtis	Hale	McKinley
Ashurst	Dale	Harreld	McLean
Ball	Dial	Harris	McNary
Borah	Dill	Harrison	Mayfield
Brandegee	Edge	Howell	Moses
Brookhart	Edwards	Johnson, Calif.	Neely
Broussard	Ernst	Johnson, Minn.	Norbeck
Bruce	Fernald	Jones, N. Mex.	Norris
Bursum	Ferris	Jones, Wash.	Oddie
Cameron	Fess	Kendrick	Overman
Capper	Fletcher	Keyes	Pepper
Caraway	Frazier	King	Phipps
Celt	George	Ladd	Pittman
Copeland	Gerry	Lodge	Reed, Mo.
Cummins	Gooding	McKellar	Reed, Pa.
Robinson	Simmons	Stanley	Walsh, Mass.
Sheppard	Smith	Stephens	Walsh, Mont.
Shields	Smoot	Sterling	Warren
Shipstead	Spencer	Swanson	Watson
Shortridge	Stanfield	Wadsworth	Willis

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Eighty Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (S. 2902) authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS

Mr. FESS presented resolutions adopted by the Lindenwald Woman's Christian Temperance Union, at Hamilton, Ohio, favoring an appropriation to enable the United States to participate in the forthcoming international conference for the suppression of the narcotic traffic, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted at a meeting held under the auspices of a committee of the Jugoslav Workingmen Benevolent Organizations, at Bellaire, Ohio, remonstrating against the passage of legislation discriminating against foreign-born workers desirous of emigrating to the United States, which were referred to the Committee on Immigration.

He also presented resolutions adopted by Middletown Post, No. 218, the American Legion, at Middletown, Ohio, favoring the passage of legislation restricting immigration in any one year to 2 per cent quotas based on the 1890 census, etc., which were referred to the Committee on Immigration.

He also presented a resolution adopted by Middletown Post, No. 218, the American Legion, at Middletown, Ohio, favoring appropriations to properly maintain the several branches of the National Home for Disabled Volunteer Soldiers, which was referred to the Committee on Military Affairs.

Mr. WILLIS presented resolutions adopted by the Men's Church Club, of Maumee, Ohio, favoring the maintenance of an adequate Army and that sufficient appropriation be made to develop and train to a point of efficiency at least one-third of the Organized Reserves each year, which were referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

Mr. LADD, from the Committee on Public Lands and Surveys, to which was referred the joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes, reported it with amendments and submitted a report (No. 504) thereon.

Mr. GOODING, from the Committee on Interstate Commerce, to which was referred the bill (S. 863) for the protection of persons employed on railway baggage cars and railway express cars, reported it with amendments and submitted a report (No. 505) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 3246) granting a pension to Maria L. Peirce; to the Committee on Pensions.

By Mr. HARRELD:

A bill (S. 3247) providing for the payment of any unappropriated moneys belonging to the Apache, Kiowa, and Comanche Indians to Jacob Crew; to the Committee on Indian Affairs.

By Mr. WADSWORTH:

A bill (S. 3248) providing for sundry matters affecting the Military Establishment; to the Committee on Military Affairs.

A bill (S. 3249) granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal; to the Committee on Commerce.

By Mr. DIAL:

A bill (S. 3250) to pension soldiers and sailors of the war with Spain; to the Committee on Pensions.

By Mr. WARREN:

A bill (S. 3251) for the relief of Elizabeth W. Kieffer; to the Committee on Post Offices and Post Roads.

By Mr. COLT:

A bill (S. 3252) referring the claim of the State of Rhode Island for expenses during the war with Spain to the Court of Claims for adjudication; to the Committee on Claims.

By Mr. DIAL:

A joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation"; to the Committee on Agriculture and Forestry.

SALARIES IN THE POSTAL SERVICE

Mr. LODGE submitted two amendments intended to be proposed by him to the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which were ordered to lie on the table and to be printed.

CAMPAIGN CONTRIBUTIONS

Mr. BORAH submitted an amendment intended to be proposed by him to the bill (S. 3114) to limit campaign contributions in presidential, senatorial, and congressional elections, which was referred to the Committee on Privileges and Elections and ordered to be printed.

AMENDMENT TO AGRICULTURAL RELIEF BILL

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, which was ordered to lie on the table and to be printed.

PERMANENT COURT OF INTERNATIONAL JUSTICE

Mr. SWANSON submitted the following resolution (S. Res. 220), which was referred to the Committee on Foreign Relations:

Whereas the President, under date of February 24, 1923, transmitted a message to the Senate accompanied by a letter from the Secretary of State, dated February 17, 1923, asking the favorable advice and consent of the Senate to the adhesion on the part of the United States to the protocol of December 16, 1920, of signature of the statute for the Permanent Court of International Justice, set out in the said message of the President (without accepting or agreeing to the optional clause for compulsory jurisdiction contained therein) upon the conditions and understandings hereafter stated, to be made a part of the instrument of adhesion; Be it

Resolved (two-thirds of the Senators present concurring), That the Senate advise and consent to the adhesion on the part of the United States to the said protocol of December 16, 1920, and the adjoined statute for the Permanent Court of International Justice (without accepting or agreeing to the optional clause for compulsory jurisdiction contained in said statute) and that the signature of the United States be affixed to the said protocol; subject to the following reservations and understandings which are hereby made a part and condition of this resolution, namely:

I. That such adhesion shall not be taken to involve any legal relation on the part of the United States to the League of Nations or the assumption of any obligations by the United States under the covenant of the League of Nations constituting Part I of the treaty of Versailles.

II. That the United States shall be permitted to participate through representatives designated for the purpose and upon an equality with the other States, members respectively of the Council and Assembly of the League of Nations, in any and all proceedings of either the council or the assembly for the election of judges or deputy judges of the Permanent Court of International Justice, or for the filling of vacancies.

III. That the United States will pay a fair share of the expenses of the court as determined and appropriated from time to time by the Congress of the United States.

IV. That the statute for the Permanent Court of International Justice adjoined to the protocol shall not be amended without the consent of the United States.

The signature of the United States to the said protocol shall not be affixed until the powers signatory to such protocol shall have indicated, through an exchange of notes, their acceptance of the foregoing reservations and understandings as a part and a condition of adhesion by the United States to the said protocol.

INVESTIGATION OF INTERNAL REVENUE BUREAU

The PRESIDENT pro tempore. The Chair lays before the Senate the resolution (S. Res. 211) which will be read.

The reading clerk read Senate Resolution 211, submitted by Mr. JONES of New Mexico on the calendar day of April 11, 1924, and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That in addition to the powers conferred upon the select committee appointed under the provisions of Senate Resolution 168, as recited therein, said committee be, and it hereby is, authorized in its discretion to employ counsel and such other agents, experts, and accountants as in its judgment may be necessary to aid in the investigation authorized under said resolution.

Mr. WATSON. Mr. President, has the resolution been reported from the committee to which it was referred.

Mr. ROBINSON. The unanimous-consent agreement entered into some time ago has the effect of discharging the Committee to Audit and Control the Contingent Expenses of the Senate from the consideratiion of the resolution. That committee, according to the information which I have, has not formally reported upon the resolution. If the Senator from Indiana desires to have the committee submit its report, I have no objection to that course, but I suggest to the Senator that the Senate has agreed by unanimous consent to proceed to the consideration of the resolution. If the committee is ready to submit a report I have no objection to its doing so.

Mr. WATSON. I refer it to the Senator from New Hampshire [Mr. KEYES], the chairman of the committee.

Mr. KEYES. Mr. President, the resolution, I understand, is still in the committee and has not been reported out. I realize very well that the Senate desires to act upon the resolution and the committee certainly has no desire to delay action.

The resolution is an amendment to a resolution agreed to some time ago, introduced by the Senator from Michigan [Mr. COUZENS]. At the time that resolution was introduced the Senator from Michigan had the idea that he might want to employ certain assistants, possibly counsel. In consulting with him I tried to impress upon him the attitude of the Committee to Audit and Control the Contingent Expenses of the Senate to the effect that we were desirous, if possible, to keep down the expenses of counsel fees and other expenses of committees. That was the policy adopted at the beginning of the session by our Committee on Contingent Expenses. After explaining the situation to the Senator from Michigan he agreed to an amendment to his resolution and his resolution as amended was reported from the committee and adopted by the Senate.

Senate Resolution 211, submitted by the Senator from New Mexico [Mr. JONES], is an amendment to the original resolution introduced by the Senator from Michigan [Mr. COUZENS]. I want to call attention to the language of the resolution of the Senator from New Mexico. It not only authorizes the employment of counsel but "such other agents, experts, and accountants as in its judgment may be necessary to aid in the investigation authorized under said resolution."

Of course that is pretty broad language and goes far beyond what was contemplated in the original resolution. We have had a statement presented recently by the chairman of the Committee on Appropriations as to the large amount of expenditures from the contingent fund of the Senate. If it is the desire of the Senate to make such a broad authorization of course the Senate can do so. The committee has endeavored carefully and seriously to hold down expenditures so far as possible. In this case I feel as I did when the resolution was first introduced. I am opposed to the employment of counsel except in very unusual cases. The committee at the present time is not agreed on the resolution and I am sure we can not agree. For that reason I ask that the committee be discharged from further consideration of the resolution.

The PRESIDENT pro tempore. The Chair ought to state at this point that in its opinion the Senate can proceed to consider the report of the Committee to Audit and Control the Contingent Expenses of the Senate only by unanimous consent.

Mr. ROBINSON. Mr. President, I do not assent to the suggestion of the Chair, and I inquire if the Chair has examined the unanimous-consent agreement under which we are already proceeding. The Senate on April 22 last entered into the following agreement.

Ordered, by unanimous consent, that on the 6th day of May, 1924, immediately after the conclusion of the routine morning business, the Senate proceed to the consideration of the resolution (S. Res. 211) authorizing the Select Committee to Investigate the Bureau of Internal Revenue, to employ counsel and other agents, and that immediately after, and so forth.

The legal effect of that agreement is to discharge the Committee to Audit and Control the Contingent Expenses of the Senate from the consideration of the resolution, and while, as I said a moment ago, if the committee is ready to report I have no objection to its doing so, I do not for a moment consider that if any Senator objects to the committee submitting its report the Senate can not proceed to the consideration of the resolution.

The PRESIDENT pro tempore. The Chair is of the opinion that Senate Resolution 211 is before the Senate and can be considered.

Mr. ROBINSON. Very well.

The PRESIDENT pro tempore. But when it is proposed to consider the report of the Committee to Audit and Control the Contingent Expenses of the Senate, it seems to the Chair that it would require unanimous consent to do so.

Mr. ROBINSON. The Chair is correct about that. The Senator from Arkansas misunderstood the first announcement of the Chair. He understood the Chair to say that the Senate could not proceed with the consideration of the Jones resolution except by unanimous consent.

The PRESIDENT pro tempore. The Chair did not so suggest. The Chair is of the opinion that the Senate can proceed to consider the resolution.

Mr. ROBINSON. Then, the resolution is before the Senate?

The PRESIDENT pro tempore. The resolution is before the Senate.

Mr. ROBINSON. Mr. President, I feel it my duty to make——

Mr. WATSON. Mr. President, will the Senator from Arkansas yield?

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Indiana?

Mr. ROBINSON. I yield to the Senator.

Mr. WATSON. Does the Senator from Arkansas now intend to address himself to the merits of the Jones resolution?

Mr. ROBINSON. Yes; the Senator from Arkansas intends to make a statement respecting the resolution.

Mr. WATSON. Would it relieve the Senator from Arkansas from any embarrassment and save time if I should say that I have no objection to the adoption of the resolution?

Mr. ROBINSON. I anticipate, Mr. President, that the resolution will pass, but I feel it my duty to make a statement respecting the subject before the resolution shall be voted upon.

Mr. NORRIS. Mr. President, may I interrupt the Senator from Arkansas in order to ask the Senator from Indiana whether at the conclusion of this discussion, and the action of the Senate on the resolution, he intends to avail himself of that part of the unanimous-consent agreement which will put the resolution discharging the committee before the Senate?

Mr. ROBINSON. I yield to the Senator from Nebraska for that purpose.

Mr. NORRIS. I should like to know whether, when the Senate shall have disposed of the pending resolution, it is the intention of the Senator from Indiana to ask for the consideration of his resolution discharging the committee?

Mr. WATSON. It is not.

Mr. ROBINSON. Mr. President, the Senator from Indiana has just stated that he has abandoned any purpose to prosecute the resolution which he presented on a former day.

Mr. NORRIS. Now, Mr. President, may I again interrupt the Senator from Arkansas?

Mr. ROBINSON. I yield to the Senator.

Mr. NORRIS. I am moved to interrupt again by the statement which the Senator from Arkansas has just made in which, I think, he has misquoted the Senator from Indiana. The Senator from Indiana simply said that he would not ask consideration of his resolution now. He may take it up later. I myself think we ought to have an understanding as to whether or not the resolution is going to come up at all, because there will be no use adopting one resolution if the other one is also to be adopted.

Mr. ROBINSON. I do not think I misunderstood the Senator from Indiana; I think I correctly interpreted what he stated. I ask the Senator from Indiana whether or not I misquoted him or misunderstood his statement?

Mr. WATSON. Mr. President, answering both the Senators, I will say that I have no intention whatever at this time of ever pressing that resolution.

Mr. NORRIS. That answers the question.

Mr. ROBINSON. Mr. President, the newspapers this morning contain a statement, published by Mr. George B. Lockwood, severely criticizing and attacking the Senate committees which, under the order of this body, have carried on investigations, and particularly that committee of which the Senator from Idaho [Mr. BORAH] is the chairman, and which is charged with the investigation of the alleged conduct of the Senator from Montana [Mr. WHEELER]. Ordinarily I would not take the time of the Senate to discuss such announcements and criticisms, but manifestly Mr. Lockwood has done or has attempted to do an injustice not only to the Senators from Montana but also to the Senate committees. He has even arraigned the leaders of the majority in the Senate and denounced them for their alleged failure to defend acts and transactions on the part of Government officers which have been in part the subject matter of the investigations to which I have referred.

While I do not feel myself bound to enter into any defense of those who sit on the majority side of the Chamber, I do feel that it is fair to say to the Senate and to the public that the arraignment and criticism of the Senator from Montana [Mr. WALSH] and the denunciation of the Senator from Montana [Mr. WHEELER] by Mr. Lockwood challenge the attention of every Senator. Mr. Lockwood is the secretary of the Republican National Committee. It appears from his statements that the organization with which he is associated has employed a number of agents or detectives to investigate into the private or personal conduct of the two Senators from Montana and that he and his agents have been instrumental in securing an indictment to be brought against the junior Senator from Montana [Mr. WHEELER]. Mr. Lockwood is particularly impatient and bitter when he speaks of the failure of majority Senators to defend the transactions which, in my judgment, have justly received criticism not only in the Senate but throughout the country.

Let me say that it is to the credit of a public officer, whether he sits in the Senate or serves in another capacity, that he is unwilling to abuse his power or to prostitute his ability to the defense of acts which are detrimental to the public. It is greatly to his credit that he declines, even for partisan reasons, to stand sponsor for transactions which have resulted in great loss to the public and in criticism of some of the departments of the Government.

It must be borne in mind that the avowed purpose of Mr. Lockwood is political. He has not entered into the controversy and his agents have not performed their functions from any desire to improve the public service but solely to bolster up a defense for acts which can not justly be defended.

Mr. Lockwood's statement appears in the New York Times, and he declares that—

> semiofficial secret agents of the Senate are trying "to intimidate and discredit Government witnesses in the Wheeler case since their arrival in Washington, even going to the lengths of attempted bribery, with the tapping of telephone wires, fake telephone messages notifying the witnesses of impending arrest, open street stalking, as well as secret shadowing of those not yet intimidated by the Senate reign of terror."

No explanation is offered by Mr. Lockwood why the facts which he alleges to exist have not been brought to the attention of the Senator from Idaho and of the other members who compose the committee.

The members of that committee are the Senator from Idaho [Mr. BORAH], chairman, the Senator from Oregon [Mr. MCNARY], the Senator from South Dakota [Mr. STERLING], the Senator from Virginia [Mr. SWANSON], and the Senator from Arkansas [Mr. CARAWAY]. It is inconceivable to me—and I believe every Senator, without regard to the position that he occupies in this Chamber, will hold the same viewpoint—that these Senators, or any one of them, would be a party to such acts and proceedings as Mr. Lockwood charges against what he terms their "semiofficial agents." It would be interesting to know, if such incidents as he recites have occurred, why they have not been brought to the attention of the Senator from Idaho or of some other member of the committee of which the Senator from Idaho is the chairman. It would seem, Mr. President, to be a bold effort upon the part of a politician to make a political issue of something which no honest Senator would consent shall become a political issue.

I am not sensitive upon the subject of politics; it does not wound my feelings to have a political adversary charge that my motive in taking a given action is political, since this charge merely reflects an opinion; but the statement which Mr. Lockwood makes goes to the integrity of the Senate committee, and of every member of it, and I feel justified in saying that I do not believe there is one word of truth in his declaration.

I do not believe that the Senator from Idaho [Mr. BORAH] or any member of the committee of which he is the chairman would be a party to any such transactions as are recited by the gentleman to whom I have referred.

The statement by Mr. Lockwood is significant in the fact that he apparently has anticipated the decision and report of the special committee investigating the Senator from Montana [Mr. WHEELER]. He has declared in the statement, a part of which I have read, that evidence exists, and is in his possession, which the committee has not seen, which discloses culpability upon

the part of the junior Senator from Montana. Clearly, Mr. President, in so far as his statement relates to the junior Senator from Montana [Mr. WHEELER], it is an effort to raise a false political issue. No Senator, whatever his politics, would be willing to see a fellow Member of the Senate discredited or abused, charged with criminal or other misconduct, when no foundation exists for such charges except the fancy of some one who has or imagines he has a conflicting political interest. When the secretary of the National Republican Committee, denouncing the majority Members of the Senate as cowards, criticizes the Senator from Idaho and his committee for permitting their semiofficial agents to practice bribery, to resort to intimidation and other forms of criminal practices, he establishes, in my conviction, his own insincerity and an utter lack of foundation for the position which he takes.

If his purpose had been an honest one, a frank one, he should have laid before the committee investigating the matter the information which he possesses, if he has any information. He is not an official of the Government; he is an official of a political party, and the only purpose that he has or avows is to obtain political benefit or advantage by offsetting the results of the efforts made by the junior Senator from Montana in his investigations into the Department of Justice by discrediting the junior Senator from Montana and putting him in a position where his efforts may not prove fruitful or beneficial to the public.

The reason why majority Senators have not defended the dissipation of the naval oil reserves, the reason why no Senator has dared to defend that transaction, is because it was a dishonest transaction, one which is offensive to all who seriously consider the rights of the public.

The secretary of the National Republican Committee declares that—

> My only regret is that the officials of the Republican National Committee have been compelled to stand so nearly alone in the effort to expose the true motives of those who for weeks have been staging an orgy of gossip, heavily paid for by the taxpayers of the country, by the Senate in wasted time, and by the people of the country in impaired business conditions.

That statement is an attempted vindication and justification of acts and proceedings which have been condemned not only by the Senate but by the people of the United States with respect to the leasing of the naval oil reserves. It is not my purpose now to review the details of the evidence which has been disclosed by the committees making these investigations. The evidence was sufficient to justify the Senate in passing with practical unanimity a resolution declaring that the leases had been entered into in violation of law and in disregard of the public interest. The evidence was sufficient to prompt the Senate to pass unanimously a resolution instructing the Executive to cause proceedings to be instituted for recovery of the property that had been recklessly bartered away by public officials who had been unmindful of their duty, and some of whom have been shown to have been corrupt. But the secretary of the National Republican Committee thinks that a Senator, merely because he is a Republican, ought to defend such transactions, and that the Senator who refuses to do it deserves to be designated as a coward.

I say to you that it takes more courage under such circumstances to do one's duty, to let be exposed those who belong to one's political party, than it does to pursue the course which Mr. Lockwood has pursued. Senators can not defend dishonesty in public office. Senators can not vindicate inefficiency in public office. Senators can not cover up or conceal the waste of national resources; and it is a sorry day for any interest that ought to be conserved when the authorized representative of a political party uses the prestige and influence that he has by reason of his position not only to condemn public officers who are trying to do their duty but to denounce others who are unwilling to prostitute their power to advance corrupt and crooked ends.

But the specialty of the secretary of the Republican National Committee is abuse and defamation of the Senators from Montana. He makes a bitter attack upon the senior Senator from Montana [Mr. WALSH].

Mr. REED of Missouri and Mr. BORAH addressed the Chair.

Mr. ROBINSON. I yield first to the Senator from Missouri.

Mr. REED of Missouri. Mr. President, the Senator has just said that no Senator could afford to defend corruption in public place, or the reckless waste of the public resources. I agree with him as to that. Does the Senator think that any honest or decent man, even though he be the secretary of the Republican National Committee, can afford to do it?

Mr. ROBINSON. I do not think any man, whatever his position, can afford to put himself in opposition to uncovering fraud against the Government that protects him.

I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I have no desire, prior to the coming in of the report, to discuss the proceedings of the committee of which I have the honor to be chairman. There will come a time when the report will be here and the evidence will be here and it will be fully discussed, at which time I shall undertake to deal both with the evidence and with the parties who have views about the evidence which they have expressed.

I do want to say at this time, however, in order that there may be no misunderstanding, that a list of witnesses was given to the chairman of the committee by the party whom Mr. Lockwood sent to Montana. He was asked for a list of witnesses to sustain any view which they might entertain with regard to this matter, and every witness was subpœnaed. Every witness whose name was given has been put upon the witness stand except one, whom we have not yet been able to reach. He is said to be in Canada. We expect in all probability to reach him. So if there is any witness who has not been called it is because his name has not been given to the committee. Permit me to say further that any witness whose name is given to the committee whom anyone will vouch for as knowing anything concerning this matter will be called.

Furthermore, Mr. President, we have called every witness who was in position to know any of the facts concerning this transaction so far as we could ascertain. We called the witness who had to do with the original contract of employment. We called the witness who made the contract. We called the general attorney for the party for whom Mr. WHEELER was special attorney. We called Governor Spry, the head of the Land Department here. We called the Solicitor of the Land Department here. We called the land attorney who represented Mr. Campbell here in the city of Washington. I have written the Attorney General for any facts or documents which he may desire or which he may be willing to submit. So far as we have been able to ascertain, we have called any and all who could possibly be in a position to know anything concerning the facts, and I think the report will speak for itself when it comes in. It may not speak all that will be necessary to be spoken as the discussion proceeds, but it will speak all that is necessary and proper with reference to the particular subject matter which we are investigating.

Mr. ROBINSON. Mr. President, neither I nor those who hear me nor the people of the country need any assurance that the special committee investigating the Wheeler case will do its duty, and do it frankly and fearlessly. The Senator from Idaho [Mr. BORAH] has served in this body a great number of years. He enjoys the confidence and the respect of every Member of the Senate. There is no distinction as to whether one sits on the other side or on this; we all love and honor him, because we know he is an honest man. The committee are able and just Senators.

I can not find language in this assembly with which appropriately to characterize the passage I read in which Mr. Lockwood asserts that the agents of the committee have been practicing bribery and intimidation. I knew it was false when I read it, and every Senator knows it is false.

When I was interrupted I was about to refer to other statements contained in Mr. Lockwood's declaration. He said:

> The only differences between the Republican national organization and the two Montana Senators who have been most conspicuous in running the scandal mills on Capitol Hill is that these Senators have been conducting inquisitions into the conduct of organizations, officials, and individuals they seek to blacken and destroy, at great public expense, through witnesses, many of them disreputable, who testify to gossip and hearsay, while this organization has been investigating at its own expense the political and official records of these two chief inquisitors to determine whether they are prompted in their activities by a sense of public duty or by political motives that will not stand the light of day.
>
> The information collected has not been secured from train robbers, murderers, blackmailers, and bootleggers to be broadcast through the public press to satisfy the prurient demand for personal scandal.

What Senator reading that declaration would identify as the persons referred to the senior Senator from Montana [Mr. WALSH] and his colleague, the junior Senator from Montana [Mr. WHEELER]? The task which the senior Senator from Montana has been called to perform has been a difficult one. It has been performed in the face of difficulties which would have

crushed almost any other great lawyer, but, in the main, it has been discharged with signal ability and effectiveness.

It is the thanks which a public officer sometimes receives for doing his duty, and doing it fearlessly, that he is denounced and characterized as a scandalmonger. It sometimes happens that the best work of our lives goes unappreciated. It occasionly occurs that pure motives are misunderstood, and, when misrepresented, reflect upon one who is high-minded.

I say upon my responsibility as a public officer and a private citizen that in the roll of the Senate there is not an abler, braver public officer than TOM J. WALSH of Montana. From the hour when his skill revealed the baseness, the crookedness, and the contemptible rascality of those who were stealing the property of the people of the United States, he has been the target of every poisoned arrow that malice could design. Every act of his life, private and public, has been gone over in the hope that the "low-down," as one newspaper man expressed it, might be obtained against him, but with an army of secret service men, who ought to have been performing duties for the committee of which Senator WALSH is the most active member, pursuing him by day and by night, with the agencies of the Department of Justice training against him, they found no act, public or private, which reflected on him as a man or as an officer. Now, for political purposes, denouncing you Senators because you are unwilling to lend yourselves to cowardly practices, the secretary of the National Republican Committee seeks to make the name and the performances of the Senator from Montana odious before the public.

What had the Senator from Montana to accomplish by turning the light fully on Fall, Sinclair, and Doheny? Nothing except to discharge the duty which he owed to his country and to his office, and that he has performed that duty with signal effectiveness is emphasized by the manner in which he is hounded by the agents of those whose conception of public office and public duty is the concealment of wrong, the covering up of fraud, the condoning of corruption.

The Senator from Idaho [Mr. BORAH] recently stated to the Senate since I took the floor what action his committee has taken, a majority of them Republicans, all of the committee good men and true, who would not be influenced in their investigations and decisions touching such questions by any consideration of party or personal advantage. Every witness whose name has been furnished has been called, and while the Senator from Idaho [Mr. BORAH] did not say so, no doubt not desiring to anticipate the report of his committee, the implication to my mind was clear, that there is nothing against the junior Senator from Montana [Mr. WHEELER] except that he made it uncomfortable for crooks in office.

When the time comes that Senators shall be indicted in order to intimidate them in the performance of their duty, then the Senate owes it to itself to take the course necessary to protect its Members. I apprehend that Mr. Lockwood will be given an opportunity to tell what he knows, to explain why he has locked his information within the recesses of his own conscience; to justify withholding from the committee and the public the information which he says, in the concluding paragraph of his statement, warrants the indictment against the Senator from Montana [Mr. WHEELER].

Reference was made a moment ago by the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate to expenditures of the Senate on account of investigations. Other statements have been made respecting that subject. It is of course desirable that the cost of such investigations be reduced to the lowest practicable minimum consistent with the effective performance of their duties by the various committees. I happen to have a statement which relates to the costs of the investigations. The following separate items enter into the total, which it is urged by some is exceedingly high, of sums paid out by the Senate in its effort to obtain information essential to the performance of its duty.

First, there is the committee investigating the causes of the decrease in gold and silver values, which has spent $56,409.86. No suggestion has been made that the expenditures by that committee have been improvident or unwise.

The committee investigating the Veterans' Bureau has spent $45,902.67. Differences of opinion may exist as to whether the investigation resulted in relieving the Veterans' Bureau of incompetence, inefficiency, and corruption in office. Differences may exist about it, but no Senator here will say that the expenditures should not have been made. When we contemplate some of the disclosures made in that investigation, we pay little attention to the complaint heard from some sources that it has had a deleterious effect upon public opinion, and has caused many people to lose confidence in their Government. It would seem to you and to me that if any department of the Government would be honestly and fairly administered it would be such an institution as the Veterans' Bureau; but we have expended more than $45,000 in investigating that bureau, with results that are well known. No Senator and no other person familiar with the result would dare denounce or decry the investigation.

Then we have the committee investigating the naval oil reserves, which has expended $32,803.03. That is the committee of which the Senator from Montana [Mr. WALSH] has been the active leader. The amount named includes $12,000 for the services of geologists. The majority of the committee is composed of Republicans. It is in their power at any time they desire or dare to close the investigation and to stop the expenditures.

That committee was not provided with numerous agents and high-salaried detectives. That committee has not received the support of the Department of Justice. Instead of receiving the assistance of the Attorney General and the countless secret-service agents and spies under him the committee has been checkmated at every turn by the very agents who ought to have been serving them. But in spite of the difficulties under which they labored they have accomplished results which are about to be overlooked, but which must not be forgotten. They are recovering back treasures belonging to the people of the United States worth hundreds of millions of dollars.

When we consider the fact that the Committee on Public Lands and Surveys investigating the naval oil reserve leases was unprovided with adequate agents and investigators and that they were opposed at every turn by the agents of the Government who ought to have been helping them, it is not surprising that in many instances testimony, which in the light of after events has not been regarded as credible, was taken. When we contemplate the associates of the Attorney General it is not surprising that, in the language of the secretary of the National Republican Committee, witnesses who were bootleggers and professional crooks should have been called to testify. It would have been a very pleasing thing if the committee could have remained in its room and awaited confessions or the voluntary production of testimony that would show them culpable by the parties investigated. But such things do not happen. The committee was compelled to make its investigation in an adverse environment, and secure such evidence as it could, and it does not in any wise reflect upon the important and material results of the investigation that in a few instances hearsay which might have been excluded was admitted.

The fact stands out that in the face of difficulties which would have discouraged almost any man, the senior Senator from Montana [Mr. WALSH], with a persistence and a diligence that is to be commended and not condemned, went forward and did his duty. If he had pursued another course Mr. Lockwood and his associates would be heaping encomiums upon WALSH instead of denouncing him as a scandalmonger. If he had consented to suppression where revealment was necessary, if he had winked at crookedness in high places, his name would be heralded by those who now denounce and defame him. But it is a cause of gratitude to you and to all of us that he could not be overcome or thwarted, that he took the chance of mistakes in his own judgment and took the responsibility which he might easily have avoided had he been small and mean like those who censure him.

But I thank him, and you should do so, that he continued unterrified, and by the result of his courage and ability the Government is to get back and keep, against the day when we may need them, the naval oil reserves; is to recover back hundreds of millions of dollars' worth of public property. But more important than that, there have been driven from power men who never deserved it, men who betrayed public trust, who disregarded public duty, and who seem now to assert a special privilege and right to plunder and rob the people of the United States.

Mr. President, on the occasion of the receipt of President Coolidge's special message to the Senate dealing with the subject matter of this resolution and the investigation of the Bureau of Internal Revenue, I expressed astonishment that the President should have been led into so grievous an error as seemingly to condone and give courage to those who had wronged the public and to condemn and dishearten those who were trying to secure redress of those wrongs.

The pending resolution by the Senator from New Mexico [Mr. JONES] is a courteous but emphatic reply to the special message which the President sent to the Senate on the 11th of April, challenging the good faith of the special committee of

the part of the junior Senator from Montana. Clearly, Mr. President, in so far as his statement relates to the junior Senator from Montana [Mr. WHEELER], it is an effort to raise a false political issue. No Senator, whatever his politics, would be willing to see a fellow Member of the Senate discredited or abused, charged with criminal or other misconduct, when no foundation exists for such charges except the fancy of some one who has or imagines he has a conflicting political interest. When the secretary of the National Republican Committee, denouncing the majority Members of the Senate as cowards, criticizes the Senator from Idaho and his committee for permitting their semiofficial agents to practice bribery, to resort to intimidation and other forms of criminal practices, he establishes, in my conviction, his own insincerity and an utter lack of foundation for the position which he takes.

If his purpose had been an honest one, a frank one, he should have laid before the committee investigating the matter the information which he possesses, if he has any information. He is not an official of the Government; he is an official of a political party, and the only purpose that he has or avows is to obtain political benefit or advantage by offsetting the results of the efforts made by the junior Senator from Montana in his investigations into the Department of Justice by discrediting the junior Senator from Montana and putting him in a position where his efforts may not prove fruitful or beneficial to the public.

The reason why majority Senators have not defended the dissipation of the naval oil reserves, the reason why no Senator has dared to defend that transaction, is because it was a dishonest transaction, one which is offensive to all who seriously consider the rights of the public.

The secretary of the National Republican Committee declares that—

> My only regret is that the officials of the Republican National Committee have been compelled to stand so nearly alone in the effort to expose the true motives of those who for weeks have been staging an orgy of gossip, heavily paid for by the taxpayers of the country, by the Senate in wasted time, and by the people of the country in impaired business conditions.

That statement is an attempted vindication and justification of acts and proceedings which have been condemned not only by the Senate but by the people of the United States with respect to the leasing of the naval oil reserves. It is not my purpose now to review the details of the evidence which has been disclosed by the committees making these investigations. The evidence was sufficient to justify the Senate in passing with practical unanimity a resolution declaring that the leases had been entered into in violation of law and in disregard of the public interest. The evidence was sufficient to prompt the Senate to pass unanimously a resolution instructing the Executive to cause proceedings to be instituted for recovery of the property that had been recklessly bartered away by public officials who had been unmindful of their duty, and some of whom have been shown to have been corrupt. But the secretary of the National Republican Committee thinks that a Senator, merely because he is a Republican, ought to defend such transactions, and that the Senator who refuses to do it deserves to be designated as a coward.

I say to you that it takes more courage under such circumstances to do one's duty, to let be exposed those who belong to one's political party, than it does to pursue the course which Mr. Lockwood has pursued. Senators can not defend dishonesty in public office. Senators can not vindicate inefficiency in public office. Senators can not cover up or conceal the waste of national resources; and it is a sorry day for any interest that ought to be conserved when the authorized representative of a political party uses the prestige and influence that he has by reason of his position not only to condemn public officers who are trying to do their duty but to denounce others who are unwilling to prostitute their power to advance corrupt and crooked ends.

But the specialty of the secretary of the Republican National Committee is abuse and defamation of the Senators from Montana. He makes a bitter attack upon the senior Senator from Montana [Mr. WALSH].

Mr. REED of Missouri and Mr. BORAH addressed the Chair.

Mr. ROBINSON. I yield first to the Senator from Missouri.

Mr. REED of Missouri. Mr. President, the Senator has just said that no Senator could afford to defend corruption in public place, or the reckless waste of the public resources. I agree with him as to that. Does the Senator think that any honest or decent man, even though he be the secretary of the Republican National Committee, can afford to do it?

Mr. ROBINSON. I do not think any man, whatever his position, can afford to put himself in opposition to uncovering fraud against the Government that protects him.

I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I have no desire, prior to the coming in of the report, to discuss the proceedings of the committee of which I have the honor to be chairman. There will come a time when the report will be here and the evidence will be here and it will be fully discussed, at which time I shall undertake to deal both with the evidence and with the parties who have views about the evidence which they have expressed.

I do want to say at this time, however, in order that there may be no misunderstanding, that a list of witnesses was given to the chairman of the committee by the party whom Mr. Lockwood sent to Montana. He was asked for a list of witnesses to sustain any view which they might entertain with regard to this matter, and every witness was subpœnaed. Every witness whose name was given has been put upon the witness stand except one, whom we have not yet been able to reach. He is said to be in Canada. We expect in all probability to reach him. So if there is any witness who has not been called it is because his name has not been given to the committee. Permit me to say further that any witness whose name is given to the committee whom anyone will vouch for as knowing anything concerning this matter will be called.

Furthermore, Mr. President, we have called every witness who was in position to know any of the facts concerning this transaction so far as we could ascertain. We called the witness who had to do with the original contract of employment. We called the witness who made the contract. We called the general attorney for the party for whom Mr. WHEELER was special attorney. We called Governor Spry, the head of the Land Department here. We called the Solicitor of the Land Department here. We called the land attorney who represented Mr. Campbell here in the city of Washington. I have written the Attorney General for any facts or documents which he may desire or which he may be willing to submit. So far as we have been able to ascertain, we have called any and all who could possibly be in a position to know anything concerning the facts, and I think the report will speak for itself when it comes in. It may not speak all that will be necessary to be spoken as the discussion proceeds, but it will speak all that is necessary and proper with reference to the particular subject matter which we are investigating.

Mr. ROBINSON. Mr. President, neither I nor those who hear me nor the people of the country need any assurance that the special committee investigating the Wheeler case will do its duty, and do it frankly and fearlessly. The Senator from Idaho [Mr. BORAH] has served in this body a great number of years. He enjoys the confidence and the respect of every Member of the Senate. There is no distinction as to whether one sits on the other side or on this; we all love and honor him, because we know he is an honest man. The committee are able and just Senators.

I can not find language in this assembly with which appropriately to characterize the passage I read in which Mr. Lockwood asserts that the agents of the committee have been practicing bribery and intimidation. I knew it was false when I read it, and every Senator knows it is false.

When I was interrupted I was about to refer to other statements contained in Mr. Lockwood's declaration. He said:

> The only differences between the Republican national organization and the two Montana Senators who have been most conspicuous in running the scandal mills on Capitol Hill is that these Senators have been conducting inquisitions into the conduct of organizations, officials, and individuals they seek to blacken and destroy, at great public expense, through witnesses, many of them disreputable, who testify to gossip and hearsay, while this organization has been investigating at its own expense the political and official records of these two chief inquisitors to determine whether they are prompted in their activities by a sense of public duty or by political motives that will not stand the light of day.
>
> The information collected has not been secured from train robbers, murderers, blackmailers, and bootleggers to be broadcast through the public press to satisfy the prurient demand for personal scandal.

What Senator reading that declaration would identify as the persons referred to the senior Senator from Montana [Mr. WALSH] and his colleague, the junior Senator from Montana [Mr. WHEELER]? The task which the senior Senator from Montana has been called to perform has been a difficult one. It has been performed in the face of difficulties which would have

crushed almost any other great lawyer, but, in the main, it has been discharged with signal ability and effectiveness.

It is the thanks which a public officer sometimes receives for doing his duty, and doing it fearlessly, that he is denounced and characterized as a scandalmonger. It sometimes happens that the best work of our lives goes unappreciated. It occasionly occurs that pure motives are misunderstood, and, when misrepresented, reflect upon one who is high-minded.

I say upon my responsibility as a public officer and a private citizen that in the roll of the Senate there is not an abler, braver public officer than TOM J. WALSH of Montana. From the hour when his skill revealed the baseness, the crookedness, and the contemptible rascality of those who were stealing the property of the people of the United States, he has been the target of every poisoned arrow that malice could design. Every act of his life, private and public, has been gone over in the hope that the "low-down," as one newspaper man expressed it, might be obtained against him, but with an army of secret service men, who ought to have been performing duties for the committee of which Senator WALSH is the most active member, pursuing him by day and by night, with the agencies of the Department of Justice training against him, they found no act, public or private, which reflected on him as a man or as an officer. Now, for political purposes, denouncing you Senators because you are unwilling to lend yourselves to cowardly practices, the secretary of the National Republican Committee seeks to make the name and the performances of the Senator from Montana odious before the public.

What had the Senator from Montana to accomplish by turning the light fully on Fall, Sinclair, and Doheny? Nothing except to discharge the duty which he owed to his country and to his office, and that he has performed that duty with signal effectiveness is emphasized by the manner in which he is hounded by the agents of those whose conception of public office and public duty is the concealment of wrong, the covering up of fraud, the condoning of corruption.

The Senator from Idaho [Mr. BORAH] recently stated to the Senate since I took the floor what action his committee has taken, a majority of them Republicans, all of the committee good men and true, who would not be influenced in their investigations and decisions touching such questions by any consideration of party or personal advantage. Every witness whose name has been furnished has been called, and while the Senator from Idaho [Mr. BORAH] did not say so, no doubt not desiring to anticipate the report of his committee, the implication to my mind was clear, that there is nothing against the junior Senator from Montana [Mr. WHEELER] except that he made it uncomfortable for crooks in office.

When the time comes that Senators shall be indicted in order to intimidate them in the performance of their duty, then the Senate owes it to itself to take the course necessary to protect its Members. I apprehend that Mr. Lockwood will be given an opportunity to tell what he knows, to explain why he has locked his information within the recesses of his own conscience; to justify withholding from the committee and the public the information which he says, in the concluding paragraph of his statement, warrants the indictment against the Senator from Montana [Mr. WHEELER].

Reference was made a moment ago by the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate to expenditures of the Senate on account of investigations. Other statements have been made respecting that subject. It is of course desirable that the cost of such investigations be reduced to the lowest practicable minimum consistent with the effective performance of their duties by the various committees. I happen to have a statement which relates to the costs of the investigations. The following separate items enter into the total, which it is urged by some is exceedingly high, of sums paid out by the Senate in its effort to obtain information essential to the performance of its duty.

First, there is the committee investigating the causes of the decrease in gold and silver values, which has spent $56,409.86. No suggestion has been made that the expenditures by that committee have been improvident or unwise.

The committee investigating the Veterans' Bureau has spent $45,902.67. Differences of opinion may exist as to whether the investigation resulted in relieving the Veterans' Bureau of incompetence, inefficiency, and corruption in office. Differences may exist about it, but no Senator here will say that the expenditures should not have been made. When we contemplate some of the disclosures made in that investigation, we pay little attention to the complaint heard from some sources that it has had a deleterious effect upon public opinion, and has caused many people to lose confidence in their Government. It would seem to you and to me that if any department of the Government would be honestly and fairly administered it would be such an institution as the Veterans' Bureau; but we have expended more than $45,000 in investigating that bureau, with results that are well known. No Senator and no other person familiar with the result would dare denounce or decry the investigation.

Then we have the committee investigating the naval oil reserves, which has expended $32,803.03. That is the committee of which the Senator from Montana [Mr. WALSH] has been the active leader. The amount named includes $12,000 for the services of geologists. The majority of the committee is composed of Republicans. It is in their power at any time they desire or dare to close the investigation and to stop the expenditures.

That committee was not provided with numerous agents and high-salaried detectives. That committee has not received the support of the Department of Justice. Instead of receiving the assistance of the Attorney General and the countless secret-service agents and spies under him the committee has been checkmated at every turn by the very agents who ought to have been serving them. But in spite of the difficulties under which they labored they have accomplished results which are about to be overlooked, but which must not be forgotten. They are recovering back treasures belonging to the people of the United States worth hundreds of millions of dollars.

When we consider the fact that the Committee on Public Lands and Surveys investigating the naval oil reserve leases was unprovided with adequate agents and investigators and that they were opposed at every turn by the agents of the Government who ought to have been helping them, it is not surprising that in many instances testimony, which in the light of after events has not been regarded as credible, was taken. When we contemplate the associates of the Attorney General it is not surprising that, in the language of the secretary of the National Republican Committee, witnesses who were bootleggers and professional crooks should have been called to testify. It would have been a very pleasing thing if the committee could have remained in its room and awaited confessions or the voluntary production of testimony that would show them culpable by the parties investigated. But such things do not happen. The committee was compelled to make its investigation in an adverse environment, and secure such evidence as it could, and it does not in any wise reflect upon the important and material results of the investigation that in a few instances hearsay which might have been excluded was admitted.

The fact stands out that in the face of difficulties which would have discouraged almost any man, the senior Senator from Montana [Mr. WALSH], with a persistence and a diligence that is to be commended and not condemned, went forward and did his duty. If he had pursued another course Mr. Lockwood and his associates would be heaping encomiums upon WALSH instead of denouncing him as a scandalmonger. If he had consented to suppression where revealment was necessary, if he had winked at crookedness in high places, his name would be heralded by those who now denounce and defame him. But it is a cause of gratitude to you and to all of us that he could not be overcome or thwarted, that he took the chance of mistakes in his own judgment and took the responsibility which he might easily have avoided had he been small and mean like those who censure him.

But I thank him, and you should do so, that he continued unterrified, and by the result of his courage and ability the Government is to get back and keep, against the day when we may need them, the naval oil reserves; is to recover back hundreds of millions of dollars' worth of public property. But more important than that, there have been driven from power men who never deserved it, men who betrayed public trust, who disregarded public duty, and who seem now to assert a special privilege and right to plunder and rob the people of the United States.

Mr. President, on the occasion of the receipt of President Coolidge's special message to the Senate dealing with the subject matter of this resolution and the investigation of the Bureau of Internal Revenue, I expressed astonishment that the President should have been led into so grievous an error as seemingly to condone and give courage to those who had wronged the public and to condemn and dishearten those who were trying to secure redress of those wrongs.

The pending resolution by the Senator from New Mexico [Mr. JONES] is a courteous but emphatic reply to the special message which the President sent to the Senate on the 11th of April, challenging the good faith of the special committee of

this body created to investigate the Bureau of Internal Revenue.

The President's message impliedly charged a purpose on the part of the committee to reveal confidential information in the bureau to the public detriment; to examine tax returns of companies in which the Secretary is interested for improper purposes; and through subterfuge to cover unwarranted intrusion by the legislative upon the business of the executive department. The Chief Executive, while recognizing the necessity for the maintenance of a spirit of comity between the executive and legislative agencies, in his message recklessly asserts that the Senate is attempting to throw the Government into disorder, and insists that we return to a government in accordance with the usual forms of the law of the land. It is noticeable that President Coolidge, neither in his message nor in any other public or private announcement, has one word of condemnation for those executive officers and agents who have prostituted their high offices and degraded the honor of the Government. Apparently he has lost sight of the conspiracy among certain Cabinet members to thwart the policy inaugurated by President Roosevelt, adopted by President Taft, and sustained by President Wilson, for the conservation of natural resources, particularly including the naval oil reserves.

The President expressed no indignation at the complete failure of the Department of Justice to institute legal proceedings to safeguard these natural resources or to expose and punish those responsible for their waste.

With unaccountable and astonishing blindness to his own responsibility as the executive head of the Nation, he apparently invites a controversy with the Senate where no ground for controversy exists, and defends as righteous and unquestionable the act and attitude upon the part of the Secretary of the Treasury in no principle distinguishable from that of Attorney General Daugherty, for which the latter was bitterly condemned and driven from public office.

The special committee had announced its purpose to examine in strict confidence the tax returns of the companies in which the Secretary is interested. No ground whatever existed for the fear that confidential information in the Treasury Department would be exposed to the public detriment.

When an investigating committee demanded certain files in the Department of Justice and the Attorney General refused to furnish them on the ground that they were confidential, the President said to the Attorney General:

> Your actions are under investigation and you are not presumed to decide what information the committee is entitled to. Your immediate resignation is requested.

When the Secretary of the Treasury manifested impatience and resentment after having challenged an investigation of the tax returns in which he is interested, when he declared that the morale of the personnel in the Treasury Department was being destroyed because the committee desired to examine tax returns in which he is interested, the President assumed an attitude in striking contrast to that which he occupied in the Daugherty case. He sent the Senate a communication apparently containing numerous attempts to offend and provoke controversy.

Meantime the President has neither raised a hand nor spoken a word to expose and punish those executives responsible for the waste of the Nation's resources through inefficiency, not to say through corruption. He has neither felt nor expressed indignation with agents of the Department of Justice—which department above all others is responsible for justice and the enforcement of law—for framing and securing the indictment of the Senator from Montana [Mr. WHEELER] in order to hamstring him and discredit the investigation of the Department of Justice which he is conducting, while Secretary Fall and others shown to be responsible for glaring wrongs against the Government have not been disturbed, and former Attorney General Daugherty becomes a Coolidge leader, enjoying a prominence comparable to his position in the campaign when President Harding was nominated.

The President veritably runs with the fox and chases with the hounds. He would like his administration to be pure, but dares not encounter the opposition or defy the power of those responsible for its defilement. He had a great opportunity and let it go by—an opportunity which Theodore Roosevelt or Woodrow Wilson would have made the most of—to promptly eliminate from his councils Cabinet members and other public officers who by either notable inefficiency or corruption in office have weakened the confidence of the public in the Government.

This confidence must be restored, and the only way it can be restored is by justifying it—by exemplifying honesty and efficiency in official transactions.

This task invites the cooperation of right-minded citizens without regard to partisanship. Surely sound public policy should prompt us to avoid all show of partiality, favoritism, and sympathy and to condemn the suppression of facts relevant to necessary remedies. If the Department of Justice had been diligent in uncovering frauds against the Government and in producing creditable witnesses, the committees investigating the Veterans' Bureau and the naval oil reserve transactions would have been able to avoid much confusion, some irrelevant testimony, and collateral inquiries which have occurred in large part because of the difficulties under which the committees have worked and the total lack of support from the executive departments which ought to have cooperated.

My answer to the President's declaration that we have departed from the usual forms of law in investigating inefficiency and dishonesty in executive departments is that we expressly authorize the committee charged with the investigation to employ counsel and to proceed.

Mr. SHIPSTEAD. Mr. President, there is one phase of the propaganda that has been carried on against Congress, there is one phase about the attack that has been made for some time upon the Senate of the United States which I had hoped would have been called to the attention of the Senate and to the attention of the country by some Senator. No Senator up to this time having done so, however, I deem it my duty to ask the indulgence of the Senate for a few minutes this morning while I direct the attention of the Senate to a phase of this evidently concentrated attack that has not been previously adverted to in this body.

I wish to invite the attention of the Senate to the fact that all over the world since the World War there has been carried on an organized attack against parliamentary government. It is not confined to America, but we find it in practically every nation all over the world. In some nations this propaganda and these attacks have been very successful because they have resulted in the overthrow of parliamentary government, and the attackers have been able to substitute for a parliamentary or democratic form of government some form of dictatorship.

I have been impressed with the marked similarity in the method of attack that is pursued here in America and the method of attack that has been pursued across the water. I have here a clipping from the New York Times of April 12. I send it to the desk and ask unanimous consent that the Secretary may read it to the Senate. It is only an example of a great mass of the same kind of propaganda that is being spread throughout the country from various sources, having evidently for its purpose the discrediting of Congress. In order to save time I send merely one article to the desk and ask that it may be read.

The PRESIDING OFFICER (Mr. WILLIS in the chair). Without objection, the article will be read by the Secretary.

The principal clerk read as follows:

CALLS WHEELER A "SNAKE"—LOUIS A. COOLIDGE SAYS SENATOR AIMS TO DESTROY DEMOCRACY

(Special to the New York Times)

SPRINGFIELD, MASS., April 11.—Calling Senator BURTON K. WHEELER a "snake," Louis A. Coolidge, candidate for the Republican nomination for the United States Senate from Massachusetts, told the Rotary Club here to-day that the shame in Washington rests not in the names that have been bandied back and forth in the investigation but in "the little reckless group who have besmirched their country in a desperate attempt to destroy all confidence in government and to bring upon the United States the terrors of the soviet."

"They are not all Democrats, they are not all Republicans," Mr. Coolidge declared. "They belong in neither party, though they carry on guerrilla warfare under party names. WHEELER and LA FOLLETTE, NORRIS, FRAZIER, LADD, and SHIPSTEAD, WALSH of Montana, OWEN of Oklahoma, and all the others in the group have this one aim in common—to destroy democracy and create a socialistic form of government in the United States; to break down representative government and set up such tyrannies in Washington as they admire in Russia and in Germany. Some of them have been working on these lines for 20 years.

"WHEELER is a snake," the speaker exclaimed, adding that it was regrettable that he was born in Massachusetts. As former district attorney in Montana his record was such that President Wilson was asked to depose him.

"LA FOLLETTE almost lost his seat because of disloyal utterances during the war," Mr. Coolidge went on. "It is to the shame of the Republican Party that he kept his seat in order that the party might have a majority."

Mr. SHIPSTEAD. Mr. President, I have here an article from the Wall Street Journal of April 14, 1924. On March Guy M. Walker, in which, speaking of the Congress, he said:

> If they do not give us economic tax reduction at once, it is time for the vigilantes to start for Washington. Surely there is somewhere in America a Mussolini to lead the American blackshirts to Washington.

Mr. JOHNSON of California. May I inquire from what newspaper the Senator from Minnesota is reading?

Mr. SHIPSTEAD. I am reading from the Wall Street Journal. The article which I have just read appeared in the Wall Street Journal of March 17. On April 14, 1914, the Wall Street Journal printed an editorial in which the editor says that the Wall Street Journal was not quoted by Mr. Walker; that Mr. Walker expressed his own views; that he did not express the views of the editor of the Wall Street Journal. So in that issue of the Wall Street Journal in an editorial the editor of that publication proceeds to state what his views are. I will read them to the Senate.

First denying the responsibility for the article of March 17, the editor of the Wall Street Journal says:

> Of course, there was no editorial call here for a Mussolini to lead a blackshirt army on to Washington. But do we not need a Mussolini in every State in the Union to lead his own people into sound economics?

And in the last paragraph of the editorial the editor states:

> By all means give us 48 Mussolinis, and let us pray that we have in Washington a forty-ninth now leading the people in the direction of sanity and savings.

So the editor does not want one dictator, he wants 49.

I also send this article to the desk, Mr. President, and ask that it, together with the other article, may be printed in the RECORD with my remarks. I submit these articles because they afford the best evidence as to what is going on.

The PRESIDING OFFICER. In the absence of objection, the article referred to by the Senator from Minnesota will be printed in the RECORD.

The article is as follows:

[From the Wall Street Journal of April 14, 1924]

REVIEW AND OUTLOOK—WANTED, 48 MUSSOLINIS

In a letter to the Wall Street Journal published March 17, Guy M. Walker, the distinguished author of "The things that are Cæsar's," protesting as an economist against the indifference shown by Congress to tax reduction and the effect of uncertainty upon the business of the country, said:

> "If they do not give us economic tax reduction at once, it is time for the Vigilantes to start for Washington. Surely, there is somewhere in America a Mussolini to lead the American Blackshirts to Washington."

Decent newspapers believe in freedom of speech, but of course do not take any responsibility for the expressions used in the letters they publish. Nevertheless this paragraph was extracted without the context, circulated by some Democratic Party bureau, credited to the Wall Street Journal, and editorially criticized as this newspaper's utterance by at least five daily papers.

Of these, the Pittsburgh Press and the Erie Times made honorable amend on learning the facts. Apparently the Youngstown Telegram, the Cleveland Press, and the Spokane Press do not believe in freedom of speech where hitting below the belt seems profitable.

Of course, there was no editorial call here for a Mussolini to lead a Blackshirt army on to Washington. But do we not need a Mussolini in every State in the Union to lead his own people into sound economics?

Who would have believed that the son of an Italian blacksmith, ten times convicted, time and again fined and in jail for socialist leadership against the Government, would come to see the error of socialism after attaining the greatest prominence it could give?

Who would have believed that such a man, with the sublime courage of his convictions and conversion, would lead Italy and the world to a restoration of sanity, sound economics, the true gospel of labor production and saving, that he would bring forth such a triumph as he has now achieved by constitutional methods in Italy—the greatest post-war triumph the world has seen?

It was a triumph for reparations through labor and saving, the reduction of taxes and the honest collection of them, the sending of idlers on the Government payroll about their business, and the rejection of such socialist quackery as Government operation of railroads, "the means of production," telegraphs, and all the rest of it.

By all means give us 48 Mussolinis, and let us pray that we have in Washington a forty-ninth now leading the people in the direction of sanity and savings.

Mr. SHIPSTEAD. I wish to say, in conclusion, that I believe that the editors and others who have been attacking the Senators who are conducting these investigations, and who have therefore been subject to these attacks, have conferred upon those Senators a great honor. I consider it a great honor for a Senator of the United States that he can be attacked from the sources from which these Senators have been attacked, for it shows that they are doing their duty.

I am very glad to hear that the distinguished Senator from Indiana is not going to press his resolution, and I hope the resolution of the Senator from New Mexico will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the resolution offered by the Senator from New Mexico [Mr. JONES].

Mr. BRUCE. Mr. President, there are some reasons why it is impossible for me to allow this question to pass to a vote without expressing my personal convictions in relation to it.

First of all, I want to say that, though I have had a considerable degree of legislative experience in my life, I have never witnessed such an abrupt, unaccountable volte-face as that of the Republican Members of this body this morning. Surely I need not remind you, Mr. President, that it was only a few days ago that the President sent to this body a message in which he said that the Democrats in this body were creating a government of lawlessness instead of a government of law. Nor need I remind you, I am sure, that that message was accompanied by a communication to the President from no less a personage than the Secretary of the Treasury, in which the Secretary used such remarkable language that to a very general extent it was accepted by the public as indicating an intent on his part to resign his office.

Then what followed? Never have I seen more elaborate political staging. To begin with, the Senator from Indiana [Mr. WATSON], with a luxuriance of gesture and a volume of vocal resonance such as I have never on any other occasion heard in the Senate, denounced the continuance of the present investigation into the Internal Revenue Bureau in the strongest terms and ended by a glowing peroration on President Coolidge. He was followed by the Senator from New Jersey [Mr. EDGE], who also extolled the President in the most rapturous terms. And now, without a word of warning, the bell rings, the curtain goes down, the scenery is taken apart and hurried off to the freight yard, and all the actors go off to their hotels and their boarding houses for the purpose of making a speedy flight from the theater where all of this impressive staging had been set up.

It has been said for some time past that the Republican Party was taking its kicking lying down. Now, it looks to me as if it were not only taking its kicking lying down but after it had with its own hands bared its back and limbs to the kicking. It is entirely too late for it to recede and decline to face the music which its own conduct provoked.

When the Senate adopted the resolution asking for the resignation of Secretary Denby I voted against it because I felt that the Senate was overstepping the limits of its just constitutional authority, and now I also say, without the least hesitation, that when the President sent this extraordinary message to the Senate he in his turn was overstepping the boundaries of his just constitutional authority.

On a certain occasion Dr. Samuel Johnson is said to have declared that a piece of meat that had been placed before him was ill dressed, ill cooked, and ill served; and I assert that the message which the President has sent to this body was unhappy in form, unhappy in substance, and unhappy in spirit. So far as mere form is concerned, it is destitute of the pith and clearness which sometimes distinguish the productions of the President. Indeed, the paper may almost be said to be a confused, inarticulate one. In one place the President says that the executive branch of the Government has no desire to withhold any legitimate information from the inquiry of the Senate, and yet the context of the whole paper shows that if anything shall be furnished by the executive department of the Government for the purposes of the committee it will be furnished in the most begrudging spirit by that department.

In another place the President says that he recognizes the right of the Senate to indulge in political discussion and partisan criticism, and yet he has only terms of unstinted condemnation for the Senate when he proceeds to mention the fact that the present committee of investigation has, forsooth, been so audacious, so presumptuous, as to ask the executive department for the tax returns of corporations in which the Secretary of the Treasury is interested. He even goes so far as to claim that the Senate has been guilty of unlawful seizures of papers and of violations of fundamental rights of the citizen under circumstances to which the Constitution of the United States has no more application than the laws contained in the Book of Deuteronomy.

Then the President also charges the Senate, or the present committee, with unwarrantable intrusion. The message is just

efficiency in official transactions.

have a majority.

therefore been subject to these attacks, have conferred upon committee, with unwarrantable intrusion. The message is just

as subject to criticism in point of substance as in point of form. Nobody in the Senate ever has been able to say exactly what it means. One individual construes it as meaning that the pending investigation of the Internal Revenue Bureau only is to come to an end. Another construes it as meaning that all investigations of every kind authorized by the Senate are to cease; but I stand here to affirm that whether the President means that this particular investigation shall end, or that all investigations instituted by the Senate shall end, he is in either case plainly in the wrong.

The President has a right to tell the Senate that it is asking for papers on which, for some good reason, the seal of confidence has been impressed. He has the right to tell the Senate in extreme cases that its desire for papers is inspired by purely frivolous and vexatious motives; but, except under highly extraordinary conditions, it is not for the President to intermeddle with an investigation that has been authorized by the Senate. It is for the Senate alone, in the exercise of its powers under the Federal Constitution, to decide when an investigation shall commence or in what manner it shall, when commenced, be carried on. Above all, it is for the Senate to say when an investigation shall terminate.

I have often thought that the sagest device which was ever conceived by the wit of man was the device of separating government into three great departments, the executive, the legislative, and the judicial. The legislature, of course, would make a poor executive. Everybody knows that. It would make an even worse judge. Everybody knows that. But in the history of the human race there never was an instrument more exquisitely fashioned for a specific purpose than was the legislature for its purposes. So true is this that there is not a free country on the globe which does not date its priceless freedom from the time that it acquired a legislative assembly.

Mr. Jefferson, in his original way, said on one occasion that if he had to take his choice between newspapers without government and government without newspapers, he would select newspapers without government; and the press is not more essential to the protection of the popular welfare than the legislature. Indeed, it is not so essential as is the legislature.

The legislature, be it remembered, is not exclusively concerned with the enactment of just, wise, and wholesome laws. That is the constructive side of its office; it is just as important that it should be afforded an untrammeled opportunity to exercise also the critical, the inquisitorial side of its office.

I, for one, do not know how to set limits to legislative investigation under any conditions not totally exceptional. Without legislative investigation there would be no such thing as true liberty, for a vast amount of official corruption and misconduct would escape discovery and rebuke. Ultimately, it is upon "the lidless dragon eyes" of the legislature, to use the image of the poet, that the freedom of a people depends.

As I have said, it is marvelously adapted to the ends for which it was designed. Its very caprices, its very passions, its sleepless partisanship, its susceptibility to every passing flaw of public opinion help to make it an efficient guardian of the popular welfare. When the President and his adherents in this body found themselves, after a period of cooling reflection, face to face with the proposition that investigations instituted by this body were to end at the suggestion of executive dictation, no wonder that they all lost heart and abandoned the theatrical performance of which I have spoken, and now come here and meekly say, "Yes; let the resolution of the Senator from New Mexico providing for the employment of an attorney for the committee be adopted. No; the Senator from Indiana has no intention of pressing his motion that the investigating committee be discharged." Really, I never did know a body of men in my life to descend to such a level of political self-abasement.

I also think that the spirit of the President's message, too, is not what it should be. It is plainly just a political move, a mere counterstroke in the conflict of party welfare, designed to offset the profound impression made upon the popular mind by the scandals laid bare by Senate investigations.

With great deference, I think that the Secretary of the Treasury, Mr. Mellon, too, made a mistake when he wrote his communication to the President. I have a deep respect for him. I think he shares with Secretary GLASS and Secretary Houston the credit of being one of the ablest Secretaries of the Treasury in our recent history. Personally, I have only a slight acquaintance with him; but I have seen enough of him to realize that he is one of those rare individuals that can be endowed with an uncommon measure of ability and a measure of wealth far beyond the lot of ordinary men and yet successfully maintain the character of a natural, unassuming, simple-hearted gentleman. I was glad to hear the Senator from Arkansas [Mr. ROBINSON], in his happy language, speak of him as being even a man of organizing genius, because I think that a tribute of that kind every now and then to personal merit does a great deal to relieve the bitterness of ordinary partisan feelings. All the same, as I have said, the Secretary of the Treasury made a mistake when he wrote his letter to the President. He is not exposed to anything to which all the rest of us in public life are not exposed. There is not one of us in public place who does not know that we may be as pure as ice and chaste as snow and yet not escape calumny. He should recollect that it is the tree that stands upon the lofty eminence or the spire that climbs highest into the skies that is most exposed to the winds and the lightning stroke.

Many years ago somebody asked the Emperor Francis Joseph, of Austria, whether he was not afraid of assassination. "No," he said; "assassination is but a part of the trade of a king." Mr. Mellon should take that saying to heart. Neither he nor any other eminent public official, when a suggestion in a responsible quarter is made that his conduct should be investigated, can afford to shrink from investigation, no matter how malicious or vexatious he may think that the motives behind it are.

I think it was perfectly natural that Mr. Mellon should have manifested some feeling of annoyance, or even of resentment, in his letter. From all that I can gather, he did not desire to be Secretary of the Treasury. He was content with the high, honorable place that he had secured in the great business world. From all that I can gather, too, when he did make up his mind to accept the position, though he accepted it reluctantly, he did everything that a scrupulous man could do to ascertain whether there could be any possible conflict between his private interests and the discharge of his public duties.

Now, when he has been appointed to the office under those conditions, it is natural enough that he should be disposed to shun to some extent the rougher side of political life. Moreover, I think that it was entirely natural that he should have resented the suggestion that the investigation of a bureau under his headship should be conducted under the legal advice of an attorney selected by one of the members of the committee at his own private expense. I do not care whether such an act would have been repugnant to any statute of the United States or not; that is a matter of secondary importance to me. For counsel to be employed under such circumstances would, in my opinion, be a violation of every proper principle of political, not to say social, decency. Everybody knows that an attorney selected by a member of a committee, at his own personal expense, would not be the servant of the Government of the United States, or the servant of the people of the United States, or the servant of the Senate of the United States, or even the servant of an investigating committee of the Senate of the United States. He would be nothing but the private counsel of a member of a committee of the Senate, and might at any moment, under circumstances readily conceivable, be employed merely as an instrument for the gratification of personal and political malice by the member of the committee whose hireling he was.

Of course, I assume that the idea of the Senator from Michigan [Mr. COUZENS] was not a mere purse-proud gesture, not a mere manifestation of that feeling which seems to possess not a few rich men, that they can buy anything if only they have the money to buy it with. All the same, the suggestion should never have been made, and now that it has been made it deserves the disapprobation that I have endeavored to deal out to it. I for one am not willing to change the American ship of state for a Ford flivver.

There is nothing for Mr. Mellon to do, even if his party associates here in the Senate are not prepared to go so far, except to face the present situation, and to face it with a steady foot and an unquailing eye, as I believe he will. He should recollect that the man who can best afford to be investigated is the man who least deserves to be investigated. That he would issue from such an investigation without reproach I for one am confident.

I have been unqualifiedly in sympathy with every one of the investigations instituted by the Senate since I have had a seat in it. I have never asked anything but that the investigating committees should be fairly constituted and that when they entered upon the exercise of their functions they should discharge their duties in an orderly and fair-minded way. There has been a good deal in the conduct of the investigations that has at times seemed to me to be not just what it might have been. I think the rules of evidence have not always been adhered to as closely as they might have been.

I think that at times partisan feeling has had too much sway. But I have felt from the beginning that from every point of view the investigations were abundantly justified and that each of them should go on to its logical conclusion without any interference by any agency except the Senate itself, which, of course, should always hold itself responsible to the supreme tribunal of public opinion.

In my judgment, in every substantial respect the investigations have been eminently successful. When, with a single exception, have so many "malefactors of great wealth" been brought to book?

When the Republican Party conducted its investigations after the World War its nets resulted in nothing but water hauls; but the present Senate has never let down a net into the political waters and drawn it up without finding some big predatory fish in it.

A few days ago the Senator from Pennsylvania [Mr. REED] said that we on this side of the Chamber knew that the people of the United States were not in sympathy with the investigations set on foot by the Senate; yet, after all these efforts to arrest the course of the investigation into the Internal Revenue Bureau, we find the Republican majority in this body again throwing up the sponge and again lying down submissively and supinely to receive its punishment.

Mr. FLETCHER. Mr. President, very briefly I desire to refer to the resolution now before the Senate specifically, and in that connection I may mention what seem to me some of the causes leading up to the resolution and the justification for it.

When the inquiry was set on foot by Senate Resolution 168 the burden rested upon the Senator from Michigan [Mr. COUZENS] to prosecute the inquiry to a satisfactory conclusion, and I mean by that with that degree of thoroughness which would make it worth while. The Senator from Michigan is, I believe, not a lawyer, but he has that clear, analytical mind, that splendid intelligence, that good judgment, that public spirit, and that ability to arrive at the facts which qualify him to pursue any inquiry with success as to the method and regularity of procedure and the ultimate development of the truth.

Having that burden upon him, and in the circumstances in which he was placed, with the difficulties which confronted him, he found, of course, that it was more than one man ought to be charged with; that it was more than one man ought to undertake, irrespective of his ability and his industry, both of which he commanded in a high degree, and eventually he went down under the strain. His serious physical ailment I have no doubt is directly traceable to the exertion, the strain, the nervous anxiety, and the work in connection with conducting this inquiry. He now lies in bed in a hospital, having undergone a very serious operation.

I do not wonder at all that the Senator from Michigan reached the point where he felt that it was necessary to have some assistance—legal assistance and other assistance—in order to pursue the inquiry with that thoroughness which would be satisfactory to him. I do not wonder that he was perfectly willing personally to secure that assistance and to pay for it. I do say, however, that no Senator on any committee ought to be required to bear the expense of employing counsel, legal assistance, or other assistance in connection with an inquiry ordered or directed by the Senate. That expense should be borne by the Senate, should be borne by the Government in the regular way, just as the Government provides stenographers, a meeting place, and other facilities for conducting investigations. The Government ought to bear the expense for all the agencies necessary to make that investigation thorough and complete.

Therefore I felt it would be a dangerous and unwise precedent for a Senator to take upon himself and to incur that sort of obligation to be out of his own pocket, the employment of counsel to do the Government's work. For that reason I think the Senate itself ought to provide the assistance, and the Government ought to pay the expense. I think, from the standpoint of public policy and from the standpoint of public interest, that the resolution ought to be adopted, and that the Government ought to provide the assistance rather than expect a member of the committee to take care of it. Therefore I favor the resolution.

At the same time I can well understand how the Senator from Michigan reached the point where he realized some such assistance had to be provided in order that the investigation might go on with that degree of thoroughness that he felt should be accomplished; and that rather than imperil his life after he had already endangered his health he was willing to go down into his pocket and pay the expense of employing counsel, thus insuring a continuance of the inquiry to conclusion. Offering to do it in those circumstances, he is to be commended rather than criticized. The Senate ought to relieve him of what appeared a necessity and provide at Government expense for the counsel, the agents, and the assistants that are necessary to carry on the investigation to its final completion.

Therefore, commending the ability and the skill and the real energy of the Senator from Michigan and his high purposes, and expressing the hope that he will soon be able to join his fellow Members in this body, I favor giving the assistance that is intended to be given by the resolution and providing at Government expense the attorneys, the agents, and the experts that may be needed to complete the investigation which has been ordered by the Senate.

Mr. WATSON obtained the floor.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Keyes	Robinson
Ashurst	Edwards	King	Sheppard
Ball	Ernst	Ladd	Shields
Borah	Fernald	Lodge	Shipstead
Brandegee	Ferris	McKellar	Shortridge
Brookhart	Fess	McKinley	Simmons
Broussard	Fletcher	McLean	Smoot
Bruce	Frazier	McNary	Spencer
Bursum	Gerry	Mayfield	Stanfield
Cameron	Gooding	Neely	Swanson
Capper	Hale	Norris	Wadsworth
Caraway	Harris	Oddie	Walsh, Mass.
Colt	Harrison	Overman	Walsh, Mont.
Copeland	Howell	Pepper	Warren
Cummins	Johnson, Calif.	Phipps	Watson
Curtis	Johnson, Minn.	Pittman	Weller
Dale	Jones, N. Mex.	Ransdell	Wheeler
Dial	Jones, Wash.	Reed, Mo.	Willis
Dill	Kendrick	Reed, Pa.	

The PRESIDING OFFICER. Seventy-five Senators have answered to their names. A quorum is present. The Senator from Indiana is recognized.

Mr. WATSON. Mr. President, I shall enter upon no lengthy speech because I do not think that a lengthy speech is required to voice my sentiments on the subject. Perhaps a short history of the entire controversy might throw some light on the subject.

When the Senator from Michigan [Mr. COUZENS], who is, happily, recovering from his illness, introduced the resolution it read as follows:

Whereas the Bureau of Internal Revenue of the Treasury Department has not, according to reports, completed settlement of all tax cases for the year 1917, which cases should have been settled long ago; and

Whereas this delay is indication of improper organization, or gross inefficiency, or the bureau's handicap by conditions of which the Senate is not aware; and

Whereas as the result of this system and this delay the Government has, it is claimed, lost millions of dollars, taxpayers have been and still are oppressed, and corruption or the opportunity for corruption exists; and

Whereas rates for income taxation are governed entirely by the administration or lack of it; and

Whereas there can be no helpful, honest, sincere, and intelligent action on the rates of taxation until this system is corrected: Therefore be it

Resolved—

When the resolution finally was proposed the whereases were eliminated and the resolution itself, as introduced, read as follows:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of five members, three of whom shall be of the majority party and two of the minority party, which shall investigate the Bureau of Internal Revenue to ascertain the extent to which said conditions exist and report thereon not later than April 1, 1924, so that this information may be ready for the Senate in considering a tax revision and tax reduction bill now before the House of Representatives.

In other words, as the whereases of the first resolution clearly recite and as the resolution itself provides, the Senator from Michigan had no thought in his mind at the time of their introduction save an investigation of the Income Tax Unit of the Treasury Department, or, as he saw fit to say, the Internal Revenue Bureau. When the committee was appointed it was appointed with that understanding and with no other. As the investigation proceeded it was upon that theory and no other. Nobody thought of any outside investi-

endowed with an uncommon measure of ability and a measure of wealth far beyond the lot of ordinary men and yet success-

been. I think the rules of evidence have not always been adhered to as closely as they might have been.

gation of any character or of any extraneous matter being introduced into the investigation.

After it had been conducted for some time the Senator from Michigan, the mover of the resolution, asked Doctor Adams, who was in attendance upon the committee, to prepare a final report, as the letter of Doctor Adams which was published in the RECORD clearly shows. Therefore the sole object of the investigation was the Income Tax Unit, as the whereases clearly show.

But when this report was about to be made another individual appeared on the scene and the whole course of investigation was deflected. The interview given by Governor Pinchot clearly showed the purpose he had in mind and the purpose which the Senator from Michigan had in mind when the appointment of this attorney was asked for. In that interview Mr. Pinchot said:

> Certainly I saw Senator COUZENS. I would have failed in my obvious duty as Governor of Pennsylvania if I had not. Last October in a public speech in Washington I described the breakdown of the Federal enforcement service in plain terms. Last January in another public speech in Washington I demanded a congressional investigation. In a case like this the only way to get the law enforced is to expose the facts. I have no sympathy with investigations as mere fishing expeditions; I have no personal animus or purpose in this matter; I am not pressing for a general investigation of the Treasury Department; but I assert, and I challenge Mr. WATSON or anyone else to deny, that it is time to put an end to corruption and inefficiency which exist in the Federal enforcement service.

So that after the investigation had gone on for four weeks or more, and after we were almost ready to report upon the object for which the resolution was introduced and the committee appointed, Governor Pinchot appeared on the scene and the Senator from Michigan completely changed the object of the investigation to one that would send it into the prohibition enforcement unit. As my Democratic friends on the committee will agree, there was no thought on the part of any member of the employment of any attorney for any purpose until that course was adopted by the committee and until the object for which the resolution was introduced and the committee appointed had been turned aside from an investigation of the income-tax unit to an investigation of the prohibition unit. That is why the Senator from Michigan wanted a lawyer; that is why Governor Pinchot wanted him to hire Mr. Heney; that is why, as was set forth in the newspapers, Mr. Vanderlip consulted Mr. Heney across the country by wire and insisted on his coming to Washington. That was the condition which existed when the Jones resolution was brought into the Senate and when I offered my resolution to abolish the committee or discontinue its labors. Why? Solely because there was an entire change from the original purpose for which the committee was formed, and another purpose had entered wholly outside of the purview of the original resolution, and, in my judgment, outside the authority of the committee to investigate.

At the time I introduced the resolution that situation confronted us and when that alone was the subject which demanded our attention. Our friends upon the committee and in the Senate recognized that situation, because the Senator from New Mexico [Mr. JONES] immediately introduced his resolution providing for the employment of an attorney, which was a confession that the committee had no authority to hire a lawyer, because it was not so provided in the original resolution; and, further, it was a confession of the fact that the Senator from Michigan himself had hired the lawyer and not the committee. There was not a single Member of this body who agreed that the Senator from Michigan had either the right or the authority to hire a lawyer for that purpose, and no man has spoken upon either side of the Chamber but has condemned the hiring of private counsel by a member of any investigating committee of the Senate for the purpose of conducting an investigation. Therefore we were clearly within our rights when we offered the resolution to abolish the committee, and we were clearly within our rights when we said that we intended to know the situation before we would agree to the resolution introduced by the Senator from New Mexico.

My able friend from Maryland [Mr. BRUCE] a while ago gave me a verbal castigation for "lying down," and yet in the latter part of his speech he inveighed in most vigorous fashion against any Senator hiring a private lawyer for the purpose of conducting an investigation; and that was the very object of my coming into the Senate with the resolution to abolish the committee. The reason why we insisted that the investigation should proceed no further was because its purpose had been deflected and its course altered by the hiring of a personal attorney by one of the members of the committee for a different purpose from that which had originally been intended when the original resolution was introduced and the committee appointed. Clearly we were within our rights when we introduced that resolution, and clearly the President of the United States was within his rights when he sent a message here backing up that resolution.

Mr. President, my friend from Maryland has expressed great solicitude for the bruised and bleeding Republican Party. Permit me to say to him that everything that transpires in connection with a legislative body does not happen on the floor, and it may be that certain situations will yet develop, and probably will, that will offer a balm for the wounds of my able and distinguished friend and satisfy him that perhaps the course we have adopted is all to the advantage of the committee.

Mr. President, my able friend from Arkansas, the honored leader of the Democracy, went far afield this morning in discussing this resolution and brought in all of the investigations and uttered splendid eulogies upon the Senator from Idaho and the Senator from Montana. I shall not disagree with him in the eulogies which he has just pronounced; I shall not attack any of my colleagues on this floor, their reputations, or their characters, nor shall I impugn their motives. They were well within their rights when they started these investigations; but I know, as everybody else knows, for none of us were born yesterday, that after a time they got into politics, and they began to hunt for a political issue, and they went further than they were justified in doing in order to try to get a political issue for the approaching campaign.

The Doheny case is in the courts; the Sinclair case is in the courts; the Fall case is in the courts; and even the case of our friend the Senator from Montana [Mr. WHEELER] is in the courts. I do not intend to try any of those cases on the floor of the Senate of the United States; they are to be tried in another forum, and it is not our business to settle those cases here; but when my friend the Senator from Arkansas said that the President in no speech had condemned corruption or guilt, I fear that he has not read the various messages and statements of the President of the United States on that subject, for in clear language—the clear language for which he is so distinguished—in express verbiage, and, if you please, in ringing words he condemned guilt and corruption in high places, and said that he intended at all times and in all places to punish that guilt and to bring those who were recreant to the bar of justice. "That I am doing, and that I propose to continue," he said in simple but all-inclusive language. So, Mr. President, there can be no political issue made out of an attempt to revive this dying issue in the United States.

Everybody condemns corruption; everybody has words of censure and ought to have for those in high places who betray their trust. That is universal; that is not confined to any political party or any organization anywhere. We all agree that no man in public life should be tainted by corruption, and that if he goes far afield or oversteps the limit, he shall be punished by the freezing terrors of the law. Upon that there is no disagreement of opinion.

But my friend, in order to castigate the secretary of the Republican National Committee, Mr. Lockwood, goes back to review all of the cases that have been investigated here for the months agone. I shall enter upon no defense of Mr. Lockwood, nor shall I attack him. He is a private citizen; he runs his own newspaper; and he has the right to say in it whatsoever he pleases subject only to the law of the land. He makes no covert attack under the panoply of senatorial immunity. What he says is in the columns of his own paper, and if he goes astray he is subject to the law of the land and can be called to book by anyone who feels himself aggrieved. I am not familiar with the facts in the so-called Wheeler case. I have not discussed them with anybody. I only know that when Mr. Lockwood said what he did say he said what he believed, and, while he may have been wrong, nevertheless I do know that he was actuated by honest motives.

But, Senators, the question now is, What shall be done? I was clearly of the opinion at the time I introduced the resolution that this committee ought to be abolished. The whole scenery had changed. Senators all admit that Mr. Heney ought not to be hired by Mr. COUZENS or by Mr. Vanderlip or by Governor Pinchot and paid out of a private treasury for a public purpose. That is what we were insisting should not be done when the resolution was introduced, and when that purpose had been conserved I concluded that the best thing to do was to permit the Jones resolution to be adopted and my own to be withdrawn, because I had accomplished and those who backed me up here had accomplished all that we started out to do;

and other things yet may develop that I shall not discuss on the floor of the Senate that may give further impetus and impulse to this view as I have announced it.

I believe that the country is tired of these investigations. The message of the President of the United States was received with great acclaim throughout the land; it was indorsed almost universally by the newspapers and magazines of the country and by public speakers in every forum and on every platform.

I believe that the people are weary of converting the Senate of the United States into a body where suspicion and innuendo and insinuation shall take the place of the measured rules of the law of the land, and they have so announced themselves in unmistakable terms.

I am not defending Secretary Fall. I am not defending anybody who is charged with any of these crimes; but, Mr. President and Senators, I only have this to say: After Mr. Fall had been condemned by the committee, and after the case had been remanded to the courts, the committee then went on in what I believe an unwarranted way in order to throw out a dragnet to bring here all sorts of gossipers for the purpose of going out upon a fishing expedition to find whether somebody could not be found who would make for them a political issue.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. SHORTRIDGE in the chair). Does the Senator from Indiana yield to the Senator from Montana?

Mr. WATSON. I do.

Mr. WALSH of Montana. I want to remind that Senator that when I brought here the witnesses from New Mexico, whose testimony pointed unmistakably to the guilt of Albert B. Fall, I was accused, as the Senator is now accusing me, of scattering scandal, of going beyond the legitimate scope of the inquiry; I was denounced as having committed an outrage.

Mr. WATSON. Mr. President, I heard no such language.

Mr. WALSH of Montana. It was expressed in the committee.

Mr. WATSON. I know nothing about that, not having been in the committee.

Mr. WALSH of Montana. The Senator does not know it, of course. I am giving him the information that exactly the same kind of criticism that he is now making of me was then made of me.

Mr. WATSON. Mr. President, I know nothing whatever about that.

Mr. WALSH of Montana. I am telling the Senator.

Mr. WATSON. I know that the able Senator from Montana was acting within what he thought were his rights; but after Fall had been implicated weeks were spent and even months, as I recall, in investigating Ned McLean, and at the very beginning every member of the committee knew that Ned McLean was not involved in the oil transaction, just as they know it now. They spent weeks in investigating his telegrams and hunting up his letters and looking up his correspondence and bringing people here to testify about him—what for? I will tell you what for: In a vain attempt to implicate somewhere along the line Calvin Coolidge, the President of the United States, and for no other purpose.

Mr. WALSH of Montana. The Senator is at liberty to form whatever conclusion he may with respect to that; but I desire to assert on my honor as a Senator that I prosecuted the inquiry involving Mr. McLean upon the assumption that he was particeps in the transaction. Now, after the whole thing has been developed, the Senator of course may form his own conclusion about that; but if he were in possession of the facts that I was in possession of he would have reached the same conclusion that I did, that Mr. McLean was particeps in the matter, and I proposed to establish it if I could. If I failed, that is unfortunate.

Mr. WATSON. I think it is fortunate; but, Mr. President, I do not agree with the Senator. Of course I do not impugn his motives. The Senator understands that.

Mr. WALSH of Montana. But the Senator did, because he asserted that after the fact was established that Fall was guilty of bribe taking I proceeded with the examination for political purposes only, and for the purpose of developing only a political issue.

Mr. WATSON. Did the Senator say "bribe taking"? I do not understand.

Mr. WALSH of Montana. That is what the Senator said.

Mr. WATSON. Did I say "bribe taking"?

Mr. WALSH of Montana. No; but the Senator said that after the evidence had established that Fall was guilty of crime, the Senator then proceeded for political purposes only, and for the purpose only of developing a political issue.

Mr. WATSON. Which is precisely what I believe.

Mr. WALSH of Montana. The Senator, of course, may express his belief.

Mr. WATSON. That is to say, Mr. President, after the McLean investigation had gone a certain length, it became evident—it must have become evident to the Senator, as it became evident to everybody else—that Mr. McLean was not involved in the oil transaction, and all of these telegrams and all of these emissaries that Mr. McLean sent up from the South—what for? for the purpose, as he said, of trying to keep off the witness stand—all of those things tended to show that Mr. McLean was not involved in the oil controversy; and yet for weeks after that was plainly manifest to everybody in the Senate, if it was not to everybody on the committee, the investigation continued; and finally, to their great glee and delight, they dug up a telegram which had found its way to the White House, and immediately they undertook to hitch up the President of the United States, not to Mr. McLean, but in some way or other not visible to the public eye to the oil transaction. Is not that so?

Mr. WALSH of Montana. It is not so, nor anything like so. The finding of the telegram involving the President of the United States was a mere accident that was a surprise to every member of the committee, without any purpose whatever to do so, and without any intent to do so, and, as I undertake to say, a perfect surprise to everybody.

Mr. WATSON. Did not my friend from Montana come in here and comment on that matter on the floor of the Senate?

Mr. WALSH of Montana. Comment on what matter?

Mr. WATSON. On that telegram from Ned McLean to the White House.

Mr. WALSH of Montana. Not that I recall. Does the Senator recall that I did?

Mr. WATSON. I thought the Senator had.

Mr. WALSH of Montana. The Senator, I think, is mistaken.

Mr. WATSON. Then I withdraw the statement.

Mr. WALSH of Montana. I never intended to comment upon it.

Mr. WATSON. The Senator will allow me to say that I think he did, but I do not know.

Mr. WALSH of Montana. Well, let the Senator think. The Senator will probably correct his statement by reference to the RECORD, however.

Mr. WATSON. I accept the Senator's statement about that.

Mr. WALSH of Montana. I undertake to say, however, that this is a new turn in this investigation. When it was demonstrated by the testimony in this case that Mr. Fall declared that he had borrowed $100,000 of Ned McLean, and it was afterwards disclosed that Ned McLean has falsified about that, as Fall had——

Mr. WATSON. Yes.

Mr. WALSH of Montana. That the suspicion was not justified that McLean was mixed up in the thing in some way or other is a new phase to this controversy.

Mr. WATSON. I do not think it is new. Everybody in the country understood it. The newspapers commented on it widely. Senators here talked about it right along after it was understood that Mr. McLean had no connection with the oil transaction.

Mr. WALSH of Montana. Of course I expect this character of treatment, just exactly as I expected the treatment I received at the hands of Mr. Lockwood. I am denounced on the floor of the Senate now for discharging my duty in connection with this matter.

Mr. WATSON. Mr. President, I am not denouncing the Senator.

Mr. WALSH of Montana. Yes; the Senator is, and the Senator has solemnly declared here that after Mr. Doheny's testimony concerning the loan to Mr. Fall I was actuated by no purpose except the purpose of developing a political issue and involving the President of the United States.

Mr. WATSON. I say that after this testimony had gone a certain distance and after all the salient facts had been developed that could be developed, and the Senator was perfectly aware of all of it, they did go on for the purpose of developing a political issue, and I think that the great majority of the people of the United States believe it. The great majority of the newspapers of the country have asserted it, and men over here and men everywhere have universally believed that that was the actuating motive.

Why, Senators, we are not children. We all play a little politics ourselves, and we know the quality and character of the game when it is being played; but my friend need not be so angry about it because I am agreeing with everything the honorable Senator from Arkansas [Mr. ROBINSON] said about

the character and the integrity and the ability of the Senator from Montana. That, however, does not detract one jot, one iota, one tittle from the declaration I have made, that for weary weeks this investigation went on for the express purpose of involving, if it could be done, the President of the United States, or of setting up a political issue for the purposes of the approaching campaign.

Mr. WALSH of Montana. Mr. President, if the Senator will indulge me a little further——

Mr. WATSON. Certainly.

Mr. WALSH of Montana. I should like to remind the Senator that it went on for weary weeks, and nobody paid any attention at all to it until eventually the essential fact was developed, namely, that Fall had been guilty of bribe taking. The fact that it has gone on now for weary weeks and nothing particularly has developed does not argue anything at all except that we did not establish what we set out to establish through those weary weeks.

Mr. WATSON. Mr. President, I have my own views about the final purposes of those investigations, and we all have, and the country has, and the people of the United States, unfortunately, have made another estimate of the Senate of the United States, and it has gone down lower in public esteem than ever before that I have known, and there is another thing about it: As the Senate has gone down in public esteem the President of the United States has gone up until no President has stood higher in the opinion of the people of the United States at any time than Calvin Coolidge at this glad hour.

Mr. ASHURST. Mr. President, did the Senator say that the Senate had gone down and the President had blown up? I did not catch what the Senator said.

Mr. WATSON. No; I did not say "blown up."

Mr. ASHURST. What did the Senator say?

Mr. WATSON. I said gone up—gone a long way.

Mr. ASHURST. Mr. President, will the Senator yield further?

Mr. WATSON. I yield to my genial friend, of course.

Mr. ASHURST. The Senator complains that the character of the Senate is lowering. Let me say to him that speeches from him excusing crime will not increase the estimate of the Senate, and the plain tendency of the Senator's speech is to excuse crime.

Mr. WATSON. No, Mr. President; of course my good friend from Arizona knows better than that.

Mr. ASHURST. Oh, I assert it.

Mr. WATSON. The Senator can not impute any such motive to me. He understands that thoroughly.

Mr. ASHURST. I assert that the Senator is encouraging crime by this speech.

Mr. WATSON. If the Senator and I were talking privately out in the cloakroom, with our arms around each other, of course he would not say any such thing.

Mr. ASHURST. Why, I would, Mr. President, absolutely; and in case the Senator will step out into the cloakroom I will say worse than that to him. [Laughter.]

Mr. WATSON. I understand my genial friend from Arizona. We have been together a good many times.

Mr. President, I do not know how long these investigations are to run their course. There is no way of telling. The majority have control. They can continue them ad libitum. So far as I am concerned, they can go on. If they develop anything that is wrong, as a matter of course we will clap our hands for joy; but if they are to be conducted for pure political purposes on into the heat of the campaign we shall all know absolutely the object for which they are being unduly prolonged. It is being freely stated that there is no disposition to adjourn the Senate before the conventions; that we are to be held here in session throughout the months of June, July, and August, perhaps on until the season of frost, for the express purpose of hauling everybody in here before these committees in order, if possible, to make a political issue in this campaign.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. WATSON. I yield.

Mr. ROBINSON. I should like to ask the Senator from Indiana where he gets that information. That is surprising to me. I say to the Senator from Indiana that if legislation which is generally considered by the country to be imperative is disposed of, he will find not only myself but practically every Member of the Senate on this side of the Chamber cooperating to secure an adjournment before that national calamity, the National Republican Convention.

I am really interested to know upon what authority the Senator bases his statement that there is a conspiracy in the Senate to prolong the session for the purpose of embarrassing anyone.

Mr. WATSON. No, no, Mr. President; the Senator must not put words in my mouth.

Mr. ROBINSON. No one need to do that. [Laughter.]

Mr. WATSON. No; I thank the Senator. I said that there were certain individuals on the other side who did not want to adjourn this session of Congress before the conventions, and I draw my own conclusions as to their reasons.

Mr. ROBINSON. If the Senator will yield, I have heard that there are a number of Senators on the other side who do not want to adjourn the Senate before the National Republican Convention.

Mr. WATSON. For the same purpose?

Mr. ROBINSON. I do not know. I do not impugn the motives of Senators. The Senator from Indiana alone can do that.

Mr. WATSON. Does the Senator maintain that it is impugning the motive of a Senator to say that he wants to keep Congress in session?

Mr. ROBINSON. No.

Mr. WATSON. Does he say that it is impugning the motives of Senators——

Mr. ROBINSON. But for the purpose of exposing the rascality of the Republican Party; I suppose the Senator from Indiana would think that was impugning the motives of Senators.

Mr. WATSON. Then does the Senator insist now that for the purpose of exposing the rascality of the Republican Party he wants to hold the Senate in session until September?

Mr. ROBINSON. I thought I stated in language which even the Senator from Indiana, in his present state of mind, could understand——

Mr. WATSON. I would like to hear it again.

Mr. ROBINSON. That so far as I am concerned, and so far as the Senators associated with me are concerned, we are anxious to secure an early adjournment, and we will cooperate to that end if legislation which the country generally considers to be imperative shall have in the meantime been disposed of.

Mr. WATSON. Mr. President——

Mr. ROBINSON. Investigations may proceed during the recess of the Senate, if it is necessary that they should do so.

Mr. WATSON. Is that the intention of the Senator from Arkansas or of the Senator from Montana?

Mr. ROBINSON. It is not the intention of the Senator from Arkansas or of the Senator from Montana to suppress any facts which the public interest requires shall be made public.

Mr. WATSON. Did the Senator say "facts"?

Mr. ROBINSON. Facts, yes; the Senator said "facts."

Mr. WATSON. Or fancy?

Mr. ROBINSON. The Senator from Indiana may not be familiar with facts——

Mr. WATSON. Yes, I am, perfectly.

Mr. ROBINSON. But he can certainly understand the implication of the statement. There is no disposition on this side of the Chamber to prolong investigations for political purposes, and the Senator might just as well come to understand that now. Neither is there a disposition on this side of the Chamber to suppress facts which the public is entitled to know.

Mr. WATSON. The kind of facts which have been developed recently before the committee?

Mr. WALSH of Montana. I will be very glad to answer that.

Mr. WATSON. All right.

Mr. WALSH of Montana. Among other things the sinister fact was revealed that one Jake Hamon spent $105,000 to secure a delegation of the State of Oklahoma that would elect him to the National Republican Committee, and that he spent $400,000 more, a half a million dollars in one State, to carry the State for the Republican ticket.

Mr. WATSON. Did that have anything to do with the oil investigation?

Mr. WALSH of Montana. It was elicited as incidental to that inquiry.

Mr. WATSON. "Incidental." What in the world did it have to do with Doheny and Sinclair or the oil investigation or Albert Fall?

Mr. WALSH of Montana. It was particularly pertinent to other testimony which we expected to get——

Mr. WATSON. I thank my friend for that concession.

Mr. WALSH of Montana. If it had been available. It was not. The Senator addressed an inquiry to me about the purpose of the committee.

Mr. WATSON. Yes.

Mr. WALSH of Montana. I am very happy to state to the Senator from Indiana that for the present, so far as I am able

to say, we have very nearly completed our labors, as far as the taking of testimony is concerned, except, of course, upon the conclusion of the proceedings instituted by Mr. Sinclair to avoid testifying further. If those proceedings shall eventuate in favor of the power of the Senate to call witnesses to testify, we shall, of course, want to interrogate Mr. Sinclair further.

I desire to say in this connection that I have exhausted the lines of inquiry which I have been pursuing, and when I say that the committee is about concluding the taking of testimony I desire to add that it has neither shortened its work nor prolonged it because of any clamor from either inside or outside the Senate.

Mr. WATSON. Mr. President, if the remarks I am making had elicited nothing else but the statement by the Senator from Arkansas and the statement by the Senator from Montana, I would have been amply repaid for the effort I have put forth in making them.

So far as the committee of which I have the honor to be the chairman is concerned, we shall meet soon—the Senator from New Mexico [Mr. JONES], the Senator from Utah [Mr. KING], the Senator from Kentucky [Mr. ERNST], and myself. If possible, we shall agree upon a lawyer, in accordance with the behest of the Senate, and after the lawyer shall have been agreed upon, we shall go on with the investigation in accordance with the command issued us by this body. Whenever I arrive at a place where I can not observe the dictates of my own conscience and proceed with the investigation such as they are trying to make, I shall quit the committee. But I do not desire to have it understood that we are going into the prohibition unit if I can prevent it. Of course, I may not be able to do so. I have no secrets from the Senate on that proposition.

The Senator who introduced the resolution [Mr. COUZENS] when he originally introduced it had no thought of such an investigation, as we all know, and it was only when it was deflected from its original course that we put up the defense we did, introduced the resolution we did, and made the fight we did, and were backed up as we were by the Secretary of the Treasury and the President of the United States. With that I am content.

Mr. DILL. Mr. President, what is there sacred about the prohibition unit, that it should not be investigated?

Mr. WATSON. Mr. President, the personal animus of Governor Pinchot, the desire of the Senator from Michigan, as evidenced in many speeches, to bring about such a change in the Volstead Act as that the country might have light wine and beer, and the backing of Mr. Vanderlip—all these led me to believe that the object of the investigation was sinister and not sincere. That is why an attorney hired by them, and backed up by them, would not investigate honestly even the prohibition unit. I answer my friend directly, from my own heart.

Mr. BRUCE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Maryland?

Mr. WATSON. I yield to the Senator from Maryland.

Mr. BRUCE. Mr. President, I ask the Senator this: Should an investigation of the manner in which prohibition is enforced be instituted, should not the investigation be of the most thorough and exhaustive character and should not the committee carrying on the investigation be made up in such a manner as to reflect every possible phase of sentiment upon that subject?

Mr. WATSON. That is a question for discussion. I am not going into that, because I do not think it is pertinent to the matter under consideration at this time. But I will say to my friend from Maryland that if I am correctly informed already there are four different committees investigating prohibition. Certainly one committee in the House, organized for that express purpose, as I am told, is carrying on an investigation of the prohibition unit at this hour. Why multiply these agencies, Ossa on Pelion, and pile them up?

Mr. BRUCE. I did not know there was any such agency at work. That is news to me. Then I will ask the Senator this: Is it the Senator's idea that there should not be any investigation into prohibition enforcement at all? Is that his idea?

Mr. WATSON. I have not said so.

Mr. BRUCE. But I ask the Senator.

Mr. WATSON. I ask my friend, the Senator from Texas [Mr. SHEPPARD], who is familiar with the prohibition unit, whether or not there is not at this time at least one committee investigating the unit, or perhaps others?

Mr. SHEPPARD. I understand that a subcommittee of the House District Committee has been authorized and empowered to examine practically every phase of prohibition enforcement.

Mr. BRUCE. What I say to the Senator is this, that if there is no purpose to investigate prohibition enforcement in any other directions, I should like to see this committee go ahead and investigate it.

Mr. WATSON. Does the Senator from Maryland think there should be an investigation of the prohibition unit?

Mr. BRUCE. Indeed I do.

Mr. WATSON. Why?

Mr. BRUCE. Why?

Mr. WATSON. Yes.

Mr. BRUCE. Because I think the so-called enforcement of prohibition in this country simply reeks with intolerable abuses.

Mr. WATSON. Does the Senator want to help the enforcement or break it down?

Mr. BRUCE. As long as there is a prohibition law on the statute books I believe it should be enforced, as every other law is, by the courts of the land and by the officers of the Government of every sort; but if the Senator wishes to know my personal convictions, I will say that I believe that prohibition is absolutely unenforceable by the Federal Government under any circumstances whatsoever.

Mr. WATSON. Then why investigate it——

Mr. BRUCE. And that the only result of all these additional appropriations by Congress and of the application actually of the armed power of the United States to the suppression of the violation of prohibition is to place the Government of this country in the position practically of waging war upon its own people.

Mr. WATSON. I understand all that. This is the point I want to make with the Senator from Maryland: He says that prohibition is utterly unenforceable in the United States?

Mr. BRUCE. Yes; in my judgment.

Mr. WATSON. Then why investigate a thing which is utterly impossible and which can not be carried out?

Mr. BRUCE. I believe that just as long as fish will drink in the sea men will drink on land.

Mr. WATSON. The Senator does not answer my question. Why investigate a thing which he knows in the beginning is utterly impossible of enforcement?

Mr. BRUCE. Because the public sentiment of the country has to be convinced of that fact, and so far it has not been completely convinced of that fact, though I believe certainly it will be before many years have elapsed.

Mr. WATSON. Let me ask the Senator another question. If it be utterly unenforceable, does the Senator think that we can add to the effectiveness of the enforcement by an investigation of the whole thing all over the United States? Does he really believe that, down in his heart?

Mr. BRUCE. Indeed, I do. I think that there are a great many conflicting views about the extent to which prohibition is or is not being enforced, and I do not believe that that conflict of testimony will ever be fully reconciled until there has been a thorough, honest investigation of the whole subject, and if that investigation is not going to be prosecuted by some special committee—and I would like to see it prosecuted by some special committee—then I for one would like to see it prosecuted by this committee.

Mr. WATSON. I have no objection to the Senator introducing a resolution to that effect, if he desires to try it.

Mr. DILL. The Senator from Indiana, in answering my question, gave as his reason why the prohibition unit should not be investigated the fact that the activities of Governor Pinchot and others had convinced him it would not be an honest investigation. Certainly the Senator as chairman of the committee could keep the investigation honest, could he not?

Mr. WATSON. Ah, Mr. Chairman, I might if I had the power. I do not mean that the other members of the committee would engage in a dishonest proposition, but I do mean that if Francis J. Heney had been in charge, as the committee would have given him charge, Heaven alone knows what the end would have been.

Mr. PITTMAN and Mr. ASHURST addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Nevada?

Mr. WATSON. I have nothing personal against Francis J. Heney at all, and nothing political against him. I say that he is simply not of the type or temperament to conduct that kind of an investigation, and I simply say that hired by Mr. Pinchot, or hired by Mr. Vanderlip, as Mr. Vanderlip himself said, backed up by the Senator from Michigan [Mr. COUZENS], I know what the result would have been, and I do not know a man on the other side who does not know it just as well as I do.

Several Senators rose.

The PRESIDENT pro tempore. Does the Senator yield; and if so, to whom?

Mr. WATSON. I yield to all the Senators.

Mr. PITTMAN. I would like to know if the Senator is afraid that this investigation would injure the prohibition cause?

Mr. WATSON. I think so; but that is a debatable matter.

Mr. PITTMAN. There is the Senator from New Mexico [Mr. JONES], who is a prohibitionist; there is the Senator from Utah [Mr. KING], who is a prohibitionist; there is the Senator from Kentucky [Mr. ERNST], who is a prohibitionist. In other words, three-fifths of that committee are prohibitionists. Why is there any fear, if three-fifths of that committee are sincere prohibitionists, that that investigation would be so conducted as to purposely injure the prohibition cause?

Mr. WATSON. If I answered that question, I would be accused of impugning somebody's motives. I am not going to answer it on the floor of the Senate of the United States.

Mr. PITTMAN. Then one other question. The Senator has charged that the indications are that this investigation is urged by sinister motives. It is plain what he means is that by reason of a disagreement between a high Cabinet officer and one of the Senators in this body it developed into a bitter personal contest.

Mr. WATSON. Personalities between the Governor of Pennsylvania and Secretary Mellon.

Mr. PITTMAN. If there is a bitterness that brings about sinister motives, would not those motives extend to the investigation of the income-tax returns in the same spirit?

Mr. WATSON. It would if they had that same lawyer backed up in the same way. But the situation is altogether different, because Mr. Pinchot used this language:

> I have no sympathy with the investigation as a mere fishing expedition. I have no personal purpose or animus in the matter. I am not pressing for a general investigation of the Treasury Department. But I assert—and I challenge Mr. WATSON or anyone else to deny it—that it is high time to put an end to the corruption and inefficiency that exists in the Federal enforcement service.

In other words, here is the man who suggested to Senator COUZENS to hire the lawyer, who clearly says he does not care anything about an investigation of the income tax unit or any other part of the Internal Revenue Bureau, but that all he wants is an investigation of the prohibition unit. We all know the position he has taken on it. That is the reason why he would be animated by an entirely different spirit and stirred by an entirely different desire on the subject of prohibition than he would on the matter of the investigation of the income tax unit.

Mr. PITTMAN. If I understand the situation, the Senator suspects sinister motives on the part of a Senator who has been in disagreement with the Secretary of the Treasury. Now, as I further understand the Senator, he has no objection, and never has had any objection, to an investigation of the income tax unit of the Internal Revenue Bureau; but he is protesting against the investigation of the prohibition unit. I want to ask him if it does not indicate that he fears something in an investigation of the prohibition unit and does not fear anything in an investigation of the income tax unit?

Mr. WATSON. I can answer that plainly and explicitly. I fear nothing in the investigation of any portion of the Treasury Department of the United States Government. It is not a question of fear at all. That does not enter into it. If we had the time and had the right kind of surroundings, I would welcome a full investigation of the whole business for the express purpose of convincing every man, woman, and child of intelligence in the country that this great department has been nobly conducted and has achieved most marvelous results.

Mr. PITTMAN. If this unit had a great many corrupt agents in it and the investigation would expose those corrupt agents in that department, if it would disclose there was bribery going on through the department, bribery of officers of the department preventing them from doing their duty as agents of the department, would not the Senator then desire that the investigation be conducted to expose that corruption?

Mr. WATSON. Let me say to my friend that the Senator from Michigan had full authority to investigate the income tax unit. He brought every witness there that he wanted to bring. We did not lay a straw in the way of the operation as designed by the Senator from Michigan. I signed every subpœna he asked me to sign and asked no question about who it was for or what he wanted the witness to prove. After he had completely investigated the whole thing to his satisfaction, he asked to have a report made accordingly. That is the evidence in the case.

Mr. PITTMAN. That is not what I asked the Senator.

Mr. WATSON. I say I do not fear any investigation of the income tax unit.

Mr. PITTMAN. I did not ask that.

Mr. WATSON. And never did.

Mr. PITTMAN. I asked the Senator this question: If he believed that the prohibition-enforcement unit of the Treasury Department was filled with many agents who were corrupting it, who were accepting bribes to prevent them from doing their duty in the enforcement of the prohibition act, would he be in favor of an investigation for the purpose of bringing to light that situation?

Mr. WATSON. Certainly. Every man would be in favor of investigating if he knew the whole thing was seething with corruption and was rotten on the inside. That goes away back yonder into the preceding administration.

Mr. PITTMAN. Does not the Senator know that the evidence that goes to the whole country is that the department is filled with corruption?

Mr. WATSON. Which department?

Mr. PITTMAN. The prohibition enforcement unit.

Mr. WATSON. I hear all the fellows opposed to prohibition saying it.

Mr. PITTMAN. I am not opposed to prohibition, but if we are going to have prohibition we have to have an honest enforcement of the law.

Mr. WATSON. How would the Senator make it?

Mr. PITTMAN. I can see why the Senator from Indiana does not want an investigation.

Mr. WATSON. Why?

Mr. PITTMAN. Because he is like the Senator from some other State, possibly, who is opposed to the whole law and thinks the whole thing is a failure and a fraud and a mistake. How he can stand there and charge prohibitionists, who are anxious to enforce the law, with being in favor of a defeat of the investigation is absolutely incomprehensible to me.

Mr. WATSON. I thank the Senator.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from South Carolina?

Mr. WATSON. I yield to my friend from South Carolina.

Mr. DIAL. Many of us think prohibition would be enforced more effectively if the politicians would keep their hands off of the enforcement officers. That is where the main trouble lies.

Mr. WATSON. I do not know that I would agree with the Senator. I think politicians can do things about as efficiently and about as honestly as anybody else, if they have the opportunity to do it.

As I said awhile ago on the floor of the Senate and previously, I voted for the law. I did not think it immediately could be effectively enforced because of the general condition throughout the country. I did believe that it would be progressively enforced. I think so now. But I believe that an investigation of all the departments at this time, instead of aiding in the enforcement of prohibition, would but retard it for a long while to come.

Mr. President, I yield the floor.

Mr. ASHURST. Mr. President, the able Senator from Indiana [Mr. WATSON] left an inference indicating that he doubted the capacity of Mr. Francis J. Heney, of California, to make a fair investigation. I do not believe the Senator from Indiana is personally acquainted with Mr. Heney. Evidently he knows nothing about the services that Mr. Heney has rendered to the people of the United States. I believe that of all the attorneys who could have been selected to assist the committee Mr. Heney was probably one of the most efficient. During the San Francisco graft prosecutions, in the final test, amongst the men who stood firm and carried the burdens of the prosecution, one was Francis J. Heney and the other was HIRAM W. JOHNSON, now the senior Senator from California. Mr. Heney was shot down in the court room and Mr. JOHNSON, now Senator JOHNSON, at once took up the gauge of battle and carried it forward. No man who appreciates courage and who strives for civic virtue can do other than pay his tribute of respect to Mr. Heney and to Mr. JOHNSON for the services they rendered to the city of San Francisco.

Mr. NORRIS. Mr. President, I want to discuss briefly the particular resolution upon which we are about to vote, the message of the President regarding it, and the letter of the Secretary of the Treasury to the President.

When the resolution was first introduced by the Senator from Michigan [Mr. COUZENS] I was very heartily in favor of it, because I believed that a proper investigation of the Bureau of Internal Revenue would give to the Congress valuable information upon which we could legislate to cure what in my judgment was a serious defect in the law. It never occurred to me that we would find in the head of the department of which

this bureau is a part any lack of duty or any lack of purpose of duty, and that there would be no lack of ability, no trouble found that could in any way be blamed to Secretary Mellon.

I thought the trouble came from what I believed to be deficiencies in the law. One of the most important was that the Bureau of Internal Revenue was a secret bureau; that it contained in it reports, income-tax reports, corporation reports, adjudications and actions of various department officials, all of which had been concealed not only from the public but from the Congress of the United States, concealed because it was the duty under the law of the Secretary of the Treasury and his subordinates to conceal them.

I had not in my mind a single thought that the Secretary of the Treasury or any of the immediate officials under him was doing anything but their full duty. As far as I know, the Senator from Michigan, who was the father of the resolution, had no other idea. Those of us who know the Senator from Michigan and have worked with him since he has been in the Senate absolutely know that he is not influenced in his official actions by personal difficulties or by personal interests. He is open minded, perfectly free, always courageous, honest, and ready to do what to him seems the right thing to do. I think he went into the matter with the best of faith and that he maintained it throughout all his connection with it until he was stricken down with illness.

Although the investigation did not go very far, it disclosed, as far as it went, some valuable information, and I thought when it was going on that it was going to disclose sufficient information so that when we came to the proposition of providing by law for the publicity of income-tax returns and adjudications of such returns, that it would carry. I do not know now how much influence that investigation had on the votes that we took just the other day by which we put into the bill now pending before the Senate a publicity provision.

The investigation could not have been very successfully carried on if it had not been for some concessions that were made. The first one was made by Mr. Mellon himself when he caused corporations in which he is directly interested to throw aside the veil of secrecy with which the law protected their returns and exposed them to the view of the committee. I think that was a commendable act on his part. I thought at the time and I yet think that when he took that action he performed a great public service in assisting the committee to get at the facts.

In the investigation, so far as it went—and I am not going to refer to all of the cases which were brought out—there was disclosed some information in regard to one of Secretary Mellon's corporations. I have here a synopsis of some of the evidence which I have been able to get in regard to the Gulf Oil Co., which was one of Secretary Mellon's corporations. In 1918 the revenue act provided that depletion was to be equitably divided between the lessee and lessor companies. The Gulf Oil case was settled in 1920, just before Mr. Mellon became Secretary of the Treasury; so this happened prior to the time when he had any official connection with the department. The investigation showed that in the case of the Gulf Oil Co. an opinion rendered by the then solicitor of the Bureau of Internal Revenue was used to reach back and give the company's lessees depletion for the years 1916 and 1917. That was all done in secret. The amount saved to the company was $849,000, which is quite an item.

The public was not aware of that ruling until 1922. I only call the attention to it in order to show that in the secret archives of that great bureau, where the fortunes, more or less, of every corporation and of every individual are at stake, secret tribunals have been passing on cases and years elapse before the public finds it out.

What is the importance of the decision in the Gulf Oil case? How many other companies are in the same condition? Perhaps that decision was wrong. It may be, if there had been a public hearing the case would not have been decided in that way. As I understand, it is not yet settled. I am not basing my argument upon the question whether the decision was right or wrong, but I am basing it upon the fact that the decision was rendered in secret and that the public did not find it out. All other corporations and all citizens having the same rule applied to them are entitled to know what is going on there in order that the law may be applied equally to all people and to all corporations alike. So this was an important proposition. It reached right into the vitals of business everywhere and, in reality, into the pocketbook of every man who paid an income tax.

Mr. CARAWAY. Mr. President, may I ask the Senator from Nebraska a question?

Mr. NORRIS. Yes.

Mr. CARAWAY. If it were not the intention to apply one rule to one person and another rule to another, what excuse could there be for concealing a ruling of that kind?

Mr. NORRIS. I do not know of any, I will say to the Senator. Everybody must concede that such a condition ought not to exist in a free country, where everyone ought to have the same rights accorded to him and the same rule applied to him, openly and above board. So I thought something good was going to come out of it, and I think it did. As I said before, I felt that Secretary Mellon had done a great public service; and if I did not previously say so, I wish now to state that I never had any suspicion that Secretary Mellon was wrongfully covering up anything. It was his duty under the law, perhaps, to do what he did.

But, Mr. President, there came a time when there seemed to be some fear that the prohibition unit might be investigated. I do not know why this should throw them all into hysterics. If the prohibition unit here in Washington has not been doing its duty, has not been enforcing the law as best it could, then there is the same reason for exposing that part of the bureau as for exposing the internal-revenue part of it. As soon as Governor Pinchot, whose motives no man has ever questioned and whose faithfulness to prohibition no man doubts for a moment, said there was something wrong in that unit, and wanted the committee to investigate it, Secretary Mellon immediately ran to the President with uplifted arms and shouted—

> Save me, Cassius, or I sink.

Then the President sent a message, together with Secretary Mellon's letter, to the Senate. Senators may go through that message from one end to the other time and time again and they will find no other meaning at all than that he wanted to stop all investigations of every kind. I have no objection to a man who claims that ought to be done if he will say so, but I dislike to hear persons such as the Senator from Indiana [Mr. WATSON], for instance, say, "We want to uproot every wrong; we want to expose every evil; we want to punish every criminal; but do not investigate anything." That is the substance of the President's message—"do not investigate; punish wrong and evil wherever you find it, but do not look for it." According to that kind of program, what we ought to do would be to issue a proclamation to all the thieves and rascals in the country and say, "We want to punish the whole bunch; come forward now and receive your punishment."

Mr. President, I desire to quote from the President's message, and I wish to say that I shall discuss the President's message with no unfriendly spirit toward President Coolidge. I concede he has a perfect right to do what he advocates doing. For instance, he says in the message:

> I recognize also that it is perfectly legitimate for the Senate to indulge in political discussion and partisan criticism.

That is practically a charge that the Senate is playing politics. I think, Mr. President, a fair-minded man, without prejudice or bias, would say that the Senate does play politics; it always has played politics and perhaps always will. It is getting better I think all the time, and it gets better and improves as it lessens the degree of politics which is played. The playing of politics is not confined to this side of the Chamber or to the other side. Mr. President, there may come a time in the future when the Senate will not play politics, when public men will be so imbued with a sense of the official duty they owe to the country that they will not be influenced by partisan considerations, and that even unconsciously party considerations will never be a moving cause in any of their transactions; but the playing of politics is not confined to the Senate; the playing of politics goes on in the White House just as it does in the Capitol. President Coolidge is not exempt from the accusation that he has played politics just as his predecessors have played politics. The presidential office would be better off if the occupant never played politics, but the occupants of the White House are all human, and it must be conceded, as President Coolidge concedes to the Senate, that they have a right to play politics. I would not prevent them doing so if I could, because the right to play politics is akin to the right of free speech and of free press, which we all know are the fundamental corner stones of free government. Yet everybody knows that where free speech exists it is very likely to be abused, and often is abused; but our forefathers and all those skilled in the science of government who have followed them have always believed that if we undertook to punish that abuse we would do more harm to human liberty and civil government than though we let it go unrestrained. So we have always held as part of our Constitution the principle that free speech and free press shall always be maintained and not interfered with. If we undertook to suppress men playing politics in the Senate or in the White

House or in a governor's office or in a State legislature we would in a degree suppress free speech, and we would do more harm by our action than we would prevent harm by reason of such suppression.

The country, after all, forms its own judgment. If we play politics, we may succeed for awhile, but eventually we will be found out by the people of the country. In a country sufficiently intelligent to have self-government that will always follow, not as soon, perhaps, as it ought to follow, but eventually that condition will be reached.

Mr. President, in my judgment, the message of the President of the United States is nothing in the world but a little play of politics by the President, and I would not take that right away from him any more than he wants to take it away from the Senate. He says:

The appointment of an agent and attorney to act in behalf of the United States, but to be paid by some other source than the Public Treasury, is in conflict with the spirit of section 1764 of the Revised Statutes, the act of March 3, 1917.

The constitutional and legal rights of the Senate ought to be maintained at all times. Also the same must be said of the executive departments. But these rights ought not to be used as a subterfuge to cover unwarranted intrusion. It is the duty of the Executive to resist such intrusion and to bring to the attention of the Senate its serious consequences. That I shall do in this instance.

Under a procedure of this kind the constitutional guaranty against unwarranted search and seizure breaks down——

Mr. CARAWAY. Where?

Mr. NORRIS. That is the language of President Coolidge in his message to the Senate.

Mr. CARAWAY. Will the Senator from Nebraska point out wherein it breaks down.

Mr. NORRIS. God Almighty could not do that, because such procedure does not do it at all.

Mr. CARAWAY. Nobody, then, but the President could do that.

Mr. NORRIS. The President could not do it. He has made an assertion that no one can substantiate; he has made an assertion that is impossible of substantiation—

the prohibition against what amounts to a Government charge of criminal action without the formal presentment of a grand jury is evaded—

Of course, the President, as we know, is not a lawyer.

Mr. CARAWAY. Oh, he has a license and practiced law.

Mr. NORRIS. Has he a license?

Mr. CARAWAY. Oh, yes; he practiced law before he went into politics.

Mr. NORRIS. He has not practiced it lately.

Mr. CARAWAY. I do not think he ever did practice it much, but he had a license and an office.

Mr. NORRIS. I judged from this language that he was not a lawyer and that he wrote this without consulting a lawyer, because any lawyer who would lay down a legal proposition of that kind would be disbarred from practice on the ground of ignorance.

Mr. CARAWAY. I rather imagine the Attorney General wrote that particular passage.

Mr. NORRIS. The ex-Attorney General, the Senator means?

Mr. CARAWAY. Yes.

Mr. NORRIS (reading)—

the rules of evidence which have been adopted for the protection of the innocent are ignored, the department becomes the victim of vague, unformulated, and indefinite charges, and instead of a government of law we have a government of lawlessness. Against the continuation of such a condition I enter my solemn protest and give notice that in my opinion the departments ought not to be required to participate in it. If it is to continue, if the Government is to be thrown into disorder by it, the responsibility for it must rest on those who are undertaking it. It is time that we returned to a government under and in accordance with the usual forms of the law of the land.

Mr. President, whenever you take away from the legislative body of any country in the world the power of investigation, the power to look into the executive department and every other department of the government, you have broken down free constitutional government; you have taken a full step that will eventually lead into absolute monarchy and destroy any government such as ours.

Right on that point, the Secretary of the Treasury has something to say in his letter:

At a meeting of the committee yesterday Senator COUZENS carried a resolution, against the objection of the two Republican members, empowering Francis J. Heney to assume charge of the investigation and to conduct the examination of witnesses, with the understanding expressly stated in the resolution that neither the committee nor the Government pay Heney's compensation. In effect, a private individual is authorized to investigate generally an executive department of the Government. This individual is paid by, not the Senate or its committee, but Senator COUZENS alone.

As Secretary of the Treasury I have charge of the finances of the Nation. The Treasury touches directly or indirectly every person, and in the sound conduct of its business affects the industrial life of the United States. Already the present investigation has greatly injured the efficiency of the income-tax organization, and the sufferer is not the Government but every taxpayer. Attacks such as these seriously impair the morale of the 60,000 employees of the department throughout the country. Government business can not continue to be conducted under frequent interference by investigations of Congress, entirely destructive in their character. If the interposition of private resources be permitted to interfere with the executive administration of government, the machinery of government will cease to function.

Mr. President, that language would almost scare a timid person. We are about to break down the Government because this Couzens committee, investigating the Bureau of Internal Revenue, have employed an attorney to help them, and that attorney is going to be paid by the Senator from Michigan.

Mr. WATSON. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. WATSON. Of course my friend from Nebraska knows that the President did not refer alone to this one investigation.

Mr. NORRIS. I said that awhile ago, when the Senator was out. He had reference to all these investigations. He does not want any investigations.

Mr. WATSON. And, if my friend will permit me, he knows precisely what it means to give a roving commission power to go into the Treasury Department and rake over all the documents and get out all the returns within the limits of the law, unless the President of the United States shall specially prohibit their being taken away in that investigation for that purpose. The Senator must know what that means.

Mr. NORRIS. If the Senator wants to ask me something, let him ask me, and I will try to answer it, but I hope he will not make a speech. The Senator has utilized an hour or two already in making a speech.

Mr. WATSON. I beg the Senator's pardon.

Mr. NORRIS. I am willing and delighted to have the Senator interrupt me and ask any questions, or even make a suggestion. Has the Senator asked me a question that he wants me to answer?

Mr. WATSON. I will put my statement in the form of a question, and say, Does not the Senator understand the full purport of what the President had in mind in the investigation of this department?

Mr. NORRIS. No; the President did not want it investigated, and the Secretary of the Treasury says it is going to destroy the entire efficiency of the whole concern. If we have a lot of machinery down there that can be so easily destroyed, that in itself is sufficient reason to have us investigate, with the view behind the investigation always of trying to improve the condition and change it so that it will not be so susceptible to a little movement on the part of Congress to get some information.

Mr. CARAWAY. Mr. President, will the Senator permit me to call his attention to what the Senator from Indiana said he told the President about it?

Mr. NORRIS. Yes.

Mr. CARAWAY. If the Senator will just read this part right here, he states that he talked to the President, and down there is evidently what he said to him, because that is the next time he touched on the subject.

Mr. NORRIS. I will refer to that.

Mr. CARAWAY. He says here that he talked to the President and to the Secretary, and then the President and the Secretary got busy, and here, later, is what he says he told them—that they were not enforcing the law, and the Lord knew the scandal that was going to grow out of it.

Mr. WATSON. I shall be very glad to have that referred to.

Mr. CARAWAY. The Senator ought to have referred to it, because it is exactly in conflict with his statement a while ago.

Mr. WATSON. Oh, no.

Mr. CARAWAY. I am sure the Senator has forgotten his first statement.

Mr. WATSON. Oh, no.

Mr. CARAWAY. Oh, yes; I heard the Senator, and I read this.

Mr. WATSON. It is in perfect harmony with my statement.

Mr. CARAWAY. If it is, then this is parallel. I will put it in the RECORD, and I shall be obliged to the Senator if he will just stay here and hear it. I recall that the Senator assured me that Daugherty had told him he had nothing to do with the Morse case.

Mr. NORRIS. Mr. President, the President does not want it investigated; but what is wrong about the Senate making an investigation of the prohibition unit if there is something wrong in it? The very fact that they want to close the door and get on the lid is the first suspicion I have had that at least high up, among the high officials, there is something wrong in the prohibition unit.

As I said a while ago, playing politics is not confined to the Senate. The President and his Secretary of the Treasury were playing politics in these communications.

Mr. ADAMS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. NORRIS. Yes.

Mr. ADAMS. I simply want to ask a question for information. I understood from the discussion of the senior Senator from Indiana that it was conceded that the committee's original delegation of authority was eminently proper; that the investigation of the income tax bureau was an entirely proper proceeding. In the passage of the resolution authorizing that we all joined. What I want to know is, why should the Senate as a body be criticized and condemned by the President by quoting a statute and pointing out that a committee appointed by the Senate for a lawful and proper purpose had exceeded its authority? I have wondered why the criticism should have been directed to the Senate, and not to the committee.

Mr. WATSON. Mr. President——

Mr. NORRIS. Let me answer the question.

Mr. President, the Senate has never exceeded its authority. No one here at any time has pointed to a single instance where this committee has exceeded its authority, judged by the resolution that we passed authorizing its appointment. That is not the question involved; but the fact that they were going to use their authority is what brought about this message, this letter, and the resolution of the Senator from Indiana. It was not because they were exceeding their authority, but because they were going to use what they already had, and what the Senate had given.

In other words, when Governor Pinchot made some remark about prohibition, and the Senator from Michigan [Mr. COUZENS] said something about prohibition, they jumped at the conclusion that this committee were going to investigate the prohibition unit of the Bureau of Internal Revenue; and that authority existed in the original resolution. The prohibition unit is a part of the Bureau of Internal Revenue. They had authority to investigate the prohibition unit under the original resolution that was passed. No one can question that for a moment; and that they went about it in any ungentlemanly way has not been charged. That they did anything in a discourteous way has not been charged.

I think the most of the Senate, judging from those who have spoken, do not believe that an attorney ought to be hired and paid privately. Personally, I do not see anything wrong about it, although I am going to vote for the resolution and authorize the appointment and the payment of an attorney out of the Federal Treasury. It must be remembered that in this case the Senator from Michigan [Mr. COUZENS] could not select Mr. Heney and take him in to do the work he wants him to do without the approval of the committee. It requires the action of the committee; and if we pass this resolution it will give to the committee the authority to make the very appointment which they did make, as a matter of fact, when Mr. Heney was selected, the difference being that in one case he will be paid publicly, and in the other case privately.

Now, it just happens that I know of some instances since I have been in the Senate where an investigating committee have had the assistance of attorneys without any action of the Senate authorizing it, and without any payment from the Public Treasury for the services rendered. It just happens that in a particular instance which I remember very well I was the guilty Senator who selected the attorney. It happened several years ago, in an investigation which the Agricultural Committee was making, that at my suggestion an attorney was employed, not paid for out of the funds of the Treasury, and the man was selected at my suggestion. I really felt that I was doing a public service in saving that much money to the Treasury. Maybe I was committing a sin, and ought to be punished for it.

Another queer coincidence is that on that occasion the attorney I selected happened to be the identical attorney that this committee has selected, Mr. Heney. So I want to plead guilty to whatever charge may properly be made against the Senator from Michigan—and let the same punishment be inflicted on me—excepting that I did not pay him out of my own pocket, as it is said here the Senator from Michigan is going to do. I do not know whether Mr. Heney is particularly fitted for this particular work or not, but I am willing to trust the committee. The work we employed him to do was done efficiently and well. I never have heard from any member of the committee a single word of complaint about it.

Because Mr. Heney was going to be employed in this case the Secretary of the Treasury ran like a spoiled child to the President and said: "For God's sake, stop this thing. They are going to investigate prohibition before they get through, and it will hurt us." Politics, Mr. President—nothing but politics. I repeat, and I say it without any idea of censuring anybody, that the Senate can play politics; so can the President, and the President does play it, just as the Senate does.

Let me give you one or two other instances, Mr. President.

The Committee on Agriculture and Forestry have been considering for several weeks the question involved in the disposition of Muscle Shoals. One of the prominent bidders, the most prominent of all, has been Mr. Ford, of Detroit. On the 12th day of October Mr. Ford issued a scathing rebuke to the Secretary of War, which in effect meant Mr. Coolidge's administration, showing, in my opinion, an unwarranted bitterness, a bitterness that I would be unable in my limited way to use language sufficiently severe to describe, showing that in his heart there must have existed at that time a terrible hatred and animosity.

It is claimed, and in fact it is known, that a contributor to the Dearborn Independent, Mr. Ford's paper, sent a telegram to Mr. Ford when that statement came out, on the same day, the 12th of October, 1923, in which, in substance, he advised Mr. Ford's secretary that the President hoped he would not say anything that would prevent him from helping him to get Muscle Shoals. It is true the President has denied he tried to give Muscle Shoals to anybody, but that this telegram was sent there is no question. It was admitted under oath by Mr. Ford's private secretary, Mr. Leibold, and the telegram was printed.

Some way or other, after that happened, this feeling of animosity changed into a feeling of great admiration and love. Mr. Ford came to Washington and made a friendly visit upon those who had been his previous enemies, according to his own statement. Later on he issued a statement in which he said that he would withdraw as a candidate for President, and that under no circumstances would he run in any party against President Coolidge, whom he thought everybody ought to get behind and reelect. So he had become a great friend.

In the meantime, the President had sent a message to Congress in which he advised that Muscle Shoals be sold, and although he did also recommend that a committee be appointed, that it ought to be recommended that of all the bids that had ever been made for Muscle Shoals there was only one that provided that the Government should sell the property, and that was the bid of Henry Ford. So these enemies became great friends.

Therefore, Mr. President, the battle of Mr. Ford had been fought in the Senate, which the President says plays politics. The Senator from Alabama [Mr. HEFLIN] and the Senator from Mississippi [Mr. HARRISON] were the leaders who took charge of the Ford band wagon in the Senate; but it seems now, by the operation of these things I have related, that they can increase the membership of the firm.

A chemist does wonderful things in his world, things that to the ordinary person look like magic, and as though they were superhuman. The chemist can do them because he has a knowledge of the nature of the elements he puts together. He can take two or three ordinary things in common use, which we all think we understand pretty well, and put them together, with the result that he has a product so explosive that it would destroy property and human life almost without end. He can unite again products well understood by men, and make a poisonous gas that would destroy all the people in a city or a town.

So with the political chemist. He can put together men of different political faiths, of different interests, and make a

product that will emit poisonous gas that will smell to high heaven.

So, instead of the firm of HEFLIN and HARRISON, representatives of Ford in the Senate, we have added two members to the combination by this operation of playing politics, and now we have Coolidge, grave, silent, honest patriot; Ford, the magic of whose very name causes millions to go insane with enthusiasm for any crazy notion he may ever express; the Senator from Alabama [Mr. HEFLIN], whose eloquence in behalf of the downtrodden reverberates around the world; and then the junior member of the firm, the Senator from Mississippi [Mr. HARRISON], who converts himself by his own eloquence into the belief that every Democrat is a saint and every Republican is the devil's own pal.

Coolidge, Ford, Heflin, Harrison. Cal, Hank, Tom, and Pat, all mixed up together like a scrambled egg. Result: Fertilizer. [Laughter.]

Mr. President, the playing of politics is not confined to the Senate.

A few days ago we passed an immigration bill. There was just a little dispute as to the date when the Japanese exclusion provision should take effect. It went to conference. It has been noised all around here, and everybody understands it, it has been talked in the cloakrooms, but nothing is said publicly about it, that the President did not like the exclusion provision; he wanted it changed. He wanted it put off, not to take effect for a couple of years, and to have a provision added that in the meantime if this Government entered into a treaty of exclusion that the provision in the bill should be absolutely void from that time on. But to-day, right while we are here, a primary election is being held in California for the voters there to say whether that State shall be for Coolidge or for its own honored son as the Republican candidate. The people of California are unanimous in favor of the exclusion provision of the immigration bill, and just on the eve of that election it is announced from the White House that the President is in favor of the exclusion provision, but the conference committee is held back in secret; and has not reported, and will not report until after the Californians get through voting today, and then, if the President has his way, there will probably be a provision in the bill which at least many people honestly think will mean nonexclusion.

Mr. McKELLAR. Will the Senator yield?

Mr. NORRIS. In just a moment. Again, I say, there is a game of politics. I would not stop it if I could, I could not stop it if I would; but Senators must not come to the belief that the Senate is the only place where politics is played. The great White House plays it sometimes, and, as in this instance, it is sufficiently powerful to control committees, both of the Senate and of the House, and keep them back until the President wants the results of the conference known. It is politics. Now I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, in connection with the President's attitude on the Japanese exclusion bill, which is now in conference, a member of the conference committee of the House last Friday brought to me a proposal which he said came from the President of the United States, and asked me to sound out the opinion on the Democratic side of the Chamber as to the acceptance of the President's proposal. Whatever the Senator from Nebraska says does not need any substantiation, but in order that there can not be any misunderstanding about it, I am going to read just what was suggested in this proposal as submitted to me, if the Senator will permit me.

On and after March 1, 1926—

These words being in italics and being a change from July 1, 1924.

No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (g) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivisions (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3: *Provided, however, That the provisions of this paragraph shall not apply to the nationals of those countries with which the United States, after the enactment of this act, shall have entered into treaties, by and with the advice and consent of the Senate, for the restriction of immigration.*

I call the Senator's attention to the fact that the words in italics are new language entirely, not in either the bill as it passed the House or in the bill as it passed the Senate, and as the Congressman from the conference committee told me, that was the proviso the President wanted to go into the bill. Of course, it could only be put into the bill by suspension of the rules, because the rules of both the Senate and the House prevent such an addition. In concluding my interruption, I will say that this proviso changes the question from a domestic question and makes it an international question.

Mr. NORRIS. I hope the Senator will not take up my time with a discussion of the immigration proposition. I only wanted to illustrate, by referring to this fact, that the President played politics as well as the Senate.

I hope that because I have said this it will not be charged that I impute any wrong motive to any President. President Coolidge is only doing what other Presidents did before. He is doing, however, just what he charged the Senate with doing. While I concede that we would be better and that our country would be better if the President did not play politics and the Senate did not play politics, all officers of a government composed of human beings do play politics.

When this matter was up before the Senator from Indiana [Mr. WATSON] made a speech in which he said, reading from the CONGRESSIONAL RECORD of April 12, 1924, on page 6383:

Why, Senators, when we voted for prohibition, those of us who did, we knew that the law could not be completely enforced for 5 or 10 years, but voted for it only with the understanding that it would be progressively enforced. As I am aware, and as everybody knows, if we begin a wholesale investigation of that bureau there will be no end to it.

That is the meat in the coconut here; because they were going to show, perhaps, that it was not enforced properly, they wanted to stop it, and stop all other investigations.

I do not agree with the Senator from Indiana. I do not want to have it enforced progressively. I think that if it is not being enforced properly we ought to know why, and if the bureau here is a nest of politicians—and I have some reason to think that there are a good many in it—we ought to run them out. We can not do it until we know what the facts are. We ought to direct this committee to go into the prohibition unit and see what is wrong, and when we find what is wrong, we ought to make it right as near as we can, either by change in the law itself or in the method of administration.

I am not finding fault with a man who conscientiously believes that we ought to repeal the law or modify it, but I do say that when we have a law of that kind, or of any other kind, on the statute books we ought to enforce it, and if it is not enforced, and purposely not enforced, if an honest attempt is not being made to enforce it, I want to know where the trouble is.

We have a right to know it. Does anybody here question the good motives of Governor Pinchot, for instance, as a prohibitionist? He ran on that kind of a platform when his State was largely wet. He has stood for it everywhere, at all times, fearlessly and courageously. His honesty is not impugned or questioned by any man who knows him, and most of the people of the United States do know him; and because he said there was something wrong with the prohibition unit the President and the Secretary of the Treasury went crazy, in a way at least, got scared to death, and through the Senator from Indiana brought in a resolution here to discharge the committee that was going to get some information about that unit.

I have never been so satisfied of anything in my life as that Governor Pinchot was moved by motives just as high as ever moved the human heart. He wanted to see prohibition enforced. As long as it is on the statute books, even if we believe there should be no such law, we ought to be with him and help him enforce it. But as soon as that is attempted or information is sought that would bring it about there came the message and came the Senator's resolution to discharge the committee. There came word from the President, "Stop investigating; you are taking away the corner stone of the Government. You are interfering with 60,000 employees." Do you suppose there would be criticism if that committee took up the prohibition unit in Washington, composed of comparatively few people, and found that there was some fraud there? We know that in a good many ways there has been fraud. I did not know before that the Secretary of the Treasury had ever winked at it. I did not know the President did not want it opened up. I supposed he wanted the law enforced. Every once in a while somebody is arrested and a lot of whisky is found in his apartment or in his house or in his store or in his shop. I supposed they were honestly trying to enforce the law. But it seems there is something there that the Senate did not know about and they do not want us to find it out. They do not want the law enforced, it seems to me, when they take this kind of course.

Are we in the coming election as Republicans going into partnership with bootleggers? Are we going to say to the men who violate the law, "We will not permit the law to be enforced. We will let you bootleg. We will let you sell liquor without regard to the law. We are not going to enforce it," and to prove it show that under the command of the President and the Secretary of the Treasury we stopped an investigation that would expose that the law was not being enforced?

If the Senator from Indiana wants to go into that kind of deal, he is welcome to it. I am not going with him. No matter what may happen, it seems to me we ought to let the American people know the truth. If the law is not being enforced right, we should improve it so that it can be enforced, even progressively, as the Senator from Indiana said. It may be we are not progressing fast enough. I think the idea of the Senator from Indiana of enforcing it progressively means a little more next year and a little more the next year.

Mr. CARAWAY. No; a little less.

Mr. NORRIS. It makes me think of the drunkard who quit drinking progressively. He could not quit all at once. He said, "I will quit by degrees, progressively." He had been progressing, getting worse and worse, on a long drunk one time, and then had gone away for a long while. While he was gone the well went dry. The wife, who remained at home while he was reforming progressively, had to dig a new well. They got the well down to water and mud. While the well was in that unfinished condition, with the windlass still over the top of it, the man who was reforming progressively came home and fell into the new well. He made a loud outcry, and his wife came out and let the windlass down to him. She brought him up a little ways and let the windlass go, and he went back into the mud. Then he got hold of it again, and she drew him a little higher and let him down again. Then he got hold of it again, and she pulled him still a little higher and let him down again. At last she had him clear up, with his head at the top, when she let go, and down he went again. Every time he went down he went deeper into the mud. He said, "Mary, what are you trying to do?" She said, "John, I am getting you out progressively." [Laughter.]

That is how the Senator from Indiana wants to enforce the prohibition law. That is what I am afraid of, Mr. President. That is what it seems they are trying to do down there, and that they do not want anybody to find it out.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. EDGE. The resolution now pending, Senate Resolution 211, which is supplemental to Senate Resolution 168, carries with it, does it not, in the Senator's judgment, all divisions of the Internal Revenue Bureau and, if passed as now before the Senate, would give the committee power to investigate the prohibition unit?

Mr. NORRIS. I think so. The original resolution did that, I will say to the Senator. They have always had that power and nobody has questioned it.

Mr. EDGE. I simply rose to say that, believing that myself, it would be one of the reasons why I would vote for the resolution, because I thoroughly agree with the Senator that there is a fertile field there to be investigated.

Mr. NORRIS. The reason why opposition has come, the reason that has brought the President's message and the Secretary's letter, has been not that the committee were doing anything they did not have any right to do, but were doing something they did specifically have a right to do. It is all poppycock to say that it would interfere with the morale of 60,000 employees over the country. That is all poppy-cock. There can not be anything to it. There is not anything to it. It would interfere with some here whose time might be taken up looking into the files and papers for a few days while the investigation was on. That might occur, but that ought to occur. It must occur if we are going to improve conditions. Nobody ought to be afraid of the truth unless he is a gniner by suppression of the truth. Are we going to say to the people of the country in the coming campaign that we never did believe that we could enforce the law and we have not tried to enforce the law, that if they will keep us in power 10 years more perhaps we will begin to enforce the prohibition law? Do we want to take that attitude before the people? That is the attitude I think we would have to take if we followed this message as interpreted by the Senator from Indiana on the floor of the Senate.

I submit in all fairness, in all honesty, that it is our duty to find out what the facts are, and to tell the truth, not only for the benefit of the American people, but for the benefit of the Congress in order that we may remedy a situation if we find it is susceptible of remedy.

Mr. BROOKHART. Mr. President——

Mr. NORRIS. I yield to the Senator from Iowa.

Mr. BROOKHART. A special assistant of the Attorney General has testified in the investigation to-day that there are more than a dozen bars and a thousand saloons in the city of Chicago that are operating in violation of law. When we touch that situation in the Department of Justice they invariably call attention that enforcement is in the hands of the prohibition unit of the Treasury Department. They pass the buck from one to the other.

Mr. NORRIS. There is an illustration. That illustrates a condition which we ought to remedy. Assuming that the Department of Justice is right—that it has not any duty to enforce the law, but it is somebody else's duty—and we find that the buck is being passed from one side to the other, should we leave that condition purposely? Are we going to say to the American people, "Yes; it is true, and it is true because we put it there; and if it is there, we did put it there. We do not intend to enforce it for 10 years." The very instance the Senator from Iowa calls to our attention is a sufficient reason why we ought to know just what the truth is about this unit.

Mr. McKELLAR. Mr. President, on March 31 occurred a colloquy between the Senator from Pennsylvania [Mr. REED] and myself in reference to the ownership of the Overholt Distillery Co., of Broad Fork, Pa., which is near Pittsburgh, from which I read as follows:

Mr. McKELLAR. That makes it an active trust, of course, in which Mr. Mellon is interested.

Mr. REED of Pennsylvania. Of course it is an active trust. Of course Mr. Mellon is interested to the extent of his share in the net proceeds after the business has been entirely wiped out; but the business itself is stopped. It has been stopped for over eight years. The property lies there in the warehouse; and when the trustee does finally dispose of it and parts with the whole of the physical property, then Mr. Mellon is entitled to his share in the net balance remaining after that liquidation. I hope that is very clear.

Mr. McKELLAR. The only thing that is not clear is the extent of Mr. Mellon's share in the trust estate.

Mr. REED of Pennsylvania. Mr. Mellon's share is less than a majority. He is not a majority partner. Further than that, I do not think it is any of our business or anyone else's business what his proportion is.

As to the quantity of spirits still in the warehouse, I am not sufficiently advised to answer accurately, except that I can say positively that every quart that was left there when the prohibition amendment went into effect is there now, in so far as it was owned by them. There may have been some withdrawals on certificates that were then outstanding, but the partnership has not sold either a certificate or a drop of the stuff itself, nor has the trustee.

A few days afterwards I asked and obtained unanimous consent of the Senate to place in the RECORD an article relating to the Overholt Distillery Co., owned to a very large extent by Mr. Mellon, Secretary of the Treasury, the article being published in Hearst's Magazine for May, 1924. By some remarkable coincidence the principal part of the magazine article was not published. It was a photograph reproduction of a forged certificate under which the Overholt Distillery Co. sold $50,000 worth of liquor. It was explained to me afterwards that it was not published in the RECORD because there was no means of reproducing the particular photographic copy that was handed in with the article to be printed in the RECORD. Why they did not publish the words and figures contained in the photographic reproduction I can not understand, but inasmuch as it was not done I now propose to read into the RECORD this reproduction of a forged liquor permit. Under it is the following statement:

This is a reproduction of a forged liquor permit. The above is a forged permit of the kind that play a part in some of the most sensational liquor cases that are now before Congress. It took $50,000 worth of whisky out of the Overholt Distilleries at Broad Ford, Pa. Many Members of Congress thought it better to keep liquor out of the investigations for reasons that are explained in the article, but it now seems pretty sure to be gone into.

In view of so much of the speech of the distinguished Senator from Indiana to-day that I heard, it seems to me it is very timely and appropriate that this liquor certificate, upon which the Overholt Distillery Co., owned in great measure by the head of the Prohibition Enforcement Unit of the Government, should come to the notice of the committee that is going into this matter and should come to the notice of the Senate. It reads as follows:

TREASURY DEPARTMENT
U. S. INTERNAL REVENUE
Form 1410

Serial No. of Permit Pa. B. 262
(To be entered by consignee.)

PERMIT TO PURCHASE

INTOXICATING LIQUOR, ETC., FOR OTHER THAN BEVERAGE PURPOSES

	Distilled spirits.		Other liquor.	
	Wine gallons.	Proof gallons.	.....*	.....*
Quantity received since January 1, 1920	none			
Quantity applied for herein				
Total				
Quantity on hand this date	none			
Quantity received since Oct., 1920 (first day of quarterly period)	none			

Penal sum of bond Fifty Thousand Dollars $50,000.00

* State kind. Quantity to be stated in wine gallons.

To FEDERAL PROHIBITION DIRECTOR

January 3, 1921

At .....

The undersigned permit holder requests permission to purchase or to procure from A. Overholt & Co., of Pittsburgh, Pa., the following-described intoxicating liquors or other preparations for other than beverage purposes:

Description of goods.	Number of packages.	Serial No. each package.	Wine gallons.	Proof.	Proof gallons.	Tax gallons.
Whiskey	2,950 cases	2048459-9013 2052825-3008 2062215-818 2053009-4099	8,850.00	100	8,850.00	
Total						

Sworn to and subscribed before me this 3rd day of Jan., 1921.
A. L. MEYER, *Notary Public.*

(Signed) MORRIS GOODMAN.
(Address) Beadling, Pa.

The above-described intoxicating liquors were delivered Jan. 6, 1921.

A. OVERHOLT & CO., Inc., *vendor.*
Broad Ford, Pa.

January 4, 1921.
The above application is hereby approved.
A. MCLEAN, *Federal Prohibition Director.*
M. Q.

FOR USE ON CONSIGNEE IN OBTAINING CONSIGNMENT FROM CARRIER.

Subscribed and sworn to before me this 7th day of Jan., 1921.
A. L. MEYER,
Notary Public.

AFFIDAVIT OF CONSIGNEE.

I hereby swear or affirm that this is a true copy of the permit to purchase issued to me by the Federal Prohibition Director, and that it has not been changed in any manner since its receipt by me.
(Signed) MORRIS GOODMAN, *consignee.*

————, who signed the affidavit hereto attached, is personally known to and is hereby identified by me.

Forward via B. & O., 8th permit Md. C 13.

Mr. President, it will be noted that on January 21 the Overholt Distillery Co. sold to Morris Goodman on a forged permit 8,850 gallons of liquor for nonbeverage purposes. That statement has been made and published in a magazine that goes out through the country, and no notice has ever been taken of it. The article, which has already been put in the RECORD, shows that the agent of the Overholt Distillery Co., of which Mr. Mellon is part owner, was indicted in connection with the permit and the sale of those liquors; that Morris Goodman, who is said to be a saloonkeeper in Pittsburgh, was likewise indicted; and when the facts came out, according to the article, it was found that Mr. Mellon's company had sold 8,850 gallons of liquor to be used for nonbeverage purposes in a village of 200 people.

Mr. President, I have read this into the RECORD for the purpose of perhaps throwing a little light upon why the head of the prohibition department of the Government rushes with such hot haste to the President of the United States when there is any suggestion that there may be a real investigation of that department. There has been no denial of this statement, which has been published to the world. The junior Senator from Pennsylvania [Mr. REED], in making the statement that no liquors had been taken from the Overholt Distillery Co. since the prohibition law went into effect, I have no doubt was entirely honest, but evidently he was mistaken in his statement to the amount of 8,850 gallons of liquor.

I hope the resolution will pass. I hope that there will be a thorough investigation of this bureau of the Government. If there is nothing to conceal, why should not the light of publicity be thrown upon it? What reason is there for not having an investigation? The matter ought to have been gone into long ago.

The honest, sober prohibitionists of this land have been fighting for over half a century to secure the adoption of the great prohibition amendment so that Americans might be a sober people; and yet after it has been secured we blandly put its enforcement into the hands of the Secretary of the Treasury, who has been for 42 years one of the greatest distillers in the land. Is it not remarkable that after the prohibitionists of the country, the sober people of the country, have made this great fight, won it in behalf of sobriety, the prohibition enforcement law should be turned over to a man whose every interest is not to enforce the law?

Mr. WADSWORTH. Mr. President, will the Senator yield for a question? The Senator's observations arouse my curiosity, and perhaps he can satisfy it.

Mr. McKELLAR. I do not know as to that; I will try to do so, if I can.

Mr. WADSWORTH. This is a very interesting proposition. Can the Senator inform the Senate whether or not the original proponents of the eighteenth amendment and the officials of the Anti-Saloon League would like to see an investigation of this bureau?

Mr. McKELLAR. I have no knowledge about that at all; I have not discussed this matter with the officials of the Anti-Saloon League, but I take it that it is beyond question that the officials of the Anti-Saloon League do know that the law is not being enforced at this time. There is not a 10-year old child in this country, much less a grown person, who does not know that the law is not being enforced; but it ought to be enforced.

Mr. FESS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. FESS. Would the Senator care to give us the date of the withdrawal of this liquor from the distillery company?

Mr. McKELLAR. I have already read the date. The withdrawal was on January 6.

Mr. FESS. January 6 of what year?

Mr. McKELLAR. January 6, 1921.

Mr. FESS. That was before Mr. Mellon became Secretary of the Treasury.

Mr. McKELLAR. Yes; but the Senator will recall that I quoted the statement of the junior Senator from Pennsylvania [Mr. REED] that none had been withdrawn since the prohibition act had gone into effect.

While I am on the subject, I may state a further fact, which is very unusual. At the time these facts came out there was a good Republican district attorney in the Pittsburgh district in Pennsylvania, who indicted Mr. Mellon's agent and indicted this man Morris Goodman, but very shortly after the indictment was returned the good Republican who was the prosecuting officer and who was trying actively to enforce the law was let out and another Republican, by the name of Lyon, was put in; and since that time there have not only been no prosecutions but the cases, so the newspapers state, have been nol-prossed.

Mr. REED of Pennsylvania. Mr. President, I thought the Senator from Tennessee had heard me correctly in what I said in answer to him about a month ago, but evidently he did not.

Mr. McKELLAR. I just read the words of the Senator, but before he entered the Chamber, perhaps.

Mr. REED of Pennsylvania. I was not here when the Senator read from the RECORD, but I heard his last statement that I had stated that there had been no liquor withdrawals from the Overholt warehouse. I was careful not to say that because, of course, it would not have been correct. Perhaps I can explain the facts, so far as I know them, and then there will not be any doubt about what is meant.

Mr. McKELLAR. In order that the Senator may be certain about it, and for his information, if he will permit me, I will read to him just what I read to the Senate a moment ago. It is very short.

Mr. REED of Pennsylvania. I will be very glad to hear it.

Mr. McKELLAR. The Senator's mind may be refreshed in regard to it. On March 31, 1924, this colloquy occurred between the Senator from Pennsylvania and myself:

Mr. McKELLAR. I would like to have the Senator's statement a little more full as to the Secretary's present ownership of this property. He said that before the Secretary took office he created the Union Trust Co. of Pittsburgh a trustee.

Incidentally the trustee is one of the well-known Mellon companies.

Of course, under those circumstances the Secretary of the Treasury owns the property. To what extent does he own the Overholt Co., and what is the extent of its business?

Mr. REED of Pennsylvania. I thought I had answered that.

Mr. McKELLAR. How much liquor do they own?

Mr. REED of Pennsylvania. Let me try it again. On January 31, 1921, Mr. Mellon's whole interest in that partnership was transferred to the Union Trust Co. of Pittsburgh as liquidating trustee to close out the business.

Mr. McKELLAR. That makes it an active trust, of course, in which Mr. Mellon is interested.

Mr. REED of Pennsylvania. Of course, it is an active trust. Of course Mr. Mellon is interested to the extent of his share in the net proceeds after the business has been entirely wiped out; but the business itself is stopped. It has been stopped for over eight years. The property lies there in the warehouse, and when the trustee does finally dispose of it and parts with the whole of the physical property, then Mr. Mellon is entitled to his share in the net balance remaining after that liquidation. I hope that is very clear.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me there?

Mr. McKELLAR. I will yield to the Senator after I read one more paragraph:

Mr. McKELLAR. The only thing that is not clear is the extent of Mr. Mellon's share in the trust estate.

Mr. REED of Pennsylvania. Mr. Mellon's share is less than a majority. He is not a majority partner. Further than that, I do not think it is any of our business or anyone else's business what his proportion is.

As to the quantity of spirits still in the warehouse I am not sufficiently advised to answer accurately except that I can say positively that every quart that was left there when the prohibition amendment went into effect is there now in so far as it was owned by them. There may have been some withdrawals on certificates that were then outstanding, but the partnership has not sold either a certificate or a drop of the stuff itself nor has the trustee.

Mr. REED of Pennsylvania. Mr. President, every word of that statement I reiterate to-day, with a single exception, which Mr. Mellon had evidently forgotten and which I never knew until this week. Fifty-two cases, aggregating about 3 gallons a case, making something less than 160 gallons, were sold by the trustee back early in 1921, I am informed, to druggists, and that sale of 51 cases is the only sale made by the trustee since the trustee's appointment. The partnership has not sold one teaspoonful of liquor or a certificate for liquor since 1920. The partnership has not manufactured a drop of liquor since 1916, with the exception of those 52 cases, of which Mr. Mellon did not know and of which I did not know until last week.

The statement is true to-day, and was then; and Mr. Mellon further states to me—he told me about it, by the way, as soon as he learned of the 52 cases—that he has not yet been able to learn why they disobeyed the instruction, and what the reason was for selling that amount, as was done; but, as I stated before, there were outstanding certificates for some liquor that was stored in that warehouse. It did not belong to Mr. Mellon or his partnership or the trustee. It belonged to outside persons. Those certificates had been outstanding for many years, and the people who owned the certificates owned the spirits.

Back in 1920, and the beginning of 1921, there was one forged permit presented with a genuine certificate. It was forged with the name of the Democratic prohibition officer who had charge of issuing permits. I do not remember now what his name was, but I think that is the permit which was photographed and printed in Hearst's International. That was presented, and the distillery officials thought it was a genuine permit, and it was a genuine certificate, and they honored it, and allowed the man to take out this whisky; but the partnership was absolutely as innocent of that as the Senator from Tennessee was innocent of it. They did not know a thing about the falsity of the permit until after the stuff had been removed.

Mr. McKELLAR. Mr. President, did the partnership get the money, and has it retained the money?

Mr. REED of Pennsylvania. No; I have tried to tell the Senator that the partnership got nothing out of it except a lot of blame.

Mr. McKELLAR. Did the trustee get anything out of it?

Mr. REED of Pennsylvania. The trustee got nothing out of it. The certificate had been the other man's property for years. The certificate was legal. It had been sold years ago, and the stock left in the warehouse there, in bond; and then along comes a man with a proper assignment of the certificate, which was genuine, and he says: "I have bought this from the owner, and here is my permit taken out," and they thought the permit was genuine. That was before they had learned the ways of these bootleggers. They have become more careful since.

Mr. McKELLAR. My understanding is that Morris Goodman—I believe that is the permittee's name—has been a saloonkeeper in the city of Pittsburgh almost since the memory of man runneth not to the contrary, and I am quite confident that the Senator from Pennsylvania himself has some knowledge of Mr. Goodman.

Mr. REED of Pennsylvania. I am sorry to disappoint the Senator's confidence, but I have no recollection of ever hearing of him in my life.

Mr. McKELLAR. Until this transaction? The published articles, which the Senator must have read, describe him as being a well-known whisky dealer in the city of Pittsburgh, and having been one for many, many years; and it is almost inconceivable to me how a well-known saloon keeper could get by with the Overholt Distillery Co. for 2,850 gallons of liquor to be used for nonbeverage purposes. It is just a little difficult to understand how that worked out. The Senator may work it out, but I do not know how it can be worked out.

Mr. REED of Pennsylvania. I am sorry to disappoint the Senator, and I suppose that my acquaintance is inadequate, but I never heard of Mr. Goodman until I saw the Hearst's article, and I had forgotten since then what his name was. If he was the permittee, and if he was a distinguished saloon keeper of Pittsburgh, I suppose I ought to know about him, but I do not; and I doubt very much whether these people knew about him except that he came with a genuine certificate and an apparently genuine permit. In all that time, in the four years that have followed, there have been many, many forged permits, and many efforts that were dishonest and criminal to evade the law and get liquor out of that warehouse, and that is the only one that has ever succeeded; and I venture to state, Mr. President, that there is not another warehouse of importance in the United States that has so clear a record or has been fooled so seldom as this one of which the Senator is speaking. In four years, in spite of all the trickery that the wit of man can devise, that is the only time they have ever been deceived by these forgeries.

Mr. REED of Missouri. Mr. President, I think we ought to thank the Senator for giving us the assurance that there is one oasis of good liquor in this desert of moonshine.

Mr. REED of Pennsylvania. I want to give the Senator a warning along with that assurance.

Mr. REED of Missouri. That it is hard to get?

Mr. REED of Pennsylvania. I understand that the market—here again I am speaking by hearsay, and I do not know of my own knowledge—I understand that the country is flooded with counterfeit labels of this particular type of spirits, and I only want to caution the Senator to warn his friends, if any of them are given to that sort of thing, not to trust to those labels, because practically all of them are forged.

Mr. McKELLAR. Is the Senator speaking to me or to the Senator from Missouri?

Mr. REED of Pennsylvania. I am sure that the Senator from Tennessee has not any thirsty friends, but I did not know about the Senator from Missouri.

Mr. SHEPPARD. Mr. President, the Senator from New York [Mr. WADSWORTH] made inquiry as to the attitude of a certain prohibition organization in this matter. I have here a statement that is signed by leaders of a number of prohibition organizations, which I ask the Secretary to read.

The PRESIDENT pro tempore. Is there objection to the Secretary reading the communication? The Chair hears none, and the Secretary will read it.

The principal clerk read as follows:

The friends of prohibition enforcement want to know the facts, both good and bad, about it, and are cooperating to this end. Committees are already at work in Washington investigating various phases of this question.

The subcommittee of the House District Committee, headed by Congressman HENRY R. RATHBONE, of Chicago, is empowered to probe prohibition enforcement. It is now investigating the causes of liquor lawlessness, the carrying of firearms, and fixing the responsibility for the shooting of Senator GREENE. Every phase of the cause of liquor lawlessness properly goes to this committee. It has already secured much testimony that goes to the bottom of this question. Any competent evidence relating to the Prohibition Unit's success or failure properly comes before this committee.

Prohibition activities that relate to the Justice Department are being investigated by the committee headed by Senator BROOKHART.

The House committee headed by Congressman BURTON is investigating the alleged violations of the liquor laws by two Members of Congress.

The committee headed by Senator WATSON was appointed to investigate internal-revenue affairs. The question has been raised as to whether or not it should go into an investigation of the prohibition enforcement unit, whose activities are now being investigated by another committee.

House Resolution 261 proposes a joint investigation of the prohibition unit and 2.75 per cent beer. Other resolutions have been introduced by wet leaders to investigate prohibition enforcement, evidently for the purpose of furnishing propaganda for beer and wine advocates in the coming primaries and elections.

It is evident that there are enough committees at work to investigate every phase of prohibition enforcement, unless one or more of them fail to do their duty. It will not add to efficiency or help enforcement to duplicate or multiply these agencies. Every friend of law enforcement who knows any fact that will reveal the dereliction of any official who is not doing his duty, or who can give facts showing why the law is not enforced, should come before one of these committees and testify. What is needed is facts. Competent testimony will run every bootlegger to cover and compel every derelict official to act or resign. We urge all good citizens to help produce it.

Rev. Walter A. Morgan, chairman of the Commission on Law Enforcement of the Congregational Churches of America; Mrs. Florence V. Watkins, representative legal department of National Congress of Mothers and Parent-Teachers' Associations; Lucy W. Peabody (Mrs. Henry W.), chairman Women's National Committee for Law Enforcement; Charles Scanlon, secretary Board of Temperance, Presbyterian Churches of United States of America; Harry S. Warner, secretary Intercollegiate Prohibition Association; Wayne B. Wheeler, general counsel and legislative superintendent of the Anti-Saloon League of America; Clarence True Wilson, general secretary, Methodist Episcopal Board of Temperance and Public Morals; James Cannon, jr., chairman Commission on Temperance and Social Service, Methodist Episcopal Church South; Sam W. Small, secretary general of the Constitution Defense League of America; Lenna Lowe Yost, legislative representative National Woman's Christian Temperance Union.

Mr. SHEPPARD. Mr. President, I think that statement presents the attitude of the leading prohibition organizations of the country. I want to say that as far as I am concerned I am entirely willing to trust this committee to do the right thing and to pursue the right course. If they think an investigation of prohibition enforcement should be made, in addition to that which is being made in the House, they will and should do so. I am sure, however, they will not desire to engage in any unnecessary work or any work of duplication.

Mr. JONES of New Mexico. Mr. President, may I ask the Senator how he interprets that remarkable document and what he thinks was intended to be accomplished by it—the document which has just been read? What was the purpose of that statement?

Mr. REED of Missouri. Let me add—for I rose to ask the same question—what does it mean, anyway? What is their position to-day?

Mr. SHEPPARD. It explains itself.

Mr. JONES of New Mexico. Mr. President, I think that is the most remarkable document——

Mr. WADSWORTH. Mr. President, will the Senator yield at that point? Perhaps I can enlighten him.

Mr. JONES of New Mexico. I am glad to receive any enlightenment which it is possible for me to get.

Mr. WADSWORTH. The document was offered by the Senator from Texas as a reply to an inquiry from me as to whether or not the original proponents of the eighteenth amendment and the officials of the Anti-Saloon League favor the investigation of the prohibition unit by the Senator's committee, and that is the answer.

Mr. JONES of New Mexico. Oh! I did not understand that. If it was written in response to an inquiry, I think it is a perfectly proper reply. It is entirely right for them to set forth their views upon the subject; but I did not understand that it was in reply to any inquiry, and I assumed, therefore, that it was purely voluntary.

Mr. REED of Missouri. The inquiry was made here just a minute ago. The letter was already prepared and here——

Mr. JONES of New Mexico. May I see it?

Mr. WILLIS. I was just looking at it, but I will loan it to the Senator.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield a moment while he is reading that?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I yield.

Mr. WALSH of Massachusetts. Yesterday I introduced a resolution and asked for its immediate consideration, and the Senator from South Carolina [Mr. DIAL] asked that it go over. I understand the Senator from South Carolina is content to have the resolution adopted if we eliminate from it subheads 3 and 4. That I am willing to do, and I ask for its immediate adoption.

Mr. DIAL. With the elimination of those two subheads I have no objection to its adoption.

The PRESIDENT pro tempore. The Chair is in doubt about putting the question on the resolution of the Senator from Massachusetts. The Senate is operating under a unanimous-consent agreement to consider Senate Resolution 211.

Mr. WALSH of Massachusetts. The Chair has received other matters very recently, and I thought probably it would be in order to have the resolution adopted. I ask unanimous consent for its adoption.

The PRESIDENT pro tempore. Is there objection to taking up the resolution offered by the Senator from Massachusetts?

Mr. SMOOT. Mr. President, we are operating under a unanimous-consent agreement——

Mr. ROBINSON. Let us have a vote on the pending resolution first. There is a resolution now pending, and I think debate has been exhausted on it. Let us vote on it.

Mr. JONES of New Mexico. Mr. President, I have the floor, and I do not care to yield for the purpose of having other business transacted. If the Senator from Massachusetts desires to make some remarks in connection with the matter we are discussing, I gladly yield to him, but not for the purpose of having any other business transacted.

I think the Senator from New York rather confused the situation by stating that this was in response to an inquiry made by him.

Mr. WADSWORTH. I quoted the Senator from Texas when he read it.

Mr. SHEPPARD. I put it in the RECORD in direct response to an inquiry.

Mr. JONES of New Mexico. The question I asked was, What was the occasion for the preparation of this document in the first place?

Mr. WADSWORTH. I thought the Senator asked, What was the occasion for the presentation of it?

Mr. JONES of New Mexico. Oh, no; I had quite a different thought entirely. I do not suppose any Member of Congress has used his voice and his vote any more than I have regarding the prohibition movement, but I am unable to understand why this remarkable document should have been prepared. If I am able to understand the document, it purports to favor congressional investigation of the enforcement of the liquor laws of the country. It refers to various committees which are doing that sort of thing. But here is another committee of the Senate which it is alleged is going to engage in that sort of an investigation. The Secretary of the Treasury and the President of the United States protest against it, and then comes this remarkable document, so far as I can see for no other purpose than to help out the political side of the Secretary of the Treasury and the President of the United States. I hope I am in error about this matter, but if it is right for one agency of the Congress to investigate this subject, upon what theory, from the standpoint of prohibition, can it be said that it is wrong for another agency to do it?

Mr. President, I am a member of this committee, and I never knew, from anything which occurred before the committee, that there was any intention of investigating the prohibition unit.

Mr. CARAWAY. Does the Senatbr know who sent those communications to Senators?

Mr. JONES of New Mexico. All I know about it is that it was produced here by the Senator from Texas in response to a question asked by the Senator from New York.

Mr. CARAWAY. The Senator got one this morning, or yesterday, himself?

Mr. JONES of New Mexico. I do not recall.

Mr. CARAWAY. The Senator did. Every Senator got one. I did, and I am sure I was not particularly favored above all others.

Mr. JONES of New Mexico. It is quite likely it came to my desk. I am just advised that a similar document has been sent by Mr. Wheeler probably to every Senator. I do not recall getting one, myself. I see that the Senator from Utah says he received one. The Senator from New York says he did not receive one.

Mr. WADSWORTH. I do not often receive documents from him.

Mr. JONES of New Mexico. It is just possible that I did receive one.

Mr. REED of Missouri. Perhaps the Senator from Texas, who produced this document, can tell us how he got it, whether it was accompanied by a letter; and he may let us have the correspondence.

Mr. SHEPPARD. Mr. President, the statement came to my desk from my office with my other mail, unaccompanied by the envelope. It contains the opinion of leaders of representative prohibition organizations. They have as much right to express their opinion and to put it in writing as have any other citizens of the United States. I take my stand with the people who signed this statement.

Mr. REED of Missouri. That, of course, if the Senator will pardon me, goes without saying, that wherever they stand there stands the Senator from Texas.

The inquiry I made—and I made it not to be offensive in any way—was whether this document did come to the Senator accompanied by a letter from Wayne B. Wheeler. I thought that if that were true he might produce the letter. I hardly think I am on correspondence terms with my friend Wheeler, and I would like to see the letter he sent out.

Mr. SHEPPARD. Mr. President, the signatures speak for themselves. The signatures have been read, and all the signers are equally responsible for the statement.

Mr. REED of Missouri. But if it was accompanied by a letter, that might throw some light on it, and I ask the Senator if it was accompanied by a letter?

Mr. SHEPPARD. As I said to the Senator, I have no knowledge as to that. It came to my desk with the other mail from my office, unaccompanied by letter or envelope.

Mr. JONES of New Mexico. Mr. President, as I said a moment ago, I do not believe there is a word of testimony before the committee of which the Senator from Indiana [Mr. WATSON] is chairman, and of which I am a member, which related in any way to the question of prohibition or any investigation of the prohibition unit of the bureau. That had never been brought to the attention of the committee as a whole, unless it was something that escaped my mind and was of but little importance. I can not remember a word being said before the committee about the prohibition unit at all. That question only arose after the Senator from Michigan [Mr. COUZENS] had engaged Mr. Heney to assist him in the committee in carrying on its work, and then overnight, without a word being said in the committee about the prohibition unit, and so on, as I recall, without any determination that the committee would enter upon an investigation of the prohibition unit, the very next morning came this remarkable letter from the Secretary of the Treasury to the President and the letter from the President to the Senate, and then the very remarkable speech of the Senator from Indiana upon the general subject.

Mr. CARAWAY. May I ask the Senator another question?

Mr. JONES of New Mexico. I gladly yield.

Mr. CARAWAY. Had the Senator from Indiana introduced his resolution to discharge his committee before that?

Mr. JONES of New Mexico. He introduced it the same day, as I recall.

Mr. CARAWAY. Did he consult with the committee before he introduced it?

Mr. JONES of New Mexico. He did not. There was not a word said about it.

Mr. EDGE. Will the Senator yield for a question?

Mr. JONES of New Mexico. I yield to the Senator from New Jersey.

Mr. EDGE. Now that there has been considerable said about it, and it must be generally conceded that the resolution if adopted will give the committee power to make such an investigation, does the Senator from New Mexico, as a member of the committee, think that the prohibition unit should be immune from such an inquiry?

Mr. JONES of New Mexico. In view of the remarkable letter to which I have just referred, I think I shall favor asking this committee to go into that bureau and make an investigation. But what I said was that until after the employment of Mr. Heney nothing had been said regarding the investigation of the prohibition unit.

I think it my duty to make some comment as to how this question arose. It is my pleasure to make the comment, in view of the fact that the distinguished Senator from Michigan [Mr. COUZENS] is unable to be present.

As I have heretofore stated, the Senator from Michigan necessarily undertook the real work of the committee. The other four members of the committee were engaged daily in connection with the work of the Finance Committee. The Senator from Michigan was the only one who was in a position to carry on this work.

The Senator from Michigan is not a lawyer. I realized in the beginning that the duties of that committee would be very arduous, and would involve much detail. After the committee had been going forward with its work for two or three weeks, I remember meeting the Senator from Michigan in the Chamber here and discussing briefly the work of the committee, and I then suggested to him that what the committee needed was a good lawyer, somebody who could take up the evidence and sift it, and in that way aid the members of the committee, as well as eliminate from the record various irrelevant matters. There was no suggestion at that time that an attorney would be employed, and it was not until the day of the employment of Mr. Heney by the Senator from Michigan that I had any information whatever that such an employment was in contemplation.

I knew, as well as I could know anything, that the Senator from Michigan was actuated by the very highest purpose. He simply wanted to serve his country. He wanted to do the thing which the Senate had authorized that committee to do, and it was only for the purpose of getting adequate assistance that he made that employment. I am sure that he looked upon it as nothing more than the employment by him of an extra clerk, just the same as many Senators here are doing. I venture to say that the large percentage of the Members of this body employ extra help at their own personal expense. We have heard it stated here that some Senators are spending more than $10,000 a year for that purpose. Then why should not the Senator from Michigan have done so if he saw fit?

After we learned that the Senator from Michigan had employed Mr. Heney, then the question came up as to how his services should be utilized. The Senator from Indiana will bear me out in the statement that when the resolution came before the committee it was a question whether Mr. Heney should be permitted to conduct the investigation as he saw fit or as the committee saw fit, and after discussing the matter, after the Senator from Michigan had said and every member of the committee had said that there was no such thing in view, I then proposed to amend the resolution and did get it amended by inserting the words "under the supervision of the committee."

Mr. President, I know that the Senator from Michigan had no idea of going out simply upon a muckraking expedition any more than any other member of the committee had. But I think that if it should come to the committee that there has been corruption in the prohibition unit, it should be exposed. It is only through that kind of thing that we can formulate our ideas as to legislation, the only way by which we can know whether legislation is needed or not. But we were not willing to allow testimony to go into the public records of the committee until after the committee had considered it and decided whether it was relevant or not. That was the attitude of the committee. But just the next morning after it became known that Mr. Heney had been employed, then it was that the remarkable letter from the Secretary of the Treasury went to the President and the still more remarkable message from the President came to the Senate.

I do not believe I should stop without saying a word in regard to Mr. Heney. I have known Francis J. Heney only in a very casual way for a number of years. I have known him, however, more intimately through his general reputation. Since this controversy arose I have tried to get some real knowledge as to Mr. Heney's career. From the information which I have obtained I do not believe the aspersions which have been cast upon his name in this Chamber are justified in any degree. He is spoken of here as one who is known as a great criminal lawyer. The information I get is that he has tried but one or two criminal cases in his life, and they were without any compensation. He volunteered his services in the ferreting out of graft in the city of San Francisco, and on another occasion he was invited to take charge of a case by the lamented ex-Senator Knox when Mr. Knox was connected with the United States Government as Attorney General.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. ASHURST. Mr. Francis J. Heney was attorney general of Arizona for some time a number of years ago. True, at that time he was a young man. That was some 25 or 30 years ago, but even as a young man he demonstrated profound knowledge of the law, and amongst the eminent lawyers in Arizona he was regarded as foremost. The judges of both political parties united in paying tribute to his talent as a

lawyer, and his services as attorney general were highly creditable to him and to Arizona.

Mr. JONES of New Mexico. I suppose it was more than 30 years ago that he was attorney general of Arizona?

Mr. ASHURST. It was about 28 or 29 years ago.

Mr. JONES of New Mexico. This information relates to the time after he was attorney general of the Territory of Arizona. I am informed that his business for the last 30 years has been that of an attorney for corporations and business interests, except in two instances: Once for the Federal Government, when at the urgent solicitation of United States Attorney General Philander C. Knox he conducted the Oregon land-fraud prosecution; and once for the city of San Francisco, when as a volunteer he undertook to clean up the graft and corruption which was rampant in that city immediately after it had been stricken by the earthquake and fire in 1906. For this work, which continued for three years, Heney, although far from being a rich man, refused to accept any compensation whatever from either public or private sources.

In the Oregon land-fraud cases Heney brought about the repeal by Congress of the lieu land act, under which many millions of acres of the finest timberland in Washington, Oregon, and northern California had been acquired within the short period of three or four years by fraudulent and corrupt practices and unjust exchanges on a wholesale scale which threatened the complete monopolization of all the timberlands that were then left in public ownership, outside of forest reserves. His exposures and prosecutions also brought about a new consideration and administration of the timber and stone act, which had been a prolific source of fraud and corruption during the preceding 30 years and under which vast holdings of timberlands had been fraudulently acquired and concentrated in the hands of a few men and corporations. As a result of Heney's work and advice, President Roosevelt and Secretary of Interior Garfield classified all the remaining timberlands under appraised valuations running from $2.50 per acre minimum upward, whereas prior to that time all timberlands, regardless of their value, had been sold at the fixed price of $2.50 per acre under the authority of an act of Congress which provided that this should be the minimum price and which put no restriction on the maximum price. The low valuation of $2.50 per acre on timberlands, a very large proportion of which were worth from $10 to $100 per acre, had proven to be too great a temptation for ordinary human nature to withstand; and the simple remedy of appraising and selling these lands at from 25 to 50 per cent of their actual market value instead of from 5 to 10 per cent thereof put almost a complete stop to the extensive frauds and saved the remaining timberlands from immediate monopolization.

We all know what occurred in the San Francisco graft prosecutions. I do not need to refer to them. I shall not go into the packer investigation at this time any more than to say that Heney was not the one who prosecuted the criminal cases. He made an investigation of the packer concerns with the view of showing the combinations which existed among them, but he recommended a settlement of the litigation by an agreement as to future conduct. This was under the supervision of the Federal Trade Commission.

I do not know whether anything has been said regarding a lawsuit which Mr. Heney had in connection with some land in California where some of his relatives were involved. I have a telegram giving the opinion of the court and in that opinion it seems to me the court went as far as any court could go in absolutely exonerating Mr. Heney from any bad or improper conduct in the case or in the bringing of the case.

Mr. ASHURST. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Arizona.

Mr. ASHURST. Does the Senator refer to a charge made against Mr. Heney that some of his intimate relatives were remotely interested in a land case brought by the Government?

Mr. JONES of New Mexico. No; it was simply a suit between relatives of the Heney family. The Government was not involved. I do not know that it had been mentioned on the floor of the Senate. If I could learn that it had been, I should enjoy very much having printed in the RECORD a copy of the opinion of the court, because according to the opinion of the court there was absolutely nothing in the record of that case to discredit Mr. Heney.

Mr. ASHURST. I was going to say that I have heard the charge and have heard it for years to the effect that Mr. Heney was in some way less diligent than he should have been in the prosecution of some land-fraud case because some relative of his was remotely interested. I am quite familiar with the case to which common rumor refers.

Mr. JONES of New Mexico. I had reference to an entirely different matter.

Mr. ASHURST. I want to say on the general land cases that in Mr. Heney's prosecution, so far as I have been able to know, and I followed them closely at the time, they were entirely to his credit. I know that enormously powerful and potent influences were attempted to be brought against him to induce him to relax the rigor of his prosecution, but he never relaxed at all. He pressed forward with courage and ability, and about the only complaint I ever heard against Mr. Heney was that he was successful in getting men convicted who probably ought to have been convicted so far as the record shows.

Mr. JONES of New Mexico. I do not know what the present relations are between Mr. Heney and the Senator from Michigan [Mr. COUZENS], but if the resolution is adopted, so far as I am concerned, nothing which has been said here would have any influence upon my mind against the employment of Mr. Heney. I think that might be clearly understood. I would only speak for myself, but from what I have learned and what I have heard here I think that the committee would do a great public service if it could avail itself of the services of Mr. Heney. If there is no fraud to be uncovered, why should there be any objection to one lawyer any more than to another? If the bureau will permit the light of day to be turned upon it, why should there be any fear of Mr. Heney, even though he be considered one of the great criminal lawyers of the country?

Mr. President, with all due regard and respect to which we should entertain for the Secretary of the Treasury, one of the highest officers in the land, it is beyond me to explain why there should be this objection to turning the light upon the bureau. It seems to me that, with all the criticism that has been cast abroad throughout this great land, the Secretary of the Treasury should invite rather than seek to close the door to investigation.

I do not suggest and I have no information bearing upon the operations of that bureau which would justify me in making any charges. I have no evidence in my possession which I think should go into the record of any committee. But I do stand here insisting that the Senate has the right to make these investigations, and that it should not be deterred by anything that has taken place.

Mr. EDGE. Mr. President, I had not the slightest intention of participating in this debate, but the very apparent and, to me, remarkable effort to keep out of the purview of the activities of the committee its possible inquiry into the prohibition unit under the Internal Revenue Department leads me to address the Senate at least very briefly.

It appeals to me that the very opposition to the suggested inquiry emphasizes its necessity.

With all the investigations that have been undertaken during the present session of the Congress, many of them fruitful, some of them constructive, some of them not so much so, certainly if a committee of the Senate is to investigate the Bureau of Internal Revenue, in view of all the charges, justified or otherwise, which have been made relating to the failure of the prohibition unit, the committee would overlook its responsibility should it not make some inquiry there. That unit has an appropriation, as I recall, of approximately $12,000,000, which is quite a sum of money. It employs agents in every State of the Union, policing every section of the States. Certainly no one who is a sincere believer in the enforcement of the law—and I hope we all are; I know I am—can be satisfied with present conditions so far as the observance of the national prohibition law is concerned. Therefore it would seem to me that the original advocates of that law—and I questioned its terms or provisions, as everyone knows—should be the first to welcome any investigation which might improve the administration of the law.

The prohibition unit, after all is said and done, is to a great extent a police department. Everyone knows that a police department in any city, large or small, is in the very nature of things subjected to all kinds and types of influence. Everyone knows that in this particular bureau the temptations are very great. In any investigation of a police department in any large city the usual result of such investigation or turning on of the light is an improvement. Conditions are discovered, which have existed because of the lack, perhaps, of sufficient surveillance, that require improvement; improvement is made; and, temporarily, at least, the result of such investigations has always been to the best interest of the community and the protection of society. Why should there be any different viewpoint in connection with this great responsibility, this difficult responsibility of endeavoring to enforce the prohibition act, with the protests and the challenges that everyone knows exist?

I believe some of the protests and challenges are justified; I am not going into detail on that to-day, although I may do so at some later date; but I believe that the protests and challenges are to some extent justified, because the prohibition or Volstead Act in some of its provisions attempts to curtail the liberties of the public beyond what the Constitution itself contemplates; in other words, it is a well-known fact that the Constitution only prohibits the sale and transportation of intoxicating beverages; it does not prohibit the sale and transportation of alcoholic beverages. It very distinctly stipulates that the prohibition shall be of the sale and transportation of intoxicating beverages.

On the other hand, the Volstead Act, the national prohibition act, prohibits the use of any beverage containing one-half of 1 per cent of alcohol or more. I think everyone knows, and I think it has been generally admitted by the original proponents of this legislation that one-half of 1 per cent of alcohol is not intoxicating or near intoxicating; but that percentage was simply adopted, as I recall the argument at the time, in order possibly that a better enforcement of the prohibition law could be brought about.

We have had four years' experience, and I contend that no one can take the position, following those four years of experience, that that law, which, in my judgment, is in contravention of the intent of the Constitution, has been successfully or satisfactorily enforced.

I have contended that Congress has not the moral right to deny the people through an act of Congress what the Constitution permits. I contend further that in enacting the Volstead Act, with its provision relative to less than one-half of 1 per cent maximum alcoholic content we have denied the public what the Constitution permits. In my judgment—I may be wrong, but I sincerely believe it is a correct analysis that that fact being thoroughly realized to-day throughout the country has much to do with the protests and the challenges we hear on every side.

So, Mr. President, while as I have stated I did not intend to discuss in detail possible improvements of the Volstead Act, I believe that possibly improvements of the act—and it is not sacred any more than is any other act of Congress—could be made which would develop better observance of the law.

However, I rose to-day because of the plain indication, as developed by the letter which was submitted by the Senator from Texas [Mr. SHEPPARD] and read at the desk, of the desire on the part of the officials of the organization referred to in the letter, which takes to itself much of the control and handling of this question, not to have any thorough investigation of this department of the Government. As I said in the opening, the very opposition to this investigation emphasizes its necessity. If, as has so often been said referring to other investigations, an investigation of the prohibition unit shall demonstrate that the best system has been adopted and is being used by that unit, then certainly the original proponents of the law will have won a great victory, and it will have been established that this bureau is doing the very best it can do under the circumstances, difficult as we all know them to be. The mere fact that they apparently do not want the investigation, that they fall back on the flimsy excuse that there is already an investigation in the District, and that that should be sufficient to ascertain the activities of this bureau, in itself to me is evidence that an investigation is most necessary. Why should there be any exception here? Certainly no one is proud of present accomplishments.

In speaking upon this subject I am not entering at all into the personal side of the controversy which has apparently brought it about. I do not care whether it was the Governor of Pennsylvania or some one else who took advantage of the existence of the committee to suggest that the prohibition unit should be investigated. I believe that ought to be done; and I believe that the best interests of the country would be served and, perhaps, a better system to help bring about a better observance of the law might be the result of such an investigation.

Mr. President, it does not make a particle of difference what our individual opinions may be as to the wisdom of the prohibition amendment. I questioned its wisdom, as I think everyone knows, and I decidedly question, as I have already briefly stated, some provisions of the Volstead law.

None of us, however, can have any other conviction than a positive one as to the necessity of encouraging in every way observance of the law. No one can put us in the false position because we are not in sympathy with the provisions of an existing law—that we are against enforcement of the law or that we wish to encourage violations of the law. The two positions are absolutely distinct.

Now that we have the eighteenth amendment as part of the fundamental law of the land, I want to see the enforcement act honestly representative of the eighteenth amendment; I want it to be a correct interpretation of the provisions of the eighteenth amendment. When prohibition was proposed the people of this great country voted for or against the eighteenth amendment through the election of their various State legislatures, but they did not vote on the wisdom of provisions of the Volstead Act; only in isolated cases have they ever had such an opportunity. The Volstead Act should represent the eighteenth amendment, not in effect nullify it. The eighteenth amendment became a part of the law of the land, and it must be respected and upheld in every possible manner. In my judgment, the Volstead Act has been a failure in the function it was supposed to serve as a measure through which to enforce the Constitution of the United States.

The opposition to this inquiry might lead one to assume that there is fear of the result. What other interpretation can we take? It can not upset this bureau of the Government to have it stated that its present system and policy are the best that could be devised. It should be an encouragement to the leaders of the bureau if that is found to be the case. Conversely, if the contrary is found to be the fact, and it is ascertained that the present administration of law is not the best that could be devised or that there is corruption in the bureau, as freely stated by the Governor of Pennsylvania—and I know nothing about it; I am merely quoting his words—then of course the investigation is most necessary and timely. All the investigations we have conducted have supposedly been for the purpose of clarifying situations and of improving conditions, and I should think the real friends and the original proponents of the prohibition legislation would absolutely welcome the opportunity to improve and strengthen the administration of the law.

The committee is composed of Members of the Senate, all of whom I believe have voted for measures which would strengthen the national prohibition act. It is made up of the Senator from Indiana [Mr. WATSON], the Senator from Kentucky [Mr. ERNST], the Senator from Washington [Mr. JONES], the Senator from Utah [Mr. KING], and the Senator from Michigan [Mr. COUZENS]. I have read in the public press that the Senator from Michigan believes that an increase of the alcoholic content of beverages would be proper under the Constitution, just as I have indicated to be my position in the remarks I have already made.

That does not in any way place him in a position where he does not want to see, and on the contrary I am positive that he does want to see, the most efficient administration possible of this department. Therefore I was glad to hear the Senator from New Mexico, when this discussion developed, state very positively and very plainly that he believed that an inquiry and investigation of this department was wise and timely; and I am going to vote for this resolution with the idea that such an investigation will be made, as well as any further inquiry into the income tax department of the Internal Revenue Bureau that wise statesmanship would deem to be proper and necessary.

Mr. WILLIS. Mr. President, it seems absurd that a resolution to which nobody is opposed should occupy the attention of the Senate for half a day. I had not thought to say anything at all upon this question, but I am unwilling to permit the statements made by the Senator from New Jersey [Mr. EDGE] to go unchallenged in this body.

The alleged facts which the Senator states are as amazing as his logic. The other day he spoke here with great eloquence and power, opposing the investigation of the Secretary of the Treasury, and one of the reasons alleged was because the Secretary of the Treasury and the President were opposed to that investigation upon grounds which he thought good, and upon grounds which I thought good. He now says, however, because he alleges that the friends of prohibition are opposed to the investigation, that that is why it ought to be investigated. I submit that the two conclusions and the logic used in the two cases are mutually destructive.

Mr. EDGE. Mr. President——

Mr. WILLIS. I yield to the Senator from New Jersey. If he can explain it, he ought to have an opportunity now.

Mr. EDGE. I listened with great pleasure and approval to the Senator from Ohio a day or two ago when he answered the Senator from Mississippi [Mr. HARRISON], who criticized a speech the Senator from Ohio had made, as I recall, in the city of Pittsburgh. The Senator from Ohio then based his ex-

ceptions mainly on the fact that the Senator from Mississippi did not tell all the story. This case is entirely parallel.

Mr. WILLIS. The Senator has not given me a chance to tell all the story. He rises to explain before I begin the story; but go ahead.

Mr. EDGE. I shall be glad to tell it for the Senator.

Mr. WILLIS. Fine!

Mr. EDGE. The main contention of my objection to the resolution to which the Senator refers—and I think I addressed the Senate twice on the same general subject—was the fact that the Senator from Tennessee [Mr. MCKELLAR] had found it necessary to invoke a law passed 140 years ago, as I recall, in 1789, prohibiting the Secretary of the Treasury engaging in commerce and business and some other provisions of that character. I am sure the Senator from Ohio will remember that. It was upon the basis of that old law being brought out on the floor of the Senate as a reason for the investigation of the Secretary of the Treasury because he might have and perhaps had technically violated the provisions of the law of 1789 in engaging in commerce or industry or business that I opposed that resolution. As to the subject of prohibition, if the Senator will go further in the same speech he will find that I said that I thought there was an opportunity to find something that might be interesting if they investigated the prohibition department. If the Senator cares to read the speech, I am sure he will find that paragraph in it.

Mr. WILLIS. Mr. President, if my friend the Senator from New Jersey is willing to let that statement go as an explanation of what he said formerly and what he said to-day, I am perfectly willing; but the fact remains that he opposed the investigation of the Secretary of the Treasury because the Secretary of the Treasury did not want to be investigated, and he now says that the prohibition department ought to be investigated because, as he says, it does not want to be investigated. The fact is that the friends of prohibition are not opposing any legitimate inquiry. The letter which was placed in the RECORD by the Senator from Texas [Mr. SHEPPARD] called attention to the fact that two or three investigations are now going on.

Mr. SHEPPARD. Mr. President, let me add that it was placed there in response to an inquiry by the Senator from New York [Mr. WADSWORTH] as to what was the attitude of the prohibition organizations in reference to this subject.

Mr. WILLIS. Precisely. The milk in the coconut is to be found in the statement which the Senator made in the latter part of his speech. He is not so much dissatisfied with the method of enforcement as he is with the law itself. He is opposed to the Volstead Act. He is one of that small minority that favors the light-wine and beer proposition.

Mr. EDGE. No, no, Mr. President.

Mr. WILLIS. Then what does the Senator favor?

Mr. EDGE. I can not permit that statement to go in the RECORD unchallenged. I might favor it if I felt that it was legal to get it; but I have always very carefully confined my criticisms of the Volstead Act to what I felt reasonably would be constitutional. I do not think it would be possible to increase the alcoholic content beyond a point that reasonable interpretation of the Supreme Court might permit as nonintoxicating, which, in my judgment, would not include light wines of any kind.

Mr. WILLIS. Well, where is that point? I want to understand the Senator.

Mr. EDGE. That point is open to argument and discussion. I think that all of the scientific researches, all the customs and practices of other countries where a defining point is made, have placed it from 2½ to 3 per cent. The question is an open one until the court has an opportunity to determine.

Mr. WILLIS. Is the Senator in favor of 2.75 per cent beer, or opposed to it?

Mr. EDGE. I am in favor of 2.75 per cent beer and believe it constitutional.

Mr. WILLIS. I thought the Senator was.

Mr. EDGE. But that is not light wines.

Mr. WILLIS. No; I presume that 2.75 per cent beer is not light wines. The Senator is not in favor of the present law, and he thinks it ought to be amended; that is a defensible position. Any man has a right to take that position. I do not criticize the Senator for that, though I disagree with him, but the facts upon which he bases his statement certainly must be looked into a little bit.

The Senator says that the law has been a failure. I desire to appeal to other authority. It is significant, by the way, that there has been the most trouble about law enforcement in States where Senators were not in sympathy with the law and did not recommend appointment of men that were in sympathy with the purposes of the law that would enforce it.

Mr. EDGE. Is the Senator referring——

Mr. WILLIS. I am not referring to any State; I am making a general statement.

Mr. EDGE. Would the Senator include in that statement a State like Florida, for instance?

Mr. WILLIS. I do not know anything about that State. That is a good way off. I had in mind some that were nearer.

Mr. BRUCE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Maryland?

Mr. WILLIS. I do.

Mr. BRUCE. I hope the Senator will not include me in any statement of that kind.

Mr. WILLIS. Oh, no.

Mr. BRUCE. Nothwithstanding my strong convictions on the subject of prohibition, as long as prohibition is the law of the country I believe absolutely in its proper enforcement——

Mr. WILLIS. I did not have the Senator in mind at all.

Mr. BRUCE. Not only by the courts but by all the agencies of the Government of every sort. General Grant used to say that the best way to repeal a bad law is to enforce it. I agree with him entirely.

Mr. REED of Missouri. Mr. President——

Mr. WILLIS. I yield to my friend from Missouri.

Mr. REED of Missouri. What I am interested in is the statement of the Senator that prohibition is the greatest failure where Senators from the State are opposed to prohibition, and will not permit the appointment of officers who will enforce the law. I want to ask the Senator if he knows of any State where any Senator opposed to prohibition has even been consulted with reference to who would be appointed to enforce the law; and I will couple another question with that—if he does not know it to be a fact that for a long time it was the custom to require the indorsement by the prohibition authorities or prohibition officers of all of the men appointed to enforce the law?

Mr. WILLIS. Mr. President, in the first place, I want entirely to absolve the Senator from Missouri from the statement I was making, because, frankly, I had in mind those cases where Republican Senators had been consulted as to matters of appointment. I assumed that the Senator had not been consulted. It is a matter of common knowledge that Senators are consulted in some cases about appointments.

Mr. REED of Missouri. But does the Senator know of any instance where a Republican or a Democratic Senator has prevented the appointment of prohibition officers who would enforce the law?

Mr. WILLIS. I regret to have to say, Mr. President, that I do know of such cases. The Senator, I am sure, would not want me to go into any——

Mr. REED of Missouri. I certainly would want to know it. I certainly want to know, now and here, if there is a Senator of the United States who has deliberately sought to nullify a law, and who has been sufficiently potential with the President or any of the President's subordinates to prevent the appointment of officers who would enforce the law. If that is true, then there are some Senators who ought to be removed. If that is true, there are some prohibition officers who name these enforcing officers who ought to be removed. If that is true, and was brought to the knowledge of the President who appointed the heads of the prohibition department, and he knew what was being done, then there ought to be a President impeached.

Mr. WILLIS. Mr. President, I do not desire that my friend from Missouri shall make arguments for me that I did not make. I did not say—or at any rate, did not mean to say—that there was any Senator who was undertaking to nullify the law. What I meant to say, and what I think I did say, was that in some States where Republican Senators were not in sympathy with the law recommendations were urged for appointment of men who were not in sympathy with the purposes of the law, and who therefore were inclined to put forth but little effort to enforce the law.

Mr. CARAWAY. May I ask the Senator——

Mr. WILLIS. I decline to mention any, to get down to cases, or name any States.

Mr. CARAWAY. I do not want to ask the Senator to do that.

Mr. WILLIS. I yield to the Senator from Arkansas.

Mr. CARAWAY. But if that statement is true, is not that the strongest argument that has been made for an investigation—that the service is full of men who were put there for political reasons, and who are seeking to nullify the law? Therefore, since the Senator believes in enforcing the law, that

is the strongest argument that anyone has made that the prohibition unit ought to be investigated.

Mr. WILLIS. Mr. President, I think that conclusion would not be justified, in view of the fact that there are at least two, and perhaps three, investigations going on at the present time.

Mr. EDGE. Mr. President——

Mr. WILLIS. I yield to the Senator from New Jersey.

Mr. EDGE. Mr. President, the reference which the Senator has made several times to States represented by Republican Senators where recommendations were made for the appointment of enforcement officers who were not in sympathy with the enforcement of the law, I think justifies him in permitting me to answer him very briefly.

If he in any way referred to New Jersey—I can not think that he did, because the Senator from Ohio is usually very careful to look up his facts—it is a matter of record, which the Senator from Ohio can ascertain for himself if he will investigate it, that the present prohibition enforcement officer in the State of New Jersey, Mr. Chamberlain, was recommended by the senior Senator from New Jersey, myself. He has been in office, I think, about six or seven months. Some little time back, about three or four months ago, a charge was lodged against the prohibition enforcement director to the effect that he had not performed his duty as well as his critics felt it should be done, or, at least, that his administration should be investigated. This prohibition enforcement officer has the great total of 21 men in the State of New Jersey, with some four million inhabitants, with many things happening on the coast with which we are generally familiar, through the newspapers.

The result of the investigation conducted by the Intelligence Department of the Internal Revenue Bureau, which I know the Senator will be glad to have me state, was completed about a month ago and demonstrated that this official had succeeded in his few months of administration in quadrupling the number of arrests which had been followed with many convictions. I would not attempt to hazard a guess from memory of the tremendous increase in the amount of spirits and liquors that have been confiscated under the direction of this little army of 21 men in a State with a population of 4,000,000, but the net result of the investigation was a public statement of approval, published in the newspapers, covering the administration of his office and the care and zeal which he has exhibited in this very difficult task. This I say in fairness to the director of New Jersey.

Mr. WILLIS. Mr. President, I think the Senator has made a good deal better speech for law enforcement in my time than he made in his own time. I am glad he made that speech.

The purpose for which I rose was to place before the Senate and in the RECORD some statement of fact as to how the law has worked out. The Senator from New Jersey advances the idea that it has been a failure. There is a good deal of that propaganda sown around over the country. I was therefore very much interested to know what some other people outside of the country thought about this.

Not long since Mr. Lloyd-George made a trip over to this country, and after he got back home he made—regarding prohibition—this statement to the press, which I thought was exceedingly interesting. He said:

> I went to America with the usual European prejudice against it, hearing that it was demoralizing America and that there was more liquor than ever.
>
> That is not true—not in the least. There are some men who get it. But I believe it is mostly very bad liquor. Some have already been poisoned, and others are getting frightened for fear that their turn will be next.
>
> The only unemployed in America are the gaolers. The children of America never saw such times as they have now.

So, in the opinion of Mr. Lloyd-George, the law is working out pretty well.

Ambassador Geddes made an interesting statement not long since. He said to his people:

> I don't think the people of England recognize, amid the mass of stories of violation of the prohibition laws of the United States, how strong the feeling of the best minds of the best people of America is on the subject of prohibition. Given the American problem, given the American climate, I think that if I were an American I would be a prohibitionist.

Then it would be interesting to know what the governors of some of the States have said about this subject. If I may have permission, I will read the statements of the governors.

Gov. Thomas McRae, of Arkansas, said:

> There are thousands of homes in Arkansas where a greater measure of domestic happiness exists, where less of privation and want are to be found, all due to our prohibition laws, State and National. Business men, such as merchants, sawmill operators, construction contractors, and manufacturers, tell us that labor conditions have been more satisfactory under prohibition than before. There is greater thrift, less suffering, and more domestic and community tranquillity than during the days of the open saloon.

Gov. Walter M. Pierce, of Oregon, said:

> I know that prohibition has vastly improved the condition of the workingmen. Many little feet wear shoes to-day, and these same children have books to read and study that they would not have if we had the booze joints back or the legalized sale of liquor in any form. The wives and children have more at stake in this fight than any other class. To-day thousands of workingmen after their day's work is done go home and rest, work in their garden around home, when formerly they spent all their leisure time at the corner saloon.
>
> If we elect men to office in sympathy with the prohibition law our trouble will vanish at once. We can not expect drinking officers and judges to honestly enforce the law, for they are not in sympathy with it. I hope the people everywhere, those who believe in clean homes, will vote for men for office who believe in the enforcement of laws, including the prohibition law.

Gov. Percival Baxter, of Maine, said:

> The people of Maine of all classes and all occupations have greatly benefited by prohibition. Our savings banks have larger deposits than ever before, the homes of our people are more comfortable, and our children are growing up without a knowledge of liquor and the evils that accompany it.

Gov. A. J. Groesbeck, of Michigan, said:

> The people of Michigan would never think of going back to the license system.

Gov. W. D. Denny, of Delaware, said:

> I believe that the beneficial result of prohibition, both morally and economically, can not be overestimated, applying to the workingman and all classes of citizens in the country.

Gov. A. V. Donahey, of my own State, and not of my political faith, I may state, said:

> The State of Ohio and all classes of citizens in the State are better off economically, morally, and in every other way by reason of prohibition. Money that used to be spent for liquor now is spent for things more essential, or at least for things from which the families of men derive some benefit or pleasure. Ohio was the first populous State to vote dry, and it is drier in sentiment now than it ever was.

Gov. William Sweet, Colorado:

> Above all other classes in the community, labor has gained the most, and has the most to gain from the honest enforcement of prohibition. The workingman has been able by his savings to improve greatly his economic status. He is in a better position to withstand unemployment when it comes, and can afford to give his family and himself a greater measure of happiness in the enjoyment of life.

Gov. Arthur M. Hyde, Missouri:

> I am of the opinion that all classes of people have been the gainers from the enforcement of prohibition. Prohibition has improved the economic condition of the workingman. He has been able to apply his income to better advantage.

Ex-Gov. Lee M. Russell, Mississippi:

> The use of intoxicating liquors in any form has been a curse to the world. It has never brought any user money, honor, or real pleasure; its mission is to degrade, debauch, and finally destroy. The world's greatest leaders have always come from the laboring class of people, their vision is broader and deeper than all others. In order to think properly and live righteously it is necessary to have a clear head and a strong body. Intoxicants in any form are the worst enemy of these two fundamentals. Our people favor a bone-dry world.

In other words, when we come to look into the facts of the case we find that the testimony is quite different from that which the Senator from New Jersey would have us believe it is. This prohibition law has not been a failure. It has not been fully enforced. It ought to be better enforced. But in my humble opinion the starting of such an inquiry as the Senator proposes by dubious logic would have but one effect, and that would be to paralyze the prohibition unit and make law enforcement of any sort impossible for months to come. Anyone who knows anything that ought to be brought to the attention

of an investigating body now has the opportunity to go before the House committee, and it seems to me that there would be no occasion for this committee going into that subject.

But that is not involved in this resolution. I am perfectly willing to vote for this resolution, and let the whole matter rest in the sound discretion of the Senate committee.

Mr. REED of Missouri. Mr. President, the closing sentence of the Senator from Ohio was that the starting of this investigation by this committee would paralyze the entire prohibition forces, and he coupled that with the statement that there were already three committees prepared to investigate, and investigating, and they seem to utterly fail to produce paralysis. How ridiculous it is to say in one breath that an investigation will paralyze the prohibition unit, and in the next breath say that investigations are now going on, and that it is all right to have them go on. A man ought to be able to utter at least a complete sentence without contradicting himself in that same sentence, even though he be a prohibitionist.

Mr. President, I want to give a little attention to organized hypocrisy and carefully planned verbal fraud. I heard read the remarkable document that was produced instanter by the Senator from Texas [Mr. SHEPPARD] in response to an inquiry made by the Senator from New York [Mr. WADSWORTH]. The situation was that the the Senator from New York rose and asked, "What is the attitude of the prohibition forces with reference to the investigation proposed to be conducted by the Watson committee?" I suppose it ought to be called after its chairman. At least within five minutes—and I think immediately—the Senator from Texas rose and answered, and I think the inquiry had been propounded to him, and his answer was a written document, which was read here with great gusto.

Then we inquired how that document happened to get into the hands of the Senator from Texas. The suggestion was made that it might have been sent out by Mr. Wayne B. Wheeler, who always acts as an assistant Republican, and who is willing always to use the forces he has bamboozled as far as possible to aid the Republican Party. The question was put to the Senator from Texas whether this document had been sent out by Mr. Wheeler in a letter. The Senator from Texas technically answered that he did not know whether it was accompanied by a letter, that it had been merely brought to him by his clerk. I have tried a few lawsuits in my lifetime, and before I hand an exhibit to opposing counsel I always look to see whether there is any memorandum on it, and I commend that rule to my friend from Texas, for written at the top of this, very dimly, in lead pencil, with a line drawn through it, are these words:

Mr. Wheeler wants this to get to you at once.

So I think there was no doubt in the mind of the Senator from Texas when he produced this document where it had come from, who sent it to him, and who is its real sponsor and author.

Far be it from me to say a word of criticism touching any of the persons whose names appear at the bottom of this instrument as its sponsors, save and except Hon. Wayne B. Wheeler, hired lobbyist, professional legislative agent, who I have no doubt could be hired for the other side for an advance in salary just as soon as he was assured he would get his pay.

I charge that the document is to all intents and purposes a falsehood in so far as it undertakes to recite facts. Every man who reads it will be convinced that its purpose was to assert that the prohibition forces were entirely agreeable to an investigation but that there is no necessity for this committee to investigate, because there are three other committees already engaged in conducting full and complete investigations. That error was repeated by my distinguished and genial friend from Ohio.

Mr. WILLIS. Let me see the letter.

Mr. REED of Missouri. Just a moment. I am going to use it. The first statement in the document is:

The friends of prohibition enforcement want to know the facts, both good and bad, about it and are cooperating to this end.

So they do want full investigation. That is the assertion they make. That sentence is followed by the statement:

Committees are already at work in Washington investigating various phases of this question.

The subcommittee of the House District Committee, headed by Congressman HENRY R. RATHBONE, of Chicago, is empowered to probe prohibition enforcement. It is now investigating the causes of liquor lawlessness, the carrying of firearms, and fixing the responsibility for the shooting of Senator GREENE.

Every phase of the cause of liquor lawlessness properly goes to this committee. It has already secured much testimony that goes to the bottom of this question. Any competent evidence relating to the prohibition units, success or failure, properly comes before this committee.

Now, Mr. President, anybody on earth reading that would understand that the Rathbone committee was authorized to investigate the entire prohibition unit and that its authority was as broad as the United States, as all embracing as the complete activities of the Government. I want to read the Rathbone resolution:

Whereas the Nation has been shocked by a Senator of the United States being shot while walking on one of the streets of Washington; and

Whereas it appears that the said shooting occurred during an attempt at arrest of bootleggers by officers of the United States; and

Whereas there is reason to believe that the law has been and is being violated in the District of Columbia in the matter of obtaining and carrying and using firearms and also in the illicit sale and use of intoxicants in the Nation's Capital: Now, therefore be it

Resolved, That a subcommittee of the Committee on the District of Columbia, composed of five members, be appointed by the chairman of this committee to investigate and report to the Committee on the District of Columbia both as to violations of the law in the carrying and use of firearms and also as to the illicit sale and use of intoxicants in the District of Columbia.

It is a District of Columbia resolution first and last and has to do with the illicit sale of liquor in the District of Columbia and the sale of firearms, and yet this imputant lobbyist, with a total disregard for the truth and in a manifest and clearly attempted design to mislead the people of the country and the Congress of the United States, writes this document and sends it to Members of Congress.

Now, what is the next one of the investigations to which he refers? I read on:

Prohibition activities that relate to the Justice Department are being investigated by the committee headed by Senator BROOKHART.

It is true that the question of the bribing of some officers has been looked into by that committee, and that statement is literally true, but it is intended to lead the casual reader to understand that the question of the activities of the Department of Justice throughout were being investigated, whereas the investigation has been confined in its general purpose to the case of Mr. Daugherty and those immediately under him. That statement comes nearer the truth, but we are not proposing by this resolution to investigate the Department of Justice. We are proposing by this resolution to investigate that department which has in charge the enforcement of the law, what is known as the prohibition unit under the Treasury Department.

Then this man states:

The House committee headed by Congressman BURTON is investigating the alleged violations of the liquor laws by two Members of Congress.

That is thrown in to mislead somebody again. It will mislead the casual reader. Suppose they are investigating the question of the violation of the liquor law by two Members of Congress. That does not take the place of the proposed investigation. It is to me a ridiculous statement put in there to help deceive somebody. It was put in there purposely by an artful man who is engaged in writing artful sentences for the purpose of deceiving the public, and who has willfully and deliberately uttered many falsehoods regarding many public men, and among them he has lied about me.

It is time to get rid of this legislative pest, Wayne B. Wheeler. He never had any law business in his life except as he hired himself out and has been willing to do any kind of service to deceive the good men and good women who pay him a salary. Here is a part of his deceptive propaganda. Then he states:

The committee headed by Senator WATSON was appointed to investigate internal-revenue affairs. The question has been raised as to whether or not it should go into an investigation of the prohibition enforcement unit whose activities are now being investigated by another committee.

What other committee? I have read the scope of the authority of this committee in the District of Columbia. Then he states, and notice the chicanery of this statement:

House Resolution 261 proposes a joint investigation of the prohibition unit and 2.75 per cent beer.

I do not know, and I am not going to make a positive statement because I do not know, but as far as I do know the last thing that happened to that resolution is shown in the RECORD of April 17, 1924, at page 6802.

By Mr. DYER: Resolution (H. Res. 261) providing that the Judiciary Committee of the House or any subcommittee thereof be authorized and directed to investigate the whole question pertaining to enforcement of the prohibition act and for other purposes; to the Committee on Rules.

So far as I know, it is still there, but it may be out. When we get through reading this document nobody can tell whether these people are willing to say that the committee we have raised and which we are now discussing should investigate the question or not. But the whole purpose was to make an argument based upon false statements and a false premise, to lead the Senate into the mistake of discharging the committee, and when we add to that the fact that it was commonly reported here that Mr. Wheeler was trying to back up the Senator from Indiana [Mr. WATSON] in demanding the discharge of the committee or the discontinuance of its activities, we know perfectly well that was the purpose he wanted to accomplish; yet he did not dare say in so many terms that he, as the representative of the prohibition forces, was afraid of an investigation. Yet that is exactly what is the matter with that gentleman.

I hold no brief for the liquor interests. I have never held any for them. I hold no brief for any particular interests. I have said, and said repeatedly, that as long as the Constitution of the United States stands as it does stand it should be obeyed by all good citizens, and that Congress ought to pass laws for its just and fair enforcement. But, Mr. President, when we are told in one breath that prohibition is a complete success, as my friend the Senator from Ohio [Mr. WILLIS] would have us believe, and in the next breath we are told by the eminent Senator from Indiana [Mr. WATSON] that prohibition is so ghastly a failure that none dare investigate it without doing it harm, and finally when we are told in the concluding sentence of the statement of the Senator from Ohio that an investigation will do it harm, it occurs to me that it is about time we should take a plain, common-sense view with reference to the whole matter.

What is that common-sense view? It is that if prohibition is being thoroughly enforced and if the officers are fairly doing their duty, then an investigation should develop that fact and the result would be beneficial to the prohibitory law. If upon the other hand the officers are not doing their duty, if that which was charged by the Senator from Ohio be true, to wit, that prohibition is not a success in those States where the Senators are opposed to prohibition and where—and I quote almost his exact language—the Senators will not permit the appointment of men who will enforce a prohibitory law, if that be the case, then every friend of prohibition in the land ought to know the names of those Senators, ought to know what kind of man it is who has the appointment of officers, and who, because of senatorial influence, will appoint men to enforce the law with the understanding that they shall not enforce the law.

If that kind of rotten condition exists down here in this department, and it was the direct and specific charge of the Senator from Ohio that it does exist, then we ought to know it. That was the most frank confession of guilt, of improvidence, and of infamy that was ever made by any Senator on this floor who claims to be a friend of prohibition or of the prohibition department. It was an absolute admission made by the distinguished Senator who appears here, next to the Senator from Texas as the supporter of prohibition, next to him as the archangel of the prohibition forces upon whose banners are inscribed the glories of all the prohibition victories that have happened since Adam was a boy. If that one fact exists—and it has been charged on the floor of the Senate this afternoon by a friend of prohibition—then it ought to be disclosed by an investigation. That is enough to warrant the investigation. Any hesitancy for a moment is hesitancy in the face of certainty that there is guilt and that it is our duty to ferret it out and find the responsible and guilty parties.

Mr. President, if we find that to be true, then, if we would be true to our offices, true to the Constitution, and true to our oath, we will insist that the prohibition department shall be renovated, that the head of the department who, at the command or demand of Senators, puts men in the enforcement division who will not enforce the law and does it because of senatorial influence, we should demand that that creature shall be removed and that there shall be put in his stead a man who will perform his duty the same in a State that is represented by a dry Senator as in one that is represented by a wet Senator. We will get rid of the man who nullifies the law of the United States at the request of a wet Senator and who enforces it at the demand of a dry Senator. We will get rid of that sort of geographic conscience that operates on one side of a political line in one way and on the other side in another way and who, for political considerations, at the command of a political Senator proceeds to nullify the Constitution. I am talking about the statement that was made by the distinguished Senator from Ohio [Mr. WILLIS] who is third in the great triumvirate of prohibitionists, the first, of course, being Wayne B. Wheeler, who draws the salary and who writes these deceptive statements; the second being my distinguished and amiable and lovable friend from Texas [Mr. SHEPPARD], who is a good prohibitionist—the one man to whom I will give that title—and the third being my friend from Ohio, who has recently entered the lists and who apparently intends to elbow both of his conferees out of their jobs, and to be the one man who shall stand astride the question. I am willing he shall get rid of Wheeler, but I protest he shall not trample upon the preserves of my friend from Texas [Mr. SHEPPARD].

But suppose, on the other hand, that we should discover not only that these men have appointed prohibition officers in certain States with the understanding that they will not enforce the law, but suppose it should be developed that in addition to senatorial influence which they have obeyed that they have taken bribe money, for it seems to me that a man who would violate his oath of office for the one reason—for a political consideration, the desire to please a Senator—might for the purpose of pleasing himself put money in his purse. Suppose—and I do not charge it—that an investigation should disclose that this bureau was honeycombed by graft and corruption, as has been so often charged with reference to prohibition enforcement. That might constitute a shock to the people of the United States, but because it would shock the people of the United States to learn that there was graft or corruption is no excuse for allowing the cancer of corruption to eat on and on until its roots would reach into the very brain and heart of the Nation itself.

Every friend of the United States and every true friend of prohibition would want to see that cancer cut out, and if there has to be an operation he would rather withstand the shock of the operation than to witness the march of the disease. So if these things were found to be true, while it might shock the Nation to learn them, we would at least be able to supplant these dishonest men by honest men. Then the car of prohibition and moral progress and reform would roll on; my friend from Ohio [Mr. WILLIS] would occupy a front seat, and would finally arrive at the gates of glory with a whole cargo of virtues in the wagon with him.

How can anyone object? If there be wickedness there, why should it not be disclosed? The only man who objects is a man who either himself has or his friends have been engaged in crooked business. They have been objecting ever since these investigations started. When the first hint was given that Albert Fall had bought a piece of ground and that probably he could not account for the money, what a wave of indignation there was; how Fall strutted along the boards of the public stage and declared that his honor had been impugned; how he challenged an investigation; how he declared that he wanted to come and tell all about it! Still, however, at the same time how many men turned to criticize the Senator from Montana [Mr. WALSH] when he adduced some hearsay evidence. We heard the same criticism continued here to-day. He put in some hearsay evidence! Yes; he put in some hearsay evidence. That is the only way a committee of Congress can proceed when the Department of Justice and all its agencies are in the hands of corrupt men who will not permit the department to function.

If the Department of Justice had been functioning, we would not have needed to have had any congressional investigations where hearsay evidence would be taken, but we would have had grand juries. A grand jury, however, has to get hearsay evidence. Every man who is acquainted with the practice of the criminal law knows that the way grand juries get their information is to call in a man who is supposed to know something about the case and take his testimony, both direct and hearsay. Why do they take his hearsay evidence? It is not for the purpose of considering it as binding evidence upon a defendant, but in order that it may furnish them leads and enable them to find finally a witness who knows the facts at first hand. Unfortunately committees of Congress, sitting in the open, may produce hearsay evidence in that way that may reflect unjustly upon somebody; but it is the only method we have to pursue. So the first witnesses that were put on in regard to Albert Fall were witnesses who gave hearsay evidence, but that hearsay evidence led to sources from which the direct evidence was finally acquired.

Then Mr. McLean came forward to account for the money that Mr. Fall had. We have heard criticism here this afternoon because the Senator from Montana tried to find out what McLean's real connection was, a criticism because he did not accept McLean's word as final. This man McLean had certified, and I believe under oath, that he had furnished to Fall the $100,000 to buy the ranch in New Mexico. He afterwards stated that he furnished him the money in checks. Fall had made the same statement. There, I suppose, we ought to have stopped; nobody should have gone any further; but an investigation finally brought out a situation which frightened Doheny, and Doheny came in and said he had provided the money. Then, I suppose, we ought to have stopped; nobody should have asked a question after that. We should have drawn the veil of secrecy and charity over it all.

But questions were asked, and in the asking of those questions it was disclosed that the Department of Justice had been lending itself to these culprits; that Mr. McLean had been in possession of the secret code of the United States; that the telegrapher at the White House had been employed to send him messages in that code; that the code had been employed for the purpose of advising him with relation to the proceedings here in Congress and the means and methods by which he could circumvent further inquiry into his affairs. Because these facts, which were directly pertinent to the inquiry and directly necessary to its proper understanding, were brought out, a Senator has had the temerity in this Chamber to undertake to castigate the Senator who conducted the investigation. I say it was as shameless a performance as ever took place upon this floor, and it will not react in favor of the party whose spokesman the distinguished Senator was.

We proceeded a little further. The clamor here all the time was to "Stop! Stop! Do not investigate; you may shock somebody if you investigate." But Doheny came in with his story, and little by little the facts came out. On one day the evidence would be hearsay, but the next day there would come evidence from the lips of some one who knew directly.

Then we came to the Daugherty investigation. Here I want to suggest a thought to my fellow Senators which if they have not considered I hope they will bear away with them. It is said that hearsay evidence was produced against Mr. Daugherty; that disreputable characters were placed on the stand against him, and that the testimony adduced was not pertinent to the inquiry. I deny that the testimony adduced was not pertinent to the inquiry. The resolution appointing the committee to investigate Mr. Daugherty called for an investigation with reference to his activities in many respects. It contained this language:

And said committee is further directed to inquire into and investigate and report to the Senate the activities of the said Harry M. Daugherty, Attorney General, or any of his assistants in the Department of Justice which would in any manner tend to impair their efficiency or influence as representatives of the Government of the United States.

It was not necessary to prove a crime; it was not necessary to prove a misdemeanor; it was not necessary to prove anything in the nature of a criminal charge, but the committee were called upon to find out whether the conduct of Mr. Daugherty had been such as would impair his efficiency or the efficiency of his department.

Bearing that in mind, I come to the question of the character of the evidence. If Mr. Daugherty associated himself with rogues, if he made companions of scoundrels, if he made his habitat with grafters, then he had impaired his efficiency; if that was true, then he had committed the very acts that the committee was authorized and directed to investigate, to wit, acts tending to impair the efficiency of the department and his own efficiency. So, when the committee sought to prove that Smith had been a grafter, that Smith had been a violator of the law, that Smith had lined his pockets with ill-gotten gains, and further to prove that he was the constant companion of Daugherty, that the two were more inseparable than David and Jonathan, that they were political and personal Siamese twins, that they slept literally in the same room, if not in the same bed, and that Smith was in the office of the Attorney General habitually and constantly, and when those facts were proven there was demonstrated an impairment of the efficiency of the Attorney General.

When they came to prove the fact, who did they prove it by? By this blatherskite who represents the Republican National Committee? I call him that because his letter is the letter of a blatherskite, and he reflects no credit on that committee. Let me tell Senators on the other side of the Chamber that they will want to get rid of him worse than the President wanted to get rid of Daugherty before they get through with him, for if he ever loads this mass of corruption on the Republican Party officially, no political horse can ever be found to take the hurdles with that sort of a burden on his back. But going back to my parenthesis, when the committee came to prove that they produced a woman by the name of Roxie Stinson. Now hands go up in holy horror. They say "You produced a woman; and it is said that she is not a decent woman and her word should never be taken against any man."

Mr. ASHURST. Mr. President——

Mr. REED of Missouri. I prefer not to yield for the moment.

Mr. ASHURST. Very well.

Mr. REED of Missouri. My friends, I know nothing about this woman except what I have read in the testimony, but this I do know, that it is the undisputed sworn testimony that she was the friend and confidante of Smith, who was the friend and confidant of Daugherty; that she—and it is the undenied testimony—was constantly in Smith's companionship, and Smith was constantly in Daugherty's companionship, and the three of them were together frequently; and it is a part of the statement made in the press as to the testimony—I did not read the testimony personally—that he even introduced this woman whom he now denounces into the family of the President.

Mr. President, it does not lie in the mouth of the man who thus consorted with this woman and with this woman's friend, Smith, to denounce the woman as unworthy of belief. It does not lie in the mouth of the political friends of the former Attorney General to open their lips against this woman or against her testimony, because she was certified to for her respectability and character by constant association with the former Attorney General. That kind of evidence is not only pertinent, direct, and to the point, but it is evidence that indubitably was true, in my opinion; and they can not attack the character of the witness.

But I take another stand.

They say that Means was put on the witness stand; and I suppose when this blatherskite to whom I am referring, this secretary of the Republican National Committee, who disgraces a great party that has many great men, for he disgraced it when he wrote this offensive and indecent letter—when he refers to murderers I suppose he refers to Gaston B. Means, who was tried for murder in North Carolina and acquitted. I do not know whether Gaston B. Means was guilty of that murder or not. I know that I would be the last man in the world to certify to the good character of Gaston B. Means. I would not admit that man into my office and have a private conversation with him under any circumstances. I have had occasion to read some court records which relate to performances of Gaston B. Means; but let us put him down as low as we please in the calendar of villains, and let us let him paint his own villainy as he did upon the witness stand, when he blatantly boasted of searching the desks of Senators, in violation, of course, of the law of the land, and blatantly and boastingly admitted that he perpetrated those searches for the purpose of blackmailing the Senators, not for money but blackmailing them into silence, if possible—equally culpable in morals, and, in my judgment, equally offensive to the law.

You can write him down as low as you want to write him, but the fact remains that he was Daugherty's appointee, and the fact remains that you can not escape the responsibility of Daugherty by the pretense that he might have been slipped in there by Burns or somebody else without Daugherty's knowledge, because after he was removed, for some reason which we do not know, they had a hearing at which Mr. Daugherty was present, and he was reinstated with full pay. So Daugherty knew the man was there; Daugherty knew his record; Daugherty knew his character; Daugherty knew that this man with this wretched character—and let them paint it as black as hell if they desire; I will take no exception—nevertheless he knew that that man had been armed with Government papers and Government authority and had been sent out here among the decent citizenship of this country to prey upon them and to perpetrate whatever iniquity might come into his foul brain or into his black heart upon these people of the United States. The man who thus turned this serpent loose upon the people can not be heard to complain if the crooked fangs of that same snake are sunk into his flesh, for he sent him forth among the people to perpetrate like acts upon the people.

How many people are there in the United States who may be in the penitentiary to-day upon the false statements of that man? How many innocent men may have suffered? How many people may have been blackmailed by this wretch who went about unlocking the desks and breaking into the habitations of people? But it does not lie in the mouth of Mr. Daugherty, it does not lie in the mouth of his defenders to complain that

his own tool, his own agent, the man whom he authorized to act in the name of the great United States, and to whom he gave a certificate—"Reposing special faith and confidence in your fidelity, and so forth, we send you forth with the authority of the Government back of you"—it does not lie in the mouth of men who did that to say that the testimony is not worthy of belief.

I had something to say about blackmail, but I will come to that in a minute. Let us take a résumé of what has happened.

They demonstrated that these invaluable oil lands were taken away from our country, and a suit has been brought to recover them. If we had sat here all winter and done nothing but that, investigated every day, and spent ten times the amount of money that the Senator from Indiana complains about, it would have been time well spent and money well put forth, but we did not stop there. Criminal prosecutions are supposed to be inaugurated, not by the Department of Justice but by special counsel whom we had to employ; but we did not stop there in these investigations. We have driven from the Cabinet an unfaithful minister of the Navy. We have driven from the Cabinet an unfaithful Attorney General. We have placed the Department of Justice, with its great enginery and machinery, in the hands of a man whom we all believe to be honest, and who we all hope will be efficient. We have done this much, at least, as the result of these investigations; but as we have proceeded we have received no aid, assistance, or comfort from the executive department of this Government. On the contrary, we have been reprimanded. Obstacles have been placed in our way. Now, at last, because the investigation is getting a little too hot, we find they are denouncing the men who have produced these great results. At every stage they have told us we have gone too far and we ought to stop. We ought to have stopped before we investigated Fall's ranch. We ought to have stopped before we investigated Daugherty. We ought to have stopped before we investigated Doheny. Every time we should stop, every time there is a protest. Now it is proposed to investigate into the prohibition department and the other departments of the Treasury, and they tell us we must stop.

They tell us the foolish, silly story that 60,000 employees of the Treasury Department will have the buck ague, their morale will be destroyed, they will be trembling in their boots, they can not figure and they can not collect taxes, they can not testify against a bootlegger, if there is anybody looking in the books down here to see what has been going on in the past! If the concern is that rotten and is that corrupt, then it all ought to be wiped out by a general statute or by an Executive order.

I do not believe the story. I do not believe they are all corrupt. I do not believe they are all rotten; but that there are rogues down there I have not the slightest doubt, and that fortunes have been made in the illicit sale of liquor I have not the slightest doubt. But if I claimed to be a prohibitionist of the most pronounced type, I would say that I wanted every rogue put out of the prohibition-enforcement department and I wanted honest men put in, and that any department that could not stand an investigation was too reeking rotten to exist, and that any man who protested against it knew there was something to fear.

Mr. President, just one word more.

I have commented upon the fact that Gaston B. Means says that he was sent out to pry into the offices and desks of Senators and public men to find out, if he could, something against them, and then use that to make them cease their activities in favor of a particular bill or a particular measure. He told us this boastingly. It seems to me that the distinguished secretary of the Republican National Committee has taken a leaf out of Gaston B. Means's philosophy. I read from the New York Times:

Whether the attack by Mr. Lockwood will be taken cognizance of by the Senate will not appear until after the publication of the statement, which is in the nature of a response to remarks made in the Senate on Saturday by Senator THOMAS J. WALSH of Montana in connection with published news dispatches that an agent of the Republican National Committee, sent to Montana to investigate the record of Senator BURTON K. WHEELER, had said that he also had investigated the record of Senator WALSH.

Turning, with that as a prelude, to the statement of this distinguished gentleman who thinks he is going to save the Republican Party by undertaking to defend this iniquity—a thing that every decent Republican on earth repudiates—I find that he says this:

While this organization has been investigating at its own expense the political and official records of these two chief inquisitors—

WALSH and WHEELER—

to determine whether they are prompted by a sense of public duty or by political motives that will not stand the light of day.

A little later:

The national organization of the Republican Party will continue to resist wrong, fight injustice, denounce hypocrisy, and stand up for Republicanism and Americanism.

Notice the sentence:

While this organization has been investigating at its own expense the political and official records of these two chief inquisitors.

Mr. President, what was the situation? Gaston B. Means said—and I am drawing a parallel—that when the Senator from Arkansas [Mr. CARAWAY] and one or two other Senators did something the Department of Justice did not like they sent down to look through their desks to see if they could not find there something "on them," to use the expression that was employed, and then tell them to go back and sit down and shut up. Now, we have two investigations here in the Senate in which the Senators from Montana [Mr. WALSH and Mr. WHEELER] are active members of the committees investigating crimes against the United States. What has their personal character or personal reputation to do with that? If they had been bad and wicked men, that would have had no real bearing upon the case, because the evidence had to be produced from the mouths of sworn witnesses, and there were four or five or six or seven or eight Senators there to see that justice was done. Why, then, were these people investigating their private characters? Because they intended to levy the same kind of blackmail that the wretched fellow Means had been levying. They intended to find out something against them and tell them they had better quit investigating, and when a man engages in blackmail of that kind for the purpose of stopping an investigation I put him in the class of common crooks and common criminals. That is where I put the secretary of the Republican National Committee on his own admission.

I am not making this speech to attack Republicans. The Senate will bear me out in the statement that I have made here a hundred times, which I have made on platforms a hundred times, that between the rank and file of Republicans and Democrats there is no difference in morals or in patriotism. We differ in our opinions. But it so happens that you may get some bad men in office and we might get bad men.

You have a man now as secretary of your committee who baldly confesses that for the purpose of stopping a legitimate investigation authorized by the Senate, he started to see if he could not dig up something against the personal character of two distinguished Senators, and to what end? What was his purpose? He may state his purpose as he pleases. He may make any assertion he desires, but every man in this room knows that his purpose was to put blackmail upon these men, and say to them, "You must pause in your course." That was his purpose. Nobody but a fool will doubt that proposition. Nobody but a man who has no regard for the truth will deny it. If he had found something on the senior Senator from Montana [Mr. WALSH], some speck on his character, then the hint would have come, "You had better stop and close up the investigation, Senator." That would have been the Gaston B. Means method. That would have been the Daugherty method. That would have been the crooked method that has been employed here all too often.

They practically admit that they went out and instigated the indictment of the junior Senator from Montana [Mr. WHEELER]. Have you ever heard it stated by men who were acquainted with criminal practices that if you could get the other fellow indicted that it is a great thing to do, how that would stop him and destroy his influence? So the Department of Justice that could not raise its hands to go after Fall; the Department of Justice that could not raise its finger to do anything against Doheny; the Department of Justice that lent its good offices to these criminals and wretches; the Department of Justice that had nothing to say when Mr. McLean, of the Washington Post, entered into a conspiracy to help defeat the processes of the law and to secrete the crimes of Albert Fall, which never could think of drawing an indictment against him for conspiracy, or for being an accessory after the fact; they could not think of that; but this Department of Justice could immediately lash itself into a foam to go out and return an indictment against the junior Senator from Montana [Mr. WHEELER].

Is there anybody here who does not know that it was the recourse of the guilty to stop the on march of justice; that it was the device of crooked men to stop honest men in the performance of their duty? Is there anybody so dull in all this land who does not know that this question was made political for the first time by the action of this secretary of the Repub-

Let me tell Senators on the other side of the Chamber that they will want to get rid of him worse than the President wanted to

WALSH and WHEELER—

it does not lie in the mouth of his defenders to complain that

for the first time by the action of this secretary of the Repub-

lican committee when he took the Republican committee's money, hired his agents, and sent them out to Montana to dig up something against the junior Senator from Montana, and to have him indicted? In order to stop these prosecutions he made this confessed political movement. He strapped this mass of infamy on the Republican horse, and he will have to carry it through the campaign, unless Republican Senators repudiate the act of this political blackmailer and wretch who poses as the critic of a Senator.

Mr. SHEPPARD. Mr. President, in justice to myself I want to say that the pencil notation to which the Senator from Missouri referred as being on the margin of this statement entirely escaped my attention. The statement came to me a few moments before the Senator from New York made his inquiry. I placed it in the RECORD in response to an inquiry of the Senator from New York. The name of Mr. Wheeler is signed to the statement, and was read from the desk, as were the names of the other signers. They had a right to express their opinion regarding this controversy, and, as far as I could see the matter, it was entirely proper that that opinion should be made known to the Senate, especially when it was inquired about by a Member of this body.

The PRESIDENT pro tempore. The question is upon agreeing to Senate Resolution 211, offered by the Senator from New Mexico [Mr. JONES].

The resolution was agreed to.

The PRESIDENT pro tempore. The Chair is informed that the Senator from Indiana [Mr. WATSON] does not desire to bring forward his motion to discharge the committee, and therefore, under the terms of the unanimous-consent agreement, it is fully executed with the final disposition of Senate Resolution 211.

Mr. SMOOT obtained the floor.

Mr. CARAWAY. Will the Senator from Utah yield to me a moment?

Mr. SMOOT. I yield.

Mr. CARAWAY. I ask unanimous consent that the resolution of the Senator from Indiana may be laid before the Senate, and that we may have a yea-and-nay vote on it.

Mr. SMOOT. I would not make that request in the absence of the Senator from Indiana.

Mr. CARAWAY. Of course, the Senator can object, but I make the request.

The PRESIDENT pro tempore. The Senator from Arkansas asks unanimous consent——

Mr. SMOOT. The Senator from Indiana is not in the Chamber. Therefore I will have to object.

The PRESIDENT pro tempore. The Senator has a right to make the request.

Mr. SMOOT. I say, the Senator from Indiana being out of the Chamber, I shall be compelled to object to the request.

The PRESIDENT pro tempore. Objection is made to the request of the Senator from Arkansas.

TAX REDUCTION

Mr. SMOOT. I ask that the unfinished business be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. REED of Missouri submitted an amendment intended to be proposed by him to the bill, which was ordered to lie on the table and to be printed.

Mr. WALSH of Massachusetts submitted an amendment intended to be proposed by him to the bill, which was ordered to lie on the table and to be printed.

Mr. ROBINSON. Mr. President, I desire to suggest to the Senator from Utah the advisability of taking a recess or an adjournment. The Senate has now been in session for seven hours, and as far as I am concerned we can recess or adjourn to any hour the Senator from Utah thinks proper. A number of Senators have expressed a desire that no session be held to-night for the reason that some of them have engagements which they feel bound to fill.

I think the time of the Senate will be conserved by pursuing the course I am now suggesting. There is anxiety on this side of the Chamber equal to that on the other side of the Chamber to facilitate the prompt disposition of the pending revenue bill. I know of no reason why it can not be disposed of to-morrow, if the Senator from Utah wants to take that course; but I do not think we ought to continue longer in session to-day.

Mr. SMOOT. Would the Senator be willing to enter into a unanimous-consent agreement that beginning at 2 o'clock on Wednesday——

Mr. ROBINSON. I make this suggestion to the Senator: I think the bill can be disposed of in all probability to-morrow. [After a pause.] The junior Senator from Utah [Mr. KING] advises me that he does not think so.

Mr. KING. In addition to the corporation tax, the question of the inheritance tax will of necessity compel some discussion.

Mr. SMOOT. That is why I wanted it to go over.

Mr. KING. There are several other controverted matters.

Mr. SMOOT. I think we can get rid of the estate tax and the corporation tax to-morrow if we hold a night session to-night.

Mr. NORRIS. I would like to suggest to the Senator that after all Senators are heard who want to speak at length on a particular item like the corporation tax, which I understand is to come up next, instead of asking for a unanimous-consent agreement now that he present it then. I think at that time there would not be any objection to it.

Mr. SMOOT. I thought of asking unanimous consent that beginning on Wednesday at, say, 3 o'clock——

Mr. ROBINSON. I do not believe it would be fruitful of benefit to try to enter into an agreement to limit debate to-night. I think there is no disposition to prolong the debate, and I am of the opinion that the bill can certainly be disposed of on Thursday. I had hoped it might be completed to-morrow.

INVESTIGATION OF INTERNAL REVENUE BUREAU

Mr. NORRIS. May I interrupt the Senator just a moment? There is another matter closely connected with the resolution which we have had up to-day; that is, the resolution of the Senator from Indiana [Mr. WATSON]. He is not present in the Chamber now, but I had expected that that would be disposed of as soon as we got through with the resolution we have just disposed of.

I want to say, if the Senator will permit me, that in my opinion that resolution ought to be pending in the Senate. I would not want to be on a committee making preparation to go on, when hanging over me was a motion to discharge the committee from further consideration of the matter under investigation. It is only fair to the committee that we vote the resolution up or down. I do not want to do it to-night, because the Senator from Indiana is not in the Chamber, but I am going to ask, and if necessary I shall move to take up that resolution if it is not either withdrawn or voted on.

Mr. CARAWAY. I hope the Senator will not consent to the withdrawal of the resolution, because it was introduced and ought to be disposed of.

Mr. NORRIS. Personally I have no objection to its being withdrawn, but I want to have some disposition made of it. It seems to me it is not fair to have it pending here subject to be brought up at any time. If this committee is going to be discharged, it ought to be discharged now. If it is not going to be discharged, then this resolution ought to be voted down.

Mr. SMOOT. I do not think there will be any objection at all to action being taken upon the resolution to-morrow. I think there should be action taken. The only reason why I objected taking it up at the present time is because the Senator from Indiana is absent.

I will say to the Senator in relation to taking a recess at this time that I gave notice Saturday that we would hold an evening session, and a conference of the Republican Members was held and it was agreed to have a session to-night. There have been seven hours spent and not a word said upon the bill to-day. I thought we would run a couple of hours on the bill and then it would be perfectly agreeable to me to take a recess until to-morrow. I know that course will be satisfactory to a number of Senators on the Finance Committee.

Mr. ROBINSON. Mr. President, I am compelled to state, by the advice of those about me, that unless the Senator can agree to a recess, I shall make a motion to adjourn.

Mr. KING. I would like to say to my colleague that I know of one Senator who ought to have spoken to-day, and who would have occupied the floor in expounding his views on the corporation tax amendment. The time has been consumed, however, and he has been occupied in the discussion of the resolution before the Senate. At this late hour I am sure he would not be ready to proceed. That matter is so important that there should be a very full attendance of the Senate. I hope the Senator will find it suitable to take a recess until to-morrow.

Mr. ROBINSON. I will make my motion if the Senator does not consent to take a recess or adjourn. I move that the Senate now adjourn.

Mr. SWANSON. I want to make a statement to the Senator from Utah. We are making good progress on the bill. I have

never known a revenue bill on which as much progress has been made as on this one up to the present time. I am satisfied none of the Senators on the other side will object to taking a recess or an adjournment. There is a general disposition to get the bill through quickly, and I do not think we will make any progress by staying here to-night.

Mr. ROBINSON (at 7 o'clock p. m.). I move that the Senate adjourn.

Mr. WADSWORTH. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. CURTIS (when Mr. LENROOT's name was called). The Senator from Wisconsin [Mr. LENROOT] is detained from the Senate on account of illness.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. REED of Pennsylvania (when his name was called). I transfer my general pair with the junior Senator from Delaware [Mr. BAYARD] to the senior Senator from West Virginia [Mr. ELKINS] and vote "nay."

The roll call was concluded.

Mr. CURTIS (after having voted in the negative). I have a pair with the Senator from Montana [Mr. WALSH]. I transfer that pair to the Senator from North Dakota [Mr. LADD] and let my vote stand. If the Senator from Montana were present he would vote "yea," and if the Senator from North Dakota were present he would vote "nay."

Mr. SMITH (after having voted in the affirmative). I notice that my pair, the Senator from South Dakota [Mr. STERLING], is not present. I transfer my pair with that Senator to the junior Senator from Alabama [Mr. HEFLIN] and allow my vote to stand.

Mr. FLETCHER. I desire to announce that my colleague, the junior Senator from Florida [Mr. TRAMMELL], is unavoidably absent. He has a general pair with the senior Senator from Rhode Island [Mr. COLT]. I request that this announcement may stand for the day.

Mr. CURTIS. I wish to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Oklahoma [Mr. OWEN]; and

The junior Senator from Kentucky [Mr. ERNST] with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 28, nays 38, as follows:

YEAS—28

Adams	Ferris	Kendrick	Reed, Mo.
Ashurst	Fletcher	King	Robinson
Broussard	George	McKellar	Sheppard
Bruce	Gerry	Neely	Shields
Caraway	Harris	Overman	Stanfield
Dial	Harrison	Pittman	Smith
Dill	Jones, N. Mex.	Ransdell	Swanson

NAYS—38

Bait	Fernald	McLean	Shortridge
Brandegee	Fess	McNary	Smoot
Bursum	Frazier	Moses	Spencer
Cameron	Hale	Norbeck	Stanfield
Capper	Harreld	Norris	Wadsworth
Copeland	Johnson, Minn.	Oddie	Warren
Cummins	Jones, Wash.	Pepper	Watson
Curtis	Keyes	Phipps	Willis
Dale	Lodge	Reed, Pa.	
Edge	McKinley	Shipstead	

NOT VOTING—30

Bayard	Glass	Lenroot	Trammell
Borah	Gooding	McCormick	Underwood
Brookhart	Greene	Mayfield	Walsh, Mass.
Colt	Heflin	Owen	Walsh, Mont.
Couzens	Howell	Ralston	Weller
Edwards	Johnson, Calif.	Stanley	Wheeler
Elkins	Ladd	Stephens	
Ernst	La Follette	Sterling	

So the Senate refused to adjourn.

Mr. NORRIS. Mr. President, I desire to submit a unanimous-consent request.

Mr. REED of Pennsylvania. Before the Senator does that, will he yield to me to present an amendment to the tax bill and ask that it be printed and lie on the table?

Mr. NORRIS. Certainly.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

Mr. NORRIS. I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the resolution of the Senator from Indiana [Mr. WATSON], Senate Resolution 210, discharging the special committee to investigate the Bureau of Internal Revenue.

Mr. WATSON. What is the request?

Mr. NORRIS. I ask unanimous consent to consider the resolution which the Senator from Indiana has submitted, to discharge the committee.

Mr. WATSON. Evidently the Senator has not seen fit to accept my word on the proposition, that I do not intend to press it at all.

Mr. NORRIS. I do accept the word of the Senator, but that does not dispose of the resolution.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent that the unfinished business be temporarily laid aside and the Senate proceed to the consideration of Senate Resolution 210. Is there objection?

Mr. WATSON. I want to know whether I am at liberty now to withdraw the resolution under the parliamentary rule I think I am.

The PRESIDENT pro tempore. What is the parliamentary inquiry?

Mr. WATSON. The parliamentary inquiry is whether or not I can withdraw the resolution at this time.

The PRESIDENT pro tempore. The Chair is of the opinion the Senator can not withdraw it.

Mr. WATSON. Then I move to indefinitely postpone it.

Mr. SMOOT. Is that going to lead to any discussion?

Mr. WATSON. Oh, no.

Mr. NORRIS. I do not want to discuss it. I just wanted to dispose of it. That is entirely satisfactory to me.

Mr. WATSON. I imagine that my statement that I never intend to press it is not satisfactory to the Senator from Nebraska.

Mr. NORRIS. Now, I do not want the Senator from Indiana to misunderstand me. I do not doubt his statement a particle, but I want the record to be made right. I have no interest in it other than as a matter of justice to the committee. I do not believe it is fair to have them directed, as they are, to go on and make an investigation with a resolution to discharge them hanging over them in the Senate. That ought to be disposed of. It is only a matter of common justice to get it out of the way.

Mr. MOSES. The Senator from Indiana can ask unanimous consent to withdraw it.

Mr. WATSON. I have already tried that.

Mr. MOSES. Let the Senator try it again.

Mr. WATSON. I ask unanimous consent to withdraw my resolution.

Mr. CARAWAY. I object. I want a vote on it.

Mr. WATSON. I knew the Senator intended to object.

Mr. CARAWAY. Yes; I told the Senator I was going to object.

Mr. WATSON. I know the Senator did.

Mr. MOSES. In view of that objection, I object to the request for unanimous consent submitted by the Senator from Nebraska.

Mr. WATSON. Is it in order to move to postpone indefinitely the resolution?

The PRESIDENT pro tempore. The opinion of the Chair is that the revenue bill is before the Senate——

Mr. HARRISON, Mr. NORRIS and others addressed the Chair.

The PRESIDENT pro tempore. Will the Senators permit the Chair to state his view about the matter? The Chair is of the opinion that without unanimous consent the motion to postpone indefinitely is not in order at this time.

Mr. NORRIS. I agree with the Chair, and I want to make a motion that will be in order. If the objections are not withdrawn, I am forced to make a motion to take up the resolution, which is in order.

Mr. SMOOT. Mr. President, I ask the Senator from New Hampshire to allow the motion of the Senator from Indiana to be voted on.

Mr. MOSES. To indefinitely postpone it?

Mr. SMOOT. Yes.

Mr. MOSES. My objection was to the unanimous-consent agreement asked for by the Senator from Nebraska.

Mr. SMOOT. I understood that the Senator from Indiana made a motion to indefinitely postpone the resolution and I understood the Senator from New Hampshire to object to that motion.

Mr. MOSES. Oh, no.

Mr. NORRIS. The Senator from Utah has not the correct situation in mind. In order that the motion of the Senator from Indiana may be in order we must formally lay aside the unfinished business and take up the resolution, and that was my request.

Mr. SMOOT. I am perfectly willing to have the unfinished business temporarily laid aside and that question voted upon.

Mr. NORRIS. It will take only a moment.

Mr. SMOOT. I understand no discussion whatever is to take place, and I hope the Senator from New Hampshire will withdraw his objection.

Mr. MOSES. If a record vote is not to be had, I will withdraw my objection.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection to that request? The Chair hears none, and it is so ordered.

Mr. WATSON. I now renew my motion.

The PRESIDENT pro tempore. The Senator from Indiana moves that Senate resolution 210 be indefinitely postponed. [Putting the question.] In the opinion of the Chair the ayes have it.

Mr. CARAWAY and Mr. HARRISON called for the yeas and nays.

Mr. MOSES. Oh, no, Mr. President; when I withdrew my objection to the unanimous-consent request submitted by the Senator from Nebraska, I stated that it was on condition that no record vote should be had upon the motion.

Mr. CARAWAY. I did not hear that statement of the Senator from New Hampshire.

Mr. MOSES. I am sorry.

Mr. CARAWAY. Of course the Senator can object now at this time.

Mr. MOSES. No; I can not object now. I am estopped.

The PRESIDENT pro tempore. The demand for the yeas and nays being withdrawn, the ayes have it.

Mr. CARAWAY. No; nobody withdrew the request for the yeas and nays. We want a yea-and-nay vote.

The PRESIDENT pro tempore. Does the Senator demand a yea-and-nay vote?

Mr. CARAWAY. Yes, sir.

Mr. WATSON. That is a good-faith proposition. The Senator ought not to do that.

Mr. CARAWAY. Very well; I withdraw the request.

The PRESIDENT pro tempore. The ayes have it, and the resolution is indefinitely postponed.

TAX REDUCTION

The PRESIDENT pro tempore. The unfinished business will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SMOOT. Mr. President, the next amendment passed over is on page 82. It has reference to the tax on corporations.

The PRESIDENT pro tempore. The Secretary will state the amendment. The Chair is advised that the amendment on page 82 has been agreed to.

Mr. HARRISON. A parliamentary inquiry. What was the observation of the Chair?

The PRESIDENT pro tempore. The Chair is advised that the amendment referred to by the Senator from Utah [Mr. SMOOT] has been agreed to.

Mr. HARRISON. What is the amendment?

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. The amendment is on page 82, line 6, to strike out "12½ per cent" and insert "14 per cent."

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Will the Senator from Utah state the next amendment which he desires taken up?

Mr. SMOOT. The next amendment is on page 139.

Mr. JONES of New Mexico. Mr. President, the corporation tax amendment was agreed to several days ago, with the understanding that I could offer a substitute for it after the other committee amendments should have been acted upon.

Mr. SMOOT. That is as I understood it; and we agreed to take it up in its order, and that the Senator from New Mexico should have the right to offer his substitute for it. I think that is the proper thing to do.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. The Chair suggests that the vote by which the amendment was agreed to must be reconsidered before a substitute can be offered for it.

Mr. JONES of New Mexico. It was understood the other day that we might act upon the amendment of the committee. I asked the Chair at that time a parliamentary question, whether or not after that amendment should be adopted I then could offer a substitute for the paragraph.

The PRESIDENT pro tempore. The Chair is of the opinion that a substitute for the paragraph is in order.

Mr. JONES of New Mexico. I do not believe I care, Mr. President, to present that substitute to-night. A great many Senators have gone to their dinners; it is now 20 minutes after 7 o'clock. I have no purpose or desire merely to consume the time of the Senate. If more Senators were present to listen to an explanation of the substitute which I shall offer, that would be all the time I should care to occupy.

Mr. ROBINSON. May I suggest to the Senator from New Mexico that under the arrangement to which reference has been made he is entitled to wait until committee amendments shall have been disposed of; so that he need not go on now unless he desires to do so?

Mr. SMOOT. I am aware of that, but the next amendment is the one relative to the estate tax.

Mr. SIMMONS. I do not think the Senator from New Mexico desires to make the point.

Mr. JONES of New Mexico. I do not desire to make that point. I can talk about this amendment, but it is quite evident that we can not give any just consideration to so important a matter with the Senate in its very confused state of mind.

Mr. FLETCHER. I will ask the Senator has his amendment been printed?

Mr. JONES of New Mexico. It has been printed. It was printed several days ago.

Mr. SMOOT. I wish to ask the Senator if he will be ready to take up the amendment to-morrow morning?

Mr. JONES of New Mexico. To-morrow morning on the convening of the Senate I shall be glad to take the amendment up and to discuss it and let the Senate dispose of it. I shall not attempt any delay, and I shall not take very much time to discuss the amendment, unless some other Senator wishes to make inquiries, and so on, regarding some of its provisions.

Mr. SMOOT. I will say to the Senator that I do not care to speak on the amendment for more than 30 minutes.

Mr. JONES of New Mexico. I doubt if I shall occupy that much time.

The PRESIDENT pro tempore. The Chair desires to suggest to the Senator from Utah that there is one amendment on page 113 and another one on page 114 which have not been agreed to. It is possible that upon consideration those amendments might be disposed of.

Mr. SMOOT. The Norris amendment was adopted as a substitute for the committee amendment relating to the publicity of tax returns. The Norris amendment strikes out all after the word "the" on line 20, page 111, down to line 4, on page 113.

Mr. FLETCHER. It strikes out all after the word "records" in line 17, on page 111.

The PRESIDENT pro tempore. The amendment offered by the Senator from Nebraska, while it may affect that portion of the bill, did not specifically become a substitute for it.

Mr. SMOOT. There is not any question but that it was understood that the Norris amendment was a substitute for the entire provision relating to the publicity of tax returns. Since the adoption of the Norris amendment there is no need for the committee amendment; but it is true that it was not acted upon. Therefore, the committee amendment under the heading "Returns to be public records" after line 4, on page 113, should be disagreed to.

The PRESIDENT pro tempore. The Senator from Utah moves that that part of the bill beginning with line 5, on page 113, down to and including line 8, on page 114, be stricken out.

Mr. SMOOT. That all ought to be stricken out.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

The PRESIDENT pro tempore. That part of the bill is stricken out.

Mr. JONES of New Mexico. Mr. President, I have an amendment here which I am willing to take up to-night if it be satisfactory to the Senator from Utah. It is an amendment regarding the publicity of proceedings before the board of appeals.

Mr. SMOOT. That would properly come after the committee amendments.

Mr. JONES of New Mexico. Yes; it should properly come after the committee amendments.

Mr. SMOOT. I will ask the Senator from Washington if he cares to take up the appropriation bill in his charge at this time?

Mr. JONES of Washington. I am ready to do so.

Mr. SMOOT. We might save that much time and also serve the convenience of the Senator from New Mexico.

Mr. ROBINSON. Mr. President, will the Senator from Utah ask unanimous consent that the unfinished business may be temporarily laid aside?

Mr. SMOOT. I am ready to do that now.

Mr. ROBINSON. Mr. President, I am very anxious to expedite the revenue bill, but if the Senator from Utah is not ready to go on with it, I will make no objection to the request to lay the bill aside and take up another bill.

Mr. SMOOT. In the first place, I ask unanimous consent that at the conclusion of business to-day the Senate take a recess until 11 o'clock to-morrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMOOT. Now I ask unanimous consent that the unfinished business may be temporarily laid aside in order that the Senate may resume the consideration of the appropriation bill which is in charge of the Senator from Washington [Mr. JONES].

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the revenue bill is temporarily laid aside.

APPROPRIATIONS FOR DEPARTMENTS OF STATE AND JUSTICE, ETC.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of House bill 8350.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes.

Mr. KING. Mr. President, as I understand the purpose of the Senator having the bill in charge, we shall proceed with the consideration of the bill, but not take a final vote upon it this evening?

Mr. JONES of Washington. I just told the Senator from Utah that we would not pass the bill to-night, so that he would have an opportunity if he desired to take up any matter at another time he could do so; but I should like to get along with the bill just as far as possible.

Mr. WARREN. Mr. President, I trust the Senator will get the bill in a position where it will be out of the way of the other appropriation bills which follow. Of course we do not want to stall the other appropriation bills.

Mr. JONES of Washington. Certainly; we will not do that.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Contingent expenses, Department of Justice," on page 27, line 17, after the word "bicycles," to strike out "$51,750," and to insert "$58,287," so as to read:

For stationery, furniture and repairs, floor coverings not exceeding $500, file holders and cases; miscellaneous expenditures, including telegraphing and telephones, foreign postage, labor, typewriters and adding machines and the exchange thereof and repairs thereto, street-car fares not exceeding $300, newspapers, press clippings, and other necessaries ordered by the Attorney General; official transportation, including the repair, and maintenance, operation of a motor-driven passenger car, delivery truck, and motor cycle, to be used only for official purposes, and purchase and repair of bicycles $58,287.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous objects, Department of Justice," on page 32, line 15, after the word "annum," to strike out the semicolon and "*Provided further*, That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment," and to insert "but the Attorney General may fix the compensation of not to exceed 10 persons at not to exceed $10,000 each," so as to read:

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, to be available for the employment of counsel and other assistants, rents, and all other purposes in connection therewith, whether in the District of Columbia or elsewhere, including not to exceed $10,000 for communication service, the purchase of furniture, law books, books of reference, and other necessary equipment and supplies at the seat of the Government, $500,000, to be expended in the discretion of the Attorney General: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission: *Provided further*, That not more than one person shall be employed hereunder at a rate of compensation exceeding $10,000 per annum, but the Attorney General may fix the compensation of not to exceed 10 persons at not to exceed $10,000 each.

Mr. JONES of Washington. Mr. President, with reference to this amendment, I will state that the Attorney General came down after this bill was reported and urged very strongly that the one person in line 14 be changed to two, so that the one person we have provided now could continue in his place, but that he could have another person that he probably would want to pay about $12,000, or something over $10,000, to be at the head of the various sections into which these war-fraud cases are divided. Each branch of war frauds is headed by an attorney who gets $10,000 a year, and the Attorney General would like to place one man over those different branches. I think there are about seven or eight; so he suggested that we change the word "one," in line 14, to "two," and change the word "ten," in line 19, to "eight." It really results in a saving rather than an increase; and while one of these is not a committee amendment, I ask unanimous consent that at this time we may consider, in line 14, changing the "one" to "two," and then in the committee amendment changing "ten" to "eight."

The PRESIDENT pro tempore. The Senator from Washington asks unanimous consent to strike out "one," in line 14, on page 32, and insert "two."

Mr. JONES of Washington. I am suggesting the two changes together because the one depends upon the other.

The PRESIDENT pro tempore. Is there objection?

Mr. KING. Let the Secretary state the amendment.

The READING CLERK. On page 32, line 14, it is proposed to strike out "one person" and insert "two persons."

Mr. JONES of Washington. And, in connection with that, change "ten" to "eight."

The READING CLERK. And in line 19, it is proposed to strike out "ten" and insert "eight," so that it will read "eight persons."

Mr. McKELLAR. Mr. President, we are making large appropriations for war-fraud investigations and reports and prosecutions. Is the Senator convinced that the Government is actually making any money out of it?

Mr. JONES of Washington. I think the Government is making money out of it. In other words, we are collecting much more than we are appropriating.

Mr. McKELLAR. Has the Senator the figures?

The PRESIDENT pro tempore. Does the Senator from Washington suggest that the word "each" shall be inserted after the word "annum," in line 15?

Mr. JONES of Washington. Yes; I think that would have to go in with the other change.

The PRESIDENT pro tempore. Without objection, that amendment is agreed to.

Mr. KING. Mr. President——

Mr. JONES of Washington. Just a moment, Mr. President.

Mr. FLETCHER. The word "person" ought to be changed to "persons."

The PRESIDENT pro tempore. That has been changed.

Mr. JONES of Washington. I want to suggest to the Senator that on page 171 of the hearings the amounts recovered by the war transactions section are stated, and it is shown there that there has been collected a grand total of $6,018,889 thus far, up to the time of the hearings before the committee.

Mr. McKELLAR. What is the grand total of expenditures? We have been appropriating $500,000 a year in this appropriation bill for a number of years.

Mr. JONES of Washington. No; 1922-23 is the first fiscal year, apparently, that these amounts came in.

Mr. McKELLAR. Well, two years. That is $1,000,000, and then we have appropriated $1,000,000 for the examinations and reports by accountants and expert examiners. That is $2,000,000, and my recollection is that the figures in the hearings show that we collected only about $600,000 last year, but I may be mistaken. I ask the Senator if he will look and see what it was. If we spent $1,000,000 and collected only $600,000, it is about time to put a stop to it.

Mr. JONES of Washington. For the fiscal year 1922-23 we collected $3,076,518.68; for 1923-24, $2,942,375.32, or a total of $6,018,889. That is much more than our appropriations.

Mr. McKELLAR. Mr. President, I am not going to institute a fight on this particular item, but I am going to be very careful to see exactly what we are collecting for another year or for the present year, exactly what it costs to keep these prosecutions going, and unless they show up a great deal better than they apparently show in those hearings. I say to the Senator that I am going to make a fight on them hereafter.

Mr. JONES of Washington. Very well.

Mr. ROBINSON. Mr. President, I want to ask the Senator from Washington a question. Does this last amendment, in lines 18 to 20, inclusive, "but the Attorney General may fix the compensation of not to exceed 10 persons at not to exceed $10,000 each," contemplate additional employees, or does that provide for lawyers already in the employ of the department?

Mr. JONES of Washington. That provides for lawyers already in the department.

Mr. ROBINSON. What salaries are they receiving now?

Mr. JONES of Washington. There are a certain number here at the heads of the various sections into which the work is divided.

Mr. McKELLAR. I will say that there are lawyers there who are receiving fees very much larger than these figures.

Mr. JONES of Washington. They are now getting $10,000 apiece.

Mr. ROBINSON. Is that correct? The Senator from Tennessee has just volunteered the statement that they are now receiving very much larger sums by way of fees; that they are not paid salaries at all.

Mr. McKELLAR. Some of them are paid salaries, and some of them are paid fees, and the amounts fixed are greater than $10,000 a year in a number of cases.

Mr. JONES of Washington. Not these people. These are annual people.

Mr. McKELLAR. I will say to the Senator from Arkansas that this is just a small number of a great batch of lawyers employed.

Mr. ROBINSON. I am asking about these 10 employees; and the Senator from Washington states that these employees are now receiving the same amount that is proposed in this bill to be appropriated for them.

Mr. JONES of Washington. Except one.

Mr. ROBINSON. Except one.

Mr. JONES of Washington. Except, really two, as we have amended it now. There is one man that is getting $18,000—James Cameron, the attorney of the accounting section.

Here is the way it is arranged: Here is the advisory council over here, two of them getting $10,000 a year. Here is the aviation section. The head of that gets $10,000. Here is the camps and cantonment section. The head of that gets $10,000. Here is the ordnance unit. The head of that gets $7,200. Here is the quartermaster unit. The head of that gets $10,000. These various sections are all responsible directly to the Attorney General. What the Attorney General would like to do would be to have one man over these various activities, and that he may be directly responsible to him, because the Attorney General has so many things in charge that he feels that they could be handled much better in that way.

Mr. ROBINSON. What salary does he propose to pay?

Mr. JONES of Washington. He thought he could pay him about $12,000. He is one of those that we put in here at over $10,000. That is the way he desires to arrange it.

Mr. COPELAND. He has cut the number to eight.

Mr. JONES of Washington. Yes; the number has been cut to eight.

Mr. KING. I should like to ask the Senator who are the ones alluded to in lines 19 and 20? Are they attorneys?

Mr. JONES of Washington. They are the men who are at the head of the various divisions into which these war-fraud activities are divided. For instance, here is the advisory council. Two of those get $10,000 apiece. Here is the aviation section. The man at the head of that gets $10,000. Here is the camps and cantonments section. The man at the head of that gets $10,000. Here is the ordnance unit. The man at the head of that gets $7,200. Then here is the quartermaster unit. The man at the head of that gets $10,000; and so on.

Mr. KING. Is it understood that the Attorney General is limited in the number who may be employed to be paid out of the $500,000 appropriation carried in this paragraph?

Mr. JONES of Washington. He is limited in the number to whom he can pay these particular salaries; but under the camps and cantonments section, for instance, here is W. T. Chantland at $7,500, J. M. Butler at $7,500, H. E. Hadley at $4,500, F. E. Mitchell at $4,000, A. Levitt at $3,600, E. J. Weston, $6,000—he is an industrial engineer—S. B. Atwood, $3,000—he is an investigator—S. F. Lambert, $3,000, and so on. This limits the salaries of only these certain ones. Except that, all the others, of course, must be below that figure.

Mr. COPELAND. Mr. President, is it not intended really to leave it in the hands of the Attorney General to make some increases if he so chooses?

Mr. JONES of Washington. Not over the $10,000.

Mr. COPELAND. No; not over the $10,000.

Mr. JONES of Washington. He can make one.

Mr. COPELAND. But you have now at least eight persons, have you not, receiving $10,000?

Mr. JONES of Washington. We have five that are getting $10,000 here, and one getting $18,000.

Mr. COPELAND. Then, really, the purpose of this is to make it possible for the Attorney General to readjust salaries?

Mr. JONES of Washington. No; there are six getting $10,000.

Mr. COPELAND. Then he can raise two others to that amount?

Mr. JONES of Washington. I think that is true. The head of the Ordnance Unit gets only $7,200, instead of $10,000, as those at the heads of these other divisions get.

Mr. COPELAND. Is not that the case, then—that this gives the Attorney General permission, if he so desires, to increase the salaries of one or two of these men?

Mr. JONES of Washington. Here is another special assistant at $10,000. Here are six at $10,000.

Mr. McKELLAR. Mr. President, if the Senator will yield, I will call his attention to a number more:

T. M. Bigger	$10,000
Charles Kerr	10,000
Thomas W. Hardwick	10,000
Henry W. Anderson	10,000
C. Frank Reavis	10,000
Roscoe C. McCulloch	10,000
Milton D. Purdy	10,000
James N. Linton	10,000
T. M. Bigger, again, another	10,000

Mr. JONES of Washington. The Senator has some there that I have not here.

Mr. McKELLAR (reading)—

Charles Kerr	$10,000
Thomas W. Hardwick	10,000
Henry W. Anderson	10,000

Mr. JONES of Washington. Here is the list, as I understood, of those that are now in office. Here is Judge Kerr, who gets $10,000, and Judge Bigger, $10,000. That is two. Judge Linton gets $10,000. That is three. Mr. McCulloch gets $10,000. That is four. C. F. Reavis gets $10,000. That is five. Mr. Cameron gets $18,000 and Henry Anderson gets $10,000. Oh, yes; here is Mr. Steinbrink, $10,000, and Mr. Williams, $10,000. That makes eight at $10,000. That is correct. I looked at the heads here, but I found some down below the heads.

Mr. COPELAND. Then you really do not need this amendment, do you?

Mr. JONES of Washington. Yes; we limit it to the eight. The Attorney General can not put in any more above the eight at $10,000.

Mr. McKELLAR. Mr. President, I call the Senator's attention to pages 176 and 177 of the hearings, where, apparently, these gentlemen are all paid two salaries. Their names appear twice. If the Senator will look at the House hearings, on pages 176 and 177, he will see that, and then I call his attention to this:

John P. Phillips, compensation to be determined.

Robert S. Conklin, compensation to be determined.

Robert C. McClure, Dayton-Wright case, compensation to be determined.

Meier Steinbrink, Wright-Martin case, compensation to be determined.

Leland B. Duer, Wright-Martin case, compensation to be determined.

George P. Hoover, Old Hickory case, compensation to be determined.

By the way, I stop long enough to say that I happen to know something about the Old Hickory case, that being a Nashville matter. There has been absolutely nothing done except a prevention by the Department of Justice of the district attorney from prosecuting that case. They took it out of his hands and prohibited him from going on and prosecuting it.

Mr. COPELAND. Is that some kind of whisky?

Mr. McKELLAR. No; that is the Old Hickory powder plant at Nashville.

Mr. WARREN. Mr. President, so far as the proposition is concerned which the Senator has here now, it is directly in line with the Attorney General's recommendation. The Attorney General came to us in subcommittee and made a statement as frankly as a man could make it of what he proposed to pay these men and what he proposed to do.

Mr. McKELLAR. I hope the new Attorney General will adopt a different procedure from the old one.

Mr. WARREN. Exactly; that is why he wanted cooperation.

Mr. McKELLAR. I want to say this, so that if he looks at the RECORD to-morrow he will have an opportunity to get my

views on this matter: I think the record of these prosecutions of the various so-called war frauds is as woeful a waste of the people's money as I have ever seen. It is almost equal to the frauds themselves. There is little difference between having outsiders take the Government's money and having it paid recklessly and extravagantly to a degree to the many, many attorneys who are shown on pages 166 and 167 of this record.

Mr. JONES of Washington. I want to say to the Senator that that is evidently a misprint. Page 177 is an exact duplication of page 176. It is evidently a misprint.

Mr. McKELLAR. Apparently, it is. Ordinarily I should say that it was a duplication; but seeing how extravagantly and wastefully the money is paid out to various attorneys, and fees fixed in the future in reference to many of these men, as appears on page 177, I do not know but that these gentlemen in the various units are drawing double salaries. I hope it is not so, but this would indicate it.

Mr. JONES of Washington. I know it; but one table is an exact duplicate of the other.

Mr. McKELLAR. Before I go further, I want to read the remainder of that list, so that it will appear in the RECORD:

George P. Hoover. Old Hickory case. Compensation to be determined.

D. L. McCarthy. Motor Trucks (Ltd.) case. Compensation to be determined.

John J. Parker. Harness case and Philips and Stevens case. Compensation to be determined.

Herbert E. Hadley. Camp Dodge and Camp Grant cases. Fifteen dollars per diem.

R. H. Williams. Old Hickory construction case. Compensation to be determined.

I stop again to say that the only services I have known of Mr. Williams and Mr. Hoover performing in the Old Hickory case was the preventing of Mr. McLean, the very efficient district attorney at Nashville, from prosecuting the Old Hickory cases. In other words, McLean had them in hand. There is no reason why he could not proceed with the prosecution of those cases. He was proceeding to prosecute them. An investigation had been made, and it had been determined that the Du Pont Co. owed the Government something like $15,000,000. Mr. McLean wanted to prosecute; but these two attorneys were appointed some time ago, took the matter out of the hands of McLean, and since that time they have kept it out of his hands and held up all prosecution against the Du Pont Co. If the other attorneys mentioned in this list are pursuing similar tactics to those of the two attorneys who have been selected in the Old Hickory Powder Co. case, they ought to be discharged, and we ought not to pay any of them.

Mr. JONES of Washington. The committee investigating the Department of Justice is going into that matter.

Mr. McKELLAR. I am very glad to know that it is, and I hope that the new Attorney General, Mr. Stone, will make it his business to take off a day or two to see if some of the leaks in attorneys' fees can not be stopped and some money saved to the Government.

Mr. COPELAND. I assume that is exactly what the new Attorney General will do. I take it for granted that the committee has conferred with him, and that he has outlined some plans of reorganization he has in mind, and I think that some leeway should be given to him. I have confidence to believe that the Attorney General will take hold of the department; that he will wipe out deadwood there, and that in the reorganization we will have more efficient service.

Mr. JONES of Washington. I think he is trying to do it.

Mr. COPELAND. I think he is.

Mr. KING. Mr. President, I want to say to the Senator that I have made some little investigation of the appropriations—several appropriations, by the way—for the prosecution of war frauds. I assent to substantially all of the statements made by the Senator from Tennessee. I think the greater part of the money appropriated has been wasted, and I should like to ask the Senator now whether any statement has been made by the Department of Justice with reference to the disposition made of the $500,000 carried in the last appropriation for war-fraud prosecutions.

Mr. JONES of Washington. The Senate committee did not go into that. It is covered in the House hearings quite fully.

Mr. KING. Do not the hearings demonstrate that substantially that entire amount was used in paying lawyers and investigators?

Mr. JONES of Washington. The Appropriations Committee did not go into that phase of it. It was gone into quite fully in the House. The Attorney General brought us a statement of the annual salaries. I do not know what the aggregate is, but, for instance, under the accounting section there is $132,000; in the quartermaster unit, $41,400; in the ordnance unit, $68,200; in the camps and cantonment section, $55,060; in the aviation section, $19,100; the advisory council, $22,500; the administrative, $14,900; the special assistants, $64,100; and the Court of Claims, $7,500. Then, personnel detailed from other activities, $25,970. What that aggregate is, I do not know. I understand the House went into that matter pretty fully. I can not give the Senator the detailed information about it right now except as I have given it from this sheet.

Mr. KING. I feel sure that a most careful review of the activities of the Department of Justice under this appropriation will confirm the statement which I am about to make, that no adequate results have been obtained from these expenditures. I know a number of lawyers who resigned from the service. I shall not state the reasons that impelled them to resign, but I think that I am well within the bounds of accuracy when I say that up to date the results have been and must be disappointing to everyone interested in conserving the Treasury of the United States.

It was understood from the representations made, and I think some of the representations were political in character, that great frauds had occurred in war contracts, and it was promised that a sensational revelation would be brought to the attention of the public, and that immense sums would be recovered from those who entered into contracts with the Government during the period of the war.

The Senator will recall that a number of investigations were had in the House. Committees were appointed involving a number of lines of contract, and some of the reports, as I now recall, indicated that recovery could be had. A number of persons or corporations made payments because it was discovered that there were errors in the computations and in the balances which were struck, errors which in part they were responsible for, and in part the Government's representatives were responsible for. My understanding is that substantially nothing has resulted from the prosecutions or activities that were to be carried on under the $500,000 appropriation carried in the preceding appropriation bill and appropriations carried in bills anterior to that time. I think it may be said that the Department of Justice has absolutely broken down in the prosecution of the war-fraud cases, or in recovering amounts alleged to be due to the Government.

I am unwilling, speaking for myself, to make this large appropriation of $500,000, in the light of the very unsatisfactory record of the Department of Justice under the administration of Mr. Daugherty. It has been an absolute failure, and we have wasted substantially all of the money which was appropriated. Moreover, let me say to the Senator while I have the floor——

Mr. JONES of Washington. I can give the Senator the amounts. I have found them.

Mr. KING. In one moment. Let me say while I have the floor that we have made very large appropriations during the past three or four years for the Department of Justice. We have given to the department all the help asked for; indeed, far more, in my opinion, than was required. The roll of attorneys in the Department of Justice, in my opinion, would astonish most of the Senators, because they can not conceive that so large a number have been employed by the Department of Justice.

In addition, as the Senator knows, in all of the districts, in all of the States, we have made very liberal appropriations for the Department of Justice. Take the State of New York, and take Chicago. I do not carry in my head the number of special district attorneys in the city of New York and in the city of Chicago and in other large districts of the United States, but millions of dollars have been appropriated in the aggregate for the administration of justice and for the execution of the laws.

In addition to these district attorneys and assistant district attorneys and special assistant district attorneys—and there are enough to carry on the work involved in the investigation of the war fraud cases—we appropriated for the past year $500,000, and we are asked to appropriate now $500,000 more for war fraud investigations.

The Department of Justice has enough officials outside of those who would be provided for by this appropriation. I think it is a waste, an unnecessary waste, of the taxes of the taxpayers of the United States, and I want to register my protest against the inefficient conduct of the Department of Justice in carrying out the provisions of the law with respect to the

prosecution of war-fraud cases in the past, and my protest against the appropriation of a single dollar now for like purposes, for the reason that the general appropriation carried in the bill is adequate, if the Department of Justice would do its duty and the numerous employees found therein would live up to the requirements which the law imposes on them.

Mr. McKELLAR. Mr. President, I want to know if the Senator will not accept this as an amendment to the amendment he has just offered: In line 14, leave the one person there with the rate of compensation not exceeding $10,000, and then add another at not exceeding $12,000. That is what I understand the new Attorney General has asked for. Let us not give him a different limit. Let us start out on a basis of some economy, at any rate.

Mr. JONES of Washington. Let me say to the Senator that the Attorney General said he thought "about $12,000" would be right. The Senator appreciates that the Attorney General has just come into office.

Mr. McKELLAR. That is the reason why I think it would be wise to put a limit. We have not just come in. We have been connected with this thing for some time.

Mr. JONES of Washington. We have been connected with the appropriations, but we do not know the details of the business, and we can not know them.

Mr. McKELLAR. Mr. President, this is what I want to call the Senator's attention to. We are paying regular Assistant Attorneys General $7,500, a number of them. It is not fair to the regular officials of the Government who are receiving $7,500 a year. There is no reason why we should authorize the appointment of this great number of attorneys, whose services are exceedingly doubtful, and probably not giving one-third of their time to the work, paying them these very large salaries, $10,000 each, and two more than that. I do not object to the one, but it seems to me that as the Attorney General has fixed the amount at $12,000 we ought not to give more than he asked for.

Mr. JONES of Washington. It is hardly fair to say that the Attorney General fixed it.

Mr. McKELLAR. I just judged from what the Senator said that he had. I was not present when the Attorney General appeared.

Mr. JONES of Washington. He said "about" that amount. He wants to keep it down as low as possible. He did not indicate that he had a mature judgment as to the amount, but he said "about $12,000."

Mr. McKELLAR. The Senator recalls that we allowed the Shipping Board to pay $35,000 a year for some $3,000 men. I remember some of them were clerks here in the departments. Then they were made high officials of the Shipping Board—one of them, I know, was—with the full limit of $35,000 a year, and I doubt very much whether any one of the men drawing $35,000, a salary more than twice as much as that of the Chief Justice of the Supreme Court, was worth more than the $3,000 to the Government.

Mr. JONES of Washington. I am not going to discuss Shipping Board matters now.

Mr. COPELAND. It may well be that the reason why there has not been greater activity is because $3,000 men have been employed. My judgment is that since the upset charge is fixed at half a million dollars we can well afford to leave it in the hands of the Attorney General to determine what kind of a staff he wants. It might well be that the matter of a thousand dollars or $2,000 would determine whether he could get the right sort of vigorous counsel to go forward with the war-fraud prosecutions. My own conviction is that we had better accept the recommendation of the committee and give the Attorney General a free hand. Then next year we will be here and the Senator from Tennessee and I will see to it that the committee does not have such an easy time if he has not kept the faith.

Mr. McKELLAR. That is the usual plea—to put it off until another year and another year and another year. It is the old story of to-morrow and to-morrow and to-morrow. But I am going to make a very careful examination into every attorney employed by the Attorney General during the present year, and if the money is being wasted it is going to be stopped.

Mr. JONES of Washington. I will join the Senator in a vigorous effort to stop it if that occurs.

I think I should make a statement in answer to the Senator from Utah. I find in the testimony before the House committee that Mr. Harris said that they had spent $498,008.79 of the first year's appropriation. That was at the close of business of last year. Then they had spent out of the $500,000 under which they are working now at the close of business on the day preceding the day when the testimony was given, which I think was in February of this year, the sum of $349,049. That gives the amount expended.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Senator from Oregon will state the parliamentary inquiry.

Mr. McNARY. I was out of the Chamber when the bill came up for consideration and I ask the Chair if individual amendments are now in order.

The PRESIDING OFFICER. The Chair is advised, though he was not the occupant of the chair when the bill came up, that individual amendments are not now in order.

Mr. JONES of Washington. We have not yet completed committee amendments.

The PRESIDING OFFICER. Committee amendments are first to be considered under the unanimous-consent agreement.

Mr. McNARY. May I ask the Senator from Washington if he expects to reach that stage of the proceedings with respect to the bill this evening?

Mr. JONES of Washington. I hope so, but I can not tell, of course.

I want to say, with reference to a statement made by the Senator from Utah [Mr. KING] in regard to the expenditure of money in connection with the war-fraud cases, that when the matter came up I personally thought we had better call that water gone over the dam and go on in the future and try to get things in as good shape as possible. We had just come out of the war and I never had any doubt that there was fraud practiced upon the Government in the conduct of the war in the furnishing of supplies, and all that sort of thing. I knew it would be very difficult to furnish proof and to secure the evidence upon which recoveries could be had. I thought we were very likely to spend about as much money, if not more, than we would recover. I was perfectly willing, so far as I was personally concerned, to wipe the slate clear as to the past and try to straighten things out for the future.

But the Congress provided an appropriation and we started to try to collect in the war-fraud cases. We are ahead, so far as the money is concerned, thus far. Whether we will be ahead when we complete it or not is another question. We have received more money thus far than we have paid out. Of course, we have a good many cases pending, I think. What the outcome of those cases will be nobody knows. The expenses of the attorneys are going on, and if the cases turn out without any collection, as I said, we may find in the end that we have not collected much more than we have spent.

Mr. McKELLAR. I want to give the Senator an illustration of one of the cases about which I happen to have some personal knowledge. It is in evidence before one of the committees that in the case of the Old Hickory plant the Du Pont people actually admitted that they were willing to pay $1,600,000.

Mr. JONES of Washington. I think it was $1,500,000, and I think they paid it.

Mr. McKELLAR. Oh, no; it has not been paid. These Government employees—the Government lawyers for whom we are appropriating in this bill—were successful in preventing any proceedings against the Du Pont people, and nothing was paid until it came out in an investigation before one of the committees. Now, I suppose they will take some steps; but whether the Government will ever get any money or not I do not know. I understand there is some $15,000,000 or $20,000,000 claimed against the Du Pont people, and instead of prosecuting them the regularly employed and appointed officers of the Government are kept from prosecuting them.

Mr. JONES of Washington. The $1,500,000 that I had in mind was paid in another transaction.

Mr. McKELLAR. Yes; that was another transaction. The $1,600,000 the Du Pont people offered to pay if they would give them a clean bill of health.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington to the amendment of the committee.

Mr. KING. Mr. President, if I understand the committee amendment, I move to strike out the word "ten," in line 19, and insert in lieu thereof "five."

Mr. JONES of Washington. I asked awhile ago to change "ten" to "eight." That is what the Attorney General asked—to reduce "ten" to "eight." I hope the Senator will allow that to stand, because it takes care of the arrangement which the Attorney General has inherited at least from the past. It may be that in the future we can cut it down further. It is very possible that we may have to reduce it when we get to conference.

Mr. KING. The Senator certainly can not justify the past Attorney General, Mr. Daugherty, in entering into contracts beyond the end of the fiscal year which would bind the Government.

Mr. JONES of Washington. There is no contract. I do not want to give the Senator the impression that we are bound to pay these men $10,000.

Mr. KING. So the new Attorney General would not inherit any contract that would bind the Government beyond June 30 of this year.

Mr. JONES of Washington. That is true. I merely meant he had inherited this organization, headed, as it is, with the salaries they are now getting.

Mr. KING. I think the new Attorney General could do no better work than to disorganize some of the organizations of Mr. Daugherty and set up organizations of his own.

Mr. JONES of Washington. I call the Senator's attention that this does not give them $10,000. The Attorney General can give five of them $10,000 or one of them $10,000. It gives him that discretion if he finds it necessary.

Mr. McKELLAR. The Senator never knew of the authority being given to an executive officer where the full appropriation was not taken up, and the full number of attorneys or others employed.

Mr. JONES of Washington. Oh, I think so.

Mr. McKELLAR. I do not know of any.

Mr. COPELAND. This is the first time a nonpolitician was ever appointed to the office.

Mr. McKELLAR. I hope the new Attorney General is all that the Senator from New York and other Senators think he is. I do not happen to have the pleasure of his acquaintance as yet, but it does seem to me that if ever a man had a chance to make a reputation as being an improvement on the preceding Attorney General, Mr. Stone has that opportunity. I hope he will make good. I want him to make good. I want to say here, so that he can read it to-morrow, that he has an opportunity to save the Government many, many thousands of dollars, if he will investigate the employment of attorneys under him.

Mr. JONES of Washington. I believe that he is going to do the very best he can. He impressed me as that sort of a man. I would be very glad to give him a little leeway and to give him a chance and not handicap him too much. He has a difficult task down there. It is no easy job to take over that great department, considering the splendid attorneys with whom they must compete. I think we should be very liberal. The committee reported an amendment providing 10, but he said to cut it to 8.

Mr. KING. May I ask the Senator whether the Attorney General has made a sufficient investigation of the work in the war fraud section of his department and the activities conducted by that section to have an opinion as to the necessity of an appropriation so large as $500,000 in addition to the millions of dollars which the bill carries to his department?

Mr. JONES of Washington. I doubt if the Attorney General had gone into that, because it was just two days after he had come into office. I do not think he had had an opportunity to do it.

Mr. KING. I am not complaining. I do not see how, with the multitudinous duties devolved upon him, it would be possible for him to make the investigation even up to the present time.

Mr. JONES of Washington. That is the basis on which I made the answer to the Senator.

Mr. KING. It seems to me an appropriation of $500,000 is entirely too much, and at the appropriate time I shall move to reduce it to $300,000. It seems to me he ought to consent to a reduction in the number of attorneys.

Mr. JONES of Washington. As I said, the Attorney General consented to a reduction from 10 to 8. We cut off two and we added one above, and that was done at his special request. I hope we will start in not handicapping the Attorney General too much.

Mr. KING. I want to assure the Senator that there will be no disposition on my part to do that. If I may be pardoned a personal allusion, I took the opportunity two years ago, and also a little more than a year ago, to visit the then Attorney General and to assure him that every dollar that was necessary for the prosecution of war-fraud cases or the antitrust cases would be gladly voted for by the Democratic Members of the Senate. I must confess my disappointment. I went to the Attorney General and his assistants a number of times since and remonstrated because they failed to prosecute the violations of the Sherman antitrust law. I called the attention of the Attorney General and his assistants, the present one, Mr. Seymour, and the predecessor of Mr. Seymour, to the fact that the Federal Trade Commission had transmitted reports, more than 50 in number and voluminous in character, detailing violations of the law, furnishing the evidence or furnishing the data which would enable them to obtain the evidence necessary to justify the bringing of suit, criminal or civil, against corporations which had violated the Sherman antitrust law.

No satisfactory response was ever given by the Department of Justice and those in charge for their neglect, their dereliction in bringing proceedings, either civil or criminal, against corporations who had violated the Sherman antitrust law and evidence of which violations had been brought to the attention of the Department of Justice. I think there has been a flagrant dereliction of duty by the Department of Justice in the matter just referred to. I have confidence in the new Attorney General, and he can do no greater service to the country than to execute the law and enforce the terms of the Sherman antitrust law against gigantic corporations which are daily violating that law.

So far as I am concerned, whatever is necessary to enforce the law I shall gladly vote for, but this appropriation of $500,000, I think, is wholly unnecessary. There is enough machinery in the Department of Justice, there are sufficient appropriations carried by the bill, to enable the Attorney General to do whatever is requisite to prosecute the war-fraud contract cases, and, if necessary, to institute criminal proceedings.

Let me say to the Senator from Washington, in conclusion, that the amounts received in most instances, I am advised, could have been obtained and were obtained not by the employment of counsel but by the employment of bookkeepers. It is merely a bookkeeping transaction; and when experts went through the books and demonstrated that some of the persons or corporations having contracts with the Government were indebted to the Government payments were promptly made. I feel sure that there has been but little, if anything, obtained as a result of the appropriations, although we have appropriated $1,000,000, as I now recall, for the prosecution of war-fraud cases.

Mr. McKELLAR. Mr. President, I wish to say that we have been reporting appropriations from the Military Affairs Committee for two years past amounting to $500,000 for accountants and bookkeepers to ferret out war frauds in the department and certify them over to the Department of Justice. My information is that the Department of Justice has never brought any proceedings in many of these cases and has never considered some of them at all.

I wish to say to the Senator from Washington, for whom I entertain the very warmest regard and highest esteem, that so long as we continue to appropriate $500,000 annually to pay lawyers in these war-claim matters, that long we are going to have lawsuits which will be looked after by these lawyers.

I think the Senator from Washington, in charge of the bill, should call especially to the attention of the Attorney General that action ought to be had on these claims, that they ought to be brought to a conclusion. For the big salaries and the large fees which are being paid by the Government the lawyers under the department ought to be required to bring these cases to a conclusion and thereby prevent this enormous expenditure.

I want to say further that I never would agree to any of these appropriations if they were not to be placed in the hands of a new Attorney General. I imagine that we should let him try, but if he fails, as the department in the past has failed, then there is going to be a tremendous fight against any more appropriations of this character.

Mr. JONES of Washington. I wish to say just a word. I assume the Attorney General is going to do the best he can and that he is going to get the very best possible results out of the attorneys who may be employed. If he does not do that, then he ought not to be in the position in which he now is. At the first intimation we have that he is not doing that I shall join with the Senator from Tennessee or with any other Senator in withholding the appropriation, and also in seeing if the President will not get another man for Attorney General.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington [Mr. JONES] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. JONES of Washington. On page 33, in line 9, the date "1924" should be changed to "1925," and I move that amendment.

The amendment was agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was under the heading

"Title III—Department of Commerce," on page 47, line 14, before the word "for" to insert "including those," and at the beginning of line 16 to strike out the word "not," so as to read:

CONTINGENT EXPENSES, DEPARTMENT OF COMMERCE

For contingent and miscellaneous expenses of the offices and bureaus of the department, including those for which appropriations for contingent and miscellaneous expenses are specifically made, including professional and scientific books, law books, books of reference, periodicals, blank books, pamphlets, maps, newspapers (not exceeding $2,500); stationery; furniture and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges; fuel, lighting, and heating; purchase and exchange of motor trucks and bicycles; maintenance, repair, and operation of two motor-propelled passenger-carrying vehicles and of motor trucks and bicycles, to be used only for official purposes; freight and express charges; postage to foreign countries; telegraph and telephone service; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; first-aid outfits for use in the buildings occupied by employees of this department; street car fares, not exceeding $300; and all other miscellaneous items and necessary expenses not included in the foregoing, $225,000, which sum shall constitute the appropriation for contingent expenses of the department and shall also be available for the purchase of necessary supplies and equipment for field services of bureaus and offices of the department for which contingent and miscellaneous appropriations are specifically made in order to facilitate the purchase through the central purchasing office (division of supplies); as provided in the act of June 17, 1910 (36 Stat. L. p. 531).

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Foreign and Domestic Commerce," on page 49, at the end of line 4, to strike out "$206,477," and to insert "$276,477," so as to read:

Salaries: For the director and other personal services in the District of Columbia in accordance with "the classification act of 1923," $276,477.

Mr. JONES of Washington. I ask that the Senate disagree to that committee amendment.

The amendment was rejected.

The next amendment was, on page 50, at the beginning of line 2, to strike out "$241,000" and to insert "$291,000," so as to read:

Commercial attachés: For commercial attachés, to be appointed by the Secretary of Commerce, after examination to be held under his direction to determine their competency and to be accredited through the State Department; whose duties shall be to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries as may be of interest to the United States and for the compensation of a clerk or clerks for each commercial attaché at the rate of not to exceed $3,000 per annum for each person so employed, and for janitor and messenger service, traveling and subsistence expenses of officers and employees, rent outside of the District of Columbia, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference, and periodicals, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications, travel to and from the United States, and all other incidental expenses not included in the foregoing; such commercial attachés shall serve directly under the Secretary of Commerce and shall report directly to him, $291,000.

The amendment was agreed to.

The next amendment was, on page 50, at the beginning of line 19, to strike out "$385,000" and to insert "$400,000," so as to read:

Promoting commerce, Europe and other areas: For all necessary expenses, including investigations in Europe and other areas, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, purchase of books of reference and periodicals, maps, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications for the promotion of the commercial interests of the United States, rent outside the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to further promote and develop the foreign and domestic commerce of the United States $400,000, to be expended under the direction of the Secretary of Commerce.

The amendment was agreed to.

The next amendment was, on page 51, line 14, after the word "foregoing," to strike out "$166,000" and to insert "$181,000," so as to read:

District and cooperative office service: For all expenses necessary to operate and maintain district and cooperative offices, including personal services in the District of Columbia and elsewhere, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, purchase of maps, books of reference, and periodicals, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications necessary for the promotion of the commercial interests of the United States; and all other incidental expenses not included in the foregoing, $181,000.

The amendment was agreed to.

Mr. KING. Mr. President, I wish to inquire of the Senator in charge of the bill respecting the amendment on page 50, line 2, which was just agreed to. I observe an increase in the appropriation carried in the bill as it came from the House of $50,000.

Mr. JONES of Washington. Yes. The amount is increased by $50,000. It was the desire of the Secretary of Commerce to provide really for five additional attachés, but the committee heard him with reference to that and we decided to give him three additional attachés. That accounts for the increase.

Mr. KING. I wish to express my disapproval of the action of the committee. I should like to ask the Senator from Washington whether in the consideration of this subject the committee took into account the large number of consular agents and diplomatic agents that the United States now has throughout the world and the provisions in the new consular bill which has passed the other House and is now before the Senate, which, as I understand, will extend the duties and amplify the powers of the consular agents and diplomatic officers of the United States?

If so, I am sure the Senator will reach the conclusion that there is much duplication in the work which the Commerce Department is assuming to undertake and in the work which the consular agents of the United States not only have assumed to undertake, but are better competent to undertake and to execute than are any of the officials of the Department of Commerce.

Mr. JONES of Washington. Mr. President, if the Senator will pardon me, I wish to say that we did not take the so-called Rogers bill into account, because it is not a law and we do not know whether or not it will become a law.

I wish to say further to the Senator that the commercial attachés perform practically entirely different duties and functions from those performed by consuls. Our consuls are stationed rather permanently at their posts of duty, while the commercial attachés go about from place to place, gathering information that is deemed desirable. The two sets of officers do not perform the same functions at all.

Mr. KING. Mr. President, I repeat that the diplomatic representatives of the Government—and I include in that general characterization the consuls and vice consuls—are in a position to obtain fuller and more complete information respecting trade and commerce and business in the respective countries to which they are assigned than are the representatives of the Department of Commerce. Moreover, Mr. President, in the past we have rather repressed our consular agents and diplomatic representatives from engaging in what is denominated business matters, and they have sometimes been afraid to look after the business interests of the United States and to promote trade and commerce.

I have in the past talked with many representatives of our Government in the Consular Service and in the Diplomatic Service, and they have uniformly stated that they would be glad to extend their activities and field of usefulness and not only obtain the data which they have been collecting in the past, but further data, and to perform whatever duties might be assigned to them in connection with extending the trade and the commerce of the United States throughout the world.

The purpose upon the part of the Department of Commerce, is, of course, to serve a very useful end; I have no complaint of the ambitions of the Department of Commerce; the words "Department of Commerce" signify the extension of activities that relate to the expansion of the business of our country; but I have learned, as all who have made inquiry have learned, that the diplomatic and consular representatives of other countries have been very energetic in getting business for their nationals. A British ambassador or a British consular agent does not feel that it is beneath his dignity to aid a British subject in negotiating a contract for the extension of trade. He will go with the British national and confer with the firms with which he seeks association and business relations.

American diplomats and American consular agents would be glad to aid in every possible way in the expansion of our foreign trade and commerce.

I had occasion to remark the other day that when in Europe last summer in one city I found a score and more of representatives of various departments of the Government of the United States engaged—I will not say in substantially the same thing, but doing things which could have been done, or most of which could have been done, by the consular and diplomatic representatives of the United States.

It is getting so now that every department of the Government wants to have ambulatory representatives running over the world. We have a bill now before us under which the Department of Agriculture is to have its commercial attachés and its representatives throughout the world collecting data, statistics, and so on. The Senator from Idaho very pertinently remarked the other evening when that measure was mentioned that there is such a thing as having too many statistics. Our consular representatives, Mr. President, can obtain the statistics and do the work that we are now seeking to devolve upon the Department of Commerce.

So far as I am concerned, I think it is a mistake to perpetuate this policy which inevitably will lead to duplication and continued duplication. If we should increase the duties and responsibilities of the Diplomatic Consular Service and eliminate the activities of the Department of Commerce abroad and these commercial attachés we would be doing a better service, in my opinion, to the Government of the United States. I was informed by those who knew that some of the attachés of the Department of Commerce obtained their information from the consular officers. The plan now is to give to these commercial attachés a sort of a diplomatic status, at least to put them under the wing of the State Department, so that they may have the prestige that the diplomatic representatives and the consular agents of the Government have.

If we are going to do that, it is far better, if the consular officers now are too restricted in their activities, to increase their power and their jurisdiction, and by law, if necessary, require them not only to perform the work which they are now performing, but to extend their activities in the direction of expanding the trade and commerce of the United States.

Mr. President, I do not think that the committee should have recommended this increase. The House, I think, were more than liberal. They went into the matter very fully. I hastily read the hearings, and it seems to me that the Senate committee is not justified in recommending this increase; and I hope that the Senate will disagree to the recommendation of the committee.

Mr. COPELAND. Mr. President, a moment ago I took the floor to help the committee get some money, but I want to join with my colleague in opposition to this amendment.

The purpose of this appropriation is to appoint certain commercial attachés "whose duties shall be to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries as may be of interest to the United States." Certainly there is no more work to be done on the other side. There is less work to be done. In the next paragraph, on page 50, "Promoting commerce, Europe and other areas," it is proposed to increase the appropriation $15,000. I will join with the members of the committee and with the other side of the Chamber in voting unlimited money to promote conditions on the other side so that there will be some commerce between Europe and the United States.

I think it is a pity to begin to spend money now to promote our interests on the other side when we are doing nothing at all as a country to improve conditions in Europe in order that trade and commerce may be reestablished. I think it is decidedly inconsistent, in view of the general attitude of our country toward Europe, to ask more money at this time to promote commerce with a great continent which has broken down because of our failure to give any assistance in order that there may be commerce. Therefore, I am opposed to the amendment.

Mr. KING. Mr. President, I hope the Senator will not call for a vote on this amendment to-night. I shall be compelled to ask for a quorum, and I do not want to do that to-night.

Mr. JONES of Washington. The Senator would like the matter to go over?

Mr. KING. If the Senator will not insist upon his recommendations, if he will accept the amount appropriated by the House——

Mr. JONES of Washington. No; Mr. President; I can not do that.

Mr. KING. Then I shall have to ask that it go over.

Mr. JONES of Washington. Which one?

Mr. COPELAND. Both of them.

The PRESIDING OFFICER. The Chair will state that the amendment in line 2, page 50, has already been agreed to by the Senate. The pending amendment is in line 20, page 52.

Mr. KING. The one to which I refer is in line 2, page 50.

The PRESIDING OFFICER. That has been agreed to.

Mr. JONES of Washington. I will ask that that be reconsidered, then.

Mr. KING. I was speaking with the present occupant of the chair at the time and hastened to my seat as soon as I could.

The PRESIDING OFFICER. Without objection, that amendment will be considered as having been reconsidered.

Mr. JONES of Washington. And passed over temporarily.

The PRESIDING OFFICER. And temporarily passed over.

Mr. COPELAND. Also the amendment in line 19.

Mr. JONES of Washington. I also ask to have the amendment in line 19 passed over.

The PRESIDING OFFICER. The amendment in line 19, page 50, is passed over. The amendment in line 14, page 51, has been agreed to.

Mr. KING. May I ask the Senator the reason for the increase in line 4, page 49?

Mr. JONES of Washington. I asked to have that rejected, and it was rejected.

The PRESIDING OFFICER. The question is on the amendment in line 20, page 52, which will be stated.

The READING CLERK. On page 52, line 20, after the word "Commerce," strike out "$213,000" and insert "$253,000," so as to read:

Promoting commerce in the Far East: To further promote and develop the commerce of the United States with the Far East, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, maps, newspapers (both foreign and domestic) not exceeding $400, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to be expended under the direction of the Secretary of Commerce, $253,000.

Mr. KING. Mr. President, I ask that that go over, too. I supposed it was just a question of total.

Mr. JONES of Washington. No.

Mr. KING. I ask that that go over.

The PRESIDING OFFICER. The amendment will be passed over. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 53, at the end of line 22, to strike out "$582,550" and to insert "$625,000," so as to read:

Export industries: To enable the Bureau of Foreign and Domestic Commerce to investigate and report on domestic as well as foreign problems relating to the production, distribution, and marketing in so far as they relate to the important export industries of the United States, including personal services in the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside District of Columbia, and all other incidental expenses connected therewith, $625,000.

Mr. KING. Mr. President, I ask that that may go over, too.

The PRESIDING OFFICER. The amendment will be passed over.

The next amendment was, under the subhead "Bureau of the Census," on page 58, at the end of line 2, to strike out the word "Commission" and the comma, and to insert "Commission" and a semicolon, so as to read:

Collecting statistics: For securing information for census reports, provided for by law, semimonthly reports of cotton production, periodical reports of stocks of baled cotton in the United States and of the domestic and foreign consumption of cotton; quarterly reports of tobacco; per diem compensation of special agents and expenses of same and of detailed employees, whether employed in Washington, D. C., or elsewhere; not to exceed $100,000 for temporary personal services in the District of Columbia, to be selected from the registers of the Civil Service Commission; the cost of transcribing State, municipal, and other records; temporary rental of quarters outside of the District of Columbia; for supervising special agents, and employment by them of such temporary service as may be necessary in collecting the statistics required by law, including $15,000 for collecting tobacco statistics authorized by law in addition to any other fund available

therefor: *Provided*, That the compensation of not to exceed 10 special agents provided for in this paragraph may be fixed at a rate not to exceed $8 per day, $805,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Navigation," on page 62, at the end of line 17, to strike out "$158,778" and to insert "$180,278," so as to make the paragraph read:

Wireless communication laws: To enable the Secretary of Commerce to enforce the acts of Congress "to require apparatus and operators for radio communication on certain ocean steamers" and "to regulate radio communication" and carry out the international radio telegraphic convention, examine and settle international radio accounts, including personal services in the District of Columbia, and to employ such persons and means as may be necessary, traveling and subsistence expenses, purchase and exchange of instruments, technical books, tabulating, duplicating, and other office machinery and devices, rent, and all other miscellaneous items and necessary expenses not included in the foregoing, including the transfer from the office of the Director of Naval Communications to the Department of Commerce of mechanical and office equipment and supplies now in use in connection with the examination and settlement of international radio account, $180,278.

Mr. KING. Mr. President, may I inquire of the Senator, before that is agreed to, what is the reason for that increase?

Mr. JONES of Washington. The reason for that is the rapid development of the radio.

Mr. COPELAND. Mr. President, I should like to give notice of an amendment that I want to present to the next section, "Bureau of Standards," to provide for an appropriation to standardize clinical thermometers.

Mr. JONES of Washington. The Senator will have an opportunity to do that after we get through the committee amendments.

Mr. COPELAND. Do I have to have it printed in order to present it?

Mr. JONES of Washington. No.

Mr. KING. Mr. President, the Senator having mentioned that, while no amendment would be in order now, the statement has been made that the item of $500,000 was entirely too much for the efficient and economical administration of that department. I have no knowledge of that. Two persons have brought that information to me, one who was a former employee. May I ask the Senator whether investigation made by the committee justifies this appropriation of $500,000?

Mr. JONES of Washington. I will say that our committee did not go into that. It was gone into pretty carefully by the House, and they appropriated that amount to comply with the classification act. We felt justified in taking the judgment of the House committee on that matter. This is the amount of the estimate, too.

Mr. KING. Mr. President, I have not sufficient information, and therefore I shall not propose any amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Coast and Geodetic Survey," on page 76, at the end of line 16, to strike out "$250,000" and to insert "$314,300," so as to read:

Pacific coast: For surveys and necessary resurveys of coasts on the Pacific Ocean under the jurisdiction of the United States, $314,300.

Mr. KING. Mr. President, I should like an explanation of that.

Mr. JONES of Washington. Mr. President, that is for surveys on the Pacific coast. The amount of $314,300 is the amount appropriated for the current year. If it is cut to $250,000, one of the boats that we are operating will have to be laid up. I think the whole committee was very much impressed with the showing made there as to the necessity of that work. We had Mr. Jones, the head of the Coast and Geodetic Survey, come in and give us a full statement in regard to it. As I say, if we have only $250,000, one of the vessels that was just completed and gotten ready for the service about two years ago will have to be laid up, and the committee were unanimous in recommending that increase.

Mr. FLETCHER. The department recommended it, and the Budget Director?

Mr. JONES of Washington. The Budget did not recommend that. That is one place where we exceeded the Budget. The department recommended it to the Budget. Of course after the Budget failed to recommend it they could not urge it; but I asked Mr. Jones, of the Coast and Geodetic Survey, to come before the committee. He did not come there of his own volition. I asked him to come there and make the statement, because I knew the conditions on the Pacific coast, and I think all the committee were fully impressed with the importance of keeping that work going, and keeping the new vessel that we just got into commission about two years ago active in the work.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee, which the Secretary will again state.

The reading clerk restated the amendment, and it was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 78, line 18, to increase the total appropriation for field expenses of the Coast and Geodetic Survey from "$566,720" to "$631,020."

The amendment was agreed to.

The next amendment was, under the heading "Title IV.—Department of Labor, Bureau of Immigration," on page 90, line 4, after the word "patrol," to insert "of which $100,000 shall be immediately available," so as to read:

Regulating immigration: For enforcement of the laws regulating immigration of aliens into the United States, including the contract labor laws; costs of reports of decisions of the Federal courts, and digests thereof, for the use of the Commissioner General of Immigration; salaries and expenses of all officers, clerks, and employees appointed to enforce said laws, including personal services in the District of Columbia not to exceed $50,000, and per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; enforcement of the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," and acts amendatory thereof; necessary supplies, including exchange of typewriting machines, alterations and repairs, and for all other expenses authorized by said act; preventing the unlawful entry of aliens into the United States by the appointment of suitable officers to enforce the laws in relation thereto; expenses of returning to China all Chinese persons found to be unlawfully in the United States, including the cost of imprisonment and actual expenses of conveyance of Chinese persons to the frontier or seaboard for deportation; refunding of head tax, maintenance bills, and immigration fines upon presentation of evidence showing conclusively that collection was made through error of Government officers; all to be expended under the direction of the Secretary of Labor, $4,500,000: *Provided*, That at least $1,000,000 of this amount shall be expended for additional land-border patrol, of which $100,000 shall be immediately available.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments not passed over.

Mr. JONES of Washington. Mr. President, I have here another amendment that I was directed by the committee to offer on the floor.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Washington.

The READING CLERK. On page 2, line 4, after the word "State," it is proposed to insert the following:

to be nominated by the President and appointed by him by and with the advice and consent of the Senate, who shall hereafter receive compensation at the rate of $10,000 per annum, $10,000.

Mr. JONES of Washington. That is the Undersecretary of State. It is putting him on the same basis as the Undersecretary of the Treasury.

Mr. KING. Mr. President, does this bill deal with the Department of State?

Mr. JONES of Washington. Yes; this is the first item of the bill.

Mr. ROBINSON. What salary is this officer receiving now?

Mr. JONES of Washington. I think he is receiving $7,500 now.

Mr. KING. This matter has been brought to the attention of the Senate upon a number of occasions and defeated.

Mr. WARREN. No; not this one. He has been there continuously for some years.

Mr. JONES of Washington. I desire to say that just a few days ago we provided for the Undersecretary of the Treasury $10,000 a year.

Mr. WARREN. It makes a difference in the amount we pay him; that is all.

Mr. JONES of Washington. It was thought that this man was about as important as an Undersecretary of the Treasury, with the important duties that he has to perform, acting as

Secretary of State when the Secretary is away. They have urged it very strongly, and so the committee decided to offer it on the floor for the consideration of the Senate.

Mr. KING. I was in error when I stated that this particular matter had been brought to the attention of the Senate before. The question of Undersecretary of the Treasury has been brought to our attention.

Mr. JONES of Washington. That is probably so.

Mr. KING. It was brought to our attention when Mr. Gilbert, a very competent and efficient man, held that important position. My recollection is that whenever the matter was brought to our attention the Senate rejected the proposition.

Mr. JONES of Washington. But in the last bill we put it in, at this session.

Mr. KING. Of course, that means, then, that in every department we will have to make the ranking member next to the Cabinet minister an undersecretary and increase his salary.

Mr. JONES of Washington. I will say to the Senator that personally I have always been opposed to these things, and I would oppose doing this in any other of the departments aside from the State Department.

Mr. KING. The Senator will be importuned immediately, before the session is over, in behalf of the highest Assistant Secretary of Agriculture. Why should not agriculture, that important industry which has to do with the basic affairs of our country, be recognized? Why should a man who simply deals with foreign affairs receive $10,000 and the highest official in the Department of Agriculture, next to the Cabinet officer, be denied similar compensation, and the Department of Commerce, and the Attorney General, and so on down the list? So the Senator, or those responsible for the other change, will be compelled to witness still other changes to conform to the error which they have committed in the past.

Mr. JONES of Washington. I know how those things come; I appreciate that, but I think I shall resist the others.

Mr. KING. I hope the Senator will resist this.

Mr. WARREN. There was no application except for these two, and also a similar salary, but under a different title, in the case of the War Department.

Mr. KING. The Senator from Wyoming, with his long experience and his great knowledge of public affairs, must know that when we give compensation to an official in a certain grade, every official in the same grade in every other department of the Government will demand the same compensation. That is the purpose of the reclassification act.

Mr. OVERMAN. Mr. President, the creation of the office of Undersecretary of State was fought here for years, and finally it was put on several years ago, my recollection is, at $7,500. Senator Root proposed it on the ground that every other country had it and we ought to have one of equal dignity. That is where it started, and we have had it in the bill for some time.

Mr. WARREN. We have had it for a number of years, I will say to the Senator. The only difference we make now is in the compensation.

Mr. OVERMAN. At first we succeeded in having it stopped, but it has been done for some time. The Undersecretary has been getting $7,500, and here we put him on an equality with the Treasury Department, which I think is all right.

Mr. WARREN. The only difference is that the others who have been getting $5,000 go to $7,500 and this one would go to $10,000, under this amendment.

Mr. OVERMAN. This was done several years ago, against my protest.

Mr. KING. The example of the distinguished Senator from North Carolina shows what would be accomplished by this insidious encroachment upon the ground which in the past has been solidly held. The Senator has withstood for years these applications, and now he succumbs.

Mr. OVERMAN. The Senate beat me. I could not help it.

Mr. KING. I think the Senator ought to continue his fight against further encroachments. I hope the Senate will disagree to the amendment offered by the Senator from Washington.

Mr. LODGE. I understand this is for the Undersecretary in the State Department?

Mr. KING. It is.

Mr. LODGE. That particular office was established by Congress with unusual powers. This man has unusual responsibilities. In the case of the absence or illness of the Secretary of State, he becomes acting Secretary of State without action by the President. The office is one of very great responsibility. There is no one in the Government who has more responsibility than this man. I do not want to be invidious, but we have raised the Undersecretary of the Treasury to $10,000 on account of the burden of work which he has, and I think the argument is stronger, if anything, in this case, and I hope the amendment will prevail.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment.

The READING CLERK. On page 2, lines 6 and 7, the committee proposes to strike out "$1,057,600; in all, $1,060,000," and to insert in lieu thereof "$1,060,100; in all, $1,072,100."

The amendment was agreed to.

Mr. JONES of Washington. I ask unanimous consent that the clerks at the desk may be authorized to change the totals to conform to the action of the Senate.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. JONES of Washington. There is another committee amendment on page 25, line 7.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 25, line 7, the Senator from Washington moves to strike out the words "and subsistence expenses" and insert in lieu "expenses and per diem, in lieu of subsistence, at not exceeding $8."

Mr. JONES of Washington. That is in regard to the Mixed Claims Commission between the United States and Germany. One of the representatives of the commission came before the committee and stated that it might be necessary for them to send one of their men to Germany to get some facts with reference to some of the claims, and he said that under the law as it is, providing $4 or $5 a day allowance, they could not subsist, and he asked us to make an allowance. We put a limit on it of $8 a day, which is applicable in some other cases.

The amendment was agreed to.

Mr. JONES of Washington. There is another amendment I wish to offer.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 12, after line 25, the Senator proposes to insert the following:

For Irene Gracie Pontius, widow of Albert W. Pontius, late consul general at Mukden, China, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,500.

The amendment was agreed to.

Mr. JONES of Washington. Those are all the committee amendments we will consider to-night, a request having been made that the others go over. I ask unanimous consent that the order may be modified so that other amendments as Senators have to present may be proposed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

Mr. CURTIS. I offer the following amendment, on page 83, after line 19.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 83, after line 19, the Senator from Kansas proposes to insert:

The appropriation of $40,000 for the fiscal year 1923, for the establishment of a fish-rescue station on the Mississippi River made by the deficiency appropriation act approved July 1, 1922, is hereby continued and made available during the fiscal year 1923.

Mr. CURTIS. Mr. President, I offer this amendment for the Senator from Wisconsin [Mr. LENROOT], who is sick and unable to be here. This money was appropriated and not used. About 148,000,000 fish are rescued a year, and over a million of those have been distributed in 32 States. The Senator from Wisconsin says that this appropriation is needed in order that the work may go on.

Mr. JONES of Washington. I remember that we passed a law a year or so ago providing for this station, and appropriated some money for it. That money has not been used, and this is merely a reappropriation of what we have already appropriated, as I understand it.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I offer an amendment on page 68, where we find the Bureau of Standards provided for. I move to insert a new heading, "Clinical thermometer standardization," and the following:

To provide for the standardization and testing of clinical thermometers throughout the United States, and to test such clinical thermometers, including necessary equipment and personal services in the District of Columbia and in the field, $250,000.

Mr. JONES of Washington. Is the Senator reading the amendment?

Mr. COPELAND. I am reading the proposed amendment. If the Senator will permit me, I will speak on it.

Mr. JONES of Washington. I thought the Senator was reading from some part of the bill.

Mr. COPELAND. I admit it sounds like the bill, because I find here in various places we have provision for standardization of steam gauges, and sound investigations, and high-temperature investigations, and sugar standardization.

It may be information to the Senator to know that the clinical thermometers which are sold throughout our country vary from 1° to 4° in accuracy. Many a man has been operated on for supposed appendicitis because the clinical thermometer did not read correctly. If there is any one thing which ought to be accurate in the instruments of precision, it is the clinical thermometer.

Mr. OVERMAN. Does the Senator propose to have the Government furnish the thermometers?

Mr. COPELAND. No, I do not; but I do propose to have every thermometer which is used in the Senator's family an accurate thermometer, and have knowledge that it is accurate. Many a thermometer has been used in the Senator's family which was not accurate.

Mr. OVERMAN. Would it take $250,000 to make these tests?

Mr. COPELAND. We had a hearing at the Bureau of Standards, and had every manufacturer of clinical thermometers in the United States present. We had an all-day hearing, and it was the consensus of opinion that this should be done.

The standardization of clinical thermometers differs from the standardization of a medicine. For instance, in the case of salvarsan, or some other preparation of arsenic, you can take one sample from a ton, perhaps, which you have prepared, and that will give you a test of the accuracy of the whole ton. But you can make a thousand clinical thermometers, and you can not take one from the lot and by testing that know that all the rest are perfect. So, as a matter of fact, in my experience in New York City we have found that over 80 per cent of the clinical thermometers are defective. I have no doubt at all that the thermometers sold in this country are largely defective.

For my part I want to see started in the Bureau of Standards a movement to make it certain that every clinical thermometer used will be an accurate one. You do not want your child or some member of your family operated on by mistake because the thermometer was defective. You have certain symptoms. You have a high pulse, you have redness of the skin, and you think, "Well, something is wrong," and you take the thermometer and find it to read 103 or 104. Then immediately appendicitis is suggested. So I say that no member of society is safe where dependence must be placed on the clinical thermometer unless the thermometers are standardized and tested.

Mr. FLETCHER. Will the Senator allow an interruption?

Mr. COPELAND. Certainly.

Mr. FLETCHER. It looks something like the case of a man who went into a railway station and looked about through the station and after awhile he went to an attendant and said: "You have 12 clocks in this station and every one of them gives a different time." The attendant said: "Of course; if they were all the same we would need but one." So it looks as though the difference in the clinical thermometers means that the supply must be increased. If all of them agreed, you would not need so many.

Mr. JONES of Washington. I make a point of order against the Senator's amendment on the ground that it is not estimated for.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. COPELAND. Of course, I expected this treatment, but it is a shame, when one thinks about how necessary it is to have standardized and tested the things having to do with the welfare of the human family.

Mr. JONES of Washington. I hope the Senator will present that to the Bureau of Standards for its consideration, so that they may have an estimate brought in with the next bill.

Mr. COPELAND. I have it all ready now in my possession and I shall be glad to present it there.

Mr. JONES of Washington. Present it to the Bureau of Standards and let them submit an estimate to the Budget and get it down to Congress the next time the appropriation comes up.

Mr. REED of Pennsylvania. I offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 12, after line 25, the Senator from Pennsylvania proposes to add a new paragraph, as follows:

To Leonore M. Sorsby, daughter and only child of William B. Sorsby, late envoy extraordinary and minister plenipotentiary of the United States to Bolivia, the sum of $4,200 as reimbursement for extraordinary expenses incurred for medical attendance, nurses, hospital treatment, and transportation to the United States following a stroke of paralysis suffered by said William B. Sorsby at his post of duty, La Paz, Bolivia, from which he remained wholly disabled until his death.

Mr. REED of Pennsylvania. Mr. President, this was an item put in the bill last year by unanimous vote in the Senate. It was stricken out in conference. It is a most proper amendment. It is a pure gratuity, of course. There is no legal liability for it.

This gentleman was appointed minister to Bolivia in 1902. He was stationed at La Paz, which is a town in a very high altitude. He was in perfect health when he went there. He served there faithfully for six years, and then was stricken with complete paralysis. He was brought home utterly helpless, and died soon after his arrival in the United States. This amount, which is given as a gratuity by the amendment, is merely the amount which was spent by his family for his physician's services and for nurses' attendance during the period of his illness. I hope there will be no objection to it.

Mr. JONES of Washington. This amendment was presented to the committee and the committee rejected it. I am sorry to say that I shall have to make a point of order against it.

Mr. REED of Pennsylvania. Will the Senator say by whom it was presented in the committee?

Mr. JONES of Washington. I think by the junior Senator from Illinois [Mr. McKINLEY].

Mr. REED of Pennsylvania. I was not aware of that. In any event, Mr. President, it seems to me that this being a pure gratuity the point of order is not well taken, as no estimate is required for it.

Mr. JONES of Washington. Of course, we might make all these gratuities.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. SHEPPARD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 15, line 19, strike out the word "shall" and insert in lieu thereof the words "may, in the discretion of the President," so as to read:

To enable the President to perform the obligations of the United States under the treaties of 1884, 1889, 1905, and 1906, between the United States and Mexico, including not to exceed $900 for rent, $40,000: *Provided*, That not to exceed $6,000 of such sum may, in the discretion of the President, be used for taking over the water gauging now being done by the State of Texas.

Mr. SHEPPARD. As the proviso now reads it is compulsory that the entire item of $6,000 be used for water gauging. My amendment leaves it discretionary as to how much of the amount shall be used.

Mr. JONES of Washington. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas.

The amendment was agreed to.

Mr. SHEPPARD. I also offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 38, line 5, after the numerals "$10,000" and before the period, insert a colon and the following proviso:

Provided further, That not more than $150,000 of the $840,000 herein appropriated shall be available for special counsel to enforce the national prohibition act.

The amendment was agreed to.

Mr. McNARY. Mr. President, on page 51, line 14, under the heading "District and cooperative office service," I move to strike out the figures "$181,000" and insert in lieu thereof "$250,000."

Mr. JONES of Washington. Let me say to the Senator that the amendment on page 51, line 14, has gone over at the request of the Senator from Utah [Mr. KING], so that the Senator from Oregon will probably have to wait until it comes up later.

Mr. McNARY. Very well.

Mr. JONES of Washington. If there are no other individual amendments, I will ask that the bill go over until the next opportunity we have to resume its consideration.

RECESS

Mr. CURTIS. I move that the Senate take a recess, the recess being under the order previously entered, until 11 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 9 o'clock and 5 minutes p. m.) took a recess until to-morrow, Wednesday, May 7, 1924, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

TUESDAY, *May 6, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, O God, for the gift of Thy love as shown in Him who has suffered for us, walked our way, lived our life, borne our griefs, and carried our sorrows. May His moral preeminence be our guide and inspiration. Revive in all breasts a new devotion to Thee, a charity to one another and to all mankind. Impress us that Thou dost never fail him who, in however obscure a sphere, however lowly a spot, is true to his God and to himself. Whatever we do, may there be no uncertainty concerning the things that matter. Give us to understand that obedience to vision means consecration to duty. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. WATKINS. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a copy of a letter written by four members of the Committee on Immigration and Naturalization to the conferees on the immigration subject.

The SPEAKER. The gentleman from Oregon asks unanimous consent to extend his remarks in the RECORD by inserting a letter as indicated. Is there objection?

Mr. JOHNSON of Washington. Reserving the right to object, Mr. Speaker, what is it?

The SPEAKER. A letter written by four members of the Committee on Immigration to the conferees on the immigration bill. Is there objection?

There was no objection.

Following is the letter referred to:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON IMMIGRATION AND NATURALIZATION,
Washington, D. C., May 2, 1924.

Hon. ALBERT JOHNSON, Hon. WILLIAM N. VAILE, Hon. BIRD J. VINCENT, Hon. ADOLPH J. SABATH, and Hon. JOHN E. RAKER,
House Conferees on Immigration Bill,
House of Representatives, Washington, D. C.

GENTLEMEN: We read in the press persistent reports that it is proposed that the conferees so change that portion of the immigration bill which excludes persons ineligible to citizenship as to postpone its effective date for two years, and to provide that it shall never become effective as to any country with which the United States shall thereafter make a valid treaty restricting immigration.

These propositions were not embodied in the bill passed by either House and are at great variance with the original bill and the purpose of the House and its committee as indicated by their discussion and action on the bill. To invite by legislative action the regulation of the immigration of orientals by treaties with Asiatic nations would, in our view, be unfortunate. After the United States has agreed to consult the wishes and interests of Asia as to immigration it could not consistently refuse to consult the wishes of Europe and the rest of the world in the same manner. That is exactly what is desired by the opponents of restrictive immigration legislation. Finding the country and Congress determined to restrict immigration, and remembering that nearly all restrictive immigration legislation has been opposed by the executive department, they would much prefer to have the President and foreign nations control it without consulting Congress.

In 1879 President Hayes vetoed the first Chinese exclusion act. In 1882 President Arthur vetoed an act suspending Chinese immigration for a period of 20 years. (Immigration Commissioner's Report, vol. 2, pp. 580–581.) On March 3, 1897, President Cleveland vetoed an immigration act excluding illiterates. (I. C. R., vol. 2, p. 573.) President Taft vetoed an immigration bill in 1913 containing a restriction against the admission of illiterates. (RECORD, special session, 59th Cong., p. 101.) In 1917 President Wilson vetoed an act excluding illiterates, but Congress passed it over his veto. The present percentage quota immigration law was passed by the Sixty-sixth Congress, but failed because President Wilson withheld his approval. It was again passed by the Sixty-seventh Congress and later extended, both acts having been approved by President Harding, whose actions on these measures were about the first approvals by a President of measures designed to reduce or strictly regulate immigration from foreign countries.

The effect of the Burlingame treaty with China, in 1868, by which the treaty-making power undertook to regulate immigration, having been found highly unsatisfactory, China, under compulsion, in 1880, agreed to another immigration treaty in which she consented for the United States to suspend the coming of laborers only, but the treaty expressly forbade the United States to prohibit Chinese immigration and permitted only the limitation or suspension of the coming of Chinese laborers in such manner as should be "reasonable." That proved unsatisfactory. In that same year Congress passed an act suspending Chinese immigration for 20 years, but President Arthur vetoed that act, chiefly because a suspension of Chinese immigration for 20 years was in violation of the latest treaty with China.

That it would be unfortunate to the Pacific coast and the whole country to have oriental immigration regulated by the treaty-making power is shown by the history recited in the preceding paragraph and by recent experience. It would, in our judgment, be ruinous to have all immigration thus controlled, but that would probably follow. Japan's demand that we consult her about our immigration policy is extraordinary and unwarranted. If we surrender to it we will almost surely surrender later to similar demands by European powers.

To pass the control of our immigration policy to the treaty-making power will completely silence the voice of the House of Representatives therein. It would surrender a sovereign right and give to foreign countries a power which the country has never conceded.

We earnestly protest against the inclusion of the proposed amendments in the bill as written in conference. The tremendous importance of the question and of the consequences involved is our apology for addressing you in this manner.

Respectfully yours,

RILEY J. WILSON,
JOHN C. BOX,
S. D. McREYNOLDS,
ELTON WATKINS,
Members House Committee.

(Copies to Members of the Senate and House for their consideration.)

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address by the president of Columbia University, Mr. Nicholas Murray Butler.

Mr. LAGUARDIA. I object, Mr. Speaker

The SPEAKER. Objection is heard.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating a compilation of the record of Judge TILLMAN, of Arkansas.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD by inserting a compilation of the record of Judge TILLMAN, of Arkansas. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, under the leave granted to extend my remarks, I insert a compilation of the record of Judge TILLMAN, of Arkansas, which is as follows:

TEN YEARS IN CONGRESS

To some it seems a long time; to me it passed like the flashing wings of a swallow in flight.

When my family arrived with me in Washington the last of November, 1915, I recall their expression, caused by their first far-away view of the stately Monument, piercing the sky like a giant's spearhead.

Much water has passed under the bridge of the spanning years since these 10 busy ones have gone to take their places like silent soldiers in the steadily increasing ranks of the silent centuries.

It has long been the custom for Members of both House and Senate to set forth in speeches their records in Congress, particularly when their records are attacked, to defend their records, to publish letters bearing on same, and to furnish their constituents with copies.

My term began March 4, 1915.

I came to Congress at an interesting period, but at a time when it became necessary to express by vote and speech opinions on a thousand new questions. Mine has not been an easy service. The people have differed widely on many issues, and the wonder is they have found so little to criticize in my votes and speeches, my bills and public and private behavior during and since the Great War. I have scored many successes, pleased many people, displeased some, and have made my share of mistakes. I would not have been human if I had not. The

times have been abnormal, unusual, and trying. In the hurry of the frequent roll calls, in the rapid cut and thrust of parliamentary battle, no ordinary mortal actually operating in the heat and dust of action can avoid blundering now and then. Only that perfect, pure, and allwise fellow on the outside wanting by hook or crook to get in is faultless and incapable of error. He knows exactly how the public business should be transacted. He is the gifted creature who points out the many wrongful acts of the ins and modestly admits that he alone has the wings of perfection sprouting from his holy shoulders.

With proper modesty, I hope, I am calling attention to some of my activities as a Congressman, and I let others do most of the talking.

I represent an agricultural district. My sympathies are enlisted in behalf of farmers, and most of my activities have been directed along that line. I will set out first some of the measures in aid of farmers which have been the subject of my support.

AGRICULTURE

GRAIN AND COTTON

Every effort that has been made since I have been a Member of Congress to prevent gambling in futures, both in grain and cotton exchanges, has received my support.

I was one of the group of Congressmen who made the fight in the fall and winter of 1917 and 1918 to break the bear combinations in their attempt to force down the price of cotton in the United States, and who had succeeded in putting the price down $40 to $60 a bale. We finally induced the Government to aid the farmers and compel the banks to provide the means to enable the farmers to hold their cotton until ships could be provided to export it.

Millions of dollars were saved for the cotton growers of the South by this.

TILLMAN HONORED

"Our Congressman, Judge TILLMAN, was elected to preside at the organization and subsequent meetings of the Congressmen from all the cotton States, meeting in Washington to ask for legislation to combat the boll weevil, to aid generally in cotton production and marketing. Our people, regardless of party, are glad to see our Representative in Congress thus highly honored. Congressman TILLMAN evidently stands well among his associates." (Mountain Wave.)

I voted for and helped to pass the Federal reserve banking act, which took away from Wall Street the power to produce a panic.

ANIMAL HUSBANDRY

I advocated the carrying out of the provisions of an act establishing a Bureau of Animal Industry to enable the Secretary of Agriculture to collect and disseminate information concerning livestock, dairy, and other animal products.

For all necessary expenses for investigations and experiments in dairy industry.

For investigating diseases of animals, for its control and eradication, methods of treatment and prevention, independently or in cooperation with farmers' associations, State or county authorities.

For experiments in animal feeding and breeding, including cooperation with State agricultural experiment stations.

For investigating the disease of hog cholera and its control and eradication.

For investigating the preparation for market, handling, grading, packing, freezing, drying, storing, transportation, and preservation of poultry and eggs.

For furnishing to producers, dealers, newspapers, and consumers accurate information regarding supplies of fruits, vegetables, dairy and poultry products.

For collecting and distributing by telegraph, mail, or otherwise timely information on the supply, demand, commercial movement, disposition, quality, and market prices of dairy and poultry products.

Provided for publication and distribution of bulletins on hog and cattle raising in the South.

GENERAL AGRICULTURAL IMPROVEMENTS

I assisted in having thousands of acres withdrawn from the forest area and opened for homestead entry in Arkansas. There are now many prosperous farmers owning their own homes within this area.

Helped to pass the Smith-Lever Agricultural Extension Act.

Helped to adopt methods of teaching the various phases of profitable, up-to-date farming and scientific agriculture, and it is the most valuable and comprehensive farm-demonstration plan ever devised.

To enable the Secretary of Agriculture to cooperate with the several States in the employment of agents to acquire and diffuse useful information connected with the distribution and marketing of farm products.

Advocated the investigation of cotton, corn, and other crops introduced from the tropical regions and for the improvement of cotton, grain, and fruit.

Helped to establish the Bureau of Markets, giving the needed and valuable assistance and information to both producer and consumer.

For collecting and distributing by telegraph, mail, or otherwise timely information on the supply, commercial government, disposition, and market prices of fruits and vegetables.

Have advocated the investigation and improvement of grasses, alfalfa, clover, and other forage crops.

Investigation of insects affecting cereal and forage crops.

Investigation of and improvement of cereals and methods of cereal production and the study of cereal diseases.

Have advocated investigating means and methods of more effectually providing for the national security and defense by gathering authoritative information concerning the food supply, by increasing production, and preventing waste of food supplies.

Have advocated investigating the history and habits of the insects injurious and beneficial to agriculture, the study of insects affecting the health of man and domestic animals, and ascertaining the best means of destroying those found to be injurious.

Have advocated the investigation of insects affecting southern field crops, including insects affecting corn, tobacco, and sugar cane.

For the investigation and improvement of methods of crop production.

For investigating plant diseases, soil bacteriology, and plant nutrition.

For the investigation of insects affecting fruits, orchards, and vineyards.

For the investigation and improvement of fruits and the methods of fruit growing, harvesting, and, in cooperation with the Bureau of Markets, studying fruits during the processes of marketing and while in commercial storage.

I have given special thought and study and rendered service to the great agricultural interests in my State and Nation.

I was one among the twenty Members of Congress who voted against the so-called daylight saving bill, and also assisted in its repeal.

Since I have been your Representative in Congress I have caused to be established rural routes that give mail facilities to more than 8,000 people in our district and have been constant in my efforts to have extended and improved the mail service in every other way possible.

In this day and age it is necessary that the farmer should receive his mail daily, as it is that the business man should do so, in order that he may keep constantly in touch with the conditions of the world and its markets. Especially is this true at the present time. The establishment of rural routes, in my judgment, is a means of education as well as a pleasure. It is welcome to the people and they should have it.

I have procured city delivery for thousands of our people also.

I blocked the scheme to transfer Camp Pike to Little Rock, the first step toward university removal.

I have opposed in every way measures that seek to foist upon America any plan or system that smacks of military despotism.

I helped pass the workmen's compensation act for accidents and death in industry.

I helped to pass the humane act declaring that human labor is not a commodity, thus taking the flesh and blood of human beings out of the class of chattels.

Have supported every measure necessary to carry out the purpose of the people in constitutional amendments adopted.

I supported every measure looking to the best interests and advancement of the cause of education.

Have advocated in the House and elsewhere the doctrine that America and other civilized nations should set up an international tribunal for the settlement of disputes by arbitration to the end that peace of the world may be preserved and the cruel, useless slaughter of human beings prevented.

Voted for Federal aid for State schools and colleges for vocational education.

I was one among the first to advocate sending out of this country those who advocate the overthrow of our Government by force, and helped to secure legislation to carry out this purpose. Under this law the deadly enemies of our country are being sent back to their own country.

I have aways voted for restricted immigration laws, which are intended to protect America from the unfit people and criminal refuse of foreign countries.

I advocated and will continue to advocate fair and just treatment of American soldiers who served our country in the great World War. I have voted for measures that promote and safeguard their interest in various ways.

I favor additional appropriations for all kinds of internal development of our country. I favor additional appropriations for Federal aid to roads. If we used half the money appropriated for the Army and Navy in aid of the building of roads throughout the States for a few years what a splendid system of roads we would have and how wonderful these arteries of commerce would be over which the people could travel and the farmers in turn bring their products to market.

There should be additional amounts appropriated for those things which we regard as investments which will bring happiness and prosperity to the people of the country, and another conference called

which will result in disarmament, both of the land and naval forces, and which will justify reduced appropriations for those purposes. When all countries cease to spend the greater part of the money obtained through burdensome taxes upon their people for agencies of war and turn their attention to peace and industrial pursuits, then will prosperity and contentment come, not only to their own people but to the nations of the earth.

The Army bill for the coming fiscal year carries an appropriation of $326,224,993.13, and the Navy bill for the coming fiscal year carries an appropriation of $271,942,867, or a total appropriation of $598,167,860.13. I favored both amendments offered to the Army and Navy bills to call disarmament conferences. The leading powers in 1922 agreed to naval disarmament or the reduction of their capital ships. This should be extended to auxiliary cruisers, submarines, airplanes, and all other kinds of naval craft. This would permit tax reduction in our country and in foreign countries and enable us to spend much larger sums of money in the internal development of the country. Large expenditures for destructive purposes are not consistent with tax reduction.

RECONSTRUCTION LEGISLATION

Modifications and changes in the present tax law are necessary. The burden should be distributed so that those most able to pay shall pay the greater share.

I am in favor of adequate and additional marketing facilities so the farmer will not have to market his crops at a sacrifice.

I favor stamping out gambling in farm products so the farmer can have an open and honest market in which to sell the products of the farm.

I have been true to the farmer and his legislation at every step of the way. The speeches made, bills introduced, votes cast in his behalf are all available. The record is made.

I am not in favor of reducing the volume of money and bringing on another panic for the benefit of the financiers, who alone would profit to the grief and distress of the rest of us. To do this would ruin the man in debt, but multiply the millions of the money lenders.

I oppose universal military training, call it compulsory or volunteer.

I have always stood before, during, and since the war for America and American rights and institutions.

I stand on my record, speeches made, bills introduced, votes cast, the life I have lived, and the things I have achieved.

Occasionally an unscrupulous person will charge Congress with raising freight rates. To offset that charge I submit the following, showing that the rate-fixing power is, and has been for years, in the Interstate Commerce Commission:

INTERSTATE COMMERCE COMMISSION,
OFFICE OF THE SECRETARY,
Washington, April 23, 1924.

Hon. JOHN N. TILLMAN, M. C.,
House of Representatives.

DEAR MR. TILLMAN: In response to your inquiry of even date I beg to state that under existing law, including the transportation act, 1920, the Interstate Commerce Commission is charged with the duty of regulating freight rates.

General increases in rates were permitted in 1920 and general reductions required in 1922, both by the commission. Neither the transportation act nor any other act passed by Congress to my knowledge has directly authorized or required increases in rates.

Respectfully, G. B. MCGINTY, *Secretary.*

It must be refreshing for our people to read some newspaper articles that have not been purchased, paid for, and branded advertisement. I print below a few unbought comments from the press. They cover the period during my service here, first published four to eight years ago. They are all the more valuable because they come to me without solicitation and without a purchase price:

Dispatch from Mountain Home, Ark., to Arkansas Gazette.

"Mrs. Z. M. Horton, John Hicks, Gertrude and Annie Simpson, heirs of Thomas I. Hicks, all of this place, received a Treasury warrant a few days ago for money due Mr. Hicks at the beginning of the Civil War. A short time ago the claim was turned over to Congressman TILLMAN, who got the same through Congress."

The Beebee Bulletin, out of the district, says:

"Judge TILLMAN has made good and has measured up to every requirement. Within three months after taking his seat he achieved a national reputation by his speech on his Confederate pension bill. Portions of this speech were published in newspapers all over the country and it was pronounced by many to have been one of the most eloquent addresses ever heard in Congress."

Fred Heiskell, managing editor of the Arkansas Gazette, under date of April 19, 1924, wrote Congressman OLDFIELD, saying, among other things:

"Arkansas should realize that we have now and for some years have had unusually strong representation in Congress."

On September 22, 1916, C. B. Oldham, editor Van Buren County Democrat, said:

"Mr. TILLMAN made a ringing Democratic speech. His address, which is truly characteristic of the recognized ability possessed, rings true. Those who have failed to hear him could well afford to ride several miles to be present."

This same editor, without solicitation on my part and without pay, copied the following comment from the Arkansas Farmer, published outside the third district:

"The Arkansas Farmer's editor has enjoyed the friendship and confidence of Congressman TILLMAN for years. He is one of Arkansas' grandest men and one of the South's noblest sons. His record is an open book, and to know him is to love him. His constructive work compels support from the people because it merits recognition."

The Mountain Echo said:

"Congressman TILLMAN delivered one of the ablest speeches here Monday, September 25, that it has been our good fortune to hear in many a day. Mr. TILLMAN is a fluent speaker and is ably representing the third district in Congress."

Muscogee Times-Democrat said:

"Congressman TILLMAN is one of the biggest men that has visited Muskogee in this campaign. He is a bright, original orator, a unique political campaigner. His speeches are original and pleasing and are entirely different from the ordinary political talk. He is a highly cultivated old-school southerner and appeals nightly to the women, whom he says should vote for President Wilson because of his peace policies."

Rogers Democrat said:

"Congressman J. N. TILLMAN addressed the Democratic voters in Rogers Saturday afternoon. His address was of his usual pleasing and virile style, and his discussion of the national issues were logically and well-rounded arguments indicating that the speaker was not only competent but well informed. Congressman TILLMAN has just returned from his attendance at his first session of Congress. He made an enviable record, having become during the comparatively short session a national figure, and has the distinction of not having missed a roll call."

This is from the American Issue, Ohio, which copied my address on national prohibition:

"Congressman TILLMAN of Arkansas in his appeal for the adoption of the prohibition resolution amendment on December 17 paid a tribute to the militant church which is worthy of large publicity."

"The speech of Hon. JOHN N. TILLMAN, of Arkansas, in the House of Representatives when the prohibition amendment was pending is a strong arraignment of the diabolism of the liquor traffic and a fine specimen of southern oratory. We rejoice that Arkansas was heard that glorious day." (Arkansas Methodist.)

The Winslow American said:

"TILLMAN'S famous prohibition speech ought to be read by every public-school pupil."

"We have received a copy of Judge TILLMAN'S really great speech on national prohibition. It is a gem of oratory and a masterly forensic effort. It will be read by everyone who receives it with pleasure and profit. Judge TILLMAN is reflecting credit on his district." (Fayetteville Daily Democrat.)

"Representative JOHN N. TILLMAN, of Arkansas, was on the program and made an eloquent speech at the National Convention of Confederate Veterans at Washington on June 4." (Washington Post.)

"STAND BY YOUR GUNS," SAYS ARKANSAS CHAIRMAN OF CONGRESSIONAL PARTY.

"ROME, ITALY, July 21, 1918.—'Stand by your guns. Hurl back the invader from your sacred soil. Fight for a strong allied peace, and after the war let Italy, France, and England and all the other allies form a league enforcing universal peace and never again allowing the world to be bathed in the blood of the brave to forward the ambitious designs of a war lord seeking the military domination of the people of the earth.'

"This speech from Judge JOHN N. TILLMAN, of Arkansas, chairman of the congressional party, to the Italian people, is published in all Rome papers." (Arkansas Democrat.)

"The Advertiser will publish the able, descriptive, and scholarly speech of Hon. JOHN N. TILLMAN, of Arkansas, delivered in the House of Representatives last month. Owing to its great length we shall be obliged to present it in installments, but it will amply repay a careful perusal." (Fort Edward Advertiser, New York State.)

The Arkansas Gazette published a large part of this address in three separate Sunday editions.

"Bentonville County apple growers and buyers owe a vote of thanks to Congressman TILLMAN for his untiring work with the

Railroad Administration at Washington and his success in getting the necessary cars for the removal of the immense apple crop." (Bentonville Sun.)

"Congressman TILLMAN is one of the ablest speakers in the national legislative body." (Roanoke Times, Virginia.)

"Judge TILLMAN has made us a good Representative and has attained a prominence rarely accorded to new Members." (Baxter County Citizen.)

Mountain Echo, Yellville, Ark., April 10, 1924, says:

"The State of Arkansas may justly feel proud of having in Congress such men as CARAWAY and TILLMAN, who are able to command recognition for speedy action when the rights of their constituents are threatened. Mr. TILLMAN introduced the Dixie power extension bill in the House, championed the bill on the floor, and secured its passage. He has rendered each citizen and the counties of Marion and Baxter the greatest possible service."

"Congressman TILLMAN spoke in the interest of the Democratic Party last night at Union Square. He spoke interestingly for one hour. His address was well received and frequently applauded." (Lewiston (Maine) Daily Sun.)

"A fine time was had at the Democratic rally. Mr. TILLMAN is a forceful and most interesting speaker, and his audience gave him the closest attention. He is an orator of unusual ability and a man to be admired, whether or not you agree with him politically." (Neosho (Mo.) Daily Democrat.)

"Congressman JOHN N. TILLMAN has again succeeded in getting the Harrison land office out of the list that is to be abolished. It is worth something to the country to have a sure-enough Representative in Congress." (North Arkansas Star (recent issue).)

"Congressman TILLMAN has made good during his first term and will prove to be a power in Congress in the future. The Democratic National Committee sent him to Kentucky last week and next week will send him to Oklahoma." (St. Paul Mountain Air.)

A Stilwell, Okla., paper says:

"Congressman TILLMAN is a splendid type of the true southern gentleman, eloquent, chivalrous, and courteous."

The Tahlequah Arrow says:

"A large delegation met Congressman TILLMAN at the depot. He made a ringing speech and greatly pleased the people with his manner of speaking. We consider it the best speech made in the city during the campaign."

"Mr. TILLMAN'S eulogy of President Wilson was one of the gems of his eloquent speech. This congressional district has reason to congratulate itself that it is represented in Congress by JOHN N. TILLMAN." (Benton County Democrat.)

"Mr. TILLMAN'S broad ability was soon recognized after entering Congress, as is attested by the fact that he has succeeded in putting into effect some very important measures. He has been on the job continuously, seldom missing a roll call, and has at all times kept in mind the folks at home and the good of the country at home." (Rogers Cooperative Press.)

"The editor of the Courier considers Congressman TILLMAN'S ability and faithfulness the very highest. Our readers know he is one of the biggest, brainiest men in our State to-day." (Cotter Courier.)

"Judge TILLMAN last night addressed the Business Men's Club. Always a speaker of eloquence and power, he was at his best, and delivered a stirring and powerful appeal. Judge TILLMAN has won unusual prominence and influence in Congress and is the kind of Representative this district needs in Congress." (Fayetteville Daily Democrat.)

"Coming to the work splendidly equipped by education and experience, Congressman TILLMAN has been able to give us superior service from his first day in Congress up to the present, and our people are not only proud of his record but consider themselves especially fortunate in having elected him just at a time when the Nation needed men of his caliber." (Harrison Times.)

"The editor of this paper lives a few miles from the farm where Congressman TILLMAN grew to manhood. With full knowledge of his early struggles, knowing and appreciating his high character and abundant energy, we supported him for Congress in his first race, predicted that he would make good, and it is gratifying to know that even his enemies admit that he has more than done so. He has risen from a farm hand to Congress, and his friends, overwhelmingly in the majority in this, his home county, are proud of him and the record he has made.

"Judge TILLMAN became a national character before he had been in Congress three months. Commerce and Finance, of New York City, published his speech on his cotton tax restitution bill and said: 'We print his speech for the pleasure of our readers, who will find delight in oratory and who can appreciate a really charming apostrophe to the land of sunshine.' The great southern daily newspapers published this speech, and in lengthy editorials commended it.

"We doubt if any Arkansas man ever had a greater triumph than Congressman TILLMAN had at Richmond, Va., where, according to the Richmond Times-Dispatch, 'he spoke to 5,000 people, who accorded him a great ovation.' Similar to this was the reception his speeches received at Birmingham, Ala., Manassas, Va., and at the national Confederate reunion at Washington.

"Mr. TILLMAN is the author of many bills of national importance, and he has secured the passage of numerous bills local to this district. After introducing a bill to abolish the forest reserve he was instrumental in getting an Executive order opening for homestead thousands of acres of this reserve.

"Congressman TILLMAN has been 'on the job' constantly, rarely, if ever, missing a roll call. He has answered every card, call, or letter from his constituents, and probably excels any of his colleagues in supplying documents, bulletins, and pamphlets." Springdale News.

The following was not bought and is from my home town paper:

"Congressman JOHN N. TILLMAN is a candidate to succeed himself. He ought to be elected without a canvass. He has shown his faith by his works. He has given the people of the district faithful, consistent, and efficient service. They depend upon him and trust him. Their interests have had his serious attention since his name was first enrolled in the House.

"For nine years Judge TILLMAN has been in Congress. He has stood for every measure that has contributed to the advancement of the people of this district. He has held back the attacks upon our industries, institutions, and our citizenship. In Congress and at home he has added every worthy cause and reflected honor upon our people.

"It has not taken all these nine years to prepare Mr. TILLMAN to represent us ably. He was prepared when he was sworn in, and soon took high rank in the House. Because of the workings of the complicated legislative machinery experience counts largely, and our people have learned this, a thing the East and North have long known and profited by, as long service has the advantage of powerful committee assignments and legislation originates in committees.

"The stale charge of every candidate seeking to displace a Congressman is that his name is attached to no bill. Judge TILLMAN deserves commendation that his name is not on many of the bills that have passed since he went to Congress. The truth is, however, that no helpful legislation has been enacted since he began service that he did not help frame and pass. His speeches have appeared in the press throughout the Nation. His hard work and fearless courage have made him a national figure. He is found always on the people's side of public questions, fighting for the right and justice. Business men, professional men, laboring men, ex-service men know they have no better friend.

"Never before, even during the dark days of the war, has it been so necessary to have safe and experienced men in Congress. The situation in foreign nations is critical. Conditions in our own country are unsettled.

"The puny piffle and the tearful sniffle of some candidates trying to undermine him, claiming that the people should change Congressmen every 10 years, are trifles as thin and transparent as heated air.

"That our Congressman is a consistent friend of agriculture is well known and appreciated. Every measure of relief for the farmers has had his help.

"TILLMAN is able in debate, a fine parliamentarian, logical, a polite, genial gentleman, consistent, and has represented us creditably and acceptably. His influence and his vote will be worth much to every class of people in the district. As a matter of selfish interest they will be glad to send him back to Congress.

"Ten years ago he carried his home county, Washington, by a plurality of 820, a much larger plurality than was received by either of his opponents in their home counties, and this time he will carry his home county by 2,500 majority, and will be renominated and reelected overwhelmingly." (Arkansas Countryman, Fayetteville.)

This was unbought also.

The Van Buren County Democrat some years ago published, among other proceedings, the resolutions of the Farmers' Union of that section as follows:

"Resolution No. 2 memorialized Congress to give the country a genuine rural credit law, such as the country needed, while Resolution No. 3 was an expression of appreciation and assurance of continued friendship upon the part of the membership extended Congressman TILLMAN for valuable service rendered the cause of farmer unionism throughout the South."

WE'LL NOT FORGET HIM

"The voters of this congressional district will gratefully remember JOHN N. TILLMAN for his valuable and successful assistance in securing to them an extension of our water-power privilege and saving it from the hands of dishonest 'big business.' TILLMAN will also be remembered by the boys for his

splendid fight for the bonus. He should be returned to Congress by the largest majority ever cast in the district." (Cotter Record, April 11, 1924.)

Defending one's good name when attacked is always permissible and excusable. Robbed of that, many of us would have but little left.

OFFICE HELP

Mr. BLANTON, of Texas, a bold, fearless critic, says the following in a speech published in the RECORD of March 4, 1923:

"A majority of the most prominent men in Congress employ relatives, and it really accrues to the benefit of the Government."

All of us have been charged at one time or another with voting to exempt our own salaries from income tax. Also, the stock claim against a Member is that no general bill bears his name. Read this letter:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D. C., January 22, 1924.

Hon. JOHN N. TILLMAN,
House of Representatives, Washington, D. C.

DEAR JUDGE TILLMAN: Your letter of January 15 was received, and I have been refreshing my memory concerning the alleged exemption of the salaries of Members of Congress from taxation. I recall the criticism distinctly.

No proposition was voted upon at any time to exempt Members of Congress from payment of income taxes. The charge that they did was unjust and clearly proven erroneous. * * *

Replying to the other part of your letter, I would say that in general a bill of any importance takes the name usually of the chairman of the committee reporting it. * * *

Very truly yours, WILLIAM TYLER PAGE.

Speaker Clark served 26 years; Speaker GILLETT, 32 years; GARRETT, Democratic floor leader, 20 years; LONGWORTH, Republican leader, the same time. How many Clark bills can be named? There is no Gillett bill. Nobody can recall a Joe Cannon bill, even; no Garrett bill, no Longworth bill, no Oldfield bill, no Wingo bill, no Robbison bill, no Caraway House bill; they all served longer than I have; no Gunter bill, no Peel bill, no Dinsmore bill, no Floyd bill, but local bills, and I have passed as many, or more, local bills than any of them. This list could be indefinitey extended. While Mr. Floyd passed bills authorizing post-office buildings at Rogers and Eureka Springs, the money to erect same was appropriated during my service.

Since an irresponsible individual has attempted to reflect upon my influence in Congress and my standing among my associates, the following letters and statements from some of the strongest, cleanest, and ablest men in the House will set at rest such aspersions.

The letter below is from "the last of the Confederates in Congress," Major STEDMAN, 82 years of age, who fought with Lee and Jackson:

JANUARY 12, 1924.

Hon. JOHN N. TILLMAN,
House of Representatives, Washington, D. C.

MY DEAR MR. TILLMAN: I was talking to my secretary yesterday afternoon with reference to events of long ago—incidents occurring during the War between the States and other matters.

In our conversation I told her of the heroic death of a boy who belonged to the company which I commanded for a long while. His name was Jesse Tillman. His home was in Chatham County, N. C., the place of my birth. He enlisted in a company in the Forty-fourth North Carolina Regiment at my request. I had an affectionate regard for him on account of his courage and his fidelity to whatever he thought was right.

He had attracted the favorable notice of our brigade commander and was at his request attached to the color guard. He was also honorably mentioned in "Orders of the day" from brigade headquarters. Soon thereafter in front of Petersburg the regiment became severely engaged with the enemy and suffered heavy loss. The flag several times fell as its bearers were shot down in quick succession. Young Tillman seized it and again carried it to the front. It was but an incident, and he, too, fell. As one of his comrades stooped to raise the flag again the dying boy touched him and in tones made weak by the approach of death said, "Tell the general that I died with the flag."

I assume that this boy was connected with you by blood, and I know that he was worthy of the kinship of anyone.

I do not know whether I have ever mentioned these facts to you in any of our many conversations. My secretary told me that on account of the friendly relations existing between you and myself that I ought to mention the facts connected with young Tillman's death to you, as they could not fail to interest you. I have therefore written you these lines this morning.

With kind personal regards and best wishes for the prosperity and happiness of Mrs. Tillman and yourself, I am,

Sincerely your friend, CHAS. M. STEDMAN.

EL DORADO, ARK., *December 31, 1923.*

Hon. JOHN N. TILLMAN,
Congressman Third Arkansas District,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I want to assure you of my appreciation of the courtesies shown me during a recent visit to Washington, and to reassure you, also, of the very high esteem in which you are held in the hearts of the ex-service men of this State because of your whole-hearted and generous support in favor of Legion legislation.

I trust that we shall never call upon you to support any bill which is not worthy from the standpoint of justice and fair dealing, and which is not in the interest of good citizenship.

With the best of good wishes, I am,

Most cordially yours,

O. L. BODENHAMER,
Arkansas Commander American Legion.

JANUARY 7, 1924.

Hon. JOHN N. TILLMAN, M. C.,
Washington, D. C.

MY DEAR COLLEAGUE: I thank you heartily for your generous letter of congratulation on my New Year speech on "The majesty of the law and national sobriety."

It will be an inspiration to keep among my treasures such golden words of commendation from such a rock-ribbed defender of constitutional prohibition and such a 100 per cent example of personal sobriety as you have been since I entered Congress four years ago.

But not only for this vital law have you stood four square, but for everything in constructive legislation which should characterize loyal, practical statesmanship.

I hope your fortunate district will keep you in Congress as long as you live, feeling sure that your usefulness will increase every year.

Cordially yours, W. D. UPSHAW, *Georgia.*

WASHINGTON, D. C., *March 24, 1924.*

Hon. JOHN N. TILLMAN,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: While I am aware of the fact that we have made a good many demands upon you in the past, and while I am aware of the further fact that you have always generously responded with your time and ability, for which we are duly grateful, yet may I not ask you to so arrange your personal affairs as to give us as much of your time and effort in the coming national campaign as is reasonably consistent with the other burdens upon you.

I am, with every expression of regard,

Sincerely yours,

A. B. ROUSE,
Chairman Democratic National Congressional Committee.

WASHINGTON, D. C., *April 2, 1924.*

MY DEAR JUDGE TILLMAN: I write to apologize for the delay of the subcommittee, of which I am chairman, appointed by you as chairman of the conference, to investigate the matter of lower freight rates for our farmers, to make its report. We hope to do so soon. I want to take this opportunity to express my appreciation of the arduous and effective labor you have given to all the matters placed under your care and direction looking to the improvement of the condition of our southern farmers. The conference over which you have presided and the suggestions you have made have already borne fruit in the nature of some practical remedial legislation and will yet bring other desired results.

With personal regard.

Yours sincerely, WM. B. BANKHEAD, *Alabama.*

DECEMBER 14, 1923.

Messrs. R. L. and F. L. GLOVER,
West Fork, Ark.

DEAR KINSMEN: Your Congressman, Hon. JOHN N. TILLMAN, informs me that he saw you gentlemen shortly before leaving his district and ascertained that you and I are related. * * *

I was glad to receive this news and certainly hope to have the pleasure of seeing you both in Washington sometime. I want also to say that I have had the pleasure of being intimately associated with Congressman TILLMAN for over eight years and I regard him one of the most able men in the House and an honor to your district. * * *

With every good wish, I am,

Very truly yours, D. H. KINCHELOE.

Hon. JOHN N. TILLMAN,
House of Representatives.

DEAR JOHN: I write to thank you sincerely for being present and exerting your wholesome influence in the House on important matters of legislation during the present Congress. Your standing and popularity in the House have been of great assistance to our party and the country in the many close and vital contests which have been decided since the beginning of the present Congress. As whip of our party on the floor, it is my duty to see to it that Democratic Members are present when questions of vital interest are being considered, and it is a pleasure for me to be able to state that I have always found you on the alert, ready and capable of doing your full share in the many contests which we have had. I felt it my duty to write you this letter of thanks.

With best wishes, I am,

Sincerely yours, W. A. OLDFIELD,
Democratic Whip.

OFFICE OF MINORITY LEADER,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 17, 1924.

Hon. JOHN N. TILLMAN,
House of Representatives, Washington, D. C.

MY DEAR MR. TILLMAN: I beg to inclose herewith for your files a copy of House Joint Resolution 68, proposing an amendment to the Constitution of the United States. * * * I regard this a very worthy and a very important amendment. * * * If, after your study of it, you feel that you can give it your support, it will be most helpful, indeed.

Knowing, as I do, the painstaking care and the assiduous study which you have given to public questions, and particularly those legal and constitutional matters with which the great Committee on the Judiciary, of which you are a member, has had to deal and which is appreciated by all your colleagues in the House, I will be especially glad to have your opinion upon this proposed measure. With all good wishes, I remain,

Yours sincerely, FINIS J. GARRETT.

JANUARY 17, 1924.

Mr. H. L. HUNNICUTT,
Durham, Ark.

MY DEAR SIR: Knowing that you are a former Texan, and always being interested in the welfare of former citizens of my State wherever they may be located, prompts me in writing you concerning the record and activities of your able Representative, Hon. JOHN N. TILLMAN. I have watched the record of this splendid southern gentleman since coming to Congress five years ago, and I would like to vouchsafe to you and others who I know will be interested in knowing of his achievements the following facts:

First, Judge TILLMAN has the esteem and confidence of every man on the Democratic side, and is admired and esteemed also by the Members of Congress on the Republican side, because he is always fair in his statements and in his conduct on matters of legislation. He is a member of the important and powerful Judiciary Committee of the House, and, in my judgment, this committee ranks next in importance to the powerful Appropriations Committee, and probably, with this exception, outranks in importance and influence any other committee of Congress.

Judge TILLMAN is a constant attendant upon the floor of the House when the Congress is in session and takes a keen interest in all matters of legislation, and I have observed at frequent intervals that his voice is raised on the floor in behalf of good legislation or in opposition to legislation that he deems detrimental to his country and his people. He is a forcible speaker, a man of splendid judicial mind and trained in parliamentary debate, and I have never observed a lack of attention on the part of Members of Congress when Judge TILLMAN is addressing them.

The fact that he has served several terms in Congress and of his wide acquaintance with the Members, which necessarily has inculcated a feeling of friendship and desire to do him service, prompts me in saying to you that his constituents, if they knew of this esteem as we here in Congress daily hear it expressed, that there would be no question about his constituents returning him to succeeding Congresses, where his usefulness will increase as the legislative days go by.

Although a native son of Texas myself, I love the great State of Arkansas and her people. Your State is the birthplace of my mother, one of the greatest women this country has ever produced. Therefore I feel that interest in your State's welfare which prompts me to write you concerning your able and distinguished Representative as I have done, and you are at liberty to make such disposition of this letter as you may see fit.

Very sincerely yours,

C. B. HUDSPETH,
Member of Congress, Sixteenth District of Texas.

My record here will show that I have kept on the job, performed my committee duties and office work, and attended the sessions of the House constantly. I have stood for the enforcement of law, for the protection of society, for the restriction of immigration, for the enactment of tax reduction laws that would relieve the small taxpayer and compel the wealth of the country to bear its just proportion of the burdens of government, and for the protection of the rights of the masses against the encroachment of special interests. I voted against, spoke against, and favor the repeal of the present iniquitous tariff law which was enacted at the behest of the protected interests of our country, which compels the farmers and other consumers to pay exorbitant prices for everything they have to buy. I stand for a renewal of commerce with all the world so that the surplus products of our farmers can find a market.

I have helped in framing all the important legislation my party favored, fought with vigor that which it opposed, and have spoken from the floor of the House on all the great measures before Congress since I have been a Member.

I believe in and have lived a life of service. To me it is the most attractive life. During my years here I have made many mothers happy by securing the discharge of a son from the Army or Navy. I have procured pensions or increases for hundreds of soldiers, their widows or orphans. I have aided thousands of ex-service men by getting for them additional travel pay, back pay, mileage, uniforms, vocational training, compensation, hospitalization, and extended them a thousand kindly courtesies. At the expense of hard work and long hours I have written letters, mailed out thousands of small remembrances to the young and old alike of the district, which tended to make life brighter and worth while for the moment at least. It is the thoughtful, tender little things as well as the big things that go to make up happiness in this short life. I have enjoyed the pleasure of sending to West Point and to the Naval Academy at Annapolis some of the brightest young Americans that have ever graduated at these great Government schools. I am solely responsible for their appointment, and am proud of them. I have caused to be appointed hundreds of postmasters, Government clerks, census supervisors, enumerators, rural carriers, and members of various boards. I have, in short, during the last 10 years accomplished more, achieved more, rendered better service to the people and to my country than ever before during a busy, active life.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments joint resolution (H. J. Res. 195) authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 112. An act providing for a comprehensive development of the park and playground system of the National Capital;

S. 703. An act making an adjustment of certain accounts between the United States and the District of Columbia;

S. 1014. An act for the relief of F. J. Belcher, jr., trustee for Ed Fletcher;

S. 1017. An act for the relief of Florence Proud;

S. 1786. An act to amend sections 5, 6, and 7 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes;

S. 2100. An act authorizing the sale of the United States Veterans' Bureau hospital at Corpus Christi, Tex.; and

S. J. Res. 49. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to adjust a transaction relating to 3,500 tons of sugar imported from the Argentine Republic.

SENATE BILLS REFERRED

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 703. An act making an adjustment of certain accounts between the United States and the District of Columbia; to the Committee on the District of Columbia.

S. 1014. An act for the relief of F. J. Belcher, jr., trustee for Ed Fletcher; to the Committee on War Claims.

S. 1017. An act for the relief of Florence Prand; to the Committee on Claims.

S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended; to the Committee on World War Veterans' Legislation.

S. 2430. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 1786. An act to amend sections 5, 6, and 7 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes; to the Committee on the District of Columbia.

S. 2100. An act authorizing the sale of the United States Veterans' Bureau hospital at Corpus Christi, Tex.; to the Committee on World War Veterans' Legislation.

S. J. Res. 49. Joint resolution authorizing the President to require the United States Sugar Equalization Board (Inc.) to adjust a transaction relating to 3,500 tons of sugar imported from the Argentine Republic; to the Committee on Agriculture.

LEAVE OF ABSENCE

Mr. SPROUL of Kansas. Mr. Speaker, my colleague from Kansas, Colonel LITTLE, has asked me to request that he be excused for to-day on account of illness.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

CHANGE OF REFERENCE

The SPEAKER. The Senate bill 2998, providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico, is referred by the Chair to the Committee on Irrigation and Reclamation. It is agreed by the chairman of that committee and by the Committee on Foreign Affairs that it should properly have gone to Foreign Affairs, and, without objection, the Chair will rerefer it.

There was no objection.

ORDER OF BUSINESS

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8839) making appropriations for the government of the District of Columbia.

The SPEAKER. The gentleman from Illinois moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 8839) making appropriations for the government of the District of Columbia. The question is on agreeing to that motion.

Mr. BARKLEY. Mr. Speaker, I claim recognition under the prior right to move to go into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 7358 as the unfinished business from yesterday.

The SPEAKER. The Chair will hear the gentleman.

Mr. SNELL. Mr. Speaker, I make a point of order against the motion of the gentleman from Kentucky on the ground that the legislation he desires to present at this time belongs to a special class, and it is only in order on such days as that class of business is in order, under the rules of the House.

The SPEAKER. The Chair will hear the gentleman from Kentucky.

Mr. BLANTON. Mr. Speaker, I want to make the further point of order that the status of the Barkley bill now is no more privileged than that of a general appropriation bill. At most it could only become a question of recognition, and the Chair having already recognized the gentleman from Illinois [Mr. MADDEN] to go into Committee of the Whole on a general appropriation bill, under no circumstances could the gentleman from Kentucky [Mr. BARKLEY] have the right of way.

Mr. BANKHEAD. Mr. Speaker, in order that the RECORD may be entirely clear on all questions that may arise on this decision, I also make the point of order that it is not the unfinished business coming over from yesterday.

Mr. BARKLEY. Mr. Speaker, I recognize the importance of the question upon which the Speaker must pass by virtue of my motion. I recognize that the ruling which the Chair will make to-day will be setting a precedent in the interpretation of an unusual rule which has recently been adopted by the House. I have not risen, Mr. Speaker, for the purpose of undertaking to engage in any captious discussion about the interpretation of the rule or in any effort to override in any roughshod way the rules of the House or the proper interpretation of those rules. But this is a question which I think ought to be settled now in order that we may know in the future how to proceed in matters of this kind, and it is a question—by reason of the fact that this will be the first decision upon this rule on a point made in this manner—that the Chair will want to consider from every standpoint, so that his ruling may be established as the proper precedent of the House in the future.

The point has been made that the motion which I have made is not in order on the ground that this is not the unfinished business from yesterday and on the ground that it belongs to a class of legislation set apart for certain days of the week by the rules of the House.

In the first place, Mr. Speaker, we have got to take into consideration in interpreting section 4 of the rule which was adopted for the discharge of committees what was undertaken by the House and what its object was in providing for such a rule. It has been contended and will be contended that the chief and primary object of the adoption of this rule was to bring about the discharge of a committee that held a bill a certain length of time and refused to act upon it, and that that was the only object—at least the chief object—that the House had in view in the adoption of this rule.

If that were true, Mr. Speaker, the only language of the rule that would have been necessary to accomplish that would be the first part of the rule, that any Member may make a motion for the discharge of a committee after 30 days, and upon the signature of 150 Members to have that motion voted upon to determine whether the committee would be discharged and the bill brought before the House and placed upon the calendar, where it would go if the committee had reported it favorably.

Now, Mr. Speaker, I contend that was not the only object in the adoption of this rule. The object in the adoption of this rule was not only to provide a way for taking a bill away from a recalcitrant committee but to provide for the immediate consideration of the bill after the committee had been discharged, and if that had not been the object, coupled with the discharge itself, it would not have been necessary to add the language to the rule providing for the immediate consideration of the bill. Therefore, coupling both of those objects together, we must take it for granted that the object of the House in establishing this rule was to discharge the committee, bring a bill before the House, and then to enter into the immediate consideration of that bill. Following that analogy, we must conclude that the object in entering into the immediate consideration of that bill was to conclude its consideration before any other bill could be taken up.

Mr. BEGG. Will the gentleman permit a question right there?

Mr. BARKLEY. Yes.

Mr. BEGG. The gentleman said the object of the rule was to put a bill on the calendar. I do not believe the gentleman contends that this bill is now on the calendar, does he, or ever has been?

Mr. BARKLEY. If the only object was to get the bill away from a committee, some other provision would have been added that would have put it on the calendar immediately without any action on the part of the House.

Mr. BEGG. If a certain condition had happened that did not happen, then the bill would have gone on the calendar, but it never reached the calendar and never will.

Mr. BARKLEY. But my point is that if the House had desired simply to get it away from a recalcitrant committee, it would not have provided for the immediate consideration of the bill; but, having performed that service, the bill would have gone to its appropriate calendar; and the lack of that provision presumes that the House desired, by entering upon the immediate consideration of the bill, to make it the unfinished business of the House and have it before the House until it had been concluded.

Mr. BEGG. I do not want to encroach on the gentleman's time, but I think the gentleman's argument is wrong if he contends it is on any other calendar than the Calendar for the Discharge of Committees.

Mr. BARKLEY. I am not making any contention as to where it is now. My contention is that if the House had merely desired to get a bill out of a committee, all it would have done would have been to provide for the discharge of the committee and then put it on a calendar. But the House had more than that in view; it had in view the immediate consideration of the bill after it had been taken from the committee and by reason of the provisions of this rule making it unfinished business.

Mr. BEGG. Immediate consideration as a special class and special bill?

Mr. BARKLEY. No; it is not a special class. I will discuss that in a moment.

Now, Mr. Speaker, under the rule governing the consideration of unfinished business, which I will read—

consideration of the unfinished business in which the House may be engaged at an adjournment, except business in the morning hour—

Of course, there is no such thing now as the morning hour, practically—

shall be resumed as soon as the business on the Speaker's table is finished, and at the same time each day thereafter until disposed of, and the consideration of all other unfinished business shall be resumed whenever the class of business to which it belongs shall be in order under the rules.

Under section 865 of the Manual and Digest we find this:

The rule excepts by its terms certain classes of business which are considered in periods set apart for classes of business, viz:

(a) Bills considered in the morning hour for the call of committees.
(b) Bills in Committee of the Whole.
(c) Private bills considered on Fridays.
(d) District of Columbia bills.
(e) Bills brought up under the rule setting apart days for motions to suspend the rules.

Now, I contend, Mr. Speaker, that the fact that this motion is made in order on the day set apart for suspension of the rules has no relation whatever to the suspension of the rules, but merely for convenience in setting a time when a motion to discharge a committee would be in order, and that day is fixed as the day when such a motion may be made; but that does not thereby put it in any relation whatever to the question of suspending the rules of the House and passing bills by a two-thirds majority, because if it did have any relation to that, it might be held that the bill would have to be passed, if passed on that day, by a two-thirds majority; that is, if the rule applying to the suspension of the rules in the passage of bills applied to bills passed under this discharge rule.

I contend this bill does not apply to a class for which a particular day is set apart. Under the rulings of the House, in Hinds' Precedents, Volume V, section 6945, the Speaker held that when public business is considered on a Friday, the unfinished business goes over until the next legislative date. Friday, under the rules, is set apart——

The SPEAKER. Will the gentleman give that citation again?

Mr. BARKLEY. Volume V, section 6945.

Friday of every week, under the rules, is set apart for the consideration of private bills, and private bills are a class of bills referred to in the rule where the exception is made that bills set apart for consideration on certain days by reason of the class to which they belong are excepted from the rules, and the Chair held in that decision that even on Friday, which is set apart for a certain class of bills, to wit, private bills, if a measure of a public nature is under consideration, then it goes over until the next legislative date.

The bill to which I have referred—H. R. 7358—is not a bill that is on the Unanimous Consent Calendar. It is not on the Calendar for Suspension of the Rules, and its consideration is not undertaken by the House under unanimous consent, although taken up on the day when unanimous consent may be in order.

It is not taken up under the rule providing for a suspension of the rule which requires a vote of two-thirds, which may be taken up on this particular Monday; but the motion to discharge a committee is in order only on that day, and by reason of the adoption of the motion and the discharge of the committee an affirmative vote to enter into the immediate consideration of that bill, which is not of a class of bills that is set apart for certain days under the rules of the House, makes it the unfinished business of the House and is entitled to be brought up on the next legislative day for consideration.

Mr. Speaker, I recognize that during the debate on this rule a question was propounded to the gentleman from Georgia, for whom I have not only a personal affection but for whose parliamentary ability I have the greatest respect, as to what might happen under a situation like this, and in response to a question propounded to him by the gentleman from Connecticut [Mr. TILSON], which is in this language, copied from the CONGRESSIONAL RECORD:

Suppose that the House decided to consider it and begins the consideration of it, and yet adjourns before the completion of the bill or resolution; what happens? Does it go on next day, Tuesday, or does it wait until the next suspension day?

Mr. CRISP replied:

I think it would go on until the next suspension day.

That is, I presume he means by that it would go over until the next suspension day—

But the gentleman from Connecticut will recognize that the whole scheme of this rule is to make it, under the orderly procedure, within the power of the majority of the House to work its will, and when a bill is up under this rule, if the House wants to go on with it to its conclusion, the House can refuse to adjourn. The House, instead of adjourning at a late hours, recesses, and the next day is the same legislative day and the House can proceed on indefinitely to the disposal of it. It is simply in the power of a majority to do its will.

The Speaker held on yesterday that the gentleman from Georgia was mistaken at least in part of the answer he made to the gentleman from Connecticut in which he said the House might refuse to adjourn and might recess.

Mr. CRISP. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. CRISP. While I made that statement, the next time I had the floor in the discussion of this rule the question was again asked me if a recess was in order, and I replied that it was not. When I was first debating the matter I did say that the House might recess, but in the debate on the rule I also called attention to the fact that the provision of the rule making the motion for a recess a privileged motion had been eliminated and that motion would not be in order, and the only way the House could recess would be by unanimous consent, and the House now can recess by unanimous consent.

Mr. LONGWORTH. If the gentleman will yield, the House can recess by unanimous consent, and the gentleman was quite accurate in his statement.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. CHINDBLOM. I want to suggest to the gentleman from Georgia that you not only could proceed by unanimous consent but if no objection was made a motion to take a recess would be in order if the regular order was not demanded.

Mr. BARKLEY. Of course, we all appreciate we can do anything by unanimous consent.

Mr. CHINDBLOM. It is not a matter of unanimous consent. There has to be an affirmative point of order made.

Mr. BARKLEY. The reason I make that suggestion is that in my judgment the gentleman from Georgia will take an opposite view to that which I am expressing, and the gentleman feels more or less committed to it by reason of what he said during that debate.

The suggestion I was going to make was that that was probably a hasty reply made in running debate and that the gentleman might be mistaken, and if he was mistaken in one part of his answer he might be mistaken in the other.

Now, I do not desire to take the time of the House unnecessarily. I do think it is important that a ruling should be made on this proposition that will consider it from every standpoint, that will consider not merely that the House was trying to punish the committee for failing to report the bill but to make it the business to consider the bill after it was brought from the committee. If it is held that the measure goes over for two weeks until the next suspension day or the third Monday, it will not carry out the viewpoint of the majority of the House who supported the rule and who expected under it that they would be able to proceed immediately to the consideration of the bill and keep it before the House until it was disposed of.

I want to say, as I said in the outset, that I am not making the motion in order to be captious. I think the House ought to have a definite ruling upon it. I think it is fair to say that it is not my purpose to appeal from the decision of the Chair if it is adverse, and I trust that no appeal will be taken, because it is not our desire to jam and rush it through regardless of the rules of this House. We do not desire to set them aside and create an impression on the Members of the House that we are seeking to embarrass the orderly procedure of the House, but we do desire to know what the rules are, so that we may proceed in accordance with them in the future. I thought it was fair to the Speaker and to the Members of the House that I should make the point and get the ruling definitely and officially, and if the Speaker should decide against us it is our purpose to abide by his decision.

Mr. MADDEN. Mr. Speaker, the rules of the House are clear as to what our duty and that of the Speaker is. The rule provides:

At any time after the reading of the Journal it shall be in order, by direction of the appropriate committees, to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering bills raising revenue, or general appropriation bills.

As early as 1835 the necessity of giving the appropriation bills precedence became apparent, and in 1837 a rule was adopted which established the principle which continues in the present rule.

The mere fact that the Interstate and Foreign Commerce Committee has been discharged from the consideration of the bill introduced by the gentleman from Kentucky [Mr. BARKLEY] does not place it in any different status than an appropriation bill which the Committee on Appropriations has reported. If the contention of the gentleman from Kentucky to the effect that because his bill has been discharged from further consideration by a committee and has had consideration by the House it is privileged for continuous consideration—that argument would also apply to appropriation bills which have had consideration for several days. The bill which I moved to go into Committee of the Whole House for the consideration of has been before the House. It is true the committee was not discharged from its consideration by a vote of the House, but the committee has been discharged just as effectually; and, moreover, the bill that I propose to ask consideration for is a privileged bill under the rules of the House, while the bill that the gentleman is insisting upon giving consideration to has no privilege under the rules of the House except as any bill on Calendar Wednesday would have, for example. It comes within that class, in my judgment. A bill providing for consideration on Calendar Wednesday could not be taken up on any other day. I maintain that the rule which authorizes the discharge of a committee from consideration of a bill places such a bill in the Calendar Wednesday class, that it could not be taken up except on a special day provided for the consideration of such bills, namely, on suspension day or the day when bills can be taken up by unanimous consent.

Then, too, Mr. Speaker, the very life of the Government depends upon the passage of appropriation bills. The Government itself can not function without that, and if the contention of the gentleman from Kentucky be sustained by the Speaker, what is to prevent other Members of the House having discharge motions similar to the one the gentleman from Kentucky is insisting upon, from putting those in the way of appropriation bills and preventing appropriations being made for the conduct of the Government.

Mr. WINGO. Will the gentleman yield?

Mr. MADDEN. I yield.

Mr. WINGO. Do I understand the gentleman's position to be that this bill on days other than the first and third Monday is in exactly the same position that it would have been in had the Committee on Interstate and Foreign Commerce reported it to the House and it had taken its regular place on the calendar?

Mr. MADDEN. If the committee had reported the bill and it had taken its place on the calendar and the House had gone into consideration of that bill, it would have been in order on all days which the rules of the House themselves did not prohibit.

Mr. WINGO. I think the gentleman misapprehended my question. The contention of the gentleman is that the fact the committee has been discharged does not give this bill any more of a privileged status on days other than the first and third Monday than it would have had if it had reached the calendar in the regular course.

Mr. MADDEN. That is the point.

Mr. WINGO. And if it had reached the calendar in the regular course and the rule had made it in order, the unfinished appropriation bill being of higher privilege would be entitled to recognition rather than this bill?

Mr. MADDEN. That is the contention that I am endeavoring to make. I may not have made myself clear, but that is what I have been trying to tell the Speaker. Mr. Speaker, there can be no doubt about appropriation bills having a higher privilege than the bill referred to by the gentleman from Kentucky [Mr. BARKLEY]. My contention is that that bill has no privilege except on the first and third Mondays of the month, and that the bill that I have moved the House go into the Committee of the Whole to consider is privileged not only today but every day, except on particular days, above the bill which we had up yesterday.

Mr. CRISP. Mr. Speaker, it is with reluctance that I enter into this discussion, and I do it only because I feel impelled by a sense of duty that I owe to the House to present my views to the Speaker on the construction of this rule. I played some inconspicuous part in the drafting of this rule and in defending it on the floor of the House when it was before the House for consideration. The rule was not drafted for this bill, because this bill has never been introduced. The rule was not drafted for any particular bill, but the rule was drafted for the purpose of providing a workable discharge rule of the House whereby on certain days the House might have an opportunity to work its will, and, in passing, I may say this rule has demonstrated that it will do that. Some friends have said that the filibuster resulted from the discharge of the rule. Not so. If the committee had reported this bill favorably and the bill had been under consideration under the general rules of the House, everything that took place yesterday could have taken place. The rule simply brought the bill before the House. The reason for the rule was to give the House an opportunity to take from a recalcitrant committee any bill they were pigeonholing; to give the House a chance to consider. The rule was not designed to give a higher privilege to a bill taken from the committee under its terms than a bill favorably reported from the committees of the House possesses.

I think the point of order made by the chairman of the Committee on Rules [Mr SNELL] that this motion is not in order to-day, but that it goes over until the next suspension day, is absolutely correct, and why do I say that? When the House was considering the question of whether or not to adopt this discharge rule, I was debating it. That was on January 14 of this year. I was interrupted with a volley of inquiries. The gentleman from New York [Mr. LAGUARDIA] asked me in my opinion if the rule was adopted, and a bill was taken up and not disposed of, whether it would come up the next day or go over until the next suspension day. I replied that it would go over to the next suspension day. Later, the gentleman from Connecticut [Mr. TILSON] propounded to me the inquiry which the gentleman from Kentucky [Mr. BARKLEY] has already read to the Chair, and which I shall not again read.

He asked me the question whether if the House voted to discharge the committee from consideration of a bill, and then after that proceeded to its immediate consideration and failed to finish the bill on the Monday, if it would go over until the next suspension day or come up the following day, Tuesday, like to-day. I replied that it would go over until the next suspension day; that it would not come up on Tuesday. The gentleman from Connecticut replied that he thought that construction was correct, and thought that was what the rule meant. The gentleman from Virginia [Mr. MOORE] later on asked me the question, corroborating the construction that I placed upon it in debate by saying that in a short session of Congress, if the rule was adopted, there would be only a very limited number of days in which the rule could be brought up, and he gave the number of days in a Congress on which this rule might be brought up in the long session of Congress. I think he figured it as 12 in case the Congress adjourned about the 1st of June. He called attention to that in support of my contention that it went over by saying that the rule would not work havoc or interfere with the House in the transaction of its necessary business, but that it was workable only on a certain limited number of days in a session of Congress.

I call the attention of the Chair to these facts simply because a court in construing any statute is permitted to read the debates of the legislative body in arriving at what the intent of the legislative body was which enacted the statute, and the court would give great weight in construing a statute to those debates as indicative of the intention of the legislative body in adopting it. In view of the debate, in view of what took place on the floor of the House on January 14 when the House was considering whether or not it would adopt this rule, it seems to me conclusive as to the intent of the House as to this rule. On the floor, as I have before stated, I answered that I thought it would go over until the next suspension day. I was not expecting that question, but I answered what I honestly thought about it, and since then I have investigated the matter and I am confirmed that the position that I took then was absolutely correct, and the only one that is tenable.

Why do I say that? The discharge rule provides that when the House discharges a committee, it is in order to move to take the bill up for immediate consideration, and the motion to proceed with immediate consideration is made of high privilege, but the bill itself is not made a privileged bill. The motion is made privileged. The bill is not made privileged, but if the motion to proceed to the consideration of the bill prevails, then the rule says what? It says that the bill shall be considered under the general rules of the House. If the drafter of that rule had desired to make it a continuous order of business, it could have been made so by the insertion of a few words saying that it is a privileged bill and that it should be continued from day to day until disposed of, but

the rule does not say that. The rule says that it shall be considered under the general rules of the House. What are the general rules of the House? No one rule of the House is superior to the other rules of the House, but they are to be construed in an entirety; it is one complete code of procedure for this body, and it is of the utmost importance that we have orderly procedure. It is of great importance to the majority party in the House to see that the rules are fairly and properly construed so as to enable them to legislate, and it is vital to the minority that the rules be accurately, fairly, and consistently construed, because the rights and liberties of the minority depend upon them. What are the general rules of the House? We have a general rule of the House providing for the order of business which my friend from Kentucky read, providing that after the reading of the Journal and the clearing of the Speaker's table and the disposal of unfinished business, then the morning hour for the consideration of bills called up by committees. The Speaker knows that that is an obsolete rule. I do not think the House has proceeded under that rule since the present occupant of the chair has been Speaker. I mean by that it has not followed that rule literally, because there are other special rules which supersede this rule, and the whole code of rules is construed together by the Speaker and he determines which rule controls the legislative situation for each particular day.

Mr. NELSON of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. NELSON of Wisconsin. Let me ask the gentleman a few questions about this rule. The gentleman did me the honor when he prepared this rule of coming to my office and submitting it to me. I was misled by the language "the general rules of the House." Had the gentleman inserted the language "special rules of the House" I would have understood that it was considered like Calendar Wednesday; but "the general rules of the House" would indicate to me, and did to all of us who were behind this proposition, that it would be considered like any other bill that comes up and continues from day to day. Will the gentleman kindly explain that?

Mr. CRISP. I am sorry my friend was misled. I am sure he knows that it was unintentional on my part——

Mr. NELSON of Wisconsin. Entirely so.

Mr. CRISP. And I made no statement to mislead the gentleman except to let him read the rule as drafted.

Mr. NELSON of Wisconsin. The gentleman is correct.

Mr. CRISP. I want to say further to my friend, if he was misinformed then as to the meaning of that rule, he did me the honor to be present here when I was discussing the rule on the floor of the House.

Mr. NELSON of Wisconsin. May I say to the gentleman——

Mr. CRISP. Let me finish this, please, and then I will yield. I want to answer the question. If the gentleman will turn to the page he will find where they asked me what was meant by the "general rules," and I said if a bill was up, it was up under the general rules, and clause 4, Rule XVI, applied; and that when a measure was up for consideration it was considered under the general rules of the House, open to amendment, debate, and so forth; that you could move to amend, to close debate, to refer, to postpone, to lay on the table, or do anything with it that the general rules authorized.

Mr. NELSON of Wisconsin. I wish to withdraw the word "mislead," because the gentleman could not——

Mr. CRISP. I understood the gentleman did not mean anything. We are very close friends.

Mr. NELSON of Wisconsin. I understood then, and we did generally understand, that that day was picked out in which to bring up a motion to discharge and that we would have other days to consider it, and because my distinguished friend said that on the floor, and undoubtedly because it also led others to vote that way, that the gentleman, my friend BARKLEY, asks now a ruling from the Speaker without any desire to appeal from the Speaker's ruling. Now, then, the gentleman knows the measure also contained these words, "shall have the highest privilege." Now, was not it his intent that we should give it a continuing privilege?

Mr. CRISP. No; my idea in writing "highest privilege" was for the purpose of making the motion to proceed with the consideration—if it was possible for this House to make one motion superior to all others—to make that motion superior and of the highest privilege so as to try to cut off a proposition which the gentleman from Illinois has just argued to the Speaker. If there are two highly privileged motions and gentlemen contending for recognition by the Speaker it is entirely discretionary with the Speaker as to which one he will recognize, and there is no appeal from the decisions of the Chair in question of recognition, and I was trying to scotch that proposition by putting in the rule a motion to proceed to the consideration that would be of the highest privilege, so if anybody else was up contending for recognition on a privileged bill we could argue with the Speaker this would take that matter out of the ordinary procedure and made it of the highest privilege, and he would have to recognize them to make a motion to proceed to the consideration of the bill just taken from a committee. These were the thoughts in my brain when I used those words.

Mr. NELSON of Wisconsin. If the gentleman will yield for another question——

Mr. CRISP. I hate to take up so much time of the House.

Mr. NELSON of Wisconsin. The committee changed the words from "highest privilege" to "high privilege." Does the gentleman think that would deprive us now of a right of way over an appropriation bill?

Mr. CRISP. Well, it would be tenable to argue that the use of the words "high privilege," if a motion was made to proceed with the consideration of another privileged matter, gave preference to the motion to consider the discharged bill, and I feel confident that would be persuasive with the Speaker to give prior recognition to this motion first.

Mr. NELSON of Wisconsin. One more question, if I may. The gentleman used the language "shall proceed to immediate consideration."

Mr. CRISP. Yes.

Mr. NELSON of Wisconsin. What is the force of "immediate"?

Mr. CRISP. So as to prevent any dilatory motions coming in. I apprehended we might be met with the very situation of yesterday; a filibuster by numerous motions to adjourn, to reconsider, motions to lay on the table, motions to do this, that, and the other, and roll calls, and that is why I put in "shall proceed immediately," which cuts off all of these motions coming in and required the House to vote at once on the motion to consider.

Mr. HASTINGS. Will the gentleman yield?

Mr. CRISP. I do not think it is fair to the House that I should take up so much time.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CRISP. I yield to the gentleman from Oklahoma, and then I will yield to the gentleman from New York.

Mr. HASTINGS. Now, let us assume that the House has assembled on the third Monday of this month. Under the rules of the House the Consent Calendar is in order. I would like to hear the gentleman discuss whether a motion to consider this bill would be in order over the bills upon the Consent Calendar on the third Monday of this month?

Mr. CRISP. I will answer the gentleman very easily. You have had a discharge here for many years. The discharge rule was put at the tail end of the suspension rule. You first had the Consent Calendar business and then the suspension business, and when that was over, which contingency never arose, then it was in order to call up the discharge rule. The House always adjourned for the day before the discharge rule was reached. As I said, I wanted a discharge rule that would work. The discharge rule will never clog the calendar, because it takes 150 signatures to get a motion to discharge on it, and if a discharge rule did not come up the first thing it would be but a dead letter, and therefore in redrafting the rule I put the discharge rule first, so the motion would be reached and the rule work so the House could go on record as to whether or not it wanted to discharge a committee. That was the purpose. I yield to the gentleman from New York.

Mr. LAGUARDIA. If the second vote for the immediate consideration of the bill after the discharge of the committee had not been taken, would the bill be in a better position than it is by reason of the fact that the second vote required immediate consideration? Because if the gentleman will look at the second clause there, he will find that it says if the House by vote decides against immediate consideration of such a bill or resolution "it shall be referred to its proper calendar and be entitled to," and so forth. Therefore if the vote had been adverse, instead of favorable, would the gentleman contend that the conditions of the bill are alike?

Mr. CRISP. I think the bill is in better condition, and a more advantageous parliamentary position, by virtue of the House having decided to consider it. In drafting the rule I thought that the House might want to discharge a committee and might not care to consider the bill on that day. So the rule provided that they could discharge, and if they did not care to proceed with the consideration of the bill it could go to the appropriate House Calendar.

However, the second proposition puts it before the House, and if they desire to proceed with it, they can do it. This bill is now on the Union Calendar and the unfinished business on suspension days. When a bill comes in by report from a committee or by discharge from consideration it must go to one of the three calendars of the House or to the Speaker's table. But only bills from the other legislative branch go to the Speaker's table. There are only three receptacles where that bill can repose in the House. One is on the Union Calendar. Bills of a public nature, making a charge on the Treasury, go to the Union Calendar. Other bills of a public nature, not making a charge on the Treasury, go to the House Calendar, and all private bills go to the Private Calendar; so that this bill in my judgment is on the Calendar of the Committee of the Whole House on the state of the Union, and it is also the unfinished business on suspension day.

Mr. SHALLENBERGER. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. SHALLENBERGER. I would like to submit this proposition to the gentleman from Georgia, because of the fact that the House recognizes his ability in the House as a parliamentarian and on account of the further fact that he is the author of the rule. There are two distinct provisions in this rule, as it seems to me. The first is the authority to call up the bill on a certain day under this rule. That provision of the rule provides that it can only be done on a certain day. The second provision of the rule is that if the House desires to vote, it can vote on the question of consideration. That part of the rule is made a matter of high privilege.

Mr. CRISP. The motion to proceed to consider.

Mr. SHALLENBERGER. Does not that motion go to the bill? Is not the only reason under the rule why the gentleman from Illinois [Mr. MADDEN] now arises and asks the House to give consideration to his bill, not because the bill is privileged but that the motion is privileged?

Mr. MADDEN. Let me interrupt the gentleman. This bill is privileged that I am trying to get before the House.

Mr. SHALLENBERGER. It is privileged because the motion is privileged.

Mr. MADDEN. The bill itself is privileged.

Mr. SHALLENBERGER. If the gentleman's motion were not privileged, he could never get the bill before the House. The bill is privileged because the motion is privileged.

Mr. MADDEN. Not at all. The bill is privileged, and so is the motion.

Mr. SHALLENBERGER. The motion is privileged, and therefore it follows that the bill is privileged under the rules.

Mr. CRISP. Mr. Speaker, I wish to resume, at the point where I was diverted, by presenting the facts to the Chair as to my judgment why this bill goes over to the next suspension day.

This discharge rule is not a separate, distinct, independent rule, but it is an integral part of Rule XXVII, which is a suspension rule. It is clause 4 of the suspension rule. That suspension rule is only workable on the first and third Mondays of each month. The House has a Calendar Wednesday rule only workable on Calendar Wednesday. Under the rule the second and fourth Mondays are set apart for District of Columbia business, only workable on those days. The rules provide that on Fridays it is in order to move to take up the Private Calendar. That motion can not be made except on those particular days.

Now, when you construe the whole set of rules together, any matter called up on any of those special days goes over as unfinished business until the days when that particular class of special legislation or business comes up. There are rulings that where a motion is called up on suspension day to move to suspend the rules, and the motion has been seconded, this undoubtedly puts it before the House. The House then is considering it, and if the House adjourns and the matter is undisposed of, it goes over until next suspension day. If a bill is called up on Calendar Wednesday and the House considers it and does not finish it, under the undisputed precedents of this House it does not come up on Thursday, but goes over until the next Calendar Wednesday, and comes up as unfinished business on the next Wednesday. Bills from the Committee on this District of Columbia not concluded on Monday do not come up on Tuesday, but go over until District of Columbia business is next in order and come up as unfinished business. That is also true as to bills on the Private Calendar. And in my judgment this bill, being in order only to be called under Rule XXVII, which is a special suspension rule, the rule only working on the first and third Mondays of each month—to my mind it is conclusive that if business called up under its terms is undisposed of it goes over until the day when that class of business, to wit, business under the suspension rule, is next in order, the first and third Mondays; and I think the point of order is good. [Applause and cries of "Rule!"]

Mr. COOPER of Wisconsin. Mr. Speaker, I would like to ask the gentleman from Georgia a question.

The SPEAKER. Does the gentleman from Georgia yield to the gentleman from Wisconsin?

Mr. CRISP. Yes.

Mr. COOPER of Wisconsin. The rule governing Calendar Wednesday specifically provides that certain bills shall be considered only on Calendar Wednesday; that certain bills on the Private Calendar shall only be considered on a certain day, and it specifically mentions the bills. This rule—27—provides that the motion to discharge a committee shall only be heard on certain days, but it does not say that the bill called up shall be considered only on those days, but it shall be considered under the general rules of the House. It does not say that they shall be considered only on Monday. The motion can be taken up only on Monday, but the bill itself is considered under the general rules.

The gentleman from Illinois [Mr. MADDEN] has brought up the question of the privilege of a general appropriation bill. That is true, but it is not privileged as against Calendar Wednesday, because Calendar Wednesday has a specific rule applying to bills and mentions the bills which can be heard on that day. That is not the case here. Here is a motion which can be taken up only on Monday, but a bill called up can be considered under the general rules. The cases are not similar.

Mr. CRISP. In answering the gentleman let us consider the history of Calendar Wednesday. Under the order of business rule they had a morning hour for the call of committees, and under that hour you could not take up a bill which made an appropriation or which was a charge on the Treasury. It was contended that under the congestion of business here it was impossible to get up public bills unless they had a privileged status. The rules provided for the consideration of private bills, and you had Private Calendar days, Fridays, but there was no general rule setting apart a day or an opportunity to consider public bills, especially those that were a charge on the Treasury. So they adopted the Calendar Wednesday rule, and that rule made it in order for a committee, when it had the call, to call up any bill it had previously reported of a public nature. Private bills can not come up on Calendar Wednesday. You can not get up an appropriation bill under the Calendar Wednesday rule, but any bill of a public nature, nonprivileged in character, whether it made an appropriation or not, is in order on Calendar Wednesday, and that is the history of the Calendar Wednesday rule. I do not think it conflicts at all with this rule. It is one of the general rules of the House, and all of the general rules must be construed together.

Mr. NELSON of Wisconsin. Mr. Speaker, I will not thrash over the same things. Some of us who are very much interested in the rule that is being considered desire the Speaker, because of his fairness, his large experience with the decisions of the House, and also his long experience under the rules, give us an interpretation of this rule as he sees it.

We believe that it had a much larger scope than the gentleman from Georgia [Mr. CRISP] has indicated, and the Speaker also, the other day. We hoped that it would enable the will of the House to function effectively, but if it shall be narrowed to the channel of only two days a month and then shall be subject to a continued filibuster, of course, it can not be expected to work the will of the House. It may, therefore, need to be strengthened and enlarged. I had the promise of the distinguished chairman of the Committee on Rules and of individual members of the committee, publicly and privately, that we should have an opportunity to consider further amendments to the rules in the House this Congress. I wish to say that, after going over all the proposed changes introduced by me, I have not urged further consideration by the committee, because there was a multiplicity of other things pressing for attention; but I hope that at the end of the vacation we can take up these proposed reforms in our rules for further consideration in the House. Moreover, I have been expecting the gentleman from Massachusetts [Mr. LUCE], who presented some very splendid suggestions, and the gentleman from Ohio [Mr. BURTON], who has other thoughts of revision, to commence to press for consideration.

Now, if we can have a ruling by our able Speaker, pointing out the deficiency as he finds it in this discharge rule, and see it tested under a filibuster, we can amend the rule so that it will work as was intended. I invite the decision of the Chair and shall cheerfully abide by it. I would prefer to revise it

in the Committee on Rules than by an appeal from the decision of the Chair, should the ruling be adverse to our contention.

Mr. GARRETT of Tennessee. Mr. Speaker, if I may have just two or three minutes?

The SPEAKER. The gentleman may have as much time as he desires.

Mr. GARRETT of Tennessee. Of course, I realize that the statements of the gentleman from Georgia [Mr. CRISP], who was the author of this rule in its present form, will necessarily have very great weight with the Chair in construing it, and because of my great respect for the parliamentary skill and ability of the gentleman from Georgia I hesitate very much to express an opinion different from his as to the construction of the rule.

Nevertheless, Mr. Speaker, I do not concur with him in his construction. It has been my idea that the motion to discharge, and that alone, was confined to certain Mondays. I do not believe that the motion of the gentleman from Kentucky [Mr. BARKLEY] is of higher privilege than the motion made by the gentleman from Illinois [Mr. MADDEN], but I do believe that under a proper construction of the rule the motion of the gentleman from Kentucky would be a privileged motion equal in dignity to the motion made by the gentleman from Illinois. So that if the House should choose to vote down the motion made by the gentleman from Illinois, and other motions of a privileged character, until it reached the point where it could pass upon the motion presented by the gentleman from Kentucky, it seems to me it would be in order.

It has seemed to me that under the language of the rule—construing it as it expresses itself and not by what was said in debate at the time of its adoption—that its fair meaning would be that after the House had once determined to discharge and then had adopted a motion to go into immediate consideration, if it were a Union Calendar bill, such as the particular one was yesterday, that it would become the unfinished business at the conclusion of the committee's sitting for that day, to be taken up when the House again determined it should go into Committee of the Whole House on the state of the Union for its consideration, and not go over as special business until some succeeding Monday.

I think the expression "under the general rules of the House" does not refer to special days. I think the expression "under the general rules of the House" has reference to the question of whether it is a Union Calendar bill or a House Calendar bill; that it means that if it be a Union Calendar bill, then the House shall go into Committee of the Whole to consider it.

If it be a House bill, then it would be considered in the House and not in the Committee of the Whole and the general rules of debate would apply to it. I think that is what the expression "general rules of the House" means. Now I yield to the gentleman from Wisconsin.

Mr. NELSON of Wisconsin. I would like to ask the distinguished leader of the minority, who is also a member of the Committee on Rules, if in all of our consideration of this motion in the committee, whether the suggestion that it would be under the special rules of days ever arose in his mind or if he heard anyone else suggest that idea?

Mr. GARRETT of Tennessee. Before the Committee on Rules?

Mr. NELSON of Wisconsin. Yes.

Mr. GARRETT of Tennessee. I do not think so. I do not recall that question being raised before the Committee on Rules. I do recall what was said by Mr. CRISP during the debate on the floor of the House.

Mr. NELSON of Wisconsin. I mean that was the only instance of that kind.

Mr. GARRETT of Tennessee. Yes.

Now, Mr. Speaker, if the motion to consider had not been passed yesterday, then the bill would have taken its place on the calendar and could have been considered only on Calendar Wednesday or, of course, under some special rule brought in by the Committee on Rules if the Committee on Rules had seen fit to do so; but it having been taken up yesterday, the committee having been discharged and it having been taken up for consideration, it does seem to me that it has now a status which entitles it to consideration upon any day that a privileged bill reported from any committee would be entitled to consideration, if the House by a majority vote wishes to consider it.

Mr. DENISON. Will the gentleman yield for a question?

Mr. GARRETT of Tennessee. I yield.

Mr. DENISON. The gentleman holding those views does not agree with the gentleman from Georgia that if this bill goes over until the third Monday, it will not have any special privilege over other suspension business of that day.

Mr. GARRETT of Tennessee. Did the gentleman understand that the gentleman from Georgia made that construction?

Mr. DENISON. I understood him to say so.

Mr. CRISP. If my friend will yield, I tried to make it plain that, in my judgment, this bill would come up the first thing as unfinished business on the next suspension day.

Mr. GARRETT of Tennessee. That is the conclusion I understood the gentleman from Georgia to state. Of course, if the House should vote it down, then the House would go on with the other business on that day's calendar; but if the House votes it up, then, of course, you destroy the Unanimous Consent Calendar and suspensions and everything else; but under the construction of the gentleman from Georgia it is the first order of business on that Monday.

Mr. DENISON. Does the gentleman from Tennessee agree with the gentleman from Georgia in that respect?

Mr. GARRETT of Tennessee. Yes. If it is to be held that it is only in order on Mondays, then I do agree with that construction.

Mr. NELSON of Wisconsin. Will the gentleman yield for a further inquiry supplemental to my other question?

Mr. GARRETT of Tennessee. I yield.

Mr. NELSON of Wisconsin. Does not the gentleman think that when the Committee on Rules considered this bill and our amendment to the Unanimous Consent Calendar that if we had thought for a moment the ruling would be that this bill would only be considered on suspension day we would have taken care of suspension and unanimous-consent matters in a better way than we have? We have destroyed them utterly if this suggested ruling prevails.

Mr. GARRETT of Tennessee. I can not answer what would have been in the minds of the various members of the Committee on Rules if that construction had been then laid before them.

Mr. MOORE of Virginia. Mr. Speaker, I will only detain the House a few minutes. I was one of those who voted to discharge the committee because I thought the House was entitled to consider the bill. Personally I think from many points of view it would be undesirable to make the rule more drastic than it is, but yet I think our friends upon the other side must recognize—I am not saying this in any censorious way—if we have many such performances as we had yesterday, a majority of the House, which stands for this discharge rule, will make it more drastic. [Applause.]

Mr. Speaker, so far as the point or order is concerned, I concur in the view expressed by my esteemed friend, the gentleman from Georgia [Mr. CRISP].

If this were a case in court, as I understand, ordinarily the court finding that when the law was before the legislative body there was an interpretation given to it by its author and given it throughout the proceedings, and absolutely uncontested the court would almost, as a matter of course, accept that interpretation, and that is the condition we have here. The Supreme Court, for instance, should it find that Mr. Madison of Virginia offered some provision in the constitutional convention and in debate his interpretation of that provision had been acquiesced in by the convention, the court would take that interpretation as practically final.

Mr. Speaker, there is another consideration. Not only are we, the gentleman from Georgia [Mr. CRISP] and myself and some others, bound by the view which we expressed, in the course of the debate, but the House, it seems to me, is in a large sense bound by the very circumstance that that view was not contested.

What was argued in the House when the rule was before the House? It was strongly argued that a group of 150 Members might bring forward any bill, however voluminous, have the committee discharged, have the bill taken up for immediate consideration, and then the consideration protracted indefinitely during the following days and the following weeks. That was the argument, and that argument had to be met, and that argument was met by the construction which was given to the rule by the author of the rule himself, and apparently agreed to by the House.

Connected with this is a very common principle that the courts lay down, and that is, that the matter of convenience should properly be taken into account.

If it is true, whether we wish it to be true or not, if it be true that the measure taken up under the discharge rule on a certain Monday shall be continued as the order of business without any limit, then it is certainly true that it would be possible to confine the House to the consideration of one particular measure for no telling how long, which might greatly embarrass the House and be detrimental to the interests of the country.

Mr. BARKLEY. Will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. BARKLEY. Might not that obtain under the consideration of any bill regardless of how it might come up? It is a fact that this bill comes up under a rule which gives it a peculiar consideration different from any other bill under consideration in the House.

Mr. MOORE of Virginia. I thought my friend in discussing the point of order submitted the suggestion that inasmuch as the bill was taken up yesterday and its consideration not concluded that it has a continuing privilege status.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. LAGUARDIA. What the gentleman has said about the intent of the rule as manifested in the debate on the floor of the House is true. The gentleman will recall that when the distinguished chairman of the Committee on Rules [Mr. SNELL] took the floor in opposition to the motion of the gentleman from Georgia [Mr. CRISP] the chairman of the committee made this significant statement:

> Let us see just what might happen if you discharged a committee from an important bill, like the railroad bill, water power bill, farm credits, forestry, or others I might mention. Now, what would be the situation if one of those pieces of legislation was suddenly taken to the floor of the House without any previous consideration by the committee, without the information and facts always presented by the committee? What would happen if, for example, my friend NELSON discharged the committee and brought the railroad bill onto the floor for consideration? I predict that after it had been considered by the House two or three days under the chaotic conditions that would prevail, it would be kicked bodily out of the House.

Mr. SANDERS of Indiana. That does not say on consecutive days.

Mr. MOORE of Virginia. Well, let us assume that the chairman spoke of two or three consecutive days. I do not think a fugitive utterance by the chairman of the Rules Committee can be put against what seems to be the conclusion of the House itself, if we can infer anything from the debate.

Mr. LAGUARDIA. The utterance of the chairman of the Committee on Rules as to what would happen to the railroad bill I do not think can be called a fugitive statement.

Mr. MOORE of Virginia. Well, perhaps not. While I have stood with my friend from Kentucky [Mr. BARKLEY] and have voted for the discharge of the committee, I am simply obliged now on a question of how the rule should be interpreted to stand with my friend from Georgia [Mr. CRISP].

There is one other thing that is in the minds of some gentlemen, and that is that two weeks hence they intend to raise the question as to whether the bill, which has been partly considered, will have a privileged status on the Union Calendar. It is just as clear from the debate as it is clear from the debate that the bill is not entitled to continued consideration; that if the House does not conclude the consideration of a bill on the Monday when it is taken up then on the following suspension day it will have a status that would entitle it to consideration in preference to other bills. The House was of that opinion.

Mr. DENISON. Will the gentleman yield?

Mr. MOORE of Virginia. I will.

Mr. DENISON. If that construction proves to be true, the effect of the discharge rule would be to absolutely do away with suspension and unanimous-consent bills during the rest of the session of Congress if a bill like the Barkley bill is brought up.

Mr. MOORE of Virginia. I think the gentleman goes too far in assuming conditions that may not often exist. I am simply forestalling a point that I predict is going to be made two weeks hence, namely, that the bill is not entitled to a privileged consideration.

The SPEAKER. Gentlemen will confine themselves to the point of order.

Mr. MOORE of Virginia. I was only anticipating a little.

Mr. COOPER of Wisconsin. Mr. Speaker——

[Cries of "Vote!" "Vote!"]

Mr. COOPER of Wisconsin. Mr. Speaker, there is no Member of the House for whom I entertain a more sincere respect than I have for the gentleman from Virginia [Mr. MOORE]. I served with him on the Committee on Foreign Affairs and know his great learning and ability and his fairness. But he has just made a statement with which I can not at all agree. I refer to the statement with which he prefaced his remarks, that he and the gentleman from Georgia [Mr. CRISP] are bound by what they said in debate as to the meaning of the rule we are now considering. Now, I can not believe that the distinguished gentleman from Virginia will hold himself to be bound by what he said in that debate, if convinced that he was wrong.

The Supreme Court of the United States reversed itself in the legal tender cases, two of the most important that ever came before that eminent tribunal.

And surely if the Supreme Court of the United States can reverse itself, it would not be unconscionable for the distinguished gentleman from Virginia to think that he is not absolutely bound by something he carelessly said in debate here. No, Mr. Speaker, the proposition laid down by the gentleman from Virginia is not sound in either law or ethics.

Gentlemen have dwelt upon what was said in the debate on the rule. Now, in law, the conversation and negotiations preliminary to the making of a written contract are merged into the contract itself; and in interpreting it the question is, What does the written instrument itself mean?

The question before us now is not what was said in debate before the rule was adopted, but what is the fair interpretation of the rule itself in the light of what it was intended to accomplish?

Mr. Speaker, this rule was brought onto the floor and adopted because sometimes committees deliberately strangle bills. Of this there is no doubt. One of the newspapers in this city some years ago editorially charged the packing of a certain committee in Congress, and if it were necessary I could enumerate important measures that have been deliberately pigeonholed in committee despite the fact that a clear majority of the House wished to consider them. The rule now before us was introduced for the purpose of putting a stop to that evil practice and to bring onto the floor measures that a majority of the Members might think ought to be considered.

Gentleman are, it seems to me, asking the Chair to make an extraordinary ruling. And here I beg the indulgence of the Chair while I read something with which he is, of course, perfectly familiar but the reading of which may perhaps bring more clearly to his attention the point that I wish to make.

The arguments of my distinguished friends, the gentleman from Virginia and the gentleman from Georgia, are based largely upon an alleged analogy or similarity between this Rule XXVII and the procedure under it and the provisions of, and the practice under, the two special rules relating, respectively, to the Private Calendar and to Calendar Wednesday. I read from the special rule for the Private Calendar:

> On Friday of eachweek, after the disposal of such business on the Speaker's table as requires reference only, it shall be in order to entertain a motion for the House to resolve itself into the Committee of the Whole House to consider business on the Private Calendar in the following order: On the second and fourth Fridays of each month preference shall be given to the consideration of private pension claims and bills removing political disabilities and bills removing the charge of desertion.

It will be observed that there is in the special rule for the Private Calendar an express provision that certain bills shall be considered on certain days. The word "bills" is used, and the days on which those bills are to be considered are expressly mentioned. In a similar way the Calendar Wednesday rule in specific terms provides that under certain conditions certain "bills" are to be considered on Calendar Wednesday. But this rule that we are discussing and asking the Speaker to interpret contains no such provision fixing definite days for considering bills. It provides that on the first and third Mondays motions shall be in order to discharge committees; that such motions are privileged; and that if such a motion is carried, a motion may then be made that the House proceed to the immediate consideration of the bill or resolution.

It further provides that if the motion shall be decided in the affirmative the bill shall be immediately considered under the "general rules" of the House. But Rule XXVII, that we are considering, does not say that the bill thus brought up shall be considered only on the first and third Mondays of the month. Ordinarily, under the general rules of the House, if consideration of a bill is not completed on Monday it becomes unfinished business, and a motion to take it up will be in order on the next day. Mr. Speaker, gentlemen are asking an interpretation of Rule XXVII which would so change it that instead of providing, as it now does, that the bill shall be immediately considered under the general rules of the House, it will provide that the bill shall be immediately considered on the first and third Mondays of the month, a construction which absolutely violates the very purpose for which the rule was suggested and voted for by its friends. I suggest, Mr. Speaker, that, regardless of what

was said in debate on this floor, to interpret that rule now to mean that we can take the bill up only on the first and third Mondays of the month is to insert into the plain language of the rule other language which, in my judgment, violates its whole spirit and intent.

Mr. WINGO. Mr. Speaker, the rule under consideration is embodied in paragraph 4 of Rule XXVII. It has three separate and distinct substantive propositions—first, the motion to discharge the committee; second, the motion for immediate consideration; and, third, the consideration of the bill itself. The rule specifically provides the time and the manner for the consideration of each of those three propositions. It provides that the motion to discharge shall be in order on the first and third Mondays. Nowhere else in the rule does the proposition about the first and third Mondays apply. It provides that when the motion to discharge has been adopted it shall then—the word "then" fixes the time—be in order to move the immediate consideration of the bill. The rule also provides that if the motion for immediate consideration be decided in the affirmative the bill shall be considered—how and when?

As to time, it says immediately. How, under the general rules of the House? The words "under the general rules of the House" do not apply to the time it shall be in order to consider it but the rules under which its consideration shall proceed. It applies to the method of consideration, the rules governing consideration, not the time when it may be considered. The time is immediately. Now, the gentleman from Georgia [Mr. CRISP] says that you could very easily have added certain words and have made it a continuing order. Why, with equal force it could be urged that if it were intended to consider it other than immediately you could have written in the words "on the first and third Mondays shall be considered under general rules of the House." But the House did not do that. So, in considering this point of order the Speaker does not consider the motion to discharge or the motion to proceed to immediate consideration. He considers only the last proposition, the time when and the rules governing procedure. What is the meaning of the words "the bill shall have immediate consideration under the general rules of the House"? Let us see what the House decided. What happens if you do not decide in the affirmative? The rule contains just what the contention of those who are supporting this point of order contend, but only when the motion for immediate consideration is negatived.

The rule contains a provision that the status of this bill shall be what the proponents of this point of order urged in the event the consideration motion fails. What is its present status if the motion to consider immediately is voted down? What is it? Then it takes its regular place on the Calendar. And then what? If the House shall by a vote decide against immediate consideration it shall be referred to its proper calendar and be entitled to the same rights and privileges that it would have had had the committee to whom it was referred duly reported the same to the House for its consideration. That is the exact language of the rule. That is the contention upon which this point of order is brought up to-day, that this bill is on the Union Calendar, that it has no right other than on the first and third Mondays to be considered as a general proposition, and if the Chair sustains the point of order he will have to be confronted with this proposition, that it will be on the Calendar considered under the general rules of the House, with no specific direction of any particular day on which it shall be considered, and the theory of those who make this point of order to-day, if followed to its logical conclusion, will impel them when the third Monday arrives to raise the point of order that it has no particular privilege on that day, but that the Speaker may elect to take any one of three classes of bills in order on that day, this particular bill being only one of those classes. That will be the logical conclusion of those who support this point of order. I submit the further contention that you must not confuse a restriction of time governing consideration of the discharge motion with the language of the rule with reference to the consideration of the bill after the discharge motion is adopted. "Immediately" means immediately. So that this bill is the unfinished order of this House under this rule, adopted after all the other rules have been adopted, or else it is on a calendar subject to the general rules of the House and having no other right than it would have had if the Committee on Interstate and Foreign Commerce had reported it favorably, but the rule specifically provides that condition shall only exist where there is a negative vote against the motion for immediate consideration. The House did not give that negative vote, it gave an affirmative vote, and it gave it that privileged status that the House can not ignore.

The SPEAKER. The Chair appreciates that this is an important question, because it is a precedent for the future conduct of the House under this rule. Let us consider the exact parliamentary status. The Chair recognized the chairman of the Committee on Appropriations to move to take up an appropriation bill which was partly finished. As against that the gentleman from Kentucky [Mr. BARKLEY], who has charge of the bill considered yesterday under the discharge rule, moved to take up that bill, claiming it had a higher privilege. In order to recognize the gentleman from Kentucky it must be shown that it has a higher privilege than an appropriation bill because if they are of equal privilege the Chair has the discretion in recognition, and that is conclusive. Therefore it must be maintained that this bill from which the committee was discharged has a higher privilege than an appropriation bill. The clause of the rule which we must interpret reads:

If the motion prevails, it shall then be in order for any Member who signed the motion to move that the House proceed to the immediate consideration of such bill or resolution (such motion not being debatable), and such motion is hereby made of high privilege; and if it shall be decided in the affirmative, the bill shall be immediately considered under the general rules of the House.

It is to be observed that the bill itself is not made privileged. Privilege is given only to the original motion to consider the bill; and the question which has been debated and which is really in issue is whether that applies simply to suspension days and so would not come up again for two weeks, or whether it is a continuing privilege and applies to-day.

It seemed to the Chair that the argument made by the gentleman from Georgia [Mr. CRISP], who was the author of the rule and its main advocate and proponent in the House when it was debated, very lucidly and, conclusively stated the meaning of that rule. Of course, it could be, by the mere phraseology of the rule, interpreted either way. It could be held to be privileged every day or only Mondays. The fact that it was made a clause of Rule XXVII, the suspension rule would have some weight.

Then also the well-established law that business which is in order on a special day, if it is not finished, goes over to the next special day is a suggestive analogy. We have become accustomed to it on Calendar Wednesdays and on suspension days and on the Private Calendar days, and it would seem to apply here. But what seems to the Chair conclusive is that when the rule was under consideration in the House the gentleman from Georgia, who was the author and chief advocate of the bill, stated in language which has been quoted on the floor—stated very explicitly—that the intention of the rule was that if a committee was discharged and the bill was not finished on that day it would go over until the next suspension day.

Now, that was stated more than once by him. It was in response to inquiries from Members as to what the proper interpretation of the rule was; and it seems to the Chair that it is very conclusive as to the meaning which the House, when it adopted that rule, understood and intended by it; that the House understood at the time that the business under that rule, if it came up on one Monday, as yesterday, and was not completed, went over for two weeks; and while in the courts it may not be allowed to ascertain the meaning of a law by examining the debate in the legislature, it seems to the Chair it is different here. The House only at this session debated this question and adopted this rule. The House was informed by the author of the rule what was intended. There was no remonstrance or difference of opinion that the Chair has been able to find at the time. The House apparently acquiesced in his explanation. And so it seems to the Chair that he is carrying out the purpose of the House in adopting this rule by deciding that the House intended that this language, which might be given either interpretation, was intended to mean that the business should go over for two weeks. So the Chair sustains the point of order.

Mr. BARKLEY. Mr. Speaker, I understand the Speaker holds that only for purposes of clarity, because the Speaker mentioned the fact of priority between the motion of the gentleman from Illinois [Mr. MADDEN] and mine. Regardless of the question of priority as between the gentleman's motion and mine, the Chair holds that it is not in order for me to-day to move to consider the bill?

The SPEAKER. Yes.

DISTRICT OF COLUMBIA APPROPRIATION BILL

The SPEAKER. The gentleman from Illinois [Mr. MADDEN] moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District of Columbia appropriation bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. GRAHAM] will resume the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District of Columbia appropriation bill, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8839, the District of Columbia appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes.

The CHAIRMAN. The Clerk will proceed with the reading of the bill for amendment.

Mr. CRAMTON. Mr. Chairman, before the Clerk reads I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. CRAMTON. Mr. Chairman, when this committee was last in session the gentleman from Tennessee [Mr. BYRNS] had spoken with reference to the undue delay in developing proper school facilities for the District, and I want just for a moment to supplement what he said by stressing a different angle of the case.

The custom here with the Board of Education and the superintendent of schools and the assistant superintendent of schools is to indulge about this time in the year in a daily attack upon Congress, the niggardliness of Congress, and so forth. Of course, it is another story, the fact that when we propose to enact legislation that will permit the District to secure greater facilities of this kind by a little increase of taxes we are pilloried for that. That is aside from what I wish to speak about now. I want to call attention now and challenge the attention of the press of the District, if possible, and challenge the attention of the District authorities to this fact: That after they get by the Budget and after they get by Congress and an appropriation is given for a needed school building there is an undue delay, a scandalous delay, in securing the building after the Board of Education has been given the appropriation.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. In a moment. I would like to finish this statement.

Two years ago there were two items for substantial increases in the accommodations for the schools, two items necessary for further accommodations. It was definitely known in January what they would be. The bill became a law on the 28th of last February—on the 28th of February, a year ago. One of these items was $130,000 for the building for the Raymond School, somewhere northwest, between Sixteenth Street and Georgia Avenue. That money was made immediately available on the 28th of February for a new school building to provide 336 seats. But they did not ask for bids until the next December following.

It was 9 or 10 months after the money was available in the Treasury before they got around to advertising for bids. As I say, they advertised for bids on the 1st of December and it took them until the 22d of April to award the contract, five months after they had advertised for bids, and it is expected it will not be completed until February, 1925, two years after the money was available.

Again, out in Tennallytown, the Tennally School, there was $160,000 to provide 336 seats, and the latest information I have, given to me by the superintendent of schools within the last week, is this, "Plans being developed." Plans being developed a year and three months after the money was available.

Tell me that Congress is entirely to blame for the lack of school facilities. "Probable completion in January, 1925." I say it is time these District authorities should have some plans developed before they come to Congress asking for a building, so that when they get the money they will be ready to go ahead and provide the classroom facilities which are needed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ABERNETHY. Will the gentleman yield for a question?

Mr. CRAMTON. I am sorry, but my time has expired.

Mr. ABERNETHY. I move to strike out the last word, or rise in opposition to the amendment. I desire to call the gentleman's attention and the attention of the House to an editorial that appeared in, I think, the Herald of his morning, an editorial signed, I think, by Bill Price. It specifically calls attention to the $8,000,000 appropriation of the gentleman from Michigan, and also speaks of the House as being conspirators because we joined with him. I did not know whether the gentleman was acquainted with that editorial or not.

Mr. CRAMTON. I will be glad to give the gentleman this information if he desires it. That editorial was based upon the theory that the $8,000,000 amendment which I offered took the House by surprise and that it was sneaked in here in some underhand way. The truth is that on Tuesday night, when this House adjourned, I, in effect, gave notice that I was going to offer an amendment. The newspapers, including the Washington Herald, the Star, and the Post, had big headlines about it Tuesday night, Wednesday, and Thursday morning, either the Times or the Herald having a six-column headline calling attention to the fact that we were going to try to do that thing, so that everybody had notice. They talk about the fact that there were only 33 Members present when we voted. The fact is that everyone who was interested in that proposition was on notice and had a chance to be here, and the fact that they were not here is pretty good evidence that everybody was agreeable to that action. That is confirmed by the very general expressions of approval and the announcement that no effort will be made in the House to overturn the committee action.

Mr. BLANTON. And it carried 8 to 1.

Mr. ABERNETHY. What about the conspiracy charges? they do not seem to affect the gentleman at all, the fact that the leading Washington newspaper calls him the leading conspirator.

Mr. BLANTON. That is not the leading paper.

Mr. ABERNETHY. Is it the News, or have they a leading paper here?

Mr. BLANTON. Yes. The Washington Star is the leading paper of this city, and everybody knows that.

Mr. ABERNETHY. I want to know who is the arch conspirator and who are the conspirators.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

For grading and making the water and sewer connections in the school site on Calvert Street near Connecticut Avenue, $5,000.

Mr. BLANTON. Mr. Chairman, on page 44, line 20, I move to strike out the words "water and sewer connections."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 44, line 20, strike out the words "water and sewer connections."

Mr. BLANTON. Mr. Chairman, on Saturday I called attention to the fact that the property owners here have to pay only a small percentage of the expense of making water and sewer connections. The gentleman from Ohio [Mr. BOOE] said I surely must be mistaken. The gentleman from Minnesota [Mr. DAVIS] thought I was mistaken. He thought the law was different, but I assured him I had a letter from the auditor, over his signature, showing that that was the fact. I got permission to put that letter in the RECORD, and I did put it in the RECORD. I now want to read you from Auditor Donovan's letter, over his signature. Here is what he said about sewer connections:

For service sewers the law at present provides for a flat rate assessment of $1.50 per front foot—

That is exactly what I said—

with certain deductions made for corner property.

Now, listen. Auditor Donovan says:

This rate represents approximately 37 per cent of the cost of the work.

In other words, the property owner pays, according to the auditor's statement, only 37 per cent of the cost of making that sewer connection, and the District and the Government of the United States, 60–40, pay the other 63 per cent of the expense of making a sewer connection for the private property owner, and for all time to eternity the private property owner never has to pay another cent for that sewer connection and service. He gets it free every year, and that cost and maintenance is paid by the Government and the District every year 60–40.

I offered Saturday an amendment to this bill which would provide that hereafter the property owner should pay the full cost of the expense of making his own sewer connection, but it was voted down the other day, and at that time we did not have

over about 35 Members present. The newspapers complained that the District suffered because we had only 35 Members present. I want to say that the Government of the United States and this House suffered, because I proposed in that amendment to make the property owners pay the full expense of making their sewer connections, but it was voted down because the membership did not seem to understand it.

Mr. KEARNS. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KEARNS. Does the gentleman mean to say that after a sewer has been put in and the property owner wants to use that sewer for the purposes of his residence or his business place the Government pays 67 per cent?

Mr. BLANTON. Sixty-three per cent by the District and the Government, and the property owner pays 37 per cent. We make the connection and the property owner never pays another cent thereafter for annual service.

Mr. KEARNS. The gentleman means the connection from the property out to the main sewer?

Mr. BLANTON. Why, certainly.

Mr. DAVIS of Minnesota. I will have to interrupt the gentleman from Texas, and say he is absolutely mistaken.

Mr. BLANTON. I want to read you again from Auditor Donovan's letter.

Mr. DAVIS of Minnesota. Let me tell the gentleman something.

Mr. BLANTON. I do not want the gentleman from Minnesota to take up all of my time.

Mr. KEARNS. I want to say that I put in a connection from my dwelling out to the sewer last summer, and I had to build it myself.

Mr. DAVIS of Minnesota. And that is the law in the District.

Mr. BLANTON. I wrote to the auditor and I was told these were the facts.

Mr. KEARNS. I did not mean here in the District, but I meant in my home town.

Mr. DAVIS of Minnesota. That is so here.

Mr. BLANTON. I understood that was the case, and I wrote to Auditor Donovan, and here is what he tells me over his own signature. If you will get the RECORD and look at page 8031 you will see his letter.

Mr. DAVIS of Minnesota. Will the gentleman explain what a service sewer is?

Mr. BLANTON. In a moment I will let the gentleman explain that.

Mr. DAVIS of Minnesota. Tell what a service sewer is. It is not the connection to the house at all.

Mr. BLANTON. I call a service sewer the sewer that furnishes service to the residence.

Mr. DAVIS of Minnesota. A service sewer is the sewer that runs along the street, and the owner of the house himself pays for the connection to the house and $1.50 per front foot is for the service sewer along the street.

Mr. BLANTON. Auditor Donovan, on page 8031, over his own signature——

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. AYRES. Mr. Chairman, we might just as well have an understanding now as any other time. I am not going to object this time; but, reserving the right to object, I want to say that I am going to object to an extension of time on every line of this bill if I have to make the point of no quorum.

Mr. BLANTON. Auditor Donovan, over his own signature at page 8031 of the RECORD, says:

For service sewers the law at present provides for a flat-rate assessment of $1.50 per front foot, with certain deductions made for corner property. This rate represents approximately 37 per cent of the cost of the work.

The other 63 per cent is paid by the Government and the District in the proportion of 60-40.

Mr. DAVIS of Minnesota. Mr. Chairman, I wish to instruct the gentleman on what the practice is and what the law in the District is.

Mr. BLANTON. I am just telling you what Auditor Donovan states.

Mr. DAVIS of Minnesota. You misconstrue Mr. Donovan's language. The service sewer means the sewer running along the street in front of the property, and where a connection is made with his house the owner pays all of that himself, and for the service sewer along the street he is charged $1.50 per front foot. That is the practice here now and has been all the time. You have misconstrued the meaning of Mr. Donovan's expression, "service sewer."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

The Commissioners of the District of Columbia are hereby authorized and directed to erect the school building for the care of tubercular children on such part of the site now occupied by the Tuberculosis Hospital as in their judgment may be best suited for such purpose, the said site being described on the tax records of the District of Columbia as parcels 84-134, 84-146, and 84-147, and the said building having been appropriated for in the act entitled "An act making appropriation to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes," approved June 16, 1921.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph that it contains legislation unauthorized in an appropriation bill.

The CHAIRMAN. What is the contention of the gentleman from Minnesota on this point?

Mr. DAVIS of Minnesota. I will state for the benefit of the gentleman and the balance of the House that the appropriation for this tuberculosis school building was made several years ago. The commissioners attempted to start the erection of this building on the site indicated here. The law did not specifically specify the particular site on which the school was to be erected and the Supreme Court of the District decided that, because of that omission, the building could not be built there. That is the reason we have put in this provision, and I am surprised at the gentleman making a point of order when the tubercular children of this District are suffering so immensely for proper school facilities. Of course, it ought to go in beyond all question.

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS of Minnesota. The money has been appropriated a long time, and this is simply a technicality that was raised because the property owners around there who wanted to build houses did not want a tubercular school in that vicinity. That is why there has been this delay, and I am surprised at the gentleman making the point of order.

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS of Minnesota. Certainly.

Mr. BLANTON. I want to return the compliment. I was surprised when the gentleman caused a point of order to be made against my proposal to give the 70,000 school children here a 5 instead of an 8 cent car fare. I proposed that, and the gentleman had a point of order made against my amendment and I was awfully surprised when he did that.

Mr. DAVIS of Minnesota. I could make a statement about the gentleman's point of order which was made the other day, but it would take perhaps too long a time. I will just say that he made a speech here on economy a few minutes before making that point of order, and then the question came up about limiting expenditures for draftsmen and other technical assistants in the architect's office, and the gentleman made a point of order that it was new legislation. It no doubt was, but they have always employed and will have to continue to employ special architects to do certain things, and the provision was inserted to put a curb on such expenses. I cut that down to 2½ per cent, and the gentleman made a point of order on the grounds of economy.

Mr. BLANTON. And my point of order did effect economy.

Mr. DAVIS of Minnesota. I am simply telling you the facts.

Mr. BLANTON. Well, both of us are surprised, so we are even.

Mr. DAVIS of Minnesota. I concede the point of order, but I am surprised, I will say, at the gentleman making the point of order.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

None of the money appropriated by this act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which, exclusive of heating, lighting, and plumbing, shall not have been awarded in one or a single contract, separate and apart from any other contract, project, or undertaking, to the lowest bidder complying with all the legal requirements as to a deposit of money or the execution of a bond, or both, for the faithful performance of the contract: *Provided*, That no architect's fee shall be paid or obligated for plans, specifications, or any professional services whatever, unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress

for the building or other project: *Provided further*, That nothing herein shall be construed as repealing existing law giving the commissioners the right to reject all bids.

Mr. BLANTON. Mr. Chairman, I make a point of order against the first proviso, beginning in line 25, page 45. This is so worded that it is a veiled authorization seeking to give authority to pay outside architects' fees when we have a municipal architect here, Mr. Chairman, with various assistants in his office paid salaries by the people to do this work. I called attention to this once before and that is the reason this language is put in this bill. About two years ago, when the Eastern High School was built, there were nine buildings contracted for in the District at the same time, and every one of those nine contracts was let to nine outside architects and the architects were paid large fees when that work should have been done by the municipal architect for the District of Columbia. This is just an attempt to put legislation in this bill seeking to get around the point we made against such practice at that time; in other words, to give them authority to employ outside architects, and that ought to be stopped. We have an architect's office here and they have assistants and numerous employees in that office and they ought to do the work or else ought to give it up and let somebody else do it.

Mr. CRAMTON. Mr. Chairman, if the gentleman's point of order should be sustained and the language to which he takes exception stricken out, the result would be that out of the building appropriations for the schools outside architects might be employed without any let or hindrance. It would be entirely up to the Board of Education. There is no law to prevent them employing outside architects instead of the municipal architect, and the only purpose of this language—and it is not new language, because, as I recall, it was framed a year ago by the gentleman from Kentucky [Mr. JOHNSON], and the object of this language is a limitation strictly to prevent the expenditure of these funds to employ outside architects unless the work results in the securing of a legal bid within the amount authorized by Congress for the buildings. The purpose is to prevent, after Congress makes an appropriation of $100,000 for a building, the hiring of an architect who goes on and makes plans that result in bids of $150,000 or otherwise above the amount authorized by Congress.

The gentleman from Kentucky desired to stop that, and so put in a plain limitation, and that it is a limitation is shown by the fact that if the language is stricken out there will be no interference by the law with the Board of Education employing architects. With this in, they can only pay them for other work in relation to certain kinds of bids.

Mr. BLANTON. There is no law now that authorizes outside architects, but the trouble is they go beyond the law.

Mr. CRAMTON. Every time we make an appropriation that of itself includes such necessary expense as the pay of architects.

Mr. BLANTON. Not outside architects; we put them on notice, and they have stopped it. You will find that they are trying to pay these outside architects by such language put in on appropriation bills. This language will permit them to do it.

Mr. McSWAIN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McSWAIN. Why would it not be possible to accomplish the aim the gentleman from Texas speaks of and what the gentleman from Michigan desires by striking out this language and putting in a limitation that no part of the appropriation shall be available to pay any outside architect?

Mr. BLANTON. That is a good suggestion; but this ought to come out first.

The CHAIRMAN. The langauge here is "that no architect's fee be paid or obligated for plans, specifications, or any professional services whatever, unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress for the building or other projects."

Transposing the language, it might be read in this way: "Provided, an architect's fee may be paid or obligated for plans, specifications, or any professional services if the plans are such as will enable the Commissioners of the District of Columbia to secure a legal bid within the amount authorized by Congress for the building or other projects." In other words, by this language under a reasonable and proper construction the commissioners are authorized to do some affirmative act. While it is couched in the negative, it is an authorization for them to do something. Therefore it is legislation, and the point of order is sustained.

Mr. CRAMTON. Does the Chair take into consideration the fact that that which the Chair says they are authorized to do is something they are authorized to do without this? They are authorized to pay for all necessary things incident to the construction of the building, and the architect's services are just as necessary as the lumber or the plaster.

The CHAIRMAN. That may be so; and if true, there is no necessity for the language.

Mr. CRAMTON. That is not for the Chair to decide.

The CHAIRMAN. That may be true; but this gives them authority to do some additional thing. It might be put in the form of a limitation, but the Chair does not think it is, and the point of order is sustained.

Mr. BLANTON. Mr. Chairman, I offer the following amendment:

Page 45, line 25, after the word "contract," insert: "Provided no architect's fee shall be paid or obligated for plans, specifications, or any professional services whatever."

The CHAIRMAN. The gentleman will put his amendment in form.

Mr. CRAMTON. Mr. Chairman, I make the point of order that amendments must be in form when offered. It is not the business of the Clerk to prepare amendments, for he has not the time, especially when he is called upon as often as he is by the gentleman from Texas.

The CHAIRMAN. The gentleman from Texas will put his amendment in proper form.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that while the gentleman from Texas is preparing his amendment the Clerk may read and then return to the paragraph where the gentleman's amendment fitted.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

The total cost of the sites and of the several and respective buildings herein provided for, including heating, lighting, and plumbing, when completed upon plans and specifications to be made previously and approved, shall not exceed the several and respective sums of money herein respectively appropriated or authorized for such purposes, any provision in this act to the contrary notwithstanding.

Mr. BLANTON. Mr. Chairman, I have my amendment at the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 45, line 25, after the word "contract" and the colon insert "*Provided*, That no architect's fees shall be paid or obligated for plans, specifications, or any professional services whatever."

Mr. CRAMTON. Mr. Chairman, I am only going to make this suggestion: The municipal architect's office has a very small force. There is pressing need for new buildings, so pressing that the bill makes the money immediately available. The gentleman's amendment means that if the architect's office is overcrowded with work no one else can be employed and the school construction must wait accordingly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 4 ayes and 8 noes.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word to call attention to the fact that I was seeking to prevent anything from being paid to outside architects, and the gentleman from Michigan [Mr. CRAMTON] indicated that he was with me on that, but claimed that the bill already protected it. Now, when I propose a definite program in language that would absolutely keep them from doing this, I do not find the gentleman with me. As a matter of fact, they have no authority now to do it, and if hereafter they attempt to pay out one dollar for architect fees I am going to have action brought against some of them for violating the laws of the country. The gentleman, by the influence of the committee membership on the floor, is able by the tremendously overwhelming vote of 8 to 4 to strike out a provision that would definitely settle the matter.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. I am sorry that the gentleman finds it as hard to understand me as he does to understand the District auditor.

Mr. BLANTON. Oh, I understand him better than the gentleman does. The only thing about me is that I am plain about

my language while the gentleman has his meaning covered up in a way that an ordinary man can not understand it in reading these bills, and when we try to get them in plain language so the ordinary individual may understand, then he objects.

Mr. CABLE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CABLE. Mr. Chairman, my attention has been called to-day to a clipping wherein Mr. Arthur Henderson, Minister of State for Home Affairs for England, is quoted as complaining about a bill passed by the last Congress granting independent citizenship to American women. The law was passed at the request of the women of the United States and granted them citizenship independent of their husbands. It ill becomes this gentleman in Great Britain to object to a law passed by the United States seeking to protect the citizenship rights of our people. If Great Britain wants to protect the rights of her women, as this Congress has done for the American women, she should take some action, instead of standing on a law that is 40 or 50 years old.

Two American girls, members of our most prominent families, recently attracted national and international attention because of their marriages to eminent Englishmen. In this feature the two marriages were similar, but following this one point deep contrast sets in.

Miss Cornelia Vanderbilt, now Mrs. Cecil, exerted her right as an American and retained her citizenship after her marriage to the Hon. John F. Cecil, a subject of the British King. On the other hand, the daughter of Marshall Field, jr., recently in the Federal court at Chicago made a formal renunciation of her citizenship in this country following her marriage to an Englishman. By the law of Great Britain she became a British subject, and by her action in the court she relinquished her right of citizenship in the United States.

Citizenship carries with it high privileges and obligations too great to be forced on a woman or arbitrarily taken from her through a marriage ceremony. She is entitled to equal rights with her husband in determining the country of her choice, and the Congress of the United States so stated in the act of September 22, 1922, signed by President Harding, which those who backed the measure state "removes the greatest single Federal disability of women left after enfranchisement."

Stated broadly, the purpose of this law was to remove the marriage state from the field of operation of our naturalization and citizenship laws. Under the act marriage after September 22, 1922, does not operate to confer citizenship upon an alien woman whose husband was then or subsequently becomes a citizen; neither does such marriage forfeit citizenship in the case of a woman citizen who marries an alien husband unless the latter is of the class ineligible for naturalization. Citizenship of a woman forfeited by marriage to an alien prior to September 22, 1922, may be regained by simplified naturalization proceedings; and the marriage state no longer constitutes an obstacle to the naturalization, by separate and independent proceedings, of an alien woman married to an alien husband, if he himself is not barred.

This change in our citizenship act and improvements in other laws of the States and Nation have been brought about to a great extent by the influence and work of women's organizations. To-day women are a vital, if not the most important, factor in governmental affairs.

Women wield the most powerful of all influences in the enactment of laws in the States and Nation. It took 80 years of hard work on their part to add the nineteenth amendment to our Constitution. It is less than four years since the Secretary of State issued the proclamation that the required number of States had ratified the proposed amendment, but in that short period of time the lists of accomplishments by the women of this country through their powerful organizations should be most encouraging.

There were in the last two years 287 measures supported by organized women voters that became laws in various States and 30 measures, which the same voters opposed, were defeated.

The women's organizations are not selfish in their motives and concern themselves especially with laws relating to social hygiene, child welfare, education, and efficiency in government.

Women do not seem particularly anxious to secure public office. Notwithstanding the fact that no women have been elected to governorships in any of the States nor occupy positions in the President's Cabinet, we must realize that women have entered politics and public life and are in them to stay. Their great organizations are giving the men officeholders further trial, and unless laws indorsed by women for the betterment of all the people are placed on the statute books it is my prediction that the women officeholders will increase in large numbers.

Mrs. Maude Wood Park, retiring president of the National League of Women Voters, tells her followers that it is very desirable to "put more women into public office," but adds that "the women to be chosen must be better qualified for office than their men opponents."

Those women who have been elected or appointed to public office have been so honored not so much for political reward as for their own personal qualifications. The excellent work of Dr. Ellen Culver Potter, as secretary of welfare for Pennsylvania, has attracted nation-wide attention. So also has the high character of the work being done in public welfare in North Carolina by Mrs. Kate Burr Johnson, the first woman commissioner of public welfare for any State, attracted favorable comment. Mrs. Johnson was appointed because of her fitness for the post. Her attitude as to welfare work should be followed in my home State because, as she says:

Politics should have no place in work of this kind for unfortunate people. I'd rather see the public welfare work in North Carolina entirely discontinued than see it made the plaything of politics.

The citizenship act is but one of many measures supported by women's organizations. The resolution to submit the child-labor amendment to the States has the backing of these same women and has already passed the House by an overwhelming vote. There are many other constructive measures receiving their support and influence in the States and Nation.

Besides the women who have banded themselves together in great organizations and associations devoted strictly to a membership of women we find them affiliated with organizations, both political and civic, that have heretofore been regarded as strictly limited to man's sphere of operation.

An outstanding example of this is Mrs. Harriet Taylor Upton, of Warren, Ohio, vice chairman of the executive committee of the Republican National Committee, nationally known speaker and a politician of the first class.

The views of Mrs. Upton upon the progress that women have made since their enfranchisement are most encouraging. In a recent statement she said:

Women without a doubt have progressed politically since their enfranchisement. It is idle to assert that they have not. Generally speaking, the women had no responsibility in the 1920 campaign. They were not enfranchised in time to vote at the primaries. What they did was to vote for the men and measures that had been decided upon without their aid.

Women carry on their political activities in their own fashion. They profit by the methods used in their own homes, together with what they have learned in their clubs. They proceed into politics through educational and domestic channels.

There is no question but that women have made an advance as officeholders in the last four years, just as the rank and file of women everywhere have become more politically minded.

It is interesting to note the women who have taken a prominent part in the present administration.

Mrs. Helen H. Gardener is one of the three members of the United States Civil Service Commission.

Mrs. Mabel Walker Willebrandt is an Assistant United States Attorney General, having charge of the division which handles all matters arising under the national prohibition act as well as all questions concerning the conditions and managements of prisons. Six women are now serving as assistant United States district attorneys and there are a number of women holding other important positions under the Department of Justice.

Miss Lucile Atcherson, of Columbus, Ohio, is the first woman to enter the diplomatic corps of this country. She has just completed her first year in the State Department in the division of Latin-American affairs.

Miss Mary Anderson is director of the Women's Bureau, which promotes the welfare of eight and one-half million working women in the United States. This bureau is the only one of its kind in the world created to promote the standards and policies for the employment of women workers.

As director of the Children's Bureau, Miss Grace Abbott works in behalf of the 40,000,000 children in the United States and in our island possessions.

Mrs. Bessie Parker Brueggeman is chairman of the United States Employees' Compensation Commission. In holding this position she is the only woman chairman of a Federal commission. Mrs. Mabel Reinecke is collector of the Internal Revenue Bureau for Illinois. Two women hold positions as Federal merchandise appraisers, one in Cleveland and the other in St. Louis. One woman is serving as assistant trade commissioner in Berlin, and another has just returned from a similar post in Shanghai.

Miss Florence E. Allen is a judge of the Supreme Court of Ohio and one of the great outstanding woman leaders of the country.

Another Ohioan, Miss Belle Sherwin, is the newly elected president of the National League of Woman Voters.

Women officials have taken their places in both great political parties in the State organizations, as well as in the national. Mr. CORDELL HULL, head of the Democratic National Committee, has appointed Mrs. Franklin D. Roosevelt, of New York, as chairman of the committee to frame planks on social-welfare legislation for the national platform. On the Republican side the 20 women members of the national committee's subcommittee on policies and platforms are also making suggestions. These women, prominent in the work of women's organizations, are consulting leaders in club, civic, and political groups to determine what the Republican women want in their platform.

More and more each day we are realizing that women are an important and vital factor in governmental affairs at Washington. The Women's Joint Congressional Committee, organized in 1920, represents 21 national organizations, which have representatives in Washington for the purpose of keeping in touch with Federal legislation of interest to women.

Mrs. Maud Wood Park is the chairman of this organization, which is composed of the following suborganizations:

American Association of University Women, American Federation of Teachers, American Home Economics Association, General Federation of Women's Clubs, Girls' Friendly Society in America, National Congress of Mothers and Parent-Teacher Associations, National Consumers' League, National Council of Jewish Women, National Council of Women, National Educational Association, National Federation of Business and Professional Women's Clubs, National League of Women Voters, National Woman's Christian Temperance Union, National Women's Trade Union League, National Board of Young Women's Christian Association, Service Star Legion, Committee for a Department of Education, National Association of Colored Women, Council of Women for Home Missions, American Nurses Association, and the Medical Women's National Association.

By far the largest organization of women in the United States is the National Council of Women. Mrs. Philip North Moore, of St. Louis, is president, and Mrs. Glen L. Swiggett, of Washington, D. C., legislative representative. It has a combined membership of more than 11,000,000. The National Council acts as a clearing house for 33 organizations, as follows:

General Federation of Women's Clubs, National League of Women Voters, National Women's Relief Society, Young Ladies' National Mutual Improvement Society, National Women's Relief Corps, National Council of Jewish Women, National Florence Crittenton Mission, Ladies of the Maccabees, National Federation of Colored Women, Ladies of the G. A. R., American Association of University Women, National Congress of Mothers and Parent-Teachers Association, National Federation of Music Clubs, Needlework Guild of America, Women's International League for Peace and Freedom, Woman's Christian Temperance Union, Young Women's Christian Association, Woodmen's Circle, National Women's Republican Association, Children of America Loyalty League, Kansas State Council, Rhode Island State Council, Indianapolis Local Council, Medical Women's National Association, International Sunshine Society, National American War Mothers, National Council Administrative Women in Education, National Kindergarten Association, Sons of Veterans' Auxiliary, National Auxiliary, United Spanish War Veterans, Association of Women in Public Health, May Wright Sewell State Association, Southern Women Educational Alliance.

Within recent days the Women's National Farm Gardens Association and the War Mothers' National Memorial Association have attracted public attention by their national conferences in Washington. Another important association, composed of national organizations, is the Woman's National Committee for Law Enforcement.

This committee for law enforcement met in Washington recently and urged the women of the country to put aside all self and selfish desire and devote their service to the problem of saving America through allegiance to the Constitution and observation of law. Their creed is—

For enforcement of all law, with special stress at present on the prohibition law, the front to-day where the battle against lawlessness has to be fought.

Under the leadership of Mrs. Henry W. Peabody, a woman leader with a long life of good works and notable accomplishments, 20 great national organizations allied themselves in the Committee for Law Enforcement. The membership at the present time totals 10,000,000 women.

The Woman's Party is a militant organization. Its present task is the enactment of a United States constitutional amendment providing for equal rights between men and women throughout the United States.

Closely identified with all women movements for the betterment of the people is the National Council of Women of the United States, affiliated with the International Council of Women. The International Council federates all national organizations in Europe and the Orient and is the largest women's association in the world, having a combined membership of approximately 36,000,000.

The International Woman Suffrage Alliance is represented in the United States by the National League of Women Voters. This alliance held its ninth congress in Rome, Italy, during the month of May last year to consider legislation for the benefit of women.

During the meeting they passed a resolution "that this congress declares that a married woman should be given the same right as a man to retain or change her nationality." The United States has taken the lead in granting such independent citizenship to its women. Other nations have not done so, resulting in difficulties international in character, because these countries have failed to protect the rights of their nationals.

It is interesting to note the diversity of the laws of the various nations relating to the citizenship of women. In brief, they are as follows:

Austria: Native woman loses nationality upon marriage with an alien; foreign woman marrying an Austrian becomes an Austrian.

Belgium: Native woman may retain nationality after marrying an alien, provided she declares her intention within six months after marriage; foreign woman takes husband's citizenship.

Bulgaria: Native woman loses nationality except when husband's country will not allow the wife to nationalize; foreign woman becomes Bulgarian.

Canada: An act was passed in 1919 giving women the right to their own nationality after marriage, but it was later repealed.

Chile: Native woman does not lose nationality; foreign woman does not become Chilean.

China: Native woman loses nationality upon marriage with an alien, or if native husband becomes naturalized in another country during married life, unless husband's country will not let her be naturalized.

Congo: Native woman not considered; foreign woman becomes Congolese by marriage if she has lost her nationality by this act.

Denmark: Before 1898 native women kept own nationality after marriage with an alien. Now take the nationality of their husbands, except where the country of the husband will not permit. Bill now being considered to give independent citizenship to residents.

Ecuador: Principle of the law is that a native woman follows the nationality of her alien husband, but if she resides in Ecuador after marriage she may choose her own nationality.

Esthonia: Native woman loses her nationality unless within two weeks after marriage she notifies the nearest police officer or, if abroad, the nearest Esthonian consul. She must state her intention to remain Esthonian. Foreign woman becomes an Esthonian.

Finland: Native woman takes the nationality of her husband. No exceptions.

France: Native woman takes the nationality of alien husband unless his country will not permit, in which case she remains French. Bill now being considered to give independent citizenship.

Germany: Native woman loses nationality; foreign woman becomes a German. If both the husband and the wife are German and the husband changes his nationality during marriage, the wife may retain her own nationality.

Great Britain: Native woman loses nationality; foreign woman becomes British.

Greece: Native woman loses nationality; foreign woman becomes Greek, providing the marriage ceremony is solemnized according to Greek law.

Honduras: Native woman loses nationality, but can regain own nationality independent of her husband; foreign woman becomes Hondurian, unless she explicitly states that she wishes to retain her own nationality.

Hungary: Native woman loses nationality, with no exceptions; foreign woman becomes Hungarian upon marriage.

Italy: Native woman loses nationality providing the husband possesses citizenship, which by virtue of his marriage he can grant her; foreign woman becomes Italian.

Latvia: Native woman loses nationality; foreign woman becomes Latvian. Both cases without exception.

Lithuania: Native woman takes the nationality of her alien husband

Monaco: Native woman loses nationality unless her husband's country will not grant her naturalization; foreign woman becomes Monacoan without exception.

ment of all the people are placed on the statute books it is my ' Shanghai.

Netherlands: Native woman takes the nationality of her husband.

Norway: Native woman takes the nationality of her husband; foreign woman becomes a Norwegian.

Panama: Native woman loses nationality; foreign woman becomes Panaman. Both without exception.

Paraguay: Native woman takes the nationality of her husband; foreign woman becomes Paraguayan. Both without exception.

Persia: A woman takes the nationality of her husband.

Poland: Native woman loses nationality; foreign woman becomes a Pole.

Portugal: Native woman loses nationality unless husband's country will not grant her nationality.

Russia: Native woman does not lose her nationality; foreign woman does not have to become Russian by marriage.

Salvador: Native woman takes nationality of her husband; foreign woman becomes Salvadorian. Both without exception.

Serbs, Croats, Slovenes: Native woman loses nationality; foreign woman takes the nationality of her husband.

Siam: Native woman loses nationality if by husband's national law she acquires his nationality upon marriage; foreign woman becomes a Siamese.

South Africa: Native woman loses here nationality. Bill being proposed to change this law.

Spain: Native woman loses nationality; foreign woman becomes Spaniard. No exceptions to either law.

Sweden: Native woman loses her nationality; foreign woman becomes Swede.

Switzerland: Native woman loses nationality except if the husband has no nationality, if marriage is not valid according to laws of two countries, or if husband's country refuses to grant wife's nationalization. Foreign woman becomes Swiss without exception.

Turkey: Native woman not considered. Foreign man who marries Turkish Mussulman woman must become a Mussulman and change his baptismal name to Mussulman name.

United States of America: Native woman retains her citizenship upon marriage to an alien; foreign woman does not acquire husband's nationality unless she so desires.

Uruguay: Nationality of women, like men, dependent entirely upon country in which born.

Argentina, Brazil, Japan: Alien marrying a woman of the country is naturalized by the act, regardless of his preference.

In Monaco a woman married to an alien can not regain her nationality after her husband's death, except by favor of the reigning sovereign. In Esthonia, Ecuador, and Honduras if a native woman wishes to regain her nationality during the life of her husband she can do so by declaring her intentions and passing through the required steps of naturalization. In 23 countries this privilege is granted only upon the dissolution of the marriage.

The citizenship law of the United States has operated successfully and has aided the immigrant women, besides protecting the American girl and her property. Other countries should pass similar laws and thus eliminate the difficulties often experienced by their women citizens because of marriage to an alien.

In the spring of 1925 the quinquennial of the International Council of Women will meet in Washington, D. C. Delegates will be present from Canada, Germany, Sweden, Great Britain, Ireland, Iceland, Ukraine, Denmark, Holland, New Zealand, Italy, France, Argentina, Switzerland, Hungary, Austria, Norway, Belgium, New South Wales, Tasmania, Victoria, Queensland, West Australia, Greece, Bulgaria, Yugoslavia, Finland, South Africa, Portugal, Uruguay, Russia, Mexico, Esthonia, Rumania, Chili, Latvia, and Cuba.

One of the important questions that will come before that body will be the citizenship of married women throughout the world. I have introduced a resolution authorizing the President to call a conference of the governments of the world to adopt a convention on the nationality of married women embodying the principle that a married woman has the same right as a man to retain or change her nationality, and that the conference be held in the city of Washington, D. C.

According to information at hand, the Governments of Norway, Sweden, and Denmark are about to bring independent citizenship bills before their respective parliaments. The Governments of Sweden, Denmark, Greece, Switzerland, and Hungary have indicated that they would be willing to send delegates to an international conference on the question of the nationality of married women; but so far no government has been willing itself to call such a conference.

My idea is that the delegates to the quinquennial be officially delegated by their respective countries to attend the conference at the time of the meeting in Washington of the quinquennial and so iron out the difficulties that have arisen because other nations have not seen fit to pass laws similar to that passed by the Congress of the United States as to the citizenship of their subjects. The recommendations of the various delegates could be made to the legislatures or lawmaking bodies of their countries upon their return.

Mr. Raymond F. Crist, Commissioner of Naturalization, in his annual report to the Secretary of Labor, says that the passage of the independent naturalization and citizenship law for married women has made the question of Americanization of more vital interest, with the result that the standards of citizenship are being raised ever higher, and both native and foreign born are being better equipped to discharge their civic duties.

The Clerk read as follows:

METROPOLITAN POLICE

SALARIES

Major and superintendent, $4,500; 2 assistant superintendents, at $3,000 each; 4 inspectors, at $2,400 each; 12 captains, at $2,400 each; additional compensation for 35 privates detailed for special service in the detection and prevention of crime, $16,800; additional compensation for 14 privates detailed for special service in the various precincts for the prevention and detection of crime, at the rate of $120 per annum, $1,680; additional compensation for 1 inspector or captain and 1 lieutenant detailed for special service in the detection and prevention of crime, at $400 each; 21 lieutenants, one of whom shall be harbor master, at $2,000 each; 56 sergeants, 1 of whom may be detailed for duty in the harbor patrol, at $1,800 each; privates—633 of class 3, at $1,660 each; 170 of class 2, at $1,560 each; 51 of class 1, at $1,460 each; amount required to pay salaries of privates of class 2 who will be promoted to class 3 and privates of class 1 who will be promoted to class 2 during the fiscal year 1925, $2,600; motor-vehicle allowance for 2 inspectors at $480 each; 20 captains, lieutenants, sergeants, and privates, mounted on horses, at $540 each; 32 lieutenants, sergeants, and privates, mounted on bicycles, at $70 each; driver-privates—35 of class 2, at $1,560 each; 3 of class 1, at $1,460 each; personal services in accordance with the classification act of 1923, $66,000; in all, $1,743,000.

Mr. HILL of Maryland. Mr. Chairman, I move to strike out the last word for the purpose of asking a question of the chairman of the committee. Is that a very material increase over the last year's appropriation?

Mr. DAVIS of Minnesota. It is not. This bill does not include the bonus, and the gentleman knows that we are waiting for this new law to come in in respect to the salaries of schoolteachers, librarians, policemen, and firemen. This is the old bill without the bonus, but when they add the bonus to this it will be about $81,000 increase over last year.

The Clerk read as follows:

For miscellaneous and contingent expenses, including rewards for fugitives, purchase of modern revolvers and other firearms, maintenance of card system, stationery, city directories, books of reference, periodicals, telegraphing, telephoning, photographs, printing, binding, gas, ice, washing, meals for prisoners, not to exceed $200 for car tickets, furniture and repairs thereto, beds and bed clothing, insignia of office, motor cycles, police equipments and repairs to same, repairs to vehicles, van, patrol wagons, and saddles, mounted equipments, and expenses incurred in prevention and detection of crime, and other necessary expense, $60,000; of which amount a sum not exceeding $500 may be expended by the major and superintendent of police for prevention and detection of crime, under his certificate, approved by the commissioners, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended: *Provided*, That the War Department may, in its discretion, furnish the commissioners, for use of the police, upon requisition, such worn mounted equipment as may be required.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 49, line 8, strike out "$60,000" and insert "$70,000."

Mr. CRAMTON. Mr. Chairman, realizing the necessity for cutting down debate, I ask unanimous consent to extend my remarks in the RECORD with reference to this amendment.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CRAMTON. In connection with that I state that I expect to put into the RECORD some statement of my views with reference to the necessity of the District of Columbia police enforcing the laws of the United States in the District of

Columbia. In connection with that I expect to discuss the pronounced opposition of the Washington Post and of the president of the Association Against the Prohibition Amendment to such enforcement of the prohibition laws in the District. I expect also to discuss the statistics as to crime that were referred to a little while ago by the gentleman from Massachusetts [Mr. TINKHAM], all of which I know will be extremely interesting to the House, but I shall not take up the time now to present them. I invite the attention of Members to this in the RECORD. I think I should say that the commissioner of police feels that there should be an increase in this item. I feel the proper way for any increase to come to the attention of Congress is through the Budget, with a proper statement and a justification of the item. That has not come to Congress, and so for the present I shall withdraw the amendment.

Some time ago I noted the following news item in a Washington paper:

DRUNKEN DRIVING OF MOTOR CYCLES IS HELD LAWFUL

Persons driving motor cycles while intoxicated can not be prosecuted under the law, according to a ruling made yesterday by Judge Gus A. Schuldt in police court.

Judge Schuldt held section 20 of the Sheppard Act lists every type of vehicle in which it is unlawful to operate while intoxicated, motor cycles not being included.

Revision of the section of the act by Congress to include motor cycles was recommended.

Examination of section 20 of the Sheppard Act, the District of Columbia prohibition act, convinced me of the correctness of Judge Schuldt's decision, and I introduced H. R. 7924 to amend the Sheppard Act in that respect. That bill being referred to the commissioners for report, they made the following response:

APRIL 15, 1924.

Hon. STUART F. REED,
Chairman Committee on the District of Columbia,
House of Representatives.

SIR: The Commissioners of the District of Columbia have the honor to submit the following on House bill 7924, Sixty-eighth Congress, first session, entitled—

"A bill to amend section 20 of an act entitled 'An act to prevent the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes,' approved March 3, 1917, as amended,"

which you referred to them for consideration and report:

The object of this bill is to amend section 20 of the act of Congress of March 3, 1917, usually called the Sheppard law. This section was designed to punish drivers of motor vehicles while operating the same in a state of intoxication. The only change provided for in the bill is to add the words "or any motor" to the section. These words appear in line 11, page 2. Because of the fact that these words were omitted in the original section, the judges of the police court have ruled that the operator of a motor cycle driving while drunk could not be punished under the section.

The commissioners recommend favorable action on the bill, but suggest that there be added to it a section which would reenact section 11 of the same law. This section provides for the punishment of people appearing on the streets while intoxicated. There has been some question as to whether any section of the Sheppard law, being the act of March 3, 1917, was left in force after the passage of the national prohibition act. If this bill passes, this doubt would be removed by reenacting sections 20 and 11 of the act.

Very respectfully,

THE BOARD OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
By CUNO H. RUDOLPH, *President.*

About the same time I saw in the Star a long article on the question of enforcement of dry laws in the District, in which Major Sullivan, chief of police, was quoted as saying that the local police were handicapped in their efforts in this line by the fact that in order to seize liquor, and so forth, they were obliged to secure also the presence of a Federal agent.

Under the Volstead Act, he said, a policeman in Washington may only gather the evidence. The arrest and prosecution must be conducted by prohibition agents of the Government. Although the police superintendent said the Federal authorities had cooperated loyally in every instance, the lack of authority to act on their own initiative is a detriment to the Washington police force.

"If Congress would give us an enabling act permitting us to make an arrest in liquor cases without the assistance of a Federal agent, the task of keeping Washington 'bone dry' would be much simplified. That law has made it possible for General Butler to smash right into crime in Philadelphia, and it would give the same opportunity here."

I did not believe the Sheppard Act had been repealed and do not believe it has been repealed. It is significant that the police court is enforcing it to-day. It seems to me very desirable that all doubt be cleared up on these points. Further, the police should be given powers so clear and complete as to leave no question. Therefore, I expanded the former bill and reintroduced it as H. R. 8845, reading as follows:

A bill (H. R. 8845) to amend sections 20 and 21 of an act entitled "An act to prevent the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes," approved March 3, 1917, as amended

Be it enacted, etc., That sections 20 and 21 of an act entitled "An act to prevent the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes," approved March 3, 1917, are hereby amended to read as follows:

"SEC. 20. If any person while in charge of a locomotive engine, or while acting as a conductor or brakeman of a car or train of cars, or while in charge of any street car, steamboat, launch, or other water craft, or while in charge of or operating any automobile or *any motor*, horse, or other vehicle in the District of Columbia, shall be intoxicated, he shall be guilty of a misdemeanor, and if convicted shall be punished by a fine of not less than $25 nor more than $300, and in default of payment of said fine shall be imprisoned in the District Jail or workhouse for not exceeding three months, or both fine and imprisonment in the discretion of the court.

"SEC. 21. It shall be the duty of the Commissioners of the District of Columbia to enforce the provisions of this act. They shall detail qualified members of the police force to detect violations of the act, if any, and to report promptly all knowledge or information they may have concerning such violations, together with the names of any witnesses by whom they may be proven to the corporation counsel; but it shall be the duty of all members of the police force to detect violations of the act and to promptly report any information or knowledge concerning the same to the corporation counsel, together with the names of witnesses, by whom such violations may be proven; and the corporation counsel shall bring such alleged violators of the law to trial with due diligence. *Such officers shall have the same authority and power to make arrests, serve warrants, and make seizures of intoxicating liquors as is now conferred upon officers and agents under the national prohibition act.*

"If any such officer shall fail to comply with the provisions of this section, he shall upon conviction be fined in any sum not less than $100 nor more than $500; and such conviction shall be a forfeiture of the office held by such person, and the court before whom such conviction is had shall, in addition to imposition of the fine aforesaid, order and adjudge the forfeiture of his said office. For a failure or neglect of official duty in the enforcement of this act any official herein referred to may be removed by court action.

"*All the provisions of the District of Columbia prohibition act entitled 'An act to prevent the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes,' approved March 3, 1917, as amended, and all other laws in regard to the manufacture, transportation, sale of, and traffic in intoxicating liquor, and all penalties for violations of the District of Columbia prohibition act and of such other laws as were in force and effect when the national prohibition act was enacted shall be and continue in force, as to both beverage and nonbeverage liquor, except provisions of such laws as are directly in conflict with any provision of the national prohibition act.*"

In the above the changes proposed in the Sheppard Act are shown in italics. The last paragraph is taken from the supplemental Federal prohibition act and has been approved by the courts.

I was given a hearing before the District Committee and H. R. 8845 was referred to a subcommittee, of which the gentleman from Illinois [Mr. RATHBONE] is the chairman.

This committee has been for a considerable time giving consideration to the question of liquor-law enforcement in the District since the regrettable shooting of Senator GREENE. It is a capable and diligent committee, and I am sure whatever should be done by the Congress will be formulated and recommended by them.

I would not feel it necessary to discuss these details were it not for the fact that the avowed opponents of law enforcement, the Association Against the Prohibition Amendment, and their apparent organ, the Washington Post, have been so actively opposing any program for effective police enforcement and have been so busily misrepresenting the situation.

The Washington Post gave a full column on the front page Thursday, April 24, the purpose of which is to be judged by this:

Fearing that the failure of Federal machinery to make prohibition effective in Washington will react harmfully against their movement elsewhere, supporters of the plan have determined to shift responsibility for enforcement to the District police department.

Once this is done, it is pointed out, District officials will have to bear the brunt of all criticism for the "wetness" of Washington, Federal enforcement authorities will be able to stand clear in public opinion, and prohibition leaders will not be faced with the difficult task of explaining why the expensive Federal enforcement machinery fails to function effectively in Washington.

This story was followed by another full column the next day, still front-page position, the heading of which declared:

Oyster backs plans to dry up District with local police, attitude of two other commissioners not yet revealed, opponents of plan question its efficacy, declare local force can not accomplish task where Federal agents failed.

The unfriendly attitude of the Post toward proposed improvement of conditions here is very apparent in the following excerpt from that article:

Commissioner Oyster yesterday committed himself to the proposal that the District police force shall take over prohibition enforcement in Washington, following another conference with Maj. Sullivan and Representative CRAMTON, of Michigan, one of the dry leaders of the House.

Francis H. Stephens, corporation counsel; Maj. Sullivan and himself, the commissioner said, will act as a committee to draft an outline of the legislation they will ask Congress to enact.

The program, he explained, calls for clothing the District police with all of the powers of Federal prohibition agents so the police may assume the entire burden of prohibition enforcement, which has been a failure, it is asserted, under the Federal prohibition enforcement machinery; appointment of two additional judges to the police court and an enlarged appropriation for use in gathering evidence.

On the second and third proposals there is accord among the three commissioners, but whether Commissioner Rudolph and Engineer Commissioner Bell are willing to assume to ask Congress to give them a task which the whole power of the Federal enforcement machinery has failed to do could not be learned. When the question comes up for decision in the board meeting it is believed the objectionable features of the plan will at least be pointed out.

THINK PLAN UNWISE

It is not a question of whether or not they favor the prohibition law or law enforcement, District officials who are opposed to the scheme said, but rather of the wisdom of the proposal. They do not believe, they said, the District government should be saddled with a task which has proved too much for the army of Federal agents, with the millions at the disposal of the prohibition unit. They also predicted the District will not be given any material increase in the police force or in the general law enforcement funds.

It was not until the next day, however, that the deus ex machina appears, although he is not permitted the front page but is confined to page 2, under these heads:

Wet leader fights plan to dry up city with local police—Declares scheme would make them "the goats" in Volstead law enforcement.

And here Capt. W. H. Stayton, presiding genius of the Association Against the Prohibition Amendment, comes boldly into the limelight as an avowed opponent of enforcement of the national law in the National Capital by the police, 40 per cent of whose salaries come from the Federal Treasury, just as he is on record heretofore as demanding repeal of the Federal enforcement act and of any State enforcement laws. The article says in part:

The plan to clothe the members of the District police department with all the powers of Federal prohibition agents is designed to make the department "the goat" for the Federal prohibition unit, and Commissioner Oyster "apparently swallows the scheme hook, line, and sinker," Capt. W. H. Stayton, founder and executive head of the Association Against the Prohibition Amendment, charged in a statement made public last night.

"It is my earnest belief that if this proposed change in enforcement is made, the District officials will ever regret it," he declared.

Representative CRAMTON, of Michigan, House dry leader, Captain Stayton said, "realizing that prohibition can not be enforced in Washington, is seeking to relieve the Federal prohibition unit from criticism of the drys and have the blame placed on the District police department."

These articles abound in misrepresentation and untruths. These articles leave the Post well open to the charge of hostility to better enforcement of the liquor laws in this city. It is quite what we would expect to find Captain Stayton opposing enforcement, but the Post, which has so much else in its recent past it would willingly have forgotten, ought not to let the captain entangle them also.

My statement has already shown that any steps I have taken have been in response to suggestions volunteered by District officials—Judge Schuldt, the board of commissioners, Major Sullivan.

Those officials, when in their efforts to enforce the law they find weaknesses in the law, do well to call them to public attention and to the consideration of Congress. And Congress does well to give careful consideration to such suggestions.

No one has sought to relieve the Federal bureau of responsibility for law enforcement here.

It is sought, in response to suggestions of District officials, to give the police also clear authority and full authority, so that acting by and of themselves they may enforce prohibition in the District vigorously.

We urge that everywhere enforcement of national prohibition is primarily a duty of local police officials. Then why should it not be so in the National Capital? We have here 1,000 police, 40 per cent of whose salaries are paid by the Federal Government. This District was set aside for Capital purposes, under Federal control, in order to insure supremacy of the Federal will in the shadow of the Capitol. Captain Stayton urges these Federal-paid police to fold their arms, close their eyes, in the presence of violation of the fundamental law of the Nation, because Captain Stayton relies on failure of law enforcement to break down the law. It is greatly to the credit of Commissioner Oyster and Major Sullivan that they have clearer conceptions of their duties and that they do not fear responsibility. They are entitled to all the aid that can be given them in the way of proper machinery and a free hand.

Some time ago the gentleman from Massachusetts [Mr. TINKHAM] printed in the RECORD a statement of arrests in the District, 1910 to 1923, inclusive, concerning which he declared:

Statistics of arrests in the District of Columbia, as reported officially by the superintendent and major of police to the subcommittee on the District of Columbia of the Appropriations Committee, disclose a civic depravity and social disintegration under present conditions and laws which are both appalling and unbelievable.

He plainly sought therein to give Congress and the country to understand that the attempt "to produce virtue by law and statute" is largely responsible for this "civic depravity"; that is to say, that national prohibition has caused a cataclysmic increase of crime in our National Capital.

It is of course to be noted that while total arrests have increased from 34,003 in 1910 to 66,758 in 1923, or 96.33 per cent, the arrests for speeding and other traffic violations, which took up only 1,095 of the arrests in 1910, account for 28.176 in 1923, and that the arrests for all other causes which were 32,908 in 1910, had only risen to 38,582 in 1923, or a gain of 17.24 per cent.

How many automobiles there were in 1910, or prior to 1918, can not be told, because an annual license system did not prevail till 1918. The rapid increase in motor vehicles is shown by the following total registration in the District each year beginning with 1918:

1918	36,354
1919	46,412
1920	55,810
1921	65,610
1922	79,546
1923	101,543

As annual registration did not start until January 1, 1918; can not give figures previous to that date.

That will take care of the increase in traffic arrests.

Now, how about the 17 per cent gain in all other arrests since 1910? Note these population figures, furnished by the Census Bureau, for the District of Columbia:

January 1, 1910	331,069
January 1, 1920	437,571
January 1, 1924	486,936

Percentage of increase, 1910 to 1924, 47.1 per cent.

While arrests, other than traffic, increased 17 per cent, the population increased 47 per cent. Not such a "social disintegration" after all. If crime had increased with population there would have been occasion for over 10,000 more arrests, or 25 per cent more in 1923 than did occur.

But what about prohibition and the "social disintegration" and "civic depravity?"

Note that national prohibition was not effective until January, 1920, and hence 1923 must be compared with 1919 to have any connection with the eighteenth amendment. Therefore take

the following figures, 1919 being the last year before the eighteenth amendment was in force and 1923 the last one since:

	1919	1923
Total arrests	53,356	66,758
Arrests for speeding	8,154	8,970
Arrests, other violations of traffic regulations	8,543	19,206
Arrests for all other causes	36,659	38,582
Details:		
Murder	49	26
Manslaughter	14	21
Assault with dangerous weapon	282	289
Assault with intent to kill	16	9
Robbery	223	189
Bigamy	5	11
Embezzlement	126	71
False pretenses	212	202
Forgery	186	73
Grand larceny	426	343
Housebreaking	462	457
Rape and attempt to rape	16	24
Total	2,087	1,805
Assault	1,727	2,431
Disorderly conduct	4,847	5,959
Threats of personal violence	296	489
Carrying weapons	413	371
Petit larceny	2,426	1,707
Adultery	126	199
Fornication	740	777
Disorderly house	52	144
Soliciting prostitution	63	196
Indecent exposure	109	126
Maintaining of nuisance	184	324
Nonsupport of wife and children	50	59
Incorrigibility	73	80
Indigent or dependent children	29	27
Total	11,129	12,879

The truth is, more men are sober and sobriety does not breed desperation, destitution, or crime, and social degeneration is not upon us.

Mr. Speaker, under the leave given me to extend my remarks in the RECORD I present the following impressive editorial from the Christian Science Monitor, headed "University aid for the saloon." It has reference to the assumption of "wet" leadership in the United States by Dr. Nicholas Murray Butler, president of Columbia University. The recent pronouncement by Doctor Butler to that effect has attracted very general attention throughout the Nation and is the subject of widespread comment. This is not because of anything new in the position he assumes or in the specious arguments he presents. Every would-be nullifier of the eighteenth amendment has mouthed the same things. It is not because of any ability in civic leadership that Butler is hailed as the wet Moses in this hour. He is never a constructive civic leader or political force. He is always a drawback. He is always in more intimate touch with the breeching than with the breastband. No progressive step taken by the American people in his lifetime has had his aid or approval. When he "views with alarm" he calls the roll of all that has changed in his lifetime. All has been done over his protest and his leadership in opposition has accomplished nothing but the front page, top the column, for Butler. As a leader, his batting average is nil.

But his bid for leadership of the wet forlorn hope is widely noted and quickly granted. Why? Simply because everyone, wet or dry, feels the incongruity of the head of a great American university preaching contempt for law and nullification for the Constitution. The picture challenges attention, not because of its effectiveness but because of its singularity.

It is a regrettable thing, nevertheless. What it means needs to be realized by thoughtful Americans. This editorial has reduced the problem to its simplest terms and the presentation is startling. The article reads as follows:

UNIVERSITY AID FOR THE SALOON

Nicholas Murray Butler, the president of Columbia University, has set out systematically to overthrow the prohibition policy adopted in due constitutional form by the people of the United States. His eminence in educational circles and his admitted respectability, as evidenced by his very considerable wealth, cause a certain measure of respect to be attached to his efforts that is not conceded to other individuals who seem to be more naturally allied with the liquor forces in their desperate struggle for life. Yet Mr. Butler is quite as reckless in his statements, quite as violent in his proclamations, as any of the purely professional wets.

The spectacle presented by this gentleman now at the head of a great educational institution is not encouraging to those who wish to admire the position of the scholar in politics. Mr. Butler advocates the repeal of the eighteenth amendment because he insists that it is not uniformly enforced. Famous beyond most college presidents for his extreme conservatism and his determined opposition to the agitation of radical theories in the college of which he is the head, he puts himself thus in a position precisely parallel to that of the most dangerous anarchist. His position is that violations of the law afford a reason for the repeal of the law. This is the essence of anarchism. It is doubtful whether the most earnest and sincere advocate of the destruction of any other clause in the national Constitution would be permitted to address an audience in a hall of Columbia. It is reasonably certain that no instructor in that institution who should apply to other features of the fundamental law of the United States the destructive methods which Doctor Butler is applying to this one would be permitted to retain his connection with the university. The luckless undergraduate who would say of capitalism, for example, what Doctor Butler says of prohibition would doubtless find his connection with the university abruptly and dishonorably terminated.

A not inconsiderable number of trustees and other officials of Columbia have flocked to Doctor Butler's support with interviews and letters to the press. If there be those in the faculty who condemn the president's course, they are naturally restrained by prudence from expressing their opinion. What is being done is to make of Columbia no less a center for antiprohibition and proliquor agitation than is the office of the Association Against the Prohibition Amendment. The wet headquarters that used to be maintained in the central office of the Brewers' Association have apparently been moved to the office of the president of Columbia University.

In a discussion before the Methodist conference now in session at Springfield, Mass., a bishop of that church said that the question might soon come up as to whether all Methodists should not be warned against sending their children to Columbia. The question is one that may well present itself not to members of any church alone but to every believer in prohibition, to every enemy of the saloon, to every opponent of the reestablishment of the political power of liquor, and to every defender of the Constitution of the United States. It can not be possible for Columbia University to be at once an institution for the higher education of youth in ethics, morals, and the humanities, and the principal headquarters of the advocates of the return of the liquor forces to power in the United States.

Mr. POU. Mr. Chairman, I move to strike out the last word for the purpose of preferring a request for unanimous consent. My colleague, Major STEDMAN, has delivered a very interesting and historical address in Greensborough, entitled "North Carolina in the War Between the States," and I ask unanimous consent that I may have the privilege of inserting it in the RECORD.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

The committee informally rose; and Mr. CRAMTON having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Welsh, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended.

S. 2430. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes.

DISTRICT OF COLUMBIA APPROPRIATION BILL

The committee resumed its session.

The Clerk read as follows:

MISCELLANEOUS

For repairs and improvements to engine houses and grounds, $25,000.

Mr. McLEOD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 52, line 3, after the figures "$25,000," insert "for one drill tower, $16,000."

Mr. DAVIS of Minnesota. Mr. Chairman, I make the point of order against that.

Mr. McLEOD. Mr. Chairman, I desire to say that Washington appears to be the only city in the country with a population of over 125,000 people that is now without a drill tower.

Mr. MADDEN. That is something that would have to be authorized by the District Committee, and I must insist upon the point of order.

The CHAIRMAN (Mr. TEMPLE). Does the gentleman wish to be heard upon the point of order?

Mr. MADDEN. It is legislation on an appropriation bill and not in order, and it is not germane.

The CHAIRMAN. The Chair is in doubt and will be glad to hear anything that may be said upon the point of order.

Mr. BLANTON. Mr. Chairman, the rules of the House provide that where a point of order is made the burden is immediately shifted to the chairman of the committee to show a law. The chairman does not show the law. No one attempts to show a law, and the burden is on the gentleman from Michigan to show the law.

The CHAIRMAN. The Chair understands that.

Mr. BLANTON. And he has not made any attempt to show the law.

The CHAIRMAN. The Chair may be supposed to know something about the law himself, however.

Mr. BLANTON. Oh, yes; if the Chair knows of any.

Mr. MADDEN. I make the point of order it is not germane to the paragraph.

Mr. McLEOD. It is germane to this portion of the bill.

Mr. DAVIS of Minnesota. It is not germane, nor is there any law authorizing this construction.

The CHAIRMAN. The Chair thinks as to the second point of order that it is not germane to the paragraph is good, and the Chair sustains that point of order.

The Clerk read as follows:

For repairs, improvements, and alterations to engine house No. 16, D Street between Twelfth and Thirteenth Streets NW., $15,000: *Provided*, That the appropriations made for this purpose in the District of Columbia appropriation acts for the fiscal years ended June 30, 1923, and June 30, 1924, are reappropriated and continued available in addition to the appropriation herein authorized.

Mr. McLEOD. Mr. Chairman, I offer the following amendment: Strike out the figures "$15,000" and insert in lieu thereof "$20,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 52, line 6, strike out the figures "$15,000" and insert in lieu thereof "$20,000."

Mr. McLEOD. Mr. Chairman, I offer that amendment for the reason the architect's report states that the building can not be completed for less than $20,000. I hold the report in my hand.

Mr. DAVIS of Minnesota. Mr. Chairman, they have already had $10,000, and there was no application made for an increase.

Mr. McLEOD. The municipal architect's report shows that it can not be done for that amount.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For repairs to apparatus and motor vehicles and other motor-driven apparatus, and for new apparatus, new motor vehicles, new appliances, employment of mechanics, helpers, and laborers in the fire department repair shop, and for the purchase of necessary supplies, materials, equipment, and tools: *Provided*, That the commissioners are authorized, in their discretion, to build or construct, in whole or in part, fire-fighting apparatus in the fire department repair shop, $35,000.

Mr. McLEOD. Mr. Chairman, I offer an amendment. Page 52, line 20, strike out "$35,000" and insert "$40,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: Page 52, line 20, strike out the figures "$35,000" and insert in lieu thereof "$40,000."

Mr. McLEOD. Mr. Chairman, we have been shown, at least, by the report of the fire department, that the apparatus of the fire department of the District of Columbia is in such a condition that the chief has now ordered that all apparatus do not travel over 12 miles an hour by reason of its oldness and the dilapidation that exists in all the apparatus, and he says it is absolutely important that they have this amount of money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For two pumping engines, triple combination, motor driven, $10,000 each.

Mr. McLEOD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 53, line 10, strike out "two" and insert "three," and in line 11 strike out "$10,000" and insert "$12,500."

Mr. BLANTON. Have not we passed that?

Mr. McLEOD. I do not think there will be objection if those people who are objecting want to assume the responsibility that exists with reference to poor apparatus.

Mr. DAVIS of Minnesota. I will state that we have had full hearings on this matter and that is all they desired.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For house, site, furniture, and furnishings for a truck company to be located in the northeast section of the city in the vicinity of Twelfth and H Streets NE., including the cost of necessary instruments for receiving alarms and connecting said house with fire-alarm headquarters, $50,000.

Mr. McLEOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 53, line 18, strike out "$50,000" and insert in lieu thereof "62,000."

Mr. McLEOD. Mr. Chairman, I would like to make a short statement, and that is according to the architect's figures and according to the prices obtained by this department they find that that building can not be renovated and put in shape for $50,000, but it will take $62,000 at the lowest figure.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

HEALTH DEPARTMENT

SALARIES

For personal services in accordance with the classification act of 1923, $130,640.

Mr. BLANTON. Mr. Chairman, I offer an amendment. In line 3, page 54, I move to strike out the words "in accordance with," and I want to deliver a lecture on that subject.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 54, line 3, strike out the words "in accordance with."

Mr. BLANTON. Mr. Chairman, under the heads which we have just read—the police department and the fire department—there are six different paragraphs of legislation subject to points of order. In accordance with the rules of the House I could have made a point of order against them and had them stricken out, but I did not want to do it because they were all absolutely necessary for the conduct of the fire department and the police department. Now, I exercised my prerogatives in not making the point of order. I could have made it, any Member could have made it, but I did not want to do it. Now, you have the right at any time to resort to the rules of this House in conducting legislation here on this floor.

When there was a bad bill before this House yesterday, a vicious bill, one of the worst that has been here for the last 20 years or at least since the Adamson bill was passed in 1914, certain Members here, in accordance with the rules of the House, the only way on earth they had of stopping that legislation and keeping it from passing and letting it go to the country as a million-dollar burden each year around the tax-burdened people's necks, they used the rules of the House to keep that bill from passing, and they were lectured here upon the floor by other Members. They were condemned here on the floor by other Members for doing what? Using the rules of this House to stop bad legislation. It is just as much the duty of a Member of this House, and just as legitimate for him to use the rules of this House to keep a bad bill from passing as it is for a Member to expedite the passage of a good bill—good legislation. Now, I am glad that there were enough Members here to use the rules of this House to keep that bill from passing yesterday. I hope there will be enough Members here on the floor who will stand together and use the rules of the House in the future to keep that bill from ever passing or ever coming to a final vote. It would be the worst thing that ever happened for the people of this country to be hog-tied with any such legislation as that; and in accordance with the rules of the House I have made these few remarks.

Mr. McLEOD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McLEOD. That argument also holds good for voting down these amendments?

Mr. BLANTON. I did not vote against the gentleman's amendments. The gentleman's amendments were good and

ought to pass. Every one of these items that the gentleman suggested will be put in in the Senate. The Senate will put them in. They will go into conference and the conferees of the Senate will induce the House conferees to incorporate every one of them in the law. Every one of them will be put in.

Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN (Mr. TEMPLE). The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For establishing and maintaining a child hygiene service, including the establishment and maintenance of child-welfare stations for the clinical examination, advice, care, and maintenance of children under 6 years of age, payment for personal services, rent, fuel, periodicals, and supplies, $18,000: *Provided*, That the commissioners may accept such volunteer services as they may deem expedient in connection with the establishment and maintenance of the service herein authorized: *Provided further*, That this shall not be construed to authorize the expenditure or the payment of any money on account of any such volunteer service.

Mr. DAVIS of Minnesota. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Minnesota: Page 58, line 5, strike out "establishing and."

Mr. DAVIS of Minnesota. It is absolutely unnecessary. I wish the passage to read: "For maintaining a child hygiene service," and so forth.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHINDBLOM. Mr. Chairman, in line 13, page 58, strike out the word "*further*" after the word "*Provided*" in the second proviso. It is a proviso under the first proviso, not a proviso under the main paragraph.

Mr. BLANTON. That is the usual language.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 58, line 13, strike out the word "further."

Mr. CHINDBLOM. That is the usual language, and the second proviso is a proviso under the second proviso.

Mr. BLANTON. That ought to stay in, to make it clear.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COURTS AND PRISONS

JUVENILE COURT

Salaries: For personal services in accordance with the classification act of 1923, $41,516: *Provided*, That the court shall have authority in the absence of an employee to deputize another employee to act in the capacity of the absent employee.

Mr. BLANTON. Mr. Chairman, I make a point of order on the language beginning with the word "*Provided*," in line 20, and embracing line 23 as being legislation on an appropriation bill, unauthorized by law. All this language is new legislation that has not been in previous appropriation bills.

Mr. CRAMTON. Mr. Chairman, I make the point of order that the point of order came too late.

Mr. BLANTON. I made it immediately after the Clerk read it.

The CHAIRMAN. The Clerk was still reading when the gentleman made it.

Mr. BLANTON. Yes. I made it on time.

The CHAIRMAN. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

For compensation of jurors, $6,500: *Provided*, That deposits made on demands for jury trials in accordance with rules prescribed by the court under authority granted in section 11 of the act approved March 3, 1921 (41 Stat. L. p. 1312), shall be earned unless, prior to three days before the time set for such trials, including Sundays and legal holidays, a new date for trial be set by the court, cases be discontinued or settled, or demands for jury trials be waived.

Mr. BLANTON. Mr. Chairman, reserving the point of order, beginning with the word "*Provided*," embracing lines 24 and 25, on page 60, and from lines 1 to 16, inclusive, on page 61, it is new legislation on an appropriation bill. But it being such salutary legislation, Mr. Chairman, I think it ought to stay in the bill, and I shall not make a point of order against it. But it does occur to me, Mr. Chairman, that these District Commissioners, when they want a law, ought to come to the law committee of the House; and the Committee on Appropriations, when they think that a certain piece of legislation ought to be passed, ought to suggest it to the legislative committee and let that committee attend to it, and not just keep sticking these items of legislation in the appropriation bill. But this is such a salutary law that I am not going to make a point of order against it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Probation system: Probation officer, $2,200; two assistant probation officers, at $1,400 each; stenographer and typewriter and assistant, $900; contingent expenses, $325; maintenance of motor vehicle used in performance of official duties, at not to exceed $26 per month, $312; in all, $6,537.

Mr. BLANTON. Mr. Chairman, in line 9 on page 62 I make a point of order against the language "two assistant probation officers, at $1,400 each." The law provides for only one. I have no objection if the gentleman from Minnesota will amend that by letting it correspond with the law and provide for only one. I would have no objection. But this is legislation that is unauthorized in attempting to provide an additional probation officer here. I make the point of order.

Mr. DAVIS of Minnesota. I concede the point of order; but they made a very strong case that they needed these two officers. I concede that it is subject to a point of order.

Mr. BLANTON. I insist on the point of order and ask unanimous consent that the following language be restored there, "one assistant probation officer, at $1,400." I ask unanimous consent that that be inserted.

Mr. DAVIS of Minnesota. I have no objection.

The CHAIRMAN. The Chair sustains the point of order. Is there objection to the request that the language be inserted as indicated by the gentleman from Texas?

Mr. DAVIS of Minnesota. It should be "assistant probation officer, at $1,400."

The CHAIRMAN. Is there objection to the request that the item indicated be inserted?

The was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COURT OF APPEALS

Salaries: Chief justice, $9,000; two associate justices, at $8,500 each; clerk, $4,250, and $250 additional as custodian of the Court of Appeals Building; two assistant or deputy clerks, at $2,250 each; reporter, $1,500: *Provided*, That the reports issued by him shall not be sold for more than $5 per volume; crier, who shall also act as stenographer and typewriter in the clerk's office when not engaged in courtroom, $1,200; three messengers, at $720 each; three stenographers, one for the chief justice and one for each associate justice, at $1,200 each; necessary expenditures in the conduct of the clerk's office, $950; in all, $44,410.

Mr. BLANTON. Mr. Chairman, I make the point of order to the language, beginning in line 7, on page 63, as follows: "Two assistant or deputy clerks, at $2,500 each." That is legislation on an appropriation bill unauthorized by law. The law authorizes only one, and they attempt to put in a new one here without authority of law. Of course, I have no objection to the chairman inserting "one assistant."

Mr. DAVIS of Minnesota. If the gentleman makes that motion, I will consent to it.

The CHAIRMAN. The Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the following language be inserted: "One assistant or deputy clerk, at $2,250."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 63, line 7, after the word "building," insert "one assistant or deputy clerk, at $2,250."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

For construction of sewer to the combined system of sewer on B Street SE., $1,800.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph just read embraced in lines 17 and 18, page 65, on the ground that it is legislation on an appropriation bill unauthorized by law. There is no authority for this new construction.

Mr. DAVIS of Minnesota. I think it is a part of the sewer system and work in progress and is not subject to a point of order at all.

Mr. BLANTON. This is new construction entirely.

The CHAIRMAN. Is the sewer constructed on the jail property?

Mr. DAVIS of Minnesota. It leads from the jail property right into the sewer system of the District.

The CHAIRMAN. And is it for the disposal of sewage from the jail?

Mr. DAVIS of Minnesota. That is what it is for.

The CHAIRMAN. It seems to the Chair that it is a continuation of an already existing work, and the Chair overrules the point of order.

The Clerk read as follows:

For brickmaking plant, including structure, machinery, and installation, $15,150.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph just read between lines 13 and 14, which lines read as follows:

For brickmaking plant, including structure, machinery, and installation, $15,150.

The same being legislation on an appropriation bill unauthorized by law. There is no law for a brickmaking plant.

Mr. DAVIS of Minnesota. I think, Mr. Chairman, there is authority for it. They have a very large and immense brick plant there and have had it for many years, and this simply provides for some repairs.

Mr. BLANTON. I challenge the gentleman to show any law authorizing any brickmaking plant.

Mr. DAVIS of Minnesota. I think we will. They make a large part of the brick used in the schools. For instance, there are 5,000,000 bricks in the Central High School and that brick was made there. They make a large share of the brick—and have for years—that goes into all our school buildings.

Mr. BLANTON. I challenge the gentleman to show any law for it.

Mr. DAVIS of Minnesota. We will look it up. There is a law about that brickyard down there. I wish to say this is a reformatory and workhouse and is one of the grandest institutions we have. If the gentleman would go down there——

Mr. BLANTON. The gentleman is discussing the merits but I am not discussing the merits. I am talking about an unauthorized appropriation.

Mr. DAVIS of Minnesota. I think, perhaps, we can find the law.

Mr. CRAMTON. Mr. Chairman, in 35 Statutes, page 717, is found this authority:

The Commissioners of the District of Columbia are hereby authorized and directed to purchase two tracts of land, widely separated, of not less than one thousand acres each, either or both of which to be situated in the State of Maryland, or in the State of Virginia; one of said tracts shall be used as a site for the construction and erection of a reformatory of sufficient capacity to accommodate at least one thousand inmates, and the other for the construction and erection of a workhouse of sufficient capacity to accommodate at least five hundred prisoners, and to build necessary temporary structures on each tract; the said commissioners are hereby authorized and directed to appoint a commission to consist of three persons, one of said commissioners shall be chairman, which commission shall employ an architect skilled in the construction of such buildings, to prepare all plans, specifications, and estimates deemed necessary or required by said commission, and which shall first be approved before acceptance by the Commissioners of the District of Columbia, who are hereby required to construct said reformatory and workhouse—

I repeat—

who are hereby required to construct said reformatory and workhouse.

And then—

and on their direction the prisoners at the time confined in any existing workhouse of said District shall clear and prepare any or all such tracts of land for building and assist in the construction of any or all of said buildings.

The statute, therefore, not only authorizes but requires the commissioners to build a workhouse.

Mr. BLANTON. Right there——

Mr. CRAMTON. I do not yield, because I think my statement will be more intelligible if I make it myself.

The commissioners are directed and required to build a workhouse. There is no limitation of cost fixed—no limitation as to the number of buildings. The only limitation is as to the number of inmates. They are required to have it large enough to take care of 1,000 inmates. It is a "workhouse." Necessarily that contemplates that the inmates shall work.

Mr. DAVIS of Minnesota. And they do work.

Mr. CRAMTON. And they do work. One of the means that has been used for many years to keep them employed—a very humane proposition—is the making of bricks, so that now an appropriation is provided here for this additional brickmaking machinery and plant.

I call further attention to this: That in Thirty-sixth Statutes, page 1004, is found this proviso:

That the Commissioners of the District of Columbia are hereby authorized, under such regulations as they may prescribe, to sell to the various departments and institutions of the government of the District of Columbia the products of said workhouse, and all moneys derived from such sales shall be paid into the Treasury—

In a certain way. That is to say, we have authorized and required them to build a workhouse, which means that those confined there shall do work, and we have authorized the sale of the products of their labor. So I contend—there being no limitation on the cost of the construction of that plant—that the item is amply justified by existing law.

Mr. BLANTON. Mr. Chairman, I would like to be heard a moment. The rules of the House are the most important tools we have to work with and they ought not to be set aside for expediency.

I want to call the Chair's attention to a precedent that should be decisive against the gentleman's contention. We have a penitentiary system for the United States, where men are sent to work. When the Congress got ready to supply that working place—at Leavenworth and the one down in Georgia, with a shoe factory, a broom factory, and a brush factory—did they go to the Appropriations Committee? No. They went to the Judiciary Committee to provide the law, and the Judiciary Committee brought on the floor of this House a bill from the proper legislative committee authorizing the Department of Justice to establish a broom factory, a brush factory, and a shoe factory in these penitentiaries so that the convicts might have places to work. Here is a smaller penitentiary out here known as a reformatory and workhouse, not for the United States Government but just for the District of Columbia and authorized nearly 20 years ago. Incidentally they have boys confined out there and because of that fact the gentleman from Michigan [Mr. CRAMTON], who wants this item of legislation to go through—through expediency and exigency—wants the Chair to hold that the Appropriations Committee has the authority to put legislation in this bill authorizing the construction of a brickmaking plant, to build it and establish it, when it is legislation pure and simple.

It is just as much legislation with respect to this little reformatory for the District as the brush-making plant and the broom-making plant and the shoemaking plant constituted legislation for the penitentiary system of the United States. It is clear. The gentleman said what he would read would be a little more intelligent than what I might read from the same book.

Mr. CRAMTON. No; it was our respective remarks.

Mr. BLANTON. I submit that the way he twists things when he reads them and writes them in bills, makes them dovetail more propositions of legislation to get them in an appropriation bill than anyone else could accomplish, and he is more skillful about that than any man I ever saw operate out of the Appropriations Committee; but we now have a distinguished parliamentary in the chair, who is conscientious, and he is not going to set aside the rules of this House just because the gentleman from Michigan wants him to do so.

Mr. CHINDBLOM. If the Chair will permit, of course, the Chair will not be affected by the argument ad hominem of the last speaker. If the Congress saw fit to pass a general piece of legislation authorizing the establishment of a workhouse at Leavenworth or Atlanta, of course, Congress would have the power to do it; and if Congress did that, I submit to the Chair that the money appropriated for that workhouse could be used for almost any purpose within the purview of a workhouse. So I do not think the gentleman's remarks are at all applicable here. We chose to pass special legislation for the penitentiaries at Leavenworth and Atlanta, indicating the kind of industrial establishments we wanted there, but Congress has already passed a general law with reference to this reformatory, and because it is so much smaller, I have no doubt Congress concluded at that time it was not necessary to designate the particular kind of industrial plant.

Mr. DAVIS of Minnesota. Mr. Chairman, I do not care to take up the time of the committee, but we have here an immense brickyard already constructed, which has been there for many years. This is simply an addition to it and for repairing it, including certain small structures, and appropriates $15,000. This brickyard furnishes, as I have said, millions and millions of brick for use all over the District and has been in operation now for 10 or 15 or 20 years. They have over 300 prisoners down there working every day, and over in the reformatory 300 more. They have 2,600 acres of land, and there is one railroad running down there now and there is to be another constructed. It is a very large institution, and this is simply something that is incidental which they have asked for to add to the plant somewhat. It is a continuation of work in progress, and hence is not subject to a point of order.

The CHAIRMAN. The statement made before the committee is:

That plant has been running, as you know, since about 1913, the second year after we got down there, and there are too frequent breakdowns, and we have no reserve machinery. When the present engineer commissioner came here he went down there and went over the plant, and he was much impressed with the need of the brick. By the way, we can not begin to supply the brick that the District could use.

The work seems to have been going on for a number of years under the act authorizing the establishment of the workhouse. This seems to be an extension of an existing work, and the Chair overrules the point of order.

The Clerk read as follows:

Hereafter pay patients may be admitted to the tuberculosis hospital for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I reserve a point of order against the paragraph. I would not make a point of order against this paragraph except for two reasons: One is that pay patients admitted here could cause the exclusion of those who are unable to pay by taking up all the room. That is one reason; and the other reason is that of all the places that a tuberculosis hospital ought not to be, Washington is the place. If they have the interest of the tubercular patients at heart, it occurs to me they ought to put the hospital somewhere else and send the patients to it. This ought to be merely a receiving hospital, and they ought to be sent to Fort Bayard, N. Mex., or Prescott, Ariz., where they would have a chance to get well and not die. For those two reasons, Mr. Chairman, I make the point of order that the paragraph is legislation on an appropriation bill unauthorized by law. The Chair will note it begins: "Hereafter pay patients may be admitted to the tuberculosis hospital." That is not authorized now by law.

Mr. DAVIS of Minnesota. What part of the paragraph does the gentleman refer to? Lines 23 and 24?

Mr. BLANTON. Lines 23 and 24, on page 69, and lines 1 and 2, on page 70.

Mr. DAVIS of Minnesota. I admit that is subject to a point of order.

Mr. CRAMTON. Will the gentleman yield before conceding the point of order?

Mr. DAVIS of Minnesota. Yes.

Mr. CRAMTON. Of course, both of the suggestions of the gentleman from Texas can not very well be met, because we are not in a position to provide for the care of the District tubercular in the southwest; but if the other suggestion should be met by language providing for the admission of these pay patients in so far as such admission will not interfere with the admission of indigent patients——

Mr. BLANTON. If the gentleman will offer that, I shall not make a point of order against it.

Mr. CRAMTON. I offer then an amendment, and I hope the chairman——

Mr. DAVIS of Minnesota. I will accept it. That is the case now, and would not interfere.

Mr. CRAMTON. Then if the gentleman withdraws the point of order I offer an amendment, on page 70, after the word "Columbia" strike out the period, insert a comma, and add the following, "in so far as such admissions will not interfere with admission of indigent patients."

Mr. BLANTON. You will have to put in the balance of it.

Mr. CRAMTON. No; this is offered at the end of the paragraph.

Mr. BLANTON. Mr. Chairman, I shall not insist that we stop proceedings so that the gentleman from Michigan may put his amendment in writing, because I think expedition requires that we go along as we are doing now.

Mr. CRAMTON. Of course, if the gentleman will give me advance notice of his points of order——

Mr. BLANTON. That is what the gentleman required a moment ago.

The CHAIRMAN (Mr. GRAHAM of Illinois). The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 70, line 2, after the word "Columbia" strike out the period, insert a comma, and add the following, "in so far as such admissions will not interfere with admission of indigent patients."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The CHAIRMAN. The reservation of the point of order is withdrawn, and the Clerk will read.

The Clerk read as follows:

For the purchase of a microscopic and chemical outfit for the pathological laboratory, $760.

Mr. BLANTON. Mr. Chairman, I make the point of order that this is legislation unauthorized on an appropriation bill.

Mr. CRAMTON. Mr. Chairman——

The CHAIRMAN. The Chair does not care to hear any argument. The point of order is overruled.

The Clerk read as follows:

For furniture, furnishings, instruments, and appliances, and other necessary articles, $5,000.

Mr. BLANTON. Mr. Chairman, I make the point of order against the following language in line 16. "And other necessary articles." That is opening altogether too wide a construction—that will take in anything in the world that some fantastic-minded person might want to buy.

The CHAIRMAN. It would take in most any kind of article, but if Congress wants to appropriate for this purpose, it can do it. The point of order is overruled.

Mr. BLANTON. Mr. Chairman, I move to strike out on page 70, line 16, the words "and other necessary articles."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 70, line 16, strike out the words "and other necessary articles."

Mr. BEGG. If that language is stricken out it might preclude them from getting medicine or bandages.

Mr. BLANTON. Does not the gentleman think that language too broad?

Mr. BEGG. I think the hospital ought to have that privilege.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, there not being enough here to get tellers, I will not ask for them.

The Clerk read as follows:

Hereafter pay patients may be admitted to the psychopathic ward of the Gallinger Municipal Hospital for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph as being legislation on an appropriation bill and unauthorized.

Mr. CRAMTON. Mr. Chairman, there is no doubt about this being subject to a point of order.

The CHAIRMAN. The point of order is sustained.

Mr. CRAMTON. Mr. Chairman, I am going to ask the gentleman to consent to the same amendment that I offered before.

Mr. BLANTON. There will be no objection to that.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 70, after line 18, insert: "Hereafter pay patients may be admitted to the psychopathic ward of the Gallinger Municipal Hospital for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia, in so far as such admission will not interfere with the admission of indigent patients."

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

HOME AND SCHOOL FOR FEEBLE-MINDED

For continuing construction, $30,000; for maintenance, salaries, and other necessary expenses, $20,000; in all, $50,000: *Provided*, That the commissioners are authorized to proceed with such construction by day labor or otherwise as in their judgment may be most advantageous to the District of Columbia and to enter into contracts or otherwise to incur obligations on account of such construction not to exceed $232,000.

Mr. BLANTON. Mr. Chairman, I make a point of order on the proviso, lines 17 to 22 on page 72, as being legislation on an appropriation bill. I doubt very seriously whether the commissioners can go more advantageously on day labor.

Mr. CRAMTON. Will the gentleman withhold his point of order?

Mr. BLANTON. I will reserve it.

Mr. CRAMTON. I am going to pass the question whether it is subject to a point of order. Even if it should be, I will ask the gentleman not to make it, because it is clearly in the interest of economy to have the language in the bill. Let me say this to the gentleman: The feeble-minded greatly enjoy doing that which they like to do and which they can do.

Mr. BLANTON. Are they doing this work?

Mr. CRAMTON. It is planned to have them do it in part. These boys who have the strength will be taken out there——

Mr. BLANTON. If it was limited to them, I would not object. But here is $232,000 to be expended. Has the gentleman from Michigan seen any day-labor work in Washington? I have. I have seen them leaning on a spade handle 15 minutes carrying on conversation.

Mr. CRAMTON. There is to be only $92,000 available to expend the coming year. I do not know to what extent the inmates will be utilized, but to whatever extent they are utilized it will be an economy. I hope the gentleman will not make the point of order.

Mr. BLANTON. I will state that if they are going to use some of these unfortunate individuals and they are going to get the benefit of it I would not feel like objecting. But I want to say that it would not surprise me to see half of the sum wasted. I withdraw the point of order.

The Clerk read as follows:

All moneys received at said school as income from sale of products and from payment of board or of instruction or otherwise shall be paid into the Treasury of the United States to the credit of the United States and to the credit of the District of Columbia in the same proportions as the appropriations for such institutions are paid from the Treasury of the United States and the revenues of the District of Columbia.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 73, line 11, after the word "Columbia," strike out "in the same proportions as the appropriations for such institutions are paid from the Treasury of the United States and the revenues of the District of Columbia" and insert in lieu thereof the following: "in the proportion required by law."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

TEMPORARY HOME FOR FORMER SOLDIERS AND SAILORS

For personal services in accordance with the classification act of 1923, $2,760; maintenance, $5,000; in all, $7,760, to be expended under the direction of the commissioners; and ex-soldiers, sailors, or marines of the Spanish War, Philippine insurrection, or China relief expedition, and soldiers and sailors of the World War shall be admitted to the home.

Mr. JEFFERS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JEFFERS: Page 75, line 1, after the word "war," insert "or who served prior to February 9, 1922."

Mr. JEFFERS. Mr. Chairman, this is a little amendment which I think I can explain in just a moment and I think I can show very clearly that it is really needed. This bill provides that soldiers and sailors of the World War may be taken care of in the way of meals and in some other ways that other ex-service men who are in need are taken care of. But the language "soldiers and sailors of the World War," if interpreted literally, might exclude such needy soldiers and sailors who served, for example, in the army of the occupation after the armistice; who enlisted after the armistice, and who have been returned to this country and who may now be temporarily in hard luck and in need of a meal. They might not be able to get it under a strict interpretation of the language of the bill, and if the Congress will allow it to extend to February 9, 1922, it will then include any such needy boys as enlisted for service in the army of occupation, for example; or who served prior to February 9, 1922.

Mr. BEGG. Does the gentleman's amendment say "enlisted prior to February 9, 1922?"

Mr. JEFFERS. It says, "who served prior to February 9, 1922."

Mr. BEGG. In other words, if they served a week they are eligible?

Mr. JEFFERS. Yes; of course, the same as if the soldier served a week during the World War he would be eligible.

Mr. BEGG. I understand, but if a man were enlisted just a week before or a day before he is eligible.

Mr. JEFFERS. I suppose he would be, but permit me to call attention to the fact that, under the old law which has been in force here, Public Act 457, they are so taken care of in cases of Spanish-American War veterans, and veterans of other wars and engagements.

Mr. DAVIS of Minnesota. Mr. Chairman, as far as I am concerned, I accept the gentleman's amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

For payment to beneficiaries named in section 3 of an "An act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or his or her minor children in destitute or necessitous circumstances," approved March 23, 1906, $1,500, to be disbursed by the disbursing officer of the District of Columbia on itemized vouchers duly audited and approved by the auditor of said District.

Mr. BLANTON. Mr. Chairman, I reserve the point of order. Why was this legislation put in this bill?

Mr. DAVIS of Minnesota. The item is really transferred from another place in the bill.

Mr. BLANTON. Where is it in the last year's act? I have overlooked it.

Mr. DAVIS of Minnesota. It was in the last year's bill, but this has been transferred from another place in the bill.

Mr. BLANTON. Yes; but was it in the last year's bill?

Mr. DAVIS of Minnesota. It was under the "workhouse" in the last year's bill.

Mr. BLANTON. The gentleman is sure of that?

Mr. DAVIS of Minnesota. Yes.

Mr. BLANTON. The clerk of the committee remembers it?

Mr. DAVIS of Minnesota. Yes.

Mr. BLANTON. I withdraw the point of order.

The Clerk read as follows:

BURIAL OF EX-SERVICE MEN

For expenses of burying in the Arlington National Cemetery, or in the cemeteries of the District of Columbia, indigent ex-Union soldiers, ex-sailors, or ex-marines, of the United States service, either Regular or Volunteer, who have been honorably discharged or retired, and who die in the District of Columbia, to be disbursed by the Secretary of War, at a cost not exceeding $45 for such burial expenses in each case, exclusive of cost of grave, $500.

Mr. JEFFERS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JEFFERS: Page 77, line 5, after the comma at the end of line 5, insert "or in near-by Maryland cemeteries."

Mr. JEFFERS. Mr. Chairman, my attention has been called to this matter by members of the American Legion here in the District. Those legionnaires often handle the burial of ex-service men who die here in the District. The amount appropriated here is very small. Now the cemeteries in the District are crowded and cemetery space is difficult to get, and also high in price, and they find that if they could bury them at, say, some near-by cemetery outside of the District line, it would possibly be much cheaper, and consequently this little amount appropriated would go much farther in this work.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. JEFFERS. Yes; certainly.

Mr. BLANTON. Would the gentleman mind embracing in his amendment after the word "Maryland" the words "or

Virginia." For instance, right here across from Anacostia, within 10 minutes ride of this Capitol, there is a Virginia cemetery.

Mr. JEFFERS. That suits me, and so far as I know there would not be any objection to that modification. They feel that with such a small appropriation it would be the sensible and practical thing to do to write it into the law that they can go over the line to some near-by cemetery where they can provide just as nice a burial and do it at less expense.

The CHAIRMAN. Without objection, the amendment of the gentleman from Alabama will be modified by the insertion of the words "or Virginia."

There was no objection.

Mr. BEGG. Mr. Chairman, if that amendment is adopted, they can take a body to the very farthest point in Virginia and charge the expense to the Government.

Mr. BLANTON. Oh, no; it said "near by."

Mr. BEGG. But what is "near by"?

Mr. JEFFERS. Well, so far as I am concerned, we will leave that to my friend from Ohio. This is an absolutely bona fide proposition. All they want is to have the law provide that they can go to these near-by cemeteries. I do not know of anyone who wants to skin the Government on this matter. This $500 will not cover more than a few cases during the year, anyway, and of course it is desired to make it go just as far as it will.

Mr. BEGG. I think the language ought not to be so broad. Let the gentleman add "within a radius of 10 miles of the District of Columbia."

Mr. BLANTON. Make it within 5 miles of the District of Columbia.

Mr. BEGG. If the gentleman will accept that, I think it will be all right.

Mr. JEFFERS. That suits me; make it within 5 miles of the District line, if you wish.

The CHAIRMAN. Without objection, the Clerk will again modify the amendment by inserting that language. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment as modified for the information of Members.

The Clerk read as follows:

Modified amendment offered by Mr. JEFFERS: Page 77, line 5, after the comma at the end of line 5, insert "or any near-by Maryland or Virginia cemeteries within 5 miles of the District line."

The question was taken, and the amendment was agreed to.

Mr. JEFFERS. Mr. Chairman, I have another amendment to offer.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. JEFFERS: Page 77, line 6, after the word "ex-marines," insert the words "or indigent wife or mother of indigent ex-service man."

Mr. BEGG. Mr. Chairman, I make the point of order against that amendment that it is not germane to the paragraph.

Mr. JEFFERS. Mr. Chairman, all I wish to say is that I realize the technical strength of that point of order, and I do not intend to cause the time of the committee to be consumed in a technical argument against it; but I just want to say to my colleagues here that there have been actual cases where the poor wives or mothers of ex-soldiers have spent their last cent in coming to local hospitals, or near-by hospitals, to visit their husbands or sons who have been confined and suffering in these hospitals, and in some cases those poor wives or mothers have fallen ill themselves and have passed away while they were here on their mission of love, and these burial benefits certainly ought to be extended to cover such pitiable cases wherever there is no one to take care of the proper burial of such deceased wife or mother of such a suffering ex-soldier.

Mr. MADDEN. I think it is legislation, and the gentleman should withdraw it.

Mr. JEFFERS. I wanted to make at least that much of a statement about this amendment that I have offered and to say that in some cases it may be that there is no place where such deceased wives or mothers of indigent ex-service people may be taken for burial, except to the potter's field, and this little amendment was intended to relieve such cases.

Mr. McLAUGHLIN of Michigan. Why, Mr. Chairman, legislation ought not to interfere with this bill which comes in loaded down with legislation. The gentleman from Texas has been up all the afternoon and every day since this bill was first taken up making points of order because the bill contained legislation, and in almost every instance the chairman of the committee or some Member admitted that there is stuff in the bill in the nature of legislation.

The CHAIRMAN. The point of order is sustained.

Mr. McLAUGHLIN of Michigan. It seems to me it is pretty raw here for the committee that talks so much about the beneficial and helpful manner in which legislation is now framed and put through this House and then bring in a bill jam chuck full of items subject to the point of order because they are legislation.

Mr. MADDEN. Of course, I do not think most of these items are subject to a point of order.

Mr. McLAUGHLIN of Michigan. The chairman of the subcommittee has acknowledged it in almost every instance.

Mr. DAVIS of Minnesota. Excuse me, only in three or four since we began reading the bill five days ago.

Mr. McLAUGHLIN of Michigan. There have been three or four in the last half hour.

Mr. DAVIS of Minnesota. Oh, no.

Mr. JEFFERS. Mr. Chairman, I would like to offer another amendment, and if the point of order is made then I shall withdraw it. I have not written it. Page 77, line 9, where it says "disbursed by the Secretary of War," as a matter of fact it ought to be "disbursed by the commissioners." The Secretary of War is old legislation, and now that should be "disbursed by the commissioners." I offer an amendment to insert the word "commissioners" instead of the words "Secretary of War," and if anybody objects to it I will withdraw it.

Mr. MADDEN. The Secretary of War has the records of these men, and I think we had better let it stay there.

Mr. JEFFERS. Very good; I withdraw the amendment.

The Clerk read as follows:

TRANSPORTATION OF PAUPERS

For transportation of paupers, $1,500.

Mr. DAVIS of Minnesota. Mr. Chairman, I send an amendment to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Page 77, strike out all of lines 12 and 13 and insert in lieu thereof "transportation of indigent persons. For transportation of indigent persons, including indigent veterans of the World War and their families, $1,500."

The question was taken, and the amendment was agreed to.

Mr. JEFFERS. Mr. Chairman, I offer an amendment in line 18 as it now stands. Strike out "$1,500" and insert in lieu thereof "$2,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment to the amendment offered by Mr. JEFFERS: Strike out "$1,500" and insert in lieu thereof "$2,000."

Mr. DAVIS of Minnesota. That is all that was recommended for this matter.

Mr. CHINDBLOM. I make the point of order that the amendment has been adopted and can not be amended after it is adopted. You must amend an amendment before it is adopted and not after. However, I do not care, and I withdraw the point of order.

Mr. JEFFERS. I would like to refer to the old law, No. 457, where $2,000 is the amount provided and they need at least $2,000 or more for this purpose, especially as it has been broadened, as it has been broadened by the gentleman's amendment.

Mr. ALLEN. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. I would like to ask if this amount will be sufficient?

Mr. DAVIS of Minnesota. That is all that is demanded by the commissioners or by anybody else, and we have always had the service.

Mr. JEFFERS. Then it will not hurt them.

Mr. ALLEN. I know it takes quite a lot to pay transportation.

Mr. MADDEN. If they need money, they can come and get it.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For rent of armory and drill hall, $6,000.

Mr. SPEAKS. Mr. Chairman, on line 11, page 78, I move to strike out "$6,000" and insert "$7,000."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. SPEAKS: On line 11, page 78, strike out "$6,000" and insert "$7,000."

Mr. SPEAKS. Mr. Chairman, my attention was called to this matter by newspaper reports early in the week that the local organizations were about to be deprived of their armory, the drill hall particularly. I took the trouble to go down and investigate it, and saw the commanding officer. Now, the appropriation for the District of Columbia National Guard or militia this year is about $8,000 below that of last year, but if they have $1,000 additional they will be well provided for.

Mr. DAVIS of Minnesota. Mr. Chairman, I am willing to accept that amendment. When we had our hearings on the subject I thought the amount here was rather small, but that is all they asked for at the time, so I let it go.

The CHAIRMAN (Mr. GRAHAM of Illinois). The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ANACOSTIA RIVER AND FLATS

For continuing the reclamation and development of Anacostia Park, $150,000, to be expended below Benning Bridge.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph. This is legislation, regardless of the manner in which the language is framed. This is to buy land over there, known as the Anacostia Flats. There has been an attempt here for years to do this. There is a legislative bill pending right now to accomplish this very purpose, but instead of waiting for the legislative bill to pass, they sneak in here to the Committee on Appropriations and get them to put the money in.

Mr. BEGG. That bill was passed for this purpose in 1911.

Mr. BLANTON. No. This is to buy new property.

Mr. BEGG. It is to develop parks.

Mr. BLANTON. This is not for the purchase of additional land?

Mr. DAVIS of Minnesota. No.

Mr. MADDEN. It is to develop where they are dredging.

Mr. BLANTON. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. BEGG. Mr. Chairman, I offer an amendment: On line 23 after the words "$150,000" strike out the balance of the line.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio.

The Clerk read as follows:

On line 23, after the words "$150,000" strike out the remainder of the line.

Mr. BEGG. Now, Mr. Chairman, I offer this amendment because I believe in the park-development system, and I think that anybody who has been down along the Mall will agree. I will ask the chairman if he will accept that amendment. It does nothing except to leave those responsible to spend the money where they want to in the reclamation.

Mr. DAVIS of Minnesota. I wish to make a very brief statement. This bill calls for $150,000 for Anacostia Flats. It is below Benning Bridge. There is a positive law authorizing this from Anacostia Bridge up to the District line. The appropriations heretofore made amount to $1,610,607.45. This is, as I said, below Benning Bridge. It requires $900,000 to complete the job below Benning Bridge. The estimate of the cost above Benning Bridge is $861,000. For several years they did not ask for more money. One hundred and fifty thousand dollars is all they want. They got $50,000 below for the park. That goes every year. They do not ask for any more money this year, but there is quite a contention to the effect that if the engineer commissioner wishes to start a little below the bridge you must not cut this out.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PARK POLICE

Salaries: Lieutenant, $1,900; first sergeant, $1,700; 5 sergeants, at $1,580 each; privates—14 at $1,440 each; 31 at $1,360 each; nine at $1,280 each; in all, $85,340.

Mr. BLANTON. Mr. Chairman, I move to strike out the period on line 19 of page 79 and insert a colon and insert the following: "*Provided*, That the 11 policemen for the Zoological Park shall receive the same salary as that drawn by the Metropolitan police." And I want to submit that matter to the chairman of the committee.

Mr. CRAMTON. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 79, line 19, "*Provided*, That the 11 policemen for the Zoological Park shall receive the same salary as that received by the Metropolitan police."

Mr. CRAMTON. Mr. Chairman, I have a point of order reserved on that.

The CHAIRMAN. The gentleman from Michigan reserves a point of order on the amendment.

Mr. BLANTON. I think when I explain this matter to the chairman and the chairman's generalissimo, Mr. CRAMTON, he will not make a point of order.

Mr. CRAMTON. That is too rough language. [Laughter.] I will have to make the point of order. It is not germane to this part of the bill. There is nothing in this paragraph about Zoological police. But I will reserve it.

Mr. BLANTON. Mr. Chairman, there is a great injustice being done 11 men, without intention by Congress. The House has passed a salary bill for the policemen of this city, embracing nearly 1,000 police.

We overlooked the park police and the park police went to the Senate and had themselves taken care of. But I find now that we have overlooked 11 policemen out here in the Zoological Park, who serve there in every kind of weather and their service is just as arduous as any service performed by any other policemen in this city. Gentlemen, what do you think they get? They get $100 a piece a month, and out of that $100 they have to furnish their uniforms and all of their equipment. It is not right, and we just overlooked them; that is all.

Mr. CRAMTON. If the gentleman will yield, we will compromise. The gentleman's amendment is not germane to this part of the bill and ought not to go in here, so that I will have to make a point of order against it. However, if the gentleman will offer it at the proper place in the bill and will not speak at undue length I shall not make any point of order. Of course, I do not know what the gentleman from Minnesota will do.

Mr. BLANTON. I will withdraw it, Mr. Chairman, and will not speak at undue length.

The CHAIRMAN. Without objection the amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

ROCK CREEK AND POTOMAC PARKWAY COMMISSION

To enable the commission created by section 22 of the public buildings act approved March 4, 1913 (37 Stat. L. p. 885), to continue the acquisition of lands for a connecting parkway between Potomac Park, the Zoological Park, and Rock Creek Park, $75,000: *Provided*, That the total area finally to be acquired shall not exceed the areas heretofore authorized as shown within the taking lines indicated on the map in four sheets marked "R. C. & P. P.–1; R. C. & P. P.–2; R. C. & P. P.–3; R. C. & P. P.–4" on file in the office of the executive and disbursing officer of the Rock Creek and Potomac Parkway Commission and known as "The Map of the Rock Creek and Potomac Parkway," dated May 1, 1923: *Provided further*, That in order to protect Rock Creek and its tributaries, none of the moneys herein or heretofore appropriated for the opening, widening, or extending of any street, avenue, or highway in the District of Columbia shall be expended for the opening, widening, or extension of any street, avenue, or highway which shall or may in the judgment of the District Commissioners permanently injure or diminish the existing flow of Rock Creek or any of its tributaries, nor shall permission so to do at private expense be granted to any private person or corporation except by the joint consent and approval of the Commissioners of the District of Columbia and the officer in charge of public buildings and grounds, dated May 1, 1923.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last word for the purpose of calling attention to the fact that on page 82 is carried an appropriation for the maintenance of a tourist's camp in East Potomac Park, the amount being $5,000. I call attention to the fact that the appropriation designates where that camp is to be located and is an expression by Congress that that camp is to be maintained in that park. The Secretary of War has no authority, if that appropriation goes through in the form it is set forth, either to discontinue the camp or to move it elsewhere. I make this statement for the reason that during the past year the Secretary of War at one time announced his purpose of discontinuing the camp, although Congress had appropriated for it, and I want to direct attention here and now to the fact that Congress has designated that that camp shall be maintained and designated where? I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

For laying in the National Zoological Park approximately 1,550 feet of 6-inch water main and installing two fire hydrants, $3,250.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 85, line 8, insert a new paragraph as follows:

"That hereafter the 11 police in the National Zoological Park shall receive the same salaries as are drawn by other park policemen in the District of Columbia."

Mr. MADDEN. Mr. Chairman, I reserve a point of order against the amendment for this reason: That the classification act fixes the pay of these policemen.

Mr. BLANTON. Mr. Chairman, the gentleman from Illinois [Mr. MADDEN] is one of the fairest men in the United States when you put a proposition up to him that has merit; so is the gentleman from Minnesota [Mr. DAVIS], just like the gentleman from Michigan [Mr. CRAMTON]. When you put a proposition up to them that has merit it appeals to them and they are willing to acknowledge it. And the assistant whip, the gentleman from Ohio [Mr. BEGG], is just like them in that respect.

Mr. Chairman, under the reclassification act these 11 park policemen, who have wives and little children to support, will get only $1,320 a year.

Mr. MADDEN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MADDEN. I would like to say this: That every man or woman who comes within the classification act, who has been classified and feels aggrieved has the right to appeal to the board. Such appeal ought to be made to the board first; then if they do not grant the appeal there might be some reason why we should modify the law.

Mr. BLANTON. But let me suggest this to the gentleman from Illinois: We are going to adjourn in June and the Senate and House leaders have already agreed upon it. We will be at home and out on the hustings seeing the people, and these park policemen will be drawing $1,320 a year. They draw now only $100 a month, and they have to furnish all their equipment out of that, and they can not live. They have told me they can not pay their expenses; that they can not support their wives and little children, and it is not fair. We ought to take care of them.

Mr. BEGG. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BEGG. I am in sympathy with the gentleman's proposition, but I can not see why the reclassification board took 11 policemen in one park and put them in a different classification than they did the other policemen.

Mr. BLANTON. It is under a law that is so archaic that it has cobwebs on it.

Mr. MADDEN. But they have been taken out from under that law and they have the right of appeal. I would like to help them appeal to the board.

Mr. BLANTON. But the gentleman will be in Illinois.

Mr. MADDEN. They can do it this week.

Mr. BLANTON. It was an inadvertence on the part of the committee that the policemen in that park were left out, because we did not know about them at all.

Mr. MADDEN. The gentleman can ask them to appeal.

Mr. BLANTON. Yes; and I will ask them to appeal.

Mr. MADDEN. And I will join in the appeal with them.

Mr. BLANTON. I am going to ask every one of them to camp in the gentleman's office until they get relief.

Mr. MADDEN. As I say, I shall be glad to join with them in their appeal.

Mr. BLANTON. But we could so easily help them right here.

Mr. CRAMTON. The gentleman will recall our little understanding.

Mr. BLANTON. I remember. He is not doing it, but somebody else is doing it for him.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I move to strike out the last two words.

Mr. BEGG. Is the gentleman from Louisiana going to speak against the amendment?

Mr. O'CONNOR of Louisiana. No; I want to ask two questions.

Mr. BEGG. I want to say a word on this proposition.

Mr. O'CONNOR of Louisiana. I merely want to ask two questions.

The CHAIRMAN. Does the gentleman from Illinois [Mr. MADDEN] insist on his point of order?

Mr. BEGG. If he does not, I will make the point of order.

Mr. MADDEN. Yes; I am going to insist on my point of order.

The CHAIRMAN. The point of order is sustained.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I move to strike out the necessary number of words in order to get the floor. I take the floor largely for the purpose of asking two questions, one of which I know the distinguished gentleman from Illinois, chairman of the Committee on Appropriations, will be pleased to answer. What has been done, Mr. Chairman of the Appropriations Committee, with respect to the reclassification bill and its extension to the field service?

Mr. MADDEN. The Classification Board is accumulating the evidence upon which it may make up the schedules of rating. It is not sufficiently complete to enable it to make the ratings. At any rate, they have not the power under the law to make the ratings effective as to the field without further legislation, and what has been done is that the ratings have been made, allocations have been made, compensation fixed, different classes within the different grades have been adjusted as to the District, and I have requested all the departments to furnish information to the Committee on Appropriations, giving the base pay of every employee in the field, in all branches of the Government service, the amount now paid as a bonus to each one, and the amount that will be required to put the field service on a parity with the District service.

Mr. AYRES. Will the gentleman from Illinois yield?

Mr. MADDEN. Yes.

Mr. O'CONNOR of Louisiana. Would the gentleman permit him to answer the question?

Mr. AYRES. I do not think we ought to be taking up the time of the committee in explanations of the classification act.

Mr. O'CONNOR of Louisiana. I have not taken up any of the time of this committee during the whole day. Perhaps it would be just as well and save time to let him answer the question.

Mr. MADDEN. Let me finish, please.

Mr. O'CONNOR of Louisiana. I will be glad to do so.

Mr. MADDEN. I have requested this information and I expect to submit it to the House before we leave, in the form of a bill for appropriation, which will enable the House to act on the matter of the field employees and put them on a parity with the District employees who have been classified, until the classification for the field service is completed.

Mr. O'CONNOR of Louisiana. Do you hope that will go into effect before adjournment?

Mr. MADDEN. By the 1st of July. None of this goes into effect until the 1st of July, but we expect this will be enacted before we adjourn.

Mr. O'CONNOR of Louisiana. That is very satisfactory and I believe will be good tidings of great joy to a great many people throughout this country.

Now, before taking my seat, I would like to ask the gentleman from Michigan [Mr. CRAMTON] a question. I have not been in so fortunate a position as to be able to attend all the committee meetings recently as a result of other committee sessions, and I want to know if the gentleman has ever extended his remarks or made an address upon the subject of the $8,000,000 that he wants the Federal Government to contribute to the support of the District, in order that we might thoroughly understand how he has arrived at the judgment that $8,000,000 would be a proper contribution from the Government to the District?

Mr. CRAMTON. Without taking too much time, I will simply say that I made a brief but fairly comprehensive presentation of the case when I offered the amendment on Thursday and you will find it in the RECORD of that day. I still feel that the statements I made deserve the favorable support of the House.

Mr. O'CONNOR of Louisiana. Thank you. I withdraw the pro forma amendment.

The Clerk read as follows:

WATER SERVICE.

For continuing work on the project for an increased water supply for the District of Columbia, adopted by Congress in the Army appropriation act for the fiscal year 1922, as modified by the District of Columbia appropriation acts for the fiscal years 1923 and 1924, and as further modified by the report submitted to Congress by the Secretary of War December 4, 1922, and for each and every purpose connected therewith, to be immediately available and to remain available until expended, $800,000: *Provided*, That the Secretary of War may enter

into contracts for materials and work necessary to the construction of said project, to be paid for as appropriations may from time to time be made, not to exceed in the aggregate the sum of $8,900,000, including all appropriations and contract authorizations herein and heretofore made: *Provided further*, That no bid in excess of the estimated cost for that portion of the work or plant covered by the bid shall be accepted, nor shall any contract for any portion of the work, material, or equipment to constitute a part of the plant for which this appropriation is available be valid unless the Chief of Engineers of the United States Army shall have certified thereon and that all its terms are within the requirements of the authorization and the revised estimates for the work.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

Mr. BLANTON. Mr. Chairman, this is just a pro forma amendment. I want to tell the gentleman from Louisiana a few facts about this water system. The gentleman seems to have been stung by these editorial bees that have been appearing in the papers for the last day or two against the Cramton amendment.

Mr. O'CONNOR of Louisiana. No; I have not been stung at all.

Mr. BLANTON. Does the gentleman know that the main water conduit of this city belongs to the Government? The Government paid out every dollar for it, owns it, and the District has never contributed one dollar for it. Does the gentleman know that? Does the chairman of this committee know it? That is the fact. This Government owns the main water conduit, and every dollar for it was paid out of the people's Treasury; and in addition to the other sums we have expended on this water system here is a paragraph that appropriates $800,000 more for it, and what else does it do?

It authorizes the Secretary of War to enter into additional contracts for $8,900,000 more for this water system here. This is paid 40 per cent out of the people's Treasury. Forty per cent of this $800,000, and 40 per cent of the $8,900,000 is to be paid out of your people's Treasury, and then you talk about opposing this Cramton amendment. The Cramton amendment does not increase the taxes of the people of the District of Columbia more than 10 cents on the $100.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. UNDERHILL. It will increase them in the course of time as they ask for improvements and extensions.

Mr. BLANTON. How will it increase them? They pay $1.20 now. If they get several more bills passed like that one passed yesterday in another body giving them $4,500,000 as a so-called surplus out of the Treasury—if they succeed in getting bills like that passed every once in a while, their taxes are going to be decreased below $1.20 instead of being increased. At the worst, the Cramton amendment would only cause them to pay about $1.30 on the $100, whereas they now pay only $1.20.

The papers said there would be a roll call to strike out the Cramton amendment. If there is a roll call—and it ought not to be stricken out without a roll call—every man who votes to strike out the Cramton amendment ought to go on record in order to let the people of the United States know who is doing it.

Mr. O'CONNOR of Louisiana. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. O'CONNOR of Louisiana. I was not stung by the editorials in the Washington newspapers.

Mr. BLANTON. That was only a facetious remark.

Mr. O'CONNOR of Louisiana. Nor am I incensed. I was wondering why the gentleman from Michigan was so generous.

Mr. BLANTON. He is generous with the District. He increased the tax only from $1.20 to $1.30.

Mr. CRAMTON. My purpose is to continue substantially the present contribution, and if the people of the District want more schools, more pavements, and so forth, badly enough to be willing to pay more, they should have them.

Mr. BLANTON. I am for the gentleman's amendment as far as it goes, but it does not go far enough. It would be an outrage to vote it down. It ought to be adopted. It is a little advanced step in the right direction. It is ridiculous to talk about voting it out.

Mr. UNDERHILL. Mr. Chairman, I move to strike out the last word. I take the floor to say a word of approval of the so-called Cramton amendment. One who has served on the District Committee for the past few years realizes the difficulty that we have in that committee because of the difference of opinion continually expressed to us through the various organized bodies in the city of Washington regarding the policy of the Government in making appropriations. It has been in my mind that an inventory should be taken of all the property owned by the United States Government, a generous valuation placed thereon, and a tax assessed on the Government pro rata.

Mr. MADDEN. But the gentleman knows that we can not assess a tax upon the property of the Government of the United States.

Mr. UNDERHILL. Yes; I know that. I mean for the purpose of arriving at the proper amount which the Government should contribute. Possibly that is what has been done by the gentleman from Michigan.

Mr. MADDEN. What we ought to do more than anything else is to allow the people of the District to have such improvements as they think they ought to pay for and to the extent that they are willing to pay for. For every $100 of property that I own outside of the District of Columbia I pay $4 tax. Here I pay $1.20, although I am willing to pay more.

Mr. UNDERHILL. We pay $33 a thousand in Massachusetts, and I doubt if you find many places where the tax rate is as low as it is here in the District. What we ought to do is to have a specified amount appropriated annually for the District of Columbia and then give more power to the District Commissioners. Congress should hold enough power to say to the District that they shall do such and such things. For instance, the $4,000,000 that the gentleman from Texas speaks about. If Congress gives that to the District they ought to specify that it shall be used entirely for the lighting of this city. It is the worst-lighted city that I have known anywhere. It is almost impossible to drive an automobile safely after dark. I want to emphasize the value and importance of the Cramton amendment, and I trust that the Members of Congress will take it seriously, spread the gospel, and pass it unanimously.

Mr. O'CONNER of Louisiana. Mr. Chairman, I move to strike out the paragraph.

Mr. BEGG. A point of order, Mr. Chairman.

Mr. BLANTON. Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. Without objection, the gentleman from Texas withdraws his pro forma amendment and the gentleman from Louisiana moves to strike out the paragraph.

Mr. O'CONNOR of Louisiana. I desire to make it clear that I am in thorough accord with the gentleman from Michigan [Mr. CRAMTON] in suggesting a contribution of $8,000,000 for the operation of the District, although I think he is extremely generous. I might say, however, I have always felt that if the property of the National Government were assessed at anything like a fair valuation and subjected to taxation, and the Government paid only its own share of District operation, as a great taxpayer and employer of thousands of employees, in all probability it would get off with about one-fifth of the amount that it is to-day contributing to the support of the District of Columbia. The amendment is undoubtedly a step in the right direction. I wanted to make that clear. I believe the gentleman from Michigan, in his desire to do full and ample justice to the Capital, in all probability has arrived at a more than fair adjustment to them, considering all of the obstacles in the road to a reform in the way of interests that believe themselves wards of the Nation and who look upon the privileges and favor they have enjoyed as vested rights, and has come to a proper conclusion; but he is extremely generous in his attitude. I feel, as does the gentleman from Texas [Mr. BLANTON], that in all probability no one will question the amendment that Mr. CRAMTON has proposed. On the anvil of discussion the spark of truth may fly. Some day when the other big cities find how soft it is for Washington and therefore how much harder for themselves, there is going to be a howl throughout the land.

The Clerk concluded the reading of the bill.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. Before making that motion, the Chair calls the attention of the gentleman from Minnesota to the fact that on page 3 there is pending a point of order to line 9, "for temporary additional assistant inspectors, $15,000." That matter was brought up and the point of order was urged against it by the gentleman from Texas [Mr. BLANTON], and while the Chair tentatively ruled upon it, finally it was passed with the right to recur to it and take the matter up later. In

the meantime can the gentleman from Minnesota inform the Chair as to the legal authority for this item?

Mr. CRAMTON. Mr. Chairman, a similar point of order was made to another paragraph relating to inspectors of buildings, and the decision of the Chair, found on page 7888 of the RECORD, if I am correct, shows that the same reasoning will apply with equal force. These inspectors are necessary to carry out and make effective the regulations that have been promulgated by direct authority of Congress.

The CHAIRMAN. The recollection of the Chair about the matter is that afterwards in succeeding sections similar questions were raised and legal authority was found, in the opinion of the Chair.

Mr. CRAMTON. And later on a point was raised and the statute was presented to give the commissioners full authority to promulgate regulations for the construction of buildings.

The CHAIRMAN. The point of order is overruled.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 8839, the District of Columbia appropriation bill, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. DAVIS of Minnesota. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded upon any amendment?

Mr. BACON. Mr. Speaker, I demand a separate vote on the so-called Cramton amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. CRAMTON. Mr. Speaker, will the gentleman consent to joining with the Cramton amendment the amendment on page 30, lines 20 to 26, which is joined with the Cramton amendment?

Mr. BLANTON. Mr. Speaker, I make the point of order that the previous question has been ordered, and that is out of order. The gentleman is proposing to amend his amendment in the House.

The SPEAKER. As the Chair understands the gentleman is trying to join two amendments.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that the vote may be taken upon the so-called Cramton amendment on page 1, and also join with that the amendment on page 30, lines 20 to 22.

Mr. BLANTON. Which one is that?

Mr. CRAMTON. It is with reference to the distribution of returns. They are hooked up together.

Mr. BLANTON. Mr. Speaker, I reserve the right to object to find out what this is. I object, Mr. Speaker.

Mr. CRAMTON. Then I demand a separate vote on the amendment on page 30

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. BEGG. Mr. Speaker, in view of the statement made to me by the chairman of the Committee on Appropriations I withdraw the request.

Mr. CRAMTON. I withdraw my request also.

Mr. GARRETT of Tennessee. I renew the request for the moment.

Mr. MADDEN. We do not want to call the Members back here just for this. The Senate is still existing. If it is desired to amend this, it can go to conference.

The question was taken, and the amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time; was read the third time, and passed.

On motion of Mr. DAVIS of Minnesota, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

NORTH CAROLINA IN THE WAR BETWEEN THE STATES

Mr. POU. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include an address delivered by Hon. CHARLES M. STEDMAN, which is as follows:

United Daughters of the Confederacy, ladies and gentlemen: I esteem it a high privilege to deliver an address before a convention of the United Daughters of the Confederacy.

Their history is one resplendent with great deeds, many of them gilded with romantic luster which has cast its radiance throughout the world. This organization owes its origin and life to an association of Southern women beginning in the days of the War between the States for the purpose of caring for the wounded, and after the war was over in providing cemeteries for the Confederate dead, many of whom slept upon the battle fields where they fell. When it was not possible to bring them home, they buried many of them at the same spot and erected a monument that the stranger might know he was treading on hallowed ground.

After the formation of the Confederate Veterans' Association, many of these associations became known as the Daughters of the Confederacy.

Their fidelity and loyalty to the memory of the Confederate soldier has scarcely a parallel in history, and is and will be an inspiration to the people of every land who recognize those great qualities as essential to the moral grandeur of mankind.

When I received an invitation from the distinguished president of the North Carolina Division of the United Daughters of the Confederacy to deliver an address this evening it was accompanied with a request that I adopt as the theme of my discourse "North Carolina in the war between the States." The same request was made in connection with an address recently delivered by me at the Confederate reunion held at Winston. I adopted without hesitancy the suggestion as to my address at Winston and shall do likewise as to the address I shall deliver this evening, for North Carolina and the Confederate soldier will ever be inseparably connected in a record of glory. A subject so splendid in itself, so replete with great and heroic action, seldom falls to the lot of any speaker. When I reflect upon the self-denial and the unshaken fortitude of the people of North Carolina during that unhappy period, when the splendid and unexcelled achievements of North Carolina soldiers during that same era pass in review before my mental vision, I can but feel my inadequacy to so great an undertaking. If aught I say shall seem to detract in the slightest degree from the merit of any Confederate soldier from any State or from my loyalty to this great Republic, whose flag protects and shields all its citizens, I ask that you do not so construe my words but ascribe them to the enthusiasm which characterizes all the children of North Carolina for her great name. The character and reputation of every Confederate soldier will ever be near to my heart, and the glory and honor of our common country will ever command my sincere and unchanging fealty.

The part acted by North Carolina in the greatest drama of modern times—the war between the States—history will preserve without blemish upon its pages. It has long since passed beyond the pale of legitimate controversy that in the number of troops furnished to the Southern Confederacy, in proportion to its white population and in the losses sustained by those troops, she stands first of all the States which make up that galaxy of great names.

It is likewise true that no troops in any corps of the Confederate Army were more thoroughly equipped and provided for in every way necessary to their efficiency and comfort, both as to arms, food, and clothing, than were the soldiers from North Carolina.

In considering the number of troops furnished by North Carolina to the Confederate Army, her attachment to the Union of the States will ever demand your consideration and attention, and her loyalty to her sister States of the Confederacy when once her faith was pledged will claim the admiration of all who have an honest pride in national honor wherever it may be found. North Carolina was next to the last State to secede from the Union, and in February, 1861, voted against secession by more than 30,000 majority; yet with a white population of 629,942 and a military population of 115,369, being one-ninth of the military population of the 11 seceded States, she sent to the Confederate Army 125,000 men, one-fifth of its entire enrollment, which was 600,000, according to the accepted estimate approved by General Cooper, the adjutant general of the Confederacy. Maj. A. Gordon, who was on the staff of the adjutant general of North Carolina, and who was thoroughly conversant with the organization of the North Carolina troops, estimated her contribution to the Confederate Army at 127,000. Governor Vance, after a thorough examination of the records of the adjutant's office, stated that number to be 125,000, and Capt. S. A. Ashe, who, at the request of the State Literary and Historical Association of North Carolina, gave to the consideration of this subject careful research, adopted the figures given by Governor Vance, and in his report says they are as correct as it is possible to make them. Lieut. Gen. Stephen D. Lee, in an address delivered at Asheville, N. C., stated North Carolina furnished 22,942 more troops than any other State. Of the troops furnished to the Confederate Army by North Carolina four regiments of infantry and one of cavalry were sent to the Army of Tennessee.

Of the soldiers present for duty, North Carolina had a larger proportion than naturally fell to her lot. They were ever ready in camp

or upon the field of battle. Of the 92 regiments which assailed and defeated the right flank of McClellan's Army in front of Richmond, 46 were from North Carolina. Of the 16 brigades engaged in the first day's fight at Gettysburg, 7 were from North Carolina.

The First North Carolina Regiment, commanded by Col. D. H. Hill, later a lieutenant general, was the first regiment sent by the Government to Yorktown and the first to arrive at Bethel. Over 800 of the 1,200 present when the action commenced were from North Carolina.

The first Confederate soldier killed in battle was Henry L. Wyatt, of the Edgecombe Guards, Company A, of that regiment, who fell at Bethel on the 10th of June, 1861.

At Reams Station, on the 25th of August, 1864, after a previous assault by other troops had failed, the three North Carolina brigades of Cooke, Lane, and McRae, in number less than 2,000 men, drove the Federal troops from the field, capturing their breastworks, with 2,150 prisoners, 2,100 stands of small arms, 12 stands of colors, 9 guns and caissons. The result of this brilliant engagement was hailed with great rejoicing throughout the South and shed a declining luster upon the Confederate battle flag, upon which the sun of victory was about to go down forever. Gen. R. E. Lee, publicly and repeatedly stated that not only North Carolina but the whole Confederacy owed a debt of gratitude to Lane's, Cooke's, and McRae's brigades which could never be repaid. He also wrote to Governor Vance expressing his high appreciation of their services. I will read his letter:

HEADQUARTERS ARMY NORTHERN VIRGINIA,
August 29, 1864.

His Excellency Z. B. VANCE,
Governor of North Carolina, Raleigh, N. C.:

I have been frequently called upon to mention the services of the North Carolina soldiers in this army, but their gallantry and conduct were never more deserving of admiration than in the engagement at Reams Station on the 25th ultimo.

The brigades of Generals Cooke, McRae, and Lane, the last under the temporary command of General Conner, advanced through the thick abatis of felled trees, under a heavy fire of musketry and artillery, and carried the enemy's works with a steady courage that elicited the warm commendation of their corps and division commanders and the admiration of the Army.

On the same occasion the brigade of General Barringer bore a conspicous part in the operations of the Cavalry, which were no less distinguished for boldness and efficiency than those of the Infantry.

If the men who remain in North Carolina share the spirit of those they have sent to the field, as I doubt not that they do, her defense may be securely intrusted in their hands.

I am with great respect,
Your obedient servant, R. E. LEE, *General.*

The regiments from North Carolina engaged in this battle again illustrated those high qualities which will perpetuate the name and fame of the Confederate soldier in years to come. Unshaken by the fall of Vicksburg and the disaster of Gettysburg, undismayed amidst the general gloom which was settling upon the fortunes of the South, they exhibited the same enthusiasm and valor which had marked their conduct upon every field where they stood for the honor, glory, and renown of their State.

The greater part of the Confederate Infantry who were engaged in the last battle fought at Appomattox were from North Carolina. They were commanded by Maj. Gen. Bryan Grimes, a North Carolinian.

The last charge made and the last volley fired at Appomattox was made by a North Carolina brigade, commanded by Gen. W. R. Cox, of North Carolina.

The last capture of cannon by the Army of Northern Virginia was made by Roberts's brigade of North Carolina Cavalry.

No State stacked so many muskets at Appomattox as did North Carolina.

These facts are beyond dispute. The accuracy of the first two just mentioned in connection with the fight at Appomattox has been established by a statement made in writing in the year 1879 by General Grimes, which will be found in volume 11 of Moore's History of North Carolina, and which has never been contradicted. The statement of General Grimes is corroborated by a statement made by Gen. William R. Cox, which was published during the same year, in volume 11, Moore's History of North Carolina. If more evidence could possibly be needed, it is furnished by the statements of Brig. Gen. W. L. London, of the Second Brigade in the North Carolina Division of the United Confederate Veterans, who was serving on General Grimes's staff on the morning of the surrender, and of Hon. Henry A. London, of the Thirty-second North Carolina Regiment, who carried the last orders at Appomattox.

Wherever the flag of North Carolina floated on land or sea it was without tarnish, the emblem of honor, of courage, and unchanging fortitude which endured to the end.

The *Shenandoah*, commanded by James Iredell Waddell, a North Carolinian, flew the Confederate battle flag at its masthead more than six months after General Lee's surrender.

Shall their immortality be reckoned by their blood? Forty thousand two hundred and seventy-five soldiers from North Carolina gave their lives to the Confederacy, more than one-third of her entire military population, and a loss more than double in percentage than that sustained by the soldiers from any other State.

The entire Confederate loss during the Civil War, killed on the battle field and died of wounds, was 74,524. The loss of North Carolina soldiers was 19,762, more than one-fourth of the whole.

Of the 10 regiments of either side which sustained the heaviest loss in any one engagement during the war, Georgia, Alabama, Tennessee, Illinois, New York, Pennsylvania, and New Jersey furnished one each, and North Carolina furnished three.

The Confederate loss at Gettysburg was 2,592 killed and 12,707 wounded. Of the killed, 770 were from North Carolina, more than one-fourth.

Wherever the tide of battle was strongest and the harvest of death greatest on that field of carnage, there could be seen the battle flag of North Carolina. Her dead sons were found far up its blood-stained slopes. The three brigades at Gettysburg suffering the heaviest loss were Pettigrew's, from North Carolina, with 190 killed; Davis's, from Mississippi, composed of three regiments from Mississippi and one regiment from North Carolina, with 180 killed; and Daniels's, from North Carolina, with 165 killed. No brigade in Pickett's division, whose laurels won upon that field I trust may grow brighter with each revolving year, suffered so great a loss as the Twenty-sixth North Carolina Regiment. Its loss was 86 killed and 502 wounded, the largest sustained by any regiment on either side during the Civil War; Company F of that regiment, with 3 officers and 84 men, lost every officer and 33 of the 84 men in killed and wounded. Thirteen standard bearers of the regiment were shot down. Upon that same field one company in the Eleventh North Carolina Regiment lost 2 of its 3 officers killed and 34 of 38 men killed or wounded. The color company of the Thirty-eighth North Carolina Regiment had every man either killed or wounded. At Sharpsburg the Third North Carolina Regiment lost 330 in killed and wounded of 520 men which it carried into action, and upon that field Company C of the Fourteenth North Carolina Regiment lost every man, either killed or wounded. At Chancellorsville the same company, which carried into the fight 43 men, lost every one in killed or wounded but one.

The charge of the Fifth North Carolina Regiment at Williamsburg ranks in military history with that of the Light Brigade at Balaklava. The regiment lost 197 killed and wounded of 240 men which it carried into action. That charge gave to immortality its illustrious commander, Col. D. K. McRae.

At Seven Pines the Fourth North Carolina Regiment went into the fight with 25 officers and 520 noncommissioned officers and men and lost in killed and wounded every officer and 462 men.

At Bristoe Station the Twenty-seventh North Carolina Regiment lost 291 of 426 men in less than half an hour.

The four regiments of North Carolina Infantry—the Twenty-ninth, the Thirty-ninth, the Fifty-ninth, and the Sixtieth—and the Sixth Regiment of North Carolina Cavalry, upon the field of Chickamauga, rivaled the deeds of their brothers in the East and linked their names forever with imperishable renown. It has been established by the highest and most impartial testimony that "the point where the topmost wave of the tide of southern battle broke nearest to the unbroken line of Thomas's defense" was reached by the Fifty-eighth North Carolina Infantry. This was the unanimous report made by five commissioners appointed by Governor Carr, of North Carolina, to locate the position of the North Carolina regiments upon the field of Chickamaugh. One of the commissioners was an officer of high reputation in the Federal Army, who afterwards made his home in North Carolina and won the friendship and esteem of all who knew him. I allude to Judge Clinton A. Cilley.

When stating the exceptionally great losses sustained by the troops from North Carolina there is no intention to assert that they were braver or better than those of any of her sister States. The soldier from North Carolina desires no praise, no laudation, no eulogy at the expense of his brother Confederate soldiers. The fortune of battle on many different fields furnished North Carolina soldiers the opportunity for their great achievements, and they ever proved themselves equal to the occasion.

Lieut. Gen. A. P. Hill, when asked what troops he preferred to command, replied: "Unquestionably North Carolinians; not that they are braver where all are brave; but, brave as the bravest, they are the most obedient to command." To this trait of character—obedience to orders—has been ascribed their preeminence.

Without underestimating this great quality in a soldier, it will be found upon scrutiny that a higher, nobler, and more exalted virtue than even the spirit of obedience to orders gave to the Confederate soldier, from whatever State he came, his superiority on the battle field.

A supreme sense of duty was the cardinal trait of character which gave him that moral power against which it is vain to hurl trained legions and endless battalions. It was the dauntless moral resolution of the soldiers of the South which made their great deeds possible.

Without that moral power to sustain them, the incomparable legions of Lee would have in vain struggled for so long a time to roll back the tide of invasion across the banks of the Potomac, and the marvelous campaigns of Stonewall Jackson would have found no place in history to adorn its pages with a halo of glory which will live through ages yet unborn. Neither famine nor pestilence nor mighty armies carrying in their track the destruction of all that was near and dear to them could subdue their invincible will. In the splendid future which awaits the southern portion of this Republic there is no character the study of which will more elevate its citizens and fit them for its blessings than that of the Confederate soldier. The capstone of the arch of his glory was the moral power which sustained him upon the battle field and which will forever perpetuate his fame.

An incident which illustrates the supreme sense of duty which can only be imparted by moral firmness, as exhibited by a North Carolina soldier, deserves to be recorded amidst the feats of heroes. The conduct of a private by the name of Tillman, in the Forty-fourth North Carolina Regiment, had attracted the favorable notice of his brigade commander, and he was, at his request, attached to the color guard. Tillman's name was also honorably mentioned in orders of the day from brigade headquarters. Soon thereafter, in front of Petersburg, the regiment became severely engaged with the enemy and suffered heavy loss. The flag several times fell, as its bearers were shot down in quick succession. Tillman seized it and again carried it to the front. It was but an instant, and he, too, fell. As one of his comrades stooped to raise the flag again the dying soldier touched him and in tones made weak by the approach of death said: "Tell the general that I died with the flag." The tender memories and happy associations connected with his boyhood's home faded from his vision as he rejoiced in the consciousness that he had proved worthy of the trust which had been confided to him.

Wolfe died on the Heights of Abraham the death of a hero, and as his spirit took its flight to another world, left as a legacy to his countrymen words which will forever live.

Nelson at Trafalgar illustrated by his conduct and speech his supreme sense of duty to England and her glory.

The Scotchman who died at Waterloo with his bagpipe in his hand, by the saber of the cuirassier of the guard, has been immortalized by Victor Hugo; but which of these three—who, of all those who live in song and story—is more worthy of the crown of immortality than this boy from North Carolina, whose grave is unnoticed and unknown.

It would be idle for me to attempt this evening to give a record of the achievements of North Carolina soldiers upon the different fields of their glory. There was not an engagement in which the Army of Northern Virginia participated in which they did not contribute to its immortal renown. The day has come when our whole united country accords to them the full measure of praise to which they are entitled as representing the highest and best type of American manhood.

I am greatly indebted to Chief Justice Walter Clark, of North Carolina; to Hon. Henry A. London; and to Capt. S. A. Ashe for assistance in securing as far as it can be furnished with accuracy a statement of the number of troops furnished by North Carolina and their losses. I have used for reference the History of North Carolina Regiments, edited by Chief Justice Clark, to which work he gave great and unstinted labor without remuneration or reward, except the gratitude of the Confederate soldier. I have also been aided by information gained from an eloquent speech of Hon. Henry A. London, of North Carolina, delivered by him a few years ago, which was reproduced in the fifth volume of the History of North Carolina Regiments, and by the report of Capt. S. A. Ashe, of North Carolina, made to the North Carolina Library and Historical Association.

For the splendid organization which equipped and supplied North Carolina troops, they are largely indebted to the provident foresight, practical business ability, and untiring efforts of Gov. Z. B. Vance, the great war governor of their State, who thereby endeared himself forever to all North Carolinians.

North Carolina not only clothed her own troops during the entire war, but furnished clothing for troops from other States, and when Lee's army surrendered had in store and ready for use 92,000 suits of uniform, with many thousand blankets and a large amount of leather. During the winter succeeding the Battle of Chickamauga, North Carolina sent to General Longstreet's corps 14,000 suits of clothing, and when the great drama was drawing to a close, North Carolina was furnishing food and supplies to a large part of Lee's army.

Governor Vance, in a memorable speech delivered at White Sulphur Springs, W. Va., August 18, 1875, stated that he was told by Gen. Joseph E. Johnson that—

> "When his army was surrendered at Greensboro he had in his depots in North Carolina, gathered in the State, five months' supplies for 65,000 men, and that for many months previous General Lee's army had been almost entirely fed from North Carolina."

For the comfort of her soldiers when at home sick, wounded, or traveling to and from the army, North Carolina established hospitals and inns at many different points in the State along the lines of railway.

She did more than this: For the helpless wives and children of soldiers who might be in distress she established depots of grain, salt, and provisions for their subsistence and appointed committees to provide for them and see that they were not neglected.

The soldier who was sleeping upon some field afar off under the stars in northern Virginia rested calmly as he dreamed of his loved ones at home, for he knew if he fell in the conflict of to-morrow, that they would be cared for by the great State which sent him to the battle field.

My friends, can you wonder that North Carolina is still to all her children the well-beloved mother and sovereign, whose name ever brings to them, when exiled from home by the decree of fate, that poetry of youth and memory of early happy days which neither gold nor power nor place can buy?

If commemorative words were needed to perpetuate the fame of the Confederate soldier, I should be all unhappy here to-night; but it is not so. It will live, transmitted from generation to generation, when the costliest tombs erected by the love of their countrymen have perished by decay and crumbled into dust.

It may not seem proper for me to make this prediction, but I do so with a reverent love for all portions of this great Republic. The day will come, though I trust it may not be far distant, when the intentions and ideas of the founders of this Government will be disregarded by those who, in the wild greed for money and amidst the dissolute luxury engendered by the vast accumulation of wealth, have forgotten the teachings of better and purer days, and the very existence of a constitutional form of government as framed by our ancestors will be in jeopardy. Then will be found amongst a people regenerated by fire and blood that high and broad and lofty patriotism which shall constitute them the strongest, safest, and best defenders of the land of our fathers in its entirety, and as the suffering and oppressed of every land and every clime shall still turn their steadfast gaze toward this Western Hemisphere, they will rise up and call you blessed.

Have we learned naught from the silent endurance, the patient agony, the deathless valor of the Confederate soldier? It can not be. His life and conduct have taught us the lesson over again which history has ever repeated.

It is neither on the greatest fields of battle nor places where the most calamitous bloodshed has taken place that the recollection of future ages is chiefly riveted. It is moral grandeur which produces a durable impression. It is patriotic heroism which permanently attracts the admiration of mankind. The day may come when the memory of the fields of Gettysburg and Chancellorsville, of Fredericksburg and Sharpsburg shall be dimmed by the obscurity of revolving years and recollected only as a shadow of ancient days; but even then the enduring fortitude and patriotic valor of the Confederate soldier who followed the banners of Robert E. Lee and Stonewall Jackson will stand forth in undecaying luster amidst the wreck of ages and survive unshaken above the floods of time.

Friends and comrades, let us never fail to defend the fame and achievements of the brave men whom the South sent to the battle field.

Death, which destroys the pomp and power of this world, has only placed the seal of immortality upon their lives. The sacred charge of their fame is intrusted to you, my countrymen and countrywomen. Guard it devotedly, bravely, justly, and truly, that it may remain untarnished in its pristine glory; not alone with this generation but with all those who may come after us until time shall be no more. Let the glorious example left by them be preserved for untold ages and for every people from the rising to the setting sun. If history be false, let tradition preserve it, and on every anniversary of our memorial days let eloquence proclaim it as a heritage for all humanity, which it has elevated and adorned with a pathos and glory which belongs to the civilized world.

> "Let us cheer for those boys to the ends of the earth,
> From the mountain heights to the sea,
> In the land where freedom had its birth,
> Where manhood still is the highest worth,
> In the hearts of the noble free.
>
> "Let us drink to those boys who march no more
> To the call of the drum and fife,
> Who sail the sea with the soundless shore,
> Far out from the harbor of life."

ADJOURNMENT

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.) the House adjourned until to-morrow, Wednesday, May 7, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MADDEN: Committee on Appropriations. S. J. Res. 119. A joint resolution making appropriation for contingent expenses

of the United States Senate, fiscal year 1924; without amendment (Rept. No. 664). Referred to the Committee of the Whole House on the state of the Union.

Mr. FITZGERALD: Committee on World War Veterans' Legislation. H. R. 6484. A bill making eligible for retirement under certain conditions officers and former officers of the World War, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War; without amendment (Rept. No. 665). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALDRICH: Committee on Foreign Affairs. S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; without amendment (Rept. No. 666). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALDRICH: Committee on Foreign Affairs. H. R. 8371. A bill providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; without amendment (Rept. No. 667). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WOODRUFF: Committee on Naval Affairs. H. R. 7167. A bill for the relief of George A. Berry; without amendment (Rept. No. 668). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8334) granting an increase of pension to Florence A. Rathbun; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (S. 2998) providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; Committee on Irrigation and Reclamation discharged, and referred to the Committee on Foreign Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

[Omitted from the Record of January 3, 1924]

By Mr. WILLIAMS of Texas: A bill (H. R. 4527) to provide for the purchase of a site and the erection of a public building thereon at Graham, Tex.; to the Committee on Public Buildings and Grounds.

[Submitted May 6, 1924]

By Mr. THOMPSON: A bill (H. R. 9091) authorizing the erection of a Federal building at Napoleon, Ohio, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. HAUGEN: A bill (H. R. 9092) to authorize the transportation at public expense of the remains of officers and employees of the Department of Agriculture who die while away from their official stations; to the Committee on Agriculture.

By Mr. MILLER of Washington: A bill (H. R. 9093) declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable, and providing penalty; to the Committee on the Post Office and Post Roads.

By Mr. HILL of Washington: A bill (H. R. 9094) to provide for free homesteads on the public lands for bona fide settlers in the diminished Colville Indian Reservations, State of Washington, and for other purposes; to the Committee on the Public Lands.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 9095) to incorporate the American War Mothers; to the Committee on the Judiciary.

By Mr. ROGERS of Massachusetts: A bill (H. R. 9096) to facilitate the naturalization of aliens who served in the armed forces of the United States during the World War; to the Committee on Immigration and Naturalization.

By Mr. RACON: A bill (H. R. 9097) authorizing an exchange of lands between the United States and the State of New York; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER: Joint resolution (H. J. Res. 258) creating a joint committee of three Members of the Senate and three Members of the House to investigate the administration of Indian affairs in the State of Oklahoma; to the Committee on Indian Affairs.

By Mr. MACGREGOR: Resolution (H. Res. 292) to pay six months' salary and funeral expenses to relatives or representatives of deceased employees of the House of Representatives; to the Committee on Accounts.

Also, resolution (H. Res. 293) to pay one year's salary and funeral expenses to widows of deceased employees of the House of Representatives; to the Committee on Accounts.

By Mr. HAUGEN: Resolution (H. Res. 294) for the consideration of H. R. 8042, a bill to amend the packers and stockyards act, 1921, and for other purposes; to the Committee on Rules.

Also, resolution (H. Res. 295) for the consideration of H. R. 9033, a bill declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes; to the Committee on Rules.

By Mr. WHITE of Kansas: Resolution (H. Res. 296) for the consideration of S. J. Res. 22, proposing an amendment to the Constitution of the United States fixing the commencement of the terms of the President and Vice President and time of assembling of Congress; to the Committee on Rules.

By Mr. TREADWAY: Memorial of the Legislature of the State of Massachusetts, in favor of the passage of legislation to prevent the manufacture of shoes in factories owned by the Federal Government; to the Committee on the Judiciary.

By Mr. ROGERS of Massachusetts: Memorial of the Legislature of the State of Massachusetts, favoring the enactment by Congress of legislation to prevent the manufacture of shoes in factories owned by the Federal Government; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVEY: A bill (H. R. 9098) granting a pension to Mamie Gilland; to the Committee on Pensions.

By Mr. DRANE: A bill (H. R. 9099) granting a pension to Almira Washburn; to the Committee on Invalid Pensions.

By Mr. FAUST: A bill (H. R. 9100) granting a pension to Orba A. White; to the Committee on Pensions.

By Mr. MANLOVE: A bill (H. R. 9101) granting a pension to Clarinda Holder; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 9102) granting a pension to Carl A. Dickinson; to the Committee on Pensions.

Also, a bill (H. R. 9103) granting a pension to Archie McDonald; to the Committee on Pensions.

By Mr. NEWTON of Missouri: A bill (H. R. 9104) for the relief of Anna Osburg; to the Committee on Claims.

By Mr. SHERWOOD: A bill (H. R. 9105) granting a pension to Augusta C. Harris; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 9106) granting an increase of pension to Joseph Alton; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 9107) granting a pension to Ella Wallace; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2684. By Mr. BARBOUR: Petition of Kern County (Calif.) Association of Graduate Nurses, urging the modification of the report of the Personnel Reclassification Board so that all regularly graduated nurses shall be classed as "professionals"; to the Committee on the Civil Service.

2685. By Mr. CONNOLLY of Pennsylvania: Papers in support of the bill (H. R. 1001) for the relief of Walter R. Smith; to the Committee on Claims.

2686. By Mr. DARROW: Petition of the Lumbermen's Exchange of Philadelphia, protesting against the present consideration of the Howell-Barkley railroad labor bill; to the Committee on Interstate and Foreign Commerce.

2687. Also, petition of the Philadelphia Wholesale Lumber Dealers' Association, protesting against the consideration of the Howell-Barkley railroad labor bill; to the Committee on Interstate and Foreign Commerce.

2688. Also, petition of the Philadelphia Board of Trade, opposing the enactment of Senate bill 2327, proposing to amend the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

2689. By Mr. GALLIVAN: Petition of Michael H. Crowley, superintendent of police, Boston, Mass., recommending the establishment of a national police bureau in Washington, D. C., as provided for in H. R. 8580; to the Committee on the Judiciary.

2690. By Mr. GIFFORD: Petition of the board of directors of the Cape Cod Chamber of Commerce at Hyannis, Mass., urging the Government to obtain control of the Cape Cod Canal; to the Committee on the Merchant Marine and Fisheries.

2691. By Mr. GRIFFIN: Petition of the magazine called "Life," of New York City, granting to Congress a special award in its recent war contest for the best plan for the promotion of international ill will; to the Committee on Immigration and Naturalization.

2692. By Mr. VARE: Petition of the Board of Trade of Philadelphia, opposing the several so-called farm-relief bills before the House; to the Committee on Agriculture.

SENATE

WEDNESDAY, *May 7, 1924*

(Legislative day of Monday, May 5, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented telegrams and a letter in the nature of petitions from J. E. W. Clark, department commander, Civil War Veterans, of Little Rock, Ark.; of Gaylord M. Saltzgaber, commander in chief, Grand Army of the Republic, of Washington, D. C.; of Albert D. Alcorn, national commander in chief, United Spanish War Veterans, of Washington, D. C.; and of Press Waggoner, of Johnstown, Pa., praying for the passage of the so-called Bursum pension bill over the veto of the President, which were referred to the Committee on Pensions.

Mr. NEELY presented the petition of Rev. S. K. Arbuthnot, pastor, and the congregation of the First Methodist Episcopal Church, of Sutton, W. Va., praying that the United States participate in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

Mr. WILLIS presented resolutions adopted by the Jackson-Jefferson Club, of Ashland County, Ohio, protesting against the adoption of the so-called Mellon plan of tax reduction and favoring a substitute therefor in pending legislation, which were referred to the Committee on Finance.

Mr. CAPPER presented a petition of sundry citizens of St. John, Kans., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

FREIGHT RATES ON FARM PRODUCTS

Mr. SHEPPARD. I present a memorial of representatives of the American National Livestock Association, favoring the passage of the joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes. I ask that it be referred to the Committee on Interstate Commerce and printed in the RECORD.

There being no objection, the memorial was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Memorial of the Livestock Producers

To the Senate of the United States:

The American National Livestock Association, Texas and Southwestern Cattle Raisers' Association, Arizona Cattle Growers' Association, Arizona Wool Growers' Association, California Cattlemen's Association, Corn Belt Meat Producers' Association, Idaho Cattle and Horse Growers' Association, Kansas Livestock Association, Montana Stock Growers' Association, Nebraska Stock Growers' Association, Nevada Land and Livestock Association, New Mexico Cattle and Horse Growers' Association, Oregon Cattle and Horse Raisers' Association, Utah Cattle and Horse Growers' Association, Wyoming Stock Growers' Association, Wyoming Woolgrowers' Association,

In behalf of the livestock producers of the of the western half of the United States present this memorial to the Senate of the United States urging the passage of the resolution reported by the Committee on Interstate Commerce (S. J. Res. 107) declaring agriculture to be a basic industry, and that the products thereof should be accorded the lowest possible freight rates that can be lawfully made, and directing the Interstate Commerce Commission to speedily prescribe the lowest possible rates on agricultural products and livestock.

These petitioners would point to the fact that the value and amount received by the producer out of the price obtainable at the markets or elsewhere is so small that, in the case of cattle and hogs, it is not equal to the cost of production and anything like a substantial return for the labor, or interest on the capital employed by the producer, and under the standard of the transportation act the production of these animals—the meat supply of the country—can not survive and pay the enormously increased rates now prevailing.

The existing distress and threatened destructions of the once profitable stockraising industry and agriculture connected therewith demand that this resolution be enacted so as to untie the hands of the commission in order that the commission may, by the construction that Congress shall give to the act and the duty of the commission thereunder, make rates on these products commensurate with the ability of the producer to pay and live rather than to be bound by the general rule of the standard of the transportation act, which standard creates rates so unreasonable to the producer that these great industries, stockgrowing and agriculture, must bear an unjust and unreasonable burden, to their great detriment and even destruction.

While the commission is directed by the resolution, Senate Joint Resolution 107, to make the lowest possible rates that are lawful on the products, it must be borne in mind that under the decision of the United States Supreme Court in the Dayton-Goose Creek case, January 7, 1924, the commission fixing rates on particular commodities, like those named in the resolution, is not under the transportation act bound to give consideration to the standard return upon the value of the property of carrier, and it is entirely within the province of Congress to direct the commission as is done in the resolution.

We appeal to Congress to pass the resolution to afford the opportunity for relief to agriculture and livestock that will make rates reasonable for the producers and shippers to pay.

Respectfully submitted,

AMERICAN NATIONAL LIVESTOCK ASSOCIATION.
FRED BIXBY, *President.*
T. W. TOMLINSON, *Secretary.*
S. H. COWAN, *General Counsel.*

WASHINGTON, D. C., *May 7, 1924.*

Mr. SHEPPARD. I ask the Senator from South Carolina [Mr. SMITH], who is the author of the joint resolution, what is its status at present?

Mr. SMITH. The joint resolution is on the calendar awaiting an opportunity to be considered. It has been on the calendar for some time, and I shall take advantage of the very first opportunity to bring it before the Senate.

SERGT. ALVIN C. YORK

Mr. SHEPPARD. From the Committee on Military Affairs I report back favorably without amendment the bill (S. 412) authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list, and I submit a report (No. 500) thereon.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

Mr. SHEPPARD. I ask that the report may be printed in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the report will be printed in the RECORD.

The report this day submitted by Mr. SHEPPARD is as follows:

Your committee, to which was referred the bill (S. 412) authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list, begs leave to report to the Senate the bill without amendment with the recommendation that it do pass. The bill is as follows:

"*Be it enacted, etc.*, That the President of the United States be, and he is hereby, authorized, by and with the advice and consent of the Senate, to appoint Sergt. Alvin C. York, late of Company G, Three hundred and twenty-eighth Infantry, United State Army, an officer with the rank of captain in the United States Army and then to place him on the retired list in that grade."

The Adjutant General in giving the record of Sergeant York, said:

WAR DEPARTMENT,
THE ADJUTANT GENERAL'S OFFICE,
Washington.

STATEMENT OF THE MILITARY SERVICE OF SERGT. ALVIN C. YORK

The records of this office show that Alvin C. York, S. N. 1910421, was inducted into the military service November 14, 1917, by the local board for Jamestown, Tenn., was assigned to the Twelfth Com-

a joint committee of three Members of the Senate and three | tablishment of a national police bureau in Washington, D. C.,

be accorded the lowest possible freight rates that can be lawfully | local board for Jamestown, Tenn., was assigned to the Twelfth Com-

pany, One hundred and fifty-seventh Depot Brigade, Camp Gordon, Ga., November 16, 1917, was transferred to the Three hundred and twenty-eighth Infantry at that place and assigned to Company G, February 9, 1918. He sailed for overseas service May 1, 1918, was promoted to private first class July 8, 1918, praticipated in the following engagements: Lucey sector (Lorraine), June 26–August 9, 1918; Marbache sector (Lorraine), August 17–September 11, 1918; St. Mihiel offensive, September 12–16, 1918; Marbache sector (Lorraine), September 17–18, 1918; and Meuse-Argonne offensive, October 2–November 2, 1918. He was promoted to sergeant November 1, 1918, returned to the United States May 22, 1919, and was honorably discharged May 29, 1919, at Fort Oglethorpe, Ga., with character excellent.

He was awarded the following decorations:

Congressional medal of honor, with the following citation: "For conspicuous gallantry and intrepidity above and beyond the call of duty in action with the enemy near Chatel Chehery, France, October 8, 1918. After his platoon had suffered heavy casualties and three other noncommissioned officers had become casualties Corporal York assumed command. Fearlessly leading seven men, he charged, with great daring, a machine-gun nest which was pouring deadly and incessant fire upon his platoon. In this heroic feat the machine-gun nest was taken, together with 4 officers and 128 men and several guns."

French medaille militaire, by presidential decree of May 5, 1919, and French croix de guerre with palm, under Order No. 160046 D, dated April 13, 1919, general headquarters, French Armies of the East, with the following citation: "All the noncommissioned officers of his platoon having been disabled, he took command of it and with seven men succeeded in silencing a nest of enemy machine guns, capturing several machine guns and 132 prisoners, including 4 officers."

Italian croce di guerra (no specific citation of record).

Montenegrin medaille pour la bravoure militaire (no specific citation).

Official statement furnished Hon. KENNETH MCKELLAR, United States Senate, December 12, 1923.

By authority of the Secretary of War:

ROBERT C. DAVIS,
The Adjutant General.

Alvin C. York was born at Pall Mall, Tenn., on December 13, 1887, and is one of 11 children. He has living seven brothers and two small sisters. The family have lived in the mountains of Tennessee for generations. York's father was a blacksmith and had a small farm on which he raised wheat and oats and other grain. In November, 1911, his father, William York, died and left him provider of, and protector of, his mother, one brother, and two small sisters. The other brothers had married or moved away. For a long time he took care of them, running the smithy which his father had left and the farm on which the family lived. In 1915 he joined the Church of Christ and Christian Union. None but a man of deep convictions could attain to their teachings. You can not meet York without profound respect for his sincere and rugged strength. His church is against fighting in any form. So when the draft came along and reached out for York he was in a difficult dilemma. He was not only a member of the church but was second elder and often led in the service. His congregation wanted him to ask for exemption as a conscientious objector. His pastor, R. C. Pile, urged it. His mother, faced with the prospect of losing the head of the household at a time when her health was not robust, also urged it, but York refused. He belonged to the Church of Christ and Christian Union and subscribed to its doctrines, but he was not going to back out on his country when it was drawn into war. Patriotism is very strong in Tennessee. After he got into the Army his conscientious scruples about killing his fellow man gave him great trouble. He was sent to Camp Gordon, Ga., and while learning how to be a soldier frequently talked to Captain Danforth, his captain, about the matter. They discussed every phase of the situation from a Biblical standpoint, and York became convinced that it was his duty to fight and, if necessary, to kill. I quote from an article by George Pattullo in the Saturday Evening Post of April 26, 1919, which graphically describes his killing of 25 Germans and capture of 132 men:

"The Eighty-second Division was originally a southern division; nearly all its officers hail from the South. But various shifts and changes resulted in every State of the Union being represented in the Eighty-second in considerable numbers. For instance, one regiment can boast that 35 training camps have contributed men to its ranks. Therefore the Eighty-second wears AA on its insignia—all America—and they are almost as proud of it as the veteran First Division is of the red numeral on the left shoulder. The men of the First think that means more than a Croix de Guerre, and I am inclined to agree with them.

"York was soon promoted to corporal in Company G, Three hundred and twenty-eighth Infantry, Eighty-second Division. And he was with his company when the second battalion of the Three hundred and twenty-eighth jumped off from Hill 223, just north of Chatel-Chehery, at 6 o'clock on the morning of the 8th of October. Their objective was the Decauville railroad, 2 kilometers due west, and, by the way, they got it. They got it despite the sheer ridges they had to climb under artillery and machine-gun fire; and the boches were obliged to pull out of a sector of the Argonne Forest, their communications having been cut.

"The battalion had to cross a valley several hundred yards in width. On the left rose a considerable hill from which the boches sprayed them with machine-gun fire; straight ahead towered the elevation known as 167, a steep, high ridge from which came a withering fire; Cornay Ridge, on their right, sounded like a thousand steel hammers at work. In other words, the Americans were caught by fire from three directions.

"York was on the extreme left of the advance, his platoon being the support platoon of the left assault company.

"'We are losing a lot of men,' he said. 'See that little rise just where the slope of the hill comes down? Well, it looked like we couldn't get beyond that. The line just seemed to melt away when it reached there.'

"UNDER CROSS FIRE

"This was due to the fact that boche machine guns on the hill—now known as York's Hill—had the Americans enfiladed. Therefore, Sergt. Harry M. Parsons, formerly an actor, who was in command of the platoon, was ordered to advance with his men and cover the left flank. The fire was too hot in the valley, so they skirted the foot of the hill in order to gain some protection.

"Parsons ordered Acting Sergt. Bernard Early to take two squads and put the enemy machine guns out of action. That was when the real business began.

"Early had under him 16 men: Corporal York, Corpl. William B. Cutting, Corpl. Murray Savage, Prts. Maryan E. Dymowski, Ralph E. Weller, Fred Wareing, William Wine, Carl Swanson, Mario Muzzi, Percy Beardsley, Joe Konotski, Feodor Sak, Thomas G. Johnson, Michael A. Sacine, Patrick Donahue, and George W. Wills. Of these Corporal Savage and Privates Dymowski, Weller, Wareing, Wine, and Swanson were killed early in the fight, practically by the first blasts from the machine-gun emplacements. Sergeant Early, Corporal Cutting, and Private Muzzi were wounded at the same time, the first-named being shot three times through the body. That left Corporal York and seven privates to turn the trick.

"It was a clear day. There had been mists in the valley and shrouding the hills just after dawn, but they had lifted so that the movements of the Americans were perfectly visible to the enemy along the ridges. As the little party started up the hill which they proposed to clear of boches, machine guns peppered them from the Cornay Ridge at their backs, but the trees and brush were very thick, and they escaped beyond observation without losing a man. The nests they were after lay on the other side of a slope; the boches were firing at the Infantry in the valley and were wholly unconscious of the detachment bent on circling round behind them.

"The Americans went stumbling upward through the leafy jungle, bullets whipping the branches above and around them. None were hit, however, and soon they gained above the fire. It was a stiff climb. I went up that hill later without a pack and free from anxiety, and found it hard going. What must it have been with full equipment, machine guns blazing at them, and the enemy ahead in unknown strength.

"About two-thirds of the way up they came upon an old wide trench, probably built by the French early in the war. They entered this and followed it. The clamor of the fight on the other side of the hill now grew less.

"The trench led over the crest. Going warily in single file, now stopping to listen and make sure that no enemy lurked near, now moving with painful caution lest they be heard, the detachment penetrated upward through the dense woods and began to descend the other slope. Sergeant Early was in the lead. Until wounded he directed all the operations. His behavior throughout the entire affair was of the highest order.

"A SHRIEKING BEDLAM

"Still they saw no Germans. They could hear firing off at their right, they could hear it ahead, but not a sign of the enemy did they see. Finally they debouched upon a path, and there in the wet earth were fresh footprints.

"They crossed the path and continued the descent, veering to the left to make sure they should get behind the enemy. A few minutes and they entered another path, well worn, full of new footprints.

"'Which way had we better take?' whispered Sergeant Early to Corporal York.

"'Let's right oblique,' answered the mountaineer; and they right obliqued and went downward along the path.

"It dipped steeply to a cuplike valley amid the hills. A puny stream flowed through this valley. Everywhere were trees and bushes and tangles of undergrowth.

"Suddenly they espied two Germans ahead of them in the path. Both wore the Red Cross brassard, and both started to run at the first glimpse of the Americans. Some shots were fired, and one stopped. He surrendered, the other disappeared.

"'It looked like a battle was coming,' said York, so we went into skirmish order.

"They scattered out amid the riot of brush and pushed forward. Presently the leaders of the party arrived at the stream, and there on the other side were about 20 or 30 Germans, gathered near a small hut that was evidently some kind of P. C. At any rate several officers were holding a conference and a number of the men were squatted on the ground apparently about to eat.

"The Americans instantly let fly. A few of the enemy returned the shots, but the majority dropped guns and equipment and threw up their hands, shouting 'Kamerad!'

"What had happened? How came the enemy behind them?

"'Don't shoot!' ordered Sergeant Early. 'They're going to surrender.'

"Surrender they did, the whole outfit, including the major in command of the battalion.

"'What are you, English?' he asked.

"'Americans,' answered York.

"'Good Lord!' said the major.

"Early's detachment now made preparations to take them out. But before they could move all hell broke loose. Along the steep slope of the hill facing them, not 30 yards away, was machine gun after machine gun, snugly placed in fox holes, but pointing in the other direction. The Boches manning them swung these guns around and opened up a fusillade on the attackers. The valley became a chattering, shrieking bedlam. Some Heinies on a hill far to the rear of the Americans sensed a new menace and opened up wildly against their own position, but their fire was many yards high and merely seared the tops of the trees.

"At the first blast of fire every Heinie prisoner dropped flat on his stomach and hugged the ground. The Americans followed their example. Some took refuge behind trees, others burrowed amid the underbrush; but six were killed. Sergeant Early was shot through the body; Corporal Cutting had three bullets through the left arm; Private Muzzi had a wound in the shoulder; Private Beardsley, who had an automatic and was crouched down near Corporal York when the trouble started, crept back to a big tree for protection. On one side of him lay Private Dymowski, and on the other was Private Wareing. Both were riddled with bullets—shot all to pieces. Beardsley told me afterwards that he considered the situation hopeless and could not operate his gun.

"Nine hundred and ninety-nine thousand nine hundred and ninety-nine men out of a million would have considered the situation hopeless. The millionth man was Corpl. Alvin C. York. The second elder was down on his haunches amid the brush picking off the boches as fast as he could shoot. From this moment the battle became all York's.

"Six of the detachment were killed almost immediately after the machine guns opened up; three were wounded, including the sergeant in command. York and seven privates remained.

"Of these Private Beardsley could do nothing from his position while the enemy fire kept up, for it raked both sides of his tree from close to the ground to a height of 4 feet.

"Pvt. Michael A. Sacina says in his statement: 'I was guarding the prisoners with my rifle and bayonet on the right flank of the group of prisoners, so close to them that the machine gunners could not shoot at me without hitting their own men. This saved me. During the fighting I remained on guard, watching these prisoners and unable to turn around and fire myself for this reason. From where I stood I could not see any of the other men in my detachment.'

"And Private Donahue, a game little Irishman: 'During all this shooting I was guarding the mass of Germans taken prisoners and devoted my attention to watching them. When we first came in on the Germans I fired a shot at them before they surrendered. Afterwards I was busy guarding the prisoners and did not shoot. From where I stood I could see only Privates Wills, Sacina, and Sak. They were also guarding prisoners.'

"NEVER A THOUGHT OF DEATH

"Pvt. George W. Wills: 'When the heavy firing from machine guns commenced I was guarding some of the German prisoners. During this time I saw only Privates Donahue, Sacina, Beardsley, and Muzzi. Private Swanson was right near me when he was shot. I closed up very close to the Germans with my bayonet on my rifle and prevented some of them, who tried to leave the bunch and get into the bushes, from leaving. I knew that my only chance was to keep them together and also to keep them between me and the Germans who were shooting. I heard Corporal York several times shouting to the machine gunners on the hill to come down and surrender, but from where I stood I could not see Corporal York. I saw him, however, when the firing stopped, and he told us to get along the sides of the column.'

"My purpose in quoting the statements of these men is to show by elimination what York did, in order to convince the skeptical. Every man except the second elder is now accounted for; we know from their own lips what the survivors of the first blasts did in the fight that ensued. But somebody killed more than 20 boches on the slopes of that hill and put 35 machine guns out of action. Who was it?

"Capt. B. Cox, of Atlanta, Ga., who later came over the hill frontally with his platoon, told me that he counted a dozen dead boches lying along a path and saw the arms and legs of 8 or 10 more sticking out from behind bushes. His estimate placed the dead at 25. I am putting the number at 20 to be conservative and because the slaughter was the least part of the exploit. What counts is the fact that the second elder of a church opposed to fighting should have given battle to an entire machine-gun battalion and got away with it.

"He never thought of surrender. His problem was to make the enemy give up as quickly as possible, and he kept yelling to them to 'Come down!'

"'Bang! Bang! 'Come down!' York would shout, precisely as though the surrender of a battalion to an individual soldier were the usual thing—and I really believe he regards it that way, provided the soldier be an American.'

"'Somehow I knew I wouldn't be killed,' he said. 'I've never thought I would be—never once from the time we started over here.'

"At the first crack of the machine guns on the slope opposite him York dropped to earth. He was in a narrow path leading to the emplacements. Directly in front lay the boche prisoners, groveling in fear of 'their comrades' fire. The machine guns were less than 30 yards away and were blazing away straight down. Their stream of fire mowed off the tops of the bushes as though they had been cut with a scythe.

"And then the second elder got going on his own account. Sighting as carefully as he was wont to do in the turkey matches at home in Tennessee he began potting the boches in their fox holes and the boches who were hiding behind trees and the boches who were firing at him from the shelter of logs. And with every shot he brought down an enemy. No; I am wrong; he showed me a crease on a tree bole later, and confessed his belief that he had missed that one.

"'You never heard such a clatter and racket in all your life,' he said. 'I couldn't see any of our boys. Early and Cutting had run along toward the left in front of me just before the battle started, but I didn't know where they were.'

"SHOT THE WHOLE BUNCH

"'If I'd moved, I'd have been killed in a second. The Germans were what saved me. I kept up close to them, and so the fellows on the hill had to fire a little high for fear of hitting their own men. The bullets were cracking just over my head and a lot of twigs fell down.

"'Well, I fired a couple of clips or so—things were moving pretty lively, so I don't know how many I did shoot—and first thing I knew a boche got up and flung a little bomb at me about the size of a silver dollar. It missed, and wounded one of the prisoners on the ground, and I got the boche—got him square.

"'Next thing that happened, a lieutenant rose up from near one of them machine guns and he had seven men with him. The whole bunch came charging down the hill at me—like this. They held their guns like this.

"'I had my automatic out by then and let them have it. Got the lieutenant right through the stomach and he dropped and screamed a lot. All the boches who were hit squealed just like pigs. Then I shot the others.'

"'You killed the whole bunch?'

"'Yes, sir. At that distance I couldn't miss.' He killed this detachment before they could charge 20 yards down hill—eight men.

"'As soon as the Germans saw the lieutenant drop, most of them quit firing their machine guns and the battle quieted down. I kept on shooting, but in a minute here comes the major who had surrendered with the first bunch. I reckon he had done some shooting at us himself, because I heard firing from the prisoners, and afterward I found out that his pistol was empty.

"'He put his hand on my shoulder like this and said to me in English "Don't shoot any more, and I'll make them surrender." So I said, "All right"; and he did so, and they did so.'

"'As York himself would phrase it, the battle now quieted down, and the boches descended from their positions on the hill. They came in droves; their arrival swelled the number of prisoners to 90.

"Meanwhile the enemy machine guns from the hills back of the Americans were still spitting wildly in their direction, and none of the little detachment knew at that moment other Germans might arrive or an undiscovered nest open on them. Their own dead lay about, and they had three wounded, but it became imperative that the detachment should return with their captures immediately. Accordingly Corporal York formed up the prisoners in column and placed his surviving comrades as escort.

"To him came acting Sergeant Early and Corporal Cutting. The former said: 'York, I'm shot, and shot bad. What'll I do?' York answered: 'You can come out in rear of the column with the other boys.' Private Donahue helped bring him in, for Early was seriously wounded. Corporal Cutting and Private Muzzi were able to walk out unassisted.

"After the turmoil of fighting none but a woodsman could have found his way back. York's sense of direction was perfect, but though he knew whither he wanted to go he did not know the best way of getting there. The boche major decided for him.

"'Go along this path,' he suggested, pointing down the one which skirted the base of the hill.

"Of course York went the other way; that was all he needed to determine him. He formed up his prisoners, placed the major in front of him as a screen, a couple of other officers behind him, and started up the wide of the hill through the thick woods. The long line trudged behind, herded by the seven men left of the detachment, which Sergeant Early and the two other wounded bringing up the rear. All the boches had flung down their weapons and equipment on surrendering. The field of battle was littered with their stuff.

"'Just as we started I passed the body of Corpl. Murray Savage.' York told me, strongly moved. 'Him and I were cronies—he was my bunkie—but I had to leave him there. I didn't dare to take my eye off the mob of prisoners.'

"As they toiled up the hill the major tried to engage York in conversation.

"'How many men have you got?' He inquired.

"'I got a plenty,' returned the second elder grimly, and made him step faster.

"It was impossible to see where they were going, on account of the thick brush, but York knew that the direction was right to bring them out on the side of the hill where the Americans ought to have established a post of command by this time. A hundred yards or more, and they were challenged. They had stumbled upon another boche machine-gun nest. York thrust the major in front of him, covered the crew with his pistol, and ordered them to surrender. They abandoned their weapons and equipment and joined the prisoners.

BACK TO SAFETY

"During the journey back they flushed several more nests. In one the crew offered resistance.

"'I had to shoot a man there,' remarked Corporal York regretfully. 'When we hit the next nest and I got ready to settle them if they didn't give up, the major tapped me on the shoulder and said: "Don't kill any more and I'll make them surrender,'" and he did."

"The result of these operations was that York and his small detachment pretty well cleaned up that hill before they arrived on the other side. He says that somebody was shooting at them from behind as they went along, but without any damage.

"Probably this firing came from a bunch of machine gunners whom Captain Danforth accounted for half an hour later. With Sergeant Olson and two runners he easily captured 44 prisoners while going back for his support platoons.

"On the far slope of the hill York heard a loud challenge of 'Halt!' and perceived a bunch of doughboys about to fire. He shouted to them that he was bringing prisoners, and they permitted him to approach. The men were part of a detachment that had taken up position in the old abandoned trench York and his party had followed earlier in the day.

"It was wearing on toward 10 o'clock when York and his column emerged from the scrub at the foot of the hill and halted near a dugout in which the attacking Americans had just established a battalion P. C. The battalion was now well up on the ridges fighting its way toward the Decauville Railroad.

"'I certify that I personally counted the prisoners reported to the P. C. of the Second Battalion, Three hundred and twenty-eighth Infantry by Corp. Alvin C. York, Company G, Three hundred and twenty-eighth Infantry, on October 8, 1918, and found them to be 132 in number.—Joseph A. Woods, first lieutenant, assistant division inspector.'

"After reporting there York had to take his prisoners farther back. Their route lay through the valley for some distance, and a Boche lookout on a knoll atop Cornay gave the range to his artillery. A few seconds, and shells began bursting close to the column. The prisoners yelled and squealed, and some of them attempted to scatter. The Americans herded them back into line, and York broke the whole column into a run, which was sustained until they got beyond the shelling."

Gen. Charles P. Summerall, the corps commander, had this to say about York:

"Corporal York, your division commander has reported to me your exceedingly gallant conduct during the operations of your division in the Meuse-Argonne battle. I desire to express to you my pleasure and commendation for the courage, skill, and gallantry which you displayed on that occasion. It is an honor to command such soldiers as you. Your conduct reflects great credit not only upon the American Army but upon the American people. Your deeds will be recorded in the history of this Great War, and they will live as an inspiration not only to your comrades but to the generations that will come after us. I wish to commend you publicly and in the presence of the officers of your division."

Also, from the History of the Eighty-second Division, by Lieut. Col. George E. Roosevelt:

"The corps' objective which the Three hundred and twenty-eighth Infantry reached on October 8 was a narrow-gauge railroad which supplied the German troops opposing the Seventy-eighth Division with food and ammunition. This strategic line was seized and held in an assault of great brilliancy by the Second Battalion, Three hundred and twenty-eighth Infantry. It was during this attack that Sergt. Alvin C. York, with some assistance from seven men in his squad, fought and whipped a first-class German battalion, capturing and bringing into our lines 132 prisoners, including the German major and three other officers. This has been called the outstanding individual achievement of the war."

I also quote the following from an editorial in the Philadelphia Ledger, dated May 7, 1919:

"While a certain type of mind will squirm these days as it reads of the honors that crowd the path of Sergt. Alvin C. York, of Tennessee, who, like the captains of Bible times, slew 25 Germans and captured 132 in one engagement, although he was an elder in the Church of Christ and was opposed to war, at the same time, for most healthy minded Americans, York will stand as the best type of the American soldier. For Sergeant York was opposed to war and is still opposed to war. Though he has been medaled and honored by Congress and by Foch and is now being given practically the freedom of America, he is still the same simple elder of the Tennessee mountains and has not become a bloodthirsty monster or a cruel and relentless advocate of might as against right. No. Elder York when he was drafted saw there was a great idea back of America's participation in the war. He believed that "righteousness exalteth a nation," and also that it should prevail, and he convinced himself and others, too, that it was this country's duty and his, by the way, not some other person's duty who was not an objector, to put an end to the threat of might with which Germany filled the earth. As a Christian, as Doctor Van Dyke has pointed out, York made that tremendous and necessary distinction between hate and righteous abhorrence of wrong, without which abhorrence moral and spiritual concepts are a mere feeble beating of the winds. So, as our own Muhlenberg did in the Revolutionary days, Elder York saw that there was a time for fighting as well as a time for prayer and exhortation. And that he returns to his homeland fit in body and mind, and modest withal, warrants the enthusiasm over him, since what he does and says is a rebuke to those who would have us believe that this high police duty that our men performed across the ocean has permanently impaired the American character. As Sergeant York proves, as it were, on behalf of all his associates, it has given them a clearer vision of actualities and a new sense of the value of peace, but not a peace at the cost of dishonor, at the cost of right helpless before wrong, unpunished and unrepentant."

Also, from an editorial of the Louisville Courier Journal of October 11, 1919.

"Alvin C. York, who might have lived in luxury like Mary Pickford had he been willing to capitalize his fame as a hero, is marvelously—to many persons incomprehensibly—modest, earnest, and unmercenary. His speech made in Louisville in the interest of the education of children in the mountains of Tennessee hardly is a revelation. His fame as a man of high ideals precedes him as far as his fame as a military hero, but his appearance in the flesh and his expression of the spirit impress anew the manliness of the man, which is even more inspiring than the achievement of the hero in the smoke and the sweat of battle. We admire the might and skill of a Trojan warrior. We revere the moral qualities of Lincoln. In the presence of Sergeant York, backwoodsman, blacksmith, farm hand, pillar of the local church, are combined the romantic attributes of a soldier of singular and all but incredible achievement and the clear vision of the rare man of little

schooling and much reflection, who is the superior of the highly educated in essential enlightenment.

"It is said too often that the military hero is the mere daredevil type, the sporting spirit who finds in war his first opportunity for really worthy accomplishment. It is believed too widely that courage upon the battle field proceeds from the love of excitement which makes the dashing polo player or rough rider or the reckless motorist. It is well for young Americans to hear from Sergeant York the following:

"'I was offered many different kinds of positions, and to-night I could have $500,000 in bank if I'd accepted those offers, but I read in a little book I carried on the battle fields of France something that I remembered. It said: "What does it profit a man if he gain the whole world and lose his own soul?"

"'When I came back here I remembered that those little ones in the mountains were struggling for something greater than money—the right to become upright and Christian men and women—and I thought I would show them the example.'

"School histories of the recent war should contain a chapter telling the story of Alvin C. York's attitude toward his responsibilities after his return to America.

"Like Putnam, who is credited in legend with having crept into a wolf's den and dispatched a destructive pariah, Sergeant York has the sort of self-confidence which makes possible Homeric achievement in a fight. Like Putnam he returned to the farm at the end of the war. Putnam's fame is everlasting, because he is compared with Cincinnatus. York's fame will live because of his Lincolnian simplicity and moral steadfastness, not because of the incident in the Argonne solely."

Your committee sets forth the official military citations that accompanied the award of the Congressional Medal of Honor, which citation is as follows:

"General Orders No. 59.—War Department.—Washington, May 3, 1919. Award of Medal of Honor. By direction of the President, under the provisions of the act of Congress approved July 9, 1918, the Medal of Honor was awarded April 11, 1919, in the name of Congress, for conspicuous gallantry in action in France to the following-named enlisted men of the United States Army:

"'Alvin C. York (Serial No. 1910421), corporal, Co. G, Three hundred and twenty-eighth Infantry. For conspicuous gallantry and intrepidity above and beyond the call of duty in action with the enemy near Chatel-Chehery, France, October 8, 1918. After his platoon had suffered heavy casualties, Corporal York assumed command. Fearlessly leading seven men, he charged with great daring a machine-gun nest which was pouring deadly and incessant fire upon his platoon. In this heroic feat the machine-gun nest was taken, together with 4 officers and 128 men and several guns.'"

Major General Duncan, who commanded the Eighty-second or All-American Division, and who presented the Medal of Honor, said in announcing the award:

"The commanding general takes particular pride in announcing to the command this fine example of courage and self-sacrifice. Such deeds are evidence of that spirit and heroism which is innate in the highest type of American soldier and responds unfailingly to the call of duty wherever or whenever it may come."

Petain, the Marshal of France, Commander of the French Armies, issued the following citation to Alvin C. York in Order No. 16046, dated April 13, 1919:

"General headquarters of the French armies of the East. With the approbation of the commander in chief of the American Expeditionary Forces in France, the marshal of France, commander in chief of the French Armies of the East, cites in the award of the army Corpl. Alvin C. York, No. 1910421, Company G, Three hundred and twenty-eighth Regiment American Infantry. All the noncommissioned officers of his platoon having been put out of the battle, he took command, and with 7 men succeeded in reducing to silence a nest of enemy machine guns, capturing 132 prisoners, 4 of whom were officers, and several machine guns."

Marshal Foch, commander in chief of the allied armies, decorated Sergeant York with the croix de guerre with palm. General Pershing, commander in chief of the American Expeditionary Forces, decorated him with the distinguished service cross. The King of Montenegro awarded him with the medaille de bravours. The French Government awarded him its medal of honor. The Italian Government awarded to him its medal of honor and the Italian croce di gerra. The State of Tennessee awarded him a medal of honor.

In bestowing the croix de guerre with palm on April 24, 1919, Marshal Foch said:

"What you did was the greatest thing ever accomplished by any soldier of any of the armies of Europe."

On the occasion of his landing in New York on the return from the war, on May 24, 1919, he was met by generals, admirals, Congressmen, and many notables. That night he was the chief guest at a dinner of 128 members of the Tennessee Society at the Waldorf Hotel. Maj. Gen. George B. Duncan, commander of the Eighty-second Division of the American forces, of which York, as a member of Company G, Three hundred and twenty-eighth Infantry, was a part, paid Sergeant York this tribute:

"This is a very unique experience, indeed. I have talked with soldiers a great deal, but this is the first time in my life I have been the guest to honor one. It is an especial distinction to have on one side the admiral who safely conducted us to Europe—Vice Admiral Gleaves, of Nashville—and on the other side to be reflected in the glory of one of the most distinguished soldiers the world has produced. His deeds are of the character that go down in history, upon which boys and girls of our country are fed to make them patriotic and in time of emergency to emulate the example he set."

On his arrival at Nashville, the capital of his State, in May, 1919, York was given a great ovation at the Ryman Auditorium, fully 6,000 people being present. In answer to many tributes paid him, York, among other things, said:

"The American Army in France and in Europe has had the opportunity to accomplish the greatest victory ever known. They did it with a will. They did it with a spirit, and I say that the American Army is the greatest Army in the world to-day.

"And as America is the only nation that has the greatest generation of young men, let's make it a better Nation and a more Christian Nation. Let's better the towns and cities; but, first, let's better ourselves."

The people of Tennessee have given to him a farm in Fentress County, near his former home, and he is now engaged in cultivating that farm. Recently he had a destructive fire, burning his barn and some of his stock and much grain. He is also engaged in educational work. He has refused to go on the movie stage or to lecture for money for himself or do any of the other things for the purpose of advertising himself or making money out of his patriotic conduct during the war. This is a very high and dignified position and one that ought to be emulated. The Government of the United States can well afford to give him this honor of a commission and to retire him on the small annual pay that will go to him in the event the bill is passed and he is appointed and retired by the President.

Nor, in the opinion of your committee, will this action be regarded as a precedent that will ever be embarrassing to the Congress. Perhaps no one in the war performed a more conspicuous act of bravery, and instead of its being a precedent that the people of the United States would not want followed, it will be a precedent showing the high esteem in which the people of the United States hold a conspicuous act of bravery upon the part of one of its enlisted soldiers, and therefore your committee earnestly recommends that the bill be passed.

AMENDMENT OF TRADING WITH THE ENEMY ACT

Mr. SHORTRIDGE, from the Committee on the Judiciary, to which was referred the bill (S. 1548) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved March 4, 1923, as amended, reported it with amendments and submitted a report (No. 507) thereon.

ENROLLED BILLS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on May 6, 1924, that committee presented to the President of the United States the following enrolled bills:

S. 1631. An act to authorize the deferring of payments of reclamation charges; and

S. 2902. An act authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 3253) to amend section 3929, Revised Statutes, relating to exclusion of fraudulent devices and lottery paraphernalia from the mails;

A bill (S. 3254) to amend section 4041, Revised Statutes, enabling the Postmaster General to forbid payments of postal money orders in connection with the exclusion of fraudulent devices and lottery paraphernalia from the mails;

A bill (S. 3255) to amend section 213, act of March 4, 1909 (Criminal Code), affixing penalties for use of mails in connection with fraudulent devices and lottery paraphernalia; and

A bill (S. 3256) to amend section 215, act of March 4, 1909 (Criminal Code), penalizing fraudulent use of the mails; to the Committee on Post Offices and Post Roads.

By Mr. WADSWORTH:

A bill (S. 3257) to amend section 27 of the national defense act, as amended by the act of June 4, 1920; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3258) to create a national police bureau, and for other purposes; to the Committee on the Judiciary.

By Mr. CAMERON:

A bill (S. 3259) for the relief of Herbert R. Cornforth (with accompanying papers); and

(By request): A bill (S. 3260) for the relief of the legal representatives of the estate of Henry H. Sibley, deceased; to the Committee on Claims.

By Mr. McKINLEY:

A bill (S. 3261) to extend the benefits of the United States employees' compensation act of September 7, 1916, to William Horton Brown; to the Committee on Claims.

AMENDMENTS TO TAX-REDUCTION BILL

Mr. McKELLAR submitted two amendments intended to be proposed by him to House bill 6715, the tax reduction bill, which were ordered to lie on the table and to be printed.

AMENDMENT TO FLOOD CONTROL BILL

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods, which was referred to the Committee on Commerce and ordered to be printed.

SALARIES IN THE POSTAL SERVICE

Mr. SHIELDS submitted an amendment intended to be proposed by him to the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

TAX REDUCTION

Mr. SMOOT. I ask that the unfinished business be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. HARRIS obtained the floor.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	King	Sheppard
Ball	Ferris	Ladd	Shields
Bayard	Fess	Lodge	Shipstead
Borah	Fletcher	McKellar	Shortridge
Brandegee	Frazier	McKinley	Simmons
Bruce	George	McLean	Smoot
Bursum	Gerry	McNary	Stephens
Cameron	Glass	Mayfield	Sterling
Capper	Gooding	Moses	Swanson
Caraway	Hale	Neely	Trammell
Colt	Harris	Norbeck	Wadsworth
Copeland	Howell	Oddie	Walsh, Mass.
Cummins	Johnson, Calif.	Overman	Walsh, Mont.
Curtis	Johnson, Minn.	Pepper	Warren
Dale	Jones, N. Mex.	Phipps	Watson
Dial	Jones, Wash.	Reed, Mo.	Weller
Edge	Kendrick	Reed, Pa.	Willis
Ernst	Keyes	Robinson	

Mr. McNARY. I wish to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from South Carolina [Mr. SMITH], and the Senator from Mississippi [Mr. HARRISON] are attending a meeting of the Committee on Agriculture and Forestry.

Mr. CURTIS. I desire to announce that the Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Arizona [Mr. ASHURST], and the Senator from Montana [Mr. WHEELER] are attending a hearing before a special investigating committee of the Senate.

Mr. GERRY. I wish to announce that the Senator from Louisiana [Mr. RANSDELL] and the Senator from Virginia [Mr. SWANSON] are necessarily detained on business of the Senate.

The PRESIDENT pro tempore. Seventy-one Senators have answered to their names. There is a quorum present.

EXEMPTIONS FROM INCOME TAX WHERE COST OF COLLECTION EQUALS OR EXCEEDS TAX—REDUCTION IN NUMBER OF RETURNS

Mr. HARRIS. Mr. President, I desire to call attention to my amendment exempting all single persons whose net incomes do not exceed $2,000 each and all heads of families and married persons living with their husbands or wives whose net incomes do not exceed $3,000 each from payment of any income tax whatever and from making income-tax returns. My amendment also provides that in computing their net incomes such persons shall deduct the credits for dependents authorized by law. This credit is now $400 for each dependent, but I hope the Congress will see fit to increase it.

To my mind the greatest objection to the Mellon plan, which the Senate Finance Committee on a strictly party vote has adopted, and to the revenue bill as it passed the House is their failure to furnish greater relief to men and women, particularly those with families, whose small incomes are completely absorbed in providing the necessities of life.

In discussing this matter in the Senate a few days ago I stated that when the sixteenth amendment was adopted to authorize an income tax to be collected those who favored it never dreamed it was to be so perverted as to thrust the hands of the taxgatherer into the pockets of the laborer, farmer, and small business man and take from them the necessities of life while it relieved the rich of their fair share of the tax burden they could so easily carry. The poor man is already taxed indirectly more than he can bear through the Republican high protective tariff, which increases the price of everything and adds to the cost of living.

I also stated that if I had my way no married man with an income of $5,000 or less would be required to pay one cent income tax. He needs all he can make to support and educate his family. While I shall support measures to bring this about, I realize that it will not be possible during the present session of Congress.

Secretary Mellon says there would be 4,361,357 taxpayers under his plan, and the number would be the same under the revenue bill as it passed the House, or under the law as it stands to-day. This is the number that would actually pay some income tax, and it does not include those men and women—3,072,191 in 1921—who are required under existing law to make returns, but who pay no income tax on account of the deductions and exemptions allowed them.

The credit allowed by law to each individual in computing his or her income tax, known as the personal exemption, is for a single person $1,000 and for a head of a family or married person living with husband or wife $2,500, unless the net income is in excess of $5,000, in which case the personal exemption for a head of a family or married person is only $2,000.

Secretary Mellon also says that raising the personal exemption from $1,000 to $2,000 for single persons and from $2,500 to $3,000 for heads of families and married persons living with their husbands and wives would reduce the number of taxpayers to 1,878,904. My amendment does not raise the personal exemptions, as does the amendment of the Senator from Florida [Mr. TRAMMELL], to which I shall refer later, but it does exempt altogether from payment of any income tax those single persons whose net incomes do not exceed $2,000 each and those heads of families and married persons whose net incomes do not exceed $3,000 each.

There is a vast difference in the effect upon revenue receipts between my plan of exempting certain classes or groups from payment of any income tax whatever and that of raising the personal exemptions, though the reduction in number of taxpayers would be the same.

If we raise the personal exemption, we reduce the taxes of all taxpayers, rich and poor, and the reduction of the taxes of the rich will be four times as great as that of the man or woman with small income. For instance, raising the personal exemption $1,000 for a man whose unearned income, less the credits allowed by law, exceeds $8,000 reduces his income tax $60, while the same raise of the personal exemption for the man whose earned income, less the credits allowed, does not exceed $4,000 would reduce his tax only $15, under the rates provided in the bill as it passed the House.

I shall later show that the loss to the Government by raising the personal exemptions $1,000 for single persons and $500 for heads of families and married persons, as proposed in the amendment of the Senator from Florida, would be many times as great as under my plan of exempting those single persons

whose net incomes range from $1,000 to $2,000 and those heads of families and married persons whose net incomes range from $2,500 to $3,000 from payment of any income tax.

NO REDUCTION IN TAXPAYERS NOW

To return to the consideration of the number of taxpayers, which, as I have stated, will be the same under the revenue bill as it passed the House as under the Mellon plan; that is, 4,361,357. This would also be the number of taxpayers in 1924 under existing law, if Secretary Mellon's estimate is correct.

My amendment, as well as the amendment of the Senator from Florida, according to the statement of Secretary Mellon, would reduce the number of taxpayers to 1,878,904. In other words, 2,482,453 (4,361,357 less 1,878,904), or in round numbers 2,500,000 men and women of small means, who are now required to pay income tax, will be wholly exempt from such tax, if either of these amendments is adopted.

The number exempted under my amendment is 57 per cent of those who now pay taxes, and I am glad to say, Mr. President, that we can furnish this much-needed relief to these 2,500,000 hard-working people, many of whom earn their incomes by the sweat of their brows, without great loss to the Government, because the cost of collecting their tax in most cases exceeds the amounts collected, as I shall show later.

At my request, Mr. Joseph S. McCoy, Government actuary, has made estimates of the loss in revenue that would result from the adoption of my amendment, as well as from the adoption of the amendment of the Senator from Florida. In both estimates he used, as I have done in my estimate, the tax rates in the revenue bill as it passed the House.

Based upon the statistics of incomes from returns for 1921, Mr. McCoy estimates that the loss in revenue under my amendment would be $18,000,000 a year. We can, therefore, relieve from taxation 57 per cent of all the taxpayers and only lose $18,000,000 in revenue.

Based upon the incomes anticipated by the Treasury Department for 1924 Mr. McCoy estimates that my amendment would cause a loss in revenue of about $25,000,000.

He states that his estimates are conservative from the viewpoint of the Treasury Department, in other words, the Treasury is fully protected.

While the estimate of Mr. McCoy based upon the statistics for 1921 ($18,000,000) may not be far from correct, though I do believe it is high, I think I can demonstrate that the estimate based on anticipated incomes for 1924 is not justified.

Secretary Mellon, as I have stated, estimates that there will be 4,361,357 taxpayers in 1924, while the actual number of taxpayers for 1921 was only 3,589,985. In making his estimate of the number for 1924 the Secretary has, therefore, added nearly 30 per cent to the actual number for 1921.

Based upon this 30 per cent increase, Secretary Mellon estimates that my amendment would reduce the number of taxpayers by 2,482,453, or in round numbers 2,500,000.

The income taxes that would be paid by the single persons exempted by my amendment range from a few cents for those whose net incomes only slightly exceed $1,000 to $15, the maximum, for those whose incomes are $2,000. The average tax for this group would therefore be $7.50.

The income taxes that would be paid by the heads of families and married persons exempted by my amendment range from a few cents for those whose net incomes only slightly exceed $2,500 to $7.50 for those whose net incomes are $3,000. The average tax for this group would therefore be only $3.75.

If all of the taxpayers exempted by my amendment were single persons, the total reduction in revenue receipts would be $18,750,000—2,500,000 multiplied by $7.50.

If all of the taxpayers exempted by amendment were heads of families or married persons, the total reduction would be only $9,375,000—2,500,000 multiplied by $3.75.

Of course, Mr. President, all of these taxpayers do not belong to either class, but this computation shows conclusively that the loss in revenue receipts resulting from the reduction of 2,500,000 in the number of taxpayers, or 57 per cent, can not exceed $18,750,000. It would be somewhere between this figure and $9,375,000.

It should not be forgotten that Mr. Mellon's estimate of the number of taxpayers for 1924 is nearly 30 per cent greater than the actual number for 1921. His estimate of the number of taxpayers for 1924 in the groups or brackets exempted by my amendment is also about 30 per cent greater than the actual number in these brackets for the year 1921.

Mr. McCoy's lower estimate, $18,000,000, may therefore be taken as the maximum loss in revenue receipts that would result from the adoption of my amendment; and I shall show later that this loss will be to a large extent offset by the reduction in the number of employees and other operating expenses of the income tax division of the Internal Revenue Bureau, resulting from the 2,500,000 or 57 per cent reduction in the number of taxpayers and the still greater reduction in the number of income-tax returns to be examined, passed upon, filed, and later reexamined for final settlement.

The amendment of the Senator from Florida increases the personal exemptions of all single persons from $1,000 to $2,000 and of all heads of families and married persons from $2,500 to $3,000, unless the net income is in excess of $5,000, in which case the increase is from $2,000 to $2,500. As I have stated, this increase of the personal exemption applies to all taxpayers, whether their incomes are large or small, while my amendment applies only to those incomes that do not exceed $2,000 for single persons and $3,000 for others.

Based upon the 1921 income-tax statistics, Mr. McCoy, the Government actuary, estimates that the adoption of the amendment of the Senator from Florida will result in a loss in revenue of about $115,000,000.

Based upon anticipated increases for 1924, Mr. McCoy estimates the loss under this amendment would be about $160,000,000.

I am convinced, however, that the estimates by Mr. McCoy of the effect of the amendment of the Senator from Florida are much too high; but there can be no doubt that the loss in revenue would be very much greater than under my plan, while the number of taxpayers that would be exempt from payment of any income tax would be the same in either case.

COST OF ADMINISTERING INCOME TAX LAW

On March 31, 1924, there were 7,483 Government employees engaged exclusively on income-tax work, at an annual rate of salary of $15,676,160. The allotment for travel expenses and subsistence for this force amounts to $1,335,000, and for rent and miscellaneous expenses $292,000. The total annual allowance for the force engaged exclusively on income-tax work, which includes the income-tax field force and the bureau force of the income-tax unit, is therefore $17,303,150. These statistics have been furnished me by the department.

In addition to this force, which is engaged exclusively on income-tax work, there were employed, on March 31, 1924, in the 65 collection districts throughout the United States and in Hawaii 6,598 employees at an annual rate of salary of $10,745,300. The allotment for travel expenses and subsistence for the 65 collection districts amounts to $1,230,000 and for rent and miscellaneous expenses $445,000, making a total annual allowance of $12,421,300 for this branch of the Internal Revenue Bureau.

With reference to the collection districts, the Acting Commissioner of Internal Revenue, in a letter to me of April 28, 1924, from which I obtained my information as to number of employees and allotments of funds, states:

> It is almost impossible to tell just what part of the collector's force is engaged exclusively on income-tax work, as this force is also employed in the collection of all taxes of whatever nature, but income tax constitutes a large per cent of their work. The work of this force is, therefore, of such a nature as to make segregation difficult.

You will observe that the acting commissioner says "income tax constitutes a large per cent of their work"; that is, the work of the collector's force. If this "large per cent" amounts to one-half, the annual allowance for income-tax collections would be $6,210,650, which with the $17,303,160 for the force engaged exclusive on income-tax work, would make the cost to the Government of collecting the income taxes and keeping the records pertaining thereto $23,513,810.

If the "large per cent" amounts to three-fifths, the annual allowance for income-tax collections would be $7,452,780, and the total cost of collecting income tax and keeping records $24,755,940.

From the acting commissioner's letter it is evident that the Government is now spending in the vicinity of $25,000,000 to collect the Federal income taxes, or an average of about $6 for each taxpayer.

INCOME-TAX RETURNS

In order to determine the full effect of my amendment upon the appropriations required for collection of income taxes and for keeping the records incident thereto, let us consider the matter of income-tax returns.

Under the present law a single person, or a married person not living with husband or wife, is not required to make an income-tax return unless his or her net income exceeds the personal exemption of $1,000. A married person living with husband or wife must, however, make a return to the Government if his or her income exceeds $2,000, though the per-

as great as under my plan of exempting those single persons

sonal exemption is $2,500. In other words, the Government can trust the single person or the married person not living with husband or wife to come forward and pay the income tax, but if the income of the married person living with husband or wife approaches within $500 of the personal exemption he or she must make a return so the Government can see for itself that the happily married man or woman does not escape paying the income tax.

Again, if the single man should happen to have a dependent mother, for instance, and his income is between $1,000 and $1,400 he must make a return to the Government, though he well knows that the additional credit of $400 allowed him because of the dependency of his mother will exempt him from payment of any income tax. Apparently a married man living with his wife or a single man with dependents is regarded with suspicion by income-tax collectors, but if the married man's wife quits him and the dependent mother of the single man dies, both can be trusted again.

I will admit that acquiring a wife, or having a mother to support, does make it difficult for the poor man to save enough money to pay his income tax, and to relieve such people from the burden of taxation is the principal purpose of my amendment. I do not, however, admit that marrying or caring for dependent relatives makes a man any less honest.

I am glad to see that the Senate Finance Committee proposes to change the law so the married man living with his wife will not have to make a return unless his net income exceeds his personal exemption of $2,500. The Finance Committee, however, apparently shares with the tax collectors their distrust of the single man who is good to his aged mother and the happily married man who is blessed with children. They will still be required to make returns if their net incomes exceed their personal exemptions, even though the credits allowed for their dependent mothers and children would excuse them from paying any tax.

MORE KNOWLEDGE ABOUT RETURNS NOW

Mr. President, any man or woman who can compute his or her net income to determine whether or not a return is required by the present law can without difficulty tell whether or not the net income exceeds the personal exemption plus the credit for dependents, which is now $400 for each, as every person with a dependent well knows. This is a simple problem in addition and subtraction, and does not require an income-tax expert to solve it.

A few years ago there may have been some excuse for calling for returns from those whose incomes approach the personal exemption plus the credits for dependents, but experience in computing net incomes and credits for dependents has changed all this.

During the calendar year 1921, 6,662,176 persons submitted income tax returns, while the number of taxpayers was only 3,589,985. In other words, as I have already stated, 3,072,191 persons made returns but were not required to pay any tax, because the credits for dependents, and so forth, together with their personal exemptions, exceeded their net incomes.

My amendment would eliminate these useless returns and dispense with the thousands of Government clerks now employed in examining and filing them. It would also relieve the poor man and woman of the trouble and expense of preparing income-tax returns when they well know they do not have to pay any tax.

No doubt the income-tax examiners do catch some ignorant and dishonest tax dodgers by going over the returns of the 3,000,000 men and women who claim exemption from payment of income tax, but nevertheless make returns as required by law. The number of such tax dodgers is, however, comparatively small, and the Government, I am convinced, spends many times as much in clerks' salaries as the recovered taxes amount to.

Mr. President, the very best way of catching the dishonest tax dodger is the plan now employed of giving wide publicity to the names of those who have made income-tax returns. The list of these names posted in the town or village post office or other public place where the neighbors, friendly and unfriendly, can scrutinize it does more to discourage the dishonest man from attempting to evade his tax than the work of the thousands of clerks going over these millions of useless income-tax returns.

I realize that the income-tax clerks and officials claim it is necessary to have these returns. The jobs of thousands of them depend upon a continuance of the present practice. If we listened to these people or blindly acted upon their advice, every man and woman in the United States would be required to make income-tax returns, however small their incomes might be.

These officials and clerks say that the returns of the people who pay no taxes are simple, and that little time is required to examine them.

Mr. President, the forms for these returns are exactly the same as for the three million and more taxpayers whose net incomes do not exceed $5,000.

There are only about half a million taxpayers whose net incomes exceed $5,000, and of these only 172,359 have incomes exceeding $10,000.

For the tax examiner the returns of the latter class—those whose incomes exceed $10,000—are the only ones that present any difficulty, and they amount in numbers to only 2.59 per cent of the number of returns filed for the year 1921.

It is evident, then, that the greater part of the time of the thousands of income-tax examiners is spent upon the returns called simple by the tax officials.

In addition to the elimination of more than 3,000,000 returns now required from those who pay no tax my amendment would dispense with returns from the 2,500,000 taxpayers that in the future become exempt from income tax.

5,500,000 RETURNS WOULD BE ELIMINATED

My amendment would therefore effect a reduction in the number of returns of about 5,500,000, which is about three-fourths of the number that will be made for 1924 if the law is not changed.

It is true, as the income-tax officials say, that it requires only a short time to examine one of these simple returns, but when you multiply this short time by five and a half millions you will find the Government is spending millions of dollars for the examination of returns that would be dispensed with under my amendment. To this should be added the expense of collecting the tax from the 2,500,000 men and women exempted by my amendment and the expense of keeping account of their remittances, usually quarterly, and the expense of reexamining the returns and accounts for final settlement.

The 57 per cent reduction in the number of taxpayers and the 75 per cent reduction of the number of income-tax returns that would result from the adoption of my amendment ought, Mr. President, to effect a reduction of about 50 per cent in the appropriation for employees and other operating expenses of the income tax division of the Internal Revenue Bureau.

I have already shown from a recent letter of the Acting Commissioner of Internal Revenue that the collection of income taxes is now costing the Government in the vicinity of $25,000,000.

NET LOSS WILL NOT EXCEED $6,000,000

If we deduct 50 per cent of this amount, or say $12,000,000, from $18,000,000, which I have shown is the maximum loss in revenue receipts under my amendment, it will be found that the net loss to the Government through the exemption of 2,500,000 former taxpayers from further payments of income taxes will not exceed $6,000,000.

Mr. President, several hundred thousand of the taxpayers exempted by my amendment would pay about a dollar each, and many of them would pay only a few cents, under the tax rates in the revenue bill as it passed the House. For instance, the income tax of a single man with an income of $1,001 or of a married man with an income of $2,501 is just 1½ cents. The average tax of the 2,500,000 men and women exempted by my amendment is $7.50 for single persons and $3.75 for heads of families and married persons, as I have already shown.

The difference in the effect of the amendment upon the tax of heads of families including married persons and upon single persons is due to the fact that the personal exemption is now $2,500 for the former (unless their incomes exceed $5,000 each), while it is only $1,000 for single persons.

I have also shown that the average cost of collecting income taxes is about $6 for each taxpayer.

It is therefore evident, Mr. President, that for the vast majority of the 2,500,000 taxpayers exempted by my amendment, the tax will be less than the average cost of collecting income taxes. For the Government to force a man to pay tax when it will cost more to collect it than the tax amounts to is uneconomical, to say the least, if it is not really absurd.

The 2,500,000 taxpayers exempted by my amendment belong to the large class of laboring people whose small incomes, as I have stated, are completely absorbed in providing the necessities of life. They are, therefore, entitled to special consideration in the matter of taxes by the Congress.

EARNED-INCOME DISTINCTION FINALLY ADOPTED

Mr. President, in October, 1921, I introduced an amendment to the revenue bill providing for a 50 per cent reduction of the normal tax on earned incomes, but the amendment was defeated by a strictly party vote, because the Republican Secretary of the Treasury reported that the plan to make a distinction between earned and unearned incomes was not

workable. That was two years ago, when we voted on the revenue bill.

Two years later the same Republican Secretary of the Treasury, Mr. Mellon, adopted my plan bodily, except as to the per cent of reduction, and incorporated it in the bill or plan that now bears his name.

This earned-income provision of the revenue bill recently passed the House without a dissenting vote, and so far as I am aware no opposition to it has been voiced in the Senate.

If my amendment exempting 2,500,000 hard-working men and women with small incomes from payment of income taxes meets the fate of my earned-income tax amendment of 1921, I predict that it will be among the first measures taken up and passed by the newly elected Congress when it assembles next year.

The justice of the measure can not be denied, and when these 2,500,000 taxpayers begin to realize that all or nearly all of the hard-earned money they pay to the Government is eaten up by the salaries and other expenses of the Government clerks employed in examining their income-tax returns and keeping accounts of their tax payments, and that the Government itself derives little if any benefit from the taxes, they will, I predict, let their Representatives in Congress understand in no uncertain terms that this uneconomical feature of the income tax law must be changed.

CHILD-LABOR CONSTITUTIONAL AMENDMENT

Mr. LODGE. Mr. President, before we continue on the revenue bill I desire to renew a request which I made the other day, as we are drawing near, I hope, to the end of the revenue bill—a request for unanimous consent that we take up the child-labor amendment when the bill now pending is disposed of.

Mr. ROBINSON. Mr. President, may I ask the Senator from Massachusetts the calendar number of the measure to which he refers?

Mr. LODGE. There is a House joint resolution as well as a Senate joint resolution.

Mr. WADSWORTH. Mr. President——

Mr. ROBINSON. Mr. President, I have no objection to proceeding to the consideration of the joint resolution. Personally, I should like to see it taken up and disposed of. I think, however, in view of the small attendance in the Senate, that a quorum should be in attendance.

I yield to the Senator from New York.

Mr. WADSWORTH. If the Senator desires to call a quorum, I have no objection. I was going to object myself.

Mr. ROBINSON. If the Senator is going to object, there is no use in suggesting the absence of a quorum.

Mr. WADSWORTH. I object, Mr. President.

The PRESIDENT pro tempore. Objection is made.

DEPRESSION IN COTTON MANUFACTURING INDUSTRIES

Mr. WALSH of Massachusetts. Mr. President, on May 5 I offered a resolution asking for certain information from the United States Tariff Commission in reference to the effect, if any at all, upon the cotton textile industry of importations of cotton cloth into this country. The Senator from South Carolina [Mr. DIAL] objected to two clauses in the resolution, which I have eliminated. I now ask unanimous consent for the immediate consideration of the resolution as modified, and for its adoption with the changes made.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts?

Mr. SMOOT. Mr. President, will it lead to any discussion?

Mr. WALSH of Massachusetts. No discussion at all.

Mr. SMOOT. Let it be read.

The PRESIDENT pro tempore. The Secretary will read the resolution as modified.

The reading clerk read Senate Resolution 219, submitted by Mr. WALSH of Massachusetts on the 5th instant, as modified, as follows:

Whereas a prolonged depression of exceptional magnitude has and is occurring in the cotton textile industry, causing an attendant decrease in production of 40 to 60 per cent and general unemployment and its consequent want and distress in communities where this industry is located; Therefore be it

Resolved, That the United States Tariff Commission be, and hereby is, directed to furnish to the Senate as expeditiously as possible, if not incompatible with the public interests, all available facts requested hereinafter:

(1) Is the present depression in the cotton manufacturing industry confined to the United States, or is it world-wide?

(2) To what extent and for how long a period has the present depression in the cotton manufacturing industry of this country been apparent?

(3) What is the quantity and value of cotton cloth imported into and exported from the United States under the present tariff act as compared with those under the acts of 1909?

(4) What is the percentage of imports and exports, as compared to the domestic production, of cotton cloth in the census years 1909, 1914, 1919, 1921, and 1923?

(5) What types of cotton cloths constitute the bulk of the import trade, and are these cloths similar or different in character from those produced in this country?

(6) What are the main reasons for the importation of cotton cloths in particular; are such imports due primarily to price or to quality?

(7) To what extent has the domestic industry been affected by the post-war increases in the importation of cotton cloths?

(8) Would changes in the present tariff rates on cotton cloths be of material assistance in stimulating production and restoring prosperity to this industry?

Mr. SMOOT. Mr. President, I notice that two questions in the original resolution have been stricken from the resolution. One of them reads as follows:

3. To what extent is the present depression due to the high price of cotton, particularly in curtailing the consumption of cotton cloth, and to what extent is it due to other causes?

I think that is a very important inquiry.

Mr. WALSH of Massachusetts. I quite agree with the Senator that both the third and fourth questions are very important.

Mr. SMOOT. Very.

Mr. WALSH of Massachusetts. And I thought I would incorporate them in another resolution; but the situation in this industry now is such that it is imperative that the public should have immediate information as to the extent to which importations of cotton cloth are affecting the industry, and I thought that at a later time I would present a resolution embodying the third and fourth questions.

Mr. SMOOT. I think the third and fourth questions are the very substance of the resolution. I believe they are the basis of whatever information we ought to have.

Mr. WALSH of Massachusetts. Personally, I think it is self-apparent that the high price of cotton necessarily affects the consumption of cotton cloth.

Mr. SMOOT. Just as the price of wool affects the price of woolens, and so with anything else.

Mr. WALSH of Massachusetts. I think it is also self-apparent that long hours of labor in one community and short hours of labor in another community and other labor costs naturally affect the curtailment of the industry in one locality as against another locality when a depression occurs.

Mr. GOODING. Mr. President——

Mr. WALSH of Massachusetts. I hope the Senator will not press the matter, but will let me get through this morning that part of the resolution that is agreed to.

The PRESIDENT pro tempore. This is a request for unanimous consent and is not debatable.

Mr. McLEAN. Mr. President, I should like to ask the Senator from Massachusetts why he confines his inquiry to cloth? A great deal of cotton is used in the manufacture of other goods.

Mr. WALSH of Massachusetts. The cotton cloth textile industry more than any other industry in the country is depressed to-day, and it is being alleged that it is due to importations of a certain class of cotton cloth from England. That is why I am asking the Tariff Commission to give us the information which they have available for the public.

Mr. McLEAN. The Senator does not understand my question.

Mr. WALSH of Massachusetts. I hope the Senator will not press an objection now. This is a resolution calling for information only.

Mr. McLEAN. It would affect cotton stockings, cotton underwear, and other things. I think the whole cotton industry ought to be included.

The PRESIDENT pro tempore. Is there objection to the consideration of the resolution?

Mr. GOODING. Mr. President, I would like to have some information before the resolution is acted upon. I would like to know whether the resolution provides for an inquiry into the conditions of agriculture, and the possibility of the farmer being able to buy cotton goods at the present time.

Mr. WALSH of Massachusetts. I do not happen to come from an agricultural State. If I did, and felt that information was available in the departments here that would help that industry, I would offer a resolution calling for it. My resolution relates to an industry that is depressed in my State.

When the Senator offers one asking information in regard to agriculture, I will be glad to vote for it.

Mr. SMOOT. I shall object to the consideration of the resolution at this time. I will ask the Senator if he will not bring it up at another time.

Mr. WALSH of Massachusetts. I think I have a right to have the information, and I shall object to the Senate recessing. We have not had a morning hour for days, and I think the Senate ought to be allowed to get a little information in regard to what effect importations and the tariff law have upon the unemployment of thousands of people. I think the Senator ought to realize that there will be objections to recessing and to consideration of the revenue bill if we can not get this information. Of course, if a morning hour session will be held we can debate the resolution, and I shall insist upon such action as makes it possible to get action.

Mr. SMOOT. I am in favor of this, and of going still further——

Mr. WALSH of Massachusetts. This is the second time I have tried to get unanimous consent. It is most unusual to refuse a request for information.

Mr. GOODING. Mr. President——

Mr. WALSH of Massachusetts. I give the Senator notice that I shall object to any further recesses until we have a morning hour and dispose of this resolution.

Mr. SMOOT. That is all right.

Mr. GOODING. Let me say that I am very much in favor of the resolution, but it should go far enough to inquire into the greatest purchaser of cotton goods in America. The farmer at the present time is making a fight to keep the wolf from the door, and if the Senator will help remedy the condition of agriculture, there will not be any trouble about the spindles in the cotton mills being kept going.

RADIO ADDRESS BY SENATOR WALSH OF MONTANA

Mr. ADAMS. Mr. President, I ask that a speech delivered by the senior Senator from Montana [Mr. WALSH] over the radio last night from Station WRC, Washington, D. C., on "The oil scandal" be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS OF HON. THOMAS J. WALSH, SENIOR SENATOR FROM MONTANA, DELIVERED MAY 6, 1924, OVER THE RADIO FROM STATION WRC, WASHINGTON, D. C.

THE OIL SCANDAL

A keen contributor to one of the great metropolitan journals in a recent communication of an ironical character began his letter thus:

"Allow me to introduce THOMAS J. WALSH, a Senator from Montana, the man who is responsible for the oil scandal. If it were not for him, there would be no oil scandal."

I am that offender. More denunciation has been heaped upon my devoted head by partisan newspapers and political orators than they have ever directed against the late Secretary Fall or those who, in concert with him, either corruptly or indifferently and negligently surrendered the great naval oil reserves to private exploitation under leases yielding the Government for the use of the Navy but 6 per cent of their recoverable content of oil.

I have been charged with having been actuated by political motives only. If the heritage of the people, the value of which is estimated not in millions, but in hundreds of millions, if the means of making effective defense against the enemies of the Nation shall be restored, if faithless and corrupt public servants shall be brought to justice through my efforts, of what consequence is it what my motives were? Fall's guilt is none the less, however exalted or however mean they may have been. I assume no superior virtue; my motives like those of most men in matters of consequence are not without dross. The springs of human action are complex. I would not even pretend that entering upon the investigation with which I have been somewhat prominently identified and finding, in the facts coming under my notice, every reasonable ground for believing that the transactions being inquired into were tainted with corruption and disregard of the law as well as violative of a sound public policy, I was insensible to the fact that some advantage would probably accrue from the revelations to the party with which I am affiliated, nor that I was not moved to any degree in the labors I pursued by that consideration. Whether I was impelled to any extent by a sense of duty and a desire to be of service to my country is obviously a matter of pure speculation, but whatever be the truth in that regard the value of what has been achieved in neither heightened nor lessened by the fact.

Moreover if it be the truth that the investigation was and is "all politics" as has been so industriously inculcated of late, no one would be justly subject to reprehension on that account. Our Government is operated if not organized on the party system. It is the duty of the party of the opposition to expose the wrongs and misdeeds of the party in power and to show up the error and the evils in the policies it advocates and carries out.

In that way each party is constrained to offer its best men, its ablest men, as candidates for public office. It is in a way forced to propose legislation which it can defend against all attack as in the public interest, and it is for perfectly obvious reasons impelled to put honest and capable men in positions of trust or responsibility. It is in the public interest that the party out of power should scrutinize with a critical eye every act of officials elevated to such positions through the favor of its political opponents. It is simply neglecting its duty if it fails to expose any delinquency or dereliction on their part. The criticism that the investigations have been inspired or that they have been pursued by an animus purely political is a weak effort to divert the public mind from the revelations made, revealing an orgy of corruption without a parallel in our history. In that connection, however, it must be remembered that the investigations were all ordered by practically if not actually a unanimous vote of the Senate, and that in every instance a majority of the members of the committees are of the same political faith as that of the executive and administrative officers whose conduct has been under inquiry.

If, upon a crucial question arising in the course of the hearings, action was taken the propriety of which can be questioned, some Republican member or members, if not all such, must have voted with their Democratic associates, moved by a desire to develop the actual facts, notwithstanding the disclosures might be to some extent to the disadvantage of their party. Instances of that character have been rare however. Except in a few instances and in relation to matters of relatively inferior importance all testimony taken by the committee with which I have been serving was received, and every proceeding entered upon was taken, without objection.

Much has been said in the press of late and from the rostrum, and intimations have come from high official sources, that the character of men has been besmirched, if not blackened, by rumor and gossip, by the testimony of witnesses of low character and no credibility, obviously of a purpose to divert the public mind from contemplation of the misdeeds of those who have ignominiously betrayed the trust reposed in them and of those who induced their recreancy, emanating from the personal and political friends of the discredited and disgraced public officials, and to break the political effect of their misdeeds.

I do not undertake to speak for other committees, of whose proceedings I have little knowledge not shared by the public generally. But I defy anyone to point to a single individual whose character or reputation has been in the slightest degree affected injuriously by anything in the nature of rumor or gossip or by testimony from witnesses unworthy of belief before the committee investigating the naval oil leases. Fall's character has been seriously impaired, but not by hearsay testimony, nor by rumor, nor by gossip, nor by evidence that admits of any doubt. Doheny himself testified to delivering to him $100,000, carried in cash to Washington from New York in a satchel, two days after writing to Fall about bidding on the contract eventually awarded to the former, under which he secured a preference right to a lease of a large part of naval reserve No. 1, which, when it was actually issued, was found to embrace the whole reserve of 32,000 acres, out of which he asserted he expected to make $100,000,000.

Practically everything that is known of Doheny's guilt, if he is guilty, came from his own lips or from official documents that can not be questioned. That Fall, who presently on the receipt of the money from Doheny repaired to El Paso, Tex., where he made the initial payment on the purchase of the Harris ranch in bills taken from a black tin box, was testified to by the man who got the money, a gentleman whose veracity no one has questioned.

Some suspicion has been attached to the more or less impeccable previous character of Harry Sinclair in consequence of the testimony adduced at the hearing, but whatever legitimate inference may be drawn from it none of it was of the doubtful character referred to, Indeed the evidence as to him was of the most indubitable character.

Whatever unfavorable inference must be or has been drawn as to Denby, arising out of the proceedings, flows from his own words on the witness stand. Not an item of evidence was cited against him in the debate on the resolution, in consequence of which he was driven into the obscurity from which he should never have emerged, except such as fell from his own lips.

The reputation of three or four newspaper proprietors suffered seriously from the revelations, but the testimony involving them came in the main from their own mouths.

What man, whose character was besmirched by testimony of doubtful character introduced before the committee with which I have been identified? What reputations were ruined by gossip and rumor received by it? Ah, I see; reference is made to Vanderlip. The same rumors to which he gave such dramatic significance in a public speech came to my ears. I refused to pay any attention to them unaccompanied as they were by anything like proof. When the statement attributed to him was made public, what was our committee to do? We were called upon to investigate. Could we ignore such a declaration

publicly made by a man once Assistant Secretary of the Treasury and for years the head of the first banking institution of the country, presumably having sources of information quite beyond those open to the ordinary citizen? There was no division of opinion among the members of the committee as to its duty in the premises. It was due to the memory of the dead President that he called to acquaint the committee with what he knew of the matter and to acquaint it with any information in his possession that might lead to the disclosure of the truth. The friends of the deceased hastened to ask that they might appear to refute the inferences necessarily drawn from the Vanderlip utterances. The committee is to be commended for not shutting its doors to the development of the facts, not vilified for opening them.

I do not mean to intimate by stressing the absurdity of this attempt to discredit the work of the oil committee that some other may be more vulnerable to that line of attack. The effort is never directed specifically against the committee that revealed the villainies of Fall. The assault is made in general terms, and reference is commonly made in that connection to Roxie Stinson and Gaston B. Means, witnesses of more or less prominence appearing before the committee in whose proceedings my colleague, Senator WHEELER, has had a prominent part. But what man whose character was theretofore unimpeachable suffered undeservedly because of any evidence heard by that committee? Whatever was its character, the result aimed at was accomplished. Daugherty was driven from the Cabinet to the very general satisfaction of the public. He was condemned by public opinion, which held to the view that there was enough truth in what was told to require that he stand not on the order of his going but go at once. The astonishing thing about that affair is that people indulging the firm belief that it was a travesty on the name of justice to have Daugherty at the head of the department of the Government, charged in a special way with the administration of it, who had a low estimate of his character, who are delighted he is gone, join the hue and cry against WHEELER because of the character of the witnesses through whose evidence he accomplished the result, for the greater part the been companions and bosom friends of the deposed Attorney General. Here, too, the accusations are general. The public is not told in detail who these high-minded, these spotless citizens are who have been defamed by the Wheeler committee.

I can not believe that these frantic attempts to minimize and discredit the work which has been done by, and the notable achievements which have come through the investigation prosecuted by order of the Senate at the current session, will seriously affect the judgment of the American people touching the public career of those whose iniquities have been exposed.

In the case of Fall the public interests were vast, the office he held an exalted one; but be the office high or humble, the price of perfidy great or trifling, instinctively it is felt that corruption in public life is a vice that eats into the very structure of our system; that the exposure of it, however regrettable its existence may be, is a service of the very highest order, and that swift, certain, and condign punishment is the only cure for it outside of a moral regeneration.

AGRICULTURAL DEPRESSION

Mr. GOODING obtained the floor.

Mr. McNARY. Mr. President, the able Senator from Idaho has long been a student of agricultural problems. He has collected very valuable data, and I should like to see a larger attendance of the Senate; therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McKellar	Shipstead
Bayard	Fletcher	McKinley	Shortridge
Borah	Frazier	McLean	Simmons
Brandegee	George	McNary	Smith
Bruce	Gerry	Mayfield	Smoot
Bursum	Glass	Moses	Stanfield
Cameron	Gooding	Neely	Stanley
Capper	Harris	Norbeck	Stephens
Caraway	Harrison	Oddie	Sterling
Colt	Howell	Overman	Swanson
Copeland	Johnson, Minn.	Pepper	Trammell
Cummins	Jones, N. Mex.	Ralston	Underwood
Curtis	Jones, Wash.	Ransdell	Wadsworth
Dale	Kendrick	Reed, Mo.	Walsh, Mass.
Dial	Keyes	Reed, Pa.	Walsh, Mont.
Edge	King	Robinson	Warren
Ernst	Ladd	Sheppard	Weller
Ferris	Lodge	Shields	Willis

The PRESIDENT pro tempore. Seventy-two Senators having answered to their names, there is a quorum present. The Senator from Idaho will proceed.

Mr. GOODING. Mr. President, this Government was organized for the purpose of protecting and defending the rights of its people, and Congress was created for the purpose of legislating in their interest, and whenever through legislation, or by an official act of a representative of this Government, the prosperity and happiness of a great body of its citizens is destroyed, it becomes the duty of this Government to enact such legislation as will make amends for the hardships and privations it has forced upon its people. Nor will it ever be too late for this Government to make right a great wrong when its mistakes are of such a serious nature that hundreds of thousands of our citizens lose the earnings of a lifetime, and are forced to commence life's work over again to provide a home for their declining years.

Mr. President, it is not strange that mistakes were made during the war, and that out of that great conflict there should come much suffering and distress. That some governments should be destroyed, only repeats the history of other great conflicts of humanity, for the fortunes of war never rest on all alike. To some, war brings great sorrow, while to others, the fortunes of war are sometimes kind. To some industries in this country the World War brought an era of prosperity never dreamed of before; and to American labor it brought the highest standard of wages since the dawn of civilization, a standard they have been able to maintain, through organization, and increase in many lines of industry. On the other hand, through the unfortunate administration of legislation, passed as war measures, and the deflation forced upon the country by the Federal Reserve Board and the lack of organization on the part of agriculture to protect its industries, the World War has brought to agriculture in the last four years a loss, as compared to the value of farm lands and farm products of 1919, of more than $32,000,000,000.

Mr. President, during the last Congress I stated upon the floor of the Senate that this Government became a profiteer in handling the farmers' wheat during the war, and that it fixed the price of wheat at our primary markets below the cost of production for some of the wheat crops produced during the life of the food control act. I did not make that statement believing it was the deliberate purpose of this Government to become a speculator and a profiteer in handling the farmers' wheat, or that this Government intentionally fixed the price of wheat below the cost of production.

There is no doubt but what it was the intention of the President and of Congress that the wheat growers of this country should be given a reasonable profit over and above the cost of production of a bushel of wheat during the war. It was so provided in the food control act, but with Julius Barnes, one of the greatest speculators in wheat this country has ever produced, together with a board of directors, many of whom were grain dealers and speculators in wheat, controlling and directing the affairs of the grain corporation, there was never a chance for the farmers of this country to get a square deal, and the good intentions of the President and of Congress, during the war, do not help the individual whose prosperity has been destroyed and whose home has been lost through a patriotic effort to help win the war. It is to repay the wheat growers in a small way for their losses, brought about by the unwise administration of war measures, that I introduced Senate bill 185, fixing the price of No. 1 northern wheat by this Government at $1.50 per bushel for the crops of 1924 and 1925 at the primary markets. This bill provides that the Government shall make a charge of 10 cents per bushel to defray the administration charges and to reimburse the Government for any losses that may be sustained in the export of wheat. The bill provides for an embargo on wheat and flour imported during the life of the act.

No doubt the Government would sustain some losses in the export of wheat over and above the 10 cents per bushel allowed to cover administration charges and losses in export, but it must not be forgotten that this Government made a profit of $62,050,778.90 in handling the farmers' grain during the life of the food control act, and it is safe to say that with the charge of 10 cents a bushel, together with this profit, that the Government would not sustain the loss of a single dollar if this bill should become a law.

But it is not my purpose to urge the consideration of Senate bill 185, for I find there is a great deal of opposition toward the Government stabilizing the price of farm products, although this Government has stabilized and subsidized about everything else in this country with the exception of farm products, and then I am satisfied that Senate bill 2012, introduced by the Senator from Oregon [Mr. McNARY], for the stabilization of the price of farm products by the farmers themselves, will come nearer solving the problems of agriculture and give back to those agricultural products that are now depressed and demoralized somewhere near the purchasing power that existed before the war than any other measure that is before Congress at the present time. Nor shall I discuss Senate bill 2012 at this time. I shall leave that to the author of the bill, the Senator from

Oregon [Mr. McNARY], when the measure is before the Senate for consideration.

Mr. President, the attitude of every Senator on any measure that promises relief for agriculture should be determined upon the question of whether or not this Government through legislation or through the official act of its President or through the official act of any representative of this Government is responsible for the loss sustained by the farmers in answering their country's call to produce more farm products to help win the war.

Mr. President, the purpose of my remarks at this time is to discuss the condition of agriculture, and to show that this Government, through the unwise administration of legislation passed as war measures, is responsible for the deplorable condition of the wheat grower and of agriculture generally throughout the whole country. I shall have no trouble in showing that the Government did fix the price of wheat below the cost of production for some of the wheat crops produced under the food control act. I shall have no trouble in showing that our own Government was the only Government that fixed a maximum price for a bushel of wheat during the war. I shall have no trouble in showing that the Government after it fixed a price of $2.20 a bushel at the primary markets increased the price of labor upon the railroads and in our shipyards by more than 100 per cent, which in turn was responsible for the increase in the cost of everything the farmer had to buy for the production of a bushel of wheat by more than 100 per cent, without any thought or consideration of its effect upon the wheat growers of this country. I shall have no trouble in showing that after the Government had increased the cost of production of a bushel of wheat by more than 100 per cent and all other farm products in the same proportion, and when the very peak in the cost of production was reached in farm products the Federal Reserve Board in 1920 forced a deflation upon this country that brought about the greatest crisis ever known to agriculture, and I shall have no trouble in showing that through the patriotic efforts of the farmers to help win the war the wheat growers alone in this country lost not only millions but billions of dollars in answering their country's call to produce more wheat to help win the war.

Mr. President, on April 6, 1917, Congress declared war against Germany. The destructive submarine warfare of Germany had made such inroads on the merchant marine of our allies that for a time grave doubts were entertained as to the outcome of the war. There was no time to send ships to the far distant ports of India, South America, and Australia for their surplus food products, and the winning of the war depended upon this country and Canada producing enough wheat to feed our own armies in Europe and the armies of our allies.

On August 10, 1917, the food control act was approved—"an act to provide further for the national security and defense by encouraging production, conserving the supply, and controlling the distribution of food products and fuel." That act especially provided that the wheat growers should be given a reasonable profit for the production of wheat. Section 14 of that act is very clear on that point. It provides that—

> Whenever the President shall find that an emergency exists requiring stimulation of the production of wheat, and that it is essential that the producers of wheat, produced within the United States, shall have the benefits of the guaranty provided for in this section, he is authorized from time to time seasonably and as far in advance of seeding time as practicable to determine and fix and give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit.

Mr. President, I shall have no trouble in showing before I conclude my remarks that the provision of section 14 of the food control act, which guaranteed to the farmers a reasonable profit for the production of wheat during the war, was not carried out in good faith by those who controlled the Grain Corporation.

Under the provisions of the food control act the President issued an Executive order on August 10, 1917, creating the Food Administration, and appointed Herbert Hoover as United States Food Administrator. On August 14, 1917, the President issued an Executive order creating the Grain Corporation, and Julius Barnes was made president of the corporation. Very properly, those in authority began to take stock of our national resources. It was found that the average pre-war yield of wheat from 1909 to 1914 was 690,000,000 bushels. In 1914 we produced 891,000,000 bushels, and in 1915, 1,025,800,000 bushels. The wheat crop of 1915 yielded the greatest number of bushels ever produced in this country, and was sold by the farmers at a great loss.

Out of the crops of 1914 and 1915 we exported 600,000,000 bushels of wheat and over 43,000,000 barrels of flour. There is no doubt that the low price for wheat in 1915 had much to do with the production of wheat in 1916 and 1917, for in 1916 we only produced 636,518,000 bushels, and in 1917, 636,655,000 bushels—a loss, as compared with the crops of 1914 and 1915, of 643,827,000 bushels.

On August 1, 1917, it was found that we only had 62,000,000 bushels of wheat on hand in this country; barely enough to run our flour mills for one month. Our consumption of wheat at that time was 5⅞ bushels per capita. This meant that we needed 556,000,000 bushels for food alone. Our requirements for seed were estimated at 80,000,000 bushels, making our total requirements 645,000,000 bushels. With the country at war and our production not enough to supply our own needs, the fact that it was of vital necessity to stimulate the production of wheat and limit its use as far as possible was recognized and accepted by every loyal American.

With not enough wheat in sight for the use of our own people, and with the destructive warfare of the German submarine, the President believed the country was facing a very dangerous situation. On August 14, 1917, he appointed what was known as the fair price committee, consisting of 11 men representing all interests to fix a price for the wheat crop of 1917. The committee was not connected in any way with the food administration. On August 30, 1917, the committee presented the following report to the President, which I ask leave to have printed as a part of my remarks.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Idaho is granted.

The report is as follows:

> TO THE PRESIDENT OF THE UNITED STATES:
>
> The undersigned committee has been asked by you to recommend the price which the Government should pay for the 1917 crop of wheat.
>
> In its deliberations the committee has kept constantly in mind the three following factors:
>
> First. The fact that the United States is at war.
>
> Second. The need of encouraging the producer.
>
> Third. The necessity of reducing the cost of living to the consumer.
>
> The normal laws of supply and demand have been violently interfered with and Congress has undertaken to offset this disturbance by conferring extraordinary powers upon the President to stabilize prices.
>
> Each of the foregoing factors grows out of conditions which have received the careful attention of the committee, chief among which are:
>
> That the wheat yield in a great and important section of the country has this year been below the normal; that over against this situation is the crying need among the whole body of the population, especially of the wage earners, that the rising tide of costs shall be stayed and reduced as rapidly as possible, consistent with the welfare of the producers; that the Government is at the present time engaged in the great task of reducing and stabilizing the cost of other staple commodities; that the wheat of the world is abundant for its needs, even disregarding the stores in Russia, but because of lack of shipping, and war conditions, the burden of supplying wheat to the Allies and to neutral nations rests for the time being upon the United States and Canada.
>
> Your committee has also considered the fact that the Government price for the 1917 wheat crop is in effect a continuing guaranty until the minimum price guaranteed by Congress for the crop of 1918 goes into effect (July 1, 1918). It has considered the relation of the 1918 maximum price guaranty to the price here recommended. It has also considered the effect which an early termination of the war would have upon the wheat markets of the world.
>
> * * * * * * *
>
> In reaching its conclusion, the committee has been guided by the principles you have announced, that a fair price should be based upon the cost of production for the entire country plus a reasonable profit. We have relied upon the cost estimates for the crop of 1917, furnished by the United States Department of Agriculture, checked by the results of our own independent investigations, and the evidence submitted to the committee by the producers and their representatives.
>
> The committee has considered the regulations recently established by the United States Grain Corporation for the different grades of wheat, through which all transactions in wheat are to be standardized and speculation is to be entirely eliminated; also that profits to the grain dealer, miller, and flour dealer have been regulated and reduced by the Grain Corporation, effecting a material reduction in the cost of flour.
>
> In consideration of the foregoing facts and circumstances this committee respectfully recommends that the price of No. 1 northern spring wheat or its equivalent at Chicago be $2.20 per bushel.

Mr. GOODING. Mr. President, I especially want to call the attention of Senators to the fact that the fair price committee

based $2.20 a bushel at the primary markets for a bushel of wheat on information furnished them by the Department of Agriculture, to which they added a reasonable profit. What the farmers of this country are complaining about is the fact that they were only given the cost of production, plus a reasonable profit for a bushel of wheat in 1917, and that the Government immediately proceeded to increase the price of labor upon our railroads and in our shipyards and our freight rates until the cost of production of a bushel of wheat was increased more than 100 per cent, when the fair-price committee found from their investigation in August of 1917, and from information furnished them by the Department of Agriculture, that the cost of production of a bushel of wheat with a reasonable profit delivered at the primary markets was $2.20 per bushel.

I hope, Mr. President, that Senators will not overlook this portion of my remarks and will remember that the fair price committee after a thorough investigation of the whole subject, based on information furnished the committee by the Department of Agriculture, recommended a price of $2.20 a bushel for No. 1 northern wheat at the primary markets, freight paid.

Mr. President, in May, 1917, wheat sold in Chicago for $3.45 a bushel. When the fair price committee found that $2.20 was a fair price for a bushel of wheat delivered at the primary markets August 30, 1917, wheat was selling for $2.72 a bushel. For some time it had been well known that there were to be some regulations on the part of the Government affecting the price of wheat. This gradually reduced the price of wheat from its high point of $3.45 a bushel in May, 1917, to $2.72 a bushel on the 30th of August, 1917.

The day the President issued his proclamation, September 1, 1917, fixing the maximum price of wheat at $2.20 a bushel, the price of wheat fell 52 cents a bushel at all the primary markets. This was brought about by the Grain Corporation entering into a contract with grain buyers, elevators, and millers not to pay more than $2.20 a bushel for the grade of wheat known as No. 1 northern at the primary markets. In fixing the maximum price of a bushel of wheat at $2.20, in a publication issued by the Grain Corporation, they tell the story of how it was done, and have this to say:

> The Grain Corporation was made the sole agency for all Government buying and it at once entered into a series of voluntary agreements with flour mills and country elevators to maintain the Government fair-price basis in their own purchases throughout the crop year of 1917. These buyers of wheat—including some 3,000 mills and 14,000 elevators—agreed to pay for wheat of the 1917 crop the Government fair price, less freight to terminals and hauling charges, and no more, so that the farmers everywhere should receive a fair reflection of the Government buying basis. Through these trade agreements, which embraced about two-thirds of the elevators and by far the preponderance of the flour-milling capacity of the country, as well as through its own purchases running to nearly 30,000,000 bushels of wheat, the Grain Corporation made effective the "fair price" on the crop of 1917.

I might add that it made effective $2.20 a bushel as the maximum price of wheat for the crop of 1917.

Mr. President, the food control act approved August 10, 1917, contained no reference to the crop of 1917 or its price. The act did, however, provide a minimum price for the crop of 1918 at $2 a bushel. Senators must not forget, however, that there is a mighty difference between a minimum price of $2 a bushel for wheat and a maximum price of $2.20 a bushel under the conditions that existed during the war.

I have been advised by the Senator from North Dakota [Mr. LADD] and Mr. C. F. Barrett, president of the Farmers' Union, who were members of the fair price committee—and if I do not quote him correctly I hope I may be set right—that it was their understanding that when the committee recommended the price of $2.20 a bushel for wheat at the primary markets, it was to be a minimum price and not a maximum price, and that the making of $2.20 the maximum price for a bushel of wheat at the primary markets by the Grain Corporation came as a very great surprise to them.

Mr. President, there has been much said about the farmers being satisfied with the Government price of $2.20 a bushel for wheat at the time the President issued his proclamation fixing the price of wheat at $2.20 at the primary markets. There has been much said upon the floor of the Senate that the farmers were responsible for the Government fixing the price of wheat during the war. That generally, I am sure, is a mistake, and I am going to prove it by again quoting from a publication issued by the Grain Corporation. It is true that some of the Senators from the agricultural States did ask that the Government fix the price of wheat during the war, but what they were asking for and what the farmers got were two entirely different things, for, as I understand, the Senators from the agricultural States were asking the Government to fix a minimum price for wheat as provided in the food control act and not a maximum price as fixed by the Grain Corporation.

Quoting from a publication by the Grain Corporation, it has this to say:

> WHAT THE FARMERS WANTED
>
> It should be clearly understood that the food control act, passed by Congress in August, 1917, contained no reference to the crop of 1917 or its price. There was nothing in the act itself authorizing any buying basis for Government purchases, and there was absolutely no authorization to the President or anyone else to "fix" the wheat price which should govern the prices to be paid in every-day transactions by individuals. It was necessary, however, that some element of stability should exist in the wheat market, and the best way to bring this about was to establish a fair buying basis for Government purchases and induce other buyers to pay the same price. But what was a "fair" price? The farmers of the Southwest who had sold some of their 1917 crop at prices around $2.50 per bushel held out for a price at least that high. They were backed up by the whole agricultural interest of the Northwest, which had seen the price of spring wheat pass the $3 mark at Minneapolis before harvest. Naturally these interests were opposed to any reduction in the price.

So, Mr. President, without any authority of law for the crop of 1917, this Government forced a maximum price for a bushel of wheat upon the wheat growers without their consent, and I shall show before I conclude my remarks that the action of this Government, through the Grain Corporation headed by Julius Barnes, enacted a chapter in dealing with the farmers of this country that I believe is one of the blackest pages in American history.

Mr. President, while the farmer was never satisfied with the maximum price of $2.20 as fixed by the Grain Corporation for a bushel of wheat delivered at the primary markets, he did not go on a strike. The increased production of wheat in 1918 and 1919 shows that the farmers answered their country's call for the production of more wheat to help win the war, for in 1918 they produced 921,438,000 bushels and in 1919 967,969,000 bushels, representing an increase of more than 600,000,000 bushels for the two years over 1916 and 1917. In 1920 the production of wheat in this country was 833,027,000 bushels.

The story of the efforts of the farmers to produce more wheat to help win the war is best told by the increased acreage of wheat planted. In 1916 the farmers planted, in round numbers, 56,000,000 acres; in 1917, 58,000,000 acres; in 1918, 64,000,000; and in 1919, 76,000,000 acres, an increase over 1917 in two years of 18,000,000 acres of wheat.

Mr. President, the American people will never know the sacrifice that has been made by the farmers of this country in answering their country's call to produce more wheat to help win the war. I am sure we can all remember the campaign that was inaugurated for the production of more wheat. Farmers were told that bread would win the war. The Food Administration prescribed a lower grade of flour for the use of our own people. Where bread had been free generally upon hotel and restaurant tables the Food Administration encouraged them to make a charge for bread and limit its use as much as possible. All through the wheat belt in this country, where corn can not be grown successfully, wheat had been fed to livestock. I have in mind one small county in my State where prior to 1917 20,000 hogs were finished for market on wheat each year.

During the war the feeding of wheat to livestock was forbidden by the Food Administration, and to feed wheat to livestock was branded as an act of disloyalty. I well remember that in my State a few people of foreign birth had a real struggle to keep from being deported because they fed wheat to some of their livestock. The rules and regulations prescribed by the Food Administration making it necessary to guarantee an ample supply of wheat for food to feed our own armies in Europe and the armies of our allies drove the farmers out of the swine industry in many of the Western States, where corn is not grown successfully. This upset what we call a balanced condition upon the farm—diversified farming—and contributed to the loss of many of our farmers.

Mr. President, when this Government fixed the maximum price of a bushel of wheat, by every right and by common justice it should have fixed a maximum price on everything the farmer had to buy to produce a bushel of wheat; but instead of the Government controlling the price of those commodities it was necessary for the farmer to buy to produce a bushel of wheat, it increased the price of labor upon our railroads 146 per cent above the pre-war price, and of labor in our shipyards 122 per cent above the pre-war price, which in turn increased

Out of the crops of 1914 and 1915 we exported 600,000,000 bushels of wheat and over 43,000,000 barrels of flour. There is

Mr. GOODING. Mr. President, I especially want to call the attention of Senators to the fact that the fair price committee

the price of labor upon every farm in America and in every industry in America, until the cost of everything the farmer had to buy for the production of a bushel of wheat was more than doubled as compared with the cost of production of a bushel of wheat when the fair price committee found, from information furnished them by the Department of Agriculture and their investigation, that the cost of production of a bushel of wheat with a reasonable profit was $2.20 per bushel delivered at the primary markets.

Mr. President, we own and operate in this country 250,412 miles of steam railroads. This is about 34 per cent of all the railroads in the world. Railroads traverse every part of this great country, and no agricultural community of any size is without a railroad. On these railroads are employed something over 2,000,000 men, and when this Government increased the price of labor upon our railroads and standardized and legalized that increase it increased the price of labor upon every farm in America; for every farmer, every merchant, and every other line of business in agricultural communities during the war—and that is true at the present time, with the scarcity of labor—is forced to compete with the railroads for labor, all of which I shall have no trouble in showing.

Mr. President, on June 30, 1916, the average compensation per hour for all labor, including general and division officers, upon all class A railroads in this country was 27$\frac{1}{10}$ cents per hour.

On January 1, 1917, the Adamson Act became effective, constituting an eight-hour day upon the railroads which had previously operated on a 10-hour basis. While the Adamson law did not prescribe any rate of wages, it increased the hour's pay on the railroads from 27$\frac{1}{10}$ cents per hour in 1916 to 32 cents per hour in 1917, an increase of 16 per cent above the price paid for labor on all class A railroads in the United States in 1916.

On the 1st of September, 1917, when the President issued his proclamation fixing the price of a bushel of wheat at $2.20 at the primary markets, the average compensation per hour for all labor, including general and division officers, upon all class A railroads in the United States was 32 cents per hour.

On December 28, 1917, Mr. McAdoo, Secretary of the Treasury, was appointed Director General of Railroads. Three days later—January 1, 1918—Mr. McAdoo issued what is known as General Order No. 27. This, together with other supplementary orders issued by the Director General of Railroads in 1918 and 1919, increased the average compensation of labor on the railroads in the United States in 1919 to 56$\frac{4}{5}$ cents per hour, an increase of 76 per cent over the wages paid for labor on our railroads when the fair price committee found $2.20 a bushel was a fair price for a bushel of wheat delivered at the primary markets, and 104 per cent above the price paid for labor on our railroads in 1916, before the Adamson law was passed.

On March 1, 1920, the Esch-Cummins Act became effective. This act created the Labor Board, with power to increase or decrease the price of labor upon our railroads. On July 20, 1920, the Railroad Labor Board issued its decision No. 2, effective retroactively as of May 1, 1920. This order had the effect of increasing the average compensation on our railroads for all labor, including general and division officers, to 67$\frac{4}{5}$ cents per hour, an increase of 121 per cent over 1917, when the President issued his proclamation fixing the price of a bushel of wheat at $2.20 a bushel delivered at the primary markets, and 146 per cent above the price paid for labor on our railroads on January 1, 1917, before the Adamson law became effective.

In 1921 the Labor Board made a small reduction in the price of labor upon our railroads. For that year the average compensation for all labor was 66$\frac{1}{5}$ cents per hour. In 1922 the Labor Board made further reduction, and for that year the average compensation per hour on our railroads for all labor was 61$\frac{4}{5}$ cents per hour. The price of labor on our railroads to-day is 127 per cent above the price paid for labor upon our railroads on January 1, 1917, before the Adamson Act became effective.

Up to the 1st of January, 1917, there had been no increase in the price of labor in our shipyards, but in 1917 the Government took over all shipyards for supervision and increased the price of labor in 1917 10 per cent; so it can be said that when the President issued his proclamation fixing the price of a bushel of wheat at the primary markets at $2.20 a bushel the price of labor in our shipyards was 10 per cent above the pre-war price. In 1918 the Government increased the price of labor in our shipyards 81 per cent, and in 1919 our Government increased the price of labor in our shipyards until it was 122 per cent above the pre-war price. In 1921 and 1922 there were some reductions in wages in our shipyards, equal for those two years to about 10 per cent, so that the price paid for labor in our shipyards to-day is 110 per cent above the price paid for labor before the war.

These increases in the price of labor by the Government increased the cost of everything the farmer had to buy for the home and the farm; they increased his elevator charges; they increased his freight rates; and no part of these increases can the farmer pass on to the people. This increase in the price of labor by our own Government upon our railroads brought about a material increase in the cost of operation; but the Esch-Cummins Act provided that the Interstate Commerce Commission should fix rates so that the railroads should earn in whole or in part or in groups, as the Interstate Commerce Commission may designate, 6 per cent above all costs of operation, including taxes.

Mr. President, our Government exercised great care when it made its increase in the price of labor upon our railroads, for it made two horizontal increases in freight rates, the peak of which reached 78 per cent of an increase in freight rates, which enabled the railroads to pass their increased cost of operation on to the farmer and to the rest of the people to a very large extent, for the farmers of this country pay nearly one-third of the freight bill collected in this country by the railroads, and before I conclude my remarks I shall show that the railroads were materially benefited, and properly so, by the increased price of labor upon their roads.

Mr. President, the increase in the price of labor has brought about an increase in the cost of every manufactured article in America; but the manufacturer is able to add this increased cost to the price of his manufactured article and pass it on to the people. Mr. President, if our railroads could not pass their increased cost of operation on to the farmers and the rest of the people every mile of railroad in the United States would be in the hands of a receiver in one short year, and that is also true of our manufacturing industries; but the farmer occupies an entirely different position in the economic affairs of his country from the railroads or our manufacturers, for he is unable to pass his increased cost of production on to the people. If the farmer wants to know the price of wheat, cotton, livestock, or any other farm product, he must look in the newspaper or inquire of some commission merchant who deals in farm products, and who is part of a great system that fixes the price of farm products. The farmer of the country has nothing to say about what returns he shall receive for his labor and investment, and when this Government fixed a maximum price for a bushel of wheat and then forced an increased cost of production upon the farmers of this country of more than 100 per cent without any thought or consideration of its effect upon agriculture, and without any authority of law as far as the crop of 1917 was concerned, it was the greatest tragedy ever enacted by any government against a great body of its citizens since the dawn of civilization. So it is not strange, Mr. President, with this increased cost of production forced upon the farmer by his own Government, which he is unable to pass on to the people, that hundreds of thousands of our farmers in the last few years have endured great hardships and privation, and have lost the earnings of a lifetime.

On June 24, 1918, Mr. McAdoo, Director General of Railroads, made a horizontal increase in all freight rates of 25 per cent. This order made an exception as far as wheat was concerned and provided that no rate on wheat should be increased more than 6 cents per hundred; but this did not affect the wheat growers of North Dakota or Kansas. It only gave a little relief in such States as Montana, Idaho, and a few other far Western States where rates were excessively high.

On July 1, 1918, the President ordered an increase of 6 cents per bushel in the price of wheat at the primary markets of the country. The increase of 6 cents per bushel compensated the farmers for the 25 per cent increase in the freight rates on wheat, but it did not compensate the farmers for the 25 per cent increase on farming machinery, building material, binding twine, and everything else they had to buy and to sell. In this horizontal increase no attention was paid to how high the rate was originally, or how low the rate, or how long the haul, or how short the haul, or what the product would bear to carry it to market. Low-priced farm products were increased the same as the higher-priced manufactured articles.

Mr. President, I wish to call the attention of Senators to how closely the increased price of labor upon the farm followed the increased price of labor made by the Government upon our railroads. When the President issued his proclama-

tion on September 1, 1917, fixing the price of a bushel of wheat at $2.20 at the primary markets, the price of labor upon the farm was 25 per cent above the pre-war price.

In 1918 it was 75 per cent above the pre-war price; in 1919 it was 100 per cent above the pre-war price, and in 1920, 130 per cent above the pre-war price. In the wheat fields of Kansas in 1920 day labor was 173 per cent above the pre-war wage. This year it is 70 per cent above the pre-war price paid for labor. In 1917, when the President issued his proclamation fixing the price of wheat at $2.20 a bushel, farming machinery was 31 per cent above the pre-war price; in 1918 it was 78 per cent above the pre-war price; and in 1920 it was 96 per cent above the pre-war price.

Mr. President, the increase in the price of farming machinery and other commodities the farmer must buy is again reflected in the purchasing power of farm products. In 1909 3 bushels of wheat would buy 100 pounds of barbed wire; in 1923 it required 5.6 bushels of wheat to buy 100 pounds of barbed wire. In 1909 it required 13.7 bushels of wheat to buy a single harness; in 1923 it required 28.3 bushels of wheat to buy a single harness. In 1909 it required 11.7 bushels of wheat to buy a plow; in 1923 it required 29.2 bushels of wheat to buy a plow. In 1909 it required 66.8 bushels of wheat to buy a double wagon; in 1923 it required 143.3 bushels of wheat to buy a double wagon. In 1909 it required 855 pounds of pork to buy a double wagon; in 1923 it required 2,069 pounds of pork to buy a double wagon. I am giving only a few examples of the purchasing power of farm products for those things it is necessary to buy for the farm.

Up to the 1st of January, 1924, there had been some reduction in the price of labor, freight rates, and farming machinery, but I understand that a 10 per cent increase in the wholesale price of farm machinery for 1924 has been agreed upon by the manufacturers. Only a few days ago the New York Central, the Pennsylvania, and Southern Railroads gave notice of an increase of wages upon their roads of from 5 to 6½ per cent. The Pullman Co., it is said, has also increased the wages of their employees 8 per cent. Last month the coal operators gave notice they had entered into a contract with their miners to continue the present scale of wages with the coal miners for the next three years, which is the highest scale ever paid in the coal mines in this country.

Mr. President, on March 24, in the Washington Post, there was a story from Chicago telling of the earnings of the United States Steel Corporation for 1923. The article shows an increased revenue for the Steel Corporation of nearly half a billion dollars. The net profit for the year, after all charges and taxes were met, was $108,707,064, and after paying dividends of 6 per cent there was a surplus of $54,259,903 left in the treasury. The article says that the employees shared in the corporation's prosperity.

MORE PAY FOR EMPLOYEES

Employees shared in the corporation's prosperity, both by obtaining the eight-hour day and also higher pay per day. The average earning per day per man was $5.83, compared with $4.91 in 1922. Total salaries and wages were $469,502,634, compared with $322,578,130 for 1922. The average number of employees was 260,786, compared with 214,931 the year before. The number of additional employees required because of the shorter day was 17,117, and to that change was attributed 60 per cent increase in total pay rolls.

Mr. President, the United States Steel Corporation increased the price of steel in 1923, 20 per cent over the price of steel in 1922. This gave the United States Steel Corporation an increased earning of $262,000,000. Out of this increase they paid labor an increase of $146,824,504, which left a net increased revenue for the Steel Corporation, through the increase of 20 per cent in the price of steel, of $115,077,910. So that it is not strange the manufacturers of farm machinery find it necessary to increase the price of farm machinery by 10 per cent. So from these increases it is quite evident that the farmers are facing an increased cost of production in the future instead of the country returning to normalcy or pre-war conditions that we have heard so much about in the last few years.

So, Mr. President, it is not strange that the manufacturers of farm machinery find that it is necessary to increase the price of steel. The farmer of this country is the greatest single purchaser of steel in the country, or one of the greatest purchasers, at least; and, of course, part of the increased earnings of the steel companies of $115,077,910 has come out of the farmers and increases the cost of production. As I said, this country is not returning to normalcy very fast.

Mr. President, as I see it, the farmers of this country are facing an impossible condition. With organized industry able to pass their increased cost of production on to the farmers as well as the rest of the people, and organized labor able to maintain the increase in the price of labor that has been given them by their own Government, and to increase the price of labor in many lines of industry, unless this Government lends itself to an organization that will bring about an increase in the price of farm products by the farmers, then agriculture must face a hopeless condition in this country, and some lines of it will be broken down and destroyed.

Mr. President, in the early summer of 1920 the farmers of this country were looking forward to a prosperous year. The food control act expired on May 31, 1920, under which the President had fixed the maximum price of a bushel of wheat. The next day, June 1, 1920, the farmers were able to sell their wheat in Minneapolis for $3.09 per bushel, and with the demoralized condition which existed in Europe, the farmer had every right to expect to sell his wheat crop of 1920 around $3 per bushel; but he was doomed to disappointment, for Governor Harding of the Federal Reserve Board seemed to believe that board was created for the purpose of bringing about a deflation in the country at any time they thought it advisable to do so.

On May 18, 1920, Governor Harding called a meeting of the Federal Reserve Board, and the Federal Advisory Council and class A directors of the Federal reserve banks. The meeting was a secret one, and very little was known outside of banking circles of what transpired at that meeting until February 22, 1923, when the Manufacturers' Record, of Baltimore, published a stenographic report of the proceedings of that meeting which I placed in the CONGRESSIONAL RECORD a few days after it appeared in that magazine. At that secret meeting of May 18, 1920, the question of restriction of credits, breaking down of prices, and increasing of freight rates was generally discussed and agreed to.

Mr. President, I offer at this time the names of all those in attendance at that meeting of the Federal Reserve Board, May 18, 1920, and ask that they be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. LADD in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Hon. Adolph C. Miller, member of the Federal Reserve Board.

Hon. Henry A. Mohlenpah, member of the Federal Reserve Board.

Hon. John Skelton Williams, Comptroller of the Currency and member ex officio of the Federal Reserve Board.

Hon. David F. Houston, Secretary of the Treasury and member ex officio of the Federal Reserve Board.

George L. Harrison, counsel, Federal Reserve Board.

Also members of the Federal Advisory Council: Philip Stockton, Federal reserve district No. 1; A. B. Hepburn, Federal reserve district No. 2; L. L. Rue, Federal reserve district No. 3; W. S. Rowe, Federal reserve district No. 4; J. G. Brown, Federal reserve district No. 5; Oscar Wells, Federal reserve district No. 6; James B. Forgan, Federal reserve district No. 7; F. O. Watts, Federal reserve district No. 8; E. F. Swinney, Federal reserve district No. 10; R. L. Ball, Federal reserve district No. 11; A. L. Mills, Federal reserve district No. 12; J. H. Puelicher, Marshall & Ilsley Bank, Milwaukee, Wis.; John Perrin, chairman of the board and Federal reserve agent, Federal reserve bank, San Francisco; Hon. Edmund Platt, chairman of the Banking and Currency Committee, House of Representatives.

Boston: Thomas Beal, Edward S. Kennard, and Frederick S. Chamberlain.

New York: James A. Alexander, R. H. Treman, Charles Smith, and J. H. Sisson.

Philadelphia: Joseph Wayne, jr., M. J. Murphy, and Francis Douglas.

Cleveland: O. N. Sams, Robert Wardrop, and Chess Lamberton.

Richmond: John F. Bruton, Charles E. Rieman, and Edwin Mann.

Atlanta: J. K. Ottley, Oscar Newton, P. R. Kittles, and W. H. Kettig.

Chicago: George M. Reynolds, Charles H. McNider, and E. L. Johnson.

St. Louis: J. C. Utterback and Sam A. Ziegler.

Minneapolis: Wesley C. McDowell and E. W. Decker.

Kansas City: J. C. Mitchell, E. E. Burham, and W. J. Bailey.

Dallas: John T. Scott, E. K. Smith, and B. A. McKinney.

San Francisco: C. K. McIntosh, J. E. Fishburn, and M. A. Buchan.

Mr. GOODING. At this time I will only discuss and review a few of the statements made by some of the representatives of the great banks who attended that meeting.

Mr. Robert Wardrop, of the Cleveland reserve bank, said at that meeting:

I think a reasonable depression of business would be a good thing for the country.

He added:

I really think we would do better if we could get down to a lower basis, a different basis, and from that we could work up again.

Mr. President, at that meeting of the Federal Reserve Board an organization was perfected in this country to restrict credits and increase the rate of discount and to bring about the depression of business that Mr. Robert Wardrop thought would be a good thing for the country; and while they were trying to deflate the country and reduce prices, these bankers—and they were the great bankers of the country, with power given them by this Government to control the financial destiny of the American people—passed a resolution and appointed a committee of five to present their resolutions to the Interstate Commerce Commission and the United States Shipping Board asking for an advance in freight rates. That resolution reads as follows:

Resolved, That this conference urge as the most important remedies that the Interstate Commerce Commission and the United States Shipping Board give increased rates and adequate facilities such immediate effect as may be warranted under their authority, and that a committee of five be appointed by the Chair to present these resolutions to the Interstate Commerce Commission and the United States Shipping Board, with such verbal presentation as may seem appropriate to the committee.

Mr. President, at first it was hard for me to understand why these great bankers who had met to restrict credit and deflate prices should pass a resolution asking the Interstate Commerce Commission and the United States Shipping Board to increase freight rates; but I soon found, Mr. President, that the great bankers who met with the Federal Reserve Board on May 18, 1920, in that secret meeting held in this city, represented financial interests that owned and controlled a large majority of the stocks and bonds of the railroads in this country. So it is not strange after all that they should want to protect their railroads from the deflation that they were about to force upon the country.

When Mr. James A. Alexander, one of the class A directors of the Federal reserve bank in New York, was asked about transportation in his district he said:

There is almost no such thing there now—

And added—

There is one thing I think to be feared, and that is if the transportation facilities are improved and commodities moved freely and credits are to be released it may bring a temporary ease in the money market and may encourage people to go ahead and expand; I believe now is the time to put the rates up and keep them up.

Mr. President, it is hard to believe that the great financiers of the country would be guilty of wanting to wreck transportation on our railroads for fear there would be a temporary ease in the money markets; but when we bring back in review the railroad blockade that occurred in 1920, it can properly be asked what part the great financiers of this country who own and control the vast majority of the stocks and bonds of our railroads played in the freight blockade of 1920. I am not quite sure, however, but what in their madness to deflate the country with the pressure forced upon the farmers everywhere to liquidate, but that in their efforts to cripple transportation they served a good purpose; for even with the facilities the railroads offered for the movement of freight in 1920 the farmers were pressed so hard to pay up that farm products were forced upon the market in such great volume that, under pressure to sell, the greatest deflation in the price of farm products ever known in the history of this country was brought about in a few short weeks. Wheat was selling in the primary markets in June as high as $3.00 a bushel. By December, 1920, it sold for $1.60 a bushel, a decline of $1.40 a bushel. It seems to me, Mr. President, that was deflation with a vengeance.

Mr. FLETCHER. Mr. President, will the Senator yield for a question?

Mr. GOODING. Certainly.

Mr. FLETCHER. Is it not a fact that the decline in the price of wheat took place immediately following the emergency tariff imposing high duties on wheat?

Mr. GOODING. I am talking about 1920 and the decline in the price of wheat in that year, when wheat was on the free list and when the Democratic Party was in control. I spoke of the year 1920. I am going to reach the tariff on wheat a little later.

Mr. FLETCHER. The price did, as a matter of fact, decline shortly after the high duty was imposed, did it not?

Mr. GOODING. Yes; but it was not on account of the high tariff. I shall be glad to discuss that question with the Senator when it is before us.

Again quoting from the Manufacturers' Record, Mr. Joseph, of Philadelphia, raised the question of graduated rates on borrowing or rediscounts, and said:

I would like to know whether in the districts that have adopted this procedure there has been eliminated the question of borrowing on Government securities from calculation as to the line of credit granted to a bank?

Governor Harding replied:

In the Kansas City district and the Dallas district in their tentative plans they have eliminated entirely borrowing on Treasury certificates of indebtedness and on Liberty bonds actually owned on the 1st of April, 1920.

Mr. Wayne then asked:

Have they made any reference to collateral notes of customers that have been discounted by the banks as a result of Liberty loan subscriptions?

Mr. Bailey, of Kansas City, replied:

They have to belong to the bank on the 1st day of April. We have made that rule.

Mr. Scott said:

It is the same way in the Atlanta district.

Mr. Wells said:

He wants to know if customers' notes secured by Liberty bonds are exempt from the application of it.

And Mr. Bailey said:

They are not.

Mr. President, speaking of the damnable conspiracy to force Liberty bonds on the markets, the Manufacturers' Record, of Baltimore, has this to say:

When the Federal reserve system undertook to violate every promise made by the Government and by the banks in persuading people to buy Liberty bonds, promising to carry them and then calling loans on them in order to force them out of the banks, breaking them down from 12 to 15 points or more, the honor of the Government and the good faith of the banks trampled in the mire, millions of bonds bought in good faith by patriotic people to help the banks and help the Government were forced to be sold at a loss, and the National Government bought in $2,000,000,000 of its own dishonest promises to pay and the Secretary of the Treasury boasted of the money that had been saved in doing so. And at these low figures hundreds of millions of bonds were bought in by big estates and big institutions, with heavy losses to the innocent original purchasers.

Mr. President, when we think of the sacrifice that was made by a great many people to purchase Liberty bonds and the encouragement they were given by the bankers of this country in this matter, and the cold-blooded way in which these great bankers discussed their method of forcing Liberty bonds on the market at their secret meeting, it is not strange that we have a few anarchists in America, for it is such selfishness and greed as was exhibited by these great bankers in the Federal Reserve Board meeting of May 18, 1920, that creates anarchy, that have destroyed governments as far back as history tells the story of the rise and fall of civilization.

What influence these great bankers, together with the Secretary of the Treasury, who represented this Government at that secret meeting, May 18, 1920, had upon the Interstate Commerce Commission in inducing them to increase freight rates will never be known, but on August 20, 1920, the Interstate Commerce Commission made a horizontal increase in all freight rates of from 25 to 40 per cent, and 33⅓ per cent between the different groups of railroads. Again no attention was paid as to how long the haul or how short the haul, or how high the rate was originally or what the product would bear to carry it to market. The rates on low-priced farm products were increased the same as on high-classed manufactured articles. Every principle that has ever been used in the construction of freight rates was ignored by the Interstate Commerce Commission.

The unfairness of those horizontal increases in freight rates have worked a hardship on agriculture in every State in the Union; these horizontal increases have been especially unfair and unjust to the far western States where the freight rates have always been high and the policy of the railroads has always been to force low-priced farm products over the long railroad haul to the eastern markets, regardless of whether the farm products would properly bear the cost of transportation. By excessively high freight rates westbound, the transcontinental railroads have denied the interior of the far western States the right to use the Pacific Ocean and they have been

denied the right to use the Panama Canal, which they were taxed to help build as well as the rest of the people in this country of ours. At this point in my remarks I wish to offer a table for the RECORD showing the freight rates that farm products pay in Idaho in proportion to their market value.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD as requested.

The table is as follows:

Statement showing percentage relationship that freight rates bear to wholesale price of certain farm products, at markets specified, as of the dates shown, on Idaho products.

SEPTEMBER, 1923, PRICES

	Price per bushel	Freight per 100 pounds	Freight per bushel	Per cent that freight bears to price
At Chicago:				
Wheat, No. 1 northern spring	$1.156	$0.645	$0.387	33.4
Wheat, No. 2 red winter	1.048	.645	.387	36.9
Potatoes, good to choice[1]	1.713	.805	.....	46.9
Clover seed	20.13	1.82	.....	9
At Kansas City: Hay, No. 1 alfalfa	*Ton* 22.75	*Ton* 12.66	.....	57
At New York: Beans, dried	*100 pounds* 6.75	*100 pounds* 1.05	.....	15.5
At Chicago:				
Sept. 26, 1923—				
Apples, Jonathan, extra fancy	*Box 50 pounds* 2.55	1.42	.....	.....
Refrigeration	.....	.216	.....	.....
Total	.....	1.636	.....	32.5
Apples, Jonathan, fancy	2.25	1.636	.....	36.3
Apples, Jonathan, choice	1.40	1.636	.....	58.4
Apples, Jonathan, combination fancy and extra fancy	2.28	1.636	.....	35.7
Sept. 27, 1923—				
Prunes, 30-pound suitcases	.41	.....	.....	.....
Prunes, per 100 pounds	2.55	1.50	.....	.....
Refrigeration	.....	.288	.....	.....
Total	.....	1.788	.....	70
Prunes, season's low—				
Suitcase	.30	.....	.....	.....
Per 100 pounds	1.50	1.788	.....	119
Prunes, season's high, up to Sept. 27—				
Suitcase	.75	.....	.....	.9
Per 100 pounds	3.75	1.788	.....	47.8

[1] In addition, the shippers in Idaho are very often compelled to pay $25 per car initial icing charge to secure a suitable car in which to ship.

Mr. GOODING. Mr. President, taking 1917 as 100 per cent in freight rates, the year the fair price committee found that $2.20 was a fair price for a bushel of wheat delivered at the primary markets, I find from information furnished me by the Interstate Commerce Commission that the increase in freight rates ordered by the director general, Mr. McAdoo, and the increased freight rates made under the Esch-Cummins Act, brought about an increase in freight rates in 1920 of 78 per cent. In 1922 there were some reductions, but the average above 1917 was 65 per cent, and at the present time, I am advised by the Interstate Commerce Commission, our freight rates are 55 per cent above 1917.

Mr. President, the American people in 1917 paid a freight bill of $2,819,965,215. Through the increases in freight rates the people in 1923 paid a freight bill of $4,624,398,830. Since 1917, up to and including 1923, the American people have paid an increased freight bill, through the increase in freight rates, of $6,934,304,031. In 1922 the Interstate Commerce Commission shows that the farmer paid a freight bill on farm products alone of $914,369,323. For that year the farmer paid on farm products 22⅞ per cent of all the revenue collected by the railroads on freight. On this basis the farmers of this country have paid an increased freight bill since 1917 up to and including 1923 of $1,587,955,623 on farm products alone. This does not take into account the increased freight bill in building material, farming machinery, and everything he had to buy for the farm and the home. So it is safe to say, Mr. President, that since 1917 the farmer's freight bill has been increased by this Government by more than $2,000,000,000, no part of which he can pass on to the people.

I have here a table which I wish to have inserted in the RECORD at this point in my remarks, showing the revenue earned by the railroads from 1916 up to and including 1923, also the ton-miles hauled by the railroads for those years.

The PRESIDING OFFICER. Without objection, the request of the Senator is granted.

The table referred to is as follows:

Freight revenues

	Revenue	Revenue per ton-mile	Freight revenue increase over 1917	Ton-miles
1917	$2,819,965,215	$0.715	.....	394,469,000,000
1918	3,440,741,970	.840	$620,776,755	466,370,384,000
1919	3,543,266,303	.973	723,301,088	364,293,000,000
1920	4,317,440,080	1.082	1,497,474,865	410,350,218,000
1921	3,011,204,509	1.275	1,004,239,294	308,756,793,000
1922	3,992,442,459	1.177	1,172,477,244	339,285,348,000
1923	4,624,398,830	1.116	1,804,433,615	413,562,132,000
Total	26,649,459,366	.....	6,909,702,861	2,634,028,322,000

Average, 395,290,000,000.

Class A railroads for 1923

Total revenue	$6,256,300,737
Total expense	4,943,928,145
Net	1,412,962,592
Total expense	4,943,928,145
Compensation	3,004,659,673
Total	1,939,268,472

Mr. GOODING. Mr. President, I am satisfied from my study of the railroad situation that all of the great railroads have been materially benefited by the increase in the price of labor upon our railroads by the horizontal increases in freight rates that have been made by the Government, which has more than offset the increased cost in the operation of our railroads. If the same careful consideration had been given by this Government when it increased the cost of production of a bushel of wheat as was given by this Government when it increased the operating expenses of our railroads, the friends of agriculture would not now be forced to make a fight for a square deal for that industry.

In 1915 the railroads earned a revenue of 64 cents per man-hour, and paid as compensation for labor 26.9 cents per man-hour. The difference between revenue and compensation was 37.1 cents greater revenue than compensation. In 1923 class A railroads paid for labor 62½ cents per man-hour and received revenue of $1.29½ per man-hour, a net revenue, as far as the cost of labor is concerned, of 67 cents per man-hour. So that the net revenue per man-hour upon the railroads to-day is almost 100 per cent greater than it was in 1915 before the Government increased the price of labor upon our railroads, which, in my judgment, vastly more than offsets other increased costs of operation that the railroads are called upon to meet.

I submit a table showing the revenue earned per man-hour and the compensation paid for labor per man-hour on our railroads from 1915 up to and including 1923, and ask that this table be printed at this point in my remarks.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table is as follows:

Revenue and compensation per man hour, Class I railroads

	Compensation per man hour	Revenue per man hour	Net revenue per man hour
June 30, 1915	$0.269	$0.64	$0.371
Dec. 31, 1916	.283	.70	.417
1917	.39	.759	.369
1918	.456	.89	.433
1919	.565	1.025	.44
1920	.676	1.118	.442
1921	.667	1.33	.663
1922	.612	1.29	.677
1923	.625	1.295	.67

Mr. GOODING. Mr. President, the great losses that the farmers have sustained in this country is reflected in the bank failures that have taken place since 1920. I have before me a letter from the Comptroller of the Currency showing the bank failures in this country as far back as 1870, up to and including 1923. During the panic of 1873, for that year there were 4 national banks and 33 State banks that closed their doors. In 1874, 9 national banks and 40 State banks closed their doors. In 1875, 3 national banks and 14 State banks closed their doors. In the panic of 1893, during that year 65 national banks and 251 State banks closed their doors. In 1894, 21 national banks and

71 State banks closed their doors. In 1895, 36 national banks and 115 State banks closed their doors. From 1870 up to and including 1920, a period of 51 years, 562 national banks and 2,488 State banks closed their doors. In 1921, 28 national banks and 338 State banks closed their doors. In 1922, 33 national banks and 364 State banks closed their doors. In 1923, 37 national banks and 237 State banks closed their doors. I ask that the letter from the comptroller may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

COMPTROLLER OF THE CURRENCY,
Washington, February 26, 1924.

MY DEAR SENATOR: I have your letter of this date requesting to be advised of the number of bank failures, national and State, for each year as far back as 1870, and take pleasure in furnishing the following information for fiscal years ended June 30, on account of the fact that the only figures at command of this office with respect to banks other than national are for years ended June 30:

Year	Number of national bank failures	Number of State bank failures
1870	1	1
1871	None.	7
1872	5	10
1873	4	33
1874	9	40
1875	3	14
1876	8	37
1877	9	63
1878	11	70
1879	9	20
1880	5	10
1881	None.	9
1882	3	19
1883	1	27
1884	6	54
1885	9	32
1886	8	13
1887	5	19
1888	12	17
1889	4	15
1890	6	30
1891	16	44
1892	27	57
1893	65	261
1894	21	71
1895	36	115
1896	27	75
1897	38	122
1898	7	53
1899	12	26
1900	6	32
1901	11	56
1902	2	43
1903	12	26
1904	20	103
1905	22	57
1906	8	37
1907	7	34
1908	24	132
1909	9	60
1910	6	28
1911	3	56
1912	8	55
1913	6	40
1914	21	96
1915	14	110
1916	13	41
1917	7	35
1918	2	25
1919	1	42
1920	5	44
1921	28	330
1922	33	364
1923	37	237

I trust this information will serve the purpose for which requested.

Very truly yours,

HENRY M. DAWES, *Comptroller.*

Hon. F. R. GOODING,
United States Senate, Washington, D. C.

Mr. GOODING. Mr. President, the most serious condition in respect of bank failures in this country has occurred in the last seven months. From July 1, 1923, to May 7, 1924, a period of a little more than 10 months, 122 national banks and 389 State banks have closed their doors. I am advised by the Comptroller of the Currency that not all of the States have reported the failures of their State banks since the 1st of July, 1923, but the record I have shows the number to be 389.

Mr. President, a vast majority of these bank failures have occurred in agricultural States. The increased cost of production that has been forced upon the American farmer has deprived him of the opportunity to meet his obligations, and under the wreck and ruin of agriculture has come the wreck and ruin of more banks in the three and a half years many times over than has occurred in any other similar period of time since the formation of this Republic.

It seems to me, Mr. President, the bank failures which are occurring every day in the agricultural districts should alarm Congress. The banking situation is so serious in some of our agricultural States that unless something is done to relieve it very quickly the financial structure in some of our agricultural States will grow very much worse and become dangerous to the whole country. I am satisfied, however, if the McNary export bill is passed that it will restore confidence and we would soon see the last of our bank failures. As I see it, a great emergency exists, and the McNary bill should be given consideration by the Senate at the earliest possible moment.

Mr. FLETCHER. Mr. President, may I interrupt the Senator from Idaho?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Florida?

Mr. GOODING. Yes.

Mr. FLETCHER. My information is that last year there were 530 failures of banks in the United States. Nearly all of them were in the northwestern wheat area and in Oklahoma and New Mexico. There were a few in the Middle West and a few in the South. Since January 1 to April 1 there have been 322 failures, and the failures are still occurring at the rate of two or three a day.

Mr. GOODING. Yes; I am sure that information is correct. It is more complete than the information which I have, and I am glad that the Senator has furnished it.

Mr. FLETCHER. Bank failures are occurring now largely in Iowa and Nebraska; and recently in St. Paul, Minn., a $5,000,000 bank was forced to close and to foreclose loans, and so on. That is a bank of very considerable size. These bank failures have also locked up from eighty to eighty-five million dollars of money which is on deposit in those banks.

Mr. GOODING. Yes; and bank failures are going to occur farther east than the Middle West. The country can not continue with the farmers having to fight in order to keep the wolf from the door. Ever since we have had manufacturing institutions the American farmer has been the manufacturers' best customer. The unhappy plight of the farmer is what affects the cotton industry. It is not strange that the cotton spindles are ceasing to operate.

Mr. President, if the fair-price committee was right in 1917 when they found from information furnished them by the Agricultural Department and their own investigation that the cost of production of a bushel of wheat, together with a reasonable profit that had been guaranteed by Congress in the food control act, was $2.20 a bushel, then the increase of only 6 cents for the crops of 1918 and 1919 was not a fair price for a bushel of wheat after the Government had increased the cost of everything the farmer had to buy for the production of a bushel of wheat by more than 100 per cent. If there is any proof lacking that $2.26 a bushel was not a fair price for a bushel of wheat, I want to call the attention of Senators to the fact that the Department of Agriculture in 1919 made a survey as to the cost of production of wheat in six of the principal wheat-producing States in the Union—Missouri, Kansas, Nebraska, North Dakota, South Dakota, and Minnesota.

In that survey the Agricultural Department found that the actual cost of production of a bushel of wheat, on an average in those six States for 1919, was $2.11.

That computation was based on 6 per cent money, a rate which no farmer west of the Missouri River and few farmers some distance east of that river, in my judgment, ever enjoyed. Out of the $2.26 a bushel, the price guaranteed by the Government for the crop of 1919, the farmer had 15 cents a bushel left to pay for hauling his wheat to the elevator, elevator charges, and freight rates to the primary markets, the net result, as I figure it, being an actual loss to the wheat grower of millions of dollars, without a penny for the reasonable profit guaranteed to him by Congress in the food control act.

Mr. President, the sad part of this story, as I see it, is the fact that this Government during all of these increases in the price of labor and freight rates gave no thought or consideration to their effect upon agriculture, and when we reached the peak in the cost of production in 1920, after all of the increases which I have mentioned in labor, freight rates, and farming machinery, and everything the farmer had to buy for the home and the farm had been forced up on him, the Federal Reserve Board, a branch of this Government, at a secret meeting in this city on May 18, 1920, in which sat David F. Houston, Secretary of the Treasury, entered into a conspiracy to deflate the country and brought about the greatest crisis agriculture has known since the foundation of this Republic.

Mr. President, it is only fair to say of John Skelton Williams, who at that time was Comptroller of the Currency and was present at that meeting of the Federal Reserve Board, that he made a vigorous protest against the deflation policy adopted at that meeting, and it is only fair to say that not all of the great bankers at that meeting agreed with Governor Harding; but the deflation policy of Governor Harding was carried out. That secret meeting of the Federal Reserve Board was a complete success so far as deflating the farmer was concerned, for it restricted his credit, increased his rate of interest, increased his freight rates, and brought about the greatest depreciation in the price of farm products that this country has ever known. In 1920, the value of farm products was 181 per cent above the value of farm products in 1913; in 1922, it was only 24 per cent above the pre-war value. In two short years the value of farm products in this country was deflated 107 per cent.

Mr. President, the Federal Reserve Board did not succeed in deflating the price of labor or anything else that the farmer has to buy for the home and the farm. It did succeed, however, in deflating the price of farm products down very closely to the pre-war basis; but war costs of production of farm products still exist and that is what is destroying the American farmer to-day, and it might be said that is the farmer's story. With pre-war prices for farm products and war cost of production every year the load becomes harder to bear. Even in the case of those farm products that are considerably above pre-war prices, the increased cost of production of more than 100 per cent is a millstone around the farmers' neck that in time, if it is not relieved, must destroy some lines of agriculture in this country.

Mr. President, it is said that we have, in round numbers, 34,000,000 men, women, and children living upon the farms to-day; and there are 19,000,000 people who live out of trafficking in farm products. It is estimated that the consumers pay $21,000,000,000 annually for the products of the soil, and it is said that the 19,000,000 who are trafficking in farm products take $14,000,000,000 and give the farmers $7,000,000,000.

Every effort of this Government should be directed toward economic and intelligent distribution of farm products, but this will take years to bring about. What we need at the present time is some legislation to reach the emergency which exists, and I am sure that the McNary-Haugen export bill will come nearer meeting that emergency than any other measure before Congress at the present time.

Mr. President, there is no doubt but that the fair price committee, when they fixed the price of a bushel of wheat at $2.20 a bushel, believed and expected that the Grain Corporation would carry out their pledge to regulate the profit of the flour mills; but the Grain Corporation utterly failed in this matter, as is shown in the Federal Trade Commission's report on commercial wheat flour milling.

Mr. President, I ask leave to print at this point in my remarks a table showing the profits made during the five-year period of the war by 37 of the large flour-milling companies located in the Northwest, the Southwest, and Eastern part of the country.

The PRESIDING OFFICER. Without objection, the table will be ordered printed in the RECORD.

The table is as follows:

Table showing profits during five-year period of the war by 37 flour-milling companies in certain parts of country.

Year	37 companies		Northwestern group		Southwestern group		Eastern group	
	Investment	Per cent of profit	Investment	Per cent of profit	Investment	Per cent of profit	Investment	Per cent of profit
1912–14	$48,687,911.12	12.6	$28,671,535.22	13.8	$8,203,539.56	11.3	$10,722,846.34	10.5
1914–15	45,830,752.49	17.2	27,843,276.09	19.4	5,954,412.73	20.0	11,033,063.07	9.1
1915–16	48,248,643.87	13.1	29,530,363.40	15.7	7,807,305.79	12.6	10,906,948.78	6.5
1916–17	56,382,937.48	38.4	34,673,062.86	44.7	9,205,918.23	34.2	11,416,976.39	22.3
1917–18	65,771,847.33	34.1	41,321,145.44	32.7	11,794,511.56	42.6	12,656,190.33	28.8

Mr. GOODING. This table shows that these 37 companies, with an investment of something over $43,000,000, in 1914 made 12.6 per cent; in 1915, 17.2 per cent; in 1916, 13.1 per cent; in 1917, when regulated by the Grain Corporation, they made 38.2 per cent. By 1918 these 37 companies had increased their investment from $43,000,000 to $65,000,000, and were permitted by the Grain Corporation to earn, in 1918, 34.1 per cent. This table shows that the northwestern group of flour mills, for 1917, with an investment of something over $34,000,000, made a profit of 44.7 per cent, and for 1918 of 32.7 per cent.

Mr. President, when the Grain Corporation permitted the flour mills of this country to increase their profits by 175 per cent, the pledge made to the farmers of this country that there should be no speculation in wheat or in flour was trampled into the mire in a manner that should receive the censure of every honest man in America.

Mr. President, for more than three years now I have been a member of the Agricultural Committee of the Senate. During that time the committee has had several measures before it for the relief of agriculture. Extended hearings have been given on some of these measures that have required weeks and months of the time of the committee. Some of the stories I have listened to are the saddest stories I have ever heard, and can never be forgotten. Witnesses came before the committee from great agricultural States like Iowa and told the story of how the farmers in that State were going backward financially. It was said that in most cases the farmers had used up their reserve capital and were operating their farms to-day on borrowed capital, when they could get credit.

The men who came before the Agricultural Committee were of such a high character that I am quite sure the committee accepted their statements as true. Witnesses appeared before the committee from as far east as Michigan. I think it is safe to say that the committee had witnesses before it from most of the States west of the Mississippi; and from every one of these States came the story of great losses, hardships, and privations.

Mr. President, the saddest thing I know is to see a man who has passed the meridian of life, who has made a good fight and has been successful in providing a home for his declining years, who finds the earnings of a lifetime swept away without any fault of his own; and, Mr. President, it is made especially hard to bear when he knows that these conditions have been forced upon him by his own Government.

Mr. John F. Sinclair, a banker of Minneapolis, told the committee the distressing story of 168 suicides upon the farms in Minnesota, North Dakota, South Dakota, and Montana in 1922. I sometimes wonder what the condition in the home must be when men break down over their losses and weep like a beaten child, and then commit suicide.

The story was told of farmers being so poor in some of those States that when death entered the home some one was forced to build a rough wooden box for burial, as there was no money in the family to pay funeral expenses. The story was told of how children had to be kept out of school, as their parents were too poor to buy shoes and clothing to keep them warm.

Mr. President, what a terrible condition that is to exist in a great country like this, where there is so much prosperity and so much wealth; in a country that now boasts of more than half of all the gold in the world; in a country where men are fast becoming billionaires; and in a country, I am sorry to say, where there seems to be millions for corruption.

The Secretary of Agriculture, in his annual report, speaking of the bad wheat situation, said:

> The discouraging wheat situation is due in part to increased acreage in response to patriotic demands and the extraordinary demands for wheat by the war administration. By similar appeals the war administration reduced bread consumption in the homes and took it off the restaurant tables.

And in his special report on the wheat situation to the President, the Secretary of Agriculture says:

> When the price deflation came in 1920 the farmers who had accumulated large debts were seriously embarrassed. While the majority of

them have been successful in tiding over their financial difficulties, a substantial number have not. This situation is brought out in a special inquiry made by the Department of Agriculture in the spring of 1923. Reports were secured from 15 States, covering the period January, 1920, to March, 1923.

Out of over 68,000 farm owners included in this survey, 4 per cent lost their farms through foreclosure or bankruptcy, 4½ per cent lost their farms without legal proceedings, and a little over 15 per cent had been spared such loss up to March, 1923, only because of the leniency of their creditors.

Out of almost 26,000 tenant farmers, 7.2 per cent lost property through foreclosure or bankruptcy, 7.8 per cent lost property without legal proceedings, and 21.3 per cent retained their property merely as a result of the leniency of creditors.

The seriousness of the situation is further reflected in the records of the bankruptcy courts. While the total number of bankrupt cases among farmers is not large, it must be remembered that the farmers as a rule do not resort to the bankruptcy courts when forced to give up property to creditors. The significance of the record lies, therefore, in the increase and distribution of such cases rather than in their absolute number. The records of the Department of Justice show that during the pre-war years 1912–1914 an average of 5.5 per cent of all bankruptcy cases were farmers, while in 1922 the percentage was 14.4. The resort by farmers to bankruptcy courts was especially pronounced in the more specialized wheat regions.

In the western winter-wheat region farmer bankruptcy cases in the pre-war years averaged 8 per cent of all cases; in 1922 this percentage had increased to 25. In the spring-wheat region the percentage increased from almost 22 per cent of all cases in the pre-wnr years to 48.9 per cent in 1922. The increase in bankruptcy cases among farmers in the Pacific Northwest States is also marked, particularly in Idaho, where almost 47 per cent of all cases put through the bankruptcy courts in 1922 involved farmers. The percentage of bankruptcies among farmers in 1922 was especially high in Iowa, Kansas, Nebraska, Colorado, North Dakota, South Dakota, Montana, and Idaho, ranging from 32.6 per cent of all cases in Nebraska to 78.5 per cent in North Dakota. Preliminary reports indicate that bankruptcies of farmers for the fiscal year ending June 30, 1923, will materially exceed those of 1922.

This report shows that the movement from the farm in 1922 was 1,120,000, or 3.6 per cent of the rural population from the beginning of the year. This report also shows that 7.3 per cent of the farmhouses in this country are vacant. Further illustrations of the financial distress of farmers in various parts of the West are found in the accumulation of delinquent taxes. Tax payments in some sections are in arrears from one to four years. In some of the wheat-growing areas of Kansas, for example, delinquent taxes since 1917 have increased in volume several hundred per cent.

Mr. President, the report of the Secretary of Agriculture on the conditions of agriculture, the movement from the farm, and the empty homes upon the farm should alarm every Senator and every man in public life who has accepted a responsibility for the future welfare of this Government. That the best interest of our Government lies in a proper distribution of its people all will agree. To me the wholesale abandonment that has taken place upon the farm is alarming, for a congested population in great cities always brings increased problems of government.

Mr. President, strange as it may seem, there are those who believe this country should follow the policy that England adopted a hundred years ago, and develop industries at the expense of agriculture. If we were not the greatest agricultural country in the world without any exception, or if we occupied the same position as England, with a territory no greater than some of the States in this Union, there might be many followers of England's policy in this country; but if this country is going to reach its fullest greatness as a Nation we must have a well-balanced population, and agriculture must receive the same careful consideration and the same protection as labor and industry.

Mr. President, during the war we were the only Government that fixed a maximum price for a bushel of wheat. The Canadian Government permitted her wheat growers to receive the full market price for wheat during the war. The English Government not only permitted her farmers to sell their wheat at its full market price but paid a bonus to her wheat growers of something between fifty and sixty million dollars during the war. The English Government continued her aid to her grain growers for three years after the war, and paid in bonuses altogether something more than $100,000,000. The Australian Government permitted her grain growers to receive the full market price for wheat, and gave a bonus equal to $4,000,000, and continued her aid to her wheat growers for three years after the war. The English and Australian Governments seemed to understand that after the war there would be a dangerous period for their grain growers, whom they had encouraged in the production of wheat.

Mr. President, in the hearings on House bill 2365—by Mr. TINCHER, June 7, 1921—on page 22, is a statement made by the chairman of the Agricultural Committee of the House in which he says that when this Government guaranteed to its farmers $2.20 a bushel for wheat, Italy guaranteed $4.80, France $3.84, Holland $3.70, Switzerland $3.18, and Norway $4.09 a bushel; and it is my understanding that if wheat went any higher in those countries than the guaranteed price, the farmers were permitted to enjoy the full market price.

Mr. President, the tragedy of this whole matter, as I see it, is the fact that our Grain Corporation became the agent of our allies in the purchase of wheat for those countries during the war. They bought wheat in this country at a maximum price of $2.20 and $2.26 a bushel and sold it to our allies, making a charge for the transaction, no part of which the farmers received; and while Italy paid her farmers $4.80 a bushel for wheat, this country sold wheat to Italy that it bought from its farmers at $2.20 and $2.26 a bushel, freight paid to the primary markets. While France paid her farmers $3.84 a bushel, this Government sold wheat to France at $2.20 and $2.26 a bushel; and it is safe to say, Mr. President, that with the bonus England paid to her farmers, together with permitting them to receive the full market price, the farmers of England received from $1.50 to $2 a bushel more for wheat than the American farmer. So our Government not only forced the farmer to feed our own people with wheat produced below the cost of production, but they forced the American farmer to feed the whole world with wheat that was produced below the cost of production.

Mr. President, the action of this Government in forcing the American farmer to furnish the people of Europe with wheat for from $1.25 to $2.20 less per bushel than our allies paid to their own farmers during the war, the increase in the cost of everything the farmer had to buy to produce a bushel of wheat by more than 100 per cent without a corresponding increase in the price of wheat, the horizontal increase in freight rates, together with the deflation forced upon the country by the Federal Reserve Board, are tragedies—tragedies that will leave wounds and scars in the hearts of a great body of American citizens and will never, never be forgotten.

Mr. President, Senators need not have so much prejudice against stabilizing the price of farm products, for we have already stabilized and subsidized many lines of industry in this country. On April 28, 1918, Congress passed the Pittman Act, stabilizing the price of silver at a dollar an ounce. A dollar an ounce was made the minimum price and not the maximum price, as was done with the wheat growers; whenever silver was worth more than a dollar an ounce the silver producers in this country were permitted to sell their silver on the highest market. At times during the life of the Pittman Act silver sold as high as $1.37½ an ounce. The Government continued to stabilize the price of silver at a dollar an ounce until some time in June, 1923, almost five years after the war.

Mr. President, there is not a question of doubt but what the Pittman Act saved the great silver industry in this country, and if the Government had fixed a minimum price instead of a maximum price on wheat, as every other country on earth did during the war, there would be a different story to tell of the misery, suffering, and hardships that a great body of our citizens have suffered in the last few years.

Mr. President, this Government is not only stabilizing the price of labor upon our railroads but through the Esch-Cummins Act this Government is stabilizing freight rates on our railroads, which, as I see it, is nothing less than a guaranty by the Government for the railroads to earn 5¾ per cent over and above all expenses, based on their own bookkeeping and on their own reports. Through the Federal Reserve Board we are subsidizing our national banks and our State banks that are members of the Federal reserve system by rediscounting the paper of their customers at 4½ per cent, upon which they are receiving interest anywhere from 6 to 10 per cent. But even this great assistance that has been given by the Government to the banks has not saved them from destruction in the agricultural districts of this Union, nor can it save them.

Mr. President, some of the great newspapers of the country, not all of them, I am glad to say, are branding the Gooding bill and the McNary-Haugen bill as socialistic. I understand the Government is losing anywhere from fifty-five to seventy million dollars a year in carrying second-class mail to the

people. In the past some of the great dailies have gone so far as to threaten Senators and Congressmen with defeat at the polls if our postal laws were changed in that respect. As far as I am concerned, I want to say to the great newspapers that feel that way about it, come on with their hounds. With some of the great newspapers it is all right to give Government aid to the newspapers, but when you do anything for the farmers they see the horns of socialism.

Mr. DALE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Vermont?

Mr. GOODING. I yield.

Mr. DALE. Does the Senator realize how much the Government is losing in the parcel-post element?

Mr. GOODING. I have just stated that it is my understanding that on second-class mail the Government at this time is losing from $55,000,000 to $70,000,000 a year.

Mr. DALE. I did not get those figures from the Senator. I think he is understating the amount, if anything.

Mr. GOODING. I am understating it; I am glad to be conservative in the matter.

In the last session President Harding urged a ship subsidy bill. I was for that bill, for I do not believe that we can build up a merchant marine in this country without Government aid. But if there is any difference in stabilizing the price of labor upon the railroads, the price of labor in our shipyards, and freight rates upon our railroads and freight rates upon the ocean, and subsidizing our banks and subsidizing the publishers of second-class mail than there is in stabilizing the price of farm products, I am unable to see that distinction.

Mr. DALE. I am sorry to interrupt the Senator again, but I do not think he quite caught my question. I asked him if he realizes what the department is losing in the parcel-post element?

Mr. GOODING. I am only speaking of the second-class mail. I have not the other figures.

Mr. DALE. I am not so familiar with that part of it, but the loss on the parcel post is much greater than the loss on any other class.

Mr. GOODING. If the Senator has the figures I should be glad to have him put them into the RECORD. I will be glad to yield to the Senator for that purpose.

Mr. DALE. Very well; I will do that later.

Mr. GOODING. I know that many of the great papers of this country are advocating a square deal for agriculture. There are those who believe if you let the farmer alone, everything will work out all right and in a short time farm products will have the same purchasing power they did before the war. With this I do not agree. I can remember something of the panic of 1873, and I can remember a great deal about the panic of 1893, and in those two great panics agricultural industries and labor went down together in one great crash.

During the panic of 1893 railroads with enough mileage to reach twice around the world could not meet their obligations and were forced into the hands of the receivers; during that panic the country witnessed 60,000 commercial failures with liabilities amounting to nearly a billion dollars. More than 3,000,000 men were thrown out of employment and free soup houses had to be established in all the great cities of our country to prevent death from starvation.

But what a different story it is to-day; never in the history of this country were the railroads as prosperous as they are at the present time; practically all of the great industries are prosperous, and never at any time in the history of this country has labor been so fully employed at so high a wage as it is at the present time, yet from one end of this country to the other, in every State in the Union, most of the lines of agriculture are depressed, and in a most deplorable condition.

Mr. President, as a farmer, it is not hard for me to understand what is the matter with agriculture. You may analyze this question as much as you please, and if you are fair, you can come only to one conclusion, and that is that our Government is responsible for the increased cost of production on the American farm, an increase that in exchange for other commodities makes farm products worth about 70 cents on the dollar as compared with the purchasing power of farm products before the war.

If the farmer were in any way to blame for this unbalanced condition, the situation would be entirely different, but through his loyalty to serve his country when it was at war he answered his country's call without complaint, although he knew and understood that the increased cost of production that had been forced upon him by his own Government would mean great losses and in the end bring about his destruction. But he did not go on a strike; he answered his country's call by increasing the production of wheat in 1918 and 1919 something over 600,000,000 bushels, which gave us an ample supply of bread, not only for our own armies in Europe but for the armies of our allies which made possible the winning of the war.

But, Mr. President, it was vastly different with organized labor. While the farmers were working overtime to produce more wheat to feed our armies in Europe, and our boys fighting and dying upon the battle fields of Europe to save this civilization, organized labor in 1917 in this country inaugurated 4,450 strikes; in 1918 organized labor inaugurated 3,337 strikes, and in 1919 organized labor inaugurated 3,374 strikes. A vast majority of these strikes brought about an increase in wages, all of which was a factor in increasing the cost of production of a bushel of wheat to the American farmer.

Let us hope the American farmer will never go on a strike, but if he is going to remain on the farm, he must be given a square deal by his own Government.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Iowa?

Mr. GOODING. I yield.

Mr. BROOKHART. I would like to call the Senator's attention to the fact that as a result of all that organization and all of those strikes in 1919 labor increased its wages only to $1,100 a year, the highest year of the highest wages; so there has probably never been a time when labor as a whole got more than its share in this situation. And while that is true, forty-four billion of capital had about fifteen billion of profits.

Mr. GOODING. In all of that I agree with the Senator. And let me say here, I hope we will be able to maintain the present scale of labor in this country generally. There is no doubt in my mind that labor is entirely too high in the building trades, and in that line there should be some reduction, and I hope we will be able to step agriculture up with labor and industry and go on. It can not be done, however, unless the farmer's dollar is given the same purchasing power it had before the war.

Mr. President, as I see it, we are facing an impossible condition in this country, and one of two things must happen; either the farmer must be moved up on the same plane that the Government has placed labor, railroads, and all other industries, or else labor and the great industries of the country will be forced down to the same level as agriculture, for it is an unnatural condition to exist with labor, railroads, and all lines of industry in a prosperous condition and at the same time the basic industry of our country—agriculture—in a bankrupt condition.

This is the first time in the history of this country that for any length of time labor and the great industries have remained prosperous while agriculture was depressed and paralyzed. Since the very foundation of this Government there has been some reasonable balance as between agriculture and the great industries of the country, but this Government upset that balance during the war, and organized labor and organized capital up to the present time have been able to hold the advantage given to them by this Government.

Mr. President, the farmers of this country, with their depreciated dollar, receive for farm products averaging at the present time about 70 cents in purchasing power as compared with the purchasing price of their commodities before the war, and they are in the same position as labor in those countries that have a depreciated currency.

The unbalanced condition of the world has been a mighty factor in aiding organized labor and organized capital in continuation of their exploitation of the American farmer; but, Mr. President, the world is gradually working back to normalcy—that is, as far as the trade balance of the world is concerned—and if we are to save the great industries and labor in this country from a general crash, then something must be done to give back to the farmer's dollar the same purchasing power it had before the war. In other words, there must be a reasonable relationship in the purchasing power of the farmer's dollar with everybody else's dollar if we are to have any permanent prosperity in this country.

Mr. President, it will be very much easier to step the farmer up in line with labor and the great industries of the country and much safer, I am sure, than to try to force labor and industry down to the condition that existed before the war. I am satisfied the McNary bill will bring about very quickly a parity between agriculture, labor, and industry, for it will give the farmer's dollar the same relative purchasing

power, based on the pre-war value of commodities, as everybody else's dollar; but I am sure the unbalanced condition which exists at the present time can not continue much longer unless the farmer can become the mighty factor he was before the war as a buyer of the products of industry; but with his products only worth a little more than 70 cents on the dollar, he is no longer a good customer, for he must practice rigid economy to keep the wolf from the door.

Mr. President, the balance of trade with the world tells the story of how it has been possible for organized capital and organized labor to remain in a prosperous condition while agriculture is sorely depressed. For the information of the Senate I wish to read into the RECORD a few figures on exports and imports showing the balance of trade in our favor from 1790 to 1914. For that period of 123 years the records show that our exports exceeded our imports by $8,350,079,340. For the 10 years following 1913, up to and including 1923, the balance of trade in our favor with the world was $21,933,487,796. In other words, the balance of trade in the last 10 years is almost 300 per cent more in our favor than it was for 123 years.

I ask to have inserted in the RECORD as a part of my remarks a table relating to exports and imports.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Exports and imports

For the fiscal years 1790 to 1913, inclusive, the exports exceed the imports by $8,350,179,340.

Calendar years	Imports	Exports	Excess exports over imports
1914	$1,789,000,000	$2,114,000,000	$325,000,000
1915	1,779,000,000	3,555,000,000	1,776,000,000
1916	2,392,000,000	5,483,000,000	3,091,000,000
1917	2,952,000,000	6,234,000,000	3,282,000,000
1918	3,031,000,000	6,149,000,000	3,118,000,000
1919	3,904,000,000	7,920,000,000	4,016,000,000
1920	5,378,000,000	8,228,000,000	2,950,000,000
1921	2,509,000,000	4,485,000,000	1,976,000,000
1922	3,113,000,000	3,832,000,000	719,000,000
1923	3,792,000,000	4,168,000,000	376,000,000
Total	30,539,000,000	52,168,000,000	21,629,000,000

Mr. GOODING. Mr. President, let me say to my Democratic friends on the other side of the aisle that they will have a hard time persuading the farmer that he is forced to sell his farm products in a free-trade market and buy those things he needs for the farm in a protected market. That statement, however, is often made by the farmer himself, but I am sure it has been made without any knowledge or study of the facts in the case. The facts are, Mr. President, that practically everything the farmer buys for the farm is on the free list, while everything he produces upon the farm, with one or two exceptions—cotton and hides—is protected by the highest duty ever given to agriculture in the existence of this Government.

Mr. President, here are a few commodities that the farmer must buy for the home and the farm that are on the free list:

Lumber is on the free list; shingles are on the free list; fence posts are on the free list; barbed wire and netting wire are on the free list; farming machinery of all kinds, including wagons and carts, are on the free list. The only exception to this is cream separators, and they are free when entered upon a valuation under $50. Binding twine is on the free list; leather is on the free list; harness is on the free list—that is, all harness that the farmers use. The tariff act provides that harness entered at a valuation below $70 a set shall be free of duty. I want to say there is no harness used on the farm where the wholesale foreign price is $70 a set. Saddles are on the free list when entered at a valuation below $40, and what is true of harness is also true of saddles. Boots and shoes are on the free list; pads for horses are on the free list; gasoline is on the free list; coal oil is on the free list. Brick is also on the free list as far as the interior of the country is concerned, for, like cement, with the low valuation it will not stand a high freight rate charge into the interior of our country. And then, Mr. President, it does not seem to make much difference in this country with organized industry in the price of a commodity whether it is on the free list or on the protected list.

I ask permission to insert in the RECORD, without reading, a table showing the approximate production values of certain commodities.

The PRESIDING OFFICER. Without objection, permission is granted.

The table is as follows:

Production values (approximate) of commodities

	1914	1919	1923 (estimated)
Anthracite coal	$188,181,000	$364,927,000	$483,000,000
Bituminous coal and lignite	496,398,000	1,160,616,000	1,457,734,000
Bread and bakery products	491,862,000	1,151,896,000	1,045,922,000
Leather	348,957,000	849,356,000	457,903,000
Boots and shoes	455,398,000	1,070,322,000	789,255,000
Lumber and timber products	715,310,000	1,387,471,000	1,362,060,000
Barbed wire	13,704,000	30,898,000	27,961,000
Carpets and rugs	64,683,000	110,116,000	105,689,000
Portland cement	80,118,000	138,714,000	147,592,000

NOTE.—The above figures for 1914 and 1919 are from Geological Survey reports in the case of anthracite and bituminous coal and Portland cement, and from census reports in the case of the other commodities. For 1923 the estimated values here shown have been computed from price ratios for 1919 and 1923 worked out by the Bureau of Labor Statistics. In the absence of more definite information these estimates are based on the assumption that quantities of commodities produced in 1923 were identical with quantities produced in 1919.

Mr. GOODING. Cement so far as the farmer is concerned is on the free list, but no commodity like cement that has to pay a high freight rate can be shipped into the interior of the country. So far as cement is concerned if it is 200 miles away from the border it is on the free list.

Common bricks are on the free list. Under the Democratic administration they had a 10 per cent ad valorem duty, but common bricks under the present law are on the free list.

It does not make much difference in the price of commodities in this country any longer whether they are on the free list or whether they are protected. So far as the farmer is concerned the increased cost of production practically destroys his protection to a great extent and nullifies it. It so increased the cost of production, because of the difference in the cost of production between this and foreign countries, that he gets but very little benefit out of the tariff. There is not any question about that. The duties must be higher. God only knows what would have happened to agriculture if our ports had been wide open with the cost of production in foreign countries very much less than it was before the war and our cost of production in this country increased by more than 100 per cent. If you want to destroy the American farmer, put farm products on the free list and you will have completed his destruction.

For the information of my Democratic friends on the other side of the Chamber I want to read into the RECORD the increase in the price of a few of the commodities that are on the free list.

Here are a few things on the free list. I call Senators' attention to the increase in prices over and above 1914 as compared with 1923:

Wholesale price of commodities, 1914 and 1923.

[Furnished by the Bureau of Labor Statistics]

Commodities on the free list	Average, 1914	Price, 1923	Per cent of increase
Coal, bituminous, Kanawha, mine run, per ton f. o. b. Cincinnati	$2.20	$4.307	95.8
Bread, per pound, Chicago	.043	.076	76.7
Shoes, boys', gun metal, per pair	.970	1.615	66.5
Shoes, men's, black, dress, Goodyear welt, per pair	2.275	3.150	38.5
Shoes, women's, black, kid, Goodyear welt, per pair	3.00	4.25	41.7
Lumber, Douglas fir, No. 1, common boards, per 1,000 feet, f. o. b. mill	7.917	19.417	145.3
Lumber, southern yellow pine, No. 2, common boards, per 1,000 feet, f. o. b. mill	11.219	23.619	110.5
Shingles, red cedar, per 1,000, f. o. b. mill	1.713	2.903	69.5
Barbed wire, galvanized, per 100 pounds, Chicago	2.152	4.042	87.8
Carpets, Brussels, per yard	1.268	2.988	135.6
Portland cement, per barrel, f. o. b. Buffington, Ind.	.922	1.723	86.9

We hear much about the high duty on sugar, but it has not increased as much as some of the commodities that are on the free list. Ah, Mr. President, there is something that goes beyond the tariff in this country to-day. In some cases there is a combination of capital and labor, a combination of capital that is able to force the increased cost of production onto the people and add something besides to the actual increased cost of production.

Cotton is on the free list. The manufactured article, however, is protected. A resolution of inquiry has been introduced asking the Tariff Commission to investigate and find out what is injuring the manufacture of cotton goods. If they would go to the American farmer and find his condition they would have no difficulty in knowing what is the matter. Of course, the country can not go on with the farmers fighting to keep the wolf from the door.

I ask to insert in the RECORD at this point, without reading, a table showing the average annual wholesale prices in 1914 and 1923 and the percentage of increase.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Average annual wholesale prices

	1914	1923	Increase
			Per cent
Granulated sugar, per pound	$0.047	$0.084	78
Cotton goods, viz:			
Print cloths, per yard	.030	.075	150
Calico standard, per yard	.049	.10	104
Percale, S, per yard	.068	.148	118
Drillings, brown, peperell, per yard	.079	.178	116
Flannels, colored, per yard	.102	.215	110
Ginghams, Amoskeag, per yard	.063	.143	128
Muslin, bleached, fruit of the loom, per yard	.091	.185	110
Sheeting, brown, peperell, per yard	.069	.152	120
Sheeting, bleached, peperell, per yard	.253	.505	100
Ticking, A. C. A., per yard	.133	.291	119
Blankets, 2 pounds to pair, per pair	.640	1.468	131
Woolen goods, viz:			
Flannels, Ballard Vale, per yard	.455	1.017	122
Suiting, clay worsted, 16-ounce, per yard	1.283	3.240	154
Suiting, Middlesex, per yard	1.459	3.623	148
Suiting, serge, 11-ounce, per yard	1.078	2.604	140
Dress goods, French serge, per yard	.305	.753	149
Dress goods, storm serge, per yard	.500	1.024	104
Dress goods, poplar cloth, per yard	.190	.363	91
Dress goods, Sicilian cloth, per yard	.281	.633	124

Mr. GOODING. I ask permission also to insert as a part of my remarks at this point a table with reference to the various wool prices.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Wool prices

	Price	Per cent
Fine terr. staples:		
July, 1914, Boston	$0.63	100
July, 1923, Boston	1.425	226
Increase	.795	126
Half-blood terr. combings:		
July, 1914, Boston	.59	100
July, 1923, Boston	1.275	216
Increase	.685	116
Three-eighths-blood terr. combings:		
July, 1914, Boston	.5250	100
July, 1923, Boston	1.0750	204
Increase	.5500	104
Quarter-blood terr. combings:		
July, 1914, Boston	.4550	100
July, 1923, Boston	.8750	192
Increase	.4200	92

Mr. GOODING. Mr. President, I realize that I have taken up a great deal of the time of the Senate. In conclusion, I want to say to my friends on the other side of the Chamber, do not forget that your party was in power when you fixed the price on wheat below the cost of production. Do not forget that your party was in power when you increased the price of labor on the railroads 146 per cent and in the shipyards 122 per cent. Your party was in power when you increased the freight rates 78 per cent. Your party was in power when the Federal Reserve Board forced a deflation upon the country that destroyed agriculture. Do not forget that your Secretary of the Treasury sat in that meeting in which the blackest conspiracy ever enacted in this country was perpetrated upon the American people.

To Senators on this side of the Chamber, let me say that you have had three years now to give agriculture some permanent relief. You did give them the best tariff bill that has ever been enacted so far as agriculture is concerned; but let me say again that agriculture in this country must be saved from complete ruin. Do not make any mistake about that. If you adjourn this session of Congress before doing something for agriculture, I do not believe either one of the old political parties will carry more than one or two States west of the Mississippi, and I say to you that you would not be entitled to carry them under those circumstances. So far as I am concerned, I am going to fight here until some action is taken at least not only to save agriculture but to save industry and to save the country from the most deplorable condition that any civilized government ever saw in recent times.

Mr. FLETCHER. Mr. President, I wish to refer to just one or two points submitted by the Senator from Idaho. First, with regard to the crime of deflation to which he has referred, he mentioned that the Democratic Party was in power when that course was adopted, and he charged that party with the blame for it. I think he said it was in May, 1920, when the conference of the Federal Reserve Board was had and Governor Harding investigated the policy of deflation. I desire to call the Senator's attention especially to the provision of the platform of the Republican Party which was adopted in convention of June 8–12, 1920, on that particular subject, and he may then see to what the Republican Party committed itself and the declaration it solemnly placed in its platform as the policy of the party.

Mr. GOODING. If the Senator will permit me, I desire to say that I am not defending my party in some respects. I desire that that be understood.

Mr. FLETCHER. I concede that; but I merely wish to insert this plank in the RECORD in order that the truth may be preserved and that the RECORD may be kept clear. I quote from the platform of the Republican Party, as follows:

> We condemn the unsound fiscal policies of the Democratic administration which have brought these things to pass and their attempts to impute the consequences to minor and secondary causes. Much of the injury wrought is irreparable. There is no short way out, and we decline to deceive the people with vain promises or quack remedies. But as the political party that throughout its history has stood for honest money and sound finance, we pledge ourselves to earnest and consistent attack upon the high cost of living by rigorous avoidance of further inflation in our Government borrowing, by courageous and intelligent deflation of overexpanded credit and currency, by encouragement of heightened production of goods and services, by prevention of unreasonable profits, by exercise of public economy and stimulation of private thrift, and by revision of war-imposed taxes unsuited to peace-time economy.

I merely wish to put that into the RECORD as showing the plan, policy, and program of the Republican Party pledging itself to "courageous and intelligent deflation of overexpanded credit and currency."

The Senator from Idaho also referred to freight rates as having had a very deleterious effect upon agriculture. I quite agree with that; I think freight rates are too high and that they ought to come down. They are not entirely due to the increase of wages on railroads, although the Senator sought to fasten the blame upon the Democratic administration for that increase.

Mr. GOODING. If the Senator will permit me to interrupt him, I desire to say what I am finding fault with is that his party was responsible for those increases, and yet no thought or consideration was given the American farmer. That is what I am now pleading for.

Mr. FLETCHER. I understand.

Mr. GOODING. It was a great and fatal mistake. Possibly it was not intentional, as I said early in my remarks, but the fact, nevertheless, remains that it was a great injustice. What I am now pleading for is the American farmer. Both parties now have their opportunity and chance to make the wrong right, and I hope they will do it.

Mr. FLETCHER. I understand the Senator's position. The Senator, however, stated that the increases in freight rates were very largely due to the increase of wages, which he blamed on the Democratic administration. As a matter of fact, wages on the railroads have been increased at least once, and, I think, twice, since the Democratic administration was succeeded by the Republican administration. I admit that the rates are too high.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Florida yield to the Senator from Iowa?

Mr. FLETCHER. I yield to the Senator.

Mr. BROOKHART. Before the Senator from Florida leaves the question of the policy of the Federal Reserve Board, I desire to ask, did not the Democratic platform also indorse the policy of the Federal Reserve Board?

Mr. FLETCHER. It may in a general way have indorsed the policy of the Federal Reserve Board; I have not anything of that sort before me, and I am not sure as to that. The Democratic convention probably indorsed all of the policies of the Democratic administration.

Mr. BROOKHART. At the time the secret meeting was held on the 18th of May, 1920, while it is true that every member of the Federal Reserve Board was a Democrat, still there were

representatives of all the branch banks there; there were two representatives from each branch bank present, and a majority of those representatives were Republicans, and there was no disagreement. The two crowds got together perfectly, and apparently when the party conventions wrote the platforms of the two parties they did about the same thing.

Mr. FLETCHER. I do not think the Democratic platform contained such language as did the Republican platform, vigorously and strongly pledging the party to deflation. It is one thing to come from a third story to the ground, as I think some one has stated by way of illustration, by way of the stairs and on down gradually. As a policy it may have been wise gradually to deflate the currency, but it is quite another thing to jump out of the window of a third-story building to the pavement below. That was the trouble with the deflation that actually took place, and that deflation took place under the Republican administration.

Mr. BROOKHART. If the Senator will permit me, I should like to ask him a question or two and to challenge the conclusion that deflation can ever be justified. Is it not true that the loans from the banks at that time were made in the usual course of business to the people who went to the banks and represented their situation and asked for credit in order to see them through? The banks say, "Yes; we will see you through." The credit is given to them; and, when it is done, I maintain that no right exists ever to deflate those loans. To do so might be said to be a violation of the original agreement. The policy of deflation is always wrong; and when it is general, compared to particular instances, it is much more wrong.

Mr. FLETCHER. Of course we have not now the time to thresh over these economic theories and financial questions; we can postpone them to later discussion; but I do not think there is very much difference between the Senator and myself. Perhaps, there is a little confusion of terms. Instead of alluding to the policy as one of deflation, I might more correctly say that I would favor a cessation of inflation. That I think was really the Democratic position, that inflation had gone far enough and ought to be stopped.

But I was proceeding to discuss the question of railroad rates to the extent only of their effect upon agriculture. I agree that the rates are too high. I think that they ought to be reduced, especially express rates on fruits and vegetables. They are almost intolerable; the producer of such commodities is almost deprived of any market; but it is not only the railroad charges that interfere with the proper prices that the farmer should receive for his products. Mr. Yonkum rather indicates that in a statement which he made recently, in which he gave the figures. He says:

Farm commodities aggregating $7,500,000,000 farm value are sold by others to the consumers for $22,500,000,000.

And then he says:

The railroads distribute annually as dividends and interest $1,200,000,000.

So that all of the enormous difference between what the consumer pays and what the producer receives is not covered by railroad rates or railroad dividends or interest; practically a comparatively small portion of it is so covered. The truth is that somewhere between the $7,500,000,000 farm value of farm products and the $22,500,000,000 which the consumers pay we ought to stop leakage and waste.

There are too many people handling agricultural products. There are associations and agencies, and then the jobber, then the wholesaler, and then the retailer before the consumer is reached, each taking his toll as the product passes from the farm to the breakfast table, and all costing the consumers far more than they ought to pay and not yielding to the producer what he is properly, fairly, and justly entitled to receive. The problem of distribution is the problem with which we ought to deal very seriously, and it has to do very largely with the causes of the difficulties of agriculture.

I will not dwell on the tariff and its effect on agriculture. The Senator from Idaho alluded to that. I merely say in a general way that I believe the farmers of this country have about arrived at the conclusion, which is the only one they can properly arrive at, that the tariff does not help them, does not add to their prices, but that it does interfere with their markets abroad and does increase the cost of all they have to buy. I am merely going to ask to have a short editorial from the Florida Times-Union of May 4 on the subject of "Farmers and the tariff" inserted in the RECORD, and I will leave the subject.

The PRESIDING OFFICER. Without objection, the editorial will be printed in the RECORD.

The editorial is as follows:

FARMERS AND THE TARIFF

Republican national committeemen have of late strenuously attempted to show the farmers how greatly the Republican Party looks after their interests. Special tariffs and protection for farm products have been offered as indicating the particular care and responsibility felt for the rural population and those who grow the crops. The Statistical Bureau of the Department of Agriculture, however, confined to facts, does not support the claims of the politicians. Under the jealous "protection" of the Fordney-McCumber tariff many and various of the farm products have shrunk. A few details would perhaps be interesting:

One of the biggest shrinkages is shown in the wool crop, which was valued at $128,000,000 in 1919 and $87,000,000 in 1923. Other crops and products of the farm which were on the free list in 1919 and highly protected in 1923 included wheat, $2,080,000,000 in 1919 and $726,000,000 in 1923; corn, $3,785,000,000 in 1919 and $2,222,000,000 in 1923; poultry and poultry products, $1,100,000,000 in 1919 and $1,047,000,000 in 1923; cattle, $1,578,000,000 in 1919 and $924,000,000 in 1923; swine, $2,230,000,000 in 1919 and $1,145,000,000 in 1923; and fruits, $755,000,000 in 1919 and $681,000,000 in 1923.

Very recent demonstrations of the effect of changes in the tariff, under the adjustable schedules provided in the present law, have shown that advancing the tariff causes a decline in the price of the commodity. The story of wheat would be amusing if it was not so serious. For the price to fall the full amount of the added duty in a month suggests bungling inexcusable and must discredit a system that was exploited as a great help to the farmers.

Frequently it is heard now among the farmers that they want no special privileges. They demand a square deal, and that means the chance to buy what they need at a fair price. They can raise some things and others they must purchase. With the Fordney-McCumber tariff the things they are forced to buy cost more than it is possible for them to gain on the things they have to sell. The American people are entitled to a chance in the markets of the world, buying and selling, and protection is the bar to this exercise of judgment and inclination.

Mr. BROOKHART. Mr. President, I do not care to occupy any great amount of time, but I wish to say that the Senator from Idaho [Mr. GOODING] has presented the situation of agriculture in a very timely way. We have spent an enormous amount of time on a tax bill in which the ordinary people have but little interest. The question of whether we will relieve the millionaires or make the smaller fellows pay the taxes, or the reverse, we have debated back and forth, as well as other questions of even less importance, while the great questions affecting agriculture, in which 51,000,000 people are directly interested and all of the people are indirectly interested, have received practically no consideration, and there is no prospect from any direction that we will be able actually to pass a bill that will relieve agriculture. Neither party has brought forth a measure in any way with united support that will meet the conditions. The President has suggested nothing, except to say in his message that the farmers perhaps can look out for themselves and by and by everything will come out all right. In view of that situation, I am glad the Senator from Idaho took the time of the Senate, and I am glad he closed his remarks with the emphatic declaration which he made, for it is literally true in every respect.

SENATOR BURTON K. WHEELER

Mr. BORAH. Mr. President, I am not going to detain the Senate more than a few moments and I trust the Senator from Utah will indulge me briefly while I make a statement which I think ought not to go unmade under the circumstances. In this morning's Washington Post the following appears:

George B. Lockwood, secretary of the Republican National Committee, issued the following statement last night:

"I notice the assertion of Senator BORAH to-day that his committee had examined every witness mentioned by 'Lockwood's agents.' When I said that the committee had not looked into the most important evidence I referred to the documentary evidence in the possession of the Department of Justice.

"I repeat the assertion that the committee investigating the courts for indicting Senator WHEELER has not given consideration to the most important evidence, namely, the documentary evidence in the possession of the Department of Justice, which constitutes the most essential part of the case, and which contradicts flatly a number of witnesses who have been heard in Senator WHEELER'S defense. Although this material has been at all times available to the committee after three weeks of deliberation, it was not called for until yesterday, and then only upon the demand of Mr. Coan while on the witness stand. Yet statements have been issuing from the committee from the day of its first session that the case against Senator WHEELER was 'dimsy.'"

It will be observed, Mr. President, that Mr. Lockwood states that the committee did not call for the documentary evidence until the demand was made by Mr. Coan. This resolution was passed about the 9th or 10th of April. The very first thing the committee did was to call for the documentary evidence. I sent the following telegram to Judge Pray under date of April 10, 1924:

Hon. CHARLES PRAY,
United States Judge, Great Falls, Mont.:

The committee charged with the duty of investigating the charges against Senator WHEELER, growing out of an indictment in your court, desires to secure, as soon as convenient, copy of the indictment and the list of witnesses appearing before the grand jury; and also desires, if no objection appears to you, to have a copy of the minutes of the grand jury. Also a copy of the documentary evidence relating to this matter. May we ask that such copies be forwarded as soon as convenient?

WILLIAM E. BORAH.

On the 11th day of April, 1924, I received the following telegram:

GREAT FALLS, MONT., *April 11, 1924.*

Hon. WILLIAM E. BORAH,
Chairman Special Committee, United States Senate, Washington, D. C.:

Your telegram received. Copies of indictment and list of witnesses will be mailed to you not later than to-morrow. The clerk of the court has no minutes or record of the proceedings of the grand jury except the report, a copy of which will be mailed. The documentary evidence referred to has been impounded in custody of United States attorney by court order. This seems to be as far as the court can go in complying with your request.

CHARLES N. PRAY, *Judge.*

In my telegram I called for a copy of the documentary evidence. It did not appear to me to be in any way in conflict with the order impounding the evidence to send a copy of the documentary evidence, the original of which was impounded. I do not know of any reason why the judge could not have ordered a copy of the documentary evidence then. We did not call for the original documents; but, for some reason which was satisfactory to the judge, neither the original nor copies of the documentary evidence were sent; but I concluded that I would be able to get it in another way and proceeded with the hearings.

Later, Mr. Coan appeared upon the witness stand. Mr. Coan was the party employed by Mr. Lockwood to go to Montana to run down the record of Mr. WHEELER and others. While Mr. Coan was upon the witness stand this question was asked:

The CHAIRMAN. You do not know anything, then——

Mr. COAN. I do not know anything about his employment. It would be impossible.

The CHAIRMAN. Now, have you the names of any witnesses that you would like to have supœnaed before this investigating committee?

Mr. COAN. I gave you the names of witnesses when you took me over to your office the other day.

The CHAIRMAN. That was Mr. J. D. Watson——

Mr. COAN. Yes, sir.

The CHAIRMAN. Mr. Glosser?

Mr. COAN. Yes, sir.

The CHAIRMAN. And Mr. Rhea?

Mr. COAN. Yes, sir; and Mr. Bingaman that you just heard.

The CHAIRMAN. Who?

Mr. COAN. The one you just heard. I also suggested that the Department of Justice, I understood, has a lot of documents in this case that might be of interest to this committee, if they want to look at them.

The CHAIRMAN. What?

Mr. COAN. Particularly in the case of Mr. Harvey, who testified here the other day. I understand there is an affidavit in which he made a different statement, if you want to hear it.

The CHAIRMAN. You need not state what you heard. We will call on the Department of Justice for whatever it has got.

Mr. COAN. All right, Senator.

The CHAIRMAN. Now, have you the name of any other witness than those four that you want supœnaed?

Mr. COAN. I do not want anybody supœnaed. I did not start this.

The CHAIRMAN. Do you know of any witness who has any knowledge of this matter, other than those four?

Mr. COAN. No; not of this particular matter.

The CHAIRMAN. Have you any telegrams or any documents in your possession bearing upon this matter?

Mr. COAN. No; I have not had any.

Later the Senator from Virginia [Mr. SWANSON] made the following motion before the committee:

Mr. Chairman, I suggest that as the witness has stated there are some documents in the Attorney General's office with reference to this matter, you be directed to request him to send to the committee all documents he has there relating to this matter that is before this committee for investigation.

The CHAIRMAN. Is there any objection to that?

Senator STERLING. Do you mean to send them here immediately?

Senator SWANSON. Yes.

Senator STERLING. In order that we may go on here to-day?

Senator SWANSON. No; not to-day; but he to call a meeting of the committee when it suits him.

Senator STERLING. I guess that will be all right.

The CHAIRMAN. Very well; the committee will stand adjourned, subject to call.

Under the instructions of the committee, I addressed a letter to the Attorney General, asking that he might send us such documentary evidence as he had in his possession and was willing to submit to the committee. The Attorney General did us the courtesy to call upon the chairman of the committee and advise us that he had no original documentary evidence; that he had photostatic copies; and that while ordinarily he was opposed to exhibiting evidence in a criminal case he felt, under the circumstances, that in this instance he would be willing to furnish us the photostatic copies. So, Mr. President, the matter has been pursued to the point where we now have the assurance that we will have these photostatic copies.

I repeat that there is no witness whose name has been suggested to the committee as knowing anything about this matter and no documentary evidence of which we had any knowledge but that we have undertaken to get, beginning our effort both with reference to the witnesses and with reference to the documentary evidence the day after the committee was authorized to act. I repeat that if there is anyone who will send to the committee the name of a witness with a statement as to what he will testify to, so that we may know the possible relevancy of it before subpœnaing him, or will notify us of any documentary evidence that is within our reach, the committee undoubtedly will act to secure all witnesses and all evidence.

I only want to say this in conclusion, in order that I may not have to speak about this matter again until the report comes in; Those who might feel, consciously or unconsciously, out of sympathy with the Senator from Montana [Mr. WHEELER], and those who might feel in sympathy with him, have precisely the same object and end in this matter. We desire all the evidence. Those who are in sympathy with him claim that the more thorough the investigation the more complete will be the vindication; those not in sympathy claim the more thorough the investigation the more damaging it will be; so there is no occasion for anyone to withhold facts or to conceal evidence.

ADDRESS BY SENATOR PHIPPS ON ROADS IN NATIONAL PARKS

Mr. ERNST. Mr. President, on April 24 a most interesting address was delivered over the radio by the senior Senator from Colorado [Mr. PHIPPS] on the subject of roads in national parks. I ask to have it inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ROADS IN NATIONAL PARKS

(By Senator LAWRENCE C. PHIPPS, of Colorado)

The newspapers of Washington have been kind in telling their readers of my interest in the city of Washington and its surrounding country. I am deeply interested in the welfare of the Nation's Capital, and shall always favor projects that have for their purpose the beautification of the city, the preservation of her historic landmarks, and the development of her public parks.

I am particularly devoted to the cause of parks, and this interest of mine is national in its scope. I come from Colorado, in the heart of the Rockies, where two of our great national parks are located. These are the Rocky Mountain National Park, established in 1915, and embracing an area of 397 square miles, or 254,327 acres, with mountains reaching an altitude of over 14,000 feet, deepest lakes of supreme beauty, glaciers, waterfalls, and extensive forests; the other is Mesa Verde National Park, which was established to preserve the wonderful cliff dwellings of a race that has disappeared from the earth.

We have 19 national parks and 29 national monuments, comprising over 13,000 square miles of area, or about 8,400,000 acres. The estimated value is about $42,000,000, and this is an ultraconservative figure.

The Yosemite Park and a few others were opened to automobiles in 1913 and the Yellowstone in 1915. During 1914 about 10,000

torial will be printed in the RECORD.

automobiles were registered in the parks and in 1923 about 300,000. The admissions to parks and monuments last season totaled nearly one and one-half million visitors. The total mileage of roadways is 1,060, on which the Federal Government has spent $3,504,100 in all since 1872, when the first park was opened.

Federal appropriations in aid of States and for forest roads since 1916 amount to five hundred and ninety-two millions. During the same period only $1,443,600 was expended for park roads, while the Government has collected $1,511,233 as fees from automobiles using the parks, of which $385,687 was collected during 1923. During the above period the States with Federal aid have expended $23,828,800 in building approach roads to the national parks.

As a rule, the parks may be reached during the tourist season over well-constructed surfaced roads, but the roads within the park borders are inadequate in every way and not at all in keeping with the approach roads.

Others have told you by radio, or you have read of the varied attractions of our national parks, so I will not describe them in detail. It is sufficient to say that everyone should plan to see, some day, a number of these national parks, going either by rail or by automobile. Tens of thousands of people are going west in their own cars each year, many of them camping out along the way.

Some time ago Thomas A. Edison was asked what first came to his mind 25 years ago when the automobile was demonstrated to be a practical vehicle for business and pleasure. He said he at once thought of the possibility of its becoming the means of getting our people to go camping in the outdoors. After other questions were propounded to Mr. Edison, he was finally asked what future use of the automobile he believed would be most important. He replied that its use for camping trips would be its highest and greatest utility.

The finest and most beautiful camping spots are in the mountains of the West, especially in the national parks. Unfortunately, these great parks have not been well provided with automobile roads, even in the case of the Yellowstone, the largest park we have and the first to be established. The roads in the parks were in most cases built by private enterprise and were, of course, constructed for wagon traffic.

To-day the roads in most parks are in need of much improvement as a result of tremendous increase in automobile traffic, and new sections of several parks should be opened to the motorist.

For instance, it is not possible now to drive your car across the Glacier National Park. It must be shipped on the train from one side of the Rockies to the other or be driven south several hundred miles to a pass through which the State has built a road; or one must drive around north to the Canadian National Park at Banff in the Canadian Rockies. A road should be built at once across the Glacier Park.

In the case of Mount Rainier there are only 30 miles of highway available for motor travel. This is not enough mileage to offer a motorist after he has driven all the way to Puget Sound to see the great mountain, with its wild flower gardens, its forest, and its glaciers.

In Rocky Mountain Park, where a road ascends to the crest of the Rockies at an altitude of over 11,000 feet, the highway is located in a place where snow drifts early in the fall and where it lies in the spring until blasted out with T. N. T. This road should be relocated.

In Grand Canyon National Park, in Arizona, the winter visitor can not go as far along the rim of the canyon as he often wishes to go, nor can he go from the end of the railroad at the Grand Canyon toward the interesting Hopi and Navajo Indian country in winter, because of lack of adequate roads. New roads would greatly enlarge the opportunity of the visitor to see the canyon country.

In his message to Congress on December 6, 1923, the President said:

> "No expenditure of public money contributes so much to the national wealth as for building good roads."

The time has come when the national parks should be treated more liberally, and we are glad to know that a bill has recently become a law authorizing appropriations of $7,500,000 for road improvement in the parks. This bill, the President states, is not in conflict with the administration's financial program, and it has his and the Budget Director's approval. Therefore annual appropriations extending over the next three years will undoubtedly be available.

None of us want the parks overdeveloped with roads. Parts of these great wilderness regions should never have roads, because they should be held absolutely in their natural state as examples of what our country was a century ago, and in order that wild life may not be too much disturbed by the automobile and the accompaniments of advanced civilization. But we do want enough roads to make the national parks reasonably accessible and to develop to a considerable extent the unparalleled opportunities for camping.

This matter of adequate roads for the parks is not a selfish, a local, or a solely western issue. The parks are widely scattered and the number of visitors affects travel in every State of the Nation. President Harding, while in Yellowstone Park last summer, remarked many times that he was meeting there a cross-section of America.

Congress, representing the will of the Nation, has established the parks for the use, enjoyment, and benefit of all its people. This was extremely wise, as no investment could yield better returns in improving the health and quality of our citizenship, in promoting that unity of national feeling, that love of country called patriotism. Having already taken this step, Congress will not deny the means whereby the national parks may be used and enjoyed, nor will it permit their natural beauty to be destroyed or detracted from in any measure whatever by commercial enterprise.

As the national parks, belonging to all Americans, contain the most sublime scenery in the world; as they, our greatest playgrounds, inspire patriotism and develop mind and body, so also does Washington, the Nation's Capital, the seat of government of the greatest Nation of them all, belong to each and every one of us, and it inspires patriotism, love of the artistic and beautiful, and pride in our history and traditions.

The Nation owes it to its citizens and to generations yet to come to protect jealously the beauty of its Capital City, to develop it by parkways, boulevards, and public buildings, and to preserve its objects of historic sentiment, and likewise its duty is equally plain to protect just as carefully its system of national parks and develop them along lines that will yield in good measure health, pleasure, and pride in our country.

We of the West want you all to come and enjoy the benefits of your own national parks.

ADDRESS BY REV. DR. ABRAM SIMON

Mr. COPELAND. Mr. President, I ask consent to have printed in the RECORD an address by Rev. Dr. Abram Simon, delivered before the Washington Hebrew Congregation, Friday, March 7, 1924, entitled "Let Us Understand Each Other."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LET US UNDERSTAND EACH OTHER

[An address by Rev. Dr. Abram Simon delivered before the Washington Hebrew Congregation. Broadcast through courtesy of station WCAP, of the Bell system, Friday, March 7, 1924, Washington, D. C.]

Ladies and gentlemen, in the phrase of Mark Antony, radio to-day says, "Lend me your ears!" In this spirit do I ask for your listening ears and your understanding hearts. I am to speak to you to-night on the opportunities and necessities for good will that ought to obtain between varying groups of men and women of religious, national, and racial units. I am particularly anxious that all that I say shall bear with utmost kindliness upon a better understanding that ought to exist between Jews and Christians. A flood of venom and misunderstanding has been released since the war. There never was such a rebirth of cave-man ethics and racial animalisms as have cropped out in the last few years. The recovery of civilization has been very slow because of the malignant hatred bequeathed to us by the world tragedy.

It is unfortunate that the brunt of this resurgent ill will has had to be borne by the people of Israel. The angles of misunderstanding have been sharpened to an unhappy acuteness. In places where never before the ghost of prejudice could be suspected has his spectral form been witnessed, exhaling from mysterious haunts and unknown sources streams of poison and of distrust.

I would not have you believe that the ungracious attitude of the Christian people toward the Jews is a new experience. I am only referring to its recentness because of its intensity and virulence. I do not understand why we Jews should continue to be the victims of this form of hatred expressed in legislation, in literature, and in social practice. Why should people dislike one another? Why have people just enough religion to hate one another? Why is it that the profession of love in the name of God does not get deep enough under one's skin as to direct the emotions and the will power into channels of inevitable amity? How comes it that an increase of fraternities does not promise an increase of fraternity? How comes it that the increase of churches spreading over a larger territory means only a thinner veneer of kindness? Without trying to discover the psychology of prejudice, without spending the time to indicate the methods of its operation or of its danger, let me at least admit the fact of its existence. I can not hide from myself the deep regret that despite the multiplication of schools and colleges, despite the enlargement and the joy of democracy, despite the progress of organized religion, despite the increase of charities and the philanthropic endeavors of men, there is apparently less general honest-to-goodness good will, mutual forbearance, and the milk of human kindness in the world to-day than there ever was before.

My purpose is to indicate the way and the need of a better understanding between the Jew and the non-Jew. I can reach this problem in no better way than by an ancient door to the temple of that literature which both Jew and Christian hold in common and in uncommon reverence. If the Bible should by chance be lost to the world and

only the two tiny Books of Ruth and Jonah miraculously saved I should feel that the great truths conveyed in the rest of the sacred literature were fortunately preserved in these two booklets. I consider that the Books of Ruth and Jonah touched by all odds the high-water mark of religious and prophetic teaching. They are the products of the latest preachings of the greatest masters of religion which the world has ever known. The Book of Ruth was written to teach the love of God for Moab, a second or third cousin of the people of Israel, which was considered as of no concern to the embracing goodness of God. That book was written not so much to disclose the classic devotion of Ruth for her mother-in-law Naomi but rather to prove that the God of Israel dwells also in Moab, and holds the so-called heathens in the widening arms of His Providence. The Book of Jonah was written to express the same universal affection of God for the people of Nineveh, those helpless, ignorant heathen people whose sincerity and contrition merited the forgiving grace of God. Be it understood that these two books were written as protests against the narrow and restrictive policy of Ezra to teach the people of that day and of all time that God's chosen people dwell everywhere, that God's Palestine is on every inch of this inhabited earth, and that every city where men and women in sorrow or in suffering, in sin or in longing, seek the better things of life and the mercy and the joy of God's presence is a holy Jerusalem. These two books, whose message is as modern as any the world has, are 2,500 years old. They refer to Moab and Nineveh, nations proud and mighty in their day, but at present extinct. It is easy enough to preach forgiveness to the nations which are gone. Would it not be a greater achievement to apply the message of Ruth and Jonah and the universal love of God to peoples that are alive to-day? How easy it is to live in peace and harmony with our brothers who are dead and who can not compete with us, but how much greater an ethical task to live in cordial relations with those people who are ambitious to realize their best selves and who seek the joys and fruits of civilization. In other words, it is easier for brethren to dwell together with those of Moab and Nineveh than with those of Israel in the United States, in England, Germany, or Palestine. What the world needs is some third book, comparable with these two, that will reveal the psychology and the philosophy of good will, and the methods whereby Jews and Christians in the same country, French and Germans in the same age, white and brown in the same civilization may cooperate together for the peace of society and the spreading of the Kingdom of God on earth.

This leads me to invite your attention to a book that has just come from the press. I do not call it a great piece of literature, but I call it great in purpose, great in idealism, and great in the desire to harmonize the conflicting interests of people. Miss Ada Sterling, a Christian and estimable author in England, has written a book called "The Jew and Civilization," wherein she bases the duty of the Christian attitude of kindness and good will on the debt under which Israel has laid the world. She reviews the contributions of the Jewish people throughout the world to the treasure house of civilization. When these are examined thoughtfully they reveal the indissoluble and intimate relationship of the ideals and gifts of the Jew to the very fabric of modern society. She convinces us that one's entire mental attitude toward life, one's spiritual and ethical ideals, even those that are reverently associated with the name and personality of Jesus, are undyingly and undeniably Jewish. Her appeal is for a better understanding between Jew and Christian for the sake of the larger cause that they hold in common, and for the sake of the civilizing work that they can the better do cooperatively. If the Christian world will only make an honest effort to understand what the Jewish people have contributed to the civilization of to-day they will be the better prepared to enter with them into their hopes and ideals for to-morrow. May it not be that what we need is some book that, having the message of Ruth and Jonah, will so deeply touch our emotions, so superbly capture our imagination, so artistically dramatize our desire for good will, as to be the third in the line of world-wide literature to bring home to us not only the love of God for all His children, but also the duty of men and women who worship the same God to meet each other with an open palm and not with a clenched fist or a suspicious spirit? I like the further suggestion with which Miss Sterling closes her book. We have mother's day, child-labor day, tuberculosis day, and a dozen and one days suggestive of high social ideals; why not a "better understanding day," a day on which leaders on platform and pulpit, writers in the press, men and women in every walk of life, will devote that day to an expression of amity and kindness toward their fellow men, or pledging themselves to tear out of their hearts every vestige of rancor and hatred, of venom and of ill will, of driving out of their minds what has come to them through reading or teaching of mistrust, of superstition and of prejudice? May such a day, to be celebrated by the world, not be far off.

My own purpose, even in this modest effort, is to hasten this day. Why should not a beginning be made now? Christians and Jews need to understand three fundamental duties. First, let them learn the art of self-criticism. It will make them humble. Second, let them learn to appreciate excellence wherever found. It will inspire them. Third, let them grant to each other the equal right to differ honestly. It will equalize them.

It is the task of the Jew to see to it that nothing in his personal or social life and nothing in his attitude toward his country or his fellow man may tend to lessen the appreciation of his neighbor toward him. It should be the task of the Jew to see that the purity of his motives, the probity of his character, the sweetness of his domestic life form the shield against which every arrow will fall blunted. It is his task to do nothing that may encourage prejudice or widen the breach between him and his Christian fellow man. And yet, is it likely that if the Jewish people were paragons of virtue there would be no prejudice against them in the world? If the world asks of us so much of moral excellence, who in turn makes the same moral demand on the non-Jew? Why ask of Israel to be better than his neighbor? Surely the non-Jew has no battle against prejudice to fight—no social good will to earn. No one asks him to excel in virtue in order to be admitted into the fraternity of peoples. Being in the majority, holding the balance of power, or, as we say in common parlance, the whip hand, the Christian does not hold himself up to the same praise or scorn that he has in reserve for the people of Israel. There is not a weakness, large or small, in Jewish behavior and spread over many pages of Christian writings and preachings that can not be duplicated in the lives and behaviors of the authors themselves. I do not hesitate to say that the weaknesses of the Jews are human everywhere. The difference between the mote in my eye and the beam in yours is a matter of weak vision, not of Judaism or of Christianity. I am inclined to believe that prejudice is simply due to defective lenses, lenses whose glass may have been ground by opticians centuries ago, or lenses that carry some of the smirk and dirt of the outer world.

Let me repeat the story of an old man, whose eyes were none too strong but whose grumbling exceeded the merit of his circumstances. A good neighbor entered the room and, without paying attention to his complaints, busied herself with a dusting rag and cleansed the windows. Suddenly said old Mr. Grumbles, "Dear me, my eyes are getting worse; what a terrible glare is coming from the window; pull down the blinds." No, dear people, if Jews and Christians are to live together, they are to pull up the blinds; they are to let in the light; they are to clean their windows and also their spectacles. If Jew and Christian are to cooperate, they must try to understand one another. They may at first be startled by the glare which the blazing truth flashes before their mental vision, but they will eventually grow accustomed to the new light, and greet it with a cheer. They will then rejoice in knowing how much they have in common, either of virtue or of vice, of aspiration or of weakness, of God and of godliness.

Zangwill once said that prejudice was the dislike of the unlike. As a matter of fact, we are alike in our moral ideals, in our appreciation of the refinements of life, in our sensitiveness to the chivalries of sex, in our scientific acceptance of truth, in our keenness of sacrifice and joy of philanthropic impulse, in our hatred of war and love of peace; in all things that represent the excellencies and the grandeurs and the divinities of life Jews and Christians are not a fraction apart. We are all alike in the love of wife and children. The Christian has not preempted the beauties of the stars and the Jew has not monopolized the harmonies of nature. Both together own the wealth of sunsets and the magnificent basso roar of the ocean. Both Jew and Christian have the same mysteries to solve, the same open grave, the same palsied hand, and the same sinful spirit. Let Jews and Christians rival one another in discovering the new secrets of health, in spreading the gospel of sunshine, in organizing for the alleviation of pain, in marching together to battle for justice, in cleaning the Augean stables of corruption and pollution, in joining one grand crusade in the name of the Fatherhood of God for a festive day of mutual understanding. Our differences are minor; our agreements are not only fundamental but also are modern, and reside in the very nature of our mentality and spiritual outlook.

Do you tell me that we can not understand each other because we are of a different race? Shall Christian people to-day repeat the old nonsense which is unfortunately the obsession of a few theorists; shall American men and women transplant to our shores the apotheosis of race "made in Germany" to set the Teuton as head and shoulders over the Anglo-Saxons, over the Celts and Semites; shall Catholics and Protestants sublimate this arrant nonsense of a cheap and tawdry ethnology to satisfy a Chauvinism which they now call the Nordic race? Pray, was not the foundation of the Christian religion born of the blood that runs to-day in Israel's veins? After you have finished reading the half-baked scientific theories of Madison Grant and Stoddard and Miss Atherton, and are surfeited with the intellectual and racial superiority of this new fictitious race that never was on land or sea, please read a calmly written but scientifically accurate book entitled "The Racial History of Man," by Roland B. Nixon, of Harvard University. I do not know how inferior this race of Israel is, but I have a feeling that if it can produce in one decade men like Einstein, Freud, Michelson, Bergson, Ehrlich, it can not be so sterile and uncreative. I consider that a race that is intellectually creative is spiritually not inferior.

Nor do I feel that there is any difference between us in national aspiration. It is too late in the day to waste time arguing about the loyalties and the patriotism of the Jewish people as different from that of the non-Jewish or the Moslem.

It may be—it doubtless is—that it is not in matters of blood or in matters of political ideals, not in matters of ethical and social endeavors that we differ, but that it is religion that separates us in two warlike camps. That religion, alas, separates us instead of uniting us is pathetic. But that the separation should be construed as war-like, as hostile, as of bad blood, is the last word in the tragedy of faith in God. After all, do I as a Jew and you as a Christian differ so materially in our religion? When we come to catalogue our religious thoughts and sentiments, is there really any gaping difference in our faith and belief in God; in our ideals of the destiny and dignity and divinity of the soul; in our longing for the sweetness and progress of the immortal life; in our appreciation of the moral value of the Ten Commandments; in our hope for the coming of the Messianic ideal of peace, justice, and brotherhood; in our longing for the revelation of God and the spread of His kingdom among men; in our sense of remorse for wrong; our yearning for forgiveness; and our hope through prayer and righteousness to enjoy the favor and the pardon of the Almighty Father?

Do I differ from my Christian brother as much as the Protestant differs from the Catholic in religion; do I differ from the Christian as much as the fundamentalists differ from the modernists? And so I put to myself, as I do to you, this question. Even if there be one great outstanding ideal, namely the divinity of Jesus, wherein the Jews and many Christians still differ, surely such an honest intellectual or religious difference in theology should not widen the social chasm between men and women of average intelligence, of average morality, and average pretensions! Is any one's religion to-day any better for me and for my own way of thinking and bringing up than my own? Or shall I be made to feel that the Christian religion, to whose acceptance I am invited, is more modern than mine, and more expressive of the ideals of the twentieth century? When I honestly look into my own beliefs as to their ability to meet the intellectual and ethical ideals of to-day, I can not but be surprised to find the Protestant Church very much disturbed over what it and its adherents call "modern or fundamental." I therefore arrogate to myself as a Jew the privilege of waiting until this discussion in the Christian Church between fundamentalism and modernism is satisfactorily settled before I can see my way clear to a discontinuance of my own treasured religion as unfitted to meet in competition the spirit of the twentieth century. I have no doubt as to the modernity of the Jewish spirit and of the Jewish religion—I have no doubt as to its justifiable function in the spiritual and social life of Europe and of America. If Turkey, over night as it were, can tear itself loose from the orientalism of a united church and state, and can turn its light and political idealism toward Europe for European domestication, shall it be said that the people of Israel, progressive at all times, can not be part of Europe and of an Occidental civilization after 2,000 years of living in the West?

Yes, after 2,000 years; and in this lies the crux of the matter. The Lenten season in the Christian world is upon us. The minor strain of the oncoming tragedy on the Cross is in the air. The agony of the crucifixion casts its deepening shadows far ahead. I know only too well with what tenderness, with what compassion, with what spiritual triumph the Christian world views Good Friday, and what a charm the idea of the voluntary sacrifice of Jesus holds for the conscience of the world. Yet the same crucifixion has registered the depths of suffering for the people of Israel. Since then the Jew has been on the cross. I opened a book used in one of the religious schools, and I find sentences like these, "The Jews are under a curse—they did not accept the Savior; they are condemned and hated." The Christian world still believes that it closed the career and destiny of the Jewish religion 2,000 years ago. Now, it is a pity that, despite the theology of the Christian religion, the Jew and his religious teachings persist. By all the teachings of this theology, the Jewish religion should long since have been buried with the Jewish nation. By all the laws of scientific materialism, the Jewish people should have joined the remnants of Moab and Nineveh; and yet the Jew and Judaism are here, and it may be best to consult Almighty God for an adequate understanding of this unspeakable mystery and stupendous miracle. It is easy to conclude that the continuance of the Jew carries with it the curse of immortality to await the second coming of the Lord. But isn't it a pathetic thing to put into the soul of Almighty God a deathless curse, and to believe that the love of God has been poisoned into the rejection of any of His children, be they of Moab or Nineveh or Palestine?

Christian theology may teach that God rejected Israel. By all the gods, Israel has not, and will not, reject God! Because the United States triumphed over English monarchy, shall England surrender her political ideals to our new political dispensation? Shall Judaism yield up her identity because Christianity and Mohammedanism developed other dispensations? I hope with all my heart that other great religious movements may blossom out of the Jewish soul. Judaism is in the world as the generatrix of religious ideals, and who shall say that she is to-day sterile? Judaism never accepted religious birth control. In the meantime, then, if Jew and Christian are to differ in the details of religious thinking, is it not best for the daughter religion not to hang crêpe on the doors of the mother synagogue? Surely the Almighty God must have some greater purpose for holding on to a miserable scrub of a few million Jews than merely the divine opportunity of venting His spleen upon them for the failure to accept the divinity of Christ.

We can understand one another if we admit that every man's religion has a right to life, liberty, and the pursuit of happiness. We will understand each other if we will admit that the Jew, as an individual and as belonging to a people of 3,300 years of world experience, of the same blood and heredity as you, has the same inherent rights to life and liberty and the pursuit of happiness. The truer he is to his ideals, the more will he win the respect and the consideration of his fellow men.

We ought to understand that prejudice and persecution will not, and can not, sound the death knell of the Jew and his religion. Christianity can not enlarge its stature nor heighten its mission by standing triumphantly over the prostrate form of a humiliated Israel.

I have tried not in an apologetic or polemic tone to indicate the basis upon which Jews and Christians should come to a happier understanding of each other. I covet the hope that I have succeeded in driving home the conviction that, despite the tenacity with which Jews and Christians will cling to their own differing points of view, there are, nevertheless, more things which they hold in common than they half dream of.

I know, my dear people, that even while I speak, not so much you, as our Christian brothers will say, our failure to accept the Divinity of Jesus is really the stumbling block in the path of a better understanding. Permit me to call your attention to a very significant article in a metropolitan eastern journal by no less a literary man and thinker than Mr. Glenn Frank on what he calls the 14 points of the new church. He says that the religion of Jesus is not the Christian religion. Whatever else there appears in these 14 points is to be related to this sentiment. As a matter of fact the Jewish people for centuries with becoming respect have agreed that the religion of Jesus is not and can not be what is to-day known as the Christian religion. Surely no one will credit Jesus with a knowledge of the doctrines that have arisen since His death, with the pagan conceptions, with the ideal of the Virgin Birth, or teaching of transubstantiation, or infallibility, or a thousand and one doctrines which divide the churches of to-day. However strongly Jesus may have criticized the leaders and priests of his day, even as did Jeremiah and Isaiah before him, and however beautifully Jesus may have envisaged the Father, and have brought together the exquisite spiritual gems in the Sermon on the Mount and the Lord's Prayer, he never for one second abandoned the Jewish ground, Jewish teachings, and the Jewish religion. The religion of Jesus was, and must have been, the Jewish religion of his day, with whatever of exquisite refinement of doctrines his genius permitted him to express.

Surely, then, if a man like Mr. Glenn Frank can openly accept the above statement, and if the modernists and fundamentalists can disagree in their discussions on the belief in the physical and bodily resurrection of Jesus and in the Virgin Birth, why hold the modern Jew to criticism if he follows in the wake of Christian thinking of to-day? I can no better illustrate the situation in which we now find ourselves than by reading this charming poem of Mr. Israel Zangwill. It carries in its heart the pathos of the centuries. The poem is entitled, "Moses and Jesus":

MOSES AND JESUS

In dream I saw two Jews that met by chance,
One old, stern-eyed, deep-browed, yet garlanded
With living light of love around his head,
The other young, with sweet seraphic glance.
Around went on the town's satanic dance,
Hunger a-piping while at heart he bled.
Shalom Aleichem mournfully each said,
Nor eyed the other straight but looked askance.

Sudden from church out rolled an organ hymn,
From synagogue a loudly chaunted air,
Each with it prophet's high acclaim instinct.
Then for the first time met their eyes, swift-linked
In one strange, silent, piteous gaze, and dim
With bitter tears of agonized despair.

So stand we to-day. Between Moses and Jesus 13 centuries intervene, yet both stood on the same eternal rock of spiritual truth. Between Jesus and us 19 centuries intervene. Stand we not, after all, with Him and with Moses on the same religious basis with the same God to guide us and the same brotherhood ideals to cheer us? Why, then, should brother deal treacherously against brother by profaning the covenant of our Father?

Calling your attention once more to that exquisite Book of Ruth, I point to the fourth verse of the second chapter: Boaz the rich farmer approaches his field, and in a spirit of radiant good will he

says to his humble reapers: "The Lord be with you." The reapers, in turn, reply to their chief, "The Lord bless you." What a happy relationship that presumes! When the men who own can greet the men who work for them with "Peace be with you"; and when those, who toil can say to those who furnish the pay envelopes, "May God bless you," we reach a stage of such social and economic good will as to call it ideal. Can you conceive of France saying across the Rhine to Germany "God bless you," and the people responding "Peace be with you?" Can you conceive of capital and labor reciprocating each other's greetings of "Peace on earth and good will to men" by such an invocation of felicitation and divine benediction? Can you conceive of Christian saying to the Turk and Moslem "Peace be with you," and hearing in turn from Moslem lips and Turkish heart the reciprocal "God bless you?" For I recall that only a year ago the Good Friday prayer of the Episcopal ritual which petitions God for the Jew, the Turk and the infidal, was under discussion for a possible emendation.

And so I come to that which is the climax of my thinking and the most ardent hope of my heart. Can I not in the name of all the Jewish people say to the Christian world, "God bless you; God bless you in your work for peace, for civilization! God bless you in proportion as you reveal the life of Jesus in your own beauty and ethical sweetness. The more you spread of true religion, the prouder we are of you. The more peace you cultivate, the more freedom you grant, the more gospel of good will you generate, the more rings out from our hearts, God bless you!" I wonder if despite the lenten season, nay, because of the pleading figure on the cross, the Christian world can say to the Jew, "Peace be with you, O House of Israel; continue the development of your religious ideals; let your lives express the sturdiness and the pietics of the faith; having given the Ten Commandments in the past, so rise in religious creativeness as to add another to these and to the commandment of love which were given by Him whom we call our Savior. The world is big enough for hundreds and thousands working for righteousness in the name of our Heavenly Father. Let there be no strife between us, no prejudice, and no attack; but in mutual good will, in mutual understanding of each other's high endeavors, let us go forward, revealing the godhead in our lives, giving constantly by our mutual understandings a sweeter and more gracious revelation of Him. The higher the altitudes you scale the more expansive is our pride. We envy not your wealth nor your poverty; we weep for those who sin; we rejoice with those who triumph. Let us move on together in newer endeavors of peace, in relieving distress, in mastering the laws of nature, in seeking cures for the ailments of the race, in federating the peoples for righteousness, in warring on error, superstition, and bigotry, and in bringing closer to earth the glory and the majesty of Heaven."

Forward, together, in the name of God and for the happiness of the human race!

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. JONES of New Mexico obtained the floor.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Ferris	King	Simmons
Ball	Fess	Ladd	Smith
Bayard	Fletcher	McKellar	Smoot
Borah	Frazier	McKinley	Stephens
Brandegee	George	McLean	Sterling
Brookhart	Gerry	McNary	Swanson
Bruce	Glass	Neely	Trammell
Cameron	Gooding	Norris	Underwood
Capper	Hale	Oddie	Wadsworth
Caraway	Harreld	Overman	Walsh, Mass.
Copeland	Harris	Pittman	Walsh, Mont.
Cummins	Harrison	Ralston	Warren
Curtis	Johnson, Calif.	Ransdell	Watson
Dale	Johnson, Minn.	Reed, Mo.	Weller
Dial	Jones, N. Mex.	Reed, Pa.	Wheeler
Dill	Jones, Wash.	Robinson	Willis
Edge	Kendrick	Sheppard	
Ernst	Keyes	Shortridge	

Mr. UNDERWOOD. I wish to announce that my colleague [Mr. HEFLIN] is absent from the Senate on account of serious illness. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Seventy Senators having answered to their names, there is a quorum present.

Mr. JONES of New Mexico. Mr. President, I desire to make some observations on one of the very important features of the pending bill. I regret very much that there is not a larger attendance of Senators on the other side of the Chamber, because I had hoped to get the attention of the Senators without reference to any party affiliation. The subject which I desire to discuss was not discussed in the Finance Committee. The majority of the Finance Committee decided to accept the Mellon plan, and that plan did not contain any reference to the subject which I propose to discuss now. I say this notwithstanding the fact that it is one of the most important subjects which can be considered in connection with the revenue bill.

Under the present law there is a flat tax of 12½ per cent on the net incomes of corporations. In addition to that there is a tax of $1 per thousand upon the value of the capital stock. Already the Senate has adopted the proposal of the majority of the committee, abolished the corporation stock tax, and increased the flat or normal tax upon the net incomes of corporations to 14 per cent. So that is the problem which presents itself now, shall we levy just one tax upon all corporations to the amount of 14 per cent upon the total net incomes, regardless of the amount of that income, and regardless of the relative prosperity or depression of the corporation?

I do not purpose to discuss this question any longer than is absolutely essential, and I hope to confine myself to a mere statement of the principal objections, as I see them, to this proposal to have just one tax of 14 per cent upon net incomes of corporations, and after having pointed out those difficulties, I then propose to suggest a remedy, which is a simple one, can be easily understood, and can be easily applied, by those who once get the thought, to the actual facts pertaining to corporations within their own knowledge.

That a flat tax is inequitable is admitted by every Member of this body. We have a graduated tax upon the incomes of individuals and members of partnerships. No one has proposed to repeal the system of graduated taxes upon individual incomes. It is recognized by every one of us that a single rate applied to incomes is inequitable. An individual with an income of a few thousand dollars a year makes very much more sacrifice in paying a percentage of his income than does the man with a much larger income if he paid only the same percentage. That has been recognized. When we reach the question of tax upon the incomes of corporations, however, it is proposed that there shall be just one tax.

During the war we imposed what was known as the excess-profits tax upon corporations. That was designed to remove, as far as such a system could, the inequities of the situation. It was recognized that the corporation earning a large percentage upon invested capital should be taxed at a higher rate than the corporation earning but a modest return upon its invested capital. But through the action of the Congress in 1921 the excess-profits tax was repealed and there was no attempt made to put anything in its place. The normal tax, which at that time was 10 per cent, was raised to 12½ per cent, and in that way an effort was made to raise the revenue, but no attempt was made to meet the injustice and the inequality and the inequity of a flat single tax upon corporation net incomes.

Of course, it will be recognized that corporations are nothing but legal associations which belong to the shareholders. The corporation itself does not have a dollar in assets or a dollar of income but what belongs to the shareholders in proportion to the number of shares of stock held by them respectively.

The tax itself is ultimately paid by the individual shareholder. It affects the shareholders, and we must consider that this legal entity called the corporation is a mere agency in which these various shareholders employ their capital. In the last analysis, any tax upon the corporation is a tax upon the shareholders respectively.

If corporations were to distribute all of their net earnings in dividends, I submit there could be no scientific or just reason given for taxing the corporations at all, because if all of the net earnings of a corporation were distributed to the shareholders annually in proportion to the number of shares held by each, and that share of the net earnings taxed to the individual, then there would be no excuse for taxing the corporation as such.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. JONES of New Mexico. I yield.

Mr. BROOKHART. Will the Senator point out the difference, if any, between what the stockholders of corporations would pay under his rates, and what they would pay in taxes under the excess-profits rates?

Mr. JONES of New Mexico. Mr. President, if the Senator will pardon me, I would like first to make a statement of the points which I have in mind, and will then gladly discuss with the Senator any point about which he may wish to interrogate me.

Mr. BROOKHART. At the Senator's convenience.

Mr. JONES of New Mexico. I believe there can be no doubt about the principle to which I have just alluded. That would be fair. That is what we do with partnerships now. If an individual is engaged in business, he is taxed according to the actual earnings of the business, and added to that is income from any other source.

Likewise the partnerships—and I might interpolate that there are partnerships of the country which do an enormous business and have enormous incomes—are taxed according to their respective shares of partnership earnings. That is fair. That puts all of the individuals, in business or out of business, those who are doing business through a partnership, precisely upon an equal basis.

But when we come to the corporations we find that under the present law an entirely different system prevails. It is impossible in all cases to assess the corporate earnings as the earnings of the individual shareholder. I might point out several reasons for it. In the case of a corporation with a vast number of stockholders, and there are many such, it is impracticable to ascertain the undivided part of the income of the corporation and have it assessed to the individual. The Supreme Court has held that we can not assess the individual on account of the income of a corporation unless that income be distributed to the shareholders, for the simple reason that it is not income to the shareholder unless the shareholder has dominion over it. So long as it is an asset of the corporation it is under the control of the board of directors as to whether they shall distribute it in dividends or retain it in the corporation.

Moreover, there are other difficulties in the way. On the stock exchange these shares of stock are being dealt in largely, and the question at once arises who would be the individuals to accept ownership of the stock for purposes of taxation if we are going to assess the individual shareholder upon a given date. After much thought, not only upon my own part, but upon the part of a large number of other people who have been studying the problem, we found that it is not only illegal, but impracticable, to go about it in that way. So there must be an assessment levied upon corporations in some form which shall be as nearly equitable as it can be.

The proposed flat tax upon the corporation may be a discrimination either for or against individuals or members of a partnership. If the individual has a large income through its business, and there are many such, or if the members doing business as a partnership have a large income through the business they are taxed at the high maximum surtax rate upon individual incomes which, under the proposal adopted recently in the Senate, would reach a maximum tax of 46 per cent; whereas if the same members of the partnership were doing business through the corporate organization the only tax would be the flat 14 per cent. Of course, if, after the payment of that flat tax of 14 per cent, which is called the normal tax, there are distributions of earnings, the individuals again pay surtaxes upon them.

In the first place, I may say there is no requirement that the net incomes thus taxed to the corporation shall ever be distributed, and it is quite possible; moreover, we have reason to know that the corporate plan is being availed of for the purpose of evading taxation beyond the one tax levied upon the corporate net income. There is no reason why an individual owning the corporation should withdraw the income from that corporation beyond the amounts necessary to pay his actual living expenses. It is much easier for an individual at the time of his death to distribute to his heirs shares of stock in a corporation which he owns than it is to divide the real estate and the personal property into shares among the members of his family. So there is no reason why an individual, who, himself, is doing business through his own corporation should ever declare any dividend beyond his actual necessities.

Those actual necessities indeed may be covered by salaries which he might vote to himself, and in such case there would be no necessity for declaring any dividend. It furnishes a means to use the corporate organization for the purpose of evading taxation.

This also brings about a situation which is unfair to a great many shareholders of corporations. As I said, there are a number of corporations that pay no dividends. Just the other evening as a matter of curiosity I picked up a paper and counted the number of stocks dealt in upon the New York Stock Exchange that day. There were 480 different stocks dealt in. There were one hundred and fifty-odd which were quoted as paying no dividends whatever. On Sunday I picked up another paper and I found that 43 per cent of the stocks dealt in actively on the New York Stock Exchange last week pay no dividends whatever. Unless the dividends are distributed there is no reason why an individual should not only organize a corporation to serve his individual purposes, but as to the 43 per cent of the corporations whose stock is dealt in actively on the stock exchange, he can buy their stocks and simply allow his wealth to accumulate by failing to distribute any income which the corporation may earn. These stocks are all selling for money, some of them a few dollars a share, some of them many dollars a share, but they pay no dividends, and the owner of such stock is simply getting his benefits through the accumulation from month to month and from year to year and paying absolutely no tax upon the increase in value of the stock which he buys.

A moment ago I believe I said that this is unjust to many of the shareholders. Common experience tells us that most of the corporations which are owned by a large number of shareholders are corporations which were organized, if in the industrial field, with relatively small capital, but after building up the business and making it a large business then the public has been taken into the confidence of the organizers and the operators of such corporations, and they have distributed the stock by sale in the general market. Those shareholders depend upon the dividends which they get, and they are numerous in such corporations. I might instance any one of the great railroad systems, the American Telephone & Telegraph Co., and to a large extent in the same class would be the United States Steel Corporation. They have passed the stock out to the public and a great many of those corporations pay out in dividends very large percentages of all their net earnings.

I wish to call to the attention of the Senate some information which we obtained from the Treasury Department in response to a resolution which I introduced in the Senate, and which was passed in January last, regarding the returns of distributed and undistributed incomes of corporations for the year 1922. That was the first time that such information had been collected. It has now been tabulated and I am sure it will be worth the while of any Senator to read the document.

For the year 1922 there were 48,875 corporations making complete returns which showed the amount of their taxable net income and the amount of their cash dividends. The remarkable fact is that of those corporations 39,294 paid out in cash dividends 30 per cent or more of their net income, leaving 9,581 which paid out less than 30 per cent.

As to the corporations paying out those dividends, the 12½ per cent flat tax became simply a normal tax upon those which were paying 30 per cent or more, or a large proportion, because notwithstanding the corporation had paid the 12½ per cent—and if the present proposal had been in operation would have paid 14 per cent upon it before it was distributed—those distributions after reaching the individual stockholder must pay the surtax. As to a corporation distributing substantially all of their net income to their stockholders, the individual stockholder would pay a normal tax of 14 per cent and then surtaxes, just the same as all individuals would pay upon their net income. As to those corporations, I say that the system is absolutely unsound, is unfair, and can not be justified simply because those people are doing business through corporate organizations to make them pay a normal tax of 14 per cent and pay their surtaxes in addition. It can not be justified.

There are others, however. As I said, of all the corporations there were over 9,000 which distributed less than 30 per cent of the net income of the corporation. They, of course, are the people who are retaining their investment and their incomes in the corporations and evading their just share of taxation.

I may say that the 9,000 corporations which I mentioned as paying out less than 30 per cent in practical effect, whether that be the purpose or not, are evading the surtaxes levied upon individual incomes.

I now call attention to another class of corporations in this same tabulation. There were 30,048 corporations paying no cash dividends, and making complete returns, notwithstanding the fact that their net income for that year was over $1,196,000,000, and they had an accumulated surplus of nearly $4,000,000,000. The shareholders of those 30,048 corporations paid no surtax upon the net income which they owned as shareholders, but which was retained in the treasury of the corporations.

There is another class of corporations reported for that year. There were 29,688 other corporations which did not make complete returns, and therefore they are not classified with respect to percentages of cash dividends; but they had net incomes for that year of $1,197,000,000, and they paid out in cash dividends only $249,000,000. It is quite evident that at least the larger

share of such corporations paid little in dividends; others paid none; and we may assume that still others of them paid a large percentage of their earnings.

I have had prepared a list going back over the last few years since the question of an income tax upon corporations has been of great and vital interest to the Federal Government, which I think discloses some interesting facts. I find, for instance, that for the years from 1916 to 1922, inclusive, the entire net taxable income of corporations amounted to $56,094,000,000 for those seven years.

The total amount of taxes, including the income tax and the excess-profit tax, when that was in force, amounted to $10,798,000,000. Of course, for the year 1922, included in the tabulation, there was no excess-profit tax, and the total tax paid by those corporations for that year was $823,000,000. After deducting all of those taxes there remained for distribution $45,296,000,000. The corporations distributed in dividends only $18,151,000,000 and retained as undistributed income, which was used further to extend the plant or to be added to capital or surplus, $27,144,000,000.

We have removed every tax upon corporations except the one flat tax. There is no excess-profit tax. The corporation are not required to distribute any of their net income in dividends, and judging from the history of the past we may assume that they are retaining these vast sums in their treasury as surplus or are adding it to capital and thus escaping any surtax.

As further evidence of that, for the same year, 1922, referring to the same document which came from the Treasury Department, I find that while all those corporations making distribution of any cash dividends, as shown by their complete returns, paid out in cash dividends $2,763,000,000, they paid out in stock dividends $2,547,000,000, showing clearly that they have been retaining their corporate net income without distribution, and subsequently issuing stock certificates which can not be taxed against the shareholders under the decision of the Supreme Court.

Another very grave problem which arises relates to the securities which are issued by the Federal Government. All of the first Liberty loan bonds were made wholly tax exempt. The amount of those outstanding now is only between one and a half billion and two billion dollars. All of the other securities issued by the Federal Government were exempt only from the normal tax except in certain specified limited amounts. The same thing is true of all of the Treasury certificates which the Secretary of the Treasury is issuing every three months. In accordance with the law under which they are issued they are exempt only from the normal tax. The result is, if we shall impose upon the corporation only a normal tax, such Government securities when owned by corporations are exempt from all tax. I should like to know if anyone can justify or will attempt to justify any such situation as that.

The total indebtedness of the United States to-day is about twenty-one billion six hundred and odd million dollars, of which $20,000,000,000 is subject to surtaxes if owned by individuals but is absolutely tax exempt if owned by corporations. The majority of the Finance Committee has made no suggestion as to how that problem should be dealt with; the Secretary of the Treasury has made no suggestion as to how it should be dealt with.

Mr. NORRIS. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator.

Mr. NORRIS. The bonds of which the Senator is now speaking, if owned by corporations, are subject to the normal tax prescribed by law.

Mr. JONES of New Mexico. Yes.

Mr. NORRIS. Under the existing law that is 12½ per cent.

Mr. JONES of New Mexico. The Senator is quite right.

Mr. NORRIS. If this bill should be passed as it stands now the rate would be 14 per cent.

Mr. JONES of New Mexico. That is true.

Mr. WALSH of Massachusetts. But the capital stock tax has been removed.

Mr. JONES of New Mexico. The Senator from Nebraska understands that. I stated in the opening of my remarks that the 14 per cent tax is all the tax now imposed upon corporations. So if corporations own those bonds they pay no tax except the one flat tax levied upon corporations, but if owned by individuals the income from them is subject to all the surtaxes which are imposed upon individuals.

There is no attempt made to rectify that very grave injustice and inequality as it seems to me, and I might add that the Secretary of the Treasury and the majority of the Finance Committee have no right to inveigh against tax-exempt securities so long as by their own act they are rendering wholly exempt from taxation $20,000,000,000 of Federal securities which were made subject to surtaxes by the law under which they were issued.

Not only that, Mr. President, but we know there are such corporations as holding companies, which own the stock of other corporations; and when such holding companies receive any dividends those dividends are free from all tax in their hands. That such corporations are being organized is undisputed, because we find in the Statistics of Income for 1921 that there were paid in dividends to corporations by corporations over $500,000,000. The holding company pays not a cent of tax upon that $500,000,000, and there is no suggestion by the majority to relieve that situation.

Mr. REED of Missouri. Do not the subsidiary corporations pay their tax?

Mr. JONES of New Mexico. They pay the normal tax, but I was using that to fortify the statement which I had made that corporations were being availed of for the purpose of preventing the payment of just taxes, because here we have the statistical evidence that over $500,000,000 in dividends were paid by certain corporations to other corporations.

Mr. EDGE. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from New Jersey.

Mr. EDGE. I have been following the Senator's argument and, as I understand, he proposes to encourage, in fact almost to compel, through the imposition of higher surtaxes on earnings, the payment of very large dividends by corporations. Has he considered the possible effect of such a policy, which it occurs to me offhand might be to force the payment of unwise dividends? In other words, would it not weaken the corporations by causing them to pay in dividends very close up to their surplus in order to evade the very high surtaxes on the earnings retained?

Mr. JONES of New Mexico. If the Senator will pardon me, I will reach that in a more logical way a little later on.

Mr. EDGE. Very well.

Mr. JONES of New Mexico. Those are what I conceive to be the principal difficulties with the present system. I think all of us must agree that that system is wrong, and that it should be remedied if there is any reasonable way in which to do it.

Mr. NORRIS. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. JONES of New Mexico. I yield.

Mr. NORRIS. Does the bill as reported here attempt to apply any remedy to the situation the Senator has just described?

Mr. JONES of New Mexico. None whatever. There is no attempt whatever to change it.

Mr. SMOOT. Mr. President, the Senator must know that in this bill there is a provision that a holding company can not make a consolidated return unless the holding company has 95 per cent of all the stock, and that applies to all of the companies in all parts of the United States.

Mr. NORRIS. Mr. President, my question went much further than that. I intended it to.

Mr. JONES of New Mexico. I am sure it did. I think we will all perceive at once that the provision suggested by the Senator from Utah which is in the bill does not meet the problem. Under existing law I believe it is 80 per cent, and that has simply been increased to 95 per cent.

Mr. NORRIS. That applies only to holding companies.

Mr. JONES of New Mexico. That applies only to holding companies, anyway.

Mr. SMOOT. I thought the Senator was speaking of holding companies.

Mr. JONES of New Mexico. And as I take it, it does not at all meet the situation. It simply requires that they must hold it a little tighter; that is all.

Mr. SMOOT. If it does not apply to holding companies, as far as other corporations are concerned, where there is a failure to distribute earnings to evade taxes, there is a provision in this bill that there shall be a penalty of 50 per cent in every such case.

Mr. JONES of New Mexico. Mr. President, that has been offered as the excuse for not trying to deal with this situation ever since the war. Of course, during the war we were after the money.

Mr. SIMMONS. Mr. President, I will ask the Senator if they did not admit in the committee that the 25 per cent provision was a dead letter, and that probably the 50 per cent provision would be likewise a dead letter?

Mr. JONES of New Mexico. It is admitted by everybody, and the Secretary of the Treasury in his testimony stated that he had not found a single corporation which had violated that provision of the law. So the proposed remedy is no remedy. It is an admitted nullity, and we still have the problem which I have presented.

How shall we meet that problem? I have tried to meet it in a way which would produce the same amount of revenue which the majority of the committee proposes to raise from corporations. Through the kindness and skill of the actuary of the Treasury Department the plan which I propose is estimated to raise substantially the same amount of revenue. Therefore, there is no criticism of it upon that ground.

After all, the remedy is a simple one, both as to its administration and as to its presumed effect upon corporations.

The proposal is first to meet certain situations—and, by the way, I have not dwelt at any length upon that, but there are a great many small corporations with a few stockholders, doing a modest business, earning moderate amounts upon their invested capital. Under the bill as presented by the majority they are taxed 14 per cent upon all their net earnings. They are taxed at the same rate as individuals with individual incomes of $54,000 a year.

Just the other day I received a letter from a constituent of the Senator from New York complaining very much about this 14 per cent tax upon him. He says he has a corporation organized with a capital stock of $10,000 only. He, himself, owns 98 per cent of it. Other members of his family own the other 2 per cent. They are in the contracting business. Their net earnings are small. He did not specify the amount, but, judging from the way he wrote, the total income of the company was only $15,000 or $20,000 a year. Under the proposal of the majority of the committee that corporation will have to pay a flat tax of 14 per cent, on the same basis as if those few incorporators each had an income of $54,000 a year.

I say that it is unjust. Moreover, I say that the citizens of this country ought to be permitted to use corporate organization for their convenience. None of us, I hope, has any grudge against corporations. They perform a very useful function in life. I have organized many of them to incorporate partnerships, so that the partnership would not have to be dissolved upon the death of one of his partners. Moreover, as I have said, it is very convenient for any individual owning properties of various kinds to incorporate the business and pass it on in shares of stock to his heirs, rather than have all of the pieces of real estate divided and the personal property sold and the estate wound up, as it is called. Therefore I say we do not want to deprive the citizens of this country of the right to operate through corporations.

We do not want to penalize the people who are doing that for a laudable purpose; but in the case of all these corporations of small earnings every shareholder is paying a tax upon that net income at the same rate as an individual with an individual income of $54,000 a year. On the other hand, when the stockholders themselves are men of great wealth and use the corporation for the purpose of evading taxes—I mean, avail themselves of it so as to avoid the payment of taxes—the man who otherwise would pay the highest surtax and the ordinary normal tax, amounting under the bill as passed by the Senate to 46 per cent, will have to pay only 14 per cent.

That is not mere speculation. We know that it is being done. Before the Committee on Public Lands and Surveys a rather prominent lawyer from the city of New York testified about the organization of certain corporations for the purpose of reducing taxes from the high brackets to the flat tax of a corporation. Moreover, he said it was being generally done. We all have in mind one instance which is a glaring one, a certain corporation up in the State of Michigan whose net earnings last year were $110,000,000, and which has in cash $271,000,000, according to a report made in an official way in the State of Massachusetts, and that cash on hand has been increased during the last year by over $100,000,000. That corporation has a capital stock of $2,000,000. It never has paid, as I am advised, over 60 per cent upon that capital stock, which would be $1,200,000 in a year. That is the only distribution, thus leaving in the corporation, which belongs to one or two stockholders, over $100,000,000, which under the proposal of the majority of the committee will pay a tax of only 14 per cent, whereas if it were distributed it would pay 46 per cent, making a difference to the Treasury of the United States in the case of that one concern of $35,000,000 a year.

Mr. WALSH of Montana. Mr. President, what concern is this?

Mr. JONES of New Mexico. I did not mention the name of it, but it is the well-known automobile manufacturing concern of Detroit.

Mr. NORRIS. I suppose there is no doubt now who it is, is there?

Mr. JONES of New Mexico. No.

Mr. SMOOT. There is just that one case in the United States.

Mr. JONES of New Mexico. Mr. President, I do not know how many other concerns are doing the same thing, but I do know this: According to the record of Moody's Manual, there is a certain trust company over in Pittsburgh with a capital stock of a million and a half dollars and a surplus of $36,500,000, and the man who owns that corporation is the same man who has advanced the policy which is being followed by the majority of the Finance Committee of the Senate.

Mr. SIMMONS. Mr. President, has that $36,500,000 ever paid any surtax?

Mr. JONES of New Mexico. It certainly has not, because there has been no law under which it would be required to pay a surtax, and it is not proposed now to make it pay any surtax.

Mr. President, in order to reach these net incomes in the fairest possible way, my first proposal is that the shareholders of these corporations may make returns as partnerships. You will realize at once just what that means. If a small corporation is doing business in a modest way we do not want to penalize that concern, and if we permit those shareholders to make returns as members of a partnership we are putting them on exactly the same plane as the individual, whether doing business as an individual or through a partnership. That is an absolutely fair thing to do.

As to the other corporations, we have to raise the necessary amount of revenue. We hope to reach the evils to which I have referred, and therefore it is proposed that if they do not make returns as partnerships there shall be levied upon the net income a normal tax not of 14 per cent but of 9 per cent. Personally, I wish I might reduce that normal tax to a lower amount than 9 per cent, but the actuary says we will have to leave it at 9 per cent in order to raise the necessary amount of revenue. That will be an inequity as between the shareholders of corporations and individuals, because the individual pays a normal tax of only 6 per cent, but if he is a shareholder, even under the proposal which I submit, he will pay a normal tax of 9 per cent. But a normal tax of 9 per cent is much easier upon certain shareholders than the normal tax of 14 per cent, a difference, I believe, of about 36 per cent.

Mr. UNDERWOOD. Will the Senator allow me to ask him a question?

Mr. JONES of New Mexico. I will be delighted to yield.

Mr. UNDERWOOD. I am very much interested in the line of argument the Senator is making. I wanted to ask him if he does not think the 9 per cent at the place he applies it is too high?

Mr. JONES of New Mexico. I do, if I may say so.

Mr. UNDERWOOD. I would very much rather vote for a proposal which would make it even lower than 9 per cent.

Mr. JONES of New Mexico. If it could be done without a disarrangement of other parts of the bill, and thus affect the revenue, I should like to see it reduced to 6 per cent, just the same as the normal tax imposed upon individuals. But this 3 per cent additional may be considered in some wise as a franchise tax, or simply an addition in order to get the money.

Mr. GERRY. How much revenue does the Senator estimate the 9 per cent will yield to the Government?

Mr. JONES of New Mexico. The estimated net tax upon incomes next year is $7,800,000,000, and the 9 per cent is estimated to yield $702,000,000.

Let us see what is going to be the effect of this arrangement upon the stockholders: Of these concerns which in 1922 made complete reports of their business, as to cash dividends and taxable incomes undistributed, I find this statement, that, out of 48,875 concerns, 39,394 will pay less tax under the proposal which I make than under the proposal of the majority of the Finance Committee. But the other 9,581 would pay more, unless it happened to be some small corporation which would take advantage of the provisions to make returns as partnerships. In addition to that, these 29,688 other corporations, which had earnings of $1,197,000,000 and paid out in dividends only $249,000,000, would either have to pay out more cash dividends or else pay more taxes. But any corporation which pays out in cash dividends more than 30 per cent of its net

income will pay less under the proposal which I present than under that of the majority of the Finance Committee.

Mr. NORRIS. Mr. President——

Mr. JONES of New Mexico. I yield.

Mr. NORRIS. The Senator does not stop with that 9 per cent normal tax in his proposition, does he?

Mr. JONES of New Mexico. I am afraid I assumed too much, and that I did not state about the graduated taxes imposed upon the undistributed part.

First it is proposed to add to the taxable net income the interest received from Federal bonds which are not exempt from surtaxes. That is added to the taxable net income under existing law. We also add to that the incomes from other corporations, and those combined we have what is called the surtax income. Of that the corporation is permitted to retain 10 per cent without any further tax upon it or any surtax.

If they retain more than 10 per cent and not more than 11 per cent, then on the total undistributed income they pay one-fourth of 1 per cent, and increasing a fourth of 1 per cent by each percentage of the surtax income retained until you reach 30 per cent. At that point the surtax amounts to 5 per cent of the undistributed net income, and that net income has already paid 9 per cent normal tax, so at that point, by the system thus presented, the shareholder will pay precisely the rate which is proposed by the majority of the committee to be imposed upon all corporations.

Mr. GERRY. Can the Senator tell us how much the graduated tax would amount to if the corporation retained 50 per cent?

Mr. JONES of New Mexico. I may add further that between 30 and 40 per cent it is graduated at the rate of a half per cent for each additional percentage retained, and between 40 and 50 per cent there is a further graduation of 1 per cent for each percentage of surtax retained.

Mr. GERRY. What I wanted to know is the percentage on the total amount if a corporation retained 50 per cent of the surplus.

Mr. JONES of New Mexico. I may state that the graduation is intended to reach the same point of surtax as the surtax upon individual incomes, and that that point is reached where the corporation retains 60 per cent of its net income. At that point the corporation will be paying a surtax of 40 per cent.

Mr. UNDERWOOD. If it retained 50 per cent of its capitalization, answering the inquiry of the Senator from Rhode Island, the 50 per cent surtax and normal tax would amount to 29 per cent.

Mr. JONES of New Mexico. The figures are all given.

Mr. UNDERWOOD. That is the way I figure it in my head.

Mr. GERRY. I did not want to interrupt the Senator's argument.

Mr. JONES of New Mexico. I am very glad to have the information put into the RECORD at this point. I do not mind the interruption.

The graduations are made in such a way as to make calculations very simple indeed. Of course, you must determine the amount of surtax net income. You have to do that in any event, in order to know what your net income is, and on each percentage of net income retained there is a definite percentage imposed as a surtax. When you retain as much as 20 per cent the surtax is only 2½ per cent. When you reach 30 per cent retained, it is 5 per cent upon the incomes between 29 and 30 per cent. When you reach the 40 per cent retained, between 39 and 40 it amounts to 10 per cent, which, with a normal tax, would make 19 per cent. When you reach 50 per cent, from 49 to 50 per cent the surtax is 20 per cent, which would make a total of 29 per cent.

Mr. GERRY. In other words, on the total 50 per cent of income retained the tax would figure 29 per cent.

Mr. JONES of New Mexico. At that point.

Mr. GERRY. At that point. It would be 29 per cent at that bracket.

Mr. JONES of New Mexico. The Senator is quite right. All of these percentages are based upon that. They are percentages upon the total amount retained in the corporate treasury. These percentages must reach the same height as the surtax upon individual incomes, in order to remove the inducement which now exists for people having large incomes to organize corporations and evade the individual surtax.

Mr. SIMMONS. I understand the Senator as saying, then, that all corporations that do not retain more than 30 per cent of their net income undistributed will pay no greater tax than under the bill as proposed by the majority?

Mr. JONES of New Mexico. They will pay either no greater tax or less than under the majority proposal.

In addition to that, it is also provided that the corporation may issue interest-bearing certificates in lieu of making distributions in cash dividends, and not be subject to the surtax upon the corporation. Those interest-bearing certificates, of course, become income to the individual shareholder, and he pays his surtax upon them.

Mr. SIMMONS. But if the corporation has retained 30 per cent, it would then have to pay no greater tax than it would pay under the majority proposal. If it wants to escape the higher rate of tax, it can do that by distributing all in excess of 30 per cent?

Mr. JONES of New Mexico. By this system the corporation can control the amount of taxes which it pays beyond the normal tax of 9 per cent. It can itself fix the rate of tax which it will pay; and, of course, the board of directors will fix that according to all the circumstances of the business of the corporation.

I have undertaken to state the problem in as concise a way as seems to have been possible, and I shall very gladly respond to any inquiries regarding it.

Mr. SIMMONS. Did I understand the Senator to say early in his argument that the total incomes of corporations that had not been distributed and which therefore had never paid any surtax would amount to about $20,000,000,000?

Mr. JONES of New Mexico. For the seven years from 1916 to 1922, inclusive, it amounted to over $27,000,000,000.

Mr. SIMMONS. All of which has escaped the payment of a surtax?

Mr. JONES of New Mexico. All of which has escaped any surtaxes.

Mr. SIMMONS. Has the Senator any data from which he could determine what percentage that $27,000,000,000 was of the incomes of those corporations?

Mr. JONES of New Mexico. The total amount of the income subject to distribution in dividends was over $45,000,000,000. They paid out in dividends something over $18,000,000,000 and held back over $27,000,000,000 undistributed, so that the eighteen which they paid in cash dividends is just about two-thirds of that which they retained undistributed and without being subject to any surtax.

Mr. SIMMONS. They have retained, though, practically 66⅔ per cent of their earnings.

Mr. JONES of New Mexico. It was just the other way. They retained three-fifths of it and distributed two-fifths.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). Does the Senator from New Mexico yield to the Senator from Georgia?

Mr. JONES of New Mexico. I yield.

Mr. GEORGE. I wish to make an inquiry of the Senator to see if I quite understand the situation. If 30 per cent of the net income is retained, then I understand that the undistributed 30 per cent is taxed 5 per cent?

Mr. JONES of New Mexico. Yes.

Mr. GEORGE. And, of course, the whole net income is taxed 9 per cent?

Mr. JONES of New Mexico. Yes.

Mr. GEORGE. So under the Senator's amendment, even where 30 per cent of the net income is retained, the tax is not as high as the 14 per cent tax, because we would have 9 per cent on the whole and 5 per cent only on 30 per cent. Is not that correct?

Mr. JONES of New Mexico. But added together that would make the 14 per cent just at that point.

Mr. GEORGE. But the 5 per cent is on only the undistributed income retained.

Mr. JONES of New Mexico. Yes; it is only upon that part that is undistributed.

Mr. GEORGE. Only upon 30 per cent of the net income.

Mr. JONES of New Mexico. That is all. It is not 5 per cent of whole income. I am glad the Senator raised the point so I may make it clear.

Mr. GEORGE. That was my understanding of the proposition.

Mr. JONES of New Mexico. The normal tax of 9 per cent is applied to the whole net income, but the surtax is only paid upon that part of the income which is retained in the corporation and not distributed.

Mr. ADAMS. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Colorado.

Mr. ADAMS. I was discussing the matter with the Senator from Montana a moment ago, and our practical problem was this: A corporation having earnings of $3,000 would pay, of course, 9 per cent on that as the normal tax. Suppose the corporation, by reason of its business necessities, should feel compelled to keep the whole $3,000 and add it to its capital, assum-

ing it was a $10,000 bank in a wheat country and had reached the place where it needed the accumulated earnings. What would it pay under the Senator's provision by way of a surtax upon the $3,000 of earnings if it retained it all?

Mr. JONES of New Mexico. In the first place, under the bill $2,000 would be exempt from any tax. The other $1,000 could be retained by the corporation if the stock owners were willing to make a return as a partnership.

Mr. ADAMS. I am assuming that one stockholder in the high bracket would be unwilling to consent to it.

Mr. JONES of New Mexico. I may say that that might be attributed to the misfortune of the people who got in bad company, but that does not answer the Senator's point at all. They could retain 30 per cent of that in the corporation and pay no tax more than the rate of 14 per cent.

Mr. NORRIS. I hope the Senator will speak a little louder. I want to hear his explanation.

Mr. JONES of New Mexico. Under the bill as reported by the Finance Committee they would have to pay $140 on the $1,000. That would be the tax paid. Under the proposal which I make they can make the return as a partnership or they can issue interest-bearing certificates for it to the stockholders, whether the one obstreperous stockholder wanted to do so or not, and retain the whole $1,000 in the business; or they could as I said, distribute it in dividends up to the point of 30 per cent, retain $300 of the $1,000 in the corporation without the payment of any more tax, and distribute the other $700.

Mr. ADAMS. My question is: What would they have to pay if they decided to keep the whole $3,000?

Mr. JONES of New Mexico. Of course it would be out of all proportion to the transaction, and they would not do it.

Mr. ADAMS. I am really asking to know what would be the actual amount it would result in their paying.

Mr. JONES of New Mexico. They would have to pay 40 per cent surtax on it.

Mr. ADAMS. That is, the surtax is based not on amount but on per cent?

Mr. JONES of New Mexico. It is based on per cent of the income retained, and it is the only possible way that I know of to levy surtaxes that will at all meet the situation.

Mr. GERRY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Rhode Island?

Mr. JONES of New Mexico. I yield.

Mr. GERRY. As I understand the amendment proposed by the Senator, they would pay 14 per cent if they retained not more than 30 per cent of their surplus?

Mr. JONES of New Mexico. That is correct.

Mr. GERRY. And 29 per cent if they retained not more than 50 per cent of their surplus?

Mr. JONES of New Mexico. That is right.

Mr. GERRY. But that tax is only on the amount of the surplus of that year and does not touch the surplus that has accumulated in the past. I am sure the Senator has made that clear, but I was not here when he began his explanation.

Mr. JONES of New Mexico. I do not think I referred to that point, and I am glad the Senator suggested it, so we may emphasize it. The whole scheme has no reference whatever to any part of the earnings of the corporation except the current earnings for the year. They may have had the $36,500,000 of accumulated surplus, but this has no reference to that. It has no reference to the $2,000,000 corporation which has now become worth $500,000,000, but simply applies to its future operations.

Mr. CARAWAY. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Arkansas.

Mr. CARAWAY. I am sure the Senator has discussed it or it has no application, but under the Senator's amendment there will be no possibility of having stock dividends and escaping taxes, will there?

Mr. JONES of New Mexico. There would be no inducement for it.

Mr. CARAWAY. There would be no way to escape the tax?

Mr. JONES of New Mexico. No.

Mr. CARAWAY. In other words, the $2,000,000 corporation the Senator spoke of, that has become worth $500,000,000, could not distribute their undistributed earnings of millions and escape tax under the stock dividend plan?

Mr. JONES of New Mexico. The plan relates only to the current annual net income.

Mr. CARAWAY. I am sure I do not make myself clear. A favorite way of escaping taxes was to issue stock dividends.

Mr. JONES of New Mexico. Yes.

Mr. CARAWAY. Now, if the corporation has a capital stock of $2,000,000 and by reason of the fact of accumulated undistributed earnings it is now worth $500,000,000, under the Senator's amendment could they distribute as stock dividends the amount they have in their earnings as surplus?

Mr. JONES of New Mexico. Yes.

Mr. CARAWAY. And escape taxation?

Mr. JONES of New Mexico. The certificates of stock representing the previously accumulated surplus would simply represent that surplus, and there is nothing in my proposal which would prevent their doing it.

Mr. CARAWAY. They could still pay stock dividends?

Mr. JONES of New Mexico. They could still pay stock dividends and evade the tax upon previously accumulated surplus, but it is a step toward reaching that situation in the future, and the plan is proposed on that theory.

Mr. CARAWAY. What is the reason for permitting a continuation of an evil that was so obvious in the past, so that instead of distributing their earnings in the way of a dividend they distributed them in the way of stock dividends and escaped the tax? What is the reason why we should not reach that situation? In other words, if a man pays himself a stock dividend, why not treat it as a dividend and tax him? I am just asking for the theory.

Mr. JONES of New Mexico. The Senator perhaps has overlooked the decision of the Supreme Court, which held that it would be unconstitutional to tax the stock dividends. The reason for it is this: If a corporation has so much of value in its assets, it makes no difference to the shareholders whether it is represented by 1 certificate of stock or 10 certificates of stock. The additional piece of paper is of no special value in itself.

Mr. CARAWAY. The only difference is that he could distribute his whole estate in that way and escape taxation and get it into the hands of the other fellow.

Mr. JONES of New Mexico. Yes; he would have that advantage.

Mr. CARAWAY. That is obviously as good a way as to pay the cash, because if he managed to distribute the stock, he would sell the value of the corporation. In the case the Senator mentioned he could sell three-fifths of the valuation of the corporations and pay nothing on it, and the man who received it would pay nothing. In the case the Senator mentioned of the million-dollar stock corporation that became worth $3,000,000 or $5,000,000 he could distribute $3,000,000 of it. The other people would not owe anything and he would not owe anything as taxes on that distribution.

Mr. JONES of New Mexico. The purpose of the amendment is to make the corporation pay taxes upon that somewhat in proportion to what individuals would pay on it, and then it makes no difference so far as the Federal Treasury is concerned whether he issues stock dividends or not. That would not affect the proposition.

Mr. CARAWAY. Evidently I do not make myself clear or else I do not follow the Senator.

Mr. NORRIS. Mr. President, I am interested in the question of the Senator from Arkansas, and I am not at all sure of the reply the Senator from New Mexico made. I think the Senator from New Mexico does not understand the Senator from Arkansas, or else I am unable to understand the Senator from New Mexico.

Mr. JONES of New Mexico. It is possible that I have not made myself clear.

Mr. NORRIS. The Senator said that one way the corporations have of evading the payment of taxes is by the issuance of stock dividends. Laying aside all past accumulations and just taking the particular income for one year, and assuming the Senator's amendment becomes the law, would they be able to do it?

Mr. JONES of New Mexico. They would be able to do it if they paid the taxes on the accumulated income annually.

Mr. NORRIS. I do not think the Senator understands. I am not referring to what the Senator from Arkansas referred to. He referred to accumulation of the past years. Suppose the Senator and myself owned a corporation and the amendment which he has proposed were on the statute books as the law. We come to pay our tax. Could we avoid paying this year's tax by issuing a stock dividend to ourselves?

Mr. JONES of New Mexico. Oh, not at all.

Mr. NORRIS. That is what I thought.

Mr. JONES of New Mexico. Not at all. The Senator is quite right about that and I am sorry I did not better understand the Senator from Arkansas.

Mr. CARAWAY. I thank the Senator. I have obtained the information I wanted.

Mr. BROOKHART. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Iowa.

Mr. BROOKHART. The Senator's proposal does not reach the accumulations that have avoided taxes by stock dividends in the past, as I understand.

Mr. JONES of New Mexico. It does not.

Mr. BROOKHART. Is there any way to reach them?

Mr. JONES of New Mexico. There is no way by which it can be done that I know of.

Mr. BROOKHART. Is that prohibited under the constitutional provision?

Mr. JONES of New Mexico. It would be a retroactive proposal. I am not sure just how far the court would permit us to go back and levy other taxes upon incomes upon which taxes have already been paid under the law existing at the time the incomes accrued. I doubt if we could do it, because the incomes which have been retained as surplus and added to capital in the past since 1913, more than 10 years, have been taxed once under the law. Of course we may have our own opinions as to whether they have been adequately or properly taxed, but nevertheless they have paid such taxes as the law imposed at the time.

Mr. BROOKHART. The retroactive proposition of the Constitution does not apply to the future, but it is simply a matter of the past.

Mr. JONES of New Mexico. The Senator may be right about that. At the same time I should hesitate a good while before I would feel like taxing again incomes which had been taxed once and retained in the corporation undistributed.

Mr. BROOKHART. I think there has been no more unjust scheme of tax dodging in the world than the stock-dividend scheme.

Mr. JONES of New Mexico. I agree with the Senator. I do not think it is so much in the issuance of stock dividends as it is in retaining the income in the corporation and evading the just tax which would be paid if it had been distributed. Of course the stockholder finally gets the evidence of his ownership of the undistributed income through the new shares of stock which are issued to him. I say that the system adopted in the past is just as vicious as can be. I believe that every dollar of income in the country should pay a tax according to the same rate as every other dollar falling in the same class, and that has not been done in the past. That is the thing against which I inveigh. That is the reason why I have devoted so much time to the study of the problem and now have the privilege of presenting it to the Senate.

Mr. GERRY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Rhode Island?

Mr. JONES of New Mexico. I yield.

Mr. GERRY. Is it not true, in answer to the question of the Senator from Arkansas, that if the owner of the stock dividend sold that stock and realized from it he would then have to pay a 12½ per cent tax? He would have to pay the regular rate then, would he not?

Mr. JONES of New Mexico. The stock-dividend proposition is rather peculiar in its workings. Stock paid as a dividend is not considered as income in the hands of the original stockholder until he sells it. He has two shares of stock instead of one; but his two shares of stock represent the same interest in the corporation as did the one share. When he gets his two shares, if he sells one of them it is just the same as if he had sold half of the original share which he had, and if he made a profit on it in the meantime he would have to account for the profit.

Mr. CARAWAY. A stock dividend, as a whole, is all profit.

Mr. JONES of New Mexico. I may not have made myself clear to the Senator from Arkansas, and I am very anxious to do so. I do not think that a stock dividend has any actual value. I think if a man has one share of stock in a corporation, and a stock dividend of 100 per cent is declared, the stockholder will then have two shares of stock instead of one, but it will represent precisely the same interest in the corporation as the one share represented.

Mr. CARAWAY. There never was a question about that; but the question is this: If the stockholder starts out, we will say, with 10 per cent of the stock of a $2,000,000 corporation, he has $200,000 worth of property. If the corporation accumulates undistributed earnings until the corporation is worth $5,000,000, then he has an interest worth two and a half times as much as he started with. If he pays himself then with a stock dividend and parts with the value of it, he still has $2,000,000 worth left, and he has sold his interest in the $3,000,000.

Mr. JONES of New Mexico. The Senator from Arkansas is quite right about that, and I now get his thought. In such a case the share that the stockholder sold would be considered as value pertaining to his original purchase, and he would be taxed upon the profit he made in the sale of that individual additional share.

Mr. CARAWAY. That would be all profit.

Mr. JONES of New Mexico. I think it would be.

Mr. CARAWAY. His share is worth as much as it was when he started, and when he sold his stock dividend every penny of it would represent profit.

Mr. JONES of New Mexico. In the case mentioned by the Senator from Arkansas it would operate in just the way he has stated it would; the stockholder would have sold in the one share a portion of his assets, but would still have as much value in assets as he before had. Therefore the proceeds from the sale of one share would all be considered as profit, and would be taxed as such.

Mr. GERRY. And he would have to pay the regular rate of tax on his income according to the bracket in which it fell.

Mr. JONES of New Mexico. He would have to pay the rate of tax prescribed for gains from investments as a capital gain if he had held it for over two years, and his actual profit if he had held it for less than two years.

Mr. KING. Mr. President, I understood the Senator to state that the undistributed profits for the year 1922—and possibly that would extend over to June, 1923, covering the fiscal year 1922—amounted to $27,000,000,000. My recollection is that it is $19,000,000,000 plus; and I wanted to be sure whether I correctly understood the Senator that the undistributed profits for the year 1922 amounted to $27,000,000,000. My recollection is that they amounted only to $19,000,000,000 plus.

Mr. JONES of New Mexico. The Senator has in mind another report entirely. The $27,000,000,000 represents——

Mr. KING. I heard the Senator say that as I came in a few moments ago.

Mr. JONES of New Mexico. I may have used a wrong expression, but what I intended to say was that for the seven years from 1916 to 1922, inclusive, the total undistributed earnings were over $27,000,000,000.

Mr. KING. The Senator is correct; and I did not know the antecedent subject to which he referred.

Mr. JONES of New Mexico. Mr. President, I do not care to anticipate——

Mr. SIMMONS. If the Senator will pardon me, the $27,000,000,000 of undistributed earnings are not covered by any stock dividends.

Mr. JONES of New Mexico. They were simply retained earnings, a surplus, during six years, and no tax was paid on them except the same tax that was paid on the distributed part of the earnings.

Mr. SIMMONS. And they do not represent any stock tax at all?

Mr. JONES of New Mexico. Not at all.

Mr. KING. I think, if I may be permitted to interrupt, that some of those corporations which are included within the number of those with undistributed earnings of $27,000,000,000 have since that period doubtless been using those undistributed profits as a basis for their issues of stock dividends.

Mr. SIMMONS. The minute they issue the stock dividends it amounts to a legal distribution, does it not?

Mr. JONES of New Mexico. No; I think the Senator is in error about that. At any rate, there is no such distribution of dividends as can be taxed.

Mr. SIMMONS. That is what I meant.

Mr. JONES of New Mexico. Mr. President, I do not care to anticipate the Senator from Utah [Mr. SMOOT] in his reply, but I shall desire to make some observations in response to what he may say. The only argument against this proposal that I have ever heard which carries with it any force is that involved in the illustration presented by the Senator from Colorado [Mr. ADAMS] a while ago, that situation may arise where corporations would like to retain all of their net income in the business. In such cases, in some circumstances, there will probably be involved something of a hardship; but what I ask is that in considering that question we put on the other side of the scale the enormities to which I have referred under the system proposed by the majority, which will weigh against it.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

Mr. JONES of New Mexico. I yield.

Mr. ROBINSON. What is the difference in the aggregate amount of revenue which will be derived from the corporation tax under the provision of the bill and under the amendment which the Senator from New Mexico proposes?

Mr. JONES of New Mexico. The actuary fixes the amount of the normal tax at 9 per cent, because at that point this proposal would produce the same amount of revenue substantially as the majority wish to derive from corporations. So it is not intended to affect the revenues of the Government one way or the other.

Mr. ROBINSON. So that it merely becomes an issue as to which is the fairest and most equitable plan, considered as a whole?

Mr. JONES of New Mexico. Precisely; that is the question before the Senate.

Mr. KING. Mr. President, before the Senator takes his seat, will he permit me to call attention to a statement made by Doctor Adams, whom we regard with considerable respect?

Mr. JONES of New Mexico. Certainly.

Mr. KING. In discussing the question of Federal income taxation he adverts to the subject which the Senator has been considering, and, speaking of the evil of the accumulation of large undistributed profits, he points out some of the solutions that may be suggested, among them:

4. Various forms of graduated taxes on undistributed profits, the rates progressing in some plans in accordance with the ratio of the undistributed profits to the total income, and in other plans with the amount of undistributed profit and its relation to the invested capital of the corporation.

He recognizes the fact that there is an evil in corporations withholding from distribution—and, of course, if they did make distribution it would be subject to the surtax—enormous earnings as a result of which great accumulations are held in the treasury, and he suggests that one of the ways to reach that evil is by a graduated tax upon undistributed profits.

Mr. JONES of New Mexico. I am very glad to know that Doctor Adams recognizes that, and I may say that it has been recognized in other authoritative sources. In the early part of the war the National Association of Credit Men entered upon an exhaustive study of taxation with respect to taxes upon net incomes. That association of credit men continued to work on the problem, until finally in 1921 they made a report, which specifically indorses a graduated tax upon undistributed net earnings of corporations and suggests that the graduation should in some fashion operate in a similar way to the surtax imposed upon individual net incomes, or, in other words, precisely the plan presented by me here to-day was indorsed in principle by the National Credit Men's Association. I wish to read the foreword of the little booklet which was sent to me by them in 1921. It is as follows:

FOREWORD

Organized soon after the passage of the first excess profits tax law in October, 1917, the committee on Federal taxation of the National Association of Credit Men has continued without change in personnel.

In its brief filed on June 28, 1918, with the Ways and Means Committee of the House of Representatives (then holding hearings on the revenue act of 1918) and in a hearing before the Finance Committee of the United States Senate on September 12, 1918, the repeal of the 1917 excess profits tax law was urged. Objections to the excess-profits tax provisions of the revenue act of 1918 were also urged in a brief filed with the conference committee of the House and Senate in January, 1919. In August, 1919, in a "statement of position" embodying the principles set forth in resolutions adopted by the association at its annual convention at Detroit in June, 1919, the immediate repeal of the excess-profits tax law was demanded, and it was recommended that the revenue to be raised from income taxes be obtained from a tax on the income of the individual.

Appreciating the necessity of establishing a plan of taxation which would equitably distribute the burden of the tax on the earnings of industry, the conventions at Chicago and Detroit in 1918 and 1919 had instructed the committee to continue its work. Carrying out these instructions the committee issued in January, 1920, a "Message on Federal taxation," setting forth the principles of the undistributed earnings tax.

This booklet, together with another issued in March, 1920, entitled "Income taxation," which developed this principle more clearly and more in detail, was submitted to the entire membership of the National Association of Credit Men—33,000 manufacturers, wholesalers, banks, and financial institutions. At the annual convention in Atlantic City in June, 1920, at which were present delegates from all parts of the country, the recommendations of the committee were discussed at length and approved. Since that time there has been much study and discussion of the subject, and, in addition to restating the principles of this tax, the committee now sets forth the reasons for the disapproval of a general sales tax—a resolution condemning a general sales tax as a method of raising governmental revenue having been passed by the 1920 convention.

The article then in a very scientific and logical way proceeds to discuss the operation of the excess-profits tax and argues for a repeal of that tax and the substitution for it of this tax upon undistributed net earnings. It also contains an argument against a sales tax and recommends a graduated tax approaching the surtax imposed upon individual net incomes upon the undistributed profits of corporations, in lieu of the excess-profits tax or a sales tax. This document was printed in the RECORD in 1921 at the conclusion of a speech which I made on October 27 of that year.

Mr. SMOOT obtained the floor.

Mr. McLEAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Edge	McKinley	Simmons
Ashurst	Ferris	McLean	Smith
Ball	Fess	McNary	Smoot
Bayard	Fletcher	Neely	Stanfield
Brandegee	Frazier	Norbeck	Stephens
Brookhart	George	Norris	Sterling
Broussard	Gerry	Oddie	Swanson
Bruce	Glass	Overman	Trammell
Bursum	Harris	Pepper	Underwood
Cameron	Harrison	Phipps	Wadsworth
Capper	Johnson, Minn.	Pittman	Walsh, Mass.
Caraway	Jones, N. Mex.	Ralston	Walsh, Mont.
Colt	Jones, Wash.	Ransdell	Warren
Copeland	Kendrick	Reed, Mo.	Watson
Cummins	Keyes	Reed, Pa.	Wheeler
Curtis	King	Robinson	Willis
Dale	Ladd	Sheppard	
Dial	Lodge	Shields	
Dill	McKellar	Shortridge	

The PRESIDING OFFICER. Seventy-three Senators have answered to the roll call. There is a quorum present.

Mr. SMOOT. Mr. President, the pending amendment, offered by the Senator from New Mexico [Mr. JONES], presents a very important question for this body to solve. The Senator says that it is a simple plan. I want to say that it is a very complicated plan. I know of no country in the world that has ever accepted it, and if it is ever enacted into law I am quite sure that nothing but trouble will follow.

On May 2 the Senator from New Mexico [Mr. JONES] introduced an amendment to the revenue bill in the nature of a complete substitute for the provisions of the bill which provide for a tax upon the income of corporations. This amendment would levy a flat tax of 9 per cent upon all of the income of corporations and an additional tax ranging from one-fourth of 1 per cent to 40 per cent upon the undistributed profits of the corporation. It provides, in addition, that the income subject to this undistributed-profits tax shall include both the dividends received by the corporation on the stock owned by it and the interest received by the corporation on all Federal securities except those wholly exempt from taxation.

Before considering the disastrous effects which would result from the adoption of such a proposal the necessity or reasons for such a tax should be examined.

It is usually argued, in support of a proposal for an undistributed-profits tax, that such a tax is necessary in order to prevent the use of corporate form and the retention of earnings by corporations to avoid the imposition of the surtaxes upon the stockholders.

With reference to the family corporation, the holding corporation, and other similar corporations designed or used to prevent the imposition of tax upon the stockholders, an adequate penalty is provided for in section 220 of the pending bill, which imposes a penalty upon such corporations of 50 per cent of their earnings, including the dividends received upon stock of other corporations.

With reference to the operating companies, those engaged in productive business, there appears to be no support for the argument that these corporations are retaining their earnings to prevent the imposition of the surtaxes upon the stockholders.

For the years from 1910 to 1916, the years prior to the imposition of the high surtax rates, dividends, according to figures prepared by the National Bureau of Economic Research, averaged 53½ per cent of the profits available for distribution. From 1917 to 1922, the years in which the high surtaxes were in effect, complete figures are not available; but in the case of the 141 largest industrial corporations in the United States dividends averaged 65 per cent of the profits available for distribution; and for the year 1922, according to data furnished by the Secretary of the Treasury and published in Senate Document No. 85, the cash dividends of all corporations constituted more than 53 per cent of the profits available for distribution.

These figures show clearly that the supposed necessity for the adoption of an undistributed-profits tax does not exist, and that the industrial companies, the ones which would be most seriously crippled by such a tax, are not guilty of the acts which the tax is designed to penalize.

This was brought out very strikingly by the question that was asked by the Senator from Colorado [Mr. ADAMS] of the Senator from New Mexico; and let me pause here to say that if this plan is put into operation, the small corporations of this country, struggling to advance their business and build up and increase their activities, will receive a death blow.

The Senator complains of the charge of 1½ per cent on capital stock and adding to it the tax upon net earnings of the corporation. The figures from the corporation cited by the Senator showed that the corporation had only $10,000 capital, and was making $20,000 profit. I stated that under the plan proposed a larger tax would be imposed upon such corporations. Is there anyone who is any more able to pay it than they?

Mr. RALSTON. Mr. President, just what does the Senator mean when he refers to small corporations?

Mr. SMOOT. I would say a corporation with a capital of $100,000 or less. Speaking generally, a corporation with a capital of $200,000 to-day is considered a small corporation.

Mr. GLASS. If I may ask, has the Senator any trustworthy statistics which would show how many corporations of that description retain more than 30 per cent of their net profits currently, from year to year passing more than that amount to surplus account?

Mr. SMOOT. The only information I have is the average amount of dividends distributed, as I have already stated.

Mr. GLASS. It is very important to know just how many corporations would be affected by a proposition of that sort. The Senator says it would be disastrous. How does he know it would be disastrous if he does not know how many corporations it would affect?

Mr. SMOOT. I will say to the Senator that from reports made public by the larger corporations of this country we know the percentage of their earnings.

Mr. GLASS. But the Senator says that it will not affect these larger corporations at all, because they distribute their net earnings. That being so, they are not interested in it. What the Senator denominates as the "smaller corporations" are interested in it; and it is very desirable, therefore, to know just how many of them would be affected by it.

Mr. SMOOT. I will say to the Senator that more than a majority of the small corporations in this country would be affected by it. In 1918, when the question as to the tax to be imposed upon capital stock and also upon the net earnings was raised, the Treasury Department stated without hesitation that it would affect more of the smaller corporations than of the larger corporations.

Mr. GLASS. Did they give any statistics to verify that conjecture?

Mr. SMOOT. I have not any before me at this time. I do know that the large corporations pay the larger part of the dividends paid in the United States. Everyone knows that. They pay dividends into the hundreds of millions. Of course, there are very many more small corporations, and they pay but a small proportion of the dividends paid in the United States.

Mr. GLASS. I should be very much surprised to find that a very great proportion of the small corporations, meaning corporations with a capital of a hundred thousand dollars or less, retain currently more than 30 per cent of their net earnings in their surplus account.

Mr. SMOOT. I think many of them do. One reason why we are having so many failures, particularly in the West, is the very fact that all of their earnings have been paid out in dividends. Personally, I think every corporation, no matter what kind of a corporation it is, should keep a certain percentage of its earnings every year. They ought to do it whether they want to increase or not, because of the fact that no one knows when reverses may come. Bad times reach us unexpectedly, and the corporation or the business man who fails is generally the one who does not keep a reserve in order to strengthen his business and his financial standing.

Mr. GLASS. I quite agree with that, but here is a percentage amounting to almost one-third of the net earnings of the corporation, and it may be cumulative without taxation. It just means a tax upon corporations which retain not more than 30 per cent each year.

Mr. SMOOT. I will reach that further on, and give the Senator all the statistics I have been able to collect.

Mr. SIMMONS. Let me understand the Senator. Do I understand the Senator to say that the small corporations are distributing a smaller percentage of their earnings than the larger corporations?

Mr. SMOOT. I have no doubt about it; none whatever. But I will reach that later in my remarks.

Mr. NORRIS. Before the Senator goes further, I would like to inquire if the Senator's position is that a corporation ought to be allowed to retain as much of its income as it wants to, not pay it out in dividends, and not pay a tax on that income?

Mr. SMOOT. They pay the normal tax.

Mr. NORRIS. I understand they pay the normal tax, but why should a corporation be able to escape what is conceded by everybody the individual has to meet? If the individual makes more than that upon which he has to pay the normal tax, his tax goes up according to the surtax rate. Why does not the same doctrine apply to a corporation?

Mr. SMOOT. We specifically provide that where their earnings are held to evade taxation, they shall be penalized.

Mr. NORRIS. I understand; but does that really mean anything?

Mr. SMOOT. It certainly will mean something if it is enforced.

Mr. NORRIS. Suppose the corporation does not distribute the earnings; they would be doing what the Senator says they ought to do, and what other Senators say they ought to do, and what I do not object to. Let them keep it. Probably that is good business. So they are trying to avoid no law, that is good business. But the fact remains that they have made this money and paid no tax on it, when, if an individual made the money, he would be paying taxes up as high as 40 per cent, under this bill.

Mr. SMOOT. The Senator must remember that not only is the corporation taxed 12½ per cent, but as soon as the profits are distributed, then every stockholder is taxed upon the earnings so distributed.

Mr. NORRIS. That is fair, and I would not want to interfere with that. If the earnings are distributed to the stockholder, let him pay a tax on them. That is all right. But we are trying to reach the case where the earnings are not distributed, and it is generally understood by all of us that that is a great big loophole in the law which we want to shut up if we can.

Mr. SMOOT. I think we have accomplished that by this bill, so that it will be closed.

Mr. NORRIS. I would like to have that in the law, anyway.

Mr. GLASS. If I may interrupt a moment, the Senator at once perceives the difference between the administrative provisions of the law and the automatic operation of the law. Before the Government can get at the man who organizes a fictitious corporation or a corporation formed for the purpose of escaping taxes the Government has to institute some process to determine that matter.

Mr. SMOOT. Certainly.

Mr. GLASS. It has to prove the thing, which is very difficult to do when the corporation employs adept attorneys to conceal the facts. But in this other matter it is automatic; it proves itself.

Mr. SMOOT. In the act itself we create a presumption that that is what it is for.

Mr. GLASS. But you have to establish the presumption.

Mr. SMOOT. Of course; there is no doubt about that.

Mr. GERRY. Can the Senator tell me how many cases there have been where the authorities have been able to establish the presumption?

Mr. SMOOT. Everybody admits that the provision in the law of 1918 and in the law of 1921 is defective. The Treasury Department admits it, and therefore we have made this change. That matter has been corrected in this bill and will be corrected in the law, if this ever becomes a law.

Mr. GERRY. The Senator thinks it has been corrected?

Mr. SMOOT. Not only do I think so, but the officials who administer the law think so.

Mr. GERRY. But, of course, we have not had any opportunity to try it out.

Mr. SMOOT. We certainly have not had any opportunity to try out the proposition of the Senator from New Mexico.

The harmful effect of such a tax upon the business development of the country can not be exaggerated. It should be noted that the tax is one-fourth of 1 per cent of all of the undistributed profits of the corporation if the corporation retains between 10 and 11 per cent of its earnings; if it retains 30 per cent of its earnings, the tax upon its entire undistributed profits is 5 per

cent; if it retains 50 per cent of its earnings, the tax is 20 per cent of its entire undistributed profits; and if it retains 40 per cent of its earnings, the tax is 40 per cent of its entire undistributed profits.

That such a high rate of tax upon the undistributed profits of corporations would force distribution of all the earnings and profits available for distribution is obvious and it is conclusively shown by the estimated revenue yield of the proposal submitted by its author, Senator JONES.

Mr. REED of Missouri. May I interrupt the Senator just to ask a question?

Mr. SMOOT. I will be glad to answer any question after I complete my remarks, but interjecting questions breaks up the explanation to such an extent that nobody can get the effect of what I want to say.

Mr. REED of Missouri. I will withhold the question.

Mr. SMOOT. The estimates of the effect of the plan upon the revenues are that the undistributed-profits tax would itself raise only $6,000,000 a year, but that it would increase the yield of the surtaxes by $300,000,000. That is the estimate furnished not only to the Senator from New Mexico by the actuary, Mr. McCoy, but to myself as well.

In other words, the estimates submitted show that it would force the distribution by corporations of $3,000,000,000 which otherwise would be retained in the business and would interfere to this extent with the business expansion and development of the country through corporate business.

Sound business policy demands that the industrial concerns retain in the business a large part of their earnings in order to take care of future expansion and at the same time protect the corporation against future losses. Can any corporation engage in new enterprises, expand or enlarge its activities, or even take necessary precautions against possible reverses of the future if for such action it is to be subjected to a penalty of 40 per cent? If the proposal is adopted, the business development through corporations must cease.

The purpose of the amendment is by penalty to compel the distribution of practically all of each year's profits, irrespective of what may be sound policy for the future.

Mr. GLASS. The Senator would not say "all." He would not say a retention of 30 per cent of the net revenues of a corporation is penalizing all of it. The Senator understands that to me this is a unique proposition, and I think it is to all of us, and I want to get the truth of it. I do not want to rely upon the assumptions even of the proponents or the opponents of the proposition. It certainly is not accurate to say that you are penalizing all of the income of a corporation when we do not do that.

Mr. SMOOT. The Senator knows that when men have sufficient credit so that they can go and borrow money at 6 per cent, they are going to borrow that money and pay the interest on it rather than be penalized under the provisions of this amendment. That is where the difficulty comes.

Mr. NORRIS. If the Senator will permit me, I think the Senator from Virginia had reference to something the Senator has not referred to in his reply. The Senator from Utah is referring to taking all of the reserves. The Senator from Virginia is calling attention to the fact that if you take 30 per cent of it, there would be a lot of it left, and you would not take it all.

Mr. SMOOT. No; you would not take it all, but the question is this, as to whether they would go and borrow the money and keep that in the company; and whichever is cheapest they would do.

Mr. NORRIS. To me the Senator has not made plain what follows. Like the Senator from Virginia, I am seeking to get a remedy for what seems to me to be a loophole by which people escape taxation, and I want to have it closed up, if we can do it. It may be necessary for the corporation to keep its money, and perhaps it ought to keep it in its business. I can take the speech he is reading and strike out "corporation" and insert "person," and if the argument is good, it will be a sufficient reason why we can not levy any surtax against any individual's income.

Mr. SMOOT. A corporation is quite different from an individual. The corporation pays a flat tax and the individual who receives the dividends pays where it is distributed.

Mr. NORRIS. But there is no dividend. That is all right where the dividend is distributed, but here we are trying to reach the case where there is no dividend. The Senator can not get away from it in that way. We are trying to levy an income tax. We go to the individual for it. He may invest it in his business and have to borrow money to pay the taxes, or he may be bankrupt when the time comes and unable to pay them. That is no defense to the Government. But here is a corporation, and the Senator says we should let them keep the money because they may need it in their business. If that argument is good, we must not assess any tax against the individual.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. SMOOT. In just a moment.

Mr. SMITH. In order to understand the argument the Senator is making I want to ask the question.

Mr. SMOOT. In just a moment I will yield to the Senator. It is not a question of evading taxes. What they want is to keep the capital. If they pay the tax of 14 per cent for the corporation, that goes to everybody, no matter whether the small stockholder or the large stockholder, as the Senator from New Mexico said. But we will see what it means by way of discrimination before I get through.

Mr. EDGE. How can we ever have any expansion or extension of any business enterprise of any kind if all the profit at the end of a year, when the trial balance is struck, is paid out in dividends in order to escape a 30 or 40 per cent surtax?

Mr. NORRIS. But the amendment does not undertake to levy any higher tax on the corporation than it does on the individual. That is what I maintain.

Mr. SMITH. What I want to ask the Senator is this: We have graduated taxes under the Jones proposition up to 30 per cent.

Mr. SMOOT. Oh, higher than that.

Mr. SMITH. No; I mean that when we get up to 30 per cent there is a reserve of 30 per cent and a tax that is not as great as the Senator's proposed tax on the corporation.

Mr. SMOOT. It is just the same.

Mr. SMITH. It is just the same no matter what the earnings are. From there on he proposes that there shall be a distribution, but that leaves the corporation in as good condition except for distribution, perhaps a better one, than the proposition the Senator from Utah makes, because under his proposed amendment they pay a flat 14 per cent.

Mr. SMOOT. If they get that, they have to distribute or else pay the 5 per cent.

Mr. SMITH. But up to 30 per cent under the Jones proposition——

Mr. SMOOT. They can save 5 per cent by distributing, and that is what they will all do, and you force them to do it.

Mr. SMITH. The Senator maintains that they ought to be allowed a reserve. They can be allowed a reserve of 30 per cent and only pay 6 per cent on the 30 per cent, and above that we insist that it should be distributed. The Senator lays 40 per cent regardless of what they make, with no distribution.

Mr. SMOOT. The only trouble is that they are going to distribute. They are not going to be penalized 5 per cent. That will be the effect of it. It gives that escape and that is what they will do.

Mr. NORRIS. Suppose they do distribute it, the individual pays the tax on it. That would be fair.

Mr. BAYARD. Mr. President——

Mr. SMOOT. I will yield in just a moment. I think the Senator from New Mexico has the estimate of Mr. McCoy, and his estimate shows that very thing. The Senator from New Mexico will admit that Mr. McCoy's estimate shows that the undistributed tax will only raise $6,000,000. That is what his estimate is and that is what the Senator will find, that under his amendment it will only raise $6,000,000.

Mr. JONES of New Mexico. Oh, Mr. President——

Mr. SMOOT. But it will increase the surtax up to $30,000,000, as I have said.

Mr. JONES of New Mexico. The Senator is very much in error.

Mr. SMOOT. I have Mr. McCoy's letter and his statement, and I will leave it to Mr. McCoy.

Mr. JONES of New Mexico. I have that, too, but the basis of his estimate is also furnished by Mr. McCoy. It is a very simple calculation. It makes no difference, so far as principle is concerned, what the people do under it. We have a right to assume that they will do the same thing. If the corporations are not willing to pay the additional tax of 5 per cent on what they retain, they will distribute it.

Mr. SMOOT. That is just what I said.

Mr. JONES of New Mexico. Unless they retain less than 30 per cent, but it is within the control of the board of directors as to how much they shall retain. So far as the revenue is concerned, it makes no difference what the board does about it.

Mr. SMOOT. It makes this difference, that if they make the 30 per cent they have to distribute it, or else they are penalized 5 per cent. They are not going to be penalized 5 per

cent upon 30 per cent of their capital. The actuary, Mr. McCoy, states that all we would receive would be $6,000,000.

Mr. BAYARD. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Delaware?

Mr. SMOOT. I yield.

Mr. BAYARD. The Senator said if beyond the 9 per cent and until they get up to 30 per cent the corporation distributes the tax is avoided; but do not the distributees pay the tax? In other words, is not the Government reimbursed in some way, directly or indirectly, in the tax? That is to say, the tax is not avoided, so far as the Government is concerned.

Mr. SMOOT. But the corporation has not any kind of reserve to finance its business or extend in any way, shape, or form.

Mr. BAYARD. But it keeps it all.

Mr. SMOOT. It can, but——

Mr. BAYARD. But it does not.

Mr. SMOOT. It is penalized 5 per cent up to 30 per cent, and if they go above that no one will stop them. As to the corporation referred to making 200 per cent, does anyone think they would pay the high brackets in those taxes? Never in the world.

Mr. NORRIS. Suppose we admit all that; what difference does it make? After all, the corporation is owned by the stockholders. If we distribute everything, the stockholder would pay the tax on his individual income, and that would be fair. There would not be anything unfair about that if all the dividends were distributed.

Mr. SMOOT. That is not the policy of the amendment.

Mr. NORRIS. I know it is not the policy of the bill.

Mr. SMOOT. I mean the Jones amendment.

Mr. NORRIS. No; he gives them a choice.

Mr. SMOOT. Paragraph 3, on page 9, provides that the term "cash dividends" includes dividends paid in interest-bearing scrip. What does that mean? It means this and nothing more nor less than this, that they can issue interest-bearing scrip and they will pay interest upon that scrip. It becomes immediately an obligation against a corporation, and in every report they make they will have to hold that as an obligation just the same as if they had borrowed the money from a bank or owed it for goods purchased, or any other obligation. Suppose a crash should come, what good would it do toward paying the obligations of the corporation? It is held as a liability. It is issued as interest-bearing scrip. The stockholder receives it in place of a dividend and then when the year goes round the company which the stockholders own will have to pay the interest upon the interest-bearing scrip.

Mr. NORRIS. I presume that is put in for the purpose of giving a privilege to the corporation. Personally, I do not see why it should be there, but I presume it is put in there for the purpose of giving the corporation a privilege that the individual taxpayer does not have. I do not see why it should be there. It seems to me, though, the fact is it is there for the benefit of the corporation.

When the Senator from New Mexico was talking about his amendment he did not convince me that the provision ought to be in the amendment at all. It may be necessary, but thus far I have never been convinced. It seems to me we are giving to the corporation a privilege that the law does not pretend to give to the individual, and in levying an income tax we ought to tax everybody alike. If the corporation is making a great big income it ought to go up in the higher brackets like an individual.

I would like to have the Senator from Utah or the Senator from New Mexico discuss the Ford Corporation that was referred to with its big profit and the small amount of dividends, shown in the statistics to be just a few million dollars when, as the Senator said, the net profits were something over $120,000,000.

If the Senator's amendment were the law, I would like to have one of the Senators tell us how much tax would have been paid by Mr. Ford, for instance, or by Mr. Mellon, in the other corporations referred to.

Mr. JONES of New Mexico. If the Senator from Utah will permit me——

Mr. SMOOT. I yield.

Mr. JONES of New Mexico. I just want to refer to that scrip provision. That was put into the amendment because a number of corporations have been issuing scrip certificates in lieu of cash as a business policy, and I did not want to disturb that policy for those corporations, so that if they choose—and the Senator from Nebraska was quite right in designating it as a privilege—to issue interest-bearing certificates instead of cash dividends, they are not charged the surtax because of the retention in the business of the cash represented by the interest-bearing certificate issued to their stockholders. In other words, it is a provision not to interfere with the business policy of some corporations. Those concerns under the present law would pay the surtax. The individual would pay the surtax, and the corporation, of course, has only the normal tax to pay under the present law. This would prevent what we might call double taxation.

Mr. KING. The scrip would be regarded as a cash dividend and the surtax paid upon it?

Mr. JONES of New Mexico. Yes. In regard to the Ford corporation, I figured on the basis of $110,000,000. We all know what the distribution would amount to. Under the present law or under the proposed change he would pay the 14 per cent on the $110,000,000, which would be about fifteen or sixteen million dollars. If it were distributed, his tax would be, at the higher surtax rate, $46,000,000 out of the $110,000,000. If we figure it out, we find it would make a difference of $35,000,000 in revenue to the Government.

Mr. SMOOT. I was referring to the amendment offered by the Senator from New Mexico, and so I will proceed now where I left off.

The purpose of the amendment is by penalty to compel the distribution of practically all of each year's profits, irrespective of what may be sound policy for the future. It was the universal experience of the banks during the 1920–21 period of industrial deflation that those companies which in good years had accumulated a reasonable surplus got through the depression without bankruptcy, but that the companies which had used the greater part of their earnings in the past in distribution to their stockholders failed.

Mr. GLASS. Mr. President, will the Senator from Utah indicate what he regards as a reasonable surplus for a corporation to retain?

Mr. SMOOT. Mr. President, all I can say is that in business generally throughout the United States the average distribution has been 53 per cent.

Mr. GLASS. Then the corporations retain 47 per cent?

Mr. SMOOT. Yes; on the average.

Mr. GLASS. That is, as against the 30 per cent which is here provided for?

Mr. SMOOT. I am speaking of the average; that is the average.

Mr. GLASS. It is not a sufficient difference to justify the Senator in saying that they will have to distribute practically all of their net earnings when they will be allowed to retain 30 per cent.

Mr. SMOOT. It is evident that under this proposal they are not going to retain 30 per cent, because if they do they will be penalized 5 per cent; there is not any doubt about that at all.

Mr. President, it is to be noticed that the amendment applies to each 12-month period. Industrial conditions have long swings of prosperity and depression covering several years. If the law does not permit the accumulation of fat in the shape of undistributed surplus in the prosperous years, corporations will not live through the lean years, and recurring periods of industrial depression, with the accompanying unemployment and distress, would be greatly accentuated. In order to reach the few who may save in taxes through corporation organizations the amendment proposes to penalize the many who personally or through savings banks are interested in corporate securities or who receive their employment through corporations.

The effect of this proposal upon two types of corporations would be especially disastrous. The corporation recently organized and planning future extension and growth, if the proposal were adopted, could face only bankruptcy and dissolution. The railroads of the country, if forced to distribute their entire earnings, would be incapable of expansion, and if thus throttled in their development would face failure for the future. The tax is a direct penalty upon energy and initiative, the very attributes which are responsible for the business development of this country.

It has been charged that the large corporations over a period of years accumulate enormous surpluses which, although they have paid the corporate tax, should be distributed and be again taxed in full in the hands of the individual stockholders. This assumes that all of the earnings of a corporation can be distributed and the effect of not taxing again the undistributed surplus permits the stockholder to obtain an additional untaxable profit on the increase in value of his stock. Upon this assumption the market price of stocks would reflect fully the increase from year to year of the surplus and we would have the market price of all representative stocks at least in excess of the book value of the stock. Such is not at all the case. A comparison of the book value and the

market price of the outstanding common stock of 24 representative corporations on December 31, 1922—the last date at which their annual reports were available for the ascertainment of book value—shows that the market price is only 78 per cent of the book value. This list includes all types of corporations. It is an excellent cross section of the American industrial situation. At this point I want to insert in the RECORD a table showing this comparison.

The PRESIDENT pro tempore. In the absence of objection, it will be so ordered.

The table is as follows:

Comparison of book value with the market price of the outstanding common stock of 24 representative corporations on December 31, 1922

Corporation	Total book value of the outstanding common stock	Number of shares outstanding	Market price of common stock per share	Total market value of outstanding shares	Per cent of market price to book value
Allied Chemical	$137,317,551	$2,177,843	$78½	$170,900,676	124.48
American Can	73,181,316	412,533	77	31,749,641	43.39
American Locomotive	65,288,835	348,080	107⅞	37,857,660	64.07
American Sugar	58,901,182	430,000	79½	35,940,000	62.86
American Telephone & Telegraph	706,788,667	6,993,474	122¼	839,358,085	109.22
American Radiator	28,471,294	326,374	84½	27,512,461	297.13
American Tobacco	109,956,456	695,860	154	137,667,640	124.27
American Woolen	74,606,255	400,000	95	38,000,000	52.34
Anaconda Copper	221,284,794	3,000,000	49¾	149,040,000	67.62
Atchison, Topeka & Santa Fe R. R	457,426,029	2,370,525	102	231,868,550	50.63
Baldwin Locomotive	38,020,778	200,000	138½	27,750,000	71.26
Bethlehem Steel	196,521,174	824,105	61½	50,826,360	27.25
Corn Products	79,105,355	497,840	126	62,726,320	80.55
Erie R. R	172,588,843	1,124,819	11	12,373,609	7.17
General Electric	248,761,806	1,755,948	182½	320,460,510	128.83
General Motors	205,515,053	20,557,750	14½	305,226,813	102.64
National Biscuit	68,683,626	2,086,320	35½	73,791,660	134.82
New York Central R. R	269,501,624	2,679,819	94½	253,242,896	93.54
Pennsylvania R. R	708,985,753	9,983,468	46½	464,231,262	65.10
Sinclair Oil	234,956,619	4,491,592	34½	154,970,274	65.96
Standard Oil of New Jersey	704,756,120	18,942,485	40	797,730,400	113.19
Studebaker	85,237,190	750,000	116½	87,187,500	102.29
United States Rubber	113,697,820	610,600	55½	45,292,600	40.02
United States Steel	1,148,340,820	5,083,025	107½	545,164,481	47.47
Total	6,321,592,785	88,427,710	56.09	4,959,604,997	78.45

Mr. SMOOT. Under the proposal the undistributed profits tax would apply to Treasury certificates of indebtedness, Treasury notes, Treasury (war) savings certificates, the Liberty bond issue—except the first Liberty loan 3½ per cent bonds and Victory Liberty loan 3¾ per cent convertible notes—and Victory Liberty loan 4¾ per cent convertible notes. All of these securities were issued under a statute which provides that such bonds and certificates should be exempt from all taxation "except (a) estate or inheritance taxes and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes." The tax here under discussion is clearly an undistributed-profits tax and is not such a tax as is excepted from the exemption granted by the act authorizing the issuance of those securities. If this tax, by being denominated a "surtax," which it is not, is made to apply to the income from these securities, it is a direct breach of faith by the Government with its bondholders.

Mr. GLASS. Mr. President——

Mr. SMOOT. I yield.

Mr. GLASS. I confess myself a little amazed at the tenor of the Senator's argument, which I assume was suggested by the Treasury itself.

Mr. SMOOT. Yes.

Mr. GLASS. The Treasury has proposed to do that very thing, to adopt some scheme to tax tax-exempt securities.

Mr. SMOOT. In that case the proposal was to limit deductions, while this is a direct tax.

Mr. GLASS. I am not talking about that particular provision of the bill imposing a limitation upon deductions.

Mr. SMOOT. That is the only such thing that I know of.

Mr. GLASS. The Treasury has in the broadest terms proposed a constitutional amendment——

Mr. SMOOT. Oh, certainly.

Mr. GLASS. To prohibit the issuance hereafter of any tax-exempt securities, either State or National; and I have understood that the junior Senator from Pennsylvania [Mr. REED] has a measure in readiness that will practically do the very thing which the Senator and the Treasury now are deploring.

Mr. SMOOT. The Finance Committee did not accept the suggestion. This is the first proposal to interfere with the provisions of the Liberty loan acts. The Treasury Department never recommended that securities already issued should be taxed, even under a constitutional amendment, but they recommended that issues hereafter should be taxed.

Mr. NORRIS. Mr. President, of course, the Treasury Department does not want to tax them if held by corporations, but if held by individuals they should be taxed.

Mr. SMOOT. No; that is not correct.

Mr. NORRIS. If I put a proposition to the Senator, suppose he incorporates himself, which he has a right to do, as "Reed Smoot, Incorporated," and that incorporation should buy $200,000 of Liberty bonds of any issue except the first—because that is compeltely exempt from taxation—and I as an individual buy $200,000 of Liberty bonds. I pay taxes on the income that I get from the bonds, but the Senator from Utah, if he had his way, would not pay any taxes.

Mr. SMOOT. That is, if the bonds belong to a corporation.

Mr. NORRIS. Of course, if they belong to a corporation.

Mr. SMOOT. But that question is not involved here.

Mr. NORRIS. Perhaps it is not involved, but that is what would result.

Mr. SMOOT. That is exactly what happened when Congress passed a law providing for those bonds and exempting them from all taxation with the exception of the normal tax.

Mr. NORRIS. But the Congress did not say that they should be partially exempt in the hands of an individual, but if held by a corporation they should be entirely exempt. That is not in the law. I do not understand that the amendment of the Senator from New Mexico or any other amendment along the same line proposes to do anything that conflicts with any of the Liberty loan acts. If a corporation held a Liberty bond, it would be exempt on the income as to the normal tax and would only be charged as to the surtax, which the law specifically says is allowable.

Mr. SMOOT. The statute provides that such bonds and securities shall be exempt from all taxation except—

(a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits taxes and war-profits taxes.

Mr. NORRIS. Yes.

Mr. SMOOT. If the amendment of the Senator from New Mexico should be agreed to, it would virtually be breaking faith with the purchaser of the bonds.

Mr. NORRIS. The law says the bonds referred to shall be exempt from taxes except as to surtaxes. What is proposed in the amendment is a surtax, and they are not exempt according to the law under which the bonds were issued.

Mr. SMOOT. The amendment of the Senator from New Mexico applies to undistributed earnings, no matter from what source they come.

Mr. REED of Missouri. But undistributed earnings are earnings, and they can be made liable to a tax. Unquestionably we could tax them when they are earned, whether they are distributed or not, if we wanted to do it.

Mr. SMOOT. The Senator argued the other day against it. The Senator spoke here against the proposition of limiting deductions, and said it was a violation of faith.

Mr. REED of Missouri. I am not talking about that; I am talking about undistributed earnings; and I was going to ask the Senator, as he reported the bill, if it was proper not to allow deductions——

Mr. SMOOT. A limitation on deductions.

Mr. REED of Missouri. Very well, a limitation on deductions.

Mr. SMOOT. That is all that amendment provided for.

Mr. REED of Missouri. Why is not this amendment at least as virtuous as that? Why is not exactly the same principle involved? It seems to me that the worst that can be said is that they fall in the same class, although I am not certain.

Mr. SMOOT. No; one is designed to stop evasion, and this is a direct tax, an absolute direct tax upon Government bonds.

Mr. REED of Missouri. Whether the Senator says it is to stop evasion or not, the fact it was proposed did not give the allowance in the other case. I am not sure that this is parallel, but I am sure that at least it is as virtuous as the other, and that it is as little of an invasion as the other would have been. If I find after studying it that it is an invasion, I am going to stand where I did before; but the Senator reported the bill with the proposition in it that allowance should not be made for the income from bonds under certain circumstances, and if he objected to deductions being made in that case, I do not see how he can now be heard to make the argument that this is an invasion of the contract we made with the bondholders.

Mr. SMOOT. One is a direct tax and the other was a limitation on deductions, I will say to the Senator, and there is a difference.

Mr. REED of Missouri. No; they are both of them, in a sense, indirect taxes. It is a tax that can be avoided by distributing your earnings.

While I am on my feet, will the Senator permit me to ask him one further question?

The Senator has constantly referred to the necessity of building up corporations so that they can be strong and can withstand the bad years that come along with the good ones. Let us grant that that is sound; but when you allow them to retain 30 per cent under this plan, in three and one-third years of time they can amass a reserve equal to 100 per cent.

Mr. GLASS. Which will be free from taxation.

Mr. REED of Missouri. And it will be free from taxation.

Mr. GLASS. Except the normal tax.

Mr. REED of Missouri. Except the ordinary taxes; and then you can continue that on for six years, and you can have 200 per cent. It seems to me that is a factor of safety that ought to be large enough to satisfy almost anybody. I wish our farmers and our folks of that kind could be fixed up so that they did not have to pay any taxes until they accumulated 30 per cent each year and laid it aside.

Mr. SMOOT. If their gains were just the same every year, if they would pay the penalty, perhaps it would result just as the Senator says. In the first place, however, they will not pay the penalty; and in the next place corporations, particularly small corporations, have one successful year and then perhaps two that are not successful, so that they would not have the money to put aside.

Mr. REED of Missouri. Oh, well, that might happen——

Mr. SMOOT. I know that to be the case. There is not any question at all about it.

Mr. REED of Missouri. But they can lay aside 30 per cent this year, and they have it to draw on next year. A corporation that is going to lose more than 30 per cent for three years in succession, and wipe out its capital, is in a pretty bad way; and if it is going to lay aside more than 30 per cent in any year it means that it must be making unconscionable profits during that year.

Mr. SMOOT. Mr. President, that may happen in one year out of ten, and it may never happen again.

Mr. REED of Missouri. Of course, we can all get imaginary cases; but taking the matter by and large, when you say to a corporation, "You can lay aside 30 per cent a year without being penalized at all under this statute"—when you allow them to do that and to keep it tax free, whereas the ordinary individual must pay the minute he earns, it seems to me you have given the corporation enough advantage. If I make money this year, I have to pay upon the whole of it. If the Senator makes money this year, he has to pay upon the whole of it.

Mr. SMOOT. And next year——

Mr. REED of Missouri. Next year he may lose money, and he does not pay.

Mr. SMOOT. And the Government does not pay me back what I lose.

Mr. REED of Missouri. It does not pay the Senator back.

Mr. SMOOT. No.

Mr. REED of Missouri. Now, then, why should an artificial being, a creature of the law, have an advantage that the ordinary individual does not have?

To take the illustration of the Senator from Nebraska—and not to be personal at all, as it was not meant to be personal—REED SMOOT the citizen must pay on whatever he makes. If he has a fortunate year and makes $100,000, he must pay on all of it, and pay his surtaxes. REED SMOOT (Inc.) under this law would have the right to lay aside 30 per cent and pay no surtaxes upon it. It is true that REED SMOOT (Inc.) may lose money next year, and he then can draw upon his 30 per cent, or he may not lose money, and he may keep on for two or three years and may have doubled his capital and escaped any surtaxes, whereas REED SMOOT the individual does not have those advantages. Now, when we give the corporation that 30 per cent advantage over the individual, is not that quite as much advantage as we ought to be asked to give it?

Mr. SMOOT. This is the trouble: REED SMOOT the individual would pay the tax, as the Senator says. REED SMOOT (Inc.), as the Senator says, would not only be compelled to pay the corporation tax, but just as soon as REED SMOOT the individual got the money, which he would have to have, he would pay the tax again upon the amount of dividends distributed by REED SMOOT (Inc.).

Mr. WADSWORTH. To himself.

Mr. SMOOT. To himself.

Mr. GERRY. That is the normal tax, though.

Mr. SMOOT. No; not only the normal tax, but all taxes, the normal tax and the surtax as well, after paying the corporation tax.

Mr. NORRIS. If REED SMOOT (Inc.), distributed the tax, then REED SMOOT (Inc.), would not pay any surtax. It would be REED SMOOT the individual that would pay the surtax. There would not be double taxation. It would be paid only once.

Mr. SMOOT. If I distributed it to myself it would, and that is the case to which the Senator was pointing.

Mr. NORRIS. All right. If the distribution takes place the individual pays a tax on it under the law, no matter what it is. If the corporation does not distribute it, it does not pay anything except a normal tax.

Mr. SMOOT. The best financial thought that I know of—it was the case with the last administration; I do not know whether any revenue act was passed during the administration of the Senator from Virginia [Mr. GLASS] as Secretary of the Treasury or not—but in the bill of 1917, the bill of 1918, and the bill of 1921, the difference between the normal tax to the individual and the normal tax to the corporation was considered by every Secretary of the Treasury to be 4½ per cent. The corporations of this country have $35,000,000,000 of capital stock, and they have all agreed that the difference would be 4½ per cent. In every bill that we have had up to the present time that has been the difference.

Mr. NORRIS. And the loophole has been there all the time.

Mr. SMOOT. Yes.

Mr. NORRIS. And a four-horse team can be driven right through it, and we want to close it up

Mr. SMOOT. And the loophole is closed in this bill. They can not evade taxes unless they are penalized for it.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. WADSWORTH. May I be permitted to interject an observation? I may not have this thing right, but I am going to take a chance at it.

It seems to me there must be some confusion in likening an individual and a corporation in this manner. An individual, it is true, is taxed upon his entire income, but he does not have to spend that income. He may put a portion of it in the savings bank and hold it there to meet a rainy day in the future, or for future investment in the enlargement of his individual business; but when you assess a penalty against the savings account of a corporation you compel the corporation to spend its money, to get rid of it in the form of dividends, and it gets no return from that. It seems to me that it would be just as sound to tax savings accounts as it would to tax a surplus.

Mr. GLASS. Mr. President, right there we get at a proposition that I originally raised. I should like to know how many corporations there are in this country which pass as much as 30 per cent to surplus account every year. We allow the corporation to save as much as 30 per cent of its net earnings without subjecting it to any penalty whatsoever.

Mr. WADSWORTH. I do not see why there should be any penalty at all, no matter what amount is passed to surplus.

Mr. GLASS. The penalty applies in order to keep the corporation from preserving a surplus to escape taxation, and for no other reason in the world.

Mr. WADSWORTH. But, Mr. President, that surplus eventually becomes taxable property.

Mr. GLASS. It becomes taxable property as soon as it is distributed, and the individual pays on it.

Mr. WADSWORTH. It may be reinvested in the enlargement of the plant.

Mr. GLASS. That is what I want to know—how much of it, as an average proposition, is reinvested for extension purposes.

Mr. WADSWORTH. I do not suppose anyone here can tell.

Mr. GLASS. More than 30 per cent? If so, why does not somebody tell us so?

Mr. SMOOT. I have stated the average, and I can not say anything more than that, because I do not know.

Mr. GLASS. That is a conjecture.

Mr. SMOOT. No; Mr. President——

Mr. McLEAN. Mr. President, will the Senator yield to me?

Mr. SMOOT. Just a moment.

Mr. REED of Pennsylvania. We can answer that. The Bureau of Economic Research shows 53 per cent.

Mr. SMOOT. I have made that statement.

Mr. GLASS. And I have said, in response to that, that that means a difference of 17 per cent, and yet we are told that that difference of 17 per cent is to wreck the business of the country.

Mr. SMOOT. Does the Senator from Virginia think they are going to be penalized that 17 per cent and hold that money?

Mr. GLASS. I think a 30 per cent reservation by the average corporation is a very reasonable amount to be permitted to carry to reserve account. That is what I think.

Mr. SMOOT. The trouble is that they will not hold the 30 per cent.

Mr. GLASS. And I think that over and above that 30 per cent it is a reasonable requirement that they distribute their net earnings to the individual stockholders who thereupon pay a tax upon them.

Mr. SMOOT. I do not know how to make myself better understood than I have been trying to do in the past and seem to have been unable to do, but they will not keep the 30 per cent if they are penalized the 5 per cent.

Mr. JONES of New Mexico. Mr. President——

Mr. SMOOT. They are penalized 5 per cent if they keep it, and if they do not keep it they escape that penalty.

Mr. JONES of New Mexico. Mr. President——

Mr. SMOOT. I will yield to the Senator from New Mexico in just a minute. I yield now to the Senator from Connecticut, who has been on his feet for some time.

Mr. JONES of New Mexico. Very well.

Mr. McLEAN. Mr. President, the suggestion of the Senator from Virginia and the Senator from Nebraska is worthy of consideration. The question is, Why should a corporation receive any different consideration from an individual? The Senator from New York [Mr. WADSWORTH], as it seems to me, has just brought to the attention of the Senate the policy which is involved, and it is a very important policy.

We all know—we do not need to go into statistics to realize—that a great many of our large industrial corporations in this country, the producers of the necessaries of life, started in a small way, and a great many banks and all other institutions that are of any benefit to the public start in a small way, and for the first few years it is good judgment and ofttimes necessary, if they intend to grow and amount to anything, to plow in or retain their surplus. It is legitimate and proper.

Take, for instance, the Ford concern, which has been mentioned here as one which has made immense amounts of money. A few years ago Mr. Ford employed 1,000 men. To-day he employs 100,000, if my information is correct, and pays as high wages as anybody in this country. I do not conceive that his industry is an injury to the American people. In the end, it all means an increase in our industries, the owners of which in turn must pay their taxes. Now, if Mr. Ford had been compelled to pay a surtax of 40 per cent upon his large profits, I fancy the Ford machines would cost more than they do to-day.

We had a discussion here the other day over the radio, and the Senate voted against putting a 10 per cent tax on radio apparatus because it was said to be necessary to have it in every home in the country. That is a monopoly. It was conceded that it was a monopoly, and very likely it is making very large profits; but the Senate would not put a tax of 10 per cent on the manufacturer of that product because it was a necessity, and they wanted the American people to have it; and other things of great benefit may come along in the future. We hope so.

Mr. GLASS. Mr. President, does the Senator think we should take an exclusive case as guidance for a legislative body in dealing with the general business of the country?

Mr. McLEAN. That case was used here. I would not take it, but I would call attention to the instance cited by the Senator from Colorado [Mr. ADAMS]. A bank starts with $10,000 capital. If it is permitted to conserve its profits, in a few years it may have $20,000 or $30,000 surplus.

Mr. GLASS. Yes; and a bank which from year to year passes as much as 30 per cent of its net earnings to its surplus account will eventually become a very strong institution, and very quickly become a strong institution.

Mr. McLEAN. There is no harm in retaining more than 30 per cent.

Mr. GLASS. That the bill allows without any surtax.

Mr. McLEAN. Oh, well, there is a tax of 5 per cent.

Mr. SMOOT. There is 5 per cent penalty.

Mr. McLEAN. There is 5 per cent penalty?

Mr. SMOOT. Yes; but they will not allow it. They are not going to pay the penalty.

Mr. KING. Mr. President, I would like to ask the Senator from Utah and the Senator from Connecticut why they keep insisting that that is a penalty, because with the 5 per cent plus the 9 per cent normal provided by the revenue law it is only 14 per cent, and that is the aggregate normal tax proposed by the committee?

Mr. REED of Missouri. Is it not perfectly plain that this is the point of difference, that Senators think that in order for this country to prosper, for business to go on, and for the world to move it is necessary that we should be very careful to conserve corporations and give them some advantage over individuals?

Mr. GLASS. In other words, they will not have any sense at all; they will not take any precautions whatsoever, because their aggregate tax, under the amendment proposed by the Senator from New Mexico, will be equal to the single flat tax proposed by the Senator from Utah.

Mr. McLEAN. Mr. President, if the Senator will pardon me, the purpose of this bill is to reduce taxes, rather than raise them, if possible.

Mr. McKELLAR. The bill does not do that.

Mr. McLEAN. It would do that.

Mr. McKELLAR. No; it increases the tax on corporations by $19,000,000, confessedly.

Mr. GLASS. It is increased from 12½ to 14 per cent.

Mr. McLEAN. There is a good reason for that change.

Mr. McKELLAR. But it raises the tax.

Mr. McLEAN. It saves the corporation in clerical hire probably about as much as the additional tax amounts to. The corporations were very much opposed to having to make the duplicate returns—the capital-stock tax and the income tax. It seems to me that the pending question is a question of policy for the Senate to decide.

It would be a reversal of the policy which this country has followed up to date, and we are attempting to raise the tax on the great producing industries of the country, whereas we will hit the new and smaller corporations which will start up and desire to grow and add to their activities. So in time we shall have larger incomes for the towns and States and the Federal Government to tax. It seems to me it would be discouraging and unwise to add a surtax to corporate incomes, when in the long run the benefit of the increase must be felt by the Federal Treasury.

Mr. GLASS. But the surtax does not hit the small corporations.

Mr. McLEAN. If the corporation has a capital of a thousand dollars it hits it, if they make more than 30 per cent.

Mr. GLASS. If they save more than 30 per cent; but, as a matter of practice, they do not save more than 30 per cent. The flat rate hits the small corporation.

Mr. McLEAN. Take the matter of patents. It may nullify the value of the patent right to a great extent. We all know that profits expected from patents are unusual, and that is why we give the protection, because men are constantly endeavoring to discover new ways and means to economize production. Yet the profits are very large for a few years.

Mr. REED of Missouri. Would not that be true of an individual? Suppose an individual patented an article——

Mr. McLEAN. But he may not have the capital, he may have to go out and get the capital. The individual has made the invention, but he may not have a dollar, and he has to go out and get men to put up capital to manufacture his patented article.

Mr. REED of Missouri. That might be true; but the Senator thinks they ought to have enormous profits out of it?

Mr. McLEAN. Unusual profits for a few years, in order that people may have the benefit of inventions. You want to put a surtax upon the income of the corporation which is a new corporation, and as a result it will not be able to expand as it would if you let it alone. It seems to me that the flat 12½ per cent tax is sufficient. When the profits are distributed to the individual, he has to pay a surtax under the law.

Mr. SMOOT. Now, I will hasten on. This proposed undistributed profits tax shows in its details that it is neither carefully nor scientifically worked out. For example, a corporation with a net income of $100,000, which retains in the business only $10,000, would pay no undistributed profits tax, but if it retains in the business $10,001 the undistributed profits tax is $25. Likewise, a corporation with a net income of $2,000,000, which retains in its business $1,180,000, would pay an undistributed profits tax of $448,400, while if it retained in its business $1,180,001 its tax would be approximately $472,000. In the latter case, a difference of $1 in the amount of earnings and profits retained by the corporation would make a difference

of $23,600 in the amount of tax to be paid by the corporation. Furthermore, the proposal, although levying an undistributed profits tax as high as the surtaxes proposed by the same parties, makes no provision for a refund if these earnings or profits are subsequently distributed to the shareholder and the tax paid thereon. A small stockholder whose share of the corporate earnings may have been subjected to a 30 or 40 per cent undistributed profits tax may, nevertheless, be forced to pay upon the distribution of what remains of his share of the earnings a further tax of 4 or 5 per cent.

In conclusion, the proposal would be stifling to business development, would discriminate in favor of the wealthy taxpayer and against the taxpayer of moderate means, and in addition would be most arbitrary and inequitable in its application. The proposal is indefensible. Under the proposal the undistributed profits tax would apply to Treasury certificates of indebtedness, as I have already said.

I sincerely hope that we are not going to enter upon this sea of unknown results, and never know where we are going or where we will end. It seems to me that if this is introduced into our revenue laws we will have another era of employing men to assist in making out tax returns and more trouble for the taxpayer.

Mr. REED of Pennsylvania. Mr. President, I am not going to take over five minutes in what I have to say about this, but I can not resist the impulse to say it.

It seems to me that the fundamental vice in this proposition is the same difficulty that underlies the present system of taxation of individuals. We talk a lot here in the Senate about taxing wealth, just as we have been talking here to-day about taxing wealthy corporations. Maybe we fool ourselves into thinking that is what we are doing, but I for one want to say to the country that that is sheer hypocrisy. We are not taxing wealthy individuals, and this will not tax wealthy corporations. But both your individual taxation and your corporate taxation, if you adopt this plan, will tax the young, the vigilant, the industrious individual, and the corporation that is growing. In other words, you tax the creators of wealth and not the possessors of wealth.

Just as to-day your wealthy man sits back, as Rockefeller did, with his tax frees, his deductions, his registering off of losses, and his depreciation allowance, while we, pretending to tax the rich, are actually taxing the creators of wealth, who have not got it, who are in the process of making it, so here, by your corporation tax, you are not going to reach the big fellows, you are not going to touch the Henry Fords and the steel corporations, those that have arrived, but all over this broad land you are going to tax the young men starting in business and starting to build up, and the result of it is going to be that you are going to create among corporations what you have already created among individuals—that is, a monopoly of wealth.

You talk about trying to help the little man. What you are doing is making it impossible for him to get into the big man's class, and now you are proposing to do that with corporations. You are making an aristocracy of wealth. You have done it already with your surtaxes. The rich families are not being cut down, but nobody else can ever become the founder of a rich family with the system of taxation you have in the United States.

So now you are trying to do it with corporations. The little man who is starting business, and is in the place Andrew Carnegie was in back in 1860, could not ever rise to the success Carnegie attained by 1900 with such a system of taxation as you are now proposing; he could not possibly rise, because Carnegie denied himself and he denied his stockholders in order that the business might be built up and be to the greater glory of the United States. It created property, it created wealth, but you are putting a penalty on that.

I have one suggestion, in conclusion: Either your tax plan is going to have the effect of forcing corporations to distribute practically all of their earnings, or it is not. If it does—and I think it will force them to distribute—growth can not go on, and you are going to find that your great public utilities, like the railroads, will not be able to put back into the improvement of their properties their accumulated earnings, because you penalize them. Consequently, if they want to improve, if the railroad wants to add another track, or improve its facilities, or put in a new station at this town or that, things that in sound business are always done by reinvesting earnings, what they will do will be to issue new securities. Of course they will. It is the only way they can do it without paying a big tax, and you who decry overcapitalization are forcing overcapitalization by this very proposal you are offering.

Let me give an illustration. For decades past the Pennsylvania Railroad has maintained a policy of giving half its earnings to its stockholders, and putting the other half back into the property. The stockholders never got the half which went into the property. The people who used railroads were the only people who benefited by it. They built new stations, they added extra tracks, and they increased their facilities, not to the benefit of the stockholders, except remotely, but very much to the benefit of the community.

For decades they followed that policy, and 50 per cent of their earnings year after year went into the improvement of the railroad. Overcapitalization was kept down, because they did not issue new stocks or bonds to get that money; they did not have to. What you are doing is making them distribute practically all and raise that new money by floating new stock and new bonds. You are driving them to overcapitalize themselves. That is one alternative. Or else they will not distribute their earnings. I think they will; but if they do not, then you clap on the surtax, and what do you reach? You do it to the Steel Corporation, the biggest corporation we have, I suppose, in America to-day. You are not taxing some great big entity that has no susceptibility, some big corporation that can be soaked without paying, but human beings.

What you are doing is putting a surtax of 40 per cent on hundreds and thousands of small stockholders who perhaps have a couple of shares of that stock to represent all they have been able to accumulate from years of labor. You are putting a 40 per cent surtax on the little fellow. Do you catch my point, my friends, because it is true. You are not hurting the rich man as you are hurting the poor man, because on his one share of stock or his two shares or his five shares you are putting a 40 per cent surtax. It will not take many years for them to appreciate what you have done to them if you do this.

Mr. BROOKHART obtained the floor.

Mr. SMITH. Will the Senator from Iowa allow me to ask the Senator from Pennsylvania a question about the railroad proposition?

Mr. BROOKHART. Certainly.

Mr. SMITH. The Senator said the system put its earnings into extensions and betterments and enlarged its plant. Of course they did not give the public any cheaper service. They may have served more, but they did not have to borrow the money. They charged the public identically the same for the service rendered as if they had gone into the market and borrowed the money.

Mr. REED of Pennsylvania. On the contrary, the rate per ton-mile of freight carried went down every year for 40 successive years.

Mr. SMITH. That may have been on account of general conditions. It did not go down on that particular road except as it went down in the same percentage that it went down on other railroads.

Mr. REED of Pennsylvania. It went down, and what is more, that was the accepted policy of practically all the roads of the United States. Does not the Senator remember how Mr. Harriman was condemned when he recapitalized the earnings of the Chicago & Northern? People talked about sending him to jail because he did in that case just what the Senator would force everybody to do here. All the well-managed roads generally did not do that. They kept putting their earnings back in the roads.

Mr. SMITH. The Senator has called attention to the fact that we have made it unlawful for them to capitalize a certain part of their earnings.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from New Jersey?

Mr. BROOKHART. I yield to the Senator.

Mr. EDGE. I wish to make an observation in connection with the remarks of the Senator from Pennsylvania. Are we not going to do even more than the two or three very well-developed points the Senator made? Are we not going to discourage a fundamental policy in the country, a recognized policy which has been applied in the development of all corporations—the necessity of first accumulating a surplus before any efforts or thoughts of declaring dividends were exhibited? In other words, the fundamental principle, as I recognize a successful business in this country, has been after organizing or incorporating a business and placing it upon a profitable basis, before the stockholders expected to participate in the benefits or profits of the business, to recognize the necessity of securing a real surplus, and in the passage of any legislation which means in effect that the surplus is being penalized by high surtaxes the whole fundamental principle of putting business upon a sound basis will be shaken. Is not that true?

Mr. REED of Pennsylvania. I think it is.

Mr. BROOKHART. Mr. President, some of the propositions just made are fundamental to the economic situation in our whole country. So far as I am concerned, I have seen enough of the development of Henry Ford and Rockefeller and Gary and all of that crowd. I am ready to enter upon an economic system that will prevent the development of such things in the future. If the tax system outlined here by the Senator from Pennsylvania will accomplish that purpose, it ought to be voted for by every Senator representing the people of the United States.

Yes; we want a surplus for corporations, but I want a surplus for individuals. I think the farmer and the laboring man and the common man are just as much entitled to a surplus and to have their affairs upon a sound basis as anybody else. The amendment proposes to give the corporation an extra advantage over the individual, and that is conceded. I think the corporation, if it is going to be an individual in the law, ought to be brought to exactly the same basis as the individual. Why should we outline and provide in the law privileges that would prevent a corporation from accumulating surpluses that are denied to individual citizens?

I have a bulletin issued recently by the Secretary of Commerce. That bulletin showed that from 1912 to 1922 all the work of all the people in all the United States added to all the earnings of all the capital in all the United States, added to all the unearned increment or increase in property values in all the United States, has increased the national wealth only 5 per cent a year. That 5 per cent is measured in money or in dollars that cheapened in the same 10 years. The dollar value is not as great as it was 10 years ago. It is probable that 3 per cent or 3½ per cent would measure the actual wealth increase as the result of all the brains and all the muscle and all the capital and everything else in the United States, and yet we hear defenses of the profits of hundreds and thousands of per cent by Henry Ford and by the other great corporations in the country.

Mr. McLEAN. Mr. President——

Mr. BROOKHART. I say to you they are not justified and the system of taxation that neglects that theory is wrong. I yield to the Senator from Connecticut.

Mr. McLEAN. If I understand the Senator from Iowa correctly, he thinks that an annual increase of 5 per cent in the value of capital is a small increase. Do I understand him correctly?

Mr. BROOKHART. It is a 5 per cent increase. That is all it is.

Mr. McLEAN. Does the Senator bear in mind that we consume every year a very large percentage of that capital and of the product of that capital? Suppose the Senator owned a corner store in Washington. He is doing business and making a good thing out of it. He spends his profits, but his store increases in value 5 per cent a year; that is, it doubles in value every 20 years. Would he not be satisfied with that?

Mr. BROOKHART. But his store and his profits, if he saves them, altogether only amount to 5 per cent a year.

Mr. McLEAN. Oh, no; the Senator does not know how much he has been spending. He may spend more than he force everybody to do here. All the well-managed roads gen-earns.

Mr. BROOKHART. If he spends it, somebody else makes a profit out of it and it is added in the property total in the end. The whole total is $186,000,000,000 for 1912 and it is $320,000,000,000 for 1922. Figure it out yourself. It is only a slight fraction over 5 per cent per year.

Mr. McLEAN. The Senator does not take into consideration the value of the wealth consumed. If the Senator is a farmer——

Mr. BROOKHART. What do we consume in this country?

Mr. McLEAN. If the Senator will wait until I finish my sentence I will not interrupt again. The Senator is a farmer and makes a good living on his farm——

Mr. BROOKHART. No; he does not. I have not done that for four years.

Mr. McLEAN. We will assume he puts four or five thousand dollars in the bank.

Mr. BROOKHART. I just lost $5,000 in a bank that failed.

Mr. McLEAN. We will assume he spends it. He has the right to do that. At the end of 20 years he finds his farm has doubled in value. I think he ought to be satisfied with that situation.

Mr. BROOKHART. In the last four years his farm has decreased 50 per cent in value.

Mr. McLEAN. But the Senator's statement was that the wealth of the country had increased 5 per cent each year.

Mr. BROOKHART. That is true, but who got the increase? That is what I am complaining about. Henry Ford got it. The Steel Trust got it. The Sugar Trust got it. The Tobacco Trust got it. The farmers did not get it. Labor did not get it.

Mr. SIMMONS. The men who do not want to pay the taxes got it.

Mr. BROOKHART. The men who are trying to avoid surtaxes got it.

Mr. FESS. Mr. President——

Mr. BROOKHART. I yield to the Senator from Ohio.

Mr. FESS. The Senator just expressed his displeasure with the system that permits Henry Ford to make such large profit.

Mr. BROOKHART. Yes, I did.

Mr. FESS. This method of taxation would prevent it.

Mr. BROOKHART. It will help a little, but not much.

Mr. WADSWORTH. May I ask the Senator how it would help?

Mr. FESS. I think the Senate ought to be grateful to the Senator from Iowa for being so frank. It is the purpose of the amendment to prevent the accumulation of reserves so as to insure growth of business.

Mr. BROOKHART. I do not want any more growth of business on that kind of profits.

Mr. FESS. How would the Senator discriminate?

Mr. BROOKHART. I belong to that economic theory that never makes a millionaire and never makes a pauper.

Mr. McLEAN. The Senator surely wants somebody employed besides the farmers. Ford employs 100,000 men, as I understand it, and pays high wages. That is not any injury to the farmer. These men eat bread and drink milk. The crying need of the farmer now is a market.

Mr. BROOKHART. And Ford has never paid more wages than the men earned. There is not a man working for Ford who has received any more wages than he has earned or than he should have received at any time, and probably not as much as he should have received.

Mr. REED of Pennsylvania. Does the Senator think the growth of the Ford business has been an advantage to the Nation?

Mr. BROOKHART. No; I do not think the growth of anything that takes the sweat and work of other people, takes it away from one man and accumulates it for another in that way, is good for the country.

Mr. EDGE. Does not the Senator think the development of the Ford business has probably reduced the price of motors to hundreds of thousands of people away beyond any point that they could have been reduced to by any other method of organization?

Mr. BROOKHART. The motors are all so high priced that I have never been able to own one; so I can not answer the Senator's question.

Mr. EDGE. Does the Senator think a manufacturing industry employing 100 hands could develop a popular article in general use at a price as low as a factory employing 5,000 hands?

Mr. BROOKHART. Probably not; but they would do it at a lower cost. Ford does not sell his stuff at a low price. He never did. He has always sold it at too high a price. He has always taken profits that he was not entitled to. He has always taken a share that is greater than is possible for the people of the country to produce. There is not one of them in the whole list that has not done the same thing.

Mr. McLEAN. If Ford had been compelled to pay a surtax of 40 per cent, could he have sold his machines at less money?

Mr. BROOKHART. He could, and still have made millions that he is not entitled to make.

Mr. REED of Pennsylvania. Will the Senator from Iowa join with me in perfecting an amendment that will prevent Ford from escaping taxation on his millions after he makes them?

Mr. BROOKHART. I certainly would want to consider the Senator's amendment from all standpoints. I am afraid it might hit Ford, but it might help Mellon.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. BROOKHART. I yield.

Mr. CARAWAY. If the proposal of the Jones amendment does not touch rich people, why do they howl?

Mr. REED of Pennsylvania. May I answer the Senator's question?

Mr. CARAWAY. I know the Senator from Pennsylvania can answer it, but I would like to have the Senator from Iowa answer it.

Mr. BROOKHART. They howl because it does touch them.

Mr. CARAWAY. No. According to the Senator from Pennsylvania they are only taxing the poor folks, and the rich men are doing the howling. I would like to know why they do. Is it from sympathy that they have for the poor that they are now complaining about the system of taxation, which they would like to have relieve them entirely and put it all on the poor folks?

Mr. BROOKHART. I am afraid I am unable to fathom some of that without violating some of the rules of the Senate.

Mr. CARAWAY. I think the Senator could come as near as anybody else in doing it.

Mr. REED of Pennsylvania. If the Senator thinks only the rich people howl about the taxes, the Senator's correspondence has been very different from mine. I do not know of any rich men who are worrying their heads about this.

Mr. NORRIS. That is because they do not pay it.

Mr. REED of Pennsylvania. That is exactly what I said.

Mr. McKELLAR. They escape it.

Mr. REED of Pennsylvania. And the reason why they escape it is that the Senate year after year votes to preserve for them the privilege of escaping.

Mr. McKELLAR. I think we will fix it a little better this time.

Mr. BROOKHART. That argument sounds like this: That as soon as we put the surtax on the rich man he becomes a criminal and dodges his tax and avoids it some way or other.

Mr. REED of Pennsylvania. No; he is not a criminal. He merely invests in tax-free bonds that you are not putting a hand on.

Mr. BROOKHART. The tax-free bond is one of the most ridiculous propositions ever presented by anybody. Here is about $12,000,000,000, the whole sum total of tax-free bonds, and yet he insists we can go out and tax two or three hundred billions of dollars of property that is not tax free by shifting $12,000,000,000 of tax-free bonds. The total property value of the United States was $320,000,000,000. I just quoted that from Mr. Hoover's figures issued during the last month. That is on the basis of a dollar that probably ought not to be worth that much compared to 10 years before.

Mr. President, I myself have proposed an excess-profits tax amendment. I have been trying to figure out whether the amendment of the Senator from New Mexico [Mr. JONES], if adopted, would accomplish the same purpose. I think probably it would. I am going to vote for his amendment in the first instance, and if it shall be defeated I shall then try to have my amendment adopted.

I think the most just of all taxes is the excess-profits tax. Excess profits are themselves a tax upon the people. They are a tax levied not by the Government but by private institutions; and in the United States they are levied mainly by the power and authority of monopoly.

We have just touched upon these trade associations that have been organized in the United States. Evidence of the highest character has been produced before us by the Federal Trade Commission itself. Nearly everyone of those institutions is a criminal institution, and its purpose is to increase its profits. I want to tax those profits. This amendment, if agreed to, will do it in a very effectual way. For that reason I am for it.

Mr. JOHNSON of Minnesota. Mr. President, I agree with what the Senator from Iowa has said. I can not see why big corporations object to paying taxes. Take, for instance, the concerns which the Senator from Pennsylvania [Mr. REED] represents. I know he represents them, and that the senior Senator from Pennsylvania [Mr. PEPPER] represents the same crowd in Pennsylvania. I found that out when I made a speech in Philadelphia about two or three months ago.

If we put too great a tax on corporations they have, as the Senator has said, an opportunity to get it back from the people to whom they sell the things which they manufacture in their different factories and industries. I have often wondered why, with all the learned men who have sat in the United States Congress for over 100 years, they could not devise some kind of a tax scheme so that they could get at the great corporations.

In the State of Minnesota we have been fighting for nearly 20 years to put a tonnage tax on the Steel Trust. That is a corporation which has its headquarters in the State of Pennsylvania. In our efforts we were fought from every side. According to the tax commissioners' office in the State of Minnesota, the books of that corporation show that they make enormous profits. We tried to put a gross-earnings tax on them, but it did not work; we made a mistake. Then we attempted to devise another scheme to get at them. We were willing to let them deduct the cost of mining and also, on top of that, the cost of transportation to the place of sale at Cleveland, Ohio, and then, if there was a net profit left, the State of Minnesota asked for the measly little sum of 6 per cent. What happened? In two years' time the books showed that we had over $5,000,000 coming to us as the result of the 6 per cent tax on net profits. Then, of course, the friends of the Steel Trust got together and, for various reasons that I can not remember now, they figured out nearly a million and a half dollars for deductions, but the State received nearly $4,000,000 anyway.

Of course, that did not do any good to the people of the United States, for it went directly to the State of Minnesota, and indirectly it may hurt all the people in the United States, for when I buy binders and mowers for my farm or anything else that is manufactured out of steel and the housewife buys the things which she uses in the kitchen which are manufactured of iron and steel by the Steel Trust, that organization is in a position where they can collect tribute every time anything is bought which they manufacture. This body was created to provide against such things, and that is what the Federal Trade Commission was created for.

I am willing to stand for an excess-profits tax. In the State of Minnesota, as I have said, when we levied a tonnage tax the Steel Trust fought it to a finish, but, of course, we licked them. After the bill was passed they threw it into two courts, but the courts sustained the position of the State. Of course, when our farmers and laboring people got together we had to hire a pretty smart man to draw the bill; we could not draw it ourselves. So we hired a professor from Utah, a mining expert, who drew the bill. We did not, however, get the honor and credit of putting the bill through, for the Republican Party in Minnesota took it out of our hands and put it through. But we do not care for that. The law is there and it is going to stay there.

I have been waiting for the last three years to ascertain if the Steel Trust could find a loophole through which to crawl. Colonel Wilkinson, of Minnesota, was in Washington last week in the interest of legislation for the farmers of the Northwest. I spent two hours with the old gentleman, who is over 81 years old, and I tell you he knows something. He was the chief counsel for James J. Hill, the empire builder, for over 28 years; and we all know that James J. Hill did not hire anybody who was not able to do something in the interest of his great railway system. Colonel Wilkinson said that the price placed on steel was not set by the Steel Trust on their own iron ore but it was set upon the iron ore sold by the independent mines in the State of Minnesota.

They decided to cut down the price 90 cents for 1924 as I recall; they were going to try to skin the State of Minnesota in that way, and when they are in a position to hire the best lawyers that money can hire in this country to fight their battles, it is no wonder that they are trying to get away and have been trying to get away for all these years without being touched. They see to it also that able men like the senior Senator from Pennsylvania [Mr. PEPPER] and the junior Senator from Pennsylvania [Mr. REED] are elected to this body, so that they can defend them when it comes to tax legislation. If I were in the place of Ford, of course, I would do the same thing, although Ford is slipping on the Muscle Shoals proposition now.

Mr. President, there are many, many things we might talk about in connection with taxes. We farmers have not made any profits; we have been running behind right along; so when I finished up my income-tax statement the other day it developed that Uncle Sam will only get a few measly dollars from me; and there will not be much need to scrutinize my return.

So there you are, Mr. President. It is up to us before we leave here to try to "soak" it to the big business as much as we possibly can, but it does not help us if they "soak" us back; and that I will not stand for at all. We want to have an equal tax. If I had a business, instead of being a farmer, nobody would need to come around me and make me pay my taxes; I would pay them freely and honestly and the more I made the more I would like to pay.

When I made my speech in Philadelphia—and pardon me for going back to that—the great Chief Justice of the Supreme Court said, "Oh, well, the quarter of a million dollars that a company saves under the Mellon plan, on a million-dollar profit, will go back into the industry and the wheels of business will go around." I had a good notion to ask the able Senator from Pittsburgh, Pa., [Mr. REED], "What is the use to tax them at all? Just let them put everything they earn back into their business."

So far as the railways are concerned, I believe I travel around the country as much as anybody when I am not in Congress. I have noticed what the railroads have been spending. I have been talking in my State for eight years in the legislative committees with the common people, with those who are there representing them, and I have talked with the section bosses, I have talked with superintendents, I have talked with all kinds of people, even with lawyers and attorneys for the railroad companies, and I have a whole lot of information from them.

They are putting up a great big depot in St. Paul. Of course they needed one; it was only a shell they had there, and that town ought to have just as good a depot as the city of Minneapolis has. But who pays for it? Of course, we all pay for it; I know that; but at the same time if I should want to build anything on the farm at the present time where am I going to get the money?

Talk about tax-exempt securities. There are two sides to that question, I know; but the Senator from Pennsylvania [Mr. REED] knows that we have taken one thing away from big business that they would like to get back, and that is the farm-loan business. In the State of Minnesota the same Colonel Wilkinson was the author of the bill, and, thank God, he is working more for the farmers to-day than he ever worked in his life before, and before he dies and quits I hope that he can do more for the farmers than he has done during the last two years. He was once on the side of big business, but he was the author of the State rural credit measure which is similar to the bill passed in the State of South Dakota, which my friend the Senator from that State [Mr. NORBECK] so ably represents to-day. The Senator was governor of the State, I believe, at the time when the rural credit bill was enacted into law in his State. Under that measure $3,000,000 a month are being loaned out to the farmers at a cheaper rate of interest than ever before. It is no wonder the bankers are kicking and trying to go back to the old system.

I wish I were able to explain these things, but it is very, very easy for me to go into the country and talk about these things to the farmers who are down and out, because they understand them. Some days ago I went to one of these business institutions when I was in McKeesport, Pa., where I made a speech. Representative KELLY invited me there, and I had a pretty good time. I was escorted by about 150 people through the National Tube Co.'s mill and I saw the iron ore from Minnesota where it was put into the furnace and manufactured into various kinds of pipe, including sewer pipe and gas pipe and all that sort of thing. When I walked through there I happened to think of conditions up in Minnesota in the mines where they dig up this ore which is made into useful things for society. I happened to think about these hell holes, where those people are working; and still some people talk about labor and say it is getting so much. A whole lake went into a mine up there the other day, and you have seen in West Virginia the same picture. Who is going there? Oh, the people that go there have not so much education, but they probably have wives and children that are just as dear to them as the wives and children of the Senators from Pennsylvania; I want to tell them that.

When I walked through that great institution, I could not help but think about these things, and think about the enormous profits that Carnegie and a good many of his associates made. I have read all about it. I read, over across the sea, about how he sold steel plates for enormous profits. It did not take a very smart man to make money when he went into that business. He probably had good luck. Probably we have had good luck in politics, too, just the same.

I am going to close with this remark: Something should be done, and it is up to us to do it, and we ought to do it as soon as we possibly can. The farmers are down and out now. We are almost bankrupt. Look at the big bank in St. Paul that went up the other day, and another one, a still bigger bank, consolidated with the Merchants' National Bank, this second bank, next to the First National the largest bank in that city. That shows what the two old parties have done for the farmers of the Northwest.

I certainly enjoyed listening for two hours to my friend the Senator from Idaho [Mr. GOODING]. The only thing I criticize him for is that he got cold feet on his own bill. It is a great deal better bill than the McNary-Haugen bill. There is no question about that, because under his bill he sets a price, so it is said, on the farmer's wheat for two years, and guarantees him something; and if there is a loss on what is exported, what happens? All citizens of the United States will pay for it. I am going to vote for the other bill. Of course I am. I will vote for anything that I think will help the farmer; but I am not afraid to say that the Gooding bill is a better bill than the McNary-Haugen. Why? For this reason: Suppose we get $1.50 a bushel for No. 1 wheat under the McNary-Haugen bill. There is probably a loss on the exports, and that loss will be charged up to whom? To the farmers themselves, and the farmer will be mighty lucky if he receives, under the McNary-Haugen bill, $1.25 a bushel.

The Senator from Idaho, however, seems to be afraid that there is no show for his bill. Well, I honestly have to confess that I believe there is not much show for the other bill, either; but we are going to make speeches in the farm-bloc corner over there every day from now on, and if I get started I may talk for a whole week. [Laughter.] We are here asking for something. We have only three weeks left before we adjourn, and I want to serve notice on both you Democrats and you Republicans, do not dare to adjourn before you do something for the farmers of this country.

When the basic industry suffers, the whole country will suffer. Seven banks went up in my State recently, and many in other States, and it is beginning to be felt in the East.

When we can not buy cotton goods on the farm, is it any wonder that the Senator from Massachusetts [Mr. WALSH] put in his resolution yesterday, or day before yesterday, to have the Tariff Commission investigate what is the matter? I have a speech prepared, which I probably will deliver to-morrow—of course, it is a written speech—in which I call attention to the fact that we farmers have begun to quit buying farm machinery even. You will find a great percentage of falling off in even the plows that we can buy. Why? Because we have not anything to buy with; but when we can buy, when we feel prosperous, when we have a buying power, the banker, the business man, the professional man will all be paid, so that they can buy, and so that they can patronize even Mr. Ford.

The way it looks to me now, we can not buy Fords any more unless he puts down the price to $100, and I think he will do it. He has kept reducing the price on Fords right along, so that he can sell more. That is the only thing that will enable him to keep on with his business. There is no question at all about that. I admire Ford, but I do not think we should let him have Muscle Shoals at the offer that he has made.

That has not anything to do with the tax problem, I know; but I wanted to say to you, Mr. President, that I have studied the history of my own great State, and the lumber forests and the iron ore and some of the streams are gone. Are we not going to preserve what we have left? Let us put our heads together, and if you Republicans want to be reelected, if you want to avoid having the farmer-laborites sweep the whole country, you had better be honest, you had better be fair when it comes to legislation for the people of this country.

Mr. WALSH of Massachusetts. Mr. President, what I have to say on this amendment relating to corporation taxes will be very brief. I want to call attention to the fact that we have since the war had two bills to reduce and equalize the taxes of the taxpayers of the country. In both bills, one a law, we have reduced the normal tax of the individual; we have reduced the surtaxes of the individual; we have reduced the excess-profits taxes on corporations; we have reduced many of the nuisance taxes. One class alone, though we have passed two bills to reduce taxes, have not had their taxes reduced one iota since the war, and that is the class of corporations carrying on manufacturing, industrial, and commercial business in this country without earning large profits.

Let us review the history of our tax legislation since the war and see if this is not so.

During the war we imposed three taxes upon corporations—a tax upon the net income, a capital-stock tax, and an excess-profits tax. That was done during the war when there was less partisanship in the Congress, perhaps, than at any other period in its history; when money had to be raised to help win the war; when it was important and essential that the burdens of taxation should be equitably distributed, and the necessary money should be raised from those best able to pay.

After the war was over we revised our taxes in 1921, and what was the first thing we did? The first thing we did was to remove the war-tax burden upon those individuals paying the largest income taxes in this country. The first thing we did was to remove the high surtax rates upon the rich. The second thing we did—we did it at the same time—was to remove all taxes from those corporations that had been profiteering and that were making excess profits. That was the conception of tax reduction that the majority party had when it passed its revenue bill in 1921.

The removal of the excess-profits tax took out of the Public Treasury $450,000,000. It had to be made up in some way. It would not be fair and just to shift all that burden of $450,000,000 upon the individual income-tax payers of this country. Yet, somebody had to pay it. Somebody had to accept the burden; so what was done?

The normal tax upon corporations at that time, in 1921, was 10 per cent. No corporation paid more than 10 per cent on its net income, unless it reached such a percentage of profits that it came under the excess-profits tax provisions of the law. To meet in part the $450,000,000 loss, the basic tax upon the incomes of all corporations was increased from 10 per cent to 12½ per cent. In fact, the Senate tried to make it 15 per cent.

That was made the law of the land, and we ended that session by reducing the taxes upon every corporation and every individual in this country except the nonprofit-making corporations of this country. Upon these we increased the taxes 25 per cent. This was the way we pretended to reduce their taxes.

This increased tax has been levied until the present hour. That is what has been done by the party that claims to be the friend of the business man, that claims to be interested in the promotion of business in this country. It is a misnomer. The real facts show that it never has lost an opportunity to be the friend and protector and defender of big business and bad business, and not small business and struggling business.

I say it is an outrage to pretend to the American people that we are reducing taxes, and to make the small corporation, the competitive corporation, the nontrust corporation, the corporation of the class that is not dealing in monopolies, pay increased taxes, as the business men and manufacturers of that class have had to do since the war. Four hundred and fifty million dollars have been deducted from the taxes of corporations making 8 per cent profit or more, and 25 per cent increase has been made in the taxes upon the corporations that made less than 8 per cent. What a record of fanaticism—fanaticism in favor of the profiteers!

What is proposed under the present bill? The amendment offered by the Senator from Pennsylvania [Mr. REED] and adopted by the Finance Committee is an improvement over the present law; for this amendment offered, removing the capital-stock tax and increasing the basic tax from 12½ to 14 per cent, results in this, that those corporations that earn over 6⅔ per cent will have their taxes slightly increased over the tax of 1921, and those corporations earning less than that will have them slightly decreased, but the wrong that was done in 1921 has not been remedied.

The class of small corporations to which I have referred—the competitive class, the storekeeper who is incorporated, the small manufacturer who has to fight and struggle and compete to earn small profits—is still penalized under this bill.

Several attempts were made in 1921 to correct this unfair discrimination or evil, if I may call it that. Let me say in this connection, to show how many corporations have been affected by these changes in laws, that there were 300,000 corporations making returns in 1920. One hundred thousand of them were in the excess-profits class, 100,000 of them were of the non-excess-profit class, and 100,000 of them showed no net earnings. I agree that the excess-profits tax was a burdensome tax. It was perhaps a tax on thrift and success, but it was based upon the theory of ability to pay.

It was based upon the theory that a corporation which made large earnings could pay more, proportionately, than a corporation that did not make excess profits. The result was that we discriminated to the extent of lessening the tax on 100,000 corporations, and increased the tax upon the other 100,000 that were not making large profits.

At that time, to meet this situation, an amendment was proposed by me and was lost by a vote of 36 to 30. I want to read that amendment. It was as follows:

> For each calendar year thereafter, 10 per cent of such excess amount by which the net income does not exceed $100,000, 15 per cent of such excess amount by which the net income exceeds $100,000 and does not exceed $300,000, and 20 per cent of such excess amount by which the net income exceeds $300,000: *Provided*, That a corporation which did not make a net taxable income of more than 8 per cent on its invested capital for the taxable year shall not be taxed on its net income more than 10 per cent.

The purpose of that amendment was to keep the basic tax 10 per cent on those corporations which did not earn more than 8 per cent and to increase the tax upon those corporations which earned more than 8 per cent. It sought also to compel those corporations that were making large sums of money on their investment to pay more than those that were making small incomes. The Senator from Wisconsin [Mr. LENROOT] offered a somewhat similar amendment, which was defeated by a vote of 39 to 23.

The point I desire to make is this: That a very serious attempt was made then to apply the same principle to corporations that is applied to individuals, namely, ability to pay. The man who is making little money upon his investment should not be burdened with the same flat tax that is imposed upon a man who is making excess profits, and these amendments were proposed for that purpose. The very same arguments made in this Chamber to-day were then made against those amendments, namely, that the only fair tax, the only just tax, for corporations is a basic flat tax on all corporations, whether they are making large profits or whether they are not making any profits. It is unsound. It can not be defended successfully. It repudiates the principle of ability to pay.

The Senator from New Mexico suggests to meet the situation an amendment which does this one thing, if nothing else; it lowers the flat tax for the first time since the war upon the corporation making reasonably small profits. It lowers the basic tax from 14 per cent to 9 per cent. For the first time it gives hope to the struggling competitive business corporations, that they also are to enjoy the benefits of the after-war tax reductions. I would vote for it on that ground alone.

It does more than that. It seeks to apply the principle of ability to pay, and it applies that principle by recognizing the fact that one of the best ways to determine whether a corporation is able to pay a surtax is dependent upon the amount of surplus earnings of that corporation.

Therefore it demands, "When you begin to have surplus earnings, which is commendable, which is to be encouraged, and which is evidence of prosperity, of increased profits, of increased earnings, we propose to levy a tax upon you, and graduate that tax with reasonable exemptions, according to your surplus earnings."

It first of all has the merit of reducing the taxes upon the class of corporations that have not yet had any tax reduction since the war. Secondly, it seeks to apply to corporations the principle that we have applied, that we are applying, that we all insist should be applied—namely, ability to pay—to individuals.

That is why I propose, in the absence of some other suggestion to meet this discriminatory situation that exists in this country to-day, to vote for this amendment, because not to apply to corporations somewhat of the same principle we apply to individuals can not be justified.

If it is right to tax all corporations, those making 75 and 100 per cent profit on the same basis as those are taxed which make 2 per cent profit, then I think the same principle ought to be applied to individuals, and the multimillionaire should not pay a higher tax than the man who has a very simple income. But we are beyond that. We have accepted the graduated-tax principle. We have accepted the ability-to-pay principle, and if it is good for the individual doing business, if it is good for the merchant who does not incorporate and the manufacturer who does not incorporate, it is good for the merchants and manufacturers who do incorporate, and that is why I shall support this amendment, not that it is perfect, not that it removes all the difficulties that can be advanced against any amendment seeking to graduate a tax upon corporations. I appreciate its limitations and imperfections. They are numerous and many, but it is an honest attempt to apply the principle of ability to pay, and will result in reducing the taxes upon the corporations that have a right to have their taxes reduced and that we have refused to help heretofore by tax reductions.

Mr. ADAMS. Mr. President, I find myself considerably embarrassed in this matter, finding that I am compelled, in considerable part, at least, to differ with both of the distinguished Senators who are on the opposite sides of these two amendments. I regard the Mellon corporation-tax plan as intolerable. I think in all taxes the first and essential principle should be equality, and the flat 14 per cent or the flat 12½ per cent violates that essential principle.

More than that, it discriminates in favor of those with large incomes and against those with small incomes. The man having stock in a corporation small in amount is compelled to pay a far larger tax than he would pay if the enterprise were an individual enterprise. So that, so far as the small individual is concerned, the Mellon corporate-tax provision penalizes the individual to the advantage of the corporation, and, so far as those with large incomes are concerned, it gives the benefit to the corporation because it pays less than the individual would. So there is a fundamental destruction of tax equality.

I think the argument presented by the Senator from New Mexico is entirely sound as it progresses along the line on which he developed it. We differ only when he reaches the point of saying that it is not possible to accomplish that which he claims to be the desirable result. He asserts, and in the

assertion I am in entire accord with him, that there should be no distinction between the tax application in regard to an individual and in regard to a corporation. There is no reason why $1,000 placed into the channels of business by an individual should pay more or less than $1,000 placed in the channels of business through the use of corporate organization. Yet in each of these plans that condition exists. There is no equality.

The amendment offered by the Senator from New Mexico does afford an opportunity to obviate that if all of the stockholders will agree. He does permit the making of returns by corporations as partnerships. If that should be accomplished, then you would reach equality. But the Senator from New Mexico says that that can not be compelled. In that I am not entirely in accord with him.

I concede that the stock-dividend cases in the Supreme Court have held that it is impossible to impose upon the stockholder directly a tax based on the earnings of the corporation, but the thing which is desirable is that each stockholder shall pay a fair tax upon his proportionate share of the earnings of the corporation in accordance with the rate which he pays upon his other income. In other words, there is no reason why a man should pay a 20 per cent tax upon $10,000 which he earned as an individual and then pay 12½ per cent upon his share of the earnings of a corporation, any more than a man who pays 4 per cent or 8 per cent upon his private earnings should be made to pay 12½ per cent upon his share of the earnings of a corporation. Yet that is what the provision in the present bill does.

There is no point at which equality is reached, and the desirable thing is to reach the point where the corporate income is regarded in substance, for tax purposes, as income of the respective stockholders, is added to their individual income-tax returns, and the tax is paid by them upon the rate which would result by reason of that application. In other words, each corporation is now required to determine its net income; that is part of the present machinery. There is no difficulty in apportioning that net income among the stockholders of the company, whether the stockholders be three in number or 200,000 in number. It is a mere matter of mathematics. The only problem is as to whether or not there is some legal or feasible way in which such application of the tax rate can be in effect required.

In my judgment, it is possible to accomplish that result. I hesitate to make that statement in the face of the positive declarations made on the floor by experts on the subject that it can not be done, but if you can make it profitable for a man to make his return in a particular way, I think you will have little difficulty in securing the making of the return in that way. In other words, a man with an investment follows his financial interest, just as we are finding to-day that men are studying the tax statutes and are finding legal ways of evading the payment of taxes. If we can open to them a way by which some reduction of taxes will come to them by way of a partnership return, or a corporate return, you will find these stockholders willing to follow that channel. I merely suggest, as something to think about, that each corporation, from the standpoint of tax returns, be regarded as an individual; that we cease to discriminate between corporations and individuals, and that we fix the rate upon the total net income of the corporation identically as we fix it upon the income of the individual, and as the amount goes up, let the rate go up. That will of course reach, with certain large corporations, into the high brackets. This is the suggestion I have to make to reduce the situation to a partnership basis.

If you give the option, then, to the stockholders to have the returns made on a partnership basis, they are confronted with the option of either having the corporation pay as a single solidified entity at the high rate that it will reach upon that basis, or else to accept the corporation as an association of individuals and distribute its income taxes upon that basis, which will necessarily result in a lower tax rate. Personally, I have little doubt that that very thing would result, in the vast majority of cases, in producing equality among taxpayers, including corporations.

Take, as an example, a corporation with three stockholders—one stockholder whose rate might be 35 per cent, one whose rate might be 10 per cent, and one whose small earnings were exempt. The corporate rate upon its income might be such under such a plan as to run up into the higher brackets. We would find that a distribution of the tax would lower the rate to two and perhaps to all the stockholders, and could not in any possible way increase the rate of any individual stockholder. Consequently, we would find individuals willing to acquiesce in that method.

I would go a step further than that. The amendment of the Senator from New Mexico [Mr. JONES] accomplishes the result up to that point so far as consent can be obtained, but the compelling power is not there, because the rate is comparatively low. It is a 9 per cent rate. But if you follow the suggestion which I am seeking to make and allow the individual rate to apply to corporations, we have a compelling power to induce the stockholder to agree. I see no objection to doing this. Allow the individual stockholders, who can be advised readily of their relative shares of the corporate income, to say to the corporation in a proper way, "I choose to return my share of the net corporate earnings upon my tax return." To that extent, so far as stockholders see fit to avail themselves of that privilege, it would reduce the corporate net income and leave the remainder carrying the original rate.

I am merely suggesting that as being possibly worth thinking over. I recognize that perhaps it is impossible to work out a suggestion of that kind at the present time, but I am unwilling to say that we must enact a tax law which we admit is unjust and inequitable whichever way we go, and that is where we are standing to-day. Every man on the floor of the Senate is conceding the injustice of the flat 14 per cent rate. We are also forced to concede the injustice of the Jones amendment as it stands.

I have this to suggest in reference to the amendment of the Senator from New Mexico. An income tax should depend on earnings, not on distribution of income. In other words, the basis of the rate is the earnings and not the distribution. The tax should not be evaded by a failure to distribute. Neither should distribution be forced in order to collect taxes. That is the situation reduced to what I think are the real essentials of it—that an income tax should depend on earnings, not on distribution, and that the tax should not be evaded by a failure to distribute, nor should distribution be forced in order to collect taxes.

The situation as it is here presented is that those who insist upon the amendment of the Senator from New Mexico are having in mind men such as Henry Ford. They are thinking of the tax evader. They are endeavoring to reach him and are overlooking what is being done in the pursuit of the evader of taxes. I sympathize fully with them in endeavoring to prevent evasion, but here is what is happening. Let me illustrate it to you from my own community.

I happen to come from a community through which a flood swept two or three years ago. The capital of all the merchants and all the manufacturers was largely wiped out. Ninty-five per cent of the business community was flooded. We think a $100,000 corporation is a big one in our community rather than a small one. A large part of the property of probably 500 corporations of one size and another was destroyed. Their capital was destroyed. Based on book returns, I imagine half of the corporations in my community would show an impaired capital. They are putting in 100 per cent of their earnings to build up their business. If the Jones amendment goes through as it stands, those men can not build up their little enterprises, and can not build up their industries. I have in mind one particular case which will illustrate it, a little company with a capital of $25,000, $10,000 of it destroyed and now carrying a deficit of $10,000 on its books. Last year it made $5,000. It borrowed on the notes of its officers and stockholders, not upon its own credit, money with which to do business. It wishes to put money into its capital to work with. Under the amendment of the Senator from New Mexico those men have either got to distribute the $5,000 or they are going to have to pay a 40 per cent tax upon $3,000 of it; in other words, $1,200. They will have to pay a tax as big as the surtax rates the Simmons schedule imposes on a man with a $35,000 income.

Many of the men in my community do not have cash to distribute. Their earnings for the year are in book accounts, in merchandise, in machinery, or equipment. They can not distribute it if they would. All they could do would be to put a mortgage on their plant, if it was acceptable for that purpose, and then distribute borrowed money. Under our State laws, more than that, the corporation whose capital is impaired is forbidden under some conditions from declaring dividends. We are confronted with the proposition of violating the law or suffering extreme tax penalties.

In my State hundreds of banks have been embarrassed, many of them have been closed. The cause of the closing in many instances was shortage of capital. I come from a country where we do not have great financial resources. We need above all else an accumulation of capital in our community to develop it. We are not a lending community. We are a borrowing community. We are glad to have our people get ahead. They need to do so.

The banks are glad. The bank with a surplus is a better bank than the bank that is kept down and held close because of distribution of its earnings. I like to go to a bank that does not pay too large dividends. I like to see the statement of a bank pile up with surplus and undivided profits standing off against my deposit account.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. EDGE. As I followed the Senator with a great deal of interest, he recognizes a distinction between the corporation, speaking particularly of small corporations or small banks, and the individual, did he not? That is, the corporation has a certain responsibility to a number of stockholders to maintain a surplus in order to be prepared to meet eventualities such as he has discussed, where an individual has no responsibility except to himself, and the surtax on the individual therefore in the average way is much less apt to be distressing than it might be to a corporation or through the corporation to its stockholders.

Mr. ADAMS. That is true. Of course, in the bank you have a peculiar responsibility, which runs through your bank to the stockholders and to the depositors as well. We have heard on this floor day after day of hundreds of banks in different sections of the country that have closed, and many of them have been closed because of excessive dividends paid during flush periods. Personally, I would want to see banks prohibited from declaring dividends beyond a certain amount until their surplus had reached a certain amount, rather than to compel them to declare dividends to avoid high taxes.

Mr. EDGE. The same principle to a lesser extent exists with reference to corporations serving the public. Of course the difference is distinct, as the Senator has stated.

Mr. ADAMS. I have really a very deep feeling in reference to the situation. The Mellon amendment, if I may so speak of it, I think is intolerable. I think the Senate of the United States and the Congress ought not to sit down supinely and say, "We can not enact a just statute, but we must enact an unjust one, and in order to reach the big evader of taxes we must trample upon the rights of the small man." My own theory is the theory often taught in the English criminal law—better ten guilty men escape than one innocent man be punished. Here the reverse is true. This amendment standing alone would injure ten men who are not tax evaders in order to catch one who is. I think the Jones amendment is susceptible of amendment so it can be made to serve its purpose, to reach the tax evader, and at the same time to avoid preventing the possibility of development of the small corporations.

The Senator from Virginia [Mr. GLASS] commented upon the 30 per cent leeway before the rate exceeded the rates of the present schedule. The 30 per cent is not 30 per cent upon the capital. It is 30 per cent of the earnings of the corporation. Take a bank with $100,000 capital that has made $10,000 net income. That is a pretty good return in these days. They would be allowed to retain $3,000, and up to that point they would pay the 14 per cent and beyond that reach immediately out into the higher rates. In other words, $3,000 does not build up a bank against the day of adversity, against bad loans, against bad crops and business conditions. I do not think 30 per cent of the net earnings is as much as it sounds when reduced to the figures.

Again, the actual rate ought to be considered. The rate which is proposed to be applied by the Jones amendment is in excess of the maximum rate in the Simmons amendment. In other words, the 40 per cent applied by this amendment applies to the whole amount which is reserved; while the surtax rate, evasion of which it is sought to avoid, only applies 40 per cent upon the excess of a certain amount, and then 39 and 38, and so on down the scale; and I understand the actual average is perhaps in the twenties.

I think the penalty is excessive. I think the Senator from New Mexico is one of the most earnest students of financial matters in the United States. He has given to this endless time and endless study and knows infinitely more about it than I do. I merely feel that in the effort which he has made to reach a certain evil he has applied a remedy which is going to produce other evils. Doctors do that at times—that is, in their effort to eradicate one trouble they create another.

Mr. GLASS. Mr. President will the Senator yield?

Mr. ADAMS. Certainly.

Mr. GLASS. The Senator's argument up to this time does not touch the validity of the principle of the proposal submitted by the Senator from New Mexico. It seems to me, as I indicated at first, that the difficulty he points out may be amended by readjustment of the rates and by moderation of the gradations of the penalties proposed. I have not appeared as one of the proponents or zealous advocates of the proposition. I want to learn what it all means.

Mr. ADAMS. Mr. President, the Senator from Virginia is entirely correct. I am not attacking the principle. I think that the purpose of the Jones amendment is commendable, and I am seeking to point out what seem to me to be errors in its construction and in its application. I am doing so in the hope, in a modest way, at least, that amendments to it will be acceptable, so as to avoid these difficulties.

I think, for instance, that we are not reaching tax evaders when we are applying penalties to corporations which have earned two, three, five, or ten thousand dollars. They are not tax evaders; they need encouragement; and yet remember this amendment applies to a corporation that makes but a hundred dollars, and does not distribute that $100 or at least distributes less than 70 per cent of it. They have to pay back 40 per cent, for there is a $40 penalty on the corporation that makes only $100 if it does not divide it.

There should be some minimum; I think there should be some revision of the applicable rates. I think the penalties are really excessive. As I have stated, I think the Jones amendment applies higher rates than the Simmons surtax rates and applies those rates to smaller amounts. The Jones amendment applies maximum rates to the entire amount, while the Simmons rates apply only to amounts in excess of the next lower amount. So I am hoping that my feeling of apprehension as to the operation of the amendment, if adopted, may be met by reasonable amendments.

I am willing to go a long way to reach the tax evader. I am willing that my people shall stand some part of the penalty, just as when the fire engine goes to the fire I am willing to take the chance of having a wheel taken off my automobile, when an earnest effort is made to reach and put out a fire. The amendment as it stands goes too far; there is too little thought given the small corporation, too great a penalty imposed, and too much disposition to compel distribution of surpluses which ought to be kept. What we are trying to do is to reach the surplus which ought to be distributed and which is retained in order to evade taxes, not to compel the distribution of a surplus which had better be retained in the business.

I will only add that I wish those Senators who have followed what I have had to say would give some thought to the suggestions which I made earlier as to the possibility of a plan being put into operation which would obviate the inequalities of any method which recognizes a distinction between the corporation and the individual for the purpose of applying the rates. As we all know, the corporation has been the shield behind which the tax evader has hidden; and my suggestion, in substance, is that for tax purposes we shall take down the shield.

Mr. FERRIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fletcher	McKellar	Sheppard
Ashurst	Frazier	McKinley	Shields
Ball	George	McLean	Shipstead
Brandegee	Gerry	McNary	Simmons
Brookhart	Glass	Mayfield	Smoot
Bursum	Gooding	Moses	Stanfield
Cameron	Hale	Neely	Stephens
Capper	Harreld	Norbeck	Trammell
Caraway	Harris	Norris	Wadsworth
Colt	Harrison	Oddie	Walsh, Mass.
Copeland	Howell	Overman	Walsh, Mont.
Curtis	Johnson, Minn.	Pepper	Warren
Dale	Jones, N. Mex.	Phipps	Watson
Dial	Jones, Wash.	Pittman	Weller
Dill	Kendrick	Ralston	Wheeler
Edge	Keyes	Ransdell	Willis
Fernald	King	Reed, Mo.	
Ferris	Ladd	Reed, Pa.	
Fess	Lodge	Robinson	

The PRESIDING OFFICER. Seventy-three Senators having answered to their names, a quorum of the Senate is present.

Mr. JONES of New Mexico. Mr. President, I wish to make a remark or two.

Mr. ADAMS. Mr. President, may I suggest that the Senator advise the Senate as to the conference we have had with reference to possible amendments? That would save me the necessity of troubling the Senate further.

Mr. JONES of New Mexico. Yes; I think there is much force in the statement of the Senator from Colorado in regard to the very small corporations and in regard to corporations which have sustained capital losses, and I am perfectly will-

ing to exempt from this surtax incomes of corporations which are not in excess of $10,000 or $15,000 or even $18,000. I do not think it would make any material difference in the proposal, and I am perfectly willing to accept amendments of that kind. We have not time just now to work them out, but if my amendment should be adopted when the bill goes into the Senate I am perfectly willing to support amendments covering those points.

Mr. WALSH of Massachusetts. There is no exemption in the present law.

Mr. JONES of New Mexico. There is no exemption in the present law; all corporations bear the flat tax.

Mr. WALSH of Massachusetts. Nor is there in the proposed law; so that the amendment of the Senator from New Mexico as it now stands is no different in its exemptions to the small corporations than the amendment proposed by the committee.

Mr. JONES of New Mexico. The amendment as printed does not deal with the subject of exemptions at all. That is dealt with in another provision of the bill.

Mr. WALSH of Massachusetts. So the objections made by the Senator from Colorado would apply to the bill as reported as well as to the amendment of the Senator from New Mexico.

Mr. JONES of New Mexico. Absolutely; because, under the proposal of the majority of the committee, all the earnings would be subject to the entire 14 per cent flat tax; but if we should have the normal tax of 9 per cent, I would be perfectly willing to exempt from the surtax provisions the earnings of corporations where the corporation does not earn in excess of $10,000 or $15,000 or even $20,000, or whatever is a reasonable amount to cover the small corporations.

Mr. SIMMONS. That is an exemption from the surtax?

Mr. JONES of New Mexico. Yes; from the surtax. We exempt from surtax individual incomes up to $10,000, and I see no reason why there should not be an exemption from this surtax.

Mr. SIMMONS. By analogy, there ought to be.

Mr. JONES of New Mexico. I am inclined to think so; and where the corporation has sustained capital losses I can not see why it should distribute its income, unless it wishes to do so, in order to restore capital losses—I mean exempt them from the surtax, not from the normal tax—and to that extent they would be benefited by the general principle. I think the general principle is right, and I am sure we shall be able to work out something of that kind when the bill gets into the Senate.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Florida?

Mr. JONES of New Mexico. I do.

Mr. FLETCHER. I think the Senator is acting very wisely in doing that. I think that will very greatly improve the plan he has suggested.

Mr. JONES of New Mexico. I think it is fair to make some adjustments of that kind.

Mr. FLETCHER. It is entirely just and it ought to be done by all means.

Mr. JONES of New Mexico. I am willing to support any reasonable modification of that sort when the bill gets into the Senate.

Mr. McKELLAR. The Senator prefers that the amendment be voted on just as it is, and make that arrangement later?

Mr. JONES of New Mexico. I think so, because so many Senators want to vote on the proposal, and I am willing to give the assurance that I will support such amendments as have been indicated.

I do not think it is necessary for me to refer further to the arguments of Senators. The Senator from Pennsylvania [Mr. REED] has simply repeated in principle the argument against any high surtaxes, and I think most of the argument of the Senator from Utah [Mr. SMOOT] is upon the same basis and goes to the same point in principle. We have discussed that time after time, and, of course, I do not agree that that is a matter that is going to interfere with the business development of the country.

As to the proposal about $1 above a bracket bringing on a larger percentage, I remind the Senate that the amount of net income retained is in the control of the board of directors, and they can retain that $1 if they want to or pay it out if they want to, and adjust their rate of taxes to suit themselves and the business of the corporation.

I do not believe that I care to discuss the matter any further, and I am willing simply to call for the yeas and nays.

Mr. McKELLAR. Let us have the yeas and nays.

Mr. SMOOT. Mr. President, I want to say to the Senator that I am very glad he is willing to let this matter go over until the bill gets into the Senate, because I am quite sure that when the attention of the Senate is called to the amount of revenue that will be lost by the amendment it will give us serious concern as to where we are going to raise it.

Mr. JONES of New Mexico. We will look into that matter.

Mr. SMOOT. I am very glad that the Senator says he will consider it when the bill gets into the Senate.

Mr. JONES of New Mexico. I do not think it will materially affect the revenue.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New Mexico. On that question the yeas and nays have been demanded. Is the demand seconded?

The yeas and nays were ordered.

Mr. JONES of New Mexico. Mr. President, the amendment has not yet been stated. I wish to call attention to the amendment which we have been discussing, which I am sure will be desired.

The amendment appears on page 2 of the list of amendments. The first one to be voted on is the one beginning on line 16 of page 2 with the words "Section 230," down to and including line 22, on page 9 of the printed amendment, which involves the whole matter of corporation taxes which we have been discussing.

The amendment was, on page 82, to strike out lines 3 to 8, inclusive, and to insert:

SEC. 230. (a) In lieu of the tax imposed by section 230 of the revenue act of 1921 there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a normal tax of 9 per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

(b) In addition to the normal tax imposed by subdivision (a) of this section, there shall be levied, collected, and paid upon the surtax net income (as defined in subdivison (c) of this section) of every corporation a surtax equal to the following percentage of the undistributed net income as defined in subdivision (c) of this section:

One-fourth of 1 per cent if the undistributed net income is more than 10 per cent but not more than 11 per cent of the surtax net income;

One-half of 1 per cent if the undistributed net income is more than 11 per cent but not more than 12 per cent of the surtax net income;

Three-fourths of 1 per cent if the undistributed net income is more than 12 per cent but not more than 13 per cent of the surtax net income;

One per cent if the undistributed net income is more than 13 per cent but not more than 14 per cent of the surtax net income;

One and one-fourth per cent if the undistributed net income is more than 14 per cent but not more than 15 per cent of the surtax net income;

One and one-half per cent if the undistributed net income is more than 15 per cent but not more than 16 per cent of the surtax net income;

One and three-fourths per cent if the undistributed net income is more than 16 per cent but not more than 17 per cent of the surtax net income;

Two per cent if the undistributed net income is more than 17 per cent but not more than 18 per cent of the surtax net income;

Two and one-fourth per cent if the undistributed net income is more than 18 per cent but not more than 19 per cent of the surtax net income;

Two and one-half per cent if the undistributed net income is more than 19 per cent but not more than 20 per cent of the surtax net income;

Two and three-fourths per cent if the undistributed net income is more than 20 per cent but not more than 21 per cent of the surtax net income;

Three per cent if the undistributed net income is more than 21 per cent but not more than 22 per cent of the surtax net income;

Three and one-fourth per cent if the undistributed net income is more than 22 per cent but not more than 23 per cent of the surtax net income;

Three and one-half per cent if the undistributed net income is more than 23 per cent but not more than 24 per cent of the surtax net income;

Three and three-fourths per cent if the undistributed net income is more than 24 per cent but not more than 25 per cent of the surtax net income;

Four per cent if the undistributed net income is more than 25 per cent but not more than 26 per cent of the surtax net income;

Four and one-fourth per cent if the undistributed net income is more than 26 per cent but not more than 27 per cent of the surtax net income;

Four and one-half per cent if the undistributed net income is more than 27 per cent but not more than 28 per cent of the surtax net income;

Four and three-fourths per cent if the undistributed net income is more than 28 per cent but not more than 29 per cent of the surtax net income;

Five per cent if the undistributed net income is more than 29 per cent but not more than 30 per cent of the surtax net income;

Five and one-half per cent if the undistributed net income is more than 30 per cent but not more than 31 per cent of the surtax net income.

Six per cent if the undistributed net income is more than 31 per cent but not more than 32 per cent of the surtax net income;

Six and one-half per cent if the undistributed net income is more than 32 per cent but not more than 33 per cent of the surtax net income;

Seven per cent if the undistributed net income is more than 33 per cent but not more than 34 per cent of the surtax net income;

Seven and one-half per cent, if the undistributed net income is more than 34 per cent, but not more than 35 per cent, of the surtax net income;

Eight per cent, if the undistributed net income is more than 35 per cent, but not more than 36 per cent, of the surtax net income;

Eight and one-half per cent, if the undistributed net income is more than 36 per cent, but not more than 37 per cent, of the surtax net income;

Nine per cent, if the undistributed net income is more than 37 per cent, but not more than 38 per cent, of the surtax net income;

Nine and one-half per cent, if the undistributed net income is more than 38 per cent, but not more than 39 per cent, of the surtax net income;

Ten per cent, if the undistributed net income is more than 39 per cent, but not more than 40 per cent, of the surtax net income;

Eleven per cent, if the undistributed net income is more than 40 per cent, but not more than 41 per cent, of the surtax net income;

Twelve per cent, if the undistributed net income is more than 41 per cent, but not more than 42 per cent, of the surtax net income;

Thirteen per cent, if the undistributed net income is more than 42 per cent, but not more than 43 per cent, of the surtax net income;

Fourteen per cent, if the undistributed net income is more than 43 per cent, but not more than 44 per cent, of the surtax net income;

Fifteen per cent, if the undistributed net income is more than 44 per cent, but not more than 45 per cent, of the surtax net income;

Sixteen per cent, if the undistributed net income is more than 45 per cent, but not more than 46 per cent, of the surtax net income;

Seventeen per cent, if the undistributed net income is more than 46 per cent, but not more than 47 per cent, of the surtax net income;

Eighteen per cent, if the undistributed net income is more than 47 per cent, but not more than 48 per cent, of the surtax net income;

Nineteen per cent, if the undistributed net income is more than 48 per cent, but not more than 49 per cent, of the surtax net income;

Twenty per cent, if the undistributed net income is more than 49 per cent, but not more than 50 per cent, of the surtax net income;

Twenty-two per cent, if the undistributed net income is more than 50 per cent, but not more than 51 per cent, of the surtax net income;

Twenty-four per cent, if the undistributed net income is more than 51 per cent, but not more than 52 per cent, of the surtax net income;

Twenty-six per cent, if the undistributed net income is more than 52 per cent, but not more than 53 per cent, of the surtax net income;

Twenty-eight per cent, if the undistributed net income is more than 53 per cent, but not more than 54 per cent of the surtax net income;

Thirty per cent, if the undistributed net income is more than 54 per cent, but not more than 55 per cent, of the surtax net income;

Thirty-two per cent, if the undistributed net income is more than 55 per cent, but not more than 56 per cent, of the surtax net income;

Thirty-four per cent, if the undistributed net income is more than 56 per cent, but not more than 57 per cent, of the surtax net income;

Thirty-six per cent, if the undistributed net income is more than 57 per cent, but not more than 58 per cent, of the surtax net income;

Thirty-eight per cent, if the undistributed net income is more than 58 per cent, but not more than 59 per cent, of the surtax net income;

Forty per cent, if the undistributed net income is more than 59 per cent of the surtax net income.

(c) For the purposes of subdivision (b) of this section—

(1) The term "surtax net income" means the net income as defined in section 232, increased by the amount of the deduction allowed under paragraph (6) of subdivision (a) of section 234;

(2) The term "undistributed net income" means the amount by which the surtax net income exceeds the sum of (1) the amount of the tax imposed by subdivision (a) of this section for the taxable year, plus (2) the amount of cash dividends paid during the twelve months preceding the 15th day of the third month following the close of the taxable year;

(3) The term "cash dividends" includes dividends paid in interest-bearing scrip, if subject to tax in the hands of the distributees to the same extent as a dividend paid in cash.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the Secretary will call the roll on agreeing to the amendment of the Senator from New Mexico [Mr. JONES].

The reading clerk proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The Senator from Virginia [Mr. SWANSON] is necessarily absent, and I have agreed to take care of him with a pair. I therefore withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and will vote. I vote "nay."

The roll call was concluded.

Mr. McKELLAR (after having voted in the affirmative). I have a pair for the day with the junior Senator from Missouri [Mr. SPENCER]. I transfer that pair to the junior Senator from Alabama [Mr. HEFLIN] and allow my vote to stand.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from West Virginia [Mr. ELKINS] and will vote. I vote "nay."

Mr. GERRY. I desire to announce that the senior Senator from Alabama [Mr. UNDERWOOD], who is paired with the senior Senator from Massachusetts [Mr. LODGE], would, if present, vote "yea."

I wish also to announce that the Senator from South Carolina [Mr. SMITH] is paired with the Senator from South Dakota [Mr. STERLING], and that if present the Senator from South Carolina would vote "yea."

The result was announced—yeas 43, nays 32, as follows:

YEAS—43

Adams	Frazier	Ladd	Robinson
Ashurst	George	McKellar	Sheppard
Bayard	Gerry	Mayfield	Shields
Brookhart	Glass	Neely	Shipstead
Broussard	Harris	Norbeck	Simmons
Caraway	Harrison	Norris	Stephens
Copeland	Howell	Overman	Trammell
Dial	Johnson, Minn.	Pittman	Walsh, Mass.
Dill	Jones, N. Mex.	Ralston	Walsh, Mont.
Ferris	Kendrick	Ransdell	Wheeler
Fletcher	King	Reed, Mo.	

NAYS—32

Bell	Edge	Lodge	Reed, Pa.
Brandegee	Ernst	McKinley	Smoot
Cameron	Fernald	McLean	Stanfield
Capper	Fess	McNary	Wadsworth
Colt	Gooding	Moses	Warren
Cummins	Hale	Oddie	Watson
Curtis	Harreld	Pepper	Weller
Dale	Keyes	Phipps	Willis

NOT VOTING—21

Borah	Greene	McCormick	Sterling
Bruce	Heflin	Owen	Swanson
Bursum	Johnson, Calif.	Shortridge	Underwood
Couzens	Jones, Wash.	Smith	
Edwards	La Follette	Spencer	
Elkins	Lenroot	Stanley	

So the amendment of Mr. JONES of New Mexico was agreed to.

Mr. JONES of New Mexico. Mr. President, I think we might as well act upon the other separate amendments, which give the corporate shareholders the right to make returns as partners. That is a separate amendment. It goes into the bill at a separate place, at page 81, after line 24, and I now offer that amendment.

Mr. SIMMONS. It is a part of the general scheme.

Mr. JONES of New Mexico. It is a part of the plan which has been discussed, but it is a separate amendment.

The PRESIDENT pro tempore. The Senator from New Mexico offers an amendment which the Secretary will report.

The READING CLERK. At the top of page 82, the Senator from New Mexico proposes to insert:

SHAREHOLDERS TAXED AS PARTNERS

SEC. 228. (a) The shareholders of any corporation which is subject to the tax imposed by subdivision (a) or (b) of section 230 shall, if they all agree thereto in respect of any taxable year of the corporation, be taxed in the same manner as the members of a partnership. All the provisions of this title relating to partnerships and the members thereof shall so far as practicable apply to such corporation and the shareholders thereof. If all the shareholders are so taxed, the corporation shall be exempt from tax under section 230 for such taxable year.

(b) For the purposes of this section amounts distributed by such corporation during its taxable year shall be accounted for by distributees; and any portion of the surtax net income (as defined in subdivision (c) of section 230) remaining undistributed at the close of its taxable year shall be accounted for by the shareholders of such corporation at the close of its taxable year in proportion to their respective shares.

(c) Any undistributed portion of the surtax net income (as defined in subdivision (c) of section 230) which is taxed to the shareholders under this section shall, when distributed, be exempt from tax to the distributees.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. SMOOT. I have no idea what effect that will have upon the revenues of the Government. It is impossible to say; but I think it makes very little difference now. I do not think there is any need of having a vote upon it. Senators may vote any way they want to. I do not know and nobody in this body knows what the effect will be.

The amendment was agreed to.

Mr. JONES of New Mexico. Another amendment suggested by the draftsman is to be inserted on page 91, line 16, after the word "by," to insert the words "subdivision (a) of." It is merely a verbal amendment.

The amendment was agreed to.

Mr. JONES of New Mexico. I will ask that the next amendment be reported.

The PRESIDENT pro tempore. The Secretary will report the next amendment.

The READING CLERK. On page 91, line 22, after the word "by," insert "subdivision (a) of."

The amendment was agreed to.

The READING CLERK. On page 92, line 7, strike out "12½" and insert "9."

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will report the next amendment passed over.

Mr. SMOOT. The next amendment passed over will be found on page 139, Title III, the estate tax.

Mr. REED of Missouri. I assume that that will take some time.

Mr. SIMMONS. I do not think it will take over 30 minutes.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 139, Title III, estate tax, in line 24, the committee proposes to strike out the word "administrator" and the comma and to insert the words "administrator appointed, qualified, and acting within the United States, then."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. WALSH of Massachusetts. Mr. President, in behalf of the minority I offer an amendment presented by me on May 5.

The PRESIDENT pro tempore. There is an amendment already pending.

Mr. WALSH of Massachusetts. I offer this amendment to the committee amendment, in the nature of a substitute.

Mr. SMOOT. May I ask the Senator whether it is a complete substitute?

Mr. WALSH of Massachusetts. It is a complete substitute for Title III.

Mr. SMOOT. That is as I understood it.

Mr. WALSH of Massachusetts. It need not be read. I ask unanimous consent that the amendment may not be read, because I will explain it in my address to the Senate. It is long, and it would take some time to read it.

Mr. SMOOT. I would like to have it go into the RECORD.

Mr. WALSH of Massachusetts. I ask that it be printed in the RECORD without reading.

The PRESIDENT pro tempore. Unless the reading is demanded, the amendment will be printed in the RECORD without being read.

The amendment submitted by Mr. WALSH of Massachusetts was, on page 139, beginning with line 21, to strike out through line 5, page 154, and insert in lieu thereof the following:

TITLE III.—INHERITANCE TAX

SEC. 300. When used in this title—

(a) The term "executor" means the executor or administrator of the decedent, or if there is no executor or administrator appointed, qualified, and acting within the United States, then any person in actual or constructive possession of any property of the decedent;

(b) The term "net estate" means the net estate as determined under the provisions of section 307;

(c) The term "month" means calendar month; and

(d) The term "collector" means the collector of internal revenue of the district in which was the domicile of the decedent at the time of his death, or if there was no such domicile in the United States, then the collector of the district in which is situated the part of the gross estate of the decedent in the United States, or if such part of the gross estate is situated in more than one district, then the collector of internal revenue of such district as may be designated by the commissioner.

SEC. 301. In lieu of the tax imposed by Title IV of the revenue act of 1921, a tax is hereby imposed upon the transfer by reason of death of a resident of the United States dying after the enactment of this act of any tangible or intangible property wherever situated, or any interest therein or income therefrom, and upon the transfer, by reason of the death of a nonresident of the United States dying after the enactment of this act, of any property within the United States, or any interest therein or income therefrom, to any person in trust or otherwise, equal to the sum of the following percentages of the total value of the beneficial interests transferred to such person in any manner by reason of the death of the decedent, in excess of the exemptions provided in subdivision (a) of section 304:

(a) Upon a transfer to a husband, wife, child, adopted child, parent, or grandchild of the decedent:

One per cent of the amount of the beneficial interests passing to such person not in excess of $25,000;

Two per cent of the amount by which such beneficial interests exceed $25,000 and do not exceed $50,000;

Three per cent of the amount by which such beneficial interests exceed $50,000 and do not exceed $75,000;

Four per cent of the amount by which such beneficial interests exceed $75,000 and do not exceed $100,000;

Six per cent of the amount by which such beneficial interests exceed $100,000 and do not exceed $200,000;

Nine per cent of the amount by which such beneficial interests exceed $200,000 and do not exceed $500,000;

Twelve per cent of the amount by which such beneficial interests exceed $500,000 and do not exceed $1,000,000;

Eighteen per cent of the amount by which such beneficial interests exceed $1,000,000 and do not exceed $2,000,000;

Twenty-four per cent of the amount by which such beneficial interests exceed $2,000,000 and do not exceed $3,000,000;

Thirty per cent of the amount by which such beneficial interests exceed $3,000,000 and do not exceed $5,000,000;

Thirty-six per cent of the amount by which such beneficial interests ceed $5,000,000.

(b) Upon a transfer to a brother, sister, nephew, or niece of the decedent the rates of tax shall be the sum of the percentages provided in subdivision (a) of this section increased by 25 per cent.

(c) Upon a transfer to any other person the rates of tax shall be the sum of the percentages provided in subdivision (a) of this section increased by 50 per cent.

SEC. 302. The following shall be deemed to be taxable transfers under the provisions of this title:

(a) Transfers by the laws of intestate succession, or by will, including the creation by will of powers of appointment and the exercise by will of general powers of appointment;

(b) Transfers by deed, grant, or gift, including the exercise by deed of general powers of appointment, and including transfers in trust, in contemplation of or intended to take effect in possession or enjoyment at or after the death of the vendor, grantor, or donor, except in the case of a bona fide sale for a fair consideration in money or money's worth. Any transfer of a material part of his property in the nature of a final disposition or distribution thereof, made by the decedent within two years prior to his death, without such consideration, shall, unless shown to the contrary, be deemed to have been made in contemplation of death within the meaning of this title;

(c) Transfers, including transfers in trust, made by the decedent, where the enjoyment thereof was subject at the date of his death to any change through the exercise of a power, either by the decedent alone or in conjunction with any person, to alter, amend, or revoke, or where the decedent relinquished any such power in contemplation of his death, except in case of a bona fide sale for a fair consideration in money or money's worth;

(d) Other transfers by reason of the death of the decedent, including the following:

(1) The consummation in a surviving spouse of dower, curtesy, or statutory rights, powers, or privileges in lieu of dower or curtesy;

(2) The accrual, through survivorship, to a surviving tenant or depositor of complete title to property held as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse, or deposited with any person carrying on a banking business in their joint names and payable to either or the survivor, except such part thereof as may be shown to have originally belonged to such other person and never to have been received or acquired by the latter from the decedent for less than a fair consideration in money or money's worth. Where such property or any part thereof or part of the consideration with which such property was acquired is shown to have been at any time acquired by such other person from the decedent for less than a fair consideration in money or money's worth, there shall be excepted only such part of the value of such property as is proportionate to the consideration furnished by such other person. Where any property has been acquired by gift, bequest, devise, or inheritance, as a tenancy by the entirety by the decedent and spouse, then it shall be deemed to have accrued to the survivor to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then

to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants; and

(3) The receipt by any beneficiary of insurance under policies taken out by the decedent upon his own life.

(e) Subdivisions (b), (c), and (d) of this section shall apply to the transfers, trusts, estates, interests, rights, powers, and relinquishment of powers, as severally enumerated and described therein, whether made, created, arising, existing, exercised, or relinquished before or after the enactment of this act.

SEC. 303. Taxes upon transfers shall be computed upon the total value of all the beneficial interests transferred to the same person in any manner by reason of the death of a decedent. Whenever at the time a tax becomes due the persons to whom beneficial interests are transferred by reason of the death of a decedent are not in being or can not be ascertained, or the extent of the beneficial interests transferred can not be ascertained, for the reasons that the transfers are conditioned upon the happening of a contingency or of the exercise of a discretion or a power of appointment, all the property so conditionally transferred shall for the purpose of the computation and collection of the tax be deemed to be transferred to the estate of said decedent, and as to such transfers such estate shall be treated under the provisions of this title as a person and, except in the case of the exercise of a general power of appointment, no further tax under this title shall be collected on transfers of such beneficial interests at the time the persons to whom they are transferred or the extent of the interests transferred to such persons as ascertained.

SEC. 304. The following transfers shall be exempt from taxation under this title:

(a) (1) Transfers to the husband or wife of a decedent, to the extent that the total value of the beneficial interests transferred to such person does not exceed $25,000.

(2) Transfers to a parent, child, adopted child, or grandchild of a decedent, to the extent that the total value of the beneficial interests transferred to such person does not exceed $10,000.

(3) Transfers to any other person, to the extent that the total value of the beneficial interests transferred to such person does not exceed $5,000.

(b) Transfers to or for the use of the United States, any State, Territory, political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, but only if no part of the net earnings inures to the benefit of any private shareholder or individual, or to a trustee or trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount exempt under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes. In the case of a nonresident, such transfers shall be exempt only if (1) they are made to or for the use of a domestic corporation organized and operated exclusively for the purposes herein specified, or (2) such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association exclusively for the purposes herein specified.

SEC. 305. The value of the beneficial interests, transfers of which are taxable under this title, shall be determined as follows:

(a) In the case of a resident decedent, the value of such beneficial interests shall be determined by apportioning the amount of the net estate (determined as provided in subdivision (a) of section 307) among the transferees of such beneficial interests in accordance with the provisions of law governing the distribution of such net estate.

(b) In the case of a nonresident decedent, the value of such beneficial interests shall be determined by apportioning the amount of the net estate (determined as provided in subdivision (b) of section 307) among the transferees of such beneficial interests in accordance with the provisions of law governing the distribution of such net estate: *Provided, however*, That whenever a beneficial interest transferred to any person by reason of the death of a decedent is not an interest in specific property, the value of the beneficial interest the transfer of which is subject to taxation under this title shall be such proportion of the value of the total beneficial interest so transferred as the value of that part of the gross estate which at the time of the death of the decedent is situated in the United States bears to the value of his entire gross estate, wherever situated. If an executor does not include in the return required to be filed under section 308 the value at the time of the death of the nonresident decedent of that part of his gross estate not situated in the United States, the amount of the net estate shall be apportioned among the transferees of the beneficial interests in the manner which will result in the greatest possible amount of tax upon the transfer of such net estate.

(c) In the case of resident and nonresident decedents the following rules of valuation shall apply: (1) The value of an annuity, life estate, term of years, or other interest terminating on the expiration of a certain period shall be determined by the American Experience Table of Mortality at 5 per cent compound interest or by such other tables of mortality at that rate of interest as may be prescribed by the commissioner, with the approval of the Secretary; (2) the value of the remainder in any property after an annuity, life estate, term of years or other interest terminating on the expiration of a certain period shall be ascertained by deducting the value of such annuity, life estate, term of years, or other interest terminating on the expiration of a certain period from the value of such property; (3) there shall not be included in the value of a beneficial interest the value at the time of the decedent's death of any property which can be identified as having been received by the decedent as a share in the estate of any person who died within five years prior to the death of the decedent, or which can be identified as having been acquired by the decedent in exchange for property so received, if an estate tax under prior act of Congress was paid by or on behalf of the estate of such prior decedent, or an inheritance tax under this act was paid on account of the transfer of such property, but in either case only in the amount of the value placed by the commissioner on such property in determining the value of the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under subdivision (a) or (b) of section 307; and (4) there shall not be included in the value of a beneficial interest the amounts actually paid therefrom as estate, succession, legacy, or inheritance taxes to any State, Territory, or the District of Columbia.

SEC. 306. The value of the gross estate of the decedent shall be determined by including the value at the time of his death of all property, real or personal, tangible or intangible, wherever situated—

(a) To the extent of the interest therein of the decedent at the time of his death which after his death is subject to the payment of the charges against his estate and the expenses of its administration and is subject to distribution as part of his estate;

(b) To the extent of any interest therein of the surviving spouse, existing at the time of the decedent's death as dower, curtesy, or by virtue of a statute creating an estate in lieu of dower or curtesy;

(c) To the extent of any interest therein of which the decedent has at any time made a transfer, or with respect to which he has at any time created a trust, in contemplation of or intended to take effect in possession or enjoyment at or after his death, except in case of a bona fide sale for a fair consideration in money or money's worth. Any transfer of a material part of his property in the nature of a final disposition or distribution thereof, made by the decedent within two years prior to his death without such a consideration, shall, unless shown to the contrary, be deemed to have been made in contemplation of death within the meaning of this title;

(d) To the extent of any interest therein of which the decedent has at any time made a transfer, or with respect to which he has at any time created a trust, where the enjoyment thereof was subject at the date of his death to any change through the exercise of a power, either by the decedent alone or in conjunction with any person, to alter, amend, or revoke, or where the decedent relinquished any such power in contemplation of his death, except in case of a bona fide sale for a fair consideration in money or money's worth;

(e) To the extent of the interest therein held as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse, or deposited, with any person carrying on the banking business, in their joint names and payable to either or the survivor, except such part thereof as may be shown to have originally belonged to such other person and never to have been received or acquired by the latter from the decedent for less than a fair consideration in money or money's worth: *Provided*, That where such property or any part thereof, or part of the consideration with which such property was acquired, is shown to have been at any time acquired by such other person from the decedent for less than a fair consideration in money or money's worth, there shall be excepted only such part of the value of such property as is proportionate to the consideration furnished by such other person: *Provided further*, That where any property has been acquired by gift, bequest, devise, or inheritance, as a tenancy by the entirety by the decedent and spouse, then to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of the value of a fractional part

to be determined by dividing the value of the property by the number of joint tenants;

(f) To the extent of any property passing under a general power of appointment exercised by the decedent (1) by will, or (2) by deed executed in contemplation of, or intended to take effect in possession or enjoyment at or after, his death, except in case of a bona fide sale for a fair consideration in money or money's worth; and

(g) To the extent of the amount receivable by any beneficiary as insurance under policies taken out by the decedent upon his own life.

(h) Subdivisions (b), (c), (d), (e), (f), and (g) of this section shall apply to the transfers, trusts, estates, interests, rights, powers, and relinquishment of powers, as severally enumerated and described therein, whether made, created, arising, existing, exercised, or relinquished before or after the enactment of this act.

SEC. 307. The value of the net estate shall be determined—

(a) In the case of a resident decedent, by deducting from the value of the gross estate—

(1) Such amounts for funeral expenses, administration expenses, estate and inheritance taxes actually paid to any State, Territory, or the District of Columbia, claims against the estate, unpaid mortgages upon or any indebtedness in respect to property (except in the case of a resident decedent, where such property is not situated in the United States), to the extent that such claims, mortgages, or indebtedness were incurred or contracted, bona fide and for a fair consideration in money or money's worth; losses incurred during the settlement of the estate arising from fires, storms, shipwreck, or other casualty, or from theft, when such losses are not compensated for by insurance or otherwise, and such amounts reasonably required and actually expended for the support during the settlement of the estate of those dependent upon the decedent as are allowed by the laws of the jurisdiction, whether within or without the United States, under which the estate is being administered, but not including any income taxes upon income received after the death of the decedent or any inheritance taxes imposed by this title. If a decedent gives, bequeaths, or devises to his executor any property in lieu of compensation, the value thereof in excess of reasonable compensation shall not be deducted from the value of the gross estate;

(2) An amount equal to the value of any property forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent where such property can be identified as having been received by the decedent from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where an estate tax under any prior act of Congress was paid by or on behalf of the estate of such prior decedent, or an inheritance tax under this act was paid on account of the transfer of such property, and in either case only in the amount of the value placed by the commissioner on such property in determining the value of the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under paragraph (1) or (3) of this subdivision; and

(3) The amount of all bequests, legacies, devises, or transfers, except bona fide sales for a fair consideration in money or money's worth, in contemplation of or intended to take effect in possession or enjoyment at or after the decedent's death, to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, or to a trustee or trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes.

(b) In the case of a nonresident decedent, by deducting from the value of that part of his gross estate which at the time of his death is situated in the United States—

(1) That proportion of the deduction specified in subdivision (a) which bears to such deduction the same ratio which his gross estate wherever situated bears to his entire gross estate, wherever situated, but in no case shall the amount so deducted exceed 10 per cent of the value of that part of his gross estate which at the time of his death is situated in the United States;

(2) An amount equal to the value of any property forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, where such property can be identified as having been received by the decedent from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where an estate tax under any prior act of Congress was paid by or on behalf of the estate of such prior decedent, or an inheritance tax under this act was paid on account of the transfer of such property, and only in the amount of the value placed by the commissioner on such property in determining the value of the gross estate of such prior decedent, and only to the extent that the value of such property is included in that part of the decedent's gross estate which at the time of his death is situated in the United States and not deducted under paragraph (1) or (3) of this subdivision; and

(3) The amount of all bequests, legacies, devises, or transfers, except bona fide sales for a fair consideration in money or money's worth, in contemplation of or intended to take effect in possession or enjoyment at or after the decedent's death, to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any domestic corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, or to a trustee or trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes.

(c) No deduction shall be allowed in the case of a nonresident decedent unless the executor includes in the return required to be filed under section 308 the value at the time of his death of that part of the gross estate of the nonresident decedent not situated in the United States.

(d) For the purpose of this title, stock in a domestic corporation owned and held by a nonresident decedent shall be deemed property within the United States, and any property of which the decedent has made a transfer or with respect to which he has created a trust within the meaning of subdivision (b) or (c) of section 302 shall be deemed to be situated in the United States, if so situated either at the time of the transfer or of the creation of the trust, or at the time of the decedent's death.

(e) The amount receivable as insurance upon the life of a nonresident decedent, and any moneys deposited with any person carrying on the banking business, by or for a nonresident decedent who is not engaged in business in the United States at the time of his death, shall not, for the purpose of this title, be deemed property within the United States.

(f) Missionaries duly commissioned and serving under boards of foreign missions of the various religious denominations in the United States, dying while in the foreign missionary service of such boards, shall not, by reason merely of their intention to remain permanently in such foreign mission service, be deemed nonresidents of the United States, but shall be presumed to be residents of the State, the District of Columbia, or the Territories of Alaska or Hawaii wherein they respectively resided at the time of their commission and their departure for such foreign service.

SEC. 308. (a) The executor, within two months after the decedent's death, or within a like period after qualifying as such, shall give written notice thereof to the collector. The executor shall also, at such times and in such manner as may be required by regulations made pursuant to law, file with the collector a return under oath in duplicate, setting forth (1) the value of the gross estate of the decedent at the time of his death or, in case of a nonresident, of that part of his gross estate situated in the United States; (2) the deductions allowed under section 307; (3) the value of the net estate of the decedent as defined in section 307; (4) the names of the persons to whom beneficial interests are transferred in any manner by reason of the death of the decedent

tax paid or payable thereon; or such part of such information as may at the time be ascertainable and such supplemental data as may be necessary to establish the correct tax.

(b) Return shall be made in all cases where the gross estate at the death of the decedent exceeds $25,000, in the case of any gross estate which includes property the transfer of which is taxable under this title, and in the case of the estate of every nonresident any part of whose gross estate is situated in the United States. If the executor is unable to make a complete return as to any part of the gross estate of the decedent, he shall include in his return a description of such part and the name of every person holding a legal or beneficial interest therein, and upon notice from the collector such person shall, in like manner, make a return as to such part of the gross estate.

Page 154, after line 25, insert a new section to read as follows:

"SEC. 310. (a) Each person shall be liable to the executor for the tax upon transfers to such person and the executor shall collect from such person the tax upon all transfers to such person, or shall deduct it from any property in his possession or control transfered to such person. The executor shall not pay or deliver any property the transfer of which is subject to taxes to any transferee unless the tax upon such transfer has been so collected or deducted. Whenever there is a transfer of property taxable under this title of which the executor has no possession or control, the person having possession or control thereof, or under liability to make any payment to the transferee, shall be liable to the executor for the tax upon such transfer, and unless the tax has been paid by the transferee to the executor shall collect or deduct it from such property or such payment and pay it to the executor: *Provided, however*, That the commissioner may, with the approval of the Secretary, by regulations authorize the payment of such tax directly to the collector and relieve the executor from liability therefor. All taxes, including taxes on the transfer of annuities, life estates, terms for years, and other interests terminating on the expiration of a certain period, shall be paid out of and chargeable to capital and not to income. Nothing in this title shall prevent an executor from paying taxes out of such property as the will or other instrument under which the transfer is made shall direct, but such directions shall not affect any right of the United States or of the collector to collect the tax or to a lien therefor.

"(b) If the amount of tax paid or collected out of property transferred to any person exceeds the amount of tax for which such person is liable, such person shall be entitled to reimbursement to the extent of such excess out of any part of the estate still undistributed, or to a just and equitable contribution by the persons liable for the tax so paid or collected under this title."

Mr. WALSH of Massachusetts. Mr. President, I think a good deal of time can be saved in the discussion of this question if I may be permitted to develop my argument without interruption.

Briefly, it is proposed by the minority to substitute an inheritance for the estate tax reported by the committee. The history of the legislation leading up to the adoption of an estate tax is very interesting, and if the Senate will be patient with me, I will very briefly describe the differences between these two amendments, and particularly the differences between the estate tax and the inheritance tax. As the Senate will remember, the House passed an estate-tax provision in this bill fixing the maximum rate at 40 per cent. The Senate committee has reported an amendment to that estate-tax provision fixing the rate at 25 per cent. The minority propose to strike out of the bill all the provisions relating to an estate tax and to substitute the inheritance tax in place thereof.

Very little attention has been given to this feature of the pending bill. The Secretary of the Treasury made no recommendation in reference to it when he communicated with the Congress in regard to the present tax reduction bill.

Mr. President, while the attention of the public has been focused upon the prospective reduction of the rates of the income tax for the obvious reason that it is a tax which reaches nearly all, directly or indirectly, insufficient consideration has been given to the revision of the estate tax. Thus, in the recommendations of the Treasury Department addressed to the chairman of the Ways and Means Committee, no changes in the estate tax of the existing law are suggested. In the so-called Mellon bill the estate-tax title is substantially the same as in the existing law, except for improvements in the administrative sections. Yet, if the history of the estate tax is reviewed, if its theory is analyzed, if its practical operation is tested by examples, it becomes evident that very substantial amendment of this title should be made, which I believe necessitates the substitution of a tax upon inheritances for the present tax on estates. It is my purpose to call to the attention of the Senate some of the instances of hardship and injustice in the

vantages, as I see them, of the inheritance-tax amendment which I have offered to this title.

The estate tax is graduated, as we all know, with reference to the size of the total estate of the decedent. The amount of the tax has no reference to the number or relationship of the beneficiaries. The tax is simply and exclusively based upon the amount of the net estate the decedent leaves, after the statutory deductions are taken out. It is apparent that this form of taxation results in a certain injustice to the large family. Suppose Jones dies, leaving an estate of $100,000 to his only child: The tax under the present law will be $500; thus the child will receive $99,500 from the estate. Smith leaves an estate of $500,000, which he directs shall be distributed equally among his wife and four children. The tax will be approximately $13,500; thus one of Smith's children will receive only $97,300. Granted that Smith's estate was the larger, the interest transmitted to any of his children on account of his death was exactly the same as that transmitted to the Jones child.

There seems to be no reason in the nature of things why one of the Smith children should be penalized $2,200 because he happened to belong to a family of five; why the tax should be so drawn that the Government takes more than five times as much out of a $100,000 legacy to him than it took out of a $100,000 legacy to an only child. Again, substituting for Jones's estate $1,000,000 and for Smith's $5,000,000, Jones's child receives after estate tax is paid $952,500 and Smith's $873,500. The estate tax is $47,500 for Jones's and $632,500 for Smith's. The only child gets $79,000 more than any one of the five children out of the Smith estate.

Accepting the principle of taxing transfers of property by death, which is the fairer method, an estate or an inheritance tax? Should the tax be imposed upon the privilege of transmitting property or upon the right to receive or succeed to it? Out of the 48 States, 46 levy some sort of taxes on transfers of property by reason of death; of these 46 all but 2 or 3 are inheritance taxes. In other words, the tax is based by the States upon the amount of property received by the particular beneficiary by reason of the death, not upon the total amount of the property left by the decedent. In the illustration I have just given the Smith legacy of $100,000, if an inheritance tax were adopted, would be taxed just the same as the Jones legacy of $100,000.

A close examination of the two forms of taxation as applied to conditions in this country will show why the overwhelming number of the States have adopted an inheritance tax in preference to an estate tax. The system of primogeniture wisely has not been implanted in this country whereby the eldest son alone inherited and kept the estate intact. It is customary for estates to be divided equally among the children. This is eminently fair, for frequently the wife and the children have been mainly responsible for building up the family estate. We are all familiar with the typical American families which settled upon farms the country over in the past 50 years. The father and his children, of whom, perhaps, several were sons, acquired and cultivated the land. The children commonly remained on their father's farm until they married and found homes of their own. No small part of the accumulations of the father were due to the energy and unfailing assistance of his wife and their children. The father customarily recognized this fact in disposing of his property equally among those who had helped him acquire it. In such a case the amounts received from the estate largely reflect the efforts of the recipient. It is apparent that any transfer tax should be based not upon the total amount of the estate but upon the size of the legacy received. The total size of the estate is quite irrelevant.

The fact that a father with the aid of several children was able to accumulate several times as much property as a father with a single child surely should not operate to increase the tax and thus decrease the child's share when the property is divided equally among them and when no one receives more than the only child. It is so obvious that it does not need argument to demonstrate it. A rate of tax based upon the size of the individual's share of the estate is fairer and more equitable in its operation than a rate based simply upon the size of the estate regardless of the number of beneficiaries. The fact that nearly all of the States have adopted this system is but further proof of its fairness and of its equitable operation. It is this system of taxation of transfers by reason of death which I propose.

A brief review of the history of the estate tax in this country will indicate further reasons for adopting an inheritance tax at this time. Such taxes have been levied during four different periods by the Federal Government. The first was a Revolu-

of this section which the value of such part bears to the value of

and descriptions of the beneficial interests so transferred; and (5) the

operation of the present estate tax and to point out the

tionary War tax, enacted in 1797 and repealed in 1802. It was followed by a Civil War tax, enacted in 1862 and repealed in 1870; a Spanish War tax, in force from 1898 to 1902; and the present estate tax, enacted in 1916 and subsequently amended (see Mellon, Taxation, the People's Business, pp. 111–112). The reports of the Committees on Ways and Means and Finance in 1916 indicate that the estate tax was evidently adopted in that year because of the haste and necessity of raising additional revenue by reason of the agitation and demand for a war-preparedness program; that an estate tax was chosen, rather than such an inheritance tax as was then in force in 30 States, because it was thought to be simpler and more easily framed and administered. The question of which was the fairer tax to the taxpayer was apparently not debated. The entire estate-tax provisions cover only four pages, while in the existing law the length has doubled and in the proposed revenue bill the length will probably be trebled. Hence the initial argument of simplicity has not been entirely borne out by the subsequent course of the law. The estate-tax title was adopted without much discussion in 1916, except as to the desirability of the Federal Government levying any such tax whatsoever, a matter to which I shall later refer.

In 1918–19, when the revenue act was completely overhauled, the House passed an estate tax, with rates running up to 40 per cent, the figure which the House has incorporated in the present bill. The Senate Committee on Finance reported out instead an inheritance tax graduated according to the amount received by any beneficiary. The skeleton of this inheritance-tax title was much the same as that which I propose at this time. The Members of the Senate, both Republican and Democratic, seem to have been in substantial agreement that an inheritance tax was fairer and sounder than an estate tax. Thus, the chairman of the committee, the Senator from North Carolina [Mr. SIMMONS], in discussing this part of the bill (CONGRESSIONAL RECORD, vol. 57, pt. 1, p. 255):

> Mr. President, I shall not discuss the changes which we have made in the section of the bill relating to estate taxes, although they are very substantial. In brief, I may say that the difference is that the House provided for an estate tax, while the Senate amendment provides for an inheritance tax. The House bill taxed directly the gross estate. The Senate amendment taxes the part coming to each beneficiary under the law or the will of the decedent. The rates prescribed are very much less than those of the House bill. Your committee did not and does not feel that the Federal Government ought to impose upon inheritances or estates such a heavy tax as would make it practically impossible for the States to avail themselves of this source of taxation without making the joint taxes of the Federal and the State Governments oppressive if not largely confiscatory.

The late Senator from Pennsylvania, Mr. Penrose, in a carefully prepared speech indorsed the Senate amendment in strong language (CONGRESSIONAL RECORD, vol. 57, pt. 1, p. 550):

> I do maintain, however, that if there is to be any tax, the rate should depend not on the size of the estate as a whole, as it does under the present law and in the House bill, but so far as possible on the amount of the individual share of each person participating in the division of the estate. The new inheritance tax plan which the committee has worked out is much fairer and sounder than the estate tax plan in the House bill. The rates adopted in the House bill mean nothing short of confiscation and destruction. To pay to the Government 40 per cent of the amount of an estate would often mean that to raise this amount of money the other 60 per cent of the estate would have to be sacrificed and lost altogether. In any case the difficulty of settling an estate within a reasonable time after the death of the decedent frequently is very great and, in some instances, nearly insurmountable. Undeveloped enterprise, largely dependent upon the genius of the promoter, and forming a considerable part of a large estate, not to mention real estate and many other assets which can not be immediately disposed of without a very great loss, illustrate in a general way the difficulties encountered in bringing about any settlement in order to adjust taxes within any reasonable period. The rates adopted in the committee amendment are more of an approach to reason, and provision has been made for more liberality in the time of paying these taxes.

These remarks are quite as aptly applied to the amendment I have proposed.

Although, as I have said, the inheritance tax proposed by the Committee on Finance in 1918 was adopted by the Senate without substantial dissent, in conference committee the House conferees insisted upon an estate tax. Such a tax was left in the bill, with the rates decreased to a maximum of 25 per cent. The leaders in the Senate deprecated the change. The Senator from North Carolina [Mr. SIMMONS] explained that the Senate conferees were compelled to yield to the House conferees on the form of the tax, though with reduced rates. Senator Penrose was even more outspoken (CONGRESSIONAL RECORD, vol. 57, pt. 4, p. 3182):

> Some of the best features of the Senate bill had to be sacrificed in the inevitable compromises which accompany a mixed settlement of this kind. The Senate changed the estate tax to an inheritance tax, thus making the tax dependent upon the size of the legacy or inheritance and not upon the size of the entire estate. This real reform has been lost, and the bill returns to the existing estate tax, with some reduction in the rates. There is a little comfort in the thought that the worse the form of the Federal tax, the sooner, in all probability, will this source of revenue be given back to the States, to which it properly belongs.

Likewise, the distinguished Senator from Utah [Mr. SMOOT], who is now chairman of the Committee on Finance, said (CONGRESSIONAL RECORD, vol. 57, pt. 4, p. 3269):

> In the case of estate taxes I really thought that the plan adopted by the Senate could receive no objection from the House, unless perchance it was as to the rates imposed. The House provision penalizes a man who has a large family. The Senate provision provided that the tax should be imposed upon the amount received by each beneficiary. Suppose a man dies leaving his estate to five children, and his estate is valued at $500,000, or $100,000 to each of the heirs. Under the House provision the whole amount is taxed at the highest possible rate, yet it is to be divided among the five children. Why should those five children be taxed upon a combined estate, when each of them has only one-fifth of the estate? All that they ought to be taxed upon is the amount that they receive from the estate. In other words, the provision as it stands is penalizing the man who has a family. It is penalizing the children. It never ought to be. Some time or other it will be changed, notwithstanding it failed in conference.

I heartily agree with both of these utterances, and for that reason I am anxious that the Senate should have the opportunity to correct the mistakes in the present law and substitute this sound and equitable form of taxation for the unfair and unsound scheme proposed by the House.

Although in 1921 the inheritance tax appears not to have been given much consideration as a substitute for the estate tax, I find the following comment by the distinguished Senator from Mississippi, Mr. Williams (CONGRESSIONAL RECORD, vol. 61, pt. 6, p. 5839):

> The entire theory of the present Federal inheritance tax is upon a wrong basis. It taxes the estate instead of taxing the distributive share of the estate that goes to the legatee or distributee. This question was up before the Finance Committee of the Senate at one time, and I announced that view and got the permission of the committee to let the matter go over until an amendment could be drawn to change the basis which had been fixed by the Ways and Means Committee and by the House of Representatives. After that I learned that the State of Rhode Island had an almost perfect inheritance tax, based upon the distributive share of each legatee or distributee; and I left the Senator from Rhode Island [Mr. GERRY] to draw an amendment after the lines of the Rhode Island law. That amendment was adopted by the committee and later on was included in the Senate bill; but when we came into conference with the House one day the conferees surrendered the principle involved.
>
> Mr. President, I want the Senators who are present to understand precisely what the point at issue is.
>
> A dies and leaves, say, $110,000. He has no wife and he has no children. Now, remember, this is a graded tax. Then B lies down and dies and leaves a wife with one child. Under the distributive statute of the State of Mississippi and under the statutes of most of the States that $110,000 would be divided into three equal parts, the wife receiving a distributive share. Along comes Q pretty nearly down at the end of the alphabet, and he leaves nine children and a wife. Now, this tax is so graded that it is graded according to the estate and not according to the distributive share received by each beneficiary under the will, or, if there be no will, under the statute of distribution of the State.
>
> It is obviously plainly unfair that there should be the same deduction from a $10,000 inheritance, to be paid ultimately by the beneficiary, though, of course primarily by the administrator or executor, as from an inheritance of $110,000. It is bad enough, anyhow, to have the tax collector enter the back door as the corpse goes out of the front door when men are trying to take care of their children.
>
> It is bad enough when one remembers that the white race is perhaps the only race in the world that ever thought more about its children than it thought about itself; but to grade a tax not according to the amount received by the beneficiary but according to the amount left by the dead man, and thereby continue the wrong of letting dead men's hands creep out of their graves and control the destinies of the living, and to emphasize that wrong by making it a part of legislation, is thoroughly wrong. I have always hoped that the day would come some-

> time when we might correct the fundamental iniquities contained in this tax, and when we might base exemption and taxation, by gradation or otherwise, upon the amount received by the beneficiary instead of upon the amount left by the dead man, who no longer belongs to the world and ought not to be considered economically a part of it at all in any way.

To review the history of the two forms of taxation, we find that the estate tax has been adopted by virtually no States, and by the Federal Government in only one of the four periods during which such taxes have been in force. The overwhelming number of the States find the inheritance tax fairer in operation and adequate in revenue-producing qualities. The distinguished students of taxation in this body who have studied the two taxes are quite in agreement that the inheritance tax is by all odds the better tax. The time is ripe for a change.

I wish to discuss briefly the changes which my amendment will make in this title of the bill. As I have already said, the chief argument for the estate tax has been its supposedly greater simplicity than the inheritance tax. Although I believe that tax questions should not be settled on the basis of what is simplest for the Government but rather what is fairest to the taxpayer, I seriously question whether even this is true. The experts from the Treasury with whom I have advised inform me that the administrative provisions of the estate-tax title, which have been carefully worked out through the years, can be adopted for the inheritance tax without any substantial change whatever. Accordingly, I have made no change of importance in the administrative provisions contained in sections 305 to 318 of the bill now pending.

It is asserted that it will be much more difficult to collect a tax levied on numerous beneficiaries than on a single estate. I have met this objection by providing that the return shall be filed and the tax paid by the executor on behalf of the beneficiaries, just as the return is made and tax paid on behalf of the estate at present. There will be only one person to whom the Government will look for payment of the tax in the first instance—the executor. Of course, if he fails to pay, recourse may be had against the several beneficiaries in respect of the tax on their shares, just as is done at present. But the Government will have to inspect only one return for each estate, as it does now; the tax will be paid by the executor, who pays it now. To be sure, the tax is imposed with reference to the shares received by the different beneficiaries. But it must be remembered that the States are collecting just this sort of tax at present. One of the advantages of my amendment lies there. Instead of being compelled to make two entirely different sorts of returns, the executor will calculate the shares of each beneficiary and make both returns on the same basis. The Federal revenue agents can cooperate with the State officials in checking the appraisal of the various interests. Instead of working at cross purposes, the administrative officials of the States and the United States can work together. Thus my amendment will simplify the taxpayers' returns to the National and State Governments.

Mr. BROUSSARD. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Louisiana.

Mr. BROUSSARD. I have received several requests for information in connection with the collection of inheritance taxes in cases in my State. The attorney having in charge the collection of State taxes on such estates has complained to me that it has been impossible for him to obtain from the Treasury Department information about the return showing the total estate taxable by the Federal Government. But the suspicion on his part is that a greater amount is returned to the Federal Government than is returned to the State. Does the Senator's amendment provide for the publicity of that, or is it the Senator's opinion that the other amendment which we adopted with reference to the income tax should be applicable to this situation?

Mr. WALSH of Massachusetts. It is an administrative matter which the commission may regulate. There is no difference in the administrative provisions of the amendment proposed by me and those of the committee amendment.

Mr. REED of Missouri. The general publicity amendment would probably cover it, anyway.

Mr. WALSH of Massachusetts. The Senator from Missouri suggests that the general publicity amendment would cover it anyway.

Mr. BROUSSARD. I was of that opinion.

Mr. WALSH of Massachusetts. I do not believe that the rates of this form of tax should be so high as to prevent its use by the several States, which raise a considerable part of their revenue by its use. But we are under the necessity, it seems, of raising in the neighborhood of $100,000,000 by this tax. I should be pleased if the rates could be kept very low, except on the very large estates. But in order to avoid any charge of disarrangement of the fiscal program already announced by the majority I have endeavored to arrange the rates of tax and exemptions so as to raise the $110,000,000 needed from this form of tax. In 1918 Treasury experts estimated the yield of the inheritance tax adopted by the Senate as $100,000,000. I have slightly raised in the higher brackets the rates then adopted, but have increased the exemption for a surviving widow or husband. Under this amendment a surviving spouse receives an exemption of $25,000 of any beneficial interest transferred to him or her. A parent, child, or grandchild receives an exemption of $10,000; and all other persons an exemption of $5,000. Since this tax is based upon the amounts received by a beneficiary, it has seemed to me desirable that the rates should be lower on transfers to a decedent's immediate family than to strangers. Accordingly I have arranged a schedule of basic rates, ranging from 1 per cent to 36 per cent of the amount of beneficial interests transferred in excess of the exemptions to husband, wife, child, parent, or grandchild of the decedent.

If the transfer is to a collateral relative—the brother, sister, nephew, or niece of the decedent—these basic rates will be increased by 25 per cent. If the transfer is to any other person, a stranger, the rates will be increased by 50 per cent. In other words, the lowest rates apply to transfers to the members of the decedent's family, who have helped him build up his estate. Transfers to his relatives outside his immediate family are taxed at somewhat higher rates; transfers to strangers at still higher rates.

I have provided that estate and inheritance taxes paid to the States shall be deducted from the amount of each beneficiary's interest in determining the amount subject to the Federal tax. It is evident that the legacy any beneficiary receives is the legacy by the will less the State tax. Finally, transfers to charities and benevolent organizations are exempt.

I want to emphasize here that the rates in this amendment are not of my choosing. I should like to make them much lower, but I can not do so without immediately becoming subject to the charge that I am working to produce a Treasury deficit. If I had my way, I should leave this field of taxation wholly to the States where it properly belongs.

The rates in my amendment are not, however, oppressive. Suppose a decedent leaves an estate of $150,000 equally to his wife and four children. Under the existing law, the tax would be $1,500; under my bill, the total tax, after allowing for the State taxes, would be about $850, of which about $50 would be taken from the wife's legacy of $30,000, and about $200 from each child's share of $30,000. If the decedent left a net estate of $1,000,000 to a single beneficiary, a child, the present law taxes the estate $47,500, and my amendment would tax the beneficiary $94,300. On the other hand, if the estate was distributed equally to a wife and four children, for example, the total taxes under my amendment would be $38,600. Thus, the tax rates proposed by my amendment are reasonable in the typical case of the distribution of an estate in this country to several beneficiaries.

The estate tax is not a fair tax. Being imposed on the total amount of the estate, it ordinarily is paid out of the residuary estate, not out of any particular legacy. The residuary legatee rather than the estate is the real taxpayer. All other beneficiaries ordinarily escape. This frequently works great hardship, and usually is contrary to the decedent's wish. The residue is frequently the bulk of the estate, passing to the nearest and most beloved of the testator. It usually consists of a business, lands, stocks, timber, and so on, which, in the case of a large estate, must be sold at a forced sale to pay the transfer taxes. The tax is a heavy drain upon capital, and is highly injurious to credit. The inheritance tax I propose is broken up among the various beneficiaries, as it should be, and no one beneficiary of the estate is forced to pay for the transfer to all the beneficiaries. There need be no forced sales of property in the estate, for each beneficiary has the privilege of paying the tax on his share outright.

Again, the estate tax results in situations the decedent could not have intended. Thus, in Y. M. C. A. against Davis, decided February 18, 1924, by the Supreme Court, a testator left her residuary estate to the Y. M. C. A. and certain other benevolent organizations. The executor brought an action to determine whether the tax should be paid out of the residue which was given to these benevolent organizations or out of the various specific legacies. The court properly held under the law that the tax would be payable out of the residue, thereby greatly reducing the amount received by these charitable, educational, and religious organizations. Obviously, we should avoid this result if we can, and it can be avoided. Each bene-

ficiary should pay his own transfer tax. It is wrong for the residuary legatee, often a charity, or the chief object of the decedent's bounty, to have to pay the taxes for the whole estate.

Finally, we have adopted the theory in the income tax that the tax should be graduated with reference to the amount of income received by each taxpayer—that is, that it should be graduated with reference to ability to pay. Should not the same theory apply to a transfer tax? Should it not also be graduated with reference to the ability of the recipient to pay the tax out of what he receives? There is surely no logic in reducing his share merely because a large estate was given other persons.

In conclusion I want to say again that I believe that the Federal Government should not lay heavy taxes upon the transmission of an estate. The heir of the decedent finds his only title to the possession of the estate in the laws of the State, and he only secures transmission of it through the courts and other officials of the State. This tax, then, technically and preeminently belongs to the States. It is a material source of revenue to them; it is a relatively small source of revenue, only about 3 per cent, to the Federal Government. But if we are to have a program involving some sort of legacy taxes, we should surely adopt an inheritance tax, which from every practical and theoretical point of view is a sounder tax than an estate tax. I should favor a material reduction of the rates of this tax.

But the majority of the House has adopted an estate tax with rates reaching a climax of 40 per cent.

The Committee on Finance has decreased the maximum rate to 25 per cent, but it is apparent that the fiscal program worked out by the majority requires at least $100,000,000 of revenue from this source. If we are to raise this amount of revenue by taxing transfers by death, let us by all means adopt the method which is most equitable to the taxpayer; let us not further increase his burdens by an unsound and unfair levy. Once the inheritance tax is substituted for the estate tax, we have made a good start on the problem. We will then have the basis of a sound system of taxation, and at a later date, we can lower the rates, in order that this tax may mainly be used by the States, as it properly should be. Let us not be deceived by false arguments of administrative simplicity into continuing any longer an unfair form of tax, which authorities, State and National, agree in condemning.

APPENDIX

EXPLANATION OF THE WALSH INHERITANCE TAX AMENDMENT, SECTION BY SECTION

SECTION 300

This section contains definitions of the terms "executor," "net estate," "month," and "collector." It is identical with section 300 of H. R. 6715.

SECTION 301

This section provides for the rates of tax upon transfers by reason of death. The tax is imposed upon the value of the beneficial interests so transferred, in excess of the exemptions provided for in section 304. The rates are graduated with reference to the amount of the beneficial interests transferred to any one person. In the case of transfers to a surviving spouse or child of the decedent, the rates range from 1 per cent of the amount of the taxable beneficial interest transferred, not in excess of $25,000, to 36 per cent of the amount by which the taxable beneficial interest transferred exceeds $5,000,000. Transfers to a brother, sister, nephew, or niece of the decedent are taxable at these rates, increased by 25 per cent, and transfers to all other persons at these rates increased by 50 per cent.

SECTION 302

This section defines the transfers which are taxable under this title. In general, transfers of property, at present included within the gross estate for the purpose of the estate tax, are so taxable. These transfers are specifically—

(a) Transfers by the laws of intestate succession, or by will, including the creation by will of powers of appointment and the exercise by will of general powers of appointment. Somewhat similar provisions, as to the estate tax, are contained in subdivisions (a) and (f) of section 302 of H. R. 6715.

(b) Transfers in contemplation of death, except bona fide sales for a fair consideration in money or money's worth. Similar provisions as to the estate tax are contained in subdivision (c) of section 302 of H. R. 6715.

(c) Transfers by the decedent, where the decedent had at the time of his death the power to change the enjoyment of the property interest which he had transferred, or with respect to which he had created a trust. Such transfers are likewise taxable, if the decedent relinquished such a power in contemplation of death except by a sale for a fair consideration. A similar provision occurs in subdivision (d) of section 302 of H. R. 6715.

(d) Other transfers by reason of the death of the decedent, including—

(1) The consummation in a surviving spouse of dower, curtesy, or statutory rights in lieu thereof. A similar provision is contained in subdivision (b) of section 302 of H. R. 6715.

(2) The accrual to the survivor of complete title to property held in joint tenancy or in tenancy by the entirety. This provision is similar to subdivision (e) of section 302 of H. R. 6715.

(3) The receipt by any beneficiary of insurance under policies taken out by the decedent on his own life. A somewhat similar provision occurs in subdivision (g) of section 302 of H. R. 6715.

(e) This subdivision, which provides that the transfers which are taxable are those enumerated in this section, whether the property interests referred to were created or arose or were relinquished before or after the enactment of this act, is similar to subdivision (h) of section 302 of H. R. 6715.

SECTION 303

This section provides that taxes upon transfers shall be computed upon the total value of all the beneficial interests transferred to the same person in any manner by the death of the decedent. It further provides that transfers to persons not in being, or transfers subject to contingencies, shall be deemed to have been transferred to the estate and so taxed. No further tax is to be collected at the time the interests of persons are ascertained except in the case of the exercise of a general power of appointment.

SECTION 304

This section exempts from the tax imposed by this title an amount not in excess of $25,000 transferred to a surviving spouse, $10,000 to a child, and, in the case of a transfer to any other person, an amount not in excess of $5,000 of the total value of beneficial interests transferred to such person.

Transfers to the benevolent organizations specified in paragraph (3) of subdivisions (a) and (b) of section 303 of H. R. 6715 are likewise exempted.

SECTION 305

This section provides for the method of valuing the beneficial interests transferred to any person by a resident or nonresident decedent. In calculating the value of a terminable right to receive income, such as an annuity, or a remainder after the termination of such an interest, the American Experience Tables of Mortality are to be used. There will not be included in the value of a beneficial interest the value of property which can be identified as having been received by the decedent as a share in the estate of any person who died within five years prior to the decedent's death—or in exchange for property so received—where a Federal estate or inheritance tax was paid by the prior decedent on account of the transfer of such property. This provision corresponds to paragraph (2) of subdivisions (a) and (b) of section 303 of H. R. 6715.

Finally, amounts actually paid from any beneficial interest on account of estate, succession, legacy, or inheritance taxes to any State, Territory, or the District of Columbia are to be deducted therefrom in determining the amount of the transfer subject to the Federal tax. Although there is no similar provision in H. R. 6715, as reported by the Committee on Finance, it is clear that the amount of the legacy received by any person is the amount given by the decedent less the amount of the taxes upon its transfer. It is therefore equitable to deduct the State inheritance taxes in determining the amount of the transfer subject to the Federal tax.

SECTION 306

The gross estate is here defined in terms exactly similar to those of section 302 of H. R. 6715.

SECTION 307

The deductions from the gross estate here provided for in determining the value of the net estate are exactly similar to those set forth in section 303 of the existing law.

SECTION 308

This section with the changes made necessary by the adoption of an inheritance tax instead of an estate tax corresponds to section 304 of H. R. 6715.

SECTION 309

This section is section 305 in H. R. 6715.

SECTION 310

In order that the tax may be paid by each beneficiary in respect of the property transferred to him, it is here provided that each such person shall be liable to the executor for the amount of the tax on such transfer. Likewise, in order to avoid the hardship of a forced sale, in order to pay the tax on any property included in the gross estate, it is provided that each beneficiary may at his option pay the tax outright, instead of having it deducted from the property transferred to him.

If the will or other instrument of transfer provides for the payment of the tax out of specific property, the executor may so pay it without affecting the rights of the United States.

If the tax paid by or out of property transferred to any person exceeds that for which he is liable, he is entitled to reimbursement or contribution from the estate or other beneficiaries.

SECTIONS 311 TO 323

The administrative provisions of the estate tax are adaptable to the administration of the inheritance tax without substantial change. The sections of the estate tax title so retained—and renumbered—are sections 306 to 318, inclusive.

Subdivision (b) of section 314 of the estate-tax title, which provided for reimbursement of any beneficiary of any portion of the tax paid out of his share of the estate in certain cases, has been stricken out as unnecessary, in view of the provisions of section 310 (b) above discussed.

TABLE 1.—*Table comparing estate tax with inheritance tax under Walsh amendment*

Total estate	Estate tax present law (exemption $50,000)	Inheritance tax on beneficiary's share if estate divided equally among— Spouse and 1 child: Tax on spouse's share	Spouse and 1 child: Tax on each child's share	Spouse and 1 child: Total tax	2 children: Total tax	4 children: Total tax	Spouse and 4 children: Tax on spouse's share	Spouse and 4 children: Tax on each child's share	Spouse and 4 children: Total tax
$100,000	$500	$250	$350	$800	$1,100	$600	$0	$100	$400
150,000	1,500	750	1,200	1,950	2,400	1,200	50	200	850
200,000	2,500	1,500	2,100	3,600	4,200	2,200	150	250	1,550
500,000	13,500	10,750	12,100	22,850	24,200	13,400	1,500	2,100	9,500
1,000,000	47,500	33,250	34,600	67,850	69,200	48,400	7,000	7,600	38,600
5,000,000	632,500	389,500	393,100	782,600	786,200	554,800	92,500	94,300	469,700

NOTE.—1. The rates of tax under the Walsh amendment on transfers to certain collaterals are 25 per cent greater than the rates upon transfers to a surviving spouse, child, parent, or grandchild; upon transfers to strangers, 50 per cent greater.

2. No allowance is made in this table for the deduction of State estate and inheritance taxes, which is provided in the Walsh amendment, since the taxes vary in the different States.

TABLE 2.—*Estate tax returns from January 16, 1922, to December 31, 1922*

Returns are required if gross estate exceeds $50,000. "Net estate" is "gross estate" less statutory deductions, one of which is an exemption of $50,000

Number of estates making returns	12,203
No net estate whatever	2,649
Total net estate:	
Under $50,000	5,080
$50,000 to $150,000	2,535
$150,000 to $250,000	727
$250,000 to $450,000	550
$450,000 to $750,000	301
$750,000 to $1,000,000	110
$1,000,000 to $1,500,000	111
$1,500,000 to $2,000,000	45
$2,000,000 to $3,000,000	41
$3,000,000 to $4,000,000	17
$4,000,000 to $5,000,000	10
$5,000,000 to $6,000,000	7
$6,000,000 to $7,000,000	2
$7,000,000 to $8,000,000	2
$8,000,000 to $9,000,000	6
$9,000,000 to $10,000,000	0
Above $10,000,000	10

TABLE 3.—*Amounts of estate taxes collected by the Federal Government*

Fiscal year:	
1919	$62,029,563.13
1920	103,635,563.24
1921	154,043,260.79
1922	139,418,846.04
1923	126,705,206.55

TABLE 4.—*Table showing the States which impose an estate, inheritance, or legacy tax, and the rate of tax imposed*

States	Exemption	Rates (per cent)
Alabama		None.
Alaska	$100- $10,000	1 -17½
Arizona	100- 10,000	1 -25
Arkansas	200- [1] 3,000	1 -20
California	500- 24,000	1 -20
Colorado	0- 20,000	0 -15
Connecticut	300- 10,000	1 - 5
Delaware	0- 3,000	1 - 5
District of Columbia		None.
Florida		None.
Georgia	0- 5,000	1 -21
Hawaii	300- 5,000	0 -10
Idaho	500- [2] 10,000	1 -15
Illinois	700- 20,000	2 -30
Indiana	300- 15,000	1 -20
Iowa	0- [3] 15,000	0 -20
Kansas	0- 75,000	1 -15
Kentucky	500- 50,000	1 -15
Louisiana	500- 5,000	0 -40
Maine	500- 10,000	1 - 7
Maryland	0- (4)	5
Massachusetts	2,000- 50,000	1 -12
Michigan	100- [5] 5,000	1 -25
Minnesota	100- 10,000	1 -20
Mississippi:		
Estate	5,000	4
Individual beneficiary	500- 7,500	1- 5
Missouri	0- [6] 20,000	1 -20
Montana	0- 17,500	1-16
Nebraska	0- 10,000	1- 6
Nevada	0- 20,000	1-25
New Hampshire	0- 10,000	2-10
New Jersey	0- 6,000	1- 8
New Mexico	0- 10,000	1- 5
New York	0- 5,000	1- 8
North Carolina	0- 10,000	1- 9
North Dakota	0- 10,000	1-20
Ohio	0- [7] 5,000	1-10
Oklahoma	500- 15,000	1-10
Oregon:		
Estate		10,000	1-40
Individual beneficiary	0- 1,000	0-25
Pennsylvania	0	2-10
Philippine Islands (pesos)	0- 3,000	1-24
Porto Rico	200- 5,000	1-12
Rhode Island:		
Estate	5,000	1- 7½
Individual beneficiary	1,000- 25,000	1- 8
South Carolina	200- 10,000	1-14
South Dakota	100- 10,000	1-20
Tennessee	1,000- 10,000	1-10
Texas	500- 25,000	0-20
Utah	10,000	2- 5
Vermont	0- 10,000	1- 5
Virginia	1,000- 30,000	1-15
Washington	0- 10,000	1-10
West Virginia	0- 15,000	2-55
Wisconsin	100- 15,000	2-10
Wyoming	1,000- 50,000	6-10

[1] Plus $5,000 of value of dower or curtesy.
[2] Plus half the community property.
[3] Plus distributive share of surviving spouse.
[4] Whole estate.
[5] Plus an exemption of real property.
[6] Plus marital rights.
[7] Plus a widow's and children's award.

TABLE 5.—*Inheritance-tax receipts as reported by the State treasurers of the several States for 1920*

Alabama. (No inheritance tax law.)	
Arizona	$17,169.40
Arkansas	25,526.11
California	6,804,732.08
Colorado	469,269.70
Connecticut	1,255,876.34
Delaware	37,249.35
Florida. (No inheritance tax law.)	
Georgia	210,482.21
Idaho	21,220.80
Illinois	3,868,905.16
Indiana	660,000.00
Iowa	657,227.06
Kansas	376,118.16
Kentucky	445,542.32
Louisiana	224,891.77
Maine	504,140.66
Maryland	695,077.93
Massachusetts	4,296,597.05
Michigan	1,291,077.58
Minnesota	1,074,426.82
Mississippi	66,376.16
Missouri	1,472,000.00
Montana	85,600.26
Nebraska. (Inheritance taxes collected by the county probate courts and no report thereof made to the State treasurer.)	
Nevada	14,822.06
New Hampshire (for 10 months prior to June 30, 1921)	224,312.83
New Jersey	4,702,433.74
New Mexico	1,181.23
New York	18,125,504.03
North Carolina	403,077.13
North Dakota	99,349.56

TABLE 5.—*Inheritance-tax receipts as reported by the State treasurers of the several States for 1920*—Continued

Ohio	$1,184,805.64
Oklahoma	155,067.82
Oregon	214,215.34
Pennsylvania	10,198,718.06
Rhode Island	1,403,306.20
South Carolina. (No inheritance tax law.)	
South Dakota	202,271.06
Tennessee	375,378.06
Texas	647,227.30
Utah	525,038.08
Vermont	140,502.99
Virginia	199,538.00
Washington	520,899.75
West Virginia	700,864.76
Wisconsin	1,265,456.73
Wyoming. (Inheritance taxes collected by the county treasurer and no report made to the State treasurer.)	
Total	57,351,592.93

Mr. WALSH of Massachusetts. Mr. President, I apologize for reading this address to the Senate, but it is such an important subject that I thought perhaps I could best present the views of the minority by reading it so that it would be clear in the RECORD and in chronological order; and I went to the trouble to present a history of the manner in which the National Government has attempted since its inception to handle this problem. I do hope the result may be, if the Senate adopts the amendment, that the House will see its way clear to concur in it, and that we will get back to this fair, just tax, and remove the inequalities and the burdens and the hardships and the injustices of the present tax.

Mr. BROUSSARD. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Louisiana.

Mr. BROUSSARD. I am very much interested in the Senator's statement. There is only one point I should like to inquire about.

Under the existing law an estate is not permitted to deduct in its return the amount of taxes paid to the State, which to me seems very unfair, because it never reaches any of the heirs or the beneficiaries at all. Is there any provision in the minority amendment to permit the deduction of the amount paid to the State?

Mr. WALSH of Massachusetts. The amendment proposed by the minority, through me, credits the legacies received by the beneficial interests with the taxes which have been paid to the several States.

Mr. BROUSSARD. That is all right, then.

Mr. WALSH of Massachusetts. The tax then is rated upon the total amount received by the beneficial interests less the State tax paid.

Mr. BROUSSARD. That is very equitable. That is why I was inquiring.

Mr. DIAL. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from South Carolina.

Mr. DIAL. As I understand, under the present law $50,000 is exempted from any tax.

Mr. WALSH of Massachusetts. Yes.

Mr. DIAL. Under the Senator's amendment he starts with $25,000. What is the total amount that is possible to be exempt? Does it depend upon the number of devisees? I do not quite catch that.

Mr. WALSH of Massachusetts. In order to raise revenue it was necessary to begin to levy an inheritance tax upon a small beneficial interest. Had the exemption been made $50,000, as it is made under the present law, in case of an estate tax it would be impossible to get anywhere near this amount of revenue; so it seemed wisest and best to make the exemption less. Thus, the exemption for a spouse and a child is made $25,000, and, as I said a few minutes ago, the exemption for a collateral heir is less.

Mr. DIAL. I do not quite catch that. Assuming that a man with a wife and, say, five children left a will giving the wife $25,000 and the children $10,000 each. That would be an estate of $75,000; but let us take an estate of $50,000: Would they pay any more under the Senator's bill on a $50,000 estate?

Mr. WALSH of Massachusetts. That is a very proper question. If an estate of $50,000 is left, under the estate tax of the present law, the estate would pay no tax at all.

Mr. DIAL. That is what I understand.

Mr. WALSH of Massachusetts. Under the amendment proposed by me the wife, the spouse, would pay no tax. She would have an exemption of $25,000. The son who receives $25,000 has an exemption of $10,000, and he would pay a small tax, 1 per cent tax on $15,000, which would be $150.

Mr. DIAL. Suppose, though, the man left five sons.

Mr. WALSH of Massachusetts. If he left five sons and had an estate of $125,000?

Mr. DIAL. No, no; I want to know what would happen in case he left an estate of $50,000.

Mr. WALSH of Massachusetts. If he left an estate of $50,000, then everybody would be exempt. Nobody would have to pay anything, each son getting $10,000 and the wife $10,000.

Mr. DIAL. Suppose he left 10 sons?

Mr. WALSH of Massachusetts. They would not have to pay anything. Nobody would have to pay anything.

Mr. DIAL. Therefore, under the Senator's amendment it is possible to exempt from any taxes a larger estate than under the present law.

Mr. WALSH of Massachusetts. But when the decedent leaves a large sum to a stranger, the tax is multiplied 50 per cent over the tax that a wife or child would have to pay. Does the Senator understand that?

Mr. DIAL. I gather that from the bill.

Mr. McKELLAR and Mr. FLETCHER addressed the Chair.

Mr. WALSH of Massachusetts. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I want to know if the Senator will not perfect his amendment by putting in on page 24 of his amendment, after line 12, the following: Make a new subsection, (c), after line 12, and insert:

> Returns upon which such inheritance tax has been determined by the commissioner shall constitute public records, and shall be open to examination and inspection as other public records, under the same rules and regulations as may govern the examination of public documents generally.

That is exactly the same amendment that has already been adopted as to income taxes, and it seems to me it ought to go in there. I hope the Senator will accept it.

Mr. WALSH of Massachusetts. I have no objection to it.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. Certainly.

Mr. KING. It seems to me that the same result would be effectuated by including in the amendment already adopted the words "inheritance taxes," or other appropriate words, so as to obviate the use of unnecessary language.

Mr. McKELLAR. It will have to be amended anyway, and I hope the Senator will permit this amendment to be made.

Mr. KING. I have no objection.

Mr. FLETCHER. Mr. President, with reference to this question of exemption that the Senator from South Carolina inquired about, I do not see the amount of exemption specified in the Senator's amendment. He says:

> (a) Upon a transfer to a husband, wife, child, adopted child, parent, or grandchild of the decedent:
>
> One per cent of the amount of the beneficial interests passing to such person not in excess of $25,000.

Mr. WALSH of Massachusetts. The Senator is reading from the section that gives the basic rates. If the Senator will turn to page 7, section 304, he will find the exemptions:

> The following transfers shall be exempt from taxation under this title.

Mr. FLETCHER. Then, considering that, would there be any conflict between that provision and the other one? Here the Senator provides a 1 per cent tax on all beneficial interests not in excess of $25,000. That would not seem to contemplate any exemption. Oh, yes; there is a provision above that which says:

> In excess of the exemptions provided in subdivision (a) of section 304.

Mr. WALSH of Massachusetts. Yes. Reading the two sections together, they interlock.

Mr. FLETCHER. I see.

The Senator referred to the amount of tax imposed by the States as not being as large as he supposed. Upon a little inquiry regarding that, I find that every State in the Union except Alabama and Florida have these inheritances or estate taxes—what are called death taxes by some writers—and some of them amount to quite a good deal.

Professor Belknap, of the University of Louisville, says that—

> The Federal Government raises less than 4 per cent of its revenue from the estate tax. New Jersey, on the other hand, estimated that in 1923 death taxes would yield 30 per cent of her revenue, more than she expected to get from any other single source. Of this amount she raised about 60 per cent from nonresident estates. In California, Connecticut, and Pennsylvania death taxes appear to be

> the second-largest sources of State revenue. In New York, Massachusetts, and Rhode Island they are the third largest source of revenue, and the recent doubling of rates in Illinois has brought them up to an important place in that State.

So it seems that the States are increasing their rates.

Mr. WALSH of Massachusetts. Yes; but the total inheritance tax raised by all the States in the Union amounts to only $57,000,000, while the total estate tax raised by the National Government in 1923 amounted to $126,000,000. That is more than twice as much as the amount collected by all the States put together.

Mr. FLETCHER. Yes.

Mr. WALSH of Massachusetts. Our rates are already very high.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. Yes.

Mr. FLETCHER. I have the floor. I am asking the Senator a question. I will yield to the Senator from New York in a minute. All the States, though, have increased these taxes except, I believe, California, and they began along about 1910.

Mr. WALSH of Massachusetts. California is one of the highest States.

Mr. FLETCHER. California has lowered her rates.

Mr. WALSH of Massachusetts. I have here a statement with the rates of all the States, and I find that California's rate runs from 1 per cent to 40 per cent. The Philippine Islands is the highest—1 per cent to 60 per cent.

Mr. FLETCHER. Professor Belknap says:

> According to Professor West, $10,000,000 were collected in that year (1910). In 1921 the total collections amounted to something over $221,000,000, twenty-two times as much as had been collected 11 years before. This increase came from five sources.

And so forth. I quite agree, however, that the plan for an inheritance tax instead of an estate tax is preferable. I think that is a very wise thing.

For instance, under the law as it stands now, Professor Belknap states this further:

> The Federal estates tax rate now runs to 25 per cent of an estate.

That is the present law.

> A bill recently passed the House raising this to 40 per cent and including all gifts. Should this become a law—

Now, this is the peculiar thing that will happen under the estate tax law instead of the inheritance tax—

> Should this become a law the fortune of an American living and dying in Manila, if bequeathed outside of the family and exceeding $10,000,000, would be taxed upon that excess at the top rate of 104 per cent by the Federal and Philippine Governments. Were it partly in a corporation whose property was in Wisconsin, the rate would go to 144 per cent. If this corporation were incorporated in West Virginia, 35 per cent would be added, making 179 per cent. If the certificate were in a Seattle safety vault, we should add 40 per cent more, making 219 per cent. If the transfer office of the corporation were in Denver, we should add 16 per cent, making 235 per cent. If the corporation had also taken out incorporation papers in Idaho, add 15 per cent, making a total of 250 per cent. If the courts of Oregon and Illinois held their own States respectively as the proper States of domicile, we should add 25 to 30 per cent respectively and have a tax rate in the highest brackets of 305 per cent of the estate, and that without leaving the territory under the Stars and Stripes. And yet we laugh at the German edict that death taxes shall not exceed 90 per cent of an estate.

That seems to be a pretty strong argument in favor of the inheritance rather than the estate-tax plan.

Mr. WALSH of Massachusetts. I saw a table recently which attempted to show the extent to which big estates are broken up by taxes. Of course, as the Senator has stated, there are three sources of taxing property that passes through death, the State tax, the national tax, and the transfer tax, but this table included the administration tax, as it was called, meaning the administration expenses, which are very high. When the administration taxes and these three other taxes were added, there was a big shrinkage in these large estates, but one of the chief items, one of the largest items, was the administration expenses.

Mr. SHEPPARD. How much revenue does the Senator's plan raise?

Mr. WALSH of Massachusetts. About $100,000,000.

Mr. FLETCHER. Somewhat less than the revenue now derived under the estate-tax plan.

Mr. WALSH of Massachusetts. Somewhat, although it is possible it may be even more, because of the heavy exemptions. The revenue to the National Government often depends upon how many people of great wealth die in a year. I do not know whether the Senator has observed that the revenue to the National Government for the last four years has decreased each year. In 1920 it was $163,000,000, and this past year it was $126,000,000. There has been a steady decline.

Mr. FLETCHER. There are only about 13,000 estates on the list, and the revenue is approximately $130,000,000.

Mr. SIMMONS. Mr. President, I want to say, before final action upon this amendment, that the Finance Committee, without regard to party differences, has for the last eight years at least been practically a unit in favor of an inheritance as against an estate tax. In 1918 the committee, as I now recall it, unanimously agreed on the substitution of the inheritance-tax principle for the estate-tax principle. I was then chairman of the committee, and a strong advocate of that plan. Senator Penrose, the ranking member of the minority, was also a strong advocate of it, and the present chairman of the Finance Committee, the distinguished Senator from Utah [Mr. SMOOT], was also very much in favor of it.

In dividing up the work among the majority Members at that time the distinguished and brilliant Senator from Mississippi, Mr. John Sharp Williams, was requested to prepare a substitute for the bill as it had passed the House, which carried the estate-tax principle, embodying the inheritance-tax principle. He prepared the amendment with great care, and it was adopted by the committee and afterwards adopted by an overwhelming majority in the Senate; unanimously, as a matter of fact, I believe. The House, however, refused to concur, and after protracted discussion it was found necessary for the Senate to abandon its position.

I have been in favor of the principle ever since, in favor of it because it is inherently fair, and the estate-tax method is inherently unequal and unfair. I am delighted to know that the Senator from Utah, speaking for the majority, is disposed to accept this amendment. I want to say that the amendment as prepared by Senator Williams was not, in my judgment, anything like so good as the amendment which has been worked out by the minority under the leadership of the Senator from Massachusetts [Mr. WALSH]. The Senator from Massachusetts has given a great deal of labor and a great deal of hard, intelligent work to its preparation; and after he had prepared it certain amendments to make it more equal and more just to all interests were suggested, to which he very readily assented. I do not think a piece of legislation since I have been here has been better worked out than has this substitute amendment offered by the Senator from Massachusetts, and I hope there will be no opposition to its adoption.

Mr. WADSWORTH. Mr. President, on each occasion during my service in the Senate when an estate tax or an inheritance tax has been proposed I have taken the liberty of making a very few observations, and I crave the indulgence of the Senate for just a few moments at this time.

If we were a vast centralized government, with none of the characteristics of a federal union, I would make no protest whatsoever against a fairly heavy inheritance tax; but in view of the fact that we are still a Federal Union of States and may remain so for a few years to come—although how long we will remain so I am not prepared to say—I do want to enter my protest against this increasing invasion of the fields of taxation supposedly at the command of the several States.

I think as we sit here in the Capitol at Washington and enact tax laws we are apt to get into a frame of mind which causes us to forget that there are any other taxes but Federal taxes. The fact is that many States of the Union are desperately hard put to it to find means for running the State governments.

This proposal of the Senator from Massachusetts, while it is based, in my judgment, upon a principle infinitely superior to the estate tax itself, proceeds in its upper brackets to take so much money away from the States—and I use that term advisedly—that it is going to make it all the more difficult for our State governments to survive. I think he said in his colloquy with the Senator from Florida a moment ago that the Federal Government is now collecting something like three times as much money under the estate tax as all the States put together are collecting.

Mr. WALSH of Massachusetts. Twice as much.

Mr. WADSWORTH. Twice as much. Of course, there is a good reason for that, the reason being that the Federal Government has stepped in and preempted the field. The States

can not raise their rates any further, for if they did, their rates, combined with the Federal rates, would mean confiscation.

The problem would not be so difficult, either, were it not for the fact that each State has a different law, and in many, many instances one estate is taxed in three different States in the Union in addition to being taxed by the Federal Government, and I have heard it stated that estates, after paying inheritance taxes in three States and paying the Federal taxes, have disappeared entirely, nothing being left of the estates. The Senator from Florida, I think, has referred to that.

To illustrate the desperation of some of the States in the matter of obtaining revenue, let me remind the Senate that many of them have been forced to resort to a State income tax piled upon a Federal income tax. We gayly discuss income taxes here, forgetful that many States are now imposing income taxes that are considerably burdensome.

More than that, I would like to remind the Senate that the Governor of the State of New York only this year, in a public and official utterance, called attention to the desperate situation in which the municipalities of that State are left, not only the State itself as a State government but municipal governments, and actually proposed—tentatively, of course; I am not certain that he committed himself to it—giving the right to the cities of the State to impose a local income tax. I think that proposal must come from a feeling of utter desperation as to how these States are to get money with which to support their governments, and the municipalities in turn to get their money.

If the proceeds of this tax were in part contributed to the several States in which collected, there would be little if any complaint. The trouble is that the long arm of the Federal Government has reached down practically into the State treasuries, and the money is taken out and brought to Washington. The cost of State government is not decreasing; indeed, it tends to increase. The burden of debt of the several States is increasing. The burden of debt in the municipalities all over the country is increasing; and yet it seems that the harder the time the States have to get along the harder we make it for them to get along by legislation passed at Washington.

I know perfectly well that this amendment is to pass. I regret it. It is going to make it more difficult than ever for the people in their communities to support their government. Therefore, if there is not to be a roll call—and I shall not demand it—I merely want to state for the purpose of the RECORD that I am opposed to the program.

Mr. SMOOT obtained the floor.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. SMOOT. I yield.

Mr. WALSH of Massachusetts. I shared with the Senator from New York the impression that large estates were being very much dissipated by the imposition of very heavy taxes, but I had presented to me a table covering 25 of the largest estates in the country, an investigation having been made for the purpose of determining just how much of the estates was confiscated by reason of taxes. Out of those 25 estates only 1 of them lost 30 per cent of the estate by reason of taxes, and in the table were included not only the State tax and the national tax and the transfer tax, but a tax that was not fair to include for the purpose of a taxing standard, namely, the administration expenses. With the administration expenses included with all the other taxes, this special investigation, made by a person who was interested in the subject, showed only one estate where there was a shrinkage of more than 30 per cent. I think that may be helpful to the Senator, in view of the fact that he seems to feel that there has been a disposition to take all the property of the estates.

Mr. KING. Is it the Senator's position that from the investigation made in the aggregate no estate suffered a reduction in excess of 30 per cent for high taxes?

Mr. WALSH of Massachusetts. For all taxes, including administration fees.

Mr. KING. I think that the figures which have been presented to the Senator must have been erroneous, because estates have been brought to my attention in the West, where the property of decedents was located in three States—California, Nevada, and Utah—and the aggregate amount paid to the State and to the Federal Government practically consumed the estates.

Mr. WALSH of Massachusetts. I will say to the Senator that the table which was sent to me was prepared by a person who wanted to show just what the Senator is contending. He was attempting to show and did show that a very large volume of the estate was taken in the payment of taxes when death occurred. But his figures only showed that one estate averaged more than 50 per cent.

I think, and I believe the Senator thinks, that 25 per cent is an enormous levy to put upon an estate. I do not think any such rate should be levied. I agree with the Senator from New York that this field ought to be left to the States. When the National Government goes into the field we ought to keep the rates as low as possible, but it would be better if we kept out of the field. I am not in favor of the high rates.

Mr. SMOOT. Mr. President, the Senate Finance Committee is not satisfied with the House provision. A majority of the committee decided at that time to insert the provisions of existing law instead of the House provision, and so reported to the Senate. The question as to an inheritance tax was discussed in the committee, and I have no doubt that every member of the committee will agree that it was approved almost unanimously by the committee. I knew that there would be an amendment prepared in the way of an inheritance-tax provision to take the place of the estate tax, and that it would be offered as a substitute for the estate-tax provision as reported to the Senate.

I am in favor of leaving the inheritance tax entirely to the States. I think the Government of the United States ought to collect whatever proportion of its revenues it feels compelled to raise from an income tax. I believe an income tax ought to be left entirely to the Government of the United States and an inheritance tax ought to be left entirely to the States. The Government of the United States has nothing whatever to do with the transfer of title of property of decedents. The State gives the title. Therefore I was in hopes that we could arrange a revenue bill to raise whatever revenue might be necessary by income tax through the Federal Government and leave the inheritance tax entirely to the States. I agree with all that has been said by every Senator who has spoken on the matter.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. FLETCHER. Does the Senator feel that the wiser plan would be for the States not to attempt to impose any income tax at all and for the Federal Government not to attempt to impose an inheritance tax or an estate tax?

Mr. SMOOT. That is my belief.

Mr. CARAWAY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. I yield.

Mr. CARAWAY. Of course, it has nothing to do with the pending question; but the Senator from Utah is a great authority on taxation and expenses of government. Does he see no hope for the future that we may finally reduce taxation upon the people and the people may be encouraged with some little hope that they can keep at least a portion of what they earn? Seriously, I think the Government ought to reduce its expenses. It is getting so that it makes everybody feel that the Government is exacting more than its share.

Mr. SMOOT. If I had the time I would like to call the attention of the country and of the Senate to the rate of increase in taxes in every State in the Union. I mean State, county, city, school district, and extra taxes that are imposed by the State legislature and other legislative bodies of the States. It is appalling to consider the figures and see the results. I do not see how the people of the United States are going to continue to pay the taxes that are imposed upon them, particularly by the States. During the war we had high governmental taxes. It was necessary on account of the war. But the taxes as they exist to-day are a mere bagatelle, so far as the Nation is concerned, compared with the amount of tax imposed by the States. To see the percentages of increase in the States in the last 10 years is enough to make a person feel that the tax burdens are more than the people can possibly stand.

Mr. FLETCHER. Mr. President, will the Senator yield just a moment?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Florida?

Mr. SMOOT. I yield.

Mr. FLETCHER. There is rather a bright outlook, it seems to me, in the situation in Florida, where they have no income and no inheritance tax, and they propose a constitutional amendment that will prohibit the legislature from imposing any.

Mr. CARAWAY. May I suggest that Florida entertains a lot of people who go down there for the winter and the hotel people get a very large return from them.

Mr. SMOOT. Just by way of answer to the Senator from Florida I want to remind him that the Florida State tax collects from the people of Florida nearly three times as much as the national tax collects from the people of Florida. I want to say about that it is about the lowest there is in all the States I find that some of the States have a State tax that is nearly 20 times the amount of the tax paid by those people to the Federal Government. Florida, notwithstanding it is only three times as much, I think is at the foot of the ladder. But I did not intend to discuss that fact. The Senator from Arkansas brought out the discussion.

So far as I am concerned I would like to have the Senate agree to the amendment offered by the Senator from Massachusetts and then the whole question will be in conference. The Senator from North Carolina [Mr. SIMMONS] has given a history of just what happened in 1918. The Senate Finance Committee and the Senate as a body were unanimously against an estate tax and voted an inheritance tax which is similar at least in substance to the tax proposed to be imposed here.

Mr. SIMMONS. That is the basis of it.

Mr. SMOOT. Yes. There is no need for me to mention names, but there was one of the conferees on the part of the House who would not yield and who would not sign a report, who simply said that the whole measure would fail unless the Senate conferees yielded. It was during war times. We had to obtain additional money. We had to have the bill passed to get the money, and we had to have it quickly. For that reason and that only did the conferees of the Senate yield.

I again express the hope that the Senate will agree to the amendment, and then the whole question will be in conference.

Mr. WADSWORTH. Will the Senator state whether any arrangement has been made in the administration of the estate tax or the proposed inheritance tax by which the executors of the estate may finally be relieved from responsibility after payment has been made?

Mr. SMOOT. I will say to the Senator that it has. He will find that covered fully in the bill.

Mr. WADSWORTH. I thank the Senator.

Mr. SMOOT. Before the vote is taken on the amendment of the Senator from Massachusetts, there are certain amendments beginning on page 154 of the bill, which cover the administrative features of the estate tax title. Those amendments ought to be agreed to before the rates are agreed to. I take it for granted that the Senator from Massachusetts will agree that that is the regular order, and I ask that those amendments be agreed to first. They apply to the inheritance tax just as they apply to the estate tax, and every amendment that has been reported by the committee ought to be adopted before we agree to the amendment of the Senator from Massachusetts.

The first amendment is on page 154, line 19. That is only a question of the rate of interest that we have changed throughout all the different paragraphs and sections of the bill. Perhaps we could hasten it if I would make just one statement. The amendments to the estate tax are identical with the amendments that have already been agreed to by the Senate in the corporation and individual tax provisions. Therefore I ask unanimous consent that the amendments beginning on page 154 and down to the close of the estate title on page 170, line 12, be agreed to en bloc.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and the amendments referred to indicated by the Senator from Utah are agreed to en bloc.

The amendments are as follows:

In section 305 (c), on page 154, line 19, after the words "rate of," strike out "5 per cent" and insert "6 per cent," so as to read:

(c) If the time for the payment is thus extended, there shall be collected as a part of such amount interest thereon at the rate of 6 per cent per annum from the expiration of six months after the due date of the tax to the expiration of the period of the extension.

In section 305, on page 154, after line 21, insert:

(d) The time for which the commissioner may extend the time for payment of the estate tax imposed by Title IV of the revenue act of 1921 is hereby increased from three years to five years.

In section 308 (a), on page 155, line 23, after the word "registered," strike out "mail" and insert "mail, but such deficiency shall be assessed only as hereinafter provided"; and on page 155, line 2, after the word "section," strike out "900" and insert "1000," so as to read:

SEC. 308. (a) If the commissioner determines that there is a deficiency in respect of the tax imposed by this title, the executor, except as provided in subdivision (d), shall be notified of such deficiency by registered mail, but such deficiency shall be assessed only as hereinafter provided. Within 60 days after such notice is mailed the executor may file an appeal with the Board of Tax Appeals established by section 1000.

In section 308 (b), on page 156, line 5, after the word "collector," strike out "A proceeding in court may be begun, without assessment, for any part of the excess of the amount determined as the deficiency by the commissioner over the amount assessed, or for any part of the amount determined by the commissioner if the board determines that there is no deficiency" and insert "No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per cent per annum from the date prescribed for the payment of the tax to the date of the judgment," so as to read:

(b) If the board determines that there is a deficiency, the amount so determined shall be assessed and shall be paid upon notice and demand from the collector. No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per cent per annum from the date prescribed for the payment of the tax to the date of the judgment. Such proceeding shall be begun within one year after the final decision of the board, and may be begun within such year even though the period of limitation prescribed in section 310 has expired.

In section 308 (e), on page 157, at the beginning of line 22, strike out "5 per cent" and insert "6 per cent," so as to read:

(e) Interest upon the amount determined as a deficiency shall be assessed at the same time as the deficiency, shall be paid upon notice and demand from the collector, and shall be collected as a part of the tax, at the rate of 6 per cent per annum from the due date of the tax to the date the deficiency is assessed.

In section 308 (f), on page 158, line 15, after the words "rate of," strike out "5 per cent" and insert "6 per cent," so as to read:

(f) Where it is shown to the satisfaction of the commissioner that the payment of a deficiency upon the date prescribed for the payment thereof will result in undue hardship to the estate, the commissioner with the approval of the secretary (except where the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax) may grant an extension for the payment of such deficiency or any part thereof for a period not in excess of two years. If an extension is granted, the commissioner may require the executor to furnish a bond in such amount, not exceeding double the amount of the deficiency, and with such sureties, as the commissioner deems necessary, conditioned upon the payment of the deficiency in accordance with the terms of the extension. In such case there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended, at the rate of 6 per cent per annum for the period of the extension, and no other interest shall be collected on such part of the deficiency for such period. If the part of the deficiency the time for payment of which is so extended is not paid in accordance with the terms of the extension, there shall be collected, as a part of the tax, interest on such unpaid amount at the rate of 1 per cent a month for the period from the time fixed by the terms of the extension for its payment until it is paid, and no other interest shall be collected on such unpaid amount for such period.

In section 310 (b), on page 160, line 22, after the word "section" strike out "309" and insert "308," so as to read:

(b) The period within which an assessment is required to be made by subdivision (a) of this section in respect of any deficiency shall be extended (1) by 60 days if a notice of such deficiency has been mailed to the executor under subdivision (a) of section 308 and no appeal has been filed with the Board of Tax Appeals, or (2) if an appeal has been filed, then by the number of days between the date of the mailing of such notice and the date of the final decision by the board.

In section 311 (a), on page 161, line 5, after the words "may be" strike out "assessed at" and insert "assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at," so as to read:

SEC. 311. (a) In the case of a false or fraudulent return with intent to evade tax or of a failure to file a return the tax may be assessed, and a proceeding in court for the collection of such tax may be begun without assessment, at any time.

In section 311, on page 161, after line 7, strike out: "(b) Where the assessment of the tax is made within the period prescribed in section 310 or in this section, such tax may be collected at any time by distraint or by a proceeding in court, but nothing in this section shall be construed as preventing the beginning, without assessment, of a proceeding in court for the collection of the tax before the expiration of the period prescribed in section 310," and in lieu thereof insert:

(b) Where the assessment of the tax is made within the period prescribed in section 310 or in this section, such tax may be collected by distraint or by a proceeding in court, begun within six years after the assessment of the tax. Nothing in this act shall be construed as preventing the beginning, without assessment, of a proceeding in court for the collection of the tax at any time before the expiration of the period within which an assessment may be made.

In section 311, on page 161, after line 23, insert:

(c) This section shall not (1) authorize the assessment of a tax or the collection thereof by distraint or by a proceeding in court if at the time of the enactment of this act such assessment, distraint, or proceeding was barred by the period of limitation then in existence, or (2) affect any assessment made, or distraint or proceeding in court begun, before the enactment of this act.

In section 312 (c), on page 163, line 16, after the words "rate of," strike out "5 per cent" and insert "6 per cent," so as to read:

(c) If the claim in abatement is denied in whole or in part, there shall be collected, at the same time as the part of the claim denied, and as a part of the tax, interest at the rate of 6 per cent per annum upon the amount of the claim denied, from the date of notice and demand from the collector under subdivision (d) of section 308 to the date of the notice and demand under subdivision (b) of this section. If the amount included in the notice and demand from the collector under subdivision (b) of this section is not paid in full within 30 days after such notice and demand, then there shall be collected, as part of the tax, interest upon the unpaid amount at the rate of 1 per cent a month from the date of such notice and demand until it is paid.

In section 313, on page 164, after line 23, strike out "(c) The provisions of subdivision (b) shall not operate as a release of the gross estate, or any part thereof, from the lien for any deficiency that may thereafter be determined to be due while title to such gross estate, or any part thereof, remains in the heirs, devisees, or distributees; but if the title to any part of the gross estate has passed to a bona fide purchaser for value, that part of the gross estate, the title to which has so passed, shall not be subject to a lien or to any claim or demand for any such tax," and in lieu thereof insert:

(c) The provisions of subdivision (b) shall not operate as a release of any part of the gross estate from the lien for any deficiency that may thereafter be determined to be due, unless the title to such part of the gross estate has passed to a bona fide purchaser for value, in which case such part shall not be subject to a lien or to any claim or demand for any such deficiency, but the lien shall attach to the consideration received from such purchaser by the heirs, legatees, devisees, or distributees.

In section 316, on page 168, line 21, after the word "section," strike out the numerals "1009" and insert "1100," so as to make the section read:

SEC. 316. If after the enactment of this act the commissioner determines that any assessment should be made in respect of any estate tax imposed by the revenue act of 1917, the revenue act of 1918, or the revenue act of 1921, or by any such act as amended, the amount which should be assessed (whether as deficiency or additional tax or as interest, penalty, or other addition to the tax) shall be computed as if this act had not been enacted, but the amount so computed shall be assessed, collected, and paid in the same manner and subject to the same provisions and limitations (including the provisions in case of delinquency in payment after notice and demand) as in the case of the taxes imposed by this title, except that the period of limitation prescribed in section 1109 shall be applied in lieu of the period prescribed in subdivision (a) of section 310.

Mr. WALSH of Massachusetts. I now ask for a vote upon my amendment.

The PRESIDENT pro tempore. The Chair does not want to strain a point, but desires to say that, under the rules of the Senate, the amendments which have been proposed by the Senate committee to the House text must be first disposed of.

Mr. McKELLAR. Those amendments have been agreed to by unanimous consent.

The PRESIDENT pro tempore. The Senate can do anything by unanimous consent; but the first question is upon agreeing to the committee amendment in lines 24 and 25, on page 139, and line 1, on page 140. Without objection, that amendment is agreed to. The Secretary will state the next amendments.

The READING CLERK. On page 140, after line 21, it is proposed to strike out:

One per cent of the amount of the net estate not in excess of $50,000;

Two per cent of the amount by which the net estate exceeds $50,000 and does not exceed $100,000;

Three per cent of the amount by which the net estate exceeds $100,000 and does not exceed $150,000;

Four per cent of the amount by which the net estate exceeds $150,000 and does not exceed $250,000;

Six per cent of the amount by which the net estate exceeds $250,000 and does not exceed $450,000;

Nine per cent of the amount by which the net estate exceeds $450,000 and does not exceed $750,000;

Twelve per cent of the amount by which the net estate exceeds $750,000 and does not exceed $1,000,000;

Fifteen per centum of the amount by which the net estate exceeds $1,000,000 and does not exceed $1,500,000;

Eighteen per cent of the amount by which the net estate exceeds $1,500,000 and does not exceed $2,000,000;

Twenty-one per cent of the amount by which the net estate exceeds $2,000,000 and does not exceed $3,000,000;

Twenty-four per cent of the amount by which the net estate exceeds $3,000,000 and does not exceed $4,000,000;

Twenty-seven per cent of the amount by which the net estate exceeds $4,000,000 and does not exceed $5,000,000;

Thirty per cent of the amount by which the net estate exceeds $5,000,000 and does not exceed $8,000,000;

Thirty-five per cent of the amount by which the net estate exceeds $8,000,000 and does not exceed $10,000,000;

Forty per cent of the amount by which the net estate exceeds $10,000,000.

And in lieu thereof to insert:

One per cent of the amount of the net estate not in excess of $50,000;

Two per cent of the amount by which the net estate exceeds $50,000 and does not exceed $150,000;

Three per cent of the amount by which the net estate exceeds $150,000 and does not exceed $250,000;

Four per cent of the amount by which the net estate exceeds $250,000 and does not exceed $450,000;

Six per cent of the amount by which the net estate exceeds $450,000 and does not exceed $750,000;

Eight per cent of the amount by which the net estate exceeds $750,000 and does not exceed $1,000,000;

Ten per cent of the amount by which the net estate exceeds $1,000,000 and does not exceed $1,500,000;

Twelve per cent of the amount by which the net estate exceeds $1,500,000 and does not exceed $2,000,000;

Fourteen per cent of the amount by which the net estate exceeds $2,000,000 and does not exceed $3,000,000;

Sixteen per cent of the amount by which the net estate exceeds $3,000,000 and does not exceed $4,000,000;

Eighteen per cent of the amount by which the net estate exceeds $4,000,000 and does not exceed $5,000,000;

Twenty per cent of the amount by which the net estate exceeds $5,000,000 and does not exceed $8,000,000;

Twenty-two per cent of the amount by which the net estate exceeds $8,000,000 and does not exceed $10,000,000; and

Twenty-five per cent of the amount by which the net estate exceeds $10,000,000.

On page 143, after line 6, to strike out:

(b) The tax imposed by this section shall be credited with the amount of any estate, inheritance, legacy, or succession taxes actually paid to any State or Territory or the District of Columbia, in respect of any property included in the gross estate. The credit allowed by this subdivision shall not exceed 25 per cent of the tax imposed by this section.

On page 144, line 24, after the word "held," to strike out "jointly or as tenants in the entirety by the decedent and any other persons," and to insert "as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse."

On page 145, after line 17, to strike out "in the entirety by the decedent and spouse, or where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of one-half of the value thereof," and to insert:

by the entirety by the decedent and spouse, then to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants.

On page 146, line 19, after the word "interests," to strike out the word "right" and to insert "rights."

On page 148, line 24, after the words "trustee or," to strike out "trustees exclusively for such religious, charitable, scientific, literary, or educational purposes; and" and to insert:

trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes; and

On page 151, at the beginning of line 9, to strike out "trustees exclusively for such religious, charitable, scientific, literary, or educational purposes within the United States" and to insert:

trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes.

The PRESIDENT pro tempore. Without objection, the amendments just stated will be agreed to en bloc. The Chair hears no objection.

Now, the question is upon the amendment, in the nature of a substitute, offered by the Senator from Massachusetts [Mr. WALSH].

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I think it is time that the Senate should adjourn.

Mr. SMOOT. There is one other amendment relating to the gift tax which I do not think will take any length of time and which I should like to have disposed of.

Mr. McKELLAR. Very well.

Mr. SMOOT. Mr. President, the next amendment passed over is on page 170.

Mr. WALSH of Massachusetts. Mr. President, in order to perfect the amendment offered by me and unanimously agreed to I offer the following amendment: On page 166 I move to strike out lines 5 to 25 inclusive. The Secretary informs me that it will be necessary that that amendment be adopted in order to complete the record.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 166, after line 4, it is proposed to strike out subdivision (b), as follows:

(b) If the tax or any part thereof is paid by, or collected out of that part of the estate passing to or in the possession of, any person other than the executor in his capacity as such, such person shall be entitled to reimbursement out of any part of the estate still undistributed or by a just and equitable contribution by the persons whose interest in the estate of the decedent would have been reduced if the tax had been paid before the distribution of the estate or whose interest is subject to equal or prior liability for the payment of taxes, debts, or other charges against the estate, it being the purpose and intent of this title that so far as is practicable and unless otherwise directed by the will of the decedent the tax shall be paid out of the estate before its distribution. If any part of the gross estate consists of proceeds of policies of insurance upon the life of the decedent receivable by a beneficiary other than the executor, the executor shall be entitled to recover from such beneficiary such portion of the total tax paid as the proceeds, in excess of $40,000, of such policies bear to the net estate. If there is more than one such beneficiary, the executor shall be entitled to recover from such beneficiaries in the same ratio.

Mr. SMOOT. That amendment is all right. It should have been agreed to after we agreed to the committee amendments in order to clean up the title.

The PRESIDENT pro tempore. Without objection, the amendment will be agreed to.

Mr. FLETCHER. Mr. President, let me understand something about this proceeding. Apparently the committee has stricken out all the provisions with reference to the gift tax.

Mr. SMOOT. Only $2,000,000 will be derived from it; it is easily evaded, and the committee thought there was no necessity of imposing the tax.

Mr. FLETCHER. And there is no substitute for it?

Mr. SMOOT. There is no substitute for it. All we ask is that the committee amendment be agreed to.

Mr. KING. That is the amendment striking out the House provision?

Mr. SMOOT. Yes; the provision on page 170.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 170 it is proposed to strike out lines 13 to 25, inclusive, and all of pages 170, 171, 172, 173, down to and including the numerals "301" on line 21, page 174, as follows:

SEC. 319. On and after January 1, 1924, a tax equal to the sum of the following is hereby imposed upon the transfer of property by gift, whether made directly or indirectly, by every person, whether a resident or nonresident of the United States:

One per cent of the amount of gifts not in excess of $50,000;

Two per cent of the amount by which the gifts exceed $50,000 and do not exceed $100,000;

Three per cent of the amount by which the gifts exceed $100,000 and do not exceed $150,000;

Four per cent of the amount by which the gifts exceed $150,000 and do not exceed $250,000;

Six per cent of the amount by which the gifts exceed $250,000 and do not exceed $450,000;

Nine per cent of the amount by which the gifts exceed $450,000 and do not exceed $750,000;

Twelve per cent of the amount by which the gifts exceed $750,000 and do not exceed $1,000,000;

Fifteen per cent of the amount by which the gifts exceed $1,000,000 and do not exceed $1,500,000;

Eighteen per cent of the amount by which the gifts exceed $1,500,000 and do not exceed $2,000,000;

Twenty-one per cent of the amount by which the gifts exceed $2,000,000 and do not exceed $3,000,000;

Twenty-four per cent of the amount by which the gifts exceed $3,000,000 and do not exceed $4,000,000;

Twenty-seven per cent of the amount by which the gifts exceed $4,000,000 and do not exceed $5,000,000;

Thirty per cent of the amount by which the gifts exceed $5,000,000 and do not exceed $8,000,000;

Thirty-five per cent of the amount by which the gifts exceed $8,000,000 and do not exceed $10,000,000;

Forty per cent of the amount by which the gifts exceed $10,000,000.

SEC. 320. The amount of the gifts subject to the tax imposed by section 319, in the case of residents, shall be the sum of all the gifts made by such resident during the calendar year, and in the case of nonresidents the sum of all gifts so made of property situated within the United States. If the gift is made in property the fair market value thereof at the date of the gift shall be considered the amount of the gift subject to the tax.

Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

SEC. 321. For the purpose of this tax the amount of the gift subject to the tax imposed by section 319 shall be determined—

(a) In the case of a resident, by deducting from the total amount of such gifts—

(1) An exemption of $50,000;

(2) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of

subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

(3) Gifts the aggregate amount of which to any one person does not exceed $500.

(b) In the case of a nonresident, by deducting from the total amount of such gifts—

(1) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

(2) Gifts the aggregate amount of which to any one person does not exceed $500.

SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor the amount thereof is required by any provision of this title to be included in the gross estate of the decedent, then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate, and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears or bear to the total amount of gifts in that year.

SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts of an aggregate value in excess of $10,000 shall, on or before the 15th day of the third month following the close of the calendar year, file with the collector a return under oath in duplicate, listing and setting forth therein all gifts and contributions by him made during such calendar year, and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of the third month following the close of the calendar year, and shall be assessed, collected, and paid in the same manner and subject, in so far as applicable, to the same provisions of law as the tax imposed by section 301.

Mr. WALSH of Massachusetts. Mr. President, I understand that the Senator from Utah is moving to strike out the House provision as to the gift tax.

Mr. SMOOT. Yes; that is a committee amendment.

Mr. WALSH of Massachusetts. I understand that some Senators are opposed to striking out that provision and would like to have the matter go over until to-morrow.

Mr. SMOOT. If there is any objection to it, I am willing to let it go over until to-morrow. I did not know that there was any objection to it.

Mr. WALSH of Massachusetts. In order to make effective the tax levied upon inheritances it is necessary to have a gift tax in the bill, otherwise a man may give away all the money he wants to before he dies and escape the other tax.

Mr. SMOOT. Not under the provision in the bill because it can be evaded.

Mr. WALSH of Massachusetts. There are provisions in the bill to prevent it, but not the provision the House incorporated in the bill.

Mr. SMOOT. If there is any objection at all, let it go over.

Mr. SIMMONS. I think it had better go over.

Mr. FLETCHER. I understand that there are other provisions in the bill which will prevent evasion in that way. For instance, there is a presumption which attaches to a gift within five years of death.

Mr. SMOOT. I will say to the Senator, so that there will be no misunderstanding, the bill takes care of that situation.

Mr. FLETCHER. That is what I understand; that is the reason I make no objection.

INTERNATIONAL EXPOSITION AT SEVILLE, SPAIN (S. DOC. NO. 106)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State, concerning an invitation extended by the Government of Spain to the Government of the United States to participate in an international exposition of the arts, sciences, history, industries, commerce, and resources of Spain, Portugal, and the Republics of America, which is to open at Seville, Spain, on April 17, 1927, and continue throughout that year.

I join with the Secretary of State in recommending legislation by Congress authorizing the acceptance of the invitation and an appropriation of $700,000 to enable the United States suitably to participate in the exposition.

It will be observed from the memorandum accompanying the report of the Secretary of State that the Departments of the Interior, Agriculture, and Commerce are favorable to the acceptance of the invitation and deem that participation in the exposition would be advantageous to the interests of the United States.

An appropriation is not sought at this time, but merely legislation that will enable the acceptance of the invitation and the inclusion of the item of appropriation in the estimates to be submitted by the Director of the Bureau of the Budget for the fiscal year ending June 30, 1926.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 7, 1924.*

PROPOSAL OF UNION CARBIDE CO. FOR MUSCLE SHOALS PLANT (S. DOC. NO. 105)

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the Secretary of War, which the Secretary will read, and the accompanying report will be printed as a Senate document, if there be no objection.

The reading clerk read the communication, as follows:

WAR DEPARTMENT,
Washington, May 6, 1924.

The PRESIDENT PRO TEMPORE,
United States Senate.

DEAR MR. PRESIDENT: I am transmitting herewith for the consideration of the Senate a proposal submitted by the Union Carbide Co., of New York, for the lease of the power and nitrate plants and other properties, complete, of the Government at Muscle Shoals and Sheffield, Ala., and the Waco Quarry.

Yours very truly,

JOHN W. WEEKS,
Secretary of War.

The PRESIDENT pro tempore. The communication and accompanying report will be referred to the Committee on Agriculture and Forestry and printed.

ADDITIONAL PETITIONS PRESENTED

Mr. LODGE presented the petition of the Massachusetts Society, Sons of the American Revolution, praying an adequate appropriation for the complete restoration and repair of the frigate *Constitution* at the Charlestown Navy Yard, "so that this glorious relic of our historic past may be safely preserved and handed down to future generations of our countrymen as a priceless memorial of the heroism of the United States Navy," which was referred to the Committee on Appropriations.

He also presented the following resolutions of the General Court of Massachusetts, which were referred to the Committee on the Judiciary:

THE COMMONWEALTH OF MASSACHUSETTS, 1924.

Resolutions memorializing Congress in favor of the passage of legislation to prevent the manufacture of shoes in factories owned by the Federal Government

Whereas Congress passed on February 11, 1924, Senate bill 794, known as Public Act No. 12, which provided for the manufacture of shoes, brooms, and brushes by convict labor to supply the requirements of the various departments of the Federal Government; and

Whereas such legislation was passed without its purport having been adequately brought to the knowledge of the shoe and leather manufacturers throughout the United States, and more particularly the shoe manufacturers of this Commonwealth; and

Whereas the manufacture of such articles would greatly affect the shoe industries of this Commonwealth and cause large financial loss to such industries, as well as deprive worthy citizens of the Commonwealth of lawful employment: Therefore be it

Resolved, That the General Court of Massachusetts respectfully and earnestly urges upon Congress the wisdom of so amending the aforesaid Public Act No. 12 of the current year that the United States will not engage in the manufacture of shoes by convict labor; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the Senators and Representatives in Congress from Massachusetts.

In house of representatives, adopted April 14, 1924.

In senate, adopted in concurrence April 17, 1924.

A true copy.

Attest: F. W. COOK,
Secretary of the Commonwealth.

AMENDMENTS TO TAX REDUCTION BILL

Mr. McKELLAR submitted an additional amendment intended to be proposed by him to the tax-reduction bill (H. R. 6715), which was ordered to lie on the table and be printed.

Mr. KING submitted an amendment intended to be proposed by him to House bill 6715, the tax-reduction bill, which was ordered to lie on the table and to be printed.

BENWOOD, W. VA., MINE DISASTER

Mr. WHEELER. Mr. President, I ask leave to have printed in the RECORD an article which appeared in the Wheeling, W. Va., Intelligencer of May 1 relative to the Benwood mine disaster and lack of mine inspection on the morning of the disaster.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wheeling Intelligencer, Wheeling, W. Va., Thursday, May 1, 1924]

TWO MORE BODIES TAKEN FROM MINE—FUNERAL SERVICES TO-DAY FOR MINE VICTIMS—RUMORS BENWOOD MINE WAS NOT INSPECTED—FIRE BOSS SAID TO BE AGENT OF SECRET SERVICE DEPARTMENT—MATTHEW V. HERRON, POSING AS FIRE BOSS, WORKING HERE UNDER NAME OF J. J. BOYLE—BROTHER-IN-LAW, HERE FOR BODY, TELLS STARTLING STORY OF VICTIM'S EMPLOYMENT—CHECK UP INDICATES PROPER INSPECTION WAS NOT MADE AT MINE MONDAY

Information secured yesterday by Intelligencer reporters tends to confirm rumors and statements by competent mine authorities that the Benwood mine explosion, which cost the lives of more than 100 men Monday morning, was caused by incapable or the entire lack of mine inspection on the morning of the disaster.

It is known positively that the supposed J. J. Boyle, fire boss, and one of the victims, who is officially credited with having inspected the mine on last Monday morning and marked it safe for working, was actually Matthew V. Herron, who was employed by the company as fire boss at the Benwood mine without having had any previous experience which would qualify him to pass on such a matter of safety.

His brother-in-law, Matthew L. Craig, 236 Sycamore Street, Pittsburgh, Pa., who claimed the body at the Cooey-Bentz morgue last night, is authority as to the identity of Herron alias Boyle.

EMPLOYED BY GOVERNMENT

Craig told Intelligence reporters last night Herron was in the employ of the Department of Justice of the United States Government, and that he had been in the employ of the Government for the past eight years in the capacity of a special investigator.

By a careful check up of the actions of Herron on the morning of the fatal explosion he did not make any inspection of the mine; that he did not leave his rooming house, 723 Main Street, Benwood, operated by Mr. and Mrs. Joseph Galb, until between 6.30 and 7 o'clock, and did not have time to make any inspection of the interior of the mine previous to the time he rode into the mine on the trip with the foreman, George Holliday, sr.

THEORY CONFIRMED

This theory confirms the statement made to the Intelligencer yesterday by Jerome Watson, chief of the Division of Mines of the State of Ohio, and in Benwood at the present time as the official representative of the Ohio governor.

Watson said at that time that no accident of the kind could have happened had a proper inspection of the mine been made prior to the men entering the mine.

Herron left his home, Ninth and Chess, Monongahela, Pa., Sunday, April 20, and came to Benwood, according to Craig and confirmed by his landlady, who stated he engaged a room there Monday, April 21. He was employed as fire boss, as shown by the official list furnished by the company, entering the mine Monday morning.

FURNISHED CREDENTIALS

Credentials furnished the company by Herron were obviously such as to warrant his employment by the company. His brother-in-law, however, claims that he had no qualifications for his job and that he was here on a secret mission for the Federal Secret Service.

"Friday night Matthew received a telephone call from Pittsburgh to meet certain operative of the Secret Service Department on business which was naturally unknown to me," said Mr. Craig.

"He spent Saturday and Sunday in Pittsburgh, but failed to meet his party. Late Sunday afternoon Herron came out to our house and gave me all the information I am now giving to you. The responsibility of his mission in Benwood must have weighed heavily on his mind, as he tried several times to tell me of it, but each time was interrupted by the entrance of members of the family."

DIDN'T WANT TO RETURN

"He left Pittsburgh on the last train Sunday night, after remarking that he did not wish to return," said Craig.

His absence from Benwood over the week end was borne out by Herron's landlady, who said he returned to his room late Sunday night. He had left all jewelry and credentials with his brother-in-law.

Craig showed several of these credentials to Intelligencer reporters.

Herron leaves a wife, one daughter, and four sons, a mother and father and four brothers and five sisters. He was a member of the Kittanning lodge of Elks, K. of C., and the Pittsburgh lodge of Eagles, and 34 years of age.

RECESS

Mr. SMOOT. I ask unanimous consent that the Senate take a recess until 11 o'clock to-morrow.

Mr. HARRISON. Mr. President, reserving the right to object, may I ask the Senator if he will not allow the Senate to meet to-morrow at 12 o'clock, for this reason: The Committee on Agriculture and Forestry has fixed 11 o'clock to-morrow morning to take up a number of bills that have been pending before the committee for some time in an effort to dispose of them in executive session. Of course we can not be there and here at the same time. We have moved so rapidly to-day I thought perhaps the Senator would agree to meet at 12 o'clock.

Mr. SMOOT. We will have no vote on the gift tax before 12 o'clock to-morrow.

Mr. HARRISON. Very well.

Mr. SMOOT. All I care about is to get to the individual amendments which have been presented and of which there are nearly 50.

Mr. NORRIS. I should like to hear what the request is.

Mr. SMOOT. I have requested that the Senate take a recess until to-morrow at 11 o'clock.

Mr. NORRIS. I was to supplement what the Senator from Mississippi has said. I have not been able to be here for some time during the consideration of the pending bill, when there was under consideration some item in which I was interested and wanted to be present to discuss.

Mr. SMOOT. Mr. President, I will change my request, and move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 9 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 8, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *May 7, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who lovest Thy earthly children with infinite love that extends to all people and realms of every tongue, abide with us. We come to Thee with varied experiences and yet with a common desire, which is, that Thou wouldst discern for us. We would have an altar in our breasts, and at that hallowed spot we would confess our sins, renew our vows, and would ask the Father's blessing. O God of the nations, to Thee our country we commend. In great wisdom and in bountiful mercy, be Thou the source of all her strength, happiness, and prosperity, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

FELICITATIONS TO FORMER SPEAKER CANNON

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent for the consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for the consideration of the resolution which the Clerk will report.

The Clerk read as follows:

Resolved, That the felicitations of the House of Representatives are hereby cordially extended to the former Speaker, Hon. Joseph G. Cannon, on the eighty-eighth anniversary of his birth, and that he is assured of its best wishes for his continued health and happiness; and

Resolved further, That the Clerk of the House be directed to transmit this resolution to Mr. Cannon by telegraph, and to send to him by mail an engrossed copy.

[Applause.]

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. HOLADAY. Mr. Speaker and gentlemen, Joseph G. Cannon's record as a Member of this House is inseparably interwoven with 50 years of constructive progress of our Nation.

When conversing with him only a few days ago, he asked to be remembered to his friends in Congress and expressed an abiding confidence in the future progress of our country.

Mr. Cannon's refusal to again be a candidate is the only thing that prevents his membership in Congress to-day.

I am glad to join with my colleagues in the House in expressing to Uncle Joe our good wishes; I know our good wishes are joined with those of his host of friends throughout the eighteenth congressional district of Illinois, who appreciate the services he rendered not only to the district that he so long represented but to the entire Nation. [Applause.]

The SPEAKER. The question is on agreeing to the resolution.

The resolution was unanimously agreed to.

TWO ADDITIONAL JUDGES, SOUTHERN DISTRICT OF NEW YORK

Mr. SNELL. Mr. Speaker, I present a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Report from the Committee on Rules on the resolution (H. Res. 298) for the consideration of the bill H. R. 3318, entitled "A bill to provide for the appointment of two additional judges of the district court of the United States for the southern district of New York."

AGREEMENTS FOR ARBITRATION OF DISPUTES

Mr. SNELL. Mr. Speaker, I present another report from the Committee on Rules.

The SPEAKER. The gentleman from New York presents another report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Report from the Committee on Rules on the resolution (H. Res. 299) for the consideration of the bill H. R. 646, entitled "A bill to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories, or with foreign nations."

Mr. GARRETT of Tennessee. Mr. Speaker, I would like to ask the attention of the gentleman from New York [Mr. SNELL] for a moment. I believe that this makes about eight resolutions from the Committee on Rules now on the calendar?

Mr. SNELL. The gentleman is absolutely correct.

Mr. GARRETT of Tennessee. I would like to ask the gentleman what the plan is to go on to consider them.

Mr. SNELL. We expect to take them up to-morrow and hope to finish them.

Mr. GARRETT of Tennessee. What is the gentleman's program?

Mr. SNELL. As soon as possible we are going to follow out the program and take them up in their order.

Mr. GARRETT of Tennessee. As they appear on the calendar?

Mr. SNELL. Yes; so far as possible. I will say to the gentleman from Tennessee that we have already had a setback on one bill. I understand that the gentleman from New Jersey [Mr. LEHLBACH] will not be here. That was on the program, and we shall have to change it.

RELIEF FOR FARMERS

Mr. EVANS of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of farm relief.

The SPEAKER. The gentleman from Montana asks unanimous consent to extend his remarks on the subject of farm relief. Is there objection?

There was no objection.

Mr. EVANS of Montana. Mr. Speaker, there is no theme more widely discussed in the United States to-day than that of agriculture. Our papers, both farm journals, weekly newspapers, and even the great metropolitan dailies, have carried in their editorials, as well as their news columns, splendid discussions—constructive discussion for the most part—of the many problems that surround this great fundamental business. There is scarcely a platform to-day from which men speak where they do not include in the subjects they present to the public discussions of this great business. The very fact that our great Chautauquas and our great lecture courses find places on their programs for constructive discussions on this great business indicate very clearly the unusual interest that is taken in this great subject, not only by the people who live in the country but also those who live in the cities.

What is the difficulty with agriculture? Hours could be consumed in answering this question and bitter controversy possibly aroused as to the whys and wherefores of it. I shall not weary the committee with a long, drawn-out discussion. The farmer's trouble centers around the lack of an adequate price for his products. Measured by its comparative commodity value his dollar is a 60-cent dollar. In other words, the exchange value of his commodities is upon that basis. He can not survive under such conditions, and the best thought of the country should concentrate on this problem and devise ways and means by which this great disparity may be removed.

What shall be done? How shall the price of farm products be put on a parity with general commodity prices? What sound program can be devised to accomplish this result? Mr. Chairman, in my opinion the answer will not be found in demagogic appeals or in partisan criticism. It will be found in a clear apprehension and a frank acknowledgment of the situation on the part of all of our people, both city and country, and an equally sincere and earnest effort to meet it fairly and justly. It will be found in a careful study of the experience of others who have met and mastered like difficulties as they have developed in recurring cycles through the years.

Emphasis must be placed on reducing farm-production cost by improved methods and management. Wonderful progress has been registered by the American farmers in this regard in recent years. He is the best farmer the world knows, whether judged by his individual production or by production per unit of land. Every help and encouragement should be given him to continue this progress. Not only must his best thought be given to economical production but a method must be found to regulate or handle the surplus of agricultural products. It is surely an unsound national policy to force farmers to restrict production of foodstuffs in order to secure an adequate price; but if another way can not be found to meet the situation, that course will be the only one open to them.

I assert, economically speaking, that in all the history of the world there has never been an overproduction of wheat. There may have been a breaking down of our transportation systems by which these products are carried to hungry humanity; but, as a matter of fact, practically every author of political economy in the last 100 years has argued very strongly that with adequate transportation facilities there can hardly be such a thing as overproduction. The remedy lies, my friends, in improving and building up systems of transportation and distribution by which the so-called surplus of crops and production can be carried to the hungry millions in other lands.

CLASS LEGISLATION

Whenever an effort is made to do something for the farmer it is called class legislation, and candor compels me to admit that it is class legislation, but it is legislation in an effort to put the farmer in the same class with the other people of the country.

I can not overemphasize the evil effect of class legislation so far as the farmer is concerned. I assert that class legislation is more largely responsible for the present economic plight of the American farmers than all other causes combined. It is the fundamental cause of all the causes, and the baneful influence of this cause will continue until the prime cause is removed. And, gentlemen, there can be no permanent rehabilitation of agriculture until there is an abandonment of class legislation and a denial of special privilege, and until we strike from the statute books of the Nation every legislative act whereby one class is taxed for the enrichment of another class or one section given special privilege at the expense of other sections.

Owing to the protective tariff which the Government maintains the farmer has to pay a great deal more for what he buys than he would have to pay if he could purchase in an open market, and at the same time he is compelled to sell his entire crop on the basis of what they will give him for it at Liverpool, and in direct competition with the entire world.

The Congress has by its legislation protected the home market of the manufacturer by the passage of a high protective tariff measure. This measure furnishes no protection to the farmer but penalizes him. I therefore believe it to be the sacred duty of Congress to pass some bill or legislation that will afford relief to the farmer. He is not asking any favors; he is only asking a square deal. In my judgment it is not the low prices the farmer receives for his products, it is more largely the high price he must pay for the things he buys. However, for the time being at least it is manifestly impossible to bring the prices of the things the farmer must buy down to the level of his prices, then the only practical remedy seems to be to raise

the prices of agricultural products to the level of manufacured products, and this we should attempt to do.

It is simply a physical impossibility for the farmers to continue to buy their supplies in a highly protected market and at the same time sell their products for whatever they are offered in a foreign market. The millions of farmers who have already lost their entire holdings prove this to be true beyond question, and the many failures of banks and business men as well as farmers, and the hardship and suffering entailed thereby is most unjust, pitiable, and cruel in the extreme.

The farmers of this country have spoken loud enough and long enough so that the veriest recluse ought to understand they are not looking for the opportunity to borrow money, but are trying to convince the "powers that be" that they must have an improved market for their products or go out of business; that they are entitled to something beyond the cost of production. The farmer, like everyone else in business, in all fairness, is entitled to a fair profit on the things he has to sell; he should also receive a fair return on his invested capital and for his labor. Many farmers to-day are not receiving the cost production, leaving out of the question any return on investment or labor.

It is maintained and with some merit that the farmer's price is a matter of supply and demand. To be sure all the unhappy and unfortunate conditions can not be improved by legislation. Climate, season, soils, location, and management are outside the law. On the other hand, it is foolish to assert that legislation has not affected our economic situation. The echoes have scarcely ceased in this Chamber from the discussion of such a piece of legislation. No laboring man needs anyone to tell him the effects of millions of immigrants on his wage scale and his standard of living. No railroad man needs to be told of the economic effect of the Adamson or the Esch-Cummins laws. Because the farmer is not able to pass on the added costs which increased transportation rates impose on him and what higher wage scale demand of him, much of the new legislation has affected him unfavorably.

The tariff is not effective in raising price levels on his export surplus. He produces a surplus of a number of the basic commodities which must find a market under world conditions. He buys by the American market and sells by the world market. If he is to survive he must be put on an American basis in his selling as well as his buying. To put him on such a basis is not doing him a favor. It is simply putting him on a par with the rest. It is plain justice. The McNary-Haugen bill, now so widely discussed, is directed straight at this price inequality which the farmer suffers under because of his production of a surplus which must be exported. The widespread demand for this legislation is based on our American gospel of the "square deal."

The farmer in supporting it is simply asking that he be put on equal terms with the rest of the country who have been made the beneficiaries of Federal legislation.

Mr. Speaker, a favorable report on this bill has been ordered by the House Committee on Agriculture. Exhaustive hearings were held, extending over several weeks. After the hearings closed the committee took the bill up, considered it paragraph by paragraph, and for more than a month, meeting every day, gave it most thorough consideration. Many amendments were offered; some rejected, but many were adopted. The bill has indeed been completely revised by the committee, so that the measure ordered reported may well be called the revised McNary-Haugen bill. I urge every Member of this body to study carefully the provisions of this new bill before passing judgment upon it.

It is not my intention at this time to make an argument in favor of the bill, but rather to call the attention of the Members of the House as briefly as possible to it. Later on, when the bill is brought up for consideration, I shall seek the opportunity to present my views and arguments and to tell the House why I think the bill should be passed just as speedily as possible.

Millions of farmers are petitioning us to pass the McNary-Haugen bill; they believe that it will help. If this bill is not what you think it should be in all respects, allow it to come on and let amendments be proposed. If necessary change it until a majority in this House can pronounce it good. Let us act promptly. Do not postpone the matter until next month or next year. The necessity has long existed—the emergency confronts us—it is a "condition and not a theory."

Those who object to the provisions of the bill ought, in my opinion, to turn proposers. The objector sometimes stops things—he never moves anything forward. So far as some legislation is concerned regarding this big question, proposals are in order; the time for objections has long since elapsed.

The appeals to Congressmen do not come from the farmers only, but many bankers, merchants, teachers, and men in other lines of business, and club members are likewise manifesting their interest in this legislation in every farming section of this country.

Time waits for no man—the farmer has been waiting for all time. Do not let anyone be heard to say that the farmers of this country, representing as they do the largest single enterprice in the United States, have an equal show with men engaged in any other business.

You men from the Atlantic seaboard, from the great manufacturing districts of this country, I beg of you to hesitate before condemning this legislation. Permit me to quote from an article by the Washington correspondent of the Boston Transcript:

If New England industries were in the stricken condition that the farms of the Northwest are, there would not be enough halls in Boston to hold the crowds of respectable citizens that would assemble in mass meeting to protest to Washington and demand even higher tariff rates than those which now make New England industries comparatively safe and prosperous behind the protecting walls of the present tariff. This the Northwest knows.

Of course, the Northwest knows this; so does the Middle West, so does every farming section in America, and I venture the suggestion that if heed is not given the situation by you men from this great, prosperous manufacturing section of the country that is now thriving on the results of the special privilege granted you through the laws of this country that the day is not distant when you will learn something of interest from the great agricultural sections of the country which you seem now to forget.

CALENDAR WEDNESDAY

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the roll of committees.

The Clerk called the Committee on Foreign Affairs.

CHINESE INDEMNITY

Mr. PORTER. Mr. Speaker, I move to take up the resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity.

The SPEAKER. The gentleman from Pennsylvania, chairman of the Committee on Foreign Affairs, calls up a resolution, of which the Clerk will report the title.

The Clerk read as follows:

A resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity.

The SPEAKER. This resolution is on the Union Calendar, and the House automatically resolves itself into Committee of the Whole House on the state of the Union to consider it. The gentleman from Connecticut [Mr. TILSON] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 248, which the Clerk will report.

The Clerk read the resolution, as follows:

Joint resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity

Whereas by authority of a joint resolution of Congress approved May 25, 1908, the President of the United States was authorized to remit unto China the sum of $11,961,121.76 of the Boxer indemnity fund accredited to the United States, which sum the President on December 28, 1908, duly remitted and which, at the request of China, was specified to be used for educational purposes; and

Whereas it is deemed proper as a further act of friendship to remit the balance of said indemnity fund amounting to $6,137,552.90 in order further to develop the educational and other cultural activities of China: Now, therefore, be it

Resolved, etc., That the President is hereby authorized, in his discretion, to remit to China as an act of friendship any or all further payments of the annual installments of the Chinese indemnity due under the bond received from China pursuant to the protocol of September 7, 1901, as modified by Executive order on the 28th day of December, 1908, pursuant to the authority of the joint resolution of Congress approved May 25, 1908, for indemnity against losses and expenses

incurred by reason of the so-called Boxer disturbances in China during the year 1900, such remission to begin as from October 1, 1917, and to be at such times and in such manner as the President shall deem just.

Mr. ROGERS of New Hampshire. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. ROGERS of New Hampshire. I rise to inquire about the time. I am opposed to the resolution.

The CHAIRMAN. Is the gentleman a member of the committee?

Mr. ROGERS of New Hampshire. Yes.

The CHAIRMAN. Under the rule, on Calendar Wednesday there are two hours of general debate, one hour to be controlled by the gentleman in charge of the resolution and the other by some one in opposition to the measure. The Chair will recognize the gentleman from Pennsylvania [Mr. PORTER] to control the time on behalf of the committee and the gentleman from New Hampshire [Mr. ROGERS] in opposition. The gentleman from Pennsylvania is recognized for one hour.

Mr. PORTER. Mr. Chairman, the resolution before the House (H. J. Res. 248) provides for the remission of further payments of the annual installments of the Chinese indemnity under the bond of December 15, 1906, such remission "to be at such times and in such manner as the President shall deem just."

In the last Congress a similar resolution, which had the active and unqualified support of President Harding and the Secretary of State, passed the Senate by a unanimous vote. It was reported unanimously by your committee but failed to receive consideration by the House before adjournment. On April 29, 1924, your committee again reported the resolution with the recommendation that it pass without amendment. Again it has the approval of the Secretary of State, who says:

I am happy to inform you that I approve of the proposal in its present form and am in full sympathy with the provisions of this resolution terminating further payments by China to the United States upon the Boxer indemnity.

The amount of the bond for $24,440,778.81, dated December 15, 1906, received from China pursuant to the protocol of September 17, 1901, for indemnity against losses and expenses incurred by the United States by reason of the so-called Boxer disturbances in China during the year 1900 was limited by the joint resolution of Congress of May 25, 1908, to the sum of $13,655,492.69, with interest at 4 per cent. The further sum of $1,175,835.64 was remitted subsequently upon the payment in full by China of all the remaining claims of American citizens for damages to person and property, thus making a net liquidated debt of $12,479,657.15 as of date January 1, 1908. China has paid on account of this indebtedness the sum of $12,413,499.79, on account of principal and interest, leaving a balance due of $66,157,552.90, assuming that China anticipated the payments at the present time. If the payments made to date were all credited to principal, China would owe $66,158 of the principal debt and $6,071,394.00 interest.

The claim of the United States against China was composed of the following items:

(1) Compensation to American citizens for damages to person and property, which, as heretofore stated, has been paid in full.

(2) Military operations, $7,186,320.75.

(3) Naval operations, $2,469,181.94.

Statements showing the items for military and naval operations are a part of the hearings and show that the entire cost of maintaining that portion of the Army and Navy which was used in China was charged against that Government.

The joint resolution of Congress of May 25, 1908, recommended by President Roosevelt, placed no restrictions on the use to be made of the sums to be remitted, but it was upon China's request that monthly payments were made to the consul general of the United States at Shanghai and by him indorsed over for the maintenance of the college of Tsing Hua, which is known in China as the "American Indemnity College." Your committee is confident the President will follow this plan of payment, which has proven so satisfactory to both countries, in the event this resolution is adopted. Entrance to this college is by competitive examination. The students are educated so as to enter colleges in the United States, their expenses in this country being paid out of the fund; and, notwithstanding the chaotic conditions in China during part of the last 10 years, she has never failed to make the monthly payments for the support and maintenance of this college. It is now deemed proper as a further act of friendship and good will to remit the balance of said indemnity fund in order further to develop the educational and other cultural activities of China.

The foreign relations of the United States for 1901 show conclusively by the correspondence between the Hon. John Hay, Secretary of State, and the American minister, Mr. Conger, which appears on pages 37 and 38 of the hearings, that the influence of our Government was at all times exercised on the side of justice and moderation toward China in the settlement of the so-called Boxer claims. In fact, the correspondence indicates that the United States would have waived indemnities, except the compensatory damages due citizens of the United States for injuries to their person or property, which amounted to less than $4,000,000, if the other interested powers had agreed to do likewise. The United States contended that the claims of the other powers were exorbitant and threatened at one time in the negotiations to refer the matter to The Hague.

On May 10, 1901, Mr. Hay cabled Mr. Conger:

The aggregate sum mentioned, appears exorbitant, and repeats that this Government is willing to reduce by one-half its already reasonable claim if the other powers will make similar reductions. There are grave objections to joint guaranty, but the President would agree to it, subject to the action of Congress, rather than submit China to the necessity of paying so enormous a commission.

On June 15, 1907, the Hon. Elihu Root, Secretary of State, in a letter to the Chinese minister said in part:

It was from the first the intention of this Government at the proper time, when all claims should have been presented and all expenses should have been ascertained as fully as possible, to revise the estimates and account against which these payments were to be made, and as proof of sincere friendship for China to voluntarily release that country from its legal liability for all payments in excess of the sum which should prove to be necessary for actual indemnity of the United States and its citizens.

In reply thereto the Chinese minister said in part:

I take this first opportunity to express to you the grateful thanks of my Government for this signal generosity shown by the United States toward China, which can not fail to bind the two countries into closer and more friendly relations, and which affords another conspicuous proof of the high sense of justice which always actuated the Government of the United States in its intercourse with China.

The remission of the balance of this indemnity is in exact harmony with our traditional policy toward oriental nations.

In July of 1863 hostile vessels occupied the Straits of Shimonoseki, Japan, and the warships of the United States and other countries, at the instance of the Japanese Government, opened the straits to commerce by the destruction of these vessels. It was later agreed between Japan and the nations which had come to her assistance that the former indemnify the latter for the expenses incurred by them in accomplishing this end.

Like China after the Boxer uprising, the Japanese Government issued bonds in a sum sufficient to reimburse the nations for their outlay which had assisted her in restoring peace, but Congress, by act of February 22, 1883, returned to Japan the sum of $785,000.87 in legal coin which had been paid on account of the bonds and directed that all bonds now under control of the Department of State known as the "Japanese indemnity bonds" should be canceled and destroyed.

The action of the United States in 1908 materially reducing the amount of the obligation under the bond from China established a precedent that has been very far-reaching. It is best described in the testimony of Mr. John V. A. MacMurray, Chief, Division of Far Eastern Affairs, Department of State, as follows:

In 1908 we corrected China's bond to us in order to relinquish everything that we felt it had been an actual injustice to take. There nevertheless remains this balance in which we still have, of course, an unquestionably valid legal right, but as to which it may very well be contended that the claim is at any rate a somewhat harsh one. The proposal now is that we shall relinquish this. In the meanwhile we have established by means of the 1908 remission a precedent that has been very far-reaching. The effect that that has had in China, as many of those who have testified have told you, has been altogether inestimable. It has placed the United States, in the minds of the Chinese, in a category entirely different from that of any other nationality.

The positive results from the educational plan to which China devoted the remitted funds are now beginning to accrue. It is only fair to say in passing that there is some ground for criticism that there has been a degree of disappointment in the way the educational scheme has thus far worked out. But, at any rate, I profoundly believe myself, and I think it is the view of all in our department, including the Secretary, who have to deal with these matters, that it is only on a very short view that we could feel disappointed. The educational plan is in its beginning; it has not yet had time to produce results.

In the long run it is bound to produce results of the most hopeful sort for the regeneration of China; but meanwhile there can not be any question of the extraordinary result it has produced upon our relations with China, or perhaps I should put it upon China's relations toward us. That has been so much the case that other nations have regarded our action with a certain degree of what might almost be termed jealousy, a feeling that we had rather stolen a march on them—that our action had been so much more farsighted and so much wiser than theirs. There has been this feeling almost of resentment in the past toward the action that we took in 1908. But that feeling has given way to a desire to emulate the example that we set, and hence the efforts of other powers that I have sketched out to you to try and place themselves in the same position. It would, of course, be a rather anomalous situation if, having initiated the more advanced and enlightened policy with regard to the disposition of these somewhat harsh indemnities, we were now to stop while all the others went on following our example and trying to take advantage of the initiative that we had taken.

For that reason it seems to me that to-day even more than when the first bill was introduced it is a matter of obvious expediency for us to go ahead with this proposal.

During the last year Great Britain, France, Italy, and Belgium have announced their intention to either cancel or remit the balance of the indemnity or contemplate an early remission of a sort similar to that the United States initiated in 1908, and this contemplated action on the part of the other obligees of China, which, according to Mr. MacMurray, with whose opinion I am in entire accord—

creates a situation in which, if not exactly forced to action, we find ourselves confronted with a psychological situation in which it would be more difficult for us to hold back now—in which the failure to go on with the present remission would be more likely to create a misunderstanding than if the same thing had happened when the bill was first introduced. We, as you of course all realize, took the initiative in this matter in the first place. We had attempted throughout the negotiations for the settlement of the Boxer difficulties to protect the just interests of China and to try to bring about a settlement which should involve a little foresighted generosity as well as strict justice. We were, as you know, not altogether successful in that.

May I emphasize by repeating—China has paid compensation in full to American citizens for damages to personal property as the result of the Boxer uprising. The claims of the United States for the cost of her military and naval operations, amounting to $9,655,492.69, contains an item of $3,450,133 for pensions and allows no credit for the usual and ordinary expenses for the maintenance and operation of the units which operated in China. China has reimbursed the United States for this outlay in the operation of our naval and military forces, except $66,158 of the principal debt and $6,071,391.09 interest.

In these circumstances your committee deems it highly desirable as a further act of friendship to remit the balance of the indemnity in order further to develop the educational and other cultural activities of China.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. PORTER. Yes, sir.

Mr. MORTON D. HULL. How much has been paid to American citizens for their losses?

Mr. PORTER. It is less than $4,000,000.

Mr. MORTON D. HULL. And the bulk of the amount remitted by this resolution, if it is adopted, represents interest on the original bond?

Mr. PORTER. If all of China's payments are credited to principal, it represents interest on the original bond, except $66,158 balance of the principal.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. PORTER. Yes, sir.

Mr. WILLIAMSON. Is this entire amount to be used by China for the purpose of educating Chinese in this country?

Mr. PORTER. The resolution states that the amount will be used for educational and other cultural activities of China.

Mr. MORTON D. HULL. But not in this country.

Mr. PORTER. Not necessarily. It is left entirely in the discretion of the President. We are doing a gracious thing, and we should do it in a gracious way.

Mr. WILLIAMSON. Will the gentleman yield further?

Mr. PORTER. Yes, sir.

Mr. WILLIAMSON. Who has the handling of this amount? Will it be handled by Chinese officials or American officials?

Mr. PORTER. I can assure the gentleman that the committee is perfectly confident that our Government will follow the plan which has been followed since the passage of the Roosevelt resolution in 1908. The fund is divided into two parts. On the first of each month the Chinese Government hands two checks to the American consul at Shanghai, China; one check he turns over to the Treasury of the United States, and the other check he indorses over for the maintenance of this college.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. PORTER. Yes.

Mr. CHINDBLOM. My colleague [Mr. HULL] inquired about the private claims against China. Those private claims have all been paid, have they not?

Mr. PORTER. They have all been paid and were paid years ago.

Mr. COLLINS. Will the gentleman yield?

Mr. PORTER. Yes.

Mr. COLLINS. Is it the gentleman's opinion that all compensatory damages have been paid by China?

Mr. PORTER. I gave to that question a great deal of thought, as the gentleman well knows.

Mr. COLLINS. I am asking for the gentleman's opinion.

Mr. PORTER. I have been unable to reach a satisfactory conclusion because of this fact: Four-fifths of the claim against China represents the charges made by the Army and the Navy. There is no reduction made for the normal expenses of those two organizations. There is really no precedent to guide us, so I hesitate to express an opinion as to whether the balance is punitive or compensatory damages. After having taken the initiative in this matter and led the other nations of the world to do likewise, we should not allow ourselves to be put in a false position. [Applause.]

The CHAIRMAN. Does the gentleman from Pennsylvania reserve the balance of his time?

Mr. PORTER. Yes; I reserve the balance of my time.

The CHAIRMAN. The gentleman from New Hampshire [Mr. ROGERS] is recognized for one hour. [Applause.]

Mr. ROGERS of New Hampshire. Mr. Chairman and members of the committee, I intend to speak in opposition to the resolution which is being considered this morning, and my only hesitation in so doing is the fear that my motives may possibly be misunderstood. Therefore at the outset I wish to take the opportunity to state that I am in entire sympathy with the attempt of the great Chinese Government to secure for itself a permanent place in the civilized world. I realize the fact that for more than 2,000 years China has suffered more than its share of hardships, trials, and tribulations, and I feel that I would be the very last man in this House to take any action or to support any legislation which would in the slightest degree jeopardize the mutual and lasting friendship which has always existed between this country and China.

When I went into the committee at the beginning of the hearings on this resolution it was my desire to support this resolution if it was possible to find any justification for so doing. But as the hearings progressed, Mr. Chairman, it appeared to me to be even more certain that there is not the slightest moral or legal justification for the United States of America to cancel this honorable and just debt owed to it by a foreign nation, even if it is only $6,000,000. America's friendship for China is the only possible justification suggested as a ground for canceling the Chinese debt to America, because that is what it is; and while this resolution suggests it is a means of remitting a certain amount of money, I ask you not to be misled by the terms of the resolution, because it could better have been called a resolution to give $6,000,000 to China, or a resolution to cancel an honorable financial obligation of a foreign nation amounting to $6,000,000. As the resolution reads, however, the only alleged justification for the remission of this balance due the United States is suggested in the preamble and termed an "act of friendship."

I ask you whether the American Congress is ready to establish the precedent that solely and purely as an act of friendship it will cancel the honest, honorable obligations of every foreign power to the United States? Are we ready to cancel the debts of Armenia, Austria, Belgium, Czechoslovakia, Esthonia, Finland, Greece, Hungary, Latvia, Liberia, Lithuania, Nicaragua, Poland, Rumania, or Yugoslavia? All of these nations are indebted to us, and owe us just and honorable debts. Are we ready as an act of friendship to cancel the debt of Great Britain, amounting to $4,600,000,000? Or France's debt of $3,990,658,000; or Italy's $2,015,079,000? These nations owe us a total debt of nearly $12,000,000,000. Must we purchase the continuation of their friendship by the cancellation of their debts at the expense of the taxpayers of America? If we are not ready to do that act of friendship for these various countries, then I say there is no justification for our canceling the honorable and honest debt of

$6,000,000 which China owes us simply as a further token of our respect and admiration for the Government and citizens of that great country.

Mr. DYER and Mr. O'CONNELL of New York rose.

The CHAIRMAN. Does the gentleman yield; and if so, to whom?

Mr. ROGERS of New Hampshire. I yield first to my friend from New York.

Mr. O'CONNELL of New York. Has the gentleman any evidence that we are going to get any money at all from the nations he has just enumerated? We have gotten some from China.

Mr. ROGERS of New Hampshire. I am sure we will not get any if we establish the precedent called for by this bill and cancel all the other debts owed to this country.

Mr. DYER. Will the gentleman yield?

Mr. ROGERS of New Hampshire. I yield.

Mr. DYER. The gentleman likens these other European cases to China, but this is not for any money we loaned China and it is not for damages that China did to us. It is simply remitting something we saddled on her with other nations as a punitive measure.

Mr. ROGERS of New Hampshire. No; I intend to show the gentleman from Missouri, if he follows my remarks, that this debt is just as honorably due us, and even more so, than the loans made by the United States to foreign governments, for if it is just that foreign governments should repay us the money they have borrowed from us, it is certainly even more just and reasonable that the Government of China should compensate us for damages caused by the unlawful killing of American citizens and the unjustifiable destruction of American property.

Mr. DYER. If the gentleman will permit, there is no such question involved with China. They have already paid us more than any damages they inflicted upon us.

Mr. ROGERS of New Hampshire. That is not the fact, and if the gentleman will wait a moment I will prove my statement.

Mr. Chairman, it may be a good idea, in order to understand this situation fully—and we ought to understand it before we vote on it—to go back for a moment to the history of the Boxer rebellion and see on just what foundation this debt is placed.

In 1900 there were over 100,000 fanatics in China who organized themselves together and who, in gross violation of all recognized principles of international law, in utter disregard of the rights of humanity itself, and without any respect for the rights of American citizens guaranteed to them by virtue of existing treaties, went about through China killing, murdering, pillaging, and plundering, and raised the cry of death to all Christian foreigners in China. As a result of these acts of anarchy on the part of the Boxers, as they were called—a name given them because they termed themselves the "society of harmonious fists"—nearly 100 American citizens went to their death, and for weeks the citizens of foreign powers were cooped up in their respective legations, and no man knew whether they would come out alive or whether they would be butchered and tortured, a practice indulged in by the Boxers at every opportunity; and, Mr. Chairman, not only did these Boxers associate themselves together and kill and torture in violation of international law, not only were their actions passively acquiesced in by the Chinese Government itself, but their atrocious crimes were actively approved and supported by the Government of China.

This was not the case of an occasional banditry. It was not the case of a gang of assassins who murdered a few innocent citizens, but it was a case of 100,000 men urged on by the Government of China to kill every foreigner, to murder every Christian, to destroy their temples of worship, to burn their cathedrals and their legations, and to sacrifice their very lives.

Mr. O'CONNELL of New York. What is the authority of my colleague for that statement?

Mr. ROGERS of New Hampshire. For what statement?

Mr. O'CONNELL of New York. That the Government of China urged them on.

Mr. ROGERS of New Hampshire. This is my authority, I will state to the gentleman from New York. The American minister, Conger, representing the American Government, in a message to the Secretary of State, John Hay, said this—this is my authority, and it is an important thing to be considered when you attempt to cancel this honorable debt—said Minister Conger:

That the throne indorsed and encouraged the Boxers in their attacks against foreigners, organized them, placed princes and ministers in command of them, paid them, exhorted them, extolled them, and made common cause with them is abundantly confirmed by the Imperial decrees transmitted in my dispatch No. 395, of August 17, and is therefore responsible for the whole movement and its results.

That is my authority for the statement that the Chinese Government was back of this movement. It is an official report to this Government made by the American minister, who was on the ground and who knew the facts.

Mr. BLANTON and Mr. FAIRCHILD rose.

Mr. ROGERS of New Hampshire. I yield first to my fellow member of the committee.

Mr. FAIRCHILD. I noticed in what you read that reference was made to the throne of China.

Mr. ROGERS of New Hampshire. Yes.

Mr. FAIRCHILD. The throne of China no longer exists, does it?

Mr. ROGERS of New Hampshire. It existed then, and it was the recognized government of the country.

Mr. FAIRCHILD. Under the example of the great American Republic there is now a republic we are dealing with over there, is there not?

Mr. ROGERS of New Hampshire. Yes; as the successor to the throne which was the responsible, recognized government of China and which urged these assassins to destroy the lives of every foreign Christian within the limits of its jurisdiction. They not only destroyed American lives but they attacked the American Legation and attempted to wipe out of existence those good people who had sought refuge there, and, Mr. Chairman, let me right here, before I yield to my friend from Texas, call attention to the joint note of the powers in regard to these acts of despoliation, and what they said as to its being acquiesced in by China, and the grounds on which the Chinese Government accepted this settlement. The joint note of the powers directed to the Chinese Government said in regard to this wholesale slaughter of foreign Christians:

During the months of May, June, July, and August of the present year (1900), serious disturbances broke out in the northern Provinces of China and crimes unprecedented in human history—crimes against the laws of nations, against the laws of humanity, and against civilization—were committed under peculiarly odious circumstances.

And, gentlemen, I repeat that those crimes against the laws of nations and against humanity were not only acquiesced in but advocated by the Government of China, which has accepted full responsibility for the taking of the lives of innocent men and the destruction of the property of Christian foreigners.

Mr. BLANTON. Now, will the gentleman yield?

Mr. ROGERS of New Hampshire. I will.

Mr. BLANTON. Was not it because of the fact that the Government of China did condone these crimes that our Government forced them to give a bond for $24,000,000?

Mr. ROGERS of New Hampshire. Certainly it was, and they not only condoned them but they supported and urged them on and backed them up. If any nation in history was entitled to receive pay for acts in violation of the laws of humanity and international law, the American Government was so entitled; and if any nation in the history of the world should be punished for deliberately and premeditatedly seeking to wipe out of existence by barbarian torture the Christian religion and Christian people, then the original indemnity exacted from China was only a fair and equitable indemnity for that monstrous crime against civilization and humanity.

Mr. McKEOWN. Will the gentleman yield?

Mr. ROGERS of New Hampshire. Yes.

Mr. McKEOWN. Who made these estimates of the amount?

Mr. ROGERS of New Hampshire. I am coming to that now. Mr. Chairman, what happened? What was the attitude of the United States of America? Did we burn with righteous indignation at these indefensible assaults on our religion and people and demand punishment from China? No; we did not. On the contrary, that great statesman, Secretary of State John Hay, made it clear from the very beginning that the American Government would do as it always had done, and I hope always will do, play fair with the Government of China. In his note to the American commissioners he made it plain that this Government wanted to exact no punishment from China. Although the lives of these Americans taken by the Boxers could not be returned, their property could not be replaced, and their insults could not be adequately avenged, the American Government desired no punishment for China, but simply a bond of indemnity to secure only compensatory damages.

And so, Mr. Chairman, our Secretary of State instructed the minister at Peking way back in 1901 as follows:

The President is anxious lest the aggregate of the claims of the different powers should exceed the ability of China to pay.

There we were in 1901 anxious lest we asked for something that China could not pay. Then the State Department said:

You are therefore instructed once more to urge upon your colleagues the desirability of agreeing upon a lump sum not to exceed £40,000,000 to be distributed equitably among the powers, and if an agreement is impossible to resort to The Hague arbitration; this sum to be paid in money and not in territory. The Government is ready to scale its demand in any just proportion which may be accepted by the other powers.

Mr. McKEOWN. Will the gentleman yield further?

Mr. ROGERS of New Hampshire. I will.

Mr. McKEOWN. How much do we pay in pensions to the soldiers and the widows of those soldiers?

Mr. ROGERS of New Hampshire. I can not answer the gentleman.

Mr. McKEOWN. Are we taking into consideration in the preparation of the resolution the refund of payment of pensions due these men?

Mr. ROGERS of New Hampshire. I will come to that in a moment when I discuss the amount now due.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. ROGERS of New Hampshire. I will yield, and then I must ask not to be interrupted further.

Mr. WAINWRIGHT. Is any attempt being made by the State Department to collect any indemnity of China for the injury and loss suffered by those Americans who were captured and treated with great brutality and indignity by Chinese bandits last summer?

Mr. ROGERS of New Hampshire. I think not, but it does not seem to me that the gentleman's question is germane to this proposition because this is a proposition where the Chinese Government urged on the rebellion and accepted full responsibility for the acts of the Boxers.

Mr. WAINWRIGHT. May it not be appropriate to reserve any balance due from the Chinese Government as a guaranty for the payment of an indemnity to these American citizens who suffered last summer?

Mr. ROGERS of New Hampshire. To my mind it would not be appropriate to reserve one cent. The only thing that is to-day appropriate and for which we can furnish any justification is to permit China to pay her just debt to America, as she is willing to do; a debt never questioned either officially or unofficially.

Mr. BLANTON. Will the gentleman yield for one more question?

Mr. ROGERS of New Hampshire. I will.

Mr. BLANTON. This Congress some time ago remitted $9,161,000. If we remit the balance, can we expect China to protect our nationals against banditry in the future?

Mr. BUTLER. Will the gentleman yield?

Mr. ROGERS of New Hampshire. I will.

Mr. BUTLER. As I understand it, this indemnity is owing to the people who suffered during that Boxer outbreak. Who is going to pay them if China does not? Would the American Government have to do it?

Mr. ROGERS of New Hampshire. So far as the individual claims are concerned, they have been paid; but let me get to the next proposition. There was collected as an indemnity, or exacted from the Chinese Government, which recognized its liabilities, over $330,000,000. Of that amount, which went to every government involved that had sustained loss of life and property, the American Government was allotted $24,440,778.81. As another example of the great statesmanship of our Secretary of State, Mr. Hay, and of his successor, Mr. Elihu Root, it should be said to the lasting credit of this Government, that seven years later, after everybody's blood had cooled off, and as further evidence of the desire of this Government, as manifested from the very beginning, to deal both justly and fairly with China, the Government, under the direction of the Secretary of State, Mr. Root, revised all of the bills and claims which had been put in and accepted by the Chinese Government. And, notwithstanding the fact that the Chinese Government had recognized its liability and signified its willingness to pay over $24,000,000 as a legal debt, to which we were technically and legally entitled, nevertheless, in 1908, as an act of friendship to the Chinese Government, as an act of simple justice and fairness, when it appeared that we had asked China for too much, when it appeared that here and there we had gotten in some punitive damages, we decided to deal most charitably with China; and President Roosevelt then asked Congress to remit every dollar which could possibly be decided to be in excess of the amount legally, ethically, and morally due to America by the Chinese Government. Thereupon, Congress, as a result of the suggestion of Mr. Root and at the request of Mr. Roosevelt, out of a sense of justice and fairness and friendship, in 1908, 16 years ago, remitted every cent that by any means of calculation could be determined to be in excess of the amount to which the United States Treasury was entitled.

That settlement has been recognized as fair and just by China and the world for 16 years. Under its terms China has been paying $45,000 every month, and has never expressed a desire to be relieved from such payments or to have the time in which the total amount is to be paid extended. That settlement made in 1908 still stands, and yet we are asked now to do something that was never before thought of or considered, and that is to cancel a just and honest debt of a foreign government without a suggestion officially or unofficially that it should be so canceled. What justification is there for our establishing such a precedent, which has never before been established in the history of this Government?

Mr. CRISP. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of New Hampshire. Yes.

Mr. CRISP. The United States had a certain number of marines, and the other governments had soldiers there, growing out of this Boxer movement.

Mr. ROGERS of New Hampshire. Yes.

Mr. CRISP. Has the United States been reimbursed the expense of maintaining that force in China?

Mr. ROGERS of New Hampshire. It has not been so reimbursed.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of New Hampshire. Certainly, I yield to the chairman of my committee.

Mr. PORTER. The United States has been reimbursed with the exception of $64,000, except as to interest.

Mr. ROGERS of New Hampshire. Mr. Chairman, let me ask the chairman of our committee to be fair about this matter. The amount now due as principal and interest is $6,137,552.09. The amount of interest determined to be exacted from China at the very beginning, when this indemnity was settled, was only 4 per cent. Of course they must pay interest on their debts. Individuals pay interest, commercial enterprises and towns and cities pay interest, and it is right that China should pay such a reasonable amount as 4 per cent interest on whatever she owes us, in addition to paying for the damage done by this enormous rebellion which she supported and encouraged back there in 1900. This proposition in 1908 under Mr. Roosevelt was carried forward for the sole purpose of revising and equalizing the original settlement, and determining just what amount China was legally and morally bound to pay.

Mr. Chairman, to come now to the balance which is due, $6,137,552.09. The chairman of our committee has quoted from a representative of the State Department who appeared before the Committee on Foreign Affairs. I assume that gentleman represented the Department of State of the United States. He was the Hon. John Van A. MacMurray, Chief of the Division of Far Eastern Affairs. Before I read a portion of his testimony let me read a letter from Mr. Elihu Root, dated June 15, 1907, with reference to the proposed 1908 cancellation or remission. Mr. Root, then Secretary of State, wrote to the Chinese minister as follows:

DEPARTMENT OF STATE,
Washington, June 15, 1907.

SIR: After the rescue of the foreign legations in Peking during the Boxer troubles of 1900 the note of the powers to China prescribing the conditions upon which the occupation of Peking and the Province of Chihli would be ended, dated December 22, 1900, required in its sixth article the payment of equitable indemnities for governments, societies, companies, and private individuals, as well as for Chinese who have suffered during the late events, in person or in property, in consequence of their being in the services of foreigners. The final protocol under which the troops were withdrawn, signed at Peking, September 7, 1901, fixed the amount of this indemnity at 450,000,000 haikwan tael, equivalent, in round numbers, to $333,000,000 United States gold. China agreed to pay this sum with interest at 4 per cent per annum by installments running for a period of 39 years. The share of this indemnity allotted to the United States was $24,440,778.81, and on account of the principal and interest of that sum China has paid to the United States down to and including the 1st of June, 1907, the sum of $6,010,981.01.

It was from the first the intention of this Government at the proper time, when all claims should have been presented and all expenses should have been ascertained as fully as possible, to revise the estimates and account against which these payments were to be made, and as proof of sincere friendship for China to voluntarily release that country from its legal liability for all payments in excess of the sum which should prove to be necessary for actual indemnity of the United

States and its citizens. Such a revision has now been made by the different executive departments concerned, and I am authorized by the President to say that in pursuance of that revision at the next session of Congress he will ask for authority to reform the agreement with China under which the indemnity is fixed by remitting and canceling the obligation of China for the payment of all that part of the stipulated indemnity which is in excess of the sum of $11,655,492.69 and interest at the stipulated rate.

Accept, Mr. Minister, etc.,

ELIHU ROOT.

Thus it is at once seen that Congress was asked to remit every cent to which we were not honorably entitled, and Congress thereupon provided by a joint resolution approved May 25, 1908, for the remission of $11,961,121.76. I repeat, that for 16 years no suggestion has been made that the balance, now approximately $6,000,000, is not justly and honestly and legally and morally due. I want now to read the words of the representative of our State Department before the Committee on Foreign Affairs, for I want you to have before you the present attitude of that department. Mr. MacMurray states that as a result of the action of the Congress in 1908 the Chinese are made our everlasting friends. Mr. Chairman, we can not add to that true friendship which exists by adopting this resolution. And Mr. MacMurray says, further, that because of our act of remission in 1908 the Chinese look to us alone among the nations with whom they have to deal.

Now, what does the representative of the State Department continue to say? He says that the original indemnity was purely a legal obligation, but that it was a moral obligation for us to remit everything we ought not to have, and that we fulfilled this moral obligation by the 1908 remission.

Now he says we are dealing with the question of a further remission, where there is no moral obligation involved. Listen to this:

Because we are legally and morally entitled to the amount of the bond as adjusted in 1908.

Mr. PORTER. Will the gentleman continue the sentence?

Mr. ROGERS of New Hampshire. The gentleman has an opportunity to reply, and I would be glad to have him read it in his own time. My own time is limited.

Mr. PORTER. I think the gentleman should read the whole sentence.

Mr. ROGERS of New Hampshire. I want to impress upon the committee the statement of the representative of the State Department that we are legally and morally entitled to every cent of this $6,000,000. It has always been my opinion that when a nation is legally and morally entitled to a debt, then we as representatives of our constituents, who are the taxpayers of America, have no legal or moral right to cancel it.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. ROGERS of New Hampshire. I will.

Mr. BLANTON. Why does not the gentleman tell us the real reason for presenting this joint resolution?

Mr. ROGERS of New Hampshire. I am coming to that in a moment. The chairman of the committee asked me to read the balance of the sentence in Mr. MacMurray's testimony, from which I read a moment ago. It is of the same purport and winds up by saying that if we cancel this debt it will be a manifestation of "magnanimity and finer feeling." Would it not be as much a manifestation of magnanimity and fine feeling to cancel Great Britain's debt, to cancel those of France, Belgium, Rumania, Czechoslovakia, Yugoslavia, Liberia, Latvia, and all other nations who are financially obligated to America? Of course, it would.

Mr. BLANTON. That is not the real reason.

Mr. ROGERS of New Hampshire. That is not the real reason. I am coming to that. What is the real reason? I have established that this debt is a moral and legal debt of honor owed by China to this country and we are asked without any justification to cancel such a debt of a friendly power, which is willing to pay and which has not even asked that it be extended. I believe it is one of the essential attributes in the development of character, whether it be among men or nations, that they shall recognize and discharge their just, moral, and legal financial obligations. [Applause.] Now, what are the reasons, the real reasons, advanced to cancel this debt, which for 16 years has been recognized as an honorable debt? The resolution states it as "an act of friendship." You gentlemen know that we who represent the taxpayers of this country have no moral or legal right to cancel an honorable debt, universally recognized as such and recognized as such by the other government which owes it, without express authorization of those who sent us here. But some well-meaning educational people desiring to educate the Chinese in 1908, as a result of an agreement between this country and China, secured a portion of the indemnity then remitted for educational purposes, and yearly approximately 2,500 Chinese students are sent to America for education by the Chinese Government, by the provincial governments, by private individuals, commercial organizations, and by certain wealthy Chinese citizens.

China is doing very well in the educational line, and she will continue to do so without the cancellation of this debt; because the remission of the debt in 1908, coupled with other sources of revenue as mentioned above, will enable her to continue sending over here 2,500 students every year. She is doing very well, indeed. Some people would like to help out the people of Liberia, Rumania, Esthonia, and other countries who owe this country money and who do not receive great educational advantages. Shall we cancel their debts? Here we are establishing a precedent just as an act of friendship. Now, in addition to these librarians, in addition to these well-meaning but misguided educational propagandists, there have appeared before our committee men who wanted this debt canceled in order that when it is remitted they may secure some of it for use in China for the purpose of advancing American commercial interests——

Mr. BLANTON. That is the main reason.

Mr. ROGERS of New Hampshire. Then there are propagandists who want the money to establish reclamation projects and conservation projects. One man who appeared before our committee wanted this money used for flood control. Another witness who appeared before our committee suggested that he would not object if this money was used in China to double-track the railroads.

Mr. PORTER. Will the gentleman yield?

Mr. ROGERS of New Hampshire. All of these objects are undoubtedly worthy, but how long since has the American Government been interfering with the governments of the other nations of the world and attempting to tell them what they shall do with their own internal enterprises?

Mr. PORTER. Will the gentleman yield?

Mr. ROGERS of New Hampshire. Let us stay out of other people's business and mind our own. [Applause.] I will yield to my chairman.

Mr. PORTER. I desire to call the attention of the gentleman to the terms of the resolution:

That the President is hereby authorized, in his discretion, to remit to China—

And so forth. Further on—

Such remission to begin from October 1, 1917, and to be at such times and in such manner as the President shall deem just.

Now, does the gentleman think that the President will allow this money to be used for purposes of exploitation?

Mr. ROGERS of New Hampshire. Those words show that there was doubt as to how this money would be used, and therefore the chairman added the words "to develop the educational and other cultural activities of China." Note, however, that these words appear simply in the preamble, where they have no effect, and that the resolution itself contains no limitation clauses whatever. Why, gentlemen, China has a culture older than that of the United States of America, but the gentleman knows that this resolution would not pass unless he referred in the preamble to the advancement of education and culture.

If we annul this debt, let us not attach a string to it and say, "If you do not use it the way we suggest, we will take it back." If China owes this money, then let us permit that nation, as we propose to permit other governments who owe money to us, to pay its honest and just obligations. [Applause.]

Now, then, just for a moment, let me come to another suggestion.

Mr. KVALE. Mr. Chairman, will the gentleman yield before he leaves that point?

Mr. ROGERS of New Hampshire. Yes; I yield.

Mr. KVALE. Purely as a matter of information, while I can see the gentleman's position and fully realize that there may be some other reason which is not stated openly, I would like to know what position, if any, is taken toward this proposal by the missionaries from the United States who are at present in China?

Mr. ROGERS of New Hampshire. Why, of course, Mr. Chairman, if it can be done legally, the missionaries who are doing work in China as in any other country would like to have more money to work with, and there have been some missionaries—I think two or three—who appeared before our committee, expressing the hope that this sum would be remitted, not looking at the moral or legal obligation of China to the American

Government, but looking at it as a possible means of securing further appropriations to assist them in doing a noble work in that country.

Mr. KVALE. But the gentleman will concede that the missionaries in China take the moral and ethical view of the matter?

Mr. ROGERS of New Hampshire. Yes; and I will also concede that the American missionaries who are working in Africa or in Russia or in other countries who owe us money would be glad if Congress would remit the debts owing from those countries in order that that money might be used for missionaries.

Mr. KVALE. I do not think that anybody in this country who is properly informed would be desirous of remitting the debts which those other countries owe to us.

Mr. ROGERS of New Hampshire. It is a question of what we ought to do as representatives of the American people; whether we ought to establish the precedent of annulling the moral and legal obligations of foreign countries. The Japanese example, which the chairman cited, was not at all in point. Without authority beforehand the representatives of this Government exacted indemnities from Japan which ought never to have been demanded, and finally the State Department frankly admitted that we had no right to take such an indemnity from Japan, and in due time we remitted those debts. It was the only course we could honorably take, and we were glad to deal honorably and fairly with Japan, as indeed we are with every other nation in the world.

Mr. KVALE. And if this were to be a precedent for canceling the debts of other nations I would not favor it.

Mr. ROGERS of New Hampshire. There is no doubt but that this is a legal and moral obligation of a foreign power, and if we remit it we do establish the most dangerous precedent for remitting every dollar of our foreign debt.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of New Hampshire. Yes.

Mr. COLE of Iowa. Is it not true that the missionaries who were heard before the committee did say that in their opinion the remission of these debts would be an evidence of good will toward China?

Mr. ROGERS of New Hampshire. Of course, they said it would be an evidence of friendly feeling, and would give rise to a friendly feeling toward the United States on the part of China. But I asked them whether there was a friendly feeling in China toward the United States at the present time, and they said that the feeling of the Chinese toward the Government and people of the United States is not equaled by any other nation in the world.

One of the witnesses asserted that there is no difference between this debt and the debts of other countries, and asserted that if we annul this debt other nations will desire to come into a conference with us, the purpose of which is the cancellation of debts, and thereby we will open up a wide avenue of discussion. My colleague on the committee, Mr. COLE of Iowa, well stated the situation when he said the following argument would be used: "All right; we will forgive the Chinese debts; let us have another and larger conference and see if we can not forgive the debts of the world." We are establishing a dangerous precedent, gentlemen.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of New Hampshire. Yes.

Mr. FAIRCHILD. Does my colleague contend that the remission of a penalty as a consequence of mob violence is a precedent for the remission of a debt on borrowed money? There is not a Member of this House who is more opposed to the remission of the indebtedness of European nations who came over and borrowed from us than I. But there is no precedent that is going to be established by remitting something that never ought to have been charged and which constitutes punitive damages.

Mr. ROGERS of New Hampshire. Yes; and that is the reason why the Government annulled this debt, in so far as punitive damages were concerned. If the gentleman had attended the meetings of his committee, he would understand that these damages are not punitive, but as the State Department well said, they constitute moral and legal debt due to the United States. The gentleman's hypothesis is wrong. If they were punitive damages, they would have been annulled in 1908. I will suggest to my friend that if he will look through all the evidence carefully he can not help coming to the conclusion no attempt is made to base a moral obligation on punitive damages.

This is not a case of punitive damages. Our State Department recognizes it, and members of the committee throughout the hearings insisted that they were not punitive damages. The gentleman from Pennsylvania [Mr. TEMPLE] said repeatedly that he would not admit that they were punitive damages and originally an unjust debt.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of New Hampshire. I yield for one more brief question.

Mr. FAIRCHILD. I did attend hearings in this Congress and I attended all the hearings on a similar bill in the last Congress. Is it not a fact that all of the damages to American citizens have been paid in full, and that those damages amounted to less than $4,000,000, but in addition to the $4,000,000 we have been paid up to the total of $12,000,000? Is not that a fact?

Mr. ROGERS of New Hampshire. Certainly; it is a fact.

Mr. FAIRCHILD. All right. Then, based on that fact, we have a right to a difference of opinion; but I again insist that this Government, in combination with other governments, exacted from China what this Government never should have exacted and never should have established a precedent for, namely, punitive damages, and we have been paid over $8,000,000 for our Navy and marines over there.

Mr. ROGERS of New Hampshire. The gentleman knows that we exacted punitive damages, but that seven years later, under Secretary Root and President Roosevelt, we canceled all of the debt which represented punitive damages. We did the square thing by canceling our punitive damages 16 years ago.

Mr. FAIRCHILD. Will the gentleman yield?

Mr. ROGERS of New Hampshire. No; I refuse to yield further, because I have only a few minutes left. I want to say these are not punitive damages, and that is recognized and acknowledged by the State Department. What we did in China was, according to international law, an act of intervention. It was not an act of war, but it was an act of intervention for the purpose of protecting American citizens and property, as stated by Secretary of State Hay in his note to China in 1900. In that note he says, regarding the purpose of the President:

The purpose of the President is, as it has been heretofore, to act concurrently with the other powers, first, in opening up communication with Peking and rescuing the American officials, missionaries, and other Americans who are in danger; secondly, in affording all possible protection everywhere in China to American life and property; thirdly, in guarding and protecting all legitimate American interests; and, fourthly, in aiding to prevent a spread of the disorders to the other Provinces of the Empire and a recurrence of such disasters.

He further said that the United States proposed to protect all rights guaranteed to friendly powers by treaty and international law. And it is a well-recognized principle of international law that when one nation has to intervene to protect its citizens in a foreign nation and is compelled to exercise police powers, so to speak, then it is entitled to every cent of the necessary expenses which enter into such an expedition of intervention, and that is all we asked of China. She has been glad to pay it and has been paying it, and for 16 years nobody has ever suggested that she refrain from keeping on paying it, after the amount due was finally adjusted in 1908.

One other point and then I am through. The chairman of the committee suggests that other nations are going to remit. For heaven's sake, let them remit. We remitted our punitive damages 16 years ago, and the other nations are just 16 years behind us. [Applause.]

After they see fit to remit their punitive damages, then let us get together, if at all, and talk about remitting the rest of the debt. No wonder they now talk about remitting. They have held on to what did not belong to them for 16 years, while we gave it back 16 years ago.

Mr. LAZARO. Will the gentleman yield?

Mr. ROGERS of New Hampshire. Yes.

Mr. LAZARO. The gentleman is thoroughly familiar with the hearings. Was there developed at any time during the hearings the fact that there was any pressure brought to bear from Americans engaged in business in China to pass this resolution on the ground that it would create better friendly relations?

Mr. ROGERS of New Hampshire. Oh, no; absolutely nothing of that sort was developed. I think the universal consensus of opinion is, and I think the undisputed evidence is, as stated by Mr. MacMurray, of the State Department, that when we canceled these punitive damages in 1908 we did a magnanimous thing for China. That showed our sense of justice, fairness, and honesty, and China will never forget it, and she is friendly to us to-day. She recognizes this is an honorable debt; she has never suggested that it be canceled or remitted, and she stands ready

and willing and desirous of paying it. You are not doing anybody an act of friendship or justice—whether it is an individual or nation—if they owe a moral and legal obligation unless you permit them to pay it. And, Mr. Chairman, just as we propose to permit Armenia, Belgium, Great Britain, Yugoslavia, Czechoslovakia, Italy, France, Esthonia, Lithuania, Poland, Russia, and all the rest of our debtor nations to pay their honest and just obligations, which they recognize are due this Government, so let us permit China to do what she is honorably bound to do and what she is willing to do, pay us what she owes us. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. KINDRED. Will the gentleman yield for just a minute?

Mr. ROGERS of New Hampshire. I will yield for a brief question.

Mr. KINDRED. The gentleman, by his able argument, shows that he is very familiar with all the details of this measure. I wish to ask him if the hearings disclosed the fact that the missionaries and other representatives of the Protestant and other churches in China are in favor of this measure?

Mr. ROGERS of New Hampshire. Those who were there wanted it, but I do not know what those who were not there want or how they feel about it. Only two or three appeared, and they were for it. I do not know the attitude of the others. The great question involved here, however, is one of principle, not of charity.

The CHAIRMAN. The gentleman reserves nine minutes.

Mr. PORTER. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

The CHAIRMAN. The gentleman from Maryland is recognized for 10 minutes.

Mr. LINTHICUM. Mr. Chairman, I do not propose to get excited over this Chinese indemnity proposition because there is nothing to be excited about. On page 19 of the hearings it will be seen that the United States Government believed that the allied powers were charging China or assessing China too much money.

Mr. ROGERS of New Hampshire. Will the gentleman yield right there?

Mr. LINTHICUM. Let me get started before I am asked to yield.

Mr. ROGERS of New Hampshire. Is it not a fact that the allied powers have never remitted one cent?

Mr. LINTHICUM. That is not wholly correct, but I will get to that in a few minutes. The United States Government, realizing that the allied powers were assessing China too much money, sent the following note to the representatives of this Government:

> The President is anxious lest the aggregate of the claims of the different powers should exceed the ability of China to pay. You are, therefore, instructed once more to urge upon your colleagues the desirability of agreeing upon a lump sum not to exceed £40,000,000, to be distributed equally among the powers, and, if an agreement is impossible, to report to The Hague arbitration, this sum to be paid in money and not in territory.

Now, what happened? Although the United States Government believed the powers ought not to assess more than £40,000,000, about $200,000,000, the commissioners agreed upon $333,000,000. In other words, we realized that we ought not to assess more than $200,000,000 against China after taking all matters into consideration; all the pensions to the soldiers and marines; all the expenses of the sailors and marines; all repair charges to the battleships, and setting aside $2,000,000 for pensions. But what was done? Nevertheless; the commissioners agreed upon $333,000,000, or 40 per cent more than we felt we were entitled to.

Now, then, that gave us a lump sum of $12,479,000 plus. If you will take $12,479,000 plus, as set forth in these hearings, you will find that you have $4,991,000 which was taken from the pockets of China or charged against them. You not only did that but the allied powers charged them interest since 1901. Although the bond was dated in 1906, it was retroactive to 1901 for the collection of interest, and we collected not only $4,991,000 more than we were willing to accept, after charging everything we could possibly think of, but we collected interest for five years before the bond was signed, amounting to nearly $4,000,000.

Mr. PORTER. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. PORTER. The gentleman will agree, I assume, with the statement that four-fifths of the claim remaining unpaid represents the cost of our military and naval operations and that all of the claims for damages to private property have been paid?

Mr. LINTHICUM. Yes; and I am coming to that point.

Mr. PORTER. Did we make any charge against Germany for our naval and military operations?

Mr. LINTHICUM. Certainly not; and if we had, we would not have gotten it.

Mr. PORTER. Should we not treat China as fairly as we treated Germany?

Mr. LINTHICUM. I should certainly think that would be the desire of this House.

What I was arriving at was that all there is left of the principal of this indebtedness is $66,158. So that all the balance of the fund which we propose to remit represents interest on this assessment. Now, where is this money coming from? It is not in the United States Treasury. We never did have it in the United States Treasury. It comes from this direction. We collect certain customs. At the present time our portion of these customs we collect is $110,000 a month from the custom ports of China. This is drawn in two checks, one of $65,000 and one of $45,000, and the Government indorses the $65,000 check over to China for educational purposes in China according to the order of the President, and the $45,000 comes into the United States Treasury. What we propose to do by this bill is to indorse the check for the entire fund over to China for the same purposes.

Mr. O'CONNELL of New York. Will the gentleman yield?

Mr. LINTHICUM. Certainly.

Mr. O'CONNELL of New York. Is it not a fact that China has not defaulted on a single payment since this began?

Mr. LINTHICUM. That is absolutely correct, except that the Governments suspended payments during the war, but even then China kept up the educational payments.

The honesty of China is proverbial.

Although we were allotted $12,479,000 plus, according to the statement on page 4, which, mind you, included all the expenses of the War Department, all the expenses of the sailors and marines, all the repairs to battleships, both in China and when they returned, all of the medicine which we used or which was used in the expedition, all the pay and mileage of the officers, all the expenses of the Ordnance Department, all the expenses of the Signal Corps, and after doing all that we included $2,000,000 for pensions; and after we did all that, as this statement will show, our total charge against China was $7,846,000, and yet we were to receive $12,479,000 as shown by following statement:

Estimated cost of China relief expedition (as submitted March 23, 1901)

War Department: Deposited at Hongkong to credit of General Chaffee for contingencies		$10,000.00
Quartermaster General's Department: Transportation, equipment, etc., of troops, animals, and supplies		[1] 5,426,808.22
Subsistence Department: Expended by commissaries in China, Philippines, and United States		674,147.82
Medical Department: Value of supplies and cash expended		146,640.00
Pay department:		
Pay of officers and enlisted men	$601,019.20	
Mileage to officers	15,483.30	
		616,502.50
Ordnance Department:		
Value of equipment now available for use of United States	366,035.47	
Value of equipment lost, etc., and ammunition expended	13,715.34	
Estimated loss by companies not yet reported	3,555.79	
		383,306.60
Signal Corps:		
Equipment	19,142.00	
Funds disbursed	4,500.00	
		23,642.00
Engineer Department: Equipment of Engineer troops		480.22
Telegraphic service (this does not include dispatches which passed between Manila and China and Japan)		55,114.70
Consequential expenses: Pensions to officers' and enlisted men's widows; pay of retired officers, wounded and disabled in service; pensions to enlisted men, wounded and disabled in service		2,000,000.00
Total cost		9,336,642.06

[1] This amount erroneously includes $1,172,553.34 for supplies, services of vessels, etc., started for China but diverted to the Philippines, and $317,660 for supplies sent to China but subsequently returned to San Francisco. The correct amount of the item for the Quartermaster's Department should therefore be $3,936,594.88, and the correct total cost should be $7,846,428.72.

[NOTE.—Chief of Ordnance does not include in his report the cost of ordnance supplies, etc., shipped to China but diverted to the Philippines.]

We want to be just to China. We do not want to collect more than she really ought to pay us, and I am very deeply interested in the educational feature involved. All of which is certainly bread cast upon the waters.

Some one has asked the question, If we remit this debt which China owes us, ought we not to remit the debts which

France and the other countries of Europe owe us? Would it not establish a precedent? I maintain that those debts stand absolutely upon a different basis. Here is a debt which China owes us from a previous empire government. The present Government of China is a democratic government, certainly not responsible in any way for the actions charged by Mr. ROGERS of New Hampshire, whether they be correctly stated or not.

Mr. ROGERS of New Hampshire. Will the gentleman yield?

Mr. LINTHICUM. I will.

Mr. ROGERS of New Hampshire. In view of your suggestion, that it is a debt of a previous government, does the gentleman advocate remitting all of Germany's obligations at the present time?

Mr. LINTHICUM. Oh, I do not advocate releasing Germany from anything whatever, but the point I am trying to make is that the charges which were made against the Government of China would apply to the empire and not to the present democracy, and that the present Government, largely inspired by our system of government, should not be punished for the mistakes of a monarchy. But getting back to the point as to the difference between this debt and the debts of European countries——

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. LINTHICUM. In just a minute. In the case of the debts that France and other countries of Europe owe us, that was money we took out of our Treasury and loaned them in good faith to carry on the war. This is a debt which we ourselves assessed against China, and which we admit was $4,000,000 more than it ought to have been, and we are now simply remitting something that we ought never to have charged them, and not only are we doing that, but we are practically directing how this money is to be expended. We are leaving it in the hands of the President to say when it shall be paid, how it shall be paid, and we are providing by the preamble of this joint resolution to what purposes we desire it applied.

The CHAIRMAN (Mr. CHINDBLOM). The time of the gentleman has expired.

Mr. PORTER. I yield the gentleman five additional minutes.

Mr. LINTHICUM. I want to call your attention to the report on page 3 as to what other governments are doing in this matter.

The previous British Government announced in Parliament its intention to cancel or to remit the balance of the indemnity due to Great Britain by China.

As to Japan, Mr. MacMurray said:

> Japan has likewise taken action, we understand. Though our information about that is not so full as I should wish it were, in order that I might give you positive details, we have received from our embassy in Tokyo a report that it is unofficially stated that the Japanese cabinet has decided that the whole of the Japanese share of the Boxer indemnity now outstanding shall be remitted to China for cultural purposes of mutual benefit to China and Japan.

The French Government has remitted it to apply to certain purposes—the payment of the debts of the Industrial Bank of China, a defunct bank, and to pay its depositors.

The Governments of Italy and Belgium are talking about remitting it. The whole situation, however, is more accurately shown by the following, from the testimony of Mr. John V. A. MacMurray, chief of our division of far eastern affairs:

> When the Secretary wrote, there was a rather vague prospect that some of the other governments might consider the question of a remission of a sort similar to that which we had initiated in 1908. Since that time the British Government—the previous British Government, not the one now in office—has announced in Parliament its intention to cancel or to remit the balance of the indemnity due to Great Britain. The question was for some time in doubt whether the British under their constitution could do that without an act of Parliament. Apparently the decision has been that an act of Parliament is required. We understand that an act for that purpose is now pending in the British Parliament, and that to the best of our information—of course, it can only be a matter of opinion—that bill is entirely likely to pass.
>
> Japan has likewise taken action, we understand. Though our information about that is not so full as I should wish it were, in order that I might give you positive details, we have received from our embassy in Tokyo a report that it is unofficially stated that the Japanese cabinet has decided that the whole of the Japanese share of the Boxer indemnity now outstanding shall be remitted to China for cultural purposes of mutual benefit to China and Japan.
>
> The French Government has taken the most definite action of any nation thus far. They, almost two years ago, entered into an agreement with the Chinese Government by which the entire balance of the French share of the indemnity is to be devoted to certain specified objects. The primary object is the rehabilitation of the Industrial Bank of China, a French institution which went bankrupt and caused very heavy financial losses and great damage to French prestige a few years ago. Such sums as are necessary of the French indemnity are to be devoted to the rehabilitation of that bank and the payment of creditors who lost through its failure. It is, of course, entirely a matter of speculation whether there will be anything left over, but the arrangement with the Chinese Government and the bill as passed by the French Chambers provide that any contingent balance that there may be shall be used for what the French call "œuvres." That term is rather difficult to explain in English. I suppose "cultural institutions" is the nearest one can come to giving an idea of what is implied by it. In other words, it is primarily for the purpose of the rehabilitation of that bank, whose failure was very considerable, and secondarily for cultural purposes.
>
> The Governments of Italy and Belgium have made no definite indication of the purposes to which they would devote their indemnity if they remitted it. They have not, in fact, taken any positive action toward remitting; but it is rather generally understood—certainly as a matter of gossip in the diplomatic body in Peking—that the Italian and Belgian Governments are contemplating an early remission and are probably waiting to see what is done by the powers who are more greatly interested, such as the United States, Great Britain, and Japan.
>
> That creates a situation in which, if not exactly forced to action, we find ourselves confronted with a psychological situation in which it would be more difficult for us to hold back now—in which the failure to go on with the present remission would be more likely to create a misunderstanding than if the same thing had happened when the bill was first introduced. We, as you of course all realize, took the initiative in this matter in the first place. We had attempted throughout the negotiations for the settlement of the Boxer difficulties to protect the just interests of China to try to bring about a settlement which should involve a little foresighted generosity as well as strict justice. We were, as you know, not altogether successful in that.

Gentlemen, it seems to me that with the great friendship existing between the United States and China, with the great educational features involved in this joint resolution, it is as little as this Congress can do to at least remit an indebtedness which we ought never to have collected and which we asserted in the beginning was $4,491,000 in excess of what we thought proper.

Mr. DYER. Will the gentleman yield?

Mr. LINTHICUM. I will.

Mr. DYER. The gentleman knows, as all Americans know, that we are spending in China now—that is, the American people through the Christian missionaries—something in the neighborhood of $10,000,000 a year, and have been doing that for years. This remission is going for the same purpose for which we have expended millions of dollars—to help in the education of the Chinese.

Mr. LINTHICUM. I do not think that it goes in the same exact direction. This goes for specific educational and cultural purposes.

Mr. DYER. It is for the same general purpose.

Mr. LINTHICUM. Certainly for the same general cultural plans, and is approved by the organizations and people who are doing the missionary work you are good enough to mention.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. LINTHICUM. I yield to the gentleman from Tennessee.

Mr. BYRNS of Tennessee. I want to ask the gentleman a question for information. The gentleman speaks of remitting a debt we ought never to have assessed. Is it not a fact that we have already remitted all the balance of the debt, amounting to something like $12,000,000?

Mr. LINTHICUM. We remitted a very large portion of it, after the payment of all indebtedness which we had charged against China for individuals and other purposes. The part I say we ought not to have charged was the 40 per cent in excess of what we had really expended in this expedition.

Mr. BYRNS of Tennessee. Has not that already been remitted?

Mr. LINTHICUM. A large portion has been remitted, but the bulk of this fund is made up of interest.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. LINTHICUM. I will.

Mr. WAINWRIGHT. What assurance have we that if this balance is remitted it will be applied to the purposes of education and civilization?

Mr. LINTHICUM. The preamble to the joint resolution provides that it shall go for educational and cultural purposes. The experience of many years that we have had with China demonstrates that they will use it for that purpose. The provision in the bill giving the President power over the fund gives him the power to designate that it shall go for that purpose.

Mr. WAINWRIGHT. Is it contemplated that that condition will be imposed upon the remission?

Mr. LINTHICUM. The preamble is put in here for that purpose. To call attention to the will and desire of Congress.

Mr. WAINWRIGHT. But the preamble is different from the enactment feature.

Mr. LINTHICUM. I realize that, but China has requested it to be used for that purpose, and I have no doubt it will request it in this instance, otherwise the President will not remit it, I presume, unless it be for some dire calamity.

I feel that when we help China in her educational and cultural lines we help ourselves and the world generally.

China has always been our friend, we do much business together, our relations have been particularly agreeable, and the splendid use she is making of this money is mighty gratifying. In concluding my remarks I will add a short excerpt from the testimony of Dr. Edward H. Hume, president of Yale College in China, who has been there since 1905. Doctor Hume says:

The progress that has been made in this province in an educational way is due in considerable measure to the friendly interest that the United States showed to them in this great act of 1908. People are coming in constantly to make inquiries of our educators, even about business matters, and to get advice in regard to educational matters. This is unquestionably due in large measure to the friendliness which was exhibited in that first act of 1908. Look at the educational leadership that is being developed in the various colleges, and consider the fact that such leadership has grown under the influence of men who have returned to China from this country. For instance, take Southeastern University, and you will find that its president is an American-trained man; take Nankai University, whose president is also an American-trained man; take the National Government University at Peking, and while the president is not an American-trained man, because the school was established in the old régime, a large part of the staff is composed of American-trained men.

In a very large measure this condition has resulted from the remission of a part of this indemnity in 1908. The Chinese national educational system to-day is being modeled on the American system, largely because of the confidence that has been established through our educational relationships. Prof. Paul Monroe, of Columbia, has had great influence in shaping the Chinese educational system. They have studied our system of education, and the fact that they have adopted it so largely is due to this act of friendliness on the part of our Government in 1908. These results have followed that generous act on the part of this Government.

Tsing Hua College, about which Mr. PORTER has spoken, is a direct result of this action in 1908. I was talking with the present president of that college and with a former president not long ago, and they called my attention to what has been mentioned here this morning, and that is that while indemnity payments to the American and European Governments were allowed to be postponed during the period of the war, payments to the college, on behalf of its educational program, were not suspended. The program of that college, and the sending of students to the United States, was never discontinued during the war. The understanding regarding the use of indemnity funds has been carried out, without any turning aside, since it was reached in 1908.

I also append part of the testimony of Miss Mary Elizabeth Wood, of Boon University Library at Wuchang, China, which gives an insight into the educational work:

I happened to have the privilege of being at the national educational conference for a whole week. There were about 10 foreigners there, and amongst them four Americans. Every morning the questions of education were debated. The two men who presided were representative men, one a graduate of Columbia and president of the Nankai University. I visited this university and one would have thought it was an American university transplanted into China; it is located in Tientsin, and is up to date, progressive, and everything that reminds one of an American institution. Shortly after, I visited Southeastern University, founded by Doctor Kno, also a graduate of Columbia, and there one can see American educational ideals set forth in every department.

* * * * * * *

Probably the suggestion of this National Association for the Advancement of Education, as to the best uses of the Boxer indemnity money for educational purposes, will have great weight. The organization has already unanimously indorsed two plans. One is for a school of applied science to be established in the country, and the other is for the introduction of the American public library into China.

The reason I happened to be in Peking was because I was getting signers to a petition which the Chinese had drawn up in relation to establishing public libraries in China with a portion of the Boxer indemnity if remitted by the United States. I had the privilege of meeting some of the great leaders in China in connection with this plan: Dr. Wellington Koo (Minister of Foreign Affairs); Dr. C. T. Wong, then negotiating between Russia and China; W. W. Yen, former minister to Germany and former prime minister; and others. I also met the President, Li-Yuan-Hung, and had a most satisfactory interview with him. He spoke highly of America. As I came out from that interview I said to his secretary, "Did President Li-Yuan-Hung care for that picture of George Washington I sent him?" "Yes; he appreciated it very much. He put it up in front of his desk, and if you could go into his office where all the state papers are written you would find there the picture of George Washington in a prominent place." You can see from these few examples the attitude of some of the highest men of China toward the United States. I found this same feeling everywhere I went.

Mr. ROGERS of New Hampshire. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, it is an awful easy matter to give away somebody else's money. China owes this debt. There is no question about that.

In 1908 we remitted or forgave $11,961,000 to China. We then gave China that much. She owes this balance of the debt now of $6,000,000. Here is the situation: There are commercial interests in the United States who are seeking to increase their business with China. They know that every little gift that we can make over there increases the good feeling toward them as owners of commercial enterprises in America. It increases their business. It enables them to enlarge their business. You can lay aside all the educational excuses and the missionary excuses and other business, there is the main reason for this bill. Commercially they want us to give this money back to China for private benefits.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. BLANTON. I can not yield in five minutes. On the 24th day of March, 1924, the Rules Committee came in here with a special rule, saying it was urgent, giving $10,000,000 to Germany. They passed it with two hours debate. It was urgent on the 24th day of March. I called that political when it came in here. It was political, for if it had not been political the Senate of the United States would have long since passed it but it has not yet been even reported to the Senate. It is held up and pigeonholed in the Senate committee where it belonged and where it ought to die, and that is where this bill ought to die.

I am liberal with my own money—too liberal, and that is the reason I have not got any. But I am careful about other people's money when put in my charge, when I am a guardian, and you are the guardians of the people's Treasury. You are the trustee of the public funds that come in taxes out of the people's pockets. What are you going to do, give it away?

In 1908 we gave back to China $11,961,000. Do you know in addition to the private claims against China for deaths ensuing committed by the Government of China we spent in military operations $7,000,000. We spent in naval operations two and one half million dollars. China has never paid 1 cent of interest, and interest is just as much a part of the debt as the principal. If I can not pay my friend from Illinois a debt I owe him and he gives me a chance to pay it in installments, the interest is just as much a part of that honorable debt as the principle. We ought not to remit one cent, it is a debt of honor that China owes us.

What are you going to do about the banditry that they maintain in the mountains of China preying on the public all the time. That Government is responsible for it. I want to say to the committee that every year for 20 years this Government has had to maintain in China a regiment of soldiers for the protection of our people. China has not paid a dollar of that expense. We have paid every dollar of the expense to maintain these soldiers in China for the protection of our people who go there, for the protection of our ministers, for the protection of international law, and for the protection of commerce during the past 20 years. We have never received a cent for it, and now you want to give away $6,000,000 more. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PORTER. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. BROWNE].

Mr. BROWNE of Wisconsin. Mr. Chairman and gentlemen of the committee, I am in favor of this bill because I believe it will help one of the greatest educational movements the world has ever seen. The nations engaged with the United States in putting down the Boxer rebellion attempted to fix a much larger indemnity than the United States thought was right. John Hay, our Secretary of State, through our minister, Mr. Conger, suggested $150,000,000 or $200,000,000 the lump sum for all the nations engaged in the undertaking. The indemnity was fixed, however, at $330,000,000. The share of the United States of this amount was fixed by the allies at $24,440,778.81. Quite a portion of this amount was punitive damage and did not represent actual costs or expenses incurred by our Government. One of the greatest accomplishments of the Roosevelt administration in its foreign policy was the remittance at that time of part of this indemnity fund. President Roosevelt at the time made the suggestion that the amount remitted be used for educational purposes. The result was that China took this in the spirit in which it was offered, and has religiously ever since that time used the indemnity fund remission for educational purposes. What has been the result? It not only aided in the establishment of several universities in China but to-day in the United States we have 2,200 Chinese students in American universities, and 700 of them are being supported from this indemnity fund. When these students first came here under the Chinese Boxer indemnity fund it caused others to come, and that has swelled the attendance to 2,200 students that we have enrolled in our various universities to-day. How is it affecting the education movement over in China? To-day there are 7,000,000 students over in China who are going to school and receiving what they call a western education; 5,000,000 of these students are going to public schools. This great educational movement had its inception in the turning over of part of the indemnity fund, which was used for educational purposes. The testimony before our committee was that the educational facilities are not nearly sufficient to accommodate the people who are eager to get an education. The youths of China are hungry for learning and hungry for our western culture and education. One of the reasons why China became a Republic undoubtedly was because of the new ideas that the students who came to our great universities took back to China, and the influences of their own universities which are being supported in part by this indemnity fund. We want this movement to go on, and instead of a monarchy over in the Orient, we want a great Chinese Republic. We want a Republic patterned after the United States. They now have a splendid constitution, quite similar to ours. If you go into the banks or business places in the great commercial centers of China, you will see in many of them the pictures of Washington and Lincoln. They believe in America and admire our great statesmen. In this resolution we are simply remitting the interest back on the principal which has been paid. Our action and the tremendous good that it has accomplished in education and in good will has so affected the other nations that France and England and several other nations, poor as they are, are doing just what we are going to do and have done, remitting the balance due them back to China for the great work of education.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. BROWNE of Wisconsin. Yes.

Mr. KVALE. Is there any reason to believe that any part of this $6,000,000 will ever be diverted to any other purpose?

Mr. BROWNE of Wisconsin. I do not believe a cent of it will be diverted to any other purpose. We put it in the preamble that the indemnity formerly remitted was used by China for educational purposes. We did not think it was necessary to put it into the resolution, because the word of the Chinese nation has always been good. If you go into many of the banks in Japan and other places in the Orient, you will very often find the men who are acting as cashiers and counting the money are Chinamen. The world has confidence in their honesty. China will keep her word without any command of legislation. Just simply the suggestion of President Roosevelt that it would be a fitting thing to use the indemnity fund returned was sufficient for China, who has religiously expended every cent of this money that she has received for educational purposes. To-day, as I say, education is growing faster than ever before. Newspapers, with their great educational influence, are springing up throughout China; libraries are being started in all the larger cities; and China, with her 400,000,000 people, is soon going to be a great power in the world, and, I believe, outside of the splendid purpose of education, the good will of China and the Chinese people would amply pay us in remitting this amount.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DYER. Mr. Chairman, will the gentleman from Pennsylvania yield the gentleman half a minute so that I may ask him a question?

Mr. PORTER. I yield half a minute to the gentleman.

Mr. DYER. Did it not develop in the committee that as a result of our just and humane action in the remission of the amount heretofore it redounded to the good of American commerce to the extent of many hundreds of millions of dollars?

Mr. BROWNE of Wisconsin. Unquestionably; and we have filled our universities with bright young men from China, who have benefited not only themselves but our own students with whom they have come in contact.

Mr. PORTER. Mr. Chairman, I yield one minute to the gentleman from Delaware [Mr. BOYCE].

Mr. BOYCE. Mr. Chairman, I am in full accord and sympathy with this resolution and shall vote its passage when it comes before the House. I yield back the remainder of my time.

Mr. PORTER. Mr. Chairman, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, as a member of the Committee on Foreign Affairs I favor this resolution. The resolution really provides for a conditional remission of the balance that is due from China under its obligation to the Government of the United States. The condition is that the President may exercise his discretion and fix the terms on which the liability is to be remitted and to perform that duty in such manner as to insure the use of the funds representing the balance that remains due for educational or cultural purposes. That, fairly stated, is the scope of the resolution. It is not an actual outright extinguishment, but a remission sub modo.

Gentlemen say that we ought not to do this because it will violate precedents. Let us bring that argument to a very simple test. The Boxer rebellion occurred something like a quarter of a century ago. The United States could very properly have refrained from exacting any indemnity from China whatever, and would have been within its constitutional and moral right in so doing. With respect to the precedents, they are all, I believe, to the effect that our Government has refrained from any exactions on account of military expenditures connected with quelling a disturbance in some foreign country involving American interests or in connection with any war in which the United States has engaged with some foreign country. We have not dreamed of calling upon Germany to pay our military expenses incurred during the course of that war. I do not think that we called for any payment on account of the Vera Cruz incident in Mexico. I do not know that we call for any payment on account of our present activities in Honduras. It has been the attitude, the almost unbroken custom of the United States, as I understand, not to insist upon the payments of that character, and so I may say confidently that at the close of the Boxer rebellion there was not a man or woman in the United States who would have criticized our Government if it had foregone any payment on account of it. But a demand was made and it was determined that China should pay the United States something like $24,000,000. In 1908 there was a remission, by act of Congress, and it then or soon appeared that China had paid all the claims of the private citizens of this Government on account of injuries that they had sustained. My proposition is that if there was no requirement that the United States ask for indemnity, there is now no good reason against the remission.

Mr. CONNALLY of Texas. Let me make the suggestion that back of the original settlement there was a pool of all of the nations, and perhaps that had its effect on what we should have done. We might not have exacted as much as we did except for that.

Mr. MOORE of Virginia. There is little doubt about that. Almost certainly except for the fact that other nations were strenuously urging payment, there would not have been any demand by our Government, and in that event there would have been no occasion for the action now proposed.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. Just two or three minutes.

Mr. PORTER. I can not without taking time from others.

Mr. UPSHAW. Give him two of my minutes.

Mr. PORTER. I yield the gentleman two additional minutes.

Mr. MOORE of Virginia. I am very much obliged to my friend from Georgia. It is certain that when this money is paid by the Government at Peking it will be used for what is most important in China to-day. China has suffered greatly in many

ways. She has suffered from fire, sword, and famine as few peoples have suffered. She is struggling on now toward better things; she is reaching out for the light which Plato says is the thing to which the eye of the soul is turned by the processes of education, and we ought to help her if that is possible.

Then there is another consideration that is more fundamental with me than any other consideration with respect to nearly all matters. What I mean is that I am anxious that the United States should take such a course, not only with reference to the European nations but with reference to the oriental nations, so as to insure peace throughout the future, as far as that may be done, by cementing ties of friendship, and that is a consideration which urges me to support this resolution. I think we will be taking a step in that important direction. [Applause.] I have said no precedent is violated. But this is not a similar proposal to that measure which had the support of my friend from New Hampshire [Mr. ROGERS]. It is not similar to the release of loans which we made to other nations during the progress of the World War. The resolution stands by itself, it should be dealt with independently, and I hope it is going to be dealt with by the passage of the resolution. [Applause.]

Mr. ROGERS of New Hampshire. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from New Hampshire has four minutes remaining.

Mr. PORTER. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Pennsylvania has 13 minutes remaining.

Mr. PORTER. Mr. Chairman, I yield four minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I favor the passage of this resolution. In reply to the suggestions made by gentlemen that its passage will establish a precedent for the remission of debts due by other countries, I take decided issue. In the first place, in the beginning we had a perfect constitutional right not to demand any sum from China if we had seen fit to do so. The great bulk of the demand on China consisted of a demand on the part of this Government for a reimbursement of military expenses, which amounted to more than $9,000,000. But since we had the constitutional power in 1901 or 1907 not to make that demand we certainly now have the constitutional power to reconsider and withdraw that demand. So there is no parallel here between the question of the German relief fund of $10,000,000. That money was in the Treasury, and gentlemen voted it out of the Treasury for a charitable purpose. Now one other point. I want to suggest that in the case of the war with Germany, let us say, on account of the aggressions of the German Government on our shipping and on the lives of our citizens this Nation expended $40,000,000,000 in naval and military expenses, and we did not demand one mark from the German Government for that expenditure. The only reimbursement we will ever receive, if we receive any, will be for occupational expenses of the Army after the armistice by virtue of an agreement made, not with us alone, but made with all of the allies with whom we participated. So I say, if we have the right to withhold from Germany a demand for any reimbursement whatever of the expenditure of $40,000,000,000 for naval and military expenses, it seems to me we would have a perfect right to acquit China of $66,000, which she has not paid on account of military and naval expenses. China is not asking that this money be remitted. China is an honorable nation, China is punctual in her obligations; but the demand, or rather the request, for this measure comes from Americans who are residing in China; this request comes from the missionaries; it comes from people who are dealing with the schools in China; it comes from American citizens doing business in China; and they say that the act of remission in 1907 convinced the Chinese people that the great America was really what it professed to be, the friend of China, and a great, strong, courageous, big brother willing and able to protect a weak nation like China against the aggressions of great, powerful nations with ambitions for conquest.

They say that simple act did more to convince China of our friendship and of our world benevolence, as it were, than anything theretofore done. And what did old China do? In 1917, when America was forced to declare war, China, great unwieldly China, incapable of any important military operations, great old China, like the old woman with the broom, declared war against Germany in order that she might take her place by the side of the United States and say to all the world [applause], "Though we may not be able to send great fleets across the seas, though we can not muster millions of men on the battle field, we want the world to know that China is not incapable of the sentiments of gratitude, that China has not forgotten that the great United States befriended her in her hour of need and in her hour of crisis," and so China unfolded her flag side by side with the starry banner of the Republic. [Applause.]

Sixty-six thousand dollars is all of the principal debt which is remitted under this bill. Is it to be given to China to be used for military purposes? No. It is to be given over to China for the purpose of sending bright Chinese youths—where? Not to Japan to imbibe militaristic ambitions, not to Europe to imbibe Old World diplomacy and secrecy behind closed doors in the formation of balances of power; but this money is to be devoted by China to sending her brightest youths to the colleges and universities of the United States to imbibe the great principles of representative government that are taught in this land, to catch a vision respecting the American conception of international law and peace and good will among the nations. It will be the best investment that this Government can make for international good will at trifling cost to let those Chinese students come to American universities and then go back to China and convey a message to the 400,000,000 Chinamen that the best hope of their Republic is to follow the forms of the United States and to learn and embrace the principles of our institutions and ways of life. It is worth $66,000, according to my opinion. [Applause.]

Mr. ROGERS of New Hampshire. Mr. Chairman, I yield four minutes to the gentleman from Oklahoma [Mr. MCKEOWN].

The CHAIRMAN (Mr. TILSON). The gentleman from Oklahoma is recognized for four minutes.

Mr. MCKEOWN. Mr. Chairman and gentlemen of the committee. I am sorry that I find myself unable to agree with the committee on this measure, because all my sympathies and my training has run in that direction.

But, Mr. Chairman, I believe that President Roosevelt was one of the most fair men that ever sat in the White House. He was a just man. We may criticize him and differ with him on many questions; but my judgment is that President Roosevelt remitted to China every cent she was entitled to receive at the time he entered that remittance in 1908.

Gentlemen talk about buying peace. I want to say to you that I shall be glad to see the time come in the world when a citizen of the United States traveling abroad does not have to conceal the fact that he comes from our country and is obliged often to travel under a British passport in order to receive proper respect. The time has come when men traveling on American passports must be respected.

We are paying those soldiers, marines, and sailors who went to China in the Boxer uprising under our present pension law. Have you taken into consideration what that amount is? No. I will say something else about damages. You may say that the United States should not exact damages. I do not agree with such a doctrine. Whenever people in a foreign country murder American citizens and destroy their property, I believe in making them pay for every cent of its value and the cost of collection. Take the case of other countries, and you will find a situation where some of them destroy property with impunity. Take Mexico on the south. They have destroyed property and the lives of American citizens, and are you going to say that you are going to remit what is coming to us? I do not believe in that kind of diplomacy. I do not believe in that kind of a stand here in the American Congress.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MCKEOWN. Yes.

Mr. COLE of Iowa. Does not the gentleman know that there are three and a half million dollars included in these pension bills for men who participated in that expedition to China?

Mr. MCKEOWN. I will say that $9,000,000 here for expenses of Army and Navy have not been paid back yet. Why should China not pay the expenses of our soldiers in China? What right have we to remit?

Oh, gentlemen, we have got to protect the missionaries from America in foreign countries. We have got to protect their lives and see that their property is protected; and the only way that we can do that is to make the governments of those countries respect this Government. No missionary's life would be safe in China or in any other heathen country unless the people of those countries believed that the United States would come immediately and uphold and protect the rights of her citizens.

Yes; we are going to play the part of the Good Samaritan and give away the money of the American people. I say it

is time to stop playing the part of the Good Samaritan with other people's money. Let them use their own money if people want to give money to those countries. You come to Congress and ask Congress to do this because America has a big heart. It is easy to appeal to Congress to relieve the necessities of other people; but in my opinion you are making a mistake. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PORTER. Mr. Chairman, I yield three and one-half minutes to the gentleman from Pennsylvania [Mr. TEMPLE].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for three and one-half minutes.

Mr. TEMPLE. Mr. Chairman, I am in favor of the passage of this bill; but I believe I can spend my time more profitably by making a statement of facts than by making an argument for it. Facts are more impressive than argument.

When the Boxer insurrection endangered the lives of American missionaries and the lives of missionaries from other countries and the diplomatic representatives of the powers, the nations sent an expedition to relieve them. When the nations concerned estimated the cost of the expedition, they put their estimates much higher than the United States Government was willing to put its estimate. Nevertheless, being unable to bring down the amount—and China was not concerned in the negotiations up that point—the United States, unable to bring down the estimate of the cost of the combined expedition, accepted the full amount that the conferees imposed on China, and our share of that amount was $24,440,778.81. We soon learned that this sum was too large. We knew from the beginning that it was too large, and in 1908 we remitted all of it in excess of our calculation. The total cost to the Army and Navy and the total amount of damages to American property and American lives was set down at about $13,655,492.69. $4,000,000 of which was the estimated amount to cover damages for lives and property destroyed by the Boxer insurgents. When all the private claims were paid it was found that this amount had been too large by about $1,500,000, so that this excess was added to the amount to be remitted to China. How was it remitted?

China pays month by month the total amount of our original claim—that is, monthly installments, which at the end of a prescribed period would amount to $24,000,000—in two checks, one to be retained by the United States Government and the other check to be indorsed by the American consul general at Shanghai, to whom the payments are made, and turned back with his indorsement for the use of the Chinese Government in maintaining the college at Tsinghua and in sending Chinese students to America. If at any time China fails to make that use of the money, he will refuse to indorse the check and turn it back. So we have a means of checking up on the use of the money every month, and I have no doubt a similar arrangement will be made as to the amount we now propose to remit. We have absolute security for the purpose for which this money will be used.

Now, the statement has been made that no interest has been paid. If you will turn to the hearings, page 10, you will find in Schedule B, which is the amount to be retained by the United States, that a certain amount each year is set apart as principal and a certain amount as interest. The total interest payments up to 1916, when the interruption began, amounted to $2,829,000. It has been said time after time that no interest has been paid, but $2,890,000 has been paid in interest. If we add all the payments which have been made on principal and all payments which have been made as interest and credit them all to principal, then we have about $65,000 coming yet.

The CHAIRMAN. The time of the gentleman has expired. [Applause.] The gentleman from Pennsylvania has three and one-half minutes remaining.

Mr. PORTER. Mr. Chairman, I yield the balance of my time to the gentleman from Ohio [Mr. BURTON].

The CHAIRMAN. The gentleman from Ohio is recognized for three and a half minutes.

Mr. BURTON. Mr. Chairman and gentlemen, this question assumes to me an importance altogether surpassing the question of the remission or abatement of a claim of $6,000,000. If there is anything which is vital for the peace, prosperity, and honor of the United States, it is a closer touch with foreign countries, a greater participation in those movements that make for humanity and world betterment, and a disabusing of the minds of other peoples of the erroneous impression that we are extremely selfish. It is now their idea that we have more than half the gold in the world and that all our policies and all our activities are along lines that look to the melting down of impulses into gold. For that reason I have favored the giving of amounts to other countries in the way of charity.

We have been doing splendidly. It is estimated that through the Red Cross and other charitable agencies, public and private, $850,000,000 has been expended during the last 10 years, but we can not stop there. We can not stop with the assurance that we are the most powerful nation in the world, nor with the thought that we are the most progressive, nor with confidence in the feeling that we are the wealthiest. We owe a duty to the rest of the world, and that is particularly due to the more backward nations, such as China.

Our great Secretary of State, John Hay, once said that he who understood the political, social, and economic life of China had the best forecast on the future of the world for the next 100 years.

There is a wonderful country and great in its possibilities. Four hundred million people, peaceful in all their instincts, and I especially want to emphasize that they are so friendly to us. It was my pleasure to be among them some four years ago and really this was their sentiment: "To whom shall we go except to the people of the United States?"

In addressing one of their great legislative bodies—although, of course, I did not understand their language—I received a welcome the like of which I have never received. It was not because of my own personality, but it was because I was an American and speaking for the United States. [Applause.]

We have not always been altogether just to China. We had a treaty with them regarding immigration, but we ruthlessly broke it off by legislation. But I think that is forgiven. A friendship of one country for another is just like the friendship between two individuals. And we need the friendship of other countries. It will be for our security, for our peace, and for greater respect for ourselves, especially if we have the good will of a country whose greatness is not counted by military force but by long centuries, yes, eons, in which their traditions have made for peace and for good will. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

Whereas by authority of a joint resolution of Congress approved May 25, 1908, the President of the United States was authorized to remit unto China the sum of $11,961,121.76 of the Boxer indemnity fund accredited to the United States, which sum the President on December 28, 1908, duly remitted and which, at the request of China, was specified to be used for educational purposes; and

Whereas it is deemed proper as a further act of friendship to remit the balance of said indemnity fund amounting to $6,137,952.00 in order further to develop the educational and other cultural activities of China: Now therefore be it

Resolved, etc., That the President is hereby authorized, in his discretion, to remit to China as an act of friendship any or all further payments of the annual installments of the Chinese indemnity due under the bond received from China pursuant to the protocol of September 7, 1901, as modified by Executive order on the 26th day of December, 1908, pursuant to the authority of the joint resolution of Congress approved May 25, 1908, for indemnity against losses and expenses incurred by reason of the so-called Boxer disturbances in China during the year 1900, such remission to begin as from October 1, 1917, and to be at such times and in such manner as the President shall deem just.

Mr. UPSHAW. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Georgia moves to strike out the last word and is recognized for five minutes.

Mr. UPSHAW. Mr. Chairman, when my fondness for the gentleman from Virginia [Mr. MOORE], as well as my pleasure in his very lucid explanation of this matter, led me to give away part of my time, and also to surrender more time to the gifted gentleman from Texas [Mr. CONNALLY], I did not know, in the parlance of the small boy, that they were going to "put their great feet over all of my chips." But there are one or two things not yet said which I should like to emphasize.

I would not like for this far-reaching measure to come before this House without some declaration on my part in favor of its passage. I want to submit that there is nothing in the Constitution of the United States of America that keeps this country from having an active national conscience. That is the thing that we are illustrating, I believe, in this legislation.

The argument that was made by the gentleman from New Hampshire that there was connivance on the part of the Government of China with the depredations of the Boxer rebellion does not touch the present case, it seems to me. The fact that the Government of China did acknowledge responsibility for not preventing these Boxer outrages was a commendable na-

tional confession; but the fact that we are dealing with a new Government, the Republic of China, that has repudiated the crimes of the Boxer rebellion, and that is to-day a Republic, struggling to establish its solidarity and power as the result of the influence of American ideals—of American students and missionaries illustrating the spirit of our Government in that hoary nation, side by side with thousands of Chinese students, carrying American ideals back to China—is a ringing call to us in this hour and the added kindness we now propose to bestow. [Applause.]

Mr. McKEOWN. Will the gentleman yield?

Mr. UPSHAW. The gentleman will pardon me until I finish this sentence.

What we propose to do now is to complete our unfinished act of kindness on the part of the Government of the United States. [Applause.]

Mr. McKEOWN. I will ask the gentleman if he thinks the passage of this act will provide more safety to our missionaries in China than the fact that the Chinese Government knows we will demand indemnities?

Mr. UPSHAW. I am glad the gentleman has asked me that question. The fact that the missionaries in China and all outstanding citizens of America living there are a unit in asking for the passage of this bill is the surest argument that they know the situation better than the people at this distance who are opposing it could possibly know.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. UPSHAW. I yield.

Mr. GREEN of Iowa. The gentleman said we ought to have a national conscience, and I agree with him. I think when we say this is an act of kindness and friendship we are taking perhaps too much credit to ourselves. I regard it simply as an act of justice which our conscience ought to recognize.

Mr. UPSHAW. I had not reached that point. I agree thoroughly with the gentleman from Iowa.

Mr. BLANTON. What is the gentleman going to do about the organized bandits that within the last year took charge of certain American citizens? Do you not think this will have a very salutary effect on them?

Mr. UPSHAW. No; I think this will cause the Chinese Government to use a much stronger hand against these bandits and do their best to wipe them out. [Applause.]

Mr. McKEOWN. If the gentleman will yield, why not give them more money, if it will do that?

Mr. UPSHAW. Gentlemen, I am so proud of the flag of my country, I am so thrilled with the picture of these students coming here by hundreds every year through the investment of this indemnity money, carrying back American ideals to a land so long steeped in superstition—I am so proud of all that flag stands for—that I want to see the light from the beauty of its stars and the glory of its stripes penetrating the darkness of China. In this we are making an investment in a reciprocal friendship between the oldest, most populous nation of the world and the newest and most powerful nation. Thank God for the blessings that will flow for centuries from such uplifting friendship. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. PORTER. Mr. Chairman, I move that the committee do now rise.

Mr. COLLINS. Mr. Chairman, I have an amendment to offer, which is at the desk.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment of the gentleman from Georgia.

The CHAIRMAN. The gentleman from Mississippi has offered an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Amend by striking out the period in line 14, on page 2, and adding the following: "Provided that the amount remitted is used solely to develop the educational and other cultural activities of China."

Mr. COLLINS. Mr. Chairman, notwithstanding my opposition to this bill, the purpose of the amendment that I have offered is to carry out what every man that has spoken in behalf of this bill urges as the proper use of the money to be remitted. The identical words used in my amendment are in the preamble, but the preamble amounts to nothing whatever, for it will be stricken out, and if this amount to be remitted, of $6,137,000, is to be used for educational and cultural activities in China, the House should know it, and it should be so stated somewhere in the bill. It should not be expended to double-track a private railroad line, as one testifying before the committee urged, or to reclaim swamp lands, as another witness advocated.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. COLLINS. Yes.

Mr. McKEOWN. If the Chinese Government does not owe us anything, why should we put any strings on it at all?

Mr. COLLINS. I do not concede that the Chinese Government does not owe us; I think there is due us a substantial amount and that it should be paid, for if it is remitted, other nations will take it as a precedent for the cancellation of their debts. Of course, the situations are entirely dissimilar, but still I do not want to begin debt cancellation and am opposing the first offer to do it. The amendment merely undertakes to make the bill comply with the expressed wishes of the proponents of the measure.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Georgia.

In my first term of service here, Mr. Chairman, I represented 400 miles of the border between the Republic of Mexico and this country. I know something about the problems of the people living down on that border. Just within this week, in Mexico City, the capital of the Republic of Mexico, if you please, Mexican citizens burned the flag of the United States and the flag of Italy and other flags.

Mr. LaGUARDIA. I am not interested in that.

Mr. BLANTON. Well, you are representing the flag of the United States, are you not?

Mr. LaGUARDIA. Very much so.

Mr. BLANTON. And they burned the flags of four countries and declared everlasting death to the citizens of those countries.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. BLANTON. And they were not even arrested.

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. In just a moment. They were not even arrested, if you please.

This incident in Mexico City, and also that of Americans being seized last year by Chinese bandits, is just a little bagatelle by the side of what happened in the Boxer rebellion in 1900, yet after giving back to China $11,961,000 in 1908 we are proposing now to give back $6,000,000 more, right in the face of the fact that within the last year Chinese bandits in the mountains of China seized American citizens and subjected them to every kind of hardship imaginable; and we are saying to these outlaws of other nations, "Go to it; do our citizens just as you please, murder and rob them in the name of the country where you live and it is all right, and we will give your country the indemnity back after your country agrees to pay it."

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. No; because I have only five minutes, and I do not want to ask for more time.

I am thinking about these poor people of America whom I have seen in numerous States of the Union, women and little children, little girls following the plow on foot in the heat of the sun, trying to make a living on a farm, and they could not do it. They are taxed to death. We have nothing for them, but we are giving away to other countries all the time—$10,000,000 to Germany, and now $6,000,000 to China. I am thinking of these American women and little girls who plow in the hot sun all day in numerous States in the Union and are taxed to pay for all this charity abroad. Charity begins at home. The gentleman from Georgia is blessed with a big heart; he is so liberal that he gives all his time away. That is his greatest failing. He is too liberal with the Public Treasury and the public money.

Mr. McKEOWN. Will the gentleman yield now?

Mr. BLANTON. Yes.

Mr. McKEOWN. What does the gentleman think will happen to us if we try to buy peace with all the other countries?

Mr. BLANTON. Oh, this is nothing but commercial peace. You can talk about education and missionaries and all that stuff, but this is nothing but a commercial proposition that the business men want.

Mr. UPSHAW. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. UPSHAW. I accept the soft impeachment of the gentleman from Texas, and I hope it is no crime in being interested in that which goes for the good men of America and the strengthening of the ties between this country and the older nations.

Mr. BLANTON. If, like you voted $10,000,000 to Germany, we are to give $10,000,000 to all of the 51 countries that have ministers in Washington, just to buy peace, it would be well spent if peace could be secured. If we want to buy peace on

the tax money of the people by giving them $10,000,000 to every one of the 51 countries——

Mr. UPSHAW. The gentleman knows that there is no analogy between this case and the other 50 countries he speaks of.

Mr. BLANTON. Oh, some are poorer than China.

Mr. UPSHAW. That is not the test.

Mr. BLANTON. Some of them need it more than China, but the big heart of the gentleman from Georgia is for the nationals of other countries. I am thinking about the women and little girls who plow in the hot sun in Georgia. I am thinking of those that plow in Pennsylvania. I am thinking about the ones that plow in Texas and Minnesota.

Mr. UPSHAW. Mr. Chairman, is there any parliamentary situation by which the gentleman from Georgia may reply to the gentleman from Texas?

The CHAIRMAN. Debate has been exhausted on this amendment. The question is on agreeing to the amendment of the gentleman from Mississippi.

The question was taken, and the amendment was rejected.

Mr. PORTER. Mr. Chairman, I move that the committee do now rise and report the resolution to the House with the recommendation that it be agreed to.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration H. J. Res. 248, to provide for the remission of further payments of the annual installments of the Chinese indemnity, and had directed him to report the same back with the recommendation that the resolution do pass.

Mr. PORTER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the preamble.

The preamble was agreed to.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 67 ayes and 31 noes.

Mr. ROGERS of New Hampshire. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 211, nays 114, not voting 107, as follows:

YEAS—211

Ackerman	Dallinger	Hull, Morton D.	Moores, Ind.
Aldrich	Darrow	Hull, William E.	Murphy
Arnold	Davey	Jacobstein	Nelson, Me.
Bacon	Dempsey	James	Nelson, Wis.
Barbour	Dickinson, Iowa	Johnson, Wash.	Newton, Minn.
Beck	Dickstein	Kearns	O'Connell, N. Y.
Beers	Doyle	Keller	O'Connell, R. I.
Begg	Dreary	Kelly	O'Connor, La.
Berger	Dyer	Kendall	O'Connor, N. Y.
Bixler	Eagan	Kent	Paige
Black, N. Y.	Elliott	Kerr	Peavey
Bloom	Evans, Iowa	Ketcham	Perkins
Boies	Evans, Mont.	Kiess	Perlman
Boyce	Fairchild	Kindred	Porter
Boylan	Fenn	Kopp	Prall
Britten	Fish	Kvale	Purnell
Browne, Wis.	Fisher	LaGuardia	Ramseyer
Browning	Fleetwood	Lampert	Ransley
Brumm	Foster	Leavitt	Rathbone
Bulwinkle	Frear	Lehlbach	Rayburn
Burdick	Freeman	Lineberger	Reed, N. Y.
Burtness	French	Linthicum	Richards
Burton	Frothingham	Longworth	Robinson, Iowa
Butler	Fuller	Lowrey	Rogers, Mass.
Cable	Gardner, Ind.	Luce	Sabath
Carew	Glatfelter	Lyon	Sanders, Ind.
Casey	Goldsborough	McFadden	Sanders, N. Y.
Celler	Graham, Ill.	McLaughlin, Mich.	Schafer
Chindblom	Graham, Pa.	MacGregor	Schall
Christopherson	Green, Iowa	MacLafferty	Schneider
Clague	Greenwood	Magee, N. Y.	Seger
Clancy	Griest	Magee, Pa.	Shallenberger
Clarke, N. Y.	Hadley	Manlove	Simmons
Cleary	Hardy	Mapes	Sinclair
Cole, Iowa	Haugen	Mead	Sites
Colton	Hawes	Merritt	Snell
Connally, Tex.	Hawley	Michaelson	Snyder
Cook	Hersey	Michener	Speaks
Cooper, Wis.	Hickey	Miller, Wash.	Sproul, Ill.
Cramton	Hoch	Mills	Sproul, Kans.
Croll	Holaday	Montague	Stedman
Crosser	Howard, Nebr.	Mooney	Stephens
Crowther	Huddleston	Moore, Ill.	Strong, Kans.
Cullen	Hudson	Moore, Ohio	Strong, Pa.
Cummings	Hull, Iowa	Moore, Va.	Summers, Wash.
Swoope	Tydings	Watson	Wilson, Ind.
Taber	Underhill	Wefald	Wilson, Miss.
Temple	Upshaw	Weller	Winslow
Thompson	Vaile	Werts	Woodruff
Tilson	Vincent, Mich.	White, Kans.	Wyant
Timberlake	Volpt	Williams, Ill.	Yates
Tinkham	Wainwright	Williams, Mich.	Young
Treadway	Watres	Williamson	

NAYS—114

Abernethy	Free	McClintic	Rubey
Allen	Fulbright	McDuffie	Salmon
Allgood	Fulmer	McKeown	Sanders, Tex.
Almon	Garrett, Tenn.	McReynolds	Sandlin
Aswell	Gasque	McSwain	Sherwood
Bankhead	Hammer	McSweeney	Smithwick
Barkley	Hastings	Major, Ill.	Steagall
Beedy	Hill, Ala.	Major, Mo.	Stevenson
Black, Tex.	Hill, Md.	Martin	Summers, Tex.
Bland	Hooker	Milligan	Swank
Blanton	Huddspeth	Minahan	Tague
Bowling	Humphreys	Moore, Ga.	Taylor, Colo.
Box	Jeffers	Morehead	Taylor, W. Va.
Brand, Ga.	Johnson, Tex.	Morrow	Thatcher
Briggs	Johnson, W. Va.	Oldfield	Thomas, Ky.
Buchanan	Jones	Oliver, Ala.	Thomas, Okla.
Busby	Jost	Oliver, N. Y.	Tillman
Byrns, Tenn.	Kincheloe	Parks, Ark.	Underwood
Cannon	King	Pou	Vinson, Ga.
Carter	Knutson	Quin	Vinson, Ky.
Collier	Kunz	Ragon	Watkins
Collins	Lanham	Rankin	Weaver
Crisp	Lankford	Reece	Williams, Tex.
Deal	Larsen, Ga.	Reed, Ark.	Wingo
Denison	Lazaro	Roach	Wolff
Dickinson, Mo.	Lee, Ga.	Robsion, Ky.	Woodrum
Driver	Lindsay	Rogers, N. H.	Wright
Faust	Logan	Romjue	
Favrot	Losier	Rouse	

NOT VOTING—107

Anderson	Fitzgerald	Little	Scott
Andrew	Fredericks	McKenzie	Sears, Fla.
Anthony	Funk	McLaughlin, Nebr.	Sears, Nebr.
Ayres	Gallivan	McLeod	Shreve
Bacharach	Garber	McNulty	Sinnott
Bell	Garner, Tex.	Madden	Smith
Brand, Ohio	Garrett, Tex.	Mansfield	Stalker
Browne, N. J.	Geran	Miller, Ill.	Stengle
Buckley	Gibson	Morgan	Sullivan
Byrnes, S. C.	Gifford	Morin	Sweet
Campbell	Gilbert	Morris	Swing
Canfield	Greene, Mass.	Mudd	Taylor, Tenn.
Clark, Fla.	Griffin	Newton, Mo.	Tincher
Cole, Ohio	Harrison	Nolan	Tucker
Connery	Hayden	O'Brien	Vare
Connolly, Pa.	Hill, Wash.	O'Sullivan	Vestal
Cooper, Ohio	Howard, Okla.	Park, Ga.	Ward, N. Y.
Corning	Hull, Tenn.	Parker	Ward, N. C.
Curry	Johnson, Ky.	Patterson	Wason
Davis, Minn.	Johnson, S. Dak.	Peery	Welsh
Davis, Tenn.	Kahn	Phillips	White, Me.
Dominick	Kurtz	Quayle	Wilson, La.
Doughton	Langley	Rainey	Winter
Dowell	Larson, Minn.	Raker	Wood
Drane	Lea, Calif.	Reed, W. Va.	Wurzbach
Edmonds	Leatherwood	Reid, Ill.	Zihlman
Fairfield	Lilly	Rosenbloom	

So the joint resolution was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Gifford with Mr. Mansfield.
Mr. Sweet with Mr. Connery.
Mr. Kurtz with Mr. O'Brien.
Mr. Morgan with Mr. Morris.
Mr. Langley with Mr. Clark of Florida.
Mr. Sears of Nebraska with Mr. Stengle.
Mr. Madden with Mr. Byrnes of South Carolina.
Mr. Bacharach with Mr. Park of Georgia.
Mr. Connolly of Pennsylvania with Mr. Drane.
Mr. Morin with Mr. Rainey.
Mr. Newton of Missouri with Mr. Garner of Texas.
Mr. Patterson with Mr. Peery.
Mr. Vare with Mr. Browne of New Jersey.
Mr. Vestal with Mr. Lea of California.
Mr. Anthony with Mr. Sullivan.
Mr. Davis of Minnesota with Mr. Canfield.
Mr. Mudd with Mr. Quayle.
Mr. Dowell with Mr. Lilly.
Mr. Brand of Ohio with Mr. Davis of Tennessee.
Mr. Phillips with Mr. Dunbleck.
Mr. Walsh with Mr. Garrett of Texas.
Mr. Funk with Mr. Gilbert.
Mr. Fredericks with Mr. Doughton.
Mr. Swing with Mr. Buckley.
Mr. McLaughlin of Nebraska with Mr. Hill of Washington.
Mr. Johnson of South Dakota with Mr. Ayres.
Mr. Shreve with Mr. Geran.
Mr. Curry with Mr. Wilson of Louisiana.
Mr. Fairfield with Mr. Johnson of Kentucky.
Mr. Gibson with Mr. McNulty.
Mr. Greene of Massachusetts with Mr. Sears of Florida.
Mr. Reid of Illinois with Mr. Griffin.
Mr. Smith with Mr. Hayden.
Mr. Wason with Mr. Tucker.
Mr. Winter with Mr. Raker.
Mr. Miller of Illinois with Mr. Sullivan.
Mr. Wood with Mr. O'Sullivan.
Mr. Stalker with Mr. Bell.
Mr. Wurzbach with Mr. Howard of Oklahoma.
Mr. Taylor of Tennessee with Mr. Corning.
Mr. Sinnott with Mr. Harrison.
Mr. Ward of New York with Mr. Hull of Tennessee.

The result of the vote was announced as above recorded.

The doors were reopened.

On motion of Mr. PORTER, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

WATERWAY FROM LAKE MICHIGAN TO THE GULF OF MEXICO

Mr. WILLIAM E. HULL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address I made before the Committee on Rivers and Harbors upon a waterway from Lake Michigan to the Gulf of Mexico.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILLIAM E. HULL. Mr. Speaker and gentlemen of the House, on April 18 I made a statement to your honorable committee that in deference to what seemed to me to be good policy in reference to the passing of a general rivers and harbors bill I would withdraw my bill, H. R. 5475, from the general bill.

These hearings were set in advance and have been pursued on the presumption that my bill might be included in the general bill reported by the committee for the improvement of rivers and harbors. Owing to the fact that I have about determined in my own mind that a new bill should be written on this subject I have pursued the policy of fighting for a principle and not for the passage of the bill.

Involved in this principle is a matter of equity for this great Government of ours. The policy of our Nation has always been to treat each section of the Union on an equal basis. Therefore, after the testimony that has been put forth in this case, it seems evident that this was the intention of those empowered to establish a treaty between the United States Government and the Canadian Government. At that time this commission was empowered to take into consideration first, Canada; then Niagara Falls; and then the great West, which naturally fell to Chicago, because it happened to be the point where diversion existed at the time the treaty was promulgated.

From the evidence that has been introduced at this hearing, I think it has been clearly demonstrated that the Canadian Government has been the greatest beneficiary of all, and next to that the State of New York in its Niagara power plants; and the only thing left, as I see it, for the whole great western country, which includes such States as Ohio, Indiana, Michigan, Illinois, Wisconsin, and the Far West, would be what was left in the consideration of the diversion problem, and that would be the 10,000 cubic feet per second, allotted to Chicago.

HOW THE LAKES TO THE GULF WATERWAY ORIGINATED

At this juncture I want to remind you that this deep waterway from Lake Michigan to the Gulf of Mexico is not a new thought, but one that goes back for a century, and I call your attention to the fact that in 1822 Congress passed the first canal act. In that year the British Government gave definite expression of its attitude, denying American citizens the right to navigate the St. Lawrence River; so the Congress of the United States passed an act authorizing the State of Illinois to open this canal in order to connect the Lakes with the sea coast.

Then again, in 1827, when the British Government refused to discuss the question of the right of American citizens to navigate the St. Lawrence, the United States Government—that is, Congress—again passed an act authorizing the State of Illinois to open this same canal and provided therein that there should be a grant to the State of Illinois for the purpose of aiding the State in opening a canal to unite the waters of the Illinois River with those of Lake Michigan.

From 1829 to 1836 the State of Illinois passed legislation authorizing the construction of the canal as requested by the United States. This canal was completed in 1848 by the State of Illinois, but on account of the lack of funds it was only 6 feet deep and 40 feet wide and was fed partially by the gravity flow from the Calumet River through the Calumet feeder which connected with it at the village of Sag, Ill., and by water pumped from Chicago River up into the canal at Ashland Avenue, where its locks were located. It became a great aid to commerce in the Mississippi Valley.

The enlargement of this canal by an act of legislation in 1861 was authorized by joint resolution directing the commissioners of the Illinois and Michigan Canal to cause a thorough survey.

Another report was made in 1866 by General Wilson, and in this report it was clearly demonstrated that the Illinois River was by nature the line by which the waters of Lake Michigan should be connected with those of the Mississippi, and a moment's consideration will show that at no remote period the waters of the lake must have been carried off by these streams as well as by the St. Lawrence.

During the period up to 1890 a number of surveys were made of the entire Illinois River project, showing a through line of water connection from the Mississippi to Lake Michigan via the Illinois River, and these projects have at different times been before the Congress of the United States. I quote from the rivers and harbors act approved August 5, 1886, to examine and report upon the Illinois and Michigan Canal and the proposed Hennepin Canal, which says in its report that the—

waterway from Chicago to Grafton, on the Mississippi River, is a most important one, and when completed there is little doubt that it will richly pay for itself in the reduction and regulation of freights.

In addition to that it will be of great value for commercial, military, and naval purposes.

In 1889 the State of Illinois considered that it was acting not only within its rights but also pursuant to the wishes of the United States as expressed by congressional acts and by engineers' reports in providing for the construction of the sanitary and shipping canal, as is apparent from the joint resolution of the Legislature of Illinois adopted May 29, 1889, an act entitled:

An act to create sanitary districts and to remove obstructions in the Des Plaines and Illinois Rivers.

And on July 1, 1889, it became a law, and the War Department was advised thereof on July 10, 1889.

It was evidently contemplated by the legislature of that time which gave the sanitary district the privilege of turning the sewage into the Illinois River that they would also make the minimum capacity 10,000 cubic feet per second. The reason that I have quoted these different dates is to establish in your minds, if possible, the fact that this waterway, known as the Illinois waterway, that is now being constructed by the State of Illinois was actually started as far back as 1822. Then we lead on up to the time when the route was chosen and we find that was in 1892, and the actual construction of the canal was started in 1893, and again in 1895 the Secretary of War ordered a report made as to the effect the diversion would have on the lake levels, considering a contemplated diversion of 10,000 cubic feet per second. On January 17, 1900, the main channel was completed and placed in operation. It was 160 feet wide in the regular section and 24 feet deep with a flowage capacity of 10,000 cubic feet per second. So you can see that there is a long history to this deep waterway that we have before us to-day, and the reason I have given these dates is for the purpose, if I can, of convincing you that this project was one that was established years and years ago. That it has always had the right to divert 10,000 cubic feet per second, and you will find further along in the treaty between the United States and Canada the very fact that this great western country was permitted to divert this water, as has been plainly shown to you. It was the intent of the International Waterways Commission to charge this 10,000 cubic feet per second diverted at Chicago against the United States Government, because they allowed the diversion of 20,000 cubic feet per second from the Niagara River above the Falls for power purposes and at the same time allowed 36,000 cubic feet per second to the Canadian Government, and the paragraph closes and states that "the prohibition of this article shall not apply to the diversion of water for sanitary or domestic purposes." Consequently, it is plain to me, and I believe that it was the intent at that time, to allow this 10,000 cubic feet per second because it was used for sanitary and domestic purposes, and then, again, article 8 defines the order of precedence to be observed among the various uses enumerated for boundary waters, which are determined as follows:

(1) Uses for domestic and sanitary purposes;

(2) Uses for navigation, including the service of canals for the purposes of navigation; and

(3) Use for power and for irrigation purposes;

But in my judgment of all the clauses in the treaty that would make it apparent and prove the fact that that was the main thought in the treaty is the following:

The foregoing provisions shall not apply to or disturb any existing uses of boundary waters on either side of the boundary.

It seems very simple to me, gentlemen, that that one clause should say that the 10,000 cubic second-feet was being diverted at the time, and also that the Government took into consideration the fact that the Niagara project was only to have 20,000 cubic second-feet against Canada's 36,000 cubic second-feet, and that they surely intended to count this 10,000 cubic second-feet as belonging to the United States Government.

It may seem strange to you that after withdrawing my bill (H. R. 5475) I should continue on these hearings to prove the

fact that Chicago and the great western country were entitled to this diversion, or to disprove the fact that we in the West were infringing upon the East, but to me it appears important that I should do so, as it is not the bill I am fighting for but a principle. And I believe that Wisconsin and Michigan who are taking such an active part in this fight, and are actually pulling the chestnuts out of the fire for the Canadian Government and the Niagara power plants, will some day wake up and will realize that they have given away the greatest asset that this western country will ever have, and that is the 10,000 cubic second-feet diversion they are entitled to, not only by the agreement of the international waterways commission but as implied in the treaty.

CHICAGO'S SEWAGE PROBLEM

We have a great many things confronting us in this legislation, and while my main object is a deep waterway leading from Lake Michigan to the Gulf of Mexico, and that must be the paramount issue, because that means so much, not only to the people living along the river but to all the people who live west and east of us, because it will provide transportation that will reduce the freight rates and give the farmer and the manufacturing interests of the Middle West an equal chance with the more favored sections of the East.

But we have in the river to-day, and I want to make that emphatic, the sewage of Chicago, put there by the law of the State Illinois, and in my judgment a withdrawal of any portion of the water that they are putting through now, under the present conditions would be ruinous to the health and lives not only to the citizens of Chicago but to the citizens along the river, and while it is true that a portion of my constituents disagree to some extent with me in this respect, I have made a study of it, and I am convinced in my own mind that it would be actually ruinous.

There are only three ways that Chicago can dispose of this sewage; one is through the Illinois River, as they are disposing of it now; the other is to pump it back into Lake Michigan where they obtain their drinking water; and the other would be through sewage disposal plants. The latter is the only one that must be eventually used; and it is the duty of the sanitary district and the citizens of Chicago to begin and begin in earnest to build these plants as rapidly as they possibly can, not only for their own salvation but for the salvation of all the people in the valley. If they will not do this voluntarily, then it is either the duty of the United States Government or the duty of the State of Illinois to force them to do so by legal action. I believe that in passing a law, making this deep waterway, regardless of everything else, that should be the principal paragraph in the bill, to force Chicago into building of these plants. But, in my judgment, and I think I have a fair idea of the situation, it will take Chicago at her best, financially and physically, 20 years at least to complete these plants to take care of the 3,000,000 people.

All of the evidence, even that introduced by those who are opposed to the sanitary district board, has shown beyond a doubt that should the sanitary district establish sewage disposal plants large enough to dispose of all of the human sewage and trade waste at the plants, it would then take from 8,000 to 10,000 cubic feet of water to dilute the residue of the sewage to the extent that the fish life would again flourish in the river and the resorts that once furnished so much pleasure and recreation to the people of the whole State could be reestablished.

This evidence was put into the record by men thoroughly conversant with the facts and W. L. Sackett, chief of the division of waterways for the State of Illinois, stated in his testimony that General Black, who was Chief of the United States Board of Engineers at the time the permits were granted for the construction of the Illinois waterway, said, that in his opinion, at least 7,000 cubic second-feet would always be required and he was under the impression that he would eventually recommend a 10,000 cubic second-feet. So it would seem that the diversion of 10,000 cubic second-feet will always be necessary to preserve the lives and health of the people in the valley.

THE NECESSITY OF DIVERSION FOR A WATERWAY

The 10,000 cubic second-feet is allotted, in my judgment, to the great western country. It was the one thing that was taken into consideration in the treaty, and while it does not say so in so many words, it implies it in a number of places, and I am satisfied that even the Canadian Government at that time recognized the fact that we would be obliged to have that amount of water in order to carry out this system of sewage disposal that was in operation at that time.

But, on the other hand, eliminate the Sanitary District and the city of Chicago from the proposition, come back to the true and fundamental principles laid down by our Government that all parts of our country should be treated as nearly alike as possible and I maintain that this 10,000 cubic second-feet belongs to the great Central West and that it will throughout all the time to come be the mainstay of a deep waterway from the Lakes to the Gulf. I believe that when this waterway is once established the commerce attracted to its borders will be so large that eventually it will be necessary to make the canal 18 or 20 feet deep, and such a project would be impossible without this diversion that has been given to us by the treaty. If we at this time allow Canada and the Niagara power interests to take this water away from the Mississippi Valley, I predict it will never be possible to get it back again, no matter how vital it may prove to be to the maintenance of an adequate waterway from Lake Michigan to the Gulf of Mexico.

FAILURE OF EASTERN INTERESTS TO PROVE THEIR CASE

You have heard the evidence upon both sides, and it is unnecessary for me to elaborate upon the proposition that the farmers from the West and the manufacturers of the West, especially in the Central West, which includes all of the States, are in need of this great waterway, and also that unless they are actually given this relief you may see in the near future a great destruction of enterprise in this section of the country. Therefore I do not intend to take up your time by referring to the proofs made on this particular subject, and all that I will do in conclusion is to try and point out how futile the objections to this great project have been.

We will take every witness—those who represented the lake carriers, those who represented the power interests, and those who represented States who think they are to be injured. Take all of their evidence together, and what do you find? The lake carriers and all of them combined have not yet demonstrated to this committee that the lake levels have been lowered to such an extent as to injure transportation. Why? Because it has been proven, and stated time and time again by those who know, that the tonnage is away beyond their expectations and is larger this year than in any previous year, and at no time have they either demonstrated or proven that they have been inconvenienced in the least, but on the other hand we have these men coming before this committee, and they generally wind up with the statement that seven times as much power can be generated at Niagara power plants as can be developed in the canal at Chicago. It has been made clear to this committee, I am sure, that that is what is uppermost in the minds of those who are objecting to the western country having this diversion. Power, and power only, seems to be the main object of all the testimony, and we find the Canadian Government has the same purpose in mind and have already taken the lion's share of this water in taking the 36,000 cubic foot-seconds.

The makers of the treaty gave the State of New York, through the Niagara Power Co., 20,000 cubic second-feet, and now, why should these interests desire to take away from the western country that which rightfully belongs to them, and which they had in control before the treaty was ever signed? All I have to say to you, gentlemen, is this: Don't overlook the great proposition, and that is that this Government must continue to function in every section of it, and when you destroy one section for the benefit of the other, then you destroy the prosperity of the land. The great Central West has been the feeder and the progressive part of this country, and now that it has this hope of a deep waterway connecting Lake Michigan to the Gulf of Mexico, which will, without dispute, create a medium of transportation that will take the products of this great agricultural and manufacturing section of our country through the Panama Canal and to all parts of the globe, do not take away the advantage it so richly deserves.

ADVANTAGES OF THE WATERWAY IN AN EMERGENCY

I want to say further that should this great waterway be a thing of realization, then you will find in time of war what great advantage it will be to the United States Government.

Now, gentlemen, I have lived along the Illinois River all my life. I have spent the last 35 years in Peoria. We have a vast expanse of water in front of our beautiful city, 1 mile in width, a slow-flowing river that we call Peoria Lake, and to-day this energetic city is concerned with two problems; one, of the pollution of the river, and the other, a need for navigation; and I want to say to you, so that it may be carried back to the people who live along the river, that the object in view in this legislation is, first, to give through transportation from Lake Michigan to the Gulf of Mexico; second, to clean the Illinois River of its pollution; and third, to protect the farmer and his lands and reimburse him for the damages he has suffered in this connection.

The great State of Illinois, patriotic in times of war, patriotic in times of peace, offers to the Government of the United States more than her share toward this great waterway. The farmers and the citizens of this Commonwealth by their vote gave $20,000,000 to build the connecting link between Lake Michigan and the Illinois River so that the people of the great Mississippi Valley might be favored by transportation that would give them relief and connect them with the ports of the world. Will it be the policy of this committee and the Congress of the United States to ignore this generous gift of a State so willing to help herself and her sister States.

We who live in Illinois are proud of the name—

By thy rivers gently flowing,
Illinois, Illinois,
O'er thy prairies verdant growing,
Illinois, Illinois,
Comes an echo on the breeze,
Rustling through the leafy trees,
And its mellow tones are these,
Illinois, Illinois,

Not without thy wondrous story,
Illinois, Illinois,
Can be writ the Nation's glory,
Illinois, Illinois,
On the record of thy years,
Abraham Lincoln's name appears,
Grant and Logan and our tears,
Illinois, Illinois,

COMPENSATION AND HOSPITALIZATION OF SERVICE MEN

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent that to-morrow it shall be in order for me to move to suspend the rules and pass the bill H. R. 8869, being a bill reported from the Committee on Veterans' Legislation affecting the compensation and hospitalization of service men.

The SPEAKER. The gentleman from South Dakota asks unanimous consent that it shall be in order for him to-morrow to move to suspend the rules and pass the bill H. R. 8869. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I do not think this is a proper way to get at this measure. In the first place, that would shut off amendment. If unanimous consent should be given to move to suspend the rules and pass the bill, it simply means that other members of the committee, other Members of the House, would be shut off without any opportunity to offer amendments, and not even permitted to offer one single motion to recommit. I have an amendment which I wish to offer, or a motion to recommit, that amounts to this: This bill extends the presumptive period on tuberculosis and neuropsychiatric cases to six years, but it provides that compensation shall begin only after the passage of the bill. Those men who have been lying flat on their backs for one or two years, those men who have been down with tuberculosis and other troubles covered by this provision for the last two years will not be cared for or receive compensation for the time they have been disabled prior to the date of the passage of this bill.

Mr. LONGWORTH. Mr. Speaker, I do not know that there is any necessity for a speech. I demand the regular order.

Mr. RANKIN. I object to bringing it up under a suspension of the rules unless you give us an opportunity to offer an amendment or a motion to recommit.

Mr. JOHNSON of South Dakota. I wish the gentleman would reserve the right to object.

Mr. RANKIN. I can not reserve the right when the Republican leader [Mr. LONGWORTH] demands the regular order.

Mr. JOHNSON of South Dakota. What does the gentleman do?

Mr. RANKIN. I simply want to take care of these men who are suffering from these disabilities.

Mr. JOHNSON of South Dakota. Does the gentleman object?

Mr. RANKIN. Of course, I object. I can not reserve the right to object with the Republican leader demanding the regular order.

The SPEAKER. Objection is heard.

CHINESE INDEMNITY

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the RECORD to-day on House Joint Resolution 248, to provide for the remission of further payment of the annual installments of the Chinese indemnity.

The SPEAKER. Is there objection?

There was no objection.

WATERS OF RIO GRANDE BELOW FORT QUITMAN, TEX.

Mr. PORTER. Mr. Speaker, I call up the bill S. 2998, providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico.

The SPEAKER. The gentleman from Pennsylvania calls up the bill S. 2998, of which the Clerk will report the title.

The Clerk reported the title of the bill.

The SPEAKER. This bill is on the Union Calendar.

Mr. GARNER of Texas. Mr. Speaker, this is a unanimous report from the Committee on Foreign Affairs, and I do not believe that it will take more than five minutes to pass it. I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Texas asks unanimous consent that this bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the President is hereby authorized to designate three special commissioners to cooperate with representatives of the United States of Mexico in a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., with a view to their proper utilization for irrigation and other beneficial uses. One of the commissioners so appointed shall be an engineer experienced in such work. Upon completion of such study the results shall be reported to Congress.

SEC. 2. The sum of $20,000 is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated for carrying out the provisions hereof.

Mr. GARNER of Texas. Mr. Speaker and gentlemen of the House, as a preliminary let me say that this is reported unanimously by the Foreign Relations Committee of the Senate and was unanimously passed in the Senate. It is reported now unanimously by the Foreign Affairs Committee of the House, and, so far as I know, there is absolutely no objection to it. It has for its purpose the authorization of the President to appoint a commission to ascertain facts upon which to base a treaty with Mexico touching the waters of the Rio Grande. Under the present treaty with Mexico the Rio Grande is considered a navigable stream, and we desire to change the basis of that to irrigation. The authorized appropriation is $20,000. The Committee on Foreign Affairs under the rules, of course, is not authorized to make an appropriation, and when the Committee on Appropriations ascertains that the facts are sufficient to justify an appropriation under this resolution, that committee will make such appropriation to carry out the work authorized as may seem to them advisable. I do not think it is necessary to make any further statement, because, as I say, so far as I know, the State Department, the Agricultural Department, and the Department of the Interior all have recommended the passage of the bill.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. BLANTON. According to the nature of the banks of this river and the soil in a great many places, in fact, it is not a navigable stream and never will be.

Mr. GARNER of Texas. Oh, there has not been a boat upon it for 30 years, but when the present treaties were made it was considered a navigable stream, and the result is that in order to deal with it you have to get a permit from the War Department. It is the desire of the two Governments to change that basis, in order to make it a basis of irrigation rather than of navigation, and it takes some facts for this Government to act intelligently, and this is for the purpose of getting those facts.

Mr. CRAMTON. Mr. Speaker, I move to strike out the last word. I am not sufficiently familiar with the geography to know where this fort is, but is this the matter that was involved in an attempt within the last year to get an appropriation with reference to the flooding of El Paso, Tex., and so forth?

Mr. GARNER of Texas. No; it has no relation. It is below Fort Quitman, which is below El Paso.

Mr. CRAMTON. On other question. I notice this bill, which was formerly referred to the Committee on Irrigation and Reclamation, was on yesterday referred to the Committee on Foreign Affairs, and the same day the committee reported it out.

Mr. GARNER of Texas. Yes.

Mr. CRAMTON. It is a matter affecting reclamation, and my first question is this: Was the purpose of referring it to the Committee on Foreign Affairs instead of the Committee

on Irrigation and Reclamation in order that it might be brought up to-day on this calendar?

Mr. GARNER of Texas. I will answer, if the gentleman from Pennsylvania will permit. The original bill was introduced some time ago by me in the House. It was referred to the Committee on Foreign Affairs, and then a bill of identically the same language passed the Senate——

Mr. CRAMTON. A similar House bill has been before the Foreign Affairs Committee.

Mr. GARNER of Texas. Yes.

Mr. CRAMTON. Have there been hearings before the Committee on Foreign Affairs?

Mr. GARNER of Texas. Very extended hearings by the committee.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, a similar House bill will lie on the table.

There was no objection.

On motion of Mr. GARNER of Texas, a motion to reconsider the vote by which the bill was passed was laid on the table.

MEETING OF INTERPARLIAMENTARY UNION IN WASHINGTON CITY, 1925

Mr. TEMPLE. Mr. Speaker, I call up House Joint Resolution 204, on the Union Calendar.

The SPEAKER. The gentleman from Pennsylvania calls up a joint resolution, which the Clerk will report by title.

The Clerk read as follows:

House joint resolution (H. J. Res. 204) requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925 and authorizing an appropriation to defray the expenses of the meeting.

The SPEAKER. Does the gentleman desire to substitute the Senate resolution in place of the House resolution?

Mr. TEMPLE. I ask unanimous consent to substitute an identical Senate resolution in place of the House resolution.

Mr. BLANTON. This has to be considered in the Committee of the Whole House on the state of the Union, as it makes a charge on the Treasury.

The SPEAKER. Certainly. The gentleman from Pennsylvania asks unanimous consent that the Senate resolution may be considered in lieu of the House resolution. Is there objection? [After a pause.] The Chair hears none. This resolution is on the Union Calendar and the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of the Senate joint resolution.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of S. J. Res. 104, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 104, which the Clerk will report.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 104) requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925 and authorizing an appropriation to defray the expenses of the meeting.

Mr. TEMPLE. Mr. Chairman, I ask unanimous consent that the first reading of the Senate joint resolution be dispensed with.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that the first reading of the joint resolution be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. TEMPLE. Mr. Chairman, this resolution is intended to renew action that was taken some years ago by the Congress of the United States and the President in inviting the Interparliamentary Union to hold its annual meeting in the city of Washington. In the act passed June 30, 1914, the Congress requested the President to invite the Interparliamentary Union to hold its next annual meeting, then to be held in 1915, in the city of Washington. The arrangements were being made when the World War broke out. Because of the war the Interparliamentary Union did not hold any meeting in 1914. Again in 1916 the Congress, thinking that the World War might be finished early, passed, in the diplomatic and consular bill, the same item, extending the appropriation and making it available for the calendar years 1916 and 1917, and renewing the invitation to the Interparliamentary Union to hold its next meeting here. A third time, in the act of March 3, 1917, the appropriation was made, being extended to cover the calendar year 1918, and the invitation was again renewed, and for the fourth time, in the act of April 15, 1918, the invitation was renewed, but still the World War and the confusion that followed it interfered with the meeting. The later meetings of the Interparliamentary Union have been held on the other side of the Atlantic, American delegates in attendance as usual. Now, it is proposed to renew the invitation which has been so many times extended to this organization and to request the President of the United States to invite the Interparliamentary Union to hold its meeting in the city of Washington in the year 1925. The former act made an appropriation of $40,000 to cover the expenses of the meeting. This act increases that appropriation to $50,000——

Mr. SNYDER. Will the gentleman yield?

Mr. TEMPLE. I shall be very glad to do so in just a moment. The increase being necessary, of course, because of the general increase in prices since 1915. I yield to the gentleman from New York.

Mr. SNYDER. Several times I have heard the question asked, what advantage do we get by this Interparliamentary Union gathering or conference? Will the gentleman give some idea of what class of work they do, what effect they have upon the interests of this country in any way. I am asking purely for information.

Mr. TEMPLE. The Interparliamentary Union is an international organization which has been in existence for about 30 years. It is an association made up of members of the parliaments and congresses of the various nations of the world. Its members have no diplomatic powers, of course, but questions of international interest are discussed at the meetings of the Interparliamentary Union, particularly those questions that may be dealt with in a legislative way rather than by the ordinary methods of diplomacy. The direct results are not always obvious, but there have been some very beneficial results. I think I shall ask the gentleman from Ohio [Mr. BURTON] to discuss that more fully when I shall have finished, if he is willing to do so.

I have attended only one of these meetings, the one held two years ago this summer in the city of Vienna. There were about 30 nations of the world represented at that meeting, including all the so-called great powers and many of the new powers that resulted from the treaties following the World War.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. TEMPLE. I do.

Mr. BLANTON. When the gentleman says there were 30 nations represented he merely means by that that no nations were officially represented, but merely members of the parliamentary bodies of 30 nations were unofficially represented?

Mr. TEMPLE. The American group of the Interparliamentary Union, of which I suppose the gentleman from Texas is a member——

Mr. BLANTON. Yes; I am——

Mr. TEMPLE (continuing). Sent representatives. They were not representatives of the Government of the United States.

Mr. BLANTON. Yes; so that none of these countries were represented by governments. From the gentleman's language it might be inferred that the 30 governments were represented.

Mr. TEMPLE. No. My language was correct, that 30 nations were represented——

Mr. BLANTON. Not officially——

Mr. TEMPLE. By delegates chosen by the groups of the Interparliamentary Union, made up of the parliaments or congresses of those nations——

Mr. BLANTON. Who had no authority whatever to speak for their governments.

Mr. TEMPLE. They had authority to speak for the groups that sent them.

Mr. BLANTON. But not for the governments?

Mr. TEMPLE. I have said that several times.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. TEMPLE. Yes.

Mr. LAGUARDIA. These were representative men elected by their respective parliaments and representing the sentiment of their parliaments and the respective countries?

Mr. TEMPLE. Yes; and also able to speak of the sentiments of the parliaments and congresses that are a part of the governments of other nations. I think it is a very great advantage in cultivating acquaintance and good will. It does not take the place of diplomatic representation. The members of the Interparliamentary Union in no sense represent the executive, and in no sense share in the diplomatic service; but it is certainly a very great advantage that in the Parliament of Great Britain, in the Parliament of France, in the Parliaments

There was no objection.

the Committee on Foreign Affairs instead of the Committee

of Germany, and of Austria, and of Italy, and of Japan, and of the United States, and of many of the other powers there are men who are acquainted with each other, and acquainted with the purposes of leading members of their parliaments, acquainted with the policies that are likely to find expression in acts of parliament and acts of congress. The cultivation of good will and acquaintance is worth an appropriation, it seems to me, of $50,000 once in about 20 years. How long has it been since the Interparliamentary Union met in this country?

Mr. BURTON. In 1904.

Mr. TEMPLE. Twenty years ago.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for another question

Mr. TEMPLE. Yes.

Mr. BLANTON. In the sense that our secretaries call themselves "The Little Congress," just so this could be called "A Little League of Nations," could it not?

Mr. TEMPLE. No. It has nothing to do with the League of Nations. It is a great deal older than the existing League of Nations; and when the League of Nations was organized, it in no way took the place of an organization composed of members of the parliaments and congresses of the various powers. It does not undertake to do anything at all in an executive way, which the League of Nations does undertake. It does not even undertake to arbitrate differences among the powers, but to discuss matters of general interest that may come up in the parliaments and to create an understanding of questions of world-wide interest that will be helpful in acting on various affairs.

Mr. BLANTON. Will the gentleman yield for one other question?

Mr. TEMPLE. I yield.

Mr. BLANTON. As I understand the distinguished gentleman from Pennsylvania, he is in favor of the Members of the House of Representatives and the Senate, as individual Americans, going over to the Interparliamentary Union, which is a union or league of like members of other parliamentary bodies, and take steps looking toward peace, but he objects to the United States officially doing that very thing. Is that a fact?

Mr. TEMPLE. I do not know why the gentleman undertakes to speak for me. [Laughter.]

Mr. BLANTON. I was judging the gentleman by reason of the action of his party. If I am wrong about the gentleman's individual stand, I want to know it. I just judge him by the act of his party.

Mr. TEMPLE. There is no reason for bringing the discussion of the League of Nations into the discussion of this resolution. I am perfectly willing to say, quite voluntarily, independent of the question of the gentleman, that I am in favor of a great deal fuller association and closer acquaintance than is involved in this Interparliamentary Union, but I am not willing to go into the League of Nations as at present organized. [Applause.]

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. TEMPLE. Yes.

Mr. CONNALLY of Texas. I understand the gentleman from Pennsylvania is in favor of the World Court?

Mr. TEMPLE. I am. I have been, long before that court existed and long before the League of Nations existed. When the delegates were sent by the United States to The Hague conference in 1907 and were instructed by President Roosevelt and by Mr. Root, who was at that time Secretary of State, to bend every effort toward the organization of a court of international justice, I was and had been in favor of a court of justice as a step in advance of courts of arbitration.

I happened to be in the White House as a member of the American Society of International Law when a conversation took place between some of the important men in the executive branch of the Government and the American delegates to the second Hague conference. I was then pleased to know that the United States Government had taken a stand which would have led, if it had been followed up, to the organization of a court of justice. It would have been far better at the end of the World War to do this, rather than to attempt by an executive and legislative league to take charge of the affairs of the world. I am in favor of a court of law, a court of international justice.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. TEMPLE. Yes.

Mr. McSWAIN. Boiled down to a residuum, in the language of common sense it is this: That for 20 years we have been accepting the hospitality of the other nations of the world, and the question now is whether we shall return the favor and ask them to come to our house? [Applause.]

Mr. TEMPLE. That is true, with the added remark that we extended an invitation in 1915, renewed it three times, and the acceptance of it was interfered with by the outbreak of the war. Now we are taking up exactly what was done in 1915, 1913, 1917, and 1918, and renewing an invitation which circumstances forbade the Interparliamentary Union from accepting under conditions then existing.

Mr. BLANTON. May I ask one other question?

Mr. TEMPLE. Yes.

Mr. BLANTON. With what purpose in view? Just entertainment, or have we some definite, fixed purpose?

Mr. TEMPLE. There is no scheme behind it.

Mr. BLANTON. What do we expect to come out of this meeting and all subsequent meetings? What are we hopeful for?

Mr. TEMPLE. Better acquaintance, better understanding, fuller sympathy, and the progress of good will and of peace among nations.

Mr. BLANTON. May I ask the distinguished gentleman this question, because he is well posted on this subject: Will there ever be any concerted system of peace by the nations of the world without some kind of an agreement among those nations? Will there be, and if it takes an agreement, whenever that agreement is entered into—I do not care what else you call it—is it not after all a league of nations?

Mr. TEMPLE. I am not quarreling with any names. I am thoroughly in favor of everything that will bring the nations together in a better understanding without tying our hands with regard to policies over which we might have no control. The League of Nations has nothing to do with this question and this question has nothing to do with the League of Nations.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. TEMPLE. Yes.

Mr. LAGUARDIA. Taking up the suggestion made by the gentleman from Texas [Mr. BLANTON], if these interparliamentary unions meet from time to time, and the Interparliamentary Union finally develops into a permanent official union, where elective officials of the various countries meet at stated intervals, would not that be a blessing to the civilization of the world, even if it develops into something official?

Mr. TEMPLE. I do not attempt to look further into the future than the eye of man is able to penetrate. I think I have seen good results already from the Interparliamentary Union; I expect to see more good results but exactly what form they may take I do not know. However, the cultivation of acquaintance and of good will certainly gives a background for peace and makes quarrels, which generally arise from misunderstandings, more unlikely.

Mr. Chairman, I reserve the remainder of my time. [Applause.]

Mr. WINGO rose.

The CHAIRMAN. For what purpose does the gentleman from Arkansas rise?

Mr. WINGO. I ask for recognition.

The CHAIRMAN. Does any member of the committee claim time in opposition to the resolution?

Mr. BLANTON. Mr. Chairman, of course, if the gentleman from Arkansas is against the resolution, he is entitled to time, but, unless he is against it, I am against this resolution and I want some time to speak against it. Unless the gentleman from Arkansas is against it, I claim the right to be recognized.

The CHAIRMAN. Both of the gentlemen know the rules of the House.

Mr. BLANTON. I am against the resolution.

Mr. WINGO. I was under the impression that I had been recognized. Am I in error?

Mr. BLANTON. I was on the floor.

The CHAIRMAN. The Chair asked the gentleman for what purpose he rose.

Mr. WINGO. And I said for recognition.

Mr. BLANTON. I am against the resolution and I was on my feet. If the gentleman is against the resolution, I yield the floor to him immediately, of course; but if he is not against the resolution I claim the right to be recognized against it under the rules of the House.

Mr. CONNALLY of Texas. Mr. Chairman, as I understand, members of the committee are entitled to recognition first, but they have to qualify that they are against the resolution.

The CHAIRMAN. The Chair would recognize some member of the committee against the resolution first.

Mr. CONNALLY of Texas. I can not afford to say I am against the resolution in order to get an hour's time, and I will not do it.

Mr. O'CONNELL of New York. Neither can I.

The CHAIRMAN. If the gentleman from Arkansas is against the resolution, he may proceed.

Mr. WINGO. I am not going to make a speech against the resolution. I will say that frankly to the Chairman.

The CHAIRMAN. We can not afford to take liberties with the rule, and it provides that one hour shall be used by those opposed to the resolution and one hour by those in favor of it. The Chair has no power in the matter to recognize anyone when there is some one actively claiming to be opposed to the resolution.

Mr. WINGO. I am not pleading ignorance of the rule, neither am I urging my opposition to the resolution in order to get time. I am trying to get time, but I am not unaware of the rule.

The CHAIRMAN. If no Member claims to be opposed to the resolution as a member of the committee, and if the gentleman from Arkansas does not claim to be opposed to the resolution, the Chair will recognize the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I yield 45 minutes to the gentleman from Arkansas.

The CHAIRMAN. The gentleman from Arkansas is recognized for 45 minutes.

Mr. BLANTON. If he wants it now or later.

Mr. WINGO. I appreciate the gentleman's generosity, and I will use it.

Mr. BLANTON. Mr. Chairman, I am against this resolution for a number of reasons. One is because of the ideas and actions of the dominant party of this Government no further good can ever come from this Interparliamentary Union. That is the first reason. The second is that we would be just wasting $50,000 with that situation before us.

Now, what are the circumstances? In 1904 we invited this Interparliamentary Union to meet in this country. It met here, and we paid the expenses of it. Then a delegation from this country went abroad the next year and the next year, and so on up to the war, every year the American chapter of the Interparliamentary Union paying their expenses abroad.

Mr. BURTON. No.

Mr. BLANTON. Maybe they paid their own expenses, but I know of one Member from Texas who got his expenses paid by the Interparliamentary Union.

Mr. TEMPLE. Oh, no.

Mr. BLANTON. Well, I so understood it from him. I was hoping that this would result in some kind of an organization that would effect peace between nations. I came up here to Congress on a platform in 1916 that had in it an indorsement of a league of nations that would effect peace between the nations of the world. I am a member of this Interparliamentary Union, and it has been meeting all the time, except during the war years, and it did not effect peace because the nations were not behind it. The nations were not affected by their meetings. The nations were not interested. The nations were not bound or represented in these meetings. It was nothing but a meeting of individuals. Every Member of this House is eligible to membership in this Interparliamentary Union. The fact of their membership here alone makes them eligible to become members, but you do not bind or represent either this House or your Government. The individual members of the various parliamentary bodies of the world do not represent or bind their governments. They do not represent their parliamentary bodies.

So when the war was over the great President of this Nation, knowing the history of this Interparliamentary Union, knowing it had not been able to stop the World War, knowing it took something else besides the individual efforts of members of parliamentary bodies, sought to effect some kind of agreement or organization between the nations themselves looking to peace, and he proposed a league of nations. Some of the most distinguished gentlemen in this body and in the other body had declared for it. You can take the declarations of our most distinguished Member from Ohio [Mr. BURTON]. He had declared for just such an organization. Is not that so? If not, I pause for a denial. The strongest speech that has ever been made for a league of nations was made by a distinguished gentleman from Massachusetts by the name of LODGE before the war. No man ever made a stronger speech for a league of nations than said gentleman from up in Massachusetts, named LODGE, but the war came on, and when the President effected a league of nations it did not suit them all. There were some few things about it that did not suit me. But I was for it with proper reservations.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. GREEN of Iowa. Does not the gentleman think this discussion is somewhat in the nature of a post-mortem operation? Why talk about something that is dead?

Mr. BLANTON. No, it is not dead, but only sleeping. You gentlemen now are not willing to accept the League of Nations. You are not willing to amend one that is proposed by a Democrat, and put it in the order and the shape you want it and accept it and have an effective organization that will bring about peace; but you are continually trying to slip into the League of Nations by the back door. You are now trying here in this bill to carry on an ineffectual organization of individuals when it will bring about nothing but proposals for an organization of nations, and you know it.

Why, my friend here [Mr. BURTON] is just as much for a league of nations now as I am. He will not admit it, but he is for it, and some of these days when he can whip it around and call it a Republican document he will vote for it.

Mr. BOYLAN. Will the gentleman yield for a question?

Mr. BLANTON. Yes.

Mr. BOYLAN. Does not the gentleman think he is making a very far-fetching statement when he is speaking to the keynoter of the Republican Convention, and if the gentleman is going to have him say he is for the League of Nations, the gentleman is liable to embarrass him.

Mr. BLANTON. If the gentleman from Ohio [Mr. BURTON] is against the principle of a concerted agreement between nations to effect peace, I yield to him now to deny he is in favor of such an organization. Whenever he is in favor of an organization of nations to effect peace, he is in favor of a league of nations, and I want the Republicans of the United States to know that the Republican keynoter of their convention is an outstanding figure for a league of nations that is to effect peace between the countries of the world, regardless of what he may call it, and he will bring it into that keynote speech. He can not keep from it. He has been attending these interparliamentary unions so much that it is ingrained into his very fiber and bone and soul, and he will bring it out in that keynote speech one way or the other.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SPROUL of Kansas. Does not the gentleman feel and know that there is no political party in the United States today that will in the near future declare in favor of the League of Nations?

Mr. BLANTON. I will say to my Republican friend that if he will bring in a proposition right now for a league of nations that is a concert of action between nations of the world to effect peace and let the gentleman from Ohio [Mr. LONGWORTH], the Republican leader, introduce it and let the Republican chairman of the Committee on Rules, the gentleman from New York [Mr. SNELL], report it out and let the distinguished Republican keynoter [Mr. BURTON] take charge of it on the floor here, and pass it, and call it Republican from top to bottom, I will vote for it, because I am looking at the measure itself and am not looking at what you call it politically or at who is advocating it.

Mr. SPROUL of Kansas. Will the gentleman yield for another question?

Mr. BLANTON. Yes.

Mr. SPROUL of Kansas. In the opinion of the gentleman, will the Democratic Convention, which soon will meet in New York, declare in favor of a league of nations?

Mr. BLANTON. I have no right to speak for that convention.

Mr. SPROUL of Kansas. What is the gentleman's opinion about it?

Mr. BLANTON. I hope they will.

Mr. SPROUL of Kansas. But what is your opinion?

Mr. BLANTON. I hope they will. They will weaken their platform if they do not do it.

Mr. SPROUL of Kansas. Is it not your opinion they will not?

Mr. BLANTON. I have been disappointed so many times about what men, both Democrats and Republicans, will do in platforms to try to get votes or to keep from losing votes that I am not going to make a prediction about either party's convention.

I want to say this: This bill is a worthless document; it is going to bring some individuals over here and entertain them, and that will be all that we will get out of it. I want to save this $50,000 of the people's money. I protest against its passage and I am going to vote against it. You are going to spend the money—have these individuals with no official authority come over here and talk peace and do nothing to effect it.

Mr. WEFALD. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. WEFALD. Can the gentleman tell us whether the Interparliamentary Union came over here before the World War?

Mr. BLANTON. They came here last in 1904. I think they met at The Hague in 1913, just before the war.

Mr. WEFALD. What did they do?

Mr. BLANTON. I think they got far enough to make a recommendation that there should be just such a league as they finally went into, and which most countries except our own became a party to. I will ask the gentleman from Ohio if they did not get that far before the war?

Mr. BURTON. They did not meet during the war.

Mr. BLANTON. In 1911?

Mr. BURTON. I think in 1913 was the last meeting.

Mr. BLANTON. And in 1913 they recommended such an agreement as we had in that first League of Nations.

Mr. BURTON. Not a league of nations.

Mr. BLANTON. Oh, I wish we could forget that term—they recommended that there should be a concert of action between governments for peace, and it had been recommended by previous Interparliamentary Unions.

Mr. BURTON. They did not get that far.

Mr. BLANTON. Then they have not been worth a continental. Mr. Chairman, as I said, I propose to vote against this measure. I want to save the $50,000.

Mr. WEFALD. Does the gentleman think that the interparliamentary league can do more than did the Women's International Peace Convention that held a meeting in this city a few days ago?

Mr. BLANTON. If they did not do any more than that, then God deliver us from it.

Mr. TINCHER. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. TINCHER. As I understand, the gentleman is thoroughly familiar with what the gentleman from Ohio [Mr. BURTON] is going to say in his keynote speech, but he is hazy as to what the Democratic platform will be. [Laughter.]

Mr. BLANTON. I have served with the keynoter from Ohio and I know what he stands for. I do not know yet who the keynoter of the Democratic Convention will be, but if I had served with him I could prognosticate. I do know that the gentleman from Ohio [Mr. BURTON] could not make a keynote speech without bringing into it in some way the concert of nations for peace. Mark my words, he will have it in there, and if it is not, his keynote speech will be a failure. [Laughter.]

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. O'CONNOR of New York. We may not be sure of what the convention in New York is going to do, but we do know what the candidate is going to do.

Mr. BLANTON. If the convention were going to meet anywhere but in New York, we could tell what was going to happen.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WINGO. Mr. Chairman, of course, there are a good many things that might be said along the line of what the gentleman from Texas has been saying about economy. I do not know whether this meeting will do any good or not, but I am going to be frank with you and state why I support the resolution. We went through the World War, and across my desk each day during that war flowed a stream of heartaches from mothers of our boys. Of course, Mr. Chairman, I do not know what war is, like the boys who went into the trenches, but I got the reaction. I said, Mr. Speaker, then, and I say it now, that my course upon international questions or anything that affected the question of maintaining the peace of the earth is going to be governed by practical and not political considerations; that I would never forget the boys that are coming on, who must fight the battles of this Nation in the future, and I never would stand in the way either for political or other reasons of giving to these boys any kind of insurance against the necessity of making a sacrifice of their lives or their health on the field of battle. [Applause.]

I have a boy just growing into manhood's estate and soon will be of military age. I hope we will have no war. If war comes, I have taught that boy to love his country, and when the hour comes that the country needs him I shall regret the necessity, but I shall put my hand on his shoulder and say "God bless you and be with you; go forth like a man and discharge that duty, the supreme duty of the citizen to defend the State." [Applause.] But when that hour comes, Mr. Chairman, I do not want his heartbroken mother standing by my side, although she may out of consideration and love for me not speak it in words—I do not want her to have in her heart and mind the thought that I with other men responsible for the affairs of the Government—back in times when we were trying to see how we could bring about international accord, that I and others for political considerations got into a low political quarrel and robbed this boy and other boys of the only insurance against the necessity for making this sacrifice. I do not propose to have the blood of a single boy on my soul by standing in the way of statesmen discussing international problems and trying to bring about concord and a better feeling among the nations of the world. [Applause.]

Wasted money? It may be wasted, but, Mr. Chairman, I can not think that it is wasted money for responsible parliamentary leaders of the different civilized nations of the earth to come to this, the leading nation of the earth, and sit for a time in friendly relations and discuss problems that are common to all of the nations of the earth. Let them get our viewpoint and come touch to touch and elbow to elbow. Let them understand the inspiration and the ideals of America. I believe it will be worth the paltry $50,000 to have these other statesmen come from these countries that are almost despairing to this great Republic and catch some of the inspiration and the high ideals of the American people so that they may go back and tell their people that whatever may be said of us we are not merely a money-grubbing lot, that at heart we love justice and peace, and that the American statesmen of every party can be trusted to deal justly in handling international affairs. It will be worth the $50,000 to have that conviction driven home to the principal parliamentary leaders of these other nations.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. GREEN of Iowa. How else are we ever to reach an agreement? How else are we to get to a common ground if we do not have these leaders meet and exchange ideas and go over the matter?

Mr. WINGO. That is one way. I do not want to get into a controversial matter. While I make no pretension to extraordinary piety, yet as one who has studied the history of the peoples and the nations of the earth, I have been struck with this: There is a God of nations and that God uses the peoples of the nations and the nations as organizations and groups to work His will. I have faith in the future, but we have been wallowing in the mire of political controversy. I hope I will not violate any of the proprieties or rules of this body, and if you catch the thought that I have back of it you will not say that I do, but frequently during the last few years, especially when the treaty of Versailles was being considered at the other end of the Capitol, I said publicly upon many occasions, and that public utterance was but the expression of the sincere conviction of my soul, that if we could take about a half dozen men from each party, Republican and Democratic, from the other end of the Capitol and take them away out into the middle of the ocean and sink them as we do obsolete battleships it would have been better for the peace of the earth and the welfare of Christian civilization. Narrow partisanship has confused the issue.

You may quibble about what you call it, but, mark my prediction, the time is coming when the American people without regard to politics will have their way in respect to this matter of peace. They will not surrender their independence, but they will exercise their independent power; they will not surrender their sovereignty, oh, no; but they will make the highest use of their sovereign power as the most powerful nation on earth. As the leading Christian Nation on earth, this Nation yet will stand out on the mountain tops and lead the war-weary peoples of the earth to a higher conception of international relations, and some way will be found by which the statesmen of both parties in America will lead the American people into some kind of an arrangement, an association of nations, a concert of powers, a court, a tribunal, or whatever you may call it, which is perfectly consistent with our independence and the maintenance of our sovereignty, and that will bring about such a world condition, such a world idealism, such a world-wide public opinion that the leading Christian peoples of the earth will say to the outlaw nations of the earth, just as in the old days in this country the peace-loving people said to the outlaws of the frontier, "Quit shooting up the town." The time is going to come when the Christian people of the earth, under the leadership of this Republic, will get together in some sort of concerted movement and will say to the outlaw nations of the earth, "You must stop disturbing the peace of the earth." We will say to them that justice, equity, fair dealing, and courtesy shall determine the actions of the nations of the earth. Each and every nation has a selfish interest in the action of

every other nation, and we shall say to them that no one shall be permitted to rock the boat and precipitate war and break down the whole economic machinery, destroy trade and commerce, and send the sons of men down to the field of battle. They will have to exhaust all peaceful remedies and they will have to let their neighbors consider their controversy and then let public opinion bring pressure to bear upon the statesmen of the two contending nations, and through the power of that great moral force of public opinion as expended by the peoples of the earth peace will be secured. My friends, that is the only way you will have a stable, permanent peace in the world. [Applause.]

Gentlemen talk about what is going to be in the platform of either party. Do you suppose anybody is very much disturbed about that except the platform makers themselves? I venture the assertion that I could stand up a majority of men on both sides of the aisle and catechise them about the Republican and Democratic platforms for the last eight or ten campaigns and that the record would show that they were fit objects for the intelligence tests which are applied to the grammer-school students of this city. We had an example of it here. My friend from Texas [Mr. BLANTON] talked about my friend from Ohio [Mr. BURTON] the keynoter. At least the Republican Party is beginning to show a glimmer of intelligence, and that was indicated when they selected the gentleman from Ohio to act as keynoter. [Applause.] If anybody knows the Republican doctrine, he knows it, and he has the courage and the candor of that doctrine. We saw in the last campaign the biggest men the Republicans had, Mr. Hughes and others, telling the American people that if they wanted to get into a league of nations they should vote the Republican ticket. Every time some one wants to talk about any controverted matter we are told that there was a verdict of 7,000,000 votes against it. Why, there were a composite lot of things that moved the electorate of America at the last campaign. You would have to say that those seven million did not have a bit of faith in the sincerity of Mr. Hughes and the other fifty-six—I think there were 57 varieties of Republican statesmen who signed that pronunciamento. Then Harding promised to get us into an association of nations. Well, you have not heard me complain that they have not carried out that pledge. I have been simply waiting.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Certainly.

Mr. MOORE of Virginia. That pronouncement in a letter dated October 20, 1921, was the declaration that the only way to effect an entrance by this Government into the League of Nations was to elect Mr. Harding.

Mr. WINGO. Yes.

Mr. MOORE of Virginia. Mr. Hughes signed it, and Mr. Hoover signed it, and a great many other gentlemen.

Mr. WINGO. Yes; the leading minds of the Republican Party.

Mr. SNYDER. What the gentleman says is quite true, but there was not anywhere in that pronouncement where it said that they would go into the League of Nations.

Mr. MOORE of Virginia. They did say if certain reservations were adopted they were in favor of entrance, and the only way to bring it about was to elect the Republican ticket.

Mr. WINGO. That itself shows the truth of my contention. Here is a leading mind of the Republican Party, the gentleman from New York [Mr. SNYDER], and he demonstrates just what I said a moment ago about platforms.

Why, the country never remembered clearly what that pronouncement was. Here is a man making a distinction without a difference. He says——

Mr. SNYDER. The point we had in our mind was to elect Harding, and what the gentleman's party had in mind was to elect Cox, and we beat you to it, that is all. Let us be fair about the proposition.

Mr. BEGG. Mr. Chairman, a point of order. I am enjoying the speech very much and I hate to see the speech degenerate into a political speech, and I make the point of order that on Calendar Wednesday the gentleman must talk about the bill.

Mr. WINGO. The statements I have made apply concretely and directly to the question before us. I was not making a political speech. I was calling attention to the absolute lack of importance, or rather the absence of importance, of what some political leaders say. The gentleman did not follow me, nor hear me when I said that this question was above politics. If I had my way about it I would take a half dozen Democrats and a half dozen Republican Senators, yowyowing, out in the ocean and sink them. That is what we ought to have done, and the gentleman knows it, but there was a quibble; there was nothing but quibbling. One side said that we were surrendering our sovereignty, and the other side said that is not intended. Oh, gentlemen, if they had the courage and the capacity of a half dozen country lawyers they could have proceeded very differently and had reservations agreed upon that would have reassured some who thought that independence might be surrendered or sovereignty impaired; they could have gotten together, call it an association of the nations, a concert of the powers, a world court, or whatever you want to call it, I do not care about the name, but I want, Mr. Chairman, and what the mothers of America demand and what Christian civilization is going to have, is a mobilization, not of political powers, but a mobilization of the moral forces of every nation on earth to say to the immoral selfish forces that justice and courtesy and reason and right displace the arbitrament of the sword.

That is the thing that is going to come sooner or later, and let the peanut politician who thinks he can stem the tide of the welling thought and aim of the statesmen of the earth wait for his end. It will come. It makes no difference, in the end, what is put in the platform of either the political parties this time. You have noticed in the history of this Nation that when apparently we seemed to be divided, confused, struggling, apparently with some great problem, and overnight somehow we composed our differences and agreed upon some great settlement of that problem which was demonstrated in later years to be wise and sound. That is the history of American statesmanship. Some day the sun will rise bright for world peace; some day the peanut politicians of America will be swept aside; some day there will be a plan evolved by the Republicans and the Democrats on which all in America can agree that will have for its purpose perhaps an association of this Nation, not for political leadership so much as moral leadership, that will constitute a force for Christian civilization that will make less frequent the sacrifices of our boys in war. That is what I have in my mind. [Applause.] And I am not going to put greater blame on the Republican Party than I am putting on the Democratic Party for what has passed. I have never lost faith as one of those who has prayed and shall forever pray to the God of our fathers to hasten the day foretold by the prophet of old when the spear shall be turned into a pruning hook and the sword be beaten into a plowshare and men shall learn the art of war no more, forever. You may say that is an idle dream. I have faith in humanity, I have faith in the people of the earth. I believe, sooner or later, we will be able to work out some plan we can agree on without any fear of the loss of sovereignty or independence. I know nothing, Mr. Chairman, that is now proposed better than the suggestion that Congress appropriate a few paltry thousands of dollars to bring the leading parliamentary statesmen of the earth together in the city of Washington and let them get together.

If they can not do anything but waste time and waste a few thousand dollars they certainly will not retard the onward march of civilization. They are bound to hear something of the heart surge of the peoples of the earth. They can not do anything less, and I really think they can do more. [Applause.]

Mr. Chairman, I reserve the balance of my time.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The committee informally rose; and the Speaker having taken the chair, a message in writing from the President of the United States was communicated to the House of Representatives, by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had, on May 2, 1924, approved and signed bill of the following title:

H. R. 1831. An act to loan to the college of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781.

INTERPARLIAMENTARY UNION

The committee resumed its session.

Mr. TEMPLE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. I am not prepared to go on now.

Mr. TEMPLE. Then I yield 10 minutes to the gentleman from Ohio [Mr. BURTON].

The CHAIRMAN. The gentleman from Ohio is recognized for 10 minutes.

Mr. BURTON. Mr. Chairman and gentlemen, I am not fond of desultory discussions. One of the main obstacles to the prompt and efficient transaction of business in this House is that so frequently in our deliberations upon important problems we go far afield. I shall confine my remarks for the most part

to the question immediately under consideration, the resolution before us authorizing an invitation from the President to the other countries for a meeting of the Interparliamentary Union here next year and for an appropriation of $50,000 for that purpose.

I desire to review briefly the history of this Interparliamentary Union. It was established in the year 1889. Those who had to do with this organization were all interested in the cause of peace and in the settlement of international controversies by arbitration and legal methods. They met at divers places, members of legislative bodies from some of the leading countries of Europe. They framed propositions for arbitration treaties which might be accepted as a model for the nations to adopt. The model treaty, submitting all classes of disputes to arbitration as negotiated between Denmark and Holland, was due in no small degree to the activities of this union.

The most prominent among the founders was Mr. William Randal Cremer, who had a rather romantic history. He was a carpenter by trade, and became interested in the settlement of industrial disputes. He was elected to Parliament and came to this country with an unprecedented petition, signed by over 200 very prominent Englishmen, in favor of an arbitration treaty between the United States and Great Britain. That treaty was presented by President Cleveland and favorably reported in the Senate by a committee, of which the late John Sherman, of Ohio, was chairman, but it failed of securing the necessary two-thirds. Meetings of the union, however, continued. Included in their deliberations was the codification of international law and a variety of kindred subjects, all the while taking into account settlements by arbitration.

It accomplished substantial results in the first decade of its existence. The members met here in the year 1904. Perhaps their greatest accomplishment was at that meeting, when delegates from the United States and from a number of foreign countries in a body called on President Roosevelt and urged him to ask the other nations to meet again in a second Hague conference. President Roosevelt gave heed to that request, consulted diplomats of the different countries with a view to a second conference, which, as a result, was held in the year 1907. It was an important step, a milestone in the history of better and more friendly relations between nations.

From that time on the union met at divers places, at London, at Brussels, at Berlin, at Geneva, and at The Hague, and an invitation was framed and adopted by Congress in 1914 asking for a meeting in this country in 1915. That, however, failed by reason of the coming on of the Great War. The meetings were suspended until 1921, when the members gathered at Stockholm. The following year, in 1922, they met at Vienna, and in 1923 at Copenhagen.

The great benefit of these meetings is primarily the coming together of representatives of the different parliamentary bodies for consultation. This was very well expressed by Senator McKINLEY, the president of the American group, in a statement recently made. I think I have that here. I read:

> The advantages of such an organization readily suggest themselves. Freed from the domination of any government, it represents a universal and democratic aspiration. Nothing in it savors of particular interest or privilege. Composed of officials, holding its conferences in houses of parliament, it is itself only semiofficial. Perhaps its main service is its opportunity for parliamentarians from all parts of the world to meet, to confer, to educate one another. * * * For parliamentarians from so many different countries just to meet, officially or unofficially, at conference, at table, at social gatherings, is in itself not without benefit.

A multitude of questions have been discussed at their meetings, including economic and financial subjects, reduction of armaments, problems of social policy, the rights of minorities, the burden of high rates for passports and visés, and improvements in international law, which from the beginning has been one of its objects.

It has been said that these members have no official status, and that is true; but many of them consult their governments before coming here, and reflect in no small degree the opinion of the chancelleries of the governments from which they come.

Mr. BLANTON. Right there would the gentleman mind yielding just for one question?

Mr. BURTON. No.

Mr. BLANTON. Take, for instance, this body. The last three men we sent, if I remember correctly, were the distinguished gentleman from Ohio, and Doctor TEMPLE, and Governor MONTAGUE. Were they not the three?

Mr. BURTON. Yes; but not all who attended.

Mr. BLANTON. This House did not elect them. This House did not instruct them. This Government did not instruct them. They went over just merely as three individuals by reason of belonging to this body. They had no instruction by the House of Representatives. They were not elected by the House of Representatives. They had no official standing. They were just three individual American citizens.

Mr. BURTON. None whatever. But those representatives were from Congress, and included also in the list were Messrs. RAKER and CHINDBLOM, of this House. Senator WALSH, of Montana, was at Stockholm, and Senators ROBINSON, of Arkansas, McKINLEY, of Illinois, SWANSON, of Virginia, ASHURST, of Arizona, HARRELD, of Oklahoma, and STERLING, of South Dakota, were at Copenhagen, with perhaps one or two others whose names have gone from me. Doctor TEMPLE was at Vienna, but not at Copenhagen. We were able to state to the assembled members from Europe and Asia, in fact, the viewpoint of the United States on the great questions of the day. We were insistent in saying to them that the United States was not without interest in their welfare and the peace of the world; that we were ready to join in any rational movement, consistent with our own Constitution and our own vital interests, in promoting their interests and the establishment of peace among the nations. We brought home the foreign viewpoint, and that contact was not without benefit to this body and to the representative bodies from other countries represented in that gathering. In each of their assemblages there have been suggestions made which representatives have taken home with them and presented to their own parliaments. I must expressly deny that these meetings have been without benefit. It is true that the one great event was the calling of the second conference, and that stands out preeminently as the most notable achievement of the union. That in itself was worth while, and others less important, but most helpful in promoting good will, have been accomplished by the union.

Now, there is an appropriation asked of $50,000. I do not think that amount unduly large. In the first place, can this great, wealthy country of ours—when Denmark, Sweden, and poor Austria have given money generously for the entertainment of visitors, for the furnishing of stenographers and translators, and for the printing of the proceedings—afford to be niggardly in the amount we appropriate? If any amount less than $50,000 is required, the full $50,000 will not be expended.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Does the gentleman from Arkansas [Mr. WINGO] wish to use any time?

Mr. MOORE of Virginia. Mr. Chairman, I will yield time for the gentleman from Arkansas. I yield five minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. BLANTON. If I have any time remaining, I yield it to the gentleman from Texas.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] has two minutes remaining. How much time does the gentleman from Pennsylvania [Mr. TEMPLE] yield to the gentleman from Texas?

Mr. TEMPLE. I yield 10 minutes.

The CHAIRMAN. The gentleman from Texas [Mr. CONNALLY] is recognized for 17 minutes.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I agree in large part with what has been said by the gentleman from Ohio [Mr. BURTON]. I have never attended any of the meetings of the Interparliamentary Union and have had no personal contact with their deliberations, but it seems to me that in view of the large international possibilities of such an organization, not only from the aspect of peace but from the standpoint of democracy all over the world, we ought to take part in these deliberations, and that we should invite the Interparliamentary Union to meet in the United States in 1925.

Before any great reform is brought about somebody has first got to think about it, and then after somebody happens to think about it, somebody is going to have to talk about it and discuss it. Through the clash and contact of minds and in the crucible of argument, if I may use that expression, we generally discover the truth. As I understand the situation, the Interparliamentary Union not only discusses questions of peace but it discusses, among the unofficial representatives or delegates from the various parliaments of the world that are members of that organization, many governmental questions. For instance, there is a great problem that is of world-wide importance. Each nation in discussing that problem with the representatives of other nations becomes acquainted with their methods of dealing with that situation. So I take it that, although these gentlemen who are delegates to the Interparliamentary Union do not represent their governments in the sense that they have any authority to bind their governments and

have no power to act for their governments, yet through this instrumentality there is always present the possibility of setting in motion those forces and those lines of thought which will redound to good government throughout the whole world.

While I am not an internationalist, while I believe in nationality and believe in retaining the individuality of my own country, I believe that our own people are served and that this Government is served whenever, anywhere on this revolving globe, any government can be led to the adoption of an improved governmental system and form of government, and whenever there can be established in the minds of that nation the proper concepts of peace and orderly government.

If two individuals have a misunderstanding and either of them is disposed to settle it peaceably, the best way in the world to settle is peaceably is to get them together and let them talk the question over. Then frequently they will arrive at a just and fair conclusion. Why do we have debate in Committee of the Whole? Why do we have debate in this House? Why did the Constitution, and why did the rules of the House provide for debate? Why not vote without any debate? Why, gentlemen, the answer is obvious. The object of debate and the object of discussion in this Chamber is to let the conflicting opinions be presented, thrash out the questions at issue, and let this House finally arrive at a decision—sometimes wise and sometimes not so wise—which this House thinks is wise. In a larger way that is the function of the Interparliamentary Union, to discuss these international problems and questions, and have each one carry back to his nation the views that he may gather abroad.

I was struck by some of the things that were suggested by the gentleman from Arkansas [Mr. WINGO] with relation to world peace. I believe that most of us down deep in our hearts believe in some method of preserving the peace of the world by international agreement.

I believe just as well as I stand here that the gentleman from Ohio [Mr. BURTON] down deep in his consciousness believes that we should bring our energies to bear to influence the nations of the world to settle disputes calculated to lead to war by some peaceable machinery. Of course, the gentleman from Ohio would no doubt say that he is not in favor of a league of nations. Well, that is all right. There is nothing in a name. He would, perhaps, say that he is in favor of an association of nations. I am not going to condemn him. He has the undoubted right to believe that some plan other than the League of Nations is the best plan, but if we can keep discussing this question and if we can get those people, whether they are Republicans or whether they are Democrats, who really and honestly and sincerely believe in the establishment of some international plan for the preservation of peace—if we can keep that type of statesman discussing and presenting arguments for and against it and pointing out the defects in any particular plan, I have not yet despaired nor may I hope shall I ever despair of finding after a while some plan upon which our people may unite and to which we can adhere.

Some distinguished gentlemen on the Republican side of the House are in favor of a world court and I commend them for it. I understood the gentleman from Pennsylvania [Mr. TEMPLE] to say in the debate a little earlier in the afternoon that he was in favor of the World Court and advocated the international court of justice. Now, my friends, it is just a little way from a court of that kind, after he experiments with it, until the gentleman from Pennsylvania, perhaps, will be prepared to take still another step forward if he believes it necessary to take such a step to secure the peace of the world. Very few great reforms ever spring full fledged from the brow of the Greek goddess Athena, I believe it was——

Mr. BURTON. From the brain of Jove.

Mr. CONNALLY of Texas. Athena sprang from the brow of Zeus or Jove, fully equipped. She was the goddess of wisdom, and legend credits her with creation of the olive tree. Even from the brow of wisdom no great reform comes forth full fledged; none of them steps forth from the brain of the reformer in perfect stature. We must begin at the beginning and permit them to grow and develop.

I doubt not but that the Interparliamentary Union already has been a source of inspiration to the statesmen who have attended its sessions and has given them a larger grasp of public affairs. I am sure it has, because it was instrumental in a large measure in promoting the work at The Hague. That is true, is it not, Doctor TEMPLE?

Mr. TEMPLE. Yes.

Mr. CONNALLY of Texas. And out of that beginning may grow other great reforms. The League of Nations, as we know it, was simply the development of such ideals. It was not alone a development of the conception that called the conferences at The Hague so much as it was the development of the idea of world peace that runs back to the time of Sully, the minister of Henry IV of France. It runs back through the days of Jeremy Bentham and of the German philosopher, Kant, and of the great Frenchman, Rousseau. All of them advocated an international arrangement to preserve peace. So, after all, it is not new. We are simply in the process of developing the idea, and I believe that the Interparliamentary Union will contribute to that desirable end.

I even have hopes of our friends, the Republicans, embracing some doctrine of that kind. I am told that when the wild elephant in the jungle is captured he is not able to perform the splendid tricks you see him perform in the circus. They say that the wild elephant can not stand on upturned tubs and do all of the marvelous tricks of the ring. They catch this wild elephant in the forest and before the trainers put harness on him they try out a surcingle on him, and when he kicks and rears and charges and finally becoming accustomed to the surcingle succumbs, they adjust a crupper, and after he cavorts and snorts and raises all manner of sand about that and becomes finally accustomed to it, they then put on some additional harness, until after a time he wears in peace the elaborate trappings upon which oriental potentates habitually ride; and after a while those of us who attend the circus see the old elephant, caught in the wilds of the jungle, performing all kinds of fancy performances, to the delectation and delight of the audience. [Laughter.]

Mr. SPROUL of Kansas. He learns rapidly.

Mr. CONNALLY of Texas. Speaking seriously, I have no doubt that some day the party of LODGE, the party of the gentleman from Pennsylvania [Mr. PORTER], the party of Senator BURTON, of Ohio, will come out in a ringing declaration, one they really mean, in favor of some kind of international adjustment in behalf of peace.

Mr. BOYLAN. Does the gentleman desire to draw an analogy between this elephant he is training and some other elephant?

Mr. CONNALLY of Texas. Absolutely. I will say to the gentleman in reply that I thought the analogy was clear, and I am going to follow it up.

When this Republican elephant finds a league of nations with the name of Woodrow Wilson erased from it, and gets accustomed to that, and then when this elephant sees that instead of being called a league of nations it will be called an association of nations, and gets accustomed to that, and when the elephant finally looks up and sees an international court of justice in part established by Elihu Root and approved by Mr. Hughes, and recognizes those well-known names, it may trumpet a few times and switch its tail for a little while, but finally it will probably encircle it with its rusty old trunk and say, "This thing, after all, is just what I have been looking for."

Mr. KING. Will the gentleman yield?

Mr. CONNALLY of Texas. Then, when they turn over in the CONGRESSIONAL RECORD and see where in 1919 the Republican Senate voted with an air of apparent sincerity and solemnity for the League of Nations with the Lodge reservations, they will say, "When we look back through old King Tut's tomb we find our great patron saints were in favor of the League of Nations with these reservations," my friends, I entertain the firm hope that the Republican Party will really come out for some kind of plan of that kind.

I yield to the gentleman from Illinois.

Mr. KING. I knew the gentleman had very many qualifications, but I never knew before that he knew so much about animal training, and I wonder if he could not give us a little dissertation on the way the Democratic jackass is usually trained.

Mr. CONNALLY of Texas. I will tell you about the jackass. I am glad the gentleman mentioned it. [Laughter and applause.] I will say all of them are not Democrats, either. [Laughter and applause.] That has no application to the gentleman from Illinois.

Whatever you may say about the old donkey, or jackass, as the gentleman prefers to call him—whatever you may say about him, he is an honest brute. [Laughter.] Whatever you may say about him, he looks you in the eye, and he prefers that you look him in the eye and be frank with him, and if you do not, if you begin to slip up on him without giving him warning, he is apt to let you know in a very forcible way that your presence is not desired. He is faithful and sturdy and strong, and serves those who toil with their hands—he is never seen drawing the carriages of kings or plutocrats—he wears the

livery and gilded harness of neither the magnate nor the manufacturer. In his own genuine garment that nature gave him he uncomplainingly labors for the great mass of human kind.

Whatever you may say about the old donkey, he is a patient beast of burden that cultivates and tills the field that produces the food that sustains the world. [Applause.] Whatever you may say about the old donkey, he receives no bounties from the favored interests; when he goes to the trough at night to eat his food he gets an honest return for an honest day's labor. He grazes in no alfalfa fields to which he is not entitled.

Mr. SHERWOOD. And he is dangerous at both ends.

Mr. CONNALLY of Texas. Yes; dangerous at both ends, and I know of no better source from which that information can come than from the gentleman from Ohio [Mr. SHERWOOD], who has proved that he is himself dangerous both in war and in peace. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MOORE of Virginia. I yield to the gentleman five minutes more.

Mr. CONNALLY of Texas. I happened to have an opportunity to be in the gentleman's district in Ohio two years ago; and when I picked up the paper and read the Republican casualties in that district I saw facts that confirmed the opinion that I already entertained, that the general can do as much damage in an election in peace time as he was able to do on the field of battle. [Laughter and applause.]

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. CONNALLY of Texas. I will.

Mr. MOORE of Virginia. Is not my friend rather proud of the distinguished chairman of the Committee on Foreign Affairs for his services in connection with the League of Nations, and will not the gentleman say something about that?

Mr. CONNALLY of Texas. I am delighted that the gentleman from Virginia has called my attention to that. The distinguished chairman of the Committee on Foreign Affairs of the House [Mr. PORTER], with a great big commission with a red seal on it, bearing the impress of the Department of State, over which Charles Evans Hughes presides, took the sovereignty of the United States in his pocket and went abroad to attend a conference held under the jurisdiction of the League of Nations. [Laughter and applause.]

The distinguished chairman performed there a useful service toward the suppression of the narcotic traffic. He believed and justly believed that that evil traffic ought to be exterminated and extirpated, and in order to accomplish such a result he was willing to attend the agency set up by the League of Nations to bring about an agreement among the nations. He was perfectly willing to surrender and sacrifice the sovereignty of the United States to stop the sale of narcotics, and I am hoping a little later on that he will be willing to surrender an equal amount of sovereignty to enter into an agreement to stop war as well as the traffic in narcotics. [Applause.]

The gentleman from Ohio [Mr. BURTON] on a number of occasions has praised the Conference on the Limitation of Armament. I am not going to criticize him for that. The Republican administration has praised the conference and treaty on disarmament. Why, my friends, it only illustrates the fact that the gentleman from Ohio and the President of the United States at that time and the Secretary of State are perfectly willing to enter into a treaty surrendering to a certain degree the sovereignty of the United States to limit the number and size of our arms, but they are not willing to sacrifice an equal degree of sovereignty by entering into a treaty not to use those arms in making war when we can settle the quarrel without war. It is not a surrender of sovereignty to say that we shall not have more than so many battleships or more than so many soldiers, but it is a surrender to say that we will not fight until we discuss matters around the council table and undertake to arrive at a just and fair decision. Why, my friends, last year we sent unofficial observers to certain conferences of which I have a list. The United States participated in an international conference on the narcotic drug matter, a conference for the suppression of white slavery under the jurisdiction of the League of Nations. If the League of Nations is competent to bring about an international agreement to stop the traffic in women, why should not it be competent to bring about an agreement to stop traffic in human blood and in human lives on the field of battle. [Applause.] We sent representatives to a conference for the suppression of anthrax among domestic animals. It was perfectly competent to surrender to a modified degree the sovereignty of the United States in order to prevent some old finger-tailed pony from dying of anthrax, but we could not surrender to the same degree the sovereignty of the United States by a treaty to stop the death of millions of young men on the field of battle. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. MOORE of Virginia. I yield five minutes more to the gentleman from Texas.

Mr. KING. Mr. Chairman, would it disturb the gentleman to yield to a question?

Mr. CONNALLY of Texas. Not at all.

Mr. KING. I did not have the pleasure of being present at the earlier part of the gentleman's address, and I want to know what benefit this Interparliamentary Union does and what it has ever done for the benefit of the world or anybody else?

Mr. CONNALLY of Texas. That question really should have been propounded to the gentleman from Ohio [Mr. BURTON], because he has attended a number of such conferences.

Mr. KING. Oh, I do not want to take the gentleman's time, when I can read it in the RECORD in the morning; but it has always seemed a huge joke to me.

Mr. CONNALLY of Texas. The gentleman, of course, refers to the Interparliamentary Union.

Mr. KING. Yes.

Mr. CONNALLY of Texas. We sent unofficial representatives to a conference for the purpose of drafting a treaty of mutual guaranty for the control of arms and ammunition. I have adverted somewhat to a similar conference; also to a conference on public health, which involved such matters as international campaigns against diphtheria, malaria, venereal and contagious diseases, rural sanitation, and so forth. It is perfectly competent, it is perfectly appropriate to have international agreements about public health questions, about social diseases, but when we come to this question that is higher than all these other questions, the question of setting up an establishment to prevent war, then these gentlemen are seized with an attack of paralysis agitans and say that we would be surrendering the sovereignty of the United States to do so.

But I am not despairing. I really sincerely believe—and I am not saying this for partisan, political purposes—that when men down in their hearts believe some method ought to be brought about to prevent war, that finally through discussion, through interchange of ideas, we shall be able to agree upon some kind of machinery. I know the gentleman from Pennsylvania [Mr. TEMPLE] believes in peace, and I know the gentleman from Ohio [Mr. BURTON] believes in peace, and as soon as these gentlemen are able to get over some of their preconceived prejudices, as soon as they become willing to discuss these things without a partisan bias, then surely we may hope to get together. I do not mean that they are going to come over to my view or that I am going over to their view, but if we are all sincere in this desire, then as surely as night follows day the great Providence will let us work it out.

There is one other matter to which I wish to refer. There are other questions besides the abstract question of peace that can be served by the Interparliamentary Union. We believe in democracy; we believe in a representative government. Do you know that most of the wars that have been waged in the history of the world have been fought because some infernal king either wanted a little more territory or wanted to bring about the aggrandizement of himself or his dynasty through conquest? I believe that every time we get rid of a king or an emperor, every time we destroy a monarchy we are taking that many steps toward international peace. What will this conference do? With the great parliamentary countries of the world—the United States, Great Britain, and France, and other nations that really believe in democratic institutions—meeting around the council table and discussing questions of government with other nations of the world that have been under the sway of monarchical forms of government, just as surely as we are living that fact is going to instill into those nations the belief in and attachment to the principles of democracy and of representative government. [Applause.] When that comes about, that of itself will mean more in the direction of peace than any other one concrete thing that now suggests itself to my mind.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. WEFALD. Will countries that are now not practicing democracy be barred from sending delegates?

Mr. CONNALLY of Texas. Not at all. That is what I am trying to suggest, that monarchical countries that now have parliaments may send representatives here, and that those

representatives through coming in contact with representatives from free countries will likely go back with an inspiration for liberty.

Mr. WEFALD. Will it do much good to have representatives come here from Italy and Spain, considering the way that they practice democracy over there to-day?

Mr. CONNALLY of Texas. The effect of international example and influence will be helpful in that respect. The history of the United States is an example of that. It has been 140 years since through revolutions we drove the armies of a king from our shores and emerged from a colonial form of government and became the great Republic of the West. It was not many years after our struggle for liberty had made us a nation before the French people, laboring under centuries of monarchy, laboring under centuries of oppression, rose in their wrath and struck from their cramped limbs the chains of slavery. It was not long, during the period from 1810 to 1820, catching inspiration from our own example and that of the French, before the Spanish colonies of Central and South America set on foot revolutions that brought them independence. A little later the spirit of revolt swept through the monarchies of Europe. That same tide of revolution against the old system has been progressing all through these years, and it is on the march now. I think I can hear the footsteps of the peoples of the earth marching on the way from kingdoms and monarchies to self-government, and I believe that the ideals of democratic and representative government through the earth will be subserved by the meeting of the Interparliamentary Union and by the dissemination through it of parliamentary principles all over the world. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MOORE of Virginia. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Chairman and gentlemen, curiously enough no point of unconstitutionality has been made against this proposed appropriation, yet a strict analysis would find the same objection to it that was laid against the remission of the indemnity fund upon China. The very preamble of the Constitution that calls upon us in establishing and ordaining a nation to pursue that course that promotes the general welfare constitutes the essence and the spirit of our support for this fund to help provide for the Interparliamentary Union. I wonder how many of us have forgotten that immortal sentence of the lamented President Harding when he spoke at the opening of the great Disarmament Parliament and uttered these powerful words:

> There is something fundamentally wrong in any system of civilization that spends the greater part of its money and its activities on the scientific destruction of the human race.

And, certainly, if friends sit down and look each other in the face, shaking hands in a great effort to keep the peace, they are more apt to do so than if they spend their time in different camps preparing for war. And whether it shall be the dream and the plan of that stainless Gladstone of America, William J. Bryan, who sought to bind the world together in pacts of enduring peace; or whether it shall be the dream and the plan of the great former Republican President, now Chief Justice, William Howard Taft, who at the helm of the League to Enforce Peace gave great service to humanity; or whether it shall be the crystallization of the dream and plan of the brilliant seer and world citizen, Woodrow Wilson [applause], who fell on the firing line and ultimately gave his wonderful life that he might give constructive peace to a suffering, staggering world, or whether it shall be the dream and plan of the lamented Warren G. Harding, who, with the Association of Nations and Disarmament Parliament was seeking the same great end, you know and I know and God knows that the world is hungry for some sane agreement, some handclasp of fellowship on the part of the great nations of the world that shall make is unnecessary for a great pacific Nation like the United States of America to spend more than 90 cents out of every dollar to take care of the ravages of war, past, present, and to come.

Mr. KING. Will the gentleman yield?

Mr. UPSHAW. Yes.

Mr. KING. I certainly do not understand the gentleman is putting the Interparliamentary Union in the same class as the League of Nations?

Mr. UPSHAW. If the Interparliamentary Union is not intended to create good will and fellowship between the nations and ultimately stop the ravages of war, then I am not in favor of it.

Mr. KING. Where were they during the war and prior to the war? There was no evidence on their part.

Mr. BLANTON. They did not meet during the war.

Mr. KING. But they carried the expense all the same.

Mr. UPSHAW. I understand this Interparliamentary Union is to create international fellowship and thus lessen the probabilities of war, and because of that fact I rejoice to support this measure. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. This is a peace-time entertainment proposition, is it not?

Mr. LaGUARDIA. How could they meet in war? It would have been unlawful for a Member of Congress to do so.

The Clerk read as follows:

> Joint resolution (S. J. Res. 104) requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting.
>
> Whereas the Congress, in an act approved June 30, 1914, requested the President to extend an invitation to the Interparliamentary Union to hold its annual meeting for the year 1915 in the city of Washington, and in the same act appropriated the sum of $40,000 to defray the expenses of the said meeting; and
>
> Whereas when the World War led to repeated postponements of the said meeting the Congress repeatedly extended the appropriation: First, the act of July 1, 1916, extended it and made it available for the calendar years 1916 and 1917; second, the act of March 3, 1917, extended the appropriation and made it available for the calendar year 1918; third, the act of April 15, 1918, extended the appropriation and made it available for the calendar year 1919; and
>
> Whereas this appropriation, repeatedly extended, has lapsed, and no part of it having been expended, and the meeting thus arranged for in Washington City has not been held: Therefore be it
>
> *Resolved, etc.*, That the President be requested to invite the Interparliamentary Union to hold its annual meeting for the year 1925 in the city of Washington.
>
> SEC. 2. That for the purpose of defraying the expenses incident to said meeting the appropriation of $50,000, to be expended under such rules and regulations as the Secretary of State may prescribe, is hereby authorized.

Mr. TEMPLE. Mr. Chairman, I move that the committee do now rise and report the Senate joint resolution to the House with the recommendation that it pass.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman withhold that motion for a moment?

Mr. TEMPLE. Yes.

Mr. ROGERS of Massachusetts. I would like to ask the gentleman from Pennsylvania whether in the final preamble, at the top of page 2, there is not a superfluous "and"? The resolution reads:

> Whereas this appropriation, repeatedly extended, has lapsed, and no part of it having been expended and the meeting thus arranged for in Washington City has not been held.

Should not the "and" in line 2 be omitted?

Mr. KING. Mr. Chairman, I make the point of order that there is no quorum present. There is no quorum here.

Mr. BLANTON. I suggest that the gentleman wait until we get a vote.

Mr. WINGO. I ask the gentleman from Illinois to withdraw that and to refer this dispute over the "and" to The Hague.

The CHAIRMAN. The point of no quorum has been made. The Chair will count.

Mr. KING. Mr. Chairman, in view of the fact that two very eminent gentlemen, the gentleman from Arkansas [Mr. WINGO] and the gentleman from Illinois [Mr. SABATH], have assured me that this is a very meritorious measure I withdraw the point of no quorum.

The CHAIRMAN. The gentleman from Illinois withdraws the point of no quorum.

Mr. TEMPLE. Mr. Chairman, I renew my motion.

The CHAIRMAN. The gentleman from Pennsylvania moves that the committee do now rise and report the resolution to the House, with the recommendation that it pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the resolution S. J. Res. 104, had directed him to report the same back to the House with the recommendation that the resolution do pass.

Mr. TEMPLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the preamble.

The preamble was agreed to.

The SPEAKER. The question is on the third reading of the resolution.

The resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 58, noes 4.

So the resolution was passed.

On motion of Mr. TEMPLE, a motion to reconsider the vote whereby the resolution was passed was laid on the table.

Mr. TEMPLE. Mr. Speaker, I move to lay on the table the House bill of similar import.

The motion was agreed to.

LEAVE TO ADDRESS THE HOUSE

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent that on Friday morning, after the disposal of business on the Speaker's desk, I may have the pleasure of addressing the House for 25 minutes.

The SPEAKER. The gentleman from Georgia asks unanimous consent to address the House on Friday for 25 minutes. Is there objection?

Mr. BEGG. Reserving the right to object, Mr. Speaker, has the gentleman from Georgia consulted the gentleman from Ohio, the floor leader [Mr. LONGWORTH]?

Mr. UPSHAW. I have not.

Mr. BEGG. I shall have to object.

Mr. BLANTON. Do we have to have the consent of the gentleman from Ohio?

Mr. BEGG. This involves the consumption of time.

Mr. UPSHAW. I did not have opportunity to speak to the gentleman from Ohio. Does the gentleman object?

Mr. BEGG. I do.

The SPEAKER. Objection is made.

REPEAL THE ODIOUS ESPIONAGE ACT

Mr. BERGER. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject discussed in yesterday's RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BERGER. Mr. Speaker and gentlemen, I have introduced a bill to repeal the law which punishes "acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States," misnamed the espionage act, under the provisions of which no spy has ever been caught or punished, but many thousand citizens have been maltreated and millions kept in abject fear.

Opposition of the Socialist Parties of all countries against imperialistic and commercial wars is as old as international socialism.

NO OTHER COUNTRY HAD SUCH PRESECUTION

It is worth noting that the proclamations of all the European socialists in 1914 against the war were very much like the proclamation and war program of the American socialists adopted in St. Louis in 1917. Even the phraseology was almost the same.

The Socialist Party in every country was too weak to stop the war. In no other country, however, were socialists persecuted as in the United States.

DEPRIVED OF ALL MAIL, EVEN LETTERS

What happened to me is this: A citizen of Milwaukee, Wis., I was indicted in Chicago, in the State of Illinois, under that so-called "espionage act" for having written and spoken against our participation in the war. I was compelled to furnish bail there amounting to $100,000. I was under bail for $45,000 more on other indictments in Wisconsin for the same articles.

The Milwaukee Leader—one of the foremost socialist dailies in the country—and I have been persecuted under that infamous law in an unprecedented manner. The Milwaukee Leader not only lost its second-class mailing rights by order of Postmaster General Burleson, but he also deprived us of the right to receive any and all kinds of mail, letters included. Even a box of strawberries sent to the editor by parcel post was returned as "undeliverable under the espionage act."

As late as June, 1921, a person could mail a letter to the former German Kaiser in Holland and have it delivered, but none to the Milwaukee Leader or any of its editors.

THE SPY HYSTERIA

Says Mr. Zechariah Chafee, professor of law, Harvard University, in his book, Freedom of Speech:

No one reading the simple language of the espionage act of 1917 would have anticipated that it would be rapidly turned into a law under which opinions hostile to the war had practically no protection.

This feeling was largely due to the hysterical fear of spies and other German propaganda. All of us looking back to 1917 and 1918 are now sure that the emotions of ourselves and everyone else were far from normal. I remember hearing one woman on a railroad train say to another:

"Yes; my brother was going to France with the Y. M. C. A., but the sailing of his boat has been put off and put off. I don't like to say it is German propaganda, but it certainly looks like it."

Mr. John Lord O'Brian, Assistant to the Attorney General in the prosecution of the most important espionage act cases, gives a vivid account of the false stories of enemy activities within the United States put forth through the medium of press dispatches, pamphlets of patriotic societies, and occasionally speeches on the floor of Congress.

"DEMENTIA AMERICANA"

"A phantom ship sailed into our harbors with gold from the Bolsheviki with which to corrupt the country; another phantom ship was found carrying ammunition from one of our harbors to Germany; submarine captains landed on our coasts, went to the theater and spread influenza germs; a new species of pigeon, thought to be German, was shot in Michigan; mysterious airplanes floated over Kansas at night," etc.

"Then there were the alleged spies themselves. Spoermann, alleged intimate of Bernstorff, landed on our coasts by the U-53, administrator of large funds, caught spying in our camps, turned out to be a plumber from Baltimore.

"Several other alleged spies caught on the beaches signaling to submarines were subsequently released because they were honest men, one of whom had been changing an incandescent-light bulb in his hotel room; another of whom was trying to attract the attention of a passer-by on the beach," etc.

"There was no community in the country so small that it did not produce a complaint because of failure to intern or execute at least one alleged German spy. These instances are cited only to show how impossible it was to check that kind of war hysteria and war excitement."

PASSION FOR BECOMING SPIES

Yet not one case under this part of the statute shows the slightest evidence that the utterances were actuated by German money or German plans. Mr. O'Brian says it is doubtful if even the I. W. W. had any German support. Besides this fear of German spies, another influence which made fair trials under the espionage act very difficult was the passion of Americans for becoming spies. Not only did the American Protective League act as auxiliary to the Department of Justice, but, as the same authority says:

"Throughout the country a number of large organizations and societies were created for the purpose of suppressing sedition. The membership of these associations ran into the hundreds of thousands. One of them carried full-page advertisements in leading papers from the Atlantic to the Pacific, offering in substance to make every man a spy chaser on the payment of a dollar membership fee. No other cause contributed so much to the oppression of innocent men as the systematic and indiscriminate agitation against what was claimed to be an all-pervasive system of German espionage."

NOT A SINGLE GENUINE SPY CASE

Under the espionage act, according to the report of the Attorney General, not a single man was convicted of being a German spy, of trying to find out military secrets, or having had communication with the enemy. American citizens, however, have been sentenced to terms as long as 20 years in the penitentiary for remarks made in private conversation about this war.

It was a crime to say or write that the war was caused by commercial rivalry.

To doubt that it was an "idealistic war" meant that the doubting Thomas was immediately arrested as a pro-German, or at least a socialist—which proved to be a wonderful protection to all profiteers.

HARDING AND WILSON ON CAUSE OF WORLD WAR

Spokesmen of the Republican Party in the United States Senate, however, now frankly admit that it was a war for commercial supremacy.

Senator Harding, late President Harding, declared in open session, even during the war, that "from the very beginning it was a lie to say that this was a war to make the world safe for democracy." And President Wilson, at the St. Louis Coliseum September 5, 1919, enlightened the world as follows:

The real reason that the war we have just finished took place was that Germany was afraid that her commercial rivals were going to get the better of her, and the reason why some nations went into the war against Germany was that they thought that Germany would get the commercial advantage of them.

CIVIL WAR WAS DECIDED NEAR WASHINGTON, D. C.

Abraham Lincoln waged a war for four years, infinitely more dangerous to our country and to the Union, without an "espionage" law. It was a war which divided our population in almost every city, even up North. It was a war which in the main was fought out and decided within 100 miles of Washington. But Lincoln refused to have a gag law enacted.

But to quote Professor Chafee's book again, he says:

SOME OF THE 2,000 CASES

It is unnecessary to review the 2,000 espionage act prosecutions in detail, but a few general results may be presented here.

The courts have treated opinions as statements of fact and then condemned them because they differed from the President's speech or the resolution of Congress declaring war. Almost all the convictions have been for expressions of opinion about the merits and conduct of the war.

It became criminal to advocate heavier taxation instead of bond issues; to state that conscription was unconstitutional though the Supreme Court had not yet held it valid—to say that the sinking of merchant vessels was legal—to urge that a referendum should have preceded our declaration of war—to say that war was contrary to the teachings of Christ.

Men have been punished for criticizing the Red Cross and the Young Men's Christian Association, while under the Minnesota espionage act it has been held a crime to discourage women from knitting by the remark, "No soldier ever sees these socks."

It was in no way necessary that these expressions of opinion should be addressed to soldiers or men on the point of being enlisted or drafted. Most judges held it enough if the words might conceivably reach such men.

ALL GENUINE DISCUSSION BECAME PERILOUS

They have made it impossible for an opponent of the war to write an article or even a letter in a newspaper of general circulation, because it will be read in some training camp where it might cause insubordination or interfere with military success. He can not address a large audience, because it is liable to include a few men in uniform; and some judges have held him punishable if it contains men between 18 and 45, since they may be called into the Army eventually. Some have emphasized the possible presence of shipbuilders and munition makers. All genuine discussion among civilians of the justice and wisdom of continuing the war thus becomes perilous.

Judge Van Valkenburgh, in Kansas, even made it criminal to argue to women against a war by the words, "I am for the people and the Government is for profiteers," because what is said to mothers, sisters, and sweethearts may lessen their enthusiasm for the war, and our armies in the field and our navies upon the seas can operate and succeed only so far as they are supported and maintained by the folks at home.

The doctrine of indirect causation never had better illustration than in this charge.

ANOTHER CHARACTERISTIC CASE

Many men have been imprisoned for arguments or profanity used in the heat of private altercation, on a railroad train, in a hotel lobby, or at the battle ground of disputation—a boarding-house table.

In one case two strangers came to a farmhouse and asked the owner if he could let them have gasoline, saying that they had been stranded out in the country. He not only gave them the gasoline but invited them to dinner. An argument arose during the meal, and the farmer used scurrilous and presumably unpatriotic language in the presence of his guests, two hired men, two nieces, and some children. The guests reported his language and he was convicted of a willful attempt to cause disloyalty, insubordination, mutiny, and refusal of duty in the military and naval forces of the United States.

Even unexpressed thoughts have been prosecuted through an ingenious method of inquisition.

DID NOT AGREE WITH PRESIDENT

A few concrete cases of convictions that have been upheld will show how the espionage act operates to punish expressions of opinion. For instance:

J. P. Doe, son of the great chief justice of New Hampshire, while living in Colorado because of bad health, mailed an "endless-chain" letter, to be sent "to friends of immediate peace," which stated that, although the President and Secretary of State had said Germany had broken her promise to end submarine warfare, Germany had made no such promise, but had reserved in the *Sussex* note complete liberty of decision as to the future. Doe was sentenced to 18 months in prison.

Only once in our history prior to 1917 has an attempt been made to apply those doctrines.

THE ALIEN AND SEDITION LAWS

In 1798 the impending war with France, the spread of revolutionary doctrines by foreigners in our midst, and the spectacle of the disastrous operation of those doctrines abroad—facts that have a familiar sound to-day—led to the enactment of the alien and sedition laws.

The alien law allowed the President to compel the departure of aliens whom he judged dangerous to the peace and safety of the United States, or suspected, on reasonable grounds, of treasonable or secret machinations against our Government.

The sedition laws punished false, scandalous, and malicious writings against the Government, either House of Congress, or the President, if published with intent to defame any of them, or to excite against them the hatred of the people, or to stir up sedition or to excite resistance of law, or to aid any hostile design of any foreign nation against the United States. The maximum penalty was a fine of $2,000 and two years' imprisonment.

Truth was a defense, and the jury had power to determine criminality.

WRECKED THE FEDERALIST PARTY

Despite the inclusion of the two legal rules for which reformers had contended, and the requirement of an actual intention to cause overt injury, the sedition act was bitterly resented by the people at that time as invading the liberty of the press.

Its constitutionality was assailed on that ground by Thomas Jefferson, who pardoned all prisoners when he became President.

Congress eventually repaid all the fines, and popular indignation at the act and the prosecutions entirely wrecked the Federalist Party.

WHERE ESPIONAGE LAW DIFFERED

Now, the espionage act of 1917 was in the main a true copy of the law of 1798, with this difference, however: The maximum penalty was raised from a fine of $2,000 and 2 years' imprisonment to a fine of $10,000 and 20 years' hard labor in the penitentiary.

Moreover, the truth of a statement was not admitted as a defense.

WAS USED AGAINST SOCIALIST PARTY

And it was used to try to destroy the Socialist Party as a matter of course.

Although my codefendants and I were told at the beginning of our trial in Chicago by the United States district attorney that the "Socialist Party was not on trial," a few minutes after we had been found guilty by the hand-picked jury, the same United States district attorney triumphantly declared in an interview to the papers that "Bolshevism has received its fatal blow in this verdict."

WHAT IS SOCIALISM

Now, socialism is not Bolshevism. Socialist is the collective ownership and democratic management of the social means of production and distribution—steel industry, oil wells, coal mines, railroads, and so forth—but Bolshevism is an autocratic communism based upon a super state supported by terrorism.

As to socialism, well, with people who believe that whatever is will exist forever, and that we have reached the acme of civilization and the end of all things in economic progress, with such people it is useless to argue.

That we have not reached the end of our economic development is clear. Every new invention and every new political question proves that to us. We do not even know how best to use the elaborate machinery we have invented.

Nor need I explain to any sensible man that the world-wide socialist movement is not to be traced to the irresponsible work of individual agitators or eccentric persons. Determined opponents of the present privately owned system of industry as socialists are, we never charge that the concentration of capital is the cause of all evil. We look the facts squarely in the face.

We know that the trusts are the legitimate outcome of competition. The trust is "the survival of the fittest" under private ownership. The trust appears after competition has virtually destroyed competition. Socialists, therefore, do not try "to smash the trusts."

On the contrary, socialists appreciate so fully the advantages of industrial production on a large scale that we wish its most perfect development. But we socialists wish to give its benefits to everybody. For that reason we want to nationalize the trusts.

The control of production by the people as a whole means the highest possible perfection of industry on a large scale and the extension of the advantage to all the people.

SOCIALISM PURELY MATTER OF EVOLUTION

Thus socialism must be purely a matter of evolution. The day never will come when anybody can assemble the people in the market square and tell them that from next Monday morning at 8 o'clock they will have socialism. The Bolsheviki tried to put over communism in a sudden fashion and failed miserably.

ALL MY PREDICTIONS HAVE COME TRUE

As to my position against the late war—well, I need retract nothing from the articles I have written or from the speeches I have delivered, because all my predictions have come true. And a great deal more has already developed than I have predicted.

This was the worst imperialistic war ever known in the history of the world. Every honest man who has any brains admits it now. This war made about 30,000 new millionaires in America alone.

WHAT WAR COST AMERICA

The Milwaukee Leader often dwelt upon the unparalleled cost of the war. A statistical summary of America's war expense places the total at $40,000,000,000, and it is stated that "we could have for the cost of this war carried on the Revolutionary War for 1,000 years." And we had 323,000 casualties.

Or, to put the matter differently, this sum would have been enough to pay the cost of running the American Government from 1791 up to the outbreak of the European war.

RESULT TO REST OF WORLD

And what has been accomplished by these sacrifices? An impossible "peace" was dictated at Versailles. Europe has been paralyzed economically and politically.

The world's economic fabric, which has its heart in central Europe, largely has been destroyed, and billions of property with it.

Millions in all countries can not find employment. Nations are staggering under colossal debts and are unable to pay even the interest.

At the same time most nations are swaying between anarchy and tyrannical despotism. Please witness conditions in Italy. There the Fascisti, a revolutionary mob, under the guise of patriotism are imposing a new form of terrorism and slavery upon the common people.

WOULD HAVE HELPED WORLD BY STAYING OUT

As for America, we assuredly had no valid reason for plunging into the war, and could have saved a good deal of the civilization of the white race by staying out. The rulers of England to-day are of the same opinion. But the Republican and the Democratic Parties allowed America to be sold into the World War, and as a result of this act America shares in the consequences of a collapse of the world's economic system.

America has gained nothing except billions of debts and hundreds of thousands of cripples. And we have lost most of our political democracy. We now have our own Fascisti in the Ku-Klux Klan, one of the many manifestations of the mob spirit fostered by the war, which is trying to establish a reign of terror not only against the negroes but particularly against the Catholics, Jews, radicals, and all those who are not "native-born" Protestants.

TYRANNICAL SENTENCE FINALLY KNOCKED OUT

Because, as a student of the world's history, I could see clearly, and because I warned my fellow men, my countrymen, of the events that were bound to happen if we pursued a certain course, if we plunged into this World War, I was indicted, found guilty, and sentenced to serve 20 years in the penitentiary.

This sentence and the verdict have since—on January 31, 1921—been knocked out by the Supreme Court of the United States, and all the other indictments have been quashed.

But the infamous espionage act is still on the statute books. My personal experience with that law, however, is ended.

OUSTED ME FROM SEAT TO WHICH I WAS LEGALLY ELECTED

Nevertheless the fact remains that I was to be punished for telling the truth as I saw it—and many other citizens were imprisoned.

Moreover, the old parties in the House of Representatives almost succeeded in depriving the Socialist Party, a party casting more than a million votes, of its sole Representative in Congress. Twice I was refused admission on account of my opposition to this war. I was finally seated on December 5, 1923, without a dissenting vote—due to the determined and wonderful stand of the voters of the fifth district of Wisconsin for representative government.

As a matter of fact, a large number of socialists in Congress would be a blessing to this country; they and their measures stand between present society and planless chaos.

MY DUTY AT PRESENT

To sum up: I have always been proud of the socialist record of observance of law. The socialists have tried to change or repeal such laws as in their opinion were harmful.

Now I believe I can not serve my country better or do it a greater service than by putting in a bill to repeal this vicious act.

In this respect I know I am at one with Thomas Jefferson and Alexander Hamilton, both of whom were leaders of opposing parties; both of whom, however, defended cases that were brought for prosecution under the sedition act and conducted the defense in the name of the liberty of the press.

A DISGRACE TO TWENTIETH CENTURY

It is simply a disgrace for the twentieth century that such a law could be revived in our century, and even more so that it was fathered by a party that had its origin in the general protest of the American people against that infamous law—the Democratic Party.

PROPAGANDA

Mr. DICKINSON of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a letter which I ask the Clerk to read. It is on the McNary-Haugen bill and the propaganda being sent out by the boards of trade.

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD by inserting a letter. Is there objection?

Mr. CONNALLY of Texas. I do not think such things should be put in the RECORD.

Mr. DICKINSON of Iowa. It is a warning to show what is being sent out in the way of propaganda. This letter is against the McNary-Haugen bill, and it tells how they want people to send in postal cards to Members of Congress.

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, this propaganda that the gentleman refers to is nothing new, is it?

I am getting hundreds of letters on the Barkley bill, which are inspired, and if we commence putting in notices to Members on propaganda, shall we not be encumbering the RECORD to a great extent?

Mr. DICKINSON of Iowa. This is an exceptional letter and is beyond the ordinary scope. We are acquainted with certain forms of propaganda, but this is beyond the ordinary scope.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the letter.

The Clerk read as follows:

MARSHALLTOWN, IOWA, *April 29, 1924.*

DEAR SIR: The McNary-Haugen bill looks more certain than ever. The various agricultural organizations have succeeded in impressing Congress that the farmers of the country are unanimously in favor of the proposed legislation. Politicians figure that it is up to them to support this bill if they are to stand a show at the fall elections.

The only way we can defeat such legislation is to prove to Congress that farmers are not in favor of such socialistic legislation. The time to act is now, and I am inclosing a card for you to fill in with the names and addresses of 10 farmers in your territory that are opposed to this bill. When these cards are filled out, please return them to the public relations committee, Chicago Board of Trade. This committee in turn will forward to the list of farmers a personal letter, setting forth arguments against the bill, and give them leads as to the wording of a letter to their Congressman and Senator.

Time is a vital element, since this bill will come up within 10 days—possibly sooner.

With best personal regards, I am

Yours very truly, DEAN S. FISK.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. DICKINSON of Iowa. Yes.

Mr. CONNALLY of Texas. Does the gentleman vouch for the writer of this letter?

Mr. DICKINSON of Iowa. Yes.

Mr. CONNALLY of Texas. That it is genuine?

Mr. DICKINSON of Iowa. Yes; it is genuine; this is the original letter.

Mr. ABERNETHY. Who is Dean S. Fisk?

Mr. DICKINSON of Iowa. He is the representative at Marshalltown, Iowa, of the commission firm of Henry Rang & Co., of Chicago, Ill.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. DICKINSON of Iowa. Yes.

Mr. GARRETT of Tennessee. Does the gentleman know whether he has communicated with the President of the United States touching the matter?

Mr. DICKINSON of Iowa. I have not that information at hand.

Mr. BLANTON. Does not the gentleman recognize that is real propaganda?

Mr. DICKINSON of Iowa. Why, of course, it is propaganda.

Mr. BLANTON. In favor of the bill?

Mr. DICKINSON of Iowa. How is that?

Mr. BLANTON. Does not the gentleman think that the purpose of writing that letter was to bring about a reaction in favor of the bill?

Mr. DICKINSON of Iowa. No. It is written for the purpose of having telegrams sent in to Members of Congress. I already have five from one little village in my district sent by persons who know nothing about the bill, but sent upon request.

CONTROL OF HABIT-FORMING NARCOTIC DRUGS

Mr. PORTER. Mr. Speaker, I move to take House Joint Resolution No. 195 from the Speaker's table and agree to the Senate amendments. It is a resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs.

The SPEAKER. The gentleman from Pennsylvania calls up House Joint Resolution 195, with Senate amendments, which the Clerk will report by title.

The Clerk read as follows:

House joint resolution (H. J. Res. 195) authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs.

The Senate amendments were read and agreed to.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—INTERNATIONAL EXPOSITION AT SEVILLE, SPAIN (S. DOC. NO. 106)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Industrial Arts and Expositions:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State concerning an invitation extended by the Government of Spain to the Government of the United States to participate in an international exposition of the arts, sciences, history, industries, commerce, and resources of Spain, Portugal, and the Republics of America, which is to open at Seville, Spain, on April 17, 1927, and continue throughout that year.

I join with the Secretary of State in recommending legislation by Congress authorizing the acceptance of the invitation and an appropriation of $700,000 to enable the United States suitably to participate in the exposition.

It will be observed from the memorandum accompanying the report of the Secretary of State that the Departments of the Interior, Agriculture, and Commerce are favorable to the acceptance of the invitation and deem that participation in the exposition would be advantageous to the interests of the United States.

An appropriation is not sought at this time, but merely legislation that will enable the acceptance of the invitation and the inclusion of the item of appropriation in the estimates to be submitted by the Director of the Bureau of the Budget for the fiscal year ending June 30, 1926.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 7, 1924.*

RELIEF OF DISABLED EX-SERVICE MEN

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that immediately after the approval of the Journal to-morrow it may be in order to take up for immediate consideration under the general rules of the House H. R. 8809, a bill for the relief of disabled ex-service men, in order that we may have an opportunity to offer some amendments.

The SPEAKER. Is the gentleman authorized by the committee to make that motion?

Mr. LONGWORTH. Mr. Speaker, I make the point of order that the gentleman is not authorized to do that.

Mr. RANKIN. I am preferring a unanimous-consent request. I am a member of the committee.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that the Chair should not recognize the gentleman for such a purpose.

Mr. RANKIN. I submit the Chair has already recognized me.

The SPEAKER. The Chair thinks an individual Member asking consideration of a bill ought, in advance, to tell the Chair what his motion is going to be. That is the general custom in the House.

Mr. RANKIN. I submit to the Speaker that, of course, I am in the minority, and I submit that the chairman of the committee——

The SPEAKER. Is there objection?

Mr. LONGWORTH. Mr. Speaker, I make the point of order that such a request——

Mr. SNYDER. I object.

RELIEF OF MADAME CRIGNIER, OF FRANCE

Mr. PORTER. Mr. Speaker, I call up Senate bill 2392, an act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones.

The Clerk read the title of the bill.

Mr. PORTER. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That an appropriation is authorized to be made for $13,511.13 to be paid to the Government of the Republic of France as a matter of grace and without reference to the question of liability therefor as full indemnity for loss and damage to property suffered by Madame Crignier, a citizen of France, by reason of the search for the body of Admiral John Paul Jones, undertaken in 1899 by Gen. Horace Porter, at that time American ambassador to France, and completed by the finding of the body in 1905, as set forth in the messages of the President of the United States to the Senate and the House of Representatives dated June 4, 1918, July 21, 1919, July 11, 1921, and January 3, 1924.

Mr. PORTER. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and Members of the House, I do not believe it will require five minutes to make the statement on this little bill.

There have been four Presidents and five Secretaries of State who have recommended the payment of this claim. Now, what is the claim? When Gen. Horace Porter was ambassador to France years ago, out of his own private fortune he undertook the discovery of the remains of John Paul Jones; and in order to make the investigation it was found necessary for him to make a contract with a private party to go in and make the excavations. This contract was made and the excavation did damage to property and caused suits in the French courts to be entered and tried, and damages awarded against Madame Crignier. She has no other recourse than to go through this kind of procedure, because of the diplomatic aspects of the matter. I believe that is the only statement I care to make.

Mr. SANDLIN. Will the gentleman yield?

Mr. BEGG. I will gladly yield.

Mr. SANDLIN. Does this money go to the Republic of France or to an individual?

Mr. BEGG. The money goes to this lady, Madame Crignier.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. BEGG. Gladly.

Mr. GARRETT of Tennessee. If I caught the reading of the bill correctly, it says that the money is to be paid to the Government of France.

Mr. BEGG. That is in order that it might be paid over to Madame Crignier.

Mr. GARRETT of Tennessee. I assumed that was the case.

Mr. BEGG. Absolutely; the lady herself has never been indemnified for what she was forced, through the French courts, to pay to the tenants on her own property for damage done to her building and the resulting damage on account of the tenants being compelled to move out of the building.

Mr. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. ROGERS of Massachusetts. The correspondence which has taken place over a period of many years between the French Government and the American Government shows officially that that precise objective is the purpose of France.

Mr. BEGG. There is no question about that at all.

Mr. BLANTON. Will the gentleman yield?

Mr. BEGG. Gladly.

Mr. BLANTON. If France takes no step at all to liquidate a debt that that Government owes to our country of probably three and a half billion dollars, how do we know that France will pay this little $13,000?

Mr. BEGG. Oh, there is not any question about that, and the gentleman would not want a great, rich Government like this to do an injustice to an individual citizen.

Mr. BLANTON. I would feel a great deal better if the Republic of France would come up and say, "We have not got the money, but we will liquidate if you will give us 60 years in which to pay it."

Mr. BEGG. I think the gentleman and I would not quarrel much about that.

Mr. WEFALD. Would you not take a due bill on her own Government for it?

Mr. BEGG. That can not enter into this proposition at all.

Mr. WEFALD. It ought to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. BEGG, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. O'SULLIVAN, for two days, on account of important business.

To Mr. HILL of Washington, for three days, on account of illness.

ADJOURNMENT

Mr. PORTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until to-morrow, Thursday, May 8, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XII,

Mr. McSWAIN: Committee on Military Affairs. H. J. Res. 254. A joint resolution authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas; with amendments (Rept. No. 669). Referred to the Committee of the Whole House on the state of the Union.

Mr. GERAN: Committee on Military Affairs. S. 2431. An act to authorize the Secretary of War to convey to the Commissioners of Lewes certain land in the county of Sussex, State of Delaware; without amendment (Rept. No. 672). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNELL: Committee on Rules. H. Res. 298. A resolution providing for consideration of H. R. 3318, authorizing two additional judges for southern district of New York; without amendment (Rept. No. 670). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 299. A resolution providing for consideration of H. R. 646, arbitration of maritime disputes; without amendment (Rept. No. 671). Referred to the House Calendar.

Mr. HULL of Iowa: Committee on Military Affairs. H. R. 6065. A bill authorizing the Secretary of War to validate certain payments made by Army officers; with an amendment (Rept. No. 673). Referred to the Committee of the Whole House on the state of the Union.

Mr. STALKER: Committee on the District of Columbia. H. R. 6297. A bill to provide for a rearrangement of the public alley facilities in square 616 in the District of Columbia, and for other purposes; without amendment (Rept. No. 674). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURDICK: Committee on Naval Affairs. H. R. 6723. A bill to provide for reimbursement of certain civilian employees at the naval torpedo station, Newport, R. I., for the value of personal effects lost, damaged, or destroyed by fire; without amendment (Rept. No. 675). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOORES of Indiana: Joint Select Committee on Disposition of Useless Executive Papers. Useless papers in the Department of Labor (Rept. No. 676). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. TAYLOR of West Virginia: Committee on Naval Affairs. H. R. 1706. A bill granting six months' pay to Elizabeth W. Bostrom; without amendment (Rept. No. 677). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LAGUARDIA: A bill (H. R. 9108) limiting the use of contributions made for the purpose of influencing elections at which presidential electors, Senators, and Representatives in Congress are elected; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. BERGER: A bill (H. R. 9109) to repeal the espionage act; to the Committee on the Judiciary.

By Mr. BRITTEN: A bill (H. R. 9110) to fix the number of officers in the several staff corps in the several grades of rear admiral, captain, and commander; to the Committee on Naval Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 9111) directing the remission of customs duties on certain property of the United States imported by the War Department; to the Committee on Ways and Means.

By Mr. McFADDEN: A resolution (H. Res. 300) providing for the consideration of the bill (H. R. 8887) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes; to the Committee on Rules.

By Mr. SCHALL: A resolution (H. Res. 301) providing for the appointment of a special committee of Members of the House to investigate the income-tax returns of the Backus-Brooks Co., of Minnesota; to the Committee on Rules.

By Mr. FITZGERALD: A resolution (H. Res. 302) for the consideration of H. R. 487, a bill creating the District of Columbia insurance fund for the benefit of employees injured and the dependents of employees killed in employments, providing for the administration of such fund by the United States Employees Compensation Commission, and authorizing an appropriation therefor; to the Committee on Rules.

By Mr. GALLIVAN: Memorial of the legislature of the State of Massachusetts petitioning Congress in favor of the passage of legislation to prevent the manufacture of shoes in factories owned by the Federal Government; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUTLER: A bill (H. R. 9112) for the relief of Commander Charles James Anderson, United States Naval Reserve Force; to the Committee on Naval Affairs.

By Mr. CELLER: A bill (H. R. 9113) granting a pension to John F. Kilbride; to the Committee on Pensions.

By Mr. CULLEN: A bill (H. R. 9114) granting a pension to Catherine A. Roe; to the Committee on Pensions.

By Mr. DENISON: A bill (H. R. 9115) granting a pension to Anna Margaret Derousse; to the Committee on Invalid Pensions.

By Mr. EVANS of Iowa: A bill (H. R. 9116) for the relief of Ed F. Gauthier and Lenore N. Adams; to the Committee on Claims.

By Mr. KIESS: A bill (H. R. 9117) for the relief of the heirs of the late Louis F. Meissner; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9118) granting a pension to John Woldridge; to the Committee on Invalid Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 9119) to amend the military record of Robert Zink; to the Committee on Military Affairs.

By Mr. MOREHEAD: A bill (H. R. 9120) granting an increase of pension to Agnes Jones; to the Committee on Invalid Pensions.

By Mr. THOMAS of Oklahoma: A bill (H. R. 9121) granting a pension to Annie G. Guthrie; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2693. By Mr. GALLIVAN: Petition of Thomas Kelly, 6 Marlowe Street, Dorchester, Mass., recommending early passage of H. R. 7358 and S. 2646, known as the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2694. By Mr. LINDSAY: Petition of Openers and Packers' Association, United States Customs Service, appraisers' stores, port of New York, 641 Washington Street, New York City, justly pleading for a living wage, they having presented a scale of $1,680 as a minimum to $2,040 as a maximum per year. The men employed in the customs service are now working under a scale lower than that which is paid to the men employed in the industrial and mercantile establishments. It seems only fair and proper that the Government should recognize the claims of men who are rendering good and faithful service; to the Committee on the Civil Service.

2695. By Mr. RAKER: Petition of McKinley Camp, No. 23, United Spanish War Veterans, and McKinley Auxiliary, United Spanish War Veterans, Long Beach, Calif., urging passage of Bursum bill over presidential veto; to the Committee on Invalid Pensions.

2696. Also, petition of Emergency Radio Tax Committees, 165 Broadway, New York City, protesting against 10 per cent tax on radios; to the Committee on Ways and Means.

2697. By Mr. WILSON of Indiana: Petition signed by 40 citizens of Newburgh, Ind., recommending that the McNary-Haugen bill be passed by the Sixty-eighth Congress; to the Committee on Agriculture.

SENATE

THURSDAY, *May 8, 1924*

(Legislative day of Monday, May 5, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	Ladd	Sheppard
Ashurst	Fess	Lodge	Shields
Ball	Fletcher	McKellar	Shipstead
Bayard	Frazier	McKinley	Shortridge
Borah	George	McLean	Simmons
Brandegee	Gerry	McNary	Smith
Broussard	Glass	Mayfield	Smoot
Bruce	Gooding	Moses	Spencer
Bursum	Hale	Neely	Stanfield
Cameron	Harreld	Norbeck	Stephens
Capper	Harris	Norris	Sterling
Caraway	Harrison	Oddie	Swanson
Colt	Heflin	Overman	Trammell
Copeland	Howell	Pepper	Wadsworth
Cummins	Johnson, Calif.	Phipps	Walsh, Mass.
Curtis	Johnson, Minn.	Pittman	Walsh, Mont.
Dale	Jones, N. Mex.	Ralston	Warren
Dial	Jones, Wash.	Ransdell	Watson
Dill	Kendrick	Reed, Mo.	Weller
Edge	Keyes	Reed, Pa.	Willis
Ernst	King	Robinson	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I will let this announcement stand for the day.

I was requested to announce that the Senator from Iowa [Mr. BROOKHART] and the Senator from Montana [Mr. WHEELER] are detained at a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Eighty-three Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House agreed to the amendments of the Senate to the joint resolution (H. J. Res. 195) authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs.

The message also announced that the House had passed bills and a joint resolution of the following titles:

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones;

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; and

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting.

The message further announced that the House had passed a joint resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity, in which it requested the concurrence of the Senate.

REQUESTS FOR UNANIMOUS CONSENT

Mr. HOWELL. Mr. President, out of order, I ask unanimous consent to introduce a bill.

The PRESIDENT pro tempore. Is there objection to the reception of the bill?

Mr. ASHURST. On that I wish to be heard.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent, out of order, to introduce a bill. Is there objection?

Mr. ASHURST. I reserve the right to object. I wish to discuss a matter.

The PRESIDENT pro tempore. The Chair is of the opinion that when unanimous consent is asked the matter is not debatable.

Mr. ROBINSON. What is the request?

The PRESIDENT pro tempore. The Senator from Nebraska [Mr. HOWELL] asks unanimous consent to introduce a bill at this time out of order.

Mr. ASHURST. I respectfully appeal to the Chair for information. Does the Chair hold that when a request is made for unanimous consent the matter is not debatable?

The PRESIDENT pro tempore. That is the opinion of the Chair.

Mr. ASHURST. That is to say, any request for unanimous consent is not debatable?

The PRESIDENT pro tempore. That is the judgment of the Chair.

Mr. ASHURST. I do not complain. The Chair has been fair and firm. I simply desire to know that hereafter in all cases when any request for unanimous consent is made, it is not debatable. That is a good rule, and if it were adhered to it would promote the efficiency of the Senate. The Chair has rendered a great service to-day in, so holding, and if he will continue to hold that whenever a request is made for unanimous consent it is not debatable, it will be a good rule for the Senate.

The PRESIDENT pro tempore. It may be remarked that it is the common practice.

Mr. ROBINSON. Mr. President, it is fair to state that under the practice of the Senate a request for unanimous consent is sometimes discussed by unanimous consent, and that practice, of course, will continue. Any Senator has it within his power, however, by objecting, to end the debate or discussion. The ruling of the Chair is, of course, correct.

Mr. LODGE. The debate itself must be by unanimous consent.

Mr. ASHURST. Of course the ruling of the Chair is correct. I agree with the Senator from Arkansas.

The PRESIDENT pro tempore. The Senator from Arkansas has correctly stated the understanding of the Chair. The question is often discussed by unanimous consent.

Mr. ASHURST. But not this morning. It can not be discussed this morning?

Mr. ROBINSON. It can, unless some Senator objects.

The PRESIDENT pro tempore. The Chair by unanimous consent has allowed colloquies to intervene upon an application for unanimous consent.

Mr. ASHURST. But the Chair will not permit such colloquies this morning? Is that the ruling?

The PRESIDENT pro tempore. The Chair recognizes the Senator from Arizona to discuss the question of the unanimous-consent request.

Mr. ASHURST. The Chair can not recognize me to discuss a particular question. I can discuss any question.

The PRESIDENT pro tempore. The Chair does not recognize the Senator for any purpose except to discuss the propriety of the unanimous-consent request.

Mr. ASHURST. I would not indulge in such tactics. I could not say frankly that I wish to discuss that question. I simply want to be heard upon another question, and it would be unfair to the Chair to pretend that I wish to discuss the request of the Senator from Nebraska. I want to discuss another subject, as we may do under our rules, but I do not wish to cavil with the Chair. The Chair has been fair and, I think, has been correct.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the bill will be received and properly referred.

[The bill introduced by Mr. HOWELL appears under its appropriate heading.]

PETITIONS

Mr. WILLIS presented resolutions adopted at the annual meeting held in Toledo, Ohio, by the Ohio Society, Sons of the American Revolution, favoring the restoration of the Regular Army to the minimum strength recommended by the Secretary of War and in accord with the provisions of the national defense act of 1920, consisting of 13,000 officers and 150,000 enlisted men, and that sufficient appropriations be made to develop and instruct the Army and its various components, including the Reserve Officers' Training Corps and the Citizens' Military Training Corps, etc., which were referred to the Committee on Appropriations.

Mr. NORBECK presented the petition of Zenas R. Gurley and 54 other citizens of Armour, Douglas County, S. Dak., praying for the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Clark Commercial Club, of Clark, S. Dak., favoring the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of Jonas Minot and 39 other citizens of Beresford, S. Dak., praying for the passage of the so-called McNary-Haugen export corporation bill, and also the leasing of the Muscle Shoals property to Henry Ford, which was referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

Mr. STANFIELD, from the Committee on Civil Service, to which was referred the bill (S. 3010) to amend the classification act of 1923, approved March 4, 1923, reported it without amendment.

Mr. GLASS, from the Committee on the District of Columbia, to which was referred the bill (S. 2803) to regulate within the District of Columbia the sale of milk, cream, and certain milk products, and for other purposes, reported it without amendment and submitted a report (No. 508) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOWELL:

A bill (S. 3262) to authorize a loan of $25,000,000 to the Government of Germany to be used in purchasing in the United States grain and other food supplies for the relief of destitute women and children in Germany, and for other purposes; to the Committee on Foreign Relations.

By Mr. SWANSON:

A bill (S. 3263) to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.; to the Committee on Military Affairs.

By Mr. BALL:

A bill (S. 3264) for the relief of Horace G. Knowles (with an accompanying paper); to the Committee on Claims.

By Mr. WILLIS:

A bill (S. 3265) for the relief of Joseph Maier (with accompanying papers); to the Committee on Claims.

A bill (S. 3266) granting an increase of pension to Margaret R. Sharpe (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 3267) authorizing the Court of Claims of the United States to hear and determine the claims of persons or corporations who rendered services or furnished supplies used on certain steamships owned by the United States; and

A bill (S. 3268) for the relief of owners of cargo aboard the steamship *Barley*; to the Committee on Claims.

By Mr. McKELLAR (for Mr. EDWARDS):

A bill (S. 3269) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910; to the Committee on the District of Columbia.

WORLD COURT OF INTERNATIONAL JUSTICE (S. DOC. NO. 107)

Mr. LODGE. I introduce a joint resolution for reference to the Committee on Foreign Relations, and I ask to have the printed pamphlet printed with it and printed as a Senate document.

The joint resolution (S. J. Res. 122) requesting the President to propose the calling of a third Hague conference for the establishment of a World Court of International Justice was read twice by its title and, with the accompanying paper, referred to the Committee on Foreign Relations.

On motion of Mr. LODGE, the accompanying paper, entitled "A plan by which the United States may cooperate with other nations to achieve and preserve the peace of the world," was ordered to be printed as a document.

AMENDMENT TO CIVIL SERVICE RETIREMENT ACT

Mr. BROUSSARD submitted an amendment intended to be proposed by him to the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, which was referred to the Committee on Civil Service and ordered to be printed.

AMENDMENT TO RIVER AND HARBOR BILL

Mr. BROUSSARD submitted an amendment providing for the preliminary examination and survey of the West Fork of Bayou Chene, La., known as Bayou Crook Chene, with a view to opening this waterway to navigation by the removal of drift and snags, intended to be proposed by him to the bill (H. R. 8914) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity was read twice by its title and referred to the Committee on Foreign Relations.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOOD of Indiana, Mr. WASON, and Mr. SANDLIN were appointed managers on the part of the House at the conference.

INDEPENDENT OFFICES APPROPRIATIONS

Mr. WARREN. I ask that the Chair may lay before the Senate the action of the House of Representatives on the amendments of the Senate to House bill 8233.

The PRESIDING OFFICER (Mr. WILLIS in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments, accept the invitation of the House for a conference, and that the Presiding Officer appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WARREN, Mr. JONES of Washington, and Mr. OVERMAN conferees on the part of the Senate.

RESTRICTION OF IMMIGRATION

Mr. KING. Mr. President, I have before me a copy of this morning's issue of the Washington Post, an influential paper, which is said to be the organ of the administration. On the first page appears an article written by Albert W. Fox, one of the ablest newspaper men of the city. The article contains an inaccurate statement in connection with my position upon one of the provisions of the immigration bill, soon to be reported by the conference committee. Of course, Mr. Fox made the statement inadvertently and without knowledge of the facts. Speaking of the report of the conferees and the provision appearing in the conference report, he says:

> The outlook for a vote favorable to the proposition is none too bright. Senators KING and HARRIS, the Democratic conferees for the Senate, signed the conference report in order to get the bill out on the floor, but neither will vote for the proposition, which they opposed in committee.

Senators will perceive his reference to the Senator from Georgia [Mr. HARRIS] and myself. I shall not, of course, attempt to speak for the Senator from Georgia. He is quite able to represent himself and to state his own views. The article states that the Senator from Georgia and myself signed the conference report in order that the bill might be brought to the floor of the Senate. It is true that both Senators signed the conference report, but the statement is not correct, so far as I am concerned, and I feel sure that the same can be said of the Senator from Georgia, that the conference report was signed merely for the purpose of getting the bill out of conference and to the floor of the Senate.

The fact is that the conferees, after many days of earnest effort, came to an agreement, and all of the conferees of the Senate and, as I understand, all but one of the conferees of the House joined in the conference report. That does not mean that all of the conferees agreed upon all of the provisions of the bill. The conferees are agents, and when agreement has been reached upon the points in controversy they join in reporting the measure committeed to their hands back to their respective bodies.

Nor is the statement correct, "but neither will vote for the proposition, which they opposed in committee."

I can not speak for the Senator from Georgia, but it is not true that I opposed the provision dealing with reference to the Japanese matter in the committee, nor will I vote against it if it can be presented as a separate matter or proposition in the Senate.

Mr. President, I supported the House conferees in their amendment offered to the bill, which, in substance, extends the provisions of the bill so far as the Japanese are concerned until March 1 of next year. I did so knowingly and was influenced very largely by my knowledge of the wishes of the President of the United States. I understood that the President regarded this amendment as important and as helpful to the administration in its dealings and relations with the Japanese Government. I appreciate the problems which the Executive of our Government has to meet—problems which are made more intricate because of our important international standing and our extensive and expanding international relations.

I felt when President Wilson was Chief Executive that his political opponents sometimes sought to embarrass him in his dealings with foreign affairs. The President of the United States represents our Government and the American people in foreign matters. I have believed it to be the proper and the patriotic thing to uphold the hands of the Executive in foreign questions in so far as those policies were for the best interests of our country; and I have never believed that partisanship should determine the attitude of the American people, whether in official position or not, where questions involving our foreign relations were concerned.

Accordingly when a subject is presented by the Executive department dealing with the relations between our Government and other governments I shall, in so far as I can, support the President, whether he be a Democrat or a Republican. Of course, I am assuming that his course will be for the public good.

The President believed, as I understand, that the amendment referred to would be helpful to him in conducting foreign affairs. I was willing to accede to the wishes of the President in this matter, because I did not perceive any injurious consequences to our country or any results that would be at all harmful or inimical to the public weal.

With respect to the immigration bill, permit me to say that when it passed the Senate it contained provisions of which I did not approve, and on the final roll call I voted against it. The bill as it comes from the conference committee contains provisions that do not meet my approval. On the question of adopting the conference report I may feel constrained to vote against the bill. If I do, however, it will not be because of the provision tendered by the House conferees and embodied in the bill as reported from the conference committee. Notwithstanding the Senate bill contained provisions of which I did not approve in conference, I contended for the Senate bill, attempting to discharge as best I could the duty resting upon me as one of the conferees selected by the Senate.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. KING. I yield.

Mr. NORRIS. I wish to ask the Senator from Utah about another provision of the bill which we supposed was going to be cured in conference, if it needed curing. That provision was the one in reference to the seamen's act.

Mr. KING. Mr. President, if the Senator will pardon me, I will not trespass this morning on the time of the Senate. I should be glad to discuss that matter, and doubtless when the report comes before us the matter to which he has referred will receive consideration. I will say, however, that the conferees did not accept the amendment which I offered in the Senate dealing with seamen. The House provision with slight modifications was retained in the bill.

Mr. NORRIS. Would the Senator care to answer a question as to whether or not, in his judgment, as the bill now stands, the provision to which I have referred is workable; or whether, in effect, it repeals portions of the seamen's act?

Mr. KING. Mr. President, there was some testimony before the committee that supports the view that the House provisions of the bill are workable. There will, however, in my opinion, be many difficulties encountered and obstacles to its enforcement. I fear, however, that there will be evasions of the law and that there will come to our shores a considerable number of persons not eligible for citizenship and in contravention of the immigration laws.

It is contended by some that the House provisions referred to impinge upon the seamen's act. I have not been able to perceive how these provisions will repeal the seamen's act or any of its provisions. I regret that the amendment which I offered in the Senate was not accepted by the conferees, and that the conferees reported the provisions of the House bill dealing with seamen instead of the measure which I offered in the Senate dealing with this important matter. Of course, the Senate having rejected my amendment and the House having passed a bill containing provisions dealing with the subject generally the House conferees insisted upon the House provisions and the majority of the conferees accepted those provisions with some slight modifications.

Mr. HARRISON. Mr. President, may I ask the Senator a question before he takes his seat?

Mr. KING. I yield.

Mr. HARRISON. Will the Senator tell us about when the conference report will be submitted to the Senate?

Mr. KING. I presume under orderly procedure—and I am speaking rather without definite information—the report will first be presented to the other House, and cousidered there.

Mr. REED of Pennsylvania. If the Senator from Utah will permit me, I can answer that interrogatory.

The conference report will be presented to the other House to-day. It was not possible to complete it and complete the statement which, under the rules of the House, is required in time for presentation to that body last night. It will be presented there to-day, and, under the rules of the House, it will have to lie over for a day. It will be acted on in the House to-morrow at the earliest, and should reach us and will, I hope, reach us on Saturday.

Mr. HARRISON. So that the conference report will be printed in the RECORD of to-day's proceedings?

Mr. REED of Pennsylvania. It will be printed in the RECORD of to-day's proceedings.

Mr. ROBINSON. Then, it is not expected that the conference report on the immigration bill will be taken up by the Senate prior to Saturday?

Mr. REED of Pennsylvania. It can not, in any event, be here before Saturday.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. The Senator from Arizona.

Mr. KING. Will the Senator from Arizona permit me to retain the floor for a moment, to yield to the Senator from Tennessee [Mr. MCKELLAR], who desires to ask me a question?

Mr. ASHURST. Certainly.

Mr. McKELLAR. Mr. President, I wish to ask a question. Does the report of the conference committee contain a provision holding the gentlemen's agreement between Japan and America?

Mr. KING. Exclusion provisions were contained in both the House and Senate bills, and it seems quite clear that if the provisions of either bill were enacted into law, it would ipso facto terminate the so-called "gentlemen's agreement." The Senator will recall that the House exclusion provisions did not go into effect until July 1 of this year, and the gentlemen's agreement would doubtless be operative, unless abrogated by the Executive, until that date. However, the amendment tendered by the House conferees, to which I have referred, extends the time until March 1 before the exclusion provisions go into effect.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. KING. I yield.

Mr. REED of Pennsylvania. We have had a sufficient number of copies of the conference bill printed to be available for every Senator, and I will see that they are distributed within the next hour, so that all Senators may have an opportunity to read the bill itself and see what has been done.

But, to answer the Senator's question immediately, I will say, as the Senator from Utah has just stated, that the time for the exclusion clause to go into effect is fixed as the 1st of March next, and the President is requested to commence negotiations with the Japanese Government at once with a view to the immediate abrogation of the existing arrangement regarding immigration. Instead of ratifying any such gentlemen's

agreement, it requests the President to terminate whatever agreement there may be.

May I say further that under the quota provisions of the bill, which will be in effect until March 1, the maximum number of Japanese that can be admitted from July 1 to March 1 is 67.

Mr. DILL. Mr. President, do I understand that as the bill has been agreed to in conference it permits a quota basis for the Japanese?

Mr. REED of Pennsylvania. Yes; until March 1, 1925.

Mr. DILL. Although the Senate definitely voted down the idea of a quota basis?

Mr. McKELLAR. And the House took similar action.

Mr. DILL. Both Houses definitely voted against the quota basis, and yet the conference report provides for a quota.

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. REED of Pennsylvania. I yield.

The PRESIDENT pro tempore. Does the Senator from Utah yield the floor?

Mr. KING. I surrender the floor.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Arizona.

Mr. ASHURST. I yield to the Senator from Arkansas.

Mr. ROBINSON. I thank the Senator from Arizona.

Mr. President, by the courtesy of the Senator from Pennsylvania the Senate is made familiar with the substance of the provision which has been incorporated by the conferees in the immigration bill. It would appear to be legislation by the conferees; but, passing over that question, it would seem to constitute a recognition of the immigration question as a proper subject for international negotiations; it would seem to be an abandonment of the position the Government of the United States heretofore has maintained that the question as to who shall be admitted into the United States is purely a domestic question.

I recall that the leader of the majority, the Senator from Massachusetts [Mr. LODGE], when the attention of the Senate was called to a communication from the Japanese ambassador recently, took the position that there could be no compromise upon that subject; that the United States has always maintained the position, which has been universally accepted by other nations, that questions pertaining to immigration are purely domestic questions which this Government can not afford to submit to negotiation. This provision would appear to repudiate that position and recognize the question of immigration as one appropriate for adjustment through treaty arrangement. It had just as well be understood now that the proposed amendment to the immigration bill, incorporated at the instance of the President, is one of very far-reaching importance. If we recognize the right of Japan to stipulate the conditions upon which Japanese can come into the United States we will be confronted immediately with the demand from other nations which have equal rights to the same recognition. Do Senators expect that Italy will continue to recognize immigration as purely a domestic question if we concede to Japan that it is a proper subject for international negotiation.

There is no desire, and there should be no desire, on the part of anyone to pursue a course which will work embarrassment to the Executive or occasion resentment on the part of any nation; but this is a question of overshadowing importance. Once you recognize the right of any foreign government or people to insist upon participating in determining the terms and conditions upon which their nationals may be admitted to the United States you abandon the position that immigration is a domestic question and you recognize that it is an international issue.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question?

Mr. ROBINSON. I yield with pleasure to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. The conferees recognized the soundness of the principle which the Senator has just stated with his usual ability. We declined to put in a provision leaving this to Japan. If we had done so, I agree that the strictures would have been justified. What we have done has been to declare it a domestic question and to instruct the President, as far as it lay in our power to instruct him, to terminate the existing arrangement.

Mr. ROBINSON. Yes; you desire to terminate the gentlemen's agreement, but you asked the President to negotiate a treaty respecting the subject; and a recognition of the question of immigration as a proper subject for negotiation between nations, a recognition of the right of Japan to insist upon a treaty arrangement, is an abandonment of the doctrine that it is purely a domestic question.

Mr. REED of Pennsylvania. No, Mr. President; I think the Senator has in mind the provisions that were read into the RECORD by the Senator from Tennessee a day or two ago. Those provisions the conferees turned down, because we would not authorize a treaty on the subject of immigration.

Mr. ROBINSON. I have in mind the statement that I understood the Senator from Pennsylvania to make.

Mr. REED of Pennsylvania. Will the Senator permit me to put this in the RECORD, then, so that we may know exactly what it is?

Mr. ROBINSON. Yes; I yield for that purpose.

Mr. REED of Pennsylvania. I will not interrupt the Senator again.

Mr. ROBINSON. I do not object at all to being interrupted.

Mr. REED of Pennsylvania. The proviso is, following the exclusion clause:

Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

Whether he does or does not, however, exclusion takes effect March 1, 1925.

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. ROBINSON. I yield to the Senator from Idaho.

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Idaho?

Mr. ASHURST. I yield, Mr. President.

Mr. ROBINSON. I thank the Senator.

Mr. BORAH. But, fundamentally, do we not by the procedure which we have adopted recognize that a foreign government has a right to be heard when we come to legislate on the question of immigration? That is the fundamental question.

Mr. ROBINSON. Why, Mr. President, that is exactly what I am maintaining.

Mr. JOHNSON of California. Mr. President——

Mr. ROBINSON. Just a moment. This provision recognizes the question of immigration as appropriate for international negotiations. It is not so important what may come out of this particular case.

The important point that I am making is that we have always insisted that it is a matter of domestic concern, about which we have the right to legislate without regard to the views of other nations; and now we are surrendering that principle. The purpose of it, as everyone knows, is to give the President a chance to negotiate a treaty with Japan regulating the immigration of Japanese into the United States.

Mr. BORAH and Mr. LODGE rose.

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Idaho or to the Senator from Massachusetts?

Mr. ASHURST. I yield, Mr. President.

Mr. ROBINSON. Just let me conclude in a moment. The principle involved is in no sense different because of the language employed. It is just as distinctly an abandonment of the doctrine that the immigration question must be maintained as a purely domestic issue as if we had incorporated in the provision a treaty arrangement with Japan.

Mr. BORAH. Mr. President, so far as I am interested in this question I should not want it to turn upon the question that 67 Japanese, more or less, may come into the country between now and the 1st of March. That is not a serious proposition at all, to my mind; but there are two propositions involved in it which, it seems to me, are very serious. The first is the one to which the Senator has referred—that we do by this procedure recognize the right of a foreign government to be heard when we propose to exclude certain people from our shores. Secondly, as I understand, now, for the first time, the conferees admit the quota principle with reference to Japan.

Mr. ROBINSON. Why, they go further than that. They recognize the gentlemen's agreement as a treaty obligation, and they refuse to recognize the right or the power of the Congress to legislate upon the subject until the so-called gentlemen's agreement has been abrogated or rescinded by a contract between this Government and Japan which they petition the President to negotiate. If that principle is to be adopted, it constitutes a distinct recognition of the force of the gentlemen's agreement as superior to the right of Congress to legislate upon the subject.

Mr. JOHNSON of California. Mr. President——

Mr. ROBINSON. The Senator from California wanted to ask me a question. I yield to him.

Mr. JOHNSON of California. I want to recall to the Senator the sequence chronologically of what has happened, and then he will see that what he has stated is entirely accurate, and that there is another principle involved in this as well.

The conferees of the House and the Senate met and agreed. They agreed upon exclusion, and accepted the date that was fixed in the House bill. They published it yesterday morning to the world. They were to meet at 3 o'clock in the afternoon, and then merely consummate what they had agreed upon. In the interim the President requested that the date be extended, and that the proviso be inserted; and after the agreement among the conferees, before the signature, they accepted the suggestion of the President; and at 3 o'clock, when they met for the purpose of consummating their agreement, they wrote into the bill a new provision.

I think I am accurate in stating that; am I not, sir?

Mr. REED of Pennsylvania. That is accurate.

Mr. JOHNSON of California. Now, there are two questions presented here, as I would call to the attention of the Senator from Arkansas: First, the great, fundamental question that we recognize the right of Japan to negotiate by treaty with the United States of America in regard to immigration, a right that we recognize in no other country on the face of the earth; secondly, the right of the Congress of the United States to determine a question within its jurisdiction, and the right of conferees to determine it when at variance with the way that Congress has determined that particular question.

One thing more: I did not intend to discuss this question until the conference report came before the Senate, and I shall not discuss it in detail now; but do not be misled by the statement that is made, with the best of intentions, of course, by the Senator from Pennsylvania that this thing affects 103 or 147 or 180 Japanese, as the case may be. I quite agree with the Senator from Idaho [Mr. BORAH] that that is immaterial in the principle that is involved; but the fact that what this amendment means is stated authoritatively by Mr. V. S. McClatchy in this morning's publications. Mr. McClatchy represents every element in the State of California that is engaged in endeavoring to promote Japanese exclusion. Among others, he represents here to-day officially the American Legion, the State Federation of Labor, the State Grange, the Native Sons, and the various leagues that have been formed in California upon exclusion.

Mr. McClatchy says that the object of this amendment is to increase the number of Japanese in California by 240,000 rather than 137, and if the number became material I could recall to you, from the statement made by Mr. McClatchy, that 2,000 Japanese are to-day in Japan seeking kankodan brides, as they are termed; that they are there under the protection and with the permission of the Japanese Government; and that between now and next March there will be 40,000 Japanese bachelors now resident in the State of California doing exactly the same thing. Under the statistics it has been demonstrated that each one of these families raises 5 children, and Mr. McClatchy reaches the figure that he suggests of 240,000 in that fashion.

So, first, you have presented the basic principle that you are going to deal with Japan in a fashion that you deal with no other country on the face of the earth. Secondly, you are presented with the idea that you are taking a date that is at variance with the time that was fixed by the Senate and the time that was fixed by the House; and your conferees, upon the command of the executive part of the Government, are legislating both for the House and for the Senate upon this subject. Thirdly, at the instance of Japan you are fixing a date in the future that means an increase of Japanese in the State of California not of 137, but possibly of a couple of hundred thousand, under the facts as stated by Mr. McClatchy.

Mr. REED of Pennsylvania. Mr. President, may I simply add one sentence to that?

The PRESIDENT pro tempore. Does the Senator from Arizona yield, and to whom?

Mr. ASHURST. I yield further.

Mr. REED of Pennsylvania. The census of 1920 shows that in the whole United States there are only 111,000 Japanese. Senators can estimate for themselves the likelihood of this prophesy coming true, even if there were no quota agreement.

Mr. ROBINSON. Mr. President, I shall conclude my suggestions upon this subject in a moment.

I do not intend at this time to enter into a discussion as to the probable extent or effect of Japanese immigration. I am speaking now of the principle involved in this legislation, which appears to me to be of very far-reaching importance.

Both Houses of Congress passed by an almost unanimous vote, and this body passed it after the subject had been made by Japan a direct issue, an exclusion provision affecting Japan. This provision, adopted in the conference, is that exclusion shall not take effect—

until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

Mr. President, some Senators have recently expressed in this Chamber severe criticism of the policy of requesting the President to take action within spheres exclusively within his jurisdiction. I can recall when some Senators who favor this provision thought it was belittling to the dignity of the Senate, and a gross violation of propriety, for the Senate to suggest to the President a course exclusively within his sphere; yet there is no Senator so ignorant as to think that the negotiation of a treaty is not exclusively an Executive function. The Senate does not negotiate treaties. It has a function to perform, as everyone knows, in connection with treaties, but no duty relating to negotiating treaties. Here, however, we are asking the President to negotiate a treaty before exclusion shall take effect.

Mr. REED of Missouri. Mr. President——

The PRESIDENT pro tempore. Does the Senator yield?

Mr. ROBINSON. I yield to the Senator.

Mr. REED of Missouri. Will my friend permit me to correct him?

Mr. ROBINSON. Certainly.

Mr. REED of Missouri. He seldom makes mistakes, but here the President, through his servants, agents, and I will not say employees—his friends—is asking the Senate to ask him to take this step.

Mr. ROBINSON. And the Senators who expressed recently such serious objection to interfering with the Executive prerogative are glad to comply with the President's request. In other words, they are willing to trespass upon the jurisdiction of the President whenever it suits them to do so, but they regard it as a crime when they oppose the policy in the particular instance presented.

But that is not of controlling importance. The important thing is that this legislation recognizes the subject of immigration as proper to be determined by treaty. You have asked the President to negotiate a treaty with Japan abrogating the gentlemen's agreement. Suppose Japan refuses to enter into such a treaty, or suppose the President changes his policy and refuses to act upon your suggestion? Three or four days ago he announced that he was for absolute exclusion, and that opinion prevailed until the California primary had happened, and instantly after the California primary we find him forcing into the Senate—for that is what happened—a provision postponing exclusion until March 1, 1925, and requesting him to negotiate a treaty with Japan respecting Japanese immigration into the United States.

If you recognize that principle as applicable to Japan, you can not, without offense, contend for a contrary principle with other nations interested in their nationals coming to the United States, and there is no reason why you should do it. If you are going to negotiate immigration treaties with Japan, you ought to negotiate them with nations whose nationals are of the white race. There is no reason in morals or in justice why Japan should receive preferential treatment.

You may say that it is not a very important matter to make immigration an international issue, but how jealous some of you have been on this subject! I remember with what unanimity and wrath a few days ago, led by the Senator from Massachusetts, Senators on the other side of the Chamber refused to tolerate for a moment a suggestion that Japan should be consulted in connection with this subject, and now they come with a proposal to recognize the right of Japan to participate in determining who shall be admitted to the United States. If we adopt that, you abandon the position that immigration is a domestic question.

Mr. HARRIS. Will the Senator from Arizona yield?

Mr. ASHURST. Of course, I feel I should, but I have kept the floor for 40 minutes and have not said a word.

Mr. HARRIS. I would like to make a statement as to my attitude on this question.

Mr. ASHURST. I will yield to the Senator in a moment. Let me at least see how my voice sounds on this question. I do not feel that I have displayed any impatience in yielding. In fact, I think what has been said by other Senators was probably better said than I would have said it, but that does not relieve me from the urge I feel to talk at this time.

Mr. LODGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Massachusetts?

Mr. ASHURST. I yield to the Senator from Massachusetts for a short statement, although I declined to yield to the Senator from Georgia.

Mr. LODGE. If the Senator declined to yield to the Senator from Georgia, I will wait.

Mr. ASHURST. I yield to the Senator from Massachusetts at this juncture.

Mr. LODGE. Mr. President, I think I ought to say a word about this matter. I have taken very strong ground always in regard to the question of immigration. It is a subject on which I have worked ever since I began my career in the House of Representatives, and I have always believed that the question of who should be admitted to the United States was a matter to be determined by the Congress of the United States. It is only fair to say that that has not been the uniform practice of the United States.

We have treaties with China, as well as laws stretching back to 1862 and running down to 1902, which include exclusion laws, and we also have treaties on immigration. I do not say that because I believe in that policy, because I do not; I believe it was a mistaken policy to make treaties on that subject; but they were made. So far as I am concerned, I declared my views on it the other day, to which the Senator from Arkansas has referred. I felt very strongly about it, and declared my views very strongly at the time of the discussion of the League of Nations as one of the subjects of all others on which no foreign power could have anything to say.

I was on the conference which put in the gentlemen's agreement which went into a bill. It was the action of the two Houses. I think it was probably new legislation; but at all events it went through, and it went through as part of the conference report on an immigration bill. It conferred certain powers upon the President and that was all. It was a purely legislative act. It has no treaty claim whatever; there was nothing neutral about it. It is something that could be abolished at any moment by the power that made it. We made it, and we can abolish it at any moment.

Under those circumstances it would be simple hypocrisy for me to try to argue in favor of settling this question with the Japanese or any other nation on the face of the earth except by law. I do not mean that we can not by a treaty arrange in regard to the admission of representatives like ambassadors or ministers, or as to clergymen or teachers being admitted, or certain members of any special classes which would, without such exceptions, come perhaps in violation of the contract labor laws. That has been done by treaty, and I suppose will be done again, but I am speaking of the general proposition as to who shall have the power to declare who shall come into the United States to become a citizen of the United States. In my judgment, only the Congress of the United States, and, of course, acting with Congress, the President of the United States has that power—that is, the entire legislative body of the United States must say to the rest of the world, "We alone have the power to say who shall come into the United States as immigrants."

I repeat what I said the other day, from that decision so made there is no appeal. I have the utmost respect and admiration for the President. I believe in him thoroughly, but I venture to think that this brief amendment goes further than was perhaps realized by the conference committee.

Mr. ASHURST. Mr. President, the remark of the senior Senator from Arkansas [Mr. ROBINSON] was appropriate when he said that no one here should desire on this important subject to speak merely to embarrass the Executive. In the short time I may occupy the floor I shall say nothing that will embarrass the Executive. Indeed, it would be a wanton act on the part of a Senator who would now attempt to embarrass the Executive, because the Executive has already been sufficiently embarrassed on this question by his own Secretary of State. It is not the Senate nor the House of Representatives that has embarrassed the Executive; it is his own Cabinet minister who, according to the press, petulantly threatens to resign his portfolio if he is not allowed to have his own way in the matter of inducing our conferees to inject into a conference report "matter" which both Houses of Congress have rejected.

After this dubious performance let there be no more lamentations here or elsewhere about the alleged Executive interference of former Presidents in legislative affairs. Had the interference of the Executive on this subject occurred prior to last Tuesday, that interference would have been at least courageous. This Executive interference, coming as it did after last Tuesday, marked it as the interference of a man more cautious than courageous.

The report of the conferees is baleful for two reasons; First, because the conferees have inserted into their report "matter" which distinctly and emphatically had been rejected by both Houses of Congress, and secondly, the matter they inserted was inserted at the instance and request of the executive branch of the Government and it was in regard to a matter and subject upon which foreign nations have no right to complain or interfere. It was and is purely, simply, and solely a domestic question, and has ever been treated as a domestic question.

Happily, however, we are not without recourse. Under the second paragraph of Rule XXVII, called the Curtis rule, it is provided that whenever conferees shall insert into their report matter not committed to them by either House, or matter rejected by both Houses, a point of order will lie, and that the whole report must go back to conference.

According to press reports the junior Senator from California [Mr. SHORTRIDGE], or his colleague, the senior Senator [Mr. JOHNSON], will make the point of order, and thus these Senate conferees who have offended this Senate rule will be sent back to perform their duties properly.

I have been a conferee myself in times gone by, and I appreciate the ever-present anxiety of conferees to reach an agreement. Yet on this particular conduct of Senate conferees, if I were disposed to be critical, I could say much against the impropriety of their inserting into a conference report matter so directly, so plainly, and so overwhelmingly rejected by both Houses.

Moreover, I could animadvert to the vice of conferees yielding to the threats of a Secretary of State; but, as has been said, that would be——

Mr. REED of Pennsylvania. Will the Senator explain what he means by the "threats" of the Secretary of State? I have not heard any threats from any Secretary of State on this.

Mr. ASHURST. The Senator signed this conference report. Did the Secretary of State request him to do so?

Mr. REED of Pennsylvania. The Secretary of State did not. He has not communicated with me.

Mr. ASHURST. Did any member of the executive arm of the Government make it manifest to the Senator that the Executive wanted him to sign this report or to include therein the provisions so offensive to the Senate?

Mr. REED of Pennsylvania. Mr. President——

Mr. ASHURST. I will withdraw my question.

Mr. REED of Pennsylvania. I am perfectly willing to answer it. The President of the United States asked the House conferees to offer this proviso. They did offer it, and after discussion we accepted it.

Mr. ASHURST. It would be offensive if I were to try to catechize the conferees as to what moved them. The results speak for themselves, and it is against the results that I direct my remarks.

The figures supplied by the senior Senator from California [Mr JOHNSON], so far as I am aware, are correct. But even if the figures he supplied be incorrect, even if it be ascertained that only 240 instead of 240,000 Japanese would be admitted, under this conference report the vice of our Senate conferees would be just as offensive, because it breaks down a principle to which we have ever adhered and which we have never surrendered; that is to say, the matter of determining who may and who may not be admitted into the United States as an immigrant is simply, solely, and only a domestic question to be reserved for the legislative branch, and there is no exception to this rule of government

Now, as the Senator from Arkansas said, we propose to select a yellow race, an oriental power, and to single it out for special favors and privileges, as separate and apart from the treatment we accord to the white races. We require, and justly require, England, from which land we have largely drawn our language and our customs, to submit to our laws on this subject. Germany, France, Spain, Italy, and other foreign powers are required to submit, and properly submit, to our laws and judgment on this subject because it is an internal question, a domestic question. But by reason of some mental strabismus on the part of the Secretary of State which I am unable to comprehend we find inserted here a preference right, not to one of the branches of the white race but preference to a yellow race.

I am of opinion that in some parts of our country people do not realize the harm that will inevitably flow from an oriental invasion, although it be done by peaceful penetration. The orientals worship their gods, develop their culture, and it suits them. Against their manners of life, their

habits and customs, I have no unkind word. It would not be proper for me to stand in this forum and criticize or object to what they do at home, within their own walls. I will go no further. I will say only that we are different. We can not adopt their culture; they do not want ours; and when we begin to say that we will treat the matter of the admission of orientals or the nationals of any other nation as an international or a foreign question, instead of a domestic question, we tread upon dangerous ground.

If the Senate conferees who have yielded upon this question and who thus have either willfully defied the Senate or have been ignorant as to the Senate's views would for a short time live upon the long line which we call the Mexican border, stretching from the Pacific Ocean down to the mouth of the Rio Grande, they would perceive the danger of peaceful penetration which Japan practices upon the United States.

It has been a part of the policy of certain Japanese for years to penetrate the United States across that border. Here is a dispatch signed by Duke N. Parry, of the International Service, reading as follows:

IMMIGRATION BAN STIRS JAPAN—INCREASED EXODUS TO SOUTH AMERICA IS PLANNED AS COUNTER MOVE

TOKYO, April 24.—Completely recovered from the serious illness which a few weeks ago caused reports of his death, Prince Matsukata, aged genro, arranged to-day to motor to Tokyo to discuss with the prince regent and Prince Saionji the immigration crisis.

The eta class meeting at Kyoto to-day planned a three-day protest against the Japanese exclusion measure, which will be nation-wide. Speakers accused the Government of "weak diplomacy" in its protests to the United States, until more than a thousand Japanese, graduates of 21 American colleges, to-day sent protests to Secretary Hughes and their alma maters.

The Japanese Nationalists are apparently behind the agitation manifested daily in minor outbreaks. They represent a distinct group and include many members in the army and among the older statesmen.

Here is what they say:

We propose to increase our immigration to South America and Mexico, its leaders declare, thus peacefully penetrating the territory over which the Monroe doctrine had applied hitherto. We do not accept the Monroe doctrine, and we claim the Japanese could have managed the American Continent as well as the Caucasians had the Japanese awakened sooner as a member of the family of nations.

Its influence was evidenced to-day in the Overseas Immigration Society voting to increase immigration to South America.

So I have no doubt that at the appropriate time a point of order will be made against the conference report, because the conferees have inserted into their report matter distinctly rejected by both Houses of Congress with an emphasis and a unanimity rarely observed on a controverted question in either House.

The able junior Senator from Utah [Mr. KING] made a clear, fair explanation of his views. I can only remark that he is at least consistent. He believes the Japanese should be permitted to enter the United States. He has been honest and frank about it, but I would have had a more generous feeling toward the Senator this morning if when he went into the conference he would have discarded his own views and would have acted as the faithful agent of the Senate on this subject rather than putting his own views into the conference report. Conferees are not at liberty to inject their own views into a conference report. They must act upon such "matter" as is committed to them.

Mr. HARRIS. Mr. President, I have taken more interest in the immigration question than in any other question since I have been a Member of the Senate. My views as expressed in my votes and speeches in the committee and in the Senate have been more extreme in demanding restrictive immigration than those of any other Senator. Those views I have also expressed in bills which I have introduced. I introduced five years ago a bill to prevent all immigration for five years. I have introduced similar bills twice since that time. During the present session of Congress I introduced such an amendment to this bill and voted for it and urged it as strongly as I could.

The Senator from Utah [Mr. KING] has stated his position and I shall not criticize that. I will only state my position in the committee, on the floor of the Senate, and in conference has been entirely different from him on this question. I have opposed immigration of all kinds at least for five years. To show how extreme I was, I will say that in conference I was the only one who voted on extreme measures trying to prevent all immigration at that time. I shall not state how other members of the conference voted on any question.

The matter relating to change of Japanese exclusion clause came up from the President, who was very much interested in the question. There has been no partisanship in the conference. We have worked as hard as we could and have avoided anything like partisanship. I have never seen members work harder or more unselfishly for what was best for our country. The President insisted on the provision which Senator MCKELLAR placed in the RECORD yesterday being incorporated in the conference report. I opposed it as strongly as I could and the Senator from Pennsylvania, when the conferees' report comes before the Senate, will state that I opposed the President's views every time the Japanese exclusion question came up, but have not done so in a partisan way so as to try to embarrass the President. I am as strongly in favor of Japanese exclusion as any Member of the Senate, and have every time so voted consistently. I was not present yesterday when the conferees voted on the final adoption of the report because I was attending a meeting of the Appropriations Committee as one of the members of the subcommittee having in charge the Agricultural Department appropriation bill. But the Senator from Pennsylvania and every one of the conferees knew that I opposed this part of the report.

When the matter first came up in conference I stated frankly that I thought the President was making a great mistake; that I did not wish to embarrass him, but that the Senate would never, in my opinion, vote in favor of anything of the kind suggested by the President in regard to changing the Senate and House provisions relative to Japanese exclusion.

I told the conferees that I did not believe half a dozen Members would be in favor of the change and that I did not believe it would do any good to make the attempt. I thought it would strain our relations with Japan to have heated discussion of the question on the floor of the Senate and in the House, and I believed that it was a great mistake and strongly urged this view on the conferees.

At my suggestion the conferees polled the Senate and the House on the question. I insisted that if we would poll the two bodies, the President would find there was no sentiment for the provision, but that they would nearly all be against it. It was at my suggestion the poll was made and the President was notified of the result. The Senator from Tennessee [Mr. MCKELLAR] at my suggestion polled the Democratic Senators as far as he could, I believe 18 in number. Every one of them he found opposed to the measure, just as I am. I will not state what the other members of the committee reported to the conference. That is their responsibility and not mine. I am only relating the things which were done partly on my suggestion. I was with the Appropriations Committee and not present when the conference report was signed by all the others. Senator REED, the chairman, brought it to me. I opposed vigorously the particular provision under discussion as well as some of the other provisions of the act, yet I was so strongly in favor of immigration legislation, I think it is the most important legislation that has come before the Congress in years, that I did not wish to run any risk of having the President veto the bill. He was insisting that the Senate and the House should vote on this Japanese provision. I thought by getting the bill to the floor of the Senate and the House, the Senate would without doubt vote down the Japanese provision. I believe it is subject to a point of order, and leading parliamentarians take this view. I do not believe the conferees had any right to change what the House and Senate had already voted in regard to the Japanese question. I had opposed it strongly every time the matter came up, and when I signed the report I wrote on it as follows, "I do not agree to the insertion of the proviso at the end of subdivision (c) of section 13." This section contains the proviso regarding the Japanese which the President insisted should be voted upon. I do not want the President to veto the bill, and I was afraid he might if we were not given a chance to vote directly on the question, and thereby destroy any hope of this legislation this session.

I want immigration legislation. I believe it more important than anything before the Congress. Congress will be in session only a few days more, and if the President were to veto the bill at this time I am afraid we would not get the legislation through this session. For that reason I did not want to take any chances on it. I wanted to get a full vote on it in the Senate. I am convinced the proposition suggested by the President would be voted down by both Houses, and when this was done we would pass the measure, then we would have an immigration bill satisfactory to both Houses and to the country and which the President would not have the same reason for vetoing. For that reason I signed the conference report with a dissenting report relative to the Japanese proviso in the bill which the President recommended and the conferees inserted over my protest. The Senator from Pennsylvania [Mr. REED],

the chairman of the conferees, Mr. JOHNSON, the chairman of the House committee, and each member of the conferees have worked unceasingly for days and weeks at their work, which I feel sure will be adopted by the Congress, with the exception of the Japanese proviso, and I believe this measure will do more for the future of our country than any other legislation passed since I have been a Member of this body.

Mr. REED of Pennsylvania. Mr. President, I hope that the discussion of this matter may be delayed until it is properly relevant to the business before the Senate. The conference report will be here on Saturday, I think, if the other House approves it, and it seems to me that discussion might well wait until that time.

Mr. HARRIS. I had not intended to discuss the matter.

Mr. REED of Pennsylvania. I did not mean to criticize the Senator.

Mr. HARRIS. I understand that, but while the Senator from Pennsylvania is on the floor, and as he was going to make a statement as to my position, just as I have stated it here when he presented the conference report, I hope he will now make a short statement as to my views, and setting forth that I did oppose this provision.

Mr. REED of Pennsylvania. Mr. President, I wish to say, so far as that goes, that the Senator from Georgia has stated with complete exactness the attitude that he observed before the committee. I wish to emphasize, Mr. President, that throughout the conference there has not been the slightest tinge of partisanship observable within the conference committee—not a particle. Every member of that committee has treated this as a question that was above partisanship, because it relates to the future of the United States, and it will affect the United States and mold the United States long after all the parties that we know anything about shall have passed and gone. It is the most important legislation, I am sure, as the Senator from Georgia has said, before this Congress, and the most important that has been here for many years.

I wish to say that both the Senator from Georgia [Mr. HARRIS] and the Senator from Utah [Mr. KING] have stood faithfully in the attitude of not desiring to embarrass the President in any way. They took the position that he was their President, regardless of any party difference, and that in any dealing with foreign countries there were no parties in the United States, and that he spoke for all, and those Senators preserved that position with consistency throughout.

Now, just a word in reply to what the Senator from Arizona [Mr. ASHURST] has said about this being a matter for the exclusive action of Congress. I agree that this is a domestic question which Congress alone has power to decide, and from its decision there is no appeal. I agree with that; but, Mr. President, back in 1907 the "gentlemen's agreement" was made; it was recognized by Congress, for in the immigration law of that year the conferees put in a proviso which recognized the "gentlemen's agreement." A point of order was made against it here, but it was held to be in order because the conferees were dealing with a bill that had been amended by a complete substitute and the conferees themselves wrote a complete substitute bill.

The then Vice President held that it was in order for the conferees to put in a proviso relating to the "gentlemen's agreement," although neither House had done so on the original passage of the legislation. Then the measure went to the House of Representatives; the same point of order was raised there, and Speaker Cannon, one of the ablest parliamentarians who has presided over the House for many years, sustained the action of the conferees and overruled the point of order. So in both Houses the exact action of the conferees in this case has been sustained on a point of order made to an immigration bill with a proviso relating to the "gentlemen's agreement." Therefore, it is not in any sense an open and shut question on the point of order.

Mr. NEELY. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. REED of Pennsylvania. I yield.

Mr. NEELY. The Senator, of course, realizes that in 1907 the so-called Curtis rule had not been adopted by the Senate, does he not?

Mr. REED of Pennsylvania. I quite realize that, but I do not think the Curtis rule changes the situation at all where the amendment of the Senate is a complete substitute for the whole House bill, and the action of the conferees is a complete redrafting of the entire legislation. That, however, will have to be decided later.

Just a further word as to the suggestion that the "gentlemen's agreement" must not be recognized by Congress. What we propose to do in this case is to establish a rule of law that will terminate the "gentlemen's agreement." We request the President to do so in the meanwhile, pleasantly if he can; but whether he does or does not, the decision of Congress takes effect and the "gentlemen's agreement" dies on March 1 next.

Mr. SHORTRIDGE. Mr. President, will the Senator from Pennsylvania yield merely for a question?

Mr. REED of Pennsylvania. I yield.

Mr. SHORTRIDGE. I understand it is the desire of the Senator, as expressed, that time be given to negotiate for the abrogation of this alleged existing agreement?

Mr. REED of Pennsylvania. Precisely.

Mr. SHORTRIDGE. Will there not be ample time between now and July 1? Why continue it for six months?

Mr. REED of Pennsylvania. The President seemed to think that he needed more time. His attitude has been plainly expressed repeatedly, and there is nothing in the proviso inconsistent with it. The President favors the exclusion clause which Congress has adopted; he favors exclusion; but he wants time to accomplish, by pleasant diplomatic means, the sending of that message to our friends across the Pacific.

In 1907, as I have said, we recognized the "gentlemen's agreement." This Congress, which has suddenly become hypersensitive on the subject of its powers, recognized the "gentlemen's agreement," in the Dillingham immigration bill of that year. We again recognized it in the quota law of 1921, where we excepted from the quota law, and took the entire restriction off all nations with which we had agreements relating solely to immigration. We recognized it then because that agreement was in force. It was also recognized on the floors of both Houses of Congress that the exception was put in for the particular benefit of Japan. So it ill behooves us now to get excited because Congress recognizes the existence of the "gentlemen's agreement" in directing that it be terminated. The Roosevelt administration, the Taft administration——

Mr. JOHNSON of California. Mr. President, will the Senator yield?

Mr. REED of Pennsylvania. I will yield at the end of the sentence—the Wilson administration for two terms, and the administration of President Harding all recognized that "gentlemen's agreement," and nobody thought that the honor and the dignity of the Congress or of the United States were impaired. Now I yield to the Senator.

Mr. JOHNSON of California. But in the recent immigration bill the Congress terminated that agreement, did it not?

Mr. REED of Pennsylvania. In the recent immigration bill Congress adopted a definite exclusion clause, yes.

Mr. JOHNSON of California. And we definitely voted upon the "gentlemen's agreement," did we not?

Mr. REED of Pennsylvania. We definitely voted to leave out of the bill the provisions of the bill of 1921.

Mr. JOHNSON of California. Exactly.

Mr. REED of Pennsylvania. And they have not been restored.

Mr. JOHNSON of California. No; but recognition is contained in the proviso.

Mr. REED of Pennsylvania. Recognition that such an agreement has existed is contained in the proviso.

Mr. JOHNSON of California. And the proviso reads that the President shall negotiate "in relation to the abrogation." Will the Senator tell me what is meant by "in relation to the abrogation"?

Mr. REED of Pennsylvania. I presume that means that the President shall negotiate about the abrogation of the agreement.

Mr. JOHNSON of California. Does it mean that the President shall negotiate to abrogate it?

Mr. REED of Pennsylvania. I think it does.

Mr. JOHNSON of California. Why does it not say so?

Mr. REED of Pennsylvania. I did not write it. If I had been writing it I would have said so.

Mr. JOHNSON of California. I think if the Senator had been writing it he would have written it very differently if he had meant to abrogate the agreement. But the other amendment that was suggested by the President was of a different sort, was it not?

Mr. REED of Pennsylvania. That was of a different sort, and the conferees turned it down.

Mr. JOHNSON of California. And they turned it down definitely and conclusively and finally, did they not?

Mr. REED of Pennsylvania. Yes.

Mr. JOHNSON of California. So then, subsequently, the other provision was presented; but the first amendment that was presented did not in reality exclude; while agreeing to

exclusion, it left it to an uncertain and indefinite future, did it not?

Mr. REED of Pennsylvania. Precisely, and that is one reason why we turned it down.

Mr. JOHNSON of California. The President presented the first one, did he not?

Mr. REED of Pennsylvania. He did.

Mr. JOHNSON of California. So that, if he were in favor of exclusion, he presented an amendment that denied it.

Mr. REED of Pennsylvania. No; not at all.

Mr. JOHNSON of California. It was an amendment that left it, as the Senator just stated, to an uncertain and indefinite future.

Mr. REED of Pennsylvania. The President has been in favor of exclusion all the time, but he wanted to accomplish it by gentler methods than those that Congress had employed.

Mr. JOHNSON of California. But the Senator just stated to me that the amendment the President first presented left it to an indefinite and uncertain future.

Mr. REED of Pennsylvania. It did; but the President said also, in connection with that, that he meant to negotiate a treaty of exclusion.

Mr. JOHNSON of California. But the proviso would have left exclusion uncertain.

Mr. REED of Pennsylvania. Yes; and that is why we rejected it. The provision adopted does not leave it uncertain.

Mr. JOHNSON of California. Then the Senator and the committee rejected it because they did not think that it gave us exclusion.

Mr. REED of Pennsylvania. I wanted to have exclusion beyond a shadow of a doubt.

Mr. JOHNSON of California. Correct; and because the Senator wanted exclusion he rejected the first amendment presented.

Mr. REED of Pennsylvania. Precisely.

Mr. JOHNSON of California. Yes, sir.

Mr. REED of Pennsylvania. There never was any question of the President's intention to negotiate a treaty of exclusion; that was plain.

Mr. JOHNSON of California. Well, the amendment speaks for itself in that regard, of course.

Mr. REED of Pennsylvania. Of course it does. The original proposition gave him full authority to negotiate a treaty for exclusion.

Mr. JOHNSON of California. But it postponed exclusion until 1926 and made it contingent in reality upon the execution of a treaty.

Mr. REED of Pennsylvania. It postponed exclusion until 1926 and provided that if a treaty were negotiated in the meantime the treaty should control.

Mr. JOHNSON of California. And its terms provided for restricted immigration, did they not?

Mr. REED of Pennsylvania. For a restriction of immigration—that was the language used.

Mr. JOHNSON of California. It did not provide for exclusion but for restricted immigration.

Mr. REED of Pennsylvania. But the President's intention was perfectly plain. He meant to negotiate a treaty like the Chinese treaty.

Mr. JOHNSON of California. I am not questioning the intention in the slightest degree; I am speaking of the words that were used in the amendment that was first presented.

Mr. REED of Pennsylvania. Precisely, and the conferees did not feel sufficiently assured. We realized that the President was mortal; that the intentions of the next President might be different from those of the present President, and that treaties can be modified by future treaties, and we wanted to make it certain that exclusion should go into effect and should be conclusive.

Mr. STERLING. Mr. President——

Mr. REED of Pennsylvania. I yield to the Senator from South Dakota.

Mr. STERLING. May I ask the Senator whether or not under the first proposition there would have been absolute exclusion after March, 1926, whether any treaty had been made or not?

Mr. REED of Pennsylvania. Absolutely.

Mr. JOHNSON of California. Pardon me, but I did not hear the suggestion of the Senator from South Dakota.

Mr. STERLING. The suggestion was that under the first proposition submitted by the President, whether any treaty had been negotiated with Japan or not, there would have been absolute exclusion after the 1st of March, 1926.

Mr. JOHNSON of California. Provided a treaty were not concluded for restricted immigration before that time. That is exactly the language.

Mr. REED of Pennsylvania. That is correct. If there had been a treaty for restriction or exclusion made before that time, and if it had been confirmed by the Senate, that would control.

Mr. PITTMAN. Mr. President——

Mr. REED of Pennsylvania. Will not the Senator let me finish? I do not wish to make this debate too long.

Mr. PITTMAN. I am not going to make a speech; I merely wish to say that it is perfectly evident from that provision that it was desired to secure time in order to conclude a treaty of restriction rather than of exclusion.

Mr. REED of Pennsylvania. The Senator has been misled by the fact that the provision about which the senior Senator from California asked me was a provision which the conferees declined to embody in the bill.

Mr. PITTMAN. That is true.

Mr. REED of Pennsylvania. That never went in the bill. The provision which has been embodied in the bill contemplates nothing but exclusion; there can be nothing else under it.

Mr. PITTMAN. I was calling attention to the intention of the present President. The Senator from Pennsylvania was uneasy about the intention or desires of some future President, and I say that the proposal which he handed to the conference committee indicates that instead of being for exclusion he is for restriction.

Mr. REED of Pennsylvania. It may indicate that to the Senator but it did not indicate it to me.

Now, finally, Mr. President, about the motives of the President in asking for this modification. It is a matter of lively concern to all the Christian people of the United States, I think, that Christianity should be spread in foreign lands which at present embrace other religions. We have hundreds of missionaries scattered all over Japan. They have done a fine work in the last half century; but the people who are backing them up, the good Christian people of this country who send them out and support them there, are all of them concerned at the roughshod way in which Congress has established its decision here. I take my share of blame for that, because it was I who offered the exclusion section after the receipt of the Hanihara letter, and I thought we owed it to the dignity of the United States to offer that exclusion section, and I voted for it, and I would do so again; but since that has happened full apology has been made for the unfortunate expressions in the Hanihara letter. It is perfectly obvious that exclusion can be accomplished pleasantly as well as unpleasantly. It is perfectly obvious that exclusion is going to be accomplished in one way or the other; but the President is anxious, I know, from what he has said to us, to do it in such a way as shall not make the task of those missionaries in Japan any harder, as shall not create unnecessary friction for them, and shall not make our foreign relations any more difficult. I believe that it is incumbent on us here to follow the position so splendidly taken by the Senator from Utah and stand by this President, because he is our President, whether we are Democrats or Republicans or hybrids.

Mr. SHORTRIDGE obtained the floor.

Mr. KING. Mr. President, will the Senator yield to me to make just one statement?

Mr. SHORTRIDGE. I yield.

Mr. KING. The Senator from Arizona, of course inadvertently, stated my position with respect to exclusion. I have never stated that I was not for exclusion, and in attributing to me that position he is in error. I did take the position that the "gentlemen's agreement" having been negotiated, having been accepted even by Congress itself, the President of the United States ought to have opportunity to abrogate the same and, by diplomacy, to take such steps as might be deemed necessary and proper for the purpose of removing that as an impediment to the enforcement of the will of Congress. I believe that Congress has the absolute right, because it is a domestic question, to deal with immigration, and I assent to all that has been said by Senators in regard to that matter; but I did not want the statement of the Senator from Arizona to go into the RECORD unchallenged that I was in favor of Japanese immigration, because I am not.

Mr. BURSUM. Mr. President, will the Senator from California yield to me for just a moment?

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from New Mexico?

Mr. SHORTRIDGE. I yield.

INCREASE OF PENSIONS—VETO MESSAGE

Mr. BURSUM. Mr. President, I am anxious to bring up Senate bill 5 for a vote; and I should like to ask the chairman of the Finance Committee if it would be agreeable to him to lay aside the tax bill to-morrow at 12 o'clock?

Mr. SMOOT. Yes, Mr. President; at that time I shall ask unanimous consent to lay aside the unfinished business, if it is not passed before the close of the session to-day, for the consideration of the veto message of the President on Senate bill 5.

Mr. KING. Mr. President, I will say to my colleague that some Members of the Senate, at least one, are more anxious to secure a reduction of taxation than an imposition of additional tax burdens upon the people; and when to-morrow comes, if the chairman of the committee asks unanimous consent to lay aside a measure that ought to relieve the people of hundreds of millions of dollars annually and to take up a measure that will impose from fifty-five to seventy-five millions of dollars of additional taxes upon the people, there may be some objection.

Mr. BURSUM. Mr. President, then I give notice that I shall move for the consideration of Senate bill 5 to-morrow at 12 o'clock.

Mr. DIAL. Mr. President, I should like to say to my friends the Senator from Utah [Mr. KING] and the chairman of the committee that if they lay aside the tax bill it may be a long time before it is passed. I think we ought to go on and attend to the business before the Senate now. We ought to pass this tax-reduction bill. There are many other bills that ought to be taken up. I do not care to object, but if the bill is laid aside I shall endeavor to bring up some matters that may take two or three days.

Mr. NEELY. Mr. President, I rise to a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. NEELY. The inquiry is this: Inasmuch as a reconsideration of Senate bill 5 and the President's veto of that bill is a highly privileged matter, has not the Senator from New Mexico an undoubted right to bring it before the Senate without anybody's consent except that of the Presiding Officer? Does it not take precedence over the unfinished business of the Senate, which is the revenue bill?

The PRESIDENT pro tempore. The motion to proceed to the reconsideration of that bill is a privileged motion, but it will require a majority of the Senators present to carry the motion.

PENSIONS TO SPANISH-AMERICAN WAR VETERANS

Mr. DIAL. Mr. President, as the Senator from New Mexico [Mr. BURSUM] gave notice that he expects at an early date to take up the question of the President's veto of Senate bill 5, I desire to state that a day or two since I introduced Senate bill 3250, to allow increase of pensions to disabled Spanish-American War veterans. It provides for the same amount as is provided in the bill which the President vetoed. I trust that this bill will receive attention at the hands of the proper committee at an early date, and that we can pass it.

These classes of soldiers were discriminated against, and I think this will remedy the defects of that bill. I am very much in hopes that the Senate will pass it.

RESTRICTION OF IMMIGRATION

Mr. SHORTRIDGE. Mr. President, I do not rise for the purpose of discussing to any extent the question which will come properly before the Senate perhaps to-morrow, or upon a later day. That question, however, rises far above the fate of men or the fate of political parties.

I have heretofore expressed my views upon the broad question of immigration. I have heard nothing to justify or induce me to change the views I have entertained and expressed. If, which I shall regret, if, which I shall deplore, the conferees shall report as perhaps we are justified in anticipating, I shall raise a point of order to such report, and I shall then undertake to justify such point of order under the rules of the Senate and under accepted parliamentary principles; but over and beyond what might be called or what some might consider a technical objection I shall, with the indulgence of the Senate, express myself upon the merits involved in this legislation.

For the moment and now I content myself with saying that immigration, or the control over the subject matter of immigration, is what has been appropriately characterized and described as a domestic question. If it be a domestic question, even as the matter of tariff, even as the matter of revenue, or any other matter is a domestic question, then the next proposition must be true, constitutionally, legally speaking. It must be true that this domestic question is under the jurisdiction of, within the constitutional power and control of, the legislative branch of our Government.

Even the dullest mind, the most perverse or egotistic mind, if such mind could lay aside its vanity and its pride, would admit that the legislative branch of our Government, represented by the House of Representatives, the Senate of the United States, and the President by virtue of his veto power, has jurisdiction over the subject matter of immigration.

The House of Representatives as of now is made up of 435 Representatives, coming from as many separate districts within the 48 States of the Union. It is peculiarly proper that such a body should have a voice in determining a domestic question, one which affects the men, the women, the children of the United States.

Inasmuch as it is a domestic question, inasmuch as that domestic question is under the jurisdiction of the legislative branch of our Government, it follows that control of such question is not within the treaty-making power of the Government under the Constitution. The treaty-making power, made up of the President and the Senate, is not all comprehensive. There are limitations to that power; and where a power under the Constitution is lodged in the legislative branch of the Government, from the very nature of the case it exists there and not elsewhere.

There is, I know, in the Constitution what Henry Clay was so eloquent in pointing out—the regal power, the power of veto. When it is exercised properly in a legislative matter no one complains; but when the regal power, as represented in the treaty-making power, is considered, it will be found that that power can not invade the legislative department.

Therefore, I have for many years thought and contended that a matter of immigration is domestic, and exclusively within the province of the legislative branch of our Government; and I have so thought and contended quite regardless of persons, quite regardless of political parties; for, if I may say so, I endeavor to project my mind far into the future, and to think of this Republic when you and I and all who are now here shall have long passed away.

I never shall consent to place this great question of immigration within the treaty-making power. Reference was made here to an early Chinese treaty. If it will not trespass too much upon the attention of the Senate, when this matter comes regularly before us I propose to say a few words with regard to one who, if the Nation understood him, should be odious forever; and I am referring now—and Senators can look up the history—to a man who was a renegade, abandoning the service of his own country to enter into the service of China. I refer to Anson Burlingame, to whom we are indebted for the treaty of 1868. That was the beginning, a departure which the men of that day did not fully grasp, or the consequences of which they did not fully realize. It was that old and infamous treaty, negotiated by a renegade, entered into through weakness, or forgetfulness, or haste by our own country, which carried the idea that the treaty-making power could control the question of immigration as bearing upon the affairs of the United States. I merely allude to that treaty of 1868 with China; I may hereafter enlarge upon it.

I rose, as I said, not to discuss the merits of this matter, but to notify all, present or elsewhere, that I shall regret, I shall deplore, the necessity of raising a point of order, which I assume now will be sustained, and in the course of that discussion I shall express myself upon the merits of the conferees' report and upon the right, the power, and the duty of the legislative branch of the Government to determine and declare the policy of the Nation in respect of immigration.

I indulge myself, however, in this hope: The conferees have not reported. Their functions have not been fully performed. They can reassemble. They can meet again, even as they have met. As I understand it, the report has not passed from them. There is yet time for them to reconsider and send a report to the House and to the Senate in conformity with the rules of the separate bodies and in conformity with the expressed, deliberate judgment of the two Houses of Congress.

I undertake now to say that the action taken by the House of Representatives and the action taken by the Senate of the United States was not unmannerly, was not rude, was not impolite, was not justly offensive. It was not the act of intemperate men; it was not the precipitate action of inconsiderate men highly wrought. It was the mature, deliberate judgment of the two great branches representing the people of this great Republic, and no one in any quarter, in official or in private life, at home or abroad, is justified in imputing to the House of Representatives or to the Senate any other motive or any other purpose than to serve the people of the United States of

America. No nation on this earth is justified in thinking that our motive or our purpose was otherwise.

To conclude: What was so strongly said and pertinently said by the Senator from Arkansas is true. If we concede, if we admit, that the subject of immigration is one coming properly within the treaty-making power; if we are cajoled or frightened into conferring or negotiating with one foreign country in respect of immigration we will be called upon to negotiate with other nations in respect of the same subject. I never can make any such admission or concession, Mr. President. We must stand firmly—North and South, East and West—against any such proposition. I trust that the conferees will reconsider and send a report here which we can properly and gladly and patriotically approve, and that exclusion may become a fact, a legal fact, all to the end that there may be rest in the minds of the American people, and that there may be no future misunderstanding as between us and any other nation.

TOLL OF DEATH TAXES ON LARGE ESTATES

Mr. WALSH of Massachusetts. Mr. President, I wish to call attention to a matter which was under discussion last night, simply for the purpose of having the article which I hold in my hand inserted into the RECORD. Last night we were discussing the extent to which taxes which are levied by the several States and by the National Government caused shrinkage of large estates, and I made the assertion that an examination of the figures did not show that the shrinkage was so large as alleged. I have in my hand an article published in September, 1923, in a publication known as Trust Companies. It was prepared and published for the purpose of demonstrating the advisability of rich taxpayers creating life-insurance trusts and voluntary or living trusts for the purpose of escaping the shrinkage in estates by the expenses and taxes imposed upon transmission of property at death. The title of the article is "Toll of death taxes on large estates." It is sought by the writer to show that very grave and great shrinkage is caused by the various taxes levied upon estates. One paragraph of the article reads as follows:

The table published herewith was prepared by Dan Nelson, of Minneapolis, and represents an exhaustive search of the records of probate courts during the past year in all the large cities east of Kansas City and north of Louisville. It comprehends examination of over 2,000 estates. The net estate, after deducting debts, is used as the basis for computing depreciation due to Federal estate tax, State inheritance taxes, transfer and other taxes, as well as administration costs, which have been vastly increased because of the chaotic condition of the tax laws of the various States and the burdens of collection.

This compiler has selected about 17 of the largest estates. The table sets forth the net estate, the administration tax, as it is called, which is, of course, the expense of administration, the Federal estate tax, the State inheritance tax, and other taxes, which include transfer taxes; then the total amount of the shrinkage; and finally the percentage of the shrinkage in each estate.

From this examination it appears that the largest shrinkage was 40.3 per cent, and was upon the estate of Theodore P. Shonts; the second was 34.7 per cent, upon the estate of William L. Harkness; the third was 29.9 per cent, upon the estate of Frederick G. Bourne. The figures show that in 12 of the estates the shrinkage was less than 20 per cent.

I cite these figures, not that I think the rate of taxes upon inheritance should be increased, but to challenge the argument that is so commonly made that we have gone so far into the field of levying taxes upon estates and inheritances that we have approached the point of confiscating property which is transmitted by death. Of course the table would be more illuminating in showing the per cent of shrinkage of estate caused by death taxes—so-called—if the administration tax and other expenses were not included, because this would have to be paid by estate regardless of State and National taxes. Mr. President, I ask that this article, which is brief and short, may be printed in the RECORD.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Without objection, it is so ordered.

The article is as follows:

TRUST COMPANIES

TOLL OF DEATH ON LARGE ESTATES

It is clearly the duty of trust companies, as fiduciaries, to awaken the man of moderate means as well as the rich man to the heavy toll which death taxes, including Federal and State inheritance estate, and transfer taxes, will levy upon his estate unless legitimate methods of conservation are employed. The table published herewith, showing the shrinkage in some of the largest American fortunes which have passed through probate courts within the past few years, owing to death taxes and costs of adminstration, provides an illuminating argument as to the advantages to men of large fortunes of creating living trusts and life insurance trusts. But the obligation upon trust companies, as conservators of estates, of calling attention to such precautions, is far more urgent in connection with estates left by men of small or moderate means who can ill afford such heavy depreciation.

The table published herewith was prepared by Dan Nelson, of Minneapolis, and represents an exhaustive search of the records of probate courts during the past year in all the larger cities east of Kansas City and north of Louisville. It comprehends examination of over 2,000 estates. The net estate, after deducting debts, is used as the basis for computing depreciation due to Federal estate tax, State inheritance taxes, transfer and other taxes, as well as administration costs, which have been vastly increased because of the chaotic condition of the tax laws of the various States and the burdens of collection.

According to the table the largest shrinkage shown is that of the Theodore P. Shonts estate, amounting to 40.3 per cent of the net estate. The estate of William L. Harkness, of New York, shows a shrinkage of 34.7 per cent; the Frederick G. Bourne estate, 29.9 per cent; the George W. Perkins estate, 27.7 per cent; and the George von L. Meyer estate, 22.4 per cent.

While the tribute upon large estates in behalf of Federal and State tax-levying authorities is a sufficiently serious matter to demand corrective legislation, the loss to beneficiaries is not to be compared to the injurious effect upon business and industry. Such taxes call for enforced liquidation of investments and securities at sacrifice prices. General welfare of the country is penalized to provide Federal and State tax jurisdictions with overflowing coffers as inducement to extravagance in public finances. Equally serious is the adverse influence of high surtaxes and inheritance taxes in diverting capital from useful investments into tax-exempt securities which the Federal Government is grinding out in huge volume and thereby defeating its own measures.

Trust companies and life insurance companies have a mutual interest in urging the creation as well as the preservation of estates, large and small, through the medium of life insurance trusts and of voluntary or living trusts. The man who by thrift and industry has husbanded his thousands instead of millions is entitled to the redress which such trust instruments afford. Men of large fortunes need such insurance or safeguards if for no other reason than to avoid drastic liquidation of investments to provide ready cash to pay confiscatory death taxes.

Table showing shrinkage of large estates due to death taxes

Name and residence	Net estate	Administration tax	Federal estate	State inheritance tax	Other taxes	Shrinkage	Per cent
Bourne, Frederick G., Suffolk County, N. Y.	$42,828,685.64	$438,928.08	$9,596,364.94	$1,578,336.36	$1,228,979.35	$12,842,608.73	29.9
Burnham, William, Philadelphia, Pa.	1,366,051.50	49,651.65	123,419.67	26,207.16	14,685.68	213,964.16	15.6
Caldwell, James E., Philadelphia, Pa.	739,261.86	27,534.02	21,880.60	12,793.52	72,051.15	134,259.29	18.1
Cochrane, Alexander, Suffolk County, Mass.	3,101,319.67	42,235.19	307,128.19	61,525.08	21,430.05	432,318.51	13.9
Coolidge, T. Jefferson, Essex County, Mass.	6,295,143.97	48,076.35	354,488.04	106,167.11	136,194.48	1,146,925.98	18.2
Crimmins, John D., New York County, N. Y.	4,767,223.71	110,740.96	610,403.97	122,456.42	42,563.15	876,164.50	18.1
Dickey, Charles D., New York County, N. Y.	2,759,088.65	80,079.36	275,122.65	80,803.38	88,404.95	524,410.34	19.0
Farrell, William H., Bridgeport, Conn.	540,628.24	38,568.13	13,840.83	11,332.98	6,789.23	64,531.17	11.9
Fleisher, Simon B., Philadelphia, Pa.	3,578,364.12	168,187.27	351,326.67	58,561.69	67,931.24	646,006.99	18.5
Harkness, William L., New York County, N. Y.	54,384,592.92	1,580,326.91	12,924,785.57	1,980,421.01	2,383,433.66	18,877,967.15	34.7
Hegeman, John R., Westchester County, N. Y.	3,295,207.66	198,146.47	298,904.47	118,931.55	69,813.91	655,796.40	19.9
Meyer, Geo. von L., Essex County, Mass.	1,255,183.37	25,122.55	153,425.15	44,366.31	38,547.60	281,461.81	22.4
Newbold, Arthur E., Philadelphia, Pa.	1,153,465.38	16,372.15	96,842.75	18,735.10	90,771.27	222,721.37	19.3
Newman, William H., New York County, N. Y.	785,689.27	49,363.65	51,023.11	29,019.74	6,160.20	138,466.70	17.6
Perkins, George W., New York County, N. Y.	5,923,420.77	216,364.24	744,175.99	248,908.86	430,044.60	1,639,391.69	27.7
Plunkett, William B., Berkshire County, Mass.	842,541.75	30,722.82	72,476.15	25,552.98	9,586.48	138,228.43	16.4
Shonts, Theodore P., New York County, N. Y.	289,263.41	80,060.74	2,606.71	6,154.26	27,987.54	116,809.25	40.3

Mr. WALSH of Massachusetts. Mr. President, it should be noted that this shrinkage includes administration expenses, and that the percentage of shrinkage is based upon the net estate. The "net estate" is, of course, not necessarily the same as the total estate available for distribution. For example, bequests to charities are deductible in determining the net estate subject to tax, although if such bequests were large the administration expenses would be accordingly great. Thus in the case of the Shonts estate I understand there were large amounts given to benevolent institutions; the net estate subject to tax was relatively small. For this reason I have calculated the percentages of these net estates paid out in State, Federal, and other taxes. It will be observed that the Shonts estate shrinkage is 12.7 per cent instead of 40.3 per cent, and in only one case were the taxes more than 30 per cent of the net estate, and in more than half the cases they totaled less than 15 per cent. The percentage of shrinkage from taxes alone, eliminating administration expenses, is as follows: Bourne estate, 28.9 per cent; Burnham estate, 12 per cent; Caldwell estate, 14.4 per cent; Cummins estate, 16 per cent; Dickey estate, 16.1 per cent; Farrell estate, 4.8 per cent; Fleisher estate, 13.3 per cent; Harkness estate, 31.8 per cent; Hegeman estate, 14.7 per cent; Newman estate, 11.3 per cent; Perkins estate, 24 per cent; Plunkett estate, 12.7 per cent; Shonts estate, 12.7 per cent.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SMOOT. Mr. President, the next committee amendment passed over will be found on page 170, and is known as the gift-tax amendment. Let the Secretary report the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 170, the committee proposes to strike out lines 13 to 25, both inclusive, all of pages 170, 171, 172, 173, and down to and including line 2 on page 174, as follows:

SEC. 319. On and after January 1, 1924, a tax equal to the sum of the following is hereby imposed upon the transfer of property by gift, whether made directly or indirectly, by every person, whether a resident or nonresident of the United States:

One per cent of the amount of gift not in excess of $50,000;

Two per cent of the amount by which the gifts exceed $50,000 and do not exceed $100,000;

Three per cent of the amount by which the gifts exceed $100,000 and do not exceed $150,000;

Four per cent of the amount by which the gifts exceed $150,000 and do not exceed $250,000;

Six per cent of the amount by which the gifts exceed $250,000 and do not exceed $450,000;

Nine per cent of the amount by which the gifts exceed $450,000 and do not exceed $750,000;

Twelve per cent of the amount by which the gifts exceed $750,000 and do not exceed $1,000,000;

Fifteen per cent of the amount by which the gifts exceed $1,000,000 and do not exceed $1,500,000;

Eighteen per cent of the amount by which the gifts exceed $1,500,000 and do not exceed $2,000,000;

Twenty-one per cent of the amount by which the gifts exceed $2,000,000 and do not exceed $3,000,000;

Twenty-four per cent of the amount by which the gifts exceed $3,000,000 and do not exceed $4,000,000;

Twenty-seven per cent of the amount by which the gifts exceed $4,000,000 and do not exceed $5,000,000;

Thirty per cent of the amount by which the gifts exceed $5,000,000 and do not exceed $8,000,000;

Thirty-five per cent of the amount by which the gifts exceed $8,000,000 and do not exceed $10,000,000;

Forty per cent of the amount by which the gifts exceed $10,000,000.

SEC. 320. The amount of the gifts subject to the tax imposed by section 319, in the case of residents, shall be the sum of all the gifts made by such resident during the calendar year, and in the case of nonresidents, the sum of all gifts so made of property situated within the United States. If the gift is made in property the fair market value thereof at the date of the gift shall be considered the amount of the gift subject to the tax.

Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

SEC. 321. For the purpose of this tax the amount of the gift subject to the tax imposed by section 319 shall be determined—

(a) In the case of a resident, by deducting from the total amount of such gifts—

(1) An exemption of $50,000;

(2) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 1 of the vocational rehabilitation act;

(3) Gifts the aggregate amount of which to any one person does not exceed $500.

(b) In the case of a nonresident, by deducting from the total amount of such gifts—

(1) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

(2) Gifts the aggregate amount of which to any one person does not exceed $500.

SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor the amount thereof is required by any provision of this title to be included in the gross estate of the decedent then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears or bear to the total amount of gifts in that year.

SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts of an aggregate value in excess of $10,000 shall, on or before the 15th day of the third month following the close of the calendar year, file with the collector a return under oath in duplicate, listing and setting forth therein all gifts and contributions by him made during such calendar year, and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of the third month following the close of the calendar year, and shall be assessed, collected, and paid in the same manner and subject, in so far as applicable, to the same provisions of law as the tax imposed by section 301.

Mr. WALSH of Massachusetts. Mr. President, I move as an amendment to the committee amendment that in lieu of what is stricken out the following amendment be added.

The PRESIDING OFFICER. The Secretary will state the substitute offered by the Senator from Massachusetts.

The READING CLERK. After section 323, in lieu of the matter proposed to be stricken out, the Senator from Massachusetts proposes to insert the following:

PART II

SEC. 324. On and after January 1, 1924, a tax equal to the sum of the following is hereby imposed upon the transfer of property by gift, whether made directly or indirectly, by every person, whether a resident or nonresident of the United States:

One per cent of the amount of the gifts not in excess of $25,000.

Two per cent of the amount by which such gifts exceed $25,000 and do not exceed $50,000.

Three per cent of the amount by which such gifts exceed $50,000 and do not exceed $75,000.

Four per cent of the amount by which such gifts exceed $75,000 and do not exceed $100,000.

Six per cent of the amount by which such gifts exceed $100,000 and do not exceed $200,000.

Nine per cent of the amount by which such gifts exceed $200,000 and do not exceed $500,000.

Twelve per cent of the amount by which such gifts exceed $500,000 and do not exceed $1,000,000.

Eighteen per cent of the amount by which such gifts exceed $1,000,000 and do not exceed $2,000,000.

Twenty-four per cent of the amount by which such gifts exceed $2,000,000 and do not exceed $3,000,000.

Thirty per cent of the amount by which such gifts exceed $3,000,000 and do not exceed $5,000,000.

Thirty-six per cent of the amount by which such gifts exceed $5,000,000.

SEC. 325. The amount of the gifts subject to the tax imposed by section 324, in the case of residents shall be the sum of all the gifts made by such resident during the calendar year, and in the case of nonresidents the sum of all gifts so made of property situated within the United States. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift subject to the tax.

Where property is sold or exchanged for less than a fair consideration in money or money's worth then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 324, be deemed a gift and shall be included in computing the amount of gifts made during the calendar year.

SEC. 326. The following gifts shall be exempt from taxation under section 324:

(a) In the case of a resident—

(1) The amount of all gifts made within the calendar year to the persons or organizations and for the purposes specified in paragraph (3) in subdivision (a) of section 307, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

(2) Gifts to the spouse of the donor, to the extent that the total amount of the gifts of such spouse during the calendar year does not exceed $50,000;

(3) Gifts to a parent, child, adopted child, or grandchild of a donor, to the extent that the total amounts of the gifts to all such persons during the calendar year does not exceed $25,000; and

(4) Gifts to any person other than those specified in paragraphs (2) and (3), to the extent that the total amount of the gifts to all such other persons during the calendar year does not exceed $10,000.

(b) In the case of a nonresident—

(1) The amount of all gifts made within the calendar year to the persons or organizations and for the purposes specified in paragraph (3) of subdivision (b) of section 307, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act; and

(2) The gifts specified in paragraphs (2), (3), and (4) of subdivision (a) of this section, subject to the limitations therein imposed.

SEC. 327. In case a tax has been imposed under section 324 upon any gift, and thereafter upon the death of the donor the amount thereof is required by any provision of this title to be included in the gross estate of the decedent then there shall be credited against and applied in reduction of the inheritance tax, which would otherwise be chargeable upon the transfer of such property by the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 324 with respect to a gift or gifts, which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears to the total amount of gifts in that year.

SEC. 328. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts of an aggregate value in excess of $10,000 shall, on or before the 15th day of the third month following the close of the calendar year, file with the collector a return under oath in duplicate, listing and setting forth therein all gifts and contributions by him made during such calendar year, and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

SEC. 329. The tax imposed by section 324 shall be paid by the donor on or before the 15th day of the third month following the close of the calendar year, and shall be assessed, collected, and paid in the same manner and subject, in so far as applicable, to the same provisions of law as the tax imposed by section 301.

Mr. WALSH of Massachusetts. Mr. President, sections 319 to 324, inclusive, in the bill as it passed the House, have been stricken out by the Senate Finance Committee. Those sections relate to a tax upon gifts of money or property.

A similar provision was passed by the Senate when the revenue act was under consideration in 1921. At that time I offered an amendment similar to the amendment which is now presented, and which was adopted by the Senate, but it was removed from the bill in conference. If the Senate will now support this amendment, it will be impossible for the conferees to remove from the bill a provision for a gift tax.

The gift tax would serve as a safeguard for two important sections of this bill, namely, the estate tax and the personal income tax. It will go a long way toward preventing evasion of both of those taxes by the transfer of possession to relatives or friends for the purpose of reducing incomes or estates so as to bring them within a tax bracket where they would be subject to lower tax rates. The need of a safeguard upon the tax liability of the larger incomes and estates is well recognized. The Secretary of the Treasury, Mr. Mellon, recently said:

Taxpayers on large incomes and businesses are finding a hundred different methods of legally reducing their obligations to the Government. One of the most common methods found in vogue by Treasury experts was for men of large incomes to create trusts for members of their families, thus reducing their own net income and consequent liability for taxes.

The chairman of the Ways and Means Committee of the House, Mr. GREEN of Iowa, said in the House of Representatives, when this gift tax proposal was being considered, the following:

A gift tax is corollary to an estate tax. The estate tax at the present time is being largely evaded by the splitting up of the large estates. I, myself, know of one large estate which has been divided into four parts by the owner thereof, giving to his wife one part and one part to each of his three children. The gifts were made outright. They are absolute in form. They can not be attacked by the Treasury. But at the same time the man who made them has never lost control over the property. He now has as much control over the property as he ever had.

This amendment also is needed on account of the income tax. The splitting up of large estates, of course, reduces the amount of surtaxes to be laid upon the party who so divides them. We have lost more, in my judgment, by the division of these large estates in our income taxes than we have lost by reason of tax-exempt securities, and we have lost millions upon millions by reason of tax-exempt securities.

There are provisions under the present law to tax gifts in anticipation of death. A gift made within a two-year period prior to death is presumed to be a gift in anticipation of death and is included within the property that passes under the estate or inheritance tax. But there is no provision of law imposing a tax upon gifts between the living; and the greatest evasion of all evasions of the income tax has been the making of gifts by the head of a family to his wife and children, either directly or through trusts, for the purpose of having his income so reduced that he would fall within the lower brackets.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. WALSH of Massachusetts. I yield.

Mr. CARAWAY. Is there any provision in the proposed amendment that exempts from taxes gifts that are made to schools or hospitals?

Mr. WALSH of Massachusetts. Yes; all charitable and religious gifts are excluded. I propose no change from the House provisions in this respect.

Though the attempt has been made again and again to reach evasion, no tax has been imposed upon gift giving. One expert estimated that the amount of revenue lost by our Government through gifts from the living is as much as $600,000,000. That is an enormous sum. Perhaps it is too high, but the evasions have been staggering.

Mr. President, I understand the Finance Committee struck the gift tax from the bill because it was thought to be difficult to collect and open to evasion. The same arguments would be applicable to every other section of the bill. All of these taxes are difficult to collect; and in the past every form of tax has been subject to evasion. In fact, the appealing feature of this tax is to minimize evasions of other taxes. Granting that in some instances it, too, may possibly be evaded, the tax dodger will have to scale two fences instead of one. At least we should not attempt to assist those who seek to avoid taxes by refusing the remedy which the House has approved and which will surely make more difficult a practice which is well known to exist. Do we want to hinder those who are escaping taxation? Let us not pass this bill without making some attempt to correct an abuse which is so well known to everybody who has studied the operation of the present revenue law.

The significant feature of the proposed gift tax is that it will not cost a single person one cent in additional taxes unless they so choose. Gifts amounting to $85,000 may be made to different persons within the period of one year without being

subject to the tax. It is only upon the larger gifts that the tax is to be applied. There is something in human nature that leads men, even parents, to cling to their possessions until death comes; and it is very rarely that substantial gifts are made, even to the members of one's family, during lifetime, except for the purpose of escaping taxation. If fabulous gifts are distributed, I do not see why we should hesitate to tax them. Certainly there is no hardship attached to such a tax, for only those whose good fortune it is to be able to give large gifts to their relatives or friends would be called upon to pay.

Again and again an effort has been made to impose some form of gift tax. In the last tax bill the Senate imposed a gift tax. It was stricken out in conference. At this session the House has imposed a gift tax and the Senate committee has recommended its removal. If the Senate now goes on record in favor of some form of gift tax, it will be enacted. It will be a question merely of rates, because the House has already committed itself.

Personally, I think we are acting when it is too late. I think the bird has flown. I think that so many and so extensive gifts have been made in the last seven years that it is almost impossible to collect anything under a gift tax. But that does not justify leaving the door wide open for a man to continue to make gifts which will permit him to escape the fair and just income and inheritance taxes imposed upon him under the law.

The purpose of gifts inter vivos is to lower the income tax by splitting up the volume of the taxable property. In the amendment proposed by me I have used exactly the same rates as were inserted in the amendment offered last night in relation to the inheritance tax, the principle being that the amount of money which passes beween the living during the lifetime of the taxpayer should be taxed equally with the amount which passes at the time of death. So the tax upon a transfer by gift of $100,000 to a man's wife is only $750 under the provisions of the amendment. The rates are very conservative and very moderate and do not begin appreciably to affect the amounts of gifts except in the cases of excessively large gifts. Even in the case of a gift of $5,000,000 the tax would not be much over 25 per cent of the gift.

I do not know that there is anything more I care to say upon the amendment. It is presented for the purpose of making the law uniform as to gifts made at the time of death and gifts made among the living during the lifetime of the taxpayer. The rates are based upon the principle that a gift during lifetime ought to bear the same tax as a gift made to a beneficial interest at the time of death.

Mr. SMOOT. Mr. President, last evening the committee agreed to the inheritance-tax provision as stated by the Senator from Massachusetts. In order that the matter may go to conference together with the House provision I have no objection to having it agreed to. I ask that the amendment offered by the Senator from Massachusetts may be agreed to.

Mr. FLETCHER. I did not catch the point where the tax begins to apply to gifts. Suppose a father makes a gift to his children or to his wife in his lifetime, where does the tax begin?

Mr. WALSH of Massachusetts. If a husband makes a gift to his wife there is an immediate exemption of $50,000. He can give his wife $50,000 without any tax at all. If he makes a gift to a child, the exemption is $25,000. If he makes a gift to a stranger, the exemption is $10,000.

Mr. FLETCHER. How would it apply in the case of his making a gift of $50,000 this year and then five years from now making another gift of $50,000?

Mr. WALSH of Massachusetts. Each year is separate. There does not seem to be any way of reaching the condition the Senator mentions. But I want to repeat that I think the estates have been so split up through our failure to pass a strict gift tax years ago that we are not going to get much out of it, though it will yield something in the future.

Mr. FESS. Mr. President——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Massachusetts yield to the Senator from Ohio?

Mr. WALSH of Massachusetts. I yield.

Mr. FESS. How would the amendment apply to a gift to a university or a benevolent institution?

Mr. WALSH of Massachusetts. They are exempt. Gifts for public purposes, or to any religious, charitable, scientific, literary, or educational organization, including organizations for the encouragement of art and the prevention of cruelty to children or animals, are exempt.

Mr. SIMMONS. Mr. President, I do not as a general proposition feel disposed to give my assent to the principle involved in gift taxes. In ordinary conditions I would say that it is not a wise way of raising revenue for the Government. But conditions which confront us are abnormal and seem to me to make the imposition of a tax of this sort absolutely essential.

There are two kinds of taxes which we find it necessary to levy in the conditions which now obtain. One is the income tax, the other is the inheritance tax. From both of those taxes the Government realizes a very large amount of revenue, revenue that it can not dispense with, that is absolutely necessary to enable us to finance the Government. One of the favorite methods of evading the income tax is through the splitting up of large incomes among members of the family, thus evading the higher rates imposed by surtaxes. That has been very generally resorted to especially by men of large incomes and the Government has lost an immense amount of revenue through that means of evasion.

The inheritance tax also has been extensively evaded in the same way. We have had no provision in the law up to this time that has afforded anything like adequate protection to the Government against those two methods of evasion. We have no statistics. Probably no statistics are available under any conditions, but we have none which would indicate exactly the amount of revenue that has been lost by this method of evading the income tax and this method of evading the estate tax as now imposed. But they have been sufficiently large and extensive, as is now generally conceded, to very greatly impair the revenues of the Government. It is a leak that ought to be stopped, and there is absolutely no way to stop it except by the imposition of a gift tax.

I rose simply to say that if it were not for that condition of things I would not favor a gift tax.

Mr. McLEAN. Mr. President, I have not had an opportunity to read the amendment, and I wish the Senator from Massachusetts would explain the exceptions and just what gifts are excluded.

Mr. WALSH of Massachusetts. A gift of $50,000 by husband to wife——

Mr. McLEAN. I understand about the gifts to members of the family, but I am inquiring more particularly about charitable gifts.

Mr. WALSH of Massachusetts. There are exactly the same exceptions that are in the House provisions of the bill.

Mr. McLEAN. Gifts to the public for any public purpose?

Mr. WALSH of Massachusetts. As to gifts for charitable, religious, or educational purposes, exactly the same exemptions are made as are made in the House text.

Mr. ROBINSON. There is no limitation on gifts for charitable, educational, or religious purposes?

Mr. WALSH of Massachusetts. None at all.

Mr. McLEAN. Would that include a gift for a public building? Is the language broad enough for that?

Mr. WALSH of Massachusetts. I understand it would.

Mr. McLEAN. I think it should.

Mr. SIMMONS. It would cover a building only for the purposes mentioned.

Mr. McLEAN. For any specific purpose such as a town hall.

Mr. SMOOT. It would cover any specific purpose.

Mr. McLEAN. Or a building for entertainment purposes?

Mr. WALSH of Massachusetts. I think it would cover that.

Mr. SIMMONS. I think that would be a matter of construction.

Mr. WALSH of Massachusetts. Mr. President, I wish to say a few words further in order to illustrate the manner in which gifts are used to evade income and inheritance taxes.

Suppose Jones enjoys the income from $1,000,000, or $50,000 per year. The normal tax and the surtax at the rates adopted by the Senate are $6,137.50. If Jones gives his wife half of his property, or $500,000, in trust or otherwise, the income taxes on the $25,000 of income which each spouse will receive will be $1,547.50, or a total saving in taxes on the income of the husband and wife of $3,042.50. The saving in the cases of larger incomes will be proportionately greater as the surtaxes increase. It can not be doubted, therefore, that if we are to make the tax laws effective, we must place some tax upon the gifts which are now being used to evade them.

Or suppose, in the second place, that Jones leaves an estate of $200,000 to his wife and child. The total taxes on the transfers under the provisions adopted by the Senate would be $3,600. If, however, Jones gave $100,000 to his wife and child, not in contemplation of his death, and thus left an estate of $100,000 to his wife and child, the total inheritance taxes would be $800, or a saving in transfer taxes of $2,800. If Jones owned $1,000,000 of property and gave to his wife and

child $500,000 of it, not in contemplation of his death, leaving the remainder to them on his death, the saving in transfer taxes would be $45,000.

The gift tax which I propose would insure that a tax on the transfer would be collected, whether the transfer is made by gift during the lifetime of the donor, or by intestate succession, or by will at his death. If the transfer is to be taxed by the Federal Government at all, it should be taxed whether made during the life or at the death of the transferor. Otherwise the Federal Government is only making an empty pretense of taxing such transfers.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Massachusetts [Mr. WALSH] to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. SMOOT. On page 62, line 20——

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me for a moment?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. I ask unanimous consent that the Secretary may be authorized to make such changes in the numbering of the sections and in the totals as may be necessary to make the amendment conform to the bill.

Mr. SMOOT. I will say to the Senator that unanimous consent was granted for that purpose when the bill was first taken up.

Mr. WALSH of Massachusetts. Very well.

Mr. SMOOT. On page 62, line 20, I move to strike out "paragraph (1) of."

I will state that this is made necessary by the adoption of the normal tax as proposed by the Senator from North Carolina [Mr. SIMMONS].

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SMOOT. The next amendment I propose is on page 111, line 15, to strike out "(a)."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SIMMONS. As I understand, that amendment covers merely an administrative matter?

Mr. SMOOT. It is a clerical amendment, I will say to the Senator. The amendment that was agreed to made only the one paragraph necessary.

Mr. SIMMONS. I only wished to be sure that it did not affect the substance.

Mr. SMOOT. There are three other amendments which I desire to have action upon, and I send them to the desk. Then I shall make a brief statement as to what they are. I now offer the amendments which I send to the desk.

The PRESIDING OFFICER. The first amendment proposed by the Senator from Utah will be stated.

The READING CLERK. On page 45 it is proposed to strike out from line 8 to line 18, both inclusive, and to insert in lieu thereof the following:

> No tax shall be levied under the provisions of this title upon the income derived from the operation of such public utility, so far as the payment thereof will impose a loss or burden upon such State, Territory, District of Columbia, or political subdivision; but this provision is not intended and shall not be construed to confer upon such person any financial gain or exemption or to relieve such person from the payment of a tax as provided for in this title upon the part or portion of such income to which such person is entitled under such contract.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I merely wish to make a brief statement as to the purpose of the amendment.

Mr. JONES of New Mexico. I should like to inquire where the amendment comes in.

Mr. SMOOT. I may say that I offer the amendment personally. All of the committee amendments have now been disposed of, and the bill is open for individual amendments. I am merely offering the amendment personally and not for the committee.

Mr. JONES of New Mexico. On what page does the amendment come in?

Mr. SMOOT. On page 45 to strike out from lines 8 to 18, inclusive, and to insert in lieu thereof the matter which has just been read at the desk.

For the BECORD, Mr. President, I wish to make a brief statement as to the effect of the amendment.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Utah to the fact that as the amendment has been stated it does not seem to correspond with the print of the bill.

Mr. SMOOT. Mr. President, the amendment has been stated correctly. It is to strike out from line 8 down to and including line 18, and to insert the matter which has been read so that it will read:

> Or maintain a public utility, no tax shall be levied under the provisions of this title—

And so forth.

The PRESIDING OFFICER. The Chair stands corrected. The Senator from Utah is accurate.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield for a moment?

Mr. SMOOT. I yield.

Mr. WALSH of Massachusetts. Did I understand the Senator from Utah to say that the stage in the consideration of the bill has been reached where amendments may be offered from the floor?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. I should like to have all Senators informed of that fact by suggesting the absence of a quorum, if that is agreeable to the Senator from Utah, because a number of Senators desire to be advised when that stage in the consideration of the bill is reached.

Mr. SMOOT. I thought of doing that as soon as we had concluded the amendments I have offered.

Mr. WALSH of Massachusetts. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Keyes	Shields
Ashurst	Fernald	Ladd	Shipstead
Bayard	Fess	Lodge	Simmons
Borah	Fletcher	McKellar	Smoot
Brandegee	Frazier	McKinley	Stanfield
Brookhart	George	McLean	Stephens
Bruce	Gerry	Moses	Sterling
Bursum	Glass	Neely	Trammell
Cameron	Gooding	Norbeck	Underwood
Capper	Harreld	Norris	Wadsworth
Caraway	Harris	Oddie	Walsh, Mass.
Cole	Heflin	Pepper	Walsh, Mont.
Copeland	Howell	Ralston	Watson
Curtis	Johnson, Calif.	Reed, Mo.	Weller
Dale	Johnson, Minn.	Reed, Pa.	Wheeler
Dial	Jones, N. Mex.	Robinson	Willis
Dill	Kendrick	Sheppard	

Mr. NEELY. I wish to announce that the Senator from Utah [Mr. KING] is sitting with the Committee on Privileges and Elections, which is now engaged in hearing testimony in the Mayfield case; and I wish further to state that the Senator from Missouri [Mr. SPENCER] and the Senator from Kentucky [Mr. BERRY] are similarly engaged.

Mr. McKINLEY. I desire to announce that the Senator from South Carolina [Mr. SMITH], the Senator from Louisiana [Mr. RANSDELL], the Senator from Washington [Mr. JONES], and the Senator from Oregon [Mr. McNARY] are attending a meeting of the Agricultural Committee.

Mr. COPELAND. I desire to announce that the Senator from Louisiana [Mr. BROUSSARD] and the Senator from North Carolina [Mr. OVERMAN] are sitting with the Committee on Appropriations.

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

Mr. SMOOT. Mr. President, while Senators are in the Chamber I want to state that all committee amendments have been disposed of; and I shall now offer three amendments to certain provisions of the bill that are recommended by the department and I think also agreed to by the minority members of the committee.

The Secretary has stated the first amendment, and I want to make a brief statement as to what it is before the Senate votes upon it.

The amendment merely restores the language of the existing law, which was changed in the House bill principally for purposes of clarity. The theory of both the existing law and the House bill is the same in that they provide for the exemption from tax of a city operating a public utility, but state that exemption shall not, directly or indirectly, apply to any private individual. It has been found that although the provisions of the House bill are more clear as applied to some of these contracts, they do not apply properly to others, and it is thought desirable to restore the language of the existing law.

Mr. JONES of New Mexico. Mr. President, I think that is a very proper amendment. It concerns a rather involved situation in some instances, and it is desirable that this amendment be made so that the whole question may be thrown into conference and worked out to meet the varying situations which have developed since this language was written.

Mr. McKELLAR. May the amendment be stated again?

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 45, it is proposed to strike out lines 8 to 18, inclusive, and to insert in lieu thereof the following:

no tax shall be levied under the provisions of this title upon the income derived from operation of such public utility, so far as the payment thereof will impose a loss or burden upon such State, Territory, District of Columbia, or political subdivision; but this provision is not intended and shall not be construed to confer upon such person any financial gain or exemption or to relieve such person from the payment of a tax, as provided for in this title, upon the part or portion of such income to which such person is entitled under such contract.

Mr. McKELLAR. Mr. President, will the Senator from Utah explain what is intended to be done by the amendment?

Mr. SMOOT. It just restores the existing law.

Mr. McKELLAR. I know; but what law is it restoring? What is the purpose of it? Is it to relieve street-car companies and other public utilities from taxation?

Mr. SMOOT. No. The statement I made is just about as brief as it possibly can be made, and I will read it again, so that the Senator can hear it.

Mr. McKELLAR. I would rather have the Senator tell me what the provision means.

Mr. SMOOT. It means this: It exempts the city, but it does not exempt the private individual.

Mr. McKELLAR. Does it exempt the public utilities?

Mr. SMOOT. No; it does not. It exempts the city's share, whatever it may be, in a public utility, and there are quite a number of them in the United States.

Mr. McKELLAR. Oh! It applies only to municipally owned concerns?

Mr. SMOOT. Yes; wherever they have an interest.

Mr. McKELLAR. The reason why I am asking the question is this: I saw an advertisement a day or two ago in which one of the utilities here in Washington was advertising that it was exempted from all city taxes, and I was just wondering whether or not it was under this provision. It did not read that way, but I wanted an explanation of the matter.

Mr. SMOOT. I saw such a statement made, and I assure the Senator that it is not true. I do not know whether the statement related to the street cars in Washington or not, but I saw such an advertisement.

Mr. McKELLAR. Of course, if the provision merely applies to municipally owned public utilities, or those in which municipalities have an interest, I have no objection at all to it.

Mr. SMOOT. That is all there is to it.

Mr. NORRIS. Mr. President, I have not found the amendment yet. What page is it on?

The PRESIDING OFFICER. On page 45, lines 8 to 18.

Mr. NORRIS. I will ask the Secretary to state the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 45, it is proposed to strike out lines 8 to 18——

Mr. NORRIS. I will ask to have the Secretary read what is stricken out.

The READING CLERK. It is proposed to strike out the following words:

the tax upon the income from the operation of such public utility shall be collected and paid in the manner and at the rates prescribed in this title; but there shall be refunded to such State, Territory, or political subdivision thereof, or the District of Columbia, under rules and regulations to be prescribed by the commissioner, with the approval of the Secretary, a part of such tax equal to the amount by which the share of the income from the operation of such public utility accruing to such State, Territory, or political subdivision thereof, or the District of Columbia, was reduced by the imposition of such tax.

In lieu of that matter, it is proposed to insert the following:

no tax shall be levied under the provisions of this title upon the income derived from operation of such public utility, so far as the payment thereof will impose a loss of burden upon such State, Territory, District of Columbia, or political subdivision; but this provision is not intended and shall not be construed to confer upon such person any financial gain or exemption or to relieve such person from the payment of a tax as provided for in this title upon the part or portion of such income to which such person is entitled under such contract.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. NORRIS. Mr. President, I wonder what the effect both of the language in the House bill and this amendment would be upon a public utility, let us say an electric-light company, owned by a city. Does it have any application to that?

Mr. SMOOT. I will say to the Senator that there is another provision in the bill in which they are exempted entirely.

Mr. NORRIS. I do not want to vote for any provision, either in the bill or in an amendment, that would levy a tax upon a municipality.

Mr. SMOOT. This applies to public utilities where a municipality has an interest in them.

Mr. NORRIS. There are such.

Mr. SMOOT. And there are such. The way the House had it, they would be liable to be taxed for whatever interest they had in that public utility. This amendment relieves them just exactly as the existing law does.

Mr. NORRIS. I was under the impression, just from the reading that I heard at the desk, that there might be a possibility that in connection with the operation, for instance, of electric lights for a city, if owned by the city or if owned partly by the city and partly by a private individual or corporation, there would be a tax to be paid by the city upon its part of the income, provided that income was more than was necessary to defray its part of the expenses of operation.

Mr. SMOOT. There is no tax at all.

Mr. NORRIS. Of course, when a city does anything of that kind, it necessarily wants to make and ought to make some profit out of it in order to lay aside a sinking fund.

Mr. SMOOT. To pay the bonds.

Mr. NORRIS. And also to lay aside a surplus to meet the cost of accidents, and so forth; and I do not want to levy any tax upon any income that goes to a city or a county or a State or any subdivision thereof.

Mr. SMOOT. I will assure the Senator that this provision does not do that; and they are specifically exempted on page 44 of the bill, paragraph (7).

Mr. NORRIS. I will accept the Senator's statement, of course.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. SMOOT. Mr. President, I now offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Utah proposes an amendment, which will be stated.

The READING CLERK. On page 274, after line 10, it is proposed to add a new section to read as follows:

SEC. 1131. (a) Section 3195 of the Revised Statutes is amended to read as follows:

"SEC. 3195. When any property liable to distraint for taxes is not divisible, so as to enable the collector by sale of a part thereof to raise the whole amount of the tax, with the costs and charges, the whole of such property shall be sold, and the surplus of the proceeds of the sale, after making allowance for the amount of the tax, interest, penalties, and additions thereto, and for the costs and charges of the distraint and sale, shall be deposited with the Treasurer of the United States as provided in subdivision (b) of section 3210."

(b) Section 3210 of the Revised Statutes is amended to read as follows:

"SEC. 3210. (a) Except as provided in subdivision (b) the gross amount of all taxes, revenues, and collections of whatever nature received or collected by authority of law shall be paid daily into the Treasury of the United States under instructions of the Secretary of the Treasury as internal-revenue collections by the officer receiving or collecting the same without any abatement or deduction on account of the salary, compensation, fees, costs, charges, expenses, or claims of any description. A certificate of such payment, stating the name of the depositor and the specific account on which the deposit was made, signed by the treasurer, assistant treasurer, designated depositary, or proper officer of a deposit bank, shall be transmitted to the Commissioner of Internal Revenue.

"(b) Sums offered in compromise under the provisions of section 3229 of the Revised Statutes and section 35 of Title II of the national prohibition act, sums offered for the purchase of real estate under the provisions of section 3208 of the Revised Statutes, and surplus proceeds in any distraint sale, after making allowance for the amount of the tax, interest, penalties, and additions thereto, and for costs and charges of the distraint and sale, shall be deposited with the Treasurer of the United States in a special deposit account in the name of the collector making the deposit. Upon acceptance of such offer in compromise or offer for the purchase of such real estate, the amount so accepted shall be withdrawn by the collector from his special deposit account with the Treasurer of the United States and deposited in the Treasury of the United States as internal-revenue collections. Upon the rejection of any such offer, the commissioner shall authorize the collector, through whom the amount of such offer was submitted, to refund to the maker of such offer the amount thereof. In the case of surplus proceeds from distraint sales the commissioner shall, upon application and satisfactory proof in support thereof, authorize the collector through whom the amount was received to refund the same to the person or persons legally entitled thereto."

Mr. SMOOT. Mr. President, under the present ruling of the Comptroller General, offers in compromise even though unaccepted are treated as current receipts of the Treasury and, if the offer is not accepted, it requires a refund to return to the taxpayer the amount tendered by him as an offer in compromise. This procedure is unnecessarily complicated and works to the serious disadvantage of the taxpayer whose offer in compromise is rejected by the department. This proposed amendment provides that such offers in compromise shall be placed in the suspense account and if the offer is accepted the amount of the offer shall be covered into the Treasury, but if the offer is rejected the amount thereof shall be paid out of the suspense account and returned to the taxpayer.

The PRESIDING OFFICER (Mr. MOSES in the chair). The question is on agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

Mr. SMOOT. I offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 42, line 24, the Senator from Utah proposes to strike out all after the period and to strike out lines 1 and 2 on page 43, as follows:

Items of gross revenue shall be considered to be received in the taxable year in which they are unqualifiedly made subject to the demands of the taxpayer.

Mr. SMOOT. Mr. President, in the House a provision was inserted that items of gross income should be considered to be received in the year in which they are unqualifiedly made subject to the demand of the taxpayer. This ruling was intended to embody in the law the present ruling of the Treasury Department which requires dividends and bond interest to be included in income when it is subject to demand by the taxpayer. It has been found, however, that, although this represents the general rule, there are certain exceptions to it. It is thought desirable, therefore, to strike out the provision and let it go to conference where the proper limitations and exceptions may be placed upon it.

The amendment was agreed to.

Mr. REED of Missouri obtained the floor.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED of Missouri. The Senator from New Mexico advises me that he has an amendment to offer which will take but a moment, and I yield to him.

Mr. JONES of New Mexico. The amendment which I propose is to be inserted on page 17, to strike out lines 4 to 17, for the purpose of throwing the subject matter into conference. The language which I move be stricken out is as follows:

(8) If the property (other than stock or securities in a corporation a party to a reorganization) was acquired after December 31, 1920, by a corporation by the issuance of its stock or securities in connection with a transaction described in paragraph (4) of subdivision (b) of section 203 (including, also, cases where part of the consideration for the transfer of such property to the corporation was property or money in addition to such stock or securities), then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain or decreased in the amount of loss recognized to the transferor upon such transfer under the law applicable to the year in which the transfer was made.

Mr. SMOOT. I have no objection to allowing the amendment to go to conference.

Mr. JONES of New Mexico. The Senator from Utah realizes the difficulties which pertain to that clause, and it is thought by all of us that it should go to conference.

The amendment was agreed to.

Mr. McKINLEY. Mr. President, I have an amendment to offer.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. The Senator from Illinois proposes to insert the following:

That subdivision (b) of section 1101 of the revenue act of 1917, as amended, is amended, to take effect 30 days after this act becomes law, to read as follows:

"(b) In the case of the portion of such publications devoted to advertisements the rates per pound or fraction thereof for delivery within the several zones applicable to fourth-class matter shall be as follows (but where the space devoted to advertisements does not exceed 5 per centum of the total space, the rate of postage shall be the same as if the whole of such publication was devoted to matter other than advertisements): For the first and second zones, 1½ cents; for the third zone, 2 cents; for the fourth zone, 3 cents; for the fifth zone, 3½ cents; for the sixth zone, 4 cents; for the seventh zone, 5 cents; for the eighth zone, 5½ cents."

SEC. 2. This act shall not be construed to repeal sections 1102 to 1106, inclusive, of the revenue act of 1917, as amended.

SEC. 3. That nothing in this act shall affect existing law as to free circulation or existing rates on second-class mail matter within the county of publication, or existing rates on second-class mail matter designated as educational, scientific, or charitable.

Mr. EDGE. May I ask the Senator from Illinois if that is an amendment proposed to the pending bill?

Mr. McKINLEY. It is. I understand that this amendment would set the rates back to what they were under the increase in 1919. The result would be that for the first and second zones the charge would be 1½ cents, where it was 2; in the third zone it would be 2 cents, where it was 3; in the fourth zone it would be 3 cents, where it was 5; in the fifth zone it would be 3½, where it was 6; in the sixth zone it would be 4, where it was 7; in the seventh zone it would be 5, where it was 9; and in the eighth zone it would be 5½, where it was 10.

As it is represented to me there have been four raises in rates since the war. This does not set the rates back to prewar rates, but sets them back to those of 1919. The income of 1918 for this matter was $11,717,000. After the raise in 1920 it was $25,100,000. Another raise then brought it up to $25,499,000, and in 1922, with another raise, the income fell back to $25,197,000. In 1923 it had increased about 10 per cent, or to something like $28,000,000.

The result has been that the very high rates have driven the newspapers and the magazines to the railroads and the express companies. The circulation has been reduced, and the people who are particularly affected are the farmers, who receive about 90 per cent of the newspapers and magazines sent by mail.

Mr. SMOOT. Mr. President, I hope this amendment will not be agreed to as an amendment to the pending bill. I think the better way would be to introduce a bill covering this matter, have it referred to the proper committee of the Senate, let them go into the details as to whether it is a good thing to adopt or not, report it to the Senate, and let the Senate act upon it. I have a letter from the Postmaster General in regard to it; but I will content myself at this time by simply saying that the committee has undertaken to keep everything out of this bill of a retroactive nature, and also new legislation that does not affect directly the producing of revenue for the Government.

There is a committee appointed to handle such matters as this. Every change that has been made has been one recommended by that committee, and this one should be considered by that committee rather than have it put upon a revenue bill.

Mr. EDGE. Will the Senator yield?

Mr. SMOOT. Certainly.

Mr. EDGE. I may say, supplementing what the Senator from Utah has said, that the Congress appropriated half a million dollars at the last session for the purpose of enabling the Post Office Department to make an investigation to ascertain the cost of the service in its various departments. I am a member of the Committee on Post Offices and Post Roads, and we have been giving a great deal of consideration recently to the necessity of raising the salaries in the Postal Service. In connection with that, we have likewise considered increasing the revenues. A report which is before the Senate states

that after careful inquiry the committee felt that they did not have sufficient information upon which to base any changes in the rates until the cost ascertainment had been completed.

These changes may be justified. I am not speaking in opposition to the return to the former rates; but I do not feel that the Senate at this time is sufficiently well informed as to the cost of the various departments of the Postal Service to vote intelligently upon the amendment.

Mr. CARAWAY. I gather from the statement of the Senator from Illinois that it is the view of those who have studied the question that this amendment would produce a greater revenue than is produced by the present rates. Therefore I am curious to know what interest the Senator from New Jersey would have in further studying it, if it would increase the revenues.

Mr. EDGE. The interest of the Senator from New Jersey is that he wants to have accurate information. I do not think we are sufficiently informed to justify us in accepting this conclusion without having a report from the Post Office Department in the matter. It is a mere matter of having full business information.

Mr. CARAWAY. Of course I did not intend to insinuate that the Senator was not giving it the kind of intelligent consideration it ought to have, but what I meant to say was that the statement of the Senator from Illinois would indicate that as we have raised the rates we have gotten less revenue. I think all of us will agree that there is a point in a tax bill and a point in a post-office rate which is beyond a figure which will produce revenue. If you make it unprofitable for people to do business, they will not do it. I infer that such a point was reached, from the statement of the Senator from Illinois.

Mr. EDGE. I thoroughly agree with the principle enunciated by the Senator from Arkansas [Mr. CARAWAY] in that last statement—that you can go to a point in taxation where less revenue will be brought in than if the rate is left at a certain modest point. That applies to surtaxes as well.

Mr. CARAWAY. I thoroughly agree with the Senator from New Jersey that that is true.

Mr. EDGE. But on this particular matter I may say in conclusion that I did not rise with the idea of getting into a discussion of the subject at this time, because I frankly admit I am not sufficiently informed. As chairman of the subcommittee dealing with the question, I have asked the Post Office Department for full information. They frankly admitted that they would not be prepared to give full information until about the end of the fiscal year, when they expect to have a complete report showing the result under the appropriations made by the last Congress.

Mr. CARAWAY. Mr. President, I do not want this important matter to get tied up with the question of raising salaries. There ought to be no tax on information. There ought to be the freest circulation of periodicals. The Senator from Illinois made the statement—and I take it he would not have made it unless he had information that warranted him in knowing he is correct—that it largely tends to restrict the circulation of papers in agricultural communities, who more particularly use the post office. For the largest deliveries from city to city they use the express, but publications going into the homes of farmers necessarily must go through the mail, and therefore it is a direct tax at higher rates upon the sources of information of the agricultural communities. I would therefore very much like to see the suggestion of the Senator from Illinois incorporated in the bill. It may not have great relation to it, but it has something to do with the burden of government.

Mr. EDGE. The suggestion of the Senator from Illinois may have great merit, and I do not want to place myself in the position of being opposed to it if the facts were before the Senate upon which we could base a real business judgment. I can only repeat that I think at this time we are not in possession of all the facts and it would be a mistake to add this as more or less of a rider to a revenue producing bill.

Mr. SMOOT. Mr. President, I want to call attention to the total revenues for the years 1919, 1920, 1921, and 1922. Those were the years that were affected by the last change in the law. In 1919 there was an increase of 5.91 per cent over the previous year. In 1920 there was an increase of 19.81 over the previous year. In 1921 there was an increase of 6.02 per cent over the previous year. In 1922 there was an increase of 4.61 per cent over the previous year. There has been no year that there has not been an increase over the preceding year. The amount of the increases in dollars and cents could be given, but we have not the facts, as stated by the Senator from New Jersey, to cover the whole subject matter. I think the facts ought to be had before we adopt such an amendment.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arkansas?

Mr. SMOOT. I yield.

Mr. CARAWAY. I realize the sometimes lack of wisdom in trying to inject a schedule or a rate or a matter into a revenue bill when we have not the full matter in our minds. I am making no pretense of being an expert on taxation, but I would like to say this generally: I think it is so important that there be no tax on information, that the people ought to be permitted to get their papers and magazines and the things that come to them at as low a rate as possible, that it would be wise to accept this proposal in the bill, and when the bill is ready that covers salary increases, which the Senator from New Jersey has mentioned, if then it was found to be unwise to have done this, it could be legislated out. But we may not get the opportunity if we do not embrace it now.

Mr. FLETCHER. Mr. President, I want to inquire with regard to the increase. The Senator from Utah gave the information that there had been a certain increase in the revenue from the Post Office Department. The amendment only applies to certain functions of that department, as I understand.

Mr. SMOOT. But the figures I quoted only apply to second-class mail matter.

Mr. FLETCHER. The same as already involved?

Mr. SMOOT. Yes.

Mr. FLETCHER. There is now a proposal to reduce those rates?

Mr. SMOOT. Yes.

Mr. FLETCHER. Has the Senator any information from the department as to what effect that would have on the revenues?

Mr. SMOOT. I have not. The Senator from New Jersey has already stated that we can not get that information until nearly the close of the fiscal year.

Mr. WILLIS. Mr. President, I desire to propound an inquiry to the Senator from Utah [Mr. SMOOT] or the Senator from New Jersey [Mr. EDGE] or the Senator from South Dakota [Mr. STERLING] or some other Senator who can give the information. In common with every other Member of the Senate, I have been having much correspondence from people about rates of postage. It has been my understanding that there is a joint commission or committee that is going into the whole question and carefully examining the facts, and that the commission or committee will be in position to report at some time in the not far distant future. If that is the case, it seems to me the determination of this matter ought to be put off until we have the facts. Is there any such commission?

Mr. STERLING. There is no such commission for that purpose, but it is a matter that should, I think, come before the Committee on Post Offices and Post Roads. The Committee on Post Offices and Post Roads are contemplating even now going into the whole matter of rates. A very comprehensive salary bill has already been reported to the Senate by the Senator from New Jersey, he being at the head of a subcommittee of the Senate Committee on Post Offices and Post Roads having that in charge. In view of the fact that additional revenue will have to be raised for the purpose of meeting the increased salaries provided for in that bill, the Committee on Post Offices and Post Roads will take up and consider the question of rates on the different classes of mail matter.

Mr. WILLIS. Is it not a fact that the Post Office Department itself is now conducting an inquiry to get at the facts in the matter?

Mr. STERLING. Certainly. I am glad the Senator called attention to that point. The Post Office Department is endeavoring to ascertain the cost of carrying, handling, and distributing the different classes of mail. We are waiting for some information from the department on that question.

Mr. McKINLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Illinois?

Mr. WILLIS. I yield.

Mr. McKINLEY. Is it not a fact that the increases in rates have brought in no additional money, that in 1920 the income was $25,000,000, that the increase in 1921 only added $400,000, and that in 1922 it dropped back to $25,195,000; in other words, that the rate is now so high that they do not use the mail for general distribution; but the farmer, who has to use the mails, is compelled to pay the higher increased rates?

Mr. STERLING. I can not quite answer the question whether those are the facts, because I do not know. I have seen no report from the Post Office Department to that effect.

Mr. EDGE. The report is promised to the committee within the next two months.

Mr. CARAWAY. I notice the Senator's statement that they are going into the whole question. The thing I wanted to suggest was that it looked like we might find some source of revenue instead of taxing the source of the information of the people who are compelled to depend upon their papers and magazines. If we are going to increase everybody's wages—and I am expressing no opinion adverse to that—we ought to find some other source of revenue than a higher rate upon periodicals which go to the people residing in rural communities. Then it is exactly where you place it, if you raise or maintain the present high rates on publications.

Mr. STERLING. I appreciate what the Senator from Arkansas said in that regard, and it is a matter that will be considered by the committee. It has already been informally discussed in connection with the question of rates on parcel post whether they should be increased or not, and if so, to what extent.

Mr. CARAWAY. Why would it not be well—at least it would be a fine experiment—to let it go into this bill and see what effect it will have, and by the time the committee is ready to consider the bill to which the Senator from South Dakota has referred we would have some actual information as to what a reduced rate might produce in the way of revenue? I am sure that we could raise the rates until they cease to be productive of revenue, until they dry up the very source from which we collect revenue. That sounds like such good Republican doctrine that it seems to me it ought to appeal to Senators on the other side of the aisle.

Mr. STERLING. The Committee on Post Offices and Post Roads are considering kindred questions; and because they are necessarily interested in providing revenue, it ought to be a subject for that committee to consider. I am opposed to the amendment on that ground, and on that ground alone.

Mr. WILLIS. All I want to say about the amendment is this: It may be if we had an opportunity to ascertain the facts that we all would support the amendment offered by the Senator from Illinois. But it seems to me that the question of the reduction of rates of postage on the different classes of mail matter is so delicate and so important that we ought not to undertake just in an offhand fashion to change those rates. It may very well be, after the matter has been looked into by the Post Office Department and by the Committee on Post Offices and Post Roads, that the rates will be found to be reasonable and equitable and just, but it seems to me it is not a good way to transact the public business here upon a great bill upon another subject to undertake to adjust postal rates.

Because of the lack of information, because of the fact that the Committee on Post Offices and Post Roads is now giving attention to the matter and that it is a subject properly belonging to that committee, and because the Post Office Department itself is at the present time conducting an important inquiry to get at the facts so we may pass a just bill, it seems to me it would be unwise legislation to adopt the amendment in this form.

Mr. McKINLEY and Mr. HARRISON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield; and if so, to whom?

Mr. WILLIS. I yield first to the Senator from Illinois.

Mr. McKINLEY. If the amounts of money received in 1920, 1921, and 1922 were all practically the same, and in the meantime there have been two raises which fall practically altogether on the farmer, who has to receive this matter through the mails, would it not be well to put the rate back? It makes no difference in dollars and cents. Would it not be better to put it back to the lower rate?

Mr. WILLIS. If the Senator were absolutely sure of all the matters he alleges as facts, that might be true; but, I repeat, there has been no report upon the matter, and the question of postal rates on the different classes of mailable matter is a very delicate and difficult thing. It is a difficult matter to appraise the elements of cost entering into the transportation of the mails.

My point is that in the consideration of a great bill relating to another subject it is unwise legislation to bring in an amendment that may have very important results that can not now be perceived.

Mr. HARRISON. Mr. President, will the Senator now yield to me?

Mr. WILLIS. I yield the floor. That is all I wanted to say on the subject.

Mr. HARRISON. Before the Senator takes his seat may I ask him a question?

Mr. WILLIS. Certainly.

Mr. HARRISON. We have taken the tax off of telegrams and telephone messages, off of automobile parts, off of motion pictures to a certain extent, and refused to tax radios and radio parts. No report was had in reference to those matters. It is merely a question of removing a tax in a bill that seeks to reduce the taxes on the people. This reduction of rates to a pre-war basis, as I understand the amendment, only carries out the theory that we were following with reference to telegraph and telephone messages, motion pictures, radio parts, and so on.

Mr. WILLIS. The Senator, of course, understands that there is quite a difference in the cases he cites. The question of the adjustment of postal rates on the different classes of mail matter is quite a different thing from a tax upon a radio receiver or an automobile.

Mr. HARRISON. I do not care whether the term "rates" or "taxes" be used; it means the same thing.

Mr. WILLIS. I yield the floor, Mr. President.

Mr. WADSWORTH. Mr. President, without pretending to be an expert on this question, let me observe that from the beginning I have never had any admiration for the zoning system of postal rates as applied to newspapers or to any other publication carrying information; but we have had it for some years, and I suppose it will be some years before we can get rid of it.

There is no doubt whatsoever, Mr. President, that the present rates are too high. The more prominent publications of the country are to a great extent excluded from getting subscriptions from persons living in the eighth, ninth, and tenth zones. The cost of postage when the publication is carried to that distance is so great that the newspaper or the magazine can not pay it and still sell the publication at its ordinary subscription rates to the recipients. I have a letter here from one of the managers of a great metropolitan daily in which is brought to my attention the effect of some of these high rates. I beg leave to read extracts from that letter, especially for the information of members of the Committee on Post Offices and Post Roads, for to me the thing seems perfectly simple to understand. This letter states:

> The present rates—war taxes—imposed on the newspapers in the revenue act of 1917 are excessive and unjust both in themselves and by comparison with rates for other classes of postal matter.
>
> The Post Office Department actually loses revenue by these prohibitive rates, the newspapers being forced to use express, baggage, and automobile services wherever possible. This paper alone for these services pays from $200,000 to $300,000 annually, which formerly went to the post office.

I interpolate that it makes no money for the Government when we drive these publications out of the Postal Service as a means of distribution.

> The imposition of postal rates which seriously curtail the circulation of newspapers in other sections of the country than their own is contrary to public policy and national interest.

To that statement I heartily subscribe.

Mr. CARAWAY. The high rates actually prevent people from being able to get newspapers and periodicals which are published in other sections of the country, so that they may keep abreast of the common thought.

Mr. WADSWORTH. I have suspected that that was the principal reason back of the original zoning plan. This letter continues:

> New York newspapers are more concerned than those of other States because its newspapers are more national in their character and circulation.

I think that can not be truthfully denied. I think you will agree that an increased circulation of New York newspapers is not a bad influence in our national affairs.

> The postal rates on newspapers under the zone law are 1½ cents per pound on news matter and from 2 to 10 cents per pound on advertising matter. These rates are 250 per cent higher than the old rates. This paper pays in the neighborhood of $400,000 a year more than under the old second-class rate.

And remember, Mr. President, that in addition to that $400,000 a year this one newspaper pays between $200,000 and $300,000 for automobile, baggage, and express service in order to reach the more distant zones.

> Newspaper rates are the only postal rates increased since the war to a point higher than they were either before or during the war. This increase, too, in the face of practices adopted by the newspapers which enable the post offices to handle newspapers at less expense proportion-

ately than any other class of mail. The newspapers save the Post Office Department all terminal and routing expenses of every kind. On the bulk of newspaper mail in the first and second zone the services performed by the Post Office Department are no more than simple baggage services. Newspaper mail does not go through the post office either at the shipping point or at destination, being delivered by the publisher at the terminal and taken by the newsdealer on arrival; yet the lowest present newspaper rate of the Post Office Department is $2 a hundred pounds; the express rate within 500 miles, covering three postal zones, is $1 a hundred, and the baggage rate 30 to 60 cents.

How can we expect the newspapers to use the mails when they get other service at half the price? No wonder the revenue of the Post Office Department shows no increase worthy of the name, in spite of a doubling of the pre-war rates on newspapers.

Mr. McKINLEY. Mr. President, will the Senator yield?

Mr. WADSWORTH. I yield.

Mr. McKINLEY. Is it not also unjust in this respect that the farmer must use the mail and can not get the advantage of the low baggage and express rates of which those who live in the city have the benefit?

Mr. WADSWORTH. I think that is true; I think the present system operates to provide unequal distribution of reading matter for which the entire American people have a real need.

Mr. GERRY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Rhode Island?

Mr. WADSWORTH. I yield.

Mr. GERRY. Can the Senator tell us whether the former second-class mail rates were remunerative? Did they pay for the expense incurred?

Mr. WADSWORTH. I have not those figures with me. I know that the increase in the rates has not increased the revenue.

Mr. GERRY. But, independent of that, what has been the result?

Mr. SMOOT. There has been an increase in revenue.

Mr. WADSWORTH. The increase is not worthy of the name.

Mr. SMOOT. I have just stated the amount and given the percentages by which the revenues have been increased over the preceding years.

Mr. WADSWORTH. Does the Senator believe that a doubling of postage rate which increases the revenue only 4 per cent is good business?

Mr. SMOOT. The Senator from Utah has not said that at all, and these are not the facts in the case.

Mr. WADSWORTH. I thought I heard the Senator read that in one year the receipts increased 4 per cent over the preceding year?

Mr. SMOOT. In 1919 the increase was 5.19 per cent, in 1920 it was 19.81 per cent, in 1921 it was 6.02 per cent, in 1922 it was 4.61 per cent. All those percentages represent increases over the year preceding. So there has been an increase beginning in 1919 of 5.91 per cent over the preceding year, of 19.81 per cent the next year, of 6.02 per cent the next year, and of 4.61 per cent the next year. I will say that I think the whole question ought to be settled, and if the Post Office Committee finds that the rates ought to be decreased I will vote for such a decrease, no matter what may come, if it is right; but this is not the proper place to provide for such legislation.

Mr. WADSWORTH. That is a question of policy, but I am endeavoring to place before the Senate, probably in an inadequate way, certain facts as they affect some of the publications of the country. This is not the first time this question has been discussed in the Senate. I have been here for more than nine years, and I have heard it discussed most exhaustively at least three times, and every discussion has resulted, as I recall, in maintaining the increased rates, and no good has been done by it.

Mr. EDGE. Mr. President, is the fact that there has not been any increase in income conclusive that the higher rates have brought about that result? In other words, we are now comparing, as I recall the figures of the Senator from Illinois, the present conditions with those before the war. I am not entirely informed, but there is a question in my mind if this type of publications has been as freely distributed, whether by one kind of carrier or another, since the war. In order to form a definite conclusion we must have all the facts. I do not know, but it seems to me we can not merely accept the gross amount of income as being entirely conclusive.

Mr. WADSWORTH. Mr. President, if the statement made by the Senator from Utah a while ago that the increase in receipts one year over another has apparently, as I recall, averaged from 4 to 6 per cent is correct, and that state of affairs is the result of having doubled the postage rates on a certain class of mail matter, I claim that doubling the rates is a failure.

Mr. CARAWAY. May I ask the Senator a question?

Mr. WADSWORTH. Certainly.

Mr. CARAWAY. The question of expediency has been raised by the Senator from Utah. We struck the tax off telegrams and telephone messages because they were sources of information. If it were appropriate to strike the tax off of those instrumentalities, why would it not be appropriate to relieve second-class mail matter, which is a source of information, from the extra burden it carries? Is there not an analogy between the two?

Mr. WADSWORTH. I think, other things being equal, that is a logical conclusion. I do not think that a reduction in postal rates will reduce the revenue, because I think there would be many more pieces of mail carried.

Mr. CARAWAY. It would certainly tend to disseminate information.

Mr. WADSWORTH. I have referred to one newspaper alone that spends between $200,000 and $300,000 annually to get its newspapers into a portion of the country where the postal rates are prohibitive. Why not have the Post Office Department get some of that money? That is my contention.

Mr. EDGE. I do not think that result follows in the case of the parcel post, as I believe the Senator will agree, if he will investigate it. The parcel-post rates to-day, in my judgment, would stand a considerable increase and the revenues of the Government would be greatly increased thereby.

Mr. WADSWORTH. I do not think the Senator would insist that a newspaper should be delivered by parcel post. That service would scarcely be worth while for the delivery of a daily newspaper.

Mr. McKINLEY. Mr. President, I ask for the yeas and nays on the amendment.

Mr. DIAL. Mr. President, from the information I have, this amendment ought to be adopted. If it shall not be adopted now, it will be a long time before the parties who are entitled to its benefits can possibly receive them. It is true the department is looking into this matter, but certainly another session will intervene before we can secure a report.

In my section of the country large quantities of newspapers and periodicals are being delivered by trucks instead of being carried through the mail, and, as a consequence, the Government is losing the postage which would otherwise be derived. I trust that the amendment will be agreed to.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Illinois.

Mr. McKINLEY. I ask for the yeas and nays.

Mr. HARRISON. Let us have the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE], and will vote. I vote "nay."

The roll call was concluded.

Mr. COLT. Has the junior Senator from Florida [Mr. TRAMMELL] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. COLT. I have a pair with that Senator. I transfer that pair to the senior Senator from West Virginia [Mr. ELKINS], and will vote. I vote "nay."

Mr. GLASS. Being a newspaper publisher, and therefore pecuniarily interested in the result of this vote, I withhold my vote.

Mr. OVERMAN (after having voted in the affirmative). I observe that my pair, the senior Senator from Wyoming [Mr. WARREN] is absent. I transfer that pair to the Senator from Texas [Mr. MAYFIELD], and will let my vote stand.

Mr. COPELAND. I desire to announce that if the junior Senator from New Jersey [Mr. EDWARDS] were present, he would vote "yea."

Mr. SIMMONS (after having voted in the affirmative). I transfer my general pair with the junior Senator from Oklahoma [Mr. HARRELD] to the junior Senator from New Jersey [Mr. EDWARDS], and will let my vote stand.

Mr. FLETCHER (after having voted in the affirmative). I transfer my general pair with the Senator from Delaware [Mr. BALL] to the Senator from New Mexico [Mr. JONES], and will let my vote stand.

Mr. GERRY. I desire to announce that the Senator from Oklahoma [Mr. OWEN] is paired with the Senator from Illinois [Mr. McCORMICK].

Mr. CURTIS. I desire to announce the absence of the junior Senator from Wisconsin [Mr. LENROOT] on account of illness.

The result was announced—yeas 55, nays 18—as follows:

YEAS—55

Adams	Ernst	Ladd	Shields
Ashurst	Fernald	McKellar	Shipstead
Bayard	Ferris	McKinley	Simmons
Brandegee	Fletcher	McNary	Smith
Brookhart	Frazier	Moses	Stanfield
Broussard	George	Neely	Stephens
Bruce	Hale	Norbeck	Swanson
Bursum	Harris	Oddie	Wadsworth
Cameron	Harrison	Overman	Walsh, Mass.
Caraway	Heflin	Ralston	Walsh, Mont.
Copeland	Johnson, Calif.	Sandell	Watson
Dale	Johnson, Minn.	Reed, Mo.	Weller
Dial	Keyes	Robinson	Wheeler
Dill	King	Sheppard	

NAYS—18

Borah	Gerry	Norris	Spencer
Colt	Gooding	Pepper	Sterling
Curtis	Jones, Wash.	Phipps	Willis
Edge	Kendrick	Reed, Pa.	
Fess	Lodge	Smoot	

NOT VOTING—23

Ball	Glass	Lenroot	Shortridge
Capper	Greene	McCormick	Stanley
Couzens	Harreld	McLean	Trammell
Cummins	Howell	Mayfield	Underwood
Edwards	Jones, N. Mex.	Owen	Warren
Elkins	La Follette	Pittman	

So Mr. McKINLEY's amendment was agreed to.

Mr. TRAMMELL subsequently said: Mr. President, I was temporarily absent from the Chamber on official business at the time the vote was taken on the McKinley amendment to the revenue bill. I desire the RECORD to show, however, that I was paired with the Senator from Rhode Island [Mr. COLT]. That pair was observed, and was stated when the vote was taken, but I also desire to state that I was in favor of the amendment and should have voted for it had I been present and permitted to vote.

Mr. MOSES. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendments will be stated.

The READING CLERK. To section 214, subsection 10, add as subsection (B):

(B) In the case of lands managed for the production of crops of timber all expenditures pertaining to such management, including expenditures for protection, taxes, administration, planting, culture, et cetera, or at the option of the owner acting consistently from year to year, such expenditures may be capitalized: *Provided*, That in the case of such expenditures for planting and/or culture there may be deducted in any one year not to exceed $15,000 or 15 per cent of the net income of the taxpayer computed without the benefit of this subsection, whichever is greater. If and to the extent that such expenditures are capitalized they shall be added to and shall form a part of the basis used in the determination of depletion, or of gain or loss from sale, exchange, destruction, or other disposal of the timber to which such expenditures pertain.

To section 214, subsection 10, add as subsection (C):

(C) One-half only of the net income resulting from and allocable to the conversion, utilization, sale, or other disposal of timber from or together with lands managed in good faith for the production of crops of timber shall be used in determining the net income subject to tax: *Provided*, That this subsection shall apply only to trees left for seed, to trees left for further growth, and/or to second-growth timber produced by natural and/or artificial means.

Mr. SMOOT. Mr. President, the object of this amendment is to encourage reforestation, in order that the forests of the country shall not be depleted and that a system of reforestation shall be established in the United States. The amendment is designed to encourage that which everybody in the United States desires to have encouraged; and I have no objection to the amendment.

Mr. KING. Mr. President, I should like to ask the Senator from New Hampshire if he has any estimate as to the probable cost or diminution of revenue to the Government, and the probable number of those who may take advantage of the provisions of this amendment?

Mr. MOSES. Mr. President, that is an estimate wholly impossible to obtain; but the opinion of the Select Committee on Reforestation, as a result of whose labors these amendments were produced, is that the amount of money involved to the Federal Treasury will be comparatively slight.

The great benefit which is sought to be obtained from these amendments is to set an example for State legislation along these lines. The Select Committee on Reforestation discovered two principal elements militating against the extension of the forest cover and operating very directly upon the destruction of the forest cover, to wit, the depredations by fire and the excessive carrying charge necessitated by taxes upon timberlands.

The constant effort of the committee as it journeyed about the country taking testimony was to exert persuasion upon local forest authorities, upon local tax authorities, upon members of legislatures, as the committee came in contact with such, to the end that the State taxation laws should be so drawn as to encourage the growing of timber as a crop, so that the country might be assured of a constant supply of this most useful material and fast-disappearing material, I may add; and it was deemed by some of us on the committee that if the Federal Government was to seek to apply pressure upon local legislative groups to that end it was certainly incumbent upon the Federal Government itself to do something with its own tax laws to show good faith and to set an example of the type of legislation which might produce this result.

Mr. KING. Mr. President, I thank the Senator for his response to my inquiry, and I desire to submit one or two observations apropos of his statement.

Many laudable and altruistic purposes are projected from time to time, for which, of course, only words of commendation should be uttered; but this seems to me to be a scheme—and I do not use the word at all offensively—a project to use the taxing power for the purpose of securing a result which all would concede to be beneficial. It is a matter of fact that too little attention has been paid by the States to the question of reforestation, as a result of which we are lacking in some parts of our country in an adequate timber supply, and doubtless unless some steps shall be taken by the States in a few years we may be lacking in many species of timber which are very necessary, if not indispensable, in our industrial and economic development.

However, may it be said, for many years, particularly since Mr. Roosevelt began talking about conservation of natural resources, the cry has gone out almost constantly that next year or the year following would see an end to our coal supplies and our timber supplies. We now find that we have coal enough to last for millions of years. I concede that our timber supply in a few years will be inadequate; but the point I am trying to make is that we too often use the taxing power—which ought to be used only for the purpose of getting revenue, and only revenue sufficient for the purposes of the Government—to accomplish some other object. We accomplish in an indirect way that which is not permissible if we properly interpret the taxing power of the Government.

Under the taxing power of the Government we have done many things that could only be justified as a police measure, if Congress had the power, and it did not have it. We have converted the taxing power of the Government into a basis for police regulations. That is mere general observation.

In this particular instance the able, conscientious worker, the Senator from New Hampshire, seeks to increase the reforestation of certain lands of our country by the use of the taxing power of the Government. It is true we do not tax, but we create exemptions. It was argued here the other day with very great force by the Senator from Missouri and the Senator from Arkansas and other able Senators that when we denied certain exemptions with respect to the dividends derived from tax-exempt securities, it was direct taxation, or, rather, discrimination against them, and was a species of direct taxation. So now we invoke the taxing power of the Government for the promotion of reforestation. That there should be reforestation goes without saying. How shall it be accomplished? Obviously, not by indirect methods—by the application of the taxing power of the Government.

The chairman of the committee, however, has accepted the amendment for the committee, and I suppose it will go to conference. I only want to express my dissent from the proposition that we may use the taxing power of the Government for the purpose of accomplishing objects, no matter how worthy and meritorious, which may not in a proper interpretation of the Constitution be undertaken by the Federal Government.

Mr. CARAWAY. May I ask the Senator a question?

Mr. KING. I yield to the Senator.

Mr. CARAWAY. It strikes me that we have used the taxing power for so many evil purposes, if we find some worthy purposes the Senator ought not to object to it.

Mr. KING. I think there is very much in what the Senator says.

Mr. MOSES. Mr. President, I quite agree with what the Senator from Utah has said about the various methods of embroidery which have been applied to the taxing power, and to other functions of the Government. Nobody who has witnessed the course of legislation here and in the State capitals would

hesitate for a moment to share fully all the views expressed by the Senator from Utah as to the departures which have been made by the lawmaking bodies from the purposes of the founders.

The Senator called attention to one or two things. I was amazed that he did not point out how we are gradually making the organic law, not only of the country but of the States, a mere collection of police regulations.

However, Mr. President, I have been very much surprised that the Senator from Utah should have chosen this particular piece of legislation as a basis for the observations which he advanced, because in the labors of the select committee on reforestation, taking testimony, as that committee did, in more than half of the States of the Union, in each of the States where the forest problem presents itself in any acute manner it became our duty to study the body of State legislation connected with this whole problem of reforestation, and we found that a few States had taken advanced positions regarding the taxation of timberlands to the end of supplying to themselves as constant a supply of timber material as might be had from their remaining forest area. It so happened that two of the States which had acted in this enlightened manner were the State of Utah and the State of New Hampshire, where legislation exactly of the character proposed here had been enacted.

The legislation in force in Utah was drawn by the distinguished Senator from Utah some years ago, and the legislation in force in the State of New Hampshire was drawn by the more humble Member of this body now addressing the Chair.

Mr. KING. Will the Senator yield?

Mr. CARAWAY. Permit me just to say this, that I was for the measure, but I hope Senators will permit me to withdraw. [Laughter.]

Mr. KING. I think perhaps the first bill I had the honor of introducing in the legislature, when I was younger than I am now, was a bill which was proper under the power of the State in dealing with local and domestic affairs. That bill gave certain credits to farmers and to other landowners against their taxes proportioned to the number of trees of a certain character which they would plant. I am glad to say that the act was quite beneficial, and a number of States took advantage of the example set by that very young State; and I think it has been of considerable advantage. But the power of the Federal Government to tax is one thing, and the power of the State is another.

Mr. MOSES. Quite true, Mr. President; but one conclusion which was constantly and most forcibly brought to the attention of the Select Committee on Reforestation was that the question of assuring a timber supply for the country was passing out of the zone of State influence and authority and was becoming a purely national problem. In other words, watching the progress, the movement westward, of the center of the lumber industry, first from New England, thence to the Hudson River, thence to Michigan, thence to the Northwest, and now on the edges of the Pacific coast, having come to the jumping-off place, when there is no further movement for it to make in the western direction, the problem becomes one which the National Legislature most properly can attack. The views which the committee found enforced upon them, no matter what might have been their initial opinions when they undertook the inquiry, were views that brought us to realize that the Federal Government must take affirmative steps by increasing its activity in the line of fire protection, of the extension of the public forests, in the higher utilization of the timber territory of the public lands and of the national forests, and in pointing the way for the State legislatures so to reform their statutes that the element of taxation might be brought in as a considerable incentive and inducement toward the growing of timber as a crop.

Believing as I did about the subject, I could see no other way in which the Congress could undertake such action for the benefit of the States and for the encouragement of the States, and looking toward the solution of this problem, which I regard as wholly national, and which I know to be growing more acute, than to present an amendment to this bill, so as to set up a standard to which the State legislatures might repair, and I am very glad the chairman of the committee takes that view of it and accepts the amendment.

Mr. HARRISON. Mr. President, there seems to be such strong sentiment for the amendment offered by the Senator from New Hampshire, who has given much study to this important question of reforestation, that I merely desire to say——

Mr. MOSES. The Senator himself was a member of the committee.

Mr. HARRISON. I simply desire to say, as a member of the committee when this matter was broached, I was one of the members of the committee who voted against the proposition, and consequently I shall vote against the amendment at this time.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SHIPSTEAD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore (Mr. CUMMINS). The Secretary will state the amendment.

The READING CLERK. On page 252 the Senator from Minnesota moves to insert the following after line 16:

SEC. 1113 A. A refund or abatement of taxes paid or assessed or to be assessed under the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, and the revenue act of 1921, subject to the limitations therein provided, shall be granted to any farmers' or other mutual hail, cyclone, or fire insurance company if otherwise exempt under paragraph 10 of section 11(a) of the revenue act of 1916 and the revenue act of 1917, and paragraph (10) of section 231 of the revenue act of 1918 and the revenue act of 1921, without any requirement that such above-mentioned organization be of a purely local character.

Mr. SHIPSTEAD. Mr. President, this amendment means so much to the farmers' mutual fire, hail, lightning, and tornado insurance companies, having over $10,000,000,000 of insurance in 18 States, that I am going to ask the indulgence of the Senate for a few minutes while I explain the amendment.

This amendment proposes to refund or abate taxes paid or assessed, or to be assessed, under the revenue laws of 1916, 1917, 1918, and 1921, to farmers' or other mutual hail, cyclone, or fire insurance companies, under certain conditions.

No doubt you will be under the impression from the reading of this amendment that it involves a refund of large sums of money from the Treasury, but such is not the case, as I shall show later. No doubt it will occur to you at once that this amendment would be retroactive, and would excuse certain companies from paying a large amount of income tax that should have been paid a long time ago. I shall endeavor to show that this amendment is not retroactive, but a provision that will repeal a retroactive ruling recently made by the Commissioner of Internal Revenue, the effect of which ruling is that over 2,000 purely mutual insurance companies which ever since 1916, until recently, have been held by repeated rulings not to be subject to an income tax, are now called upon to pay income taxes, heavy penalties, and interest from the year 1916 up to the present time. Under these circumstances this amendment can not be said to be retroactive, but simply a provision to prevent the Commissioner of Internal Revenue from carrying out a retroactive ruling that has the force of law, compelling these insurance companies to pay a so-called income tax for the eight years last past.

Mr. SIMMONS. When was the ruling to which the Senator has referred made?

Mr. SHIPSTEAD. About a year ago.

Mr. SIMMONS. The law had been the same as it was under the acts of 1916, 1917, and 1918, and no tax had been assessed against these companies? Were there any rulings of the Secretary of the Treasury that they were not subject to tax?

Mr. SHIPSTEAD. Oh, yes; the question had been ruled upon by the Treasury from year to year.

Mr. SIMMONS. The tax had not been collected because the Secretary of the Treasury ruled that they were not subject to tax?

Mr. SHIPSTEAD. I shall cover that.

Mr. SIMMONS. I simply wanted to understand what the Senator said.

Mr. SHIPSTEAD. The Senator is correct.

Mr. SIMMONS. Now, without any recent change in the law, about a year ago the Secretary reversed himself and now holds that the companies are subject to tax under these several cases?

Mr. SHIPSTEAD. Yes. The Senator is correctly informed.

Before the adoption of the revenue law of 1916 representatives of 10 leading mutual insurance companies appeared before the House Ways and Means Committee and presented their claims as to why they should be exempt from paying any income taxes on their receipts. It must be borne in mind that the income of farmers' mutual insurance companies consists solely of assessments, dues, and fees collected from members for the sole purpose of paying their losses and expenses and that no profit whatever is made by the company itself. The

House Ways and Means Committee agreed that these mutual insurance companies should be exempt, and the following provision was placed in the revenue law of 1916:

SEC. 11 (a). That there shall not be taxed under this title any income received by any—

* * * * * * *

Tenth. Farmers' or other mutual hail, cyclone, or fire insurance company, mutual ditch or irrigation company, mutual or cooperative telephone company, or like organization of a purely local character, the income of which consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting its expenses.

Under the interpretation then made of the law the farmers' mutual insurance companies were exempt as long as their income consisted solely of assessments, dues, and fees used for the sole purpose of meeting expenses, and it seems to me that this is the only reasonable interpretation that can be placed upon this law.

Practically the same exemption was incorporated in the 1917 revenue act as well as the revenue acts of 1918 and 1921. Under these laws the office of the Commissioner of Internal Revenue issued rulings from time to time, and letters to practically all the companies, holding that as long as the income came from the sources and were used for the purposes mentioned in said act or acts, the companies were not liable for any income taxes. I will give a brief statement as to the rulings:

I will say to the Senate that I have gone in great detail into the history of the rulings and revenue acts as affecting these companies in order to clear up the confusion that seems to have prevailed concerning this form of legislation.

The first regulations relating to the exemption of mutual insurance companies under the revenue act of 1916 are as follows:

Regulation 33, article 69, page 51, issued in 1918:

ART. 69. Mutual insurance companies, etc.: The organizations mentioned in paragraph "tenth" of section 11, act of September 8, 1916, as amended, are specifically exempt provided that their entire income consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting expenses incurred in pursuance of the purpose for which organized. If any of such organizations have income from any other source other than assessments, dues, and fees, such income will be held to be subject to tax, and the organizations receiving the same will be required to make returns and to pay any tax thereby shown to be due.

Regulation 45, 1919 edition, contained in article 521 the following sentence:

The phrase "of a purely local character" qualifies "only like organizations."

Regulation 45, 1920 edition, as issued by the Treasury Department, contained in article 521 the same sentence.

Regulation 45, 1921 edition, contained the same sentence in article 521, adding the following explanatory matter:

An organization of purely local character is one whose business activities are confined to a particular community, place, or district, irrespective, however, of political subdivisions.

The word "purely" intensifies and limits "local," and indicates a clear intention on the part of Congress to exempt from taxation only such "like organizations" as are entirely and unqualifiedly "local" in their operations.

The exemption of the 1921 law is as follows, almost word for word the same as the 1916 provision:

SEC. 231. That the following organizations shall be exempt from taxes under this title:

* * * * * * *

(10) Farmers' or other mutual hail, cyclone, or fire insurance companies, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations of a purely local character, the income of which consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting expenses.

The new official interpretation of this paragraph which causes all this trouble is found in article 521, regulation No. 62, and the part of which article that affects farmers' companies or changes certain rulings as to farmers' companies is as follows:

An organization of a "purely local character" is one whose business activities are confined to a particular community, place, or district, irrespective, however, of political subdivisions. The word "purely" intensifies and limits "local" and indicates a clear intention on the part of Congress to exempt from taxation only such organizations as are entirely and unqualifiedly "local" in their operation.

That is the ruling that has caused all the trouble. The ruling of the commissioner entirely repeals all former rulings made with reference to these companies during the six years following the adoption of the revenue laws of 1916.

Let us analyze more fully the difference between this ruling and all prior rulings.

Mr. JONES of New Mexico. Will the Senator state the date of that ruling?

Mr. SHIPSTEAD. I have not the date here. I got the ruling out of the Treasury regulations for 1922.

Mr. JONES of New Mexico. I wanted to know the date of the ruling, when they changed their interpretation.

Mr. WATSON. My recollection is it was about two years ago.

Mr. SIMMONS. I think it was in 1922.

Mr. SHIPSTEAD. The regulations issued by the Treasury Department do not always carry the date of each individual ruling. The pamphlet or booklet contains the rulings of the Treasury Department on the revenue act of 1921 and the regulations issued in 1922.

Mr. WATSON. If the Senator will permit an interruption, Mr. Gregg, of the Treasury Department, informs me the ruling was made February 15, 1922.

Mr. SHIPSTEAD. I thank the Senator.

It will be noticed that in said section 10 that certain companies are specifically enumerated, namely:

1. Farmers' or other mutual hail, cyclone, or fire insurance companies.
2. Mutual ditch or irrigation companies.
3. Mutual or cooperative telephone companies.

Then comes a general clause "or like organizations of a purely local character." Next comes another modification as to all the classes of companies previously named which is this—

the income of which consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting its expenses.

In construing this law prior to the regulation of 1922, the Revenue Department held, and correctly held, that the words "like organizations of a purely local character" did not modify or qualify any of the companies previously particularly enumerated in said section. In other words, when the question as to whether or not a farmers' mutual fire insurance company was exempted from an income tax, the only words of said section that were held applicable to said company would be the following:

Farmers' mutual fire insurance company the income of which consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting its expense.

In other words, it was held that the words in said section "of a purely local character" did not apply to a farmers' mutual fire insurance company, but that the words "of a purely local character" would apply only when a company that was not specifically enumerated in said section should come and claim exemption under said act on the ground that they were a "like organization."

The only judicial authority that the Commissioner of Internal Revenue relies on for changing this ruling is the decision of a United States district judge in the case of Commercial Health and Accident Co. v. Pickering, reported in 281 Federal Reporter at page 539, which case was decided on January 3, 1922. This was a case in which a mutual life insurance company doing business throughout the entire State of Illinois sought to be exempted from income taxes under paragraph 10 on the ground that they were "a like organization" to the companies particularly enumerated in said section 10.

The words "of a purely local character" modify or qualify the words "like organization" and all the learned district judge had to decide in the case and the only question that was up before him for judicial determination was whether or not the company was a "like organization" so as to come within the income-tax exemption given by said paragraph to the companies particularly enumerated, such as farmers' or other mutual hail, cyclone, or fire insurance companies, and so forth. But the learned judge went further than merely to decide the issue before him and attempted by obiter dicta to define the law applicable to all companies enumerated in said section, although that was an entirely irrelevant question and not involved in the case that was up before him for decision. The learned judge said:

We do not believe that it was the intention to exempt farmers' or other mutual hail, cyclone, and fire insurance companies, etc., generally, but only such as are of a purely local character.

But the court went further than that and said, "a proper reading of this paragraph—referring to said paragraph 10—

requires the interpolation of a comma after the words 'like organization.'" When courts go so far as to interpolate commas or otherwise change the punctuation of an act of Congress in order to get an excuse for deciding a case a certain way, then I do not think that the amendment is open to the charge that it proposes a retroactive law.

This new ruling very seriously affects farmers' mutual fire insurance companies which have sprung up all over the United States since the year 1825. Bulletin No. 697, issued by the Department of Agriculture, shows that in the year 1916 there were nearly 2,000 farmers' mutual insurance companies in the United States, which carried insurance for more than five and a quarter billion dollars and these companies have been held out to the people by the Agricultural Department, by farm journals, and political orators as an example of what can be accomplished by real cooperation and as indicating that cooperation will cure all the ills of the farmer. I quote the following from that bulletin:

> The marked success of this form of cooperation has also been an encouragement to farmers to attempt other cooperative enterprises. It has stimulated their faith in one another and strengthened their confidence in their own ability to do things somewhat removed from their primary occupation of raising crops and producing other raw materials. If farmers could manage successfully their own insurance company and save money in so doing, why could they not make their own milk into butter and cheese, provide themselves with fresh beef by the organization of so-called meat rings, operate their own telephone company, market some of their own farm products, and even purchase cooperatively some of their needed supplies?

What have these companies accomplished? They have provided a good, reliable system of insurance at a cost of about 15 cents per hundred dollars a year, generally collected by an assessment based upon their losses. I have a statement showing that the insurance charged by a stock company upon a farm in a certain locality is $1.45 per $100 for a term of three years, while the assessment in the farmers' mutual insurance company, operating in the same neighborhood, has amounted in three years to 45 cents per $100, representing a clear saving of $1 per hundred.

How is this accomplished? Not by refusing to pay losses, but by cutting down expenses to the minimum. Laws have been passed in nearly all the States providing for a simple form of incorporation, under which the usual costs are from $1 to $1.50 for recording the articles. When a farmer takes out insurance he lists the property that he wants insured and signs an undertaking that he will pay his pro rata share of all losses incurred by other members of the company. The usual officers, such as president, secretary and treaurer, and a board of directors, are provided for in their articles and the laws of the State in which they operate. The secretary's office usually consists of a writing desk in the corner of a sitting room in a small farmhouse, and the furniture and fixtures belonging to the company generally consist of an iron safe and a small writing desk. No large commissions are paid to agents for soliciting and selling insurance. This work is generally performed by a member of the board of directors, who receives a fee of about $1 for drawing an application. Losses are adjusted by a committee of directors, who receive a small fee per diem for the actual time spent in the service of the company.

I have before me a statement of the White Bear Lake Insurance Co., of Pope County, Minn., a company with which I am well familiar, having lived for over 18 years in the territory in which it operates. The statement shows that in the year 1921 that company had in force 2,411 policies and $12,503,432 in insurance; that they paid for president's salary $200; for secretary's salary, $735.60; for treasurer's salary, $388.86; and to the directors for writing insurance and other services, $1,389.45, making a total of $2,713.91 for salaries and officers' fees paid in a company that carried over $12,000,000 insurance. The cost of insurance for that year was 15 cents per hundred.

Mr. President, as I said in the beginning, there are four and one-half million farmers in 18 States carrying insurance amounting to over $10,000,000,000. By the adoption of this amendment those policyholders will be protected. The ruling which was rendered by the Treasury Department could only have been rendered on one ground. The object of the income tax law is that profits and incomes shall be taxed and not to tax losses and misfortunes. These companies are not organized for profit; they have no income except that which is assessed with which to pay losses. By this ruling of the Treasury Department money has been and is being collected now from those farmer insurance companies contrary to the whole intention of Congress. The adoption of the amendment will serve to protect those companies from this illegal ruling, and will refund to those farmers the money which has been collected from them under that ruling of the Treasury Department.

Mr. WATSON. Mr. President, in the committee I offered this amendment and it was rejected. I am always regular and loyal to my committee, and I very much dislike to run counter to its wishes, but I think that there is no justification for the Treasury Department ruling which has been read by the Senator from Minnesota. It grows out of what I believe to have been an erroneous decision by the department which was made in February, 1922.

The whole thing turned on the question of interpretation of the words "purely local character," which I shall not discuss, for in considering the question the committee voted in the words—

> Farmers' or other mutual hail, cyclone, casualty, life—

Voting in the word "life"—

> or fire insurance companies, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations; but only if—

And then we amended it to read—

> 85 per cent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses.

That is to say that the bill admits that that holding was erroneous, and corrects it as to the future. The only purpose involved in the amendment proposed by the Senator from Minnesota is as to whether or not it shall be corrected as to the past. That is all there is to the question. It will not cause a single dollar to be expended from the Treasury, as I understand, or if it does, it would be an inconsequential sum. Therefore, the only problem involved is as to whether or not the doors shall be open, it being retroactive in character, the committee fearing that if one retroactive amendment were adopted others might follow. The action of the committee, doubtless, was wise under the conditions; and yet, on the merits of this one proposition, I can not help but believe that this amendment is wholly justified by the circumstances and should be adopted.

Mr. WILLIS. Mr. President, will the Senator from Minnesota permit me to ask the Senator from Indiana a question?

Mr. SHIPSTEAD. Yes.

Mr. WILLIS. I desire to ask the Senator whether the committee—and particularly the Senator from Indiana—have directed especial attention to this language in the amendment proposed by the Senator from Minnesota:

> Without any requirement that such above-mentioned organization be of a purely local character.

I think I am in favor of the general purpose the amendment has in view; but does the Senator think there is any danger from that rather broad language that companies would be included that are really not intended to be included? Is the language adequate for the purpose in view?

Mr. WATSON. I am inclined to think so. Of course originally there seems to have been some doubt as to the interpretation of the words "of a purely local character." The department seemed to think that if such a company were confined to a narrow space it might be a mutual company, whereas if it spread out over a whole territory it ceased to be a mutual company and became a profit-making concern.

Mr. WILLIS. I have in mind this sort of a case, if the Senator from Minnesota will permit me.

Mr. SHIPSTEAD. Certainly.

Mr. WILLIS. I know of a farmers' mutual insurance company located in a small village in Ohio, and yet it transacts business in perhaps three or four different counties. It is not a large company and does not operate at all for profit; it really is a mutual company; and yet, under the ruling to which reference has been made, that company has been held not to be "of a purely local character," and it is now proposed to levy assessments against it. If those assessments shall be levied in accordance with the Treasury ruling they will amount to more than the company has been required to pay out in losses during the last four years. So it seems to me some amendment of this character is desirable; but I wanted to be certain that the language which I read from the amendment of the Senator from Minnesota has been fully considered.

Mr. SHIPSTEAD. Mr. President, I wish to say to the Senate that the reason why the phrase "of a purely local character" is inserted in this amendment is because of the fact that that phrase has caused all of this trouble. The ruling was that the companies were not exempt unless they

were "of a purely local character," and it was held that to be "of a purely local character" they must be confined to one neighborhood. The Senator can easily understand how ridiculous such a contention is, because it can not and does not carry out the intention of Congress. For instance, if that ruling could under any stretch of the imagination be held to be reasonable, it would have to be interpreted to mean that a tornado mutual insurance company would have to be confined to a single neighborhood in order to come under the exemption of the revenue act of 1921. How would that work out?

I remember that something like four years ago we had a terrific windstorm in the community in which I live. I remember it particularly because on that evening we had a nationally known Chautauqua orator who came to speak in that community.

Mr. WATSON. Was that the cause of the windstorm?

Mr. SHIPSTEAD. The windstorm came while he was speaking; it blew down something like 30 or 40 barns, and, as a matter of fact, that local neighborhood was almost wiped out. If the insurance company had by law been confined to that single neighborhood, there would have been nothing left of the company. So it is ridiculous to require that a mutual insurance company shall be confined to a single neighborhood.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. SHIPSTEAD. Yes, sir.

Mr. NORRIS. I should like to call the Senator's attention to the fact, as I understand it, although I am not an insurance man and have had no experience, that insurance companies all recognize that in order to make their policies safe not only for those who are insured but for the people who are liable to pay the losses, if any occur, they must spread out over a considerable territory, or the whole venture will be a failure if anything happens of the character the Senator has mentioned.

Mr. SHIPSTEAD. Yes, sir.

Mr. WATSON. It becomes top-heavy.

Mr. NORRIS. I understand that old, recognized insurance companies will refuse to take all the risks that they might be able to get in a particular neighborhood, on the theory of something happening, such as the Senator has mentioned. If it were in a town they would not take out a fire risk including all the buildings within a locality. If they did they would reinsure them with some other company.

I have been called out of the Chamber and have not been able to follow the Senator; but I know that this ruling, which seems to me to be erroneous—although I am not charging bad faith, of course—is a reversal of a ruling, as I understand—and I wish the Senator would correct me if I am not right—that was made early after the passage of the law, and that in accordance with the ruling then in force these companies went on, and afterwards the ruling was changed and was given a retroactive effect, going back over the period that had passed in which settlement had been made, particularly in the case of a mutual company. Men had settled all the obligations that they owed under the first ruling, and probably had moved away and gotten out of the company, and new ones had come in. Then came the ruling going back over several years, which I have been told by officials connected with mutual companies meant the ruination of every one of them, because it was a physical impossibility to go back and make these collections. They would have to go out of business.

We ought to go on the principle that if we want to encourage mutual insurance and cooperation—and I think that is the idea—if we are going to legislate against any particular kind it ought to be against the insurance company that confines its operations, if there are such concerns, to strictly local communities, because that is not very safe insurance.

Mr. SHIPSTEAD. I think the Senator is absolutely correct.

Mr. GEORGE. Mr. President, I should like to ask if it is not true that the assessments made against the mutual insurance companies are as a rule unpaid at this time? In other words, the money has not gone into the Treasury under this new ruling; has it?

Mr. SHIPSTEAD. The Senator means the taxes?

Mr. GEORGE. Yes.

Mr. SHIPSTEAD. There have been taxes collected; I do not know how much. A considerable drive has been made in the last 60 days to collect the taxes.

Mr. GEORGE. My understanding is that some taxes have been collected, but that other companies have not yet been called on at all, and that perhaps only a reasonably small proportion of the taxes now claimed under the new ruling have actually been paid in.

Mr. SHIPSTEAD. Oh, a very small amount has been paid in, I believe, up to this time. I believe a very insignificant sum has been collected up to this time; but if this ruling stands—and I do not see what there is to prevent it from standing—they will collect considerable sums. They are collecting the taxes now, and they are going back and collecting them for eight years.

Mr. GEORGE. It would be manifestly unjust, also, would it not, because many of the mutual companies have changed their policyholders since, and liabilities have been discharged, and new obligations undertaken?

Mr. SHIPSTEAD. Oh, certainly.

Mr. GEORGE. It seems to me that the amendment certainly ought to be adopted, and that the objection that it is retroactive has little or no force in this case. I quite agree with the Senator that the construction placed on the language in the revenue act of 1921 is unauthorized and unwarranted, because the very nature of a mutual insurance company precludes the possibility that it could be purely local in its operations, confined to a single neighborhood; and that language clearly was not intended by the Congress to apply to insurance companies of the kind that are dealt with in the amendment offered by the Senator from Minnesota.

That, of course, is borne out by the fact that in the bill we are now considering the committee itself and the Senate recognized the intent and meaning of the Congress in the enactment of the revenue act of 1921, and, manifestly, the intent and purpose of the Congress in the passage of the prior revenue act; and now we except mutual fire insurance companies from the operation of the act, as applied by the ruling made in the early part of 1922.

It seems to me that when the very nature and character of the business of a fire insurance company is considered we can not escape the conclusion that the Congress did not intend that a mutual insurance company, in order to be entitled to an exemption from taxation under the revenue act, should have its business confined to one local neighborhood, because the very theory of the insurance company is out of harmony with so narrow a construction as the department has placed upon the provision in the act of 1921.

That being true, the objection that this amendment is retroactive in effect ought not to have any weight. It ought not, at least, to be controlling on the Senate.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, it would be impossible for an insurance company to live upon the patronage of a small locality.

Mr. GEORGE. Certainly.

Mr. SIMMONS. And therefore the act could not have any such purpose.

Mr. GEORGE. And the Congress could not have intended to apply the language "purely local" to an insurance company, but that language must have been intended to have application to other companies that were exempted under subdivision (10) of section 232 of the act of 1921.

Mr. BROOKHART. Mr. President, I think the test of whether or not an insurance company is mutual includes no element of size whatever, no element of locality whatever. The question is whether or not it is organized for profit; and in all cases where it is not, where the assessments are made for expenses and losses only, and there is no capital investment that gets a profit out of it, it is mutual, even though it may spread over the whole country.

I can understand that the profiteering companies would object to that construction, because they want to confine these other companies to localities; but there is absolutely no limit on this cooperative object so far as locality is concerned. Some of the cooperatives now are doing business clear around the world, taking in everything; so the objection raised by the Senator from Ohio certainly does not go to the essence of the mutual company under the law, and those mutual companies ought to be excepted.

Mr. WILLIS. Mr. President, I hope the Senator did not understand me to object. I was simply making inquiry as to the effect of the language. I am not objecting to the amendment. I expect to support it.

Mr. BROOKHART. I am glad the Senator raised the question, because I am always glad to have any element of this cooperative idea considered in the Senate of the United States.

Mr. WILLIS. I was going to call the attention of the Senator to a provision in another section of the bill also. The committee has already provided that at least 85 per cent of the income of the companies must consist of assessments for the payment of losses.

Mr. BROOKHART. That is a little more liberal provision.

Mr. WILLIS. Yes; so that that is pretty well guarded.

Mr. HOWELL. Mr. President, it seems to me that it could not have been the intention of Congress that an insurance

company should be purely local, because such an insurance company would be unsafe. It is necessary for an insurance company to have a wide range of risks in order that it may be able to meet its losses without undue assessments. Therefore, as it is impracticable to have an insurance company that is purely local in character and have one that would be safe for one to take a policy in, it must be evident that it was the intention of Congress that this expression should have the broadest possible meaning, and include not merely narrow localities but broad areas, so that there could be an average of loss that would not be so great as to make the assessments unbearable.

I trust that this amendment may prevail.

Mr. REED of Missouri. Mr. President, I agree with the statements that have been made that the intent of Congress was misconstrued by the 1922 ruling, to which the Senator from Minnesota [Mr. SHIPSTEAD] has referred. Such a construction would place Congress in the absurd position of having intended to limit the operations of an insurance company to a purely local community, and such an insurance company would be the most unsafe company that one could possibly devise. The great element of the security in insurance—in fact, the very fundamental principle lying at the basis of all insurance—is the wide spread of liability, which results in an immediate loss being spread over so large a community or so large a number of people that they can each contribute a very small amount to make up that loss. That is why we take out insurance. Otherwise each individual would carry his own insurance and stand his own loss.

It seems to me that the amendment offered by the Senator from Minnesota is one of merit and that we ought to agree to it.

Mr. SMOOT. Mr. President, the committee—and I want to say, if I remember correctly, unanimously—voted against any retroactive legislation. We have now added an amendment changing the postal rates; and as long as we have gone into legislation I do not see but that we might just as well legislate on this matter and agree to this amendment and let it go in. I had thought, however, of carrying out the wishes of the committee and, wherever there was a retroactive legislation, letting it be done in a legislative way—I mean by making claim, just the same as claims for any other taxes are made that have been collected.

That does not seem to be satisfactory to even the members of the committee, and therefore, as far as I am concerned, I am perfectly willing to accept the amendment, and I shall not make any plea hereafter against any amendment that is offered to this bill on the ground that it is retroactive.

Mr. WALSH of Massachusetts. Will the Senator yield?

Mr. SMOOT. I yield.

Mr. WALSH of Massachusetts. Do I understand the Senator to take the position that any amendment to this bill offered from the floor will be accepted by him?

Mr. SMOOT. I did not say that. I spoke of the principle we had adopted of receiving no amendment proposing retroactive legislation.

Mr. SIMMONS. I have no recollection of any agreement in the committee not to consider any retroactive legislation. We did agree that we would not consider the amendment offered by the Senator from Illinois, because we said it was irrelevant, but I do not remember that we had any understanding that we would not support any proposition because it might have a retroactive effect. I do not think I would have agreed to such a suggestion.

Mr. SMOOT. I know Senators did agree to it, and it was on this very amendment. The Senators themselves thought that perhaps if it had been adopted in the act of 1918 or the act of 1921 it would have been perfectly all right, and we went so far as to amend the bill to carry out those very ideas. It did not pass the House in this way. We struck out entirely the provision: "Also benevolent and mutual life insurance associations not operated for profit, whose business is purely local and wholly for the benefit of its members."

Mr. SIMMONS. This amendment could not have been before the committee, because it was only offered on the 5th day of May.

Mr. SMOOT. This amendment was offered, and I have received at least a hundred letters in relation to it. I forget what Senator brought it up.

Mr. REED of Pennsylvania. I offered the amendment in the committee.

Mr. SMOOT. I have stated the agreement, and that is what I have told every Senator who has come to me in relation to it. I told the Senator from Minnesota [Mr. SHIPSTEAD] the same thing. I told the Senator from South Dakota [Mr. NORBECK], when he brought a similar amendment to me, that that was the policy of the committee, and I thought I was carrying out the policy of the committee.

Mr. WATSON. The Senator is entirely right about that.

Mr. SHEPPARD. The Senator will recall that I also presented such an amendment before the committee.

Mr. SMOOT. The Senator from Texas came before the committee and presented an amendment along this line.

Mr. SHEPPARD. And I recall that the Senator told me that identical thing.

Mr. SMOOT. I am perfectly willing now to accept the amendment offered and have nothing more to say about it, other than that I think the ruling, under the laws of 1918 and 1921, was absolutely correct. There was no question in my mind as to that. I do not know whether Congress intended it or not in that way, but the ruling is according to the law. I think the law ought to be changed, and that is why I approve of the amendment to the bill.

Mr. SIMMONS. If the Senator will pardon me, I think the intent of Congress is very clear, and whether it is clear or not, the Senator is wrong, certainly, when he says that clearly the ruling was right. I do not think the Senator will find very many lawyers who would agree with that opinion. I believe the Senator is not a lawyer himself.

Mr. SMOOT. I am not a lawyer, but I know what language means when it is as plain as is this.

Mr. SMITH. Before the vote is taken, I want to call attention to a statement sent me by the representative of these companies. It seems to me it is not a question of whether one interpretation or another was placed on it, but simply a question of justice. This correspondent said:

But few if any of the 2,000 mutuals affected by the new interpretation have a single policy in force that was in force in 1916. Many old members have died, sold out, or moved away. A tax levied and collected now covering all those years must be paid by people who had nothing to do with the company in 1916. It is a heavy tax, an unjust tax, a tax for the privilege of helping an unfortunate neighbor, and one that must come from an empty pocket.

He said also:

This is not a request for mercy, money, or help. It is a request for justice and right—for what Congress gave and the Treasury Department recognized all these years. A request for the right to live and serve, the privilege to help bear the misfortune of our neighbors without having that burden increased by a tax.

Mr. SIMMONS. Mr. President, I simply want to say that I am clearly of the opinion that the rulings rendered by the Secretary of the Treasury holding for five or six years that these companies were not subject to taxation were correct interpretations of the law. I am advised that the ruling was reversed by the Secretary of the Treasury, not because the Secretary was himself convinced that his first ruling was erroneous, but because some judge of an inferior court rendered a decision that was contrary to the former Treasury ruling, and in order to render that decision he had to interpolate into the language of the act of Congress a comma that was not in it.

A court has no right to add a single word or a single punctuation mark to an act of Congress in order to clarify its meaning, and, as I understand the argument of the very able Senator from Minnesota, the court in rendering this decision stated that the language of the Congress was not properly punctuated, and in order to bring out and clarify the sense and meaning of Congress, that it was necessary to interpolate a comma.

No language, in my judgment, could be plainer than the language of the Congress used in this particular section of the act, and it would be a stultification of Congress to impute to Congress the meaning which this last interpretation of the Secretary of the Treasury does impute to it. I think the amendment ought to be agreed to.

The amendment was agreed to.

Mr. REED of Missouri. Mr. President, I send to the desk and ask to have read an amendment which has been printed for several days, and which I think is of very great importance in the administrative features of the bill. After it has been read, I will beg the indulgence of the Senate for just a moment until I explain the purpose of the amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. The Senator from Missouri moves to strike out, on page 122, lines 20 to 25, inclusive, and also to strike out all of page 123, and on page 124 to strike out lines 1 to 8, inclusive, and to insert in lieu thereof the following:

(b) If the board determines that there is a deficiency, the amount so determined shall be assessed and the taxpayer shall be notified of the

assessment and shall, at the same time, be furnished a copy of the decision of the board stating its findings of fact and conclusions of law. Within 30 days after the mailing of such notice, the taxpayer may file with the commissioner a written statement showing the amount of the deficiency (if a deficiency is admitted by the taxpayer) admitted by him to be due, and the amount of tax so admitted shall be paid upon notice and demand from the collector. If the deficiency determined by the board is in excess of the amount so admitted by the taxpayer, the amount of such excess may be collected only by a civil suit brought in the name of the United States in the District Court of the United States for the district in which the taxpayer resides or has his principal place of business. The court shall include in its judgment interest upon the deficiency, determined by it to be due, at the rate of 6 per cent per annum from the date prescribed for the payment of the tax to the date of the judgment. If the court shall find that the defense is frivolous or for the mere purpose of delay or in bad faith the court may assess a penalty of not to exceed 25 per cent of the judgment rendered, and upon a showing by the district attorney that there is good cause to believe that the collection of the deficiency will, before judgment is rendered and execution levied, be jeopardized by any fraudulent or wrongful act of the taxpayer or his agents, the court may require the taxpayer to give reasonable security satisfactory to the court that the amount finally adjudged to be due, will be paid, and, if such security be not given as in the court's order prescribed, the court may issue its writs of attachment, injunction, or other proper process necessary to protect the Government in the collection of the taxes. Such suit for the collection of a deficiency or any part thereof shall be begun within one year after final decision of the board, and may be begun within such year even though the period of limitation prescribed in section 277 has expired.

(c) (1) If the taxpayer does not file an appeal with the board within the time prescribed in subdivisions (a) of this section, the deficiency of which the taxpayer has been notified shall be assessed, and shall be paid upon notice and demand from the collector, or

(2) If the taxpayer does not file a written statement as provided in subdivision (b), the deficiency determined by the board shall be collected upon notice and demand from the collector.

(d) If the commissioner believes that the assessment or collection of a deficiency will be jeopardized by the delay resulting from the provisions of subdivision (a) of this section, the deficiency shall be assessed immediately and collected in the same manner as a deficiency which has been determined by the board. In such case the assessment may be made (1) without giving the notice provided in subdivision (a), or (2) before the expiration of the 60-day period provided in subdivision (a) even though such notice has been given, or (3) at any time prior to the final decision by the board upon such deficiency even though the taxpayer has filed an appeal.

Page 131, strike out lines 24 and 25; also strike out all of page 132.

Page 133, strike out lines 1 to 20, inclusive, and in line 21 strike out "(d) Except as provided in this section, no," and insert in lieu thereof "Sec. 279. No."

Mr. REED of Missouri. Mr. President, the purpose of this amendment is to afford the taxpayer his day in court. As the law now stands, when a taxpayer has made his return, the tax authorities may, for such reasons as seem good to them, raise his assessment, and they are empowered, if they see fit, to issue a distraint as against the property of citizens.

The practice, as I understand it, has been to require the taxpayer to pay in the amount of the increased assessment, and then to allow him to get it back if he can. In addition to this, distraints frequently have been issued seizing the property of the citizen, so that the man whose taxes may have been raised unjustly may find himself forced to raise a large sum of money at once or have his property seized. I can illustrate the situation by a case that came to my immediate notice.

The tax collector concluded that a return was not correct, that the taxpayer should have included certain properties which he had not included, and thereupon proceeded to raise his assessment to an amount which placed a tax upon the individual of approximately $50,000. The man was unable to raise the $50,000, for indeed it would have involved every dollar he was worth, and accordingly a writ of distraint was issued against his property and he stood in that helpless condition for nearly a year and a half. At the end of that period, on a full review, the entire tax was remitted except three or four hundred dollars.

The purpose of the amendment, which has been prepared with considerable care, is that in case a tax is raised, first, to provide a notice to the taxpayer and to give the taxpayer a certain number of days within which he can admit all or any part or can deny all or any part of the validity of the raise. If he admits any part of the raise to have been valid, then he must pay that part the same as he would have paid on his original return. If he denies the validity of any part, then it is made the duty of the United States district attorney for the district in which the taxpayer resides or has his principal place of business to sue for that additional tax.

If it is found that the taxpayer owes the tax, he must pay the tax, pay the costs, and pay interest at the rate of 6 per cent. But if it be further found by the court that the suit was not a good-faith suit and in order to prevent the filing of suits merely for delay, the court is authorized in its discretion to add a penalty of not to exceed 25 per cent. The purpose, of course, is to prevent a taxpayer from refusing to pay the additional assessment merely for the purpose of gaining delay, instead of in good faith and because he believed he had a just defense.

It is further provided, in order to make the Government absolutely secure, that upon a proper showing by the district attorney that the taxpayer is liable to take such action as will jeopardize the Government in the final collection of its tax, the court may require the taxpayer to give bond or may issue his writ of attachment or other process in order to assure the final payment of the tax. But in each of these instances the American doctrine is maintained that the citizen has his day in court. The courts are there, the district attorneys are there, and the penalties to be visited in case there is a bad-faith defense interposed to the payment of the tax are sufficient to deter any person from making such bad-faith defense.

The other clause to which I have referred, which gives to the court the right to issue its process in case the Government is liable to be defrauded, abundantly protects the Government against fraud.

Senators, there is nothing in the whole tax law that, in my opinion, has been a subject of greater criticism and that has resulted in more unjust oppression of our people than the right of some subordinate in the tax department to arbitrarily raise the assessment duly sworn to by a citizen, and thereupon require that citizen either to put up the money to pay the tax and then get it back by such laborious processes as are provided in the law, or in default of the payment of the cash, which he frequently can not raise, to have his property seized and held under a distraint process which frequently results in bankruptcy and always in great oppression.

Mr. SWANSON. Mr. President, will the Senator permit me to interrupt him?

Mr. REED of Missouri. Certainly.

Mr. SWANSON. What are the processes by which a citizen who has overpaid can get back his money under the existing law?

Mr. REED of Missouri. As I understand it, he pays his tax. Then he makes an application for a return of it. That is heard through the long, troublesome processes which exist; and I am not saying this to criticize the Treasury, because I know the Treasury is overloaded and overburdened. When the Treasury is satisfied that the money has been unjustly collected it can order a remittance of the tax or the taxpayer can go into court at that time. In the meantime, however, he has had to pay his money.

Let me give another illustration, which I believe to be the fact, of a large manufacturer who built a plant during the war and who afterwards took the plant back from the Government at the depreciated price which the Government fixed upon it. My understanding is that subsequently the Treasury Department conceived the idea that the difference between the cost of the buildings erected at war prices and the price at which the Government had turned them back to the manufacturer constituted a profit and proceeded to make assessment against the manufacturer, which I understand ran into the millions. Accordingly he was forced into bankruptcy and his automobile establishment was sold under the hammer to a great rival automobile manufacturer. My understanding is that subsequently the Treasury determined that the assessment of that tax had been unjustifiable and it was remitted, but in the meantime the institution had been wrecked.

Whether that story, which came to me upon authority which I regard as perfectly sound, is correct or not the fact remains that here is this arbitrary power lodged in agents of the Government who may act in the best of faith upon ex parte information and who may nevertheless work most grievous wrongs to the citizen.

In most of the States, indeed under the laws of all the States with which I am familiar, no citizen's property can be seized for taxes where there is a dispute as to the amount of tax which should be levied until in some manner or form the citizen has been afforded his day in court. But when we come to this particular law, although the citizen may have made his returns under oath, and although they may be absolutely accurate, it is still possible for some agent of the Treasury De-

partment, under a mistake as to the true fact, to make an arbitrary assessment in the nature of an increase, for the citizen's property to be distrained, although he may not owe a dollar, and may never have been given his day in court.

The amendment has been prepared and submitted to experts on the tax problem and I believe it to be workable and entirely safe. I have tried to draw it so that the Government would be safeguarded, but at the same time so that the American right and the natural right of every man to have his day in court before his property is seized shall be in some manner preserved.

Mr. SMOOT. Mr. President, I desire to say to Senators that under existing law the complaint of the Senator from Missouri is well justified, but in the bill now under consideration, those very things have been taken care of to a large degree, and as far as I think it is wise or prudent to go.

In the first place, the bill provides that there shall be no additional assessment imposed against the taxpayer until a notice has been given to him. That corrects the existing law in that respect, and that is one of the points of which the Senator from Missouri complains.

The next point is that in the bill there is a board of appeals created, and no taxpayer will be compelled to pay a dollar of disputed tax until the board of appeals has passed upon the matter. That is another question that has been taken care of.

If the amendment proposed by the Senator from Missouri should be adopted, it would force at least 200 cases every week, on an average, into the courts. That is what it would mean.

Mr. SWANSON. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Utah yield to the Senator from Virginia?

Mr. SMOOT. I yield.

Mr. SWANSON. What are the conditions under which the board of appeals would consider the differences between a taxpayer and the Government?

Mr. SMOOT. Every taxpayer has a perfect right to take his case to the board of appeals created by the terms of the pending bill. He does not have to pay a penny to the Government of the United States until after a decision is reached by that board.

Mr. SWANSON. Does the Senator mean that if there is a dispute, the tax is not assessed permanently against him until the board reaches its final decision?

Mr. SMOOT. Until the board of appeals finally passes upon it, and after that if he wants to go to court he can do so, but in order to go to court he must pay his assessment.

Mr. REED of Missouri. He must pay it before he can have a trial in court.

Mr. SMOOT. If it were not that way, none of the amounts assessed could be collected for a long, long time. The taxpayer could pay the interest provided for, which is 6 per cent, and the Government would not know when it might get any of the money. It is against all the rules that have ever been applied in the collection of taxes by the Government. It is a change of the whole system that has been in vogue ever since the Civil War.

Mr. SWANSON. What is the system in connection with the payment of customs duties?

Mr. SMOOT. Disputes as to customs duties go to the Court of Customs Appeals.

Mr. SWANSON. After the Government has assessed customs duties and the importer has paid them, but contends that the assessment is not correct and wants to get a rebate, what course is pursued?

Mr. SMOOT. He has got to pay the duties assessed before the goods are withdrawn, and then, if the dispute is not settled, he can go to the Court of Customs Appeals, and it is there decided. If it is decided in his favor, the Government returns the money to him, but if not, the Government has the money. That is the way all taxes by every government in the world are collected. If we now shall agree to this amendment, I do not know when the Government is going to get the money. A taxpayer could make any kind of a return, of course, knowing it to be wrong, and then carry the case up to the court of appeals and meanwhile never pay a cent. All city taxes and all the county taxes are paid under exactly the same procedure as proposed by the bill. I simply call the matter to the attention of the Senate.

Mr. GLASS. Mr. President, I am inclined to agree—indeed, I quite agree—with what the Senator from Utah has said about the established practice and about the essential nature of it; yet it must be said that Congress and the administrative part of the Government are culpable in that they have not long ago provided for a method whereby a taxpayer may be acquit of his obligation to the Government. As the Senator knows, I have frequently complained to him of the failure of Congress to do that. We have been told now year after year not merely by the present administration but by the former administration of the Internal Revenue Bureau that they would soon be current with this work, but they have never yet become current.

Mr. SMOOT. And they never will become current.

Mr. GLASS. No; I will not say they never will become current, for they should be made to become current. Congress in its appropriations has dealt very generously with the Internal Revenue Bureau. That bureau has been asked what it needed, and has been given almost invariably what it needed, but it has never been current with its work. It is the real vice of Federal taxation. As I have frequently had occasion to say, it makes people literally hate the Government who ought to be taught and who would willingly prefer to love the Government. It is totally wrong; and I had hoped that in the pending revenue bill there would have been some provision to put an end to that sort of intolerable situation. The Internal Revenue Bureau is not current, and it is not much nearer being current now than it has ever been.

Mr. SMOOT. Mr. President, that is why it is proposed to create the board of tax appeals. It is to be created to do away with that situation; to take care of the taxpayers, and not have the burdens and hardships which have been recited by the Senator from Missouri placed on them in the future. The criticism of the Senator from Virginia as to the existing law is proper. There has not been a Secretary of the Treasury since income taxes have been imposed but has asked Congress in some way to take care of the situation which we are trying to take care of in the pending bill.

Mr. SWANSON. What limitation does the pending measure fix as to the time when assessments may be made? How far may the bureau officials go back under the pending bill?

Mr. GLASS. The bureau may go back to 1917.

Mr. SMOOT. They may go back to 1917.

Mr. GLASS. To the original inception of the income tax.

Mr. SWANSON. The bureau may go back to 1917?

Mr. GLASS. Yes; they may go back to 1917 and may literally bankrupt a man or a corporation by the assessment of alleged back taxes.

Mr. SMOOT. The only single exception, of course, is that under the law there is provided a limitation of five years.

Mr. SWANSON. It seems to me there ought to be some limitation on the power of the bureau to go back and make assessments for past years.

Mr. SMOOT. There is a limitation provided of five years, as has been the case also in previous laws.

Mr. SWANSON. It is not proposed to lessen that limit?

Mr. SMOOT. No.

Mr. SWANSON. Unless in cases of fraud or corruption or collusion there should be a limitation. When a man honestly makes his tax return, if the Government can go back five years, after he has lost his books and has lost, perhaps, a great deal of money, and impose a different assessment upon him, a great hardship may be worked, and it has been intimated it may even drive some men to bankruptcy. It seems to me we should shorten the time within which the Government may go back and make assessments against taxpayers.

Mr. GLASS. If the bureau is ever going to become current with its work the time ought to be shortened very materially. The Senator from Utah knows that a taxpayer may lay his books before an expert of the department itself; he wants to pay his taxes; he has no disposition on earth to evade them; in fact, it would shock him to suggest that he wants to reserve anything or to conceal anything. And then, five years thereafter, some other expert of the department with a different notion of actuarial work and with a different view as to exemptions and matters of that kind may come along and make that perfectly honest taxpayer appear in the light of attempting to defraud the Government and may collect a great sum of money from him. Such a condition is intolerable.

Mr. SMOOT. I agree with the Senator that that can be done, and that is what we are trying now to get rid of. We provide in this bill for 28 judges, and those judges are to sit in different sections of the country for the very purpose of deciding disputed claims and making the work current.

Mr. SWANSON. Let me ask the Senator a further question. This bill proposes to create a court of 28 to decide the tax matters. If a reassessment is made against a man and he goes to that court and they render a decision, after that decision is rendered is it a finality as to that man or may the Government go back and make another assessment under this bill?

Mr. SMOOT. No; it can not.

Mr. SWANSON. The decision of the court, then, is an absolute finality as to all taxes past and present?

Mr. SMOOT. Absolutely.

Mr. SWANSON. I think that is a great improvement over the existing law.

Mr. REED of Missouri. Mr. President, the difference between myself and the Senator from Utah is this: The bill has set up a board of tax appeals, but that board of appeals is not a court of law. I do not propose to interfere with the board of appeals. We have had such a board all the time, although it was not created by law but was created in the Treasury Department as a matter of custom in order to hear the appeals of wronged taxpayers. They undertook to divide up their work and to have a little group of men in the department sit as an appeal board and hear the complaint of the taxpayer; but when a decision is rendered there it is the decision of two or three men who might or might not know anything about the law, except as they had learned it in their administration of it, and every decision that is rendered is rendered by men whose first purpose is—or at least it is one of the controlling purposes—to get money for the Government. So when the taxpayer found himself in that situation, he found himself powerless to have a remedy, except by paying in his money and then suing to get it back or by suffering a distraint.

My proposal is that when the board of tax appeals has acted if the taxpayer still believes himself to be wronged by the decision he may then go into court, and the Government must go into court and try the question out, giving him a day in court, where he will have a trial according to the rules of law and evidence. If he makes a defense that is not a good-faith defense, if it is a frivolous defense, the court can penalize him to the extent of 25 per cent; but in all cases he must hire a lawyer, and he must pay 6 per cent interest upon the taxes finally found to be due. If the board works as perfectly as my friend from Utah hopes it will, the taxpayer would in very few instances be obliged to go to court; but if it does not work perfectly, and if the taxpayer is really aggrieved, he will have his day in court according to the rules of law and evidence; otherwise he is remitted merely to the decision of a subdivision of a board created in the Treasury Department out of such material as they may be able to get, and that board is quite as likely to err as the boards that were voluntarily set up without any particular law or any law whatever to warrant their creation.

I have given this matter a great deal of care and attention, and I say to the Members of the Senate that, in my judgment, but few cases will go into court. The mere fact that the taxpayer has a right to go into court will have a very salutary effect upon the gentlemen who may sit upon the board representing the Treasury, for they will know that all of their decisions, if they be unjust or unfair, are liable to review by the court, and the result will be they will begin following the forms of law, and they will not be so likely to assume an arbitrary position toward the taxpayer. But suppose that a great number of cases do go into court. Where the taxpayer feels he has been aggrieved to such an extent that he is willing to hire a lawyer and pay the certain penalty of 6 per cent interest, with a possible penalty of 25 per cent, why should the taxpayer not have the right? When did it happen that a man's money could be taken from him in this country by the Federal Government without giving him an opportunity to test out whether he owes that money or not?

It is not necessary in order to collect taxes that we should impose great hardships upon the taxpayer, and neither ought it to be so that the taxpayer may delay the Government without any pains or penalties being affixed; but that he should have his day when he can present his case and have it tried according to the rules of law, it seems to me is indisputable.

Mr. McLEAN. Mr. President——

Mr. REED of Missouri. I yield to the Senator from Connecticut.

Mr. McLEAN. At what stage of the proceedings does the Senator's amendment permit the Government to secure the tax which is due; that is, when may the Government make an attachment?

Mr. REED of Missouri. Immediately upon the finding of the board, if the taxpayer does not appeal—and there are 30 days allowed for an appeal—he must pay; that is the first step. If he does protest the decision, the Government can bring its suit immediately.

If the Government has reason to believe that the taxpayer is going to defraud the Government, or that the Government will lose its taxes, upon a showing of that kind the court can issue its writ of attachment or other process.

Mr. McLEAN. Suppose the decision of the board is in favor of the Government, and the taxpayer takes an appeal: As I understand the Senator's amendment, the Government can not secure its tax until after a decision has been reached by the appellate court.

Mr. REED of Missouri. No; by the district court.

Mr. McLEAN. The court to which the appeal is taken.

Mr. REED of Missouri. Of course the case might be carried up.

Mr. McLEAN. Mr. President, it seems to me that that is at variance with the system of collection of taxes in every State in the Union, and necessarily so, because if a taxpayer by merely taking an appeal can protect his property from attachment, it seems to me that the Government will lose a great many millions of dollars. Any taxpayer who was in trouble or in danger of insolvency or anything of that sort would be tempted to take an appeal, and before you got a decision from the court, when the Government could make its attachment, he would not have a dollar left.

Mr. REED of Missouri. The Senator overlooks the fact that I stated that this bill contains a clause saying that in the event there is a showing made to the court or the district attorney that the Government is liable to lose its taxes, then at once the court may order the property to be seized.

Mr. McLEAN. You compel the Government to bring a suit.

Mr. REED of Missouri. Exactly; which is a very simple matter.

Mr. McLEAN. In addition to the appeal of the taxpayer.

Mr. REED of Missouri. No; when the taxpayer does not pay the additional tax the Government goes into court to collect it.

The process is this: When they make a finding, if it is not accepted by the taxpayer the Government files a suit against the taxpayer for the collection of the money. If, in addition to filing a suit, the Government makes a showing to the court of reasonable ground to believe that the Government will lose its taxes by reason of any delay, an attachment or any other necessary process of the court may be issued to protect the Government. So it would almost infallibly follow that the Government would be in no jeopardy, because the delay would be very slight.

Mr. McLEAN. I think the Government would have to bring a suit in every case, and there would be 200 cases a week, and the Government would have to bring a suit in every case if it expected ultimately to collect its tax.

Mr. REED of Missouri. The Senator overlooks the fact that if that be the case the court has the right to impose a penalty, in addition to the 6 per cent, of 25 per cent.

Mr. McLEAN. Yes; but when the Government gets ready to impose its penalty there is nothing there.

Mr. REED of Missouri. But in the meantime the writ of attachment may have issued, and could issue.

I do not think I made myself understood by the Senator. Let us take a case. Let us say that the Senator concludes that he is aggrieved by virtue of the decision of the board. The Government brings its suit. It can bring it at once. We will assume that the Senator is in such financial condition or that he is in such moral situation that he is willing to try to defraud the Government. Immediately the Government can then, through the court, issue its process and seize his property. That protects the Government against the rascality or the improvidence of the litigant.

The only difference between that and the present law is that now a clerk in the office of the tax collector can order a man's property seized when he believes that the Government is about to lose its money, but in this instance before that process could issue there would be submitted to a court the showing of a district attorney that he had reasonable grounds to believe that the property ought to be attached, and that gives to the Government a very summary remedy—a right of attachment upon an unliquidated claim.

When you try your case finally—and I am speaking now of this delay which the Senator says will occur through people who want merely to get delay—if the court finds that the defense has not been a good-faith defense, that it was made for delay or any other improper purpose, the court can assess the taxpayer 25 per cent in addition to all the costs and the 6 per cent interest. That will very effectually stop any lawyer from ever advising a client to go into court and make a contest unless he has a question to submit that has sufficient merit to lift it above a mere dilatory plea, and I have not any doubt about it.

The Senator says that this would not be in accordance with the rules of any State. In my State, in the case of all taxes,

before there can be a sale of a citizen's property a suit is brought.

Mr. McLEAN. Yes; but not before an attachment.

Mr. REED of Missouri. No.

Mr. McLEAN. The debt can be secured.

Mr. REED of Missouri. No; the debt can not be secured until you have brought your suit on anything except real estate.

Mr. McLEAN. But you can attach when you bring your suit.

Mr. REED of Missouri. Certainly, and you can in this instance.

Mr. McLEAN. Yes; but, Mr. President, you have several million tax returns every year. I do not know how many cases there are pending now, but it seems to me that you impose upon the Government an impossible burden. It must ascertain that portion of the taxpayers which it considers is honest and will not undertake to sequester and secrete its property, and the portion that may be guilty of fraud, and separate the sheep from the goats, and immediately brings these suits. Otherwise you are going to lose millions of dollars.

Mr. REED of Missouri. No; not at all. I do not so understand it. The process is as simple as a process can be made. That is, when the taxpayer does not pay his tax, a list of taxpayers is sent to the district attorney, the district attorney brings his suit, and in every instance, if he so desires, he may show to the court that there is a liability of a loss of the tax, and thereupon the court issues its process.

Mr. McLEAN. Mr. President, one word more and I will not follow up the discussion any further.

It seems to me that for the Government to make itself safe the officials of the Government have to be doubly alert, and where there is the least suspicion that a man is going to attempt to evade his tax a suit has to be brought, and you have a condition doubly worse than the one which the Senator describes. A great many innocent men will be involved in this net, and the Government will have to take this action to protect itself, and the hardships of which the Senator complains will be multiplied a hundredfold.

Mr. REED of Missouri. Why would they be multiplied? If a district attorney in court has to present to a judge some reasonable ground for attaching a man's property, how does that multiply the difficulty to the taxpayer over a condition where a clerk in the department can go out and issue his order of distraint, and that ends the whole matter?

Mr. McLEAN. Not until after the final judgment is rendered by the appellate court, under the Senator's amendment.

Mr. REED of Missouri. No, no; it can be done at once.

Mr. McLEAN. It can be done at once, but it would not be done in the natural course of things unless the Government suspects that a taxpayer is going to evade his taxes.

Mr. REED of Missouri. The Government does not to-day issue these orders of distraint unless it suspects that a man is going to evade his taxes, or some clerk suspects it.

Mr. McLEAN. Very true, and that is what the Senator is complaining of—that they overdo it now.

Mr. REED of Missouri. Exactly; and now I am giving the taxpayers just this additional safeguard, that before that order issues——

Mr. McLEAN. But you are putting the Government on notice that if it does not bring a suit it is likely to lose millions of dollars.

Mr. REED of Missouri. Why, the Government is on that notice all the time. I can not understand the Senator's process of reasoning. Perhaps he can not understand mine, and we just are not thinking along the same lines.

The process to-day is this: When the board of appeals shall have made its decision—that is, under this bill—immediately an order of distraint may be issued; the taxpayer may have his property all seized, and he can protect himself against it only by paying in the money at once and getting it back the best way he can, or suing to recover it; but he must pay this money before there has been any adjudication by any court on earth that he owes it. The process I propose is that before this property is seized on the order of some clerk or some subordinate a court shall have found, upon a showing made to it by the district attorney, that there is some reason for sequestrating the property of the citizen, and upon that showing the court can fully protect the Government; but the taxpayer in the meantime has the protection of judicial action.

How much delay will it make? The local collector of taxes, if he be a man who has any regard for his duty or any regard for the rights of the taxpayer, will not have these orders of sequestration issued by wholesale under the present law. He issues them when in his judgment there is reason to believe that the taxpayer is about to evade his taxes. Now, the trouble is that that action has been taken by clerks and by subordinates, by men unacquainted with the law, and it has resulted in infinite hardship in multitudinous cases and in cases where the taxpayer had a good defense, and bankruptcy has followed, and all kinds of hatred of the Government have been engendered by virtue of these harsh acts.

What am I asking here? I have offered an amendment more drastic than the laws that exist in the States with the laws of which I happen to be acquainted.

Under the laws of my State, before the Government can collect its tax it must bring its suit; and, if I recall aright—although I have not examined the statutes recently—there is no provision for an attachment by the Government in advance of final judgment. I have put that provision into this amendment, however, for the purpose of making it absolutely certain that the Government can protect its interest; and at the end of that suit, under the laws of my State, if the Government gains its case it proceeds to the collection of its taxes. Its taxes are a lien upon the real estate from the time they are levied, but not so as to personal property, and we are dealing here with incomes.

If the Senate wants to say to the citizens of the United States that their final court of appeals to all intents and purposes is to be a board that travels about over the country, where you will have haphazard hearings by men who may or who may not know the law, and that at the end of that kind of a hearing—which will be no better, in my judgment, than the hearings we have had in the past down here by these self-constituted boards of appeal—the taxpayer's only recourse is to pay the tax and to try to get it back if he can, and in the meantime to suffer the sequestration of his property, that, of course, is for the Senate to say.

For my part, I do not understand how any man can claim that the Government of the United States, or any other power on earth, has the right by arbitrary act to take the property of a citizen, or to seize his estates, and deny him his right to his day in court before that thing is done.

Mr. President, I submit the amendment.

Mr. WALSH of Montana. Mr. President, the hardships to which the Senator from Missouri calls the attention of the Senate in connection with the collection of these taxes is a very real one. I dare say that all of us have had occasion to know of them. At least two or three instances have come under my notice, and my assistance has been asked in cases where the assessing officers have gone back for two or three or four years and assessed against the taxpayers delinquent taxes of such an amount that he found it impossible to pay in advance and secure redress through the ordinary proceeding in a court of law, simply because it would bankrupt him to endeavor to raise the money. He was therefore obliged to suffer a distraint. That is a real hardship, and it is one to avoid which ought to have the very earnest and serious consideration of the Senate in connection with this measure.

I can not believe, however, that it is a wise thing for the Congress of the United States to impose upon the Government of the United States the obligation to institute a suit to establish a tax against a taxpayer, as I understand would be the operation under the amendment proposed by the Senator from Missouri. Of course, it is supposed that some tax is due from the taxpayer, and I take it that the amendment offered by the Senator from Missouri contemplates that the taxpayer will pay so much of the tax as he admits to be due.

Mr. REED of Missouri. That is provided.

Mr. WALSH of Montana. And then, if the Government claims anything more, the Government must institute suit. The necessary operation of any such system as that, as a matter of course, would be that the taxpayer in innumerable cases would claim that the tax due from him was only a small part of that which was actually exacted of him, and then, if the Government wanted to get anything more out of him, it would be necessary to institute suit to recover the balance.

Mr. REED of Missouri. If the Senator will pardon me at that point, the provision is, of course, that he must pay all that he has returned, and then any additional sum found against him which he admits, and it brings the controversy down to the disputed item; but he does not escape all taxes.

Mr. WALSH of Montana. But he is required to pay only so much as he admits to be due, that is all; and if the Government claims anything more than he is willing to admit, the Government must then institute a suit, and take all of the burden of the prosecution of that suit, with all the delays and appeals that are incident to a lawsuit.

Mr. RALSTON. I would like to ask the Senator from Montana whether, in his opinion, a taxpayer would be likely to make a frivolous defense when, in order to do so, he would

have to incur the expense of hiring counsel, and run the chance of being subjected to a 25 per cent penalty, as I understand the Senator from Missouri provides in his amendment?

Mr. WALSH of Montana. Of course, he might not be chargeable at all with having offered a frivolous defense to the suit that is brought against him. It is easily conceivable that he would act in perfect good faith; but, of course, he is the judge in his own cause in the matter, and very naturally he would give himself the best of it, and in a controversy that might be carried on in perfect good faith on both sides the chances are that the taxpayer, of course, would not pay in every instance, or in the majority of instances, the amount which really was due from him.

I was a little surprised to hear the Senator from Missouri say that before a tax can be collected, or before distraint can be made against any taxpayer in his State, the State is required to institute an action against him for the recovery of the tax thus charged against him. My understanding was that the very general run of statutes was quite to the contrary; that the tax collector will distrain, and that the only way the taxpayer can meet the situation is to pay the tax and prosecute his action at law for the recovery of so much as he claims is not due. But I find by reference to the authorities that there are some States which pursue the practice referred to by the Senator from Missouri. I take it, however, that that is quite contrary to the rule.

I find in Cooley on Taxation, at page 50 of the first volume, the following:

> In some States, also, tax proceedings are reviewed and confirmed by the courts before any sales of property are ordered or demands conclusively fixed against individuals. But this again is not legislative. Such a review is supposed to be favorable to the taxpayer, as it gives him an opportunity to take the opinion of the court upon the legality of the demand made upon him, without waiting until the collector comes and seizes his person or his property. The proceeding is the institution of a suit on behalf of the State against each individual taxpayer or item of property taxed, and it calls upon the court to apply the law to the issues which such a suit presents.

In a great many States, or at least in some States, provision is made for such a proceeding in court before sales of real estate are made. That is very largely formal, however. The delinquent tax list is published, and the proper taxing officer institutes a suit and publishes notice that unless an answer is made by a certain day he will sell as provided, and then any taxpayer may come in and defend that suit. But that procedure is justly criticized as quite obstructive to the usual collection of taxes.

The same author, at page 54, has the following to say:

> The existence of government depending on the prompt and regular collection of revenue must, as an object of primary importance, be insured in such a way as the wisdom of the legislature may prescribe. There is a tacit condition annexed to the ownership of property that it shall contribute to the public revenue in such mode and proportion as the legislative will shall direct; and if the officers intrusted with the execution of the laws transcend their powers to the injury of an individual, the common law entitles him to redress. But to pursue every delinquent liable for taxes through the forms of process and a jury trial would materially impede, if not wholly obstruct, the collection of the revenue.

That, I think, is the general rule, and characterizes the statutes generally. But we have found it necessary, in the collection of taxes for Federal purposes, to go still further than that; and, as stated by the Senator from Utah, an act was passed as early as 1867 providing that no suit for the purpose of restraining assessment or collection of any taxes shall be maintained in any court. So that under the statute, which has been in existence since 1867, not only is the Government not to be obliged to go into court to establish a claim against a party but the party could not even appeal to the court and get a writ of injunction to restrain the enforcement of the tax, and the Supreme Court of the United States has gone so far as to hold that the statute would apply even to a statute which is charged to be unconstitutional; even the enjoinment of an unconstitutional tax statute could not be secured in view of this particular provision of the law.

That is only the legislative expression of a rule that is generally enforced by the States, even in the absence of a particular statute. I read from the second volume of the work referred to at page 415, as follows:

> Personal taxes: When a tax as assessed is only a personal charge against the property taxed, or against his personal property, it is difficult in most cases to suggest any ground of equitable jurisdiction.

That means, of course, the jurisdiction to issue a writ of injunction to restrain the sale of property for the tax.

> Presumptively the remedy at law is adequate. If the tax is illegal and the party makes payment he is entitled to recover back the amount. The case does not differ in this regard from any other case in which a party is compelled to pay an illegal demand; the illegality alone affords no ground for equitable interference, and the proceedings to enforce the tax by distress and sale can give none, as these only constitute an ordinary trespass. To this point the decisions are numerous. The exceptions to this rule, if any, must be of cases which are to be classed under the head of irreparable injury; as when the enforcement of a tax might destroy a valuable franchise, or might embarrass an assignee or receiver in the execution of his trust, or when property is levied upon which possesses a peculiar value to the owner beyond any possible market value it can have, and other like cases where the recovery of damages would be inadequate redress. A case would be exceptional, also, if under the law no remedy could be had to recover back moneys paid.

So we have gone very much further. We have not only provided that the Government must institute an action in order to recover the tax, but we have actually prevented the taxpayer from going into a court of equity to enjoin the Government from distraining for the purpose of recovering the tax, and I think that that is the common statute.

What should be done about it? I have not had an opportunity to examine with as much care as I should like the provisions of the pending bill concerning the boards of review, but it seems to me that that meets the situation fairly well. The taxing officers assess the tax; the return is made by the taxpayer, and the assessing officers do not agree to it; they raise the assessment; then the taxpayer, before any distress is made, can appeal to the board of review and have a hearing before that board upon the legality and upon the fairness and justice of the assessment.

Mr. McLEAN. He gets notice in every instance where there is a raise.

Mr. WALSH of Montana. He gets notice in that way of course. Of course the board of review is not a court by any means. The Senator from Missouri is quite right that the board never can deprive a man of his right eventually to have the matter adjudicated by a court. But we can provide that he can not appeal to the court until he pursues the remedy prescribed by the statute.

It seems to me the situation is fairly well taken care of, particularly as the board of review tries the matter in as nearly a judicial way as is to be expected in these administrative proceedings.

I am going to offer two amendments to those provisions, which I trust will have the attention of the Senator from Utah, for the purpose of giving the decisions of that board a higher character. I think the board should be composed of lawyers, men who are able to construe the law and admitted to practice in the courts either of the District of Columbia or of the States. Then it is provided at page 238 that—

> The proceedings of the board and of its divisions shall be informal and in accordance with such rules as the board may prescribe. Opinions (other than findings of fact) shall not be in writing unless the chairman so orders.

I would require that opinions be filed in every case so that everyone would know upon what ground the judgment of the board is based and in order that they should have character, and then I would provide that the opinions shall be printed just the same as rulings of the Commissioner of Internal Revenue are now printed, so that other taxpayers and their attorneys would have the benefit of opinions thus filed as a guide for their conduct.

Mr. SMOOT. When the bill comes into the Senate and is still open to amendment I see no objection to what the Senator suggests; that is, for the board of appeals provision of the bill. The only doubt in my mind is whether it would be best to require the board to be composed entirely of lawyers. I know some of the very best tax men in the United States are not lawyers, men who have made a deeper study of the tax question than any lawyer of whom I ever knew; but I agree also with the Senator that perhaps 26 or 27 of the 28 members will be lawyers, no matter whether so provided in the bill or not.

Mr. WALSH of Montana. Of course that may or may not be true.

Mr. SMOOT. That is only a suggestion.

Mr. WALSH of Montana. I can very readily understand that some man who is not a lawyer at all would be a better member of the board of appeals than some lawyers.

Mr. SMOOT. Yes; there is no doubt about that.

Mr. WALSH of Montana. But, of course, many of the questions arise from a construction of the statute, and the man ought to be able, it seems to me, to bring to the case the training of a lawyer. It would, of course, be advisable to appoint a lawyer who likewise is skilled in the matter of computations, but it seems to me he ought to have both qualifications.

Mr. SMOOT. I have no objection.

Mr. WALSH of Montana. That being the case and that safeguard being placed, it seems to me it is as far as we can go. After the board of review determines the matter, it seems to me, that is as far as the Government ought to be interrupted in the matter of the collection of its revenues. Then the taxpayer would be obliged to pay the tax and take his ordinary action at law to recover whatever he claims was exacted of him illegally.

Mr. REED of Missouri. Mr. President, the authority which the Senator read, showing the hardships that are imposed upon taxpayers in many places is undoubtedly true. The fact just the same remains as I stated that there are plenty of places where the collection of the personal tax is made by going into court. I happen to live in one of those States and the State suffers no hardship from it whatever. It collects its taxes just as well as any other State. The difference is that some of the enormities, some of the hardships and some of the brutalities visited upon the citizens are mitigated.

The talk here about this board being the final court to which a man may go before he has to pay his money sounds well when we speak about a "board of tax review," but how does it work? Right at the inception the Senator from Montana suggests that they ought to be lawyers and immediately the suggestion comes that that might not be wise. How will it work? We know how it has worked. We have had this identical board of review. It has been operating down here for four or five years, not a board authorized by law, but just such a board as we are going to get in substance and effect.

Mr. SMOOT. The board provided for in the bill is entirely out from under any influence whatsoever of the Treasury Department.

Mr. REED of Missouri. Why, its members will be suggested by the Treasury Department. Down in the Treasury Department, in order to solve the question of tax returns as they come in they set up without any authority of law boards of review.

The result is we have two or three or four of the gentlemen down there, who were engaged in the tax department, who would sit together and hear the claims that might happen to come before them. They rendered their decision. That was called the decision of the board of review. Now, we are in the bill merely authorizing that system and extending it a little bit, perhaps, by providing the members and some regulations with reference to the places where they shall sit.

All I am begging the Senate to do is before they take a citizen's property to give that man his day in court. If he makes a frivolous defense, if he does not have a good-faith defense, the court can assess him a penalty of 25 per cent. But, in any event, he must pay the costs of the suit; he must pay 6 per cent interest; he must hire an attorney to defend him. That is sufficient reason for the ordinary taxpayer to pay any tax about which there is no very grave doubt. The Government, in the first place, is going to get all the taxes where the ordinary citizen makes his return. If he makes a fraudulent or false return, he is liable to the penalties and pains of perjury and liable to the other penalties visited upon him.

The amendment would not apply at all except in cases where the Government on an ex parte hearing has gone out and raised a man's assessment above his sworn return. That is the only time there is any dispute. When that dispute comes the first thing that he confronts is his own tax return, which he can not dispute. Then he is required to show what items found against him are just or unjust; and if he contests without good reason he is liable to the penalties. If he does not raise the question at all, he must pay.

Mr. RALSTON. Can he recover any portion of his tax at any time after he has paid it?

Mr. REED of Missouri. There is no provision in any law that if a man voluntarily pays his taxes he can get them back.

Mr. RALSTON. There is no such provision?

Mr. REED of Missouri. Not in the law nor in the pending bill.

Mr. JONES of New Mexico. Mr. President, I think there is much of merit in what the Senator from Missouri has said. The matter was only considered in a general way in the committee. The Senator from Missouri never had an opportunity to present the matter to the committee for its careful consideration, certainly not with the earnestness with which he has presented it to-day. His amendment was not prepared until within the last few days.

I sincerely hope that the chairman of the committee may permit the amendment to be incorporated in the bill, and then we will have an opportunity to get more detailed evidence from the Treasury Department as to the operation of it. There is no danger of the Government losing anything by the amendment. Even if the commissioner feels that the rights of the Government are in jeopardy, he has a perfect right to distrain the property, and then when the matter gets into court, if there is any danger of the Government losing the money, attachment may issue, and so on. I happen to live in one of those States where a suit must be brought before a man's property can be distrained. It may be that in conference we can decide upon some limitation as to the amount which must be involved before the procedure is taken.

I sincerely hope the chairman of the committee may agree that the amendment may be adopted and go to conference, and we can take the matter up with the Senator from Missouri and representatives of the Treasury and find out more in detail and more specifically just how it will operate. I do not believe the rights of the Government can be jeopardized by the adoption of the amendment. It is only a question as to whether the day of payment may be delayed awaiting a proceeding in court.

Mr. SMOOT. Mr. President, I do not want to appear to accept any kind of a proposition with the understanding that I am going to fight for it in conference. I am opposed to the amendment. I am perfectly willing, at the request of the Senator, to say that it may be agreed to, but I am not going to defend it if I happen to be one of the conferees. With that understanding I have no objection to allowing it to be agreed to and considered in conference.

Mr. JONES of New Mexico. I think it had better go there.

Mr. SMOOT. I want to be perfectly understood. I do not want to be charged with being unfair. I want the Senator from Missouri to know my position. I do not believe he thinks I would be unfair.

Mr. REED of Missouri. If the Senate voted the amendment in, would the Senator from Utah feel bound then to endeavor to keep it in?

Mr. SMOOT. I think then I would be instructed by the Senate.

Mr. REED of Missouri. Unless the Senator, letting it go in in this way, would regard it as an instruction of the Senate, I would not see any use of having it agreed to. I will not be a member of the conferees. If I was going to be in the conference I would wrestle it out with the Senator there.

Mr. SMOOT. I am willing to have it go in with that understanding, or to have a vote on it. I will leave it entirely to the Senator from Missouri.

Mr. WALSH of Montana. Ought we to have a board of review at all if the amendment offered by the Senator from Missouri should be adopted?

Mr. REED of Missouri. I thought that over. My original idea came before the board of review plan had been worked out. My own notion is that the board of review may clarify the situation, and there will be very few suits.

Mr. WALSH of Montana. Mr. President, if I may express myself further upon the subject, the difficulty about it is, that under statutes of that character, which require the taxing power to go into court to establish the tax, the wisdom of the statute is questioned because there is necessary delay in the collection of revenue by going into the courts. But if these two things stand, the trouble is doubled. The proceedings are delayed while the taxpayer is going through the board of review. They are again delayed when he is going through the court. If it is proposed to have a court review of the case and a court determination, I should think it would be desired to dismiss the board of review altogether.

Mr. REED of Missouri. I think the board might serve a useful purpose. I repeat—of course, we can only guess at this procedure, for it has not been worked out—that it seems to me that the board of appeals might simplify the matter and reduce it to a very few cases. I do not see any reason why this amendment would not fit into the plan. Then, the board of review having held against the citizen, he would have his option to pay his taxes or he would have his option to await the pains and penalties that would come on him from a suit.

I am very much in earnest about this amendment. I have talked to many lawyers about it, and I have not yet heard a lawyer who has had any experience in these cases who has not hailed and acclaimed it as an opportunity for the citizen to protect himself.

Mr. WALSH of Montana. Let me suggest another consideration to the Senator, and that is this: The man of small means will take his appeal to the board of review and it is an expensive thing for him to hire a lawyer to handle his case even before the board of review. Then, if he were not satisfied with that, he would institute suit in the district court. It would go from the district court to the circuit court of appeals, and from the circuit court of appeals to the Supreme Court of the United States, the collection of the revenue for the Government meanwhile being deferred. Of course, the man of small means will not do that, but the very wealthy man who hires his lawyers by the year will naturally go the limit.

Mr. REED of Missouri. That argument, of course, as the Senator from Montana knows, may be made with reference to every other case that can be conceived of. The poor man frequently suffers a wrong that the rich man does not, but in this case if the poor taxpayer stops at the board of review he then has all the rights accorded to him that would be accorded if my amendment should not be adopted.

Mr. WALSH of Montana. But the point I am trying to make for the benefit of the Senator from Missouri is that the man of small means in all reasonable probability will stop at the board of review.

Mr. REED of Missouri. Very well.

Mr. WALSH of Montana. And the man of very great means who does not have to hire a lawyer for a particular occasion but who hires his lawyers by the year of course will go the limit.

Mr. REED of Missouri. Very well. At least my amendment takes no right away from the small taxpayer which the Senator proposes to give him. He is just as well off with my amendment as he would be without it. In addition to that if he feels aggrieved and wronged he can go into the court; he has the right to go there.

The Senator from Montana says because the poor man may not avail himself of it that the wealthy man ought to be deprived of it. I do not think it is a rich man's case or a poor man's case at all. I think the smaller tax claims and the smaller disputes will end with the board of review in all cases. In the more important ones, whether they affect the man of moderate means—for the man of very small means will not get into court at all—or the man of large means, my amendment will give the opportunity to each alike to go into court.

I know of no law which we can pass, Senators, giving equal rights to citizens that ought to be stopped in its passage because it happens that certain individuals may be better able to avail themselves of it than are other individuals. All we can do is to afford the equality of opportunity. Indeed, that is all the Declaration of Independence proposed to afford.

Mr. McLEAN. Mr. President, will the Senator permit me to interrupt him?

Mr. REED of Missouri. To say that we will not give a day in court to each and every citizen because some citizens may not avail themselves of it is to say that which can be said of every law that has ever been put upon the statute books. Now I yield to the Senator from Connecticut.

Mr. McLEAN. Let us suppose that the taxpayer appeals from the board of appeals to the district court; that the question is pending there; and that the Government brings a suit in the meantime to collect the tax.

Mr. REED of Missouri. He does not appeal. The case goes there direct by the suit of the Government.

Mr. McLEAN. It goes to the district court. Then the Government brings a separate suit to collect the tax.

Mr. REED of Missouri. No; the Senator from Connecticut has not got it right. The case does not go to the district court until the Government brings its suit. It is then in the district court for all purposes.

Mr. McLEAN. Suppose the Government prior to that time wants to institute a case. The Senator would not allow the Government to have the opportunity of instituting a suit to protect itself until after the appeal is taken.

Mr. REED of Missouri. No; the Senator from Connecticut has not got that right. Under the law as proposed to be passed here the Government would have no right to bring any suit until the case goes through the board of appeals. That is the proposition. Up to that point there is no change made. What happens when the board of appeals has decided? The question then is, Shall the property of the citizen be sequestrated, or shall the Government first establish its right to this additional tax in a court? That is the only difference.

If the Senator from Utah desires to accept the amendment which I have offered in order to save time, even with the statement he has made, and let it go into the bill, I shall undertake to try to thrash it out hereafter. I had rather have a vote, and I understand that some of the Senators are going away, and that there is a situation here which requires action on the bill.

Mr. SMOOT. With the reservations that I have already made, I have no objection to the amendment going into the bill. As I understand, the Senator says that is satisfactory to him.

Mr. REED of Missouri. Very well.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Missouri.

The amendment was agreed to.

Mr. REED of Missouri. Mr. President, I offer the amendment which I send to the desk, which I hope——

Mr. WALSH of Montana. May I say to the Senator from Missouri that I have already presented certain amendments which I desire to submit. They are in connection with the very subject which has been under consideration. Would the Senator object to my submitting those amendments now?

Mr. REED of Missouri. No; I will yield to the Senator from Montana for that purpose.

Mr. WALSH of Montana. Mr. President, on page 236, after the word "board"——

Mr. SMOOT. Mr. President, the committee amendments affecting that question have been agreed to. If the Senator will make a reservation, when the bill gets into the Senate, he can then offer the amendments he wishes to offer.

Mr. WALSH of Montana. Very good.

Mr. SMOOT. Otherwise, we would have to reconsider the amendments which have been agreed to, and there may be some Senators who would want to be present when that is done.

Mr. WALSH of Montana. I will be glad to act on the suggestion of the Senator.

Mr. REED of Missouri. Since the Senator has raised the point of reconsideration, the Senator will remember that I have reserved this amendment, and I assume that the record will have to show a reconsideration in order to offer it.

Mr. SMOOT. What amendment is that?

Mr. REED of Missouri. The amendment which has just been agreed to.

Mr. SMOOT. That was understood and the record will show that it was agreed that the amendment to which it was an amendment should be reconsidered.

Mr. REED of Missouri. And that has been reconsidered?

Mr. SMOOT. That has been reconsidered.

Mr. REED of Missouri. Very well.

Mr. President, if we are to take the course just suggested with reference to amendments proposed by the Senator from Montana, I offer the following amendment which I hope may be accepted to amend paragraph 10 of section 231 by inserting after the word "companies," in line 7, on page 84, the following:

Or casualty- or fire- or reciprocal- or inter-insurance exchanges.

Mr. SMOOT. I understand that there are only a very few small companies in the United States in that category and I have no objection to the amendment.

Mr. REED of Missouri. I understand that these exchanges pay no taxes anyway, but are required to make returns.

Mr. SMOOT. I will ask unanimous consent that the amendment be adopted at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was agreed to.

Mr. WATSON. Mr. President, I offer the amendment which I send to the Secretary's desk and ask that it may be read.

The PRESIDING OFFICER. The amendment will be stated.

The PRINCIPAL CLERK. On page 245 it is proposed to add the following subdivision to section 1106:

SEC. 1106. (a) That in any case where a tax has been paid to and collected by the United States Government under any excise tax law in force at the time of payment, and after January 1, 1917, and subsequently the amount collected shall have been refunded to the taxpayer by the Government without being required to do so by a decision of a court of competent jurisdiction and where the articles of property taxed have passed from the possession and ownership of the taxpayer, said taxpayer shall not again be assessed or taxed, and no demand shall again be made by the Government for a tax for the same lease or sale thereof: *And be it further provided*, That where said taxpayer has been so reassessed or retaxed, said levy, assessment, or tax shall be abated, and in case the tax or any part thereof has been paid after demand, the amount so paid shall be refunded to said taxpayer in the manner provided under this act.

Mr. SMOOT. Mr. President, that is what is known as the retroactive sales tax, is it not?

Mr. WATSON. No; it is not universal in its application. I can explain it in a moment or two.

Mr. SMOOT. Will the Senator allow me to see the amendment?

Mr. WATSON. Certainly.

Mr. WADSWORTH. While the Senator from Utah is looking at the amendment, will the Senator from Indiana yield to me?

Mr. WATSON. I will be delighted to do so.

Mr. WADSWORTH. Mr. President, I merely desire to consume about a minute, perhaps a minute and 30 seconds, of the time of the Senate. Toward the end of last week the Senate adopted an amendment providing for a complete publicity of income-tax returns. In view of the possibility of the enactment of such a provision as a part of the revenue law of 1924 I anticipate that something like the following advertisement may appear in a prominent daily newspaper along about September 1 of this year. I ask the Secretary to read it.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The principal clerk read as follows:

[Advertisement appearing in a daily newspaper about September 1, 1924]

What did he pay for it?

What did he sell it for?

What were his expenses for labor, material, supplies, and rent?

How much does he owe?

What interest does he pay?

What bad debts does he carry on his books?

Does he pay alimony?

Don't you want to know these things about your neighbor and business rival?

We can get all this information for you and a lot more about his business, domestic affairs, and method of living from his income-tax return right here in Washington.

Don't travel.

Drop us a line and we will send you in a plain, unmarked envelope our schedule of rates.

Everybody's doing it!

Our service is of especial value to politicians and prospective candidates for office.

The Haveluk Company, Spy Building, Rye Street, Washington, D. C. Paul Pry, president; Thos. Peeper, vice president. Telephone, Peek-a-boo-double "O." Cable address, Keyhole.

Mr. WATSON. Mr. President, a recital chronologically of the incident which led up to the formulation and offering of this amendment may best illustrate and enforce it.

Leaf springs were assessed regularly and in accordance with due process of law, and the tax was paid. Thereafter, on a contest, the taxes were ordered refunded. I can throw light on the subject by reading from the letter of the Commissioner of Internal Revenue, in which the plea of the taxpayer was granted and the taxes ordered refunded.

Article 15 of regulations 47 defines an automobile part—

This was a tax on leaf springs, I will say—springs that enter into the manufacture of automobiles and motor cycles and buggies and carriages and vehicles of all kinds and characters.

Article 15 of regulations 47 defines an automobile part—

And these had been originally taxed as automobile parts in that section of the tax bill that I shall not take time to read.

Article 15 of regulations 47 (revised) defines an automobile part as any article designed or manufactured for the special purpose of being used as or to replace a component part of an automobile or motor cycle, and which by reason of some peculiar characteristic is not such a commercial commodity as would ordinarily be sold for general use, and which is primarily adapted only for use as a component part of an automobile or motor cycle.

It appears from your brief that vehicle leaf springs in their present form and design have been in use for a great many years and were used long before the advent of the automobile; that they had been for many years and are to-day used for a great many purposes other than in automobiles; that exactly the same spring in type and otherwise can be and is used for automobile and other purposes; that there is nothing in the design or construction of the ordinary vehicle leaf spring used on automobiles to make it primarily adapted only for such use, and that it may be and is used for other purposes; and that of the leaf springs sold the vast majority are sold for purposes other than use on automobiles.

In view of these facts, the bureau now takes the position that vehicle leaf springs, as distinguished from highly specialized leaf springs such as auxiliary shock-absorbing devices using the leaf-spring principle, which are not primarily adapted only for use as a component part of an automobile or motor cycle are not subject to tax under section 900 of the revenue acts of 1918 or 1921.

Holding that this tax had been illegally collected, and that there should be a refund of the taxes. Shortly after that time circulars were sent out to all the manufacturers explaining to them how they could apply for and obtain the refund. They did apply for the refund and obtained it, and it was paid to the manufacturers. After that, another circular was sent out by the department instructing these manufacturers of automobiles that inasmuch as they had collected the taxes from the jobbers, and the jobbers in turn had collected them from the customers, the taxes should be refunded by the manufacturers to the jobbers, and by them on down to the purchasers, and in many instances this was done. Some of them paid it all back; some paid back a portion of it, waiting for the final signature of the Secretary of the Treasury before paying back all the taxes.

This was the condition when, on December 17, 1923, after a period of 15 full months, there came an order like a bolt from the blue sky—because nobody apprehended it or knew it was coming—ordering that all of these taxes should be immediately paid, and giving 10 days in which to pay them into the Treasury.

What was the situation? Most of these men could not pay these taxes. They did not have the money. They could not get the money. One of my constituents in Richmond, Ind., was ordered immediately to pay $136,000 of taxes. He could not go and borrow that money. He did not have it. He could not get it. In good faith he had paid the tax originally. In good faith he had made the claim for the refund. The refund had been ordered, and a portion of this money had been distributed. Two other constituents of mine in Indiana under like circumstances had distributed all of the fund. They are now ordered summarily to pay it in, and they are not able to pay it back.

Under the law they could pay the tax, wait six months, and sue; but the trouble about it is that these gentlemen can not pay the tax. They can not meet this order. They can not measure up to this demand; and the result of this illegal process—and I call it illegal because it is wholly unfair—by the Treasury Department is that several of these gentlemen will be bankrupt and driven on the rocks simply because of this conduct of the Treasury Department.

These refunds were ordered by the commissioner, and there is the letter. I have read it. The contest was made in good faith. The money was paid back. These gentlemen refunded it. Now they are ordered to go out and get it. When they undertake to go and get it from the jobber, or go back to the customers, they find some of them out of business, they find some of them have gone bankrupt themselves, and they are unable to collect these taxes; and as a result of this unfair treatment by the Treasury Department of citizens of the United States engaged in a legitimate enterprise several of them are going to be entirely put out of business and bankrupt.

This amendment is offered simply to cure that difficulty. It provides as follows:

That in any case where a tax has been paid to and collected by the United States Government under any excise tax law in force at the time of payment and after January 1, 1917, and subsequently the amount collected shall have been refunded to the taxpayer by the Government without being required so to do by a decision of a court of competent jurisdiction, and where the articles of property taxed have passed from the possession and ownership of the taxpayer, said taxpayer shall not again be assessed or taxed, and no demand shall again be made by the Government for a tax for the same lease or sale thereof: *And be it further provided*, That where said taxpayer has been so reassessed or retaxed, said levy, assessment, or tax shall be abated, and in case the tax, or any part thereof, has been paid after demand, the amount so paid shall be refunded to said taxpayer in the manner provided under this act.

So that it is confined to a specific case where an assessment has been made, where the tax has been refunded, and then where another tax has been levied. It provides that that tax shall be abated where it has not been paid, and where it has been paid that it shall be refunded. I am very glad to say, however, that none of the taxes thus assessed have been paid this second time, and so no money will be taken out of the Treasury; and it is only a question of the abatement of this

tax which under the circumstances I believe to be absolutely unfair. I believe that the Government has no right to treat its citizens in that manner, and therefore I think that notwithstanding the fact that this is retroactive, it is retroactive only in the interest of fair dealing as between the Government and its citizens.

Mr. SMOOT. Mr. President, the committee decided that they would not make a claims bill of this revenue measure; but there has been retroactive legislation, and I will leave it entirely to the Senate as to whether they want to put this in or not. This is a claim against the United States, and if the Senate wants to put it upon this bill, well and good.

The PRESIDING OFFICER (Mr. STERLING in the chair). The question is on the amendment of the Senator from Indiana.

The amendment was agreed to.

Mr. WATSON. Mr. President, just in the same line, to cover this same transaction when the money has been paid out, I offer another amendment. It cures the whole thing, and that is what I am after—a cure-all.

The PRESIDING OFFICER. The Senator from Indiana offers a further amendment, which will be stated.

The READING CLERK. It is proposed to add to section 1108 the following:

(a) No excise tax shall be levied, assessed, or collected by the Commissioner of Internal Revenue on any article of property sold or leased by the manufacturer, producer, or importer where at the time of said lease or sale there was an existing ruling, regulation, or Treasury decision holding or construing that said article of property, or the lease or sale of same, was not taxable, and where the manufacturer, producer, or importer parted with possession or ownership of said article of property relying upon said ruling, regulation, or Treasury decision.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Indiana.

The amendment was agreed to.

Mr. WILLIS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 233, at the end of line 10, it is proposed to insert a new sentence, to read as follows:

This subdivision shall take effect upon the enactment of this act.

Mr. SMOOT. Mr. President——

Mr. WILLIS. It is not necessary for the Secretary to read the others. If I may explain this amendment to the Senator for a moment, I think he will not object to it.

Mr. SMOOT. I know exactly what this amendment means. Does the Senator want to offer another amendment?

Mr. WILLIS. If this shall be adopted, there are two others that ought to go with it. It corrects the bill. Of course, it is not necessary to offer them unless this shall be adopted. I thought the Senator undoubtedly would accept this amendment.

Mr. SMOOT. I would if it were possible of administration; but how on earth can a manufacturer of playing cards know the hour when the President of the United States will sign this bill?

Mr. WILLIS. The usual principle of law will apply there. The law does not take cognizance of a fraction of a day. They will know the day when it is signed.

Mr. SMOOT. Mr. President, I should like to collect that 30 days' tax. I should be delighted to get it into the Treasury of the United States; and if the Senator thinks that it can be administered successfully, I am perfectly willing to accept that amendment.

Mr. WILLIS. I wish the Senator would accept it.

Mr. SMOOT. I will accept it, Mr. President, because it simply means that instead of giving 30 days' time for them to make a sale before this tax applies, it applies immediately upon the passage of the bill. I want to say to the Senator also that I know it is going to be beneficial.

Mr. WILLIS. I think it ought to be said that this amendment is a most unusual one in that it comes from perhaps the largest manufacturer of this particular commodity——

Mr. SMOOT. I know that.

Mr. WILLIS. And he is not complaining about the increased tax, but is asking that the law take effect 30 days earlier than the bill provides, so that the Government will have about $200,000 more money, and he, incidentally, will avoid some bother.

I thank the Senator for accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. WILLIS. The other two amendments are to correct the bill, or to amend other sections, so as to bring them into harmony with this.

Mr. SMOOT. I will see what the other two amendments are.

Mr. WILLIS. They ought to be stated.

The PRESIDING OFFICER. The Secretary will state the next amendment offered by the Senator from Ohio.

The READING CLERK. On page 275, line 16, after the second parenthesis, it is proposed to insert:

Except subdivision (12) of Schedule A, and——

Mr. SMOOT. That is necessary in order to conform to the amendment that has just been agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

Mr. WILLIS. I desire to offer an amendment, to come in at page 200, at the end of line 4.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 200, at the end of line 4, insert:

Or for eyeglasses and spectacles sold or leased for an amount not in excess of $40.

Mr. WILLIS. Mr. President, it will be observed that the proposed amendment is in the section that makes exemptions. As the bill passed the House, it provided in line 23, page 199:

The tax imposed by subdivision (a) shall not apply to (1) surgical instruments, musical instruments, eyeglasses, spectacles, or silver-plated flat tableware.

The committee has made an amendment striking out the words "spectacles and eyeglasses," so that they would not be exempt. It seems to me that the amendment which the committee has proposed is hardly a desirable one. Spectacles and eyeglasses are not in the nature of luxuries. There are a good many so unfortunate physically as to absolutely need those articles. It appears to me that is not a very good source of revenue. I should have preferred the bill as it passed the House, but the amendment I have offered would exempt eyeglasses and spectacles costing under $40.

Mr. SMOOT. The bill excepts eyeglasses and spectacles up to $25. Nobody pays a tax on a pair of spectacles unless they cost more than $25. It does seem to me that that exemption is ample, and it seemed that way to the committee.

Mr. WILLIS. Will the Senator permit me to invite his attention to the fact? It is not a pleasant subject to discuss, but the more distressing the case of eye trouble, the more certain it is that the exemption the Senator proposes in the bill would not be effective, because, as the Senator knows, lenses that are necessary for very serious cases of eye trouble cost at least $25 without the mounting. With that situation, it seems to me that the figure should at least be enough more than that amount to cover the cost of the cheapest kind of frame.

I take that as a tentative figure. Would not the Senator agree to have it made $30 or $35? I do not like to have it said that the Senate by this legislation is levying a tax upon those very necessary articles which can not be denominated under any circumstance as luxuries.

Mr. SMOOT. I have not heard any complaint about the tax in the existing law and the limitations.

Mr. WILLIS. Of course my experience is different. I have heard some complaint.

Mr. SMOOT. I recognize that eyeglasses and spectacles are put in here, and the House fixed a figure at $40. The House fixed $40 also on the other articles, surgical instruments, musical instruments, and silver-plated tableware.

Mr. WILLIS. It seems to me there is more reason for an exemption on eyeglasses and spectacles than on flat tableware. That, perhaps, is not so nearly a necessity. For anyone who can not read a line without spectacles or eyeglasses the eyeglasses and spectacles are necessities, and I dislike to be put in the position of having to say that the Senate decided to levy a tax upon those absolutely necessary articles.

Mr. SMOOT. I think we have received 10 letters against the silver-plated tableware tax to one in regard to the eyeglass tax. I do not know why it is.

Mr. SIMMONS. I have had quite a number of protests from constituents of mine against the tax on eyeglasses.

Mr. WALSH of Massachusetts. What is the revenue from the tax on eyeglasses?

Mr. SMOOT. I could not tell the Senator the revenue under the eyeglass provision, but I can tell him what it would be under the whole paragraph.

Mr. WALSH of Massachusetts. How much is it for the whole paragraph?

Mr. SMOOT. Under the present law, $10,000,000, and it is estimated that the revenue derived under the bill as it passed the House of Representatives would be $4,000,000 on the basis of $40. The estimated jewelry tax for 1924, including all jewelry, is $10,750,000. I suggest that we let it go to conference.

Mr. SIMMONS. I think it is all right to let it go to conference.

Mr. WILLIS. Very well, if the Senator can give us some assurance. I do not desire to be contentious about it, but I do think it is a mistake not to make a proper provision in this place. Would the Senator accept an amendment? Suppose I set the figure at $40?

Mr. SMOOT. Applying merely to spectacles?

Mr. WILLIS. To spectacles and eyeglasses.

Mr. SMOOT. Let the amendment be read.

The PRESIDING OFFICER. The amendment will be reported.

The READING CLERK. On page 200, at the end of line 4, after the numerals "60" and before the period, insert the words "or for eyeglasses and spectacles sold or leased for an amount not in excess of $40."

Mr. WILLIS. I will modify the amendment so as to make it $30.

Mr. SMOOT. I will accept that amendment.

Mr. WILLIS. Very well. I so modify it and will let it go to conference.

The PRESIDING OFFICER. Without objection, the vote by which the amendment of the committee was agreed to will be reconsidered, and the question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SIMMONS. Mr. President, one of the substitute amendments offered by myself relates to the income taxes, and that has not been acted upon because it was not in order before. It is an amendment with reference to the exemption. But in view of a suggestion made to me by the chairman of the committee, I will not press it at this time.

Mr. WADSWORTH. Mr. President, I offer an amendment which I ask the Secretary to read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 274, after line 10, the Senator from New York proposes to insert:

SEC. 1131. Where any provision of any act specified in section 281 (a) of this act or the application thereof to any person or circumstances has been held to be invalid, or any interpretation placed thereon by any of the executive departments has been held to be incorrect (1) by the Supreme Court of the United States or (2) by decision of a United States Circuit Court of Appeals which becomes final, any tax illegally collected pursuant to such provision shall be credited or refunded if a claim therefor is filed by the taxpayer within four years after such decision notwithstanding any other statutory period of limitation providing to the contrary.

Mr. SMOOT. Mr. President, this amendment was considered very carefully by the committee. It means that, notwithstanding the period of limitation, anyone who may now want to make a claim against the Government can do so. There has to be some time when the question is settled, and the committee thought this was a very dangerous proposition. I hope the Senate will not agree to it.

Mr. WADSWORTH. The Senator from Utah has condemned it wholesale, but I do not think he has told the entire story at that.

On page 136 a committee amendment will be found which strikes out the language from line 3 to line 11, inclusive. The House language is stricken out. The House approached this question about halfway and provided that—

(d) Where any provision of any act specified in subdivision (a) of this section or the application thereof to any person or circumstances has been held by the Supreme Court of the United States to be invalid, any amount of income, war-profits or excess-profits tax illegally collected pursuant to such provision shall be credited or refunded if a claim therefor is filed by the taxpayer within four years after the decision, notwithstanding the period of limitation provided for in subdivision (b) has expired.

The Senate, on the recommendation of the committee, has stricken that out, and, as I understand it, that throws the law back to the old situation, in which the taxpayer must have filed his claim for refund within four years of the date of having paid the tax.

Mr. SMOOT. The Senate has already agreed to that amendment.

Mr. WADSWORTH. I know it; I am not touching that amendment. I am merely referring to it as a step proposed by the House. The step I propose does not conflict with the Senate amendment, which has been agreed to, but is to be inserted at the end of the bill and to cover all kinds of taxes.

Mr. SMOOT. It goes further than the House provision.

Mr. WADSWORTH. It does, and in common justice it should. Let me have the attention of the Senators who are present.

The big taxpayer, the big corporation, which pays heavily, is assessed or is about to be assessed by the Internal Revenue Bureau. They may employ attorneys at considerable expense, and it is well worth while for them to do so. They bring a test case in the court. Those cases go either to the circuit court of appeals in the district in which the case is brought or may go to the Supreme Court of the United States. It takes some time for the decision to be reached either by the circuit court of appeals or by the Supreme Court.

The big taxpayer, being well advised by competent legal advice, competent counsel, is well aware of the possibility of enforcing its contentions. The little taxpayer away off in the country somewhere never hears of it. It may take two or three years before the case will finally be decided by the court, whichever court makes the final decision.

If the court sustains the contention of the taxpayer in that case, that big taxpayer gets his money back. In the meantime the statute of limitation is running against the little man who has no opportunity, owing to his modest means, of following up things of that sort. He can not employ counsel to follow these things along.

What does this amendment propose to do? It proposes that in the case of any tax—income tax or surtax or excess-profits tax in the past; any tax covered in this act—whenever the Supreme Court declares a tax illegally assessed or invalid on constitutional grounds or otherwise, or wherever the circuit court of appeals declares the assessment or the collection invalid, and that decision of the circuit court of appeals is final, which is the case in a great many instances; thereupon all other taxpayers, great or small—and most of them are small—may take advantage of that decision and shall have this period of time in which to file their claims for refunds. In other words, the law as at present written, with a limitation placed upon the filing of claims for refunds, operates solely to the advantage of the rich man who can employ competent counsel to push his case through the court, but the little man off in the country is left helpless.

Mr. REED of Missouri. If the Senator will pardon me—

Mr. WADSWORTH. I yield.

Mr. REED of Missouri. I feel very great sympathy for the Senator's suggestion when he proposes to write into the law a provision that a decision of the court of appeals having been rendered allows the taxpayer to bring these claims. What would he do if we had opposing decisions by the court of appeals? If it is made to rest upon a decision of the Supreme Court of the United States we could regard that fairly as a finality. But one court of appeals might decide a question one way and another court of appeals might decide a similar question another way.

Mr. WADSWORTH. I think the language of the amendment takes care of that subject. It reads:

When such a tax has been declared invalid, first, by the Supreme Court of the United States or, second, by decision by the United States Court of Appeals, it becomes final.

Only in that case does it become final. The great majority of them are never appealed to the Supreme Court.

Mr. REED of Missouri. It might become final in that particular case. Another court of appeals might, however, reach a different conclusion in another case involving the same matter, as they frequently do.

Mr. WADSWORTH. Then it is up to the Government, as I understand it, to appeal from the circuit court to the Supreme Court. In that case it is not final.

Mr. REED of Missouri. No; not if that is done. It is entirely conceivable that the court of appeals might render a decision in a case holding a certain tax is invalid; that thereafter the case should be brought again in the same or another circuit and that a different conculsion should be reached, and that the Supreme Court would finally affirm the decision of the second court of appeals. In the meantime a taxpayer has

brought his suit against the Government demanding a refund of his taxes. He bases it upon the fact that the court of appeals has declared the law to be invalid. I can see great difficulty in the amendment of the Senator unless he limits it to the Supreme Court of the United States, because it is difficult to say when, if ever, a decision of the court of appeals that a law is valid or invalid is in fact an absolute finality.

Mr. WADSWORTH. Am I incorrect in stating that under one of our statutes, and I do not know which one, the decision of the circuit court of appeals is deemed final upon a tax matter?

Mr. REED of Missouri. Suppose there is another tax suit brought in another district?

Mr. WADSWORTH. Then, I believe, it is within the power of the Supreme Court to bring it up to its jurisdiction by writ of certiorari.

Mr. REED of Missouri. That is true, of course, but it may not be done. I am thinking of that difficulty and calling the Senator's attention to it.

Mr. FLETCHER. In the case of a variety of opinions by the court of appeals, it would be the duty of the Government to take a case to the Supreme Court of the United States and thereby obtain uniformity of opinion.

Mr. WADSWORTH. That is what happens.

Mr. REED of Missouri. But what happens in the meantime with a law that is drawn where there is a final decision of the court of appeals that the tax shall be refunded and after that another court of appeals reaches a different decision, and the second court is affirmed by the Supreme Court of the United States?

Mr. WALSH of Montana. And from which decision would the four years run? Here is a decision made by the circuit court of appeals on the 1st day of June, 1924. That is final, and there is no occasion for a review by certiorari. On the 1st day of December, 1924, a second decision is made, and now there is a conflict in the two, and a writ of certiorari is taken from the decision of December 1. From what time is the four years to run, from the decision made June 1 or the decision made December 1? The Senator may be correct, but it would be news to me to know that there is any statute making a tax-case decision final in the circuit court of appeals.

Mr. WADSWORTH. I hesitate to combat recollections and opinions of men learned in the legal profession, but I am quite certain there is a statute which makes decisions of the circuit court of appeals final in revenue cases.

Mr. WALSH of Montana. May I ask the Senator if there is any such limitation provision in any statute?

Mr. WADSWORTH. I am sure I do not know.

Mr. WALSH of Montana. If there is none, of course the wisdom of the ages must be against the proposition.

Mr. WADSWORTH. I am not so sure that the wisdom of the ages holds good when we reach our complicated tax laws, where we are taxing in the most complicated fashion millions of people.

Mr. WALSH of Montana. I was going to say to the Senator that the same principle extends throughout all manner of litigation. Here are half a dozen men who have the same kind of a controversy—that is, one in which the same legal principle is involved. One of them institutes a suit, and he takes it to the Supreme Court and eventually establishes a principle. Exactly the same principle is involved in the case of a multitude of men, but the statute of limitations has run against them. No statute of limitations such as the Senator suggests, so far as I am aware, has ever been suggested by anybody. For instance, men have been hung upon one construction of the law, when finally some one takes an appeal to the Supreme Court of the United States and it is determined that the law as construed by the lower court was wrong. Why make any exception in the case of a tax payment? Here is a man who has lost valuable property upon the assumption that the law was so-and-so. Another man, more litigious in character, resists the proposition and takes his case to the court and eventually gets a decision of the Supreme Court, but the statute of limitations has run against the man who has laid by.

Mr. WADSWORTH. "Who has laid by" is scarcely an accurate description of his predicament. It has been impossible for him to take advantage of the case. He has not had the money nor the opportunity.

Mr. WALSH of Montana. That is exactly the situation that I am presenting to the Senator.

Mr. WADSWORTH. I want to give the man a chance. If the amendment is not right in its detail, I would like to see that man have the same chance to get his money back after the other man has proved it never should have been taken away from him.

Mr. WALSH of Montana. I am pointing out to the Senator that the same condition applies to all manner of litigation. The man who does not or is not able to take his appeal or to litigate the matter eventually has the statute of limitations run against him, either because he is unwilling or unable to prosecute the case further. Finally some one who is able or willing to do it takes the matter up and an adjudication is had, but the poor man who did not appeal has lost his valuable farm by reason of the erroneous view of the law taken by the lower court.

Mr. WADSWORTH. It may occur in some States.

Mr. WALSH of Montana. Oh, it occurs in all States with reference to all matters of litigation. The statute of limitations runs from the time the cause of action arises. That is the rule. It does not run from the time subsequently that some one gets a decision from the court of last resort. I do not think there is any such statute.

Mr. WADSWORTH. What does the Senator believe the justice of the situation demands?

Mr. WALSH of Montana. The justice of the situation demands a statute of limitation of reasonable length, and that is all, from the time the cause of action arose and not from the time the court might decide it the other way.

Mr. WADSWORTH. That would leave out everybody who had not had notice.

Mr. WALSH of Montana. It is not a matter of notice at all, because everyone has notice under the law. Besides, I think it is a very unwise thing to have people standing by waiting for some one else to prosecute litigation of which they expect to take advantage.

Mr. WADSWORTH. The Senator would not deny that that is a common practice? Test cases are brought in all kinds of matters.

Mr. WALSH of Montana. I am well aware of that.

Mr. WADSWORTH. And a crowd stands by waiting to see the outcome of the test case.

Mr. SHORTRIDGE. Mr. President, I desire to address myself immediately to some thoughts advanced by the Senator from Missouri [Mr. REED] and the Senator from Montana [Mr. WALSH]. I am particularly interested in that portion of the proposed amendment which reads:

Where any interpretation placed there by any of the executive departments has been held to be incorrect.

I ask the respectful attention of my brother Senators. California is what is called a community-property State. There are some seven of the States in the Union, I think, who have that system of property, and they are spoken of, as lawyers know, as community-property States. Some years ago there was an opinion rendered by the Department of Justice to the effect that in California husband and wife could not file separate returns as to income arising from community property. It was held that the community property, under dominion of the husband during coverture, was to be regarded as his separate property in so far as making income-tax returns and amount of income taxes were concerned. The Department of Justice also held that the interest the wife had in community which passes to her upon the dissolution of the marriage was subject to Federal inheritance tax law.

Mr. Wardell, the then collector of internal revenue in California, appointed by President Wilson, considered the subject. After the ruling made by the Department of Justice there was an action commenced for the purpose of interpreting the law. That action is known as the case of Wardell against Bluma. Judge Rudkin, then a judge from the eastern district of Washington, recently promoted to the circuit bench, rendered a decision in that case in which he held and decided that the wife had a vested right in the community property.

Of course, community property is that which is acquired after marriage other than by gift, descent, or devise. He held that the wife had a fixed, definite, vested interest in the community property; that she, therefore, was not an heir to the husband but that she was a survivor and took as one partner might take upon the dissolution of the partnership; that inasmuch as she was not an heir of the husband the one-half of the community property to which she succeeded was not subject to the Federal inheritance tax. That case was argued very elaborately before Judge Rudkin and was followed by the decision which I have stated. The Government thought it proper, as it was, to prosecute an appeal to the circuit court. The circuit court affirmed that decision.

Now I come to the point suggested by certain Senators. It is the law that in matters of revenue a decision of the circuit court is final, subject to the power of the Supreme Court to issue a writ of certiorari in order to harmonize any conflicting decisions which may be handed down by the different circuits.

Therefore the Government, not being satisfied with the decision of Judge Rudkin, not satisfied with the decision in the ninth circuit court affirming his decision, applied to the Supreme Court for a writ of certiorari. The Supreme Court, having before it the decision of Judge Rudkin, the decision of the ninth circuit court, and the elaborate briefs which were filed in support of the issuance of the writ, after due consideration, finally denied the writ. As lawyers know, that was tantamount to an affirmance of the decision of the ninth circuit court. Even then, though the writ was denied, which was tantamount to an affirmative, the Solicitor General, Mr. Beck, deemed it his duty to make an extraordinary motion in the Supreme Court.

I use the word "extraordinary," but perhaps I should say an unusual motion. He made a motion that the Supreme Court recall or revoke and annul its order denying the petition for a writ of certiorari. His motion was accompanied by a brief and he gave reason why he made that unusual motion. He argued that there were certain other cases pending or which might be brought and which if they reached the Supreme Court might result possibly in a different interpretation of the statute. He stated that if the Supreme Court of California, which had before it a certain case, should decide that case in such and such a way, then and in that event he would withdraw his motion.

The Supreme Court of California in due season rendered a decision—the one anticipated—and thereupon Mr. Beck appeared before the Supreme Court and asked to withdraw his motion for the revocation of the order made in denying the application for a writ of certiorari.

Mr. BAYARD. Mr. President, may I ask the Senator a question?

Mr. SHORTRIDGE. Yes.

Mr. BAYARD. Was the subject matter which was before the California Supreme Court the same subject matter as that which was before the United States Supreme Court?

Mr. SHORTRIDGE. Answering the Senator, I will say it was a case which involved the respective rights of husband and wife to community property, and it was argued that the decision of the Supreme Court of California would or might have a decisive bearing on the final decision of the Blum *v.* Wardell case.

Mr. BAYARD. Was the principle involved the same?

Mr. SHORTRIDGE. The Solicitor General deemed it necessary, as a legal matter, to call the then pending case in the California Supreme Court to the attention of the Supreme Court of the United States. The Supreme Court of California, having decided that case as it did and as anticipated by many, thereupon the Solicitor General appeared in our supreme court, and, by permission, withdrew his motion, as I have stated.

The importance of this matter lies right here: In the meantime, believing as I did that the decision of Judge Rudkin was correct, that the decision of the circuit court was correct; believing further that the Supreme Court of the United States had thoroughly considered the subject matter before it denied the petition for the writ of certiorari—believing, in a word, that the law had been definitively decided, that it was settled, I called upon the Commissioner of Internal Revenue, Mr. Blair, to follow that decision. I suggested that the law, which had been in controversy and had been agitated in this litigation, had been finally and definitely determined. I said, and now say, that the decision was to the effect that the wife in California upon the death of her husband did not take as an heir of the husband but as a survivor, and hence that her portion of the community property is not subject to the Federal inheritance tax.

Mr. Blair very properly said, among other things, that he was being governed by the early ruling of the Department of Justice, to which I have made reference, and that under the precedents and following the custom he was obliged to follow the interpretation of the statute as it had been handed down by the Department of Justice.

Senators will readily see that I replied by saying: "Even so, but in the case of Wardell against Blum the decision is to the contrary. We have the district court decision; we have the circuit court decision; we have the Supreme Court decision; and therefore you should now follow the law as it has been judicially determined." He referred me to his solicitor, Mr. Hartson. I called upon Mr. Hartson and went over the whole subject with him.

It may not be improper for me to state that I was somewhat familiar with that problem, having engaged in what is regarded as the leading case in California, the case of Spreckels *v.* Spreckels, which is cited in all these opinions. I conversed with Mr. Hartson and explained to him what I am now taking the liberty to state to other Senators, and referred him to certain cases and certain propositions of law. Thereafter I called upon Mr. Mellon, the Secretary of the Treasury, and went over the whole subject matter with him. He requested me to address him a letter setting forth the matters to which I have thus referred. On the 6th of December last I addressed a letter to the Secretary of the Treasury in which I reviewed the case of Blum *v.* Wardell, as I have here done to the Senate. On the 12th of December last the Secretary of the Treasury replied to my letter, stating that, in view of what I said and of the cases to which I invited his attention, he was calling upon the Department of Justice for another opinion in respect to the matter.

That was on the 12th day of December last. He added that such request has gone forward to the Department of Justice. Upon inquiry, of course I found that such was so. Thereupon the Department of Justice set about to study this problem again and to examine the case of Wardell against Blum, to the end of determining whether the original opinion handed down by the Department of Justice was correct or should be modified or withdrawn and a new opinion issued in accordance with the law as decided in the Wardell against Blum case, as I have stated.

Due doubtless to many cases submitted to them, the multiplicity of duties, there was considerable delay, and it is not improper for me to state that I conversed with the President in regard to it and later addressed him a letter upon the subject. A few weeks ago—I have not the date now in mind, but it was within perhaps the last six weeks—there was handed down a very elaborate decision by the Department of Justice, overruling or reversing the earlier opinion and deciding that the wife in California, which is a community property State, takes as survivor, not as heir, and hence her community property is not subject to the Federal inheritance tax. All this I have explained to brother Senators in order that they may now see the interest I take in this proposed amendment.

Under the rulings formerly made and followed, the wife in California was not permitted to file her separate income-tax return for income derived from community property during coverture, and her right to do so was also involved in this discussion and in these decisions. She was subjected to the payment of a Federal inheritance tax on that portion of the community property which came to her upon the dissolution of the marriage.

What I am interested in is this: As I understand this proposed amendment, the interlineation, in particular, provides that where any provision of any act specified in section 281 (a) of this act, or the application thereof to any person has been held to be invalid, or any interpretation placed thereon by any of the executive departments has been held to be incorrect—as, for example, the erroneous interpretation placed upon this law as it bears upon income from community property and the right of the surviving wife—then the wife, who was, first, illegally deprived of her right to file a separate income-tax return, or second, was subjected illegally, as we now know, to the payment of an inheritance tax, may make application for a refund within four years after such erroneous interpretation of the statute decision, notwithstanding any other statutory period of limitation providing to the contrary.

Whereas some of those who have been illegally subjected to the Federal inheritance tax still have time to make application for a refund, and some of those who were denied the privilege of filing separate returns may still be within the statutory period to make such returns and ask for a refund, there are many who are not within the statutory period as it is now fixed by the law; and therefore it has seemed to me just that if a tax has been illegally imposed and illegally collected, the Government should be willing to restore that amount, and to that end enlarge the statute of limitations, as proposed by this amendment.

Mr. WALSH of Montana. Mr. President, I should like to ask the Senator this question: In the State of California, if a man pays a tax exacted of him under a construction of the statute given to him by the taxing agent, and afterwards some one else resists the tax and takes the case to the Supreme Court of the State of California, which adjudges that his contention is correct, showing that the tax was illegally collected of the person first named, does the statute of limitations commence to run against that person from the time of the decision in the other case?

Mr. SHORTRIDGE. The statute of limitations, I should say, commences to run—as it does, indeed—from the time when the cause of action arises, unless something intervenes to suspend the running of the statute.

Mr. WALSH of Montana. When he paid the tax. In other words, the principle for which the Senator contends as applicable to the Federal system of taxation has never been in vogue in his State with reference to State taxation?

Mr. SHORTRIDGE. As I understand, the Federal statute of limitations is now four years, I believe.

Mr. WADSWORTH. Four years from the date of payment of the tax.

Mr. SHORTRIDGE. From the payment of the tax?

Mr. WALSH of Montana. Yes.

Mr. KING. Pardon me—I think in the State of California it is one year.

Mr. SHORTRIDGE. I am referring to the Federal tax, and that is what this amendment applies to. I have not the statute before me.

Mr. WALSH of Montana. Mr. President, I just wanted to know from the Senator whether the principle he now invokes has ever found expression in the statutes of the State of California or any other State that the Senator knows of?

Mr. SHORTRIDGE. I do not know that it has, in just that form.

Mr. WALSH of Montana. In any form? Does the Senator know of any such statute of limitations anywhere in reference to anything—that the statute of limitations will commence to run from the time of the decision by an appellate court of the legal principle upon which the rights of the parties depend?

Mr. SHORTRIDGE. Very frankly I answer that I recall no such statute, but I say this with regard to this immediate case: The Federal statute now, as I recall, is four years "after payment"; I remember the story of the great judge who said he would be ashamed to answer a question touching the statute law without looking at the statute, and he would be ashamed if he could not answer a question as to the common law offhand; but as to the statute, of course, I think it is four years.

Here is the situation, however: A statute of limitations, as my brother Senators who are lawyers know so well, has been called a statute of repose, and in many features it is a wise statute; but the statute of limitations when set up as a bar may be looked upon favorably or not. Much has been said on that subject. I have a bill pending which will soon be reported, our Committee on the Judiciary having approved it, and the report will be upon the desks of Senators to-morrow, providing that certain defendants may not interpose the statute of limitations in certain cases. The right to plead the statute of limitations is not a vested right. The pleading of a statute of limitations does not wipe out the debt or the obligation. The debt remains unpaid, the obligation exists, but for reasons known to many it is deemed wise, in some cases just, to plead a statute of limitations as a bar to an action or proceeding to the end that there may be rest and repose from litigation or controversy.

In this case, however, which comes home immediately to many men and women in California, they were obliged to pay certain Federal inheritance taxes under an erroneous interpretation of the Federal statute, and they paid them, it may be, under protest; but the letter of the Federal statute limits the time of commencing an action to recover to four years.

The taxpayer in California raised the question. The district court held in his favor. The appellate court held in his favor, affirming the decision. The Government, properly enough, sought the writ of certiorari from the Supreme Court, which court denied the writ. Nevertheless, the Government was not yet satisfied, and made the unusual motion to which I have referred, namely, a motion to revoke and annul the order denying the application for the writ of certiorari, awaiting, as they said, another decision in a case then pending in the Supreme Court of California.

In due time—and it takes time—the Supreme Court of California handed down its decision; and then, in the carrying out of his expressed intention, Mr. Beck appeared here in the Supreme Court and, by permission, withdrew his motion, and thereupon, if not before, the decision became a finality.

What follows? In the meantime a great many women, widows, in California had been required to pay this illegally levied Federal inheritance tax, and the statute of limitations has run against their recovery.

Mr. WALSH of Montana. Exactly; but the Senator knows that they might easily have instituted a suit at any time to recover it, and let the suit stand until the decision of the other case was made.

Let me ask the Senator this question: The Supreme Court of California have a very high standing. They have repeatedly decided matters, legal principles, a certain way, and rights have accrued, and business transactions have been adjusted in relation to the principles thus laid down; and in years afterwards—10, 15, or 20 years afterwards—they have reversed that decision, said they were wrong about it, and declared an entirely different principle. Does the Senator think it would be wise to have a statute in the State of California that a business transaction that took place 20 years before should be revived by reason of the fact that the supreme court decided, away later, differently from what they thought the law was?

Mr. SHORTRIDGE. No; I answer the Senator immediately, having in mind the rule of stare decisis which applies to property rights, of course I would not have acquired rights disturbed; but a statute of limitations——

Mr. WALSH of Montana. Pardon me. Stare decisis has nothing to do with it. I do not take the case that was actually adjudicated. Of course, that is ended; but I take the case of some other people who did not adjudicate their cases at all, but transacted their business in reliance upon this decision; but finally the Supreme Court say that decision was wrong, and they reverse it. Would the Senator give a right of action to these people?

Mr. SHORTRIDGE. Why, certainly not; because that does involve the doctrine of stare decisis.

Mr. WALSH of Montana. But the Supreme Court, in the case that I cite, disregard the rule of stare decisis and reverse themselves.

Mr. SHORTRIDGE. Certainly; but I would not disturb property rights—certainly not. Here, however, we are concerned only with the naked question of the statute of limitations; and what I am contending for, if I may supplement what has been said by the Senator from New York, is this: Where our Government, which is a just Government, and does not wish to extort illegally from the citizens, has erroneously—note, erroneously—interpreted a statute, and the result of that has been that many men and many women have been obliged to pay to the Government moneys, within a reasonable time thereafter our Government ought to be willing to allow or permit the citizen to come forward, and, if what he alleges be true, namely, that he has been obliged under a wrong interpretation to pay the Government money, to recover that amount.

Mr. WALSH of Montana. But let me say to the Senator that no Government, either Federal or State, wants to exact of any citizen a dollar in the way of taxes to which the State or the Government is not entitled.

Mr. SHORTRIDGE. Certainly; that is true.

Mr. WALSH of Montana. But, in the interest of the public revenues, it has always been held that a very brief statute of limitations ought to apply to an action to recover taxes that are paid, because the Government does not want to be embarrassed by claims that are asserted against the revenues some 2, 3, 4, or 10 years after these claims have been paid; and so, as a rule, a very limited statute of limitations applies to such matters. One year, two years, three years is the usual statute.

We have gone beyond that. We have passed a four-year statute. I undertake to say that the four years is quite beyond the usual length of time that the statute of limitations runs in the ordinary case. Here is a man who has been obliged to pay something by reason of an erroneous demand of the Government upon him for his tax, but he lets the statute of limitations run; he does not start his action for one, two, three, or four years, as the case may be, and he is shut out.

Mr. SHORTRIDGE. Those are thoughtful remarks, and, generally speaking, I think they express a sound doctrine, but in this particular case of the erroneous interpretation of a statute the delay can not be imputed to the taxpayer.

The taxpayer brought the action. The appeals came on and caused this delay, until the final decision of the Supreme Court, which was held up, so to speak, by virtue of this motion to set aside and annul the order denying the petition or application for the writ of certiorari. But even then, after final decision, it took me weeks and months, interviews, arguments, written letters to the Secretary of the Treasury to secure a correct ruling from the Department of Justice.

Mr. WALSH of Montana. But meanwhile these other people could institute their actions.

Mr. SHORTRIDGE. On the contrary, the time had run, even as of the final decision of the Supreme Court, and there was no relief. If I may indulge in a few more words as to the justice of the matter: As we all know, the statute of limitations is a statute of repose. It is to the end that controversies may be regarded as sleeping and dead; if a man has a claim against another, he must assert it within a reasonable time.

There is much to be said in favor of that. Some courts, as Senators will remember, looked with disfavor on statutes of limitations. I think it will be found that latterly courts

have looked rather favorably upon statutes of limitations. But whichever be the proper view, when I am thinking of the Government of the United States, and I find that the Government has erroneously collected money from the citizen, and that the delay in the recovery has been caused by the act of the Government in prosecuting long appeals, then it seems to me we should as a matter of justice give the citizen some time within which to assert his rights after the final decision of a test case.

In this case of California the fact is that many men and many women were erroneously assessed, erroneously taxed, and were, under the law, required to pay moneys to the Government to which the Government, under the law, properly interpreted, was not entitled.

I see no harm coming from this proposed amendment, if I may address myself immediately to the Senator from Montana. I see no injustice coming to the Government, or to anybody. If I did, I would not have said what I have said.

Mr. WALSH of Montana. Let me put a case to the Senator. Here is a man who to-day pays a tax exacted of him by the Government upon a certain interpretation of law. Twenty years from now some one challenges that construction of the law, and it runs its course in the courts for two, three, four, or five years, and is finally decided against the interpretation of the law under which the man paid his tax, and 25 years from the time he paid the tax he may start a suit against the Government and recover.

Mr. SHORTRIDGE. I would not say that. The statute gives a period of four years.

Mr. WALSH of Montana. Exactly; four years after the decision.

Mr. SHORTRIDGE. Yes. I say as a lawyer, if I may count myself such——

Mr. WALSH of Montana. I am putting the case of a man who 20 years before paid his tax, and the interpretation of the law is changed 20 years after that. He has 20 years, and he has 4 years, 24 years from the time he paid the tax, within which to start his suit.

Mr. SHORTRIDGE. If within that whole period he could not get a decision, my answer is that he should have a reasonable time after decision.

Mr. WALSH of Montana. But he could get a decision by starting a suit.

Mr. SHORTRIDGE. I grant you that a principle may be tested by extreme cases, but here let us look to the concrete case. I am looking at this concrete case as it affects the taxpayers of California, and I submit to the learning of the Senator that under the interpretation of this law the citizens of California, husband and wife, owning what we term "community property," were not permitted to file separate returns. Second, when the marriage was terminated by death the surviving wife was compelled to pay a Federal inheritance tax.

Mr. WALSH of Montana. I think I understand the Senator.

Mr. SHORTRIDGE. She was obliged to pay a tax. There has never been any way for relief until the Supreme Court has here within the last year decided this case.

Mr. WALSH of Montana. But how can the Senator say that? These other people had a perfect right to start their suit, just the same as this party did.

Mr. SHORTRIDGE. I grant you that this particular case was started speedily. They sought to speed the case forward, and there was no undue delay. The delay could not be imputed to the taxpayer. The delay occasioned was for reasons I have stated. There was no fault to be found, but the fact is that not until the Supreme Court of the United States rendered its decision was there any possibility of relief, and, as I have stated, even then it became necessary for me to interview the Commissioner of Internal Revenue, the Secretary of the Treasury, the President of the United States, the Attorney General; and finally we have an interpretation here now in harmony with that decision and the law.

Mr. WALSH of Montana. If the Senator will pardon me, that was the Blum case?

Mr. SHORTRIDGE. It was.

Mr. WALSH of Montana. Here is the Jones case. Why did not Jones start his suit? What stopped him from starting his suit? Why did he have to wait until the decision was rendered?

Mr. SHORTRIDGE. The rights of citizens are determined by the decision in this case, and the matter before us now, a proposed statute of limitations. I apologize if I have enlarged this discussion, but I perceived that it affected the very question in which I have been interested and am interested; hence these many words.

I do not recall whether the Senator from Montana was on the subcommittee which considered the bill I introduced, but I did introduce a bill which, among other things, provides that in certain contemplated cases, certain prospective defendants, certain foreign corporations, shall not be permitted to plead or interpose the statute of limitations. The report, which will be on our desks, refers to a few of the many cases in inferior and supreme courts holding that the privilege to plead the statute of limitations is not a vested right, and that it is perfectly competent for Congress to deny that privilege to a litigant.

Why do I say that? Because where a debt is due, where a demand is just, and particularly where our Government has taken from the citizen moneys to which the Government was not under its own laws entitled, the citizen ought to have a reasonable time—I do not say 20 years, but a reasonable time—within which to apply to the courts for relief; and as I understand this amendment, it merely means that the citizen shall have four years after a final decision in respect of an erroneous interpretation of the law, under which erroneous interpretation of the law the citizen was obliged to pay.

I submit that it is just, that it is right, and that it is not charged with any danger of loss to the Government.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from New York.

On a division, the amendment was rejected.

Mr. SHORTRIDGE. I reserve the right to have a vote on this amendment when the bill reaches the Senate.

Mr. WILLIS. Mr. President, a little while ago the Senate adopted an amendment on page 233, and I want to call the attention of the Senator from Utah to the fact that another amendment ought to be adopted on page 275 to agree with the amendment already adopted by the Senate.

Mr. SMOOT. That is correct.

The PRESIDING OFFICER (Mr. LADD in the chair). The Secretary will state the amendment.

The READING CLERK. On page 275, after line 17, it is moved to insert a new paragraph to read as follows:

Subdivision 12 of Schedule A of Title XI (being the stamp tax on playing cards).

The amendment was agreed to.

Mr. HARRISON. Has not the Senator from Utah two amendments to offer?

Mr. SMOOT. On page 50, after the word "corporation," in line 23, I move to insert the words "or trust."

The amendment was agreed to.

Mr. SMOOT. On page 65, line 8, after the word "animals," I move to strike out the semicolon and to insert the words "or public cemetery not operated for profit," and a semicolon.

The amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent that wherever the word "estate" appears in the features of the bill under Title III the Secretary be instructed to change it to the word "inheritance." Last night we adopted the inheritance provision by my amendment in place of the estate tax, which necessitates the change which I have suggested.

The PRESIDING OFFICER. Without objection, those changes will be made.

Mr. WALSH of Massachusetts. Are we to proceed with the consideration of amendments?

Mr. SMOOT. I would like very much to have the Senate do so.

Mr. WALSH of Massachusetts. On page 195, in the section of the bill imposing excise taxes, I move to amend by striking out in line 19 all after the word "tubes" down to and including the numeral "(2)" in line 20, the words proposed to be stricken out being "parts, or accessories for any of the articles enumerated in subdivision (1) or (2)."

Mr. KING. That would result in the loss of $21,000,000, would it not?

Mr. SMOOT. Yes; $21,000,000.

Mr. WALSH of Massachusetts. I beg the Senator's pardon. Do not jump so quickly. I am not asking for the removal of the tax on all the commodities named in the section.

Mr. SMOOT. That provision has already been agreed to, but I think the Senator reserved the right to offer the amendment in the Senate.

Mr. WALSH of Massachusetts. Yes.

Mr. SMOOT. Then I ask unanimous consent that the vote by which the amendment on page 195, beginning with line 19 and ending with line 25, be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALSH of Massachusetts. I appreciate the courtesy of the Senator from Utah.

Mr. President, the continuance of any of the war nuisance taxes is unwise. These taxes were levied under pressure of the war when increased revenue was needed and it was deemed unwise to place greater tax burdens upon those industries producing the absolute necessaries of life. They are undeniably discriminatory because they fall only upon certain industries, but they were resorted to in an emergency when additional general tax levies would have resulted in increasing the cost of living at a time when the people's board bill had reached the high-water mark.

Now that we are engaged in making already long-delayed tax reductions, should we not begin by repealing the discriminatory taxes on those industries that were singled out to pay special taxes over and above all general levies? It seems to me that by any criterion of fair play we should proceed first to balance the ledger by repealing the excise or luxury taxes, and then make such general reductions as the condition of the public finances will permit.

Representatives of the several industries that have been paying war excise taxes have appeared before committees of Congress again and again pleading for relief. They have tried to explain to us the numerous inequalities resulting from the operation of these taxes, and I think they have shown beyond question that they are placed at a particular and well defined disadvantage in competing with industries which are not burdened by a special tax.

In many cases it has been shown that there is such a similarity between the products of two separate industries that it is difficult to tell where one leaves off and where the other begins. Yet one is specially taxed and the other is not. So great is the similarity of the products that it would be practically impossible to differentiate in the collection of the tax if it were not for the fact that it is collected at the source. For instance, in the collection of the tax on candy, it would be impossible to differentiate between some products of a candy factory and some products of a bakery if the manufacturers were not required to account for their output, upon which calculation the tax is levied. So similar are some of these products that they can not readily be distinguished upon the shelves of the retail establishment. Can anyone deny that there is keen competition between such industries? Yet the products of one are taxed as luxuries and the products of the other are not so taxed.

Take for further illustration the jewelry industry, which is paying a 5 per cent tax on every sale from a dime watch charm to a Tiffany array. This industry is dependent upon the excess earnings of our people. It must get its share of all earnings in excess of what is diverted for the necessary expenses of living. Therefore, it must compete with a thousand and one industries putting upon the market novelties and articles of all kinds more ornamental than useful which are not specially taxed.

In the case of each commodity we find a similar situation, all of which goes to prove the contention that these special luxury taxes are unfair and unjustifiable. How can Congress arbitrarily say we refuse to repeal the tax on this or that commodity, but we will repeal or reduce certain other excise taxes? Do not all of these special luxury taxes stand on the same footing? If they are wrong in principal, as any student of economics will state that they are, then should we not proceed at once to cross them off our statute books?

Mr. President, at the present time there is a tax upon pleasure automobiles of 5 per cent. The provision of the pending bill retained that tax of 5 per cent. Under the present law there is a tax of 3 per cent on automobile trucks or commercial motor vehicles. The text of the House bill and the amendment presented by the Senate Finance Committee makes one modification in the present law in so far as it relates to automobile trucks. It provides that there shall be an exemption from the tax upon automobile trucks, of chassis sold for less than $1,000 and of automobile bodies sold for less than $200. The tax upon automobile trucks and bodies, where the chassis is sold for more than $1,000 or the body for more than $200, is 3 per cent, the modification to the present law being the exception that I have referred to.

In addition to that, under the present law there is a tax upon tires and inner tubes, parts, and accessories. That tax under the present law is 5 per cent. After a spirited debate the House reduced the tax to 2½ per cent, and the Senate Finance Committee has reported an amendment changing the language, but fixing the rate at 2½ per cent, as agreed to in the House. If I had my way and could see some way of raising the necessary revenue, I should like to remove all the tax levied upon automobiles, but such an idea is opposed largely because it has been a fruitful source of revenue. Under the tax upon pleasure automobiles, so called, the revenue amounted in the last year to about $90,000,000. The tax upon automobile trucks yielded about $10,000,000. The tax upon tubes, tires, parts, and accessories brought about $40,000,000.

Mr. SMOOT. Forty-two million dollars.

Mr. WALSH of Massachusetts. I thank the Senator. The reduction of the tax upon tubes, tires, parts, and accessories from 5 to 2½ per cent will reduce the revenues about $21,000,000.

I do not know whether Senators appreciate just to what extent we have been taxing the automobile. I doubt if we appreciate that the farmer who buys a Ford automobile at $500 must pay a tax of $25. I do not think we realize that the farmer who buys a truck where the chassis is sold for $1,000 but the body of the truck is sold for $400 or $500 must pay a tax of 3 per cent upon that body. I think that we might well have found some way to remove this burdensome tax imposed during the war upon automobiles and trucks that were not excessively high priced. Upon the automobile that is necessary to-day for the business man, for the farmer, for the professional man, we ought not to impose this heavy tax. In fact, one of the objections to this revenue bill is that we have not found a way to eliminate the nuisance taxes that were imposed during the war to raise revenue for war purposes.

Now, upon what have we reduced the taxes? I am going to read a list of the nuisance taxes that have been very properly abolished or removed by the House and by the Senate Finance Committee. They include the tax upon telephone and telegraph messages, the tax upon candy and soft drinks, the tax upon admissions to theaters where the admission is less than 50 cents, the tax upon hunting boots, the tax upon yachts and motor boats, the tax upon hunting and shooting garments, the tax upon livery and livery boots, and the tax upon brass knuckles.

We have removed the tax upon all of those articles, some of which are considered to be luxuries, and we have retained the tax upon the automobile of the clerks, salaried men, and the truck of the farmer. We have retained the tax on the parts sold by the garage and auto-supply dealer to the owner.

Mr. DIAL. Mr. President—

Mr. WALSH of Massachusetts. I yield to the Senator from South Carolina.

Mr. DIAL. While we were taking the tax off of yachts, livery boots, and brass knucks, would it not have been well to leave the tax off of the poor fellow who has to borrow a little money at the bank and put a stamp on his note? There is no luxury about that. That is a necessity.

Mr. WALSH of Massachusetts. The Senator refers to the tax upon promissory notes?

Mr. DIAL. Yes.

Mr. WALSH of Massachusetts. I personally feel that the majority made a mistake in not finding, first of all, some way to eliminate the nuisance taxes. It would have been better to remove the nuisance taxes and then make as much of a reduction as possible in the income taxes.

Mr. DIAL. I agree with the Senator entirely. In my State we have to put a stamp on notes under the State law, so it is a double nuisance. I should like to move to reconsider the action of the Senate by which that provision was agreed to, or move that it be stricken out entirely. I hope the Senator will be considering that plan. We only raise $2,150,000 by it anyway, and there is no institution in the world that does so much accommodating work as the small bank in a country town. Of course the tax is passed on to the poor borrower anyway. I hope we can find some means of eliminating it.

Mr. WALSH of Massachusetts. Whatever may be said in favor of the tax upon pleasure automobiles and commercial motor vehicles, I do not believe that any sound argument can be made in favor of retaining a tax upon tires, tubes, parts, and accessories to automobiles. I can understand how in desperation the Government may insist upon retaining its tax upon pleasure automobiles and perhaps upon commercial vehicles, but how it can justify a tax upon tires and tubes and parts is beyond my comprehension. Every owner of automobiles and trucks and every garage in the land protests this tax. Why do you not put taxes on the parts of watches, clocks, pianos, wagons, and other vehicles. You might just as well put a tax on wagon wheels, rims, and wagon springs.

It is estimated at $21,000,000 would be raised by this paragraph as reported by the committee. How would that sum be raised? I call the attention of the junior Senator from Utah [Mr. KING] to the situation. It would be raised largely through the tax upon tires and tubes. I have not asked to

strike that out. I ought to move to strike out the whole paragraph, for it is an unfair tax.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. Certainly.

Mr. KING. In every argument that may be made by my able friend in favor of the removal of the excise taxes I heartily concur. May I say to the Senator that early in the session I offered a bill to strike out not only the provisions in the law to which the Senator is now referring but substantially all the excise taxes and stamp taxes. I should be very glad if that could be done.

Mr. WALSH of Massachusetts. I appreciate that the Senator feels, as a member of the committee, as I feel—that the majority have a right to outline the general scheme of raising the necessary revenue and that we ought only to protest against those particular items that seem to us to be very unfair and to work an injustice.

Mr. KING. I think I would even go a little further than that. While I am partisan at times, I feel that where we are addressing ourselves to a question as broad as the question of taxation there ought not to be so much partisanship. The question is how we can raise sufficient revenue to run the Government when it is run in an efficient and economic way and upon what object or subject shall we place the burden of taxation.

Upon what objects or subjects shall we place the burden of taxation? We should levy taxes upon those who are best able to pay them. Obviously, when we have to raise $4,000,000,000 or more—and we are going to have a deficit under this bill of at least from two hundred to four hundred million dollars—we have to press down the burden of taxation upon some subjects which we do not wish to tax. I offered an amendment proposing to take off the taxes from telephone messages and telegrams, and yet when I found that the tax raised more than $34,000,000 and that we were striking off taxes from many other articles and that there was going to be a large deficit, I felt constrained to vote against my own amendment.

Mr. WALSH of Massachusetts. I agree in part with what the Senator has said in so far as it applies to automobiles; but what can he say to a duplicate tax? It may be all right under present revenue conditions to put a tax upon a man when he buys his automobile or his truck; but when he goes back to buy tires and to buy tubes and to buy parts and to buy accessories—whatever that may mean—we are imposing upon him a duplicate tax, a nuisance tax, and a misfortune tax. Whenever the automobile owner has the misfortune to have an accident, and has to buy any parts whatever for his machine in order to repair it, he is met with a tax.

Is it a light tax? A tax upon a complete set of tires is estimated to amount to from $2.50 to $20. That is a pretty severe tax. If a man wants to buy four tires for his machine, he has to pay as high a tax, possibly, as $20.

I have not asked that the tax upon tires and tubes be removed, but I do ask that the tax be removed upon parts and accessories. What are parts? A spring, a light, a gauge, a spark plug, a motor, a radiator. Anyone who has the misfortune to have to repair his machine, upon which he has paid a tax, must pay another tax.

Mr. BAYARD. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Delaware.

Mr. BAYARD. May I suggest to the Senator this thought? By reason of this tax the farmer in his penury is compelled to wear these parts to the uttermost limit, with the result that he himself and his family are continually in grave danger of life and limb because he can not afford to renew the parts of his machine, largely on account of this tax.

Mr. WALSH of Massachusetts. I thank the Senator for his suggestion. He is quite right about the matter, too.

Who pays this tax? The tax upon automobiles and upon parts is paid by the manufacturer in the first instance, but it is passed on to the assembly man, and the assembly man passes it on to the purchaser. When, however, we come to tires, tubes, and parts and accessories, the manufacturer pays the tax originally, but the jobber or the retailer has to pay that tax added to the price of his tubes and his tires and his parts, and the customer beyond him has to pay it, too, when it has been pyramided. It is absurd, it seems to me, to continue in this bill a provision for a tax upon parts and accessories. First of all it is a nuisance to the Government to administer and collect it. What is a part? What is an accessory? Just imagine levying taxes upon spark plugs, upon the clock that is attached to an automobile, upon the radiator, upon the speedometer and the springs, upon any part that it is necessary to have for the repair of a machine that may have broken down.

I have not had a chance to talk with the Senator from Utah about this matter, but I hope that he feels about it as I do. The experts in the Treasury consider that the important part of the tax in this provision is that on tires and tubes. The $21,000,000 that the Treasury will get will come largely from the tax on tires and tubes. I am constrained reluctantly to agree that that tax shall remain in the bill, for I think it ought to go out; but I do insist that the tax on the parts that a man has to buy when his machine is out of order and broken down and the tax on accessories, so called, should be removed from the bill.

I am also informed that the amount of revenue which will be raised from parts and accessories will be very limited, that it will be only a very small portion of the $21,000,000, and that an exemption from the tax will save the automobile trade a great deal of expense and trouble and will certainly be of benefit to those who have to purchase the small parts which are used in repairing automobiles.

Mr. KING. Mr. President, may I ask the Senator from Massachusetts a question?

Mr. WALSH of Massachusetts. Yes.

Mr. KING. I desire to see if I understand what would be the effect of the Senator's amendment, if adopted. Is the amendment on line 14, page 195?

Mr. WALSH of Massachusetts. No; it is on line 19, page 195, where I have moved to strike out the words—

parts or accessories for any of the articles enumerated in subdivision (1) or (2).

Mr. KING. I thought the Senator's amendment related to subdivision (2).

Mr. WALSH of Massachusetts. No.

Mr. KING. If it did, then the words "parts and accessories" refer to those that were a part of the machine itself at the time of the original purchase or original sale.

Mr. WALSH of Massachusetts. It might be interesting in this connection for me to show that there is not any industry in the country paying higher taxes than the automobile industry, and I am sure the Senator from Michigan is well aware of that fact. The 15,000,000 automobiles and trucks pay in taxes of various kinds—Federal, State, city, county, and municipal—approximately $1,250,000,000. It is the most highly taxed commodity which is used by human beings. We have even gone so far as to put this nuisance tax upon the parts and accessories which are used in repairing trucks and automobiles.

If the Senator from Utah will agree to accept the amendment eliminating the tax on parts and accessories, I will not press my amendment to strike out the tax on tubes and tires.

Mr. SMOOT. I wish that I could accept the amendment, but we have got to raise some revenue, and I know of no place where it can be raised better and the tax is imposed on those who can best afford to pay it. I shall want a vote on the amendment.

Mr. WALSH of Massachusetts. Does the Senator understand the purport of my amendment?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. Does he understand that I am only seeking to remove the tax on parts and accessories?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. And allowing the tax on tubes and tires to stay in the bill?

Mr. SMOOT. I am perfectly willing to let them all go out, if the Senator desires to destroy the bill entirely. If there is no desire to raise revenue, let them go out hide, hair, and everything at once.

Mr. WALSH of Massachusetts. I hope the Senator will not get discouraged.

Mr. SMOOT. I am not discouraged; I am merely telling the Senator what is happening.

Mr. WALSH of Massachusetts. There are some things left in the Senator's bill. Much that has gone out was discriminatory and not in the general public interest.

Mr. SMOOT. There are very few, I will say to the Senator.

Mr. WALSH of Massachusetts. This is a Government by majorities, fortunately. Tax bills can not be made by any group of taxpayers.

Mr. FLETCHER. Mr. President, may I inquire of the Senator how many income-tax payers there are? The number is about 6,000,000, is it not?

Mr. SMOOT. There are not that many now; the number is between 5,000,000 and 6,000,000.

Mr. FLETCHER. There are between five and six million income-tax payers, and there are about 14,000,000 automobiles.

Mr. SMOOT. Fifteen million.

Mr. WALSH of Massachusetts. Does the Senator from Utah agree that the tax imposed by this part of the clause raises comparatively little revenue, the principal revenue being derived from the tax on tires and tubes?

Mr. SMOOT. The greater part of the revenue in this paragraph is from the tax on tires and tubes, but I wish to say to the Senator that there is more profit made in parts and accessories than there is in tires and tubes or any other article about an automobile. Mr. Henry Ford could sell his automobiles at actual cost and then make all the money he ought to make, and more, out of the sale of accessories and parts.

If one should attempt to get a Ford automobile by buying separately the parts that are sold, it would cost him about as much as a Rolls-Royce. There is where Henry Ford makes his money. I should like to accept the amendment of the Senator, but I can not do so.

Mr. WALSH of Massachusetts. Mr. President, we are ready for the question.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts. [Putting the question.] By the sound the noes seem to have it.

Mr. WALSH of Massachusetts. I ask for a division.

Mr. SMOOT. Let us have the yeas and nays. Then we will know where the Senate stands. I want a record vote.

Mr. WALSH of Massachusetts. Very well. Let us have the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). Announcing the same pair that I announced earlier in the day with the Senator from Alabama [Mr. UNDERWOOD], I vote "nay."

The roll call was concluded.

Mr. SIMMONS (after having voted in the affirmative). I transfer my pair with the junior Senator from Oklahoma [Mr. HARFIELD] to the junior Senator from Washington [Mr. DILL] and will let my vote stand.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from West Virginia [Mr. ELKINS] and will vote. I vote "nay."

Mr. JONES of New Mexico (after having voted in the affirmative). I inquire if the Senator from Maine [Mr. FERNALD] has voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. JONES of New Mexico. I have a pair with that Senator, which I transfer to the Senator from Rhode Island [Mr. GERRY], and will permit my vote to stand.

The result was announced—yeas 31, nays 44, as follows:

YEAS—31

Ashurst	Harrison	Neely	Simmons
Bayard	Heflin	Overman	Stephens
Broussard	Johnson, Minn.	Pittman	Swanson
Capper	Jones, N. Mex.	Ralston	Trammell
Copeland	Kendrick	Ransdell	Walsh, Mass.
Edge	McKellar	Robinson	Walsh, Mont.
Ferris	McNary	Sheppard	Wheeler
Harris	Mayfield	Shields	

NAYS—44

Adams	Ernst	King	Reed, Pa.
Ball	Fess	Ladd	Shipstead
Brandegee	Fletcher	Lodge	Smith
Brookhart	Frazier	McKinley	Smoot
Bursum	George	McLean	Spencer
Cameron	Glass	Moses	Stanfield
Caraway	Gooding	Norris	Sterling
Colt	Hale	Oddie	Wadsworth
Cummins	Howell	Pepper	Warren
Curtis	Jones, Wash.	Phipps	Watson
Dale	Keyes	Reed, Mo.	Willis

NOT VOTING—21

Borah	Elkins	La Follette	Stanley
Bruce	Fernald	Lenroot	Underwood
Couzens	Gerry	McCormick	Weller
Dial	Greene	Norbeck	
Dill	Harfield	Owen	
Edwards	Johnson, Calif.	Shortridge	

So the amendment of Mr. WALSH of Massachusetts was rejected.

Mr. SMOOT. Mr. President, I submit the unanimous-consent agreement which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The Senator from Utah presents a request for unanimous consent, which will be stated.

The reading clerk read as follows:

It is agreed by unanimous consent that on the calendar day of May 9, 1924, after the hour of 3 o'clock p. m. on said calendar day, no Senator shall speak more than once or longer than five minutes upon the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, or more than once or longer than 10 minutes upon any amendment offered thereto up to the hour of 5 o'clock p. m. on said calendar day, and thereafter the Senate will proceed to vote upon all amendments pending, amendments that may be offered, and upon the bill (H. R. 6715) without further debate through the regular parliamentary stages to its final disposition. And, further, that upon the convening of the Senate on Saturday, May 10, 1924, the Senate will proceed to the consideration of the President's veto on S. 5, a bill granting pensions, etc.

The PRESIDENT pro tempore. Is there objection to the request?

Mr. KING. Mr. President, may I ask my colleague why he attaches to the proposed agreement the provision in regard to the pension bill?

Mr. SMOOT. I think the Senate desires to take up that bill immediately upon the passage of this bill, at least; and I will say further to my colleague that I agreed to-day that as far as I was concerned the bill could be taken up to-morrow. This agreement puts it off until Saturday.

Mr. WADSWORTH. Mr. President, the portion of the proposed unanimous-consent agreement which has to do with the consideration of the veto message is the part that particularly interests me, on account of the fact that not only is the appropriation bill for the support of the State Department and the Commerce Department still pending here, but also the War Department appropriation bill. It is on the calendar, and has been there for three weeks. I should prefer, if it is agreeable to the Senator from Washington [Mr. JONES] and to the Senator from Utah [Mr. SMOOT], that the Senate proceed to the consideration of either one of those appropriation bills, with the understanding that if we once get either of them before the Senate as the unfinished business we can temporarily lay it aside for the consideration of the veto message.

Mr. SMOOT. I want to say to the Senator that as far as I am concerned I am against the bill that is the subject of the veto message, but I will vote to take it up immediately after the passage of this bill. I think it is a privileged question, and I think we ought to dispose of it; and if this unanimous-consent agreement is made now I want to say that no matter whether I intend to vote against the bill or not, which I intend to do, I shall vote to take it up if the question is presented after this bill is passed, and I shall vote against taking it up before the bill is passed.

Mr. WADSWORTH. Mr. President, may I ask another question of the Senator? Assuming that we finish the consideration of the revenue bill before the dinner hour or the supper hour to-morrow evening——

Mr. SMOOT. We can not do that.

Mr. WADSWORTH. Is the Senator certain?

Mr. SMOOT. I am quite sure.

Mr. WADSWORTH. The Senator proposes a limitation on debate, beginning at 3 o'clock to-morrow, does he not?

Mr. SMOOT. Yes.

Mr. McKELLAR. Five o'clock.

Mr. SMOOT. The limitation begins at 3 o'clock.

Mr. ASHURST. Mr. President, to settle the matter, I object.

Mr. SIMMONS. I hope the Senator from Arizona will not do that.

Mr. ASHURST. I do not know what it was, but I wanted to make the Senators speak a little louder.

Mr. ROBINSON. Mr. President, a number of Senators on both sides of the Chamber have engagements which contemplate that they shall leave the city. This arrangement is agreeable to most of us on this side, and I hope it may be entered into. It affords, apparently, ample opportunity for debate upon important amendments that may hereafter be presented, and it gives assurance that a final vote on the revenue bill may be had to-morrow. If this arrangement is not entered into, it is exceedingly difficult to anticipate when a final vote may be reached, and it will be very inconvenient to a number of Senators on both sides of the Chamber. If the arrangement is effected, a final vote will be had, as I have already stated, on to-morrow; all debate will terminate at 5 o'clock, and the conclusion of the subject may be reached within an hour or two after that time.

Mr. SIMMONS. Mr. President, I want to add to what the Senator from Arkansas has said——

The PRESIDENT pro tempore. The Chair desires to suggest that he is of the opinion that this unanimous-consent proposal can not be submitted without a roll call.

SEVERAL SENATORS. We have just had one.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. SMOOT. Certainly.

Mr. NORRIS. I want to suggest, as I have done before, that a unanimous-consent agreement, especially on a bill of this importance, that at a certain time the debate shall entirely cease and we shall vote on everything that may be offered without debate is, to say the least, a very loose and very slipshod way of legislating, and unsatisfactory to everybody, because we have found from experience that at that time there may be a dozen amendments offered. No Senator knows the importance of them. He will have to listen to the reading of them and vote on them without explanation, without being able to ask a question about them.

If the Senator would submit a request that commencing right now, as far as I am concerned, the speeches on any amendment suggested should be limited to five minutes, even, I should be glad to agree to that; but we know what has happened in the past. A dozen amendments, on which Senators are compelled to vote without an opportunity even to read them, are offered. We have to listen to the reading of the amendments by the Clerk. The disorder in the Chamber makes it impossible to hear them, often; and if they can not be explained it is not just to a proper amendment, and it is not fair to the Senators who may be compelled to vote unintelligently upon amendments that they ought to have a few minutes, at least, to consider.

Mr. ROBINSON. May I suggest to the Senator from Utah that in all probability the modification which the Senator from Nebraska suggests, if made effective beginning to-morrow, would work out a final conclusion of the bill even before the hour of 5 o'clock.

Mr. NORRIS. I think it would.

Mr. SMOOT. Mr. President, I want to say to the Senator that there is a feeling here that we can not proceed with the voting earlier than some time between 3 and 5 o'clock on the amendments offered with the present limitation, and we may want to vote even before 5 o'clock upon the bill.

Mr. NORRIS. If the Senator would submit the unanimous-consent agreement that I have suggested, that we shall commence to-morrow at the convening of the Senate to limit all speeches to five minutes——

Mr. SMOOT. I can not do that, because the Senator from South Dakota [Mr. NORBECK] wants to offer an amendment, and he is entitled to speak upon the amendment.

Mr. NORRIS. There will be a dozen others who will want to speak on it.

Mr. McKELLAR. I hope the Senator will accept the suggestion of the Senator from Nebraska. I believe we will get through just as quickly as the other way.

Mr. HARRISON. Why can we not proceed and get through to-night?

Mr. SMOOT. It is impossible to do that, unless we stay here all night.

Mr. SWANSON. Let us go on until 10 or 11 o'clock.

Mr. SMOOT. I think it will be all right to take up all the small amendments to-night and dispose of them. Between 3 o'clock and 5 o'clock, as provided in the proposed agreement, these amendments can certainly be taken care of. I hope the Senator from Nebraska, under the conditions, will not object.

Mr. NORRIS. I do not want to prevent anybody from offering an amendment. I may perhaps want to offer a substitute for the entire bill myself.

Mr. SMOOT. The Senator will have four hours in which to do it.

Mr. NORRIS. Perhaps somebody else will take up the four hours; and if I took the four hours, it would not be just to others. We ought to have a day or two of debate on that.

Mr. SWANSON. Is the Senator contemplating an adjournment or recess as soon as the agreement is made?

Mr. SMOOT. If we can make this agreement to-night I think there are a lot of minor amendments which Senators want to offer upon which there is no earthly need for a yea-and-nay vote, which we can dispense of.

Mr. SWANSON. If we have a night session we ought to have a night session. If we are not going to have a night session, there is no use going on until 8 o'clock and adjourning. Everybody breaks his engagements when there is a threat of night sessions. We come here and we do not have them. We run along until 8 or half past 8, and then adjourn. If we are to have night sessions, let us have them, and if we are not, let us adjourn at 6 or 7 o'clock. It seems to me that we could enter into this agreement and proceed under the five-minute rule until 11 o'clock. I have canceled all my engagements to-night to come here for a night session.

Mr. SMOOT. We can go right on with the amendments. I think there will be no record votes, and we can get rid of them in an hour. Does the Senator from Arizona object?

Mr. ASHURST. Mr. President, I was utterly unable to hear what was going on, and in order that I might call attention to some Senators who were standing up, I objected. If I had known what it was I would have objected more strongly than I did. I have no desire to throw a monkey wrench into the machinery, but I was not born yesterday. Over and over again we have seen the Senate considering a bill of vital importance and we have agreed to stop debate at a certain hour. It is after that hour, when debate and all opportunity to explain an amendment has gone, that the vital amendments are proposed.

I wish the bill could be voted on to-night or to-morrow. If the Senator from Utah will modify his request so that it will provide that we shall have a night session to-night, and work until 11 o'clock, and beginning now that all debate on the bill and amendments thereto shall be limited to five minutes, I would be happy, and would not object.

Let us recount the situation. Night after night we are told there is to be a night session. We telephone our houses that we will not be home, and about the time we ought to be there the Senate adjourns. If the Senator from Utah will include in his agreement that we shall work to-night until 11 o'clock and that from this hour all debate on the bill and amendments shall be limited to three or five minutes, I shall have no objection. But I am not going to tie my hands, and be a party to tying the Senate up, so that I am obliged to sit here like a mute automaton and vote upon something I do not know anything about.

The PRESIDENT pro tempore. The Chair understands that objection will be made, and therefore it is unnecessary to call the roll as provided in paragraph 3 of Rule XII.

Mr. NORBECK. Mr. President, I want to state, for the information of the Senate, that I intend to offer to-morrow as an amendment to this revenue bill one of the so-called agricultural relief bills. I feel that this will probably be the only chance in the Senate to discuss agricultural relief at the present session. I have in mind the so-called Haugen-McNary bill.

My attention has been called to the fact that it can not properly be brought up in the Senate as a separate measure, that it will be subject to a point of order because it is a bill for raising revenue, so that the only way to bring it up for consideration will be in connection with another revenue bill, and I have therefore had it printed as an amendment to this bill.

I shall want at least half an hour to speak on the question myself, and I think many other Senators will want to go into that matter quite thoroughly, because to-morrow may be the only chance to seriously consider that bill.

Mr. COPELAND. Mr. President, is it in order now to present an amendment to the bill?

The PRESIDENT pro tempore. The Chair understands that there is no amendment pending.

Mr. COPELAND. I desire to propose an amendment to section 214.

The PRESIDENT pro tempore. The Secretary will report the amendment offered by the Senator from New York.

The READING CLERK. On page 58, after line 2, the Senator from New York proposes to insert the following:

11. To provide for deduction for doctor bills, nurse bills, hospital bills, and drugs prescribed for remedial purposes.

Mr. COPELAND. Mr. President, I observe that section 214 is devoted to deductions allowed individuals, and I find that deductions are permitted for all ordinary and necessary expenses incurred in carrying on any trade or business; for all interest paid; for losses sustained during the taxable year not compensated for by insurance; for losses sustained if arising from fires, storms, shipwreck, or other casualty, or from theft. It seems to me it is just as logical and proper that losses sustained through illness should be made a proper deduction from the tax list.

A young man, perhaps a newspaper man, whose income is four or five thousand dollars a year, may have a sick wife, and through the payment of doctor bills and nurse bills and hospital bills and bills for medicine practically his entire salary may

be taken up. So I feel that it is a proper deduction to make, and I hope the Senate may take a similar view.

Mr. SMOOT. Mr. President, I can not believe that the Senator is really in earnest in this matter. Why not have the deduction for payment of an attorney? Sometimes they are as expensive as a doctor, but not generally.

Mr. COPELAND. That is included.

Mr. SMOOT. Oh, no.

Mr. COPELAND. It says "or other casualty."

Mr. SMOOT. Is that a casualty? I think both of them would be casualties then. It may be true that the doctors of this country have come to the conclusion that they will take out of every man who earns $5,000 the whole of his income; but I do not think we ought to encourage that.

Mr. COPELAND. Mr. President, this has not anything to do with the doctor.

Mr. SMOOT. Oh, no. It will allow the doctor to charge a little more.

Mr. COPELAND. This is to give some relief to the layman, and Heaven knows he needs it.

Mr. SMOOT. He needs it, and he needs help from the doctors, too, I will say to the Senator.

Mr. COPELAND. I can not see how it can possibly benefit the doctor.

Mr. SMOOT. It will only allow the doctor to charge more. The Senator admits they take about all people make, anyhow, and whatever exemption we give, of course, the doctor can charge that much more.

Mr. COPELAND. Mr. President, let me ask the Senator from Utah, why do you on page 49, in subdivision 6, permit a loss sustained from fire, or storm, or shipwreck, or from theft?

Mr. SMOOT. That is a casualty.

Mr. COPELAND. Is not sickness a casualty?

Mr. SMOOT. It is not a casualty in the shape of destruction of property.

Mr. COPELAND. I assume the Senator considers it to be an act of God.

Mr. SMOOT. Property is what we are legislating about.

Mr. COPELAND. The Senator considers it to be an act of Providence?

Mr. SMOOT. No; I think sickness generally comes from the act of the man himself. I do not think God has very much to do with it.

Mr. COPELAND. Does the Senator think He has to do with storms and fire? They might come from man's own carelessness?

Mr. SMOOT. I think He has something to do with storms.

Mr. COPELAND. Mr. President, it would be interesting to continue the discussion—I should like to continue it, if we had more time—but I believe that it will appeal to anyone who has a knowledge of the burden which the doctor bill and the hospital bill and the nurse bill and the drugs bill make upon any family.

Mr. SMOOT. Nobody knows it any better than the Senator from Utah.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New York [Mr. COPELAND].

The amendment was rejected.

Mr. McKELLAR. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. Before that amendment is taken up the Chair desires to state that the vote by which the amendment offered by the Senator from Massachusetts on page 195 was agreed to was reconsidered in order to permit the Senator from Massachusetts to offer an amendment to a certain part of his amendment, and the amendment to the amendment was rejected; and now the question is upon agreeing to the amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the amendment offered by the Senator from Tennessee.

The READING CLERK. On page 245, after line 21, the Senator from Tennessee moves to insert:

SEC. —. That whenever there has been an examination of the books and accounts of any taxpayer by a field agent of the Treasury Department and there has been an audit of the taxpayer's returns based on the said field agent's report and approved by the commissioner, and the taxpayer has paid any additional taxes found, or received any refund allowed, the case shall be closed, and can not again be reopened after a period of two years.

Mr. McKELLAR. The provision just preceding, on page 245, reads as follows:

SEC. 1105. No taxpayer shall be subjected to unnecessary examinations or investigations, and only one inspection of a taxpayer's books of account shall be made for each taxable year unless the taxpayer requests otherwise or unless the commissioner, after investigation, notifies the taxpayer in writing that an additional inspection is necessary.

All that the amendment which I have offered does is to provide that after an examination by the field accountants, and after there has been an audit and final action is taken, in two years thereafter the matter shall be finally closed.

As the Senator from Virginia [Mr. GLASS], former Secretary of the Treasury, well said to-day, one of the most unpopular attributes, if I may call it that, of any tax measure is the attribute that the taxpayer never knows when he is through. My amendment permits the taxpayer to know that he will have finished in two years after his last settlement, and that is absolutely fair. The taxpayer ought to have that assurance. He ought not to be constantly menaced with opening and reopening of tax matters. Surely two years after final settlement, in which he may be paid a refund or may receive an abatement, or may have to pay an additional tax, is sufficient. All the amendment does is to make it final after two years.

Mr. KING. Mr. President, will the Senator yield?

Mr. McKELLAR. Certainly.

Mr. KING. Is the amendment to be retroactive?

Mr. McKELLAR. Not at all.

Mr. KING. It is to be in futuro?

Mr. McKELLAR. Yes.

Mr. KING. Does it affect cases that are still unsettled; the Senator knows there were something like 5,000 cases in 1917, six or seven times that number in 1918 and increasingly more later, and there have been attempts at settlement; and doubtless the books have been closed in some cases.

Mr. McKELLAR. Only where there has been a final settlement and the taxpayer has been paid a refund or has paid an additional tax and all matters settled between the taxpayer and the Government. I say that two years is long enough for that kind of a settlement to exist, when the Government should be barred.

Mr. SWANSON. Does the Senator make any exceptions for fraudulent cases?

Mr. McKELLAR. There is another provision in the bill taking care of that, or I would be willing to accept that suggestion.

Mr. SWANSON. There should be no limitation upon fraud.

Mr. McKELLAR. No; there ought not to be.

Mr. SMOOT. That is what the Senator's amendment provides.

Mr. McKELLAR. I will add to the bill language to cover that. I ask permission to perfect my amendment by adding the words "except in cases of fraud." Will the Senator from Utah accept the amendment with that modification?

Mr. SMOOT. There is no necessity for the amendment. I will read the provision in the bill covering it.

Mr. McKELLAR. I have read the provision to which the Senator refers, but it does not mean what my amendment means.

Mr. SMOOT. It means all that the Government ought to be called upon to permit.

Mr. McKELLAR. Oh, no; a taxpayer never knows when he gets through. A corporation or individual doing business may have settled his taxes for five years previously, but he does not know when some inspector or accountant for the Government is going to come back to reassess him for taxes five years previously. There ought to be some limitation. It is unfair to the taxpayer as it now stands. It is not provided for in the succeeding section, section 1106, to which the Senator from Utah refers.

Mr. SMOOT. Mr. President, I desire to offer again the unanimous-consent agreement which I send to the desk.

The PRESIDENT pro tempore. The Chair will ask the Senator from Tennessee if he yields for that purpose?

Mr. McKELLAR. Indeed, I do. I am perfectly willing to do anything to expedite an agreement to vote on the bill.

The PRESIDENT pro tempore. The Senator from Utah presents a request for unanimous consent, which will be read.

The reading clerk read as follows:

It is agreed by unanimous consent that on the calendar day of May 9, 1924, after the hour of 3 o'clock p. m. on said calendar day, no Senator shall speak more than once or longer than five minutes upon the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, or more than once or longer than 10 minutes upon any amendment, offered thereto up to the hour of 5 o'clock p. m. on said calendar day, and thereafter the Senate will proceed to vote upon all amendments pending, amendments that may be

offered; and upon the bill (H. R. 6715) without further debate through the regular parliamentary stages to its final disposition; and, further, that upon the convening of the Senate on Saturday, May 10, 1924, the Senate will proceed to the consideration of the President's veto of Senate bill 5, granting pensions, etc.

The PRESIDENT pro tempore. The Secretary will call the roll to ascertain if a quorum is present.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McKellar	Sheppard
Ashurst	Fletcher	McKinley	Shields
Ball	Frazier	McLean	Shipstead
Bayard	George	McNary	Shortridge
Brandegee	Gerry	Mayfield	Simmons
Brookhart	Glass	Moses	Smith
Broussard	Gooding	Neely	Smoot
Bursum	Hale	Norbeck	Spencer
Cameron	Harris	Norris	Stanfield
Capper	Harrison	Oddie	Stephens
Caraway	Heflin	Overman	Swanson
Copeland	Howell	Pepper	Trammell
Cummins	Johnson, Minn.	Phipps	Wadsworth
Curtis	Jones, N. Mex.	Pittman	Walsh, Mass.
Dale	Jones, Wash.	Ralston	Walsh, Mont.
Dial	Keyes	Ransdell	Warren
Edge	King	Reed, Mo.	Watson
Ernst	Ladd	Reed, Pa.	Wheeler
Ferris	Lodge	Robinson	Willis

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. A quorum is present. The Secretary will read the proposed unanimous-consent agreement, submitted by the Senator from Utah [Mr. SMOOT].

The reading clerk read as follows:

It is agreed by unanimous consent that on the calendar day of May 9, 1924, after the hour of 3 o'clock p. m. on said calendar day, no Senator shall speak more than once nor longer than five minutes upon the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, or more than once or longer than 10 minutes upon any amendment offered thereto, up to the hour of 5 o'clock p. m. on said calendar day, and thereafter the Senate will proceed to vote upon all amendments pending and amendments that may be offered and upon the bill (H. R. 6715) without further debate through the regular parliamentary stages to its final disposition; and, further, that upon the convening of the Senate on Saturday, May 10, 1924, the Senate will proceed to the consideration of the President's veto of Senate bill 5, granting pensions, etc.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent agreement?

Mr. NORRIS. The Senator from South Dakota [Mr. NORBECK] may have something to say about it.

Mr. NORBECK. I simply want to serve notice on the Senate that it is to be understood that this is our only chance to pass the McNary-Haugen bill unless it is first passed through the House and comes over here in that way. A point of order would lie against it as an amendment to an appropriation bill; but no point of order will lie against it as an amendment to the pending bill, which is the revenue bill.

Mr. NORRIS. That being true, it would be perfect folly, it seems to me, and it would not be fair to the McNary-Haugen bill to agree to this unanimous-consent request and undertake later to pass that bill, which is as important as the revenue bill itself.

Moreover, I want to say that the minority members of the Committee on Agriculture and Forestry decided and asked me, when the McNary-Haugen bill came up, to offer the so-called Norris-Sinclair bill as a substitute for it. I feel that if we are going to take up the McNary-Haugen bill even as an amendment to the revenue bill, it would be my duty to do that. I realize that that is not the right way to discuss the bill. We ought to have several days of discussion upon it. Everybody concedes that. But not being able to have several days of discussion, it means that any farm legislation will be defeated if we are going to limit debate to speeches of a few minutes.

On the other hand, I realize what the Senator from South Dakota has said, that to get the McNary-Haugen bill up at all he must either wait until it passes the House and comes here, which is the way we ought to do the business, or he must offer it as an amendment to the revenue bill. I am not finding fault with him. He does not want to take it up in that way. He wants to take it up in a regular way. If those who are controlling legislation—not here alone, as it would require action by the House—want to get the measure up in the right way, and we could be assured that the McNary-Haugen bill, for instance, would be acted on in some way by the House, so that it would come up in the regular way here, there would not be any disposition to take the course the Senator from South Dakota is compelled to take.

Mr. REED of Missouri. Mr. President——

Mr. NORRIS. I yield to the Senator from Missouri.

Mr. REED of Missouri. Of course, we can not control the action of the other House.

Mr. NORRIS. I realize that.

Mr. REED of Missouri. Of course the Senator knows that. Now, what is the obstacle in the way of bringing up the McNary-Haugen bill in regular course here? The bill was brought into the Senate some weeks ago, at least a number of days ago, and was by the friends of the measure sent back to the committee. The particular advocates of the bill took that course. They did it for reasons which they thought were good. I understood they themselves wanted to perfect the measure. I have seen no disposition to refuse that bill consideration.

Mr. NORRIS. If the Senator from Missouri had heard what I said, he would have understood my position. I did not offer that as my judgment; I have never considered it with that point in view; but, in my opinion, from what little I thought about it, I do not believe the objection is good. I will say to the Senator from Missouri that the reason the Senator from Oregon [Mr. MCNARY], the author of the bill, has not moved to take it up has been because he has reached the conclusion—and he has done that, I am informed, after talking with a good many of the parliamentarians of the body—that the bill would be subject to a point of order because it contains revenue provisions, and that it would be unconstitutional to consider it here until the House has first considered it. That is the proposition with which the advocates of the bill are face to face.

Mr. FLETCHER. Is it not well known that it is on the program in the House; that it is one of the preferred measures which are to be taken up in that body?

Mr. NORRIS. I do not know.

Mr. FLETCHER. I understand that to be the case.

Mr. NORRIS. I understand it is on the calendar of the House.

Mr. FLETCHER. It is on the program to be taken up in the other House.

Mr. NORRIS. I do not think anybody realizes more fully than do I, and I think everybody else must, that to take the bill up in the way which the Senator from South Dakota proposes to take it up would be unfair to the bill itself, and yet if the friends of the bill have the right idea, and Congress is going to adjourn about the 1st of June, they have reason to believe that on the pending measure would be the only opportunity they will have to take it up.

Mr. REED of Missouri. Mr. President, I know a number of the Senators who earnestly desire to cooperate in any manner that will afford some relief to farmers. I am one of those Senators. I would not think of supporting that bill—I may not support it anyway; I want to study it; but I say my objective is the same objective the Senator from South Dakota has; I should like to do something for the farmer—but I would not vote for that bill added on to the pending bill.

Mr. NORRIS. As I said a few moments ago, in my opinion the McNary-Haugen bill will not get the support of its own friends entirely if it shall be offered as an amendment to the pending bill, because it must be admitted that that is not the right way to legislate.

Mr. REED of Missouri. I have another reason for my position. It is whispered about that the revenue measure we are now considering is likely to be vetoed. It is also whispered about that the McNary-Haugen bill or any similar bill is also likely to be vetoed. Of course, I do not speak for the President; I simply repeat what is common talk. If we add both of these measures together and send them to the White House, I feel perfectly sure both of them will be vetoed, and we should imperil both bills by sending them there at one time. I think it would be the part of unwisdom by those who are in favor of farm legislation to try to attach it as a rider to the pending measure.

Mr. NORRIS. I agree with that proposition. In the first place, I do not believe the bill can be added to the revenue bill because a good many Senators feel as the Senator from Missouri has expressed himself—and there is ample reason for feeling that way—that it would not be the proper way to legislate. Those who want some farm legislation or feel at least that they ought to have an expression and a vote on some permanent farm legislation are worried now because it is pratically given out that Congress is going to adjourn about the 1st of June, and about the time we get through with this bill then will come up the motion to adjourn. I want to say by way of parenthesis that I advised the Senator from South Dakota not to offer this bill as an amendment to the pending measure.

I thought it would be unjust even to the bill which he favors. I do not believe it should be done. Yet it must be conceded

that, under the rules, it is in order to do it if the Senator wants to pursue that course. It must be conceded, too, that if he and the other friends of the measure are right that it would be subject to a point of order if an effort were made to consider it in the Senate before it is acted upon in the other House. Then, unless there can be an understanding that the Senate will not adjourn until some disposition is made of farm legislation, the pending bill affords the only opportunity the Senator from South Dakota will have to get any kind of a hearing on the bill.

Mr. SMOOT. Mr. President, I rise to say to the Senator from Nebraska that I do not believe this Congress is going to adjourn without some kind of relief legislation for the farmer.

Mr. NORRIS. I wish we could have that understanding. If we could I think it would settle the entire matter.

Mr. NORBECK. Mr. President——

Mr. NORRIS. I yield to the Senator from South Dakota.

Mr. NORBECK. Mr. President, I should like to ask the parliamentarians of the Senate who have spent from 10 to 20 years here and are familiar with the practice of the Senate if they can suggest some other way in which we can get a vote on the bill in this body?

Mr. REED of Missouri. May I ask the Senator a question?

Mr. NORBECK. Yes.

Mr. REED of Missouri. The McNary-Haugen bill does not propose to raise revenue in any way, but does propose to appropriate some money?

Mr. NORBECK. The bill carries a tariff feature very much as does any other tariff bill, and I understand that there is a constitutional provision against first taking it up in the Senate except in connection with a revenue bill.

Mr. REED of Missouri. I did not understand that it carried that feature, because the bill has never been laid before the Senate formally.

Mr. NORRIS. I think the bill has been on the calendar for a good while.

Mr. REED of Missouri. I wish to say a word further, if the Senator from Nebraska will pardon me.

Mr. NORRIS. I yield to the Senator.

Mr. REED of Missouri. I am speaking now to the Senator from South Dakota. If the Senator from South Dakota has a sufficient number of votes in the Senate to pass the McNary-Haugen bill he can certainly prevent an adjournment, while if he does not have a sufficient number of votes to pass the bill, then bringing it forward will, of course, not avail much.

Mr. NORBECK. That is a good deal like saying you can lead a horse to water but you can not make him drink.

Mr. REED of Missouri. No; that is not saying that at all. If you have enough votes to pass the bill you can prevent the adjournment of the Senate until it is considered; but if, on the other hand, you do not have enough votes to prevent adjournment you probably would not have enough votes to pass the bill.

Mr. NORBECK. How will the bill get to the Senate in the first instance except it shall pass the House first. How can we get the bill before the Senate at all?

Mr. REED of Missouri. Congress can not adjourn until the Senate agrees to adjourn, and if you have a majority of the Senate in favor of your bill the Senate will refuse to adjourn until the House sends that bill over.

Mr. NORBECK. I recall very distinctly the last days of the last session when Senators here started out to whip the House into line, and most of the leaders on both sides of the Chamber said that was the wrong policy.

Mr. REED of Missouri. I am not speaking about whipping the House into line. It is a mere matter of getting that bill here.

Mr. NORBECK. The House has got to pass it before it can come over here.

Mr. REED of Missouri. That is true.

Mr. NORBECK. If they do not pass it; it can not come here, and how can we vote on it?

Mr. REED of Missouri. But you can hold Congress in session beyond the 1st of June if you have a majority. That is all that I am saying, and that is perfectly plain.

Mr. NORRIS. Of course we have no right to demand of the House that they pass a bill, and we have no right to demand even of the leaders here any agreement that we shall stay in session until we pass the bill. All we do have a right to do if we want to prevent an adjournment is to ask that action be had on it. It may be defeated in the House.

Mr. MCNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Oregon?

Mr. NORRIS. Yes.

Mr. MCNARY. Mr. President, in answer to the suggestion made by the Senator from Missouri, let me say that the bill contains a tariff provision whereby revenue might be collected and covered into the Treasury of the United States. Consequently, the drafting bureau and others have advised me—and I myself have looked into the matter and given it some consideration—that the first action should be taken by the House in order to conform to the requirements of the Constitution. That is the reason I have not heretofore pushed the consideration of the bill in this body.

I am in accord with the views of the Senator from Nebraska and the Senator from Missouri, namely, that the bill should come up in the ordinary way. I doubt the propriety of trying to tack it on as a rider to the pending bill. I know that riders are not popular; it is not the proper way to legislate.

Mr. NORBECK. Mr. President, will the Senator yield?

Mr. MCNARY. Yes.

Mr. NORBECK. I noticed that a great many riders as to various matters were attached to the pending bill this afternoon and not one Senator in the Chamber objected to them, although some of them were very irrelevant riders. Why does it happen that farm legislation should draw all the fire?

Mr. MCNARY. I appreciate the zealous interest the Senator from South Dakota has in farm legislation and I admire it very much, but I do not think, Mr. President, that this bill would get nearly so many votes as a rider or as an amendment to the pending bill as it would if it were standing on its own feet. I have not offered it as an amendment for that reason.

The situation is simply this: The House has reported favorably on this bill and it is on their calendar for action; the Senate has acted likewise. I have been informed by those in charge of the bill in the House that within a few days it will come up for consideration in the House. Consequently I was willing to wait until it should come up in the House for consideration and should be passed and should come over here for proper consideration.

The Senator from Nebraska has a bill which also has been reported, but I do not think it would be fair to consider either of these bills without the proper opportunity to discuss them. I can say to my good and distinguished friend from South Dakota that it would be impossible to consider a bill of this importance inside of four or five days. There are many features that must be explained; it is a large and comprehensive measure. I think it gives adequate relief to the farmers who have found themselves in distressed conditions, but to try to put it through under a unanimous-consent agreement such as is proposed here would render it impossible adequately to consider the bill. That is the reason I have not urged it. I shall support the amendment if offered, but I am afraid that if offered the same state of mind that the Senator from Missouri finds himself to possess would obtain generally among the Members of this body, and the bill would not receive the support it would receive if it were considered as an independent measure. For that reason I, as one very much interested in farm-relief legislation, regret that it should be proposed as an amendment to the pending bill.

Mr. WATSON. Mr. President, I want to say for the benefit of the Senator from Nebraska that at a Republican conference held during the present week it was agreed that immediately after the passage of the tax bill agricultural legislation in some form should be permitted to come before the Senate.

Mr. NORRIS. May I interrupt the Senator?

Mr. WATSON. I will yield just as soon as I make this statement. The Senator from Oregon [Mr. MCNARY] in charge of the McNary bill, or its author at any rate, stated that was entirely agreeable to him and that he would be willing to permit the appropriations bills to come in from time to time, and that the McNary-Haugen bill might be made the unfinished business.

Mr. MCNARY. No; I beg the Senator's pardon.

Mr. WATSON. Or some form of agricultural legislation.

Mr. NORRIS. The Senator is mistaken about that.

Mr. MCNARY. Let me correct the Senator on that point.

Mr. WATSON. Wait until I finish my statement.

Mr. MCNARY. I said specifically that I would not insist on this bill but on some bill having for its object general farm relief.

Mr. WATSON. Precisely, whether it be this bill or some other bill affording agricultural relief.

Mr. NORRIS. That is what I wanted to call the Senate's attention to. I said some time ago that, unless something was done by the House with the McNary bill, I was going to move to take up the so-called Norris-Sinclair bill here. I think I explained the embarrassment under which I would labor in making that motion. I did not want to be unfair to the Agri-

cultural Committee, that the Agricultural Committee had decided on the McNary-Haugen bill, although they afterwards directed me to report the other bill. The understanding was that the Senator from Oregon would take up the McNary-Haugen bill and that during the course of the debate I would offer the other bill as a substitute, so that they would both be before the Senate at one time.

Mr. ROBINSON. Mr. President——

Mr. NORRIS. I do not want to break that understanding. I do not want to do what would appear to be unfair. I could move to take up the other bill as soon as we get through with this.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I will yield in just a moment. It is because of the action taken by the Agricultural Committee, giving preference to the other bill, that I would be in an embarrassing position to try to shut it out. I realize, also, that those who want to take up the McNary-Haugen bill are precluded on account of no action having been taken by the House. That is the reason why I feel embarrassed in making the other motion, because I do not want to disregard what the Agricultural Committee decided should be done with these bills.

I now yield to the Senator from Arkansas.

Mr. ROBINSON. Mr. President, the Senate has now consumed approximately three-quarters of an hour in debating the proposed unanimous-consent agreement. That time might very well have been devoted to the consideration of the bill before the Senate. Progress could have been made in connection with it. If the proposed unanimous-consent agreement is to take up the remainder of the session, or a material portion of it, I suggest to the Senator who offered it that it be withdrawn.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent agreement proposed by the Senator from Utah?

Mr. ADAMS. Mr President, I want to make an inquiry with reference to the agreement, and it is this: After the hour of 5 o'clock has been reached, will it then be possible for amendments to be presented which will thereafter be voted upon without having been explained or discussed?

The PRESIDENT pro tempore. That is the understanding of the Chair.

Mr. ADAMS. It seems to me that at least there should be some provision made by which amendments which are to be proposed after the period for discussion is past shall be placed in some way upon the desks or in the hands of Senators, so that they may understand them. I have no disposition for discussion; I think there is very little advantage in most of the discussion; but, for one, I should like to have an opportunity to read the amendments which are being presented without discussion, and it seems to me that such an addition to the unanimous-consent agreement would help some and prevent some of us from being charged with passing ill-considered legislation at a time when we do not hear what is passing.

Mr. SMOOT. I will say to the Senator that I do not think there will be very many amendments offered after that time; but I am perfectly willing to modify the amendment so as to provide for five minutes' discussion of any amendment that may be offered after 5 o'clock.

The PRESIDENT pro tempore. The Chair feels that debate upon the proposed unanimous-consent agreement has proceeded as long, probably, as the rules of the Senate permit.

Mr. JONES of New Mexico. Mr. President, I should like to suggest another unanimous-consent agreement, then, that when we conclude——

The PRESIDENT pro tempore. There can not be two pending at the same time.

Mr. SMOOT. Would it satisfy the Senator to have a requirement that all amendments shall be offered by 4 o'clock? That is an hour before 5 o'clock.

Mr. ADAMS. If they are put in writing, so that they are accessible to the Senators. I am entirely willing myself to take the responsibility for what I can make out of the amendment by applying it to the tax bill before me; but when the amendment is read from the desk, amending line so-and-so, page so-and-so, by inserting this and striking out that, I can not possibly know what it means.

Mr. SMOOT. There will be no amendments offered after 4 o'clock.

Mr. JONES of New Mexico. Mr. President, let me suggest a little change. I realize the force of the suggestions made by the Senator from Colorado and the Senator from Nebraska, and I have said time and again—of course, with my fingers crossed—that I never would consent to a fixed time for voting upon a bill which required a number of amendments without an opportunity to explain the amendments; and while I am not going to object in this case, notwithstanding my predilection, I suggest that when we conclude our business to-night we meet to-morrow morning at 10 o'clock, and that we limit the debate then to the five minutes specified in the unanimous-consent agreement. I feel certain that under that limitation of debate we will be able to pass the bill to-morrow, and that all amendments will be explained.

Mr. DIAL. Mr. President, I do not like a double-barreled agreement. I want to get rid of this tax bill at the earliest possible moment. I shall be glad to agree to a five-minute rule or any other rule that will dispose of it at an early date; but I am going to object, because I can not agree to the second part of the agreement.

The PRESIDENT pro tempore. The Senator from South Carolina objects. The question is upon the amendment offered by the Senator from Tennessee [Mr. MCKELLAR].

Mr. SMOOT. Mr. President, I simply want to say to the Senate and also to the Senator from Tennessee that the substance of his amendment is all found in section 1106, which reads as follows——

Mr. WALSH of Montana. What is the page, please?

Mr. SMOOT. Page 245.

If after a determination and assessment in any case the taxpayer has paid in whole any tax or penalty or accepted any abatement, credit or refund based on such determination and assessment, and an agreement is made in writing between the taxpayer and the commissioner, with the approval of the Secretary, that such determination and assessment shall be final and conclusive, then (except upon a showing of fraud or malfeasance or misrepresentation of fact materially affecting the determination or assessment thus made) (1) the case shall not be reopened or the determination and assessment modified by any officer, employee, or agent of the United States; and (2) no suit, action, or proceeding to annul, modify, or set aside such determination or assessment shall be entertained by any court of the United States.

Mr. McKELLAR. Mr. President, how will that be made effective? After the taxpayer pays the taxes he has to seek out the commissioner and the Secretary and have an agreement that that is going to be finally binding hereafter. How does the Senator propose to carry that out?

Mr. SMOOT. There will be a regular written form delivered to every taxpayer who makes a request for it. The taxpayer makes out the request of the commissioner, and under this amendment, of course, there will be a final determination of his case.

Mr. McKELLAR. There is nothing to indicate that he is to have a form made out or an agreement made.

Mr. SMOOT. There is an authorization for rules and regulations to be made by the department, and I know that those forms are made out, and any taxpayer who wants to make application for them can do so.

Mr. McKELLAR. Is this the present law?

Mr. SMOOT. Yes.

Mr. McKELLAR. Mr. President, we have had innumerable cases where they have opened it up after having settled it. It has been just a short time since one of my constituents came to me and said that about two years ago he had received a refund, and it had been opened up in the meantime, and they were demanding other taxes from him.

Mr. SMOOT. In such a case as that it is entirely the taxpayer's fault.

Mr. McKELLAR. But there ought to be some time when the taxpayer can be free of all past taxes.

Mr. SMOOT. He will be free if he is given this chance, and he is given it under the law, and if he does not avail himself of it we can not help it.

Mr. McKELLAR. There ought to be some time when his estate will not be subject to be mulcted in taxes of several years past.

Mr. McLEAN. All he has to do is to write a letter to the commissioner, have his account audited, and ask for his discharge.

Mr. McKELLAR. All he would have to do would be to pay an additional tax if it should be assessed. He could get rid of it in that way, but it ought not to be that way. They ought not to be deviled all their lives, and that is about what this means.

Mr. WALSH of Montana. Mr. President, I should like to inquire of the Senator from Utah if he conceives that the provision to which he has called our attention meets the case, and whether it is altogether just? In order to get a matter closed, the taxpayer must arrive at an agreement with the commissioner, with the approval of the Secretary. The commissioner

may agree to close up my matter, and he may not agree to close up some one else's matter. Apparently this leaves it entirely in the discretion of the commissioner to consider one case closed and to consider the other case still open.

Mr. SMOOT. I know of no other way on earth in which it can be done. We must leave it in some one's discretion.

Mr. WALSH of Montana. But why say "agreement"? How can you justify putting it up to the commissioner to make an agreement with the man?

Mr. SMOOT. There never has been a case where an account has been audited and that request has been made of the commissioner but that it has been granted. I know of no case.

Mr. McKELLAR. Why, Mr. President——

Mr. WALSH of Montana. That is all right, but the Senator can see that this puts the opportunity for the grossest kind of favoritism in the hands of the commissioner and the Secretary. They are governed by no rule at all.

Mr. SMOOT. There can not be a rule as long as there is an audit to be made, and there would be no agreement made until the audit was made.

Mr. WALSH of Montana. Why do you not simply say that after an audit is made he shall be entitled to a certificate to the effect that it is closed? Under what circumstances will the Secretary consider the case open, and under what circumstances will he consider it closed?

Mr. SMOOT. That is unfair to the taxpayer. Under such circumstances there may be an audit made, and then the taxpayer may want a refund, and unless he agrees to it the case will not be closed. Somebody has to decide it.

Mr. WALSH of Montana. Yes; but the point here is that he does not decide anything, and there is no rule fixed upon which he has to make any decision at all. It is apparently put entirely in the discretion of the Secretary and the commissioner to consider a case closed or to consider it open, as they see fit.

Mr. SMOOT. After the amount is determined every commissioner and the Secretary himself would be only too glad to close up those cases.

Mr. McKELLAR. Mr. President, if the Senator will look at page 246, in the first line, after the word "assessment," it says, "and an agreement is made in writing between the taxpayer and the commissioner, with the approval of the Secretary." Why not strike out those words and treat all people alike? I will withdraw my amendment if the Senator will agree to strike out those words.

Mr. SMOOT. If we strike those out, and it is agreed by the commissioner, the taxpayer can not file an application for refund.

Mr. McKELLAR. If the Senator will just look at his own bill; it begins in this way:

If after a determination and assessment in any case the taxpayer has paid in whole any tax or penalty, or accepted any abatement, credit, or refund based on such determination and assessment—

He has already received it. It is predicated upon his receipt of a refund or an abatement, or paying on a reassessment. That is the whole thing. Now, why submit it to the discretion of the Secretary or the commissioner, who can rule just as he likes?

I will say to the Senator that within the past week I have had complaint from a constituent of mine who said that after a settlement had been made a demand to change that settlement and have a refund paid back had been made to him.

Mr. SMOOT. If the amendment is agreed to, he could not file a petition for a refund. He would be out of it entirely. You are trying to take away a right he has. In other words, the taxpayer may not agree with the assessment at all.

Mr. KENDRICK. Mr. President, was not this provision included in the bill of two years ago for the first time?

Mr. SMOOT. In the act of 1921.

Mr. KENDRICK. It was intended to reduce the number of cases that were reopened, was it not?

Mr. SMOOT. And it has done so.

Mr. McKELLAR. I desire to withdraw my amendment and move, on page 246, line 1, after the word "assessment," to strike out the words "and an agreement is made in writing between the taxpayer and the commissioner, with the approval of the Secretary," and the words "that such determination and assessment shall be final and conclusive," down to and including the word "conclusive" on line 5.

Mr. CARAWAY. Would the Senator leave it, then, that the determination shall be final and conclusive except for mistake or fraud?

Mr. McKELLAR. Oh, yes.

Mr. CARAWAY. I want to ask the Senator while he has the floor—I can not get it——

The PRESIDENT pro tempore. The Secretary will report the amendment——

Mr. CARAWAY. Just a minute. I have the floor now, with the permission of the Senator from Tennessee, to ask him a question.

Mr. McKELLAR. I yield to the Senator from Arkansas.

Mr. CARAWAY. I wanted to make a suggestion as to an amendment I tried to offer some time earlier in the day, but I could not get recognition because somebody on the Republican side wanted to be recognized. I wanted to ask the Senator if he would not accept an amendment as a substitute for the one he has offered, which would provide, in substance, that where the Treasury Department furnishes an agent for the purpose of assisting the taxpayer to make out his return and he shall so assist the taxpayer, and the taxpayer shall accept that settlement and pay, that except for fraud or mistake it shall be conclusive, that it shall be opened only for fraud or mistake, just like any settlement between individuals.

Mr. McKELLAR. I will say to the Senator that I offered just such an amendment a few minutes ago.

Mr. CARAWAY. No; the Senator's was different.

Mr. McKELLAR. It is practically what was suggested. But I call the Senator's attention to this provision, with the words out that I have indicated should come out by my amendment. I feel that it will do the work required of it.

Mr. SMOOT. All I will say is that if that amendment is agreed to, the taxpayer will lose a great privilege.

Mr. McKELLAR. I do not agree with the Senator about that at all.

Mr. ASHURST. Mr. President, the words of the Senator from Utah have weight, and if they be true, they will determine my vote in this matter. Let us read the amendment, because what the Senator from Utah says on these matters I listen to; but I think he is wrong about this.

SEC. 1106. If after a determination and assessment in any case the taxpayer has paid in whole any tax or penalty, or accepted any abatement, credit, or refund based on such determination and assessment—

Omitting down to the word "then" in line 5—

then (except upon a showing of fraud or malfeasance or misrepresentation of fact materially affecting the determination or assessment thus made) (1) the case shall not be reopened or the determination and assessment modified by any officer, employee, or agent of the United States, and (2) no suit, action, or proceeding to annul, modify, or set aside such determination or assessment shall be entertained by any court of the United States.

In other words, where the taxpayer has received a credit—and it is extremely improbable he would receive credit unless he applied——

Mr. SMOOT. Where he pays an additional assessment.

Mr. McKELLAR. Either one; it is perfectly fair to him.

Mr. ASHURST. Or where he has received a refund.

Mr. SMOOT. It is the same thing.

Mr. ASHURST. It is assumed if he applied for a refund he would apply for all he was entitled to; he would not make it in separate bits and apply for various refunds. "Based on such determination and assessment" it is final. We are committed to an income-tax policy in the United States and we are going to adhere to it. I believe that if there be one thing that has tended to throw reproach upon the income-tax system it is the feeling that although a taxpayer may pay, and he may make an honest attempt to adjust his taxes, he is never certain that he is through. There are domiciliary visits, agents, letters coming to him saying his tax is not settled yet. Within my knowledge, in my own State after men have applied for refunds and the refunds have been granted to them, and they have used the money in their business, then comes down a killing decree that the refund was improperly paid, and within a few days the man is required to pay the amount back to the Government.

In all litigation, in all such matters as taxation, there should be what we call a time of repose, a statute of repose. Business, in my judgment, does not object to paying high taxes when it is necessary, and such are necessary; but business does object, and business has a right to object, to being constantly harassed. A business man pays his taxes but has no assurance that that is final and conclusive. He obtains a refund and uses the money in his business, and he has no assurance that that is final and conclusive. Surely when the Government, with all its technical agents at its command, makes a refund that ought to be conclusive except for fraud. When

the taxpayer pays his taxes that ought to be conclusive, except for fraud. I hope the able Senator from Utah will yield on this point, because in my judgment, with due deference to him, he is wrong about it.

Mr. SMITH. Mr. President, I want to call attention to a fact that I know has been in the observation of practically every Senator here. Very often it occurs that the delinquent, so called, has gone out of business. He is not in a position to pay the tax that has been assessed against him in the business in which he was employed at the time the alleged shortage or delinquency occurred. I do not know of any provision in the Federal law that has a tendency to make a man disregard the law and seek ways to avoid its operations more than this very lack of a definite settlement of the Federal income tax.

I heartily agree with my colleague, and I am sure there are those on the other side who believe that the benefit that will result from the amendment proposed now by the Senator from Tennessee will infinitely more than offset any harm that could come from leaving the law as it now stands, because you never know within five years when your tax is settled.

Mr. SMOOT. I am sure Senators who have spoken do not understand what the effect of this amendment would be.

Mr. SMITH. If the Senator will allow me, if I do not understand it, I certainly understand that there has been great confusion; there has been unnecessary loss and aggravation of the taxpayer under the loose system of leaving five years in which his case can be reopened at the expense of any Federal agent employed under this department. The department itself is eternally harassing them about some amount that is still due.

Mr. SMOOT. This has not anything to do with that.

Mr. SMITH. If it has not, then some amendment to the bill ought to be drawn that would have to do with it.

Mr. ASHURST. Without any attempt at flattery, I really want to hear what the Senator from Utah says, but if he does not talk louder I will abandon the attempt to hear. Will the Senator please talk louder?

Mr. SMOOT. I can not talk against the galleries and the floor, too.

Mr. SMITH. May I ask the Senator, if it does not apply to the very point the Senator from Tennessee offered his amendment to remedy, and the one to which the Senator from Arizona has spoken, to what does it apply?

Mr. SMOOT. It applies to additional assessments and refunds, and here is the case. A taxpayer may be assessed $10,000 or $100,000, and he may not believe that it is right, but he has to pay it just the same.

Under the amendment he could not file a claim for refund. He would have no relief whatever if this amendment were adopted. He could not even go to court. He would be barred entirely from any relief if the amendment were accepted. If that is what Senators want to do, let them vote for it, but I give notice here to Senators that that is what it would mean.

Mr. WALSH of Montana. Will the Senator yield?

Mr. SMOOT. Certainly.

Mr. WALSH of Montana. In order to relieve a danger of that kind, I suggest that it can be taken care of by putting in the words "without protest" after the word "paid" on page 245, so that it will read:

If after a determination and assessment in any case the taxpayer has paid without protest in whole any tax—

And so forth.

Mr. SMOOT. I have no objection to that, Mr. President. We have the same thing in the agreement that has been made for the taxpayer to sign. It is exactly in those words.

Mr. WALSH of Montana. That is the point I make. Let us assume two men have done all these things, have paid their taxes without protest, that the conditions are just exactly the same, and one fellow is able to get an agreement out of the commissioner to consider the matter closed, and the other fellow is not. No rule is laid down to guide the commissioner. It appears to be in his absolute and unrestrained discretion and favor. I do not think anybody can justify that part of the provision.

Mr. JONES of New Mexico. At what point does the Senator suggest that we put in the words "without protest"?

Mr. WALSH of Montana. After the word "paid."

Mr. JONES of New Mexico. I suggest that it come after the word "taxpayer," so that it would apply to the acceptance of the refund.

Mr. WALSH of Montana. It would be more appropriate, I think, after the word "has," so as to read, "has without protest paid in whole or in part."

Mr. JONES of New Mexico. I believe that would meet the objection.

Mr. SMOOT. There is just one case to which I want to call the Senator's attention which it may affect, so that we will not make any mistake about it, and I want the Senator to consider it. I do not see any objection to the amendment with the exception of this case. Suppose a man does pay his tax under protest, and the next day the Supreme Court or any other court should decide that it was not due; then he could not file for a refund if he had not paid it under protest.

Mr. WALSH of Montana. That is right, and it is a very general rule of law that one who pays taxes without protest, no matter whether it is right or wrong, never can recover them back. That is a very general rule of law.

Mr. SMOOT. I wanted to call the Senator's attention to that.

Mr. WALSH of Montana. That is quite right.

Mr. SMOOT. Therefore we did not put it in here, because we did not want to affect any taxpayer. We wanted him to have perfect freedom to file a petition for a refund.

Mr. WALSH of Montana. It does not seem to me he ought to have that right. If the assessment is made and he agrees to it and pays it without any protest at all, he ought not to be allowed afterwards to claim a refund.

Mr. SMOOT. I have no objection to that, but I felt it was my duty to call attention to cases where it would create a hardship.

Mr. McKELLAR. I do not believe the Senator from Montana offered that as an amendment, so I will offer it. In line 24, on page 245, after the word "has," I move to insert the words "without protest."

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 245, line 24, after the word "has," insert a comma and the words "without protest", and a comma, so as to read:

If after a determination and assessment in any case the taxpayer has, without protest, paid in whole any tax or penalty, etc.

The PRESIDENT pro tempore. Does the Senator from Tennessee withdraw the first amendment offered by him?

Mr. McKELLAR. Only the first amendment has been withdrawn. Now let us agree to this amendment.

Mr. HEFLIN. That is, after the taxpayer has been served with notice of what he has been assessed and after he has been served with an accounting as to what his taxes are, and he pays without protest?

Mr. McKELLAR. That is it. It is an entirely proper amendment. May we agree to that and then take the next amendment on page 246?

The PRESIDENT pro tempore. It is impossible for the Chair to ascertain whether the Senator is ready to have a vote upon his amendment.

Mr. McKELLAR. I am ready. I will offer it again. After the word "has," in line 24, page 245, I move to insert the words "without protest."

The PRESIDENT pro tempore. The question is upon the amendment just stated by the Senator from Tennessee.

The amendment was agreed to.

Mr. McKELLAR. On page 246, in line 1, I move to strike out the words "and agreement is made in writing between the taxpayer and the commissioner, with the approval of the Secretary, that such determination and assessment shall be final and conclusive."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, on behalf of the minority members of the committee I have two amendments which I desire to offer. They are both important amendments. One relates to the proceedings before the board of appeals. On page 238, paragraph (h) is proposed to be stricken out and the amendment which I send to the desk substituted therefor. I ask that the amendment may be reported.

The PRESIDENT pro tempore. The Secretary will read the amendment for the information of the Senate.

The READING CLERK. On page 238 strike out lines 17 to 25, inclusive, and on page 239 strike out lines 1 to 6, inclusive, and insert in lieu thereof the following:

(h) Notice and an opportunity to be heard shall be given to the taxpayer and the commissioner and a decision shall be made as quickly as practicable. Hearings before the board and its divisions shall be open to the public. The proceedings of the board and its divisions shall be conducted in accordance with such rules of evidence and procedure as the board may prescribe. The testimony taken at the hearing shall be reduced to writing. It shall be the duty of the board and of

each division to make a report in writing of its findings of fact and decision in each case and a copy of its report shall be entered of record and a copy furnished the taxpayer. Such report and all evidence received by the board and its divisions shall be public records open to the inspection of the public. The board may provide for the publication of its reports in such form and manner as may be best adapted for public information and use, and such authorized publication shall be competent evidence of the reports of the board therein contained in all courts of the United States and of the several States without any further proof or authentication thereof. The principal office of the board shall be in the District of Columbia, but the board or any of its divisions may sit at any place within the United States. The times and places of the meetings of the board, and of its divisions, shall be prescribed by the chairman with a view to securing reasonable opportunity to taxpayers to appear before the board or any of its divisions, with as little inconvenience and expense to taxpayers as is practicable.

Mr. FLETCHER. Does that interfere with the amendment which we have already agreed to? Is there any conflict between the two?

Mr. JONES of New Mexico. No; not at all. The amendment which I have proposed on behalf of the minority of the committee is an important one, and I hope that Senators will enable us to at least understand it.

As Senators all know, we have provided for boards of appeal. These boards are to have their hearings not only in the District of Columbia, but in different places throughout the country. The hearings are for judicial purposes. They are supposed to be conducted along the lines of judicial procedure. They are in effect courts of appeal. They determine controversies between the Government and the taxpayers. Evidence is to be submitted bearing upon the question, and a decision is to be reached which, for practical purposes, in most cases at least, is a final decision. My contention is that whenever there is a controversy between the Government and a taxpayer which is to be decided, the proceedings leading up to that decision should be public proceedings. Under existing law they meet in secret and conduct their hearings in secret. They may hear one witness or one client here, and another witness somewhere else; they may receive affidavits or conversations, and in any way arrive at a decision, all in secret. I submit that when there is a controversy between the Government and a taxpayers which shall follow through the various lines of procedure and finally reach the board of appeals, when it gets there all the proceedings should be public proceedings, the evidence should be taken down in writing, there should be a finding of fact and the decision of the board should be in writing and filed in the case just the same as in any other judicial proceeding, because that is what the case would be. It would be a judicial proceeding.

To say that all that shall be done in secret is obnoxious to everything which we have been taught regarding judicial procedure as American citizens under our great system of jurisprudence. The proceeding should be public. Their decisions should be public. The testimony should be taken down in writing, and it should not be heresay testimony which may be whispered into the ear of a member of the board of appeals, or a mere affidavit of some stranger submitted in secret. If it is at all necessary or advisable that tax returns shall be made public and made a matter of public record, it is of much greater concern that those judicial proceedings shall be public and become permanent records and open to a public inspection, so that we may understand the facts upon which decisions are reached, and the taxpayers in the country may have an opportunity to know just how it all happens.

Mr. WALSH of Montana. Mr. President, the amendment offered by the Senator from New Mexico, in my judgment, is one of very great merit. It is in accordance with some suggestions I made earlier in the day concerning the terms of this particular part of the bill. I want to suggest, however, to the Senator from New Mexico some slight changes.

The amendment provides that the board shall make a report in writing of its findings of fact and decision in each case. I think the board ought to be required to write an opinion, not a mere decision, but on any question of law that is involved it ought to set out in brief at least the line of argument by which it arrives at its decision. I think that the proceedings ought to approximate as nearly as practicable to proceedings in court. It really is intended in a way as an equity judicial tribunal for the determination of those matters. There is no means that can be devised of making a court decide the cases aright in accordance with sound reason better than by requiring the court to file its opinion, showing to the world how it arrived at the conclusion which it reaches.

I accordingly suggest to the Senator from New Mexico that, after the word "and," in line 2, page 2, there be inserted the words "its opinion and," so it would read—

make a report in writing of its findings of fact and its opinion and decision in each case.

Mr. JONES of New Mexico. I gladly accept the amendment suggested by the Senator from Montana.

Mr. WALSH of Montana. Now, another thing. These reports ought to be published, so that they would be subject to criticism by anyone who has occasion to refer to them, and so that they might serve as a guide to other taxpayers and to attorneys having occasion to present matters. Accordingly I suggest the word "may," being the first word in line 7, page 2, be stricken out and the word "shall" be inserted in lieu thereof, so it would read "the board shall provide for the publication of its reports," and so forth.

Mr. JONES of New Mexico. I am glad to accept that amendment also.

Mr. WALSH of Montana. Then, so there may be no doubt about it, I would provide for the publication of the reports by the Government Printing Office. I would insert the words "at the Government Printing Office," so it would read:

The board shall provide for the publication of its reports at the Goverment Printing Office.

That can be done practically without expense, because like bulletins of the Internal Revenue Bureau are so printed, and a rule could be provided that they could be sold at any time at actual cost of preparation.

Mr. JONES of New Mexico. I am glad to accept the amendment proposed by the Senator from Montana.

Mr. SMOOT. I will ask the Senator from Montana if he only used the phrase "printed at the Government Printing Office" whether we could make any charge for documents so printed.

Mr. WALSH of Montana. The Senator from Utah will know about that better than I. If there is any doubt about it, I would insert a provision reading "which shall be subject to sale upon the same terms as"——

Mr. SMOOT. As other public documents.

Mr. McKELLAR. I have an amendment on the same subject, which reads in part:

The opinions of the board shall be printed by the Government Printing Office and sold to the public in the same manner as the present Internal Revenue Bulletins are sold.

Mr. SMOOT. The Senator from Tennessee should not use the word "bulletins," because that only covers one class.

Mr. McKELLAR. "Other public documents" would be proper.

Mr. SMOOT. "Other public documents" would be a correct expression, because that is what these reports will be.

Mr. McKELLAR. That will be all right.

Mr. WALSH of Montana. I think it would be covered in this way: After line 12 on the same page, insert "such reports shall be subject to sale in the same manner and upon the same terms as other public documents."

Mr. SMOOT. That is all right.

Mr. JONES of New Mexico. I accept that amendment.

The PRESIDENT pro tempore. The Senator from New Mexico modifies his proposed amendment, and the modifications will be stated by the Secretary.

The READING CLERK. On page 2, line 2, it is proposed to modify the amendment by inserting before the word "decision" the words "its opinion and"; at the beginning of line 7 to strike out "may" and insert "shall"; after the word "reports," in line 7, to insert "at the Government Printing Office"; and after line 12 to insert "Such reports shall be subject to sale in the same manner and upon the same terms as other public documents."

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from New Mexico as modified. [Putting the question.] The Chair is in doubt.

Mr. JONES of New Mexico. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). Making the same announcement as heretofore with regard to my pair and its transfer, I vote "nay."

Mr. SMITH (when his name was called). I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Tennessee [Mr. SHIELDS] and vote "yea."

The roll call was concluded.

Mr. SIMMONS (after having voted in the affirmative). I transfer my general pair with the junior Senator from Oklahoma [Mr. HARRELD] to the Senator from Michigan [Mr. TOWNSEND] and let my vote stand.

Mr. JONES of New Mexico (after having voted in the affirmative). I transfer my pair with the Senator from Maine [Mr. FERNALD] to the Senator from Washington [Mr. DILL] and allow my vote to stand.

Mr. ERNST. Making the same announcement as before relative to my pair and its transfer, I vote "nay."

Mr. WARREN (after having voted in the negative). I find that my regular pair the Senator from North Carolina [Mr. OVERMAN] has not voted. I transfer my pair with him to the Senator from Maryland [Mr. WELLER], and allow my vote to stand.

Mr. McLEAN (after having voted in the negative). I inquire if the Senator from Virginia [Mr. GLASS] has voted.

The PRESIDENT pro tempore. That Senator has not voted.

Mr. McLEAN. I have a pair with that Senator, which I transfer to my colleague [Mr. BRANDEGEE], and allow my vote to stand.

Mr. CURTIS. I desire to announce that the Senator from Idaho [Mr. GOODING] is paired with the Senator from North Dakota [Mr. LADD].

The result was announced—yeas 35, nays 28, as follows:

YEAS—35

Adams	George	King	Shipstead
Ashurst	Gerry	McKellar	Simmons
Bayard	Harris	Mayfield	Smith
Brookhart	Harrison	Neely	Swanson
Broussard	Heflin	Pittman	Trammell
Caraway	Howell	Ralston	Walsh, Mass.
Copeland	Johnson, Minn.	Reed, Mo.	Walsh, Mont.
Dial	Jones, N. Mex.	Robinson	Wheeler
Fletcher	Kendrick	Sheppard	

NAYS—28

Ball	Edge	McLean	Smoot
Borah	Ernst	Moses	Spencer
Cameron	Fess	Oddie	Stanfield
Colt	Hale	Pepper	Wadsworth
Cummins	Jones, Wash.	Phipps	Warren
Curtis	Keyes	Reed, Pa.	Watson
Dale	Lodge	Shortridge	Willis

NOT VOTING—33

Bursum	Ferris	Lenroot	Shields
Brandegee	Frazier	McCormick	Stanley
Bruce	Glass	McKinley	Stephens
Capper	Gooding	McNary	Sterling
Couzens	Greene	Norbeck	Underwood
Dill	Harreld	Norris	Weller
Edwards	Johnson, Calif.	Overman	
Elkins	Ladd	Owen	
Fernald	La Follette	Ransdell	

So the amendment of Mr. JONES of New Mexico as modified was agreed to.

Mr. WILLIS. I offer to the pending bill the amendment which I send to the desk and ask that it may be considered as pending and that it may be printed. I will call it up to-morrow.

The PRESIDENT pro tempore. The amendment will be printed and will be considered the pending amendment.

The amendment proposed by Mr. WILLIS is as follows:

On page 50, line 24, at the end of the line, to insert in parenthesis "(including preventive and constructive service for relief, rehabilitation, health, character building, and citizenship)."

ADDITIONAL BILLS INTRODUCED

Additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPENCER:

A bill (S. 3270) authorizing the President to reappoint Walter F. Martin, formerly a captain of Cavalry, United States Army, an officer of Cavalry, United States Army (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 3271) for the relief of Herman A. Lucking; to the Committee on Claims.

ADDRESS BY SECRETARY OF COMMERCE HERBERT HOOVER

Mr. SHORTRIDGE. Mr. President, I hold in my hand a very interesting, thoughtful, and I think instructive address delivered by the Secretary of Commerce, Mr. Hoover, yesterday, before the annual meeting of the United States Chamber of Commerce held at Cleveland, Ohio. I think it will be worth reading and I ask——

Mr. McKELLAR. Is it in any sense a political address?

Mr. SHORTRIDGE. In no sense whatever. It deals with economic questions and has no tinge of political bias or expression. I ask that the address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SECRETARY OF COMMERCE HERBERT HOOVER AT THE ANNUAL MEETING OF THE UNITED STATES CHAMBER OF COMMERCE, CLEVELAND, OHIO, EVENING OF MAY 7, 1924

SOME PHASES OF THE GOVERNMENT IN BUSINESS

Your chamber has recently submitted to its members a number of recommendations upon principles of business conduct in the form of a report of your committee on business ethics. The very fact of issuing such a report is of interest. I wish to discuss the whole subject in its wider sense and in the relation of government to business.

The advancement of science and our increasing population require constantly new standards of conduct and breed an increasing multitude of new rules and regulations. The basic principles laid down in the Ten Commandments and the Sermon on the Mount are as applicable to-day as when they were declared, but they require a host of subsidiary clauses. The 10 ways to evil in the time of Moses have increased to 10,000 now.

A whole host of rules and regulations are necessary to maintain human rights with this amazing transformation into an industrial area. Ten people in a whole county, with a plow apiece, did not elbow each other very much. But when we put 7,000,000 people in a county, with the tools of electricity, steam, 30-floor buildings, telephones, miscellaneous noises, street cars, railways, motors, stock exchanges, and what not, then we do jostle each other in a multitude of directions. Thereupon our lawmakers supply the demand by the ceaseless piling up of statutes in attempts to keep the traffic open; to assure fair dealing in the economic world; to eliminate its wastes; to prevent some kind of abuse or some kind of domination. Moreover, with increasing education our senses become more offended and our moral discrimination increases, for all of which we discover new things to remedy. In one of our States over 1,000 laws and ordinances have been added in the last eight months. It is also true that a large part of them will sleep peacefully in the statute book.

The question we need to consider is whether these rules and regulations are to be developed solely by government or whether they can not be in some large part developed out of voluntary forces in the Nation. In other words, can the abuses which give rise to government in business be eliminated by the systematic and voluntary action of commerce and industry itself? This is indeed the thought behind the whole gamut of recent slogans, "Less government in business," "Less government regulation," "A square deal," "The elimination of waste," "Better business ethics," and a dozen others.

National character can not be built by law. It is the sum of the moral fiber of its individuals. When abuses which rise from our growing system are cured by live individual conscience, by initiative in the creation of voluntary standards, then is the growth of moral perceptions fertilized in every individual character.

No one disputes the necessity for constantly new standards of conduct in relation to all these tools and inventions. Even our latest great invention, radio, has brought a host of new questions. No one disputes that much of these subsidiary additions to the Ten Commandments must be made by legislation. Our public utilities are wasteful and costly unless we give them a privilege more or less monopolistic. At once when we have business affected with monopoly we must have regulation by law. Much of even this phase might have been unnecessary had there been a higher degree of responsibility to the public, higher standards of business practice among those who dominated these agencies in years gone by.

There has been, however, a great extension of government regulation and control beyond the field of public utilities into the fields of production and distribution of commodities and credit. When legislation penetrates the business world it is because there is abuse somewhere. A great deal of this legislation is due rather to the inability of business hitherto to so organize as to correct abuses than to any lack of desire to have it done. Sometimes the abuses are more apparent than real, but anything is a handle for demagoguery. In the main, however, the public acts only when it has lost confidence in the ability or willingness of business to correct its own abuses.

Legislative action is always clumsy—it is incapable of adjustment to shifting needs. It often enough produces new economic currents more abusive than those intended to be cured. Government too often becomes the persecutor instead of the regulator.

The vast tide of these regulations that is sweeping onward can be stopped if it is possible to devise, out of the conscience and organization of business itself, those restraints which will cure abuse; that will eliminate waste; that will prevent unnecessary hardship in the working of our economic system; that will march without larger social understanding. Indeed, it is vitally necessary that we stem this tide if we would preserve that initiative in men which builds up the character, intelligence, and progress in our people.

I am one of those who believe in the substratum of inherent honesty, the fine vein of service and kindliness in our citizenship. The

vast volume of goods and services that daily flow through the land would cease instantly were it not for the instinctive dependence of our people upon the moral responsibility of the men who labor in the shops and farms and the men who direct our production and distribution.

In these times of muddled thought it is sometimes worth repeating a truism. Industry and commerce are not based upon taking advantage of other persons. Their foundations lie in the division of labor and exchange of products. For through specialization we increase the total and variety of production and secure its diffusion into consumption. By some false analogy to the "survival of the fittest" many have conceived the whole business world to be a sort of economic "dog eat dog." We often lay too much emphasis upon its competitive features, too little upon the fact that it is in essence a great cooperative effort. And, our homemade, Bolshevist-minded critics to the contrary, the whole economic structure of our Nation and the survival of our high general levels of comfort are dependent upon the maintenance and development of leadership in the world of industry and commerce. Any contribution to larger production, to wider diffusion of things consumable and enjoyable, is a service to the community, and the men who honestly accomplish it deserve high public esteem.

The thing we all need to searchingly consider is the practical question of the method by which the business world can develop and enforce its own standards and thus stem the tide of governmental regulation. The cure does not lie in mere opposition. It lies in the correction of abuse. It lies in an adaptability to changing human outlook.

The problem of business ethics as a prevention of abuse is of two categories: Those where the standard must be one of individual moral perceptions and those where we must have a determination of standards of conduct for a whole group in order that there may be a basis for ethics.

The standards of honesty, of a sense of mutual obligation, and of service were determined 2,000 years ago. They may require at times to be recalled. And the responsibility for them increases infinitely in high places, either in business or government, for there rests the high responsibility for leadership in fineness of moral perception. Their failure is a blow at the repute of business and at confidence in government itself.

The second field, and the one which I am primarily discussing, is the great area of indirect economic wrong and unethical practices that spring up under the pressures of competition and habit. There is also the great field of economic waste through destructive competition, through strikes, booms and slumps, unemployment, through failure of our different industries to synchronize, and a hundred other causes which directly lower our productivity and employment. Waste may be abstractly unethical, but in any event it can only be remedied by economic action.

If we are to find solution to these collective issues outside of government regulation, we must meet two practical problems:

First. There must be organization in such form as can establish the standards of conduct in this vast complex of shifting invention, production, and use. There is no existing basis to check the failure of service or the sacrifice of public interest. Some one must determine such standards. They must be determined and held flexibly in tune with the intense technology of trade.

Second. There must be some sort of enforcement. There is the perpetual difficulty of a small minority who will not play the game. They too often bring disrepute upon the vast majority; they drive many others to adopt unfair competitive methods which all deplore; their abuses give rise to public indignation and clamor which breed legislative action.

I believe we now for the first time have the method at hand for voluntarily organized determination of standards and their adoption. I would go further; I believe we are in the presence of a new era in the organization of industry and commerce in which, if properly directed, lies forces pregnant with infinite possibilities of moral progress. I believe that we are, almost unnoticed, in the midst of a great revolution—or, perhaps, a better word, a transformation in the whole superorganization of our economic life. We are passing from a period of extremely individualistic action into a period of associational activities.

Practically our entire American working world is now organized into some form of economic association. We have trade associations and trade institutes embracing particular industries and occupations. We have chambers of commerce embracing representatives of different industries and commerce. We have the labor unions representing the different crafts. We have associations embracing all the different professions—law, engineering, medicine, banking, real estate, and what not. We have farmers' associations, and we have the enormous growth of farmers' cooperatives for actual dealing in commodities. Of indirect kin to this is the great increase in ownership of industries by their employees and customers, and again we have a tremendous expansion of mutualized insurance and banking.

Although such associational organizations can trace parentage to the middle ages, yet in their present implication they are the birth of the last 50 years, and in fact their growth to enveloping numbers is of the last 25 years. We have, perhaps, 25,000 such associational activities in the economic field. Membership, directly or indirectly, now embraces the vast majority of all the individuals of our country. Action of wide import by such associations has become an important force of late in our political, economic, and social life.

It is true that these associations exist for varied purposes. Some are strong in recognition of public responsibility and large in vision. Some are selfish and narrow. But they all represent a vast ferment of economic striving and change.

Ever since the factory system was born there has been within it a struggle to attain more stability through collective action. This effort has sought to secure more regular production, more regular employment, better wages, the elimination of waste, the maintenance of quality or service, decrease in destructive competition and unfair practices, and oftimes to assure prices or profits. The first phase of development on the business side was "pools" in production and distribution. They were infected with imposition upon the public and their competitors. In some part there were struggles to correct abuse and waste. They were followed by an era of capital consolidations with the same objects, but also to create a situation of unbreakable agreements. Both were against public interest, and the public intervened through the Sherman Act. Yet underneath all these efforts there was a residuum of objects which were in public interest.

Associational activities are, I believe, driving upon a new road where the objectives can be made wholly and vitally of public interest. The legitimate trade associations and chambers of commerce with which I am now primarily concerned possess certain characteristics of social importance and the widest differentiation from pools and trusts. Their membership must be open to all members in the industry or trade, or rival organizations enter the field at once. Therefore, they are not millstones for the grinding of competitors, as was the essence of the old trade combinations. Their purpose must be the advancement of the whole industry or trade, or they can not hold together. The total interdependence of all industries and commerce compels them in the long run to go parallel to the general economic good. Their leaders rise in a real democracy without bosses or political manipulation. Citizens can not run away from their country if they do not like the political management, but members of voluntary associations can resign and the association dies.

I believe that through these forces we are slowly moving toward some sort of industrial democracy. We are upon its threshold if these agencies can be directed solely to constructive performance in the public interest.

All this does contain some dangers, but they will come only from low ethical standards. With these agencies used as the machinery for the cultivation and spread of high standards and the elimination of abuses, I am convinced that we shall have entered the great era of self-governing industry and business which has been a dream to many thinkers. A self-governing industry can be made to render needless a vast area of governmental interference and regulation which has grown up out of righteous complaint against the abuses during the birth pains of an industrial world.

Some people have been alarmed lest this associational movement means the destruction of our competitive system, lest it inevitably destroy the primary individualism which is the impulse of our society. This alarm is groundless. Its rightful activities do not destroy equality of opportunity or initiative. In fact, they offer new avenues of opportunity for individuals to make progress toward leadership in the community. Any one of them will die at once if it does not offer equality of opportunity to its members, or if it restricts its membership rival associations at once emerge. They are the safeguards of small business and thus prevent the extinction of competition. They are the alternative to capital consolidation. They are not a growth toward socialism—that is, government in all business—they are, in fact, a growth directly away from such an idea.

Right here, for the benefit of the gloomy persons who have a frozen belief that every form of associational activity is a conspiracy to fix prices and to restrain trade, to perpetuate tyranny of employer or employee, we may remember that there are some crooks in every line of endeavor. The underlying purposes of the vast majority are constructive. A minority may be violating the Ten Commandments and need the application of criminal standards. I am speaking, however, of something more vital than porch climbing.

I am, of course, well aware of the legal difficulties that surround certain types of associational work. I do not believe that the development of standards of conduct or the elimination of abuses in public interest has ever been challenged as a violation of the Sherman Act. Moreover, to establish either a physical or a moral standard directly sharpens competition.

These associational activities are the promising machinery for much of the necessary determination of ethical standards, for the elimination of useless waste and hardship from the burden of our economic engines. Moreover, we have in them not only the agencies by which

standards can be set, but by cooperative action among the associations representing the different stages of production, distribution, and use we can secure a degree of enforcement far wider than mere public opinion in a single trade.

When standards are agreed upon by the associations representing the manufacturer and distributor and by those representing the user, we have a triple force interacting for their enforcement.

Now I do not wish anyone to think my feet are not on the ground in all this, and I propose to give a few illustrations from real life of what can be effected by constructive associations and by cooperation among them.

The Department of Commerce has, at the request of the lumber industry, held a number of conferences to discuss the rules of the road in that industry and its relations to the other industries and the common good. The problem was to establish more general and more constructive standards of practice, ethics, and waste elimination.

In the toil of formulating these standards there arose a question of how thick a 1-inch board should be. It sounds easy. But it quickly developed to be a question whether it should be 1 inch thick when it was green, after it was dried, when planed on one side, or when planed on both sides. It developed not only that a choice had to be made among these four alternatives, but also that this choice had to be based upon a proper consideration for the conservation of our forests on one hand and the provision of a material of such structural character as to constitute a square deal to the consumer on the other. It also developed that there were 32 different thicknesses of a 1-inch board in current use and that some minority of manufacturers in the drive of unfair competition were gradually thinning the board until it threatened to become paper. There also had to be developed the exact differences which threw a board into four or five different grades, and there had to be a determination of standard trade names for different species of wood. The point was that an accurate standard had to be determined before discrimination as to fair dealing and public service could be gauged. That occasion was the foundation of ethics in 1-inch boards.

These conferences established some 80 questions involving the whole technology of lumber and comprising for the first time a definite series of national standards. Here is the sum of our problem. It could only be accomplished through an association in the industry. It is proof of industrial conscience and service.

The second part of the practical problem which I enumerated before is enforcement. Again associational activities were called upon. The manufacturers were not alone in these conferences, but the distributor and consumer were also represented by the Architects' Association, the Building Contractors' Association, the railway and other purchasing associations, and the Retailers' Associations. The action and reaction of the buyer and seller upon each other in their desire to secure fair dealing in industry can procure enforcement. Joint inspection bureaus have been erected where complaint for violation can be lodged and determination made. Enforcement may not be 100 per cent, but the standards are there and a sense of individual responsibility and self-interest will eventually, I am confident, make them universal.

For years aggrieved persons and some of the trade have been agitating this question of lumber standards in Congress. Numerous bills have been introduced. If this effort succeeds no legislation will be necessary. This is keeping the Government out of business through the remedy of abuses by business itself.

I propose now to mention one other case of a most vitally important and entirely different order, rendered possible only through associational activity in which the Department of Commerce has been in active cooperation. That is in the bituminous coal industry. There have been developed in this industry, as many of you are aware, 30 per cent too many mines operating intermittently during nearly every week of the year with a large seasonal dip in summer. Thus they required 30 per cent more labor and 30 per cent more capital than was necessary to produce the Nation's coal. One effect of this situation was that some proportion of the employees secured too few days' work to yield them a reasonable standard of living, even at the apparently high daily wage. This minority of employees were naturally a constant source of agitation and disturbance. The result of all this was a higher cost of producing coal and consequently a higher national coal bill, speculation and uncertainty to the operators, hardship and difficulty and instability to a considerable portion of the workers. The fundamental cause was a vicious cycle of seasonal fluctuation in demand, annual shortages in coal cars, and periodic strikes which grew out of the instability of labor relationships. These periods of shortened or suspended production always resulted in famine prices for coal and great stimulation to the opening of new mines.

At least four Government commissions have examined this question. Probably 40 bills have been introduced into Congress proposing governmental regulation in an attempt to correct the abuses and wastes and public danger that lay in the situation.

The associational agencies in the field were those of the operators, of labor, of the railway executives, and of the various associations of industries as consumers. The first problem was to secure a general knowledge of the causes to which I feel the Department of Commerce contributed substantially. Remedy was undertaken in many directions. The railway association induced the construction of a more ample supply of coal cars and greater expedition and interchange in handling between different railways. The Department of Commerce, in cooperation with the chambers of commerce, manufacturers' associations, railway and public utilities associations, secured that more coal should be put in storage during the summer season. The result was that last year for the first time in many years we had no interruption in the distribution of coal due to car shortage. One element of the vicious cycle in this situation is eliminated, provided we can continue this same cooperation in future.

The second part of the solution was the general agreement by both operators and labor that stability could not be restored in the industry unless there was a long period of continuous operation, in which the absence of coal famines and profiteering would eliminate the speculative and high-cost producer and reduce the units in the industry and thus its intermittency. The labor agreement between these associations, made last February for a term of three years, has assured this improvement.

Here we have an example of the most profound national importance in at least the beginning of stabilization of an industry involved in a most vicious cycle of waste and trouble. The national savings can be measured in hundreds of millions and the human hardships greatly lessened. There will be some preliminary hardship in so great a self-imposed surgical operation, but I am confident it will heal to the mutual interest of the operators, the public, and the workers. To-day I do not believe there is any sentiment for Government regulation of the bituminous coal industry.

Another instance of great interest in which I had the honor to participate was the abolition of the 12-hour day in the steel industry through the action of the steel association.

I could give you a multitude of examples of the beginnings of constructive self-government in industry among many other associations. The very publication of codes of ethics by many associations instilling service as the primary purpose; the condemnation of specific unfair practices; the insistence upon a higher plane of relationships between employer and employee—all of them are at least indications of improving thought and growing moral perceptions.

All of this is the strong beginning of a new force in the business world. The individual interest is wrapped up with public interest. They can find expression only through association. Three years of study and intimate contact with associations of economic groups, whether in production, distribution, labor, or finance, convince me that there lies within them a great moving impulse toward betterment.

If these organizations accept as their primary purpose the lifting of standards, if they will cooperate together for voluntary enforcement of high standards, we shall have proceeded far along the road of elimination of government from business. American business is never secure unless it has public confidence behind it. Otherwise, it will always be a prey to demagoguery and filled with discouragement.

The test of our whole economic and social system is its capacity to cure its own abuses. New abuses and new relationships to the public interest will occur as long as we continue to progress. If we are to be wholly dependent upon Government to cure these abuses, we shall by this very method have created an enlarged and deadening abuse through the extension of bureaucracy and the clumsy and incapable handling of delicate economic forces. The old law merchant is the basis of much of our common law. A renaissance of a new law merchant could so advance our standards as to solve much of the problem of government in business.

American business needs a lifting purpose greater than the struggle of materialism. Nor can it lie in some evanescent, emotional, dramatic crusade. It lies in the higher pitch of economic life, in a finer regard for the rights of others, a stronger devotion to obligations of citizenship that will assure an improved leadership in every community and the Nation; it lies in the organization of the forces of our economic life, so that they may produce happier individual lives, more secure in employment and comfort, wider in the possibilities of enjoyment of nature, larger in its opportunities of intellectual life. Our people have already shown a higher sense of responsibilities in these things than those of any other country. The ferment or organization for more definite accomplishment of these things in the practical day-by-day progress of business life is alive in our business world.

The Government can best contribute through stimulation of and cooperation with voluntary forces in our national life, for we thus preserve the foundations upon which we have progressed so far—the initiative of our people. With vision and devotion these voluntary forces can accomplish more for America than any spread of the hand of government.

RECESS

Mr. SMOOT. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 10 o'clock and 26 minutes p. m.) the Senate took a recess until to-morrow, Friday, May 9, 1924, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

THURSDAY, *May 8, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We bless Thee, our Father in heaven, that every morning is the world made new and every day is a fresh beginning. We thank Thee for this inspiring truth, and let this day be marked by prudence, foresight, and the wisdom of the wise. We would cease our vain, despondent fears and remember Thy glorious works, Thy promises, Thy power to save and claim eternally Thy own. Do Thou guide and bless us in all our relations to life, and keep us in the ways of righteousness, truth, and peace, through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

EAMON DE VALERA

Mr. BOYLAN. Mr. Speaker, I rise to make a privileged motion. I move to discharge the Committee on Foreign Affairs from the further consideration of House Resolution 256 and pass the same. This resolution was introduced by me April 10, a resolution of inquiry calling upon the Secretary of State to furnish the House with whatever information he may have in his possession relative to the status of Hon. Eamon de Valera.

Mr. CRAMTON. Mr. Speaker, I reserve a point of order on the resolution.

Mr. CHINDBLOM. And I reserve the right to object.

The SPEAKER. The gentleman from New York calls up a resolution, claiming it is privileged, House Resolution 256, calling upon the Secretary of State, if not incompatible with the public interest, to furnish the House at the earliest possible date such data and information as he may have concerning the present status of the imprisonment of the Hon. Eamon de Valera.

Mr. LONGWORTH. Will the gentleman from New York yield?

Mr. BOYLAN. I will.

Mr. LONGWORTH. I do not observe any member of the Committee on Foreign Affairs here. Does the gentleman object to making the request later in the day?

Mr. BOYLAN. I would not if I would not be foreclosed; if I am permitted to make it under any order of business.

Mr. LONGWORTH. I think the gentleman would not be foreclosed from making the request, but I do not see a member of the Committee on Foreign Affairs here, and I think it ought to be brought up when some member of the committee is present.

Mr. LAGUARDIA. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. Even though a member of the Committee on Foreign Affairs were present, an objection to the bill would not avail on the privileged motion of the gentleman from New York to discharge the committee and pass the resolution.

Mr. LONGWORTH. I do not know whether it is privileged or not and I reserve a point of order.

Mr. BOYLAN. Under the rule this is a resolution of inquiry, simply calling for information, and does not call for any action on the part of the committee other than to furnish the House with the information.

The SPEAKER. The Chair does not see at first blush why it is not privileged. The usual practice is, when a Member intends to bring up a resolution of this kind, to inform the chairman of the committee that he is going to do it.

Mr. LONGWORTH. If it is privileged, and I have not had the opportunity to examine it, the gentleman from New York can call it up any time to-day.

Mr. BOYLAN. That would be satisfactory to me.

Mr. CRAMTON. I would not want it to be taken for granted that it is privileged.

The SPEAKER. The gentleman from Michigan reserves a point of order.

Mr. CHINDBLOM. Since the gentleman from New York did not make a unanimous-consent request, I withdraw my reservation of the objection.

CONFERENCE REPORT ON IMMIGRATION BILL

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that I may have until 11 o'clock p. m. to-night to file the conference report and a report of the managers on the part of the House on the immigration bill, H. R. 7995.

The SPEAKER. The gentleman from Washington asks unanimous consent that he may have until 11 o'clock to-night to file a report of the managers of the conference on the immigration bill. Is there objection?

Mr. CONNALLY of Texas. Reserving the right to object, I would like to ask the gentleman, Is this the last report; have the conferees had their last seance with the President on this subject?

Mr. JOHNSON of Washington. I hope so and I hope that we have a good report to make.

Mr. SABATH. Reserving the right to object, what is the gentleman's request?

The SPEAKER. That he have until 11 o'clock to-night to file a report of the managers on the immigration bill.

Mr. SABATH. Not having agreed to the conference report, is it necessary for me to reserve all points of order, or will it suffice when the report is called up for me to reserve points of order?

The SPEAKER. That can be reserved until the proper time.

Mr. SABATH. Having disagreed with the conferees, have I a right under the rule to file minority views or dissenting views?

The SPEAKER. The Chair does not remember any dissenting views or minority views on a conference report.

Mr. RAKER. Will the gentleman from Illinois yield? We were given authority, were we not, by the chairman of the committee to file minority views on the subject?

Mr. SABATH. Yes; but that would not bind the House.

The SPEAKER. The Chair is informed that it is without precedent to have minority views on a conference report.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD on the conference report on the immigration bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. RAKER. Reserving the right to object, it is understood that I may see the report before it is presented to the House?

Mr. JOHNSON of Washington. Certainly.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. SABATH. Mr. Speaker, the conferees on the immigration bill, taking advantage of parliamentary technicalities and of previous rulings, have, without authority of the House, deliberately embodied provisions, firstly, that have been rejected by the House; secondly, that were not considered by the House; thirdly, that were not in conference; and fourthly, have extended the time when the Japanese provision should go into effect provided for in the Senate as well as the House bill, namely, March 1, 1925.

Though the report submitted on the part of the managers of both Houses may be held not to be in violation of former rulings, to my mind it violates the spirit and intent of the rules of the House. However, being desirous to familiarize the Members of the House with at least the most important changes that have been agreed upon, I will not dwell whether the report is in order or not, but will briefly point out the differences between the bill as it passed the House and the report before us. In the first place, as to what I consider important deviation from the House bill is the adoption on the part of the managers of the so-called Reed national-origin scheme adopted by the Senate, but which, when presented on the floor of the House during the consideration of the immigration bill, was defeated by a large majority. This, the national-origin scheme—and that is the only way I can designate it—reads as follows:

SEC. 11. (b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

Both the Director of the Census, Mr. Steuart, and Doctor Hill, his first assistant, who appeared before the managers, declared that they would be obliged to adopt arbitrary methods to arrive at the proper basis upon which allocation will be based. This provision, which is to go into effect July 1, 1927, limits the number of European immigrants to 150,000 annually, and from tabulations prepared by the proponents of this scheme and utilized on the floor of the House by the gentleman from Colorado [Mr. VAILE] and in the conference meeting by the Senator from Pennsylvania, reduced to actual understandable figures, based upon the limitation of 150,000, will allow the vtarious countries approximately the number indicated in the last column.

Quotas

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 150,000 limit proviso
Albania	288	100	100
Armenia	230	100	100
Austria	7,342	990	1,846
Belgium	1,563	509	360
Bulgaria	302	100	100
Czechoslovakia	14,357	1,873	1,920
Danzig	301	223	100
Denmark	5,619	2,782	1,092
Esthonia	1,348	102	221
Finland	3,921	145	498
Fiume	71	100	100
France	5,729	3,878	2,763
Germany	67,607	50,129	22,018
Great Britain and Ireland	77,342	62,458	91,111
Greece	3,063	100	536
Hungary	5,747	488	1,250
Iceland	75	100	100
Italy	42,057	3,889	5,878
Latvia	1,540	117	253
Lithuania	2,622	302	444
Luxemburg	97	100	100
Netherlands	3,602	1,637	2,669
Norway	12,205	6,453	2,452
Poland	30,979	5,872	4,509
Portugal	2,465	474	275
Rumania	7,419	631	386
Russia	24,405	1,792	4,002
Spain	912	124	141
Sweden	20,042	9,561	3,707
Switzerland	3,752	2,081	781
Yugoslavia	6,426	735	602
Other Europe	86	123	100
Palestine	57	100	100
Syria	882	100	162
Turkey	2,654	100	119
Other Asia	92	100	100
Africa	104	100	100
Egypt	18	100	100
Atlantic islands	121	100	134
Australia	279	120	100
New Zealand	80	100	100
Japan			
Total	357,801	161,993	150,903

Mr. Speaker, on examination of the above table it will be noticed that the percentage of immigration from Great Britain will be increased to such an extent that it will receive over three-fifths of the total and all the balance of Europe the remaining, less than two-fifths. This scheme will not only discriminate against the countries that I have formerly designated—such as Czechoslovakia, Yugoslavia, Rumania, Poland, Spain, Russia, Italy, and Lithuania—but it will also discriminate against Germany, France, Belgium, and all Scandinavian countries, and can only be justified on the theory that might makes right and that the Congress has the right to do so. I can not conceive how Congress will be able to justify this discrimination. The advocates of the 2 per cent 1890 census basis insisted that the nonquota provision in the House bill will eliminate to a great extent the discrimination and will equalize the immigration, and many Members voted for that provision relying on these assertions; and notwithstanding the assurances given, the House conferees abandoned the major portion of the nonquota provision and eliminated therefrom not only the parents of American citizens but even the husband of an American citizen.

The conferees have also agreed to accept the so-called Simmons amendment in amended form, which gives preferences to the extent of 50 per cent of the quota to skilled agriculturists; and though the husbands and parents of American citizens are included in that preferential provision, it is doubtful whether opportunity will be given to avail themselves of the provision, because the power of granting this preference is vested solely in our consular officers, who have full and unrestricted power to pass on all matters and applicants and from whose decision no appeal will lie, and who are made czars in the respective countries to which they will be assigned. There are other changes, but most of them of minor importance and are set forth in the report of the managers, as to the so-called ineligible-to-citizenship provision, which is better known as the Japanese provision. During the consideration of the bill in the committee and on the floor of the House, as well as in conference, I have continuously heard that this proposition should not and must not be considered from a political point of view; that it did not involve politics and must be treated as nonpolitical.

Though frequently questioning the sincerity of these statements, I have refrained at all times from doing or saying anything that might in any way be embarrassing to the majority Members or the President and, in fact, have to the best of my ability aided and assisted to adopt a policy that would be to the best interest of our country and without creating unnecessary resentment, but I was greatly amazed and surprised within the last few days when this important legislation has been utilized for political purposes, not only on the part of certain Members of both Houses but also by the President himself. I, indeed, greatly deplore that this unfortunate policy should have been pursued and the bill made a political football. I fully appreciate that it is for the best interest of our Nation to try to retain the good will and friendship of all nations. I am in accord with the sentiment expressed by many that we should not unnecessarily wound the feelings of Japan, and I presume that is the reason why the President has taken the position he has, but may I ask the reason of the interview on the part of the President on the 3d of this month and why we should not also take into consideration the feelings of other nations and other peoples whom, I take it, have a certain amount of pride and who also resent certain provisions in this bill, and who rightfully maintain that we discriminate against them, and clearly show that we base our legislation on libelous and distorted statistical misinformation.

I have been unable as yet to detect wherein the President or any member of his administration having to do with foreign affairs has shown any interest or indication in the representations made by several European nations with regard to this legislation. However, it may be forthcoming in the near future.

Due to short space of time I am deprived in pointing out the many other reasons why justice demands that this report should be rejected, and I am anxious to hear anyone that can successfully and truthfully show that the bill does not reek with unjustifiable discrimination.

Mr. RAKER. Mr. Speaker, there is a serious question whether or not the report can be received by the House, and that will depend upon circumstances between now and the time the chairman presents the report to the House; so I think the chairman had better present the report when the House is in session. I feel in duty bound to require the report to be presented in open session of the House.

Mr. JOHNSON of Washington. Mr. Speaker, I withdraw my request.

RELIEF OF DISABLED EX-SERVICE MEN

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent that I may be permitted to move to suspend the rules and pass the bill H. R. 8869, for the relief of disabled ex-service men, reported from the Committee on Veterans' Legislation.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I ask the attention of the gentleman from Ohio [Mr. LONGWORTH]. The gentleman is familiar with the request just made by the gentleman from South Dakota. Of course, I do not feel that it is any responsibility of mine to deal with the order of business, but the gentleman from Ohio can not fail to know that if we begin granting unanimous consent requests on days other than the regular consent days, we are liable to get into a considerable confusion about our business here.

Mr. LONGWORTH. Mr. Speaker, such a request as this ought to be rarely made, but we have three days in which there are a number of rules to be considered. I should think that this would not take very long and it is an extremely important matter. I think it would be very well to consider it now.

Mr. GARNER of Texas. Mr. Speaker, reserving the right to object, I notice by the morning RECORD where the Speaker said that if he had known the gentleman from Mississippi [Mr. RANKIN] was going to call up that bill and ask unanimous consent that it be considered under the general rules of the

House, he would not have recognized him. I wonder if the Speaker knew what the gentleman from South Dakota was going to call up at this time.

Mr. JOHNSON of South Dakota. Mr. Speaker, in answer to the gentleman, would it not be the customary thing for the Speaker not to recognize for unanimous consent unless the chairman of the committee should be present?

Mr. GARNER of Texas. I am trying to find out what the situation is.

Mr. LONGWORTH. Mr. Speaker, let me say to the gentleman that there are certain amenities and a certain respect due to the Speaker of the House.

Mr. GARNER of Texas. I think that is correct.

Mr. LONGWORTH. When a gentleman desires to ask unanimous consent, the custom is, and it is a proper custom, to notify the Speaker in advance.

Mr. GARNER of Texas. I think that is correct.

Mr. LONGWORTH. I can not recall once when Mr. Clark was Speaker of the House that I ever made a request for unanimous consent without notifying him in advance that I was going to do so and the purpose for which I would do it. I think that is a respect that is due to the Speaker of the House.

Mr. GARNER of Texas. Mr. Speaker, I think the gentleman from Ohio is correct about that, but remembering that on yesterday the gentleman from South Dakota [Mr. JOHNSON] was recognized to ask unanimous consent for this identical purpose, and having in mind the fact that he is recognized again this morning, I am wondering if this is to be a continuous performance for the next week or 10 days if somebody objects.

The SPEAKER. The Chair hesitated when the gentleman from South Dakota [Mr. JOHNSON] asked him this morning for recognition, and, as the gentleman from South Dakota knows, declined at first to grant that recognition. Then he asked whether the gentleman from Mississippi [Mr. RANKIN], who yesterday objected, was notified, and was willing to have this request made. The Speaker also conferred with the leader of the majority and the leader of the minority together, upon the propriety of recognizing the gentleman to make the request, and after that conference the Chair felt justified in granting this unusual recognition.

Mr. GARNER of Texas. Mr. Speaker, may I ask the gentleman from South Dakota a question?

Mr. JOHNSON of South Dakota. Certainly.

Mr. GARNER of Texas. If I understand it, so far as the RECORD shows, there is no objection to calling this bill up under the general rules of the House. Would the gentleman be willing to make that request?

Mr. JOHNSON of South Dakota. I would not, for the reason that I know——

Mr. GARNER of Texas. I just wanted the RECORD to show that the gentleman is not willing to have it come up under the general rules of the House.

Mr. JOHNSON of South Dakota. I am glad to have the RECORD show that, because it will take 10 days to pass the bill under the general rules of the House, while these men are dying, and I do not propose to do that.

Mr. RANKIN. Mr. Speaker, in connection with the colloquy that has taken place between the gentleman from Texas [Mr. GARNER] and the majority leader about my request yesterday, I want to say that in the light of what has happened with reference to attempts to bring this bill up under suspension of the rules, by unanimous consent, I felt entirely justified in preferring a unanimous-consent request. If the House will remember, the gentleman from South Dakota [Mr. JOHNSON] on Monday last, in a most unusual way, and at a most unusual time, attempted to bring this up under unanimous consent, and made the request for unanimous consent and was recognized for that purpose by the Speaker between the——

Mr. JOHNSON of South Dakota. Between the reading and the approval of the Journal.

Mr. RANKIN. Between the approval of the Journal of the previous day and the taking up of business that had been set and agreed upon as the order of the day for Monday.

Mr. JOHNSON of South Dakota. Mr. Speaker, will the gentleman yield for a question there?

Mr. RANKIN. Yes.

Mr. JOHNSON of South Dakota. The gentleman will remember that at a meeting of the Committee on Veterans' Legislation, at which he was present, I was unanimously instructed, upon motion by the committee, of which I am the chairman and of which the gentleman from Mississippi is a member, to take the exact action which I did take. I was instructed to secure the consideration of this bill under a suspension of the rules or under a rule, and I am only carrying out the gentleman's own instructions.

Mr. RANKIN. No. In the first place, I think it is bad taste and a bad policy and a violation of the rules of the House to talk about what happened in the committee, and I desire to say to the gentleman that he never had the unanimous consent of the committee to bring this bill up under a suspension of the rule.

Mr. JOHNSON of South Dakota. Oh, that is the official record of the motion that was made in the committee. I am not taking up the position of the gentleman——

Mr. RANKIN. I say to the gentleman that if he remembers that he ever had the unanimous consent of the committee to bring this up under these conditions, his memory must be creative, because it was well known in the committee that I was opposed to bringing this up under a suspension of the rules, and I so stated, because I have some amendments I want to offer.

Now, I hope I am not violating the rules of the House, but I am constrained to make that statement in view of what has been said.

With reference to this motion, I want to ask the Speaker a question or propound a parliamentary inquiry. This motion that the chairman of the committee proposes is to take up this bill under suspension of the rules. I want to know if it would be in order to ask unanimous consent that the minority be permitted to offer one motion to recommit under these conditions, in order to bring relief, as I said on yesterday, to those men who have been suffering from disabilities for the last two or three years and who would not receive adequate compensation if the bill passed in its present form?

The SPEAKER. The Chair thinks he would recognize the gentleman to ask unanimous consent; whether it be granted, of course, that would be another question.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent——

Mr. LONGWORTH. Mr. Speaker, there is one unanimous-consent request pending; it is very easy to object if——

Mr. RANKIN. The gentleman from Ohio can object to mine also.

Mr. LONGWORTH. And the gentleman from Mississippi can not take the gentleman from South Dakota off his feet. I do not want to demand the regular order here if I can help it, but I am not here to listen to speeches from the gentleman from Mississippi.

Mr. RANKIN. I ask unanimous consent, Mr. Speaker, in that connection——

Mr. HILL of Maryland. Mr. Speaker, I ask for the regular order.

Mr. RANKIN. That the minority be given an opportunity to offer one motion to recommit.

The SPEAKER. If anybody demands the regular order, the regular order is on the request of the gentleman from South Dakota.

Mr. LONGWORTH. I wish the gentleman from Maryland would withhold that for a moment.

Mr. HILL of Maryland. I will withhold it.

Mr. LONGWORTH. The gentleman understands that he can not prefer under the rules of the House a unanimous-consent request until one of them submitted is considered.

Mr. RANKIN. Wait a minute. If gentlemen on that side want to shut off all opportunity to give relief to these boys who have been suffering total disabilities for the last two years they can do so. I do not propose to have the chairman lecture me. Mr. Speaker, I renew my request.

Mr. JOHNSON of South Dakota. In reply to the gentleman, I desire to say that I have no desire to lecture the gentleman.

Mr. RANKIN. I decline to yield further, and I renew my request.

Mr. HILL of Maryland. I ask for the regular order.

Mr. COOPER of Wisconsin. Will the gentleman withhold that?

Mr. HILL of Maryland. I will withhold it.

Mr. COOPER of Wisconsin. Reserving the right to object, may I say a word here? Of course, no one wishes to do anything which would delay the legislation for the relief of sick and disabled soldiers. Any Member with a spark of human sympathy in his soul would be very loath to do a thing of that sort. But I do desire, Mr. Speaker, in this connection to remind the Speaker and the House of the reason which led to the adoption of the rule establishing the Unanimous Consent Calendar. When I first came here, when my distinguished friend from Virginia [Mr. TUCKER] first came here, and when our honored Speaker first came here and for years after if you wished to make a motion for unanimous

consent you went to the chambers of the Speaker or met him in the lobby or elsewhere and secured his consent to recognize you for that purpose.

But no person on the floor knew what was coming up. We came in here and suddenly a Member was recognized to make a motion for unanimous consent. Perhaps no other Member had seen the bill; perhaps a Member opposed to the bill was not on the floor. Nobody had received notice that a motion would be made to take it up. This system was a very great evil. At last the feeling became so strong that a revolt was organized; but it took a long time and very determined fighting to secure a rule establishing a Calendar for Unanimous Consent. An evil system long in vogue in the House is a hard thing to break up. It required years, as I have said, of persistent work before we could get a Unanimous Consent Calendar and stop the great evil of a Member going to the chambers of the Speaker and making a secret arrangement with him, perfectly honorable, of course, but, nevertheless, most surprising to a great majority of the membership of the House. Therefore the motion of the gentleman from South Dakota is a serious thing. I shall not object to it, although according to the statement of the gentleman he could bring it up in either of two ways. He could do this on unanimous-consent day, and no Member would object. I shall not object now, but hereafter I shall object to other measures being called up in this way unless they are on the Calendar for Unanimous Consent.

The SPEAKER. The Chair will state, as he stated before, that he has not felt at liberty to recognize any bill for unanimous consideration since the Consent Calendar was adopted, except bills like bridge bills, when the Chair assumed the whole House would unquestionably approve his action. This morning when this suggestion was made by the gentleman from South Dakota the Chair at first declined to recognize him; but after conference with the majority and minority leaders he concluded that that would be in accord with the spirit of the whole House; but after the comment made by the gentleman from Wisconsin, the weight of which the Chair recognizes, the Chair thinks he ought to decline to recognize the gentleman from South Dakota.

PRINTING A BILL IN THE RECORD

Mr. SHALLENBERGER. Mr. Speaker, I desire to ask unanimous consent to publish in the RECORD a bill, H. R. 5427, introduced by the gentleman from Alabama [Mr. HUDDLESTON], as to which I have filed a petition to discharge the Committee on Interstate and Foreign Commerce from the consideration of the bill under the discharge rule; and I ask, for the information of the House, to have this bill published in the RECORD.

The SPEAKER. Does the gentleman wish to have the bill printed?

Mr. SHALLENBERGER. Yes.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to have the bill referred to printed in the RECORD. Is there objection?

Mr. LONGWORTH. Mr. Speaker, reserving the right to object, I could not hear a word.

Mr. SHALLENBERGER. There are few copies of the bill extant. It is a very important measure to the House. I have already petitioned to discharge the committee. The bill provides for the repeal of section 15a and to make unlawful the rates established under that act on August 26, 1920. I have filed a petition signed by Members for the discharge of the committee, and I ask unanimous consent, for the information of the Members of the House, to be allowed to put this bill in the RECORD.

Mr. LONGWORTH. Does the gentleman think it possible to secure the consideration of that bill?

Mr. SHALLENBERGER. I do think it is possible.

Mr. LONGWORTH. I think it would be well to have additional copies printed.

Mr. SHALLENBERGER. I am going to try to get it in the RECORD. It is a very important measure. Many Members of the House are interested in it. The bill has been with the Committee on Interstate and Foreign Commerce since January 14 of this session, and I think it is a matter of great interest to the House and will be to the country.

Mr. LONGWORTH. I have no objection to the publication of the bill, but I do object to the system of publishing bills in which Members are interested. I shall have to object for the present.

The SPEAKER. Objection is made.

EXTENSION OF REMARKS

Mr. WATKINS. Mr. Speaker, I ask unanimous consent to have inserted as an extension of remarks a copy of a telegram which I received this morning expressing the views of the people of the Pacific coast in connection with the immigration bill, and about six lines thereon, and a short editorial, about 4 inches long, dealing with the same subject, and the comments of Mr. Roosevelt on the gentleman's agreement.

Mr. SNELL. Oh, I have received 5,000 telegrams in the last 24 hours. I object to the inserting of telegrams in the RECORD.

NO QUORUM—CALL OF THE HOUSE

Mr. BLANTON. Mr. Speaker, before this rule is taken up there ought to be a quorum present. I make the point of order that there is no quorum present. This is an important rule.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. Apparently there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Drane	McLaughlin, Nebr.	Rouse
Andrew	Edmonds	McLeod	Sanders, N. Y.
Bacharach	Fitzgerald	McNulty	Sears, Fla.
Bell	Gallivan	McSwain	Sears, Nebr.
Browne, N. J.	Geran	Miller, Ill.	Stalker
Buckley	Gifford	Milligan	Stengle
Byrnes, S. C.	Gilbert	Morgan	Strong, Pa.
Campbell	Greene, Mass.	Morin	Sullivan
Candler	Hill, Wash.	Morris	Sweet
Clark, Fla.	Howard, Okla.	Mudd	Taylor, Colo.
Cole, Ohio	Johnson, Ky.	Nelson, Wis.	Vare
Collins	Kahn	O'Brien	Vestal
Connolly, Pa.	Keller	O'Sullivan	Voigt
Cooper, Ohio	Kiess	Park, Ga.	Ward, N. Y.
Corning	Langley	Quayle	Ward, N. C.
Curry	Lilly	Ramsey	Wason
Davey	Little	Reed, W. Va.	Weaver
Deal	McFadden	Reid, Ill.	Welsh
Dempsey	McKenzie	Rogers, N. H.	Winter
Dominick	McKeown	Rosenbloom	Wurzbach

The SPEAKER. Three hundred and fifty-two Members have answered to their names. A quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

AMENDING CLASSIFICATION ACT OF 1923

Mr. SNELL. Mr. Speaker, I call up a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York, the chairman of the Committee on Rules, presents a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 250

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6896, being a bill to amend an act entitled "The classification act of 1923," approved March 4, 1923, and after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided between those for and against the bill, it shall be read for amendment under the five-minute rule; that at the conclusion of the consideration for amendment the bill shall be reported to the House, with such amendments as may have been agreed to, when the previous question shall be considered as ordered on the bill and amendments to final passage without intervening motion, except one motion to recommit.

The SPEAKER. The gentleman from New York [Mr. SNELL] is recognized.

Mr. SNELL. Mr. Speaker, this resolution, if adopted, simply provides for the consideration of the bill H. R. 6896, a bill to amend an act entitled "the classification act of 1923," approved March 4, 1923, and provides for one hour of general debate and then for consideration of the bill under the general rules of the House.

In 1923 Congress passed the classification act, which provided for a classification of the Government employees in the District of Columbia.

The act contained an outline of the classification to be made, dividing the personnel into services such as the professional, subprofessional, clerical, and so forth, and each such service into a series of grades with a salary range for each such grade. To complete the classification the act created the Personnel Classification Board, which was to subdivide the grades into classes and supply titles and definitions for them and to publish a statement containing the duties and qualifications required for such duties for the classes within the several grades.

Under its supervision it was also understood that the heads of the departments were to fit in the employees under them into their appropriate classes, and fix each salary within the range of the grade in which the classes fell in accordance with the rules set forth in the act. The Personnel Classification Board was also directed to make a classification of the field service as nearly as practicable like the classification set up in the District. It has been charged that the Personnel Classification Board, instead of carrying out the above provisions of the law, made a classification in the District in accordance with a plan at variance with the directions of Congress; and as a result the improvements in the service and the equality and uniformity in compensation intended to be achieved were lost. It was further charged that the Personnel Classification Board was not making a classification of the field service in accordance with the directions in the act.

The Committee on the Civil Service held extensive hearings and made an exhaustive study of the minutes of the Personnel Classification Board, and that committee is unanimously of the opinion that the present Personnel Classification Board is not carrying out the intent and purpose of Congress when it passed the original act. Therefore, it is proposed to amend the act by transferring these duties to the Civil Service Commission. The Civil Service Commission has the machinery to do this work, is in sympathy with the work itself, and will carry it out and do it in accordance with the intent and purpose of Congress when it passed the original act.

Therefore, the Rules Committee thought it was important enough to bring in this rule for the consideration of the House at this time.

Mr. COLTON. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. COLTON. Is this not a departure from the work heretofore done by the Civil Service Commission in that it puts upon them or will put upon them the duty of fixing salaries?

Mr. SNELL. I think to a certain extent the gentleman's statement is true, but I understand they have the machinery and they can do this work much beter than anyone else at the present time. They are willing to undertake it and carry out the intent and purpose of Congress when it passed the original act.

Mr. COLTON. If the gentleman will permit, is not that a departure from the original intention in creating the Civil Service Commission? My understanding is that their work is the work of determining efficiency and holding examinations.

Mr. SNELL. I think it is a departure to a certain extent, and that is why it is necessary to have a new act conferring these duties upon them, provided Congress wants to do it.

Mr. COLTON. One more question, if the gentleman will permit. Is the gentleman advised as to whether or not the Attorney General has passed upon the work of the Reclassification Board and has determined whether they did, as a matter of fact, comply with the law or have violated the spirit of the law?

Mr. SNELL. I can not say as to that. I get my information from the Committee on the Civil Service, and I suppose that committee has gone into that very fully.

Mr. SHERWOOD. Did I understand the gentleman to say that this bill is in the interest of both efficiency and economy?

Mr. SNELL. I think so, and I am so informed by the Civil Service Commission.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Tennessee.

Mr. GARRETT of Tennessee. I would like to have a few minutes to yield.

Mr. SNELL. How much time does the gentleman want?

Mr. GARRETT of Tennessee. Ten minutes.

Mr. SNELL. I yield the gentleman 10 minutes to yield as he sees fit.

Mr. GARRETT of Tennessee. I yield five minutes to the gentleman from Texas [Mr. BLACK].

The SPEAKER. The gentleman from Texas is recognized for five minutes.

Mr. BLACK of Texas. Mr. Speaker, in the Sixty-seventh Congress, when the reclassification bill was passed, I had the honor of being the ranking member on the Democratic side of the committee. In the original bill which was introduced the Civil Service Commission was made the classification agency. Our committee, after a thorough investigation and a thorough hearing on the bill, determined, to the satisfaction of the committee—and it met with my entire approval—that the Civil Service Commission was not a proper administrative agency to do this reclassification work. Therefore we struck out that provision of the bill and made the Bureau of the Budget the classification agency. The bill went to the Senate; some changes were made there, and in a conference between the House conferees and the Senate conferees a Personnel Classification Board was set up, composed of one representative from the Civil Service Commission, one from the Bureau of the Budget, and one from the Bureau of Efficiency. I helped to arrive at that agreement in conference.

Now, gentlemen, it has been charged that this Personnel Classification Board has not done its work well. I am not a member of the committee any more, and I have not had the opportunity to review the facts connected with this criticism of the Personnel Board, but I do say this: When I was a member of the committee and when we had hearings on the bill I do remember that all of the experts and proponents of the bill estimated that it would perpetuate the old basic salaries, it would perpetuate the $240 temporary salary increases given Government employees during the war, and would add about 5 per cent additional in the aggregate to the Government pay roll. I offered some amendments to the bill in the House, and they were well-nigh unanimously adopted, and if the Senate had adhered to them there would have been no increase in aggregate of expenditures. I have watched these appropriation bills as they have been coming in the House this session and I say to you, and I do not think any gentleman will contradict it, that the actual classification which has been made does perpetuate former salary expenditures and adds between 5 and 10 per cent, as was the original estimate.

Mr. SHERWOOD. How much would that amount to in money?

Mr. BLACK of Texas. I estimate it would be between $4,000,000 and $5,000,000; that the 5 per cent would mean an increase of between $4,000,000 and $5,000,000. Therefore the aggregate cost of the bill is all that it was estimated it would be. So I can not see that the Personnel Classification Board has done very differently from what Congress intended.

Now, no one thought all the employees would be satisfied with the classification which would be made. Everyone knew that there would be employees who would be dissatisfied who did not receive as great increases as they thought they were entitled to.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLACK of Texas. Will the gentleman from Tennessee yield me one more minute, and then I will conclude.

Mr. GARRETT of Tennessee. Yes; I yield the gentleman one more minute.

The SPEAKER. The gentleman from Texas is recognized for an additional minute.

Mr. BLACK of Texas. In closing, I want to say this: That even if the Members of the House are of the opinion that this work has been imperfectly done by the Personnel Classification Board, I think one of the least suitable agencies in the Government to do it would be the Civil Service Commission, because I do not regard it as an administrative board, and I do not regard administrative work of this kind a proper function of the commission to perform.

Mr. COLTON. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. COLTON. Is not the main objection to the work of the Classification Board the fact that they have not raised salaries high enough?

Mr. BLACK of Texas. Oh, yes. A great many of the employees expected that they would get raises beyond the intent of the act.

Mr. CELLER. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. CELLER. Does not the gentleman think the Personnel Classification Board should be a guide for the employment of additional employees, and if the Personnel Classification Board is supposed to lay down a guide for the employing agency and the employing agency is the commission that employs—that is, the Civil Service Commission—would it not be better to join those two functions in one body?

Mr. BLACK of Texas. Does the gentleman regard the Civil Service Commission as a commission which can properly execute administrative functions?

Mr. CELLER. I think it can in a certain degree, but not totally.

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Texas is recognized for four minutes.

Mr. BLANTON. Mr. Speaker, this present Classification Board is composed of a member of the Budget, that is a proper member; a member of the Civil Service Commission, that is a proper member; and a member of the Bureau of Efficiency, and he is a proper member. How could you find a better board? Is there anything wrong with that board? It is the best board you could get to put into effect this classification act. But they have not done everything that all Government employees want them to do, and such employees are dissatisfied and want a change.

With the present board, even as it is now constituted, this classification act is costing three times as much to the taxpayers as we ever expected. I want to show you just how much it is costing. Let me take the last appropriation bill, which we passed the other day, supplying funds for the District of Columbia, and let me show you how it increases the various items. Here is the purchasing division: For its employees the increase is from $40,000 to $50,000; the building inspection employees are increased from $59,000 to $72,000; the executive office employees are increased from $154,000 to $192,000; the assessor's office employees are increased from $61,000 to $118,000; the auditor's office employees are increased from $56,000 to $74,000; the collector's office employees are increased from $54,000 to $68,000; and so on; such increases appear for all other employees of the District of Columbia. These enormous increases appear all the way through that bill and are increases that have already been allowed by this Classification Board. But such increases did not satisfy.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I regret I have not time to yield in four minutes.

What are you going to do, gentlemen? This present board has its personnel. It has already done this work. It has already reclassified these men under the law. It has spent nearly two years at it. Do you want now to abolish this board and send the work over to the Civil Service Commission? The first thing they will ask for will be for a personnel composed of an army of new employees to put on the pay roll because they are not prepared to do this work. They know nothing about it, while the present board already has been working on it for two years and has its personnel of employees.

Could you get a better board than this one, composed of one member of the Budget, one member of the Bureau of Efficiency, and a member of the Civil Service Commission? Why should you change the board?

Under this rule just presented by the Committee on Rules we are given just an hour's debate on the question of changing this whole plan. It is not right, gentlemen. It is not right to us as Members of Congress to force us to legislate in this way. I do not believe the distinguished chairman of the Rules Committee down deep in his heart is in favor of this change. I have no authority to speak for him and do not know anything about his views, but knowing him as I do, I do not believe he is in favor of it. I do not believe the distinguished majority leader is in favor of it. I do not think the chairman of the Appropriations Committee is in favor of it. I do not think that the steering committee of the dominant party is in favor of it. But it is election year. These employees send their representatives here to the galleries to watch us and to take our number and to force us to do something they demand right here on the eve of the primaries, and it is not treating us right. Of course, I am not afraid of them. I am going to do my duty. I am one of the free lances of the House. I vote just exactly as I feel like voting, and I talk that way, whether they like it or not. They can send representatives down to my district all they want to and say things against me, but I will say just what I think on this floor and vote that way all the time.

It is not fair to force all Members of the House to vote on this proposition under these circumstances.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SNELL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 121, noes 8.

Mr. BLANTON. Mr. Speaker, I object to the vote because there is not a quorum present, and I make the point of order.

The SPEAKER. It is clear there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry. Is the vote on the previous question or on the adoption of the rule?

The SPEAKER. On the adoption of the rule. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 328, nays 11, answered "present" 1, not voting 92, as follows:

YEAS—328

Ackerman	Faust	Lee, Ga.	Robsion, Ky.
Aldrich	Favrot	Lehlbach	Rogers, Mass.
Allen	Fenn	Lindsay	Romjue.
Allgood	Fish	Lineberger	Rubey
Almon	Fisher	Linthicum	Sabath
Anthony	Fitzgerald	Logan	Salmon
Arnold	Fleetwood	Longworth	Sanders, Ind.
Aswell	Foster	Lowrey	Sanders, Tex.
Ayres	Frear	Lozier	Sandlin
Bacon	Fredericks	Luce	Schafer
Bankhead	Free	Lyon	Schall
Barkley	Frothingham	McClintic	Schneider
Beck	Fulbright	McKenzie	Scott
Beedy	Fuller	McKeown	Seger
Beers	Fulmer	McLaughlin, Mich.	Shallenberger
Begg	Funk	McLaughlin, Nebr.	Shreve
Berger	Garber	McLeod	Simmons
Bixler	Gardner, Ind.	McReynolds	Sinclair
Black, N. Y.	Garner, Tex.	McSwain	Sinnott
Bland	Garrett, Tenn.	McSweeney	Sites
Bloom	Garrett, Tex.	MacGregor	Smith
Boies	Gasque	MacLafferty	Smithwick
Bowling	Gibson	Magee, N. Y.	Snell
Box	Glatfelter	Magee, Pa.	Snyder
Boyce	Goldsborough	Major, Ill.	Speaks
Boylan	Graham, Pa.	Major, Mo.	Sproul, Ill.
Briggs	Greenwood	Manlove	Sproul, Kans.
Britten	Griest	Mansfield	Steagall
Browne, Wis.	Griffin	Mapes	Steadman
Browning	Hadley	Mead	Stephens
Brumm	Hammer	Merritt	Strong, Kans.
Buchanan	Hardy	Michaelson	Summers, Wash.
Bulwinkle	Harrison	Michener	Sumners, Tex.
Burdick	Hastings	Miller, Wash.	Swank
Burtness	Haugen	Milligan	Swing
Burton	Hawes	Minahan	Swoope
Busby	Hawley	Montague	Taber
Butler	Hayden	Mooney	Tague
Byrns, Tenn.	Hersey	Moore, Ill.	Taylor, Tenn.
Cable	Hickey	Moore, Ohio	Taylor, W. Va.
Cannon	Hill, Ala.	Moore, Va.	Thatcher
Carew	Hoch	Moores, Ind.	Thomas, Okla.
Carter	Holaday	Morrow	Thompson
Casey	Hooker	Murphy	Tillman
Celler	Howard, Nebr.	Nelson, Me.	Tilson
Chindblom	Huddleston	Nelson, Wis.	Timberlake
Christopherson	Hudson	Newton, Mo.	Tinkham
Clague	Hudspeth	Nolan	Treadway
Clancy	Hull, Iowa	O'Connell, N. Y.	Tucker
Cleary	Hull, Tenn.	O'Connell, R. I.	Tydings
Cole, Iowa	Hull, William E.	O'Connor, La.	Underwood
Collier	Humphreys	O'Connor, N. Y.	Upshaw
Connally, Tex.	Jacobstein	Oldfield	Valle
Connery	James	Oliver, Ala.	Vincent, Mich.
Cook	Jeffers	Oliver, N. Y.	Vinson, Ga.
Cooper, Wis.	Johnson, Tex.	Paige	Vinson, Ky.
Cramton	Johnson, W. Va.	Parker	Voigt
Crell	Jones	Parks, Ark.	Wainwright
Crosser	Jost	Patterson	Watkins
Cullen	Kearns	Peavey	Watres
Cummings	Keller	Peery	Watson
Dallinger	Kelly	Perkins	Weaver
Darrow	Kent	Perlman	Wefald
Davis, Minn.	Kerr	Phillips	Weller
Davis, Tenn.	Ketcham	Pou	Werts
Deal	Kincheloe	Prall	White, Kans.
Dempsey	Kindred	Purnell	Wingo
Denison	King	Quin	Williams, Ill.
Dickinson, Iowa	Knutson	Ragon	Williams, Mich.
Dickinson, Mo.	Kopp	Rainey	Williams, Tex.
Dickstein	Kunz	Raker	Wilson, Ind.
Doughton	Kvale	Ramseyer	Wilson, La.
Dowell	LaGuardia	Rankin	Wilson, Miss.
Doyle	Lampert	Ransley	Winslow
Drewry	Lanham	Rathbone	Wolff
Driver	Lankford	Rayburn	Wyant
Dyer	Larsen, Ga.	Reece	Wright
Eagan	Larson, Minn.	Reed, Ark.	Woodruff
Elliott	Lazaro	Reed, N.Y.	Woodrum
Evans, Mont.	Lea, Calif.	Richards	Yates
Fairchild	Leatherwood	Roach	Young
Fairfield	Leavitt	Robinson, Iowa	Zihlman

NAYS—11

Black, Tex.	Braud, Ohio	Crisp	Morehead
Blanton	Clarke, N. Y.	Evans, Iowa	Underhill
Brand, Ga.	Colton	Moore, Ga.	

ANSWERED "PRESENT"—1

Hull, Morton D.

NOT VOTING—92

Abernethy	Campbell	Curry	Gifford
Anderson	Canfield	Davey	Gilbert
Andrew	Clark, Fla.	Dominick	Graham, Ill.
Bacharach	Cole, Ohio	Drane	Green, Iowa
Barbour	Collins	Edmonds	Greene, Mass.
Bell	Connolly, Pa.	Freeman	Hill, Md.
Browne, N. J.	Cooper, Ohio	French	Hill, Wash.
Buckley	Corning	Gallivan	Howard, Okla.
Byrnes, S. C.	Crowther	Geran	Johnson, Ky.

Johnson, S. Dak.	Miller, Ill.	Rogers, N. H.	Temple
Johnson, Wash.	Mills	Rosenbloom.	Thomas, Ky.
Kahn	Morgan	Rouse	Tincher
Kendall	Morin	Sanders, N. Y.	Vare
Kiess	Morris	Sears, Fla.	Vestal
Kurtz	Mudd	Sears, Nebr.	Ward, N. C.
Langley	Newton, Minn.	Sherwood	Ward, N. Y.
Lilly	O'Brien	Stalker	Wason
Little	O'Sullivan	Stengle	Welsh
McDuffie	Park, Ga.	Stevenson	White, Me.
McFadden	Porter	Strong, Pa.	Williamson
McNulty	Quayle	Sullivan	Winter
Madden	Reed, W. Va.	Sweet	Wood
Martin	Reid, Ill.	Taylor, Colo.	Wurzbach

So the resolution was agreed to.

The following pairs were announced:

Until further notice:

Mr. McFadden with Mr. Rouse.
Mr. Sears of Nebraska with Mr. Stengle.
Mr. Bacharach with Mr. Park of Georgia.
Mr. Freeman with Mr. Sears of Florida.
Mr. Greene of Massachusetts with Mr. Byrnes of South Carolina.
Mr. Johnson of South Dakota with Mr. Davey.
Mr. Kurtz with Mr. Quayle.
Mr. Madden with Mr. Johnson of Kentucky.
Mr. Langley with Mr. Clark of Florida.
Mr. Morgan with Mr. Morris.
Mr. Porter with Mr. Geran.
Mr. Reid of Illinois with Mr. Sherwood.
Mr. Stalker with Mr. Abernethy.
Mr. Wason with Mr. O'Brien.
Mr. Andrew with Mr. Canfield.
Mr. Connolly of Pennsylvania with Mr. Stevenson.
Mr. White of Maine with Mr. Hill of Washington.
Mr. Sweet with Mr. Browne of New Jersey.
Mr. Kendall with Mr. McNulty.
Mr. Gifford with Mr. Collins.
Mr. Crowther with Mr. Rogers of New Hampshire.
Mr. Graham of Illinois with Mr. Sullivan.
Mr. Vare with Mr. Gallivan.
Mr. Wood with Mr. Bell.
Mr. Winter with Mr. O'Sullivan.
Mr. Mills with Mr. Taylor of Colorado.
Mr. French with Mr. Dominick.
Mr. Johnson of Washington with Mr. Swank.
Mr. Kiess with Mr. Buckley.
Mr. Hill of Maryland with Mr. Howard of Oklahoma.
Mr. Morin with Mr. Thomas of Kentucky.
Mr. Strong of Pennsylvania with Mr. Corning.
Mr. Mudd with Mr. Lilly.
Mr. Welsh with Mr. Drane.
Mr. Vestal with Mr. Martin.
Mr. Wurzbach with Mr. Ward of North Carolina.
Mr. Temple with Mr. Gilbert.
Mr. Tincher with Mr. McDuffie.

The result of the vote was announced as above recorded.

A quorum being present, the doors were reopened.

THE PERSONNEL CLASSIFICATION BOARD

Mr. LEHLBACH. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6896) to amend an act entitled "the classification act of 1923," approved March 4, 1923.

Mr. BLANTON. Will the gentleman ask that the time be controlled by himself and the gentleman from Texas [Mr. BLACK]?

Mr. LEHLBACH. I will ask for recognition and subsequently we can arrange in committee for those opposed.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Personnel Classification Board created by the act entitled "the classification act of 1923," approved March 4, 1923, be, and the same is hereby, abolished.

SEC. 2. That the powers, duties, and functions by said classification act of 1923 vested in said Personnel Classification Board be, and the same are hereby, transferred to the United States Civil Service Commission.

Mr. LEHLBACH. Mr. Chairman, the proposition involved in this bill, H. R. 6896, is a simple one and easily understood. I want to say, in the first place, that it has nothing whatever to do with salaries to be paid in the District of Columbia or salaries to be paid in the field service to employees of the United States.

In 1923, after the matter had been before Congress for about four years, Congress enacted the classification act. The reason for enacting the law to classify the employees of the Government was that an investigation by a joint congressional commission had shown that gross inequalities existed in pay for like work in the Government service; that in some departments people doing a certain class of work received a certain salary; that in other departments some received about three-quarters of that amount for doing the same kind of work, and in another department some received twice as much for doing the same work. There was no coordination, no equality fixed in compensation in the Government service. Salaries could be fixed and promotions made at the whim of the chief of a division or a bureau head.

In order to remove this, Congress determined to adopt the policy which has been adopted in other jurisdictions, to create a classification of the employees, to divide the employees into classes, each class having the same substantial duties and the same qualifications necessary to perform the character of work. That for these classes uniform compensation be provided and that the entire personnel of the Government be allocated or assigned to the class to which a person belonged after an examination has been made of the character of work he was doing.

In order to bring this about, the classification act prescribed a skeleton classification known as the compensation schedules, dividing the entire personnel of the Government in the District of Columbia into broad services—professional, scientific, clerical, and custodial services, to which every employee doing, in a broad way, professional work or subprofessional work, clerical work, and custodial work belongs. Each of these forces was divided into seven or eight grades, the character and quality of work in each grade was broadly defined, and a salary range was provided for each such grade.

The law then provided that this skeleton should be taken and the classification completed, the employees divided into classes, each class put into a proper grade and proper service, and for each such class a salary within the range of the grade in which the classes was to be provided.

So Congress fixed the salaries, broadly speaking, and it was a question of making the classification, allocating the employees to proper classes, and fitting them into the grades where they belonged.

Mr. McKEOWN. Will the gentleman yield?

Mr. LEHLBACH. I prefer to finish my statement. The act provided that in order that this be done there should be an agency to complete the classification, and they created the Personnel Classification Board. The creation of this board was a compromise between the House and the Senate at the time the bill was on its passage. It was hoped that this would meet the requirements and that the work would be accomplished.

Section 3 of the act prescribes that this classification board shall make all necessary rules and regulations not inconsistent with the provisions of this act and provide subdivisions of the grades contained in section 13.

Section 13 is the compensation schedules which I have described as an outline of the classification.

It further provides that the board shall provide such titles and classes as it may deem necessary according to the kind and difficulty of the work; in other words, to create the classes with the grades.

It further provides that the classification board shall do this: Make regulations to provide for ascertaining and recording the duties of positions and the qualifications required of incumbents, and prepare and publish an adequate statement.

This statement was to contain the duties and the responsibilities involved in the classes to be established within the several grades. Bear in mind the plain language of the act—to prescribe—

the duties and responsibilities in the classes to be established within the several grades. * * * (2) The minimum qualifications required for the satisfactory performance of such duties and tasks, and (3) the titles given said classes.

When this classification has been prepared by the Personnel Classification Board and the statement for the guidance of the department heads containing the definitions of the classes, the minimum qualifications, and so forth, issued, then section 4 provides that after consultation with the board, and in accordance with a uniform procedure prescribed by it, the head of each department shall allocate the positions in his department in the District of Columbia to their respective grades in the compensation schedule.

That is, the classification was to be made by the Personnel Classification Board, the definitions of the classes and the duties and the qualifications were to be published in a statement, the titles were to be fixed and published in a statement, and these were to be given to the department heads and then the department heads were to take the employees under their control and fit them in the proper classes, and then the salaries were to be fixed for these employees thus allocated to their classes in accordance with section 6 of the act, which provides rules prescribing expressly what initial salary within the

range of salaries should be given to these employees in these given classes. These rules prescribed, for instance—

2. If the employee is receiving compensation less than the minimum rate of the grade or class thereof in which his duties fall, the compensation shall be increased to that minimum rate.

That is, he shall receive the minimum for the grade or class into which he is allocated. That is the plain letter of the law. That was the intention of Congress—to create a classification of the employees in the Government. This is no new thing. Canada has had that for five years and it is working under it to-day and has no intention of abandoning it.

The State of Illinois, the State of Ohio, the State of New Jersey, the State of Maryland have classifications just like this under which they are working, and they have not the slightest intention of abandoning them. It was thoroughly known what Congress meant by the plain provisions of this act.

When the Personnel Classification Board began to function, it refused to carry out the provisions of the act, it refused to prepare a classification and define the classes, and simply directed the department heads to allocate their employees to 17 grades in a compensation schedule drawn up by the Bureau of Efficiency. As a result, we have a loose revision of salaries, no classification, no check on equality in the departments, and we have a situation where clerks of a certain kind and character doing work in one department in Washington to-day are receiving different rates of salaries from clerks doing the same thing in some other department in Washington. The very purpose of Congress has been set aside by a refusal of the Personnel Classification Board to abide by the plain provisions of the law that created it.

For that reason your committee, after examining this matter, and after hearing all members of the Personnel Classification Board, after an exhaustive study of their minutes, have unanimously agreed that the only remedy is to abolish the board that will not abide by the law and vest its functions in some agency of the Government that will abide by the law passed by Congress. [Applause.]

Mr. BLACK of Texas. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. BLACK of Texas. The gentleman has given very careful investigation to this, and I want to know whether my information is correct. I understand that the increase in the appropriations as actually carried in the appropriation bills that we have passed aggregate as much increase as was estimated before our committee when we had the Classification Board before us. Is not that true?

Mr. LEHLBACH. Substantially; but the gentleman must remember that the compensation schedules were amended upward in some particulars in the Senate.

Mr. BLACK of Texas. I know. I remember I offered a series of amendments on the floor and called the attention of the House to the fact that these professional salaries were going to be out of line, but we adopted it in the House, and I think the principal cause of complaint can be laid at the law rather than at any action of the board.

Mr. LEHLBACH. I call the attention of the gentleman from Texas and of the committee to this fact, that vesting this function in the Civil Service Commission will not increase or decrease the cost of the classification. That is entirely beside the matter. That is the law. The schedules have been adopted by the Congress, fixing the rates of pay, and in all your appropriation acts you have made appropriations for personal services in accordance with the classification act of 1923; but the point is not whether the employees are going to get more or less money, because in the aggregate there will be no difference in that respect, but whether there is going to be an equality, a fairness in the treatment of the employees, a uniformity throughout the departments, and whether the express provisions of the act of Congress are going to be set aside or carried out by the agency that Congress creates.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. CHINDBLOM. What reason did this Classification Board give for not having classified the men in the various grades?

Mr. LEHLBACH. I will read to the gentleman from the hearings what Mr. Graves, the representative of the Bureau of Efficiency on the Personnel Classification Board, says respecting the provisions directing classification to be made and directing employees to be allocated to their respective classes in the classification. This is from the testimony of Mr. Graves:

The CHAIRMAN. I do not know whether I can find the particular paragraph without taking too much time, but I believe it is stated here in this outline of policies of November 12 that the purposes that Congress manifestly had in view in providing for the duties to be performed by the Personnel Classification Board in section 3, the creation of the class specifications, the selection of titles, etc., were two purposes—facilitating the Civil Service Commission to make proper selection of entrants, and to form the basis of useful statistical information?

Mr. GRAVES. That is correct.

The CHAIRMAN. Are those the purposes, you think, after reading the whole act, that Congress had in mind in providing for class specifications?

Mr. GRAVES. There is one further purpose that I had in mind. I did not, I believe, make those exclusively the purposes. There is one other purpose which I think Congress had in mind, and that is to facilitate the selection of employees for promotion and assignment, once they are on the job.

The CHAIRMAN. And do you not believe that Congress had in mind when it wrote section 3 and followed it with section 4 that the duties that the board were to perform, the classification that it was to set up in accordance with section 3, were to be used in making the allocations by the heads of the departments in section 4?

Mr. GRAVES. Not necessarily. I do not believe that Congress required that to be done.

I never heard anything so idiotic in my life. The whole purpose of the act was to create a classification and then to allocate the employees to the proper classes, and they said they did not believe Congress intended to do that; that Congress only passed the classification act containing this provision for complete classification in order that the Civil Service Commission might draw up proper examinations and that statistical information should be at hand, which is arrant nonsense. The board set aside the provisions of this act and made a salary revision of the employees of the Government in accordance with a plan entirely its own, and not in the slightest in accordance with the provisions of the act. I reserve the remainder of my time.

Mr. HASTINGS. Will the gentleman yield in that connection?

Mr. LEHLBACH. I will.

Mr. HASTINGS. As I understand it, the gentleman believes if this were transferred over to the Civil Service Commission the law would be properly construed and be properly administered?

Mr. LEHLBACH. The gentleman from New Jersey is assured of that fact. Furthermore, the Civil Service Commission has the organization. It has to know the qualities and duties of these positions in order to examine the entrants. It has all that information, which has been an integral part of the Personnel Classification Board, and all that material is available for the Civil Service Commission. Furthermore, wherever in the wide world a classification exists it is administered by the Civil Service Commission in that jurisdiction. Furthermore, the Civil Service Commission does not fix the salaries—Congress fixes the salaries—and the only function that the Civil Service Commission has to perform is to draw up general rules and regulations in accordance with the act and its provisions, with reference to the allocation of persons to their proper class of employment. It does not fix salaries at all.

Mr. COLTON. Will the gentleman yield?

Mr. LEHLBACH. I will.

Mr. COLTON. With regard to the workings of the classification for the District of Columbia employees, if this bill should become a law will the work that has already been done have to be done over again by the Civil Service Commission? My understanding is the Classification Board has reported and appropriation has been made on the basis of that report?

Mr. LEHLBACH. These appropriations will not be disturbed for the coming fiscal year. The absorption of the bonus and such increases as accrued to employees under the existing so-called classification, which is no classification at all, will continue, and the Civil Service Commission will immediately get to work and revise and make the classification, and in the future if there are changes in allocation the salaries will be changed accordingly.

Mr. COLTON. Then in fact they have to do over some work that has been done?

Mr. LEHLBACH. It will, but it will not do it in a way to disturb the existing situation. Of course it will make a classification, and there is no classification now because the present law has not been carried out. We want the Civil Service Commission to make a classification that will not disturb existing appropriations or salaries that have been provided for for the coming fiscal year.

Mr. CHINDBLOM. Will the gentleman yield for one more question?

Mr. LEHLBACH. I will.

Mr. CHINDBLOM. At the time the classification act was adopted, both in the House committee and in the work of the conferees, was an attempt then made to put this work in the hands of the Civil Service Commission?

Mr. LEHLBACH. Oh, yes. The original bills fixed upon the Civil Service Commission as the proper agency.

Mr. CHINDBLOM. Does that have the approval of the House committee in the last Congress?

Mr. LEHLBACH. We put it in the hands of the Bureau of the Budget. The Bureau of the Budget does not want it. General Dawes told me at the time we put it in the bureau that he did not want it; that they were not equipped for it; and General Lord has told me the same thing. I want to say this, that each member of the Personnel Classification Board appeared at the hearing and testified that the board was not functioning properly and recommended the adoption of a law abolishing it.

The CHAIRMAN. The gentleman from New Jersey has consumed 18 minutes.

Mr. BLANTON. Mr. Chairman, I ask for recognition.

The CHAIRMAN. Does any member of the committee desire recognition in opposition to the bill? If not, the Chair will recognize the gentleman from Texas.

Mr. BLANTON. I will yield myself 10 minutes.

Mr. Chairman, if I wanted to be partisan and indulge in politics, I would support this bill, because whenever you pass it you are condemning the existing administration. What is this bill asking you to do? It is asking you to place the stamp of disapproval and condemnation upon the Classification Board. That is exactly what you do when you pass this bill. You can not escape it; that is the result and natural consequence; it is the sequence of your action on a yea-and-nay vote. Who constitutes this Classification Board? First, the personal representative of the President of the United States.

Mr. LEHLBACH. That is not so.

Mr. BLANTON. Why is it not so? Is not the Budget the direct representative of the President?

Mr. LEHLBACH. It is the representative of the Bureau of the Budget.

Mr. BLANTON. It is so, and the gentleman knows it. It is awfully easy to get up here and say "It is not so," but everybody who is posted knows that the Budget is nothing in the world but the servant of the President.

Mr. LEHLBACH. So are the other administrations.

Mr. BLANTON. I do not yield to the gentleman. The gentleman ought to obey the rules of the House better than that. The distinguished gentleman from New Jersey [Mr. LEHLBACH] has been here a long time and ought to know the rules and obey them. Now, for a few of us who have been here but a short time, but who have learned the rules and know the Government's business somewhat, we know that the Budget is the personal representative of the President. There is no question about that. Nobody will deny that who knows anything about the Government's business. Now, this Classification Board is composed, first, of a member of the Budget, the President's direct representative. Why, every time that Budget acts they do not sign documents. It is the President who sends his name here attached to their work.

They are the closest to the President of any employees of this Nation, the Budget. But you are asking the House to condemn it, you are asking us to put our stamp of disapproval upon them because you say they disobey the law, that they will not carry out the law of Congress. Whenever you do that you are putting the stamp of disapproval upon your own President and upon General Lord, who is at the head of the Budget, and who is the direct representative of the President. So, therefore, as I said in the beginning, if I wanted to be partisan, if I wanted to indulge in politics, I would help you do that, and I would help you put the stamp of disapproval upon your President's direct representative, but I will not do that because I do not think they deserve it. I have confidence in this Classification Board, I have confidence in General Lord as the head of that Budget. I have confidence in the other two members of that Classification Board, if you please. Who are the other members?

One of them is a member of the Civil Service Commission itself. You are going to condemn him and put it right back into his hands. You ask to abolish him and then put it back into his hands. The third member is a member of the Bureau of Efficiency. Tell me of three men who could better act on this Classification Board. I want to appeal to your common sense; I want to appeal to your sense of fair play in behalf of this board. I want to appeal to your sense of fair play for the American people, if you please. Here is a member of the Civil Service Commission, a member of the Bureau of Efficiency, and a member of the Budget Bureau, that constitute this Classification Board to pass upon the efficiency of the employees, to pass upon their qualifications, to pass upon their proper classification, and, in effect, to pass upon their salaries, if you please. The Budget is the body that tells us just how far we can go in the expenditure of public money.

What are you going to do? Just because a few employees have become dissatisfied, because they have not been allocated to certain grades and classes to which they think they should have been, just because they think they probably have been unjustly treated, you want to abolish this board; and when you take this work away from this Classification Board and obliterate all the work that they have done in the last two years and put it in the hands of the Civil Service Commission and have them do the work all over again, you are still going to have just as many employees dissatisfied, and they are going to be coming back here and wanting you to put it somewhere else.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CELLER. Did the gentleman oppose this Classification Board when it was created?

Mr. BLANTON. Yes; just as I am doing now. I knew just exactly what was going to happen, and I know what is going to happen when you create another board. You are not going to satisfy them. You can not satisfy them. With as many employees as the Government of the United States has, you will always have some dissatisfied. But how could you have a board that is more just or better qualified than the present one that could do justice more than this board has done—more than this board that we have now has done?

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. In just a moment. Do you know we have already passed every appropriation bill except one at this session? That one is the legislative appropriation bill. We have passed all the other bills for all the departments of the Government, every one of them, and already we have put the money in them—the supply bills—to pay the employees under the classification act as executed by this board. Now you are going to change all that and have it to do all over again, with new additional appropriations to be made.

Mr. MORTON D. HULL. You have delivered a fine eulogy on these gentlemen; but the question is, Have they not acted contrary to law under which they were created? That is a fair question. Can the gentleman answer it?

Mr. BLANTON. If that is so, why do you not ask that they be impeached and put out of office?

Mr. MORTON D. HULL. Answer the question.

Mr. BLANTON. I do not believe that they have disobeyed the law. I do not believe that the President's direct representative, General Lord, would disobey the law of Congress. I do not believe the Director of the Budget Bureau would go back on what Congress told him to do. I do not believe the Bureau of Efficiency would do it, and I do not believe the Civil Service Commission would do it. When you say that, you are bringing condemnation not only on those who constitute the Classification Board but you are also bringing condemnation on your own party. If these men have not done their duty, there is a way of punishing them for it. If they have not obeyed the law, there is a way of making them obey the law.

The CHAIRMAN. The gentleman's time has expired.

Mr. BLANTON. I wish I could use more time, but I have promised it to others. I reserve the balance of my time, Mr. Chairman.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield to me for a question?

Mr. BLANTON. I shall have to yield myself a minute more to do so.

Mr. HUDSPETH. If the gentleman will yield himself a minute, I would like to ask him a question.

Mr. BLANTON. Well, I yield myself a minute.

Mr. HUDSPETH. I take it that my colleague is like the rest of us, and has been doing messenger work in the departments?

Mr. BLANTON. Yes; practically every day I have gone to some department.

Mr. HUDSPETH. He has come in contact with many of these people?

Mr. BLANTON. Yes.

Mr. HUDSPETH. Has the gentleman found anybody in the departments who is in favor of this work of the Classification Board?

Mr. BLANTON. I have had some tell me that they are dissatisfied with the work of the Classification Board, but I have not asked them about it. Only a few have complained to me.

Mr. HUDSPETH. The reason for the passage of this act was to reward merit, was it not?

Mr. BLANTON. Yes; and I take it for granted that this board would do that.

Mr. HUDSPETH. I take it that this power has been granted to the several departments.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Utah [Mr. COLTON].

The CHAIRMAN. The gentleman from Utah is recognized.

Mr. COLTON. Mr. Chairman, in the few minutes I shall occupy I expect to address myself to a different phase of this question. It seems to me, gentlemen, that this bill involves a policy that may have far-reaching consequences. We are departing to-day, if you pass this bill, from the original spirit and intent of the law creating the Civil Service Commission. The Civil Service Commission was created for the purpose of determining the efficiency and qualifications of Government employees. It was created for the purpose of examining applicants who desired to enter the Government service.

Now, gentlemen, I am one who believes that that commission is doing its work. I am a strong believer in civil service. But you may rest assured that to-day we are giving the commission other duties than determining the efficiency of applicants for the Government service.

Now, the gentleman from New Jersey [Mr. LEHLBACH] said in the beginning that this had nothing to do with the fixing of salaries. Well, we may all read the law. Let me read to you some of the provisions of the law creating the Classification Board. Among other things the Classification Board, which we are about to abolish if this bill passes, has imposed on it this duty:

> The board shall make necessary adjustments in compensation for positions carrying maintenance and for positions requiring only part-time service. The board may alter, change, or abolish classes, and has the absolute power to make allocations.

With that power it can absolutely fix salaries.

Now, there is a plain authority given to this board, the Classification Board, and by this bill, if it becomes a law, we transfer that duty to the Civil Service Commission. I say to you that when you embark on the policy of giving the Civil Service Commission the right to fix salaries you are embarking on a dangerous one. You are making possible and inviting political influence. You are inviting influences external from those which have heretofore governed and characterized the work of the Civil Service Commission. Gentlemen, this is a departure from the spirit and intent of the law and is fraught with danger.

Now, gentlemen, if it does mean that, how can gentlemen contend that the Civil Service Commission will not, in effect, fix salaries? Will you argue now that the Classification Board has nothing to do with salary fixing? If it does, we are giving that duty to the Civil Service Commission when we pass this bill. I do not believe we ought to do it. I am not passing upon the question of whether the Classification Board is doing or has done its duty. Some say it has and some say it has not. An independent board can be created if necessary, but do not make it possible for every dissatisfied Government employee to be running to the Civil Service Commission for redress. They have other important duties to perform.

There is another significant fact to which I want to call your attention briefly. In the report of this committee reference is made to the fact that the representative of the Civil Service Commission and the representative of the Bureau of Efficiency were not in agreement, but no reference is made to the work of the representative of the Bureau of the Budget. He is the President's direct representative. Why should not the Director of the Budget have a voice?

I ask you to consider well before you embark upon this new policy of fixing new duties for the Civil Service Commission. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I yield six minutes to the gentleman from Oklahoma [Mr. MCKEOWN].

The CHAIRMAN. The gentleman from Oklahoma is recognized for six minutes.

Mr. MCKEOWN. Mr. Chairman and gentlemen of the committee, it is a rather peculiar thing that you have a representative of the Budget on this board, a representative of the Efficiency Bureau, and also a representative of the Civil Service Commission, but you take away the Budget representative, which stands for economy, and you take away the representative of the Bureau of Efficiency, which is supposed to stand for efficiency, and place it all under the Civil Service Commission. I am willing to change it, and I think it ought to be changed. In order that employees may render efficient service, they ought to be satisfied and they ought to be in a good humor toward the Government, but I am absolutely opposed to permitting the employees to pick the forum that is to fix their wages as against the American people, who are the taxpayers of this country.

I am going to offer an amendment to strike out the Civil Service Commission, because, first, it is all the Civil Service Commission can do to allocate these employees by examinations. They can hardly place postmasters now satisfactorily to the people, and now you want to put on them the burden of fixing the salaries of all these employees in addition to the proposition of allocating the employees to their positions. I am going to offer an amendment that a board of three members be appointed, the members of that board not to be residents of the District of Columbia. They are to be appointed by the President, and their compensation is to be fixed by the President.

Mr. UNDERHILL. Will the gentleman yield?

Mr. MCKEOWN. Yes.

Mr. UNDERHILL. Does the gentleman think it possible to get any board or commission, no matter where you pick the members of that board or commission, that will satisfy the employees of the Government, provided such board or commission does not raise their salaries to the point which they have fixed as being equitable and just?

Mr. MCKEOWN. Well, it may not satisfy them, but will help them, and it will at least protect the taxpayers of the United States who are paying the bills, and they are entitled to some consideration when it comes to fixing salaries in the District of Columbia. [Applause.]

You ought to bring here a fair board, and the President of the United States can appoint a board of that kind. He can pick men thoroughly familiar with the subject, men who have had great experience in the matter of compensation and services.

Here is the trouble with the whole matter, and you may as well face it: The trouble in this city is the fact that the employees, many of them, are not giving their full service to the Government of the United States in a whole-hearted manner. And I want to tell you now that a fair board can take the record of these employees and the ones who are trying to do their full duty can be placed in positions of merit; men and women who are trying to serve the Government can be rewarded as they ought to be rewarded, and you can eliminate this pull and influence you talk about as causing dissatisfaction. What will cause more dissatisfaction than to know that a man who is honest in trying to serve this Government and giving honest service is not properly rewarded, and when he knows that a man who is not attending to his business gets a more important place simply because he has pull of some kind?

Gentlemen, the taxpayers of this country are demanding that we have fewer employees, more service, and lower taxes. [Applause.] Yet here is a proposition which involves the welfare of the people of the United States.

Mr. SNELL. Will the gentleman yield?

Mr. MCKEOWN. Yes.

Mr. SNELL. Would the gentleman be willing to vote for each one of the propositions coming up in the near future providing for less taxes?

Mr. MCKEOWN. I have been trying to vote that way. I will say to the gentleman from New York that I have been trying to carry out every proposition I thought would save taxes to the people of the country. I am not one of those fellows who is willing to absolutely strangle the Government and absolutely break it down so that it can not function in order to go home and say, "I voted to reduce taxes." I am willing to carry out a real, regular program that means real reduction.

There is nothing you can lose more than to lose in the proposition of employing people you do not need. It is an absolute loss. A fellow might skin you on a contract to build a bridge, but you would still have the bridge, but when you pay $1,000,000 for services that are never performed or services that are not needed you have thrown it away and it is gone, and you do not have anything to show for it.

The waste of money in salaries is the worst waste that afflicts the Government. You can not carry on a great Government like you can a private corporation or private business, and every man knows there must be some waste, but when you come to the proposition of fixing up the employment

of people in this Government, then you have got to give the matter particular attention, and it is a serious matter. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEHLBACH. Mr. Chairman, how much time has the gentleman from Texas [Mr. BLANTON] consumed?

The CHAIRMAN. The gentleman from Texas has 8 minutes remaining and the gentleman from New Jersey has 12 minutes.

Mr. LEHLBACH. I yield five minutes to the gentleman from New York [Mr. CELLER].

Mr. JEFFERS. Mr. Chairman, excuse me, but will the chairman of the committee yield one minute to me before he yields time to the gentleman from New York, with the consent of my colleague from New York [Mr. CELLER]?

Mr. LEHLBACH. I yield to the gentleman from Alabama such time as he desires.

Mr. JEFFERS. One minute only in order to make a statement and then five minutes to the gentleman from New York [Mr. CELLER]. I am sorry that the gentleman from Utah [Mr. COLTON] has stepped out of the Chamber at this moment, because I want to make a short statement about the attitude of a representative of the Bureau of the Budget who was on this Classification Board. The gentleman from Utah [Mr. COLTON] stated to us a few minutes ago that the representative of the Civil Service Commission and the representative of the Bureau of Efficiency were evidently at cross purposes on this proposition, according to our committee report on this bill, but that the committee which reported this bill out had not said anything about what the representative of the Bureau of the Budget had had to say about the matter. Let me say that Mr. F. J. Bailey was the representative of the Bureau of the Budget and he was the chief of this Classification Board. He was detailed by the Director of the Budget as his alternate as chairman of the Personnel Classification Board. Now, let us see from the printed record what Mr. Bailey himself said about abolishing that board. In answer to a question before our Committee on the Civil Service when Mr. Bailey was a witness before that committee Mr. Bailey said:

> Well, I have lost all the friends I ever had since I came into this work, but I have the courage, however, to tell you what I honestly believe.
>
> Mr. CELLER. That is what we want you to do.

And then Mr. Bailey, the representative of the Bureau of the Budget, acting as alternate or substitute for the Director of the Budget and chief of this board of three men, said:

> I believe that the Personnel Classification Board ought to be abolished.

It seemed that they all felt that way about it.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. CELLER. Mr. Chairman and gentlemen of the committee, I think it is a pretty good proposition, with which you will all agree, that you can at least please some of the people some of the time, but I fear that there are some of us in this House, and particularly the gentleman from Texas [Mr. BLANTON], who will not be pleased under any circumstances any of the time. The distinguished gentleman from Texas [Mr. BLANTON] admitted that when the bill came before this House for the creation of this Personnel Classification Board he objected to the enactment of that bill. He objected to the creation of this board, and now he comes into this Chamber and objects to the abolition of the board. I would like to know where the gentleman from Texas really stands on this proposition.

Mr. BLANTON. For the people.

Mr. CELLER. Well, the people want this board abolished. There has been ceaseless agitation with reference to this Personnel Classification Board ever since it came into being, and why? There has been the greatest amount of distrust in its work, not only among the employees themselves but amongst the general public throughout the country.

What should be the purposes of classification? What should be the guiding principle of the Classification Board? I have taken the trouble to work out what I think should be the four cardinal principles of classification, and they are these:

1. A guide to the employing agency—that is, the Civil Service Commission—in selecting employees.
2. A chart for purposes of salary increases and promotion in rank.
3. A definite scheme of compensation for services rendered which shall be uniform throughout the service.
4. A basis for budget making by the President and for appropriations by Congress for personal service.

Applying these standards to the Personnel Classification Board we find them woefully lacking and most ineffectual in carrying out all four of these propositions.

They have not been a guide to the Civil Service Commission in the employment of men or in the classification of men. They have not been a guide for purposes of salary increases or promotion in rank. They have not evolved a definite scheme of compensation which shall be uniform throughout the country; and they have been no aid whatsoever in the Budget making, and the distinguished representative of the Budget Bureau on the board practically admitted that himself in the hearings before our committee.

We pay to Federal employees throughout the country, both in the District of Columbia and in the field service, $750,000,000 per annum. Surely that is a tidy sum, my good friends, and we ought to know where that money is going and ought to see to it that those who receive that money receive it properly. There should be at least equal pay for equal work throughout the country no matter what the class of work might be, but that condition has not obtained with reference to the operations of the Personnel Classification Board.

A congressional joint commission a few years ago reported that—

> the lack of a comprehensive and competent employment policy and of a central agency fully empowered to administer it had produced most glaring inequalities and incongruities in salary schedules, pay roll titles, and departmental organization, with much resultant injustice, dissatisfaction, inefficiency, and waste.

Employees whose duties accurately class them under the title "senior file and record clerk" have appeared in recent pay rolls under 107 different designations, including "boss painter," "statistician," and "trouble chaser."

To remedy these evils we set up the Personnel Classification Board when we passed the classification act of 1923. It is purely and simply a classification agency. The classification act directs the board to—

> subdivide the grades into classes and supply titles and definitions for them and to publish a statement containing the duties and responsibilities in the classes to be established within the several grades, the qualifications required for such duties, and the titles given to said classes; it thereupon directs the department heads procedure prescribed by it, to allocate all positions to their appropriate after consultation with the board and in accordance with a uniform grades in the compensation schedules and fix the rate of compensation of each employee in accordance with the rules prescribed in section 6 of the act. Section 6 contains six rules prescribing the method of fixing the exact rate of pay within the salary range of the grade or class thereof to which an employee is allocated that he is initially to receive. The act contains compensation schedules, being such an outline or skeleton of a classification as above described.

Instead of carrying out these exact and clear provisions of the law, the board failed to subdivide the grades into classes and refused to furnish titles and definitions, flagrantly failed to publish any data or statements for the guidance of department heads, disregarded all instructions contained in the law, and practically made no classifications whatsoever. Naturally complaints from employees were heard on all sides. Such loose methods that it adopted and its direct violation and evasion of law should no longer go unchecked.

The board consists of a representative of the Bureau of Efficiency, a representative of the Bureau of the Budget, and a representative of the Civil Service Commission. There has never been any harmony between these representatives. Its history has been one of continuous conflict between the representative of the Efficiency Bureau and the Civil Service Commission, whose representative has always insisted upon a real classification program. The representative of the Bureau of the Budget sided with the representative of the Efficiency Bureau. There has been thus two hostile camps. The public has grievously suffered and fallen between two stools.

It has therefore become necessary to abolish this board and place its work and functions where it properly belongs—in the care of the Civil Service Commission. That is just what this bill, H. R. 6896, does. Section 2 thereof reads as follows:

> That the powers, duties, and functions by said classification act of 1923 vested in said Personnel Classification Board be, and the same are hereby, transferred to the United States Civil Service Commission.

Mr. UNDERHILL. Will the gentleman yield?

Mr. CELLER. Yes.

Mr. UNDERHILL. Do you think an employee of the Government in New York should be paid the same amount as the Government employee in the same position, we will say, down in some of the Southern States where they do not have the expense of fuel and where they have plenty of open spaces——

Mr. CELLER. No; by no means. I would be for the principle that the man in New York, who has to live under a higher scheme of living and pay more for his fuel and food and transportation, should get a better and higher salary than the man who lives otherwise; but that is a matter for this Congress to take care of in the classification bill. That is not a matter nor is it meet for the Personnel Classification Board.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CELLER. I yield to my colleague from New York.

Mr. LAGUARDIA. Regardless of whether there is a differential in pay, the gentleman, of course, believes that Government employees should get a decent living wage.

Mr. CELLER. Substantially correct. I could not put it in any better language.

Mr. UNDERHILL. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. UNDERHILL. A decent wage, or a living wage, in New York might be more than a decent wage in some other location; or, to put it the other way, what might be a decent wage in one locality would not be enough to take a man through the winter in New York.

Mr. CELLER. Your question answers itself. That is substantially so. There is no question about it.

Mr. UNDERHILL. But you have just stated——

Mr. CELLER. That must be qualified by the fact that we must take into consideration the living conditions that obtain in different parts of the country and operate differently.

Mr. UNDERHILL. But you did not include that.

Mr. CELLER. I probably took it for granted that my statement would be qualified by those factors.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LEHLBACH. I yield to the gentleman from New York two additional minutes.

Mr. CELLER. Now, what are the examples of the glaring inequalities with reference to the work done by the board?

We find, for example, in the Children's Bureau, that the Director of the Children's Bureau and all her staff have the same pay as employees in a much minor agency. In other words, the head of the Children's Bureau who will have under her care and charge, supervision and enforcement of the child labor law amendment or any Federal laws that might be passed with reference thereto will get a salary which will be far lower, if the Personnel Classification Board principles obtain, than she is really entitled to. Furthermore, for example, we find that the allocations of positions in that bureau were most unscientific and unfair. This board has kept secret its proceedings and minutes. There is no way of discovering what sort of final review, if any, the board itself gave or what considerations entered into its action.

The board has taken the extraordinary position that it could assign jobs to a salary scale first and define and classify them afterwards—putting the cart before the horse in a fashion that seems to defy both logic and the law, and it is doubtful whether it can or will get the horse in front again.

The result, as was to be expected, is a muddled schedule which, so far as genuine progress toward civil-service betterment goes, is a loss rather than a gain. Clerks doing identical work, according to the written report of their superiors and their own statement, appear in three different salary grades.

Nurses are denied a professional status and in the District of Columbia rank as subprofessionals. Out of 353 employees in the Library of Congress directly concerned with library service only 23 have been rated as professionals. The chief librarian of the Department of Agriculture and the Department of Labor, each with a collection preeminent in this country, rank as clerical, administrative, and fiscal employees, where they should be ranked much higher than that. But this reclassification board, under principles most outlandish, look to salary only and do not look to the human factor and the elements with reference to the work performed. They have their eyes on the Budget; they have been guided primarily by the representatives of the Budget and Efficiency Bureau. This body must not act like a cold, calculating machine, for there are human beings to be dealt with and they must be dealt with in a human and kindly fashion. [Applause.]

Mr. BLACK of Texas. Will the gentleman yield?

Mr. CELLER. I will.

Mr. BLACK of Texas. My friend has mentioned the different departments of the Government service where they should have more liberal classification. Has he made any estimate of how much additional it will cost the Government if we give all the departments a classification they think they ought to have?

Mr. CELLER. I think some employees get more than they are entitled to and some get less, and there will be a general average. I do not believe there will be any further expense to the Government whatever.

Mr. BLACK of Texas. There will be a further expense if they do what the gentleman has outlined. Now, the gentleman mentioned the Chief of the Child Labor Bureau as being dissatisfied with her classification.

Mr. CELLER. I did not say she was dissatisfied; she has made no objection.

Mr. BLACK of Texas. Well, leave the dissatisfaction out. The question I want to ask is: What salary is she now receiving, and what increase will the classification which has been made be over the present law?

Mr. CELLER. I am not able to state what she is receiving. I am not a member of the Personnel Classification Board or the Civil Service Commission. I do say, however, that she ought to get dollar for dollar's worth of service—what her services are worth—and she is not getting that now.

Mr. BLACK of Texas. The question I asked the gentleman is: What raise is she going to get under the reclassification by the Personnel Board?

Mr. CELLER. I can not answer that question. I say she is getting an insufficient amount of salary now, and she will have more duties after we pass the child labor law—a fact which will aggravate the inequality.

The Civil Service Commission is the logical body to handle the work of classification. That body at the present time conducts examinations for employment and issues ratings and certifies for employment. Its present work falls right in line with the work of classification. This bill therefore should prevail.

Mr. BLANTON. Mr. Chairman, I yield three minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Chairman, I am not going to have anything to say about the reclassification made by the Reclassification Board. That is a complicated subject, and I confess to you that I do not know whether their classification is correct or incorrect. But I do not believe that Congress should undertake to place in the Civil Service Commission, which examines and certifies civil-service applicants, the right to fix their salaries. [Applause.] In saying that I do not intend to reflect on the Civil Service Commission, for I have the highest regard for every member of that commission. I do not believe that any Government official here in the District of Columbia should be vested with this authority. I think the amendment offered by the gentleman from Oklahoma [Mr. MCKEOWN] should be adopted.

What is the situation? This reclassification law was passed, and representatives of the Civil Service Commission, the Bureau of the Budget, and the Bureau of Efficiency were made members of the Reclassification Board. The Bureau of the Budget is the personal representative of the President. It is interested in the question of economy in public expenditures, and surely no man will say that the President of the United States or his representative is interested in reducing the expenditures of the Government in a manner that would work an injustice to any civil-service employee. The Bureau of the Budget is primarily obligated to hold down the expenses of the Government, so far as it can be properly done, and if that is not its duty it ought not to have been established. The Bureau of Efficiency is interested in what? What its name implies; and if the bureau is not doing its duty under the terms of the law which provides for the Bureau of Efficiency, it ought to be abolished.

Here is a proposition to remove from the Reclassification Board the two representatives who are interested in economy and in efficiency [applause] and to put the duty of classification exclusively in the hands of the Civil Service Commission. Gentlemen, it ought not to be done. The Civil Service Commission ought not to have the right to fix salaries, but they ought to be fixed by an independent board, such as the gentleman from Oklahoma proposes. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield the remainder of my time, three and a half minutes, to the gentleman from Illinois [Mr. MADDEN].

Mr. LEHLBACH. I also yield the gentleman two minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for five and a half minutes.

Mr. MADDEN. Mr. Chairman and gentlemen, in the beginning of the consideration of the classification law I think I was opposed to the kind of board that was finally agreed upon. I did not think we should have a classification board

composed of Government employees empowered to fix salaries for themselves and their associates. That is what we have done. That board consists of the Civil Service Commission or a substitute; it has been a substitute, a Director of the Budget or a substitute, and it has been a substitute, and the Bureau of Efficiency or a substitute. Now I maintain that the interests of the people of the United States are too great—I mean the people who are not on the Government pay roll—to allow employees to fix their own pay.

Somebody has to pay these bills. I pay my share. I want to pay those who are working for the Government decent pay, but I want the pay to be fixed by an independent body which will not be under the control of the organization of the men and women who are on the pay roll. [Applause.] How can we do that? We can not do it by putting it into the hands of the Civil Service Commission. The Civil Service Commission already has more than it ought to be called upon to do. It provides eligibles for places in the Government service. It provides the conditions under which they will go into the service. It ought not to be permitted to provide the pay. The Civil Service Commission's work will be performed by men who are working for the Government, and they ought not to be permitted and have no right whatever to be authorized to fix the pay.

Mr. SNELL. As I understand it, the salaries were fixed in the original act, and they did not have anything to do with fixing the salaries.

Mr. MADDEN. The salaries were not fixed in the act. The board was authorized to fix the salaries.

Mr. SNELL. That is not the original act, as I understand it.

Mr. MADDEN. The salaries are not fixed in the act. If the salaries were fixed in the act, why is the board required to allocate men at the different places? It is the grades that are fixed and the salaries for the grades.

Mr. SNELL. The gentleman just made the statement that they may allocate the men.

Mr. MADDEN. The grades are fixed.

Mr. SNELL. The grades are fixed, and this board is to allocate the men.

Mr. MADDEN. That is equivalent to fixing the salaries.

Mr. SNELL. Not at all.

Mr. MADDEN. Of course, it is. They fix the salaries absolutely by allocating the people who are to go into the different grades and classes. Of course, they do. There is no question about that. The law fixes the grades and then it permits the fixing of classes. You have seven or eight classes in a grade, and it is within the power of the board to say what class within a grade anybody in the Government service shall go into. Is not that true?

Mr. SNELL. That is an entirely different proposition.

Mr. MADDEN. It is the same thing.

Mr. SNELL. Under the direction of the chief of the department, he may do that.

Mr. MADDEN. I do not yield.

Mr. SNELL. But the gentleman directed a question to me.

Mr. MADDEN. I made a statement, and I maintain the truth of the statement which I made. More than that, what we should do is to legislate for the public, for the entire public, and not for a part of the public. I maintain that there are more in the public than those who are on the public pay roll.

Mr. BLANTON. Not many more.

Mr. MADDEN. I believe that those who are not on the pay roll ought to be given some consideration by Congress, and you can not give the public consideration if you permit the Civil Service Commission to fix the compensation of the Government employees. The way to remedy the trouble is to give to the President of the United States the power to appoint an independent body of three men who will speak for the President and have the right to fix the pay of those who are employed by the Government. That is the way to do it. [Applause.]

Mr. LEHLBACH. Mr. Chairman, the gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, and the gentleman from Tennessee [Mr. BYRNS], a member of that great committee, apparently are unacquainted with the provisions of the classification act of 1923. The salaries to be paid the employees in the District of Columbia are fixed by Congress in the law. [Applause.] The law provides that the Personnel Classification Board shall divide the employees into classes, and that those classes shall be fitted into the grades within salary ranges fixed by Congress.

Mr. MADDEN. Of course, I said that.

Mr. LEHLBACH. Those grades are defined.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. No; I will not yield.

Mr. MADDEN. I said what the gentleman said.

Mr. LEHLBACH. Take grade 7, for instance, of the clerical administrative and fiscal service. I read from the law:

> Grade 7 in this service, which may be referred to as the assistant administrative grade, shall include all classes of positions the duties of which are to perform, under general supervision, responsible office work along specialized and technical lines, requiring specialized training and experience and the exercise of independent judgment, or as chief clerk to supervise the general business operations of a small independent establishment or a minor bureau or division of an executive department, or to supervise a large or important office organization engaged in difficult and specialized work.

Some one who is not doing that work can not get that salary, and no civil-service commissioner or anybody else can give them any other salary than what they are entitled to by reason of the work they do, if the classification is made and the men are properly allocated to their various grades in the classifications. The reason favoritism has crept in, the reason there is a sort of flexibility as to what salaries are paid in the District is because the classification board has disobeyed the law. You get your employee and have him fitted into the class where he belongs, and you have the salary fixed by law. That is the law.

Mr. BYRNS of Tennessee. But there is a maximum and a minimum rate.

Mr. LEHLBACH. Mr. Chairman, I call for the reading of the bill.

Mr. COLTON. Mr. Chairman, I ask unanimous consent to extend my remarks, which I made upon this subject, in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

> *Be it enacted, etc.*, That the Personnel Classification Board created by the act entitled "The classification act of 1923," approved March 4, 1923, be, and the same is hereby, abolished.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. What the gentleman from New Jersey [Mr. LEHLBACH] said can not make any of you gentlemen believe that the gentleman from Illinois [Mr. MADDEN], chairman of the Committee on Appropriations, does not know what he is talking about when he made his statement to you. He is the man who passes upon these salaries finally, when he puts them in the appropriation bills. Do you men think that the gentleman from Tennessee [Mr. BYRNS], who has been on this committee all these years, does not know what he is talking about? Here are the facts, and the gentleman from New Jersey will not deny them. Congress has fixed certain classes and grades for employees and has fixed the salaries for those classes and grades. What this board does is to fit men into those grades and classes.

Mr. LOZIER. To put pegs into holes.

Mr. LEHLBACH. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Not now. The gentleman will not deny what I say when I get through. Let us take an employee who is drawing, say, $2,500 a year.

Now, this present board, or if you pass this bill, the Civil Service Commission, fits that man into a grade or class that draws $3,000. This Classification Board, regardless of its personnel, will fit that employee into a job that would draw either $2,750 or $3,250 or $3,500 or $4,500, as it sees fit. No one will deny that. So after all, do not they fix the salaries? If the board can take a man from his present $2,500 position and put him in the class and grade that draws $3,000 or $4,000 or $5,000, does not the board raise the salary for that particular individual? Why, of course, and that is the main reason now for making the change.

Now, I am inclined to believe that a Federal board composed of a member of the Budget Committee, I say again, who is a direct personal representative of the President, that believes in economy, that stands for economy, that seeks economy, and another member of the board, a member of the Bureau of Efficiency, that seeks to bring about the greatest amount of efficiency possible in the service of employees—I believe that a personal board like that which is directly under the thumb and the supervision of the President, I believe that it will do right by the employees and the people more than the civil service will, that has nothing to do with efficiency, that has nothing to do with economy, that only has to do with the placing of employees in certain positions of the Government. Now, it is up to you gentlemen to vote on this matter, but I want to repeat what I said in the beginning.

that whenever you pass this present bill here you are putting your stamp of disapproval and condemnation on the personal and direct representative of the President. The gentleman read what Mr. Bailey said about getting off this board. I do not blame him. I know what it means to be cursed when you stand up in front of and stop somebody's bill that it is desired to pass. Every time a man stands in front of another man's bill that they want to pass he gets cursed, and that is the position of Mr. Bailey, and he wants to get out of that position.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUDSON. Mr. Chairman and gentlemen of the committee, you would think that our colleague from Texas [Mr. BLANTON] was a modern bootlegger by the smoke screen he usually puts up in his arguments. The crux of the matter before us in this bill is this: That Congress passed a law creating a board to create a better service and satisfaction and harmony among the employees of the Government and for economy and efficiency. The board disregarded absolutely the law enacted by the Congress.

Mr. MADDEN. Will the gentleman yield?

Mr. HUDSON. This bill repeals that board. That is the crux of the whole matter. It is not a question of salaries fixed by this board. The board does not fix the salaries, and the Civil Service Commission, if Congress turns it over to them, will not fix the salaries.

Mr. MADDEN. I want to ask the gentleman a question.

The CHAIRMAN. The gentleman declines to yield.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. The gentleman would not yield. And I want to deny the statement made by the gentleman from Michigan [Mr. HUDSON] to the effect that the board has violated the law. I deny that. The board has maintained the law. [Applause.] But there is dissatisfaction everywhere among the Government employees because one crowd of men have gone into a higher grade than the other. That is what is the matter, and——

Mr. HUDSON. They admit in the hearings——

Mr. MADDEN. I do not yield. They want to fix the board that fixes the salary and allocates them, and it is not fair. There is a public interest here, and that public interest must be protected. It must be protected by those who are here speaking for the public or not at all. Now the question is, Are we going to protect the public interest or are we going to take the mandate of those who are on the Government pay roll as to what the public interest is? That is the question. That is the only question that is before us. Now are we going to do our duty or are we going to be driven from the purpose for which we are here? Are we going to observe the oath we took when we took office that we would preserve and protect the law?

Mr. CELLER. Will the gentleman yield at that point?

Mr. MADDEN. I do not yield. We are here, if we are here for anything, to speak for all the people, to do justice to everyone and to see that no injustice is done to anyone, and I maintain that if we permit those who are on the Government pay roll to dictate the Federal governmental policy that we no longer have any right here.

Mr. LEHLBACH. Will the gentleman yield for a question?

Mr. MADDEN. No; I do not yield. The gentleman would not yield to me some time ago, when I asked him.

Mr. LEHLBACH. But I had only two minutes.

Mr. MADDEN. Now the question is, Gentlemen, Have you got the courage to do your simple duty?

Mr. CELLER. Will the gentleman yield to me? I did not refuse to yield.

Mr. MADDEN. I will not yield to anybody just now. The question I am asking is, Have we got the courage to do our duty? That is the question that confronts us. What is our duty, to abrogate or assign our duty to assert the rights we are exercising on behalf of the people who can not be here for themselves? It is up to you, the responsibility is yours. You can either cast your vote for all the people or only a few people, and if you cast your vote for all the people you will vote to amend the bill that is before us by creating a commission of three and refusing under any circumstances to turn this great responsibility over to the Civil Service Commission, which body is already overloaded with public duties. [Applause.]

Mr. LEHLBACH. Mr. Chairman, I move to strike out the last two words. I want to call the attention of the gentleman from Illinois to the fact that I yielded to him of my time in general debate in order that he might have an opportunity to oppose this bill, but he says I did not yield to him and refused to yield to me on that ground. I do not think he appreciates exactly the situation. I want to ask the gentleman from Illinois to answer me two questions.

Mr. MADDEN. I will answer them.

Mr. LEHLBACH. Does the classification act of 1923 provide that a classification of the employees of the Government shall be made?

Mr. MADDEN. It certainly does.

Mr. LEHLBACH. Has a classification been made?

Mr. MADDEN. It has, as to the District of Columbia; and that is all that the law provides.

Mr. LEHLBACH. The representative of the Bureau of Efficiency, on page 72 of the hearings, admitted that no classification had been made, and said it was not necessary to make a classification in order to allocate men for the purpose of fixing their salaries. In other words, they disobeyed the plain mandate of the law?

Mr. MADDEN. I am not answering the question as to the Bureau of Efficiency in making my answer to the gentleman from New Jersey. The gentleman can not hide behind the skirts of the Bureau of Efficiency in response to the answer I gave to his question.

Mr. LEHLBACH. The gentleman from Illinois says that a classification has been made, but the people who were charged with that duty admit that it has not been made.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. COOPER of Wisconsin. It has been stated here many times that salaries have not been fixed in the law. But this is an utter mistake. Take section 13 of the law; I can not read it all, but it fixes definitely all the rates of compensation. For example, grade 1:

> The annual rates of compensation for positions in this grade shall be $1,860, $1,920, $2,000, $2,100 $2,300, and $2,400.

Then, referring to grade 2, the law provides:

> The annual rates of compensation for positions in this grade shall be, $2,400, $2,500, $2,600, $2,700, $2,800, $2,900, and $3,000.

As to grade 3 the law provides:

> The annual rates of compensation for positions in this grade shall be $3,000, $3,100, $3,200, $3,300, $3,400, $3,500, and $3,600.

Mr. LEHLBACH. And the salary that each man in each grade is to receive is fixed in the law itself, as to which of these salaries he shall receive.

Mr. COOPER of Wisconsin. Yes.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. No; the gentleman will please excuse me.

It has been said here with much earnestness that no employees of the Government ought to be allowed to fix their wages. Well, nobody makes any proposal of that kind. There is not in the pending bill, there is not in the law, which it proposes to amend, any such proposition. And if there ever has been in the House of Representatives a deliberate setting up of a man of straw in order, incidentally, to talk about the taxpayers, this pretense about employees fixing wages, is one most easy to see through. There is no proposition in the pending bill that employees shall fix their wages. On the contrary, the compensation in all the grades is specifically fixed in section 13 of the law.

The only question before us is this: Shall a body of men, one of whom admitted in the hearings that no classification had been made, and admitted also that the law required the classification to be made—in other words admitted that there had been deliberate disobedience to law—be allowed longer to ignore their plain duty?

This Committee on the Civil Service, a splendid committee, urges the passage of this bill and I shall vote for it.

Mr. LEHLBACH. Mr. Chairman, I want to move to close debate.

Mr. BLACK of Texas. Mr. Chairman, I want five minutes.

Mr. LEHLBACH. I move that all debate on this question and all amendments thereto close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLACK of Texas. Mr. Chairman, it has been stated that the classification act itself fixes the salaries. Well, now, of course, as a matter of law it does fix the salary scale. We all know that.

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. DALLINGER. It also fixes the duties of each class and grade?

Mr. BLACK of Texas. Yes; it does that. But, of course, every member of the committee knows and every Member of the House knows that in the administration of the act and in the allocation of employees a very great difference can be made in the charge upon the Government Treasury. No one knows that better than the distinguished chairman of this committee, the gentleman from New Jersey [Mr. LEHLBACH]. I am not, of course, questioning his good faith in the support of the Civil Service Commission as the classification agency. But he knows, as every Member of the House knows, that if that act is not fairly and justly administered, both to the Government and to the employees, there would be opportunity for great dissatisfaction. I simply do not regard the Civil Service Commission as a proper classification agency.

As I stated in my statement in opposition to the rule, while I had not opportunity as a member of the committee to investigate the criticism that had been made of the Personnel Classification Board, I did know, because of my former membership on the committee, that the aggregate cost of classification will be all and more than had been estimated for before our committee; and no one knows it better than the gentleman from Illinois [Mr. MADDEN]. In fact, Members of the House have been criticizing the Committee on Appropriations because of the largeness of the increase of some appropriations for salaries over those of last year, and the distinguished gentleman from Illinois and the distinguished gentleman from Tennessee [Mr. BYRNS] have been offering a correct explanation, to wit, that they are bound by the classification which has been made under the classification act. They have stated the facts correctly.

Now, I was on the committee which framed the law, and I think the law is a good law; not all of it, not every section of it——

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. In a moment. I helped in my humble way in framing that law, and it was well understood that the purpose of it was to continue the basic salaries plus the temporary increase of $240 given during the war and the immediate years following the war, and that in addition to those two things there would be a correction of inequalities which existed and that this correction would involve an increase of about 5 per cent in the aggregate of appropriations for salaries. I will ask the gentleman from Illinois, chairman of the Appropriations Committee, who, because of his position, has made a closer study than I, Has there not been more than 5 per cent increase over the so-called bonus and basic law?

Mr. MADDEN. Yes. It is about 7 per cent. As it looks to me it will cost, as far as I have been able to figure it out, about $15,000,000 above the present appropriations for the current year.

Mr. LEHLBACH. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. LEHLBACH. Were not the schedules, as they passed the House, increased in the Senate, and if the schedules had remained in the bill as it passed the House would it not have been 5 per cent?

Mr. BLACK of Texas. The gentleman is correct about that. In fact, if the series of amendments which I offered on the floor of the House reducing the higher salaries by a uniform reduction of 10 per cent, and which the House overwhelmingly adopted, had been retained in the bill, there would have been very little, if any, additional cost. But the Senate struck out these amendments of mine, substituted the increased scale of salaries, and that fact accounts for the increased appropriations.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLACK of Texas. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The time has been fixed. The gentleman from Indiana [Mr. WOOD] is recognized for five minutes.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, I wish to say, in answer to the assertions which have been made that the law has not been complied with, that the Attorney General of the United States on the 1st day of February rendered a decision in which he held that the reclassification law has been complied with. [Applause.]

The trouble with this whole business has arisen by reason of the fact that one member of this board has tried to comply with the law, another member of it has not tried to comply with the law, and the other member has been wabbling between the two. That has been the trouble.

Now, gentlemen, let us not be deceived by what the purpose of this bill is. This bill has for its purpose the breaking down of the law. The desire of the gentlemen who are back of this measure is to place this responsibility with the Civil Service Commission, so that that commission will have two members on the board. That is the first step. The second step is to take the responsibility for efficiency away from the heads of the various departments, so that they will have no voice whatever in determining whether a man shall be fired or not, and whenever you have done that thing you have absolutely undermined every bureau in this Government of ours.

Who is best calculated to know whether one of a hundred employees is discharging his duties as he ought to discharge them? Somebody who is charged with that responsibility as the head of the bureau can best do it. The Civil Service Commission, which is far removed and knows nothing about what is actually going on can not do it.

Mr. CELLER. Will the gentleman yield?

Mr. WOOD. No; I can not yield now. That is the real purpose of this attempt, so far as abolishing this classification board is concerned. I dare say the individual members of it would be very glad to be discharged, but the responsibility is on the Congress of the United States. If there is anything to be done there should be a reclassification board entirely apart from the Civil Service Commission. You are not only going to destroy the purpose of this reclassification by lodging the responsibility in the Civil Service Commission, but you are going to undermine the function of the Civil Service Commission itself. That commission has quite enough to do now in finding the people who are qualified to serve in these various positions without being the guardian over their conduct when they go into the various places of action. That responsibility should be lodged in the head of the bureau or division that has supervision over the employees, the man who is responsible, if you please, to his chief or to his Cabinet member.

The greatest mistake we can commit, in the first place, is to transfer this responsibility to the Civil Service Commission, thus making it a clearing house for what? Why, the complaints of every one of these men and every one of these women who are more or less dissatisfied with their present wage and with their present environment. That responsibility should not be in the Civil Service Commission. The prime purpose of the Civil Service Commission is to inquire into the fitness and qualification of the civil-service applicants. Then their duty should cease. The responsibility after that time, so far as reclassification is concerned, should be lodged in some independent commission or bureau, and the responsibility for efficiency at no time should ever be taken away from the head of the division or bureau who is responsible, if you please, to the Government and to those who are his superiors for the conduct of his division and for the conduct of the work in his division.

So do not let us be fooled. There are a number of gentlemen who are doing nothing else than trying to undermine, if you please, the functions of this body. They are trying to put into our mouths what we shall say and what we shall do. They are trying, if you please, to legislate and have a government inside of a government, to which they are not responsible and to which they do not even have to respond.

If this Congress is to be what the people intended it should be—representative of the interests of all the people—it will assume all of that responsibility and will not allow it to be delegated to a few self-serving people who care but little as to the efficiency of performance. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The Clerk read as follows:

> SEC. 2. That the powers, duties, and functions by said classification act of 1923 vested in said Personnel Classification Board be, and the same are hereby, transferred to the United States Civil Service Commission.

Mr. McKEOWN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. McKEOWN: Page 1, line 8, after the words "transferred to," strike out the words "the United States Civil Service Commission" and insert "a board of three members, not now employees of the Government and nonresidents of the District of Columbia, appointed by and their compensation fixed by the President."

Mr. McKEOWN. Gentlemen, I discussed this amendment awhile ago in general debate. I am willing to risk the President of the United States to select a body of men who will be fair to the employees of the Government as well as fair to the people of the United States, who pay the taxes. [Applause.] I have discharged my full duty, just as you will have discharged yours when you have voted on this proposition.

My amendment provides that this board shall be appointed by the President of the United States and that the members of the board shall not now be employees of the Government and not be residents of the District of Columbia. They will not be influenced by their residence in the city of Washington; they will be willing to do what is right, because the President can select three good men. I am willing to change the present rule, because there is great dissatisfaction among the employees of the Government, and we shall get nowhere by leaving the employees dissatisfied and feeling that injustice has been done to them.

Mr. HUDSON. Will the gentleman yield for a question?

Mr. McKEOWN. I yield to the gentleman.

Mr. HUDSON. You believe the present board ought to be abolished because it has not rendered satisfactory service?

Mr. McKEOWN. I believe the present board ought to be abolished for the reason that the employees all seem so dissatisfied, and you can not get proper service from dissatisfied employees. The gentleman knows that.

Mr. HUDSON. The committee agrees with the gentleman that they ought to be abolished.

Mr. DALLINGER. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. DALLINGER. If the gentleman wants the present board abolished, why is not the Civil Service Commission, which under the law now fixes the ratings of all civil-service employees and determines their promotions and examines them—why is not that the logical board under the law to put them under as to the proper class and and grade to which they should belong?

Mr. McKEOWN. Because they can hardly allocate proper persons now for the Government satisfactory to the heads of departments and to the taxpayers, and they are employees of the Government now.

Mr. TINCHER. Will the gentleman yield?

Mr. McKEOWN. I yield to the gentleman.

Mr. TINCHER. As I understand it, you think we ought to change the system, but in the interest of economy, because the Civil Service Commission is so busy, we ought to create a new board with unlimited salaries.

Mr. McKEOWN. I am willing to trust the President of the United States, who is of the same political faith as the gentleman, to fix salaries. He has not indicated any desire to be extravagant so far in his conduct. [Applause.]

Mr. TINCHER. No; and I think he would want to leave it to the board already established.

Mr. BROWNING. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BROWNING. Is the gentleman's objection to the Civil Service Commission the fact that they are already employees of the Government?

Mr. McKEOWN. I do not know what the gentleman's experience with the Civil Service Commission has been, but my experience with them is that they have not made any great record in allocating proper persons to positions in the service of the United States, much less giving them the power to also fix the salaries. They do not represent the people of the United States except in the way of employees, and they will have all kinds of influences thrown around them.

Mr. BROWNING. If a new board is created, they will also be employees of the Government.

Mr. McKEOWN. They will be employed like the Budget Bureau. They will have special employment, so that the rights of the taxpayers of the United States will be cared for as well as the rights of the employees of the United States.

Mr. BROWNING. Yes; and I will call the gentleman's attention to the fact that one member of the Budget is one reason for this predicament we are in to-day.

Mr. McKEOWN. Yes; but if the President of the United States appoints these three men, he will be able to get three good men who can be fair to these employees. You gentlemen know that the Government can not be run in the same economical way that private business is conducted, because under our form of government there is too much influence, there is too much pull and too much opportunity for the fellow below the man above him to do as he wants to do, and the man above him can not make him do what he ought to do. I will tell you now that there is too much laxity in all this business.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. LEHLBACH and Mr. CHINDBLOM rose.

The CHAIRMAN. Does the gentleman from New Jersey desire recognition?

Mr. LEHLBACH. Mr. Chairman, I ask unanimous consent that all debate on this section close in 13 minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CHINDBLOM. Mr. Chairman, I shall support the amendment offered by the gentleman from Oklahoma. I will say that I have given this matter a great deal of thought and have had considerable correspondence with employees of the Government with reference to the proposed change. We are confronted, as has been said in a well-known phrase, by a condition, not a theory. If we could legislate upon this proposition according to theory, I think we would place the work of this classification board in the Bureau of Efficiency. I think that is the only existing Government body now where it would logically belong, but there are well-known reasons why it would not be practicable, and probably not beneficial to the public service, to place this work at this time in the hands of the Bureau of Efficiency.

I do not believe the Civil Service Commission should be charged with these additional duties. You would find that the members of the Civil Service Commission would be spending much of their time upon this question of classification. They would be importuned at every moment by employees who would be dissatisfied with their classification and who would be seeking their help in getting new or different allocations.

I have no doubt—in fact, I think the proof is overwhelming—that the present system has proved unsatisfactory. We must make a change. Placing this work in the hands of a new board, putting it directly under the control and responsibility of the President, will give us at least an opportunity to try a new method which we may have reason to hope will prove successful.

Mr. GARRETT of Tennessee. Will the gentleman yield for a question?

Mr. CHINDBLOM. Yes.

Mr. GARRETT of Tennessee. I would like to ask the gentleman if he does not think that if the amendment should prevail it should be amended so as to eliminate the part providing for the President to fix the salary.

Mr. CHINDBLOM. Yes; I think the amendment should be perfected, without intending to find any fault with the proponent—I think the proponent of this amendment has found it necessary, as have most of us, to formulate his plan in considerable haste, and I will concede that the amendment probably ought to be perfected, but the plan that is proposed in this amendment I believe to be the best one suggested.

Mr. CELLER. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. CELLER. The gentleman knows that the administration has the Personnel Classification Board and that the bureau is entitled to clerical work——

Mr. CHINDBLOM. I wish the gentleman would not make his question so long—if we put the work on the Civil Service Commission we will require them to get more employees to do the work. The members of the Civil Service Commission can not do the work alone, they can not do it with the personnel that they have, and we will have to increase the appropriation for that commission and give them more employees. I think the only real additional expense of the new board will be the salaries that are to be paid them; they will need about the same number of employees and other appropriations that will be needed by the Civil Service Commission. The Civil Service Commission exists for the purpose of securing employees; their work is largely theoretical; they act largely on the papers that are filed with them. I would like to have something of a personal element, something of a personal contact in the work of the Classification Board. I think we ought to take into account the coming together, going into the departments, walking around and ascertaining facts about the employees which such an independent board could undertake. The personal contact with the employees is very important in this proposition.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. COLTON. Mr. Chairman and gentlemen of the committee, if we admit for the sake of argument that the present Classification Board has not done its duty would not that rather be a point in favor of the amendment offered by the gentleman from Oklahoma rather than an argument for the original bill?

Now let us get back to the law again. I have not yet heard the question propounded by the gentleman from Illinois [Mr. MADDEN] answered. If you give to the Civil Service Commission this authority, and you have given it to the Classification Board in the past and by this act transfer it to the Civil Service Commission, then you do give them the authority to fix salaries.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. COLTON. Yes.

Mr. CHINDBLOM. The gentleman from Illinois suggested the objection when he said that the work is not done by these officers—the Director of the Budget, the chairman of the Civil Service Commission, but by substitutes. That is the objection.

Mr. COLTON. The gentleman is correct, but I want to read the law:

> The board may from time to time designate classes within the several grades and may combine, divide, alter, or abolish existing classes.

What more would you want, what broader power could be given to a board or by this act could be given to the Civil Service Commission? Now, gentlemen, as I called attention in my opening remarks, do you want to embark on a policy which gives to the Civil Service Commission the right to fix the salaries of Government employees? It was created for an entirely different purpose. Its duty was to inquire into the qualifications and fitness of candidates for various Government positions and service. This act would give them the right to say which grade an employee belongs to, and to alter, combine, or abolish classes entirely and thereby fix the salaries as easily and completely as if it is said in so many words the commission could do so.

Mr. BROWNING. Will the gentleman yield?

Mr. COLTON. Yes.

Mr. BROWNING. Does not the law fix the salaries, and all they would do would be to classify?

Mr. COLTON. No; they would have the right to alter, combine, or abolish the classes altogether. Suppose they had a class with low salaries and wanted to abolish it entirely. They could abolish it and fix the salary in the higher class by a new allocation or by designating a new class.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEHLBACH. Mr. Chairman, the work of preparing a classification is a highly technical work that can be performed only by those who have made an intensive study of personnel matters. The law defines what a class shall be.

> The term "class" means a group of positions established under this act sufficiently similar in respect to the duties and responsibilities thereof that the same requirements as to education, experience, knowledge, and ability are demanded of incumbents, the same tests of fitness are used to choose qualified appointees, and the same schedule of compensation is made to apply with equity.

The law provides for a classifying agency which, if the bill passes, will be the Civil Service Commission, shall subdivide the grades into classes, shall issue statements for the heads of departments showing the duties and reponsibilities involved in the classes to be established within the several grades, the minimum qualifications required for the satisfactory performance of such duties, and the titles given to said classes.

That is exactly the work which the Civil Service Commission does when it prepares entrance examinations. It must know the duties and qualifications of the position before it can draw up examinations which will be responsive to the needs of that position. It is that information and that knowledge and has nothing to do with placing this man or that man in a position with a salary; it is only the qualifications. When the classification is prepared and published it is given to the department heads, and they take the employee and put the man doing that kind of work in the class described as doing that kind of work. The department head does that and not the Civil Service Commission nor the Classification Board. All the Civil Service Commission or any other commission does is to review, and it may revise the classification in case of manifest error. You have the classification, and the rest goes automatically.

Now, as I said in the beginning in general debate, this system is not a new system. We have it in a number of States and in the Dominion of Canada and in European countries, and in every single instance the department that prepared the duties and qualifications for the position, saying whether the man is fitted to go into the service, is also the same agency that prepares the duties and classifications in which they serve, and all the department head does is to determine in what class the employee shall go. [Applause.]

That is all there is to it. There is nothing here about the fixing of salaries by the Civil Service Commission, and to come here and create a new board of outside people who do not know the duties and the qualifications of the service, who do not know anything about personnel matters in Government, who have not the knowledge, the experience, or education, or training to do this work, is rank folly.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. MADDEN. Mr. Chairman, I offer the following amendment to the amendment, which I send to the desk.

The Clerk read as follows:

> Amendment by Mr. MADDEN to the amendment offered by Mr. McKEOWN: Strike out the words "and their compensation fixed" and insert after the word "President" the following: "at a salary at the rate of $7,500 each per annum."

Mr. McKEOWN. Mr. Chairman, I accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois to the amendment offered by the gentleman from Oklahoma.

Mr. MORTON D. HULL. Mr. Chairman, may we not have it reported so that we will know how it will read if the amendment be adopted?

The CHAIRMAN. Without objection, the Clerk will report the amendment as it would be modified by the amendment of the gentleman from Illinois.

The Clerk read as follows:

> Page 1, line 8, after the words "transferred to," strike out "United States Civil Service Commission" and insert "a board of three members, not now employees of the Government and nonresidents of the District of Columbia, appointed by the President at a salary at the rate of $7,500 each per annum."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois to the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. MADDEN) there were—ayes 76, noes 82.

Mr. McKEOWN. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chair appointed Mr. MADDEN and Mr. LEHLBACH to act as tellers.

The committee again divided; and the tellers reported—ayes 62, noes 87.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. LEHLBACH. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 6896, and had directed him to report the same back to the House with the recommendation that it do pass.

The SPEAKER. The previous question is ordered by the rule. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. McKEOWN. Mr. Chairman, I offer the following motion to recommit, which I send to the desk.

The Clerk read as follows:

> Mr. McKEOWN moves to recommit the bill H. R. 6896 to the Committee on Civil Service Reform with instructions to report the same back to the House immediately with an amendment on page 1, line 8, after the words "transferred to," insert "a board of three members who are not now employees of the Government and nonresidents of the District of Columbia appointed and their compensation fixed by the President at a salary not to exceed $7,500 per annum."

Mr. LEHLBACH. Mr. Speaker, I make the point of order against the amendment on the ground that there is no such committee of the House to which the bill could be recommitted.

The SPEAKER. The Chair sustains the point of order.

Mr. McKEOWN. Mr. Speaker, I reoffer the amendment modifying it to substitute the words "Reform in the Civil Service" for the words "Civil Service Reform."

The SPEAKER. The gentleman from Oklahoma reoffers the amendment substituting the proper name of the committee, which, without objection, will not be again reported.

There was no objection.

The SPEAKER. The question is on the motion to recommit offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were—ayes 41, noes 105.

Mr. BLANTON. Mr. Speaker, I object to the vote and make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred and eighteen Members present, a quorum.

Mr. MADDEN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Illinois demands the yeas and nays. Those in favor of ordering the yeas and nays rise and stand until counted. [After counting.] Twenty-six Members have risen, not a sufficient number, and the yeas and nays are refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 172, noes 26.

Mr. MADDEN. Mr. Speaker, I make the point of order that there is no quorum present, and object to the vote.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred and twenty-four Members present, a quorum.

So the bill was passed.

On motion of Mr. LEHLBACH, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING EMPLOYEES' COMPENSATION ACT

Mr. SNELL. Mr. Speaker, I call up H. Res. 245, a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from New York calls up a resolution from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House Resolution 245

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7041. That after general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and a minority member of the Judiciary Committee, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. BLANTON. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. That it is beyond the jurisdiction of the Committee on Rules to report a rule that prohibits opposition to a measure. The bill does not say that the opposition shall be in control of a member of the Judiciary Committee who is against the bill. The bill provides that it shall be controlled by a minority——

The SPEAKER. The Chair overrules the point of order. If the House desires to make such a rule it can.

Mr. SNELL. As far as the Committee on Rules is concerned we are willing to divide it any way that is satisfactory to Members of the House. Mr. Speaker, I notice, page 1, line 6, it says "two hours." It was the intention of the committee that that should be one hour, and I ask unanimous consent that in line 6 to strike out "two" and insert "one."

The SPEAKER. The gentleman from New York asks unanimous consent to amend the rule by striking out "two" and inserting "one." Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

Mr. SNELL. Mr. Speaker, I move to amend the rule in line 6 by striking out "two" and inserting "one."

Mr. BLANTON. Mr. Speaker, I make the point of order that such a motion is out of order; when the Rules Committee brings in a rule the chairman has no authority to change it.

The SPEAKER. Any Member of the House can always offer an amendment, the Chair supposes. The Chair overrules the point of order. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. SNELL. Mr. Speaker, this bill simply refers to the ruling of the Comptroller General in two specific cases. The first is that the Comptroller General has the right to review the findings of the United States employees' commission;

And, second, that persons contracting so-called occupational diseases not due to accident or to the happening of a particular event can not be brought within the terms of the United States employees' compensation act of 1916. Now, Congress and the Attorney General have taken one view of this act and the Comptroller General another and this bill is for the purpose of making clear and distinct what the intent of the Congress was in passing this act. That is all the bill does, it simply refers to those two rulings and not to the rulings of the Comptroller General in regard to propositions that come before him. I yield the gentleman from New York [Mr. O'CONNOR] five minutes.

Mr. O'CONNOR of New York. Mr. Speaker, this measure while small in print is of vital importance to us and to the people whom we represent. A situation arose some months ago whereby the Comptroller General, a mere bookkeeper, it might be said, in the make-up of the Government, was overruling an official body, the Compensation Commission, and where they would make awards in certain cases of disability he would act superior to them and overrule their award. So that probably in the district of every Member of this House there were any number of cases where great injustice was done to beneficiaries entitled to awards under the compensation act. By the mere fact that in the bill as enacted previously the words "or accountants" were not inserted as inclusive of those who could not review the decisions of this board, the Comptroller General insisted on his right. The Attorney General said he was wrong and that he could not review them. Congress never intended that he could review them, but he insisted as disbursing officer, controlling the accounts of the Government, that the awards could not be paid, and after several months of hardship, pressure sufficient was brought on him temporarily to permit payment of these awards until this bill passes this House. By reason of an emergency a rule was granted, for if this bill does not pass this House hundreds of people, widows, industrial workmen, and that class of employees entitled to compensation for disability suffered in the Government service, will be denied their compensation.

Mr. STEVENSON. Will the gentleman yield?

Mr. O'CONNOR of New York. I do.

Mr. STEVENSON. There was also a dispute between the Navy Department and the Comptroller General. Does this correct that dispute?

Mr. O'CONNOR of New York. I have not the honor of knowing personally the gentleman you refer to, but I understand he is one of the most controversial gentlemen in the District. He has set himself up as an appellate court. It is unfortunate there is no judicial review of the decision of the Compensation Commission. In the great State of New York when either party to an award is dissatisfied they can go to an appellate court.

This bill also, in addition to depriving the Comptroller General of this arbitrary power, which he usurped, also takes care of occupational diseases. He ruled arbitrarily without any rhyme or reason that no person suffering from occupational diseases could recover any award, and this bill takes care of that unjust decision. I assure you, gentlemen, that in the consideration which the Committee on Rules gave to this measure we were all convinced that it was one of the most meritorious measures we could pass, and because of the emergency existing that it should have immediate action by this House. [Applause.]

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the Comptroller General was created by this Congress and made independent of political influences. He is a Republican and I am a Democrat. He is a creature of the Republican administration but I want to say that he has my indorsement 100 per cent. He is the most valuable man we have in Washington. He is the one great man who has stood foursquare for the people in the protection of their Public Treasury. He has done it without fear and without favor.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I can not in five minutes. Mr. Speaker, I happen to know because I investigated some of the work that he was doing. In the first seven months after this Congress put General McCarl in office, in the one little item of transportation alone, he caused to be paid back into the Public Treasury over $600,000 which had been wrongfully paid out.

That is one of the most valuable features of your Government service, an office of that kind. He is absolutely independent of influence here. I say he is a Republican who is acting for the Republican administration. But just because he has done his duty to the people you are going to spank him. You are now going to say, "You have been doing your duty, and to repay you we are going to put condemnation upon you" in this bill that you are going to pass.

Gentlemen, if you do this, you are going to get men after awhile who will not do their duty. You are going to get men in public office hereafter who will do as you are doing—who will seek the path of least resistance. They will act with the crowd. They will refuse to stand up for what they believe to be right because they are criticized for it. Comptroller General McCarl has been criticized because he stood up and said to people "No" when "No" should be said. He said "No" to the Secretary of War, and made the Secretary of War mad. He said "No" to the Secretary of the Navy and made the Secretary of the Navy mad. He has said "No" to other Cabinet Secretaries, and he has made them mad. And now a Republican Congress is asked to condemn an honest Republican administrator of the law because he has done his duty. I am a Democrat, standing here and defending him. That is all I have got to say. [Applause.]

Mr. SNELL. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. MADDEN].

The SPEAKER. The gentleman from Illinois is recognized for two minutes.

Mr. MADDEN. Mr. Speaker, I am sure it is not worth wasting time and breath in talking for the public interest here after what has just happened, but I can not forego the privilege of doing my duty as I see it.

There is one line or two in this bill that I can not help but notice. Let me read them to you:

> In the absence of fraud or mistake in mathematical calculation the finding of facts in, and the decisions of the commissions upon, the merits of any claim presented under or authorized by this act shall not be subject to review by any other administrative or accounting officer, employee, or agent of the United States.

Now, what are we doing here? We are taking away from the Comptroller General, the man selected to pass upon the eligibility of accounts and expenditures, the power to do it. All that he would have the power to do, if this bill passes, is to add up the figures and say if they are correct or not. If that is an audit and it satisfies you, all right. But if we allow that thing to be done, God help the people of the United States! Is there any place anywhere in the Government anybody that is willing to protect the interests of the United States Government?

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes; I yield.

Mr. O'CONNOR of New York. Would the gentleman say that the Comptroller General's rulings on occupational diseases is just adding up figures?

Mr. MADDEN. I say this bill prohibits doing anything but adding up the figures. It limits his action to that. If that is all you want the auditor and the man who is charged with the responsibility of protecting the United States to do, pass the bill. It makes no difference to me. I can stand it as long as you can.

But this bill ought not to pass; it ought not to pass. If you want to extend the right of the compensation commission to new cases, all right. Extend it. I have no objection to that. Specify the new powers that you want to give the commission. But do not take away from the guardian of the Public Treasury the right to audit the bills that are to be paid out of the Public Treasury which your constituents and mine are taxed to meet. [Applause.]

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

The SPEAKER. The gentleman from Pennsylvania is recognized for five minutes.

Mr. GRAHAM of Pennsylvania. Mr. Speaker and gentlemen of the House, I have listened to the last two addresses with considerable interest. The gentleman from Texas [Mr. BLANTON] has indulged in praise of the Comptroller General and his watchfulness. I have no controversy whatsoever with that. The gentleman from Illinois [Mr. MADDEN], for whose opinion I have the highest respect and regard, has altogether mistaken the purpose of this bill.

This bill was considered by the Committee on the Judiciary, after full notice to the Comptroller General, and after a full discussion of it with everyone that was interested in it, and it involves two points. One is whether or not the Comptroller General is correct in interpreting the act of Congress passed by you, which says, and was intended to say, that occupational diseases springing out of an employment of a man are included as the subject of compensation, and that in the face of an opinion of the Attorney General or the Department of Justice construing the act as including that class of occupational diseases. Now, why the Comptroller General should attempt to overrule the other two departments of the Government without check or hindrance, I am at a loss to explain or understand. [Applause.]

The other point is this, that he takes to himself the right to review every finding of the Compensation Board ab initio; in other words, that he can take and retry the case. I want to say to the gentleman from Illinois this does not take away from him any legitimate power or duty, but on those two points we ought, as a unit, to say to him that Congress intended that this class of injury should be compensated for, and that he has no right to retry a case when you have placed in a board the power to try it and the right to find the facts. [Applause.]

Mr. SNELL. Mr. Speaker, I yield three minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

The SPEAKER. The gentleman from Massachusetts is recognized for three minutes.

Mr. UNDERHILL. Mr. Speaker, this bill does more than any one yet has told the House. This bill practically establishes health insurance for public employees.

Now, that has been considered almost the acme of the Socialist program throughout the length and breadth of this land. There is not a State that has yet gone far enough to even consider health insurance. None of your Government officials has suggested health insurance. And yet by the terms of this bill here you would leave it to the head of the Compensation Board to decide what occupational diseases are, or whether an injury causing sickness, was contracted in course of employment. In other words, a man is employed down here in the navy yard on a rainy day like this, his work took him out in the yard, and he got damp or wet. He went home; he had a bath, changed his clothes, and took such other precautions as necessary to prevent contracting a cold. But he may not have taken them, and he may contract a cold which develops into pneumonia or into tuberculosis, and the head of the board may decide that he is entitled to all the compensation benefits as though he had been injured in the performance of his duty. He may contract cold going to or from his work, and then it depends upon the head of the board to say whether that is an occupational disease and that he contracted it in the performance of his duty.

It is the establishment of a new principle in health insurance, and I think you want to consider it pretty seriously before you put the Government into the business of health insurance, especially when you consider the opportunities for fraud and malingering and all of those things which go with them. You have got to consider the public, the people who pay the taxes, who pay for retirement, who pay for all this sort of thing, and they themselves never get a single, solitary one of such benefits.

Mr. STEVENSON. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. STEVENSON. Does not the Compensation Commission, which has to find as to the facts and make the award, represent the public?

Mr. UNDERHILL. No.

Mr. STEVENSON. In determining these matters does not the Compensation Commission represent the Government the same as the Comptroller General is appointed to represent the Government?

Mr. UNDERHILL. That is what it is supposed to do; but, on the other hand, its chief function is, and should be, to represent the employees of the Government.

Mr. STEVENSON. I do not think so. What is the difference between its representation of the public and the Comptroller General's representation of the public?

Mr. UNDERHILL. If the gentleman will allow me, just this difference: That the Comptroller General decided that an occupational disease, such as I have mentioned—that of contracting a cold—was not an accident and was not compensable by the terms of the compensation law, and the head of the board decided that it was.

Mr. STEVENSON. But he was the head of a board constituted by Congress for that purpose and to represent the Government in finding that fact.

Mr. UNDERHILL. The Comptroller General represented the people, but the head of the board represented the employees.

The SPEAKER. The time of the gentleman has expired.

Mr. O'CONNOR of New York. Will the gentleman from New York [Mr. SNELL] yield to the gentleman from Massachusetts one minute in order that I may ask him a question?

Mr. SNELL. I yield the gentleman from Massachusetts an additional minute.

Mr. O'CONNOR of New York. Will the gentleman state whether or not he is in favor of compensation for real occupational diseases?

Mr. UNDERHILL. Yes; I am.

Mr. O'CONNOR of New York. Will the gentleman state the reason he has for believing that the Compensation Commission would make an award for any disease which was not incurred in connection with the employment?

Mr. UNDERHILL. I will state that very thing has been done.

Mr. O'CONNOR of New York. One more question. Does the gentleman know of any advanced workmen's compensation law in any of the States which does not include occupational diseases?

Mr. UNDERHILL. There may be some, but I hope not.

Mr. VAILE. Does not the gentleman know that the Massachusetts compensation act has been construed as it is proposed to construe it here?

Mr. UNDERHILL. No.

Mr. VAILE. I will cite the gentleman to several cases.

The SPEAKER. The time of the gentleman from Massachusetts has again expired.

Mr. SNELL. Mr. Speaker, I simply want to say that no man in the House has a higher opinion of the work of Comptroller General McCarl than I have, and I know the entire Rules Committee feel the same way. We do not feel this reflects on him or anything he is doing. This is simply defining the status of two definite projects which have been defined in the law itself, but a question has arisen between the Comptroller General, the House, and the Attorney General, and we think this bill straightens it out, makes it entirely plain, and that there will be no further contention. I move the previous question on the rule.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the purpose of considering H. R. 7041, to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7041, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of H. R. 7041, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916

Be it enacted, etc., That the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, be amended as follows:

That section 27 of said act is amended to read as follows:

"SEC. 27. That if the original claim for compensation has been made within the time specified in section 20, the commission may, at any time, on its own motion or on application, review the award, and, in accordance with the facts found on such review, may end, diminish, or increase the compensation previously awarded, or, if compensation has been refused or discontinued, award compensation. In the absence of fraud or mistake in mathematical calculation, the finding of facts in, and the decision of the commission upon, the merits of any claim presented under or authorized by this act shall not be subject to review by any other administrative officer, employee, or agent of the United States. Any award made by the Compensation Commission under the act of September 7, 1916, for disability or death resulting from a personal injury sustained prior to the passage of this act, shall be valid, if such award would be valid if made in respect to an injury sustained after the passage of this act."

SEC. 2. That section 40 of said act is amended to read as follows:

"SEC. 40. That wherever used in this act—

"The singular includes the plural and the masculine includes the feminine.

"The term 'employee' includes all civil employees of the United States and of the Panama Railroad Co.

"The term 'commission' shall be taken to refer to the United States Employees' Compensation Commission provided for in section 28.

"The term 'physician' includes surgeons.

"The term 'monthly pay' shall be taken to refer to the monthly pay at the time of the injury.

"The term 'injury' includes, in addition to injury by accident, any disease proximately caused by the employment.

"The term 'compensation' includes the money allowance payable to an employee or his dependents and any other benefits paid for out of the compensation fund."

With the following committee amendments:

Page 2, line 12, after the word "administrative," insert the words "or accounting."

Page 8, line 11, after the word "fund," insert the words "*Provided, however*, That this shall not in any way reduce the amount of the monthly compensation payable in case of disability or death."

Mr. GRAHAM of Pennsylvania. Mr. Chairman, the time is one hour, half of it to be administered on this side and half on the other side. The gentleman from Virginia [Mr. MONTAGUE] will dispense time to those opposed to the measure, if there are any in opposition.

Mr. BEGG. Mr. Chairman, that can not be done in Committee of the Whole.

Mr. MONTAGUE. The rule provides that.

Mr. SNELL. The rule itself provides that there shall be general debate of one hour, with the understanding that it is to be divided among those favoring and opposing the bill.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I would like to be notified when I have consumed 15 minutes.

Mr. BLANTON. Will the gentleman from Pennsylvania advise us to whom we are to go to get time in opposition to the bill?

Mr. GRAHAM of Pennsylvania. To the gentleman from Virginia [Mr. MONTAGUE].

The CHAIRMAN. The Chair will recognize the gentleman from Virginia [Mr. MONTAGUE] in due time, unless informed to the contrary.

Mr. MONTAGUE. I will say to the Chair, in order to be perfectly candid, that I favor the bill. Whether that conflicts with the rights of those in opposition to the bill or not, the Chair must determine.

The CHAIRMAN. It does not.

Mr. MONTAGUE. So far as I am concerned, I am very willing to give a portion of the time to some one opposed to the bill. I do not wish to take any advantage of the committee in any way.

Mr. SNELL. I think the gentleman from Virginia will apportion the time satisfactorily.

The CHAIRMAN. The Chair will recognize the gentleman from Virginia in due time, unless otherwise ordered by the committee.

Mr. GRAHAM of Pennsylvania. Mr. Chairman and gentlemen of the committee, I have already in discussing the adoption of the rule outlined the purpose of this measure. I wish only to add to what I said then and emphasize the fact that this is not intended as any criticism or blow delivered to the Comptroller General, but it is intended to bring order out of confusion and to have some one with authority determine these two questions. If the House thinks our committee is right, they will adopt this bill. If they think our committee's report is wrong, they will reject this bill.

There are two points involved in this discussion, and one is whether or not the comptroller can take a case that has been decided by the Compensation Board and try it over again to determine whether or not there shall be any award or allowance made to the applicant.

I call your attention to the language of the law creating this commission:

The commission is authorized to make necessary rules and regulations for the enforcement of this act and shall decide all questions arising under this act.

You have clothed the commission with the right and power to decide all questions arising under this act. Section 36 of the same act provides:

The commission upon consideration of the claim presented by the beneficiary and the report furnished by the immediate superior and the completion of such investigation as it may deem necessary shall determine and make all finding of facts thereon, and make an award for or against payment of the compensation provided for in this act. Compensation when awarded shall be paid from the employees' compensation fund.

That is the law under which the Compensation Board operates. You passed that law. You clothed the board with this power. You are now asked to confirm that act and to say that the Compensation Board is in the exercise of just and proper rights.

Mr. BEGG. Will the gentleman yield for a question which I would like to have explained?

Mr. GRAHAM of Pennsylvania. Gladly.

Mr. BEGG. What does it mean, on page 2, where it says, "Any award made by the Compensation Commission under the act of September 7, 1916, for disability or death resulting from a personal injury sustained prior to the passage of this act"? Does that open up all injuries back indefinitely, say in 1900?

Mr. GRAHAM of Pennsylvania. No.

Mr. BEGG. What is the interpretation of that?

Mr. GRAHAM of Pennsylvania. The interpretation of that language is this: When this difference arose between the comptroller and the Compensation Board the comptroller arbitrarily disallowed a number of claims, and this language is intended to validate those claims which had theretofore been passed upon by the Compensation Board.

Mr. MOORE of Virginia. Will the gentleman allow me to ask a question?

Mr. BEGG. Could I ask just one more question on that same point? If this bill becomes a law, all the decisions rendered by the Comptroller General prior to this date will be invalidated. Is that the full purpose of the paragraph?

Mr. GRAHAM of Pennsylvania. Any decision disallowing a claim which had been allowed by the Compensation Board would, by virtue of the adoption of this act, be restored and placed in position for payment.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I want to yield first to the gentleman from Virginia.

Mr. MOORE of Virginia. I only wanted to ask this question: What provision of existing law does the Comptroller General vouch as a warrant for his exercise of appellate authority in a case where so much has been allowed and he thinks that a less amount ought to have been allowed?

Mr. GRAHAM of Pennsylvania. Or whether any allowance should be made at all.

Mr. MOORE of Virginia. Or whether any allowance should be made at all.

Mr. GRAHAM of Pennsylvania. I will say to the gentleman from Virginia that he has pointed out no statute, act of Congress, or law that clothes him with that power other than his right to audit and have an accounting; but, on the other hand, he has based his standing upon an interpretation of the language of the act of 1916. I will revert to that in a moment. I now yield to the gentleman from Illinois.

Mr. GRAHAM of Illinois. The only part of this bill which gives me any trouble at all is on page 3, lines 7 and 8, in the definition of the term "injury." Evidently that is framed to include occupational diseases. Does the gentleman think it was the intent of Congress in the original act to include occupational diseases?

Mr. GRAHAM of Pennsylvania. I will say to the gentleman from Illinois that in looking over the various acts I find that occupational diseases were distinctly intended to be included in the language of the law, and may I quote just a paragraph or two from the report of the committee? The report on this bill, under which the Compensation Commission is now acting, was prepared by our former colleague, Mr. Gard, and in it he says:

The protection of the life and health of employees against injury sustained while in the performance of duty is to-day recognized as one of the very vital principles in the scheme of government.

So large have become the works of industry, so great has been their development through improved machinery and appliances, so numerous have become employees required to carry on these great works, that the necessity of safeguarding them has long been manifest.

It should be the purpose of all employers of labor to give to their employees the most complete protection possible against injuries resulting from their employment and from diseases having their origin in improper working surroundings.

When the bill was on its passage our late colleague, Mr. Mann, made the inquiry why the committee omitted from the bill the provision for occupational diseases which had been contained in the bill as reported in 1914. In answer to this question Mr. Volstead, the then chairman of the Committee on the Judiciary, stated the position of the committee in the following language:

We had hearings on this particular question and in those hearings it developed that there was considerable difficulty in defining the term "occupational disease," and it was also called to our attention that in quite a number of cases in a number of States the court held this language which we have in the bill would cover occupational diseases in certain cases—at least a number of them—and for that reason, I think, it was left out, or that was one of the chief reasons why it was left out.

Mr. GRAHAM of Illinois. Has the comptroller been ruling that that does not include occupational diseases?

Mr. GRAHAM of Pennsylvania. He has, and insisted on that, although the language in this act was submitted to the Department of Justice and the decision rendered by the Attorney General holding that the language of this act covered, under the decisions and rules of true interpretation of it, occupational diseases. That is to say any disease which proximately came from the employment—not a disease that was caught from the air or outside, but anything that was caused by the employment where the man in the exercise of the duty devolving upon him contracted a disease that was the result directly and proximately of his employment—that that was included.

The Comptroller General in his decision relies upon sections 15, 16, and 17 of the act, which provide that the injured employee shall give notice of the hour that his injury occurred, and so forth, as proof that "occupational disease" was not intended to be covered. This contention, however, is overcome by the fact that the bill reported to the House in 1914, H. R. 15222, expressly mentioning "occupational disease," carried exactly the same provisions as are included in the present law, with reference to notice.

This is also true of the bills considered by the committee in the Sixty-fourth Congress—H. R. 476 and H. R. 13621—both of which carried provisions for relief in case of "occupational diseases" and also carried the provisions requiring notice, and so forth.

That shows the basis on which the Comptroller General fixes his opinion.

Mr. EDMONDS. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I will.

Mr. EDMONDS. I would like to call the attention of the gentleman to the word "proximately," page 3. Does the gentleman think that is a good word in there?

Mr. GRAHAM of Pennsylvania. I can only say that that is the legal word used when you want to make the cause and effect meet and not be remote; it must be the proximate cause. In damage cases, cases of negligence, the court construes that word—that it must be the proximate cause of the injury, otherwise there could be no recovery.

Mr. EDMONDS. Does not the gentleman think it would be better to leave it out altogether?

Mr. GRAHAM of Pennsylvania. I would think not. I think the word "proximate" is a check on the indiscriminate allowance, and therefore we ought to retain it in the bill.

Mr. EDMONDS. I would like to call the gentleman's attention to a case we have before the Claims Committee where a sailor in the wreck of his ship got pleurisy and two or three years afterwards—he worked in the meantime—he had tuberculosis. The bureau said that if he had not been two months late they would have paid it. Under the circumstances I think it would be a mistake to open up such a case as that.

Mr. GRAHAM of Pennsylvania. This does not open up any case of that kind. The gentleman will find that the use of the word "proximate" limits it to these cases that spring immediately from the employment.

Mr. BOYCE. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I will.

Mr. BOYCE. I would like to inquire whether or not the language in lines 7 and 8, on page 3, "the term 'injury' includes in addition to injury by accident any disease proximately caused by the employment" is an enlargement of the language employed in the act of 1916?

Mr. GRAHAM of Pennsylvania. It is not; it is the interpretation put upon the language of the act by the committee.

Mr. BOYCE. Is it the intention that the language embraced in this proposed amendment shall be applied to cases on which the comptroller rendered his decision?

Mr. GRAHAM of Pennsylvania. Yes; it certainly is. Now, there are only two new portions of the bill. One is from line 7 down to line 18 on the second page, and the other is from line 7 to 14 on the third page. These comprise the whole of what the committee recommends to be written into the law. It seems to me, my colleagues, that we can not have in the Government two authorities to settle any one question unless it be in the course of an appeal from a lower to a higher court. Here is an absolute breach between the Comptroller General and the Compensation Board. There is no way to heal it except by this act passed by the Congress.

The CHAIRMAN. The gentleman has occupied 15 minutes.

Mr. GRAHAM of Pennsylvania. I will take two minutes more. Now that this is the contention of the Comptroller General appears on the letters addressed to the committee. He claims the right to try the case de novo without having the machinery, and unless you are going to construct machinery at vast expense for a retrial with experts he is going to retry the case from the bottom up if he sees fit.

In the other case he proposes to rule out occupational diseases. Although the Comptroller General—and I say this in fairness to him as well as to ourselves—was notified to come before the committee and consult on this measure, with no antagonism upon the part of the committee or any member of it, he failed to come, but simply wrote letters; and then afterwards I found that he had issued the statement which I propose to put into the RECORD, without signature, which he passed

to the chairman of the Committee on Rules and to Members of this House. Why did he not bring those matters to the attention of our committee? He recites 10 or 12 cases in which he says that the Compensation Board made erroneous decisions and wrongfully allowed compensation to people. I ask that that be put into the RECORD as a part of my remarks, and also the reply from the Board of Compensation which covers every one of the cases thus cited anonymously by him and which completely answers him and shows that the work of the Compensation Board was just and proper.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The communications referred to are as follows:

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION,
Washington, April 5, 1924.

MY DEAR MR. GRAHAM: Reference is made to a memorandum which you handed to me on the 2d instant, without date or signature or other statements showing its source, with regard to 12 cases of employees of the Government said to have been injured while in the performance of duty for which payments are said to have been made by the commission "violently disregarding the clear intent of the law and the decisions of the Comptroller General." From the subject matter of the memorandum it is assumed that it is from the office of the Comptroller General. You have requested a statement in regard to each one of the cases referred to in this memorandum.

The commission is, of course, very glad to furnish a statement of its findings in each one of these cases, because it is obvious that the statement furnished by the Comptroller General's office is incomplete, and unless clearly understood to be incomplete will give a wholly erroneous impression of the commission's practice. Thus, in three cases the impression is given that the commission has made awards for venereal disease as if the commission had held that such disease was by itself the basis of an award under the compensation law. In these cases especially the commission welcomes the opportunity to make a statement, because these cases are probably the basis of reports which have been circulated that the commission had been making awards on account of venereal disease, a statement which is without basis in fact.

The Comptroller General's memorandum refers to the fact that the cases named will serve to show that the "commissioner was violently disregarding the clear intent of the law and the decision of the Comptroller General." It is not reasonable to say that the commission was "violently disregarding the clear intent of the law," when the commission's construction of the law has been in accord with the opinion of the Attorney General and two reports of the Committee on the Judiciary of the House of Representatives. The statement that these cases are evidence of the commission's disregard of the decisions of the Comptroller General is also not warranted, because the date of the injury in the latest of the cases named in which favorable action was taken was September, 1921, while the first decision of the Comptroller General's office upon any question involved in any one of these cases was July 5, 1922. Summaries of the cases which are named in the Comptroller General's memorandum are as follows:

1. Kate E. Parker, an employee of the Treasury Department, who was treated for arthritis of the left wrist, was injured by accident on March 21, 1919, when she fell and sprained her left wrist, injuring the lower end of the radius and necessitating the putting of the wrist in a splint. As is not unusual in such cases, arthritis developed and delayed recovery sufficiently to permit resumption of work. The commission held that the arthritis was the direct result of the accidental injury and that treatment for the arthritis was necessary to terminate the disability which resulted from the injury. Whether or not some arthritis existed before the accidental injury it is not possible to say. It is, however, known that there was no trouble prior to the accidental injury which interfered with the full performance of the employee's work.

2. Isaiah D. Cawlson, an employee of the Federal Board for Vocational Education, is said to have been treated for cancer of the left eye. This employee sustained an accidental burn on the left side of the nose just below the left eye on March 24, 1921. The report of the attending physician showed that an infection resulted from this burn, and later when it showed signs of being carcinomatous he referred the employee to a specialist in skin diseases. This specialist prescribed radium treatment, which apparently resulted after a short period in a cure. The employee lost no pay on account of the results of the injury, and the only expenditure from the compensation fund was that for medical examination and treatment. The commission found that there was an accidental injury which resulted in infection with a failure to heal, which suggested the possibility of the development of a skin cancer. Since the trouble began immediately following the burn, without any healing from the results of the burn, and continued until it yielded to the radium treatment, the commission held that the entire disability was the result of the accidental injury and the expenses for medical examination and treatment were expenses properly allowable under the compensation act.

3. Nannie E. Meigs (this case is erroneously referred to in the Comptroller General's memorandum as Mrs. Minnie E. Meigs, a nurse, said to have been treated for syphilis). This claimant was a charwoman in the service of the Treasury Department at Los Angeles, Calif. She sustained an accidental injury on October 25, 1920, when while in the performance of her duties she received a blow on the left leg resulting in contusion and the breaking of the skin. The injury was immediately reported. A varicose ulcer resulted at the point of injury and, as is not uncommon in such cases, was very slow in healing. When the healing seemed unduly delayed, an examination of the blood was made and disclosed the existence of an old syphilis. Treatment for this syphilis was accordingly instituted because experience had shown that such treatment would be likely to expedite the healing of the ulcer which resulted from the original injury and enable the employee to resume work at an earlier date. This treatment was authorized by the commission and, after this authorization, was given by the Public Health Service, with a successful result so that no compensation has been claimed since shortly after the treatment for syphilis was begun. The commission found that this employee had been employed for four years prior to her injury; that during this period she had been absent on account of sickness for only two days; that an accidental injury had been sustained and was immediately reported; that the wound caused by this injury had failed to heal after protracted treatment by the usual methods; that an old syphilis which had apparently been latent for a long time prior to the injury was retarding the healing of the wound and the complete recovery from the disability which it caused. The commission held that it was reasonable that any treatment necessary to cure the results of the accident and restore the employee to her former earning capacity should be given both in fairness to the employee and as a measure of economy because compensation was payable so long as the disability continued.

4. Paul H. Oliver, said to have been treated for a disease diagnosed as lues (existing at birth). This claimant, an employee of the Philadelphia Navy Yard, was injured by accident on April 20, 1920, when a pipe weighing some 300 pounds dropped on his shoulder and back of head. The immediate result was unconsciousness for half an hour and the immediate diagnosis was intracranial injury, concussion, contusion of left shoulder, while the later examination disclosed a broken clavicle and possible fracture of skull. The employee was immediately and continuously disabled for work, especially because of concussion of brain and possible fracture of skull. He was subject to frequent epileptic attacks to which, according to the report, he had not been subject during his employment at the navy yard or prior thereto. He also suffered from severe headaches and dizziness, all this entirely apart from the disability due to the fracture of the clavicle. When the trouble with the head would not yield to treatment a complete examination was made and finally a diagnosis of syphilis was established, 16 months after the accident. Treatment for the syphilis was thereupon authorized by the commission and was instituted in the hope that any adverse influence that this disease might be asserting to prevent complete recovery might be diminished or removed by antisyphilitic treatment. It was not and could not be assumed after a concussion of the brain with possible fracture that syphilis, heretofore latent, was the cause of the epilepsy or of the frequent attacks of dizziness, although it might have been a contributory factor. A considerable number of cases of concussion and apparently slight fracture or suspected fracture have been followed by precisely similar symptoms, when a careful examination has disclosed no symptoms suggesting the existence of any syphilitic infection. The claimant was continuously under the care of the Public Health Service at Philadelphia and the specialist consultants of that service. These physicians advised the commission that the claimant's original injury to his head was the exciting factor in bringing about the disability which he had. The commission accordingly held that an accidental injury was sustained causing immediate disability for work, and that the disability which was prolonged was the result of this accidental injury complicated and possibly prolonged by a syphilis which was latent prior to the accidental injury. The treatment for syphilis was authorized as a proper allowance under the compensation law because a necessary and reasonable measure to hasten or bring about the greatest possible degree of recovery from the disability resulting from the accident.

In the four cases above summarized the fact of accidental injury is clearly established and, therefore, in no one of them does the question which has been raised in the Comptroller General's written decisions, namely, the question of an award for disease alone, as distinguished from an award for the results of an accidental injury, occur. However, the Comptroller General's office has recently, in demands made upon the commission in personal conferences, required that the commission should submit to him cases in which there is involved the question of disability or death which is the result of an accidental injury aggravating a disease already existing,

but not disabling, or lighting up a disease which was before latent or unknown. The above four cases are of this character. In the first two there is the possibility of a latent disease not before known being lighted up by an accident. In the third and fourth cases the histories show a preexisting disease, latent before the accidents but retarding recovery and, perhaps, made somewhat active as the result of the accidents.

It is a well-established rule under the workmen's compensation laws in practically all American States and in English-speaking countries that the employer takes the workman as he finds him, and that compensation is payable for all the direct consequences of an accident, including the aggravation and acceleration or activation of a preexisting disease. There are numerous decisions showing the application of this rule by the highest courts in Great Britain and under many of the State workmen's compensation laws. A leading case in which syphilis is involved, followed by practically all courts to-day, is a Massachusetts case (In re Crowley, 111 N. E. 766), in which the court said:

"The material evidence before the committee on arbitration warranted the findings that the employee had a preexisting constitutional disease, known as syphilis, which, being dormant, left his ability to perform the arduous work for which he was hired unimpaired, and that because of the nature of the accident arising out of and in the course of the employment his nervous system suffered a shock sufficiently severe to aggravate and accelerate his condition, until general paresis or insanity resulted, depriving him of all capacity for work in the future. The statute prescribes no standard of fitness to which the employee must conform, and compensation is not based upon any implied warranty of perfect health or immunity from latent and unknown tendencies to disease, which may develop into positive ailments if incited to activity through any cause originating in the performance of the work for which he is hired.

"What the legislature might have said in one thing, what it has said is quite another thing, and in the application of the statute the cause of partial or total incapacity may spring from and be attributed to the injury just as much where undeveloped and dangerous physical conditions are set in motion, producing such results, as where it follows directly from dislocations, or dismemberments, or from internal organic changes capable of being exactly located."

In a Michigan case in which the same preexisting disease was involved (Hills v. Oval Wood Dish Co., 158 N. W. 214) the court held:

"We agree with the industrial accident board that, under the circumstances of this case, the act does not contemplate any such apportionment of disability as respondents ask for. Assuming that such disability is being prolonged by the disease, there is yet no point at which the consequences of the injury cease to operate. It is the theory of the respondents not that the consequences of the injury cease but that they are prolonged and extended. There is no part of the period of disability that would have happened, or would have continued, except for the injury. The consequences of the injury extend through the entire period, and so long as the incapacity of the employee for work results from the injury it comes within the statute, even when prolonged by preexisting disease."

Again, in another case involving the same disease the Supreme Court of Louisiana (Behan v. Homer, 78 Southern, 969) held:

"The evidence leaves no doubt that the plaintiff's physical disability resulting from the accident is worse than it would be if he had not been diseased at the time of the accident. But the accident was, none the less, the proximate cause of the present disability. We are not aware of a decision of this court on the subject, but it is well settled in jurisprudence elsewhere that the fact that a person was already afflicted with a dormant disease that might some day produce physical disability is no reason why he should not be allowed damages or compensation for a personal injury that causes the disease to become active or virulent and superinduces physical disability."

Many other decisions involving the same question and the same disease may be cited, among which are New York, Finkleday v. Fleide (193 App. Div. 338); Indiana, Indianapolis Abattoir Co. v. Coleman (65 App. 369; 117 N. E. 502); Utah, Pinion Queen Mining Co. v. Industrial Commission (204 Pac. 323); Iowa, Hansen v. Dickinson (176 N. W. 823).

Precisely the same principle is involved in many cases of accidental injury lighting up or aggravating latent or nondisabling tuberculosis, either of the bones or of the lungs. This is illustrated in numerous decisions of the commissions and of the highest State courts; thus, a decision of the Indiana Supreme Court in re Colon (116 N. E. 842), where an employee afflicted with Pott's disease, or tuberculosis of the spine, received a blow and as a result became totally and permanently disabled. The court held that a preexisting disease had been excited into activity by accident and should be considered a disability attributable to the accident and not to the preexisting disease. (See also New York, Van Keuren v. Dwight, Divine & Sons (179 App. Div. 509); Massachusetts, Glennon's Case (126 N. E. 942); Indiana, Republic Iron & Steel Co. v. Markiewicz (129 N. E. 710).

5. Laura A. P. Sansbury: This claimant was a physiotherapy aid of the Public Health Service at Mount Alto Hospital. In the performance of her duty there she treated a patient who was ill with typhoid fever. Shortly after this she was disabled by an illness which was diagnosed as typhoid fever. The official report from the hospital expressed the opinion that the infection was directly traceable to service at the hospital and exposure to a case of typhoid fever while in the performance of duty. When investigation appeared to establish the absence of any other exposure to the infection, the commission held that the typhoid fever having been found to be the result of contact with a typhoid case while in the performance of duty was a personal injury within the meaning of the compensation act, and a favorable award was accordingly made.

6. Charlotte V. Arnold: This claimant was employed as a reconstruction aid in occupational therapy by the War Department and worked in various Army camps and hospitals, where she became disabled from tuberculosis contracted or made active and disabling prior to June 28, 1919. The claimant was examined and found in good health just prior to the beginning of her employment. Witnesses also have testified to her apparent good health when entering upon duty. She was assigned to bed patients in a tuberculosis hospital, and there apparently her disease first became active. The work which she was called upon to do required much and continuous overtime, and the living conditions were greatly overcrowded and were otherwise unfavorable to health, facts which seem to be well established. A tuberculosis specialist who reviewed the history of the case and made an examination of the claimant expressed the opinion that there was no doubt that her work as reconstruction aid caused the development of the pulmonary tuberculosis. The commission held that the disability from tuberculosis was the result of a personal injury proximately caused by the conditions of employment, and awarded compensation and the medical and hospital treatment provided by the compensation act.

7. Lucy M. Murtha: This claimant was employed as a nurse in Public Health Service hospitals and claim was made for compensation for disability due to conditions of employment prior to December 31, 1919. Investigation disclosed that the claimant had a severe attack of influenza while caring for influenza patients in a Public Health Service hospital in October, 1918. Following this attack, convalescence was very slow, cough, weakness, and severe headaches continuing. She returned to work in care of tuberculous patients in the Public Health Service hospital, not fully recovered, and continued in the care of such patients for about three months. In August, 1919, trouble with her throat persisted and the tonsils were removed under a general anæsthetic. She was at that time transferred to another hospital of the Public Health Service, but the cough, weakness, and loss of weight continuing, a diagnosis of chronic tuberculosis with effusion was soon made. The commission held that the breakdown from tuberculosis was probably due to the conditions to which the claimant was exposed, namely, influenza contracted from the care of influenza patients and exposure to tuberculosis in the care of tuberculous patients before she had recovered completely from the effects of influenza. The removal under general anæsthetic of the tonsils was also a decidedly unfavorable influence. The commission held that the facts established constituted a personal injury due to the conditions of employment. The authorization of dental work in this case was based upon the recommendation of the attending physician that the dental work was necessary to afford the best chance for recovery and to shorten the period during which compensation would be payable. The report of the physician and of the dentist indicated very serious conditions of the teeth and a number of badly abscessed teeth so that it was clear that dental work could not safely be deferred.

8. Minnie Pruissner: This claimant was employed in the Bureau of War Risk Insurance and made a claim for compensation for disability from tuberculosis which she believed to be due to the conditions of her employment prior to October 30, 1920. It was alleged that she was required to work in rooms without heat for a period of about 10 days and for a long time in a room adjoining elevators and stairway so that the openings of doors which was constantly occurring caused heavy drafts described by one of the claimant's official superiors as "strong enough to blow your hat off." The working conditions described were investigated by a representative of the commission and the report confirmed the allegations of the claimant. The statement of these conditions was fully supported by a number of the officials in the employee's place of employment. When the statement of the employee was submitted to the Director of the Bureau of War Risk Insurance he wrote to the commission substantially confirming the claimant's statements and added that the conditions had then been remedied in part. The commission thereupon approved the claim in the belief that the employee's disability was due directly to the conditions of employment.

9. Charles E. French: This claimant was an employee of the Shipping Board, and made a claim for compensation on account of physical and mental breakdown due to excessive overtime and the strain of his

work prior to October 4, 1920. The employee's official superior in his report attributed the breakdown to conditions extending over a considerable period of time. He said the employee worked excessive overtime during the war and for a time thereafter, and that his health broke down as a result. He cited the fact that the overtime work had occurred frequently, extending to 12 and 1 o'clock at night. As a result of this the claimant's health, which formerly had been good, became impaired by the strain of work and by the excessive hours, ending in complete breakdown. An investigation made by the commission disclosed evidence in support of the allegations of the claimant and the report of the official superior. In behalf of the claim the opinions of two specialists who examined the claimant were presented. Dr. Ross M. Chapman expressed the opinion that the conditions of the claimant's work with the Shipping Board were materially responsible for his mental breakdown, while Dr. D. Percy Hickling expressed the opinion that the conditions of work acted as an exciting or precipitating cause of the mental condition. When the commission, after a consideration of the evidence, including the opinion of the specialists, considered the evidence insufficient to warrant favorable action, a full statement of the evidence in the case was submitted to Dr. William A. White for his opinion. When his opinion was found to be substantially in accord with that of Doctors Chapman and Hickling, the commission felt obliged to make an award in favor of the claimant, and this was accordingly done.

The foregoing cases, numbered 5 to 9, must be classed as cases of disease proximately due to the conditions of employment and not accidental in character. They are cases of a kind not ordinarily suggested by the term "occupational disease," which is usually associated with industrial employments, although sometimes arising under conditions of employment not to be classed as strictly industrial. The first of these cases, that of typhoid fever, does not differ in principle from cases upon which awards have been made under a number of the State compensation acts. Such are awards on account of typhoid fever, smallpox, scarlet fever, diphtheria, cases in which the exposure and contagion were traced directly and exclusively to the claimant's employment. The cases numbered 6 to 9 must be regarded as distinctly due to very unusual conditions surrounding employment during the period of the war and the period of reorganization and reconstruction which followed it. Such cases have been and would be expected to be very rare under normal conditions such as have prevailed during the past two years. The experience of this period would lead one to believe that such cases will rarely arise and be established as meritorious at any time in the future, although the possibility of cases of this character having strong merit can not be denied.

10. Patrick C. Gibson: This claimant was employed as a foreman in charge of certain construction work under the Mississippi River Commission at Point Pleasant, La., and while engaged in this river work succumbed to intermittent malarial fever, September 9, 1921, which was alleged to be due to the special exposure necessarily incident to the character of his duties. When the diagnosis of malaria was confirmed and it appeared from the evidence that the malaria was probably contracted at the place of employment because of the peculiar and special hazard of the employee's work, a favorable award was made allowing the claim. This, however, involved the payment of only one day's compensation and of medical and hospital bills. While this case was allowed in October, 1921, a later consideration of claims on account of malaria led the commission to modify its views and to consider that awards in malaria where the evidence is, as in the present case was, an error and not supported by sufficient evidence to distinguish the case from those cases of malaria which are common in certain localities. It is the present view of the commission, as it has been for more than two years, that no claim on account of malaria can be safely allowed unless there is conclusive evidence of special and extreme exposure which could not have occurred except for the requirements of the employee's duties.

11. Norrington A. Reed: This claimant, a tractor driver in the employ of the bureau of public roads, was reported to have sustained an injury on August 18, 1921, which was described as a strain occurring because of the lurching of the tractor in driving over extremely rough ground. The alleged result was a strain of the inguinal region, diagnosed as epididimytis, reported by the official superior and certified by the attending physician as due to strain as alleged. The official superior believed that an accidental injury had been sustained, and because of this he sent the claimant to a local physician and then to the public health service at Portland, Oreg., for examination and treatment. The commission, upon inquiry, found that the evidence indicated nothing more than a possible strain and that there was absence of any direct blow. It was held that the disability was not due to the injury, this conclusion being based upon the fact that it is the consensus of medical opinion that such a disability as found could not be caused by a strain, although it would be the natural result of a direct blow. Although irrelevant, in view of the foregoing facts, it may be noted that the medical examination disclosed no evidence of any venereal infection. This comment is made because a disability of this kind is known to be due not infrequently to such an infection as well as to a variety of innocent infections. No payment of compensation was made in this case, but medical bills covering the medical examination which was properly authorized by the official superior in view of his belief in the fact of an accidental injury and treatment during the period of examination were paid, because such service was authorized by the official superior under the regulations as necessary to assist the commission to reach a proper conclusion upon the merits of the case and for immediate relief during such period of examination. Upon appeal, the case was investigated by one of the commissioners fully confirming the commission's position.

12. Carl H. Baesgen: This claimant was a park policeman in Washington. The injury on account of which compensation was claimed was appendicitis contracted in line of duty December 9, 1921. No evidence of any definite injury bearing any causal relationship to the employment was found. Claim for compensation was accordingly disallowed. Payments on account of medical and hospital expenses which had been made erroneously to the surgeon and hospital were refunded.

The Comptroller General's formal decisions of July 5 and September 23, 1922, and of January 29, 1922, and subsequently, have clearly indicated that his sole purpose in reviewing the decisions of the commission was to exclude awards on account of disease which was not the result of an accidental injury because he had arbitrarily construed the law to be applicable only to accidental injuries, although this limitation had nowhere been made in the law by the perfectly simple and obvious method of stating that the law was limited to the results of accidental injuries. Notwithstanding the statements of the Comptroller General's formal decisions, his office has recently in conferences with the commission demanded that cases should be submitted to him for review in which the only question presented was whether compensation was properly payable under the law for the results of an accident when such results included the activation or aggravation of a preexisting disease which had before the accident not been disabling for employment. This demand was for no other purpose than for reviewing the commission's finding of fact with regard to the results of accidental injuries. It may be stated without qualification that a review of the findings of fact of the board or commission or commissioner under a workmen's compensation law by such an authority as the office of the Comptroller General would not be permitted in any English-speaknig country in the world.

The first paragraph of the Comptroller General's memorandum clearly indicates a view that any limitation upon his power of review of the commission's findings or decisions would serve as a precedent for a similar limitation in favor of other departments and establishments of the Government. Such a suggestion shows a misunderstanding of the character of a workmen's compensation law and of the method of administration which has become well-nigh universal in English-speaking countries. In American States all this legislation has been enacted since 1911 and although already in effect in 42 States is, because of its newness, not well understood by many otherwise well-informed lawyers and business men who have not had occasion to be interested in individual claims.

It is submitted that the questions arising under the Federal compensation act, just as those arising under any workmen's compensation act, can not reasonably be compared with those which go to the Comptroller General's office in connection with Government contracts and business claims involving vast sums of money and in connection with those which arise concerning the payments of salaries and innumerable administrative expenses of the Government. That the adjudication of claims under workmen's compensation acts is work of a special and peculiar character which ought not to be dealt with in the same manner as ordinary business claims is evidenced by the action of 42 States and many other English-speaking countries in the creation of boards or commissions or special agencies to adjudicate workmen's compensation claims. This is chiefly because the main purpose of workmen's compensation laws is to provide a sure means by which immediate relief may be secured to employees when injured and an equitable settlement of claims may be assured without delays and costs incident to the old methods of technical legal procedure. Too often the injured employee is too poor, too ignorant of his rights, or too inexperienced to press a claim properly. This legislation has accepted the view that an impartial agency is necessary, representing and safeguarding the interests of both the claimant employee and the employer, which under the Federal law means the Federal Government. The office of the Comptroller General, accustomed as it is, and probably necessarily so, to strict technical construction in practically all the questions which come before it, can not readily adapt itself to a liberal construction, such as is the established rule, with commissions and courts under workmen's compensation laws.

Under State workmen's compensation laws and also under foreign laws in English-speaking countries it is the established rule that the findings of fact of the administrative authority will not be reviewed by the courts, although limited appeal to the courts on questions of law is provided for.

An examination of the Federal compensation act is convincing that Congress in passing this law had in mind such procedure as is found under State workmen's compensation laws. It set up a special commission, devoting all its time to the administration of the law. It

provided for the procedure to be followed in making investigations and awards and in reviewing when necessary claims which had been either allowed or disallowed. It provided that the commission should decide all questions arising under the law. It is hardly reasonable to suppose that Congress, having provided such special agency for the adjudication of compensation claims, had any intention that the action of this special commission, whose sole duty was the consideration of compensation cases and the questions arising in connection therewith, should be the subject of review by a single individual unfamiliar with compensation questions and without the facilities for reviewing the commission's work, if such review were desirable and practicable.

It would be more consistent with the administration of justice under our form of government that any appeal or review which was desired should go to the courts. It is not believed that the Federal Government can consistently hesitate to intrust the claims of its own employees against it as an employer to an independent commission of its own selection when such a method has been imposed by law upon private employers in so many of the States. With these precedents the fairness of such a method of adjudication could hardly be questioned and the unfairness of such a review as is contemplated by the Comptroller General's office would seem to be obvious.

It seems proper to say here that it is greatly regretted that the Comptroller General did not accept the opportunity to bring to the attention of your committee at the time of its hearing on H. R. 7041 the cases referred to in his memorandum which you have brought to my attention. When one thinks of the purpose of such a hearing to be the obtaining of an honest understanding of the questions at issue for the use of your committee and the Congress, it is impossible not to think of the unfairness to the committee and to this commission of circulating the matter contained in this memorandum after the hearing and report of your committee, especially when it is remembered that all this information has been available in the Comptroller General's office for many months. Such action does not augur well for the fairness of a review of the commission's findings and decisions by the Comptroller General's office. It would have been possible to give to the Comptroller General and to your committee at the same time all of the facts in connection with these cases and the reason for the awards, from the commission's point of view. Such an explanation would have avoided some misunderstandings which have been the basis for the circulation of false statements with regard to what the commission has been doing. It would also have afforded the opportunity of calling attention to the principles which everywhere are accepted as the basis of action under workmen's compensation laws; and this opportunity, I am sure, would have made clear that nearly all the differences of opinion which have arisen with regard to the merits of the awards which have been made under the Federal compensation act are no more numerous and no more serious than are the differences of opinion which arise in connection with the administration of any law involving new principles and new questions.

Sincerely yours,

BESSIE P. BRUBOSMAN,
Chairman.

Hon. GEORGE S. GRAHAM,
House of Representatives, Washington, D. C.

Mr. GRAHAM of Pennsylvania. This attempt of the chairman of the Federal Employees' Compensation Commission is in line with the general hostility of some of the executive departments and establishments to congressional control over expenditures. The Comptroller General decided that the Federal Employees' Compensation Commission had no authority to award compensation for disabilities not resulting from an injury in the performance of duty and capable of being referred to some particular event fixed in point of time as specified in sections 15, 16, and 17 of the act of September 7, 1916 (38 Stat. 746).

The commission had paid for the hospital and medical treatment of Patrick C. Gibson, an employee of the War Department, for malarial fever; of Katie E. Parker, an employee of the Treasury Department, for arthritis of the left wrist; of Paul Richard Oliver, an employee of the Philadelphia Navy Yard, for a disease diagnosed as lues—existing at birth; of Charles E. French, an employee of the United States Shipping Board, at a cost of over $500, for physical and mental exhaustion with paranoid symptoms; of Norrington A. Reed, an employee of the Agriculture Department, for ulcer of the skin and diagnosed as probably venereal; Charlotte V. Arnold, an employee of the War Department, at a cost of $500 for pulmonary tuberculosis; of Minnie Pruisner, an employee of the Treasury Department, for tuberculosis; Mrs. Minnie E. Meigs, a nurse, for syphilis; Laura A. P. Strausbury, an employee of the Treasury Department, for typhoid fever; Isaiah D. Cawlson, an employee of the Board of Vocational Education, for cancer of the left eye; and of Carl H. Baesgen for operation and hospital treatment for appendicitis; of Lucy H. Murtha for dental treatment at a cost of $248. She has since married a Mr. John Foley—was a tubercular patient at Saranac Lake, N. Y., and received $66.67 a month compensation. There are many similar cases, but these will serve to show that the commission was violently disregarding the clear intent of the law and the decisions of the Comptroller General.

Mr. BLANTON. Mr. Chairman, will the gentleman yield to answer a question for information?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. BLANTON. Do I understand that the distinguished chairman of the Committee on the Judiciary claims that the Comptroller General is bound by all opinions rendered by the Department of Justice concerning his own business?

Mr. GRAHAM of Pennsylvania. I think he is unless he makes a case that can be submitted to the courts for judicial determination, and that he has refused to do. He says, "I am independent; I am separate and distinct from the other machinery of the Government."

Mr. BLANTON. Is not the nature of his business such that he can not submit it to the courts?

Mr. GRAHAM of Pennsylvania. No.

Mr. BLANTON. His decisions are not for judicial determination.

Mr. GRAHAM of Pennsylvania. No; but they can be made so. I reserve the remainder of my time.

Mr. MONTAGUE. Mr. Chairman, referring to the sentence "any disease proximately caused by the employment," I would say that the word "proximately" therein used is a limitation rather than an enlargement of the obligation of the Government, or a limitation of the classes of injuries the Government would sustain. The word was employed purposely to restrict the liability rather than to expand the liability of the Government. In addition to that the word is one that is well known in our jurisprudence, and the word "occupational" as applied to diseases finds its way rather into the press and current literature than into the adjudications of the country. Therefore I think that we are on safer ground in using that term. I may say, moreover, that the terms of this statute are found, if my memory is correct, in several of the States, so that we are not traveling unbeaten ground. It has been construed, and we know what it means, and for that reason the committee adopted the language.

Mr. LOWREY. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. LOWREY. Will the gentleman give us the legal significance of the word "proximately"? Some of us do not have the misfortune to be lawyers. The gentleman says that it limits rather than enlarges.

Mr. MONTAGUE. Generally, when an employee contracts a cold in going from his home to his place of business, I would say that that was not a disease proximate to his employment, but if he contracts a disease by virtue of the actual work, say, in the operation of machinery or in the uses of certain fluids or chemicals, that that would be a proximate disease or result of his employment.

Mr. LOWREY. Somewhat of an equivalent to "immediately"?

Mr. MONTAGUE. Yes. It carries the idea more or less of immediate connection.

I do not desire to take up more time myself, and I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL], who opposes the bill.

Mr. UNDERHILL. Mr. Chairman, I want to be distinctly understood as being in favor of compensation for accident or occupational disease for all employees all over the land, but let me review briefly one of the reasons that led to this proposed change in the law. The chairman of the Compensation Board is a most estimable woman, with a woman's tender heart. I digress just for a moment to pay her a tribute of acknowledgement and appreciation for what she has done in assisting the Committee on Claims in adjudicating many, many of the questions which have come before that committee. I have no quarrel with her or with the board and no criticism of either. They are doing wonderful work, but she allowed her sympathies to go a little ahead of the law. One of the reasons this difference of opinion between the board and the bureau came about is the case of one of the employees in the navy yard who was engaged one day on a piece of heavy work. A door was open near him, and though it was a rather warm day, it was claimed that the breezes blowing through the shop while he was in a condition of perspiration gave him a cold that developed into pneumonia. Having a weakness in his lungs, subject more than most of us to tuberculosis, his cold developed in the direction of that malady. He made a claim for total disability, and the board allowed the claim. You can see the

length to which one department can go if given complete power in establishing under this bill health insurance. If we are going to have health insurance, let us pass a law covering the whole proposition, but do not give to one individual with a big, tender heart the power to define a disease contracted in the course of employment, because there is no way of proving it.

Mr. HUDSPETH. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. HUDSPETH. I would like for my friend to distinguish between an ordinary disease contracted as he stated this was contracted and an occupational disease. I fail to see the line of demarcation.

Mr. UNDERHILL. Lead poisoning is an occupational disease. A man who works with lead is bound sooner or later to become infected with lead poisoning. That is an occupational disease. Contracting a cold in the course of employment may result, through neglect, in tuberculosis, but it is not occupational.

Mr. HUDSPETH. Is not that the case just cited by my friend?

Mr. LAZARO. Will the gentleman yield for just one question?

Mr. VAILE. Will the gentleman yield?

Mr. UNDERHILL. There are other matters, and I guess I had better not yield because I want to go into them. Here is a clause in this bill to which I wish to call particular attention. Although I am not able to recommend a remedy I think the efficient chairman of the Committee on the Judiciary ought to change the wording. It is on page 2, line 13:

> Any award made by the Compensation Commission, under the act of September 7, 1916, for disability or death resulting from a personal injury sustained prior to the passage of this act, shall be valid, if such award would be valid if made in respect to an injury sustained after the passage of this act.

Why, gentlemen, that will open thousands of old Panama Canal claims.

Mr. MONTAGUE. Does not the gentleman know that is the present law, which we have not changed in this bill. That is the existing statute.

Mr. UNDERHILL. That is due to my ignorance of legal phraseology, but to a layman it looks like you were going back to many claims now before the Committee on Claims which, if we had the temerity to bring before the House, would be kicked out without any consideration whatever. Now, I want to say you can not establish by amending this compensation law health insurance covering all cases. There is going to be a great deal of injustice.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERHILL. May I have two minutes more?

Mr. MONTAGUE. I regret I have requests for all of my time.

Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, because the Creator gave us life and has the power to take it away when a man dies, we say, "The Lord hath given and the Lord hath taken away." It is a good deal that way with Congress creating this Comptroller General and giving him certain independent powers and then exercising its prerogative to take it away. Congress has the right to do it. There is no question about that. But is it wise for us to do it?

Here is a compensation commission with certain functions to perform, and I am here to commend it. It has performed them well. But, as the gentleman from Massachusetts has stated, through its warmness of heart it has gone beyond the pale of the law.

Mr. LAZARO. Will the gentleman yield?

Mr. BLANTON. I regret that I can not yield in five minutes. The Department of Justice has certain functions to perform. It enforces the laws of the country. But we have created a Comptroller General and given him independent power, independent of all the departments, independent of the President, if you please, independent of the Department of Justice and the Attorney General. He is responsible to Congress only. To no one else is he responsible; only to Congress. And because he has done his duty he has made certain high officials mad. Now, I want to tell you the beginning of all this trouble directed at the Comptroller General. When Mr. Secretary Denby was appointed, about one of the first important official acts he had to perform was to take a little cruise over to Japan to celebrate the birthday of some celebrated Japanese of whom he happened to be a classmate; and when he got back from that Japanese cruise, and just before he started on his round-the-world congressional cruise, he found out that certain of his chiefs in the Navy Department had been authorizing the payment of money which had been stopped by the Comptroller General, and he did not like it; and he issued an order that the Secretary of the Navy's order was superior to any order that could be issued by a little Comptroller General down here in the Treasury Department. He issued instructions to his chiefs to disregard any order that the Comptroller General might ask and to obey only the order of the Secretary of the Navy. But that did not stop the Comptroller General. He stopped those payments just the same.

The Treasurer of the United States would not pay them because the Comptroller General had stopped their payment. And then what happened? The distinguished chairman of the Committee on the Judiciary says that because the Department of Justice has issued an opinion that the Compensation Commission is correct and has authority to do what it did, that the Comptroller General should be bound by it. And so thought the Secretary of the Navy, for he went to the Department of Justice to get them to issue an opinion admitting that he was right and the Comptroller General was wrong, but when you read the opinion it was kind of dog fall, and the Comptroller General continued to operate just the same.

The Comptroller General continued to do his duty, as Congress intended, and the big Secretary of the Navy found out just what Congress intended that he should find out, namely, that there was an accounting officer here who had the power to go over his accounts and to stop payments where they were attempted to be made beyond the pale of the law. He stopped various payments, not only with respect to this Compensation Commission, but with respect to the Secretary of the Navy, and with respect to the Secretary of War. He has stopped payments, and thereby he has made men mad. They have their friends. They have appealed to them in Congress. They have come here with this bill, and they will come in with other bills whenever he exercises his power to stop unlawful payments, which power we gave him and which we intended to give him. When he exercises that power he makes some people mad, and they come here and try to have Congress take away that power from him, and you are to take away some of his power in this bill.

Mr. MONTAGUE. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. WOOD].

The CHAIRMAN. The gentleman from Indiana is recognized for five minutes.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, I expect the query has been asked by Members of the House why this Compensation Commission should not be subjected to the rules and regulations, in so far as its actions are concerned, that all the other branches of the Government are subjected to? It has been admitted by the very introduction of this bill that under the law as it now is the Comptroller General has the right of review. If he did not have that right, then there would be no necessity for the enactment of this bill into law. And why should he not have this right?

Mr. MADDEN. Mr. Chairman, will the gentleman yield to me for a question?

Mr. WOOD. I have but little time.

Mr. MADDEN. I would like to make just a short statement at this time. The gentleman can get more time if he needs it.

Mr. WOOD. Go on.

Mr. MADDEN. What I would like to see this bill do, if it does anything at all, would be to extend the power of the commission over the class of cases that the Comptroller General rejected and not stop the Comptroller General from auditing the accounts.

Mr. WOOD. The trouble with this law is the same class of trouble that we have had in passing other laws. We have taken and delegated to this commission the right to make rules and regulations. In section 32 it is provided that the commission is authorized to make necessary rules and regulations under this act. Under that authorization they have the right to pass any character of regulation, amounting practically to legislation. In many instances it does amount to legislation, and because of that fact there is all the more necessity that their action be subject to the review of this general accounting officer.

This will be a very bad precedent if it is enacted into law, because it will be the beginning of the undoing of the General Accounting Office. It is the only agency that this Congress has to stand between it and various bureaus that have the expenditure of money and determine as to the disposition of that money.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. GRAHAM of Pennsylvania. I only want to call your attention to the fact that the paragraph that you are citing is found in the act that we are now operating under and not the new act. Is it not limited to carrying out of that act of 1916?

Mr. WOOD. Yes; and that is just the reason for my objection, and that is the reason why I think there ought to be this right of review.

Now the head of this division has declared in a radio speech that they are subject to the control of no power whatsoever; that the Supreme Court of the United States can not review their actions; that the Comptroller General had attempted to do it, but that they have "shown" him; and in defiance of the act creating them they took and stopped the payment of compensation for all accidents, about which there was no question at all, and sent notice of it to different Members of Congress who happened to have somebody in his district whose payments under this act were stopped. But they changed their minds when they were warned about violating the law, and they have made an apology for having done it.

But this only shows that there should be no arbitrary bureau or commission in this Government, but that all should be subject to the same character of revision and review. This Congress is making a great mistake if we take and establish bureaus with autocratic power whose action can not be reviewed by any other branch of this Government. If that is true, we will find here very soon every other bureau, one after another, coming here with this same character of a bill, asking that their action be not subject to review by any accounting officer; and if that is done, no bureau spending public money will be required to obey the law.

Mr. DYER. Did the gentleman hear that radio speech that he refers to?

Mr. WOOD. No; but I heard about it from several who did hear it.

Mr. DYER. The gentleman may be mistaken in his statement.

Mr. WOOD. Possibly; but I do not think I am.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield one minute to the gentleman from Missouri [Mr. HAWES].

Mr. HAWES. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE FARMER'S INTEREST

Mr. HAWES. Mr. Chairman, to intrude a subject foreign to the present discussion before the House must have some justification.

The matter I desire to present to your attention is the Barkley bill, no hearings upon which were held by any committee of the House, and in consequence no report could be made to the House, so that from time to time scattered information not properly collected by a committee is the only way of bringing the facts to the attention of the Members.

This is one illustration in itself of the dangerous precedent of taking a bill from a committee without hearings, especially when that committee had only had the bill in its possession for one month and upon which no hearings had been held.

If the House in its wisdom had directed the committee to hold hearings and present a report, and the House had had the benefit of these hearings and the testimony of witnesses, this piecemeal method of informing the House would not have been necessary.

Recently a petition was circulated to take from the Committee on Interstate and Foreign Commerce and bring upon the floor of the House a measure known as the Barkley bill.

This was done during my absence on sick leave, but since my return I have been informed that many of the Members who signed the petition of 155 names were under the impression that the committee had definitely decided not to consider the Barkley bill, in fact had refused to consider it.

The facts have been stated before and are not disputed but may bear repetition at this time because of the related matters which I desire to present to the House.

The Barkley bill was not introduced into the House until the 28th day of February.

The matter of its place on the program and the motion for its consideration was made on the 26th day of March, one month after its introduction.

At the time the Barkley bill appeared in the committee there were 276 bills before it; there were before the House 9,000 bills; there were on the Senate side over 3,000 bills and 892 resolutions.

Brought in at the late date of February 28, pushed into preference of over 276 bills in the committee and over 9,000 bills in the House, an attempt has been made to explain the reason for this.

There may be, and I think there are, bills in the Committee on Interstate and Foreign Commerce which should have been discussed and disposed of, some of them introduced long prior to the Barkley bill, some pending for over a year.

In its tentative program the committee took up, first, the Cooper bill, containing an appropriation of $200,000 for additional locomotive inspectors; second, the Hoch bill, providing for a general review of freight rates; and then, third, the Barkley bill was presented for consideration in that order, and I voted for its consideration.

Upon the defeat of the motion for its tentative consideration, I then moved that the committee take up 12 bills relating to what are known as "truth-in-fabric" and "misbranding" bills, and it is to these latter bills that I desire to call the attention of the House.

Having put upon the program the Cooper bill, of especial interest to union labor, and a bill of a general character of special interest to all those who wish to reduce freight rates, I had been requested by farming interests to vote for and move the consideration of what are called the "truth-in-fabric" and "misbranding" bills.

I made that motion, and they were made the next in order.

A deliberate attempt has been made to cause the impression that the "truth-in-fabric" bills did not have behind them any popular pressure for consideration, and that they were not supported by the great farming organizations of the country.

Their consideration was belittled, and it was intimated, if not directly stated, that the purpose of bringing up these bills was not responsive to a wide demand.

Yesterday, before the Committee on Interstate and Foreign Commerce, Mr. Gray Silver, speaking for the American Farm Bureau organization, with branches in 2,000 out of 3,000 counties in the United States and with an organization in 47 out of the 48 States, with a membership of 900,000, gave his testimony as to the importance of these bills in the estimation of the farmer.

He was followed by Mr. A. M. Loomis, representing the great national farm organization, the National Grange, who stated that the membership of his organization was between 800,000 and 1,000,000. This witness stated that he thought organized farmers of the Nation represented from one million and a quarter to one million and a half of our population.

Both these gentlemen are of unusual intelligence, and certainly they represent that portion of our community which is at the present time suffering the most and whose wishes have been considered the least.

For the information of the House, questions propounded to these representatives of organized farmers of the Nation follow.

I trust each Member will read them, because either these representatives do not speak with accuracy or the charge that there was no sentiment back of the consideration of these bills by our committee is untrue.

After reading the questions and answers, the Members of the House may determine the matter for themselves:

> Mr. HAWES. Mr. Chairman, I had hoped not to ask questions of the witness until he had completed his statement, but apparently if I do not ask these questions now, I will not have the opportunity later. Mr. Silver, you are the representative, as I understand it, of the National Farm Bureau?
>
> Mr. SILVER. The American Farm Bureau, which is the national association of farm bureaus of the Nation.
>
> Mr. HAWES. How many farmers, approximately, does that represent?
>
> Mr. SILVER. At our last accounting, which was the last annual report, there were nine hundred and some thousand. We would show many delinquents. Possibly that number does not reflect the real expression of the farm bureau, for in the local communities—I am speaking of both community centers and counties where there is an organization such as ours which is a service organization and not a trade organization—many people attend the meetings and participate who are not actually members.
>
> The farmers' organizations are loosely tied and they attend, and in addition to that, the live, wide-awake farmer is usually the active person in the organization.
>
> Mr. HAWES. How many States are represented in your organization?
>
> Mr. SILVER. Forty-seven.
>
> Mr. HAWES. What are the approximate annual dues of the members?

Mr. SILVER. They vary, so far as the overhead of the organization is concerned. It is 50 cents per member. In some States they charge all the way from $3 up, and in some States $5, and in others $10. That money is used in the county or in the States and does not come to the overhead organization.

Mr. HAWES. I did not want to know the exact amount. I wanted to know the size of the organization, and whether it was mere volume of numbers, or whether back of it there was not only a contribution of money but an active interest.

Mr. SILVER. Of course, the farm bureau is a voluntary membership organization. They have their facilities in a reasonable way, for studying those plans. They meet and determine, and when new questions arise, the question is referred in the main to community centers, of which there are some thirty-five or forty thousand. That is a less unit than the county. Then in counties, there are some 2,000 counties that are organized in the federation.

Mr. HAWES. Out of approximately 3,000 in the United States?

Mr. SILVER. Yes; out of approximately 3,000. In addition to the 2,000 that are organized, we have what we call agencies in almost 700 more. These agencies are the small organizations that are not yet completed. For instance, if we have an organization of 100 members, it is not yet called a farm bureau. It is just a farm bureau in the making.

Mr. HAWES. This organization has discussed the question of truth in fabrics and misbranding?

Mr. SILVER. It has.

Mr. HAWES. Before its various branches in the 2,000 organizations throughout the United States?

Mr. SILVER. It has.

Mr. HAWES. Has it passed resolutions on this subject in its national convention?

Mr. SILVER. It has on different occasions; certainly on three or four, in the last three or four annual meetings.

Mr. HAWES. You are here as the Washington representative of nine hundred and some thousand farmers with organizations in 2,000 counties out of 3,000 in the United States?

Mr. SILVER. Correct.

Mr. HAWES. And when you speak on this subject of truth in fabrics you speak as the organization representative of these people who have studied this question and passed resolutions regarding it?

Mr. SILVER. Under direction by special resolution in their meetings.

Mr. HAWES. And you are satisfied that they understand the question?

Mr. SILVER. I am thoroughly convinced that they know what they are talking about and understand the question.

Mr. HAWES. So that if there is not a room full of farmers here present and woolgrowers from Idaho or Nebraska or other States it is because you are here to speak for them?

Mr. SILVER. Correct.

Mr. HAWES. Did you feel that the sentiment of this great organization was earnest and sincere in its demand for a hearing on this bill?

Mr. SILVER. No doubt on earth about it.

Mr. HAWES. There is no question about it?

Mr. SILVER. No question on earth. They have spoken in so many ways and so many times and you can not go to any part of the country and raise this question where they are not of one opinion.

Mr. HAWES. Mr. Silver, this committee on the 26th of March were confronted with the problem of taking up a certain bill, or taking up 12 different but related bills.

So that you will understand one of these bills was introduced by Mr. ROGERS. The object of the bill was to protect the public against fraud by prohibiting the manufacture, sale, or transportation in interstate commerce of misbranded, misprinted, or falsely described articles, to regulate the traffic therein, and for other purposes.

Another bill was introduced by Mr. JOHNSON of Washington to regulate the traffic in certain surgical materials, that they might be pure, so that sick persons might not be poisoned or injured.

Another bill is by Mr. RAKER, of California, to prohibit deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool, woven fabrics purporting to contain wool, and in garments or articles of apparel made therefrom, transported or intended to be transported in interstate and foreign commerce, and providing penalties for this deceit.

Another bill was by Mr. FRENCH to provide for the proper labeling of bottles, receptacles, containers of poison which are shipped in interstate commerce. The intent of that bill was to keep people from being poisoned, especially little children who were using innocently marked articles which could accomplish a deadly purpose.

Another bill was by Mr. FRENCH to prevent deceit and unfair prices that result from the unrevealed presence of substitutes for virgin wool in woven fabrics purporting to contain wool and in garments or articles of apparel made therefrom, manufactured, etc.

Another bill is by Mr. JOHNSON of Washington to prevent the manufacture or sale or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, liquors, and regulating that traffic.

This bill is to preserve the health of our people and to prevent deceit.

Another bill is to prohibit the manufacture, sale, or transportation in interstate commerce of misbranded articles; that is, where the manufacturer puts on a false brand to deceive the public.

Another bill is to protect the public against deceit and unfair prices resulting from the presence of other than leather, wool, or silk in clothing and articles of apparel purporting to be made of certain material.

Another bill intended to prevent deceit and sharp practice, to protect the consuming and wearing public.

Another bill by Mr. HAUGEN, chairman of the Agriculture Committee of the House, an act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grains, seeds, unfit for seeding purposes. The evident intent of this bill is to prevent foreign seed manufacturers from selling to the farmers seeds which would not produce grain, dead seeds or improperly marked seeds, a measure of interest, as I assume to all the farmers in the United States. It was given to the chairman of that committee, because he was at the head of the great Agriculture Committee of this House.

Here is a bill by another Congressman, Mr. REECE, to safeguard the distribution and sale of certain dangerous caustic and corrosive acids and alkalis and other substances in interstate and foreign commerce. That is simply a bill intended to put upon the can or the jar the contents to prevent poisons, to prevent general injury to public health.

Here is a bill from the gentleman from North Dakota [Mr. BURTNESS] which demands the labeling of flour in interstate commerce, so that substitutes of flour should not be called flour and sold as flour.

Here is another bill by Doctor KINDRED, a Member of the House from New York, to provide for regulating traffic in certain clinical thermometers and for other purposes. He claims that thermometers for testing the temperature of people in hospitals are not properly marked, so that frequently because of this improper thermometer there is great loss of life, the patient suffers, and the doctor can not properly diagnose a case.

I was interested in knowing from you, who I consider to be a man of very unusual intelligence, representing, I believe, one of the largest organizations of its kind in America, just how earnest and how emphatic and how real was the demand of the farmer for these bills which would protect him in two ways:

First, one portion of the wool of the sheep sells for $1.50 and another portion, we will say, for 50 cents. The manufacturer puts the 50-cent wool in with the $1.50 wool and he gets the full $1.50 price, where the farmer only gets 50 cents. The farmer is interested when an article is sold as wool, which he produces, that the public should not be deceived in buying an article that is part wool and part cotton, eliminating entirely the question of whether it is all wool, a portion of it being virgin wool and a portion of it being shoddy.

How earnest is this great organization of yours in demanding the consideration of the House to these bills? Could you say something on that?

Mr. SILVER. You have enumerated quite a list of bills, and may I say that all bills pertinent to the welfare of agriculture are sent by me back not only to our Chicago office but the offices of the different States. We have our department of research and economics at Chicago, and these matters are gone through and my instructions come back.

After considering the different measures in which there is much merit as to the things they set out to do, after having passed on them by resolutions, they asked me to urge upon you the favorable consideration of the French-Capper truth in fabrics bill. That was, I believe, the first question.

As to how earnest they are, they are just as earnest in this measure as they have been in any measure before Congress at this time or in previous days; just as earnest as they were in the advocacy of the pure food law or any of the things that have to do with our health and well-being.

Why, think of the mother who goes out, as I illustrated a moment ago, to buy a wrapping for the little child, just as interested in the quality of the wrapping as she is in the welfare of the child, because the wrapping has to do with the life and healthof the child. Nothing could be closer to it.

We can not have healthy, worth-while, grown-up people if while they are little babes they are exposed to unnecessary danger, to coughs and colds, pneumonia, and perhaps death. They come along, you know, as weaklings, not protected as strong, able people. It has to do with the welfare of grown people, with the citizenship of the Nation. It is hard to say that a group like ours is 100 per cent on any question, but it is as near 100 per cent on this measure as anything before Congress.

Mr. HAWES. I am asking you these questions in sincerity, because the statement has been made on the floor of the House—and it was

intimated when I made the motion to bring up the truth in fabrics bills and these bills relating to public health, honest seeds, and pure flour—that it was a political move, not made in good faith, but made for the purpose of displacing another bill, the so-called Barkley bill. I want to know whether there is a real, honest, sincere sentiment back of these bills.

Mr. SILVER. Let me say one more word.

So far as this Congress is concerned, there are three measures that are legislatively possible, in which the farmers are vitally interested. Muscle Shoals, which the House has kindly passed. Truth in fabrics, which you have under consideration, and the McNary-Haugen bill.

Those are the only three measures that, in a large way, affect agriculture that are in the legislative position to be able to come to a conclusion at this session. They can; they may not, but they can. They are in such a position that they can. They can come to it.

Our people are just as strongly advocating all three of those measures. I am discussing one, but I am mentioning the others to illustrate the point that all three of those measures be considered and determined, and I am here as their representative to urge upon you that not only you consider it in committee but that you report it and permit it to be disposed of on the floor.

Had there not been a lasting and worth-while interest in this bill, it would have flagged and been lost long ago. For 20 years and more they have stood by all the time, urging and advocating that this be done, and they see it, as I said before, just as common honesty, that they might have an opportunity of knowing what they should know.

I want to assure you gentlemen that they will be back here at the opening of the next Congress asking for this legislation.

Mr. HAWES. Mr. Chairman, may I ask for an unusual privilege so that this record may be connected. The representative of the National Grange is here waiting to testify. He has heard the questions that I have propounded. May I ask him a few questions?

The CHAIRMAN. If there is no objection. The Chair hears none.

STATEMENT OF MR. A. M. LOOMIS, REPRESENTING THE NATIONAL GRANGE

Mr. LOOMIS. I am Doctor Atkinson's assistant. He is Washington representative of the National Grange, and I have been here with Doctor Atkinson since the 1st day of February, 1919, carrying on this work of legislative representation of the farmers of the United States.

Mr. HAWES. May I ask just a few questions? I did not want at this time to occupy much time. How many members are there in your organizations?

Mr. LOOMIS. Between 800,000 and 1,000,000.

Mr. HAWES. Between 800,000 and 1,000,000?

Mr. LOOMIS. I might divert just a little at that point, as Mr. Silver did in relation to his organization.

Of those, there are a certain number that are active members, from whom we receive dues each year, which are transmitted to our treasury. So that we have a definite count of that number. That number will run between six and seven hundred thousand.

We always consider that there are a good 25 per cent of delinquent members.

Mr. HAWES. Doctor, has your organization taken up the various bills relating to truth in fabrics and misbranding and honest flour, drugs, etc.? Have they had those matters under discussion?

Mr. LOOMIS. Under the procedure which our organization follows, we adopt a legislative program at an annual meeting in November of each year. There has been no meeting of our organization since this large list of bills has come before Congress.

Therefore, there has been no action definitely on this list of bills which you have read. But there has been definite and repeated action for years on this particular truth-in-fabrics legislation, which is before the committee. I think I can say with absolute certainty that there is no bill pending in Congress which is so absolutely, uniformly, unanimously approved and asked for by the National Grange as this truth-in-fabrics legislation.

Mr. HAWES. That is all.

Mr. LOOMIS. I do not want to make any further statement. If I came on my own time, I would not have cared to say any more than I have said now.

The CHAIRMAN. Is there any duplication between your membership and that of the federation represented by Mr. Silver?

Mr. LOOMIS. I would say there is a considerable amount of duplication between the two organizations. I would say that the membership is duplicated to the extent that in comparing legislative programs between the two organizations ever since the American Farm Bureau Federation was organized we practically find no difference in the legislative program of the two organizations.

The CHAIRMAN. That is what I had in mind. I meant duplication of membership; that is, whether you are representing eighteen hundred thousand people or nine hundred thousand?

Mr. LOOMIS. In the States east of Louisiana there is a good-sized duplication of members. We have not a large membership west of Indiana, and consequently the memberships there largely do not duplicate the grange membership.

The CHAIRMAN. What do you think the average membership of the two organizations is?

Mr. LOOMIS. Combined?

The CHAIRMAN. Not the combined membership; the average.

Mr. LOOMIS. I do not quite get the question.

The CHAIRMAN. If you have a million people in the federation and a million people in the grange, that would be 2,000,000 people. But if 500,000 were on the rolls of both you would only represent a million and not two million people. What would you say it was?

Mr. LOOMIS. I would say the duplication would be two hundred and fifty or three hundred thousand of people belonging to both organizations.

Mr. HAWES. Doctor, just this other question: Then the joint statement presented by the grange and the farm bureau, you would state, represented an intelligent appeal and an understanding appeal of approximately how many farmers in the United States?

Mr. LOOMIS. A million and a quarter; a million and a half, perhaps.

I would say, in addition to that, I am sure it represents the opinion of more than 90 per cent of all the farmers in the United States who are taking any part or any interest in agricultural organizations.

It is quite possible that the gentlemen introducing the other bills which were in the tentative list of 12 taken up in the third order by the Committee on Interstate and Foreign Commerce were merely going through idle motions, and that they introduced their bills not for the purpose of being considered and passed but for the mere satisfaction of introduction; but looking over the names of the men and their service and standing in the House I can not believe this to be so.

If the motion made by the gentleman from Kentucky [Mr. BARKLEY] had given the Barkley bill preference to these 12 bills, apparently the circulation of the petition for 150 names would not have been undertaken.

The House, however, must understand that if his motion had prevailed—for which I voted—then the consideration of these other bills, including the bills the organized farmers of the Nation want discussed, would have been set aside.

This is a rather remarkable proceeding when we first consider that a bill introduced on the 28th of February is given preference to 276 bills referred to the committee prior to that time; that 9,000 bills were pending before the House; that there are 62 standing committees, in which undoubtedly there are numerous bills which have not been reported and which were introduced long prior to the Barkley bill.

Even the great bills revising the care of our sick and disabled soldiers, our wounded men now in hospitals and asylums, and seeking some improvement in their condition and surroundings and some change in the law to make it more humane were all pushed aside that 1 bill out of 13,000 should be taken from a great committee and given preference over all other bills.

If there was an emergency, none was stated. And it is a singular thing that the committee which had this matter under consideration is composed of 21 men coming from 20 States, and that of these 21 men only 4 signed the petition, leaving 12 Republicans and 4 Democrats who refused to sign.

What is the real reason that this extraordinary preference over all other legislation, over all other bills, over all other committees, and over all other subjects should be given to one bill introduced in the House as late as February 28, and the new rule invoked upon the very first date available under that rule?

There are some bills in the House upon which the rule might with propriety have been used, but no one has successfully shown the special reason why it should be employed in this case and the old traditions of the House from the time of Washington violated for the first time by a consideration of a bill which had never been heard before a committee of the House, in violation of the right of petition which, in its modern acceptance, is the right of hearing before committees.

Personally I have never expressed an opinion on the merits of the Barkley bill, either for or against it, either in public or in private.

But so long as I am a Member of this Congress I will not vote for the passage of any bill—unless it is a simple resolution—until both sides of a controverted measure have had the right of hearing given to them by either a special or a standing committee of this House.

I consider the denial of the right of hearing, of the right of discussion, and the benefit of reports of far greater importance than any single measure which may be presented to the House for its consideration.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. GREEN].

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Chairman, I do not care to enter into any of the disputes that the Comptroller General has had with other departments. My contention is simply that the Judiciary Committee is right in this particular instance as to the amendments which they have offered to the present law. The Comptroller General may have been right in the first instance in saying he had jurisdiction to review their decisions, and I am inclined to think he had; but the question now is whether he ought to be given that right.

I want to call the attention of the House to one matter which seems to have been overlooked with reference to the powers and duties of the Comptroller General. It is perfectly obvious that if we are going to permit the Comptroller General to review the findings of fact of every board created by Congress; in fact, I might go further, if we are to permit him to review every legal decision, then the Comptroller General must surround himself with a body of experts. In this particular case he must have a body of expert physicians, men familiar with this particular kind of work; in other cases he must have a board of competent lawyers to advise him and he must have a corps of auditors to attend to every provision we have with reference to matters anywhere in the Government.

Mr. BEGG. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BEGG. If he does not have that power, why have the Comptroller General? Just for the simple-addition process?

Mr. GREEN of Iowa. Oh, no. The duties of the Comptroller General pertain to higher matters than reviewing small matters of fact. In civil cases a justice of the peace has absolute jurisdiction over minor cases, and all through our jurisprudence when we create a board or have a jury pass on matters of fact we make that final and we end the matter there.

These matters must end somewhere, and if the Comptroller General is to review all such matters as include those of the kind under consideration in this particular case you might just as well leave it to him in the first instance. In fact, you would have to set up the greatest department we would have here in Washington in order that the Comptroller General might have enough men to properly attend to it and have the right kind of experts. This would involve no end of duplication of the work of various boards and bureaus.

Mr. EDMONDS. Does not the gentleman think the Comptroller General was right when he refused to take up any cases that occurred before the date of the passage of this bill?

Mr. GREEN of Iowa. I have not any knowledge with reference to anything of that kind.

Mr. EDMONDS. Is it not the gentleman's own judgment that nothing before the passage of this bill should be taken up by the compensation board?

Mr. GREEN of Iowa. Is the gentleman speaking of this particular bill?

Mr. EDMONDS. The passage of the compensation bill of September 7, 1916, or whatever date it was?

Mr. GREEN of Iowa. That would be all right if that is what Congress wanted, but that is not what is being done.

Mr. EDMONDS. Would the gentleman want to go back and take up the cases that happened during the past 20 or 30 years?

Mr. GREEN of Iowa. No; I would not, and this bill does not provide for this being done.

Mr. EDMONDS. Certainly the gentleman would not, because we have passed a lot of those cases through the Committee on Claims, and other liability bills.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Pennsylvania. My colleague from Philadelphia is mistaken in saying that the compensation commission has done anything beyond this law. No question of that kind has arisen anywhere in all these proceedings.

Mr. GREEN of Iowa. I think the gentleman from Pennsylvania [Mr. GRAHAM] is entirely correct as to that matter, for when we observe the language of the bill it refers simply to cases for which compensation should be allowed under the provisions of the act.

Mr. EDMONDS. But happening prior to the passage of this act?

Mr. GREEN of Iowa. But would not that cover cases prior to the passage of the original act? I can not yield further to the gentleman.

Here we have this situation: The gentleman from Indiana [Mr. WOOD] has said that if we wanted to make the law broader we should enlarge the act, but the Attorney General has already said the act is broad enough. The Attorney General, in rendering his construction of this act and in giving his opinion, said that the act is broad enough now. So we need nothing more in the bill in order that it may cover compensation cases. But the decision of the board should be final and necessitated a change in the present law.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GRAHAM of Pennsylvania. May we not agree to end debate and not apportion any more time?

The CHAIRMAN. The Clerk will report the bill for amendment if there is no further debate.

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, be amended as follows:

That section 37 of said act is amended to read as follows:

"SEC. 37. That if the original claim for compensation has been made within the time specified in section 20, the commission may at any time, on its own motion or on application, review the award, and, in accordance with the facts found on such review, may end, diminish, or increase the compensation previously awarded, or, if compensation has been refused or discontinued, award compensation. In the absence of fraud or mistake in mathematical calculation, the finding of facts in, and the decision of the commission upon, the merits of any claim presented under or authorized by this act shall not be subject to review by any other administrative officer, employee, or agent of the United States. Any award made by the compensation commission under the act of September 7, 1916, for disability or death resulting from a personal injury sustained prior to the passage of this act shall be valid if such award would be valid if made in respect to an injury sustained after the passage of this act."

With the following committee amendment:

After the word "administrative," in line 12, page 2, insert "or accounting."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I wish to offer an additional amendment. In line 13, page 2, after the word "award," so as to settle all question, insert the word "heretofore." This would make it read, "any award heretofore made by the compensation commission."

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Pennsylvania: Page 2, line 13, after the word "award," insert the word "heretofore."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BEGG. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. BEGG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, I do not want any remarks I make misunderstood. I am in entire sympathy with the intent of this bill, but I fear that we are about to do something that in a year we will regret. Not being an attorney, I can not be sure that my interpretation is accurate, but when I read "in the absence of fraud or mistake in mathematical calculation," the decision of the commission shall not be subject to review by any accounting officer, that evidently and without dispute means the Comptroller General.

Mr. GRAHAM of Pennsylvania. Will the gentleman pardon me a second?

Mr. BEGG. Gladly.

Mr. GRAHAM of Pennsylvania. That language has been introduced in the bill on the suggestion of the Comptroller General in his letter addressed to the committee.

Mr. BEGG. The only thought I want to be sure about is this: The very minute we make one exception to the Comptroller General's authority, within a six-months' period there will be some other dispute arise in some other department and they will come to Congress and say, "Well, you excepted the Compensation Commission from the authority of the Comptroller General to rule finally and we have just as good grounds for exception as they have."

Mr. DYER. Will the gentleman yield?

Mr. BEGG. As soon as I have finished my statement. If there is any likelihood of doing that in this case, it is the first

step in the destruction of the office of the Comptroller General, and I am of the opinion that if the only purpose of the Comptroller General was to add up and see whether the figures are right, it was a useless waste of money.

Mr. DYER. Will the gentleman yield?

Mr. BEGG. I will yield to the gentleman.

Mr. DYER. May I state to the gentleman that there are pending now in the Committee of the Judiciary two bills with reference to this matter, one introduced by Mr. MADDEN defining what is the authority of the Comptroller General in matters pertaining to his office, and the other is to provide that there shall be a review, if the President or a member of the Cabinet requests, by the Attorney General of the decision of the Comptroller General, and I think something of that kind will and ought to be adopted.

Mr. BEGG. I will not quarrel with the gentleman, and I am going to vote for the bill on the recommendation of the Judiciary Committee, but I say to you that I am voting with just a little fear that we are making a mistake.

I think this commission ought to have authority to handle and render decisions on the class of cases referred to, but suppose this commission exceeds the authority of law and exceeds all authority of reason and reasonable interpretation of the law, there is only one force in the world—and that is the Comptroller General—to review and hold them within bounds; and if we pass this law and do what I think we are doing and remove that authority, we are simply beginning to break down the institution that we boasted so much about in the previous Congress.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. BEGG. I will gladly yield.

Mr. CONNALLY of Texas. I want to suggest to the gentleman that General McCarl was before a committee of which I am a member a few days ago and testified that his chief function under the law, as he took it to be, was simply to determine the availability of appropriated funds for the use to which they are sought to be put.

Mr. BEGG. Absolutely; and I do not want to cast a ballot that will interfere with his right to do that for this commission or any other commission, and I simply make these remarks to emphasize that fact to the Judiciary Committee.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. UPSHAW. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. UPSHAW. I rise in opposition to the pro forma amendment.

Mr. Chairman and gentlemen, I should like to say, in the first place, that I have absolute faith in the honesty of the Comptroller General, and I have more than that. I have a tremendous admiration for his commanding ability. I said after a conference with him some time ago—remarking to somebody after I came out—that I believed in my soul that General McCarl was just about the smartest man I had talked to since I came to Washington; and I do not want to make any of my colleagues feel badly. [Laughter.]

But if General McCarl is to have the final word on every case that comes before this bureau you might as well abolish the bureau and let both the first word and the last be uttered by him. I think the trouble grows out of this fact. I have an idea somehow—and I think the country has—that these unfavorable decisions of his—these vetoes—have been predicated on the basis of a wrong concept, the concept that these awards should have been made only where people were injured by accident; but the words "by accident" do not appear in the law, and that is really our open door for passing this bill, it seems to me, so as to make clear the spirit and intent of the workmen's compensation law. It is certainly plain, or ought to be made plain by this bill, that whenever an employee of the Government is physically disabled, either by accident or other physical contact, he should be the beneficiary of this compensation act.

Take one case, for instance, and we see how absolutely necessary it is to accept the basis of occupational injury: In one case, on a ship, the water drank by the employees resulted in an epidemic of typhoid fever. Now, if that bad water resulted in typhoid fever and resultant troubles, there is an inescapable obligation on the part of the Government because of that injury; or if an employee in the navy yard, as brought out by the gentleman from Massachusetts [Mr. UNDERHILL], has been serving his Government by the labor of his hands and the sweat of his brow, and he takes a cold, and as a result of that condition, produced by laborious devotion to his governmental duty, if that is true, and he has tuberculosis or any other resultant disability, I charge that the Government is just as responsible as if that man had started up a foot ladder and fallen and broken some part of his body. It is the spirit of the law we are trying to uphold; and I do not believe that anybody who has had a conference with the wonderful woman, Mrs. Bessie Brueggeman, who is chairman of the compensation bureau, will believe that she desires anything except to get justice for the men and women who have served their country faithfully. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I move to strike out the paragraph in order to make a very brief statement in regard to the bill. There is much power and final discretion placed in the Vocational Board. But it must be somewhere; some body or some agency must pass upon the facts of each case. I appreciate the danger of this sort of legislation. This is an illustration of the situation into which we have gotten. Congress of necessity, by reason of the fact that there is an overload of the machinery of government, is compelled to create these bureaus one after another. The governmental responsibility that has been sent up to the Federal Government from the States has broken down the machinery of the Federal Government as originally constituted. As one gentleman has said, we have delegated to these bureaus legislative, executive, and judicial powers. They make rules, construe and enforce them. There is nothing peculiar about this bureau. The business of this board is to make investigations and determine whether or not under this law the individual is entitled to receive Federal compensation resulting from injury, including vocational diseases. The members of that board are agents of the Government clothed with that power. Some gentlemen seem to believe—and it may be that we will have to do it later—that a sort of duplicate inquisitorial power and duty, at least the right of review in each case, should rest with the Comptroller General. In the very nature of things with a Government like ours, with a vast number of bureaus, that would seem impractical as a general plan. Take these cases together—if the Comptroller General before any awards and payments are made should investigate each case it would seem that it would make it impossible for the various boards, departments, and bureaus properly to function.

Take the situation of the man who has contracted a vocational disease—if the Comptroller General after investigation and award by the commission is also to review and inquire into the facts in every case there would not only be duplication of machinery and expense but a postponement of aid to the person who has contracted the vocational disease. It would add to the red tape and possibly reduce the probability of recovery.

I recognize it is a bad situation, gentlemen, in which we find ourselves. It is a bad situation in which any people find themselves who are trying to run a bureaucratic government. But that is what we are trying to do. We have gotten ourselves into a governmental mess. But the people from the States demand of us that we shall function for them in the concentration of power here that ought to remain with the States. It is beyond human capacity to take care of this vast amount of governmental responsibility except through the aid of bureaus. We can not supervise these bureaus except through the agency of other bureaus, which mean more red tape, more delay, more expense, and the same possibility of inefficiency and extravagance. Of course we are uncertain as to what to do. We know that a bureau which no elected representative of the people can supervise is to handle this matter. If power and discretion are abused, we may find it out months afterwards, or we may never find it out. If we provide that the Comptroller General be given power to review in each case, we are afraid delay and duplicated expense will result. These are the penalties which a bureaucratic system of government imposed upon a people who are not willing to hold their governmental power and responsibility distributed but insist that Uncle Sam do everything. I think the best thing is to vote for this bill. If it does not work all right, we will have to repeal it.

Mr. ALLGOOD. Mr. Chairman, will the gentleman now yield?

Mr. SUMNERS of Texas. Yes.

Mr. ALLGOOD. Is not that a process by red tape methods?

Mr. SUMNERS of Texas. Yes; bureaus use much red tape.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

[Mr. WOOD] has said that if we wanted to make the law broader we should enlarge the act, but the Attorney General

Mr. BEGG. As soon as I have finished my statement. If there is any likelihood of doing that in this case, it is the first

The Clerk read as follows:

SEC. 2. That section 40 of said act is amended to read as follows:

"SEC. 40. That wherever used in this act—

"The singular includes the plural and the masculine includes the feminine.

"The term 'employee' includes all civil employees of the United States and of the Panama Railroad Company.

"The term 'commission' shall be taken to refer to the United States Employees' Compensation Commission provided for in section 28.

"The term 'physician' includes surgeons.

"The term 'monthly pay' shall be taken to refer to the monthly pay at the time of the injury.

"The term 'injury' includes, in addition to injury by accident, any disease proximately caused by the employment.

"The term 'compensation' includes the money allowance payable to an employee or his dependents and any other benefits paid for out of the compensation fund."

With the following committee amendment:

Page 3, line 11, after the word "fund" insert a colon and the words: *Provided, however*, That this shall not in any way reduce the amount of the monthly compensation payable in case of disability or death.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7041, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. The previous question has been ordered by the rule. Is a separate vote demanded upon any amendment? If not, the Chair will put them en grosse. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 73, noes 11.

So the bill was passed.

On motion of Mr. GRAHAM of Pennsylvania, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONFERENCE REPORT—IMMIGRATION BILL

Mr. JOHNSON of Washington. Mr. Speaker, I desire to present a conference report on the bill H. R. 7995, the immigration bill.

The SPEAKER. The gentleman from Washington presents a conference report on the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7995) to limit immigration of aliens into the United States, and for other purposes.

Mr. BLANTON. If necessary, I reserve all points of order.

Mr. GARRETT of Tennessee. It is not necessary. I would ask the gentleman from Washington if it is the purpose to take up this report to-morrow?

Mr. JOHNSON of Washington. I believe it is the intention to call it up immediately after the disposition of business on the Speaker's desk to-morrow morning.

REMISSION OF CUSTOMS DUTY

Mr. GREEN of Iowa. Mr. Speaker, I present a privileged report from the Committee on Ways and Means.

The SPEAKER. The gentleman from Iowa presents a privileged report on a bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9111) directing the remission of customs duty on certain property of the United States imported by the War Department.

The SPEAKER. Referred to the Union Calendar and ordered to be printed.

CONFERENCE REPORT—INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 8233, the independent offices appropriation bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Indiana asks unanimous consent to take from the Speaker's table the bill H. R. 8233, disagree to the Senate amendments, and ask for a conference. Is there objection? [After a pause.] The Chair hears none. The Clerk will announce the conferees.

The Clerk read as follows:

WILLIAM R. WOOD, EDWARD H. WASON, and JOHN N. SANDLIN.

Mr. RAKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAKER. This morning I inquired with reference to the report on the immigration bill. I understood the Speaker to rule that a conferee would have no right to file his views when a conference report is presented. Was that correct?

The SPEAKER. The Chair holds there is no precedent for such action.

Mr. RAKER. Under the statement of the Chair I did not accept what I was told in the Senate I could do, but followed the Speaker's direction and will make a statement when the conference report comes up as to my objections to it.

LEAVE OF ABSENCE

By unanimous consent—

Mr. WILLIAMS of Texas was granted leave of absence indefinitely on account of important business.

Mr. DOWELL was granted leave of absence indefinitely on account of illness.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.), the House adjourned until to-morrow, Friday, May 9, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

466. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Supreme Court of the United States for the fiscal year ending June 30, 1924, for printing and binding, amounting to $4,000 (H. Doc. No. 269), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNYDER: Committee on Indian Affairs. H. J. Res. 258. A joint resolution creating a joint committee of three Members of the Senate and three Members of the House to investigate the administration of Indian affairs in the State of Oklahoma; with an amendment (Rept. No. 678). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNUTSON: Committee on Indian Affairs. H. R. 8086. A bill to amend the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1915," approved August 1, 1914; with an amendment (Rept. No. 679). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 8210. A bill to fix the salaries of officers and employees of the Court of Appeals of the District of Columbia, the Supreme Court of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals; with amendments (Rept. No. 680). Referred to the Committee of the Whole House on the state of the Union.

Mr. SPROUL of Kansas: Committee on Indian Affairs. H. R. 8356. A bill to amend the law relating to timber operations on the Menominee Reservation in Wisconsin; without amendment (Rept. No. 681). Referred to the Committee of the Whole House on the state of the Union.

Mr. HUDSON: Committee on Indian Affairs. H. R. 8493. A bill conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes; with amendments (Rept. No. 682). Referred to the Committee of the Whole House on the state of the Union.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 8438. A bill granting the consent of Congress to the county of Allegheny, Pa., to construct a bridge across the Monongahela River from Cliff Street, McKeesport, to a point opposite in the city of Duquesne; without amendment (Rept. No. 683). Referred to the House Calendar.

Mr. McFADDEN: Committee on Banking and Currency. S. J. Res. 3. A joint resolution authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Denver, Colo.; with an amendment (Rept. No. 686). Referred to the House Calendar.

Mr. McFADDEN: Committee on Banking and Currency. S. J. Res. 51. A joint resolution authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Omaha, Nebr.; with an amendment (Rept. No. 687). Referred to the House Calendar.

Mr. GREENE of Massachusetts: Committee on the Merchant Marine and Fisheries. H. J. Res. 253. A joint resolution to provide for an investigation in respect of the suspension and determination of the suspension of the operation of the provisions of section 28 of the merchant marine act of 1920; without amendment (Rept. No. 689). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEN of Iowa: Committee on Ways and Means. H. R. 9111. A bill directing the remission of customs duties on certain property of the United States imported by the War Department; without amendment (Rept. No. 690). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BURDICK: Committee on Naval Affairs. H. R. 6436. A bill for the relief of Isidor Steger; with an amendment (Rept. No. 684). Referred to the Committee of the Whole House.

Mr. DREWRY: Committee on Naval Affairs. H. R. 8661. A bill for the relief of Frank Stinchcomb; without amendment (Rept. No. 685). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9023) granting an increase of pension to William H. Grimes; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9071) granting a pension to William C. Younce; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LOWREY: A bill (H. R. 9122) declaring a part of Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILLIPS: A bill (H. R. 9123) to provide for the purchase of a site and for the erection of a public building thereon at Ambridge, Beaver County, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. McKENZIE: A bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes; to the Committee on Military Affairs.

By Mr. GRAHAM of Pennsylvania (by request): A bill (H. R. 9125) for the establishment of a national bureau of identification and information in the Department of Justice; to the Committee on the Judiciary.

By Mr. OLDFIELD: A bill (H. R. 9126) to permit rural letter carriers to act as agents or solicitors or engage in any other gainful occupation; to the Committee on the Post Office and Post Roads.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 303) for the immediate consideration of H. R. 8210, to fix the salaries of officers and employees of certain courts in the District of Columbia; to the Committee on Rules.

By Mr. McFADDEN: Resolution (H. Res. 304) for the consideration of the joint resolutions S. J. Res. 3 and S. J. Res. 51; to the Committee on Rules.

By Mr. GREENE of Massachusetts: Resolution (H. Res. 305) for the consideration of H. R. 3638, amending section 28 of the merchant marine act of 1920; to the Committee on Rules.

By Mr. EDMONDS: Resolution (H. Res. 306) to provide for the carrying out of the award of the National War Labor Board of July 31, 1918, in favor of certain employees of the Bethlehem Steel Co., Bethlehem, Pa.; to the Committee on Rules.

By Mr. TINKHAM: Memorial of the Legislature of the State of Massachusetts petitioning Congress to enact legislation to prevent shoes being manufactured in factories owned by the Federal Government; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNES of South Carolina: A bill (H. R. 9127) granting an increase of pension to David T. Kirby; to the Committee on Pensions.

By Mr. DYER: A bill (H. R. 9128) for the relief of Herman A. Lueking; to the Committee on Claims.

By Mr. RAGON: A bill (H. R. 9129) granting a pension to Alice E. Howsley; to the Committee on Invalid Pensions.

By Mr. ROACH: A bill (H. R. 9130) granting a pension to Frances Roe; to the Committee on Invalid Pensions.

By Mr. SULLIVAN: A bill (H. R. 9131) for the relief of Martha Janowitz; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 9132) granting a pension to Dick Rutledge; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2698. By Mr. BARBOUR: Petition of the Federal Business Association, of Fresno, Calif., urging the enactment of legislation permitting and providing for, under proper regulations, the use by Federal departments of confiscated automobiles and boats; to the Committee on the Judiciary.

2699. By Mr. BURDICK: Petition of Wool Sorters' Union, of Providence, R. I., petitioning Congress to consider condition of poverty among New England textile workers and urging part of appropriation to relieve suffering in foreign countries be devoted to relief of suffering mill workers; to the Committee on Appropriations.

2700. By Mr. FULLER: Petition of the Illinois Agricultural Association, favoring the enactment of the McNary-Haugen bill; to the Committee on Agriculture.

2701. By Mr. GALLIVAN: Petition of headquarters, Department of Massachusetts, United Spanish War Veterans, Boston, Mass., urging passage of Bursum pension bill over President's veto; to the Committee on Pensions.

2702. Also, petition of Edward M. Cunningham Auxiliary No. 42, United Spanish War Veterans, Brighton, Mass., urging passage of Bursum pension bill over President's veto; to the Committee on Pensions.

2703. Also, petition of Roger Wolcott Camp, No. 23, Department of Massachusetts, United Spanish War Veterans, Roxbury, Mass., urging passage of Bursum pension bill over President's veto; to the Committee on Pensions.

2704. Also, petition of Kearsarge Association of Naval Veterans, Boston, Mass., urging passage of Bursum pension bill over President's veto; to the Committee on Pensions.

2705. Also, petition of Mrs. Mary F. Murphy, 43 Norton Street, Dorchester, Mass., urging passage of Bursum pension bill over President's veto; to the Committee on Pensions.

2706. By Mr. KING: Petition of Dorothy Quincy Chapter, Daughters of the American Revolution, Quincy, Ill.; favoring Senate Joint Resolution 64; to the Committee on the Public Lands.

2707. By Mr. RAKER: Petition of Custer Camp, National Indian War Veterans, San Francisco, Calif., urging passage of Bursum bill over President's veto; to the Committee on Invalid Pensions.

2708. Also, petitions of Chamber of Commerce of the United States, Washington, D. C., and Metal Trades Manufacturers' Association of Southern California, G. A. Axelson, president, Los Angeles, Calif., protesting against the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2709. Also, petitions of Shipowners' Association of the Pacific Coast, P. J. O'Connor, president, San Francisco, Calif., opposing motion to take Howell-Barkley bill from committee; J. W. Llewellyn, Kennett, Calif., urging support of Howell-Barkley bill; and Philadelphia Bourse, Emil P. Albrecht, president, protesting against Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2710. By Mr. WINTER: Petition of Shop Employees' Association, Union Pacific system, Cheyenne, Wyo., protesting against Senate bill 2646 and House bill 7358, known as Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

FRIDAY, *May 9, 1924*

(Legislative day of Monday, May 5, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	Ladd	Sheppard
Ashurst	Fess	Lodge	Shields
Ball	Fletcher	McKellar	Shipstead
Bayard	Frazier	McKinley	Shortridge
Brandegee	George	McLean	Simmons
Brookhart	Gerry	McNary	Smith
Bruce	Glass	Moses	Smoot
Bursum	Gooding	Neely	Spencer
Cameron	Hale	Norbeck	Stanfield
Capper	Harreld	Norris	Stephens
Colt	Harris	Oddie	Trammell
Copeland	Harrison	Overman	Underwood
Cummins	Heflin	Pepper	Wadsworth
Curtis	Johnson, Calif.	Phipps	Walsh, Mass.
Dale	Johnson, Minn.	Pittman	Walsh, Mont.
Dial	Jones, N. Mex.	Ralston	Warren
Dill	Jones, Wash.	Ransdell	Watson
Edge	Kendrick	Reed, Mo.	Weller
Ernst	Keyes	Reed, Pa.	Willis
Fernald	King	Robinson	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-nine Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that Mr. SUMMERS of Washington was appointed a manager, in the place of Mr. WASON (excused), on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6896. An act to amend an act entitled "The classification act of 1923," approved March 4, 1923; and

H. R. 7041. An act to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

PETITIONS

Mr. LADD presented a resolution adopted by Republicans of Nelson County in convention assembled at McVille, N. Dak., favoring the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

Mr. NORRIS. I ask unanimous consent to present a petition, and to have the heading of the petition printed in the RECORD without printing the names. It is signed by several hunderd citizens of Omaha, Nebr., and relates to a bill now pending before the Post Office Committee pertaining to the salaries of postal employees. I ask that the petition, together with the names, be referred to the Committee on Post Offices and Post Roads.

There being no objection, the petition was referred to the Committee on Post Offices and Post Roads, and the heading was ordered to be printed in the RECORD, as follows:

To the Members of the Congress:

We the undersigned clerks of Harney Station, Omaha, Nebr., urge the present Congress to give us relief from unnecessary night work. We are not asking for any relief from dispatching all mail dropped up to 6 p. m. But we do ask that after that hour only first-class mail be moved. We believe that if a period of 45 minutes be counted as one hour of time between 6 p. m. and 6 a. m. that the cheaper classes of mail will be handled on the day hours, bringing about a greater saving than by spreading the work and the men over the entire 24 hours.

REPORTS OF COMMITTEES

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, reported it without amendment and submitted a report (No. 509) thereon.

He also, from the same committee, to which was referred the amendment relative to surplus revenues of the District of Columbia, submitted by Mr. PHIPPS and intended to be proposed to the bill (H. R. 8839) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, reported favorably thereon and moved that it be referred to the Committee on Appropriations, which was agreed to.

He also, from the same committee, to which was referred the bill (S. 3220) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md., reported it with an amendment and submitted a report (No. 510) thereon.

Mr. HARRISON from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation," reported it with amendments and submitted a report (No. 511) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (S. 3187) granting permission to certain officers and men of the United States Army to accept various decorations bestowed in recognition of services to the allied cause, reported it with amendments.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STEPHENS:

A bill (S. 3272) declaring a part of Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream; to the Committee on Commerce.

Br. Mr. SHORTRIDGE:

A bill (S. 3273) amending section 252 (a) of the revenue act of 1921, as amended by act of March 4, 1923, and further amended by the act of March 13, 1924; to the Committee on Finance.

By Mr. COLT:

A bill (S. 3274) granting an increase of pension to Sarah A. L. P. Campbell; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 3275) for the relief of the owner of the American steam tug *O'Brien Brothers;* to the Committee on Claims.

A bill (S. 3276) authorizing the sale of real property no longer required for military purposes; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 3277) to prohibit the transmission of certain matter through the mails, and for other purposes; to the Committee on Post Offices and Post Roads.

A bill (S. 3278) to establish a council on universities and colleges in the District of Columbia, and for other purposes; to the Committee on Education and Labor.

AMENDMENTS TO TAX REDUCTION BILL

Mr. KING submitted sundry amendments intended to be proposed by him to House bill 6715, the tax reduction bill, which were ordered to lie on the table and to be printed.

PRESIDENTIAL APPROVAL

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on May 9, 1924, the President approved and signed the act (S. 1631) to authorize the deferring of payments of reclamation charges.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 6896. An act to amend an act entitled "The classification act of 1923," approved March 4, 1923; to the Committee on Civil Service.

H. R. 7041. An act to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed enrolled bills and joint resolutions of the following titles, and they were thereupon signed by the President pro tempore:

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones;

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico;

S. J. Res. 104. A joint resolution requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting; and

H. J. Res. 195. A joint resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs.

TAX REDUCTION

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. SMOOT. Mr. President, yesterday I stated to the Senator from New Mexico [Mr. BURSUM] that this morning I would ask unanimous consent to lay aside the revenue bill temporarily for the purpose of considering the President's veto of the pension bill. Therefore, carrying out that promise, I ask that the unfinished business be now temporarily laid aside for the purpose of considering the President's veto of the pension bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah?

Mr. DIAL. Mr. President, last evening when the attempt was made to have a unanimous-consent agreement, I understood that we were fixing a time to vote on the tax bill and that also after we had fixed a time to vote on that we would take up the President's veto message. The latter part of the agreement, as I understood it, provided that the Bursum bill should be taken up at a certain hour. I objected to it, because it had the Bursum bill provision attached to it.

I have a bill pending increasing the pension of the disabled Spanish-American War veterans and I trust it will soon pass. I had no objection to fixing a time to vote on the tax bill just as early as possible. I think that is what we ought to do and let the country be at rest. We should as quickly as possible make a final disposition of the tax bill and get it into the hands of the conferees so that it may become a law. But because the unanimous-consent request included the Bursum bill I objected on last evening. I think we ought to proceed with the consideration of the tax bill. We are trying to reduce taxes instead of increasing taxes upon the people. When we come to a consideration of the President's veto of the Bursum bill I hope that the veto will be sustained. Everybody in favor of economy should vote that way.

I shall have to object at this time to taking up anything else besides the tax bill. The country wants to dispose of it and I hope we may be able to have a final vote to-day.

The PRESIDENT pro tempore. Objection is made to the request of the Senator from Utah. The question is upon the amendment proposed by the Senator from Ohio [Mr. WILLIS].

Mr. KING. Let the amendment be reported.

The PRESIDENT pro tempore. The amendment will be read.

The READING CLERK. On page 50, line 24, at the end of the line, insert in parentheses "including preventive and constructive service for relief, rehabilitation, health, character building, and citizenship," so as to read:

> Any corporation, or community chest, fund, or foundation, organized and operated exclusively for religious, charitable (including preventive and constructive service for relief, rehabilitation, health, character building, and citizenship), scientific, literary, or educational purposes, etc.

Mr. WILLIS. Mr. President, I introduced the amendment in order to draw the attention of the Senate to the dangerous situation in which the community-chest funds will be if the bill shall pass in its present form. Senators will observe that the bill provides, on page 50, line 22—and this is in the section which provides what deductions may be made by the taxpayer—as follows:

> (B) Any corporation, or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes.

I do not doubt that the committee had in mind the exemption of the various community-chest funds, or rather, permission of allowable deductions for those funds by the taxpayer; but here is the difficulty about the matter. The language in the bill is identical with the language in the present law. I have the law before me.

The present Commissioner of Internal Revenue has decided that under the existing law an allowance can not be made for gifts to a community chest unless those gifts shall be for the relief of the poor. That is a rather recent decision to which the attention of Senators may not have been drawn. It was made on the 8th of October, 1923, and is found in volume 2 of the Decisions of the Commissioner of Internal Revenue. Under that decision he holds that gifts to financial federations doing welfare work and social service other than relief to the poor would not be among the allowable deductions. It is to be noted that the decision is exactly contrary to a decision made by his predecessor, who held that deductions could be made for such gifts.

The particular point to which I wish to draw attention is the fact that these community chests are maintained in many of the large cities of the country. There are in the country some 168 cities that care for their benevolences in that way, cities with a combined populaton of 21,000,000. The purpose of the community-chest organization is not simply to relieve the poor, but it is to alleviate those conditions which make it inevitable that we shall have poor people.

In other words, here is the gist of the proposal: Under the decision of the Commissioner of Internal Revenue if a man makes a gift to a community chest fund and that community chest fund is devoted solely to the relief of the poor, all well and good. It is permissible for him as a taxpayer to have a deduction, but if that fund is used, as it ought to be, not only for the relief of the poor but for general welfare work, for the improvement of health conditions, so as to improve conditions and prevent poverty, then deduction can not be allowed.

It seems to me, Mr. President, the law ought not require that gifts shall be used only to alleviate poverty. It ought to be permissible to use them so, if possible, as to prevent poverty. This amendment is suggested to me by a number of community chest organizations. I submit the following amendment:

> After the words "charitable," in line 24, page 50, to insert, in parentheses "(including preventive and constructive service for relief, rehabilitation, health, character building, and citizenship)."

Some criticism of the amendment has been made in private conversation because it is thought that language is too broad. I do not believe it is. One friend said, "Why, under that I might be permitted to make deduction for what I spend in sending my boy to college." Not at all. The amendment merely covers gifts which may be made to a community chest. I think we ought not to provide by law that community chest funds shall be used only in negative work, in alleviating poverty, but that we ought to make it possible that such funds may be used in constructive work to remove those conditions which lead to poverty. As is stated in one of the reports of these associations:

> The commissioner interprets the word "charitable" as used in 231 (6) and in 214 (A) 11 as restricted to the narrow definition of "relief of the poor." This was not the accepted meaning of the word at the time of the passage of the act of 1918 and 1921; nor is it the accepted meaning of the word to-day when the National Legislature is considering a new law.
>
> Almsgiving is now considered a necessary but undesirable form of charity and is utilized only as an expedient until through the exercise of other means of charity designed for the building up of body, mind, morals, and morale through agencies for health, education, ideals—re-

lighted and otherwise—and developing the capacity for enjoying constructive leisure-time pursuits, the individual becomes a self-sustaining and self-respecting citizen beyond the need of the attention of either the relief agencies or the courts.

That is the gist of what I wish to say. Mr. President, the law as it now stands, with the decision of the Commissioner of Internal Revenue as it has been rendered, does not permit any deduction for gifts to a community-chest fund unless that chest fund is used for the express purpose of relieving the poor. Those acquainted with the community-chest-fund idea know that it is not the purpose simply to relieve the poor, but rather to remove those distressing conditions which cause poverty, to improve health and social conditions.

I therefore trust, in the interest of these great humanitarian movements, that the amendment which I propose may be adopted.

Mr. SMOOT. Mr. President, I am unable to draw any conclusion as to what the end will be should the amendment offered by the Senator from Ohio be adopted. I do not know what "preventive and constructive service for relief" may be or where it would end. I do not know what "service for * * * rehabilitation" means. I do not know what it will include or for what purposes it may be employed. The same thing is true as to "health" and as to "character building." What is it, Mr. President? Who is to decide the question—the man who is interested in some scheme for this purpose or the Commissioner of Internal Revenue?

Mr. WILLIS. Mr. President——

Mr. SMOOT. "Citizenship," Mr. President, is so broad a term and may be construed in so many ways that I should dislike to impose upon any Commissioner of Internal Revenue the duty of trying to define what it is.

Mr. President, under the bill we have gone just as far, it seems to me, as we ought to go. We already include "any corporation, or community-chest fund, or foundation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes." No law in any country has gone so far as we have gone. I think that we have gone just as far as it is safe to go. Therefore I sincerely trust that the amendment proposed by the Senator from Ohio will not be agreed to.

Mr. WALSH of Massachusetts. Mr. President, has the Senator from Utah called attention to the committee amendment which was added on page 51?

Mr. SMOOT. There is such an amendment on page 51.

Mr. WALSH of Massachusetts. That amendment broadens the scope of the exemptions so as to include fraternal societies and covers gifts for charitable, religious, and other purposes. I think that amendment ought to be read into the RECORD in this connection. On page 51, under subparagraph (E), the following exemption is made:

or (E) a fraternal society, order, or association, operating under the lodge system, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes or for the prevention of cruelty to children or animals.

That exemption would permit organizations like the Young Men's Christian Association, Masonic orders, the Knights of Columbus, and Jewish welfare organizations to be exempt from tax upon gifts devoted exclusively to "religious, charitable, scientific, literary, or educational purposes." The committee thought they were going pretty far when they inserted this paragraph and that they thereby included about every concession that could properly be made to moneys in the hands of any form of organization for the respective purposes mentioned.

Mr. SMOOT. I thank the Senator from Massachusetts for reminding me of that amendment to the House text. I had intended to call that to the attention of the Senate. I fully agree with all that has been said by the Senator from Massachusetts in relation to the broadening of the scope of the House provision. I must say to the Senator from Ohio that, in my opinion, it is dangerous to go any further. I do not know what effect his amendment will have upon the revenues of the Government.

Mr. WALSH of Massachusetts. Mr. President, I appreciate the motives and purposes of the Senator from Ohio in offering this amendment—and they are entirely commendable—but I think that the words "character building" and "citizenship" and "health" and "rehabilitation" are pretty elastic. I do not see why it would not be possible to include almost any form of gift of any kind or description under that language, especially in view of the words "character building." Any foreign society of any kind could claim that money that came into its hands by way of a gift went for "character building" or for "citizenship."

Mr. WILLIS. Not at all, unless it is given to a community chest. The Senator has misinterpreted the amendment. That is the whole point of the amendment. I understand what the Senator has read in clause (E). That will permit deductions on account of gifts to various fraternal societies and orders; but here is the point: If a gift is made for what are commonly called uplift purposes to a fraternal society or an order, then deductions can be made, but if that gift is made to a community chest deduction can not be made, and that is obviously unfair.

Mr. SMOOT. But, Mr. President, it can be deducted if it is to be used for charitable purposes.

Mr. WALSH of Massachusetts. Absolutely.

Mr. SMOOT. There is no doubt about that.

Mr. WILLIS. But, Mr. President, the Commissioner of Internal Revenue, in the decision which I have quoted, has decided that it is not for a charitable purpose unless it is for the relief of the poor. If it is for welfare work intended to eliminate poverty in the future, then deduction can not be made; if it is for constructive effort, then allowance can not be made for it; it has got to be a gift for the relief of the poor. My contention is that the law ought not to encourage gifts to alleviate poverty only, but ought to encourage gifts to prevent those distressing conditions that produce poverty, and the bill, as it is now drawn, does not do that.

Mr. WALSH of Massachusetts. The amendment does not stop at community chest funds; but, under it, any organization, fraternal or otherwise, seeking to uplift and build up character and citizenship will get the exemption if a community chest is to get it. Under the bill, as it stands, a community chest can get a deduction for the sums that are used for religious and charitable and educational purposes.

Mr. WILLIS. So can the fraternal orders; but the community chests, if the Senator will permit me, can not get it under the decision unless the money is used solely for the purpose of relieving the poor. If that is to be the law, it will have but one effect; it will practically break up the community chest idea throughout the country, because men will not give of their funds to the community chest when they know they will not be permitted to have deductions, and that when they make gifts to fraternal orders they will be allowed deductions. It will break down the community chest idea; that is inevitable, because an allowance is given when a man gives to a fraternal order, but he does not get an allowance or deduction when he gives to a community chest.

Mr. SMOOT. Mr. President, the Senator is mistaken in intimating that his amendment applies only to community chests. It applies to every corporation; it applies to every fund; it applies to every foundation. It seems to me, Mr. President, that we have properly limited the exemptions that ought to be allowed to gifts for religious, charitable, scientific, literary, or educational purposes. Now, if we are going virtually to use the word "welfare"—and that is what the Senator says his amendment means——

Mr. WALSH of Massachusetts. And character building.

Mr. SMOOT. And all the other objects mentioned in the amendment no human being can tell where it is going to end.

Mr. WILLIS. I do not want to be contentious about the matter, though I do think the committee of conference ought to give some consideration to the question; but would it remove the Senator's serious objection if I eliminate the word "citizenship"? Of course, I do not think it ought to be eliminated; but if that term is too general, I am willing to eliminate that portion of the amendment. What I am trying to get is the adoption of a provision under which allowances can be made for constructive gifts as well as for those gifts that simply undertake to relieve the poor.

Mr. WALSH of Massachusetts. I suggest to the Senator that on page 51, in line 11, after the words "lodge system," the words "community chest" be inserted. That will put a community chest in the same position as a lodge and allow the exemption on account of gifts to a community chest for the same purposes for which gifts to lodges are exempted, namely, religious, charitable, scientific, literary, and educational purposes, or for the prevention of cruelty to children and animals.

Mr. WILLIS. That would relieve the situation somewhat.

Mr. WALSH of Massachusetts. That will put them all on an equality.

Mr. WILLIS. But that will not change the decision of the Treasury Department. If the Senator will permit the amendment to go to conference, I shall be very willing to abide any decision that may be reached about it.

Mr. WALSH of Massachusetts. Will not the Senator accept the amendment I have suggested in line 11, on page 51?

Mr. WILLIS. I will ask the Senator to read it.

Mr. WALSH of Massachusetts. In line 11, page 51, amend so as to read:

* * *

A fraternal society, order, or association, operating under the lodge system, or a community chest, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals.

That would seem to be absolutely all the Senator can ask for.

Mr. WILLIS. I think that will be some improvement; and, if the Senator from Utah will accept that, I will modify my amendment.

Mr. SMOOT. I ask unanimous consent that the vote by which subparagraph (E) of paragraph 10 on page 51 of the bill was agreed to may be reconsidered.

Mr. WILLIS. That is all right; meanwhile, I withdraw my amendment.

The PRESIDENT pro tempore. The Senator from Ohio withdraws his amendment.

Mr. SMOOT. I have asked unanimous consent that the vote whereby the committee amendment was agreed to be reconsidered for the purpose of agreeing to the amendment of the Senator from Ohio.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the vote by which the amendment on lines 10 to 15 on page 51 was agreed to will be reconsidered. The question now is upon that amendment.

Mr. WILLIS. I now offer the following amendment: After the word "system" insert "or community chest."

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The READING CLERK. On page 51, line 11, in the committee amendment, after the word "system" and the comma, insert "or community chest."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. KING. Mr. President, a day or two ago the Senate took action upon section 1000, on pages 235 to 237, inclusive, striking out certain provisions and inserting in lieu thereof certain matter. I invite the attention of the chairman of the committee and other members of the committee to a matter which received some consideration when the bill was before the Finance Committee.

There has been considerable complaint about the large number of employees of the department who, after they get the modus operandi of the department, after they "learn the ropes," so to speak, promptly resign and go out, and many solicit business and prosecute cases against the Government.

Mr. SMOOT. Mr. President, will my colleague yield?

Mr. KING. I yield.

Mr. SMOOT. This section has already been agreed to.

Mr. KING. I know it.

Mr. SMOOT. If the Senator wants to amend the section, I should like to have him reserve the right to offer the amendment when the bill reaches the Senate. It has already been agreed to in Committee of the Whole.

Mr. KING. I know it, and I was about to move to reconsider it; but I have no objection to presenting the amendment which I was about to offer in the Senate rather than in Committee of the Whole. I will complete my statement, however, because otherwise the record would be rather incomplete, and then I shall reserve the amendment until the bill reaches the Senate.

I was observing that many employees of the department, after obtaining full knowledge of the way in which the business is conducted, and many of them after learning of assessments which possibly might be reversed and large refunds made to taxpayers, will resign, get into communication with those taxpayers, solicit their business, obtain contracts, and in a few days be back in the department pressing claims for hundreds or thousands or millions of dollars against the Government.

Mr. ASHURST. Mr. President, in other words, having gotten the combination to the Government safe, they give it to their clients for a consideration.

Mr. KING. The Senator has expressed it very graphically, and his characterization is far better than any that I could offer.

Mr. ASHURST. That is what it means.

Mr. KING. Yes.

In the hearing which was recently conducted by a subcommittee of the Finance Committee we took some testimony which brought to light what I conceive to be many flagrant violations of the principles of ethics and morals and decency which ought to obtain. I do not think those employees ought to be permitted to practice in those particular tax units within two years after they leave the department, and it ought to be an offense for them to do so; and when the bill comes into the Senate I shall move to amend subdivision (c), line 6, by adding after the word "board" the words "or any employee of the Bureau of Internal Revenue." I make this statement so that Senators can be advised now of the character of the amendment.

The PRESIDENT pro tempore. On what page?

Mr. KING. On page 237; and by adding at the end of subdivision (c) the words:

Any violation of this provision shall be punishable by a fine not exceeding $5,000.

Pursuant to the suggestion of my colleague, I shall wait until the bill reaches the Senate before offering the amendment.

Mr. SMOOT. Mr. President, I simply want to add for the RECORD that the regulations and rules of the department do not allow any person to practice before the department in any case with which he has had anything to do, either within two years or three years or any other time; and if a case where such a a person has solicited a corporation to act as attorney is brought to the attention of the department, he is immediately barred from practice before the department to-day.

I want the Senator from Arizona [Mr. ASHURST] to know that the remark he has made does not apply to present conditions. It applies to conditions before 1921.

Mr. KING. Mr. President, I feel constrained to say that the evidence before the subcommittee showed that within the past year, and within a few months anterior to the hearing, men resigned from the Internal Revenue Department and were practicing before it, or were engaged in the presentation directly or indirectly of claims against the Government. The present Secretary of the Treasury, in a very commendable way, has sought to prevent the evil to which I have directed attention. There are more than 24,000 attorneys registered and having the right to appear before the Treasury Department. A considerable number of those, many of them quite recently, have been employees of the department in the tax units; and they appear directly or indirectly, many of them directly, in the prosecution of claims against the Government.

I shall have more to say about the matter when the bill comes before the Senate.

Mr. TRAMMELL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Florida offers an amendment, which will be stated.

The READING CLERK. On page 46, in line 6, after the word "war" and before the semicolon, it is proposed to insert the following:

or as a State pension for services rendered by the beneficiary or another for which the State is paying a pension.

Mr. SMOOT. I should like to have the Senator from Florida state what he has in mind. I could not follow the amendment upon hearing it read. This is a further exemption?

Mr. TRAMMELL. Yes; this comes under the head of the exemptions.

In the bill in its present form we provide for the exemption of compensation under the present acts providing for allowances to veterans of the Great War. We provide for the exemption of pensions paid by the Federal Government on account of services rendered by the beneficiary or by some one else. In the South a great many of the States grant what are known as Confederate pensions, as is known, of course, to all of the Senators. I am seeking to have the pensions paid by the States put in the same class of exemptions as war compensation or pensions allowed on account of the Civil War that are paid through the Federal Government. In addition to the fact that the bill provides for the deduction of these as exemptions we also are aware of the fact that in a State the salaries of all State officials, the salaries of county officials, and the salaries of school-teachers are exempt from any income tax. There are thousands and thousands and millions of dollars paid out on account of school-teachers' salaries in the different States. Because of those being funds that are paid by the State the Federal Government does not impose an income tax upon them. They are exempt.

Mr. SMOOT. That is on account of the Constitution.

Mr. TRAMMELL. That is on account of the Constitution. The Constitution has an inhibition against it; but this is practically the only class of payments made by the State governments for which the people of the State are taxed that is not allowed as a deduction. I do not think it will amount to a great deal, but it does seem to me that those receiv-

ing pensions in this way should be allowed a deduction just the same as those who are receiving pensions from the Federal Government. That is my object in proposing the amendment so that it will come under the head of exemptions.

I do not know that it will amount to a great deal, because while the States try to be just as liberal as they can with the Confederate soldiers, of course in amount the pension payments are nothing like those paid by the Federal Government. I propose the amendment, however, because I feel that these payments should be included, and I hope it will be adopted.

Mr. SMOOT. Mr. President, I can hardly see my way clear to accept this amendment. The beneficiary of the pension would not have to pay a single dollar of tax, if he is married, unless he has an income of over $2,500, and if he has a few children it would be $4,000. We are starting upon a new plan here, and I do not know just where it will lead. Perhaps this will not amount to very much.

Mr. TRAMMELL. Mr. President, will the Senator yield for a question?

Mr. SMOOT. Yes.

Mr. TRAMMELL. Would not that same line of argument apply to a Federal pension? If the beneficiary of the pension has an income of less than $2,500, if he is a married man, he does not have to pay any income tax.

Mr. SMOOT. As far as dollars and cents are concerned, it would; but I think there is quite a different principle involved. The Federal pension is granted because of service to the Federal Government.

I hope the Senate will not agree to the amendment.

The PRESIDING OFFICER (Mr. MOSES in the chair). The question is on agreeing to the amendment proposed by the Senator from Florida.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, on behalf of the minority members of the Finance Committee I offer the following amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 274, after line 10, the Senator from New Mexico proposes to insert a new section to read as follows:

SEC. 1131. That the fifth sentence of subdivision (a) of section 6 of the Victory Liberty loan act, approved March 3, 1919, as amended, is amended to read as follows: "For the fiscal year beginning July 1, 1924, and for each fiscal year thereafter, until all such bonds and notes are retired, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of such sinking fund, an amount equal to the sum of—

(1) 2½ per cent of the difference between the aggregate amount of such bonds and notes outstanding on July 1, 1920, and an amount equal to the par amount of any obligations of foreign governments held by the United States on July 1, 1920; and

(2) The interest which would have been payable during the fiscal year for which the appropriation is made on such bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years—

Less the sum of the following amounts:

(A) All payments of estate and inheritance taxes made during the fiscal year for which the appropriation is made, in such bonds or notes, under the provisions of section 14 of the second Liberty bond act as amended;

(B) All payments made to the United States out of the net earnings of Federal reserve banks and applied to the reduction of the outstanding bonded indebtedness of the United States by the purchase of such bonds or notes, in pursuance of the provisions of section 7 of the Federal reserve act, as amended; and

(C) All payments of interest or of principal, on account of the obligations of any foreign Government held by the United States, that may be made, during the year for which the appropriation is made, by any foreign Government in bonds and notes of the United States issued after April 6, 1917. The amount of such payments of interest or of principal shall be the sum of the par value of such bonds and notes and the interest accrued thereon at the time of payment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President, this amendment involves the policy which we should pursue for the retirement of the public debt. The present law provides for a sinking fund of 2½ per cent upon what has been spoken of as the domestic war debt. This sinking fund increases from year to year through the purchase of bonds representing the funded indebtedness of the country. When those bonds are paid, the Government continues to pay interest on them, and that interest goes into this sinking fund and increases the sinking fund every year by the amounts of such bond purchases. I think that is a splendid plan. We adopted that when the second Liberty loan act was passed.

Since that time we have passed some other acts which permit retirement of that funded indebtedness under special circumstances. For instance, in the contract with Great Britain regarding the payment to this country of her indebtedness it was provided that Great Britain might make those payments either in cash or in bonds and securities of the United States at par, regardless of their exchange value in the general market. That has been done by Great Britain thus far. She has been purchasing those securities and turning them into the Treasury of the United States instead of cash, and the effect has been that instead of retiring the indebtedness of the country at the rate contemplated by the sinking fund the indebtedness has been retired at a much greater rate, and it has been retired by the purchase of what are called long-term securities of the United States first Liberty bonds, second Liberty bonds, and the fourth Liberty bonds, which could be purchased at less than par.

At the present time Great Britain will not do that, because all of those bonds are at par or above, and there would be no advantage to Great Britain in purchasing the bonds for the purpose of paying the indebtedness, and so long as the market value of our bonds remains as it is to-day the payments from Great Britain will come into the Treasury in cash and not in bonds. The effect of it is that the retirement of our funded indebtedness now is dependent not upon any fixed policy of our own Government but is dependent upon the contingent action of Great Britain.

Mr. President, I submit that that is an unsound policy. We ought to know just the amount by which this whole funded indebtedness will be retired. Under the sinking-fund provision that indebtedness is being retired at an accumulated rate, so that instead of retiring $250,000,000 of those bonds in one year, as the sinking-fund provision would make it, for the coming fiscal year the retirement from that sinking fund alone will amount to $310,000,000. It strikes me that that is a sufficient retirement of our bonded indebtedness, especially that part of the indebtedness which is represented by long-term bonds which have been distributed to the investing public and are held by individuals, as a rule, throughout the country. That part of the indebtedness is funded, so that we know just when it must be paid.

When the indebtedness was at its peak we had outstanding about $3,000,000,000 of what was called the floating debt, and it seems to me to be the wise policy, if we have any surplus funds coming in, any funds coming in from extraordinary sources, to apply those not to the long-term indebtedness of the country but to the floating debt. I have not the figures of that floating debt before me, but it amounts to two or three billion dollars; and that indebtedness, floating as it is, must be funded and refunded every few months. The result is that every three months, I think, the Secretary of the Treasury is issuing new certificates to be purchased by the public. Those certificates, representing the floating debt, are a charge upon the current bankable funds of the country.

Mr. McKELLAR. Are those the obligations on which the Secretary is now paying 5 per cent?

Mr. JONES of New Mexico. Some of them. I think the 5 per cents are either retired or are just about ready for retirement.

Mr. McKELLAR. It was stated here the other day by the Senator from Minnesota [Mr. SHIPSTEAD] that while our Treasury was paying 5 per cent on this money the British Government was borrowing money in a similar way at 3 per cent.

Mr. JONES of New Mexico. That may be. We have outstanding still quite a large amount of 4¼ per cent certificates and 4¼ per cent certificates; but those short-term certificates constitute a load upon the liquid assets of the country. They are purchased and held by banks and corporations which have temporary funds.

Mr. McKELLAR. Therefore there is just that much less to be loaned out to the business of the country?

Mr. JONES of New Mexico. Quite right. What I insist upon is that instead of retiring the 4¼ per cent bonds, which are long-term bonds, at a greater rate than we provided for when the bonds were issued, if we have any surplus funds they ought to be applied to this floating debt, which is a charge upon business and which amounts to a direct burden upon the liquid banking institutions of the country.

Moreover, the way those certificates are handled we are paying a larger rate of interest than the 4¼ per cent or even

the 4 per cent, for which I think some of the last certificates sold, than would be indicated by that, for this reason, that when there is a sale of certificates of half a billion dollars that money is not transferred to the Treasury at once; all of it is not used for the purpose of retiring indebtedness. It remains in the banks and is drawn upon by certain percentages of the amount of sale from time to time.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Connecticut?

Mr. JONES of New Mexico. I yield.

Mr. McLEAN. The Senator spoke of the short-term certificates and the advisability of retiring them. The last Treasury statement shows that we had outstanding for the year 1923 $1,800,000,000, and at the present time there are only $2,015,000,000. That is precisely what the Treasury is doing.

Mr. JONES of New Mexico. The Treasury has been doing that to the extent that there have been surplus funds. Whenever the receipts of the Government exceed the necessary expenditures of the Government, of course that surplus becomes automatically applied to the retirement of those certificates; but last year the total public indebtedness was retired to the extent of over a billion dollars, and about half that was in those floating certificates, to which the Senator from Connecticut has referred; but the other half of it was used to retire the fixed bonded indebtedness of the country. I agree that the Secretary of the Treasury has been doing just the right thing, so far as the application of the surplus receipts of the Treasury are concerned, and he has been following the mandate of the law as to the other retirements. So I am not attempting to criticize the Secretary of the Treasury to any extent whatever.

Mr. McLEAN. I was not in the Chamber when the Senator began his remarks upon this subject. Does the Senator propose an amendment requiring the Treasury to adopt a different course?

Mr. JONES of New Mexico. The amendment which I have proposed provides that when Great Britain pays any of her indebtedness in bonds, or when the Federal Reserve Board pays a franchise tax in bonds, or when bonds are paid in coming from the States, those receipts shall be credited against the sinking fund and leave free in the Treasury the amount of the sinking fund thus deducted to apply on the floating indebtedness of the Government. It seems to me that is a wise policy, because we know then just the amount by which the permanent fixed-term indebtedness will be retired. If we have any surplus funds, they will go to the retirement of the short-term Treasury certificates which constitute the load upon the current business interests of the country.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Minnesota?

Mr. JONES of New Mexico. I yield.

Mr. SHIPSTEAD. For instance, as to public securities that are used for the purpose of paying taxes, corporations now purchase the short-term certificates of indebtedness or Treasury notes. They put their surplus, or the money that is set aside for the purpose of paying taxes, into the purchase of those securities, and then use them for the purpose of paying taxes. Would the Senator also apply that part of the securities to the sinking fund?

Mr. JONES of New Mexico. Under the law those are not applicable to the sinking fund and so do not affect the funded indebtedness of the country.

Mr. SHIPSTEAD. They are used for paying indebtedness to the Government.

Mr. JONES of New Mexico. They are used for paying taxes to the Government, but there is no advantage, as the Senator of course knows, in paying taxes with those certificates, because they are worth par on the market, and I have not known of their sale at less than par. The convenience of using those certificates is that, until the actual date when they are required to pay taxes, they can draw interest on the certificates in which they have invested the money.

There is this basic principle, it seems to me, involved here, that of the funded indebtedness of the country we ought to know ourselves just the amount by which that indebtedness will be retired.

Mr. McLEAN. That is true, but the wisdom of the Senator's proposal at the present time would depend largely upon the rate of interest. If the short-term certificates were bearing a higher rate of interest than the funded debt it would be wise to retire them as fast as possible.

Mr. JONES of New Mexico. Does not the Senator likewise believe that the short-term indebtedness of the floating debt ought to be retired anyhow just as fast it can be?

Mr. McLEAN. I certainly do, because it is an indebtedness that is not absorbed by the people. The notes are held mostly by the banks and the large corporations, and as I have noted they have been decreased nearly $2,500,000,000 within the year. I think that is the wise policy to follow——

Mr. JONES of New Mexico. I certainly agree that it is wise.

Mr. McLEAN. Especially if the interest rate is higher than the interest on the bonds.

Mr. JONES of New Mexico. Mr. President, I may call attention to this circumstance. In the report of the Treasury the funded debt of the country was retired in the fiscal year 1922 by $422,000,000, in the fiscal year 1923 by $402,000,000. In 1924, the fiscal year for which has not quite closed yet, it is estimated that there will be retired $511,000,000, and for the fiscal year 1925, $482,000,000, a varying amount and an amount which we can not actually know. That all assumes that Great Britain will purchase bonds and turn them over to us instead of cash. I think that time has gone by because the bonds now are selling a little above par and of course Great Britain will not turn into us at par a bond which she can sell on the market at more than par. It is certain that that old funded debt will not be reduced by that amount during the fiscals year 1924 and 1925.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. KING. It is the object of the Senator's amendment, and if it prevails and works out as he expects it would accomplish this result: First, it will, generally speaking, require the Treasury Department to utilize the funds derived from the source just indicated for the retirement of short-term obligations rather than the funded indebtedness which extends over a long period of time; and, secondly, it will render more certain the determination in advance of the amount which will be expended every year for the payment of our funded indebtedness as well as our short-term indebtedness.

Mr. JONES of New Mexico. The Senator grasps the thought precisely, and that is the only object we have. I think that instead of retiring long-term indebtedness we should use our surplus income for the purpose of retiring short-term indebtedness and relieve the financial world of that burden.

Mr. KING. May I make a further observation, with the Senator's permission?

Mr. JONES of New Mexico. Certainly.

Mr. KING. Of course, there ought to be some discretion in the hands of the Secretary of the Treasury, and I think the amendment offered by the Senator permits that discretion. The Senator can conceive of a case where a short-term certificate might be forced to a lower standard of interest than the long-term obligation. Some contingency might happen in the country by which money for an inconsiderable period, three or six months or a year, might be very much cheaper than our long-term obligations, and yet that is likely to happen, because our funded indebtedness, generally speaking, will bear a much lower rate of interest than the current obligation.

Mr. JONES of New Mexico. That is quite true, and the sinking fund can be invested in just that way. There is about $250,000,000 in actual liquid new funds to go to that purpose each year. That quarter of a billion dollars is a cumulative fund, because when the sinking-fund money is used for the purpose of purchasing those bonds the bonds themselves go into the sinking fund, and the Treasury from every source pays into that fund the interest upon those bonds. So the bonds have been purchased to such an amount already that with the regular 2½ per cent levy for the sinking fund, together with the additional interest, which now amounts to $310,000,000 for the next year, we will be retiring our long-term bonds to the extent of $310,000,000 for the next year.

Mr. McLEAN. Will the Senator permit another interruption?

Mr. JONES of New Mexico. Certainly.

Mr. McLEAN. Would not the Senator's proposal tend to retard the payment of the debt which other countries owe us?

Mr. JONES of New Mexico. The Senator from Connecticut of course realizes that that debt is all represented by our own bonds which are outstanding. We retire our own bonds, and not the obligations of a foreign country, because they are all our own. Of course, we used the money to loan to foreign countries and they owe us, but the indebtedness which we owe

Government continues to pay interest on them, and that in- | paying a larger rate of interest than the 4¼ per cent or even

is represented by the securities which we have sold to our own people, and it is that debt which we seek to retire.

I am quite certain the Senator from Connecticut is very familiar not only with finance in general but with the operations of the Treasury, and especially the Senator is quite convinced, I am sure, that the load of the floating indebtedness of the United States Treasury upon the banking facilities of the country is a thing which we ought not to have if we can avoid it. Until the time comes when we shall have no floating indebtedness to be cared for, it seems to me if we can in good faith to our bondholders apply these proceeds to the retirement of the floating indebtedness, it is better to do it than to have the retirement of the long-term indebtedness.

Mr. McLEAN. The Senator has stated that in the event our bonds go above par the British Government will pay us in cash.

Mr. JONES of New Mexico. Yes.

Mr. McLEAN. Where would the Senator apply that cash?

Mr. JONES of New Mexico. That cash would go into the Treasury as ordinary receipts and it would be used by the Treasury to retire the floating indebtedness.

Mr. McLEAN. But should it not be applied as a part of the sinking fund?

Mr. SMOOT. We would have no sinking fund if it is not so applied.

Mr. McLEAN. How would we maintain our sinking fund unless we used that cash payment for the purpose?

Mr. JONES of New Mexico. These payments are not used for the sinking fund. The sinking fund is kept up in the ordinary way by the appropriation of the 2½ per cent. I am not seeking to deplete the sinking fund by a dollar. What I am seeking to do is to have a policy of such character that we would know the amount by which long-term indebtedness is to be retired, that we shall not leave it to the option of Great Britain to say what class of our indebtedness shall be redeemed, that it shall not depend upon any contingency, but that we shall keep up a sinking fund of a fixed and definite amount.

Mr. KING. Mr. President, will the Senator yield again?

Mr. JONES of New Mexico. Certainly.

Mr. KING. Could the amendment which we are considering be construed as an inhibition upon the Secretary of the Treasury from appropriating funds which might come into the Treasury from any of the sources enumerated, either toward the retirement of the funded indebtedness or the short-term indebtedness, depending upon the advantages to the Government? That is to say, if it were clearly manifest that it would be an advantage to retire some of the funded indebtedness instead of the short-term indebtedness, is there a positive inhibition against that course?

Mr. JONES of New Mexico. There is no inhibition, but it would work out in a way that he would not have the option except as to the use of the sinking fund. I do not think that he should as long as there is a floating indebtedness. I think that should be retired and the load removed gradually from business.

Mr. KING. I agree with the Senator and still I wanted to be sure in regard to the point I just indicated. I can not conceive, however, of any condition which would arise unless there should be some catastrophic situation that none of us can anticipate which would warrant the retirement of the funded indebtedness because of financial benefits to be derived therefrom in preference to retirement of the short-term obligations.

Mr. JONES of New Mexico. I think the Senator's observation is good.

Mr. McLEAN. It seems to me that this is a pretty important matter.

Mr. JONES of New Mexico. It is indeed.

Mr. McLEAN. I am not certain that my recollection of the situation is accurate, but my impression is that if we are to maintain a sinking fund on that portion of the debt which is due to us, we must rely on the income we get from those countries; and if we use that income to retire the short-term certificates, we will have nothing to maintain that portion of the sinking fund.

Mr. JONES of New Mexico. Mr. President, as the Senator from Connecticut has said, this is an important matter.

Mr. McLEAN. I should hesitate to change existing conditions unless I were very certain that we should not be impairing or diverting the receipts which go to maintain the sinking fund for that portion of the debt which is owed us by foreign nations.

Mr. JONES of New Mexico. The Senator apparently overlooks for the moment that this proposal will not impair the sinking fund by a dollar. The only effect that it will have is this: It will fix the amount by which the funded indebtedness will be retired and not leave the question of the amount of that retirement dependent upon the action of a foreign country.

Mr. McLEAN. Has the Senator from New Mexico consulted the Treasury Department with regard to his amendment?

Mr. JONES of New Mexico. I have not consulted Mr. Mellon about it, but the problem is before us in his report.

Mr. McLEAN. It seems to me that in a matter of this importance we certainly ought to have the views of the Treasury Department; not that they should control, but it seems to me we ought to have a statement from the Secretary of the Treasury, because at a time like this it is very easy to make a mistake.

Mr. JONES of New Mexico. I do not think this involves any mistake at all.

Mr. McLEAN. I know the Senator does not, but I think it does.

Mr. JONES of New Mexico. It is so plain that he who runs may read.

Mr. SMOOT. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Utah.

Mr. SMOOT. The Senator is right in saying the amendment does not involve the 2½ per cent sinking fund that applies to $10,000,000,000 of our indebtedness, but it certainly does divert what we ought to have in order to retire the other $10,00,000,000 of indebtedness.

Mr. JONES of New Mexico. Right there let me ask the Senator, Will it change it if Great Britain should pay in cash and not in bonds?

Mr. SMOOT. If Great Britain should pay sufficient cash to take up the amount of the sinking fund which would be required to take care of the $10,000,000,000, then it would not do so; but if Great Britain should not do that, then it would. In other words, under the amendment which the Senator has offered a portion of the payment of the obligations of a foreign country, if it was so desired, could be applied upon the sinking fund of 2½ per cent on the $10,000,000,000 that we intended should be paid by the payment to us of foreign obligations. We also provided in the law that those payments should be in a certain way and for a certain purpose.

Mr. JONES of New Mexico. In what way and for what purpose?

Mr. SMOOT. I can read the law to the Senator.

Mr. JONES of New Mexico. The Senator from Utah knows what it is and he can state it briefly. The law simply provides that Great Britain may pay the amount either in bonds or in cash.

Mr. SMOOT. That is not the law which I had in mind at all; that has nothing whatever to do with the sinking fund, but has reference to the settlement made between the United States and Great Britain.

In that settlement we allowed Great Britain to pay either in cash or bonds, but there was not a single word in that settlement granting that privilege to Great Britain to the effect that if she did pay in bonds the payment could be applied in any other way than the law provided. When the Senator from New Mexico shall have concluded I shall call attention to the law which was passed when we issued those bonds. That law specifically provides how the money from the payment of foreign obligations shall be used.

Mr. JONES of New Mexico. I know just what the law is to which the Senator from Utah has referred, but we all understand that when the sinking fund of 2½ per cent was provided for we figured then that the sinking fund would retire the indebtedness, minus the foreign debt, within a given period of time. There is no question about that. We at the same time required the foreign governments to give us their obligations bearing the same rate of interest as the obligations which we issued and sold to our people. The Utopian theory on which the legislation was originally framed was that we would get foreign bonds bearing the same rate of interest and extending for the same period of time as our own bonds, and as the foreign bonds were paid and our bonds became due we would liquidate our indebtedness; but the Senator from Utah well knows that that Utopian theory has not worked out.

Mr. SMOOT. No; but the Senator from Utah also knows that if the interest upon the foreign obligations be now used for a different purpose we shall wind up owing $10,000,000,000, with no sinking fund to provide for its payment. That is all there is in this amendment. It does not interfere at all with the $10,000,000,000 and the sinking fund provided to pay that $10,000,000,000 in 33⅓ years; the amendment does not touch that at all; but if it is adopted there will be no provision whatever to provide a sinking fund and take up the other $10,000,000,000. In other words, Mr. President, we can take the inter-

est which will be paid upon foreign obligations and use it as a sinking fund, as Congress intended to provide, so that when the notes ultimately come due every dollar of the $10,000,000,000 will be paid. The Senator knows that that was the understanding of Congress, and the whole law was drawn on that basis. But if with that interest we do not purchase bonds or invest the money in order that the interest upon that interest shall ultimately within the 33⅓ years pay the full $10,000,000,000, we will wake up some day and find ourselves owing $10,000,000,000, while the foreign obligations will have been paid and used in another way.

Mr. JONES of New Mexico. The Senator from Utah must know that the indebtedness which is represented by the long-term bonds does not necessarily represent the money which we loaned to foreign countries. It was the floating debt which was finally left over that constituted a very large part of the funds which we loaned to foreign governments, and we continued to loan money to foreign governments after we had ceased to issue bonds.

Mr. SMOOT. We loaned some of it after the war closed.

Mr. JONES of New Mexico. We loaned some of it even after the war closed. If we apply the money which we get from Great Britain to the retirement of that indebtedness, are we not coming just as much within the spirit of the original act as can possibly be done?

Mr. SMOOT. No, Mr. President; it would not be within the spirit of the law. The spirit of the law was that the payments of interest and principal by foreign governments should be used just the same as if they were paid to some company by another company, and that by the interest upon the payments themselves within the period of 33⅓ years the whole indebtedness would be wiped out, just the same as it is figured that the 2½ per cent sinking fund within that period of time will take care of the $10,000,000,000 for which those bonds were issued by our Government.

Mr. GERRY. And then when we entered into a settlement of the British debt we changed the principle of that settlement.

Mr. SMOOT. We did not change the law providing how the payments should be used. The Senator will remember that Senators stood upon this floor when the bonus bill was under consideration and contended that we could use the interest from England for the payment of the bonus, when the law distinctly says that it shall not be used for that purpose. The law says just what it can be used for, namely, for the purpose of retiring the obligations of the Government of the United States, and it named them.

Mr. McKELLAR. That is in some of the bond acts but not in all of them.

Mr. JONES of New Mexico. The Senator from Utah must know that when we issued the bonds and when we loaned money to Great Britain we did not enter into any agreement with anybody; that if Great Britain should pay back that money in bonds we would retire that bonded indebtedness, but if she should pay it in cash, then we would retire some other kind of indebtedness. The Senator knows that no such agreement was ever entered into and was never thought of until long after all the bonds were issued.

Mr. SMOOT. But the Senator from New Mexico knows that the only change that was made when we made the settlement with Great Britain was to give her the privilege of paying the entire interest and the installments on the principal either in cash or in obligations of the United States at par.

Mr. GERRY. And we allowed Great Britain to pay us a less rate of interest than we were paying on the bonds upon which we borrowed the money.

Mr. SMOOT. There is not any doubt about that; that was thoroughly discussed at the time the settlement was made, and there is no need of spending time on it now.

I say that the settlement made with Great Britain was the best settlement that it was possible to make. I say that the terms of that agreement were harsh, particularly in view of the fact, in some ways, that, taking a period of 50 years preceding the war the average rate of interest that Great Britain paid on her obligations was 2½ per cent.

Mr. GERRY. I was not bringing up that point, Mr. President. The point I had in mind was that the original 62-year plan of payment to which the Senator referred was changed.

Mr. SMOOT. The only change that was made in the settlement was that, instead of the period being 33⅓ years, it will take a longer time, so far as the United States is concerned, in getting the interest. If, however, we still applied the 2½ per cent, if Great Britain paid that amount, it would work out exactly the same.

Mr. GERRY. The Senator must admit that they did change the plan; that is the point that I was stressing.

Mr. SMOOT. That is true.

Mr. JONES of New Mexico. Mr. President, I want to suggest another reason for the adoption of this amendment and which is the reason for offering it as an amendment to this bill.

The object can be accomplished by a separate bill, and if it is not put on to this bill, I intend to offer it as a separate bill, but I am proposing it here for the purpose of relieving the Senator from Utah and the Treasury Department from a very grave impending embarrassment.

The Senator from Utah, when he made his report on this bill, said that there was going to be a deficit of something like $50,000,000. Since that time we have passed other bills appropriating additional sums. Here is the pension bill, which means $58,000,000 more. There may be some other bills calling for additional appropriations; and here is the peculiar situation in which the chairman of the committee and the Secretary of the Treasury find themselves: If Great Britain pays this money in bonds they do not have the cash, but if Great Britain pays the $165,000,000 or $170,000,000 in cash it goes into the cash in the Treasury, and may be used and will be used for the payment of any of these additional appropriations. Does the Senator from New York want to leave the condition of the Treasury at the discretion of a foreign country?

Mr. FLETCHER. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator.

Mr. FLETCHER. I understand that the Senator from Utah insists that if payment is made of this amount of one hundred and sixty-odd millions a year, it shall be placed in the sinking fund and remain in the Treasury undisposed of.

Mr. JONES of New Mexico. No.

Mr. SMOOT. No; if the Secretary follows the law, every dollar of it will be used in the purchase of bonds of the United States. That is what the law says.

Mr. FLETCHER. The Senator means every dollar of the interest paid on the debts of foreign nations to the United States may be used by the Treasury to purchase outstanding bonds?

Mr. SMOOT. Bonds of the United States. If they pay in bonds they will not have to purchase them, but if they pay in cash they will have to purchase the bonds.

Mr. JONES of New Mexico. No.

Mr. SMOOT. Let me read the law and see what the law says.

Mr. JONES of New Mexico. The Senator can not find that in the law. It is merely permissive.

Mr. FLETCHER. I think we have reached the point now where we are getting some light. Instead of using this interest paid on obligations of foreign countries to the United States for the purchase of obligations of the United States, the Senator from New Mexico proposes that it may be used for current expenses? Is that the idea?

Mr. SMOOT. That is it.

Mr. JONES of New Mexico. Or the retirement of the floating indebtedness, if we have any. It will take the place of these short-term certificates.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator a question?

Mr. JONES of New Mexico. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Is it the Senator's idea that he wants that money used for the purpose of purchasing these short-term securities that are now in the credit stream, instead of its being used for the purpose of buying outstanding long-term bonds of the Federal Government?

Mr. JONES of New Mexico. That is the real purpose.

Mr. SHIPSTEAD. I see.

Mr. JONES of New Mexico. The purpose is that if that money is turned into the Treasury of the United States and if there is a surplus in the Treasury, it shall go to the retirement of the short-term indebtedness, the floating debt of the Government, rather than to the retirement of the long-term fixed indebtedness of the Government.

Mr. BAYARD. Mr. President——

Mr. SMOOT. Mr. President, may I read the law? The Senator says there is none in relation to these payments. The law says:

> and any payments made by foreign governments on account of their said obligations to the redemption or purchase at not more than par and accrued interest of any bonds of the United States issued under authority of this act; and if such bonds are not available for this

sinking fund by a dollar. The only effect that it will have is this: It will fix the amount by which the funded indebtedness

ever to provide a sinking fund and take up the other $10,000,000,000. In other words, Mr. President, we can take the inter-

out exactly the same.

purpose the Secretary of the Treasury shall redeem or purchase any other outstanding interest-bearing obligations of the United States which may at such time be subject to call or which may be purchased at not more than par and accrued interest.

Mr. JONES of New Mexico. Mr. President, that specifically contemplates that the money shall be used in the purchase of the short-term indebtedness of the country.

Mr. SMOOT. The law says what the Secretary shall do with that money, and the purpose of it is to provide a sinking fund, through the purchase of Government obligations, to meet that ten billions of indebtedness. If they use the money for other purposes, that $10,000,000,000 will not be provided for. In the sale of the bonds of the Government that was a part of the law, and it is a violation of the law if it is not maintained.

Mr. BAYARD. Mr. President, may I ask the Senator a question?

Mr. JONES of New Mexico. Yes.

Mr. BAYARD. The Senator from Utah has just read the law pertaining to the refunding of the British debt; and, as I understood his reading of the law, it says that the Secretary of the Treasury shall make certain purchases, but in making those purchases he is given discretion as between the certificates of indebtedness and outstanding bonds of this country.

Mr. SMOOT. Certainly.

Mr. BAYARD. There is no doubt about that?

Mr. SMOOT. That is what the law says:

and if such bonds are not available for this purpose the Secretary of the Treasury shall redeem or purchase any other outstanding interest-bearing obligations of the United States which may at such time be subject to call or which may be purchased at not more than par and accrued interest.

Mr. BAYARD. Yes; that is perfectly true, but here is the point I am trying to make: The Secretary of the Treasury is not compelled under that act to utilize the cash coming in, if cash be paid by the international debtors, for the purchase of outstanding bonds of similar tenor and amount as the obligations evidencing the money loaned to the foreign nations?

Mr. SMOOT. The Senator has not reference to foreign obligations. The Senator has reference to the revenues coming in to the Goverment. In other words, if the revenues of the Government are more than the expenditures of the Government, then the Secretary of the Treasury, of course, would purchase any kind of obligations that might be had, and he would use his judgment. He has been purchasing short-time certificates with the money that was received.

Mr. BAYARD. If that be true, let me suggest this thought: Then the payment by the British—and they are the only nation that are paying off their debt—can not and will not be used to cancel that much of the debt which they pay off, in so far as it retires bonds which evidenced the erection of this debt in the first place.

Mr. SMOOT. It will be used under the law to purchase whatever obligations of the United States may be outstanding interest-bearing obligations, and then they are kept there as a sinking fund for the redemption of the $10,000,000,000, which will take place at the rate of 2½ per cent a year in 33⅓ years.

Mr. BAYARD. But there is still discretionary power in the Secretary of the Treasury.

Mr. SMOOT. Certainly; the law gives it to him.

Mr. BAYARD. I understand it does; but to that extent you get away from the proposition of canceling this outstanding debt.

Mr. SMOOT. Yes.

Mr. SHIPSTEAD. Mr. President——

Mr. JONES of New Mexico. I will yield the floor in just a moment. I want to make this statement:

I think the adoption of this amendment will relieve the Treasury Department of considerable embarrassment. I think the policy of it is good. I realize also, however, that the Senate is anxious to act upon this bill, and that if we do that to-day the time is perhaps too short to consider this kind of a question; and unless the chairman of the committee and the members of the majority of the committee care to have the amendment adopted and put it into conference I will not press it any further.

Mr. McLEAN. Mr. President, the Senator says he is sure his amendment will relieve the Treasury Department from serious embarrassment. I think we ought to have the view of the department on that subject before we adopt this amendment.

Mr. JONES of New Mexico. I shall not press it unless it is accepted by the majority of the Finance Committee.

Mr. SMOOT. I should very much prefer not to accept it.

Mr. JONES of New Mexico. Then I will withdraw the amendment.

The PRESIDENT pro tempore. The amendment is withdrawn.

Mr. KING. Mr. President, I invite the attention of the chairman of the committee. We have already considered subdivision (8), on page 196, and agreed to it. It is the provision with reference to coin-operated devices, coin-operated machines, and devices and machines operated by any substitute for a coin. I want to move to strike out the figures "10" and insert in lieu thereof the figure "5," and move to reconsider for that purpose.

Mr. SMOOT. Mr. President, I am perfectly willing to have a reconsideration of the amendment for that purpose, but I want to say to the Senate that I hope that amendment will not be agreed to. The vendors have always had an advantage under the present law. All we do is to put all slot machines of every kind and nature upon the same basis.

The way the law has been, it is unfair. They are used for the same purpose. They are used because of the fact that it is a financial advantage to anyone that uses them. The vending machines upon the street are for the purpose of making money, and wherever a street railroad or any other concern uses them it does so because it is a financial advantage to the concern; but I have no objection to the reconsideration of the vote by which the committee amendment was adopted, and then we can vote upon the amendment to it.

Mr. KING. I move to reconsider the vote by which the Senate adopted subdivision (8), page 196.

Mr. SMOOT. I have no objection to that, Mr. President.

Mr. McKELLAR. Mr. President, how much revenue does that produce?

Mr. KING. We are raising now about $130,000 a year from this source.

Mr. SMOOT. The estimated yield under this paragraph is $200,000 for 1924, as we estimated the amount that would be received under the provisions of the bill.

Mr. KING. Let the motion to reconsider be carried, and then I will offer the amendment.

The PRESIDENT pro tempore. The Senator from Utah asks unanimous consent for the reconsideration of the vote by which the amendment on page 196, to strike out and insert, was agreed to. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. KING. Now, Mr. President, on line 23, page 196, subdivision (8), I move to strike out the figures "10" and to insert in lieu thereof the figure "5."

Mr. SMOOT. I sincerely hope that amendment will not be agreed to.

Mr. KING. Mr. President, I confess to no very great familiarity with this particular item. Indeed, there is very little information or data available. The gross revenue to the Government last year, as I recall, was $136,000. It cost nearly as much to collect the revenue as the amount received by the Government from the tax. I understand that there will be a considerable increase in the use of the various machines and devices embraced within the paragraph just referred to. Many of the telephone companies are now employing them, and more are being manufactured. In many of the street-car stations and depots they are establishing these little devices, nickel-in-the-slot machines, and in some of the various business establishments of the United States considerable use is being made of these particular machines.

My information is that with a 5 per cent tax we will collect very much more than has been obtained in the past, and it would seem to me that a 5 per cent sales tax upon these articles is a sufficient tax, and if experience shall demonstrate that it is inadequate, this bill is not a finality; many amendments will be projected within a few months to change provisions of the sections and schedules of the bill.

Mr. SMOOT. This is only 10 per cent upon the machine once in its whole lifetime. The imposition of a tax of 20 per cent would not deter people from buying it. It is only a question of collecting some money. We have already cut out of this bill so much money that I do not know what we are going to do, and I am going to call the Senate's attention to it before we get through. But let us not begin now to cut out any more where it is not absolutely necessary. This will not hurt anybody, and the 10 per cent ought to be retained.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the junior Senator from Utah to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question now is upon agreeing to the committee amendment.

The amendment was agreed to.

Mr. KING. Mr. President, I want to offer an amendment to the text of the bill, on pages 22 and 23. Apparently it will be three amendments, but in reality it is but one. On line 18, page 22, I move to strike out all of the paragraph after the word "year," to strike out all of paragraph (d) in lines 21, 22, 23, 24, and 25 on page 22, and lines 1 and 2 on page 23.

The purpose of this amendment is to restrict the benefits resulting from capital losses to two years instead of three. Under the terms of the bill as reported, if a person is engaged in business, for instance, as a grocer, and his gains are $100,000, upon which he pays his income tax, and in some extraneous occupation or speculation he loses two or three hundred thousand dollars, he is permitted to apply those losses in his speculation, or perhaps capital losses, not only to the extinguishment of the taxes which he would pay upon his $100,000 as income tax for the current year, but assuming the losses on the speculative venture to be $200,000, to carry over the $200,000 to the next year and to the third year, and apply them in extinguishment of or in reducing the payment of taxes upon his net income for the second and the third succeeding years.

Personally I think he ought not to be permitted to carry over those losses from those speculative or extraneous enterprises. Give him the deduction for the current year, but do not permit the carrying forward into the future of those losses for the purpose of diminishing or reducing the taxes that would arise in the next succeeding year. However, my amendment does not go as far as I think it ought, because I know there would be no support for it if it did. I have restricted it, therefore, to two years—that is, the current year and the year following—so that if my amendment is adopted the credits which a taxpayer would be allowed in the form of deductions would be confined to the current year and to the next succeeding year. It does seem to me there can be no element of justice in the proposition that speculative losses in ventures, and capital losses, may be carried forward two years beyond the current year, with the result of depriving the Government of taxes upon incomes and upon business in which the taxpayer was engaged.

Mr. SMOOT. Mr. President, this question was thrashed out in the consideration of the revenue bill in 1921. Before 1921 there was no limit upon the amount of capital gains. The business of the country fell to almost nothing. We got no revenue. There were no transactions. Business was at a standstill, and that is the reason that in 1921 a limitation to 12½ per cent of whatever gains there might be was inserted.

If this is removed, the same condition would come again. The committee thrashed it out thoroughly, and all I can do is to say that I hope the amendment will not be agreed to.

Mr. KING. Mr. President, I concede that the committee did give some consideration to this subject. I brought the matter to the attention of the committee, of which I am a member. But I feel constrained to say that, in my opinion, there was not given to it that due and deliberate consideration which the importance of the question demanded.

This bill, I believe, is drawn too much, in many of its provisions, in the interest of the taxpayer, and permits too many advantages and losses and deductions, and that is particularly true of corporations. For instance, though this is not quite germane to the matter under discussion, the corporations of the United States are permitted billions of dollars in credits and deductions for interest upon funded indebtedness. More than $3,000,000,000 in 1921 were allowed upon the funded indebtedness of corporations, which funded indebtedness was capital. In my opinion that is wrong. It is an advantage to the corporations which may not be justified in morals or in sound fiscal policy.

Two men engage in business. One puts in $100,000 in cash; another puts in $50,000 in cash and borrows $50,000 for the purpose of making up his capital investment of a hundred thousand dollars. The latter is permitted the deduction of all the interest which he pays upon that borrowed capital. He gets full deduction of interest upon capital in the payment of his taxes. The first person to whom I referred has no such advantage. He does not get any interest deductions, but he has to pay his taxes upon the net income which he derives upon his $100,000 capital; whrens the other individual, his competitor in the same business, is permitted a deduction of the interest charge upon his indebtedness, which is assumed for the purpose of making up his capital.

Corporations are also permitted, by way of deductions, nearly $3,000,000,000 for depreciation; and I think an examination of the records of the Treasury Department as they have been published and the reports of investigations which have been made with respect to the activities of corporations will demonstrate quite conclusively that much of that so-called depreciation is purely fictitious, and the allowances which are made, or deductions, or credits, whatever they may be denominated, go to swell the undistributed profits or are distributed in the form of dividends to the stockholders.

So I repeat, this bill has been very tender, in many respects of corporations and of individuals, in its deductions, in its allowances, in its writing off for depreciation, and for other things. In harmony with this policy of too much generosity we have inserted into the bill the provision concerning which my amendment is offered.

I can only repeat that if you permit the credit resulting from the losses to be carried forward beyond the current year for one year, the Government has been more than magnanimous, and to go further would be a great injustice not only to those engaged in legitimate business but to the Government itself.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the junior Senator from Utah [Mr. KING].

On a division, the amendment was rejected.

Mr. SMOOT. I offer, by request, the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 19, after line 10, subdivision (c) of section 204, insert the following:

Discoveries shall include minerals discovered or proven in an existing mine or mining tract by the taxpayer after February 28, 1913, not included in any prior valuation.

The amendment was agreed to.

Mr. TRAMMELL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Florida offers an amendment, which will be read.

The READING CLERK. On page 54, strike out lines 23, 24, and 25, and on page 55 strike out lines 1 to 13, inclusive, being paragraph (c), and in lieu thereof insert:

(c) In the case of a single person, a personal exemption of $2,000, or in the case of the head of a family or a married person living with husband or wife, a personal exemption of $3,000, unless the net income is in excess of $5,000, in which case the personal exemption shall be $2,500. A husband and wife living together shall receive but one personal exemption. The amount of such personal exemption shall be $3,000, unless the aggregate net income of such husband and wife is in excess of $5,000, in which case the amount of such personal exemption shall be $2,500. If such husband and wife make separate returns, the personal exemption may be taken by either or divided between them. In no case shall the reduction of the personal exemption from $3,000 to $2,500 operate to increase the tax, which would be payable if the exemption were $3,000, by more than the amount of the net income in excess of $5,000.

Mr. TRAMMELL. Mr. President, I think the amendment should be agreed to. The purpose and object of it is to increase the exemption of the head of a family to $3,000 instead of $2,500 and for a single person from $1,000 to $2,000, as contemplated under the provisions of the bill as it stands at present. I have always felt that it was never the purpose and object of an income tax to inflict its burdens upon a citizen until that citizen had at least had exempted a sufficient amount of his earnings to enable him to have a reasonably fair living. Yet during the war, in our desperation to raise revenue, Congress allowed the amount of the exemption to drop below a sum necessary for a person to have the ordinary subsistence, reducing it to $1,000 for a single person and $2,000 for a married person or head of a family. We did, however, in the last tax law increase the exemption for the head of a family to $2,500.

I am proposing in my amendment that the head of a family shall have an exemption of $3,000 and that a single person shall have an exemption of $2,000. Of course, under the provisions of the bill as it now stands, in addition to the fixed amount of $3,000 exemption as proposed by the amendment, the head of a family would also have an exemption of $400 for each minor child, therefore making the exemption $3,400 in the case of one child and $3,800 in the case of two children. I do not think we should tax incomes until a person at least has a reasonable amount upon which to live. The whole purpose and object of the amendment is to try to correct the hardship as imposed by the present law and as contemplated by the pending measure.

A single person making $1,200 or $1,400 a year has great difficulty to live upon that amount in Washington or in any other city throughout the country. Yet Congress would impose a tax upon them before their income is sufficient for them to

live on and require them to pay a tax on all over $1,000. Two thousand five hundred dollars is not sufficient for the average married man or head of a family under the present high cost of living, when considering expense for rent, and so forth, and the expenditures necessary for the clothing and schooling of children. Yet the bill in its present form would impose the tax on him before he has sufficient from his earnings upon which to live and support his family in reasonable comfort and to educate his children. I think there are ample other sources from which we might obtain revenue to support the Government without imposing a tax upon persons with small incomes, and I have proposed an amendment which I hope will correct that condition.

Mr. SIMMONS. Mr. President——

Mr. TRAMMELL. I yield to the Senator from North Carolina.

Mr. SIMMONS. I wish merely to suggest to the Senator that upon the first $4,000 in excess of the exemption allowed he would only have to pay a tax of $60 under the provisions of the bill.

Mr. TRAMMELL. He would not have to pay very much; that is true; but if we are going to take $60 from every person that has not got $60 because he has not sufficient earnings to support himself and his family and educate the children, how can we justify ourselves? Where is the justice in requiring some young man or some young woman in this city or any other city in the country, or one who lives in the country, who is only making $1,200 or $1,400 a year, not receiving a sufficient income to support themselves in reasonable comfort, to pay to the Government a tax upon that small income before they have ample funds upon which to live? Where is there any justice or equity in requiring the head of a family to contribute a tax in the way of an income tax before he has sufficient earnings to support his family and to educate his children and give them a reasonable opportunity in life? I think the principle and policy is all wrong, and that we should adopt the amendment providing exemptions in the amount suggested by me.

It was ably argued by the Senator from Georgia [Mr. HARRIS] that the tax does not amount to very much in the net aggregate on account of the great volume of returns and the work connected with them, yet it is quite an imposition upon a person not making sufficient to support himself and family and then pay the tax in addition.

I desire to submit the matter to the Senate for such action as may be deemed proper. I very heartily believe in the policy of giving an exemption to the head of a family sufficient to enable him to support his family. It never was contemplated that an income tax should be imposed until such an amount had been exempted.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Florida.

The amendment was rejected.

Mr. WALSH of Massachusetts. Mr. President, on page 198 I move to strike out section 702.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 198, the Senator from Massachusetts moves to strike out section 702, as follows:

SEC. 702. There shall be levied, assessed, collected, and paid, in lieu of the tax imposed by section 902 of the revenue act of 1921, upon sculpture, paintings, statuary, art porcelains, and bronzes, sold by any person other than the artist, a tax equivalent to 5 per cent of the price for which so sold. This section shall not apply to the sale of any such article (1) to an educational or religious institution or public art museum, or (2) by any dealer in such articles to another dealer in such articles for resale.

Mr. WALSH of Massachusetts. The Senator from Alabama [Mr. UNDERWOOD] is interested in this amendment, and I ask that he be sent for.

Section 702 puts a sales tax upon art. The petitioners for the repeal of this tax represent a very large body of influential citizens and influential organizations. They are the American Federation of Art, the Council of the National Academy of Designs of New York City, the National Arts Club of New York City, the Fine Arts Federation, the League of New York Artists (Inc.), and many other like bodies. The Fine Arts Federation includes some 15 other organizations throughout the country.

The brief which these organizations have filed is a very exhaustive one and a very able one. They point out the fact that art is not a luxury, and that the imposition of a tax upon art is akin to the imposition of a tax upon science or education or religion. To be sure, the provisions of section 702 do exempt sales of works of art to educational or religious institutions or public art museums or by dealers in such articles to another dealer where there is a resale, but the remaining provisions of the section impose a sales tax upon every dealer when he sells a piece of art to any private citizen. The history of the purchase and sale of art shows that practically every purchase made by private citizens ultimately finds its way into a public museum or into an educational institution.

The amount of money collected from this tax is trivial. It has been constantly diminishing. It is argued forcibly by the petitioners that the reason why it is diminishing is that this tax is discouraging art in the country. Here are the figures: During the fiscal year 1921 the entire tax collected was $1,116,637.62, not much more than enough to pay for the cost of collection. Of that sum $819,000 was paid by dealers in the city of New York, where of course all the principal sales of art are made. In 1922 the total amount collected was but $582,800, a loss of nearly 50 per cent from the preceding year, a reduction in income to the Government from $1,116,000 to $582,800. For the following year, 1923, the revenue derived was $837,831, but in the five months of the present fiscal year ending November 3, 1923, the total revenue received was only $221,568. Upon this basis the revenue derived for the entire fiscal year may be less than half a million dollars. This is a nuisance tax; it is a tax that falls directly and entirely upon the consumer; and it does not seem to me, in view of the trivial amount collected, that the tax ought to be retained in the bill.

There is already a very heavy tax upon art which is imported into this country for resale. This section proposes, in addition to the importation tax, to put a tax upon sales made by dealers in art.

Mr. WALSH of Montana. Mr. President, I understood the Senator to say that works of art are taxed under the tariff law. I am under the impression that they are admitted free.

Mr. WALSH of Massachusetts. When they are purchased for an educational, public, or a religious institution they are admitted free.

Mr. UNDERWOOD. I will say to the Senator that that clause was put in the tariff law subsequently to the Democratic tariff act. The tariff act of 1913 contained a clause for the first time exempting from taxation original works of art, but copies and replicas made purely for purposes of commerce were taxed.

Mr. WALSH of Massachusetts. And the latter class constitute the great bulk of such importations.

Mr. UNDERWOOD. That is true, but as to original art or ancient art the act of 1913 placed them on the free list.

Mr. WALSH of Massachusetts. The Senator from Alabama will correct me if I may not state the facts, but according to my recollection there was no sales tax in any previous revenue law since 1913 upon art until the act of 1921. Am I correct about that?

Mr. UNDERWOOD. I think that is correct.

Mr. WALSH of Massachusetts. Mr. President, art is educational and cultural. All of the arguments are in favor of the removal of the tax and none against it. Art is not a luxury like jewelry or sporting goods or perfumes and cosmetics or musical instruments or fancy dresses and furs or automobiles and pleasure yachts or wines or liquors and cigars. Art is no more a luxury than education is a luxury, or than religion is a luxury, or than science is a luxury.

As education and science are not taxed, and should not be taxed, so art should not be taxed. To tax art is in effect to tax institutions engaged in educational work. Art knows no country and its cultivation should be as free as can possibly be made.

Since its imposition the tax has operated so very injuriously in the sale of art objects as to greatly reduce the amount of business done. Evidence was given even two years ago of the ruin it had wrought during the first three months of the operation of the tax, showing that six of the largest art houses in the United States had suffered a loss of three-quarters of their business, while smaller firms showed a corresponding decrease. So harmful has the tax been to them that the Government not only realized but a very small amount therefrom but actually endangered a legitimate industry. Thus from both points of view—that of decreased revenue according to the Government, and the art welfare of the Nation—the tax has been destructive in its effect. The English and French Governments were wiser, for not only during the war but even afterwards they encouraged and protected art, and the evidence is that these Governments have considered such a tax hurtful, impracticable, and not sufficiently productive of revenue.

In all matters of taxation the question should be not merely how many dollars are involved but the nature of the occupation proposed to be taxed.

Hundreds of millions of dollars a year are expended in this country on education and science. It would be a monstrous thing to tax education and science. It would be a barbarous thing because it would be a tax upon science, a tax upon culture, a tax upon civilization.

Mr. UNDERWOOD. Mr. President, if I may have the attention of the Senate for a few moments, I should like to say a few words in favor of the motion made by the Senator from Massachusetts, to strike this clause from the pending bill. I recognize, of course, that every government must raise revenue in order that it may live, but we exercise a discretion in the levying of taxation. Any Senator who would rise in his seat on the floor of the Senate and propose to levy a tax on education would be driven from the floor by the scorn of his colleagues. We realize that the onward march of civilization must go forward sustained by the education of the youth of the land, and instead of taxing education we make great appropriations, and properly make them, to advance the education of the masses of the American citizenship.

Education does not consist solely in teaching a child how to read and to write and to figure in arithmetic, nor does it consist solely in pursuing those branches of education to the higher degrees of learning. Moral education is taught at the knee of the mother. Education is taught in the clearing house and in the streets. The high morals of a nation do not come out of schoolbooks, and neither, as a rule, does the advance in science or in art come from the schoolroom or the schoolbook. We teach the child, it may be, in the schoolroom the principle on which science may be based and instruct him as to the learning of the past; but we know that many of the great advances in science have come from the discoveries of men who did not have collegiate educations. Opportunity to see and learn and visualize is education.

We are a new Nation. We have carved our way within two centuries out of a trackless forest. The conditions that confronted our ancestors in the early days of this country were the battle of life, the battle against the wilderness, the battle against privation. It is only in recent decades that we have reached the period in the world's history where we have the time, the leisure, and the opportunity to rise to the high degrees of education that ancient Egypt and ancient Greece and ancient Rome attained century on century ago. It was but yesterday that a great archeologist delivered a lecture in Washington displaying pictures of the art of ancient Egypt taken from the tomb of a king who had not seen the light of day for 3,300 years. There were displayed specimens of art in the working of gold enamel that would rival anything that could be accomplished by the goldsmith to-day. There we saw—and I had the opportunity and pleasure myself last spring of seeing the objects after they were taken from that tomb—great alabaster vases carved from a single block of marble that have not their equal in the craftsmanship of modern times.

We know that the architecture of to-day has found nothing new in the last century except in convenience; that in ideals of beauty and development nothing new has come to us. We find that the ideals from which we have constructed this great, magnificent building and from which the buildings of modern Europe are constructed are adapted from the Greek civilization of centuries and centuries ago. How does that happen? It comes from generations of people that had opportunity and time and education to study works of art and in the pictures which they saw to dream of beauty and to portray the God-given works of nature itself for the education and upbuilding of the civilization of man.

The development of a love of art in a man's soul is not purely a fad or a fancy; it is not something that is for the rich alone; nor is art something merely for decorative purposes. The man who realizes and feels what art is builds his soul to the higher ideals of living. The great artist never committed murder; the great painter is not a man who would be guilty of theft. His soul has risen to the higher levels, and he appreciates the rules that God Almighty established in this world for the upbuilding of the soul, the heart, and the spirit of man.

How can we expect a generation to learn art and develop along the beautiful pathways of art if we are going to close the door of opportunity and not give it a chance to visualize the great works which artists have made and on which art is developed?

I remember once, many years ago, I was standing in the Louvre in Paris admiring an ancient picture, a great work of art. It was placed in rather a dark alcove. I looked around and I saw a little street urchin from the streets of Paris standing there absorbed and enrapt in the beauties of that great picture, breathing into his soul an inspiration that might make him a great artist when he grew up. We can not develop art only in the houses of the rich. The rich man's son often has other things to think about instead of the development of art. We can not develop art by selecting a particular class to enjoy it and study it. One man is born a great mechanic, another a great engineer, another a great statesman, and another a great artist.

It is in his soul. God Almighty planted the genius in his heart. Man can not make it, but we can afford the aspiring soul the opportunity to find the way to become a great artist and to lend his country and his people to the high ideals of art and civilization.

Mr. President, when I had the honor of being chairman of a great committee of the House of Representatives, more than a dozen years ago, and was engaged in writing a tariff bill, I advocated and joined my colleagues in putting into that bill for the first time a provision placing art on the free list—not commercial art, but allowing great pictures and great statuary to be brought into this country without taxation. In answer to what was then proposed it was said, "You are not taxing the rich; they are the ones who buy works of art." History, however, has taught us, Mr. President, that the rich man may buy the picture or the statue and bring it into this country for his private home, but always within two generations it finds its way into the public libraries and public museums and public art galleries of the country, where the urchin from the street may stand and visualize art and take the initial steps in an education leading to the development of his talent.

The Committee on Finance again comes before the country with a proposal to put a tax on art, because it is hunting dollars for taxation—very ineffectively, however, because the Senator from Massachusetts has already demonstrated to the Senate that the revenue derived from this tax is infinitesimal. The tax amounts to nothing but a barrier against art education, a barrier against the opportunity in the end for the masses of the people of America to acquire an education which will enable them to rise to the high ideals of civilization and life. I think it is a travesty on legislation that any legislative body or any party should find itself so hard driven to conduct the Government that it must put a tax on education—for that is what a tax on art amounts to, a tax on the opportunity for the development of the child of the coming generation—in order to obtain the money with which to conduct the Government. I sincerely hope that this clause proposing to tax art will be stricken from the pending bill.

Mr. SMOOT. Mr. President, I want to call the attention of the Senate to the provisions of this section:

There shall be levied, assessed, collected, and paid, in lieu of the tax imposed by section 902 of the revenue act of 1921, upon sculpture, paintings, statuary, art porcelains, and bronzes, sold by any person other than the artist, a tax equivalent to 5 per cent of the price for which so sold. This section shall not apply to the sale of any such article (1) to an educational or religious institution or public art museum, or (2) by any dealer in such articles to another dealer in such articles for resale.

Mr. President, under those conditions this 5 per cent tax is not going to stop one single, solitary man or woman in the United States from purchasing these articles—not one. The artist that creates the article can sell it, and he does not pay any tax whatever. A dealer in such articles may sell them to another dealer once, twice, three times, or a dozen times, and he pays no tax. The tax applies only to the dealer who finally sells the article.

I want to say to the Senate now that the information that I receive is that these articles are sold from dealer to dealer; and most of them, tapestries and paintings, find their way ultimately into the homes of the rich, and I agree with the Senator from Alabama that within two generations those articles will be found in some public institution, and they will be found there just the same under the provisions of this law. It is only a 5 per cent tax.

Mr. FLETCHER. How much revenue does it yield?

Mr. SMOOT. The estimated revenue for 1924 is $750,000.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. Yes; I yield.

Mr. COPELAND. Is not this, in effect, a sales tax on art?

Mr. SMOOT. Just the same as the other taxes of this class.

Mr. COPELAND. It is only right for me to say to the Senator that I have had a great many communications from my constituents about this proposed tax.

Mr. SMOOT. I have not any doubt about that. We get them about every tax in this bill. If we took notice of letters

received from our constituents, there is not an item in the bill but that would be stricken out. We might as well just strike out all after the enacting clause and insert nothing, if we listened to those communications.

I know that it is a mighty easy thing to get up on the floor of the Senate and ask that taxes be eliminated from the bill because somebody wants to be relieved of taxation. I know it is popular, but we have to raise taxes.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Carolina?

Mr. SMOOT. I yield.

Mr. SIMMONS. I want to say that while the Senator from Utah is sometimes wrong, and I am afraid the majority of times he is wrong, he is right in this statement.

Mr. SMOOT. Why, I have in my office now half a room full of letters, I think, and there is not one of them asking that the writer be taxed. Every letter asks that the writer be relieved of all taxation.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. COPELAND. I had understood that the sentiment of the country was unanimous for the Mellon bill.

Mr. SMOOT. Yes; because it is a reduction of taxes.

Mr. COPELAND. I am surprised that the Senator has had a large number of letters protesting against the bill.

Mr. SMOOT. I did not say that. This is not the Mellon bill by a long, long way.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. SMOOT. I do.

Mr. WALSH of Massachusetts. Is it not a fact that this is the only provision in this bill that imposes a tax upon sales by a retailer? Do not all the other provisions impose the tax upon the manufacturer?

Mr. SMOOT. Why, no.

Mr. WALSH of Massachusetts. What other section of this bill imposes a tax on the dealer?

Mr. SMOOT. The jewelry section imposes a tax upon the final sale.

Mr. WALSH of Massachusetts. Is there any other section than jewelry and this?

Mr. SMOOT. I can not call them off just now.

Mr. WALSH of Massachusetts. But nearly all of the excise taxes are imposed on the manufacturer. Is not that true?

Mr. SMOOT. Yes; in substance. There may be a few other items that I can not call to mind just now, but I do recall the jewelry section.

Mr. REED of Missouri. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SMOOT. I do.

Mr. REED of Missouri. The Senator has in substance stated that there has been great unanimity of opinion in favor of the Mellon plan. Nevertheless, I want to ask the Senator if it is not true that while in his opinion there was great unanimity for the plan, nevertheless the individual who was going to be taxed under that plan protested just about as loudly as he does now?

Mr. SMOOT. That is what I have already said.

Mr. REED of Missouri. He was willing to have the Mellon plan, provided he was not in it.

Mr. SMOOT. I have been a member of the Finance Committee for 14 or 15 years, and I want to state that I have never seen a tax imposed at the request of any taxpayer.

Mr. REED of Missouri. Mr. President, I should like to be permitted in a word to express my views regarding this section.

It is true, as said by the Senator from Utah, that the bill as drawn does not levy a tax upon the artist who sells his own picture to some one in this country, and it does not levy a tax upon the dealer who sells to a dealer in this country. It does levy a tax upon any dealer or owner of a picture in Europe or elsewhere who sells to any private citizen of this country.

The effect of the bill is to place an embargo upon the purchase of works of art by American citizens who buy directly in Europe either in person or through an agent or a friend.

It is a great mistake to assume that only rich people acquire works of art by purchase in Europe. It is true that very wealthy people, in making art selections, may employ an agent to go through the capitals and cities of Europe and buy very expensive pictures, and in those cases they nearly always buy from collections that have been gathered by art dealers. Occasionally they may buy from the artist directly. In many instances, of course, they buy through some American dealer; and if they buy through an American dealer they escape the payment of this tax.

When Mr. Frick was making his remarkable collection, which he afterwards gave to the public, I am glad to say, if he saw fit to buy his pictures through an American dealer he did not have to pay any tribute in order to import those works of art into America; but if he sent an art dealer over there to make the selections for him and that art dealer purchased them over there, they would be brought in free of duty under the terms of this bill. My opinion is that the very rich, in buying these pictures, are the ones that are least likely in the end to pay a tariff.

We have now, however, tens of thousands, hundreds of thousands of our people constantly crossing the ocean—not the very rich, but people of very moderate means, people who want to enlarge their horizon by travel. Many thousands of them are going to Europe because the soil of Europe has been stained with the blood of their sons or their brothers or their husbands; and as people go about Europe and see some work of art—it may be small, but may be something that is beautiful and attractive to them—when they come to the customhouse they must pay a tribute in order to bring it in.

Mr. SMOOT. Mr. President, they do not pay the tax at the customhouse.

Mr. REED of Missouri. Oh, yes.

Mr. SMOOT. Oh, no.

Mr. REED of Missouri. A work of art that is brought in here, unless it is purchased from the artist——

Mr. SMOOT. But this has nothing to do with the importation of works of art. This refers to works of art sold in the United States. This does not change the tariff on works of art.

Mr. REED of Missouri. Very well. I think the Senator's correction is right. Then that particular part of my remarks is inaccurate; but if they go down to a dealer who has made these selections and buy from him, then this tax must be paid. It is just that much of an embargo upon good taste.

Mr. President, no man excels me in admiration for the great American people, which is in process of being amalgamated into a great American race—a race that will combine the bloods of all the members of the white people of the world. I should like to see that race, in the process of its development, have every advantage which can be gained from the learning, the skill, or the culture of the entire world. I would not tax the scientific work which gives to the youth of this land the learning of the savants of the world. Nay, Mr. President, if it were necessary I should be willing to appropriate the public funds to bring that learning into our country for free distribution; and in a sense we do that through our public-school systems, which are supported by general taxation.

But if scientific work is to be brought in, why should you draw the line at work that is the result of artistic genius? Why should not that be placed before the eyes of all of our people, and particularly before the eyes of the children of this land? Why should we not encourage our people to place in the niches of their homes the choicest works of artistic genius which their wealth will enable them to command? Why should we say to the father of a family or the mother of a family, "Before you can hang upon your walls the chiseled dream of some great Italian or French master, you must pay a tax to the Government"? Why should that parent be required to pay a tax for the privilege of placing that object of art in his home where his children can look upon it?

Instead of placing an embargo of any kind upon art and its distribution, it would be more in consonance with our system of civilization and race development if we were to spend money to encourage the distribution of works of art so that something besides cheap chromos and abortive attempts at art might be found in more homes of America.

Mr. SMOOT. Mr. President, I am perfectly willing that the amendment may be agreed to, and that it may go to conference.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still in Committee of the Whole and open to amendment. If there be no further amendment as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The PRESIDING OFFICER. The following amendments have been reserved——

Mr. SIMMONS. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Ferris	Lodge	Shipstead
Ball	Fess	McKellar	Shortridge
Bayard	Fletcher	McKinley	Simmons
Borah	Frazier	McLean	Smith
Brandegee	George	McNary	Smoot
Brookhart	Gerry	Mayfield	Spencer
Broussard	Glass	Moses	Stanfield
Bruce	Gooding	Neely	Stephens
Bursum	Hale	Norbeck	Sterling
Cameron	Harreld	Norris	Swanson
Capper	Harris	Oddie	Trammell
Caraway	Harrison	Overman	Underwood
Colt	Heflin	Pepper	Wadsworth
Copeland	Howell	Phipps	Walsh, Mass.
Cummins	Johnson, Calif.	Pittman	Walsh, Mont.
Curtis	Johnson, Minn.	Ralston	Warren
Dale	Jones, N. Mex.	Ransdell	Watson
Dial	Jones, Wash.	Reed, Mo.	Weller
Dill	Kendrick	Reed, Pa.	Willis
Edge	Keyes	Robinson	
Ernst	King	Sheppard	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. There is a quorum present.

The Chair desires to state the amendments which have been reserved.

Mr. REED of Missouri. I desire to offer an amendment in the Senate.

The PRESIDING OFFICER. The point has not yet been reached where amendments may be offered. The Senator will be recognized a little later.

Amendments have been reserved, on page 31, beginning in line 23; on page 34, page 52, page 174, page 195, and page 231.

Mr. KING. Mr. President, this morning while the bill was in Committee of the Whole I offered an amendment to a committee amendment found on page 237, and the chairman of the Finance Committee suggested that he would be glad if I would not press it then, but offer it when the bill reached the Senate, and I agreed to do so. I desire to have the right reserved to offer that amendment.

The PRESIDING OFFICER. It will be in order after action on the amendments made as in Committee of the Whole. Without objection, the amendments agreed to as in Committee of the Whole and not reserved will be concurred in. The question now is upon the first amendment reserved, which the Secretary will state.

Mr. SMOOT. I ask unanimous consent that we vote first upon the telegraph and telephone message tax, which was reserved, found on page 174, for the reason that following action on that amendment five or six hundred changes will have to be made in enrolling the bill, and if we vote upon it at this time the enrolling clerk can go right on with his work. All I ask now is that we first vote on the telegraph and telephone message amendment.

Mr. SIMMONS. So that there may be notice to Senators who are interested in other amendments, I ask now that immediately after we take a vote on the telegraph and telephone message amendment the amendment relating to the surtaxes be the next one considered.

Mr. SMOOT. That is all right.

Mr. SIMMONS. I ask unanimous consent that the second vote be upon the surtax amendment.

The PRESIDING OFFICER. Is there objection to that request? The Chair hears none. The Senator from Utah offers an amendment, which the Secretary will report.

The READING CLERK. On page 174, after line 21, insert:

TITLE IV.—TAX ON TELEGRAPH AND TELEPHONE MESSAGES

SEC. 400. There shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 500 of the revenue act of 1921—

(a) In the case of each telegraph, telephone, cable, or radio dispatch, message, or conversation, which originates within the United States, and for the transmission of which the charge is more than 14 cents and not more than 50 cents, a tax of 5 cents; and if the charge is more than 50 cents, a tax of 10 cents: *Provided*, That only one payment of such tax shall be required, notwithstanding the lines or stations of one or more persons are used for the transmission of such dispatch, message, or conversation; and

(b) A tax equivalent to 10 per cent of the amount paid to any telegraph or telephone company for any leased wire or talking circuit special service furnished. This subdivision shall not apply to the amount paid for so much of such service as is utilized (1) in the collection and dissemination of news through the public press, or (2) in the conduct, by a common carrier or telegraph or telephone company, of its business as such;

(c) No tax shall be imposed under this section upon any payment received for services rendered to the United States or to any State or Territory or the District of Columbia. The right to exemption under this subdivision shall be evidenced in such manner as the commissioner, with the approval of the Secretary, may by regulation prescribe.

(d) Under regulations prescribed by the commissioner, with the approval of the Secretary, refund shall be made of the proportionate part of the tax collected under subdivison (c) or (d) of section 500 of the revenue act of 1918 on tickets or mileage books purchased and only partially used before January 1, 1922.

SEC. 401. The taxes imposed by section 400 shall be paid by the person paying for the services or facilities rendered.

SEC. 402. (a) Each person receiving any payments referred to in section 400 shall collect the amount of the tax, if any, imposed by such section from the person making such payments, and shall make monthly returns under oath, in duplicate, and pay the taxes so collected to the collector of the district in which the principal office or place of business is located.

(b) Any person making a refund of any payment upon which tax is collected under this section may repay therewith the amount of the tax collected on such payment; and the amount so repaid may be credited against amounts included in any subsequent monthly return.

(c) The returns required under this section shall contain such information, and be made at such times and in such manner, as the commissioner, with the approval of the Secretary, may by regulation prescribe.

(d) The tax shall, without assessment by the commissioner or notice from the collector, be due and payable to the collector, at the time so fixed for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 1 per cent a month from the time when the tax became due until paid.

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBINSON. Is this a committee amendment or is it an individual amendment proposed by the Senator from Utah?

The PRESIDING OFFICER. It is a committee amendment which was defeated in Committee of the Whole and is now proposed in the Senate by the Senator from Utah. It was originally reported by the Committee on Finance.

Mr. SMOOT. The amendment which I now offer was a committee amendment originally and is existing law word for word. It produces $34,000,000 of revenue.

Mr. SMITH. Is the entire amendment a reproduction of existing law?

Mr. SMOOT. Word for word.

Mr. REED of Missouri. Mr. President, I recognize the fact that we need revenue, and I appreciate the motive which inspired the chairman of the committee to propose to reinsert into the bill the provision laying a tax upon telephone and telegraph messages which the House had struck out of the old law.

A tax upon means of communication between the people of the United States is about the last thing that we ought to levy. Unless we are forced to levy it by necessity we should not levy such a tax. Telegraph rates are high enough now. When a man has to pay 10 cents in addition to the present rate, it becomes a burden upon communication, a burden upon the dissemination of knowledge, a direct burden upon business. The House of Representatives believed that we could get along without this tax. I would like to see it taken out. I would like to see the tax taken off of every avenue of transportation in the United States including not only the transportation of ideas, but the transportation of articles and of individuals.

It seems to me that taxes of this character are the most burdensome and the most irksome that are made. Telegrams are not matters of luxury. They are practically always matters of necessity and generally of some acute necessity. The truth of the matter is, in my judgment, that the telegraph companies ought to be compelled to reduce their rates or they ought to be compelled to pay the tax.

Mr. BORAH. How would the Senator do that?

Mr. REED of Missouri. We could reduce the rate very easily if we had nerve enough to do it, but we seem never to have had it. We can take off the tax now proposed, and that would amount automatically to that much of a reduction to the people of the United States who have to use the telegraph. It would not, of course, put the revenue into the Treasury which the Senator in charge of the bill thinks is necessary and which the House of Representatives thought was not necessary.

I think we can get along without this tax. When a man has to pay 50 cents for a telegram a short distance in the country and we add 10 cents tax on top of that, I believe we are putting on an unnecessary burden. In the rapid interchange of ideas and the rapid transaction of business the telegraph is becoming more and more essential. We ought to make it easy and cheap and give the people the benefit of this convenience if it is possible to do so without burdening them with this tax. I think it would be much better if we would get our revenue from some other source rather than from a tax on telegrams.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Utah. The Chair will state that a vote "yea" means to put the tax upon telegraph and telephone messages, and a vote "nay" means to take it off. The yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. JONES of Washington (when Mr. LENROOT's name was called). I was requested to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

The roll call was concluded.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Vermont [Mr. GREENE] and vote "yea."

Mr. NORRIS. I have been requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of illness. If present, he would vote "nay."

Mr. GERRY. I wish to announce that the senior Senator from Oklahoma [Mr. OWEN] is paired with the senior Senator from Illinois [Mr. MCCORMICK].

The result was announced—yeas 23, nays 61—as follows:

YEAS—23

Borah	Ernst	Lodge	Spencer
Brandegee	Fess	McLean	Stanfield
Bursum	Fletcher	Pepper	Wadsworth
Colt	Gooding	Phipps	Warren
Cummins	Jones, Wash.	Reed, Pa.	Watson
Curtis	King	Smoot	

NAYS—61

Adams	Frazier	McKellar	Shields
Ashurst	George	McKinley	Shipstead
Ball	Gerry	McNary	Simmons
Bayard	Glass	Mayfield	Smith
Brookhart	Hale	Moses	Stephens
Broussard	Harreld	Neely	Sterling
Bruce	Harris	Norbeck	Swanson
Cameron	Harrison	Norris	Trammell
Capper	Heflin	Oddie	Underwood
Copeland	Howell	Overman	Walsh, Mass.
Dale	Johnson, Calif.	Pittman	Walsh, Mont.
Dial	Johnson, Minn.	Ralston	Weller
Dill	Jones, N. Mex.	Ransdell	Willis
Edge	Kendrick	Reed, Mo.	
Fernald	Keyes	Robinson	
Ferris	Ladd	Sheppard	

NOT VOTING—12

Caraway	Elkins	Lenroot	Shortridge
Couzens	Greene	McCormick	Stanley
Edwards	La Follette	Owen	Wheeler

So Mr. SMOOT's amendment was rejected.

The PRESIDING OFFICER. Under the unanimous-consent agreement the next question is upon agreeing to the amendment to the surtax section on page 34, line 4, which the Secretary will report.

The READING CLERK. On page 34, strike out lines 5 to 24, inclusive, strike out all of pages 35, 36, 37, and on page 38, lines 1 to 8, inclusive, and insert in lieu thereof section 211 (a).

Mr. SMOOT. Mr. President, as a substitute for the amendment agreed to in Committee of the Whole, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Utah offers a substitute for the amendment as agreed to in Committee of the Whole, which the Secretary will report.

The READING CLERK. It is proposed on page 34 to strike out lines 5 to 24, inclusive, all of pages 35 to 37, inclusive, and lines 1 to 8, inclusive, on page 38, and insert in lieu thereof the following:

SEC. 211 (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax equal to the sum of the following:

"One per cent of the amount by which the net income exceeds $10,000 and does not exceed $12,000;

"Two per cent of the amount by which the net income exceeds $12,000 and does not exceed $14,000;

"Three per cent of the amount by which the net income exceeds $14,000 and does not exceed $16,000;

"Four per cent of the amount by which the net income exceeds $16,000 and does not exceed $18,000;

"Five per cent of the amount by which the net income exceeds $18,000 and does not exceed $20,000;

"Six per cent of the amount by which the net income exceeds $20,000 and does not exceed $22,000;

"Seven per cent of the amount by which the net income exceeds $22,000 and does not exceed $24,000;

"Eight per cent of the amount by which the net income exceeds $24,000 and does not exceed $28,000;

"Nine per cent of the amount by which the net income exceeds $28,000 and does not exceed $32,000;

"Ten per cent of the amount by which the net income exceeds $32,000 and does not exceed $36,000;

"Eleven per cent of the amount by which the net income exceeds $36,000 and does not exceed $40,000;

"Twelve per cent of the amount by which the net income exceeds $40,000 and does not exceed $44,000;

"Thirteen per cent of the amount by which the net income exceeds $44,000 and does not exceed $48,000;

"Fourteen per cent of the amount by which the net income exceeds $48,000 and does not exceed $52,000;

"Fifteen per cent of the amount by which the net income exceeds $52,000 and does not exceed $56,000;

"Sixteen per cent of the amount by which the net income exceeds $56,000 and does not exceed $60,000;

"Seventeen per cent of the amount by which the net income exceeds $60,000 and does not exceed $64,000;

"Eighteen per cent of the amount by which the net income exceeds $64,000 and does not exceed $68,000;

"Nineteen per cent of the amount by which the net income exceeds $68,000 and does not exceed $72,000;

"Twenty per cent of the amount by which the net income exceeds $72,000 and does not exceed $76,000;

"Twenty-one per cent of the amount by which the net income exceeds $76,000 and does not exceed $80,000;

"Twenty-two per cent of the amount by which the net income exceeds $80,000 and does not exceed $84,000;

"Twenty-three per cent of the amount by which the net income exceeds $84,000 and does not exceed $88,000;

"Twenty-four per cent of the amount by which the net income exceeds $88,000 and does not exceed $92,000;

"Twenty-five per cent of the amount by which the net income exceeds $92,000 and does not exceed $96,000;

"Tenty-six per cent of the amount by which the net income exceeds $96,000 and does not exceed $100,000;

"Twenty-seven per cent of the amount by which the net income exceeds $100,000 and does not exceed $150,000;

"Twenty-eight per cent of the amount by which the net income exceeds $150,000 and does not exceed $200,000;

"Twenty-nine per cent of the amount by which the net income exceeds $200,000 and does not exceed $250,000;

"Thirty per cent of the amount by which the net income exceeds $250,000 and does not exceed $300,000; and

"Thirty-two per cent of the amount by which the net income exceeds $300,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. SMOOT. Mr. President, just a word. This amendment is a substitute for the amendment which has been agreed to as in Committee of the Whole, which was offered by the Senator from North Carolina [Mr. SIMMONS]. The maximum rate imposed is 32 per cent. The Senate has already voted on a 25 per cent rate and has rejected a maximum rate of 25 per cent. In the amendment I now offer the tax is so arranged in brackets that it will raise the same amount of revenue as would the House provision. I do not think that I care about going into a discussion of the amendment any further.

Mr. SMITH. What is the maximum rate imposed?

Mr. SMOOT. It is 32 per cent. It will do no good to discuss the question all over again. I think there has been sufficdebate upon it, and I ask for a yea-and-nay vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Utah.

Mr. JONES of New Mexico. Mr. President, I was unable to follow the proposal of the Senator from Utah. The Senator has stated that this amendment, if adopted, will raise the same amount of revenue as would the House provision.

Mr. SMOOT. Yes.

Mr. JONES of New Mexico. On what brackets does the amendment propose to raise the additional amount, and on what brackets is the revenue proposed to be reduced?

Mr. SMOOT. The increase begins after the income gets above $64,000. Between the bracket of $64,000 and $92,000 there is very little increase. When the income reaches $92,000 the rate advances to 25 per cent, the same as the Mellon rate on the highest brackets, and between $96,000 and $100,000 it is 26 per cent, which is 1 per cent increase; between $100,000 and $150,000 there is 1 per cent increase; between $150,000 and $200,000 there is a 1 per cent increase; between $200,000 and $250,000 there is a 1 per cent increase; between $250,000 and $300,000 there is a 1 per cent increase; and there is a 1 per cent increase on all over $300,000.

Mr. ROBINSON. Mr. President, I desire to ask the Senator from Utah if his amendment has been printed?

Mr. SMOOT. No.

Mr. ROBINSON. Are there copies of it available for examination?

Mr. SMOOT. I will hand the Senator the copy I have.

Mr. ROBINSON. I think the amendment should have been printed, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Utah.

Mr. SIMMONS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NORBECK. Mr. President, I gave notice yesterday of my intention to offer this farm-relief measure, the so-called McNary-Haugen bill, as an amendment to the pending revenue bill, which was known as the Mellon plan before the many changes were adopted by the Senate. I explained at that time that it was the only prompt way we could get a vote on such a farm-relief measure as is proposed by the Senator from Oregon [Mr. MCNARY], because that measnre embraces a tariff feature; in other words, it is classed as a revenue bill, which, under the Constitution, must originate in the House of Representatives. Therefore, if the bill is to be considered in the Senate in its present form, it must be considered as an amendment or a rider to this revenue bill; otherwise, it must have first consideration in the House. It is a proper subject, however, to come before the Senate when we have revenue measures pending; it is perfectly logical to attach it to a bill like this. It is strictly within the rules and is within the established customs of the Senate to do so. I wish now to address the Senate briefly on the measure which I propose to offer as an amendment—or rider—to the pending revenue bill. I must offer the amendment before the final vote is taken on the bill.

Mr. President, the question is often asked, "Why should the farmer have something special?" We often hear it said, "The law of supply and demand should regulate all these inequalities in prices." We all agree that it should; there is no sounder declaration than that the law of supply and demand should regulate, but if it fails to regulate, then what is the answer? We have seen many articles in newspapers and magazines written by men, experts in their line—men of standing in the business world—attempting to show that the McNary-Haugen bill is not founded on a sound policy. You will notice those articles always start with the premise that the law of supply and demand should govern. If the premise is wrong, the whole argument falls. These articles are written without admitting the plain outstanding and well-known facts with which every Northwest farmer is familiar—facts of which every intelligent person should take notice.

LAW OF SUPPLY AND DEMAND NULLIFIED

Does the law of supply and demand regulate the freight charges on the farmer's shipments? Does this law regulate the price of his farm implements? If so, how does it happen they are at the peak prices now, when the demand is the lowest? Does the law of supply and demand regulate the price of gasoline and other petroleum products, or of coal, or of steel?

Mr. President, every Senator here recognizes and admits the fact that the law of supply and demand has been set aside by strong business organizations that fix prices arbitrarily, without regard to the wish or welfare of consumer or producer. Organized labor has not been able to resist the temptation of taking a good many things into its own hands. It also has in many cases set aside the law of supply and demand. Human nature is very much alike in all groups, but even the Government itself, through laws and regulations, has entered the price-fixing field, especially in its dealings with the transportation problem, and also in its tariff legislation.

TARIFF HELPS A FEW FARMERS

It is true that some incidental effort has been made to include the farmer in tariff legislation, and the tariff has been helpful to the woolgrower, the flax grower, and a few others. But the producer of the staple products of the land has only been benefited in a very small degree by the so-called protective tariff, because in most cases he sells his surplus abroad and comes into competition with world prices. He competes with the cheap labor and the cheap land of the world. If it is a sound principle that American labor shall not be compelled to compete with the cheaper foreign labor, then it is just as sound to say that the American farmer shall be protected against the same unfair competition. If we have been right in our effort to provide a higher standard of living for the American citizen than others, why should the farmer be excluded from those blessings and benefits?

The law of supply and demand does function as to what the farmer sells, but it exerts no important influence upon what he purchases. He sells in a cheap market and buys in a high market. His dollar is below par. Conditions are not normal as long as he can not exchange a day's labor with anybody.

The pre-war purchasing power is about two-thirds of what it was in the so-called normal times before the war. We have lately been advised that it is on the rise. This conclusion is reached by comparing the average value of all farm products, and owing to a temporary high price of cotton the average has risen a little. But the cotton section comprises only a small part of this country, and owing to the attack by the boll weevil the production has been greatly diminished.

WASHINGTON'S REPLY TO FARMERS

Two or three years ago Washington was quite perplexed as to what reply to make to the farmer when he asked Congress to give attention to his situation. There was no ready reply at that time, but Washington is ingenious also. It was quite important to reply to this request in some diplomatic and plausible way. A stock answer has been developed. When the farmer now turns to Washington for relief he is told: "This is an easy matter; we have it already for you—the answer is cooperative marketing. It is the cure for all your ills, and you can do it yourself, so why bother us with it when it is all in your hands?" This statement is supported by the argument that cooperative organizations and cooperative marketing have in many instances been of value to the producer, as, for instance, producers of fruits on the west coast and the tobacco growers in the Central States, but these are commodities of limited production. The cooperative organizations have controlled not only the marketing but also the production. The areas covered have been comparatively small. The problems have not been international nor even nation-wide in their scope; they have really been local in their character.

COOPERATIVE MARKETING

We overlook the fact that even among farmers generally there have been cooperative organizations and cooperative marketing for generations, more or less successful, but successful in a small way—successful in getting a trifle more for the product by cutting in two the charges of the middleman. This does not necessarily result in a fair price for the producer.

Cooperative buying is by no means unknown on the Great Plains. Hundreds of organizations have been formed. Many of them have been successful, but successful in a small way, as the possibilities of great savings were not within their reach.

Can anyone tell me how cooperation is going to restore the farmer's pre-war purchasing power? In fact, no one has been bold enough yet to assert that it would. Let us not waste our time on the minor and less important matters. Let us consider the whole question in a broad and in a fair way.

I do not want to minimize the importance of farm organizations, and especially cooperative organizations, for I think much good will come from them. Maybe the most important of all is that the farmer learns to study the producing and marketing problems—learns gradually to adapt his production to the need of the market. It will lead him to produce less wheat, of which there is a surplus; more wool and more flax, large quantities of which are imported from foreign lands. But everybody concedes that nation-wide cooperative organizations will develop more slowly in this country than in Europe, not only on account of the great size of the country but the sparse settlement and the distance between individual farms is also a retarding influence, not to mention the fact that the American farmer is more of an individualist than the European farmer. We admire him for this; it is one of the qualities that has made him courageous, progressive, and self-reliant but it also makes the European kind of cooperation much more difficult to reach.

Those who insist that cooperation will solve all these troubles ignore the well-known traits of human nature and the plain facts that are so outstanding that no one needs to be misled. The McNary-Haugen bill has been brought forth in an effort to have the Government help the farmers cooperate in the sale of his products, in an effort to secure for him a pre-war ratio price.

It would also be fair to state that the McNary-Haugen bill aims at giving the farmers the same benefit of the Republican protective tariff policy as is given to other citizens of the country—no more, no less. Can anyone say that this request is unfair?

Cooperative marketing and cooperative organizations are promising. The adjustment of our production to meet the domestic market is also important, but relief along these lines will come too slow to prevent the disaster that is near at hand.

Mr. President, I share the view so often expressed by public men, that the American farmer can not exist in a free-trade or in an unprotected market. We have gone through two periods

of this kind within my memory. I do not agree with the men who belong to that school of political thought, that it is to the farmer's advantage to do his trading in a foreign market. This plan was fairly successful in the earlier history of our country. Crops were raised on virgin soil that was highly protected. The cost of operation was low in the days when farm labor was poorly paid and living a miserable existence. Agriculture did survive under that policy and made considerable progress, but the situation is different now. There was, of course, some advantage in buying our manufactured goods from a cheap foreign market, but we afterwards came to realize that it was of more importance to have a domestic market; that it was to our advantage to have the manufactured goods produced at home in order that the producer and the consumer would be closer together. Great encouragement was given to industrial developments. They have added greatly to the wealth and population of this country. But a different condition exists than even 10 years ago; new problems have arisen that must be met courageously. It is no answer to say in criticism of this bill that it ventures into new fields, for the bill is intended to meet conditions that are entirely new. Of necessity new remedies are proposed.

There is one outstanding difficulty that this bill seeks to remedy. It recognizes the plain fact that the farmer does not share in the prosperity of the country; that he does not get the same for his service as others. He can not exchange a day's labor with the factory hand, with the store clerk, with the railroad engineer, the conductor, nor with the section boss; no, not even with the section hand. He gets less for a day's work than his own hired help or the domestic help employed in his home, for they get a living.

FARMER'S ANNUAL INCOME $600

The average farmer has been running behind for three years. The cost of producing his commodities is greater than what his sales amount to. I repeat conditions are not normal as long as the farmer can not exchange a day's labor with anybody. Naturally you ask to what extent is he handicapped? To what extent does he fall behind? I took the question up with the Census Bureau more than a year ago. I inquired as to what the farmer's earnings really were, and I received the following reply:

Hon. PETER NORBECK,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Replying to your letter of July 27, the Bureau of the Census does not compile statistics of individual incomes.

The only general statistics of income which are published by the Government are those issued by the Commissioner of Internal Revenue, based on reports concerning personal income tax, and these, of course, relate only to incomes large enough to be subject to the tax.

Concerning the farmers' income, in 1916 there was prepared and issued by the Office of Farm Management, Department of Agriculture, a bulletin (No. 746) on the Farmers' Income by Dr. E. A. Goldenweiser. This bulletin showed that the wages of the average farmer are about $600, composed of about $200 in cash and about $400 supplied by the farm. This is the best thing I know of on that subject.

Regretting that I am unable to refer you to any more recent or complete statistics, I am,

Very truly yours,

JOSEPH A. HILL,
Assistant to the Director.

This, of course, is not the average for any one State; it is the average for all the States, or, rather, for all the farmers in the United States. It shows that when the farmer has paid his taxes, his hired help, his insurance, paid for his fuel and other supplies, that he has left $200. But you will note the bureau designates the income as $600, because they say there is an advantage of living on the farm. They have charged the farmer up with $400 for the privilege of living on the farm. They find that he has free water, out of his well; that is true, and the people in the cities pay for their water. He has free house rent, living in his own home. He gets something out of his garden; he kills a fowl or a pig once in a while. The Government has compiled statistics on thousands and thousands of cases; it has figured out that when it is all told that this direct benefit is worth $400 to the farmer. Therefore, while his cash income is $200 his earnings are only $600. Is that too much? What do you say? Why, Mr. President, all that the McNary-Haugen bill attempts to do is to put the farmer back to that basis. That is all that American agriculture is asking for in this measure. The farmer wants to get back to a point where he and his family can have $200 for a year's labor and $400 advantage out of occupying the farm. If we get back to that, we are back to normal, because these statistics were gathered in normal times.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from New York?

Mr. NORBECK. I do.

Mr. WADSWORTH. Were those statistics gathered in 1921?

Mr. NORBECK. No; the date of the investigation was 1916, as shown by the letter; the figures are based upon the year 1909. I have investigated this matter and I find that prices in 1909 correspond very closely to the average for the period 1905 to 1914; in other words, the pre-war period. It is only two points lower than 1913—two points, which would approximate a couple of per cent. Therefore it is those very conditions that we are trying to bring back by the adoption of the proposed McNary-Haugen bill.

GOVERNMENT TOOK BILLIONS AWAY FROM THE WHEAT FARMER

But, Mr. President, the northwestern farmer has an extra claim, for when the war was on, he was discriminated against very closely by his own Government. They did not go to the cotton farmer of the South and say, "We are going to bring down the price of cotton and hold it down." They did not go to the sugar producer of the West and say, "We are going to do that to you." They did not go to the Corn Belt and say, "We are going to bring down the price of corn." They did not go to the manufacturer of the East and say, "You will have to put a lower price on your product." But they went to the wheat farmer of the Northwest and said, "You will have to do two things to help win the war: "You will have to take a lower price and you will have to produce more." So it happened that under the threat of Government price fixing wheat dropped from $3.45 in May, 1917, to $2.72 on the 30th of August. Then again a drop of 52 cents a bushel on September 1, when the Government price went into effect. A price was established at $2.20 for certain high grades in the central market. This meant approximately $2 per bushel to the average farmer.

How much did they take away from the wheat farmer? Nobody knows, because we do not know to what height the price would have gone had it been permitted the same free play in the American market that was given to the commodities of other sections. But I have made an estimate that the loss to the wheat farmer was around $6,000,000,000. This is just an estimate, of course. But we have another basis for fixing the loss. We can take the difference between the price fixed by the Government and the price that prevailed on the market previous to the price fixing, and you will have a couple of billion dollars which you all will admit this Government owes to the wheat farmer.

The unfairness of the Government was carried even further, for when a Government corporation was formed for the purpose of handling the wheat it became practically impossible to deal elsewhere. We found that this Government monopoly operated at a great profit. They admit having made a profit of more than $50,000,000. This large sum of money was taken away from the American farmer and put in the Treasury of the United States. It was in effect an extra and unlawful tax upon that farmer who was already working under the unfair and arbitrary price regulations of his own Government.

NORBECK-BURTNESS BILL

Mr. President, a few weeks ago there was before this body for consideration the so-called Norbeck-Burtness bill, more properly known as the "Coulter plan." It originated with the farmers of the Northwest, especially North Dakota, Minnesota, and Montana.

No class in the whole country responded more readily to the appeal of our Government than did the wheat farmer. He understood his farming conditions well; he needed no tutor. He was not only aware of the benefits of diversification, but he realized its absolute necessity. He had already substantially reduced his wheat area and materially increased his livestock holdings in the years preceding the war, as will be shown in the table on page 139 of the hearings before the Senate Committee on Agriculture and Forestry. But the Government said, "more wheat," so he sold his hogs, he sold his cattle, he sold his sheep. He invested the money in plows, harrows, binders, tractors, and trucks. His compliance with the Government suggestion was 100 per cent.

Neither did the farmer complain of the fact that an effective propaganda was inaugurated to reduce the domestic consumption of wheat.

The Government succeeded in weaning our people away from wheat. Had it not been for the increased acreage and the decreased consumption, due directly to governmental orders, we would not now be exporting a surplus product. The farmer would have been selling all his products in a protected market, for he would be supplying the domestic market only. He would be selling his wheat at a profit instead of at a loss.

The Norbeck-Burtness bill did not provide that the $6,000,000,000 that the farmer lost by the Government refusing him a free and open market, when every other industry was accorded one, should be paid back to him. Nor did it provide that he should be reimbursed for the $2,000,000,000 that was lost on account of the Government lowering the price of his wheat from the actual market to a lower fixed price. It did not even provide that the more than $50,000,000 abstracted from him by the Government Grain Corporation should be returned to the farmer's pocket. The bill simply provided that the money taken away from the farmers in the form of profit by the Grain Corporation should be loaned to them on five years' time at 6 per cent interest for the purpose of helping them get back to the diversification they enjoyed before the Government interference.

But the Members in this Chamber said, "No; this is venturing into new fields. It is theoretically unsound—let the law of supply and demand take care of the farmers." This was the answer he received when he came before this Congress and asserted that there was not one bank in fifty that could loan him a few hundred dollars with which to buy some milk cows—no; not even to those farmers who had ample security to put up.

I want to say to the Members on the Republican side of the Chamber that the worst times we knew of in the Northwest were along in the nineties—1894 and 1895—when we hauled our wheat to market and sold it at 48 cents a bushel. That has been a nightmare with us ever since. We speak of those times as the "Grover Cleveland times," and we hope they will never come back. But in those days we could take a hundred bushels of that cheap wheat to town and buy a wagon with it. To-day it takes nearly 150 bushels to buy a wagon, and other prices are in proportion. There is no use in talking to the farmer of the West about bad times he had 30 years ago. I say to you frankly that they were bad, but present times are worse, because the purchasing power of the farmer's dollar has almost vanished on account of the high cost of every commodity and every service.

Mr. President, a great many objections have been raised to this bill—most of them by selfish interests, which enjoy some advantage under existing conditions, but sometimes by well-intentioned theorists, who find that this bill does not fall in line with their preconceived ideas of what is sound; so many of them express concern that it will not be to the advantage of the farmer. They say it will lead to overproduction and lower prices in the world market, and thereby defeat its very purpose. But if it does this, who will suffer but the American farmer, for whose benefit it is designed? But Doctor Brand, the consulting specialist in marketing, Department of Agriculture, has convinced me that there is a very slight danger of an increased production in wheat. Very little additional acreage is available, and the average production per acre keeps falling off from year to year. It would, however, be easy to place a provision in this bill that would avoid this very danger. If you feel there is any danger on this score you can guard against it by giving the governing board, provided for in the bill, the right to discriminate against—or, in other words, to penalize those individuals, those communities, or those States that increased the production by increased acreage. This is very simple and would have the hearty cooperation of the farmer when he knew that an effective plan was proposed.

Another objection has been raised, namely, that we can only dispose of a certain quantity of our farm products in the world market; and that if we attempted more, it might be resented and lead to retaliation in the form of high import duties by foreign countries. There is no serious danger connected with this, for it is entirely within the discretion of the governing board how much to export. They have authority to adopt and follow sensible and businesslike plans. It is not to the farmer's advantage to market an unusual large crop in a very short time, nor not even necessary in 12 months. If in some year a crop is exceptionally large, it can be and will be held in warehouses at the risk of the American farmer, whose money is invested in same. The surplus can be distributed gradually. There will be no need of dumping. If any Senator feels that the bill does not sufficiently guard against that, it can easily be strengthened.

The objection is also raised that it takes money out of the Treasury. It need not take a dollar out of the Treasury, for authority can be given the governing board to borrow the money on the credit of the Government. But, anyhow, there was $50,000,000 in the Treasury which rightfully belonged to the American farmer—and which would have been there yet had this sum not been used for other purposes. This reimbursement to the farmers will take care of a considerable percentage of the necessary capital.

Then, again, others object to doing anything, for they say the troubles of the farmer are of his own making—that he has speculated in high-priced land during the inflation period and that therefore he should pay the penalty. The fair way to state this matter would be to say that some farmers did speculate and that they have paid the penalty; the percentage is small. I am thoroughly familiar with conditions in my own State and am certain that not over one-fifth of the farmers come in that class. They have already paid the penalty—there is not much we can do for them; therefore, let us talk about the other 80 per cent who are now asking for our attention.

Mr. President, the other day I saw an article by a Washington correspondent discussing this subject. The statement was made that the implement dealers favored the McNary-Haugen bill because they were anxious to collect for imprudent sales made during the peak of prices. If the correspondent meant that all creditors are always anxious to collect, he stated a well-known fact. That argument has been used against every request of labor for a better wage. It is as old as business and, I might say, as old as history. But if anybody thinks that implement dealers are going to be able to collect for imprudent sales made to the farmer several years ago, they are badly mistaken. The debts have been compromised or canceled, or the bankruptcy courts have taken care of that. It is really now a question whether the farmer's earnings will be such that he will be able to keep the American factories going and keep American labor employed, for a large percentage of our factories depend on his income for their very success.

Strenuous objection has been raised to making this bill an amendment or rider to another bill. Suddenly that idea has become offensive to Senators who have never previously protested. It was not offensive in the closing days of the last Congress, when three bills, two of which were called agricultural credit bills, were bunched into one without much regard to the subject matter. They came out of conference the last day of the session. The Members of this Chamber admitted that it was impossible to study the question or to know much about it. They had relied on a few so-called experts to prepare the legislation. They were assured that there were several good things in the composite bill. The idea was offensive to me at that time, but I was the only Senator in this Chamber who was offended in the least; it got every vote but mine. There was no protest against it because it had riders, not even when it was the kind of farm relief that was purely a joke. I heard no protest when a camouflage farm relief bill was solemnly adopted by the Senate. It was all right to have riders, and lots of riders, on the bill then, but when we now propose something that will be of value to the farmer the objection is raised that it is a rider.

Mr. President, in the case of the revenue bill, yesterday innumerable riders were injected every few minutes. There was not a protest from a single Senator on either side of the Chamber; no one thought it was improper. Why make the objections now?

TOO MANY AUTOMOBILES

We often hear complaint that the farmer has too many automobiles. When the city resident motors through the country with a high-priced car he meets the farmer in a jitney—for which he paid $400 some five or six years previous—on his way from his farm, 10 or 15 miles distant, to the railroad station. The jitney is loaded down with milk cans and egg cases. The city man says, "The farmer must be prosperous; look at him driving to town in an automobile."

When Washington's avenues are made impassable by automobiles owned by Government employees, whose homes are on street-car lines giving ample service, we hear no criticism of this.

If anyone in the United States has a genuine business reason for having an automobile it is the farmer. His distances are so great that the time saved in a single year will easily pay for half the cost of the kind of machine that farmers generally own. They use their machines from three to six or eight years. But these critics of the farmer need not worry. He has quit automobiles, as the price of automobile stocks on the New York Stock Exchange will easily prove. The Automobile Chamber of Commerce of the United States not long ago got out some figures that show very vividly how the farmer has been driven from the automobile market. The following tabulation shows how, in a few farming States, since

1920 the number of automobiles per thousand persons has decreased:

State	1920 rank	1921 rank	1922 rank	1923 rank
South Dakota	1	3	4	7
North Dakota	6	6	14	16
Minnesota	8	13	9	14
Idaho	13	17	17	27
Montana	17	20	26	33

These figures show the rank from year to year and not the number of machines per thousand persons. My own State of South Dakota in 1920 ranked first and has dropped to seventh. I predict that its showing next year will be a further reflection of the agricultural panic that we have been going through. I have no doubt that if you could separate the farming sections from the industrial sections of the States of the Union you would find a condition similar to that which is illustrated by the five given above. This much is certain: The 11 Southern States are the most purely agricultural States in the Nation. They have always been at the foot of the rank in the ownership of automobiles. If agriculture is so prosperous, and if the better price of cotton that has prevailed recently is so significant, it is remarkable that the cotton growers of the South have not indulged themselves in more of the things city people now consider indispensable. The fact of the matter is that while the cotton price has been high, except in a few favored territories, the yields have been low on account of the boll weevil and the average yield of the whole Cotton Belt has been low, so that the total purchasing power of the South has not been what a mere consulting of the cotton price would indicate.

FARM INSOLVENCIES

The Federal reserve bank out in our district, located at Minneapolis, has said that legislation can not help the farmer. They also have overlooked the fact that the high costs of transportation, of manufactured goods and of service are largely the result of governmental actions. And still this reserve bank found in 1923 that 17.7 per cent of the farmers in Montana had either passed through bankruptcy, were in course of bankruptcy proceeding, or were about to go into bankruptcy, while in North Dakota the percentage they published was 10.5 and in South Dakota 7.3. These conditions are not confined to the Dakotas and the other Northwestern States. They have in the last 12 months penetrated more and more into the final diversified sections of the Corn Belt, which indicates that while diversification is highly desirable and in the long run will be a help to American agriculture, it needs now some more definite relief measure aimed at the very thing that is causing the trouble.

BANK FAILURES

Last Saturday one of the big banks in our country failed for over $5,000,000—the Capital Trust & Savings Bank of St. Paul—a bank that has loaned money on farms conservatively and helpfully for many years, a bank whose leading director has been so able as to have been made a member in the past of the Federal reserve bank. This week, out at the other end of the United States, at El Paso, Tex., the El Paso National Bank has failed for over $4,000,000. And so the story goes from week to week, with dozens of smaller banks failing all the time, of which the newspapers no longer even make mention outside of the local community where the injury and loss and grief is acutely felt. There have been more bank failures in the last 4 years than there were in the previous 15, in spite of the fact that that period included three city panics.

Many other things show what the situation is. Farm labor is 62 per cent above pre-war. Interest charges on mortgage and personal debt during recent years have consumed between three-sevenths and four-sevenths of the total farm income. The annual tax bill of the American farmer is estimated at something like $678,000,000. This is more than the farm value of the whole wheat crop for taxes alone. The high taxes are, of course, largely a reflection of the higher cost levels. Farmers, farm laborers, farmers' sons, are leaving the farm at a rate that can only mean gravely reduced production and a future high cost of living. Farmhouses all over the United States are standing vacant and deteriorating rapidly, so that probably before they can be put into use again they will become uninhabitable, to the great loss of the Nation. At the same time cultivated lands are being thrown out of production which will be needed again shortly, when it will require years to again subdue them and clean out the weeds that so seriously reduce the efficiency of production.

Mr. President, immigration laws, whose desirability we do not question, have artificially reduced the supply of labor, so that wages are from 150 to 220 per cent of pre-war, varying for different trades and industries. Just at the time the Federal Reserve Board ordered farm deflation, its powerful connections used every influence with the Interstate Commerce Commission and as a result freight rates on most farm products were increased so that they are now from 55 to 75 per cent above pre-war rates.

Not only are freight rates inordinately high, farm wages so high that very few farmers can afford to hire, but the price of practically everything the farmer uses is far above the pre-war level, while practically everything he sells, except cotton and wool, is down to or below the pre-war level. Dimension lumber, which in 1914 and 1915 cost $30 per thousand feet, now costs $50; shingles that cost $4, now cost $6.50; salt that cost $1.50, now costs $3.24; Illinois coal that cost $5 a ton, now costs over $10. And so on with everything else, varying with the length of haul and other circumstances.

The farm price of wheat, which in 1914 was around 85 cents, is now only 90 cents. In fact, by reason of a dry season in 1923 the average price is far below that figure. Oats are only a few cents more than they were in 1914. The difference is more than eaten up by the mere increase in freight rates.

OPPOSITION TO FARM RELIEF

It is a striking fact, Mr. President, that practically all of the opposition to farm relief comes from the grain exchanges, certain elements in the regular grain trade, the millers, and to some extent the packing industry. As one grain dealer recently put it, who has been opposed to the McNary-Haugen bill:

> When you brush aside all the foolish arguments the grain men and millers advance against this bill you expose the fact that they are afraid their business is going to be hurt, and that while they profess an interest in the farmers' welfare, that interest is lost sight of if they fear their own interests are threatened.

Remember, that this is what a grain man says who opposed the bill until it was explained to him.

When the Committee on Agriculture and Forestry had this bill under consideration, everybody was invited to come in and criticize or make suggestions. There appeared numerous representatives of farm organizations from all over the country. Millers, grain gamblers, and exporters were all given an opportunity to be heard.

The grain exporters who came before the committee protested that this was undue interference with business on the part of the Government. They said it might injure the business of the exporter and work to the detriment of his numerous employees. This witness was asked how many people were employed by the grain exporters. He repeatedly insisted that he did not know how many, but said the number was large. Inasmuch as he showed his unwillingness to give any information along this line, he was asked how many people he employed, and he admitted it was only six or seven—that, as a matter of fact, the export trade required the employment of very few people.

I have heard Members of this Chamber give as their reason for opposing this bill that the farmers "are not all broke." Fortunately they are not all broke yet; when that point is reached, industry will be at a standstill, labor will be idle, and profits in any line of activity will be unknown. Let us hope that no such condition will ever arrive. One man who protested against the bill wrote me saying that he "knew of numerous farmers who pay their bills and pay their taxes." He might have gone further and said he knew many of them who wore shoes in winter and even in summer. They have not all gone to the poorhouse, nor is there room for them in such a place.

The question is whether the farmer is entitled to a fair wage; it is not simply a question of whether some of them are getting along. They get along by passing up the luxuries and many of the necessities of life. They get along by using the old machinery from year to year, instead of keeping up with the times. They get along by carefully avoiding every expense possible. They refrain from painting the buildings or adding any improvements to the place. They economize on medical service and avoid dental bills. They tell the good wife that she can take no trips, not even go and visit her old mother. They get along by keeping the children out of school during the active seasons on the farm. They get along in this way or that, and we are proud of the fact that they are willing to make the sacrifice and meet such hard conditions successfully. But is that the answer to the question of the farmer who says, "Am I not entitled to as much for 14 hours' work as the other man is for 8 hours?" His wife works for nothing, his children work for nothing, and he is wondering whether he is not entitled to a fair wage.

In listening to the arguments on the agricultural situation one might be led to believe that it was only in the Northwest that the farmer is in danger. It is true that the Northwest suffers the most, partly on account of the long distance from central market and the high cost of transportation, partly on account of the high interest rates prevailing, the limited credit conditions existing that make it impossible to even buy a few cows, and in some cases it is impossible to secure the necessary seed grain in the spring, as no one has the money to loan.

But I wish to read here an editorial from the Philadelphia North American under the title—

A FARM IS SOLD

> A family of city dwellers last week bought a farm in Chester County comprising the following items:
>
> Seventy-five acres of fertile, tillable land, watered by five never-failing springs.
>
> A 3-story, 14-room stone house of mansion proportions, with running water.
>
> Commodious barn, with quarters for 25 cows and half a dozen horses, a granary and spacious loft, and supply of running water.
>
> Springhouse and other outbuildings.
>
> The price was $9,500.
>
> This farm lies within one hour by train or automobile from the center of Philadelphia, within half a mile of one railroad station and within 2 miles of three others, all reached by improved roads. The house is only a few rods from a concrete highway, with an hourly bus service. Hardly more than five minutes' ride away is West Chester, one of the most beautiful towns in the State, with churches, modern business facilities, and a normal school and other educational equipment.
>
> The seller of the place is an energetic young farmer, thoroughly conversant with land values in the vicinity. He was not obliged to sell on account of financial distress; he offered the property through a regular real-estate agency and received approximately the price he asked.
>
> On the day the deal was closed, while piloting a small group of business men over the farm, he outlined its history during the last three-quarters of a century. The house was built just before the Civil War by a Pennsylvania German who was well known throughout the county as a solid, successful farmer. The land was worked by him and his descendants until two years ago, when it was bought by the young man who disposed of it last week.
>
> Stopping on a rise in a field carpeted with the green of young wheat, the sturdy plants telling of rich soil and good tillage, the visitors surveyed the farm and discussed the transaction from various points of view. One of them, who has had wide experience in building and real estate, asserted that the buildings could not be replaced for less than $25,000; when they were erected, he said, they cost more than the price paid last week for the entire property. During a large part of the last half century the farmers on either side probably would have been glad to pay $75 to $100 an acre for available portions of the land, without any buildings. The barn alone, said the expert, could not be built now for the purchase price of the whole establishment. Estimating the buildings at only one-half of the total value, the land brings less than 50 per cent of its market worth a generation ago.
>
> During the period of this decline real estate values in West Chester, 2 miles away, have doubled, and in the immediate outskirts of the town probably have quadrupled. Real estate men say many property values in Philadelphia have doubled within the last 10 years, and suburban property has advanced 150 per cent. The $9,500 paid for this 75-acre farm, with its substantial buildings, would barely buy a two-story dwelling on a 16-foot lot in an attractive residential district of Philadelphia or its suburbs.
>
> One member of the party suggested that the startling and growing discrepancy between the market values of urban and rural property, of which so striking an example was under observation, signified a social change of far-reaching significance to the Nation.
>
> Farming, he said, is the oldest and most basic of all industries. Upon this foundation civilization has rested since its beginnings, and must find therein its chief support to the end of time. Were all other industries to be suspended or destroyed, agriculture would still sustain the human race; were agriculture to fail, the earth would be depopulated.
>
> Our forefathers found on this continent a virgin soil incomparably fertile, which nature had been preparing throughout the ages for the advent of man. And essentially it is out of the soil that there have sprung our mighty industries and our great cities and our national wealth; for the country's rapid rise to industrial supremacy was made possible by abundance of cheap food. Without this there could have been no such development of natural resources, despite the powers of American inventive genius, mechanical skill and business ability.
>
> During the colonial period and long afterwards the people of the sparsely settled land were engaged almost wholly in agriculture; such manufactures as could not be produced in the homes had to be imported from Europe. Alexander Hamilton, one of the greatest constructive statesmen the country ever produced, perceived that if the Nation was to attain security and greatness it must develop industries which would make it independent of Europe and would also establish an economic balance, providing consumers for the products of the soil.
>
> That policy laid the foundations of industrial America. For nearly a century every factory erected was regarded as a blessing, a contribution to the Nation's material and cultural welfare. During recent years, however, the ablest students of affairs have raised the question whether our industrial development has not proceeded so far as to destroy the economic balance and threaten grave dangers to the social structure.
>
> Americans not long past middle life can recall a time when the census figures showed the population of the United States two-thirds rural and one-third urban. The census of 1920 disclosed the startling fact that more than half of the inhabitants of the country were living in cities or towns; and there are abundant indications that the movement cityward has been accelerated since then. With the army of food consumers constantly growing and the number of food producers steadily decreasing, it is obvious that within the next generation or two the Nation will face the approach of a food shortage, presenting a problem more serious than any imaginable threat of armed invasion.
>
> With a vast surplus of wheat bringing less than a dollar a bushel, and the prices of other grains almost as low, it may appear to some readers that the trouble with agriculture is overproduction rather than underproduction. Such an assumption is unsound. The deplorable situation of the farmers of the West, which has caused widespread depression in several great States, is one of the results of the abnormal conditions of the war period. The American farmer has always raised a surplus of wheat; for many years this constituted the country's chief item of export and made it possible to maintain a fairly stable rate of exchange. Since the war the European market has been closed, because of the impoverishment of the masses and the depreciation of their currency.
>
> When the American farmer was told that "food will win the war," he speeded up production and increased his output to the utmost; this was a patriotic contribution to the national cause, although the farmer expected, and had a right to expect, that the product of his heavy toil would yield him a fair return. Under that stimulus the acreage of wheat was greatly enlarged. But while the farmer was growing more wheat, he could not govern the price, which is fixed by the demand and supply at Liverpool, where the surplus stocks from all parts of the world are sold. Deprived of his foreign market, he had to sell his wheat in the overloaded home market at prices fixed in Liverpool.
>
> But the western farmer is not the only sufferer; in all parts of the country agriculture is in decline. This is shown by the tens of thousands of farm mortgages foreclosed each year; by the increasing number of abandoned farms, especially in the East; by the rapid spread of tenant farming, and by the falling values of farm lands, as witnessed by the Chester County transaction the other day. Another recent sign of the times is the closing of a Minnesota bank, as the result of the tying up of its resources in farm loans which had become "frozen assets."
>
> Analysis of the prevailing agricultural depression discloses many causative factors. But when all the others have been taken into account there is one which exerts an overshadowing influence in making farming an unprofitable industry and in undermining the market value of farm lands. That is the scarcity and excessive cost of labor.
>
> The stimulation of industry and the consequent growth of cities have steadily depleted the rural regions of the man power necessary to carry on the diverse tasks of the farms. A strong argument can be made for the proposition that when the labor unions raise wages and shorten hours of work they bring about a general social advance. When Henry Ford establishes a minimum wage of $5 or $6 for a day's work, setting a standard which competing enterprises must follow, he is hailed as a benefactor of society. But upon the farmer the effect of such movements is disastrous, for they make it more and more difficult for him to obtain help. With $7.50 the daily wage for common labor in the unionized bituminous mines, what chance has he to compete?
>
> These conditions explain the sacrificing of the Chester County farm. It was for years a profitable dairy farm; with modern methods it could support 75 cows, or pay handsomely as a plant for intensive agriculture. Lack of help compelled the owner to raise wheat and oats and hay, which require a minimum of human labor. But at best, farming of that kind pays only where land is cheap and operations are on a large scale. With soil adapted to the most valuable crops, with the best of transportation facilities and with markets for foodstuffs close by, the owner was helpless to make use of his equipment, and had to retire from the struggle.
>
> Such an incident, duplicated innumerable times, signifies a process of agricultural depletion which is of the utmost gravity. Farming is an occupation requiring exceptional qualifications of knowledge and skill. Efficient industrial labor can be more quickly trained, workers in the professions can be more quickly educated than a competent farming class could be created. For one farmer to leave the soil means a

heavier economic loss to the country than would the vanishing of a dozen of the most skillful industrial workers.

If the farmers were to pay the industrial scale of wages the cost of food would be so high that revolution would be in the air. To avert catastrophics threatened by food scarcity and high prices the Government would be compelled to seek supplies in other parts of the world; thereby it would be forced into competition with other countries, would have to increase its naval power to protect its communications, and would be in constant danger of involvement with its rivals.

Prophecies made familiar by repetition picture the United States of the future as a Nation of two or three hundred millions, politically free, economically secure, and socially enlightened. If this forecast is to be realized—if, indeed, our national existence is to be preserved at all—there must be wrought a revolutionary improvement in the condition of agriculture, the main power plant of our system of civilization.

Viewed superficially, the sale of that Chester County farm is merely a minor transaction in real estate. To anyone who studies the circumstances with understanding it is a danger signal as ominous as would be the shadow of oncoming war or pestilence; and this is in old Pennsylvania.

A Senator from one of the New England States told me the other day that conditions were not at all prosperous with New England farms; that he knew of a recent sale of two dairy cows bringing only $35 each.

THE MCNARY-HAUGEN BILL

In this bill the successful plan of stabilization so long followed by the manufacturer is used as a model. The manufacturer aims to produce only what the market will absorb; but if he has a surplus, he disposes of it to the best possible advantage—generally to those who are not his regular customers. In other words, he sells his surplus in foreign lands. Sometimes he makes a little profit or he comes out even; but again he may take a substantial loss—but whether at a profit or a loss, he disposes of it just the same, to get it out of the way so it will not compete with next year's output. By this method he maintains a fairly steady price at home, which is his main market and from which he derives his principal profit.

In the case of products like wool or flax, of which we have no exportable surplus, a fair domestic market is maintained by proper tariff legislation; but in the case of wheat, beef, pork, and cotton, of which there is a surplus, a different problem is presented.

It has been suggested that through cooperation the farmer can dispose of his surplus abroad each year, so as not to depress the American market. But the difficulties in the way of organized cooperation on the part of farmers scattered over the whole continent are almost insurmountable. Farmers must cooperate, but it is necessary that there be an agency to assist them in carrying out the program. It is therefore provided in this bill that the Government shall become this agency without expense to the Public Treasury, except that the Government will furnish the initial revolving fund of $200,000,000; otherwise, the plan is expected to be self-supporting. This agency will deal only in those commodities, the present price of which is below the pre-war or "ratio" price.

Mr. President, the outstanding features of the bill are: First, its purpose is to establish a "ratio" price in the American market for the staple products of the American farmer, and to make this price high enough to get the farmer the same exchange or proportionate value for his products as he had before the war. It is estimated that at the present time this price would be $1.50 per bushel for wheat in South Dakota. Second, there may be a loss on the exportable surplus, which loss every producer of such surplus must share proportionately.

The creation of a commission is provided for in order to determine what a fair price of a given commodity in the American market should be. This price is determined by comparing the pre-war price of a certain commodity with its pre-war exchangeable value for other goods. In other words, the commission determines what is generally described as the "ratio" price. It is suggested that the basis of this price shall be determined from tabulation made by the Bureau of Statistics now in operation, covering some 400 articles in common use.

Let us assume that the "ratio" price for wheat would be $1.65 in Chicago, or about $1.50 at Redfield, S. Dak., instead of 95 cents. The commission, having determined that $1.50 is a fair price according to the ratio calculation, must provide some method by which the wheat farmer, who gets the benefit of this, takes his share of the loss on any surplus marketed abroad.

Let us also assume that we raise 800,000,000 bushels of wheat, and that 12½ per cent of it, or 100,000,000 bushels, is surplus, and therefore must be exported. The procedure under this bill would be about as follows:

The farmer who sells 800 bushels at $1.50 theoretically gets $1,200; but he must stand the loss on 100 bushels, which is his pro rata share of the exportable surplus, which may be worth only 75 cents per bushel, or $75. In the end, therefore, there would be a deduction of $75, more or less, from his gross sale.

The Government export corporation, formed for the purpose of handling the exportable surplus, will each year also determine the minimum price in the domestic market and will so notify the elevators. This corporation will advise the elevators to pay 75 per cent of the maximum price in cash and 25 per cent in scrip. The scrip is evidence of sale; and if there is a refund, it will be made in proportion to the amount of scrip the farmer holds. There would be a refund if the loss was less than 75 cents per bushel. The scrip will probably have no present value, but the corporation at the end of the year will figure how much it has lost by selling its surplus abroad and what it expended in operation, and will then declare a dividend accordingly. Inasmuch as all the money from the sale of the scrip goes to the corporation, it will have sufficient cash on hand to pay for its losses abroad, its expenses, and a dividend. In other words, the Government corporation will cash the scrip at the end of the year at a discount sufficient to reimburse its losses on export sales.

Under this plan the farmer will receive 75 per cent of $1.50, or $1.12½ in cash at time of sale, the balance in scrip. But the grain purchaser has paid out in cash $1.50 for the wheat, for he has been compelled to buy the scrip from the Government at face value through the local post office which has it for sale.

For example, the farmer who has sold 800 bushels will therefore receive $900 in cash and $300 in scrip. If, when the surplus wheat is sold, it should be found that his proportionate loss on the surplus exported is $75, and that his share of expense in operating the Government grain corporation is, say, $20 upon settlement, when the farmer turns in his $300 in scrip, he will receive $205 in cash for same, after $95, covering these items of loss and necessary expense, has been deducted from the face value of the scrip. Of course, the amount of cash he would receive for the scrip necessarily depends on the amount of loss.

From this it will be noted that instead of receiving 95 cents a bushel, or $760 for 800 bushels, the prevailing price, he will receive $1,105, or an average of $1.38 per bushel.

As will be seen, the bill is intended to apply only to agricultural products which have an exportable surplus, the market price of which is below the "ratio" price to be established by the commission. We export large quantities of cotton, but the present price is above the pre-war exchange value or "ratio" price; therefore cotton would not be handled by the export corporation unless the price drops. The present price of wheat is less than the pre-war value of the exchange, and therefore it would be handled by the export corporation unless a greatly increased price came from some cause.

The House Committee on Agriculture has proposed certain changes. I do not think they are destructive to the bill. On the other hand, I believe many of the proposed amendments will prove the wisdom and good judgment of the committee.

HOW MUCH WOULD THE FARMERS OF CERTAIN STATES HAVE BEEN BENEFITED HAD THE MCNARY-HAUGEN BILL BEEN IN SUCCESSFUL OPERATION IN 1923?

Let me begin with my own State of South Dakota and give you some comparisons based on the values of wheat, corn, and hogs marketed in 1923. In this connection remember that we had a bad wheat crop but a good corn crop, which is the same as saying that the warm, dry summer that gives the finest corn yields reduces the wheat yield and thus decreases the danger of overproduction which many people make so much of.

South Dakota, 1923

APPROXIMATE INCREASE IN WHEAT VALUE IF RATIO PRICES HAD BEEN IN EFFECT

Wheat	$6,756,000
Corn	20,383,000
Total	27,139,000
Hogs	21,802,000
Total	48,941,000

There is a certain amount of complication in the above, as statistics do not show how much corn is marketed and how much is converted into pork. But no allowances have been made for other grains, so it is perhaps fair to say that South Dakota's loss from an unfair price ratio is $50,000,000 annually. The Members of this body well realize that such an injustice can not be removed by some credit scheme that will lend the farmers of South Dakota a few million dollars.

More than 90 per cent of the bank failures are explainable on the basis that the farmer who was a good borrower a few

years ago becomes a poor risk after several successive years of losses. The depositors need the money and the farmer is unable to pay as fast as the deposits are being checked out. Restore to the farmer a ratio price and the banks will take care of themselves.

Now, we have in South Dakota—or did have at the time of the last census, and there are fewer now—74,637 farms. If wheat and corn alone had brought the same exchange value as they had on the average from 1905 to 1914, each farmer would have received $363 more for his year's work than he actually received. If the bill had been applied to hogs as well, each farmer would have received $655 more than he actually received.

Now, take North Dakota and what would have been the situation there, remembering always that North Dakota had a very poor wheat crop, very much below her average for a period of years:

Wheat	$15,639,000
Corn	4,113,000
Total	19,752,000
Hogs	3,938,000
Total	23,690,000

North Dakota had 77,690 farms in the last census year, so that a fair exchange value for her wheat and corn alone would have given her $254 more per farm compensation for the year, and including hogs the additional compensation would have been $305 more.

The average North Dakota wheat crop for the past five years was 80,000,000 bushels, but the 1923 crop was only 58,000,000 bushels.

The figures for North and South Dakota show another significant fact to which I wish to direct your attention, namely, that South Dakota is a great corn-producing State and that last year at least her corn exceeded in importance North Dakota's wheat crop and far exceeded the importance of wheat in our own State of South Dakota.

The facts as to Iowa and Minnesota are also of great interest because of the unquestionable greatness of those States in an agricultural sense. The ratio price would have added the following values in 1923:

Minnesota

Corn	$25,478,000
Wheat	6,121,000
Total	31,599,000
Hogs	24,006,000
Total	55,605,000

The increased earning per farm on the two grain crops for the year would have been $177. The increased earning on the three farm products would have been $311, as there are in Minnesota 178,478 farms.

The additional value to Iowa would have been:

Corn	$72,022,000
Wheat	5,109,000
Total	77,121,000
Hogs	102,228,000
Total	179,359,000

There are in Iowa 218,439 farms, so the average increased earning per farm on the grains would have been $361 and on grains and hogs combined $940.

Everyone presses on wheat and our Northwestern States, ignoring the fact that the Corn Belt is also in bad shape, particularly the hog producer. The purchasing power of wheat, using 1913 as a basis, was 84 per cent of all commodities in March, while hogs had 59 per cent of 1913 purchasing power.

Of the most important farm commodities, including cotton, corn, wheat, hay, potatoes, beef cattle, swine, eggs, butter, and wool, only cotton and wool were high enough in price during March so that a unit could be exchanged for all commodities at an advantage. While the wholesale prices of all commodities in that month stood 50 per cent above 1913, the purchasing power of farm products stood 26 per cent below.

The future traders are against it because country elevator men and millers will not need to hedge so much and because the ordinary speculators will not be attracted to the market, because it will be a more stable market when speculators can not make money by reason of daily shop fluctuations.

In the year 1921 the Chicago Board of Trade alone traded in over 12,250,000,000 of futures; in other words, the Chicago Board of Trade alone—ignoring Minneapolis, Kansas City, and other future trade organizations—traded in more than fifteen times the total amount of the whole 1921 crop. I am not trying to pass on whether this trading is legitimate or not. I am merely calling attention to the perfectly human opposition of the grain exchanges against the twelve and one-fourth billion bushels of future contracts set for the amount of wheat actually received in Chicago—45,700,000 bushels. In the 67 years from 1855 to 1921 the Chicago market received only 1,868,000,000 bushels of wheat. In other words, in a single year between five or six times as much wheat was traded in in the form of futures as was delivered on the spot in 67 years. Naturally these men do not wish to lose their income due to this enormous trading in contracts, but shall that be permitted to prevent needed and justly owed farm relief?

The opposition of the millers is harder to understand, except that we seem to have come to a time in the development of the United States when no trade or industry is willing to take suggestions from anyone, not even from the progressive, farseeing, and ablest men among its own members. Everything must be "let alone" to "work itself out," and other expressions of this kind are merely meaning that the weakest organized element in the population has to stand the brunt of the whole storm. Labor is protected by immigration laws and has been protected by the war Labor Board, which it now wishes to do away with. This is a little hard to understand, unless possibly labor's wise leaders foresee less prosperous times and realize that it will take longer to bring wages down to a parity with other things when each railroad has to deal with its own men than when a central board can put in an order to be enforced on all railroads. If I were a leader in the ranks of labor I would certainly consider that its self-interest was best served by doing away with anything that promised to take away my high earning power. Industry is protected by the tariff; banking has its Federal reserve system; the railroads have the transportation act and high freight rates; when the farmers' prices have been positively ruinous.

It is only justice that something should be done for the farmer. Farm people compose over $1,000,000 of our population; and if they are to be kept in poverty by conditions beyond their control, prosperity can not last long in the United States. The trouble with the situation is that other costs and prices are pretty thoroughly pegged, but farm prices fluctuate with world prices. Particularly is this true of the export products of the farm, which constitute so large a part of our total farm value. Other nations help their growers; why not our Nation? We can not long continue with growing agricultural poverty and false and artificial industrial and labor prosperity.

FARMERS' RELATION TO LABOR

One of my farmer constituents wrote me that he thought he was now up to date, as he had adopted the eight-hour-day schedule—eight hours for the forenoon and eight hours for the afternoon. He is one of those millions of farmers who want to get back to a normal basis where he can again average $600 a year—$200 cash and $400 indirect benefit from living on the farm. This was the condition we had before the war.

For a long time preceding this period, labor, as a rule, was underpaid, and they were demanding better wages. The public, and especially the farmers, supported them in all these demands. Their requests were granted consideration; public sentiment demanded it. When the coal miners struck for better wages they won, and we paid more for coal. When the men in the lumber mills went through the same thing, we gave them our support. They won their strike, and we paid more for lumber, but we did not complain. We believed then and we believe now that these working people were entitled to better living conditions. That meant higher wages.

When factory employees made their demands they had no more loyal supporters than the farming population. The result was the same—higher-priced goods—but we heard no complaint from the farmer. He was getting his $600 a year and was going along on an even keel.

In the presidential campaign of 1916 the railroad men made new and revolutionary demands upon the Government. They insisted that Congress depart from old traditions and pass laws which in their nature were really Government price fixings of wages. Mr. McAdoo, realizing the political importance of being in harmony with such a large and compact organization, comprising several hundred thousand men, was quick to respond. He gave them what they asked for, and he gave them more. The political effect was marvelous!

It was again demonstrated that a large group of competent voters can make demands and have these demands respected, especially in election years. When it was all over, we found that the increased labor cost in operating the railroads was approximately $2,000,000,000 annually—a sum almost equal to the value of the cotton crop and the wheat crop in normal years. But this additional burden did not ruin the farmer; he could

have carried that load, and he was not unwilling to carry it either. He realized that many of the railroad boys were entitled to a part or all of the increases granted. But much of the increased cost of operation resulted from innumerable rules approved by the Government—rules that in many cases required the employment of three or four men to do the work that was formerly done by one. This was especially true in the shops.

New rules of classification were adopted. The former "handy" man, such as we have always had, and now have in our garages and other shops, became unknown in the railroad shops. In his place would be installed one man classified as an electrician, another one as a blacksmith, a third one as a boiler maker, and the fourth one under some other classification. The public did not complain about the wage increase, but the plan of creating additional jobs was subject to severe criticisms. It became an additional burden upon transportation and was reflected in the increased transportation rates. But the $2,000,000,000 wage increase was a load that could have been carried.

Ida Tarbell said once that "in politics as in chemistry the by-products are sometimes the more important." So it turned out with McAdoo railroading—the by-products were the more important.

It was soon discovered by all working people that railroad wages were higher than the general level. Next, we found clerks in mercantile establishments insisting that they were entitled to as good wages also. They got it, and the cost was added to the prices of merchandise. Then followed the factory employees, and they were equalized in accordance with the higher demands, and the prices of goods were marked up accordingly. The farm hand insisted that he should have as much or more. His demands had to be complied with, but he had to have more because his day was longer.

Finally we heard from the patient school-teacher, who said, "There is a new standard of wages in the land—are we not to partake in same?" We apologized and increased their salaries, so it now costs two or three times as much to maintain the little red schoolhouse as it did a few years ago. Next came the employees of State and municipalities, and in each case we yielded to their pleas to bring them up to the same level as others.

Neither laborers, clerks, nor school-teachers can work for former wages. In a small percentage of cases municipalities or school districts have gone in for extravagance, the same as certain individuals have, but these comprise a small minority. Higher taxes have come as the result of higher wages, higher building material, higher salaries, higher cost of living. The same influence that destroyed the par value of the farmer's dollar also changed the appearance of his tax receipt.

When we pay our taxes it is all reflected. When we look at our tax receipt we wonder if there is something wrong with the Government. We find our taxes more than twice as high as they were a decade ago. We are astonished and mystified. We become ready to accept any old proposition that is advertised as "tax reduction," and we wonder if the "Mellon plan" might not help a little toward reducing our school taxes. Anyhow, it is the only patent medicine that is advertised to cure, so we look with favor upon it.

Little do we realize that we have permitted the law of supply and demand to be interfered with. Little do we realize that the same influence that makes high-priced clothing and high-priced food, high-priced transportation and high-priced fuel also makes high taxes. At every session we vote a bonus to Government employees, recognizing the fact that the schedules established before the war are, under present conditions, entirely inadequate. The Government, however, that has been so liberal in fixing wages for railroad employees, has persistently refused to bring its own employees up to a similar level, hoping against hope and hoping against reason that the inequalities for which it is so largely responsible would be self-adjusting.

BACK TO NORMAL OR FORWARD TO EQUALITY

There are only two courses open—either we must get back to normal, and this is a long and treacherous route, because it means the reduction of wages, and there will be many hardships accruing, for labor did not profit from that wage increase to the extent they had hoped for. It brought in its wake the higher price levels and the higher cost of living. If we can not get back to normal, maybe we can go forward to equality by putting the farmer on a basis similar to that of other people. If we are to have an artificial standard for laboring men, for manufacturers, for transportation companies, and other lines of business, why not also give the farmer a staff to lean on?

AGRICULTURAL RELIEF ALREADY GRANTED

The question is often asked, "Why is the farme still clamoring for more relief?" "Hasn't the Government done a great deal for him?" Well, let us look into that matter fairly.

During the last Congress we voted $10,000,000 famine relief for Russia; there were two reasons given for this—first, we wanted to save its starving people; but, second, and this point was highly emphasized at that time, it would help the market for the American farmer. But Congress did not take any money out of the Treasury—not a cent—it was taken out of the farmers' wheat fund.

Mr. STERLING. Twenty million dollars, was it not?

Mr. NORBECK. Fifty million in all; but the last bill was for ten million. I find that Congress has extended relief to half a dozen different countries in Europe, and in each case has taken it out of the farmers' wheat instead of out of the Treasury. Some people thought we spent liberally from the Treasury, but we did nothing of the kind; we took it all out of the farmers' fund, the profit turned into the Treasury by the Government Grain Corporation. That is where we got the money, and we call it "farm relief." Then, we have a credit legislation.

The able Secretary of Agriculture came before committees of Congress and advocated a new credit scheme. He reminded us that the credit system of the country was not adapted to the farmer's needs—that the Federal reserve system contemplated short commercial loans, but that the farmer must borrow on one to three years' time. He also emphasized the fact that interest rates were so high as to be an unwarranted burden upon agriculture. He told us that a reduction in the interest rate of one-half to 1 per cent would be equal to a freight reduction of 20 per cent on agricultural commodities.

Many bills looking toward the establishment of a better credit system for agriculture were introduced. Two of these were, in the closing days of the session, consolidated with a third bill and secured the almost unanimous vote of the Senate. Both sides of the Chamber supported it. The leaders on the Democratic side and the leaders on the Republican side claimed their share of the credit; they said: "See what we have done for the American farmers." There was a coalition at that time—no party rivalry. I regretted very much that I could not share the views expressed, but those who boosted the most at that time have been silent ever since on the merits of the legislation adopted. Some trifling relief has been secured through one of the measures embodied in the composite bill, but it is of very little practical value, as it compels the farmer to get his loan through the banks, which were either unwilling or unable to take on the additional burden. This situation is especially true in the Northwest.

Now, as to the other plan incorporated in the joint bill, I find that after being on the statute books for more than one year not a single loan has been made, and this was widely advertised by party leaders—both parties—as an agricultural relief measure granted by the Sixty-seventh Congress.

How did it come that both sides of the Chamber were so enthusiastic for this measure? The very unwillingness to meet the agricultural situation squarely resulted in our leaders getting together. Later, we found that the additional offices created were divided fairly between the two parties. The Republican President said in effect to the Democratic Members: "You are entitled to part of the plums, and here they are."

No, I have not forgotten about the War Finance Corporation. This did some good. The revival of its activities was a timely relief—not only for the Northwest; but also the South and Southwest; it was helpful not only in the Dakotas but also in Texas, Iowa, and Illinois. It partially relieved an acute credit situation; also checked the slump in prices of farm products due to forced marketing, forced by banks that were compelled to force collections in order to pay the demands of their depositors and other creditors.

The credit extended checked the panicky selling of agricultural products and restored a more normal condition. But the whole Northwest understands that this legislation was not secured on account of the demands of the farmer nor of the small banks. Congress acted only when the demand came from the large banks in the commercial centers. The loans meant something to the Northwest, and it meant more to the banking centers for it permitted our bankers to borrow from the War Finance Corporation with which to pay what they owed the city banks. It prevented disaster in some of the financial centers, but turned out to be of less importance to the agricultural districts. It did, however, delay the threatened crash for a couple of years.

It is self-evident that the loaning of $14,000,000 through South Dakota banks—one-half of which was promptly repaid and the balance now in process of collection—could not fill a gap caused by a slump in the prices of agricultural products amounting to several hundred million dollars. In fact, no credit scheme is a substitute for earning power; borrowing postpones the evil day but seldom prevents its coming.

We are frequently reminded of these loans extended to the South Dakota farmer or the South Dakota banker, though it could just as properly be called "an act to aid the central banks." We are reminded that it was the taxpayers' money that was loaned, though this was unnecessary, for the act itself provided that the money could be borrowed in the open market. All the act contemplated was a little use of the Government credit. The agricultural loans made by this Government department have been conservative. Not only will the principal be repaid, but the actual expense of operation and the losses incurred will be only a small part of the interest charged. Nevertheless, our people appreciate the little assistance that was given, but do not think we should be singled out as having been especially favored when we recall the fact that the War Finance Corporation loaned more money to a street-car system in New York City than it did for agricultural credit in my State. We are paying back. The loan to the street-car company is admittedly of doubtful value. It may prove to be a loss to the Treasury, though admittedly of some benefit to the people of New York, who manage to maintain a 5-cent carfare when people in other cities have had to stand for an increased rate.

I want it understood that I am not criticizing the War Finance Corporation for the making of this loan, for I do not know under what circumstances it was made. I refer to it only as a matter of comparison with the so-called aid extended to the people of my State.

I have already referred to the fact that the so-called "Coulter plan" failed, which was simply a request from the wheat farmers to lend them back their own money on five years' time at 6 per cent interest as an aid to diversification.

Mr. President, we now get information from officials and financial sources that many benevolently inclined business organizations have made up a pool of $10,000,000 with which to rehabilitate the Northwest and especially the agricultural Northwest. We are told that it will prevent many bank failures, that it will result in reopening many of the banks that have already closed. We are told that it will furnish the necessary credit for agriculture and that it will also undertake the making of livestock loans proposed under the "Coulter plan." I, therefore, can not refrain from referring to the last so-called money pool for the aid of the West. This was the much advertised cattle-loan pool, which was actually subscribed some three years ago. Great things were promised; it raised the hopes of our people only to be followed by severe disappointment. When the loans were completed, a report was issued showing that the poor, downtrodden farmers of South Dakota had been taken care of to the extent of $400,000. This was only a drop in the bucket, but the figures nevertheless seemed large.

I knew of no farmer and no banker in the State who had participation in the benefits of this much-advertised undertaking, so I made inquiry and learned that about 99 per cent of the allotment for South Dakota had been loaned to a resident of Pennsylvania, who does his banking in Chicago and who owns 20,000 head of cattle on an Indian reservation in my State. This loan was no doubt helpful to the borrower and especially helpful to the Chicago bank in the matter of collection. But why ask the farmers of South Dakota to show their appreciation over an act of this kind? Can more be done with the present $10,000,000 pool than was previously done with the $26,000,000 pool, and will it be used any more fairly? At best, the sum that will be allotted to any one State is so small as to be of little consequence.

It is admitted that we have had a great deal of sectional legislation and that the welfare of one section, to wit, the Northwest section, has often been overlooked. The fathers who founded this Government did not intend this to be a sectional Government; they did not intend that it should ever be governed by populous centers; they provided checks and balances against that very thing. In their wisdom they provided for an apportionment in the House of Representatives upon the basis of population, but counterbalanced that by providing that every State in the Union shall have the same number of Senators. As we all know Wyoming has only 1 Member in the House against New York's 44, but in the Senate the voting strength of Wyoming, or any other State, is the same as that of New York.

I am much at a loss to understand why so many of our northwestern Senators are insisting that the farm relief measure should originate in the House. Do they feel that the Representatives of the industrial districts are better qualified to work out an agricultural relief measure than they themselves are? Do they know more about the situation than the Senators from the agricultural States?

The Representatives in Washington from the Northwest continue to deal carelessly and indifferently with a problem that concerns every citizen of those States. Again and again they have followed the rule of first letting others have what they wanted, and even to-day I find Senators from the great wheat-producing States of the Northwest admitting that they are so concerned about the revenue reduction bill, the so-called Mellon tax-reduction plan—tax reduction for the East—that they will vote against the farm relief measure if it is attached to the same bill as a rider. The Northwest must learn to look after its own affairs with the same diligence that Representatives from other sections look after theirs. The question must be fairly presented, and the game must be played squarely to the disadvantage of no section. When we learn this we will be near to victory. We do not seem to be near the goal yet.

In the past we have sent Democrats to Congress from the Northwest, who have followed their party regardless of the welfare of our section of the country. We have sent Republican conservatives, who believed that all wisdom comes from the industrial and financial centers. We have sent so-called radicals, who were so little concerned about the basic industry of the country that it got scant consideration. But the farmers of the Northwest realize the true situation as they never have before, and I warn you Republicans on this side and Democrats on the other side of the Chamber that your attitude is being watched much more closely than ever before. If there be failure, the responsibility for failure will be placed where it belongs.

I am at a loss to understand why the West should object to combining the farm relief measure with the much amended and less objectionable revenue bill. It seems to me a composite bill embodying some tax reduction for the industrial East, together with a ratio price for the agricultural products of the West, would be one satisfactory measure on which both sections of the country might unite. The fate of the bill is in the hands of our Senators from the Northwest. Are they still going to insist that they will not consider this measure but that it must be worked out by the House? And they are even unfavorable to a vote on same in the Senate unless it first meets with the approval of the House.

Mr. DILL. Mr. President, will the Senator yield?

Mr. NORBECK. I yield.

Mr. DILL. I may say that I favor the Senator's bill, but I want to ask the Senator's opinion as to the current report that the revenue bill will be vetoed if it is put through in its present form. Does the Senator think it is wise to trust the fate of the McNary-Haugen bill to the fate of the revenue bill?

Mr. NORBECK. That is a matter that should be considered. I have heard another rumor that it is less likely to be vetoed if the agricultural relief bill is attached to it. Perhaps putting it on the revenue bill will save the farm-relief proposition.

Mr. DILL. I simply wanted to get the Senator's view.

Mr. NORBECK. But suppose it is vetoed, there are three weeks of the session ahead of us, and farm-relief legislation can be taken up afterwards and put through separately. The President has stated that he is in favor of affording some kind of relief to agriculture.

SUMMARY

Mr. President, the farmers of this country, and especially the farmers of the great Northwest, know that the disparity of the value of their dollar grows largely out of conditions brought about while the Democrats were in power. It resulted largely from interference with the law of supply and demand. Organized business was unrestrained; they exacted enormous prices without regard to the ability of the farmer to survive. Organized labor made many demands; some were fair and proper, others were unfair and unreasonable. When plasterers and bricklayers get as much for a day's work as other labor gets in a week, and as the farmer gets in a month, the economic balance has been upset.

When the Government gives its O. K. and actually encourages the things that continue to reduce the farmer's purchasing power, so that the farmer can not exchange a day's labor with anybody, the farmer finds himself facing ruin. He knows of no place to turn but to the Government that has added so heavily to his burden. He does not want charity; he resents the word "relief" being used. All he wants is equity. He wants to get back to his pre-war status. You can not expect him to approve of a policy of the Government that guarantees the wages of one group and the dividends of the other group. The farmer has been left out of the deal and he knows it. He is surprised that the industrial, financial section of the country does not realize that his depreciated purchasing power will endanger their welfare and the future prosperity of the entire country. He is hopeful that organized labor will see the justice of his appeal.

The farmer is not advocating the reduction of wages or stagnation of business; he is simply asking that he be put on the same level as others. There are only two courses open: One is to get back to normal by wage reduction, business depression, and business ruin; the other is to go forward to equality and put the farmer on the same basis as others by guaranteeing him also a reasonable return for a day's wage. He does not ask anything special; he just asks that he be put in the same class as others.

Mr. President, the argument that an increase in the price of wheat will mean higher-priced bread is far-fetched and not well founded, for bread sells as high to-day, when wheat is $1, as it did when wheat was $2 a bushel. There has been no proportionate reduction in the prices of pork or beef since the prices of cattle and hogs went down.

The question is one of equity. It is a question whether this great Government will deal as fairly with one question as with another. If the Government made a mistake in creating an artificial situation that has proven of great injury to agriculture, will not the Government give its ear to the farmer, who asks that the evil be undone, or that something be done to offset it, so we can get back on an equitable basis?

I still plead that it is a good time for the Senate to express its views on the McNary-Haugen bill, and I think Senators from the Northwest should consider that feature very carefully now, instead of going home a month later and saying, "We slipped a cog again in not bringing our measures up for consideration at the proper time."

Mr. EDGE. Mr. President, I come from that section of the country to which the Senator from South Dakota very good-naturedly referred when he asked that the other sections recognize the problem of the farmer. I am free to admit that I am not as familiar with the farmer's problems as the able Senator from his close personal contact naturally would be, but I want to assure him that I sympathize with his problems and further assure him the people in the section of the country which I represent do likewise.

I feel, however, that the Senator from South Dakota is unfair to the measure which he sponsors in attempting to bring it to a vote at this time, if that is his intention. He discussed with force the problems they are facing in his section of the country and, I presume, in most sections of the country where agriculture is the leading industry. He speaks, however, for the bill known as the McNary-Haugen bill, and while I listened to him very attentively, he in no way outlined the provisions of that bill. I have looked over the bill, and to me it is most complicated in its machinery. It is complicated and difficult, I presume, to understand because it is a new and novel experiment. It is something, in other words, that has not yet been tried, and naturally a proposition of that kind would make any Senator, whether he represents the agricultural section or the industrial section, wary and careful because of its possible failure.

I rose, however, primarily to draw the attention of the Senator from South Dakota to the fact that we in the East have not been entirely oblivious to their problem, but have endeavored to contribute somewhat to its solution. I recently received a clipping from a New Orleans newspaper detailing the activities of the Federal International Banking Co., located in New Orleans, incorporated under an act which I had the pleasure personally of sponsoring in the Senate some four or five years ago as an amendment to the Federal reserve act. The act provided for the formation of banks for the specific purpose of financing exports from this country. This bank was organized under that law. Its stockholders, as I recall, are the banks of that section of the country, in seven or eight Southern States. As I remember, its capital is $7,000,000, representing several hundred small banking institutions in that section, which, in effect, means it represents all the people of those States. Its report of activity is most interesting, and I ask permission to have it inserted in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article is as follows:

[New Orleans Times-Picayune, February 24, 1924]

INTERNATIONAL BANK LOSES BUT $9,000 ON LOANS OF $100,000,000—FEDERAL INSTITUTION IN NEW ORLEANS FINANCES $200,000,000 EXPORTS TO 30 FOREIGN COUNTRIES, INCLUDING GERMANY AND RUSSIA—DOING GREAT WORK FOR ENTIRE SOUTH—STABILIZED COTTON MARKET IN 1921 AND IS DEVELOPING WORLD TRADE IN FARM PRODUCTS AND MANUFACTURES

(By Bernard L. Krebs)

You can do business with an honest merchant anywhere in the world and under any reasonable conditions.

This is the experience of the Federal International Banking Co., of New Orleans, which in three years has financed the export of commodities conservatively valued at $200,000,000, and which has loaned on these commodities $100,000,000, with a loss from bad accounts of only $9,000.

It may be that in shipping cotton and similar commodities to countries such as Germany and Russia, the bank has felt it necessary to insist on more than ordinary safeguards; but even at that, a loss of only 9 cents in every $1,000 of business is almost phenomenal.

In the year 1923, for instance, when German currency lost whatever fractional value it may have possessed, and when the German Government was practically bankrupt, half of the business of the Federal International Banking Co. was done with Germany. The German cotton spinners, it is true, paid for their raw material with gold deposited in neutral countries; but in a business done across 4,000 miles of ocean and with foreign agencies, the factor of personal honesty is of great importance, even on this basis.

DEALS WITH 30 COUNTRIES

Because of the Federal International Banking Co., cotton, sugar, oil, lumber, grain, and other commodities flow from the South to some 30 countries around the world. Some of these commodities would move anyway, but not in such volume; and equally as important, the banking profits in connection with this export movement would go to New York and other eastern centers, which have been built up financially in marketing the crops and raw material.

The bank has a capitalization of $3,150,000, and the stock is owned by some 1,200 banks in the Cotton Belt. But despite its enormous business it is little known to the average resident of the city. It is upstairs in the Whitney-Central Building. It has no imposing front or banking rooms; it possesses no vaults and receives no deposits. Yet it plays a vital part in the commerce of the port of New Orleans and of the South.

Outside of New York, it is the only bank in the country organized under the Edge law. The charter was granted by the Federal reserve bank, and it operates under the supervision of the Reserve Board. Its activities are closely related to member banks of the reserve system.

FOUNDED THREE YEARS AGO

"The organization of the Federal International Banking Co.," said T. J. Caldwell, vice president, yesterday, in discussing the report of three years of activity, "grew directly out of the demoralized condition of the cotton market during the latter part of 1920 and early part of 1921, with the resulting depression throughout the South.

"Although the cotton market has long since recovered and the South generally has shown substantial improvement, the bank has demonstrated it can be of great service to Southern interests at all times, and that there is a permanent place in the Southern business and financial world for such an institution. Much of the cotton it has financed might not otherwise have found financial accommodation under favorable terms.

"During three years the bank has done more than $100,000,000 of financing in connection with imports and exports, of which about 80 per cent has covered the movement of cotton. Because the loans of the institution are used in many cases as a revolving fund, the volume of commodities actually financed in this period has been far in excess of the total financing, and amounts probably to $200,000,000.

BIG HELP TO SOUTH

"The South has always been more interested in international trade than any other section of the country, because cotton has always been the greatest export commodity. Before the war the cotton movement from America to Europe was financed by foreign banks, principally English. Demoralized conditions brought about by the war forced the financing back on American banks, and because of their lack of experience the demoralization in the cotton-exporting business was materially aggravated.

"American banks have made remarkable strides in the past few years in handling this business, but most of it has been done by New York. Southern banks are just beginning to realize the importance of this branch of financing, and through membership in the Federal International Banking Co. they are afforded a fine opportunity to learn the financing of cotton exports from this side of the water instead of from Europe."

Mr. EDGE. From this practical illustration I am sure the Senator from South Dakota and Senators from other leading agricultural States will recognize that we are interested in their problems; that we thoroughly appreciate that the country can only be prosperous if all sections of the country are prosperous; that the industrial East can not otherwise enjoy that measure of prosperity that is only made possible when the agricultural West is also prosperous. Two hundred million dollars is a pretty fair turnover for one bank in the interest of the farmer. I always deplore any talk on the floor of the Senate or elsewhere of sectional consideration of great national problems. We in the industrial East recognize what the West has gone through in the last few years. We, of course, are not as intimate with the conditions as the Senator from South

Dakota [Mr. NORBECK], the Senator from Kansas [Mr. CAPPER], the Senator from Idaho [Mr. GOODING], or other Senators from the West. We want to help them, and I am sure every Senator representing an industrial State desires to help solve their problems. I think, however, the way to do it is to consider the problem on its own merits in connection with legislation designed to meet it.

As I said at the outset, the machinery of the McNary-Haugen bill, complicated as it is, has not even been outlined. We can not vote with intelligence on the amendment which is to be offered to the tax bill by the Senator from South Dakota. For farmers' relief, properly and economically sound? Yes; we will gladly vote for that.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. EDGE. I yield.

Mr. SHIPSTEAD. The Senator said something about not being able to vote intelligently on the bill.

Mr. EDGE. Yes; I used that term.

Mr. SHIPSTEAD. After observing the work of the Senate during the last two days and after having studied the rules of the Senate I would ask the Senator from New Jersey if he knows of any rule of the Senate that requires a Senator to vote intelligently on any bill?

Mr. EDGE. I must admit there is a great deal in what the Senator has suggested, but speaking personally—and I can only speak for myself—when the responsibility is facing me of voting for or against the authorization of machinery designed to fix prices—and, of course, it is freely admitted that is the design of the McNary-Haugen bill—it is an innovation in the consideration of which we at least should have the facts in order to use as much intelligence as we are capable of using.

Mr. President, even if we should adjourn, as has been suggested, in the early part of June, we have a full month before us. We have inaugurated night sessions, I think, and very properly. The tax bill is apparently nearing a final vote. I sincerely hope so, as I am sure every other Member of the Senate likewise does. Presumably we can dispose of that bill to-day. Even if we should adjourn on the 7th of June, as has been suggested, we have a full month before us. So far as I am concerned, I hope that it is the unanimous decision of this body that we shall face this great responsibility of agricultural relief before adjournment. Certainly in 30 days, working day and night if necessary, with the advocates of various bills prepared to explain them in detail and not put them up to us to vote "yes" or "no" without even an explanation, the Senate will meet the problem.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Idaho?

Mr. EDGE. I yield to the Senator.

Mr. BORAH. Let me ask, Mr. President, what is the particular amendment which is now before the Senate?

The PRESIDENT pro tempore. The amendment before the Senate is the amendment proposed by the Senator from Utah [Mr. SMOOT] relating to surtaxes.

Mr. SMOOT. I ask for the yeas and nays, Mr. President.

The PRESIDENT pro tempore. The yeas and nays have been ordered.

Mr. EDGE. The Senator from New Jersey still has the floor.

The PRESIDENT pro tempore. The Senator from New Jersey has the floor.

Mr. SMOOT. I beg the Senator's pardon.

Mr. EDGE. Mr. President, I thoroughly recognize the desire of the Senate to vote on the pending amendment, and I can assure the Senate that I have no desire to delay it; but in view of the fact that the Senator from South Dakota has announced his determination to introduce this important question, I felt that there should, at least, be some protest to its consideration at this time. So, with due apologies to the Senate for the 15 minutes I have consumed, I will permit the Senate to vote on the pending amendment.

SEVERAL SENATORS. Vote! Vote!

Mr. BORAH. Mr. President, I am going to let the Senate vote just as soon as I know what we are to vote on. As I understand, the vote now is upon the amendment offered by the Senator from North Carolina [Mr. SIMMONS] to the bill as it came from the other House.

Mr. SMOOT and Mr. FERNALD. No.

Mr. ROBINSON. The vote to be taken is on an amendment proposed by the Senator from Utah making the maximum surtax rate 32 per cent.

The PRESIDENT pro tempore. The yeas and nays have been ordered on the amendment offered by the Senator from Utah. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. CURTIS (when the name of Mr. EDWARDS was called). I have been requested to announce the unavoidable absence of the Senator from New Jersey [Mr. EDWARDS]. If he were present, he would vote "yea."

The roll call was concluded.

Mr. NORRIS. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE], who, as I have previously stated, is detained from the Senate on account of illness, would vote "nay" if he were present.

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. STANLEY] is paired with the junior Senator from Kentucky [Mr. ERNST]. If present, the senior Senator from Kentucky would vote "nay."

I also desire to announce that the senior Senator from Oklahoma [Mr. OWEN] is necessarily absent. He is paired with the Senator from Illinois [Mr. MCCORMICK]. If present, the Senator from Oklahoma would vote "nay."

Mr. CURTIS. I desire to announce the absence of the junior Senator from Wisconsin [Mr. LENROOT] on account of illness.

The result was announced—yeas 36, nays 47, as follows:

YEAS—36

Ball	Curtis	Keyes	Reed, Pa.
Bayard	Dale	Lodge	Smoot
Borah	Edge	McKinley	Spencer
Brandegee	Fernald	McLean	Sterling
Bruce	Fess	McNary	Wadsworth
Bursum	Gooding	Moses	Warren
Cameron	Hale	Oddie	Watson
Colt	Harreld	Pepper	Weller
Cummins	Jones, Wash.	Phipps	Willis

NAYS—47

Adams	Gerry	McKellar	Shields
Ashurst	Glass	Mayfield	Shipstead
Brookhart	Harris	Neely	Simmons
Broussard	Harrison	Norbeck	Smith
Caraway	Heflin	Norris	Stephens
Copeland	Howell	Overman	Swanson
Dial	Johnson, Calif.	Pittman	Trammell
Dill	Johnson, Minn.	Ralston	Underwood
Ferris	Jones, N. Mex.	Ransdell	Walsh, Mass.
Fletcher	Kendrick	Reed, Mo.	Walsh, Mont.
Frazier	King	Robinson	Wheeler
George	Ladd	Sheppard	

NOT VOTING—13

Capper	Ernst	McCormick	Stanley
Couzens	Greene	Owen	
Edwards	La Follette	Shortridge	
Elkins	Lenroot	Stanfield	

So Mr. SMOOT's amendment to the amendment made as in Committee of the Whole was rejected.

The PRESIDENT pro tempore. The question now is upon concurring in the amendment made as in Committee of the Whole.

Mr. SMOOT. In other words, the question now is on concurring in the amendment offered by the Senator from North Carolina [Mr. SIMMONS] as against the House provision. The maximum rate carried by the amendment of the Senator from North Carolina is 40 per cent and the maximum rate contained in the bill as passed by the House is 37½ per cent. Senators who desire to vote for the House rate will vote "nay" and those who desire to vote for the Simmons rate will vote "yea."

Mr. HEFLIN. Let us have the yeas and nays, Mr. President.

Mr. SMOOT. I call for the yeas and nays.

The yeas and nays were ordered.

Mr. SIMMONS. A vote "yea" is in favor of the minority amendment, which is characterized as the Simmons amendment, and a vote "nay" is in favor of the House text.

Mr. SMOOT. That is correct.

The PRESIDENT pro tempore. The Senator from North Carolina has stated the question correctly.

The reading clerk proceeded to call the roll.

Mr. CURTIS. (when the name of Mr. EDWARDS was called). I have been requested to announce the absence of the junior Senator from New Jersey [Mr. EDWARDS]. Were he present, he would vote "nay."

Mr. NORRIS (when Mr. LA FOLLETTE'S name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] if present, would vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to make the same announcement as to the pair of the senior Senator from Kentucky [Mr. STANLEY], and to state that if he were present he would vote "yea."

I also desire to state that the Senator from Oklahoma [Mr. OWEN] is paired with the Senator from Illinois [Mr. MCCORMICK], and that if the Senator from Oklahoma were present he would vote "yea."

The result was announced—yeas 46, nays 39, as follows:

YEAS—46

Adams	Gerry	Mayfield	Shipstead
Ashurst	Harris	Neely	Simmons
Brookhart	Harrison	Norbeck	Smith
Broussard	Heflin	Norris	Stephens
Caraway	Howell	Overman	Swanson
Copeland	Johnson, Calif.	Pittman	Trammell
Dial	Johnson, Minn.	Ralston	Underwood
Dill	Jones, N. Mex.	Ransdell	Walsh, Mass.
Ferris	Kendrick	Reed, Mo.	Walsh, Mont.
Fletcher	King	Robinson	Wheeler
Frazier	Ladd	Sheppard	
George	McKellar	Shields	

NAYS—39

Ball	Curtis	Keyes	Shortridge
Bayard	Dale	Lodge	Smoot
Borah	Edge	McKinley	Spencer
Brandegee	Fernald	McLean	Sterling
Bruce	Fess	McNary	Wadsworth
Bursum	Glass	Moses	Warren
Cameron	Gooding	Oddie	Watson
Capper	Hale	Pepper	Weller
Colt	Harreld	Phipps	Willis
Cummins	Jones, Wash.	Reed, Pa.	

NOT VOTING—11

Couzens	Ernst	Lenroot	Stanfield
Edwards	Greene	McCormick	Stanley
Elkins	La Follette	Owen	

So the amendment made as in Committee of the Whole was concurred in.

Mr. SMOOT. Mr. President, I reserved the right to take a separate vote in the Senate on the normal tax of individuals. The Senate having already voted for the surtax, I see no reason for asking for a yea-and-nay vote upon the normal tax. Therefore I ask merely for a viva voce vote upon it.

Mr. WALSH of Massachusetts. May the amendment be stated, please?

The PRESIDENT pro tempore. The Secretary will state the amendment about to be voted upon.

The READING CLERK. On page 31, line 23, strike out lines 23, 24, and 25; all of page 32; and lines 1, 2, 3, and 4 on page 33, and insert:

SEC. 210. (a) In lieu of the tax imposed by section 210 of the revenue act of 1921—

And so forth.

Mr. SIMMONS. Mr. President, the amendment that is now to be voted on is the substitute amendment offered by myself. I understand that those who are in favor of that amendment will vote "yea," and those who are opposed to it will vote "nay."

Mr. ROBINSON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. ROBINSON. A record vote was taken on the amendment while the bill was before the Senate as in Committee of the Whole, was it?

The PRESIDENT pro tempore. Yes.

Mr. ROBINSON. Very well; then I see no necessity for it now.

Mr. SMOOT. This goes along with the surtax.

The PRESIDENT pro tempore. The question is, Will the Senate concur in the amendment made as in Committee of the Whole?

Mr. BRUCE. Mr. President, by whom was this amendment offered?

Mr. WALSH of Massachusetts. By the Senator from North Carolina [Mr. SIMMONS], in Committee of the Whole.

The PRESIDENT pro tempore. Senators who favor this amendment, offered originally as in Committee of the Whole by the Senator from North Carolina [Mr. SIMMONS], will say "aye." [A pause.] Those opposed will say "no." [A pause.] The "ayes" have it, and the amendment made as in Committee of the Whole is concurred in in the Senate. The Secretary will state the next amendment reserved.

The READING CLERK. On page 32, beginning in line 19, interest deduction, the Senate as in Committee of the Whole struck out——

Mr. SMOOT. Mr. President, I want to ask a question in relation to the amendment as it will be if the Senate rejects the committee amendment.

The Senator from Colorado [Mr. ADAMS] offered an amendment to the House provision, inserting the words "in the calculation of the surtaxes." Do I understand that in taking the vote, the Senate having stricken out the whole provision, those who vote for the striking out of the amendment will vote "yea," and those who want the House provision will vote "nay," but if they vote "nay" will there have to be an amendment made to the House text to carry out the amendment that was offered by the Senator from Colorado and agreed to while the bill was in Committee of the Whole?

The PRESIDENT pro tempore. The question is, Will the Senate concur in the amendment made as in Committee of the Whole?

Mr. REED of Missouri. Mr. President, I am sure there is confusion in the minds of some of the Senators—there is in mine—as to the exact proposition we are voting on. I wish the Senator who offers the amendment will give the page where the amendment is to be inserted.

The READING CLERK. On page 52, line 19, the Senate, in Committee of the Whole, struck out lines 19, 20, 21, 22, 23, 24, and 25, and lines 1 and 2 on page 53. Before agreeing to the amendment, on motion of the Senator from Colorado [Mr. ADAMS], the Senate inserted after the word "deductions," on line 23, the words "in the calculation of the surtaxes." Thereupon the amendment striking out the paragraph was agreed to.

Mr. SMOOT. Mr. President, just a word.

A vote was taken in the Committee of the Whole, and the House provision, with the amendment, was agreed to, and that strikes out the provision limiting the deduction of certain tax-exempt securities in making out returns. The action of the Senate deprives the Government of the United States, as estimated by the actuary, of $35,000,000 of revenue. In other words, we are $35,000,000 short. I reserved the right for a vote in the Senate, and I sincerely hope that the Senate will vote against the action of the Committee of the Whole and leave the House provision as it was, with the amendment offered by the Senator from Colorado [Mr. ADAMS] included. Then it will apply only to surtaxes, and it will not apply in any way to the normal tax.

Mr. ADAMS. Mr. President, I think it might be well to add a word of explanation in reference to the amendment which I have offered to this clause, and which is now in the proposed amendment.

As the amendment originally stood, it tended to eliminate entirely deductions of interest paid by a taxpayer to the extent that he was the recipient of any interest upon wholly tax-exempt securities, State or national. It was an effort to meet the situation made obvious by the estate of William Rockefeller, where, by borrowing money and owning tax-exempt securities, he was enabled to evade absolutely his entire tax upon his income. He borrowed such an amount that the interest which he paid would exactly offset the interest which he received upon taxable securities, and consequently he saved not only the normal tax but the surtax. The income from the taxable securities would have been taxed in his case 58 per cent—8 per cent normal tax, and 50 per cent surtax—and so, by borrowing, he offset an interest payment aggregating about 5½ or 6 per cent against what would have produced to the Government a tax payment of 58 per cent.

The other alternative, as originally presented, would leave tax-exempt securities wholly denied an opportunity for exemption, and would take away from the State, from the cities, and from the counties a power which belongs to them, in substance—the power to issue tax-exempt securities and to have a proper market for them. The amendment which I suggested was in an effort to meet this condition fairly from both sides; to prevent evasion of surtaxes and at the same time to preserve the right of public corporations to deduct for the purpose of protecting their securities. In other words, the denial of the right on the part of the State or the city to issue tax exempts would be an attack on the sovereignty of the State, and of that I could not approve.

To grant this power to Congress asked for originally would be to open it to gross abuses, which would put the States at the mercy of Congress, as the power to tax includes the power to destroy. In other words, if Congress can have that power it can go the whole way. So my suggestion was that the income from tax-exempt securities be treated from income-tax standpoints in the same way that dividends from corporations are treated. For the purpose of the normal tax, the interest paid upon an indebtedness might be offset by tax-exempt securities, but for the purpose of surtaxes such offsetting would not be permitted. In other words, a tax-exempt security would be of no greater value in the hands of the man paying a surtax than in the hands of a man paying only a normal tax, reducing the benefit of the ownership to the tax-exempt security to an equality, rather than have the present condition of inequality, where it may be worth a 50 per cent reduction in one man's hands and a 4½ or 5 per cent reduction in another man's hands.

It seems to me that that compromise between the two extremes does preserve the rights of the State, the county, and

the district, so far as they are entitled to be preserved. They are not entitled to issue certificates for the purpose of aiding tax evasion. They are not entitled to have a market provided for them based upon tax evasion. They are entitled to the right to issue their securities at the lowest possible rate which they can obtain and not be compelled to pay Federal taxes, and this does preserve that market for them.

Mr. REED of Pennsylvania. Will the Senator yield for a question?

Mr. ADAMS. Certainly.

Mr. REED of Pennsylvania. Would it not be the effect of the House provision, that where a citizen has two kinds of income, taxable and nontaxable, this provision applies these deductions first to the tax-exempt income, and only the surplus is applied to the taxable income, instead of the present method, by which all the deductions come off the taxable income? Is not that in substance what it would do?

Mr. ADAMS. That is the situation. I really was taking the floor from the Senator from Missouri.

Mr. REED of Missouri. I asked the Senator a question.

The PRESIDENT pro tempore. There is an amendment offered to this amendment, as the Chair understands. The question, therefore, is on concurring in the amendment made in Committee of the Whole.

Mr. ASHURST. The amendment was amended as in Committee of the Whole, was it not?

Mr. SMOOT. The whole provision was stricken out.

Mr. ASHURST. I do not want to take up any time, but I think it would be well to have read for the information of the Senate the amendment as it is proposed to be inserted or stricken out.

The PRESIDENT pro tempore. Possibly the Chair may state the parliamentary situation. The Senate committee reported an amendment striking out these lines. Before that amendment was voted upon the Senator from Colorado offered an amendment, which was agreed to, and then the amendment of the committee as amended by the Senator from Colorado was agreed to.

Mr. ASHURST. What I ask is this: What is the language offered by the Senator from Colorado? May not that be supplied?

The PRESIDENT pro tempore. The Secretary will state the language of the amendment.

The READING CLERK. The Senator from Colorado has inserted the words "in the calculation of the surtaxes" after the word "deductions," so as to make the paragraph read:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a) shall be allowed as deductions in the calculation of the surtaxes only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

Mr. REED of Missouri. Mr. President, as amended, was the section adopted, or was it all stricken out, including the amendment?

The PRESIDENT pro tempore. The action of the Senate as in Committee of the Whole was to strike out the entire paragraph as amended.

Mr. REED of Missouri. Being stricken out, it is now reserved to be voted upon as amended?

Mr. SMOOT. The question is on concurring in the action of the Senate while the bill was in Commitee of the Whole.

Mr. REED of Missouri. Of course, it is the old question we discussed the other day, as to whether we are going to undertake to tax tax-exempt securities, or to place them under a disability.

Mr. SMOOT. That is the question.

Mr. WALSH of Montana. Mr. President, I understand the question then is, Will the Senate concur in the action taken by the House?

Mr. SIMMONS. Oh, no.

Mr. WALSH of Montana. The question is, Shall the Senate concur in the action taken as in Committee of the Whole?

Mr. SIMMONS. That is the question.

Mr. WALSH of Montana. Then, if the Senate now decides not to concur in the action taken as in Committee of the Whole, will the Senate then have an opportunity to consider the provision as it came to us from the House? Will the question then be to concur in the provision as it came to us from the House as amended by the amendment offered by the Senator from Colorado?

Mr. SMOOT. The provision then will be open to amendment.

Mr. BORAH. As I understand, if we concur in the action of the Senate as in Committee of the Whole, we strike out the entire section. On the other hand, if we do not concur, we leave the whole section in, with the amendment offered by the Senator from Colorado attached to it.

Mr. WALSH of Montana. Without any further action by the Senate.

Mr. SMOOT. It would still be open to amendment. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ADAMS. Mr. President, I may be a bit obtuse, but I have not the matter quite clear in my mind as yet. I would like to have a restatement, so that I may definitely know how I should vote.

Mr. SMOOT. If the Senator from Colorado desires to disagree with the House provision, then he will vote "yea," and nothing more will come of it; it will have to go to conference. If the Senator from Colorado desires to have the House provision retained with his amendment attached to it, then he will vote "nay."

The PRESIDENT pro tempore. The yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk called the roll.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from West Virginia [Mr. ELKINS], and vote "nay."

Mr. LODGE (after having voted in the negative). I transfer my pair with the senior Senator from Alabama [Mr. UNDERWOOD] to the senior Senator from Vermont [Mr. GREENE], and allow my vote to stand.

The result was announced—yeas 40, nays 45, as follows:

YEAS—40

Bayard	Ferris	Jones, N. Mex.	Reed, Mo.
Brookhart	Fletcher	Kendrick	Robinson
Broussard	Frazier	McKellar	Sheppard
Bruce	George	McNary	Shields
Bursum	Gooding	Mayfield	Simmons
Caraway	Harris	Neely	Smith
Copeland	Harrison	Overman	Stanfield
Cummins	Heflin	Pittman	Stephens
Dale	Howell	Ralston	Swanson
Dial	Johnson, Minn.	Ransdell	Trammell

NAYS—45

Adams	Fernald	McLean	Sterling
Ashurst	Fess	Moses	Wadsworth
Ball	Gerry	Norbeck	Walsh, Mass.
Borah	Glass	Norris	Walsh, Mont.
Brandegee	Hale	Oddie	Warren
Cameron	Harreld	Pepper	Watson
Capper	Jones, Wash.	Phipps	Weller
Colt	Keyes	Reed, Pa.	Wheeler
Curtis	King	Shipstead	Willis
Dill	Ladd	Shortridge	
Edge	Lodge	Smoot	
Ernst	McKinley	Spencer	

NOT VOTING—11

Couzens	Greene	Lenroot	Stanley
Edwards	Johnson, Calif.	McCormick	Underwood
Elkins	La Follette	Owen	

So the amendment made as in the Committee of the Whole was nonconcurred in.

Mr. SMOOT. The Senator from Massachusetts gave notice that he would renew an amendment on page 195, which was defeated, as in Committee of the Whole.

Mr. WALSH of Massachusetts. I now offer again my amendment on page 195.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. The junior Senator from Massachusetts [Mr. WALSH] moves, on page 195, line 19, after the word "tires," to insert the word "and," and after the word "tubes," to strike out "parts, or accessories or any of the articles enumerated in subdivision (1) or (2)."

Mr. WALSH of Massachusetts. That is the amendment to the amendment of the committee which was voted on last night and lost. Some Senators who voted under a misapprehension desire an opportunity to vote on it again. I ask for the yeas and nays.

Mr. WALSH of Montana. Will the Senator explain the purport of the amendment?

Mr. WALSH of Massachusetts. The present law provides for a tax of 5 per cent upon pleasure automobiles. That provision of the law is retained in the House bill and the Senate committee amendment. The present law provides for a tax of 3 per cent upon commercial motor vehicles, and that provision is retained in the bill with the exemption that where a chassis is valued at less than $1,000 and the body at less than $200,

there is no tax in the case of commercial motor vehicles. But if the value of the chassis is over $1,000, it is taxed the full value, and if the body is over $200, it is also taxed the full value.

The tax on pleasure cars and commercial vehicles is paid by the manufacturer or assembly company.

The present law also provides for a tax of 5 per cent on tires, inner tubes, parts, and accessories. The House reduced that tax from 5 per cent to 2½ per cent. The Senate Finance Committee accepted this reduced rate. Forty-one million dollars was raised last year under this section. The reduction made by the House to 2½ per cent and approved by the Finance Committee of the Senate would reduce the income from this source to $21,000,000.

My amendment seeks to strike out that part of the tax of 2½ per cent that is proposed to be levied upon parts and accessories. It is a tax upon repairs that I seek to repeal. Perhaps every Senator here received through the mail a little automobile with a damaged wheel, attention being called to the fact that when a man breaks a wheel and goes to a garage to have a new part inserted, he has to pay a tax. It is bad enough to have to pay a tax on the original purchase of the automobile, but under this provision every time a man has to replace a part—a radiator, a spark plug, a nut, a screw, a bolt, a horn, or anything of that kind that is a part of an automobile—he has to pay an increased price for that part because it bears a tax. That tax falls especially upon the local dealer, the garage man, the man who has the misfortune to have to have repairs made and required to purchase replacements of parts or accessories. I do not know of any class of people upon whom it falls heavier than the farmer, who constantly has to be buying parts for his truck and farm motor vehicle, because after all the great volume of automobiles are owned by those who can not be classed as wealthy.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. WALSH of Massachusetts. I will yield in just a moment. The amount of the tax that would be removed by reason of the elimination of parts and accessories is comparatively small. The $21,000,000 that we raised from the tax upon tires, inner tubes, parts, and accessories chiefly and largely comes, as everybody can understand, from tires and tubes. The tax upon parts and accessories is a nuisance and replacement tax affecting 15,000,000 people in the country who have to buy parts to make necessary repairs. The amount of depreciation in our revenues if we remove this misfortune tax, in my opinion, will be comparatively small.

I now yield to the Senator from Ohio.

Mr. WILLIS. As I understand the Senator's amendment, it proposes to exempt parts or accessories only from the tax.

Mr. WALSH of Massachusetts. That is all.

Mr. WILLIS. Then I submit this question to the Senator: Upon what theory should parts or accessories be exempt from taxation if tires and inner tubes are not exempt? It seems to me they ought all to be taxed or none of them ought to be taxed.

Mr. WALSH of Massachusetts. Personally, I would be glad to see the exemption carried so far as to remove tires and inner tubes from taxation; but tires and tubes are a source of a great deal of revenue, and it is comparatively easy for the manufacturer who sells to retailers and to local garages to keep a record of the tax upon tubes and tires. But the tax upon every little nut and bolt and screw and ring that goes into a car is simply a nuisance tax, not only on the manufacturer of parts but upon the little man that may be in a small way making a special part or parts for automobiles.

Mr. GLASS. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Virginia.

Mr. GLASS. Will the Senator state just how he figures out that the tax on an automobile chassis is paid by the manufacturer, whereas this tax will be paid by the little man? Everybody who wants to escape taxes now brings in the farmer and the little man. I want to know how that happens.

Mr. WALSH of Massachusetts. In the first instance, the tax is paid by the assembly factor in the case of the sale of automobiles.

Mr. GLASS. But invariably he puts it on the man who buys the automobile.

Mr. WALSH of Massachusetts. Oh, Mr. President, we are not in a primary school. The Senator knows and everybody knows that the tax falls upon the man who ultimately buys the automobile.

Mr. GLASS. But the Senator did not say so. The Senator said one tax was paid by the manufacturer and the other was paid by the little fellow.

Mr. WALSH of Massachusetts. I say that under the operation of this tax the assembly man pays the tax upon the new automobile. Under the third section of the committee amendment the tax is paid by the manufacturer of parts, who has to keep track of the tires and tubes and parts and accessories that he sells, not to the assembly man, but to the little garage keeper and to the little local dealer. That is the distinction in where the tax falls. The assembly manufacturer may absorb it in part, but not the retail dealer in parts. Of course it always goes to the consumer, but here is a direct tax that the manufacturer of tubes and tires has to pay on the tires and tubes that he sells to the local garage dealer, while the other tax is paid by the assembly man. Ford, for illustration, pays the tax in the case of automobiles and commercial vehicles, but in the case of parts the tax in the first instance is paid by the manufacturer, be he making only one part or many parts, or be he making only in one community a few parts for a machine that is to be repaired in that community. That tax reaches out further and affects everybody who makes any kind of parts for a machine. Parts and accessories should not be taxed. It is bad enough to tax automobiles and trucks, tires and tubes, without levying a tax on every part that is required after the original purchase.

Mr. SMOOT. Mr. President, I thought we went far enough in cutting off one-half of the tax in this paragraph. We took off $21,000,000 from the other items in the existing law, but now we are asked to take out from this provision parts and accessories, the very things on which the highest profit is made. A man can buy parts and accessories for an automobile, we will say a Ford automobile, and if he buys them as individual parts and accessories and assembles them into a complete automobile, it would cost him as much as a Rolls-Royce would cost. Now, they are going to try to take the tax off of those parts and accessories, whereas the tires and tubes are sold on the basis of a comparatively small profit, but are not to be taken out. The parts and accessories, on which a profit of 200 and 300 per cent is made, are to escape taxation. I am ready to vote. I ask for the yeas and nays.

Mr. WALSH of Massachusetts. Let us have the yeas and nays.

Mr. BROOKHART. I would like to inquire what is the parliamentary situation. How do we vote in order to vote for the tax?

The PRESIDENT pro tempore. A vote "yea" is a vote in favor of the Walsh amendment.

Mr. SMOOT. A vote "yea" is for the Walsh amendment and a vote "nay" is against it.

The PRESIDENT pro tempore. The roll will be called on agreeing to the amendment to the amendment as in Committee of the Whole.

The reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. ERNST. Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

Mr. JONES of Washington (after having voted in the negative). Has the senior Senator from Virginia [Mr. SWANSON] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. JONES of Washington. I agreed to take care of him, and he is temporarily absent. I find I can transfer my pair with him to the junior Senator from California [Mr. SHORTRIDGE]. I do so, and will allow my vote to stand.

Mr. FLETCHER (after having voted in the negative). I have a general pair with the Senator from Delaware [Mr. BALL], who appears to be absent. I therefore withdraw my vote.

The result was announced—yeas 43, nays 38, as follows:

YEAS—43

Adams	George	McKellar	Shepard
Ashurst	Gerry	McNary	Shields
Bayard	Harreld	Mayfield	Shipstead
Brookhart	Harris	Moses	Simmons
Broussard	Harrison	Neely	Stephens
Bruce	Heflin	Norbeck	Trammell
Capper	Johnson, Calif.	Overman	Walsh, Mass.
Copeland	Johnson, Minn.	Pittman	Walsh, Mont.
Edge	Jones, N. Mex.	Ralston	Weller
Ferris	Kendrick	Ransdell	Wheeler
Frazier	Ladd	Robinson	

NAYS—38

Borah	Ernst	Lodge	Smoot
Brandegee	Fernald	McKinley	Spencer
Bursum	Fess	McLean	Stanfield
Cameron	Glass	Norris	Sterling
Caraway	Gooding	Oddie	Wadsworth
Colt	Hale	Pepper	Warren
Cummins	Howell	Phipps	Watson
Curtis	Jones, Wash.	Reed, Mo.	Willis
Dial	Keyes	Reed, Pa.	
Dill	King	Smith	

NOT VOTING—15

Ball	Elkins	Lenroot	Stanley
Couzens	Fletcher	McCormick	Swanson
Dale	Greene	Owen	Underwood
Edwards	La Follette	Shortridge	

So the amendment of Mr. WALSH of Massachusetts to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment as amended.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next reserved amendment.

The next reserved amendment was, on page 231, beginning in line 3, to insert:

5. Drafts or checks (payable otherwise than at sight or on demand) upon their acceptance or delivery within the United States, whichever is prior, promissory notes, except bank notes issued for circulation, and for each renewal of the same, for a sum not exceeding $100, 2 cents; and for each additional $100 or fractional part thereof, 2 cents.

This subdivision shall not apply to a promissory note secured by the pledge of bonds or obligations of the United States issued after April 24, 1917, or secured by the pledge of a promissory note which itself is secured by the pledge of such bonds or obligations: *Provided*, That in either case the par value of such bonds or obligations shall be not less than the amount of such note.

Mr. DIAL. Mr. President, I move to strike out all of the amendment beginning in line 3 and going down to line 16, on page 231.

The amount which it will raise, if the amendment be agreed to, is $2,150,000 only. The tax was put on, I believe, during the World War. It is a stamp tax on notes and it is strictly a nuisance tax and is paid by the borrower. In my State we have a State law requiring notes to be stamped; therefore this would constitute a double nuisance.

This source of income ought to be left to the States. We have taken off the tax on yachts, which are not a necessity; we have taken off the tax on sport boots; we have taken off the tax on brass knuckles, with which criminals kill people. We have taken the tax off carpets, a luxury which a great many of the people can not enjoy. We have also taken the tax off telephone and telegraph messages, and very properly so. Other similar objects we have relieved of taxes. This is a tax that is passed on to the consumer. It costs him a little something, but the main objection is the trouble that it entails upon the banks.

I wish to say that there is no organization in our country that does more free work than the country bank. It takes care of small deposits for the people of the neighborhood; it cashes drafts; it transfers funds without pay; it takes care of the umbrellas and blankets that the country customers bring in; it takes care for its customers of the express packages as they arrive; it affords a general place to entertain people who come in; it furnishes stationery free; it advises the people free about money matters; it is accommodating in the matter of overdrafts; it advises customers about complicated tax returns; and in a hundred ways, Mr. President, the little country bank serves the people without pay.

If the Senate will excuse the reference, I was interested in some country banks for a third of a century and I know the great benefits they render to the people of the neighborhood and the great accommodation they afford to their customers and to the public generally.

There is very little profit in the activities of such banks. Many of them in the country have failed during the last few years, as we have noticed, and even within the last few months many of them have failed. In my section of the country they have made no money for several years. I venture to say that taken as a whole they have not made a cent above a small dividend. They are organized in that section not so much to make profit as to accommodate the public.

If the Senate will excuse a further personal allusion, I have practically no interest in banks at the present time. I organized two or three little banks in years gone by and was president of one of them until a few years ago, but I resigned and disposed of practically all my stock. I caused a couple of small banks to consolidate because they could not make any money individually; but I have practically no personal interest in banks now. I thought I had disposed of all of such stock, but I remember I have a few shares only. So it is not a matter of personal interest to me, of course, but I am speaking generally for the people of the country and in behalf of the borrower.

It is troublesome and bothersome to be compelled to place on a note a Federal stamp, particularly when the State requires a stamp under its own law. Then, when the note comes due the maker perhaps wants a few days of grace but does not want to renew the note, because of the cost of extra stamps and extra work. I know of nothing that angers the people or troubles them as much as this little matter. Certainly the vexation is altogether out of proportion to the revenue derived. I feel that the time has come when this tax ought to be abolished. I am sorry the Senate committee saw its way clear to try to restore it. I hope the chairman of the committee will agree to strike it out.

Mr. TRAMMELL. Mr. President, will the Senator yield?

Mr. DIAL. I yield with pleasure to the Senator from Florida.

Mr. TRAMMELL. This tax is paid by the person who seeks the loan when he gets the loan from the bank and not by the bank.

Mr. DIAL. Certainly; it is in the nature of additional interest which the borrower has to pay.

Mr. TRAMMELL. In other words, the person who does business with the bank is more interested in having the tax repealed than the bank is interested.

Mr. DIAL. Of course; it costs the bank nothing, except a great deal of trouble, for the borrower of the money pays the stamp tax. In that respect it merely adds that much more interest that he is required to pay to get the small accommodation.

I hope the Senator from Utah will see his way clear to accept my amendment, if not, I hope the Senate will vote to strike out the provision for this tax. We ought to reduce taxes and relieve the people of as many of the nuisance taxes as possible. I repeat, I hope the Senate will vote to strike this tax from the bill.

Mr. BRUCE. Mr. President, I do not desire to discuss this amendment, but I do wish to return my hearty thanks to the Senator from South Carolina for the very ingratiating picture he has given of the banks in his State. So far as I recollect, he is the only individual of whom I know in the course of my life who has ever had a good word to say for banks.

A great many years ago, shortly after the adoption of the Federal Constitution, that strict constructionist, John Taylor, of Caroline, a Virginia statesman, who entertained an extreme distrust of the money power in every form, spoke in one of his political letters or speeches—I forget which—of bank capital as being a vulture that was in the habit of flying from place to place seeking its prey.

I recollect, during the first campaign of Mr. Bryan for the Presidency, a gentleman telling me that he was coming over from Baltimore to Washington, and that there were two young men sitting in the seat just in front of him who were very much interested in the coming presidential election. He said it was impossible for him not to overhear some of the things they said to each other, and as he narrated the story he said that one of these young men faced around to the other and said: "Well, times are becoming pretty exciting now, aren't they?" He said: "I expect that the banks will begin to break pretty soon." The other young man, who was sitting beside him, said: "Yes; I expect they will, and the sooner they break the better it will suit me."

Since that time, of course, we have all, on one occasion or another, heard more or less shallow and demagogic observation made upon banks. I rise simply for the purpose of saying that it affords me the sincerest pleasure to know that in one State of the Union, at least, a bank is a sort of benevolent, eleemosynary institution, and I hope that as time goes on and enlightenment becomes more and more generally diffused throughout the United States, the attitude of some of our other public statesmen toward banks will be as friendly as that of the Senator from South Carolina.

Mr. BROUSSARD. Mr. President, I think this amendment is a very objectionable one. The theory and the only justification that the Congress has for imposing a tax of this kind is that it shall be imposed upon anyone who has made money. The individual who makes money is taxed in this bill; so

is the corporation and the partnership; but when we come to impose a tax upon an individual who makes a loan from a bank, I think we are absolutely overstepping all boundaries in time of peace.

Such taxes have always been enforced as war measures for the purpose of raising revenue; but if an individual is forced to go to a bank and borrow $100, and he must take from that $100 just borrowed an amount to pay a tax to the Government, I think we are going beyond all reason.

I do hope that this amendment will not be adopted. Of course, it brings a whole lot of trouble to the bank. The bank deducts this tax from the borrower; and it is the people who borrow, the people who have no cash, upon whom this tax is imposed. For that reason I shall vote against it and hope it will not prevail.

Mr. McKELLAR. Mr. President, I rise merely for the purpose of expressing my opposition to this tax. I think it is a nuisance tax, pure and simple. It brings in very little money, comparatively speaking, and it ought not to be in this bill. The war is over, and there is no reason for imposing this kind of a tax, which is exceedingly troublesome and exceedingly irritating to the public and falls on a class of people that are not able to bear it.

Mr. SMOOT. Mr. President, of course it is very proper to take out this tax, and I know that it is very popular. I know that it will be done to get votes. Some people have no idea of the amount of money the Government requires to pay its obligations. That is entirely lost sight of in this bill.

Of course, it was very proper to cut out the radio tax of $10,000,000. It was very proper indeed to cut out the tax on telegraph and telephone messages. It was very proper indeed to reduce the second-class postal rates, I do not know how much. It was very popular indeed to take out the tax on parts and accessories of automobiles. Of course it is popular, and it is very proper.

Senators speak about the banks paying this tax. The banks do not pay a cent of it. It is the same as the existing law. There is no more reason why this tax ought to be taken out than any other tax in the bill. This is not a tax on checks that are drawn on demand.

I am content with a vote, Mr. President.

Mr. ASHURST. Mr. President, may the question be stated, please?

The READING CLERK. The question is on concurring in the amendment agreed to as in Committee of the Whole, on page 231, after line 2, to insert:

5. Drafts or checks (payable otherwise than at sight or on demand) upon their acceptance or delivery within the United States—

And so forth.

Mr. SMOOT. Mr. President, those who desire to approve of the provision for taxing drafts other than those payable at sight or on demand will vote "yea." Those who are opposed will vote "nay." I call for the yeas and nays, Mr. President.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). Making the same announcement as before, I vote "yea."

The roll call was concluded.

Mr. ERNST. Making the same announcement as before with reference to my pair and its transfer, I vote "yea."

The result was announced—yeas 31, nays 47, as follows:

YEAS—31

Ball	Ernst	McLean	Smoot
Brandegee	Fernald	McNary	Spencer
Bursum	Gooding	Moses	Stanfield
Cameron	Hale	Oddie	Wadsworth
Colt	Jones, Wash.	Pepper	Warren
Cummins	Keyes	Phipps	Watson
Curtis	King	Reed, Pa.	Willis
Dale	Lodge	Shortridge	

NAYS—47

Ashurst	Fletcher	McKellar	Sheppard
Bayard	Frazier	McKinley	Shields
Borah	George	Mayfield	Shipstead
Brookhart	Glass	Neely	Smith
Broussard	Harreld	Norbeck	Stephens
Bruce	Harris	Norris	Sterling
Capper	Harrison	Overman	Swanson
Caraway	Heflin	Pittman	Trammell
Copeland	Johnson, Calif.	Ralston	Walsh, Mont.
Dial	Johnson, Minn.	Ransdell	Weller
Dill	Jones, N. Mex.	Reed, Mo.	Wheeler
Ferris	Ladd	Robinson	

NOT VOTING—18

Adams	Fess	La Follette	Stanley
Couzens	Gerry	Lenroot	Underwood
Edge	Greene	McCormick	Walsh, Mass.
Edwards	Howell	Owen	
Elkins	Kendrick	Simmons	

So the amendment made as in Committee of the Whole was nonconcurred in.

The PRESIDENT pro tempore. The amendments made as in Committee of the Whole, and which were reserved, have now been disposed of. The bill is in the Senate and open to amendment.

Mr. REED of Pennsylvania. I send to the desk an amendment, and ask that it be read.

Mr. NORRIS. Before any amendment is taken up, I ask the Chair if all amendments of the committee not reserved have been acted on by the Senate?

The PRESIDENT pro tempore. All the amendments agreed to as in Committee of the Whole and which were reserved for a separate vote have been disposed of.

Mr. NORRIS. The question I ask is, Have all amendments agreed to as in Committee of the Whole and not reserved been acted upon?

The PRESIDENT pro tempore. The remaining amendments, agreed to as in Committee of the Whole, were concurred in en bloc.

Mr. NORRIS. That is what I wanted to have announced.

Mr. SIMMONS. A parliamentary inquiry, Mr. President.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. SIMMONS. As I understand, we have acted upon all the reserved amendments. If it is desired to move to reconsider one of the votes taken in the Senate on one of those amendments, does it have to be made before we have entered upon the consideration of amendments from the floor that have not been reserved, or can it be made at any time?

The PRESIDENT pro tempore. The Chair is of the opinion that such a motion may be made at any time.

Mr. SIMMONS. That is all right.

The PRESIDENT pro tempore. The Secretary will state the amendment offered by the Senator from Pennsylvania.

The READING CLERK. The Senator from Pennsylvania moves to insert a new paragraph on page 42, after line 19, as follows:

There shall also be included in gross income the interest upon securities issued after the date of the enactment of this act by (1) the United States, (2) any State, Territory, or possession of the United States, (3) the District of Columbia, or (4) any political subdivision or governmental agency of any of the foregoing.

Mr. REED of Pennsylvania. Mr. President, this is a matter which has been argued so often that I realize the futility of any extended argument now, and I do not mean to detain the Senate more than five minutes.

It seems to me that the question of taxing future issues of what are called tax-exempt bonds really is a test of the sincerity of Congress in the high tax rates which it has established. It seems to me it is a futile thing, a hypocritical thing, an insincere thing to establish a schedule of high surtaxes, to proclaim that by those high surtaxes we are trying to compel the wealthy capitalists of the country to pay an income taxation according to their ability, and at the same time to leave open to them resort to the $12,000,000,000 now outstanding in absolutely tax-exempt bonds.

I realize the unfairness of making such a provision as this retroactive, and that is why I have not drawn this amendment so as to reach these twelve billions now outstanding; but the process of issuing tax-exempts must stop or there will be no tax paid by wealthy men under this law.

Mr. BORAH and Mr. SHIPSTEAD rose.

Mr. REED of Pennsylvania. I will ask Senators to indulge me until I finish. It will not take me more than five minutes to conclude. I know perfectly well that there is a legal question involved, and I will speak of that very briefly before I finish.

First, I want to speak about the fairness of the thing. We have seen several instances in the estates of very wealthy men who have died recently, and the most conspicuous I suppose is that much-mentioned estate of William Rockefeller. I say that it is almost a shameful thing for Congress to burden down the producers of the country, the men who by their toil are creating wealth, with these huge tax burdens, from which they can not escape, and, at the same time, allow the man who has wealth safely garnered in to have these exemptions to which he flies for refuge.

At the present time the wealthy man has these tax-exempts; he has the privilege of charging off these imaginary losses that he registers at the end of each year. He has the privilege of charging off liberal depreciation on his factory buildings and all his establishments. He has the various resorts like that to which he can fly, but the man who works for his living has no resort like that. He has to pay on the last penny

that he earns, and there are no deductions for him. You have not any tax-free brains, although you have these tax-free bonds. You have not any allowance for the depreciation that goes on in the brain and the body of the man who works, although you are liberal enough in allowing depreciation for factories and machinery. You have not any way of registering off the losses that the creator of wealth suffers when he falls ill, but you have left the man who has a bond in his strong box all the methods of registering off losses, and you know how they are abused.

You treat the man who earns his income more severely than you treat the man whose income is everlasting. The man with bonds finds his income coming in whether he is sick or well, alive or dead, and yet the creator of wealth finds his income stopping with illness or death, or bad luck of one sort or another. His is an ephemeral income, and if we are going to do justice we ought to tax it much more lightly than we tax invested income. Yet we are doing just the reverse. The amendment which I have sent to the desk is the first step necessary, in my judgment, to the correction of that inequality.

Now, a word about the legality of the matter. The sixteenth amendment started here in the Senate, and as it was introduced and went to the Finance Committee it did not contain the words "from whatever source derived." The amendment as it was introduced gave Congress power to lay and collect direct taxes on incomes without apportionment, and in that form it went to the Finance Committee. They amended it in the committee to make it read as we all remember it now, so that when it was finally passed by Congress it read as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.

Everybody recognizes that the purpose of the sixteenth amendment was to correct what had been done by the Supreme Court in the old Pollock case, where they held two things: First, that an income tax was a direct tax which could not be imposed without apportionment. That they held. Next, that a tax could not be imposed on the bonds of a municipality or of a State, because that was an impairment of the function and governmental authority of the State. I do not know anything in the amendment itself which would justify us in saying that the purpose of the amendment was to reach only the first principle decided by the Supreme Court, and I think the action of the Finance Committee in adding the words "from whatever source derived" made it plain that they at least were trying to reach the second point which the Supreme Court had ruled on, namely, that it was an impairment of the functions of the State.

Mr. BORAH. Mr. President——

Mr. REED of Pennsylvania. I yield to the Senator.

Mr. BORAH. Was it not within the power of Congress to levy a tax on income from whatever source derived prior to the sixteenth amendment, if it was apportioned?

Mr. REED of Pennsylvania. I believe not; and I believe that the court so held in the Pollock case, that they could not tax the income or interest on State bonds. That is one of the two things ruled.

Mr. BORAH. Precisely, but not because of any language in the Constitution. The Supreme Court held over and over again prior to the adoption of the sixteenth amendment that there was no limitation upon the levy of an income tax on account of the source from which derived, so far as any provision in the Constitution was concerned.

The limitation arose, as they said, out of this proposition, that there were two distinct sovereignties; that one sovereignty could not tax the instrumentalities of another sovereignty, not because the Constitution, as Marshall said, limited the source, but because it was an effort of one sovereignty to tax the instrumentalities of another sovereignty. That is what the Supreme Court held in the Pollock case.

Mr. REED of Pennsylvania. Precisely.

Mr. BORAH. But they held it because it was the taxing of an instrumentality of another sovereignty, not because there was any limitation upon the source from which the tax was derived.

Mr. REED of Pennsylvania. Mr. President, it seems to me to be very clear that what was held in the Pollock case was that the coexisting sovereignties in the Government created by our Constitution could not impinge upon one another's activities by taxing the instrumentalities of each other.

Mr. BORAH. Exactly. That is what they held, and the sixteenth amendment did not change it.

Mr. REED of Pennsylvania. That is the question I am trying to debate.

Mr. BORAH. Here is the proposition: There was no limitation in the original Constitution upon the source from which the tax had to come in order to be legal. The Supreme Court said that the taxing power of the Congress was full, complete, and plenary, so far as the property was concerned. The only thing the sixteenth amendment changed was the question of apportionment.

Mr. REED of Pennsylvania. That is precisely the question I am trying to argue. I say that in the Pollock case they did decide that apportionment was necessary, because it was a direct tax, and we all agree that the sixteenth amendment corrected that.

I say further that in the Pollock case they decided that the Federal Government could not interfere with the sovereignty of the States by taxing the interest on State bonds; that the taxing power of the United States could not reach income derived from that source.

Mr. BORAH. And the sixteenth amendment did not change that.

Mr. REED of Pennsylvania. The sixteenth amendment, in my opinion, did change it because of the insertion of the words "from whatever source derived."

Mr. BORAH. But that source must be within the sovereignty of the power levying the tax. When it goes beyond that it has not any more power to levy it than if it was in Canada.

Mr. REED of Pennsylvania. The power of the Government to tax arises entirely from the Constitution. If the Constitution says that from any source their income may be taxed, then I think the power is given it by the Constitution just as clearly as the other express powers of the Federal Government are given. I believe that conclusion is forced upon us by the well-recognized principle that the Constitution does not use superfluous words.

Mr. GEORGE. Mr. President——

Mr. REED of Pennsylvania. I yield to the Senator from Georgia.

Mr. GEORGE. I do not wish to interrupt the Senator's argument, but it is quite true that in the Pollock case the Supreme Court held there had to be an apportionment among the States, and it is also quite true that the Supreme Court held that the municipal securities or State securities were not subject to Federal taxes. But they did not hold that those securities were not subject to a Federal tax because of any want of power under the Constitution or because of any restrictive terms in the Constitution denying the Federal Government the authority to impose that tax. They so held precisely for the reason the Senator from Idaho [Mr. BORAH] has suggested, to wit, that we have two separate sovereignties, and therefore, however broad the language of the sixteenth amendment may be, it was for no lack of broadness of language or broadness of power that the Federal Government could not in the first instance and before the sixteenth amendment impose a tax upon a State security. Therefore, however broad the power or the language of the sixteenth amendment, the question is left wholly unaffected by the sixteenth amendment. I think the Supreme Court has even held it so.

Mr. BORAH. Since the adoption of the sixteenth amendment.

Mr. GEORGE. Yes; since the adoption of the sixteenth amendment.

Mr. REED of Pennsylvania. The Senator and I are not in the least in disagreement about the want of power that was decided in the Pollock case. I think we all recognize the fact that what was decided in the Pollock case was that the power to tax those securities was wanting, not because of any negation in the Constitution, but was wanting because under the scheme of government created by the Constitution the two sovereignties were equal.

Mr. GEORGE. Then, is it the Senator's idea that the sixteenth amendment destroys the concept of the two sovereignties under our Constitution?

Mr. REED of Pennsylvania. Precisely. It is my opinion that the sixteenth amendment cut down to that extent the immunity of the State sovereignty from this power of Federal attack.

Mr. GEORGE. If that could be established, of course the Senator's argument would be sound.

Mr. REED of Pennsylvania. It is difficult to establish it by the Socratic method we follow here in the Senate, but I believe if I might finish my statement perhaps we would reach some conclusion more quickly.

It is my idea that the State power was cut down by the sixteenth amendment, and the plain language of the sixteenth amendment, in just the same way that the State power was cut down by the eighteenth amendment. It is my idea that the situation as to the cutting down of State sovereignty is precisely analogous to what the Supreme Court has held was done by the eighteenth amendment. That amendment, as Senators will recall, was opposed before the Supreme Court upon the theory that the nonassenting States were having taken from them a large part of their sovereignty over a matter which until that time had been indisputably a matter exclusively within the sovereignty of the States.

It was agreed that the Constitution did not give power to a majority of the States to take from the others, the nonassenting States, a part of the sovereignty which was left them in the original creation of our Government. The court disposed of that contention with a sweeping decision and held that it was within the power of the majority of the States, by amendment to the Constitution, to cut down the sovereignty of the individual States, and that it had done so by the eighteenth amendment.

Mr. OVERMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). Does the Senator from Pennsylvania yield to the Senator from North Carolina?

Mr. REED of Pennsylvania. I am glad to yield to the Senator.

Mr. OVERMAN. A few days ago the Senator from Pennsylvania gave me a very able document containing notations and criticisms and an entire review of all the cases upon this great subject. I am sorry to tell him that the result of it is that the distinguished professor of law of Columbia University in that pamphlet said:

> In the face of this very overwhelming evidence, it seems strange that anyone should have the temerity to advise Congress to go ahead and tax an income from State securities without waiting for any new constitutional authorization.

He also quotes from the Chief Justice of the United States in a celebrated case in which he said:

> It was settled that the provisions of the sixteenth amendment conferred no new power of taxation, but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation to which it inherently belonged, and being placed in the category of direct taxation subject to apportionment by a consideration of the sources from which the income was derived.

In other words, it added no new subject of taxation. It just was an occasion against the apportionment by direct taxation. In considering all the cases in this pamphlet which the Senator gave me, he said there is no question but what it has been decided directly by the Supreme Court, notwithstanding I said to the Senator that I believed the decision in the case of Evans against Gore was mere dicta and that in many cases there is dicta. Quoting from the Chief Justice's opinion and taking all these decisions in view, he said he could not understand how anybody has the temerity to argue that we can tax State securities without further constitutional amendment.

Mr. REED of Pennsylvania. If the gentleman who wrote that brief can not understand it, I am sorry that it should affect his understanding; but the Senator will find in the same pamphlet—which, by the way, was printed by the Finance Committee, being a collection of briefs for and against the proposition——

Mr. OVERMAN. But the brief also of Professor Anderson, of the University of Wisconsin, said the same thing.

Mr. REED of Pennsylvania. That is true; and there is a brief there by Professor Corwin, professor of jurisprudence at Princeton, which shows very plainly that he can not understand how anybody could doubt the power of Congress to do it. So if the action of the Senate is to be determined by the failure of these various gentlemen to understand one another, I am afraid we are not going to get anywhere.

It is true the Supreme Court has mentioned the subject in its opinions. It is equally true that the point has never been squarely raised before the Supreme Court nor has it ever been squarely decided. It has never been fairly argued, even, before the Supreme Court. While we can find scattering sentences here and there to the effect that the amendment added no new subject of taxation to the Federal power, those things are capable of explanation and they are only obiter dicta anyway. So that it is not correct to say that in the case of Evans against Gore, or any other case, has the precise point at issue been decided. It is not going to be decided until Congress develops the courage to pass some such legislation as that which is suggested in the amendment.

Mr. FLETCHER. Mr. President, I would like to go into the subject quite fully; I have collected quite a lot of material, but it would take me some hours to discuss it, and I would not venture to impose upon the Senate to that extent at this time. But I do want to suggest very briefly some response to the thought of the Senator that this sort of a proposal would be constitutional. In my judgment, it is clearly unconstitutional. I think it would be a great mistake to experiment with it, particularly on a bill like the pending measure.

I call attention especially to a work which is very interesting—Our Changing Constitution, by Charles W. Pierson. It is a recent publication. He expresses conclusions on the subject that are so emphatic and material that I would not attempt in any way to improve on them. At page 95 he said:

> By far the most important and interesting of the implied limitations of the Federal taxing power remains to be noticed. That is the limitation which prohibits the National Government from burdening by taxation the property or revenues or obligations of a State, or the emoluments of a State official, or anything connected with the exercise by a State of one of its governmental functions. In other words, while the National Government may tax income from bonds issued by England or France, or their cities, it is powerless to tax the income from bonds of Rhode Island or the smallest of its towns.
>
> This implied limitation, nowhere categorically expressed, but enunciated in a series of decisions of the Supreme Court, has not always met with acquiescence from the executive and legislative branches of the Government. In fact, Congress is now engaged in an effort to do away with it, at least in so far as concerns the right to tax the income from State and municipal bonds. To-day, however, it still stands as one of the most striking and unique characteristics of our governmental system. It will be discussed more at length in the next chapter.

He was referring to the proposed amendment recently defeated by some 8 or 10 votes in the House and the effort being made similar to that now proposed by the Senator from Pennsylvania.

On page 98 he said:

> The founders of this Republic established a form of government wherein the States, though subordinate to the Federal Government in all matters within its jurisdiction, nevertheless remained distinct bodies politic, each one supreme in its own sphere. In the famous phrase of Salmon P. Chase, pronouncing judgment as Chief Justice of the Supreme Court:
>
> "The Constitution in all its provisions looks to an indestructible Union, composed of indestructible States."
>
> In a later case another eminent justice (Samuel Nelson, of New York) put the matter thus:
>
> "The General Government and the States, although both exist within the same territorial limits, are separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres. The former, in its appropriate sphere, is supreme; but the States within the limits of their powers not granted or, in the language of the tenth amendment, "reserved," are as independent of the General Government as that Government within its sphere is independent of the States."
>
> It follows that the two Governments, National and State, must each exercise its powers so as not to interfere with the free and full exercise by the other of its powers. To do otherwise would be contrary to the fundamental compact embodied in the Constitution; in other words, it would be unconstitutional.
>
> This proposition was affirmed at an early day by Chief Justice John Marshall in the great case of McCulloch v. The State of Maryland, which involved the attempt of a State to tax the operations of a national bank. That case is one of the landmarks of American constitutional law. While it did not expressly decide that the Federal Government could not tax a State instrumentality but only the converse—i. e., that a State could not tax an instrumentality of the Nation—the court has held in many subsequent decisions that the proposition enunciated by the great Chief Justice works both ways. For example, it has declared that a State can not tax the obligations of the United States, because such a tax operates upon the power of the Federal Government to borrow money, and, conversely, that Congress can not tax the obligations of a State for the same reason (Mercantile Bank v. New York, 121 U. S. 138); that a State can not tax the emoluments of an official of the United States, and conversely that the United States can not tax the salary of a State official; that a State can not impose a tax on the property or revenues of the United States, and conversely that Congress can not tax the property or revenues of a State or a municipality thereof (United States v. Railroad Co., 17 Wall. 322).
>
> The Supreme Court has said (and many times reiterated in substance) that the National Government "can not exercise its power of taxation so as to destroy the State governments or embarrass their lawful action." (Railroad Co. v. Peniston, 18 Wall. 5.) One of the most distinguished writers on American constitutional law—Thomas M. Cooley, chief justice of the Supreme Court of Michigan, and afterwards chairman of the Federal Interstate Commerce Commission—has said:
>
> "There is nothing in the Constitution which can be made to admit of any interference by Congress with the secure existence of any State authority within its lawful bounds. And any such interference by the indirect means of taxation is quite as much beyond the power of the National Legislature as if the interference were direct and extreme."
>
> The question as to the right of Congress to levy an income tax on municipal securities came up squarely in the famous Income Tax cases, involving the constitutionality of the income tax law of 1894. While the Supreme Court was sharply divided as to the constitutionality of other features of the law, it was unanimous as to the lack of authority in the United States to tax the interest on municipal bonds.

That was the Pollock case, to which the Senator has referred. The author continues:

> The decision in those cases is the law to-day—except in so far as it has been changed by the recent sixteenth amendment—with one possible limitation.

I will get to that in a moment.

> It has been held that State agencies and instrumentalities, in order to be exempt from national taxation, must be of a strictly governmental character; the exemption does not extend to agencies and instrumentalities used by the State in carrying on an ordinary private business. This was decided in the South Carolina Dispensary case. (South Carolina v. United States, 199 U. S. 437.)

That is the only limitation.

> The State of South Carolina had taken over the business of selling liquor and the case involved a Federal tax upon such business. The court, while reaffirming the general doctrine, nevertheless upheld the tax on the ground that the business was not of a strictly governmental character. This decision suggests the possibility that if an attempt were made to tax State and municipal bonds, the court might draw a distinction based on the purpose for which the bonds were issued, and hold that only such as were issued for strictly governmental purposes were exempt.
>
> It remains to consider the effect of the sixteenth amendment.

Now we come to the constitutional amendment which the Senator from Pennsylvania believes is broad enough to give such authority as he proposes. The author says:

> After the Supreme Court had held the income tax law of 1894 unconstitutional on the ground that it was a direct tax, and had not been apportioned among the States in proportion to population, the sixteenth amendment to the Constitution was proposed and ratified. This amendment provides that "the Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration."
>
> When the amendment was submitted to the States for approval some lawyers apprehended that the words "incomes from whatever source derived" might open the door to the taxation by the Government of income from State and municipal bonds. Charles E. Hughes, then Governor of New York, sent a special message to the legislature opposing ratification of the amendment on this ground.
>
> Other lawyers, notably Senator Elihu Root, took a different view of the scope of the amendment, holding that it would not enlarge the taxing power but merely remove the obstacle found by the Supreme Court to the income tax law of 1894, i. e., the necessity of apportionment among the States in proportion to population. This latter view has now been confirmed by the Supreme Court. In a case involving a tax on income from exports the court said (Peck v. Lowe, 247 U. S. 165):
>
> "The sixteenth amendment * * * does not extend the taxing power to new or excepted subjects, but merely removes all occasion which otherwise might exist for an apportionment among the States of taxes laid on income, whether it be derived from one source or another. * * *"
>
> In a case decided a little earlier the court, speaking through Chief Justice White, had said:
>
> "By the previous ruling (i. e., in Brushaber v. Union Pacific Railway Co., 240 U. S. 1) it was settled that the provisions of the sixteenth amendment conferred no new power of taxation * * *."

> From what has been said it will be evident that the doctrine of exemption of State and municipal bonds from Federal taxation is firmly embedded in our law and has not been affected by the sixteenth amendment.
>
> Whether it is a doctrine suited to present-day conditions is a question outside the scope of this paper.
>
> The fear of Federal encroachment, so strong in the minds of the makers of our Constitution, has become little more than a tradition. To many it doubtless will seem that any rule of law which operates to prevent the Nation in the great exigency of war from taxing a portion of the property of its citizens is pernicious and should be changed.
>
> If this be the view of a sufficient number, the change can and will be made. Lawyers think, however, that it will have to be done by the orderly method of constitutional amendment, not by passing taxing statutes which a reluctant court will be obliged to declare unconstitutional.
>
> Just now the tide of popular sentiment is setting strongly toward such a change. It was advocated in a recent presidential message. The immunity enjoyed by State bond issues is coming to be regarded less as a safeguard of State rights than as a means whereby the rich escape Federal income surtaxes. One is tempted to predict that the next formal amendment of the Constitution will deal with this subject.

We will deal with the proposed amendment when it comes up. The author continues:

> If so, another inroad will have been made by the General Government on the failing powers of the States.

Mr. President, I will not take the time to enlarge upon this question, but I think I ought to refer to an extract from a letter of the Secretary of the Treasury to Hon. JAMES A. FREAR, under date of January 8, 1924. Referring to this very subject, he says:

> If your bill were passed promptly, it would affect income received in 1924, which is returned for taxation in 1925. Some time later a decision would be obtained from the Supreme Court. In the meantime, the doubt of the law's validity would completely destroy the market for all State and municipal bonds, because the investor would be unwilling to purchase bonds at a price justified by their tax-exempt feature, and the States and the municipalities would be charged with negligence if they sold their bonds on the basis of not being tax-exempt.
>
> You may recall that a similar situation arose a few years ago, when there was no market for Federal farm-loan bonds for several years until the Supreme Court passed upon the constitutionality of the tax-exempt feature. This condition of uncertainty would exist, irrespective of what might ultimately be the decision.
>
> If ultimately the Supreme Court should determine that the act was unconstitutional—and you seem to be practically alone in believing that any other result will follow—then you would have accomplished nothing and you would have to start over with the constitutional amendment. At that time the Government would have to refund enormous sums of money which it had collected on the tax-exempt income and which was wrongfully withheld from the owners, together with interest on these sums. The effect on the Government's Budget in making repayment of the amounts which it would then have spent, and which it had no right to collect or hold, would be most serious.

That is one of the principal objections to this amendment. Suppose that it were written into the law and taxes were collected based on it, and afterwards it should turn out to be unconstitutional, as I am sure it would, then the Government would have to refund all the sums collected under it, and the whole Budget would be thrown into confusion.

Mr. President, I am hurrying along, but I have here an admirable article discussing this very question which I think I can use. I have not conferred with Mr. Gregg about it, but I think I can use it. Mr. Gregg, who is one of the experts of the Treasury Department, prepared for the Ways and Means Committee a digest of decisions and arguments bearing on the power of Congress to levy a tax upon the income from securities issued by States or political subdivisions thereof. Mr. Gregg's advices to Chairman GREEN in the matter were made public on January 8, at the time of the introduction by Representative GREEN of his resolution proposing the constitutional amendment. Mr. Gregg's letter, dated January 4, 1924, I will not read, but it relates to a very important question, and I ask to have it incorporated in the RECORD as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

TREASURY DEPARTMENT, *January 4, 1924.*

Hon. W. R. GREEN,
Chairman Ways and Means Committee,
House of Representatives.

MY DEAR MR. CHAIRMAN: Prior to its adjournment before the holidays, the committee requested that I prepare for the assistance of the committee a digest of the decisions and arguments affecting the question of whether Congress has the power to levy a tax upon the income from securities issued by States or political subdivisions thereof. In accordance with that request the following is submitted:

Two questions will be considered: (1) Whether the Federal Government has the general power to lay a tax upon income derived from securities issued by States or political subdivisions thereof; (2) in the event that Congress may not lay a tax upon income from all such securities, whether the income from obligations issued by States or political subdivisions thereof may be taxed by the Federal Government.

The earliest decision of the Supreme Court upon the question of the power of the United States to tax State instrumentalities is the Collector *v.* Day (1870) (11 Wall. 113). Under the Civil War income tax acts, a tax was assessed on the salary of Hay, a probate judge in Massachusetts. He paid the tax under protest and brought action to recover it. It was held by the Supreme Court that Congress had no power to impose a tax upon the salary of a State judicial officer.

The court cited Dobbins *v.* Commissioners (1842) (16 Peters, 435); McCullough *v.* Maryland (1819) (Wheaton, 316); and Weston *v.* Charleston (1829) (Second Peters, 449) as establishing the proposition "that the State governments can not lay a tax upon the constitutional means employed by the Government of the Union to execute its constitutional powers." and concluded that on the same principle the United States can not tax the means and instrumentalities employed by the States for carrying on their governmental operations.

The court's reasoning is indicated in the following passage (pp. 125, 187):

"It is admitted that there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation; as any government whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government.

"The means and instrumentalities employed for carrying on the operations of their governments, for preserving their existence, and fulfilling the high and responsible duties assigned to them in the Constitution should be left free and unimpaired, should not be liable to be crippled, much less defeated, by the taxing power of another government."

This decision was followed in the cases of a judge of the Superior Court of New York City (Freedman *v.* Sigel, 1875, Federal case 5989), and of a State's attorney in Maryland (United States *v.* Ritchie, 1872, Federal case 16108).

In the case of Pollock *v.* Farmers' Loan & Trust Co. (1895, 157 U. S. 429), a bill by a shareholder to enjoin the defendant corporation from paying an income tax under the act of August 15, 1894 (28 Stat. 309), it was urged that the act was unconstitutional on the grounds: (1) That in imposing a tax on the income or rents of real and personal property it imposed a direct tax upon the property itself, which was void, because not apportioned among the States; (2) that in imposing indirect taxes it violated the constitutional requirements of uniformity; (3) that in imposing a tax upon income received from State and municipal bonds it exceeded the constitutional powers of the Federal Government.

With reference to this third point Chief Justice Fuller said (p. 585):

"It is contended that although the property or revenues of the States or their instrumentalities can not be taxed, nevertheless the income derived from State, county, and municipal securities can be taxed, but we think the same want of power to tax the property or revenues of the States or their instrumentalities exists in relation to a tax on the income from their securities, and for the same reason, and that reason is given by Chief Justice Marshall in Weston *v.* Charleston (2 Pet. 449, 465), where he said:

"'The right to tax the contract to any extent when made must operate upon the power to borrow before it is exercised and have a sensible influence upon the contract. The extent of this influence depends on the will of a distinct government. To any extent, however inconsiderable, it is a burden on the operations of government. It may be carried to an extent which shall arrest them entirely. * * * The tax on Government stock is thought by this court to be a tax on the contract, a tax on the power to borrow money on the credit of the United States, and consequently to be repugnant to the Constitution.'

"Applying this language to these municipal securities it is obvious that taxation on the interest therefrom would operate on the power to borrow before it is exercised, and would have a sensible influence on the contract, and that the tax in question is a tax on the power of the States and their instrumentalities to borrow money, and consequently repugnant to the Constitution.

"It is clear, therefore, that prior to the adoption of the sixteenth amendment Congress had no power to levy a tax, directly or indirectly, upon securities issued by States or a political subdivision thereof. There remains to be considered the effect of the sixteenth amendment.

"The sixteenth amendment provides that 'the Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration.'"

At the time the sixteenth amendment was being considered by the legislatures of the several States it was urged by various writers and public men that the proposed amendment gave Congress the power to tax the salaries of officers and employees of the States and the income from State municipal securities. See Foster, "Income Tax," page 78 et seq.; Minor, "The proposed income tax amendment," 15 Virginia Legal Register, 737, 753; Hubbard, "The sixteenth amendment," 33 Harvard Law Review, 794. The contrary view was urged with equal strength. See CONGRESSIONAL RECORD, volume 45, pages 1694–1699, 2245–2247, 2539, 2540, and Ritchie, "Power of Congress to tax State securities," 5 American Bar Association Journal, 602.

In the first case which arose under the sixteenth amendment, the case of Brushabor *v.* Union Pacific Railroad Co. (240 U. S.), the Supreme Court committed itself on the question of whether or not the sixteenth amendment gave to Congress any new power of taxation. This case was a suit by a stockholder to restrain the defendant corporation from paying an income tax imposed by the tariff act of 1913, on the ground that it was unconstitutional. Chief Justice White, in the course of upholding the validity of the act, said (pp. 17, 18, 19):

"It is clear on the face of this text that it (the amendment) does not purport to confer power to levy income taxes in a general sense—an authority already possessed and never questioned—or to limit and distinguish between one kind of income taxes and another, but that the whole purpose of the amendment was to relieve all income taxes when imposed from apportionment from a consideration of the source whence the income was derived."

Indeed, in the light of the history which we have given and of the decision in the Pollock case and the ground upon which the ruling in that case was based, there is no escape from the conclusion that the amendment was drawn for the purpose of doing away for the future with the principle upon which the Pollock case was decided; that is, of determining whether a tax on income was direct, not by a consideration of the burden placed on the taxed incomes upon which it directly operated, but by taking into view the burden which resulted on the property from which the income was derived, since in express terms the amendment provides that income taxes, from whatever source the income may be derived, shall not be subject to the regulation of apportionment.

Indeed, from another point of view, the amendment demonstrates that no such purpose was intended and, on the contrary, shows that it was drawn with the object of maintaining the limitations of the Constitution and harmonizing their operation. * * * The purpose was not to change the existing interpretation except to the extent necessary to accomplish the result intended; that is, the prevention of the resort to the sources from which a taxed income was derived in order to cause a direct tax on the income to be a direct tax on the source itself and thereby to take the income tax out of the class of excise duties and imposts and place it in the class of direct taxes.

Again, in Stanton *v.* Baltic Mining Co. (1916), 240 United States, 103, an action in form similar to the Brushabor case, Chief Justice White said in upholding the constitutionality of the same note (p. 122):

"But aside from these obvious errors of the proposition, intrinsically considered, it manifestly disregards the fact that by the previous ruling it was settled that the provisions of the sixteenth amendment conferred no new power of taxation but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation, to which it inherently belonged, and being placed in the category of direct taxation, subject to apportionment by a consideration of the sources from which the incomes were derived; that is, by testing the tax not by what it was—a tax on income—but by a mistaken theory deduced from the origin or source of the income taxed.

"But, of course, in saying this we are not here considering a tax not within the provisions of the sixteenth amendment—that is, one in which the regulation of apportionment or the rule of uniformity is wholly negligible—because the tax is one entirely beyond the scope of the taxing power of Congress, and where, consequently, no authority to impose a burden either direct or indirect exists."

Similar dicta occur in Eisner *v.* Macomber (1920; 252 U. S. 189, 204) and in Pack & Co. *v.* Lowe (1915; 247 U. S. 165).

Although it appears that in none of these cases was it necessary to pass upon the issue, it is significant that the court saw fit to announce in each of them that the amendment did not extend the taxing power of Congress to cover any new subjects.

The opinion in Evans *v.* Gore (1920; 233 U. S. 245) throws a more direct light upon the views of the Supreme Court regarding the scope of the sixteenth amendment. The action therein was brought by a United States district judge, appointed in 1899, to recover a tax paid upon his salary under the revenue act of 1918 (40 Stat. 1062). His chief contention was that the effect of the act in imposing a tax on his salary was to diminish his compensation, and that to this extent it was repugnant to the third article of the Constitution, providing that his salary should not be diminished during his continuance in office.

The court came to the conclusion that the prohibition prevented diminution by taxation, and the court, after reciting the history of the adoption of the sixteenth amendment, concluded:

"True, Governor Hughes, of New York, in a message laying the amendment before the legislature of that State for ratification or rejection, expressed some apprehension lest it might be construed as extending the taxing power to income not taxable before; but his message promptly brought forth from statesmen who participated in proposing the amendment such convincing expositions of its purpose, as here stated, that the apprehension was effectively dispelled and ratification followed.

"Thus the genesis and words of the amendment unite in showing that it does not extend the taxing power to new or excepted subjects, but merely removes all occasion otherwise existing for an apportionment among the States of taxes laid on income, whether derived from one source or another. And we have so held in other cases."

In conclusion, then, it is evident that since the ratification of the sixteenth amendment the Supreme Court of the United States in dicta and decision has consistently adhered to the view that the amendment does not extend the taxing power of Congress to new or excepted subjects.

Prior to the adoption of the sixteenth amendment it was established that, in general, income from State and municipal bonds was exempt from taxation by the Federal Government. In view of these two lines of decisions it appears evident to me that in the absence of a constitutional amendment a tax upon the income derived from State and municipal securities would be held by the Supreme Court to be beyond the constitutional powers of Congress.

There remains for further consideration the question of whether this exemption of the income from State and municipal securities applies to all such securities or only those issued in the courts of the governmental operations of the State or municipality.

As was stated by the court in the leading case of Collector *v.* Hay, supra, there is no express prohibition against taxation by the Federal Government of the activities of the States; accordingly, any exemption from Federal taxation must be grounded on the necessary implications from the Constitution. The court in that case granted this exemption from taxation to the "means and instrumentalities employed for carrying on the operations of their governments, for preserving their existence, and fulfilling the high and responsible duties assigned to them in the Constitution."

What are these "means and instrumentalities" which can not be burdened with a tax? Are all activities in which a State or municipality may choose to engage ipso facto removed from the sphere of Federal taxation?

CONSISTENT POLICY FOLLOWS

The Supreme Court has followed a consistent policy in the series of cases involving this question, which will be indicated by extracts from the decisions. In Bank of United States *v.* Planters' Bank of Georgia (1824) (9 Wheat. 904), Chief Justice Marshall said (p. 907):

"It is, we think, a sound principle that when a Government becomes a partner in any trading company it divests itself, so far as concerns the transactions of that company, of its sovereign character and takes that of a private citizen. Instead of communicating to a company its privileges and prerogatives, it descends to a level with those with whom it associates itself, and takes the character which belongs to its associates and to the business which is to be transacted."

This distinction between the so-called proprietary functions of a municipality or State and its governmental functions has been further brought out in a series of cases involving Federal taxation. In Salt Lake City *v.* Hollister (1865) (118 U. S. 296) action was brought by the city to recover taxes paid the Federal collector of internal revenue on spirits distilled by the city.

It was held that a municipal corporation engaged in a business of distilling spirits was subject to internal-revenue taxation under the laws of the United States. In the leading case upon the subject—South Carolina *v.* United States (1905) (199 U. S. 437)—Justice Brewer brings out clearly the distinction noted in the earlier cases between proprietary and governmental functions of a State. The facts were these:

The State of South Carolina established dispensaries for the wholesale and retail sale of liquor and prohibited sales by others. The United States demanded license taxes from the dealers, which the State paid. The dispensers had no interest in the sales and received no profits thereon. Later the State protested against the payment of the Federal license taxes and sued to recover amounts already paid.

In upholding the power of the United States to levy the license tax, Justice Brewer, after citing Collector *v.* Hay, supra, and McCulloch *v.* Maryland (1819) (4 Wheat. 316) said (pp. 456, 457, 459):

"There is something of a conflict between the full power of the Nation with respect to taxation and the exemption of the State from Federal taxation in respect to its property and a discharge of all its functions. The exemption of the State's property and its functions from Federal taxation is implied from the dual character of our Federal system and the necessity of preserving the State in all its efficiency.

"In order to determine to what extent that implication will go, we must turn to the condition of things at the time the Constitution was framed. Looking, therefore, at the Constitution in the light of the conditions surrounding at the time of its adoption, it is obvious that the framers, in granting full power over license taxes to the National Government, meant that that power should be complete, and never thought that the States, by extending their functions, could practically destroy it.

"It is also worthy of remark that the cases in which the invalidity of a Federal tax has been affirmed were those in which the tax was attempted to be levied upon property belonging to the State or one of its municipalities or was a charge upon the means and instrumentalities employed by the State in the discharge of its ordinary functions as a Government."

The court then cites Venzie Bank *v.* Fenno (8 Wall. 533), Collector *v.* Hay (11 Wall. 113), United States *v.* Railroad Co. (17 Wall. 322) to the same effect and continues (p. 461):

In Ambrosini *v.* United States (187 U. S. 1), in which the Federal war revenue tax act providing for stamp taxes on bonds was held inapplicable to bonds required from licenses under the dram shop act of Illinois, the court declared:

"The question is whether the bonds were taken in the exercise of a function strictly belonging to the State and city in their ordinary governmental capacity, and we are of the opinion that they were, and that they were exempted as no more taxable than the licenses.

"The decisions, while not controlling the question before us, indicate that the thought has been that the exemption of State agencies and instrumentalities from national taxation is limited to those which are of a strictly governmental character, and does not extend to those which are used by the State in the carrying on of an ordinary private business."

The court then refers to the distinction in the law of torts between suits against a city for acts done in its public capacity and for acts in its private character, and goes on (p. 463):

"It is reasonable to hold that while the former may do nothing by taxation in any form to prevent the full discharge by the latter of its governmental functions, yet whenever a State engages in a business which is of a private nature that business is not withdrawn from the taxing power of the Nation."

ANOTHER CASE IN POINT

In the case of Flint *v.* Stone-Tracy Co. (1911), (220 U. S. 107), the court quoted South Carolina *v.* United States with approval, and added (p. 157):

"The cases unite in exempting from Federal taxation the means and instrumentalities employed in carrying on the governmental operations of the State. The exercise of such rights as the establishment of a judiciary, the employment of officers to administer and execute the laws, and similar governmental functions can not be taxed by the Federal Government. (Collector *v.* Hay, 11 Wall. 113; United States *v.* Railroad, 17 Wall. 322; Ambroshini *v.* United States, 187 U. S. 1.)

"But this limitation has never been extended to the exclusion of the activities of a merely private business from the Federal taxing power, although the power to exercise them is derived from an act of incorporation by one of the States. See also Vilas *v.* Manila (220 U. S. 345); Lynch *v.* City of Springfield (1899), (174 Mass. 430, 54 N. E. 871); Bullmaster *v.* City (1897), (70 Mo. App. 60); City *v.* Babbitt (1794), (8 Tex. Civ. App. 432, 28 S. W. 702); City *v.* Kelly (1882). (36 Ohio St. 50); Western Saving Fund Society *v.* City (1858), (31 Pa. St. 175); City *v.* Corey (1861), (9 Mich. 165); see also Mayor *v.* Birmingham Water Works Co. (1903). (139 Ala. 531, 36 So. 614); State *v.* Barker (1902), (116 Iowa 96, 89 N. W. 204.)"

In view of these decisions it must be regarded as established that there is a consistently recognized distinction between the strictly governmental functions of a State or municipality on the one hand and its proprietary or private activities on the other; and, further, that the implied exemption from Federal taxation applies only to the former and does not apply to the latter.

It should be noted, however, that the line between the governmental activities and the private activities of the States and the political subdivisions thereof has not been definitely drawn. In view of the gradual extensions of States and municipalities into many fields formerly regarded as private or proprietary, it would be most difficult, if not impossible, prior to a decision on each point by the Supreme Court, to segregate the governmental activities of a State or municipality from its private or proprietary activities.

A provision in the statute taxing State or municipal securities issued to carry on the private or proprietary activities would accomplish little toward abolishing the evil of tax-exempt securities, would be most difficult to administer, and would be the subject of immediate and repeated attacks in the courts. The application of such a section to each case would be settled only after the consideration and decision of the case by the courts.

The conclusions reached herein represent only my own personal views and do not in any way commit the Treasury Department to any position.

In accordance with the further request of the committee, I am transmitting herewith eight copies of the opinion of the Attorney General holding that the salaries and wages of State officials and employees are not subject to the income tax imposed by the revenue act of 1918.

Respectfully,

A. W. GREGG.

Mr. FLETCHER. Without referring to the effect of the proposed action as set forth in some of the arguments made in support of the proposal to have no tax-exempt securities at all and doing away with tax-exempt features of State and Government issues, I say it can not be successfully contended that there can be collected by way of an income tax anything approaching the difference in interest between a 4 per cent and a 5 per cent bond. It is impossible to ascertain what is collected as income tax on interest on taxable Government bonds. The nearest approach to that information is given in the letter to me, dated January 29, 1924, and the accompanying statement of the Undersecretary of the Treasury, which I ask to have printed in the RECORD.

The PRESIDING OFFICER. Without objection, the matter will be printed in the RECORD.

The matter referred to is as follows:

THE UNDERSECRETARY OF THE TREASURY,
Washington, January 29, 1924.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: For the Secretary of the Treasury, I acknowlege receipt of your letter of January 26, 1924, regarding the amount of income tax collected on taxable Government bonds. In reply I am sending you a table compiled from statistics of income from 1921 returns, showing the estimated surtax on incomes from Government obligations not wholly exempt from tax. You understand, of course, that the statement shows estimated surtax due on the basis of returns filed from the particular year and not actual collections. Actual income-tax collections are not segregated according to the sources of the income from which they are derived. To classify actual receipts in this manner would require a much more elaborate accounting system in each collector's office, and the expense would not be justified by the results.

Very truly yours,

GARRARD B. WINSTON,
Undersecretary of the Treasury.

(1 inclosure)

Estimated surtax due on incomes from Government obligations not wholly exempt from tax, 1921 returns

Income class	Interest on Government obligations not wholly exempt from tax	Rate of surtax	Amount of surtax
		Per cent	
$6,000 to $8,000	$2,336,331	1	$23,563
$8,000 to $10,000	4,384,000	2	87,680
$10,000 to $12,000	3,368,752	3	101,063
$12,000 to $14,000	2,805,537	4	160,221
$14,000 to $20,000	2,198,467	5	109,923
$20,000 to $40,000	4,633,687	7	324,358
$40,000 to $60,000	4,926,944	11	542,294
$60,000 to $80,000	4,327,779	16	692,445

Estimated surtax due on incomes from Government obligations not wholly exempt from tax, 1921 returns—Continued

Income class	Interest on Government obligations not wholly exempt from tax	Rate of surtax	Amount of surtax
		Per cent	
$40,000 to $60,000	$2,078,863	21	$436,561
$60,000 to $80,000	1,478,863	26	384,302
$70,000 to $80,000	1,277,342	31	395,976
$80,000 to $90,000	990,970	36	356,749
$90,000 to $100,000	675,741	41	277,054
$100,000 to $150,000	453,729	46	208,715
$150,000 to $200,000	1,614,919	52	839,733
$200,000 to $300,000	878,643	56	492,040
$300,000 to $500,000	1,257,874	60	754,724
$500,000 to $1,000,000	1,198,312	63	752,417
Over $1,000,000	330,409	64	211,462
	347,872	65	226,117
Total	40,281,245		7,157,357

Mr. FLETCHER. I also ask to have printed in the RECORD an article by Mr. Frederick Juchhoff, which appeared in Public Affairs of the issue of May, 1924. Mr. Juchhoff is professor of economics at the American University, and the article is entitled "Why tax-exempt securities?"

The PRESIDING OFFICER. In the absence of objection, the article will be printed in the RECORD.

The article referred to is, as follows:

WHY TAX-EXEMPT SECURITIES

[By Frederick Juchhoff, professor of economics, American University]

[In the April number of Public Affairs Doctor Juchhoff discussed the proposed constitutional amendment to abolish tax-exempt securities and pointed out that there are, after all, two sides to the question. Although numerous arguments were advanced in favor of the plan there are, perhaps, equally strong reasons why it should not be adopted. The vote in Congress cut across party lines and factional lines as well; progressives and conservatives were found on both sides. In this article Doctor Juchhoff shows some of the consequences that would follow the adoption of the proposed amendment.]

The abolition of tax-exempt securities continues to be urged in certain quarters with unabated vigor. The average citizen and taxpayer may well ask the question, Why this sudden deep concern on the part of certain politicians and periodicals about alleged tax evasion by the very wealthy?

It seems more than a coincidence that many opponents of heavy surtaxes and excess profits taxes, which fall primarily upon large incomes, are also opposed to the continuance of tax-exempt securities.

A careful examination of the facts leaves some doubt as to whether those who are behind the propaganda to tax all securities advocate this change because of a desire to force the wealthy to bear a just share of the burden of taxation, or whether it is perhaps in some cases from motives of self-interest. There are, more or less clearly defined, three distinct groups who would benefit very materially by the passage of the proposed amendment to tax all securities issued in the future.

PRESENT SECURITY HOLDERS WOULD BENEFIT

The first of these groups consists of the present holders of outstanding tax-exempt securities. This group is composed largely of private individuals and financial institutions, certain of whose funds are required by law to be invested in State or municipal securities now tax exempt and not affected by the proposal to tax future issues.

According to the admission of the Assistant Secretary of the Treasury, the market value of the present outstanding tax-exempt securities, amounting in round numbers to about $12,300,000,000, would be increased by the passage of the bill by one-eighth, or about $1,500,000,000

If the taxpayers are honest about making out their income-tax returns, it would take a good many years to pay into the Treasury of the United States in income taxes the sum of $1,500,000,000, as much as would in one instant be put into the pockets of those who own tax-exempt bonds.

The second and third groups are composed of the farm-mortgage bankers and the public utilities. While the proposed change would not as immediately and directly increase the value of securities held by these groups as in the case of the first group, both groups would be greatly benefited because of the handicap which would be placed upon competing interests.

FARM MORTGAGES AND LAND BANKS

The total amount of farm mortgages in the United States outstanding at the present time may be conservatively estimated in round numbers at about $7,850,000,000. Of these loans $1,271,980,658 are

carried by the Federal land banks and joint stock land banks, whose securities are free from taxation, and are made to the farmer at not to exceed 6 per cent interest, while the rates charged by others upon similar security range from 7 to 8 per cent and higher.

These Federal farm loan banks and joint stock land banks exist under the Federal farm loan act, which became a law on July 17, 1916. The general purposes of this act were to lower and equalize interest rates on first-mortgage farm loans; to provide long-term loans with the privilege of repayment in installments through a long or short period of years, at the borrower's option; to assemble the farm credits of the Nation to be used as security for money to be employed in farm development; to stimulate cooperative action among farmers; to make it easier for the landless to get land; and to provide safe and sound long-term investments for the thrifty.

While all of these things have been accomplished in a general way, the operation of the banks organized under the act has made very serious inroads into the business of the dealers in farm mortgages and investment bankers, who no longer enjoy an unrestricted monopoly in the farm-loan field.

PUBLIC UTILITIES ALSO INTERESTED

Under the terms and conditions of the law the maximum rate of interest which may be charged by the banks organized thereunder is 6 per cent. These banks are financed by the issuance of bonds which are sold to the investing public at an interest rate of from 4½ to 5 per cent, and while the rate which may be charged to the farmer can not exceed 6 per cent, it also can not exceed 1 per cent in excess of the interest paid on the bonds of the bank.

The removal of the tax exemption on these bonds would make necessary an interest rate thereon of from 5½ to 6 per cent. This would have the effect of either suspending the operation of the farm loan and joint-stock land banks entirely or a revision of the law which would permit an interest charge of not less than 6½ to 7 per cent.

The public utilities interests are primarily interested in restricting the issuance of tax-exempt securities by the municipalities and other public subdivisions of the several States. They are alarmed by the present tendency toward municipal operation and control of public utilities. They believe that many municipalities would hesitate to engage in private enterprises of a public nature if the interest rate of the securities issued by them to undertake such municipal operation is increased. To tax the securities of municipalities would tend to raise the necessary interest rates on such securities from the present average of about 4.20 per cent to 5.20 per cent, which would bring the rate to nearer that now paid by the public utilities, which is about 5.55 per cent.

Mr. FLETCHER. I also ask to have printed in the RECORD an editorial from the Manufacturers' Record of March 27, 1924, discussing the amendment which was then proposed against tax-exempt securities and saying—

The amendment against tax-exempt securities would be fundamentally wrong.

The PRESIDING OFFICER. Without objection, the editorial will be printed in the RECORD.

The editorial referred to is as follows:

THE AMENDMENT AGAINST TAX-EXEMPT SECURITIES WOULD BE FUNDAMENTALLY WRONG

A recent survey of the Birmingham school situation reports that existing buildings are overcrowded to the extent of nearly 16,000 scholars and that 19 new school buildings are needed. Several years ago Baltimore faced a similar condition, except on a much larger scale, and has been busy spending $20,000,000 in the erection of new school buildings. New York has relatively worse conditions even than either Baltimore or Birmingham and is spending many millions on new buildings in order to accommodate children who are seeking an education. Similar conditions exist throughout the entire country. Public schools, private institutions of learning, colleges, and universities, are all overcrowded. In 1923 this country spent $1,100,000,000 on school buildings, or about one-fifth of our entire building outlay.

Every dollar expended for the erection of new school buildings is more productive than any dollar expended for the extension of railroads or the building of factories, in proportion as the raw materials of boyhood and girlhood are superior to the raw materials on which industries are built. In vain shall we seek to utilize our raw materials of iron and coal and copper and all the wide variety of things which enter into the manufacturing enterprises or into the building of railroads, if we fail to utilize to the largest possible extent the raw material in the youth of the land. And yet the advocates of the proposed amendment against the issuing of tax-exempt securities are claiming that the country is spending the money secured through the sale of such securities on "unproductive" enterprises, instead of putting it into what they call "productive" enterprises.

Though the proposed amendment has been defeated in the House, it is well to remember that if it ever should be adopted, every community in this country would find it more difficult to raise money for the building of schools, for the building of highways, the improvement of streets, and the construction of waterworks and sewerage systems.

Tax exemption enables communities and States to secure at a lower rate of interest the money needed for all of these enterprises than would be possible if this exemption privilege were abolished.

The argument that the money which States and communities are spending for municipal improvements, including schools, is unproductive as compared with the money expended for industrial and public-utility enterprises, is utterly without foundation. In effect it says that these material things are superior to the brain and the soul, which are developed by education, and also to the health which is maintained by better sanitary conditions and better streets. The money expended in this way is of all money the most profitable, yielding the largest results for the good of the people everywhere. But more than that, if the proposed amendment should be adopted it would add to the cost of every dollar of money loaned by the joint-stock land banks and the Federal loan banks to the farmers of the country. And if this amendment should ever be adopted by the country the Federal Government could then destroy the last vestige of State rights and hold a dominating power over every municipal and State improvement, over the building of schools and the development of highways and all kindred activities, whenever these in authority at Washington wanted to curb these activities in one section or advance them in another.

It is inconceivable to the Manufacturers' Record how the advocates of this amendment can be so easily misled by the cry that rich men are putting their money into tax-exempt securities. That argument is so specious and so begs the whole question as to be unworthy of consideration in the light of the evils that would be wrought by its adoption. Let us find some other way to make the rich man pay his share of taxation, and not cut off our nose to spite our face, even if the face has offended us.

Mr. FLETCHER. I have numerous other material, consisting of letters and articles and authorities in support of our contention that, in the first place, it would be unconstitutional to attempt to legislate in a way whereby the Federal Government would be given any power or authority to tax State securities or securities issued by authority of the States; but even a constitutional amendment that would accomplish that object would, in my judgment, be unwarranted and disastrous.

Mr. President, I hope before we are through that an effort will be made to reconsider the vote whereby we have to a certain extent, although to a less degree than was proposed by the House, in the provisions of this bill destroyed the tax-exempt features of farm-loan bonds. We have done that by the action taken to-day with respect to the amendment regarding the deduction of interest.

Mr. SIMMONS. Mr. President, I wish to say to the Senator that this proposition of the Senator from Pennsylvania contemplates taxing future issues, while the other amendment which we acted upon this evening, also sponsored by the Senator from Pennsylvania, contemplates reaching the interest upon bonds that have already been issued.

Mr. FLETCHER. Precisely. I am glad the Senator mentioned that; that is quite true. The effect of that vote was to undertake to tax bonds that are by law exempt from taxation to-day.

Mr. SIMMONS. Mr. President, I should like to say to the Senator that I know as a fact that a great many Senators, especially on the other side of the Chamber, voted for that proposition upon a misunderstanding.

Mr. FLETCHER. So I am advised. I hope a motion will be made to reconsider that vote, and I hope the Senate will refuse absolutely and stand firmly now and forever against opening the door whereby these farm-loan bonds may be taxed. Agriculture is getting the benefit of that feature in those bonds, and it was done for the purpose of aiding agriculture and meeting the agricultural needs of the country. This is simply the beginning of an attack which was launched against that feature of those bonds primarily by the land-mortgage bankers in the West, and we ought to reconsider that vote.

I do not want to take the time of the Senate unnecessarily, but I think what I have submitted here ought to go into the RECORD. I have not the slightest idea that the Senator from Pennsylvania will be able to get sufficient votes to put through his amendment.

Mr. BORAH. Mr. President, I do not know that I disagree with the Senator from Pennsylvania [Mr. REED] as to his policy or what he desires to accomplish. I should consider that more seriously if I thought the constitutional question were out of the way. I do not believe that it is within the power of the Congress to levy a tax upon State bonds, municipal bonds of the State, State instrumentalities of any kind, or the salaries of State officials.

As I view it, the sixteenth amendment did not change the taxing power of the National Government in any particular except to remove the necessity of apportionment. It conferred upon the National Government no power in addition to that which it already possessed; it made no change in the power of Congress, except that it enabled it to lay direct taxes without apportionment.

Prior to the adoption of the sixteenth amendment, so far as the provisions of the Constitution were concerned, the power of Congress to levy a tax was full and complete. As one of the decisions of the Supreme Court said, it was plenary and indefinite. Congress could lay a tax upon any property or any species of property, provided it was apportioned; and the lack of power to tax State bonds and State instrumentalities did not arise by reason of any limitation in the Constitution of itself, but, as Marshall said, in effect, it arose out of the proposition that we have two sovereignties, and that the full and complete power conferred upon Congress must always have subtracted from it the fact that one sovereignty can not tax another sovereignty or the instrumentalities of another sovereignty.

Mr. WALSH of Montana. Mr. President——

Mr. BORAH. I yield.

Mr. WALSH of Montana. I do not recall, but the Senator from Idaho doubtless will, whether there was any discussion in either House of Congress in connection with the adoption of the joint resolution out of which the sixteenth amendment grew of the necessity or the desirability of having an amendment to the Constitution under which the Federal Government could tax State securities.

Mr. BORAH. No, Mr. President; I do not recall that upon the floor of the Senate or the floor of the House there was any urging of any desire or necessity for taxing State instrumentalities; and no one contended, so far as I recall, that that was what they were seeking to do or desired to do. I do wish to say, however, that after the sixteenth amendment passed the Congress and went to the States the then Governor of the State of New York, Mr. Hughes, sent a message to the legislature against ratification, and in that message he said:

> I am in favor of conferring upon the Federal Government the power to lay and collect an income tax without apportionment among the States according to population * * *. But the power to tax incomes should not be granted in such terms as to subject to Federal taxation the incomes derived from bonds issued by the State itself or those issued by municipal governments organized under the State's authority * * *. You are called upon to deal with a specific proposal to amend the Constitution * * *. This proposal is that the Federal Government shall have the power to lay and collect taxes on incomes "from whatever source derived."

And the governor of the State, Mr. Hughes, advised against the ratification of the amendment because, in his opinion, the language "from whatever source derived" might enable the National Government to tax State bonds, and so forth.

That gave rise immediately to a discussion here upon the floor and elsewhere as to the power which was conferred upon the National Government by reason of the sixteenth amendment; and very generally, I think, it was contended that it did not confer any such power as the governor claimed. His State legislature went ahead and ratified it, notwithstanding the views expressed.

I discussed the subject myself in the Senate in answer to Governor Hughes's contention upon the 10th day of February, 1910; and that led to an extended debate upon the subject, but that debate took place after the amendment was submitted. However, the authors of the amendment, those who drew the amendment, expressed themselves as to what they had in mind; and I think those who desire to consult those who drew the amendment will find that they did not contemplate granting any additional power to the National Government. The sole object in mind was to eliminate the necessity of apportionment with reference to a direct tax.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield for a question?

Mr. BORAH. Yes.

Mr. REED of Pennsylvania. In saying that the authors of the amendment did not adopt the construction for which I have been speaking, the Senator must have forgotten what was said at that time by Senator Brown, who was the proponent of the income-tax resolution.

Mr. BORAH. Yes; but I do not think he drew the amendment.

Mr. REED of Pennsylvania. It was he who introduced it; was it not?

Mr. BORAH. Yes; but he did not draw the amendment.

Mr. REED of Pennsylvania. Does the Senator know who did draw it?

Mr. BORAH. Yes.

Mr. OVERMAN. My recollection is that the Senator from Idaho drew it.

Mr. REED of Pennsylvania. Would the Senator mind telling us who did draw the amendment?

Mr. BORAH. I think perhaps the party most responsible for it was Attorney General Wickersham. There were others who had a part.

Mr. REED of Pennsylvania. Can the Senator tell us whether he drew it with or without the words "from whatever source derived"?

Mr. BORAH. My understanding is that he drew it with those words incorporated. I am speaking, however, from memory, which runs back over more than 10 years, and, of course, I would not want to quote a man going back that far; but I am satisfied that if the Senator will communicate with Attorney General Wickersham he will find that I am not in error.

Mr. REED of Pennsylvania. Mr. President, the amendment as introduced did not have those words in it. They were added in the Finance Committee. I wondered if the omission was Mr. Wickersham's or whether the addition was the Finance Committee's.

Mr. COPELAND. Mr. President——

Mr. BORAH. I yield to the Senator from New York.

Mr. COPELAND. I simply want to say that Mr. Wickersham told me that he wrote the amendment, and his view is the same as that held by the Senator from Idaho. I say that rather reluctantly, because I wanted him to give a different opinion in the matter.

Mr. BORAH. I want to quote from two or three decisions of the Supreme Court as to the power of Congress prior to the adoption of the sixteenth amendment.

The court a number of times said that the only limitation upon the power of Congress was that of apportionment.

In the case of Pacific Co. *v.* Soule (7 Wallace, p. 433) the court said:

> The taxing power is given in the most comprehensive terms. The only limitations imposed are that direct taxes, including the capitation tax, shall be apportioned; that duties, imposts, and excises shall be uniform, and no duty shall be imposed upon articles exported from any State. With these exceptions the exercise of the power is in all respects unfettered.

Again, in the case of Veazie *v.* Fenno (8 Wallace), the court says:

> Nothing is clearer from the discussions in the convention and the discussions which preceded final ratification by the necessary number of States than the purpose to give this power (to levy taxes) to Congress as to the taxation of everything except exports in its fullest extent. * * * More comprehensive words could not have been used. * * * The words used certainly describe the whole power, and it was the intention of the convention that the whole power should be conferred.

The words "from whatever source derived" did not add one particle of power to Congress. In other words, if the Constitution had said that "the Congress shall have power to levy a tax upon incomes," it would have had the same fullness of power that it has when it says "from whatever source derived," because if you could lay a tax upon incomes, and there was no limitation, you could lay it upon any income that the National Government could find; and the words "from whatever source derived," so far as constitutional power is concerned, were purely superfluous.

Again Mr. Pomeroy says:

> Because the Nation is thus paramount its taxing power is supreme; it may be applied to all subjects; it may be exerted upon all individuals, and upon every species of property.

Chief Justice Marshall, when he came to deal with this question, was unable to find any limitation in the provisions of the Constitution prohibiting or restraining the National Government from levying a tax upon State instrumentalities, but this is the language which the Chief Justice used:

> There is no express provision [of the Constitution] for the case, but the claim—

That is, that these bonds are exempt from taxation—

> has been sustained on a principle which so entirely pervades the Constitution, is so intermixed with the materials which compose it, so interwoven with its web, so blended with its texture as to be incapable of being separated from it without rending it into shreds.

In other words, as I said a moment ago, while the national sovereignty was given unfettered and unlimited power to tax, as Marshall said in the McCulloch case, you must nevertheless

take into consideration the fact that here are two sovereignties, and the full and plenary power given to the national sovereignty must at all times take into consideration the fact that under our dual system of government one sovereignty can not tax the other sovereignty, because the power to tax is the power to destroy, and such a course would place in the hands of one sovereignty the power to destroy the other sovereignty.

Mr. Hare, in the discussion of the Constitution, says:

> The taxing power of the United States is subject to an implied restraint arising from the existence of the powers in the State which are obviously intended to be beyond the control of the General Government.

Tucker, in his constitutional discussions, says:

> This clause with reference to taxation is without any express restriction except that already referred to and explained—uniformity and apportionment and exports in the State. Despite this it has been decided that the United States can not tax the salary of a State officer or a State municipal corporation or process of State courts or a railroad owned by a State. This decision rests upon the strong ground that the power of Congress—even under this full grant as contained in the language of the Constitution—to pass a tax law is restricted to a law which is necessary and proper to carry its taxing power into effect; and as taxation of a State franchise by the Federal Government is an infringement upon the reserve power and autonomy of the State, and as the power to tax without limitation is the power to destroy, execution by the United States of a power which involves the total destruction of State functions was not only not proper but radically improper.

I cite one more authority, and then I will not detain the Senate with a long list of the authorities which might be cited. In the case of Collector *v.* Day (11 Wallace), the court said:

> Such being the separate and independent condition of the States in our complex system as recognized by the Constitution and the existence of which is so indispensable that without them the General Government itself would depart from the family of nations, it would seem to follow as a reasonable if not a necessary consequence that the means and instrumentalities employed for carrying on the operations of their government, or preserving their existence and fulfilling the high and responsible positions assigned to them in the Constitution should be left free and unimpaired, should not be liable to be crippled by the taxing power of another government, which power acknowledges no limits but the will of the legislative body imposing the tax. * * * In respect to the reserve powers the State is as sovereign and independent as the General Government.

Then it said:

> It is admitted there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of a State, nor is there any prohibiting the State from taxing the means and instrumentalities of the Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation, as any government whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government.

So, Mr. President, the sixteenth amendment conferred no additional power upon the National Government. It took away the necessity of apportionment. It had the full power and the complete power to levy a tax upon incomes from whatever source derived prior to that time, the same as it has now. Under the act of 1864 the Congress specifically undertook to levy a tax upon incomes from State bonds, and while the Supreme Court sustained the law of 1864, as it levied upon all other kinds of income, it held specifically that owing to the limitation upon one of the sovereignties levying a tax upon another, it could not levy a tax upon State bonds.

The same question practically arose in the Pollock case. There was an effort in the Pollock case to levy a tax upon incomes, some of which came from State bonds. In the Pollock case the income tax law of 1894 was involved. The statute of 1894 had incorporated in it almost the identical language which is found in this amendment, to wit, "from whatever source derived," covering property of every kind, and incomes from whatever source. The law was passed upon in the light of the general taxing power of Congress.

It was brought to the attention of the court that included in some of the incomes was income from State bonds. There were two things upon which the court in the Pollock case were not divided: First, that there was no limitation upon the power of Congress as contained in the clause of the Constitution construed as to what kind of property could be taxed and what should not. The entire court agreed in the Pollock case that there was no limitation upon the power of Congress to levy this tax so far as the provisions of the Constitution were concerned.

The second proposition was that, notwithstanding the full power conferred upon Congress, it could not pass an act which would tax the salaries of State officers or municipal or State bonds. Then they proceeded to say that the reason why Congress could not do so was not by reason of any limitation of power in the Constitution, but because, as Marshall said, here are two sovereignties, one of which can not tax the other, and all provisions of the Constitution must be construed at all times as conferring power to do that which is within the sovereign power of the particular sovereign to do, and not to interfere with the sovereign power of another Government.

I undertake to say that we can no more levy a tax upon the State instrumentalities and State bonds than we could levy a tax upon property in Canada, because it is a part of the sovereignty of a distinct sovereign from that which is levying the tax.

Mr. President, I ask to have incorporated in the RECORD in connection with my remarks the remarks which I made in the Senate on the 10th of February, 1910, when the Senate had under consideration a proposed amendment along this line.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SPEECH OF HON. WILLIAM E. BORAH, OF IDAHO, IN THE SENATE OF THE UNITED STATES, FEBRUARY 10, 1910

The Senate having under consideration a resolution submitted by Mr. BORAH on the 8th instant, as follows:

> "*Resolved*, That the Committee on the Judiciary be, and is hereby, directed to report to the Senate as early as may be practicable whether, in the opinion of the committee, the proposed amendment to the Constitution of the United States, as submitted to the States for ratification at the special session, would, if adopted, authorize Congress to lay a tax upon incomes derived from State bonds and other municipal securities, or would authorize Congress to tax the instrumentalities or means and property of the State or the salary of State officers"—

Mr. BORAH. Mr. President, a few weeks ago one of our most distinguished and justly celebrated of public men, Governor Hughes, of New York, sent a message to the New York Legislature recommending against the ratification of the proposed amendment to the Constitution providing for levying an income tax without apportionment. It has been assumed by the public press since the message of the governor that it would be impossible, in view of his declaration, to secure the enactment of the amendment. So firm a hold has the Governor of New York upon the public mind and so high is the esteem in which he is held as a lawyer that it was regarded as in a nature conclusive against the amendment. After some considerable consideration of the matter it occurs to me that there are at least two sides to the controversy, and, in my own opinion, the grounds stated for the rejection are not such as should prevail against the amendment. The governor stated in his message as follows:

> "I am in favor of conferring upon the Federal Government the power to lay and collect an income tax without apportionment among the States according to population * * *. But the power to tax incomes should not be granted in such terms as to subject to Federal taxation the incomes derived from bonds issued by the State itself or those issued by municipal governments organized under the State's authority * * *. You are called upon to deal with a specific proposal to amend the Constitution * * *. This proposal is that the Federal Government shall have the power to lay and collect taxes on incomes '*from whatever source derived*.'"

The contention of the governor being that if this proposed amendment should be adopted it would confer upon the Government the power to levy an income tax upon incomes derived from State and municipal bonds; and it would follow, although he does not so state, as a matter of logic and a matter of law, that it would confer the power to levy an income tax upon the salaries of State officers, executive, judicial, and legislative. In other words, the position of the governor is that it would confer upon the National Government the power to tax the instrumentalities and means of State government, and for that reason he opposes it.

It is curious to observe, Mr. President, that this is precisely the same objection that was urged to the language contained in the taxing power of the National Constitution at the time of its submission to the 13 States for ratification. It was contended upon the part of those who opposed its adoption that the language of the National Constitution was such as to enable the National Government to impose a tax upon the instrumentalities and means of State governments, to thereby embarrass the State governments, and in the end to practically destroy them as independent and separate sovereignties. The argument was based in those days upon the plenary power which was given to the National Government to tax, it being contended that the language conveyed power to tax all property of whatever kind or from what-

ever source derived, and that this would give the power to tax the instrumentalities and means of the State.

When Mr. Hamilton came to answer that argument in his Federalist articles he did not recede from the proposition that full power had been given to the Federal Government to tax. He stated that the power of the Federal Government to tax was without limit, unqualified, plenary, and that it should be so; that it was intended to be so; and that that was the only reasonable construction which could be placed upon it. He gave his reasons in the following statement, quoting from the thirty-first number of the Federalist:

"A government ought to contain in itself every power requisite to the full accomplishment of the objects committed to its care and to the complete execution of the trusts for which it is responsible, free from every other control but a regard to the public good and to the sense of the people.

"As the duties of superintending the national defense and of securing the public peace against foreign or domestic violence involve a provision for casualties and dangers to which no possible limits can be assigned, the power of making that provision ought to know no other bounds than the exigencies of the Nation and the resources of the community.

"As revenue is the essential engine by which the means of answering the national exigencies must be procured, the power of procuring that article in its full extent must necessarily be comprehended in that of providing for those exigencies.

"As theory and practice conspire to prove that the power of procuring revenue is unavailing when exercised over the States in their collective capacities, the Federal Government must of necessity be invested with an unqualified power of taxation in the ordinary modes."

I am not going to assume that the effect of this tax would be any other than that which Governor Hughes suggests. For the purpose of the remarks I propose to make to-day I shall assume that it would have the effect for which it is contended without discussing that question.

The amendment which has been submitted reads as follows:

"Congress shall have power to lay and collect taxes on incomes from whatever source derived without apportionment among the several States and without regard to any census or enumeration."

The words upon which the governor lays stress are "from whatever source derived," he believing them to include incomes from the sources I have suggested.

I submit for the consideration of the Senate, first, that this amendment, if adopted, will add nothing to the power of the National Government to lay and collect taxes in the way of power; that the power of the National Government at the present time, as I have said, is full, complete, unlimited, and unfettered, save as to exports from the States, which has nothing to do with the argument here.

It is true that there are two rules with reference to the manner in which the Congress shall exercise the power—that of uniformity and that of apportionment—but as to the power itself, putting aside for the moment the manner of its exercise, I submit that the power is at the present time vested in Congress without any limitation, unfettered in every sense of the term.

Secondly, I invite the attention of the Senate to the proposition that the words "from whatever source derived" add nothing to the force or strength of the amendment itself. When the Constitution says that the Congress shall have power to lay and collect taxes, it conveys all the power that it would convey if it said "shall have power to lay and collect taxes upon property from whatever source derived." If we should have said in this amendment that Congress shall have power to lay and collect taxes upon incomes without apportionment, it would necessarily, in constitutional parlance, include all incomes of whatever nature or from whatever source derived.

I reason from this basis: We find in the Constitution at the present time this power that Congress shall have power to lay and collect taxes, and the court has held that it includes taxes upon all kinds of property and from whatever source it may be derived. Therefore the adding of the words "from whatever source derived" does not amplify the power conferred or make it mean any other than it would mean if the words had been entirely omitted from the amendment.

Third, the amendment did not deal, does not purport to deal, and was not intended to deal with the question of power. It intended to deal and does deal, alone with the manner of exercising that power which is already complete, that which is already without any limit. The sole obstacle to be removed by those who sought to change the Constitution was that of apportionment. No one has ever contended that it was not within the power of Congress to lay a tax upon incomes. That power has belonged to Congress from its organization, under the original taxing power of Congress. Whether apportioned or unapportioned was a matter of discussion and concerning which courts and lawyers differed; but the power to impose an income tax upon all property, "from whatever source derived," was never doubted, so far as I know, by either court or lawyers in this country.

As a basis, therefore, of my argument to-day I desire to show that the power of Congress to tax is at the present time unlimited and has been so construed; that, so far as express provisions of the Constitution are concerned, there is no reason why we could not impose a tax upon State bonds and municipal bonds or upon the salaries of State officers at the present time. If the governor were asked why we do not impose a tax upon State bonds at the present time, to what provision of the Constitution would he direct our attention? If the governor were asked what limitation is there upon the taxing power of Congress, to what provision of the Constitution or language therein would he direct our attention?

If the governor were asked upon what principle the Supreme Court has held that you can not tax the instrumentalities of the State, to what principle would he direct our attention? If he were asked what change is being made by this amendment in that principle upon which the court has held that you can not tax the income from State bonds, what change could he possibly suggest?

In other words, Mr. President, the principles upon which the Supreme Court has held that notwithstanding the completeness of the taxing power now in Congress you can not tax the instrumentalities of a State are principles which are imbedded in, interwoven with, and a part of the texture of the whole instrument, are in no sense changed by this amendment, nor could they be by any words which are contained in it.

The Supreme Court of the United States, in Pacific Co. v. Soule (7 Wallace, p. 433), said:

"The taxing power is given in the most comprehensive terms. The only limitations imposed are that direct taxes, including the capitation tax, shall be apportioned; that duties, imposts, and excises shall be uniform, and no duty shall be imposed upon articles exported from any State. With these *exceptions*"—

That is, uniformity and apportionment and exports from States—

"*the exercise of the power is in all respects unfettered.*"

It will be conceded that the question of exports is not involved in this controversy, and can not be. Then, if we apportion an income tax at this time, under what prohibition or limitation of the Constitution are we inhibited from laying it upon State bonds? I ask that question so as to disclose more fully as I proceed that the reasoning is based upon principles which are not affected by this amendment, and which can not possibly be so, because of the language employed.

Again the Supreme Court said in Veazie v. Fenno (8 Wallace):

"Nothing is clearer from the discussions in the convention and the discussions which preceded final ratification by the necessary number of States than the purpose to give this power [to levy taxes] to Congress as to the taxation of everything except exports in its fullest extent. * * * More comprehensive words could not have been used. * * * The words used certainly describe the whole power, and it was the intention of the convention that the whole power should be conferred."

In Mr. Pomeroy's work on the Constitution, volume 1, page 188, he says:

"Because the Nation is thus paramount its taxing power is supreme; it may be applied to all subjects; it may be exerted upon all individuals, and upon every species of property."

That is the announcement by a constitutional writer of the principle which has been embedded in the decisions of the Supreme Court of the United States from the time the great Chief Justice Marshall first took hold of the taxing clause and construed it. Yea, more, it has been a part and parcel of the accepted jurisprudence of this country since Alexander Hamilton interpreted the Constitution in the articles known as the "Federalist."

I ask, if to-day under the present taxing clause of the Constitution we can tax all property of whatever species, from whatever source derived, what inhibition is there against our taxing every State bond of the State of New York and the municipal bonds of New York at the present time, so far as the provision of the Constitution is concerned? Certainly no one will contend that the present taxing clause is not full enough to cover all property, of whatever kind and from whatever source derived.

It has always been so construed. If it were to be construed alone, it would undoubtedly be sufficient to enable us to tax State bonds. But it can not be construed standing alone; neither could this amendment. The rules of construction which control this present unlimited taxing clause would control in the same way and for precisely the same reasons the proposed amendment.

In the case of Nichol v. Ames (173 U. S. p. 515) the Supreme Court said:

"It [Congress] has power from that instrument [the Constitution] to lay and collect taxes, duties, imposts, and excises in order to pay the debts and provide for the common defense and general welfare, and the only constitutional restraint upon the power is that all duties, imposts, and excises shall be uniform throughout the United States, and that no capitation or other direct tax shall be laid unless in proportion to the census or enumeration directed to be taken, and no tax or duty can be laid on articles exported from any State. Thus guarded, the whole power of taxation rests with Congress."

Again, in Bank v. Billings (4 Pet. p. 514), Chief Justice Marshall said:

"The power of legislation and, consequently, of taxation operates on all persons and property belonging to the body politic."

Mr. Hamilton, in his Report on Manufactures, said:

"The National Legislature has express authority to lay and collect taxes, duties, imposts, and excises; to pay the debts and provide for the common defense and general welfare, with no other qualifications than that all duties, imposts, and excises shall be uniform throughout the United States; that no capitation or other direct tax shall be laid unless in proportion to numbers ascertained by a census or enumeration taken on the principle prescribed in the Constitution; and that no tax or duty shall be laid on articles exported from any State. These three qualifications excepted, the power to raise money is *plenary* and *indefinite*."

Thus the whole power of taxation rests with Congress. When you exclude exports from States and conform to the rule of uniformity and of apportionment, there is no limitation upon the taxing power of the National Government as it exists at the present time. I submit that it would be difficult to find language which would convey more than the full and complete power which is now conferred by the Constitution.

I say, therefore, that already Congress is given absolute power; and if the reasoning of the distinguished governor were correct, the language being full and complete, conveying all power, we could tax State bonds and municipal securities and State salaries at the present time.

But there is another controlling reason why we can not do so, which reason is omitted in the message and which is not affected by this amendment in any manner. The first time the question arose as to power of one sovereignty to tax the means or instrumentalities of another sovereignty was in the case of McCulloch v. Maryland. In that case, as all lawyers well remember, there was an attempt on the part of the State of Maryland to tax the stock of the United States Bank. The United States Bank having been organized as an instrumentality of the National Government to carry out certain functions of granted power, it was held that it was not a taxable article. In that case Chief Justice Marshall considered this question and gave us the basis upon which has been built the entire structure of law which prevents one nationality from taxing the instrumentalities and means of another.

In the first place, it was admitted by the Chief Justice that there was no provision of the Constitution which controlled the subject matter. It was stated by the Chief Justice that there was neither any limitation nor grant of power which prevented the States from taxing the instrumentalities of the National Government, and he stated in his decision that, therefore, the taxing power of the National Government being complete, the inhibition had to be found somewhere other than that of the taxing clause itself. He said, in McCulloch v. Maryland (4 Wheat.):

"There is no express provision (of the Constitution) for the case, but the claim—

That is, the exemption from taxation—

"has been sustained on a principle which so entirely pervades the Constitution, is so intermixed with the materials which compose it, so interwoven with its web, so blended with its texture, as to be incapable of being separated from it without rending it into shreds."

Upon what principle, stated a little more fully but never more comprehensively, did the Chief Justice argue that you could not tax the instrumentalities of government? Upon the theory that the Constitution as a whole created two separate and distinct sovereignties independent of each other in their specific and reserved powers, and that however full the grant of power of taxation might be in the Constitution, there must always be subtracted from that power the right of the different sovereignties to perform their functions as such. In other words, said the Chief Justice, to construe it otherwise would be to rend the whole fabric into shreds.

It was not, therefore, because of the fact that the taxing clause of the Constitution had any limitations, either express or implied, in its language; it was not because the language failed to convey all the power of the National Government to tax, but because of the universal rule that every component part of the Constitution must be construed in the light of every other part of it, and that it all must be construed as a whole in the light of the designs and purposes and objects to be accomplished when the instrument was written.

Those designs and purposes were to create a National Government in its own sphere, independent and separate and distinct from the State governments, and to create the State sovereignties, which in their reserved powers are separate, distinct, and independent of the National Government.

There is one thing that we overlook in arguing this question, and it seems to me to be the vice of the distinguished governor's argument. It is that the State governments, in their separate and independent sovereignties, in their reserved powers, are just as much beyond the jurisdiction and control of the National Government as the National Government in its sovereignty is beyond the control and jurisdiction of the State governments.

In a later case, in Railroad Co. v. Peniston (18 Wallace, p. 31), the Supreme Court said:

"The States are, and they must ever be, coexistent with the National Government. Neither may destroy the other. Hence the Federal Constitution must receive a practical construction. Its limitations and its implied prohibitions must not be extended so far as to destroy the necessary powers of the State or prevent their efficient exercise."

Again, the court, in United States v. Ry. Co. (17 Wall. 327), said:

"The right of the States to administer their own affairs, through their legislative, executive, and judicial departments, in their own manner, through their own agencies, is conceded by the uniform decisions of this court and by the practice of the Federal Government from its organization. This carries with it an exemption of those agencies and instruments from the taxing power of the Federal Government."

I call attention also to the following citations and authorities, all bearing out the same line of reasoning:

"The taxing power of the United States is subject to an implied restraint arising from the existence of the powers in the State which are obviously intended to be beyond the control of the General Government. (Hare on the Constitution, vol. 1, p. 265.)

"This clause with reference to taxation is without any express restriction except that already referred to and explained—uniformity and apportionment and exports in the State. Despite this, it has been decided that the United States can not tax the salary of a State officer or a State municipal corporation or process of State courts or a railroad owned by a State. This decision rests upon the strong ground that the power of Congress—even under this full grant as contained in the language of the Constitution—to pass a tax law is restricted to a law which is necessary and proper to carry its taxing power into effect; and as taxation of a State franchise by the Federal Government is an infringement upon the reserve power and autonomy of the State, and as the power to tax without limitation is the power to destroy, execution by the United States of a power which involves the total destruction of State functions was not only not proper but radically improper." (Tucker.)

The revenue act of 1898 (United States v. Owen, 100 Fed. Rep. 70) provided that a stamp tax of 50 cents should be imposed upon "all bonds of any description except such as may be required in legal proceedings not otherwise provided for in this section." It was held that a tax could not be required upon a saloon keeper's bond required by the statutes of the State, notwithstanding this law. The court said:

"These cases establish the principle that the great law of self-preservation, the inherent attribute of sovereignty, exempts any and all means and instrumentalities of State government from Federal taxation."

Rules of construction, from Mr. Story:

"1. The first and fundamental rule in the interpretation of all instruments is to construe them according to the sense of the instrument and the intention of the parties.

"2. There may be obscurity as to the meaning from the doubtful character of the words used, from other clauses in the same instrument, or from inaccuracy or repugnancy between the words and the apparent intention derived from the whole structure of the instrument or its avowed object.

"3. In construing the Constitution of the United States, we are in the first instance to consider what are its nature and objects, its scope and design as apparent from the structure of the instrument viewed as a whole and also viewed in its component parts.

I desire especially to call attention to the language in the case of Collector v. Day. This is the case where the question first arose as to the power of the National Government to tax the instrumentalities of the State. The case of McCulloch was a case where the State was undertaking to tax the national instrumentalities. This was where the National Government undertook to tax the State instrumentalities; and the argument upon which the court rests its conclusion controls this proposition clearly and distinctly in the face of any language contained in this amendment. The court said in Collector v. Day (11 Wallace):

"Such being the separate and independent condition of the States in our complex system as recognized by the Constitution, and the existence of which is so indispensable that without them the General Government itself would depart from the family of nations, it would seem to follow as a reasonable if not a necessary consequence that the means and instrumentalities employed for carrying on the operations of their Government, for preserving their existence, and fulfilling the high and responsible positions assigned to them in the Constitution should be left free and unim-

paired, should not be liable to be crippled by the taxing power of another government, which power acknowledges no limits but the will of the legislative body imposing the tax. * * * In respect to the reserve powers the State is as sovereign and independent as the General Government."

We are discussing now the question of taxing the State means.

"*It is admitted there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of a State, nor is there any prohibiting the State from taxing the means and instrumentalities of the Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation, as any government whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government.*"

What were the conditions under which this decision was rendered, and what were the facts? In the first place, Congress had passed a statute specifically covering the salaries of all officers. Congress had passed the act under a power in the Constitution which had been held, and was held in that case, to be without limitation.

We have, therefore, the lawmaking body of the Government exercising the power conferred upon it by the Constitution to tax property of all kinds, and from whatever sources, specifically taxing, in so many words, the property which was exempted by the decision of the court, and not exempted because the language of the Constitution failed to cover the property, not exempted because the court found somewhere in the language a lack of power to put a tax upon this particular kind of property, but exempted for the reason, as said by the court in practically so many words, that there must be subtracted from this unlimited power the right of the State government to exist and perform its functions.

That being true, when we should have this amendment adopted, what would we have? We would have the unlimited power of the National Government to tax still unimpaired. We will assume that it does convey all the power to the Government that could be conveyed for the purpose of taxing, nevertheless we would fall back upon the principles enunciated in the McCulloch case and in Collector v. Day, upon the principle that it is not within the jurisidiction of the National Government to exercise control over the State functions or the functions of a separate and individual sovereignty; that unlimited power to tax covering property or incomes from whatever source derived will never be construed, so long as we have an indestructible union of indestructible States, so as to embarrass or destroy each other. The fullest taxing power must be construed in the light of the objects, designs, purposes, and schemes of the Constitution as a whole.

But it seems to me that this question has been even more definitely determined and decided. The income tax law of 1864 specifically provided for the laying of a tax upon salaries, also to tax incomes derived from any kind of property. The language was quite as broad and comprehensive as the language of the proposed amendment in which we are at present interested. The Supreme Court held unanimously that this income tax of 1864 was constitutional, and it said over and over again that there was positively no limitation upon the power of the National Government to tax; that all property was subject to taxation. So under this constitutional power to tax everything, Congress passes an act specifically taxing salaries and property from whatever source derived.

Now, if the constitutional provision was unfettered, and Congress, under this unfettered power, specifically laid a tax upon salaries and incomes from whatever source derived, were they not in as strong a position to assert the right to tax State officers' salaries as they would be were this amendment passed? Yet, notwithstanding this express provision of Congress under this full taxing power of the Constitution, it was held that you could not tax the State instrumentalities. In other words, that while the language was unequivocal and unambiguous and the power was unquestioned, so far as the taxing provision alone was concerned, such provision and such act of Congress must be construed in the light of the fact that we are a dual Government.

The internal revenue act of 1864 also provided that no instrument or document should be admitted into any court until the requisite stamps should be affixed. The term "any court" covered all courts, and it was quite clear that the lawmakers intended it to apply to all courts. Notwithstanding the language of the statute, notwithstanding its broad and comprehensive language, it was construed in the light of relationship between the State and the National Government and it was held this could not apply to State courts. (Carpenter v. Snelling, 97 Mass. 457; Green v. Holway, 101 Mass. 243; Barber v. Gale, 43 N. Y. 40; Bank v. Hill, 43 Tenn. 325.)

But, Mr. President, it seems to me that the question has been brought nearer to the present hour and more definitely presented in the famous Pollock case itself. We remember that in the Pollock case the income tax law of 1894 was involved. The statute of 1894 had incorporated in it almost the identical language which is found in this amendment, covering property of whatever kind and incomes from property of whatever kind.

That law was passed upon in the light of the general taxing power of Congress. It was brought to the attention of the court that included in some of the incomes was income from State bonds. There were two things upon which the court in that case was not divided. The first was that there was no limitation upon the power of Congress, as contained in the clause of the Constitution, as to what kind of property should be taxed and what should not.

On the first proposition it was held that the power was unlimited. The second proposition was that, notwithstanding that fact, Congress could not pass an act which would cover the incomes derived from State bonds or salaries of State officers. I desire to read a quotation from both the affirmative and the dissenting opinion. Mr. Fuller, Chief Justice, said in the Pollock case:

"The power of Congress to tax is a very extensive power. It is given in the Constitution with only one exception and only two qualifications. Congress can not tax exports, and it must impose direct taxes by the rule of apportionment and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject and may be exercised at discretion."

Mr. Justice White said:

"The words 'duties, imposts, and excises,' in connection with the reference to direct taxes, adequately convey the power of taxation to the Federal Government. * * * It is unquestioned that the provisions of the Constitution vest in the United States plenary powers of taxation; that is, all powers which belong to the Government as such, except that of taxing exports. * * * In deciding, then, the question of whether the income tax violates the Constitution, we have to determine not the existence of a power, but whether an admittedly unlimited power to tax—the income tax not being a tax on exports—has been used according to the instruction as to method. Not power, it must be borne in mind, but the manner of its use is the only issue presented in this case."

The basis of the court's opinion rested upon the proposition that there was an admittedly unlimited power, and under this unlimited power Congress had passed an act covering this specific kind of property. It would be interesting to go back and read the act of 1894 to observe with what fullness the statute covers the same kind of property which we are seeking here to tax; and yet, notwithstanding the fact that the court started in on its reasoning upon the basis that there was no limit in Congress to tax, and that Congress had under its full power exercised its privilege to tax, it fell back to the case of Collector against Day, and argued that you could not construe a component part of the Constitution in disregard of the instrument as a whole. Without repeating here what I have said, the court adopted and accepted to its full extent the reasoning in the case of Collector against Day and again announced that the doctrine must prevail that one sovereignty could not interfere with the instrumentalities of another.

In other words, Mr. President, when this amendment says "from whatever source derived," that must be a source within the jurisdiction and taxing power of the nationality which lays the tax.

I undertake to say, without fear of successful contradiction from the authorities, that the National Government has no more jurisdiction as a governmental fact over the functions of a State government than it has over the property across the line in Canada as a territorial fact. They are not within its power or control. Until we revise the Constitution as a whole, take the instrument up and revise it and definitely announce that these separate and independent sovereignties are no longer to be so, no court will ever hold that you can interpret the taxing clause of the Constitution so as to destroy those sovereignties. As Judge Nelson said in one case:

"The General Government and the States, although both exist within the same territorial limits, are separate and distinct sovereignties, acting separately and independently of each other within their respective spheres. The former in its appropriate sphere is supreme. But the States within the limit of their power as granted, or in the language of the tenth amendment preserved, are as independent of the General Government as that Government within its sphere is independent of the States."

And again he says:

"In respect to the reserve powers the State is as sovereign and independent as the General Government."

Justice Brewer in a noted case said:

"The States are in many respects sovereign and independent."

Chief Justice Marshall, in laying down the rule of taxation in the case to which I have already called attention, says in another part of the decision:

"All subjects over which the sovereign power of a State extends are objects of taxation. But those over which it does not extend are, upon the soundest principles, exempt from taxation. This proposition may almost be pronounced self-evident. Sovereignty

of a State extends to everything which exists by its own authority or is introduced by its permission; but does it extend to those means which are employed by Congress to carry into execution the powers conferred on that body by the people of the United States. We think it demonstrable that it does not."

Take this ruling of the Chief Justice, which has been repeated in substance and in principle so often since, put it down by the side of the proposed amendment to the Constitution, and construe that amendment in the light of that principle, that only those things over which each sovereignty has jurisdiction and control are subject to taxation, what possible fear can there arise in the mind of any man that the Supreme Court will say that out of the words "from whatever source derived" comes the power to do as Marshall said, "rend the whole fabric into shreds"?

These words must always be construed in the light of these principles; that is, as expressing authority which belongs to the jurisdiction which undertakes to lay the tax.

In conclusion, on this phase of the subject, I submit:

First. That the proposed amendment adds nothing to the taxing power of the National Government. This power was complete, unfettered, plenary before. It can be no more than that should this proposed amendment be adopted.

Second. The proposed amendment does not deal or purport to deal with the question of power which is already complete, but simply with the manner and method of exercising and using that power.

Third. No one has ever questioned the power of the National Government to lay an income tax, for, as was held by Justice White, the question has always been "whether an admittedly unlimited power to tax has been established according to the instruction as to the method," and it was to remedy the method alone that the amendment was submitted.

Fourth. The words "from whatever source" add nothing to the force of the amendment. It would, in constitutional parlance, be just the same if it said "to lay and collect taxes on incomes without apportionment," for who could then say that you would not have the right to lay taxes upon all incomes? The present taxing power would not be a particle stronger if it stated "to lay and collect taxes upon all property from whatever source."

Fifth. To construe the proposed amendment so as to enable us to tax the instrumentalities of the State would do violence to the rules laid down by the Supreme Court for a hundred years, wrench the whole Constitution from its harmonious proportions, and destroy the object and purpose for which the whole instrument was framed.

Sixth. To construe it to cover those incomes from sources within the jurisdiction and control of the sovereignty laying the tax is to construe it in harmony with the principles given us by Marshall and followed from that hour to this.

Mr. President, the history of the income tax since 1894 has not been one which any citizen can recite with pride. For nearly 100 years the construction of the Constitution as established by the men who helped to write it had received the approval of an undivided court time and time again. During that period there sat upon the bench of the Supreme Court some of the greatest lawyers of that or any other period of this or any other country.

During that period wealth had not become so domineering and so powerful and so determined to have its own way. During that period this Government had the power to impose the burdens and expenses of government upon consumption and upon all forms of wealth, and we did so. In 1894–95 these precedents were overturned. This Constitution received a construction unknown to its makers. In the face of two powerful dissenting opinions, assented to by two other judges, the startling and astounding doctrine was announced that the framers of the Republic had made it impossible to levy a tax upon some forms of wealth even in time of war; that the builders of this Government had made it impossible to dispose and divide the burden of government between consumption and the different forms of wealth. At the last session we were called upon to express our assent to that interpretation of the Constitution, by express act to declare our acceptance of it. Under majority rule there was submitted this amendment to cover and eliminate that supposed hideous defect in the fundamental law.

Now, Mr. President, the scheme and plan is to defeat that amendment. Having, as a legislative body, solemnly declared our acceptance of this construction of the Constitution, thereby making it practically impossible to again appeal to the courts, if this amendment can now be defeated this Government of the people, for the people, and by the people will stand alone among all the civilized nations of the earth shorn of the power to divide the burden of government between consumption and the different forms of wealth. This is the scheme and the plan; and, unfortunately, the great Governor of New York has given much aid and comfort to the cause by reason of his high standing among the people of the country.

Mr. President, no one ever saw this country in just the condition in which it is to-day. Never since this Government was launched has there been such a universally restless spirit among the masses of the people, such persistent inquiries, such ugly questioning. No part of the Government seems above challenge or criticism, and it is fast becoming popular in some parts of this country to scoff at the Constitution itself. A restless, unquiet, dissatisfied, and—worst of all—a suspicious public mind is the public mind of to-day.

You can defeat this amendment; and I fear, from the men who are gathering to the crusade, that it will be defeated. Some of those who are proposing to encompass its defeat will not stop on the hither side of most disreputable means to accomplish their purpose. They are vitally involved. But when you shall have accomplished your purpose and the people shall have ascertained how their rights have been manipulated away, it will go far toward exciting to renewed force and strength that feeling of wrath and class hatred which is already too strong in this country. When those who are ill able to bear the burden of government see the expenses of the Government constantly increasing, when they see the creation of larger navies and larger armies, the burden of expenses increasing everywhere, and learn that, after all, this entire burden must be borne by what they eat and what they wear, and that certain forms of wealth which breed luxury, idleness, and idiocy go untaxed they will not listen to you when you are called upon to plead with them against radical changes in our form of government which will be submitted to this country within the next 50 years.

I hope, therefore, Mr. President, that the governors of the States and the legislatures of this country will do their duty and see that this amendment is adopted; that they will meet this matter, whether there is a division among them or not as to when it should be exercised, upon the basis that it is a power that ought not to be taken away from the Government.

The people should bestir themselves upon this vital matter before it is too late. It would be nothing less than a catastrophe for this amendment to be defeated if we are, out of a false idea of courtesy, to be deprived of appealing to the court. It is the people's fight, and no one should be misled by the utterly unfounded proposition that this amendment contains the power to embarrass and destroy the States and "rend the whole fabric into shreds."

Mr. REED of Pennsylvania. Mr. President, just a word in answer to the Senator from Idaho.

I believe that even he will admit that it is competent for the people of the United States, by clear expression of their intent in the Constitution, even to abolish the States in their entirety. A constitutional amendment utterly abolishing the existence of the States would be within the power of the people of the Nation if they saw fit to adopt it.

Mr. ASHURST. Will the Senator yield?

Mr. REED of Pennsylvania. Certainly.

Mr. ASHURST. That would require a unanimous vote of all the States.

Mr. REED of Pennsylvania. That was the argument when the eighteenth amendment was under consideration, that it was cutting down the sovereignty of the States in their police power, and that it could not be done against the dissent of any State.

Mr. ASHURST. The Constitution specifically says that you can not deprive a State of its representation in the Senate except upon its own consent, and it would require the consent of every State to abolish the States.

Mr. REED of Pennsylvania. Very good; but in a case that arose under the eighteenth amendment the Supreme Court held that an amendment of the Constitution could cut down the power of the States. Of course, as long as the language remains in the Constitution about representation in the Senate, that is the supreme law of the land, but it can be changed. That is what the Supreme Court held in the case under the eighteenth amendment. So I say that in the sixteenth amendment they did cut down the sovereignty of the States to this extent.

Granting that the people of the Nation can express their will by constitutional amendment, and that that will when expressed is invincible and irresistible, and we must all admit that they can do that, then they could not possibly find more apt words to do it with than those they use in the sixteenth amendment.

Mr. BORAH. May I ask the Senator a question?

Mr. REED of Pennsylvania. Certainly.

Mr. BORAH. Suppose the Congress were levying an income tax under the Constitution prior to the adoption of the sixteenth amendment, and suppose it complied with the law of apportionment, then could it not under that provision of the Constitution have levied a tax upon incomes from whatever source derived?

Mr. REED of Pennsylvania. No.

Mr. BORAH. Why not?

Mr. REED of Pennsylvania. Because of the implied prohibition resting in this idea of equal sovereignty.

Mr. BORAH. But the court had held, nevertheless, that if it were apportioned there was no limitation in the Constitution against the levying of a tax upon incomes.

Mr. REED of Pennsylvania. They used that general language, but in the same opinion they specifically pointed out that they could not impinge upon the authority of the States.

Mr. BORAH. If the Constitution says that the Congress has a right to levy an income tax, it may levy an income tax upon any income it finds, may it not?

Mr. REED of Pennsylvania. No; not unless there is some expression in the Constitution which shows the national will to be that one sovereignty may be interfered with by the other.

Mr. BORAH. If you were going to tax another sovereignty, you would have to have some language which indicated that you were departing from the express provisions of the Constitution as they had been theretofore construed.

Mr. REED of Pennsylvania. Precisely, you would; I grant you that.

Mr. BORAH. The court had held a number of times in considering the taxing power that there was no limitation as to the source from which the income came.

Mr. REED of Pennsylvania. On the contrary, they had held there was a limitation on the taxing power as to the source, if the source was a municipal or a State bond.

Mr. BORAH. Not by reason of any limitation in the Constitution. That limitation arose out of the fact of two sovereignties existing, and one sovereignty could not tax the other without express authority to do so.

Mr. REED of Pennsylvania. Precisely; I grant you that. But the limitation was there, and it was recognized. I say the limitation was taken away by the plain language of the sixteenth amendment, because admittedly a State which borrows money is the source of income to the owner of the obligation. Granting that it is a source, granting that the people of the Nation had the power to change this balance between the sovereignties, I say that they have used apt language to do it, and the presence of those words in the amendment can not be explained on any other theory than that of the intention to do it.

I agree with what the Senator said about his expressions in the course of this inquiry after the amendment had passed Congress; I know he then expressed himself just as he has done now; but at that very time, speaking of Governor Hughes's interpretation of the amendment—and the Governor of New York at that time interpreted the amendment just as I am trying to interpret it now—Senator Brown, who introduced the resolution for the amendment of the Constitution, said in the Senate at that time:

> It does not follow that the amendment should be rejected. On the contrary, it follows that it should be ratified, because under that interpretation all the incomes would be treated alike.

He said further:

> That the man whose income arises from investments in State and municipal bonds should be exempt from the income tax is, on the face of it, a proposition which ought not commend itself. It does not square with the doctrine of equal rights. It is hateful to every sense of justice. It can not be defended in principle nor can it be used successfully, in my judgment, to defeat the amendment.

That is the language of the Senator who introduced in the Congress the resolution embodying the sixteenth amendment.

Mr. REED of Missouri. Mr. President, my examination of the original provision of the Constitution and of the sixteenth amendment, taking into consideration the history of the sixteenth amendment and the purposes then sought to be accomplished, would lead me to the conclusion that it was not the intention to confer upon the Federal Government the right to wipe out the States of the Union by taxing their securities. If any such purpose had been in mind, it would have been covered by an expression quite different from the one referred to by the Senator from Pennsylvania, and which is embraced in the words "from whatever source derived."

I agree with the Senator from Idaho that those words are purely surplusage. When you grant to a man a power of attorney to act for you in all matters you do not enlarge that power by adding the words "whatsoever," or "of any kind or nature."

Those are expressions we constantly use and which generally mean nothing. The right of Congress to tax was absolutely unlimited under the original Constitution, except, as has been said, that the taxes must be apportioned among the States. The sixteenth amendment wipes out that restriction, and I do not think there is much doubt about the ultimate decision of the courts.

Mr. President, I did not rise to repeat the arguments that have been so well made, though I am not so much concerned for the moment in the question of whether under the Constitution we are restrained from making a levy upon the securities or bonds of sovereign States and of the municipalities thereof as I am with the merits of the question itself. There seems to be a thought lately indulged to a great extent in the Senate, and perhaps in both branches of Congress, that Congress ought to do anything it can do that the Constitution will permit it to do. In other words, if we have power to do an act, we ought immediately to plunge forward and do it.

If this legislative body were to be controlled by any such idea and we had no Constitution, I wonder what would become of American liberty? I wonder how long we would continue to maintain a stable government, such as has been maintained in Great Britain for centuries where they have no written Constitution, but where the lawmaking powers have regard to the great fundamental principles underlying English liberty. I utterly abominate the theory that it is the business of Congress to plunge forward and do everything that it has power to do, regardless of the right and wrong involved in the proposition.

If we had the power to-day to levy taxes upon all the securities emitted by the various States of the Union and if we could gather thereby a very great revenue, if there was no constitutional inhibition whatever prohibiting such action, I would protest against any attempt to tax the securities of the several States and municipalities, because to do so would be to destroy completely their sovereignty and to subject them to burdens which it would be unwise to lay. I think if we were confronted with that question and stopped to give it due consideration we would all say, regardless of any constitutional provision whatever, that the integrity of the Union and the integrity of our scheme of government demanded the maintenance of the integrity and independence of the several States of the Union.

But, Mr. President, I venture to repeat very briefly the argument that was made here a day or two ago. These securities are not tax-exempt securities. These securities are securities which are compelled to pay taxes every year. The taxes are collected, if you please, at the source, and instead of describing them as tax-exempt securities they ought to be described as the only kind of securities which inevitably pay taxes to Government. When ordinary money is 6 per cent, money that pays taxes, the State can borrow money at 4 per cent because the bonds are not taxed. Every year when the interest comes due the man who holds the securities has discounted his rate of interest to the municipality or to the State to the extent of 2 per cent. I am using that for illustrative purposes. It is not always 2 per cent.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. REED of Missouri. I will yield when I finish this statement. In other words, if the State of Pennsylvania issued $100,000,000 of bonds and sold them at 6 per cent because they are taxable, it must collect $6,000,000 from its taxpayers every year to pay the interest upon those bonds. But if it can sell them at 4 per cent, it collects only $4,000,000 every year and $2,000,000 is left in the pockets of the taxpayers of the State. In other words, the State is in exactly the same position as though it had sold its bonds at 6 per cent and then had collected $2,000,000 of taxes. The bonds bear the burden of taxation in that way.

I now yield to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. In the Finance Committee we made a very careful study of the value of tax-exemption features to the borrowing community. We found that it had reached about three-fourths of 1 per cent. That is to say, the community that now pays 5 per cent on its tax-free borrowings would have to pay 5¾ per cent in order to be able to sell its bonds at the same price on their original schedule. The value of a tax-exempt bond paying 5 per cent to a rich man in the highest surtax clause is the same as a taxable bond paying 11.9 per cent. So the Senator can see that what he would do in order to sell a tax-free bond would give the borrowing community the advantage of three-fourths of 1 per cent, while the lending rich man would get the advantage of 6.2 per cent.

Mr. REED of Missouri. That is the most remarkable set of figures that any man, even a man named Reed, ever produced. Of course you can take the man in the highest bracket of surtaxes and figure almost any result you want, but that is not a fair figure. You can also by taking another extreme case get the result of 3¼ per cent. But this much we do know, that before the war, when everything ran on an even scale, a good State bond could be sold for 4 or 4½ per cent and some-

times for less and at the same time money in that same State was bringing 6 per cent.

Mr. REED of Pennsylvania. That was true before the income tax amendment was passed, was it not?

Mr. REED of Missouri. Yes.

Mr. REED of Pennsylvania. Before there was any value in the tax-free privilege?

Mr. REED of Missouri. Absolutely; but there was the benefit of the tax-exempt bond; and, of course, bonds also had another advantage—and always will have—that they run for a long time and are very secure. But that was one of the benefits.

Now, I will repeat what I said the other day, and I repeat it very briefly: Not only is the argument sound that I have made but the taxes, if we levy them upon the bonds, will necessarily be all collected from the people who issued the bonds. The bonds then may be held in distant States or distant communities, and when the tax is paid there it does not revert back to the benefit of the community that issued the bonds, and its people are compelled to pay a heavy rate of taxation upon a bond that pays taxes of some kind in some remote part of the country, and those people who are engaged in systematically escaping taxation always find out the community or State where the rate of levy is smallest. There could be no greater mistake made than to enact a law which would impose upon the people of the several States an additional burden of taxation in order to make up the interest upon their securities in the vain hope that the Government, by taxation, would get that money all back. The difference never would be gotten back in the world.

Mr. JONES of New Mexico. Mr. President, will the Senator yield?

Mr. REED of Missouri. I yield.

Mr. JONES of New Mexico. I think it would be advisable to make a statement just in connection with the Senator's remarks as to the tax which they get now from those bonds which we have issued and which are not exempt from surtaxes. Out of nearly a billion dollars of interest which the Government pays out, a much larger share of that is on the bonds which are not exempt from surtaxes. The Government gets back in taxes not more than $5,000,000.

Mr. REED of Missouri. That is a good illustration. The safe thing to do is to allow the States and municipalities to issue a security that bears a very low rate of interest and let the taxpayers of the States and municipalities keep the money in their pockets or contribute it in the form of a direct tax so their States and communities get the benefit.

There is another consideration which applies to the proposed amendment and applies to the one which we had under consideration to-day and which I hope may be reconsidered. That is the impairment of the obligation of contracts. No government can afford to impair the obligation of its contract. Whenever that is done the most expensive thing a government can indulge in has been performed.

There is nothing so valuable to a State or nation as the certainty that every obligation will be redeemed to the letter. If this country should ever engage in another great war that war will be settled and every other great war in the future will be settled by the financial resources of the nations engaged; and about 90 per cent of the financial resources of a nation consists of its credit.

Let it never be said to any man who in the future may be offered a Government bond in the hour of some national peril that this Nation may thereafter seek to avoid the obligations of that contract. Let him and all the world know that when this Government issues its securities it will never, by direction or indirection, impair the obligation of that contract but will keep it to the letter.

I venture to repeat what I said a day or two ago, that England never did a single act more calculated to give her strength for the future than when she came forward and honorably settled her obligations with our Government. I may complain that she drove a hard bargain; I may complain that our representatives did not fully protect the United States; but England did, to use a common expression, "toe the mark," and did sign a contract which our people accepted.

France has never made a greater mistake in her recent history than by, in substance and effect, saying to the world that she proposes, if not to repudiate, at least to treat lightly, her obligations to this country. So of every other country that has refused to come forward and settle.

If to-morrow or next year or next century France and England were to be engaged in a life and death struggle in which we stood neutral, and they came here to borrow money, which of them do you think would get the money—the nation that repudiates its obligations or the nation that keeps its faith? So of Italy; so of Belgium; so of every country that borrowed money from us in the hour of their extremity and adversity.

Let us keep our obligations; let us not impair them because a man named Rockefeller worked out a device by which he escaped the payment of some of his taxes. If such a case as that exists, let us meet that kind of case, that kind of subterfuge, that kind of device by a positive and direct law, and not by destroying the obligations of a contract or forfeiting the faith of a nation.

I have an amendment to offer to the section which we recently adopted. I hope the vote by which that section was agreed to will be reconsidered, for under it, to a certain extent, at least, even as amended, we do impair the obligation of contracts. I believe my amendment will completely reach the case of Mr. Rockefeller or any other tax dodger who invests his money in tax-exempt securities and then engages in business and borrows enough money in his business so that the interest on his obligations balanced against his tax-exempt securities exempts him from all taxation. I will offer the amendment in due course, but I venture to read it now. On page 52, after the word "if," in line 24, I propose to add this language:

> Such indebtedness was incurred in good faith for the purpose of carrying on a business and not in pursuit of a plan or device to evade or escape taxation.

The words are quite meaningless unless read in connection with the text, but read in connection I believe they will cover the case.

Mr. NORRIS. Will the Senator again tell us just where his amendment comes in?

Mr. REED of Missouri. It comes in after the word "if," on line 24, page 52. The language may not be perfect, but I am absolutely convinced that if this language, which I hastily drafted, does not cover the case, proper language may be devised to meet the case of every tax dodger there is in this country. No device of a rascal who wants to defraud his Government need to be defeated by the Government repudiating the obligation of its contracts and taxing its securities when an individual is escaping by such a scheme as Rockefeller is said to have employed; that is, by borrowing money, and then being allowed deductions on account of his borrowed money. Always a court, always a proper tribunal, can look back of a pretense of that kind and get at the real purpose of its author, and can reach him if we will pass an appropriate statute conferring proper authority upon the courts.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania [Mr. REED].

Mr. WALSH of Massachusetts. Mr. President, I favor the amendment of the Senator from Pennsylvania. I supported the amendment when it was offered in the Finance Committee but failed of approval. It is quite evident that the Senate is still opposed to levying a tax on this class of securities, but Congress must act some day.

An attempt was made in 1921, when the last revenue bill was before the Senate, to levy a tax on this class of securities. The method suggested at that time by an amendment offered by me was to tax tax-exempt securities separately from other securities when they passed from the decedent into his estate at death. I proposed a special tax of 15 per cent upon the tax-exempt securities transmitted by death to an estate. The securities were to be segregated from all other property and taxed by a special estate tax. That proposal failed. At that time it was pointed out by the Secretary of the Treasury that the two main methods employed to escape taxation upon the part of the extremely large taxpayers were, first, the making of gifts, and, secondly, investment in tax-exempt securities. During the discussion of this question in 1921 the Saturday Evening Post published a series of articles showing the extent to which this evil had crept into our taxation system. The articles were headed "Capital gone on strike," and they gave illustration after illustration of the extent to which capital was being invested in tax-exempt securities for the purpose of escaping taxes on incomes.

The chief argument I have heard made against taxing the income of tax-exempt securities or of reaching them through some form of taxation when they pass to a beneficial interest at the time of death is that the Government, the States, and municipalities receive a benefit by reason of the low rate of interest paid on such securities because of the tax-exempt feature. I do not believe that is necessarily true. I believe such securities would sell bearing almost as small an interest rate as at present if they were sold directly by the States and by the National Treasury to all the people. The method now

employed is to sell them to large financial institutions, which in turn sell them to their customers, their customers being those of large fortune who have a great deal of money to invest. The people of small means rarely get a chance to buy these securities at favorable prices.

I do not propose to sit with folded hands and allow such fortunes to go into tax-exempt securities without making a protest and without endeavoring to find some way of taxing them. It is a growing evil that we must stop or continue to lose large sums of revenue from the wealthy class of taxpayers. The evil is not that some escape taxes but that others must pay the taxes of those that escape.

Only a few days ago I read in a newspaper article that a taxpayer who had $100,000 of income from productive industries sold all his securities, invested them in tax-exempt securities, has now an income of $100,000 a year, but does not pay a dollar of taxes. We all know this is happening. Are we impotent to check it?

Mr. President, I want to see something done to bring revenue into the Public Treasury from tax-exempt securities. Four billion dollars a year are going into tax-exempt securities. It has recently been calculated that because of the tremendous amount of money that has gone into tax-exempt securities, those who pay income taxes are paying 46 per cent of the expenses of our Government, because of this tremendous volume, amounting to $30,000,000,000, of tax-exempt securities now held by investors.

In 1916 the number of persons who reported to the Government having an income of over a million dollars was 206. In 1921 the number of persons who reported an income of over a million dollars was 211 persons. The number of persons who have an income of over a million dollars has not decreased but has greatly increased. But the people with a million-dollar income or more have withdrawn their money from productive sources and from stocks and securities that must bear an income tax, and have invested the same in tax-exempt securities, so that the burdens of Government are constantly being shifted from the rich to the poor-salaried classes who can least of all afford to pay taxes. The fortunes of the rich are dwindling away for all tax purposes because of tax-exempt securities. One of the leading citizens of New York State when the matter of revising our tax laws was under consideration in 1921 said he did not in the least care what Congress did, for he was going to invest his money in tax-exempt securities. That is the attitude of these tax dodgers, and the abuse has become extensive. In the little discussion I have had with my fellow citizens, business men, members of chambers of commerce, and others, I have not heard so unanimous response in favor of any other tax measure as that of proposals to reach and tax by some method tax-exempt securities.

Mr. President, there is a great deal more that might be said, but I rose simply to again express the views voiced by me in 1921 when I sought to tax by a different method tax-exempt securities.

Mr. REED of Pennsylvania and Mr. SIMMONS called for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). Transferring my pair with the Senator from Alabama [Mr. UNDERWOOD] to the Senator from Vermont [Mr. GREENE] I vote "yea."

Mr. McLEAN (when his name was called). I inquire if the junior Senator from Virginia [Mr. GLASS] has voted.

The PRESIDENT pro tempore. That Senator has not voted.

Mr. McLEAN. I have a pair with that Senator. In his absence I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT]. In his absence I transfer that pair to the junior Senator from Montana [Mr. WHEELER] and will vote. I vote "nay."

The roll call was concluded.

Mr. McLEAN (after having voted in the affirmative). I transfer my pair to the senior Senator from West Virginia [Mr. ELKINS] and will let my vote stand.

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

Mr. DIAL. I have a pair with the Senator from Colorado [Mr. PHIPPS]. Being unable to obtain a transfer, I shall have to withhold my vote. I understand that if the Senator from Colorado were present he would vote "yea"; and if I were at liberty to vote I would vote "nay."

Mr. JONES of New Mexico (after having voted in the negative). I have a general pair with the Senator from Maine [Mr. FERNALD]. I understand that he has not voted. I am unable to obtain a transfer, and therefore withdraw my vote.

Mr. FLETCHER (after having voted in the negative). I have a pair with the Senator from Delaware [Mr. BALL], who is absent. I transfer that pair to the Senator from Utah [Mr. KING] and will let my vote stand.

The result was announced—yeas 14, nays 59, as follows:

YEAS—14

Ashurst	Lodge	Smoot	Weller
Cummins	McLean	Walsh, Mass.	Willis
Harreld	Pepper	Warren	
Keyes	Reed, Pa.	Watson	

NAYS—59

Adams	Fess	Ladd	Robinson
Bayard	Fletcher	McKellar	Sheppard
Borah	Frazier	McKinley	Shields
Brandegee	George	McNary	Shipstead
Brookhart	Glass	Mayfield	Simmons
Bruossard	Gooding	Moses	Smith
Bursum	Hale	Neely	Spencer
Cameron	Harris	Norbeck	Stanfield
Capper	Harrison	Norris	Stephens
Caraway	Heflin	Oddie	Sterling
Curtis	Howell	Overman	Swanson
Dale	Johnson, Calif.	Pittman	Trammell
Dill	Johnson, Minn.	Ralston	Wadsworth
Edge	Jones, Wash.	Ransdell	Walsh, Mont.
Ferris	Kendrick	Reed, Mo.	

NOT VOTING—23

Ball	Edwards	Jones, N. Mex.	Phipps
Bruce	Elkins	King	Shortridge
Colt	Ernst	La Follette	Stanley
Copeland	Fernald	Lenroot	Underwood
Couzens	Gerry	McCormick	Wheeler
Dial	Greene	Owen	

So the amendment of Mr. REED of Pennsylvania was rejected.

Mr. SMOOT obtained the floor.

Mr. JONES of New Mexico. Mr. President, will the Senator yield to me for just a moment? I have been trying to get through some rather formal amendments, and they will not require more than just a minute.

Mr. ROBINSON. Why may not those amendments go over until to-morrow?

Mr. JONES of New Mexico. All right.

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate take a recess until 11 o'clock a. m. to-morrow, and that not later than 2 o'clock to-morrow the Senate shall proceed without further debate to vote upon the bill and all pending amendments.

Mr. SIMMONS. Does the Senator mean that we shall take a recess right now?

Mr. SMOOT. Right now.

Mr. SIMMONS. Or that when we do take a recess it shall be until 11 o'clock?

Mr. SMOOT. No; that we shall take a recess now.

Mr. SIMMONS. There are some little matters that I thought we might dispose of to-night. We are all here now.

The PRESIDENT pro tempore. The Senator will send the proposed unanimous-consent agreement to the desk so that the Secretary may state it.

Mr. SIMMONS. I am addressing myself to the Senator from Utah about the proposed agreement. I should be glad if the Senator would arrange it so that before we take a recess we can adopt one or two amendments.

Mr. ROBINSON. Mr. President, there can be no agreement unless a recess is taken now or very soon.

Mr. SIMMONS. Very well.

Mr. SWANSON. If we do not take a recess now, let us go on until 11 o'clock to-night.

Mr. ROBINSON. Certainly; and finish the bill.

Mr. SMOOT. I make the unanimous-consent request as I have already stated it.

Mr. NORBECK. Mr. President, I am anxious to have the final vote on this bill put over until to-morrow. There are many representatives in the city who are here from the Northwest advocating the enactment of the McNary-Haugen bill. They have been canvassing the situation over in the House, with a full realization that that legislation must originate there if it is a separate bill. They advised me just a little while ago that the House Rules Committee will meet at 10.45 o'clock to-morrow and will then consider the question of voting out a rule so as to bring the matter up for early action in the House. That is the reason why I have asked that a final vote be delayed until to-morrow.

The PRESIDENT pro tempore. The Chair will suggest that there must be a roll call before this unanimous-consent request is acted upon.

Mr. SIMMONS. But, Mr. President, with reference to whether or not we can have this agreement, there are two matters that must be acted upon outside of the McNary-Haugen bill.

Mr. SMOOT. There are three hours.

Mr. SIMMONS. Yes. There is an amendment that I must offer fixing the exemptions, and there is a proposition that the Senator from Minnesota [Mr. SHIPSTEAD] desires to present, to reconsider a very important vote; and that is going to take some time. If we are going to recess now the Senator must change that hour to a later time than 2 o'clock, because otherwise we shall not have time to consider those amendments, and they must be considered.

Mr. MOSES. Why recess now? Why not go on with these things?

Mr. NEELY. Mr. President, I make the point of order that it is not in order to debate a unanimous-consent request, and I demand the regular order.

The PRESIDENT pro tempore. The point of order is well taken, and it is the duty of the Chair to order the roll to be called.

Mr. SIMMONS. If the Senator will fix it at 3 or 4 o'clock I shall be satisfied. That will give us time.

Mr. ROBINSON. Mr. President, I suggest to the Chair that there is no occasion for calling the roll if it is apparent that an objection is going to be made.

Mr. SMOOT. If the hour is fixed at 3 o'clock, will that be satisfactory to everyone?

Mr. HARRISON. I am going to object if it is 3 o'clock.

Mr. SMOOT. The Senator is satisfied with 2 o'clock?

Mr. HARRISON. Yes.

Mr. SIMMONS. Mr. President, if I can be assured that I shall have an opportunity in the morning to present the amendment with reference to the exemptions and that the Senator from Minnesota [Mr. SHIPSTEAD] will have an opportunity to present his motion to reconsider the vote that was taken this evening upon the tax-exempt securities, then I am perfectly willing to enter into this agreement, but I want that assurance.

Mr. SMOOT. It has been suggested that we meet at 10 o'clock in the morning.

Mr. SIMMONS. Make it 10 o'clock then.

Mr. SMOOT. Is there any objection to making the hour of meeting 10 o'clock in the morning?

Mr. ROBINSON. Not a bit.

Mr. NORRIS. Yes, Mr. President; there is objection to 10 o'clock.

Mr. JONES of New Mexico. Mr. President, I see no reason why we should take a recess now if we can go on for an hour or two or three hours.

Mr. ROBINSON. I will state to the Senator from New Mexico that it will be impossible to keep a full attendance here. The Senate can, of course, continue in session by a majority vote, but I have investigated the matter, and a number of Senators are going to leave, and it will be a practical impossibility to maintain a full attendance.

Mr. MOSES. They can be reached by the Sergeant at Arms.

Mr. ROBINSON. If the Senate wants to proceed, we can proceed indefinitely with that understanding; but I will not be responsible for the vote.

Mr. SMOOT. I think we would like to get rid of the bill to-morrow, and we can finish it to-morrow between 11 and 2. I ask that the roll be called, Mr. President.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fletcher	McKinley	Shields
Ashurst	Frazier	McLean	Shipstead
Bayard	George	McNary	Simmons
Brandegee	Glass	Mayfield	Smith
Brookhart	Hale	Moses	Smoot
Bruossard	Harreld	Neely	Spencer
Bursum	Harris	Norbeck	Stanfield
Cameron	Harrison	Norris	Stephens
Capper	Heflin	Oddie	Sterling
Caraway	Johnson, Minn.	Overman	Swanson
Copeland	Jones, N. Mex.	Pepper	Trammell
Cummins	Jones, Wash.	Pittman	Wadsworth
Curtis	Kendrick	Ralston	Walsh, Mass.
Dale	Keyes	Ransdell	Walsh, Mont.
Dial	King	Reed, Mo.	Warren
Edge	Ladd	Reed, Pa.	Watson
Ferris	Lodge	Robinson	Weller
Fess	McKellar	Sheppard	Willis

The PRESIDENT pro tempore. Seventy-two Senators having answered to their names, a quorum is present. The Secretary will state the proposed unanimous-cousent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that the Senate take a recess until 11 o'clock a. m. to-morrow, and not later than 2 o'clock to-morrow shall proceed without further debate to vote upon the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, and all pending amendments thereto.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection, and the unanimous-consent agreement is entered into.

In pursuance of the unanimous-consent agreement, the Senate (at 6 o'clock and 45 minutes p. m.) took a recess until to-morrow, Saturday, May 10, 1924, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 9, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We look up unto Thee, O God, our Father in heaven, out of our failures and wants, with a desire to know Thee better and to learn more of the infinite heights and depths of Thy wisdom. O gratify those desires which mark us most divine. Life has many hard lessons to learn, but impress on us that they are good lessons to him who has wisdom enough to learn. Be our shield when temptation is nigh; be our support when affliction is heavy; be our guide when the way is difficult and uncertain, and give us the spirit that accepts Thee when in kindness or rebuke, when in sternness and in blessing. Stoop to our needs, O God, and be the guest of each and the Saviour of all. Amen.

The Journal of the proceedings of yesterday was read and approved.

NO QUORUM—CALL OF THE HOUSE

Mr. WINGO. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Arkansas makes the point of order that there is no quorum present. Apparently there is no quorum present.

Mr. JOHNSON of Washington. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Geran	Madden	Sears, Fla.
Andrew	Gilbert	Martin	Stalker
Bacharach	Graham, Pa.	Michaelson	Steagle
Byrnes, S. C.	Greene, Mass.	Miller, Ill.	Strong, Pa.
Byrns, Tenn.	Howard, Okla.	Montague	Sullivan
Canfield	Huddleston	Morin	Sweet
Clark, Fla.	Hull, Tenn.	Morris	Swoope
Connally, Pa.	Hull, William E.	Mudd	Taylor, Colo.
Cooper, Ohio	Jacobstein	O'Brien	Tinkham
Corning	Jeffers	Park, Ga.	Tydings
Crowther	Johnson, Ky.	Peavey	Vare
Curry	Kahn	Phillips	Ward, N. Y.
Deal	Kurtz	Ransley	Ward, N. C.
Dempsey	Langley	Reed, W. Va.	Wason
Dominick	Larson, Minn.	Reid, Ill.	Welsh
Dowell	Lehlbach	Rogers, N. H.	Williams, Tex.
Drane	Lilly	Rosenbloom	Williams, Ill.
Edmonds	McDuffie	Rouse	Winslow
Egan, Mont.	McFadden	Sanders, N. Y.	Winter
Fish	McLeod	Scott	Wurzbach
Funk	McNulty	Sears, Nebr.	Zihlman

The SPEAKER. Three hundred and forty-eight Members have answered to their names—a quorum.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon and had appointed Mr. WARREN, Mr. JONES of Washington, and Mr. OVERMAN as the conferees on the part of the Senate.

APPOINTMENT OF A CONFEREE

Mr. WOOD. Mr. Speaker, I ask unanimous consent that the name of Mr. SUMNERS of Washington be substituted for that of Mr. WASON as a conferee on the independent offices

appropriation bill, Mr. WASON being unable to serve on account of illness.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the name of the gentleman from Washington [Mr. SUMMERS] be substituted in place of Mr. WASON as a conferee on the independent offices appropriation bill, on account of the illness of Mr. WASON. Is there objection?

There was no objection.

IMMIGRATION

Mr. JOHNSON of Washington. Mr. Speaker, I call up the conference report on the bill H. R. 7995, the immigration bill.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that the statement accompanying the conference report be read in lieu of the report.

The SPEAKER. The gentleman from Washington asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. RAKER and Mr. WATKINS rose.

Mr. SABATH. Mr. Speaker, I reserve the right to object. I desire to know from the gentleman from Washington if he does not believe that the entire report should be read, in view of there being so many provisions in the report?

Mr. JOHNSON of Washington. I do not think anything could be gained from that. The report is here, and the text is printed also in the RECORD, where it can be read by the Members. It would be very hard to follow the reading of it from the desk.

Mr. SABATH. If unanimous consent is given that the statement be read in lieu of the report, would it be necessary, Mr. Speaker, for me to reserve a point of order on the conference report now, or later?

The SPEAKER. The Chair thinks the gentleman should make the point of order now.

Mr. SABATH. Then, Mr. Speaker, I make a point of order against the report.

The SPEAKER. The gentleman from Illinois makes a point of order against the report. Is there objection to the request that the statement be read instead of the report? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Speaker, should the gentleman from Illinois state his point of order at this time?

The SPEAKER. The gentleman has made his point of order, and the Chair will consider the point of order in detail after the statement is read.

Mr. JOHNSON of Washington. Did the gentleman from Illinois state his point of order?

Mr. GARRETT of Tennessee. The gentleman from Illinois will state it after the statement is read.

The SPEAKER. The Chair suggests it would be better to have the statement read first.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That this act may be cited as the 'immigration act of 1924.'

"IMMIGRATION VISAS

"SEC. 2. (a) A consular officer upon the application of any immigrant (as defined in section 3) may (under the conditions hereinafter prescribed and subject to the limitations prescribed in this act or regulations made thereunder as to the number of immigration visas which may be issued by such officer) issue to such immigrant an immigration visa which shall consist of one copy of the application provided for in section 7, visaed by such consular officer. Such visa shall specify (1) the nationality of the immigrant; (2) whether he is a quota immigrant (as defined in section 5) or a nonquota immigrant (as defined in section 4); (3) the date on which the validity of the immigration visa shall expire; and (4) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(b) The immigrant shall furnish two copies of his photograph to the consular officer. One copy shall be permanently attached by the consular officer to the immigration visa and the other copy shall be disposed of as may be by regulations prescribed.

"(c) The validity of an immigration visa shall expire at the end of such period, specified in the immigration visa, not exceeding four months, as shall be by regulations prescribed. In the case of an immigrant arriving in the United States by water, or arriving by water in foreign contiguous territory on a continuous voyage to the United States, if the vessel, before the expiration of the validity of his immigration visa, departed from the last port outside the United States and outside foreign contiguous territory at which the immigrant embarked, and if the immigrant proceeds on a continuous voyage to the United States, then, regardless of the time of his arrival in the United States, the validity of his immigration visa shall not be considered to have expired.

"(d) If an immigrant is required by any law, or regulations or orders made pursuant to law, to secure the visa of his passport by a consular officer before being permitted to enter the United States, such immigrant shall not be required to secure any other visa of his passport than the immigration visa issued under this act, but a record of the number and date of his immigration visa shall be noted on his passport without charge therefor. This subdivision shall not apply to an immigrant who is relieved, under subdivision (b) of section 13, from obtaining an immigration visa.

"(e) The manifest or list of passengers required by the immigration laws shall contain a place for entering thereon the date, place of issuance, and number of the immigration visa of each immigrant. The immigrant shall surrender his immigration visa to the immigration officer at the port of inspection, who shall at the time of inspection indorse on the immigration visa the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The immigration visa shall be transmitted forthwith by the immigration officer in charge at the port of inspection to the Department of Labor under regulations prescribed by the Secretary of Labor.

"(f) No immigration visa shall be issued to an immigrant if it appears to the consular officer, from statements in the application or in the papers submitted therewith, that the immigrant is inadmissible to the United States under the immigration laws, nor shall such immigration visa be issued if the application fails to comply with the provisions of this act, nor shall such immigration visa be issued if the consular officer knows or has reason to believe that the immigrant is inadmissible to the United States under the immigration laws.

"(g) Nothing in this act shall be construed to entitle an immigrant to whom an immigration visa has been issued to enter the United States if upon arrival in the United States he is found to be inadmissible to the United States under the immigration laws. The substance of this subdivision shall be printed conspicuously upon every immigration visa.

"(h) A fee of $9 shall be charged for the issuance of each immigration visa, which shall be covered into the Treasury as miscellaneous receipts.

"DEFINITION OF 'IMMIGRANT'

"SEC. 3. When used in this act the term 'immigrant' means any alien departing from any place outside the United States destined for the United States, except (1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

"NONQUOTA IMMIGRANTS

"SEC. 4. When used in this act the term 'nonquota immigrant' means—

"(a) An immigrant who is the unmarried child under 18 years of age, or the wife, of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

"(b) An immigrant previously lawfully admitted to the United States, who is returning from a temporary visit abroad;

"(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him;

"(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

"(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

"QUOTA IMMIGRANTS

"SEC. 5. When used in this act the term 'quota immigrant' means any immigrant who is not a nonquota immigrant. An alien who is not particularly specified in this act as a nonquota immigrant or a nonimmigrant shall not be admitted as a nonquota immigrant or a nonimmigrant by reason of relationship to any individual who is so specified or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

"PREFERENCES WITHIN QUOTAS

"SEC. 6. (a) In the issuance of immigration visas to quota immigrants preference shall be given—

"(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the wife of a citizen of the United States who is 21 years of age or over; and

"(2) To a quota immigrant who is skilled in agriculture, and his wife, and his dependent children under the age of 16 years, if accompanying or following to join him. The preference provided in this paragraph shall not apply to immigrants of any nationality the annual quota for which is less than 300.

"(b) The preference provided in subdivision (a) shall not in the case of quota immigrants of any nationality exceed 50 per cent of the annual quota for such nationality. Nothing in this section shall be construed to grant to the class of immigrants specified in paragraph (1) of subdivision (a) a priority in preference over the class specified in paragraph (2).

"(c) The preference provided in this section shall, in the case of quota immigrants of any nationality, be given in the calendar month in which the right to preference is established, if the number of immigration visas which may be issued in such month to quota immigrants of such nationality has not already been issued; otherwise in the next calendar month.

"APPLICATION FOR IMMIGRATION VISA

"SEC. 7. (a) Every immigrant applying for an immigration visa shall make application therefor in duplicate in such form as shall be by regulations prescribed.

"(b) In the application the immigrant shall state (1) the immigrant's full and true name; age, sex, and race; the date and place of birth; places of residence for the five years immediately preceding his application; whether married or single, and the names and places of residence of wife or husband and minor children, if any; calling or occupation; personal description (including height, complexion, color of hair and eyes, and marks of identification); ability to speak, read, and write; names and addresses of parents, and if neither parent living, then the name and address of his nearest relative in the country from which he comes; port of entry into the United States; final destination, if any, beyond the port of entry; whether he has a ticket through to such final destination; whether going to join a relative or friend, and, if so, what relative or friend and his name and complete address; the purpose for which he is going to the United States; the length of time he intends to remain in the United States; whether or not he intends to abide in the United States permanently; whether ever in prison or almshouse; whether he or either of his parents has ever been in an institution or hospital for the care and treatment of the insane; (2) if he claims to be a nonquota immigrant, the facts on which he bases such claim; and (3) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(c) The immigrant shall furnish, if available, to the consular officer, with his application, two copies of his 'dossier' and prison record and military record, two certified copies of his birth certificate, and two copies of all other available public records concerning him kept by the Government to which he owes allegiance. One copy of the documents so furnished shall be permanently attached to each copy of the application and become a part thereof. An immigrant having an unexpired permit issued under the provisions of section 10 shall not be subject to this subdivision. In the case of an application made before July 1, 1924, if it appears to the satisfaction of the consular officer that the immigrant has obtained a visa of his passport before the enactment of this act, and is unable to obtain the documents referred to in this subdivision without undue expense and delay, owing to absence from the country from which such documents should be obtained, the consular officer may relieve such immigrant from the requirements of this subdivision.

"(d) In the application the immigrant shall also state (to such extent as shall be by regulations prescribed) whether or not he is a member of each class of individuals excluded from admission to the United States under the immigration laws, and such classes shall be stated on the blank in such form as shall be by regulations prescribed, and the immigrant shall answer separately as to each class.

"(e) If the immigrant is unable to state that he does not come within any of the excluded classes, but claims to be for any legal reason exempt from exclusion, he shall state fully in the application the grounds for such alleged exemption.

"(f) Each copy of the application shall be signed by the immigrant in the presence of the consular officer and verified by the oath of the immigrant administered by the consular officer. One copy of the application, when visaed by the consular officer, shall become the immigration visa, and the other copy shall be disposed of as may be by regulations prescribed.

"(g) In the case of an immigrant under 18 years of age the application may be made and verified by such individual as shall be by regulations prescribed.

"(h) A fee of $1 shall be charged for the furnishing and verification of each application, which shall include the furnishing and verification of the duplicate, and shall be covered into the Treasury as miscellaneous receipts.

"NONQUOTA IMMIGRATION VISAS

"SEC. 8. A consular officer may, subject to the limitations provided in sections 2 and 9, issue an immigration visa to a nonquota immigrant as such upon satisfactory proof, under regulations prescribed under this act, that the applicant is entitled to be regarded as a nonquota immigrant.

"ISSUANCE OF IMMIGRATION VISAS TO RELATIVES

"SEC. 9. (a) In case of any immigrant claiming in his application for an immigration visa to be a nonquota immigrant by reason of relationship under the provisions of subdivision (a) of section 4, or to be entitled to preference by reason of relationship to a citizen of the United States under the provisions of section 6, the consular officer shall not issue such immigration visa or grant such preference until he has been authorized to do so as hereinafter in this section provided.

"(b) Any citizen of the United States claiming that any immigrant is his relative, and that such immigrant is properly admissible to the United States as a nonquota immigrant under the provisions of subdivision (a) of section 4 or is entitled to preference as a relative under section 6, may file with the Commissioner General a petition in such form as may be by regulations prescribed, stating (1) the petitioner's name and address; (2) if a citizen by birth, the date and place of his birth; (3) if a naturalized citizen, the date and place of his admission to citizenship and the number of his certificate, if any; (4) the name and address of his employer or the address of his place of business or occupation if he is not an employee; (5) the degree of the relationship of the immigrant for whom such petition is made, and the names of all the places where such immigrant has resided prior to and at the time when the petition is filed; (6) that the petitioner is able to and will support the immigrant if necessary to prevent such immigrant from becoming a public charge; and (7) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(c) The petition shall be made under oath administered by any individual having power to administer oaths, if executed in the United States, but, if executed outside the United

States, administered by a consular officer. The petition shall be supported by any documentary evidence required by regulations prescribed under this act. Application may be made in the same petition for admission of more than one individual.

"(d) The petition shall be accompanied by the statements of two or more responsible citizens of the United States, to whom the petitioner has been personally known for at least one year, that to the best of their knowledge and belief the statements made in the petition are true and that the petitioner is a responsible individual able to support the immigrant or immigrants for whose admission application is made. These statements shall be attested in the same way as the petition.

"(e) If the Commissioner General finds the facts stated in the petition to be true, and that the immigrant in respect of whom the petition is made is entitled to be admitted to the United States as a nonquota immigrant under subdivision (a) of section 4 or is entitled to preference as a relative under section 6, he shall, with the approval of the Secretary of Labor, inform the Secretary of State of his decision, and the Secretary of State shall then authorize the consular officer with whom the application for the immigration visa has been filed to issue the immigration visa or grant the preference.

"(f) Nothing in this section shall be construed to entitle an immigrant, in respect of whom a petition under this section is granted, to enter the United States as a nonquota immigrant, if, upon arrival in the United States, he is found not to be a nonquota immigrant.

"PERMIT TO REENTER UNITED STATES AFTER TEMPORARY ABSENCE

"SEC. 10. (a) Any alien about to depart temporarily from the United States may make application to the Commissioner General for a permit to reenter the United States, stating the length of his intended absence, and the reasons therefor. Such application shall be made under oath, and shall be in such form and contain such information as may be by regulations prescribed, and shall be accompanied by two copies of the applicant's photograph.

"(b) If the Commissioner General finds that the alien has been legally admitted to the United States, and that the application is made in good faith, he shall, with the approval of the Secretary of Labor, issue the permit, specifying therein the length of time, not exceeding one year, during which it shall be valid. The permit shall be in such form as shall be by regulations prescribed and shall have permanently attached thereto the photograph of the alien to whom issued, together with such other matter as may be deemed necessary for the complete identification of the alien.

"(c) On good cause shown, the validity of the permit may be extended for such period or periods, not exceeding six months each, and under such conditions as shall be by regulations prescribed.

"(d) For the issuance of the permit and for each extension thereof there shall be paid a fee of $3, which shall be covered into the Treasury as miscellaneous receipts.

"(e) Upon the return of the alien to the United States the permit shall be surrendered to the immigration officer at the port of inspection.

"(f) A permit issued under this section shall have no effect under the immigration laws, except to show that the alien to whom it is issued is returning from a temporary visit abroad; but nothing in this section shall be construed as making such permit the exclusive means of establishing that the alien is so returning.

"NUMERICAL LIMITATIONS

"SEC. 11. (a) The annual quota of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

"(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

"(c) For the purpose of subdivision (b) national origin shall be ascertained by determining as nearly as may be, in respect of each geographical area which under section 12 is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4), the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses, and such other data as may be found to be reliable.

"(d) For the purpose of subdivisions (b) and (c) the term 'inhabitants in continental United States in 1920' does not include (1) immigrants from the geographical areas specified in subdivision (c) of section 4 or their descendants, (2) aliens ineligible to citizenship or their descendants, (3) the descendants of slave immigrants, or (4) the descendants of American aborigines.

"(e) The determination provided for in subdivision (c) of this section shall be made by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly. In making such determination such officials may call for information and expert assistance from the Bureau of the Census. Such officials shall jointly report to the President the quota of each nationality, determined as provided in subdivision (b), and the President shall proclaim and make known the quotas so reported. Thereafter such quotas shall continue with the same effect as if specifically stated herein and shall be final and conclusive for every purpose except (1) in so far as it is made to appear to the satisfaction of such officials and proclaimed by the President that an error of fact has occurred in such determination or in such proclamation, or (2) in the case provided for in subdivision (c) of section 12. Such proclamation shall be made on or before April 1, 1927. If the proclamation is not made on or before such date, quotas proclaimed therein shall not be in effect for any fiscal year beginning before the expiration of 90 days after the date of the proclamation. If for any reason quotas proclaimed under this subdivision are not in effect for any fiscal year, quotas for such year shall be determined under subdivision (a) of this section.

"(f) There shall be issued to quota immigrants of any nationality (1) no more immigration visas in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more immigration visas than 10 per cent of the quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the Commissioner General, with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

"(g) Nothing in this act shall prevent the issuance (without increasing the total number if immigration visas which may be issued) of an immigration visa to an immigrant as a quota immigrant even though he is a nonquota immigrant.

"NATIONALITY

"SEC. 12. (a) For the purposes of this act nationality shall be determined by country of birth, treating as separate countries the colonies, dependencies, or self-governing dominions, for which separate enumeration was made in the United States census of 1890; except that (1) the nationality of a child under 21 years of age not born in the United States, accompanied by its alien parent not born in the United States, shall be determined by the country of birth of such parent if such parent is entitled to an immigration visa, and the nationality of a child under 21 years of age not born in the United States, accompanied by both alien parents not born in the United States, shall be determined by the country of birth of the father if the father is entitled to an immigration visa; and (2) if a wife is of a different nationality from her alien husband and the entire number of immigration visas which may be issued to quota immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to an immigration visa, unless the total number of immigration visas which may be issued to quota immigrants of the nationality of the husband for the calendar month has already been issued. An immigrant born in the United States who has lost his United States citizenship shall be considered as having been born in the country of which he is a citizen or subject, or if he is not a citizen or subject of any country, then in the country from which he comes.

"(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. In the case of a country recognized by the United States, but for which a separate enumeration was not made in the census of 1890, the number of individuals born in such country and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890. In the case of a colony or dependency existing before 1890, but for which a separate enumeration was not made in the census of 1890 and which was not included in the enumeration for the country to which such colony or dependency belonged, or in the case of territory administered under a protectorate, the number of individuals born in such colony, dependency, or territory, and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890 to have been born in the country to which such colony or dependency belonged or which administers such protectorate.

"(c) In case of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting in the creation of new countries, the Governments of which are recognized by the United States, or in the establishment of self-governing dominions, or in the transfer of territory from one country to another, such transfer being recognized by the United States, or in the surrender by one country of territory, the transfer of which to another country has not been recognized by the United States, or in the administration of territories under mandates, (1) such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or self-governing dominions or in such territory so transferred or surrendered or administered under a mandate, and revise (for the purposes of subdivision (a) of section 11) the population basis as to each country involved in such change of political boundary, and (2) if such changes in political boundaries occur after the determination provided for in subdivision (c) of section 11 has been proclaimed, such officials, jointly, shall revise such determination, but only so far as necessary to allot the quotas among the countries involved in such change of political boundary. For the purpose of such revision and for the purpose of determining the nationality of an immigrant, (A) aliens born in the area included in any such new country or self-governing dominion shall be considered as having been born in such country or dominion, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred, and (B) territory so surrendered or administered under a mandate shall be treated as a separate country. Such treatment of territory administered under a mandate shall not constitute consent by the United States to the proposed mandate where the United States has not consented in a treaty to the administration of the territory by a mandatory power.

"(d) The statements, estimates, and revisions provided in this section shall be made annually, but for any fiscal year for which quotas are in effect as proclaimed under subdivision (e) of section 11, shall be made only (1) for the purpose of determining the nationality of immigrants seeking admission to the United States during such year, or (2) for the purposes of clause (2) of subdivision (c) of this section.

"(e) Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported and thereafter such quotas shall continue, with the same effect as if specifically stated herein, for all fiscal years except those years for which quotas are in effect as proclaimed under subdivision (e) of section 11, and shall be final and conclusive for every purpose.

"EXCLUSION FROM UNITED STATES

"SEC. 13. (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of the immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a nonquota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

"(b) In such classes of cases and under such conditions as may be by regulations prescribed, immigrants who have been legally admitted to the United States and who depart therefrom temporarily may be admitted to the United States without being required to obtain an immigration visa.

"(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3: *Provided*, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

"(d) The Secretary of Labor may admit to the United States any otherwise admissible immigrant not admissible under clause (2) or (3) of subdivision (a) of this section, if satisfied that such inadmissibility was not known to, and could not have been ascertained by the exercise of reasonable diligence by, such immigrant prior to the departure of the vessel from the last port outside the United States and outside foreign contiguous territory, or, in the case of an immigrant coming from foreign contiguous territory, prior to the application of the immigrant for admission.

"(e) No quota immigrant shall be admitted under subdivision (d) if the entire number of immigration visas which may be issued to quota immigrants of the same nationality for the fiscal year has already been issued. If such entire number of immigration visas has not been issued, then the Secretary of State, upon the admission of a quota immigrant under subdivision (d), shall reduce by one the number of immigration visas which may be issued to quota immigrants of the same nationality during the fiscal year in which such immigrant is admitted; but if the Secretary of State finds that it will not be practicable to make such reduction before the end of such fiscal year, then such immigrant shall not be admitted.

"(f) Nothing in this section shall authorize the remission or refunding of a fine, liability to which has accrued under section 16.

"DEPORTATION

"SEC. 14. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under this act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the immigration act of 1917: *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States, any alien child who, when under 16 years of age was heretofore temporarily admitted to the United States and who is now within the United States and either of whose parents is a citizen of the United States.

"MAINTENANCE OF EXEMPT STATUS

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed, and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), (4), or (6) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

"PENALTY FOR ILLEGAL TRANSPORTATION

"SEC. 16. (a) It shall be unlawful for any person, including any transportation company, or the owner, master, agent, charterer, or consignee of any vessel, to bring to the United States by water from any place outside thereof (other than foreign contiguous territory) (1) any immigrant who does not have an unexpired immigration visa, or (2) any quota immigrant having an immigration visa the visa in which specifies him as a nonquota immigrant.

"(b) If it appears to the satisfaction of the Secretary of Labor that any immigrant has been so brought, such person, or transportation company, or the master, agent, owner, charterer, or consignee of any such vessel, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each immigrant so brought, and in addition a sum equal to that paid by such immigrant for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, such latter sum to be delivered by the collector of customs to the immigrant on whose account assessed. No vessel shall be granted clearance pending the determination of the liability to the payment of such sums, or while such sums remain unpaid, except that clearance may

be granted prior to the determination of such question upon the deposit of an amount sufficient to cover such sums, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(c) Such sums shall not be remitted or refunded, unless it appears to the satisfaction of the Secretary of Labor that such person, and the owner, master, agent, charterer, and consignee of the vessel, prior to the departure of the vessel from the last port outside the United States, did not know, and could not have ascertained by the exercise of reasonable diligence, (1) that the individual transported was an immigrant, if the fine was imposed for bringing an immigrant without an unexpired immigration visa, or (2) that the individual transported was a quota immigrant, if the fine was imposed for bringing a quota immigrant the visa in whose immigration visa specified him as being a nonquota immigrant.

"ENTRY FROM FOREIGN CONTIGUOUS TERRITORY

"SEC. 17. The commissioner general, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favor of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of aliens brought thereto by them, to submit to and comply with all the requirements of this act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from or through foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that he was brought to such territory by a transportation company which had submitted to and complied with all the requirements of this act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

"UNUSED IMMIGRATION VISAS

"SEC. 18. If a quota immigrant of any nationality having an immigration visa is excluded from admission to the United States under the immigration laws and deported, or does not apply for admission to the United States before the expiration of the validity of the immigration visa, or if an alien of any nationality having an immigration visa issued to him as a quota immigrant is found not to be a quota immigrant, no additional immigration visa shall be issued in lieu thereof to any other immigrant.

"ALIEN SEAMEN

"SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

"SEC. 20. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations prescribed, and having permanently attached thereto a photograph of such alien.

"(b) If the alien seaman after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause the fingerprints of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

"(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

"(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling, or who is employed on a vessel touching at more than one port of the United States in the course of a continuous voyage, may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

"(e) Landing cards shall be printed on distinctive safety paper prepared and issued, under regulations prescribed under this act, at the expense of the owner, agent, consignee, charterer, or master of the vessel. The Secretary of Labor, with the cooperation of the Secretary of State, shall provide a means of obtaining blank landing cards outside the United States.

"(f) The owner, agent, consignee, charterer, or master of any vessel who violates any of the provisions of this section shall pay to the collector of customs for the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom the violation occurs; and no vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"SEC. 21. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman, and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

"(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

"(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen arriving in the United States prior to the enactment of this act. Sections 33 and 34 of such act are repealed, to take effect after the expiration of four months after the enactment of this act, but the provisions of such section 34 shall thereafter remain in force in the case of any alien seaman who has landed in a port of the United States before such repeal becomes effective.

"PREPARATION OF DOCUMENTS

"SEC. 22. (a) Permits issued under section 10 shall be printed on distinctive safety paper and shall be prepared and issued under regulations prescribed under this act.

"(b) The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

"OFFENSES IN CONNECTION WITH DOCUMENTS

"SEC. 23. (a) Any person who knowingly (1) forges, counterfeits, alters, or falsely makes any immigration visa, landing card, or permit, or (2) utters, uses, attempts to use, possesses, obtains, accepts, or receives any immigration visa, landing card, or permit, knowing it to be forged, counterfeited, altered, or falsely made, or to have been procured by means of any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or who, except under direction of the Secretary of Labor or other proper officer, knowingly (3) possesses any blank permit, (4) engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of landing cards or permits, (5) makes any print, photograph, or impression in the likeness of any immigration visa, landing card, or permit, or (6) has in his possession a distinctive paper which has been adopted by the Secretary of Labor for the printing of immigration visas, landing cards, or permits, shall upon conviction thereof be fined not more than $10,000 or imprisoned for not more than five years, or both.

"(b) Any individual who (1) when applying for an immigration visa or permit, or for admission to the United States, personates another, or falsely appears in the name of a deceased individual, or evades or attempts to evade the immigration laws by appearing under an assumed or fictitious name, or (2) sells or otherwise disposes of, or offers to sell or otherwise dispose of, or utters, an immigration visa, landing card, or permit, to any person not authorized by law to receive such document, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(c) Whoever knowingly makes under oath any false statement in any application, affidavit, or other document required by the immigration laws or regulations prescribed thereunder, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"BURDEN OF PROOF

"SEC. 24. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration visa, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

"RULES AND REGULATIONS

"SEC. 25. The Commissioner General, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all such rules and regulations, in so far as they relate to the administration of this act by consular officers, shall be prescribed by the Secretary of State on the recommendation of the Secretary of Labor.

"ACT TO BE IN ADDITION TO IMMIGRATION LAWS

"SEC. 26. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws not inapplicable shall apply to and be enforced in connection with the provisions of this act. An alien, although admissible under the provisions of this act, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this act, and an alien, although admissible under the provisions of the immigration laws other than this act, shall not be admitted to the United States if he is excluded by any provision of this act.

"STEAMSHIP FINES UNDER 1917 ACT

"SEC. 27. Section 9 of the immigration act of 1917 is amended to read as follows:

"'SEC. 9. That it shall be unlawful for any person, including any transportation company other than railway lines entering the United States from foreign contiguous territory, or the owner, master, agent, or consignee of any vessel to bring to the United States either from a foreign country or any insular possession of the United States any alien afflicted with idiocy, insanity, imbecility, feeble-mindedness, epilepsy, constitutional psychopathic inferiority, chronic alcoholism, tuberculosis in any form, or a loathsome or dangerous contagious disease, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was afflicted with any of the said diseases or disabilities at the time of foreign embarkation, and that the existence of such disease or disability might have been detected by means of a competent medical examination at such time, such person or transportation company, or the master, agent, owner, or consignee of any such vessel shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival for each and every violation of the provisions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien afflicted with any mental defect other than those above specifically named, or physical defect of a nature which may affect his ability to earn a living, as contemplated in section 3 of this act, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was so afflicted at the time of foreign embarkation, and that the existence of such mental or physical defect might have been detected by means of a competent medical examination at such time, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $250, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien for whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien who is excluded by the provisions of section 3 of this act because unable to read, or who is excluded by the terms of section 3 of this act as a native of that portion of the Continent of Asia and the islands adjacent thereto described in said section, and if it shall appear to the satisfaction of the Secretary of Labor that these disabilities might have been detected by the exercise of reasonable precaution prior to the departure of such aliens from a foreign port, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien on whose account assessed.

"'If a fine is imposed under this section for the bringing of an alien to the United States, and if such alien is accompanied by another alien who is excluded from admission by the last proviso of section 18 of this act, the person liable for such fine shall pay to the collector of customs, in addition to such fine but as a part thereof, a sum equal to that paid by such accompanying alien for his transportation from his initial point of departure indicated in his ticket, to the point of arrival, such sum to be delivered by the collector of customs to the accompanying alien when deported. And no vessel shall be granted clearance papers pending the determination of the question of the liability to the payment of such fines, or while the fines remain unpaid, nor shall such fines be remitted or refunded: *Provided*, That clearance may be granted prior to the determination of such questions upon the deposit of a sum sufficient to cover such fines or of a bond with sufficient surety, to secure the payment thereof, approved by the collector of customs: *Provided further*, That nothing contained in this section shall be construed to subject transportation companies to a fine for bringing to ports of the United States aliens who are by any of the provisos or exceptions to section 3 of this act exempted from the excluding provisions of said section.'

"SEC. 28. Section 10 of the immigration act of 1917 is amended to read as follows:

"'SEC. 10. (a) That it shall be the duty of every person, including owners, masters, officers, and agents of vessels of transportation lines, or international bridges or toll roads, other than railway lines which may enter into a contract, as provided in section 23, bringing an alien to, or providing a means for an alien to come to, the United States, to prevent the landing of such alien in the United States at any time or place other than as designated by the immigration officers. Any such person, owner, master, officer, or agent who fails to comply with the foregoing requirements shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in each case

of not less than $200 nor more than $1,000, or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment; or, if in the opinion of the Secretary of Labor, it is impracticable or inconvenient to prosecute the person, owner, master, officer, or agent of any such vessel, such person, owner, master, officer, or agent shall be liable to a penalty of $1,000, which shall be a lien upon the vessel whose owner, master, officer, or agent violates the provisions of this section, and such vessel shall be libeled therefor in the appropriate United States court.

"'(b) Proof that the alien failed to present himself at the time and place designated by the immigration officers shall be prima facie evidence that such alien has landed in the United States at a time or place other than as designated by the immigration officers.'

"GENERAL DEFINITIONS

"SEC. 29. As used in this act—

"(a) The term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands; and the term 'continental United States' means the States and the District of Columbia;

"(b) The term 'alien' includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, nor citizens of the islands under the jurisdiction of the United States;

"(c) The term 'ineligible to citizenship,' when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 2169 of the Revised Satutes, or under section 14 of the act entitled 'An act to execute certain treaty stipulations relating to Chinese,' approved May 6, 1882, or under section 1996, 1997, or 1998 of the Revised Statutes, as amended, or under section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, or under law amendatory of, supplementary to, or in substitution for, any of such sections;

"(d) The term 'immigration visa' means an immigration visa issued by a consular officer under the provisions of this act;

"(e) The term 'consular officer' means any consular or diplomatic officer of the United States designated, under regulations prescribed under this act, for the purpose of issuing immigration visas under this act. In case of the Canal Zone and the insular possessions of the United States the term 'consular officer' (except as used in section 25) means an officer designated by the President, or by his authority, for the purpose of issuing immigration visas under this act;

"(f) The term 'immigration act of 1917' means the act of February 5, 1917, entitled, 'An act to regulate the immigration of aliens to, and the residence of aliens in, the United States';

"(g) The term 'immigration laws' includes such act, this act, and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens;

"(h) The term 'person' includes individuals, partnerships, corporations, and associations;

"(i) The term 'Commissioner General' means the Commissioner General of Immigration;

"(j) The term 'application for admission' has reference to the application for admission to the United States and not to the application for the issuance of the immigration visa;

"(k) The term 'permit' means a permit issued under section 10;

"(l) The term 'landing card' means a landing card issued under section 20;

"(m) The term 'unmarried,' when used in reference to any individual as of any time, means an individual who at such time is not married, whether or not previously married;

"(n) The terms 'child,' 'father,' and 'mother' do not include a child or parent by adoption unless the adoption took place before January 1, 1924;

"(o) The terms 'wife' and 'husband' do not include a wife or husband by reason of a proxy or picture marriage.

"AUTHORIZATION OF APPROPRIATION

"SEC. 30. The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized.

"ACT OF MAY 19, 1921

"SEC. 31. The act entitled 'An act to limit the immigration of aliens into the United States,' approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder, and any alien who prior to July 1, 1924, may have entered the United States in violation of such act or regulations made thereunder may be deported in the same manner as if such act had not expired.

"TIME OF TAKING EFFECT

"SEC. 32. (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11, shall take effect on July 1, 1924, except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per cent of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

"(b) The remainder of this act shall take effect upon its enactment.

"(c) If any alien arrives in the United States before July 1, 1924, his right to admission shall be determined without regard to the provisions of this act, except section 24.

"SAVING CLAUSE IN EVENT OF UNCONSTITUTIONALITY

"SEC. 33. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
Managers on the part of the House.

DAVID A. REED,
THOMAS STERLING,
HENRY W. KEYES,
WILLIAM H. KING,
WM. J. HARRIS,
Managers on the part of the Senate.

I do not agree to the insertion of the proviso at the end of subdivision (c) of section 13.

WM. J. HARRIS.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes on the Senate amendment to H. R. 7995, a bill to limit the immigration of aliens into the United States, submit the following written statement explaining matters agreed upon by the conference committee and recommended in the text of the conference report.

The Senate disagreed to the entire text of the House bill, offered its bill as an amendment thereto, and voted for a conference. The House disagreed to the Senate amendment and agreed to a conference. The conferees therefore found the entire subject of immigration open, and the bill is now offered with an amendment which strikes out the Senate amendment and offers in lieu thereof the text printed in the conference report.

The greater part of the amendment is in effect the original House bill, considerably tightened as to its restrictive features.

The managers on the part of the Senate accepted the nonquota feature of the House bill, but reduced these by striking out the skilled-labor nonquota classification, by changing the contiguous territory clause so that it applies only to those born in such territory, and by limiting the "relative" clause to wives and children of American citizens.

Fathers and mothers are given a preferential right within quotas, together with bona fide farmers, their wives and small children, up to 50 per cent of all quotas which are more than 300.

The minimum age for students is made 15 years, and safeguards are provided for the maintenance of the status as students at accredited and designated schools.

The definition of an "immigrant" is reduced from the Senate proposal to the original House provision.

The House conferees accepted words by which "immigration certificates" are designated as "immigration visas."

The plan in the Senate amendment for determination of quotas by national origins was accepted by the House managers after it had been rewritten and perfected.

The quota plan of the House—2 per cent based on the 1890 census (with a minimum quota of 100)—stands for three years, after which the following quota plan goes into effect:

"The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100."

Provisions for working out this plan are carried in paragraphs (c), (d), and (e) of section 11, including a provision for putting this plan into operation by proclamation of the President, under certain conditions.

The effect of section 11, broadly speaking, is that for three years the quota shall be based on a percentage of the foreign born in the United States in 1890, and thereafter the quota percentage shall be based upon the whole white population of the United States, with due regard for the national origin of that population.

Another important change in this bill as it went from the House is the addition of a proviso (shown here in italics) to paragraph (c) of section 13, page 23, the exclusion section, as follows:

"(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3: *Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.*"

It appeared that in order properly to conduct our foreign relations it was necessary to extend somewhat the date upon which exclusion should become effective. This provision gives eight months beyond the time provided in the original House draft in order to adjust our diplomatic relations on this subject in a friendly way and to provide for notice through proper diplomatic channels that Congress has enacted legislation which brings to an end at a date certain the present understanding with Japan. This provision does not invite the making of a treaty, the exclusion being effective on March 1, 1925, or, in other words, bringing exclusion into full force and effect before the expiration of this Congress.

For the period between July 1, 1924, and March 1, 1925, Japanese immigration will be limited to 80 persons by the quota provision of the immigration bill, in addition to those who may come under the exemptions provided for students, ministers, and teachers of all countries.

H. R. 7995 is so written that the postponement to March 1, 1925, of the effective date of the clause relating to exclusion of persons ineligible to citizenship does not automatically continue in force after July 1 the terms of the "gentlemen's agreement."

The extension of time does not affect the countries of the Far East, for exclusion from them is effected by other laws which are not repealed by this bill.

The charge for visiting and registering the certificate and passport of an immigrant has been reduced from $11 to $10 to make it conform to other passport fees.

The fee for a permit for an outgoing alien who expects to return is reduced from $6 to $3.

A new paragraph is added to section 22, page 34, as follows:

"The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917."

The alien seamen's provisions of the House bill remain, although perfected in some details.

The Senate provision permitting about 30 to 40 defective children, admitted under bond, to remain in the United States if one parent is an American citizen is retained, the main reason being that there is no place to which to deport the majority of these unfortunates.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
Managers on the part of the House.

Mr. SABATH. Mr. Speaker, though I am familiar with the ruling of the former Speaker on the question, nevertheless I feel it is my duty to raise this point of order and submit it to the Chair.

Mr. Speaker, the conferees have exceeded their authority in several instances, but in the main I desire to call the Speaker's attention to the violation in section 10 of the House bill and section 13 of the new bill. This refers to an alien ineligible to citizenship, or the Japanese provision.

Under the House bill the act would have gone into effect July 1, 1924, while under the Senate bill it would have gone into effect immediately. The conferees have exceeded their authority in extending the time when the law should go into effect by agreeing to the following proviso:

Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

Now, as I have stated, I fully appreciate the fact that the former Speaker, in the Sixty-fifth Congress, ruled that where either House strikes out all after the enacting clause and the bill then goes to conference, that the conferees have wide latitude. But later on I note this:

In the House of Representatives, in the later practice, the Speaker may rule——

The SPEAKER. From what page is the gentleman quoting?

Mr. SABATH. Page 231, the second paragraph, paragraph 540.

The SPEAKER. The Chair has it before him.

Mr. SABATH. Reading from that section:

In the House of Representatives, in the later practice, the Speaker may rule out a conference report if it be shown that the managers have exceeded their authority.

I think that was the ruling of Speaker Clark in the Sixty-fifth Congress. I have had no chance or opportunity to examine the ruling, relying on that provision. I believe, without further investigation on my part, the Speaker has authority to rule a conference report out of order where the conferees have exceeded their authority, as they have in this instance. I think it is clear they have gone way beyond what the Senate or the House voted upon and what either of the bills provided for.

Mr. CRAMTON. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. CRAMTON. Leaving out of consideration the question as to all after the enacting clause having been stricken out, and referring to the time when this provision would become effective under the Senate bill, the gentleman says it would would become effective immediately?

Mr. SABATH. Yes.

Mr. CRAMTON. I understand it does not mention any date. It does not say the 1st of May or the 1st of June, 1924, but leaves it to become effective when the law becomes effective. If the law did not become effective until the expiration of this Congress the latest date would be the 4th of March, 1925. This provision would not become effective until the 4th of March, 1925, if the law itself did not become effective until that time. That is correct, is it not?

Mr. SABATH. Well, if the gentleman is of the opinion that there is any danger of the law not going into effect until such time, all right, but I doubt very much whether that was the intention of the Senate.

Mr. CRAMTON. What I suggest is that the date fixed by the Senate was an indefinite date that might happen any time between now and the 4th of March, 1925.

Mr. SABATH. I am of the opinion that when there is no date set the act goes into effect immediately when the bill is finally signed and becomes a law.

Mr. RAKER. Mr. Speaker——

The SPEAKER. The Chair will hear the gentleman from California.

Mr. RAKER. Mr. Speaker, I desire to make the point of order that the conferees have exceeded their authority in adding the following part of a proviso, subdivision (c) of section 13, and I want to make it clear to the Speaker that I only refer to that part where the President is requested—

to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

For the reason, first, that it is not germane to either bill as passed by the two Houses; second, it is not within the jurisdiction of the conference; third, it is legislation outside of both bills; and, fourth, it is a waiver of the jurisdiction of the House to legislate on immigration.

I want to discuss, if the Speaker will permit, the point of order made by the gentleman from Illinois [Mr. SABATH]. I have read the decisions—including the latest one referred to as made by Speaker Clark—on the question of dates.

Provision (d) of section 12 of the House bill and subdivision (c) of section 10 of the Senate bill were identical. The Senate provision placed that subdivision in operation on the taking effect of the act. The House provision placed it in effect on the 1st of July, 1924.

I take it for granted that the conferees of the two Houses, recognizing the rule, did not attempt to violate it. It was clearly before them.

Now, arguing against the point of order of the gentleman from Illinois; first, because I want to get this clearly before the Speaker and before the House; recognizing that rule, the conferees kept within the rule as laid down and adopted a conference report that subdivision (c) of section 13, the entire section, is operative and in force on the 1st of July, 1924, and the conferees therefore did not exceed their authority.

To make my point plain I want to call the Speaker's attention to section 32 on page 19 of the conference report, which reads as follows:

SEC. 32. (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11 shall take effect on July 1, 1924.

The SPEAKER. What page is the gentleman reading from?

Mr. RAKER. Page 19 of the conference report.

Mr. JOHNSON of Washington. Page 45 of the bill.

Mr. RAKER. These are practically the same in both Houses except as to the date—

except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per cent of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

(b) The remainder of this act shall take effect upon its enactment.

The House bill, specifying those subdivisions and subdivision 12, which is identical with subdivision 13 of the present act, said that they should take effect July 1, 1924, and the remainder of the act shall take effect upon its enactment.

The Senate bill reads as follows:

Sections 2, 11, 12, 13, subdivision (b) of section 8, and subdivisions (a) and (b) of section 10 shall take effect on July 1, 1924—

leaving subdivision (c) of section 10 of the Senate amendment, which is identical with subdivision (d) of section 12 of the House bill, to take effect immediately.

Now, Mr. Speaker, taking this bill by its four corners and reading it, section 13 of the bill, which is the conference report, the whole act takes effect on July 1, 1924, as provided therein.

Every rule of statutory construction that has been laid down holds that when there are two conflicting provisions in the same act, the last provision controls, and this act would take effect on July 1, 1924, as to subdivision (c) of section 13 beyond all question, and as illustrating the argument, I would call the Speaker's attention to this matter which further applies to the point.

It is an old and well-settled rule that when two laws upon the same subject, passed at different times, are inconsistent with each other, the one last passed must prevail. So it has always been the rule that where different provisions of a statute, all passed at the same time, can not be reconciled, the one that came last in point of position must prevail; and this was upon the theory that effect should always be given to the latest rather than to an earlier expression of the legislative will, the presumption being that the latter part of the statute was last considered. (73 Calif. 258.)

In Thirty-sixth Cyc. 1130, we find the following rule:

c. Conflicting provisions: In the consideration of conflicting provisions in a statute, the great object to be kept in view is to ascertain the legislative intent, and all particular rules for the construction of such provisions must be regarded as subservient to this end. *In accordance with the well-settled principle that the last expression of the legislative will is the law, in case of conflicting provisions in the same statute or in different statutes, the last enacted in point of time prevails; and, on the same principle, if both were enacted at the same time, the last in order of arrangement controls.* As a corollary to this latter rule, a proviso in an act repugnant to the purview thereof is not void but stands as the last expression of the legislative will. Where the conflict is between words and figures, the words will be given effect. Where general terms or expressions in one part of a statute are inconsistent with more specific or particular provisions in another part, the particular provisions will be given effect as clearer and more definite expressions of the legislative will. But a particular expression in one part of a statute not so large and extensive in its import as other expressions in the same statute will yield to the larger and more extensive expressions, where the latter embody the real intent of the legislature.

Mr. CRAMTON. Will the gentleman yield for a very brief question?

Mr. RAKER. I would like to get this thought before the Speaker first.

So, therefore, Mr. Speaker, the conferees having this document before them as one document, taking up the whole thing, the last thing they did was to say that section 13 of this bill should take effect on July 1, 1924, and the subdivision is in direct conflict with subdivision (c) of section 13. Therefore, the last expression by the conferees in coming to their conclusion is effective, and turning back to subdivision (c) of section 13, the only thing remaining is, namely, the point of order which I make, because we must take the last expression of the conferees in determining the matter. So that the subdivision to which I make the point of order is the one wherein the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present agreement on this subject.

My contention is that it is not germane to either bill passed by the House or the Senate. It is entirely new legislation engrafted upon this conference report, and not germane to either; and, beyond all question, it is a yielding of the power of the House to legislate upon this question and is turning over its function of legislating in regard to immigration to the President of the United States relative to an agreement, when there can be no such thing as a gentleman's agreement between the President and a foreign country. There never has been an agreement by the President. The only thing talked of as a gentleman's agreement is that which was entered into by the Secretary of State of the United States and the foreign ambassador of Japan in various correspondence which all concede was beyond the treaty-making power. But by this act, Congress is asked to recognize an agreement beyond the constitutional power of the President, beyond the constitutional power of the House, and now to come in and yield and turn the subject over to the President of the United States to negotiate upon a question that is absolutely beyond his power and beyond his jurisdiction.

So clearly neither House had that matter before it. Neither House had an opportunity to pass it. This House at no time ever said it would yield its power to legislate on immigration. This House never said at any time that it would surrender its power to legislate on a domestic question of this kind. It is almost inconceivable that the House at the present time—and that is the only thing I am presenting to the Speaker, making no objections to any other features of the bill—that the House ever surrendered its power to legislate on immigration. It is a domestic question pure and simple.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that the gentleman is not discussing the point of order.

Mr. RAKER. I am trying to suggest and submitting that the point of order relative to the date is not before the Speaker because the conferees have not exceeded their authority as to the date, and the whole part of section 13 is operative on July 1, 1924. Then we come down to the last point I make in regard to exceeding the powers of the conferees, and therefore I say that the point of order should be sustained and the conference report sent back to the conferees.

Mr. GARRETT of Tennessee. Mr. Speaker, as I understand the ruling of various occupants of the chair, where parliamentary situations have arisen such as confronts the Chair and the House at this time, namely, where the Senate has stricken out the whole of the House bill and inserted a new measure and that measure goes to conference, the whole subject is before the conferees and they are clothed with wide powers in reaching an agreement. Indeed, it has been held in numerous decisions that their powers are broad enough to write a new measure.

It has been ruled that where the rates of a revenue bill are involved, when that bill came in under circumstances similar to this, that the conferees were not limited between the figures originally agreed upon by the House and those agreed upon by the Senate but they may go below or above those figures. It has been ruled in at least one instance where the

question of dates was involved that the conferees were not confined between the two dates fixed by the respective bodies. So it seems to me that this point of order will turn upon the question of germaneness submitted by the gentleman from California [Mr. RAKER]; that is to say, if the conferees have inserted matter not germane to the House bill or to the Senate bill, then the point of order will lie. It seems to me, Mr. Speaker, that the language beginning in line 3, on page 24, with the word "before," and reading—

before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject—

is not germane. It would not be germane if offered as an original proposition in the House. It is a request to the Executive to exercise a purely executive power in so far as that power may be exercised under the Constitution. It is in no sense a legislative proposition. It does not clothe the President with authority to do anything that he has not now the power to do. It involves no element or item of legislation which is in any way binding on the Executive or upon the law-enforcing department of the Government. Not being legislative, therefore, I respectfully submit that it can not be germane to legislation.

Mr. CELLER. Mr. Speaker, I rise in support of the point of order on the ground that the words read by the gentleman from Tennessee [Mr. GARRETT] as to the President negotiating with the Japanese Government in relation to the abrogation of the present arrangement is tantamount to asking the House of Representatives to legislate on a matter which is entirely within the province of the President and the Senate, in the sense that it refers to the treaty-making power under the Constitution which is delegated to the President and the Upper Chamber of Congress and concerning which the Lower House has no concern whatever.

Mr. JOHNSON of Washington rose.

The SPEAKER. The Chair is ready to rule, but he will hear the gentleman from Washington.

Mr. JOHNSON of Washington. Mr. Speaker, I only want to make one suggestion. Section 32 provides when the law shall go into effect, including section 13, and then section 13 carries its own date of going into effect. I think there is nothing to that point of order.

The SPEAKER. The Chair is ready to rule. The first point made by the gentleman from Illinois, it seems to the Chair, is thoroughly disposed of by the decision of Speaker Clark, quoted in the Manual to which the gentleman from Tennessee refers. It says:

And it has been held so often and so far back and by so many Speakers that where everything after the enacting clause is struck out the conferees have carte blanche to prepare a bill on that subject, that it seems to the Chair that question is no longer open to controversy.

The Chair on that ground overrules the point of order. That leaves the other point of order made by the gentleman from California [Mr. RAKER] and discussed by the gentleman from Tennessee [Mr. GARRETT], that the provision asking the President to negotiate with the Japanese Government in relation to the abrogation of the present arrangement is not germane.

But it seems to the Chair that inasmuch as this report terminates the understanding referred to on July 1, this provision extending it to March 1, 1925, and at the same time asking that the President meanwhile shall negotiate to abrogate it, which may possibly terminate it sooner, that that makes it clearly germane to the subject, and the Chair overrules the points of order.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent that debate in regard to this conference report be limited to two hours.

The SPEAKER. The gentleman from Washington asks unanimous consent that debate on the conference report be limited to two hours. Is there objection?

Mr. MACLAFFERTY. Mr. Speaker, reserving the right to object, just how is that time to be apportioned?

Mr. JOHNSON of Washington. The rule I believe provides one hour, and I am asking for an extension of one hour more.

Mr. MACLAFFERTY. Can I be provided with 10 minutes of that time?

Mr. JOHNSON of Washington. I would like to have the control of the hour for those opposing the conference report to be with the ranking member of the committee.

Mr. RAKER. Mr. Speaker, it seems to me there ought to be some time that I might have to discuss the conference report. Can we not enter into an agreement to make it three hours?

Mr. JOHNSON of Washington. I do not think I could go any further with my request. I think two hours is all the time needed to discuss the matter thoroughly. While it is an important question, the debate should be keen and to the point.

Mr. RAKER. I suggest to the gentleman from Washington that the gentleman from Illinois [Mr. SABATH], have half an hour and that I may have half an hour, while the gentleman from Washington would control one hour.

Mr. LAGUARDIA. What is the time under the rule?

The SPEAKER. The gentleman from Washington, of course, has the floor, and at the expiration of one hour he may move the previous question, which would end debate. The Chair understands that the gentleman desires to extend the time for debate to two hours, instead of one.

Mr. LAGUARDIA. But if the gentleman's motion for the previous question is voted down, then the conference report will be open for debate, and every Member who was recognized would be entitled to an hour.

The SPEAKER. The gentleman from Washington asks unanimous consent that there be two hours of debate, of which one hour shall be controlled by himself. Does the gentleman from Washington agree to the division suggested by the gentleman from California, that the gentleman from Illinois should have half an hour and the gentleman from California half an hour?

Mr. JOHNSON of Washington. Does the gentleman from Illinois prefer it in that way?

Mr. SABATH. I am in this position: I have already assured Members on the other side some time, and I should not like to find myself in a position without having at least a few minutes for myself.

Mr. LONGWORTH. Mr. Speaker, will the gentleman from Washington yield to me?

Mr. JOHNSON of Washington. Yes.

Mr. LONGWORTH. Will he add to his request that the previous question shall be considered as ordered at the end of the two hours?

Mr. JOHNSON of Washington. Certainly. I shall modify my request in that respect, Mr. Speaker.

Mr. RAKER. Mr. Speaker, reserving the right to object, will the gentleman make his request that he have 1 hour, that the gentleman from Illinois have 30 minutes, and that I may have 30 minutes?

Mr. JOHNSON of Washington. Yes; with the understanding that I be permitted to close debate, and that at the end of the two hours the previous question shall be considered as ordered.

The SPEAKER. The gentleman from Washington asks unanimous consent that the debate be limited to two hours, at the end of which time the previous question shall be considered as ordered, and that 1 hour of that time shall be controlled by himself, 30 minutes by the gentleman from Illinois, and 30 minutes by the gentleman from California. Is there objection?

Mr. MACLAFFERTY. Mr. Speaker, reserving the right to object, I want 10 minutes on the floor from somebody, and if I do not get it I am going to object.

Mr. LONGWORTH. The gentleman should realize that if he objects there will be only one hour of debate.

Mr. LINEBERGER. Mr. Speaker, may I ask the gentleman from Washington a question? Does the gentleman propose to allot any time whatever to Members on this side?

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the time be extended to two hours and a half, and that these gentlemen from the Pacific coast have the other half hour that they desire.

Mr. BACON. Mr. Speaker, I object to that.

Mr. JOHNSON of Washington. Mr. Speaker, I modify my request and make it for 2 hours and 20 minutes, of which I shall control 1 hour, 10 minutes of which shall be given to one gentleman from California and 10 minutes to the other, and that the third gentleman from California [Mr RAKER] shall have one-half hour and the gentleman from Illinois [Mr. SABATH] one-half hour.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, I object.

The SPEAKER. Is there objection to the original request of the gentleman from Washington?

Mr. LAGUARDIA. Mr. Speaker, I object.

The SPEAKER. The gentleman from Washington is recognized for one hour.

Mr. LINEBERGER. Mr. Speaker, a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. LINEBERGER. What is the status of the time?

The SPEAKER. The gentleman from Washington is recognized for one hour. Objection was made as to any agreement in respect to time.

Mr. MACLAFFERTY. Mr. Speaker, I ask the gentleman from New York [Mr. LAGUARDIA] to withdraw his objection.

Mr. LAGUARDIA. Mr. Speaker, my colleagues do not seem to be clear upon this matter. At the end of the hour to which the gentleman from Washington is entitled, if he moves the previous question and the motion be voted down, do not the rules of the House provide that any gentleman then recognized is entitled to the floor for an hour.

The SPEAKER. That is correct.

Mr. BLANTON. But you can not vote down the previous question.

Mr. LAGUARDIA. Mr. Speaker, I withdraw the objection.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry. A motion to recommit is in order after the previous question is ordered?

The SPEAKER. It is. Is there objection to the request of the gentleman from Washington that there be 2 hours and 20 minutes of debate upon the conference report, that the gentleman from Washington shall control 1 hour, that the gentleman from Illinois shall control 30 minutes, and the gentleman from California [Mr. RAKER] shall control 30 minutes, the other 20 minutes to go to the two other gentlemen from California, and that the previous question shall be considered as ordered at the end of that debate? [After a pause.] The Chair hears none, and it is so ordered.

Mr. JOHNSON of Washington. Mr. Speaker and gentlemen, with so much time for debate it would seem we might possibly look carefully and without rancor into this particular provision which seems for the moment likely to jeopardize the final enactment of the immigration bill which had recently the vote of a large majority of the membership of this House. I am convinced that the way to make sure that we absolutely secure Japanese exclusion is to allow the eight months' grace requested by the President and by the Secretary of State. If Members will be good enough to remember that this bill was introduced on the first day of this session, December 5, and it had then in it the exclusion clause to go into effect July 1, they will see that we meant then to allow several months for the clause to go into effect. Your Committee on Immigration and Naturalization held hearings every day throughout the Christmas holidays. We thought we could have the bill out and on the calendar by the 8th or the 10th of January and that it would be among the first measures passed by the House. We were not able to work quite so fast. There are many interests against it, as you know. They catch at every straw. We got the bill on the calendar, I believe, on the 10th of February. Then it was rewritten, and the result is that it is now the 9th of May, and no exclusion act. Every time that this bill has been printed we had July 1 as the date for the exclusion act to take effect.

Gentlemen, the bill is so written that the allowance of the eight months does not mean a Japanese influx at all. A few will come before July 1. But the minute you put the extension on you also put on the quota provision; so that for eight months, or up to March 1, you will have a quota for Japan. That quota in this bill is a minimum of 100 per year, with a limitation of 10 per cent per month. So the whole number of extra Japanese who could come to the United States if they got the necessary permit from the United States consul during the limited time this proviso would run, would be 80, and no more.

Mr. FREE. Will the gentleman yield for a question?

Mr. JOHNSON of Washington. In addition to those who might come in properly under the treaty clause, which we grant to all nations alike, the nonquota class—students, teachers, and ministers. That is all there is to the proposition——

Mr. FREE. If this is true——

Mr. JOHNSON of Washington. Is is absolutely true.

Mr. FREE. I say if it is true, then why do you insert in the bill a proviso that the President will enter into negotiations to do away with the gentlemen's agreement; if it is done away with, why should the President negotiate any treaty——

Mr. JOHNSON of Washington. Well, does the gentleman want to be kind and decent to another nation, or just hit him on the head?

Mr. FREE. I want to see a menace to the United States stopped and do not want to see this influx of a nation which now would threaten us as it has done for 20 years. [Applause.]

Mr. JOHNSON of Washington. If the gentleman had been a little more active earlier in the session we might be a little more sure of it now.

Mr. WATKINS. Will the gentleman yield?

Mr. JOHNSON of Washington. Not now, I will yield later. I desire to read the proviso. See how mild it is. I ask you, gentlemen, in an occasion like this, dealing with other nations, dealing with a matter that runs a little beyond the Committee on Immigration and Naturalization, a little beyond the Committee on Foreign Affairs—a situation which runs in a combination of the House, the Senate, and the Chief Executive, do you suppose that I would come here and offer to jeopardize the bill I have worked on for five solid years?

Mr. RAKER. Will the gentleman yield?

Mr. JOHNSON of Washington. I think we ought to approach this properly and correctly, and it seems to me as if the whole immigration bill——

Mr. RAKER. Will the gentleman yield?

Mr. JOHNSON of Washington. I can not yield.

Mr. RAKER. I will yield the gentleman one minute of my time if he will yield.

Mr. JOHNSON of Washington. In just a minute. Now, what hurts is this: If California people will be only patient. I live on the Pacific coast; there are three States on that coast—California, Oregon, and Washington.

The district which I represent is just as much interested in this as any of the California districts. It is just as big a question to us in the district I represent as to any other coast district.

Gentlemen, I am trying to be absolutely fair about it. It is not fair to have telegrams coming pouring from out the West to the effect that if we defer the date it will open up a big influx of Japanese from now to March 1. I have some California telegrams here; they are not fair; they are not correct. Perhaps it is a misunderstanding. I do not blame the people of California for being a little afraid because they feel they have been tricked in the past, perhaps through misunderstanding and perhaps for other reasons.

Mr. CARTER. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. CARTER. What law provides for the keeping of this Japanese immigration down to 80?

Mr. JOHNSON of Washington. The quota section of this bill. The quota goes for the eight months, and that ends it. The minute we make the extension of time the ineligible class, the nonadmissibles—the minute that is postponed the Japanese will have come on the quota, if at all. The extension is from July 1 to March 1, and during that time of extension they come on the quota, and we are protected. It may be, for all I know, that the Japanese so-called gentlemen's agreement is at this moment abrogated. In the Senate the other day on the amendment there was a big vote, which was in the nature of an abrogation of this agreement. You understand that was not a paper or an order; nothing but a so-called gentlemen's agreement. Japan made it; Japan claims to have kept it; we think not, but her claim is our reason for showing a few months' grace.

Mr. MILLER of Washington. Mr. Speaker, will the gentleman yield for a question?

Mr. JOHNSON of Washington. Yes.

Mr. MILLER of Washington. If this is the way to bring about exclusion of the Japanese, why did you not discover it before and put it into the original House bill, so that the House could consider it? [Applause.]

Mr. JOHNSON of Washington. Because the bill has been running along all the time with the thought that it would be passed much earlier than now, and with the idea that the exclusion would be established on July 1, and that there would be time for the President and the Secretary of State to properly tell the Japanese Government in official letters that the Congress of the United States had willed that whatever is the agreement, whatever it may pretend to be, is by the will of Congress, over. Also, because our committee did not care to recognize by words in this act treaties or agreements relating to immigration, which we did do in the quota act. There is nothing here now that calls for a treaty; nothing whatever; and if this bill became the law to-morrow and was signed by the President to-morrow, what is there to prevent the President and the Secretary of State, if they so will, to begin the negotiation of a treaty? They would not, of course; but what is there to prevent, or what can there be in an act of Congress?

Mr. MILLER of Washington. If the gentlemen's agreement is permitted by this bill and the Japanese are put under a quota, what in God's name is the use for the President to negotiate anything further about the Japanese? [Applause.]

Mr. JOHNSON of Washington. If the gentleman will be kind enough to read this provision carefully he will find that the President is to negotiate for the end of this peculiar situation.

Mr. DYER. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. DYER. This is the first time they have been put under a quota?

Mr. JOHNSON of Washington. Yes; they were exempted under the present quota law. They would now go under the quota for eight months from July 1. That prevents an influx. Read this provision. It says:

Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

We call it an "arrangement." We do not say agreement.

Now, then, gentlemen, if there is anything to this gentlemen's agreement—it has been running on for 17 years—if there is anything to it, is not this Nation big enough; is not this Congress big enough to feel that it can afford to give sufficient time, six or eight months, especially when it is all in the lifetime of this very Congress, with four days to spare, before the 4th day of March? This is an international matter. I am just as vitally interested in it as any man that ever came from California. I am not afraid to stand here and say so, because I want to be sure to save the whole immigration bill and guarantee the exclusion provided in the bill, which is the exclusion of all orientals.

Mr. OLIVER of New York. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. OLIVER of New York. Will the President veto this bill if this provision is not in it? Is that what the gentleman means to convey?

Mr. JOHNSON of Washington. I do not want to take a chance of a veto. We have a fair bill. It takes care of all our relations with the nations of the world. It protects every treaty with all of the nations of the world. It is absolutely fair. Why slam Japan alone?

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. WATKINS. The gentleman says only 80 or 100 would be admitted. But under section 4, subdivisions (a), (b), (d), and (e), could not the children, the wives, students, instructors, and ministers come in, because under the nonquota provision Japan will be on the same basis as all other nations between July 1, 1924, and March 1, 1925, and these classes of other nations can enter without number?

Mr. JOHNSON of Washington. What does that mean—fathers and mothers and parents of American citizens?

Mr. WATKINS. Under the nonquota provision these can come in. You are right, perhaps, as to the quota.

Mr. JOHNSON of Washington. Certainly I am right.

Mr. WATKINS. Every student can come in, and every preacher, student, and instructor; not only that, but every Japanese a citizen of the United States can go over there and bring back a wife.

Mr. VAILE. No. Read the language.

The SPEAKER pro tempore (Mr. GRAHAM of Illinois). The time indicated by the gentleman from Washington has expired.

Mr. JOHNSON of Washington. I beg three minutes.

The SPEAKER pro tempore. The gentleman is recognized for three minutes more.

Mr. JOHNSON of Washington. Gentlemen, let us be calm about this. We have deliberately provided here in this immigration restriction bill that the students of the world may come to the United States under certain tight conditions. We have made the age for students 15 years or over in order to conform with a treaty which permits Chinese students to come in at that age. We give all nations the same provisions. We have greatly tightened the regulations as to where and how they maintain the status of students.

It is a nonquota provision, and that provision will stand, whether or not you have this proviso allowing eight months in which to blow a kiss to Japan; and it is exactly the same with the other nonquota provisions.

Gentlemen, we pride ourselves upon the fact that this bill treats all the nations alike. We have not picked out a single nation for assault by the United States. Certain people are not eligible to citizenship. We have a Supreme Court decision to that effect, and now we are trying to get our laws adjusted in harmony with that fact. It is claimed by many that Japan has lived up to its agreement for 17 years. Nearly all the Pacific coast people have denied that. But we want Japan to be gracefully notified as to the decision of Congress.

Mr. SUMMERS of Washington. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. Yes; certainly.

Mr. SUMMERS of Washington. If the Japanese are put on a quota basis, does not the gentleman believe it will be just as objectionable to them to take them off that basis?

Mr. JOHNSON of Washington. No. This law would indicate what the treaty would have to be, and I do not believe it is possible to even propose on this side or on that side a treaty; and if it were, and it was possible in any way, there is still a Senate, which by its vote has shown it would not agree to such a treaty; but even if it should, which is not possible, there still remain four days in which to have a three-line resolution put through to extend the barred zone of present immigration laws.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. BANKHEAD. Regarding this as a purely domestic question, why should it take a period of eight months for the President to notify Japan of the passage of an act of Congress?

Mr. JOHNSON of Washington. I would have preferred an earlier date, but we have done the best we could. I would have preferred January 1. It would mean 60 Japanese coming in. March 1 would be 10 months. When you get down to the last analysis with a few Congressmen and Senators acting as conferees and trying to be exactly fair to the Senate and to the House and to the Executive you can not stop to split hairs.

The SPEAKER pro tempore. The time of the gentleman from Washington has again expired.

Mr. JOHNSON of Washington. I now yield 10 minutes to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Speaker, I have rarely felt more anxiety about any measure pending before the Congress than about the one pending to-day. The whole question is involved of our observance of agreements with other countries and of our attitude of friendliness or unfriendliness toward other peoples of the earth.

I wish to say at the very outset that I regard the question of immigration, as well as of citizenship, in the United States as more properly and naturally one of legislation for the Congress to determine, but the status of those coming from other countries presents a problem of such delicacy that diplomacy must have to do with the subject of the admission or the exclusion of immigrants. It is also within the treaty-making power to agree upon their admission. I would say, further, that the Japanese Government has said to us, through her ambassador, that they regard the question of immigration as one within the control of our own people as a matter of domestic policy and that they do not wish to send here from their nationals those who will be objectionable to us. In justification of a policy of restriction or exclusion I am compelled to say that if there is any one feature that I have noticed in traveling about in the last 30 years, notwithstanding closer relationships, and notwithstanding the increase of trade, it is the growth of race repulsion.

However reluctant I may be to enact legislation offensive to a great many peoples of the earth, we are nevertheless justified in passing such a bill as this. It is not a reflection upon Japan. As I said here a couple of weeks ago, no country on the globe has made greater progress in the last 60 years in all that makes for political power and for advancing civilization than Japan. We are far greater, but our growth has not been more rapid in the last 60 years. They have come into the very forefront of civilization; they have shown great military power on land and on sea; growth in the arts, in sanitary provisions, and in all the activities which characterize a progressive people. But nevertheless they are of a different racial type. There is much in what a Chinese minister one time said to our Secretary of State, "You are asking to exclude us not because of our vices but because of our virtues."

What are the virtues of the Japanese? Untiring industry; economy; thrift; loyalty to their country, to their ruler; and readiness to imitate and adopt the best to be found in other portions of the world. We may say, as Mr. Webster did of one of our States, "There is Japan. Look at her." It is no disparagement to them or their civilization that we desire to adopt such a law as this. The plain truth is, in the first place, that in competition in many lines of endeavor they surpass us, because they are more industrious, more constant in their labor, and more economical in their habits of living. But they have different standards from ours; they are out of line with us; and thus we are justified in adopting such a policy.

But how shall we go about it? Shall we slap a friendly nation in the face? Shall we adopt a provision that is entirely unnecessary to carry out the object we have in mind? Shall we say to Japan, "We will utterly disregard our agreements

with you and ruthlessly pass a measure which is intended as an insult to you"? That is the way it is now taken in Japan, and I verily believe it will be so taken in the future.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. BURTON. I can not yield. The gentleman will have his own time in which he can speak, and he can take as long as he wants.

This is what it is proposed to do to-day, and this is what this bill would do without such a reservation as that agreed upon by the conferees.

I ask my fellow Members in this House to pause before they take such action against a nation which is more friendly to us, probably, than to any other nation in the world. We were with them in their beginnings. They took up our methods. They adopted many of our forms of administration, our post-office management, our postal system. They have been largely engaged in trade with us from the beginning; they have welcomed our public men, our professors, with a hospitality nowhere surpassed; and let me repeat there is no country in the world that is making more progress than they. They have been the victors in three wars; they have taken up the problems of modern politics and solved them with an ingenuity and a grasp which nations of the western world might well emulate.

It is not a great concession that is made by this brief clause. It merely postpones until the 1st of March, 1925, the full operation of this law.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. GARRETT of Tennessee. Of course, it goes further than that. It requests certain Executive action. Would the gentleman favor suggesting Executive action or requesting Executive action, with all that implies, with regard to the immigration question with all nations?

Mr. BURTON. No. What is the objection of this provision?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I yield the gentleman five minutes more.

The SPEAKER pro tempore (Mr. GRAHAM of Illinois). The gentleman from Ohio is recognized for five additional minutes.

Mr. BURTON. It is placing Japan in a preferred position. However, this means nothing more than a brief postponement and an adjustment in a friendly, orderly way. There they are among the other Asiatics. They are more advanced; our relations with them are closer; their susceptibilities are keen; they are proud of their progress and why should they not be?

Mr. LONGWORTH. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. LONGWORTH. Is it not a fact that Japan went further, perhaps, than any other nation in meeting us during the Conference on the Limitation of Armaments?

Mr. BURTON. In concurring with us; yes. They are ready and they are willing to follow the example of other nations of the earth. If we seek for peace, for the betterment of humanity, for the limitation of armaments, Japan has been as ready as any country of the world to acquiesce and follow our lead.

What you are proposing to do to-day is to visit an unnecessary affront upon them, the result of which will be felt for years to come.

Mr. CHINDBLOM. Did we not ourselves place them in a preferential class years ago by the gentlemen's agreement?

Mr. BURTON. We certainly did, and they have maintained it in good faith.

Mr. LINEBERGER. But the gentlemen's agreement has no standing in law.

Mr. RANKIN. Is it not a fact, with regard to the disarmament conference, that agreements were reached first by the United States and Great Britain, and then Japan reluctantly followed?

Mr. BURTON. Oh, no; of course I do not mean to disparage the most excellent cooperation of the British Government.

Mr. RANKIN. That is my recollection of it.

Mr. BURTON. I have but a minute more and I can not yield further. A nation, like an individual, has a mission to perform. We claim to be in the vanguard of civilization leading in that which makes for progress in free government, the advancement of the individual and in material resources, but we have duties to perform to the rest of the world. What are those duties? To hold out a helping hand to the weak of every nation and of every race, to meet the strong, like Japan, on a footing of justice, of generosity, and of fairness.

Let us not take this hasty step and offend a friendly people. Let us proclaim to the world that we have regard for the feelings of other people. Let us recognize that among the varied races of the earth all have their excellencies. We can not claim, by any manifestation of conceit, that all of them belong to us. Japan has many traits which are worthy of the highest regard, and to the remotest bounds of the earth peoples have their excellencies. Let our relations with everyone be on a foundation of friendliness, manifesting that we in America seek leadership not merely in those things that make for power and for wealth, but in those finer qualities of generosity, justice, and regard for the feelings of all. It is especially important that we maintain scrupulous regard for all our engagements.

I can not too strongly impress upon my fellow Members the importance of what they are doing to-day and the ill will which may be promoted by our action if we pass this bill without reservation. The addition by the conferees does not in any way hamper the operation of the immigration policy proposed. It does not even continue the gentlemen's agreement. There is no provision here in this exception for a new treaty. It is merely a method of trying in a graceful manner, without giving unnecessary offense, to close this incident. While we proclaim to Japan that we have certain rules in regard to our citizenship and those that may come here, we nevertheless desire to enforce these rules in a spirit of friendliness and good will which we hope may last not merely to-day but for all the years to come. [Applause.]

Mr. SABATH. Mr. Speaker and gentlemen of the House, many of you, I take it, must be under the impression that the Japanese question is the only question that is involved in this report. I admit that that is an important question, but I feel I am in honor bound to bring home to you the other provisions that have been embodied in the bill since it left the House. I do this because I do not believe you have had the time to familiarize yourselves with what has actually occurred in conference.

In addition to the Japanese question, which will be explained to you thoroughly by the gentlemen from the Pacific coast and by others, the conferees have embodied also in this bill the so-called national-origin scheme that was defeated on the floor of the House. They have embodied the Simmons amendment, which was not considered on the floor at all and is an amendment of great importance. The conferees have cut down the number of nonquota nearly 50 per cent, and they also cut off the skilled-labor provision.

I admit, Mr. Chairman and gentlemen, that in many respects the bill has been improved upon by the adoption of certain administration provisions, in many instances simplifying the requirements and also making it easier of operation and enforcement.

I hesitate to say anything on the Japanese proposition, but the members of my committee and the conferees will agree, and must admit, that I have not utilized that proposition in any way, shape, or form so that I could perhaps bring about the defeat of this unreasonably harsh immigration bill.

Lest I forget, I desire to call your attention to the fact that I have noticed in the papers to-day a statement as to the Japanese proposition showing that under this provision 240,000 Japanese could come in by March 1, 1925. Gentlemen, that statement is on a par with a great many other statements that have been made by restrictionists for the purpose of creating prejudice in the minds of the American people. That statement was made by Mr. McClatchey, of California; and though I do not agree with the gentleman from California, of course there would be a certain number that could come in by extending the time when the bill should go into effect to March 1, 1925, but I can not agree to any such wild statement that 240,000 will come.

However, what I desire is to explain to you the provisions which from my point of view, I believe, are of greater importance to America and to us than the Japanese provision.

Many of you gentlemen have voted for the bill and many of the restrictive features and for 2 per cent of the 1890 census because you were made to believe that ample provision has been made in the bill whereby the so-called newer immigration will receive certain advantages in the nonquota provision whereby, under the nonquota provision, the wives and the children, the husbands, the fathers, and mothers of American citizens will be permitted to come outside of the quota; and, lo and behold, after the bill leaves here, notwithstanding the assurance that has been given you, the conferees recede from the House position and wipe out the provision for the husbands of American citizens. They wipe out the provision for the parents of American citizens, so that neither of them can come in as nonquota immigrants, but will now be placed as quota immigrants.

What does this mean? It means that many of these American citizens will be unable to reunite their families and bring their fathers and mothers to this country when they are more than competent to take care of them and provide for them. Oh, yes; in another provision they are given a so-called preferential status, but in the same provision they give preference to so-called skilled agriculturalists, and they give full power to our consular officers to ascertain and grant that preference. I am of the opinion that these young $1,800 men, who will be clothed with czarlike power, will do as they please, being far away from home, in giving exemptions to those that they wish to, and may, and I know that some will, discriminate against the parents and husbands of American citizens, to say nothing of the fact they refused to make exemptions or to permit the coming in of the wives of American soldiers who offered their lives for our country and for our flag.

Yes; there are other provisions in this bill besides the Japanese proposition. For instance, there is the Reed amendment, or the so-called national-origin scheme. How many of you know what that means and how far-reaching it is, gentlemen?

I will briefly explain to you what that means. It means that the limitation on immigration after 1927 will be 150,000, this to be divided under the so-called national-origin scheme. I have utilized some of my colleague's figures, as well as those of the gentleman on the other side of the Capitol from Pennsylvania; and do you know what these figures mean? It means that Great Britain will receive under the national origin more than three-fifths of the entire immigration, and that is not taking into consideration Canadian immigration. That is outside of it. All the rest of Europe will have less than two-fifths and Great Britain alone will have above three-fifths of the immigration. So such countries as Germany, France, Czechoslovakia, Belgium, Scandinavia, Holland, Poland, in fact all the other nations of Europe will be discriminated against and their quota cut nearly to nothing. I wish you would look over these figures, as time will not permit me to read them. I put them in the RECORD yesterday, and if you will examine the small number that will be admitted under the scheme of the various nationals of the different countries you will agree with me that it can not be defended by anyone; that it is manifestly wrong, unjust, unfair, and discriminatory.

Quotas

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 150,000 limit proviso
Albania	288	100	100
Armenia	230	100	100
Austria	7,342	980	1,846
Belgium	1,563	509	360
Bulgaria	982	100	100
Czechoslovakia	14,357	1,574	1,undefined
Danzig	601	223	100
Denmark	5,619	2,789	1,092
Esthonia	1,348	102	221
Finland	3,921	143	408
Fiume	71	100	100
France	5,729	3,978	2,788
Germany	67,607	50,129	22,018
Great Britain and Ireland	77,342	62,458	91,111
Greece	3,063	100	338
Hungary	5,747	488	1,undefined
Iceland	75	100	100
Italy	42,057	3,989	5,878
Latvia	1,540	117	238
Lithuania	2,629	302	444
Luxemburg	97	100	100
Netherlands	3,602	1,637	2,undefined
Norway	12,205	undefined,452	2,undefined
Poland	30,979	5,undefined	4,undefined
Portugal	2,465	474	275
Rumania	7,419	631	368
Russia	34,405	1,792	4,undefined
Spain	912	124	141
Sweden	20,042	9,undefined	3,707
Switzerland	3,752	2,undefined	781
Yugoslavia	6,426	735	602
Other Europe	86	125	100
Palestine	57	100	100
Syria	842	100	102
Turkey	2,654	100	119
Other Asia	92	100	100
Africa	104	100	100
Egypt	19	100	100
Atlantic Islands	121	100	134
Australia	279	120	100
New Zealand	80	100	100
Japan			
Total	357,801	161,930	150,undefined

And by this legislation we will offend every nation of the world outside of Great Britain.

Now, with the position we are going to take with Japan, we are again playing into the hands of England. If Great Britain's representative had prepared this bill they could not have done any better than has been done by the conferees. I say to you examine closely before you vote on this proposition.

There are other provisions in this bill, but I have not the time to explain them. I say to you that it is my firm belief that it is the duty of Congress, if we have the interest of our country at heart, to refuse an approval of this conference report. Let us send it back, not only with instructions on the Japanese proposition, but with instructions to strike out the objectionable feature, the Reed amendment. I am of opinion that that is the least thing we can do, although there are other provisions in the bill that have no right to be there. They are unfair, un-American, and can not be justified by any man who believes in fair play, who believes in justice, who believes in maintaining friendly relations not only with Japan but with all the countries of Europe.

Mr. RAKER. Mr. Speaker——

The SPEAKER pro tempore. The gentleman from California is recognized for 30 minutes.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LINEBERGER. Mr. Speaker, I think we ought to have more Members of the House here to listen to the gentleman from California, and I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from California makes the point of order that no quorum is present. Evidently there is not a quorum here.

Mr. TINCHER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed, the Sergeant at Arms was directed to bring in the absentees, the Clerk called the roll, and the following Members failed to answer to their names:

Allgood	Gilbert	Madden	Seger
Anderson	Greene, Mass.	Michaelson	Smithwick
Andrew	Greenwood	Miller, Ill.	Snyder
Bacharach	Griffin	Montague	Stalker
Black, Tex.	Harrison	Moore, Ill.	Stengle
Brand, Ga.	Howard, Okla.	Morin	Sullivan
Byrnes, S. C.	Jacobstein	Morris	Swoope
Candler	Jeffers	Mudd	Taylor, Colo.
Clark, Fla.	Johnson, Ky.	O'Brien	Taylor, W. Va.
Connery	Kahn	O'Connor, N. Y.	Thatcher
Connolly, Pa.	Kerr	Park, Ga.	Tydings
Cooper, Ohio	Kiess	Peavey	Ward, N. Y.
Corning	Kopp	Phillips	Ward, N. C.
Curry	Kurtz	Rainey	Watson
Deal	Langley	Ramseyer	Welsh
Denison	Larson, Minn.	Reed, W. Va.	Williams, Tex.
Dominick	Lilly	Reid, Ill.	Winter
Dowell	Little	Rogers, N. H.	Wolf
Deane	McClintic	Rosenbloom	Wurzbach
Edmonds	McDuffie	Rouse	Young
Fish	McFadden	Sanders, N. Y.	Zihlman
Fitzgerald	McKenzie	Scott	
Funk	McNulty	Sears, Nebr.	
Geran	McSweeney	Sears, Fla.	

The SPEAKER pro tempore. On this call 339 Members have answered to their names, a quorum.

Mr. TINCHER. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

Mr. RAKER. Mr. Speaker, I desire to make a statement of facts as to what is before us and my objection to the conference report, which goes to the life of it, namely, the proviso to subdivision (c) of section 13.

On May 6, 1924, at about 5.30 p. m., the conferees of the two Houses having under consideration H. R. 7995, had come to a full and complete agreement; that immediately thereafter the conference doors were thrown open and the public press invited to enter, and the chairman of the conferees, Senator REED of Pennsylvania, advised the public of the full and final agreement of the conferees on the above-named bill, stating the substance of such conference; that thereafter, on May 7, 1924, the President of the United States invited the conferees of the majority party to the White House, and a conference between said conferees and the President was had. The President then—as it was thereafter made public—submitted a proposed amendment to the bill, stating in substance that if it was allowed the bill would be signed, and if not agreed to the bill would be vetoed, the amendment proposed by the President being as follows:

Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

And thereafter, on May 7, 1924, at 3 p. m., the conferees met for the purpose of signing the report that the conference had theretofore finally and fully agreed upon as the evening of

May 6, 1924; and as it now appears from the conference report filed the conferees accepted and adopted the President's proposed amendment to subdivision (c) of section 13.

Immigration is purely a domestic question, solely within the control of Congress through its legislative power, the President having no control save and except in vetoing or approving legislative acts.

The President of the United States has no constitutional authority or right with reference to legislative matters, except by advice, by message to the Congress, or by action of approval or disapproval of final legislative action, and therefore a transfer of the control of the immigration to the United States to the treaty-making power excludes the House of Representatives from any right or control of the terms of said treaty, is contrary to our form of government, and a yielding of the rights of the House to deal with immigration hereafter. This must not be.

Mr. Speaker, I respectfully and courteously request that I be not interrupted, as I shall not yield.

For 15 years I have labored upon this question of immigration with the Committee on Immigration, first with Mr. Burnett as chairman, and for the last five years and over with the gentleman from Washington [Mr. JOHNSON]. I have given my undivided time and attention to the legislation pending before that committee, at times neglecting practically every other thing, because I consider this one of the most important questions before as well as affecting the American people. After months of labor the committee brought out an immigration bill, and the records will show that many, many of the provisions of that bill were those that were penned by myself and adopted by the committee, and that those were provisions that gave the bill real teeth. Upon the floor of the House, when the bill came up for consideration, I did what I could to see that it passed as it was reported by the committee. There was but one amendment, and that was but a variation between the committee's report and what was offered and what passed. The bill passed the House with 323 Members voting for it and 71 against it. It went over to the Senate, and practically the same words, with some amendments, were passed by the Senate by a vote of 62 yeas and 6 noes. The bill went to conference and I was appointed one of the members of the conference committee, which consisted of five Members from the Senate and five Members from the House. We met and worked practically every day in an effort to adjust the differences between the House and the Senate. After continual labor, notwithstanding the newspaper reports and comments, at about half past five o'clock, on the 6th day of May, 1924, the conferees of the House and Senate came to a full and final agreement relative to the conference report. It was ordered printed, because there were some matters that were yet to get into proper shape.

After the conferees finished their work the question came up as to who would give to the public what had been done by the conferees. The door was thrown open, and the newspaper correspondents, who were thick on the outside, were invited to enter. They did enter, and, under a private agreement between the conferees, the Senator from Pennsylvania [Mr. REED] was to give a statement of what was the agreement of the conferees. Senator REED then gave that statement, and the papers of the morning of the 7th carried it broadcast that the conferees had agreed upon a conference report, which was an adoption of subdivision (c) of section 13, relative to ineligible citizens, and that it was to take effect on the 1st day of July, 1924.

The conferees adjourned, to meet at 3 o'clock on the afternoon of May 7, 1924, for the sole purpose of signing the conference report which had been agreed upon and had been printed. When 3 o'clock arrived there were three small typographical corrections to be made so that it would read properly, and we supposed then that the matter was through. The press then published, and the record shows now before the committee, that on the morning of May 7 the President had called the majority members of the conferees in council at the White House. It was then reported, and reported to Members of the House before I got to the conference committee at 3 o'clock that afternoon—I was told that Members of the House had the information before I ever heard it as a member of the conference committee—that the President himself had drawn this proviso on subdivision (c) of section 13, and we were then advised that the President would sign the bill if that was agreed to, and that he would veto it if it was not. Then and thereafter the record shows, as has been presented to the committee here on the conference report, without any violation of confidence, that the conferees did then and there adopt the President's amendment to the conference report, which had been adopted the day before by the conferees, all that was left being to sign it. I agreed to the conference report on the day of May 6. I participated in the work of what the committee desired, what the House had voted by 323 to 71, what the Senate had voted by 62 to 6; but when we came back on that afternoon to sign the conference report we find the President of the United States sending an amendment in his own language, written on his own typewriter, to the conferees, with the direction that the bill would be vetoed if we did not yield and put on what he desired.

Mr. JOHNSON of Washington. Mr. Speaker, the gentleman does not want to make a misstatement.

Mr. RAKER. I am not. I am speaking now of what is in my files on the public print.

Mr. JOHNSON of Washington. The gentleman does not say, surely, that any such word was sent in typewriting or in any other way to the conferees?

Mr. RAKER. I am talking about what the public print says.

Mr. JOHNSON of Washington. The gentleman from California talks of official records when he means only public prints.

Mr. RANKIN. The gentleman said that the amendment was in his typewriting.

Mr. RAKER. Yes, the amendment. The point is that after we had agreed upon the conference report, after the labor that many of us had given to that bill, we are compelled on our honor as Members of the House, elected by the people, to refuse and decline to sign a report that had been our labor for years, because a foreign government desired to so dictate to us what should be done about domestic legislation. [Applause.] While I am as anxious as anyone in the House to see legislation passed, and I believe that every feature of the bill outside of the proviso to subsection (c) of section 13 ought to be enacted into law, yet I believe I would stultify myself as a representative of the people, and that I ought to resign if I should now yield my rights and duty as a representative of the American people. What we hope to do is to recommit the bill with instructions to the conferees to refuse to agree to the proviso. Gentlemen of the House, this is not a question of any politics, one side or the other.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. RAKER. I can not yield. My friends on the other side are smiling. Did you read the report of the committee originally, when every member signed this report; and now, while the chairman of the committee is present here in the Hall, I ask him if he ever heard or if there was ever, so far as the members are concerned, any politics in the Committee on Immigration regarding this legislation? I yield to him to confirm or deny that. If he does not, I shall proceed.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. RAKER. I will.

Mr. JOHNSON of Washington. I want to say now I have been on the committee for about 12 years. Judge RAKER has worked night and day for this exclusion provision. There has been no politics. I sat seven years at the feet of one dear old Democratic chairman, the dead Chairman Burnett, trying to get this restriction and exclusion, and it grieves me now to tears to see this thing split this way just when we have got it at our hands. I do not want to see Californians fighting as to who brings home the bacon. Be patient, keep your shirts on, and we shall get the Japanese exclusion and the whole immigration restriction all guaranteed, Mr. JOHN RAKER, and I give you full credit. [Applause.] However, he did not write quite every line in the bill. He does not claim that. But Judge RAKER knows and I know that there is a right way and there is a wrong way. I will not strike the Japanese when he is down and when we have won.

Mr. RAKER. Now, gentlemen, to confirm the matter, there are no politics in the question; it becomes now a higher and more important question than parties, either one side or the other——

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. RAKER. I will yield to the gentleman.

Mr. GARRETT of Tennessee. I am sure there has been no politics injected; and since it is not a political question, does the gentleman have any idea why the President sent only for the members of his own political party when he desired to consult on this important international question?

Mr. JOHNSON of Washington. He did not send; I asked.

Mr. RAKER. Because, while I may not have much sense, I may not have much judgment, but by the eternal gods I never yielded to any man when I knew I was right. [Applause.] And I present my argument and insist upon proper legislation, notwithstanding Mr. Hughes to the contrary. That is the situation. Now, it has led itself to a higher proposition than politics; but here is a question involved in this amendment,

namely, that we ask the President ourselves as Members of the House to negotiate with the Japanese Government. On what? The gentleman from Washington has said this morning, to my surprise, that the gentlemen's agreement would be ended the 1st of July, 1924. What will you enter into? What is the purpose of it? Every newspaper and every correspondent has given information from the White House that it is for the purpose of entering into a treaty relating to restriction of immigration. Now, are the Members of the House of Representatives, as a part of the legislative branch of the Government, provided for in the Constitution, namely, the House, the Senate, and the President, to yield to the treaty-making power provided for by the same Constitution, namely, the President and the Senate?

Is the House to yield to the power when our Supreme Court has said that even the treaty-making power can not be granted or used to waive the right of the Federal Government in regard to immigration and in regard to the rights and the sovereignty of this country, and that we, the American people, through those rights alone have the sovereign rights of the people, and if the Congress should attempt to yield by saying that a foreign government, like Japan, could participate and say who shall participate in making and providing a law, the Supreme Court would hold it unconstitutional as well as against the sovereign power of the Government? The same way with a treaty. The President has no power to enter into a treaty in regard to immigration whereby he may say that a foreign country can determine who to consult as to how immigration shall come to this country, because it is the yielding of sovereign power. The American people alone have the power to say who shall come and who shall stay away, and not under any circumstances to take into consideration the voice of the foreign country. If they did, we have yielded, we have waived the sovereign right of a sovereign nation to stand for itself. [Applause.] Further, this matter requests the President to enter into negotiations. What kind? He can not enter into a gentlemen's agreement. It is not provided for in the Constitution. The only right the President of the United States has is to enter into a treaty provided by the Constitution to be submitted by him to the Senate and be confirmed by a two-thirds vote. What is he going to deal with in the next 10 months? He can not enter into a gentlemen's agreement. It must be a treaty. The people of the United States, the Members of the House, all know that in the history of this country there have been but two treaties in regard to immigration, and they have been both repealed by the Congress of the United States, and those treaties related to China.

Mr. JOHNSON of Washington. Let us have that exact and correct. Of course, there is a saving clause in the law that takes care of those entitled to be taken care of by the treaty. That is where so many misunderstand the Chinese treaty.

Mr. RAKER. My construction is that the Congress has repealed all of the immigration treaties between the United States and China. Some think it is the other way. But never to this day has the President ever assumed the jurisdiction of treaties to control immigration to the United States; none on the statute books; none entered into; and now we are asked to appeal to the President as the Congress to waive our rights and have him enter into a treaty in regard to Japanese immigration, and after having entered into a treaty with Japan, with the advice and consent of the Senate, after the House had waived its right, can anybody rise and tell me how can we, under any circumstances, ever refuse to yield the same right to all the other countries of the world when they say that they will not be bound by the laws passed by the Congress, but that they want to enter into a treaty with regard to immigration?

Mr. LINEBERGER. Will the gentleman yield? We not only waive them, but we request that they be taken away from us.

Mr. RAKER. Yes; absolutely. It means we waive; that it is a relinquishment; it is getting down on the knees and getting the President to enter into a treaty that we may waive our rights; that we may fail to do our duty; that we may violate the Constitution; that we might become subservient to a foreign country; that we are afraid to enact the laws and enforce them that we have sworn we would do in regard to the sovereign rights of our country. [Applause.]

Mr. MILLER of Washington. And also put the House of Representatives in a position where it never can express itself.

Mr. RAKER. Absolutely; there can be no question about it.

Mr. SINNOTT. Will the gentleman yield?

Mr. RAKER. I will.

Mr. SINNOTT. I desire to know whether or not the statement contained in the statement of the managers is correct, that between July 1, 1924, and March 1, 1925, Japanese immigration will be limited to 80 persons by the quota provision of the immigration law. Is that a correct statement?

Mr. RAKER. With due regard to the gentleman who wrote it, I think it is wrong. I think it opens the door to Japan, and as the Department of Labor tells me this morning, it opens the door to China and to India and to all the other Malay countries—opens the door into the United States. [Applause.] The department called me up this morning early and Second Assistant Secretary White, of the Department of Labor——

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. RAKER. Yes.

Mr. JOHNSON of Washington. Let us get that right. Do not let us make a mistake about that. This law that we are passing here is in addition to, and not in substitution for, all existing immigration laws. We have a Chinese exclusion law enacted by Congress. We have a geographical boundary exclusion. This thing is air-tight. Why make such a misstatement?

Mr. RAKER. Second Assistant Secretary White, of the Department of Labor, called me up this morning early and said that all his legal force had gone into the matter, and added: "If the matter is placed there by the President as suggested, all of us believe it would open the floodgates to the Chinese and the Hindus and all the other Malays." We do not want that.

Mr. JOHNSON of Washington. And you do not get it in any shape, manner, or form. I guarantee that all I ask is the right and honorable way.

Mr. RAKER. And the gentleman from Washington told me on the evening of March 6 that by the eternal gods he would stand according to the conferees' report. With all these secret meetings, this desire on the part of the Executive branch to control Congress, and after the conferees have agreed, it is folly to say, "Come on, boys, you do not know what you are doing; yield your rights and agree to the Executive branch," which up to the present time has demonstrated that they have ignored every bill enacted by Congress in regard to immigration except one, which President Harding signed, regarding the 3 per cent law. [Applause.]

The following language of the Supreme Court of the United States bears out what I have just stated:

> The right to exclude undesirable persons from coming to the United States is as fundamental as the right to receive desirable ones. The Nation can protect itself as well as benefit itself. The power of excluding foreigners being an incident of sovereignty belonging to the Government as a part of those sovereign powers delegated by the Constitution, the right to its exercise at any time when in its judgment the interests of the country require it, can not be surrendered by the treaty-making power. (Chinese exclusion case, 130 U. S. 581.)

I received a telegram from Attorney General Webb, of California, against the President's proposed amendment to subdivision (c) of section 13 of the conference report. Attorney General Webb stands at the head of the legal profession in the West, knows the Japanese situation, and wrote the alien land laws of California, and is a staunch Republican. No one can deny either of these statements. This telegram of Attorney General Webb is in words and figures following:

SAN FRANCISCO, CALIF., *May 8, 1924.*

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.:

Deferring the effective date of ineligible alien exclusion until March, 1925, beautifully provides for a 10 months' open season for the influx of Japanese. In view of the substantially unanimous action of Congress and the reported declaration of the President that he favors exclusion, the decision reached yesterday by the conference committee to defer effective date 10 months is incomprehensible. The exclusion of ineligibles, if right, should not be deferred; if wrong, should not be contemplated. It is a domestic question, wholly within the jurisdiction and province of the Congress, and it would seem that action should be taken with dignified firmness and not with vacillating weakness. It would be, indeed, a disaster if the Congress should be cajoled, persuaded, or threatened into a final action upon this question unapproved by its judgment. The action of the conference committee of yesterday reversing its action of the day previous, all following the reported declaration from the White House that the President favors the exclusion of ineligible aliens, has caused in the Pacific Coast States the most widespread alarm. Is it too much to hope for action that will preserve the interests of our own people rather than action destructive of our own rights and interests, but taken confessedly at the behest and insistence of another nation? If the entire effort is one to avoid shocking the sensibilities of a people, let us not forget that our own people still have sensibilities. It is probable that in its final action the Congress will have to determine whether its action will be so framed

as to please and satisfy the people of another nation or preserve the interests of this Nation. In such event the decision should not be long delayed, not difficult to reach.

U. S. WEBB.

The Native Sons of California have expressed their views through Clarence M. Hunt, editor of the Grizzly Bear. No more loyal and patriotic organization exists in the United States than the Native Sons of the Golden West. They stand for their State and the Nation, first, last, and all the time. They know the conditions and what is the correct remedy. The provisions of the House bill, subdivision (b), section 12, meets their full approbation and desires. The telegram from Mr. Hunt reads as follows:

[Western Union telegram]

LOS ANGELES, CALIF., *May 7, 1924.*

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.:

In interest California strongly protest against agreement postpone date operation exclusion bill to March next year. If Congress American will insist on immediate exclusion. Agreed delay means surrendering Pacific coast to orientals, and such legislation disgrace to those enacting. We want protection now.

CLARENCE M. HUNT,
Editor Grizzly Bear.

The following telegram is from Mr. Morgan Keaton, department adjutant of the American Legion in California, reading as follows:

[Western Union telegram]

SAN FRANCISCO, CALIF., *May 8, 1924.*

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.:

The legionnaires in California urge you be present when immigration bill comes up on floor as reported by conferees, and want you to know that we are standing behind you 100 per cent in your fight to make this coast a white man's country. To defer effective date of ineligible alien exclusion until March, 1925, is to provide open season for influx of Japanese. If the entire effort is one to avoid shocking sensibilities of the people of another nation, let us not forget that our own people still have sensibilities. It is probable that in its final action Congress will determine whether its action will be so framed as to please and satisfy people of another nation or preserve the interests of this Nation. In such event the decision should not be long delayed, not difficult to reach. Let us have dignified firmness and not vacillating weakness. Kindest regards.

MORGAN KEATON.

The Seattle people, through their forward-looking and patriotic citizens, know what they want and what is necessary. They sent me a telegram, which they sent to Chairman JOHNSON, also editorial of the Seattle Times, which telegram and editorial are as follows:

SEATTLE, WASH., *May 2, 1924.*

Hon. ALBERT JOHNSON,
House of Representatives, Washington, D. C.:

Earnestly urge you impress upon President and your colleagues importance to Republican Party of settling Japanese exclusion immediately and by statute, as advocated by Republican county and State convention. People this State in no mood for treaty or compromise in any form. President should sign bill in present form or veto it and give Congress opportunity to enact it over his veto. Evasions or postponement of issue will be disastrous, particularly any attempt to take matter out of hands of Congress. We want no repetition or continuation of gentlemen's agreement.

EWING D. COLVIN.	E. J. EIVERS.
THOMAS N. SWALE.	PAUL EDWARDS.
HENRY A. WISE.	E. P. WHITING.
W. M. INGLIS.	PHILIP TINDALL.
ROBERT M. JONES.	JOHN J. SULLIVAN.

SEATTLE, *Thursday, May 1, 1924.*

CONGRESS MUST NOT SURRENDER ITS POWERS

President Coolidge is seeking to have Congress postpone the effective date of the Japanese exclusion law to July 1, and in the meantime negotiate a treaty with Japan which shall supersede the law.

If Congress permits this to be done it will be a fatal surrender of its constitutional powers. The question of immigration is purely a domestic question in which neither Japan nor any other country has any right to interfere; and even to discuss the matter with her would be to admit her right to interfere in any of our internal affairs she sees fit. Next she will be demanding that we grant to Japanese in this country full rights of voting, land ownership, and intermarriage. And if we concede these rights to Japan it will be only a short time when Rumania, Persia, Egypt, and Abyssinia will be demanding the same rights as we grant Japan. Even more important, China, with its population of 400,000,000, can not be expected indefinitely to acquiesce in the discrimination against her people in favor of Japan with its population of only 60,000,000. Some day a powerful, stable government will be established in China and a reckoning will be demanded.

Congress should give careful thought to these possibilities before it surrenders its powers.

Received the following telegrams and letters on this subject, which shows the desires of the people on this question of prohibition of further oriental immigration, particularly those ineligible to citizenship, which telegrams and letters are as follows:

BERKELEY, CALIF., *April 30, 1924.*

Congressman JOHN E. RAKER,
Washington, D. C.:

Fifty thousand farm bureau members of California are alarmed over the possibility of the alien land law immigration bill as passed by Congress failing in signature by the President. Farmers are insistent that exclusion feature as adopted in subdivision, section 12, House bill, and indorsed by SHORTRIDGE in Senate be not destroyed nor changed in any particular.

CALIFORNIA FARM BUREAU FEDERATION.

SUISUN, CALIF., *April 30, 1924.*

Hons. CLARENCE LEA, ARTHUR M. FREE, JOHN E. RAKER, ALBERT JOHNSON, CHARLES CURRY, JULIUS KAHN, JAMES H. MACLAFFERTY, HIRAM JOHNSON, SAMUEL SHORTRIDGE,
Washington, D. C.

GENTLEMEN: On behalf of the American Legion and the Native Sons of the Golden West I have been instructed to advise that we are expecting every Congressman and Senator to fight to the last ditch to stop Japan's ambition. Feeling is running high here; we expected something of President Coolidge, he has failed to deliver.

We also want the Johnson immigration bill passed; it is time we were using a little judgment in selecting immigrants. Character is the essential element; to-day Americans carry their blankets in California; foreigners do the work. Let the plea of cheap labor go by; let's make the word quality, and close the melting pot. Assuring you our sincere appreciation for your good work, we are,

Sincerely,

REAMS POST AMERICAN LEGION,
SOLANO PARLOR NATIVE SONS,
(Signed) JOHN J. MCCARRON, *Secretary.*
ASA SCARLETT, *President.*

Telegrams were sent to the commissioners of immigration at the ports of San Francisco and Seattle as to the number of Japanese entering said ports. The telegrams sent and the replies thereto are as follows:

WASHINGTON, *D. C., April 26, 1924.*

Hon. J. D. NAGLE,
Immigration Commissioner, San Francisco, Calif.:

Will you kindly furnish me with the latest data on the arrival and landing of Japanese at the port of San Francisco? What is going on now, and how has it been for the past 10 months? How as to anticipated arrivals? Telegraph answer. Rush.

JOHN E. RAKER, M. C.

[Western Union telegram]

SAN FRANCISCO, CALIF., *April 29, 1924.*

Hon. JOHN E. RAKER, M. C.,
Washington, D. C.:

Referring yours 26th instant, during past 10 months, July, 1923, to April, 1924, inclusive, 3,454 Japanese admitted; 1 debarred; subdivided, 2,149 male, 1,306 female; subdivided, 1,862 former residents, 991 parents, wives, and children of resident, 602 others; subdivided, 1,033 laborers, 2,422 nonlaborers. During this month 635 admitted; subdivided, 402 males, 233 females; subdivided, 329 former residents, 184 parents, wives, and children of residents, 122 others; subdivided, 191 laborers, 444 nonlaborers. Anticipated arrivals indicate an increase. Shipping Guide schedules 5 arrivals during May on vessels touching at Japanese ports; 4 during June.

JOHN D. NAGLE.

WASHINGTON, D. C., *April 26, 1924.*

COMMISSIONER OF IMMIGRATION,
Seattle, Wash.

Will you kindly furnish me with the latest data on the arrival and landing of Japanese at the port of Seattle? What is going on now and how has it been for the past 10 months. How as to anticipated arrivals. Telegraph answer. Rush.

JOHN E. RAKER, M. C.

[Western Union Telegram]

Seattle, Wash., April 28, 1924.

JOHN E. RAKER, M. C.,
Washington, D. C.:

Answering telegram 26th, total Japanese arrivals, Seattle, nine months ending March 31, immigrants, 703; nonimmigrants, 567. April estimate: Immigrants, 181; nonimmigrants, 119. Authentic information from steamship agents and other sources indicates many Japanese admissible under present law, particularly wives and children of those domiciled in United States, will immigrate before proposed law becomes effective. Further information obtainable from Commissioner General of Immigration, Washington, D. C.

LUTHER WEEDIN, *Commissioner.*

The following will show what was done by the conferees:

[H. R. 7995]

On April 12, 1924, the House passed the above-named bill—323 yeas, 71 nays. (Page 6257, April 12, 1924.)

The bill was reported to the Senate, April 14 (calendar day), 1924, and printed.

On April 18 (calendar day), 1924, the bill passed the Senate by a vote of 62 ayes and 6 noes. (CONGRESSIONAL RECORD, p. 6649, April 18, 1924.)

The Senate struck out all after the enacting clause and inserted one amendment as a new bill.

The provisions of the House bill as passed and the Senate amendment as passed are in most regards the same.

The Senate having passed the House bill with an amendment asked for a conference with the House and appointed the following conferees: Senators REED of Pennsylvania, STERLING, KEYES, KING, and HARRIS.

The bill was presented to the House on April 19, 1924.

On the 19th day of April the bill H. R. 7995 was called up with the request that the House disagree to the Senate amendment and appoint conferees, which was agreed to and the following conferees appointed: JOHNSON of Washington, VAILE, VINCENT of Michigan, SABATH, and RAKER.

Thereafter, on April 19, the chairman of the House conferees, Mr. JOHNSON, called a meeting of the House conferees for Sunday morning April 20, 1924, at 10.30 a. m., later continued to 3.30 p. m., at which time the conferees of the House met in the committee room of the Committee on Immigration and Naturalization, when and where the bill H. R. 7995 as thus passed by the two Houses was considered.

Thereafter, on April 22, 1924, Senator DAVID A. REED of Pennsylvania, chairman of the conferees committee on behalf of the Senate, called a meeting of the conferees of the two Houses to meet in the Commerce Committee room on the gallery floor of the Senate wing of the Capitol at 11 a. m., Friday, April 25, 1924.

Thereafter, on Friday, April 25, 1924, at 11 o'clock a. m., the conferees of the two Houses met, at which the conferees were all present.

The conferees proceeded to consider the bill, H. R. 7995, as passed by the two Houses.

The conferees adjourned, to meet on Saturday, April 26, 1924, at 10 a. m.

On Saturday, April 26, 1924, at 10 a. m., the conferees met and continued their work until 1.30 p. m., and reconvened at 3.30 p. m., continuing until later in the day, when an adjournment was taken until Tuesday, April 29, 1924, at 10 a. m.

On Tuesday, April 29, 1924, at 10 a. m., the conferees met. Consideration of the bill was had, and at about 5.30 p. m. adjourned until Wednesday, April 30, 1924, at 10 a. m.

On Wednesday, April 30, 1924, at 10 a. m., the conferees met pursuant to adjournment. Consideration of the bill was had and continued practically all day, when adjournment was taken until Thursday, May 1, 1924, at 10 a. m.

On Thursday, May 1, 1924, at 10 a. m., the conferees met pursuant to adjournment and continued in session practically all day, until they adjourned until Saturday, May 3, at 10 a. m.

Pursuant to adjournment, conferees met on Saturday, May 3, 1924, at 10 a. m. Continued work on bill practically all day, when an adjournment was taken until Tuesday, May 6, 1924, at 10 a. m.

Pursuant to adjournment, conferees met on Tuesday, May 6, 1924, at 10 a. m. and continued in session until about 5.30 p. m.

At about 5.30 p. m. on Tuesday, May 6, 1924, conferees came to a full and complete agreement between the two Houses, and the conferees' report was ordered to be presented to the two Houses to the end that the House recede from the Senate amendment and agree to a Senate amendment with amendment, which was concurred in by the Senate conferees.

The amendment as thus agreed to was ordered to be printed (Print No. 5) and was so done.

The conferees then adjourned until Wednesday, May 7, 1924, at 3 p. m., for the purpose of signing the conference report, which had been fully and finally agreed thereto as above stated.

At the conclusion of the conferees' work and after having come to the agreement as above stated, the doors of the conference room were thrown open and the press permitted to enter.

Thereupon and on behalf of the committee, the chairman of the conferees, Senator REED of Pennsylvania, gave a statement to the press that the conferees had come to a full, final, and complete agreement. This statement was carried in the evening papers of May 6 as well as the morning papers of May 7.

The provisions of section 12, subdivision (b), of the House bill and subdivision (c) of section 10 of the Senate amendment were the same. These subdivisions relate to the exclusion of aliens ineligible to citizenship.

Before May 1, 1924, the public press carried an item that the President desired an amendment to the bill relating to Japanese exclusion and also carried the amendment thus desired by the President, which was as follows:

Between the letter (b) and "no," in line 6 of page 19 of the House bill as printed in the Senate, add the following: "On and after March 1, 1926," and then add the following amendment to the end of said subdivision (b) of section 12 of the House bill:

"*Provided, however,* That the provisions of this paragraph shall not apply to the nationals of those countries with which the United States, after the enactment of this act, shall have entered into treaties by and with the advice and consent of the Senate for the restriction of immigration."

So that subdivision (b) of section 12 as the bill passed the House would read as follows:

"(b) On and after March 1, 1926, no alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (g) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivisions (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3: *Provided, however,* That the provisions of this paragraph shall not apply to the nationals of those countries with which the United States, after the enactment of this act, shall have entered into treaties by and with the advice and consent of the Senate for the restriction of immigration."

The public press carried the information that the conferees had not agreed to the President's proposals, but had adopted subdivision (b) of section 12 of the House bill as it passed the House, and the provisions of section 31 of the House bill which made effective subdivision (b) of section 12 on July 1, 1924.

Thereafter the public press carried the information on Saturday, May 3, that President Coolidge announced to White House callers his indorsement of the proposal that aliens ineligible to citizenship should be excluded from the United States.

This continued to be carried in the public press on May 3, 4, 5, and 6, and, as above stated, the chairman of the conferees at about 5.30 p. m. on May 6 gave the information to the press that the House provision in regard to exclusion was adopted without change; that is, subdivision (b) of section 12 of the House bill as it passed the House, and to take effect on July 1, 1924, as provided in section 32 as it passed the House.

The press carried the information and the Members of the House were advised during the fore part of May 7 that the President had invited the majority conferees to meet him at the White House; that the majority-party conferees met the President at the time stated, May 7, 1924, in the forenoon; conference was had and an amendment to subdivision (c) of section 13 of the Senate amendment as agreed to by the conferees May 6—which was in identical language with subdivision (b) of section 13 of the House bill—which amendment proposed by the President was as follows:

At the end of subdivision (c), section 13, add the following:

Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

Pursuant to adjournment of the conference committee on May 6, at 5.30 p. m., the conferees met on May 7, 1924, at 3 p. m. for the purpose of signing the conference report as theretofore agreed upon May 6, at which time instead of signing the conference report theretofore agreed upon, motion was made to reconsider subdivision (c) of section 13 of the conference report, which was against objection and thereupon and thereafter conferees agreed to the President's amendment to

subdivision (c) of section 13 and as thus amended, the conferees ordered the same to be reported to the two Houses.

The conference report was submitted to the House as thus amended by Mr. JOHNSON, chairman of the House conferees, on May 8, 1924, at 5 p. m., and ordered to be printed.

As the bill passed the House, subdivision (b) of section 12 of the House bill under the provisions of section 32 of the House bill took effect on July 1, 1924.

As the bill passed the Senate, subdivision (c) of section 10, which is identical with subdivision (d) of section 12 of the House bill, also took effect upon its enactment.

These provisions in the conferees report became subdivision (c) of section 13 and under the provisions of section 32 of the conferees' report, section 13 is to take effect on July 1, 1924.

I therefore contend that—

The President's proposed amendment as agreed upon by the conferees to subdivision (c) of section 13 of the conferees report leaves the matter in the position that before March 1, 1925, the House requests the President to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

This is new matter not contemplated by the bill as it passed the House or as it passed the Senate; not germane to either bill or the subject under consideration—

(2) A waiver of the House right to legislate on immigration, and

(3) The surrendering of its power and the power of Congress to legislate on immigration and turning it over to a treaty-making power, which provisions are contrary and repugnant to the provisions of the Constitution, and

(4) A direct interference by the executive branch of the Government with the legislative branch and a coercion by the executive branch of the legislative branch in matters pending before the legislative branch and under consideration by it.

Mr. Speaker, I reserve the balance of my time.

Mr. JOHNSON of Washington. Mr. Speaker, I yield myself five minutes.

The SPEAKER. The gentleman from Washington is recognized for five minutes.

Mr. JOHNSON of Washington. Now that we are at the crux of the matter, let us get it right. I am sure that the House of Representatives wants to get this right. We desire to act with dignity and with honor. I have an abiding faith that when this body understands it we will be right, no matter what may happen at the other end of the Capitol.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. No; I can not yield; I am sorry.

If this law is not in addition to and not in substitution for the other immigration laws that we have, then it is all wrong. But it is in addition, and it is so tightly drawn that you can not divorce this law from the other immigration laws. Make no mistake about that. The statement that the President is to negotiate a treaty is all wrong. All that the President has asked is that, if possible, offense be not given to a friendly nation. I make no secret of his request. I am proud of what he has done. I am honored in the opportunity to state as best I can his views, which are fair and right. I can state that in the original writing and preparation of this bill at the beginning there was no consultation either with the Secretary of State or the Secretary of Labor; yet as we got along with this bill, weighing every word, we received many valuable suggestions from both distinguished Secretaries. When Congress attempts to set up as big a piece of machinery as this bill contemplates, we want it to be in harmony with the best views of the Secretaries who will execute it; we want it to suit the Chief Executive, too, if possible.

President Coolidge said he favored exclusion. He has said so within a week. He has also said that, inasmuch as he favored exclusion, he desired to give the least possible offense to a friendly nation. No conference committee, consisting of five Representatives and five Senators, will dare say that the President gave a thought to the action of the primaries in California, as suggested in the newspapers. The President disregarded the primaries.

Mr. VAILE. That statement is true.

Mr. JOHNSON of Washington. The President acted upon each step as he received word from the conference committee, regardless of what happened elsewhere in the world. The President is not dictating to or attempting to direct Congress. The President, however, is President of the United States of America. He made two suggestions to the conferees, one of which we accepted. I believe his later suggestion to have been wise and proper. Otherwise I assure you, gentleman, I would not have offered it to this House in my capacity as a conferee. We dare not ask this House to waive its rights in the handling of immigration, nor do we authorize the making of a treaty. We could not do that if we wanted to. That is preposterous. What we have agreed to as conferees guarantees and saves the whole legislation, in my humble opinion. It saves the dignity of the United States also. It is fair to the President. It is fair to the Secretary of State.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Washington. Yes; certainly.

Mr. MOORE of Virginia. In reply to the statement of the gentleman from California [Mr. RAKER], am I right in assuming that this bill would be satisfactory to you and to all who stayed with you if this proviso in section 13 were omitted?

Mr. JOHNSON of Washington. We will take what we can get.

Mr. MOORE of Virginia. Then the only suggestion here is with reference to this proviso?

Mr. JOHNSON of Washington. Yes; and how gracefully and properly to get rid of something with Japan that we do not understand and do not like.

Mr. MOORE of Virginia. There is nothing involved in it about opening the floodgates to immigration from Japan?

Mr. JOHNSON of Washington. No; absolutely no. There has always been much misinformation in the United States about everything Japanese. I have studied all the statements put out in years and know of the exaggerations, if you can trust me. The gentleman from California [Mr. RAKER] and myself have each been on the Immigration Committee about 12 years. During the whole eight years of the administration of the gentleman's party he was unable to take home the bacon. He has worked hard for it. I have been for five long years chairman of that committee, and now, through my party, Hon. JOHN A. RAKER can go home with the Japanese bacon under his arm—a thing he could not get during all the years of the administration of his party, neither he nor his Senators. I will give him the full credit, if no one else will, for this exclusion provision. And yet if this House can not show the respect to the President to which he is entitled in his effort to have the United States play the gentleman's part, there is something wrong. California may get a victory with aid from everyone who would break this immigration bill, but President Coolidge will get the credit for acting with dignity, with fairness, and with honor, mark those words.

Mr. MOORE of Virginia. The only thing to do, the only thing in this matter that the House is asked to do, is to prevent bringing about a situation where the President can abrogate the law?

Mr. JOHNSON of Washington. Yes. It is to avoid anything possible in the name of or in imitation of or in the pretense of a treaty; that is all. Coolidge is right. We exclusionists can win. We Japanese exclusionists can win. We will win, but there is a right way and a wrong way. What more can I say?

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. JOHNSON of Washington. Will somebody on that side use some of his time?

Mr. MACLAFFERTY rose.

The SPEAKER. The gentleman from California is recognized.

Mr. MACLAFFERTY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MACLAFFERTY. I am very glad to have heard it so clearly stated here, and so well agreed upon, that this is not a political question. I myself well know it is not a political question. I want my position here thoroughly understood. I am not here to flaunt anybody—not at all. But this whole question is so fundamental with me that before I would change on this now I would allow myself to be cut to pieces by inches right before your eyes. [Laughter and applause.]

I am here, gentlemen, to talk for Americans who are coming along 25 and 30 years from to-day. I am here to talk for the little children, the little American children who are yet unborn but who will be born upon the Pacific coast of North America. I am here to warn you of the great danger to our civilization. I have more interest and belief in the good qualities of the Japanese people than my friend from Ohio [Mr. BURTON] has, for I know their good qualities. He tells us they have patterned after us, thereby paying us a great compliment, in the matter of our post-office administration and in other matters; but he did not tell you that they boast of the fact that they

have organized their military institutions with Germany as their patron saint. I have had more than one Japanese tell me that.

I do not decry the right of the Japanese to have his own national aspirations and ambitions; but if the American Congress now, through an altruistic feeling in their hearts toward these good people, waives the right to hereafter control matters of legislation respecting immigration, you are doing one thing to undermine the institutions of this Republic.

Gentlemen, what is the gentleman's agreement? Is there a man in this room who can rise and tell me what it contains? Do I know what it is? Do any of you know what it is? No. Is it like a treaty? No. Was it indorsed and ratified by the United States Senate? No. But it is an agreement which never should have been made. It was made for the purpose of preventing an increase of Japanese immigration into this country, but it has been a rank failure in that regard.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MACLAFFERTY. I will yield if the gentleman will give me another minute of time.

Gentlemen, if there is going to be an affront given in this matter, it has already been given. The Japanese people, after we have paid them the compliments we have on this floor, are not worthy of our insisting now that they are fools. The Japanese people know that America is almost solidly for exclusion, not because they are Japanese but for biological reasons and for economic reasons, and the great question with them is: Shall exclusion become an absolute fact? They do not want us to insult their intelligence by saying, "Well, we are going to give you a chance by treaty to negotiate for the wiping out of this agreement." I believe it is wiped out now. I read dispatches from the Tokyo papers yesterday and this morning which stated that fact clearly, that while the newspapers over there use headlines in describing what is going on now the people there have very little interest in it, because they realize it is going to result in exclusion anyway.

I want to put into this RECORD some things that I have not the time to read. I want to show you the statements some of the great men of Japan have made. I want to show you that Japan believes her national destiny is to control this world, and that it is all right for her to do it if she can do it. She believes that the American people some day should be her slaves. That is what she believes. I do not care whether all the Japanese of Japan were sitting in these galleries hearing me say this. They know it is true, and they believe it is the divine law of their god that that should be true.

Why, my friends, if you could only understand this question as we understand it, you would feel differently from the way some of you do feel. I want you to read the extension of my remarks which I will put in the RECORD, because I can not bring all the facts before you.

But to show you how the people on the Pacific coast are feeling let me read you a telegram:

We are standing behind you 100 per cent in your fight to make this coast a white man's country. To defer effective date of ineligible alien exclusion until March, 1925, is to provide open season for influx of Japanese. If the entire effort is one to avoid shocking sensibilities of the people of another nation, let us not forget that our own people still have sensibilities. It is probable that in its final action Congress will determine whether its action will be so framed as to please and satisfy people of another nation or preserve the interests of this Nation. In such event the decision should not be long delayed nor difficult to reach. Let us have dignified firmness and not vacillating weakness.

And the end of another telegram.

Mr. TINCHER. Will the gentleman yield right there?

Mr. MACLAFFERTY. No; I have not the time.

Any exclusion postponment compromise should provide exclusion to all Japanese from this date. Japan has violated, thereby abrogating, gentleman's agreement by waiving military service to Japanese returning to Japan for brides and issuing passports, prohibited by agreement, evidenced over 100,000 Jap laborers now in California and overflow bookings all returning steamers from Japan.

Since the passage of this bill a few weeks ago there have been about 1,000 Japanese bachelors who have gone back to Japan in order to bring back brides and get in here before July 1. There are more than 40,000 Japanese bachelors in California now. They can not leave and get back because there are not ships enough. But for every Japanese woman who comes back it means five children. In my State 1 child out of 11 born last year was a Japanese child.

For God's sake, you men who know what the colored problem means, not only to the white man but to the colored man, stand by us in this. We will not forget you if you do. [Applause.]

There are over 40,000 Japanese bachelors in this country, according to Japanese authorities, every one of whom could bring from Japan within the period referred to, if the present agreement be in effect, a kankodan bride whose duty it would be to become the mother of the average family of five children. There would be then a potential increase within a few years of Japanese population to the extent of 240,000, in addition to the increase to be expected from birth rate among those already here.

What Japan's policy would be under those circumstances is clearly indicated by what she is doing or permitting now. The Japanese newspapers of San Francisco report that during the preceding three months—February, March, and April—2,000 Japanese bachelors left San Francisco for Japan for the purpose of securing kankodan brides and returning with them before July 1, when it was expected the exclusion measure would become operative. The Government of Japan directly encourages this element of immigration by allowing such searchers for brides three months' stay in Japan, while if they come for business or pleasure they would be limited to 30 days, or compelled to remain and perform their military duties.

In addition to the kankodan brides, the Japanese now here are sending for all the relatives for whose passage they can pay and whose admission is permitted under the Government's present interpretation of the gentlemen's agreement. To extend for a year more the time during which such relatives can come would be to invite the admission of a large number.

The gentlemen's agreement, as explained by President Roosevelt, was made for the express purpose, indorsed by Japan, of preventing an increase of Japanese population in continental United States. That purpose has been steadily violated by the manner in which the agreement has operated.

OAKLAND, CALIF., *May 7, 1924.*

J. H. MACLAFFERTY, M. C.,
Washington, D. C.:

Nichi Bei, San Francisco Japanese newspaper, publishes to-day that 6,000 kankodan brides and relatives of California Japanese awaiting transportation from Japan to California exclusive. Four hundred Japanese males sailing on President Wilson May 2 instead of waiting for Japan steamer sailing May 12. Reason latter sailing preventing return before July 1, with so-called brides who become colaborers breeding like pestilential flies. This evasion so-called gentlemen's agreement. Delay means 30,000 more Japanese here by March 1 and 50,000 more Japanese-American children. Compromise crucifies California. Should provide immediate exclusion of these hordes ineligible trouble breeders. Southern statesmen realizing California's problem will help us upon request.

J. M. PERKINS.

OAKLAND, CALIF., *May 8, 1924.*

Hon. J. H. MACLAFFERTY, M. C.,
House of Representatives, Washington, D. C.:

Any exclusion postponement compromise should provide exclusion of all Japanese from this date. Japan has violated, thereby abrogating, gentlemen's agreement by waiving military service to Japanese returning to Japan for brides and issuing passports prohibited by agreement, as evidenced by over 100,000 Jap laborers now in California and overflow bookings on all returning steamers from Japan.

J. M. PERKINS.

SAN FRANCISCO, CALIF., *May 8, 1924.*

Hon. JAMES H. MACLAFFERTY,
House of Representatives, Washington, D. C.:

The legionnaires in California urge you be present when immigration bill comes up on floor as reported by conferees and want you to know that we are standing behind you 100 per cent in your fight to make this coast a white man's country. To defer effective date of ineligible alien exclusion until March, 1925, is to provide open season for influx of Japanese. If the entire effort is one to avoid shocking sensibilities of the people of another nation, let us not forget that our own people still have sensibilities. It is probable that in its final action Congress will determine whether its action will be so framed as to please and satisfy people of another nation or preserve the interests of this Nation. In such event the decision should not be long delayed nor difficult to reach. Let us have dignified firmness and not vacillating weakness. Kindest regards.

MORGAN KEATON.

QUOTATIONS FROM JAPANESE WRITERS

[From "Mastery of the Pacific," brochure published in 1909 and quoted in Literary Digest, November 13, 1909, by Satori Kato, admiral of the Japanese Navy and one of the writers of the four-power treaty at disarmament conference]

In the event of war Japan could, as if aided by a magician's wand, overrun the Pacific with fleets manned by men who have made Nelson

their model and transported to the Far East the spirit that was victorious at Trafalgar. Whether Japan avows it or not, her persistent aim is to gain the mastery of the Pacific. Although peace seems to prevail over the world at present, no one can tell how soon the nations may be engaged in war. It does not need the English alliance to secure success for Japan. That alliance may be dissolved at any moment, but Japan will suffer no defeat. Her victory will be won by her men, not by armor plates—things weak by comparison.

[From the Tokyo Hochi, paper published in summer of 1919 and quoted in Literary Digest July 5, 1919, p. 31, by Count O'Kuma, deceased, leader of the Genro]

That age in which the Anglo-Japanese alliance was the pivot, and American-Japanese cooperation an essential factor of Japanese diplomacy, is gone. In future we must not look eastward for friendship, but westward. Let the Bolshevik of Russia be put down and the more peaceful party established in power. In them Japan will find a strong ally. By marching then westward to the Balkans, to Germany, to France, and Italy, the greater part of the world may be brought under our sway. The tyranny of the Anglo-Saxons at the Peace Conference is such that it has angered both gods and men. Some may abjectly follow them in consideration of their own petty interests, but things will ultimately settle down as has just been indicated.

[From a Japanese imperialist pronouncement written in 1916 and quoted in The Rising Tide of Color, by Lothrop Stoddard, pp. 49, 50, 51, 52, 53]

Fifty millions of our race wherewith to conquer and possess the earth! It is indeed a glorious problem! To begin with, we have China; China is our steed. Far shall we ride upon her! Even as Rome rode Latium to conquer Italy, and Italy to conquer the Mediterranean; even as Napoleon rode Italy and the Rhenish States to conquer Germany, and Germany to conquer Europe; even as England to-day rides her colonies and her so-called allies to conquer her robust rival, Germany—even so shall we ride China. So becomes our 50,000,000 race 500,000,000 strong; so grow our paltry hundreds of millions of gold into billions! How well have done our people! No mistakes! There must be none now. In 1895 we conquered China; Russia, Germany, and France stole from us our booty. How has our strength grown since then—and still it grows! In 10 years we punished and retook our own from Russia; in 20 years we squared and retook from Germany; with France there is no need for haste. She has already realized why we withheld the troops which alone might have driven the invader from her soil. Her fingers are clutching more tightly around her oriental booty; yet she knows it is ours for the taking. But there is no need for haste; the world condemns the paltry thief; only the glorious conqueror wins the plaudits and approval of mankind. We now are well astride our Chinese steed; but the steed has long roamed wild and is run down; it needs grooming, more grain, more training. Further, our saddle and bridle are as yet mere makeshifts; would steed and trappings stand the strain of war? And what would be that strain? As for America, that fatuous booby with much money and much sentiment, but no cohesion, no brains of government; stood she alone we should not need our Chinese steed. Well did my friend speak the other day when he called her people a race of thieves with hearts of rabbits. America, to any warrior race, is not a foe, but an immense melon, ripe for the cutting. But there are other warrior races—England—Germany—would they look on and let us slice and eat our fill? Would they? But using China as our steed, should our first goal be the land? India? Or the Pacific, the sea which must be our very own, even as the Atlantic is now England's? The land is tempting and easy, but withal dangerous. Did we begin there, the coarse white races would too soon awaken and combine, and forever immure us within our long-since-grown intolerable bounds. It must, therefore, be the sea; but the sea means the western Americas and all the islands between; and with those must soon come Australia, India. And then the battling for the balance of world power, the rest of North America—once that is ours we own and control the whole world, a dominion worthy of our race! North America alone will support a billion people; and that billion shall be Japanese with their white slaves. Not arid Asia, nor worn-out Europe (which with its peculiar and quaint relics and customs should, in the interests of history and culture, be in any case preserved), nor yet tropical Africa, is fit for our people—but North America, that continent so succulently green, fresh, and unsullied—except for a few chattering mongrel Yankees—should have been ours by right of discovery; it shall be ours by the higher, nobler right of conquest.

Mr. DICKSTEIN. Mr. Speaker, it seems to me that the only interest taken so far by the Members on this floor is in the Japanese question. They do not care much about what was inserted in the provisions of the conference report after the bill left this House, and if some of my good friends with whom I do not agree on this whole immigration policy would only think of other nationals as much as they think of the Japanese proposition, we could more easily come to a conclusion to satisfy the question now before this House.

I am compelled to vote against the report because I am against the entire bill. This conference report should be sent back not only on the Japanese question but on other questions which were inserted in the conference report which take away the nonquota relief. When this bill left this House you had assured the American people that citizens of the United States were to be permitted to bring into this country their fathers and mothers, but that was taken away, and in place thereof you will find on page 16 of the bill, committee print No. 6, that they provided for an origin proposition that after July 1, 1927, and for each fiscal year thereafter shall be a number which bears the same ratio of 150,000——

Mr. CABLE. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. CABLE. They did provide that wives of American citizens could come in outside of the quota in addition to the unmarried children under 18 years of age. In other words, half a loaf is better than none.

Mr. LAGUARDIA. And is it not true, in reply to the gentleman from Ohio, that they have refused to grant applicants naturalization because their wives were on the other side?

Mr. CABLE. Let me reply to the gentleman that that is not true in Ohio.

Mr. LAGUARDIA. They do that in New York.

Mr. DICKSTEIN. In answer to my friend, let me state to you now that when the bill left the committee room you voted for a provision with reference to the nonquota. You told us about uniting the family and what a wonderful American piece of legislation you were enacting for the citizens of the United States. When it came on the floor of this House you supported that proposition. When it went into conference they reported out a different proposition, and what did they insert in place thereof? You are going to provide for an origin quota. After 1927 you are going to abandon the 1890 census and then you are fixing a maximum of 150,000 under the origin basis of 1920 in spite of the fact that there are more people entitled to come under the origin basis of the 1920 census.

Mr. CABLE. Will the gentleman yield?

Mr. DICKSTEIN. No; my time is very short. This conference report further destroys the very essence of the bill that left this House. You almost can not recognize the provisions of the bill that was voted by this House if you will be good enough to read this bill. It practically destroys everything that we fought for—that you men fought for. It practically destroys every humane feature in uniting the families.

Oh, my friend, the gentleman from Ohio [Mr. BURTON] asks, "Shall we slap the friendly nations in the face?" Why, you have slapped every one of them in the face except England, the so-called Nordics. You have slapped Italy in the face, you have slapped Russia in the face, you have slapped every civilized white nation in the face. Oh, you have been slapping all the time, and I say to you that this report is full of discrimination. I only hope that when you vote you will not only consider the Japanese question but also consider the other inhumane provisions that were put in this conference report which are unworkable, unjust, and un-American. [Applause.]

In order to further point out the policy adopted by the conference report No. 688, it seems to me that the conferees have gone beyond the rights of this House who, after long debate, voted the 1890 census as a basis for a quota—although that was admittedly discriminatory—but the conferees, not satisfied with the discrimination already dealt out to our allied nations, went a step further by further restriction which clearly proves to me that the conferees did not represent the American sentiment but represented the British Government, which seems to get a very large quota under this proposed new scheme of origin quota.

This is one of the many harsh destructions of the House bill, as I have not the time to point them all out, relevant to the Reed national-origin scheme adopted by the Senate, but which when presented on the floor of the House during the consideration of the immigration bill was defeated by a large majority. This so-called national scheme—and this is the only way I can designate and characterize it—reads as follows:

SEC. 11. (b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

Both the Director of the Census, Mr. Stewart, and Doctor Hill, who appeared before the managers, declared that they would be obliged to adopt arbitrary methods to arrive at the proper basis upon which allocation will be based. This provision which is to go into effect July 1, 1927, limits the number of European immigrants to 150,000 annually, and from tabulations prepared by the proponents of this scheme and utilized on the floor of the House by the gentleman from Colorado [Mr. VAILE] and in the conference meeting by the Senator from Pennsylvania, reduced to actual understandable figures, based upon the limitation of 150,000, will give the various countries the following totals of permissible immigration as shown by the table:

Quotas

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 150,000 limit proviso
Albania	288	100	100
Armenia	220	100	100
Austria	7,342	990	1,670
Belgium	1,563	509	360
Bulgaria	302	100	100
Czechoslovakia	14,357	1,873	1,820
Danzig	301	223	100
Denmark	5,819	2,732	1,092
Esthonia	1,516	102	221
Finland	3,921	145	498
Fiume	71	100	100
France	5,729	3,578	2,782
Germany	67,607	50,139	22,018
Great Britain and Ireland	77,342	62,458	91,111
Greece	3,063	100	536
Hungary	5,747	488	1,250
Iceland	75	100	100
Italy	42,057	3,889	5,578
Latvia	1,540	117	253
Lithuania	2,622	302	444
Luxemburg	97	100	100
Netherlands	3,602	1,637	2,009
Norway	12,336	6,453	3,235
Poland	30,979	5,672	4,509
Portugal	2,465	474	275
Rumania	7,419	631	386
Russia	34,826	1,792	4,002
Spain	912	124	141
Sweden	20,042	9,561	3,707
Switzerland	3,752	2,081	781
Yugoslavia	6,426	735	672
Other Europe	86	125	100
Palestine	57	100	100
Syria	992	100	192
Turkey	2,654	100	115
Other Asia	92	100	100
Africa	104	100	100
Egypt	18	100	100
Atlantic Islands	121	100	128
Australia	279	120	100
New Zealand	80	100	100
Total	357,801	161,990	150,008

Now I call your attention to the quota of Great Britain. You will find in the schedule the present quota of 2 per cent based on the 1910 census for Great Britain would be 77,342. The proposed 2 per cent of the 1890 census debated by the House would give Great Britain 62,458. The so-called national-origin scheme under the 150,000 proviso would give Great Britain 91,111 out of a total of 150,008, leaving the balance of 59,792 to be divided amongst the remaining countries of Europe. If this is not a pernicious piece of legislation which favors one as against all, what is? And yet they tell us on the floor of the House that they have given this matter careful study and consideration. You are practically abandoning the 1890 census and fixing something which you do not know anything about. Instead of adopting the latest census, which was taken in 1920, and fixing a proper quota based thereon and provide an equal and fair distribution of a quota which will meet with the approval of the American people, we are simply stubborn and arbitrary and without reason pursuing a policy which our forefathers fought against.

Now, again, as pointed out a few moments ago, you have by this report removed from the nonquota class the father and mother of a citizen of the United States and placed them in a preference class. What is this so-called preference? Do you know that the preference, if any is given, comes within the 2 per cent, whether it be of the 1890 census or any other census, and do you know that this so-called preference to the father and mother is no preference at all? If you will analyze section 6, subdivisions (a) and (b), you will note that this preference, if there is a quota left open, the consuls may give such preference to a limit of 50 per cent to any nationality. Now, then, that same preference is granted also to persons skilled in agriculture, and his wife and children under 16 years of age, and for the purpose of my argument I shall present to you a state of facts in a few words.

Italy under the 2 per cent of 1890 census would receive 3,889. The consul then may give a preference to fathers and mothers and also to skilled agricultural men, together with their wives and children, leaving a quota for the immigrants of Italy in the amount of 1,944. Now, then, who shall be the judge of the preference? Will the consul favor the father and mother of the relative citizen of the United States who seeks his own flesh and blood to join him or will he consider the skilled agricultural laborer and his family? And there will be many of these persons who will even commit perjury in order to get a preference.

Look at the dangers to which you are subjecting these people. Now, again, if that 50 per cent should be exhausted and the consul should favor the skilled agricultural laborer to the extent of 90 per cent and allow just 10 per cent of the fathers and mothers, can not you see what a miscarriage of justice would be done? Not alone that, but you can reverse the situation and you will find that if the 50 per cent under section 6, subdivision (b), is exhausted and an American citizen seeks to bring into this country his mother, and God knows we only have one, whom we ought to protect and provide for her every comfort in life, by this legislation you are practically destroying the very essence of humanity by depriving the American citizen of uniting his family and mother whom he may not have seen for many years, and so one hardship upon another is set forth by many changes in the proposed bill which is simply incorporated by a few fanatics, and some of our good Members of this House do not seem to realize that the origin scheme and other provisions which we may find incorporated in this new conference bill, print No. 6, supported by Report No. 688, is but a blind and has no basis of calculation and should not be made a law.

I do not intend to sit in this House and legislate for one class as against another. I can not sit here and see how one injustice after another is done in order to carry out certain plans behind the restrictionists who assume much power derived from encouragement given them by Members of this House and the Senate who think they are legislating for the best interests of the American people. If we are going to legislate, why not do so on a fair and equal basis? Let us be able to say to the world that we have discriminated against no one nationality as against the other; that we have treated them all alike, whether the quota is large or small. This is not a question for the foreigner to say. It is for the American Congress to say what the quota shall be, and, having said that, the least it can do is not play favoritism to anyone in particular, as has been pointed out by me, as it will do for Great Britain and a few other nations as against the entire civilized world.

So I say to you men from California who are so absorbed in your Japanese question—and speaking about the Japanese question, I want to say right now that I have the highest regard for them as a nation, as they have shown great progress and I believe they are coming around and advancing in civilization as a nation—that you must give some consideration to the European question too. I do not believe that they should be discriminated against, but in view of the fact that they are ineligible for citizenship and in view of the fact, as I gather from you Members of the House who come from the South and West, that the gentlemen's agreement has been violated, I say you have the right to abrogate the gentlemen's agreement or treaty or whatever you may call it, but in doing so do not be selfish. Examine your entire bill and see what other new provisions have been inserted after this bill left this House, and in reading the proposed conference committee report, print No. 6, which is the conference proposed bill, do not stop after your personal interest in your Japanese domestic trouble has been satisfied, but look into the whole of the conference report and see whether the new matter therein contained is germane to the provisions of a report in matters of this kind, whether the matters incorporated would do the right thing by the American people, and when you have done that you can then see that you have legislated for the American people and the interest of America. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. RAKER. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, there may be many objectionable features to the bill as reported by the con-

other nationals as much as they think of the Japanese proposi- | quota of any nationality shall be 100.

erence to a limit of 50 per cent to any nationality. Now, then, | many objectionable features to the bill as reported by the con-

ferees. It is impossible to bring in an immigration bill that would not be objectionable in part to many Members.

But there is one objection which seems to me to be so fundamental in character that we ought to pause and consider carefully before we commit ourselves to its adoption, and that is the provision put in at the instance of the President of the United States, as has been repeatedly stated, to the effect "that before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject." That is the subject of exclusion.

I am puzzled to know why the President wishes that language to be inserted. If it lie now within the constitutional power of the President to negotiate a treaty upon immigration, he has the power to act without any request on the part of Congress. If it does not lie within his power under the Constitution then nothing that this Congress can say will give him the power.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. GARRETT of Tennessee. Yes; briefly.

Mr. JOHNSON of Washington. I will tell you very briefly exactly why. It seems that the Japanese, no matter how we regard this agreement, regard it as a portion of their treaty and think they have kept it honorably and faithfully, and they think they should be notified——

Mr. GARRETT of Tennessee. I beg the gentleman's pardon. I do not think that is the expression of the Japanese Government. That may be the idea of some Japanese people as distinguished from the Japanese Government, but, as I read the letter of the ambassador from Japan recently sent to the Senate of the United States, he did not insist that it was any part of a treaty.

The gentleman from Virginia, who is accustomed to analyzing legal language, made some remarks from which I judge he thought this insertion was only for the purpose of giving an opportunity to the President to abrogate this agreement. I do not so interpret this language. Read it with care; read it, too, in the light of the first request upon the subject which the President of the United States made to the Congress, or at least to one body of the Congress. That was that they insert:

Provided however, That the provisions in this paragraph (the exclusion paragraph) shall not apply to nationals of those countries with which the United States after the enactment of this act shall have entered into treaties by and with advice and consent of the Senate for the restriction of immigration.

That indicates the presidential mind on this subject. If it is merely to abrogate the gentleman's agreement—if that is the sole purpose—how is this alleged offense against the sentiment of the Japanese to be remedied? If that is all there is to it, how are you going to remove the offense by simply saying that the President can talk to them about what Congress has done? If the purpose is more than that, then ponder well, my fellow Members, before you surrender the right of the Congress of the United States, before you take the initial step in surrendering the exclusive right of the Congress of the United States to control immigration into this country. [Applause.]

I do not wish to offend the feelings or sensibilities of Japan or any other nation on the earth; but as between surrendering constitutional rights of the people of my own country in order to avoid wounding the sensibilities of other countries, I shall have to choose to stand by my own people. [Applause.]

Mr. LINEBERGER. Mr. Speaker and gentlemen of the House, I am sure it is far from my desire to rise in my place on this floor and oppose the conferees on my own side of the House and the President of the United States, but in the issue before us to-day there is something more vital, greater, and grander, if you please, than the personalities or partisanship, and that issue, as I see it, is whether we shall yield a fundamental right of the American people to regulate immigration, a purely domestic matter, to any other than the legislative representatives of the people, the Congress of the United States.

This proposition seems to me to resolve itself purely into a question of fundamentals; and one of the fundamental questions involved is that we by this procedure recommended by the conferees recognize the right of a foreign government to be heard and negotiated with when we propose to exclude their ineligibles to citizenship from our shores. Another fundamental question involved is that we for the first time in our history are admitting a principle with reference to Japan, after having refused it to our historical friend, China. I recognize the fact that a period of seven months may seem of small importance to the conferees and may seem short to the President of the United States and his responsible adviser in foreign affairs, the Secretary of State, for both of whom I have always had great admiration, but I say that when you violate a fundamental, it is just as reprehensible whether you violate it for a week, a month, or a year as it is if you violate it for a decade or century for that matter.

Now the praises of my friend, Senator BURTON, which have been voiced here to-day in the interest of the Japanese people and their virtues I do not rise to question or deny. I believe, along with the fundamental principles involved and which I consider to have been violated, that we as Members of Congress on our oaths have a fundamental obligation which we can not escape, and that obligation is to the American people and to the American people only, for these same American people when they sent us here made us their trustees, and I for one propose to hold that trust sacred. If we once recognize the right of a foreign government to enter into the consideration of a purely domestic matter like the immigration question, if we establish this precedent, it will rise to plague us in generations yet to come, and therefore, Mr. Speaker, as much as I regret to do so, under the circumstances, I must say to the House and to the country that I feel it my duty to oppose the acceptance of the conference report with all the energy which I possess. [Applause.]

The conferees—and I say this with all respect to them—are merely the agents and trustees of this House. We are those to whom they owe their allegiance and their responsibility is to us, and to no other department of the Government; and we in turn are responsible to the people who sent us here. If a public office is a public trust, as I hold it to be, this theory of responsibility must be maintained. When gentlemen yield to any influence, no matter how highly placed, be this influence either foreign or domestic, I say that they have lost contact, for the moment at least, with the agency which they represent, and the trusteeship of the Congress and people which has been confided to them is in unsafe hands. I am proud to say that there was one member of that conference committee who comes from my State and who did not yield. Luther Burbank, the plant wizard, has produced a wonderful variety of cactus out in California which we call spineless cactus; but, thank God, in the person of JOHN E. RAKER we did not produce a spineless conferee. [Applause.] California should feel proud of him to-day. There is no question about the validity of the fundamental principles which I have tried to outline. Such authorities as the distinguished Senator from Massachusetts, Senator LODGE, a statesman known not only in America but throughout the world for his experience and sagacity in foreign affairs, had this to say in the Senate of the United States yesterday.

On page 8088 of the RECORD of yesterday I read these remarks from a speech by Senator LODGE; he was speaking of the power of Congress to regulate immigration matters. He said:

In my judgment, only the Congress of the United States, and, of course, acting with Congress, the President of the United States, has that power—that is, the entire legislative body of the United States must say to the rest of the world, "We alone have the power to say who shall come into the United States as immigrants."

I repeat what I said the other day, from that decision so made there is no appeal. I have the utmost respect and admiration for the President. I believe in him thoroughly, but I venture to think that this brief amendment goes further than was perhaps realized by the conference committee.

Senator LODGE, in his utterances yesterday, never gave voice to a more statesmanlike view or propounded a sounder American doctrine. Such sentiments, I am sure, were applauded by 100 per cent Americans from coast to coast and from Canadian to Mexican border. [Applause.] I have here two brief telegrams which are to the point, and which, I think, sink to the very heart of this whole question. I shall read them to you:

LOS ANGELES, CALIF., *May 8, 1924.*

Hon. WALTER LINEBERGER,

House of Representatives, Washington, D. C.:

Conference agreed exclusion legislation would disgrace Congress and America. Means surrender Pacific coast to unwanted unassimilable aliens. In fact, invitation orientals complete peaceful invasion. Does Americanism or Japanism hold sway there? Employ all means bring about immediate exclusion and thus keep West white.

CLARENCE M. HUNT,
Editor Grizzly Bear.

SAN FRANCISCO, CALIF., *May 8, 1924.*

Hon. WALTER F. LINEBERGER,

House of Representatives, Washington, D. C.:

The legionnaires in California urge you be present when immigration bill comes up on floor as reported by conferees and want you to know that we are standing behind you 100 per cent in your fight to make this coast a white man's country. To defer effective date of ineligible alien exclusion until March, 1925, is to provide open season for influx of Japanese. If the entire effort is one to avoid shocking sensibilities of the people of another nation let us not forget that our own people still have sensibilities. It is probable that in its final action Congress will determine whether its action will be so framed as to please and satisfy people of another nation or preserve the interests of this Nation. In such event the decision should not be long delayed nor difficult to reach. Let us have dignified firmness and not vacillating weakness. Kindest regards.

MORGAN KEATON,
Department Adjutant, American Legion.

Gentlemen of the House, this is not only a proposition which affects us on the Pacific coast but it affects every man, woman, and child in these United States, and more than that, generations yet unborn. Our forefathers who crossed the continent and who converted a wilderness into one of the garden spots of the universe were from old American pioneer stock, the best the country ever produced, and came from every State and every section of this great and glorious common country of ours. Your flesh and blood there are facing this great problem, and the problem is creeping farther eastward every day. There is no man in the world who desires peace more strongly than I do, for I know what the strife of war means; but there is a price which even for peace and good will among nations we as American citizens can not afford to pay and still be worthy of that precious heritage which was handed down to us by those that have gone before, and that is to permit any nation or any individual in the executive or any other department of the Government to determine for us, the representatives of the people, when and where and how we shall regulate a matter which is purely a matter of domestic legislative policy. [Applause.] I am not one of those who believe this July 1, 1924, exclusion will promote strife and ill will, particularly if we meet the situation at the earliest possible moment. To meet a situation fairly and squarely, eyes to the front and without evasion or subterfuge, is the surest way to promote peace; and, after all, it is the American way. Let us not desert it. [Applause.]

Mr. TINCHER. Mr. Speaker, will the gentleman yield?

Mr. LINEBERGER. If the gentleman will get me another minute I will be very glad to yield.

Mr. TINCHER. I can not do that, of course.

Mr. LINEBERGER. I am sorry I can not yield, then, as my time is about to expire.

The SPEAKER. The time of the gentleman from California has expired. [Applause.]

Mr. JOHNSON of Washington. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Speaker, it is not agreeable to a Member to differ with a very large majority of his party associates, as probably I am doing in this instance, but at least I have the satisfaction of knowing that in the vote which I cast I shall be doing that which I deeply believe is for the best interests of the country, and that I shall express the conviction I have so often declared here that the things of primary importance is to do what may be done without sacrifice of the real welfare of this country, to avoid controversy, and to promote peace and tranquillity so far as this Nation is concerned, and so far as other nations are concerned.

My distinguished friend from Tennessee [Mr. GARRETT] and the gentleman who has just taken his seat, the gentleman from California [Mr. LINEBERGER], have said something about fundamentals. They have discussed this matter as if the sole power of dealing with the subject of immigration rested with the Congress. Of course that is a mistake. If a Massachusetts Senator expressed that view yesterday, he forgot a decision of the Supreme Court, the opinion in which was delivered by a justice who was appointed from Massachusetts, and perhaps other gentlemen entertaining that view forgot a decision in a Federal court by Mr. Justice Fields, of California, to the effect that the power to deal with the subject of immigration rests with Congress, but that it also may be exercised under the treaty-making provisions of the Constitution. Therefore, I think the only inquiry that we have to make is whether it is expedient and judicious or not to do what is proposed by this bill; that is to say, to put all of the provisions of the bill into effect at a very early date, with the single proviso that the President shall have a certain time within which to bring about an abrogation of the so-called gentlemen's agreement with Japan.

Mr. WILLIAMS of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. I regret that I can not do so now. That agreement perhaps ought never to have been negotiated. It has been in effect a long time, however, and until now I have not seen any great excitement in reference to it manifested by my friends from the Pacific coast. I have been here for nearly five years, and more than once I have interrogated members of the Committee on Immigration relative to that agreement, and they have said in substance, "Do not speak of that now, wait." Yet now we are told by the same gentlemen with great vehemence that we can not afford to wait for a period of less than 12 months for the action contemplated by this bill to become effective.

Mr. Speaker, I am not of the President's party. Of course, he has never talked with me about the bill, nor has the Secretary of State, nor have I ever discussed it with any of the leaders on the Republican side of the House. It is needless for me to say that I have never attended any breakfasts at the White House. I am not one of the autocrats of that breakfast table. [Laughter.] I submit, however, and I am liable to contradiction by those who have more information than I if in error, that we are dealing with a simple proposition. The gentlemen's agreement is in force. It has been in force for so long that Japan naturally regards it as having the status of a treaty. Japan takes the position that if it is nullified immediately and without notice that will constitute an affront. The President and his Secretary, of course, are in immediate contact with the representatives of Japan here, and what I understand to be the position of the President is this, and nothing more than this: He is as much for exclusion as is the gentleman from Washington [Mr. JOHNSON], the chairman of the committee, or the gentleman from California [Mr. RAKER], and he does not propose to do anything in his conference with the Japanese that can weaken this law as it is drawn, but that in the time that remains between now and the 1st of March, 1925, he will bring about the abrogation of the agreement.

Mr. BOX. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BOX. Is there anything in the law or in the Constitution which would prevent him from doing that, anyway?

Mr. MOORE of Virginia. Nothing; but have we not upon our side stood here time and again contending that it was very proper for us to make requests of the President as to his foreign policy?

I have tried myself to write into bills—naval appropriation bills and Army appropriation bills—requests of that sort, and many of you gentlemen upon my side of the House have concurred.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. MOORE of Virginia. I will.

Mr. EVANS of Montana. I desire to ask a question for information. Whether under this bill this clause will go into effect on the 1st of March of next year whether or not any abrogation of the gentlemen's agreement is made?

Mr. MOORE of Virginia. Undoubtedly. The clause is so drawn that if the President should remain inactive, if he should be so disabled that he could not act between now and the 1st of March, 1925, the law would go into effect.

Mr. STEVENSON. Suppose, instead of remaining inactive, he could negotiate a treaty and allow the Japanese to come in between now and then, would not that supersede this law if it were ratified?

Mr. MOORE of Virginia. Frankly, I will say to my friend, I think it would; but am I not to have enough confidence in the President of the United States to believe that he will keep the promise which we understand he has made? [Applause.] I hope the day has not come, nor will ever come, when I shall hesitate to accept the almost openly promulgated pledge of the President as to what he will do. [Applause.]

Mr. NELSON of Wisconsin. I am inclined to agree with the gentleman, but what bothers me is that this affront on March 1, 1925, will still remain.

Mr. MOORE of Virginia. Japan says, no.

Mr. WATKINS. When did she say it?

Mr. MOORE of Virginia. According to the best information we can obtain, Japan says, "We are affronted by this threatened action because it is taken without notice to us and we think we are in fairness entitled to notice."

The SPEAKER. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I yield the gentleman three minutes more.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. MOORE of Virginia. I will yield to my friend.

Mr. MACLAFFERTY. Do I understand the gentleman to say that Japan has said this or simply some newspapers have said it?

Mr. MOORE of Virginia. Japan has substantially taken that attitude according to the chairman of the committee. That such is the attitude of Japan is to be inferred from what the President of the United States has given out, and should the President not act consistently with that well-warranted assumption, he would be faithless to the American people and would not be accorded their further toleration and respect.

Mr. JOHNSON of Washington. If the gentleman will permit, I will also say further I have been to the White House, and though I am not the spokesman for the President, the gentleman has stated better than I can what occurred. I want to say this further: The Secretary of State has been greatly embarrassed in dealing with the House Committee on Immigration. We are not the Committee on Foreign Affairs; we are not the Senate. These matters that come to this committee have to go into the record. It has not been a pleasant matter.

Mr. MOORE of Virginia. Gentlemen need not be frightened, for even if the President were inclined to do what he has stated he will not do, the Senate would check his attempted exercise of power. [Applause.]

Mr. RAKER. Will the gentleman yield for a question?

Mr. MOORE of Virginia. Certainly.

Mr. RAKER. Has the gentleman noticed the public print of a week ago, Thursday, that the President was against exclusion, and also that the public print carried the fact that the conferees had agreed upon the House amendment and then the President gave an interview he was in favor of exclusion, and it was sent out broadcast?

Mr. MOORE of Virginia. I will say to my friend there are so many public prints it is impossible to keep up with them, but since the newspaper announcements as to the President's intention, as I have outlined it, is confiremd by the statements of his advisers here and elsewhere——

Mr. WATKINS. But the gentleman will not dispute Japan did say officially after we passed the bill with this section in it that grave consequences would occur, did she not?

Mr. MOORE of Virginia. That was said by the Japanese ambassador, who soon wrote a lengthy letter explaining that he had been misunderstood.

Mr. JOHNSON of Washington. I will say that if there is a man on this floor who knows exactly what happened in Japan, China, Mongolia, and Manchuria, let him stand up and say something about it.

Mr. WATKINS. I do not notice anybody over there standing up.

Mr. MOORE of Virginia. It is said here that Japan should not be affronted, that Japan should not feel aggrieved by action without conference or notice. The reply to that which we can make as a Nation that is unafraid and that should be supremely anxious to maintain the peace of the world is that everybody knows that throughout history difficulties of most serious sort have arisen and armed conflicts have occurred because the sensibilities of some nation have been offended, even where no offense may have been intended. [Applause.]

The SPEAKER. The time of the gentleman has again expired.

Mr. RAKER. I yield four minutes to the gentleman from Texas [Mr. Box].

Mr. JOHNSON of Washington. I yield two minutes to the gentleman from Texas [Mr. Box].

Mr. BOX. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none.

Mr. BOX. Mr. Speaker and gentlemen of the House, this is not suddenly sprung on Japan.

It was discussed widely in America and Asia years ago. It was discussed by President Roosevelt. It was one of the live topics of discussion when I became a member of this committee five years ago. It was considered by the Immigration Committee. The question was widely discussed almost the world over five years ago. It has been discussed in this House. It has been discussed every year and almost every week and almost every day; and now for Japan to say that it has been suddenly sprung is very remarkable, and for those who would apologize for the action of the conference committee in acting on such a claim, if that is any excuse at all, is to show how hard pressed they are for an excuse.

This proviso means something or it means nothing. If it means anything it means that the President is invited to exercise some power in dealing with Japan by treaty controlling Japanese immigration. If it means anything at all it means that. It is said that this act goes into effect on the 1st of March, 1925, regardless of the proviso. If that is going to be the result anyhow, why this proviso? It must serve some purpose, or it must serve none. If it serves any, it means to invite the President to continue to control this problem by agreements or treaties. If it does not mean that, it does not mean anything. If it means nothing, it ought not to be put in the law.

Mr. CABLE. Mr. Speaker, will the gentleman yield?

Mr. BOX. Yes.

Mr. CABLE. Does the gentleman understand that it could have any legal effect anyway? The President could act anyway?

Mr. BOX. Yes; the gentleman from Ohio is right. This is an absurd thing.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield?

Mr. BOX. Yes.

Mr. STEVENSON. This is a legislative recognition of a void agreement?

Mr. BOX. Yes. That goes to a primary question, the recognition of an informal Executive agreement made with a foreign power as prevailing law, hindering the freedom of Congress.

Now, Mr. Speaker and gentlemen of the House, the primary question is whether or not the great, fundamentally important question of regulating immigration is to be handled by Congress, this House participating, or whether it is to be by the Executive and foreign powers. This House has been giving imperfect but more or less apt and prompt expression of the public desire for protection against those whose coming does not promise good for the country. Since I have been here I have noticed that opponents of restriction have been moving steadily forward in the effort to get this subject out from the control of Congress and get it into a forum where the Executive and foreign powers would control it. Foreign powers have conflicting interests with ours. No member of the House Committee on Immigration and Naturalization can have failed to recognize the fact that I have seen and feared this movement and sought to combat it. Whether or not any of them have shared in that fear, they know that I have felt it almost from the day I came here. Vitally involved in this question is the question whether our Government will control this problem in its own interests and its own way, or whether other countries shall have a voice in it. We are asked to have the President say to an Asiatic nation, "We will consult you about how many of your people will come." When Italy asks the same privilege can we consistently say, "No." She has asked it. You will find it in a communication from the Italian Government of September 15, 1921, to our State Department. They are asking the same privilege. Are we to say to Japan, "Yes; you have a voice in that question; because of your peculiar sensibilities we will consult your feelings." Italy says that this law discriminates against her and has already asked for the same privilege in discussing the immigration from Italy. How can we go forward like a dignified Nation taking care of our affairs and dealing with all other countries alike, with a realization of the important interests involved, and give to Japan this privilege and not allow it to other nations?

Japan, if she asks it, is not merely asking that she be treated as other countries are treated. She is asking that she be treated as we do not treat anybody else; but other nations will certainly ask that the same privilege be conceded to them after we concede it to Japan.

This controversy involves the question whether hereafter this problem is to be controlled by the Congress of the United States or by the treaty-making power arguing in a forum when foreign voices are equal to ours. The Presidents have rarely seen this problem as this Congress has seen it. Practically all restriction in immigration legislation has had to be passed over the President's veto. I could cite many instances covering the whole history of the legislation for 40 years. But for the passage of such legislation, some of which, much of which, abrogated treaties, China's millions would have poured in here. A long line of presidential vetoes marks the progress of all this necessary legislation. Where would the country be now if the will of Presidents Hays, Arthur, Cleveland, Taft, and Wilson as to immigration had prevailed?

In spite of all our restrictions and safeguards we have already imperiled our racial character and the stability and permanence of our institutions by the number and character of the immigration admitted. Now, if we turn it over to the President, whose views are usually different from those of Congress and

the country, and foreign governments whose interests conflict with ours, we will do a foolish, a ruinous thing.

Japan says she wants no voice in this domestic question. She seems to want it controlled by treaty or agreement made with her. She will have a voice in the treaty or agreement, will she not? If the treaty or agreement controls our policy and she has a voice in the agreement or treaty, will she not have a voice in this country's policy? [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired

Mr. BOX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SABATH. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. OLIVER].

The SPEAKER. The gentleman from New York is recognized for three minutes.

Mr. OLIVER of New York. Mr. Speaker and gentlemen, I shall vote against the conference report, because I believe it is a fraud upon itself and I believe it is a fraud upon diplomacy.

I have listened with a great deal of attention to the statement of the distinguished chairman of the committee, the gentleman from Washington [Mr. JOHNSON], when he said that the delay in the date of the exclusion of the Japanese to March 1 was put in there so that the United States could blow a kiss to Japan. That was his expression.

I hope we are going to blow a cool, calculating kiss to Japan. He is sending us out on a romantic mission of gaining the friendship of Japan, or keeping what friendship we have. He wants to have Japan believe that we are blowing her a nice, cool, calculating kiss without knowing we are reserving for her at the same time a nice, cool kick due March 1; first, blow a kiss at her, and if the kiss does not land where we aim it, then to throw at her a nice, swift kick.

What fine diplomacy this is! What will the Japanese say? How many of them can we fool by this process?

The gentleman from Washington [Mr. JOHNSON] said he was saving the bill by putting this provision in. From whom can he save it? The only man who can put this bill in peril is the President of the United States. So he meant by that, I take it, in reason, that the President would veto it if this provision was not in it.

Mr. JOHNSON of Washington. I hope I did not make any threat.

Mr. OLIVER of New York. But the gentleman made that statement, and I am drawing the inference that a jury would draw from a statement made by so distinguished a gentleman as the gentleman from Washington that the only man who could put it in peril is the President of the United States. The President of the United States blew a kiss to the people of California and then a little while after, according to the gentleman from Washington, he threatened the bill with a swift kick. Kisses and kicks seem to be the rule of diplomacy and politics to-day.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. OLIVER of New York. No; I will not yield.

Mr. JOHNSON of Washington. The gentleman does not favor any part of the bill anyway, does he?

Mr. OLIVER of New York. No; I do not favor any part of the bill, but I am commenting on the diplomacy of the gentleman from Washington, who did not know, from the first day of this session until he went up to the conference with the President of the United States, that there was a diplomatic question before the United States of America. [Applause.] He has just learned it. I heard the debate on this bill, but not a word was said by the gentleman about the friendship we owe to Japan and about the great diplomatic situation we might create. Oh, no. But when he ate White House food he learned something about the diplomatic situation. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

The SPEAKER. The gentleman from Kansas is recognized for three minutes.

Mr. TINCHER. Mr. Speaker and gentlemen of the House, in my judgment the proposition before the House is plain and not at all complicated. The Congress has decided that we will have Japanese exclusion, but our relations with Japan have not been the same as they have been with other countries. For instance, we objected to Japanese immigration when we had an open door for Italy; so we had, it seems, an arrangement which would preclude Japanese from coming to this country. That has been called the "gentlemen's agreement," by which we have had a very limited Japanese immigration into the country.

The bill as introduced would not have taken effect for several months, but it has taken so long for its consideration that if we had July 1 as the date when it becomes effective that will abrogate the gentlemen's agreement rather abruptly.

The Secretary of State and the Executive, having to deal with a foreign power, have said they thought it would be fair to defer the taking effect of a law supplanting the gentlemen's agreement until March 1, 1925; that we treat Japan in a fair way, and call upon them for a meeting, not to make a treaty but to abrogate the agreement. There is nothing complicated in that proposition.

Three classes are opposing the adoption of this conference report. First, and the most enthusiastic, the gentlemen who are against any immigration law; second, some Members from the west coast who are prejudiced whenever the word "Japan" is mentioned; and, third, those ill-advised people who think they can get something on Calvin Coolidge by turning down this report. That is the proposition. [Laughter on the Democratic side.] You can laugh all you want to, but that is true, and you are trying to drag this into politics to that extent.

Mr. LINEBERGER. Will the gentleman yield?

Mr. TINCHER. No; not under the circumstances. Let me suggest further that no Member of this House has a right to vote against this conference report and claim he is friendly to a law regulating immigration. [Laughter.] I do not understand that there ought to be any objection to the few kind remarks I am making going into the RECORD. It has been suggested that Calvin Coolidge could not have carried California if it had not been for the people thinking he was for Japanese exclusion, and I think the morning paper had that thing about right. There is nobody in the United States against Coolidge but HIRAM JOHNSON, and Hiram ought to find it out some time. [Laughter and applause.]

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield one minute to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker, I yield the one minute to the gentleman from California [Mr. LEA]. [Applause.]

Mr. LEA of California. Mr. Speaker, the original request of the Secretary of State that Congress waive its right to settle the Japanese immigration question and authorize the Secretary of State to adjust the matter by treaty had some merit. That suggestion at least had the merit of furnishing substantial grounds for mollifying the feeling of Japan. If the United States committed itself to a Japanese immigration policy by a plan which could be established only with the consent of Japan, no doubt it would temporarily appease that country. A plan even so unworthy of an American Congress would at least have the poor merit of temporarily appeasing that nation, to whom we would have assigned a function of the American Congress.

But the plan now before us is devoid of even the poor merit of the plan first suggested. It is now proposed that we postpone Japanese exclusion until March 1, 1925; that we request the President to negotiate with Japan in relation to our immigration question. It is claimed that the object of the proposed negotiations is to abrogate the so-called gentlemen's agreement. That agreement is void. It was entered into without authority. Japan knows and everybody else knows it was never binding upon either party, because not entered into by persons having authority to make it or according to the requirements of our Constitution.

Congress can not perform its duty, it can not preserve its self-respect, if it ratifies that void agreement, made without authority, and the terms of which are still unknown to the American people. Shall we solemnly request the President of the United States to conduct negotiations for the purpose of abrogating a void agreement, the terms of which have never been exposed to the light of day?

Immigration is the domestic problem of America. For one, I shall not be responsible for a course of action that concedes to any nation the right of being party to the settlement of our immigration problems.

It is declared that the failure to adopt the provision in question will hurt the feelings of Japan and largely undo the good feeling and friendly relations created by the disarmament conference. This contention suggests the importance of dealing candidly and fairly with our international problems.

We entered into a conference with Japan, admittedly for the purpose of settling causes of irritation and dispute and pro-

moting peaceful relations founded on understanding. Everybody in America knew; everybody in Japan knew; every intelligent man in the world knew, that the most irritating question between the United States and Japan was the question of immigration. In the disarmament conference, we lacked candor; we lacked courage. Instead of settling, or attempting to settle, the primary source of irritation between these two countries, we evaded the question. We ignored the one question the settlement of which, above all others, was essential to the peace and understanding of these two nations. We contented ourselves by confining the agreement to questions of little controversial importance between this country and Japan. We looked the other way and declared our problems settled.

The same sort of diplomacy, the diplomacy of evasion, of expediency, of temporary convenience, is to-day dictating the policy in reference to this bill. Shall we be candid, courageous, and fair, adopt a policy that will be the definite final policy of America, or shall we shift, evade, promote the continuation of the irritation between these two nations and postpone until some more unfortunate day the time when this great question shall be settled?

I believe in settling the question now, courageously, candidly, honestly, not in hate for Japan but in justice to America and her future.

I do not concede that this provision could ever be adopted as the deliberate judgment of this House. We invite the President of the United States to negotiate a treaty with Japan. For what? To make a new law, or change the law that Congress shall this day adopt, in reference to immigration from Japan? The gentleman from Virginia [Mr. MOORE] says "no." If you agree with his "no," then you have reduced this proposition to an absolute absurdity. The only reason then advanced for negotiating this treaty with Japan is to mollify her feelings. Such an argument is a reflection upon the intelligence of Japan. [Applause.]

Is the pride, the spirit, and intelligence of Japan so dull that she will be appeased by inviting her to negotiate the abrogation of an agreement we have already abrogated? Is such an invitation a peace offering? Does it indicate good will, consideration, or respect? Would it not be trifling with a great nation? By this very bill you adopt a policy of Japanese exclusion to go into effect on the 1st day of next March. Then you propose to mollify the feelings of the people of Japan by inviting them to help determine the policy you have already adopted. [Applause.]

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. LINEBERGER. Mr. Speaker, I make the same request.

Mr. SABATH. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from California [Mr. LEA], the gentleman from California [Mr. LINEBERGER], and the gentleman from Illinois [Mr. SABATH] ask unanimous consent to revise and extend their remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. LAGUARDIA].

The SPEAKER. The gentleman from New York is recognized for two minutes.

Mr. LAGUARDIA. Mr. Speaker, the gentleman from Kansas [Mr. TINCHER] has made the startling discovery that gentlemen who are opposed to a bill vote against it. I am going to vote against this conference report, and I will say to the Committee on Immigration that in their eagerness to write an immigration bill, instead of basing it on logic and the economic condition of the country, you have based it on passion, religious hatred, and racial prejudices, and you have gotten yourselves so balled up you will not be able to get out of your difficulties. [Applause.]

Mr. JOHNSON of Washington. That makes the gentleman happy, does it not?

Mr. LAGUARDIA. It makes me happy because I am one who still has a heart, and I am not ashamed to say it. When you wrote your report the chairman of the committee knows that he put all the hatred he could in it, and because Japan peeped you crawled. [Applause.] But when little Rumania protested, you did not say a word. My advice to Rumania is to go down to J. P. Morgan and negotiate a loan, and then, perhaps, when Rumania protests you will heed. [Applause.]

Gentlemen, the suggestion was made and the offer was made to study this immigration problem carefully, to appoint a commission to ascertain the economic needs of the country, the labor and social conditions, and to write your bill accordingly, but you refused to do that. We were willing to go with you to any length on restriction that the requirements of the country needed.

We were charged on the floor of this House with desiring to have the doors wide open. Such is not the case. My opposition to the bill was purely to provide against the vicious intentional discriminations. These discriminations were not denied. A reading of the debate on the floor of this House proves beyond a doubt that the mathematics of the bill were worked out in order to discriminate against certain races. We were willing to go along with the committee on any percentage that would meet the economic condition in the country, always bearing in mind the necessity of assimilation, but you refused to do it. Gentlemen, you will recall that every humane amendment that was offered on the floor of the House was ruthlessly voted down. You come before us now with the bill not strengthened, but hardened; not made better, but worse. Even the relative provision which was in the House bill is now taken out and you leave an extra quota provision only for the wives of American citizens. How can this wife get over here? Judges now are refusing naturalization to applicants until their wives arrive, on the ground that perhaps their wives may not be eligible to admission, and they say they do not want to divide a family. That is growing to be the practice. You will recall that when this bill was being sponsored on the floor of this House you made a personal appeal through the Representatives of the Pacific coast. You took pride in it, you boasted of it, that finally a provision was written into the immigration law that would permanently stop the entrance of Asiatics. Now you find opposition from the very Members from whom you sought and received support.

I am going to vote for a motion to recommit. I am going to vote to send this bill back to conference. I will vote for anything which will compel the authors and sponsors of this bill to take time to deliberate, to consider, to study, and to bring in a bill in this House that the American people need not be ashamed of. I still believe that if this House desires to limit immigration on a quota basis that the quota should be one that is fair and impartial to all. I believe that it is proper at this time to ask the conferees to reconsider the humane provisions offered and to reinstate in the bill the provision permitting the entrance outside of the quota of wives, mothers, fathers, and children of residents. It seems to me that when an alien has arrived in this country and is making good and we know of his good character and his devotion to his new country it is not asking too much that he may have an opportunity to send for his immediate blood relatives.

I can understand the embarrassing situation in which the President of the United States finds himself; but the time to confer with the Committee on Immigration was before the bill was written and not now, and I submit, gentlemen, that if changes are to be made, then changes should be made along the line, and perhaps eventually a fair immigration bill may be written.

I am not deceiving myself one bit on the situation. I realize that the situation to-day will make a queer alignment. I appreciate that some of the gentlemen who are voting to recommit this bill are extreme restrictionists and would vote for any kind of a restriction bill. It is proper that we take advantage of the parliamentary situation and as a protest to the ruthlessness of the committee in ignoring, I might say, sneering at every amendment offered and voting down every suggestion, that now the bill be sent back and that they give it the careful study that should have been given when the bill was written. Yes, gentlemen, I repeat, had there been less hate and less prejudice, more logic and more kindliness, you would not find yourselves in this present plight. I shall vote to recommit the bill.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SABATH. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker and gentlemen, the works of Edmund Burke abound in many wise and terse sayings, but the designers of his monument, set up here in Washington at Twelfth Street and Massachusetts Avenue, preferred this one maxim, among them all, to adorn its pedestal: "Magnanimity in politics is not seldom the truest wisdom."

We have come now to a pass in the deliberations of this body where, waiving all partisanship aside, we can confirm and realize the truth of that maxim. The issue before us, however, does not call for magnanimity so much as politeness. Nations must be decent as well as men.

There are times when political minorities can be magnanimous, and this is such a time. I am not going to attack the President. On the contrary, I must say that I approve of his stand for wisdom and magnanimity and true statesmanship at

this moment, which may prove to be a turning point in our history. I realize the fascination in the idea of worrying the majority, but in matters of international moment a minority should rise above so mean a plane.

The temptation is also attractive to those who fought the bill as a whole to refuse the President's request, reject the conferees' amendment, and thus challenge the President to veto the measure. This would be a futile gesture, from which the opponents of the measure can hope to obtain only a temporary respite. Everyone knows that those who dangle this alluring prospect as a bait have their minds set on passing the bill, in such an eventuality, over the President's veto. In short, the opponents of the bill are asked to form a vain and purposeless alliance, justifiable neither in good morality nor in practical results. The President is to be commended, however much certain gentlemen in this House may take his rebuke to heart. We had no right, under the Constitution, to pass a measure so despicable and thoughtless, involving us, as it will, in international controversies, without giving the President an opportunity to exercise his treaty-making power under the Constitution.

This sectio —12b in the House bill and 13c in the Senate amended bill—should never have been written. It was a piece of futile meddlesomeness. The subject should have been left in the hands of the treaty-making power. "But," they say, "the agreement of 1907 has not been lived up to." If that were true, the answer is, "So will your statute be evaded. If a treaty can not be written strong enough to prevent evasion, how can you get better results from a statute?"

But the fact is that if more Japs come into our country than the quota agreed on, it is not with the consent or connivance of the Japanese Government. They slip over the border, and they would continue to do that, treaty or no treaty, statute or no statute.

As to Japan seeking to colonize America, no matter with what appearance of authority this charge may be advanced, I can not believe that any nation can be anxious to lose any material part of its wealth—and what greater asset can a nation have than its human assets, its producers?

We know this, that the American idea from the beginning has been that increase of population means an increase in the instrumentalities of production. And we would not look with approval upon any migratory movement which would tend to diminish our own population.

In fact, our chief boast has been our phenomenal increase in population and wealth. Do you suppose that the real psychology of other nations is different? A diminution of their population is just as serious a loss as it would be with us.

If there were not such a rumpus raised about exclusion, I do not think there is a country in the world that would be a bit concerned if we stopped immigration altogether; on the contrary, I think that they would be at heart glad to find a tempting field of immigration eliminated, so that they could keep their people, their wealth producers, at home.

Of course, when publicity is given to the fact that our proposed law contemplates invidious distinctions between races, from that moment race pride is aroused and concern for their own increase of population is forgotten.

WHEN IMMIGRATION IS NOT A DOMESTIC QUESTION

We have heard emphasized throughout this debate that immigration is a domestic question. So it is a domestic question—until you begin to discriminate among nations. If your law applies to all alike, you can make any limitations or restrictions you desire, but the moment you begin to discriminate, then it rises to the level of an international question.

Our fundamental right to keep immigration as a purely domestic question is incontestable. But our tariff is also a domestic question. There is no doubt we can fix any rate we please on imports. But suppose we should attempt to put in force discriminating rates favoring some nations and unfavorable to others. Is it not clear that our action would immediately involve us in international controversies?

It is a fundamental maxim of international law that all nations are entitled to equality of rights and privileges in commercial intercourse. Discriminating duties against the products of one nation in favor of others are necessarily tabooed, and any departure from that principle gives just cause for protest and complaint, and that, too, independent of any treaty we may have containing the most-favored-nation clause. This rests upon the primitive principle of natural justice underlying all international relations.

If it has application, as we must admit, to the products of nations, how much more must it apply to the flesh and blood of races? A nation can rightly protest against a tariff discrimination against its products. Is it not natural that it should feel even more deeply aggrieved when that discrimination is applied to its sons and daughters, particularly when that discrimination manifestly carries with it the implication of racial inferiority?

THE RIGHT OF CITIZENSHIP

The right of citizenship is a different matter. All nations have the right to regulate the conditions under which the franchise is granted and, so long as fundamental differences of races exist, each nation has the right to confine its citizenship, and even its population, within certain racial limits. This may be done without any imputation of inferiority, for, in truth, inferiority is a relative term involving many intricate factors of comparison.

EXCLUSION A DIPLOMATIC QUESTION

The question of exclusion, on the contrary, should be handled diplomatically by conference and treaty—never by a statutory enactment, with all its implications of racial inferiority published to the world. A statute is unilateral; it is what we say without compromise, delicacy, or mitigation. A treaty is bilateral; implies agreement, harmony, and mutual understanding. The burden of exclusion is put on the other party, and as the retention of a nation's nationals is a fundamental factor in its growth and prosperity, the preamble of such a treaty can very well say:

"The Government of ———, being desirous of conserving its productive force and preventing the depletion of its population by immoderate immigration, and the United States being desirous of respecting and upholding the aims of a friendly power in its control of emigration, do hereby agree that the Government of ——— shall confine the issuance of visas for immigration to the United States of ——— persons each year," and so forth.

We are in this quandary to-day because the Immigration Committee exceeded its authority and meddled with the executive functions of this Government, undertaking to abrogate a treaty without authority of law or precedent. Now they have to crawl, but I am glad to see that they have the courage to do it, and I am going to try to help them out of their embarrassment.

I have much to say upon this subject, Mr. Speaker, and I ask at this moment for leave to extend my remarks.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. GRIFFIN. Please do not misunderstand me. I am not in favor of admitting the Japanese to citizenship. Neither am I attached to the notion that they ought to be admitted under the quota. But that, I submit, would have been a simpler and less objectionable method of limiting their immigration than the expedient adopted in this bill of excluding them altogether.

If they had been put on the same plane as other nationalities and had been subjected to the restraints of the quota, the number admissible each year would have been so inconsiderable as to be negligible.

THE GENTLEMEN'S AGREEMENT

The proponents of Japanese exclusion have set up a straw man against which to hurl their thunderbolts. Those who have argued for moderation concede, as I concede, that the Pacific States should have the right to guard against submersion by unassimilable races. We are in perfect harmony with them on that proposition. We do not want to open the doors any wider than they are. We would even be content to have them closed entirely, but we do not want to see the doors slammed in the face of an honorable, highly civilized, and courteous race of people without warning or explanation. We owe that, I should think, to our own self-respect, as well as to theirs.

We have a treaty with them, or what is tantamount to a treaty, entered into, if you please, by President Roosevelt, and no one will dare assert that he was a mollycoddle. If that arrangement does not work satisfactorily, the proper course to pursue is to request the treaty-making power of the Government, under our Constitution, to secure its abrogation. It is hardly polite to throw it into the scrap heap—as this bill did before it was amended in conference—without a word of warning.

The amendment put in the bill in conference is perfectly sane, polite, and proper. I can not see the wisdom of laying the foundation for racial animosities which are bound to continue for generations and menace our posterity with continual rumors and threats of war.

MUNITION MAKERS ONLY ONES TO BE BENEFITED

No one is going to be benefited by this ruthless abrogation of the "gentlemen's agreement" with Japan but munition makers,

armor-plate concerns, shipbuilders, airplane manufacturers, war financiers, and war profiteers. Their stock in trade is war and the rumor of wars. We are foolishly playing into the hands of a pack of unmitigated rascals.

It is rather an odd coincidence that the Admiral Coontz "Revelations" as to the alleged inferiority of our Navy should come just at the moment when the Japanese question happens to be before Congress. If they are true their promulgation would be particularly inauspicious just at the moment that we were preparing to slap Japan in the face, and their publication at this time shows conclusively that they are not true. They will have accomplished their purpose if they stimulate another feverish return of war preparations. We can offset them and block the war speculators by helping the President to conduct the foreign relations of this Government with courtesy and wisdom.

No matter what I think of the bill as a whole, I believe it to be my duty as an American to support the limitation put in it at the instance of the President. In recommending that limitation he is acting as the President of the United States—and all the circumstances support the presumption that he is acting for the welfare of the entire country. He is entitled to our support irrespective of party, and I intend to uphold him by my voice and vote.

Mr. JOHNSON of Washington. Mr. Speaker, I yield four minutes to the gentleman from Colorado [Mr. VAILE].

Mr. VAILE. Mr. Speaker, I am sure our friends from California who have been stirring up all this opposition to this conference report because they do not get it just exactly the way they want it, what they have been asking for for 14 years, and what we are ready to hand them now—I am sure they must be very much gratified to have the support of everybody who is opposed to any restriction of immigration at all. It certainly should be a source of pride to them that they may succeed in defeating the whole cause of restrictive immigration by sending back this bill because they do not get it exactly as they want it.

Let us consider this gentlemen's agreement for a minute. It is an old sore. The gentlemen's agreement never should have been executed. I agree with all that has been said to that effect. It is an Executive agreement, never ratified by the Senate. You can not find out what it is to-day. If you call up the office of the Secretary of Labor, who is charged with enforcing it, you can not find out; but nevertheless that agreement does exist.

It has been recognized by our own statutes, it was recognized by the immigration act of 1921, in which we made an exception for treaties or agreements relating solely to immigration. It was recognized by an addendum to the treaty of 1911 we made with Japan. It has been recognized by Japan, and all that is asked now is that the Executive shall be given an opportunity to abrogate it. All that we say is that it is going to be abrogated; it is abrogated to take effect on March 1, 1925, and, Mr. President, if you wish to proceed to abrogate it before that time by Executive action, all the more power to your arm; but whether you succeed or not, it is going to be a thing of the past on March 1, 1925.

Let me call attention of Members of the House on this side, gentlemen who in every campaign recently have been denouncing the Republicans because we have been as you would say not sufficiently warm in our advocacy of some international schemes of peace, proposed by the last Democratic President, you surely should not object to our giving the President the first opportunity to handle an international situation on a basis of peace and good will when we fix a time limit beyond which the objectionable thing shall not in any event endure.

The great President, elected by your own party, Mr. Wilson, availed himself of this gentlemen's agreement which we concede should be abrogated, but which you will not even give a Republican President time to abrogate.

President Wilson sent Mr. Bryan to California to impress the California people with the right of Japan under the alleged gentlemen's agreement.

That is the peculiar situation in which we find ourselves with Japan. All we ask you to do is to be reasonable. We are giving you exactly what you want, and when we give it to you the gentleman from California [Mr. RAKER] can go back and say "I have won the fight I have been engaged in for 17 years"; but if you kick it over, the fault will not be ours. The fault will lie with the gentlemen who refused to take what they wanted because they could not get it in just their own way. [Applause.]

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House, the gentleman who just concluded, the gentleman from Colorado, stated that the gentlemen's agreement seeking to regulate Japanese immigration ought never to have been made by the President and that nobody now knows what it means or of what it consists, but concluded with a plea that this House, not knowing what the agreement is, an agreement that ought never to have been embraced, recognize by statute that such agreement exists, and that Congress should ask the President to enter into negotiations with the Japanese Government to abrogate it.

When you say "negotiate with Japan" you imply that Japan has the right to abrogate or refuse to abrogate; negotiation means mutual dealing back and forth. The Congress has power to exclude Japanese immigration and I favor the exercise of that power by this Congress.

Gentlemen of the House, I hope I may speak to-day without any hint of partisanship. This is a time for a Representative in the American Congress to speak as an American who respects the Constitution of his country and as a Representative who is willing, without shirking, to perform his duty under it. The issue is not simply the exclusion of a few hundreds or thousands of Japanese; the question is, shall the Congress perform the duties committed to it or surrender its powers to the President?

Gentlemen say that the gentlemen's agreement ought never to have been made. Why? Because it was an unauthorized act of the Executive and invaded the constitutional powers of Congress to regulate the domestic question of immigration. If that agreement ought never to have been entered into it ought to be terminated, not on the 1st of July, 1925, but it ought to be terminated now. [Applause.]

The fundamental objection to the statute as proposed by the committee is that it involves the abdication by this House of its constitutional power to legislate on the subject of Japanese exclusion and evidences a lack of desire to act by requesting the President to perform a function that we should ourselves perform. The Constitution was not made for fair weather alone. Most any form of government can protect the citizen when there is no turmoil and no strain, but the Constitution was made for times of stress and storms. It was not meant that the House of Representatives in the exercise of its constitutional powers should tremble and quiver when some question that is solemn and serious is presented for our deliberation. It was not intended that at such a time we should delegate our authority to the Executive. To-day, moved neither by passion nor prejudice, driven neither by fear nor threat as to the consequences which may follow our actions, this House ought to register now what it has already said was its solemn and sober judgment on this question. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, I have always found that in dealing with public as well as with private affairs it pays to be polite. This is a case in point. Shall we accomplish what we are seeking to accomplish gracefully, or shall we accomplish it ungracefully? Shall we do this thing politely or impolitely? That is this whole question. The executive department whose duty it is to administer our international affairs informs us that a great and friendly power has expressed concern if not resentment at the methods by which we do this thing which most of us agree should be done. Why should we imperil our friendship with a great and friendly nation? That she is great, no one doubts; that she is friendly has been proven in the past, and particularly during the Conference on the Limitation of Armaments. That she is valuable as a friend, by the same token, it stands to reason she might be dangerous as an enemy. Why imperil our friendship? You gentlemen from the Pacific coast have won your years' long fight for the exclusion of certain immigration. It detracts nothing from your victory if you postpone its taking effect within a reasonable time. As a matter of fact, you are postponing it in this conference report for no longer a time than was intended when this bill was first considered. Why then shall we imperil the success of the restriction of immigration? The country is in favor of immigration restriction, and to vote against this conference report makes a vote against the restriction of immigration. [Applause.] There are many gentlemen in this House who are in favor of leaving the doors against immigration wide open, and are willing to form any sort of a combination, no matter what, to bring it about.

Mr. RAKER. Mr. Speaker, will the gentleman yield right there?

Mr. LONGWORTH. No; I will not. We favor immigration restriction. Why imperil the success of the cause to which most of us are devoted? Let us stand firm and the victory is ours. [Applause.]

Mr. JOHNSON of Washington. Mr. Speaker, in conclusion I merely say that there is nothing to this charge which has been printed and sent in by telegraph that hundreds of Japanese may come in before March 1; nothing whatever. On the ordinary ship it takes about 17 days to come from Japan. Several hundred have hastened back in the last few days to try and get wives so as to get here by July 1. On July 1 Japan will go on a quota for eight months. That is all there is to that.

Next, I believe I have had something to do with the building up of this bill. For five solid years I have been chairman of this committee and at work on what is now this bill. For the last couple of years I have tried to find words by which we, the committee and the House, might direct the President to do away with this so-called treaty or agreement, and we did not want to use the positive direction and we did not want to use the word "treaty" or even "agreement." That was one trouble for the committee; that was one trouble for me as chairman. When the President himself suggested the words, how could I refuse to accept them when I myself had sought a way to find them? Many things are happening in the Far East and in Russia. Need I say more? I ask you to support the conference report.

The SPEAKER. The question is on agreeing to the conference report.

Mr. RAKER. Mr. Speaker, I offer the following motion to recommit.

Mr. SABATH rose.

The SPEAKER. Who is the senior member of the committee?

Mr. SABATH. I am.

The SPEAKER. The Chair will recognize the gentleman from Illinois.

Mr. SABATH. Mr. Speaker, I offer the following motion to recommit, which I send to the desk.

The Clerk read as follows:

Motion to recommit by Mr. SABATH: Mr. Speaker, I move to recommit the report to the committee of conference.

Mr. LONGWORTH. Mr. Speaker, on that I move the previous question.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. If the previous question should be voted down, would it then be in order to offer an amendment to the motion to recommit?

The SPEAKER. The Chair does not need to inform the gentleman as to the correctness of that statement. The question is on ordering the previous question on the motion to recommit.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 114, noes 159.

So the previous question was rejected.

Mr. RAKER. Mr. Speaker, I offer the following amendment in the nature of a substitute to the motion to recommit, which I send to the desk.

The Clerk read as follows:

Mr. RAKER moves to recommit the bill to the committee of conference with instructions on the part of the House not to agree to the proviso reported in the bill submitted by the conference committee, beginning in line 2, page 24, and reading as follows: "That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject."

Mr. RAKER. Mr. Speaker, on that amendment I move the previous question.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order against the amendment to the motion to recommit that is proposed by the amendment that it is not a proper motion to recommit to the conferees. The situation is this: The House passed a bill. The bill went to the Senate, and the Senate struck out all of the House bill and wrote an entirely new bill. We disagreed to that Senate amendment, which was an entirely new bill, and asked for a conference, which was agreed to. They went to conference. The conferees on the part of the House receded from their disagreement to the Senate amendment, which was an entire bill, and agreed to an amendment, which was an entirely new bill. A motion now to recommit again to the conferees is a different question than a motion to recommit to a committee of the House, because the House has complete authority and can direct a committee to do anything that it desires, but when we are instructing the conferees appointed by the House we can only instruct those conferees to do what they have the power to do and what they may do. The conferees appointed by this House can do but one thing. They can recede from their disagreement to the Senate amendment and agree to it. They can not agree to it with an amendment, because the Senate conferees might not agree to that. They can only do one of two things—disagree to the Senate amendment or agree to it with an amendment. When a bill is brought back here and a Senate amendment to the bill is submitted to the House, we very frequently recede from our disagreement. When the report from the conferees comes back we can not instruct our conferees to go back there and agree to an amendment which the Senate conferees may or may not agree to. We have not any power to give such instruction to our conferees. In other words, Mr. Speaker, if this motion to recommit is in order, we have not the right to tell our conferees what amendment they may write onto a Senate amendment. We have not any such power. It never has been done so far as a conference report is concerned.

Mr. TILSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TILSON. In what way does the motion to recommit offered by the gentleman from California take the place of the one offered by the gentleman from Illinois?

The SPEAKER. It is offered as an amendment.

Mr. TILSON. As an amendment to it?

The SPEAKER. Yes.

Mr. TILSON. Does it so state in the amendment?

Mr. GARRETT of Tennessee. Offered as a substitute.

Mr. TILSON. It is a substitute for the other?

The SPEAKER. The Chair will hear the gentleman from Tennessee.

Mr. GARRETT of Tennessee. Mr. Speaker, it seems to me that it would be going a long way from the particular parliamentary situation which exists to say that this matter has passed wholly from the conferees of the House of Representatives so long as the committee on conference——

The SPEAKER. That is not the trouble in the mind of the Chair. Of course, by proper amendment the result could be reached, but the point made by the gentleman from Indiana was that this instructed the conferees not to agree to a proviso. Now they have either got to disagree to the whole or agree with an amendment. And they can not disagree to the proviso, it seems to the Chair. However, the Chair will hear argument on that.

Mr. GARRETT of Tennessee. Mr. Speaker, of course the proviso was not put on in the Senate. That is part of the conference report.

The SPEAKER. Exactly.

Mr. JOHNSON of Washington. If the conferees are instructed not to agree to the proviso, the matter is then open between the Senate provision and the House provision. The whole matter was thrown open when the conferees met and it will open it up again.

Mr. GARRETT of Tennessee. You have another section of the bill that takes care of it.

Mr. LONGWORTH. What will be the effect of it, in the gentleman's opinion, if the conferees did disagree; what would happen?

Mr. GARRETT of Tennessee. I do not know what the Senate would do.

Mr. LONGWORTH. What would be the condition in the conference?

Mr. GARRETT of Tennessee. If the conferees disagreed?

Mr. LONGWORTH. If the House refused to agree to this proviso?

Mr. GARRETT of Tennessee. The effect would be for the time being to be out of conference so far as the House is concerned; but they would go back into conference again, I assume, and if they did not I assume the House would have a way to provide conferees who would go.

Mr. JOHNSON of Washington. In case this instruction be given and the other body has not acted on the conference report at all and we should ask for another conference would the other body act on the conference report before they acted on this?

Mr. GARRETT of Tennessee. That question would not be material.

The SPEAKER. The only question is whether the gentleman has taken the right way to obtain the end at which he aims. The Chair will hear argument.

Mr. CRISP. Mr. Speaker, I am not familiar exactly with the way the motion to recommit is written, but the whole matter seems to me to resolve itself into this simple proposition: The Senate struck out all after the enacting clause of the House bill dealing with the restriction of immigration and substituted an entirely new text as one amendment. Of course, a great part of the text was the same as the House bill. But the whole subject matter was in conference between the conferees. Now, under the rules of the House, where the conferees have met under this condition they were authorized to inject new matter that is germane as the Speaker, in my judgment, correctly ruled this morning. The conferees met on that amendment, they reached a complete agreement, and that was embodied in this conference report which is now up for consideration. Now, under the rules of the House, when either one of the bodies—the House or Senate—acts on a conference report, that discharges the conferees, and a motion to recommit to the conferees would not be in order, but until one of the bodies acts on a conference report the conferees are still in existence and it is in order to move to recommit to them.

The SPEAKER. Certainly; there is no question about that.

Mr. CRISP. While the House can not instruct the Senate conferees, the House can instruct its own conferees, who are its agents.

The SPEAKER. Of course.

Mr. CRISP. And, as I understand this amendment, it is to recommit the conference report to the conferees with instruction to the House conferees that in the future conference they must not agree to the provision set out in the amendment. Now, if it goes back to conference and the conferees can not agree, and nothing else is done, that ends the legislation. It does not come back for further consideration. It seems to me clear under those conditions the House can instruct its own conferees that in a further conference not to agree to any provision in a new conference report containing the provision set out in the motion to recommit, which they are instructed not to agree to.

The SPEAKER. There is no doubt that the House has a perfect right to instruct the House conferees, but the technical point of order is made whether the gentleman from California [Mr. RAKER] has gone about it in the right way. The impression of the Chair is that the point is good. This proviso is just one part of the general conference report, and why should they not be instructed—if in a further conference with the Senate conferees they agree at all—to agree to an amendment striking out that proviso? Something of that kind, in the Chair's opinion, would be a proper motion.

Mr. CRISP. Mr. Speaker, if the whole matter is before the conferees, is it not proper for the House to leave to the discretion of the conferees the rest of it, but to bind them as to that one provision, that in the further conference they can not agree to that particular proposition? That is the way it seems to me.

The SPEAKER. Inasmuch as it is purely technical and easily reached the Chair would take the chance that the conferees will be able to act in accordance with the will of the House, and overrules the point of order. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. RAKER. A division, Mr. Speaker.

The SPEAKER. A division is demanded.

The House was dividing, when—

Mr. LONGWORTH. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Ohio demands the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. As many as favor the amendment will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 189, nays 174, not voting 69, as follows:

YEAS—189

Abernethy	Blanton	Carew	Davey
Allen	Bloom	Carter	Davis, Tenn.
Aligood	Bowling	Casey	Deal
Almon	Box	Celler	Dickinson, Mo.
Arnold	Boylan	Clancy	Dickstein
Aswell	Brand, Ga.	Cleary	Doughton
Ayres	Briggs	Collier	Dowell
Bankhead	Browne, N. J.	Collins	Doyle
Barbour	Browning	Connally, Tex.	Drewry
Barkley	Buchanan	Connery	Driver
Beck	Bulwinkle	Cook	Eagan
Bell	Busby	Crisp	Evans, Mont.
Berger	Byrns, Tenn.	Croll	Fairchild
Black, N. Y.	Cable	Cullen	Favrot
Black, Tex.	Cannon	Cummings	Fisher
Fredericks	Kerr	Minahan	Sites
Free	Kincheloe	Mooney	Smithwick
Fulbright	Kindred	Moore, Ga.	Steagall
Fulmer	Knutson	Morehead	Stedman
Gallivan	Kunz	Morrow	Stevenson
Gardner, Ind.	LaGuardia	Nolan	Summers, Wash.
Garner, Tex.	Lanham	O'Connell, N. Y.	Sumners, Tex.
Garrett, Tenn.	Lankford	O'Connell, R. I.	Swank
Garrett, Tex.	Larsen, Ga.	O'Sullivan	Swing
Gasque	Lazaro	Oldfield	Tague
Glatfelter	Lea, Calif.	Oliver, Ala.	Taylor, W. Va.
Goldsborough	Lee, Ga.	Oliver, N. Y.	Thomas, Ky.
Greenwood	Lindsay	Parks, Ark.	Thomas, Okla.
Hadley	Lineberger	Peery	Tillman
Hammer	Linthicum	Pou	Tucker
Harrison	Logan	Prall	Underwood
Hastings	Lowrey	Quayle	Upshaw
Hayden	Lozier	Quin	Vinson, Ga.
Hill, Ala.	Lyon	Ragon	Vinson, Ky.
Hill, Wash.	McClintic	Rainey	Watkins
Hooker	McDuffie	Raker	Weaver
Howard, Nebr.	McKeown	Rankin	Wefald
Hudspeth	McReynolds	Rathbone	Weller
Hull, Tenn.	McSwain	Rayburn	Wilson, Ind.
Humphreys	McSweeney	Richards	Wilson, La.
James	MacLafferty	Romjue	Wilson, Miss.
Jeffers	Major, Ill.	Rubey	Wingo
Johnson, Tex.	Major, Mo.	Salmon	Wolff
Johnson, W. Va.	Mansfield	Sanders, Tex.	Woodrum
Jones	Martin	Sandlin	Wright
Jost	Mead	Schall	
Keller	Miller, Wash.	Shallenberger	
Kent	Milligan	Sherwood	

NAYS—174

Ackerman	Fish	McLeod	Simmons
Aldrich	Fleetwood	MacGregor	Sinclair
Anthony	Foster	Madden	Sinnott
Bacon	Frear	Magee, N. Y.	Smith
Beedy	Freeman	Magee, Pa.	Snell
Beers	French	Manlove	Snyder
Begg	Frothingham	Mapes	Speaks
Bixler	Fuller	Merritt	Sproul, Ill.
Bland	Gibson	Michaelson	Sproul, Kans.
Boies	Gifford	Michener	Stephens
Boyce	Graham, Ill.	Mills	Strong, Kans.
Brand, Ohio	Green, Iowa	Moore, Ill.	Sweet
Britten	Griffin	Moore, Ohio	Taber
Browne, Wis.	Hardy	Moore, Va.	Taylor, Tenn.
Brumm	Hawes	Moores, Ind.	Temple
Buckley	Hawley	Morgan	Thatcher
Burdick	Hersey	Mudd	Thompson
Burtness	Hickey	Murphy	Tilson
Burton	Hill, Md.	Nelson, Me.	Timberlake
Butler	Hoch	Nelson, Wis.	Tincher
Campbell	Holaday	Newton, Minn.	Tinkham
Chindblom	Huddleston	Newton, Mo.	Treadway
Christopherson	Hudson	O'Connor, La.	Underhill
Clague	Hull, Iowa	Paige	Vaile
Clarke, N. Y.	Hull, Morton D.	Parker	Vestal
Cole, Iowa	Johnson, S. Dak.	Patterson	Vincent, Mich.
Colton	Johnson, Wash.	Perkins	Voigt
Cooper, Wis.	Kearns	Perlman	Wainwright
Corning	Kelly	Phillips	Watres
Cramton	Kendall	Porter	Watson
Crosser	Ketcham	Purnell	Wertz
Crowther	King	Ramseyer	White, Kans.
Dallinger	Kopp	Reece	White, Me.
Darrow	Kvale	Reed, N. Y.	Williams, Ill.
Davis, Minn.	Lampert	Roach	Williams, Mich.
Dempsey	Larson, Minn.	Robinson, Iowa	Williamson
Denison	Leatherwood	Robsion, Ky.	Winslow
Dickinson, Iowa	Leavitt	Rogers, Mass.	Wood
Dyer	Little	Sabath	Woodruff
Elliott	Longworth	Sanders, Ind.	Wyant
Evans, Iowa	Luce	Schafer	Young
Fairfield	McKenzie	Schneider	Zihlman
Faust	McLaughlin, Mich.	Scott	
Fenn	McLaughlin, Nebr.	Shreve	

NOT VOTING—69

Anderson	Graham, Pa.	Morin	Stengle
Andrew	Greene, Mass.	Morris	Strong, Pa.
Bacharach	Griest	O'Brien	Sullivan
Byrnes, S. C.	Haugen	O'Connor, N. Y.	Swoope
Canfield	Howard, Okla.	Park, Ga.	Taylor, Colo.
Clark, Fla.	Hull, William E.	Peavey	Tydings
Cole, Ohio	Jacobstein	Ransley	Vare
Connolly, Pa.	Johnson, Ky.	Reed, Ark.	Ward, N. Y.
Cooper, Ohio	Kahn	Reed, W. Va.	Ward, N. C.
Curry	Kiess	Reid, Ill.	Wason
Dominick	Kurtz	Rogers, N. H.	Welsh
Drane	Langley	Rosenbloom	Williams, Tex.
Edmonds	Lehlbach	Rouse	Winter
Fitzgerald	Lilly	Sanders, N. Y.	Wurzbach
Funk	McFadden	Sears, Fla.	Yates
Garber	McNulty	Sears, Nebr.	
Geran	Miller, Ill.	Seger	
Gilbert	Montague	Stalker	

So the amendment to the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Kahn (for) with Mr. Funk (against).
Mr. Curry (for) with Mr. Andrew (against).
Mr. Tydings (for) with Mr. Kurtz (against).
Mr. Peavey (for) with Mr. Griest (against).
Mr. O'Connor of New York (for) with Mr. Connolly of Pennsylvania (against).
Mr. Howard of Oklahoma (for) with Mr. Greene of Massachusetts (against).

Until further notice:

Mr. Bacharach with Mr. Gilbert.
Mr. Graham of Pennsylvania with Mr. Williams of Texas.
Mr. Cole of Ohio with Mr. Rouse.

Mr. Lehlbach with Mr. Johnson of Kentucky.
Mr. Wurzbach with Mr. Geran.
Mr. McFadden with Mr. Taylor of Colorado.
Mr. Morin with Mr. Canfield.
Mr. Seger with Mr. O'Brien.
Mr. Ransley with Mr. Stengle.
Mr. Miller of Illinois with Mr. Reed of Arkansas.
Mr. Welsh with Mr. Byrnes of South Carolina.
Mr. Swoope with Mr. Lilly.
Mr. Reid of Illinois with Mr. Drane.
Mr. Vare with Mr. Jacobstein.
Mr. Stalker with Mr. Morris.
Mr. Strong of Pennsylvania with Mr. Dominick.
Mr. Ward of New York with Mr. Ward of North Carolina.
Mr. Fitzgerald with Mr. McNulty.
Mr. Langley with Mr. Clark of Florida.
Mr. William E. Hull with Mr. Rogers of New Hampshire.
Mr. Sears of Nebraska with Mr. Sears of Florida.
Mr. Winter with Mr. Park of Georgia.
Mr. Wason with Mr. Sullivan.
Mr. Edmonds with Mr. Montague.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is now on agreeing to the motion to recommit as amended.

Mr. LONGWORTH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. WINGO. Mr. Speaker, there has been so much confusion that I ask unanimous consent that the motion to recommit as amended be read.

The SPEAKER pro tempore. The gentleman from Arkansas asks unanimous consent that the motion to recommit as amended be read. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the motion to recommit as amended.

The Clerk read as follows:

Motion by Mr. SABATH to recommit the bill to the committee of conference, with instructions to the conferees on the part of the House not to agree to the proviso reported in the bill submitted by the conference committee, beginning in line 2, page 24, and reading as follows: "*Provided*, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject."

Mr. FREE. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FREE. As I understand, the other was offered as a substitute and not as an amendment?

Mr. LINEBERGER. It was offered as a substitute.

The SPEAKER pro tempore. The Clerk read the Sabath motion as amended by the Raker substitute. The yeas and nays have been ordered, and the question is on agreeing to the motion to recommit as amended.

The question was taken; and there were—yeas 192, nays 171, not voting 69, as follows:

YEAS—192

Abernethy	Cullen	Jeffers	Nolan
Allen	Cummings	Johnson, Tex.	O'Connell, N. Y.
Aligood	Davey	Johnson, W. Va.	O'Connell, R. I.
Almon	Davis, Tenn.	Jones	O'Sullivan
Arnold	Deal	Jost	Oldfield
Aswell	Dickinson, Mo.	Keller	Oliver, Ala.
Ayres	Dickstein	Kent	Oliver, N. Y.
Bankhead	Doughton	Kerr	Parks, Ark.
Barbour	Dowell	Kincheloe	Peery
Barkley	Doyle	Kindred	Perlman
Beck	Drewry	Kunz	Pou
Bell	Driver	Kvale	Prall
Berger	Eagan	LaGuardia	Quayle
Black, N. Y.	Evans, Mont.	Lanham	Quin
Black, Tex.	Fairchild	Lankford	Ragon
Blanton	Favrot	Larsen, Ga.	Rainey
Bloom	Fisher	Lazaro	Raker
Bowling	Fredericks	Lea, Calif.	Rankin
Box	Free	Lee, Ga.	Rathbone
Boylan	Fulbright	Lindsay	Rayburn
Brand, Ga.	Fulmer	Lineberger	Reed, Ark.
Briggs	Gallivan	Linthicum	Richards
Browne, N. J.	Gardner, Ind.	Logan	Romjue
Browning	Garner, Tex.	Lozier	Rubey
Buchanan	Garrett, Tenn.	Lyon	Sabath
Buckley	Garrett, Tex.	McClintic	Salmon
Bulwinkle	Gasque	McDuffie	Sanders, Tex.
Busby	Goldsborough	McKeown	Sandlin
Byrns, Tenn.	Greenwood	McReynolds	Schafer
Cable	Hadley	McSwain	Schall
Cannon	Hammer	McSweeney	Schneider
Carew	Harrison	MacLafferty	Shallenberger
Carter	Hastings	Major, Ill.	Sherwood
Casey	Hawes	Major, Mo.	Sites
Celler	Hayden	Mansfield	Smithwick
Clancy	Hill, Ala.	Martin	Steagall
Cleary	Hill, Wash.	Mead	Stedman
Collier	Hooker	Miller, Wash.	Stevenson
Collins	Howard, Nebr.	Milligan	Summers, Wash.
Connally, Tex.	Hudspeth	Minahan	Sumners, Tex.
Connery	Hull, Tenn.	Mooney	Swank
Cook	Humphreys	Moore, Ga.	Swing
Croll	James	Morrow	Tague
Taylor, W. Va.	Underwood	Watkins	Wilson, La.
Thomas, Ky.	Upshaw	Weaver	Wilson, Miss.
Thomas, Okla.	Vinson, Ga.	Wefald	Wingo
Tillman	Vinson, Ky.	Weller	Woodrum
Tucker	Voigt	Wilson, Ind.	Wright

NAYS—171

Ackerman	Fitzgerald	McKenzie	Shreve
Aldrich	Fleetwood	McLaughlin, Mich.	Simmons
Anthony	Foster	McLaughlin, Nebr.	Sinclair
Bacon	Frear	McLeod	Sinnott
Beedy	Freeman	MacGregor	Smith
Beers	French	Madden	Snell
Begg	Frothingham	Magee, N. Y.	Snyder
Bixler	Fuller	Magee, Pa.	Speaks
Bland	Gibson	Manlove	Sproul, Ill.
Boyce	Gifford	Mapes	Sproul, Kans.
Brand, Ohio	Graham, Ill.	Merritt	Stephens
Britten	Green, Iowa	Michaelson	Strong, Kans.
Browne, Wis.	Griffin	Michener	Sweet
Brumm	Hardy	Miller	Taber
Burdick	Haugen	Moore, Ill.	Taylor, Tenn.
Burtness	Hawley	Moore, Ohio	Temple
Burton	Hersey	Moore, Va.	Thatcher
Butler	Hickey	Moores, Ind.	Thompson
Campbell	Hill, Md.	Morehead	Tilson
Chindblom	Hoch	Morgan	Timberlake
Christopherson	Holaday	Mudd	Tincher
Clague	Huddleston	Murphy	Tinkham
Clarke, N. Y.	Hudson	Nelson, Me.	Treadway
Cole, Iowa	Hull, Iowa	Nelson, Wis.	Underhill
Colton	Hull, Morton D.	Newton, Minn.	Vaile
Cooper, Wis.	Hull, William E.	Newton, Mo.	Vestal
Corning	Johnson, S. Dak.	O'Connor, La.	Vincent, Mich.
Cramton	Johnson, Wash.	Paige	Wainwright
Crisp	Kearns	Parker	Watres
Crosser	Kelly	Patterson	Watson
Crowther	Kendall	Perkins	Wertz
Dallinger	Ketcham	Phillips	White, Kans.
Darrow	King	Porter	White, Me.
Davis, Minn.	Knutson	Purnell	Williams, Ill.
Dempsey	Kopp	Ramseyer	Williams, Mich.
Denison	Lampert	Reece	Williamson
Dickinson, Iowa	Larson, Minn.	Reed, N. Y.	Winslow
Dyer	Leatherwood	Roach	Wood
Elliott	Leavitt	Robinson, Iowa	Woodruff
Evans, Iowa	Little	Robsion, Ky.	Wyant
Faust	Longworth	Rogers, Mass.	Young
Fenn	Lowrey	Sanders, Ind.	Zihlman
Fish	Luce	Scott	

NOT VOTING—69

Anderson	Gilbert	Morin	Strong, Pa.
Andrew	Glatfelter	Morris	Sullivan
Bacharach	Graham, Pa.	O'Brien	Swoope
Boies	Greene, Mass.	O'Connor, N. Y.	Taylor, Colo.
Byrnes, S. C.	Griest	Park, Ga.	Tydings
Canfield	Howard, Okla.	Peavey	Vare
Clark, Fla.	Jacobstein	Ransley	Ward, N. Y.
Cole, Ohio	Johnson, Ky.	Reed, W. Va.	Ward, N. C.
Connolly, Pa.	Kahn	Reid, Ill.	Wason
Cooper, Ohio	Kiess	Rogers, N. H.	Welsh
Curry	Kurtz	Rosenbloom	Williams, Tex.
Dominick	Langley	Rouse	Winter
Drane	Lehlbach	Sanders, N. Y.	Wolff
Edmonds	Lilly	Sears, Fla.	Wurzbach
Fairfield	McFadden	Sears, Nebr.	Yates
Funk	McNulty	Seger	
Garber	Miller, Ill.	Stalker	
Geran	Montague	Stengle	

So the motion to recommit as amended was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Kahn (for) with Mr. Funk (against).
Mr. Curry (for) with Mr. Andrew (against).
Mr. Tydings (for) with Mr. Kurtz (against).
Mr. Peavey (for) with Mr. Griest (against).
Mr. O'Connor of New York (for) with Mr. Connolly of Pennsylvania (against).
Mr. Howard of Oklahoma (for) with Mr. Greene of Massachusetts (against).
Mr. Rouse (for) with Mr. Swoope (against).
Mr. Johnson of Kentucky (for) with Mr. Cole of Ohio (against).
Mr. Taylor of Colorado (for) with Mr. Vare (against).
Mr. Canfield (for) with Mr. Strong of Pennsylvania (against).

Until further notice:

Mr. Boies with Mr. Dominick.
Mr. Kiess with Mr. Glatfelter.
Mr. Fairfield with Mr. Jacobstein.
Mr. McFadden with Mr. Lilly.
Mr. Lehlbach with Mr. McNulty.
Mr. Morin with Mr. Rogers of New Hampshire.
Mr. Rosenbloom with Mr. Sumners of Texas.
Mr. Garber with Mr. Wolff.

The result of the vote was announced as above recorded.

PERMISSION TO ADDRESS THE HOUSE

Mr. WATSON. Mr. Speaker, I ask unanimous consent to address the House on Tuesday after the reading of the minutes and the disposal of the business on the Speaker's table for 15 minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for 15 minutes on Tuesday next. Is there objection?

Mr. LONGWORTH. Mr. Speaker, I hope the gentleman will not make that request.

Mr. WATSON. Mr. Speaker, there has been a different arrangement, and I withdraw the request.

IMMIGRATION

Mr. WEFALD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of immigration.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. WEFALD. Mr. Speaker, having obtained the right to extend my remarks on the immigration bill (now in conference) and which is to come before the House again on Thursday, May 15, I wish to call the attention of the membership of the House to some, in my mind, very serious weaknesses of the bill, which I hope will be remedied by again sending the bill back in conference with unmistakable instructions.

I was one of those who voted to send this bill back into conference with instructions to delete from the bill the extention of time for the exclusion of Japanese immigration to go into effect that had been written into the bill in conference at the request of President Coolidge.

I so voted because it was against the clearly expressed dictum of both House and Senate as the immigration bill came out of either House. I do not believe that a conference committee should write a new law, contrary to the expressed will of the majority. I did not vote as I did because I believed that the difference in time between July 1, 1924, and March 1, 1925, would spell such a grave danger to the country from the Japanese immigration.

I was one of those who whole-heartedly supported the bill on its discussion and passage in the House. I believe that as the bill was when it left the House it was fairly representative of the majority opinion of the country. As the bill came back from conference it is nothing short of a farce and a travesty on justice.

In the hubbub and excitement over the Japanese-exclusion section all else was lost sight of, but I dare say that the bill as it stood when brought out of conference had several other just as objectionable features in it as the Japanese question. These must be made right when the bill comes back to the House.

One of the worst features of the bill is the sections relating to the seamen.

It was not the intention of those who voted for this bill when it passed this House that they willingly lent themselves to the destruction of any organized labor force, yet such will be the effect of the bill on the organized seamen. The seamen were taken out of slavery by the passage of the La Follette seamen's act; this bill will, if not amended, put them back into slavery.

The president of the seamen's union, the most unselfish and high-minded labor leader in America, Mr. Andrew Furuseth, has vainly pleaded the cause of the seamen before both House and Senate Immigration Committee. Being a high-minded man and a patriotic American, he acquiesced in the immigration bill passing the House in the form it did, upon being told that any change in the seamen's provision from the way the bill was written would mean the defeat of the bill, as the interest of the country at large was greater than that of the seamen.

That condition has now changed. The only thing that now endangers the bill from becoming a law is those provisions that have been written into it in the conference.

In order that the membership of the House may know what to do to do justice to our seamen, I herewith submit to have printed in the RECORD a statement from Mr. Furuseth, president Seamen's Union. That, in clear and concise language, sets forth the case of the seamen. It reads as follows:

MEMORIAL ON IMMIGRATION BILL BY ANDREW FURUSETH ON BEHALF OF THE SEAMEN

Section 19 places the seamen under the immigration laws. Immigration laws are defined as all acts, treaties, and conventions, including this act, dealing with immigration, exclusion and expulsion of aliens, so that the seaman will, first, have to comply with all the provisions of the former immigration statutes, and in addition to that he must be capable of becoming a citizen of the United States under this proposed statute.

Section 21 provides that the master of a vessel must hold the seaman on board, first, until examined; second, until deported either by himself in the same ship or by order of the Secretary of Commerce in some other ship, unless the seaman shall be permitted to land. Having no immigration visé, of course, he can not land in the United States under the immigration laws, as they will be amended, if these two sections are adopted. The failure of the master to hold the seaman to the vessel carries with it a penalty of $1,000.

Section 4 of the seamen's act was passed (1) to liberate the seamen, (2) to induce Americans to go to sea, and (3) to equalize the wage cost of foreign and American merchant vessels. It gives to the seaman the right to demand one-half of the wages earned, and if that is refused to leave the vessel and apply to the courts for the payment of all the wages earned. This section of the seamen's act has been most seriously contested by foreign and domestic shipping companies. It finally came before the Supreme Court of the United States in the case of Dillon *v.* Strathearn (U. S. 252, p. 358). Great Britain appeared through amicus curiæ. The United States was represented through the Department of Justice, and the Supreme Court unanimously held this section to be valid law.

Sections 19 and 21 of the immigration bill and section 4 of the seamen's act can not operate together if the immigration laws and the seamen's act are both to be obeyed. If you do not desire to repeal section 4 of the seamen's act, sections 19 and 21 of this act must be deleted. The seamen were given a definite promise by the committees of both branches of Congress that no part of the seamen's act would be repealed.

Respectfully submitted. ANDREW FURUSETH.

WASHINGTON, D. C., *May 9, 1924.*

I understand that one of the members of the Committee on immigration will, when the bill comes back into the House on next Thursday, present amendments to the bill to straighten out the tangle on the seamen's sections. For that reason I now submit a memorandum containing proposed amendments that ought to be adopted if the seamen's act shall not be repealed by the passage of this bill.

Memorandum concerning changes which should be made in the seamen's sections of H. R. 7995, in order to make those sections fairly effective from the immigration standpoint, and in order that this proposed law shall not result in repealing any provisions of the seamen's act. (The print of the bill used in preparing this memorandum is Conference Committee Print No. 6, of May 8, 1924)

All provisions requiring the seamen to have landing cards and provisions relating to such landing cards should be eliminated from the bill in conference through the deletion of each and every paragraph of section 20 thereof. These suggestions proceed upon the premise that the landing-card arrangement will be definitely abandoned.

Section 19 of the bill—lines 15–22, page 29—should be stricken out, because the provisions thereof treating alien seamen as though "excluded from admission into the United States under the immigration laws" are in direct conflict with the fifth clause of section 3—lines 8–12, page 5—excepting from the "definition of immigrant" any alien who is "a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman." And in order that the bill may clearly show the extent to which and the purpose for which alien seamen are to be examined there should be inserted as section 19 the following:

(a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigration inspector to determine whether or not (1) he is a bona fide seaman, and (2) he is an alien of the class described in subdivision (d), section 20 hereof; and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

(b) If it is found that such alien is not a bona fide seaman, he shall be regarded as an immigrant, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary, and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported, as a passenger, on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(c) If it is found that such alien is subject to exclusion under subdivision (d) of section 20 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

(d) If it is found that, although a bona fide seaman, such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case

in accordance with the provisions of the act approved December 26, 1920, entitled "An act to provide for the treatment in hospital of diseased alien seamen."

Strike out paragraph (a) of section 21 of the bill—line 11, page 32, to line 4, page 33—and insert in lieu thereof the following:

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until such alien has been inspected pursuant to paragraph (a) of section 19 hereof, or until such alien has been placed in hospital pursuant to paragraph (d) of said section, or who fails to make provision for the deportation of any alien ordered deported pursuant to paragraph (b) of said section or pursuant to paragraph (c) of said section and paragraph (d) of this section, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom any such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

Strike out paragraphs (b) and (c) of section 21—lines 5 to 19, page 33—and change the designation of what is now paragraph (d)—line 20, page 33—to (b).

Add to section 21 of the bill—after line 5, page 34—three paragraphs to be designated and to read as follows:

(c) All vessels entering ports of the United States manned with crews the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall, when departing from the United States ports, carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance: *Provided, however,* That such vessel shall not be required when departing to carry in the crew any person to fill the place made vacant by the death or hospitalization of any member of the incoming crew.

(d) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who if he were applying for admission to the United States as an immigrant would be subject to exclusion under paragraph (c) of section 13 hereof, except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(e) If any alien seaman temporarily landed under the provisions of this act remains in the United States without shipping foreign for a period in excess of 60 days, such circumstances shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission; and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917.

Further, I wish to state that section 4, paragraph (a), as it stood when the bill left the House should be restored to the bill. Parents over 55 and husbands of American citizens should be restored to the nonquota class. This should be done in the name of decency and morality; it is a crime to split a family asunder as under this bill, if a law, it may often happen.

Section 11 of the new bill should be rewritten, subdivision (b) should be stricken out, and everything in the bill pertaining to the so-called national origin amendment should be deleted. I charge the conferees with something akin to a breach of faith with the House majority in having agreed to this damnable proposition that was not contained in either House or Senate bill.

If the bill becomes a law with this provision in it, it will to all intents and purposes become a treaty with Great Britain, to the exclusion of entry as immigrants into the United States of people from other countries than Great Britain and Ireland. This proposal could not have been written into the bill in the House, and had it gotten into the bill the bill would have failed on final passage. Nothing but ignorance and bigoted race pride could have either dictated such an amendment or made anyone accept it.

The purpose of the passage of this immigration bill was said to be a desire to be in a position to select only the best material for citizens obtainable among the peoples like our own in racial traits. As the bill now stands, with the Canadian boundary open without any immigration restrictions, we will be in a position to have dumped upon us all that the slums of Great Britain and Ireland can possibly spare, or as much as they care to dump on us.

May I ask, Are the people from the British slums preferable to farmer lads and skilled laborers from the Scandinavian countries, Germany, and other countries?

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills and joint resolutions of the following titles, when the Speaker signed the same:

H. J. Res. 195. Joint resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs;

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting;

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones; and

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.) the House adjourned until to-morrow, Saturday, May 10, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

467. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State for the fiscal year ending June 30, 1925, for the General and Special Claims Commissions, United States and Mexico, $171,980 (H. Doc. No. 270), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. VOIGT: Committee on Agriculture. H. R. 9033. A bill declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes (minority views, part 2 of Rept. No. 631). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. J. Res. 257. A joint resolution providing for the procurement of a design for the use of grounds in the vicinity of the Mall by the United States Botanic Garden; without amendment (Rept. No. 691). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANSLEY: Committee on Military Affairs. H. R. 7731. A bill authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation; with an amendment (Rept. No. 692). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 7014. A bill to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken shore line; with amendments (Rept. No. 694). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. J. Res. 259. A joint resolution establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; without amendment (Rept. No. 696). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BOYLAN: Committee on Military Affairs. H. R. 5639. A bill for the relief of Walter Baker; with an amendment (Rept. No. 693). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. H. R. 7122. A bill for the relief of the Eagle Pass Lumber Co.; with amendments (Rept. No. 695). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FITZGERALD: A bill (H. R. 9133) to amend section 3220 of the Revised Statutes; to the Committee on Ways and Means.

By Mr. GARBER: A bill (H. R. 9134) authorizing an appropriation for the construction of a highway within the Chilocco Indian School Reserve, Chilocco, Okla.; to the Committee on Indian Affairs.

By Mr. HUDSPETH: A bill (H. R. 9135) to establish an additional fish-cultural station in the State of Texas; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 9136) to establish an additional fish-cultural station in the State of Texas; to the Committee on the Merchant Marine and Fisheries.

By Mr. DALLINGER: A bill (H. R. 9137) to amend the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

By Mr. GREEN of Iowa: A bill (H. R. 9138) to authorize the discontinuance of the seven-year regauge of distilled spirits in bonded warehouses, and for other purposes; to the Committee on Ways and Means.

By Mr. GREENE of Massachusetts: Resolution (H. Res. 307) to provide for an investigation in respect of the suspension and determination of the suspension of the operation of the provisions of section 28 of the merchant marine act of 1920; to the Committee on Rules.

By Mr. ANDREW: Memorial of the Legislature of the State of Massachusetts petitioning Congress in favor of the passage of legislation to prevent the manufacture of shoes in factories owned by the Federal Government; to the Committee on the Judiciary.

By Mr. TAGUE: Memorial of the Legislature of the State of Massachusetts favoring the passage of legislation to prevent the manufacture of shoes in factories owned by the Federal Government; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DYER: A bill (H. R. 9139) authorizing the President to reappoint Walter F. Martin, formerly a captain of Cavalry, United States Army, an officer of Cavalry, United States Army; to the Committee on Military Affairs.

By Mr. GREENE of Massachusetts: A bill (H. R. 9140) for the relief of the Ocean Steamship Co. (Ltd.); to the Committee on Claims.

Also, a bill (H. R. 9141) for the relief of the Carib Steamship Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 9142) for the relief of Jens Samuelsen and B. Olsen; to the Committee on Claims.

Also, a bill (H. R. 9143) for the relief of the Atlantic & Caribbean Steam Navigation Co.; to the Committee on Claims.

By Mr. GRIFFIN: A bill (H. R. 9144) for the appointment of Master Sergt. George Mitchell Dusenbery as captain in the Signal Corps, United States Army; to the Committee on Military Affairs.

By Mr. KELLER: A bill (H. R. 9145) for the relief of G. A. Hoffmann; to the Committee on Claims.

By Mr. LITTLE: A bill (H. R. 9146) granting a pension to John W. Clark; to the Committee on Pensions.

Also, a bill (H. R. 9147) granting a pension to Charles Brown; to the Committee on Pensions.

Also, a bill (H. R. 9148) granting a pension to Sarah A. Hudson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9149) granting a pension to Willard W. Raymor; to the Committee on Pensions.

By Mr. LOZIER: A bill (H. R. 9150) granting a pension to Rachel Permelia McCartney; to the Committee on Pensions.

By Mr. MacLAFFERTY: A bill (H. R. 9151) granting a pension to Belle C. Lewis; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9152) granting an increase of pension to Samuel F. Brown; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 9153) granting a pension to Philip H. Louks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9154) for the relief of George W. Ponder; to the Committee on Claims.

By Mr. PRALL: A bill (H. R. 9155) for the relief of the father of Catharine Kearney; to the Committee on Claims.

By Mr. WOLFF: A bill (H. R. 9156) for the relief of John Poston, sr.; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2711. By Mr. BIXLER: Petition of Fredonia (Pa.) Young People's Branch, Woman's Christian Temperance Union, protesting against the weakening of the Volstead Act or destroying the eighteenth amendment; to the Committee on the Judiciary.

2712. Also, petition of Elk County citizens, protesting against the enactment of a law nullifying the eighteenth amendment and against legalizing 2.75 per cent beer; to the Committee on the Judiciary.

2713. By Mr. FULLER: Petition of the faculty and students of the Union Theological Seminary, opposing the Japanese exclusion provisions of the immigration bill; to the Committee on Immigration and Naturalization.

2714. By Mr. GALLIVAN: Petition of Brig. Gen. Jesse F. Stevens, the adjutant general, the Commonwealth of Massachusetts, urging early and favorable consideration of House bill 8680; to the Committee on Military Affairs.

2715. Also, petition of postal employees of Boston, Mass., urging early and favorable consideration of Resolution 290; to the Committee on Rules.

2716. By Mr. GRIFFIN: Petition of the Bootleggers' Union of the Atlantic Coast, protesting against the passage of the bill legalizing the sale of 2.75 per cent beer and light wines; to the Committee on the Judiciary.

2717. By Mr. KING: Petition of delegates of farm bureaus of Adams, Henry, Schuyler, Fulton, and Knox Counties (Ill.), in favor of the McNary-Haugen bill and in favor of House Resolutions 7110 and 6424, to amend the packers and stockyards act; to the Committee on Agriculture.

2718. By Mr. LaGUARDIA: Petition of the City Parliament of Community Councils of the city of New York, adopted May 6, 1924, petitioning Congress to investigate telephone rates and relations between the American Telephone & Telegraph Co. and its subsidiaries; to the Committee on Interstate and Foreign Commerce.

2719. By Mr. MacLAFFERTY: Petition of certain employees of the War Department asking for an increase in salaries; to the Committee on Appropriations.

SENATE

SATURDAY, *May 10, 1924*

(Legislative day of Monday, May 5, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	Ladd	Shields
Ashurst	Fess	Lodge	Shipstead
Ball	Fletcher	McKellar	Shortridge
Bayard	Frazier	McKinley	Simmons
Borah	George	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Brookhart	Glass	Moses	Stanfield
Broussard	Gooding	Neely	Stephens
Bruce	Hale	Norbeck	Sterling
Bursum	Harris	Norris	Swanson
Cameron	Harrison	Oddie	Trammell
Capper	Heflin	Overman	Wadsworth
Caraway	Howell	Pepper	Walsh, Mass.
Colt	Johnson, Calif.	Phipps	Walsh, Mont.
Cummins	Johnson, Minn.	Pittman	Warren
Curtis	Jones, N. Mex.	Ransdell	Watson
Dial	Jones, Wash.	Reed, Mo.	Willis
Dill	Kendrick	Reed, Pa.	
Edge	Keyes	Robinson	
Ernst	King	Sheppard	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT (S. DOC. NO. 108)

Mr. WARREN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8233) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 7, and 15.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 8, 9, 12, 13, and 14, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"No part of the moneys appropriated or made available by this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall, unless the President shall otherwise direct, be used or expended for the repair or reconditioning of any vessel owned or controlled by the Government, if the expense of such repair or reconditioning is in excess of $100,000, until a reasonable opportunity has been given to the available Government navy yards to estimate upon the cost of such repair or reconditioning if performed by such navy yards within the limit of time within which the work is to be done: *Provided*, That this limitation shall only apply to vessels while in the harbors of the United States, and all expenditures in connection with such work are to be considered in estimating the cost."

And the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4 and 10.

F. E. WARREN,
W. L. JONES,
LEE S. OVERMAN,
Managers on the part of the Senate.
WILL R. WOOD,
JOHN W. SUMMERS,
Managers on the part of the House.

Mr. WARREN. I ask for the adoption of the report.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming for the present consideration of the conference report?

Mr. HARRISON. Reserving the right to object, may I inquire what was done with the amendment touching the sale of books at the Washington Monument?

Mr. WARREN. The Senator, I presume, alludes to the last amendment which went on the bill in the Senate extending the time for a lady to sell books in the monument. That was stricken out.

Mr. HARRISON. The House conferees would not agree to it?

Mr. WARREN. They would not.

Mr. DILL. What was the amendment, and was it agreed to or rejected, regarding the expenditure of money for naval repairs?

Mr. WARREN. The disagreement is not really in the sense that the two items were not agreed to. The two items have been agreed to so far as could be done, but they have to go back to the House under their rule.

Mr. DILL. What I want to know is with reference to the amendment referring to work to be done by private contract or in the Government navy yards.

Mr. WARREN. That has just been read. I think the Senator, perhaps, did not hear it read. As the amendment was made in the Senate, it did not seem to satisfy anybody, and an effort has been made in the conference to get something that would be agreeable to both Houses.

Mr. DILL. I heard the amendment read, but did not understand it. That is the reason why I asked about it. I did not understand what the effect now is.

Mr. WARREN. I understand that all the work will be done in the navy yards where it is possible to do it.

Mr. DILL. There was something in the amendment about a limitation of $100,000.

Mr. WARREN. That is the old limitation that has been in the law.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming for the immediate consideration of the conference report?

Mr. HOWELL. I object to its consideration at this time. I should like to have a printed copy of the report for examination before it is considered.

The PRESIDENT pro tempore. Objection is made to the present consideration of the report. It will be printed and lie on the table.

PETITIONS AND MEMORIALS

Mr. WILLIS presented resolutions of the Trumbull County Central Labor Union, of Niles, and of the Central Federation of Labor, of Cleveland, both in the State of Ohio, favoring the passage of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the Miami Valley Traffic Club, in the State of Ohio, protesting against the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

Mr. LODGE presented the following resolution of the House of Representatives of Massachusetts, which was referred to the Committee on Foreign Relations:

THE COMMONWEALTH OF MASSACHUSETTS,
House of Representatives, May 6, 1924.

Whereas the House of Representatives of the Congress of the United States has recently voted to appropriate $10,000,000 of the money of the people of the United States, to be expended for the purchase of food for the relief of women and children said to be in need in Germany: Therefore be it

Ordered, That the House of Representatives of Massachusetts, of the year 1924, is opposed to any appropriation of the money of the people of the United States except for the necessary and legitimate expenses of government, and respectfully urges upon the Senate of the United States, before which body said appropriation is now pending, the wisdom of refusing the same; and be it further

Ordered, That copies of this order be sent by the secretary of the Commonwealth to the Presiding Officer of the United States Senate and to the two Senators from Massachusetts.

Adopted.

JAMES W. KIMBALL, *Clerk.*

OFFICE OF THE SECRETARY,
Boston, May 8, 1924.

A true copy.
Attest:

F. W. COOK,
Secretary of the Commonwealth.

Mr. JOHNSON of Minnesota. I present a resolution adopted by the Great Lakes-St. Lawrence Tidewater Commission of Minnesota at a meeting held in St. Paul on Wednesday, April 23, 1924, which I ask may be printed in the RECORD and referred to the Committee on Commerce.

There being no objection, the resolution was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Whereas this day's dispatches from Washington report that the Rivers and Harbors Committee of the House of Representatives proposes a new survey to determine the best route for a ship canal connecting the Great Lakes with the Hudson River, and that such survey would occupy two years, and that the chairman of the committee and others who oppose the improvement to give the West its outlet to the sea by way of the St. Lawrence intend by this means to delay and hamper the undertaking: Therefore be it

Resolved, That we respectfully request our representatives in Congress to resist every dilatory measure; that they give due consideration to previous surveys and reports of this New York ship-canal route made in 1900 by the Deep Waterways Board, in 1920 by the Board of Engineers for Rivers and Harbors, and at several intervals between those dates, and that unless these surveys and reports are shown to be insufficient or defective or inapplicable no proposals be entertained for repetitious surveys and reports covering the Oswego-Hudson route.

A. H. COMSTOCK, *Chairman,*
A. O. MORRAUX, *Secretary,*
Minnesota Great Lakes-St. Lawrence Tidewater Commission.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 3241) for the relief of soldiers who were discharged from the Army during the

Rachel Permelia McCartney; to the Committee on Pensions.

Ernst King Sheppard

World War because of misrepresentation of age, reported it without amendment and submitted a report (No. 512) thereon.

Mr. CAPPER, from the Committee on Military Affairs, to which was referred the bill (S. 1232) for the relief of Stephen A. Winchell, reported it without amendment and submitted a report (No. 516) thereon.

Mr. STANFIELD, from the Committee on Civil Service, to which was referred the bill (H. R. 6896) to amend an act entitled "The classification act of 1923," approved March 4, 1923, reported it without amendment.

Mr. WALSH of Massachusetts, from the Committee on Military Affairs, to which was referred the bill (S. 2525) for the relief of Henry Martin, submitted an adverse report thereon, and the bill was ordered to be placed on the calendar.

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3171) for the relief of sufferers from earthquake in Japan (Rept. No. 513); and

A bill (S. 3248) providing for sundry matters affecting the Military Establishment (Rept. No. 514).

NATIONAL GUARD BUILDINGS AT CAMP PIKE, ARK.

Mr. WADSWORTH. From the Committee on Military Affairs I report back favorably with an amendment and with amendments to the preamble the joint resolution (S. J. Res. 80) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas, and I submit a report (No. 515) thereon. I call the attention of the junior Senator from Arkansas [Mr. CARAWAY] to the joint resolution.

Mr. CARAWAY. I ask unanimous consent for the immediate consideration of the joint resolution, and I will state the reason for its passage. There is no objection to it at all. It authorizes the Secretary of War to permit the construction of permanent buildings at Camp Pike for the benefit of the National Guard. It will take but a minute to pass it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The amendment was, on page 2, line 3, before the word "State," to insert "Secretary of War be, and he is hereby, authorized to permit the," and in the same line, after the word "Arkansas," to strike out "be, and is hereby, authorized and permitted," so as to make the joint resolution read:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to permit the State of Arkansas to erect, maintain, and use such permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., within the areas most suitable, as are necessary for the use and benefit of the National Guard of the State of Arkansas: *Provided*, That no expense shall accrue to the United States by reason of this authorization.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

Mr. REED of Missouri. Mr. President, I wish to say now that I shall insist on going on with the revenue bill. We gave consent for its final disposition yesterday. I do not mean to stop the measure before us, but after it is passed I am going to insist that we shall proceed with the regular order.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The amendments to the preamble were, in the first line of the first whereas, to strike out "22d day of December" and insert "30th day of November"; in the same line to strike out the word "lease" and to insert "revocable license"; and in the first line of the second whereas to strike out the word "lease" and insert the word "license," so as to make the preamble read:

Whereas on the 30th day of November, 1922, a revocable license was executed by the United States by the Assistant Secretary of War, Hon. J. M. Wainwright, and the State of Arkansas by Hon. Thomas C. McRae, governor, conveying to the State of Arkansas certain portions of Camp Pike, Ark., including buildings, roads, walks, and utilities, for the use and benefit of the National Guard of Arkansas; and

Whereas under said license no permanent construction work can be placed on the reservation without specific authority of Congress; and

Whereas it has become necessary for the proper conduct and training of the National Guard of the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities on said reservation.

The amendments were agreed to.

The preamble as amended was agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 3279) to establish in the Department of Agriculture a bureau of interstate cooperative association; to the Committee on Agriculture and Forestry.

By Mr. BALL:

A bill (S. 3280) to regulate in the District of Columbia the traffic in, sale, and use of milk bottles, cans, crates, and other containers of milk and cream, to prevent fraud and deception, and for other purposes; to the Committee on the District of Columbia.

By Mr. TRAMMELL:

A bill (S. 3281) for the relief of Ralph Ole Wright and Varina Belle Wright; to the Committee on Claims.

By Mr. ERNST:

A bill (S. 3282) to further amend section 227 of the Judicial Code relative to the distribution of Supreme Court reports; to the Committee on the Judiciary.

By Mr. FLETCHER:

A bill (S. 3283) to amend the transportation act, 1920; to the Committee on Interstate Commerce.

By Mr. LODGE:

A bill (S. 3284) granting a pension to Angie R. Hodge; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 3285) to provide retirement for the Nurse Corps of the Army and Navy; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 3286) granting a pension to Isabel Smith (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 3287) to increase the limit of cost of the public building at Williamson, W. Va., and for other purposes; to the Committee on Public Buildings and Grounds.

AMENDMENT TO RIVER AND HARBOR BILL

Mr. SHEPPARD submitted an amendment providing for a preliminary examination and survey of the Houston Ship Channel, Tex., with a view to determining the advisability and feasibility of extending the existing 30-foot project west of the present turning basin, etc., intended to be proposed by him to the bill (H. R. 8914) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

WORLD COURT OF INTERNATIONAL JUSTICE

Mr. LODGE. I ask that there may be printed a corrected copy of the joint resolution (S. J. Res. 122) requesting the President to propose the calling of a third Hague conference for the establishment of a World Court of International Justice, which was introduced by me a few days ago. There are a number of typographical errors in the joint resolution as printed which ought to be corrected, and I desire a new print.

The PRESIDING OFFICER (Mr. LADD in the chair). Without objection, it is so ordered.

INCREASE OF PENSIONS—VETO MESSAGE

Mr. BURSUM. Mr. President, I desire to give notice that on Tuesday next I shall move to take up Senate bill 5, which is known as the pension bill. I had intended to move to take up the bill on Monday next, but, on account of the desire of many Members of the Senate to attend the funeral of Mrs. Work, I shall not seek to bring up the bill before Tuesday. On Tuesday, however, I intend to urge the passage of the bill over the veto of the President.

EXTENSION OF RENT ACT FOR THE DISTRICT

Mr. BALL. Mr. President, I wish to make the announcement that on Monday next, at as early an hour as possible, I shall call up House bill 7962, extending the District of Columbia rents act for two years as passed by the House of Representatives. At that time I shall also make a report upon the investigation of the housing situation.

REDUCTION OF TAXATION

The Senate resumed the consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The PRESIDENT pro tempore. The bill is in the Senate and is still open to amendment.

Mr. SHIPSTEAD. Mr. President, I move to reconsider the vote by which the Senate rejected the amendment reported by the Finance Committee, striking out subsection (c) of section 214 of the bill, beginning at line 19 on page 52. Action was taken on that provision of the bill on yesterday when there

was a great deal of confusion in the Chamber and several Senators on both sides of the aisle have told me that they voted under a misapprehension.

The PRESIDENT pro tempore. The Senator from Minnesota moves that the vote by which the Senate nonconcurred in the amendment on page 52, beginning on line 19, be reconsidered. The question is on that motion. [Putting the question.] The motion is agreed to, and the vote by which the amendment was nonconcurred in is reconsidered. The question now is upon concurring in the amendment made as in Committee of the Whole.

Mr. REED of Missouri. Mr. President, as I understand the parliamentary situation, the clause proposed by the House of Representatives as printed and appearing in the bill as stricken out is now before the Senate to be voted upon?

The PRESIDENT pro tempore. The parliamentary situation is that the action of the Senate rejecting the amendment reported by the committee as amended by the proposal of the Senator from Colorado [Mr. ADAMS] has been reconsidered, and that portion of the bill proposed to be stricken out is open to any amendment which may be suggested.

Mr. REED of Missouri. That is, the clause as printed is open to amendment.

The PRESIDENT pro tempore. All that part of the bill as modified by the amendment of the Senator from Colorado remains.

Mr. WALSH of Montana. I desire to inquire if the Senator from Missouri is proposing to address himself to that portion of the bill affected by the motion of the Senator from Minnesota [Mr. SHIPSTEAD]?

Mr. REED of Missouri. Yes; and I am trying to find out what is before the Senate. The text as printed in the bill as it came from the House reads:

(c) The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided for in paragraph (5) of subdivision (a), shall be allowed as deductions—

Mr. SMOOT. There is where the amendment comes in.

Mr. REED of Missouri. That was amended.

Mr. SMOOT. The language proposed to be inserted is "In the calculation of the surtax."

Mr. REED of Missouri. It is proposed to be amended there by inserting after the word "deductions," the words "in the calculation of the surtaxes." The provision continues—

only if and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title.

The purpose advanced for the amendment as printed was that certain parties were investing their money in tax-exempt securities and borrowing money to conduct their business and then deducting the interest paid upon the money so borrowed to conduct their business and thus escaping taxation. In other words, certain individuals had devised a scheme for the manifest purpose of defeating the payment of taxes. It seems to me that that can be met in a very simple way—that is, by striking out all of subdivision (c) after the word "if," in line 24, the language to be stricken out being—

and to the extent that the sum of such amounts exceeds the amount of interest on obligations or securities the interest upon which is wholly exempt from taxation under this title—

And inserting in lieu of that phrase the words—

such indebtedness was incurred in good faith for the purpose of carrying on a business and not in pursuit of a plan or device to evade or escape taxation,

So that the section will read:

The amount of the deduction provided for in paragraph (2) of subdivision (a), unless the interest on indebtedness is paid or incurred in carrying on a trade or business, and the amount of the deduction provided in paragraph (5) of subdivision (a), shall be allowed as deductions in the calculation of the surtaxes only if such indebtedness was incurred in good faith for the purpose of carrying on a business and not in pursuit of a plan or device to evade or escape taxation.

Mr. SMOOT. Mr. President, will the Senator yield to me?

Mr. REED of Missouri. I do.

Mr. SMOOT. Mr. President, the same object is accomplished by a provision which the Senate has already put into the bill and has agreed to on page 47, paragraph 2. That covers exactly the same point that the Senator from Missouri has now raised. It provides:

All interest paid or accrued within the taxable year on indebtedness——

Mr. SHIPSTEAD. Mr. President——

Mr. SMOOT. Will the Senator wait until I have read the provision?

Mr. SHIPSTEAD. I wish to make a point of order. I should like to have quiet in the Chamber so that we may hear what the Senator from Utah is reading. There was so much confusion in the Senate yesterday when this provision was discussed that there was misunderstanding about it, and I hope we may have order to-day so that Senators may hear the discussion of this question.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. SMOOT. I undertook, Mr. President, to call the attention of the Senate to a provision in the bill that has already been agreed to which takes care of the situation proposed to be met by the amendment suggested by the Senator from Missouri [Mr. REED]. It is on page 47, paragraph 2, section 214, and reads as follows:

(2) All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

Mr. REED of Missouri. No, Mr. President; that does not meet the object I have in view.

Mr. SMOOT. Then I do not understand what the Senator's amendment is. I heard the Senator read it and it impressed me as having exactly the same purpose as the provision which I have read.

Mr. REED of Missouri. I think not.

Mr. SMOOT. Will the Senator read the amendment again?

Mr. REED of Missouri. I will read it again for the Senator.

Mr. SMOOT. I will endeavor to follow it more closely.

Mr. REED of Missouri. Under the subheading "Deductions allowed individuals," appearing on page 47, is the clause read by the Senator from Utah.

Mr. President, I do ask for order in the Chamber. I decline to proceed when there is so much confusion.

Mr. TRAMMELL. I, too, ask for order. It is impossible for some of us to know what is going on. It seems to me that if Senators wish to carry on conversations they ought to retire to the cloakroom, because a few of us would like to know what is going on in the Senate Chamber.

The PRESIDENT pro tempore. The Senator from Missouri will wait until there is order in the Chamber.

Mr. SIMMONS. If we had had order yesterday when this provision was being considered, we would not be in the position in which we now are of having to reconsider it.

Mr. REED of Missouri. Mr. President, I am not criticizing Senators, for I indulge in what is complained of as much as anybody else, but there is a confusion here this morning that makes it impossible to be heard.

The clause to which the Senator from Utah called attention is under the heading of "Deductions allowed individuals" and appears on page 47, and is as follows:

(2) All interest paid—

That is, deductions shall be allowed for—

All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

That language will exempt interest paid, provided it is not interest paid for the purpose of carrying these securities; but if it is interest paid on any other character of indebtedness than that, the deduction is to be allowed. Now, we are told that somebody has devised the plan of investing his money in tax-exempt securities, and, having thus exhausted his capital, he then proceeds to borrow money to carry on his business, and claims that he can be allowed a deduction on account of the money borrowed, not to carry the tax-exempt securities, as he will claim, but borrowed to carry on his business. That would be the construction he would contend for under the clause to which the Senator called my attention.

The clause I have undertaken to insert at line 24 of page 52 reaches the question in a different way. It denies an exemption on account of interest paid of any kind if the indebted-

ness was not incurred in good faith for the purpose of carrying on a business, but was a part of a plan or a device to evade taxation. So that if a man were to appear before the tax board and say: "I had a million dollars which I invested in tax-exempt securities; I then borrowed a million dollars to carry on my business," the tax board could very well say: "That is plainly a device to escape taxation, and, that being the case, you will not be entitled to exemption for money which you borrowed, which you nominally put in your business, but which you put there in pursuit of this plan in your mind to evade the taxes you owe the Government." So I think there is a distinct difference between the two, and I should like to see the section that has been so much discussed here amended as I have suggested; and it seems to me it will have a tendency, at least, to stop the practice which we all want to see stopped. I therefore offer the amendment.

Mr. SMOOT. Mr. President, will the Senator please read his amendment?

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from Missouri.

The PRINCIPAL CLERK. On page 52, line 24, after the words "only if," it is proposed to strike out the remainder of the paragraph and to insert—

> such indebtedness was incurred in good faith for the purpose of carrying on a business, and not in pursuit of a plan to evade or escape taxation.

Mr. FLETCHER. Mr. President, I should be glad if the Senate would vote directly on the proposition whether they are going in any wise to tear down or destroy the tax-exempt feature of these securities.

The amendment of the Senator from Missouri [Mr. REED] would leave in the legislation that feature, and it might be that the department, with that provision in the act, would hold that in some wise they could tax the interest on these tax-exempt securities by disallowing it as a part of the deductions or in some other indirect way.

I do not believe the Congress is ready to impair the contract entered into between the Government and the people who have bought these tax-exempt securities and who intend to buy them by attempting now to go back and reach interest derived from investment in tax-exempt securities and tax the income derived in that way. That would not only be a species of bad faith, but it would seriously conflict with the object in view and always maintained to exempt from all taxation such securities as farm-loan bonds, Federal land bank bonds, joint-stock land bank bonds, and intermediate credit debentures. Let us stand squarely on that proposition; and if we do we will vote to sustain the action taken in the Committee of the Whole whereby this provision was entirely stricken out.

I think we ought to come face to face with that issue and determine whether we are going in good faith to carry out the contract which we have made with the public and with the people who have invested in these securities, or whether we are going to strike it down to a degree—not to the extent that was originally proposed in the House provision, now amended by the proposition of the Senator from Colorado, which has much improved the bill, I will say, but which still leaves in the bill the proposition that we propose in an indirect way to tax the income derived from tax-exempt securities.

Let us vote squarely on that proposition. If we are against it, then we will vote "yea" to sustain the action of the Committee of the Whole in striking out the whole provision.

Mr. BURSUM. Mr. President——

Mr. FLETCHER. I can not yield now.

The whole argument here is merely because Mr. Rockefeller invested some $40,000,000 in farm-loan bonds, and in some way managed to evade the tax which otherwise he would have been called on to pay, that we are therefore going to change our whole policy and destroy the principle which we have advocated in establishing here securities for the benefit of agriculture, giving a lower rate of interest to the borrowers throughout the land by reason of that feature in the bonds the proceeds of which are loaned to borrowing farmers. Because Mr. Rockefeller's estate managed in some way to evade taxation we are going to upset the whole policy, destroy the whole principle, and do just what is being urged by the land-mortgage bankers—destroy the tax-exempt feature of these securities.

Suppose Mr. Rockefeller did invest $40,000,000 in farm-loan bonds. Was that money locked up? Was it put into a vault? Was it hoarded in some way? No. That money was loaned to farmers. That money went to use. It was immediately put to constructive development and to use. Therefore I have not any very great fault to find with Mr. Rockefeller or with anybody else for buying farm-loan bonds. There is nothing in that argument. You might as well say that we should repeal the whole income-tax law because somebody evades paying taxes who ought to be required to pay taxes. It might as well be argued that because the law is violated, or because there are some loopholes, because there are some defects in it somewhere, somehow, whereby a rascal evades paying the taxes that he ought to pay the Government, we should repeal the whole law.

That is where the argument leads. It is perfectly absurd. I hope the Senator will let us vote squarely on the proposition whether we will stand by the action of the Committee of the Whole in striking out that provision from beginning to end.

Mr. REED of Missouri. Mr. President, the amendment which I have offered does not run counter to the argument made by the Senator from Florida. However, I am entirely willing to withdraw it and let the vote come squarely upon the proposal of the committee. I intend, however, to introduce a similar proposition as an amendment to the bill itself, so that in any and all cases where a taxpayer is manifestly working out a device to defraud the Government, upon that being discovered he shall be denied any kind of an exemption, not on his tax-exempt securities, but on interest which he may pay. For the sake of getting a vote, however, I will withdraw this amendment and let us have a vote upon the main proposition.

I have gone as far as the Senator who just took his seat in resisting the taxation of tax-exempt securities; and one of the chief reasons I had was that I do want to see, particularly in the present distressed state of agriculture, a market afforded for the bonds that are issued by our agricultural banks, and I want it to be a market that will constantly enlarge and will constantly tend to get more and more money for the aid of agriculture at the lowest possible rates of interest.

If I may be pardoned just a minute more, and I say it without desiring to attack anybody in particular, there is no question about the fact that considering the character of the security they have been able to offer in the past the farmers of the country have been compelled to pay excessive rates of interest. That has grown out of many conditions. Frequently they have been local conditions, where one or two agents had a practical monopoly of the money that would be loaned in a community, and have therefore been able to charge excessive rates of interest or excessive commissions. I want to see the market which we are now seeking to create made as free and open a market, with as low interest charges, as we can possibly secure.

So, Mr. President, to get a vote, and believing that the vote now is reasonably assured for an affirmation of the action of the committee in striking out this entire clause, I will withdraw this amendment and then try to cover my idea in a subsequent amendment.

Mr. BURSUM. Mr. President, I desire to ask the Senator from Missouri a question. I want to get the true status of the amendment which is now pending.

I understood the Senator from Florida [Mr. FLETCHER] to state that he is in favor of standing by the amendment adopted as in Committee of the Whole.

It is my understanding that the amendment proposed by the Senator from Colorado was adopted as in Committee of the Whole, and that those who favored doing away with the amendment desired to bring back the status in accordance with the recommendations of the Finance Committee.

Mr. SMOOT. While the bill was in Committee of the Whole the Senate did vote to sustain the action of the Finance Committee, but when it got into the Senate that was reversed, and the House provision is now before the Senate with the amendment offered by the Senator from Colorado added. That amendment is now a part of the House provision.

Mr. REED of Missouri. Mr. President, as I understand it, the Senate is now called upon to vote on the ratification of the action of the Senate as in Committee of the Whole.

Mr. SMOOT. No; the question is on concurring in the action of the Senate after the bill had been reported from the Committee of the Whole. The Senate disagreed to the committee amendment.

Mr. SWANSON. If the Senator will permit me, when you reconsider a proposition it stands exactly as it was before you reconsidered it. When we first voted we were voting on the question, Shall the Senate concur in the amendment adopted as in the Committee of the Whole, which was the committee amendment reported by the Finance Committee to strike out the provision of the House, as I understand it.

Mr. SMOOT. The Senator is wrong.

Mr. REED of Missouri. Let the Chair tell us his ruling, and then we can vote accordingly.

The PRESIDENT pro tempore. The Chair will attempt to state the parliamentary situation. The Senate, as in Committee of the Whole, in considering this paragraph, agreed to an amendment to the text offered by the Senator from Colorado. In that situation the Senate, as in Committee of the Whole, rejected the entire paragraph. When it came to the Senate the Senate refused to concur in the action of the Committee of the Whole, and that left the entire provision in the bill as amended by the amendment offered by the Senator from Colorado.

Mr. SWANSON. Now, that has been reconsidered.

The PRESIDENT pro tempore. The motion to reconsider carried, and if the Senate refuses to concur in the action of the Committee of the Whole, then the entire text of the House provision as amended by the amendment offered by the Senator from Colorado remains in the bill.

Mr. REED of Missouri. That is to say, a vote "nay" keeps out of the bill that part of the printed provision which is reported here with lines drawn through it or takes out lines 19 to 25 on page 52 and lines 1 and 2 on page 53.

Mr. FLETCHER. A vote "yea" does that.

Mr. REED of Missouri. As the Chair stated it, it would be a vote "nay."

The PRESIDENT pro tempore. If the Senate now concurs in the action of the Committee of the Whole it is all stricken out.

Mr. BURSUM. Then our vote is to be "nay."

Mr. FLETCHER. The Senate as in Committee of the Whole struck it out. The action as in Committee of the Whole was to strike it out.

The PRESIDENT pro tempore. If the Senate wants to eliminate this entire provision it will refuse to concur in the action taken as in Committee of the Whole.

Mr. SIMMONS. Then, Mr. President, if I understand, a Senator who desires to strike out subsection (c) will vote "nay."

The PRESIDENT pro tempore. If the Senate desires to entirely eliminate this paragraph it will vote "nay."

Mr. SIMMONS. That is what I thought.

Mr. ADAMS obtained the floor.

Mr. REED of Missouri. Will the Senator pardon me for a moment?

Mr. ADAMS. Certainly.

Mr. REED of Missouri. I think it is necessary for the sake of the record that we get this right, and if everybody would stop talking for a moment I would like to have Senators hear what I have to say, and see if I am right.

The Finance Committee reported the bill striking out the provision in question. It came up for discussion in the Senate as in Committee of the Whole. The Senator from Colorado [Mr. ADAMS] offered an amendment, which was agreed to as in Committee of the Whole. The Committee of the Whole then rejected the amendment, including the Adams amendment. In that form, with the entire proposition rejected, it was taken up in the Senate, and the Senate overruled the action taken as in Committee of the Whole and adopted the section with an affirmative vote, which carried it into the bill, including the Adams amendment.

Thereupon the Senator from Minnesota [Mr. SHIPSTEAD] moved to reconsider the vote, and it was reconsidered. So that as the matter now stands, we have the action taken as in Committee of the Whole rejecting this provision, and it is not in the bill as it now stands, and it seems to me that the vote having been reconsidered by which we reaffirmed it, we are now to vote on the proposition which is now brought forward as an affirmative proposition, and if we vote "yea" we put the proposition in the bill and if we vote "nay" we strike it out of the bill.

The PRESIDENT pro tempore. The Chair does not so understand it.

Mr. SWANSON obtained the floor.

Mr. ADAMS. Mr. President, I thought I had the floor.

The PRESIDENT pro tempore. No; the Senator from Colorado had the floor, but the Chair has now recognized the Senator from Virginia.

Mr. SWANSON. Mr. President, having proceeded to reconsider the vote, the question comes up now precisely as it was when it was adopted. When it was adopted, what was the proposition before the Senate? It was to concur in the amendment agreed to as in Committee of the Whole. What was the amendment made as in Committee of the Whole? It was to strike out this provision. So, if you vote "yea," you vote to concur in the amendment adopted as in Committee of the Whole. That is the way it comes in the Senate. The amendment adopted as in Committee of the Whole was to strike out the provision. Consequently a vote "yea" is to strike out the House provision, and a vote "nay" is to retain it in the bill.

Mr. SIMMONS. It is exactly where it was when the bill was reported to the Senate.

Mr. SWANSON. It is precisely where it was when the bill was reported to the Senate. The Senator from Utah asked for a separate vote on concurring in the action taken as in the Committee of the Whole, which was to strike it out. It is plain that if that proposition is submitted—and it is submitted on rehearing—Shall the Senate concur in the amendment adopted as in Committee of the Whole?—which was to strike out the provision, it seems to me a vote "yea" would be to strike it out.

Mr. ADAMS. Mr. President, I hope I may have the attention of Senators, very briefly, in an effort to explain a situation which is obviously much misunderstood. The motion to reconsider was based upon that misunderstanding. My conversations since the vote lead me to think there was a misunderstanding upon the part of some of those who voted upon each side of the question. Unfortunately we are dealing with an obscurely drawn section of a bill. It is not easily comprehended in the form in which it comes to us, but that can not be remedied at this time.

I am in accord with the purpose of the Senator from Minnesota. I am in accord largely with the purpose of the Senator from Florida. But I think that we are working upon a misunderstanding of what the amendment actually provides. I think the Senator from Florida, and those who have agreed with him on this side of the Chamber, have failed to comprehend what is actually involved.

This, briefly, is the situation: This amendment does not attempt to take from the bond of any State, any county, any school district, any farm-loan bond, its tax-exempt qualities either as to normal tax or as to surtax. That is the absolute foundation of this situation, and any argument based upon a theory that this amendment takes away tax-exempt qualities from a bond now exempt is based upon an absolutely false premise. That is the situation.

Again, it does not take away the absolutely unqualified right of any man to buy State, county, Federal farm loan, or any other tax-exempt bonds in any amount, and to hold them absolutely free from taxes. There is no question about that. In other words, the market for the farm-loan bonds is not in anywise affected by this amendment, so far as that market is a legitimate market.

Here is what is affected: The amendment denies not the right of exemption, but the right of deduction, and that to which deduction is to be denied is not interest upon tax-exempt bonds, but upon taxable securities. If this amendment is defeated, this will be the result. Some are now complaining of the amount of tax-exempt securities in existence. It is said there are $17,000,000,000 in those securities. If this amendment is stricken down, the amount of tax-exempt securities will, in effect, be doubled. In other words, you are making it possible to put behind every single dollar of tax-exempt securities another dollar of taxable securities and to give exemption to that other dollar.

Let me illustrate it: Let us assume that a man has an income from taxable securities of $1,000,000. He is in the class where he is paying the maximum surtax rate. He is therefore paying to the Government, roughly, in that situation $500,000 of taxes. You have all agreed that you will not permit a man to make a loan, invest the proceeds of it in tax-exempt securities, and then deduct the interest paid on this loan when it is done directly.

This plan proposed by this amended section is merely to make effective the plan which has already been voted for and which has been approved, and which, by reason of the form in which it is drawn, is ineffective because it lends itself to easy evasion. The man with a million dollars of taxable securities borrows enough money to buy tax-exempt securities yielding an income of a million dollars. It requires but little ingenuity to do so indirectly, without violating the existing statute; and when that has been accomplished, the man, under the condition which it is sought to preserve, instead of paying to the Government $500,000, will pay the Government absolutely nothing. The amendment simply seeks to provide against exemption for taxable securities in this way. It does not destroy the tax-exempt qualities or rights of any bond, nor will it seriously affect their price. That is the fundamental fallacy, as I see it, in the argument against it.

I am just as much concerned in preserving the right of the State, the county, the municipality, the school district, and the Farm Loan Board to issue tax-exempt securities as any man is. I first began to study the amendment because I felt it was a threat in that direction. I have found difficulty in making the explanation, but if Senators will study the provision they will find that it does not take away the tax-exempt qualities of any bond. Mr. John D. Rockefeller can, if the amendment is adopted, invest $1,000,000,000 in tax-exempt securities—all of them farm-loan bonds, if you will—and receive absolute and complete protection from taxes. The rich man has not been taken out of the market as a purchaser of tax-exempt securities. We have merely said to him, "You may not purchase a million dollars of tax-exempt securities and then hide behind them a million dollars of taxable securities and thus escape." It is not a matter, as I think the Senator from Utah said, of losing $30,000,000 of revenue. I think it means, when the opportunity is understood which exists through this medium, that behind practically every dollar of tax-exempt securities would be a dollar of taxable securities escaping taxation.

I do not know what is the total gross income from tax-exempt securities, but it runs into a billion dollars or more. If this loophole is left open, it means that there has been afforded a way to put Standard Oil stock and every other such form of security into the tax-exempt class. That is what is going to be accomplished under the guise of protecting the rates of the Farm Loan Board and others who issue tax-exempt securities. The argument against the amendment is not unlike that of the man who sells flash lights objecting to a law against burglary because burglars buy flash lights.

I do not believe that the market for tax-exempt securities will be substantially affected, and surely not their legitimate market. Information coming to me from those connected with the farm-loan organizations leads me to think they have made the same fundamental error of not comprehending what is involved in the situation.

Mr. PITTMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Nevada?

Mr. ADAMS. Certainly.

Mr. PITTMAN. It would seem that tax-exempt securities are affected in this way: At the present time we can borrow money on tax-exempt securities. After we borrow money on the tax-exempt securities we have to pay interest on the money we have borrowed. We offset that interest against our net profits. Now, if we are going to make it impossible to borrow money on tax-exempt securities, we injure the value of the securities. If the interest that a man pays on a debt which is incurred by reason of borrowing money upon tax-exempt securities can not be offset against his income the same as any other interest can be offset against his income, then he will not borrow money on tax-exempt securities, will he? It absolutely destroys their value as collateral because the interest on the debt for which the tax-exempt securities are collateral loses its exemption value, and no one therefore would borrow money on tax-exempt securities.

Mr. ADAMS. Let me point out to the Senator from Nevada two answers to that. In the first place, the amendment itself specifically excepts interest on indebtedness paid or incurred in the carrying on of a trade or business. That is specifically excepted in the amendment as it stands.

Mr. PITTMAN. Except!

Mr. ADAMS. No; there is no exception at all.

Mr. PITTMAN. Oh, yes.

Mr. ADAMS. In other words, if, for the purpose of developing a mine or conducting a bank——

Mr. PITTMAN. Except where it exceeds.

Mr. ADAMS. No; that limitation does not apply to the section at all. There is absolutely no limit to the deduction for borrowing for us in trade or business. The section reads:

> The amount of the deduction provided for in paragraph (2)—
>
> Which is the right to deduct all interest paid upon indebtedness—
>
> unless the interest on the indebtedness is paid or incurred in carrying on a trade or business * * * shall be allowed as deductions—
>
> Only for calculation of surtaxes and—
>
> only if and to the extent that the sum of such amounts exceeds the amount of the interest on obligations or securities the interest on which is wholly exempt.

In other words, that is an unqualified exception from the application of the provision. Now, one other thing in connection with it——

Mr. PITTMAN. Suppose it is not used for carrying on a trade or business?

Mr. ADAMS. Then it is not exempt, except that the amendment which I have offered accomplishes the securing of the exemption so far as the normal tax is concerned. The normal tax is 6 per cent, and the borrower is paying 6 per cent on the money, and he at least is not losing anything. He is neither taking advantage of the Government nor having the Government take advantage of him.

As I said, the section originally suggested the objection the Senator makes, and it appealed to me for that reason. It was not fair that a man should pay 6 per cent interest for money legitimately borrowed, and then be denied the right to a corresponding offset.

The objection, as it now stands, is that the man paying a surtax pays 6 per cent interest and upon the bond he buys he gets 5 per cent, so that it only costs him 1 per cent, and then he offsets 56 per cent. That is what is accomplished under the situation. At an expense of 1 per cent he secures an exemption of 56 per cent.

Mr. PITTMAN. I would like to know how this reaches Mr. Rockefeller?

Mr. ADAMS. Mr. Rockefeller had $20,000,000 of taxable securities. He was receiving from those taxable securities $1,800,000 in income. He had $40,000,000 of tax-exempt securities from which he was receiving $2,000,000 of income. As he stood at that point he was paying upon the $1,800,000 of taxable income $1,144,000 of taxes. He was paying some 58 per cent tax upon his income. Then he went and in some manner borrowed $30,000,000, and upon that paid interest to the amount of $1,800,000. Then when he came to compute his net income for the purpose of paying surtaxes and normal taxes, under the provision of the existing law, he offset the $1,800,000 interest paid out against the $1,800,000 of taxable income, and then had no net taxable income.

Mr. PITTMAN. That is all right; but suppose he had the $40,000,000 in tax-exempt securities and could borrow $40,000,000 on them, and did so and invested the $40,000,000 in any kind of business or invested it in securities of any kind. Would that be trade or business?

Mr. ADAMS. It might or might not be.

Mr. PITTMAN. We will assume the man puts it in a safe-deposit box. I understand this section would then apply to it, but when we come down to asking if it is used in trade or business it means nothing to my mind. On the other hand, if we do not have the exemption for the use in trade or business it destroys the collateral value of the tax-exempt securities.

Mr. SMOOT. The Senator knows that William Rockefeller and all those people who have retired from business are not in trade or business, and it reaches that class of people and no one else.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from North Carolina?

Mr. ADAMS. I yield.

Mr. SIMMONS. I want to ask both the Senator from Colorado and the Senator from Utah, if the purpose of the amendment is to protect against the kind of evasion that they are talking about, why do they not confine the amendment to that class of cases and not make it so broad that it covers the honest man who has no purpose or intent to evade the tax?

Mr. ADAMS. May I say I think the exemption covers that? The exemption which is sought to be sustained here is an exemption upon taxable and not an exemption upon nontaxable, and that is what Mr. Rockefeller and those in his class will accomplish, because you are not protecting the exemption of tax-exempt securities but the exemption of taxable securities. You are permitting a man to deduct an equivalent amount. I simply insist so far as I can that we should limit the man to the exemption which the law meant to give him. If he buys a tax-exempt bond, the interest on that bond is wholly and absolutely exempt to the full limit for both normal taxes and surtaxes, but he should not be permitted to apply to taxable bonds the exemption given to tax-exempt securities.

Mr. SIMMONS. But the Senator has made his amendment so broad that if I should hold a tax-exempt security and should incur an honest obligation and pay interest upon it, he would deny me the benefit of that interest as a deduction, which is a deduction that is allowed to every other citizen in the country but denied to me because I happen to have some tax-exempt securities.

Mr. ADAMS. Provided two things occur. First, that the Senator's borrowing is not for business purposes, and provided also that he is seeking to deduct more than he pays, or is seeking to deduct to avoid surtaxes. In other words, he can deduct as much as he pays.

Mr. SIMMONS. I may have borrowed that money to build a house or rebuild a house that has burned down.

Mr. ADAMS. The Senator could deduct every cent of interest.

Mr. SIMMONS. I could deduct that if I happened to own Government securities that were exempt and subtract my interest upon the other bonds from the deduction created by the interest.

Mr. ADAMS. The Senator could deduct just as much as he paid out. The one thing we are trying to stop is that when he pays out a thousand dollars he shall not deduct $50,000.

Mr. HOWELL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. ADAMS. I yield.

Mr. HOWELL. I would like to suggest a concrete case to the Senator from Colorado. Suppose a man bought six or seven thousand dollars' worth of Liberty bonds during the war and kept them as a sort of savings deposit, or something that he could call upon at any time, as many citizens did; but he happens also to owe a note secured by mortgage on a piece of property. Is it not a fact that under present circumstances he would be allowed to deduct the interest he paid on the note from his income-tax return to determine the amount upon which he should be taxable?

Mr. ADAMS. Yes.

Mr. HOWELL. But if the Senator's amendment is adopted, he can not deduct the total of the interest paid on that mortgage, but will have to deduct the interest he received on his Liberty bonds.

Mr. ADAMS. No; there would be no change under the facts which the Senator assumes because the amount of interest the taxpayer is getting, being only $6,000 or $7,000, would not come in any way within the surtax provision.

Mr. HOWELL. But the question of whether he would come within the surtax provision would depend upon what his total income was, so that if the interest on such securities were merely a part of his income-tax return, he would thereby by this provision pay a tax upon his income from his Liberty bonds.

Mr. ADAMS. Not at all. He does not in any way, shape, or form pay taxes upon his Liberty bonds, and, in my judgment, we can not make him pay a tax on his Liberty bonds. All we say to him is: "If you borrow the money you may offset the interest you pay so far as the normal tax is concerned, but you may not offset it so far as surtaxes are concerned; in other words, the Government will not allow you to take advantage of other taxpayers by getting a deduction which the man in moderate circumstances can not obtain."

Mr. HOWELL. It would affect my income tax if my income were sufficient to compel me to pay a surtax.

Mr. ADAMS. And it ought to do so.

Mr. HOWELL. But, admitting that a man bought Liberty bonds and holds them at this time, if his income happens to be large enough so that he pays a surtax he will be taxed upon the interest upon those bonds.

Mr. ADAMS. Not at all.

Mr. HOWELL. Why not?

Mr. ADAMS. That is just the problem I was trying to make clear.

Mr. HOWELL. He absolutely has to account for such interest, and that is exactly what this means. It means that to that extent the income from Liberty bonds acquired in good faith during the war would be taxed.

Mr. ADAMS. Unfortunately that is just the problem that we are having to meet, and the Members of the Senate do not understand the amendment nor its effect.

Mr. SWANSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Virginia?

Mr. ADAMS. Certainly.

Mr. SWANSON. Let us get the idea clear in reference to the amendment of the Senator from Colorado. As I understand, we are discussing the deductions which are allowed individuals on their incomes. This bill, as it came from the other Houses, provides that in computing net income there shall not be allowed as deductions what is embraced in paragraph (2) of subdivision (a) and paragraph (5) of subdivision (a) except under certain conditions.

As I understand, paragraph 2 includes interest paid or accrued within the taxable year, but if interest has accrued on tax-exempt securities it shall not be subtracted under the provisions of that paragraph. I am not talking now about the amendment of the Senator from Colorado, but I am talking about the original proposition.

Paragraph 5 refers to losses sustained during the taxable year. So that if one has tax-exempt securities, under the House provision, interest on them may not be deducted in computing the deductions allowed to individuals.

Mr. ADAMS. No; the Senator from Virginia is in error.

Mr. SWANSON. The language of the provision is plain.

Mr. ADAMS. Let me try to explain it. Section 2, which is on page 47 of the bill, allows the deduction of all interest which is paid within the taxable year. That is the general provision.

Mr. SWANSON. But the interest obtained from tax-exempt securities must offset the other deductions.

Mr. ADAMS. That statement would have to be qualified. It would depend upon whether or not the interest affected one's surtax.

Mr. SWANSON. No; I mean under the Senator's amendment. I wish to make clear what the provisions of the bill are independently of the Senator's amendment, and then see what would be the effect of the Senator's amendment.

Mr. ADAMS. Let me try to make it clear in this way, keeping in mind the dividend situation: When we come to tax dividends we do not include dividends from corporations in the computation of net income; that is, when the rate of the normal tax is applied against net income no dividends are included. When, however, the surtax rate is applied dividends are added to net income as computed for normal tax purposes. In other words, the normal income tax is applied to net income and the surtax rates are applied to normal income plus dividends.

We are seeking to make the same application in this instance, so that for the purpose of fixing normal taxes upon net incomes the taxpayers may deduct interest paid, regardless of whether he owns or does not own tax-exempt securities; but when it comes to computing net income for the purpose of applying the surtax, then the taxpayer must add to his net income the income which he received from tax exempts. It is not a matter directly affecting tax exemption; it is a matter affecting, on the one hand, the computation of net income; and, on the other, of deductions of interest from taxable securities. It does not affect the tax-exempt securities at all except as they have become the conduit through which the taxpayer has been enabled to reduce the amount of his taxable income.

Mr. SIMMONS. May I ask the Senator from Colorado if it is not true that the result is to treat interest upon tax-exempt securities just as if it were dividends?

Mr. ADAMS. Yes, sir; that is substantially the situation.

Mr. SIMMONS. That is just what I object to.

Mr. REED of Missouri. But it denies to the tax-exempt securities a use which they now have; it takes away that part of the value of the tax-exempt securities. I say that the whole problem can be reached. I think it can be reached under the law as it stands now where there is a manifest device set up to defeat the payment of taxes. I do not think the language on page 47 is exactly clear, but it can be made clear.

Mr. President, I wish to suggest that there are about 20 amendments to this bill to be passed on before 2 o'clock, and I think it would be well to dispose of this question as soon as may be possible.

Mr. ADAMS. Mr. President——

Mr. REED of Missouri. I am not trying to cut off the Senator from Colorado at all.

Mr. ADAMS. Mr. President, I merely have one suggestion to make, and that is that from my study, which has been a careful study of the situation, if the Members of the Senate really wish to perpetuate the tax-exemption outrage which exists they will vote in favor of concurring in the action of the Committee of the Whole, but if they wish to put a stop to what, in my judgment, is the grossest outrage in our system of taxation, they will vote "nay."

Mr. BROOKHART. Mr. President, I do not think the proposition just stated by the Senator from Colorado is in issue at all. If he wants to meet that condition, he can do it by a proper amendment. There is just one evil, as I understand, which he is seeking to end, and that is the borrowing of money for the purpose of buying tax-exempt securities and then deducting the interest on the debt so created from the income tax, without having to offset anything derived from his tax-exempt securities. That one situation covers the whole evil first and last and from A to Z.

Mr. ADAMS. And that is all that is involved in this proposal when reduced to its essence.

Mr. BROOKHART. The amendment does not confine itself to that situation, but is bound up with investments in business and a number of other nonunderstandable suggestions. So I think the provision ought to be stricken out, and if the Senator wants to cure the evil which he describes let him offer a little amendment that will fit that situation and go no further.

Mr. BRUCE. Mr. President, when this question was under discussion a few days ago I had a good deal to say in regard to it; and, of course, I desire to avoid repetition, but I feel obliged to reaffirm in the very strongest terms that I can command the conclusion which I reached upon that occasion; that is to say, that the House provision, whatever was the real intention of the House, if carried into effect, would involve nothing less than sharp practice or, if I may use such an opprobrious expression, trickery on the part of the Government.

I am glad that the Senator from Missouri withdrew his amendment, because I think that that amendment, if it had been adopted, would have proved entirely ineffective. When the last general reassessment law was enacted in the State of Maryland it contained a provision that there should be no tax on ordinary bank deposits, unless they should represent the proceeds of property sold for the purpose of evading taxation. The language of the provision was clearly and aptly drawn, but the enactment has been an absolute dead letter from that day until this. Doubtless many taxpayers have sold bonds and deposited the proceeds of the sales in Maryland banks for the purpose of escaping taxation, but if one dollar of money so deposited has ever been reached by taxation the fact has never been brought to my attention. The same fate, I am sure, would have befallen the amendment of the Senator from Missouri in its practical operation had it been engrafted on the pending bill.

I think with the Senator from Florida [Mr. FLETCHER] that the thing to do is to disregard all the debate which has gone on since the first discussion of the question under consideration and to get back to the stage at which this question was originally presented to the Senate, when the House provision came over to us, and the Senate committee struck it out, and had its action approved by the Senate as in Committee of the Whole.

I can not stop to ask what effect this provision will have on the material interests of Mr. William Rockefeller or anybody in the same plutocratic class as he. If he or the like of him is to be singled out for a punitive enactment, surely somebody in the Senate, the Senator from Pennsylvania [Mr. REED] or some other Senator, has resource or ingenuity enough to draft an amendment to the pending bill that would draw a line between the William Rockefellers and the ordinary average investor who chooses to invest his money in Government or State or municipal tax-exempt securities.

Has it not been a maxim of the common law from the beginning that it is better that a hundred guilty men should escape than that one innocent man should suffer? So I say that it is better that a hundred William Rockefellers should go unwhipped of justice than that one innocent investor who has in perfect good faith invested his money in tax-exempt securities should be unjustly mulcted by such a provision as that in the House bill.

I have been led to believe that the Senator from Pennsylvania [Mr. REED], at any rate, would endeavor by some sort of line of division to separate the tax sheep from the tax goats affected by the House provision. If he will do so and place William Rockefeller and men of his type in one class and the ordinary innocent investor in tax-exempt securities in another, I will gladly vote for such a provision as that of the House in relation to Mr. William Rockefeller or anybody else who may make investments in tax-exempt securities simply for the purpose of defrauding the Government of revenue.

Mr. SIMMONS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from North Carolina?

Mr. BRUCE. I yield.

Mr. SIMMONS. I approve very heartily what the Senator has just said. If that is the purpose of this amendment, and the only purpose, the amendment ought to be so drafted as only to reach the object intended and to remedy the evil supposed to exist. When that is not done, it is clear that there is some other intent than the mere offsetting of interest against losses or interest paid by a taxpayer who is seeking by that process to avoid his taxes.

If the Senator will pardon me further——

Mr. BRUCE. Yes, indeed; I yield, with pleasure.

Mr. SIMMONS. Yesterday we had an amendment presented by the Senator from Pennsylvania [Mr. REED], and the particular amendment we are now discussing was especially sponsored by the Senator from Pennsylvania, both in the committee and upon the floor of the Senate. The purpose of the Senator in offering the amendment which we defeated on yesterday was to tax future issues of State and municipal bonds. That was his purpose. I have always thought that he had some purpose in insisting upon this provision remaining as the House passed it. It came from the Treasury Department; it had behind it the recommendation of Mr. Mellon; and I have always thought that this amendment was intended to reach bonds already issued, as the other amendment which we defeated yesterday was intended to reach bonds hereafter issued, and that the two amendments, coming as they do from the same source, were companion pieces—one to reach the bonds that have been issued, and the other to reach the bonds that may be issued hereafter.

Mr. BRUCE. I must say that I think that there is a very close resemblance between the calf and the cow in this case. The motive of the Senator from Pennsylvania may be what the Senator surmises; but, be his motive what it may, I say with great respect to the Senator from Pennsylvania—for I entertain the profoundest respect for him—that it will not stand the test of examination.

Nothing could be more clearly established, it seems to me, than has been the fact that, after all, no such vast amount of the money of the rich has gone into tax-exempt securities as has been supposed in some quarters. The records of the Treasury show that; the Senator from North Carolina [Mr. SIMMONS], the Senator from New Mexico [Mr. JONES], and even earlier the Senator from Indiana [Mr. RALSTON] have demonstrated that, beyond question. These tax-exempt securities are not held simply by millionaires, as some individuals in and outside of the Senate appear to think. They are the favorite investments of the little investing boat, if I may use such an expression, that does not put off far from shore; of the prudent man who is not grasping or avaricious, and who yet makes more money than he spends, and wishes to invest his money in such a manner as to be beyond the ordinary pecuniary vicissitudes of life.

Along with William Rockefeller, the House provision strikes at a man who has never in his life invested his money in anything except Government, State, or municipal tax-exempt securities, who is not engaged in trade or business, who has never incurred any standing debt and is not likely to experience any material pecuniary loss, and who finds that he wishes to buy or build a house at a time when he can not sell securities for the purpose of meeting the cost of purchasing or erecting the house except at a sacrifice. He goes off to some trust company or bank and borrows the amount that he needs without the slightest idea of bilking the Government. And yet, under this House provision, from any offset against his taxable income that this man might set up on account of interest on his indebtedness would be deducted the interest on his tax-exempt securities.

Is that just? Is that fair? Is that right?

The effect of the House provision is to inflict a pecuniary loss upon the innocent as well as upon the guilty, upon the ordinary prudent investor outside of trade circles as well as upon the unscrupulous capitalist. In other words, like the rain from heaven, this bill comes down on both the just and the unjust. So, I say, in some way or other, by some proper amendment or other, a distinction should be taken between the William Rockefellers and such an investor as I have been using as an example.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. BRUCE. Certainly.

Mr. CARAWAY. The thing I want to call to the Senator's attention is this: If a man bought a bond, and was told it was tax exempt, can we be quite honest and invade that exemption by indirection?

Mr. BRUCE. Indeed we can not.

Mr. CARAWAY. I should like the Senator to notice that on page 8200 of the RECORD of yesterday the Senator from Pennsylvania [Mr. REED], in offering his new amendment, said, in the third paragraph:

> I realize the unfairness of making such a provision as this retroactive.

That is, to tax income. If he realized with reference to that amendment that it was unfair to do this thing by direct means, when does it become fair to do by indirection the thing which he admits it is unfair to do by direction?

Mr. BRUCE. If I am to be treated unjustly, I would rather receive my blow in the face than in the back or the side. If I am to be injured, let me be injured, not by some unconscionable artifice, but in some manly, downright fashion.

The fundamental fact underlying this discussion is that under the Constitution of the United States the Federal Government is powerless to tax directly securities issued by the States or municipalities of the United States or issued by it with a pledge of tax exemption. That it can not tax State or municipal securities has been held by the Supreme Court of the United States from the earliest stages of our history. The Federal Government can not lay the finger of taxation, no matter how soft the touch of that finger may be, upon such securities; and, so far at any rate as its Liberty 3½ per cents are concerned, it has given a solemn pledge to its own people that if anyone buys one of those bonds it shall be totally exempt from taxation, National, State, or municipal. What, therefore, is this House provision but an attempt to do by dishonest circumvention what the Government is unable to do directly? If, after luring the people of the United States into the purchase, for instance, of Liberty 3½s, the Government should contrive the circuitous method of taxation—for that is what it is—suggested by the House to deprive securities that ought to be tax exempt of their tax-exempt feature, it would be chargeable with a gross breach of good faith.

This is not simply a question of public policy. You belittle it when you speak of it merely as such. It is a question of good morals; of good faith; of decent treatment by the Government of its own citizens. In my humble judgment, the only reason why this House provision has not been trampled under foot by the Senate is because it has not been fully understood owing to the fact that when it has been heretofore discussed there has been only a slim attendance in the Senate.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, when it was fully understood, just after a full discussion of it in the Committee of the Whole, we voted it out.

Mr. BRUCE. Yes; that is true.

Mr. SIMMONS. On yesterday the amendment, I think, was fully understood, but the form of the vote was not understood.

Mr. BRUCE. Certainly.

Mr. SIMMONS. While I am on my feet, however, if the Senator will pardon me——

Mr. BRUCE. Of course I will.

Mr. SIMMONS. The Senator from Colorado [Mr. ADAMS] seems to me to have made a very important admission, which I want to call to the attention of the Senator from Maryland, because he may want to comment on it, and that is that this amendment as amended by him treats the income from tax-exempt securities as if it were dividends received from stocks of a corporation.

I do not wish to take the Senator's time, but I should like to make another suggestion, if the Senator will pardon me.

Mr. BRUCE. Certainly; I am only too glad to have the Senator do so.

Mr. SIMMONS. I desire to make this suggestion with reference to why we find this amendment in its present form: It would have been easy to draft an amendment to meet a case of palpable evasion without raising any serious question about tax-exempt securities. The common sense of the Senate and the country might have accepted that as being fair. A man attempting to evade his tax should be penalized.

Mr. BRUCE. Certainly. We would all vote with pleasure for such a provision as that, of course.

Mr. SIMMONS. Now, why was it not drawn in that way? I think that was made clear when we were discussing this matter in the committee. It was made clear that this was what was called a step, the beginning of a movement to test in the courts the question as to the constitutionality of legislation, without a constitutional amendment, subjecting these bonds, directly or indirectly, to taxation. The amendment had to be made broad enough to raise that question.

Mr. BRUCE. I see.

Mr. SIMMONS. That is what they are seeking to do—to get this matter into the courts and raise that question, and in order to raise it the amendment had to be broad enough to present the question.

Mr. BRUCE. As a mere suggestion, I have not the slightest objection to the original idea of Mr. Mellon that the Federal Constitution should be so altered as to endow the National Government with the power to tax future issues of securities by States and municipalities. I am not saying that that would be a wise thing to do, for it is not necessary for me now to express any opinion upon that subject. Moreover, I have no fault to find with the Senator from Pennsylvania because he chooses to reach the conclusion that even under existing constitutional limitations it is possible for the Federal Government to tax future issues of State municipal securities; that is, provided that he does not use his line of reasoning so effectively as to work injustice in the present case.

Mr. SIMMONS. Mr. President, I only want to suggest that the mere fact that the amendment is drawn for that purpose would indicate, of course, that in order to reach that purpose they had, directly or indirectly, to subject Government securities to taxation.

Mr. BRUCE. Yes; precisely.

Mr. SIMMONS. I do not want to make a speech. I know that we shall have to act upon this matter soon, in order to make way for other amendments.

Mr. BRUCE. I am going to conclude in a moment myself. I have spoken too long already.

Mr. SIMMONS. I do want to say this, however: Whatever may be the opinion of individual Senators on the floor about this matter, the men who represent these great organizations, the Farm Loan Board and the joint-stock land-banks, that are in competition with the mortgage banks that are so powerful in this country, or were at one time, after the most thorough discussion and examination by lawyers of approved ability and capacity to determine and construe this provision of the House have been advised, as I happen to know, that if this provision does pass it will impose a tax upon the issues of those agencies.

I am also advised that if it goes into court—and it is the purpose to throw it into court—it will probably be 18 months before we can get a decision, and the banks that are now doing so much for the agricultural interests of the country apprehend that during those 18 months they will not be able to sell their bonds at the rate of interest fixed by law.

Mr. BRUCE. I am free to say, as a lawyer, though I have given no detailed consideration to that side of this question, that the House provision deprives the citizen of his property without due process of law; in other words, involves a violation of the fourteenth amendment.

Mr. NORRIS. May I interrupt the Senator?

Mr. BRUCE. Certainly.

Mr. NORRIS. I can not help believing that the Senator is trying to accomplish what I think all of us want to accomplish. In the first place, on the one hand, we do not want to leave a loophole in the law by which a lot of men with big incomes can escape taxation.

Mr. BRUCE. Indeed, we do not, and nobody in the Senate less than myself.

Mr. NORRIS. On the other hand, nobody wants to violate any pledge, moral or legal or otherwise, which the Government owes to the holders of nontaxable securities. We are trying to accomplish the same end. If the amendment offered yesterday by the Senator from Missouri [Mr. REED] to the House text, if adopted, would clear the question of all doubt——

Mr. BRUCE. Was that the amendment to which the Senator from Missouri [Mr. REED] was addressing himself this morning? I was not here during the closing hours of the session yesterday.

Mr. NORRIS. I have just come from a committee meeting, and I do not know what took place this morning, except that I understand that amendment was withdrawn. We do not all agree as to the effect of that amendment, and I do not agree with the Senator as to the effect of this language which the amendment of the Senator from Colorado added, but I feel that he has just as good a right to his opinion as I have to mine; he may be right, and I may be wrong. But under the theory the Senator is presenting and the theory which the Senator from North Carolina has presented we must be confronted with these two dilemmas.

One is that we will leave a loophole big enough for million-dollar incomes to escape taxation, or we will interfere unjustly and wrongfully with the holders of tax-exempt securities. We are going one way or the other, if the Senator is right, and if those who contend with him are right; and they may be. If the amendment offered by the Senator from Missouri will clear it of doubt, and I have not heard anybody question that, why not let us agree to that amendment, and it will all be over with, and we will accomplish both things?

Mr. SIMMONS. The substance of that amendment is already in the bill.

Mr. NORRIS. I do not think so.

Mr. SIMMONS. I may be mistaken about it. I thought we had agreed to an amendment which had the same effect as the amendment of the Senator from Utah.

Mr. NORRIS. Oh, no.

Mr. SWANSON. If the Senator will permit me——

Mr. NORRIS. The Senator from Maryland has the floor.

Mr. BRUCE. I yield.

Mr. SWANSON. I understand that the Senator from Missouri will offer his amendment to a different section of the bill. He wants this disposed of, and then he expects to offer his amendment, and I do not think anybody will object to it.

Mr. NORRIS. If that amendment would clear this of its doubt, what is the use of debating it?

Mr. REED of Pennsylvania. Will the Senator yield to me?

Mr. BRUCE. I yield.

Mr. REED of Pennsylvania. As I understand, by his amendment the Senator from Missouri proposes to put in a provision that if money is borrowed for the purpose of buying tax-exempts, the interest on that borrowed money shall not be deductible. I think that is the substance of his amendment.

Mr. FLETCHER. That is already in the bill.

Mr. REED of Pennsylvania. If Senators will look at page 47 of the bill, they will find that there has been put in by the committee the same language which occurs in the last two or three revenue acts, which is that interest "on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is wholly exempt from taxation" may not be deducted.

That has been the law for years, and it has been a dead letter for years because the tax authorities can not prove the intent of the taxpayer in borrowing that money, and he is clever enough—and he does not have to be very clever to do it—to borrow the money after he has bought the securities, or to borrow the money and put it in his current account. You simply can not connect the two transactions as a matter of fact, and that is what we are trying to reach.

Mr. BRUCE. That brings me back to the illustration I gave in the beginning, drawn from our own experience in Maryland. I do not think that the Senator from Nebraska was here at that time. We enacted a law that ordinary bank deposits were not to be taxable except when they represented the proceeds of property sold for the purpose of evading taxation. This statute has been lifeless from the time that it was passed until to-day. Nobody has any real means of ascertaining whether the proceeds of sales of property that are deposited in banks represent property sold for such a dishonest purpose. So I say to the Senator from Nebraska, in reply to his question, that theoretically I think that the amendment of the Senator from Missouri is a very admirable one, and that if I thought that it could be made effective, I would be glad to vote for it; but that I am afraid it would be a mere brutum fulmen, as most provisions of that kind are.

I do not know whether the suggestion has any value or not, but I tentatively suggest to the Senator from Nebraska that the present situation might be met in some effective way by shifting the burden of proof——

Mr. NORRIS. I was just going to make that suggestion.

Mr. BRUCE. So as to throw on the taxpayer the obligation to clear his skirts of all suspicion of misconduct when he came to claim a loss or interest on indebtedness against his taxable net income.

Mr. NORRIS. If the burden of proof were put on him——

Mr. BRUCE. That is the point.

Mr. NORRIS. To show that he had not borrowed it for the purpose of avoiding the law——

Mr. BRUCE. That is my suggestion.

Mr. NORRIS. He would have no trouble proving that if it were true.

Mr. BRUCE. If that is feasible, I would like to see it done.

Mr. SMOOT. That is in the bill now.

Mr. NORRIS. Is that in the bill now?

Mr. SMOOT. Yes.

Mr. NORRIS. If that is already in the bill——

Mr. BRUCE. I do not understand that to be in the bill.

Mr. SMOOT. There is a provision in the bill——

Mr. BRUCE. Let us get right down to precise language. Is there any provision in the bill which throws on a taxpayer who has tax-exempt securities and is about to claim a loss or interest on indebtedness the burden of showing that he is not claiming the loss or the interest on the indebtedness for the purpose of avoiding taxation?

Mr. SMOOT. This is the law, that interest "on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is wholly exempt from taxation" may not be deducted.

Mr. BRUCE. That says nothing about the burden of proof.

Mr. NORRIS. There is nothing about burden of proof there.

Mr. REED of Pennsylvania. Will the Senator from Maryland yield?

Mr. BRUCE. Certainly.

Mr. REED of Pennsylvania. What we are trying to do is to simplify the tax law. If you put the burden of proof on the taxpayer to show affirmatively by additional evidence the purpose for which he incurred these particular deductions, you turn every return into a lawsuit, and there are 8,000,000 returns filed each year. The more we can make them automatic in their settlements, the fewer litigable points we put in, the more effective and workable and less harassing will our law be.

Mr. BRUCE. I make the same answer to the Senator that I so frequently made when I was the head of the Baltimore city law department, and some citizen would come in and threaten the city with a suit. My answer always was, "Go ahead and sue; that is your right as a citizen." And at times I would have to say, "Your threat is not an alarming one, because the city has a legal staff, paid by the year, for the very purpose of defending the rights of all the citizens of the city." The Federal Government is in a similar position.

So I say to the Senator, it seems to me, that we should at least require the taxpayer to make a formal, specific oath, if nothing more, that he has no intent in making his claim to evade taxation. Of course, I realize that oaths are not always binding, where a human being is strongly solicited by his selfish impulses. But as I have said before, it seems to me that such language might be employed in the pending bill as to cast on the taxpayer the burden of vindicating the bona fides of his claim.

Mr. SIMMONS. Will not the Senator yield to me just a moment?

Mr. BRUCE. Certainly.

Mr. SIMMONS. There are a number of amendments, probably, to be considered; we have only one hour, and I understand the unanimous-consent agreement is so drawn that amendments to be voted on after 2 o'clock will have to be offered before 2 o'clock. That was not the intent, but in the discussion of the matter with the Chair I came to the conclusion that that was the effect.

Mr. BRUCE. I am very much obliged to the Senator. That reminds me, however, of something that I was reading some time ago. It seems that formerly in Turkey, when the host thought that a guest was remaining too late in the evening, he did not tell him so in so many words, but he would look over his shoulder and give a nod to one of his attendants, who would go off hastily and return with a chafing dish with which the guest understood perfectly well that when he had perfumed his beard he was required by the fixed rules of Turkish courtesy to retire to his own home. I suppose that my good friend, the Senator, intends to give the same such hint as this.

Mr. SIMMONS. The Senator is always so entertaining and so forcible that I could not have any such intent as that with reference to him.

Mr. BRUCE. I acquit the Senator. I just wanted an opportunity to tell what I thought was a good story.

Mr. NORRIS. If the Senator will permit, I think it ought to be added that the Senator from Maryland has been so entertaining partially because most of his time has been taken up by the Senator from North Carolina in his interruptions.

Mr. BRUCE. My observation here is that a speech never amounts to anything unless it is spiced with interruptions, more or less.

I want to say, in conclusion, that my objection to the amendment offered by the Senator from Colorado is that it seems to me that it involves an unconstitutional discrimination between a taxpayer who pays a surtax and a taxpayer who pays only a normal tax. Why should fish be made of the one and only fowl of the other? The amendment of the Senator, in my judgment, arbitrarily violates the fourteenth amendment to the Federal Constitution.

The PRESIDENT pro tempore. The question is on concurring in the amendment made as in Committee of the Whole.

Mr. SMOOT. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDENT pro tempore. Before the roll is called the Chair feels that, in view of the discussion, it ought to make a restatement of the question.

The Senate, as in Committee of the Whole, struck out this paragraph, and the question is, Will the Senate now concur in that action taken as in Committee of the Whole.

Mr. SIMMONS. Which was to strike out subsection (c).

The PRESIDENT pro tempore. An affirmative vote is for concurring in the action taken as in Committee of the Whole, striking out the entire paragraph. The yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll, and called the name of Mr. ADAMS, who responded in the negative.

Mr. JONES of New Mexico. Mr. President, I suggest the absence of a quorum.

Mr. SMOOT. We will get the Senators here on the yea-and-nay vote.

Mr. JONES of New Mexico. Very well.

Mr. HEFLIN. The roll call had begun, and one Senator had answered to his name.

Mr. DILL. I want to know about the question before I vote. On voting on this question yesterday I voted "nay." If I want to vote to the same end that I voted yesterday, should I vote "nay"? I have heard the question discussed this morning, but do not know yet exactly the status of it at present.

The PRESIDENT pro tempore. The Chair is moved to say that a vote "nay" is a vote not to concur in the action taken as in Committee of the Whole. The roll call will proceed.

The reading clerk resumed the roll call.

Mr. CURTIS (when Mr. LENROOT's name was called). I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

The roll call was concluded.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. HARRISON. I was requested to announce that the junior Senator from Montana [Mr. WHEELER] is paired with the senior Senator from West Virginia [Mr. ELKINS], and that the junior Senator from Montana would vote "yea" if present and not paired.

I was also requested to announce that the senior Senator from Oklahoma [Mr. OWEN] is paired with the Senator from Illinois [Mr. MCCORMICK], and that the senior Senator from Oklahoma would vote "yea" if present and not paired.

I wish also to state that the Senator from New York [Mr. COPELAND] is necessarily absent.

The result was announced—yeas 45, nays 37, as follows:

YEAS—45

Bayard	Gooding	Mayfield	Simmons
Brookhart	Harreld	Neely	Smith
Broussard	Harris	Oddie	Stanfield
Bruce	Harrison	Overman	Stephens
Bursum	Heflin	Pittman	Swanson
Caraway	Howell	Ralston	Trammell
Cummins	Johnson, Minn.	Ransdell	Underwood
Dale	Jones, N. Mex.	Reed, Mo.	Walsh, Mont.
Dial	Kendrick	Robinson	Weller
Fletcher	Ladd	Sheppard	
Frazier	McKellar	Shields	
George	McNary	Shipstead	

NAYS—37

Adams	Edge	Lodge	Spencer
Ashurst	Ernst	McKinley	Sterling
Ball	Fernald	McLean	Wadsworth
Borah	Ferris	Moses	Walsh, Mass.
Brandegee	Fess	Norbeck	Warren
Cameron	Glass	Norris	Watson
Capper	Hale	Pepper	Willis
Colt	Jones, Wash.	Phipps	
Curtis	Keyes	Reed, Pa.	
Dill	King	Smoot	

NOT VOTING—14

Copeland	Gerry	Lenroot	Stanley
Couzens	Greene	McCormick	Wheeler
Edwards	Johnson, Calif.	Owen	
Elkins	La Follette	Shortridge	

So the amendment made as in Committee of the Whole was concurred in.

Mr. NORBECK. Mr. President, I wish to make an announcement to the Senate. I wish to state that after consulting with representatives who are here from the Northwest in the interest of farm relief and especially the McNary-Haugen bill, and also after consulting with several members of the Agricultural Committee of the House, I have decided not to ask for a vote on the McNary-Haugen bill as a rider to the pending bill. I am assured that there is a fair chance that the bill will pass the House. It has a great deal of support over there. The Rules Committee of the House met this morning and decided to report out a rule under which the measure will be taken up within the next seven or eight days, which is as soon as they can get to it. I have been assured by the leaders in the Senate that the measure will be given preference here as soon as it reaches the Senate.

I regret very much, nevertheless, to forego this opportunity to have a vote upon it, but so many Senators insist that they can not vote for it as a rider to the revenue bill that I shall not press it. Some feel that it would jeopardize the tax bill, the so-called Mellon plan or the modified Mellon plan, and therefore they can not support it as a rider. Many Members on the other side of the Chamber share that view. They assure me that there will be several votes for the McNary-Haugen bill, if it comes before the Senate separately, that can not be given to it as a rider to the revenue bill. In other words, the agricultural relief matter has reached the stage where it is likely to pass the House, likely to pass the Senate, and certain to pass both bodies if it gets a little boost from the White House.

Mr. REED of Missouri. Mr. President, there has been a great deal of discussion about trying to guard the Government against devices which have been described here as adopted by those who seek to evade taxation. It has been said that paragraph (2) on page 47 covers the case. I do not think it quite covers the case. I have an amendment which I hope can be accepted without much debate. If it leads to long debate, I shall be inclined to withdraw it, because there are other amendments pressing for attention.

Section (2) provides that deductions shall be allowed on all interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry tax-exempt securities. That is what it means; I am paraphrasing it. I beg to suggest to the Senate that we amend that language so that it would read:

All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued for the purpose of evading the payment of taxes and also except interest incurred or continued to purchase or carry obligations or securities—

And so forth.

In other words, we put into the section a provision that if the taxing authorities or the courts shall find that some man has worked out a device merely to beat the tax law he shall not be allowed his deductions. The Senator from Pennsylvania [Mr. REED] thought that was already covered by the language as it stands, but I do not think the language as it stands is broad enough; so after the word "indebtedness," where it occurs the second time on page 47, line 22, I move to insert the words "incurred or continued for the purpose of evading the payment of taxes, and also except interest," so that the section——

Mr. SMOOT. There is so much confusion that I can not follow what the Senator from Missouri is saying.

Mr. REED of Missouri. If there are going to be all over the Chamber conferences and audible conversation, I can not make myself heard. If the Senator will turn to the page——

Mr. SMOOT. I have been trying to follow the Senator, but I can not hear what he is saying.

Mr. REED of Missouri. I know the Senator has been trying to follow me, and I have been trying to make him hear, but if he will now turn to page 47, on which I move my amendment, I will read the clause as it will read if my amendment shall be adopted. The clause reads:

All interest paid or accrued within the taxable year on indebtedness, except on indebtedness—

Now comes my amendment—

incurred or continued for the purpose of evading the payment of taxes and also except interest—

Now I read again the text in the bill—

incurred or continued to purchase or carry obligations or securities—

And so forth. My amendment simply puts into the section a provision that if a taxpayer has incurred the indebtedness for the purpose merely of evading the tax, and that fact be found, he can not get his deductions.

Mr. NORRIS. I should like to ask the Senator in which line and after what word the amendment comes in.

Mr. REED of Missouri. I propose to insert my amendment after the word "indebtedness" on line 22, the last word in that line. I propose to insert the words "incurred or continued for the purpose of evading the payment of taxes, and also except interest"—

Then again go to the text, which reads:

incurred or continued to purchase or carry obligations or securities—

And so forth.

The PRESIDENT pro tempore. The Chair suggests that it will be necessary to reconsider the vote by which that amendment was concurred in before the amendment proposed by the Senator from Missouri will be in order.

Mr. SMOOT. I ask unanimous consent that the vote by which paragraph (2) was concurred in may be reconsidered.

The PRESIDENT pro tempore. The Senator from Utah asks unanimous consent that the vote by which the Senate concurred in the amendment on page 47, beginning in line 22,

shall be reconsidered. Is there objection? The Chair hears none and the vote is reconsidered. The Secretary will state the amendment proposed by the Senator from Missouri [Mr. REED].

The READING CLERK. On page 47, at the end of line 22, after the word "indebtedness," it is proposed to insert the words "incurred or continued for the purpose of evading the payment of taxes, and also except interest."

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. REED of Pennsylvania. Mr. President, I suggest to the Senator from Missouri that the last word in his amendment should be "indebtedness" and not "interest." One does not incur interest in order to carry certificates. The language of the text is "indebtedness incurred."

Mr. REED of Missouri. The Senator from Pennsylvania is correct. The word should be "indebtedness," instead of "interest," and I make that modification.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Missouri as he has now modified it at the suggestion of the Senator from Pennsylvania.

The amendment as modified was agreed to.

The PRESIDENT pro tempore. The question is upon concurring in the amendment made as in Committee of the Whole as now amended. Without objection, it is concurred in.

Mr. JONES of New Mexico and Mr. SIMMONS addressed the Chair.

The PRESIDENT pro tempore. The Senator from New Mexico.

Mr. JONES of New Mexico. In my printed amendment, which was adopted by the Senate, there was a wrong word used on page 9, line 12. The word "undisturbed" was printed in the amendment, but it should have been "undistributed."

Mr. SMOOT. I was going to call the Senator's attention to that error.

Mr. JONES of New Mexico. I move that on page 9 of the amendment, which is page 82 of the bill, the word "undisturbed" be stricken out and the word "undistributed" be inserted.

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from New Mexico.

Mr. SIMMONS. That matter can be adjusted in conference.

Mr. SMOOT. But we might as well make the change now. I suggest, however, to the Senator from New Mexico that in order to make the amendment it will be necessary to reconsider the vote by which the amendment was agreed to.

Mr. JONES of New Mexico. I ask unanimous consent that the amendment may be made.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the amendment is made.

Mr. JONES of New Mexico. On page 9 of the amendment, in order to meet the views expressed by the Senator from Colorado [Mr. ADAMS] the other night when we were discussing this amendment, after the word "year," I move to insert a comma and the following language:

plus (3) amounts retained to replace capital losses sustained after the enactment of this act, plus (4) amounts retained in compliance with law and the distribution of which is prohibited by law, plus (5) $10,000.

I ask that the proposal may be amended accordingly.

Mr. SMOOT. There is no objection to that, I think, although it takes some revenue out of the bill. That, however, seems to be the policy of the Senate, and I shall not object to it.

The PRESIDENT pro tempore. The Chair hears no objection, and the amendment is made accordingly.

Mr. JONES of New Mexico. Mr. President, if there is no other amendment pending, I merely wish——

Mr. SIMMONS. I wish to call the Senator's attention to the fact that we have not acted on the amendment proposing to increase exemptions.

Mr. JONES of New Mexico. If I may have about three minutes, I desire to say that I have been receiving letters and other Senators have been receiving telegrams regarding the proposed corporation tax which the Senate has now incorporated in the pending measure. I wish to make a short statement regarding the provision for that tax.

In the first place, of course, the corporation tax does not apply at all if the shareholders of the corporation seek or desire to make a return as a partnership, but if they do make a return as a corporation, then I make the following statement regarding the effect of the provision which has been incorporated in the bill:

First. The proposal does not apply to or affect in any manner accumulated surplus of corporations.

Second. The Republican proposal would impose a flat 14 per cent tax upon the net incomes of all corporations. The Democratic proposal is to reduce this flat tax to 9 per cent and impose a graduated tax upon the annual net income graduated according to the percentage of the net income retained after payment of dividends and all taxes, including the Federal tax. No surtax is imposed upon corporations whose net income does not exceed $10,000. In 1921, the last year for which any statistics are available but which was a year of depressed business, 171,239 corporations reported net income. Of this number, 135,987 reported net income of less than $10,000, all of which would pay no surtax under the Democratic proposal, and their taxes would thereby be reduced from 14 per cent to 9 per cent. The remaining 35,251 corporations would pay a surtax under the Democratic proposal. Of those which would be subject to a surtax a large number would pay less in taxes than under the Republican proposal. Under the graduation the corporation retaining 10 per cent of its total net income would pay no surtax. If 20 per cent were retained the surtax would amount to 2½ per cent of the amount retained. If 30 per cent should be retained, the surtax would be 5 per cent of the amount retained. If 40 per cent should be retained, the surtax would be 10 per cent of that amount. If 50 per cent should be retained, the tax on that amount would be 20 per cent. If 60 per cent or more should be retained, the tax on that amount would equal 40 per cent, which is the maximum rate of the surtax imposed upon individual income.

Third. Applying this plan to the corporation with a large income, it works out as follows: Assume a corporation with a net income for the year of $500,000. Under the Republican proposal this corporation would pay $70,000 as a normal tax whether distributed in dividends or not. Under the Democratic proposal this normal tax would be reduced to $45,000. If 10 per cent should be undistributed, there would be no additional tax. If 20 per cent, or $100,000, should be retained, the total tax would be $47,500. If 30 per cent, or $150,000, were retained, the total tax would be $52,500. If 40 per cent, or $200,000, were retained, the total tax would be $65,000. If 42 per cent, or $210,000, were retained, the total tax would be $70,200, or substantially the same as would be paid under the Republican proposal. It will thus be seen that under the Democratic plan all corporations with large incomes retaining undistributed less than 42 per cent of their total net income will pay less taxes than under the Republican proposal.

It thus clearly appears that all corporations doing business in a reasonable and normal way will pay less taxes under the Democratic proposal, but corporations which have been retaining undistributed an excessive amount of net income, generally for the purpose of evading taxation, will pay more.

Mr. RALSTON. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator.

Mr. RALSTON. I think I understood the first part of the Senator's statement. If I did, it is to the effect that corporations whose income is not in excess of $10,000 will pay no surtax.

Mr. JONES of New Mexico. They will not pay any surtax.

Mr. RALSTON. I noticed the first part of the Senator's statement in reference to the $10,000, and I am not sure that it was entirely clear on that point. I got the impression that if they had an income of $10,000 they would have to pay a surtax.

Mr. JONES of New Mexico. That is the amendment I proposed; but in order to simplify this statement I have made the statement on that point solely with reference to those who would not pay any tax if their total income was less than $10,000.

Mr. SIMMONS. Mr. President, at the time I presented the amendments with reference to the normal tax and the surtax, which have already been adopted, I presented an amendment fixing the exemptions. That I have not formally offered, and did not intend to offer, unless the surtax schedule presented by the minority was adopted.

I want to state—and I shall not discuss it at all—that the only difference between the exemption made by the amendment I am going to send to the desk and the House exemption is as to the allowance made a married man or a married woman. The House exemption is $2,500, with a proviso that if the income of the taxpayer exceed $5,000 it shall be only $2,000; that is, it is conditional. The taxpayer gets $2,000 exemption if he has an income of $5,000 or more, and if he has an income of less than $5,000 he gets the full $2,500. The amendment I propose to offer gives to a married man or woman a flat exemption of $2,500, and $1,000 to a single person, which is the same as under the House bill.

The difference is not very great, and yet it is somewhat material. It is important that this amendment should go along with the normal tax and surtax rates that we have adopted, because it was considered in connection with the making of those rates; and Senators who are familiar with the process know how important that becomes in connection with the revenue-producing qualities of normal and surtax rates.

Mr. KING. Mr. President, will the Senator yield?

Mr. SIMMONS. Yes.

Mr. KING. Has the Senator figured the loss of revenue that would result if his amendment were adopted?

Mr. SIMMONS. No; I have not. There will be some cases where, under the House bill, the taxpayer would get the benefit of the full $2,500, and some cases where he would not, and it would be reduced to $2,000. I suppose it would be very difficult to ascertain the amount. I do not say that it can not be done, but I have not had it done.

Mr. KING. Of course, if the Senator will pardon me further, he appreciates that with the reduction in the normal tax, and with the advantage resulting from the exemptions obtained for earned income, it is quite apparent that the Senate has dealt very generously with the taxpayer.

Mr. SIMMONS. Is the Senator opposed to this amendment?

Mr. KING. I was just trying to understand the effect of it, that was all. My inclination is not to support it, because I do not know its effect, and we have made so many invasions upon the revenue that we expected to raise.

Mr. SIMMONS. This is the amendment that I presented at the same time that I presented the surtax and the normal-tax amendments.

Mr. KING. Yes; I recall.

Mr. SIMMONS. I believe it is the same reduction that has generally been made heretofore—$2,500 for a married person. I do not think that is too much. I think it is very proper. The House has given it in certain cases and in other cases it has not given it.

That is all I care to say. I do not care to discuss the matter further. I send the amendment to the desk, and offer it.

Mr. KING. Mr. President, I may say in passing, while I have the floor, if the Senator has concluded, that at the outset I offered an amendment granting an exemption of $3,000 to married men and increasing the exemption for unmarried men, but in view of the liberal allowances in other directions and the low normal tax I did not press my amendment.

Mr. BRANDEGEE. Mr. President, we are operating now under a unanimous-consent agreement by the terms of which, if I understand it correctly, all debate upon the bill and all amendments must cease at 2 o'clock, and a vote must be then taken upon the bill and its amendments through the regular parliamentary stages to its final passage.

It is now 25 minutes of 2, and I assume that the rest of the time will be occupied in offering amendments and making remarks upon them, and inasmuch as no time limit is fixed upon Senators in so doing, I feared that I might not be able to get the floor upon the passage of the bill, or just prior thereto, in order to make a statement about what I intend to do in the way of voting on its passage. Therefore I take a minute now to make that statement, and this is all I shall have to say about it.

Mr. President, the bill is practically completed now, except for a few amendments, probably not of a very important nature. I regard it as such a departure from the so-called Mellon plan for the reduction of taxation, such a failure to comply with the recommendations of the President of the United States in his message to Congress, and altogether so unsatisfactory, that if it were now in its final form, and that were the end of it, I should be compelled to vote against it.

The bill, however, is going to conference on the disagreeing action of the House and the Senate; and therefore I regard my vote for the bill now not as a vote approving of the whole of the bill, but as a vote to send it to conference. I will say, however, that if the bill does not issue from the conference substantially improved in my opinion I shall unhesitatingly vote against the adoption of the conference report.

Mr. HARRIS. Mr. President, I want to make just a short statement about my position on the exemptions under this bill.

When the sixteenth amendment was passed it was never intended that we should tax people on small incomes like one or two thousand dollars. It never would have been adopted if the people had known that it would apply to such small amounts. It was intended to collect taxes from large incomes. I am going to vote for any amendment and every amendment that will raise the exemption as high as $5,000. I do not believe a married man should pay income tax until his income amounts to $5,000.

Last year, in going over my State, in every county I told the people that I would vote for and urge exemptions up to $5,000, and I will vote for any amendment raising them to that figure. If nothing is done along this line, I shall every session try to increase exemptions.

I have no more to say. The time is nearly up, and I do not want to take more of the time of the Senate.

Mr. MOSES. Mr. President, in the brief years of my service here I have seen three tax bills come to the moment of their final enactment, and I have cherished throughout the whole of that period the hope which is the nurse of young desires that I might at some time be able to vote for a tax bill. I can not vote for this one.

This measure bears no resemblance at all to the scientific and productive tax proposal which came to the Congress from the Secretary of the Treasury. It only slightly relieves any section of the country from the burdens under which all sections of the country have labored because of the existing tax law.

It does not take out any part of the unjust and inquisitorial features which mark the present tax law. On the contrary, we have added to it a new feature of inquisition which will become personal in its application, so that every Paul Pry, every Meddlesome Mattie who is competent to take a lead pencil and a slip of paper and perform the operation of addition and subtraction can tell with exactitude what every citizen pays for the personal maintenance of himself and his family. We have added to this bill by a conglomeration of votes, so that no party, no group may be held responsible, practically everything except the kitchen sink; and the bill, to be made perfect in its intent as thus made by nondescript majorities of the Senate, swept together for the purposes of the moment, needs only one more amendment, and that is to create a corporation with a capital of a billion dollars, all of which is to be subscribed by the Federal Government, and that that corporation should then have for its sole purpose the payment of the Federal taxes.

Mr. SMOOT. Mr. President, I do not think it will make any difference whether I call attention to what this amendment means or not, particularly if it is going to relieve some taxpayer from paying into the Treasury of the United States some money. Of course, I am opposed to the amendment offered by the Senator from North Carolina [Mr. SIMMONS]. It only means a further reduction of $15,000,000. That is a mere bagatelle.

I want to call the attention of the Senate to what has been done so far in relation to revenue by the amendments that have been offered. I find that the amounts which have been voted out of the bill, and the items, are as follows:

Radio, $10,000,000.
Provision affecting tax-exempt securities, $35,000,000.
Telegrams and telephone messages, $24,000,000.
Tax on corporations, $19,000,000.
Automobiles and accessories, $5,000,000.
Drafts and checks, $2,150,000.
The pending amendment, $15,000,000.

Or a total of $111,150,000, and as the bill was reported to the Senate it was short of raising sufficient money to meet the estimated expenditures of the Governemnt a little over $50,000,000.

Not only that, Mr. President, but we have pending, and there perhaps will be passed, the following bills:

The bonus bill, $135,000,000.
The pension bill, $58,000,000.
The bill for the reclassification of field employees, $10,000,000.
The deficiency appropriations, $10,000,000.
The postal-clerk bill, now on the calendar, $65,000,000.
The Veterans' Bureau bill, $32,000,000.
The District of Columbia surplus bill, $5,000,000.

The reduction of second-class postage rates we have already put into the bill. I have no definite estimate of the amount of revenue that will be lost by that amendment.

Mr. GLASS. What is the aggregate?

Mr. SMOOT. I am going to state that in just a moment.

Mr. President, it is all well enough to pass a bill facing these conditions, but I want the country to know what it means. Here we have a total of approximately $475,000,000. Is there any more that I need say? I hope that in conference some of these changes can be made.

Mr. CARAWAY. May I ask the Senator a question?

Mr. SMOOT. Certainly.

Mr. CARAWAY. I notice an estimate of $35,000,000 on tax-exempt securities. Will the Senator tell the Senate how he reached that?

Mr. SMOOT. I will be very glad to do so. The total amount of tax-free securities outstanding in 1924, other than United States Government bonds, is $13,000,000,000.

Interest paid thereon, $650,000,000.

United States bonds totally exempt, over $2,300,000,000.

Interest paid thereon, $80,000,000.

Total income free from Federal taxes, $730,000,000.

Estimated amount received by individuals, $600,000,000.

Amount received by individuals paying no surtax, $150,000,000.

Mr. CARAWAY. May I interrupt the Senator just there?

Mr. SMOOT. Yes.

Mr. CARAWAY. What provision of the bill would have reached that?

Mr. SMOOT. The one we just voted on a few moments ago.

Mr. CARAWAY. What information had the Senator——

Mr. SMOOT. If the Senator will wait; this is the estimate of the actuary of the United States.

Mr. CARAWAY. I did not want to interrupt the Senator, except that I wanted to get that information.

Mr. SMOOT. So that from the $600,000,000 dollars, the amount received by individuals paying no surtax, deducting a $150,000,000 we have a balance of $450,000,000 in that item.

Mr. HARRISON. Notwithstanding these figures, the Senator has stated to the Senate that he tried to reduce the surtax on the higher brackets from 40 per cent to 25 per cent.

Mr. SMOOT. Mr. President, if we had the surtax reduced, there is not a question in the world—at least there is not in my mind—that we would collect more money the coming year, whereas with the rate at 40 per cent we will not collect what is estimated, and after this year the returns will begin to decline, as they have in the past.

Mr. FESS. Will the Senator yield?

Mr. SMOOT. I yield.

Mr. FESS. In view of the deficit announced by the chairman of the Finance Committee, and in view of the violation of the principle in the surtax provision, and also in view of the abandonment of the protection against publicity, the penalty of which is $1,000, by this requirement for the publication of returns, and with a sort of a revival of the excess-profits tax as applied to corporations, how can the Senator vote for the bill?

Mr. SMOOT. Every Senator will have to use his own judgment in that matter.

Mr. RALSTON. Mr. President——

Mr. SMOOT. I would like to have this answer to the Senator from Arkansas completed, because I have not gotten half way through it, and it will be broken up. I would like to have it in consecutive order.

Mr. RALSTON. Very well.

Mr. SMOOT. There is a balance of $450,000,000. The amount received by individuals who have no losses, and who pay no interest that could be chargeable against this income is $230,000,000. That leaves a balance of $220,000,000. The amount held by individuals who can have losses or who can pay interest that would be chargeable against this income is $220,000,000. This amount, if not allowed to be deducted would pay surtax at a rate as high as, or most likely higher, than the maximum rate paid by these taxpayers, say, 16 per cent only. That is $35,200,000.

Mr. GLASS. But the Senator does not contend that because taxpayers can deduct losses to the extent of $200,000,000, necessarily that will be the case?

Mr. SMOOT. We say here an average of only 16 per cent, which is all we claim as being deducted. Therefore, I am quite sure that the estimate of the actuary of the Government is within bounds in saying that we will lose in the surtaxes, at 16 per cent, $35,200,000.

Mr. GLASS. Sixteen per cent of the total amount?

Mr. SMOOT. Sixteen per cent of the $220,000,000.

Mr. GLASS. That is what I mean.

Mr. SMOOT. I do not mean $220,000,000 as a loss. I simply average the rate at 16 per cent, and 16 per cent of the $220,000,000 is $35,200,000.

Mr. RALSTON. Mr. President, if the Senator is correct in saying that a reduction in surtaxes from 40 per cent to 25 per cent would bring the Government more money——

Mr. SMOOT. In the coming year.

Mr. RALSTON. Why would not a reduction to 15 per cent bring still more money?

Mr. SMOOT. For this reason, Mr. President, that at 15 per cent there would be no inducement for these people to return to tax-exempt securities. They would make no money there. I have taken the rate of interest for the last 50 years on first-class paper in the United States, and compared it for the same period of time with the return from tax-exempt securities, and I find that there is a difference of 32 per cent between the tax-exempt security rates during that period and the amount paid on first-class paper in the United States; and the 25 per cent and 6 per cent normal tax makes the 31 per cent. Whenever you get above that, the man whose income falls in the high brackets is going to purchase tax-exempt securities. You have left the door wide open, not only as to your surtaxes, for great, wealthy men and concerns to avoid taxes, but in the amendment that has just been voted in the bill, disallowing exemptions on the amount of interest upon tax-exempt securities, you have said to them, "Here is another opening whereby you can escape taxation."

A man can retire from business, whether he is a Rockefeller or any other man, and have all of his holdings in bonds and notes and securities drawing interest, and he can buy these tax-exempt securities and not pay a cent of taxes. It is not fair for me to take any more time.

Mr. HARRISON. Is the Senator arguing for or against the bill now?

Mr. SMOOT. I am saying to the Senator that I am in hopes that there will be a great many improvements in the bill in conference.

Mr. HARRISON. Is the Senator still going to vote for the provision in the bill giving a 25 per cent reduction in the taxes of this year?

Mr. SMOOT. That is in the bill.

Mr. HARRISON. I know it is. The Senator is still for that, notwithstanding what he said?

Mr. SMOOT. That money we already have.

Mr. CARAWAY. The Senator has expressed the hope of changes in conference. I thought it was the duty of each body to select as conferees those who believed in maintaining what that body did. If the Senator is to be a member of the conference, and now expresses the hope that the bill will be rewritten, it strikes me that some one else ought to go to conference with the bill.

Mr. SMOOT. Mr. President——

Mr. CARAWAY. Pardon me; I did not intend to take the Senator's time, but I thought the conferees were to represent the sentiment of the body which sent the bill to conference.

Mr. SMOOT. I might just as well be frank with the Senator and the Senate and everyone else. As long as I am a conferee—and I have been a conferee upon many bills—I stand for the bill as it passes the Senate. That is the only reason why I would vote for the bill.

Mr. CARAWAY. I thought the Senator expressed the hope that he would fail in conference.

Mr. SMOOT. I think that we ought to insist upon some of the amendments agreed to in the Senate.

Mr. TRAMMELL. Mr. President——

Mr. SMOOT. I yield the floor, because I think the Senator from Florida ought to have a chance to offer his amendment.

Mr. TRAMMELL. I would like to have an opportunity to offer an amendment, at least. I thank the Senator. I want to propose an amendment.

The PRESIDENT pro tempore. There is an amendment already pending. The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. SIMMONS].

Mr. WALSH of Massachusetts. I desire to make a few observations upon this bill.

Mr. TRAMMELL. Mr. President, a parliamentary inquiry. Will my amendment be in order, although the debate is to close at 2 o'clock?

The PRESIDENT pro tempore. The Chair does not want to anticipate a ruling upon that question.

Mr. WATSON. What is the proposition?

Mr. TRAMMELL. I ask if I can propose an amendment after 2 o'clock, although debate closes at 2 o'clock. That is the inquiry.

The PRESIDENT pro tempore. The Chair is in grave doubt about it. Every Senator will have to consult the unanimous-consent agreement.

Mr. TRAMMELL. I have sent the amendment to the desk, and I hope to have it considered, if it can be considered.

Mr. SIMMONS. I would like to have the amendment which I have offered stated.

The PRESIDENT pro tempore. The Chair has not ruled as yet on the question asked by the Senator from Florida. The Secretary will read the amendment offered by the Senator from North Carolina, which is the pending amendment.

The READING CLERK. On page 54, the Senator proposes to strike out lines 23, 24, and 25, and lines 1 to 13, both inclusive, on page 55, and to insert:

(c) In the case of a single person, a personal exemption of $1,000; or in the case of the head of a family or a married person living with husband or wife, a personal exemption of $2,500. A husband and wife living together shall receive but one personal exemption. The amount of such personal exemption shall be $2,500. If such husband and wife make separate returns, the personal exemption may be taken by either or divided between them.

The PRESIDENT pro tempore. The Senator from Massachusetts has the floor.

Mr. SIMMONS. I do not understand that there will be any opposition to my amendment.

Mr. SMOOT. I do not want to call for a yea and nay vote on it.

Mr. SIMMONS. I will be satisfied with a viva voce vote.

Mr. WALSH of Massachusetts. I desire to make a few observations upon the bill as a whole, and I have only four minutes.

Mr. SIMMONS. Let the pending amendment be acted on.

Mr. WALSH of Massachusetts. The Senator can have it acted upon after 2 o'clock. I can not speak after 2 o'clock.

Mr. SIMMONS. Very well.

Mr. HARRIS. Will the Senator let the President pro tempore decide whether amendments can be offered after 2 o'clock?

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Georgia?

Mr. WALSH of Massachusetts. I yield to have the Chair inform the Senator whether amendments can be offered after 2 o'clock.

The PRESIDENT pro tempore. The Chair does not want to anticipate a ruling. Every Senator can construe for himself the unanimous-consent agreement.

Mr. HARRIS. I have sent an amendment to the desk.

Mr. WALSH of Massachusetts. Mr. President, I desire to make a few observations on this bill before the final vote.

Congress has been from the first unanimous on the desirability of reducing taxes. There has been no party conflict on that. Controversies have arisen only over the methods and means proposed. The problem is one of equitable reduction.

Every tax problem is essentially a question of distributing the burden of the tax. In this bill the question has been, Shall we reduce the taxes of heavy-income earners at the same rate and in the same proportion as on smaller incomes, or should large incomes be favored and a tax program be adopted entailing a greater reduction for the very rich and a smaller reduction for the person of moderate wealth? These are the only possible directions in which this tax-reduction legislation could go, in view of the two alternative propositions from which we must choose.

The program of the Secretary of the Treasury, known as the Mellon plan, approved by the majority of the Finance Committee, recommended large cuts in the tax on large incomes and recommended comparatively small cuts in the existing rate on moderate and low incomes. The object of that program was immediate relief to the earners not merely of large incomes but of extremely large incomes.

Approving of the principle of lighter taxes for inconsiderable incomes and appreciably higher rates for excessive incomes, I could not support in toto the Mellon plan.

A few illustrations show the nature of the unfair and disproportionate reductions under the so-called Mellon and Senate Finance Committee plan:

The Mellon plan reduces the tax on an income of more than $1,000,000, 50 per cent; $1,000,000, 45 per cent; $200,000, 41 per cent; $60,000, 25 per cent; $50,000, 23 per cent; $40,000, 22 per cent; $30,000, 24 per cent; $20,000, 27 per cent. Is this a just and right reduction?

The plan the Senate has voted favorably upon and which I supported reduced the tax on an income of $1,000,000, 21 per cent; $200,000, 24 per cent; $100,000, 24 per cent; $80,000, 27 per cent; $50,000, 28 per cent; $40,000, 30 per cent; $30,000, 33 per cent; $20,000, 39 per cent. If this is inequitable, is it not because the larger benefits of reduction have been given to those less able to pay?

Under the Mellon and committee plan the tax bill of one with an income of $100,000 is reduced $10,320. The plan the Senate adopted and which I voted for will reduce the tax on the same amount of income $7,522.

The tax on an income of $20,000 under the Mellon plan will be reduced $482.50. The plan the Senate voted for will reduce it $702.

A close analysis of the Mellon plan shows an unwarranted and deliberate preference to those most able to pay. It is the group of manufacturers, business, and professional men and women with an income varying from $10,000 to $75,000 who would feel most in the future the shift in the tax burdens resulting from the Mellon plan. It is this group and those with even smaller incomes that I have by my vote sought to prevent having shifted to them the extra burdens caused by the excessive reductions to the extremely wealthy class.

In the State of Massachusetts 505 persons would be benefited by a vote for the Mellon plan instead of the plan adopted by the Senate, while the plan the Senate voted for will benefit 387,937 taxpayers more than Mr. Mellon's plan would have done. Other States show a similar record. But even these 505 taxpayers will have their taxes under the plan the Senate voted for reduced about 25 per cent this year and a like amount next year.

How little ground there is for complaint by the excessive income taxpayers is apparent from a comparison of the tax on an income of $100,000 under each plan. The tax on this amount under existing law is $30,140; under the Mellon plan it is $19,817; under the plan accepted by the Senate it is $22,617.

Finally, with conditions in the revenues of the country permitting a general average reduction to all taxpayers of about 25 per cent, I could not accept as equitable and just to the 6,000,000 other taxpayers an arrangement that gave 50 per cent reduction to the few whose total wealth averages in excess of $20,000,000 each. I have not been convinced that the multimillionaire class are entitled to 50 per cent reduction in this tax bill while all with moderate incomes would receive about one-half that reduction, to wit, 25 per cent.

The only argument made for such a disproportionate reduction is that if the heaviest taxpayers do not get what they want they will go on strike against the Government by investing in tax-exempt securities. It is a threat to injure and destroy prosperity and a lockout against government by majority rule. This position is selfish and unpatriotic.

The PRESIDENT pro tempore. The hour of 2 o'clock having arrived, debate under the unanimous-consent agreement is closed. The question is upon the amendment proposed by the Senator from North Carolina [Mr. SIMMONS].

On a division the amendment was agreed to.

Mr. TRAMMELL. I have sent to the desk an amendment which I now offer.

The PRESIDENT pro tempore. The Chair is in grave doubt whether any further amendment can be offered to the bill under the unanimous-consent agreement, which provides that—

It is agreed by unanimous consent that the Senate take a recess until 11 o'clock a. m. to-morrow, and not later than 2 o'clock to-morrow shall proceed without further debate to vote upon the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, and all pending amendments thereto.

There can be but one pending amendment, and therefore the Chair is constrained to put rather a liberal interpretation upon the unanimous-consent agreement and will receive and hold in order all amendments that may be offered to the bill.

The Senator from Florida [Mr. TRAMMELL] offers an amendment, which will be stated.

The READING CLERK. On page 50, line 9, after the word "obsolescence" and the semicolon, add the following:

A reasonable allowance for depreciation or deterioration of farm and fruit grove or fruit orchard improvements.

The amendment was rejected.

The PRESIDENT pro tempore. The Senator from Georgia [Mr. HARRIS] has offered an amendment, which the Secretary will report.

The READING CLERK. Add at the proper place in the bill a new section, to read as follows:

SEC. —. That there shall be levied, assessed, collected, and paid in respect of the excess over the sum of $500 which any person, family, firm, association, or corporation shall give, advance, pay, expend, subscribe, or contribute in the aggregate during any taxable year for the purpose, directly or indirectly, of influencing the nomination or defeat of any candidate or candidates for nomination, or the election or defeat of any candidate or candidates for office, or the success or defeat of any proposition, to be voted upon at any primary election or general or special election at which candidates for Members of the House of Representatives or for United States Senator or presidential electors are to be nominated or elected, a tax equal to 1,000 per cent of such excess; such expenditures or contributions to include all sums in any form contributed, subscribed, advanced, expended, paid, or given to or for or against such candidate, candidates, or proposition or to or for party or other political committees or campaign funds, but not to include lawful expenditures made by such candidates or regular political committees or out of such campaign funds of moneys lawfully contributed to them.

Every person, firm, and corporation required by law to make an income-tax return shall state therein specifically each item and the date thereof of all gifts, advances, expenditures, subscriptions, payments, and contributions made, and to whom, for the purpose of influencing the result of such primary and general elections and of all taxes due thereon under the provisions of this section. And the treasurer or chairman of all State or congressional committees and of all political committees, as defined in the act of Congress approved June 25, 1910, entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," and of all associations or committees organized to promote or prevent, or engaged in promoting or preventing, the nomination or election of any candidate for Member of the House of Representatives or of the Senate of the Congress of the United States or for presidential elector or electors, shall within 30 days after the election to be held therefor file with the collector for the district where the headquarters or other office where such committee or association is located a return stating specifically all sums of money received, from whom received, and the date thereof.

The amendment was rejected.

The PRESIDENT pro tempore. The Senator from Pennsylvania [Mr. REED] has offered an amendment, which will be stated.

The READING CLERK. On page 31, after line 20, insert:

(c) At the option of the taxpayer, his earned income may be separately reported and taxed as capital net gains are reported and taxed under section 208, paragraph 7 (b).

The amendment was rejected.

The PRESIDENT pro tempore. The Senator from Pennsylvania [Mr. REED] has offered another amendment, which will be stated.

The READING CLERK. On page 47, line 2, strike out the period and insert a semicolon, and after line 2 insert a new paragraph to read as follows:

(14) The amount received by any individual citizen of the United States during any taxable year during which he has, in the course of his employment, lived without the United States, as compensation for services performed by him in respect to trade or business transactions wholly or partly without the United States, and paid by any individual residing in the United States or by any domestic corporation or partnership: *Provided*, That an individual shall be deemed to have lived without the United States during a year, although he may have spent in the United States not more than three months in all in such year.

The amendment was rejected.

The PRESIDENT pro tempore. If there be no further amendments to be offered, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. McKELLAR and Mr. SMOOT and Mr. SIMMONS demanded the yeas and nays.

The yeas and nays were ordered and taken.

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. If he were present, he would vote "yea."

Mr. ERNST. I have a general pair with the senior Senator from Kentucky [Mr. STANLEY], who is absent. If I were permitted to vote, I would vote "nay."

Mr. NORRIS. I desire to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Senate on account of illness. If he were present, he would vote "yea."

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. STANLEY] is paired with the junior Senator from Kentucky [Mr. ERNST]. If the senior Senator from Kentucky were present, he would vote "yea."

I also desire to announce that the senior Senator from Oklahoma [Mr. OWEN] is paired with the senior Senator from Illinois [Mr. McCORMICK]. If present, the Senator from Oklahoma would vote "yea."

I wish to announce also that the junior Senator from New York [Mr. COPELAND] is unavoidably absent. If he were present, he would vote "yea."

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. WHEELER] is paired with the senior Senator from West Virginia [Mr. ELKINS]. If my colleague were present, he would vote "yea."

The result was announced—yeas 69, nays 15, as follows:

YEAS—69

Adams	Frazier	Ladd	Simmons
Ashurst	George	McKellar	Smith
Bayard	Gerry	McLean	Smoot
Borah	Glass	McNary	Spencer
Brandegee	Gooding	Mayfield	Stanfield
Brookhart	Hale	Neely	Stephens
Broussard	Harreld	Norris	Sterling
Bruce	Harris	Oddie	Swanson
Bursum	Harrison	Overman	Trammell
Capper	Heflin	Pittman	Underwood
Caraway	Howell	Ralston	Walsh, Mass.
Curtis	Johnson, Calif.	Ransdell	Walsh, Mont.
Dale	Johnson, Minn.	Reed, Mo.	Warren
Dial	Jones, N. Mex.	Robinson	Weller
Dill	Jones, Wash.	Sheppard	Willis
Fernald	Kendrick	Shields	
Ferris	Keyes	Shipstead	
Fletcher	King	Shortridge	

NAYS—15

Ball	Edge	Moses	Reed, Pa.
Cameron	Fess	Norbeck	Wadsworth
Colt	Lodge	Pepper	Watson
Cummins	McKinley	Phipps	

NOT VOTING—12

Copeland	Elkins	La Follette	Owen
Couzens	Ernst	Lenroot	Stanley
Edwards	Greene	McCormick	Wheeler

So the bill was passed.

Mr. LODGE subsequently said: Mr. President, I shall detain the Senate but a moment. I was unable this morning to get an opportunity to make any statement in regard to my vote on the revenue bill. There is no measure that I have been so anxious to see passed and tried so hard to have passed as the bill which has just gone through the Senate. I voted against it because in its present form it seemed to me to be a very bad bill in many respects. By amendments which were adopted on the floor the Mellon rates were destroyed; the bill makes a great addition to corporation taxes; it introduces provisions for publicity which, if carried to the extent to which they may be carried, will tend to paralyze business throughout the country; it eliminates taxes that ought to be retained, and puts the revenue at such a distance from the surplus which we were supposed to be removing that it will inevitably, in my opinion, bring about the necessity of loans within the coming year. I thought it was such a bad bill in the form which it took before it left the Senate that I considered it my duty to record my vote against it.

Mr. SMOOT. Mr. President, in order to hasten the consideration of the bill which has just been passed, so that the conferees may at once get to work upon it, I ask unanimous consent that the bill may be printed with the Senate amendments numbered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the bill will be so printed.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

Mr. JONES of Washington. I now ask that the Senate resume the consideration of House bill 8350.

Mr. EDGE. Mr. President, will the Senator from Washington yield to me?

Mr. JONES of Washington. I should like first to have the bill laid before the Senate for consideration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington? The Chair hears none.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

Mr. EDGE. Mr. President, I simply desire to announce that I had intended to make an effort to have Senate bill 1898, to adjust the salaries of postal employees, made the unfinished business. I, however, do not wish in any way to interfere with the consideration of the appropriation bill, but I hope the Senator in charge of the pending appropriation bill may give me an opportunity at some time to get the bill which I have named before the Senate for consideration, as was done with the Veterans' Bureau bill.

Mr. JONES of Washington. I wish to say to the Senator from New Jersey that I do not expect that it will take very long to dispose of the pending bill. There are only three or four amendments which are unacted upon.

Mr. WARREN. Mr. President, replying to the suggestion of the Senator from New Jersey, I desire to say that I shall not be able to consent that any bill shall be made the unfinished business unless it be with the understanding that it shall at any time give way for the consideration of appropriation bills.

Mr. EDGE. I will say to the Senator from Wyoming that I have no desire to displace an appropriation bill; but, as was permitted in the case of the Veterans' Bureau bill, I thought from time to time I might get an hour or so at the end of the day to have the bill to which I have referred considered and passed.

Mr. WARREN. I desire further to say that I do not desire that any bills shall take precedence of appropriation bills.

Mr. ROBINSON. Mr. President, it will not be possible this afternoon to pass any measure other than the appropriation bill which is in charge of the Senator from Washington [Mr. JONES]. A tentative arrangement has been effected in that particular. There will be no objection to the Senator from New Jersey getting his bill up next week, but it can not be done this afternoon.

Mr. EDGE. I will say to the Senator from Arkansas that I have no desire to bring the bill up to-day. I merely wished to bring it to the attention of the Senate so that Senators would anticipate that it would be brought up in the near future. I myself have other engagements for the remainder of to-day.

The PRESIDING OFFICER (Mr. LADD in the chair). The Secretary will state the first amendment passed over on the pending bill.

The first amendment passed over was, on page 50, at the beginning of line 19, to strike out "$385,000" and to insert "$400,000," so as to read:

Promoting commerce, Europe and other areas: For all necessary expenses, including investigations in Europe and other areas, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, purchase of books of reference and periodicals, maps, reports, documents, plans, specifications, manuscripts, newspapers (both foreign and domestic) not exceeding $400, and all other publications for the promotion of the commercial interests of the United States, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to further promote and develop the foreign and domestic commerce of the United States $400,000, to be expended under the direction of the Secretary of Commerce.

The amendment was agreed to.

The next amendment passed over was, on page 52, line 20, after the words "Secretary of Commerce," to strike out "$213,000" and to insert "$253,000," so as to read:

Promoting commerce in the Far East: To further promote and develop the commerce of the United States with the Far East, including personal services in the District of Columbia and elsewhere, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, maps, newspapers (both foreign and domestic) not exceeding $400, and all other publications, rent outside of the District of Columbia, traveling and subsistence expenses of officers and employees, and all other incidental expenses not included in the foregoing, to be expended under the direction of the Secretary of Commerce, $253,000.

The amendment was agreed to.

The next amendment passed over was, on page 53, line 22, after the word "therewith," to strike out "$582,550" and to insert "$625,000," so as to read:

Export industries: To enable the Bureau of Foreign and Domestic Commerce to investigate and report on domestic as well as foreign problems relating to the production, distribution, and marketing in so far as they relate to the important export industries of the United States, including personal services in the District of Columbia, traveling and subsistence expenses of officers and employees, purchase of furniture and equipment, stationery and supplies, typewriting, adding, and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside District of Columbia, and all other incidental expenses connected therewith, $625,000.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, I desire to submit a request for unanimous consent which will not make necessary the calling of the roll. I ask unanimous consent that, at the conclusion of the consideration of the bill now before the Senate, the Senate shall adjourn or take a recess at the pleasure of the Senator from Washington [Mr. JONES].

Mr. WADSWORTH. I desire it to be understood that if the pending bill is finally disposed of this afternoon I shall move that the Senate proceed to the consideration of the War Department appropriation bill, not, however, with the purpose of considering the bill this afternoon.

Mr. ROBINSON. I shall make no objection to that if an understanding may be had that after the pending bill shall have been disposed of no further business will be transacted except to take up and make the unfinished business the bill which the Senator from New York has in mind.

Mr. CURTIS. Mr. President, I hope there will be no agreement to take a recess, because I think we should have a morning hour for the consideration of the calendar on Monday next.

Mr. ROBINSON. Very well. I myself suggested either an adjournment or a recess.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent of the Senator from Arkansas?

Mr. KING. What is the question, Mr. President?

Mr. ROBINSON. I have asked unanimous consent that the Senate take an adjournment at the conclusion of the consideration of the pending bill until Monday at 12 o'clock. I hope there will be no objection to the request, for, if there should be, it would disarrange the plans of Senators.

The PRESIDING OFFICER. The Chair hears no objection, and the agreement is entered into.

Mr. McNARY. Mr. President, a few evenings ago when this bill was under consideration I moved an amendment to the committee amendment on page 51, line 14, by striking out "$181,000" and inserting "$250,000." At that time I was advised that the amendment had gone over on the request of the junior Senator from Utah, but subsequently I was informed that the Senate had acted upon it.

Mr. JONES of Washington. To what page does the Senator refer?

Mr. McNARY. To page 51, line 14.

Mr. JONES of Washington. The amendment there has been disposed of.

Mr. McNARY. Then, I assume, in view of my misinformation, that I may move that the vote whereby the amendment was agreed to may be reconsidered, in order that I may offer my amendment to the amendment?

Mr. JONES of Washington. If the Senator shall ask unanimous consent to reconsider, I will offer no objection.

Mr. McNARY. I make that request.

The PRESIDING OFFICER. Is there objection? The Chair hears none and the vote by which the amendment was agreed to is reconsidered.

Mr. LODGE. Mr. President, what is before the Senate at this moment?

The PRESIDING OFFICER. The committee amendment on page 51, line 14, is before the Senate.

Mr. McNARY. The amendment of the committee having been reconsidered I wish to propose at this time an amendment to it.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon to the amendment of the committee will be stated.

The READING CLERK. On page 51, line 14, the Senator from Oregon proposes in lieu of the amount recommended by the committee to insert "$250,000."

Mr. JONES of Washington. Mr. President, I should like to have some explanation of that large proposed increase.

Mr. McNARY. Mr. President, under the present appropriation the district and cooperative office service can not extend its very valuable work. I wish this item to be increased so that one office may be located in Portland, Oreg., which has a large commerce and is entitled to have a district office located there. It is necessary, of course, to have the amount increased in order that there may be located in that city one of these offices so badly needed there. I hope the Senator from Washington will allow the amendment to go to conference at any rate.

Mr. JONES of Washington. Mr. President, I could not hear the Senator and did not understand the reasons which he advanced for the increase in the appropriations. I should like to have the Senator state again why he wants the amount increased to $250,000.

Mr. McNARY. I desire to have that increase made so that this service may be extended. The money made available in the bill will merely enable the work now being carried on to be continued without permitting a very necessary extension of the service. The amount I suggest will enable the department to establish such offices in various localities and cities that are in need of it throughout the country, but I particularly have in mind Portland, Oreg. The commerce of that city has developed rapidly in the last few years and the service is needed there.

Mr. KING. Mr. President, I should like to inquire what functions this particular district and cooperative office serv-

ice performs? I have felt that the Department of Commerce was extending its operations without bringing any particular results and multiplying its force without increasing the commerce of the country.

Mr. McNARY. I beg the Senator's pardon; I did not catch his question.

Mr. KING. I asked what particular function the district and cooperative office service performed?

Mr. McNARY. It collects data useful to shipping men, merchants, brokers, commission men, and others dealing in foreign products and selling and disposing of imported articles. It is a very necessary agency in connection with the whole scheme of commerce, both foreign and domestic.

Mr. KING. I will say to the Senator that with the multitude of chambers of commerce and various departments of Government collecting statistics, including the Census Bureau, it seems to me that this particular organization is wholly unnecessary; that it is a vermiform appendix that we might just as well get rid of.

Mr. JONES of Washington. Mr. President, I desire to state that the Commerce Department urged a larger appropriation in order to establish an office at Detroit and two or three on the Pacific coast. The committee felt that the office in Detroit was all that we were justified in providing for at this time; that on account of the manufacturing enterprises there that city should have first consideration. We were very favorably inclined toward additional service on the Pacific coast, but on account of the industries in and around Detroit and their tremendous value and the desirability of extending their export to foreign countries and securing a market for them, we felt that that should be the one that should be taken care of, and so we merely provided an increased appropriation for that one office rather than for offices at three or four different places.

Mr. KING. Mr. President, I did not obtain from the able Senator from Washington or the able Senator from Oregon the information I was seeking. I address myself now to the Senator having the bill in charge.

I think the Senator should bear in mind the very impressive statement made a few days ago by the Senator from New York [Mr. WADSWORTH] that in his State—and I know it is true in many other States—the State officials are confronted with the very serious proposition of being able to raise adequate revenue to meet the expenses of the State and its political subdivisions. Indeed, so difficult was the problem in one of the States that the governor, in despair, had even suggested an income tax for municipalities.

The Senator is familiar with the fact that in 1866 about 25 to 26 per cent of the taxes derived by the States came from sources other than lands and what might be called corporeal hereditaments. Now, but 1 per cent and a fraction come from property of the character just referred to, and the residue—that is, nearly 99 per cent—comes from land and landed estates.

Notwithstanding the difficulties which the States and the cities are encountering in meeting pressing necessities, and the difficulty which the Government is encountering in meeting its expenditures, we go along here in a blithe manner increasing expenditures. The States have increased their appropriations from 167 per cent to, in some instances, nearly 500 per cent—and when I say "States," I mean States and the political subdivisions thereof—during the past five or six years. The Federal Government since 1916 has increased its appropriations from approximately $988,000,000 to considerably more than $4,000,000,000.

This bill carries many millions of dollars more for these departments than were appropriated a year ago. Instead of diminishing our appropriations as we recede from the war period in some departments it looks as though we are increasing them.

I confess to a lack of understanding of the attitude of the Appropriations Committee when they bring before us these bills calling for enormous appropriations. The Senator from Massachusetts [Mr. LODGE] has directed attention to the fact—and I think it is a fact—that the bill which we passed to-day will leave a deficit of at least $200,000,000 and perhaps more. In our tenderness for certain corporations and organizations from which revenue ought to have been derived we have rendered them immune from taxation under the provisions of the bill just passed.

By that I do not mean to say that the bill does not have meritorious provisions. It is a very much better bill than the one which was introduced into the House, and a better bill than the one which came from the House to the Senate; but I want to ask the Senator—who is a conscientious Senator and takes his responsibilities with seriousness—how he expects the Government to meet these expenditures; how he expects the people who bear the burdens of taxation to meet them when we are pressing more and more upon their bowed backs these tremendous burdens.

This bill, I repeat, calls for more appropriations, and every department and every agency seeks, apparently, more appropriations.

A few moments ago I hastily looked through the appropriations carried in this bill for the Department of Justice—millions and millions, and it seems to me several millions that are wholly unnecessary. The item before us has been increased by the Senate, and the Senator from Oregon proposes to increase it substantially $100,000 more. What functions, I ask the Senator, does this organization serve?

We have our acute business men. The difficulty now is that we do not have sufficient foreign trade and commerce or domestic trade and commerce. We can have all the Government officials we please—and we have several hundred thousand more than we ought to have—and we are not going to expand our trade and commerce. If we will begin retrenchment and reform, and cut down the expenses of the Government, and excise from our legislation many of the appropriations carried, and abolish a great many of the boards and bureaus and instrumentalities now existing, we shall be doing a public service, we shall be reducing taxes, and to that extent relieving the people of the burdens now resting upon them.

Mr. JONES of Washington. Mr. President, I have sent for the report, because it was lost. This bill increases by $293,000 the appropriations as made in the House for the Department of Commerce. That is the total increase made by all the amendments in the bill to the appropriations for the Department of Commerce as the bill passed the House. We think we held down these appropriations just as low as we could, consistently with the good of the service.

Mr. President, economy is not served wholly by a mere reduction in appropriations. Economy is served when the best interests of the service are promoted by the appropriations, with the appropriations kept, of course, as low as possible.

Take the particular item that we have here. The Senate increased the item of the House bill only, I think, $15,000, and that item, as it passed the House, was $64,000 lower than the estimate of the Budget. In other words, the Bureau of the Budget estimated for this service $230,000. The House gave them $160,000. We increased it by $15,000, simply for the purpose of adding the service performed by this bureau or branch of the department at one other locality in the United States, and that locality is the city of Detroit.

This service is described by the Secretary as the background for all of our foreign service. In other words, it is, in a way, the foundation upon which our export trade is built up. Everybody knows the commercial development of the city of Detroit, and the wonderful possibilities that exist for extending our trade in the manufactured products that come from that city. So the committee concluded that it was wise—not that it was an extravagant expenditure, but that it was an economical expenditure—to provide sufficient appropriations to provide an office to look after and promote the export trade in the products of the industries at Detroit. The committee thought that would be a wise and economical expenditure, and so we added $15,000 to the bill for that purpose.

The Secretary himself urged that we provide appropriations for a couple of other points on the Pacific coast, one at Portland and the other, I think, at Los Angeles. The committee would have liked to put in a sufficient amount of money for those places; but in the interest of economy, of which the Senator is earnestly in favor, we kept out the appropriations for those two places, and simply put in one for Detroit, the importance of which in a manufacturing way everybody, of course, must recognize.

Mr. KING. Mr. President, let me ask the Senator if he thinks that any clerk or official of the Department of Commerce can aid Henry Ford in selling his cars and tractors? The trouble is that many of these Government officials are a clog to business, instead of aiding in its development. In other words, the business men of the United States do not need a lot of Government clerks and Government employees to aid them in their business activities. They know so much more about their own needs and about their business and about their markets than the employees that the Government has, that all of the appropriations which we are making, in my judgment, do not facilitate foreign trade or domestic trade.

Mr. JONES of Washington. Mr. President, if I thought the appropriations made in this bill were not wise and did not aid in the development of our trade and its expansion, I should be against them. I should be in favor then of just cutting out all these appropriations; but I think the testimony of our business men and the testimony of the officials who are in touch with the activities of the Department of Commerce all go to bear out the conclusion that this agency when properly conducted and economically handled is a very wise expenditure of the Government's money, and a great deal of testimony was taken before the House committee wherein many examples are given of the results coming directly from the efforts of our agents in the expansion of business.

Mr. President, I do not pretend to be an expert in business matters. I do not pretend to have expert knowledge with reference to the influences and the means by which commerce is extended throughout the world. I do know, however, that men who are acquainted with these conditions and the principles that underlie them and underlie these policies believe that the service given by the Department of Commerce is wise from a governmental standpoint, and that it promotes the prosperity of our country and the development of our business.

I am willing to take their judgment. I must take their judgment. I am not sure but that the committee probably made a mistake in not making the appropriation as large as is proposed by the amendment of the Senator from Oregon; but in the interest of economy, in the interest of the very thing that the Senator from Utah seeks, and for which I commend him most highly, the committee made an increase of only $15,000 in this item.

Mr. DIAL. Mr. President——

Mr. JONES of Washington. I yield to the Senator from South Carolina.

Mr. DIAL. Can we not cut down by about half the appropriation for printing up there? They flood us with too much type. They are sending out so many of those documents that it must be pretty expensive to print them, and it must take a considerable force to get up the information. I look on a great deal of it as absolutely unnecessary and a useless expenditure of the money of the taxpayer. I hope we can cut that down by about half. I think half of those documents would be plenty.

Mr. JONES of Washington. I can conceive of other places where we could cut down on printing very much more wisely than we probably could cut down in connection with the Department of Commerce.

The PRESIDING OFFICER. The pending question is the amendment offered by the Senator from Oregon [Mr. McNARY] to the amendment of the committee.

Mr. KING. The Senator from Washington does not accept it?

Mr. JONES of Washington. Oh, no.

On a division, the amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is on the amendment of the committee.

The amendment of the committee was agreed to.

Mr. KING. May I inquire of the chairman whether the amendment on line 19, page 50, was agreed to?

Mr. JONES of Washington. I think all of the amendments have now been agreed to.

Mr. KING. May I inquire of the chairman as to the item of $1,007,092.51 on page 93? Is there any law that calls for an appropriation so large as that?

Mr. JONES of Washington. I think so. I think that is to carry out the express provision of the act known as the maternity act.

Mr. KING. Have there been any additions of salaries or employees?

Mr. JONES of Washington. I think not. I think probably the employees come under the reclassification act.

Mr. WADSWORTH. How much was that?

Mr. KING. One million seven thousand and ninety-two dollars and fifty-one cents. My understanding was, when that bill was passed, that it was to cost us only a few thousand dollars.

Mr. JONES of Washington. The Senator is mistaken about that.

Mr. KING. By that I mean less than $200,000.

Mr. JONES of Washington. The Senator has in mind some other act, because the appropriation for the current year was $1,242,140, and this is a decrease from that.

Mr. KING. How was that distributed?

Mr. JONES of Washington. What does the Senator mean?

Mr. KING. To what States?

Mr. JONES of Washington. I could not tell the Senator that.

Mr. KING. Does the Senator know what part of it was consumed in the District of Columbia?

Mr. JONES of Washington. I can not tell the Senator, but I think very little in the District of Columbia.

Mr. KING. For officials of the Government?

Mr. JONES of Washington. I would have to look through the House hearings. The committee did not question that, because it was estimated, and they gave according to the estimate of the Bureau of the Budget. I believe they went into these matters very carefully before the House committee, and the Senate committee was not disposed to increase the amount, so we did not go into an examination of the details of the expenditures.

Mr. KING. What interpretation does the Senator place upon the proviso to the provision just referred to, that the apportionments in the States and to the Children's Bureau for administration shall be computed on the basis of not to exceed $1,240,000?

Mr. JONES of Washington. "As authorized by the act entitled an act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes."

Mr. KING. Is that $1,240,000 connected in any way with the $1,007,000? What is the relation of those two sums?

Mr. JONES of Washington. I can not tell the Senator.

Mr. KING. Is it aimed to appropriate $2,000,000, plus?

Mr. JONES of Washington. No. As I understand it, this $1,007,000 is to be apportioned to the different States on the basis set out in this language. That fixed the apportionment to the various States of the $1,007,092.50.

Mr. KING. I wanted to ask the Senator with respect to the appropriation of $3,500,000 for the census of agriculture. In view of the very elaborate reports that are constantly submitted by the Department of Agriculture, and in view of the great army of employees, the Agricultural Department has, which can be found in every State of the Union, and in almost every county and hamlet, is it not equipped to furnish the information desired, and does it not furnish the information desired? If not, is not the Census Bureau, which functions all the time, with its thousands of employees, with its machinery still in operation, able to furnish the information desired with the ordinary appropriations which are made to that department?

Mr. JONES of Washington. Mr. President, the Senator knows that the population census is taken every 10 years, and of course we have a much larger force when the census is under way than we do in the permanent force. This refers to the 1925 agricultural census, which is taken, as I understand it, on the fifth year, between the taking of the population census. We take the population census every 10 years—1890, 1900, 1910, 1920, and so on. Then we have a provision in the law for taking an agricultural census, as I understand it, in the intermediate periods—in 1915, 1925, and so on. That is supposed to be taken within a certain period of time. I am not sure about the exact time, but I think it is about six months. Of course, we must increase the force in order to do that; and in order to make the information that is gained of benefit, it must be gathered within a certain period of time. So we must make a larger appropriation in order to do the work within that period of time. That is the reason for this appropriation.

Mr. KING. It seems to me that the information is too meager to justify this large appropriation.

Mr. JONES of Washington. The House hearings were quite extensive. I find the subject covered on page 140 of the House hearings. I can read it to the Senator if he would like to have that part of it read, but I have stated the substance of the reason for this. It has been deemed wise by Congress to provide for an agricultural census, as I understand it, at the midway point between the regular population censuses, and until we do away with that law, we expect the census to be taken. It has been deemed important to have a special census of agriculture and agricultural development, and this is to carry that out.

Mr. KING. Mr. President, I stated a moment ago that this bill carried millions of dollars more than are to be found in corresponding bills at the last session of Congress. I know that any effort to secure reductions in appropriations will be futile. If Senators want to increase appropriations, motions to that effect are usually very welcome. Any efforts to decrease appropriations are received with a good deal of opposition by Senators, whose dispositions usually permit them to be very serene and generous.

Take the appropriations carried in the bill for the Department of Justice. They are enormous. There are appropriations here in one of the subdivisions amounting to $4,003,112. Then, in another part of the bill, under the head of "marshals, district attorneys, and clerks," the appropriation, a very large part of which is for attorneys and employees, amounts to some five to six million dollars.

I submit to the Senator that a careful examination of the appropriations made for the Department of Justice must be convincing that we have been extravagant in the highest degree.

But it is of no avail, and Senators will support these appropriations, and if we challenge attention to the fact that we will have a deficit of two or three or four hundred million dollars, it will not change the result. If we challenge the attention to the fact that the people are burdened with taxation, and that in some States from 15 to 25 per cent of the farms are being sold for taxes, that will not change the result.

We have received a notice of another bill to increase the salaries of employees of the Government by from sixty to one hundred million dollars. I think Congress could be properly labeled "The cheerful spender of public money." It pays more attention to the increasing of salaries than it does to legitimate and wise and sane legislation. If there is a Government official who is not getting a salary increase, or who is not making efforts to get an increase in salary, I should like to have him discovered. Notwithstanding the fact that the farmers of the United States are not earning to exceed $500 or $600 a year, as soon as a person becomes an employee of the Government he feels that he is entitled to twice as much or three times as much, in many instances, that he could earn in private life. I feel that we are not doing our duty to our constituents. It does not seem as though there was anybody here to represent the public. We represent the tax eaters. We represent those who demand that the burdens of taxes shall be increased, and no one is here to speak for the people; no one is here to plead their cause; no one to demand tax reduction; no one to insist on cutting down scores of these useless and unnecessary governmental agencies.

I notice in this bill a large number of organizations which are being perpetuated at the expense of the Government. We have here the Internal Bureau for the Publication of Customs, an appropriation for Chinese customs tariff, an inquiring into extraterritoriality in China; the International Boundary Commission between the United States and Mexico. That International Boundary Commission has existed for years, and doubtless will continue to exist as long as the Stars and Stripes shall float over this Republic. It furnishes jobs for a number of individuals. Then we have a commission on the boundary line between Alaska and Canada, and between the United States and Canada, and that carries a large appropriation. That commission will exist, of course, for an indefinite period of time.

Then there is the International Prison Commission, the Pan American Union, and the International Bureau of the Permanent Court of Arbitration; and there is not a Senator upon the other side, if we are to judge by the votes, who favors an international court of justice. President Harding recommended that we adhere to the International Court. A resolution was immediately offered to carry into effect the recommendation of the President, and it was buried so deep that it never has been heard of. At the beginning of this session another resolution of similar import was introduced, and that has been buried. It is true the able Senator from Massachusetts [Mr. LODGE], the leader of the majority, has offered a brand new scheme. If it has the merit of projecting the United States into a bona fide international court, I am afraid the prosecution of the resolution will not be pursued with any very great vigor. But we must have an International Bureau of the Permanent Court of Arbitration. Then we have the Bureau of the Interparliamentary Union for the Promotion of International Arbitration. We have the International Commission on Annual Tables, Constants, and so forth; the International Commission on Public and Private International Law; the International Institute of Agriculture at Rome; the International Railway Congress; the International Sanitary Bureau; the International Office of Public Health; the Arbitration of Outstanding Pecuniary Claims between the United States and Great Britain. May I pause to inquire of the chairman what has become of that commission? To my knowledge, it has been functioning for years; at least drawing salaries.

Mr. JONES of Washington. Which commission is that?

Mr. KING. I refer to the one provided for on page 20. Are there any claims being adjudicated, or are we merely maintaining an organization to furnish positions for political parasites?

Mr. JONES of Washington. There are some claims that are still outstanding which, I understand, they have not settled. I want to say to the Senator that, so far as those things are concerned, I have striven to cut out as many of them as possible, and we cut out quite a good many of them three or four years ago. Only those that are considered impossible to get rid of now have been put in the bill. I want to cut out as many of these items as does the Senator from Utah.

Mr. KING. There are many of the organizations mentioned in the bill, and they are only a tithe of the organizations and bureaus that might be abolished.

Mr. JONES of Washington. I desire to say to the Senator that four or five years ago I was a member of a subcommittee that was considering the diplomatic appropriation bill. That subcommittee cut out a great many of the organizations which we really felt should be cut out. When the bill came to the floor of the Senate they were all put back. I suppose the Appropriations Committee has really gotten discouraged with reference to the matter. I think there are several of these organizations that could just as well be cut out as not. I do not believe they serve any very good purpose, but it is deemed wiser by those who have direct connection with the Diplomatic Service of the Government to carry them in the bill, and so some of us who were trying to get them cut out have really given up and let them go in.

Mr. KING. I suppose we are afflicted with the disease. It is a creeping sickness, but it is a persistent one and afflicts alike all governments. In the end they perish, usually as a result of bureaucracy. Most governments fail not because of attacks from without. They fail from vanity, bureaucracy, the weaknesses, the vices, the indolence, the inefficiency of the people themselves. We are going to create more offices, of course, and more salaries. For every 10 or 11 wage earners in the United States who produce we have 1 officeholder. Pretty soon there will be 1 officeholder for every 4 or 5 men who produce, and after a while every man who works and toils will carry some official upon his back. There could not be a worse condition of slavery than that, but it seems to be inevitable. Our Republican friends, pledged to economy, do not lift their hands for retrenchment and reform, and I regret to say that some other parties do not give much aid in accomplishing economies in the administration of government.

No opposition to the bill will be availing. Let us pass it quickly, get our hands into the Treasury, and pour out the golden stream and irrigate the arid parts of the land.

Mr. JONES of Washington. Mr. President, I sympathize with many of the suggestions the Senator from Utah makes, but so long as we expand the activities of the Government our appropriations are going to expand. They will have to do it.

I want to call attention to a fact which I do not want to have overlooked. Taking out the appropriation for the agricultural census, which is provided for by law and should take place now, which amounts to $3,500,000, and taking out the amount that was added on the floor of the House to take care of the immigration situation on the border in anticipation of the passage of the immigration law, which is $1,200,000, the appropriations contained in this bill for four of the great departments of the Government are less than the appropriations for those departments for the current year. In other words, with the expansion of the business of the departments that must necessarily go with the growth of the country and the diversity of questions which must come up, we are holding the appropriations for these normal activities with their increases even below the appropriations for the current year. I think that is a pretty good showing.

Mr. DIAL. Mr. President, perhaps I am a little late, but I appeal to the Senator in charge of the bill to allow me to offer an amendment. On page 82, line 9, I propose to add the following:

Fish hatcheries station, Orangeburg, S. C.: For enlargement of, $25,000.

I know the policy of the Government is for economy, and I am in sympathy with that view, but we also want to carry on business in a proper way. We have a hatchery in my State at Orangeburg that is one of the finest in the country. I believe it is operated more successfully and economically than any other hatchery in the United States. It is in a magnificent county and is a going concern. With a little additional expenditure the output would be increased greatly.

If the proposed appropriation were for a new enterprise, I would not ask it; but the management down there urges a little additional appropriation to buy some land to enlarge the pond and the facilities. I understand that the Commissioner of the Bureau of Fisheries sympathizes greatly with the proposition. However, I did not get all the facts until a short time ago. I introduced a bill with reference to the matter, but did not get a report from the department. I appreciate the position in which I am placed.

The report would be very important if it involved a new enterprise, but the pending bill is an appropriation bill, and this will perhaps be the last opportunity I shall have to present the matter, so I trust the Senator in charge of the bill will permit the amendment to be adopted.

Mr. JONES of Washington. Mr. President, I think a great deal of the Senator from South Carolina. I would favor him, I think, as much as I would favor any Senator on the floor. But I feel that I shall have to make a point of order against the item. It is not estimated for and not authorized by existing law.

The PRESIDING OFFICER. The point of order is sustained.

Mr. BRUCE. Mr. President, I should like to ask the Senator from Washington a question. I ask him whether any provision has been made during the present session of Congress for any additional fish hatcheries anywhere in the United States?

Mr. JONES of Washington. No; not at all.

Mr. BRUCE. I will ask the Senator from Washington if there are not a good many applications for the establishment of fish hatcheries here and there throughout the United States?

Mr. JONES of Washington. There are several bills before the Commerce Committee, but none of them have been reported.

Mr. BRUCE. I should like to ask is it the disposition of the committee to recommend the establishment of any more fish hatcheries?

Mr. JONES of Washington. The matter has not been brought up in the committee, but most of the bills, if not all of them, that have been reported upon by the Director of the Budget, have been reported adversely.

Mr. BRUCE. That was not the case with the proposition to establish a salt-water fish hatchery in the Severn River near Annapolis, Md. That project was recommended by the Department of Commerce.

Mr. JONES of Washington. That is possibly true.

Mr. BRUCE. It is true.

Mr. JONES of Washington. As I have said, there are several of them.

Mr. BRUCE. It is, perhaps, now too late in the session to do anything toward providing additional fish hatcheries, but very respectfully I ask the Senator whether it might not be a good thing for the committee to determine just what additional fish hatcheries are needed and to take the proper steps to see that when Congress shall meet again there will be no difficulty in obtaining proper appropriations for such fish hatcheries?

The project to which I refer in the Severn River, it seems to me, is one that ought to commend itself very strongly to the favor of the committee; and I am sure that it will do so when the committee has an opportunity to consider it. It went by default, I imagine, this time because of the fact that no proper provision had been made for it in the Budget system of the Federal Government, but it was recommended by the Department of Commerce. I should certainly like to have that project carefully considered by the committee and acted upon favorably, at any rate at the next session of Congress, so as to bring about the establishment of the hatchery, if the project shall finally meet with the approval of the committee.

What I say is applicable not only to this particular project but to many other proposals for fish hatcheries throughout the United States, whether in the State of the Senator from Washington or the State of any other Senator, which the committee may believe are really required by the true interests of fish culture.

Mr. JONES of Washington. The Senator may be assured that his bill will be considered if any of the bills are considered at this session of Congress.

Mr. BRUCE. I am glad to hear the Senator say that.

Mr. JONES of Washington. The Senator may be assured of it.

Mr. BRUCE. I thank the Senator; that is all I want.

Mr. DIAL. Mr. President, I want to say that I agree with the Senator from Maryland; but I think the custom of referring bills to departments and there tying them up and not sending them back so that reports may be made on them ought to cease. At the next session I propose to take steps to get a report in proper time on my bill to enlarge a fish hatchery. If we can not get it in one way I will endeavor to take steps to get the appropriation in some other way. I am strongly in favor of the Budget; I believe in economy and proper care, but I do not believe in tying up a measure just at the pleasure of a department. I did not delegate my authority as a Senator to any department, and while I am willing to work in harmony with the departments, yet I want to be heard when I know I am right and am acting on behalf of my constituents.

Mr. JONES of Washington. Mr. President, the Senator may rest assured that the bill will not be indefinitely hung up in the department. Whenever we find that a bill has been delayed an unusually long time we make inquiries of the department, and we insist upon a report, even though it may be an adverse one. So the Senator may rest assured that his bill will not be allowed to rest in the department.

Mr. DIAL. I am not criticizing the chairman of the committee. I have all confidence in the chairman of the committee.

The PRESIDING OFFICER. The bill is still in Committee of the Whole and open to amendment. If there be no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time, and passed.

MOTHER'S DAY

Mr. HEFLIN. Mr. President, I send to the desk a copy of a House joint resolution passed by Congress, which I ask to have read, and following that a poem by Lucien Lamar Knight, of Georgia.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The reading clerk read the joint resolution approved May 8, 1914, as follows:

Whereas the service rendered the United States by the American mother is the greatest source of the country's strength and inspiration; and

Whereas we honor ourselves and the mothers of America when we do anything to give emphasis to the home as the fountain head of the State; and

Whereas the American mother is doing so much for the home, the moral uplift, and religion, hence so much for good government and humanity: Therefore be it

Resolved, That the President of the United States is hereby authorized and requested to issue a proclamation calling upon the Government officials to display the United States flag on all Government buildings, and the people of the United States to display the flag at their homes or other suitable places on the second Sunday in May as a public expression of our love and reverence for the mothers of our country; and be it further

Resolved, That the second Sunday in May shall hereafter be designated and known as Mothers' Day, and it shall be the duty of the President to require its observance as provided for in this resolution.

WOMAN

Woman, to thy tender keeping God has given this command:
Rear the childhood of the Nation, nurse the young hope of the land,
Teach the principles of virtue, lift the manly brow of youth
Till it scorns each baser triumph for the laurels of the truth.

Never leave thy little kingdom; never sacrifice its crown;
Though your realm be but a cottage, keep it ever, 'tis thine own.
Let no trespasser invade it; from its door let hate be hurled,
For the teachings of the fireside rule the forums of the world.

'Tis thy mission to be gentle, meek in spirit, undefiled,
For the Nation's growth is rooted in the nurture of the child.
Fountain spring of all our greatness back of yonder beetling dome
Lies America's true secret, in her poet's "Home, Sweet Home."

She who rocks a nation's cradle, with a mother's holy hand,
Writes its statutes, rears its armies, peals its thunders of command.
She who whispers "now I lay me" to the childhood at her knee,
Reigns the queen of the Republic, guards the court of liberty.

Mr. HEFLIN. Mr. President, the joint resolution read at the desk is one which I introduced in the House in 1914. It was passed by the Congress, approved by President Wilson, and a proclamation was issued by him ordering that on the second Sunday in May the flag should be displayed on all the Government buildings in the United States and in our foreign possessions. It will be the duty of the President on to-morrow to have the flag displayed upon the Government buildings in Washington in honor of the mothers of America. This was not done a year ago. I think it was overlooked by the President. I trust that it will be observed on to-morrow.

I now send to the desk a little prose poem entitled "The Voice of the Flower" by Representative EDGAR HOWARD, the able and eloquent Congressman from Nebraska, which I wish to have read.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

THE VOICE OF A FLOWER

I am the Carnation.

This is my day of days.

To-day I speak to all the mothers, living near or living far.

Mothers never die. Some are called away, but always they leave behind a part of themselves, and that living part builds for itself a home in the hearts of mothers' children.

To-day my address to living mothers is in the passion tone of red; to-day my address to mothers who have been called away is in the worshipful tone of white.

Living mothers will read my address to them in my passion color on the breasts of living sons and daughters.

And who shall say to me that my worshipful address in white, softly and prayerfully rising, may not also be heard by mothers no longer in the earth zone?

* * * * * * *

I do not surely know, but often I half way believe, that the mothers who live away up there beyond the star line may be listening in at some angel radio station, and happily hearing the message of love I am speaking this Mothers' Day in tones of white from the breasts of multitudes of remembering sons and daughters.

MEMORIAL ADDRESSES ON THE LATE REPRESENTATIVE DUPRÉ

Mr. KANSDELL. Mr. President, I ask unanimous consent that Sunday, May 25 next, be set aside for memorial addresses on the life, character, and public services of Hon. H. GARLAND DUPRÉ, late a Representative from the State of Louisiana, and that on that day the Senate shall convene at 11 o'clock a. m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PULLMAN CAR SURCHARGES

Mr. DIAL. Mr. President, I am glad that we have passed the tax bill and gotten it out of the way, and I hope it will soon become a law and thereby reduce the burdens upon the people of this country.

There is another matter upon which we should act pretty soon, in view of the fact that the end of the session is drawing near. We ought now to try to help individuals in another way, not only by relieving Federal taxes but by relieving them of an unjust tax that has been put upon them through what is called the Pullman surcharge.

Mr. President, the Congress is deeply concerned with the important and complex problem of reducing public taxes, particularly war taxes, and yet there continues to-day under governmental permit a form of "war tax" which no longer benefits the Government but which goes entirely to enrich the treasuries of private corporations. I speak of the iniquitous Pullman surcharges.

Thirty-five million dollars per year is the staggering sum collected by the railroads from the people of the United States in the form of the existing 50 per cent Pullman-car surcharge which the public is compelled to pay in addition to the standard Pullman fares and for which the railroads do not render any compensatory service. This so-called Pullman surcharge remains as one of the few outstanding annoyances and costly remnants of the war-time regulations. It is not only a heavy tax upon business but it is a serious deterrent to trade.

Recently Mr. A. M. Loeb, president of the National Council, which is the clearing house for the affiliated 38 trade and territorial groups, representing 912,000 commercial travelers, in discussing the position of the salesmen and other business men who are the principal users of Pullman accommodations, made the following observations:

When the Federal Government in time of national stress deemed it necessary to directly control the railroads of the country and to increase rates and impose surcharges for the purpose of curtailing travel and proportionately conserving the Government's income from the carriers, there was not a salesman in this land unpatriotic enough to even question these emergency measures. When passenger fares were increased, when the 20 per cent advance in Pullman rates was allowed, when the 50 per cent Pullman surcharge was added, when the 8 per cent tax on all railroad fares was enforced, not a salesman raised an objection. This country was engaged in a great struggle; and the salesmen, like all others imbued with national patriotism, were perfectly willing and happy to bear their share of the war's many burdens which were placed upon the shoulders of those who remained at home to carry on the Nation's essential industries.

But, now, the war has been won these five years. Half a decade is passed and the Pullman surcharge, admittedly a war-time regulation, remains to confront the traveler every time he approaches a railroad station to arrange for his transportation. The Government does not any longer benefit by this surcharge. Neither does the Pullman Car Co., upon which is foisted the compulsory collection of this extra fee. The added revenue goes directly and entirely to the railroads—and for what? Having paid the established passenger tariff, and having paid the established Pullman tariff, what does the present 50 per cent surcharge cover, and why does the Government permit this unwarranted gouge to continue to be exacted from a long-suffering public?

I wonder if the railroads of this country have ever stopped to consider the amount of business that has gone undeveloped during the past five years because salesmen have felt the necessity of curtailing their selling trips or completely eliminating certain trips at certain seasons. Any sales manager knows that under the excessively high cost of travel to-day salesmen have been able to visit only the high spots in their territories for some time past. The general public has suffered its share as well. Traveling is a fixed sales expense on every commodity. Expense of every nature naturally must be figured in the ultimate selling price of merchandise. Does anyone, for a moment, imagine that the 50 per cent Pullman surcharge, on top of the already exorbitant passenger rates, is not borne by the ultimate consumer?

To get right down to brass tacks, the imposition of this Pullman surcharge means that the public is called upon to pay $34,000,000 per year more than is necessary, just, or excusable. This is only a small part of the total loss to the Nation which is pyramided as a result of this particular rate excess, but, considering only the amount directly reverting to the railroads, it constitutes a tax of 34 cents each upon every man, woman, and child in America.

The repeal of this onerous Pullman surcharge should and undoubtedly will increase the proper earnings of the carriers, for reduced fares will stimulate a greatly augmented volume of travel. Business in general will be accelerated and improved. When business grows more healthy, there is scarcely an individual in the country who will not benefit more or less, and the railroads of necessity must enjoy their share of national prosperity.

Exhaustive surveys of all facts and figures in relation to the surcharge matter have been compiled and formally presented, which prove conclusively that the surcharge not only is unsound, but discriminatory and confiscatory, and, therefore, basically unconstitutional and totally irreconcilable—an unwarranted burden on business in particular and upon the public in general.

If ever any imposition by private corporations engaged in public service was unfair to the taxpaying citizens who must bear the burden of the 5¾ per cent net return permitted under governmental protection, this is the most flagrant abuse of that governmental privilege of which I know. It should be revoked at once, and in such an unmistakable manner as to prevent and make impossible any delay in the immediate enforcement of the revocation order.

I trust, Mr. President, that the bill abolishing the Pullman surcharge will come before the Senate in a few days, and that we will soon pass it. We want to get rid of all the nuisance taxes and all the unnecessary impositions upon the taxpayers of this country, so that the people may get in a good humor and go back to business in the old-time way of hard work and accumulation.

Mr. President, I am sorry that some of our committees act so slowly. Some time ago I introduced a bill which was referred to the Judiciary Committee to authorize United States judges to sentence convicts to work on the public highways in the different States. That bill has been kept in the committee, but I hope that it will soon be reported. I am trying to do everything I can to enable the people to go to work and to reduce the burdens upon them by lifting taxes and by making people who violate laws pay the expenses.

There are some other measures that have been held up for some time. I am glad that next week we propose to give consideration to bills designed to aid the agricultural interests of the country. I have two measures which I hope will soon be considered and passed. One of them, I believe, has already been reported, but next week I hope to get the attention of the Senate and to pass both of the measures I have in mind, which in my opinion will relieve the situation greatly. There is nothing unconstitutional or revolutionary about them, but they propose much-needed legislation.

Mr. BRUCE. Mr. President, I should like to ask the Senator from South Carolina a question. I know that there are matters of much more importance than this about to engage the attention of the Senate, and therefore I will be brief. Is it the Senator's idea that the amount of $35,000,000 collected by the so-called Pullman surcharge——

Mr. DIAL. The amount is $34,000,000.

Mr. BRUCE. Is it the Senator's idea that that should be shifted from the users of Pullman cars to the users of day coaches or should be added onto freight rates?

Mr. DIAL. Not necessarily so at all. I believe all the rates ought to be reduced.

Mr. BRUCE. Suppose that is not practicable?

Mr. DIAL. That is now an undecided question. I am in favor of reducing freight rates and reducing passenger rates. I am no enemy of the railroads, but I do not believe in a camouflage arrangement of charging a passenger what is claimed to be a Pullman fare when part of it is collected as railroad fare. If the railroads can not prosper under a proper charge, then the charge ought to be increased, but my opinion is that all charges ought to come down all along the line.

I will say further that if the railroads were allowed to handle their own business as individuals are, if the Government would quit interfering with them, tying them up by so many unnecessary restrictions, and let them manage their own affairs as individuals may manage theirs, so far as I can see they would get along much more economically, and the result would be beneficial to all. Let them, their creditors, employees, and all concerned meet as other business men, and let them all work for the good of each other and for the common good. I voted against the Esch-Cummins bill.

Mr. BRUCE. At the present time the question of the Pullman surcharge is under consideration by the Interstate Commerce Commission.

Mr. DIAL. They have had it under consideration for two or three years. In my opinion they ought to have taken action some time ago.

Mr. BRUCE. The question is being actively agitated at the present time before the Interstate Commerce Commission.

Mr. DIAL. I do not think they ever get in much of a hurry. As I recall I believe they issued an order about a year ago to put a ruling on the question of the Pullman surcharge into effect; but I think perhaps they were enjoined by the courts from doing so. I may have in mind the interchangeable mileage book ruling.

Mr. BRUCE. I do not recall that fact.

Mr. DIAL. I want to say to the Senator I believe in being just as fair to the railroads as he or any other man in the world. I am not an enemy of the railroads of the country, but I know that a great deal of the trouble with the railroads is caused right here in Congress by unnecessary laws.

Mr. BRUCE. I want to say that the point that has been made before the Interstate Commerce Commission is that the railroads must have the revenue derived from the Pullman surcharge unless there is to be an increase of rates. The real question is whether it should be charged up to the users of the Pullman cars or whether it should be charged up to the users of day coaches or whether an addition shall be made to the freight rates which are, I think, generally believed at the present time to be too high anyway.

WAR DEPARTMENT APPROPRIATIONS

Mr. WADSWORTH. Mr. President, I shall not further continue the very evident filibuster against attendance at the baseball game—a filibuster which has proven about successful. I shall merely move that the Senate now proceed to the consideration of the War Department appropriation bill, which is House bill No. 7877.

The PRESIDING OFFICER. The question is upon the motion of the Senator from New York.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. WADSWORTH. Not with the intention of proceeding at all with the bill to-night, I ask that the formal reading of the bill be dispensed with, and that the Senate proceed to the consideration of the committee amendments.

Mr. KING. Mr. President, my understanding was, if I am not in error, that the bill would be laid aside.

Mr. WADSWORTH. It will be laid aside after that order is made. There is an understanding that the committee amendments shall not be proceeded with to-night, but that will be the order of business at 2 o'clock on Monday.

Mr. WARREN. It is quite the usual form.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE MEAT-PACKING INDUSTRY

Mr. JOHNSON of Minnesota. Mr. President, the meat packers are seeking to secure modification of the packers' consent decree to permit them to go back into the handling of unrelated lines of business. The Farmers' National Council and the People's Reconstruction League, through Mr. Jackson H. Ralston, attorney, have filed a motion and a brief in the Court of Appeals of the District of Columbia opposing any modification of the packers' consent decree. This document is of such importance that I believe it should be printed in the CONGRESSIONAL RECORD and made available to the people of the Nation.

I therefore ask unanimous consent that this brief be printed in the RECORD.

The PRESIDING OFFICER (Mr. LADD in the chair). Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is here printed, as follows:

In the Court of Appeals of the District of Columbia. May term, 1924.

No. 4071

California Cooperative Canneries, appellant, v. United States of America, appellees

MOTION FOR LEAVE TO FILE BRIEF FOR THE FARMERS' NATIONAL COUNCIL AND PEOPLE'S RECONSTRUCTION LEAGUE AS AMICI CURIÆ

Now come the Farmers' National Council and the People's Reconstruction League, by Jackson H. Ralston, their attorney, and respectfully move the court for leave to file herein as friends of the court the attached brief.

The Farmers' National Council is a union of leading farm organizations and individual farmers, organized in January, 1919, to carry out a program for economic reconstruction in America and international reconstruction, adopted at that meeting, and to protect the farmers' rights at the National Capital.

The People's Reconstruction League is a union of farm and labor organizations, organized in December, 1920, to carry out a program of national legislation. Both of these organizations have advocated effective packer control legislation. The organizations composing the Farmers' National Council were the first ones to urge legislation to control the meat packers, embodying the essential recommendations of the Federal Trade Commission made in connection with their report to the President on the meat-packing industry in the summer of 1918. The Farmers' National Council opposed the entering of the consent decree affecting the meat packers, feeling that legislation was essential most effectually to keep the meat packers out of unrelated lines of business.

Following the entering of the meat-packers' consent decree in February, 1920, the Farmers' National Council, and later the People's Reconstruction League, urged that packer-control legislation be enacted and that the supervising agency be empowered to effectually restrain the packers from carrying on unrelated lines of business.

Within a few months after the packers and stockyards act of 1921 was signed by the President Mr. Vernon Campbell on behalf of the California Cooperative Canneries sought to have the packers' consent decree modified. Benjamin C. Marsh, managing director of the Farmers' National Council and executive secretary of the People's Reconstruction League, appeared before interdepartmental committee, representing the Secretaries of Commerce and Agriculture, and the Attorney General which held hearings on this application and opposed any modification of the consent decree. The interdepartmental committee in its report to the Attorney General states:

> "Your committee has come to the conclusion that such grave and far-reaching questions, which affect not only the provisions of the decree with respect to unrelated commodities but which also strike at the very foundation of the entire decree and are of such vital interest to the public generally, are matters which, regardless of what position the Attorney General might assume, must be ultimately decided by the court which entered the decree before any modification could be made, and as those who strongly oppose any modification—namely, the wholesale grocers—are now parties to this cause by intervention, which intervention has been sustained by the court since the request for this hearing before the Attorney General was granted, it seems that the way is now open to those who urged a modification and who so earnestly contended that they might be seriously injured by this decree and have never had their day in court to present such questions and contentions in the first instance to the court for decision, without the same being in any way prejudiced by the Attorney General."

It will be observed that this committee refers to the questions involved as of "vital interest to the public generally."

The Federal Trade Commission, in its report to the President on the meat packing industry in 1918 stated:

> "Judged conservatively by trade estimates the Big Five Packers (Armour, Swift, Wilson, Morris, and Cudahy) handle at least half of the interstate commerce in poultry and eggs and in cheese."

"Swift & Co. is the greatest butter distributor in the United States, handling in 1916 in round figures 50,000,000 pounds, or nearly twice as much as the combined sales of the two largest noopacker organizations."

"Armour & Co. increased their canned goods sales from about $6,500,000 in 1916, to about $16,000,000 in 1917, whereas the combined sales of these products by Austin Nichols Co. and Sprague, Warner & Co., two of the largest independent wholesalers, amounted to only a little more than $6,000,000 in 1917."

"The packers controlling the disposal of more than two-thirds of the offal produced in the packing industry have become the most important factors in the manufacture of animal fertilizer ingredients and have strongly entered the field of mineral ingredients."

"Early in 1917 Armour & Co. first undertook the handling of rice, becoming at a single move on the statement of the vice president of the company 'the greatest rice merchant in the world.' During this period the wholesale price of rice increased 65 per cent."

"Directly or through its subsidiary or trade-name companies the Armour Grain Co. (of which J. Ogden Armour owns 64 per cent of the stock and other members of the family 22.9 per cent) operates over 90 country elevators.

"In 1917 it handled 75,000,000 bushels, or 23 per cent of all receipts of grain at Chicago, the greatest market in the world, and its business is rapidly growing."

"The Big Five also occupy an important position with reference to the clothing of our civil and military population through potential control of the hide and leather markets of the United States and a considerable proportion of the total wool production."

The National City Bank Bulletin for April, 1924, states that the combined sales of Swift, Wilson, Morris, Armour, and Cudahy in 1923 were $2,015,000,000, and their combined net reported profits were $31,418,000.

The Department of Agriculture states in its bulletin, The Agricultural Situation, dated April 1, 1924, that in February, 1924, farm prices for beef cattle in terms of all commodities were only 61 and swine only 57, taking the farm prices in 1913 as 100. The Secretary of Agriculture in his report for 1923 states:

"Our investigations lead us to estimate the property taxes and interest combined paid by agriculture in the year of 1920 at about $1,457,000,000, in 1921 at $1,684,000,000, and in 1922 at $1,749,000,000. In 1920 practically the entire value of the wheat and tobacco crops, or about two-thirds of the wheat and cotton crops, were required to pay property taxes and interest charges. * * * In 1922 the value of wheat, oats, and tobacco crops and one-half of the potato crop were required to pay taxes and interest. In that year, although cotton was very high in price, taxes and interest charges were equivalent to the entire value of the cotton crop, plus two-thirds of the wheat crop.

"Property taxes increased from $562,000,000 in 1920 to $797,000,000 in 1922."

The Secretary of Agriculture has reported that between 1920 and the spring of 1923, out of 2,289,000 owner and tenant farmers in 15 corn and wheat producing States in the West and Northwest, one-fourth—over 600,000—had become bankrupt.

The Farmers' National Council represents in this matter farm organizations with a membership of about 790,000 farmers, chiefly in 14 or 15 States; the People's Reconstruction League represents in this matter farm and labor organizations with a membership of over 2,400,000.

As producers of raw material of the meat packers, and consumers of the finished products of the meat packers, and as producers and consumers of products into the distribution and marketing of which the meat packers seek to be allowed to enter through modification of the consent decree, we respectfully submit that we have such an interest in the matters affected by the present efforts to modify the packers' consent decree to justify our motion to be allowed to file a brief as amici curiæ.

FARMERS' NATIONAL COUNCIL.
PEOPLE'S RECONSTRUCTION LEAGUE.
By JACKSON H. RALSTON, *Attorney.*

In the Court of Appeals of the District of Columbia. May term, 1924.
No. 4071

California Cooperative Canneries, appellant, v. United States of America, appellees

BRIEF FOR THE FARMERS' NATIONAL COUNCIL AND THE PEOPLE'S RECONSTRUCTION LEAGUE

GENERAL PRELIMINARY OBSERVATIONS

We shall not repeat the observations as to the condition of the record and the facts upon which the canneries company bases its petition to intervene because this preliminary groundwork has been sufficiently set out in the briefs already filed and in our motion to file this brief. Before, however, discussing the merits of the application to intervene there are certain general observations which it seems to us important to be made.

Apparently the purpose of the petition to intervene is to lay a groundwork for attack upon the decree which was signed in this cause February 27, 1920, and generally to demonstrate, if possible, to the court the invalidity of such decree as affecting, at least, what are known as the Armour and Swift groups of defendants. One would naturally expect an attack of this sort to be made by the parties directly and immediately concerned. If the Armour and Swift groups believed sincerely that their rights were in any wise infringed upon by the existence or by the terms of the decree to which they had specifically assented, the natural expectation would be that the attack should come from the parties directly and immediately affected—the ones whose business in certain directions were peremptorily ended, at least until a change in the attitude of the court. The parties offended against—the Armour and Swift groups—would have been naturally the moving ones rather than another party having, as we shall subsequently endeavor to show, no real or substantial interest in the controversy.

Of course, there were reasons of policy manifest enough upon the face of things why the move should come from an outside company rather than from the principal defendants. The public had suffered from the combination entered into between these groups and others and a movement on their part, as they well knew, directly to upset a condition to which they had been compelled to accede by force of fact and force of public displeasure would again excite against them deserved animosity.

But if these groups had had the courage of their conviction they should have done one of two things, either made the direct application to the court to set aside its decree, or if really confident of their position have violated the decree and subjected themselves to contempt proceedings, to which they might have replied, if they so believed, that the court, in its decree, had acted absolutely and entirely without jurisdiction.

Neither of these proceedings was taken, but instead a relatively insignificant corporation was put forward to ask the relief of the court, which the principal defendants were either afraid or ashamed to demand directly.

We have, therefore, the case of the canneries company seeking to withdraw from the fire the chestnuts which were too hot for the more tender paws of the Armour and Swift groups.

The hand is the hand of Esau but the voice is the voice of Jacob.

Has the California Canneries any ground of complaint against the decree of February 27, 1920? We ask this question because, to begin with, however the canneries company may disapprove of the decree, however learnedly and eloquently its attorney and the attorneys for the Armour and Swift interests may protest against it, their voices are an idle wind and their briefs but useless paper unless it appears upon the face of things that the Canneries Co. has been actually and legally damaged or in danger of damage because of the decree.

The canneries company bases its entire interest in this procedure upon its contract with Armour & Co., set forth on page 150 of the record. By the terms of paragraph 1 of this contract "First party (Producers' Warehouse Co., now California Cooperative Canneries) hereby agrees to sell and deliver to second party (Armour & Co.) and second party agrees to purchase and receive from first party all the California canned fruit required by the business of the second party and Armour & Co., a corporation of the State of Illinois, during the life of this contract," etc.

Furthermore, the Armour company was expected under the contract (top page 151) by January 1 to inform the canneries company by giving it a list of fruit "which will be required by the business of said company." In other words, no business being in contemplation no list would be furnished.

By the terms of the decree Armour & Co. were forbidden to deal in certain products, including those of the California Canneries, and obeying such decree in this respect, as it is presumable that Armour & Co. did obey, Armour & Co. from such moment had no further need of the products of the California Canneries in its business. It did not and could not use such products and, therefore, we assume, did not order them. In fact, shortly after the signing of the decree the canneries company was notified that its products were no longer desired.

Assuming that Armour & Co. had for any reason, or for no reason, concluded without intervention of the Government that it would no longer continue in the business of selling products of the nature of those canned by the California Canneries and, therefore, no longer needed them in its business, the California Canneries would then be entirely without remedy. The situation is in no wise changed because Armour & Co. had begun to go out of this branch of business in compliance with an order of the court, to which they assented. It seems perfectly manifest that under such a contract as this under no circumstances would the California Canneries have had any claim against

Armour & Co. because of its retirement from business in the line of canned fruits. The only obligation upon Armour & Co. was to make its purchases from the California Canneries as long as it was in this business and to the extent of its requirements in the business.

We may add that nowhere in the record, so far as we have been able to discover, has the Armour Co. proposed to reenter the fruit business. In addition, therefore, to failing to show present interest in the Armour contract no material future interest has been shown by the canneries company.

Viewed from this standpoint the California canneries never had a shadow of legal or equitable interest in the existence or nonexistence of the decree of February 27, 1920. Repeating ourselves in substance, if the decree were wiped out and Armour & Co. were, nevertheless, to refuse to continue that business, the canneries company would be absolutely without remedy.

THE LAW OF INTERVENTION UNDER THE CIRCUMSTANCES

But even if the decree had been absolutely void, and even without the assent of Armour & Co. to it, there would have been no apparent ground laid for any claim to intervene, based upon the fact of a valid ground of action—and there was none—against Armour & Co. If there had been no such circumstances, and there was not, as made the foundation of a suit against Armour & Co., the California canneries would have been obliged to look not to the Government in any way, but to Armour & Co. for recoupment, and the fact that a governmental decree in some manner interfered merely with its profits or its solvency would not have justified a suit against the Government as their petition in a manner is.

This is very well illustrated by the case of Burditt v. Glasscock (25 Texas Supplement, p. 45), wherein it was held that where there is no privity of contract between the plaintiff and an intervenor in a suit and the matter of complaint or cause of action sought to be enforced by the latter against the defendant is a contract between such intervenor and the defendant distinct from that which is the subject of litigation between the plaintiff and defendant, the petition of the intervenor can not be maintained. The court found that the right of action against the defendant, if the intervenor had any, was on an independent contract.

The situation before the court, therefore, is that the California canneries, having an independent contract, deems itself aggrieved because of the happening of something in an entirely independent proceeding with which it has no relation, either as lienor or otherwise. Apropos of this point the rule laid down in Pomeroy's Remedies and Remedial Rights, section 430, is that the intervenor's interest must be such that if the original action had never been commenced and he had first brought it as the sole plaintiff, he would have been entitled to recover in his own name to the extent, at least, of a part of the relief sought; or if the action had been first brought against him as defendant, he would have been able to defeat the recovery in part at least. His interest may be either legal or equitable.

Of course, in the present case the action could not have been brought against the canneries company as defendant. This organization would have been neither a necessary nor a proper party.

In support of the California Canneries' supposed right of intervention, its attorney, apparently at odds with the attorneys for the Armour and Swift interests, says that "the single contention presented by this record is that the court below erred in denying appellant leave to intervene in this suit." (Page 43 of Mr. Hogan's brief.)

With this in mind, there are a number of cases supposed to sustain the right to intervene, but no one of which, from our point of view, accepting the statement of them by the appellant, justify the conclusions reached.

The first reference is to United States v. Terminal Railroad Association (236 U. S. 194). The petitions of intervention which were allowed in this case seem to have been based upon the inability of the intervenors to transport their goods from place to place if the decree were literally carried out. It would appear that the business of the intervenors would have been effectually paralyzed unless the correction and limitation of the decree were allowed. Needless to say, no such condition exists in the instant case, where the whole world except the parties defendant to the decree of February 27, 1920, remains open with which the canneries company could carry on such business as it pleased. The number of mouths to be filled with California fruit was in nowise diminished or interfered with by the fact that the Armour and Swift groups could no longer act as intermediaries. The number of cans capable of being filled by the canneries company was in nowise lessened, nor were the bounties of nature interfered with or their transportation hindered.

The case of Gaines v. Clark (51 Appeals D. C. 71) related to the intervention of a person claiming to be the owner in fee simple as tenant in common of an undivided one-half interest in the land. His claim, therefore, was the direct claim of a part owner in the property under control of the court. The case is so far away from the considerations entering into the present debate that we are surprised it should be quoted.

Nor is the case of Weeks v. Heurich (40 Appeals D. C. 46) any more in point. This was not a case of intervention at all, but simply reiterates the well-known doctrine that a man injured in his property rights to a degree beyond that of the community at large, this because of the creation or threatened creation of a nuisance, can be heard in court to protect his rights. It has, therefore, no relation whatever to the present discussion.

In the Cincinnati Railway Co. v. Indianapolis Railway Co. (279 Fed. Rep. 356) it appears that parties to a contract may properly be made parties to a suit in advance of a decree foreclosing railway mortgages and including contract for the use of the facilities of a depot and belt-line company in the assets to be sold. These were contracts coming under the direct supervision of the court and not relating to the general financial operations and manner of conduct of business of one of the parties.

One is a little at a loss to understand why reference is made to In re Columbia Real Estate Co. (101 Fed. Rep.), wherein a creditor was refused the right to intervene but permitted to be heard as amicus curiæ. We do not at all question the right, if the court sees fit, of the canneries company to be heard as a friend of the court, this being a proposition entirely within the good graces of the court itself and not the subject of appeal or criticism. Perhaps the attorney for the canneries company used the citation because of the court's statement that "want of jurisdiction is a question that the court should consider whenever and however raised, even if the parties forbear to make it or consent that the case may be considered on its merits." For the present we simply have to say that this is a hornbook law, but not applicable to the question at issue in any respect, and particularly not to the right of intervention.

The learned attorney for the Canneries Co. next refers to Kreider v. Cole (149 Fed. Rep. 647), where was simply concerned the action of creditors against a company which had been placed in receivership. This, of course, has no application to the question at issue, particularly when one bears in mind the fact that, save with permission of court, a creditor can scarcely proceed anywhere except in receivership.

In Coca Cola Bottling Co. v. Coca Cola Co. (Fed. Rep. 796) the clear interest of a subcontractor to the contract under discussion appearing, intervention was permitted. This appears to exhaust all of the authorities cited in favor of the right of intervention, and it must clearly appear that in no one case is any parallelism offered to the instant case.

THE COURT APPROACHES OF THE CANNERIES CO.

The California Canneries has been as diffident and indirect in its approach to the court as the Swift and Armour groups have been. It will be noted that the original decree was signed February 27, 1920. On or about November 7, 1921, more than a year and a half later, the Canneries, instead of proceeding directly to the court, if it really felt it had in any way been abused (Record p. 200), applied to the Attorney General, asking that he move a modification of the consent decree. This application was referred to an interdepartmental committee, which very naturally and properly reported that this request should be presented in the first instance to the court that entered the decrees and not to the Attorney General. The result of this circuitous procedure and other delays on the part of the Canneries Co. was that it was not until April, 1922, that the company filed its purported petition for intervention. If the question were a close and doubtful one—and we submit that it is clear that no intervention is proper in this case—the court would be very slow in the exercise of its discretion to allow an intervention after the party intervening had been subjected to all of the imagined inconveniences of the decree for 22 months before the first appeal to the court. Bearing in mind the large public interest involved, the possibility of the change of the situation of the parties, and of the other elements entering into the case, we feel justified in saying that a court would wait a long time before considering itself equitably called upon to allow such a petition.

BRIEF OF SWIFT AND ARMOUR GROUPS OF DEFENDANTS

We have adverted to the want of courage exhibited by the Swift and Armour groups in not making a direct application to the court for a change in its decree, or, if they really profoundly believed their contention, in disobeying the decree as a piece of idle paper and accepting the consequences which would, of course, be nothing if the court were acting, as they suggest, in an administrative and not in a judicial capacity. In the preparation of the brief on their behalf they say that:

"1. The consent decree is void because the Supreme Court of the District of Columbia was without jurisdiction to enter the same, for the following reasons:

"(a) That there were no adjudicated facts before the court upon which the court could act.

"(b) The decree itself was beyond the jurisdictional power of the court to enter in any event.

"(c) It violates the fifth amendment to the Constitution of the United States.

"(d) There was no case or controversy before the court within the meaning of the Constitution and laws of the United States."

The purpose of this brief is apparently not so much to sustain the Canneries Co.'s right of intervention as to suggest and urge upon this court the fact that it should utterly disregard as void the decree of February 27, 1920. How this court can take such action, not having before it any application of any kind and not at this moment being called upon to enforce the decree, we are quite at a loss to understand. Is the court, out of the circumambient atmosphere, to draw the foundation for some decree on its part that the decree of February 27, 1920, was a nullity? We can well understand, as learned counsel have shown with a wealth of illustration and authority, that in a proper case a court can find that it has acted without jurisdiction to pass a decree of the particular kind; that if it has acted without jurisdiction, either of the person or of the subject matter, its decree is void; but we can not understand how this court of appeals, not having before it and under attack the original decree in any shape or manner, can do anything. The only proposition before this court is that of a right of intervention. There is no petition on behalf of the Swift and Armour group or on behalf of anybody else to declare the decree to be void. It would seem, therefore, that the attorneys in this case have been very industriously firing into the air.

The attorneys for the Swift and Armour groups have proven to a demonstration that a decree must be based upon jurisdiction, and that this word includes jurisdiction over the parties, jurisdiction over the subject matter, and jurisdiction to pass the particular decree which is signed; that except these three forms of jurisdiction meet, the action of the court is void. We will agree with all of the premises. The trouble with the argument is that it has no relation whatever to the facts of the case as presented before the court. This court has no jurisdiction, as the matter is presented to it, to express any opinion upon any of these propositions. No foundation for the raising was laid in the court below, and the only matter before the court is, as stated in Mr. Hogan's brief, the question of permitting the Canneries Co. to intervene, and no lengthy and learned argument can alter this situation. Apparently the Armour and Swift groups desire that intervention shall be allowed in a cause which they expressly state they regard as a nullity from beginning to end, so far as concerns the substantial issues they seek to raise.

They have mistaken the forum for their argument and the procedure to which they should resort. While it is no part, perhaps, of our duty to inform them or correct them, we do not believe we are going beyond the limits of propriety in suggesting that they should go to the trial court and by petition to it or by bill of review, or in the nature of a bill of review, seek to have corrected what they say are errors in the original decree. They have so manifestly built their whole structure upon a foundation of shifting sand that it falls of itself, without any ability on their part to save it or any necessity on our part to demolish it. We have simply to point out the want of substantial foundation for their appearance with such an argument at this time in an appellate court.

We shall admit that if jurisdiction be lacking in any of the three essentials named a decree in equity may be attacked collaterally. We shall not admit that a mere petition of intervention, however verbose, is a collateral attack, although intervention being once granted it may be followed by an attack more direct than collateral. We can not admit that a mere brief, however learned, is a collateral attack. It is when without legal procedure to rest upon not a collateral attack, but a mere criticism to be given only the respect attaching to its authors. It is no more a part of the real contest than the "rooting" of the observers of a ball game.

We admit that a court may sua sponte take notice of a want of jurisdiction, but this only occurs when a decree or judgment is sought to be enforced or is under direct attack, not the mere subject of legal animadversion.

Respectfully submitted.

THE FARMERS' NATIONAL COUNCIL,
THE PEOPLE'S RECONSTRUCTION LEAGUE,
By JACKSON H. RALSTON, *Attorney.*

MILITARY RESERVATION OF SANTA ROSA ISLAND, FLA.

Mr. FLETCHER. Mr. President, from the Committee on Military Affairs I report back favorably, with an amendment, Senate bill 2676, and I submit a report (No. 517) thereon. The bill relates to a purely local matter, and I ask unanimous consent for its present consideration. No one will have any objection to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2676) authorizing the Secretary of War to lease, or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla., which had been reported from the Committee on Military Affairs, with an amendment.

The amendment was, on page 1, line 10, after the word "Florida," to insert "for a ship canal: *Provided*, That any grant of right, title, or interest in or to this tract made pursuant to the authority herein given shall be upon the express condition that the right, title, or interest so conveyed shall terminate and revert to the United States five years from the date of approval of this act without notice or legal proceedings of any kind, unless within such five-year period this ship canal has been sufficiently completed to permit the passage of ocean-going ships drawing not less than 30 feet of water, the Secretary of War to be the sole and final judge thereof," so as to make the bill read:

Be it enacted, etc., That the Secretary of War is authorized to lease, or, in his discretion, to convey by quitclaim deed, on such terms and conditions as he deems advisable, to Thomas H. Hazelrigg and John A. Chambley, their successors and assigns, a tract of land not more than 600 feet in width and extending approximately north and south across the military reservation of Santa Rosa Island, off the west coast of the State of Florida, for a ship canal: *Provided*, That any grant of right, title, or interest in or to this tract, etc.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. I ask to have the report on the bill printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The report is as follows:

SANTA ROSA ISLAND, FLA.

Mr. FLETCHER, from the Committee on Military Affairs, submitted the following report to accompany S. 2676:

The Committee on Military Affairs, to which was referred the bill (S. 2676) authorizing the Secretary of War to lease, or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla., having considered the same, report thereon favorably with the recommendation that it do pass with the following amendment:

At the end of line 10, strike out the period and insert a comma and the following:

"for a ship canal: *Provided*, That any grant of right, title, or interest in or to this tract made pursuant to the authority herein given shall be upon the express condition that the right, title, or interest so conveyed shall terminate and revert to the United States five years from the date of approval of this act without notice or legal proceedings of any kind, unless within such five-year period this ship canal has been sufficiently completed to permit the passage of ocean-going ships drawing not less than 30 feet of water, the Secretary of War to be the sole and final judge thereof."

This bill, with the above amendment, has the approval of the War Department. The letter of the Secretary of War setting forth the attitude of the department and giving details regarding the project is appended hereto and made a part of this report, as follows:

MAY 5, 1924.

Hon. JAMES W. WADSWORTH, Jr.,
Chairman Committee on Military Affairs,
United States Senate.

MY DEAR SENATOR WADSWORTH: Further reference is made to your request of March 3, 1924, requesting a report on S. 2676, a bill "authorizing the Secretary of War to lease or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island."

I am advised by Messrs. Hazelrigg and Chambley, the beneficiaries of the proposed legislation, that this strip of land is desired for a ship canal to connect the deep water of Choctawhatchee Bay, Fla., with the Gulf of Mexico, and is a part of a large development project involving the construction of a rail and water terminal on the bay. As contemplated the canal is to have a depth of 36 feet, a bottom width of 300 feet, and will cross Santa Rosa Island some 5.56 miles to the west of the eastern end thereof at a point where the island has a width of about 1,776 feet. Mr. Hazelrigg advises that the entire terminal project involves an estimated expense of $9,500,000, the canal alone costing $503,425, and that no financial support is asked of the United States.

Santa Rosa Island extends east and west, with a length approximating 65 miles. It is narrow and with little elevation. The island, excepting the site of the Treasury Department's quarantine station near the center, constitutes the Fort Pickens Military Reservation, the fort proper being at the extreme western end. This fort is garrisoned and is one of the defenses of Pensacola Bay. The site of the proposed ship canal is many miles from Fort Pickens, and its construction and maintenance will not adversely affect present or contemplated military use of this reservation.

It is noted that the bill fails to state the purpose for which the tract in question is to be used, places no time limit upon construction, and provides for no reversion of title, even though the beneficiaries of the legislation abandon their project or unduly delay construction. It is believed to be most important to so word the bill as to require prompt action by these beneficiaries and for reversion of title if the project is not accomplished within a reasonable time.

The following amendment is recommended:

"Line 10, change the final period to a comma and add: 'for a ship canal: *Provided*, That any grant of right, title, or interest in or to this tract made pursuant to the authority herein given shall be upon the express condition that the right, title, or interest so conveyed shall terminate and revert to the United States five years from the date of approval of this act without notice or legal proceedings of any kind, unless within such five-year period this ship canal has been sufficiently completed to permit the passage of ocean-going ships drawing not less than 30 feet of water, the Secretary of War to be the sole and final judge thereof.'"

If amended substantially as above recommended, the War Department will have no objection to the passage of this bill.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

OSCAR ARENZ

Mr. FLETCHER. From the Committee on Military Affairs, I report back adversely Senate bill 896, for the relief of Oscar Arenz. The ordinary procedure would be to have the bill indefinitely postponed, but I am not going to make that request.

Mr. WADSWORTH. Will the Senator from Utah permit a motion to postpone indefinitely a bill that the committee was unanimous in believing should be indefinitely postponed?

Mr. KING. That is a wise recommendation.

Mr. FLETCHER. I ask, then, to have the bill indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF NOMINATIONS

Mr. WADSWORTH. Out of order, I ask unanimous consent, as in executive session, to present a report from the Committee on Military Affairs carrying certain nominations, they to go to the Executive Calendar without further action.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. WADSWORTH. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, May 12, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

SATURDAY, *May 10, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God—the Father of us all—we thank and praise Thee for the sweetest and most endearing name, known to all as mother. We bless Thee for the heaven-born sentiment that has touched the heart of our country in setting apart a day dedicated to her undying memory. In her sacred name we shall wear the white and the red flower symbolizing her love and sacrifice, as she tarried at the gates of death that we might live. It was angel mother who kept heaven's watch in our helplessness and soothed our earliest and our latest sorrows. In her, O God, Thy holy nature was ever reflected. At her side we found our first altar, as she taught our lips to say: "Our Father who art in heaven." While the name of mother is revered and her memory loved and cherished our country is safe. With most of us she awaits us yonder. It will not be heaven to her until she sees and names her earth-born. Blessed be her name while the days and the years pass by. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEFECTIVE ALIENS

Mr. ROGERS of Massachusetts. Mr. Speaker, there has been some criticism voiced in the press of the country in regard to the alleged laxity of the Department of Labor in admitting immigrants in cases where exclusion as a result of the primary inspection had been directed at the port of entry. I presented this matter to the Secretary of Labor and have received two rather full explanations of what the facts are as the Secretary understands them. I should like very much to have the permission of the House to extend my remarks on this subject in the RECORD.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. RAKER. Reserving the right to object, I want to ask the gentleman if the Secretary does not state in the letters that he has done everything within his power under the law and the money appropriated?

Mr. ROGERS of Massachusetts. That is the substance of the letters. Secretary Davis thinks that certain attacks on his policy in this regard have been made which are not based on a complete understanding of the facts. It seems fair to give the Secretary the advantage of the publication of the letters, putting them before the country, so that the true facts may be understood.

Mr. RAKER. The Secretary and his assistants have stated that they have done all that was in their power.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROGERS of Massachusetts. Mr. Speaker, I received three or four weeks ago the following letter from one of the most prominent physicians in my district:

I am inclosing a clipping I made recently from the Journal of the American Medical Association. It looks to me like somebody was sitting on the job but not doing it well. What do you think? Seems sort of useless for you and me and any other decent man to give up some portion of our lives for the public good and try to stem any such tide as this.

The clipping inclosed and referred to was as follows:

Defective aliens: There were admitted to the United States at Ellis Island under bond during the last fiscal year 4,724 defective aliens who were excluded under the immigration law. This means that a bond was given, frequently with a false surety, which can never be prosecuted. The records of the Federal Government show that 95 per cent of these bonds are violated. * * * During the same year 2,712 defective aliens were allowed to enter without bond; Ellis Island said they must not come in—they were defective. Of 13,974 other aliens found to belong to the excluded classes by medical officers at Ellis Island, 12,305 were permitted to enter by direct order from Washington—nearly 20,000 in all of the mandatorily excluded classes were permitted to enter the United States during the year.—Dawes, S. L.: Official Minutes, Interstate Conference on Immigration, New York, October 24, 1923.

I brought the Dawes statement to the attention of the Secretary of Labor, and under date of April 14 received the following letter from him:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, April 14, 1924.

Hon. JOHN JACOB ROGERS, M. C.,
House of Representatives, Washington, D. C.

MY DEAR MR. ROGERS: I beg to acknowledge receipt of your letter of April 12, quoting a copy from the Dawes, S. L.: Official Minutes, Interstate Conference on Immigration, New York, October 24, 1923, which purports to give statistics regarding admission to the United States of defective aliens.

In answer I can perhaps do no better than to quote the following from a recent letter of the department, in answer to similar inquiries, as to the record for the fiscal year 1923. The department stated in part:

"You are of course aware that the mere fact that an alien is certified for a physical defect which in the opinion of the medical examiner affects the ability of the alien to earn a living does not in itself render an alien inadmissible, but that the immigration officers at the port must consider such medical certificate in connection with all of the surrounding circumstances and decide the case accordingly. For instance, of the number against whom medical certificates were rendered, 5,623 were certified for senility, it being the invariable custom for the medical examiners to attach to such medical certification the statement that the disability may affect the ability of the alien to earn a living. The fact remains, however, that approximately 95 per cent of these aliens are the parents of aliens already here, who are both able and willing to properly care for them and who themselves are not expected to engage in remunerative employment. Without in any manner intending to reflect upon the work of the public health doctors assigned to immigration inspection, as I believe they are performa-

ing a most meritorious service and almost without exception are conscientious and painstaking in their duties, it appears that there are some medical examiners who make it a practice to certify almost all aliens over the age of 55 as being afflicted with senility; but when all the surrounding circumstances are taken into consideration there would seem to be no justification either for the officers at the port or for the department when such cases come before it on appeal to exclude such aliens merely because of the medical certification.

"There are numerous other causes, such as deformity, hernia, pregnancy, less than normal function, loss of member, etc., for which medical certificates are rendered, but when considered in connection with the other facts in the case, which, of course, the medical examiners can not take into consideration, it is quite apparent that such "deformities," "loss of member," etc., would in no wise affect the ability of the alien to earn a living. For instance, if a jeweler, bookkeeper, or any other person engaged in occupations of a sedentary nature were to be certified for deformity of the hip, loss of the nether extremeties, etc., it could hardly be considered that such defect would impair their earning capacity. In fact, one of the officers in the principal districts has stated that over 90 per cent of the medical certificates rendered might be considered in the nature of marks of identification.

* * * * * * *

"As you are no doubt aware, the seventh proviso to section 3 of the act of February 5, 1917, provides that aliens returning after a temporary absence to an unrelinquished United States domicile of seven consecutive years may be admitted in the discretion of the Secretary of Labor and under such conditions as he may prescribe. It is not at all unusual to have it develop in cases comprehended within this class that the alien has resided practically all of his life in the United States, that the ailment for which he is certified was contracted in this country, and that he has a wife and minor children residing here. The department has taken it for granted that the particular provision of law mentioned was designed to take care of just such cases, which seems the only logical conclusion if one is to be guided at all by the dictates of common decency and humanity. You understand, of course, that the medical officers can not take these matters into consideration when rendering their medical certificates, and if aliens so certified are admitted under this particular provision the medical certificates would remain a matter of record. This circumstance might apply to any one or all of the aliens shown to have been certified for ailments which render them mandatorily excludable, and I have no doubt that they do apply to a large majority of the cases shown in the inclosed table.

"I might state in this connection that only a few days ago the department was confronted with a case wherein a family was returning to the United States after a temporary visit to one of the European countries. This family when it first came to the United States was accompanied by an infant child against which no medical certification was then rendered. When the family returned, however, this child, which is now, according to my recollection, in the neighborhood of 18 years, was certified as being an imbecile. The case was presented to the solicitor for an opinion as to whether this child could be considered as comprehended within the seventh proviso to section 3, already mentioned, and the solicitor's opinion was in the affirmative; consequently the department directed admission. I am sure that it could not be logically argued that the entire family, which knew no home other than the United States, should have been refused permission to reenter simply because of this afflicted child, or that the child in its helplessness should have been separated from the parents.

"Another circumstance which might explain the admission of such aliens is the fact that it has been the practice for a long time past to admit aliens for the purpose of obtaining medical treatment in this country, where it is shown that similar treatment is not obtainable in the country from whence the alien comes. This applies particularly to a large number of aliens who are admitted from Canada for the purpose of obtaining treatment in the Mayo Institute, Rochester, Minn., and also to considerable numbers who are permitted to undergo treatment for tuberculosis at Saranac Lake, N. Y., and elsewhere. In fact, there are certain organizations, such as the Independent Order of Odd Fellows, the International Typographical Union, and others, which have filed a blanket bond with this department under which their members residing in Canada are permitted to enter the institutions maintained by them, there being no possibility of such aliens becoming public charges nor there being any danger of spread of contagion resulting from their admission.

"By reference to section 22 of the immigration act it will be noted provision is made that whenever an alien shall have been naturalized or shall have taken up his permanent residence in this country, and thereafter shall send for his wife or minor children to join him, and said wife or any of said minor children shall be found to be affected with any contagious disorder, such wife or minor children may, in the discretion of the Secretary, be accorded hospital treatment until cured and then be admitted. This provision also accounts for a large number of those shown to have been admitted, particularly those affected with trachoma or venereal diseases.

"In this connection the department did not take into account the joint resolution of October 19, 1918, under which section 3 of the immigration act of 1917, known as the exclusion section, was very materially modified for the benefit of aliens who served in the United States forces or those of the allied nations during the World War. The terms of this resolution applied to aliens returning within two years after the termination of the war, and the fact that this was in force up to March, 1923, undoubtedly accounts for the admission of a considerable number of defective aliens who otherwise might, and in many cases undoubtedly would, have been denied admission to the country."

Sincerely yours,

JAMES J. DAVIS, *Secretary.*

Under date of May 2 I received a further letter from Secretary Davis:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, May 2, 1924.

Hon. JOHN JACOB ROGERS,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: On April 14 I wrote to you in reply to your letter of April 12, in which you make inquiry concerning the justification for statements made by Dr. S. L. Dawes in the official minutes, "Interstate Conference on Immigration," New York, October 24 last, purporting to give statistics regarding admissions to the United States of defective aliens. Since Doctor Dawes is still making these wild and unfounded statements I am taking the liberty of writing you further on the subject.

Assistant Secretary of Labor, Mr. E. J. Henning, informs me that about the 1st of January his attention was called to a story published in a bulletin of the American Defense Society to the effect that at a meeting of that society on November 9, 1923, Doctor Dawes told substantially the same story as was published in the Evening Star of April 22, which I quote below, but at that time placed the responsibility upon Mr. Henning:

"'Mentally and physically defective aliens are being admitted to the United States daily through the exertion of political influence on the Department of Labor,' Dr. Spencer L. Dawes, medical examiner of the New York State hospital commission, declared yesterday before an institute of occupational therapists from several States.

"'The Department of Labor has written me threatening letters because of my protests, and suits for libel also have been threatened,' he said.

"Three thousand aliens who were excluded by physicians were admitted by the Secretary of Labor without bond, and 12,000 were "otherwise admitted," according to the 1922 report of the Commissioner General of Immigration,' Doctor Dawes declared. 'He said he had watched aliens examined at the rate of eight a minute.'"

On January 5 the Assistant Secretary wrote Doctor Dawes, as follows:

"I am just in receipt of a pamphlet covering the conference on immigration of the American Defense Society, held November 9, 1923. In it I note that you make the assertion that I am admitting under bond into this country thousands of aliens recommended for exclusion by the physicians of the Public Health Service at Ellis Island; that I admitted in one year 4,724, and that in the same year I admitted without bond 2,712; and that enough others of the excluded classes under the law were admitted to bring the total up to almost 20,000.

"The article further credits you with saying that while I turned back aliens in excess of the quota when they came on foreign-owned lines, I suddenly became kind-hearted when the *Leviathan* brought in over 13,000 and paroled them in the United States; and that while I am quoted as saying that there is no one who can admit any alien against the law, I nevertheless by specific orders admitted nearly 20,000 excluded aliens; that I have mandatorily canceled many a warrant in cases certified by your office in direct violation of the law.

"I am sure that you do not intend deliberately to falsify or to place upon any public officer a brand which is slightly short of saying that he should be impeached for violation of his oath and for disloyalty to his country without at least something that must look to you like a basis for such assertions. Will you be good enough to advise me on what you base these assertions, or any of them? To say that I am astounded at your statements is putting it mildly, and I haven't the slightest intention to let these statements go unchallenged."

On January 8 Doctor Dawes replied:

"My authority for this statement you will find contained in the report of the Commissioner General of Immigration for the year 1922, page 121. I might add that the same statement as to the admission of aliens belonging to the excluded classes was made in the New York Tribune of March 11, 1923, and was made a part of the record of a hearing of the House Committee on Immigration, H. R. 14273, and, so far as I am aware, remains uncontradicted.

"As to the statement regarding the admission of 13,000 aliens in excess of the quota of the U. S. S. *Leviathan*, what I actually said was that 'the public prints credited the First Assistant Secretary of Labor' with having admitted these aliens under bond, and I am quite sure you will agree with me that the public prints did so state. Of course, the newspapers later stated that you denied having admitted these aliens, and I took occasion publicly to so state."

Doctor Dawes then named three cases in which he claimed mentally defectives had been admitted and one of deportation canceled by the Assistant Secretary. Inquiry developed that in all of the cases named the aliens had been admitted by our predecessors in office; that in one case the warrant was canceled by the solicitor, in another case the alien had died, and in the third the alien had been deported. In reply to this letter, Mr. Henning again addressed Doctor Dawes on January 10, as follows:

"I have carefully gone over the report of the Commissioner General of Immigration for the fiscal year ended June 30, 1922, and particularly page 121 thereof. Frankly, Doctor, nowhere on that page or anywhere else in that document do I find even the slightest foundation for the assertion that I, as First Assistant Secretary of Labor, admitted under bond into this country thousands of aliens recommended excluded by the physicians of the Public Health Service at Ellis Island, or that I admitted such under bond to the number of 4,724, or that I admitted such without bond to the number of 2,712, or that I admitted enough others of the excluded classes under the law to bring the total to 20,000 immigrants. Will you not please be more specific and point out in the report of the Commissioner General of Immigration any one case in which I, as Assistant Secretary of Labor, admitted any alien recommended by the United States Public Health Service for exclusion?

"No, sir; I do not agree that anywhere in public print was there any story to the effect that I turned back aliens in excess of the quota when they came on foreign-owned lines, imposed fines upon them, and made them refund passage money, and then bring in over 13,000 passengers on the *Leviathan* on parole. Will you not be good enough to call my attention to some specific statement of that kind or anything approaching it in any public print? Assuming for the sake of argument that such a statement had been carried and you also saw in the papers, as you now say, a statement that I had denied such a thing, is it fair to have a statement published such as is contained in the publication of the American Defense Society without placing with it the other statement? I saw a number of printed stories about passengers on the *Leviathan*, but never anything even approaching in the remotest degree what you attribute to me.

"Your statement with reference to the case of Jennie Ingoglia has caused me to get that file and examine it. I find that the original order in that case was made by a Mr. Abercrombie in January, 1919, by way of ordering the arrest for deportation. The next order was made in May, 1919, by the same Mr. Abercrombie as Acting Secretary.

"The next one I notice was made February 5, 1921, by Louis F. Post, Assistant Secretary, staying deportation for one year. The next one was made March 18, 1922, by Theodore G. Risley, Acting Secretary. The next one was made January 15, 1923, by Robe Carl White, Second Assistant Secretary. And finally, the order to cancel the warrant was made July 27, 1923, by Theodore G. Risley, Acting Secretary. Nowhere in the file can I find any reference even to myself, nor have I ever before, so far as I know, heard of the case.

"I then looked at the case of Nathan Rothkrug, which is the second case you mention. Very much the same sort of a story is there told. The first order I find was made April 29, 1920, by Louis F. Post, Assistant Secretary of Labor, admitting the alien for a period of one year. The next order is June 21, 1926, by Louis F. Post, Assistant Secretary of Labor, providing for the removal of the alien to some other institution. On January 22, 1921, there is another order by Louis F. Post, Assistant Secretary, 'defer action until expiration of bond.' The next is July 9, 1921, signed by Theodore G. Risley, Acting Secretary, extending temporary admission for one year. The next is September 7, 1922, signed by Robe Carl White, Second Assistant Secretary of Labor, extending the temporary admission for one year. The next is May 25, 1923, by Robe Carl White, Second Assistant Secretary of Labor, ordering that a warrant issue for the arrest of this alien on the ground that he was insane prior to admission. The next was September 4, 1923, by Robe Carl White, Second Assistant Secretary, ordering the alien deported to Poland. The next was October 30, 1923, by Robe Carl White, Second Assistant Secretary of Labor, directing that deprivation be proceeded with. The final memorandum in the file is dated November 12, 1923, signed by H. R. Landis, second assistant commissioner, Ellis Island, New York, returning the warrants of arrest and deportation for the reason that 'the alien in question having died on November 1, 1923.'

"There was no reference to these cases mentioned in the article published, and therefore the matter is more or less beside the issue.

"In the final paragraph of the article in the American Defense Society publication you quote me as saying, 'There is no one, of course, who can admit even one alien against the law;' and then go on to say that nevertheless by my orders nearly 20,000 excluded aliens were admitted in one year, and that I have mandatorily canceled many a warrant in cases certified by your office in direct violation of the law.

"Once more, Doctor, I must ask you to be specific; that you point to the cases which I have admitted unlawfully, particularly in such great numbers as mentioned, and to warrants which I canceled unlawfully. So far you have not mentioned any

"So far as certification from your office is concerned, I never knew of your office by anything that has come to my attention in two years and a half until the Commissioner General of Immigration called my attention to a letter you had written to him under date of September 17, 1923, and to which he replied under date of October 8, 1923, and in which he called your attention to the fact that our efforts to deport certain mentally defectives temporarily admitted by our predecessors were being interfered with by the public authorities of New York State by way of letters from governors, of resolutions by legislative bodies, and petitions by public officers, including your office or the service with which you are connected."

This letter was answered by Doctor Dawes on January 14, in which letter he states that on March 7, 1922, he received a letter from the commissioner at Ellis Island stating, "It appears to be the present policy to refuse to admit even temporarily and under bond aliens who are mandatorily excluded from admission to the United States because of mental or physical disability"; and further states that "since that time I have received no report of any kind of any aliens of this class who were admitted under bond or otherwise." He then refers further to the report of the Commissioner General of Immigration for the year 1923, in which he says, "You will find that there were a number of cases of this character admitted under bond and otherwise."

It is perfectly clear that what Doctor Dawes did in making his wild statements was to take the first compilation in the report of the Commissioner General of Immigration as to aliens certified medically not strictly normal and declare that they were all inadmissible. This compilation of statistics is accompanied in the same report with explanatory data which at all times has been available to Doctor Dawes. In large part these certifications of the Public Health Service comprise cases such as I described to you in my letter of April 14. So as to have it before you I quote the following from that letter:

"You are of course aware that the mere fact that an alien is certified for a physical defect which in the opinion of the medical examiner affects the ability of the alien to earn a living does not in itself render an alien inadmissible, but that the immigration officers at the port must consider such medical certificate in connection with all of the surrounding circumstances and decide the case accordingly. For instance, of the number against whom medical certificates were rendered, 5,623 were certified for senility, it being the invariable custom for the medical examiners to attach to such medical certification the statement that the disability may affect the ability of the alien to earn a living. The fact remains, however, that approximately 95 per cent of these aliens are the parents of aliens already here, who are both able and willing to properly care for them and who themselves are not expected to engage in remunerative employment.

"Without in any manner intending to reflect upon the work of the public health doctors assigned to immigration inspection, as I believe they are performing a most meritorious service and almost without exception are conscientious and painstaking in their duties, it appears that there are some medical examiners who make it a practice to certify almost all aliens over the age of 55 as being afflicted with senility; but when all the surrounding circumstances are taken into consideration, there would seem to be no justification either for the officers at the port or for the department when such cases come before it on appeal to exclude such aliens merely because of the medical certification.

"There are numerous other causes, such as deformity, hernia, pregnancy, less than normal function, loss of member, etc., for which medical certificates are rendered; but when considered in connection with the other facts in the case, which, of course, the medical examiners can not take into consideration, it is quite apparent that such 'deformities,' 'loss of member,' etc., would in no wise affect the ability of the alien to earn a living. For instance, if a jeweler, bookkeeper, or any other person engaged in occupations of a sedentary nature were to be certified for deformity of the hip, loss of the nether extremities, etc., it could hardly be considered that such defect would impair their earning capacity. In fact, one of the officers in the principal districts has stated that over 90 per cent of the medical certificates rendered might be considered in the nature of marks of identification."

Mr. Henning specifically called the doctor's attention to the fact that while the report of the Commissioner General of Immigration in round numbers showed that 20,000 aliens were not admitted on primary inspection during the fiscal year ended June 30, 1922, nevertheless, as also appears from the same report only about 3,000 of these cases were even appealed to the department, and that all the rest were disposed of by the boards of special inquiry. The cases disposed of at the ports, as you know, never come to Washington for action, and therefore 17,000 of the 20,000 he refers to must necessarily be eliminated from the doctor's statement. The astonishing thing about these statements is that Doctor Dawes is perhaps as familiar with the immigration law and procedure as I am. Further in his letter of January 14 the doctor admits the accusation against him that, instead of coming with clean hands, the official body of which he is a member passed a resolution specifically requesting the department not to deport a certain feeble-minded alien temporarily admitted by our predecessors in office.

In a lengthy communication addressed to Doctor Dawes by the Assistant Secretary on February 2 this matter is quite fully thrashed out. I therefore quote it for your information:

"Your letter of the 29th is before me. I have a notice saying that the American Defense Society will have a meeting and immigration conference on the 2d instant. If you will make your statement and that society declines to publish it, I will know how to proceed.

"Your outline as to the statement you desire to make is not precisely a retraction of what you said and not precisely what I have asked of you. The fact is that the report of the Commissioner General of Immigration for 1922 makes no such statement as you claim. If you will again read your statement in the publication of the American Defense Society, you will note your error. While the report shows that 19,113 aliens were admitted who were certified as "physically or mentally defective," that report also shows that only 1,023 of these were admitted on appeal. All the others were admitted either on primary inspection or by board of special inquiry. You, of course, understand that primary inspection or examination by board of special inquiry is at the ports and wholly beyond the control of the Department of Labor. You will also note that, with the exception of about 25, those admitted on appeal to the department were not afflicted with mental disease or any loathsome contagious disease, which bars them as a matter of law. If you knew the facts of those indicated as admitted, you would also know that they were admitted strictly within the provisions of the law. You will note, for example, that nearly 1,000 were admitted after hospital treatment. That, of course, means that whatever their difficulty it was removed by a brief course of treatment. I have not said that I have not acted upon appeals. I certainly have. The fact is that during five days preceding Christmas eve in 1921 I personally passed on 1,365 appeals, which stands as a record in the history of the department. But I am not the only one who passed on appeals during the fiscal year covered in the report which you used as a basis. I passed on many appeals, the great bulk of which were dismissed and not granted. It is also true that the great bulk of appeals are cases in which no medical certificate appeared. Your principal error lies in that you charge to this department the disposition of all cases in which any certification was made medically indicating some defect, when, as a matter of fact, about one out of ten of these cases came to us on appeal. In that connection it is interesting to note that of those admitted among the medical cases 7,421 were afflicted with senility and that only about 300 of these came to the department on appeal, all others being admitted at the ports. You know, the laws all make an exception as to aged parents coming to children in America for support.

"Specifically referring to your statement as published, you say that I admitted under bond into this country thousands of aliens recommended excluded by physicians of the Public Health Service at Ellis Island and quote figures indicating nearly 7,000. The fact is that none of those admitted by us on appeal were recommended for exclusion by the physicians of the Public Health Service. In the cases which were admitted, the strongest statement made in any of them was by the Health Service that the condition might interfere with the ability of the alien to earn a living. In every case in which an alien was certified as having a medical condition which brought him in the excludable classes, he was excluded. However, in that very same paragraph, you state that I admitted a total of almost 20,000 of those excluded by law.

"With reference to the *Leviathan* statement, I have not said that I opposed the proposed action, but I say that what the newspapers published, so far as I am concerned, might as well be construed to the effect that I opposed as that I favored. Anyone who knows anything whatever about my service in this department will tell you that I have always taken the position that it is always a mistake to temporarily admit any inadmissible alien.

"The truth of the matter is, Doctor, that you and I are very much on the same track, with reference to immigration, with the exception that my position always has been far in advance of yours in the matter of the exclusion of all unfit and all except those entirely normal physically, mentally, and morally. I can also say truthfully that more public officers in the State of New York, both Federal and State, have urged the admission of aliens other than strictly normal than have public officers of any other State.

"By the way, I am still in the dark as to just what you mean in the last sentence attributed to you by the defense society publication when you say 'and he has mandatorily canceled many a warrant in cases certified by my office in direct violation of the law.' As I said before, I have never know of any certification from your office in any immigration case except the one concerning which you and Mr. Husband corresponded. I am wondering just what certification, under the law, your office is authorized to make with reference to the deportability of aliens. Apparently, this is a phase that has never come to my attention. If you mean that I have canceled warrants of people certified by your office as public charges for mental reasons, you are doing me a great injustice. I have never canceled any such warrants.

"Doctor, you seem to be woefully mixed with reference to the law for handling incoming aliens. You apparently mix the acts of inspectors at ports with the acts of the Secretary of Labor. Under the law the Secretary of Labor may not even intimate to an inspector at a port or to a board of special inquiry what course he should pursue any more than an appellate judge could lawfully exercise duress over the acts of a judge of a lower court. The law simply provides that an alien refused admission by a board of special inquiry at a port may appeal to the Secretary. Until that time the Secretary has not any power whatever over the case. When the case comes on appeal it is decided either by the Secretary, by an Assistant Secretary, or in the absence of both the Secretary and all Assistant Secretaries, by an Acting Secretary, as provided by the statutes.

"What I ask of you is to retract your statement that I, Mr. Henning, am admitting, under bond, into this country thousands of aliens or any aliens recommended excluded by the physicians of the Public Health Service, and that I did not in any year admit 4,724 under bond and 2,712 without bond and enough others of the excluded classes to bring the total up to almost 20,000. I have never admitted any alien excluded by law. I have passed on 90 per cent of all the appeals that came to this department during the fiscal year ending June 30, 1922.

"I demand retraction of the statement that I am harsh and severe and in that character while turning back aliens in excess of quota when they come on foreign-owned lines and fine such lines and compel refund of passage money, and I become kind-hearted when the *Leviathan* brings in over 13,000 people and parole them into the United States. I have never done anything of that kind. I have been the one in this department always and eternally to insist that all the ships of all the world must be treated exactly alike. I did say, and I do say, 'There is no one, of course, who can admit even one alien against the law.' One of the Federal courts in your State said almost the identical thing in passing on habeas corpus proceedings of a feeble-minded alien where it is claimed that the acts of executive officers amounted to an admission. I demand retraction of the statement that while I said the words quoted, I nevertheless by my orders admitted nearly 20,000 excluded aliens in one year, and particularly that I have mandatorily canceled many a warrant certified by your office in strict violation of the law. I have never canceled any such warrant.

"The time has come, it seems to me, when all good Americans, and particularly all public officers, must devote themselves loyally to preventing the coming into this country for permanent residence of aliens who are physically, mentally, or morally subnormal, and to bring about the elimination from the land of those who have entered unlawfully, either by surreptitious entry or by false statements which have brought about their lawful entry.

"I have stood for this program from the beginning, and have flattered myself that I had some part in bringing about that which

is eloquently protrayed by comparing, for example, the records for the fiscal year ending June 30, 1921, with those of the fiscal year ending June 30, 1923."

In spite of all that Doctor Dawes knows about the subject, the specific information which has been given to him, and the admissions which he makes, he continues to peddle out his original statements, which have been proved to be false. He persistently garbles the report of the Commissioner General of Immigration by making brief extracts without the explanatory matter which accompanies them and which any average school child would use in an analysis of his reading, and blandly criticizes the Immigration Service for improper administration. He refuses absolutely to recognize the facts, but insists, apparently for the purpose of the publicity he gets in the newspapers, to reiterate his statements. He knows they are not true, and I am at a loss to explain his attitude.

Sincerely yours, JAMES J. DAVIS.

It would seem as if the allegations made concerning the policy and the procedure of the Department of Labor in the matter of admitting deficients were in error. I think it is important that the facts as developed by Secretary Davis should be available for the information of those interested.

STOCK RAISING HOMESTEADS

Mr. SINNOTT presented a conference report on the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes."

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WOOD presented a conference report for printing in the RECORD under the rule on the bill H. R. 8233, the independent offices appropriation bill for 1925.

Mr. CARTER. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. CARTER. May I ask the gentleman when he expects to take up the conference report?

Mr. WOOD. That depends on the order of business in the House.

Mr. CARTER. The gentleman will not undertake to take it up to-day?

Mr. WOOD. No; under the rules it can not be taken up to-day.

Mr. CARTER. It could be taken up by unanimous consent.

Mr. WOOD. I do not intend to ask unanimous consent to take it up to-day.

Mr. CARTER. I wanted an understanding so that it would not be taken up in my absence. I have some remarks I want to submit.

LEAVE TO ADDRESS THE HOUSE

Mr. WATSON. Mr. Speaker, I ask unanimous consent to address the House on Wednesday next for 15 minutes, after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for 15 minutes on Wednesday next. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, upon what subject?

Mr. WATSON. The international courts.

Mr. BANKHEAD. Which international court?

Mr. WATSON. Both.

The SPEAKER. Is there objection?

There was no objection.

APPOINTMENT OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates the gentleman from Louisiana [Mr. LAZARO] to preside to-morrow as Speaker pro tempore at the memorial exercises in honor of the late Representative DUPRÉ.

WINNING OF RIFLE TEAM TROPHY, NATIONAL GUARD

Mr. CLARKE of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD a copy of my remarks made at the time of the presentation of the War Department trophy for the best scoring rifle team in the National Guard, Company F, Tenth Infantry, New York National Guard, of Walton, Delaware County, N. Y.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. CLARKE of New York. Mr. Speaker, under leave granted I insert the following address:

Just back from a real celebration tendered by Walton, in my native county of Delaware, to its Company F, Tenth Infantry, New York National Guard, for winning the War Department trophy given for the best scoring rifle team in the 960 National Guard companies in the United States.

So exacting are the military requirements—at least 70 per cent of the entire strength of the company must qualify as marksmen, sharpshooters, or expert marksmen—under which this trophy is offered, that for 10 years it has not been awarded to any company.

The story of Company F is a particularly interesting one, as Walton is the smallest community in the United States possessing its own armory. Company F was organized as the Thirty-third Separate Company, the Eighth Brigade of the Fifth Division, May 20, 1879, until April 17, 1922, when it became Company F, Tenth Infantry, New York National Guard, on a redesignation.

Part of Company F served with the One hundred and seventh Infantry, and the balance with the First and Fifty-second Pioneers overseas. They went into action in part as a portion of the Twenty-seventh Division, seeing service in France, Belgium, and Germany. The drive on the Hindenburg Line found Company F playing its gallant part. A small group of this same company went overseas with the First Pioneer Infantry, and finally became a part of the Army of Occupation in the German fortress at Ehrenbreitstein.

Secretary of War Weeks designated Brig. Gen. William Weigel to be present as a representative of the War Department with Colonel Walsh, commanding officer of the Tenth Regiment and staff, and other regimental officers to present to this splendid, patriotic, straight-shooting company this War Department trophy.

Walton is the largest community in Delaware County, which is sixth in size and first in dairy products. The town is one of the great lumber producers of the 65 counties of New York State. Located on the headwaters of the Delaware River, the country about Walton was long the favorite hunting ground of the Iroquois Indians. Brant, their famous chief, traversed it again and again during the Revolutionary War. Following in Brant's tracks in October, 1778, a small detachment of Morgan's Virginia riflemen, General Washington's favorite sharpshooters, visited the site of Walton; later two of these old-time Leather Stockings revisited the region and would seem to have sowed in the air seeds of unerring rifle accuracy.

In 1785 Walton was founded by five officers of the Revolutionary War, the leader of them being Dr. Platt Townsend, Yale, class of 1750, who was one of Washington's army surgeons; and all five of its founder families came from three Long Island towns, Doctor Townsend himself from Oyster Bay, and some of the ancestors of my distinguished colleague, WALTON MOORE, gave the name to the town, and other of his relatives equally distinguished now reside in an adjoining county in my congressional district.

Among the 170 cities in New York State with more than 2,500 people Walton ranks second for the highest percentage of second, third, and fourth generation white Americans, its percentage being 86, while Manhattan Island has scarcely 20 per cent of even second-generation white Americans. The first town in New York State in this rating for pure American stock is Union, a community of 3,460 people in Broome County, 36 miles west of Walton, with 87 per cent; Walton, with 3,600 people, is second with 86; and Sidney, a community of 2,700 people, also in Delaware County, is third with 83 per cent, while no other city in the State has as many as 75 per cent, and only half a dozen or so, all told, have as many as half of their people American whites of the second generation.

Delaware County is one of the 6 counties among the 150 in the eight northern Atlantic coast States—Maine to Pennsylvania—with 95 per cent of its people native-born whites. Maine has three of those counties midway of her coast, and New York has the other three—Allegany, Delaware, and Schoharie, which adjoins Delaware on the east.

Walton, 1,200 feet above sea level, in one of the 40 most-productive agricultural counties of the 2,950 counties in the Nation, has the finest town hall in central New York, has had volunteers in every war, including 256 in the World War, and its hillsides furnished the timbers for the famous war frigate *Constitution*, built at Boston in 1797. Such is the real American community that won in competition with the best in the Nation the War Department's trophy for skilled marksmanship.

The range on which this New York company shot was at Peekskill during the encampment beginning August 25, 1923. The Walton company reported with a full personnel of officers and 92 enlisted men. At the range it scored 75 per cent, or 5 per cent more than the requisite required by the War Department for qualification. Practically all of these wonderful marksmen are natives of Walton, many of them veterans from the overseas service in the Great War, where the Walton company, a portion of the Twenty-seventh, which was hurled against the Hindenburg line, was nearly decimated in the closing days of 1917.

It is therefore my pleasure and pride to place in the permanent records of this country the splendid story of Company F of my native Delaware County.

RENTAL CONDITIONS IN THE DISTRICT OF COLUMBIA

Mr. BLANTON. Mr. Speaker, Mr. William P. Richards, who is the tax assessor of the District of Columbia, made a splendid report to the Commissioners of the District of Colum-

bia on rental conditions here. It is very illuminating, and I ask unanimous consent to put Mr. Richards's report in the RECORD.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, Mr. Speaker, what is Mr. Richards's official position?

Mr. BLANTON. He is the tax assessor of the District of Columbia.

Mr. LAGUARDIA. How long is the report?

Mr. BLANTON. I shall not put in any of it except the pertinent parts. I am sure that it will be illuminating to the gentleman as well as to others. Mr. Richards is the best versed man on property in the District of Columbia.

Mr. LAGUARDIA. How many pages?

Mr. BLANTON. The excerpts will probably take half a page of the RECORD.

The SPEAKER. Is there objection.

There was no objection.

Mr. BLANTON. Mr. Speaker, Mr. William P. Richards, who is tax assessor of the District of Columbia, probably is the best posted man in the city on property matters. On January 25, 1924, he submitted to the Commissioners of the District of Columbia his report and recommendations concerning the legislation proposing to extend the Rent Commission. His views then expressed are so nearly in accord with the decision of the Supreme Court of the United States rendered on April 21, 1924, and the decision rendered yesterday of Mr. Justice Stafford, of the Supreme Court of the District of Columbia, that I think pertinent excerpts from same should be placed before my colleagues.

Through the kindness of Commissioner Oyster, I have secured a copy of this report, and from same I quote the following:

EXCERPTS FROM REPORT OF TAX ASSESSOR RICHARDS

By reason of the existence of a state of war Congress passed an act * * *.

Now, after five years of building activities, two years of which have been extremely heavy, it seems doubtful whether the same emergencies still exist. * * *

From 1911 to 1916 the cost of construction was $74,593,606; * * * 1917 to 1923 we find that it amounts to $138,802,403. * * * The value of rents will depend on competition that may arise from the erection of new improvements. With new improvements the amount of rent depends on the cost of erection, which, in turn, depends on the labor conditions.

For example, if housing conditions in the District of Columbia exactly met the demand and there was a drop in the price of material and the cost of labor, new buildings would be erected and profitably rented at a lower amount than buildings which cost a much greater per unit price to erect. On the other hand, if there is a stringency in housing conditions and the cost of erection stays nearly double that of previous years, old structures must advance in rental prices in certain competition with new structures, which last would have to be rented in accordance with cost of construction.

It therefore seems probable that even if we admit that housing conditions are adequate for the demand there will be no fall in rental prices until there is a fall in the construction cost. A fall in construction cost can only occur by a cessation of building operations, and building operations will not fall off until the demand for housing facilities has not only been met but the mark passed to such an extent as to bring about vacancies in rental properties. * * * the question arises as to whether the extension of the "rent act" will aid or hinder a possible return to normal conditions. The amazing amount of building operations in 1922 and 1923 emphasizes the existing shortage that prevailed in 1919, 1920, and 1921. The rent act was therefore peculiarly fitted to these last-mentioned years. But now there is close accord with supply and demand in the real-estate market. The problem is not, as heretofore, restriction of barter in an insufficient commodity, but more particularly a realignment or readjustment of rentals on a basis of equality, and this can be done more fairly to all concerned with freedom of agreement unhampered by restrictive legislation.

Extensions and amendments to the rent act have provided for rent regulations up to May 22, 1924. It is now proposed to still further amend and extend the workings of the food control and District of Columbia rents act, to increase the authority of the Rent Commission, to create new positions, etc. It is stated in this proposed amendment that an emergency still exists and continues in the District of Columbia and will continue for an indefinite time in the future * * * there is a definite extension for a period of two years * * *.

The war which brought about changed conditions in national affairs ended over five years ago. Naturally, trade, productivity, and general living conditions have been seeking such levels as pertain to conditions of peace, and these levels will be reached more quickly by the removal of legislation barriers. It is true that if the act is not extended after May 22, 1924, many attempts to increase rentals in the District of Columbia will occasion a certain amount of loss and inconvenience to Government interests. Nevertheless, this will occur if the act be extended one, two, or three years, and then terminated. The workings of the act have, in a way, suspended laws of barter and agreement and thereby produced abnormal conditions which are sure to occasion trouble and confusion.

There was never a time when the rentals in the District of Columbia were so unequal as they are to-day, and their inequality can only be corrected by moving to the level plane of supply and demand, and allowing a certain length of time for readjustment and equalization. This is equivalent to making the statement that a year from now better conditions will prevail in the District of Columbia by allowing an end to rent legislation and letting District affairs take their own natural course. Property values are determined by their income or by future expectation of income. To reverse this process and determine the property value upon which income may be based is unnatural and illogical. Any interference with the natural course of property ownership and property management can only be based on conditions of a most unusual nature and not on such conditions as now prevail.

This office believes that there is very little, if any, need for the extension of the rent act, etc.

This distinguished tax assessor, Mr. Richards, is a patriot, for in thus recommending the abolishment of the Rent Commission he was taking a stand on January 25, 1924, against a bill that proposed to pay him an extra $1,000 each year as an aid of said Rent Commission. He is, therefore, to be most highly commended, both for his patriotism and also for his good judgment, which has been followed by Justice Stafford, of the Supreme Court of the District, and also by the Supreme Court of the United States.

INDUSTRIAL VOCATIONAL REHABILITATION

Mr. SNELL. Mr. Speaker, I present the following privileged report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 274

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5478, to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry, or otherwise, and their return to civil employment." That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, the resolution just read by the Clerk simply provides for an amendment to the act that was passed in June, 1920. This legislation practically extends or authorizes the extension of the appropriation provided under that act of $1,000,000 a year for the period of four years. When this original act was passed, it was rather an innovation, and it was the desire of those interested to spur the States on to the proposition of rehabilitating their citizens who were disabled in industry. As a general proposition I am not in favor of these 50-50 propositions, but it seems that this has been especially desirable in every respect and has produced very good results. While some of the States were slow in taking advantage of the provisions, during the last year about 36 States have taken advantage of them and are doing excellent work. I understand that all of these States are very anxious to have the appropriations continued for a certain length of time. When the chairman of the Committee on Education was before the Committee on Rules we suggested to him that we would like this bill much better if he had made provision in it notifying the various States that Congress did not intend to continue these appropriations forever, and that it expected to stop them at the end of the next four years. While the chairman did not say that he would offer that amendment, he gave us to understand that he would not oppose an amendment of that character.

I am sure that, in a general way, rehabilitation has produced very good results, and the effect is that we are making independent people out of people who otherwise would be dependent. It is a cheaper proposition for the State to rehabilitate these men and put them back so that they can take care of

themselves than it would be to support them in some institution at the expense of the public.

Mr. SANDERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. SANDERS of Indiana. Mr. Speaker, I suggest to the gentleman from New York that before he moves the previous question the resolution should be amended on page 2, line 2, after the word "considered," by inserting the words "as ordered."

Mr. SNELL. That was the intention. Mr. Speaker, I offer that amendment.

The SPEAKER. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SNELL: Page 2, line 2, after the word "considered," insert the words "as ordered."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SNELL. Mr. Speaker, I reserve the remainder of my time.

Mr. TUCKER. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. TUCKER. Is any time prescribed in the resolution for the discussion of it?

Mr. SNELL. There is no time provided for the discussion of the rule. I have an hour at my disposal and I intend to yield some time to the gentleman from Alabama [Mr. BANKHEAD], and the gentleman from Virginia can get some time from him, I have no doubt.

Mr. TUCKER. I would like to have 15 minutes.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. SNELL. Yes.

Mr. BLANTON. The only objection I have to the bill is that it appropriates $1,000,000 a year for four years.

Mr. SNELL. That is correct.

Mr. BLANTON. Does not the gentleman think it would be wiser to appropriate only for our term and let the next Congress appropriate whatever is necessary?

Mr. SNELL. This simply authorizes an appropriation. The appropriation will not necessarily be made. We authorized more in the original act than ever has been appropriated. They will appropriate only what is used, and as fast as it is used, if necessary.

Mr. BLANTON. Is the gentleman in favor of the policy of Congress making appropriations four years ahead?

Mr. SNELL. As a general proposition I am not, and this does not make an appropriation, but it does make an authorization which seems to be necessary on account of the character of the work to be carried on under the provisions of the bill.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. TILSON. Is the law limited as to time in the bill?

Mr. SNELL. Does the gentleman mean for four years?

Mr. TILSON. Yes. That is, without any further legislation will this law pass out of existence at the end of four years?

Mr. SNELL. The authorization for the appropriation will. As I suggested, I would be very glad to have the committee amend the bill so as to advise the States that we do not intend to continue the appropriation after that time.

Mr. TILSON. Of course we can not tell what Congress four years from now will do.

Mr. SNELL. No; but I thought it would be a good idea to give that notice.

Mr. TILSON. It would take positive action on the part of Congress to continue the authorization.

Mr. SNELL. It would.

Mr. DALLINGER. Will the gentleman yield?

Mr. SNELL. I will.

Mr. DALLINGER. I would like in reply to state that the Attorney General held that the act itself was permanent law, but the authorization for the appropriation should be provided.

Mr. SNELL. I reserve the remainder of my time, and yield 10 minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker and gentlemen of the House, I do not regard it necessary to make any extended explanation of the rule that has been presented for your adoption. It is one of the ordinary rules providing for the consideration of the bill under the general procedure in such cases. I trust there will be no serious opposition to the adoption of this bill. When I was on the Committee on Education in the Sixty-fifth Congress, which was formulating the bill for vocational rehabilitation for our wounded and disabled soldiers, I was astounded during the course of these investigations to find the number of men and women in all parts of the country who were disabled more than 50 per cent in the ordinary industrial and agricultural occupations. It was estimated at that time that there were more than 300,000 men and women in the United States who have become permanently incapacitated in the industries of the country, thereby losing their earning capacity, and in a majority of cases became helpless charges either upon their immediate families or upon the charity of the community. In view of the economic as well as the humanitarian phases involved in the proposition, and inasmuch as no concerted effort had ever been made either by the Federal, State, or municipal authorities, with the probable exception of a few States, to engage in concerted action to alleviate the condition of these unfortunate people, I prepared and introduced in the Sixty-fifth Congress the original bill which was subsequently enacted into legislation and constitutes the existing law. The original purpose of the House was not to make any extensive burden upon the Treasury of the United States for the maintenance of those found disabled, because we only asked for a modest amount, and are only asking in this bill, which will soon be presented to you for consideration, a reauthorization of a modest amount of money for the purpose of carrying on this work. As a matter of fact, the original appropriation has not all been exhausted, and there is a considerable amount left in the Treasury unexpended, for the reason that all the States have not up to date accepted the benefits of this legislation, because it is entirely optional with the authorities of the State as to whether or not they determine to take advantage of the appropriation.

Mr. LAZARO. Will the gentleman yield for a question for information?

Mr. BANKHEAD. Yes.

Mr. LAZARO. Would the gentleman mind inserting in the RECORD the States that took advantage of this law for the information of the Congress?

Mr. BANKHEAD. Yes; I will endeavor to secure that. I think probably the chairman of the Committee on Education, though, can furnish the gentleman with detailed information when he comes to speak on the bill, and he advises me that he will do so. I submit for your earnest consideration, gentlemen of the House, that this legislation has thoroughly justified the claims of those who espoused it upon its original passage. Up to date I believe 36 States of the American Union have taken advantage of this law, and it is now in practical and very successful operation in those States, and if gentlemen of the House would really take occasion to examine the administration of this law or the men and women scattered all over the country who have been crippled and maimed while following their legitimate pursuits and earning a livelihood for their families and who in their disabled condition were practically possessed of no earning capacity and who have, previous to this bill, been taken charge of by the State authorities and put through a course of rehabilitation suited to their condition—if you will take occasion to examine the figures now of the earning capacity of those unfortunates after they have received the benefits of this education and gone back into the industrial life of the country, I believe you will agree with me that this small expenditure has been a very valuable investment to the country not only from a humane but from an economic standpoint. The average cost to the State and Federal authorities for the rehabilitation of each individual amounts to about $200 or $250, and it is shown that after they have been rehabilitated under the processes of this bill that their earning capacity amounts to $1,000 per annum, and under the provision of this bill those unfortunates have been taken in charge and given the benefits of this law. Some States have been more progressive because some of the States have seen fit through their legislatures to appropriate larger sums than others. The minimum amount that each State can receive under the present law, I believe, is about $17,000.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. BANKHEAD. I will.

Mr. EVANS of Montana. Would the gentleman advise us how many States are cooperating under this bill?

Mr. BANKHEAD. Thirty-six States up to the present time is my information. For instance, Dr. M. R. Little, director of the New York City Bureau of Rehabilitation, testified that 612 persons were rehabilitated in New York in 1923, of an average age of 33 years. As an initial wage after rehabilitation the

612 rehabilitated persons earned upon an average more than $1,000 each, which may be contrasted with a maintenance expense of approximately $300 each if the individuals had remained unrehabilitated. In other words, the gross amount derived by each individual disabled is about $1,500 per annum. In the State of New Jersey the State board handled 6,788 cases in 1923, at a total cost of $99,000, of which $29,000 was Federal appropriation. In the State of Mississippi, represented so very ably by the gentleman, the ranking minority member of the Committee on Education, Doctor LOWREY, it is testified that there were 133 cases rehabilitated in 1923. As a result of their rehabilitation the earnings of the 133 increased in 1923 from $48,000 to $126,000 per annum.

And so on with reference to a number of the other States, setting out the figures.

Mr. BRAND of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. BRAND of Georgia. Have you any figures from Georgia? What was the gentleman quoting from?

Mr. BANKHEAD. I was simply referring to the statements in the majority report. I regret I do not have any figures from the gentleman's State.

Mr. BRAND of Georgia. Does this bill carry further appropriation?

Mr. BANKHEAD. It carries an authorization of an appropriation of $1,000,000 annually, the same authorization that was carried under the existing law. It carries an authorization for a period of three years following June 30, 1925, of $1,000,000 annually.

Mr. OLIVER of Alabama. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. OLIVER of Alabama. Judging from a study of the report, is it the gentleman's opinion that in the absence of Federal aid many of these unfortunates would not have been rehabilitated?

Mr. BANKHEAD. Yes.

Mr. OLIVER of Alabama. It has greatly encouraged the States in this work?

Mr. BANKHEAD. Yes. I will say to my colleagues that the real purpose behind this bill, the idea which led to its inception, was not to put an extravagant burden upon the Federal Government, but that by an appropriation of a million dollars a year the Federal Government would stimulate the States, the ultimate result being to induce the States to appropriate such an additional amount as they saw fit, and many of them are exceeding very much the amount of the Federal apportionment.

Mr. OLIVER of Alabama. I recall the very substantial hope which the gentleman from Alabama had when this act was first passed, and I assume that the reports show that the results have gone even beyond his most sanguine expectation?

Mr. BANKHEAD. Yes. I think it is very gratifying to those of us who were originally so much interested personally in this legislation.

Now, the gentleman from Virginia [Mr. TUCKER], for whose opinion I have the most profound respect, and with whom I agree on most of these questions as to the division of Federal and State authority——

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. BANKHEAD. Mr. Speaker, will the gentleman let me have five minutes more? I shall probably not have opportunity to say anything on the bill when it is placed before you.

Mr. SNELL. I yield to the gentleman five minutes more.

Mr. BANKHEAD. Along the line as to whether this is a proper field for the exercise of Federal activity, I contend that it is. But I want to cite this fact, that this is no new venture along the line of Federal activity. Of course, that does not justify the principle, and is not in violation of the principle; but I want to call attention to the fact that the Federal Government up to date, out of the public domain, and incidentally out of the Public Treasury, has appropriated for the purpose of common-school education and for higher education, as well as making grants to normal schools for the deaf, dumb, and blind, and reform schools, an aggregate of 140,000,000 acres of the public domain for this specific purpose of encouraging the education of the youth of the country. It is estimated that the approximate total income from those Federal grants for these specific objects of education up to date has amounted to the enormous sum of $879,530,000; so that for a long time, extending many decades back in the history of our Federal legislation—and I do not know that the constitutionality of the enactment has ever been questioned or passed upon by the Supreme Court, but certainly these acts have not been set aside if they were attacked upon constitutional grounds—they have become well recognized as a part of our Federal system. Not only have we granted these enormous sums out of the public domain, but the Congress has passed the Smith-Hughes Educational Act for the education of normal pupils in the public and high schools of the country, and it has adopted the same principle in appropriating very large sums of money under the Smith-Lever Agricultural Extension Act for the purpose of promulgating information with reference to scientific agriculture among the farmers of the country. So that although originally it might have been questioned upon the grounds raised in the minority report, yet it seems that the precedents, as well as the absence of any attack made upon former measures involving the possible violation of the same constitutional rights, have both conspired to fix legislation of this sort as within the well-established legitimate functions of the Federal Government.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. ROMJUE. What was the appropriation under the original act? Was it $1,000,000?

Mr. BANKHEAD. Yes; the same as under existing law. Under the plan proposed by the bill to be brought in by the rule, as will be more elaborately explained by the chairman of the Committee on Education [Mr. DALLINGER], the whole purpose sought by this bill is to reauthorize the whole amount carried under existing law for an additional period of three years. It does not change the methods or the machinery provided for the cooperation with the States, and it simply leaves it up to the Committee on Appropriations to supply the appropriation; and I assume, of course, that they will appropriate the money, inasmuch as this system is entirely established. It merely authorizes the Committee on Appropriations to appropriate this amount of money for the coming period of four years.

Mr. Speaker, this is a piece of legislation which, it seems to me, should certainly appeal not only to the practical but also to the humane, and, if you want to call it that, to the sentimental feelings of the Members of Congress. It deals with a class of people who, under the scheme of things, are not dealt with by our local eleemosynary institutions; a class of people, largely working people, the man in overalls and the woman in gingham, the bread earners, the heads of families, who go out in pursuit of a livelihood and are mangled in the machinery of factories or mines or railroads and become so much human wreckage in the society of our Nation. Under the humane principles of this legislation people of that sort are taken in charge of by the State authorities, and their qualifications for rehabilitation are examined into; and by the appropriation of this relatively small amount of money hundreds and thousands of them are being put in a position where they can go back into the earning life of the Nation with self-respect, with some dignity of purpose, and a capacity to earn livelihoods for themselves and their families; and I trust that the rule will be adopted with practical unanimity. [Applause.]

The SPEAKER. The time of the gentleman from Alabama has again expired.

Mr. SNELL. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. TUCKER].

The SPEAKER. The gentleman from Virginia is recognized for 10 minutes.

Mr. TUCKER. Mr. Speaker, I regret I am unable to support this bill. I hope in the time which is allowed in general debate to discuss the fundamental principles of this bill, but I want to call your attention at the outset, in the 10 minutes which have been allotted me, to a few points in the bill itself.

This bill is intended to perpetuate a law passed in 1920 for four years longer, and proposes to authorize an appropriation of $1,000,000 a year for this purpose.

Mr. Speaker, the report of the majority, made by my friend, the gentleman from Massachusetts [Mr. DALLINGER], shows that in the last three years there has been allotted and then appropriated the sum of $2,864,000 for the years 1921, 1922, and 1923. Of the amount that has been allotted to the States, $937,000 has been spent. The bill claims that $1,000,000 a year is necessary for four years to carry on this work; $2,800,000 has been allotted and appropriated, of which $937,000 has been spent. Why appropriate $4,000,000 when we have $2,000,000, in round numbers, that has not been used under former appropriations? Is this Government so rich and are our taxes so small that when the bill asks for $4,000,000 and we have to our credit, to be exact, $1,922,669——

Mr. SNELL. Will the gentleman yield?

Mr. TUCKER. Yes.

Mr. SNELL. Is it not a fact that those authorizations revert to the Treasury at the expiration of the present year?

Mr. TUCKER. I am not certain about that.

Mr. SNELL. I think I am correct in that statement.

Mr. TUCKER. I am certain of it.

Mr. SNELL. I think that is correct.

Mr. TUCKER. I do not want to cut this project off in the bloom of youth, for I am perfectly willing to see it go on for two years. It was instituted as a temporary expedient, and now, after four years, let the bill go back to the committee and let them authorize the appropriation of the balance now in hand, even if it has gone to the Treasury. In other words, why should we, in our condition, be appropriating $4,000,000 when we need only $2,000,000? So much for that.

Mr. SNELL. Will the gentleman yield further?

Mr. TUCKER. Yes.

Mr. SNELL. I think the gentleman ought to make it very definite that the bill authorizes only $1,000,000 per year.

Mr. TUCKER. Yes.

Mr. SNELL. And that the 36 to 48 States, after they really get going, will probably use all of that appropriation, if not more. Is not that a fact?

Mr. TUCKER. No; it is not. If the gentleman will look at the table on page 2 of the report, he will see that of the amounts allocated to the States not half of them, in some cases, has been used. In the year 1921 the amount authorized for the use of the 48 States was $790,000, and only $434,000 was used. The next year $1,034,000 was authorized and $790,000 used, and the next year $1,034,000 allowed and $824,000 used. But the result is that there has not been used the amount that has been authorized under this law, and with that balance, if this matter is to continue—and I say to the gentleman frankly that I propose to offer an amendment to continue it for two years, authorizing what has been left in the Treasury to be used to carry it out. The money is there. Congress has already committed the error of doing this thing; but we are committed to it, so let us use the unused money that will carry on the work for two years.

The gentleman from New York says he wants to put in here a statement that this is to end in four years, but the trouble is I may not be here in four years. I trust the gentleman may be, but one House can not bind another. The honorable chairman of this committee may not be here in four years, as I see he is contemplating going elsewhere.

Mr. SNELL. Will the gentleman yield?

Mr. TUCKER. Yes.

Mr. SNELL. I simply wanted to give notice to the States that that is the intent of Congress at the present time. I appreciate we can not bind Congress for four years.

Mr. TUCKER. Exactly. Now, gentlemen, this is a temporary matter, and the gentleman from New York [Mr. SNELL] by his statement shows, with perfect candor, that he believes it ought to be a temporary matter. John Sherman, when the great question of the resumption of specie payments came up and they were telling him he ought to wait for this, that, and the other, said, "The way to resume is to resume." And the way to stop an evil is to stop it. Did you ever try to get a sucking calf away from a cow after it had run with it for two months? [Laughter and applause.] I am glad to see that some of you gentlemen, before this recent child-labor amendment prohibiting a boy under 18 from working, did have some experiences of that kind. The longer a calf runs with the cow the harder it is to take him away. Why, even the gentleman from Texas [Mr. CONNALLY] could not pull one away if it had been there for three months. [Laughter.]

Now, Mr. Speaker, I also desire to give notice that I am going to move to strike out sections 6 and 7 of the bill. Section 6 of the bill provides an additional appropriation of $75,000. What for? To make reports and to make studies. Who are to make studies and reports? The Board of Vocational Education. That board is to make studies, investigations, and reports, and is given $75,000 for that purpose. But, as a matter of fact, the original law appropriated $200,000 for that purpose.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. SNELL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DALLINGER. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of H. R. 5478.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5478, with Mr. CRAMTON in the chair.

The CHAIRMAN. The Committee of the Whole House on the state of the Union has under consideration the bill H. R. 5478, which the Clerk will report.

The Clerk read as follows:

A bill to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment."

Mr. DALLINGER. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Under the rule there is one hour of general debate to be confined to the bill and equally divided between those favoring and those opposing the bill. The gentleman from Massachusetts is recognized for one-half of the time, 30 minutes.

Mr. DALLINGER. Mr. Chairman, the other half will be controlled by the gentleman from Virginia [Mr. TUCKER], who is opposed to the bill.

The CHAIRMAN. In the absence of any other claim or objection that will be done.

Mr. DALLINGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

THE VOCATIONAL REHABILITATION ACT OF 1920

Mr. DALLINGER. Mr. Chairman, the Federal act for the promotion of the national program of civilian vocational rehabilitation became effective June 2, 1920. This act reads as follows:

[Public—No. 236—66th Congress]

An act (H. R. 4428) to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment

Be it enacted, etc., That in order to provide for the promotion of vocational rehabilitation of persons disabled in industry or in any legitimate occupation and their return to civil employment there is hereby appropriated for the use of the States, subject to the provisions of this act, for the purpose of cooperating with them in the maintenance of vocational rehabilitation of such disabled persons, and in returning vocationally rehabilitated persons to civil employment for the fiscal year ending June 30, 1921, the sum of $760,000; for the fiscal year ending June 30, 1922, and thereafter for a period of two years, the sum of $1,000,000 annually. Said sums shall be allotted to the States in the proportion which their population bears to the total population in the United States, not including Territories, outlying possessions, and the District of Columbia, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall not be less than a minimum of $5,000 for any fiscal year. And there is hereby appropriated the following sums, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotment to the States provided for in this section, for the fiscal year ending June 30, 1921, the sum of $40,000; for the fiscal year ending June 30, 1922, and annually thereafter, the sum of $85,000.

All moneys expended under the provisions of this act from appropriations provided by section 1 shall be upon the condition (1) that for each dollar of Federal money expended there shall be expended in the State under the supervision and control of the State board at least an equal amount for the same purpose: *Provided*, That no portion of the appropriation made by this act shall be used by any institution for handicapped persons except for the special training of such individuals entitled to the benefits of this act as shall be determined by the Federal board; (2) that the State board shall annually submit to the Federal board for approval plans showing (a) the kinds of vocational rehabilitation and schemes of placement for which it is proposed the appropriation shall be used; (b) the plan of administration and supervision; (c) courses of study; (d) methods of instruction; (e) qualification of teachers, supervisors, directors, and other necessary administrative officers or employees; (f) plans for the training of teachers, supervisors, and directors; (3) that the State board shall make an annual report to the Federal board on or before September 1 of each year on the work done in the State and on the receipts and expenditures of money under the provisions of

this act; (4) that no portion of any moneys appropriated by this act for the benefit of the States shall be applied, directly or indirectly, to the purchase, preservation, erection, or repair of any building or buildings or equipment, or for the purchase or rental of any lands; (5) that all courses for vocational rehabilitation given under the supervision and control of the State board and all courses for vocational rehabilitation maintained shall be availble, under such rules and regulations as the Federal board shall prescribe, to any civil employee of the United States disabled while in the performance of his duty.

SEC. 2. That for the purpose of this act the term "persons disabled" shall be construed to mean any person who, by reason of a physical defect or infirmity, whether congenital or acquired by accident, injury, or disease, is, or may be expected to be, totally or partially incapacitated for remunerative occupation; the term "rehabilitation" shall be construed to mean the rendering of a person disabled fit to engage in a remunerative occupation.

SEC. 3. That in order to secure the benefits of the appropriations provided by section 1 any State shall, through the legislative authority thereof, (1) accept the provisions of this act; (2) empower and direct the board designated or created as the State board for vocational education to cooperate in the administration of the provisions of the vocational education act, approved February 23, 1917, to cooperate as herein provided with the Federal Board for Vocational Education in the administration of the provisions of this act; (3) in those States where a State workmen's compensation board, or other State board, department, or agency exists, charged with the administration of the State workmen's compensation or liability laws, the legislature shall provide that a plan of cooperation be formulated between such State board, department, or agency and the State board charged with the administration of this act, such plan to be effective when approved by the governor of the State; (4) provide for the supervision and support of the courses of vocational rehabilitation to be provided by the State board in carrying out the provisions of this act; (5) appoint as custodian for said appropriations its State treasurer, who shall receive and provide for the proper custody and disbursement of all money paid to the State from said appropriations. In any State the legislature of which does not meet in regular session between the date of the passage of this act and December 31, 1920, if the governor of that State shall accept the provisions of this act, such State shall be entitled to the benefits of this act until the legislature of such State meets in due course and has been in session 60 days.

SEC. 4. That the Federal Board for Vocational Education shall have power to cooperate with State boards in carrying out the purposes and provisions of this act, and is hereby authorized to make and establish such rules and regulations as may be necessary or appropriate to carry into effect the provisions of this act; to provide for the vocational rehabilitation of disabled persons and their return to civil employment, and to cooperate, for the purpose of carrying out the provisions of this act, with such public and private agencies as it may deem advisable. It shall be the duty of said board (1) to examine plans submitted by the State boards and approve the same if believed to be feasible and found to be in conformity with the provisions and purposes of this act; (2) to ascertain annually whether the several States are using or are prepared to use the money received by them in accordance with the provisions of this act; (3) to certify on or before the 1st day of January of each year to the Secretary of the Treasury each State which has accepted the provisions of this act and compiled therewith, together with the amount which each State is entitled to receive under the provisions of this act; (4) to deduct from the next succeeding allotment to any State whenever any portion of the fund annually allotted has not been expended for the purpose provided for in this act a sum equal to such unexpended portion; (5) to withhold the allotment of moneys to any State whenever it shall be determined that moneys allotted are not being expended for the purposes and conditions of this act; (6) to require the replacement by withholding subsequent allotments of any portion of the moneys received by the custodian of any State under this act that by any action or contingency is diminished or lost: *Provided*, That if any allotment is withheld from any State, the State board of such State may appeal to the Congress of the United States, and if the Congress shall not, within one year from the time of said appeal, direct such sum to be paid, it shall be covered into the Treasury.

SEC. 5. That the Secretary of the Treasury, upon the certification of the Federal board as provided in this act, shall pay quarterly to the custodian of each State appointed as herein provided the moneys to which it is entitled under the provisions of this act. The money so received by the custodian for any State shall be paid out on the requisition of the State board as reimbursement for services already rendered or expenditures already incurred and approved by said State board. The Federal Board for Vocational Education shall make an annual report to the Congress on or before December 1 on the administration of this act and shall include in such report the reports made by the State boards on the administration of this act by each State and the expenditure of the money allotted to each State.

SEC. 6. That there is hereby appropriated to the Federal Board for Vocational Education the sum of $75,000 annually for a period of four years for the purpose of making studies, investigations, and reports regarding the vocational rehabilitation of disabled persons and their placements in suitable or gainful occupations, and for the administrative expenses of said board incident to performing the duties imposed by this act, including salaries of such assistants, experts, clerks, and other employees, in the District of Columbia or elsewhere as the board may deem necessary, actual traveling and other necessary expenses incurred by the members of the board and by its employees, under its orders, including attendance at meetings of educational associations and other organizations, rent and equipment of offices in the District of Columbia and elsewhere, purchase of books of reference, law books, and periodicals, stationery, typewriters and exchange thereof, miscellaneous supplies, postage on foreign mail, printing and binding to be done at the Government Printing Office, and all other necessary expenses.

A full report of all expenses under this section, including names of all employees and salaries paid them, traveling expenses and other expenses incurred by each and every employee and by members of the board, shall be submitted annually to Congress by the board.

No salaries shall be paid out of the fund provided in this section in excess of the following amounts: At the rate of $5,000 per annum, to not more than one person; at the rate of $4,000 per annum each, to not more than four persons; at the rate of $3,500 per annum each, to not more than five persons; and no other employee shall receive compensation at a rate in excess of $2,500 per annum: *Provided*, That no person receiving compensation at less than $3,500 per annum shall receive in excess of the amount of compensation paid in the regular departments of the Government for like or similar services.

SEC. 7. That the Federal Board for Vocational Education is hereby authorized and empowered to receive such gifts and donations from either public or private sources as may be offered unconditionally. All moneys received as gifts or donations shall be paid into the Treasury of the United States, and shall constitute a permanent fund, to be called the "Special fund for vocational rehabilitation of disabled persons," to be used under the direction of the said board to defray the expenses of providing and maintaining courses of vocational rehabilitation in special cases, including the payment of necessary expenses of persons undergoing training. A full report of all gifts and donations offered and accepted, together with the names of the donors and the respective amounts contributed by each, and all disbursements therefrom shall be submitted annually to Congress by said board: *Provided*, That no discrimination shall be made or permitted for or against any person or persons who are entitled to the benefits of this act because of membership or nonmembership in any industrial, fraternal, or private organization of any kind under a penalty of $200 for every violation thereof.

Approved, June 2, 1920.

The purpose of this legislation was to stimulate the States to inaugurate a rehabilitation service and to assist them in establishing it upon a sound and efficient basis. Prior to the passage of the act only six States were attempting to rehabilitate their disabled workers, while to-day 36 States are engaged in the work, as follows:

LIST OF COOPERATING STATES, WITH DATES OF INAUGURATION OF WORK

Alabama: January 20, 1921.
Arizona: July 12, 1921.
Arkansas: July 1, 1923.
California: August 27, 1921.
Georgia: December 1, 1920.
Idaho: March 1, 1921.
Illinois: July 1, 1921.
Indiana: May 1, 1921.
Iowa: June 1, 1921.
Kentucky: July 15, 1922.
Louisiana: May 1, 1921.
Maine: May 1, 1921.
Massachusetts: August 27, 1921.
Michigan: August 17, 1921.
Minnesota: June 3, 1920.
Mississippi: April 5, 1921.
Missouri: May 16, 1921.
Montana: July 1, 1921.
Nebraska: July 1, 1921.
Nevada: November 1, 1920.
New Jersey: January 1, 1920.
New Mexico: May 1, 1921.
New York: November 15, 1920.
North Carolina: July 1, 1921.
North Dakota: September 1, 1920.

Ohio: May 14, 1921.
Pennsylvania: December 29, 1920.
Rhode Island: November 29, 1920.
Oregon: July 1, 1923.
South Dakota: May 1, 1921.
Tennessee: June 15, 1921.
Utah: November 1, 1920.
Virginia: January 1, 1921.
West Virginia: May 1, 1921.
Wisconsin: July 1, 1921.
Wyoming: July 1, 1921.

STATES DELAYED IN GETTING UNDER WAY

In order to receive the benefits of Federal cooperation the States, as provided in the act, must accept its provisions by legislative enactment. Obviously, therefore, State rehabilitation services could not begin operation at the time the Federal act went into effect. The following tabulation shows the periods of time the several State services will have been in operation June 30, 1924, the time of expiration of allotments under the Federal act:

States in operation for four years	3
States in operation for three and one-half years	9
States in operation for three years	19
States in operation for two years	5

When the Federal act was being considered it was impossible for those who had drafted it to determine the period of time which would be required to get the program satisfactorily established, so an experimental period of four years was fixed in the act. This period expires June 30, 1924. From the tabulation above it will be seen that the rehabilitation service in the States has not been in operation for the full period provided in the act.

FEDERAL PROGRAM OF PROMOTION INCOMPLETE

In addition, it is clear from the fact that 12 of the States have not as yet inaugurated rehabilitation services that the Federal Government's program of promotion is not complete; and if these States are to be encouraged to inaugurate the work, it would appear that the period of Federal promotion must be extended. Furthermore, it would appear that, although very splendid work has been accomplished in many of the States and although in some of them the service has been thoroughly organized, most of these are still dependent upon the Federal Government if their rehabilitation programs are to be established on the permanent and self-operating basis the National Government deems necessary for the welfare not only of the workers of the States but also of the Nation.

PENDING BILL SAME AS ACT OF 1920

House bill 5478, which is the same as Senate bill 2590, has for its object the authorization of appropriations for another term of four years under the act of June 2, 1920; that is, extending for four years the national program of promotion. With certain minor necessary exceptions, the proposed bill is identical in form and substance with the act of June 2, 1920. The provisions of that act exclusive of those relating to appropriations have been declared permanent by Assistant Attorney General Rush L. Holland in a letter to the Director of the Federal Board for Vocational Education under date of December 10, 1923. He states:

> I believe that with the exceptions of sections 1 and 6 the act is permanent. In fact, the provision in section 7 authorizing the Federal Board for Vocational Education to receive gifts and donations to be used as a permanent fund for vocational rehabilitation would seem definitely to establish the permanence of the act apart from the appropriating clause. (See Rept. No. 164, p. 1.)

Mr. LAZARO. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. LAZARO. Would the gentleman be kind enough to insert in the RECORD the names of the States that have taken advantage of this law so far and the amount that each State has received?

Mr. DALLINGER. I have already put in part of that information, and I shall insert the rest of it in its proper place.

WORK MUST CONTINUE

It would seem that the Federal Government is obligated to keep faith with the States in working out its original program of promotion. For the Federal Government to cease its promotional activities without due warning, and without at least carrying out its original intention, would be to cause an interruption or cessation of the work in a number of the States, which would result in irreparable injury to the program.

The States are dependent upon and are urging an extension of the original program in order that the objectives may be realized. Eighteen States have already made appropriations for civilian rehabilitation work for the fiscal year ending June 30, 1925, anticipating Federal appropriations in the amount of their former allotments. In a number of the States the use of local appropriations for civilian rehabilitation are contingent upon receipt of Federal funds. It is, therefore, highly essential that Congress take action at the earliest possible moment in order that the States may be assured that the national program begun in 1920 will be continued to the point of realizing the original objective.

Mr. MACGREGOR. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. MACGREGOR. If the original bill provided for a four-year period, after which the work was going to cease, why continue the proposition now?

Mr. DALLINGER. Because, as I have already stated, it is not yet on a permanent basis. It is still in the experimental stage in most of the States.

Mr. MACGREGOR. That is, you are going to create another big bureau in the Federal Government here?

Mr. DALLINGER. No; not at all. This makes no change in the existing law. The law is on the statute books, has been declared by the Attorney General to be permanent legislation, and we are simply extending the authority to appropriate for four more years.

Mr. MACGREGOR. And then you are going to stop?

Mr. DALLINGER. That is for Congress to decide. We can not bind the next Congress or the Congress after the next Congress, I will say to the gentleman.

IMMEDIATE ACTION IMPERATIVE

It is imperative that Congress act in the present session, so that the Federal appropriations may be made available for the fiscal year beginning July 1, 1924. If Congress should fail to take action this session, or should pass the legislation so late in the present fiscal year that appropriations for the next year could not be provided, a very serious situation will occur. Any interruption to a program which has demonstrated its practicability, and which the people of the country demand to be continued, would be nothing short of a calamity for the 18,000 disabled persons who are now in process of rehabilitation, to say nothing of the thousands who will need the service in the future.

On the other hand, even to interrupt the work temporarily would mean for the most part a loss of trained Federal and State staffs which could not be replaced, or at best could not be duplicated without an extended process of selection and training for the work.

THE FEDERAL GOVERNMENT INVOLVED IN EXTENSIVE PROGRAM

The Federal Board for Vocational Education, on the basis of experience in the promotion of the work, concludes that annually approximately 112,000 persons in the United States are in need of vocational rehabilitation. The ratio of disabled persons in the 36 cooperating States is estimated at 70,000. The number of disabled persons registered for rehabilitation during the past 3½ years has increased from 4,972 in 1921 to 15,515 in 1923, and during the year 1924 it is estimated that 21,000 will be registered. The number of disabled persons actually rehabilitated—that is, returned to satisfactory and sustaining employment—has increased from 457 in 1921 to 4,530 in 1923, and it is estimated that in 1924 the number will exceed 7,000. The actual yearly increase in both the number of persons registered and rehabilitated is good proof that the work has been launched on a sound basis and is being developed at a healthy pace. The following table shows the progress of rehabilitation by years:

Rehabilitation statistics

PERSONS REGISTERED FOR REHABILITATION

Year	Rehabilitated	In process of rehabilitation at end of fiscal year
1920-21	323	4,792
1921-22	1,905	9,555
1922-23	4,530	13,515
1923-24	[1] 7,000	[1] 18,000

[1] Estimate.

Rehabilitation statistics—Continued

State	Rehabilitations, year ended— 1921	1922	1923	[1] 1924	Live roll, year ended— 1921	1922	1923	[1] 1924
Alabama		11	31	56	86	152	262	341
Arizona							18	23
Arkansas								
California		32	194	349		506	584	759
Georgia		16	18	32	113	118	197	256
Idaho		4	15	27	62	81	105	137
Illinois		7	133	239		144	818	1,063
Indiana		61	70	126	335	321	333	433
Iowa		8	24	43	40	72	111	144
Kentucky			82	148			283	107
Louisiana	1	31	9	16	29	43	22	29
Maine		12	4	7	96	71	79	103
Massachusetts		4	38	68		170	242	315
Michigan		34	274	493		398	912	1,186
Minnesota	30	119	178	330	691	432	361	469
Mississippi		27	133	239	81	551	733	953
Missouri		50	63	113	9	146	130	169
Montana		9	50	90		127	115	150
Nebraska		1	41	74		105	108	140
Nevada		11	11	20	9	19	10	13
New Jersey	66	181	929	1,672	1,570	1,689	3,537	4,311
New Mexico		3	8	14	12	40	39	51
New York	8	267	612	1,102	56	1,234	1,267	1,647
North Carolina		18	69	124		153	439	571
North Dakota		8	4	7		8	8	10
Ohio		258	556	1,001	42	832	962	1,251
Oregon					230	311	850	1,105
Pennsylvania	417	406	452	814	1,067	868	878	1,141
Rhode Island		4	2	4	7	11	17	22
South Dakota		5	17	31		92	129	168
Tennessee		26	46	83	7	247	340	442
Utah	1	1	39	70	39	66	83	108
Virginia		35	53	95	93	78	236	307
West Virginia		109	165	297		347	598	777
Wisconsin		138	201	362		487	689	896
Wyoming		2	9	16	78	23	20	26
Total	523	1,866	4,590	8,162	4,792	9,906	15,515	19,623

[1] Estimated.

COSTS

The following tabulation shows the expenditure of Federal and State funds for each of the three years the Federal act has been in operation: For the years 1920–1923 a total of $2,864,000 was authorized by the Federal Government, to be allotted to the States, of which only $937,331.08 of Federal money was actually spent against an expenditure on the part of the States of $1,290,957.39. No part of the money expended, either Federal or State, was used for maintaining the disabled persons—the entire amount being used for the purpose of rehabilitating the disabled persons vocationally. The following tables show Federal and State appropriations together with actual expenditures by States.

Rehabilitation statistics

EXPENDITURES, YEAR ENDED JUNE 30, 1921

State	Federal funds: Allotted	Spent	Percentage	State funds: Appropriated	Spent	Percentage
Alabama	$17,498.35	$1,914.31	10.9	$17,498.35	$2,868.52	16.4
Arizona	5,000.00			5,000.00		
Arkansas	12,883.44					
California	19,438.08					
Colorado	6,339.29					
Connecticut	9,128.27					
Delaware	5,000.00					
Florida	6,139.50					
Georgia	21,353.29	2,389.26	11	21,353.29	2,464.87	11.5
Idaho	5,000.00	1,231.70	24	2,300.00	1,292.93	51.6
Illinois	46,145.75					
Indiana	22,104.22	526.83	23	11,052.11	526.85	4.7
Iowa	18,207.73	299.47	1.6	2,800.00	709.47	25.3
Kansas	13,888.88					
Kentucky	18,740.79					
Louisiana	13,556.03	4,950.02	36.4	4,950.03	4,950.03	100
Maine	6,075.63	6,075.63	100	14,226.11	14,226.11	100
Maryland	10,601.23					
Massachusetts	27,351.06					
Michigan	22,998.71					
Minnesota	16,987.79	13,727.99	80.8	15,000.00	13,999.82	93.3
Mississippi	14,797.75	1,076.77	7.3	1,159.94	1,076.79	92.8
Missouri	26,952.96	507.51	1.8	40,429.44	927.19	2.2
Montana	5,000.00			10,000.00		
Nebraska	9,757.19			12,500.00		
Nevada	5,000.00	1,208.60	24.1	5,000.00	1,666.04	33.3
New Hampshire	5,000.00					
New Jersey	20,764.41	5,221.97	25.1	75,000.00	75,405.00	100
New Mexico	5,000.00	375.00	7.5	2,500.00	469.37	18.7
New York	74,586.08	2,797.68	3.7	75,000.00	2,797.68	3.7
North Carolina	18,056.46					
North Dakota	5,000.00	4,101.17	82	4,101.17	4,101.17	100

Rehabilitation statistics—Continued

EXPENDITURES, YEAR ENDED JUNE 30, 1921—continued

State	Federal funds: Allotted	Spent	Percentage	State funds: Appropriated	Spent	Percentage
Ohio	$39,014.56	$1,194.14	3	$19,000.00	$1,194.14	6.3
Oklahoma	13,562.31					
Oregon	5,505.97					
Pennsylvania	62,731.95	41,498.72	66.1	56,143.50	56,143.50	100
Rhode Island	5,000.00	381.45	7.6	5,000.00	619.69	12.4
South Carolina	12,402.17					
South Dakota	5,000.00	325.00	6.5	5,000.00	325.00	6.5
Tennessee	17,880.51	606.65	3.3	17,880.51	1,594.83	8.9
Texas	31,889.66					
Utah	5,000.00	269.82	5.3	269.97	269.97	100
Vermont	5,000.00					
Virginia	16,572.42	743.39	4.4	10,000.00	749.89	7.5
Washington	9,346.15					
West Virginia	9,993.75	1,945.60	19	4,000.00	2,969.06	74.2
Wisconsin	19,100.52					
Wyoming	5,000.00			5,000.00		
Total	777,951.44	93,335.72	11.9	442,364.42	191,347.92	43.2
23 cooperating States	434,288.01	93,335.72	21.3			

EXPENDITURES, YEAR ENDED JUNE 30, 1922

State	Federal funds: Allotted	Spent	Percentage	State funds: Appropriated	Spent	Percentage
Alabama	$22,305.56	$6,680.61	29.9	$21,872.93	$6,680.61	30.5
Arizona	5,000.00					
Arkansas	16,644.37					
California	32,552.12	21,916.48	67.3	35,000.00	21,916.49	62.6
Colorado	8,925.64					
Connecticut	13,114.76					
Delaware	5,000.00					
Florida	9,199.60					
Georgia	27,507.82	3,880.41	14.1	21,353.29	3,881.08	18.1
Idaho	5,000.00	4,761.50	90.5	5,000.00	5,128.67	100
Illinois	61,604.37	10,764.24	17.4	62,500.00	10,915.24	17.4
Indiana	27,836.09	7,935.18	28.6	27,836.09	8,285.27	29.8
Iowa	22,836.05	4,401.08	19.2	23,151.75	4,556.33	19.6
Kansas	16,806.36					
Kentucky	22,955.83					
Louisiana	17,084.23	8,742.14	51.1	16,404.65	16,404.65	100
Maine	7,295.45	7,203.43	98.7	11,783.63	11,783.64	100
Maryland	13,770.49					
Massachusetts	36,593.94	4,411.48	12	19,017.50	5,325.21	28
Michigan	34,846.64	11,588.00	33.2	34,846.64	12,063.81	34.6
Minnesota	22,675.56	22,145.07	97.6	25,000.00	22,363.96	89.5
Mississippi	17,009.27	9,546.90	56.2	13,255.92	9,798.21	73.9
Missouri	32,335.48	7,797.81	24.1	33,000.00	12,130.34	36.7
Montana	5,213.96	3,745.94	71.9	12,935.00	6,794.93	52.5
Nebraska	12,314.38	3,600.94	29.2	12,500.00	3,828.30	30.6
Nevada	5,000.00	1,849.81	36.9	5,000.00	1,849.81	36.9
New Hampshire	5,000.00					
New Jersey	29,978.23	27,240.92	90.8	100,000.00	100,000.00	100
New Mexico	5,000.00	2,475.61	49.5	5,000.00	2,475.62	49.5
New York	98,650.39	31,767.88	32.2	72,202.22	34,649.74	48
North Carolina	24,309.38	4,538.24	18.7	29,309.81	7,100.16	24.3
North Dakota	6,144.71	6,144.71	100	6,144.71	6,144.71	100
Ohio	54,709.10	26,654.52	48.7	54,710.00	27,300.02	49.9
Oklahoma	19,266.88					
Oregon	7,441.50					
Pennsylvania	82,832.38	36,372.22	44.1	80,000.00	43,466.64	86.9
Rhode Island	5,741.23	311.19	5.4	5,000.00	561.19	11.2
South Carolina	15,993.88					
South Dakota	6,066.63	2,398.64	39.6	5,000.00	2,850.35	57.1
Tennessee	22,207.82	6,910.33	31.2	22,208.21	6,946.13	31.2
Texas	44,296.50					
Utah	5,000.00	3,414.73	56.1	3,429.00	3,429.00	100
Vermont	5,000.00					
Virginia	21,935.22	2,809.63	12.8	23,009.14	3,556.35	15.4
Washington	12,886.69					
West Virginia	13,993.85	11,570.26	83.2	15,000.00	13,245.37	88
Wisconsin	25,002.29	13,791.60	55.1	25,522.54	16,440.48	64.4
Wyoming	5,000.00	1,027.48	20.5	5,000.00	1,921.13	38.4
Total	1,017,774.65	318,608.12	30.7	795,993.13	427,825.18	56.3
32 cooperating States	796,472.15	318,608.12	40			

EXPENDITURES, YEAR ENDED JUNE 30, 1923

State	Federal funds: Allotted	Spent	Percentage	State funds: Appropriated	Spent	Percentage
Alabama	$22,305.56	$12,607.39	56.5	$21,872.93	$12,608.31	57.6
Arizona	5,000.00	1,733.11	34.6	5,000.00	1,733.11	34.6
Arkansas	16,644.37					
California	32,552.12	29,746.35	91.3	32,552.11	29,746.33	91.3
Colorado	8,925.64					
Connecticut	13,114.76					
Delaware	5,000.00					
Florida	9,199.60					
Georgia	27,507.82	7,084.25	29	21,353.28	8,227.53	38.5
Idaho	5,000.00	4,952.61	99.4	5,000.00	4,952.61	99
Illinois	61,604.37	61,584.73	99.9	81,021.34	81,021.34	100
Indiana	27,836.09	12,120.34	43.5	27,891.09	12,169.36	43.8
Iowa	22,836.05	10,817.24	47.3	23,059.50	11,294.60	48.9
Kansas	16,806.36					
Kentucky	22,955.83	13,678.88	59.5	25,828.80	17,335.16	67.1
Louisiana	17,084.23	9,977.50	58.4	9,977.50	9,977.50	100

Rehabilitation statistics—Continued

EXPENDITURES, YEAR ENDED JUNE 30, 1923—continued

State	Federal funds: Allotted	Spent	Percentage	State funds: Appropriated	Spent	Percentage
Maine	$7,295.45	$7,295.45	100	$16,401.77	$16,401.77	100
Maryland	13,770.49					
Massachusetts	36,593.94	7,593.15	20.8	15,482.34	12,847.27	82.9
Michigan	34,846.64	34,386.84	98.6	34,846.64	34,386.84	98.6
Minnesota	22,675.56	22,253.83	98.1	25,000.00	22,304.16	89.2
Mississippi	17,009.27	17,009.27	100	23,074.13	21,823.35	94.5
Missouri	32,335.48	12,211.97	37.7	33,000.00	12,471.98	37.1
Montana	5,213.96	5,200.01	99.7	16,296.00	16,296.00	100
Nebraska	12,314.38	7,140.05	58	12,500.00	8,968.98	70.4
Nevada	5,000.00	1,860.20	37.2	5,000.00	1,860.30	37.2
New Hampshire	5,000.00					
New Jersey	29,978.23	29,960.15	99.9	70,000.00	70,000.00	100
New Mexico	5,000.00	3,702.45	74.4	5,000.00	4,091.14	81.8
New York	98,650.39	44,811.04	45.4	90,000.00	57,326.48	63.6
North Carolina	24,309.38	11,478.13	47.2	29,305.38	16,475.39	56.2
North Dakota	6,144.71	1,796.84	29.2	7,000.00	2,963.10	42.3
Ohio	54,709.10	47,301.82	86.4	54,710.00	49,722.95	90.8
Oklahoma	19,266.88					
Oregon	7,441.50					
Pennsylvania	82,832.38	37,797.99	45.6	50,000.00	40,600.69	81.2
Rhode Island	5,741.23	745.03	12.9	5,000.00	1,120.03	22.4
South Carolina	15,993.88					
South Dakota	6,066.63	3,696.23	61.1	5,000.00	3,389.89	67.8
Tennessee	22,207.82	10,568.21	47.6	22,207.22	10,698.52	48.1
Texas	44,296.50					
Utah	5,013.00	3,013.91	60.2	3,153.26	3,153.26	100
Vermont	5,000.00					
Virginia	21,935.22	10,324.72	47.7	23,009.14	13,312.85	57.8
Washington	12,886.69					
West Virginia	13,993.85	13,280.44	95.5	15,000.00	14,940.27	99.7
Wisconsin	25,002.29	25,002.29	100	33,784.54	33,701.64	99.9
Wyoming	5,000.00	1,746.71	34.9	5,000.00	4,921.08	98.4
Total	1,017,774.65	525,387.24	51.6	854,026.97	662,783.89	79.3
34 cooperating States	824,427.98	525,387.24	63.7			

SUMMARY OF FEDERAL AND STATE APPROPRIATIONS AND EXPENDITURES BY YEARS

1920–21 (23 States)	$434,288.01	$93,335.72	21.3	$442,364.42	$191,347.92	43.2
1921–22 (32 States)	796,472.15	318,608.12	40.0	795,993.13	427,825.58	56.3
1922–23 (34 States)	824,427.98	525,387.24	63.7	854,026.96	662,783.89	79.3

The average cost of rehabilitating an individual, based on expenditures for the past three years, is $253, while the average age of incapacitation is 32. In this connection, in consideration of the extremely low cost to State and Federal Governments of rehabilitating the individual, attention is called to the economic returns on the money investment in the rehabilitating program, as shown by Hon. James J. Davis, Secretary of Labor, in a statement read before the House Education Committee at the hearings on bill H. R. 5478, as follows:

Our records show that the average age at which persons are disabled is about 32. If rehabilitated immediately his life expectancy may be considered as 30 years or more. The return to society during this period made by a self-supporting member is much to be preferred as against the necessity of supporting many dependents in public institutions.

When one stops to consider that at the age of 32 a man has completed only half of the period of the average expectation of life and of that approximately only one-third has been in useful service to society, the cost to the Government for rehabilitation, $253, is ridiculously small compared with what has been previously spent in preparing him for 12 to 16 years of industrial usefulness. In years half a life is preserved to society, but in actual service just $253 purchases three-fourths of that life. (See hearings, pp. 13 and 14.)

I want to call the committee's attention particularly to this, because it is to the credit of the Board for Vocational Education that it has not spent the money that it was authorized to expend. The board has gone along slowly, and it has gone along in an economical and efficient way.

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. DALLINGER. I yield.

Mr. LEATHERWOOD. Do you have any statistics showing the number of cases handled in the several States?

Mr. DALLINGER. I have already inserted that in the RECORD.

Mr. LEATHERWOOD. And also the number of cases that have been sent out and put back into industry.

Mr. DALLINGER. I have all that information and will insert it in the RECORD.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. CLARKE of New York. It is also the gentleman's intention to accept an amendment limiting this to four years?

Mr. DALLINGER. Of course, the bill only authorizes the continuance of the appropriation for four years, and what I understand the gentleman to mean is an amendment making certain that at the expiration of that period no further appropriation will be made. In reply I would say that, so far as I am concerned, I am willing to agree to any practicable amendment along that line if such can be drafted, but I will state that I do not know how to draft such an amendment that will be effective, and the committee has not approved such action.

REHABILITATION SERVICE EXTENDED TO ALL CLASSES

The need for carrying on rehabilitation work is not confined to any particular section of the country or to any one industry. The disabled persons registered for rehabilitation are drawn from practically every important industry in the country, including agriculture, manufacturing, commerce, mining, transportation, and the mechanic arts.

ECONOMIC RETURN

The economic returns on the program of rehabilitation in the States might be indicated by a report made by Mr. F. J. Hubbard, director of the rehabilitation work for the State of Mississippi, a part of which reads as follows:

These 133 cases actually earned in one year, before the vocational board located them, $48,326.88. Of course, some of these cases were earning small sums and others nothing, but the year after they had been dismissed they earned a total of $126,052.08. That represents an increase during the first year after these people were rehabilitated of $77,725.20. This is two and one-fifth times the total of State and Federal money used for all civilian rehabilitation work.

During that year in the State, and in addition to dismissing 133 rehabilitated cases, we had 347 other cases given vocational training and secured free hospital training for 110 cases. That covers the statement I wanted to make.

I have a report that we have just gotten out to submit to our legislature, which is in session, and I would like to leave copies for the committee. If you would like to have that, I think it will be of interest. It shows the attitude. While I am not in position to state definitely the feeling of our State vocational board, we know that the work would never have been started in the State except through the stimulus of Federal funds, and while our work shows up pretty well for the past year, we have just begun. It is doubtful if the State would continue to work if it did not have Federal funds allotted to the State. We, therefore, are especially interested, and our legislature is now in session, and they are watching what Congress will do with this bill. (See hearings, pp. 35 and 36.)

Again, from a report by Dr. R. M. Little, director of rehabilitation in New York, it will be seen that—

Six hundred and twelve persons were rehabilitated in New York in 1923, of an average age of 32 years. As an initial wage after rehabilitation the 612 rehabilitated persons earned, upon an average, more than $1,000 each, which may be contrasted with a maintenance expense of approximately $300 each if the individuals had remained unrehabilitated. The total amount expended by the New York State board in 1923 was $102,137.52, of which $44,811.04 was Federal money and $57,326.48 was State money. (See page 3 of the report on this bill.)

NEED FOR IMMEDIATE ACTION

The present act expires on June 30, 1924, and according to the provisions of that act the granting of Federal aid is contingent upon the appropriation of State funds. In 40 States the legislatures meet biennially; in a number of cooperating States appropriations have been made on the assumption that the Federal appropriations would continue; in others the legislatures are now in session awaiting the action of Congress on the proposed bill before appropriating any additional State funds. Uncertainty and delay will, therefore, disorganize the work in the States and will lead to administrative difficulties.

APPROVAL OF PRESIDENT

The continuance of the appropriations of the 1920 act, as provided for in the proposed bill has met with the approval of the President, as indicated in a letter to Hon. H. M. Lord, Director of the Bureau of the Budget, and to Director Wright, of the Federal Board for Vocational Education, under date of October 19, 1923. (See page 4 of the report on this bill.)

Mr. HUDSPETH. Will the gentleman yield for a short question? As I understand it, there are 36 States that have met the expenditures of the Federal Government?

Mr. DALLINGER. Thirty-six States are now meeting them.

Mr. HUDSPETH. Is it hoped by the passage of this bill to encourage other States to come in and meet such expenditures?

Mr. DALLINGER. It is confidently hoped, I will state in reply to the gentleman from Texas, that if this authority is continued for another four years the other 12 States will undoubtedly accept the program and cooperate and get this important work established. As has already been pointed out, there are only four States where this work is in real, thorough, and complete operation. In the other States it is in various processes of being established. What we are trying to do, Mr. Chairman and gentlemen, is to get this work established by the States, and that is the object of this legislation. It is not to have the States depend permanently upon the Federal Government, but to get this work established, and for that reason we have simply recommended an extension of the authorization for four years. [Applause.]

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from Virginia desire to claim recognition in opposition to the bill and in control of the time?

Mr. TUCKER. Not just yet.

Mr. DALLINGER. Then I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION], a member of the committee.

Mr. ROBSION of Kentucky. Mr. Chairman, at the close of the World War we found thousands of veterans who were disabled because of injuries or disease received while in the service of their country. Congress passed an act to provide for the rehabilitation and the retraining of these disabled veterans. I regarded this at the time as one of the greatest thoughts of the century. To retrain and rehabilitate these disabled veterans and make them self-sustaining citizens appealed to me as one of the finest expressions of gratitude of this Republic. This was the first time that the Federal Government undertook a great work of this kind. In making a survey of the country we found that there were nearly as many persons disabled and injured in industry each year in our country as there were injured during the World War. If it was a good thing to retrain and rehabilitate the disabled veterans, would it not be a good thing to rehabilitate and retrain persons crippled in industry. This sentiment found expression through an act of Congress in 1920. It provided that the Federal Government should cooperate with the States in retraining and rehabilitating persons injured in industry. The appropriation under the present law expires June 30, 1924. The purpose of the bill before us is to extend the period of operations of this law for the next four years.

JUSTICE AND ECONOMY

Vocational rehabilitation of the disabled civilian is not only social justice, but it is social economy to put a man on his feet so that he can make his own way rather than have him run the risk of becoming a social dependent.

Without vocational rehabilitation of the disabled civilian we are throwing upon the social waste heap a vast army of deserving people with potential assets of experience, ability, and ambition that only a well-ordered program of vocational rehabilitation under public auspices can uncover and redeem.

Several hundred thousand persons disabled annually present a problem with which private philanthropy is utterly unable to cope. Private philanthropy can experiment, but it can never consummate any new and needed service on a large scale. From the standpoint of society as a whole stimulation must come from the Federal Government. This is a public, State, and national problem to be handled by a democracy through the institutions of a free people.

Experience has shown that this work can not be accomplished en masse but is for the most part an individual problem requiring the stimulating influence and support of the Federal Government in order to induce the States to provide the necessary leadership.

From the best information available it appears that 225,000 civilians are permanently disabled each year, 180,000 of these disabilities being due to public and industrial accidents and 45,000 due to disease or congenital conditions.

Of the 225,000 receiving permanent disabilities each year it is estimated that 50 per cent are handicapped vocationally; that is, they are unable to continue in their former employment without partial or total impairment of efficiency.

Experience during the past four years indicates that about three-fourths of those vocationally handicapped need assistance in finding their way into satisfactory employment where they can become efficient and self-supporting workers.

From the above information it appears that there is an annual problem before the entire country involving at least 84,000 persons.

The report of the Federal Board for Vocational Education for the fiscal year ending June 30, 1923, shows a live roll of 15,515 persons, with a total of 4,530 cases rehabilitated and back on the job under average working conditions at an average cost for all purposes, including administrative expenses, of $253 each.

It should be noted that for the three-year period ending June 30, 1923, the total State and Federal funds expended for the disabled civilians amounted to $2,218,885 for a total of 6,877 cases rehabilitated and returned to employment. The above cases were returned to the job at an average cost for the entire period of $323 per man. While the figures above quoted are for the entire life of the rehabilitation act, yet for the fiscal year ending June 30, 1923, we find the cost per man was reduced to $253, a reduction of $70 per man.

Without any intention of casting reflection on the work of rehabilitating those injured in the World War, it appears from the statements made by Director Hines of the Veterans' Bureau at the hearing before the subcommittee of the House Committee on Appropriations, page 80, that the total expenditures of Federal funds for the vocational rehabilitation of those injured in the World War had, up to January 1, 1924, amounted to the sum of $508,069,148.39. During this period the report also shows 53,044 cases had been rehabilitated; that is, "reached the point of employability." The average cost for the 53,044 reported as rehabilitated is $9,578 per man. The above figures do not include compensation paid by State industrial accident boards nor compensation paid as war-risk insurance.

Hon. James J. Davis, Secretary of Labor and chairman of the Federal Board for Vocational Education, made the following statement in a letter addressed to the chairman of the Committee on Education:

> Our records show that the average age at which persons are disabled is about 32. If rehabilitated immediately, his life expectancy may be considered as 30 or more years. The return to society during this period made by a self-supporting member is much to be preferred as against the necessity of supporting many dependents in public institutions.
>
> When one stops to consider that at the age of 32 a man has completed only half of the period of the average expectation of life, and of that approximately only one-third has been in useful service to society, the cost to the Government for rehabilitation—$253—is ridiculously small compared with what has been previously spent in preparing him for 12 to 16 years of industrial usefulness. In years half a life is preserved to society, but in actual service just $253 purchases three-fourths of that life.

As it costs from $200 to $300 per year to maintain dependent persons in public institutions throughout the country, it is apparent that if through vocational rehabilitation many thousands of physically handicapped can be returned to gainful employment at an average per capita cost of $253 or less, it is economically desirable; for we must consider that the average dependent likewise has a life expectancy of 30 or more years. As economic liabilities dependents therefore cost from $6,000 to $9,000, as against being an economic asset when returned to employment enabling them to earn an average of $1,000 annually for a similar period.

Employers in private industries have shown a willingness to cooperate with the States in returning these disabled men and women to satisfactory employment. About 50 per cent of the work is carried on as placement training under State supervision. Under these conditions the disabled man is assured of an opportunity to utilize his ability when properly trained in the kinds of employment for which he is physically suited. Under former conditions disabled men and women were given odd jobs as watchmen, flagmen, and other occupations requiring no particular ability and offering little pay.

Prior to the passage of the Federal act providing for the vocational rehabilitation of the civilian disabled only 6 States were attempting to rehabilitate their disabled, while at the present time 36 States are engaged in the service. It is safe to say that without the encouragement of the Federal Government only a few of the States would be doing the work to-day. In order that all of the States in the Union may be induced to engage in the work of vocational rehabilitation and assist to develop it on a satisfactory basis it will be necessary for Congress to continue its present policy of participation in this great national movement.

This amendment is not new legislation. It provides for continuing the appropriations available under the original act for another period of four years. The present appropriation terminates June 30, 1924.

The present Congress has enacted a law extending the benefits of Federal participation in vocational rehabilitation to the

Hawaiian Islands. This legislation was enacted at the urgent request of the Governor and citizens of Hawaii.

The 1923 annual report of the Federal Board for Vocational Education shows that 18 States prior to June 30, 1923, had made appropriations matching the Federal funds allotted to them for the fiscal year ending June 30, 1925. A number of State legislatures have met in the interim or are in session at the present time. Several of them—California, Michigan, Kentucky, and so forth—have made provisions for continuing the work contingent upon Federal participation. Other States—Alabama—have appropriations extending even into the year 1926.

It is, therefore, highly essential that Congress take action at the earliest possible date in order that the States may be assured that this national program begun in 1920 will be continued, and that the Federal Government will keep faith with those States which have developed agencies and appropriated money on the assumption that the program would not be abandoned.

This legislation has the approval of the President, as is indicated by a letter from the Director of the Bureau of the Budget, given in full on page 4 of the hearings held before the Committee on Education.

Accomplishments under the act have demonstrated the practicability of the program and the fact that considerable more than a beginning has been made in solving the problem of returning the vocationally disabled to remunerative employment. It is a practical method of reducing our human scrap heap to a minimum and of conserving our human resources. Our only real wealth, both individual and national, is human effort—the capacity to labor, to create, and to produce.

STATE AND NATIONAL PROBLEM

This legislation may be looked upon as a part of a national program of conservation of national resources. Much has been done to conserve material resources, but until the passage of the vocational rehabilitation act little recognition has been given to the need for conserving our man power.

From the standpoint of society and the Nation the problem is one of efficiency of our citizenship; from the standpoint of the individual the results are reflected in his attitude toward society, his attitude toward Government, and his attitude toward his fellow man. An independent self-supporting citizen in a satisfactory wage-earning employment is much less inclined toward radicalism and much less likely to be influenced by the agitator.

State and National Governments are organizations for doing collectively those things which the citizens can not do or which they may for their convenience or best service require it to do. Government exists for men, not men for government.

HUMANITY AND GOOD CONSCIENCE

Humanity, good conscience, and economy urge a continuance of this policy. Nearly a hundred thousand people each year in this country are totally disabled in industry and are not able of their own effort to rehabilitate themselves and get back into the industry. They are thrown upon the public at the average of 32 years to be provided for by the public or others throughout their lives. They are often a burden to themselves and to the community and State. If they should be rehabilitated, they would earn on the average more than $1,000 per year; but if they are not rehabilitated they will cost the public nearly $300 per year for their care and support. They can be rehabilitated on the average for what it would cost on the average per year to support them if they are not rehabilitated. You can see that this policy effects a large saving to the taxpayers.

Mr. LOWREY. Will the gentleman yield for a minute?

Mr. ROBSION of Kentucky. I yield.

Mr. LOWREY. I want to make a statement that will help the gentleman's statement. In my State 133 persons have been rehabilitated under this law. They have not only been taken off of the public, but their earning power in their salaries for which they are now at work shows that they are earning more than twice as much per year as it cost to rehabilitate them; that is, the very first year they earned more than twice as much as it cost to rehabilitate them.

Mr. ROBSION of Kentucky. The reports that I receive from my own State show that this law has been a great success in Kentucky, and the director of this work in my State strongly urges the continuation of this policy. It is a good business proposition. There is more to this than dollars and cents. Thousands of men and women injured in industry become physical wrecks. Without help they are down and out. He or she must spend on the average 20 to 30 years eating out of the hands of others and in gloom. It is an inspiring thought to me to take the railroad man who has lost his leg, the miner who has lost a hand or arm, a factory worker who has become disabled, another who may have lost his hearing or his sight, and retrain him or her for some other calling or vocation, so that the disabled person may again enter industry or some profession and become self-sustaining and useful citizens.

We spend millions every year of Federal funds to look after our hogs, cattle, sheep, the boll weevil, tobacco worm, and have been neglecting nearly 100,000 persons crippled in industry every year. This bill carries less than we expend for the hogs, cattle, boll weevil, and tobacco worm. I would not have those great matters neglected. You and I have voted funds for that purpose, but, gentlemen of the House, let us give more concern in looking after human beings that are crippled and down and out. Let us help them to get on their feet; kindle again the fire of ambition; give them a new spirit, and put a new song in their mouths. [Applause.]

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. LEATHERWOOD. Is it probable that after this wonderful work has been started by the Federal Government aiding the several States that the States will carry on the work without further Federal aid?

Mr. ROBSION of Kentucky. This great work is national in scope. The States need the leadership of the Federal Government. This work will increase in importance as the people of the States learn to appreciate its value. The work must go on. I trust that the Federal Government will not withdraw its leadership and support.

SAVE MEN AND WOMEN FROM SCRAP HEAP

I have always strongly favored Federal aid to the States in the building of highways, and I likewise have favored Federal aid for agriculture and for home economics; but I am more in favor of Federal aid to the States in building, or rather rebuilding, men and women. I strongly oppose throwing about 100,000 human beings every year on the social and industrial scrap pile. We have heard much in behalf of the conservation of the natural resources of this country—coal, water, oil, and lands. This is all very fine, but I am more concerned in the conservation of the potential power of the men, women, and children of the Nation. I think we have received a larger return for the money expended under this law than any other money that has been expended lately by the Federal Government. The Federal Board for Vocational Education in administering this law has made a great record. This is a new venture, yet they have nearly 16,000 persons on the roll taking the training and nearly 5,000 were rehabilitated during the fiscal year ending June 30, 1923, at a cost for all purposes of $253 for each person rehabilitated. This is a remarkable record when compared with the cost of rehabilitating our disabled veterans under the Veterans' Bureau. I offer no criticisms of that bureau. It is also doing a great work.

I indulge the hope this bill will receive the unanimous vote of the House. I feel sure that we can make no mistake in adopting this measure. [Applause.]

Mr. DALLINGER. Mr. Chairman, I yield one minute to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I want to say that I am intensely interested in this civilian rehabilitation measure, because it deeply concerns the welfare of those who labor and are injured while so engaged.

The work performed under this act is of great value to the State of New York. The attitude of the Government toward those who became incapacitated to continue in a gainful occupation should not be one of callous indifference on our part. There are many reasons why this work, which has progressed so far with such splendid results to our social and economic well-being, should be continued.

The human-interest aspects which enter into the work should not be lost sight of. I call your attention to a case in my State which is typical of many that arise in this work. A young man, engaged as a meat cutter in one of our cities, married, rented an apartment, and started life with the usual hopes and aspirations. One day he lost a hand in a meat cutter. Then came the doctor's bills, hospital expenses, rent and grocery bills, and finally a notice to vacate the apartment. The young man was facing the prospect of his family becoming a public charge. Despair, discouragement, and a broken spirit soon took possession of him, which is so often the case of men crippled who see nothing to look forward to except the social scrap heap.

In this case one of the agents from the rehabilitation department called, talked with him, and finally suggested the

nual problem before the entire country involving at least 84,000 persons.

The present Congress has enacted a law extending the benefits of Federal participation in vocational rehabilitation to the

possibilities in the field of salesmanship. The young man saw a ray of hope; he studied, and, with the cooperation of the rehabilitation service, he persevered. An artificial hand was procured for him and he entered upon his new field of work as a meat salesman.

He is now earning more than he did before he lost his hand. The wife and children are in a new home. Happiness and hope have returned. The human interest is here, so is the emotional; but stripped of all this, and considering only the social and economic aspects, this family might have become a public charge. Who would be the loser? The community or the State would have the bill to pay, and this expense might continue for years. The cost of maintaining as public charges those who are crippled to such an extent that they can not engage in gainful occupations is a large item in this country.

Mr. Chairman, last year in New York State there were 612 physically handicapped people who were rehabilitated. There were 530 men and 82 women who had been restored to gainful occupations. The average age of this group was 32.1 years.

Again, Mr. Chairman, let me refer to the economic features of this work. I quote from the statement of Dr. R. M. Little, director of the bureau of rehabilitation, New York City:

Of those 612 people rehabilitated, only 33 of them needed to be replaced in jobs during the year. Just think about the labor turnover, any of you that are accustomed to thinking of industrial life and this question of hiring and firing. When you have got 612 physically handicapped people through various processes back into jobs, who would average 32.1 years of age, and have to replace 23 of them within the year, you have got a rather stable working force, each one of them making $20.06 per week as an initial wage. That was the beginning wage, when we thought we could report them as rehabilitated; in other words, they were making over $1,000 each upon the average instead of, in New York State, having an expenditure of $300 a year for their keep either by their friends, their employers, or public institutions, because it costs that much to keep a dependent person in an almshouse, on an average, during the year.

Mr. Chairman, I confess that the human side of this work appeals to me very strongly, but the question is also far-reaching in its social and economic aspects.

The provisions of this bill are not restricted to men and women crippled in industry; it relates to the farmer and to anybody in need of rehabilitation.

Labor is for it. The manufacturers favor it. The insurance companies are for it.

It is for the benefit of any person 14 years of age or over who is physically handicapped to the extent that he can not follow a gainful occupation without some special training, advisement, and guidance.

Last year there was spent in New York State for this work a total of $101,000. The Federal money amounted to a little over $40,000. The sum of $101,000 was sufficient to provide training for 612 people physically handicapped. To maintain these people in a public institution would cost the State $183,600.

These same 612 people, placed in a gainful occupation as a result of the expenditure of $101,000, would yield a return of $612,000.

Again, I repeat that this measure is of great human interest and concerns the well-being of every community and the Nation as a whole, and therefore it ought to be passed without opposition.

Mr. TUCKER. Mr. Chairman and gentlemen, we have listened with interest to the pathetic stories of my friend from New York [Mr. REED] and of the gentleman from Kentucky [Mr. ROUSION] as to human suffering and our duty of alleviating it. This is not a question of whether we believe in alleviating suffering, but the question is: Who is the proper party to do it, the States or the Federal Government? I was brought nearly to tears by the gentleman's observations about this bill and about the cases to which he has referred. If all that is true, why was the original law only for four years and why is this to be only a temporary measure? It is because he knows and we all know there is no power in Congress to pass any such bill as this. That is the reason it is a temporary measure.

Let me call attention for a moment to a few fundamentals. When this Government was formed it was determined that the Federal Government was to discharge certain duties under certain powers that were enumerated in the Constitution, and all else was left with the States, or the people. Those questions of a national character that affected the people of the whole country were granted to the Federal Government, but the questions which affected the people at home, such as local roads, schools, health, police, and so forth, all these by the Constitution were left to the States to determine and regulate.

You remember the wonderful language of Judge Marshall in Gibbons against Ogden, where he was discussing the relations between the States and the Federal Government. Speaking of the reserved powers of the States, he said they represent "that immense mass of legislation which embraces everything within the territory of the State not surrendered to the General Government, all of which can be most advantageously exercised by the States themselves—inspection laws, quarantine laws, *health laws of every description*."

Yes! John Marshall, the great expounder of the Constitution, says that health laws belong to the States, and that poor cripples to whom you have referred must go to the States for amelioration and restoration.

What I desire to call special attention to is this: Here we have two distinct separate classes of powers in the Constitution—the one to control national affairs, the other State affairs. This division of powers made in the Constitution was not made arbitrarily but it was suggested by a profound political philosophy.

In national affairs under our Constitution we were to be—we are,—a unit. In local matters, how different! For we represent 48 distinct and independent units, with laws, social customs, institutions, and religious affinities as distinct as the billows of the sea. The strength of our Government from the beginning has been in the recognition of these two principles, each working in its own orbit, with no danger of collision as long as each confines itself to its legitimate and proper functions.

The tenacity with which the people of the several States, notably New England and the Southern States, have clung to the theory of local self-government is not difficult to understand. It is not merely a pleasing theory of government, a party shibboleth to be invoked when it can aid some pet scheme or repudiated when it is opposed to some pleasing popular movement, but it is founded upon a principle, the most perfect for securing the liberty of the citizen.

Local self-government is the answer which free government makes to the oppressed. It is the response that liberty makes to tyranny. It is a guaranty of the safety of the home, the recognition of the trusteeship of man as a defender of the home and the guardian of its sacred precincts. It singles out the individual, arms him with the greatest political strength that can be given an individual, and holds him responsible for its exercise in the development of home and neighborhood, and then demands at his hands the exercise of the highest and most sacred duties that can ever be the portion of an American citizen; for it must be admitted that the nearer the government comes to the man, the closer it touches him in his home life, in his everyday affairs, that there his power should be greatest for the protection of his home and his rights.

The effect of this theory and its influence on the power of the citizen is clearly seen, for since the affairs pertaining to our everyday life, such as schools, roads, taxation, health, police, and so on, are far more numerous in their number than those that affect us from a national point of view, the power of a citizen as a citizen of a State is therefore much greater than as a citizen of the United States; and it is easily seen, therefore, that whenever a power which rightfully belongs to the State is transferred to the Federal Government that the diminution of the power of the citizen of the State must result. The powers of the Federal Government which may affect a citizen are few, and they are limited in the Constitution; but as a citizen of a State it is quite different, for the powers not granted to the Federal Government and not denied to the States in the Constitution remain with the States, respectively, or with the people. These local powers of the States are necessarily innumerable and can not be counted. They embrace every need, every want, every desire of the citizen in all walks of life, in his social, political, and religious life. Let me illustrate what I mean by saying that the power of the citizen is greater as a citizen of a State, of a county, of a ward, or of a magisterial district than as a citizen of the United States. If a tariff law is proposed to the people of the United States containing 25,000,000 voters, each man's vote is a unit and has the power of influencing the result as 1 in 25,000,000. If in a State containing 500,000 voters a law is proposed to be voted upon by the people of that State, each man's vote has the power to influence the result as 1 in 500,000. If a law be proposed for a county, to be determined by the voters of that county, containing, we will suppose, 1,000 voters, his power in affecting the result is as 1 to 1,000. If a law is proposed in his magisterial district or the ward of his city containing 200 voters, there his influence will be as 1 to 200. The nearer the government gets to his home the greater is his power to protect it. It is seen, therefore, that under this theory the citizen is

given the greatest power to influence the Government where that power is most needed—at his home—and that where it is least needed his power as a voter is weakest. And therefore the transfer from the State to the Federal Government of any power weakens the power of the citizen, and what is more serious, inevitably in a larger measure, lessens his sense of duty and obligation as to such power.

The wisdom of this division by which the States and their subdivisions alone shall manage and direct their local affairs is shown in this particular:

The fundamental theory of our Government is that all power rests and abides in the people, and that that government is most conducive to liberty that places the greatest power in the individual man. To take away any power, therefore, from the people or to lessen or diminish their powers in any degree to that extent diminishes individual responsibility and impairs seriously the efficiency of government; for with power goes responsibility; take away responsibility from the citizen and you make of him a drone upon society. Once establish the idea of responsibility in a human soul and you have created an agency for good in society beyond computation in its value. Responsibility will often make a giant out of a pigmy, and *e contra* the lack of it may change the ablest and most progressive citizen of a community into a listless, purposeless drone. If the responsibility of the American citizen for his home, for the conduct of his children, the care of his wife, or for his local interests be transferred to Washington, to be directed by a Congress, most of whom have never been in his State and know little, if anything, of his local needs, the activities of the man are stifled and his ambition lost, for his responsibility for these duties have been largely taken from him by the transfer, as his power to influence the result is only as 1 to 25,000,000. Indifference takes the place of activity and interest, and hopelessness succeeds ambition. Therefore, by just so much as these local affairs of the people are removed from the control of the people of the States to Washington, by just that much is the individual citizen shorn of his power, the home and community deprived of the active interest of its citizen, and the State of an upbuilder; for Washington is too far and Congress too numerous for him to reach, and the bureaus there charged with managing his domestic affairs and the local affairs of his people are too firmly intrenched to be ousted or controlled by an occasional struggling patriot who may, perchance, reach the city to protest against the destruction of American standards by the elimination of individual initiative and the shifting of individual responsibility to distant shoulders.

So also the examination of the Constitution shows that every governmental power is intrusted either to the Federal or to the State government; not to both, but to one or the other. If the power is granted to the Federal Government, that excludes the State government from any control in that matter. If, on the other hand, a power is not granted to the Federal Government, it is by the tenth amendment reserved to the States, and the Federal Government has no power or control over it.

What the one can do, the other can not do. What the one ought to do, the other ought not to attempt to do. The one has powers for the development of which it is peculiarly constituted; the other has reserved to it powers for which its government is peculiarly fitted to discharge. The one has National powers, the other State and local powers; and neither one can invade the domain of the other. The eighteenth amendment offers the only exception to this principle where State and Nation are given power to legislate on the same subject. Whether this will be a success must await a future day; it can not be determined at this hour.

Now, the bill under consideration is one affecting the restoration to health of some of the people of the country. An examination of the Constitution will show no grant of power to the Federal Government to legislate on this subject, and therefore it is a question which belongs to the States. But this bill seeks in a benevolent way to appropriate money to help the States in this work by appropriating one dollar for every dollar the State expends for this purpose. If it is a Federal function, why should not the Federal Government do it all? If it is a State function, why does not the State do it all? Why should the two governments do the same thing at the same time, when only one can legally do it, and when the cost of having two overhead charges, with all that that means in rents, employments, medicines, and so forth, must be greatly increased? No business man would ever run his own business on any such plan. He would be hopelessly lost. The double cost of such a course is not only evident in these respects, but how does the Federal Government get the money to pay its part? Only by taxation on the people of the States; and see what that means: An army of revenue agents covering the States to collect taxes to bring money to Washington and put it in the Treasury, and another army of employees put into the Treasury and other great buildings to send the same money back to the States where it came from. With these two great armies to be fed and supported, the money collected from the people of the States, brought to Washington and sent back to the States for purposes like this, never gets there; it is eaten up; and yet that is the business proposition of this system.

Now, this is a bill affecting the restoration to health of some of the people of the country, and it is brought into the Congress of the United States seeking to take charge of this subject by appropriating money for it. On its face it is a mix-up of State and Federal control on a subject that John Marshall says belongs to the States alone; and here we find both involved. We are told by authority that can not be questioned that no man "can serve two masters; for either he will hate the one, and love the other; or else he will cling to the one, and despise the other," and yet we disregard this high authority.

Gentlemen say that this is only a little bill, with only a little appropriation of $4,000,000; that it can do no harm. A few years ago we had a great flood in the Mississippi River which inundated that great valley, and it was difficult to find out what caused the first break in the levee; at last it was found that a muskrat had burrowed through the levee and let in the first waters of that great flood. It was very little at first, but it is these little openings that can not resist the great flood behind them that must be checked or disaster results. The gentleman who brought this bill here, the honorable gentleman from New York [Mr. SNELL] apologetically says he wants to put into it a notice to our successors four years from now that they must not do this thing any more. He admits that we have been very wicked—and I hate to speak of a bill of this nature, that has a noble object, in that way—and that these 50-50 appropriations by the States and Federal Government are wrong. Let me say at this point that in the State of Virginia we have a gentleman at the head of the department of health, a man of the highest skill, Dr. Ennion G. Williams, who has done a wonderful work in this line, not only since these appropriations were made but before, and he will continue to do his great work with or without this appropriation, for all admit that this is only temporary. Virginia will do her full duty to her maimed and injured.

I have attempted to show that there are two duties resting upon the people of the country, which they must discharge, one affecting their local rights and the other affecting their national rights, and that the States are to control the one and the Federal Government the other. But this is a little bill, they say, and will not do any harm, only $4,000,000 asked, so just let it go through. They say, "Mr. TUCKER, I agree with you entirely, but this is such a little offense, just let it go through." I want you to see the record. I want you to see where this thing leads to. Take the State of Virginia, and your own State is in exactly the same condition. I find in the State of Virginia that we have an agricultural extension division. I find in the Federal Government an extension division. To which government does that belong—State or Federal? It does not belong to both. It belongs to one or the other. If it be the State's, let them do it; if it be the Federal Government's, let it do it. Why both with the extra expense of administration?

I find that we have down there an experiment station and we have here in Washington an experiment station. Which one under the Constitution has the power to do agricultural experiment work? I find in Richmond a commission of fisheries. I find in Washington a Bureau of Fisheries. I find in Richmond a board of education and I find in Washington a Bureau of Education. I find in Richmond a State forestry service and I find in Washington a Forest Service. I find in Richmond a board of health and I find up here a Public Health Service. I find in Richmond a highway commission and I find here a Bureau of Public Roads. I find—oh, in all, two pages of these duplications. How did they come? Each one came just as this is coming, one at a time, very small appropriations at the start and each relying on the one that went before as a precedent.

Look at the table which I here present giving a number of the bureaus, commissions, and divisions, not all of them, with the appropriations provided for them in the State of Virginia and by the Federal Government. Some of them have just started, have not gotten far, while there are others, not here, that are pressing hard and fast on the calendars of Congress to become laws. The startling fact which this table discloses is *the duplication of appropriations by the State and Federal Governments for the same objects*, when those objects con-

fessedly were intended to be controlled under the Constitution by one or the other of these governments and not by both, the only exception being that involving prohibition. Of course, it is clear that the Federal Government must have a Health Service as well as the States, with an Army and Navy as incidents of the Government; and so also a Forest Service. Such a system, if carried out as is contemplated, must inevitably result in the useless waste of money in the establishment of two separate and distinct organizations in the States and at Washington in doing the same work; it must result in the increase of Federal power at Washington and the diminution to a like degree of the powers of the States; it must result in stifling the energies, the initiative, and ambitions of the people of the States by lessening their responsibility.

STATE OF VIRGINIA FOR YEAR ENDING FEBRUARY 29, 1924

Extension division	$376,335.60
Experiment station	52,925.00
Commission of fisheries	81,170.00
Board of education	5,626,725.16
State forester	36,000.00
Board of health	184,084.00
Bureau of vital statistics	25,090.00
Highway commission	8,915,212.00
Horticultural society	4,500.00
Livestock sanitary board	21,670.00
National Guard	90,000.00
Geological survey	18,465.00
Division of vocational rehabilitation	36,616.22
Prohibition	70,000.00
Superintendent of weights and measures: Division of markets	20,000.00
Department of game and inland fisheries	162,666.09
Dairy and food division	88,925.00
Bureau of labor and industrial statistics	32,640.00
Crop improvement Association: Crop pest commission	18,725.00
Child welfare and public health	38,000.00

FEDERAL GOVERNMENT FOR YEAR ENDING JUNE 30, 1924

Extension service	$7,478,730.00
Experiment Station	1,748,600.00
Bureau of Fisheries	1,202,810.00
Bureau of Education	3,194,760.00
Forest Service	10,273,582.00
Public Health Service	8,746,331.62
Bureau of Public Roads	473,480.00
Horticultural Board	363,010.00
Bureau of Animal Industry	9,845,606.00
Militia Bureau	29,896,590.00
Geological Survey	1,670,000.00
Vocational Education	6,427,000.00
Vocational Rehabilitation, Veterans' Bureau	89,000,000.00
Prohibition	9,000,000.00
Weights and Measures, Bureau of Standards	
Agricultural Economics	4,005,853.00
Bureau of Bilogical Survey, Department of Agriculture	872,265.00
Bureau of Animal Industry	9,845,606.00
Department of Labor	7,476,896.00
Bureau of Labor Statistics	242,260.00
Bureau of Plant Industry	3,376,470.00
Children's Bureau	1,551,040.00

This whole tendency is a result of the disordered condition of the country growing out of the war and has received the most striking condemnation by many of the best minds of the country.

Secretary Charles E. Hughes, in an address before the New York Bar Association on the 12th of January, 1916, said:

An overcentralized government would break down of its own weight. It is almost impossible even now for Congress in well-nigh continuous session to keep up with its duties, and we can readily imagine what the future may have in store in legislative concerns. If there were centered in Washington a single source of authority from which proceeded all the governmental forces of the country—created and subject to change at its will—upon whose permission all legislative and administrative action depended throughout the length and breadth of the land, I think we should swiftly demand and set up a different system. If we did not have States we should speedily have to create them. We now have them, with the advantages of historic background, and in meeting the serious questions of local administration we at least have the advantage of ineradicable sentiment and cherished traditions. And we may well congratulate ourselves that the circumstances of the formation of a more perfect union has given us neither a confederation of States nor a single centralized government, but a nation—and yet a union of States each autonomous in its local concerns. To preserve the essential elements of this system, without permitting necessary local autonomy to be destroyed by the unwarranted assertion of Federal power, and without allowing State action to throw out of gear the requisite machinery for unity of control in national concerns, demands the most intelligent appreciation of all the facts of our interrelated affairs and far more careful efforts in cooperation than we have hitherto put forth.

Mr. Jefferson, in his autobiography, uses this striking language:

It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected. Were not this country already divided into States, that distribution must be made that each might do for itself what concerns itself directly, and what it can so much better do than a distant authority. Every State is again divided into counties, each to take care of what lies within its local bounds; each county again into townships or wards, to manage minuter details; and every ward into farms, to be governed each by its individual proprietor. Were we directed from Washington when to sow and when to reap we should soon want bread. It is by this partition of cares, descending in gradation from general to particular, that the mass of human affairs may be best managed for the good and prosperity of all.

I now quote the language of President Calvin Coolidge, fresh from the press on January 21, 1924, at the sixth regular meeting of the business organization of the Government at Memorial Continental Hall, where he says:

I take this occasion to state that I have given much thought to the question of Federal subsidies to State governments. The Federal appropriations for such subsidies cover a wide field. They afford ample precedent for unlimited expansion. I say to you, however, that the financial program of the Chief Executive does not contemplate expansion of these subsidies. My policy in this matter is not predicated alone on the drain which these subsidies make on the National Treasury. This of itself is sufficient to cause concern; but I am fearful that this broadening of the field of Government activities is detrimental both to the Federal and the State Governments. Efficiency of Federal operations is impaired as their scope is unduly enlarged. Efficiency of State governments is impaired as they relinquish and turn over to the Federal Government responsibilities which are rightfully theirs.

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

Mr. TUCKER. Yes.

Mr. DALLINGER. Is the gentleman familiar with the letter from the Director of the Bureau of the Budget, quoted in the majority report?

Mr. TUCKER. Oh, yes; I heard the gentleman read it just now.

Mr. DALLINGER. Where the President approves it?

Mr. TUCKER. Yes. That letter was last October. What I quote was said by him the 21st of last January. The President has learned a great deal since October.

Mr. DALLINGER. The gentleman does not believe this bill enlarges the scope of the Federal subsidies?

Mr. TUCKER. No. It extends this one four years.

Mr. DALLINGER. It simply extends existing funds.

Mr. TUCKER. Expands.

Mr. DALLINGER. Extends an existing authority—not one dollar more.

Mr. TUCKER. I shall leave that to the judgment of the House. The gentleman thinks that when the President uses the words "the Chief Executive does not contemplate expansion of these subsidies" that they do not apply to this bill, for this bill only extends for four years more what is already authorized. I ask what will be the result of this service if this bill does not pass? Dead on the 1st of July. This bill extends it for four years longer; Is not that expansion? And if President Coolidge will send a ringing veto of this bill to this House, if it does pass, it will resound through the country as no other act that he could perform would do. If he did that, I tell you, gentlemen of the House, we Democrats would have to be looking to our laurels, and I think there would be nothing left for us to do except nominate CARTER GLASS, of Virginia, unanimously for the Presidency to carry us through with safety.

Gentlemen, that is the President's position. It is one of the strongest and fairest statements of the evils of these 50-50 bills that has ever been made, and I ask you to consider this matter seriously. I know how you feel. God knows I feel the same way toward these unfortunates, but there is with us here a duty that goes beyond the personal emotion that a man feels. Hear what the President says:

Efficiency of Federal operations is impaired as their scope is unduly enlarged.

Do not you feel that? Does not every man who is a Member of this House know we are hardly able to-day to take care of the

duties that come to us? Then why add others that we can not attend to? Not only that, but he says:

Efficiency of State governments is impaired as they relinquish and turn over to the Federal Government responsibilities which are rightfully theirs.

Why, gentlemen, the President has hit the bull's-eye; he has made the bell ring; it has stirred my democratic heart that there should come out of New England a man of that old type that sees the danger to our country and is bold enough to declare it. Gentlemen, why can not we rise to the height of the great argument of patriotism? If we have the right to do this, well and good. If we have not the right, why should we? How can we?

Mr. BANKHEAD. Will the gentleman yield there for a brief question?

Mr. TUCKER. Yes.

Mr. BANKHEAD. The gentleman bases his proposition, I understand, very largely upon constitutional grounds in the last analysis?

Mr. TUCKER. Yes.

Mr. BANKHEAD. On the ground that Congress has no authority in educational matters in the States?

Mr. TUCKER. Yes.

Mr. BANKHEAD. If the gentleman had been a Member of Congress when we voted the sixteenth section of land to the public schools of the country, would the gentleman have opposed that on constitutional grounds? Is not the same principle involved here?

Mr. TUCKER. I really thought my good friend had heard the speech I made here on the 3d of January last; if not, take it to your room this evening and read it [laughter], for there I upheld the power to grant public lands for educational purposes.

Mr. BANKHEAD. The gentleman is entirely consistent, then.

Mr. TUCKER. Why, of course; and I want my friend to be entirely consistent and vote against this bill.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. TUCKER. I will.

Mr. OLIVER of Alabama. The gentleman has quoted from a recent message of the President. That message does not challenge the right of the Federal Government to make an appropriation, and he does not put it on constitutional grounds, but he rather questions the wisdom of it on economic grounds.

Mr. TUCKER. I think if the gentleman will examine the President's statement, which I have right here, he will find that he does not use the word "constitutional," but the reasons he gives show that he is actuated by constitutional obligations.

Mr. OLIVER of Alabama. As I understand from the reading of the message, he acquiesced at least in what is now being done but rather questions the wisdom of expanding it.

Mr. TUCKER. Oh, he acquiesced because there is nothing else to do. The laws are on the statute books, and he is praying for an opportunity to get them off.

These tendencies in our Government show a remarkable parallel to those in the Kingdom of Great Britain; and while we are enlarging Federal powers by robbing the States of theirs and creating a centralized government, Great Britain is crying out for a measure of Federal decentralization. While we by these measures are thus diminishing the power of the States to exercise local legislation, Great Britain is calling for local legislatures in England, Scotland, and Wales to relieve Parliament of its congestion of powers centralized in it. We are increasing the centralization of powers in Congress, while Great Britain is demanding the decentralization of the powers of Parliament.

In The New Constitutions of Europe, McBain and Rogers, 1922, page 79, speaking of the inability of Parliament to discharge the business that comes to it, we find the following:

The burden upon it has of recent years become almost intolerable. Imperial interests have grown in number and complexity. The internal legislative and administrative problems of the people of the British Isles, like the similar problems of most other peoples, have likewise become more numerous and more complicated. Merely because of the ever-increasing concentration of business many persons have thought that some measure of decentralization was not only desirable but also indispensable. To this end, and wholly apart from the unique and difficult Irish problem, proposals have been made for a devolution of some part of the authority of the English Parliament to local legislatures created for England, Scotland, and Wales.

And on the 4th of June, 1919, the House of Commons passed the following resolution:

That, with a view to enabling the Imperial Parliament to devote more attention to the general interests of the United Kingdom and, in collaboration with the other governments of the empire, to matters of common imperial concern, this House is of opinion that the time has come for the creation of subordinate legislatures within the United Kingdom, and that to this end the Government, without prejudice to any proposals it may have to make with regard to Ireland, should forthwith appoint a parliamentary body to consider and report upon a measure of Federal devolution applicable to England, Scotland, and Ireland, and so forth.

Committees were appointed and several reports were made looking to a method of decentralizing the United Kingdom, and the matter is still uppermost in the minds of that great Government.

In addition to this, a powerful voice has been lifted up in the western part of our country in the person of Prof. Walter Thompson, professor in the University of Wisconsin. In October, 1923, he published his book "Federal Centralization," which is a powerful arraignment of the system that we are now describing. On page 380 he says:

Much has been written in an academic way on the subject of the divisions of powers in the American constitutional system. But there has been no serious attempt to establish a working compromise between the Federal Government on the one hand and the States on the other. Consequently there has been an overlapping of functions and a duplication of efforts. The lines of demarcation have never been made plain. Modern industrial society, with its complexities, requires more and more governmental activity. Both the Federal Government and the States are overcrowded with business. Neither can afford to waste any energy in duplicating the work of the other. The problem of federalism in the United States, adquately stated, is not so much a question of division of powers as it is a question of division of labor.

On page 385 he further says:

The regulations of the Federal Government in the field of social and economic legislation indicate the tendencies of that Government to expand its field of activities. Will it confine itself to regulating matters which inherently lend themselves to Federal regulation, or will it attempt regulations for the promotion of morals, health, safety, and general welfare which by their very nature can be more advantageously handled by the States? It is certain that Congress can not regulate local matters when it is not in touch with regional opinion and when it is overcrowded with matters of national importance. To do so would be to impair the efficiency of the Federal Government and thus lower the prestige it enjoys throughout the Nation. It must confine itself to national legislation. It is also certain that the States, in order to retain their vitality as local governmental units, must be secure in their jurisdiction against Federal invasion. The inviolability of State rights is an essential feature of our constitutional system. To use the words of Lincoln, in his first message to Congress: "To maintain inviolate the rights of the States to order and control under the Constitution their own affairs by their own judgment exclusively is essential for the preservation of that balance of power on which our institutions rest." The maintenance of distinct spheres of activity, respectively, for the Federal Government and the States is more than a question of constitutional interpretation. Even in the absence of a constitution a workable division of functions would be necessary if we are to enjoy an efficient Government which inspires confidence and respect.

I commend to my associates a noble sentiment of President Cleveland found in an address made at Ann Arbor, Mich., on the 22d of February, 1892:

I know that the decrees of God are never obsolete. * * * Do not surrender your faith to those who discredit and debase politics by scoffing at sentiment and principle, and whose political activity consists in attempts to gain popular support by cunning devices and shrewd manipulation.

Though dead he yet speaketh! No finer sentiment was ever uttered than that. And, my friends, we Democrats are going into a campaign pretty soon to uphold the banner of democracy. I am going to uphold the above declaration of President Coolidge as true democracy. I do not expect to vote for him; but I think in that message he has declared a fundamental principle of our party, and I honor him for it. Now, my friends, the gentleman from Alabama [Mr. BANKHEAD], whose opinion I esteem very highly, has asked me if I object to this bill on constitutional grounds. Of course I do. Where do you get the power? Why, there is not a man in this House, I care not who he be, but I think will fully agree with me about that. They say it is under the general-welfare clause. Well, what is that? It is found in the following language:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts, and provide for the common defense and general welfare of the United States (Art. I, sec. 8, U. S. Constitution).

That is the clause of the Constitution from which they derive this doctrine. Now, what do the "United States" mean in that clause? Strike out all of that sentence after the word "debts" down to the words "of the United States," and how would it read?

The Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts of the United States.

Does that mean that Congress has power to pay the debts *of the people* of the United States? I almost wish it did. What does it mean? Evidently, "to pay the debts of the Government of the United States." Very well. Now, incorporate the words I left out with the conjunction "and"—"and provide for the common defense and general welfare." Of what? The words "United States" are bound to have the same meaning as when applied to payment of debts, for the added words after "debts" are joined to the word "debts" by the conjunction "and." And so it would read, "to provide for the common defense and general welfare *of the Government* of the United States," not the people of the United States.

Mr. ALLEN. Will the gentleman yield for a question?

Mr. TUCKER. Yes.

Mr. ALLEN. Would the gentleman consider anything more appropriate to the general welfare of this Government than the rehabilitation of its people?

Mr. TUCKER. Why, under Judge Story's definition—even under that definition you could not come in.

The people that could claim restoration under this act are less than one-sixteenth of 1 per cent of the people of the country, and Judge Story said that in order for the general-welfare clause to apply it must embrace all the people of the United States, not merely a class. In this case, I say, the people to be benefited number less than one-sixteenth of 1 per cent of the people of the United States. Let me read to you what a distinguished author said on this very subject, George Ticknor Curtis, the great Massachusetts statesman. He said, in an address to the Law School of Georgetown University, in February, 1886, referring to the above clause (Art. I, sec. 8, Constitution of the United States):

In every one of these special purposes for which the taxing power is to be exercised "the United States" means the political corporation known as the United States and not the individual inhabitants of the country. The debts that are to be paid are the debts of the Government; the common defense that is to be provided for is the defense of the Government in all those matters it has duties of defense to discharge for the whole country; the general welfare that is to be provided for is the well-being of the Government in all those matters of which it has special cognizance and in respect to which its efficiency concerns the whole Union.

I notice from the Encyclopedia Britannica, volume 7, speaking of Mr. Curtis—and I want the gentleman from Massachusetts [Mr. DALLINGER] to hear this—it is recorded in that volume:

This history—

Speaking of the Constitutional History of the United States, by Curtis—

which had been watched in its earlier progress by Daniel Webster, may be said to present the old Federalist or "Webster-Whig" view of the formation and powers of the Constitution.

So that not only an old Locofoco, Jeffersonian Democrat like myself, but an old-time Republican, indorsed by Mr. Webster, whose work was indorsed by Webster, declared that the words "general welfare" do not apply to the individuals of the country, but that under this clause in the Constitution they can only apply to the Government of the United States.

My friends, I have given you my views. They may not be yours. But I believe in these principles and try to live by them, and, God helping me, I will die by them. [Applause.] I believe in them as I do in the principles of our holy religion. That Constitution is my political Bible; and all of strength and power that may be given me during the balance of my life will be devoted to its preservation and defense, because in its preservation alone can we hope to preserve the liberty and freedom of the people of this glorious country that we all love so well. [Applause.]

The CHAIRMAN. The gentleman from Virginia has consumed 28 minutes. He has 2 minutes remaining. The gentleman from Massachusetts [Mr. DALLINGER] has 6 minutes remaining.

Mr. DALLINGER. Mr. Chairman, I yield two minutes to the gentleman from West Virginia [Mr. ALLEN].

The CHAIRMAN. The gentleman from West Virginia is recognized for two minutes.

Mr. ALLEN. Mr. Chairman, two minutes is a very short time, of course, in which to consider a question of this character or a bill of this nature. I am very sorry that I do not have the time to answer the gentleman from Virginia [Mr. TUCKER] in some of his arguments; but inasmuch as I do not have the time, I will ask the privilege to submit my remarks in the RECORD.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. ALLEN. Mr. Speaker, humanity would be void of charity if it failed to provide and care for the unfortunate. There would be no pleasure in life if there were no opportunity to assist and make some one comfortable and happy.

We are all of one accord that such opportunities shall not be relegated to any one person or class of persons; but the unfortunates of the whole Nation may partake in such happiness if Congress unanimously passes House Resolution 5478, a bill to amend sections 1, 3, and 6 of an act—

to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise, and their return to civil employment.

This bill provides that the Federal Board for Vocational Education should have the responsibility and duty of cooperating with the States in the administration of the act, and with the responsibility of establishing such rules and regulations as may be necessary to carry out the provisions of the act.

Accidents occur in all communities, and when you bring them all together it is appalling the number of unfortunates listed in one year throughout the United States. Statistics are not available that show all of the factors bearing upon the problem of the disabled civilian. Reliable information taken from available statistics shows that fully 225,000 persons are permanently disabled each year. From a reasonable estimation, about half the number disabled either can not be rehabilitated, or do not require the assistance of Federal or State aid, and if that is true, then that leaves 112,000 that do require assistance, and experience shows that about 75 per cent, or about 84,000, may be rehabilitated each year.

In one State where 15,000 were enrolled for rehabilitation during the year 1923 there were about 5,000 rehabilitated, which clearly proves that efficiency of the rehabilitation work which had been set in operation by the former act.

These 5,000 men and women who were rehabilitated during the past year would, in most cases, have been a public charge upon the communities where they lived had not their capacity for usefulness been restored to them.

One can not realize the number of accidents until he gets accurate information on the question; for instance, the testimony given at the hearing before the committee shows that in West Virginia out of 100 victims of accidents 38 had one or both legs off, 28 had one or both arms off, 6 were blind, 10 were paralyzed, the others had miscellaneous disabilities; 15 of this number took commercial courses, and the other 85 went into other different occupations.

More and more accidents are recorded as the days go by from the fact that the necessity of coming into contact with obstacles of danger is more frequent than in previous times.

The appropriation is not large; only $1,000,000 to be spread throughout the Nation, in case all the States are willing to accept it by appropriating a like amount to be used jointly in the State for the rescue of the unfortunate. There can never be money more justly expended, or the promise of a greater profit given.

We find workmen made cripples every day in every branch of vocational work; not only in the factories, mines, and quarries, but on the highways and farms, people in all walks of life become cripples by accidents.

Many are born cripples and by assistance their deformity can be corrected and a life made happy and useful and relieved from an embarrassed and futile existence. It is a pity such a procedure was not set in operation long ago; had it been, so many an error would have been corrected and more persons would have lived in comfort and happiness instead of ending their days in some county home; many a person would have been entirely self-supporting and a useful citizen instead of a public charge and never having known what it was to indulge in the comforts of life.

Many a home can be made happy and self-supporting by rehabilitating the head of the family, who has been crippled by some accident. One without arms, legs, or sight can become useful in some way in case he is taught a trade that will enable him to do something, to employ his mind, bring his energy into operation, displace dissatisfaction, dispel sadness, produce

harmony, open the very windows of his soul and let in the sunlight.

A door is the entrance to an entire building; it is through the door that new life flows constantly, bringing with it dreams and ambitions, new hopes and aspirations. Assistance to the unfortunate, to the crippled, to the deformed may be a door to new life and new hope; is it not worth while to open the door and let in the sunlight, to help the lame to walk, teach the blind to read, restore energy to the weak, bring comfort to the poor, and hope to the sad?

The mind can not expand and take on new growth unless it is able to impart that which it produces. What would one do in mind and thought and energy if he were barred from imparting knowledge or disposing of what he earns or gathers in? His existence would be brief. He would be as helpless and as futile as the tree that could not shed its bark or drop its leaves. Depart from that order, throw out the line of knowledge, and pull the helpless to the shore, give what you have so that the poor, the crippled, the unfortunate may enjoy the blessing of prosperity as their energy is restored to them.

Many a crippled person hesitates to accept the offer of rehabilitation on account of the degree of temerity in which they have lived, and from the fact that they have grown to believe that they could never be anything but a burden to some one. However, since this new opportunity has come and been spread all over our country, it is not so hard to convince them that there is a light behind the cloud, and the rehabilitation work brings this light to them and renews their hope.

We can build monuments, vast structures of various designs and with much artistic skill, but it matters not how high we build the structure or with what beauty it is designed, it can not have life. Take a part of the cost of one such structure and utilize it for the welfare and benefit of humanity and you can correct the error of many an accident, and perhaps produce out of some deformed human body a monumental character that will give life and inspiration to the whole world.

From the accomplishments of the rehabilitation work we have seen erected a beautiful temple. We trust that it has been erected upon a rock foundation and the structure built of faith, love, purity, justice, and truth, joined with friendship, with many doors of opportunity and windows of vision that possess that same comfort and charity which Christ spoke of in His Sermon on the Mount.

Rehabilitation means to correct, restore, rebuild, improve, and strengthen the weak, the unfortunate, and the deformed. It is to bring about growth in wisdom and culture and to radiate all lights possible by the right exercise of any talents we may possess.

You may search for diamonds, you may mine for gold and precious stones, you may clothe the poor and feed the hungry, but there is no opportunity where as good results may be found as in rehabilitation work. There are discouraged hearts everywhere. Let us not miss these opportunities for helpfulness. They are frequently the very sources through which divine blessings return to us. Let us make homes cheerful by making unfortunate souls happy.

Mr. DALLINGER. Mr. Chairman, does the gentleman from Virginia [Mr. TUCKER] yield his two minutes?

Mr. TUCKER. I will yield to anyone who wants it.

Mr. DALLINGER. Does the gentleman from Mississippi desire time?

Mr. LOWREY. No; I thank the gentleman. I do not care for any.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by, etc., That effective on and after July 1, 1924, sections 1, 3, and 6 of the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, are hereby amended to read as follows:

"SECTION. 1. That in order to provide for the promotion of vocational rehabilitation of persons disabled in industry or in any legitimate occupation and their return to civil employment there is hereby authorized to be appropriated for the use of the States, subject to the provisions of this act, for the purpose of cooperating with them in the maintenance of vocational rehabilitation of such disabled persons, and in returning vocationally rehabilitated persons to civil employment for the fiscal year ending June 30, 1925, and thereafter for a period of three years, the sum of $1,000,000 annually. Said sums shall be allotted to the States in the proportion which their population bears to the total population in the United States, not including Territories, outlying possessions, and the District of Columbia, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall not be less than a minimum of $5,000 for any fiscal year. And there is hereby authorized to be appropriated for the fiscal year ending June 30, 1925, and annually thereafter for a period of three years, the sum of $34,000, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotment to the States provided for in this section.

"All moneys expended under the provisions of this act from appropriations authorized by section 1 shall be upon the condition (1) that for each dollar of Federal money expended there shall be expended in the State under the supervision and control of the State board at least an equal amount for the same purpose: *Provided*, That no portion of the appropriations authorized by this act shall be used by any institution for handicapped persons except for the special training of such individuals entitled to the benefits of this act as shall be determined by the Federal board; (2) that the State board shall annually submit to the Federal board for approval plans showing (a) the kinds of vocational rehabilitation and schemes of placement for which it is proposed the appropriation shall be used; (b) the plan of administration and supervision; (c) courses of study; (d) methods of instruction; (e) qualification of teachers, supervisors, directors, and other necessary administrative officers or employees; (f) plans for the training of teachers, supervisors, and directors; (3) that the State board shall make an annual report to the Federal board on or before September 1 of each year on the work done in the State and on the receipts and expenditures of money under the provisions of this act; (4) that no portion of any moneys authorized to be appropriated by this act for the benefit of the States shall be applied, directly or indirectly, to the purchase, preservation, erection, or repair of any building or buildings or equipment, or for the purchase or rental of any lands; (5) that all courses for vocational rehabilitation given under the supervision and control of the State board and all courses for vocational rehabilitation maintained shall be available, under such rules and regulations as the Federal board shall prescribe, to any civil employee of the United States disabled while in the performance of his duty."

Mr. TILLMAN. Mr. Chairman, I move to strike out the last word.

Mr. SANDERS of Indiana. Mr. Chairman, I was going to say that this bill is all one section. I would ask unanimous consent that it be considered by subsections.

The CHAIRMAN. It is all one section, but it may be considered otherwise. The gentleman from Indiana asks unanimous consent that the bill may be considered by paragraphs.

Mr. HASTINGS. Mr. Chairman, I think we could read it all through and at the end offer amendments. I think it will expedite the consideration of this bill.

Mr. SANDERS of Indiana. There are certain subsections that we will ask to be stricken out. I do not know but that it will be all right to read it all. I will withdraw my request.

The CHAIRMAN. The request is withdrawn. The Clerk will read.

The Clerk resumed and concluded the reading of the bill, as follows:

SEC. 2. That for the purpose of this act the term "persons disabled" shall be construed to mean any person who by reason of a physical defect or infirmity, whether congenital or acquired by accident, injury, or disease, is, or may be expected to be, totally or partially incapacitated for remunerative occupation; the term "rehabilitation" shall be construed to mean the rendering of a person disabled fit to engage in a remunerative occupation.

SEC. 3. That in order to secure the benefits of the appropriations authorized by section 1 any State shall, through the legislative authority thereof, (1) accept the provisions of this act; (2) empower and direct the board designated or created as the State board for vocational education to cooperate in the administration of the provisions of the vocational education act, approved February 23, 1917, to cooperate as herein provided with the Federal Board for Vocational Education in the administration of the provisions of this act; (3) in those States where a State workmen's compensation board, or other State board, department, or agency exists, charged with the administration of the State workmen's compensation or liability laws, the legislature shall provide that a plan of cooperation be formulated between such State board, department, or agency and the State board charged with the administration of this act, such plan to be effective when approved by the governor of the State; (4) provide for the supervision and support of the courses of vocational rehabilitation to be provided by the State board in carrying out the provisions of this act; (5) appoint as custodian for said appropriations its State treasurer, who shall receive and provide for the proper custody and disbursement of all money paid to the State from said appropriations: *Provided*, That any State which, prior to June 30, 1924, has accepted and otherwise complied with the provisions of the act of June 2, 1920, shall be deemed to have accepted and complied with the provisions of this amendment to said act.

SEC. 4. That the Federal Board for Vocational Education shall have power to cooperate with State boards in carrying out the purposes and provisions of this act and is hereby authorized to make and establish such rules and regulations as may be necessary or appropriate to carry into effect the provisions of this act; to provide for the vocational rehabilitation of disabled persons and their return to civil employment, and to cooperate, for the purpose of carrying out the provisions of this act, with such public and private agencies as it may deem advisable. It shall be the duty of said board (1) to examine plans submitted by the State boards and approve the same if believed to be feasible and found to be in conformity with the provisions and purposes of this act; (2) to ascertain annually whether the several States are using or are prepared to use the money received by them in accordance with the provisions of this act; (3) to certify on or before the 1st day of January of each year to the Secretary of the Treasury each State which has accepted the provisions of this act and complied therewith, together with the amount which each State is entitled to receive under the provisions of this act; (4) to deduct from the next succeeding allotment to any State whenever any portion of the fund annually allotted has not been expended for the purpose provided for in this act a sum equal to such unexpended portion; (5) to withhold the allotments of moneys to any State whenever it shall be determined that moneys allotted are not being expended for the purposes and conditions of this act; (6) to require the replacement by withholding subsequent allotments of any portion of the moneys received by the custodian of any State under this act that by any action or contingency is diminished or lost: *Provided*, That if any allotment is withheld from any State the State board of such State may appeal to the Congress of the United States, and if the Congress shall not, within one year from the time of said appeal, direct such sum to be paid, it shall be covered into the Treasury.

SEC. 5. That the Secretary of the Treasury, upon the certification of the Federal board as provided in this act, shall pay quarterly to the custodian of each State appointed as herein provided the moneys to which it is entitled under the provisions of this act. The money so received by the custodian for any State shall be paid out on the requisition of the State board as reimbursement for services already rendered or expenditures already incurred and approved by said State board. The Federal Board for Vocational Education shall make an annual report to the Congress on or before December 1 on the administration of this act and shall include in such report the reports made by the State boards on the administration of this act by each State and the expenditure of the money allotted to each State.

SEC. 6. That there is hereby authorized to be appropriated to the Federal Board for Vocational Education the sum of $75,000 annually for a period of four years, for the purpose of making studies, investigations, and reports regarding the vocational rehabilitation of disabled persons and their placements in suitable or gainful occupations, and for the administrative expenses of said board incident to performing the duties imposed by this act, including salaries of such assistants, experts, clerks, and other employees, in the District of Columbia or elsewhere as the board may deem necessary, actual traveling and other necessary expenses incurred by the members of the board and by its employees, under its orders, including attendance at meetings of educational associations and other organizations, rent and equipment of offices in the District of Columbia and elsewhere, purchase of books of reference, law books, and periodicals, stationery, typewriters and exchange thereof, miscellaneous supplies, postage on foreign mail, printing and binding to be done at the Government Printing Office, and all other necessary expenses.

A full report of all expenses under this section, including names of all employees and salaries paid them, traveling expenses and other expenses incurred by each and every employee and by members of the board, shall be submitted annually to Congress by the board.

SEC. 7. That the Federal Board for Vocational Education is hereby authorized and empowered to receive such gifts and donations from either public or private sources as may be offered unconditionally. All moneys received as gifts or donations shall be paid into the Treasury of the United States, and shall constitute a permanent fund, to be called the "Special fund for vocational rehabilitation of disabled persons," to be used under the direction of the said board to defray the expenses of providing and maintaining courses of vocational rehabilitation in special cases, including the payment of necessary expenses of persons undergoing training. A full report of all gifts and donations offered and accepted, together with the names of the donors and the respective amounts contributed by each, and all disbursements therefrom, shall be submitted annually to Congress by said board: *Provided*, That no discrimination shall be made or permitted for or against any person or persons who are entitled to the benefits of this act because of membership or nonmembership in any industrial, fraternal, or private organization of any kind, under a penalty of $200 for every violation thereof.

Mr. DALLINGER. Mr. Chairman, I move to amend, on page 4, by striking out lines 3 to 10, inclusive, and then striking out from line 14 on page 5 to line 15 on page 7, inclusive, and all of line 15 on page 8, and all the rest of the bill. I will state, Mr. Chairman, that this bill was drawn——

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: On page 4, beginning with line 3, strike out all of lines 3 to 10, inclusive; and on page 5, beginning with line 14, strike out the remainder of page 5 and all of page 6 down to and including line 15 on page 7; and after line 15 on page 8 strike out the remainder of page 8 and all of page 9.

Mr. DALLINGER. Mr. Chairman, I will state that this bill was drafted by the Attorney General's office. The committee will notice that the title provides for the amendments of sections 1, 3, and 6 of the original act, the Attorney General having held that the rest of the act was permanent law, but in drafting the bill he included the other sections. He apparently changed his mind with a view of reenacting the whole law. However, there is no change made in these sections of the existing law which I have moved to strike out. They are the law now on the statute book. The only changes we make in the law are in sections 1, 3, and 6, which we amend in the manner set forth in our report.

Mr. TUCKER. May I ask my friend this question—I contemplate offering an amendment to strike out section 6 and section 7. Does the gentleman's amendment cover these sections?

Mr. DALLINGER. Section 7 is already in the law. My amendment does not strike out section 6 because we are amending section 6. The gentleman from Virginia can offer that amendment later.

Mr. HASTINGS. Does the gentleman's amendment strike out section 7?

Mr. DALLINGER. Yes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts [Mr. DALLINGER].

The question was taken, and the amendment was agreed to.

Mr. TUCKER. Mr. Chairman, I move to strike out, on page 2, line 5, the word "three" and insert the word "one."

The CHAIRMAN. The gentleman from Virginia offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TUCKER: Page 2, line 5, strike out the word "three" and insert in lieu thereof the word "one."

Mr. TUCKER. Mr. Chairman, I make that motion merely for this reason: I am going to offer an amendment in the next line that is closely connected with this one. In my judgment, Congress has already authorized money enough, which has not been spent by the States—and that money is in the Treasury of the United States—to run this business for two years. I propose to offer an amendment authorizing the money which may now be covered into the Treasury to be used, and thereby to continue this aid for two years.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. TUCKER. Yes.

Mr. WILLIAMSON. If you strike out the word "three," the letter "s" should be stricken out of the word "years," so it will read "year" instead of "years."

Mr. TUCKER. I thank the gentleman for the suggestion.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment to strike out the letter "s" in the word "years."

The CHAIRMAN. Does the gentleman from Virginia accept the amendment?

Mr. TUCKER. Yes.

The CHAIRMAN. Without objection, the amendment of the gentleman from Virginia is amended as suggested by the gentleman from South Dakota.

There was no objection.

Mr. BANKHEAD. Mr. Chairman, let us have the amendment reported as it now stands, so we shall know what we are voting on.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. TUCKER: Page 2, line 5, strike out the words "three years" and insert in lieu thereof the words "one year."

Mr. DALLINGER. Mr. Chairman, I sincerely trust this amendment will not be adopted. As is generally known by the members of the committee our legislatures meet once in two years and usually make their appropriations for two years

so that this would absolutely defeat the whole object of the legislation.

Mr. BANKHEAD. Mr. Chairman, I call the attention of the gentleman from Virginia to the fact that his amendment as corrected by the suggestion of the gentleman from South Dakota [Mr. WILLIAMSON] is still inartificially drawn because it would leave the language to read as follows:

For a period of one year, the sum of $1,000,000 annually.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia [Mr. TUCKER].

Mr. HUDSPETH. Mr. Chairman, may we have the amendment reported?

The CHAIRMAN. Without objection the amendment will be again reported.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. TUCKER: Page 2, line 5, strike out the words "three years" and insert in lieu thereof the words "one year."

The question was taken, and the amendment was rejected.

Mr. TUCKER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. TUCKER offers the following amendment: Page 2, line 6, strike out "$1,000,000" and insert in lieu thereof "$500,000," and after the word "annually," in the same line, insert the words "in addition to the balance allotted to the States for the years 1921, 1922, and 1923 which remains unexpended."

Mr. TUCKER. Mr. Chairman, the amendment speaks for itself. I want the utilization of the $2,000,000 that is already authorized and to save what we can. The bill asks for only $1,000,000 a year. Under this proposition, if we have $2,000,000 and $500,000 is authorized, we would have ample to carry on this business.

Mr. DALLINGER. Mr. Chairman, the gentleman from Virginia is mistaken. The authority has expired, and the money which was appropriated and allocated to the States which was not spent has gone back into the Treasury.

Mr. TUCKER. But my amendment authorizes that.

Mr. DALLINGER. Oh, no. We must have this authority beginning the 1st of July, 1924, in order to authorize any allocation for the next year, and the $1,000,000, or a large part of it, will be required.

Mr. TUCKER. The amendment is intended to meet that very situation.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was rejected.

Mr. TILLMAN. Mr. Chairman, I move to strike out section 1 of the bill.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will read.

The Clerk read as follows:

Amendment by Mr. TILLMAN: Strike out section 1 of the bill.

Mr. TILLMAN. Mr. Chairman, I shall not insist upon a vote upon this amendment, but I ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to proceed out of order for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TILLMAN. Mr. Chairman, in the Washington Post of yesterday the following dispatch appeared on its front page under bold headlines:

NEW YORK, May 8.—Declaring that the Republican Party will lose 11 important States in the coming presidential election if it does not make a declaration on the wet and dry question, Dr. Nicholas Murray Butler, president of Columbia University, to-day came out squarely for the adoption of an antiprohibition plank in the Republican 1924 platform.

"The only way to get back to sound constitutional government is to root out the chief causes of the existing lawlessness," Doctor Butler said. "This can be accomplished only by a declaration on prohibition in the national platform."

The university head declared that the Republican Party stood in danger of losing Massachusetts, Connecticut, New Hampshire, Rhode Island, New York, Pennsylvania, New Jersey, Delaware, Wisconsin, Illinois, and Missouri if the issue were ignored.

Doctor Butler, who is a delegate to the Republican National Convention in Cleveland next month, launched a vigorous attack on the Volstead Act, the eighteenth amendment, and prohibition enforcement before a meeting of Missouri Society members in New York 10 days ago. He said he had received word from governors of States and Republican leaders throughout the country assuring him of their support and of their belief that the Republican Party must take cognizance of the situation, adding:

"They have called my attention to the danger of party if it fails to satisfy public opinion or if it allows itself to be allied even in appearance with the activities of the Antisaloon League."

A few days ago Doctor Butler said that the eighteenth amendment would be repealed in five years.

Has Doctor Butler, president of one of the greatest universities of America and the world, no duties other than political? Could not his time be better spent in the classic atmosphere of great Columbia rather than in the smelly bull-elephant air at the Cleveland convention? The heads of genteel old Harvard, blue-stockinged Princeton, superrespectable Yale, young, virile, growing Chicago, or far-western Leland Stanford are not listed among the delegates to either convention.

Doctor Butler says the Republican Party may lose 11 States if he and the elephant are not given a wet plank to stand on. So the president of America's greatest university tells the country and tells his 11,765 men and women students that he stands for wine and beer, stands for liquor, stands for the mortal enemy of peace and order, stands for the despoiler that shadows the face of young people, stands for the demon that has dug more graves and sent more souls unshriven to judgment than all the pestilences that have wasted life since the morning stars first sang together.

A CONTRAST

Yesterday there appeared before our Committee on the Judiciary, now conducting a hearing on the 59 House bills proposing a modification of the Volstead Act, five men of quite different type from Doctor Butler. They were delegates from the great Methodist Church now in quadrennial session at the Speaker's town, Springfield, Mass. They thought the matter important enough to leave their work for a day or so to present in person—and they convincingly did so—vigorous protests against any change in our prohibition laws. Bishop A. W. Leonard, of California, with a face as classic as Cicero's, urged our committee, in an eloquent speech, to defeat these wine and beer bills. He spoke, he said, in behalf of millions of men and women, and particularly in behalf of millions of American students—boys and girls. Which best represent the interests of American student bodies from a moral standpoint, at least, Dr. Nicholas Murray Butler or the classic-faced Methodist bishop?

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. TILLMAN. I will be glad to yield to my gallant friend.

Mr. JOHNSON of South Dakota. Mr. Chairman, reserving the right to object, I am not going to object in this particular case, but I do not want the practice to break out of not speaking on the bill.

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent for one minute longer for the gentleman from Arkansas, because I would like to ask a question.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the gentleman from Arkansas [Mr. TILLMAN] may be permitted to have one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. I want to suggest to the gentleman, as an advocate of the dry movement, that he should rejoice that Nicholas Murray Butler took a stand opposite to his, because Nicholas Murray Butler has weakened every movement that he has ever affiliated himself with. [Applause.]

Mr. TILLMAN. If the gentleman is correct in his statement, I am perfectly willing for the "Butler blight" to settle on the whole proceedings at Cleveland. [Applause on Democratic side.]

Mr. CONNALLY of Texas. Does that include the Republican Party?

Mr. LAGUARDIA. He does not speak for the Republican Party; at least, not my faction.

Mr. TILLMAN. He is a Republican delegate to the convention at Cleveland.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. TUCKER. Mr. Chairman, I move to strike out section 6 of the bill.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. TUCKER: Page 7, beginning on line 16, strike out all of section 6 down to and including line 15, on page 8.

Mr. TUCKER. Mr. Chairman and gentlemen, I think this section clearly ought to go out. In section 7 of the original act there was an appropriation of $200,000 for this purpose, and here we have $75,000 additional added—for what? For "studies, investigations, and reports" of the Federal Board for Vocational Education, three of them Cabinet officers. Are we going to put them to studying and to reporting and to investigating these matters? Have they nothing to do? But read further, "and for the administrative expenses of said board incident to performing the duties imposed by this act, including salaries of such assistants, experts," and so on, "as the board may deem necessary."

Mr. Chairman, I never intend as long as I am in this House to vote for any appropriation that gives to any board the right to name employees and the power to say how many it may appoint. That power we should not surrender. Here is $75,000 appropriated, and then a page of this bill is taken up in indicating how it may be spent, when the original bill carries an appropriation of $200,000 for the same purposes. Just follow it a little further, because section 6 is of intense interest: "Actual traveling and other necessary expenses incurred by the members of the board and by its employees"—mark you—"including attendance at meetings of educational associations and other organizations."

What sort of organizations? Havre de Grace, the baseball field at 3 o'clock this afternoon, or just what does it mean?

Not only that, but "rent and equipment * * * purchase of books of reference, law books"—men who are looking after the poor, wounded people of the country have got to have books of reference and law books. They must have a library of books of reference and law books.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. TUCKER. Yes.

Mr. GARRETT of Tennessee. Does not the gentleman think that perhaps it would be well enough to buy them a copy of the Constitution and let them study that a while?

Mr. TUCKER. "I thank thee, Jew, for teaching me that word." I would almost relinquish my objection if they would include your suggestion, but along with law books the Constitution is not mentioned.

Mr. GREEN of Iowa. Perhaps the gentleman would pay for that himself.

Mr. TUCKER. Yes; I would gladly give it to them.

"Periodicals"—oh, yes; gentlemen engaged in this business must have their minds diverted by periodicals and light literature at public expense. Then follows "stationery, typewriters," and then, mind you, "miscellaneous supplies." Gracious powers! Just anything that can be suggested that will take up the $75,000 appropriated. Miscellaneous—that is an omniverous sort of word and very embracing.

"Postage on foreign mail." I do not know why postage on domestic mail was not included, but nothing was to be lost sight of because there is "printing and binding to be done in the Government Printing Office," and, selah, "all other necessary expenses."

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TUCKER. Well, I move to strike out another word.

Mr. HOWARD of Nebraska. Leave one for me.

Mr. TUCKER. I merely want to proceed for one minute, Mr. Chairman.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. TUCKER. In other words, Mr. Chairman and gentlemen, this $75,000, it seems to me, is just put in here to be expended without any reason, and I believe the time has come and now is, when, if this thing is to be continued, the board must understand that it is for the good of the people they are working and not for their delectation and amusement in attending meetings of organizations and reading periodicals and buying stationery, and so on.

Mr. DALLINGER. Mr. Chairman, the gentleman from Virginia is in error. There is no change whatever made in section 6 of the existing law, except to strike out the last part of it in order to make it conform to the reclassification act passed by Congress. Seventy-five thousand dollars is the entire appropriation for the administration of this act by the Vocational Board. It covers the salaries all over the country for carrying out the act. The language used in regard to stationery, typewriting, and all the other items is the same as that carried in every other authorization of appropriation passed by Congress.

Mr. TUCKER. If the gentleman will look at section 7 of the original act he will find $200,000 appropriated for study, investigation, and report and for the incidental expenses of the board.

Mr. DALLINGER. Let me state to the gentleman that that is simply carrying on existing law. The gentleman seems to be under the misapprehension that this is in addition to the appropriations in the original law. This is simply reenacting section 6 of the existing law, and the only change we make is to strike out the words in order to make it conform to the reclassification act passed by Congress.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. GARRETT of Tennessee. I think the gentleman from Massachusetts agrees with some of us that with the present extension this act ought to cease to operate. I do not wish to misrepresent the gentleman from Massachusetts.

Mr. DALLINGER. Yes; my opinion is that after four more years all the States will be able to carry on the work for themselves.

Mr. GARRETT of Tennessee. And if we should strike out section 6 and section 7, and then insert as a new provision that "all laws and parts of laws in conflict with this act shall be repealed," would not that have the effect that some of us desire to reach?

Mr. DALLINGER. No; that would simply stop the operation of the entire act. You must have section 6, and the only reason we are amending it is because in the original act section 6 specifies the amount of the salaries, and we want to make it conform to the reclassification act, and so we have simply eliminated the words establishing the salaries of the individual officials.

Mr. HOWARD of Nebraska. Mr. Chairman, I ask unanimous consent to proceed for five minutes out of order.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to speak for five minutes out of order. Is there objection?

Mr. JOHNSON of South Dakota. Reserving the right to object, I served notice a while ago as to what I would do. I am authorized by the Committee on Rules to report out a rule making in order the hospitalization bill. A little bit of time here and a little bit of time there will make it impossible to get that up this afternoon. I do not propose to object to this, but if any other fight is going to break out I am going to object because this building program is more important than any other matter before the House.

The CHAIRMAN. Is there objection.

Mr. BACON. I object.

The CHAIRMAN. Objection is heard. The question is on the amendment offered by the gentleman from Virginia [Mr. TUCKER].

The question was taken, and the amendment was rejected.

Mr. DALLINGER. Mr. Chairman, I offer an amendment in line 18, page 7, after the word "years," insert the words "commencing July 1, 1924."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. DALLINGER: Page 7, line 18, after the word "years," insert the words "commencing July 1, 1924."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. LUCE. Mr. Chairman, I move to strike out the last word in section 2 in order to call the attention of the gentleman from Massachusetts to the last clause.

Mr. DALLINGER. That section has been stricken out.

Mr. LUCE. Mr. Chairman, I withdraw the pro forma amendment.

Mr. DALLINGER. Mr. Chairman, I move that the committee do now rise and report the bill with amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 5478) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," and had directed him to report the same back with amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The SPEAKER. The previous question is ordered by the rule. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. RAYBURN there were 61 ayes and 16 noes.

So the bill was passed.

On motion of Mr. DALLINGER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE TO ADDRESS THE HOUSE

Mr. SHALLENBERGER. Mr. Speaker, I ask unanimous consent that on Wednesday next, following the address of the gentleman from Pennsylvania [Mr. WATSON], I be allowed to address the House for 30 minutes on the subject of railroad legislation.

The SPEAKER. Is there objection?

Mr. DYER. Is that upon the Barkley bill?

Mr. SHALLENBERGER. No.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. HOWARD of Nebraska. Mr. Speaker, a little while ago I wanted to inform the House of something important that it should know. I was not permitted to do so. I want to get that information to this body, but there are not enough of us here to hear it. I suggest the absence of a quorum.

Mr. BERGER. Oh, wait a moment. Will not the gentleman wait for a moment?

Mr. HOWARD of Nebraska. Momentarily, yes, I withhold the point.

THE ROTARY CREDITS BILL

Mr. BERGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the rotary credits bill, which I have introduced, and also upon the revision of the treaty of Versailles.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. BERGER. Mr. Speaker and gentlemen, there can be no question that American agriculture is in a deplorable condition. Not only the producers of wheat and corn and grains, but also farmers raising swine, cattle, sheep, and other livestock have been hit hard by the depression of the last three years.

THE REAL CAUSE OF THE TROUBLE

Various measures have been proposed. Among others, the formation of a Government corporation with $200,000,000 and a guarantee for fixing the price of wheat and other grains—cooperative marketing—graneries, and elevators, and so forth. All kinds of agencies and factors have been blamed. The bankers, the packers, the speculators, the railroads, and the middlemen on the one hand, and the high tariff and the labor unions on the other, have come in for some share of the blame. Experts have recommended all kinds of remedies—diversified farming, less acreages in wheat, more dairy farming, more credit, and less credit, and so forth.

There may be a grain of truth in some of these factors. They may have influenced the price of wheat in some parts of the country to a certain extent. Not one of the proposed cures, however, removes the real cause of the trouble for the American farmer—the loss of the great market for American food products, the loss of the central European markets, and more especially the loss of the German market.

WHEAT ACREAGE IS RECEDING

Surely the acreage for wheat, which is blamed most often, can not be the cause of the declining price in agricultural products. Our wheat acreage before the war—that is, in 1913—was 47,000,000 acres. In 1919, when wheat saw its highest price, it rose to 75,000,000 acres. But in 1923 it was less than 58,000,000 acres. If we take into consideration the natural growth of our population, it is nonsensical to blame the large acreage, provided our farmers have a market. And the year 1919 was just after our country had seen the wheatless days and the meatless days.

The fact is as follows:

GERMANY IS A NATURAL MARKET

America has a tremendous surplus in the natural resources of her soil, such as metals of all kinds, mineral oils, certain kinds of lumber, and especially a surplus in grain, cotton, cattle, and various food products, which our country must export if our farming population is to prosper.

During the World War, when all of Europe was fighting instead of producing, the prices of all our agricultural products were soaring and a general inflation took place.

Germany on her part does not possess any natural deposits or resources of raw material which she could export, even before the war, except potassium and coal.

THE GERMAN SOIL NEVER COULD FEED ITS POPULATION

Even before the war Germany could never produce food enough for more than 40,000,000 of her people—and she had 65,000,000. Germany was forced to import grain and grain products, such as flour, bran, starch, and so forth. She also always had to import a great deal of cattle, swine, and meat products. Also much wool and cotton.

As a matter of fact, Germany had to import nearly all the raw material for her industries, with the exception of iron and coal. And nearly all the raw material which Germany needs America possesses in abundance.

Germany's ability to pay for the import of that raw material and to pay for these products of the American farm and of the American packing house was always based upon the ability of the German people to transform the raw material into finished products. For instance, one pound of raw iron may cost very little, perhaps 2 cents, while the same iron when transformed into watch springs is worth many dollars.

IS EVEN A BETTER MARKET NOW

However, since the peace of Versailles, Germany has lost one-ninth of its pre-war area, but this one-ninth produced one-fifth of the German pre-war grain harvest. Thus Germany would be an even better market now for our agricultural products if Germany would have the money to buy.

Then there is also this: The remaining agricultural soil of Germany has deteriorated for two reasons. Firstly, Germany has had no artificial fertilizer in almost 10 years. Secondly, she used up a great deal of German cattle during the war, and many million others were taken by the French after the peace of Versailles. Thus there is less manure, so that the German grain harvest has been reduced about 60 per cent of its former production for the lack of proper fertilizer.

The production of milk is also one-third of pre-war days, and butter and cheese have declined even more in proportion, so that Germany would be a most excellent market if Germany was in a position to buy.

In short, Germany requires now the import of more foodstuffs than before the war, not only because she has lost some of her agricultural area but also because the remaining acreage produces less.

ABOUT TWENTY MILLIONS WOULD HAVE TO DIE

The deficit of the German trade balance of 1922 amounted to 2,000,000,000 gold marks and was even larger last year.

It would have been still greater, but the forced underconsumption of food all over Germany and the starvation has kept the amount to that figure. But this underfeeding has cost the lives of hundreds of thousands.

An anti-German writer, in the Review of Reviews, declared a year ago, March, 1923, that if these conditions continue the German people will no doubt decrease from 60,000,000 to 40,000,000, which is about the number that the German soil can feed. The others will have to perish.

IS THIS CONDITION AN ADVANTAGE TO AMERICA

The question is, now, apart from any considerations of humanity, Is such a condition advantageous to the rest of the world, and especially to America, and more particularly to the American farmer, cotton and wool producers, not to mention the operators of copper, zinc, and iron mines and oil wells, all of whom are suffering to-day because Germany can not buy?

Millions in Germany are underfed, while the products of the American farms are rotting away because they can not be sold.

And is it to the advantage of America that these conditions shall continue and that 20,000,000 Germans shall die? I am asking this question as a plain business proposition, apart from any humane considerations.

THE REAL REASON FOR THE FALL OF THE GERMAN MARK

A great deal has been said about the depreciation of the mark, and the German Government was accused of having wilfully brought about the downfall of its money. That is nonsense, of course. The facts are as follows:

In 1913 the total amount of German exports were 10,000,000,000 gold marks, and the total of the imports were about 11,000,000,000 gold marks. The difference was covered by the German capital working abroad, by the interest of German loans to foreign debtors, and by the profits of the German merchant marine.

As a result of the war all of the German capital invested abroad, with the exception of a small sum, was lost by confiscation. And the German merchant marine is now reduced to about one-third of its pre-war size.

When the so-called peace was declared $1 was worth between 30 and 40 marks. When the bankers' conference in Paris, headed by Pierpont Morgan, during the summer of 1922, declared that a foreign loan to Germany was not advisable, the dollar was quoted at 2,000 marks.

Still the Germans were trying to work out their destiny despite all these handicaps. Then the French broke into the Ruhr and jumped at the throat of German industry, so to speak. The working people went on a strike in the Ruhr district by a common and natural impulse and the Government in Berlin was compelled to help that passive resistance by printing paper marks, in which work the French Government "assisted" by obtaining plates and also printing marks. Thus the dollar, which went up to 40,000 shortly after the French broke into the Ruhr, reached billions in marks a few months later. And then the mark was worth nothing, as I have learned from experience while I was traveling in Europe last summer.

ONLY THE SOCIALISTS ARE TRYING TO RESTORE BUSINESS

But America is not the only country suffering from the German chaos. There is unemployment in England. As late as last December there were still 1,257,000 men out of work in England, and England is paying "doles" to its unemployed to-day. The industrial fabric of the world is so closely interwoven that the deep injury done to Germany is naturally also felt in England, because next to the United States Germany was the best customer Great Britain had.

Of course, there are signs of a return to sanity. And it is remarkable that although in this it is the interests of commerce and property that are in question, it seems to be the working class, and only the working class, that tries a solution.

Both in England and in France it is the labor parties—the socialist and the radical parties—that are trying for policies that will restore normalcy in Europe, and with it restore business.

The Tories in England, and the Nationalists in France—and their so-called statesmen—have resisted and are still resisting these sensible policies.

AMERICAN POLITICIANS HAVE NO SENSE

In our own country, where we have even two tory parties—the Republican and the Democratic—the results are even worse in that respect.

If our Government had a grain of sense left we could have righted Europe a long time ago. We decided the World War in favor of the Allies. Without our interference it would have ended in a draw and to-day Europe would be working. We surely had no valid excuse to enter the murderous mess. And what is worse: Europe has been in a state of war as bad as the armed conflict ever since Germany laid down her arms on November 11, 1918, on Wilson's "14 points."

Any thinking person would now say that it is our duty to help as best we can, especially since the hellish pact of Versailles was largely the result not only of our interference, but of American workmanship. It was signed by an American President, Woodrow Wilson, even though it was rejected by the Senate.

Nevertheless, nothing whatsoever is done by the Republican tories that rule our country to-day, nor is anything proposed by the Democratic tories that ruled us until 1920 and who are still powerful in our Congress.

AMERICAN TORIES MORE FRENCH THAN FRENCHMEN

It is true that one of our statesmen introduced a bill to donate $10,000,000 worth of food products, which bill passed the House. This would, of course, involve some tax on our Treasury, but it would mean less than 15 cents per head for the German people. It would help little or nothing. Besides, some of the leading tory statesmen in our Senate have declared that they will never permit the bill to get out of the committee. They are still willing to prove to the world that they are more imperialistic than the French imperialist and more anti-German than the French nationalist. Therefore, nothing will come of the $10,000,000 proposition.

And then there is the Dawes plan. This is simply an attempt of the international bankers to enforce the impossible pact of Versailles.

WHAT THE DAWES PLAN PROPOSES

As we all know the bankrupt and starved German people are expected to pay some $35,000,000,000 which the Allies demand to begin with, because they have not set the total sum as yet—and this is more than thirty times as much as victorious Germany demanded of France in 1871.

Now, neither does the Dawes plan fix the total amount Germany is to pay. It only decides the amount Germany must pay each year for the next five years. The Dawes commission does not say whether Germany is to pay that tribute for 100 years or for 1,000 years.

Furthermore, the plan provides that Germany must pay her reparations in goods—since the Allies have taken all the gold Germany possessed.

But now the great question remains: How much goods can France and Belgium and England absorb without putting their own people out of work?

TRYING TO ENSLAVE THE GERMAN PEOPLE

Moreover, only one-half of what the Germans are to pay is to be raised by taxation. The rest is a mortgage on the railroads and on all the private establishments, factories, mines, shops, and so forth, in Germany. These the French can sell to the highest bidder, to the capitalists of their own country or to J. Pierpont Morgan, or to anyone else any time the Germans fall behind.

Evidently France is looking for some pretext to get hold of all the railroads, factories, and mines of Germany, and the Dawes commission is furnishing the pretext.

And on top of it all, the Dawes plan does not set any date when Germany is supposed to have paid her debt. Now, the question is, How long will the German people be willing to work like the slaves in Egypt or the slaves in old Rome for their foreign masters? There will be only this difference, that the German slaves will be permitted to stay in their own country. According to the Dawes plan, they will have to remain in slavery forever.

MOST DEVILISH PLAN OF STRIPPING A NATION

All of which proves it the most thoroughgoing and most devilish plan of stripping a nation that has ever been concocted in the history of the world.

Should the German Government and the German Reichstag accept this plan, they would only do so under compulsion, because the nation is starving and the French bayonets are at the people's throats. They would only accept it with the hope that something will happen in the future that will show Germany the way out.

WHAT MACDONALD FEARS

And this latter hope is evidently also in the mind of J. Ramsay MacDonald, Premier of England. He sees no way of being able to coerce France, which, if it so desired, could lay waste to London, Liverpool, and Manchester, and any other English city, within three days, as the matter now stands. France possesses to-day the largest and best equipped aerial fleet in the world.

WOULD BE FIRST STEP TO ENSLAVE ENGLISH WORKERS

On the other hand, Premier MacDonald, like every other sensible man, must be aware that if he permits the French capitalists to enslave 60,000,000 human beings—white human beings and highly intelligent and efficient human beings—in that manner that this would be the first step for enslaving the working class of England and even of France within a short time. A most terrific and bloody revolution, such as the world has never seen before, would sooner or later follow, and this may wipe out the white race in Europe.

Now, this is an appalling situation. It is a danger which is not only facing Europe, of which Germany is a vital part, but our entire civilization.

AMERICA IS PAYING PENALTY EVEN NOW

Moreover, the American farmer is even now paying for that criminal cruelty, which is as foolish as it is inhuman. The foreign market is a very serious question for him. He must be told that the only way to restore his market is to restore Germany.

We must not forget that the Germans are a highly organized, industrious people, who will work gladly and work hard if given a chance. But what they need is not only food; they need also raw material for their industries.

I am satisfied that the situation in Europe can be relieved at once and that our agricultural depression can be ended and trade between the producers and the manufacturers in the United States on the one hand and the people of Germany on the other revived if we put Germany into a position to help herself.

MY REVOLVING CREDIT BILL

That is the purpose of my bill introduced December 17, 1923. It proposes to establish a revolving guaranty fund not to exceed $1,000,000,000 of credit in food and raw material without the outlay of actual money. In other words, it will permit the use of our credit for the revival of German industry.

And if this proposition is carried out it will cost our Government nothing, or next to nothing.

It will give Germany the means with which to put her people to work and lay the foundation for a new prosperity. And it will help our farmers, our cotton growers, our meat producers, and all those who have copper, iron, and other metals to sell.

And the bill is so written that our Government is absolutely safeguarded and secured against any possible loss. We not only have a first lien upon the finished product into the manufacture of which such raw materials have entered but also upon the factories and shops that have accepted the material.

If this bill is adopted by Congress it will mean that a credit of a billion dollars can be paid for and turned over three times annually. Thus during the five years' term which the measure provides for, this would be equivalent to a credit of $15,000,000,000. And that is why it is called a revolving guaranty fund.

WILL HELP ALL BRANCHES OF AGRICULTURE

It would mean business which our farmers and manufacturers would be gettting without entailing any funds of the United States. The expense would be borne by charging one-half of 1 per cent to all the German manufacturers and cooperative societies that would make use of it. Anybody must see what an immense advantage this plan would bring not only to the wheat and cotton growers but also to the dairy farmers, especially those producing cheese, butter, and other milk products in America.

It is unnecessary to say how much the dealers in cattle, hogs, and meats would be helped thereby.

This act would not only revive Germany but all of Europe. Its effect would also be felt very largely in Great Britain. It is an absolutely safe proposition. It involves no cash outlay. And it will be continuously under the supervision of our Government.

If adopted this measure will relieve the real cause of the troubles of the American farmer. It will restore the great market of Central Europe for American food products and American raw materials.

USELESS TO EXPECT ANY HELP FROM THE "GOLD DUST TWINS"

In America as in Europe, however, it is absolutely useless to expect any help for either the farmer or for the workingman in the cities, from the politicians of the capitalist organizations.

The Republicans and the Democrats will do nothing to relieve the situation, except to introduce bills which obviously will not pass both Houses of Congress, or such as will only help the big fellows in the end. Our progressive politicians are also worse than useless, so long as they hang onto the coat tails of the old parties, because these progressives are simply assisting in the sham battle.

No matter what beautiful phrases this or the other great progressive leader may use in order to get the votes of the "plain people," the policy of both, and especially of the Republican Party, is invariably dictated by Wall Street and high finance. The two old parties are the original "gold dust twins."

SOCIALIST PARTY STOOD UPRIGHT IN PEACE AND WAR

The only party that has fearlessly and consistently stood for the common people in peace and in war is the Socialist Party. I am proud of the fact that the socialists were opposed to our entry into the World War. The world and our country would have been better off if America had stayed out. I am also proud of the other fact that many socialists stood persecutions and indictments without flinching, and thereby proved the faith that was in them.

This is going to be a memorable campaign and more than one important issue will be decided at the election on November 4 of this year.

WISCONSIN KNOWS ITS SOCIALISTS

And I say to the farmers and to the workingmen in the cities, if they want better conditions—if they want to prevent worse conditions—they must follow the example of their brothers in Germany, France, and England. Our workers and our farmers must elect socialists to represent them in State and in Nation—in the legislature and in the Congress.

Wisconsin farmers and Wisconsin workingmen know from experience how the socialists served the people in the Common Council of Milwaukee, in the Legislature of Wisconsin, and also in the Congress of the United States.

To close:

This World War and its consequences, from which we are still suffering, has proved that there is only one solution.

DEEDS, NOT WORDS

As a nation we must do our business in such a manner that we benefit no one people at the expense of any other. Our business should be helpful to all, ourselves included. Our part must be to restore friendship and good will and hope, where there is now hatred and ill will and fear.

Our tremendous economic power and political influence should be used to subdue the forces that make it impossible for Europe to return to normal conditions—that have kept the world in economic turmoil and misery since the war.

And our people have a right to expect deeds, not words, from their leaders, representatives, and governors.

REVISION OF VERSAILLES TREATY

Mr. BERGER. Mr. Speaker, truly the last European war deserved the name of the "World War." It was the greatest calamity—unquestionably so—that ever befell the white race.

According to the best statistics obtainable the World War cost 30,000,000 lives, and $400,000,000,000 in property.

In order to give some idea of what this means, just let me illustrate it in the following way:

HERE IS AN ESTIMATE OF THE COST OF WORLD WAR

With that amount we could have built a $2,500 house and furnished this house with $1,000 worth of furniture and placed it on five acres of land worth $100 an acre, and given all this to each and every family in the United States of America, Canada, Australia, England, Wales, Ireland, Scotland, France, Belgium, Germany, and Russia.

After doing this there would be enough money left to give each city of 200,000 inhabitants and over in all the countries named a $5,000,000 library, a $5,000,000 hospital, and a $10,000,000 university.

And then out of the balance we could still have sufficient money to set aside a sum at 5 per cent interest which would pay for all time to come a $1,000 yearly salary for each of an army of 125,000 teachers and, in addition to this, to pay the same salary to each of an army of 125,000 nurses.

AND ENOUGH WOULD BE LEFT

And, after having done all this, we could still have enough left out of our $400,000,000,000 to buy up all of France and Belgium and everything of value that France and Belgium possess; that is, every French and Belgian farm, home, factory, church, railroad, street car—in fact, everything of value in those two countries.

For it must be remembered that the total valuation of France in 1914—according to French official figures—was $62,000,000,000; the total of Belgium—according to Belgian official figures—was in the neighborhood of $12,000,000,000. This means a total valuation of the two countries in 1914 of less than $75,000,000,000.

THE PRICE WE PAID

In other words, the price which the leaders and statesmen of the Entente, including the "statesmen" of the United States, made the people of the world pay for the victory over Germany was equal to the value of five such countries like France plus five such countries like Belgium.

And all this was done in order "to make the world safe" for Pierpont Morgan's "democracy," to preserve Great Britain's preponderance in the world's trade, and to make France the foremost military power in the world—more formidable than any ever known in the world's history.

THE HUNGER BLOCKADE AFTER THE WAR

The most cruel part of the World War was not the ordeal of battle, nor the want which the German people especially had to suffer during the fighting, because they were surrounded by an iron ring—the most cruel part was the hunger blockade after the war, for six months after the armistice had been signed. And in that blockade not only Great Britain, but also the United States took part.

Hundreds of thousands of Germans—mainly old people, women, and children—perished. This was one of the most dastardly and cruel acts of the Wilson administration. And it was accomplished after Germany had laid down her arms on the so-called 14 points which were never even mentioned at the peace negotiations at Versailles.

WHAT THE "PEACE" OF VERSAILLES MEANS

The peace of Versailles! Our Government helped to frame it and Woodrow Wilson signed it, although the Senate rejected it.

This peace of Versailles divided up fifteen millions of Germans among the hostile neighbors like sheep to be slaughtered. Central Europe was Balkanized. A number of new countries were founded, all of them satellites of France, each of them a a big standing army organized and led by Frenchmen.

The peace of Versailles helped to build up a monster Frankenstein in militaristic France and smaller Frankensteins of the same kind in Poland, Czechoslovakia, Yugoslavia, and Rumania.

On the other hand, a nation which 10 years ago was the foremost in the world in power, civilization, learning, art, and commerce, has to-day become a beggar folk, willing to accept alms of a few million dollars with which to buy condensed milk to keep rickety children from death.

GREAT BRITAIN ONE OF THE "VICTORS"

As far as the victors are concerned, there is Great Britain, even with J. Ramsay MacDonald as Premier, standing around with hat in hand, timidly, almost tremblingly, because England is afraid of the French aerial fleet.

There are millions of unemployed in England. France, however, up to the present day is not willing to permit Europe to become peaceful again. France is still keeping an army in the German Ruhr, sucking the lifeblood of industrial Germany. And although England is largely depending on German trade, England is helpless.

FRANCE HAS MONEY TO ESTABLISH A MILITARY DESPOTISM

Then there is France, which apparently drew the grand prize of this war. The fact is that France is maintaining the greatest standing army ever known, numbering about 770,000 men, and is supporting the most elaborate and costly military apparatus in history out of sheer cowardice. It keeps 150,000 men in the Ruhr alone.

Not only is France maintaining its own costly military establishment, but during the past year she has loaned 450,000,000 francs to Poland, 100,000,000 francs to Rumania, 300,000,000 francs to Yugoslavia, and 500,000,000 francs to Czechoslovakia for the purpose of maintaining their armies and military establishments to assist French aggression whenever France so desires.

FRANCE HAS NO MONEY TO PAY DEBTS

And while France has been doing all this, she has never shown the slightest disposition to pay any part of her debt to the United States—either the principal or the interest—which now amounts to about $4,000,000,000. In fact leading politicians in France cynically admit that France will try to evade any and all payments.

There can be no question but that the American people are more heavily burdened with taxes to-day than any other civilized nation with the exception of Great Britain. We are overburdened because we must not only meet the expenses of our Government but help to carry the burdens of some European countries, notably France.

Yet France as a government is nearer bankruptcy than any other country in Europe except Germany, although the French people just now are the lowest taxed of any. And France will collapse within five years and will go up in smoke, blood, and communism, unless France changes her course entirely.

UNITED STATES GAINED 30,000 NEW MILLIONAIRES AND 200,000 CRIPPLES

And there is the United States. We presumably entered this war because babies' fingers were cut off in Belgium, and to abolish militarism in the world. This war cost us $40,000,000,000 and 123,000 lives, and there were many more that died from the "flu," which was the direct result of the war.

We got out of this war 30,000 new millionaires and more than 200,000 cripples. Also, the well-earned hatred of almost every nation on earth because we had no good reason to enter the bloodshed, and no excuse to sneak away after we had helped in framing the hellish pact of Versailles.

WAR PROPAGANDA MOST EFFICIENT IN AMERICA

The World War was based on a million lies.

This is admitted to-day not only by neutral statesmen and historians, but also by most of the leading statesmen of the World War itself—by Englishmen, Russians, Italians.

The only country where a dense cloud of ignorance still befogs the minds of the people is the United States of America.

Here we are still suffering from the war propaganda—a propaganda which probably was more thorough in our country than any other country on God's earth, partly for the reason that more money was spent for that propaganda in this country than in any other, partly because the same influences which control the newspapers in this country also control the schools, churches, theaters, movie houses, and all other means of communication, expression, and publicity, and partly because our people know less about European affairs than do the Europeans.

ENGLISH PROPAGANDA NOW TAKEN OVER BY FRANCE

Great Britain especially had conducted the propaganda for her own case in this country for more than 25 years before the World War. This propaganda was intensified as the World War grew near. Since the so-called peace of Versailles the entire machinery to spread lies, seems to have been taken over by the French Government.

Thus there are some people in America still believing that this was a war "to make the world safe for democracy," or a war "for liberty," or a "war to abolish militarism," or a "war to protect little Belgium."

And speaking about Belgium, I want to quote Francisco Nitti, Italian Prime Minister during the World War:

He says:

THAT STORY ABOUT THE "POOR LITTLE BELGIAN CHILDREN"

To bring the truth of the present European crisis home to the world, it is necessary to destroy again and again the vicious legends created by war propaganda. During the war France, in common with other allies, including our own Government in Italy, circulated the most absurd inventions to arouse the fighting spirit of our people. The cruelties attributed to the Germans were such as to curdle our blood. We heard the story of poor little Belgian children whose hands were cut off by the Huns.

After the war a rich American who was deeply touched by the French propaganda sent an emissary to Belgium with the intention of providing a livelihood for the children whose poor little hands had been cut off. He was unable to discover one.

Mr. Lloyd-George and myself, when at the head of the Italian Government, carried on extensive investigations as to the truth of these horrible accusations, some of which, at least, were told specifically as to names and places. Every case investigated proved to be a myth.

The source of this ghastly falsehood was strange, indeed.

When Belgium occupied the Congo she wished to terrify the negro population. To accomplish her end she committed a few acts of terrific cruelty. Grown men and children had their hands and feet cut off. This circumstance was proved by official documents. It gave rise at that time to severe protests in the American and European press.

During the war the Germans were accused by certain American, English, French, and Italian people of those very deeds of which a few Belgian commanders had actually been guilty on the Congo 10 years earlier.

LIE ABOUT GERMAN WAR GUILT GREATEST OF ALL

But the greatest lie of all of them—the lie which lies at the bottom of all present troubles in the world—is the lie that Germany was the sole cause of the World War, because the hellish peace of Versailles rests upon it.

Without that lie the pact of Versailles can not exist.

This is the position which both Poincare and Lloyd-George have repeatedly taken.

PACT OF VERSAILLES RESTS ON HORRIBLE LIE

On December 27, 1920, Poincare declared in Le Temps that the fact of Germany's guilt was the legal basis for the Versailles and Paris decisions. On July 7, 1922, Poincare again declared that the peace of Versailles was not based on Germany's defeat but upon Germany's responsibility for the war.

Still worse, that mountebank, Lloyd-George, stated on March 3, 1921, to the German minister, Simons:

For the Allies the responsibility of Germany is the decisive factor; it is the foundation on which the treaty of peace has been reared. If recognition of this fact be refused or regarded as invalid, the treaty itself falls.

And even our "statesman," Hughes, has insisted that preceding any negotiations of peace with Germany—our treaty also must contain Germany's acceptance of section 231 of the Versailles peace treaty, which reads:

* * * Germany acknowledges that she and her allies, being solely responsible for the war, they are likewise responsible for all losses and damages inflicted on the allied and associated governments and their subjects in consequence of the war caused by the aggression of Germany and her allies.

But what is the truth?

Soviet disclosures from the secret archives of the Russian foreign office, supplemented by some from the English foreign office and also by what had been found by the Germans in Belgium, prove that Germany, instead of having been more guilty than the other powers were in starting the World War, was much less guilty.

WORLD SIMPLY DECEIVED

All the world was systematically deceived and continues to be deceived by the capitalist press and by French propaganda. The fact is, Germany did not wish the war and did not provoke it. The vainglorious Kaiser and the egotistic and stupid ruling class of Germany simply permitted Germany to be pushed into the trap.

HOW RUSSIA AND FRANCE PLANNED ATTACK

Among the documents that have come to light are minutes of secret conferences in 1911, 1912, and 1913, in which the Russian Czar was represented by General Gilinsky, chief of the general staff, and France by General Joffre and Minister of War Millerand.

According to these minutes, plans for a joint attack by France and Russia were fully agreed upon. It was also provided that at the first chance both France and Russia should immediately and simultaneously mobilize their forces and transport them to the frontier. It also provided that "These forces shall begin complete action with the greatest dispatch so that Germany will have to fight on two fronts at the same time."

LIES WERE PART OF WARFARE

The publication of these documents also proves that it was a part of the policy of the French and Russian and British Governments to put the odium of the World War upon the German Government.

The Russian foreign office even issued an Orange Book containing the official documents of the Russian Government pertaining to the war. Out of the 60 dispatches of the foreign office for the few days preceding the World War it appears that 50 were falsified by omissions and insertions.

Senator ROBERT L. OWEN, of Oklahoma, in a great speech on December, 18, 1923, proved from these documents, and from many others how the war was plotted by the Allies. He also mentioned the secret treaty made in 1916 between Russia and France for the division of Germany and Austria.

"INNOCENT LITTLE BELGIUM"

And Great Britain was, of course, a party to all these agreements since 1903, and promised to cooperate in every respect.

And so was Belgium, which had a military convention with both Great Britain and France.

Belgium had put her armed forces at the disposal of the Entente as early as 1908—six years before the outbreak of the World War—although it was supposed to be a neutral country since 1839, according to the treaty which proved a "scrap of paper." Thus "innocent little Belgium" had made a "scrap of paper" of the same treaty long before the German chancellor had coined the expression.

THE "14 POINTS" WERE NOT EVEN MENTIONED

But to return to the treaty of Versailles. It is based entirely on the war guilt of Germany.

The fourteen points on which Germany laid down her arms were not even mentioned in Paris when the peace treaty was framed.

GERMANY COMPELLED TO ASSUME WAR GUILT

Prof. Harry Elmer Barnes, who studied the question of the Versailles treaty and of fixing the guilt of starting the war, says:

Germany occupied the situation of a prisoner at the bar. And it was a case where the prosecution simply contented itself with the assumption of the guilt of the defendant. It was not required to furnish the proof. Germany was confronted with the alternative of signing the confession at once or having her territory invaded and occupied, with every probability that such an admission would ultimately be extorted from her.

WHY WE HAVE CHAOS IN EUROPE

And the results of that treaty of Versailles?

The Allies, and especially France, took everything Germany possessed, not only in war material, machinery, and rolling stock, but also horses, cows, and so forth. The Reparations Commission established "reparations" regardless of any promises made in the armistice, and fixed no definite sum which Germany is to pay. The Allies took all the German colonies. French officials took an active part in the Palatinate, promoting political disintegration of the German Republic. French troops marched into the Ruhr—the industrial heart of Germany—under the pretense that Germany had fallen behind in her coal delivery, although Germany offered to buy the coal from England and deliver it to France, since the French had given the coal mines of Silesia to Poland.

In short, Germany was ruined.

NOT TO GET ON HER FEET

The Reparations Commission has a priority claim on all business done in Germany. The Allies take a large percentage of all imports and exports. This would not permit Germany to get on her feet, even without the French vampire act in the Ruhr.

All of Europe is kept in economic chaos.

French militarism, unemployment in Great Britain, the distress of our own agricultural population—these are some of the immediate and now existing results of the Versailles treaty.

ANOTHER WAR MUST FOLLOW

A general industrial crisis which will hit the United States hardest is impending as the next possible result of the treaty.

And above all, the terms of this treaty are such that unless that treaty is entirely discarded a war even more destructive than the one from which we are trying to emerge must necessarily be the result.

The United States is largely responsible for the situation. It was the United States, which had no good excuse for entering the war, as every thinking and informed person now admits, that really decided the war. Because of the responsibility, and also because the United States alone of all the nations possesses the necessary prestige and ability, the United States should take the initiative in calling an international conference to frame terms of peace that will take into consideration the working of economic laws.

We must have a peace that will not attempt to do what the Versailles treaty vainly attempts to do—to keep a nation of 60,000,000 people who have given much to civilization and, if given a chance, will give much more—a nation in the heart of Europe, in a permanent state of slavery, and in a state of actual starvation.

I PROPOSE AN INTERNATIONAL CONFERENCE TO FIX WAR GUILT AND A FAIR SETTLEMENT

Therefore I have introduced a resolution in the House of Representatives authorizing and requesting the President of the United States to call an international conference to meet in Washington, which is to appoint a commission of experts of neutral nations to examine the causes that brought about the World War and to publish such secret documents as are still being concealed in the archives of the allied governments. And also to bring about a settlement on the basis of no indemnities, no forcible annexations, and upon the basis of the fourteen points in accordance with which the German people laid down their arms.

REGAUGING OF DISTILLED SPIRITS

Mr. GREEN of Iowa. Mr. Speaker, I submit the following privileged report from the Committee on Ways and Means to accompany H. R. 9138, to authorize the discontinuance of the seven-year regauge of distilled spirits in bonded warehouses, and for other purposes.

The SPEAKER. Referred to the Union Calendar.

MOTHERS' DAY

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein the beautiful Mothers' Day message of the gentleman from Nebraska [Mr. HOWARD].

The SPEAKER. Is there objection?

There was no objection.

The message is as follows:

THE VOICE OF A FLOWER

I am the carnation.

This is my day of days.

To-day I speak to all the mothers, living near or living far.

Mothers never die. Some are called away, but always they leave behind a part of themselves, and that living part builds for itself a home in the hearts of mothers' children.

To-day my address to living mothers is in the passion tone of red; to-day my address to mothers who have been called away is in the worshipful tone of white.

Living mothers will read my address to them in my passion color on the breasts of living sons and daughters.

And who shall say to me that my worshipful address in white, softly and prayerfully rising, may not also be heard by mothers no longer in the earth mee?

I do not surely know, but often I halfway believe, that the mothers who live away up there beyond the star line may be listening in at some angel radio station and happily hearing the message of love I am speaking this Mothers' Day in tones of white from the breasts of multitudes of remembering sons and daughters.

ADDITIONAL HOSPITAL FACILITIES FOR EX-SERVICE MEN

Mr. JOHNSON of South Dakota. Mr. Speaker, I present the following privileged report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 275.

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5209, to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities. That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. JOHNSON of South Dakota. Mr. Speaker, I have an amendment which I would like to submit, which is at the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. JOHNSON of South Dakota: At the end of line 3, page 2, insert: "*Provided*, That during the consideration of the bill for amendment, it shall be in order to consider an amendment proposing the construction of a hospital at Santa Monica, Calif."

Mr. JOHNSON of South Dakota. Mr. Speaker, I am not going to talk on the rule to any extent. I do not think there is any objection to it. I want to say a few words with reference to the proposed amendment.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. GARRETT of Tennessee. I do not rise to interrogate the gentleman upon the rule, but upon the proposed amendment. I have no objection to that particular bill being considered, but it has been my understanding that there is great antagonism to the bill. I mean the California hospital bill.

Mr. JOHNSON of South Dakota. I do not know of any opposition to it. If there is any opposition, it will probably appear here now.

Mr. ELLIOTT. I might say that no objection appeared to it in the committee hearing. If there is any objection to it I have not heard of it.

Mr. GARRETT of Tennessee. Mr. Speaker, this matter was before the Committee on Rules, and I understood that the chairman of the Committee on Rules, at the time it was presented and taken up in executive session, had some reasons why he thought it ought to be deferred. Has the gentleman from South Dakota conferred with the chairman of the Committee on Rules in respect to this particular amendment?

Mr. JOHNSON of South Dakota. The chairman of the Committee on Rules was called away immediately after the noon hour, after he had presented the rule on the preceding bill. I did confer with the majority leader, Mr. LONGWORTH, who had no objection, and also with other members of the Committee on Rules, who seemed to have no objection to the amendment. This amendment is not a committee amendment. I do not want to convey that impression to the House. It is simply a short cut to take care of a very distressing situation in the old soldiers' home at Santa Monica.

Mr. FREDERICKS. Mr. Speaker, if the gentleman will permit, in reply to the inquiry of the gentleman from Tennessee, I took this matter up with the chairman of the Committee on Rules and he suggested that this procedure be followed which we are now following. This is the suggestion of the gentleman from New York [Mr. SNELL]. I have been intimately acquainted with the proposed amendment and I do not know of any objection to it.

Mr. GARRETT of Tennessee. So far as I know, I have no objection to the legislation that is proposed in the amendment, and I want that distinctly understood; but I respectfully submit that it is hardly a fair procedure—and I do not mean the gentleman means to be unfair—to come in now and make a bill in order which has been presented to the Committee on Rules, and which, to say the least, the committee has not acted upon, particularly under the circumstances that exist here at this time. I do not think gentlemen ought to insist upon that. I am willing to vote for a rule to let this California proposition be considered at any time.

Mr. FREDERICKS. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes. I mean at any time when it is expected it is going to come up, but I have advised gentlemen on this side of the House that the only matter coming up was this veterans' hospital bill. I do not know that any of those whom I advised would have any objection to this matter, but I have so advised them, because that was my understanding from the leader of the majority and from the bulletin posted. I hope the gentleman will not insist upon that amendment.

Mr. JOHNSON of South Dakota. I have already offered it, and personally I have gotten myself into the position of committing myself to the Santa Monica amendment. I recognize the situation of the gentleman from Tennessee.

Mr. GARRETT of Tennessee. If the gentleman had notified me perhaps two hours earlier so that I could have advised Members on this side of the House as to what was coming up, it might have been different. I have advsied them that this veterans' bill was the only thing, and my understanding was that all differences had been settled in respect to that and that there would be no trouble about it. Some gentlemen have left the Hall under those circumstances.

Mr. JOHNSON of South Dakota. I did not know it two hours ago myself or I would have taken it up with the gentleman. If I had thought there was objection to it, of course I would never have proposed it.

Mr. BULWINKLE. Will the gentleman yield?

Mr. JOHNSON of South Dakota. I will yield to the gentleman from North Carolina.

Mr. BULWINKLE. The gentleman from California [Mr. FREDERICKS] discussed this matter with several of the ex-service men last week, and we agreed that this matter should be taken up and the Director of the Veterans' Bureau should be heard on it, but we were not willing to take it up unless the director approved it.

Mr. JOHNSON of South Dakota. This was a conference of service men with the gentleman and the gentleman from California [Mr. FREDERICKS].

Mr. BULWINKLE. Saturday a week ago.

Mr. FREDERICKS. Mr. Speaker, I remember the conference very distinctly, and I stated there at that time that this was the course I thought I ought to pursue.

Mr. BULWINKLE. I will say to the gentleman that I had to leave the room and possibly did not hear that.

Mr. FREDERICKS. I stated to the gentleman that the situation at Santa Monica was so distressful, that the suffering was so great, that the hardships being imposed on the men at the hospital were so great and so serious that I felt it my duty to attempt to get this bill before the House as an amendment to this bill. Probably that was after the gentleman left.

Mr. BULWINKLE. That may be true.

Mr. FREDERICKS. I thought I talked to everybody.

Mr. BULWINKLE. That may be true as to the gentleman expecting to get this placed as an amendment on the bill.

Mr. LAGUARDIA. My colleague just stepped out of the hall. If I knew which gentleman I ought to request permission to address, I would; but I do not——

The SPEAKER. The gentleman from South Dakota.

Mr. LAGUARDIA. Will the gentleman from South Dakota yield?

Mr. JOHNSON of South Dakota. Before yielding to the gentleman from New York, it is very clear that the presenting of this amendment at this time places the minority leader in rather an embarrassing situation. I know nothing can be done on this bill to-day unless it is done by unanimous consent; and it is my judgment that perhaps it would be better not to insist upon this amendment at this time, because it would possibly jeopardize the passage of the entire measure, and, if necessary, I ask unanimous consent to withdraw the amendment.

The SPEAKER. The gentleman has a right to withdraw the amendment without unanimous consent.

Mr. GARRETT of Tennessee. Mr. Speaker, of course I would like to say this before the gentleman withdraws his

amendment: That in reference to placing me in an embarrassing situation, it does not put me personally in an embarrassing situation. I have stated my own personal willingness to vote for a rule to consider this proposition, but that has not been put to a vote in the Committee on Rules. I do not know whether my colleagues on this side on the Committee on Rules are favorable to it or not. It is not right to offer before the House a proposition here that has not been considered at all so far as the Committee on Rules is concerned; but I am willing to take my share of the responsibility, but I do not want the whole proposition unloaded on me about it.

Mr. FREDERICKS. Mr. Speaker, I hope the gentleman will not insist. This is a matter of such tremendous importance that I am sure that when it is fully discussed that the matter can be made so plain to the gentlemen on all sides that they will agree that to delay this matter at this time now and go and ask for a rule and put it off would jeopardize its passage at this session of the Congress and it would cause untold suffering to people whom we do not want to suffer and who have suffered enough.

Mr. BULWINKLE. Is this a Veterans' Bureau hospital?

Mr. FREDERICKS. No; this is a hospital of the veterans of all wars mingled. It is for the veterans of all wars.

Mr. BULWINKLE. Has the Director of the Veterans' Bureau recommended it?

Mr. FREDERICKS. The Director of the Veterans' Bureau has recommended it.

Mr. BULWINKLE. Have there been any hearings before the committee?

Mr. FREDERICKS. Yes; and I am glad I have an opportunity of explaining that to the gentleman. This matter was fully heard before the Committee on Public Buildings and Grounds. The Director of the Veterans' Bureau was there, and he was heard fully on the matter, and he advocated it. The president of the Soldiers' Home Boards of the entire United States was sent for from Dayton, Ohio, and he came before that committee and testified very extensively on the matter. There were several others who had intimate personal knowledge of this who appeared before the committee. The committee heard that testimony, and, having heard it, the committee reported it out with the recommendation that it do pass. I would not think for a moment of advocating a matter of this kind unless it was fully heard and digested by the committee.

Mr. BULWINKLE. I am going to ask the gentleman not to take it up this afternoon.

Mr. RANKIN. Will the gentleman yield? I was in the Veterans' Committee the other day when the gentleman from California appeared there.

It is my understanding that the gentleman from California, if I remember correctly, proposed to bring this matter up either under suspension of the rules or under unanimous consent. Now, there was nothing said about trying to slip this bill in on a rule, and I submit that it is unjust to talk about putting the minority leader in an embarrassing position by attempting to bring it up in this way. Of course, it is no embarrassment to the gentleman from Tennessee [Mr. GARRETT]. He is not responsible.

Mr. GARRETT of Tennessee. Mr. Speaker, the truth about it is that not a word has been said about the consideration of this matter at all.

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

The SPEAKER. The gentleman from Texas demands the regular order. The gentleman from South Dakota [Mr. JOHNSON] has the floor.

Mr. JOHNSON of South Dakota. Mr. Speaker, I withdraw the amendment.

Mr. FISH. Mr. Speaker, if this rule is adopted, will it be in order to offer an amendment to provide for an additional hospital or school for blinded soldiers? A gentleman has in mind the offering of an amendment providing for $300,000 to build a school for blinded veterans at Evergreen, a fireproof building. I would like to know if that would be in order under the rules before the rule is adopted.

Mr. ELLIOTT. Is that a hospital?

The SPEAKER. It might depend on the form of the amendment. The Chair is not prepared to rule on that. It would not be for the Chair to rule on it. It would be for the Chairman of the Committee of the Whole to rule on it.

Mr. WAINWRIGHT. Would the Chair care to express an opinion? Under this rule there might be involved an amendment to construct a hospital, although this bill mentions no hospital or any particular project.

The SPEAKER. The Chair does not think it would be proper to answer that question, because that question will be for the Chairman of the Committee of the Whole to decide. The Chair has no right to undertake to decide it.

Mr. DYER. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. The gentleman from South Dakota has the floor.

Mr. HOWARD of Nebraska. Mr. Speaker, I was on the floor quite a while before to-day. About 40 years ago I began searching for that which was lost, and sometimes it gets away. [Laughter.] Twenty-nine minutes ago I raised the point of no quorum. I would like to know where that got lost. [Laughter.]

The SPEAKER. The Chair has not heard the point of no quorum raised.

Mr. JOHNSON of South Dakota. I hope the gentleman from Nebraska will not raise that point. This hospital bill is of the greatest importance to the veterans of the country.

Mr. HOWARD of Nebraska. I will let it go for 29 minutes more.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. LANHAM. As I understood the reading of the resolution, the word "ordered" was not read in connection with the previous question. It should read, "The previous question shall be considered as ordered."

Mr. LONGWORTH. They were inserted.

Mr. JOHNSON of South Dakota. Mr. Speaker, there is no objection to this rule, so far as I have been able to determine, in the House. Every Member of the House is familiar with what the bill does. They know the measure is simply one to appropriate $6,500,000 for the completion of the hospital-building program. Unless some gentleman desires to discuss the rule, I shall move the previous question.

Mr. DYER. Mr. Speaker, I call for the regular order.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. McKENZIE. I desire to ask the gentleman from South Dakota whether there is anything in this bill to indicate in any way when these hospitals will be completed?

Mr. JOHNSON of South Dakota. Nothing that I know of.

Mr. McKENZIE. Then have we any assurance that the soldiers of the World War will live long enough to get into them? [Laughter.]

Mr. JOHNSON of South Dakota. I do not know. They have been very slow in building heretofore.

Mr. LAGUARDIA. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. Yes.

Mr. LAGUARDIA. The resolution provides for the time of debate. Has any arrangement been made as to who shall control the time?

Mr. CLANCY. Mr. Speaker, I suggest the point of no quorum.

The SPEAKER. The gentleman from Michigan makes the point of no quorum.

Mr. FISH. Mr. Speaker, will the gentleman withhold his point for a moment?

Mr. CLANCY. Yes.

Mr. FISH. There are a number of us who want to go to the ball game this afternoon. Will the gentleman withdraw it, so that we can arrange matters immediately?

Mr. CLANCY. I withdraw it. I am for this bill and wish to liberalize it.

EXTENSION OF REMARKS

Mr. TUCKER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the vocational rehabilitation bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

HOSPITALIZATION

Mr. JOHNSON of South Dakota. Mr. Speaker, I will move the previous question. There is one amendment to the rule that has been brought to my attention, to which attention, I think, ought to be called. On line 1 of page 2 of the resolution, after the word "considered," insert the words "as ordered."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of South Dakota: Page 2, line 1, after the word "considered," insert the words "as ordered."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JOHNSON of South Dakota. Mr. Speaker, I move the previous question on the rule.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. WINGO. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 101, noes 0.

Mr. WINGO. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Arkansas makes the point of order that there is no quorum.

Mr. LONGWORTH. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. WINGO. Yes.

Mr. LONGWORTH. I would be rather loath to ask for a quorum, yet this is an important bill. However, it must be understood that this bill will not be called up on Tuesday.

Mr. WINGO. Mr. Speaker——

Mr. LONGWORTH. I will say to the gentleman that this bill will not be taken up next Tuesday, because an undertsanding has been reached as to other resolutions.

Mr. WINGO. My plain object was to force an automatic call of the House, unless a unanimous-consent agreement could be reached. I do not know of a single proposal that is going to be made which I would not be in favor of; but I know there are going to be a large number of men away who would not go away—a good many of them—if they thought there were going to be a lot of amendments offered that have not been considered by any committee. There is no objection, I take it, to the passage of the bill as it is; that is, those things which have been considered. There may be some amendments offered which have been considered, but it is not fair to spring some new proposals this afternoon. That would not be fair to those who are already away and those who intend to be away. It would not be fair to have them sprung in their absence.

Now, if the gentleman in charge of the bill can give some assurance——

Mr. LONGWORTH. Would the gentleman object to passing the bill as it stands without any amendment?

Mr. WINGO. As far as I am advised, yes. I have not read the bill, but I have talked with those who have. I do not know of anyone who is not in favor of the bill, and I do not know of a single proposed amendment that I would oppose. That is not the question. And it was not on that theory that I made the point of order, but it was on the theory that it is not fair on late Saturday afternoon, with a lot of Members absent, to bring in something that has not been considered by any committee. That is my only point.

Mr. FISH. Will the gentleman yield?

Mr. WINGO. Yes.

Mr. FISH. I do not know whether there are any other amendments. I only know of one amendment that will be proposed and that is to provide a school for the blind at Evergreen. We have a lot of wooden buildings there now, and I know the gentleman from Arkansas, and every other Member of the House, would feel some responsibility if those wooden shacks were burned overnight with a loss of some of the blind soldiers.

Mr. WINGO. In that connection there is a matter which I could bring in if I had any thought of playing politics. Years ago the State of Arkansas gave the Federal Government 100 acres at a point which the experts on tuberculosis, headed by Doctor White, frankly admit is, by experience, the most ideal location in the United States for a tuberculosis hospital. My people are getting mighty tired of having tubercular service men taken to other climates that are poorer when the United States Government by the expenditure of a few thousand dollars—to match the same kind of system the State has on that mountain—could save the lives of tubercular soldiers in that section. If I were playing politics I would come in and offer it as a part of this bill, but I know it would be defeated, and I do not play politics with the service men. I make my fight to secure relief for them in the committee in a practical way. As I say, if I were playing politics I would offer that as an amendment, but I will not play politics with the sufferings of the service men, as some Members may be doing.

Mr. FISH. Will the gentleman yield further?

Mr. WINGO. Yes.

Mr. FISH. The gentleman must realize that we can not get appropriations for a school for the blind. It is not in my district at all.

Mr. WINGO. Has the gentleman's proposition been considered by the committee?

Mr. FISH. It has not, and that is the reason——

Mr. WINGO. I will not object to any amendment being offered which has been considered favorably by some committee of the House. I do not object to that.

Mr. RANKIN. Mr. Speaker, I demand the regular order.

Mr. LONGWORTH. Will the gentleman withhold that for a moment?

Mr. RANKIN. I will withheld it.

Mr. LONGWORTH. I simply want to make this statement: In case the point of no quorum is pressed, I shall not ask for a call of the House but I shall move to adjourn; but it must be understood that this bill will not be considered on next Tuesday, because an arrangement has been made that we take up other resolutions.

Mr. MICHENER. Mr. Speaker, I demand the regular order.

Mr. POU. It could be passed in 30 minutes, could it not?

Mr. WINGO. I think the gentleman from Ohio makes an unfair statement. I have been very frank as to the motive I have, and to say that this bill can not be passed unless we pass it this afternoon, I contend, is an unfair statement, because it can easily be passed next Monday when a quorum is present.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. Have we not just adopted a resolution making this bill in order?

The SPEAKER. It has not been adopted.

Mr. WINGO. Not yet. Possibly the gentleman did not intend it, but the plain inference in the RECORD is that if we insist upon an orderly consideration of this bill this afternoon, it means the death of the bill, which is not accurate.

Mr. LONGWORTH. No; I did not say that. I simply said——

Mr. WINGO. If I can get the assurance there will be nothing offered this afternoon that has not been considered by a committee of this House and a committee of the House approved it, I would not care, so far as I am personally concerned, to even make a point of order against it; but I do object to riders being put on this bill late Saturday afternoon that have never had the consideration of any committee.

The SPEAKER. Why does not the gentleman ask unanimous consent?

Mr. WINGO. I will tell you what I will do, if we can do it informally. Maybe we can reach an agreement. I ask unanimous consent that in the consideration of this bill under the rule no amendment carrying a concrete proposition shall be offered unless it be some proposition that has been reported by a regular legislative committee of the House.

Mr. FISH. Regular order, Mr. Speaker.

Mr. WINGO. The regular order is to call the roll.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that it shall be in order to consider this bill on Monday.

Mr. LAGUARDIA. I object to that.

ADJOURNMENT

Mr. LONGWORTH. Then, Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 57 minutes p. m.) the House adjourned, in pursuance to the order previously made, until to-morrow, Sunday, May 11, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

468. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting deficiency estimates of appropriations for the Post Office Department for the fiscal year 1923 and prior fiscal years, amounting to $173,581.41, and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, amounting to $6,062,888.60, in all $6,236,469.01 (H. Doc. No. 271), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GREEN of Iowa: Committee on Ways and Means. H. R. 9138. A bill to authorize the discontinuance of the seven-year regauge of distilled spirits in bonded warehouses, and for other purposes; without amendment (Rept. No. 701). Referred to the Committee of the Whole House on the state of the Union.

Mr. FAIRFIELD: Committee on Insular Affairs. H. R. 8356. A bill to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands and to provide for the future political status of the same; with an amendment (Rept. No. 709). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on Irrigation and Reclamation. S. J. Res 114. A joint resolution authorizing an investigation of the proposed Casper-Alcova irrigation project, Natrona County, Wyo.; with amendments (Rept. No. 699). Referred to the Committee of the Whole House on the state of the Union.

Mr. REECE: Committee on Military Affairs. H. R. 7269. A bill to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture; with amendments (Rept. No. 700). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. S. 243. An act for the relief of Frank Yumbaca; without amendment (Rept. No. 702). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 709. An act for the relief of the Commercial Pacific Cable Co.; with an amendment (Rept. No. 703). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. S. 1941. An act for the relief of Ezra S. Pond; without amendment (Rept. No. 704). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. H. R. 1333. A bill for the relief of Joseph P. Ryan; with an amendment (Rept. No. 705). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 4280. A bill for the relief of the Chamber of Commerce of the city of Northampton, Mass; without amendment (Rept. No. 706). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. H. R. 3046. A bill for the relief of J. W. Cook; with an amendment (Rept. No. 707). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. H. R. 5638. A bill for the relief of David C. Van Voorhis (Rept. No. 708). Laid on the table.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RATHBONE: A bill (H. R. 9157) for the purchase of the Oldroyd collection of Lincoln relics; to the Committee on the Library.

By Mr. TILLMAN: A bill (H. R. 9158) to appropriate the sum of $25,000 out of the United States Treasury to lay and construct a substantial concrete hard-surface pavement for a distance of two blocks through the United States Government property, and adjacent to the national cemetery in the city of Fayetteville, Ark.; to the Committee on Appropriations.

By Mr. ACKERMAN: A bill (H. R. 9159) to amend the tariff act of 1922; to the Committee on Ways and Means.

By Mr. HILL of Washington: A bill (H. R. 9160) authorizing certain Indian tribes and bands, or any of them, residing in the State of Washington to submit to the Court of Claims certain claims growing out of treaties and otherwise; to the Committee on Indian Affairs.

By Mr. RUBEY: A bill (H. R. 9161) to prohibit the carrying by the mails of the United States of any pistol or revolver, or any newspaper, circular, pamphlet, or publication containing any advertisement for the sale of any pistol or revolver, and to provide penalties; to the Committee on the Post Office and Post Roads.

By Mr. BACON: A bill (H. R. 9162) to amend section 128 of the Judicial Code, relating to appeals in admiralty cases; to the Committee on the Judiciary.

By Mr. LEAVITT: Joint resolution (H. J. Res. 260) authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States; to the Committee on Indian Affairs.

By Mr. REED of New York: Joint resolution (H. J. Res. 261) accepting the invitation of the Government of Spain to participate in an international exposition to be held at Seville, Spain, in 1927; to the Committee on Industrial Arts and Expositions.

By Mr. ROBSION of Kentucky: Resolution (H. Res. 308) providing for the consideration of S. 2797, to authorize the payment of claims under the provisions of the so-called war minerals relief act; to the Committee on Rules.

By Mr. ALDRICH: Memorial of the Legislature of the State of Rhode Island, favoring the passage of H. R. 1, relating to the crime of lynching; to the Committee on the Judiciary.

By Mr. O'CONNELL of Rhode Island: Memorial of the Legislature of the State of Rhode Island, indorsing the passage by Congress of House bill 1, relating to the crime of lynching; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 9163) granting a pension to Alvin E. Owen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9164) granting a pension to M. L. Ralston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9165) granting a pension to John Brown; to the Committee on Invalid Pensions.

By Mr. FREDERICKS: A bill (H. R. 9166) granting a pension to Amanda N. Beal; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9167) granting a pension to Lowell G. Fuller; to the Committee on Pensions.

Also, a bill (H. R. 9168) for the relief of Robert Abernathy; to the Committee on Military Affairs.

Also, a bill (H. R. 9169) for the relief of Charles H. Lenton, alias Charles Seelos; to the Committee on Military Affairs.

By Mr. REECE: A bill (H. R. 9170) for the relief of George B. Robinson; to the Committee on Military Affairs.

By Mr. SHREVE: A bill (H. R. 9171) granting a pension to Charlotte Tyndall; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 9172) granting an increase of pension to Mary E. Giffin; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2720. By the SPEAKER (by request): Petition of General M. Emmet Urell Camp, No. 9, Department of the District of Columbia, United Spanish War Veterans, urging Congress to pass over the veto of the President the Bursum bill; to the Committee on Invalid Pensions.

2721. Also (by request), petition of the Community Councils of the City of New York, N. Y., urging that a congressional committee be appointed to investigate the matter of telephone rates and service in the United States; to the Committee on the Judiciary.

2722. Also (by request), petition of General Nelson A. Miles Camp, No. 1, United Spanish War Veterans, Department of the District of Columbia, urging Congress to pass the Bursum bill over the veto of the President; to the Committee on Invalid Pensions.

2723. By Mr. MORROW: Petition of New Mexico Bar Association, E. R. Wright, president, opposing the passage of Senate bill 624 and House bill 3260; to the Committee on the Judiciary.

2724. By Mr. THOMPSON: Petition of the county commissioners of Fulton County, Ohio, urging the passage of House bill 8978, a bill to amend the Federal highway act; to the Committee on Roads.

HOUSE OF REPRESENTATIVES

SUNDAY, *May 11, 1924*

The House met at 11 o'clock a. m., and was called to order by Mr. LAZARO as Speaker pro tempore.

Rev. Franklin J. Winter, assistant minister First Congregational Church, Washington, D. C., offered the following prayer:

We invoke Thy sacred presence, O God our Father, as we are met to-day in this Hall of Congress to give voice to our esteem and respect for one who was once our friend and colleague here. Wilt Thou be the inspiration and guide of the thought throughout this memorial service?

Bless all those who were near and dear to our departed brother.

Be gracious unto these fellow Representatives of his. Grant that every recollection of him shall be tempered with kindness and charity and shall bring pleasant memories to them.

May all that was good and noble, all that was honest and true, in his character be a constant example to them.

As Thou dost teach lessons of sincerity and integrity through the lives of exemplary men and women, help us always to see the best in our brothers and sisters, and may that best be ever before us, encouraging us to worthy motives in living.

And to Thee we shall give the praise and thanksgiving forevermore. Amen.

The SPEAKER pro tempore. Without objection, the reading of the Journal of the proceedings of yesterday will be deferred.

There was no objection.

ADDRESSES ON THE LATE HON. H. GARLAND DUPRÉ

The SPEAKER pro tempore. The Clerk will read the order of the day.

The Clerk read as follows:

On motion of Mr. LAZARO, by unanimous consent—

Ordered, That Sunday, May 11, 1924, at 11 o'clock a. m., be set aside for memorial addresses on the life, character, and public services of Hon. H. GARLAND DUPRÉ, late a Representative from the State of Louisiana.

Mr. O'CONNOR of Louisiana. Mr. Speaker, I desire to offer the following resolution.

The SPEAKER pro tempore. The gentleman from Louisiana offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 309

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. H. GARLAND DUPRÉ, late a Member of this House from the State of Louisiana.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That Members be permitted to extend their remarks in the RECORD on the life, character, and public services of the deceased.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

Mr. O'CONNOR of Louisiana. Mr. Speaker, when GARLAND DUPRÉ died a choice spirit left this old earth. His immortal soul released from the physical tenement soared aloft into higher regions where great spirits in a nobler sphere carry out a larger mission and render a grander service than can be performed on this terrestrial globe. His splendid attitude toward human existence in our world indicates the lofty and sublime leaning of that noble soul in whatever part of the universe it has been directed by an All-Wise Deity.

What a noble creation he was; what a great impress he made upon his fellows; what lingering memories he has left behind him. His life was not long as measured by years, but he lived greatly, and every moment of that life was that of an American gentleman. He is buried in the place where he was born, in the beautiful old town of Opelousas, around which swings the immortal poem of Evangeline. There is a little graveyard, and in that graveyard he is laid at rest forever. There with his ancestors and the people whom they and he loved his earthly remains will sleep.

'Till the sun grows cold
And the stars are old
And the leaves of the Judgment Book unfold.

We buried him as the sun went down, announcing the death of day on a never-to-be-forgotten Saturday evening. The raindrops came down gently and softly as if all nature were weeping at the thought that earth would know him no more and that his gallant soul far away on the romantic trip which is ahead of us all would never, never come back to us again. The old town was his cradle and it is his grave. Many, many more patriotic sons of this country will be born in that old town; many, many more in the years that are to come will pass away after having played out their parts in the grand drama of life, but no greater spirit shall be born or pass away than that of the colleague we loved so well. He stood out magnificently against every background. He was an appealing figure at all times.

When the sun was shining and the weather clear for his friends he was light, cheerful, and buoyant. But it was in the hour when his friend was in the depths, when gloom hovered over those he loved, when the skies were darkened to those that had his affection that he showed out resplendently, grandly, for it was in that hour he rose to sublime heights. Then he was at their side and by sheer force of his presence illumined the darkness that lie ahead. To share and have part in the sorrows and afflictions of souls like his own was irresistible to that splendid spirit. But he would not have resisted a flowing sympathy if he could. Sympathy with him was that which "broadens the mind, tempers the vision, and makes golden the hearthstone where we with loved ones dwell." Spiritually we are that which we have delighted in sentimentally. The choice expressions of our language were fixed in his memory. "Be thou the rainbow to the storms of life, the evening beam that smiles the clouds away" indicated more clearly his tender attitude toward a world of suffering than could be expressed by chapters that did not include that wonderful description of what a great soul should be. "Oft in the stilly night" when slumber's chains have bound me will come the memories of the more than 25 years that I knew him with ever-increasing admiration and affection.

With him I was a member of the House of Representatives of the old and historic State of Louisiana. We were both elected thereto in 1900 and I served with him in that body until he was elected to Congress on November 8, 1910, to fill the unexpired term occasioned by the death of his friend Samuel L. Gilmore. As speaker of the Louisiana House of Representatives he possessed the affection, the confidence, the esteem, the admiration of his associates to an extent seldom paralleled in Louisiana or in any other State and certainly never surpassed in any legislative assembly in history. None who served with him can forget that outstanding fact of his career. During his term of speaker the entire legislature felt it necessary to journey from the capital of the State, Baton Rouge, to Washington for the purpose of laying the claims of the city of New Orleans for the honor of holding the world's exposition in that romantic old city. Members of Congress who were present when GARLAND rose to address the committee in behalf of the city he loved so well will always remember the wonderful demonstration of pride in and affection for him evidenced by his associates through their joyful shouts of unbounded delight at his presentation of his people's petition for the honor of celebrating the opening of the Panama Canal.

Yes, he is dead. Gallant, noble GARLAND DUPRÉ is no more. But I shall not forget him. I am looking westward myself. The sun is beginning to set, the shadows are lengthening, and I shall see him again. But until then it is not even au revoir, for though silent he still speaks with the eye that we can never forget. In his honor impregnable, in his simplicity sublime, is a splendid description of that noble soul. No State ever had a truer son, no people a more affectionate champion, no cause a finer advocate, no principle a nobler defender than the dead statesman. Loyal, upright, tender, true, brave, and courageous, Louisiana was proud of him while living and mourns for him with a great sorrow when dead. He was my friend. He was the friend of my family. As an evidence of his esteem let me mention that during our membership in the Louisiana Legislature and when he was given control of the fight for Tulane University for an annual appropriation of $10,000 a year for her support and maintenance and to which in my judgment she was justly entitled, he selected me to close the case on the floor of the house for Tulane, contenting himself with the opening address. It was perhaps the greatest occasion in the legislative history of Louisiana for a half of a century, and his fine and splendid attitude on that occasion not only evidenced the chivalry of an heroic and courteous gentleman but the confidence and affection for one that he thought might measure up to the requirements of the situation into which he had thrown all of his great soul. No, Mr. Speaker, we can never forget him. Louisiana will miss him from her congressional delegation. He knew Washington official life as few men will ever know it. Among his friends is one of many that mourns him with a great sorrow. He is my friend also. That friend of GARLAND DUPRÉ, who is no more, is Kenneth Romeny, whose boundless affection and great admiration for the wonderful talent and literary pursuits of GARLAND are best expressed by the request that he made to me to read in closing this address, lines which beautifully portray GARLAND's sublime attitude toward life and death:

Let me live out my years in heat of blood!
Let me make all I can of what is mine!
Let me not see this soul's house built of mud,
Go toppling to the dust a vacant shrine.

Let me go quickly, like a candle light
Snuffed out just at the heydey of its glow!
Give me high noon—and let it then be night!
Thus would I go!

And grant me, when I face the grisly thing,
One haughty cry to pierce the gray perhaps!
Let me be as a tune-swept fiddlestring
That feels the master melody—and snaps!

I weep, GARLAND DUPRÉ is no more.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. GARRETT] is recognized.

Mr. GARRETT of Tennessee. Mr. Speaker, it is quite appropriate that upon this Mothers' Day we should assemble in the great Hall of the House of Representatives to pay tributes of respect to a deceased colleague whose intense devotion to his mother and whose pride in her was so well known to his close friends here. I am honored by the invitation from the Louisiana delegation to participate in these exercises, and I come with sadness of heart to join my colleagues in paying respect to his memory, because Hon. GARLAND DUPRÉ was my cordial and sincere friend, and I was his friend.

We became well acquainted during the early days of his service and on innumerable occasions throughout his many years here he demonstrated by words and deeds his friendship for me.

There were many public questions—some of them of a major character—upon which our convictions did not coincide, but this affected in no way our personal relations. I had respect for the sincerity of his opinions and for the great ability with which he maintained them.

His was a keenly penetrating and really brilliant intellect. While not indulging with great frequency in the debates upon the floor, he was an earnest student of practically all public matters, and he grasped quickly and with clearness the meaning and significance of legislative proposals. I do not recall having ever heard him inquire "How shall I vote?" His inquiry would be "What is the question before us?" and knowing that he knew exactly what he wished to do and voted as his judgment dictated.

His speeches were usually short ones, terse, compact, and his power of analysis enabled him to go directly to the heart of an issue and make his position clear in a few sentences.

He was excellently educated; his language was chaste and elegant. He had read much and to good purpose the world's classics of literature. He had a retentive memory; his mind was stored with apt quotations, and his style of utterance was original and had a flavor and quaintness peculiarly his own.

I never served with him on committee, but I know that his work there was assiduous, painstaking, and effective. He was a greatly gifted man, possessing the instincts and attributes of a cultured gentleman.

We mourn his sudden demise, coming so early in life and at a period when promise for him was so great.

His friends have lost a loyal friend; his State has lost a distinguished, faithful Representative; and the Nation a true Congressman and honorable public servant.

Our hearts go out in sympathy to those who loved him and whom he in turn so dearly loved.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. FISHER] is recognized.

Mr. FISHER. Mr. Speaker, it touches my heart deeply to speak of the life of so good a friend as was GARLAND DUPRÉ. I have known GARLAND DUPRÉ for eight years. I had an office in the Office Building near his, and we served on the same committee for a session of Congress—the Rivers and Harbors Committee. It was not long before I knew, along with his other colleagues, that in DUPRÉ there was a Congressman who had studied the rivers and harbors of our country and knew the needs of the Nation in the development of this great system.

We know that he particularly loved the study of the great Father of Waters, of deepening its channel, and of building stalwart levees which saved the homes and the plantations of the people with whom he was raised, also the people who lived throughout this richest valley in the world. We know that he knew better than anybody else on the committee just what it meant to the great city in which he lived that that great stream should be kept open to the commerce of this great valley.

There was another particular feature about the river that he had a full knowledge about, and that was the gigantic problem at the mouth of the river. We know that there is no greater problem for the engineers of our Army than to keep the deltas of that river open. We know that if once stopped and not kept open as they should be many millions of dollars' worth of produce and products of that great valley and of his great city would be stopped in their march to the markets of the world.

I want to say that he rendered a great public service, and always the people of that valley and of his home city will remember it with deep gratitude.

As a boy he had hardships which necessitated hard work and great responsibilities, because his father had died and left his mother with many children to support, and it became his burden to help that dear, brave mother to raise that large family. We saw how bravely he went to the nearest great city and working his way educating himself as a lawyer, was chosen by the leaders and by the people of New Orleans as one of its city attorneys, and then was he sent to this great body, where he served with such great distinction.

I want to say that the trait of character about him which I loved more than anything else was not only his love for his friends, which we all enjoyed who knew him, but it was his love for his dear mother and his sisters. It became his duty to be the head of the family, and no one assumed a burden with greater cheer and finer spirit than did DUPRÉ.

I want to say that his mother's relation to him and his to her were as beautiful as there was ever between mother and son on this earth. She was an inspiration to him and kept his ideals aglow all the time.

While this is a solemn occasion, it was a more solemn occasion when the sad party of his colleagues accompanied this broken-hearted family, the sorrowing but brave mother and the distressed sisters, on the sad journey to the old home. Those who loved him and knew him in the vigor of his young manhood, as he was pushing himself forward, insisted that we stop in that great city so that the people there who loved him might pay last tribute, and as long as I live I will always remember the beautiful ceremony held in the cathedral in New Orleans. Then it became necessary to journey farther to the lovely little southern town where he was raised and where it seemed to me 100 or more of his kin gathered around and with sorrowing hearts told the members of the party of their sorrow and of their love for this young man who had been taken away, and as we assembled at the grave to pay the last tributes with these loved ones, a great crowd of the people from the parish who had known him as a boy all were there with bowed heads.

A soul that has lived in a life like GARLAND DUPRÉ led when called away from this life has gone to rest. There is a great Father who will take his soul into His arms where it may rest forever.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. MINAHAN] is recognized.

Mr. MINAHAN. Mr. Speaker, we pause to-day—my colleagues and I, friends and intimates of the late Hon. H. GARLAND DUPRÉ—each to drop a flower and tear in memory of our departed friend.

Formally, to-day, we pay to him, in this great representative body of the people that he adorned, the Congress of the United States, our tokens of esteem, affection, and respect. But other days will come, the world not looking on as to-day, when memory in quieter and more unobtrusive garb will steal out softly to that far-off sacred spot, God's acre, in the little town of Opelousas, La., to sprinkle the flowers and tears of friendship on the grave of our friend.

And GARLAND DUPRÉ was a friend—loyal and true as man could be to those he loved, and loyal and true to those who sent him here.

But here let me speak for a moment of his work as a legislator and of his devotion to his duties. It is, I believe, safe to say that of the thousands who supported him politically few knew of the long hours and tireless efforts that he gave to their business, to the duties of the office with which they had honored him. His tireless work as a member of the great Rivers and Harbors Committee, of which he was the ranking minority member, and the ability with which he performed the tasks assigned him there are known to every member of that committee. Indeed, I may say—and I speak as a friend who knew him well—that in my experience I have known no man in public office who displayed greater zeal and ability in the discharge of his duties than GARLAND DUPRÉ, nor have I known any man who could so tersely sum up and hit off the strength and weaknesses of proposed legislation.

Speaking for myself, personally, I shall always remember with pleasure and thankfulness with what tactful thought he would offer suggestions out of his greater experience for the benefit of my constituents, when, as a new Member, I first came

to the House. And these were the little touches that endeared him to us and made him appreciated by his friends.

And now one other word and I have done. I scarce know how to say it, the subject is so hallowed. I would speak of his devotion and affection for his mother and his family.

Ah, my friends, you who have been his intimates for years know the tender playfulness and love of his little names for each of them. "The little lady," as he always called his wonderful mother, tells the whole story far better than could reams of words of mine. And so I have done. For were he here my talk would embarrass him more than anyone I ever knew. Let me only say to him in the deep beyond that he will live ever in the hearts of his friends.

The SPEAKER pro tempore. The gentleman from Alabama [Mr. McDUFFIE] is recognized.

Mr. McDUFFIE. Mr. Speaker, I would not permit this hour to pass without availing myself of the opportunity to join the membership of this House in paying tribute to the memory of our departed friend and colleague, the Hon. GARLAND DUPRÉ.

It is a sad, indeed an awful, thing to see a splendid man and a useful public servant stricken down while in the prime of his life and at the height of his usefulness. And though our hearts are bowed in grief over his death, we do find some consolation in the realization that his mission in life was carried out with honor. GARLAND DUPRÉ was a most useful and valuable Member of the House of Representatives.

Born of refined and cultured parentage, reared in an environment and under those influences of intellectuality, integrity, and refinement that characterized the old-time southern home, he inherited from a long line of illustrious forbears, amongst other excellent qualities, a splendid intellect. He was able and scholarly. For several years I served with him on the Committee on Rivers and Harbors, and in our work there I was struck with the brilliancy of his mind and his ability to quickly grasp every problem that confronted him and deal with it in an able and statesmanlike manner.

By his ability, his indomitable energy, his desire to serve, and his courageous stand on all matters of public policy he climbed the heights of success at a much earlier age than most men. Soon after leaving college and turning into manhood his fellow citizens recognized his merit and called upon him to assume places of trust and grave responsibilities. As a lawyer his ability was pronounced and recognized, and as a young prosecuting attorney he was never afraid. At the age of 27 years he became a member of the legislature of his State, and upon being twice elected to succeed himself, at the age of 35 he was elected speaker of the House of Representatives of the Louisiana Legislature. This position he filled with honor to himself and to his State.

From this high place he was called by his people to their service as a Member of Congress. No people ever had a more faithful Representative in this body, where he devoted himself in their behalf so assiduously for a period of 12 years. Had he been spared I doubt not he would have been continued in their service for many years. He was the ranking member on the Democratic side of the Committee on Rivers and Harbors. His work for the development of his State and the improvement of her rivers and harbors stand as a living monument to his memory. He was proud of his adopted city of New Orleans, with all its diversified interests and multiplied problems of development. He was ever alert and awake to see that the interests of his city and its people were represented at the Nation's Capitol. In his duties here he was courageous always, and voted his convictions. Men may have differed with him, but no one ever questioned the sincerity of purpose that characterized his official career.

That those whom he represented held him in highest esteem was shown by the vast throngs of friends who attended his most impressive funeral services at New Orleans.

When the funeral party reached Opelousas, the scenes of his childhood and the home of his boyhood friends, the entire little city turned out to pay due respect to its distinguished son, who had lived to shed honor upon his old home city and to stimulate in the hearts of his associates of childhood a just pride in his achievements. In the old cemetery at Opelousas, where seven generations of his family in direct line lay sleeping, we committed his body to the soil he loved so well.

This is Mothers' Day. Men and women everywhere, in their thoughts, are to-day laying at the feet of those most blessed creations, the mothers, both living and dead, their hearts full of love and tenderest memories. I am glad these exercises occur on this day, for it seems so appropriate on such a day to speak of GARLAND DUPRÉ and his never-failing love for a precious mother, whose pride he was and whose love for him beyond doubt stirred him to greater success and higher attainment. Gentle, cultured mother of GARLAND DUPRÉ, the hearts of his colleagues go out to you in tenderest sympathy. We mourn his death with you and his sisters. We know if we could bring him back to life at this hour his first thoughts would turn to you and those loving sisters whose happiness and comfort was his chief mission in life.

At Opelousas I had the pleasure of meeting the Hon. Gilbert Dupré, a very talented gentleman and a very able member of the bar. For years he stood as a father to GARLAND DUPRÉ, his nephew, upon whose death he wrote the following, which I should like to make a part of my remarks, because it is not only the outpouring of a tender and loving heart but it is also a very accurate though short history of the life of our colleague:

[From the Clarion-Progress, Saturday, February 23, 1924]

H. GARLAND DUPRÉ

Died in the city of Washington, D. C., on Thursday morning at 4 o'clock, H. GARLAND DUPRÉ, Congressman from the second district of this State, who had been in the service since 1911.

He suffered a stroke of apoplexy about a week preceding his death, and his family realized that this meant death. His rugged constitution withstood the attack for a week, but as was inevitable in cases of that kind the pallid messenger with the inverted torch beckoned him forward until his soul winged its flight to that celestial abode where the weary are at rest.

GARLAND DUPRÉ was the oldest child of the late Laurent Dupré and Marie C. Garland. Grandson of the late Judge Lucius L. Dupré and Henry L. Garland, the "Grand old man" of St. Landry for whom he was named. He was born on his grandfather's plantation in July, 1873, and reared in the city of Opelousas at his grandmother's home, Mrs. Lucius J. Dupré, the home standing in the rear of Allen Sandoz's store. He received his early training at home, after which he entered Tulane, from which he graduated with honors in the class of 1892. He then entered its law school, from which he emerged as brilliantly as he had done at its academic department.

He loved his profession, and in a short time achieved success. He was selected as assistant city attorney and served with distinction. He was first elected to the legislature in 1900, then again in 1904, 1908, when he was elected speaker of the house. While serving in that capacity Samuel L. Gilmore, then the Representative from the second district, died, when GARLAND DUPRÉ succeeded to his unexpired term. Thereafter, he was elected in 1912, 1914, 1916, 1918, 1920, and 1922. He had opposition in several instances but always overcame this by decisive majorities.

Those who knew him were devoted to him. He was no trimmer, no timeserver. He was a regular, a Choctaw, and never deserted that organization. He stood with it at all times and never apologized for his conduct. The writer loved him as his own son. My heartstrings are being torn. My son, my nephews are gone, and I am left like Rachel "weeping for her children and would not be comforted, because they are not."

I am going to join them in the next few years. I rejoice in the fact that they fought life's battle gallantly and unafraid, and they never raised the white flag. May the God of the universe who called sinners to repentance shelter and protect them for the eternity in which they believed.

As great as is the loss to his district and State, to his friends loyal and true, the thorn of grief pierces his mother's heart and enters the soul of his beloved sisters.

"He was their life
The ocean to the river of their thoughts,
Which terminated all."

And he loved them in return with his whole heart and soul. His sisters worshipped him, and he idolized them.

Beloved at home and in his adopted city, respected in the Halls of Congress, he has in the meridian of life, and while raptured with the world, sunk to silent and pathetic dust. Good-by, son. I was proud of you in life. I mourn your departure. There is for me this consolation, you lived bravely, nobly; you died fearlessly. May God have mercy upon your soul, protect and guard you until we meet again.

Your devoted uncle,

GILBERT L. DUPRÉ.

Mr. Speaker, in the death of HENRY GARLAND DUPRÉ the city of New Orleans, the State of Louisiana, and the Nation has lost a most useful and devoted public servant.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. WILSON] is recognized.

Mr. WILSON of Louisiana. Mr. Speaker, our lamented colleague, HENRY GARLAND DUPRÉ, in whose memory these services are held, was born at Opelousas, St. Landry Parish, La., July 28, 1873. His early education was in the public schools at Opelousas, from whence he entered Tulane University, New Orleans, and was graduated from that institution in the class of 1892, receiving the degree of bachelor of arts. He later received the degree of bachelor of laws from Tulane University, and began the practice of law in New Orleans in 1895. His fine ability soon attracted the attention of the public, and he was selected as assistant city attorney for the city of New Orleans. In 1900 he was elected a member of the House of Representatives of the State of Louisiana, and being a member of the same body, it was there that my acquaintance with the deceased began. It so happened that we drew adjacent seats in the house. Our acquaintance ripened into friendship of a very intimate nature, which continued unmarred and unaffected up to the date of his death. When I speak of GARLAND DUPRÉ as a friend it is not in the ordinary sense of that term, but means that relation which opens the way of approach for counsel and advice where one can go, reserving nothing, and knowing that counsel will be given straight from the heart, unalloyed by any consideration except the desire for service between friends. He never sought to mislead, and was absolutely incapable of any course except straightforward frankness.

In 1908 Mr. DUPRÉ was elected speaker of the House of Representatives of Louisiana, and in 1910 was elected as Representative in the Sixty-third Congress from the second congressional district of Louisiana.

As a member of the State legislature, as speaker of the house of representatives of his native State, and as a Representative in Congress, his career was one of effective public service, always distinguished by complete mastery of the subjects and issues with which he dealt. He was an accomplished scholar, an able lawyer, a statesman of unusual capacity and with the courage of his convictions, loyal to principle, and with a love for his native State and country that charged the word "patriotism" with its proper meaning.

While from the human viewpoint the death of GARLAND DUPRÉ was untimely, yet it is a consolation to us to know that measured by every fair standard his life was a success and one which we, his friends and loved ones, may point to with affectionate pride. A single honor may come as an accident or to the opportunist, but no such reasons could be given for the interesting career of Mr. DUPRÉ. He rose by virtue of his fine character, impressive and charming personality, and by his native ability, coupled with industry and energy, as well as because of his love of State and country and devotion to their interests. As a member of the legislature of his State he advanced to the highest honor that could be given by his fellow members. There his record was such as to win for him the confidence and esteem of the people throughout Louisiana. As a Member of the National House of Representatives his record was one of continued advancement. A majority of the lawyers who come here regard an assignment to the Committee on the Judiciary as a signal honor. Mr. DUPRÉ had that assignment. But feeling that he could be of greater service to the city of New Orleans, which he in part represented, and to the State of Louisiana, he sought an assignment to the Committee on Rivers and Harbors. This he received and was the ranking member on the Democratic side at the time of his death. His public service at Washington, as in the State of Louisiana, was characterized by that ability and efficiency that merited for him continued advancement. His public career was one of steady upward progress and in every sense a brilliantly successful one.

By nature he was endowed with all those qualities that make the upright, straightforward, and outstanding man. He was an open-hearted, generous, and true friend. As a son and brother his whole life was a record of thoughtful attention and loving devotion that was beautiful beyond the power of language to express. Here was the best of his life. Here was the center of his admirable record. If it should be given to him to know how we feel and what we now say as his friends, and how we estimate those points in his life that attracted us most, I am sure he would be most happy to know that we value his love and unfaltering devotion to his mother and sisters as the central point of all his service, and as the climax of the most honored achievements of his valuable and attractive life.

The vast throngs in attendance at the funeral services in the city of New Orleans and in the town of Opelousas amply attested the love and affection of the people whom he loved so devotedly and served so faithfully.

The SPEAKER pro tempore. The gentleman from California [Mr. LEA] is recognized.

Mr. LEA of California. Mr. Speaker, my tribute to the memory of GARLAND DUPRÉ shall be a personal one. I first met him on the train from New Orleans to Washington while I was on my way to attend the first session of Congress of which I was a Member. Prior to that time a mutual freind for whom he had a very high regard had bespoke his interest and friendship for me, and of which I was then unaware. Immediately upon introduction to Mr. DUPRÉ, he informed me of the kindly intercession of our mutual friend. In a brief time we were shocked to learn that our mutual friend had suddenly passed away. Upon repeated occasions since that time, during seven years of association in the House, Mr. DUPRÉ in conversation recurred in an affectionate way to our dead friend and to his memory as a common bond of friendship between us. He frequently said in substance, "He was your friend, and that makes me your friend."

I had no special claim on the friendship of GARLAND DUPRÉ. There never was any reason other than the voluntary dictates of his own disposition why he should extend to me any particular friendship, other than what I have mentioned. Yet, many times in an association of years here I was made conscious of his kindly interest and helpfulness in my welfare.

His appreciation and loyalty to his dead friend impressed itself upon me as an outstanding quality of Mr. DUPRÉ among men. He was actuated by the sentiment that in serving his dead friend's friend there was something of satisfaction, something of loyalty, something of recompense, to his dear friend who had long since passed away. What a source of inspiration and happiness it would be to the world if all men would show love and reverence for their dead by showing consideration, kindness, and helpfulness to the living.

He was sensitive, appreciative, and loyal to the bonds of friendship and affection. The same tender, noble qualities were emphasized in the life of GARLAND DUPRÉ in reference to his mother and sisters. Frequently he referred to them and always in terms of concern, affection, and for his mother, veneration.

Perhaps the greatest weakness of humanity is its proneness to a self-centered selfishness. In devotion to our own little affairs we lose the perspective of life. We fail in appreciation. We forget when we should remember. We let the statute of limitations soon run against the debt of gratitude. We grasp our blessings as things that belong to us as of right and as a matter of course, and are unhappy in failing to gain others that may not belong to us. We fail to perceive the fact written everywhere, from all the experiences of men, that the most satisfying rewards of life come not from self-seeking but in response to those qualities that voluntarily serve our fellow men.

With me in the memory of GARLAND DUPRÉ there will always remain the thought of his appreciation, his gratitude, and an unselfish loyalty to his friends and his family. Those are homely virtues, but they are among the greatest that inhabit the human heart.

Life is a balance sheet with two sides to the ledger. Temptation is the common lot and the common story of man. We all have erred and fallen short of the glory of God. In the common experience of joy and sorrow, success and failure, weakness and strength we find human companionship and helpfulness. Struggle and failure, victory and defeat, yielding weakness and unbending strength, joy to-day and sorrow to-morrow, sunshine and cloud are couplets of life. We struggle on with the burden to the end and finally lay it down. The story is complete. It has two sides. We balance them. We remember in forgiving kindness, in appreciation, in affection. The aggregate value is the worth of a human life. It is so that we shall be measured. It is so that we judge the worth of the life of GARLAND DUPRÉ. The tide of time rushes on, each day sweeping away some more of the sands of memory of yesterday. But for us who intimately knew GARLAND DUPRÉ there will long remain memories of qualities we may long cherish with comfort, and, like him, we might best show appreciation by loyalty and service to the living.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. ASWELL].

Mr. ASWELL. Mr. Speaker, GARLAND DUPRÉ came of one of the most distinguished families of Louisiana, a family famed for its upstanding devotion to the best interests of our State and country, a family of patriots, loyal and progressive

both in the dark days of the reconstruction and in the sunlight of prosperity.

I attended the funeral of our lamented colleague in the town of his birth, where many of his distinguished relatives now live, a town famed in song and in story.

Beautiful is the land, with its prairies and forests of fruit trees;
Under the feet a garden of flowers, and the bluest of heavens
Bending above, and resting its dome on the walls of the forest.
They who dwell there have named it the Eden of Louisiana.

GARLAND DUPRÉ spent his childhood, his boyhood, and his early manhood amid these peaceful and romantic surroundings. It is fitting that his body rest forever here, in the heart of his beloved sun-kissed South.

Here no hungry winter congeals our blood like the rivers;
Here no stony ground provokes the wrath of the farmer.
Smoothly the plowshare runs through the soil as a keel through the water.
All the year round the orange groves are in blossom; and grass grows
More in a single night than in a whole Canadian summer.

Here, near the "Teche, where it flows through the green Opelousas," he sleeps at home among those who loved him most.

The funeral scene can not be forgotten. On that beautiful and balmy day, surrounded by stately moss-covered trees, under a wealth of floral offerings, in the heart of the Evangeline country, in the famed and historic town of Opelousas, hundreds gathered in silence, in sympathy, and in sadness. From the highest to the lowliest, from the most prominent business man to the humblest citizen, from neighbors and from prominent officials and visitors from all parts of the State came expressions of unrestrained grief—a pang of human sorrow evident on every hand, such as is rarely expressed by people of separate interests and different conditions. They keenly felt and expressed their grief in the loss of a loyal friend, brilliant son, and distinguished fellow citizen.

This service is especially suited to Mothers' Day.

In the life of every brilliant intellect there stands out in bold relief some notable and uplifting characteristic. With GARLAND DUPRÉ it was a tender sweetness, a loyal devotion, an overwhelming and ever-increasing love for his mother and sisters. This quality of mind and heart lifted him to a high place in the minds of all who knew him.

Could he speak to-day to his devoted mother, with Thomas Moore he would say to her:

They tell us of an Indian tree
Which howe'er the sun and sky
May tempt its boughs to wander free,
And shoot and blossom wide and high,
Far better loves to bend its arms
Downward again to that dear earth
From which the life that fills and warms
Its grateful being first had birth.
'Tis thus, though wooed by flattering friends,
And fed with fame (if fame it be),
This heart, my own dear mother, bends,
With love's true instinct, back to thee!

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. FAVROT] is recognized.

Mr. FAVROT. Mr. Speaker, upon this occasion none of us can express what we feel. Words are inadequate to convey the full measure of our sorrow.

I knew GARLAND DUPRÉ perhaps longer than did any other Member of this House. I knew him as a schoolboy, when I was attracted to him by his gentlemanly demeanor and the promise that he even then gave. I knew him as a youthful member of the Louisiana Legislature, when, young as he was, his sound judgment and brilliant intellect gained him the undisputed leadership in that body. I knew him as speaker of the Louisiana House, when his ability and his force of character made him a commanding figure in the public life of Louisiana.

During the three years of my membership in this House as his colleague I knew him intimately, and, with closer acquaintance, my respect for his character and my admiration for his ability grew. He had many sterling qualities, but his most marked characteristic was his political courage, an outstanding trait that came from an intellectual honesty that was innate. He had that most admirable, that rarest of all qualities, the courage of his convictions.

A weakness of this Government is the political cowardice of public men. Most of us are cowards. Most of us determine our position upon public questions by what we think the effect of that position will be upon our own political fortunes. GARLAND DUPRÉ could and did disregard all considerations of self. His sole guide, his sole test in determining his position, was what he thought was best for his country and for his State. Often I have known him to adopt a course that in his judgment was best for the interests of his State, knowing full well that that course would jeopardize his own political future. When the welfare of his State or the well-being of his people was at stake he could rise above party. He felt that his first, his paramount, duty was to his State. His devotion to the interests of his constituency was marked. No man knew better what those interests were, and no man could have more ably or more assiduously guarded those interests.

His death at the moment of his greatest usefulness was a loss to us all, but the greatest loss is to his constituency. By reason of his ability and his experience to them he was well-nigh invaluable, and with due respect to those who may be chosen to succeed him in the years to come his place will be hard to fill.

Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a tribute written by Mr. William H. Fulham, who was secretary to Mr. DUPRÉ.

The SPEAKER pro tempore. Is there objection to the gentleman's request?

There was no objection.

Following is the tribute referred to:

By the death of H. GARLAND DUPRÉ it might be said that a great Nation had lost an able and a conscientious Representative, that a great State had been deprived of a distinguished citizen whose name more than once has been honored in its annals, and that a great city will no longer be able to call upon a loyal and devoted servant who had spent the major part of his life in its service. It would not be difficult to dwell upon this thought, but there comes the unwelcome reflection that, after all, the great Nation and the great State and the great city, with onrushing life and the swift course of events, will all too soon forget alike the servant and the service that he rendered, and then the one great thing that will remain will be the grief of a mother who suffered more than all the rest the loss of her first-born son, and the sorrow of his seven sisters, who knew in him a devoted brother in all that that term can express—one whose warm attachment for them nothing could diminish, who had shared alike their joys and their anxieties, their future hopes, and the opulent memories of a cherished past.

Those who knew GARLAND DUPRÉ even casually were aware of this steadfast devotion to his mother, and, almost in as great a measure, to his sisters. But to those who knew him through close association, that fidelity to his kin was a quality that awakened the keenest admiration and excited the highest respect. It may be said without exaggeration that his family were always first in his thoughts and almost constantly in his mind. Hardly a day passed that did not bring forth some evidence of his affectionate regard for them. Absence from them strengthened the natural interest he felt in them, nor could all the varied demands of public life absorb him to the exclusion of this unalterable allegiance to his own.

It is fitting, in paying tribute to his memory, that this outstanding trait should be marked, and, in touching upon it, we know of no tribute that would have been more appealing to him than that which directed the sympathetic thought to those that were nearest and dearest to him while he lived. If anything can be of comfort to those dear ones, it would be to remind them, if that is necessary, of this quality which all who knew him were quick to recognize, since it gave them so much happiness while he lived, and since it must be a source of so much solace to them, now that he is no longer here.

It is not easy to reaffirm the sympathy that we naturally feel at such a time as this, for we recognize the limitations of such expressions and we realize how unprevailing the spoken word of condolence is where grief is new and overpowering; but such sympathy as we can express goes freely to the members of his family, and more especially to his mother—to that little lady, so slight, so deceptively frail, who bore her great bereavement with such amazing fortitude. Only we who know her can understand from what depthless springs of faith she draws her strength.

It may be recalled that on an occasion similar to this, in speaking of a colleague who had met death suddenly, GARLAND DUPRÉ recited that stirring passage of Stevenson's "Aes Triplex" that glorified sudden death. I think of it now because such a death was his; and if the words that he reiterated on that occasion implied a wish that when his time came his passing might be such, then there is comfort in the thought that he voiced not merely a wish but a prophecy.

WILLIAM H. FULHAM.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. SANDLIN] is recognized.

Mr. SANDLIN. Mr. Speaker, I remember several months ago our lamented colleague GARLAND DUPRÉ said to several of his friends—jokingly at the time, no doubt, but probably with no intimation of what might so soon occur—that when the exercises in the House were held in memory of him after he was gone he hoped that his friends would not indulge in any fulsome praise or flattery. He wished them upon that occasion to state their honest views with reference to his character. Then he said, "I wish it were possible for me to be present on that occasion to hear what you fellows would say."

I regret, Mr. Speaker, that it is not possible that he could be here on this occasion and hear the many kind expressions that have been uttered with reference to him and his life. Those that have spoken before me have in detail told and those that will come after me will in detail tell of his life history. They knew him longer and served with him longer than I, but I am sure not one of his colleagues loved him more.

As has been stated, it seems entirely appropriate that the exercises for him should be held on this Mothers' Day. To GARLAND DUPRÉ every day was mother's day, and every day was sisters' day. In life we sometimes forget those to whom we owe most in business intercourse and in social contact and in different avocations; but everyone knows that one's best friend is his mother. GARLAND DUPRÉ always put his mother and sisters and their welfare before anyone else, showing that he knew what friendship was, because a mother is one's truest friend.

The outstanding characteristic of the life of our friend, as has been stated by all speakers, was devotion to his friends, devotion to his mother and his sisters, and to his State. In other words, he was deeply impressed always with the idea that he must do his duty.

GARLAND DUPRÉ was kind to me when I first came here and during the three years that I knew him. Evidence of the esteem in which he was held in his district and at his home was fully shown by the large attendance at the funeral, both in New Orleans and at his home town of Opelousas. I am sure that there is no Member of this House who ever served here that was braver in the discharge of his duties than our friend GARLAND DUPRÉ. He had respect for those who held views opposite to his on different questions that came up for decision, and he demanded that others should have respect for the views held by him.

Mr. Speaker, he was a splendid friend, a brave legislator, and the like of him we shall probably not see again.

Mr. MARTIN. Mr. Speaker, the sudden and untimely death of our distinguished colleague, H. GARLAND DUPRÉ, very forcibly reminds us that "In the midst of life we are in death."

To all outward appearances GARLAND DUPRÉ was the healthiest and most robust member of the Louisiana delegation. He was with us one day, apparently vigorous in mind and body, and the next came the sad tidings that he had been stricken with a malady from which he never rallied.

Mr. Speaker, I shall not review the life of our late colleague. This can better be done by Congressman LAZARO, in whose district he was born and who, by reason of a life-long friendship, can feelingly speak of the early life and struggles of his devoted friend.

While the friendship that existed between our late colleague and myself was more recent, it was none the less close and intimate, and was to me a source of great pleasure and profit.

I met him first in the legislative halls of Louisiana, where, as Speaker, he so ably presided over the lower house of our general assembly, but it was not until we became associated here in Washington that our acquaintance ripened into a close friendship, a friendship that enabled me to come in contact with a most brilliant and acute mind and a character nothing less than noble.

As a Member of Congress, GARLAND DUPRÉ took his duties seriously. He never shirked a duty or lost an opportunity to further the interests of those he so ably represented.

He had a judicial mind and loved to engage in work that involved the intricacies of law. When he was assigned to a much coveted position on the Committee on the Judiciary he was much pleased and elated, as the work was in entire keeping with his profession and training.

But subsequently a vacancy occurred upon the Committee on Rivers and Harbors, and membership on this exclusive committee was tendered Congressman DUPRÉ. While he was reluctant to leave the committee where the work was in harmony with his legal training, yet he never hesitated, but at once accepted membership on the Rivers and Harbors Committee for the sole and only reason that he felt that he could be of more service to a constituency whose welfare depended upon favorable legislation at the hands of this committee.

That he measured up to the work on this important committee as he did on all other committees upon which he served was shown by the fact that a grateful and appreciative constituency elected him to Congress for seven consecutive terms.

His most effective work was usually done in committee. He seldom spoke on the floor of the House; but when he did his remarks were always clear, effective, and to the point.

He was a party man, but not a partisan. He sought as far as possible to be in accord with his party, but if the demands of his party came in conflict with the vital interests of his constituency he never hesitated to assert his independence and protect his constituents.

He was a true Representative in that his one aim was to reflect the desires and wishes of his people and give them true and faithful service.

Others have and will speak of the splendid services that GARLAND DUPRÉ rendered his State and Nation, but I desire to dwell for a few moments on the character of the man. No one could be thrown with him and not be impressed by his strong personality and forceful character.

He was strong in his likes and dislikes, but he never did an injustice to any man, whether he was friend or foe. He was faithful and true to his friends and fair and just to those from whom he differed.

He was incapable of betraying a friend, though he was capable of forgiving an enemy. He inspired confidence, and a confidence given him was treated as a sacred trust. His friends seldom called on him for assistance. It was not necessary. Let a friend be in trouble and GARLAND DUPRÉ was soon by his side, and his counsel and his purse were at that friend's disposal.

He was every inch a courteous gentleman. He could not have been otherwise. This was inherited from his distinguished ancestry on both sides.

It has been said that the test of a man's character is not so much what the world said about him, but the degree of love he inspired in his own household.

I know of no better standard by which to measure the character of GARLAND DUPRÉ.

As the only son, he was the idol of a loving and devoted mother and the pride of seven sisters. No one who was so fortunate as to know the mother could wonder that her son was a man of such strong, upright, and forcible character.

We mourn with his bereaved family, but say to the stricken mother and sisters that he has left you the priceless heritage of a good and honorable name.

Mr. ASWELL. Mr. Speaker, the gentleman from Mississippi [Mr. LOWREY], who was a classmate in college with our late lamented colleague, is kept away to-day by reason of illness. He has requested that I present his address.

The SPEAKER pro tempore. Without objection, that will be done.

There was no objection.

Mr. LOWREY. Mr. Speaker, in the fall of 1888 I went to study for a time at Tulane University in the then quaint old city of New Orleans. At that time New Orleans was much as it had been, I suppose, for a hundred years. It had its narrow, winding streets, its open drainage, and its rat-eaten wooden wharves. It still had its occasional scourge of yellow fever and its fear of other tropical diseases.

But this was a part of old New Orleans, which at that time was the most unique, the most festive, and, in my opinion, the most charming of American cities. Its people were the most cordial, the most courteous, the most care free, and the most neighborly I have ever known. There with the intermingling of French blood and French gayety and French tradition was a peculiar and compelling atmosphere of culture and chivalry, "otium cum dignitate."

From this rare environment and this fine lineage came GARLAND DUPRÉ.

I knew him first and had the pleasure of his friendship at Mrs. Richardson's boarding house, which was really a fine old southern home. There we both lived for the session. I was a graduate student and he was a freshman—a happy, buoyant college boy still in his teens, but studious, capable, and earnest of purpose. He was not simply a favorite but the favorite in our company of some 20 young people. He was handsome, elegant in manner and appearance, cheerful, kind, frank,

genial, bright, and witty. Such was his personality that all who came into his presence liked him; he always drew and never repelled. To this good day my memory of him is one of the bright spots in my year at Tulane; he typified to me the best, the finest, and the most attractive in that great old city.

Afterwards I lived some 400 miles from New Orleans and somehow for a time I lost trace of my young student friend. But soon, through the press and from other sources, I began to learn of the splendid public record that was being made in Louisiana by a brilliant young attorney named GARLAND DUPRÉ. I was not surprised. That was to be expected. He had both the ability and the personality for such a career. He was in the Louisiana House of Representatives within 12 short years of the time when I had known him as a university freshman, and then for two years he was speaker of that house. In 1910 he came to Congress, and his successive reelections, usually without opposition, indicate the high esteem in which the people he served held him.

When I came to Washington as a Member of this House I went early to his office to renew the old-time friendship. I found in the developed man the same native gentility that I had known in the college boy, the same gentle humor, frankness, and brightness of intellect.

Others who have served longer with him on this floor have spoken of his public service. I have preferred to speak of him, and shall ever rejoice to remember him, as I knew him in those college days when our closest friendships are formed and our happiest memories originate. It was there that I first knew and admired the kindly, cultured, capable, and winsome GARLAND DUPRÉ.

The SPEAKER pro tempore. The gentleman from Louisiana, Mr. O'CONNOR, will please take the chair.

Mr. O'CONNOR of Louisiana assumed the chair as Speaker pro tempore.

Mr. LAZARO. Mr. Speaker, on February 21, 1924, HENRY GARLAND DUPRÉ, a Member of Congress from the second district of Louisiana, died. He was the oldest child of Laurent Dupré and Marie C. Dupré. His paternal grandfather was Judge Lucius L. Dupré, and he was also the grandson of Henry L. Garland, that "grand old man" of St. Landry Parish, for whom he was named. He was born July 28, 1873, and was reared in the city of Opelousas. He received his early education at home until he entered Tulane University, of New Orleans, from which institution he graduated with honor in 1892. He then entered its law department, from which he also graduated with distinction.

GARLAND DUPRÉ loved his profession and was a success in the practice of law. He began his public service as assistant city attorney of New Orleans and proved himself an able public official. He was elected to the Louisiana Legislature in 1900 and again in 1904 and also in 1908, when he was chosen speaker of the house of representatives of that State. As a member of our legislature and as speaker he rendered efficient and distinguished service. On the death of Samuel L. Gilmore, then the Congressman from the second district, which occurred while GARLAND DUPRÉ was a member of our general assembly, he succeeded to the unexpired term. Therefore he was elected and reelected to Congress.

Those who knew GARLAND loved him and were devoted to him. He was an old regular in local politics and stayed with his organization at all times. He had a wonderful mind and was as quick as lightning in analyzing a complicated problem. Once he reached a decision regarding a question, he always took a definite position and was never afraid to express himself. He was thorough, systematic, and consistent. He was loyal to his friends, and his word was as good as gold. Often I had occasion to observe him closely when it became necessary to present a case in which his people were vitally interested, either to a department or to Congress. He was always punctual, always knew his case thoroughly, and presented it with clearness and force, and he was usually successful in getting results.

He had a literary mind and was a close student of literature. His reading covered a wide range of interest, and he knew the best, not only in English literature, but of French. He spoke the latter language fluently and was deeply interested in the history and literature of France.

He detested sham and hypocrisy, and always stood for what he believed was right and for the best, even if the cause was unpopular at the time. He trusted always in the good judgment and the common sense of the people he represented. He was one of the most conscientious of public men I ever met.

Although it was his dream and ambition when he came to Congress to serve on the great Judiciary Committee, he willingly gave up his position on that committee to serve on the Rivers and Harbors Committee, where he felt he could render more valuable service to the great port of New Orleans and the State of Louisiana. He was a close student of legislation, and the most minute detail never escaped him. By his death the city of New Orleans, the State of Louisiana, and the country lost a good man and a faithful Representative.

I first knew GARLAND DUPRÉ well while he was speaker of our legislature, at which time I was a member of the State Senate. I grew to admire him for his many good traits of character. Later, when I came to Congress, I often went to him for advice, and I was never disappointed. We became close and intimate friends. Since the day GARLAND DUPRÉ died he has been daily in my thoughts. This Chamber, this Capitol, and the usual routine of work all bring back to me memories of him.

His love and devotion for his mother and sisters were deep and beautiful, and appealed to all who knew him intimately. His every thought was always the thought of his mother and sisters. It made no difference how busy he was with his public work, he always found time to write to them regularly. He kept them posted on the smallest details of his public and private life, and whenever the opportunity presented itself he always spent as much time as he could with them. He never failed to visit his old home in Opelousas, where he could see the members of his family and his boyhood friends, and whenever Congress recessed he spent much of his vacation period with his family, who were as devoted and loyal to him as he was to them, and who showed their affection for him in many ways.

He was a true Christian in every sense of the word. May God, in His infinite wisdom, take care of his soul.

Mr. LAZARO resumed the chair as Speaker pro tempore.

Mr. SPEARING. Mr. Speaker, in the death of Hon. HENRY GARLAND DUPRÉ, former Congressman from the second congressional district of Louisiana, which I now have the honor to represent, not only that district but the whole State of Louisiana, and, in a way, the Nation, have lost a most valuable citizen. Born a half a century ago of French ancestry in a portion of the State inhabited largely by the decendants of that nation, Mr. DUPRÉ was one of the most distinguished and able citizens of the State, and at the same time one of the most popular and best loved. His disposition was thoroughly democratic. Not only did he readily make firm and fast friends but he had that much desired quality of retaining their love, affection, and admiration. This was evidenced by his continued return to Congress from one of the most populous districts in the State, a distinction which he did retain, and would have retained during his life.

In early manhood he moved to New Orleans to take up a law course at Tulane University, from which he graduated after the customary period of study, and established his home in that city. He exhibited his natural ability in the law class, and it was not long after graduation that it was recognized that he was one of the brainy and able lawyers of the time, and he quickly acquired a clientele of which many in the profession long before he entered would have been proud. His natural tendencies, however, were to public life. He took an active part and interest in public and political affairs, and in a short time he was selected as one of the assistant city attorneys of New Orleans, thereafter becoming chief assistant attorney. He subsequently became a member of the house of representatives in the State legislature, and was elected speaker during his second term—an honor which seldom, if ever, fell to any member in so short a time. His services as speaker were marked by that ability and fairness for which Mr. DUPRÉ was noted. But his activities were not to be confined within the limits of the State, so he sought membership in Congress and was successively elected, and doubtless would have continued to be but for his untimely death.

To those who knew him personally and well his accomplishments in public life were not the most noteworthy. His individuality and intellectual attainments made him a most agreeable companion and a welcome guest, whether of many or few; he was most charming and held his friends almost as by hypnotic influence.

It gives me great pleasure and satisfaction to recall that in my campaign to fill the vacancy caused by his death I had untold evidence of his popularity in the district and of the love, affection, and confidence which the people had for and in him. Anyone should be proud of the evidences of that feeling which constantly came to me during my canvass of the district. His loss to the district and State will be felt long after many of us will have passed away, and it will be difficult to have the district represented as ably and satisfactorily as it was by him.

Though he never married, his family life was ideal. His devotion to his mother and sisters was typical of a man of that strong personality which Mr. DUPRÉ possessed. The sympathy of the people of his district and of the State go out to his family to an unbounded degree.

Mr. BYRNS of Tennessee. Mr. Speaker, our lamented colleague, Hon. GARLAND H. DUPRÉ, began his service in the House of Representatives during the Sixty-first Congress. I was then serving my first term, and we soon formed a friendship for each other which, I am happy to say, existed until the time of his death.

The fatal illness, which terminated in his death, was a shock to his colleagues, for he had every appearance of strength and vigorous health and gave promise of many more years of usefulness in the public service. But looking back over the past few years, it seemed to those who knew him well that he had a premonition that he would be called from earth in the near future. During his service here he frequently spoke of his probable early demise to me, as he doubtless did to other friends, not in a spirit of fear or regret but calmly and philosophically and with that resignation which bespoke a man of courage who was ready at all times to meet his fate. He was only anxious that he should leave behind him when the time came a reputation for fidelity to duty and that he should have the respect and confidence of his colleagues—a wish which was fully gratified. Often, when talking with him on this subject, I have thought of the words of the poet:

> I hear a voice you can not hear,
> Which says I must not stay;
> I see a hand you can not see,
> That beckons me away.

He was an able and faithful legislator. He was always alert in looking after the interests of his constituency and his State, and in order to better serve them he voluntarily left the Committee on the Judiciary, of which he was a valuable member, in order to accept membership on the Committee on Rivers and Harbors that he might more effectually look after the public improvements on the Mississippi River, in which his home city of New Orleans and his State are so vitally interested. He had a high conception of the duties of a legislator and he endeavored always to measure up to them. He was not insensible to public opinion. He possessed those human traits which made him anxious to please. He loved his friends and the people he represented, and was intensely desirous of retaining their good opinion. But he had strong convictions, and he was never willing to truckle or to pander to public sentiment to advance his personal political fortunes at the expense of those convictions.

He had a keen, incisive mind. He was quick to grasp a thought. He was a ready debater—quick in repartee, easy in delivery, and possessed a fund of information which never failed to attract the attention of his colleagues. The people whom he served so faithfully appreciated his ability and fidelity, for he was serving his eighth term when he passed away, and had he not been overtaken by death I dare say he would have continued to serve them for many more years.

It was characteristic of such a man that he should love his family devotedly, and his widowed mother and sisters have the deepest sympathy of all of his colleagues.

GARLAND DUPRÉ has left us, Mr. Speaker. He has passed over to the unknown shore. No doubt he had his human weaknesses. No being ever lived save one who did not have some faults, but such as he may have possessed are forgotten in the memory of his many virtues, his kindly disposition, his great love for family and friends, and his unfailing devotion to duty.

ADJOURNMENT

The SPEAKER pro tempore. In accordance with the order heretofore made and as a further mark of respect the House stands adjourned.

Accordingly (at 12 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Monday, May 12, 1924, at 12 o'clock noon.

SENATE

MONDAY, *May 12, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, in Thee we live and move and have our being. Thou dost number our days, and Thou dost give us opportunities for service of the highest order. We bless Thee for the continuance of life, and we pray Thee that with the consciousness of our dependence upon Thee we may fulfill Thy good pleasure in our generation by the fitness of devotion and by the high consecration of our talents to nobler endeavors. Hear us, be with us, and ever guide us in the way of truth and righteousness. Through Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, May 5, 1924, when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hatigan, one of its clerks, communicated to the Senate the resolution (H. Res. 309) of the House adopted as a tribute to the memory of Hon. H. GARLAND DUPRÉ, late a Representative from the State of Louisiana.

The message also announced that the House had passed a bill (H. R. 5478) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ball	Ferris	McKinley	Smith
Brandegee	Fess	McNary	Smoot
Brookhart	Frazier	Moses	Spencer
Broussard	George	Neely	Stanfield
Bruce	Gooding	Norris	Stephens
Bursum	Hale	Oddie	Sterling
Cameron	Harreld	Overman	Sutherland
Capper	Harris	Pittman	Trammell
Carraway	Harrison	Ralston	Wadsworth
Colt	Howell	Sanders	Walsh, Mass.
Copeland	Johnson, Minn.	Reed, Mo.	Warren
Cummins	Jones, Wash.	Reed, Pa.	Watson
Dale	Keyes	Robinson	Weller
Dial	King	Shepperd	Willis
Dill	Ladd	Shields	
Ernst	Lodge	Shipstead	
Fernald	McKellar	Simmons	

Mr. JONES of Washington. I wish to announce that the senior Senator from Kansas [Mr. CURTIS] is absent on official business.

I wish also to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I will let this announcement stand for the day.

I was requested to announce that the Senator from Connecticut [Mr. McLEAN], the Senator from South Dakota [Mr. NORBECK], the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Colorado [Mr. PHIPPS], the Senator from Florida [Mr. FLETCHER], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Colorado [Mr. ADAMS] are attending a hearing before the Committee on Banking and Currency.

The PRESIDENT pro tempore. Sixty-five Senators have answered to their names. There is a quorum present.

DISPOSITION OF USELESS PAPERS

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of State, presenting, in compliance with law, certain material in the files of the department not needed in the transaction of business or having permanent value or historic interest, and asking for action looking to its disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The President pro tempore appointed Mr. LODGE and Mr. SWANSON members of the committee on the part of the Senate and ordered that the Secretary notify the House of Representatives thereof.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the House of Representatives of the Commonwealth of Massachusetts, protesting against the passage of the joint resolution (H. J. Res. 180) for the relief of the distressed and starving women and children of Germany, which was referred to the Committee on Foreign Relations.

(See RECORD of Saturday, May 10, page 8518, where the same resolution was presented by Mr. LODGE and printed in full.)

The PRESIDENT pro tempore also laid before the Senate the petition of the City Parliament of Community Councils of the city of New York, praying for the appointment of a congressional committee to thoroughly investigate the matter of telephone rates and service in the United States, and, among other things, to investigate into the relationship between the American Telephone & Telegraph Co. and its subsidiaries, etc., which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by General Nelson A. Miles Camp, No. 1, United Spanish War Veterans, Department of the District of Columbia, favoring the passage of the so-called Bursum bill, granting increased pensions, over the veto of the President, which was referred to the Committee on Pensions.

He also laid before the Senate a resolution adopted by General M. Emmet Urell Camp, No. 9, Department of the District of Columbia, United Spanish War Veterans, favoring the passage of the so-called Bursum bill, granting increased pensions, over the veto of the President, which was referred to the Committee on Pensions.

He also laid before the Senate a resolution adopted by the Presbytery of Los Angeles, Calif., of the Presbyterian Church in the United States, favoring an amendment to the Constitution prohibiting sectarian appropriations, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the board of estimate and apportionment of the city of New York, protesting against inclusion of a 10 per cent tax on radio sets and parts in the pending tax reduction bill, which was ordered to lie on the table.

Mr. FERRIS presented a resolution adopted at a convention of citizens from the States of Michigan, Illinois, Indiana, and Wisconsin, held at Chicago, Ill., protesting against the passage of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

Mr. CAPPER presented a petition of sundry citizens of Frankfort, Kans., praying for the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

Mr. FRAZIER presented resolutions adopted by Republicans of Nelson County, in convention assembled at McVille, and the Aneta Commercial Club, of Aneta, both in the State of North Dakota, favoring the passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

He also presented the petition of Fred Schmidt and 185 other veterans of the United States Veterans' Hospital No. 68, at Minneapolis, Minn., praying for the passage of House bill 7320, to amend the acts entitled "the war risk insurance act," "An act to establish a Veterans' Bureau," and "the vocational training act," which was referred to the Committee on Finance.

Mr. WILLIS presented a resolution of Chillicothe Grange No. 2075, of Chillicothe, Ohio, favoring an amendment to the Federal road law requiring the States to meet Federal aid with State funds instead of securing funds from the county through which the road runs, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry citizens of Woodsfield, Laings, Beallsville, Round Bottom, Clarington, and Altitude, all in the State of Ohio, praying for the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the congregation of the Methodist Episcopal Church of Brewster, Ohio, favoring an amendment to the preamble to the Constitution by inserting therein the words "devoutly recognizing the authority and law of Jesus Christ, the Savior and King of Nations," so as to make the preamble read: "We, the people of the United States, devoutly recognizing the authority and law of Jesus Christ, the Savior and King of Nations, and desiring to form a more perfect union, establish justice, insure domestic tranquillity," etc., which was referred to the Committee on the Judiciary.

EX-SENATOR JAMES HAMILTON LEWIS

Mr. WILLIS. Mr. President, I desire the especial attention of the Senator from Arkansas [Mr. ROBINSON]. Recently, in response to a resolution adopted by the Senate, the Secretary of the Navy sent to the Senate a report, which, in part, is as follows:

An examination of the records of the Navy Department, its bureaus, and offices, discloses that the Hon. William Gibbs McAdoo, former Secretary of the Treasury; the Hon. James Hamilton Lewis, ex-Senator; and the Hon. Hoke Smith, ex-Senator, appeared before this department in advocacy of claims against the Government of the United States, and who at the time of their advocacy came within the provisions as set forth by Senate Resolution 176, above quoted.

Mr. ROBINSON. Mr. President, under what order is the Senator proceeding?

Mr. WILLIS. I was about to submit a request to print in the RECORD a letter from the Hon. James Hamilton Lewis, and I wanted to explain why I make the request.

Mr. ROBINSON. Let the Senator submit his request.

Mr. WILLIS. I am about to do so.

The PRESIDENT pro tempore. Does the Senator from Arkansas demand the regular order?

Mr. ROBINSON. No; I do not. But it is a very extraordinary proceeding.

Mr. WILLIS. Mr. President, I was submitting the letter at the request of the former Senator from Illinois, the Hon. James Hamilton Lewis. I had adverted to this report in a public address and Senator Lewis thought I had done him an injustice. I therefore thought it proper that the letter which he writes me should be inserted in the RECORD, as he asks that it shall be. I am doing this, I repeat, at the request of the former Senator from Illinois. I ask unanimous consent that the letter of Senator Lewis may be printed in the RECORD, or may be read, as may be desired.

Mr. ROBINSON. I suggest that the letter be read.

The PRESIDENT pro tempore. The Chair understands that the Senator from Ohio desires that the letter may be read?

Mr. WILLIS. I have no objection to the letter being read, and I understand that the Senator from Arkansas [Mr. ROBINSON] requests that it be read.

Mr. ROBINSON. I ask that the letter may be read.

The PRESIDENT pro tempore. The Secretary will read the letter as requested.

The reading clerk read as follows:

CHICAGO, *May 9, 1924.*

Hon. FRANK B. WILLIS,
United States Senate, Washington, D. C.

MY VERY DEAR SENATOR WILLIS: My attention has been drawn to a speech you made in Pittsburgh touching political and other subjects—a matter wholly within your privilege—but which is alluded to in the CONGRESSIONAL RECORD, where you reproduce some of the matter of your speech. You quote a report of the Secretary of the Navy, saying that I, among other ex-officials, had personally pressed claims against the Navy Department within two years after leaving the Senate.

May I beg to call to your attention that when this matter appeared in the press, I promptly telegraphed the Secretary of the Navy, assuring him that if he looked to the record he would see that I had never appeared in the Navy Department in any claim against the Government in all my life; that my only connection with the subject to which he alluded was a letter recommending the counsel to the cause as being worthy of audience at the Navy Department, the counsel having succeeded me as corporation counsel of this city.

Judge Wilbur graciously telegraphed that there was no intimation of any irregular act by me, saying that the name had been sent in in compliance with the resolution of the Senate, because my name was attached to certain correspondence. Also the matters passing between the Secretary and myself disclosed—what you will recognize—that the law putting a ban on any officer to present claims against the Government (in two years after leaving office) was limited to the heads of departments who had been the judges of the subject matter, and in no wise as to any Congressman or Senator after he had entered private practice at the end of his official service.

May I take the liberty to ask that you will incorporate my letter in an appropriate manner, that the RECORD may now print the letter, as I know you would not purposely have an injustice done me in a matter that involved the integrity of conduct on the part of either one of your fellow professional and official friends, or any citizen of your country?

With personal regards to you, I am,
Yours very sincerely,

J. HAMILTON LEWIS.

Mr. KING. Mr. President, I should like to make a suggestion to the Senator from Ohio [Mr. WILLIS]. In view of this statement of ex-Senator Lewis that he merely presented his successor as corporation counsel to the Navy Department, if the Secretary of the Navy did submit, in response to the resolution of the Senator from Nebraska [Mr. NORRIS], a statement that Senator Lewis had appeared before the Navy in the prosecution of cases against the Government, and Senator Lewis's statement is true—and no doubt it is true—then I think the Secretary of the Navy committed a very great error and did Senator Lewis a wrong.

Mr. WILLIS. Mr. President, if the Senator from Utah will turn to the RECORD of April 29 last, at page 7432, he will find a quotation from the report which was sent in by the Secretary of the Navy, from which I read in my opening statement. I thought it only fair to former Senator Lewis that his letter should be printed, and whatever the Secretary of the Navy may do rests in his sound discretion.

Mr. KING. I think the Senator from Ohio should have presented the letter which former Senator Lewis wrote to him, but I repeat that the Secretary of the Navy did Senator Lewis a wrong and that his act was very improper.

Mr. ROBINSON. What was the object of sending the name of the former Senator from Illinois to the Senate if he had merely introduced some one to the Navy Department?

Mr. WILLIS. Mr. President, I am entirely unable to answer that question. I took the document that appeared here, and which was sent to us, as the Senator from Arkansas knows, in response to a resolution which was adopted here, which had been introduced by the Senator from Nebraska [Mr. NORRIS]. I do not remember the exact terms of that resolution.

Mr. ROBINSON. Of course, the Senator from Ohio is to be commended for presenting the letter of former Senator Lewis, but the suggestion is that the Secretary of the Navy himself ought to send a communication apologizing to the Senate and to the former Senator from Illinois.

REPORTS OF COMMITTEES

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 463) to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920, reported it with an amendment and submitted a report (No. 519) thereon.

Mr. KEYES, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 823) to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes, reported it without amendment.

Mr. STERLING, from the Committee on Post Offices and Post Roads, to which was referred the joint resolution (S. J. Res. 115) to provide for the free transmission through the mails of certain publications for the blind, reported it without amendment and submitted a report (No. 520) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6721) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes, reported it with amendments and submitted a report (No. 521) thereon.

Mr. FERNALD, from the Committee on Public Buildings and Grounds, to which was referred the bill (S. 3173) to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial in the city of Washington to an appropriate point in the State of Virginia, and for other purposes, reported it without amendment and submitted a report (No. 522) thereon.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (H. R. 8050) to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas, and attach said county to the San Angelo division of the northern judicial district of said State, reported it without amendment.

Mr. GEORGE, from the Committee on Military Affairs, to which was referred the bill (S. 3080) for the relief of Palestine Troup, reported it with amendment and submitted a report (No. 523) thereon.

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1528) authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., donated to the United States of America for use in connection with Hot Springs National Park, reported it without amendment and submitted a report (No. 524) thereon.

Mr. LADD, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment, and submitted reports thereon:

A bill (S. 1987) accepting certain tracts of land in the city of Medford, Jackson County, Oreg. (Rept. No. 525); and

A bill (H. R. 5169) authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch (Rept. No. 526).

Mr. LADD, also from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 5373) granting certain public lands to the city of Shreveport, La., for reservoir purposes, reported it with amendments and submitted a report (No. 527) thereon.

Mr. STANFIELD, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1607) for the relief of Nellie Kildee, reported it without amendment and submitted a report (No. 528) thereon.

Mr. NORBECK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2063) to establish the Benning National Forest in the State of Georgia, reported it without amendment and submitted a report (No. 529) thereon.

Mr. MOSES, from the Committee on Expenditures in the Executive Departments, to which was referred the joint resolution (S. J. Res. 41) authorizing a joint committee of both Houses to investigate the Harriman geographic code system, now in use by the War Department, with a view to ascertaining the adaptability and application of said system in the several executive departments and administrative branches of the Government and to rendering a just compensation to the owner thereof, reported it without amendment.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on the 10th instant that committee presented to the President of the United States enrolled bills and a joint resolution of the following titles:

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones;

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; and

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. STERLING:

A bill (S. 3288) granting a pension to Teressa K. Shriner; to the Committee on Pensions.

By Mr. JOHNSON of Minnesota:

A bill (S. 3289) to compensate the Chippewa Indians of Minnesota for lands disposed of under the provisions of the free homestead act; and

A bill (S. 3290) to compensate the Chippewa Indians of Minnesota for timber and interest in connection with the settlement for the Minnesota National Forest; to the Committee on Indian Affairs.

By Mr. WALSH of Massachusetts:

A bill (S. 3291) granting a pension to James Broderick; to the Committee on Pensions.

By Mr. REED of Missouri:

A bill (S. 3292) granting the consent of Congress to the city of Hannibal, Mo., to construct a bridge across the Mississippi River at or near the city of Hannibal, Marion County, Mo.; to the Committee on Commerce.

A bill (S. 3293) to amend section 332 of the Criminal Code;

A bill (S. 3294) to enforce the fourth and fifth amendments to the Constitution of the United States; and

A bill (S. 3295) granting the right of separate trials in criminal actions to defendants jointly indicted; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

A bill (S. 3296) granting an increase of pension to Frank Ziegler; and

A bill (S. 3297) granting a pension to Sophronia O'Neill; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 3298) for the relief of Herman Lincoln Chatfield; to the Committee on Military Affairs.

A joint resolution (S. J. Res. 123) establishing a commission for the participation of the United States in an appropriate commemoration of the Lafayette Centenary, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on the Library.

TARIFF COMMISSION INVESTIGATIONS

Mr. WALSH of Massachusetts submitted the following resolution (S. Res. 221), which was considered by unanimous consent and agreed to:

Whereas the Tariff Commission is being called upon to determine the applications of many industries for a study of economic conditions, particularly as affected by tariff laws relating to these industries; and

Whereas the commission has found it impossible to make a proper investigation of conditions affecting some of the industries because of a lack of appropriated funds necessitating even a reduction of its clerical force and tariff experts: Therefore be it

Resolved, That the Tariff Commission inform the Senate of (1) the number of industries which have made bona fide requests for tariff investigations, (2) the number of such requests upon which the commission has been unable to act, and (3) what, if any, sum of money should be appropriated by Congress in order to meet the legitimate requests of the business interests of the country for trade information and obtain necessary data concerning tariff adjustment.

INVESTIGATION OF FEDERAL FARM LOAN BUREAU AND BOARD

Mr. HOWELL submitted the following resolution (S. Res. 222), which was ordered to lie on the table:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three members, which shall investigate the Federal Farm Loan Bureau and the Federal Farm Loan Board and report its findings together with recommendations for corrective legislation.

The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books, papers, and documents; to administer oaths; and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

WORLD COURT PLAN

Mr. LODGE. I ask unanimous consent to have printed in the RECORD a letter which appeared in the New York Times of May 12, 1924, from Mr. Chandler P. Anderson, in reference to the plan for a world court as embodied in Senate Joint Resolution No. 122, introduced by me.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ANDERSON REPLIES TO WICKERSHAM—SENATOR LODGE'S COLLABORATOR DEFENDS THEIR WORLD COURT PLAN AS NEEDED TO SAFEGUARD AMERICAN INTERESTS

To the Editor of the New York Times:

Former Attorney General George W. Wickersham in his letter to you, published in your edition of May 10, attributes to me a certain amount of responsibility for the World Court plan, proposed by Senator LODGE, and calls attention particularly to certain extracts which he quotes from an explanation of this plan, prepared by me and published in connection with it, by Senator LODGE. One of these extracts, which he describes as an "extraordinary paragraph," is as follows:

> "The league covers the ground for the Old World, and many of the nations of the New World are members of it, and so long as the members are satisfied with that organization it would be unseemly for the United States to attempt to disorganize it by proposing a different association either for the Old or the New World."

Mr. Wickersham's comment is as follows:

> "One can not but marvel that the same hand that penned those lines should propose the disorganization or the abandonment of the Permanent Court of International Justice, which covers the ground not only for the Old World but for the whole world, except the United States, Russia, Ecuador, and Mexico, and whose members are quite satisfied with the organization, which facts, it would seem, would make it equally unseemly for the United States to attempt to disorganize it by proposing a different tribunal, either for the Old or the New World."

Germany and her former allies seem to have disappeared off the face of the earth.

It must be assumed that Mr. Wickersham understands, as all the advocates of the league court understand and frankly admit, that the league court will undertake to make international law for the world by the process of judicial legislation under the influences of the League of Nations. As stated by Mr. Root in his address at the annual meeting of the American Society of International Law a year ago, "according to all human experience with courts of justice," the league court "will inevitably develop the law as it decides cases under the law." Mr. Loder, who is now the president of the league court, has described that court as "an organ of the league," and if any court is to make laws for the world it should be a world court and not the league court.

The League of Nations, I understand, has signified its desire to have the United States adhere to the league court protocol, and it is an extraordinary position for an American to take that the United States was not justified in stating its objections to the present organization of that court and in proposing some basis of reorganization which would enable the United States and all other nations not members of the league to participate in the development of international law independently of the league, or any participation in the league or of league influences over the court.

The declared purpose of the League of Nations is to maintain world peace, and with that purpose the United States is in entire sympathy.

For reasons which are well understood, however, the method by which the league proposes to carry out this purpose has not proved acceptable to the United States, and the United States has definitely declined membership in the league.

In so far as the league constitutes a political organization to control international relations, the United States can not participate in it, and the United States has reserved entire freedom of action with reference to the political interests of the United States, whether in the Old World or in the New.

If the nations which are members of the league are satisfied with their organization, and if it does not interfere with the rights and interests of the United States as one of the members of the family of nations, it would be unseemly for the United States to criticize its activities for peace or to attempt to disorganize it by proposing a reorganization on a different basis.

In so far, however, as the league constitutes an organization for the development of international law for the world, the United States, as a member of the family of nations, is necessarily concerned with its activities and is entitled, by reason of its inability to join the league, to suggest the changes in the existing court which, from its point of view, would be necessary to enable it to cooperate in the field of international relations, in which every member of the family of nations is entitled to participate.

It will be recalled, as pointed out in my plan, that the committee of jurists, of which Mr. Root was a member, in proposing the plan of this court to the league, embodied in the plan, as an essential part thereof, the calling of a third Hague conference as soon as practicable, to promote the codification of international law. This recommendation has been rejected by the league.

Mr. Wickersham seems to take particular exception to the provision in the Lodge resolution that the court shall not have jurisdiction to render advisory opinions to the league on questions involving the Monroe doctrine or other questions which the United States considers to be purely domestic.

This provision is the same provision which the Senate of the United States adopted as a condition for the ratification of the Taft arbitration treaty, and is appropriately applied in this case to advisory opinions, which may be asked for by the league without the consent of the parties interested. Under the present statute of the league court it would have authority, without the consent of the United States, to render an advisory opinion at the instigation of any member of the league upon questions regarding immigration, the Monroe doctrine, State debts, and other questions enumerated in that provision which the United States considers are of purely domestic concern. It would be interesting to know on what grounds Mr. Wickersham objects to depriving the court of authority to render advisory opinions which would be objectionable to the American people.

Furthermore, as the league court is organized, its jurisdiction "comprises all cases which the parties refer to it and all matters especially provided for in treaties and conventions in force." As an illustration of the extent of the jurisdiction thus conferred upon the court it may be noted that the regulation of the Panama Canal under certain rules adopted by the United States is "a matter especially provided for" in the Hay-Pauncefote treaty. Does Mr. Wickersham think that any member of the league should be at liberty to appeal to the court to declare internationally invalid an act of Congress regarding Panama Canal regulations? This grave defect in the present statute of the court is corrected in the Lodge resolution by changing the jurisdictional provisions to read "the jurisdiction of the court comprises all cases which the parties refer to it and all matters over which its jurisdiction is especially provided for in treaties and conventions in force between the parties to the case submitted."

Mr. Wickersham seems to object to the provision in the Lodge resolution that "the court shall be bound by the principle that international law recognizes the authority of the laws of the United States within its own jurisdiction as applied to foreigners or to foreign-owned property therein, whether in time of peace or war." It has recently been held by the European members of an international tribunal that foreigners in the United States have greater rights than American citizens and that an international court should have power to declare an act of Congress unconstitutional or invalid in its application to foreigners or foreign-owned property within the jurisdiction of the United States. But why should any American support this contention?

As to Mr. Wickersham's objections to the electoral commission, provided for in the Lodge resolution, for the election of judges, which, he criticizes as "new and cumbersome machinery," it would seem that he has overlooked the provisions of The Hague Pacific settlement convention of 1907, under which the nations participating in the permanent court of arbitration now maintain an organization at The Hague suitable and available, without additional expense for the proposed world court organization. This ready-made organization consists of "the permanent administrative council, composed of the diplomatic representatives of the contracting powers accredited to The Hague," and an "International bureau," which serves as registry for the permanent court of arbitration and corresponds to the secretariat of the league, with its staff and offices and in the Carnegie Peace Palace, which has already been appointed by the league court for its headquarters.

In conclusion, Mr. Wickersham, failing to find any sound argument against the plan, resorts to personalities and criticism of those advocating it. The real trouble is that this improved plan is so insistent upon the safeguarding of American interests that it can not be expected to meet with the approval of the proleaguers.

CHANDLER P. ANDERSON.

WASHINGTON, D. C., *May 10, 1924*.

REMISSION OF FURTHER PAYMENTS OF CHINESE INDEMNITY

Mr. LODGE. From the Committee on Foreign Relations I report back favorably without amendment the joint resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity, and I submit a report (No. 518) thereon. I ask unanimous consent for the present consideration of the joint resolution.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent for the immediate consideration of the joint resolution. Is there objection?

Mr. KING. Let the joint resolution be read.

The PRESIDENT pro tempore. The resolution will be read.

The reading clerk proceeded to read the joint resolution.

Mr. KING. That is all right. I withdraw the request for the further reading of the joint resolution. I am familiar with it.

Mr. LODGE. A similar joint resolution was passed unanimously a year ago.

Mr. KING. I approve of the joint resolution.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

> Whereas by authority of a joint resolution of Congress approved May 25, 1908, the President of the United States was authorized to remit unto China the sum of $11,961,121.76 of the Boxer indemnity fund accredited to the United States, which sum the President on December 28, 1908, duly remitted and which, at the request of China, was specified to be used for educational purposes; and
>
> Whereas it is deemed proper as a further act of friendship to remit the balance of said indemnity fund amounting to $6,137,552.90 in order further to develop the educational and other cultural activities of China: Now, therefore, be it
>
> *Resolved, etc.*, That the President is hereby authorized, in his discretion, to remit to China as an act of friendship any or all further payments of the annual installments of the Chinese indemnity due under the bond received from China pursuant to the protocol of September 7, 1901, as modified by Executive order on the 28th day of December, 1908, pursuant to the authority of the joint resolution of Congress approved May 25, 1908, for indemnity against losses and expenses incurred by reason of the so-called Boxer disturbances in China during the year 1900, such remission to begin as from October 1, 1917, and to be at such times and in such manner as the President shall deem just.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. LODGE. I ask that the report accompanying the joint resolution may be printed in the RECORD.

There being no objection, the report (No. 518) submitted by Mr. LODGE on the 12th instant was ordered to be printed in the RECORD, as follows:

[Senate Report No. 518, Sixty-eighth Congress, first session]

REMISSION OF CHINESE INDEMNITY

Mr. LODGE, from the Committee on Foreign Relations, submitted the following report to accompany H. J. Res. 248:

The Committee on Foreign Relations, to whom was referred the joint resolution (H. J. Res. 248) to provide for the remission of further payments of the annual installments of the Chinese indemnity, have considered the same and report thereon with the recommendation that the joint resolution do pass without amendment.

A practically similar resolution was passed by the Senate in the Sixty-seventh Congress but failed of action in the House.

In a letter to Hon. STEPHEN G. PORTER, chairman of the Committee on Foreign Affairs of the House of Representatives, of April 16, 1924, the Secretary of State, referring to this resolution, said:

> "I am happy to inform you that I approve of the proposal in its present form and am in full sympathy with the provisions of this resolution terminating further payments by China to the United States upon the Boxer indemnity."

The following correspondence from the Secretary of State, and a statement of Mr. John V. A. MacMurray, Chief of the Division of Far Eastern Affairs of the Department of State, before the House Committee on Foreign Affairs, are here printed, as follows, as a part of this report:

DEPARTMENT OF STATE,
Washington, July 9, 1921.

MY DEAR SENATOR LODGE: The delay in making a reply to your letter of May 25, with reference to the indemnity paid to the United States by China in consequence of the so-called Boxer rebellion, is due to the fact that it has been necessary to make a somewhat searching examination of the records not only of the Department of State but of the Treasury Department as well.

In the negotiations which took place at Peking in connection with the resumption of normal relations with China after the Boxer outbreak there was much disagreement among the powers as to the amount of indemnity to be levied upon the Chinese Government. This difficulty was finally overcome through the acceptance of a suggestion offered by this Government that a lump sum should be assessed, which should later be apportioned among the powers. The amount thus assessed was fixed by article 6 of the final protocol of September 7, 1901, at Haikwan taels 450,000,000 (equivalent to $333,900,000 United States currency), payable in annual installments, with interest at 4 per cent, over a period of 40 years. The apportionment of this sum among the various nations is shown in a table which forms inclosure No. 1 of this letter.

The proportion of the principal sum thus fixed as payable to the United States was 7.31979 per cent of the total—i. e., Haikwan taels 32,939,055 (equivalent to gold dollars 24,440,778.81). Under the joint resolution of May 25, 1908, referred to in your letter, this principal sum was reduced by the remission to China of $10,785,286.12, leaving $13,655,492.69 as the principal due the United States, payable annually, with interest at 4 per cent, over the period ending 1940, made up as follows:

Sum set aside for payment of private claims	$4,000,000.00
Amount of Government claim for military expenses	9,655,492.69
Total	13,655,492.69

Of this $13,655,492.69 a further sum of $1,175,835.64 was returned to China after the remaining outstanding private claims of American citizens had been settled, there remaining a net balance of $12,479,657.05 due, with interest, under the bond as modified in 1908.

I am inclosing a copy of a letter from the Secretary of the Treasury dated June 1, 1921, from which it will appear that to date there have been received from China payments totaling $12,413,499.77, representing the payments of principal and interest up to October 1, 1917, the date of the beginning of the five-year period of postponement allowed by the allied and associated powers upon China's entry into the war, as recalled in your letter. Of that sum $2,819,030.43 has been actually applied to the settlement of the private claims of American citizens out of the $4,000,000 which, as indicated above, was set aside to meet private claims, leaving a balance of $1,180,969.57, which has been disposed of as follows:

Returned to China under authority of joint resolution of May 25, 1908	$1,175,835.64
Balance on books of Treasury held as a trust fund and not returnable under resolution of May 25, 1908	5,133.93
Total	1,180,969.57

There has thus been paid by the Chinese Government, over and above the amount devoted to the complete settlement of all private claims, a sum of $8,418,633.70 toward the satisfaction of the only other indemnity charge—that is, the claim of the United States Government for the naval and military expenses incurred by it in the Boxer relief expedition, represented by a principal sum of $9,655,492.69. This Government's original claim for military and naval expenses thus amounts

to only $1,236,858.99 more than has actually been received from China on that account; and I believe with you that the remission of further payments upon the principal of such claim, as well as of interest, would be in accordance with the spirit which has traditionally characterized our relations with foreign countries, and I am heartily in sympathy with your proposal that we now put an end to any further payments from China. As stated in your letter, no appropriation would be necessary; a resolution of Congress authorizing the President, within his discretion and in such manner as seems to him wise, to forego further payments as from October 1, 1917, would suffice to accomplish that result. In accordance with your request, I am therefore happy to inclose herewith, for your use in bringing the matter to the attention of Congress, a draft of a resolution to that end.

Permit me, in conclusion, to express my appreciation of your interest in this matter, and to assure you of my readiness to furnish more detailed information, if that would be helpful to you, or otherwise to afford such assistance as may lie within the power of this department.

I am, my dear Senator LODGE,

Sincerely yours,

CHARLES E. HUGHES.

The Hon. HENRY CABOT LODGE,
United States Senate.

Table showing apportionment of indemnity

	Original percentage	Original amount in taels	Present status
Germany	20.01567	90,070,815	Canceled.
Austria-Hungary	.88076	4,003,920	Do.
Belgium	1.08841	8,484,345	Payment postponed.[1]
Spain	.03007	135,315	No change.
United States	7.31979	32,939,055	Reduced to Haikwan taels, 18,470,578.98; payment postponed.[1]
France	15.75072	70,878,240	Payment postponed.[1]
Great Britain	11.24001	50,620,545	Do.
Portugal	.02030	92,250	Do.
	11.26069	50,712,795	
Italy[2]	5.91069	26,617,100	Do.
Japan	7.72180	34,793,400	Do.
The Netherlands	.17380	782,100	No change.
Russia[3]	28.97136	130,371,120	Do.
International claims	.03336	149,670	Do.
Sweden and Norway	.01306	62,820	Do.
Grand total	100.00000	450,000,000	

[1] Payment postponed for five years from October 1, 1917.

[2] Italian Government, for reasons of internal administrative character, could not at the time fix the amount of the portion of the indemnity of which it was disposed to grant the postponement. No record has been received of Italy's decision in this matter.

[3] Russia agreed to a postponement of payment upon a portion of the sum originally allotted to it equivalent to the average net sacrifices made by the other allies. This average, calculated upon the proportional shares of each of the other countries was fixed at 9.5926 per cent of the total indemnity; and Russia declared itself willing to bring this up to 10 per cent, or approximately one-third of the indemnity which it received.

TREASURY DEPARTMENT,
Washington, June 1, 1921.

The SECRETARY OF STATE.

SIR: I have the honor to acknowledge receipt of your letter of the 27th ultimo requesting that you be furnished with data supplemental to that set forth in letter of this department of November 2, 1911, to the chairman of the Committee on Expenditures in the Department of State, House of Representatives, in connection with the Chinese indemnity resulting from the so-called Boxer insurrection of 1900.

In compliance with your request there is submitted the following statement giving the information desired, viz:

1. Receipts by years covering payments of Chinese indemnity made to the United States from July 1, 1902, to present date.

1903	$962,902.34
1904	957,772.54
1905	1,128,200.04
1906	1,493,278.74
1907	1,438,841.36
1908	1,012,606.36
1909	892,074.91
1910	533,535.52
1911	533,473.49
1912	105,081.41
1913	644,500.26
1914	806,083.88
1915	585,260.60
1916	533,233.47
1917	535,070.09
1918	260,679.76
1919	
1920	
1921	
Total	12,413,499.77

2. Claims allowed and paid from the moneys received by the Treasury to date. The Secretary of State by letters of March 15 and 20, 1902, allotted the sum of $2,000,000 out of the indemnity received from China to pay the claims of American citizens for losses sustained by them in the Boxer disturbances, this account being set up on the books of the Treasury Department under the appropriation title: "Chinese indemnity, claims of citizens of the United States growing out of the Boxer uprising in North China in 1900":

Payments under this fund to Mar. 6, 1907, as shown by statement transmitted with letter of Nov. 2, 1911, referred to above	$1,064,553.65
No further payments since Mar. 6, 1907.	
Unexpended balance standing on books of Treasury Department under this fund	5,446.35
Total	2,000,000.00

Under the provisions of the joint resolution of May 25, 1908 (35 Stat. 577), in connection with decision of the Comptroller of the Treasury, dated November 26, 1909, a fund not to exceed $2,000,000 was set aside from the Chinese indemnity to pay judgments allowed by the Court of Claims, this account being set up on the books of the Treasury Department under the appropriation title: "Claims upon Chinese indemnity of 1900, judgments Court of Claims":

Payments under this fund during period Dec. 1, 1909, to Dec. 3, 1912	$824,164.36
No further payments since Dec. 3, 1912.	
Unexpended balance under this fund returned to China as shown below	1,175,835.64
Total	2,000,000.00

All judgments allowed by the Court of Claims having been paid, the balance of the above-mentioned fund, $1,175,838.64, under the provisions of the joint resolution of May 25, 1908 (in connection with decision of the Comptroller of the Treasury, dated November 23, 1914), was made available for return to the Government of China, the account covering this balance being set up on the books of the Treasury Department under the appropriation title: "Balance of Chinese indemnity, 1900, reserved by joint resolution of May 25, 1908, returned to Government of China."

Payments under this fund were made by settlement warrants drawn in favor of a representative of the Chinese Government, as follows:

Fiscal year:	
1915	$400,000.00
1916	500,000.00
1917	200,000.00
1918	75,835.64
Total	1,175,835.64

The last payment of $75,835.64, closing this account, was made to the Chinese minister by diplomatic settlement warrant No. 1481, July 28, 1917.

From the above it will be noted that the total payments under claims presented and allowed in connection with the Boxer disturbances have amounted to $2,818,718.01; balance returned to China under $2,000,000 set aside to pay judgments, Court of Claims, $1,175,835.64.

3. Balance on the books of the Treasury after payment of all claims.

The only unexpended balance standing on the books of the Treasury Department under the funds established to pay claims arising under the Boxer disturbances is that referred to above under the appropriation "Chinese indemnity, claims of citizens of the United States growing out of the Boxer uprising in North China in 1900," amounting to $5,446.35.

By direction of the Secretary.

Respectfully,

S. P. GILBERT, Jr.,
Assistant Secretary of the Treasury.

APRIL 1, 1924.

Statement of John V. A. MacMurray, Chief of the Division of Far Eastern Affairs, Department of State, before the Committee on Foreign Affairs of the House of Representatives:

"The CHAIRMAN. Mr. MacMurray, you testified on this matter before. Will you give the attitude of the State Department, so far as you know it, on this resolution?

"Mr. MACMURRAY. The Secretary of State is entirely favorable to this resolution as now drawn. You may recall that somewhat over two years ago, when a practically identical resolution was introduced in the Senate by Senator LODGE, the Secretary wrote him a letter in which he expressed his full concurrence in the proposal, and declared his belief that it was an advisable and desirable thing in the interest of our relations with China. That is the Secretary's opinion of the bill now before this committee. In order that there should be no possible doubt or question about the fact that it does in its present form meet with his views, I took occasion, when asked by your chairman to come here to testify, to ask Mr. Hughes if the bill in its present form, and under all the circumstances which have developed since his original letter on the subject, would meet with his approval; and he told me that I might give you his entire assurance that it does.

"That is the principal point that I have to testify to, that the Secretary, in his judgment of our foreign relations, is heartily in favor of this bill. There are certain points connected with it, some of which have been raised by the discussion in the committee, which perhaps it would be proper for me to touch upon and try to make clear in so far as concerns the viewpoint of the State Department, which, in this matter, would naturally be the adviser to the President in the exercise of the discretion which the bill proposes to intrust to him.

"The question at once arises whether the situation has in any way changed or whether any occasion has been given for feeling that there should be a modification of the views that the Secretary expressed in his original letter to Senator LODGE. Perhaps the whole question is most vitally affected by the progress that has been made on this subject by other nations during that time. When the Secretary wrote, there was a rather vague prospect that some of the other governments might consider the question of a remission of a sort similar to that which we had initiated in 1908. Since that time the British Government—the previous British Government, not the one now in office—has announced in Parliament its intention to cancel or to remit the balance of the indemnity due to Great Britain. The question was for some time in doubt whether the British under their constitution could do that without an act of Parliament. Apparently the decision has been that an act of Parliament is required. We understand that an act for that purpose is now pending in the British Parliament, and that to the best of our information—of course it can only be a matter of opinion—that bill is entirely likely to pass.

"Japan has likewise taken action, we understand. Though our information about that is not so full as I should wish it were, in order that I might give you positive details, we have received from our embassy in Tokyo a report that it is unofficially stated that the Japanese cabinet has decided that the whole of the Japanese share of the Boxer indemnity now outstanding shall be remitted to China for cultural purposes of mutual benefit to China and Japan.

"The French Government has taken the most definite action of any nation thus far. They almost two years ago entered into an agreement with the Chinese Government by which the entire balance of the French share of the indemnity is to be devoted to certain specified objects. The primary object is the rehabilitation of the Industrial Bank of China, a French institution which went bankrupt and caused very heavy financial losses and great damage to French prestige a few years ago. Such sums as are necessary of the French indemnity are to be devoted to the rehabilitation of that bank and the payment of creditors who lost through its failure. It is, of course, entirely a matter of speculation whether there will be anything left over, but the arrangement with the Chinese Government and the bill as passed by the French Chambers provide that any contingent balance that there may be shall be used for what the French call 'œuvres.' That term is rather difficult to explain in English. I suppose 'cultural institutions' is the nearest one can come to giving an idea of what is implied by it. In other words, it is primarily for the purpose of the rehabilitation of that bank, whose failure was very considerable, and secondarily for cultural purposes.

"The Governments of Italy and Belgium have made no definite indication of the purposes to which they would devote their indemnity if they remitted it. They have not, in fact, taken any positive action toward remitting; but it is rather generally understood (certainly as a matter of gossip in the diplomatic body in Peking) that the Italian and Belgian Governments are contemplating an early remission and are probably waiting to see what is done by the powers who are more greatly interested, such as the United States, Great Britain, and Japan.

"That creates a situation in which, if not exactly forced to action, we find ourselves confronted with a psychological situation in which it would be more difficult for us to hold back now—in which the failure to go on with the present remission would be more likely to create a misunderstanding than if the same thing had happened when the bill was first introduced. We, as you of course all realize, took the initiative in this matter in the first place. We had attempted throughout the negotiations for the settlement of the Boxer difficulties to protect the just interests of China and to try to bring about a settlement which should involve a little foresighted generosity as well as strict justice. We were, as you know, not altogether successful in that.

"In 1908 we corrected China's bond to us in order to relinquish everything that we felt it had been an actual injustice to take. There nevertheless remains this balance, in which we still have, of course, an unquestionably valid legal right, but as to which it may very well be contended that the claim is at any rate a somewhat harsh one. The proposal now is that we shall relinquish this. In the meanwhile we have established by means of the 1908 remission a precedent that has been very far-reaching. The effect that that has had in China, as many of those who have testified have told you, has been altogether inestimable. It has placed the United States, in the minds of the Chinese, in a category entirely different from that of any other nationality.

"The positive results from the educational plan to which China devoted the remitted funds are now beginning to accrue. It is only fair to say in passing that there is some ground for criticism that there has been a degree of disappointment in the way the educational scheme has thus far worked out. But, at any rate, I profoundly believe myself, and I think it is the view of all in our department, including the Secretary, who have to deal with these matters, that it is only on a very short view that we could feel disappointed. The educational plan is in its beginning; it has not yet had time to produce results.

"In the long run it is bound to produce results of the most hopeful sort for the regeneration of China; but meanwhile there can not be any question of the extraordinary result it has produced upon our relations with China, or perhaps I should put it upon China's relations toward us. That has been so much the case that other nations have regarded our action with a certain degree of what might almost be termed jealousy, a feeling that we had rather stolen a march on them; that our action had been so much more farsighted and so much wiser than theirs. There has been this feeling almost of resentment in the past toward the action that we took in 1908. But that feeling has given way to a desire to emulate the example that we set, and hence the efforts of the other powers that I have sketched out to you to try and place themselves in the same position. It would, of course, be a rather anomalous situation if, having initiated the more advanced and enlightened policy with regard to the disposition of these somewhat harsh indemnities, we were now to stop while all the others went on following our example and trying to take advantage of the initiative that we had taken.

"For that reason it seems to me that to-day even more than when the first bill was introduced it is a matter of obvious expediency for us to go ahead with this proposal.

"In the course of the discussion that has taken place yesterday and to-day before the committee there have come up a number of questions which possibly I might clear up for you by a perfectly frank statement of how the matter is regarded in our department. Most of those questions have concerned the use to which the money is to be put if remitted. Before going on with that let me answer a question that Mr. Cooper—I think it was he—asked, or at any rate suggested—and I am not sure that he received an answer that was altogether definite—as to what 'remitting' means. Let me say that the State Department in its consideration of this matter has never considered that 'remitting' could mean anything for our present purposes except to follow the practice we have followed hitherto in regard to the portion remitted in 1908—that is, that we would hold the Chinese Government to the payment into our hands of the installments as they come due and would thereupon give them back.

"There are a number of reasons for that, quite apart from the question of the legal interpretation of the meaning of the word 'remit' in the original bill. For one thing, I might just say in passing, we should not disinterest ourselves in this matter while other powers retain an interest. We want to be in a position no less favorable than theirs if it comes to any question such as arises very often in China—though it does not generally arise in other countries—as to the rights of the powers interested in the customs revenues of China and in the disposition of those revenues. If only for that reason, it would be, from the viewpoint of our dealings with current questions as they come up with China, an unfortunate thing if we were to lose our standing as one of the actual creditors who are to be paid month by month out of the customs revenues.

"But to go on with the question of the uses to which this fund might be devoted. As soon as this proposal for the additional and final remission of the indemnity came up, the subject was quite fully discussed in the department, and the conclusion was reached that we could only act on the assumption that the money is to be given back to China; that it therefore does not befit our Government, or the State Department, acting for the Government, to tell China, 'You must use this money for this purpose or for that purpose.' It would very markedly detract from any graciousness and from any good will involved in that action, if we were to assume a right of dictating the disposal which should be made of those funds that we gave over. On the other hand, it is very clearly recognized that simply giving funds to the Chinese Government outright, giving that money (whether it were by release, if such a thing should be decided on, or whether it were by remission), so as simply

to turn it over into the hands of the Chinese Government would not serve the purposes that we have in view, either in the sense of improving our international relations or enabling China to better its own condition.

"We foresee that the process which will probably be followed—and I think that we can anticipate it with a good deal of confidence, from our experience of the way in which the Chinese generally conduct such matters, and from the intimations that have been gleaned by us—what will happen if this money is remitted is that the Chinese, doubtless through their minister here, will approach us with a statement that they have such and such uses in mind. We feel that it is essential, that we should leave the initiative to be taken by the Chinese. It is, of course, conceivable that some unacceptable purpose might be suggested. I do not think it is within the range of actual possibilities, but (simply to illustrate my point) if they were to suggest that that money be used to help the Chinese Government in meeting its budget deficit, I should feel that this Government should refuse to have anything to do with it; that the President, in the exercise of the discretion which the bill gives him, might well say that it did not interest us at all, simply to patch up a hole in the budget of the Peking Government. What they are likely to do—I think I may almost say what they seem sure to do—is to make to us some proposal for a concrete work, whether cultural, industrial, or whatever it may be, of a sort that the Chinese Government could not undertake and that the Chinese people perhaps would not be in a position to undertake, which this would enable them to accomplish. It would then be simply a matter of an arrangement with the Chinese minister, or with any board or commission that might be designated for the purpose, to adjust the details by which the funds could be put into such hands that none of us need have any worry about their dissipation; that we would know that they were being devoted to the cultural or other objects that the Chinese had selected; and that this money, month by month accruing to us as a debt from the Chinese Government, would thereafter be spent honestly and efficiently for some object approved by the Chinese people and in the interests of the Chinese people.

"Mr. BROWNE. Has any of this money so far ever been used for anything except for educational purposes or something akin to education?

"Mr. MACMURRAY. No, sir.

"Mr. BROWNE. Are you in favor of departing from the custom that we have had in regard to spending this money, and putting it into anything outside of education or libraries or something of that kind—library work?

"Mr. MACMURRAY. Mr. Browne, I have personally no opinion of my own—certainly as representing the State Department I have no opinion. I have possibly some little personal preference for the idea of using this for industrial work, because so much is now being undertaken in education, and possibly there is room in the field of industrial development. But I have said that only to be entirely frank with you, since you are asking my personal point of view. I think that I am really not entitled to a personal point of view, because I feel quite strongly that it is up to the Chinese to decide what they want to do with the money. Now, the Chinese, various groups of Chinese, have proposed various schemes—some of them industrial; for instance, plans covering the Hwai River conservancy which you have heard advocated by Mr. Dwight Edwards. There are various other schemes. I, for my part, should not feel unhappily if, for instance, they wanted to double track a railroad or improve a harbor, or use the funds for some concrete industrial purpose like that. But I feel that this is essentially a matter for the Chinese themselves to determine. What they are going to determine I can not tell. My forecast, or my best guess is, that they are going to propose some education project, and there are several such projects which they have considered rather fully, and which I think none of us should feel sorry if they adopt."

DEPRESSION IN COTTON MANUFACTURING INDUSTRIES

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The reading clerk read the resolution (S. Res. 219) submitted by Mr. WALSH of Massachusetts on the 5th instant, as modified by him on the 7th instant, as follows:

Whereas a prolonged depression of exceptional magnitude has and is occurring in the cotton textile industry, causing an attendant decrease in production of 40 to 60 per cent and general unemployment and its consequent want and distress in communities where this industry is located; Therefore be it

Resolved, That the United States Tariff Commission be, and hereby is, directed to furnish to the Senate as expeditiously as possible, if not incompatible with the public interests, all available facts requested hereinafter:

(1) Is the present depression in the cotton manufacturing industry confined to the United States or is it world-wide?

(2) To what extent and for how long a period has the present depression in the cotton manufacturing industry of this country been apparent?

(3) What is the quantity and value of cotton cloth imported into and exported from the United States under the present tariff act as compared with those under the acts of 1909?

(4) What is the percentage of imports and exports, as compared to the domestic production, of cotton cloth in the census years 1909, 1914, 1919, 1921, and 1923?

(5) What types of cotton cloth constitute the bulk of the import trade, and are these cloths similar or different in character from those produced in this country?

(6) What are the main reasons for the importation of cotton cloths in particular; are such imports due primarily to price or to quality?

(7) To what extent has the domestic industry been affected by the post-war increases in the importation of cotton cloths?

(8) Would changes in the present tariff rates on cotton cloths be of material assistance in stimulating production and restoring prosperity to this industry?

The PRESIDENT pro tempore. The question is on agreeing to the resolution as modified.

Mr. WALSH of Massachusetts. Mr. President, I do not anticipate any opposition to this request for information, but I should like the RECORD to show to what extent the cotton textile industry is depressed at the present time.

In Fall River, Mass., two-thirds of the spindles are idle.

In New Bedford, Mass., the cotton spindles are running 50 per cent of capacity only; in Lawrence, Mass., about 40 per cent, and in Lowell, Mass., about the same.

A dozen mills are closed in Rhode Island.

In New Hampshire the Nashua Manufacturing Co. has closed for days and the Amoskeag Manufacturing Co.—one of the largest textile industries in the world—is running on a four-day schedule. The big Pepperill mill at Biddeford, Me., has closed at times for several days.

Of the 200,000 workers in New England's cotton plants, only a few are receiving a full week's work.

I have also a press notice calling attention to conditions at Putnam, Conn.

One of the Putnam Manufacturing Co.'s mills has already shut down and the rest of the mills will be idle by the end of this week. (New York Journal of Commerce, May 8.)

The same situation exists in the textile industry in the South, but not to the degree and extent to which unemployment prevails in New England. I believe the industry is depressed throughout the world, but there seems to be an impression in some quarters that importations of cotton cloth from abroad are responsible. We should know if this is the fact. My resolution seeks to get authentic information from the United States Tariff Commission as to the real conditions in this industry. Also, what effect, if any, the present tariff is having upon this industry. The least we can do is to have the agencies of the National Government study the situation and make whatever contributions it can in ascertaining all facts and aid with constructive suggestions.

Mr. President, I have some press notices and letters on this subject which I should like to have printed in the RECORD with my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Boston News Bureau, May 8, 1924.]

CURTAILMENT STEADYING COTTON TEXTILES—EFFECT OF REDUCED OUTPUT BEGINNING TO BE FELT—TURN FOR BETTER BELIEVED NOT FAR AHEAD.

Boston: Six months ago curtailment among northern cotton mills began to assume general proportions. The move toward restricted output has grown steadily and is now at its height. Mill machinery in New England is averaging little, if any, above half time. In the Southern States, where nearly half of the industry is located, activity has dwindled to less than 80 per cent of the maximum. Some southern units, such as Proximity Mills, among the largest consumers of cotton in the country, are reducing operations for the first time in their history.

The current depression bears no resemblance to the 1920 debacle, which was characterized by a slaughter of heavy inventories. Millmen to-day bark back to the early years of the century for a parallel situation.

Because New England started its curtailment program earlier by several months than the mills in the cotton-growing States, stocks of goods at the northern plants are now reduced to comfortable proportions; probably below what may be considered normal. In the South there is no denying stocks are still bulky.

At the moment there is every indication that curtailment will become still more drastic. Already some close students of the goods markets point out that prices, which have crumbled slowly since the first of the year, are steadying under the growing refusal of mills to shade prices for the sake of doing business. Surplus goods are being taken up by the continued satisfactory retail demand, and the foundation is being laid for the sharp revival which customarily follows such a situation. Some are willing to predict the turning point by midsummer or early fall.

ENGLISH TEXTILE ACTIVITY

Washington: Established control in American spinning section of Lancashire, according to reports to Department of Commerce, continues, and mills are operating 26½ hours weekly. The control has steadily improved the financial position of companies, and some demands are being made that production hours be increased on several remunerative cloths, which are now scarce. Continuation of organized short-time operations is recommended until September. Manufacturers are in a more hopeful position than in January, and the trade appears to be in a better position to carry through the summer without disastrous withdrawal of loaned capital. Banks are supporting the short-time control scheme, and fewer mills are operating at losses.

Three per cent of the total workers continue unemployed. Eighty-nine thousand persons were unemployed on March 15, which is similar to the number unemployed in recent months. Exports of gray cloth to the United States for the first quarter of 1924 show continued increase, but there is a decrease in bleached and colored cloths and yarns. There is a substantial inquiry from overseas, but discounts on cotton futures cause conservative buying. The Egyptian section continues fully employed, but there is no general increase in production, with the exception of the Burnley Weaving Sheds, which have recently increased from 60 per cent to 70 per cent of normal.

[Extract from a Fall River (Mass.) newspaper]

SENATOR WALSH'S PROPOSAL

Is there any likelihood that the probe of the textile industry, asked by Senator WALSH, would result in any good? It is hard to say. It is undeniably true that the depressed condition of the industry is, as he asserts, "of exceptional magnitude," and it is probably true that the reduction in production amounts to from 40 to 60 per cent of normal, and it is certainly true that "want and distress" are too common in communities dependent on the textile industry for support.

Is the Tariff Commission in a position to help matters by answering the numerous questions propounded by Senator WALSH? It is difficult to answer.

Public attention would be focused upon the distressing situation if the commission were to inaugurate the exhaustive inquiry that would result upon the adoption of Senator WALSH's plan. Could any amount of public attention help a condition that is economic in its causes? Or is there something in addition to economic causes partly to blame for the present condition of the textile industry?

One question propounded by Senator WALSH would make an interesting inquiry all by itself: "What are the main reasons for the importation of cotton cloths; in particular, are such imports due particularly to prices or to quality?"

The entire matter of the desirability of an inquiry of the nature asked should receive the most careful consideration, and if, in the opinion of those who know most about it, promise of relief or amelioration is held out, then we should have an inquiry, thorough, and the sooner the better.

[From the Boston Herald]

WHY COTTON MILLS ARE IDLE

Not unnaturally the question why a good share of the textile machinery of New England remains idle came in for considerable discussion at the opening session of the semiannual meeting of the National Association of Cotton Manufacturers at Boston on Wednesday. As is usual, there was a certain amount of rather bootless complaint indulged in. The trouble with the textile industry of this country at the present time, not only in New England but elsewhere as well, is not hard to understand or to diagnose.

Prices are higher than the public is willing to pay, and the mills at the moment can not, because of excessive costs, reduce them without incurring heavy losses. If and when shelves become unduly denuded of goods the mills, or some of them at all events, may find it possible under conditions approximating those of the present time to obtain some measure of more or less temporary relief from their troubles, but the fact remains that the textile industry of this country is not likely to regain a position of normal prosperity until means are found to cut costs to proportions substantially smaller than exist to-day.

It is hardly reasonable to expect manufacturers to attain even an approximation to pre-war operating costs. That they could hardly do without bringing back into existence labor conditions which in the old days were a shame to the land. In all probability, therefore, the public will be forced to accustom itself to pay more for its cotton goods than it did prior to the outbreak of the World War, but there is little to lead to the supposition that it will take kindly now or at any near date in the future to the price levels now ruling.

NEW YORK, *May 7, 1924*.

Hon. Senator DAVID I. WALSH,
Washington, D. C.

HONORABLE SIR: We have read with interest concerning a resolution introduced by you directing the Tariff Commission to report to the Senate facts relating to the depression in the cotton-textile industry.

We have been identified with the cotton-goods trade for many years as converters of domestic cotton goods and importers of French and English cotton goods for the department-store trade. Like most houses in our line we are suffering from the effects of the depression, which we consider due to the following causes:

First. General uneasiness on the part of merchants to make commitments ahead because of the political situation. We believe that this feeling has slowed up trade in all textile lines. We think that the present lack of confidence is progressing, and, just as a business boom is exaggerated, hesitation in buying is exaggerated and causes the pendulum to swing too far.

Second. The finished-goods trade in the cotton-goods business is suffering from a backward season due to unusually cold spring weather extending all over the country. Retail merchants, even in the extreme south of Florida, have complained about weather conditions, which have greatly retarded the sale of cotton piece goods.

Third. There has been a considerable increase in the amount of cotton-goods machinery installed since the entry of the United States in the war. A great many cotton-goods mills have been erected in North and South Carolina since 1917. These mills compete with the New England mills, and it is questionable, in our minds, whether the country can absorb the great quantity of goods which all these mills can produce.

Fourth. There has been a decline in the price of raw cotton from 7 to 8 cents a pound since November, 1923, and we find that usually with a decline in the price of raw cotton there is also a decided slump in the sale of finished goods for some little time thereafter owing to fear on the part of merchants that the bottom price of cotton has not been reached.

Fifth. We believe that there is also a general impression that the price of raw cotton is inconsistent with the general level of commodity prices. There is at present an increase of about 130 per cent in the price of raw cotton over 1913, whereas most basic commodities have not increased in like proportion.

Sixth. The prices of silk materials have slumped to such an extent in the last few months that the price of cotton materials for women's dresses and underwear is out of proportion with the price of silk. With only a small difference in the price of silk over cotton, the consumer will prefer silk.

This firm divides its products in cotton piece goods about 70 per cent domestic and 30 per cent imported. We find that there is just as little demand for imported goods as for domestic goods at the present time. We believe that the rate of duty, if increased, will not change the amount of consumption of foreign goods to any appreciable extent. If duties are increased, goods which are now imported will continue to be imported, if these goods are in demand, and the only change which will be caused will be increased costs to the consumer.

It has been our experience that most goods which are imported are imported for the reason that they are made with superior skill in foreign countries and, in other instances, because of the willingness of foreign manufacturers to make goods in smaller quantities than the American mills are willing to undertake. American mills are equipped for quantity production only and are not interested in nor equipped with machinery which will profitably manufacture small quantities of desirable merchandise.

We do not know whether our letter will shed any light on this question, but we are of the opinion that letters from the trade must be of interest to you. We are,

Yours very respectfully,

KLAUBER BROS. & CO.,
EDWARD KLAUBER, *Vice President*.

LOCKPORT, *N. Y., May 8, 1924*.

Hon. DAVID R. WALSH,
Washington, D. C.

DEAR SENATOR WALSH: As manufacturers of textiles we note with a great deal of approval your efforts to have an investigation of cotton

manufacturing in this country, particularly with respect to how it is being affected by the present tariff bill.

* * * * * * *

We highly approve of your demand that there be an investigation of the textile business of the United States to see if something can not be done to put the American mills on a basis where they can run full time.

Sincerely yours,

NIAGARA TEXTILE CO.,
H. L. RANSOM, *Vice President.*

Mr. LODGE. Mr. President, I merely desire to say, in addition to what my colleague has said, that the situation is extremely serious. In many of the Massachusetts textile towns I have heard, particularly from Lawrence and from others, there is real distress owing to the lack of employment; and, as my colleague has shown, I think, it extends through New England generally.

I hope there will be no delay in passing this resolution.

Mr. WALSH of Massachusetts. I think both my colleague and myself have received communications from the mayors of some of these cities, asking for information and assistance.

Mr. LODGE. Yes.

Mr. WALSH of Massachusetts. And I am sure it will help to relieve the public mind if the information is furnished as quickly as possible.

Mr. LODGE. I think it is very important to get it.

Mr. DIAL. Mr. President, I do not see any great good or great harm that the resolution can do. It will divulge no information, however, that we have not already. The depression mentioned by the Senator from Massachusetts is on account of world conditions, in a great measure, and on account of the wide fluctuations in the price of cotton, and on account of the mills not being able to dispose of their goods at a profit. There is no longer any reason for users of cloth to abstain from purchasing. That is a matter that they will have to adjust among themselves. We can not expect to close our doors to the products of other countries and at the same time get a high price for what we have to sell. The report of the Tariff Commission no doubt will simply verify what the Democrats have been contending for here since the present tariff law went into effect.

Mr. SMITH. Mr. President, I am not going to oppose the passage of the resolution; but I think in justice to the public and those interested in this question I should call attention to the fact that some few weeks ago, perhaps two months ago, I read into the RECORD an article setting forth the fact, or the alleged fact, that certain of the English mills were memorializing the American mills to join with them to run short-time in view of the possible utter depletion of the supply of raw cotton. They claimed that they were doing this in order to maintain a control of the price of the raw material as well as the cloth; that if full-time were run it would necessarily mean that before the new crop came in there would be a practical exhaustion of the supply of the raw material. When the wholesaler, the jobber, and the retailer were made aware of the fact that such a proposition was being mooted, it was perfectly natural for them to withhold their purchases until they could see the result of this proposed short running. It now becomes apparent, or possibly it is a fact, that this buyer's strike, as they call it, is a result of the mooting of the question as to whether the mills would so curtail their output as to influence prices. It may be that their plan has worked a Frankenstein, and has reacted in such a manner that they may not be able to dispose of their cloth at their prevailing prices—all, in my opinion, the result of the agitation. I do not say there was any understanding, but as the result of the agitation for short-time they now complain that their operations are unprofitable.

I do not know to what extent the short-time running has been influenced by the price of goods or what influence the short-time running has had in bringing about the lower price of goods. It is a case of action and reaction. It is my opinion that if the mills were running on normal time, with the conditions that confront us, with a depleted stock and perhaps the latest season that we have had in a decade, and with the weevil now having all the advantage by reason of the late crop, coming out of hibernation in time to get what is known as the first crop, the outlook——

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oregon will state the inquiry.

Mr. McNARY. I simply want to know what the situation is.

The PRESIDENT pro tempore. A resolution coming over from a previous day is before the Senate.

Mr. McNARY. Is it proper at this time to consider that resolution?

The PRESIDENT pro tempore. It is in order at this time.

Mr. SMITH. I am sorry that I am not so enlightening to the Senator from Oregon as to enable him to discharge his duties here properly; but I have about concluded my statement.

Mr. McNARY. I feared the Senator had not reached that point.

Mr. SMITH. Perhaps the Senator was afraid I never would. However, I thought that in justice to those who produce the cotton and those who manufacture it and those who wear it I should call attention to what several months ago was alleged to be mooted among the world's manufacturers.

Mr. FERNALD. Mr. President, I am always delighted to hear the Senator from South Carolina, but I am wondering how long this is to continue. There are a few bills on the calendar which we are anxious to take up.

Mr. WALSH of Massachusetts. The resolution is in order.

The PRESIDENT pro tempore. A resolution coming over from a preceding day is in order, and would be in order until 2 o'clock. The question is upon agreeing to the resolution.

The resolution was agreed to.

CAMPAIGN CONTRIBUTIONS OF BIG FIVE MEAT PACKERS

Mr. CARAWAY. From the Committee on Agriculture and Forestry I report back favorably Senate Resolution 216, introduced by the Senator from Minnesota [Mr. JOHNSON], and wish to call his attention to it. I report the resolution with an amendment in the nature of a substitute and with an amendment striking out the preamble.

The PRESIDENT pro tempore. Without objection the report will be received.

Mr. JOHNSON of Minnesota. Mr. President, I ask unanimous consent for the immediate consideration of that resolution.

The PRESIDENT pro tempore. The Senator from Minnesota asks unanimous consent for the immediate consideration of the resolution just reported. Is there objection?

Mr. WADSWORTH. Mr. President, may it be read?

The PRESIDENT pro tempore. The Secretary will read the resolution.

The READING CLERK. The committee report an amendment to strike out the preamble and all of the resolution after the word "*Resolved*" and to insert:

That the chairman and treasurer of the Republican and Democratic National Committees, respectively, are hereby requested to furnish to the Senate the list of contributions made to their respective committees since the election of 1920 by each of the Big Five packing companies, to wit, Armours, Wilson, Morris, Cudahy, and Swift, or by any representative or agent of said packers; be it further

Resolved, That the chairman and treasurer of the Republican and Democratic National Committees, respectively, also furnish to the Senate the names and addresses of every contributor to their respective committees of $500 or more since said election of 1920 and the aggregate amounts of contributions under $500 made to their respective committees.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. FESS. Mr. President, as I heard the resolution read, it is an inquiry as to what contributions have been made by these companies or representatives of the companies. As the chairman knows, the law forbids the reception of any contribution from any corporation. I think the Senator from Minnesota wants to know what contributions have been made by individuals rather than by corporations.

Mr. JOHNSON of Minnesota. That is what we are asking the chairmen and the treasurers of the two national committees to report on.

Mr. FESS. On individual contributions?

Mr. JOHNSON of Minnesota. Yes.

Mr. FESS. That would be in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. JOHNSON of Minnesota. Mr. President, I have not taken up very much of the time of the Senate during this session. I believe there are some reasons why we should adopt this resolution and have these officials report. I have had some experience in my own State with regard to donations to the Republican State campaign fund, and I want to refer to that in a few moments to show that great sums of money can be raised.

We have on file in the Chief Clerk's office of the House of Representatives what was paid in to the Republican and Democratic campaign funds during the election, but we do not know where they got the money with which they have paid

the deficit that they had after the election. I understand that it amounted to $1,600,000 for the Republican Party.

When I introduced the resolution asking the chairman of the National Republican Committee to report to the Senate the amount of money contributed by the "Big Five" packers, or any one of them, to the campaign fund of 1920, I had in mind two things:

First, the apparent friendship which the Department of Agriculture and the present administration has shown for the packers. This has been particularly noticeable in the way the packers and stockyards act has been administered.

Second, the large campaign fund raised in 1920 to defeat the Farmer-Labor ticket in Minnesota. An investigation by a special committee of the Minnesota State Senate a year ago revealed the fact that approximately one-half million dollars had been spent in the State to defeat our ticket in 1920. This money was all spent in behalf of the Republican candidates, and was disbursed very largely by an organization called the "Sound Government Association."

The majority report, signed by four Republican senators, MacKenzie, Furlow, Rosenmeir, and Rockne, confesses, as it were, that a large sum of money was spent.

Mr. Ingersoll's account was kept with the Merchants National Bank of St. Paul. The committee subpœnaed the cashier of the bank and the bank books were inspected with reference to the Ingersoll account. The books show that the total checks issued against same were $375,095.32. The expenditures thus shown of $375,095.32 are more than $155,000 in excess of the amount which Mr. Ingersoll and Mr. Wilbur testified was spent in educational activities of the Sound Government Association. For what purpose this $155,000 was spent, to what parties it was paid, could not be ascertained by your committee, and your committee, therefore, makes no findings in that respect.

I might explain here that Mr. Ingersoll, referred to in the report, acted as treasurer for the Sound Government Association. Mr. Wilbur was secretary of the organization.

The minority report signed by Senators Carley, Democrat, and Schmechel, Farmer-Labor, furnishes a little more information on this point. I want to also quote briefly from that:

An examination of the bank account of F. G. Ingersoll produced by R. W. Lindeke, cashier of the Merchants National Bank, shows that instead of $220,000 having been received and expended by Mr. Ingersoll in the conduct of the Sound Government Association, there was received by him $370,380.32, and that he issued checks against the same amounting to $375,095.32. Mr. Ingersoll has no books, checks, vouchers, or other data to show what became of this money. He expended about $155,000 outside of the expenditures made by him for the Sound Government Association. The only light this committee received as to these expenditures is the testimony of the witnesses themselves, when they declared that they were Republicans, interested in the Republican campaign and election of the Republican ticket, and that when the election was over, the State was saved, and they had accomplished what they desired to accomplish, and that the issue in the campaign of 1920 was the issue of socialism and the fight was against the Nonpartisan League, and the principal tickets in the field after the elimination convention of 1920 and after the primaries was the Republican State ticket and Farmer-Labor ticket, and the further light, shown by the fact that after the announcement in "Minnesota Issues" of the success of the campaign the sound government movement dwindled and was abandoned very soon thereafter.

I want to make an explanation to the Senate of what was meant by "Minnesota Issues." It was a booklet, or a pamphlet, I will call it, that was sent to every voter in the State of Minnesota every week. I know I received three or four copies at the same time, and I believe my neighbors received the same. It cost this organization money to distribute that literature.

These men were good politicians. They destroyed their records, including checks, receipts, and books.

Now, the thing that was not revealed was the source of this fund, and the way it was spent. I want to quote a little more from the minority report on that point:

It further appears that the officers of the Republican State central committee kept no books or records showing receipts and disbursements of that organization. Such memoranda as was kept was immediately destroyed at the close of the campaign. That the so-called "committee of one hundred," and other committees referred to in the conduct of the State campaign—

Mr. President, let us have a little order so Senators can all hear this. It might be all right for some of the Republicans and Democrats to get this.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. JOHNSON of Minnesota (reading)—

That the so-called "committee of one hundred" and other committees referred to in the conduct of the State campaign kept no books or records and at the close of the campaign destroyed such data as they had. That in the expenditure—

I want you Republicans to get this now—

by Ray P. Chase of $25,000—

Mr. Chase is State auditor to-day in the State of Minnesota on the Republican ticket, and he has been for the last four years—

that in the expenditure by Ray P. Chase of $25,000, which he expended in publicity for the election of the Republican State ticket, all transactions were had in cash and the money was paid to him as he required it by A. H. Turritin, president of the Lincoln National Bank, of Minneapolis, at that time, and who has since died. That said Chase deposited in his left-hand trousers pocket the $25,000 received and checked it out of such pocket, keeping no record thereof. That the chairman of the committee was requested to bring before the committee the books and records of the accounts kept by said Mr. Turritin as custodian of the funds of the various committees which he was connected with, but that no such books or records were produced.

Now, where was this vast fund obtained to be used in Minnesota to defeat the Farmer-Labor ticket in 1920?

Mr. NORBECK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from South Dakota?

Mr. JOHNSON of Minnesota. I will be through in a minute.

Mr. NORBECK. I wanted to ask the Senator a question.

But he may continue his speech.

Mr. JOHNSON of Minnesota. The Senator can ask the question now.

Mr. NORBECK. I have been attending a committee meeting, and just entered the Chamber. I am wondering whether the position the Senator takes is that the Republicans expended more than the Democrats spent?

Mr. JOHNSON of Minnesota. We do not know what the Democrats did. They have always been very poor in my State. They have not expended very much. But if this resolution goes through we will find out what they did.

Mr. NORBECK. Did they expend more than the Farmer-Labor Party did?

Mr. JOHNSON of Minnesota. I will not answer as to what the Farmer-Labor Party did. I do not know exactly what they spent. But when this investigation instituted by Senator Carey, my opponent for this office in the last special election, started, they subpœnaed Mr. Teigan, my secretary. He had something to do with the campaigns of 1920 and of 1922. Mr. Teigan appeared there, and Chairman McKenzie declined to ask him any question. We were willing there that the books show what we did spend.

Mr. NORBECK. The Senator is aware of the fact that the Nonpartisan League gave publicity to a statement in South Dakota that they raised for political purposes in the year 1918 the sum of $396,000?

Mr. JOHNSON of Minnesota. In South Dakota?

Mr. NORBECK. That they raised it in South Dakota.

Mr. JOHNSON of Minnesota. That might possibly be, but they got membership, these $16 payments. However, the most of that went to the organizers.

Mr. NORBECK. I would like to know what became of the money.

Mr. JOHNSON of Minnesota. We are willing to report that, too, if you want it.

Mr. FERNALD. Mr. President, I am certainly interested in this colloquy, but I was unable to hear the question of the Senator from South Dakota.

Mr. JOHNSON of Minnesota. The money was spent and was admitted by those having the fund in charge in behalf of all of the Republican candidates, including those running for Congress. I am anxious that the Republican national chairman make known the amount of money that the packers have contributed to the Republican Party, if they have made any such contribution, and I should be equally interested in knowing whether any contributions have been made by the packers in behalf of the Democratic Party.

The amended resolution provides that the chairmen of the two parties make known these facts. Let us have them.

Mr. President, I have been in politics for many years. I have played with the Republican Party and I know that some money is spent in the State of Minnesota, and has been spent there. There is no question about that. Through this resolution of mine I want to get some information, as I said before, as to

whether anyone connected with the Big Five packers has paid anything to help make up the deficiency in the Republican campaign fund of 1920.

Mr. JONES of Washington. Mr. President, I am not going to object to the resolution, but I just want to suggest that usually we pass resolutions of this kind asking for information from officials of the departments of the Government. This resolution relates to an organization which has no official connection whatever with the Government, and if the parties referred to do not see fit to answer it, there is nothing we can do. It seems to me it would be much better to authorize some committee of the Senate—the Committee on Privileges and Elections, for instance—to get this information by bringing the representatives of these companies before the committee, or otherwise, because if the parties do not see fit to answer the resolution, there is nothing we can do. I merely make that suggestion. I am not going to object to the resolution.

Mr. JOHNSON of Minnesota. In the whereases of my resolution I stated why we asked for this information. In the committee I agreed to let the resolution go to the Committee on Agriculture and Forestry, and a subcommittee was appointed, and we decided to strike out the whereases. Secretary Wallace, of the Department of Agriculture, whose department is mentioned in the resolution, called me up and said he would like to be heard before the committee on the charges against his department. I said that we struck that out. He said, "That is all right."

I know we can not make them come across. If they do not come across, there must be a nigger in the woodpile somewhere.

Mr. NORBECK. Mr. President, from what little I have heard of the speech of the Senator from Minnesota I agree with him that the public should know about these campaign expenditures. My only suggestion is that we include the Democratic Party and the Farmer-Labor Party.

Mr. JOHNSON of Minnesota. The Democratic Party is included.

Mr. NORBECK. The Farmer-Labor Party ought to be included.

Mr. JOHNSON of Minnesota. I do not care if they are all included; but we have not spent any money, to speak of.

Mr. NORBECK. The Nonpartisan League spent money more lavishly in South Dakota than Newberry ever did in Michigan.

Mr. JOHNSON of Minnesota. They did?

Mr. JONES of Washington. Mr. President, I thought I would suggest to the Senator that if his resolution would authorize the Committee on Privileges and Elections of the Senate to investigate this matter, we would probably come much more nearly getting the information than by merely asking these people in a polite way, "Will you give us the information?" If they do not do it, there is nothing we can accomplish.

Mr. JOHNSON of Minnesota. The Senator from Washington understands that we have only three weeks more of the present session, and I think this resolution of mine will serve its purpose anyway, because I believe if we ask them to come they will come and tell what they got.

Mr. JONES of Washington. Very well.

Mr. JOHNSON of Minnesota. There is no question about it.

The PRESIDENT pro tempore. The Secretary will report the resolution.

The READING CLERK. The committee report to strike out the preamble and all the resolution after the word "*Resolved*," and to insert:

That the chairman and treasurer of the Republican and Democratic National Committees, respectively, are hereby requested to furnish to the Senate a list of contributions made to their respective committees since the election of 1920 by each of the five big packing companies, to wit, Armours, Wilson, Morris, Cudahy, and Swift, or by any representative or agent of said packers. Be it further

Resolved, That the chairmen and treasurers of the Republican and Democratic National Committees, respectively, also furnish to the Senate the names and addresses of every contributor to their respective committees of $500 or more since said election of 1920, and the aggregate amounts of contributions under $500 made to their respective committees.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. ROBINSON. Mr. President, the subject of campaign contributions in connection with national elections requires and deserves consideration. It calls for more comprehensive action than is contemplated by the resolution of the Senator from Minnesota [Mr. JOHNSON].

The appropriate committee of the Senate might very well be invited to devote its attention to the framing of legislation which will limit and restrict contributions in campaigns and require publicity respecting them. It is entirely competent for Congress to take that action. A number of resolutions to that effect are pending now in the Senate.

The subject is one of very great importance. In order to sustain and make effective wholesome legislation for the regulation of campaign expenditures it is necessary that there exist a sentiment among the people of the United States, among the people who constitute the electorate, in favor of restricting and properly restricting the expenditure of funds to influence national elections and the contribution of funds for that purpose. This is one of the important subjects before the Congress of the United States.

I have no objection to the passage of the resolution submitted by the Senator from Minnesota, although I agree with the Senator from Washington that it is an unusual proceeding to make a request of an unofficial body for information, particularly in view of the fact that the Congress has the power to require the information by appropriate legislation.

Mr. McKELLAR. I would like to say to the Senator that some time ago I introduced a bill covering the subject of campaign contributions which was referred to the Committee on the Judiciary. A subcommittee, consisting of the Senator from Idaho [Mr. BORAH], the Senator from Kentucky [Mr. ERNST], and the Senator from North Carolina [Mr. OVERMAN], was appointed to consider it. The Senator from Idaho, chairman of the subcommittee, has offered perhaps one or two amendments to it, and the matter is being considered by that committee now. I should think early action of the committee would be well.

Mr. JOHNSON of Minnesota. I would like to inquire of the Senator from Tennessee if there is any legislation pending at the present time that could be put through so we will get action on the matter before we adjourn?

Mr. McKELLAR. I am very much in hopes the committee will report out very soon the measure to which I have just referred. I have been assured by the chairman of the subcommittee, who is one of the ablest and best Senators we have, as we all know, that early action will be had upon it.

Mr. JOHNSON of Minnesota. Mr. President, if the resolution should pass, it would not do any harm, anyway, even if it would not do any good.

May I be pardoned if I submit just a few more remarks? I notice that a resolution has been introduced by the able Senator from Massachusetts [Mr. WALSH], requesting the Tariff Commission to investigate the cotton situation in the United States. I had it in mind to introduce a resolution requesting them to investigate the tariff on butter. Butter prices are going down. I have had a report from the chairman of the Tariff Commission of the dumping of butter, if we could call it dumping, from Denmark and New Zealand on the American market.

There has not been anything done so far by the Republican Party or the Democratic Party, and as a new Member of the Senate I do not know if I dare go into the matter, because there are so many other things to be taken care of. There is a big butter industry in the Northwest. My own State is one of the largest in the Union in the manufacture of creamery butter, with the possible exception of two—Wisconsin and Iowa. I could talk for three or four hours on that subject alone, but I shall not do so at this time. In every letter I get from my people they inquire, "What is the matter with butter prices, that they are continually going down?" Of course, increased production has taken place, and that fact ought to be taken into consideration; but we have now another feature of the situation to contend with, and that is that from Denmark and New Zealand in January and February over 9,500,000 pounds of butter were shipped into the United States. The present tariff of 8 cents a pound is not enough to protect the farmers.

I want to say something to illustrate how big business in this country is working against the butter producers. The oleomargarine people are trying to do everything they possibly can against the farmers. In 1919, when I was a member of the Minnesota Legislature, I introduced a resolution to forbid the use of oleomargarine in the State institutions of Minnesota. The resolution was finally reported from the committee after we had a bitter fight on it there. It came up in the senate and was considered in committee of the whole, and was there adopted. Then when we were about to take final action on the resolution, it went over until the next day. We were trying to protect a very important industry of the State of Minnesota. I remember coming to my seat in the senate chamber the next morning, and what did I find?

I found a pamphlet just about the size of our calendar. On its front page was a picture in colors of a country store.

There was a nice, bright, well-dressed lady on one side of the counter and the storekeeper on the other side. The farmer's creamery butter was piled up in packages on one end of the counter and the product of the oleomargarine manufacturer, made by this concern that was fighting against the butter interests all over the country, was piled up on the other end of the counter. But that was not all that was in that picture on the front page. There was another picture that showed an old mossback farmer milking a cow on the wrong side. The cow's tail was in the milk pail, and a dead hog was lying in a near-by gutter, and there were flies and filth everywhere.

That pamphlet was put out by the millions of copies throughout the consuming East in order to fool the consumers in the East into believing that the producers of butter in South Dakota and Minnesota were unclean, that their butter was produced in such insanitary, filthy conditions that the farmers of America were guilty of manufacturing their butter in such surroundings. Pages and pages of the pamphlet were filled with descriptions of how clean and sanitary were the conditions under which oleomargarine was made. I know that some people may not have the money to buy butter all the time, but we do not want to have the impression go to the country that any such conditions exist as were described in that pamphlet.

The butter question is one that the leaders of the Republican Party should take into consideration before the close of the session. The head man of the Coolidge forces in Minnesota had a talk with me. We talked over things together. He said he wanted to go with the President, but I said I did not want to go with the President in everything. I have gone to the White House several times and I have not got very much from the President so far.

I think the Senate of the United States should take some recognition of the farmers of the Northwest. My own banker wrote me the other day, and I just want to refer to what he said. He said that butter prices were going down every day and other prices of farm products were going down, and that the banks were going broke in the Northwest. However, I do not want to take up the time of the Senate any further. I have taken up too much time already, but I want Senators to remember that we are soon going to adjourn, that we all represent or should represent the American farmer, and if the butter producers of the Northwest and other producers of farm products there were in better condition, we could buy more cotton goods and other goods from the manufacturers of the East.

Mr. REED of Missouri. Mr. President, the resolution offered by the Senator from Minnesota calls merely for information from the two great national committees. It is true that if they do not respond the resolution does not provide a means for compelling them to furnish us the information.

Mr. JOHNSON of Minnesota. Will the Senator yield just a moment?

Mr. REED of Missouri. Just let me finish my statement. I think it will satisfy the Senator. I do not believe the secretary or treasurer of either of the committees will refuse to furnish the information to the Senate. If they do refuse it, let them take the responsibility. The Senator's resolution is a perfectly proper one and I think ought to be passed.

Mr. LODGE. Mr. President, will the Senator from Missouri yield?

Mr. JOHNSON of Minnesota. I do not ask for a long-drugged-out investigation about the matter. We have had too many investigations already, and it is too late in the session anyway. I merely introduced this little resolution to ask them to come forward with the information. If everything is all right, let us know it; and if anything is crooked behind it, let us know that, too.

Mr. LODGE. I merely wanted to say, before the Senator from Missouri took his seat, that I understand all political committees now are obliged to make an official return to the Clerk of the House of Representatives.

Mr. REED of Missouri. That is true; but why not let the Senator have his resolution?

Mr. LODGE. I have no objection to its being adopted, but it is simply asking for what the law now requires shall be done.

Mr. REED of Missouri. Yes; I understand there is such a law.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The resolution as amended was agreed to.

The PRESIDENT pro tempore. The committee recommends that the preamble be stricken out. Without objection the preamble will be stricken out.

MISSOURI BRIDGE AT LEAVENWORTH

Mr. REED of Missouri. I ask unanimous consent to call up House bill 6207. It is a bridge bill carrying a small appropriation.

The PRESIDENT pro tempore. The Senator from Missouri asks unanimous consent for the immediate consideration of House bill 6207. Is there objection?

Mr. LODGE. Let it be read.

Mr. JONES of Washington. Did the Senator state that it is a bridge bill?

Mr. REED of Missouri. It is a bridge bill, but it is of an unusual nature. It relates to a bridge.

Mr. JONES of Washington. Is it calendar No. 493?

Mr. REED of Missouri. That is the bill. It relates to a bridge. It is not an ordinary bridge bill. I want to be understood about that. Has unanimous consent been granted?

Mr. JONES of Washington. Let the bill be read.

Mr. REED of Missouri. I ask unanimous consent to take it up.

Mr. JONES of Washington. Let the bill be read first.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate.

The bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisidiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes, which had been reported from the Committee on Military Affairs without amendment, was read as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to transfer to the jurisdiction of the Department of Justice for use as a farm in connection with the United States penitentiary, Leavenworth, Kans., all of that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and including the bridge across the Missouri River. And $50,000 of the appropriation for roads, walks, wharves, and drainage contained in the War Department appropriation act for the fiscal year 1924, which was appropriated for the repair of said bridge, shall be transferred to the Department of Justice for use in making necessary repairs to said bridge and the approaches thereto.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. REED of Missouri. The situation is that the Government of the United States during the war acquired a bridge across the Missouri River connecting the Fort Leavenworth Military Prison with a large body of land which the Government acquired during the war and which is of value to be worked by inmates of the prison; but owing to some water disturbances, either at the time it was acquired or subsequently, one of the approaches to the bridge was swept away, so that the bridge is now utterly useless to the Government for any purpose. There has been appropriated $50,000 for its repair, but the War Department found itself in some way embarrassed by the situation and really wanted the control of the bridge transferred to the Department of Justice. In that form a bill was passed continuing the former appropriation of $50,000. My advices are that this would furnish a wooden approach, rather temporary in its character, and that an additional appropriation of $50,000 will supply a permanent approach.

I move to amend the bill by adding at the end of it the amendment which I send to the desk and ask that the Secretary may read.

The READING CLERK. It is proposed to add at the end of the bill:

There is hereby appropriated out of any money in the Treasury not otherwise appropriated the additional amount of $50,000, or so much thereof as may be necessary, to make the repairs on said bridge. Said repairs shall be made with all reasonable diligence, and said money shall be available until expended.

Mr. WADSWORTH. Mr. President, I think the project provided for in the bill is an entirely worthy one; it was discussed in the Committee on Military Affairs, but I think the form of the appropriation is contrary to our rules.

Mr. REED of Missouri. Why?

Mr. WADSWORTH. I think it should be an authorization unless the appropriation has been reported from the Committee on Appropriations.

Mr. REED of Missouri. What is the language which the Senator from New York wants to employ?

Mr. JONES of Washington. The language, I think, should be "There is hereby authorized to be appropriated."

Mr. REED of Missouri. Then, I desire that the amendment shall be so modified.

Mr. McNARY. Mr. President, I think the Senator from New York [Mr. WADSWORTH] is wrong in his interpretation of the rule. The pending bill is not a general appropriation bill, and, therefore, the rule suggested by the Senator from New York does not apply. The bill proposes to meet a situation by independent legislation, and the appropriation may properly be made and be made available at this time.

Mr. REED of Missouri. That is the intention. I desire it to be in that form. I am not familiar with the particular phraseology of the rule, but I think if we appropriate the money we shall not violate any rule.

Mr. JONES of Washington. Has the measure been passed upon by the Committee on Appropriations?

Mr. REED of Missouri. It has not been. It was sent here by the other House with the request that it be passed. I hope the Senator will not interpose any objection.

Mr. JONES of Washington. I wish the Senator from Missouri would change the phraseology so as to make it an authorization instead of an appropriation. I think he would save himself trouble in the other House if he should do that.

Mr. REED of Missouri. Very well. I will make it an authorization instead of an appropriation.

The PRESIDENT pro tempore. The language will be stated as proposed to be modified by the Senator from Missouri.

The READING CLERK. It is proposed to modify the amendment so as to read:

There is hereby authorized to be appropriated out of any money in the Treasury—

And so forth.

Mr. REED of Missouri. Then, as I understand, there has to follow an appropriation to carry out the terms of the bill?

Mr. JONES of Washington. The appropriation would come in regular course in a deficiency appropriation bill.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Without objection, the amendment as modified is agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THE CALENDAR

The PRESIDING OFFICER. The calendar under Rule VIII is in order.

Mr. JONES of Washington. I ask unanimous consent that in proceeding with the consideration of the calendar we begin at Order of Business 274, where we left off at the last call of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROMOTION OF REFORESTATION

The bill (S. 2149) to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation was announced as first in order.

The PRESIDING OFFICER. This bill has heretofore been passed by the Senate and the vote whereby it was passed has been reconsidered.

Mr. JONES of Washington. I should like to inquire at whose request the reconsideration was had?

The PRESIDING OFFICER. The Chair is informed that on motion of the Senator from Florida [Mr. FLETCHER] the vote whereby the bill was passed was reconsidered.

Mr. JONES of Washington. The Senator from Florida is not now present. I do not know what his interest in the matter is. So I ask that the bill may be passed over without prejudice, in order that if the Senator from Florida should come in and should have no objection final action may be taken on the measure.

The PRESIDING OFFICER. The Chair is advised that the Senator from Florida had an understanding with the Senator from Nebraska [Mr. NORRIS] in regard to the measure.

Mr. JONES of Washington. Was it the understanding that the bill might be proceeded with?

The PRESIDING OFFICER. The understanding was that the bill should go over.

Mr. JONES of Washington. Very well; let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. FLETCHER subsequently said: Mr. President, I was called to the telephone for a few moments and was out of the Chamber when, as I am told, Order of Business No. 274, being Senate bill 2149, was passed over on the statement that I had moved to reconsider it or had objected to the bill. I do not recall anything of that sort.

Mr. JONES of Washington. It was stated that a motion to reconsider had been entered, and it was understood that the Senator from Florida was interested in the measure.

Mr. FLETCHER. I feel rather a keen interest in legislation affecting reforestation, but I have no objection to this bill.

Mr. ROBINSON. I understood that it was stated that the Senator from Nebraska [Mr. NORRIS] has an interest in it also.

Mr. JONES of Washington. The bill was introduced by the Senator from Nebraska.

The PRESIDING OFFICER. The Chair will state that the vote by which the bill was passed was reconsidered.

Mr. KING. Let the bill go over.

Mr. FLETCHER. It is all right, of course, to let the bill go over. My recollection is that the Senator from Nebraska, when it was called before the Senate, desired to have it go over at that time, but I am not sure about that. I myself have no objection to the bill.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 2150) to authorize arrests by officers and employees of the Department of Agriculture in certain cases and to amend section 62 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," was announced as next in order.

Mr. KING and Mr. SMOOT. Let that bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2151) to increase the subsistence and per diem allowances of certain officers and employees of the Department of Agriculture was announced as next in order.

Mr. OVERMAN. Let that bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 1174) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses was announced as next in order.

The reading clerk read the bill.

Mr. OVERMAN. In what year did this destruction of horses occur? Was it in 1885?

The PRESIDING OFFICER. It occurred in the years 1895, 1896, and 1897.

Mr. OVERMAN. Let the bill go over.

The PRESIDING OFFICER. The bill will go over.

ACQUISITION OF RIGHTS OF WAY IN SOUTH DAKOTA

The bill (H. R. 4161) authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes in South Dakota was announced as next in order.

Mr. KING. Mr. President, let me say to the Senator from Oklahoma [Mr. HARRELD], who reported the bill, that I have a letter—but I do not have it with me, not anticipating the bill would be reached this morning—protesting against the appropriation carried in the bill, and stating that it is wholly unnecessary. Personally, I know nothing about the matter.

Mr. HARRELD. We had a hearing in the committee in reference to this matter, and the hearing showed that the work was being held up now because the authorities did not have $5,000 to buy rights of way over two little tracts of land that was necessary in order to erect the spillway. It is very important that the amount should be made available. The appropriation of $50,000 was made several years ago. This bill proposes merely to take $5,000, or whatever amount may be necessary, out of that $50,000 in order to secure the necessary rights of way, either by condemnation or purchase in order to build the spillway. The work is absolutely stopped until that can be done, though it has been in progress, because they can not get the right for the spillway out beyond the lake. I think it is urgent legislation.

Mr. KING. In view of the statement made by the Senator from Oklahoma, I shall not object to the consideration of the bill, but after I find the letter to which I have referred I shall show it to the Senator, and if the Senator feels that there is merit in it I shall on to-morrow move to reconsider the vote whereby the bill may have passed.

Mr. HARRELD. The Senator from South Dakota [Mr. STERLING], who introduced the original bill, is present.

Mr. STERLING. I desire to say a word about the matter.

Mr. KING. Very well.

Mr. STERLING. I feel an interest in this bill, because I introduced and had passed the original bill providing for the appropriation of $50,000 for the construction of this spillway. The pending bill is for the purpose of meeting an emergency. The drainage ditch from the spillway can not be built without condemning some private lands for that purpose. The bill proposes to make no new appropriation, but simply authorizes an appropriation of $5,000 out of the appropriation heretofore made for the purpose of constructing the drainage ditches. That is all there is to it.

Mr. KING. The letter to which I have referred, as I recall it—and it has been several weeks since I have received it, and having no knowledge of the matter, of course, it would not make the impression upon my mind that it would otherwise have done—states, first, that there is no necessity whatever for the appropriation; and, secondly, that if any appropriation be made, $5,000 is entirely too much, and it is a sort of a graft upon the Government and upon the Indians.

Mr. STERLING. The bill does not ask for an appropriation of $5,000; the money has been appropriated under the former bill authorizing the construction of the spillway; but now those in charge of the work must make a drainage ditch from the spillway in order to carry the water off from the lake. In order to do that they have got to condemn some private land, and it will require $5,000 of the former appropriation to do that.

Mr. KING. In the letter reference was made to what the writer denominated the extortionate charge made, to wit, $5,000 for the right of way for the spillway.

Mr. STERLING. Fifty thousand dollars was the amount originally appropriated, and it is $5,000 out of that which is desired. I hope with that explanation the Senator from Utah will not object to the consideration and passage of the bill.

Mr. KING. I stated that I should not object, but after consulting the letter, if I find that the matter ought to be again brought to the attention of the Senate, I shall move to-morrow to reconsider the vote by which the bill may be passed. I shall feel that I ought to do that.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4161) authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota; which was read as follows:

Be it enacted, etc., That the Commissioner of Indian Affairs is hereby authorized, in order to carry out the provisions of an act approved September 21, 1922 (42 Stats. p. 990), entitled "An act providing for the construction of a spillway and drainage ditch to lower and maintain the level of Lake Andes, S. Dak.," to acquire necessary rights of way across private lands by purchase or condemnation under judicial process, and not to exceed $5,000 of the money heretofore appropriated for the construction of this project shall be available for such purpose.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

FUNDS OF FORT PECK INDIANS OF MONTANA

Mr. KING. Mr. President, having abated my opposition to the measure which has just been passed, out of order may I request unanimous consent for the passage of a joint resolution which will be of no avail whatever unless it is passed immediately? I refer to Senate Joint Resolution 103, which has been reported by the Senator from Oklahoma and which authorizes the appropriation of $3,000 out of the Fort Peck 4 per cent fund, created under the act of May 30, 1908, and held in trust by the United States to enable the Secretary of the Interior to pay the necessary expenses incurred in connection with the visit to Washington and return of a delegation of Fort Peck Indians. The Indians insist upon coming, and the department is not averse to their coming. The joint resolution was drawn by the department. I ask unanimous consent that it may be considered now.

Mr. WADSWORTH. Is it on the calendar?

Mr. KING. Yes; it is on the calendar; but it will not be reached to-day, and unless it is passed it will be of no avail.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 103) authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States, which was read, as follows:

Resolved, etc., That the sum of $3,000 is hereby authorized to be appropriated out of the Fort Peck 4 per cent fund, created under the act of May 30, 1908 (35 Stat. L., p. 558), and held in trust by the United States, to enable the Secretary of the Interior to pay the necessary expenses incurred in connection with the visit to Washington, D. C., and return by a delegation of representatives of the Fort Peck Indians for the purpose of conferring with the Sioux tribal attorneys, presenting claims and other tribal matters of said Indians.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

GALLUP-DURANGO HIGHWAY, NEW MEXICO

The bill (S. 2159) authorizing annual appropriations for the maintenance of that portion of the Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor was announced as next in order.

The PRESIDING OFFICER. The bill has heretofore been considered, and the amendment reported by the committee has been agreed to.

Mr. KING. I should like an explanation of the measure. How long is the appropriation to be continued? The bill says an annual appropriation, but there is nothing to indicate whether it will be for 1 year or 2 years or 40 years; there is no limitation at all, apparently.

Mr. HARRELD. Mr. President, this appropriation is made necessary by rather a peculiar condition. The Federal road act provides that before Federal aid can be given to a road project the State in which the road is situated must agree to keep it in repair, and the State is required to sign an agreement to that effect. In this particular case the road is entirely across an Indian reservation. Under the interpretation of the law the department has a right to build the road, but it has no right to build it until the State signs an agreement that it will keep it up after it shall have been built. The State declines to do that, and this appropriation is asked for to cover that defect and to set aside the Federal road act to that extent, so that in this particular case the road may be built without requiring that the State shall give its consent and agree to take care of the upkeep of the road. The appropriation of not exceeding $20,000 a year is for the maintenance of the road after it shall have been built. There is ample authority now for building the road, and the Secretary of the Interior is willing to build it, or to authorize the construction of the road, if Congress will authorize its upkeep in place of requiring the State to do so.

Mr. WADSWORTH. In what State is the road located?

Mr. HARRELD. It is in the State of New Mexico.

Mr. KING. Mr. President, as I understand the Senator, the bill means a commitment of the Government to the maintenance of the road forever?

Mr. HARRELD. No.

Mr. KING. That is, to the extent of $20,000 a year.

Mr. HARRELD. I do not see how we can commit ourselves for a longer period than two years on a proposition of that kind.

Mr. KING. Why does not the Senator limit it to two years?

Mr. HARRELD. I did not draft or introduce the bill; I merely reported favorably on it when it was acted upon by the committee.

Mr. OVERMAN. Let it go over, Mr. President, so that the Senator may draw an amendment to the effect suggested.

Mr. HARRELD. I am perfectly willing that it be amended as suggested, so far as I am concerned.

Mr. OVERMAN. It ought to go over, so that the Senator may have an opportunity to prepare an amendment.

Mr. HARRELD. May I ask a question of the Senator from North Carolina, whose judgment, I am sure, is more mature than mine? Is the amendment necessary? As a matter of fact, we can only appropriate for two years, anyway.

Mr. OVERMAN. This is not a general appropriation bill.

Mr. HARRELD. This is an authorization, and the Appropriations Committee would have control of it even after we authorized it.

Mr. OVERMAN. Yes; but the committee would feel justified in making an appropriation every year.

Mr. KING. The committee would feel compelled to do so under the law, would it not?

Mr. OVERMAN. If the Senate authorizes an appropriation, the Appropriations Committee feels obliged to make the appropriation.

Mr. HARRELD. Does the Senator mean to say that they will feel compelled to make it?

Mr. OVERMAN. Where the Senate and the House pass a bill authorizing an appropriation we feel compelled to do it; yes.

Mr. HARRELD. This is simply to get away from the provision which requires that the State shall agree to take care of the upkeep.

Mr. OVERMAN. That is all right, Mr. President, but it looks to me as if the bill means the appropriation of $100,000 every year.

Mr. HARRELD. It is limited to $20,000.

Mr. WADSWORTH. Mr. President, has the bill gone over?

Mr. KING. Yes.

Mr. OVERMAN. I think it had better go over. I will talk to the Senator about it, and we will agree upon an amendment, probably.

Mr. HARRELD. All right.

Mr. WADSWORTH. Mr. President, perhaps I may be pardoned the interjection of a remark here, though I feel as if I am somewhat impertinent in mixing in a matter about which I know so little, namely, this particular road; but this matter of the maintenance by the Federal Government of roads which it will build itself through its own reservations, but for the general use of the public, is going to become a very important matter.

Mr. OVERMAN. There is no doubt about that.

Mr. WADSWORTH. The Committee on Appropriations, in charge of the War Department appropriation bill, has adopted and recommends in the War Department appropriation bill, now pending, an exactly opposite policy. There is a large military reservation in the State of Kentucky. There formerly ran through that piece of country the Dixie Highway. That portion of the highway was made impossible of constant use by reason of the artillery practice which goes on occasionally on the military reservation, the Government having acquired the land. Under the Appropriations Committee's proposal, the Government is now going to rebuild the road outside of the line of fire; it is going to build a new road for the community generally to use, but there is a provision attached to the appropriation that once it is built the State of Kentucky shall maintain it. This bill adopts exactly the opposite policy.

Mr. FLETCHER. As I understand, this fund is reimbursable out of the funds of the Indian tribe.

Mr. KING. Suppose they have no funds?

Mr. FLETCHER. Then they ought not to spend the money. It is supposed to be reimbursable. It does not come out of the Treasury of the Government.

Mr. HARRELD. Mr. President, in connection with what the Senator from New York has said, I want to read this part of the report of the Secretary of the Interior, recommending the passage of this bill:

> That portion of the road on the reservation is about 90 miles in length, and it is estimated that the annual cost of repair and upkeep thereof will approximate $20,000. This road is badly needed. It will be of much benefit to the Navajo Indians directly, and will also be used considerably for the transportation of Government supplies for the various Navajo agencies and schools.

Mr. OVERMAN. Does this appropriation come out of the tribal funds?

Mr. HARRELD. No; I think not.

Mr. FLETCHER. Yes; it says explicitly "reimbursable from the tribal funds of the Indians of said reservation."

Mr. HARRELD. Yes; it is reimbursable. Answering the question of the Senator from North Carolina, I will state that we provided an amendment making the money reimbursable out of Indian funds.

Mr. WADSWORTH. Then my remarks do not apply, if that is the case. I did not know that.

Mr. OVERMAN. If it is recommended by the Indian Commissioner and the Secretary of the Interior, and comes out of the Indian funds, I have no objection.

Mr. HARRELD. I am glad the Senator called my attention to that, because I overlooked it.

The PRESIDING OFFICER. The Chair understands that the Senator withdraws his objection. The bill is still before the Senate as in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, I offer two amendments. I think the Senator will accept them.

After the numerals "$20,000," on page 1, line 5, I move to insert "or so much thereof as may be necessary."

I am sure the Senator will accept that.

Mr. HARRELD. I have no objection to that.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. KING. I also offer the following amendment: At the end of line 3, page 2, add the following:

> *And provided further*, That if there shall be no Indian funds available for such purpose, then said appropriation shall not be authorized.

Mr. HARRELD. Since the bill itself provides that the appropriation is reimbursable from the tribal funds, I do not really see the necessity of that.

Mr. KING. What I am afraid of is that the expenditure will be made, anyway. Of course, it is to be paid out of the Treasury of the United States first, and if they find the treasury of this particular tribe exhausted the appropriation is gone.

Mr. HARRELD. I have no objection, but I do not consider it necessary.

Mr. KING. I think on a strict construction the Senator is right, and it would not be necessary; but I want to make assurance double sure.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, has the committee amendment on line 1, page 2, been acted on?

The PRESIDING OFFICER. Yes; that was acted on when the bill was up before.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 192) to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho, was announced as next in order.

Mr. FLETCHER. Mr. President, may I inquire whether this appropriation comes out of the Indian funds, or is it to be paid out of the Treasury directly?

Mr. HARRELD. Out of the Treasury.

Mr. KING. Does the Senator think that the Treasury of the United States ought to meet that expenditure? If so, may I inquire of the Senator why it was not considered by the Appropriations Committee when the Indian appropriation bill was before the committee?

Mr. HARRELD. This is a House bill, and I presume that all those prerequisites were attended to over in the House. I do not know much about it, except what the House report says. It seems that the Secretary of the Interior recommended it, the House passed it, and the committee did not go into hearings about it or have any detailed consideration of it.

Mr. KING. I suggest that it go over until the next calendar day.

The PRESIDING OFFICER. The bill will be passed over.

LANDS ALLOTTED TO INDIANS UNDER MOSES AGREEMENT OF 1883

The bill (H. R. 2878) to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883, was considered as in Committee of the Whole, and was read, as follows:

> *Be it enacted, etc.*, That any allottee to whom a trust patent has heretofore been or shall hereafter be issued by virtue of the agreement concluded on July 7, 1883, with Chief Moses and other Indians of the Columbia and Colville Reservations, ratified by Congress in the act of July 4, 1884 (23 Stat. L. pp. 74-80), may sell and convey any or all the land covered by such patents, or if the allottee is deceased the heirs may sell or convey the land, in accordance with the provisions of the act of Congress of June 25, 1910 (36 Stat. L. p. 855).

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAC DU FLAMBEAU BAND OF CHIPPEWA INDIANS, WISCONSIN

The bill (H. R. 3684) for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LANDS IN TAOS COUNTY, N. MEX.

The bill (S. 1762) providing for the acquirement by the United States of privately owned lands within Taos County, N. Mex., known as the Santa Barbara grant, by exchanging therefor timber, or lands and timber, within the exterior boundaries

of any national forest situated within the State of New Mexico, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 2, after the word "therefor," to strike out "may patent not to exceed an equal value of such national forest land, in the same State, surveyed and nonmineral in character, or"; in line 9, after the word "compensation," to strike out "consideration being given to any reservations which the grantor or the Government may make of timber, mineral, or easements"; on page 3, line 1, after the word "any," to strike out "change" and insert "exchange"; and in the same line, after the word "lands," to insert "for timber," so as to make the bill read:

> *Be it enacted, etc.*, That the Secretary of the Interior be, and he hereby is, authorized, in his discretion, to accept on behalf of the United States title to all or any part of privately owned lands situated within the Santa Barbara grant, located within the county of Taos, State of New Mexico, if, in the opinion of the Secretary of Agriculture, public interests will be benefited thereby and the lands are chiefly valuable for national-forest purposes; and in exchange therefor the Secretary of Agriculture may authorize the grantor to cut and remove an equal value of timber within the national forests of the same State, the values in each case to be determined by the Secretary of Agriculture and acceptable to the grantor as a fair compensation. Timber given in exchange shall be cut and removed under the laws and regulations relating to the national forests and under the direction and supervision and in accordance with the requirements of the Secretary of Agriculture.
>
> SEC. 2. That lands offered for exchange hereunder and not covered by public-land surveys shall be identified by metes-and-bounds surveys, and that such surveys and the plats and field notes thereof shall be made by employees of the United States Forest Service and approved by the United States Surveyor General.
>
> SEC. 3. That any lands conveyed to the United States under the provisions of this act shall, upon acceptance of the conveyance thereof, become and be a part of Carson National Forest.
>
> SEC. 4. That before any exchange of lands for timber as above provided is effective notice of such exchange proposal, describing the lands involved therein, shall be published once each week for four consecutive weeks in some newspaper of general circulation in the county in which such lands so to be conveyed to the United States are situated.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LONG ISLAND RAILROAD CO.

The bill (S. 80) for the relief of the Long Island Railroad Co. was announced as next in order.

Mr. WADSWORTH. Mr. President, Senate bill 80, Order of Business 313, which has now been reached on the calendar, is just like House bill 1823, Order of Business 332, farther down on the same page of the calendar. Senate bill 80 is a bill for the relief of the Long Island Railroad Co. The House has passed a duplicate bill; the Committee on Claims has reported it; and, naturally, I would rather have consideration of the House bill.

The PRESIDING OFFICER (Mr. COPELAND in the chair). The Senator from New York asks unanimous consent to substitute House bill 1823 for Senate bill 80. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 1823) for the relief of the Long Island Railroad Co., which was read, as follows:

> *Be it enacted, etc.*, That the claim of the Long Island Railroad Co. against the United States for damages alleged to have been sustained by said railroad company's dock, vessel, and marine equipment at Whitestone Landing, N. Y., on the 11th day of December, 1919, as a result of swells caused by the alleged negligent operation of the U. S. destroyer *Broome* at an excessive rate of speed, may be sued for by said company in the United States district court for the eastern district of New York, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damages, and costs, if any, as shall be found to be due against the United States in favor of the Long Island Railroad Co., or against the Long Island Railroad Co. in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. WADSWORTH. Mr. President, this bill merely permits the Long Island Railroad Co. to enter suit against the United States in the eastern district of New York as in admiralty court.

Mr. DIAL. Mr. President, about what is the amount claimed?

Mr. WADSWORTH. About $1,800.

Mr. DIAL. This simply permits the company to go to court with it?

Mr. WADSWORTH. Yes.

Mr. DIAL. That is the proper place for it.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. WADSWORTH. Now I ask that Senate bill 80 be indefinitely postponed.

The PRESIDING OFFICER. That will be the action if there be no objection.

BILLS PASSED OVER

The bill (S. 2327) to amend section 4 of the interstate commerce act was announced as next in order.

Mr. BRUCE. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1707) appropriating money to purchase lands for the Clallam Tribe of Indians in the State of Washington, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Mr. President, it is nearly 2 o'clock and I do not believe that bill can be disposed of in the time that remains, so I will ask myself that it may go over.

The PRESIDING OFFICER. The bill will be passed over.

CLAIMS OF SEMINOLE INDIANS

The bill (H. R. 5799) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. HARRELD subsequently said: Mr. President, I ask permission to return to House bill 5799.

Mr. OVERMAN. I withdraw my objection to that bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

> *Be it enacted, etc.*, That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Seminole Indian Nation or Tribe, or arising under or growing out of any act of Congress in relation to Indian Affairs, which said Seminole Nation or Tribe may have against the United States, which claims have not heretofore been determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.
>
> SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act, and such suit shall make the Seminole Nation party plaintiff and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract with the Seminoles approved by the Commissioner of Indian Affairs and the Secretary of the Interior; and said contract shall be executed in their behalf by a committee chosen by them under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said Indian nation to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nation.
>
> SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nation, but any payment which may have been made by the United States upon any claim against the United States shall not operate as an estoppel, but may be pleaded as an offset in such suit.
>
> SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act an appeal may be taken by either party, as in other cases, to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid the attorney or attorneys so employed by said Indian nation for the services and expenses of said attorneys rendered or incurred prior or subsequent to the date of approval of this act: *Provided*, That in no case shall the aggregate amounts decreed by said Court of Claims for fees be in excess of the amount or amounts stipulated in the contract of employment or in excess of a sum equal to 10 per cent of the amount of recovery against the United States.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States in such case.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

AGRICULTURE

The joint resolution (S. J. Res. 107) declaring agriculture to be the basic industry of the country, and for other purposes, was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on Interstate Commerce with amendments, on page 1, line 7, after the word "directed," to insert "with the least practicable delay"; in line 8, after the word "such," to insert "lawful"; in the same line, after the words "changes in the," to strike out "general"; in line 11, after the word "possible," to strike out "rate" and insert "rates: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and the policy herein stated shall be applied in such determination as soon as possible," so as to make the joint resolution read:

Resolved, etc., That agriculture is hereby declared to be the basic industry of this country; and that it is the policy of Congress to promote, encourage, and foster the agricultural industry, in furtherance of which the Interstate Commerce Commission is hereby directed, with the least practicable delay, to effect such lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture, including livestock, at the lowest possible rates: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and the policy herein stated shall be applied in such determination as soon as possible.

The amendments were agreed to.

Mr. WATSON. What is the status of the measure now?

The PRESIDING OFFICER. The amendments have been agreed to, and the bill is still in Committee of the Whole and open to amendment.

Mr. WADSWORTH. May there be an explanation of the bill?

Mr. SMITH. I was busily engaged on another matter. Is this Senate Joint Resolution 107?

The PRESIDING OFFICER. It is.

Mr. SMITH. I have an amendment to that measure. I hope this joint resolution will pass, because it was reported unanimously by the Committee on Interstate Commerce. I offer an amendment to the joint resolution in the nature of a substitute, which has been agreed to by the members of the committee. It was prepared jointly by the Senator from Iowa [Mr. CUMMINS] and myself, and I think it is in perhaps a little better shape than the joint resolution as reported.

The PRESIDING OFFICER. The Senator from South Carolina offers an amendment in the nature of a substitute, which the Secretary will report.

The READING CLERK. The Senator from South Carolina proposes to strike out all after the resolving clause and to insert:

That it is hereby declared to be the true policy in rate making to be pursued by the Interstate Commerce Commission in adjusting freight rates, that the conditions which at any given time prevail in our several industries should be considered, in so far as it is legally possible to do so, to the end that commodities may freely move with fair profit to the producer and sold at a reasonable price to the consumer.

It is further declared that agriculture is the basic industry of this country; and that it is the policy of Congress to promote, encourage, and foster that industry, and especially in rate making during the existing depression in agriculture. In furtherance of these policies the Interstate Commerce Commission is hereby directed, with the least practicable delay, to effect such lawful changes in the rate structure of the country as will promote the freedom of movement by common carriers of the products of agriculture, including livestock, at the lowest possible lawful rates compatible with the maintenance of adequate transportation service: *Provided*, That no investigation or proceeding resulting from the adoption of this resolution shall be permitted to delay the decision of cases now pending before the commission involving rates on products of agriculture, and the policy herein stated shall be applied in such determination as soon as possible.

Mr. WATSON. Mr. President, that is quite an amendment. It is a new proposition, and it opens——

Mr. SMITH. Permit me to state to the Senator that really there is no new proposition involved in it. It is simply a direction to the Interstate Commerce Commission that whenever there is a depression in any of the basic industries of the United States, as there has been in agriculture, the commission should take cognizance thereof, and regulate the rates so as to facilitate the movement of the products of that industry.

Mr. CUMMINS. Mr. President, I have collaborated somewhat with my friend the Senator from South Carolina with respect to this subject. I believe the substitute announces a sound principle of rate making. I think it is applicable not only to the agricultural situation as we now find it, but it is applicable as well to the movement of every other great commodity, and I very sincerely hope the resolution will be adopted.

Mr. KING. Let me ask the Senator if he believes it wise for Congress to announce its purpose to "foster" any industry? The word "foster," as the Senator knows, may be given a wrong interpretation. The beneficiaries of unjust tariff rates announce that the Government's policy is to foster their manufacturing enterprises. The Government should treat all industries and all classes in a just and fair manner. Of course, all must admit that agriculture is the basis of our economic life and it must not be discriminated against. Some may assume that the word "foster" means bounties or bonuses. But of course that is not contemplated by the resolution. I agree with the Senator that agriculture is an industry of paramount importance. When it suffers from depression it causes profound solicitude among all people. I would object to a statement that it was the policy of the Federal Government to foster manufacture, or to foster mining, or any industry, if it meant a legislative declaration that the Federal Government would use the taxing power to collect money from the people to support any enterprise or industry. It is the policy of the Federal Government to discharge the duties which devolve upon it under the Constitution of the United States.

Mr. CUMMINS. I gave no thought to the use of the word "foster." The resolution does not depend for its efficacy upon the use of that word. I think the word is used in the sense of being friendly, rather than in any other sense. The truth is that in the movement of commodities throughout the United States, railways and the regulating commissions of the Government ought to give attention to the conditions of the particular industry or interest. When agriculture is depressed—that is to say, when farmers are unable to sell the products of their farms at a profit in order to encourage the continuation of the industry—then freight rates upon agricultural products should go down to the lowest possible point.

Mr. KING. May I interrupt the Senator?

Mr. CUMMINS. Certainly.

Mr. KING. I agree with the Senator absolutely, and I think that the word "foster" as used here will be given the interpretation intended by the committee. I have felt that the railroads have not sufficiently considered the depression in various industries and adjusted their rates to meet the situation. I believe that reductions in freight rates charged agricultural products would have proven advantageous to the people and also the railroads. The fact is that in many sections of the country the rates were so high as to have prohibited the shipment of many kinds of agricultural products.

Mr. SMITH. If the Senator will allow me, I think the Senator from Iowa has expressed just what this substitute is intended to express, that in the sense that the Government, through the agency of the railroads, can call the attention of the country to conditions, in that sense we foster.

Mr. KING. I am for the measure.

Mr. FLETCHER. May I inquire of the Senator whether or not the Interstate Commerce Commission have not this authority and power now, whether presumably they do not do just what is indicated? We are merely giving emphasis to the policy.

Mr. CUMMINS. Undoubtedly the Interstate Commerce Commission has complete and adequate power to reduce freight rates in exact accordance with the declaration made by this joint resolution, and while the Interstate Commerce Commission has, since the 1st of September, 1920, reduced rates upon agricultural products very markedly, yet I think it is wise again to call the attention of the commission and of the country to the principle which should underlie rate making in basic commodities.

Mr. BRUCE. Mr. President, as a member of the Committee on Interstate Commerce I desire to say that I concurred in the favorable report on this joint resolution. I think that here is at least one thing that we can do for agriculture at the present time, and that a practical, timely thing. It is true that the Interstate Commerce Commission has the full power now to regulate railway rates on agricultural products, but the tendency of this resolution would be to strengthen its hands and to make it just a little quicker than it would otherwise be to give some sort of lawful reasonable preference at this conjuncture to agricultural products when in course of transportation.

I do not suppose that there is a human being in the world who has less sympathy than I have with visionary projects for the promotion of the agricultural interests of the country, but whenever an opportunity is presented to me to do something sensible, something practical, for the farmer I propose to avail myself of the opportunity. Such an opportunity, I think, has arisen in connection with this measure.

Mr. TRAMMELL. Mr. President, I think it is very wise that the Congress should emphasize the necessity of a consideration of agriculture as a basic industry in the rate structure, and consider the conditions which surround this industry in making rates. In my own State we have suffered very much from excessive rates, and I am in hopes that this measure will emphasize and bring to the attention of the Interstate Commerce Commission the necessity for some provision along lines that would give better rates to the people of my State.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from South Carolina.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

EMELUS S. TOZIER

The bill (S. 1609) for the relief of Emelus S. Tozier was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF ALASKAN FISHERIES

Mr. JONES of Washington. Mr. President, it is now nearly 2 o'clock, and I understand the Army appropriation bill will come up at that hour. I merely want to give notice that if the opportunity presents itself at some time during the afternoon I shall ask leave to call up House bill 8143, for the protection of the fisheries of Alaska, and for other purposes. I think that we have reached a general understanding and there is agreement among those interested in the matter, so that we can dispose of the bill without much trouble, but I do not want to interfere with the Army appropriation bill.

LANDS OF WASHINGTON GAS LIGHT CO.

Mr. BALL. Mr. President, the Secretary of War is very anxious that we shall consider Senate bill 2848, to validate an agreement between the Secretary of War, acting on behalf of the United States, and the Washington Gas Light Co. It is merely to adjust a title that has been hanging fire for some time.

Mr. SMOOT. Let it be reported.

The bill was read and considered as in Committee of the Whole, as follows:

Be it enacted, etc., That the agreement made between the Secretary of War, acting on behalf of the United States, and the Washington Gas Light Co., a corporation, for the purpose of effecting an adjustment and settlement of all the matters at issue between the United States and the said company respecting the title and ownership of certain parcels and lots of land adjacent to the Anacostia River, the terms of which agreement are embodied in a formal instrument on file in the War Department, bearing date of September 8, 1921, and signed by J. M. Wainwright, Assistant Secretary of War, and H. S. Reeside, president of the said Washington Gas Light Co., is hereby approved, and the consent of Congress is hereby given to the carrying out of said agreement in full accordance with the tenor and terms thereof.

Mr. SMOOT. I wish the Senator would make a brief statement as to what the bill means, and why it is necessary to have it passed.

Mr. BALL. It is simply to adjust a title between the Washington Gas Light Co. and the United States to some land near Anacostia, where the gas company has a station.

Mr. SMOOT. Has it been approved by the Secretary of War?

Mr. BALL. The Secretary of War has written me several letters asking me if I would not please have it passed by the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to, as follows:

Whereas Congress has provided for the work of reclaiming and improving the land along the Anacostia River, in the District of Columbia, and made and declared it a part of the park system of the District of Columbia, to be known as Anacostia Park, and it has become necessary in the prosecution of the said work to settle certain questions in dispute between the United States and the Washington Gas Light Co. as to the ownership of land and to quiet title thereto: Therefore

WAR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived the Chair lays before the Senate the unfinished business, which is House bill 7877.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The roll will be called.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	McKellar	Shortridge
Ball	Fess	McNary	Simmons
Brookhart	Fletcher	Mayfield	Smith
Brousard	Frazier	Neely	Smoot
Bruce	George	Norbeck	Stanfield
Bursum	Gooding	Norris	Stephens
Cameron	Hale	Overman	Sterling
Capper	Harreld	Pittman	Trammell
Colt	Harris	Ralston	Wadsworth
Copeland	Harrison	Ransdell	Walsh, Mont.
Cummins	Johnson, Minn.	Reed, Mo.	Warren
Dale	Jones, Wash.	Robinson	Watson
Dial	Kendrick	Sheppard	Willis
Dill	Keyes	Shields	
Fernald	King	Shipstead	

Mr. JONES of Washington. I wish to announce that the senior Senator from Kansas [Mr. CURTIS] is absent on official business.

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. A quorum is present.

Mr. NORRIS. Mr. President, I would like to inquire whether there is any understanding between the Senator from New York [Mr. WADSWORTH] and the Senator from Wyoming [Mr. WARREN] about laying aside the War Department appropriation bill at any time for the purpose of considering the conference report on the independent offices appropriation bill?

Mr. WARREN. There is none whatever and I do not intend to bring it up to interfere with the consideration and passage of the War Department appropriation bill.

Mr. NORRIS. There are several of us who want to be heard when we take up the conference report for consideration.

The PRESIDING OFFICER. What is the agreement?

Mr. NORRIS. There is no agreement. I thought perhaps there was some understanding, and if so I wanted to know what it was so we could accommodate ourselves to it. Then it is safe to say that the conference report will not be brought up until the War Department appropriation bill is disposed of?

Mr. WARREN. That is my intention. I will say that I do not intend to bring up the conference report referred to by the Senator from Nebraska until after the War Department appropriation bill has passed. Furthermore, I desire, as soon as the War Department appropriation bill shall have been passed, to bring up the classification bill which proposes to classify the employees of the Capitol. It is necessary to have early consideration of that bill, because the legislative appropriation bill can not be prepared until some settlement is had of that matter.

Mr. NORRIS. Then I understand the Senator from Wyoming will not call up the conference report until he has disposed of the reclassification bill?

Mr. WARREN. That is my present intention. I will give notice, however.

The PRESIDING OFFICER. The Senator from Wyoming will give appropriate notice. The bill will be read for action on the amendments of the committee.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the subhead "Office of Secretary of War," on page 2, line 8, after the numerals "1923," to strike out "$202,756; in all, $224,756," and to insert "$204,916; in all, $226,916;" so as to read:

OFFICE OF SECRETARY OF WAR

Salaries: Secretary of War, $12,000; Assistant Secretary, $10,000; and for other personal services in the District of Columbia in accordance with "the classification act of 1923," $204,916; in all, $226,916.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, War Department," on page 3, line 17, after the word "exchange," to insert "and maintenance and repair," and in line 22, to strike out "$104,810," and to insert "$109,810," so as to make the paragraph read:

For purchase of professional and scientific books, law books, including their exchange; books of reference, blank books, pamphlets, periodicals, newspapers, maps; typewriting and adding machines, and other labor-saving devices, including their repair and exchange; furniture and repairs to same; carpets, matting, linoleum, filing equipment, photo supplies, towels, ice brooms, soap, sponges, fuel, gas, and heating apparatus for buildings, electric power, electric light; repairs to, alterations, and installations in Government-owned buildings (other than those under the supervision of the Superintendent of the State, War, and Navy Department Buildings) occupied by the War Department and its bureaus; maintenance, repair, and operation of motor trucks and motor cycles, and one motor-propelled passenger-carrying vehicle, to be used only for official purposes; for the purchase or exchange and maintenance and repair of a passenger-carrying automobile for the official use of the Secretary of War (not to exceed $5,000); freight and express charges; street car fares, not exceeding $750; and other absolutely necessary expenses, including a per diem allowance not to exceed $4 in lieu of subsistence, $109,810.

The amendment was agreed to.

The next amendment was, under the subhead "Contingencies of the Army," on page 5, line 16, after the figures "$50,000," to strike out the colon and the following additional proviso:

Provided further, That no auctioneer shall be paid more than $100 per day out of any money appropriated by this act for services rendered.

The amendment was agreed to.

The next amendment was, under the heading "Military post exchanges," on page 8, at the end of line 15, to increase the appropriation for continuing the construction, equipment, and maintenance of suitable buildings at military posts and stations, for the conduct of the post exchanges, school, reading, lunch, and amusement rooms, etc., from "$71,000" to "$87,800."

The amendment was agreed to.

The next amendment was, under the subhead "Adjutant General's office," on page 8, line 19, after the numerals "1923," to increase the appropriation for the Adjutant General's office, for personal services in the District of Columbia in accordance with the classification act of 1923, from "$1,331,340" to "$1,399,592."

The amendment was agreed to.

The next amendment was, under the subhead "Finance department, pay, etc., of the Army," on page 9, line 8, after the figures "$30,358,000," to strike out the colon and the following proviso:

Provided, That hereafter the Secretary of War shall discharge from the Army with the form of discharge certificate and the travel and other allowances to which his service, after enlistment, shall entitle him, any enlisted man under the age of 21 on the application of either of his parents or legal guardian if such enlisted man was enlisted without the written consent of one of his parents or his legal guardian.

The amendment was agreed to.

The next amendment was, on page 9, line 21, after the figures "$5,374,830," to strike out the colon and the following proviso: "*Provided*, That nothing contained in section 11 of the act entitled 'An act to increase the efficiency of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, and Coast and Geodetic Survey, and Public Health Service,' approved May 18, 1920, shall be construed as having repealed, amended, or modified the provision contained in the Army appropriation act approved August 24, 1912 (37 Stat. L. p. 594), reading as follows: 'That hereafter the service of a cadet who may hereafter be appointed to the United States Military Academy or to the Naval Academy, shall not be counted in computing for any purpose the length of service of any officer of the Army,'" and in lieu thereof to insert:

Provided, That in computing for any purpose the length of service of any officer of the Army who was appointed to the United States Military Academy or the United States Naval Academy after August 24, 1912, the time spent at either academy shall not be counted.

The amendment was agreed to.

Mr. WADSWORTH. I was directed by the Committee on Appropriations to offer an amendment to be inserted on page 9, after line 15.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 9, after line 15, insert:

Nothing contained in this act, or any other act, shall be construed as depriving any commissioned officer of the Army, Navy, or Marine Corps of his right to pay and allowances while serving on such duty as the President may direct in the coordination of the business of the Government as now being conducted by him under the general supervision of the Director of the Bureau of the Budget.

The amendment was agreed to.

The next amendment was, on page 13, after line 7, to strike out: "None of the money appropriated in this act shall be used to pay any officer on the retired list of the Army who for himself or for others engages in the selling, contracting for the sale of, negotiating for the sale of, or furnishing to the Army or the War Department any supplies, materials, equipment, lands, buildings, plants, vessels, or munitions. None of the money appropriated in this act shall be paid to any officer on the retired list of the Army who is employed in the United States or its possessions by any individual, partnership, corporation, or association regularly or frequently engaged in making direct sales of any merchandise or material to the War Department or the Army," and in lieu thereof to insert:

None of the money appropriated in this act shall be used to pay any officer on the retired list of the Army who for himself engages in the selling, contracting for the sale of, negotiating for the sale of, or furnishing to the Army or the War Department any supplies, materials, equipment, lands, buildings, plants, vessels, or munitions, or who is employed by any individual, partnership, corporation, or association regularly or frequently engaged in selling merchandise or material directly to the War Department or the Army, if such employment be as sales or contract agent for the purpose of selling, contracting for the sale of, negotiating for the sale of, or furnishing to the Army or the War Department any supplies, materials, equipment, lands, buildings, plants, vessels, or munitions.

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps," on page 24, line 7, after the words "in all," to strike out "$16,400,000," and to insert "$16,700,000, of which amount $200,000 may be applied to the removal for storage elsewhere of high explosives now stored at Raritan Arsenal, N. J.," so as to make the proviso read:

Provided, That the cost in each case shall not be greater than to the place of last enlistment; of horse equipment; and of funds for the Army; for the operation and repair of boats and other vessels; for wharfage, tolls, and ferriages; for drayage and cartage; for the purchase, hire, operation, maintenance, and repair of harness, wagons, carts, drays, other vehicles, and horse-drawn passenger-carrying vehicles, required for the transportation of troops and supplies and for official military and garrison purposes; for purchase and hire of draft and pack animals, including replacement of unserviceable animals; for travel allowances to officers and enlisted men on discharge; to officers of National Guard on discharge from Federal service as prescribed in the act of March 2, 1901; to enlisted men of National Guard on discharge from Federal service, as prescribed in amendatory act of September 22, 1922; and to members of the National Guard who have been mustered into Federal service and discharged on account of physical disability; in all, $16,700,000, of which amount $200,000 may be applied to the removal for storage elsewhere of high explosives now stored at Raritan Arsenal, N. J.:

The amendment was agreed to.

The next amendment was, on page 25, after line 9, to strike out:

None of the funds appropriated or made available under this act or any of the unexpended balances of any other act shall be used for the purchase of motor-propelled passenger or freight carrying vehicles for the Army except those that are purchased solely for experimental purposes, and except one automobile for the official use of the Secretary of War.

The amendment was agreed to.

The next amendment was, under the subhead "Military posts," on page 27, at the beginning of line 8, to strike out "$428,332," and to insert "$1,028,332"; and in line 11, after the name "Georgia," to insert a comma and "and $500,000 for beginning the construction of such permanent buildings at Camp Lewis, State of Washington, as in the judgment of the Secretary of War may be necessary to put Camp Lewis in proper shape to serve the purposes intended, and $100,000 for beginning the construction of permanent buildings at Camp Bragg, N. C.," so as to make the paragraph read:

For the construction and enlargement at military posts of such buildings as in the judgment of the Secretary of War may be necessary, including all appurtenances thereto, $1,028,332, including $43,332 for improving the heating system at Fort Sill, Okla., and $385,000 toward the construction of a barrack building for one regiment of Infantry at Fort Benning, Ga., and $500,000 for beginning the construction of such permanent buildings at Camp Lewis, State of Washington, as in the judgment of the Secretary of War may be necessary to put Camp Lewis in proper shape to serve the purposes intended, and $100,000 for beginning the construction of permanent buildings at Camp Bragg, N. C.

The amendment was agreed to.

The next amendment was, under the subhead "Roads, walks, wharves, and drainage," on page 30, line 9, after the name "Kentucky," to insert "but not to be available until the proper authorities of Kentucky, in manner and form to be approved by the Secretary of War, vacate the old Dixie Highway within Camp Knox and accept and agree to maintain the new Dixie Highway in lieu thereof without further expenditures by the United States, except for completion of acquisition of the right of way," so as to make the proviso read:

Provided, That not to exceed $46,203.13 from this appropriation shall be immediately available for repair and completion of the new Dixie Highway of approximately 9¾ miles at Camp Knox, Ky., constructed by the War Department to divert traffic from the old Dixie Highway, the funds to be expended by the department of public roads of Kentucky, but not to be available until the proper authorities of Kentucky, in manner and form to be approved by the Secretary of War, vacate the old Dixie Highway within Camp Knox and accept and agree to maintain the new Dixie Highway in lieu thereof without further expenditures by the United States, except for completion of acquisition of the right of way.

Mr. WADSWORTH. I am informed that the senior Senator from Kentucky [Mr. STANLEY] is interested in this amendment, as is also, perhaps, the junior Senator from Kentucky [Mr. ERNST]. As they are not now in the Chamber, I ask that the amendment be temporarily passed over.

The PRESIDING OFFICER. Without objection, the amendment will be temporarily passed over.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 44, line 11, to increase the appropriation for personal services in the District of Columbia in accordance with the classification act of 1923, in the office of the Surgeon General, from "$254,414" to "$267,804."

The amendment was agreed to.

The next amendment was, under the subhead "Seacoast defenses, United States," on page 49, line 2, to strike out "$25,000" and to insert "$50,000," so as to read:

For the protection, preservation, repair, and maintenance of historical fortifications at Fort Niagara, N. Y., Fort Marion, Fla., and San Juan, Porto Rico, $50,000.

The amendment was agreed to.

The next amendment was, under the subhead "Seacoast defenses, insular possessions," on page 49, line 17, to strike out "$11,000" and to insert "$61,000," so as to read:

For the installation and replacement of electric light and power plants and the purchase and installation of searchlights at the seacoast fortifications of the Hawaiian Islands, $61,000.

The amendment was agreed to.

The next amendment was, under the subhead "Field artillery armament," on page 53, at the end of line 24, to strike out "$448,000" and to insert "$600,000," so as to read:

For alteration and maintenance of the mobile artillery, including the purchase and manufacture of machinery, tools, and materials necessary for the work and the expenses of the mechanics engaged thereon, $600,000.

The amendment was agreed to.

The next amendment was, under the subhead "Rock Island Bridge, Rock Island, Ill.," on page 54, at the end of line 17, to strike out "$30,000" and to insert "$20,000," so as to read:

For operating, repair, and preservation of Rock Island bridges and viaduct, and maintenance and repair of the arsenal street connecting the bridges, $20,000.

The amendment was agreed to.

The next amendment was, under the subhead "Chemical Warfare Service," on page 58, after line 20, to insert a comma and the words "of which sum not more than $25,000 may be used in agricultural experiments in exterminating the cotton-boll weevil," so as to make the paragraph read:

For purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas warfare purposes, including all necessary investigations, research, design, experimentation, and operations connected therewith; purchase of chemicals, special scientific and technical apparatus and instruments; construction, maintenance, and repair of plants, buildings, and equipment, and the machinery therefor; receiving, storing, and issuing of supplies, comprising police and office duties, rents, tolls, fuel, gasoline, lubricants, paints and oils, rope and cordage, light, water, advertising, stationery, typewriting and adding machines, including their exchange, office furniture, tools, and instruments; for incidental expenses; for civilian employees; for libraries of the Chemical Warfare Service and subscriptions to periodicals which may be paid for in advance; for expenses incidental to the organization, training, and equipment of special gas troops not otherwise provided for, including the training of the Army in chemical warfare, both offensive and defensive, together with the necessary schools, tactical demonstrations, and maneuvers; for current expenses of chemical projectile filling plants and proving grounds, including construction and maintenance of rail transportation, repairs, alterations, accessories, building and repairing butts and targets, clearing and grading ranges, $700,000, of which sum not more than $25,000 may be used in agricultural experiments in exterminating the cotton-boll weevil.

The amendment was agreed to.

The next amendment was, under the subhead "United States Military Academy, pay of Military Academy," on page 65, at the end of line 18, to strike out "$105,660" and to insert "$135,660," so as to read:

Service detachment: First sergeant; 47 sergeants; 20 corporals; 55 privates, first class; 153 privates; specialists—40, third class; 50, fourth class; 80, fifth class; additional pay for length of service; in all, $135,660.

The amendment was agreed to.

The next amendment was, on page 66, at the end of line 10, to strike out "$40,000" and to insert "$51,413," so as to read:

Engineer detachment: First sergeant; 3 staff sergeants; 9 sergeants; 12 corporals; 39 privates, first class; 52 privates; specialists—2, third class, 3, fourth class, 2, sixth class; additional pay for length of service; additional pay for qualification in marksmanship; in all, $51,413.

The amendment was agreed to.

The next amendment was, under the subhead "Maintenance, United States Military Academy," on page 68, at the beginning of line 14, to strike out "headquarters" and to insert "quarters," so as to read:

For installing kitchen range, boilers, and bathtubs in quarters of enlisted men, $5,000.

The amendment was agreed to.

The next amendment was, under the subhead "Militia Bureau, arming, equipping, and training the National Guard," on page 70, at the end of line 26, to increase the appropriation for compensation of help for care of material, animals, and equipment, from "$2,250,000" to "$2,500,000."

The amendment was agreed to.

The next amendment was, on page 71, at the end of line 11, to increase the appropriation for transportation of equipment and supplies from "$400,000" to "$415,000."

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, the next amendment commences on line 16, page 71, and is the lump-sum pro-

vision. At the bottom of page 70 there are two items for the procurement of forage, and so forth, and for the compensation of help, and so forth. I desire to offer an amendment which will have the effect of transferring those two items so as to follow the language now printed on line 19, page 71. In other words, the lump-sum amendment if adopted in a moment or two will only apply to the items on page 71 which are printed before that amendment, but will not apply to the two items at the bottom of page 70, because I propose to transfer them and have them inserted after the lump-sum provision.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is agreed to.

Mr. FLETCHER. As I understand, the purpose is not to have the lump-sum provision apply to forage and help, and so forth?

Mr. WADSWORTH. That is true.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was on page 71, line 16, to insert a colon and the following proviso:

Provided, That all moneys hereinbefore appropriated for arming, equipping, and training the National Guard shall be disbursed and accounted for as one fund.

The amendment was agreed to.

The next amendment was, under the subhead "Arms, uniforms, equipment, and so forth, for field service, National Guard," on page 72, at the end of line 11, to strike out "$2,700,000" and to insert "$3,000,000," so as to read:

To procure by purchase or manufacture and issue from time to time to the National Guard, upon requisition of the governors of the several States and Territories or the commanding general National Guard of the District of Columbia, such military equipment and stores of all kinds and a reserve supply thereof as are necessary to arm, uniform, and equip for field service the National Guard of the several States, Territories, and the District of Columbia, and to repair such of the aforementioned articles of equipage and military stores as are or may become damaged when, under regulations prescribed by the Secretary of War, such repair may be determined to be an economical measure and as necessary for their proper preservation and use, $3,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Organized Reserves," on page 73, line 11, after the word "training," to strike out "$1,638,000" and to insert "$2,457,900," and in line 16, after the word "law," to strike out "$335,594" and to insert "$476,000," so as to read:

Officers' Reserve Corps: For pay and allowances of members of the Officers' Reserve Corps on active duty for not exceeding 15 days' training, $2,457,900; for pay and allowances of members of the Officers' Reserve Corps on active duty for more than 15 days in accordance with law, $406,466; for mileage, reimbursement of actual traveling expenses, or per diem allowances in lieu thereof as authorized by law, $476,000.

The amendment was agreed to.

The next amendment was, on page 73, at the end of line 19, to strike out "$2,874,660" and to insert "$3,334,866," so as to make the proviso read:

Provided, That the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not exceed 4 cents per mile; in all, $3,334,866.

The amendment was agreed to.

The next amendment was, on page 74, line 14, after the word "duty," to strike out "$400,000" and to insert "$500,000," so as to read:

Headquarters and camps: For establishment, maintenance, and operation of divisional and regimental headquarters and of camps for training of the Organized Reserves; for miscellaneous expenses incident to the administration of the Organized Reserves, including the maintenance and operation of motor-propelled passenger-carrying vehicles; for transportation of baggage, including packing and crating, of reserve officers on active duty for not less than six months; and for the preparation and transportation to their homes of the remains of members of the Organized Reserves who die while on active duty, $500,000.

The amendment was agreed to.

The next amendment was, on page 74, line 15, after the word "exceed," to strike out "$100,000" and to insert "$150,000," so as to make the proviso read:

Provided, That not to exceed $150,000 of this amount may be used for establishment and maintenance of divisional and regimental headquarters.

The amendment was agreed to.

The next amendment was, under the subhead "Reserves Officers' Training Corps," on page 77, at the end of line 17, to strike out "tank, or air" and to insert "or tank," so as to make the further proviso read:

Provided further, That none of the funds appropriated in this act shall be used for the organization or maintenance of additional mounted, motor transport, or tank units in the Reserve Officers' Training Corps.

The amendment was agreed to.

Mr. WADSWORTH. I offer the amendment which I send to the desk, to be inserted under the heading "Citizens' military training camps," on page 79, line 8, after the words "not exceeding $15,000."

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The READING CLERK. On page 79, line 8, after the numerals "$15,000," it is proposed to insert "and expenditures heretofore made for similar supplies and equipment from appropriations for citizens' military training camps are hereby validated."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 80, after line 11, to insert:

NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE

QUARTERMASTER SUPPLIES AND SERVICES FOR RIFLE RANGES FOR CIVILIAN INSTRUCTION

To establish and maintain indoor and outdoor rifle ranges for the use of all able-bodied males capable of bearing arms, under reasonable regulations to be prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War; for the employment of labor in connection with the establishment of outdoor and indoor rifle ranges, including labor in operating targets; for the employment of instructors; for clerical services; for badges and other insignia; for the transportation of employees, instructors, and civilians to engage in practice; for the purchase of materials, supplies, and services; and for expenses incidental to instruction of citizens of the United States in marksmanship and their participation in national and international matches, to be expended under the direction of the Secretary of War and to remain available until expended, $80,000: *Provided*, That out of this appropriation there may be expended not to exceed $80,000 for the payment of transportation, for supplying meals or furnishing commutation of subsistence of civilian rifle teams authorized by the Secretary of War to participate in the national matches.

Mr. WADSWORTH. Mr. President, it may save the time of the Senate if I merely explain that the language printed in italics is exactly the language which has been used for the last several years with respect to the National Board for the Promotion of Rifle Practice. It is inserted in this bill as a committee amendment owing to the fact that, quite unexpectedly, I think, the language was stricken out in the House of Representatives on a point of order. It is not contrary to our rules and is an appropriation which has been made by the Federal Government for a dozen years or more. There is nothing new about it, and the sum appropriated is exactly the same sum as for last year.

The PRESIDING OFFICER. With the explanation of the Senator from New York, if there be no objection, the amendment is agreed to.

Mr. WARREN. Mr. President, apropos of the subject just explained by the chairman of the subcommittee, I should like to ask unanimous consent to call the attention of the Senate to a proposed amendment having relation to that very item. Of course, it is in the nature of legislation, and I shall have to ask unanimous consent to have it adopted.

Mr. FLETCHER. Is it the Senator's purpose to offer an amendment?

Mr. WARREN. I wish to send to the desk and have read an amendment which refers to this same matter. The fact is that for 10 or 12 years we have had more or less trouble to obtain permission to put this item in the appropriation bill. We always have succeeded in incorporating the item in the bill, but some one Member of the House under their particular rules usually makes the point that there is no legislation providing for the appropriation, and so it goes out of the bill. The amendment I offer would simply make it plain that there is legislation authorizing the appropriation, and then Congress may either appropriate or not appropriate as it may see fit, but at any rate it will obviate the necessity of trying to secure the appropriation in this rather unfortunate and roundabout way of always trying to insert it in the Senate. I ask that the amendment be read at the desk.

Mr. FLETCHER. Does the Senator offer that as an amendment to the pending amendment?

Mr. WARREN. Yes; or to follow the committee amendment.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will be stated.

The READING CLERK. On page 82, after line 8, it is proposed to insert the following:

The Secretary of War shall, within the limits of appropriations made from time to time by Congress and in accordance with reasonable rules and regulations approved by him upon the recommendation of the National Board for the Promotion of Rifle Practice, authorize and provide for—

(a) Construction, equipment, maintenance, and operation of indoor and outdoor rifle ranges and their accessories and appliances;

(b) Instruction of able-bodied citizens of the United States in marksmanship, and, in connection therewith, the employment of necessary instructors;

(c) Promotion of practice in the use of rifled arms, the maintenance and management of matches or competitions in the use of such arms and the issuance in connection therewith of the necessary arms, ammunition, targets, and other necessary supplies and appliances, and the award to competitors of trophies, prizes, badges, and other insignia;

(d) Sale to members of the National Rifle Association at cost to the Government, and issue to clubs organized for practice with rifled arms, under the direction of the National Board for the Promotion of Rifle Practice, of arms, ammunition, targets, and other supplies and appliances necessary for target practice;

(e) Maintenance of the National Board for the Promotion of Rifle Practice, including provision for the necessary expenses thereof and of its members;

(f) Procurement of necessary materials, supplies, appliances, trophies, prizes, badges, and other insignia, clerical and other services, and labor;

(g) Transportation of employees, instructors, and civilians to give or undergo instruction or to assist or engage in practice in the use of rifled arms, and the transportation and subsistence, or commutation in lieu of subsistence, of members of teams especially authorized by the Secretary of War to participate in matches or competitions in the use of rifled arms, making a full report of all things done hereunder annually to Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming.

Mr. FLETCHER. May I ask if the Senator would object to adding at the end of his amendment the words "making full report of all things done hereunder annually to Congress," so that we may have some record of what is actually done?

Mr. WARREN. I would not.

The PRESIDING OFFICER. The amendment proposed by the Senator from Florida to the amendment of the Senator from Wyoming will be stated.

The READING CLERK. At the end of the proposed amendment the Senator from Florida moves to insert the words "making full report of the things done hereunder annually to Congress."

Mr. BROOKHART. Mr. President, the amendment is all right except that it uses the term "rifled arms," and that might exclude——

Mr. WARREN. That is intended to apply to a very useful firearm that is really in the nature of a pistol, but to take the place of it.

Mr. BROOKHART. The proper definition would be "small arms."

Mr. WARREN. "Small arms" really takes in more; that takes in daggers, swords, or anything of the kind; but this amendment was pretty carefully prepared by people who had that in mind.

Mr. BROOKHART. A strict construction of the language might cut out the pistol. That is what I had in mind.

Mr. WARREN. It is not intended that way.

Mr. BROOKHART. I know it is not so intended.

Mr. WARREN. Of course, it will go to conference; and as it is a Senate amendment, we will leave it to the good judgment of our conferees.

Mr. BROOKHART. I should say "rifles, pistols, or small arms."

The PRESIDING OFFICER. Does the Senator from Iowa offer an amendment?

Mr. WARREN. I think the amendment as it is will be all right.

Mr. WADSWORTH. It will cover the whole thing.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 81, after line 10, to insert:

NATIONAL TROPHY AND MEDALS FOR RIFLE CONTESTS

For the purpose of furnishing a national trophy and medals and other prizes to be provided and contested for annually, under such regulations as may be prescribed by the Secretary of War, said contest to be open to the Army, Navy, Marine Corps, and the National Guard or Organized Militia of the Several States, Territories, and of the District of Columbia, members of rifle clubs, and civilians, and for the cost of the trophy, prizes, and medals herein provided for, and for the promotion of rifle practice throughout the United States, including the reimbursement of necessary expenses of members of the National Board for the Promotion of Rifle Practice, to be expended for the purposes hereinbefore prescribed, under the direction of the Secretary of War, $7,500.

The amendment was agreed to.

The next amendment was, at the top of page 82, to insert:

ORDNANCE EQUIPMENT FOR RIFLE RANGES FOR CIVILIAN INSTRUCTION

For arms, ammunition, targets, and other accessories, for target practice for issue and sale in accordance with rules and regulations prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War, in connection with the encouragement of rifle practice, in pursuance of the provisions of law, $10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps, national cemeteries," on page 83, line 21, after the name "Virginia," to insert a comma "and permanent American military cemeteries," so as to read:

For maintaining and improving national cemeteries, including fuel for superintendents, pay of laborers and other employees, purchase of tools and materials, and including care and maintenance of the Arlington Memorial Amphitheater and Chapel and grounds in the Arlington National Cemetery, Virginia, and permanent American military cemeteries, $360,000.

Mr. WADSWORTH. Mr. President, I desire to offer an amendment to the committee amendment, inserting after the word "cemeteries" the word "abroad."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. After the word "cemeteries," on page 83, line 22, insert the word "abroad."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Construction and maintenance of roads, bridges, and trails, Alaska," on page 94, line 20, after the word "amended," to strike out "$650,000" and to insert "$800,000," so as to read:

For the construction, repair, and maintenance of roads, tramways, ferries, bridges, and trails, Territory of Alaska, to be expended under the direction of the Board of Road Commissioners described in section 2 of an act entitled "An act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the District of Alaska, and for other purposes," approved January 27, 1905, as amended by the act approved May 14, 1906, and to be expended conformably to the provisions of said act as amended, $800,000, to be immediately available.

The amendment was agreed to.

The next amendment was, on page 94, line 21, to insert a colon and the following proviso:

Provided, That if an appropriation for this purpose for the fiscal year ending June 30, 1926, shall not have been made prior to March 1, 1925, the Secretary of War may authorize the Board of Road Commissioners to incur obligations for this purpose of not to exceed 75 per cent of the appropriation for this purpose for the fiscal year ending June 30, 1925, payment of these obligations to be made from the appropriation for the fiscal year ending June 30, 1926.

The amendment was agreed to.

The next amendment was, on page 95, after line 4, to insert:

MACDONOUGH MEMORIAL

For the completion of the erection of the memorial of the State of Vermont in commemoration of the victory of Commodore Thomas Macdonough on Lake Champlain in September, 1814, as authorized in the sundry civil appropriation act of August 1, 1914, to remain available until expended, $3,000.

The amendment was agreed to.

The next amendment was, under the subhead "National Home for Disabled Volunteer Soldiers," on page 98, line 17, to strike out "$68,350," and to insert "$70,600," so as to make the paragraph read:

Central Branch, Dayton, Ohio—Current expenses: For pay of officers and noncommissioned officers of the home, with such exceptions as are hereinafter noted, and their clerks, weighmasters, and orderlies; chaplains, religious instruction, and entertainment for the members of the home, printers, bookbinders, librarians, musicians, telegraph and telephone operators, guards, janitors, watchmen, fire company, and property and materials purchased for their use, including repairs; articles of amusement, library books, magazines, papers, pictures, musical instruments, and repairs not done by the home; stationery, advertising, legal advice, payments due heirs of deceased members: *Provided*, That all receipts on account of the effects of deceased members during the fiscal year shall also be available for such payments; and for such other expenditures as can not properly be included under other heads of expenditure, $70,600.

Mr. KING. Mr. President, may I make an inquiry of the Senator in order to answer a communication which I have received regarding some of these soldiers' homes? The letter which I received made inquiry as to whether any were being closed, if all were still open the same as they have been for years past, and, if so, why they were not used, at least some of them, by the Vocational Rehabilitation Board.

Mr. WADSWORTH. All the homes are running full blast. There are now appearing in the membership a good many veterans of the World War. Two of the homes have been devoted entirely to World War veterans. At other homes special facilities have been built for World War veterans in addition to the facilities already existing for Civil War and Spanish War veterans.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was on page 99, at the end of line 2, to strike out "$353,460," and to insert "$382,600," so as to make the paragraph read:

Subsistence: For pay of commissary sergeants, commissary clerks, porters, laborers, bakers, cooks, dishwashers, waiters, and others employed in the subsistence department; food supplies purchased for the subsistence of the members of the home and civilian employees regularly employed and residing at the branch, freight, preparation, and serving; aprons, caps, and jackets for kitchen and dining-room employees; tobacco; dining-room and kitchen furniture and utensils, bakers' and butchers' tools and appliances, and their repair not done by the home, $382,600.

The amendment was agreed to.

The next amendment was on page 99, at the end of line 109, to strike out "$199,300," and to insert "$205,000," so as to make the paragraph read:

Household: For furniture for officers' quarters; bedsteads, bedding, bedding material, and all other articles, including repairs, required in the quarters of the members and of civilian employees permanently employed and residing at the branch; fuel; water; engineers and firemen, bathhouse keepers, janitors, laundry employees, and for all labor, materials, and appliances required for household use, and repairs, if not repaired by the home, $205,000.

The amendment was agreed to.

The next amendment was, on page 99, line 23, to strike out "$260,528," and to insert "$290,000," so as to make the paragraph read:

Hospital: For pay of medical officers and assistant surgeons, matrons, druggists, hospital clerks and stewards, ward masters, nurses, cooks, waiters, readers, drivers, funeral escort, janitors, and for such other services as may be necessary for the care of the sick; burial of the dead; surgical instruments and appliances, medical books, medicine, liquors, fruits, and other necessaries for the sick not purchased under subsistence; bedsteads, bedding, and all other special articles necessary for the wards; hospital furniture, including special articles and appliances for hospital kitchen and dining room; carriage, hearse, stretchers, coffins; and for all repairs to hospital furniture and appliances not done by the home, $290,000.

The amendment was agreed to.

The next amendment was, on page 100, line 6, to strike out "$71,450" and to insert "$81,000," so as to read:

Repairs: For pay of chief engineer, builders, blacksmiths, carpenters, painters, gas fitters, electrical workers, plumbers, tinsmiths, steam fitters, stone and brick masons, and laborers, and for all appliances and materials used under this head; and repairs of roads and other improvements of a permanent character, $81,000.

The amendment was agreed to.

The next amendment was, on page 100, at the end of line 10, to increase the total appropriation for the central branch of the National Home for Disabled Volunteer Soldiers, at Dayton, Ohio, from "$976,938" to "$1,051,950."

The amendment was agreed to.

The next amendment was, on page 101, line 2, after the word "expenses," to strike out "$57,500" and to insert "$59,300"; in line 3, after the word "household," to strike out "$139,000" and to insert "$150,000"; at the beginning of line 4, to strike out "$230,000" and to insert "$236,000"; in the same line, after the word "repairs," to strike out "$47,050" and to insert "$50,000"; and, at the end of line 5, to strike out "$774,840" and to insert "$796,590," so as to make the paragraph read:

Northwestern Branch, Milwaukee, Wis.: Current expenses, $59,300; subsistence, $287,000; household, $150,000; hospital, $236,000; transportation, $500; repairs, $50,000; farm, $13,790; in all, Northwestern Branch $796,590.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I am instructed by the Committee on Appropriations to offer the amendment which I send to the desk, which is to go in on page 101, after line 6.

The PRESIDING OFFICER. The Senator from New York, on behalf of the committee, offers an amendment, which will be stated.

The READING CLERK. On page 101, after line 6, it is proposed to insert the following:

That the board of managers are authorized to sell surplus land at the northwestern branch, to wit, a strip of land leading from the north line of the home grounds to the street that runs parallel to the home boundary line, the proceeds of such sale to be covered into the Treasury as miscellaneous receipts.

Mr. WADSWORTH. Mr. President, the explanation of this is very simple. The city of Milwaukee, in its building, has grown up to the boundary of the Government reservation upon which the home is located, and in this particular instance the roadway which constituted the main entrance through the gates of the home reservation is now lined with houses. It is the proposal to sell that street—it has become a street—and let the city take care of it and have the money go into the Federal Treasury.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 101, at the beginning of line 8, to strike out "$45,000" and to insert "$48,500"; in line 9, after the word "hospital," to strike out "$50,000" and to insert "$59,000"; and in line 11, to strike out "$332,272" and to insert "$344,772," so as to make the paragraph read:

Eastern Branch, Togus, Me.: Current expenses, $48,500; subsistence, $90,000; household, $100,000; hospital, $59,000; transportation, $500; repairs, $27,000; farm, $19,772; in all, Eastern Branch, $344,772.

The amendment was agreed to.

The next amendment was, on page 101, line 13, after the word "expenses," to strike out "$52,500" and to insert "$55,400"; in line 14, after the word "household" to strike out "$125,284" and to insert "$129,000"; in the same line, after the word "hospital," to strike out "$109,000" and to insert "$122,000"; and at the end of line 16 to strike out "$564,284" and to insert "$583,900," so as to make the paragraph read:

Southern Branch, Hampton, Va.: Current expenses, $55,400; subsistence, $215,000; household, $120,000; hospital, $122,000; transportation, $1,000; repairs, $50,000; farm, $11,500; in all, Southern Branch, $583,900.

The amendment was agreed to.

The next amendment was, on page 101, line 18, after the word "expenses," to strike out "$57,500" and to insert "$59,160," and in line 21, to strike out "$553,500" and to insert "$555,160," so as to make the paragraph read:

Western Branch, Leavenworth, Kans.: Current expenses, $59,160; subsistence, $202,500; household, $132,500; hospital, $94,500; transportation, $500; repairs, $46,500; farm, $19,500; in all, Western Branch, $555,160.

The amendment was agreed to.

The next amendment was, on page 101, line 23, after the word "expenses," to strike out "$66,000" and to insert "$69,600"; at the end of the same line to strike out "$395,000" and to insert "$420,000"; in line 24, after the word "household," to strike out "$118,000" and to insert "$125,000"; at the beginning of line 25 to strike out "$285,000" and to insert "$294,000"; on page 102, at the beginning of line 1, to strike out

"$65,000" and to insert "$70,000"; in the same line, after the word "farm," to strike out "$22,500" and to insert "$25,000"; and in line 2 to strike out "$952,500" and to insert "$1,004,600," so as to make the paragraph read.

Pacific Branch, Santa Monica, Calif.: Current expenses, $69,600; subsistence, $420,000; household, $125,000; hospital, $204,000; transportation, $1,000; repairs, $70,000; farm, $25,000; in all, Pacific Branch, $1,004,600.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I am instructed by the Committee on Appropriations to offer the amendment which I send to the desk, to come in after line 2 on page 102.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 102, after line 2, it is proposed to insert:

That the Board of Managers are authorized to sell surplus land at the Pacific Branch, to wit, a strip of land lying west of the traction line that runs parallel to the home fence on the west side, and to use the proceeds therefrom for the erection of a fireproof building for housing the members of the home at said branch.

Mr. WADSWORTH. Mr. President, this amendment is somewhat unusual in form, and I think is worthy of an explanation.

At the Pacific Home there is a body of land separated from the activities of the institution by the trolley line which is mentioned in the amendment, which the Board of Managers desire to dispose of. It will be remembered, however, that the land upon which the Pacific Home stands was given to the Government of the United States by a former Member of this body, if my recollection is correct, and his family, with a condition in the deed to the effect that the land should be used for a soldiers' home. It was given by former Senator Jones. The Government therefore is in honor bound, if it ever disposes of that land or any portion of it, either to return the proceeds to the family or to return the land itself to the family, or else to use the proceeds for improving the home itself. This proposal would involve the sale by the Board of Managers of about 60 acres of land which now is of no use to the institution and which, incidentally, is very valuable for suburban building purposes, and use that money for the erection on the main portion of the reservation of a couple of barrack buildings. It is believed that the heirs of former Senator Jones, on being assured that the money coming in from the sale of the land will go back into the home for improvements in the home itself, will not object.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 102, at the beginning of line 4, to strike out "$46,500" and to insert "$49,500"; in line 5, after the word "hospital," to strike out "$258,000" and to insert "$270,000"; and in line 7, to strike out "$707,650" and to insert "$722,650," so as to make the paragraph read:

Marion Branch, Marion, Ind.: Current expenses, $49,500; subsistence, $230,000; household, $107,000; hospital, $270,000; transportation, $1,000; repairs, $46,500; farm, $18,650; in all, Marion Branch, $722,650.

The amendment was agreed to.

The next amendment was, on page 102, at the beginning of line 9, to strike out "$54,000" and to insert "$56,250"; in line 10, after the word "hospital," to strike out "$78,000" and to insert "$85,000"; and in line 12, to strike out "$501,500" and to insert "$510,750," so as to make the paragraph read:

Danville Branch, Danville, Ill.: Current expenses, $56,250; subsistence, $204,000; household, $109,000; hospital, $85,000; transportation, $500; repairs, $45,000; farm, $11,000; in all, Danville Branch, $510,750.

The amendment was agreed to.

The next amendment was, on page 102, line 14, after the word "expenses," to strike out "$45,100" and to insert "$49,400"; in line 15, after the word "hospital," to strike out "$235,000" and to insert "$240,000"; and in line 17, to strike out "$677,700" and to insert "$687,000," so as to make the paragraph read:

Mountain Branch, Johnson City, Tenn.: Current expenses, $49,400; subsistence, $225,000; household, $99,800; hospital, $240,000; transportation, $500; repairs, $43,500; farm, $28,800; in all, Mountain Branch, $687,000.

The amendment was agreed to.

The next amendment was, on page 102, line 19, after the word "expenses," to strike out "$33,500" and to insert "$34,950"; at end of line 20, to strike out "$63,000" and to insert "$65,000;" and at the end of line 22, to strike out "$263,420" and to insert "$266,870," so as to make the paragraph read:

Battle Mountain Sanitarium, Hot Springs, S. Dak.: Current expenses, $34,950; subsistence, $80,500; household, $59,920; hospital, $65,000; transportation, $500; repairs, $20,000; farm, $6,000; in all, Battle Mountain Sanitarium, $266,870.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I am instructed by the Committee on Appropriations to offer the amendment which I send to the desk, and which will come in on page 103, after line 15. I desire to say just a word to the Senate in explanation of it.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 103, after line 15, it is proposed to insert:

That section 4826 of the Revised Statutes, as amended, is hereby amended to read as follows:

"SEC. 4826. Seven managers of the National Home for Disabled Volunteer Soldiers shall be elected from time to time, as vacancies occur, by joint resolution of Congress. They shall all be citizens of the United States and no two of them shall be residents of the same State. The terms of office of these managers shall be for six years and until a successor is elected."

Mr. WADSWORTH. Mr. President, I find especial pleasure in being permitted to offer this amendment on behalf of the committee.

Senators may not realize it, but section 4826 as it reads at present provides that the managers of the National Soldiers' Home must come from States of the Union that did not take part in the War of the Rebellion on the Confederate side and whose States supplied troops to the Union Army. Your committee believes that that restriction should not be imposed any longer in a Federal statute. The effect of this amendment is to make a citizen of any State eligible for membership upon the Board of Managers of the National Soldiers' Home. The other qualifications are retained—for example, that no two of them shall be residents of the same State.

May I say to the Senate that this amendment was proposed to the committee by the Board of Managers themselves, and that the Board of Managers, if I recollect aright, contains three veterans of the Union Army, and they are the persons who asked that their southern brethren be made eligible for membership along with them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 103, line 24, to insert "and who have no adequate means of support," so as to make the paragraph read:

The following persons shall be entitled to the benefits of the National Home for Disabled Volunteer Soldiers, and may be admitted thereto upon the order of a member of the Board of Managers, namely: Honorably discharged officers, soldiers, sailors, or marines who served in the regular, volunteer, or other forces of the United States, or in the Organized Militia or National Guard when called into Federal Service, and who are disabled by diseases or wounds and who have no adequate means of support, and by reason of such disability are either temporarily or permanently incapacitated from earning a living.

The amendment was agreed to.

The next amendment was, on page 104, line 4, in the total appropriation for the National Home for Disabled Volunteer Soldiers, to strike out "$6,527,504" and insert "$6,747,142."

The amendment was agreed to.

The next amendment was, under the subhead "The Panama Canal," on page 107, line 20, before the words "to be available," to insert "which may be disbursed and accounted for as one fund and," so as to read:

Total, Panama Canal, $7,240,160, which may be disbursed and accounted for as one fund and to be available until expended.

The amendment was agreed to.

The reading of the bill was concluded.

The PRESIDING OFFICER. That completes the committee amendments, except the one which was passed over on page 30, the amendment beginning with line 9, which the Secretary will report.

The READING CLERK. On page 30, line 9, after the word "Kentucky," the committee proposes to insert the following:

but not to be available until the proper authorities of Kentucky, in manner and form to be approved by the Secretary of War, vacate the old Dixie Highway within Camp Knox and accept and agree to maintain the new Dixie Highway in lieu thereof without further expenditures by the United States, except for completion of acquisition of the right of way.

Mr. WADSWORTH. Mr. President, neither of the Senators from Kentucky is here. I think the senior Senator from Kentucky [Mr. STANLEY] is absent from the city, and the junior Senator from Kentucky [Mr. ERNST] has never spoken to me about this amendment. If the Senate will adopt it now, the matter can be taken up in conference, and if either Senator has any suggestion to make as to changing the amendment in some way, the Senate conferees will be glad to consider it.

Mr. McKELLAR. With that understanding, it is all right.

Mr. WARREN. The matter is entirely covered by the Senate committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 97, line 22, after the numerals "1920" and before the period, the Senator from Tennessee proposes to insert a colon and the following proviso:

Provided, That the Secretary of War may, notwithstanding any existing laws to the contrary, retain in their present positions two officers of the United States Army, one of whom is Chief of the Inland and Coastwise Waterways Service, War Department, and the other assistant to the Chief, Inland and Coastwise Waterways Service, War Department.

Mr. McKELLAR. Mr. President, all I want to say about the amendment is that two Army officers have been in charge of the inland waterways on the Mississippi and Warrior Rivers for a number of years. Their time has expired, and they will either have to leave that work or some such amendment as this must be adopted. I hope the Senator from New York will accept the amendment.

Mr. WADSWORTH. It so happens that I have a good deal of admiration for the colonel of the Army who is in charge of this inland transportation service, but we have a law upon the statute books, which is known in the Army as the "Manchu" law, which provides that officers shall not serve more than four years successively in the city of Washington. I do not feel that we should make any exception to that. I would not be authorized to accept a legislative amendment of this kind on this general appropriation bill, so I am compelled, under the circumstances, to raise the point of order against it. It is legislation upon a general appropriation bill.

The PRESIDING OFFICER. The point of order is sustained.

Mr. McKELLAR. On page 97, line 5, after the numerals and before the period, I move to insert:

of the amount authorized for the construction of levees, not less than 50 per cent shall be for work done by contract.

Mr. WARREN. That is purely legislation.

Mr. WADSWORTH. Mr. President, I will have to raise a point of order against the amendment as being legislation.

Mr. KING. Mr. President, I have received a number of communications, one of which I hold in my hand, and I think they have to do with the matter to which the Senator from Tennessee has directed his amendment. In one of these letters the writer, who is an engineer and contractor, his company doing a large amount of work in various parts of the United States, states:

There seems to be a lot of opposition on the part of the engineers for the Government to a provisional bill requiring at least 50 per cent of this appropriation to be expended in the form of lump-sum or fixed contracts and leaving not to exceed 50 per cent to be expended at the discretion of the engineers by day-labor methods. In studying over the hearings begun Friday, February 8, 1924, and ending on February 11, 1924, authorities and competent witnesses agree that the work done by the day-labor system under the direction of the Army engineers has proven more expensive each year than the work let by contract, notwithstanding the attempts to show that during the last year there was some slight saving. A review of the figures placing the work on reasonably the same basis discloses that there was an actual expenditure over and above the average of the per yard expended paid under lump-sum contract to contractors who performed a certain portion of the work. There seems to be a tendency each year for the Government to perform more of this work under the so-called day-labor system. The results are the same as have been in evidence in all parts of the country where an attempt has been made to carry on work in this manner which involves no financial responsibility for the directing head and leaves the Treasury doors unlocked, thus limiting the expenditure only by the ability of those directing the work to consume capital in the carrying out of it.

We realize that those who are vitally interested in the construction of these levees on account of the danger to their lands and crops are willing that any measures may be passed that will insure the construction of these levees promptly. They realize, no doubt, from actual experience that the method of day labor does not produce an efficient piece of work, and that it is wasteful in the extreme. It is another repetition of the experience of the Reclamation Department.

But, more important than all of this to me, it seems, is the surprising disclosures of the quality of work done by the forces that are employed directly on day-labor basis by the Army engineers, as disclosed at this hearing. Authorities agree that the work performed in this manner was selective of the heavier quality and most desirable, as the cableways and heavy excavating equipment owned by the Government in the beginning of this day-labor program, and as covered by later additional purchase, were only adapted to the long and heavy sections of work in which the quantities were large and the difficulties few, leaving the smaller and more difficult pieces of work to be let by contract.

I am advised that engineers connected with the War Department take a different position, and contend that they fairly make awards—that is, give to contractors as desirable pieces of work as are performed by the Government by means of day labor.

This position is not supported by the gentleman whose letter I am reading; indeed, it is controverted. I think the report of the commission—Mississippi River Commission—contradicts the Army engineers and corroborates the statements of the engineer who writes me. Let me add, Mr. President, that I vouch for the integrity and veracity of the engineer just referred to.

Mr. BROOKHART. Who makes this statement?

Mr. KING. He is a contractor, an engineer, a man of the highest integrity, and a man for whose veracity I vouch.

Mr. BROOKHART. Also a man looking out for profits. I want to defend the Army engineers against all such charges.

Mr. KING. Let the Senator make his defense of the Army engineers in his own time.

Mr. BROOKHART. I do not think they deserve it.

Mr. KING. I do not care to be interrupted now, as I desire to complete the letter from which I am reading.

Mr. WARREN. Mr. President, there will be a point of order interposed against this amendment. I do not think there should be any consideration given as to which is the better of the two methods. I heard all the arguments, and I do not wish to dispute the Senator, because I think those are very excellent gentlemen, and that they have a very sound institution.

Mr. KING. Of whom is the Senator speaking?

Mr. WARREN. I am speaking of this contracting firm.

Mr. KING. I do not think the firm of which I am speaking now was before the committee; the Senator has in mind some other person and some other contracting firm.

Mr. WARREN. There were representatives before our committee.

Mr. KING. Of some firms.

Mr. WARREN. Yes.

Mr. KING. The Senator does not assert that there appeared before his committee a representative of the firm of which the writer of the letter I am reading is a member?

Mr. WARREN. I presumed it was the one which had been represented before us; but whatever the matter is, it is legislation, and of course should not be considered.

The PRESIDING OFFICER. Is the Senator from Utah speaking to the point of order?

Mr. KING. I am; a point of order raised in the Senate is broad enough to permit a rather broad consideration of the matter, which has provoked the raising of the question of order. I continue reading from this communication:

Obviously, under the same management, the smaller and more difficult work would ordinarily involve a greater cost, but, strange to say, the facts show the experience to be otherwise. And, in addition to this, the quality of work produced under the day-labor system is condemned in no uncertain terms in this hearing, as I will afterwards describe, whereas in no case was there evidence that any contractor was permitted to do work other than strictly in accordance with the plans and specifications and standards established by the Army

engineers and the Mississippi River Commission. Attention is called to the report of the Committee on Levee Investigation, shown on pages 1690, 1691, and 1692, of the extracts from hearings above referred to. The chairman of this committee, Mr. J. A. Ockerson, is a man who has spent his entire engineering life on the Mississippi River in its control and improvement. His reputation is of the highest. The investigation covered a piece of levee construction 34 miles in length, performed by day labor under the Army engineers and with the use of Government equipment, which is recognized to be efficient, and under conditions agreed upon by all parties to be favorable. After the work was completed, the question was raised as to whether it was performed in accordance with the requirements of the specifications. A committee of investigation was appointed, consisting of members of the Engineering Department of the Army engineers and of the Mississippi River Commission. In other words, engineers who were directly employed upon the work, and not, as would ordinarily be expected, by a committee of engineers who had no interest in it whatever.

This investigation was made quite thoroughly, covered a considerable length of time, and developed the fact that proper allowances were not made for slopes, and borrow pits were excavated very much deeper than would be permitted on a straight contract, thus taking away the berm that good engineering requires in all embankment construction, but that, in addition to this, the sections were not complete, requiring considerable additional material to fill them to the slopes and levels established, and that the excess depth of the borrow pits would require that they be filled up to a level bringing them to the standard, and that, further than this, great masses of logs, roots, and sections of trees were covered up in the levee, which experience has shown will in time rot and leave the levee free to the passage of water, after which, experience shows, it is very quickly washed out or destroyed; and otherwise the construction was far from the standards required from contractors under lump-sum contracts.

Information which I have received corroborates the statements of this able engineer from whose letter I am reading, and it would seem, as he charges, that favoritism was shown, and the standards required of contractors are not adhered to or followed by the engineers with respect to the performance of work by the day laborers. The evils of which he speaks and the inefficient and improper construction to which he calls attention ought to call for investigation and prompt rectification. And all must agree that a system which permits this method of construction ought to be revised and a different one adopted.

The course pursued by the Government in the construction of the levees referred to is similar to that followed in most of the work of the Government during the war, and which has been the subject of much animated discussion. Apparently the engineers in charge of this work seem unable to depart from the rut made during the war. There are some officials of the Government who are unwilling to permit the contracting of Government work, though past experience demonstrates the unwisdom of such a policy. They seem so wedded to bureaucracy that they will not permit efficient and proper methods to be adopted by the Government. As a result the activities of the Government annually cost hundreds of millions more than is necessary. All work, when it is possible, should be contracted. There are capable engineers and contractors of highest standing in all parts of the United States. They are equipped to erect buildings, tunnel through mountains, construct dams and reservoirs, build levees, and undertake the most stupendous enterprises calling for the highest technical skill and the finest organizing and administrative ability. But too often Government bureaus and agencies are controlled by those who would like to project the Government into all private concerns and individual enterprises.

But I return to this letter:

These statements are not the voluntary contributions of innocent bystanders, but are the report of the committee of engineers who were engaged upon the Mississippi River work during the time that this levee was constructed—men thoroughly familiar with the work, and in the employment of the very departments whose work was under investigation, the chairman of the committee being, as above mentioned, Mr. J. A. Ockerson, and the report was made to the president of the Mississippi River Commission. I copy from the report as follows:

"The field investigation has been completed and the results to a considerable extent confirm the charges that the commission specifications have been violated in the levee machine enlargement work of the 34 miles of levee under investigation. The testimony gathered by the committee clearly indicated that these violations were a matter of common knowledge in the lower Yazoo levee district. That it was not brought to the attention of the commission until much of the damage had been done is to be regretted. The committee feels that lack of proper regard for the levee specifications prevailed, and that gross carelessness in the execution of the work developed in 1920 and 1921 in the lower Yazoo levee work, for which the district engineer then in charge of the third district and his assistant in charge of levee work must be held responsible."

I pause to inquire of the chairman of the Committee on Appropriations, the Senator from Wyoming [Mr. WARREN], whether any steps have been taken to investigate the competency of those in charge of this work and the statements made by the commission, which show carelessness and inefficiency upon the part of the engineers and their assistants who directed the construction of the levees?

Mr. WADSWORTH. If the Senator from Wyoming will permit, I will answer, in part at least, the question. The matter has never been brought to the attention of the Committee on Appropriations. No charges have been lodged with the committee in connection with the preparation or consideration of the bill.

Mr. KING. The only reason why I made the inquiry was that I understood the Senator from Wyoming to say that all these matters had been brought out in the hearings.

Mr. WARREN. I may say that a gentleman who stated he represented the contractors came into my office in connection with the matter. I listened very patiently for three-quarters of an hour, and I saw nothing in what he said to bring attention to the matter further. I said to him that it was legislation and that the whole subject was before the subcommittee of which I was not a member. The allusion I made was that there might have been another member of the committee present at the time. It was in my private office, and the question was made by some contractor. I stated that, in my opinion, I should be against the proposition or any other proposition that would compel the leaving of matters of that kind entirely to contractors, because very often urgent calls are made and the work has to be done quickly.

Mr. WADSWORTH. I merely desire to say the matter was brought to my attention in private conversation. A representative of the contractors' association came to me and had quite a talk with me about the alleged inefficiency, but never appeared before the committee and did not ask to appear before the committee. At the time I told him quite frankly that I thought legislation compelling the Flood Control Commission to do a certain fixed percentage of work by contract would be legislation which the Congress never could be persuaded to pass.

Mr. KING. I am expressing no opinion with respect to the merits of the amendment offered by the Senator from Tennessee. It may adequately meet the situation and it may be that it should be further amended. It is evident that the present plan is unsatisfactory and is unfair to the Government. But I am not now discussing what legislation, if any, is required to cure the evils which, I submit, exist. I am presenting to the Senate some valuable suggestions from a competent and honorable engineer, hoping that the War Department will correct its ways and that a bad practice shall be abandoned. Indeed, I hope, if only by legislation the evils complained of can be corrected, that the necessary law will be enacted. As stated by him, the hearings shows waste, incompetency, and improper construction.

Mr. WADSWORTH. To what hearings does the Senator refer?

Mr. KING. I refer to the hearings before the House committee and also the report of the commission, an excerpt from which appears in the letter from which I am now reading.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. There were hearings held before a House committee, and it developed that certain portions of the work that had been done by the Mississippi River Commission had in it very great defects. I have no doubt that help would be rendered to the situation to a considerable extent if the amendment were adopted. I am quite sure great help would be rendered, because there would be competition and no doubt very much better work done than has been done in the past.

Mr. KING. The report made to the commission and the hearings in the House call attention to the defective work and to the negligence and carelessness of those in charge of the same.

I was calling attention, when interrupted, to the report of the commission where they direct attention to the negligence of the district engineer in charge of the third district

and to his assistants. The report of the commission states that they must be held responsible for the defective construction, and then proceeds:

Probably the objectionable practices progressed in extent and degree little by little from small beginnings so that not until the matter came up for review did those engaged in them fully realize their grave impropriety; but while this may explain it does not excuse. The motive appears to have been an ill-advised desire to expedite the work and reduce the cost, which led to the sacrifice of quality. Such practices must be condemned and such positive measures taken as will prevent any recurrence thereof.

In addition to the work being condemned by the committee, the committee, as a part of the report, further stated that it would cost $1,000,000 to restore the borrow pits to the condition the specifications for lump-sum contracts would require, and an additional sum of $120,000 to bring the embankment up to the cross sections shown by the plans.

It is needless to state that if we had labor performed under such inefficient and incompetent management as that indicated here, it would be prudent and proper to provide for contractual work under proper restrictions and regulations.

Returning to the letter, I read further:

This is the report of the committee itself, and on their own statement acknowledges the fact that $1,120,000 is required to properly complete the earthwork. This still leaves the levee full of logs and brush, roots, and other material which is not permitted by the specifications, and which endangers this whole levee to the point that after sufficient time has passed for this wood to rot the levee will be subject to entire destruction during high water if not repaired. The cost of the removal of this wood and foreign matter would mean practically the rebuilding of the levee.

One would suppose that a report of this character, so highly condemnatory of Government officials, would have provoked the department to order an investigation and to punish for dereliction of duty the officers in charge of the department's work. I have no doubt that citizens whose lands are contiguous to the levee and which may be inundated by breaks will be apprehensive, in view of this report, of what may soon be anticipated because of the imperfect and defective construction.

I am sending you an extract from the Constructor in the March issue, headed "True light on day labor," which shows photographs of removed material from a section 50 feet long in this levee. Remember, this levee is 34 miles long, and the removed material represents the amount that is taken from one 50-foot section. There are three photographs which, I understand, represent the material that is taken from three 50-foot sections of the levee. In answer to the question as to whether these sections were selected because of evidence that was apparent at that point: The hearing is clear to the effect that the selections were made as representing reasonable average conditions, and the committee says as follows: "It can not be said that these excavations represent the worst conditions along each stretch."

The explanation, as I see it, is that in the desire to compare the cost with the contract prices of the work let by lump-sum contract, the engineers' organization performed the work in the cheapest possible manner and without regard to the danger of the construction accomplished or the failure to build properly a cross-section and protect its slopes.

I am sure, Senator, you will realize that the safety of the levee construction of the Mississippi River is a matter of great concern to the people in that territory, and the honest expenditure of the money and the receipt and return therefor of a substantial construction is an obligation of the legislative body where the appropriations can protect in this manner to the point that construction under these appropriations shall be in permanent form.

The contractor whose financial outcome of an enterprise depends upon successful performance must take into consideration and depend on it that his work must be in accordance with the plans and specifications. The engineer in charge of this work has one incentive—to see that this is done. When he becomes the constructor, his incentive changes. It is then to produce a cost that is comparable with those in the line who are skilled in such work and who have made a success of it by properly executing contracts and making a profit therefrom, and inspection and insistence on satisfactory work become a secondary consideration.

If this program of construction can not stand the competition of 50 per cent of it being done under lump-sum contracts, then it is time to look below the surface and see what justifies such an attitude. The attack of the present administration upon the methods employed by the United States Government during the war to construct camps and war facilities in times of emergency has criticized, even under those conditions, the day labor basis of employment. Surely there can be no justification for an attitude on the part of Congress to legalize the thing that the Graham committee has taken such a positive stand on with respect to war-time contracts. If war did not justify a day-labor program certainly peace times do not.

It seems to me the logic of this eminent engineer is irrefutable.

While this is a question that affects contractors to a certain extent, it is more so in the public interest. The contractors are, fortunately, in a position to better present this case than some one less familiar with it. As above stated, the people who are intersted in these levees want them at any cost, but the interests of the public are served by the contractors through their representatives in this hearing, who jeopardized their own interests by appearing and presenting evidence with respect to the management by engineers under whom they have, and under whom they probably will have, to do work. In doing this they have subjected themselves to the possibility of punitive action by the Engineering Department on future work. Nevertheless, a statement of fact can, in the end, injure no one, and I am calling your attention to this particular feature of it in order that the position of the contractor in the matter may not be, in any manner, misunderstood.

I, personally, am convinced that the methods used during the war were justified, and I doubt if past experience would develop a better plan in a similar emergency, but operations in time of peace are different. I am equally as positive that a program of construction of levees and river improvements on the Mississippi that does not consider the performing of at least half of it on a lump-sum basis is not based upon a proper consideration of all the facts.

Mr. President, my understanding is that the gentleman from whose letter I have read did not appear at the hearings and, so far as I know, has had no contract for work on the Mississippi River. He has had important engineering and construction contracts in the West, and, as I understand, in other parts of the United States. What he says may be absolutely relied upon, and his statements as to the imperfect character of the levee work are verified by the clear and critical report of the commission which is charged with the responsibility of looking after the levee system.

In the light of this record, Mr. President, it is obvious that something should be done. If the law forbids contracts being let to private citizens, as suggested in the amendment of the Senator from Tennessee [Mr. McKELLAR], it ought to be amended. If the work is not to be let to private contractors, if it is to be done entirely by day labor under the direction of the Engineers of the Army, then we had better have more competent engineers in charge of the work. The present system needs rectification.

Mr. President, while I have not examined the statute, I am of opinion that the War Department, or the official organization having charge of the levee construction upon the Mississippi River, has the authority to let contracts for the performance of such work. I think it is their duty to do so. Perhaps the law is not mandatory, but I feel sure that a proper interpretation of it would call for competitive bidding by private concerns. Of course, if that is not the law, it should be promptly amended; and if the officials in charge of the work refuse to ask for bids, they should be compelled by law to advertise for bids.

Mr. HARRELD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Oklahoma?

Mr. KING. I yield.

Mr. HARRELD. I wonder if the Senator's attention has been called to page 1677 of the hearings and to a table introduced therein by Mr. Marshall, which, I understand, is undisputed?

Mr. KING. Who is Mr. Marshall?

Mr. HARRELD. He is a contractor or, rather, he is the head of the Associate General Contractors of America.

Mr. WADSWORTH. He is former Brigadier General Marshall, the chief of the construction division during the World War.

Mr. HARRELD. Referring to page 1677 of the hearings before the committee of the other House, I want to call the Senator's attention to the fact that the table found on that page of the hearing shows that work which was done by contract in building the levees cost on an average of $32.25 per cubic yard, while the work done by the Government under the system the Senator has been talking about cost $41.06 per cubic yard.

That statement would seem to indicate that all this work ought to be let by contract. The table shows that the relative cost of doing the work by contract is approximately one-third less than it is when done by day labor under the Government engineers.

Mr. McKELLAR. There is not any doubt about the cost being very much less.

Mr. KING. I have no doubt but that most, if not all, the Mississippi levee work could be performed under private contract for from 20 to 35 per cent cheaper than under the plan now followed.

The officials in charge have not always been fair in their dealings with contractors; they have, as stated in the letter just read, favored the day-labor plan and have given the hardest and least desirable sections of construction to contractors.

Mr. President, I have no personal interest in this matter. The views of the engineer, whose letter I have read, because of his ability and knowledge of the subject, should be accorded consideration. He reveals a condition which calls for immediate change—for reforms.

I felt it my duty to call the Senate's attention to this matter in the hope that an end might be put to the patent evils in the present system of levee construction. If no legislation is necessary, then the War Department ought to employ more competent engineers, and adopt a system that will not permit the waste and inefficiency which the record shows to exist. I appreciate that under the rules of the Senate certain amendments, no matter how meritorious and desirable, can not be offered to general appropriation bills. It may be that a point of order will lie to the amendment offered by the Senator from Tennessee [Mr. McKELLAR]. If so, then I hope the appropriate committee of the Senate will look into this subject, and if legislation is required, that they will report such measure as will remedy the evils which all must deplore.

Mr. McKELLAR. Does the Chair desire to rule on the point of order?

The PRESIDING OFFICER. The Chair will rule on the point of order. The Senator from Tennessee has offered an amendment and a point of order has been raised against it by the Senator from New York. The Chair rules that the point of order is well taken.

Mr. KING. As I understand, the Chair so holds because the amendment proposes new legislation upon an appropriation bill?

The PRESIDING OFFICER. Yes. The point of order is sustained.

Mr. KING. I hope that the appropriate committee will report suitable legislation which will rectify this evil.

Mr. McKELLAR. Mr. President, I wish to express the same hope. There is no doubt in the world but that this work may be done cheaper by independent contractors than it can be done or than it has been done by the Mississippi River Commission. It is a waste of the people's money to pursue the plan that that commission has been pursuing for several years past.

Mr. SHEPPARD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	George	McNary	Simmons
Ball	Gooding	Moses	Smith
Brookhart	Hale	Neely	Smoot
Broussard	Harreld	Norbeck	Spencer
Bruce	Harris	Norris	Stanfield
Bursum	Harrison	Oddie	Stephens
Capper	Howell	Overman	Swanson
Carraway	Johnson, Calif.	Pepper	Trammell
Copeland	Johnson, Minn.	Pittman	Wadsworth
Dial	Jones, Wash.	Ralston	Warren
Dill	Keyes	Ransdell	Watson
Ferris	King	Reed, Pa.	Willis
Fess	Ladd	Sheppard	
Fletcher	McKellar	Shipstead	
Frazier	McLean	Shortridge	

Mr. JONES of Washington. I wish to announce that the Senator from Kansas [Mr. CURTIS] and the Senator from Arizona [Mr. CAMERON] are detained from the Senate on official business.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names, a quorum of the Senate is present.

Mr. SHIPSTEAD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Minnesota offers an amendment, which will be stated.

The READING CLERK. On page 96, line 6, after the numerals and before the period, it is proposed to insert a comma and the words:

of which sum $6,300 shall be available for dredging a suitable harbor near the United States Fish Cultural Station at Homer, Minn.

Mr. WADSWORTH. Mr. President, I have examined into this matter and I am prepared to accept that amendment.

Mr. McKELLAR. It is just a limitation on it?

Mr. WADSWORTH. It is just a limitation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota.

The amendment was agreed to.

Mr. PITTMAN. Mr. President, we are considering here a bill that appropriates $37,000,000 for rivers and harbors, $10,000,000 for flood control, and approximately $7,000,000 for the Panama Canal, about $5,000,000 of which, if I am correctly informed, is to cover what is in the nature of a deficit.

I have never opposed appropriations of this character. I do not intend to oppose this appropriation unless I am convinced that it is going to continue to be wasted as it has been in the past. We have spent $500,000,000 on the improvement of the rivers and harbors of this country, primarily improving the rivers for the purpose of inducing water transportation, and in spite of that tremendous expenditure we have no water transportation on the inland waterways. What is the use of appropriating millions more for the same purpose? When are we going to stop?

We have appropriated $174,000,000 for the improvement of the Mississippi River alone. There are no boats on the Mississippi River. The Government has been trying to operate a Government transport line on the Mississippi River. The testimony shows that it has been a failure, and it has been a failure by reason of the fact that the railroads that parallel that river have strangled that line to death. The fact stands that a few years ago the Mississippi River was covered with boats and to-day there is not a real line on it. Why? Everyone knows why. It is because under a provision of the fourth section of the interstate commerce act the railroad companies were permitted to reduce their rates in competition with those boats to so low a point that the boats could not make a profit, and they went out of existence.

How could the railroads afford to do that? They could afford to do that by making up those charges at some other point where the boats did not compete. That was all there was to it.

Mr. President, we have been holding hearings for weeks before the Interstate Commerce Committee of the Senate. It was testified there by the railroads and by the Interstate Commerce Commission that there is pending an application by all the western roads to reduce the rates on 43 commodities transported to the Pacific coast, so that they can compete with the water transportation through the Panama Canal. They admit that the rates they will charge to the Pacific coast will not pay interest on their property. They admit that they will not pay dividends. They admit that they will not pay the interest on their bonds. They simply say that they will cover the cost of hauling the commodities.

I am talking now about the application of the western roads for a departure from the fourth section of the interstate commerce act. They ask, mind you, to put the rates to the Pacific coast so low that they are estimated to pay only the actual cost of hauling. Why do they ask it? They say they want that done because they want one-half of all the waterborne traffic now passing through the Panama Canal. That is their avowed purpose. They admit that if these rates are granted they will put out of business at least one-half of the shipping now going through the Panama Canal, and yet this bill carries an appropriation of millions of dollars for the Panama Canal!

I have here an amendment which I am going to present.

Mr. NORRIS. Mr. President, has the Senator's amendment been printed? I have just been trying to get a copy of it.

Mr. PITTMAN. No; it has not. It is to be offered now. I will state what the amendment is. It is a bill which was introduced by the Senator from Idaho [Mr. GOODING] which went to the Interstate Commerce Committee, and has been favorably reported by that body.

Mr. NORRIS. Where does it come in the bill?

Mr. PITTMAN. It comes in the bill at page 96, after line 6. In other words, it is an amendment to section 4, which states that there shall be no divergence from the rule of section 4 as to long and short hauls as to water transportation. That is what it means, and nothing else.

The question is asked, If this bill is on the calendar, why do we not fight it out here? Because we realize that it is so late in the session that it will be impossible to obtain consideration of this measure before we adjourn; and, mind you, there are now pending before the Interstate Commerce Commission applications by all the western roads for a departure from the fourth section of the interstate commerce act so as to permit them to charge so low a rate that it will put out of business half of the ships going through the Panama Canal.

tions, the day labor basis of employment. Surely there can be no justi-

engineers.

near the United States Fish Cultural Station at Homer, Minn.

of business half of the ships going through the Panama Canal.

This is an emergency, Mr. President. It is time that we should act. This Government over 40 years ago established a policy in section 4 of the interstate commerce act when it said that no railroad company should charge more for a short haul than for a long haul, the shorter being included in the longer.

That was the policy of this Government; and what happened to that policy? It happened that there was language in the act of 1887 which said "under similar circumstances and conditions"; and then what happened? The railroads, in competing with boats on the rivers, absolutely ignored that section, because they said: "The circumstances are dissimilar, and the conditions are different," and the Supreme Court of the United States held that that was a matter exclusively within the judgment of the railroad companies. What resulted? It resulted that every boat was driven off of every river in this country; and then what happened?

In 1910, when that deplorable condition was called to the attention of Congress, Congress reiterated its policy of 40 years, and said it was not the intention to grant to the railroads the right to run water competition out of existence; that it was never the intention of Congress to have that proviso, "under similar circumstances and conditions," utilized as it was utilized; and they struck it out, and then went on.

The Interstate Commerce Commission, even after Congress struck out that clause, said that under the proviso that they might allow departures in special cases, they had the power to do it; and Mr. Hall, the chairman of the Interstate Commerce Commission, testified before our committee the other day that there was no difference between the condition prevailing under that act after those words were stricken out by Congress in 1910 and the condition before. The only difference in the effect was that before that time the railroads used their own judgment, and after that time the Interstate Commerce Commission used the same judgment. The result has been just the same.

Then what happened? In 1920, when the President of the Senate was chairman of the Interstate Commerce Committee of the United States Senate, he attempted to remedy the wrong that was done the water shipping of the country. How? He had a proviso adopted in his bill to the effect that in case of a departure, where the long-haul charge was less than the short-haul charge, it should be reasonably compensatory. How did the Interstate Commerce Commission construe the words "reasonably compensatory"? The distinguished chairman of that committee, the present President of the Senate, construed them on the floor of the Senate when he said—and I do not quote his language exactly—that the rate should be such a rate that it would not only pay the operation and maintenance, but that it should earn some dividends and some interest.

How did the Interstate Commerce Commission construe those words, even after the Senator from Iowa had made that speech on the floor of the Senate? They construed them to mean a return that would pay the cost of the transportation, with possibly a little over—the out-of-pocket cost, as the Interstate Commerce Commission stated.

What is the result? Mr. President, these departures were suspended during the war, and now these railroads in the West are all back in one application, on behalf of all of those roads, for a traffic rate to the Pacific coast that is so low that it will not only give them half of all the traffic that is there now but, in the words of our Shipping Board, it will absolutely destroy all the coastwise traffic through the Panama Canal.

Is that an emergency? Is that something worth acting on? We have the distinguished Senator from Washington [Mr. JONES], the chairman of the Commerce Committee, here pleading with the Senate to do something to protect the coastwise trade of this country. He is here asking for bonuses, for subsidies, for anything to help the coastwise trade of the country. How long are we going to appropriate money for the purpose of obtaining water transportation in this country and at the same time appropriate money for the purpose of killing that transportation? That is exactly what we are up against.

Let us take what the Shipping Board has to say with regard to this proposition. Here is a resolution by it:

Whereas there is pending before the Interstate Commerce Commission an application designated as fourth section, application No. 12436, by which certain rail carriers seek authority to establish lower rates than now in effect; and

Whereas such application by the rail carriers is an effort to divert to said carriers certain traffic now being transported by ships operating in the intercoastal service through the Panama Canal; and

Whereas the establishment of the ship lines at present engaged in the intercoastal service have been utilized as a competitive artery of transportation on commodities moving between the Atlantic and Pacific seaboards, and has resulted in the development of a large volume of commerce moving in said intercoastal service through the Panama Canal of great benefit to the producing, consuming, and manufacturing portion of our population; and

Whereas it is believed by the United States Shipping Board that the application of the rail carriers is made in contemplation that it will drive the ocean carriers from this competitive trade through diversion of the commerce now being so carried in fair competition; and

Whereas any destruction of the favorable and economical competitive transportation of commerce from the Pacific to the Atlantic seaboards through the Panama Canal would be injurious to the public interest: Now, therefore, be it

Resolved, That the United States Shipping Board convey to the Interstate Commerce Commission the protest of the United States Shipping Board against granting the application designated as fourth section, application No. 12436.

Not only that, but I hear Senators saying that they are receiving protests against the passage of this bill to prevent the destruction of water transportation. They are hearing protests, and if they will read the hearings they will find out where those protests originate.

I want to call attention to something which, if Senators want to read it, will show that not only the Shipping Board but the traffic association entitled "The Board of Directors of Associated Industries of Oregon," have protested against this measure before the Interstate Commerce Commission against these lower transcontinental rates.

That is not all. The general manager of the New Orleans Joint Traffic Bureau testified at the recent hearing on these applications and stated that he spoke for New Orleans and for their association, and he protested against the granting of those orders as destructive of their commerce on the Gulf of Mexico.

That is not all. It is here for anyone to read. The Chamber of Commerce of Boston protested against this application.

Mr. NORRIS. Mr. President——

Mr. PITTMAN. I yield.

Mr. NORRIS. I would like to ask the Senator in what respect the proposed amendment differs from existing law. Will he point out the differences?

Mr. FLETCHER. The Senator has not offered an amendment?

Mr. PITTMAN. No; I have not. I will offer it right here and have it read.

Mr. NORRIS. I have read the bill which the Senator told me awhile ago was the amendment he was about to introduce, which has been reported by the committee and is now on the calendar of the Senate. That is what I have in my hand.

Mr. PITTMAN. That is exactly what it is.

Mr. NORRIS. I do not have before me the law, but this amendment struck me as being very similar to the law, and I was wondering what it was that was put into this amendment which will make effective what has heretofore been ineffective.

Mr. PITTMAN. It strikes out that provision which allows a departure from the rules of the fourth section on the ground that the longer route is reasonably compensatory, but it leaves in the provisos with regard to circuitous routes. In other words, it does not interfere with the regulation of rates as between railroads in the United States. They can give a competitive railroad, which is a little longer than another, reduced rates at the competitive point of the two railroads and allow them to charge more at certain interior points.

Mr. NORRIS. The Senator, of course, will recollect that we have tried to reach before what is sought to be accomplished by this amendment.

Mr. PITTMAN. Exactly.

Mr. NORRIS. But we have always failed when we got to final results.

Mr. PITTMAN. We failed on account of the interpretation of the language "reasonably compensatory" by the Interstate Commerce Commission.

Mr. NORRIS. That mistake is rectified by this proposed amendment?

Mr. PITTMAN. Yes; that is rectified.

Mr. SMITH. May I call the attention of the Senator to another wording in the present law, "except in special cases"? That is also eliminated.

Mr. PITTMAN. Yes; because they utilize the words "in special cases" to mean just exactly the same as "under similar circumstances and conditions."

Mr. SMITH. If the Senator will allow me, he will notice that in the bill it is absolute down to the word "provided" on page 2, and the proviso reads:

That upon application to the commission a common carrier by rail may, after public hearing, be authorized by the commission to charge

less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points.

In other words, it allows the departure where there are two competing rail lines getting through freight from a given point and going to a given point. They allow the departure in that particular, but not for the water competition.

Mr. PITTMAN. Mr. President, the whole amendment is directed against the action of the Interstate Commerce Commission in allowing rates which will destroy water transportation. I know that the Senate has tried to accomplish that since 1910, and I am perfectly aware of the peculiar construction placed upon the act by the Interstate Commerce Commission to avoid that intention. There is no doubt whatever that both in 1910 and in 1920 the Congress of the United States intended by its legislation to accomplish just exactly what we want to accomplish now. The only difference between the two attempts was that language was left for them to construe, and in this case we have stated the particular case in which they may use their discretion and the particular case in which they may not use their discretion.

I do not intend to make an argument on this proposition at the present time. The author of this bill is the Senator from Idaho [Mr. GOODING]. In offering this amendment I simply wanted to call to the attention of the Senate, and particularly to the attention of those Senators who are interested in water transportation, the fact that they are not going to get any more appropriations, if it can be prevented by those who are opposed to useless appropriations, unless they will themselves do something to assist in protecting transportation on those rivers.

It was perfectly absurd for us to have spent $450,000,000 on the Panama Canal, and for us now to be spending several millions more, and at the same time refuse to take away from the Interstate Commerce Commission the power they are now using to destroy the transportation through that canal. It is criminal to have appropriated $450,000,000 to make our rivers and harbors navigable and then to allow an act to stay upon the statute books which permits the Interstate Commerce Commission to so construe it that we have not any boats on the rivers.

In this very bill we are appropriating money to help carry on this Government barge system on the Mississippi River, and yet it has been testified by the officers who have charge of that barge line that they can not extend it up the river because the railroad companies have reduced the rates to such a point that they can not make it pay. How did they do that? They reduced the rates along the river to such a point that even a steamboat could not make money, and then they raised the rate so high that they lost nothing on the same transaction. Why should we appropriate money for a Government barge line on the Mississippi River when the very people who have it come here and tell us why they can not make a success of it?

Mr. SMITH. May I ask the Senator if there was not a general order in March, 1918, suspending the departures from the fourth section and demanding that the roads should not charge less for a long haul than for a short haul as to domestic commerce?

Mr. PITTMAN. Undoubtedly. There is no question that in 1918 they prohibited departures from the fourth section. By departures from the fourth section I mean that the fourth section expresses the policy of this Government; it is emphatic that there shall be no greater charge for a short haul than for a long haul, the shorter haul being included in the longer one, and the Government held to it in 1918, and has held to it ever since. But now the railroads are pouring into the Interstate Commerce Commission demanding of them that they depart from that policy of this Government; that they let them charge more for the short haul, so that they can get a rate for the long haul that will be so low that they will be enabled to get one-half of the trade on the Panama Canal. There is no question but that that is what they expect. They say they expect that. They expect one-half, and whenever they get a rate that will put half of the shipping on the Panama Canal out of business it will put it all out of business, because that has been the history of such things from the beginning of time.

They do not want that proposition put through for the profit there is in it; there is no profit in it. Less than 2 per cent of the business of these roads is involved in this competition with water transportation. It is not that. They make nothing out of the freight. It is only 2 per cent of their business. The proposition is the same as it always has been. The object is to drive these water transportation concerns out of existence. It is the same principle that actuated Jim Hill when he suggested that they would have pond lilies growing on the Panama Canal. They have pond lilies growing on the rivers now.

Take Louisiana and the other Southern States, for instance. They have a great inland canal system they are trying to build up, and we are appropriating money for it. How long can they stay in existence if the railroads see fit to put them out of existence? They can not exist at all. The same is true of all sections.

Mr. FLETCHER. The charging of rates by railroads in order to interfere with navigation or transportation by water is not based upon the principle of the long and the short haul clause. They fix the rates to accomplish that result without regard to any question of long or short haul. That is another matter, it seems to me, and an entirely different principle.

Mr. PITTMAN. I do not understand it so at all.

Mr. FLETCHER. I do not see how you are going to prevent the railroads from lowering rates where they are in competition with a river, for instance, or a canal, without regard to the enforcement of section 4 of the transportation act.

Mr. PITTMAN. I can explain it to the Senator in a few minutes. Section 4 provides that they shall not charge more for a short haul than for a long haul, the short being included in the long, and if they put the rate at a dollar a ton for New York to San Francisco, it must be a dollar a ton at every point between, and the railroads can not make a living.

Mr. FLETCHER. That applies to that particular situation—the rate to San Francisco, for instance—and it affects the interior points; but that does not affect the inland waterways or the canals.

Mr. PITTMAN. Take the rate from Chicago to New Orleans. The rate from Chicago to New Orleans is less than it is from Chicago to Meridian, Miss.; than it is from Chicago to Jackson, Miss.; than it is to Dallas, Tex.; than it is to any intermediate point that is not exactly on the banks of the river. What is the result of it? The result of the proposition is that through traffic that would go from Chicago down the Ohio River, or down the river into the Mississippi, does not find its way that way because the rate through to New Orleans is so low that the boats can not exist.

Mr. FLETCHER. That is a question independent of how Jackson or Meridian may be affected. Because Jackson does not get a better rate than New Orleans, for instance, or Meridian than some other place, does not argue that there is no transportation on the river because it is destroyed on account of reduced rates. That sort of discrimination could take place irrespective of the transportation on the river.

Mr. PITTMAN. No; it can not take place. There is only one ground on which it can take place, and that is the proviso for allowing them to charge less for the long haul than the short haul. If that proviso was not in there, they could not discriminate in that way. The rate would have to be just as low to the intermediate point as to the terminal point. There is but one section in all the law that gives them the right to do that and that is the very provision about which I am talking. The law of the land is that they shall not do this kind of thing. It was not intended by our Government that the railroads should be allowed to build up this place and destroy that place. It was never intended that railroad rates should be so fixed by the Interstate Commerce Commission as to give one community advantage over another community. That is the very foundation of our commerce act.

In 1887, when they established the principle that railroad rebates should cease and that preferences and discrimination should be wiped out, they said in the fourth section, never shall a railroad charge more to a locality at an intermediate point than at the further point. Then they got to thinking it over and they thought there might be some exceptional circumstances; and so they said, "under similar conditions and circumstances." They found out that all of the discriminations between 1887 and 1910 grew up under that one proviso "under similar conditions and circumstances." The Supreme Court held that there was no punishment as against the railroads if the conditions and circumstances were exactly similar; that there was no similarity between any two miles of any railroad in the United States, with the result that between 1887 and 1910 there was no basis for railroad rate making in the country, and discriminations ran riot and the boats were driven off the rivers of the country by those discriminations. That is what happened.

Mr. FLETCHER. Of course, I quite agree with the Senator that the railroads ought not to be permitted to drive the boats off the rivers. I never have believed that the railroads should have the power or be able to so fix their rates that boats could not live on the rivers or navigable waters. Of course, we know, as a general rule, that the public utilities are entitled

portation on commodities moving between the Atlantic and Pacific sea-

may, after public hearing, be authorized by the commission to charge

to earn a reasonable return on their investments; but there is another rule, and that is that their rates must be reasonable. That applies to all of them. Now, the fact that because of water competition the railroads have been allowed to charge a reduced rate to points enjoying that kind of competition, it seems to me, has not been the cause of their reduction of rates paralleling waterways so as to run the boats off of the water. That has not been the reason for it.

The mere fact that New Orleans, for instance, is entitled to a lower rate because she has water competition over other points is not the cause for the reduction of rates all along that river from beginning to end to the point that boats can not live. That is another proposition. It is a big question and I should be very glad to have it considered when the bill comes up on its own merit, but I can not quite follow the reasoning that the construction of section 4 has enabled the railroads to run the boats off the river. I think there has been altogether too much politics, and that a practice different from that justified by the situation brought about that condition. I am in favor of the bill, and everybody has been for 40 years, but nobody has stopped it.

Mr. PITTMAN. Let me read for a moment about the only river line on the Mississippi River. They have been trying that for 45 years. Let us see what is happening to it. This is the testimony of Mr. NEWTON of Missouri, who made an investigation of the matter and testified before the House committee, as follows:

There is one thing I would like to call your attention to, which I think is responsible for all this agitation against the Esch-Cummins bill, and that is the practice of the railroads in making rates against water competition. For instance, we got a barge line two years ago ready to go on the upper Mississippi. They were ready to start on the 15th of April, 1922. The railroads the first of the year two years ago made a rate from Minneapolis to St. Louis, over all the grades that parallel the river, of 96 cents on 100 pounds of first-class freight, 586 miles; but from Minneapolis to Kansas City, 86 miles less distant, and over a more level haul, they charge $1.29½.

Now I think this is fundamental: If the railroads can afford to make a rate from Minneapolis to St. Louis, 586 miles, of 96½ cents, they ought not to be permitted to charge $1.29½ for 86 miles less distance to Kansas City, and if it is necessary to charge $1.29½ from Minneapolis to Kansas City in order to get a compensatory rate, then they ought not to be allowed to make a confiscatory rate between St. Louis and Minneapolis in order to kill water competition. And shippers in Kansas and in Nebraska are constantly contending that the Esch-Cummins law should be repealed. When I have tried to defend the Esch-Cummins law I have been confronted with the argument that the rates are too high, and when I asked them for their proof this illustration is one they give.

Another is that the railroads are hauling freight from Portland, Me., to New Orleans with the approval of the Interstate Commerce Commission, 1,685 miles, for $2.26 on 100 pounds of first-class freight; from Kansas City to New Orleans, 879 miles, $2.22½ on 100 pounds first-class freight—half of the distance and practically the same rate, 2 cents less on 100 pounds.

Mr. NEWTON of Minnesota. Do you know what the water rate is from Portland to New Orleans?

Mr. NEWTON of Missouri. I do not know what that rate is, but I know that the average rate on the ocean is 3 mills per ton-mile.

Mr. NEWTON of Minnesota. Well, have they put the rail rate down so as to eliminate water competition?

Mr. NEWTON of Missouri. I have never been able to get the actual water rates from Portland to New Orleans. The Interstate Commerce Commission does not furnish it. I have tried two or three times but have not been able thus far to get it.

Mr. NEWTON of Minnesota. Now, getting back to the Mississippi River again, the upper Mississippi, when these new rates were put into effect from Minneapolis to St. Louis, that was while the barge line on the upper Mississippi was being talked of?

Mr. NEWTON of Missouri. Yes.

Mr. NEWTON of Minnesota. That had not been put into effect?

Mr. NEWTON of Missouri. No; the equipment was being constructed and was ready to go into operation on the 1st of April two years ago, and these rates were put into effect on the 1st of January, two years ago.

Mr. NEWTON of Minnesota. And what effect did that have on going ahead with the barge line?

Mr. NEWTON of Missouri. The barge line did not go. I do not know that that was entirely to blame for it.

Mr. FLETCHER. I think likely it was not to blame for it. We had a hearing before the Committee on Commerce a few days ago on a bill introduced to create a corporation to take over the line now being operated from New Orleans on the Mississippi by the Government. Colonel Ashburn appeared before our committee. His statement was to the effect that the Government has something over 100 barges—I do not recall the exact number—and quite a number of towboats and other boats operating in that business. I think they only stop at three points from St. Louis on to New Orleans. The testimony was that they have all the business they can handle. The further testimony was that they have joint rate arrangements with some 18 or 20 railroads, practically all the railroads with which they connect.

They are reaching out and serving a vast area of the North and West in connection with other Mississippi Valley commerce. It looks as if that line was a success. The last month's returns from their operations showed some $60,000 to their credit in net earnings. Of course, they have had some losses. There have been times when the river has fallen and they could not carry on their business successfully, but they cut out most of the overhead, which at one time created an entry on the red side of the book, and they are now apparently succeeding with the line. That is the last statement about it by Colonel Ashburn.

Mr. BRUCE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from Maryland?

Mr. PITTMAN. I yield.

Mr. BRUCE. I suggest the absence of a quorum.

Mr. WADSWORTH. I think no business has intervened since the last quorum was called, which was suggested by the Senator from Texas [Mr. SHEPPARD].

The PRESIDENT pro tempore. The present occupant of the chair was not in the chair at that time and is not advised.

Mr. BRUCE. If the Senator will allow me, this is an important matter now under discussion, a matter of supreme importance, one of the most important questions that can possibly arise in connection with the railroad transportation of the country. The object at the present time of the Senator from Nevada is to bring forward and engraft upon the Army appropriation bill a separate and independent bill that was introduced by the Senator from Idaho [Mr. GOODING], relating to the long and short haul clause of the interstate commerce act. The bill contemplates a profound and radical change in the interstate commerce act, one which, as I look at it, vitally and most seriously affects many great communities in the country. Therefore, I think, if the discussion is to go on, it should go on with a quorum present. I happen to know that several Senators most strongly opposed to the proposition which the Senator from Nevada is urging are not in the Chamber at the present time. I think they at least should have an opportunity to be present to express their views upon the matter.

Mr. McKELLAR. Mr. President, my understanding is that one can not take a Senator off his feet by suggesting the absence of a quorum, as the Senator from Maryland has done, and therefore the point of no quorum is not in order.

The PRESIDENT pro tempore. Has the Senator from Nevada yielded for that purpose?

Mr. WADSWORTH. Mr President, will the Senator from Nevada yield to me?

Mr. PITTMAN. I yield.

Mr WADSWORTH. It is apparent that this matter will be discussed, and I suppose it is intended by the proponents of the amendment to discuss it at considerable length. Of course, it is subject to a point of order, but I have this suggestion to make: If the Senator from Nevada is agreeable to it, and will permit the Senator from Iowa [Mr. BROOKHART] to offer an amendment to the War Department bill having to do with one of the items of the appropriation and let that be cleared up, so far as I am concerned, I shall be willing then that the appropriation bill shall be laid aside temporarily for the remainder of the afternoon, in order that the Senator from Delaware [Mr. BALL] may bring an emergency measure before the Senate, which he believes will not take over 20 minutes or half an hour.

Mr. PITTMAN. That will be satisfactory to me.

Mr. WADSWORTH. Then we may go ahead with the appropriation bill to-morrow.

Mr. PITTMAN. That will be satisfactory.

Mr WARREN I gave notice that I would——

The PRESIDENT pro tempore. The Senator from Nevada [Mr. PITTMAN] has the floor. The Chair asks if he will yield?

Mr. PITTMAN. I yield.

Mr. WARREN. I have given notice that I would ask for the consideration of a measure upon which it is necessary to act and which concerns every Senator. It certainly does not concern me any more than it concerns other Senators.

Mr. WADSWORTH. What is the measure?

Mr. WARREN. I refer to the bill reclassifying the employees of Congress; but, so far as I am concerned, the so-called rent bill may be considered. I wish to be obliging to all Senators.

Mr. WADSWORTH. If the Senator from Wyoming will permit me, my suggestion was based upon one condition that the War Department bill shall be resumed at the first appropriate opportunity to-morrow.

Mr. PITTMAN. I am satisfied with that.

Mr. WADSWORTH. The Senator from Maryland [Mr. BRUCE] was about to suggest the absence of a quorum, which he has a right to do, and it was the purpose to continue the discussion of this particular amendment. By the time that shall be done the afternoon will have gone; and if I may be permitted to clear up one little item in the War Department bill proper, I shall be compelled to be satisfied for the day, I imagine.

Mr. PITTMAN. That is all right.

Mr. WADSWORTH. I know of several Senators who are going to discuss the long and short haul amendment.

Mr. PITTMAN. I know of quite a number of Senators who intend to do so.

Mr. BRUCE. If the Senator from Nevada will permit me, I should like to suggest to him that this question, so far as those of us are concerned who are opposed to his amendment and to the bill of the Senator from Idaho, has been brought forward very precipitately and very unexpectedly. We had, of course, supposed that the contest would be over the bill and not over the amendment proposed by the Senator from Nevada. I suggest to the Senator—of course, he will do what he pleases about it—that we might let this matter go over until some time to-morrow when we can take it up.

Mr. PITTMAN. I am perfectly agreeable to anything that pleases the chairman of the Committee on Military Affairs, the Senator from New York [Mr. WADSWORTH].

Mr. SMITH. As I understand the suggestion which has been made by the Senator from New York [Mr. WADSWORTH] it is that we complete one other item of the pending bill, and then that the bill would be temporarily laid aside and the Senator from Delaware——

Mr. WADSWORTH. I have no right to farm out the time of the Senate.

Mr. SMITH. I know that, but the suggestion was made that the Senator from Delaware would then make an effort to proceed with a measure that he has in hand and to-morrow that we shall again take up the question which the Senator from Nevada has been discussing.

Mr. WADSWORTH. The further suggestion has been made that before we finish the business of the day we have a short executive session.

Mr. SMITH. That is all right, but that would be preliminary to adjournment.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. The Senator from Nevada has the floor. Does he yield?

Mr. PITTMAN. Under the statements made by the Senator from New York [Mr. WADSWORTH] and the Senator from Wyoming [Mr. WARREN], I yield the floor, but I shall ask for the floor again whenever the pending bill shall come up.

Mr. PITTMAN subsequently said: I ask unanimous consent to have the amendment which I intend to propose to-morrow printed for the information of the Senate and that it also be made a part of my remarks.

The PRESIDENT pro tempore. In the absence of objection, it will be so ordered.

Mr. PITTMAN's amendment is as follows:

Amendment intended to be proposed by Mr. PITTMAN to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, viz:

On page 96, after line 6, insert a new paragraph to read as follows:

"That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier by rail may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

"Where any common carrier has or common carriers have in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearing, based on no less a showing than that upon which the commission is herein authorized to grant relief.

"*Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission or permitted by it to be filed.

"Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed."

The PRESIDENT pro tempore. The amendment will lie on the table and be printed.

Mr. WADSWORTH. Mr. President, I simply wish to say that, agreeable to the notice which I gave some weeks ago and again to-day, it will be my desire to get up at the earliest possible moment the bill providing for the classification of the employees of Congress. That bill is not only of an urgent character, but it is necessary for us to act on it so as not to interrupt the preparation of appropriation bills in the other House. I am willing, however, to accede to the request to lay aside the pending bill, in order that the Senator from Delaware [Mr. BALL] may secure consideration of the bill which he has in charge.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and is open to amendment.

Mr. PITTMAN. Mr. President, it is not proposed to report the appropriation bill to the Senate, is it?

Mr. WADSWORTH. That was not my intention.

Mr. PITTMAN. From the statement of the Chair I inferred that such was the intention.

Mr. WADSWORTH. No; the Chair was proceeding with the announcement of the present status of the bill for the purpose of enabling the Senator from Iowa [Mr. BROOKHART] to offer an amendment which he desires to present.

Mr. BROOKHART. I desire to offer an amendment to the pending bill on page 101, line 2, to strike out "$237,000" and in lieu thereof to insert "$337,000."

The PRESIDENT pro tempore. The amendment proposed by the Senator from Iowa will be stated.

The READING CLERK. On page 101, line 2, it is proposed to increase the appropriation for subsistence, Northwestern Branch, Milwaukee, Wis., from "$287,000," to "$337,000."

Mr. KING. Mr. President, I should like to ask the Senator from Iowa to explain the amendment which he has offered and the necessity for it.

Mr. BROOKHART. Complaint has been made that the amount allowed for subsistence for the Northwestern Branch is too small. As I recollect, the figures, about 60 cents per day per capita, are allowed for subsistence for tubercular patients, as against 88 cents per day in the Veterans' Bureau hospitals and a similar proportion in the case of ordi-

nary patients. The amendment I have offered would raise the appropriation for subsistence about halfway between the allowance made by the Veterans' Bureau and that allowed at the Northwestern Branch Home.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Iowa.

Mr. WADSWORTH. Mr. President, I merely desire to say that the appropriation of $287,000 for subsistence for the Northwestern Branch of the National Soldiers' Home is, in round numbers, $16,000 above the estimate. That appropriation was made by the House committee; it was the House committee that placed the appropriation above the estimate on the plea of the Board of Managers of the Home that there would be no diminution in the number of members at the Northwestern Branch; that it costs so much per day to feed them; and that that amount of money would be necessary. The Senate committee adopted that figure. In other instances throughout the different items affecting the Soldiers' Home we were compelled to raise the figure because the Board of Managers showed us very clearly that the Budget in making its estimate had failed to take into consideration the number of men to be fed and the cost per day.

I can say, Mr. President, we have had no complaint of any general character coming to the committee from the soldiers' homes in general. Every bit of the testimony we have received is to the effect that the homes are run admirably, that the food is sufficient, and that there is a general air of contentment among the members. If the increase asked by the Senator from Iowa [Mr. BROOKHART] is granted, it will run the Northwestern Branch subsistence item far out of proportion to the subsistence items of all the other branches. There is no testimony before the committee to the effect that men are starved or badly treated. One person did come before the committee and made certain assertions that the committee listened to, but in view of the testimony of the Board of Managers, who were present at the time, the committee was not convinced to any degree at all that the sum of $287,000 was not sufficient.

I hope, therefore, that the amendment offered by the Senator from Iowa will not be adopted, as I really believe, and I can assure him on behalf of the committee, that these men are being well taken care of at present.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Iowa.

The amendment was rejected.

Mr. WADSWORTH. Mr. President, if I may have the attention of the Senator from Nevada, do I gather the impression correctly that the discussion of the long and short haul clause will proceed to such length that this bill can not be passed at a reasonable hour to-night?

Mr. PITTMAN. I am sure of that. I know that there are several Senators who wish to discuss it. I wish to say, further, that I know that the Senator from Idaho [Mr. GOODING], who is the author of my amendment and who had it passed through the committee, has a prepared speech on it, so that it will be impossible to finish it this evening.

Mr. WADSWORTH. The amendment has not yet been offered?

Mr. PITTMAN. No. I know that there will be a point of order made against it when it is offered, and I intend to discuss that point of order when made, but I do not want to break into a discussion of the merits of the proposal at this time; in other words, I wanted the Senate to know what was going to be proposed on the other side before we started on the parliamentary discussion. I know it will have to come to that sooner or later.

Mr. WADSWORTH. Of course, I shall have to raise the point of order against the amendment.

Mr. PITTMAN. Undoubtedly; I would not ask the Senator to waive it.

The PRESIDENT pro tempore. The Chair thinks it wise to suggest at this point that under the rule if the point of order indicated shall be raised it must be submitted to the Senate and decided without debate. So whatever debate is to be had upon the point of order ought to precede the making of the point of order.

Mr. WADSWORTH. I should like to make another suggestion, Mr. President, to the Senator from Nevada, in view of the fact that the point of order will be raised, and that is that the Senator prepare a notice and file it to-day to the effect that a motion will be made to suspend the rules, so that should the point of order be sustained the required day's notice will have been given, and some action can be finally had to-morrow.

Mr. PITTMAN. I do not think that it is necessary to do that.

Mr. WADSWORTH. If the point of order shall be raised and sustained, then we can not pass this bill to-morrow, for the Senator will have another chance the day after, and I do not want to hold the bill over that long.

Mr. PITTMAN. I think under the ruling in the celebrated Howard University case the amendment is not subject to a point of order, and I do not desire to have to ask the kindness of two-thirds of the Senate when I need only a majority.

Mr. WADSWORTH. Of course, the Senator does not want any such obstacle in his path, and yet I fear that there will be such an obstacle.

Mr. PITTMAN. I think that this is such an important matter that we will have time to-morrow to give notice if we really want to give it.

Mr. WADSWORTH. There has to be one day's notice.

Mr. PITTMAN. I understand that, but we will probably be discussing this question all day to-morrow.

Mr. WADSWORTH. I am gradually eliciting the information which I desired.

Mr. PITTMAN. I do not mean that the Senator will hear from me so long, for I am practically through, but I know there are several other Senators who wish to discuss the question.

Mr. WADSWORTH. I am gradually absorbing the impression that perhaps some time will be taken upon this matter, which I regret, for I had hoped that we would get the bill through very promptly.

Mr. President, let me say further that, so far as I know, with the exception of this matter yet to be passed upon, there is no other pending matter in connection with the War Department appropriation bill, and with the one exception the bill is ready to be put upon its passage.

Now, Mr. President, I am willing that the bill shall be temporarily laid aside.

Mr. OVERMAN. I object.

Mr. BALL and Mr. DIAL addressed the Chair.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the military appropriation bill be temporarily laid aside. Is there objection?

Mr. DIAL. I wish to ask for the adoption of a resolution as soon as that is done.

The PRESIDENT pro tempore. Is there objection?

Mr. OVERMAN. I object if it is the purpose to call up the rent extension bill and continue the operation of the rent law in the District for two years. I am willing that it should be extended for one year, but, in view of the recent decision of the Supreme Court, if it is sought to extend the rent act for two years, I shall object. I asked the Senator from Delaware to agree to an extension for one year, but he would not do so, and therefore I must object.

The PRESIDENT pro tempore. It is not in the power of the Chair to control that.

Mr. OVERMAN. I object.

The PRESIDENT pro tempore. Objection is made and the appropriation bill must go forward.

EXTENSION OF DISTRICT OF COLUMBIA RENT ACT

Mr. BALL. I ask that the Senate proceed to the consideration of House bill 7962.

Mr. WADSWORTH. I do not care to have that motion made. I am willing to lay the appropriation bill aside temporarily, but I do not care to have it displaced.

Mr. OVERMAN. That will require unanimous consent.

Mr. BALL. I ask unanimous consent that the Senate proceed to the consideration of House bill 7962.

Mr. OVERMAN. That is just what I object to.

Mr. BALL. I should like to state that I have no objection to extending the rent act for only one year, if that is the desire of the Senate. All I wish to do is to give the Senate clearly the result of the investigation of the housing situation in the District, and if the Senate shall decide after hearing my statement that one year is sufficient, that will be perfectly satisfactory to me.

I should like to state that two years ago when I asked for an extension of the rent act I appreciated that conditions were not as they were two years previously; that they had improved very materially so far as the housing situation was concerned, and I was very loath to ask for this extension; but with the demand on me to make the extension I asked that a resolution be passed to make an investigation to see if it was necessary to extend that act.

Mr. OVERMAN. Mr. President, I am willing to have it extended for one year. If the Senator will agree to that amendment, then I have no objection.

Mr. BALL. I am perfectly willing, if the Senate is willing, to agree to it. It is a question for the Senate to decide, not myself. It is a House bill.

Mr. OVERMAN. If the Senate will make it one year, then I shall have no objection.

Mr. BALL. I have no objection to one year, personally, but I can not accept an amendment to a House bill. If the Senate amends it, though, very well.

Mr. KING. Mr. President, will the Senator, as chairman of the committee, announce to the Senator from North Carolina and to the Senate that he will move to amend by making it one year instead of two?

Mr. MOSES. To put it in another way, with less embarrassment to the Senator, perhaps the Senator from Delaware will agree that he will not resist an amendment to that effect.

Mr. BALL. I will not resist the amendment, but I do not like to propose the amendment myself.

Mr. KING. The Senator will not resist the amendment for one year?

Mr. BALL. Let us put the bill before the Senate, and then the Senator can make that motion.

Mr. OVERMAN. I want to have an understanding with the Senator that he will agree to let the amendment be offered and, as far as he is concerned, agreed to.

Mr. BALL. Mr. President, the Senator from North Carolina puts me in a position that I can not assume. I am perfectly willing to agree to the one year personally; but this is a House bill, merely reported by the Senate committee as it came from the House, without amendment. No one Senator can agree to an amendment, but the Senate themselves can amend the bill.

Mr. OVERMAN. The Senate will agree to it if the Senator will agree. Then it can go back to the House and be considered in one day and passed.

Mr. BALL. I told the Senator that I would not fight it; I would not object to it if the Senate saw fit to pass it. I stated two years ago that I would not ask for this extension.

Mr. OVERMAN. I know the Senator did.

Mr. BALL. I am asking it now after making an investigation—an investigation that may be cleared up within a year.

Mr. OVERMAN. That is what I wanted done. I want to have it extended for one year only, so that it can be cleared up. I know what the courts have said, and that is the reason why I make that suggestion.

Mr. BALL. Will the Senator permit me to go on and make my statement as to what has been found?

Mr. OVERMAN. I know what the courts have said. I know what the court of the District of Columbia has said, and the Supreme Court of the United States.

Mr. BALL. Mr. President, I will just read my short statement as to the results. Of course it does not go into the evidence. I have the evidence all here. It is very voluminous, but this is the opinion that I have myself reached since reading that evidence.

Mr. OVERMAN. I understand that this goes on without prejudice. I am going to object unless we can have the agreement I have mentioned.

The PRESIDENT pro tempore. If Senators will permit the Chair to make an inquiry, does the Senator from North Carolina object——

Mr. OVERMAN. I object unless there is some understanding such as I have stated.

The PRESIDENT pro tempore. Does the Senator object to the request of the Senator from New York to lay aside temporarily the appropriation bill?

Mr. OVERMAN. Yes; I will object unless the Senator assures me that he will let this one-year provision go in instead of two. We can extend this act as well in the next Congress as we can now.

The PRESIDENT pro tempore. The Chair understands the Senator from North Carolina to object to the request of the Senator from New York; and, that being the case——

Mr. BALL. Mr. President, I will not object to the one-year amendment, and the bill can be passed in that way, but I personally could not agree to amend the House bill.

The PRESIDENT pro tempore. Unfortunately, the Chair can not control that procedure.

Mr. McKELLAR. Mr. President, I ask unanimous consent that we consider the bill and pass it amended so as to read for just one year.

Mr. KING. I object to that, unless——

The PRESIDENT pro tempore. The appropriation bill is before the Senate.

Mr. DIAL. Mr. President, I understood that the appropriation bill had been laid aside.

The PRESIDENT pro tempore. The Senator from North Carolina objected to it, and it was not laid aside.

Mr. DIAL. I ask unanimous consent to take up Senate Joint Resolution 121.

Mr. WATSON. What is it?

Mr. WADSWORTH. May we hear what it is?

Mr. DIAL. It is a measure for the relief of the farmers that we have all been talking about so much—to help agriculture.

The PRESIDENT pro tempore. The Senator from South Carolina asks unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 121. Is there objection?

Mr. WADSWORTH. I should like to hear what it is.

Mr. WATSON. What is the proposition?

Mr. DIAL. It is a joint resolution to create the alien property trade investment corporation.

The PRESIDENT pro tempore. The Secretary will state the title of the joint resolution.

The READING CLERK. Joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation."

Mr. WADSWORTH. I object, Mr. President.

The PRESIDENT pro tempore. Objection is made.

Mr. BURSUM. Mr. President, upon the calendar is a bill, Order of Business 522, Senate bill 2932, to quiet the title to lands within Pueblo Indian land grants, and for other purposes. This is a bill similar to one which passed the Senate at the last Congress. It failed in the House for the reason that it reached the House in the last days of the session. At the present time there is absolute agreement by all parties to the controversy. We have worked on this bill for two years.

Mr. McKELLAR. Mr. President, is not that the bill to which the Indians or their representatives very seriously object and have objected? I have gotten a great many letters from my State about it.

Mr. BURSUM. They are all for it now.

Mr. McKELLAR. I will ask the Senator to let it go over for another day. I want to look into it. I could not let it go by without looking into it.

Mr. BURSUM. I assure the Senator that every one of them is for it, including Mrs. Atwood, who wired me to-day from California that she had wired all of the Senators urging them to pass this bill, and the representative of the organization, Mr. Burleigh, of New York, and Mr. Jones.

Mr. McKELLAR. I am sure the Senator can get consent to-morrow, and I want to look at my correspondence about it before letting it pass.

Mr. BURSUM. I will agree that if what I am stating is not the truth the bill can be withdrawn.

Mr. McKELLAR. I accept what the Senator states, of course, but let it go over until to-morrow, and let it be looked into.

Mr. BURSUM. I am making the request only on account of the short time that we have in the House.

Mr. McKELLAR. I will look into it by to-morrow.

The PRESIDENT pro tempore. Objection is made. The military appropriation bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. DIAL. Mr. President, if the Senate wants to proceed with that bill, I have no objection. If there is nothing before the Senate, I want to move to take up a joint resolution.

Mr. BALL. Mr. President, I think the Senator from North Carolina and I have agreed upon the matter that was under discussion awhile ago.

Mr. OVERMAN. After my conversation with the chairman of the Committee on the District of Columbia, in which he states that he is perfectly willing to have the time made one year, I will not object further.

Mr. BALL. Now, Mr. President, I ask unanimous consent——

The PRESIDENT pro tempore. The Senator from New York has asked unanimous consent to lay aside the appropriation bill.

Mr. WADSWORTH. Mr. President, the Senator from Delaware is now making that request, and the Senator from North Carolina has just told us that he will no longer object.

Mr. OVERMAN. After my conversation with the Senator, I will not object.

The PRESIDENT pro tempore. The question is, Shall the military appropriation bill be temporarily laid aside? Is there objection to that request? The Chair hears none, and it is temporarily laid aside.

Mr. BALL. Mr. President, I now ask unanimous consent for the immediate consideration of House bill 7962, Order of Business 544.

The PRESIDENT pro tempore. Is there objection to that request?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

Mr. OVERMAN. I move to amend on page 1 by striking out "1926" and inserting in lieu thereof "1925," and I offer the same amendment on page 2.

The PRESIDENT pro tempore. The Secretary will state the amendment proposed by the Senator from North Carolina.

The READING CLERK. On page 1, line 11, it is proposed to strike out "1926" and insert "1925," so that it will read: "until the 22d day of May, 1925"; and on page 2, line 10, it is proposed to strike out "1926" and insert "1925."

Mr. HARRIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Dill	McKellar	Smith
Ashurst	Ferris	McLean	Smoot
Ball	Fess	McNary	Spencer
Borah	Fletcher	Moses	Stanfield
Brookhart	Frazier	Neely	Sterling
Bousard	George	Norris	Swanson
Bruce	Gooding	Oddie	Trammell
Bursum	Hale	Overman	Underwood
Cameron	Harris	Pepper	Wadsworth
Capper	Harrison	Pittman	Warren
Caraway	Johnson, Minn.	Ralston	Watson
Copeland	Jones, Wash.	Ransdell	Willis
Cummins	Keyes	Reed, Pa.	
Dale	King	Sheppard	
Dial	Lodge	Simmons	

The PRESIDENT pro tempore. Fifty-seven Senators having answered to their names, there is a quorum present.

Mr. OVERMAN. Mr. President, the question is upon agreeing to the amendment I introduced.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 2, line 10, the Senator moves to strike out "1926" and to insert "1925."

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment to be proposed——

Mr. KING. I would like to have some explanation from the Senator from Delaware as to the bill.

Mr. BALL. It has been suggested that I ask permission to have the complete evidence in this matter printed as a public document. I can either take up the time of the Senate in making an explanation, or have the evidence printed so that all can read it. Does the Senator desire that I proceed to make an explanation? It would probably take a half an hour to explain the bill.

Mr. KING. I think the Senator ought to enlighten the Senate and give us the reasons for this bill, in view of the recent decision of the Supreme Court of the United States and in view of the action of Justice Stafford in granting an injunction recently.

Mr. BALL. Briefly, I will state this, that we have investigated 32 of the large apartment houses in Washington. On those 32 apartment houses we find trusts totaling $9,000,000 more than the apartment houses sold for at their last selling. Many of them have trusts on them of more than a million dollars more than their cost. They have had no improvements put on them since. It has been done by making fake sales, transferring the property to dummy individuals or corporations under a real estate corporation. They will probably put two or three trusts on an apartment house, amounting to a little more than the last selling price, then they will make another transfer to a dummy for probably half a million more, then add additional trusts up to that amount, then make another transfer and add trusts up to that, until it amounts to more than a million more than the actual cost of the building, in many cases.

I will just quote briefly, for instance, one apartment house, which cost $200,000, plus the cost of the land, which was $18,000. It is assessed at $235,502. It has been sold once for $400,000. It has trusts against it amounting to $609,500.

The Chastleton is assessed at $1,419,387. With its improvements, it cost $1,800,000. It was sold, or transferred on a fictitious sale, for $3,000,000. It has trusts against it of $2,863,500, more than a million more than it cost when built.

Wardman Courts cost $1,262,960. It has been sold for $1,250,000. It has against it trusts of $2,397,500, over $1,150,000 more than it sold for at the last selling.

Going on down, taking some of those with which we are familiar, the Roosevelt cost about $1,500,000. It has trusts against it to-day of $2,865,000.

The Hamilton Hotel cost about $1,250,000. It is assessed at $1,268,735.

Mr. CARAWAY. May I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Arkansas?

Mr. BALL. I yield.

Mr. CARAWAY. The Senator is speaking of hotels, the Roosevelt and the Hamilton. Does the bill purpose to control and regulate the hotels?

Mr. BALL. No; it does not regulate the hotels.

Mr. CARAWAY. Why not?

Mr. BALL. The evidence taken in this investigation has been submitted to the district attorney, and we propose to try to regulate rents for at least a year on assessed values, or real values, while the department is getting down to some basis upon which they can assess rents.

Mr. CARAWAY. You let the hotels go but regulate the apartments.

Mr. BALL. I am merely citing a hotel because it was in the same category so far as the building was concerned.

Mr. CARAWAY. Is not this about what has happened? I do not want to take up the Senator's time, but do not most of the apartment houses call themselves hotels, and escape any regulation? You relieve them from regulation just because they call themselves hotels.

Mr. BALL. Here is a small apartment which costs $60,000 to build. It has been sold for $77,500. They have trusts against it of $165,000 to-day.

Mr. KING. Will the Senator yield?

Mr. BALL. Yes.

Mr. KING. Does that mean that the builders of the apartment borrowed a certain amount of money which they used in the construction of the building, and not having sufficient to build the building, put on a second trust?

Mr. BALL. No. We have run down the facts as to all those buildings. On none of those buildings was the second trust placed until after the building was completed.

For instance, on one the first trust was $100,000. The building cost $200,000. The builder put up $50,000 and $18,000 for the land. The day the builder completed and turned that building over to the owner there was entered up another trust of $100,000, and $100,000 worth of notes issued against it, signed by a corporation composed of stenographers in the F. H. Smith Co.'s office.

Mr. KING. Then the Senator's contention is, if I understand it——

Mr. BALL. Let me continue with this. Then those notes were taken up, were banked in Maryland, and were sold for $80,000. Briefly, that is just what occurred with all of them.

Mr. SMITH. How much was against the building then?

Mr. BALL. The actual cost was $609,500. They kept on running this on a $200,000 building. I would like to state to the Senate that the Commonwealth Finance & Mortgage Corporation of New York is the corporation which has financed much of this business. They came down on Saturday and made a complete breast to me of the whole statement. They have lost, I judge, from $15,000,000 to $18,000,000. They told me they had just canceled $1,434,000—it is in the evidence—on buildings that have been sold on which they had fourth or fifth trusts, and nothing could be gotten out of them. The F. H. Smith Co. hands them a mortgage for $3,000,000 covering one million four hundred and some thousand on a building which they had already constructed here. They placed that mortgage immediately on the building. That has been within a few weeks, showing that this thing is still continuing.

Mr. KING. As I understand the Senator, somebody has perpetrated a fraud. They have placed a second mortgage, or trust, as the Senator calls it, upon a building which has been completed and upon which is a first mortgage——

Mr. BALL. And no money passes hands.

Mr. KING. Then they take the notes, which are——

Mr. BALL. Worthless, with nothing back of them.

Mr. KING. Which are supported by the second trust, and they negotiate those notes to innocent purchasers.

Mr. BALL. Yes.

Mr. KING. Do those innocent purchasers, in New York or elsewhere, buy notes amounting to two or three or four hundred thousand dollars without making an investigation as to the character of the security behind them?

Mr. BALL. As far as the New York concern is concerned, the president and vice president of that concern were on very friendly terms, I will put it, with the president and vice president of the F. H. Smith Co. They agreed upon the assessment board that would be appointed to value these properties each time. They took those notes as low as 50 per cent, and divided——

Mr. KING. If I understand the Senator, then, certain persons in Washington who have constructed apartment houses, borrowing money for the purpose of building them, have perpetrated frauds?

Mr. BALL. There is no doubt of it.

Mr. KING. And they have negotiated notes, secured by second and third trusts——

Mr. BALL. As much as fifth and sixth.

Mr. KING. And innocent persons throughout the country have bought those notes?

Mr. BALL. I would like to modify the term "innocent." I think the first people who took the notes were not innocent, but they sold them to other people who were innocent. For instance, the bank would take over a lot of the notes and sell them to their customers, but they took the notes over at a large discount and would sell them at par. That is the reason why I say the emergency still exists. Whether it exists in the number of houses or not, it exists because the law of supply and demand no longer is regulating the situation. The supply may be all right, but it is prohibitive so far as prices are concerned and prevents the demand being effective. The people can not pay the prices that are charged. The people can not pay the rental on the property and at the same time pay the interest on a million or two million dollars of watered stock.

Mr. KING. Why does the Rent Commission permit them to fix rents upon those buildings at these highly fictitious and fraudulent values?

Mr. BALL. Where the Rent Commission has fixed the rentals it has fixed them pretty nearly on the basis of the assessed value, but many of the properties have not been before the rent commission. One reason why a few properties can fix rents, so far as the people coming into the city are concerned, is that the person who is paying a reasonable rent, with reasonable care taken of him, still continues to live in the apartment. The vacancies occur in apartments that are run like these to which I have referred, and that is the reason why our incoming employees can not get housing facilities at any figure they can pay.

Mr. KING. Does the Senator think there is a combination between apartment-house owners for the purpose of maintaining rates based upon these inflated or fraudulent values?

Mr. BALL. Yes; that is clearly shown. This only involves a number of subcorporations organized through either the office force or some member of the family of the president, vice president, or secretary of the F. H. Smith Co. They have had at one time 12 subsidiary companies organized under the laws of Delaware doing business, and they make a sale from one of those corporations to the other. No money passes hands, but it fixes the figure at which the sale is made, whereby they can increase the price charged against the building.

Mr. KING. Does the Senator think the reputable real-estate men of the city—and there are certainly many such—lend themselves to such practices as those described?

Mr. BALL. No; I think not.

Mr. KING. Does the Senator think they have conspired with Smith & Co. or any persons to establish an illegal or, rather, an extortionate price level or rent level for the buildings which they lease?

Mr. BALL. All I can say in answer to the Senator's inquiry is that we have found no evidence, certainly no extreme evidence, against any company except those involved or associated with the F. H. Smith Co. For instance, Lake was a very poor man, but he was operating for the Smith Co. In a few months he bought over $6,000,000 worth of property in Washington.

Mr. KING. Does the Senator think the frauds to which he has referred, resulting in operations of the Smith Co. and its subsidiary, justify the passage of a rent law which would apply to persons who have not been guilty of fraud?

Mr. BALL. It is justifiable from the very fact that the emergency exists here so long as we have the rentals so high under improper valuations and high costs—rentals that the employees of the Government can not afford to pay. The average employee of the Government receives $1,450 a year. Every apartment house of any size at all, with apartments sufficiently large for a family, say four rooms, will charge from $50 to $75 a month for such apartments.

Mr. KING. How do the rents in Washington compare with the rents in cities of substantially the same size?

Mr. BALL. We have compared the rents in Washington with rents in Baltimore. The high-priced apartments renting at from $150 to $300 disclose very little difference. But when we come to compare the apartments renting below $75 there is a very marked difference. They are very much higher in Washington.

Mr. KING. What does the Senator say with respect to properties other than apartments? The Senator knows that apartments, perhaps, furnish the smallest part of the leased buildings in Washington used for residence purposes.

Mr. BALL. In the report we have an exact statement of the situation. There are some houses which rent at moderate rates, but not many. After the bill shall have been disposed of I propose to ask to have all of the evidence printed as a Senate document.

Mr. CARAWAY. Mr. President, I wish to offer an amendment, and I call it to the attention of the Senator from Delaware.

Mr. BALL. I ask the Senator if he will not please refrain from offering it as an amendment to this bill?

Mr. CARAWAY. Oh, no; it belongs on this bill.

Mr. BALL. If the pending bill is amended and it has to go back to the House, there is no chance then to extend the rent act at all, I believe. The Senator would defeat the bill, because we have only six days before the present rent law expires. Will not the Senator present his amendment as a separate bill?

Mr. CARAWAY. I have endeavored to get it reported as a separate bill, and never could get the Senator from Delaware within a mile of it.

The bill I want to present as an amendment is simply this. It was at one time attached to the rent bill, but went out in conference without anybody exactly understanding how or why. I want to read it for the information of the Senate. I hope I may have the attention of the Senate for just a moment.

The measure before the Senate undertakes to deal with houses and apartments. I want to offer an amendment that has been urged by the United Commercial Travelers for quite a while. I introduced it at their request. Briefly, it requires that a hotel shall post in some conspicuous place the rates at which the rooms are rented; and, having adopted those rates, they can not change them without 30 days' notice. It will take but a moment to read it, as follows:

> That the proprietor, manager, owner, or other person in charge of and conducting any hotel in the District of Columbia shall post in a conspicuous place in each room thereof a card or sign plainly stating the price per day of such room, and a copy of such rates for each room shall be filed with the Commissioners of the District of Columbia. In case the hotel is conducted on the American plan, the rates for meals shall be posted in a conspicuous place in each room of the hotel. Such cards or signs, both with reference to rooms and meals, shall be dated as of the day on which they are posted. The rates charged for rooms shall not be advanced in less than 30 days from the date of the approval of the said commissioners of the written application therefor, and in the event an advance in rates is granted the same requirements with reference to posting of notices and filing copies thereof with the Commissioners of the District of Columbia, as above provided, shall apply.
>
> Any person, firm, or corporation who shall violate any of the provisions of this act or who shall charge any guest a rate in excess of said posted rates shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than $10 nor more than $100 for each offense.
>
> The Commissioners of the District of Columbia are hereby charged with the enforcement of this act.

Here is what happens in the District of Columbia, and I do not know that hotel keepers here are different from those in other communities. There is some special occasion in Washington. Frequently it is said that there will be no enhancement of hotel rates. People are brought here and are charged extortionate prices. I myself made a reservation at one of the leading hotels for some people from my State to attend a convention. When they arrived the reservation was canceled and the hotel denied ever having made it, although I made it in person. They charged my people $15 a day for rooms which were ordinarily rented for $3.50 a day.

If we are going to regulate real-estate rentals in the District of Columbia, there is no reason why at least when a hotel man shall have fixed voluntarily the rates that he thinks are fair he should be permitted to run them up or down and take advantage of people from every other community when they come here on invitation to some kind of convention or some gathering in the District of Columbia.

It happens, and everybody is conscious of it, and therefore I wish to add this merely as an amendment to the bill. It is not undertaking to say what reasonable charges shall be,

but after they themselves shall have fixed their charges it would not permit them to take advantage of every occasion when they find the city crowded with people from outside, who have come here for some purpose that is thought to be worth while, to run the rates up to extortionate points and take advantage of every occasion to charge three or four times what they charge people on ordinary occasions. Therefore, I offer the amendment.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Arkansas.

Mr. NORRIS. Mr. President, the amendment suggested by the Senator from Arkansas is a rule already in a great many cities, and in a great many first-class hotels it is followed by the proprietors of the hotels without any law or regulation.

Mr. LODGE. I think it is the law in most States.

Mr. NORRIS. I believe that is true. I am in perfect accord with the Senator from Delaware who is trying to get the measure through. The evidence disclosed here by the Senator from Delaware is really shocking, it seems to me. While the Congress of the United States perhaps ought not to be taking up its time in looking after local affairs and acting as a board of aldermen, the fact remains that that is one of our duties. We ought to have a pride and I think we do have a pride, as the country has a pride, in the Capital City. When such conditions exist as have been disclosed, we are lacking in our duty not only to the good citizens of Washington, who do not want such things to be in existence, but to the country at large, if we do not remedy the situation so far as lies within our power.

I was a member of the original committee that framed the first rent law. I know there was a great deal of discussion as to whether it was legal. Eminent lawyers contended that we had no right under the Constitution to do it. But it seemed to me that Washington is a separate and distinct city in that respect from any other. It is the Capital of the Nation, where the law recognizes the fact that the necessary officials, their clerks, and assistants must live in order to carry on the business of the Nation. It follows, therefore, it seems to me, as one of the things that goes with a sovereign power, that there must be some place where those people can live. In our country it is the city of Washington. If we do not have the power to protect the officials of the Government, their clerks, their assistants, and others necessary for the purpose of carrying on the Government, then the Government itself is at the mercy of these sharks, and can be absolutely ruined and disrupted.

The amendment of the Senator from Arkansas [Mr. CARAWAY] is very pertinent to the bill itself. I wish to say to the Senator from Delaware that, in my opinion, the other House will agree to that amendment without ever sending the bill to conference. If the House can have an opportunity to vote on it, it certainly will put it in the bill by a unanimous vote. I do not believe the bill will ever get to conference. There is not anything in the amendment but what is reasonable and fair; there is not anything in it which even fixes a price, but the proprietors will fix their own prices.

What goes on in the city of Washington at certain times does not go on nearly to so great an extent in any other city in the Union. On various occasions people from all over the country visit Washington to witness ceremonies which are taking place here, and anybody familiar with the conditions knows that on those occasions—such, for instance, as inaugural week—rooms which ought to rent for $3 or $4 a day at the very highest often are placed above $100 a day when they are located on the line of the inaugural parade, and people who come here are compelled to pay those prices; they are mulcted.

Mr. President, while I am on my feet I wish to make one other suggestion. It seems to me that the Congress has been rather helpless in regulating these prices, not entirely from its own fault but partially so.

Mr. KING. That has been because of the incompetency of the Rent Commission.

Mr. NORRIS. To some extent. We ourselves, however, are to a great extent to blame. I have talked with a great many Members of the House of Representatives and of the Senate who are of the opinion that we ought to remedy the situation by removing from the Capital City a large number of bureaus which are located here. There is not any necessity, for instance, for the Bureau of Indian Affairs to be located in Washington, or the General Land Office, or the Pension Bureau, or the Interstate Commerce Commission, or many others that could be named. In the States, all of their instrumentalities are not located in the capitals of the States, but are scattered over the States, and are located in different places. We could save money if we should move some of the bureaus of the Government to the central portion of the United States and some of them to the far western portion of the United States. The Bureau of Indian Affairs and the General Land Office, handling affairs which mainly come from one section of the country, could with advantage be removed to that section. There is growing in Congress quite a sentiment that we ought to take some steps to transfer some of the Government bureaus to other locations in the country. Unless we can in some way reach the high cost of living in this city that is going to be the result.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. I yield to the Senator.

Mr. KING. Mr. President, at every session of Congress for seven years I have introduced a bill calling for that very thing, proposing to transfer to some central place in the West, to be selected by the President, the administration of the public lands, the Forest Service, the reclamation projects, pensions, and many other of those important measures.

Mr. WADSWORTH. Why pensions?

Mr. KING. Not pensions, but other bureaus having relation to public lands, the forests, and so forth.

Mr. NORRIS. There is not any reason why that should not be done.

Mr. KING. I hope the Senator from Nebraska will support the bill and help me get it reported out of committee.

Mr. NORRIS. I will support the bill. I think we ought to designate a Cabinet officer or some commission to make a survey in order to ascertain which of the various bureaus of the Government could, without injury to the Government, be moved away from the Capital City. I repeat, it would save us money; it would also save the people money who have to do business with such bureaus and who now have to cross the country in order to do it. That is going to be up to the people of this city; and if such things are permitted to continue, as the Senator from Delaware [Mr. BALL] has been narrating here, we shall find that dozens of these bureaus will be taken away from the District of Columbia and located somewhere else.

Mr. JOHNSON of Minnesota. Might it not be a good thing to locate the Agricultural Department in the State of Iowa or in the State of Minnesota?

Mr. NORRIS. It might be.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and is open to amendment. The question is on the amendment offered by the Senator from Arkansas [Mr. CARAWAY].

Mr. SMITH. Mr. President, I wish to ask the Senator in charge of the bill a question. I have been informed that the effect of inflated values has reacted on those who heretofore have rented apartments in keeping with real value. My attention has just been called to one case where an apartment was valued at a figure to yield something like $35,000, but after this orgy of inflation started it was returned at $75,000. The commission reduced it to $50,000, which was still $15,000 or $20,000 in excess of a reasonable return for those who own the apartment.

Mr. BALL. I have no doubt there are many cases of that kind.

Mr. SMITH. The effort of the Rent Commission is so to regulate the valuation of apartments that they shall all be brought to a basis where returns upon them will be made upon the actual value of the property?

Mr. BALL. That is the idea.

Mr. SMITH. Then, I wish to ask this question: Why do we restrict the length of the life of such work as that to one year?

Mr. BALL. The life of the legislation has been restricted at the request of the Senator from North Carolina [Mr. OVERMAN], who gave notice that he would object to the consideration of the bill unless the proposed legislation were restricted to one year.

Mr. SMITH. I wish to ask the Senator from Delaware, he being chairman of the Committee on the District of Columbia, does he think the work which is proposed can be efficiently accomplished in one year?

Mr. BALL. If the work shall be properly pushed by the proper authorities, either through the district attorney's office or the Attorney General's office, and the law is energetically administered, I have no doubt that in a year the situation may be cleared up. I believe, in view of the way that building is progressing, that the housing facilities will meet the demands if reasonable prices be charged, but with supply really prohibited from continuing meeting the demand because of the high prices the people are not properly housed. I do not believe that the

supply and demand are regulating to any extent to-day the housing in Washington.

Mr. SMITH. Does the Senator think that the work which he has in charge and the investigation being conducted in the effort to bring down rentals to a basis where they will be in proportion to the money actually invested can be accomplished within a year?

Mr. BALL. I think it should, but if it can not, then the act ought to be further extended. Of course, the committee working for two months have been unable to take up the situation as to every apartment house in Washington. They have taken up those against which there has been the most complaint on account of the charges made and whose owners have appeared before the Rent Commission more frequently than have other owners. The committee have not taken up cases affecting any buildings where all the tenants seemed perfectly satisfied and where no complaint was made. We take it for granted that there has probably not been much of an overcharge in those cases, but in every case the committee has taken up they have found the trusts against the building exceeded the cost or the value of the building.

Mr. SMITH. The Senator has no doubt in his mind, has he, that the excessive charges laid and collected by those who have engaged in that kind of practice have had a reactionary effect upon all the others who own houses and has resulted in raising the general level beyond what it ought to be?

Mr. BALL. Precisely. There is no doubt of that.

Mr. KING. Mr. President, it is rather remarkable that Senators who doubt the constitutionality of legislation of this kind feel constrained to pursue a course of silence, or if they express opposition, do so in rather subdued tones.

Mr. BALL. I should like to ask the Senator a question.

Mr. KING. Very well.

Mr. BALL. Does not the Senator's State in a measure control the living conditions and the housing furnished by large corporations, which build their own houses and own and conduct their own stores? Does not the Senator's State control the conditions affecting the people who live under such circumstances?

Washington is really only a city of the employees of the Government. We find that the families of the employees of the Government compose 207,000 of the population. When we consider those who conduct stores to feed these people, the automobile establishments that supply their automobiles, the men managing the restaurants, and so forth, we find that 90 per cent of the people of Washington receive their money directly from the Government or through the employees of the Government. In view of that condition, does not Washington come under the same head as would a corporation housing employees?

Mr. KING. Mr. President, the Senator is making a speech in my time. I hoped he would elaborate his views in his own time. Perhaps he may feel when I have concluded that I have not done serious or any damage to the cause which he is championing.

But referring to his statements and questions and suggestions which are mingled in a confused mass, I may be permitted to briefly say, that the situation which he describes does not exist in my State. Of course, all States enact laws relating to health and sanitation, and municipalities adopt regulations providing for the health of the people within their boundaries. Under the police power of the State, such laws and regulations, when reasonable, are proper. No one contends otherwise. But there is a wide difference between laws of that character and statutes which annul contracts, deny the right of the owners of real estate to make such contracts as they may with persons who wish to buy or rent the same.

Undoubtedly there may be legislation which imposes certain duties and restrictions upon landlords; and, of course, the power exists to prescribe rates and charges—which must not be unreasonable—by innkeepers. This right existed at common law. But it is to be distinguished from the position taken by some that the legislative branch of the Government, State and National, can fix rents, make contracts between landowners and their tenants, and practically control the property of private persons. But the bill before us rests upon the supposition that an emergency exists. An attempt is made to tie it to war conditions and brand it as war legislation.

The Senator spoke of corporations in my State and the housing of their employees. I am not certain what his inquiry was. I can say to him there is no rent commission in the State, nor does the State fix the conditions under which the owner of property may lease the same.

It is true that in some States——

Mr. BALL. Health boards exercise supervision in practically all Eastern States.

Mr. KING. Mr. President, that question is not involved here. No one questions the right of Congress or any State to enact reasonable regulations, to secure the health of the people. Health boards are given considerable authority in dealing with epidemics and contagious diseases. But as I have stated, the question before us does not relate to this matter. This legislation is not here as a health measure; its terms would not sustain for a moment such a contention.

This bill boldly proposes to fix rents and to deprive the owners of property of the power to control the same. However, I had started to say when interrupted by the Senator that legislation has been enacted in some States to protect employees of corporations from arbitrary if not oppressive rules prescribed by employers. For instance, a few years ago some employers compelled their employees to purchase their groceries and merchandise at the stores of their employers. Legislation protecting the employees from this rule was enacted; but to compare Washington and its hundreds of thousands of inhabitants with a corporation owning buildings and employing individuals seems a little absurd.

I started out to say, Mr. President, that it is remarkable that many Senators who believe that legislation of this kind is unconstitutional or strains constitutional limitations are constrained to keep silent or to speak in a subdued voice in animadverting upon this proposed legislation. What is the reason? Generally if a man believes a law is unconstitutional he is quick to proclaim his opposition to it.

The reason is that there is a feeling that some of the landlords and real-estate owners in the District of Columbia have profiteered, have charged extortionate rates, have been unfair, not only to the employees of the Government but to all who have sought to purchase or lease houses or apartments.

There is no doubt, Mr. President, in my mind that there has been and still is a disposition upon the part of many landowners and landlords to charge rates that are far beyond what would be denominated reasonable, and I have no doubt that some landlords have confederated together for the purpose of maintaining high prices.

Whether that situation calls for legislation of this particular character or not is a subject respecting which there will be differences of opinion. In my own opinion this law will be held to be unconstitutional. The Supreme Court of the United States in its recent decision construing the law, which this bill seeks to continue in force, has, in my judgment, pointed out the fate of this bill should it become law.

The first District rent measure was passed as an emergency measure during the war. It has been continued as war legislation, while we have repealed, and properly so, the other war legislation enacted in 1917 and 1918.

Mr. President, I do not think the Senator from Delaware has put the reasons for this legislation upon the strongest grounds that could have been suggested, nor is the reason which he has offered, in my judgment, sufficient to justify the legislation. To say that the F. H. Smith Co. has organized 12 subsidiary corporations, and that the parent company or the subsidiary organizations have perpetrated frauds, have put second, third, fourth, and fifth trusts upon buildings which they have constructed, and have sold the notes to innocent purchasers throughout the country, is not sufficient reason for this legislation. That merely means that some individuals and some corporations have obtained money under false pretenses, for which they should be prosecuted.

I am not the sponsor for the bill, however. I am not defending it. I am not suggesting the reasons which might to some be deemed sufficient to justify its enactment. I do not intend to discuss the provisions of the bill or give the reasons why I regard it as unconstitutional. I frankly confess that I have no great enthusiasm in my opposition to the bill. If the landlords and real-estate owners of Washington had not offended so grieviously against the principles of justice and fair dealing, if they had not been so indecent and extortionate in their charges, this bill would never pass.

Indeed, there would have been no rent law passed; but many persons took advantage of the situation: their cupidity and avarice led them to assume the position of Shylocks, and they literally robbed thousands of Government employees and others who were compelled to have shelter from the blasts of winter and the storms of summer. Some landlords and real-estate owners and real-estate dealers and brokers combined to increase rents, and they were indifferent to the cries of justice, of the voice of conscience.

Their wrongful course exasperated and finally aroused Congress, and the result was the Saulsbury resolution, which was followed by the Ball rent law.

the States, and are located in different places. We could save money if we should move some of the bureaus of the Govern-

from continuing meeting the demand because of the high prices the people are not properly housed. I do not believe that the

sally all Eastern States.

followed by the Ball rent law.

Undoubtedly many landlords and owners of real estate were averse to the extortions and transgressions of those referred to. They desired only a fair rent and deplored the speculative and unethical practices of certain real-estate men and landlords.

The misconduct of some resulted in legislation which, I think, has brought no great benefits to the people of the District. Indeed, I believe that all of this rent legislation, in the long run, will be found to have been harmful.

I repeat, however, that even now there are real-estate men whose practices are so unfair that those who doubt the expediency and constitutionality of this bill find no spirit to oppose it.

Mr. SIMMONS. Mr. President, I should like to ask the Senator a question. Does the Senator think the proposition contained in this bill can be supported as a constitutional exercise of power except upon the theory of emergency?

Mr. KING. No.

Mr. SIMMONS. Does the Senator think it can be supported upon the theory of emergency, except a war emergency, when the life of the Nation is at stake? Does the Senator believe that an emergency, except a war emergency, can form the basis or foundation for a disregard of constitutional power?

Mr. KING. Mr. President, answering hurriedly, I shall say no; and yet it is possible that there might be some such great catastrophe that would uphold the assertion of the right to abrogate contracts, deny to the owners of property the right to control it or enjoy its use; and yet I have not in my mind any such catastrophe or calamity.

Mr. SIMMONS. Does not the Senator think that if the Congress can at any time declare an emergency, and thereby escape the constitutional limitations, it will be a very dangerous power for the Congress to exercise?

Mr. KING. Unquestionably.

Before leaving the field entered by the Senator's question, I desire to add that, in my opinion, war does not justify a violation of the Constitution of the United States. Of course, to save the Nation it may be necessary to contravene one or more of its provisions. President Lincoln so believed. But, speaking broadly, the war powers are constitutional powers; they may be latent in peace times, but when the storm of war rages around our Nation such powers may be invoked for its welfare and preservation. But even when at war the Federal Government may not do what it is by the Constitution forbidden to do. It may not take private property without due process of law. It may not deny to States or to citizens the rights which they have reserved to themselves. It may not take the property of rapacious landlords without compensating them, and it may not compel them to demise it at rates which would not measure up to the standard of reasonableness.

Mr. President, in my opinion there is no "emergency"—whatever that may mean—now existing to justify a continuance of the Ball Rent Act. But the bill will pass, and its passage has been assured by the insolent, arrogant, and utterly selfish course pursued by so many real-estate owners, landlords, and real-estate agents.

If four-fifths of the real-estate agents and brokers of Washington would get out of the business, it would be in the interest of the public. If the many honorable and upright real-estate dealers, contractors, and builders would organize to cure the evil practices known to exist and would bring rents down to a fair and reasonable level, they would be serving not only the public but their own interests, and there would be no demand for rent laws and rent commissions.

However, I feel compelled to say that I regard laws of this character as economically unsound, and they defeat their own purpose. When the Saulsbury resolution was before the Senate I knew of a person who was in Washington ready to invest $1,000,000 in apartment houses and small residences. Upon learning of the passage of the measure he abandoned his purpose. He and others who would have invested but for that and the Ball law would not risk their money in enterprises which would be subject to the capricious control of a governmental bureau, with its usual inefficiency, impertinence, and offensive officiousness.

Persons who invest their money in lands and houses are unwilling to have the value and rents fixed by a Federal commission and the terms of their contracts determined by persons who usually have no knowledge of the matter which they conduct.

Mr. OVERMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from North Carolina?

Mr. KING. I yield.

Mr. OVERMAN. Suppose the Court of Appeals of the District of Columbia finds that there is no emergency? Of course, the law would be unconstitutional, then, in the language of Judge Holmes, and inoperative. I find in this bill the following language:

> That it is hereby declared that the emergency described in Title II of the food control and District rents act still exists and continues in the District of Columbia.

That is a declaration of the legislature. What effect would that have on the Supreme Court of the United States if the courts below find that there is no emergency and the act itself says that there is an emergency?

Mr. KING. That is a legislative inexactitude. Some persons who speak directly might say it was a legislative lie. I shall not do that.

Mr. FESS. Mr. President——

Mr. KING. I yield to the Senator from Ohio.

Mr. FESS. I want to say to the Senator from Utah that I have considerable sympathy with what he has been saying. I do not like the idea of this legislation, but there are some items that bother me. In conversation with a very prominent builder of this city only a few weeks ago, he told me that he had 200 houses vacant. With that number of vacancies, which would indicate that building had about reached the point of supplying the demand, I do not understand why the rents stay up so high; and because of that I am rather inclined to favor the continuation of this legislation.

Mr. KING. Mr. President, I stated a few moments ago that in my opinion there were certain landlords and real-estate owners in the District of Columbia who were confederating and conspiring for the purpose of maintaining rents.

Mr. FESS. I doubt whether this man is in any such conspiracy, for he tells me that he is going to build something like a thousand houses at a much lower rental, houses costing from five to eleven thousand dollars to build.

Mr. KING. Of course, this must be said, and we want to be fair: If one examines the price of cement and brick and lime and lumber and hardware and all commodities which enter into the construction of buildings, and the prices of labor, it will at once become apparent that the cost of building in the District of Columbia is perhaps 100 per cent more than it was in 1914 and 1915. Some builders have told me that prices are 150 per cent in excess of the pre-war prices; and of course these higher prices of real estate and homes would be reflected in higher rents.

Mr. FESS. If the Senator will permit me, only to-day a citizen from Ohio who happened to be in the Capital, who is a large builder and an owner of real estate, stated that the rentals in the city in which he lives were simply criminally high.

Mr. KING. That was not in Washington?

Mr. FESS. No; that is in one of our Ohio cities; and he claims that everything is on too high a level, and that there must be a liquidation.

Mr. KING. Mr. President, that man perceives the economic situation accurately. We have maintained these high, fictitious price levels. I am not going to be partisan, but I may be permitted to say that the Fordney-McCumber tariff bill is responsible in part for the high prices of nearly all articles and commodities consumed by the people. The price level of nearly all articles is too high, and the evil consequences are daily becoming manifest. We will suffer more and more in the diminishing foreign market, and our domestic situation will be chaotic and confused. We must get back to sound economic policies and to safe legislation. We can not supersede natural laws. We may try, but grief and ruin will follow.

I was about to observe, however—and I do not want to take up the time—that, in my opinion, legislation of the character of the Ball Rent Act defeats itself in the long run. I have no doubt but that if we had not had the Saulsbury resolution and the original Ball Rent Act, there would have been more building in the District of Columbia than has taken place. The law of supply and demand operates in the building industry as it does in other industries and enterprises.

Some time before the war there was a building boom in most of the cities of the United States. The result was that rents were low. Rents were low in Washington 20 years ago; in 1912, 1913, and 1914 they were reasonable. In some cities there were too many dwelling houses and capital losses as a result. But the war took millions into the cities. That resulted in a great demand for buildings and houses, a demand which has not yet been satisfied; but a review of the housing situation shows that there has been a great amount of building done throughout the United States during the past two or three

years. I repeat, however, that legislation of this kind is an impediment and an obstacle to capital investment in the building of houses.

I ask Senators if they had large sums for investment would they invest in buildings in cities where they were subject to rent commissions with power to fix their rents, and determine what prices they should charge, and make contracts for them with their tenants?

Mr. SIMMONS. Mr. President——

Mr. KING. I yield to the Senator from North Carolina.

Mr. SIMMONS. I want to say to the Senator, in connection with the argument he is making now, that a prominent citizen of this town, in talking with me about this subject, said that a great many houses were being built here, but he said they were being built for sale and not for rent; that very few houses were being built for rent, and it was because of these laws regulating the rates of rent. They found it much more profitable to build them only for sale.

Mr. KING. I agree with the Senator. It is a fact that many persons who have constructed houses will not rent, for the reason that as soon as they enter into a contract with some tenant, and the tenant enters into the house, notwithstanding the fact that the tenant has voluntarily entered into the contract and stipulated the rent which shall be paid, under the present law said tenant can hale the landlord into court, and if the Rent Commission desires they can tear up the contract and order a different rental to be paid and different terms to be observed. That situation, of course, deters men from building and deters men who have built from leasing.

Mr. BROUSSARD. Mr. President, the theory under which this bill is proposed to be continued is that there is a combination among the property owners?

Mr. KING. No. The theory, as I understand the Senator from Delaware, is that there is an "emergency."

Mr. BROUSSARD. I gathered the impression that it was charged that the builders, the people who owned these apartment houses or residences, have formed a combination. If that is true why not reach them in some other way, in some such way as that by which we reach unlawful combinations in other directions, instead of continuing such a commission four years after peace has been declared?

Mr. KING. Let me say to the Senator that two or three years ago I was so indignant over what I conceived to be the extortionate rents charged, and the evidences in some quarters of a combination upon the part of some landlords to maintain high rents, that I stated upon the floor of the Senate that I thought the district attorney ought to have a grand-jury investigation, and if there was a conspiracy that some of the landlords ought to be indicted and sent to the penitentiary.

Mr. BROUSSARD. Is there any doubt about them coming under the provision of the antitrust law?

Mr. KING. I think they come under the provisions of that law, and I think the district attorney ought to have made an investigation long ago, because I charged here, as I did at a meeting held in the District Building a few years ago when I tried to have a committee of citizens make an investigation, that I believed there was a conspiracy upon the part of some real-estate owners and some landlords and builders and some of the labor leaders for the purpose of keeping up labor charges and high rents and high prices, and I felt that an investigation then by the grand jury would relieve the situation.

Of course, this bill is an attack upon the right of an individual to control his own property. In my opinion it is unconstitutional. But I shall content myself with voting against the bill. There are evils here, but I think this bill is not the proper way to remedy the evils which exist.

Mr. COPELAND. Mr. President, as I understand the rental difficulty of the Senator from Utah, it is that he is afraid there is not any excuse for passing this bill, and he believes that the Supreme Court will hold it to be unconstitutional. There is always an excuse when the public health is involved. I expected the Senator to smile about that, of course. It seems to be a habit with some Senators to smile when public health is spoken of; we are supposed as a Senate to deal only with property. As a matter of fact, we have human beings to think of, too.

In this city, and in every city, because of conditions brought about by the war, there was a decline in building operations, people were crowded into smaller quarters, and many persons who had lived in decent places were driven to live in insanitary places.

In New York, where we had this problem, the matter was taken by the landlords to the Supreme Court, and the Supreme Court held that in view of the fact that we had a situation in New York City which was a menace to public health and to the common welfare it was proper to pass an act fixing the rents. So I have no doubt at all that here the same thing can be done.

I know from my own inspection and observation of conditions in the District of Columbia that there is not only overcrowding but that many families are living in places entirely unsuited for human beings because of the fact that better quarters are not within their reach. I think it would be a crime against the citizens living in this community if we did not take action to-day relieving them of this necessity to pay rates entirely outside of their ability to pay.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Arkansas.

On a division the amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended."

Mr. BALL. I ask unanimous consent to have printed the report of the Committee on the District of Columbia upon the bill, together with the evidence which has been collected in connection with this matter of rents in the District of Columbia.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the report, with accompanying exhibits, will be printed (Rept. No. 530).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 8350), making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHERVE, Mr. TINKHAM, and Mr. OLIVER of Alabama were appointed managers on the part of the House at the conference.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 8350), making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JONES of Washington. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. JONES of Washington, Mr. CURTIS, Mr. LODGE, Mr. OVERMAN, and Mr. HARRIS conferees on the part of the Senate.

VOCATIONAL REHABILITATION

The bill (H. R. 5478) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment" was read twice by its title.

Mr. FESS. I ask unanimous consent that the bill be placed on the calendar, as a similar Senate bill has been reported favorably from the Committee on Education and Labor and is on the calendar.

The PRESIDENT pro tempore. If there be no objection, the bill will go to the calendar inasmuch as the Senate committee has already reported a similar bill.

PROHIBITION ENFORCEMENT—SECRETARY MELLON

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks excerpts from the speech of Governor Pinchot, of Pennsylvania, as printed in the New York Times of this morning.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the New York Times, Monday, May 12, 1924]

SAYS MELLON OWNED WHISKY LAST MARCH—PINCHOT TELLS METHODISTS SECRETARY IS RESPONSIBLE FOR DRY ENFORCEMENT FAILURE—ATTACKS HIS ATTITUDE—SAYS IT IS "WRONG" FOR MAN 40 YEARS IN WHISKY BUSINESS TO HEAD LAW ENFORCEMENT—CONTENDS ISSUE IS MORAL—3,000 CHEER WHEN THE GOVERNOR CLASSIFIES DOCTOR BUTLER AS A "NULLIFIER"

[Special to the New York Times]

SPRINGFIELD, MASS., May 11.—The one great stumbling block in the way of prohibition law enforcement is the Federal enforcement service, Gov. Gifford Pinchot, of Pennsylvania, declared in a speech this evening before the convention of 3,000 Methodist men held in connection with the quadrennial general conference of the Methodist Episcopal Church. The governor's topic was "Making America Dry."

"Enforcement of the law is the greatest moral issue before the American people," said Governor Pinchot. "Never before in our history has disregard for law and disobedience to the Constitution been so general, so dangerous, and so openly paraded. The moral forces of America have stood too long on the defensive. It is time for them to attack.

"I have repeatedly pointed out how the law can be enforced. In brief, give the Treasury Department the will to enforce the law, take the enforcement service wholly out of politics, and use the full power of the law through the permit system. When these three things are done, and well done, the law will be enforced. Until they are done it will not.

"The failure of the Federal enforcement service is sometimes claimed to mean that the eighteenth amendment has failed. It means nothing of the sort. We are infinitely better off now, with all deductions made for wretched enforcement, than we were before. The law has not failed. What has failed is Federal enforcement of it.

"The Secretary of the Treasury opposes any investigation. I am sorry, for official opposition to being investigated is always unwise. He has publicly defended conditions which our whole people know to be scandalous in the extreme. He has publicly denounced the proposal to let in the light. There remains but a single remedy, and that is to let the light in, fix responsibility for the facts disclosed, and let public opinion prescribe the cure.

"It has been charged, as though it were a crime, that I suggested Francis J. Heney to the Senate committee authorized to make the investigation I had demanded. I was asked to suggest a man. I did suggest Heney, as I had every right to do.

"Mr. Mellon's opposition to the investigation of the enforcement service will direct public attention and the attention of the investigating committee to the fact that Mr. Mellon was part owner of many thousands of barrels of Overholt whisky when the eighteenth amendment went into effect; to the fact that as late as March 31 of this year he was, on the authority of Senator REED of Pennsylvania, still interested in the proceeds of this whisky when sold; to the 10 illegal withdrawals of whisky, comprising more than 42,000 gallons, made from the Overholt warehouses near Pittsburgh, which led to indictments, and to the fact that the indictments were quashed and the men responsible were never punished.

"It will call the attention of the committee—and if it does not, I will—to the ghastly breakdown of the Federal enforcement service in Mr. Mellon's own city, in Mr. Mellon's own State, and in other States, and to the degradation of public morals and the increase of human misery which that breakdown has caused.

"I do not know whether it is legal for a man who has been in the whisky business for 40 years to be at the head of the law enforcement, but I do know that it is wrong.

"I do not know whether it is legal for a man who has had during his entire official life a pecuniary interest in large quantities of whisky to be at the head of law enforcement, but I do know that it is wrong.

"Understand me clearly. I have no personal feeling either for or against Mr. Mellon. I am not questioning Mr. Mellon's ability as a financier. I am not talking about investigating the taxation of Mr. Mellon's investments, about which I know nothing, nor the Income Tax Bureau, nor anything else except the failure of the Federal enforcement service. In that, as Governor of Pennsylvania, I am vitally concerned, and for that Mr. Mellon, as Secretary of the Treasury, is directly responsible.

"What our people and our Government need most of all is a return to first principles. Fall, Denby, Daugherty, and the Federal enforcement service have taken from us much of our former confidence in the Government. The truth alone can restore it.

"I resent the effort to shift the blame from them and the like to the men who have performed the great public service of exposing corruption. The Senate investigating committees have checked the oil men's raid upon the navy reserve, rescued public property, safeguarded the Roosevelt conservation policy, and revived hope for the future of the Department of Justice. They have earned, and in time will receive, the gratitude of the whole Nation.

"In the present temper of the people, no party can go before the voters with any hope of success on a platform of suppressing the truth and condoning unfaithfulness in public office. In a time like this it is not only good morals but good politics to come clean, let the truth be known, accept frankly what responsibility belongs to each party, and clean the house thoroughly before asking the voters to hand over the key for four years.

"I am a Republican, but I am not here to talk partisan politics. I am here to ask every one of you and the millions you represent, whatever your political faith, to unite in a common effort for righteousness in public life, for law enforcement, and for obedience to the Constitution of the United States.

"The issue before us is more than an economic issue; more than a political issue; above all, more than a partisan issue. It is a moral issue, the greatest that can be, the eternal issue between right and wrong. This time God and the people are on one side, and liquor on the other."

Governor Pinchot severely condemned Dr. Nicholas Murray Butler, president of Columbia University, for his attitude on the eighteenth amendment and the Volstead Act.

"To say that the prohibition law can not be enforced is childish, Nicholas Murray Butler and other nullifiers to the contrary notwithstanding," declared Governor Pinchot, and his 3,000 hearers rose in a body and cheered again and again.

"I am glad you feel that way about it, because that is the way I feel," said the governor. "These men have merely made themselves ridiculous."

ARIZONA STATE MEMORIAL STONE PROCEEDINGS (S. DOC. NO. 109)

Mr. CAMERON. Mr. President, I present the proceedings held in the Washington Monument, Washington, D. C., on the occasion of the dedication of a memorial stone placed in the monument by the State of Arizona, which I ask may be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

PUEBLO INDIAN LANDS

Mr. BURSUM. I ask that this telegram, which relates to Senate bill 2932, to quiet the title to lands within Pueblo Indian land grants, and for other purposes, which was sent me by Mrs. Atwood, who is at the head of the Indian section of the Women's Federated Clubs of the United States, be read.

The PRESIDENT pro tempore. Without objection, the Secretary will read the telegram.

The reading clerk read as follows:

RIVERSIDE, CALIF., *May 11, 1924.*

Senator BURSUM,

Senate Office Building, Washington, D. C.:

Thank you for your help in this final draft of Pueblo bill. I have wired and sent messages to majority of Senators asking unanimous consent. What else can I do to help? Please wire reply.

STELLA M. ATWOOD.

Mr. BURSUM. I also have a letter, part of which I quote as follows:

I hope that Senate bill 2932, which is now on the calendar, may pass.

The letter is written by Mr. Burleigh, who is attorney for several of the Indian Rights Associations, and whose address is 67 Wall Street, New York. He is also attorney for the Women's Federated Clubs.

In view of these facts, I ask the Senator from Tennessee [Mr. MCKELLAR] if he will not be willing to permit the bill to come up?

Mr. MCKELLAR. The reason for my objection was a telegram I received on April 5, 1924, dated Chattanooga, Tenn., and addressed to me. The telegram is as follows:

CHATTANOOGA, TENN., *April 5, 1924.*

Hon. KENNETH D. MCKELLAR,

United States Senate, Washington, D. C.:

I understand Senator BURSUM has had the Pueblo Indian bill reported out of committee. The bill is not fair to the Indians and should not pass. Please see Chairman ALVA ADAMS and protest this measure. The women of America are trying to protect the Indians from the selfish exploitation of persons who place private gain above national honor. I earnestly and respectfully protest against the passage of this bill.

MRS. CLARENCE S. STEWARD,
Director for Tennessee General Federation of Women's Clubs.

As I said to the Senator from New Mexico, if this is a correct presentation of the matter, then in the interest of the Indians the bill should not pass. The Senator informs me that since that time the bill has been changed; how, I do not know. I think probably it would be better for the Senator to explain just how it has been modified, so as to protect the Indians. I agree with Mrs. Steward entirely that Congress should not pass any bill which would permit the exploitation of the Indians in any manner, shape, or form. I felt it was my duty to bring the matter to the attention of the Senate.

Mr. BURSUM. Mr. President, I desire to state to the Senator from Tennessee that at the time the telegram to which the Senator refers was sent there was objection by the Women's Federated Clubs. The objection was on account of the method of compensation provided in the bill for any loss which the Pueblo Indians might sustain. As the bill read at that time, it provided that the Secretary of the Interior should report to Congress any loss, with his recommendation. The Women's Federated Clubs insisted upon a procedure which would permit them to have the amount of the loss adjudicated by the Federal courts, and the amount found fixed in the nature of a judicial finding. That was agreed to, and now the bill is agreeable to all sides of this controversy, including the federated clubs, to which the lady who sent the telegram on April 5 last to the Senator from Tennessee referred. I assure the Senate that at present there is no objection from any quarter; all parties interested are agreeable to the passage of the bill, including the Indian Rights Association and others who had formerly opposed the bill.

The Senator from Colorado [Mr. ADAMS] was chairman of the subcommittee, and the senior Senator from New Mexico [Mr. JONES] and I were members of that subcommittee. The report of the Public Lands Committee was unanimous, and there is no controversy whatever at the present time. I am anxious that this matter should be disposed of so as to give the House some chance to consider the bill at this session. This is the culmination of nearly two years' work. Therefore I ask unanimous consent that the bill be brought up for consideration.

Mr. MCKELLAR and Mr. WILLIS rose.

The PRESIDENT pro tempore. Is there objection? The Chair is not willing at this time in the afternoon to permit debate upon the request for unanimous consent.

Mr. MCKELLAR. In view of what the Senator from New Mexico has said, that the clubs have signified their willingness to approve the legislation, and that an agreement has been made, I suppose I should not object. I have no interest in the matter other than to see that justice is done to all concerned.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. WILLIS. I object.

The PRESIDENT pro tempore. Objection is made.

MEMORIAL ADDRESSES ON THE LATE REPRESENTATIVE HUMPHREYS

Mr. HARRISON. I send to the desk an order which I desire to have adopted.

The PRESIDENT pro tempore. The order will be read.

The order was read and agreed to, as follows:

Ordered, That on Sunday, May 25, 1924, at the conclusion of the memorial addresses on the life, character, and public services of Hon. HENRY GARLAND DUPRÉ, late a Representative from the State of Louisiana, the business of the Senate be suspended for memorial addresses on the life, character, and public services of Hon. BENJAMIN G. HUMPHREYS, late a Representative from the State of Mississippi.

PROTECTION OF ALASKAN FISHERIES

Mr. JONES of Washington. Mr. President, I had hoped to call up a bill passed by the House relating to the salmon fisheries of Alaska, but it is so late in the day that I am not going to ask the Senate to consider it this afternoon. Those who are directly interested in the legislation have agreed upon some amendments to the provision that makes the bill reasonably satisfactory to them.

Mr. MCKELLAR. To what bill does the Senator refer?

Mr. JONES of Washington. House bill 8143, a bill passed by the House dealing with the salmon fisheries of Alaska. The salmon-fishing season is coming on, and it is very necessary that the measure should be passed. I merely wish to state that I shall endeavor to call up the bill some time to-morrow if it is possible to do so.

EXECUTIVE SESSION

Mr. WADSWORTH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

EXTRADITION WITH BULGARIA

In executive session this day the following treaty was ratified, and, on motion of Mr. WADSWORTH, the injunction of secrecy was removed therefrom:

To the Senate:

I transmit herewith, to receive the advice and consent of the Senate to ratification, a treaty for the extradition of fugitives from justice, signed between the United States and Bulgaria at Sofia on March 19, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE,
Washington, April 15, 1924.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, an extradition treaty between the United States and Bulgaria, signed at Sofia on March 19, 1924.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, April 14, 1924.

EXTRADITION TREATY BETWEEN THE UNITED STATES OF AMERICA AND BULGARIA

The United States of America and Bulgaria desiring to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the two countries, and have appointed for that purpose the following plenipotentiaries:

The President of the United States of America,

Charles S. Wilson, envoy extraordinary and minister plenipotentiary of the United States of America to Bulgaria, and

His Majesty the King of the Bulgarians,

Christo Kalfoff, minister for foreign affairs and worship of Bulgaria,

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles.

ARTICLE I

It is agreed that the Government of the United States and the Government of Bulgaria shall, upon requisition duly made as herein provided, deliver up to justice any person who may be charged with, or may have been convicted of, any of the crimes specified in Article II of the present treaty committed within the jurisdiction of one of the high contracting parties and who shall seek an asylum or shall be found within the territories of the other; provided that such surrender shall take place only upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Persons shall be delivered up according to the provisions of the present treaty who shall have been charged with or convicted of any of the following crimes:

1. Murder, comprehending the crimes designated by the terms parricide, assassination, manslaughter when voluntary, poisoning, or infanticide.

2. The attempt to commit murder.

3. Rape, abortion, carnal knowledge of children under the age of 12 years.

4. Abduction or detention of women or girls for immoral purposes.

5. Bigamy.

6. Arson.

7. Willful and unlawful destruction or obstruction of railroads, which endangers human life.

8. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the law of nations or by statute;

(b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas for the purpose of rebelling against the authority of the captain

or commander of such vessel, or by fraud or violence taking possession of such vessel;

(d) Assault on board ship upon the high seas with intent to do bodily harm.

9. Burglary, defined to be the act of breaking into and entering the house of another in the night time with intent to commit a felony therein.

10. The act of breaking into and entering the offices of the Government and public authorities, or the offices of banks, banking houses, savings banks, trust companies, insurance and other companies, or other buildings not dwellings with intent to commit a felony therein.

11. Robbery, defined to be the act of feloniously and forcibly taking from the person of another goods or money by violence or by putting him in fear.

12. Forgery or the utterance of forged papers.

13. The forgery or falsification of the official acts of the Government or public authority, including courts of justice, or the uttering or fraudulent use of any of the same.

14. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by national, State, provincial, Territorial, local, or municipal governments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies, and marks of State or public administrations, and the utterance, circulation, or fraudulent use of the above-mentioned objects.

15. Embezzlement or criminal malversation committed within the jurisdiction of one or the other party by public officers or depositaries, where the amount embezzled exceeds $100 or Bulgarian equivalent.

16. Embezzlement by any person or persons hired, salaried, or employed, to the detriment of their employers or principals, when the crime or offense is punishable by imprisonment or other corporal punishment, by the laws of both countries, and where the amount embezzled exceeds $100 or Bulgarian equivalent.

17. Kidnapping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them, their families, or any other person or persons, or for any other unlawful end.

18. Larceny, defined to be the theft of effects, personal property, or money, of the value of $25 or more, or Bulgarian equivalent.

19. Obtaining money, valuable securities, or other property by false pretenses, or receiving any money, valuable securities, or other property, knowing the same to have been unlawfully obtained, where the amount of money or the value of the property so obtained or received exceeds $100 or Bulgarian equivalent.

20. Perjury or subornation of perjury.

21. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director, or officer of any company or corporation, or by anyone in any fiduciary position, where the amount of money or the value of the property misappropriated exceeds $100 or Bulgarian equivalent.

22. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.

23. Willful desertion or willful nonsupport of minor or dependent children.

24. Extradition shall also take place for participation in any of the crimes before mentioned as an accessory before or after the fact, provided such participation be punishable by imprisonment by the laws of both the high contracting parties.

ARTICLE III

The provisions of the present treaty shall not import a claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses, and no person surrendered by or to either of the high contracting parties in virtue of this treaty shall be tried or punished for a political crime or offense. When the offense charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of the sovereign or head of a foreign State or against the life of any member of his family, shall not be deemed sufficient to sustain that such crime or offense was of a political character or was an act connected with crimes or offenses of a political character.

ARTICLE IV

No person shall be tried for any crime or offense other than that for which he was surrendered.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof when, from lapse of time or other lawful cause, according to the laws of the place within the jurisdiction of which the crime was committed, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof be actually under prosecution, out on bail, or in custody for a crime or offense committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined and until he shall have been set at liberty in due course of law.

ARTICLE VII

If a fugitive criminal claimed by one of the parties hereto shall be also claimed by one or more powers pursuant to treaty provisions, on account of crimes committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received.

ARTICLE VIII

Under the stipulations of this treaty neither of the high contracting parties shall be bound to deliver up its own citizens.

ARTICLE IX

The expense of arrest, detention, examination, and transportation of the accused shall be paid by the Government which has preferred the demand for extradition.

ARTICLE X

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense or which may be material as evidence in making proof of the crime, shall so far as practicable, according to the laws of either of the high contracting parties, be delivered up with his person at the time of surrender. Nevertheless, the rights of a third party with regard to the articles referred to shall be duly respected.

ARTICLE XI

The stipulations of the present treaty shall be applicable to all territory, wherever situated, belonging to either of the high contracting parties or in the occupancy and under the control of either of them, during such occupancy or control.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the high contracting parties. In the event of the absence of such agents from the country or its seat of government, or where extradition is sought from territory included in the preceding paragraphs, other than the United States or Bulgaria, requisitions may be made by superior consular officers. It shall be competent for such diplomatic or superior consular officers to ask and obtain a mandate or preliminary warrant of arrest for the person whose surrender is sought, whereupon the judges and magistrates of the two Governments shall respectively have power and authority, upon complaint made under oath, to issue a warrant for the apprehension of the person charged, in order that he or she may be brought before such judge or magistrate that the evidence of criminality may be heard and considered; and if on such hearing the evidence be deemed sufficient to sustain the charge, it shall be the duty of the examining judge or magistrate to certify it to the proper executive authority, that a warrant may issue for the surrender of the fugitive.

In case of urgency the application for arrest and detention may be addressed directly to the competent magistrate in conformity to the statutes in force.

The person provisionally arrested shall be released, unless within three months from the date of arrest in Bulgaria or from the date of commitment in the United States the formal requisition for surrender, with the documentary proofs hereinafter prescribed, be made as aforesaid by the diplomatic agent of the demanding Government or, in his absence, by a consular officer thereof.

If the fugitive criminal shall have been convicted of the crime for which his surrender is asked, a copy of the sentence of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed and of the depositions upon which such warrant may have been issued shall be produced with such other evidence or proof as may be deemed competent in the case.

ARTICLE XII

In every case of a request made by either of the high contracting parties for the arrest, detention, or extradition of fugitive criminals the appropriate legal officers of the country where the proceedings of extradition are had shall assist the officers of the Government demanding the extradition before the respective judges and magistrates by every legal means within their power, and no claim whatever for compensation for any of the services so rendered shall be made against the Government demanding the extradition: *Provided, however,* That any officer or officers of the surrendering Government so giving assistance, who shall in the usual course of their duty receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the Government demanding the extradition the customary fees for the acts or services performed by them, in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIII

The present treaty shall be ratified by the high contracting parties in accordance with their respective constitutional methods and shall take effect on the date of the exchange of ratifications, which shall take place at Sophia as soon as possible.

ARTICLE XIV

The present treaty shall remain in force for a period of 10 years, and in case neither of the high contracting parties shall have given notice one year before the expiration of that period of its intention to terminate the treaty it shall continue in force until the expiration of one year from the date on which such notice of termination shall be given by either of the high contracting parties.

In witness whereof the above-named plenipotentiaries have signed the present treaty and have hereunto affixed their seals.

Done in duplicate at Sophia this 19th day of March, 1924.

[SEAL] CHARLES S. WILSON.
[SEAL] CH. KALFOFF.

ADJOURNMENT

Mr. WADSWORTH. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 13, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 12, 1924

PRINCIPAL DELEGATES OF THE INTERNATIONAL COMMITTEE ON ELECTRICAL COMMUNICATIONS TO BE HELD IN MEXICO CITY, MEXICO, IN 1924

Charles Beecher Warren, of Michigan.
Wallace E. White, jr., of Maine.
Allen H. Babcock, of California.

UNITED STATES ATTORNEY

Ross R. Mowry, of Iowa, to be United States attorney, southern district of Iowa, vice Ralph Pringle, deceased.

REGISTER OF THE LAND OFFICE

Paul E. Bellamy, of South Dakota, to be register of the land office at Rapid City, S. Dak., vice James R. Sharp, term expired.

PUBLIC HEALTH SERVICE

The following-named officers for promotion to the grades as indicated below, to rank as such from the date set opposite their names:

To be surgeon

Passed Asst. Surg. John D. Reichard, May 12, 1924.

To be passed assistant surgeons

Asst. Surg. Edward B. Faget, June 15, 1924.
Asst. Surg. Leo W. Tucker, June 15, 1924.

Appointment of the following-named doctors to be assistant surgeons, to take effect from date of oath:

Dr. Forrest N. Anderson. Dr. Erval R. Coffey.
Dr. Marvin P. Moore. Dr. Wilhelm R. Schillhammer

PROMOTIONS IN THE REGULAR ARMY

To be colonel

Lieut. Col. William Henry Waldron, Infantry, from May 7, 1924.

To be lieutenant colonel

Maj. Walter Campbell Baker, Chemical Warfare Service, from May 7, 1924.

To be chaplain with the rank of captain

Chaplain George Jefferson McMurry, United States Army, from May 6, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

ADJUTANT GENERAL'S DEPARTMENT

Maj. Resolve Potter Palmer, Quartermaster Corps, with rank from July 1, 1920.

AIR SERVICE

Lieut. Col. Charles Hart Danforth, Infantry (detailed in Air Service), with rank from July 1, 1920.

REAPPOINTMENT IN THE REGULAR ARMY

BUREAU OF INSULAR AFFAIRS

Maj. Gen. Frank McIntyre, United States Army, to be Chief of the Bureau of Insular Affairs, with the rank of major general, for a period of four years from August 17, 1924, with rank from October 6, 1917.

PROMOTIONS IN THE NAVY

MARINE CORPS

Brig. Gen. Eli K. Cole to be a major general (temporary) in the Marine Corps, subject to the examination required by law, from the 3d day of June, 1924.

Col. Dion Williams to be a brigadier general in the Marine Corps, subject to the examination required by law, from the 3d day of June, 1924.

Lieut. Col. Harold C. Reisinger, assistant paymaster, to be an assistant paymaster in the Marine Corps, with the rank of colonel, from the 3d day of June, 1924.

Second Lieut. Edgar G. Kirkpatrick to be a first lieutenant in the Marine Corps from the 1st day of January, 1922.

Second Lieut. Clarence H. Yost to be a first lieutenant in the Marine Corps from the 4th day of January, 1922.

Second Lieut. John D. O'Leary to be a first lieutenant in the Marine Corps from the 12th day of March, 1922.

Second Lieut. Clyde H. Hartsel to be a first lieutenant in the Marine Corps from the 26th day of March, 1922.

Second Lieut. Grover C. Darnall to be a first lieutenant in the Marine Corps from the 28th day of March, 1922.

Second Lieut. Delmar Byfield to be a first lieutenant in the Marine Corps from the 28th day of March, 1922.

Second Lieut. Charles Connette to be a first lieutenant in the Marine Corps from the 13th day of April, 1922.

Second Lieut. Arthur C. Small to be a first lieutenant in the Marine Corps from the 18th day of April, 1922.

Second Lieut. James Ackerman to be a first lieutenant in the Marine Corps from the 2d day of May, 1922.

Second Lieut. Henning F. Adickes to be a first lieutenant in the Marine Corps from the 20th day of May, 1922.

Second Lieut. Ralph C. Alburger to be a first lieutenant in the Marine Corps from the 1st day of June, 1922.

Second Lieut. Benjamin W. Atkinson to be a first lieutenant in the Marine Corps from the 8th day of June, 1922.

Second Lieut. William L. Bales to be a first lieutenant in the Marine Corps from the 27th day of June, 1922.

Second Lieut. Ralph C. Battin to be a first lieutenant in the Marine Corps from the 2d day of July, 1922.

Second Lieut. Frederick C. Biebush to be a first lieutenant in the Marine Corps from the 6th day of July, 1922.

Second Lieut. Edmond McC. Callaway to be a first lieutenant in the Marine Corps from the 18th day of July, 1922.

Second Lieut. Gale T. Cummings to be a first lieutenant in the Marine Corps from the 25th day of July, 1922.

Second Lieut. Roy W. Conkey to be a first lieutenant in the Marine Corps from the 26th day of July, 1922.

Second Lieut. Terrell J. Crawford to be a first lieutenant in the Marine Corps from the 1st day of August, 1922.

Second Lieut. Howard B. Enyart to be a first lieutenant in the Marine Corps from the 12th day of August, 1922.

Second Lieut. George Esau to be a first lieutenant in the Marine Corps from the 18th day of August, 1922.

Second Lieut. Edwin J. Farrell to be a first lieutenant in the Marine Corps from the 19th day of September, 1922.

Second Lieut. Augustus H. Fricke to be a first lieutenant in the Marine Corps from the 24th day of September, 1922.

Second Lieut. Julian N. Frisbie to be a first lieutenant in the Marine Corps from the 21st day of October, 1922.

Second Lieut. Carl Gardner to be a first lieutenant in the Marine Corps from the 3d day of November, 1922.

Second Lieut. Gordon Hall to be a first lieutenant in the Marine Corps from the 12th day of November, 1922.

Second Lieut. Guy B. Hall to be a first lieutenant in the Marine Corps from the 15th day of November, 1922.

Second Lieut. Frank W. Hanlon to be a first lieutenant in the Marine Corps from the 17th day of November, 1922.

Second Lieut. William S. Fellers to be a first lieutenant in the Marine Corps from the 18th day of November, 1922.

Second Lieut. James B. Hardie to be a first lieutenant in the Marine Corps from the 1st day of January, 1923.

Second Lieut. George L. Hollett to be a first lieutenant in the Marine Corps from the 2d day of January, 1923.

Second Lieut. Herbert S. Keimling to be a first lieutenant in the Marine Corps from the 27th day of January, 1923.

Second Lieut. Ralph D. Leach to be a first lieutenant in the Marine Corps from the 2d day of March, 1923.

Second Lieut. George W. McHenry to be a first lieutenant in the Marine Corps from the 2d day of March, 1923.

Second Lieut. William L. McKittrick to be a first lieutenant in the Marine Corps from the 9th day of March, 1923.

Second Lieut. Charles W. Pohl to be a first lieutenant in the Marine Corps from the 4th day of April, 1923.

Second Lieut. Bernard W. Pravitz to be a first lieutenant in the Marine Corps from the 10th day of April, 1923.

Second Lieut. Stanley E. Ridderhof to be a first lieutenant in the Marine Corps from the 17th day of April, 1923.

Second Lieut. Edward A. Robbins to be a first lieutenant in the Marine Corps from the 26th day of April, 1923.

Second Lieut. Thomas McK. Schuler to be a first lieutenant in the Marine Corps from the 13th day of May, 1923.

Second Lieut. Morris L. Shively to be a first lieutenant in the Marine Corps from the 3d day of July, 1923.

Second Lieut. Max D. Smith to be a first lieutenant in the Marine Corps from the 26th day of July, 1923.

Second Lieut. David A. Stafford to be a first lieutenant in the Marine Corps from the 28th day of July, 1923.

Second Lieut. William J. Stamper to be a first lieutenant in the Marine Corps from the 2d day of August, 1923.

Second Lieut. Jay D. Swartwout to be a first lieutenant in the Marine Corps from the 17th day of August, 1923.

Second Lieut. George H. Towner, jr., to be a first lieutenant in the Marine Corps from the 23d day of August, 1923.

Second Lieut. Leslie H. Wellman to be a first lieutenant in the Marine Corps from the 30th day of August, 1923.

Second Lieut. Walter W. Wensinger to be a first lieutenant in the Marine Corps from the 12th day of September, 1923.

Second Lieut. Ervin R. Whitman to be a first lieutenant in the Marine Corps from the 17th day of October, 1923.

Second Lieut. Marvin V. Yandle to be a first lieutenant in the Marine Corps from the 31st day of October, 1923.

POSTMASTERS

ALABAMA

Anna H. Kinney to be postmaster at Elberta, Ala., in place of A. H. Kinney. Office became third class April 1, 1924.

ARIZONA

Charles E. Hand to be postmaster at Winkelman, Ariz., in place of C. E. Hand. Incumbent's commission expired February 11, 1924.

CALIFORNIA

William Braucht to be postmaster at Whittier, Calif., in place of J. S. Todd. Incumbent's commission expired February 11, 1924.

IDAHO

Amanda O. Holmes to be postmaster at Plummer, Idaho, in place of A. O. Holmes. Incumbent's commission expired February 4, 1924.

Robert N. Molloy to be postmaster at Orofino, Idaho, in place of R. N. Molloy. Incumbent's commission expired April 23, 1924.

ILLINOIS

Mark Simpson to be postmaster at Waterman, Ill., in place of L. E. Whitford, resigned.

Samuel A. McCullough to be postmaster at Irvington, Ill., in place of S. A. McCullough. Office became third class April 1, 1924.

Stephen C. Galecner to be postmaster at Eldorado, Ill., in place of C. T. Wilson, removed.

INDIANA

Clara A. Salla to be postmaster at Denham, Ind., in place of C. A. Salla. Office became third class April 1, 1924.

IOWA

Charlie C. Clifton to be postmaster at Thompson, Iowa, in place of C. C. Clifton. Incumbent's commission expired March 22, 1924.

KENTUCKY

John G. Fisher to be postmaster at Berry, Ky., in place of I. K. Dowd. Incumbent's commission expired February 4, 1924.

Minnie O. Tschiffely to be postmaster at Pewee Valley, Ky., in place of C. W. Robinson, jr., resigned.

Agnes P. Simpson to be postmaster at Graham, Ky., in place of A. P. Simpson. Office became third class April 1, 1924.

Mollie L. Alphin to be postmaster at Crittenden, Ky., in place of W. J. Schneider. Office became third class January 1, 1924.

William M. Jack to be postmaster at Cleaton, Ky., in place of E. P. King, resigned.

LOUISIANA

Ector R. Gammage to be postmaster at Westlake, La., in place of F. L. LeBlanc. Incumbent's commission expired February 11, 1924.

Edward S. Rogers to be postmaster at Berwick, La., in place of J. E. Ryan. Incumbent's commission expired May 6, 1924.

Mattie B. Peyton to be postmaster at Keatchie, La., in place of M. B. Peyton. Office became third class April 1, 1924.

John A. Marchand to be postmaster at Gonzales, La., in place of J. A. Marchand. Office became third class April 1, 1924.

MAINE

Alvin H. Perley to be postmaster at Charleston, Me., in place of A. H. Perley. Office became third class April 1, 1924.

MASSACHUSETTS

Fred W. Trasher to be postmaster at Marblehead, Mass., in place of J. F. Williams, resigned.

MISSOURI

Mary M. Wightman to be postmaster at Bethany, Mo., in place of E. W. Prentiss. Incumbent's commission expired January 23, 1924.

Ruby M. Ratcliff to be postmaster at Matthews, Mo., in place of F. E. Sibley. Office became third class October 1, 1923.

Sullivan Brigman to be postmaster at East Prairie, Mo., in place of E. C. DeField, resigned.

MONTANA

George W. Patterson to be postmaster at Havre, Mont., in place of T. W. McKenzie. Incumbent's commission expired March 11, 1924.

NEBRASKA

Hillery D. Bartley to be postmaster at Crookston, Nebr., in place of L. K. Musser, resigned.

NEVADA

Lillie A. Wist to be postmaster at Manhattan, Nev., in place of L. A. Wist. Office became third class April 1, 1924.

NEW JERSEY

Belle H. Smith to be postmaster at Springfield, N. J., in place of A. A. Sickley. Incumbent's commission expired January 28, 1924.

NEW YORK

Perry Deyo to be postmaster at New Paltz, N. Y., in place of Luther Hasbrouck, resigned.

Copeland E. Smith to be postmaster at Olean, N. Y., in place of H. D. Sibley. Incumbent's commission expired March 3, 1924.

William W. Carpenter to be postmaster at Monticello, N. Y., in place of J. M. Kelly. Incumbent's commission expired March 22, 1924.

Walter N. Durland to be postmaster at Hurleyville, N. Y., in place of M. W. Billings. Incumbent's commission expired August 29, 1923.

Berton G. Johnson to be postmaster at Cooperstown N. Y., in place of G. H. Carley. Incumbent's commission expired May 6, 1924.

Daniel T. Evans to be postmaster at Chittenango, N. Y., in place of C. A. Nichols. Incumbent's commission expired February 14, 1924.

Margaret M. Seneeal to be postmaster at Champlain, N. Y., in place of W. W. Gettys. Incumbent's commission expired April 23, 1924.

NORTH CAROLINA

Joseph S. Mitchell to be postmaster at Draper, N. C., in place of T. R. Hundley, resigned.

Sue M. Vick to be postmaster at Bailey, N. C., in place of M. C. Glover, resigned.

OHIO

Ben J. Filkins to be postmaster at Wakeman, Ohio, in place of J. L. Murray. Incumbent's commission expired September 19, 1922.

Robert E. Friel to be postmaster at Lore City, Ohio, in place of R. E. Friel. Incumbent's commission expired March 22, 1924.

Guy G. Patchen to be postmaster at Columbiana, Ohio, in place of F. D. Lodge, resigned.

OKLAHOMA

Howard E. Sowle to be postmaster at Vici, Okla., in place of H. E. Sowle. Incumbent's commission expired April 29, 1924.

Henry C. Cashon to be postmaster at Webbers Falls, Okla., in place of J. W. Rowland, removed.

SOUTH DAKOTA

Will C. Bromwell to be postmaster at Wessington Springs, S. Dak., in place of W. C. Bromwell. Incumbent's commission expired January 23, 1924.

Lewis W. Ford to be postmaster at Wakonda, S. Dak., in place of L. W. Ford. Incumbent's commission expired April 14, 1924.

C. Albert Zeitner to be postmaster at Mission, S. Dak., in place of C. A. Zeitner. Office became third class April 1, 1924.

TEXAS

Oliver P. Maricle to be postmaster at Wichita Falls, Tex., in place of Ed Howard. Incumbent's commission expired February 24, 1924.

William M. Willis to be postmaster at Timpson, Tex., in place of Lula Ezell. Incumbent's commission expired January 31, 1924.

Lillie M. Ragsdale to be postmaster at Richardson, Tex., in place of L. A. Pyeatt. Incumbent's commission expired April 9, 1924.

Dunn R. Emerson to be postmaster at Marlin, Tex., in place of C. H. Hamilton. Incumbent's commission expired April 5, 1924.

Alois J. Skarda to be postmaster at Bloomington, Tex., in place of G. H. Kindred. Incumbent's commission expired April 9, 1924.

Jesse P. Smith to be postmaster at Smiley, Tex., in place of J. W. Pouncey. Office became third class January 1, 1924.

Edgar W. Hargett to be postmaster at Richards, Tex., in place of J. L. Montgomery. Office become third class April 1, 1923.

Clara C. White to be postmaster at Megargel, Tex., in place of C. C. White. Office became third class January 1, 1924.

George F. Bates to be postmaster at Lyons, Tex., in place of G. F. Bates. Office became third class April 1, 1924.

James D. Heaton to be postmaster at Barry, Tex., in place of J. D. Heaton. Office became third class April 1, 1924.

WEST VIRGINIA

Crawford E. White to be postmaster at Triadelphia, W. Va., in place of S. J. Armstrong. Office became third class January 1, 1924.

WYOMING

Epsie L. Winn to be postmaster at Superior, Wyo., in place of James Syme, declined.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 12, 1924

REGISTER OF THE LAND OFFICE

Paul E. Bellamy to be register of the land office at Rapid City, S. Dak.

PROMOTIONS IN THE ARMY

Patrick Henry Hudgins to be captain, Veterinary Corps.
Harry Donnell Ayres to be captain, Infantry.
Daniel Philip Buckland to be first lieutenant, Cavalry.
Philip McIlvaine Whitney to be first lieutenant, Infantry.
John Morris Works to be first lieutenant, Field Artillery.
Read Wipprecht to be captain, Ordnance Department.
Duncan Hodges to be first lieutenant, Signal Corps.
Ernest Byron Thompson to be second lieutenant, Coast Artillery Corps.
Felix Nicholson Parsons to be second lieutenant, Coast Artillery Corps.
Lutz Wahl to be assistant to The Adjutant General, with rank of brigadier general, Adjutant General's Department.
Harry Taylor to be Chief of Engineers, with rank of major general, Corps of Engineers.
Edgar Jadwin to be assistant to Chief of Engineers, with rank of brigadier general, Corps of Engineers.
Irving Moriarty to be major on retired list of the Regular Army.
Henry Benton Sayler to be major, Ordnance Department.
William Ward Wise to be captain, Chemical Warfare Service.
Christian Hildebrand to be first lieutenant, Infantry.
Joseph Holleman Warren to be first lieutenant, Infantry.
Edgar Mortimer Gregory to be first lieutenant, Coast Artillery Corps.
John David Frederick to be first lieutenant, Infantry.
Richard Ray Coursey to be first lieutenant, Infantry.
Horace Joseph Caterer to be first lieutenant, Medical Administrative Corps.
Louis Augustus Carter to be chaplain, with rank of major.
James Alexander Smart to be first lieutenant, Medical Corps.
William Wayne Murphey to be first lieutenant, Ordnance Department.

POSTMASTERS

ARIZONA

James A. Jones, Phoenix.

CONNECTICUT

Frank J. Serena, Saugatuck.

IDAHO

Edith M. Smylie, Genesee.
John P. Elmers, Grangeville.

INDIANA

Alexis G. Coffman, Roachdale.
John N. Hunter, South Bend.

KENTUCKY

Ed J. Salm, Hawesville.
Clyde S. England, Russell.

LOUISIANA

Annie B. Netterville, Newellton.
Daniel Crowe, Vivian.

MONTANA

Margaret McGlumphy, Sumatra.

NEW JERSEY

Harriet C. Rosenkrans, Branchville.
Anne W. Campbell, Tabor.

WISCONSIN

Charles L. Calkins, Rhinelander.

HOUSE OF REPRESENTATIVES

MONDAY, *May 12, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Lord and our God, again within the shadow of Thy presence all alarms have been stilled. We therefore with quiet confidence come before Thee with thanksgiving. Settle and fix our plans and purposes with Thy wisdom. Within the peaceful folds of Thy Spirit, give counsel. Grant that all our achievements may bear the mark of a high and splendid Christian faith. In every situation may we know that Thy arm is sufficient and our defense is sure. In the name of Jesus we pray. Amen.

The Journal of the proceedings of Saturday, May 10, 1924, and Sunday, May 11, 1924, was read and approved.

CONFEDERATE MEMORIAL EXERCISES

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. COLLIER. Mr. Speaker and gentlemen of the House, on the 25th of May, at Arlington Cemetery, in the Confederate section, will be held Confederate memorial day services. The gentleman from Mississippi [Mr. WILSON] will deliver the address. I am requested by the commander of the Confederate Veterans' Camp, No. 171, to deliver an invitation to Congress to be present on that occasion. I will read the invitation:

HEADQUARTERS CAMP NO. 171, U. C. V.,
CONFEDERATE MEMORIAL HOME,
1322 VERMONT AVENUE NW.,
Washington, D. C., May 9, 1924.

To the United States House of Representatives:

Camp 171 United Confederate Veterans of Washington respectfully invites the Members of the House of Representatives to attend the Confederate Memorial Day services at Confederate section, Arlington National Cemetery, at 3 p. m., Sunday, May 25, 1924.

Very respectfully,

FRED BEALL,
Commander Camp 171, U. C. V.

It gives me great pleasure to extend this invitation on behalf of Camp 171, United Confederate Veterans.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bill and joint resolution of the Senate of the following titles,

in which the concurrence of the House of Representatives was requested.

S. 2676. An act authorizing the Secretary of War to lease or in his discretion to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla.; and

S. J. Res. 89. Joint resolution authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

SENATE BILLS REFERRED

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 2676. An act authorizing the Secretary of War to lease or in his discretion to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla.; to the Committee on Military Affairs.

S. 112. An act providing for a comprehensive development of the park and playgrounds system of the National Capital; to the Committee on the District of Columbia.

THE PHILIPPINE ISLANDS

Mr. FAIRFIELD. Mr. Speaker, I ask unanimous consent that the minority members of the Committee on Insular Affairs be given five days to file minority views on the bill H. R. 8856, to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands and to provide for the future political status of the same.

The SPEAKER. The gentleman from Indiana asks unanimous consent that he may have five days to file minority views on House bill 8856. Is there objection?

Mr. DYER. Reserving the right to object, I would like to know what the expectations of the gentlemen are as to having the bill referred to taken up in the House for consideration, or whether it is to be permitted to sleep continuously until the Congress expires?

Mr. FAIRFIELD. The chairman of the committee begs leave to inform the gentleman that he will use every effort possible to bring the bill before the House at this session.

Mr. DYER. Has the committee authorized the gentleman to ask for a rule?

Mr. FAIRFIELD. The committee has authorized me to use every parliamentary means to secure action on the bill.

Mr. DYER. That does not include authority to ask for a rule. I suggest to the gentleman that he ask authority of the committee to get a rule from the Committee on Rules.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE GREAT NORTHWEST

Mr. WATKINS. Mr. Speaker, I ask leave to address the House for one minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WATKINS. Mr. Speaker, I want to announce to the Members of the House that to-night, at 8 o'clock, in the caucus room, third floor of the House Office Building, one of the best orators of the country will speak. There is no admission fee and there will be no collection. Frank Branch Riley, of Portland, Oreg., will speak on "The Lure of the Great Northwest." I urge every Member of the House to be present. It will be time profitably spent.

EXTENSION OF STREETS NEAR WALTER REED GENERAL HOSPITAL

The SPEAKER. This is District of Columbia day.

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of certain streets.

Mr. STALKER. Mr. Speaker, I make the point that no quorum is present.

The SPEAKER. The gentleman from New York makes the point of order that no quorum is present. Evidently there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to; the Doorkeeper closed the doors, and the Sergeant at Arms was authorized to bring in absent Members.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Doughton	Little	Sanders, N. Y.
Bacharach	Doyle	Lowrey	Schafer
Black, N. Y.	Drane	McDuffie	Sears, Fla.
Bloom	Edmonds	McFadden	Sears, Nebr.
Boies	Fish	McNulty	Seger
Boylan	Funk	MacLafferty	Sherwood
Britten	Gallivan	Magee, Pa.	Sinnott
Browne, N. J.	Garber	Mead	Sites
Browne, Wis.	Geran	Michaelson	Snyder
Burdick	Gilbert	Miller, Ill.	Stengle
Butler	Graham, Pa.	Mills	Strong, Pa.
Cable	Greene, Mass.	Montague	Sullivan
Campbell	Griffin	Moore, Va.	Sweet
Canfield	Hammer	Moores, Ind.	Swing
Carew	Haugen	Morin	Swoope
Casey	Howard, Okla.	Morris	Tague
Celler	Huddleston	Mudd	Taylor, Colo.
Clark, Fla.	Hull, Morton D.	Newton, Minn.	Upshaw
Cleary	Hull, William E.	O'Connell, N. Y.	Vare
Collins	Humphreys	Paige	Ward, N. C.
Connolly, Pa.	Jeffers	Park, Ga.	Ward, N. Y.
Corning	Kahn	Peavey	Wason
Crowther	Kelly	Perkins	Watson
Cullen	Kendall	Perlman	Welsh
Curry	Kiess	Quayle	Williams, Tex.
Darrow	LaGuardia	Ransley	Wilson, La.
Davey	Langley	Reed, W. Va.	Winslow
Deal	Lehlbach	Rogers, N. H.	Winter
Dempsey	Lilly	Rosenbloom	Yates
Dickstein	Lindsay	Rouse	

The SPEAKER. Three hundred and twelve Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 114, and, pending that, I ask unanimous consent that general debate be limited to two hours, to be confined to the purposes of the bill, that one half of the time be controlled by the gentleman from Texas [Mr. BLANTON] and the other half by myself.

Mr. CRAMTON. The Speaker, reserving the right to object, we hear a good deal in the newspapers about the need of more legislation for the District and the demands the District Committee are going to make for an extra day, and all that sort of thing. Why is it necessary to have two hours of general debate on every more or less unimportant bill that comes up from that committee? The bill before us does not require two hours of debate.

Mr. ZIHLMAN. I will say to the gentleman, the acting chairman of the committee felt he was forced to ask for that length of time for general debate. Personally I prefer to confine it to 30 minutes, but there are certain Members of the House who are opposed to the bill——

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. When the House adjourned on Saturday it was dividing on the hospital bill. What is the status of that bill?

The SPEAKER. That was on the rule.

Mr. WINGO. The House was in the midst of a division on that. What is its status; does it come up this morning?

The SPEAKER. It comes up when the chairman of the Rules Committee calls it up again.

Mr. WINGO. In other words, we await the action of the Chairman of the Rules Committee?

Mr. CRAMTON. If the gentleman from Maryland will yield further, I do not feel it is the business of other Members of the House to protect the committee against itself. It seems to me that the Committee on the District, if it wants to get a number of bills through, ought to be able to content itself with a less extended general debate. However, I will withdraw my objection.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. ZIHLMAN. I will.

Mr. GARRETT of Texas. I would like to ask if the bill which the gentleman proposes to call up is the one proposing to open up Fourteenth Street and through Walter Reed Hospital?

Mr. ZIHLMAN. It is the bill closing four or five streets.

Mr. GARRETT of Texas. But opening up Fourteenth Street through the Walter Reed Hospital. Is that the bill?

Mr. ZIHLMAN. Yes.

Mr. GARRETT of Texas. It ought to take about one minute to discuss that.

Mr. GREEN of Iowa. Mr. Speaker, reserving the right to object, I want to ask if this bill has not been debated at some length at a prior time? I am sure I heard some vigorous speeches in relation to it.

Mr. ZIHLMAN. There have been only about 15 minutes' debate, during the last session of the Congress, I will say to the gentleman.

Mr. GREEN of Iowa. I think 15 minutes is enough for the bill.

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, I want to state to the gentleman from Michigan that there is quite a strong contest over this bill, and I have been requested for 55 minutes of the time against the bill. With the understanding the gentleman from Maryland and myself had in regard to the time I shall not object.

The SPEAKER. Is there objection?

Mr. LINTHICUM. Mr. Speaker, reserving the right to object, I would like to ask the gentleman whether I can get 10 minutes of that time?

Mr. ZIHLMAN. Yes.

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, and I shall not, of course, I should like to announce to the House that I shall offer some time this afternoon the conference report on the immigration bill carrying out the instructions of the House and shall call the bill up on Thursday immediately after the disposition of the business on the Speaker's desk.

The SPEAKER. Is there objection to the request of the gentleman from Maryland that general debate on this bill be limited to two hours, half to be controlled by the gentleman from Texas and half by himself? [After a pause.] The Chair hears none, and it is so ordered.

The question is on the motion of the gentleman that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 114, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill S. 114, which the Clerk will report.

The Clerk read as follows:

An act (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ZIHLMAN. Mr. Chairman, the bill which is pending before the committee has received the unanimous approval of the District of Columbia Committee of the Senate; it has been unanimously passed by the Senate; it has the approval of the War Department and the Secretary of the War Department; it has been unanimously approved by members of the Federal Highway Commission——

Mr. FROTHINGHAM. Will the gentleman yield?

Mr. ZIHLMAN. Not just now; in a moment.

Mr. FROTHINGHAM. The gentleman does not want to make a misstatement.

Mr. ZIHLMAN. The gentleman will certainly allow me to make a brief statement, and I will be glad to yield. It has been unanimously approved by the District Commissioners and by the members of the Federal Highway Commission. It has been unanimously approved by the civic and trade organizations of the District of Columbia. It has practically the unanimous approval of the citizens of the northwest section of the city of Washington and of the adjacent Maryland territory. It provides for the closing of five streets through Walter Reed Hospital Reservation, including Thirteenth and Fifteenth Streets, as carried on the plan of the permanent Highway Commission of the District of Columbia.

Mr. GARRETT of Texas. Will the gentleman yield there?

Mr. ZIHLMAN. In a moment I will be glad to yield.

It is not proposed in the plan submitted by the Surgeon General's office to extend Fourteenth Street, which has been referred to by the gentleman from Texas, through Walter Reed Hospital. It is proposed to extend it through what is known as the medical center, between the museum and the out center and the faculty officers' quarters, according to the plan submitted by the Surgeon General's office. It is not proposed by the Surgeon General's office in the plan they have submitted to put any part of the hospital proper on that portion of the ground between Fourteenth and Sixteenth Streets, but it is proposed that on the Sixteenth Street end of the reservation there shall be a museum, a library, a faculty officers' quarters, and other buildings of the hospital proper will be placed between Fourteenth Street and Georgia Avenue. As a matter of fact, they are in closer proximity to the existing car line on Georgia Avenue than they are to Fourteenth Street.

I want to quote here from the statement of Col. Charles W. Kutz, of the United States Army, formerly engineer commissioner of the District of Columbia. He says:

If the plan in mind—that is, the putting of Fourteenth Street through Walter Reed Hospital at a lowered grade, so that the main walks and drives of the hospital can be carried overhead on bridges—if that were not in mind, if it were a question of putting through Fourteenth Street at grade, I believe the commissioners would indorse whole-heartedly the view expressed here this morning that it would be a great mistake; that it would be a serious mistake to reproduce within those grounds the conditions which exist to-day on Georgia Avenue.

But in suggesting a depressed grade we believe that we are safeguarding the patients against accident; that we are not interfering with the development of these grounds as a park; and that, in addition to serving a large territory to the north of Walter Reed Hospital, we will also provide very convenient means of transportation for the hospital people themselves.

Then, too, if the extension of Fourteenth Street meant the extension of a street through the hospital proper, it, too, might be criticized as being so objectionable as being unworthy of consideration.

But, as we undertsand the purpose in mind, it is intended to create on this reservation a medical center; not only a hospital but a medical school, a nurses' training institution, a museum, and a library, in addition to officers' quarters.

As we understand the tentative plans, all these auxiliary activities are proposed to be placed within the area between Fourteenth and Sixteenth Streets, and that all the hospital buildings—the hospital itself—will lie between Fourteenth Street extended and Georgia Avenue. So that what is proposed is not a street through a hospital but a street through a medical center, avoiding the hospital, but furnishing easy means of communication to both groups of activity.

We believe that the hospital people themselves as recently as 1917 contemplated the eventual opening of Fourteenth Street. If you will examine the plan you will find that, even as to the temporary buildings, not one of them is built within the lines of Fourteenth Street, but they are carefully arranged on both sides of the street, evidently indicating the contemplation of a highway, though not necessarily a public highway.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. In a moment. I read further:

We are greatly interested in the hospital. We do not want to do anything that will mar its development or interfere with its use as a hospital; but we do believe that the people to the north will eventually require greater transportation facilities than will be available on Georgia Avenue and Fourteenth Street alone.

Now I want to say, for the information of the House, that the Walter Reed Hospital plans of development can not be carried out under the existing conditions, because Thirteenth Street and Fifteenth Street and the streets running from east to west on the reservation must be closed by act of Congress before this reservation can be developed. I want to make it clear, further, that already more than one-half of Fourteenth Street through this reservation is dedicated and opened by act of Congress, but before this reservation can be developed fully all these streets which are marked in blue on this map [indicating] from Fourteenth Street up to Alaska Avenue must be closed by act of Congress. The District has already expended a considerable amount of money in improving these streets, which will be closed entirely under the provisions of this bill.

Mr. KINDRED. Mr. Chairman, will the gentleman yield for a moment?

Mr. ZIHLMAN. In a moment.

Mr. FROTHINGHAM. I understand that the gentleman stated that the War Department favored this?

Mr. ZIHLMAN. Yes.

Mr. FROTHINGHAM. I understand that General Ireland opposed it two years ago.

Mr. ZIHLMAN. The gentleman is a member of the Committee on Military Affairs, and he certainly does not mean to say that one officer of the Army can make a policy for the whole department or would oppose a policy adopted by the War Department.

Mr. FROTHINGHAM. The evidence given as to what effect that will have is the best evidence we can get.

Mr. ZIHLMAN. Has the gentleman any information as to the attitude of General Ireland now, in view of the sweeping indorsement of this bill by the head of the Army?

I said formerly at one time that certain officers of the Army were opposed to this bill, and I was asked by the War Department who it was that gave me that information. If officers of the Army are opposed to this bill, they certainly have not indicated it to this committee having this legislation in charge.

Mr. FROTHINGHAM. Does not the gentleman think that the evidence of the officers of the Medical Corps, when the question relates to a hospital, is much better evidence than that even of the Secretary of War or that of anyone who can not pass upon the medical effect of the proposal?

Mr. ZIHLMAN. I have just stated that no medical officer has opposed the provisions of this bill.

Mr. FROTHINGHAM. The head of it has.

Mr. ZIHLMAN. There is a question as to that.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. ROGERS of Massachusetts. I notice that the gentleman's bill provides that the grade of the streets on the hospital grounds shall be subject to the approval of the Secretary of War. I understand the gentleman contemplates that this bill, when enacted, will result in a depressed road along the line of Fourteenth Street through the hospital grounds. Am I correct in that?

Mr. ZIHLMAN. Through the medical center.

Mr. ROGERS of Massachusetts. Would the gentleman object to changing the language of his bill so as to have it stipulated in the law that the grade must be depressed? Otherwise the Secretary of War would have the power to let the street run through on the same general level as the hospital grounds.

Mr. ZIHLMAN. If that would remove the opposition of certain Members of the House to this legislation, I would have no objection to it, but if it does not remove their objection I would not consent to that, although it is the purpose of the War Department and the plan of the District Commissioners.

Mr. ROGERS of Massachusetts. If it would be the fair and proper thing to do, why not amend the bill by stipulating what you think ought to be done without its being expressly provided?

Mr. ZIHLMAN. I will come to that.

Mr. KINDRED. Does not the proposed change of the street as suggested by this measure conform to the general plan of development of the Walter Reed Hospital along the line of making it fireproof and anticipating the expenditure of a great deal of additional money there, in order to make the present inadequate frame buildings safe for patients?

Mr. ZIHLMAN. I will answer the gentleman by presenting him with a map prepared by the Surgeon General's office, upon which it is provided for the extension of this street through this section of the hospital reservation.

Mr. KINDRED. And plans are already under way and perhaps will be made soon, if not already made, to develop this along the line of a fireproof hospital?

Mr. ZIHLMAN. Yes.

Mr. REECE. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. I yield to the gentleman from Tennessee.

Mr. REECE. It is contemplated in this development of the extension of the streets, that the hospital is going to be moved into that section?

Mr. ZIHLMAN. No. The hospital proper, according to the plans of the War Department, is to be built between Fourteenth Street and Georgia Avenue. This bill provides for the closing of those streets through the reservation and for the extension of Fourteenth Street through what is known as the medical center, subject to the approval of the Secretary of War.

Mr. REECE. It struck me as though this would be to the great detriment of the hospital.

Mr. ZIHLMAN. I will state to the gentleman that the Secretary of War, who is the chairman of the Federal Highway Commission, held public hearings on this question before approving this bill, and that this plan of closing these streets and extending this one street through the reservation has the approval of the Secretary of War, the War Department, and the Federal Highway Commission, composed of the Secretary of War, the Secretary of the Interior, and the Chief of Engineers of the United States Army.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. ZIHLMAN. I yield to the gentleman from Texas.

Mr. GARRETT of Texas. The streets referred to that are to be closed through this hospital reservation are already, as a matter of fact, closed.

Mr. ZIHLMAN. They are physically closed; yes. But it requires an act of Congress to close the streets for all time.

Mr. GARRETT of Texas. The real purpose of closing these streets by this bill is to open up Fourteenth Street through the reservation, and that is considered more important than the closing of the streets which are physically closed now. Is not that true?

Mr. ZIHLMAN. No. I will say to the gentleman that it is impossible for the War Department to mature its plans and begin construction until Congress by legislation closes these streets.

Mr. GARRETT of Texas. I agree with the gentleman as to the closing of these other streets, but I am against the proposition of opening up this one street. The War Department has never asked for the closing of these other streets before the Military Affairs Committee, if I remember correctly.

Mr. ZIHLMAN. Yes; they have.

Mr. GARRETT of Texas. Nobody objects to the closing of these other streets, but some do object to the opening of Fourteenth Street.

As I understand it, the purpose of opening Fourteenth Street through the reservation is to permit the development of all that country north of there and the extension of additions which are being opened north of the Walter Reed Hospital. Now, I want to ask the gentleman this question: Can not the traction company approach the Walter Reed Hospital down Fourteenth Street to the south boundary line of the reservation, go west and cross under Sixteenth Street at the large canyon or gully there, go up the west side of Sixteenth Street until they strike Alaska Avenue, and go out Alaska Avenue and give the people all the service they will get by going through the Walter Reed Hospital Reservation?

Mr. ZIHLMAN. I will say to the gentleman that the plan of opening Fourteenth Street through the reservation is the plan of the Army engineers, and that plan has been submitted to all concerned and has their approval.

Mr. GARRETT of Texas. It has been considered by all concerned; but it would cost $60,000 more to follow the other route. That is the only difference, is it not?

Mr. ZIHLMAN. No; there is more difference in it than that.

Mr. GARRETT of Texas. What is the difference in serving those people?

Mr. ZIHLMAN. Oh, there is a material difference in serving these people.

Mr. JOHNSON of South Dakota. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. JOHNSON of South Dakota. Did the District Committee insist that this bill be given consideration to-day and why is it brought up ahead of other legislation that is pending before that committee?

Mr. ZIHLMAN. I will say to the gentleman that this bill has been on the calendar for some months and was on the program submitted to the majority leader as being one of the bills which we desired to bring before the House. This bill has given way to the rent bill and other legislation since it has been on the order of business. The members of the District Committee are unable to understand the opposition to this bill, which has been carefully considered by competent authorities of the District and which has the approval of the Secretary of War and every legally constituted authority to deal with this subject. It has the unanimous approval of the District Committee of the Senate and the unanimous approval of the District Committee of the House. It was unanimously passed by the Senate, and we certainly urge the enactment of this bill into law.

Mr. JOHNSON of South Dakota. If the gentleman will yield I can explain my opposition. It is simply because I do not think it is for the best interests of the veterans in that hospital.

Mr. ZIHLMAN. In answer to that I will say to the gentleman that competent Army officers—who certainly must have at heart the welfare of the veterans and the sick—have gone on record publicly as advocating this as the best method of solving this problem and of keeping an additional avenue of

entrance into the District open for the rapidly growing sections in northwest Washington and the adjacent territory in Maryland.

Mr. McKENZIE. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. McKENZIE. I could not hear the question asked by the gentleman from South Dakota [Mr. JOHNSON], but I assume it is along the same line of the one I have in mind. I want to ask the gentleman from Maryland whether or not in the consideration of this bill there were any representatives of the American Legion, the Veterans' Bureau, or the Disabled Veterans of the United States, who took part in the World War, who appeared before the committee and asked that this bill go through.

Mr. ZIHLMAN. I will say to the gentleman, no, and there was not a single resident of the District or a single veteran or member of the American Legion who has ever voiced opposition to this measure. The only opposition is the opposition voiced by the members of the Military Affairs Committee and other Members of the House. I have not heard a single objection raised by any veteran or any resident of the District.

Mr. McKENZIE. Was there any notice given?

Mr. ZIHLMAN. The matter was carried in the papers and everybody was familiar with it.

Mr. JONES. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. JONES. If the District docket is as crowded as the gentleman has been stating it is, could not the committee find something more important than the opening of a street to take up the time of the House on probably the last District day of the session?

Mr. ZIHLMAN. I will say to the gentleman that this bill does not only open one street but it closes six streets, which must be closed before the Government can go ahead with its program of construction. This matter is of vital importance not only to the District but to the Federal Government, and it has been on the calendar for months.

Mr. JONES. To run a street through Walter Reed Hospital?

Mr. ZIHLMAN. This bill not only closes five streets through the Walter Reed Reservation, but it provides for the opening up of many streets in that vicinity, in the northwest section of the city. It is a matter of tremendous interest to the city of Washington.

Mr. JONES. Is there a provision in this bill which will keep them from ever building a street-car track through these grounds?

Mr. ZIHLMAN. No; the bill states that the plan is to be subject to the approval of the Secretary of War.

Mr. JONES. But there is nothing to keep them from building street-car tracks through there if they want to?

Mr. ZIHLMAN. No, sir. There has been a tremendous development in the northwest section of the city, and owing to the extension of other streets being blocked by Rock Creek Park, the Soldiers' Home, Rock Creek Cemetery, and the Columbia Institution for the Deaf, the only extension into that growing section of Maryland at present is Georgia Avenue with its single car line, and this extension means still further development of the northwest section north of the hospital reservation, and the solving of the housing problem in the District will be materially hastened.

Since the adoption of the permanent highway plan for the District of Columbia, it has been carried out with only minor changes, and with the exception of Thirteenth Street and Fifteenth Street, which are closed through the reservation, under the provisions of this bill.

In a few years Georgia Avenue will certainly become the most crowded street leading into Washington, and the closing of Fourteenth Street would materially handicap the entire northwest section of Washington, as it is essentially needed to help accommodate the traffic of the future.

Mr. Chairman, I reserve the balance of my time.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. DALLINGER].

Mr. DALLINGER. Mr. Chairman, to my mind this bill presents a most extraordinary proposition. I do not suppose that in any other city in the United States any such proposition as this would be seriously considered. Certainly no such proposition has ever been considered before even in the District of Columbia. You are all familiar with the Soldiers' Home. North Capitol Street is a great artery leading north from the Capitol, but there never has been any suggestion of an extension of North Capitol Street through the Soldiers' Home grounds. The cars go around through Michigan Avenue.

It is said that it is necessary to develop the real estate from the present end of Fourteenth Street northward to the Walter Reed Hospital grounds. This can be done without extending this street, with its frequent, noisy street cars, through the grounds, and it would not make two minutes' difference in the time of travel on Fourteenth Street.

Here is a map. Here is Georgia Avenue, here is Sixteenth Street, and here is Fourteenth Street. There is absolutely no reason why they can not extend Fourteenth Street to the southern boundary of the hospital grounds and then, through an arrangement with the War Department, skirt the southern and western boundaries of the Walter Reed Hospital grounds so that the cars can swing around on a curve without interfering with Sixteenth Street and then proceed northward. In other words, there could be a wider avenue for just a short distance on Sixteenth Street and along Alaska Avenue, constructed on land now belonging to the Government, until you get north of the hospital grounds, and then the extension of Fourteenth Street can be continued. It would not take two minutes longer for the traveling public.

The only argument in favor of extending this great thoroughfare through the middle of this hospital reservation where so many of the veterans of the World War are being cared for is that by so doing you can save two minutes and there will be a straight street instead of a little detour. I do not think that the proposition need any more than be stated to show its unwisdom; and I want to state, Mr. Chairman, that I would vote against it if I was the only Member of the House to do so.

Mr. FROTHINGHAM. Does the gentleman think it is a good thing for nervous patients to have street cars running right through the reservation near the hospital?

Mr. DALLINGER. I think, in answer to my colleague, that it is a preposterous thing to have the continual noise of street cars through the hospital grounds. They will be obliged to remove some buildings, which they say are only temporary buildings, but everybody knows that this great thoroughfare, with a car line on it, is going right through the middle of the grounds.

Mr. JOHNSON of South Dakota. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. JOHNSON of South Dakota. The gentleman from Massachusetts recalls that at the hearings on the so-called Langley bill, which is the hospital building bill, it was stated that there would be approximately $1,000,000 appropriated if that bill passes without amendment which would be affixed at Walter Reed Hospital, now under discussion.

Mr. DALLINGER. So I understand.

Mr. JOHNSON of South Dakota. Would it not seem preposterous to the gentleman for the Government to expend $1,000,000 in increasing the facilities of that hospital and then run a double-track street-car line through the very place where we are erecting these buildings?

Mr. DALLINGER. I should say such a proposition is perfectly preposterous and inconsistent.

Whether it was wise or unwise to select this particular location for this great veterans' hospital is not the question before us. That is a settled question. The land has been taken and the hospital buildings erected. There is this great reservation there with Georgia Avenue on one side and Sixteenth Street and Alaska Avenue on the other and it ought to remain intact just the same as the Soldiers' Home grounds.

Mr. RANKIN. Will the "Senator" yield?

Mr. DALLINGER. Certainly.

Mr. RANKIN. This is really an Army hospital at any rate, is it not?

Mr. DALLINGER. Yes.

Mr. RANKIN. And it belongs to the Regular Army Establishment?

Mr. DALLINGER. Yes.

Mr. RANKIN. And it is not an emergency proposition?

Mr. DALLINGER. No.

Mr. RANKIN. Therefore, to run this street through there, it seems to me, would very likely interfere with the Regular Army operations from time to time.

Mr. DALLINGER. There is no doubt of it.

Mr. LINTHICUM. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. LINTHICUM. Not only is it an Army hospital but the running of a street through there is recommended by the War Department, is it not?

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BLANTON. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa [Mr. HULL].

Mr. HULL of Iowa. Mr. Chairman and gentlemen of the House, this proposition to dismember and divide the Walter Reed Hospital grounds is not a new proposition. It was referred to our committee, the Committee on Military Affairs, and, I think, very properly referred there, in 1921. At that time the Secretary of War and the War Department were all opposed to the proposition of opening a street through Walter Reed Hospital, for they sent a bill to our committee and asked us to close all the streets, including Fourteenth Street, and the communication was signed by the Secretary of War.

It is true that the Secretary of War has written a letter indorsing the proposition of opening the street known as Fourteenth Street through these grounds at the present time. I do not know what influenced the Secretary of War to change his mind. I do know that there has been a lobby here.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. HULL of Iowa. I will.

Mr. HILL of Maryland. Does not the gentleman think the Secretary of War has come to realize the truth of the conditions at the Walter Reed Hospital? I will say that until I spent a month there I was against it, but when I saw the needs of the proposed extension I became in favor of it. I changed my mind.

Mr. HULL of Iowa. I do not know what the gentleman thinks, but if he thinks that this is a good thing for mental patients, to have a street car running alongside the hospital, he has no comprehension of the needs of mental patients.

Mr. HILL of Maryland. Will the gentleman yield again for me to explain that this proposed line is to run through the administration part and not through the part occupied by mental patients.

Mr. HULL of Iowa. Oh, the gentleman was there for a few days, but he does not know anything about it.

Mr. HILL of Maryland. I was not there as a mental patient.

Mr. HULL of Iowa. I think the gentleman ought to have been; he ought to be sent back. [Laughter.]

Mr. HILL of Maryland. I want to say that this proposed extension goes entirely through the administration portion of the hospital grounds.

Mr. HULL of Iowa. If the gentleman will sit down a minute, I want to say that the gentleman did not examine the Walter Reed grounds and does not seem to know. Now, here on this plan you will see Fourteenth Street, and here is the psychopathic hospital over here for mental patients. That is where the gentleman ought to have been. [Laughter.]

But, all joking aside, is it not absurd? Did you ever hear anything like it? Did any of you ever hear of running a street-car system through hospital grounds? Go into any city where there is a hospital and you will see signs saying that this is a zone of quiet. They get them as far away as they can from the street-car system. Here is a proposition to permit the street-car system to run through the Walter Reed Hospital grounds, and here on this chart you will see the psychopathic hospital with hundreds of patients in it.

Mr. KNUTSON. Is it not a fact that it is only about three or four blocks away from Sixteenth Street?

Mr. HULL of Iowa. Two blocks from Fourteenth to Sixteenth Street. You have only 100 acres there, and just the minute you permit that street to go through you take off over 30 acres of the most valuable part of the grounds, and you will practically ruin the entire hospital grounds that you have already spent millions of dollars upon and are going to spend millions of dollars more.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. HULL of Iowa. Certainly.

Mr. GARRETT of Texas. If you permit this street-car system to run through there, how long will it be before they will be appealing to Congress to move the hospital grounds?

Mr. HULL of Iowa. That is what the real-estate men expect to do just as soon as they get this divided up. They have already picked out the ground and they are going to ask Congress to buy other grounds.

Mr. McSWAIN. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. McSWAIN. Have the real-estate men other plans available for hospital sites?

Mr. HULL of Iowa. Yes; I think they have them all picked out now.

Now, if you look at this map you will see Thirteenth Street; here is Fourteenth Street, and Fourteenth Street up to the present time is opened up to this point. We have bought the additional ground recently and have asked to close all these streets. They were all being closed, including Fourteenth Street, up to this point, so as to make one compact hospital ground.

Mr. THATCHER. Is there any street car now running through the hospital grounds?

Mr. HULL of Iowa. No; and you do not want them. You do not want a street-car line in the grounds at all. They do go right by the grounds. I want to say that at the time General Ireland was before our committee, General Glennan, the commandant at the hospital, was before our committee, and some others, and we investigated this very thoroughly. I went out there five or six times. I took some of the best experts on hospitals in this country and asked them to investigate and let me know what they thought of it, and not one person that I asked an opinion of indorsed it. They all said that it was absurd to propose any such thing as to divide these hospital grounds.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. HULL of Iowa. I will.

Mr. CONNALLY of Texas. Does the Surgeon General of the Army approve this bill?

Mr. HULL of Iowa. The Surgeon General as far as I know does not approve of it at the present time, but the gentleman from Texas knows that it is somewhat embarrassing for an officer of the Army to contradict or to differ from those higher up, and I presume he would decline to do so at this time.

Mr. CONNALLY of Texas. In such a case would not the Secretary of War be more apt to defer to the Surgeon General than the Surgeon General would be afraid to express his opinion to the Secretary of War?

Mr. HULL of Iowa. If he had he would not have recommended putting this through, because the Surgeon General in the hearings on June 2, 1921, very explicitly went on record as opposed to the proposition.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. SUMMERS of Washington. The hospital authorities having passed on this unfavorably, the gentleman does not have the idea that Congress is going to overrule the judgment of those men and put the street-car line through these hospital grounds.

Mr. HULL of Iowa. I have some confidence in Congress and I hope it will defeat the proposition here emphatically so that we will never hear of it again. It should not have been brought in here at this time.

Mr. SUMMERS of Washington. I think they will.

Mr. KING. If the gentleman will yield for an inquiry, is it not the fact that there is a double line of street cars running the entire length of the hospital grounds on Georgia Avenue?

Mr. HULL of Iowa. Yes.

Mr. KING. Is it not a fact that during the war that leads up to the present time nearly all the activities of the hospital have taken place along that street-car line?

Mr. HULL of Iowa. It does now.

Mr. KING. Does the gentleman know what the hospital authorities think of the sound of the street cars, what effect it has upon psychopathic patients?

Mr. HULL of Iowa. Whenever they place a hospital they place it away from sound. They do not put a hospital right up against a street-car line and they never did. They get the hospital just as far away from the street as it is possible.

Mr. HILL of Maryland. When I went up for observation they put me right up to the street cars on Georgia Avenue.

Mr. NEWTON of Minnesota. That is to deaden the sound. [Laughter.]

Mr. HULL of Iowa. I want to read you what General Ireland said in the hearings on June 2, 1921.

> The people who want this railroad put through the reservation, of course, have an interest in securing transportation north of the reservation.

Now, you see at that time they wanted transportation north of the reservation. That is what they want to-day, and that is the only reason this bill comes in here, that the street-car company wants a short cut and does not want to go to the expense of building the street-car line around by the Walter Reed Hospital grounds. Now, I have no objection to the building up of Washington, but I do not think it is necessary when you do that to destroy beautiful hospital grounds such as you have at Walter Reed. I think it is a mistake, and I hope that this Congress will not go on record as favoring

any such absurd proposition. I yield back the remainder of my time. [Applause.]

The CHAIRMAN. The gentleman yields back four minutes.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the time we are to yield to the gentleman from Illinois [Mr. McKENZIE] may be controlled by him.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the time yielded to the gentleman from Illinois——

Mr. BLANTON. That the time to be yielded to him by me and the gentleman from Maryland be controlled by him.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the time yielded by himself and the gentleman from Maryland to the gentleman from Illinois [Mr. McKENZIE] may be controlled by the gentleman from Illinois. Is there objection?

Mr. LINTHICUM. Reserving the right to object, how much time is that?

Mr. BLANTON. Twenty-five minutes.

Mr. LINTHICUM. It does not extend the two hours?

Mr. BLANTON. No; it does not extend it at all.

The CHAIRMAN. Is there objection? [After a pause]. The Chair hears none.

Mr. BLANTON. I yield the gentleman from Illinois 10 minutes.

Mr. ZIHLMAN. I yield the gentleman 15 minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for 25 minutes.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, I shall not consume very much time in this discussion. It is a matter that is so simple to my mind that I feel it is really in a sense a waste of time to take two hours in discussing it. If there were really any necessity for this legislation, or if it were to be legislation that would be of assistance for all the people concerned, I might be willing to sacrifice my views to some extent, so far as the patients in the hospital are concerned. But, gentlemen, there is no real necessity for this legislation, and in my judgment a much better solution of this can be had than is provided in this bill. You understand, of course, that Sixteenth Street bounds the Walter Reed Hospital grounds on the west side. Across Sixteenth Street is Rock Creek Park and the Zoo. Now, over here, some distance south of the hospital grounds, there is a ravine, and up here [indicating on map] there is another depression under Sixteenth Street. Now, the solution that ought to be made of this problem is for the street-car line to come up Fourteenth Street to a point near the south boundary of the hospital grounds, come across, go under Sixteenth Street, build a station in the park for unloading people who want to visit the park, thence paralleling Sixteenth Street to the ravine or depression under Sixteenth Street, thence passing under Sixteenth Street, going up Alaska Avenue to Fourteenth Street and out, and in that way they will accommodate the people who wish to visit the park by landing them in the park. You know, if you have been out along Sixteenth Street, that a man takes his life in his hand when he wishes to cross. People who wish to go and visit the park and land on the opposite side have to cross Sixteenth Street. The plan I suggested would land them right in the park and would take care of those who wished to visit the hospital grounds. The only objection I think, perhaps, is the expense. The engineers who testified in the hearing which was held in 1921 estimated that the plan would cost perhaps $280,000.

The plan to cut a depression through Walter Reed Hospital grounds will cost possibly $200,000. Another plan that was suggested this morning was simply to come around through Walter Reed Hospital grounds, which would destroy the park effect of the ground, and that ought not to be done. Now, gentlemen, there were some statements made here this morning that the Secretary of War and that the Surgeon General of the United States Army have changed their minds with regard to this subject. It may be the Secretary of War has changed his mind, but I can understand how Army officers change their minds. My 12 years' experience on the Committee on Military Affairs has taught me that Army officers have one opinion in their hearts and another one which they often express publicly when they come before committees, and that is to express what is supposed to be the wishes of the War Department, which is no reflection on an officer. No man can sit on this floor to-day and convince me that General Ireland, that splendid Surgeon General of our Army, favors this outrage. Not for one minute. It may be that they have silenced his tongue. It may be that he is not out making speeches against this thing. But in his heart I am sure that he feels just as he did when he appeared before our committee on June 2, 1921. And I want to read to you what he said then. I asked him this question:

> Do you contend that the noise from street cars, such as we are having now from cars going up and down the street here—and I will say that that noise is such that as you are speaking at that end of the table those of us who happen to be in this corner of the room can not hear what you are saying—do you contend that that sort of noise has a detrimental effect upon the patients in the hospital, especially if they happen to be nervous patients?
>
> General IRELAND. Yes, sir; most decidedly.
>
> Mr. McKENZIE. That would be, at least, one reason why we should not permit the opening of this street to accommodate those gentlemen who, as Mr. MILLER has intimated, are interested in simply making a little more money out of some land which they have probably bought for speculative purposes?
>
> Mr. MILLER. That was my suspicion.
>
> Mr. McKENZIE. Yes; a suspicion, but it seems to have been a well-grounded suspicion. Why should these unfortunates who are compelled to remain out there for treatment be subjected to that sort of nuisance, when, as a matter of fact, the same object could be attained by going around the reservation? Those sick boys should have quiet and should be permitted to wander around through the reservation and sit under the shade of the trees without incurring the danger of being killed.

[Applause.]

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Wait until I give you his answer.

I read:

> General IRELAND. You have stated the situation exactly. There are three outstanding reasons why the railroad should not go through this reservation: First, we must have a zone of quiet if we are to give the best treatment to sick people, and that is particularly true in the case of the nervous and mental cases. Then there is the danger of running street cars through the reservation, and we want to make part of this reservation a park where the patients can go out and spend the day. On such a day as this, for instance, patients that can be up and around have no business in the wards. They will do much better outside.

Mr. LAZARO. Mr. Chairman will the gentleman yield now?

Mr. McKENZIE. Yes.

Mr. LAZARO. Is it not our plain duty to consider the welfare of these patients instead of the street-railway people?

Mr. McKENZIE. Absolutely. And I want to say, gentlemen, that those were the sentiments of General Ireland in June, 1921, when he came before our committee. I know General Ireland well enough to know that those are his sentiments to-day, and will continue to be his sentiments. If those people up here were marooned and had no way of escape, I would not object to this measure; but by making a circle around there you will fulfill all that the necessities require, and that would be that they want to get this land back and then sell to the Government another hospital site.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. KNUTSON. I was out in Walter Reed for two months, three years ago, and I may say that half of the boys asked me to do what I could against the proposed legislation suggested at this time.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. COLE of Iowa. Will the gentleman tell us who is back of this movement? Is there any public sentiment for it? What is it?

Mr. McKENZIE. Well, the petition at that time purported to come from the people living north of the hospital grounds, that they wanted transportation.

But here is something to keep in mind, gentlemen. This hospital was established in 1908 by the Congress of the United States. We went out there and bought ground. The land was a wilderness, a forest. We said it would be a beautiful place for a hospital. I agreed with that. We bought some land. Then we needed more land. We found if we wanted to make a great school out there we must have more land. We now have about 100 acres out there. We bought additional land, and the purpose of the Government was not only to make that a great hospital for the eastern part of our country, just as the Letterman Hospital is a great hospital for the western part of the country, but to make it a great school and something that the Nation can be proud of. And now, gentlemen, are we, at the behest of people for pecuniary interest or simply for convenience, to lay that all aside, cut down this forest, build up mansions out there where they can charge these exorbitant rates that they impose upon the people of the District, and benefit only a few people?

I want to appeal to you, gentlemen of the House, who are here, that we ought at least to stand here and defend the rights of those who can not come here and speak for themselves, and those are the boys who are out there receiving treatment. [Applause.]

If we do that, Fourteenth Street will never be opened through this ground, but which will ever be preserved for the invalids and the injured of our Army in the future as well as at present. [Applause.]

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield for one more question?

Mr. McKENZIE. Yes.

Mr. COLE of Iowa. What is the feeling on the part of the patients in the hospital on this proposition?

Mr. McKENZIE. Of course, I can not answer that question. But if you dig a trench through there, you can imagine what it would be.

Mr. KNUTSON. It would cut the grounds in two.

Mr. McKENZIE. Yes. When the boys become convalescent, want to walk through these grounds, what would it be with a big cut dividing it? For God's sake let us have one place in Washington where a sick soldier can sit down under a tree and hear the birds sing without its being brought to our attention that somebody is trying to make money out of it. [Applause.]

Mr. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the enacting clause. However, I understand the motion must wait until the end of general debate.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee. I dislike very much to disagree with the distinguished acting chairman of my own committee, the Committee on Military Affairs, and I dislike also to disagree with my colleague on the Committee on Military Affairs, the gentleman from Iowa [Mr. HULL]. I might say that he got me in the wrong part of the hospital in his remarks; but I want to say to this committee—and the only reason I rise is to say this—that before I had actual personal experience of conditions at Walter Reed Hospital I was just as strongly against this bill as the acting chairman of the Committee on Military Affairs or the gentleman from Iowa [Mr. HULL].

I voted against it when it was before the Military Affairs Committee, but after I had seen the conditions in Walter Reed Hospital in reference to transportation and in reference to the location of this proposed street I changed my mind, and I feel strongly that this street should be cut through.

It is not necessary for me to say that I have no pecuniary interest in it. I own no real estate and I am affiliated with nobody who owns real estate. I am looking at this matter at the present time from the point of view of the inmates of the Walter Reed Hospital.

The situation is this: To the right of this blue print you see Sixteenth Street with no car lines, and there ought not to be any car lines there; to the left you see Georgia Avenue, which has car lines. Fourteenth Street, at the present time, runs from the northern to the southern limit of the Walter Reed Hospital Reservation. You are not now asked to consider anything except less than one-half of the indicated length of Fourteenth Street, because the existing law and the existing physical conditions already have opened Fourteenth Street more than half of its length. Fourteenth Street is now open from the "X" mark to the top of the map. The only part you are concerned with is the Fourteenth Street right from that "X" mark to the bottom of the map.

Now, what is the situation in the Walter Reed Hospital? I heard this talk about the sick soldiers before I saw Walter Reed Hospital. I am just as much for diverting the minds of sick soldiers with birds, trees, and other things, as is the chairman of the Military Affairs Committee, who so feelingly spoke about those things. But I spent one month out there in a snow storm and I saw those men trying to get to town. There was no way to get to town; there is no decent transportation and there is no adequate transportation for the people in that reservation from the reservation to the city.

Now, what is the situation about disturbing the peace and quiet of the soldiers in the Walter Reed Hospital? Here is your administration building toward the left of the map, toward Georgia Avenue [indicating on map]. You have your street cars on Georgia Avenue. When I was at the Walter Reed Hospital I lived in this shack right here [indicating]. Now, that shack is comparatively near Georgia Avenue, and we could not hear the street cars and they did not disturb us. In that same shack were men who were about to die and two or three men died while I was there.

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. BLANTON. Will the gentleman tell us, for information, in the size of the ordinary block here, how far it is from the east side of that brick administration building over to Georgia Avenue, approximately?

Mr. HILL of Maryland. I should say perhaps one or two blocks.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HILL of Maryland. Mr. Chairman, may I have one minute more?

Mr. ZIHLMAN. Mr. Chairman, I yield the gentleman an additional minute.

The CHAIRMAN. The gentleman from Maryland is recognized for one additional minute.

Mr. HILL of Maryland. Now, gentleman, the situation is this: Over here toward the right of the map you have not got the sick soldiers anywhere. Over toward the right of the map you have nothing except the administration building and you have no sick soldiers anywhere.

Mr. BLANTON. Is it not a fact that Thirteenth Street would run right through that administration building?

Mr. HILL of Maryland. Thirteenth Street would absolutely ruin the whole place, and would run directly through it. So, gentlemen, I ask that you pass this bill in the interest of furnishing transportation to the men who have got to live there and do business in that hospital.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. McKENZIE. Mr. Chairman, I yield three minutes to the gentleman from Washington [Mr. SUMMERS].

The CHAIRMAN. The gentleman from Washington is recognized for three minutes.

Mr. SUMMERS of Washington. Mr. Chairman and gentlemen, you have heard about this Fourteenth Street extension for a couple of years. It seems to me it is very largely a question of whether we are going to put real estate first or sick ex-service men first in our consideration. Now, that is really the problem that we are confronting at this time. I am for the ex-service men. Everybody who has traveled out to Walter Reed knows there is a street-car line coming right along by the corner of the hospital grounds, and busses are operating over on the other side. Except as a real-estate proposition I see no reason why the grounds should be marred by the construction of a street-car line through the midst of them. I see no reason why disabled men, who are there trying to regain their health, should be annoyed by the constant clatter of street cars. Everybody knows there is a quiet zone marked as you approach every hospital. Why should we deliberately arrange for the construction of a noisy street-car line right through the most important ex-service men's hospital in this part of the United States?

Mr. CONNERY. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. CONNERY. Would not the proposed Fourteenth Street line run right alongside of the neuropsychiatric part of the hospital, where the men need the most quiet?

Mr. SUMMERS of Washington. I understand it would do so. It would not only annoy these patients constantly, and harass their nerves but it would be a constant menace to many of those fellows who are crippled, some of the mentally and others physically, who would have to be crossing the tracks.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. GARRETT of Tennessee. As I have understood this matter—although I confess I have not given great study to it—it is to be a tunnel proposition?

Mr. SUMMERS of Washington. A tunnel would not be objectionable. My understanding is that part of it is to be bridged over but no tunnel constructed.

Mr. KNUTSON. It will be an open cut. The gentleman is a doctor, and I will ask the gentleman whether in his opinion the putting of Fourteenth Street through there and allowing street cars to operate would not retard the recovery of the patients because of the noise from the street cars?

Mr. SUMMERS of Washington. Undoubtedly noise must retard the recovery of hospital patients or you would not universally see a quiet-zone sign posted as you approach every hospital.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. BLANTON. Mr. Chairman, I yield the gentleman two minutes.

The CHAIRMAN. The gentleman from Washington is recognized for two additional minutes.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. SUMMERS of Washington. Yes.

Mr. BLANTON. The gentleman is a physician himself?

Mr. SUMMERS of Washington. Yes.

Mr. BLANTON. And the gentleman gives it as his medical opinion that running this street-car line through Fourteenth Street, which would bring it within one block of the main administration building and along certain wards, would be detrimental to the patients in that hospital?

Mr. SUMMERS of Washington. It is wholly because I believe it would be detrimental to the patients that I asked for two or three minutes time in which to oppose this proposal.

Mr. BLANTON. Now, a question on another point. Where there are patients using these grounds—convalescent patients—walking around the grounds, some of them affected mentally, would or would not carrying this double-track street-car line through Fourteenth Street within a block of the administration building and along these wards be dangerous to such patients?

Mr. SUMMERS of Washington. I have just stated that, in my opinion, it would be not only a menace to their health but dangerous to their lives.

Mr. LINTHICUM. Would it be any more dangerous than the car line along Georgia Avenue?

Mr. SUMMERS of Washington. Georgia Avenue is outside of the hospital grounds.

Mr. BLANTON. And Georgia Avenue is policed by military police.

Mr. WOODRUFF. There are street cars on Georgia Avenue now.

Mr. BLANTON. Yes; and it is policed.

Mr. SUMMERS of Washington. And this would be adding an additional hazard.

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, from what has been said one would believe that this street was immediately adjacent to where the patients are. The truth of it is this street is from one block to a block and a half from where the hospital wards are to be located.

Mr. STEPHENS. Will the gentleman yield?

Mr. LINTHICUM. Let me start first.

Mr. STEPHENS. I want to say the hospital wards above there are right on Fourteenth Street.

Mr. LINTHICUM. The gentleman is in error. Here is a plat of the intended layout. Over here to the east are the wards of the hospital, a block away from this street. Here is a school between the wards and Fourteenth Street and student officers' quarters. On the west side of the street are the faculty officers, the library, and the museum. Therefore the patients in this hospital are from one block to a block and a half away from the proposed street, and there are no patients on the west side, but there is a library and a museum and one other building.

Remember also that this property on the west side of Fourteenth Street was not a part of the original hospital grounds. It has been subsequently purchased for other buildings—for the museum, for the library, and the faculty officers. Therefore the patients really have nothing to do with going over there, unless they want to go over to visit the library, the museum, or the faculty quarters. So that absolutely the entire hospital grounds are within the old purchase and not on the west side of Fourteenth Street, the subsequent purchase.

Remember another thing, this street is to be depressed. It is to be below grade.

Mr. ROGERS of Massachusetts. Will the gentleman yield?

Mr. LINTHICUM. No; I decline to yield.

Mr. ROGERS of Massachusetts. Is that in the bill?

Mr. LINTHICUM. No; not in the bill, but guaranteed, and I should welcome such an amendment. This street is to be depressed. There are to be bridges across this street carrying those who want to visit the library, the museum, or the faculty quarters.

There was a public hearing on this matter. The hospital authorities voiced strenuous protest against the plan, and as a result, the Highway Commission, consisting of the Secretary of War, the Secretary of the Interior, and the Chief of Engineers of the United States Army, held a public hearing in the board room of the District Building on June 23, 1921, and subsequent after this full hearing the commission recommended the opening of Fourteenth Street through the reservation. It is absolutely indorsed not alone by the commissioners but also by the War Department, and the War Department will have charge of this hospital, which is an Army hospital.

Can anybody imagine that the Secretary of War would want to do something injurious to the patients of that hospital?

Gentlemen, there is another point you want to remember. Sixteenth Street and Fourteenth Street and Georgia Avenue are the only north and south streets possible between the east side of Rock Creek Park and the west side of Soldiers' Home, which means that they are the only north and south streets between Connecticut Avenue leading to Chevy Chase and Rhode Island Avenue leading to Hyattsville. Anyone who lives in the northwestern section of the city and comes down Sixteenth Street in the morning can realize that there must be additional accommodations for north and south traffic in the District of Columbia. Only this morning when I came down, the automobiles were lined up on Sixteenth Street waiting for the traffic officer to let them cross U Street for two blocks, and they were solid. I got through there in a space of about 18 inches between an automobile and about 2 feet between another line of automobiles. So that it is a matter of necessity that the District of Columbia, if she proposes to grow, must have additional accommodations for north and south traffic.

You have been talking here about high rents. You passed through this House the other day a bill extending the rent law, and yet if you do not give this additional traffic accommodation you can not build up that section of the territory to the satisfaction of home owners and residents of the District of Columbia and the building of homes in this section. I feel, with an automobile owned by almost everybody, with thousands of them on every hand, we must give additional traffic accommodations, and we must open up additional territory if the District of Columbia intends to grow, and grow she will. If she can not grow in this beautiful section out that way, she must grow in some other section, and I contend we ought to give these accommodations when by all who have studied this question, by the War Department, by the District of Columbia, by the citizens' associations, and by absolutely everybody who has studied the question, the opening of Fourteenth Street has been recommended, and not one veteran has opposed its opening.

Now, gentlemen, another thing: Do you not imagine that the patients themselves want additional transportation into Washington? It is a matter of impossibility for them to get on a Sixteenth Street bus in the morning, they are so congested.

Mr. HILL of Maryland. It is not only for the soldiers themselves, but for their wives, mothers, and families in Washington, who can not get to the Walter Reed Hospital easily.

Mr. LINTHICUM. I was coming to that point. As I say, you can not get on a Sixteenth Street bus coming to the city in the morning, and in the evening going out they are so congested that it is difficult. You can not get on a Georgia Avenut street car unless you hang by the strap or stand on the platform. It is not a question of giving the people generally transportation, but it is a question of giving the patients a chance to come into the city of Washington and go out. The friends of all the patients there do not own automobiles. What they want is an opportunity to go out and visit the patients in the hospital. They need transportation on Fourteenth Street to go and visit the patients just as much as the general public need transportation on Fourteenth Street to go beyond the hospital.

In conclusion, I want to say that you must bear in mind that all of the citizens' associations, the Secretary of War, and the people who have given the question deep study have been convinced that this street ought to be opened.

There is another thing we ought not to forget, and that is that while we are opening Fourteenth Street we are closing other streets; we are closing these other streets, which will give the hospital a solid block east of Fourteenth and up to Georgia Avenue, where all the patients are contained, and where all the administration buildings are contained, and where all the adjunct buildings except three are contained in that great body of ground. We close these other streets and give them a solid section for the hospital.

On the newly acquired property we give accommodation for the library, for the museum, for the faculty officers. I do not believe that the street is going to interfere one particle with any patients. I believe it is going to be a great accommodation to them, a great accommodation to their friends and relatives. I want to say to you that in the treatment of a patient one of the best doctors in the world is a visit from a dear friend who comes out to the hospital to see him. [Applause.] Medicines do a lot, medicines accomplish a great deal; but I tell you what the patients want in all diseases is a visit from their friends, and we should make it possible for their friends to visit them whenever and wherever they can. [Applause.]

Mr. GARRETT of Texas. Can not all of their friends visit them now; are they precluded?

Mr. LINTHICUM. If the gentleman will give me a minute, I will answer his question.

Mr. BLANTON. All my time is promised.

Mr. GARRETT of Texas. Well, the question answers itself.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. ROGERS].

Mr. ROGERS of Massachusetts. Mr. Chairman, I am sorry to find myself in disagreement with some of my friends from Maryland, to whom this project evidently means a great deal. I am actuated, however, in opposing this bill by a sense of duty which, I believe, is predicated on a rather exceptional knowledge of the situation. I do not wish to arrogate to myself a more intimate knowledge concerning Walter Reed Hospital conditions than other Members of the House, but many Members of the House know that for years I visited almost daily that institution. In all of my experience and acquaintance with the conditions there, in all of my conversations with men at the hospital, I have never found an officer or a patient who did not insist that it was almost criminal to open Fourteenth Street through the hospital grounds. They may be wrong, they may be misled or misguided, but the officer personnel of that hospital, the afflicted soldiers and other patients who are there, as far as my personal contact has gone, have been invariably opposed to this project.

Now, gentlemen, it is said by various Members in discussing the bill that Fourteenth Street, when extended, will go through the hospital grounds on a grade lower than the general level of the hospital. There is not a word requiring that in the bill. All that is said in the bill is that the grade of the street through the hospital grounds shall be subject to the approval of the Secretary of War. You and I can not say what the present Secretary of War may do or what some future Secretary of War might do. Just as the present Secretary of War, in spite of the advice of his own Surgeon General, was actuated to support this bill in its present form, so the present or future Secretary of War may later say, "I think it is perfectly proper to have this great boulevard teeming with street cars and automobiles traverse the hospital grounds on the general hospital level."

I suspect—and I hope I do no one an injustice—I suspect this language is drawn as it is in the bill on the very theory that later it may be possible to arrange to have that street put through on the same general level with the hospital grounds. If it was the intent of the people who advocate the bill to have the street depressed, why did not they say so? Nothing in the world could be easier than to set it forth in unmistakable language in the bill itself.

Here is a map which has been produced by the proponents of the bill. I want you to note the width of the hospital reservation between Sixteenth Street and Georgia Avenue. It is about the width of my thumb nail, about three-quarters of an inch wide. The maximum width of this hospital reservation from east to west is only a few hundred yards. I want you to contrast, if you will, the disparity between that thumb-nail width of the hospital and the great expanse to the east and west where other traffic arteries may be located.

Why in the world is it necessary to bisect that little space with all this region east and west of the hospital grounds available for the pushing through of highways for commerce, street cars, and motoring? I do not want to impair or impede the development of the important section to the north. We want to have a prosperous and growing community in the State of Maryland just beyond the District line. But I ask any man why in all conscience we must take this poor narrow line, a few hundred yards wide, out of all the possible opportunities and proceed to drive a great boulevard through at that one point. Is there any reason that appeals to the sense and judgment—to say nothing of the philantrophy and fair dealing—of Members of the House in that proposition? It is said that there is a plan that will put these hospital buildings as such on one side of Fourteenth Street extended, and certain other buildings, a part of the same general scheme, on the other side of Fourteenth Street extended. Who knows, gentlemen——

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROGERS of Massachusetts. May I have one additional minute?

Mr. BLANTON. I yield the gentleman one minute.

Mr. ROGERS of Massachusetts. But who knows whether the present scheme is destined to be a permanent one, whether it is going to be one from which we should never deviate? Here we have a single hospital and reservation established by Congress, maintained by Congress, and I think worthy of the protection of Congress. Gentlemen, there can be no reason for a step like this. The Surgeon General of the Army is on record against it. The commanding officer of the Walter Reed Hospital has been on record against it in the past. It is true Army officials can not be so vocal now, because the Secretary of War has taken an adverse position. The Secretary of War took that position on the advice of an Army engineer. The Army engineer likes to have a straight line instead of a curved line. The alternative would have involved a curved line. The Army engineer opposed it, and the Secretary of War indorsed the Army engineer. But is it not our duty to say we had rather protect the welfare and well-being of those men always, even at the expense of a slight curvature of the backbone of Fourteenth Street? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARRETT of Texas. Mr. Chairman, I think we ought to have a quorum here to consider an important measure like this, and I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of order there is no quorum present. The Chair will count. [After counting.] Three hundred and two Members are present, a quorum.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman and gentlemen of the committee, when I was a member of the Committee on Military Affairs substantially this same bill was brought before that committee. A unanimous action was taken against it; then when these proponents of the bill found that it could not possibly get through the Committee on Military Affairs that had charge of War Department property a switch was made and the same subject matter was reported on a subsequent bill through the Committee on the District of Columbia. That is the parliamentary situation. Now, the Walter Reed Hospital was established in 1908 for the purpose of making it a great American Army hospital. Forty-two acres of land were owned at that time, and subsequently this development was continued until something upward of 100 acres have been acquired, that extended fairly on the north to the Maryland line. I am exceedingly sorry to disagree with my friend from Maryland [Mr. ZIHLMAN] on the merits of this proposition. Street cars can reach this territory by running up Georgia Avenue turning this way [illustrating] and turning to the west north of the hospital grounds and then on north. You can reach it this way by going around, as was suggested by the gentleman from Massachusetts [Mr. DALLINGER]. You can reach it this way out Georgia Avenue where there is a car line now turning the corner reaching this district in here that they want to reach now from Fourteenth Street. It does seem to me by extending the street-car line and the street and bisecting Walter Reed Hospital grounds you destroy practically all of this territory in here. An open cut is what is being devised not only for a double-track street-car line, but for vehicles as well, making it absolutely impossible to cross this thing except by approaches on bridges or whatever method the Government will find to be necessary to install. And by the way the Government is to pay for all this, too. Walter Reed Hospital was established for a great medical school ultimately, and it was thought only to take the land in the vicinity adapted to that purpose when the Congress bought it. Why you might as well ask to extend streets through the Capitol grounds or through the Soldiers' Home, or through Arlington Cemetery, or any other place that Congress has set apart with a sort of sanctity to it. Persons since 1908, living on this tract of land out there, thought that Fourteenth Street was barred, and any man who bought his land since that time had full knowledge that Fourteenth Street was not to extend through. Now, the real estate boomers have gone out in that country and bought the land and are trying to force this thing through. That was demonstrated when it came before the Committee on Military Affairs. Everyone coming before the Committee on Military Affairs on this proposition was opposed to it. General Ireland, as has been said over and over again, opposed the extension of this street. Now, General Ireland has been mellowed, I dare say, through the action of his superior officers and says it is up to the Congress, but I for one will never vote to cut Walter Reed Hospital in two and ruin it for the purpose that Congress had in view when it bought that site. [Applause.]

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, in

which the concurrence of the House of Representatives was requested.

EXTENSION OF STREETS NEAR WALTER REED GENERAL HOSPITAL

The committee resumed its session.

Mr. McKENZIE. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. GARRETT]. [Applause.]

Mr. GARRETT of Texas. Mr. Chairman and gentlemen of the committee, I would gladly aid in the development of all of that part of the country out in Maryland north of Walter Reed Hospital, and also the District of Columbia, and would willingly help those people out in most any way that I could without disturbing the quiet of Walter Reed Hospital.

I am always glad to see development going on, and I am glad to see all those new homes being built out there. If there was any necessity even for the advancement of the building of these homes or for the opening up of this street I might content myself with remaining silent and letting this bill pass. But it is not necessary. No Member of Congress who has been north on Sixteenth Street and north on Fourteenth Street and Colorado Avenue but is familiar with this situation. He knows that it is not necessary, and the most that can be said of the proposition is that it is very desirable. I submit it to the judgment of this House that if there was no Secretary of War, if there was no General Ireland at the head of the Medical Corps, if there was nobody to make a recommendation and we were called upon to pass upon this question in the first instance, how many of us would say that Fourteenth Street should be opened and extended through this hospital? Here is a territory that has been segregated and set apart for disabled, sick, and afflicted soldiers from out of the World War, of whom our hospitals are full, of these suffering patriots who so unselfishly offered their lives for their country; how many of us would say, "Why, yes; let us run that street-car line right through that ground and put a double track on it, and in the morning hours, when these patients might want to rest, we will send a hundred street cars between 6 o'clock and 8.30 o'clock through those grounds, in order that the people out beyond there might be accommodated with street-car service and save them, as has been stated, about a minute and a half of time"? Not one of us would agree to it.

Mr. CHINDBLOM. How many automobiles?

Mr. GARRETT of Texas. Oh, you just go out Sixteenth Street and if you want to know how many automobiles there are, go down to Sixteenth and U Streets and try to cross. It is a wonder to me that many pedestrians do not get killed at the crossing. There are in this hospital sick men of the World War.

There are men who went out to fight for their country and returned wounded, crippled, and disabled. You know this Congress said, "We will make you as comfortable as we can. We will erect a hospital and furnish you with everything that is necessary, and with the best hospital skill we can get in the Army, and we will give you a quiet place where you can recuperate and get well," and now does the same Congress, at the behest of real-estate development, propose to disturb those men and to permit the rattle of cars through there by the thousands and thousands every day, and by our action split Walter Reed Hospital grounds wide open with a double-track street-car system and permit automobiles and every kind of vehicles to thunder along those streets? To my mind it is unthinkable. The first time it was brought before the Committee on Military Affairs a map was laid down before us and General Ireland sat at the head of the table and pointed out the direful results that he believed would come to these patients if this street was opened up through this hospital. I made up my mind then and I said, "No; run this street somewhere else." It has been demonstrated over and over again that they can go from the southern boundary of the Walter Reed reservation on Fourteenth Street, west to Sixteenth Street, and cross under Sixteenth Street and proceed along the west side of Sixteenth Street to Alaska Avenue, and out Alaska Avenue north, and give the people in that section of the city and Maryland the same service that would be given if Fourteenth Street should be extended.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield to the gentleman two additional minutes.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Texas. Yes.

Mr. OLIVER of Alabama. This bill does one important thing that the House ought not to overlook. It seeks to close a number of streets that ought to be closed. If you just strike out Fourteenth Street you will close them all.

Mr. GARRETT of Texas. I would close them all, Fourteenth Street as well as the others. As the others are already physically closed, all we have to do is to amend this bill and close up Fourteenth Street and end this controversy once for all, and let them understand they must proceed in some other manner.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Texas. Yes.

Mr. CHINDBLOM. Will the proponents of this bill want the bill if you strike out Fourteenth Street?

Mr. GARRETT of Texas. I do not think so.

Mr. CHINDBLOM. I was going to suggest to strike out the enacting clause to show them just what we mean.

Mr. GARRETT of Texas. If you strike out the enacting clause they will come back at another Congress. If you close up Fourteenth Street now it will remain closed until the Congress of the United States gets ready to move the hospital somewhere else. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BLANTON. Mr. Chairman, I yield one minute to the gentleman.

Mr. HULL of Iowa. That is exactly what the War Department asked our committee to do.

Mr. GARRETT of Texas. Yes; in the first instance they asked that Fourteenth Street be closed up. Our committee was favorable to that, and I think it is favorable to it now, and I think the Congress would be favorable to it.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Texas. Yes.

Mr. BEGG. If Fourteenth Street were opened, either the ground west could not be used for the badly crippled or else it would have to be crossed overhead?

Mr. GARRETT of Texas. The gentleman is exactly right. There would be no safe way to cross Fourteenth Street, no matter whether depressed or on the level. If you have got street cars running through that ground the whole length of it, and automobiles, and everything else, no patient on earth would want to go to Walter Reed Hospital if he knew that such conditions existed.

Mr. CONNALLY of Texas. Mr. Chairman, will my colleague yield?

Mr. GARRETT of Texas. Yes.

Mr. CONNALLY of Texas. Is there a street-car line on Georgia Avenue at the entrance?

Mr. GARRETT of Texas. Yes.

Mr. CONNALLY of Texas. And they could increase the street-car service on that line, could they not?

Mr. GARRETT of Texas. There is no question about that. There is no reason for opening Fourteenth Street, but for the fact of all that territory out there is to be built up and developed, which would be done easier by going through Walter Reed than by going around it.

I have no objection to the building up of that beautiful section of the city, but I say let them go around the sick men when they go home instead of going through this hospital ground set apart for them. [Applause.]

Mr. BLANTON. Mr. Chairman, I hesitate to be the only member of the committee to speak against this bill, and I also hesitate to speak against it when all the newspapers of Washington are for it and when all the citizens' associations of Washington are for it, because I know that when they make up their minds to pass a bill we can hardly stop it. I know how unpopular it will make you to vote against their bill, and I know what it means to be unpopular with the Washington newspapers. [Laughter.] They sting you every time they get a chance; they bark at you continually; they demean you and try to belittle you all the time. That is what you get and the penalty you pay if you oppose them, but notwithstanding their continual unwarranted attacks, I oppose them whenever I think it is necessary and take my medicine like a man. But I am recompensed some after all. In my mail this morning I get a letter from a splendid gentleman in Pennsylvania and one from Maryland. They both said practically the same thing. They said, "BLANTON, do not let those Washington papers stop you from doing your work. Go on and do it, for every time they attack you they make you stronger with the people all over the country." So you, colleagues, should not be afraid to follow my policy. When it is necessary to oppose these Washington newspapers, oppose them.

Now, let me show you the mandate that the Washington Times gave all of us last Saturday with reference to this bill. Here are excerpts from what the Washington Times, in its editorial last Saturday, said to us Members of Congress:

The extension of this important District thoroughfare has the indorsement of Secretary Weeks, all high officials of the War Department and Army, and of all citizens' associations in that section of the District. In a letter to Congressman STUART F. REED, chairman of the House District Committee, Commissioner Rudolph, chairman of the board of District Commissioners, states that "There is no District legislation now pending that is of more vital importance to the development of the northern part of the District than this bill" and also to the adjacent communities in the State of Maryland which are being developed so rapidly.

The permanent highway plan recognized Fourteenth Street as the rapid transit or street-car line adjacent to Sixteenth Street and diverted Fourteenth Street west one square to the line of Fifteenth Street at a point one square north of the present Fourteenth Street car barn, so that the car line on Fourteenth Street would furnish the general public of Washington with street-car transportation to the upper half of Rock Creek Park.

During the ensuing 10 years the 1¾ miles has been completely built up with moderate-priced brick houses of a good type and small apartments. This development has extended to Fifteenth Street on the west and as far east as Georgia Avenue. The improvement of this section has furnished homes to more families during a 12-year building period than has the development of any other section of the city during an equal period.

Thus, this distinguished editor of the Washington Times has uppermost in his mind the development of the northern part of the District and the adjacent communities in Maryland.

Is it a question of the best interests of the Walter Reed Hospital boys or a question of the development of the northern part of the District and of Maryland? I do not blame our colleagues from Maryland for wanting this bill to pass. I do not blame them at all. It is natural. It is natural that the gentleman from Maryland [Mr. HILL] should be for it because the Times says it is to develop a part of Maryland.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HILL of Maryland. I am not interested in that section because it is a wet or a dry section. As a matter of fact, it is a dry section.

Mr. BLANTON. And the dry section is extending northward, and a little later on the gentleman will find it will get drier and drier in and around even the city of Baltimore.

Mr. HILL of Maryland. I want to say to the gentleman that this part has been getting wetter and wetter.

Mr. BLANTON. Mr. Chairman, this is after all mainly a question of recognition. You can have two bills of equal privilege, you know, and the Speaker can recognize the chairman whose bill he deems of the most importance, and the one he deems most urgent. It is a question of recognition here for us to decide. Which is most important, protecting Walter Reed Hospital, or developing northern Washington? I know it is important to the northern part of the District to develop it and grant new car service. I do not decry that at all. The Times editorial and this bill are highly important to the building up of the northern part of the District, and I know it is important to certain parts of Maryland in order to develop them. I do not deny that. The bill is important for those purposes, but the question is whether those purposes are of more importance than taking care of the poor, sick, and crippled men who are in the hospital on their beds—suffering. They are the ones I have in mind.

Shall we give their interests recognition first, and take care of them in preference to all of these subdivisions that have been put on out here along Alaska Avenue? Shall we think more of the able-bodied individuals who are occupying those fine new residences along Alaska Avenue in northern Washington and southern Maryland, or shall we think first of these suffering boys in the various wards of Walter Reed Hospital, many of them sometimes suffering torture? I am for giving recognition to them and taking care of those boys, and for subjecting this entire bill to their interests.

Here is the administration building [indicating on map]. The gentleman from Maryland [Mr. HILL], who has been a patient out there, tells us it is just about a block or two from there to the Georgia Avenue car line. That is not far for them to go, just a block or two. And he tells you that Thirteenth Street, if extended, would split this brick administration building wide open. If that is the case, then the Fourteenth Street double street-car line would be only a block away to the west of the main administration building, and it cuts off all of these wards here [indicating]. It runs along all of these wards here [indicating] and the wards close by. Our distinguished colleague from Washington, Doctor SUMMERS, gives it as his medical opinion that it will injure these boys from a medical standpoint as to their health and also be a dangerous menace to them when they are afflicted with mental diseases.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HILL of Maryland. Will the gentleman estimate about how many city blocks it is from Fourteenth Street to Georgia Avenue?

Mr. BLANTON. From here [indicating on map]?

Mr. HILL of Maryland. Yes.

Mr. BLANTON. It is probably three and a half or four blocks.

Mr. HILL of Maryland. Would not the gentleman think it was a little more than that?

Mr. BLANTON. If the gentleman from Maryland [Mr. HILL] says it is a block or two from here [indicating the administration building] to Georgia Avenue and this administration building is on Thirteenth Street, which is only a block from Fourteenth Street [indicating], the gentleman himself would fix it at two and a half or three blocks, but I estimate it is about four blocks.

Mr. HILL of Maryland. It is a pretty long distance.

Mr. BLANTON. Yes. But let me tell you this: You can go around these grounds if you want to with your double-track car line. This Georgia Avenue street-car line, as all of you know, runs down to Florida Avenue there by the baseball park. It connects with every car line in this District at U Street and Florida Avenue. It has a street-car connection where you can get transfers to almost every car line in the city. Let me call your attention to this fact. Why can they not extend this Georgia Avenue street-car line in different directions out into Maryland and take care of your Maryland people in that vicinity, who are sought to be taken care of by this bill?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. Does the gentleman recall that the proposed extension of Fourteenth Street will pass right through that portion of the grounds in which are the buildings now housing men suffering from mental diseases?

Mr. BLANTON. There is no sort of question about that.

Mr. CHINDBLOM. From mental diseases?

Mr. BLANTON. That is the case. I yield to the gentleman from Maine.

Mr. HERSEY. I want to know, on account of what you have said, if you have ever been there?

Mr. BLANTON. Oh, I have been there numerous times.

Mr. HERSEY. I live right by the side of Walter Reed Hospital, and the proposed Fourteenth Street car line will not interfere with the mental patients or any other patients there.

Mr. BLANTON. It will run right by this ward?

Mr. HERSEY. That is not a ward. That is where they teach them industrial work. There are no sick patients there at all.

Mr. BLANTON. Does not the gentleman know that these wards here [indicating on map] are the wards that are used for the disabled officers?

Mr. LINEBERGER. Will the gentleman yield to me?

Mr. BLANTON. Yes; I yield.

Mr. LINEBERGER. The gentleman says it is used for that purpose now, but this is for all time and we have a wonderful location out there and we may want to use those buildings some day for an entirely different purpose.

Mr. BLANTON. I want to say to the distinguished gentleman from Maine [Mr. HERSEY], because he usually has splendid judgment, that I am surprised now at his position. I follow him many times, especially on prohibition. Outside of our colleague, the gentleman from Maryland [Mr. HILL], I do not not know of another ex-service man or an American Legion man who is in favor of this bill, not one. If the members of the committee know of any I wish they would give us their names. I do not know of one who appeared before the committee and asked that this street-car line be put in there.

Mr. HERSEY. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. HERSEY. Speaking about those buildings that look like wards there now, the development of Walter Reed is to be in accordance with a special plan, and those buildings will come out of there when that development takes place.

Mr. BLANTON. Well, maybe so, but when that occurs, and they do not any longer have need of the hospital grounds, then it is plenty of time to open Fourteenth Street through those grounds with car lines.

Mr. LINTHICUM. Will the gentleman yield?

Mr. BLANTON. I regret I have not time. Congress will still be in session, and there will be bills brought here again on the floor, and the Times will give us instructions as to what it wants passed, and we will act on their instructions and pass another bill some time. We can probably do that then; but I want to say this to the gentleman from Massachusetts [Mr. ROGERS] that the gentleman ought not to move to strike out the enacting clause of this bill, because the gentleman will do injury to the real necessities of Walter Reed Hospital. If he has the interests of the Walter Reed Hospital boys most at heart, the gentleman will not move to strike out the enacting clause but will do this: On page 2, in line 1, if we will strike out the first three words, "except Fourteenth Street," and if we will then strike out all of section 3, we will then close up all streets and alleys in the grounds and maintain those hospital grounds in the way that Congress intended they should be maintained when they were first procured. That is what ought to be done with this bill, and there will be such an amendment offered by the gentleman from Illinois [Mr. MCKENZIE] to strike out those three words at the top of page 2, and then to strike out all of section 3. That is what I tried to get the gentleman from Maryland [Mr. ZIHLMAN] to agree to do this morning. If the gentleman will agree to that, he will not find many, I believe, who will vote against this bill. That much of the bill ought to be passed in order to close up all streets and alleys now in these hospital grounds, and I hope no one will move to strike out the enacting clause, but that we will adopt the McKenzie amendments to thus perfect the bill and have the hospital grounds there maintained permanently for the benefit of our injured service men.

Mr. MCKENZIE. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MCKENZIE. Your suggestion is to strike out section 3 entirely.

Mr. BLANTON. Yes; and strike out the first three words at the top of page 2. May I say this to the gentleman from Illinois? I do not believe there is any man here who has studied this bill closer than he has. Does he not believe that will reach what ought to be done in connection with this bill?

Mr. MCKENZIE. I will say to the gentleman from Texas it will satisfy me on the main proposition in the bill and will keep Fourteenth Street closed, and the other legislation to enable them to go around these grounds is something that ought to be brought in in another bill, in my judgment.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. I would like to raise this question as to striking out the enacting clause. I want to call the gentleman's attention to the fact that this bill has passed the Senate, and if we simply amend it, we will send it to conference.

Mr. BLANTON. The gentleman need not be afraid about that. If there is any change in the House plan the House would have a chance to act on it under our rules.

Mr. LINTHICUM. Will the gentleman yield now?

Mr. BLANTON. Yes.

Mr. LINTHICUM. The gentleman stated a while ago that no veteran had appeared in favor of this bill.

Mr. BLANTON. If any have appeared other than the gentleman from Maryland [Mr. HILL], I do not know of it.

Mr. LINTHICUM. Do you know of any who appeared against the bill at the general hearing?

Mr. BLANTON. None at all. Whether they knew of it or not, I do not know.

Mr. LINTHICUM. It was published in the papers and everybody knew of it.

Mr. FROTHINGHAM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. FROTHINGHAM. I merely want to ask the gentleman how much of a hearing the committee had on this bill anyway?

Mr. BLANTON. I think the committee reported this bill out on the strength of past hearings. If they had one on this bill, I do not know of it. If there is a single—I want to repeat this because it is important—if there is a single ex-service man from Walter Reed Hospital, outside of our one colleague here, who has declared himself in favor of this bill, please tell me who he is. I yield to any man in the House to tell me that. Since no one accepts the challenge, I will proceed. I do not believe these boys out there know anything about this bill. I do believe that they would not agree to it if they did. I think they ought to be consulted. I think the opinion of Surgeon General Ireland against this bill should have more force and weight here, and the opinion of our distinguished colleague, Mr. SUMMERS, an eminent physician, who said it would be detrimental to the boys to have a double-track railroad run through there, ought to have more weight than the desires of realtors to develop. I think we ought to give more weight to their opinions and suggestions than we should give to that of the Secretary of War.

Mr. HERSEY. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HERSEY. I want to say that, of my own knowledge, I know these hospital boys are for the extension of Fourteenth Street.

Mr. BLANTON. Has the gentleman consulted them?

Mr. HERSEY. I have been at all the meetings.

Mr. BLANTON. The gentleman is referring to citizens' meetings. When did the gentleman consult them?

Mr. HERSEY. They were present at our meetings. I do not think the gentleman can find a single soldier boy who is against it.

Mr. BLANTON. Well, they did not appear before the committee reporting this bill. On prohibition questions I would follow the gentleman from Maine from here to New Zealand, because he is absolutely sound on prohibition; but I can not follow him on this question. Now, in conclusion let me say again that I hope the gentleman from Massachusetts [Mr. ROGERS] will not carry out his intention to move to strike out the enacting clause. Let us properly frame this bill, adopt the amendments that I have suggested, and we will have a good bill.

Mr. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. ROGERS of Massachusetts. I should be glad to save in the bill what is good, but when you work the Fourteenth Street extension problem out we have got to draft a plan to turn to the left when you reach the hospital grounds, go north, and circumnavigate the hospital grounds; that is a matter of engineering, a matter of some difficulty, and I do not think it is the sort of thing that the House can properly do in a discussion under the five-minute rule.

Mr. BLANTON. You could do it this way, to strike out, as I have suggested, the words at the top of page 2, "except Fourteenth Street," and then strike out all of section 3. That would do exactly what the gentleman from Massachusetts wants done. You thereby close up the streets and alleys in the hospital grounds that are now open and which should be closed. There should be ample hospital grounds for these boys who are sick, and then we will not have to fight this question over again. I doubt if you will be able to get another bill out of committee, and you have got to get it out before you can pass it. We have this bill now on the floor, and we have a right to pass it, and we can frame it just as we want it by adopting the amendments that I have suggested.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. UNDERHILL. I would like to have the gentleman have one minute more in order to ask him a question.

Mr. BLANTON. The gentleman from Illinois now has all the time left.

Mr. MCKENZIE. I yield to the gentleman one minute more.

Mr. UNDERHILL. I want to say to the gentleman from Texas that it is not necessary to have legislation to go around Walter Reed Hospital. If the suggestion of the gentleman from Texas goes through, probably the District Commissioners and those interested will see to it that there is a method of getting around the hospital grounds instead of persisting in their efforts to go through.

Mr. BLANTON. I think the gentleman is correct.

Mr. UNDERHILL. Undoubtedly the hospital sooner or later will have to be abandoned, but we do not need to abandon it now.

Mr. MILLER of Washington. And it will have to be abandoned if it is cut up.

Mr. UNDERHILL. Sure.

Mr. ZIHLMAN. Mr. Chairman, I ask for the reading of the bill.

The Clerk read as follows:

Be it enacted etc., That in order to provide for the necessary extensions and additional buildings to be erected at the Walter Reed General Hospital, in the District of Columbia, all public streets, except Fourteenth Street, and alleys included within the area bounded by Sixteenth Street on the west, Alaska Avenue on the northwest,

Fern Street on the north, Georgia Avenue on the east, and Aspen Street, as platted on the official survey map, on the south, be, and the same hereby are, vacated, abandoned, and closed, the portions of public streets within said area which are hereby abandoned and closed by this act being known as Thirteenth Street, Fifteenth Street, Dahlia Street, Dogwood Street, and Elder Street.

Mr. McKENZIE. Mr. Chairman, I offer the following amendment, to strike out on page 2, in line 1, the words "except Fourteenth Street."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 1, strike out the words "except Fourteenth Street."

Mr. ROGERS of Massachusetts. Mr. Chairman, I offer a preferential motion, to strike out the enacting clause.

Mr. BEGG. Mr. Chairman, a point of order. Can the gentleman from Massachusetts take the gentleman from Illinois off his feet after he has been recognized?

The CHAIRMAN. The Chair understands the gentleman from Illinois [Mr. McKENZIE] has yielded.

Mr. ROGERS of Massachusetts. Mr. Chairman, I think almost every Member of the House now in the Chamber has exactly the same purpose as mine in dealing with this legislation. The question is as to the method to be pursued in order to reach our objective. The gentleman from Illinois [Mr. McKENZIE] moves to amend by striking out the words "except Fourteenth Street" in line 1, page 2. The effect of his amendment would be to leave the remainder of the bill so far as applicable before the House for further consideration. I have moved, deliberately and after reflection, to strike out the enacting clause, for this reason: I think there ought to be an outlet to the north somewhere between Sixteenth Street and Georgia Avenue. I think that northern region ought, for the general welfare of the District, to be opened up; there ought to be at least one more through artery to points north, northeast, and northwest. On the other hand, to work out that plan will probably involve a further examination of the whole project. It will perhaps involve an inquiry as to whether it is practicable to go north on Fourteenth Street extended to the south line of the Walter Reed Hospital, then turn west and then north and northeast along the hospital reservation. My own notion is that some plan like that is the best way out for the general welfare, including the welfare of the hospital patients. Or possibly a subway under the hospital grounds may be found feasible.

To determine the best method will require engineering and investigation. The investigation hitherto made by engineers of the War Department has been on the theory that we would bisect the hospital grounds. My guess as to the temper of this committee is that it will not authorize that. We want to evolve something else, but we can not do it on the floor of the House to-day. The best alternative must be worked out by engineers and surveys in order to achieve the most practicable plan possible.

Therefore it seems to me that the wisest and the fairest method of achieving our result is to strike out the enacting clause immediately and let the Committee on the District of Columbia a little later bring in a plan that will achieve the results we all agree are appropriate.

Mr. HILL of Maryland. As I understand, and I would like to be corrected if it is not correct, that portion of Fourteenth Street above the middle line running across is already open, is it not?

Mr. ROGERS of Massachusetts. There is a kind of street there, but it looks more like a dump than a street.

Mr. HILL of Maryland. I would like to ask the gentleman if the whole thing could not be solved by tunneling with an appropriate service station in the Walter Reed grounds to serve the Walter Reed people—to tunnel under the southern portion of Fourteenth Street? Would there be any objection to that?

Mr. ROGERS of Massachusetts. I think that might well be a desirable solution and the best solution, but you and I can not decide that here to-day. It involves a question we have not before us; it involves a question that, so far as we know, has not been considered by the expert advisers of the Government. Furthermore, section 1 involves the closing of certain other streets with the exception of Fourteenth Street. It is at least possible—I am not able to make a positive assertion—that if we deny the opening of Fourteenth Street there may be some readjustment necessary as to the other streets contemplated in section 1. In other words, gentlemen, to open Fourteenth Street is the purpose of the bill before us. It is part of a general scheme, and everything hangs upon what we do about Fourteenth Street. If we eliminate the extension of Fourteenth Street, there is really nothing left of the bill. Therefore we ought to recommit it to the Committee on the District of Columbia and give that committee a chance to submit the proposition to us de novo.

Mr. UNDERHILL. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. UNDERHILL. To oppose the amendment to strike out the enacting clause. Mr. Chairman, I have refrained from taking part in this discussion up to the present time, because at the last session of Congress I opposed the Fourteenth Street extension on certain definite grounds, and this bill met many or most of the objections which I raised at that time, consequently it would not look well for me to look up further objections to the bill. I object strenuously to striking out the enacting clause for the following reasons: If you adopt the amendment of the gentleman from Illinois, you will really accomplish something constructive. It is my opinion that no legislation is necessary to go around the Walter Reed Hospital grounds. That can be done. You do accomplish, however, the closing of several streets now in the Walter Reed grounds which are unnecessary when some other means are provided to reach the city from that section of the outskirts of the city. Now, if you close those streets, if you show that Congress has some constructive idea on this problem, you will find that the commissioners and others interested are going to find a solution of it, and they are going to go around the hospital grounds. You are going to close up and make one reservation for the hospital patients for a few years, and then later on, maybe 5, 10, or 15 years, you are going to abandon the hospital in the interests of the growth of the city.

Mr. ROGERS of Massachusetts. Will the gentleman yield?

Mr. UNDERHILL. I do.

Mr. ROGERS of Massachusetts. If I may state this: If the motion to strike out the enacting clause carries, I had hoped and expected the chairman of the Committee on the District of Columbia, when he went into the House, to move that the bill be recommitted to the District of Columbia. Now, when it goes back to the District of Columbia Committee, that committee will be able to make at their leisure, with expert assistants probably, the needed program.

Mr. UNDERHILL. The gentleman does not know the District Committee. If you expect to refer this back to the District Committee and get anything out this session, you are mightily mistaken. This has passed the Senate. At the most it will go to conference. I have no doubt as to the outcome of that conference, and that the will of the House will be considered by the conferees. If you send it back to the committee, you can not possibly take action on it this session, and we will lose just that much time; we will lose all the efforts put in by the committee, and also lose what has been unheard of in the committee, at least this session, and that is the practically unanimous report on a bill without a fight.

Mr. BLANTON. Is not the parliamentary situation this, that if the committee here adopts the motion of the gentleman from Massachusetts and strikes out the enacting clause, that sends it back to the House, and the question before the House is whether or not we will strike out the enacting clause? There will not be a motion to recommit.

Mr. ROGERS of Massachusetts. That is in event the motion for the previous question is moved and passed, and I propose to give the gentleman from Maryland so far as I am concerned an opportunity to get the bill back to the committee.

Mr. BLANTON. But the proponents of this bill who want these streets opened up will not give that opportunity, but they will force the striking out of the enacting clause and these streets ought to be closed up.

Mr. UNDERHILL. I can not yield further. It has become almost a habit in the Committee of the Whole House on the state of the Union to strike out the enacting clause of every bill the District of Columbia Committee reports. It is a wrong method. If the District of Columbia Committee is unable to handle a situation—if it brings in a report it ought to be the moral duty, if it is not the real duty, of the Members of the House to offer some constructive legislation giving the District the benefit of their great wisdom.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. OLIVER of Alabama. From a reading of the hearings everyone seems to be agreed that these streets should be closed, and certainly we are accomplishing something constructive and helpful to Walter Reed Hospital by closing those streets.

Mr. UNDERHILL. That is what I am pleading for.

Mr. TILSON. Will the gentleman yield?

Mr. UNDERHILL. I will.

Mr. TILSON. What serious objection is there to the plan suggested by the gentleman from Maryland [Mr. HILL] of making a covered passageway through these grounds? Now, to have to go around all those grounds for all time to come for all those people who live north, it is a long time to look forward to.

Mr. UNDERHILL. My friend from Connecticut need not be alarmed. They will go around for some time, but the growth of the city will require the removal of the hospital ultimately.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MURPHY. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. MURPHY. Mr. Chairman and gentlemen of the committee, I have listened with a great deal of interest to the discussion of this matter of opening a street through the hospital grounds, and I am surprised at the tenacity with which some gentlemen who are in favor of the measure are persisting in their advocacy of it at this time.

There are many ways of killing a measure and there are many ways of getting it by; and while I would not for a minute charge the gentleman from Massachusetts with using a subtle method of keeping this matter before the attention of a committee which seems inclined to want to put this street through, yet I would bring to your attention the fact that now before the committee there is an opportunity to settle for a long time the question of cutting up and cutting through this hospital reservation, and that suggestion has been made by a number of gentlemen, including the gentleman from Texas [Mr. BLACK] and the gentleman from Texas [Mr. BLANTON] and others who are anxious to settle for all time the status of this reservation.

If we knock out the enacting clause at this particular time, the bill goes back and again becomes a plaything for those who are dreaming of real-estate development and speculation beyond the hospital reservation.

Now, there is no question but that those who have this real-estate development and speculation in mind will find some way to get around this reservation, and I think we, as the custodians of the people's property at this time, when we have an opportunity to do something constructive, if it is necessary to do something of that kind in Committee of the Whole, should take such action as will forever close all these streets and take the entire matter away from the committee, so that the question will be settled, and those who want to speculate in the northwest will know that this matter can not be juggled in the future.

Now is the time to settle it. I hope this committee will settle it. I do not think we should strike out the enacting clause. We should act on the amendment of the gentleman from Illinois [Mr. McKENZIE] which seeks to do something constructive, whereas the motion to strike out the enacting clause means to make it the plaything hereafter and perhaps give to the real estate speculators the opportunity to do things that ought not to be done. If those who are trying to get away with this should succeed, it will not be long before they might want to run streets through Arlington and through the Soldiers' Home grounds.

I believe in development, and I like to see things that are constructive take place; but here is a subtle proposition to put it back into committee again. I hope the motion to strike out the enacting clause will be defeated and that the amendment of the gentleman from Illinois [Mr. McKENZIE] to strike out the three words will be adopted.

Mr. ROGERS of Massachusetts. Mr. Chairman, I would like to withdraw the motion to strike out the enacting clause, if it is capable of the construction that has been suggested.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to withdraw his motion to strike out the enacting clause. Is there objection?

There was no objection.

Mr. McKENZIE. Mr. Chairman, section 1 of this bill provides for the closing of all the streets to Walter Reed grounds except Fourteenth Street. The amendment which I have offered will close Fourteenth Street also. That is what we want to do. That will be an affirmative declaration of this House of the policy that we desire to pursue so far as Walter Reed is concerned.

Another thing: The Senate has gone on record as favoring the opening of Fourteenth Street through Walter Reed Hospital grounds. If the House adopts this amendment it will be at least notice to the Senate that the House does not approve of such a proposition. Then, of course, they will not agree to the amendment, and the bill will undoubtedly go to conference, and if the Senate persists in desiring to open Fourteenth Street through the hospital grounds we will meet them at that trench, and this bill will be as dead as if we struck out the enacting clause; but we will have the credit at least of trying to do something constructive.

I want to say that if this amendment is adopted we will follow it with others to strike out sections 2 and 3, and thereby accomplish the purpose in mind of protecting Walter Reed Hospital. [Applause.]

Mr. HERSEY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Maine is recognized for five minutes.

Mr. HERSEY. Mr. Chairman, I think there is some misunderstanding in the House. The committee reported this bill favorably; they were unanimous in their decision. I fear that there are men in this House who are listening to objections that are not well founded. Two years ago there was a hearing had upon this question of opening Fourteenth Street. I think those are the only hearings that were printed. Objections were then made to the extension of Fourteenth Street until Walter Reed and the surrounding neighborhood had been canvassed somewhat in relation to it.

Here is a map before you which represents the situation upon the ground at the present time. There are a lot of temporary buildings to be soon taken down. Since two years ago Walter Reed has had an architect and a landscape architect—two architects—to make a plan of the grounds and adapt this to the extension of the Fourteenth Street car line. The Fourteenth Street car line, when completed through, will not interfere with any of the new buildings to be erected there. All of them will be taken down. There are a lot of buildings there that are not in the way of the Fourteenth Street car line at all.

The Ninth Street car line is on Georgia Avenue and runs to a certain part of the city, while the Fourteenth Street car line runs to another section of the city.

Now, I live over near here [indicating on map], and I know what is going on in that neighborhood. I belong to one of the communities there that holds its meetings once a month, and right near the hospital there is another community. Those communities have met with the Walter Reed Hospital management, and they have discussed this fully with the Walter Reed management. The soldiers have attended those meetings, and we know them all, because we are well acquainted with the soldiers and visit them. This is my neighborhood here [indicating], and the people there are as much interested in Walter Reed, its beauty, and everything else, for its care and benefit, as any Member of this House who does not know anything about it. [Applause.]

I want to say that this is perfectly agreeable to the people of this community and to the Walter Reed Hospital management, and the Walter Reed Hospital management have made their plans accordingly. There is no objection from a single soldier who lives there to the Fourteenth Street car line going through the reservation.

Mr. MILLER of Washington. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. MILLER of Washington. Where, in the general scheme of things, is the neighborhood in which the gentleman is interested?

Mr. HERSEY. My neighborhood is over here [indicating], and there is another neighborhood.

Mr. KNUTSON. The gentleman uses the Georgia Avenue car line?

Mr. HERSEY. I use the Georgia Avenue car line, of course, because there is no Fourteenth Street car line.

Mr. KNUTSON. The gentleman will not deny that if the Fourteenth Street car line is put through, it will cut the Walter Reed Hospital reservation in two?

Mr. HERSEY. Well, look at it, gentlemen. Here is the Walter Reed Hospital reservation from there to there [indicating on map]. There are 75 acres in the Walter Reed Hospital reservation, and where it is proposed to be cut through there will not be a building nearer than this big building over here [indicating], with these temporary buildings out of the way. All of the Walter Reed Hospital development lies in this section here [indicating].

Mr. HULL of Iowa. Will the gentleman yield?

Mr. HERSEY. Yes.

Mr. HULL of Iowa. Where is the medical school that is to cost $750,000? Where is that located?

Mr. HERSEY. There it is [indicating]. That building is not yet constructed.

Mr. FROTHINGHAM. Will the gentleman yield?

Mr. HERSEY. There is one more thing I want to say before I conclude. This extension of Fourteenth Street and Alaska Avenue have no car line. There is a large settlement of people here [indicating] and it will be further developed. Those people can not possibly reach a car line at all without going across to Georgia Avenue, which is distant almost eight blocks.

Mr. KNUTSON. But they have a bus line running on Sixteenth Street.

Mr. HERSEY. But a bus line does not take the place of a car line.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. ZIHLMAN. Mr. Chairman, I move to strike out the last two words. I certainly hope the committee will not adopt this amendment without putting some provision in the bill which will give to the vast territory north of the Walter Reed Hospital reservation ingress and egress, if it is necessary to circumvent this hospital ground.

Now, there has been a very bad case of nerves developed about a street-car line going through this hospital reservation. The same gentlemen who are opposing the extension of Fourteenth Street objected to what was originally a medical center, an idea of the General Staff of the Army, and have never called attention to the fact that the wounded and disabled soldiers were placed on the Georgia Avenue car line. It was the idea to put a medical center at the other end of Sixteenth Street, with the White House at this end and the medical center, with a museum and library, at the other end. The original plan, as presented by the Surgeon General's office, did not provide for hospital wards between Fourteenth Street and Sixteenth Street, but provided for a medical center. Here is a map showing that, drawn in the office of the Surgeon General of the Army.

I want to say that during the months of the war and for a period after the war the patients at the Walter Reed Hospital were put on a car line. Where did they put the patients of Walter Reed Hospital? Did they put them on the Sixteenth Street end of the reservation among these quiet oaks that have been spoken of this morning? No. They put the patients of Walter Reed Hospital during the war and during some years following the war on the Georgia Avenue end of the reservation.

They originally made plans to provide for a medical center on the Sixteenth Street end and made plans which provided that Fourteenth Street should be extended through this reservation. Then afterwards, when they conceived the idea of this recreation center, they spoke of it as a medical center when they came here for appropriations, but when they come here opposing legislation which will develop that section of the District and of Maryland they call it the Walter Reed Hospital grounds.

Originally, it was not intended that Fourteenth Street should be closed, but that was one more street they were going to allow to go through in order to develop that section of the District.

Now, I feel, gentlemen of the committee, that if you are going to adopt this amendment of the gentleman from Illinois [Mr. McKENZIE], which will have the result of closing Fourteenth Street, there ought to be some language in the bill that would provide for the carrying of this street around the hospital grounds.

Mr. BEGG. Will the gentleman permit a question right on that statement?

Mr. ZIHLMAN. Yes.

Mr. BEGG. Would the distances be unreasonable if that section in there were boulevarded so that it went around the hospital? Would that be unfair to the people living above?

Mr. ZIHLMAN. I would say that I think the people who have bought property and bought homes north of the hospital, under the impression that Fourteenth Street, which is already opened to-day more than halfway through the hospital grounds, was going to be opened, are entitled to that thoroughfare; but if you are not going to give them that, you certainly ought to provide in that same bill some method by which the hospital grounds can be circumvented.

Mr. ROGERS of Massachusetts. Does the gentleman think it requires legislation to do that?

Mr. ZIHLMAN. I certainly think it does.

Mr. BUTLER. Will the gentleman indicate how that can be done?

Mr. ZIHLMAN. The gentleman from Massachusetts made a very fair statement on that point and he has said that it is an engineering and a technical proposition. It is rather difficult to frame parliamentary or legislative language that will carry out that purpose, but some one who has sufficient technical knowledge ought to offer an amendment to the next section of the bill providing that that thoroughfare can be carried around the reservation.

Mr. UNDERHILL. Will the gentleman yield?

Mr. ZIHLMAN. I yield.

Mr. UNDERHILL. Does the gentleman believe there is anything that would prevent the commissioners from granting a franchise or a right of way on Sixteenth Street by Walter Reed Hospital, provided we pass this bill with the amendment of the gentleman from Illinois?

Mr. ZIHLMAN. I certainly do. It is the adopted policy of the Commissioners of the District of Columbia not to allow any car line on Sixteenth Street, and this car line would have to be either on the western boundary of the reservation or on the eastern boundary of Rock Creek Park across Sixteenth Street, if it is not extended on Fourteenth Street, and there will have to be legislation providing for tunneling Sixteenth Street.

Mr. STEPHENS. Would it not be possible to take some ground off of the west side of the hospital property for the car line along Sixteenth Street and Alaska Avenue?

Mr. ZIHLMAN. Yes.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. ZIHLMAN) there were—ayes 97, noes 10.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 2. That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for the extension and widening of Fourteenth Street from Montague Street to the southern boundary of the Walter Reed General Hospital grounds, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, all in accordance with the plan of the permanent system of highways for the District of Columbia, and Piney Branch Road to a width of not exceeding 60 feet between Butternut Street and Blair Road northwest: *Provided, however*, That of the amount found to be due and awarded by the jury in said proceedings as damages for, and in respect of, the land to be condemned for said extensions or widening, plus the cost and expenses of the proceedings hereunder, four-tenths shall be assessed against the property which the jury shall find to be benefited.

Mr. ZIHLMAN. Mr. Chairman, I offer an amendment, which I send to the desk.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. ZIHLMAN: Page 3, line 9, after the word "benefited," strike out the period, insert a comma, and the following language: "and the District Commissioners are hereby authorized to extend Fourteenth Street from the southern boundary of the Walter Reed Hospital to the western boundary thereof and thence to Alaska Avenue."

Mr. BLANTON. Mr. Chairman, I make the point of order against the amendment that it is not germane to the paragraph or to the bill itself. The Chair will note that the primary purpose of the bill is to extend Fourteenth Street directly north through the Walter Reed Hospital grounds. There was no intention on the part of the committee to change the course of Fourteenth Street at the southern boundary and have it run west to Sixteenth Street and then north along Sixteenth Street to Alaska Avenue and along Alaska Avenue, that being the intention now of the Zihlman amendment. It is entirely foreign to the purpose of the bill and is in no particular germane to the purpose of the bill.

The CHAIRMAN. May the Chair inquire of the gentleman from Texas what extension and widening of Fourteenth Street is contemplated in section 2?

Mr. BLANTON. The Chair understands that Fourteenth Street as it was originally laid out would go through Walter Reed Hospital and continue on its northerly course, and the

purpose of the Zihlman amendment is to have Fourteenth Street when it reaches the southern boundary of Walter Reed Hospital not to continue in its course but turn west along the southern boundary of the Walter Reed Hospital grounds to Sixteenth Street and then up Sixteenth Street north and then along Alaska Avenue northeast. There is nothing in this bill that contemplated any such program as that. That is wholly foreign to the purposes of the bill.

Mr. BEGG. Mr. Chairman, I think just one word will satisfy the Chair. On page 2, lines 17, 18, and 19, Fourteenth Street is specifically mentioned. I submit to the Chair that the germaneness has nothing to do with whether Fourteenth Street runs north for six blocks or runs north for four blocks and then west for one block and north for one block. The germaneness has nothing to do with the direction. It is dealing with the street, and even Fourteenth Street is specifically mentioned. Therefore the amendment must be germane to the paragraph as well as to the bill.

Mr. ZIHLMAN. Mr. Chairman, if the Chair will indulge me, I call the attention of the Chair to the title of the bill which is a bill providing for the extension and widening of Fourteenth Street, and I call the attention of the Chair also to the fact that the bill provides for the opening of the street fully half a mile south of the Walter Reed Hospital Reservation.

The CHAIRMAN. The Chair is ready to rule. It seems clear to the Chair that the amendment is germane to the provisions of the section and the Chair will overrule the point of order.

Mr. ZIHLMAN and Mr. ROGERS of Massachusetts rose.

Mr. ROGERS of Massachusetts. Mr. Chairman, I rise for the purpose of asking the gentleman from Maryland a question.

The CHAIRMAN. The gentleman from Maryland is entitled to recognition on his amendment if he desires it.

Mr. ZIHLMAN. Mr. Chairman, I call the attention of the committee to the fact that this bill was not primarily intended, as the gentleman from Texas said, to provide for the opening of Fourteenth Street through the Walter Reed Hospital Reservation. It provides for the closing of all the streets through the reservation that are marked in blue and it provides for the opening of those streets, some of them, half a mile south of the reservation. Therefore, if it is the intention of this committee to close Fourteenth Street along with Thirteenth Street and Twelfth Street, and the other streets running from east to west, there should be authority given to the District Commissioners to provide for passing around the hospital reservation and up Alaska Avenue to the territory to the north, and all I want to do is to give that authority to the District Commissioners.

Mr. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield for a question?

Mr. ZIHLMAN. I will.

Mr. ROGERS of Massachusetts. Is there anything in section 2, as it appears in the printed bill, which is concerned with the invasion of the Walter Reed Hospital territory? In other words, does section 2 in any respect require modification as a result of the committee action just taken on section 1?

Mr. ZIHLMAN. I do not quite understand the gentleman's question.

Mr. ROGERS of Massachusetts. I want to ask the gentleman whether in view of the action just taken by the Committee of the Whole, as to section 1, any modification is required of section 2 in the printed text.

Mr. ZIHLMAN. No; I do not think so.

Mr. ROGERS of Massachusetts. Is it not a fact that section 2 deals with the acquisition of property south of and altogether outside of the Walter Reed reservation?

Mr. ZIHLMAN. Yes.

Mr. ROGERS of Massachusetts. Therefore the gentleman would say, under the action taken by the committee as to section 1, that section 2 can stand without modification?

Mr. ZIHLMAN. I should say so.

Mr. ROGERS of Massachusetts. As it now stands it will carry out the will of the committee?

Mr. ZIHLMAN. Yes. The reason why I offered it to section 2 is that section 3 may be stricken out, and I would not have any opportunity to offer it.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment. I do not know whether the members understand the purport of the amendment offered by the gentleman from Maryland [Mr. ZIHLMAN]. Here is what the gentleman from Maryland proposes to do. There is an unopened strip between the present terminus of the Fourteenth Street car line and the southern boundary of Walter Reed Hospital that is not now open with car lines.

Mr. ZIHLMAN. Oh, that is a full mile from the present car line to the Walter Reed grounds.

Mr. BLANTON. That is about what I was going to state. As a matter of fact, it is not a mile, as I understand it, but about a thousand feet.

Mr. ZIHLMAN. No; it is more than that; it is about 7,000 feet.

Mr. BLANTON. Whatever it is, section 2 of the bill, so far as opening up that territory is concerned, is a good section. Just carrying that out will render a great benefit instead of doing harm. I have no objection to it at all. As a matter of fact, it really ought to be passed. But here is what the amendment of the gentleman from Maryland does: After you open that up and get to the southern boundary line of the hospital he proposes that you change the course of Fourteenth Street; that instead of its going north he wants it to go west along the southern boundary line of the hospital reservation and then up along Sixteenth Street to Alaska Avenue, and so on.

Mr. BYRNS of Tennessee. Would that carry with it the right of the street car line to run their cars along there and up Alaska Avenue and Sixteenth Street?

Mr. BLANTON. If the District commissioners approved of it.

Mr. BYRNS of Tennessee. It would take affirmative action.

Mr. BLANTON. Yes; not by Congress, but by the commissioners. There may come a time when we will no longer need the hospital grounds. Of course, I am talking about the future—in the course of years. Then, with the Zihlman amendment adopted, you would have a crooked Fourteenth Street with car lines running west to Sixteenth Street, and then north, when then it would be a good deal better to go straight ahead. I do not know that the commissioners of the District want that done. I do not know that the commissioners of the District want street car lines running that close to Sixteenth Street. It would spoil Sixteenth Street for a thoroughfare. It has been understood all along that Sixteenth Street is never to have a car line on it. I should regret to see a double-track car line along that splendid thoroughfare that runs out to the country to the north. The District commissioners may find another preferable way to get through. By leaving section 2 as it is in the bill, with whatever changes it takes to make it conform to the McKenzie amendment, the commissioners have the right to frame that proposition in a way that will meet the program of the city with reference to streets and parks. I hope we will not adopt the amendment offered by the gentleman from Maryland to thus twist Fourteenth Street around so many angles.

Mr. HULL of Iowa. Mr. Chairman, I want to say a few words in opposition to the amendment of the gentleman from Maryland [Mr. ZIHLMAN]. I do not think the House really understands what that would do. I have been trying to figure it out in my own mind. It is a dangerous amendment, it seems to me, to adopt without investigation. You have perfected the bill in such a way that it is a good bill. It should be passed in the present form. I hope you will not ruin the bill by putting something on it that may destroy the merits of the bill. In my opinion there is a way, which the gentleman from Illinois has suggested, to get the street-car system out where they want it without hurting the Walter Reed Hospital grounds. I am inclined to think that the gentleman's amendment, if it was carried into effect, will hurt, if not destroy, the Walter Reed grounds. I hope it will not carry.

Mr. McKENZIE. Mr. Chairman, I move a substitute for the amendment of the gentleman from Maryland, to strike out section 2.

The CHAIRMAN. The Chair will suggest to the gentleman that that is not a proper substitute.

Mr. ROGERS of Massachusetts. Mr. Chairman, I desire to offer a substitute for the amendment of the gentleman from Maryland.

The CHAIRMAN. Does the gentleman from Illinois desire to debate his amendment? The gentleman can debate it if he desires.

Mr. McKENZIE. I will wait until the gentleman from Massachusetts offers his substitute.

The Clerk read as follows:

Substitute by Mr. ROGERS of Massachusetts for the amendment offered by Mr. ZIHLMAN: Page 3, line 9, after the word "benefited," insert "the District commissioners are hereby authorized to run a street west from Fourteenth Street along the southern boundary of the Walter Reed Hospital Reservation to the southwest corner."

Mr. ROGERS of Massachusetts. Mr. Chairman, the effect of this amendment is simply to give an outlet to Fourteenth Street when extended to the south line of the hospital land. I think it does not do anything very different from that proposed to be accomplished by the amendment of the gentleman from Maryland. The only objection to the amendment of the gentleman from Maryland is that it calls an east to west street Fourteenth Street when it ought not, and it calls the street Fourteenth Street even when it runs north and northeast along the line of Sixteenth Street and Alaska Avenue.

It seems to me that what we want to accomplish is to get an outlet to the west from Fourteenth Street extended so that there will not be a dead end at the southern point of the Walter Reed Hospital grounds where Fourteenth Street strikes the hospital line.

Mr. HULL of Iowa. Would the Walter Reed Hospital be expected to furnish the land on which this street is situated?

Mr. ROGERS of Massachusetts. Not at all. The amendment would allow the street to be run along the southern boundary of the Walter Reed Hospital. I think it would be a good thing from the standpoint of the hospital as well as of the public to have that street so extended. We ought to encourage a car-line service for the soldiers and the employees of the hospital as well as for those who live north of this locality.

Mr. HULL of Iowa. Are not there streets south of Walter Reed Hospital over that line they could run on? Surely, there are several from the end of the line at the present time to the Walter Reed Hospital. It is over a mile.

Mr. ROGERS of Massachusetts. I think there are no streets near by now, but, of course, they can be cut. My theory, however, is that it is a good thing for the Walter Reed Hospital reservation to be flanked by a street and ultimately by a car line along its southern boundary line.

Mr. HERSEY. Will the gentleman yield right there?

Mr. ROGERS of Massachusetts. Certainly.

Mr. HERSEY. The amendment of the gentleman from Illinois [Mr. McKENZIE] striking out section 2 would strike out the authorization for the opening of a great many other streets that ought to be opened different from Fourteenth Street.

Mr. ROGERS of Massachusetts. I see no reason why section 2 should be stricken out. The gentleman from Illinois and myself are in the most complete accord as to the objective sought by his earlier amendment. It seems to me that the retention of section 2 is absolutely in line with the action that the committee has taken in connection with the amendment to section 1.

Mr. BEGG. Will the gentleman yield?

Mr. ROGERS of Massachusetts. I will.

Mr. BEGG. Is the gentleman sure that if Fourteenth Street is continued out to the hospital grounds and these property holders this side of the hospital grounds want to donate land for a street, is the gentleman sure that the city commissioners would need authorization from Congress to put that street through?

Mr. ROGERS of Massachusetts. The gentleman from Maryland, who is well versed in these matters, says that it would. I have no personal information or opinion.

Mr. BEGG. Will the gentleman yield for a further question?

Mr. ROGERS of Massachusetts. Surely.

Mr. BEGG. The gentleman knows that daily almost there are allotments laid out in this city and new streets located. Now, I have not been here very long, but in five years I do not recall our passing on any location of streets.

Mr. ROGERS of Massachusetts. I do not think there can be any harm in giving that authority, even assuming that the authority already exists.

Mr. BEGG. Mr. Chairman, the only time I care to take of the committee is this. It seems to me rather foolish for this House, in committee this afternoon, with no maps, no engineers' reports, nor anything to try to run a street from Fourteenth Street to Sixteenth Street. Now, it seems to me, if it is not contrary to the general plan of the city already adoped, the city commissioners can establish a street any place they want to if the property holders owning the property are willing to donate the property for street purposes, and if I am correct in that contention it seems to me we are absolutely working in the dark. I think both amendments ought to be defeated, so far as I am concerned, and both paragraphs ought to be kept in there in order to continue to keep the street up to where it now stops at the end of the hospital line.

Mr. GARRETT of Texas. If the gentleman will yield, as a matter of law the commissioners have that right now. If the amendment offered is changed, would it not be construed to mean that it conveys the right to the commissioners to pass over a sufficient portion of the southern boundary line of the Walter Reed Hospital to get out Sixteenth Street.

Mr. BEGG. I think if we put this amendment on we are authorizing the commissioners to condemn private and Government property——

Mr. HERSEY. The commissioners can not open a street without the consent of Congress.

Mr. BEGG. I rather think the gentleman is in error.

Mr. BLANTON. The gentleman from Maryland is right.

Mr. BEGG. I think the gentleman from Texas is in error. I have been here five years and there was never a single time vacated streets in the northwest part of Washington where there have been thousands of houses built. I would like to ask the gentleman from Texas [Mr. BLANTON], who claims to know more about the District, as far as its needs are concerned——

Mr. BLANTON. Oh, no.

Mr. BEGG. If we ever vacated any streets beyond Wisconsin Avenue within the past year, or any other streets?

Mr. BLANTON. No. In regard to new additions the commissioners already have authority; but in regard to the old established streets, like Fourteenth Street, we have authority.

Mr. BEGG. If the property holders want to donate a new street from Fourteenth to Sixteenth Street to the city, we do not need to have an act; the commissioners have authority.

Mr. BLANTON. But the gentleman does not want a dead end.

Mr. BEGG. If the property holders want it, I want it; but it does not make any difference to me. I would rather have a dead end than an open end wrongly placed by a crowd of men in the Hall of Congress without any maps or any engineering report.

Mr. McKENZIE. Mr. Chairman, if this section is to remain in the bill—and it seems to be the consensus of opinion that it would be better to leave it in than to strike it out—I think the amendment of the gentleman from Massachusetts should be adopted, at least to show the feeling of Congress with regard to this matter. Now, if we go ahead and simply order Fourteenth Street opened up to the hospital grounds, to the southern boundary of the hospital grounds, the dead end, as it has been called, then the argument will be, and it can be made with a great deal of force, that Congress, having done this and provided for no outlet, then it must be we must go through the grounds. Now, my thought about it is this, that the street-car company in constructing a street-car line and going under Sixteenth Street and then paralleling Sixteenth Street and back to this avenue we spoke of this morning in the earlier part of this debate, it would not run up to the hospital grounds flush, but they would probably angle for some considerable distance away from the grounds and reach this depression under Sixteenth Street. Then they would go up along on the land of the park and come under Sixteenth Street and go on. But if we are going to leave this section 2 in, I think as a matter of declaration on the part of Congress, emphasizing the fact that we do not want them to go through Sixteenth Street, to say that we want them to have a right to go out to Sixteenth Street, is a good argument.

Mr. BEGG. Instead of stopping all the other street openings that are not objected to, why not strike out that part relating to the opening and condemning of the Fourteenth Street extension?

Mr. McKENZIE. I think I will offer that as an amendment or substitute.

Mr. OLIVER of Alabama. Mr. Chariman, I think it would be a mistake to adopt the amendment offered by the gentleman from Massachusetts [Mr. ROGERS]. His own statement made to the House a few minutes ago in support of his motion to strike out the preamble, in my judgment, shows that it would be unwise to adopt his amendment. The House will recall that he then felt this bill should be sent back to the committee in order that it might consult with the District engineer and provide how Fourteenth Street could be extended so as to connect with Sixteenth without passing over any part of the grounds of the Walter Reed Hospital. Now, if the amendment offered by the gentleman from Illinois [Mr. McKENZIE] is adopted this whole matter will be thrown into conference and the conferees will be authorized to go carefully over the matter with the District engineer, so as to intelligently recommend how the different street extensions referred to in section 2 of the bill can be best accomplished.

The House by striking out in the first section the words "except Fourteenth Street" has now voted to close all streets in so far as they intrude on the hospital grounds. The conferees then will be clothed with full authority to make

recommendations relative to the extension of these streets, subject to two limitations on which the House has just expressed itself, namely, that no street must enter on or cross over any part of the hospital grounds and that no street-car line shall be located on or along Sixteenth Street. Subject to these limitations, the conferees are quite free to reach some agreement looking to an extension of the streets so that a connection can be had with Sixteenth Street.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. BEGG. Mr. Chairman, let us have a division.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 28, noes 23.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from Maryland [Mr. ZIHLMAN] as amended.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. OLIVER of Alabama. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama demands a division.

The committee divided; and there were—ayes 34, noes 17.

So the amendment as amended was agreed to.

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent to insert in line 8 of page 2, after the word "Street," the words "Fourteenth Street."

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to return to the first section for the purpose of offering an amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: Page 2, line 8, after the word "Street," insert the words "Fourteenth Street."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHINDBLOM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. There is an amendment pending, to strike out the section.

Mr. CHINDBLOM. I want to offer a perfecting amendment. On line 14 of page 2 strike out the second word "and," and on line 15 of page 2 strike out the word "directed."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Page 2, line 14, after the word "authorized," strike out the words "and directed."

Mr. CHINDBLOM. Mr. Chairman, it may well be, in view of the changes that have been made in the bill or that will be made if the House approves the action of the committee, and particularly in view of the last amendment offered by the gentleman from Maryland [Mr. ZIHLMAN], as amended by the amendment offered by the gentleman from Massachusetts [Mr. ROGERS], that the Commissioners of the District may not find it conformable to the best interests of the District to proceed with the condemnation of land for all of these streets just as it is provided in the bill. For that reason I think it ought to be left optional with them as to whether they will proceed or not.

Mr. BLANTON. I think the gentleman is eminently correct. We ought not to direct them. They ought to have discretion.

Mr. CHINDBLOM. By using these words "and directed" we compel them to act, even against their own best judgment. They have the positive orders of Congress to proceed and condemn these streets. I hope the amendment will prevail.

Mr. ZIHLMAN. I accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made on this bill.

Mr. McKENZIE. Mr. Chairman, in view of the situation I withdraw my motion to strike out section 2.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to withdraw his motion to strike out section 2. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SEC. 3. That when Fourteenth Street shall be opened for traffic to the south boundary of the property known as the Walter Reed General Hospital grounds, numbered for purposes of assessment and taxation as parcel 89 sub 7, the control and jurisdiction of that part of Fourteenth Street as laid down on the plan of the permanent system of highways of the District of Columbia which lies within the said hospital grounds shall immediately pass to the Commissioners of the District of Columbia, the same in all respects as other streets and avenues in the District of Columbia: *Provided*, That the grade of the street through the hospital grounds shall be subject to the approval of the Secretary of War.

Mr. McKENZIE. Mr. Chairman, I move to strike out section 3.

The question was taken, and the motion was agreed to.

The Clerk read as follows:

SEC. 4. That an amount sufficient to pay the necessary costs and expenses of the condemnation proceedings taken pursuant hereto and for the payment of the amounts awarded as damages is hereby authorized, payable out of the revenues of the District of Columbia; the amounts collected as benefits to be covered into the Treasury of the United States to the credit of the revenues of the District of Columbia.

Mr. ZIHLMAN. Mr. Chairman, I move to strike out the numeral "4" and insert the numeral "3," section 3 having been stricken out.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ZIHLMAN: Page 3, line 23, strike out the figure "4" and insert in lieu thereof the figure "3."

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Chair is under the impression that he did not put the unanimous-consent request of the gentleman from Texas. The gentleman from Texas [Mr. BLANTON] asks unanimous consent to revise and extend the remarks he made on this bill. Is there objection? [After a pause.] The Chair hears none.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the title will be amended to conform with the bill as amended.

There was no objection.

The SPEAKER. Without objection, a similar House bill will be laid on the table.

There was no objection.

On motion of Mr. BLANTON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

IMMIGRATION BILL

Mr. JOHNSON of Washington. Mr. Speaker, I present a conference report on the immigration bill for printing under the rules.

The Clerk read the title of the bill as follows:

A bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

APPROPRIATIONS FOR THE DEPARTMENTS OF STATE AND JUSTICE, AND FOR THE JUDICIARY, AND FOR THE DEPARTMENTS OF COMMERCE AND LABOR

Mr. SHREVE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 8350, a bill making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table H. R. 8350, disagree to all Senate amendments, and ask for a conference. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, is that satisfactory to the minority?

Mr. SHREVE. Yes; I have already consulted with the gentleman from Alabama [Mr. OLIVER], who is the ranking minority member.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Chair appoints the following conferees: Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama

REVENUE BILL

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the revenue bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Iowa asks unanimous consent to take from the Speaker's table the revenue bill, disagree to all Senate amendments, and ask for a conference. Is there objection? [After a pause.] The Chair hears none.

The Chair appoints the following conferees: Mr. GREEN of Iowa, Mr. HAWLEY, Mr. TREADWAY, Mr. GARNER of Texas, and Mr. COLLIER.

THE FEDERAL CONSTITUTION

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from Alabama asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. OLIVER of Alabama. Mr. Speaker, the American Bar Association has rendered an invaluable public service in stimulating during the past 12 months a study of the Federal Constitution, and the practical results accomplished are such as to justify an earnest hope that the work so splendidly begun will be continued.

Early in the fall of 1923 practically all of the national civic organizations devoted a week to the study of our fundamental law in accordance with a program carefully prepared by the American Bar Association. Later, through its influence, a group of great newspapers arranged a nation-wide contest between high-school students from every section. This contest resulted in many thousands of addresses dealing with the Constitution of the United States being carefully prepared and delivered by the youth of our country before assembled audiences which, in the course of the various stages of the contest, are estimated to have exceeded 12,000,000.

In my home State of Alabama the Age-Herald, one of the leading newspapers of the South, published at Birmingham, devoted great publicity and fine inspirational effort to making the contest a success. I was so impressed with the importance and far-reaching results of this contest sponsored by the newspapers that I wrote to Hon. F. I. Thompson, editor of the Age-Herald, for a copy of the first-prize oration awarded to Mr. Jack Turner, a 16-year-old student of the John Herbert Phillips High School, of Birmingham, who was one of the final seven national contestants. Mr. Thompson, in his reply, well states the purpose of this contest, which I take the liberty of here quoting:

In promoting this contest the Age-Herald was moved by at least a dual consideration. In the first place, the purpose was to bring the meaning of the Constitution emphatically to the attention of the people in such a manner as to impress them with its fundamental significance to the American Nation. In the second place, in the midst of criticisms of our constitutional establishments, including the indispensable functions of the Supreme Court and at a time when radical and bizarre influences are unduly aggressive, the Age-Herald was convinced that the Constitution itself and its wise and comprehensive provisions form the most complete, forcible, and irrefutable arguments in its favor.

Nowhere is there to be found more genuine reverence for our institutions nor more sincere love of country than among the young men and young women on the very threshold of life, with their ideals yet unspoiled and with their minds still plastic to receive these indelible impressions that shall color their ideas and opinions throughout life. Nowhere else is there to be found that enthusiasm which bridges all chasms and leaps all sophistry. Nowhere else would it be possible to find a more disinterested support of the document on which our Government is founded. From no other source would the citizenship more cordially receive and approve the well-deserved eulogies of the Constitution which the young women prepared and delivered in such unselfish purpose.

The Age-Herald regards it as a distinction and high privilege of public service to have acted as sponsor in Alabama for this contest. The Constitution is based on the tried and tested principles of fairness, liberty, and justice which the centuries have proved to be eternal and irreplaceable. A study of this document of the ages is the most deadly blow that can be struck at the specious and spurious doctrines that are now current. The contest, it is hoped, is not the end, but the beginning of a more intensive understanding of the American Constitution, the corner stone of our form of Government, which is already the object of the admiring regard of the whole world.

The following is a copy of the very splendid and interesting oration by Mr. Turner:

"When the doors of Independence Hall were thrown open, September 17, 1787, proclaiming the close of the Constitutional Convention, the world received not only a model Constitution but the answer to the question which had confronted students of political science since the dawn of history—the question of whether or not liberty and union could be successfully united. Every nation in every age has attempted in some measure to realize this golden ideal in government. Glorious Greece walked forth in the pride of her freedom, so intent on liberty that she forgot the need, the necessity, of union, and Greece perished. Mighty Rome fostered and exalted union for its strength and power, until she became a tyrant, and Rome fell.

"Then how did America find the solution to the problem over which the ancients labored through the ages? Why did America succeed? It was not that there arose a patriotic Moses, who led us out of the political wilderness, nor was it that we were blessed with some superminded philosopher who devised a perfect system for us to follow. The secret of the solution lies in the document which since its birth has been the classical model for hundreds of Republics—those fundamental laws, the American Constitution. It was the product of the reasoning of 50 of our statesmen, the greatest of the eighteenth century, and the fact that these men succeeded in establishing a Constitution which has solved the ancient problem is not proof or even suggestion that their work was accidental. The fact that this law has been our rule without change for a century and a half, which has seen more scientific advancement than all the time of man before them, does not tell us their work succeeded by chance.

"That convention, which was destined to draw up 'the most wonderful work ever struck off at a given time by the brain and purpose of man,' was, as Jefferson said, 'an assembly of the demigods,' and the document which was formed through the intellectual reasoning and understanding employed by the writers does approach so near to perfection it would seem that Providence must have been their guide and inspiration. In the group there were representatives from all the walks of life. In thinking, however, they were philosophers, broad-minded and prophetic minded. In fact, they foresaw an immediate era of mechanical and scientific discovery. Knowing that changes in the Constitution would be necessary with such advancement, they determined to make this supreme law flexible and elastic, yet firm and durable. It is true that these men, no matter how wise, could not determine in detail the nature of the coming progress, but they had one constant, tangible element upon which they could base all of their articles—human nature. They knew, as we know, that human nature, with all its emotions, jealousies, weaknesses, and virtues, had been the same when the great pyramids were built as it was in their time. They knew also that it would continue to be fundamentally the same after those pyramids had crumbled to dust, and it was upon this basic understanding that they built their reasoning.

"It is not profitable to look into the past unless we are solving through the past problems of the future. Our question is whether or not the United States will continue to exist as the model Republic of freedom and justice and whether our Constitution will always serve as practically as it has served for a hundred and fifty years. As we look back we are inspired with a feeling of confidence. We think of how these supreme laws were born in the minds of our pioneer statesmen in that age that 'tried men's souls.' We recall how their patriotic desires lacked the urge of personal profit. We think of how those 13 States which were held loosely together by that rope of sand, the Articles of Confederation, became firmly united by the American Constitution. We remember how a national spirit

sprung up, which has grown with a religious fervor throughout the years, and then we recall how this document which was our guide through the uncertain time of birth again suffered severe strain fourscore and seven years later. But we remember also how it survived this the most terrible of civil wars and how those States were brought back together under the same flag, the same President, and under that same Constitution. They reunited to form the most prosperous Nation on earth. Soon they held the world's balance of power, and when the dark clouds of war hovered over the entire world in 1914, when Mars threatened to wipe out all humanity, the United States of America intervened and the world was made 'safe for democracy.'

"As we look back into the strains and storms our Constitution has stood, from the strife that existed in the beginning through the gash made by Civil War and even through the experience undergone in the recent holocaust of 'deliberate scientific destruction,' we have a right to believe, if it is properly understood and judiciously interpreted, it will carry us and our prosperity on forever. But there is one recurring question left to us and our descendents. We know, as the framers knew, that 'new occasions teach new duties' and that constitutional modifications will be necessary in order to progress with science and civilization. If there were such a thing as science and civilization standing still, we could leave our Constitution as it is, and we would continue to exist forever as we do to-day. But that is impossible.

"This generation and the generations to come will have the problem of making such amendments as their respective modern ages may require. There is one rule for us to follow. The preamble of the Constitution must be our guide. We must bear in mind that there are certain fundamental laws which embody man's inalienable rights. Our forefathers recognized that these rights had been given man by Almighty God and that their duty was only to shield and guard them. They recognized, as the preamble bears witness, that the personal liberties guaranteed to every citizen must not only be preserved but must be protected. If you and I would lay claim to these guaranties of the Constitution, we should first of all make sure that we have fully complied with the recognized duties of American citizenship. Having measured up to this standard, if we will exercise an attitude of alert vigilance, if we will constantly watch the legislative movements of our Government, if we will always remember the momentous significance of the preamble, then 'that government of the people, by the people, for the people, shall not perish from the earth.'"

The following excellent article on "Representative government" by Hon. John B. Knox, a distinguished citizen and lawyer of Alabama, and president of the Constitutional Convention of Alabama of 1901, will prove of interest and help to students of the Constitution:

I

In establishing this Government our fathers steered away from the direct and discredited democracies of Greece and Rome and established here under a written Constitution a representative Republic, which Mr. Gladstone in truth declares was the finest piece of government making ever struck off by any set of men in a given time.

It furnishes the one successful attempt at government of the people, by the people, and for the people, in the history of the world.

It has succeeded not as in Greece and Rome, by assembling the people en masse to try cases and pass laws, but by dividing the Government into three coordinate branches, the executive, legislative, and judicial, each separate and independent of the other, and each equal in dignity and in power. More than this, it is one Government as to national affairs and foreign relations, and many separate governments as it affects the local and domestic interests of the people. Unsettle this balance, make one branch of the Government subordinate to another, and you overthrow your Constitution and plant seeds for the destruction of your Government and the loss of your liberties.

And mark you, each in its respective capacity is appointed by and is the servant and representative and under the control of the American people.

Now, if the people can appoint a good Executive they can appoint good legislators and a good judiciary. The fault, if fault there be, is not with the system, but with the people themselves.

II

Again, each department of this Government is a trustee to the people both for upholding and for administering its own jurisdiction—not upon Democrats nor upon Republicans, but upon Democrats and Republicans alike when an issue arises which involves the prerogative of the branch of the Government which he is intrusted to administer. The power to declare war, for instance, is invested by the Constitution in Congress, and Congress would render itself infamous should it allow this power to be usurped by the Executive. On the other hand, the power of making treaties of peace, and other treaties, is invested in the President "by and with the advice and consent of the Senate," and each would be recreant to its duty and unfaithful to its trust should it fail to perform its proper function.

III

But please observe, the power of negotiating and making treaties of peace was not invested in the Executive alone. The Constitution provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur." In this duty then the Senate exercises quasi executive functions. It is in a certain sense a coexecutive with the President.

Our fathers who rescued from the wilderness the magnificent domain we enjoy, who framed our Constitution and established this Government, it seems, did not altogether confide in the superlative wisdom and inspired altruism of either department of the Government, and hence the system of checks and balances and divided authority provided in the Constitution, the wisdom of which is every year becoming more apparent.

An examination, therefore, by the Senate of the terms of this treaty is not a presumption. In doing so it exercises not only a high prerogative but discharges a sacred obligation.

Again, by and with "the advice and consent" means more than mere consent. It means that the Senate shall be fully informed, shall be frankly consulted, and as in the case of a consulting physician exercise its independent judgment.

If the Executive refuses to extend to it the confidence to which it is entitled, the Senate may and should indefinitely withhold its consent until fully informed as contemplated in the Constitution.

IV

In the Long Parliament in England and in the States General in France the legislative branch beheaded the Chief Executive, usurped every function of government, and assumed absolute dominion with a result which should not, it would seem, invite emulation. But that you say was long ago; men are better now. And yet for the adoption of reconstruction measures growing out of the Civil War we find a partisan majority seeking to override and impeach the Executive merely because in the conscientious exercises of his executive prerogative he resisted a movement to place the heels of more than 4,000,000 slaves upon the necks of their former masters. The message in which President Johnson vetoed this inhuman reconstruction measure is well known, and is one of the ablest ever delivered by any President. He retained Mr. Lincoln's Cabinet and endeavored to carry out his policies as the diary of Gideon Welles, Secretary of the Navy in both Cabinets, will sufficiently show. But what is not so well known is that Mr. Charles Sumner, who lead this movement, some years later confessed to Senator Henderson, of Missouri, who with six others went against his party and successfully resisted these impeachment proceedings, that in that vote he, Henderson, was right, and he, Sumner, was wrong.

But if the dominance of the legislative branch is dangerous, the dominance of the executive branch is more dangerous, as witness our neighbor Republic of Mexico. Mr. Diaz, if I mistake not, commenced his administration under a constitution which precluded his being his own successor. With a well-organized machine and an army he persuaded the people to remove the restriction and continued in absolute power practically for life. Who is so dense as not to know that Central and South America present a constellation of republics with constitutions in form as good as ours, ruled by dictators, who call themselves Presidents, and where it requires an army and a revolution to change an administration.

Napoleon, too, was a man of the people—a man who defied liberty only to overthrow it—and whose beau ideal was not France, but the house of Bonaparte!

Idealism with some executives begins and ends with the I.

V

And finally, in this day of spirit rappings and world visions, of anarchy and radicalism, of the enshrining of every new fad and dogma simply because it is new, of the wasteful expenditure of billions of dollars of the people's money without any adequate check or commission therefor only to be ground from them later by oppressive taxes, what our country needs in religion and in statesmanship is a new baptism in orthodoxy and in conservatism.

My complaint is not against a political party. All government by the people must needs be party government. The country needs and must have two great parties, not sectional, but national, the one a check on the other, the principles and policies of which are openly stated and sincerely advocated before the bar of public opinion. Our danger is not in constitutional government, but in personal government backed by secret organizations, which multiply with remarkable rapidity, which are absorbing every branch of business activity, and last but not least has invaded and seized even the police power of

the Government, thereby menacing the whole country with a state of absolute lawlessness!

We have seen that political parties can be patriotic.

We have seen the Democratic Party as one man support Mr. McKinley in the Spanish-American War, and the Republican Party as one man support Mr. Wilson in the greatest war of all times.

It may be and the time may not be far distant when another coalition of every patriotic citizen without regard to past party affiliations may be demanded for the preservation of our property, of our liberty, and even of life itself.

In the meantime, let us, Democrat and Republican alike, go back to the Constitution, the aegis of our protection, the inherited Magna Charta of our liberty.

Let us make it and enshrine it as our statue of liberty. And with united voices let us say to all bolsheviki, to all open or secret conspiracies against law and order, as Lord Bulwer makes Richelieu to say:

"Around her form I draw
The awful circle of our solemn church;
Let but man place foot within that holy ground,
And on his head, yea though he wear a crown,
I launch the curse of Rome!"

REGULATION OF THE PRACTICE OF OPTOMETRY IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 3236, a bill to regulate the practice of optometry in the District of Columbia.

Mr. BLANTON. Mr. Speaker, will the gentleman from Maryland yield?

Mr. ZIHLMAN. Yes.

Mr. BLANTON. There was a program agreed upon on bills which if followed would finish the Gilbert bill. We are about two-thirds through that bill, and we ought to finish it one way or another. We have exhausted all general debate on it. The bill has been read, and there was a motion to strike out the enacting clause, which failed, and it will take only a short time to finish it.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. UNDERHILL. The gentleman from Kentucky [Mr. GILBERT] is not here, and it would be hardly fair to take up the bill in his absence.

Mr. BLANTON. I know he is necessarily detained, but, nevertheless, I think we ought to take up that bill.

Mr. ZIHLMAN. I will say to the gentleman from Texas that I understand there is going to be a great deal of opposition to that bill, and I hope to get through a few bills about which there is no controversy.

Mr. BLANTON. But there is opposition to the bill which the gentleman has called up.

Mr. SANDERS of Indiana. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Indiana demands the regular order. The gentleman from Maryland moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 3236.

Mr. ZIHLMAN. Mr. Speaker, pending that motion, I ask unanimous consent that general debate on this measure be dispensed with.

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, I would like to ask a question. It has been announced in the press that there is a great deal of very important legislation pending for the District. Is this the most important bill you have pending?

Mr. ZIHLMAN. I will say to the gentleman from Illinois the important bills to which he refers are matters of very deep-seated and widespread controversy, and I had hoped to take up these matters that were uncontested and dispose of them.

Mr. CHINDBLOM. I am not going to object, Mr. Speaker, but there will be a request for an extra day, or two or three days, perhaps, to consider District matters, and we are evidently taking up less important legislation than they actually have pending.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. If the gentleman will ask that general debate be limited to 30 minutes to the side, I shall not object, but there is some very strong opposition to this bill.

Mr. JOHNSON of Washington. To this eye-doctor bill?

Mr. BLANTON. This is the optometry bill.

Mr. JOHNSON of Washington. We ought to finish that up with five minutes debate on a side and get rid of these spectacle peddlers.

Mr. BLANTON. Well, 20 minutes to the side.

Mr. ZIHLMAN. Mr. Speaker, I modify my request, and ask that general debate be confined to 40 minutes, one-half to be controlled by the gentleman from Texas and the other one-half by myself.

The SPEAKER. The gentleman from Maryland asks unanimous consent that general debate be limited to 40 minutes, one-half to be controlled by himself and one-half by the gentleman from Texas. Is there objection? [After a pause]. The Chair hears none.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 3236, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of H. R. 3236, which the Clerk will report.

The Clerk read the title of the bill.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. ZIHLMAN. Mr. Chairman, I reserve my time. Will the gentleman from Texas please use some time?

Mr. BLANTON. Mr. Chairman, the only objection I have to this bill is that it places absolute power in the board provided for in the bill, which could be controlled to the detriment of certain deserving parties interested in this business. There is entirely too much control lodged in such boards, affecting every kind and class of professional business in the District.

Mr. JOHNSON of Washington and Mr. HILL of Maryland rose.

Mr. BLANTON. I yield first to the gentleman from Washington.

Mr. JOHNSON of Washington. I would like to say very frankly to the gentleman that I hope we will not take a lot of time on this bill. Personally, I dislike to see the Government going into boards and commissions and arms of the Government itself, but cities regulate the spectacle peddler and he is now out of business. He has gone the way of the clock maker, and it is a crime to have them going around and robbing the people and ruining people's eyes, and therefore I am for this bill strong. That is all I need to say.

Mr. BLANTON. Yes; and I am for such a bill strong if it is properly safeguarded, but would not place the absolute control in one particular little board that without an appeal could keep out all competition, if they wanted to.

Mr. JOHNSON of Washington. They do not do that. If they had a city council here they would recommend this.

Mr. HILL of Maryland. Will the gentleman yield for a question?

Mr. BLANTON. In just a moment. I want first to answer the gentleman from Washington. We must decide whether this bill safeguards all worthy practitioners. I can explain this to you by calling attention to an affidavit that I have along another line concerning a similar bill that will be brought in here soon with respect to the further restriction of securing licenses in the plumbing business in Washington.

I have an affidavit from an expert plumber who owns his residence here in Washington, which cost several thousand dollars, and he has been living in it for some time with his wife and little children. He has been an expert plumber for twenty-odd years, and because he moved to Washington and would not join in with a certain little clique that is controlling the licenses, they have refused to license him and have refused to let him work at his trade of plumbing, although he has been an expert plumber for twenty-odd years.

Mr. LAZARO. Will the gentleman yield for a question?

Mr. JOHNSON of Washington. He can make more money, probably, fixing up automobiles.

Mr. BLANTON. I yield to the gentleman from Louisiana.

Mr. LAZARO. Has not your State a board of medical examiners to license physicians and a board to license druggists and a board to license nurses?

Mr. BLANTON. Yes; and I am in favor of such proper boards.

Mr. LAZARO. Do you not think people's eyes are vital to them?

Mr. BLANTON. That is exactly what I was coming to. If we would open this question up and see that every interest connected with this particular profession and business was protected, I would be just as strongly in favor of this bill as any-

one; but we have not done that, and our committee has not done that. We ought to look into these matters and see just exactly who is behind such a board and see just exactly the kind of power they are going to manipulate here and see what control they are going to make of it, and see that the people are properly protected, and then I would be in favor of such a board. If this bill safeguards all such rights, then I am in favor of it.

Mr. HILL of Maryland. Is there not some existing board to which this could be referred without the creation of another board?

Mr. BLANTON. Yes; there is some regulation now, but they claim it has not sufficient powers and they want this bill passed to give them sufficient powers.

Mr. HILL of Maryland. Is there any compensation provided for this board? I presume they will have secretaries and officers.

Mr. BLANTON. They will get all compensation from fees charged, but not from the Government.

I do not care to take up any more of the time of the committee. If we had opened up the hearings and given everybody a chance, it would be a different matter. We have another bill before us very much like this, and I have received protests against it from all over the country. There are two schools involved and one school is trying to take advantage of the other, and the one that is being taken advantage of by the bill has been protesting against its passage. Until we give both sides a hearing on that bill, we ought not to report it or try to pass it. We ought to see that everybody is properly protected. That is all I want to say on this bill. I reserve the balance of my time.

Mr. ZIHLMAN. Mr. Chairman, I wish the gentleman from Texas would use up his time.

Mr. BLANTON. Have the bill read under the five-minute rule; I am through.

Mr. ZIHLMAN. Then, Mr. Chairman, I ask the reading of the bill.

The Clerk read as follows:

SEC. 2. That on and after six months from the passage of this act it shall be unlawful for any person in the District of Columbia to engage in the practice of optometry or to hold himself out as a practitioner of optometry, or attempt to determine by an examination of the eyes the kind of eyeglasses required by any person, or hold himself out as a licensed optometrist when not so licensed, or to represent himself as capable of examining the eyes of any person for the purpose of fitting glasses, excepting those hereinafter exempted, unless he shall have fulfilled the requirements and complied with the conditions of this act and shall have obtained a license from the District of Columbia Board of Optometry, created by this act; nor shall it be lawful for any person in the District of Columbia to represent that he is a lawful holder of a license as provided by this act when in fact he is not such lawful holder, or to impersonate any licensed practitioner of optometry, or shall fail to register the certificate as provided in section 13 of this act.

Any person violating any of the provisions of this act shall be guilty of a misdemeanor, and upon conviction for the first offense shall be fined not more than $500, and upon conviction for any subsequent offense shall be fined not less than $500 nor more than $1,000, or be imprisoned in the District jail not less than three months nor more than one year, or both, in the discretion of the court.

Mr. SUMMERS of Washington. Mr. Chairman, I offer the following amendment; that wherever the words "hold himself out" are used substitute "represents himself to be."

Mr. HILL of Maryland. I object to that and make a point of order against it. That raises an entirely different question than that presented by the bill.

The CHAIRMAN (Mr. TINCHER). The point of order is overruled.

Mr. ZIHLMAN. I will accept that amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. SUMMERS of Washington: Wherever in the bill the words "hold himself out" occurs, strike them out and insert "represents himself to be."

Mr. WINGO. Is that the correct language?

Mr. SUMMERS of Washington. If the gentleman can make better English of it, I am perfectly willing.

Mr. WINGO. Oh, I agree with the gentlemam from Washington as to the desirability of the amendment. I am talking about the exact structure of the amendment. I ask the Clerk to read the language as it would read if the amendment is adopted.

The Clerk read as follows:

That on and after six months from the passage of this act it will be unlawful for any person in the District of Columbia to engage in the practice of optometry or to represent himself to be a practitioner of optometry, etc.

Mr. WINGO. It should include the word "to." The amendment should be that wherever that language occurs in the text it shall be amended so that it will read "or represents himself to be." Then that will take care of both phrases.

Mr. SUMMERS of Washington. I will modify my amendment, Mr. Chairman, in that respect.

The CHAIRMAN. The gentleman from Washington modified his amendment, and the question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Three members of the board shall constitute a quorum for the transaction of business, and should a quorum not be present on the day appointed for any meeting those present may adjourn from day to day until a quorum be present.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. The question has been asked me as to the Columbia Optometric Society: What kind of an organization is it, when was it organized, and how?

Mr. ZIHLMAN. I can only say to the gentleman that it is an organization composed of the optometrists of the District of Columbia. I do not know how long it has been in existence. It is made up of the most reputable men in the profession.

Mr. WINGO. I do not know, but there is a difference between these specialists. This includes, I suppose, men like Edmonds, and all of that type of firms come under this bill.

Mr. JOHNSON of Washington. Nearly all the firms have an expert optometrist.

Mr. WINGO. This is a regular society, a proper organization, is it?

Mr. ZIHLMAN. Yes.

Mr. WINGO. I have no personal interest in it; but when Members asked me to develop it I told them I did not know, but I presumed it was composed of reputable men. I presumed it was composed of reputable men and was an actual bona fide organization. There is no question about that in the mind of the committee?

Mr. ZIHLMAN. No.

Mr. WINGO. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 7. That the secretary-treasurer shall receive as compensation for his services an annual salary to be determined by the board, which salary and all other expenses of the board necessary in carrying out the provisions of this act shall be paid from the funds in the custody of the secretary-treasurer for the use of the board upon requisition signed by the secretary-treasurer and countersigned by the president of the board; and on the 30th day of June of each year if any surplus remains the members of the board shall be paid such reasonable compensation out of the funds in the custody of the board as the Commissioners of the District of Columbia may determine: *Provided, however*, That said compensation and expenses shall not exceed the amount received by the board under the provisions of this act.

Mr. BLANTON. Mr. Chairman, when a man is examined to practice law he pays a fee and gets his license. When he practices a certain number of years he is entitled to a license in the appellate courts and in the Supreme Court of the United States. He does not have to pay an annual license fee. He pays a fee for his first license. The license fee for the Supreme Court of the United States is only $10. But you charge an initial license fee in this bill of $25, and you make a fund here in this bill to pay not only the secretary-treasurer of the organization a salary but provide that whatever surplus is left over at the end of the year, after holding two meetings a year, the members of this board shall receive compensation within the limit of that surplus. That is paid out of the initial fee of $25 that he has to cough up when he gets his license. It does not stop there, for after paying the $25 he has to pay $10 every year for the continuation of the license.

Mr. UNDERHILL. If the gentleman will yield, let me say that that is to keep a check on these people. It is not simply to provide a fund. You have to pay each year for the automobile license.

Mr. BLANTON. Does the gentleman from Massachusetts think that there is any more reason for charging an original fee of $25 to one of these professionals than there is for others?

When a lawyer pays $10 for his license he is done and does not have to pay $10 a year for each year thereafter.

Mr. UNDERHILL. I do not want to reflect on the legal profession or the value of their services.

Mr. BLANTON. A man could make a mistake and get the wrong kind of a lawyer and might have a million of dollars involved in a financial way that would become a loss, hence there is as much necessity of getting a good lawyer as there is of getting a good eye doctor.

Mr. UNDERHILL. If the gentleman will yield right there, let me say that if I had a million dollars I would rather lose it than to lose my eyesight.

Mr. BLANTON. Oh, yes; all of us would rather do that.

Mr. WINGO. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. WINGO. May I suggest also to the gentleman from Texas that whenever you license a lawyer he goes into court and other lawyers come in contact with his work, but you take one of these optometrists and all of his work is done privately. His fellow optometrists have not much of a way of checking him up unless some person should go over to another one of them, maybe, and he finds out what has been done. There is quite a distinction. Suppose there are 50 optometrists in this city, a large number I should think, they would only pay $500 a year. I will tell you what I think will happen. I think you will find out that this fund will not be sufficient, and they will come in here and appeal to the liberality of our friend from Illinois [Mr. MADDEN] next year for an appropriation to be paid out of the Public Treasury, and I think that would be proper.

Mr. BLANTON. I doubt whether they would ever get it through the present chairman of the Committee on Appropriations. The gentleman from Arkansas is speaking facetiously.

Mr. WINGO. I think his well-known liberality in these matters would justify me in saying they will.

Mr. STEPHENS. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. STEPHENS. Would it not be just as much of an argument to make that a physician should pay every year?

Mr. BLANTON. Just as much. When he makes a mistake his error is covered up in the ground.

Mr. STEPHENS. But the argument would go just as far.

Mr. BLANTON. Just as far.

Mr. STEPHENS. Absolutely.

Mr. WOODRUFF. As a matter of fact, we have doctors and dentists who have to pay a fee now. They may not in the District of Columbia, perhaps——

Mr. BLANTON. They pay a practitioner's tax, not a license fee.

Mr. WOODRUFF. In the State of Michigan the dentists pay a fee of $1.

Mr. BLANTON. That is a tax for the expense of the State examining board.

Mr. STEPHENS. Do they pay every year?

Mr. WOODRUFF. Every year.

Mr. ZIHLMAN. They have been asked if they did not think the fee was high, and they say with the limited number here they are willing to pay it.

Mr. BLANTON. In view of the fact that this is not going to come out of the Public Treasury I am not going to say anything more against it.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

SEC. 9. That on and after six months from the passage of this act, as set forth in section 2 hereof, every person desiring to practice optometry, or, if now in practice, to continue the practice thereof, except as herein otherwise provided, shall take an examination as provided in this act and shall fulfill the other requirements as in this act provided.

Mr. FITZGERALD. Mr. Chairman, I move to strike out the last word for this reason: The members of this committee will note this is different from almost any other act we have passed, and from most of the acts of the States in reference to the practice of certain professions and callings because it requires those now legally engaged in the practice to take a limited examination.

Mr. UNDERHILL. If the gentleman will yield, I had the same opinion the gentleman has in regard to this bill until I looked at the next page, and I would like to ask the gentleman if he has read the proviso:

Provided, however, That failure to pass the standard examination after having qualified under the limited examination as in this paragraph set forth shall not disqualify him as a lawful practitioner.

Mr. FITZGERALD. I understand he must pass the limited examination or he will be disqualified. Now, I felt a little responsibility about this, because I drew the report made to the House on this bill, and I confess this phase of it had not been called to my attention at the time, but since then I have received a call from a gentleman who I asked to put his objections to the bill in writing, and this was one of the objections, with the suggestion that this made the bill, as he said, ex post facto, but what he meant was retroactive and to that extent unconstitutional. Now my own judgment about the matter is it does not make this bill unconstitutional but that this Congress has full power and authority to provide at least a limited examination of those who are to practice this profession in the District of Columbia, and that the limited examination which is specified here, which they may be required to take which will qualify them to practice irrespective of whether they can pass the other examination or not, is a very proper examination which any practitioner of optometry ought to be qualified to pass in order lawfully to practice on the people of the District. However, I felt this responsibility about it, and I felt I ought to call the attention of the committee to this fact that this provision is in here directing or requiring those in the practice should pass this limited examination.

Mr. UNDERHILL. Mr. Chairman, I move to strike out section 10.

The CHAIRMAN. Section 10 has not yet been read.

Mr. UNDERHILL. Then I move to strike out the sufficient number of words to obtain the floor. I would like to ask the attention of some of the legal talent in the House in regard to their interpretation of the law. I do not care from which side of the House it comes, but my experience with a similar bill in another body has led me to believe that such a provision as this would be declared unconstitutional or rather that this bill would be declared unconstitutional. Consequently it had better be stricken out as it would jeopardize the whole bill by leaving it in. The only question in my mind is whether the proviso on page 8, "That failure to pass the standard examination after have qualified under the limited examination as in this paragraph set out shall not disqualify him as a lawful practitioner," in other words a man who has been practicing optometry in this District for the past 5, 6, or 12 years or more under the provisions of this law unless he is able to pass this limited examination would be prohibited from practice. The courts would clearly hold in this instance that it was unconstitutional because it was retroactive.

Mr. FITZGERALD. I would like to ask the gentleman if he has taken into consideration that although such a provision in a State law would probably be held unconstitutional, it would probably not be so in this case? Most of the State constitutions have such provisions as would prevent infringement upon the rights of those who had already entered upon certain lines of employment, but there is no such reservation in regard to the Federal District. I heard a former Senator from Mississippi, Mr. John Sharp Williams, make an able presentation of the subject in the Senate. He said we often overlook the fact that Congress has more ample powers over the Federal District than over the States. The powers of Congress under the Federal Constitution with regard to this Federal District are broader than the powers over the peoples of the several States and more ample than the powers of the States over their own people under the limitations of their constitutions. I believe that this provision in section 9 providing for a limited examination of those already in the practice of optometry is a wise provision and that it is constitutional.

Mr. WINGO. My attention has been directed to the provision referred to; and I think that even if this were a statute passed by a State legislature, the provision in the bill is plainly constitutional. I think you take care of that situation, and I think some of the gentlemen may have an idea that the courts have gone further on that question than they really have done. Here is the viewpoint they will ultimately come to in connection with people who are dealing with the public in a technical way: When you give them a reasonable opportunity to demonstrate that they are capable, and you provide them with a limited examination, such as is provided here, and then with a yearly examination, here is where you will get them if they are not capable and competent. The gentlemen who drew this bill evidently had this in mind. You give them a limited examination and then an annual examination, and a man has no vested right in either fraud or incompetency. If that is true, here is where they will weed out those who are not competent. We will say they may be occupying a position

in a reputable concern, or as an assistant to one who is competent. They will say, "We will let you stand on the limited examination." Then, if a man starts out for himself and can not measure up to the standards of a profession where he is holding himself out to his prospective customers, they would have a right to hold that he was not competent. You are refusing to give to him a certificate of competency. That is all you are doing.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. UNDERHILL. Mr. Chairman, may I have three minutes more?

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WINGO. He is asking for an annual certificate of competency in his profession, and no man has a right to receive a false certificate issued by a public board—a certificate of incompetency.

Mr. BEGG. The courts usually hold that a legislative body has the right to require certain standards in any profession. I think you will find that they have.

Mr. WINGO. Some gentlemen are fearful, I think, that the courts have gone further. I have not refreshed my memory recently as to that, but I think I am clear enough in my recollection to be led to believe that the language you have here will be sustained.

Mr. UNDERHILL. That is the common-sense view that I would take as a layman. However, I wanted legal and professional advice on the matter in order that the constitutionality of the law might not be questioned later on.

Mr. WINGO. Let me make this suggestion: Somewhere or other in the bill, as a new section, if it is not already in, insert a provision to the effect that if a part of the bill should be declared unconstitutional it shall not invalidate all of the bill.

Mr. UNDERHILL. Mr. Chairman, I will withdraw my pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 13. That every person desiring to be licensed as in this act provided shall file with the secretary-treasurer of the board upon appropriate blank to be furnished by said secretary-treasurer an application, accompanied by the recommendation of two reputable citizens, verified by oath, setting forth the facts which entitle the applicant to examination and license under the provisions of this act. The said board shall hold at least two examinations each year. In case of failure at any standard examination, the applicant, after the expiration of six months and within two years, shall have the privilege of taking a second examination by the board without the payment of an additional fee. In case of failure at the limited examination hereinbefore provided for, the applicant shall, after the expiration of six months and within two years, have the privilege of taking a second examination without the payment of an additional fee.

Every applicant who shall pass the standard examination or the limited examination, as the case may be, and who shall otherwise comply with the provisions of this act, shall receive from the said board under its seal a license entitling him to practice optometry in the District of Columbia, which license shall be duly registered in a record book to be properly kept by the secretary-treasurer of the board for that purpose, which shall be open to public inspection; and a duly certified copy of said record shall be recorded in the clerk's office of the Supreme Court of the District of Columbia, and shall be admitted as prima facie evidence in all courts of the District of Columbia in the trial of any cause, and it shall be the duty of the clerk of the Supreme Court of the District of Columbia to keep a special book for the purpose of recording said licenses, and shall, upon application and by the payment of a fee of 50 cents, deliver to any person applying therefor a certificate that the license has been recorded in compliance with the provisions of this act. Each person to whom a certificate of license shall be issued by said board shall keep same displayed in a conspicuous place in his principal office or place of business wherein said person shall practice optometry, and shall, whenever required, exhibit the said certificate to any member or agent of the board.

The CHAIRMAN. On line 5 of page 10, at the beginning of the line, there should be a correction in the spelling of the word "purpose." Without objection, the correction will be made.

There was no objection.

Mr. CRAMTON. Mr. Chairman, it is my recollection that there was some provision in this bill about turning the fees over to the use of the board instead of turning them into the Treasury.

Mr. ZIHLMAN. That is true.

Mr. CRAMTON. Where is that provision?

Mr. ZIHLMAN. The fees received are turned over to all boards of this character.

Mr. BLANTON. The fees are paid by the applicants.

Mr. CRAMTON. I do not care by whom they are paid, but there ought not to be a provision here to make it a matter of personal interest to the board.

Mr. BLANTON. The fees are paid to the secretary. That is on page 8 or 9 or somewhere in the latter part of the bill.

Mr. UNDERHILL. It is at the bottom of page 5.

Mr. WINGO. Mr. Chairman, will the gentleman from Michigan yield?

Mr. CRAMTON. Certainly.

Mr. WINGO. The gentleman was not here a little while ago when we had up that question. I suggested that at the outside there would not be over 40 or 50 of these applicants in the District. It would not be over $500 a year. I suggested that it would not be long before it would be suggested that these fees be paid into the Treasury, and then they would ask that the board be paid. In due time we may expect this board to be paid out of the Treasury.

Mr. BEGG. The gentleman at the head of the optometry association came to my office and said that the reason why they made the fees as high as they were was that they wanted to be self-supporting. On that ground I think we would not want that money to be paid into the Treasury.

Mr. CRAMTON. The policy is wrong of setting up a board and saying to that board, "You can go out and drag in here as many applicants as you can, and however ill prepared the applicants may be for the performance of the duties they undertake the more you get, the more fees you get, and the bigger salary your secretary gets."

Each one has a direct interest in encouraging applications, and there is only one way of encouraging applications and that is to lead people to believe they are going to be able to pass. It seems to me you weaken this proposition by making it directly to the financial interest of the officers themselves to encourage people that they are going to pass.

Mr. ZIHLMAN. This is the procedure followed not only here but in many of the States. I had something to do with the passage of a bill providing for a board of examiners on accountancy. I know that bill provided they should administer their own fees, and the bill providing for a dental board provided that they should administer their fees, and if there was any excess it should be paid into the Treasury.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAMTON. Mr. Chairman, I ask for one minute more.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. I assume the committee would not want to consider an amendment, and as the section has been passed I do not see that anything can be done.

Mr. WINGO. Would the gentleman be in favor of striking it all out and providing for a straight appropriation?

Mr. CRAMTON. I am opposed absolutely to the principle.

Mr. WOODRUFF. I will state to the gentleman that in the State of Michigan the fees for the licensing of those who desire to engage in the practice of dentistry are collected by the State board of dental examiners, and the yearly fees so collected are used to pay the expenses of the State board of dental examiners. I believe that is the practice in several of the States.

Mr. CRAMTON. I agree that Michigan is a model in most things but I would not claim it is in everything. There must be a few exceptions.

The Clerk read as follows:

SEC. 14. That the said board shall charge the following fees for examinations, registrations, and renewals of certificates: The sum of $25 for a standard or a limited examination. Every registered optometrist who desires to continue the practice of optometry shall annually, on or before the 10th of January of each year, pay to the secretary-treasurer of the board a renewal registration fee to be fixed annually by the board, not to exceed $10, for which he shall receive a renewal of his certificate. In case of neglect to pay the renewal fee as herein provided the board shall have authority to revoke such license and the holder thereof may be reinstated by complying with the conditions specified in this section, but no license or permit may be revoked without giving 60 days' notice to the delinquent, but the board shall only have the right to renew such license on the payment of the renewal fee with penalty of $5: *Provided*, That retirement from practice for a period of not exceeding five years shall not deprive the holder of said license the right to renew the same upon the payment of the fee herein required.

The CHAIRMAN. Without objection, the word "of" will be inserted after the word "license" in line 14, page 11.

There was no objection.

The Clerk read as follows:

SEC. 20. That the provisions of this act shall not apply—

(a) To physicians and surgeons practicing under authority or license issued under the laws of the District of Columbia for the practice of medicine and surgery.

(b) To persons selling spectacles and [or] eyeglasses and who do not attempt, either directly or indirectly, to adapt them to the eye, and who do not practice or profess the practice of optometry.

Mr. BEGG. Mr. Chairman, I offer an amendment: On page 13, strike out lines 14 to 17, inclusive.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: On page 13, strike out all of lines 14, 15, 16, and 17.

Mr. BEGG. Mr. Chairman, I would like to have the attention of the committee, and it may be they can change my mind. I have offered an amendment to strike out lines 14 to 17, inclusive. If you can tell me how a man can sell me eyeglasses, even under a prescription, unless he is an optometrist, I would be glad to have that information.

Mr. JOHNSON of Washington. Did the gentleman ever hear of any window glass being sold as eyeglass?

Mr. BEGG. I think my remarks are serious; at least, I think they are.

Mr. JOHNSON of Washington. Mine are serious, too.

Mr. BEGG. I do not think they are serious.

Mr. WINGO. I think both gentlemen agree, but have failed to observe what each other said.

Mr. BEGG. I am of the opinion—although I am not particularly interested, because I am not buying any glasses to-day—that with these lines in the bill every quack eyeglass man in town can continue to practice. What is the language?

That the provisions of this act shall not apply—

To persons selling spectacles and [or] eyeglasses and who do not attempt, either directly or indirectly, to adapt them to the eye.

Well, how can he sell a man eyeglasses? He will give them to him and let him try them on, and if a man says he can see out of them, he will take them.

Mr. ZIHLMAN. But motor glasses are eyeglasses, and sunglasses are eyeglasses. There are a great many forms of glasses sold besides specially prepared glasses.

Mr. BEGG. I understand that, but it seems to me the gentleman is killing the bill by these lines.

Mr. ZIHLMAN. I do not think so.

Mr. BEGG. It makes it apply only to the man who practices the eye doctor.

Mr. ZIHLMAN. This provision applies to persons selling spectacles and eyeglasses and who do not attempt to adapt them to the eye.

Mr. BEGG. If the gentleman will pardon me, if I have a store down here and do not attempt to adapt eyeglasses to the eye I can give a man a pair of eyeglasses and tell him to put them on, and if he says they suit him he can take them, and I can continue doing that right along. If I do that, I can not be touched under this provision, it seems to me.

Mr. UNDERHILL. That has not been the way it has been adjudicated in the States.

Mr. BEGG. Perhaps this particular provision has not been adjudicated. I submit to every man in the House that this language will let any man sell eyeglasses just so long as he refrains from saying the glasses do not fit or if he does not attempt to adapt them to the eye.

Mr. JOHNSON of Washington. The gentleman thinks it would apply to a man who would say, "Here is a pair of eyeglasses; put them on and see whether you can read the letters 'Z,' 'E,' and 'X.'"

Mr. BEGG. There is no question about that in my mind.

Mr. JOHNSON of Washington. He would merely say, "See if you can read the letters 'Z,' 'E,' and 'X.'"

Mr. BEGG. Certainly; because the seller is not fitting him or attempting to adapt them to his eyes. All he does is to hand him a pair of glasses and tell him to put them on.

Mr. FITZGERALD. It seems to me that would be violating this law.

Mr. BEGG. No; he would not be violating this law, because the man himself is putting glasses on and determining himself whether they fit. I am not going to insist on my amendment. I merely offered it for the purpose of calling the attention of the committee to the fact that I believe this language simply undoes what the committee is trying to do.

Mr. ZIHLMAN. The men engaged in this business proposed this.

Mr. BEGG. I understand that; but I do not believe it is the right thing.

Mr. ZIHLMAN. And it is in every bill in every State.

Mr. WINGO. Do you not think you could possibly reach what both of you are thinking of by putting in a short amendment so that it will read:

To persons selling spectacles and eyeglasses, such as sunglasses, motor goggles, and other similar protective devices, who do not attempt, either directly or indirectly, to adapt them to the eye.

Do you not think that would cover it? The idea is to prohibit a man from going ahead and selling something that he pretends and represents as correcting a defect in the vision. That is the object, of course. The committee did not intend to have this apply to a man who would come along and sell you a pair of sunglasses or a pair of motor goggles to protect you against dust. The committee did not intend that such a man would have to be a licensed optometrist.

Mr. BEGG. Of course not.

Mr. UNDERHILL. You can send out to Chicago to any of the mail-order houses now and they will send you a gross of such glasses and there is no law in any State to prevent it.

Mr. WINGO. The reason I make that suggestion is because you have here the danger of leaving a loophole. One of my friends asked me what was in the bill and I said it was a long bill but a short title would be, "A bill to prevent grafters from selling window glass to negroes for spectacles." That is really what you are trying to get at. The average intelligent man will look into the capacity of a man before he attempts to purchase eyeglasses, but you have peddlers and crooks going around and taking money away from negroes and illiterate people and selling them nothing but plain window glasses for spectacles and charging them $5 or $10 for attempting to fit their eyes, and people of that kind ought to be protected against such grafters.

Mr. BEGG. They could do that very thing under the bill with this provision in it.

Mr. WINGO. That is why I suggested this change.

Mr. CRAMTON. Mr. Chairman, after listening to the discussion the purpose of the champions of the bill is very apparent. It is the purpose of the bill as drawn, and that seems to be the purpose of the committee, to permit anyone to sell glasses, no matter how strong or how weak the lens may be, whether it is just plain window glass or very strong lens, and to sell them without being subject to this act so long as the person who does the selling does not pass upon the question of whether they are going to injure or help the person who wears them. In other words, no matter how much the glasses might ruin the sight of the person wearing them, there is no prohibition on their sale here, so long as it can not be proven that the man who makes the sale assumed to say they would be helpful to the eyes. As the gentleman from Arkansas has said, the peddling of window glass is not prevented at all by this language. It is wide open to sell glasses as worthless as can be conceived or as ruinous as can be conceived, as long as you can not prove in court that the person that made the sale made a fitting. It is all right, if that is the kind of bill you want.

Mr. UNDERHILL. I would defer somewhat to the special knowledge of the gentleman from Michigan ordinarily, but I am basing my position on the fact that this is the language used in similar laws in practically every State in the Union, including his own, and it does effectively prevent the faker from prescribing for a patient, and does not prevent the dealer in sunglasses or the dealer in goggles or spectacles from selling the gentleman from Michigan or myself a colored sunglass or an automobile protecting glass.

Mr. CRAMTON. When we pass a law with reference to the regulation of the practice of medicine, we forbid a man prescribing. We forbid his practicing medicine. We forbid his furnishing something to cure what is wrong with you.

Mr. FITZGERALD. Oh, no; if the gentleman will permit right there, we do not. A man in order to violate the ordinary run of laws—I will say the law of your State and mine—must take money for the remedy in order to come within the criminal prohibition of the act. In other words, we can regulate only the practice of some learned profession. We can not prohibit the sale——

Mr. CRAMTON. The gentleman does not mean that the test under this language is the question of whether a man is taking money for his alleged skill, because there is no

claim that these glasses are going to be given away, and whatever part is involved in the cost of the glasses, for the skill of fitting them, is not the question here.

Mr. FITZGERALD. No; I am drawing the gentleman's attention to the fact that all we can do is to limit the practice of a learned profession or calling which requires some education and training. We are not attempting in any way to limit the sale of any sort of an article, and we have not any right to do that, and I speak because the gentleman said that a man may be licensed to practice medicine and not permitted to give any sort of thing as a remedy to a person.

Mr. CRAMTON. It just comes to my mind, since the law of Michigan has been cited here, that I recall opposing the enactment of an optometry law in my State when I was in the legislature because we were establishing entirely too many boards of this sort; but if you want to pass such a bill, I suppose it is a good thing to have it full of holes, so that it will not interfere too much with the course of nature.

Mr. UNDERHILL. The practice under the provisions of similar laws in the States was that a fakir set up in his store or on the street a chart and prescribed for the patient. The only knowledge that he had of optometry or of eye trouble was to place the chart at a certain distance, and if the patient said "I can read the bottom line" he told him the glasses were correct and sold them to him. That resulted in a great deal of harm, and people in some cases were made blind. Under this law any man who attempts to prescribe or who attempts to use a chart and then sells glasses to correct defective vision can be prosecuted.

Mr. CRAMTON. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. CRAMTON. Under this, as drawn, a man comes down the street with his case of glasses and sees the colored man that the gentleman from Arkansas speaks of and says, "You ought to be wearing glasses." He says, "I expect I should." That is all right. He says, "Here is a pair." And he puts them on and goes off. That may be destructive. He may have ruined the man's eyesight, but this bill does not reach him.

Mr. LAZARO. Will the gentleman yield?

Mr. UNDERHILL. Yes.

Mr. LAZARO. Is it not true that anyone who cares at all for his eyes should go to a man competent to examine his eyes, and after he gets his prescription is it not true that he should go to a good optician?

Mr. UNDERHILL. Absolutely so.

Mr. LAZARO. Just as you go to a good doctor for a prescription, and then after you get your prescription you go to a good druggist to fill it.

Mr. UNDERHILL. I agree with the gentleman, and the bill seeks to assist the patient to find reputable persons.

Mr. BEGG. Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 21. That wherever in this act the singular number is used it shall be interpreted as meaning either singular or plural if compatible with the sense of the language used, and when in this act the masculine gender is used it shall be construed as meaning also the feminine gender if not inconsistent with such use.

Mr. FITZGERALD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 13, after line 23, add a new section, as follows:

"SEC. 22. If any provision of this act or the application thereof to any person or circumstances is held invalid, the remainder of the act and the application of such a provision to other persons or circumstances shall not be affected thereby."

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 3236) to regulate the practice of optometry in the District of Columbia, and had directed him to report the same back to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The motion was agreed to.

The SPEAKER. Is a separate vote demanded on any of the amendments? If not, the Chair will put them en grosse.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. ZIHLMAN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED HOUSE JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled bills, reported that on May 10, 1924, they presented to the President of the United States, for his approval, the following House joint resolution:

H. J. Res. 195. Joint resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs.

INDEBTEDNESS OF THE KINGDOM OF HUNGARY

Mr. CRISP. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8905, to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. SANDERS of Indiana in the chair.

Mr. CRISP. Mr. Chairman, I ask unanimous consent that the first reading of the bill will be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CRISP. Mr. Chairman and gentlemen of the committee, this bill is to fund the indebtedness owed the United States by the Kingdom of Hungary. This loan was not made under the provisions of law to lend money to our allies to aid in the prosecution of the war, but was loaned for humanitarian purposes. After the armistice there was a great deal of suffering in Hungary; babies and women were dying by the thousands and the United States Government authorized the Grain Corporation to sell foodstuffs to Hungary to save the lives of thousands of women and children. The amount advanced to Hungary totaled $1,685,000.

Hungary, as you know, is in a very depleted condition and has never been able to meet any of the sum due us and has paid nothing on it and can not until this matter be funded. When the loan was made the United States and the other allied nations and friendly nations which furnished food to save life had a first lien on the assets of Hungary, which, of course, in the long run amounted to nothing but the obligation of Hungary to repay this indebtedness. Hungary's finances are still in a very depleted condition. She can not meet any of her obligations unless she can float a rehabilitation loan. This bill provides for funding the indebtedness of Hungary of $1,600,000, and is exactly in terms with the settlement of the indebtedness of Great Britain and Finland with this one exception, the exception being that the Secretary of the Treasury is authorized to cancel the first lien that the United States might have on the assets of Hungary, making it subject to the rehabilitation loan of $50,000,000 which is to be floated, and the United States is not to do that unless all the other allied creditor nations who stand in the same position with the United States as to the first lien make the same cancellation.

England, Switzerland, France, Holland, and other allied countries advanced foodstuffs when we did, and they have in common with the United States a first lien on the resources of Hungary. This simply authorizes the Secretary of the Treasury to waive the lien in favor of this rehabilitation loan of $50,000,000, provided all the other nations which made advances for humanitarian purposes—the purchase of food to save human life—make the same waiver. If they do not waive it, the United States does not waive it. Now, the Congress of the United States did this identical thing so far as Austria was concerned. We advanced foodstuffs to Austria, and in March, 1922, Congress postponed that indebtedness 25 years and waived its first lien for the purpose of enabling Austria to float a rehabilitation loan. This does exactly the same thing. This funds the indebtedness of Hungary for 62 years, and the interest is calculated on the amount of the indebtedness at 4¼ per

cent up to December 15, 1923. The same rate of interest was figured on the indebtedness of England and Finland. The total amount due at this time on this funding of principal and interest was $1,900,000 and a few odd dollars, practically $2,000,000.

Mr. ABERNETHY. Will the gentleman yield?

Mr. CRISP. In a second I will be glad to yield to the gentleman. This funding is under the same terms as that of England and Finland. For the first 10 years the interest is 3 per cent. After that it is 3½ per cent. It is payable over a period of 62 years amortized and payable in gold, and the Government of the United States accords Hungary the right to settle the indebtedness by accepting at par any bonds of the United States of America that were issued after April, 1917, with the exception, as I have before stated, of making this loan subject to the lien of the rehabilitation loan of $50,000,000. It is identical with the settlement made with England and Finland. This does not make the indebtedness of the United States subject to any reparation claims, but only for this rehabilitation loan. Now I will yield to my friend from North Carolina.

Mr. ABERNETHY. I am not going to oppose the bill. I opposed the settlement of the British loan, but was in a small minority. The gentleman is still on that commission——

Mr. CRISP. I have the honor to be on that commission; yes, sir.

Mr. ABERNETHY. Is the gentleman in a position to give the House any information about what is going to happen with the indebtedness of France to this Government, whether anything has been done or the purpose or what they are trying to do? It seems that is one of the largest nations that does not seem to have any regard for any of her obligations to this country as far as I can ascertain, and I want to know what the status is, if there is any.

Mr. CRISP. I think I can answer for the commission. The commission is doing everything that we can to try to bring about a funding and settlement of the indebtedness due this Nation, not only by France but by all the other creditor nations, and the commission is always very happy when it can present to the House a settlement and funding of any indebtedness, even of any of the small nations. The amount here involved compared with our foreign indebtedness is inestimal, less than two million, but we are glad to present it because we think that is notice to the other creditor nations that the United States expects them to settle their indebtedness, and we hope these matters will have a salutary effect on the other nations.

Mr. ABERNETHY. Are there any diplomatic reasons why we should not say to France that we expect her to settle what she owes to the United States?

Mr. CRISP. The gentleman from North Carolina will understand that I am a minority member of the commission, and also that our diplomatic correspondences with other nations of the world are conducted by the President of the United States, our Chief Executive, who is charged with that responsibility, but I know it is the desire of the commission and the Chief Executive to do all that they can to bring about the funding of our foreign indebtedness. We recognize, of course, it is impossible for these creditor nations owing colossal sums to pay in cash, and therefore we are anxious to fund and amortize their indebtedness, which we believe will insure its ultimate payment and tend to stabilize the world's economic condition. The Foreign Debt Commission, and I feel I am authorized to say the Chief Executive, are doing all they can to try to induce the debtor nations to settle with us.

Mr. KINDRED. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. KINDRED. Going back to the question of Hungary, the gentleman has spoken of the debt being about $2,000,000. Does that refer to the whole balance now due?

Mr. CRISP. Yes. I will answer the question of the gentleman from New York. The total indebtedness of Hungary to the United States, arising from the sale of foodstuffs to sustain life, furnished through the Grain Corporation, amounted to $1,685,835.61. The accrued interest on it up to the time of this funding of the indebtedness, calculated at 4¼ per cent, the same as was done with Great Britain and Finland, brings the total principal to $1,939,000.

Mr. KINDRED. It has been said that other debtor nations perhaps have not paid their interest. Has Hungary paid any interest at all?

Mr. CRISP. When this was funded they paid $745 to reduce it, so that the bonds and obligations could be worked out in even dollars.

Now I do not care to take up any further time of the House. I do not think the agreement and the form of bonds used in this settlement, which is exactly the same form of bond as was used in the case of England and Finland, has ever been placed in the CONGRESSIONAL RECORD, and it may be of convenience in the future to find the form of that agreement and the bond if placed in the RECORD. Therefore, Mr. Chairman, I ask unanimous consent to extend my remarks by including in the RECORD a copy of the report in which is contained a copy of the agreement made with Hungary, and a copy of the bond that is to be executed under the agreement.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks by inserting the report as indicated. Is there objection?

There was no objection.

Following is the report referred to:

[House of Representatives, Report No. 654, Sixty-eighth Congress, first session]

SETTLEMENT OF THE DEBT OF HUNGARY TO THE UNITED STATES

Mr. CRISP, from the Committee on Ways and Means, submitted the following report, to accompany H. R. 8905:

The Committee on Ways and Means, to which was referred the bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, having had the same under consideration, unanimously report it back to the House without amendment and recommend that the bill do pass.

The World War Foreign Debt Commission negotiated a settlement with the minister of Hungary at Washington, which was embodied in an agreement executed, with the approval of the President and subject to that of Congress, on April 25, 1924, pursuant to authority conferred by the act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923.

The indebtedness, in the principal amount of $1,685,835.61, was incurred in connection with food purchased on credit from the United States Grain Corporation for relief purposes, and is evidenced by one of a series of obligations of the Government of Hungary designated as "Relief Series C, of 1920," which, according to their express terms, are a first lien upon all the assets and revenues of Hungary.

The agreement, with the exception hereinafter referred to, follows in substance that made with the British and Finnish Governments, the basic date of the bonds to be issued being December 15, 1923. The principal sum of the debt, as of that date, is $1,939,000 and is payable in annual installments, beginning with $9,000 on December 15, 1924, and increasing with due regularity to $70,000 on December 15, 1985. Any payment of principal may be deferred for not more than two years from its due date, but the payment falling due in the next succeeding year can not be postponed for more than one year from its due date, and the payment falling due in the second succeeding year can not be postponed at all until the payment due two years previous thereto shall have been made. Payments of principal may also be made before maturity on giving not less than 90 days' notice. Interest is payable on the unpaid balances semiannually at the rate of 3 per cent per annum to December 15, 1933, and at the rate of 3½ per cent per annum thereafter. One-half of the interest accruing between December 15, 1923, and December 15, 1928, may be funded into bonds with maturities similar to those of the original issue. All payments on account of principal or interest are to be made at the Treasury of the United States or at the Federal Reserve Bank of New York in United States gold coin of the present standard of value or in obligations of the United States issued after April 6, 1917.

The exception referred to appears in section 7 of the agreement, which provides that the bonds to be issued shall be secured in the same manner and to the same extent as the obligations of the Government of Hungary now held by the United States, and authorizes the Secretary of the Treasury to release all or any part of such security for the purpose specified, provided that substantially all other creditor nations holding obligations of Hungary similarly secured release to a similar extent the security enjoyed by their respective obligations. No such question of security was involved in the settlements with the British and Finnish Governments.

The Government of Hungary is to-day in serious financial difficulties and it appears that a reconstruction loan is imperative in order to bring about a rehabilitation of its finances. In order to obtain this loan it is contemplated that the lien upon the assets and revenues of Hungary, enjoyed by the series of obligations of the Government of Hungary referred to, shall be subordinated to that of the reconstruction loan just as similar liens were subordinated to that of the reconstruction loan recently floated by the Government of Austria.

Section 7 of the agreement makes it possible for this Government to cooperate in this respect with other governments having similar claims against Hungary and to extend to the Government of Hungary terms of a similar nature to those already extended to the Government of Austria under authority conferred by joint resolution passed by Congress and approved by the President on April 6, 1922.

A copy of the letter written by the Secretary of the Treasury, chairman of the World War Foreign Debt Commission, to the President, submitting to him for his approval the agreement made by the World War Foreign Debt Commission with the Government of Hungary providing for the funding of its indebtedness, a copy of said agreement and the form of the bond to be executed are annexed hereto.

WORLD WAR FOREIGN DEBT COMMISSION,
Washington, April 25, 1924.

DEAR MR. PRESIDENT: The World War Foreign Debt Commission, created under the act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923, having received the representative appointed by the Government of the Kingdom of Hungary to consider the refunding of the indebtedness of that Government to the United States, reports as follows:

The Government of the Kingdom of Hungary designated as its representative Count Laszlo Szechenyi, its envoy extraordinary and minister plenipotentiary at Washington, who advised the commission that he had been instructed by his Government to express its desire to refund its indebtedness to this country, provided that terms could be agreed upon with which it would be possible for it to comply. Frequent conferences resulted between representatives of the commission and the Hungarian minister at Washington, at which the minister emphasized particularly the fact that his Government is to-day in serious financial difficulties and that a reconstruction loan has become imperative in order to enable it to rehabilitate its finances.

After full consideration by the commission of the problems involved in refunding the indebtedness of the Government of Hungary to this country, the minister indicated that he would be willing to enter into an arrangement on behalf of his Government to refund the indebtedness in question on terms similar to those embodied in the agreement executed by the United States with the Government of Finland on May 1, 1923, the total amount of the indebtedness to be determined as of December 15, 1923, accrued interest to that date to be computed at the rate of 4¼ per cent per annum, the repayment of the indebtedness so determined to be provided for by the issue at par as of that date of bonds in the principal amount of $1,939,000, and the immediate payment in cash of any amount found to be due over and above that figure.

The minister pointed out, however, that the indebtedness of his Government to the United States is evidenced by one of a series of obligations designated as "Relief series C of 1920," the other obligations of this series being held by other creditor nations of Hungary; that this series of obligations, according to its express terms, is a first lien on all the assets and revenues of Hungary; and that the success of the reconstruction loan referred to makes it essential that the lien enjoyed by this series of obligations be subordinated to that of such loan. He accordingly made his consent to enter into the foregoing agreement contingent upon appropriate provision for the subordination of the lien enjoyed by the obligation of the Government of Hungary now held by the United States to that of the loan, suggesting that some such course of action be provided for as in the case of the relief obligation of the Government of Austria held by this Government, by embodying in the form of agreement and bond as executed by the Government of Finland two amendments worded substantially as follows:

To be inserted as section 7 of the agreement:

"Security: The payment of the principal and interest of all bonds issued or to be issued hereunder shall be secured in the same manner and to the same extent as the obligation of Hungary in the principal amount of $1,685,835.61, described in the preamble to this agreement; that is to say, shall be 'a first charge upon all the assets and revenues of Hungary and shall have a priority over costs of reparation under the treaty of Trianon or under any treaty or agreement supplementary thereto, or under arrangements concluded between Hungary and the Allied and Associated Powers during the armistice signed on November 3, 1918': *Provided, however,* That all or any part of such security may be released by the Secretary of the Treasury of the United States on such terms and conditions as he may deem necessary or appropriate in order that the United States may cooperate in any program whereby Hungary may be able to finance its immediate needs by the flotation of a loan for reconstruction purposes, if and when substantially all other creditor nations holding obligations of Hungary similar to that held by the United States and described in the preamble to this agreement, to wit, Denmark, France, Great Britain, Holland, Norway, Sweden, and Switzerland, shall release to a similar extent the security enjoyed by such obligations. The Secretary of the Treasury of the United States shall be authorized to decide when such action has been substantially taken."

To be inserted as the third paragraph of the bond:

"The payment of the principal and interest on this bond is secured in the same manner and to the same extent as the obligation of Hungary in the principal amount of $1,685,835.61 described in the preamble to said agreement, subject to release in whole or in part by the Secretary of the Treasury of the United States under authority conferred by section 7 of said agreement."

You will note that the form of agreement as amended makes it clear that the bonds to be issued pursuant to its terms shall in the first instance have the same security as that now enjoyed by the obligation of the Government of Hungary held by the United States, but makes it possible for this Government to cooperate with other governments having claims against Hungary in the manner required in the pending program for the financial reconstruction of Hungary. The authority conferred upon the Secretary of the Treasury in the latter connection by the amendments agreed to is substantially the same as that conferred upon him with reference to the relief obligation of the Government of Austria held by the United States by the joint resolution passed by Congress and approved by the President on April 6, 1922.

Briefly, the agreement accords to the Government of Hungary, with respect to the repayment of its indebtedness to the United States, terms similar to those already extended to the Governments of Great Britain and Finland and, with respect to the security enjoyed by the indebtedness, terms of similar nature to those already extended to the Government of Austria.

On April 7, 1924, at a meeting of the commission, by appropriate resolution unanimously adopted, the Secretary of the Treasury, as chairman of the World War Foreign Debt Commission, with the approval of the President and subject to the approval of Congress, was authorized and directed to execute for the commission on behalf of the United States of America, under the terms of the act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923, an agreement with the Government of Hungary providing for the refunding of its indebtedness to the United States upon terms substantially similar to those embodied in the agreement concluded by the United States with the Government of Finland on May 1, 1923, the form of agreement and bond as executed by the Government of Finland to be amended substantially as above indicated.

I have the honor to hand you herewith for your approval such agreement, executed in two counterparts pursuant to the foregoing resolution, together with one copy thereof for your files.

The commission believes that a settlement of the debt of the Government of Hungary to the United States on the basis specified is fair and just to both Governments and recommends for submission to Congress the terms embodied in the agreement herewith.

Should you see fit to indorse your approval on the two counterparts of the agreement herewith, I should appreciate it if they might be returned to me, in order that one copy may be transmitted to the Hungarian minister at Washington and the other to the Treasurer of the United States, to be held pending such action as Congress may take in the matter.

Respectfully submitted.

A. W. MELLON,
Secretary of the Treasury and
Chairman of the World War Foreign Debt Commission.

The PRESIDENT,
The White House.

AGREEMENT MADE THE 25TH DAY OF APRIL, 1924, AT THE CITY OF WASHINGTON, D. C., BETWEEN THE GOVERNMENT OF THE KINGDOM OF HUNGARY, HEREINAFTER CALLED HUNGARY, PARTY OF THE FIRST PART, AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA, HEREINAFTER CALLED THE UNITED STATES, PARTY OF THE SECOND PART

Whereas Hungary is indebted to the United States as of December 15, 1923, upon an obligation maturing January 1, 1925, in the principal amount of $1,685,835.61, described as "Relief Series C of 1920," together with interest accrued and unpaid thereon; and

Whereas Hungary desires to fund said indebtedness to the United States, both principal and interest, through the issue of bonds to the United States, and the United States is prepared to accept bonds from Hungary upon the terms and conditions hereinafter set forth:

Now, therefore, in consideration of the premises and of the mutual covenants herein contained, it is agreed as follows:

1. Amount of indebtedness: The amount of the indebtedness to be funded, after allowing for cash payments made or to be made by Hungary, is $1,939,000, which has been computed as follows:

Principal amount of the obligation to be funded	$1,685,835.61
Interest accrued thereon from May 29, 1920, to Dec. 15, 1923, at the rate of 4¼ per cent per annum	253,917.43
Total principal and interest, accrued and unpaid as of Dec. 15, 1923	1,939,753.04
To be paid in cash by Hungary April 25, 1924	753.04
Total indebtedness to be funded into bonds	1,939,000.00

2. Repayment of principal: In order to provide for the repayment of the indebtedness thus to be funded, Hungary will issue to the

United States at par, as of December 15, 1923, bonds of Hungary in the aggregate principal amount of $1,939,000, dated December 15, 1923, and maturing serially on each December 15 in the succeeding years for 62 years, in the amounts and on the several dates fixed in the following schedule:

December 15—	
1924	$9,600
1925	9,800
1926	10,000
1927	10,200
1928	10,400
1929	11,000
1930	11,500
1931	12,000
1932	12,500
1933	12,500
1934	13,000
1935	13,500
1936	13,500
1937	14,000
1938	14,500
1939	15,000
1940	15,500
1941	16,000
1942	17,000
1943	17,500
1944	18,000
1945	19,000
1946	19,500
1947	20,500
1948	21,000
1949	22,000
1950	22,500
1951	23,500
1952	24,000
1953	25,000
1954	26,000
1955	27,000
1956	27,500
1957	28,500
1958	29,000
1959	30,000
1960	32,000
1961	33,000
1962	35,000
1963	36,000
1964	38,000
1965	40,000
1966	41,000
1967	42,000
1968	44,000
1969	45,000
1970	47,000
1971	48,000
1972	50,000
1973	51,000
1974	53,000
1975	55,000
1976	57,000
1977	59,000
1978	62,000
1979	64,000
1980	66,000
1981	68,000
1982	71,000
1983	73,000
1984	75,000
1985	
Total	1,939,000

Provided, however, That Hungary may at its option, upon not less than 90 days' advance notice to the United States, postpone any payment falling due as hereinabove provided to any subsequent June 15 or December 15 not more than two years distant from its due date, but only on condition that in case Hungary shall at any time exercise this option as to any payment of principal, the payment falling due in the next succeeding year can not be postponed to any date more than one year distant from the date when it becomes due unless and until the payment previously postponed shall actually have been made, and the payment falling due in the second succeeding year can not be postponed at all unless and until the payment of principal due two years previous thereto shall actually have been made.

All bonds issued or to be issued hereunder to the United States shall be payable to the Government of the United States of America, or order, shall be issued in such denominations as may be requested by the Secretary of the Treasury of the United States, and shall be substantially in the form set forth in the exhibit hereto annexed and marked "Exhibit A." The $1,939,000 principal amount of bonds first to be issued hereunder shall be issued in 62 pieces, in denominations and with maturities corresponding to the annual payments of principal hereinabove set forth.

3. Payment of interest: All bonds issued or to be issued hereunder shall bear interest, payable semiannually on June 15 and December 15 in each year, at the rate of 3 per cent per annum from December 15, 1923, to December 15, 1933, and thereafter at the rate of 3½ per cent per annum until the principal thereof shall have been paid.

4. Method of payment: All bonds issued or to be issued hereunder shall be payable, as to both principal and interest, in United States gold coin of the present standard of value, or, at the option of Hungary, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder: *Provided, however*, That Hungary may at its option, upon not less than 90 days' advance notice to the United States, pay up to one-half of any interest accruing between December 15, 1923, and December 15, 1928, on the $1,939,000 principal amount of bonds first to be issued hereunder, in bonds of Hungary dated and bearing interest from the respective dates when the interest to be paid thereby becomes due, with maturities arranged serially to fall on each December 15 in the succeeding years up to December 15, 1985, substantially in the manner provided for the original issue in section 2 of this agreement, and substantially similar in other respects to the original issue of bonds under this agreement.

All payments, whether in cash or in obligations of the United States, to be made by Hungary on account of the principal or interest of any bonds issued or to be issued hereunder and held by the United States, shall be made at the Treasury of the United States in Washington, or, at the option of the Secretary of the Treasury of the United States, at the Federal Reserve Bank of New York, and if in cash shall be made in funds immediately available on the date of payment, or if in obligations of the United States shall be in form acceptable to the Secretary of the Treasury of the United States under the general regulations of the Treasury Department governing transactions in United States obligations.

5. Exemption from taxation: The principal and interest of all bonds issued or to be issued hereunder shall be paid without deduction for, and shall be exempt from, any and all taxes or other public dues, present or future, imposed by or under authority of Hungary or any political or local taxing authority within the Kingdom of Hungary, whenever, so long as, and to the extent that beneficial ownership is in (a) the Government of the United States, (b) a person, firm, or association neither domiciled nor ordinarily resident in Hungary, or (c) a corporation not organized under the laws of Hungary.

6. Payments before maturity: Hungary may at its option on any interest date or dates, upon not less than 90 days' advance notice to the United States, make advance payments in amounts of $1,000 or multiples thereof on account of the principal of any bonds issued or to be issued hereunder and held by the United States. Any such advance payments shall first be applied to the principal of any bonds which shall have been issued hereunder on account of interest accruing between December 15, 1923, and December 15, 1928, and then to the principal of any other bonds issued or to be issued hereunder and held by the United States, as may be indicated by Hungary at the time of the payment.

7. Security: The payment of the principal and interest of all bonds issued or to be issued hereunder shall be secured in the same manner and to the same extent as the obligation of Hungary in the principal amount of $1,685,835.61, described in the preamble to this agreement; that is to say, shall be "a first charge upon all the assets and revenues of Hungary and shall have a priority over costs of reparation under the treaty of Trianon or under any treaty or agreement supplementary thereto, or under arrangements concluded between Hungary and the Allied and Associated Powers during the armistice signed on November 3, 1918": *Provided, however*, That all or any part of such security may be released by the Secretary of the Treasury of the United States on such terms and conditions as he may deem necessary or appropriate in order that the United States may cooperate in any program whereby Hungary may be able to finance its immediate needs by the flotation of a loan for reconstruction purposes, if and when substantially all other creditor nations holding obligations of Hungary similar to that held by the United States and described in the preamble to this agreement, to wit, Denmark, France, Great Britain, Holland, Norway, Sweden, and Switzerland, shall release to a similar extent the security enjoyed by such obligations. The Secretary of the Treasury of the United States shall be authorized to decide when such action has been substantially taken.

8. Exchange for marketable obligations: Hungary will issue to the United States at any time, or from time to time, at the request of the Secretary of the Treasury of the United States, in exchange for any or all of the bonds issued or to be issued hereunder and held by the United States, definitive engraved bonds in form suitable for sale to the public, in such amounts and denominations as the Secretary of the Treasury of the United States may request, in bearer form, with provision for registration as to principal, and/or in fully registered form, and otherwise on the same terms and conditions, as to dates of issue and maturity, rate or rates of interest, security, exemption from taxation, payment in obligations of the United States issued after April 6, 1917, and the like, as the bonds surrendered on such exchange. Hungary will deliver definitive engraved bonds to the United States in accordance herewith within six months of receiving notice of any such request from the Secretary of the Treasury of the United States, and pending the delivery of the

definitive engraved bonds will, at the request of the Secretary of the Treasury of the United States, deliver temporary bonds or interim receipts in form satisfactory to the Secretary of the Treasury of the United States, within 30 days of the receipt of such request, all without expense to the United States. The United States, before offering any such bonds or interim receipts for sale in Hungary, will first offer them to Hungary for purchase at par and accrued interest, and Hungary shall likewise have the option, in lieu of issuing any such bonds or interim receipts, to make advance redemption, at par and accrued interest, of a corresponding principal amount of bonds issued or to be issued hereunder and held by the United States. Hungary agrees that the definitive engraved bonds called for by this paragraph shall contain all such provisions, and that it will cause to be promulgated all such rules, regulations, and orders as shall be deemed necessary or desirable by the Secretary of the Treasury of the United States in order to facilitate the sale of the bonds in the United States, in Hungary, or elsewhere, and that if requested by the Secretary of the Treasury of the United States it will use its good offices to secure the listing of the bonds on the stock exchange in Budapest.

9. Cancellation and surrender of relief obligation: Upon the execution of this agreement the payment to the United States of cash in the sum of $753.04, as provided in paragraph 1 of this agreement, and the delivery to the United States of the $1,939,000, principal amount of bonds of Hungary first to be issued hereunder, together with satisfactory evidence of authority for the execution of the agreement and the bonds on behalf of Hungary by its envoy extraordinary and minister plenipotentiary at Washington, and of appropriate action by the Reparation Commission so as to assure by its approval to the bonds of Hungary to be issued hereunder the same priority over reparations as that now enjoyed by the obligation of Hungary in the principal amount of $1,685,835.61 described in the preamble to this agreement, the United States will cancel and surrender to Hungary, at the Treasury of the United States in Washington, the obligation of Hungary last described.

10. Notices: Any notice, request, or consent under the hand of the Secretary of the Treasury of the United States shall be deemed and taken as the notice, request, or consent of the United States, and shall be sufficient if delivered at the Legation of Hungary at Washington or at the office of the Minister of Finance in Budapest, and any notice, request, or election from or by Hungary shall be sufficient if delivered to the American Legation at Budapest or to the Secretary of the Treasury at the Treasury of the United States in Washington. The United States, in its discretion, may waive any notice required hereunder, but any such waiver shall be in writing, and shall not extend to or affect any subsequent notice or impair any right of the United States to require notice hereunder.

11. Compliance with legal requirements: Hungary represents and agrees that the execution and delivery of this agreement and of the bonds issued or to be issued hereunder have in all respects been duly authorized, and that all acts, conditions, and legal formalities which should have been completed prior to the making of this agreement and the issuance of bonds hereunder have been completed as required by the laws of Hungary and/or applicable treaties and in conformity therewith.

12. Counterparts: This agreement shall be executed in two counterparts, each of which shall have the force and effect of an original.

In witness whereof Hungary has caused this agreement to be executed on its behalf by its envoy extraordinary and minister plenipotentiary at Washington, thereunto duly authorized, and the United States has likewise caused this agreement to be executed on its behalf by the Secretary of the Treasury, as chairman of the World War Foreign Debt Commission, with the approval of the President, all on the day and year first above written, subject, however, to the approval of Congress, pursuant to the act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923, notice of which approval, when given by Congress, will be transmitted in due course by the Secretary of the Treasury of the United States to the Legation of Hungary at Washington.

THE GOVERNMENT OF THE
KINGDOM OF HUNGARY,
By LASZLO SZECHENYI,
Envoy Extraordinary and
Minister Plenipotentiary.

THE GOVERNMENT OF THE
UNITED STATES OF AMERICA.

For the commission:

By A. W. MELLON,
Secretary of the Treasury and
Chairman of the World War Foreign Debt Commission.

Approved:

CALVIN COOLIDGE, *President.*

EXHIBIT A

(Form of bond)

THE GOVERNMENT OF THE KINGDOM OF HUNGARY

Sixty-two year 3–3½ per cent gold bond

Dated December 15, 1923—maturing December 15, ——.

$ —— No. ——.

The Government of the Kingdom of Hungary, hereinafter called Hungary, for value received promises to pay to the Government of the United States of America, hereinafter called the United States, or order, on the 15th day of December, ——, the sum of —— dollars ($——), and to pay interest upon said principal sum semiannually on the 15th day of June and December in each year, at the rate of 3 per cent per annum from December 15, 1923, to December 15, 1933, and at the rate of 3½ per cent per annum thereafter until the principal hereof shall have been paid. This bond is payable as to both principal and interest in gold coin of the United States of America of the present standard of value, or, at the option of Hungary, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder. This bond is payable as to both principal and interest without deduction for, and is exempt from, any and all taxes and other public dues, present or future, imposed by or under authority of Hungary or any political or local taxing authority within the Kingdom of Hungary, whenever, so long as, and to the extent that beneficial ownership is in (a) the Government of the United States, (b) a person, firm, or association neither domiciled nor ordinarily resident in Hungary, or (c) a corporation not organized under the laws of Hungary. This bond is payable as to both principal and interest at the Treasury of the United States in Washington, D. C., or, at the option of the Secretary of the Treasury of the United States, at the Federal Reserve Bank of New York.

This bond is issued under an agreement dated April 25, 1924, between Hungary and the United States, to which this bond is subject and to which reference is made for a further statement of its terms and conditions.

The payment of the principal and interest on this bond is secured in the same manner and to the same extent as the obligation of Hungary in the principal amount of $1,685,835.61, described in the preamble to said agreement, subject to release in whole or in part by the Secretary of the Treasury of the United States under authority conferred by section 7 of said agreement.

In witness whereof Hungary has caused this bond to be executed in its behalf at the city of Washington, D. C., by its envoy extraordinary and minister plenipotentiary at Washington, thereunto duly authorized.

The Government of the Kingdom of Hungary:

By ——— ———,
Envoy Extraordinary and
Minister Plenipotentiary.

Dated December 15, 1923.

(Back)

The following amounts have been paid upon the principal amount of this bond:

Date ———. Amount paid ———.

Mr. CRISP. Mr. Chairman, I yield such time to the gentleman from Ohio [Mr. BURTON] as he may desire.

Mr. BURTON. Mr. Chairman and gentlemen of the committee, the gentleman from Georgia [Mr. CRISP] has stated the whole case. I do not think it is necessary to add anything. The amount of the proposed loan to Hungary for reconstruction is 250,000,000 gold kroner. The gold kroner is worth 20¼ cents, so that the amount would be a little over $50,000,000. The proposed bonds to the United States, aggregating a little less than $2,000,000, would be in the same class with other relief loans made by other countries to Hungary. The aggregate of those loans is about $900,000. It must be stated that for the payment of these loans the revenues of Hungary are pledged, although if the 250,000,000 gold kroner loan for reconstruction should be made, that would have a prior claim. The proposition for giving preference rests on the theory that it is necessary for the very life of that country, and that such a loan would add to the ability of Hungary in the long run to pay this smaller amount due to us. Similar preference for a loan of 650,000,000 gold kroner was granted to Austria.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BURTON. Yes.

Mr. CHINDBLOM. Does the gentleman mean to say that the obligations to the other countries on the part of Hungary were about $900,000?

Mr. BURTON. Yes; that is in gold values. The indebtedness to these other countries as given out by them is in their paper currencies. To Denmark it is 477,000 kroner, to France 992,000

francs, to Great Britain 128,000 pounds. This last is the largest. Then there is the indebtedness to Holland, Norway, Sweden, and Switzerland. They aggregate at the present value of foreign currency in this country about $900,000.

Mr. CHINDBLOM. It is interesting to note that the total amount was $2,585,000, of which the United States loaned $1,685,000, and all the other countries $900,000.

The CHAIRMAN. The Clerk will read.

The Clerk read the bill as follows:

Be it enacted, etc., That the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, made by the World War Foreign Debt Commission and approved by the President upon the following terms, is hereby approved and authorized:

Principal amount of obligation to be funded, $1,685,835.61; interest accrued thereon to December 15, 1923, at the rate of 4¾ per cent per annum, $253,917.43; total principal and interest accrued and unpaid as of December 15, 1923, $1,939,753.04; less payment in cash by Hungary on April 25, 1924, $753.04; total indebtedness to be funded into bonds, $1,939,000.

The principal of the bonds shall be paid in annual installments on the 15th day of December, up to and including December 15, 1985, on a fixed schedule, subject to the right of the Government of Hungary to make these payments in three-year periods; the amount of the first year's installment shall be $9,600, the installments to increase with due regularity until, in the 62d year, the amount of the installment shall be $75,000, the aggregate installments being equal to the total principal of the debt.

The Government of Hungary shall have the right to pay off additional amounts of the principal of the bonds on any interest date upon 90 days' notice.

Interest shall be payable upon the unpaid balances at the following rates, on December 15 and June 15 of each year:

At the rate of 3 per cent per annum, payable semi-annually, from December 15, 1923, to December 15, 1933, and thereafter at the rate of 3½ per cent per annum, payable semiannually until final payment.

The Government of Hungary shall have the right to pay up to one-half of any interest accruing between December 15, 1923, and December 15, 1928, on the $1,939,000 principal amount of the bonds first to be issued in bonds of Hungary dated as of the respective dates when the interest to be paid thereby becomes due, payable as to principal on the 15th day of December in each succeeding year, up to and including December 15, 1985, on a fixed schedule, in annual installments, increasing with due regularity in proportion to and in the manner provided for payments to be made on account of principal of the original issue of bonds, bearing the same rates of interest and being similar in other respects to such original issue of bonds.

Any payment of interest or of principal shall be made in United States gold coin of the present standard of value or at the option of the Government of Hungary, in any United States Government obligations issued after April 6, 1917, such obligations to be taken at par and accrued interest.

The payment of the principal and interest of the bonds shall be secured in the same manner and to the same extent as the obligation of Hungary which is to be funded: Provided, however, That all or any part of such security may be released by the Secretary of the Treasury on such terms and conditions as he may deem necessary or appropriate in order that the United States may cooperate in any program whereby Hungary may be able to finance its immediate needs by the flotation of a loan for reconstruction purposes, if and when substantially all other creditor nations holding obligations similar to that held by the United States which is to be funded, to wit, Denmark, France, Great Britain, Holland, Norway, Sweden, and Switzerland, shall release to a similar extent the security enjoyed by such obligations.

The Secretary of the Treasury shall be authorized to decide when this action has been substantially taken.

Mr. CRISP. Mr. Chairman, I move that the committee rise and report the bill to the House, with the recommendation that it pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, had directed him to report the same back to the House with the recommendation that it pass.

Mr. CRISP. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CRISP, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. NEWTON of Minnesota. Mr. Speaker, I desire to prefer a unanimous consent request, that on Wednesday of this week, when the gentleman from Nebraska [Mr. SHALLENBERGER] concludes his address of 30 minutes, the gentleman from California [Mr. LEA] and the gentleman from Kansas [Mr. HOCH], both members of the Committee on Interstate and Foreign Commerce, shall each have 20 minutes' time in which to address the House upon section 15a of the transportation act, which is the subject matter of the address of the gentleman from Nebraska.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that on Wednesday of this week, when the gentleman from Nebraska [Mr. SHALLENBERGER] concludes his address, the gentleman from California [Mr. LEA] and the gentleman from Kansas [Mr. HOCH] each have 20 minutes' time in which to address the House upon section 15a of the transportation act. Is there objection? [After a pause.] The Chair hears none.

STOCK-RAISING HOMESTEADS

Mr. SINNOTT. Mr. Speaker, I call up the conference report on Senate bill 381.

The SPEAKER. The gentleman from Oregon calls up the conference report on Senate bill 381, which the Clerk will report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 381) "to amend section 2 of the act entitled 'An act to provide for stock-raising homesteads, and for other purposes,' approved December 29, 1916 (Stat. L. p. 862)," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2 and 3.

That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "; but no right to occupy such lands shall be acquired by reason of said application until said lands have been designated as stock-raising lands, unless the applicant actually establishes his residence and resides on the land"; and the House agree to the same.

N. J. SINNOTT,
ADDISON T. SMITH,
JOHN E. RAKER,
Managers on the part of the House.

E. F. LADD,
ROBT. N. STANFIELD,
A. A. JONES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862), submit the following statement explaining the effect of the action agreed on:

The action agreed on in no way changes the purpose of the House amendments, but merely makes clear an ambiguity in the House amendment which might otherwise be subject to the interpretation that only the actual land on which the residence was located could be occupied by the entryman.

N. J. SINNOTT,
ADDISON T. SMITH,
JOHN E. RAKER,
Managers on the part of the House.

Mr. SINNOTT. Mr. Speaker, this is a unanimous report of the managers on the part of the House and also on the part of the Senate. In the House amendments there was an ambiguity that might leave the action of the House amendments subject to the interpretation that only the land actually occupied by the house could be occupied by the entryman, whereas it was intended that as soon as he established his residence upon the land applied for he could occupy all the land, and the effect of the action of the conferees is to clear up that ambiguity.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. O'CONNELL of New York, indefinitely, on account of sickness in family.

To Mr. VARE, for several days, on account of death of his sister.

To Mr. TAGUE (at the request of Mr. CONNERY), indefinitely, on account of illness.

To Mr. BANKHEAD, for four days, on account of important business.

To Mr. BOIES, indefinitely, on account of important business.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNALLY of Texas. Mr. Speaker, it seems that next Wednesday is to be largely devoted to speech making. I ask unanimous consent to address the House for 20 minutes on that day.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House on Wednesday next for 20 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TINCHER. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on Wednesday next.

The SPEAKER. The gentleman from Kansas asks unanimous consent to address the House for 10 minutes on Wednesday next. Is there objection? [After a pause.] The Chair hears none.

HAND PLAN—REIMBURSEMENT COUNTIES—NATIONAL FORESTS

Mr. RAKER. Mr. Speaker, I ask unanimous consent that I may extend my remarks by printing as a part of them what is known as the Hand plan on reforestation and reimbursement, together with extracts from the laws of the various States regarding taxation, as well as information and statements I have received from various people over the United States in regard to reimbursement to counties wherein the United States takes over and reserves public lands for providing timber for the whole people of the United States. I wanted to make my statement clear, so that there will be no misunderstanding of it.

The SPEAKER. The gentleman from California asks unanimous consent to extend the matter he has indicated in the RECORD by inserting the various documents he has mentioned. Is there objection?

There was no objection.

Mr. RAKER. Mr. Speaker and gentlemen, under the permission given me by the House, I will take the opportunity to discuss what is known in the West as the "Hand plan" of reimbursement of the counties in the 16 Western public-land States where forest reserves have been created, as it affects those counties' revenues by reason of the lands thus withdrawn being relieved of taxation, and in turn the several counties where the lands are located, being deprived of taxes that they would get were the lands in private ownership.

The "Hand plan" provides for the Federal Government reimbursing the several counties in which the national forests are located by way of payment by the Government to the counties an amount that would be paid in taxes by a private owner were the lands in private ownership.

This plan does not in the least question the foresight and wisdom in establishing national forests nor in being maintained.

They are created for all the people of the United States, for present and future use. The Government holds these national forests as a proprietor for all its people. They will redound to the benefit of all the citizens of this country. Therefore this payment to the counties in reimbursement of what they lose in the way of taxes not being assessed and collected from the Federal Government, should come out of the General Treasury of the Federal Government, to which fund the whole citizenry contributes.

To carry on this plan of county reimbursement, on May 25, 1922, H. R. 11789—Sixty-seventh Congress, second session—was introduced.

On December 5, 1923—Sixty-eighth Congress, first session—H. R. 148 was introduced. The two bills are identical in language. They both authorize the Secretary of the Interior to cary on the provisions thereof.

After reflection it seemed more appropriate to have the Secretary of Agriculture perform this work. Therefore, I introduced H. R. 8844 on April 22, 1924. The same as the other two bills, with the exception that the Secretary of Agriculture is named in the latter bill instead of the Secretary of the Interior. H. R. 8844 is as follows:

A bill (H. R. 8844) to provide compensation in lieu of taxes for the several States with respect to certain lands of the United States within the borders of said States, and for other purposes

Be it enacted, etc., That when used in this act, unless the context indicates otherwise, the term "lands of the United States" means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled "An act to repeal timber culture laws, and for other purposes," and acts amendatory thereof and supplemental thereto, or obtained or acquired under the act of March 1, 1911 (36 Stat. L. p. 961), and acts amendatory thereof and supplemental thereto.

The term "Secretary" means the Secretary of Agriculture.

SEC. 2. That the United States Government hereby assumes, subject to the conditions of this act or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals.

SEC. 3. That the Secretary shall, as soon as practicable after the passage of this act and annually thereafter, at such time of the year as the legislature of the State may designate, send a statement to the governor, or such other officer as the legislature may designate, of every State in which such lands are located, describing the location, size, and character of all lands of the United States within the border of such State, together with such information respecting such lands as he may possess which may be useful in properly determining their value.

SEC. 4. That no payments shall be made to any State under the provisions of this act until such State has, with respect to the lands of the United States in question, acting through its officers and agents duly authorized therefor—

(1) Properly assessed such lands of the United States at a rate no higher than that at which other similar lands within such State are assessed.

(2) Applied to such assessed valuation a factor no higher than the tax rate applied to the assessed value of other similar lands within such State.

(3) Secured in this manner, a figure from which shall be deducted any allowances made by such State to its taxpayers in similar cases for prompt payment of taxes or for any other reason.

(4) Certified the figures so reached with respect to each piece of such lands of the United States, accompanied by statements as to the methods employed in arriving at such figures, to the Secretary.

(5) Furnished the Secretary with such further information as he may request respecting the methods employed in valuing and assessing such lands of the United States and in assessing and taxing other similar lands within the State.

(6) Complied with such rules and regulations as the Secretary may prescribe for carrying out the provisions of this act.

SEC. 5. That the Secretary shall receive and examine the figures submitted by the States under the provisions of section 4. In the event that any State shall submit figures with respect to any lands of the United States, based (1) on a higher valuation than the Secretary believes to be the actual value of such lands, or (2) on a higher rate of assessment or of taxation than he believes is employed in the case of other similar lands within such State, or (3) in whole or in part on any other improper consideration, he shall so revise and reduce such figures as to allow and compensate for such error or miscalculation. Such revised and reduced figures shall be final and conclusive when so determined by the Secretary, except that he may, in his discretion, permit any State affected by such revision or reduction to offer such evidence and argument respecting the matters in question as he may deem advisable, after which the Secretary may change his determination in such manner as he shall deem proper.

SEC. 6. That the Secretary shall certify to the Secretary of the Treasury annually and as promptly as practicable with respect to every State receiving benefits hereunder the amounts to which such State is entitled under the provisions of this act. The Secretary of the Treasury shall thereupon cause such amounts to be paid to the designated officers of the State indicated. Whenever the Secretary shall deter-

mine that any State has, for any reason, been paid more than the amounts to which it is entitled under the provisions of this act, he shall deduct such overpayments from the next amounts certified to the Secretary of the Treasury for payment to such State.

SEC. 7. That no payments shall be made to any State, under the provisions of this act, with respect to any such lands of the United States which do not remain such for the entire tax year of the State in which they are located, nor with respect to any such lands of the United States which the State might lawfully tax by reason of the fact that the beneficial interest in such lands is not vested in the United States.

SEC. 8. That the Secretary shall have power to prescribe rules and regulations for carrying out the provisions of this act.

SEC. 9. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of the Treasury from time to time to make the payments required by this act.

The "Hand plan," county reimbursement plan, written by Mr. Charles E. Hand, and issued by the Placer County Chamber of Commerce, Eldorado County Chamber of Commerce, and boards of supervisors of Placer and Eldorado Counties jointly, presents the subject in concrete form, and is:

FOREST EXCHANGE BILLS AND COUNTY REIMBURSEMENT PLAN

The united chambers of commerce of Eldorado and Placer Counties and the joint boards of supervisors of said counties submit the following as their views on the exchange bills now pending in Congress and also advance reasons why the Federal Government should reimburse the counties in which forest districts lie, and earnestly request the hearty cooperation and indorsement of chambers of commerce, boards of supervisors, and other civic bodies in a matter which we deem to be right and just and which is of vast importance to California as well as to other Western States and is of particular interest to those counties, portions of which are in the Shasta, Plumas, Tahoe, and Eldorado National Forests, for the reason that the exchange bills referred to herein cover those particular forests.

In order to show the position of Congressman JOHN E. RAKER on this subject we quote from a letter received by this committee from Mr. RAKER a few days ago, as follows:

"The Hand proposition is right and to my mind unanswerable, but while I have been working on it in the House certain Senators have been working on it on a little different line in the Senate. We have not proceeded very far because of the general opposition in the East to provide for taxation for western counties in which forest reserves are situated, and then the contention that we are receiving now as much, if not more than we could by direct taxation, from the revenue and receipts from permits, timber, etc., from the national forests. However, notwithstanding this contention and opposition, the Hand proposal will continue to have my favorable and earnest consideration and attention."

The district forester in his statement on the exchange bills announces the policy of the Government, as follows:

"Our first energies should be directed toward acquiring lands which are already within the national-forest boundaries and are chiefly valuable for timber production and watershed protection, etc.

"Secondly, our energies should be directed to a logical rounding out of present forest units. It is a fact that our present boundaries are in many cases unsatisfactory, many irregularities being made for the sole purpose of excluding private lands at the borders of the forests where the excluded areas are absolutely forest lands. It is extremely desirable to acquire them and re-form our boundaries along permanent physical lines.

"The Forest Service was consulted in drawing the boundaries of the various bills introduced, and that the boundaries of the forests mentioned do not now include areas of fine timber-producing lands which should ultimately be in public ownership, and it is hoped that through land-exchange legislation that they may be gradually acquired."

The matter was brought to the attention of the Eldorado County Chamber of Commerce and was by that body referred to its legislative committee, and Mr. Hand was added as a special member for the occasion, and Supervisor Schroeder was appointed by the board of supervisors to represent that body in this matter.

In the discussion in the separate chambers and also at the joint meeting of the chambers and boards of supervisors of Placer and Eldorado Counties the policy of the Government acquiring privately owned lands within the present boundaries, and also acquiring privately owned lands within the new or proposed boundaries of the forests were considered very objectionable because of the fact that every additional acre acquired by the Government ceases to be revenue producing, thus adding to the already overburden of the counties. The chambers of commerce and boards of supervisors believe the principle on which the national forests were created to be right, in so far as conservation is concerned, and we have no objection to the Government acquiring privately owned lands, within or without the forests, provided legislation whereby the National Government would reimburse the counties along the lines suggested herein later, and which the bill prepared by Representative JOHN E. RAKER two years ago at the request of Mr. Hand would remedy, thus relieving the counties and placing the burden where it belongs, even though we are not fully satisfied with the exchange provisions in the four bills, for we view them as along similar lines as the old scrip and lieu land acts, and just as wide open to fraud.

A little over a year ago Mr. Paul G. Redington, district forester at San Francisco, sent out a circular letter to the various forest supervisors in his district, in which he quotes from a paper on the subject of exchange lands within forests which was read at Spokane by Mr. Huntington Taylor, general manager of the Edward Rutledge Timber Co., and which Mr. Redington advised "will form a basis to argue on should you—meaning his forest supervisors—have the opportunity to discuss the general subject with boards of supervisors and other public officials."

In the paper read by Mr. Taylor, he says that—

"The question of the effect of land exchange on the tax receipts of the States and counties is important, but there seems to be small cause for public alarm."

We certainly believe the effect on the counties to be "important," so much so that unless relief measures are forthcoming, some, if not all, of the counties will be seriously injured in their sources of revenue from taxation. Mr. Taylor says that "in the timber regions the stumpage owner will have a keen interest in tax matters for a good many years to come, and there will be small likelihood of his supporting any measure which will mean an abrupt increase in his taxes."

The big timber interests are behind and backing the exchange bills, consequently they must be satisfied; so also is the district forester, Secretaries of Agriculture and Interior, but how about the counties, and what provision has been made for reimbursing them for this loss of revenue? Have the county boards of supervisors been consulted? Are they willing that the boundaries of the forests be enlarged by the taking in of vast areas of lands outside the present boundaries and from which they are now receiving tax revenue, said lands by the exchange bills to become publicly owned and therefore not subject to taxation? Are the taxpayers who maintain county government in counties a portion of which is in the Shasta, Plumas, Eldorado, and Tahoe Forests, willing that cut-over lands, now owned by private individuals, be taken in exchange for standing timber, thus losing their percentage on stumpage sales? We do not think so, and believe that they are entitled to consideration and to be heard in the matter.

On the subject of cut-over lands, owned by private individuals within the forests, Mr. Taylor mentions the possibility of the timber concerns allowing the taxes to become delinquent and uses the following language:

"Unquestionably as time goes on, and the accumulated burden of taxes becomes heavier, the private owner will be forced to unload his cut-over lands."

This is a serious problem, for should it happen the lands would become delinquent, be sold to the State for taxes, and would cease to be revenue producing, or would fall into the hands of stock raisers and would lose most of their value as forest-producing lands. We are convinced that the Government should acquire the cut-over lands and allow them to reforest, but this should not be done at the expense of the counties in which the forests are located. The Federal Government should reimburse the counties, thus placing the burden where it belongs—that is, upon all of the people of the United States—and the counties should not be compelled to bear this burden for possibly 200 years, which time it would take for reforestation.

Quoting again from Mr. Taylor:

"The national forests now turn over 35 per cent of their gross incomes to the counties in which they are situated. In some localities this already overbalances the tax returns which would have been secured if the lands had passed to private ownership,"

and so forth.

If the statement of Mr. Taylor is true, then, from the standpoint of the National Government, it is but another argument in favor of reimbursing the counties on a valuation basis, as it would be a gain for the Nation, and there is no question but that the counties would be better satisfied. We disagree with Mr. Taylor and doubt if there is a forest in the United States where the above is true, unless it be in one particular year, but surely it is not true covering a period of years. It is not so with any of the forests in California. Plumas County is receiving more revenue from stumpage sales than is any other county in the State. We have compiled the figures in all of the forests in this State and know that they are receiving very little returns from the sale of Government-owned timber.

In the year 1921 the Federal Government paid into the treasuries of the 39 counties in California in which district forests lie the sum of $132,406, or an average of about $340 per county.

The greater part of the Eldorado National Forest is in Eldorado County, and is in part in Placer, Amador, Alpine, and a small part in

Nevada. In the year 1915 the Federal Government paid into the treasury of Eldorado County as returns from all sources, including timber sales, pasturage, and so forth, the sum of $1,271.34; in 1916, $1,947.44; in 1917, $1,466.22; in 1918, $1,828.88; in 1919, $2,485.80; and in 1920 the sum of $2,828.02, making a grand total for a period of six years of $11,782.80, an average of less than $2,000 a year. The figures quoted are taken from the books of the treasurer of Eldorado County, and his certificate was forwarded to Representative RAKER, and are not based on the mere say so of some person who is trying to create the impression that the counties are receiving substantial revenue from the forests. Trinity County alone has upward of 16,000,000,000 feet of Government-owned standing timber, and practically none of it is being sold, hence no revenue, and such is the case in the other counties, parts of which are in forest reserves. The large timber concerns now operating are not buying timber from the Government on a stumpage basis but are cutting over their own lands, thus decreasing their assessed valuation, and in this county they get a reduction in assessed valuation of $13 per acre on each acre cut over; so you see it means decreased valuation of privately owned lands within the forests and increased valuation on lands outside the forest to produce revenue sufficient to maintain county government.

A vast amount of timber is now being advertised for sale in the Lassen National Forest. Should this sale be consummated the counties in this forest would receive their percentage; but how about the next 150 or 200 years, which time it would take for reforestation, and what would the average be per year?

We have examined the exchange bill relative to the Eldorado Forest and find that in addition to the 840,128 acres already within the old forest boundaries, this bill, if enacted into law, would take in 133,000 additional acres, 125,551 of which additional acres are in Eldorado County.

A careful study and examination has been made, and we find that a large portion of the 125,551 acres aforesaid is privately owned and on which taxes are now being paid to the county, and that the present assessed valuation of what is in private hands is $905,924. This valuation computed at our average tax rate of $2.28 on the $100 valuation means that we will lose in taxes upward of $20,000 per year, in addition to what we are already losing in the original forest, should the boundaries proposed in the exchange bills relative to this forest and the spirit of the bill and declared policy of the Government, that of "acquiring all privately owned lands," be carried out; and if it is not carried out, what then is the purpose of the bills?

The matter of the loss of an assessed valuation to Eldorado County of $905,924 and an annual loss of upward of $20,000 in taxes may not be considered much by some of the large counties of the United States; but to us, with a total assessed valuation of about $10,000,000 and a population of about 7,000—it seems to us to be quite a considerable sum and prompts us to again ask that before the exchange bills pass provision be made to reimburse the counties. The Department of Agriculture should see these things, and the justice of what we ask should appeal to its officials as well as to the Congressman and Senator from East and West, North or South.

In the matter of the Tahoe Forest, we have computed the acreage that the bill will add to the present forest reserve, and we find 452,480 acres will be annexed to the already large acreage of the old forest should that bill become the law. We find that the proposed new boundaries of the Shasta and Plumas Forests will add to those forests hundreds of thousands of acres, from many of which said acres the counties are now receiving revenue from taxation which will be lost to them should the bills be passed and the policy of the Government be carried out.

A glance at the map of the United States showing the national forests thereon will convince a person of the importance to the West of a relief measure such as we ask, and more particularly to California, with a series of national forests along almost the entire east side of the State and for many miles along the coast. It would provide for the National Government reimbursing the forest counties on a valuation basis of Government-owned lands, the valuation to be fixed as per privately owned lands within the same forest or upon a standing-timber basis, either of which we believe to be just and equitable ways to solve the problem.

We wish to make our position clear, and being more familiar with the Eldorado National Forest than with any of the other forests we will use it as an example. The present forest contains 840,128 acres of land, 553,388 acres of which are Government-owned lands and, being in a national forest, are not subject to entry or to taxation. There are 246,740 acres of land in this forest, owned by private individuals, and the average assessed valuation of this privately owned land is about $12 per acre. As above stated, there are 553,388 acres owned by the Government, which said last number of acres of land at the average assessed valuation of $12 per acre, as per privately owned lands within said forest, is a loss to us in assessed valuation of $6,500,000 and will continue to be so long as the law remains as it is.

The fact that $6,900,000 is lost to Placer, Eldorado, Amador, Alpine, and a part of Nevada in assessed valuation means at our present rate of taxation we are losing in taxes annually about $150,000. And if the exchange bill relative to this forest is passed, it will take an additional $20,000 per annum from the revenues of Eldorado County. I am assuming that those who are familiar with the rapidity with which timber and grazing lands have been taken up in the past will realize that every acre of available land within all forests would long ago have been in private hands had not the reserves been created.

The Government-owned timber on the Eldorado reserve has been cruised and estimated, and the figures disclose that there are 4,941,862,000 feet, board measure. An estimate of $1.50 stumpage per thousand feet, which is a low estimate indeed, would fix a valuation of more than $7,000,000 on the timber alone, and with the land values would make a total valuation of upward of $10,000,000.

The Department of Agriculture fixed a valuation of $300,000,000 on the national forests inside the State of California. This amount includes the valuation of all resources of the forests, such as land values, timber, forage, mineral, and water resources.

In the year 1920 the United States Bureau of Public Roads fixed a valuation on the timber and forage resources in the national forests of California at $146,599,666. The valuation by the Bureau of Public Roads was made for the purpose of determining what each county in which there are national forests is entitled to for road building from the Federal Government under the act of July 11, 1916.

The value placed on timber and forage resources in the various counties is as follows:

Placer County	$1,896,353
Nevada County	1,062,235
Amador County	746,861
Sierra County	4,807,023
Eldorado County	4,256,417

In the year 1921 Placer County received from the Federal Government as returns from all national-forest resources the sum of $2,998; Nevada County received $2,094; Amador County received $351; Sierra County $5,085; and Eldorado $1,984.

Interesting comparisons can be made by computing the taxes on the national-forest resources at the present county-tax rate of the various counties, and for this comparison we will use 50 per cent of the valuation as fixed by the United States Bureau of Public Roads, which included the valuation placed by that bureau on timber and grazing resources only. On a 50 per cent basis in Amador County the taxes would be $8,884 instead of $312; in Placer County, $25,999.75 instead of $2,998; Nevada County, $18,589.05 instead of $2,094; Eldorado County, $59,589 instead of $1,984; Lassen County, $84,832 instead of $6,001; Plumas County, $147,005 instead of $17,806; Siskiyou County, $207,136 instead of $10,470, and if the national-forest resources in California were assessed at half the value as placed thereon by the United States Bureau of Public Roads and taxed at a 2.5 per cent the total revenue for all the counties in which forest districts lie would be $1,832,498 instead of $132,406, which last-named amount being the sum total of what was paid to all of the counties for the year 1921.

Since $132,406 was the total amount based on sales of timber and grazing resources and divided proportionately and paid into the treasuries of the various counties in which national forests lie, how in the face of these figures can any person who has the knowledge and regard for facts make statements to the effect that the returns from timber sales, grazing, etc., overbalance the tax return which would have been secured if the lands had passed to private ownership?

In six counties—Lassen, Plumas, Sierra, Siskiyou, Trinity, and Tuolumne—the value of national-forest resources is greater than the assessed value of the real estate, improvements, and personal property outside the forests. In Sierra, Trinity, and Tuolumne Counties if the national-forest resources were assessed at half the value placed thereon by the United States Bureau of Public Roads they would still be greater than the assessed value of the real estate outside.

Some interesting comparisons can also be made as to percentage of area of counties within and without national-forest boundaries. Three counties—Del Norte, Plumas, and Trinity—have approximately two-thirds of their area in national forests. Four counties—Modoc, Sierra, Siskiyou, and Tulare—have over 40 per cent of their area in the national forests. Three counties—Eldorado, Fresno, and Tuolumne—have over one-third of their area in the national forests. Five counties—Glenn, Lassen, Madera, Placer, and Shasta—have one-fifth of their area in national forests, and Tehama County has almost one-fifth. Five timbered counties—Del Norte, Plumas, Trinity, Modoc, and Tuolumne—have a lesser area assessed than is in the national forests.

We are firm believers in the conservation of our natural resources and consider ourselves as friends of the Forest Service, and are sure that the enactment of a law such as we propose will result in placing the Forest Service on a more firm basis, but under the present law do not believe the burden properly distributed. Instead of the few people who reside in counties a part of which happens to be in a district forest being compelled to bear the burden, the 110,000,000 people who reside in all of the United States should assume their just proportion, for surely they are as much interested in conservation as are the people who live in a county or combination of counties comprising

a district forest. The man who contemplates building in New York, Washington, or San Francisco, on the farms of the Middle West, or in the Prairie States, must have timber; his interest in that respect lies in our national forests; yet the community in which he lives is not restricted as are the counties in which the forests are, because of the fact that all of their lands are open to entry and to taxation. No part of Sacramento or any of the other valley or bay counties are in a forest reserve; the forest counties have been cut in two, so far as taxation is concerned, for the benefit of those counties and also for the benefit of all of the people of the United States.

The entire California delegation in Congress should be behind us in this matter; and they can not say that they are not interested in the welfare of their sister counties, for they are. Our prosperity adds to their prosperity. We are decreasing in population, all of which hurts business in their counties, and such is the case in nearly all of the counties in which district forests lie. The outside counties must look to these forests for material for their factories and shops, and if they carry out their building program they must have timber; they must have box stuff for their orchards, and must look to these forests for electricity for lights and power and for water for domestic and irrigation purposes. We perform all police powers, furnish the courts, finance the prosecutions of all persons committing crimes within the forests. We must construct roads, build bridges, and erect and maintain schools within the forests; then why are we not entitled to be reimbursed?

There are bright prospects of the passage of the Raker reimbursement measure, and the benefits to the counties would be many and far-reaching. It is a matter of mutual interest, and cooperation is necessary. We shall be pleased to hear from you, and trust that you will take immediate action by writing your Congressman and both Senators urging their hearty indorsement of the reimbursement plan.

Respectfully,

ELDORADO COUNTY CHAMBER OF COMMERCE
AND BOARD OF SUPERVISORS.
PLACER COUNTY CHAMBER OF COMMERCE
AND BOARD OF SUPERVISORS.

When H. R. 4830, "A bill to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor," was being considered by the House (see CONGRESSIONAL RECORD of April 16, 1924, pp. 6501–6514; CONGRESSIONAL RECORD of April 23, 1924, pp. 6977–6997) I offered the provisions of H. R. 8844 as an amendment, but upon a point of order it was ruled out of order. The provisions of H. R. 8844 should have gone on that bill. (H. R. 4830, Sixty-eighth Congress, first session, was approved June 7, 1924—Public, No. 270, Sixty-eighth Congress.)

On the provisions of section 7 of H. R. 4830 and its effect on taxation I submit the views of Mr. Hand, which are to the point and go to the provisions of reimbursement provided for in H. R. 8844:

PLACERVILLE, *May 10, 1924.*

Hon. JOHN E. RAKER,
Washington, D. C.

MY DEAR JUDGE: After reading the proceedings of the House when H. R. 4830 was under consideration, I wish to extend to you and also to Representative BOX, of Texas, my most earnest congratulations. The bill contains some good features, but section 7 is an outrage on the rights of the States, and I would like to know just when the power was delegated to the Federal Government to interfere in local matters and exempt from taxation individuals and corporations in the insidious manner in which it was done in this case.

Centralization of power in the Federal Government is taking place very rapidly, and the rights of the States are constantly disappearing, and it would seem about time that usurpation of purely State powers should be stopped and we get back to first principles. The taking of Federal control over local matters in a way which could not be done directly under the Constitution and the Bill of Rights should not be tolerated.

If the Government wishes to assist the timberman, it should be done in such a manner that all sections of the Nation would make equal contribution and not, as in this case, place another burden on the forest counties. If the Government as a whole can not afford to finance the national forests, then it should not expect the sparsely settled forest counties to do this for it. The forest counties should simply pay in proportion to what is paid by other sections of the Nation—no more, no less—and all should be paid out of the general funds of the Nation; then all would contribute to a national necessity.

The questionable benefits which section 7 of the bill gives to the timber owner is taken wholly from the forest counties. It reduces assessable valuation in those units of government, consequently commensurate values must be found elsewhere or the tax rate increased in order to raise sufficient funds to finance local communities.

Section 7 of the bill enables owners to donate lands "chiefly valuable for the growing of timber to the United States." They can donate or devise that intangible thing known as title, but reserve to themselves everything in sight, such as timber, mineral, grazing rights, and other rights, and time only can tell what claims will be made under the "other rights" reservation. There is no limit to the time when these rights shall cease; they are perpetual to themselves, their heirs and assigns forever. The owners will convey absolutely nothing of value. There is no material value in that intangible thing known as title; they will reserve all of the values, such as timber, forage, minerals, and other rights, and have escaped all forms of taxation on the land.

It may be that the lighthouse Mr. CLARKE referred to and on which Mr. MADDEN commented is to be used in an endeavor to throw light on the invisible thing known as title. Mr. CLARKE may wish to know just what kind of a thing title is when sewed up in the manner it is in his bill, for the naked eye discloses nothing that the owners will actually convey; the owner will still retain the use, benefits, and profits. We know that the bill deprives the counties of the taxes they are now receiving on the lands, but that benefit accrues to the timberman and not to the Federal Government. The Federal Government has taken it from the counties and given it to the timberman. When conveyance is made to the United States the owner will be relieved of the expense of fire protection; his lands and crops will be perpetually cared for by the United States at no expense whatever to himself. You will note the owner is always on the right side.

Mr. CLARKE could use his lighthouse in enforcing the preferential clause of section 7, which also provides that preference in sales shall be given to those "engaged in agriculture in the States in which such national forest is situated." In following each board through the many avenues of trade, and when finally satisfied that it had found its proper place on the farm, the lighthouse will be useful in guiding back to the forest the multitude of officials necessary to enforce this provision.

I will be pleased to receive a few more copies of your bill, No. 148, and would also like to have a couple of copies of 4830 and also a couple of copies of the McNary bill.

With kind personal regards, I remain,

Very truly yours, C. E. HAND.

The Legislature of California on May 11, 1921, passed Assembly Joint Resolution No. 17, reading as follows:

CHAPTER 60

ASSEMBLY JOINT RESOLUTION NO. 17, RELATIVE TO THE COMPENSATION OF COUNTIES CONTAINING LAND IN NATIONAL FOREST RESERVES EXEMPT FROM LOCAL TAXATION

(Filed with secretary of state May 11, 1921)

Whereas by national law and under national regulations many thousand acres of land in California have been placed in national forests; and

Whereas the counties in which such lands are situated derive no revenue therefrom in the form of taxation, yet give the same fire, police, and health protection; and

Whereas these national forests are set apart for the use and enjoyment of all of the people of the United States: Therefore be it

Resolved by the assembly and senate jointly, That it is just and equitable that the National Government recompense the counties in which such lands are situated by reason of the inability of these counties to secure revenue therefrom in the form of taxation; and be it further

Resolved, That the Senators and Representatives from California in Congress be memorialized to use their influence to secure the enactment of such national laws as will secure to the counties affected just compensation in this matter; and be it further

Resolved, That the clerk of the assembly be, and he hereby is, directed to forward copies of these resolutions to the Secretary of Agriculture of the United States, and to each Member of the Congress of the United States from the State of California. (Statutes and Amendments to the Codes, California, 1921, pp. 2194–2195.)

The Legislature of California at its forty-fifth session, on May 8, 1923, adopted a joint resolution approving the purposes of H. R. 11789 (H. R. 8844, 68th Cong., hereinbefore set out in full), which joint resolution is in words and figures following:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER, FORTY-FIFTH SESSION,
Sacramento, Calif., June 18, 1923.

Please note the following joint resolution adopted by the Legislature of California May 8, 1923:

Assembly Joint Resolution No. 17—Relative to memorializing Congress to adopt a bill introduced by Hon. JOHN E. RAKER to provide compensation in lieu of taxes for the several States with respect to certain lands of the United States within the borders of said States, and for other purposes.

Whereas Hon. JOHN E. RAKER, Member of Congress from the second district of California, has introduced a bill in the House of Representatives (H. R. 11789) which provides: "That the United States Government hereby assumes, subject to the conditions of this act or any subsequent act of Congress, the payment to the several States of sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals"; and

Whereas the amount which California would receive from the taxation of the lands of the United States within the boundaries of the State and "set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891," would be over $5,000,000 annually; and

Whereas this amount would be distributed almost entirely among the remote and mountainous counties of the State, thus greatly benefiting communities where assessed valuations are low by reason of the exemption from annual taxation of the lands of the United States above referred to; and where the cost of building and upkeep of roads and highways is high on account of the mountainous surface; and where the population is sparse because these lands of the United States are withdrawn from settlement, improvement, and development under the homestead laws; and where forest depletion, contrary to economic demands and forest perpetuation, are the results of high taxes; and

Whereas the lands of the United States above referred to, comprising at least half the area of several mountain counties and nearly one-fifth the total area of the State, while exempt from annual taxation, are being put to commercial and industrial uses for the benefit of all the people of the United States, which places these lands on the same basis as to use with assessed and taxed lands used for the same purposes; and

Whereas it is only just and right that a heavy burden of local annual taxation should not be placed on the people of any State in which and by reason of the fact that extensive areas of land and great natural resources are set aside and reserved for the economic use and benefit of all the people of the United States: Now, therefore, be it

Resolved by the assembly and senate jointly, That the Legislature of the State of California approves the purposes of the bill referred to and respectfully requests its support and adoption by the Congress of the United States at the earliest possible date; and be it further

Resolved, That any moneys returned to the State of California under said or any similar bill be so returned to said State for the benefit of the several counties in which any such lands are situated, the same to be paid to said counties in the proportion in which said lands are so situated.

Resolved, That the speaker of the assembly be authorized to transmit copies of this resolution by mail to the Governors of the States of Oregon, Washington, Idaho, Montana, Wyoming, Utah, Nevada, Colorado, New Mexico, and Arizona with the request that similar action be taken by their respective legislatures; and be it further

Resolved, That the speaker of the assembly be authorized to transmit copies of this resolution, by mail, to all the Members of Congress and the Senate of the United States.

FRANK F. MERRIAM,
Speaker.

Attest:
ARTHUR A. ORMSBY,
Chief Clerk.

Mr. Hand made the following statement before the Senate Select Committee on Reforestation:

PLACERVILLE, CALIF., *October 4, 1923.*

Hon. JOHN E. RAKER,
Alturas, Calif.

MY DEAR JUDGE: I see by the press that you have arrived in the land of the free, and that you will be home in a few days.

Judge, your impression of Europe must have been a bad one, for I see you wish to stop immigration for at least 10 years. We have been protecting infant industries for years at the behest of the manufacturer, but have not given sufficient consideration to infant Americans, and I have always maintained that the basic way to protect American labor is to put up bars to immigration. However, immigration is not the subject I wish to write you on.

The committee of the United States Senate on national forests and reforestation, the personnel of which is Senator CHARLES L. MCNARY, of Oregon; Senator MOSES, of New Hampshire; Senator COUZENS, of Michigan; Senator HARRISON, of Mississippi; and Senator FLETCHER, of Florida, are making a study of forest problems with a view to preparing a bill for introduction at the session of Congress which convenes in December next.

This committee has held hearings in several of the States, and on September 6 last a hearing was held at San Francisco, at which time I was present and presented for their consideration the plan of county reimbursement as embodied in the bill introduced by you in the Sixty-seventh Congress.

I was nicely treated by the Senators. Senator MCNARY informed me that I raised the two most important questions to be considered by their committee, and he assured me that the plan would receive earnest consideration. He agrees that the counties are not now being sufficiently reimbursed. However, I am of the opinion that he leans rather to an increased percentage than to the valuation basis, but I also feel that he could be easily convinced that the valuation basis is right. Can you not take this phase of the subject up with him?

I am inclosing you a copy of the argument I made, all of which will appear in the official record of the hearing.

Would be pleased to hear from you, and should you write Senator MCNARY would like to have a carbon copy of your letter for my files.

With best wishes, I am

Yours very truly, C. E. HAND.

First. The enactment of a law such as is embodied in bill H. R. 11789, introduced by Representative JOHN E. RAKER at the second session of the Sixty-seventh Congress.

Second. Extension of the boundaries of the present forests and the creation of new national forests where practicable.

The rapidity with which the forests are being denuded means that something in the way of reforestation and conservation must be done to meet future needs, but it should be accomplished in a just way so that the hearty cooperation of all will be assured. The subject is one of large scope and will permit of consideration from various angles in order that results be accomplished and justice meted out to the counties in which national forests are located.

The Raker bill, if enacted into law, would provide compensation in lieu of taxes for the several States with respect to forest lands of the United States within the borders of said States.

The following is a portion of the Raker bill:

"*Be it enacted, etc.*, That when used in this act, unless the context indicates otherwise, the term 'lands of the United States' means lands set apart, reserved, or withdrawn under the provisions of section 24 of the act of Congress approved March 3, 1891, entitled 'An act to repeal timber culture laws, and for other purposes.'

"SEC. 2. That the United States Government hereby assumes, subject to the conditions of this act or any subsequent act of Congress, the payment to the several States of the sums of money equivalent to the amounts which such States would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals."

You will note that the Raker bill provides for reimbursement of counties on a valuation basis and not on the percentage of timber sales and grazing as is now the law. I believe that this provision of the Raker bill is right, for the reason that the forest counties are not now being adequately reimbursed, nor will an increase of the percentage from sales of timber and grazing cure this condition. The exchange bills have been passed and the timber owner will be availing himself of the provisions of these acts and trading his cut-over lands for standing timber, value for value, no money will pass, hence no percentage for the counties in which the exchange is made, and during the period of reforestation the forest counties will be compelled to bear the burden, with no returns from that portion of the lands under reforestation until the timber shall have matured, a matter of some 200 years.

Oregon has approximately 15,000,000 acres in national forests, while there are 18,891,161 acres in the national forests of California, or about one-fifth of the total area of this State. In the year 1921 the Federal Government paid to the State of California the sum of $132,406 as returns for county shares in the timber sales and grazing. Can this amount be considered just or equitable reimbursement when approximately 19,000,000 acres are included in the area of the national forests of this State and a valuation of $300,000,000 placed thereon by the Department of Agriculture, and a valuation of $146,599,866 on two of the resources of the California forests, viz, timber and grazing by the United States Bureau of Public Roads?

The United States Bureau of Public Roads fixed a valuation on the timber and forage resources of the Eldorado National Forest at $4,256,417, and the Department of Agriculture a valuation on all of the resources, including land values, timber, forage, mineral, and water of this forest at $10,000,000. The Federal Government paid into the treasury of Eldorado County as returns from all sources, including timber sales, forage, etc., in 1915, $1,271.94; in 1916, $1,947.44; in 1917, $1,466.22; in 1918, $1,828.88; in 1919, $2,445.80; in 1920, $2,828.02, making a total for a period of six years of less than $2,000 per year, and if the percentage had been increased from 25 to 50 per cent that county would have been receiving for the period above named an average of less than $4,000 per annum. A sum which in no sense could be considered as just and adequate reimbursement. Over 84 per cent of Eldorado County is in a national forest, therefore the lands are not open to entry, and can never be taxed to help pay the expense of defraying county government. The same conditions prevail in all of the forest counties of the United States, whether in Oregon, Michigan, Mississippi, New Hampshire, Florida, California, or any other State.

To relieve this condition it will be necessary that instead of the few people who reside in counties a part of which happens to be in a district forest being compelled, as under the present law or an

increased percentage law, to sustain this loss of revenue unaided the 110,000,000 people who reside in all of the United States should assume their just proportion, for surely they are as vitally interested in conservation of forest resources as are the people who live in a county or combination of counties comprising a national forest.

The person or concern contemplating building in New York, Washington, or San Francisco, on the farms of the Middle West, or in the Prairie States must have timber; his interest in that respect lies in our national forests, yet the community in which he lives is not restricted, as are the counties in which the forests are located, because of the fact that all lands and resources outside the forests are open to entry and when located are subject to taxation.

The forest counties have been cut in two, so far as taxation is concerned, for the benefit of all the people of the United States. All must look to these forests for material for their factories and shops, and, if they carry out their building program, they must have timber, they must have box stuff for their orchards, and must look to these forests for electricity for lights and power and for water for domestic and irrigation purposes and also for the protection of navigable streams. The forest counties perform all police duties, furnish the courts, finance the prosecution of all persons committing crime within the forests, must construct roads, build bridges, erect and maintain schools within the forests. Why, then, are not the forest counties entitled to a just and adequate reimbursement when their resources have been taken from them by national legislation to be enjoyed by the people of the entire Nation?

Hundreds of thousands of acres of standing timber in the United States are being cut each year, and annually the person or concern owning the lands so cut over furnishes to the county assessor description of the lands from which the timber has been removed and they are allowed a reduction in assessed valuation. In Eldorado County privately owned lands with the timber standing thereon are assessed at $20 per acre valuation, and when the timber is removed therefrom a valuation of $3 is placed thereon for assessment purposes, which is a reduction of $17 per acre valuation on each acre so cut over, and a similar reduction is made in all other forest counties, so you see it means decreased valuation of privately owned lands within the forests and increased valuation on property outside of the forests to produce revenue sufficient to meet the needs of county government, and in the course of probably 50 years the counties will be "holding the sack," so to speak, unless remedy is forthcoming.

The $146,599,866 valuation of timber and forage resources of this State, as fixed by the bureau of public roads, was made for the purpose of determining what each county in which there are national forests is entitled to for road building. I believe this to be a just and equitable valuation on which reimbursement to the counties should be made. The 39 counties of this State would then receive approximately $3,000,000 annually to be divided among them, according to valuation within their borders, instead of $132,406 as in 1921 and $157,000 as in 1922. Oregon would receive a sum proportionate to the high forest valuation within that State.

Under this method the Federal Government would be paying annually a sum approximating $20,000,000 and dividing the same according to forest values among the several States in which national forests lie. This sum would be nearing a just and equitable reimbursement, and if the Raker bill were the law the above examples would be brought about and the Federal Government would retain for its own use the revenues derived from all sources within the forests, and the counties, when preparing annual budgets, would then have a basis on which to figure.

I am convinced that the Federal Government should acquire, either by purchase or under the provisions of the exchange bills, all cut-over lands within the present forests and allow them to reforest. I realize that under present conditions this can not be done by private owners, excepting at a financial loss which the private owner is not prepared to face, due to the heavy rate of taxation and because he does not expect to share in the ultimate returns after reforestation. This burden of expense should be borne by the public, title and products vested in the public, and the public securing the benefits of the ultimate returns.

In regard to the extension of the boundaries of the present forests, there is a strip approximating 10 miles in width along the entire west side of the pine forests of California extending from the Oregon line to Tahachipi, most of which has been cut over and is potentially fitted for timber culture; in the neighborhood of 5,000,000 acres in California could be added to the present forests, and the same is true in many of the other States. However, before the extension of the boundaries and the Government acquiring ownership to the lands provision should be made to justly compensate the counties for the loss of revenue they would sustain.

There are some who advocate that forest returns be divided among the counties on an acreage basis instead of giving credit to the county in which the particular sale happens to be made. I do not believe it would be fair to expect the forest counties of Washington, Oregon, and California, where much of the merchantable timber is now standing, to be compelled to accept the same amount per acre as Nevada, Utah, or Idaho and other States, where the forest acreage is large and the timber is not so plentiful or valuable.

For the purpose of the following comparisons I will use the figures of the United States Bureau of Public Roads on values in counties of California, which will clearly show the injustice of the acreage basis.

Shasta County has 549,806 forest acres, valued at $3,667,611. Ventura County has 550,885 acres, valued at $709,694. In other words, one forest acre in Shasta County is valued at more than five times the value of an acre in Ventura County. Ventura has a larger acreage, yet it has a $3,000,000 less value.

Butte County has 107,829 forest acres, valued at $2,537,740, or $23.53 per acre. Would it be just to compel Butte County to share this valuation with Los Angeles County, which has 664,958 forest acres valued at $1,419,825, or $2.20 per acre, one acre in Butte County being valued at more than 10 acres in Los Angeles County, and Los Angeles County has six times the number of forest acres as there are in Butte County.

Lassen County has 557,766 acres, valued at $6,791,569, or $11.75 per acre. Santa Barbara County has 626,876 acres valued at $1.28 per acre.

Sierra County has a valuation of $23.20 per acre.
San Diego County a valuation of $1.24 per acre.
Caliveras County has a forest value of $23.65 per acre.
Orange County a valuation of $1.24 per acre.
Plumas has a value per acre of $18.36.
Riverside, $1.33 per acre.
Tehama, $20.16 per acre.
Inyo, $2.30 per acre.

Federal, State, city, and county governments levy on assessed or appraised valuations and collect all revenue on valuations. Acres in counties vary in valuation the same as forest acres vary in value, and I submit that it would be just as fair for the State of California to pass legislation forcing San Francisco to divide revenue it receives from taxation in that county and share the same with Alpine and other counties of this State as it would be for the Federal Government to pass laws compelling forest counties to share forest resources with counties having a lesser value and with counties which may never have stumpage sales to share.

During the hearings had by the Select Committee of the Senate on Reforestation in 1923 and 1924 many of the witnesses appearing before said committee gave their opinion that some method should be devised so as to reimburse the counties in which such national forests were located. An extract of a few of such statements is as follows:

PLACERVILLE, CALIF., *February 7, 1924.*

Hon. JOHN E. RAKER,
Washington, D. C.

DEAR JUDGE: I am inclosing you some matter taken from the record of the hearings held by the Select Committee of the Senate on Reforestation. The hearings are filled with statements such as the inclosed, and what I am sending is just one picked here and there to show you the general trend on the question of taxation.

I have read the hearings carefully and find that in the Southern States, the Pacific States (excepting only the redwood district of the Pacific States), Idaho, Montana, the Lake States, etc., that the evidence is to the effect that reforestation, in so far as the individual owner is concerned, is out of the question, due to the taxation problem.

If there is anything further I can do, please let me know. I will be glad to get part 7 of the hearings, as I do want to see the statement of Mr. John W. Blodgett, whom I understand is to have a statement in that number.

With kind personal regards, I remain,
Very truly yours,

C. E. HAND.

Excerpts from statement of Mr. Langdon C. Bell, of the committee on forestry of the Hardwood Manufacturers' Institute. The institute is one of 14 associations of lumber manufacturers and timber owners of the National Lumber Manufacturers' Association.

Who uses the lumber, who is to be benefited by, and who should bear the burden of the expense of a forestry program?

Part 2, page 224:

"We are told by those who ought to know that at the present time there are only 15 timber-exporting States. This means that there are only 15 States producing a greater quantity of lumber than they use. The figures are for all woods.

"We are told that in less than 10 years there will be only five States exporting lumber.

"There are now, we are told, 33 States that are dependent for their timber supply upon other States of the Union.

"Pennsylvania imports four-fifths of its timber; Iowa nine-tenths of the timber it uses.

"The people who live in the 33 timber-importing States include more than three-fourths of the population of the United States. It is claimed that within 10 years the people residing in the timber-importing States will comprise 95 per cent of the entire population of the United States.

"Under these circumstances can there be any doubt about the fact that the forestry problem is a national problem, the expense and burden and risk of which should be borne by the people as a whole?

"Hardwood-lumber manufacturers are entirely in sympathy with the thought that an adequate forestry program should be made effective; as citizens and taxpayers they are willing to carry their fair share of the burden and expense thereof, but they are unwilling for the burden and expense thereof to be placed upon the lumber industry.

"They hold that the hardwood manufacturers should be no more burdened with the cost of such measures than the man who buys the lumber from them and puts it into flooring, interior trim, or furniture, or the man who owns a house in which the wood is used, or the man who lives in it."

From statement of Mr. Carl M. Stevens, of the firm of Mason & Stevens, professional foresters, Portland, Oreg.:

"Mr. STEVENS. Here in the Pacific Northwest we have a very large acreage of timbered land owned by the Federal Government. In approaching this forest problem from the point of view of the private owner we immediately come up against the possible competition from that ownership. We believe that the Federal Government should bear like burdens and do the same kind of business that we will be obliged to do. If they are, we see the solution of a great many problems which now look almost insurmountable.

"A private owner who goes into the business of reforestation will have to sell on the same market that the Government itself sells on. If the Federal Government's legislative branch should instruct its Forest Service to do the same kind of business, to bear the same kind of burden, and to produce a comparable profit as compared to our properties, then there would be no question on the part of, I think, a very large number of the owners in this territory as to what they shall do with their cut-over lands.

"Colonel GREELEY. I would like to get your idea on that a little more specifically, Mr. Stevens. You speak of the Federal Government bearing the same burden.

"Mr. STEVENS. I mean simply this, Colonel Greeley: That, for instance, in one of the properties I am now studying I came up against a national forest. That county has something like 300,000 acres of nationally owned land and an estimate made by the Forest Service of somewhere nearly 8,000,000,000 feet. The people for whom I am working have an acreage very much less than that. I haven't either the Federal or the private figures at hand with me now, but I am absolutely confident that the contribution which has been made to the local community so far by the Forest Service has been practically negligible compared to the support which the private timber has been obliged to furnish.

"Senator MOSES. You mean that the amount of revenue from the national forests that has been paid and the county has received is not comparable to the amount of taxes paid by your client?

"Mr. STEVENS. I would put it this way, Senator MOSES: The problem with these properties out here and with these counties out here is the problem of financing this period after the virgin crop is removed to the time when the second crop will come in, and I mean as a matter of broad policy that if the Federal Government chooses to go into the business of producing wood crops unless they want to assume the whole burden they ought to go into the business of producing wood crops on a footing exactly similar to that in which private companies will have to go into the same business and in order that they can conduct the business in the same way, bear an equivalent burden, and sell on the same basis. In other words, if the Federal Government now owns two-thirds of the acreage and timber in a State or a county and they expect the other one-third owned by private owners to go into the same business, certainly, it seems to me, it is no more than reasonable for the Federal Government to instruct its manager of its estate to do business in exactly the same way." (Part 5, p. 739.)

From statement of Mr. Roscoe Haines, Anaconda Copper Co., Bonner, Mont.:

"The CHAIRMAN (Senator MCNARY). Well, wouldn't that all suggest more seriously that if you should take that land out of private ownership and place it in Government ownership your taxes would be higher?

"Mr. HAINES. They might, but the tendency is to increase the valuations all the time. If they don't get it in one place, they will get it some place else. They have so much revenue to raise; and some of the counties are in the position where they are absolutely dependent on the standing timber for a considerable portion of their revenue, amounting to, between the railroads and the timber, as much as 95 per cent in individual counties.

"* * * but some of the counties are even now getting into a position where they don't know what they are going to do." (Part 5, p. 969.)

From statement of Hon. SCOTT LEAVITT, Representative in Congress, second district, Montana:

"Mr. LEAVITT. That raises the question of the sources of money for carrying on the expense of the counties; and I wonder along that line whether this has been considered: The lumbermen, I think, are holding on as has been testified here to-day to their cut-over lands, to some extent, because they fear that they are going to be the ones who will have to pay the taxes, anyway; and if they let go of these cut-over lands it will mean an increase in the percentage of taxes on the lands they hold that have timber on them." (Part 5, p. 989.)

From statement of Mr. Charles H. Worcester, of 19 South La Salle Street, Chicago:

"Mr. WORCESTER. Due to the local taxation situation, and the fact that there is no incentive for private enterprise to engage in the 100-year process of reforesting lands, and due to the fact that the majority of the people who own these lands would not be able to do it from a financial point of view.

"Senator COUZENS. It would be profitable for the Government but not for the individual?

"Mr. WORCESTER. I do not know that it would be profitable for the Government. It is not a question of profits. The thing has to be dealt with and viewed as an altruistic proposition which the people of the United States have to contribute to for their own benefit.

"Senator FLETCHER. Do you think it would be at a loss to the Government?

"Mr. WORCESTER. It has to be done more in some sections of the country than in others, but the whole people of the United States use so much timber per capita every year and it would seem as if it was necessary in the future for the Government to do something to provide for those needs.

"Senator FLETCHER. Do you mean that the Government might reasonably expect to come out even on such a venture?

"Mr. WORCESTER. I should think so." (Part 4, p. 520.)

Excerpts from letter of President Warren G. Harding to Hon. JOHN D. CLARKE, Member of Congress. Date of letter January 24, 1923. Subject: Proposed Federal forestry bill introduced by Mr. CLARKE:

"No matter how generously the Federal and State Governments may appropriate to create forest reserves or to protect forest lands from fire, private interests should be given every encouragement to do their full share in growing timber, and one of the most effective forms of encouragement is an appropriate liberalization of taxation.

"Many years are required to grow timber of merchantable size, and there is not much inducement to landowners to incur the expense of forestation, protection, and taxes, decade after decade, in order to produce at last a timber crop which a future generation shall harvest."

Excerpts copied from statements of various parties who appeared before the Select Committee of the United States Senate on Reforestation.

Personnel of committee: CHARLES L. MCNARY (chairman), GEORGE H. MOSES, JAMES COUZENS, DUNCAN U. FLETCHER, PAT HARRISON.

Washington, D. C., hearing, Wednesday, March 7, 1923:

Excerpts from statement of Hon. Henry C. Wallace, Secretary of Agriculture:

"The problem of providing adequate revenues for counties whose taxable resource is chiefly forest lands, during the interval when a crop is being grown, has not yet been solved." (Hearings, part 1, p. 6.)

"Twenty-eight States are now importers of timber, and the whole Nation will benefit from the increased production of timber at any point, and (2) the protection of denuded and cut-over areas which will yield no commercial products for many years is of greater moment to the public than to the owner of the land." (Part 1, p. 8.)

"Adjustment of forest taxation: In securing general and sustained timber growth on private lands the adjustment of taxes to the long-time nature of timber crops probably ranks second in importance to fire protection." (Part 1, p. 17.)

"Senator FLETCHER. There might be something in that. But while the public welfare requires that our forests should be maintained and developed, the question in my mind is whether you will ever get it by depending on private enterprise, because the profits are not there; it is not to the individual's advantage to wait so long for the results, and the returns to come from the growing of timber. It seems to me it is a public inter-

est that must be subserved, and the public must take an interest and contribute some way; must engage in some active effort." (Part 1, p. 21.)

Excerpts from statement of Mr. Hugh P. Baker, representing the American Paper & Pulp Association and National Forest Programme Committee:

"I believe that wrong taxing has wiped out more forests in this country than all of the furniture industry has wiped out in this country."

"Chairman McNARY. Now, you have spoken of the tax problem, and that subject interests me greatly. It is one of our problems. You say no tax is collected while the timber is growing, but when it is cut there is a tax as high as 40 per cent of the purchase price which goes to the Government?"

Mr. Baker answering Senator McNARY as follows:

"There is a low land tax, just as we tax our agriculture a low land tax, and then there is a constant land tax, but very low. And then when the timber is cut there is a yield or severance tax, which in some cases has run as high as 45 per cent." (Pt. 1, pp. 30–31.)

Thursday, March 8, 1923:

Excerpts from statement of Mr. Wilson Compton, secretary and manager of the National Lumber Manufacturers' Association, Washington, D. C.:

"Provision may well be made to reimburse local taxing units from the returns from such Government-acquired lands or otherwise for the loss of taxes involved." (Pt. 1, p. 52.)

"If the public is to expect earnest, successful effort by forest industry to perpetuate itself and its resources, there must be an equally sympathetic and helpful attitude toward the problem of the industry exhibited in all contacts with it by the public and by governmental agencies of whatever character. A successful forest policy means more than tree growing." (Pt. 1, p. 52.)

Statement of Col. W. B. Greeley, Chief Forester of the United States:

"Senator COUZENS. Then it all goes back to what was developed in our trip South; that the reforestation depends on taxation and fire, does it not?

"Mr. GREELEY. Those are the two main things; yes, sir." (Pt. 3, p. 289.)

"Congressman LEAVITT. Yes. Of course, this exchange idea appeals to me very much. I believe that as far as the Government and the timber owners are concerned, that is the way out; but that doesn't meet, in my mind, the taxation question. The objection to this exchange is going to come from counties like Flathead, where their source of tax revenue will be cut off. That is where I have heard such talk—in western Montana.

"Colonel GREELEY. They lose, both going and coming, the tax on the private land and the 25 per cent of the value of the timber that is given in exchange—the 25 per cent they would get." (Pt. 5, p. 990.)

"Mr. GREELEY. The point here is that there has got to be a great deal of study and hard work given to the devising of forest tax laws that are effective from both standpoints—the standpoint of taxing growing timber in a reasonable way and also from the standpoint of giving the counties and townships the current revenue they need. It is not a proposition that is going to be worked out overnight. It is going to take a great many years to work it out. And obviously it is something that has got to be worked out and put into effect through State legislation.

"Senator HARRISON. Well, what, if anything, can the Federal Government do along that line?

"Mr. GREELEY. I think that the Federal Government can do a great deal to assist the States by conducting investigations, modeling tax laws, etc.

"Senator HARRISON. You would not do it through the enactment of any law; that is, you would not make it a condition of an appropriation?

"Colonel GREELEY. I do not favor that, Senator. I will come to that in just a moment.

"The CHAIRMAN (Senator McNARY). Pardon me, but before you leave that question of taxation: I can conceive that great hardships will follow such a scheme as a severance tax in counties where there is a heavy forested area." (Pt. 3, p. 317.)

"Mr. GREELEY. Now, that is one of the things I have chiefly in mind in saying that the forest-taxation problem is not a single problem and it is not going to be quickly solved. Before it can be solved you have got to meet the needs of the local political unit for stable revenue, just as well as the needs of the timber owner for some adjustments in taxing his property." (Pt. 3, p. 319.)

"Senator HARRISON. Of course in the West, as I understand, the Government owns great quantities of land that they are not paying any taxes on. Naturally that makes a lot of those counties poor. But in the South that does not exist." (Pt. 3, p. 319.)

"The CHAIRMAN (Senator McNARY). The thought suggested by Senator HARRISON—and it runs through the record—is that 75 per cent of the problem of reforestation is fire protection. You may protect your forests all right from fire, but you are not going to get anyone to take an interest in it and give it that moral support which is necessary to make it a success unless you do get a satisfactory tax law applicable to private property.

"If you were protecting my piece of land from fire, it would not necessarily interest me in reforestation, unless I could satisfactorily adjust that property so far as taxation is concerned." (Pt. 3, p. 319.)

"Senator COUZENS. It seems to me that the questions of taxation and fire protection are so interwoven that they can not be segregated; and if we are to invite or urge or help private capital to reforest, we have got to combine the two. I do not see how you can get away from it. It seems to me that any other way is wasteful.

"Mr. GREELEY. Well, there is no question about their being closely interwoven. The only question in my mind is which method will bring the most rapid progress.

"Senator COUZENS. All of the testimony we took in the South, with a few exceptions, indicate that no private owner of timberland would undertake under any circumstances to grow forests unless he was assured of what the ultimate cost would be over a period of, say, 30 or 40 years. Is that not correct? Was not that the general trend of the testimony?

"Mr. GREELEY. You will find particularly among the large timber companies frequently an expression of opinion that they can not go into it until the tax uncertainty is settled." (Pt. 3, p. 322.)

"Senator McNARY. One of the greatest grievances of the western people of which I know—and I was born there and know whereof I speak on the subject—has been the great areas that the Government ties up and keeps away from development; and naturally you find people rebelling against keeping it off the tax rolls." (Pt. 4, p. 465.)

"Gov. LOUIS F. HART, of the State of Washington. If the Federal Government enters into a program of reforestation independent of the State government, it likewise means adding a considerable area to the Federally owned and controlled lands in this State and taking from the State tax rolls without any corresponding recompense to the State for such protection as it may give.

"Already one-third of the area of this State is in Government reserves, and as long as the burden of local government includes the protection of logged-off lands some arrangement should be made by which the State could be reimbursed for such expenditure without placing an unnecessary burden on the already heavily tax-ridden property of the State.

"Some 20 years or more ago many thousands of acres of our best timberland were set aside into forest reserves for the benefit of future generations. At that time I was unable to understand just what that meant, but as I see billions of feet of the timber on these reserves being sold at low prices and on long time, perpetually keeping them off the tax rolls, I appear to be getting a gleam of light.

"I desire to enter the emphatic protest of this State against the further extension of the principle embodied in the act of Congress of March 20, 1922, whereby the valuable timber of the forest reserves will be traded for logged-off lands neither fit for reforestation or pasturage, and these embraced within the forest reserves, and still further increase the area of nontaxable land." (Pt. 5, p. 804.)

From statement of Mr. F. E. Pape, State supervisor of forestry, Olympia, Wash.:

"The CHAIRMAN (Senator McNARY). What might Congress do in aiding you in the protection of your forests?

"Mr. PAPE. The appropriation should be very largely increased on the basis that Congress is figuring on now which I think is purely an aid proposition, but I think they ought to reach the correct basis on this: That the Government should contribute on its holdings here on about the same basis as private individuals would pay if they were contributing to the support of the State government.

"Colonel GREELEY. Well, the Government is doing that now isn't it, Mr. Pape?

"Mr. PAPE. In a very small way.

"Colonel GREELEY. We are protecting the national forests if that is what you mean.

"Mr. PAPE. You are protecting the national forests, but what about all of this other area that is going off our tax rolls year after year? And I say if the Government is going to say to the State of Washington, 'we want you to grow timber,' then they should come in and contribute their share." (Pt. 5, p. 826.)

"Mr. PAPE. Now, if you are going to say to the State, 'You shall keep 95 per cent or 80 per cent, whatever it is in this State growing timber,' and all of this is going back to your Eastern States to supply your population in the East with lumber, why should the State of Washington be required to put up money year after year in growing these forests without some aid from the Federal Government? That is the view I take of it.

"Senator MOSES. It is not in the power of the Federal Government to demand that, Mr. Pape.

"Mr. PAPE. Well, it might not be in the power of the State to do these things, either; but if you want it done, somebody has got to pay the bill."

Mr. George S. Long, lumber and timber business. (Mr. Long's taxes for the year 1922 amounted to $583,490.) Address at Tacoma, Wash.:

"Mr. LONG. Well, it is an old story, and I can't put any new angles to it except to say that it is a question of taxation and carrying charges. Now, I am talking about that which this hearing is called for in this district, the Douglas fir district; for we face a condition out here, not a theory, an absolute condition, and that pertains to taxation.

"Keeping fire out simply solves the problem that timber will grow. It does not solve the economical problem of growing timber at a profit, and that is what you have got to solve if you ask private individuals to do it." (Pt. 5, p. 838.)

"Mr. LONG. That is what these forests are for; they are for everybody. That is the reason you are talking about growing it. It is to supply the future needs of our own countrymen. It is a public stunt; it is a public effort; it is no more the duty of the lumberman than it is of the dentist. You are growing a forest for posterity; for the public, and the public should pay the bill.

"Senator MOSES. Of course, the most popular tax in the world is the one that the other man pays.

"Mr. LONG. Yes; that is what I mean, and if we are to take part in this growing of a new forest by everybody contributing a mite to it it might be popular; I don't know. But if that were done everybody would have an interest in it, but I think that it is one of the things that is very, very largely the public's question; the public's interest; the public's duty.

"I would not enter upon the game of reforestation at all, Colonel Greeley, if they didn't fix the tax question first. Then when you fix that I will divide the other expense any old way you want to. If you will take care of the tax question, I will take care of all of them. So far as the Weyerhauser Timber Co.'s costs are concerned, I won't ask you to divide it at all. We will take care of all of it ourselves if you will take care of the tax question.

"Colonel GREELEY. You see I am working from the opposite standpoint. Let us take care of the fire protection and let you take care of the tax proposition.

"Mr. LONG. I know that is the favorite stunt, as I just told you. You see the tax figures there [indicating tax statement filed by Mr. Long]. That is my position there. No; I don't think that we want to get an eclipse over our eyes because of this nice, beautiful theory that all we have to do is to keep the fire out of the timber. That is 'fine stuff,' and it is right that the timber will grow; while that will take care of the physical question, yet you have questions more vital than the physical question in this game.

"Colonel GREELEY. My position is simply this, Mr. Long: I appreciate the importance of the tax situation fully; at the same time I don't believe, taking the western forestry districts by and large, that the present or probable taxation of cut-over land is nearly as large an obstacle as you seem to view it.

"Mr. LONG. Well, are you talking about to-day?

"Colonel GREELEY. Yes, sir.

"Mr. LONG. I am talking about to-morrow, the next day, 5 years from now, 10 years from now, 20 years from now, 30 years from now, when during all of that period I can't withdraw from that property one single cent of revenue. I have got to pay the taxes every year, every year, every year, for 30 or 40 or 50 or 60 years; and I have got to take all the ups and downs that represent public whims about taxation—such a 'blind alley' that no man with one grain of common sense would ever start without some kind of a flash light to at least tell him where he must get off. That is the proposition. You are jumping into the unknown, absolutely the unknown, except as the past has told the story, and there is a record of the past in taxation matters.

"Colonel GREELEY. You anticipate a proportionate rise of taxation on cut-over lands?

"Mr. LONG. As soon as they come to have a value, Colonel Greeley; yes; sure. What else can they do? What else can they do? What would the necessities of public sentiment do to the Weyerhauser Timber Co. if we had 100,000 acres of second-growth timber out here 25 years old, or 20 years old? They would say, 'Well, now, in about 10 or 15 years more that is going to be worth $100 an acre, so it is worth $50 an acre now.' You could not stop that any more than you could the tides of the ocean, so far as taxation is concerned, or any other matter; and you should realize that sentiment if you want private citizens to engage in the business of growing forests under existing tax laws." (Part 5, pp. 843–844.)

From statement of Hon. Alex Polson, State senator, logger, and manufacturer, Hoquiam, Wash.:

"We can't carry it and pay the taxes, because by and by it will commence to produce forests, and the tax assessor will think they are valuable and begin to assess them at high values that will confiscate them. We will have to have some relief from taxes when that time comes or get out of the business.

"Senator FLETCHER. You have your forest-fire protection system better organized now?

"Mr. POLSON. We can protect the forests against everything except taxes, and we would like to have you help on that. On everything else, I think, we are equal to the occasion—everything except taxes. If you can help us out on the tax problem we certainly will appreciate it.

* * * * * * *

"Mr. POLSON. You will have plenty of timber in the East if you will take some interest in the reforesting of it. I do claim that in all of these five States we are entitled to all of the revenue from the forests and the mines and everything in our States, just the same as the eastern man had. With all due respects to Governor Pinchot, his fortune was left to him by his forefathers, who made it out of the natural resources of the eastern country." (Part 5, p. 866.)

From statement of Mr. J. J. Donovan, Bloedel-Donovan Lumber Co., Bellingham, Wash.:

"Mr. DONOVAN. Now, in this western country, or the five States that are timber-producing States, a statement has been prepared and has been or will be submitted to you in print—I believe it is already before you—showing that about two-thirds of the entire timbered area of these five States is owned by the State or the Nation, and that about one-half of all of the merchantable timber of these five States is on that two-thirds area." (Part 5, p. 858.)

"The Western States, with their forests, were not treated exactly right in having such a large portion of their area reserved to the National Government as compared with the Eastern States, and therefore we rather resent the Eastern States telling us just what we should do with these forests and taking all of the money away and spending it somewhere else." (Part 5, p. 860.)

From statement of Hon. Nathan Eckstein, member of the State tax investigation committee of the State of Washington:

"I think, first of all, the Federal Government should give the State full return for the national forests which the Government owns, and that is not being done. It must be possible that we are one of 48 States. The rest of the country had all of the land given the individual owners, and is now on the tax rolls.

"If the Federal Government had not kept the land, we would have it on the tax rolls now and would get a revenue from it." (Part 5, p. 857.)

From statement of Mr. William C. Butler, Lyman Timber Co., Everett, Wash.:

"Mr. BUTLER. I think if the State was properly supported by the Nation, under the distinct program that you were building or you were growing a forest for the public at large, then I think the county would do anything, provided they got some financial assistance. They must have some financial assistance, because they have got all of these improvements which you have heard described; they have got these obligations and they must get something on the tax rolls or must get contributions or taxes from some source." (Part 5, p. 853.)

From Mr. Mark E. Reed, logger, Shelton, Wash.:

"Well, I think, as Mr. Long does, that the greatest problem we have to face is taxation. If there is any way by which the National Government could make a contribution direct out of the forest reserve sales to the State to be apportioned back to the counties, the several counties of the State, irrespective of the reforestation problem in the meantime, we might be able, where the people of these counties saw some real money coming back from the Government, to reimburse them * * * there has got to be something to offset the prejudice they have that a reduction of values of land for reforestation purposes will not increase their taxes." (Part 5, p. 851.)

From statement of M. L. T. Murray, West Fork Timber Co., Tacoma, Wash.:

"Senator FLETCHER. You want a portion of that tax to go to the counties and not all to the State?

"Mr. MURRAY. Of course something would have to be worked out to take care of the counties that would naturally lose from any such system (referring to reforestation).

"The CHAIRMAN (Senator McNARY). Is it your opinion that the increase in the value of stumpage would absorb the item of taxes over a period of years?

"Mr. MURRAY. I could not answer that question, Senator, because that is looking into the dim future. I would not want to take a chance, personally, on it." (Part 5, p. 833.)

Mr. John S. Bradley, of the Bradley Logging Co.:

"Mr. BRADLEY. I give my opinion as to the problem of reforestation. I am convinced that this can not be successfully accomplished by the private owner alone. The annual menace of forest fires, over which he has very little control, practically forbids the attempt; besides, the excessive cost of interest and taxes levied annually upon his holdings urge upon him the necessity of harvesting his crop as rapidly as possible." (Part 5, p. 800.)

From statement of Mr. A. W. Laird, of Potlatch, Idaho, president of Western Forestry & Conservation Association, president of the North Idaho Forestry Association, and president of the Potlatch Timber Protective Association:

"Senator MCNARY. Government increase of fire protection, would that be inducement sufficiently for timbermen privately to reforest?

"Mr. LAIRD. Not without relief from taxation.

"The CHAIRMAN. Yes; so there are two factors?

"Mr. LAIRD. Yes, sir; they are important ones. You see, Idaho has a very large part of its domain in the national forest reserves and is a State with only 400,000 people in it, so the tax burden on the people who have property, who have to pay taxes, is quite a considerable bill.

"The CHAIRMAN. The extent of the Government's holding in Idaho is 69 per cent or greater.

"Senator FLETCHER. Mr. Laird, you might consider this thought in connection with the demand for relief from taxation on cut-over lands: Whether you want to delay until you can get the State to say that they will not tax cut-over lands at all for a period of years, or only nominally, as you suggest the counties must have some money, some income, in order to pay their expenses. Now, if they relieve cut-over lands from taxation, won't they have to make it up by increasing the tax on your timberland; so that in the end you would not save so much after all?" (Pt. 5, p. 890.)

From statement of Mr. C. L. Billings, land agent of Edward Rutledge Timber Co., Coeur d'Alene, Idaho:

"Mr. BILLINGS. In discussing whether or not we can cut down taxes on cut-over land I just want to leave this impression with you gentlemen. It is obvious to all of us that, having certain bills to meet, you have to have the valuation to assess your levy against to reach it, to meet them. So long as we live here—that is, so long as the timber industry lives here and pays taxes—we can take it for granted, no matter what kind of tax reform is put in, it can only tap taxable property of the tax rolls and put it in either Federal or State ownership, the burden of taxation has got to remain on what you have left. We will get our share of that increase, and that tax will be directly in proportion to the tax that we are already paying." (Pt. 5, p. 907.)

From statement of Mr. H. G. Miller, president Kalispell Lumber Co., Kalispell, Mont.:

"Senator MCNARY. Well, assume that you remove the trees and it takes a hundred years to grow a new crop, and that the Government and the State owned the land; how are you going to support your county and State governments during that period?

"Mr. MILLER. When the county authorities come to that bridge they will find a way to cross it, and they will make up that deficit in their budget by putting the tax on the industry—the logging and the lumbering.

"At the present time I will tell you what would practically take effect. If the process of the lands passing into the hands of the Federal Government takes place, it will create a deficit in county finances. The deficit will be made good by a direct tax, in my opinion—by a direct tax on logs and lumber products. In relieving the industry of these taxes you are simply going around the block and coming back, and will depend on the same people for the same tax." (Pt. 5, p. 951.)

From statement of Judge Marvin E. Rosenberry, judge of the Supreme Court of the State of Wisconsin:

"Judge ROSENBERRY. The first proposition to be considered is the matter of taxation. Speaking from the standpoint of towns, villages, and counties, and particularly where the State has acquired large areas, they find it very difficult to adjust their local requirements to the matter of taxation. * * * As a proposition otherwise than acquiring the property outright by either the State or the Federal Government it seems to me the fundamental problem relates to taxation." (Pt. 4, p. 558.)

Statement of John W. Blodgett, president of the National Lumber Manufacturers' Association, Grand Rapids, Mich.:

"The CHAIRMAN. Do you want the private owners to go out of the forestry business and turn it over to the Government?

"Mr. BLODGETT. I have been reluctantly driven by quite a survey of the situation to the conclusion that only by such action on the part of the Federal Government will we get anywhere.

"I hope that the committee will not lose sight of this one fundamental fact: That whenever economic conditions warrant individual operation and initiative you can rely upon the American business man to step into that breach just at the very first moment, and then the function and the duty of the Government will cease so far as buying large tracts of land is concerned, but that time is so far in the future and the necessity of action is so imminent that we are up against the other proposition."

I wrote the following letter to each State forester, inquiring what provision the States had made for such reimbursement when the State owned forest lands:

Hon. ——— ———,
State Forester, ——— ———.

In re: Taxation—State-owned forests.

MY DEAR SIR: Would you kindly advise me what provisions, if any, have been made by your State relative to reimbursement for taxes lost by the State by reason of State-owned forests? In other words, has your State made any provision for the State and county reimbursement by reason of loss of taxes when the State has obtained and now owns forest lands which are not subject to direct taxation as privately owned lands?

If it would be convenient for you to furnish me copy of such laws or synopsis and citation thereof, I would appreciate it very much. Kindly send same to my address, Room 292, House Office Building, Washington, D. C. I am,

Yours most truly, JOHN E. RAKER, M. C.

The States of Pennsylvania, New Jersey, Michigan, Massachusetts, Connecticut, Vermont, and New York replied, showing that the State provided a tax against State forest lands, which is turned over to the counties, townships, or cities in which the State forest land is located.

These letters are as follows:

PENNSYLVANIA DEPARTMENT OF FORESTS AND WATERS,
Harrisburg, January 29, 1924.

Hon. JOHN E. RAKER, M. C.
Washington, D. C.

MY DEAR MR. RAKER: Your letter of January 19 and copies of House and Senate bills Nos. 148 and 1553 are received.

The Commonwealth of Pennsylvania made the first purchase of State forest land in 1898. Additional tracts were added from time to time, and the State forests now comprise 1,130,510 acres.

It was necessary to reimburse townships wherein State lands were located so that they would not be entirely deprived of taxes from these tracts. With this in view, acts were passed providing a fixed annual charge of 5 cents per acre on all State forest land.

The auxiliary forest reserve laws, which were passed in 1913, provide a separate classification for privately owned timberlands. Lands so classified are assessed at not more than $1 per acre. A fixed annual charge of 4 cents per acre for school and road purposes is paid by the Department of Forests and Waters to townships wherein auxiliary forest reserves are located. As a rule, timberlands in Pennsylvania are not assessed unreasonably high, and to date but 26,213 acres have been placed in this class.

Copies of the laws authorizing the purchase of State forest land, the payment of fixed charges on timberlands for school, road, and county purposes, and the classification of auxiliary forest reserves are attached.

Sincerely yours, R. Y. STUART,
Secretary.

STATE OF NEW JERSEY,
DEPARTMENT OF CONSERVATION AND DEVELOPMENT,
Trenton, March 13, 1924.

Hon. JOHN E. RAKER,
Member House of Representatives, Washington, D. C.

DEAR SIR: I am sorry to have been rather tardy in replying to your inquiry of March 3 relative to forest taxation. I am inclosing a copy of the latest printed edition of our forestry laws. This booklet is now in process of revision. However, the provision dealing with forest taxation, as given in section 6, chapter 47, P. L. 1905, on page 7, and chapter 214, P. L. 1908, given on page 10, will give you the text of the legislation as it now stands in connection with the tax situation on State-owned forest land.

There is no exemption from taxation or any tax preference on forest land in New Jersey aside from this provision for State forest property.

DEPARTMENT OF CONSERVATION AND DEVELOPMENT.
C. P. WILBER, *State Forester.*

STATE OF MICHIGAN,
DEPARTMENT OF CONSERVATION,
Lansing, March 8, 1924.

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

DEAR SIR: Your letter of March 3 is received.

Act 116, Public Acts of Michigan, 1917, provides that a flat rate of 5 cents per acre on all lands to which the State owns title shall be paid to the separate counties in which such lands are located. This is for construction and improvements of highways and is in lieu of any and all taxes assessed on State lands under previously existing statutes.

I am sorry that we can not furnish you with a copy of this law, as our supply is exhausted.

Very truly yours, MARCUS SCHAAP, *State Forester.*

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF CONSERVATION,
DIVISION OF FORESTRY, STATE HOUSE,
Boston, March 6, 1924.

Hon. JOHN E. RAKER, M. C.,
Room 292, House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: Your letter of March 3 regarding taxation of State-owned forests received. I inclose copy of the sections of our general laws which apply to this taxation. You will note in section 13 it is stated "in 1925," etc. This is simply an extension of the date in the new revision of our general laws, but the same operation has been taking place for a long time.

I am also inclosing a copy of our forest taxation law, which was passed two years ago, which I think will be of interest to you, to show the way we are handling the taxation of private forest lands.

If I can be of any further service to you, please let me know.

Very truly yours,
WM. A. L. BAZELEY, *Commissioner.*

REIMBURSEMENT FOR LOSS OF TAXES ON LAND USED FOR PUBLIC INSTITUTIONS, ETC.

[General Laws, ch. 58]

SEC. 13. In 1925 and in every fifth year thereafter the commissioner shall between April 1 and June 1 determine as of April 1 the fair cash value of all land in every town owned by the Commonwealth and used for the purposes of a public institution under the department of mental disease, the department of public welfare, or the department of correction, a fish hatchery or game preserve, a State military camp ground, or a State forest. This determination shall be in such detail as to lots, subdivisions, or acreage as the commissioner may deem necessary, and to assist him in making it he may require oral or written information from any officer or agent of the Commonwealth or of any town therein and from any other inhabitant thereof, and may require such information to be on oath. Such officers, agents, and persons, so far as able, shall furnish the commissioner with the required information in such form as he may indicate within 15 days after being so requested by him.

SEC. 14. The commissioner, under the preceding section, not later than June 10 of each year in which he makes such determination, shall notify the assessors of each town where the Commonwealth owns land for the purposes therein named of his determination of the value of such land in such town. A board of assessors aggrieved by said determination may, within 10 days after the date of the notice, apply for a correction thereof to the board of appeal from decisions of the commissioner of corporations and taxation. Said board shall give a hearing to such assessors not later than July 15 following, and shall seasonably notify them and the commissioner of the time and place of the hearing. After the hearing said board of appeal shall notify said board of assessors and the commissioner of its finding as to the value of the land in question, and its decision shall be conclusive.

SEC. 15. The valuation determined under the two preceding sections shall be in effect for the purposes of sections 13 to 17, inclusive, during the year in which such valuation is made and the four succeeding years, and until another valuation is made under said sections, except that whenever land is acquired by the Commonwealth for the purposes named in section 13 the commissioner shall adopt the assessed valuation of said land made in the year last preceding such purchase, and such assessed valuation shall be the valuation of the land for the purposes of sections 13 to 17, inclusive, until a new valuation is made by the commissioner under sections 13 and 14.

SEC. 16. In every year, not later than August 1, the commissioner shall deliver to the State treasurer a statement as to the value of land subject to sections 13 to 17, inclusive, in each town and of the amount of money to be paid to each of such towns as determined by the following section.

SEC. 17. The treasurer in every year, not later than November 15, shall reimburse each town in which the Commonwealth owns land for the purposes named in section 13 an amount in lieu of taxes upon the value of such land as reported to him by the commissioner under the preceding section, determined by multiplying each thousand dollars of valuation or fractional part thereof by the rate provided for under section 58 of chapter 63.

[Chap. 360]

An act providing for the taxation of forest products and the classification and taxation of forest lands

Be it enacted, etc., as follows:

SECTION 1. The General Laws is hereby amended by striking out chapter 61 and inserting in place thereof the following:

CHAPTER 61

TAXATION OF FOREST PRODUCTS AND CLASSIFICATION AND TAXATION OF FOREST LANDS

SECTION 1. An owner of forest land, valued on the town tax list of the preceding year for land and growth at not more than $25 per acre, and which does not contain more than 20 cords per acre on the average, but which is so stocked with trees as to promise a minimum prospective average yield per acre, exclusive of water, bog, or ledge, of 20,000 board feet for softwoods or 8,000 board feet for hardwoods, or for mixtures of the two, such volume between said limits determinable by the relative percentages of the two classes of growth, may apply in writing to the town assessors to have said land listed as classified forest land, and such application shall contain a description of said land sufficiently accurate for identification.

SEC. 2. Within 30 days after the receipt of said application the assessors shall decide whether the property fulfills the requirements for classification and shall notify the owner of their decision, giving their valuation of the tract as land alone, and if within 10 days of notification the owner accepts their decision the assessors shall give him a certificate containing the name of the owner and a description of the parcel to be classified, and stating that the land described conforms to the requirements for classification under this chapter. Upon the recording of this certificate by the owner in the registry of deeds for the county or district where the land lies, the parcel shall become classified forest land. Each parcel of land so classified shall thereafter be designated in the annual valuation list of the town, in the column provided for the description of each parcel of land, as classified forest land so long as the parcel remains so classified. The valuation and tax annually assessed upon land classified under this chapter shall not include the value of forest trees growing thereon. When classified forest land is sold or otherwise changes title, the obligations and benefits of this chapter shall devolve upon the new holder of the title.

SEC. 3. The standing growth on classified forest land shall not be taxed, but the owner of such land, except as hereinafter provided, shall pay a products tax of 6 per cent of the stumpage value upon all wood or timber cut therefrom, and one-tenth of such taxes collected by the town shall be paid to the State treasurer. Trees standing on such land shall not be included in the town valuation in apportioning the State or county tax among the towns. But an owner of classified forest land may annually cut, free of tax, wood or timber from such land, not exceeding $25 in stumpage value: *Provided*, That such wood or timber is for his own use or for that of a tenant of said land only. Buildings or other structures standing on classified forest land shall be taxed as real estate with the land on which they stand. Classified forest land shall be subject to special assessments and betterment assessments. The owner shall make a sworn return to the assessors before May 1 of each year of the amount of all wood and timber cut from such land during the year ending on the preceding April 1.

SEC. 4. When in the judgment of the assessors classified forest land contains on the average per acre 25,000 board feet for softwoods or 10,000 board feet for hardwoods, or for mixtures of the two, such volume between said limits determinable by the relative percentages of the two classes of growth, they shall notify the owner that two years from date of notification the forest products tax of 6 per cent of the value of the standing timber based on the above volumes will be levied and that the land and timber will at that time be taken from the classified list and placed in the general property tax list. Should the owner elect to reduce within two years the volume of timber below the volume mentioned in the preceding sentence the land shall remain classified; but, if at the end of five years from time of cutting, the growth stock on the tract does not meet the requirements for classification contained in section 1, the tract may be taken from classification by the assessors and any taxes due thereon collected. An owner may withdraw his land from classification at any time by the payment of the land tax and the forest products tax of 6 per cent on the estimated value of the standing timber. Within 30 days after an owner requests to withdraw his land from classification the assessors shall determine the taxes due thereon, which shall be paid before the land is taken from the classified list. When in the judgment of the assessors classified forest land becomes more valuable for other use than the production of trees they may, after 30 days' notice, withdraw said land from classification, and any taxes due thereon shall be paid at

the time of withdrawal: *Provided*, That the owner may appeal from such withdrawal to the commissioner, whose decision shall be final. Whenever land is withdrawn from classification the assessors shall record in the registry of deeds for the county or district where the land lies a certificate setting forth such withdrawal and containing reference by book and page to the record of the certificate under which said land was classified.

SEC. 5. In case of dispute as to the eligibility of land for classification or as to the volume of wood or timber contained on such land or cut therefrom, either party may appeal to the State forester, who shall examine the property and hear both parties, and whose decision shall be final.

SEC. 6. Any owner of classified forest land who fails to comply with the requirements of this chapter shall, upon conviction thereof, be punished by a fine of not less than $10 nor more than $500, and in addition to said penalty the land may be withdrawn from classification by the assessors.

SEC. 7. Notwithstanding the passage of this act, all land and the trees, wood, and timber thereon which are on the date when this act takes effect subject to the provisions of chapter 61 of the General Laws shall continue to be subject thereto in accordance therewith.

(Approved May 2, 1922.)

STATE FORESTER, STATE FOREST FIRE WARDEN,
Hartford, Conn., March 5, 1924.

Mr. JOHN E. RAKER, M. C.,
House Office Building, Washington, D. C.

MY DEAR MR. RAKER: I am in receipt of your letter of the 3d, relative to forest taxation, and take pleasure in sending you a copy of our forest laws. You will see on pages 33 to 41 laws relating to taxation. The statute relative to the taxation of State forests is on page 41. We have felt from the first that if we should try to set aside State forests without providing for taxation there would be opposition on the part of the local citizens.

If there are any further questions in regard to this subject, I shall be glad to hear from you.

Yours very truly,

A. F. HAWES, *State Forester.*

COMMISSIONER OF FORESTRY, STATE OF VERMONT,
Montpelier, March 11, 1924.

JOHN E. RAKER, M. C.,
House Office Building, Washington, D. C.

DEAR SIR: Your letter of March 3d in regard to taxation of State-owned forests has been received, and we are pleased to hand you copy of No. 28 of the Acts of 1919, which has to do with this subject.

If we can be of further assistance to you, we shall be glad to have you call on us.

Very truly yours,

FOREST SERVICE,
By IDA P. CALCOGNI, *Secretary.*

No. 28. An act to amend sections 465 and 722 of the General Laws relating to the classification of State forest reserves for tax purposes

It is hereby enacted by the General Assembly of the State of Vermont:

SECTION 1. Section 465 of the General Laws is hereby amended so as to read as follows:

"SEC. 465. State forests; taxation: The governor is hereby authorized, upon recommendation of said forester, to accept gifts of land to the State, the same to be held, protected, and administered as a State forest reserve. All proceeds from the sales of timber or other products from such lands shall be paid to the State treasurer and be used at the discretion of said forester in the furtherance of the forestry interests of the State. All lands held as State forest reserves shall be appraised under the provisions of section 722 of the general laws and set to the State in the grand list of the town where located, and the State shall pay taxes thereon."

SEC. 2. Section 722 of the General Laws is hereby amended so as to read as follows:

"SEC. 722. Young timberlands; classification; special tax: Land fully stocked with forest trees not more than 15 years old, except scattered trees the presence of which does not increase the assessed value of the property; land incompletely or partially stocked with forest trees not more than 15 years old, when planted with a sufficient number of additional trees to assure a spacing of approximately 6 by 6 feet over the entire area; lands held as State forest reserves, and open land planted with not less than 1,000 forest trees to the acre, shall be classified as forest land: *Provided*, In each case that the trees planted are of the following species: Ash, basswood, oak, maple; white, Scotch, or Norway pine; European larch, white or Norway spruce, or any other species approved by the State forester: *And provided further*, That said forester approves the manner in which the trees are planted: *And provided further*, That such land is outside the limits of a city or village. Land so classified shall thereafter be taxed annually under the general tax law at the local rate on a valuation of the land alone, such valuation to be established by the listers at the time of classification, in no case to exceed $3 an acre, and such valuation shall be maintained until the year 1950. In such year the land alone shall be revalued without regard to the above limit, and the valuation then established shall be maintained for a further period of 50 years, taxes being levied annually under the general tax law on such valuation at the local rate. Whenever a commercial cutting is made, the owner of the timber shall pay a special tax on the gross stumpage value of the amount cut, which is hereby assessed at 10 per cent of such value."

STATE OF NEW YORK,
CONSERVATION COMMISSION,
Albany, March 5, 1924.

Hon. JOHN E. RAKER,
Washington, D. C.

DEAR SIR: We are in receipt of your letter of March 3, 1924, relative to taxation of State lands of the forest preserve.

The forest preserve was created by chapter 283 of the Laws of 1885, the lands were at that time exempt from taxation. The next year provision was made for the payment of taxes on said lands by chapter 280 of the Laws of 1886.

Our tax laws were codified in 1896, and provision was made therein for the taxation of forest-preserve lands by chapter 908 of the laws of that year. The provision has been changed slightly from time to time, the last amendment being chapter 650 of the Laws of 1923.

By reference to the laws mentioned we think you will obtain the information that you desire.

Very truly yours,

ALEXANDER MACDONALD, *Commissioner.*
By A. B. STROUGH, *Land Clerk.*

The States of Minnesota, Washington, Wisconsin, and Maryland are working along the line of the "Hand plan" as it affects State forest lands, as will appear from the letters of Sate officers of said States:

MINNESOTA STATE FOREST SERVICE,
OFFICE OF THE FORESTER,
St. Paul, March 11, 1924.

Hon. JOHN E. RAKER, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: I have your letter of March 3. This State has not made any provision whereby townships or counties are reimbursed for taxes on account of State-owned lands. At the last session of the State legislature this department drafted a bill for reimbursing townships for the loss of taxes due to the location of State forests within their boundaries. No action was taken on this bill. For your information I am inclosing herewith a copy of the bill.

I would suggest that you get in touch with the State Forester of Pennsylvania. This State has such a law on its books, and it has been working for some time. I am sure that you will be able to get very good information from them.

Yours very truly,

G. M. CONZET,
Acting State Forester.
By ARTHUR F. OPPEL,
Supervisor of the New State Forests.

An act providing a fixed charge on lands acquired by the State for State forests, and the distribution of revenue so derived for school, road, and general revenue purposes in the townships in which they are located.

Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. That from and after the passage of this act all lands now acquired or hereafter to be acquired by the State for State forests and which now are exempt from taxation shall be subject to an annual charge of 3 cents per acre for the benefit of the townships in which State forests are located, one-third of the revenue to be used for the benefit of the schools, one-third for the benefit of the roads, and one-third for general revenue purpose of the township.

SEC. 2. The State forester shall certify to the respective school districts and townships throughout the State in which State forests are located, and to the State treasurer the number of acres owned by the State therein for State forest purposes and the amount of charge in favor of each district and township. The State forester shall draw his warrant in favor of each of the treasurer of each said school district and each said township treasurer, which said warrant after the approval and counter signature of the State auditor shall be paid by

the State treasurer to the respective school districts or townships in whose favor the same may be drawn.

SEC. 3. There is hereby appropriated from the general revenue fund of the State out of any moneys not otherwise appropriated the sum of $20,000 for the fiscal year ending June 30, 1924, and $20,000 for the fiscal year ending June 30, 1925, which shall be credited to the forestry board to be used therefor as provided in this act.

SEC. 4. All acts and parts of acts inconsistent with this act are hereby repealed.

STATE OF WASHINGTON,
DEPARTMENT OF CONSERVATION AND DEVELOPMENT,
Olympia, March 11, 1924.

Hon. JOHN E. RAKER,
House Office Building, Washington, D. C.

DEAR SIR: Replying to your letter of March 3 relative to taxation of State-owned forests you are advised there is no provision for reimbursements of counties on lands acquired by the State; in other words, the counties derive no taxes from State-owned lands.

We are inclosing a bill introduced in the last legislature whereby the State could automatically acquire forest lands which have reverted to the county for nonpayment of taxes, the State to administer and protect the timber on such lands until it is of commercial value. Upon the sale of the timber the State would deduct enough money to cover the cost of administration, and the balance would revert to the counties. This bill was defeated.

We are also inclosing a copy of the forest protection laws of Washington, and call particular attention to page 29, chapter 3, "Reforestation."

Yours very truly,

T. J. GOODYEAR,
Assistant State Supervisor of Forestry.

CONSERVATION COMMISSION,
STATE OF WISCONSIN,
Madison, Wis., March 7, 1924.

Hon. JOHN E. RAKER, M. C.,
Washington, D. C.

DEAR SIR: Your letter of the 3d received regarding the taxation of State-owned forest land.

Wisconsin has approximately 400,000 acres of public land. Of this acreage, 159,000 acres was purchased for forest reserve purposes and the bulk of it is blocked up in two counties. In our State there are no unorganized areas. Every part of the State has a town, county, and State government, and in the towns in the State land areas the percentages of State-owned land run as high as 60 per cent. This has always constituted a very serious grievance in the eyes of the local inhabitants, inasmuch as the State is barred by the uniformity laws of its constitution from returning to the towns and counties any tax money in lieu of the exemptions on lands held for forest, park, or other public purposes.

There is some effort made by the State to partially reimburse these towns by assisting in the construction of roads on these State-owned lands, but everything considered no tax money is paid back to the local governments by the State on account of the taxes lost by reason of the State owning forest or park properties. This has always been a sore spot in these communities and one of the things that has led to serious opposition to a forest program in this State. It will be necessary for a constitutional amendment to be passed before this situation can be remedied. I regret that we do not have any pamphlets that would detail this situation in a more precise way. In case you want any further information we shall be glad to be at your service.

Very truly yours,

C. L. HARRINGTON,
Superintendent of Forests and Parks.

AGRICULTURAL AND MECHANICAL COLLEGE OF TEXAS,
College Station, Tex., March 11, 1924.

Hon. JOHN E. RAKER,
House Office Building, Washington, D. C.

DEAR MR. RAKER: Your letter of March 3 is received. The last legislature appropriated a small sum for buying several thousand acres of State forest lands, and it is the intention to add to this acreage from year to year by additional purchases. The initial appropriation granted by the last legislature was in the shape of a rider to our general forestry appropriation bill and contained no reference to the payment of taxes. I have discussed the matter of taxing State forests with a number of our legislators and members of the Texas Forestry Association. The general conclusion seems to be that as our State forest acreage increases the next legislature or the one following will make provisions to have the State forests pay the local and county taxes.

Yours very sincerely,

E. O. SIECKE,
State Forester.

UNIVERSITY OF MARYLAND, STATE DEPARTMENT OF FORESTRY,
Baltimore, Md., March 7, 1924.

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

DEAR SIR: I have your letter of March 3, inquiring about provisions for reimbursing the local units for loss of taxes on State forest lands.

Under our existing laws, State-owned lands are exempt from both county and State taxes. Up to the present time we have acquired such small areas of State forest that the loss of taxes has not been considered a serious problem. We do, however, realize that if the State embarks on an acquisition policy, such as we are now advocating, it will be necessary to pay into the county revenue on such lands in lieu of the loss of taxes.

The plan we have in mind is similar to that in Pennsylvania, where the State would pay on a basis of 5 cents per acre to the county for road and school purposes on land held in State forests.

Very truly yours,

F. W. BESLEY, *State Forester.*

The other States replied that no provision had as yet been made for such reimbursement.

The Acting Forester, Mr. E. A. Sherman, of the United States Forest Service, furnished me with a compilation of the laws of certain States which pertain to the taxation of State-owned forests. The letter and compilation are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, February 26, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

DEAR MR. RAKER: With further reference to your letter of February 7:

I take pleasure in attaching herewith a compilation of the provisions in State laws which pertain to the taxation of State-owned forests. In supplying this, however, I wish to state that our information on the subject is not complete.

In the case of Massachusetts, for instance, we have compiled the laws, as you will note, through the regular sessions for 1915, and since that time we have compiled only the laws for 1921. There is a period of six years in which the laws of Massachusetts have not been compiled by this office. The same is true for the various other States in different degrees. For up to date information on the subject, therefore, it would be my suggestion that you take this matter up with each of the States which have State forestry departments.

I am inclosing a list of such departments for your information, if you wish to follow that course.

Very sincerely yours,

E. A. SHERMAN, *Acting Forester.*

PROVISIONS IN STATE LAWS PERTAINING TO TAXATION OF STATE-OWNED FORESTS

Massachusetts, through regular session, 1915: Land acquired under this act (L. 1914, ch. 720, which permits acquisition of lands for State forests) shall be exempt from taxation; but the Commonwealth shall reimburse cities and towns in which such lands are situated for taxes lost by reason of their acquisition in the same manner, and to the same extent as in the case of lands acquired for public institutions under the provisions of chapter 607 of the acts of the year 1910. (That chapter requires the tax commissioner beginning in the year 1910 and every fifth year thereafter, to deliver to the State treasurer a statement as to the value of lands owned by the State and used for public institutions in each city and town. The rate per thousand for which the State shall reimburse cities and towns is required to be equal to the average of the annual rates for the three preceding years. As amended by chapter 282, Laws of 1921, the assessed valuation of State forest lands every five years, beginning in 1925, shall be reduced by deducting therefrom the value of all forest products removed from such land between the 1st day of April on which it was last assessed, and the 1st day of April in the year in which the reimbursement is to be made.)

Michigan: Provision is made (act 116 of the Public Acts of 1917) for the payment yearly by the State into the treasury of each county in which is located any State-tax homestead or State swamp lands under the control and supervision of the Public Domain Commission a tax of 5 cents per acre, or major portion thereof, for all such lands as belong to the State, said funds to be expended upon trunk-line highways within the county, if there are such; otherwise upon the other highways of the county.

Minnesota: Itasca State Park: Forestry board is authorized to accept for the State of Minnesota donation of land within the limits of the park; and the donors may reserve to themselves for a period not exceeding 10 years from the date of such donation the right to cut and remove from the said lands all the white pine, Norway pine, jack pine, spruce, cedar, tamarack, and balsam timber 8 inches in diameter and over. All the taxes levied on such timber which the donors may reserve to themselves shall be paid by the State of Minnesota for a period not exceeding 10 years,

New Jersey, through regular session, 1915: The title of all lands acquired by the State for forestry reservations shall be taken in the name of the State, and all such forestry reservation lands shall be exempt from taxation from the time of their acquisition.

There shall be paid annually to the treasurer of each township or other municipality in which lands are held as State forest reserves, under the act to which this act is a supplement (L. 1905, ch. 47) the sum of 2 cents per acre for each acre of such reserve in said township or other municipality.

New York, through regular session, 1918: All wild or forest land within the forest preserve and also all such lands owned by the State in the towns of Altona and Dannemora, county of Clinton, except the lands in the town of Dannemora upon which buildings and inclosures are erected and maintained by the State for the use of State institutions, together with said buildings thereon, shall be assessed and taxed at a like valuation and rate as similar lands of individuals within the counties where situated. No tax for the erection of a schoolhouse or opening of a road shall be imposed on the State lands unless such erection or opening shall have first been approved in writing by the conservation commission.

North Carolina, through regular session, 1915: Said State forests shall be subject to county taxes assessed on the same basis as are private lands, to be paid out of moneys in the State treasury not otherwise appropriated.

Pennsylvania, through regular session, 1921: Fixed annual charge on State forests in lieu of taxes is made for the benefit of:

(1) Roads in the townships in which State forests are located, in the sum of 2 cents per acre.

(2) Schools in the respective districts in which the State forests are located, in the sum of 2 cents per acre, provided the said school districts shall each levy and collect a tax for the support of its schools of not less than 4 mills on the dollar of the assessed valuation of property in such district.

(3) Counties in which State forests are located, in the sum of 1 cent per acre.

In the case of auxiliary forest reserves (areas of privately owned land devoted exclusively to the growing of merchantable forest trees) the lands are subject to an annual charge (to be paid from State funds) of 2 cents per acre for the benefit of the schools, and 2 cents per acre for the benefit of the roads in the respective districts in which the reserves are located.

Vermont, through regular session, 1919: All lands held as State forest reserves shall be appraised under the provisions of section 722 of the General Laws and set to the State in the grand list of the town where located, and the State shall pay taxes thereon.

Wisconsin, through regular session, 1913: The said lands (State forest reserve) shall be included in the tax roll of each of said towns and shall be subject to taxation for all except State purposes at a rate not to exceed 1½ per cent of the assessed value in said several towns, and the State of Wisconsin hereby expressly consents to such taxation of such lands.

The following letters from Mr. Charles J. Gilmore, of Sacramento, Calif., are quite illuminating on this subject:

SACRAMENTO, CALIF., *February 20, 1924.*

Hon. JOHN E. RAKER, M. C.,
House of Representatives, Washington, D. C.

MY DEAR JUDGE: I am taking the liberty of writing you relative to your bill (H. R. 148) concerning reimbursement to the States by the United States for lands withdrawn for forestry purposes.

At the outset, please bear in mind that I favor, unqualifiedly, conservation of our natural resources. Let us not follow in the paths of our forefathers and destroy that natural wealth that an all-wise and beneficent Providence has bestowed upon us. Reforestation is, generally speaking, possible, but in no instance will second-growth timber equal in texture, fiber strength, or durability the primeval forest wood. Neither will all cut-over areas reforest even under the most advantageous conditions that the hand of man can provide. These two factors necessitate conserving the natural growth and the utilization of all forest products in accordance with the most modern and advanced scientific methods.

But to effectually provide for conservation to the degree that is demanded by the inroads made upon our natural forests and their constant decimation by their natural enemies—fire and insects—as well as the hand of man, some fair method of carrying the burden must be provided. It is not just nor equitable to require the political subdivisions wherein are situate those tax-free forest areas to continue being the physical repositories of the future timber supply for the benefit of the posterity of the whole United States.

The United States as a whole went into the World War, and the United States as a whole is paying the bill; the United States as a whole established the Fleet Corporation for the benefit of the shipping of the United States, and the United States as a whole is paying the bill. Who can say that the Kansas farmer or the Wyoming cattleman or the Nevada sheepman was directly interested in the affairs of the Shipping Board or the merchant marine? Yet each must bear his proportionate part of the cost.

So it is with the forest problem. The same rules will apply. It may be that the New Yorker on Broadway is not a party in interest in the forest problem of California; but by the same rule of reasoning neither is the Kansas farmer, the Wyoming cattleman, nor the Nevada sheepman a party in interest in the affairs of the Nation that pertain to salt-water transportation. But the fact remains that the United States is one whole, indivisible political unit, and a benefit to the least of these is a benefit to the whole. The United States went into the business of reclaiming lands, notwithstanding that it was directly beneficial to only a few, but the expense of constructing those reclamation works and putting water on the land was taken from the contributions of the whole people in the United States.

The proposition submitted to Congress in your bill, No. 148, is not a departure from any established rule of the United States. On the contrary, ample precedents may be found to show that payment to the several States for losses incurred by reason of forest withdrawals is in line with the established policy of Congress. The act approved June 9, 1916 (39 Stat. 218), provided for the payment of delinquent taxes on the forfeited lands of the Oregon & California Railroad Co. situate in the States of Oregon and Washington. The act approved February 26, 1919 (40 Stat. 1179), made similar provisions as to lands within the forfeiture of the Coos Bay Wagon Road grant in Oregon. Further, it will be noted that the Congress provided for payment of such delinquent taxes on the basis of the returns of the county assessors. Thus we have an answer to the oft-repeated assertion that the States will have to revamp their assessment and tax-collecting methods if the United States will offer to pay any returns to the States upon a valuation of national-forest lands.

The ordinary demands of justice should require that the United States as a whole contribute to the cost of preservation and conservation of that future timber supply, at least to the same extent that the whole people must now contribute to the expense of Government maintenance in other lines. Nor can it be argued in defense of the present method of governmental control that the counties within which these vast tracts of Government-owned timberland are located directly reap the benefits of such withdrawals. You already have before you cold figures in refutation of that claim, and space prohibits me from recapitulating them. Suffice to say that prior to the expiration of the 75 or 100 years when it is estimated those areas will be cut over several of the forest counties in California will go out of business, and the county that will take over the bankrupt's affairs will obtain not an asset but a liability.

Considering every element concerned with the proposition and giving and granting to the opposition every fair vantage ground they can attain, I yet have to find one single logical argument against the enactment of your bill. It is not contrary to public policy, it is not unconstitutional, it is not unconscionable, it is not unfair, it is not inequitable, it is not any of the things that those opposed to it may impute to it. On the other hand, every theory of right, justice, law, equity, and fair dealing is in its favor.

I sincerely hope that whatever else may happen, that this measure will, before the end of this session, receive the approval of Congress and the signature of the President. It will right a grave wrong and a serious injustice that the United States is now and for some time last past has been visiting upon the forest counties of the 11 forested States.

With my kindest regards and sincere wishes for your continued success, I am

Very truly yours, CHAS. L. GILMORE.

SACRAMENTO, CALIF., *May 3, 1924.*

Hon. JOHN E. RAKER, M. C.,
House of Representatives, Washington, D. C.

MY DEAR JUDGE: Because of the great interest that is now being taken in your bill (H. R. 148) to provide reimbursement to forest States, and particularly since its indorsement, by resolution, by the northern district, State Federation of Women's Clubs, at Sacramento on April 29, 1924, I have received many calls for a copy of the bill from active working organizations in the several counties of this State.

Therefore I would like to know if it is possible to obtain 25 copies of the bill to the end that I can place them in this State, where they will do the most good.

If I may have that number, I will certainly appreciate their receipt.

With my kindest personal regards, wishing you continued success, I am

Very truly yours, CHAS. L. GILMORE.

The northern district, State Federation of Women's Clubs in regular convention assembled at Sacramento, Calif., unanimously adopted the following resolution on April 30, 1924:

Whereas in withdrawing and placing within permanent national forests 18,891,161 acres of Government land within the State of California for the purpose of conserving national resources thereof, the United States Government has thereby withdrawn from all forms of State and county taxation standing timber and forage lands valued at $146,599,806, according to the valuation of the United States Bureau of Public Roads; and

Whereas the 39 counties of California wherein is located this vast domain receive a mere pittance from sales of standing timber and fees for grazing permits, and said counties are required within that area to perform police powers, equip, maintain, and operate schools, equip, maintain, and operate courts for the punishment of offenders against the forest and other laws; construct, repair, and maintain roads and bridges, and to perform such other acts as may be necessary to the maintenance of good order and preservation of the public peace and security: Now, therefore, be it

Resolved, That the delegates of the State Federation of Women's Clubs, northern district, in regular convention assembled, indorse the principles of reimbursement as contained in H. R. 148, introduced in the House of Representatives of the United States on December 5, 1923, by Hon. JOHN E. RAKER, Member of Congress, representing the second congressional district of California, now pending before the House Committee on Public Lands to the effect that said forest counties are entitled to reimbursement by the United States in such sum as they would receive from the taxation of said lands of the United States within their respective borders if such lands were owned by individuals; and be it further

Resolved, That copies of this resolution be sent to all Representatives in Congress from California and to Senators SHORTRIDGE and JOHNSON.

The United Chamber of Commerce of the Sacramento Valley at a meeting held in Sacramento December, 1923, discussed and finally indorsed what is known as the Hand plan for the reimbursement of forest counties by the Government. The plan is embodied in the Raker bill now before Congress and is familiar to all who have read the exchange of letters between Colonel Greeley and Charles E. Hand, as published in the Democrat. The plan is equitable.

The above appeared as an editorial in the Mountain Democrat of December 22, 1923, published at Placerville, Calif.

I am submitting the following letters, which discuss the plan set out in H. R. 8844 (H. R. 148):

MASON & STEVENS, FOREST ENGINEERS,
Portland, Oreg., February 8, 1924.

Judge JOHN E. RAKER,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN RAKER: Some correspondence has passed between Mr. C. E. Hand of Placerville, Calif., and myself with reference to H. R. 148, "a bill to provide compensation in lieu of taxes for the several States with respect to certain lands of the United States within the borders of said States, and for other purposes." I understand from Mr. Hand that some of this correspondence has been made available to you.

I am thoroughly in accord with the spirit of H. R. 148 and believe, further, that there is a very general and strong demand throughout the West for just this sort of legislation. This bill accomplishes what in my opinion is perhaps the greatest single step which can be taken toward a correct solution of our so-called forest problem. However, the whole subject should be recognized in its proper perspective. It seems to me that H. R. 148 might well recognize openly, as it does informally, that it is a substitute for the legislation which now is operative, which returns 25 per cent and then 10 per cent of the gross receipts of the Forest Service to the local communities in lieu of taxes. It must be recognized also, though this has no place in legislation, that the net return from H. R. 148 or similar legislation will not be greater by and large than that provided by the present law. The reimbursements as now provided do not fall at the right time nor in the right place. That is the only difficulty.

It seems to me that you might be able to win much more general support for this legislation with this idea quite openly in mind. The eastern Senators and Congressmen should be given to understand very plainly that what the West wants is not more payment on account of these lands but payment at the right time to be helpful to the greatest possible extent. It strikes me, too, that you might find Senator McNARY quite open on this point and perhaps willing to help out by the introduction of similar legislation in the Senate. This is not only on account of his S. 1553, "for relief of Lincoln County, Oreg.," but because he sometime ago advanced the idea that the present 25 per cent return from gross revenues should be doubled. I believe that he found Colonel Greeley not unresponsive to his suggestion.

Congress in its recent investigations, seeking to learn by what means the Federal Government might best help on this so-called forest problem, should have been everywhere confronted by the idea in H. R. 148. I am certainly glad to note that you yourself have so correctly analyzed the situation, and I certainly wish you the best of success with your bill.

Cordially yours,

CARL M. STEVENS.

SAN FRANCISCO, CALIF., *January 12, 1923.*

Hon. JOHN E. RAKER,
Washington, D. C.

MY DEAR RAKER: Since I saw you in Sacramento I have given some study and thought to your bill providing for taxation of national-forest resources, and I feel that I was mistaken in making the suggestion that the taxation should be on an acreage basis. The appraisal of these resources by the United States Bureau of Public Roads shows a great difference in values in the different counties, which would make it inequitable to pay 10 cents per acre to all counties. After all, the only equitable basis is on the valuation, and there is no reason why property owned by the Government should be on a different basis from privately owned property. For these reasons, after giving your bill careful reconsideration, I have no suggestions to make in the way of amendments.

During the past three months I have had opportunity to talk this matter over with quite a number of interested people—timber owners, stockmen, and others—and all agree that something should be done along the line provided by your bill; but practically all seem to think it is hopeless, especially on account of the preponderance of influence of eastern States in the House. However, it is my belief that if we stick to this proposition we can finally put it over, as there is no question that it is absolutely just and right and fair to our mountain counties.

With kind personal regards, I am,

Yours very truly, GEO. H. RHODES.

PLACERVILLE, CALIF., *March 28, 1924.*

Hon. JOHN E. RAKER, M. C.,
Washington, D. C.

DEAR JUDGE RAKER: I understand the reforestation matter is coming up for hearing in committee soon, and I hope the committee will properly consider the merits of the claim of the forest counties for adequate reimbursement for taxes lost to the counties by reason of the fact that national-forest land is perpetually withdrawn from settlement and taxation. We believe in conservation, but we believe the expense should be shared by all who benefit, and not alone by poor counties like this. Some say the 25 per cent of the gross receipts we get is adequate, but the fallacy of that is shown by the fact that we would gladly give this 25 per cent in exchange for taxes at the rate paid by similar private lands. Then we should have a fixed amount to depend on and not risk having a feast or famine as timber sales may be heavy or light.

Wishing you the fullest measure of success in your advocacy of adequate reimbursement, I am,

Sincerely yours, H. E. DILLINGER.

PLACERVILLE, CALIF., *February 25, 1924.*

Hon. JOHN E. RAKER, M. C.,
Washington, D. C.

MY DEAR JUDGE: Your bill No. 148, to compensate forest counties, is a step in the right direction, and, to my mind, will solve the problem of forest taxation.

For eight years I was county auditor of a county in which the Federal Government has set aside large areas of forest lands; in fact, 34 per cent of the total area of the county was Government-owned forest lands, not open to entry and therefore not subject to taxation. As auditor it was my duty to prepare the annual budget, and due to the fact that such large areas were set aside and not on our tax rolls placed such a burden on what remained subject to taxation that it made the matter of raising sufficient moneys to support county government very difficult indeed. This was very apparent when it came to bond issues for public improvement, and our people have always been of the opinion that inasmuch as the national forests are for the benefit of all of the people of the Nation the burden should be borne by all those who are receiving the benefits. This, to my mind, is the only just way.

In the event your bill should become the law the forest counties would automatically relinquish the 25 per cent they are now receiving from the sales of forest resources and the Federal Government would retain for its own use all moneys received from this source, and in the long run the Federal Government would be compensated. What is necessary is immediate relief of forest townships and counties, and your bill furnishes the needed relief. The local taxing unit can not and should not be expected to carry this burden for 75 or 100 years while the trees are growing with no returns therefrom. This is a matter for the Federal Government and not one for the sparsely settled forest county.

The exchange bills having been passed and now operative, the private owner is rapidly exchanging cut-over lands for standing timber, and in each case where this is done the county must not only stand the loss of the taxes each year on the lands so exchanged but must also lose the 25 per cent on the timber, and this condition will continue without any returns to the county from such lands during the period

of reforestation, which will require in the pine country in the neighborhood of 100 years before anything like matured timber can be cut from such lands.

Yours sincerely, THO C. ATWOOD.

CALIFORNIA METAL AND MINERAL PRODUCERS' ASSOCIATION,
San Francisco, April 10, 1924.

Mr. CHARLES HAND,
Placerville, Calif.

DEAR SIR: We are advised by Mr. Rhodes, of this city, that you are sponsoring bill H. R. 11789, introduced by Congressman RAKER, providing for the taxation of the national forest reserves within the several States.

This appears to be a meritorious measure, and I would be pleased to have copies of any statistical matter that you may have in support of the bill for the consideration of the board of directors of this association at a meeting to be held in the near future.

Yours most truly,
ROUT. I. KERR, *Secretary-Treasurer.*

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that on next Friday evening, between the hours of 8 and 11 o'clock, it shall be in order to consider bills on the Private Calendar unobjected to.

The SPEAKER. The gentleman from Ohio asks unanimous consent that it shall be in order on Friday evening next, from 8 until 11 o'clock, to consider bills on the Private Calendar unobjected to. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, there is no objection to that, but I would like to ask the gentleman if he thinks it probable that we can at some time not too remote have a period in which we can consider those bills on the Private Calendar that are objected to?

Mr. LONGWORTH. I shall be glad to talk with the gentleman about that.

Mr. BLANTON. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. BLANTON. I understand a bill has been reported by the Committee on Public Buildings and Grounds—and there is a similar bill which has passed the Senate—accepting a tract of 70 acres of land from a citizen in Washington for park purposes. In case that tract of land is accepted by the Congress, there is a wealthy lady here who is to give another park connecting the former one with the Potomac River. It is very important that that bill should be passed immediately. Could not the gentleman arrange to have that bill come up before the House to-morrow morning?

Mr. LONGWORTH. I had not heard of the bill before.

Mr. BLANTON. There is no opposition to it at all, and it is a mere question of accepting a gift. The committee has looked into it carefully. I have looked all over the proposition myself, and I know it is to the interest of the District to accept the park, because we will get another one that adjoins it from a very rich lady here.

Mr. LONGWORTH. I would like to have an opportunity to consult the Speaker before doing that.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. LONGWORTH]?

There was no objection.

LEAVE OF ABSENCE

Mr. LOWREY. Mr. Speaker, apropos of the requests for time to make speeches on Wednesday, I ask permission to be absent from the House on that day on important business.

The SPEAKER. Without objection, the request is granted.

There was no objection.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 19 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 13, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

469. A letter from the Secretary of the Treasury, transmitting supplementary report in response to House Resolution 51, regarding purchase of a site for a Federal building in Kenosha, Wis., said site to cost about $110,000 instead of $140,000 previously estimated; to the Committee on Public Buildings and Grounds.

470. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the office of the Superintendent, State, War, and Navy Department Buildings, for the fiscal year ending June 30, 1924, and to remain available until June 30, 1925, for rebuilding elevators, $25,000 (H. Doc. No. 272); to the Committee on Appropriations and ordered to be printed.

471. A communication from the President of the United States, transmitting a supplemental estimate of appropriation pertaining to the legislative establishment of the United States for the fiscal year ending June 30, 1924, for "contingent expenses, United States Senate: Miscellaneous items, exclusive of labor, $50,000" (H. Doc. No. 273); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McKENZIE: Committee on Military Affairs. H. R. 9124. A bill authorizing the sale of real property no longer required for military purposes; without amendment (Rept. No. 710). Referred to the Committee of the Whole House on the state of the Union.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1539. A bill for the relief of Caleb Aber; without amendment (Rept. No. 711). Referred to the Committee of the Whole House.

Mr. BLACK of New York: Committee on Claims. H. R. 2745. A bill for the relief of J. M. Farrell; without amendment (Rept. No. 712). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. H. R. 3595. A bill for the relief of Daniel F. Healy; with an amendment (Rept. No. 713). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 8343. A bill for the relief of Jim Hennessee; without amendment (Rept. No. 714). Referred to the Committee of the Whole House.

Mr. KNUTSON: Committee on Pensions. H. R. 9178. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; without amendment (Rept. No. 715). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9131) for the relief of Martha Janowitz, and the same was referred to the Committee on War Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SPROUL of Kansas: A bill (H. R. 9173) providing for the furnishing of cars to shippers, receiving freight for shipment and the prompt transportation of same, the making and publishing of rules for the transporting of freight, and prescribing penalties for a violation thereof, and for other purposes, in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. WINGO: A bill (H. R. 9174) to establish the Mena National Park in the State of Arkansas; to the Committee on the Public Lands.

By Mr. LINEBERGER: A bill (H. R. 9175) to protect the coastal navigable waters of the United States from obstruction and injury by prohibiting the discharge therein of oil from vessels, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. GASQUE: A bill (H. R. 9176) granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Allisons Ferry, S. C.; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMMERS of Washington: A bill (H. R. 9177) granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.; to the Committee on Interstate and Foreign Commerce.

By Mr. KNUTSON: A bill (H. R. 9178) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; committed to the Committee of the Whole House.

By Mr. DYER: A bill (H. R. 9179) to punish the unlawful transmission in interstate commerce or through the mails of gambling machines, fraudulent devices, pistols, and revolvers, and for other purposes; to the Committee on the Judiciary.

By Mr. SIMMONS: A bill (H. R. 9180) to amend subsections (1), (2), and (3) of section 302 of the war risk insurance act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. BROWNE of Wisconsin: A bill (H. R. 9181) to amend an act entitled "An act to provide revenue to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922; to the Committee on Ways and Means.

By Mr. MILLIGAN: A bill (H. R. 9182) to amend the act entitled "An act to regulate commerce," approved February 4, 1887, as amended June 29, 1906, April 13, 1908, June 18, 1910, February 17, 1917, March 2, 1917, May 29, 1917, August 10, 1917, and February 28, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND (by request): Joint resolution (H. J. Res. 262) to authorize the United States Shipping Board to adjust the claim of the Near East Relief; to the Committee on the Merchant Marine and Fisheries.

By Mr. BEEDY: Joint resolution (H. J. Res. 263) establishing a commission for the participation of the United States in an appropriate commemoration of the Lafayette Centenary, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on the Library.

By Mr. BERGER: Concurrent resolution (H. Con. Res. 22) calling upon the President of the United States to invite the representatives of nations which are signatories to the treaty of Versailles to attend an international conference to revise the terms of the treaty; to the Committee on Foreign Affairs.

By Mr. CONNERY: Memorial of the Legislature of the State of Massachusetts petitioning Congress to enact legislation to prevent the manufacture of shoes in factories owned by the Federal Government; to the Committee on the Judiciary.

By Mr. BURDICK. Memorial of the Legislature of the State of Rhode Island indorsing the passage by Congress of House bill 1, relating to the crime of lynching; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9183) granting an increase of pension to Harriet E. Tally; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9184) granting a pension to Mary A. Patton; to the Committee on Invalid Pensions.

By Mr. CONNERY: A bill (H. R. 9185) donating a captured German cannon or field gun and carriage to the Overseas Post, No. 240, the Veterans of Foreign Wars, Lynn, Mass., for decorative and patriotic purposes; to the Committee on Military Affairs.

By Mr. KEARNS: A bill (H. R. 9186) granting a pension to Mary A. Taylor; to the Committee on Invalid Pensions.

By Mr. KETCHAM: A bill (H. R. 9187) granting a pension to John U. Coker; to the Committee on Invalid Pensions.

By Mr. LANHAM: A bill (H. R. 9188) granting a pension to Josie Hicks; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 9189) granting a pension to Catherine W. Crockett; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 9190) granting an increase of pension to Charles W. Colemon; to the Committee on Pensions.

Also, a bill (H. R. 9191) granting a pension to Artie Noles; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2725. By the SPEAKER (by request): Petition of Board of Estimates and Apportionment, City of New York, opposing proposal now pending in the United States Senate to place a 10 per cent tax on sale of radio sets and parts; to the Committee on Ways and Means.

2726. By Mr. CONNERY: Petition of Sons of American Revolution, indorsing restoration and repairing of the frigate *Constitution;* to the Committee on Military Affairs.

2727. By Mr. GALLIVAN: Petition of Family Welfare Society, of Boston, Mass., recommending early and favorable consideration of House bill 487, known as the Fitzgerald accident compensation bill; to the Committee on the District of Columbia.

2728. Also, petition of American War Veterans' Association of City of Boston and County of Suffolk Employees, Boston, Mass.; also petition Vicinity Council No. 1, Department of Massachusetts, United Spanish War Veterans, Chelsea, Mass., urging passage of Bursum bill over President's veto; to the Committee on Pensions.

2729. Also, petition of Old Colony Lodge, No. 143, Brotherhood of Railroad and Steamship Clerks, Boston, Mass., recommending early passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2730. By Mr. LINEBERGER: Petition of Charlotte M. Knox and others, in favor of the eighteenth amendment and Volstead Act; to the Committee on the Judiciary.

2731. Also, petition of Mrs. Gertrude E. Fuller and others, in support of equal rights amendment; to the Committee n the Judiciary.

2732. Also, petition of Thurborn E. Towle and others, favoring the passage of House bill 3683; to the Committee on World War Veterans' Legislation.

2733. By Mr. NEWTON of Minnesota: Petition of Minneapolis Chapter, No. 1, Disabled American Veterans of the World War, in opposition to the ruling of the United States Veterans' Bureau that requires two years' premedical schooling for entrance into the study of chiropractic, and urging the repeal of this rule; to the Committee on World War Veterans' Legislation.

2734. Also, petition of the Saturday Lunch Club of Minneapolis, that the United States shall not engage in or prepare for offensive warfare and that our Government call upon all nations to make similar declaration; to the Committee on Foreign Affairs.

2735. By Mr. RAKER: Petition of Clerks' Association, Operating Department, Pennsylvania Railroad system, Elmira, N. Y., opposing further measures of regulatory legislation; to the Committee on Interstate and Foreign Commerce.

2736. Also, petition of Fresno Federal Business Association, Fresno, Calif., resolution urging Federal Government to put into use confiscated boats and automobiles; to the Committee on Appropriations.

2737. Also, petition of Fred Detmers, Los Angeles, Calif., in re tax on articles of jewelry, including spectacles and eye glasses, in excess of $25 in value; to the Committee on Ways and Means.

2738. Also, petition of Second Church of Christ, Scientist, New Orleans, La., resolution calling for a constitutional amendment for world peace; to the Committee on Foreign Affairs.

2739. Also, petition of United Veterans' Council, San Francisco, Calif., urging passage of Bursum bill; to the Committee on Invalid Pensions.

2740. Also, petition of Hollenbeck Ebell Club, Los Angeles, Calif., in re Senate bill 2313, relative to the Five Civilized Tribes of Indians in Oklahoma; to the Committee on Indian Affairs.

2741. Also, petition of Harry Arrivee, State Soldiers' Home, Ohio, urging the appointment of a liquor commission to control the manufacture, sale, and consumption of all intoxicants; to the Committee on the Judiciary.

2742. Also, petition of David C. Mills, National Association of the Fur Industry, New York City, in re House bills 5949 and 745; to the Committee on Agriculture.

SENATE

TUESDAY, *May 13, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we thank Thee for the sunlight of the morning. Grant that our hearts may be filled with the sunlight of Thy presence, and that we may realize how good it is to live, our whole being throbbing with the purpose of living rightly, of fulfilling the tasks given unto us, and so engaging our occupations with the high purposes of Thy will that we may be to others an example of righteous endeavor to do that which shall be for the best of our loved land and all who are near and dear to us. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GREEN of Iowa, Mr. HAWLEY, Mr. TREADWAY, Mr. GARNER of Texas, and Mr. COLLIER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39th Stat. L. p. 862).

The message further announced that the House had passed the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3236. An act to regulate the practice of optometry in the District of Columbia; and

H. R. 8905. An act to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America.

TAX REDUCTION

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SMOOT. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. SMOOT, Mr. MCLEAN, Mr. CURTIS, Mr. SIMMONS, and Mr. JONES of New Mexico conferees on the part of the Senate.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented the petition of the Women's Committee for the Children's Amendment (composed of representatives of sundry women's organizations) at Washington, D. C., praying for the passage of House Joint Resolution 184, proposing an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. McKINLEY presented resolutions adopted by the board of trustees of the Sanitary District of Chicago, Ill., favoring an investigation by the Surgeon General of the United States Public Health Service of the sanitary conditions of the waters of Lake Michigan, in the region adjoining the Grand Calumet River, etc., which were referred to the Committee on Commerce.

Mr. CAPPER presented the petition, numerously signed, of clerks of the Kansas City, Mo., terminal railway post office, praying for the passage of legislation granting increased compensation of postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented a petition of sundry citizens of Cincinnati, Ohio, praying an amendment to the Constitution granting equal rights to women, which was referred to the Committee on the Judiciary.

Mr. McLEAN presented the memorial of the board of directors of the Connecticut Chamber of Commerce, at Hartford, Conn., remonstrating against the passage of House bill 487, the so-called Fitzgerald workingmen's compensation bill for the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented the petition of sundry janitorial employees of the Meriden (Conn.) post office, praying for the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of the congregations of St. John's Church, of Hartford; the First Methodist Episcopal Church of Middletown, and the Whitneyville Congregational Church of Whitneyville; the Y's Men's Club, of Meriden, and of sundry citizens of Greenwich, all in the State of Connecticut, praying for the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

He also presented the petition of Bridgeport Aerie No. 420, Fraternal Order of Eagles, of Bridgeport, Conn., praying for the modification of the Volstead prohibition act, so as to legalize the manufacture and sale of beverages with a 2.75 per cent alcoholic content, which was referred to the Committee on the Judiciary.

He also presented petitions of the department of health, the Connecticut Child Welfare Association, and the New Haven Council of Jewish Women, all of New Haven; the Meriden Central Labor Union, of Meriden, and the Greenwich League of Women Voters of Greenwich, all in the State of Connecticut, praying an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

He also presented the petition of the women's committee for the children's amendment (composed of representatives of sundry women's organizations) at Washington, D. C., praying for the passage of House Joint Resolution 184, proposing an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. McNARY, from the Committee on Appropriations, to which was referred the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, reported it with amendments and submitted a report (No. 531) thereon.

Mr. LODGE, from the Committee on Foreign Relations, to which was referred the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes, reported it with amendments and submitted a report (No. 532) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McLEAN:

A bill (S. 3299) to amend section 8 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended May 15, 1916, and May 26, 1920; to the Committee on Banking and Currency.

By Mr. BRANDEGEE:

A bill (S. 3300) to fix the salaries of officers and employees of the Court of Appeals of the District of Columbia, the Supreme Court of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals; to the Committee on the Judiciary.

By Mr. BAYARD:

A bill (S. 3301) for the relief of Maurice J. Coleman; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 3302) granting a pension to George Wolfer; to the Committee on Pensions.

By Mr. EDGE:

A bill (S. 3303) for the relief of Frederick MacMonnies; to the Committee on Claims.

HOUSE BILLS REFERRED

The following bills were each read twice by title and referred as indicated below:

H. R. 3236. An act to regulate the practice of optometry in the District of Columbia; to the Committee on the District of Columbia.

H. R. 8905. An act to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America; to the Committee on Finance.

The PRESIDENT pro tempore. The morning business is closed.

INCREASE OF PENSIONS—VETO MESSAGE

Mr. BURSUM. Mr. President, I gave notice last Friday that to-day I would move to take up Senate bill 5, the pension bill, which was vetoed by the President. I now ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of Senate bill 5.

Mr. FLETCHER. Inasmuch as we adjourned yesterday the unfinished business does not come before the Senate until 2 o'clock.

Mr. BURSUM. Then I move that the Senate proceed to the reconsideration of the bill (S. 5) granting pensions and increases of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes.

The PRESIDENT pro tempore. The Senator from New Mexico moves that the Senate proceed to the reconsideration of Senate bill 5.

Mr. SIMMONS. What is the motion?

The PRESIDENT pro tempore. The motion is that the Senate proceed to the reconsideration of the bill, using the common parlance, recently vetoed by the President.

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The roll will be called.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	Lodge	Shields
Ashurst	Fernald	McKellar	Shipstead
Ball	Fess	McKinley	Shortridge
Bayard	Fletcher	McLean	Simmons
Borah	Frazier	McNary	Smith
Brandegee	Gerry	Mayfield	Smoot
Brookhart	Glass	Moses	Spencer
Broussard	Gooding	Neely	Stanfield
Bruce	Hale	Norbeck	Stephens
Bursum	Harreld	Norris	Sterling
Cameron	Harris	Oddie	Swanson
Capper	Harrison	Overman	Trammell
Caraway	Heflin	Owen	Wadsworth
Colt	Howell	Pepper	Walsh, Mass.
Copeland	Johnson, Minn.	Phipps	Walsh, Mont.
Cummins	Jones, N. Mex.	Pittman	Warren
Curtis	Jones, Wash.	Ralston	Watson
Dale	Kendrick	Ransdell	Weller
Dial	Keyes	Reed, Pa.	Wheeler
Dill	King	Robinson	Willis
Edge	Ladd	Sheppard	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent owing to illness. I ask that the announcement may stand for the day.

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. There is a quorum present. The question is upon agreeing to the motion of the Senator from New Mexico [Mr. BURSUM] that the Senate proceed to the reconsideration of Senate bill 5.

The motion was agreed to.

The PRESIDENT pro tempore. The question is, Shall the bill (S. 5) pass, the objections of the President to the contrary notwithstanding?

Mr. BURSUM. Mr. President, "millions for the disabled"; that is a familiar sound. We have heard that doctrine preached from every soap box in this country. We have heard the chorus of the antibonus army shouting to the heavens, "Millions for the disabled."

If this be true, now is the accepted time and this Chamber the proper place to give evidence of the truth of that statement. The essential feature of the pending bill is to provide for the disabled.

Every Senator in this Chamber knows that the bonus bill is going to become law and that the cost will approximate $100,000,000 annually for 20 years. I am for the bonus bill because, in my opinion, it represents an obligation of the Government.

I am wondering what human genius can devise a rational excuse on the grounds of economy to refuse to take care of the disabled to the extent of $40,000,000 for the first year, approximately $20,000,000 for the second year, no additional appropriation for the third year, and less appropriation every year thereafter in proportion to the number of pensioners dropped from the roll on account of death.

In other words, how can any man explain why, in the name of economy, we can afford to expend in the aggregate $2,000,000,000 but we can not find funds to expend in the aggregate $60,000,000 in aid of the disabled, the crippled, the decrepit, the infirm, and the dependent orphans of veterans?

The pending bill is considered most fair and reasonable. It is regarded generally as a well-balanced bill. That opinion seems to have been shared by the other branch of Congress, which passed the bill without proposing a single amendment and with scarcely any opposition.

The bill extends the present $72 rate to all of the veterans of the Civil War. This provision should not be regarded as an increase, but, in effect, as making available the rate which Congress intended.

Every fair person must admit that practically 90 per cent of the survivors of the Civil War are totally incapacitated and unable to care for themselves, their average age now being past 81.

The bill would allow aged widows 74 and over $45 a month, an increase of $15. The Indian war veterans are given a maximum of $50, proportioned upon disability. The minor children of veterans of all wars are given a uniform rate of $8 per month, doing away with the vicious, discriminatory provisions in this regard now on the statute books. For instance, under the present law, the child of a veteran of the Regular Army receives only $2 per month, the child of the Spanish war veteran receives $4 per month, the child of the veteran of the Civil War receives $6 a month, while the first child of the veteran of the World War receives $10 a month. Thus under our present pension laws there is a discrimination between children, which this bill seeks to abolish and to put all on a plane of equality.

The Spanish War veteran is given a maximum of $50 and a minimum of $20, based upon disability. As I have already said, the essence of this bill is premised upon disability.

Approximately one-half of the total cost will benefit aged widows over 74 years of age. The records show that their ages range from 74 to 94. The most numerous beneficiaries under the bill, next to the Civil War widows, within the very near future, will be the veterans of the war with Spain.

The magnitude of the tasks encountered and the glory of the achievements of our volunteer Army in the war with Spain have never been fully appreciated by the general public. On account of inadequate information, it has frequently been the custom to refer to this war as little more than an outing or picnic for the gallant officers and men who took part. My attention has been called to an address made by Bruce J. Newlon, commander of the Department of Nebraska, at the Sixteenth Annual Encampment of the United Spanish War Veterans, held at Omaha, on June 13 last. Among other things, Commander Newlon stated that of every 1,000 who enlisted, 25 joined the "silent majority," making a mortality rate more than three times as great as in the World War; that our boys were fed upon embalmed beef and armed with rifles 25 years old, pitted against an enemy equipped with the new German Mauser, which carried a steel-jacketed bullet a mile and a half; that during the World War 85 per cent of the regimental officers were Spanish War veterans; that of the First Nebraska Regiment of 1,022 enlisted men, 425 were wounded; that in a single engagement the commanding officer and 36 other officers were shot down.

And what do these boys think of the attitude of Congress? Commander Newlon said:

> When you apply for a pension they forget that it rained 45 inches in one month in the Philippine Islands, the thermometer standing around 100 to 120° F., and embalmed beef as a ration with a fight starting every morning at 2 o'clock.

The Nebraska commander further pointed to the fact that while the Spanish War cost approximately $1,200,000,000, the Government acquired property valued at $8,000,000,000

The Omaha World Herald, resurrecting a short editorial from its files said:

> We have never given the Spanish-American War veteran quite the honor that is his due. He did great things for us. He was a volunteer soldier. He acted in a hurry. He suffered. He bled. He endured hardships. He had his sickness, and he won. The war with Spain enlisted hundreds of thousands of men. Many more than were called for. Many of them never came back. Not a battle was lost in that war by American troops. Not an inch of ground was covered by retreat.
>
> Mr. President, the question is now squarely up to Congress whether we shall stand by these boys and do the fair, decent, human thing, or stand by the miserable dollar.

The President states:

> It will take an additional $58,000,000 for the next fiscal year to meet the increased pensions provided by the bill.

The Pension Bureau estimated a cost of fifty-five millions for the first year, and that estimate did not take into account deductions for losses from the rolls on account of death of widows, which may be conservatively estimated at 24,000 for the ensuing fiscal year, thereby reducing the amount of necessary expenditure by $14,000,000; so that $40,000,000, in my judgment, would be a more accurate estimate of the probable cost to the Government for the first 12 months.

Past experience has shown that pension estimates have exceeded actual costs. For example, the estimates for the present

fiscal year exceeded the actual cost by $23,000,000, and that sum represents the unexpended balance which will not be withdrawn from the Treasury, although having been appropriated by the Congress for that purpose; so that if this bill should become a law, the actual increase in the matter of appropriations in excess of the present fiscal year for pension purposes would approximate $17,000,000.

The President quotes the Commissioner of Pensions as having stated that the proposed addition to the pension roll will total approximately $242,000,000 for the first five years, which would mean the equivalent of an annual increase of approximately $48,000,000. To bring about such an accomplishment of expense it would be necessary that no veteran or widow be dropped from the roll; that they all continue to live, and that additional pensioners be added to the rolls.

I am sure the country would rejoice if the veterans and widows of veterans of the Civil War might continue to live within the land of the Union which they so heroically defended and preserved, for another four score years; but you and I know that fate has determined otherwise. We know that 50,000 will be dropped from the rolls this year by death; we know that no pensions are paid to estates; that no pensions are granted to the dead, and that when a veteran or a widow dies the pension dies and the appropriation to that extent ceases.

We know that 49,399 died last year. We know that the average age of the veteran is 81 years and of the widow 74. The principal increase of this bill does not extend to all of the widows of the Civil War but is limited to those 74 to 94 years of age. This class of widows number 149,000. They will be entitled to $45 per month under this bill. Five years from now, if alive, the youngest of these will be 79, and the oldest 99. How many of these widows are likely to survive the five-year period? At the rate of 2,000 deaths per month, which is less than the average during the present and preceding year, 120,000 will have disappeared from the rolls, which, in effect, means a reduction of annual expenditure in the sum of $64,800,000 at the end of the five-year period, or $10,000,000 more than the total estimated gross additional cost for the first year after the passage of the pending bill, which, admittedly is the maximum annual cost, and this estimate does not take into account the losses from the pension roll caused by the death of veterans, which, in all probability, will be proportionately large. It is natural to expect that as their age increases the death rate will be more rapid.

So beyond any question of doubt or of controversy the facts are that at the end of the five-year period the most extravagant estimate can not justify the assertion that there will be any increase whatsoever, but, as a matter of fact, there will be a very large decrease of expenditure by the Government on account of pensions, so far as they may be affected by the pending bill.

The message further quotes the Commissioner of Pensions as having stated that the proposed addition to the pension roll will total for the first 10 years $415,000,000, or the equivalent of $41,500,000 annually.

Upon the most liberal basis of mortality tables at the end of the 10-year period there may be living of the present number of 158,000 not to exceed 1,700 veterans of the Civil War. At this same period the number of surviving widows of the Civil War will, in all probability, not exceed 75,000 out of a present roll of 257,000. These probable results mean, in effect, a loss of 182,000 widows from the pension roll, involving a reduction of expenditure and disbursements by the Government approximating $92,000,000. They also mean the loss of 157,151 veterans from the roll, causing a reduction of disbursements by the Government for pension purposes in the sum of $135,778,464; so that the total amount of reduction at the end of the 10-year period caused on account of losses by death will involve 157,151 veterans, 182,000 widows of veterans of the Civil War, which, translated into dollars, means that the annual disbursements for pension purposes by the Government will be reduced in the sum of $227,778,464.

In my opinion $75,000,000 will cover the pension outlay 10 years from now unless the disabled World War veterans shall in the meantime be given a pensionable status in lieu of the present arrangement for compensation under the Veterans' Bureau. There is that possibility, but it has nothing whatever to do with this bill, because, so far as I know, no such program is in contemplation at the present time.

It is admitted that every survivor of the Civil War is drawing $50 per month, and many of them, in number 41,000, are drawing $72. The fact remains, however, that in spite of the Pension Department's effort to speed up the granting of the $72 pensions—and they are being granted at the rate of 1,500 a month—as so many are dying the number exceeds the number of those granted the additional pension. In other words, the veteran is dying much faster than it is possible for the Pension Department to grant the $72 pension, with all of the legal requirements of proofs and applications necessary to obtain the benefits under the present law. The truth of the matter is that, outside of a very, very few, all of these veterans are totally incapacitated and physically unfit to take care of themselves.

I know of no finer or more appropriate attitude toward those veterans who served this country so faithfully in 1861 than the attitude taken by Daniel Webster toward the veterans of the Revolutionary War at the laying of the corner stone of Bunker Hill Monument in 1825, when he said:

> Venerable men! We should stand before you, not you stand before us. You have come down to us from a former generation. Heaven has bounteously lengthened out your lives that you might behold this joyous day.

I say that that is the attitude that we should take toward the aged defenders who so nobly served our Nation in time of need, and who now themselves are in need on account of advanced age and the infirmities that come with advanced age.

The message also refers to provisions of the bill wherein it is alleged that the limits of the war period will be extended from April 13, 1865, to August 20, 1866; also that there are other questionable provisions providing for the pensioning of civilians and relating to the pensioning of certain classes of widows.

Mr. President, these objections are trivial. The provisions complained of are not factors in the increase of appropriations or causing additions to the pension rolls. The fixing of the beginning and the end of the war is merely a statutory declaration intended to clarify existing conditions. Why, Mr. President, up to 1894 the Pension Office granted a pension to every veteran and every widow entitled to a pension who had served up to August 20, 1866. Furthermore, no less an authority than the Supreme Court of the United States decided that the official ending of the war was August 20, 1866. Subsequently to 1894 the Pension Office established the principle that a pensionable status would depend upon the locality where the veteran happened to serve as to the date of ending the war. For instance, if the service in any way was connected with service in Tennessee the limitation might be 1865. If the service was connected with any activity within the State of Texas, or anywhere along the border, the limitation was fixed at August 20, 1866. In the case of enlistment on the border of Virginia one side or the other of a street might make a difference of one year in the period recognized as constituting the war.

There were similar rules relating to the Navy. If the service was south of a certain latitude, the time might be fixed as July, 1865, or April, 1866. Furthermore, there were a hundred and more boats—I have a list of them, but I will not take the time of the Senate to read them—which, under that practice, must be classified; so that under such a regulation every service must be checked up from beginning to end, which involved great overhead expense.

There is nothing to be gained by continuing now, at this late date, a practice of that kind, because every last veteran who desired a pension obtained it and was pensioned under the basis of 1866 up to 1894 and on to 1913; so that in the matter of securing pension approvals, proofs in support of the application in accordance with the regulations adopted after 1913 were unnecessarily burdensome. There ought to be only one date fixed as the date of ending the war, so as to prevent confusion. It will not be the means of adding any substantial number to the pension rolls or perhaps any number whatever. In fact, I can not see how it can possibly affect a single pension unless some veteran dies and leaves a widow, and in that case, although he had been on the pension roll, his service must be rechecked and reinvestigated, and it will cause a great deal of expense and the consumption of a great deal of time, which is entirely unnecessary.

With reference to the pensioning of civilians, we are adding nothing new to the present law. Certain civilians were pensioned under the law of 1862, and the pending bill gives them the benefit of the increased rates. Who were these civilians? Provost marshals, contract surgeons, pilots of steamboats. They were given a sort of semimilitary status, and they were pensioned under the act of 1862. This bill makes no change in that respect.

Mr. President, every reasonable person must concede that $45 a month is not an extravagant sum out of which to take care of a helpless, aged widow past 74 years of age; nor is

it reasonable to assert that $72 is an extravagant sum for the monthly allowance to care and provide for the physically incapacitated veteran whose average age is past fourscore and one. Indeed, Mr. President, the monthly allowances provided are meager and can only serve the purpose intended by a most rigid economy and more or less assistance from generous friends and relatives.

President Lincoln, in his address at Gettysburg, solemnly announced the duty of this country to provide for those who had borne the brunt of battle, the widow and the dependent orphan. We were then a comparatively poor Nation as measured by wealth. It does not seem possible that this Nation, in the enjoyment of the zenith of its industrial glory and power, having amassed a national wealth that no other nation or group of nations of the world can compare with, should now acquiesce in a program which in effect means repudiation of that solemn pledge made by Lincoln at Gettysburg. To do this will subject the defenders of the country to the generosity of public charity. I say we have no legitimate right to place upon the veteran or his widow the brand of a beggar who must seek charity for existence. If this be done, it will be pursuant to a policy of greed and selfishness. If this be done, it will sadden the hearts and curtail the days of these aged veterans and widows. Such a policy will not tend to arouse the pride of patriotic Americans. The time has not yet arrived when the dollar may be considered superior to obligation due humanity.

The question is now squarely up to the Congress. We are called upon to choose between the principles of the almighty dollar or the pursuit of a policy of human consideration of the obligations which righteously attach to the Government in the discharge of its duty toward those who sacrificed their lives, their health, their all in behalf of the honor, integrity, and glory of America, and who made possible the realization of peace, happiness, and liberty of a free people who now occupy a position of leadership among the nations of the world.

The men and women of every State, county, city, and hamlet of this Republic are intensely interested in this matter, and as trustees for the time being of the people's wealth we may expect to be held to accountability.

There are no new reasons or conditions existing now that did not exist at the time this bill passed the Senate by a record vote of 51 to 10. I see no reason why I should change my views at this time. I was one who voted for and supported the present bill when it came up for consideration before the Senate. I shall again vote for the bill, and sincerely hope and trust that it may become law.

Mr. President, I have here some telegrams which I desire to have placed in the RECORD. I ask unanimous consent to have them printed in the RECORD at the end of my remarks. I will send up only a few.

[See Appendix.]

The PRESIDENT pro tempore. Without objection, the request is granted.

Mr. BURSUM. I have one in particular from the State of Tennessee which I will read. It is dated Johnson City, Tenn., addressed to me, and reads:

> For weeks we, the tuberculous and disabled patients of the Spanish-American War, comprising the membership of Lieutenant H. L. McCorkle Camp, No. 2, United Spanish War Veterans, have been expectantly waiting what relief that is embodied in Senate bill 5. Our destitute families are in need; we are unable to provide. Our fondest hopes are shattered by a stunning presidential veto. In the name of humanity and justice, we earnestly and humbly beg that you relentlessly exert every earthly means within your power to secure the necessary number of our friends in the Senate in a final effort to enact this bill into a law at the earliest possible period. We appreciate the great work you and our friends have already done for us regarding this bill but we are suffering and dying for the want of relief, which you can give us. Please read to Senate, if you think advisable.
>
> Deservedly your friends,
>
> LIEUTENANT H. L. MCCORKLE CAMP,
> UNITED SPANISH WAR VETERANS,
> D. H. MCDANIEL, *Adjutant.*
> J. S. GRAY, *Commander.*

I have hundreds of similar telegrams from veterans suffering from sickness and in distress begging that the Government recognize its just obligations.

My attention was called to a recommendation made on the 30th day of June, 1923, contained in a report by the honorable Secretary of the Interior, Mr. Work, which reads as follows:

> Included in the activities of the Department of the Interior is the payment of pensions to soldiers and their widows of the Civil, Spanish-American, and preceding wars in which the United States has engaged since the foundation of the Nation. The ravages of time have now overcome these survivors of the Civil War, and in their old age it is my belief that the pensioning of them should no longer be based upon a showing of disability due to wounds and disease. On the contrary, both the veterans and widows should receive a pension from the Government after having reached a certain age, and the pension paid to them should be adequate to fully support them. I therefore recommend that some legislation be enacted by Congress to increase the pensions of Civil War veterans and their widows, thereby more fully recognizing the debt the Government owes them for the service they performed in preventing the disruption of the Union.

That, Mr. President, is the recommendation of the present Secretary of the Interior, made on June 30, 1923, the same year in which this Congress assembled. That is exactly what we have done in this bill.

Mr. President, again I desire to emphasize and call attention to the death loss, especially the first and the second years after this bill would become a law. I want to emphasize the fact that there is no justification for the statement that this bill would cost $215,000,000 for 5 years, or $415,000,000 for 10 years. At the end of the first year there will be dropped from the roll 25,000 widows, drawing at the rate of $45 a month, which means, $13,500,000. Twenty-five thousand veterans, drawing $72 per month, means $18,000,000. The second year the losses will be fully as great, if not more, so that at the end of two years' time the expenditures will have been reduced by $63,000,000, or $5,000,000 more than is claimed by anyone as the cost of this bill.

It is well known that the pension dies with the death of the veteran or other beneficiary. How can they estimate costs for veterans after death? There is only one way any such estimate could have been possibly suggested, namely, on the basis that these veterans and widows would live on and on, forever and forever. Permit me to say that in my opinion the Pension Bureau will not justify or make any such estimate; that this estimate rather comes from General Lord, of the Budget Bureau.

APPENDIX

LONG BEACH, CALIF., *May 4, 1924.*

Senator BURSUM,
United States Senate, Washington, D. C.:

Surely our President does not mean to say welfare of soldiers only important in time of war and in time of peace. Taxpayers come first. No country, no flag; nothing to pay taxes on only for our brave soldiers who gave up their lives and bodies that the Nation might live, and who are now quickly passing away. Must that debt be so soon forgotten, so sparingly commemorated and compensated? Not if Congress is heard and heeded. Government money is soldiers' money. Congress knows where duty lies, and our President will scarcely weigh in balance with economy the life's blood and painful sacrifices of Nation's beloved heroes.

Respectfully,

MRS. KATE KELLY,
Widow of James Kelly, Twenty-fifth Volunteer
New York National Guard, P. O. Box 877, Los Angeles, Calif.

VAN WERT, OHIO, *May 5, 1924.*

Senator H. O. BURSUM,
United States Senate, Washington, D. C.:

Comrades very bitter against cruel veto by President. Statement given press that it is same bill vetoed by Harding is untrue. At half the cost this benefits many more. Statement that the expenditure is unwarranted is a slap in the face of every comrade who served his country in time of need. The same may be said of his statement that no conditions exist which justify this law. He has been told over and over of the suffering in old age of the veterans who are of those who saved this Union, and made it possible for him to be President of the greatest country on earth. This statement is an insult to Congress, which has said that there was warrant for this expenditure and that conditions did exist which justified. If this is sacred truth, let the President go to the memorial and look in the face of the immortal Lincoln and then find fault with his soldiers as a class. They were a class which saved the Nation and were never before so offensively spoken of. The obligation to these feeble old men is more holy than the debt to any other. A demagogue must have suggested to the President to estimate the cost for five or ten years in advance to make the amount appeal large when all know that death decreases payments rapidly. There is not one word of praise for what the heroes have done nor admission of present necessities and increased needs and cost of living. Justice to them that have been heretofore counted so worthy demands that the law be passed over the veto.

G. M. SALTZGABER, *Commander in Chief G. A. R.*

WASHINGTON, D. C., *May 5, 1924.*

Senator H. O. BURSUM,
Senate Office Building, Washington, D. C.:

The veto of President Coolidge is so unjust to the feeble old veterans who so nobly saved their country that I can not find words sufficiently strong to characterize it. With their just claims against the Government they are ignominiously turned from the door of help and hope. It can not be possible that this great Nation has forgotten those who saved it from disunion. On behalf of suffering and deserving comrades I appeal to the branch of the Government best representing the people, the American Congress, to right this grievous wound and pass the Bursum pension bill over the veto of the President. The old men and women whom we thought had earned a Nation's gratitude, now at the average of 81 years, plead on bended knees to Congress to give them aid in their enfeebled old age, and thus give expression to a prayer for simple justice, which, I am sure, the people of our Nation will heartily approve. Thanks to these Union veterans and Almighty God the Government at Washington still lives. With broken hearts they and the widows will appeal everywhere that Congress may override the cruel veto.

GAYLORD M. SALTZGABER,
Commander in Chief Grand Army of the Republic.

NEWTON HIGHLANDS, MASS., *May 7, 1924.*

Senator BURSUM,
Washington, D. C.:

Thomas Burnett Camp, No. 10, of Newton, Mass., request you use all in your power to override veto of President Coolidge on your bill.

PHILIP BUTLER,
Adjutant, 72 Circuit Avenue, Newton Highlands, Mass.

LAKEMAN, MO., *May 5, 1924.*

Senator BURSUM,
United States Senate, Washington, D. C.:

The Civil War veterans and widows of Missouri beg Congress to pass the Bursum bill over the veto.

Maj. A. J. ROOP.

AUBURNDALE, MASS., *May 8, 1924.*

Senator BURSUM,
Senate Chamber, Washington, D. C.:

Camp 10, United Spanish War Veterans, Department of Massachusetts, to a man our camp want to go on record as opposed to the President's veto on the Bursum pension bill.

EDWARD HILDRETH,
Commander, 203 Lexington Street, Auburndale.

TOLEDO, OHIO, *May 5, 1924.*

Hon. Senator BURSUM,
United States Senate, Washington, D. C.:

The veterans of Toledo Post, Forsyth Post, Volunteer Post, and Ford Post, Grand Army of the Republic, and the aged widows of deceased veterans of our several relief corps pray and urge the passage of the Bursum bill, notwithstanding the President's veto. The youngest of our veterans is now well along in his eightieth year; some are blind; many with impaired vision; many deaf, or partially so; and some on crutches or with canes. They are supported and cared for by their children or relatives or the help and charity of friends. In a very few years there will be none left of the veterans of the Civil War, and only the history and the memories of their noble deeds, sacrifices, and sorrow.

TOLEDO POST,
FORSYTH POST,
VOLUNTEER POST,
FORD POST,
Grand Army of the Republic.

WASHINGTON, D. C., *May 5, 1924.*

Senator HOLM O. BURSUM,
Senate Office Building, Washington, D. C.:

The veto of the Bursum bill by President Coolidge is a shock to Spanish War veterans throughout the country. That bill—including, as it did, the veterans of all wars except the World War, as well as their widows and orphans—was very conservative. It would have gone far toward eliminating the discrimination of which the Spanish War veterans have so long and with good reason complained. The President himself, we have every reason to believe, recognized that there was discrimination against the Spanish War veterans. Such treatment of the old veterans no doubt will greatly encourage the foreigners who are here advocating slackers' oaths education and pledging of our children never to take up arms, either offensive or defensive, and the formation of "resisters' associations." Unless it is the desire of the Government to destroy the American spirit, the Bursum bill should be reconsidered and passed. I hope the Spanish War veterans can rely upon your vote to secure that result.

ALBERT D. ALCORN,
National Commander in Chief,
United Spanish War Veterans.

ST. LOUIS, MO., *April 1, 1924.*

ALBERT D. ALCORN,
Washington, D. C.:

The following wire sent to Senators and Congressmen from Missouri: "United Spanish War Veterans of the Department of Missouri vigorously oppose amendment to the Bursum bill which was offered by Senator REED of Pennsylvania. This amendment would come into effect after hundreds of Civil War veterans have died. The men did not defer action in 1861. They gave victory to the world. We should give them comfort now. Trust you will oppose the amendment and lend your support to passage of the Bursum bill."

HERMAN A. FINKE,
Department Commander, United Spanish War Veterans.

Mr. DIAL. Mr. President, as I said the other day, I have no desire to bring up any unpleasantness of the Civil War. However, I have no apologies to make for my action. I look on the vote which we are about to take now as one of the most important the Senate has ever taken. These are momentous times. We are going to establish a precedent as to whether we are going to allow pensions of all wars to be pyramided and pyramided beyond the endurance of the taxpayers of this country to sustain.

We were told many years ago by Mr. McKinley, who was afterwards President, when a pension bill passed the House that the Government would never be asked to enlarge that amount. But instead of that being true, in 1918 a large additional pension was granted to those very pensioners. In 1920 $65,000,000 per annum was granted to those pensioners, and to-day, outside of the present bill, all of the Civil War soldiers whose names were on the rolls 90 days are drawing the magnificent sum of $50 per month, and this bill proposes to increase that pension to $72 per month. Even where they are clothed and fed and taken care of at the soldiers' homes, those soldiers are drawing $50 a month under the present law, and if they can show that they need a little extra pension, all they have to do is to make a meager showing before the proper official and they will be granted $22 a month extra. But under this bill the pensions of all the soldiers of the Civil War are to be increased to $72 a month, irrespective of the condition of the soldier physically, irrespective of his condition financially, irrespective of whether he was within a thousand miles of a battle.

I think this bill was not sufficiently debated when it was passed, nor, with all due respect to Senators, did they consider the matter as carefully as they should have. Many of us were committed to increase the pensions of disabled Spanish War soldiers, and that was a correct proposition, because they are the most modest class of soldiers and because the disabled of that war are drawing only a mere pittance of what the disabled of other wars are drawing. They do not even draw as much as widows of Civil War veterans, and some of those widows were not born until 17 years after the war.

I have the highest regard, respect, and sympathy for the wife who lived with her husband through troublesome times and helped bear the burdens of the family and the responsibility of raising the family, but I confess that the sentimentality of granting a pension to a young woman who married an old man just before he was ready to be buried for the purpose of getting a pension does not appeal to me. Some of that class of people are drawing to-day more than the disabled soldiers of the Spanish-American War receive.

I want this Government to take good care of the disabled of all wars, but I am not strong in favor of a service pension for any able-bodied soldiers. It is not a good principle, and the vote to be cast to-day will establish a precedent to be followed hereafter. It is the policy of this Government to take good care of disabled soldiers. We should not carry sentimentality beyond all reason.

I am committed to some bill looking to the end of taking better care of the Spanish-American War disabled boys. I understand such a bill has been reported favorably to the House by the proper committee and is now on the calendar. I introduced a similar bill here the other day when I thought this bill would be defeated, and I hope the committee will soon act upon it and that we will pass it at this session. But, Mr. President, if the Senate will allow me to say so, I fear Senators

did not consider carefully what this bill contained when they promised to vote for it in order to take care of the disabled soldiers of the Spanish-American War. If they had known the full purport of this bill they would not have made that promise. Having made it under a misapprehension, I feel that the promise is no longer binding upon them.

There is no excuse in morals or in good business why a pension should be granted to Civil War soldiers who enlisted after the end of the war. That is absolutely unjustifiable, and I feel that the President of the United States is entitled to support for having pointed that out in this bill and for having the courage and the firmness to veto the bill. We should remember that there are other people in this country besides pensioners. I feel kindly toward the aged, I feel kindly toward the infirm, but this bill brings in all the classes, irrespective of their condition.

So I feel that if anyone made a promise such as I have spoken of, he is released from it after looking into the drastic provisions of the bill. If we pass this bill over the veto, I do not see how there can be any talk against pensions hereafter. All you would have to do with a measure would be to label it "pensions" and we would swallow it, hook, line, and sinker, and also the rod.

In 1918 there was a fine increase, and in 1920 there was another enormous increase to this class of pensioners, at a time when this country had just emerged from the most destructive war the world ever saw. Yet they are going on and piling pensions on top of pensions for this class of soldiers and all the time adding new names to the list.

We should have regard for the boys of the last war. As the President of the United States points out, if this bill is passed there will be an appropriation of $415,000,000 in the next five years, almost a quarter of a billion dollars, almost enough to pay one-third of a bonus to the soldiers of the last war.

The annual increase under this bill will be about $58,000,000. Just the other day we passed a bill for the State Department, the Department of Commerce, the Department of Labor, and the Department of Justice, which carried about the same amount. Just think, this one increase is equal to all that and with no return to the Government. It is now proposed to increase pensions, as the President of the United States has said, 25 per cent at one time. It is all out of proportion.

Then we should consider our constituents at home. I can not forget that class of people and that class of taxpayers. Yesterday we heard the junior Senator from Massachusetts [Mr. WALSH] state the conditions of factory labor in the Northeast, and I believe the senior Senator from Massachusetts [Mr. LODGE] confirmed his statement. He stated that the mills are running something like only 20 per cent of the time, and many of the laborers are walking the streets with no work at hand. Yet here we are, trying to strangle enterprise, trying to decrease prosperity in the country, trying to augment the burdens of the taxpayers by putting this uncalled-for, unnecessary, out-of-place, additional tax burden upon them.

I send to the desk and ask to have read the President's veto message. It is exceedingly short and possibly some Senators did not hear it read the other day because they have not paid attention to the bill as they would like to have done.

The PRESIDENT pro tempore. The message will be read, as requested.

The reading clerk read as follows:

To the Senate:

I am returning herewith Senate bill 5, "An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes," without my approval.

For the next fiscal year the effect of this act will be to take an additional $58,000,000 of the moneys paid by the taxpayers of the Nation and add it to the pension checks of the veterans of the wars from 1812 to 1902 and their widows and dependents. This is the effect for the first year, but the burden upon the taxpayers will continue for many years to come. While impossible of accurate estimation, the Commissioner of Pensions states that the proposed addition to the pension roll will total approximately $242,000,000 for the first 5 years and $415,000,000 for the first 10 years.

No conditions exist which justify the imposition of this additional burden upon the taxpayers of the Nation. All our pensions were revised and many liberal increases made no longer than 1922. Every survivor of the Civil War draws $50 per month, and those in need of regular aid and attendance, which already includes 41,000 of them, draw $72 per month. As others come to need this the law already gives it to them. The act also proposes to extend the limits of the war period from April 13, 1865, to August 20, 1866, so that those who enlisted during this year and four months of peace now become eligible for the same treatment of those who fought through the war. There are other questionable provisions providing for the pensioning of civilians, and relating to the pensioning of certain classes of widows.

But the main objection to the whole bill is the unwarranted expenditure of the money of the taxpayers. It proposes to add more than 25 per cent to the cost of the pension rolls. It is estimated that it would bring the total pension bill of the country to a point higher than ever before reached, notwithstanding it is now nearly 60 years since the close of the Civil War. A generous Nation increased its pensions to well over a quarter of a billion annually, and has already bestowed nearly $6,250,000,000 in pensions upon the survivors of that conflict and their dependents. While there has been some decrease in the annual expense, it is now proposed by a horizontal increase to pay all survivors $72 each month, without regard to age, to their physical condition, or financial condition. With the other proposals a new high record of cost would be established.

The need for economy in public expenditure at the present time can not be overestimated. I am for economy. I am against every unnecessary payment of the money of the taxpayers. No public requirement at the present time ranks with the necessity for the reduction of taxation. This result can not be secured unless those in authority cease to pass laws which increase the permanent cost of government. The burden on the taxpayers must not be increased, it must be decreased. Every proposal for legislation must be considered in the light of this necessity. The cost of commodities is diminishing. Under such conditions the cost of government ought not to be increasing. The welfare of the whole country must be considered. The desire to do justice to pensioners, however great their merit, must be attended by some solicitude to do justice to taxpayers. The advantage of a class can not be greater than the welfare of the Nation.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 3, 1924.*

Mr. DIAL. I now send to the desk and ask to have read a very short letter which I received from an old soldier a short time ago. He is one who is drawing a pension. I submit that his letter is a better answer to the bill than I could make. I had it read the other day, but possibly some Senators who are here now were not present then. I ask to have the letter read for the benefit of Senators who are now present.

The PRESIDENT pro tempore. The letter will be read, as requested by the Senator from South Carolina.

The reading clerk read as follows:

Senator DIAL.

DEAR SIR: I have been reading the doings of the Senate in regard to the pension bill, and was very much interested in your remarks on the question, and agree with you that no pension ever ought to have been paid except to those who really needed it, and if paid should be according to length of service. Now, a man who enlisted 90 days before the war closed, and got a big bounty and never heard a gun fired, gets the same as the one who served three years and suffered all the hardships of war. If the 90-day man gets $50 per month, the 3-year man ought to get $600; that would be in proportion to time of service.

The whole pension business has been for votes. Neither party dared to oppose a bill of the other. The National Tribune's love for the old soldier is for revenue only. I have had dozens of letters from the Tribune, begging for my subscription, but refused to send me a blank, which was free only to subscribers. A man in a soldiers' home supported by the Government ought not to have a pension, and a rich man ought to be ashamed to take one. I am a 3-year veteran of the Civil War and get a pension, which I need, and am thankful for it, but never expected to get so much, and have been surprised every time it was increased. I am well along in my ninetieth year, which accounts in part for this poor writing, but I wanted to say a few words, and hope you will excuse them.

Yours truly, ——— ———.

Mr. DIAL. Mr. President, I believe that I have already called the attention of the Senate to the fact that last year over $263,000,000 was paid out in pensions. That was the peak year since the Civil War. If the pending bill is passed that amount would be increased very greatly, about $600,000,000 more. I am wondering if the people back home, the people who are worth while, the people who work and carry on the country and support our Constitution, will think we are ever going to

stop if we keep on increasing pensions from year to year? Will we never stop discouraging them? I want every Senator to be prepared to answer his constituents if they ask him what reason they can assign for giving pensions to people who enlisted after the Civil War, from April 13, 1865, to August 20, 1866. Why should they be so liberal with other people's money as to give pensions to people who were in no danger whatsoever, people who rendered no service to their country and whose only claim to a pension is that their names were on a militia list?

I have done all I can do to bring the matter to the attention of the Senate. I sincerely hope that upon second thought Senators will sustain the President's veto. I think if we had considered the matter a little more at length before the bill passed, it never would have passed the Senate, and it would not have been necessary for the President of the United States to veto it. But at this late day let us do our duty and thereby show the taxpayers we are not deaf and blind to their interest.

Mr. FLETCHER. Mr. President, without attempting to discuss the subject in detail, I feel that I ought to make a brief statement. I voted for the bill when it was before the Senate. If I have ever erred at any time in the past with reference to any measure intended for the relief or benefit of ex-soldiers, it has been in the direction of generous and liberal treatment. My disposition has been all the while to meet the reasonable requests of those who have rendered service to their country in time of war. But to override the President's veto is a different matter.

The President submitted his veto with an apparent justification which can not be disregarded. I have listened this morning to the Senator from New Mexico [Mr. BURSUM] with regard to the veto message and his statement somewhat in answer to the points raised in the President's message. He has not, however, it seems to me, satisfactorily answered the objections raised by the President. The President said the passage of the bill would mean an increase of $58,000,000 the first year. The Senator from New Mexico said the Pension Bureau estimates it at $55,000,000. That is not a very great difference. The Senator himself, I believe, placed it at $40,000,000. That of itself is a very considerable increase in these times when we are all advocating a genuine, substantial reduction in taxation. It is a considerable addition to the taxation which must be paid by the people at a time when we are all urging economy in public expenditures. The President further said:

> While impossible of accurate estimation, the Commissioner of Pensions states that the proposed addition to the pension roll will total approximately $242,000,000 for the first 5 years and $415,000,000 for the first 10 years.

The Senator from New Mexico questions that because he figures that a certain number of deaths will take place; but while, of course, that is true the difference remains all more or less an estimate on his part, as it is more or less a guess as to the precise amount on the part of anyone who would undertake to discuss it.

Mr. BURSUM. Mr. President, will the Senator yield to me for a moment?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from New Mexico?

Mr. FLETCHER. I yield.

Mr. BURSUM. Does not the Senator believe that the experience we have had during all these years is a reliable guide? For instance, there were forty-nine thousand and several hundred deaths of pensioners last year. Does not the Senator believe that as age advances the death rate will not diminish but of necessity must be more rapid?

Mr. FLETCHER. I realize that. I also recall that when I came to the Senate in 1909, at which time the then Senator from West Virginia, Mr. Scott, was the chairman of the Committee on Pensions, I heard him urge an increase of pensions and say, "hundreds of these veterans died yesterday; hundreds of them will die to-morrow," and so on, estimating that in a comparatively brief period of time pensions would all cease; yet the President in his message states, with reference to the bill now before us:

> It is estimated that it would bring the total pension bill of the country to a point higher than ever before reached, notwithstanding it is now nearly 60 years since the close of the Civil War.
>
> So that instead of decreasing pension expenditures we have gone on increasing them until now this is the climax: Sixty years after the Civil War we are paying more than at any time during the interval.

Mr. BURSUM. Mr. President, will the Senator from Florida yield further?

Mr. FLETCHER. I yield to the Senator.

Mr. BURSUM. It is true that we are now experiencing the peak of expense.

Mr. FLETCHER. I have previously heard that, too.

Mr. BURSUM. And it is also true that the peak, so far as numbers is concerned, passed some time ago, and we are on the downward slide. There is this fact also to be considered; it costs much more money to take care of the totally incapacitated persons than it does to take care of the person who is only partially disabled.

Mr. FLETCHER. I realize that. I am not intending to go really into the merits of these claims for pensions. I have been voting for them right along year after year.

Mr. BURSUM. I do not want to disturb the Senator, and I hope he will pardon my interruption, but I merely want to say one word more; that is, that the principal benefits from this bill, if it be passed, will accrue to the very aged widows; that is, those who are over 74 years of age are the ones who will reap the substantial increase, and the record shows that their ages range between 74 and 94 years.

Mr. SIMMONS. What are they now getting?

Mr. BURSUM. They are now getting $30 per month, and this bill would give that class of widows $45. It is that class of widows who are the beneficiaries to an extent of about one-half of the cost of the bill. I do not see how we can deny that kind of helpless disability. It is a pitiable situation.

Mr. FLETCHER. That condition is discussed by the President, who uses very strong and forceful language. With the clearness and directness which characterizes all of his utterances, the President says:

> No conditions exist which justify the imposition of this additional burden upon the taxpayers of the Nation. All our pensions were revised and many liberal increases made no longer ago than 1920.

Then he proceeds:

> Every survivor of the Civil War draws $50 per month, and those in need of regular aid and attendance, which already includes 41,000 of them, draw $72 per month.

Mr. BURSUM. What the President states is true; 41,000 of them do draw that amount of pension, but there is nothing in the message about the 149,000 very aged widows; and there is where one-half the expense of the bill lies. The rate of $72 per month for the veterans themselves, as a matter of fact, will not be of any great moment or significance, because they will all get that rate of pension anyway. The only reason for extending it to them is on account of the proof requirements and the machinery and the investigations of the department which do not keep pace with the number of deaths. In many cases the veterans die before their applications can be passed upon. They make an application for an increase; it takes three months to act on the application; and before the three months have expired the veteran is dead.

Mr. SIMMONS. Mr. President, if the Senator will allow me, what is the rate of increase allowed the veterans?

Mr. BURSUM. The bill merely makes the general rate $72 a month. The maximum is the same as it is now, but the bill does away with the necessity of making application and investigation and the proofs on the theory that 90 per cent of the pensioners are already incapacitated, and it is an injustice to subject them to the necessity of making the application and submitting the proofs and conducting investigations when in many such cases the soldiers die before they can get the amount which Congress intended to give them. There is no increase of the maximum to the veterans. They receive the same maximum which is already provided by law. It is precisely what Secretary Work, of the Interior Department, recommended in his report of June 30, 1923, and which is quoted in the report on the bill.

Mr. FLETCHER. The Senator's argument would lead very largely to the conclusion that the chief beneficiaries would be the widows, and they are the ones who really need it. The question then naturally arises, why should not the bill be confined to increasing the pensions of the widows and leave the others alone? But that is not done under the bill.

There is another point which the President raises which is answered to some extent by the Senator, who cites a decision of the Supreme Court. I can not question what the President says. In his message he says:

> The act also proposes to extend the limits of the war period from April 13, 1865, to August 28, 1866, so that those who enlisted during this year and four months of peace now become eligible for the same treatment as those who fought through the war.

That would appear to be unfair to those who actually engaged in the conflict.

Mr. President, without going further into the merits of the situation, let me say that I favored especially some features of this bill; in fact, on December 10, 1923, I introduced a bill, being Senate bill 814, which was referred to the Committee on Pensions, proposing to increase the pensions of the surviving soldiers of various Indian wars to $40 and their widows to $20 per month. That bill has never been reported out by the committee, although its main features are embodied in the bill now under consideration. I think those proposed to be benefited by that bill are entitled to some increase. So far as the Seminole Indian war veterans in Florida are concerned, of whom, I think, there are some seven or eight hundred, they now receive only $20 a month and widows $12 under the general law. Those veterans certainly are entitled to more liberal treatment by the Government. They saw actual service and very dangerous, trying, and hazardous service; they gave a good account of themselves, and they ought to be dealt with on a more generous scale than they have been in the past, and so in the case of their widows.

The Spanish-American War veterans ought to be treated better than they have been treated. I favor the feature of this bill which covers those veterans. I understand that a bill has been introduced in the other House which has been reported out by the committee—at any rate, it will be reported out, I think—which will embody the features of this bill with respect to the Spanish-American War veterans.

The Senator from South Carolina [Mr. DIAL] has introduced a bill in the Senate, being Senate bill 3250, proposing to increase the pensions of the soldiers and sailors of the war with Spain.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Florida yield to the Senator from South Carolina?

Mr. FLETCHER. I yield.

Mr. DIAL. I understand the bill has been favorably reported in the House and is now on the calendar there.

Mr. FLETCHER. Then that bill will undoubtedly come up for consideration, and I shall be decidedly in favor of such a measure. As I have said, I think the Spanish-American War veterans have not been fairly dealt with, and they ought to be put on a different basis from that which we have heretofore given to them. We shall probably have an opportunity to consider that bill at this session, and I hope we shall also have an opportunity to consider the bill with reference to Indian war veterans.

While, as I have said, I voted for the bill now before the Senate in the first instance, yet in view of the strong message of the President, in view of the fact that some of the matters embodied in this bill can be taken care of otherwise, and in view of the proper consideration which is due the action of the Chief Executive, after he has thoroughly considered the question and the general situation throughout the country, I do not feel justified in ignoring his message and in overriding his veto. I shall therefore have to vote to sustain the veto.

Mr. WADSWORTH. Mr. President, since the bill now under discussion passed, the Senate has passed the revenue bill. While no one may prophesy the form that bill will take when it emerges from conference, nevertheless one must take into consideration the condition of the bill as it was passed by the Senate. The chairman of the Committee on Finance has announced since the passage of that bill by the Senate that, regardless of the obligations which may be incurred by the passage of the so-called Bursum bill, and regardless of the obligations which may be incurred by the passage over the President's veto of the so-called bonus bill, the revenue bill itself will result in a deficit of $150,000,000. This brings us fact to face, Mr. President, with a very serious situation, from which there is no escape except by taking stock of the money which we may cover into the Treasury and the money which we propose to spend from the Treasury and acting accordingly.

As to this bill, which the President informs us will result in imposing an annual expenditure upon the United States Government of $58,000,000, personally I have never been completely persuaded that the increases in pensions provided in the bill for the veterans of the Civil War are justified. I have always had grave doubt as to the wisdom of raising them to any such figures. I have, on the other hand, believed and still believe, that the veterans of the Spanish War deserve approximately the increase provided by the bill.

I think I may say at this time, Mr. President, that of all our groups of veterans the Spanish War veterans, thus far at least, have been the most moderate in their requests upon the Federal Government. Their number is small, and perhaps they have not been able to make the same impression that larger groups have been able to make upon the Congress, but whatever the reason may be, those veterans have proceeded upon modest lines in a conservative and patriotic spirit, and I have had and still have a very deep sympathy for them.

Like the Senator from Florida [Mr. FLETCHER], I intend to vote to sustain the veto of this bill by the President on the ground that we simply can not afford the expense involved in it, especially in view of the situation created by the revenue bill.

Like the Senator from Florida, I hope that legislation may proceed giving a better treatment to the Spanish War veterans. I believe they deserve it, and the country can afford it. There is now pending in the House, so I am informed, a bill having that object in view, and the Senator from South Carolina [Mr. DIAL] has introduced a bill similar in character here in the Senate. I shall hope for an opportunity of supporting either of those measures, and I intend to vote to sustain the veto of the President upon this bill.

Mr. NEELY. Mr. President, I arise to charge the President of the United States with having become a lobbyist. As such, his activities are being carried on at the breakfast table in the White House, where his powerful and penetrating propaganda is being delivered to Members of the Congress who have been previously feasted on buckwheat cakes saturated with New England maple sirup.

Since Eve was tempted by the serpent with the forbidden fruit in the Garden of Eden, never has there been offered to weak and erring humanity another such irrisistible temptation as buckwheat cakes and sirup, sweeter than the honey of the Hybla bees.

The seriousness of my charge against the President is accentuated by the fact that the victims of his attack are the veterans of our various wars and the dependent widows and children of those who fought and sacrificed and suffered for their country.

The President is lobbying against the surviving soldiers and sailors of the Civil and Mexican Wars; he is lobbying against the widows and the minor and helpless children of these soldiers; against the widows of the soldiers of the War of 1812; against the Indian war veterans and their widows; and against the soldiers of the Spanish-American War, for all of whom the Bursum bill, which the President recently vetoed, either provides reasonable pensions or richly deserved increases of the pensions which have been previously awarded them.

In support of my charge, I read from an article which appeared in the Washington Evening Star of last Thursday, as follows:

> COOLIDGE LINES UP FORCES FOR ACTIVE LEGISLATIVE DRIVE—CONFERS WITH PARTY LEADERS IN EFFORT TO PUSH IMPORTANT MEASURES—THREATS OF COALITION SPUR O. O. P. TO ACTION—ADJOURNMENT OF CONGRESS JUNE 7 SUGGESTED TO THE EXECUTIVE
>
> * * * * * * *
>
> The President and Republican leaders had a breakfast conference and later met with Senator LODGE, of Massachusetts, Republican Senate leader, and Chairman SMOOT, of the Senate Finance Committee.
>
> MEETS HOUSE LEADERS
>
> The House leaders attending the conference included Speaker GILLETT, Representative LONGWORTH, of Ohio, the floor leader; Chairman SNELL, of the Rules Committee, Representative BEGG, of Ohio, Chairman GREEN, of the Ways and Means Committee, Chairman MADDEN, of the Appropriations Committee, and members of the Republican steering committee.
>
> While Senators LODGE and SMOOT were at the White House Senator BORAH, Republican, Idaho, also was called into their conference, which had to do primarily with the status of financial measures, including the tax bill and the Bursum pension measure, vetoed last week.
>
> BONUS BILL VETO EXPECTED
>
> His (the President's) attitude on this point led most of the House leaders to believe that he would veto the soldiers' bonus bill, which has been submitted to him, and might be lukewarm toward the postal salary bill unless a provision is incorporated to raise funds for meeting the pay increase by an increase in postage rates.
>
> Particular importance also is attached by Mr. Coolidge to the Bursum pension bill, which he vetoed last week. He is understood to have asked for assurances that its passage would be prevented, but the congressional leaders were unable to give him any positive information on that subject.

yield further?

treatment as those who fought through the war.

It thus appears that the President is not content with having vetoed the Bursum bill, but that he is attempting to usurp the legislative functions of the Congress and seeking to exact assurances from leaders of the Senate and the House that his veto of this most meritorious measure shall not be overridden.

The President's message in explanation of his veto is characteristic not only of the man who wrote it, but also of those who are managing the campaign to reelect him President. Big business and accumulated wealth, which are always the most chronic, if not the most conscientious, objectors to the paying of taxes, will find in this message additional reasons for increasing their activity in behalf of the President's renomination in June and his reelection in November.

The following significant statements are contained in the message:

I am returning herewith Senate bill No. 5, an act granting pensions and increases of pensions * * * without my approval. No conditions exist which justify the imposition of this additional burden upon the taxpayers of the Nation.

Does the President mean that there could be no justification for paying a needy Civil War veteran or his widow a pension of $72 a month? Does he mean that there could be no justification for paying a pension to a surviving Spanish-American War veteran who needs it and deserves it? Does the President believe that the sum of $72 a month exceeds the amount necessary to support a veteran and his family?

Has the President recently tried the interesting but impossible experiment of supporting a family of four or five on an allowance of $72 a month?

As a matter of course, we all desire and intend to protect the taxpayers to the utmost, but neither the taxpayers nor legislators desire economy, even in the matter of taxation, at the expense of honesty and justice to the surviving soldiers of our various wars or those left dependent by our veterans.

The President further says, among other things:

The main objection to the whole bill is the unwarranted expenditure of the money of the taxpayers. * * * No public requirement at the present time ranks with the necessity for the reduction of taxation. I am for economy.

Of course, he is for economy. So am I. But the President is for economy first and justice to our surviving soldiers afterwards; while I am for justice to our veterans first and for economy after justice shall have been done. Therefore I intend to vote to pass this bill, the President's veto to the contrary notwithstanding.

In disapproving this measure it appears that the President has been actuated solely by financial motives. It is obvious that he is considering not the necessities of the soldiers or their widows or their orphans but the cost in dollars and cents of paying them such just compensation as will enable them comfortably to live the remainder of their days.

It is clear that the President has forgotten the cost to our soldiers of winning our various wars, of preserving our country and defending its institutions. He now thinks only of the cost of granting pensions and increases of pensions of adequate proportions. He is now unmindful of the fact that our soldiers at Shiloh, at Manassas, at Chicamauga, and the bloody angle at Gettysburg did not count in blood or limb or life itself the cost of saving the Union and preserving the foundations upon which this, the greatest and the richest Nation in the world, has been established and perpetuated.

If the President believed that there is no justification for paying a needy surviving defender of our country as much as $72 a month as a pension, how can he justify his receiving from the Treasury a salary of $75,000 a year, or, to be more specific, a salary in excess of $205 a day?

While I make no objection to the salary paid the President, I nevertheless contend that if his services are worth more than $205 a day in time of peace, $72 a month is not an excessive amount to pay a needy, deserving soldier for the services he rendered his country in time of war.

I invite the attention of all our soldiers and sailors and the attention of all the widows and orphans of our soldiers and sailors to the fact that this is the second time a Republican President has vetoed this pension bill. It was first vetoed by President Harding. It now has been vetoed by President Coolidge. And we are wondering if Congress can pass any bill providing an increase of pensions which a Republican President will permit to become a law.

Since President Coolidge has taken the position that it will be too costly to the country to pay the beneficiaries of the Bursum bill pensions of $72 a month, I hope that our veterans and the widows and orphans of soldiers will decide next November that it will be too costly to pay Mr. Coolidge $205 a day to be President for the next four years.

Mr. DIAL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Ernst	Lodge	Sheppard
Ashurst	Fernald	McKellar	Shields
Ball	Fess	McKinley	Shipstead
Bayard	Fletcher	McLean	Shortridge
Borah	Frazier	McNary	Simmons
Brandegee	Gerry	Mayfield	Smith
Brookhart	Glass	Moses	Smoot
Broussard	Gooding	Neely	Spencer
Bruce	Hale	Norbeck	Stanfield
Bursum	Harreld	Norris	Stephens
Cameron	Harrison	Oddie	Sterling
Capper	Heflin	Overman	Swanson
Colt	Howell	Owen	Trammell
Copeland	Johnson, Calif.	Pepper	Wadsworth
Cummins	Johnson, Minn.	Phipps	Walsh, Mass.
Curtis	Jones, N. Mex.	Pittman	Walsh, Mont.
Dale	Jones, Wash.	Ralston	Watson
Dial	Kendrick	Ransdell	Weller
Dill	Keyes	Reed, Mo.	Wheeler
Edge	King	Reed, Pa.	Willis
Elkins	Ladd	Robinson	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, there is a quorum present. The question is, Shall Senate bill No. 5 pass, notwithstanding the objections of the President of the United States?

Mr. DIAL. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. REED of Pennsylvania (when Mr. GREENE's name was called). I was asked to announce that the Senator from Vermont [Mr. GREENE] is absent on account of illness, and, if present, would vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD], who is unavoidably absent.

I join with me the junior Senator from Wisconsin [Mr. LENROOT] in my pair with the Senator from Alabama. The Senator from Wisconsin and I, if permitted to vote, would vote to pass the bill over the veto, and the Senator from Alabama [Mr. UNDERWOOD] would vote against passing it over the veto. I have given a double pair.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN], and therefore withhold my vote.

The roll call was concluded.

Mr. ROBINSON. The junior Senator from Georgia [Mr. GEORGE], the junior Senator from Michigan [Mr. FERRIS], and the junior Senator from New Jersey [Mr. EDWARDS] are necessarily absent. If they were all present and permitted to vote, the Senator from Georgia [Mr. GEORGE] would vote "nay," and the Senator from Michigan [Mr. FERRIS] and the Senator from New Jersey [Mr. EDWARDS] would vote "yea." The Senator from Georgia [Mr. GEORGE] is paired on this vote with the Senator from Michigan [Mr. FERRIS] and the Senator from New Jersey [Mr. EDWARDS].

Mr. ERNST. I have a general pair with the senior Senator from Kentucky [Mr. STANLEY]. I do not know how he would vote if present. I vote "nay."

The roll call resulted—yeas 53, nays 28, as follows:

YEAS—53

Adams	Fernald	Ladd	Robinson
Ashurst	Fess	McKellar	Shields
Brandegee	Frazier	McKinley	Shipstead
Brookhart	Gerry	McLean	Shortridge
Broussard	Gooding	McNary	Spencer
Bursum	Hale	Moses	Stanfield
Capper	Heflin	Neely	Walsh, Mass.
Colt	Howell	Norbeck	Walsh, Mont.
Copeland	Johnson, Calif.	Norris	Watson
Cummins	Johnson, Minn.	Oddie	Wheeler
Curtis	Jones, N. Mex.	Phipps	Willis
Dale	Jones, Wash.	Pittman	
Dill	Kendrick	Ralston	
Elkins	Keyes	Reed, Mo.	

NAYS—28

Ball	Ernst	Owen	Smoot
Bayard	Fletcher	Pepper	Stephens
Borah	Glass	Ransdell	Sterling
Bruce	Harreld	Reed, Pa.	Swanson
Cameron	Harrison	Sheppard	Trammell
Dial	King	Simmons	Wadsworth
Edge	Mayfield	Smith	Weller

NOT VOTING—15

Caraway	George	Lenroot	Stanley
Couzens	Greene	Lodge	Underwood
Edwards	Harris	McCormick	Warren
Ferris	La Follette	Overman	

The PRESIDING OFFICER. On this question the yeas are 53, the nays are 28. Less than two-thirds of all the Senators present and voting having voted in the affirmative, the bill does not pass.

ORDER OF BUSINESS

Mr. WADSWORTH. Mr. President, ordinarily at 2 o'clock the War Department appropriation bill would be laid before the Senate. It is now three minutes of 2; and if the Senator from Washington desires to endeavor to get up a bill which he tells me he wants to bring up, I have no objection.

Mr. JONES of Washington. As the Senator has said, it is only a couple of minutes before 2 o'clock. So I will wait until later in the afternoon, in the hope that I may be able to get the bill up.

ORDER FOR EVENING SESSION ON THE CALENDAR

Mr. CURTIS. Mr. President, I would like to submit a unanimous-consent request. We are away behind in the consideration of the calendar, and I ask unanimous consent that on day after to-morrow, Thursday, and not later than half past 5, the Senate shall take a recess until 8 o'clock, and that at the evening session nothing but unobjected bills on the calendar shall be taken up, under Rule VIII, and that at not later than 11 o'clock that night the Senate shall either adjourn or take a recess until the next day.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement requested by the Senator from Kansas?

Mr. ROBINSON. Mr. President, I think some arrangement ought to be made to proceed with the calendar, and perhaps the arrangement suggested by the Senator from Kansas is as good as can be effectuated. I have no objection to the unanimous-consent request which he proposes.

Mr. DIAL. Mr. President, may I ask the Senator if he intends to take up only unobjected bills on the calendar?

Mr. CURTIS. Only unobjected bills under Rule VIII, so there will be only five minutes' debate.

Mr. EDGE. Reserving the right to object, did not the Senator from Kansas first suggest Wednesday evening?

Mr. CURTIS. No; I suggested Thursday evening. I have talked with several Senators and they have said they would like to have at least one day's notice. So I made it Thursday evening.

Mr. EDGE. I shall not object, although it is very inconvenient for me personally to be here Thursday evening.

The PRESIDING OFFICER. The Senator from Kansas requests unanimous consent that on Thursday afternoon, at not later than half past 5 o'clock, the Senate shall take a recess until 8 o'clock Thursday evening, and that the time on Thursday evening shall be devoted to the consideration of unobjected bills on the calendar under Rule VIII, and that the Senate shall recess or adjourn, at its pleasure, not later than 11 o'clock p. m. Is there objection? The Chair hears none and the unanimous-consent agreement is entered into.

The agreement was reduced to writing as follows:

It is agreed by unanimous consent that on Thursday, May 15, 1924, at not later than 5.30 p. m. the Senate take a recess until 8 p. m.; that at the evening session the Senate shall consider only unobjected bills on the calendar under Rule VIII, and at not later than 11 p. m. take a recess or adjourn until Friday.

WAR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER. The hour of 2 o'clock having arrived the Chair lays before the Senate the unfinished business, which is House bill 7877.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. WADSWORTH. Mr. President, since the session on yesterday, my attention and that of members of the Committee on Appropriations has been called to three items of appropriations for the support of the Western Branch of the National Soldiers Home, situated at Leavenworth, Kans. As I explained yesterday, the committee found it necessary, in the treatment of the appropriations for the several soldiers' homes, to make certain increases, none of them very large, but necessary to support the number of members who are now resident at the homes. In the case of the Western Branch at Leavenworth three of the items I am convinced were overlooked in the committee. I desire now to offer three amendments, one to the item for "subsistence," one to the item entitled "household," and one to the item entitled "repairs."

On page 101, line 18, under "subsistence," I move to strike out the numerals "$202,500" and substitute therefor the numerals "$204,340."

The amendment was agreed to.

Mr. WADSWORTH. On the same page, line 19, under "Household," I move to strike out the numerals "$132,500" and insert in lieu thereof the numerals "$134,940."

The amendment was agreed to.

Mr. WADSWORTH. On the same page, line 20, under "repairs," I move to strike out "$46,500" and insert in lieu thereof "$49,640."

The amendment was agreed to.

Mr. WADSWORTH. Those three changes will bring those appropriations to the amount of the estimates of the home. The total for the Western Branch Home, which is found in line 21, page 101, should be changed to $562,580.

The PRESIDING OFFICER. The correction will be made accordingly.

Mr. PITTMAN. Mr. President, I had about concluded my speech in this connection on yesterday. I am not going forward at this time at any length, because the Senator from Idaho [Mr. GOODING] has a speech prepared on another phase of the subject, and in a very few moments I intend to yield the floor to that Senator. Later on in the debate I desire to go more fully into the question, as affecting discriminations against the interior country under the present act.

I realize that there are a great many protests being made against the measure. These protests undoubtedly are based largely on a misunderstanding as to the meaning of the amendment. This is not the old long and short haul bill that has originated the fights in the past. The old long and short haul bills that have heretofore been fought out have denied to the Interstate Commerce Commission the right to permit a departure from the fourth section in any case. This amendment permits a departure from the fourth section in the case of competition between railroad lines, but does not permit a departure from the fourth section by railroads to meet water competition. That is the distinction. There are those who have feared that the amendment intended to give some control to the Interstate Commerce Commission over water transportation. It does not do so. The common carrier referred to in the amendment is described in the act itself as a carrier engaged in railroad transportation or transportation by rail, and by water jointly where both the rail and water transportation facilities are under the same management and control. Therefore that question is not involved.

Mr. President, it is a fact that water transportation has ceased to exist on the inland waterways of the country. I charged that on yesterday, and the Senator from Florida [Mr. FLETCHER] stated that possibly it was not due to railroad competition. If it is not due to railroad competition, I ask to what is it due? As I stated on yesterday, it has been the policy of the Government for half a century to attempt to build up water transportation on the inland waterways of the country, and we have utterly failed. Are we going to permit that condition to continue? Yet at every session of Congress we appropriate huge sums of money for the purpose of making the waterways navigable.

If transportation is not run off of the rivers by the railroads, what does run it off? The fact remains that before the railroads paralleled the rivers, much commerce was carried by boats. Since the railroads have paralleled the rivers, there are no boats. If that is not due to railroad competition, to what is it due? As a matter of fact, I read yesterday from the hearings before the House committee to show what has happened even to the Government transports on the Mississippi River. When they started in prepared to extend that transport system to Minneapolis, the railroads paralleling the river instantly reduced their freight rates in competition with it, and therefore the Government did not construct the line.

Going on with the testimony of Mr. NEWTON before the House committee on the bill to appropriate money to carry on the Government transport system, I read further:

For instance——

Mr. WALSH of Montana. Mr. President, will the Senator explain what the Government barge line is?

Mr. PITTMAN. I will in just a few moments. I would like to finish quoting from this hearing first. Mr. NEWTON said:

For instance, the barge rate is 80 per cent of the rail rate that parallels the river, but the rail rates that parallel the river are about 58 per cent of the average rail rate of the country, so that the barge rate is not more than 50 per cent of the average rail rates.

As I said yesterday, rail transportation is more expeditious than water transportation, and, of course, it is essential that water transportation be carried for less than rail transportation where they parallel each other. So the barge or boat system is compelled to charge only 80 per cent of what the rails charge paralleling the river. The railroads paralleling the river charge only 58 per cent of what they charge throughout the rest of the country. It is perfectly simple. It has happened all up and down every river in the country.

Mr. NEWTON went on further in the hearings to say, in answer to questions:

Mr. RAYBURN. Well, this is true, is it not, that the act specifically provides that where a rate is put into effect to meet water competition by a railroad company, that that rate can not be increased after that unless the railroad company can show changed conditions?

Mr. NEWTON of Missouri. Well, but that is the surest way to absolutely insure the destruction of water competition. Here is the point: The country does not get the benefit of water transportation by getting a potential water rate down the river, because for every dollar the rail line loses carrying commerce up and down the banks of the river it has to penalize the interior to make up for that loss.

Mr. RAYBURN. Exactly.

Mr. NEWTON of Missouri. And that is why we are interested in transportation from the national standpoint.

Mr. RAYBURN. Now, under the act, the commission has a right to set a maximum or a minimum rate or a maximum and a minimum rate.

Mr. NEWTON of Missouri. I think the provision you put in was "reasonably compensatory," that the rates must be "reasonably compensatory."

Mr. RAYBURN. Therefore they can not be put into effect unless they at least have the approval of the commission. In other words, if the commission does not approve a rate they can veto it?

Mr. NEWTON of Missouri. I think that has been the practice.

Mr. RAYBURN. Then your objection would go to the administration of the act?

Mr. NEWTON of Missouri. I think so. I am thoroughly convinced that most of the criticism is due to the failure to enforce the spirit of the act dealing with water transportation.

Let me show you this, now. From New Orleans to Fort Smith is a distance of 494 miles. The rate on 100 pounds of first-class freight is $1.94½—494 miles. From St. Louis to New Orleans, 718 miles, the rate is $1.73. Because the barge line can not get to Fort Smith you have got nearly 300 miles less haul for $1.94½, as compared with $1.73 for 700 miles. And from Dallas, Tex., to New Orleans, 515 miles, where there is no chance for water competition, the rate is $2.08½ per hundred. So the barge line has, of course, to go up against that competition. But the point is this: The barge line is carrying now great quantities of wheat. In the month of August last year we carried 1,300,000 bushels of wheat from St. Louis to New Orleans, and the saving between the water rate and the rail rate on that wheat from St. Louis south was 20 per cent differential, saving the shipper $53,000.

Mr. COOPER. But, Mr. NEWTON, this is a fact, is it not: Regardless of the rate competition along the river, the barge lines have done pretty well, have they not?

Mr. NEWTON of Missouri. I am glad you raised that question, Mr. COOPER. The only way you can develop water transportation is to carry on this experiment until you eliminate these obstructions.

Now, as to the division of rates, let me show you that handicap. From New Orleans to Davenport, Iowa, on 100 pounds of coffee—a joint rail and water haul—the railroad hauls that freight for 400 miles and gets 38.3 cents for its service, the barge line hauls it 973 miles and gets 11.7 cents in the division of freight.

Mr. HUDDLESTON. Who makes the division?

Mr. NEWTON of Missouri. The railroads. The Interstate Commerce Commission permits the railroads to make their local freight rate, and then the barge line, in order to get the through haul, has to fit into the through haul, and they make the local rate so high that it takes it all away from the barge line.

Mr. HUDDLESTON. I do not quite understand yet who makes the division.

Mr. NEWTON of Missouri. Well, if the barge line takes the freight it has to take it on the railroad basis. The railroad says: "Well, these are our rates. We will haul it through for a certain amount."

Mr. HUDDLESTON. The railroads will haul that 100 pounds of coffee from New Orleans to Davenport for how much?

Mr. NEWTON of Missouri. Here is what they do: They make the rate from Davenport to New Orleans so low that the rail rate from St. Louis to New Orleans is only approximately 11.7 cents; they make the rate from St. Louis to Davenport so high, as compared with their through rate from Davenport to New Orleans, that the rail rate from St. Louis to New Orleans is only 11.7 cents.

Mr. HUDDLESTON. And that is done with the approval of the Interstate Commerce Commission?

Mr. NEWTON of Missouri. Yes, sir.

Mr. HUDDLESTON. So the Interstate Commerce Commission is responsible for it?

Mr. NEWTON of Missouri. Yes; and we have had that matter up before the commission. We were there two years ago trying to get them to decide the question, and finally they decided it by saying, "Go back and settle it yourselves."

Mr. President, the Chamber of Commerce of New York, the Chamber of Commerce of New Orleans, the Chamber of Commerce of Toledo, Ohio—in fact, practically all the chambers of commerce and business bodies east of the Mississippi River—have appeared before the Interstate Commerce Commission and opposed the new applications of the western railroads for relief under the fourth section. As I stated yesterday, every western transcontinental railroad has made application to the Interstate. Commerce Commission to change the rates on 43 commodities so that they will be able to charge the out-of-pocket cost to the Pacific coast and charge more to the interior points; in other words, they are now attempting to get back to the pre-war basis. Prior to the World War all of these discriminations existed out in the West. When the Railroad Administration of the Government assumed control it abolished all of these departures from the fourth section.

Now, what is involved? Remember that at the present time I am not speaking of this from the standpoint of discrimination; that is a subject that is going to be treated by the Senator from Idaho [Mr. GOODING]. I am discussing this question only from the point of the destruction of shipping through the Panama Canal and on the inland waterways of the country. I repeat that the great business associations of the East are opposed to the Interstate Commerce Commission granting these applications of the western roads. They have protested against such action; and yet those same associations are opposed to any legislation with regard to the fourth section.

Now let me show how inconsistent and idiotic their position in this matter is: The Interstate Commerce Commission has adopted a criterion as the basis for granting this relief. Now, what is that criterion? It is in writing and has been published by the Interstate Commerce Commission. It reads:

> In the light of those two similar considerations we are of the opinion and find that in the administration of the fourth section the words "reasonably compensatory" imply that a rate properly so prescribed must (1) cover, and more than cover, the extra or additional expense in handling the traffic to which it applies.

In other words, the criterion laid down by the Interstate Commerce Commission is that a rate is "reasonably compensatory" if it pays the actual cost of handling freight to the Pacific coast plus 1 cent.

Now, mind you, Mr. President, the Senator from Iowa [Mr. CUMMINS], who is one of the authors of this act which we seek to amend, stood upon the floor of the Senate and said that that was never the intention of Congress. The Senator from Utah [Mr. SMOOT], now sitting in his seat, also declared that that was never the intention of Congress; that what Congress meant by a "reasonably compensatory rate" was a rate that would not only pay the actual cost of moving the freight but would contribute toward a fair return on the property.

Mr. SMOOT. Which would contribute its share toward a fair return on the property.

Mr. PITTMAN. Which would contribute its share toward a fair return on the property. Yet in spite of those speeches by leaders of this body, in spite of every speech made on this floor, in spite of the legislative history of section 4, the Interstate Commerce Commission publishes a criterion by which they will be governed in determining these applications.

Mr. President, the commission have in the past carried that criterion out; they have in the past given to the western roads a rate to the Pacific coast so low that they could divert half of the freight moving by water through the Panama Canal. Applications are now pending for the same relief; all of the western railroads are now asking that they be given a low rate to the Pacific coast in order that they may get at least one-half—that is what they say, "one-half"—of all of the traffic passing through the Panama Canal. Why should not the Interstate Commerce Commission grant them that rate? It is in accordance with their criterion; it is in accordance with their past decisions.

As a matter of fact, Mr. President, unless this power shall be taken away from the Interstate Commerce Commission, or, at least circumscribed, they will grant the applications, and when they do so that which the railroads avowedly seek will happen, and one-half of the traffic will disappear from the Panama Canal. Mind you, they admit that one-half will disappear, but whenever there is fixed a rate so low as to drive one-half of the transportation off the Panama Canal it will also drive the other half off. That was the history of transportation on our rivers.

Mr. President, the great business organizations of the East are opposed to these applications of the western railroads; but what good does their opposition do? What good has it ever done? It has never done any good, and it can not do any good. There is only one way to reach the desired end, and that is for the Congress of the United States to say to the Interstate Commerce Commission, "You have violated the powers that we intended to give you even after you were openly informed as to what those powers were, and the only way we can stop you apparently is to take them away from you."

Suppose the great business organizations of New Orleans knew that the only way in which they could prevent the granting of this relief asked for by the western railroads was to take the action which is now proposed here; what would they do? They would do just what we are seeking now to do. Suppose, for instance, the Chamber of Commerce of the City of New York, which in a recent hearing before the Interstate Commerce Commission protested against these applications of the western railroads, knew that the only way they could make their protest effectual was by doing what we are seeking to do to-day and taking that discretion away from the Interstate Commerce Commission; what would they do? What would the Chamber of Commerce of Toledo, Ohio, do? What would all of the great business organizations do? They would do exactly what we are trying to do.

The whole history on this matter shows what is likely to happen. In 1887 the Congress of the United States adopted the fourth section of the interstate commerce act, which prescribed as the policy of this Government that no railroad company should be allowed to charge more for a short haul than for a long haul when the short haul was included within the long haul. Then they wanted to allow some little discretion because there might be some special cases where a certain part of that haul was competitive, and what did they do? They said that in special cases and where the circumstances were dissimilar an exception might be made. The actual wording was that the railroads should not be allowed to charge a greater amount for the short haul than the long haul "under substantially similar circumstances and conditions." That was the exact wording of the act.

What happened then? The Supreme Court of the United States held that whether the circumstances and conditions were similar was a matter to be determined by the railroads. Consequently, from 1887 the railroads found that the circumstances and conditions were not similar when the railroads were put in competition with boats. What did they do? They made the rates on the railroads at points of competition with the boats so low that they drove the boats off, and then they made the rates higher for the shorter haul and earned the same amount. The Congress of the United States never intended that, and in 1910 there occurred one of the greatest debates in the history of the Senate on that very question. The Congress of the United States was so incensed at the construction put upon those words that they struck out those words from the act.

Then what happened? Congress having still left in the act the power to grant these exceptions in special cases, the Interstate Commerce Commission utilized the words "special cases" to enable the railroads to continue to do everything that was done before the language was stricken out in 1910. But a few days ago the chairman of the Interstate Commerce Commission, Mr. Hall, said the meaning of section 4 was not changed by striking out the words "under similar circumstances and conditions." Think of it! The Congress of the United States having been led to believe that these discriminations and these outrages were being committed under certain language, purposely struck that language out as notice to the Interstate Commerce Commission that they did not want such practices to continue; and yet, with that knowledge, the same body, which is a creature of the Congress of the United States, took another two words in the act, the words "special cases," and allowed the same discrimination and the same destructive rates, so far as water competition was concerned, that were allowed before.

Then what happened? In 1920 Congress, still trying to exert some control over the Interstate Commerce Commission, still trying to impress them with what the policy of this Government was with regard to transportation, provided expressly that they should not grant any rate which was lower for the long haul than for the short haul unless the long-haul rate was reasonably compensatory.

The Interstate Commerce Commission knew what Congress intended by the words "reasonably compensatory," because the question was debated here. When we speak of something being compensatory, it does not take a lawyer to understand the meaning. When it is stated that a man is not going to be required to labor for a wage that is not compensatory, we know what it means. Everybody knew what "compensatory" meant except the Interstate Commerce Commission; and yet, after Congress amended the act of 1920, what did they do?

They did exactly the same thing that they did prior to 1910 and exactly the same thing that they did prior to 1920. They established the criterion that I have just read, which said that "reasonably compensatory" meant out-of-pocket cost plus. That is what they did, and they are still doing it.

What language are you going to put into the law that will impress upon the Interstate Commerce Commission the policy of this Congress? You have tried for 40 years to put something of that kind into it. There is but one thing that you can put into it that will have that effect, and that is what is in this amendment. You can say to them: "You can not charge more for a short haul than for a long haul, except in the cases that we are going to mention"; and those cases are as set forth in this bill, as when two railroads meet at a competitive point and the line of one of them is circuitous and the other direct, or when there is a great national emergency, such as famine or disaster, or when the transportation is solely for the export trade. That is what we have done in this amendment. We have taken away from them the power to allow railroads to put water transportation out of business, as they have done for 50 years, in violation of the policy of this Government.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. SMOOT. Some of us have passed through this ordeal twice now and have come out of it with the thought that we won a victory, and in the end we found that there was a failure. I hope that the Senator now will allow no amendment in any way, shape, or form to be made to his proposed amendment, because when this amendment is adopted there will be no question as to its meaning, and even the Interstate Commerce Commission can not construe it in any other light than that in which Congress intended that the law of 1910 should be construed.

If we can get the attention of the Senate, and point out the discriminations—not ordinary ones, but wicked discriminations—against many of the Western States, as we did in 1910, the time referred to by the Senator from Nevada, there is no question as to what the Senate will do. When it was pointed out in 1910 it was a revelation not only to the Senators themselves but to the people generally.

The proposition is one that I came up against personally many times. I would go to San Francisco to buy a few carloads of wool. I would step into the Southern Pacific office and ask them what the freight rate on wool was. They would say: "Seventy-five cents a hundred." I would say: "I have two or three cars that I want to ship." "Do you want to ship them to Boston or Philadelphia?" I said: "Neither; I want to ship them to Provo." "Oh, well, the freight rate to Provo is $2.25 a hundred"—75 cents to Boston, and the distance not a third!

That is what we have run up against right along, and that was pointed out in 1910. I could stand upon this floor and point to such cases by the hundreds. It is unjust; it is unfair; and I hope the next bill that we pass here will be one that never can be misconstrued by any person or any organization of the Government.

Mr. PITTMAN. Mr. President, I thank the Senator for that statement.

Mr. WALSH of Montana. Mr. President, will the Senator suffer an interruption?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Nevada yield to the Senator from Montana?

Mr. PITTMAN. I yield.

Mr. WALSH of Montana. As I understand the history of this matter and the grounds upon which the distinction has been made authorizing the lesser rate for the long haul than for the shorter haul included within the long haul, the cases fell within two classes—one where there is water competition and the other where there is rail competition to a common point.

Mr. PITTMAN. Yes.

Mr. WALSH of Montana. Before there was any legislation on the subject at all, were not those two grounds practically the only grounds upon which railroads did make a lesser charge for the long haul than for the shorter haul?

Mr. PITTMAN. I think so.

Mr. WALSH of Montana. It would seem absurd to make a higher charge for the short haul than for the longer haul unless one of those two conditions prevailed; so that that was really the situation that was intended to be met by the very first law in relation to the subject, was it not?

Mr. PITTMAN. It was.

Mr. WALSH of Montana. And we have been working 30 years, and we have not reached it yet.

Mr. PITTMAN. No. Congress has understood it for 30 years. The Interstate Commerce Commission has knowingly violated it for 30 years, since its establishment, as I have stated before. In spite of the debates each time Congress amended the law so as to correct that wrong, every time after that the Interstate Commerce Commission went right back to where it was before, and it adopted the criterion which I read. That is the basis on which the commission will grant these discriminations.

The basis upon which Congress granted the discriminations was one thing. The basis upon which the Interstate Commerce Commission grants them is another. We stated that no discriminations could be granted in any case except where the rate for the longer haul was reasonably compensatory. The Senator from Iowa [Mr. CUMMINS], the chairman of the committee, interpreted that on the floor of the Senate. He did not interpret it according to the commission's criterion. Congress accepted this interpretation, and it was accepted in the debates, that "reasonably compensatory" had the ordinary intelligent meaning—that it meant that the rate should contribute its reasonably fair part to the just and fair return on the property. The Interstate Commerce Commission finds that it is not necessary to do that at all, but that if the rate pays the actual cost of handling the freight, plus 1 cent, that is sufficient.

Mr. WALSH of Montana. Mr. President, adopting that interpretation of the last revision of Congress, just what kind of a showing does the Interstate Commerce Commission require of a railroad company when it applies for permission to put in force the lesser rate for the long haul?

Mr. PITTMAN. I asked that very question of Chairman Hall when he was on the stand; and he said that if the railroad companies could show them that they would not get the freight if they did not put the rate down there, and that they would get it if they did put it down there, they considered that it was a contribution to their overhead charges.

Mr. WALSH of Montana. But really, in practice, the interpretation given to the statute, as it now stands, is the interpretation that was given to the statute before the amendment was made?

Mr. PITTMAN. It is the same that was given it before 1910. It is the same that was given it before 1920. What I am warning these men who are seeking to improve their rivers and harbors is that the applications that are now pending before the Interstate Commerce Commission must be granted unless this authority is canceled.

Mr. RANSDELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Louisiana?

Mr. PITTMAN. I do.

Mr. RANSDELL. The Senator evinces by his argument a great deal of friendliness—and I am very glad indeed to see it—for water transportation in this country, not alone for that on the interior rivers but for our coastwise commerce. I, perhaps, missed part of the Senator's remarks, but I should be glad to have him elucidate so that we can not misunderstand just how the adoption of this provision would assist in placing the boats back on our great rivers like the Ohio, the upper Mississippi, the Missouri, and the lower Mississippi. I am not quite sure that I follow the Senator; but even if we adopt this provision and annul this long and short haul clause, how is that going to prevent the railroads from discriminating in favor of river points as against interior points, provided they are not on the same line?

Mr. PITTMAN. I will explain that.

In the first place, there are two provisions in the interstate commerce act. One of them is that the commission shall fix maximums or minimums or maximums and minimums for railroads. That is one thing; but this provision that exists here now is an exception to the whole act. That is what they use.

Here is your river, and here is a railroad on each side of it. The railroad from the head of the river to the mouth of the river, from the head of navigation to New Orleans, has a rate, and that rate is so low that a boat can not run from the head of the river to its mouth and make any money on the freight rate that the railroad charges on that stuff.

Mr. RANSDELL. That is true to a great extent I am willing to admit.

Mr. PITTMAN. Now, how can the railroad do that and make a living? Because, as has been testified to——

Mr. RANSDELL. Pardon me; the point I want to get is how the adoption of this provision of the Senator's would prevent the railroad from continuing to do that if it desired to do it.

Mr. PITTMAN. For the simple reason that they could not afford to make the railroad rate from St. Louis to New Orleans 1 cent per 100 pounds if they could not get any more than 1 cent per hundred from St. Louis to any point in between, and they could not obtain a higher rate to the intermediate point if my amendment is adopted.

Mr. RANSDELL. But they could charge more out to Kansas City, for instance, or to Little Rock, though they are not on the same line. They would be exactly in the same direction, however.

Mr. PITTMAN. That is all true enough.

Mr. RANSDELL. Or they could charge more to Nashville, on the east side, or to points like Meridian, Miss., or Birmingham, Ala.

Mr. PITTMAN. Yes; but they could not do it at the places en route there.

Take a railroad, for instance, that goes from Kansas City through Shreveport, La., to New Orleans. They can have a rate, if they want it, to New Orleans, of 50 cents. They can have a rate of $6 a hundred to Shreveport if they want it, and they can have a rate of $6 a hundred to every other point between Kansas City and New Orleans that is not on a river, and they do that; but that is contrary to the policy of section 4, and it is contrary to the policy of this country. The only reason why they can do it is that there is a provision in the law which states that in special cases they may allow a greater charge for the short haul than for the long haul, the shorter being included in the longer, and that is where it is, if the long-haul rate is reasonably compensatory, under the misconstruction of the Interstate Commerce Commission. The purpose of my amendment is to prevent this.

As a matter of fact, the rate from Kansas City to New Orleans is not compensatory. It does not pay the railroad its proportion of a fair return on the property. The railroads know it; the Interstate Commerce Commission knows it; but it puts boats out of business, because boats are not as attractive where the rates are the same; and how do railroads make it up? They make it up by charging more along their line for the short haul than they do for the noncompensatory rate at the terminals.

You can not force on a railroad company a rate that is confiscatory. Consequently they can not force down the rates at the intermediate points. They are entitled to a rate that pays a fair return; but they do, under this exception, allow them a rate that is confiscatory, just so that they can run the boats out of business.

Suppose the railroads did not have the authority in competition with water—and that is all this applies to, competition with water—to charge less for the long haul than the short haul. What would be the result? The result would be that along their whole system from New York to New Orleans, from Chicago to New Orleans, from Kansas City to New Orleans, they would have to have the same rate to New Orleans that they had to every point this side of New Orleans. They could not have any less. As the rates to the water-competition point, if required over the whole system, would not pay, all rates would be raised.

Mr. RANSDELL. The Senator means they could have the same, but no less?

Mr. PITTMAN. No less than that. What is the result? They would not make it 50 cents down to New Orleans for the through rate, because if they should say to the Interstate Commerce Commission that it was a compensatory rate, then they would admit such rate to be a fair rate for intermediate points.

Mr. RANSDELL. Then, if the Senator is correct in his assumption, the boats would go back on the rivers, would they not?

Mr. PITTMAN. Yes. Why have they gone off? I would like to have some man like the Senator, who is constantly standing here and asking us to appropriate money to improve navigation on the Mississippi River, to tell us why the boats went off the rivers.

Mr. RANSDELL. I have always had the idea that they were driven off by the railroads, which charged very high rates to interior points and very low rates to river points. I do not think there is any question about that. I am very

sympathetic, I will say to the Senator, with the unfortunate situation that exists to-day in the intermountain section.

Mr. PITTMAN. I am not talking about the intermountain section.

Mr. RANSDELL. I know the Senator is not, but his friends are, and he lives out there, and I think I know human nature pretty well. I am very sympathetic with what you gentlemen have in mind, and if you can get the proposition in such shape that you will assist in utilizing the great highways which the Creator gave us in these wonderful rivers, and which I believe are actually needed to help carry the commerce of the country, I think you will get my cordial cooperation in this matter. But I do not believe you have it quite arranged yet. I think a great many people will be found in the United States who are exceedingly anxious to see the boats go back on the rivers. Not only that, but we would like to see fair treatment for those great sections of our country that help to pay taxes to improve the rivers and get no benefit from it. I wish to reiterate what the Senator from Utah said, that we have had so much trouble about this matter that I think Senators should be very, very careful now and be sure they are right when they pass a measure like this, so that it can never be misunderstood.

Mr. PITTMAN. That is what the railroad managers say; be careful, and do not do anything.

Mr. RANSDELL. I do not think that slur of the Senator is quite deserved, for no one can ever charge me with being a railroad man. The Senator, perhaps, did not intend that. A man who for 25 years has stood here in Congress and advocated waterway improvements, as I have, and stood for completing our waterways should certainly never be connected with the railroads in a slurring manner like that.

Mr. PITTMAN. Mr. President, I have the very highest respect for the integrity of my friend from Louisiana, and I do not intend to charge him with being under the influence of the railroads; but the railroads have a motive in fighting this proposition. The Senator has no motive in fighting it, but he has not the same energy in fighting for transportation on the Mississippi River that he should have. As a matter of fact, he has fought for appropriations ever since he has been in Congress, and the very guise under which he got most of them was a plea to make the Mississippi River navigable. He has been perfectly contented as long as we appropriated money to make it navigable, whether it ever had a boat on it or not. As a matter of fact, it has no boats on it, and the Senator is just as happy as if it did have.

Mr. RANSDELL. Will the Senator yield?

Mr. PITTMAN. I yield.

Mr. RANSDELL. That is another very unwarranted statement, and I am surprised at my amiable friend saying a thing of that kind. Certainly you can not use a river until it is navigable.

Mr. PITTMAN. How long would it take to make that river navigable?

Mr. RANSDELL. In 1874 we started out to improve the Ohio to a depth of 6 feet. I entered Congress in 1899 and was an earnest advocate of improving the Ohio so that it would have not 3 or 4 months of navigation but 12 months of navigation. In 1910 we adopted a project for a 9-foot channel from Pittsburgh to Cairo. In the act of 1910 we said that we were going to make that river absolutely navigable for 12 months and that it would be completed in 10 years. That was 14 years ago, and yet Congress has gone on in the most unbusinesslike manner, and we are still five or six years from the completion of the Ohio River project. No chain is stronger than its weakest link. How can the Ohio, the biggest feeder of the Mississippi, be used until it is made navigable for 12 months? There are railroads running along each bank of the river. Those railroads can serve the public every day in the year. The river can not serve them——

Mr. PITTMAN. Let me ask the Senator a question.

Mr. RANSDELL. Let me finish this. The Senator asked me a question. The river can not serve them except when the boats can run, and the boats can run only in high water. The Senator speaks about the Mississippi being made navigable. There are a great many shallow bars on that river. I have here the report of Colonel Ashburn, in charge of the barge line, which will show the Senator that two years ago it was impossible to operate boats on that river. Why should it not be made navigable? Beyond question it ought to be.

I yield now, if the Senator wants to ask me another question; or I yield the floor.

Mr. PITTMAN. I like to hear the Senator talk. When I was a boy living on the Mississippi River, a long time ago——

Mr. RANSDELL. That was a long time ago; I remember it.

Mr. PITTMAN. Since that time probably a hundred and fifty million dollars has been spent on the Mississippi River to make it navigable, and at that time probably not five or six million dollars had been spent to make it navigable. I remember when from a hundred and fifty to two hundred boats were docking every day at Vicksburg.

Mr. RANSDELL. How many railroads ran into Vicksburg then?

Mr. PITTMAN. The Senator has come directly to the point. There were but few railroads down there then, but what I am getting at is this, the river was navigable there, and any number of boats ran on it before any money was spent to improve it, but now, after a hundred and seventy-four million dollars has been spent on the river, there are no boats, and in this bill you are asking for more money for the river, but you are suggesting no means of getting boats on the river.

Mr. RANSDELL. The Senator is mistaken. We have a barge line there. We are trying to persuade the people to operate that barge line. We are trying to show them that it can be done. On the Ohio River, which we are improving, great corporations like Jones & Laughlin, of Pittsburgh, and the United States Steel Corporation have, in the last two years, built wonderful fleets. They carry very large commerce down the Ohio during the four or five months of water navigation.

There is a tendency on the part of the people to return to the use of the river, but the Senator knows that when the railroads ran on both sides of the river and gave such cheap rates to river points the boats could not possibly compete, and the railroads drove the boats out of business just as he has said. I have said that many a time on this floor, and I say it again.

Mr. PITTMAN. What does the Senator propose to keep them from driving the boats off?

Mr. RANSDELL. I am trying to assist in building up a barge line there and have it give such effective service, so much cheaper than the railroads are giving, that they can make some money, and I am willing, I will say to the Senator, to assist him in any legislation that will compel the railroads to give fair treatment to the boats. Congress has been trying to accomplish that for many years. The Senator himself stated here that we had legislated on the subject more than once. I recall helping to pass that legislation myself, but we do not seem to have gotten anywhere with it. I am willing to help pass any reasonable legislation that will prevent unfair treatment of river transportation.

Mr. PITTMAN. How on earth could this amendment hurt the river transportation?

Mr. RANSDELL. I have not said that it would.

Mr. PITTMAN. Then, what has the Senator in mind?

Mr. RANSDELL. I am asking questions.

Mr. PITTMAN. I know; but the Senator said that I had not won him yet. I want to state one thing—that the Senator had better be more careful about winning some of the rest of us than having us win him. The Senator understands there has been request for this continuous outpouring of the people's money to improve this river year after year for 50 years, and now he comes here and says, "If you get some reasonable scheme to help them I will join you." The Senator admits the railroads have run the boats off, but he does not offer a single suggestion to prevent it.

Then he, the Senator from Louisiana—a State on the Mississippi River—asks men who do not live on the Mississippi River, who do not live on any river, or on any harbor, to come in and help get through an appropriation year after year amounting to millions of dollars, while he sits idly by and says, "Well, there are no boats on the river. The railroads can run them off, and we are not going to do anything against the railroads."

Mr. RANSDELL. In further answer to the Senator, I would like to say that one of the reasons why the railroads have succeeded in driving the boats out of business is because in the early days the boats were the only means of transportation. There were no highways, there were no railroads, and if boats could serve the people for four or five months out of the year it was a great deal better than for the people to haul with log wagons over the plains and through the forests. But when the railroads came on the scene and gave very good service, and afforded transportation so much cheaper than the boats were able to furnish it in this very unsatisfactory commerce of just a few months, the boats were driven out; and the object of improving the rivers, I will say to the Senator, is to give us continuous service, not for four or five months but for the whole year.

Mr. PITTMAN. When the Senator and I were boys on the Mississippi River did the boats tie up on that river where the Senator was at any time of the year?

Mr. RANSDELL. Yes; they tied up a good while there. The Senator has seen them when he used to live at Bunchs Bend, in northeast Louisiana, on the banks of the Mississippi. I have seen five of them. In 1882 I went to live in East Carroll Parish, and I have lived there ever since. I have seen at one time the smoke of five boats tied up on sand bars in the river. There were plenty of them in those days.

Mr. PITTMAN. That was not many out of 500.

Mr. RANSDELL. I mean at one time. They were tied up on sand bars. They could not proceed because of the shallow bars. But there was not a railroad on either side of the river then. The people would frequently have to wait for a month or six weeks or two months for their freight; but they would get it eventually. Now, of course, with a good railroad on either side of the river, they are not going to do business with boats unless the boats can travel the entire year. The boats have now been driven off, and the feeders of the Mississippi are unnavigable, except for brief periods. I will say to the Senator that the great river on which the distinguished Senator from Missouri [Mr. REED] lives—the Missouri—is a navigable stream but a short portion of the year, the upper Mississippi is a navigable stream for only a few months, and the Ohio is not a navigable stream except for a limited period. We are trying to complete that system. There is a bill in Congress now providing for the absolute completion of the Missouri to Kansas City, the upper Mississippi to St. Paul, and the Ohio to Pittsburgh within a period of five years. When those rivers are all completed you will see a great many boats on them. In the meantime we have been doing what we could. I have never failed to vote for any legislation to help protect the boats from unfair rail competition.

Mr. PITTMAN. But the Senator is not going to vote for this amendment?

Mr. RANSDELL. I did not say I would not. The Senator is assuming that I am not for his amendment. I have not said so at all. I will say to the Senator that I have been leaning very strongly toward his amendment. He is assuming something without any authority.

Mr. PITTMAN. The Senator said I had not convinced him yet.

Mr. RANSDELL. I beg the Senator's pardon. I said I would like to have him give me some information. If he could get provisions inserted in his amendment which would assure me that the effect of the measure would be to put the boats back on the river, I would be with him strong. Now, with his eloquence, let him convince me of that, or, if his measure does not accomplish it, let us pull together and change it so that it will do that; then I will be with him.

Mr. PITTMAN. If the Senator will ask any railroad man, or ask anyone a member of the Interstate Commerce Committee, he will learn that if we do not allow them to charge a confiscatory rate at points where there is water competition, they will have to charge more. On the Senator's argument, if the railroads had to charge more at competitive points with the boats, the boats could charge more, and on his very argument that the boats could charge more, the boats can run. If the Senator can think of anything better to ask anybody around here to propose, I want him to do it, because I tell him that there are a great many people in this country who are getting tired of voting for 40 years to appropriate millions of the people's money to make rivers navigable when the people on the river do not care to use them.

Mr. REED of Missouri. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Missouri?

Mr. PITTMAN. I yield.

Mr. REED of Missouri. I am very sorry to hear the debate on what I regard as a highly meritorious proposition take the turn it has just assumed. The proposition brought forward by the Senator from Nevada ought to be voted upon on its merits, on its general benefit to the entire community, or it ought to be rejected because it is not a good measure for the entire country. I do not know why any man should be asked to demonstrate that it will put boats on the river before he can ask people to support the measure. I do not believe the amendment will gain any strength by the implied threat that if it is not passed there will be no more money appropriated for the rivers of the country. I hardly think that is the way to get votes, if the Senator from Nevada will permit me to say so.

Mr. PITTMAN. I did not say that as a threat. I said it as a common-sense proposition, that the country is getting quite tired of having appropriations made to improve navigation without getting transportation.

Mr. REED of Missouri. The Senator said it in a certain connection, and I am not criticizing him; but I say it is a poor way to get votes for a measure which I believe to be perfectly meritorious in itself and which I intend to support, and the principle of which I have supported ever since I have been in the Congress.

Mr. PITTMAN. So have I.

Mr. REED of Missouri. But the other question, which is a question by itself, relating to the virtue or the vice of appropriating money for the rivers, is one that ought to be settled by itself. I can not see why the Senator from Louisiana, whom I esteem very highly, would have demanded to know that the amendment was at once to relieve against unjust railroad rates and also carry with it an improvement of the rivers.

Mr. GOODING. Mr. President, will the Senator from Missouri yield?

Mr. REED of Missouri. I am here by the grace of the Senator from Nevada.

Mr. PITTMAN. I am going to yield the floor inside of three minutes.

Mr. REED of Missouri. Then I shall not further trespass on the Senator's time, but will take the floor for a few moments in my own right a little later.

Mr. WALSH of Montana. Mr. President, will the Senator from Nevada permit a slight interruption on my part?

Mr. PITTMAN. Certainly.

Mr. WALSH of Montana. I have been following the line of thought indicated by the questions propounded to the Senator from Nevada by the Senator from Louisiana, and I am not able to follow the line of thought he has in mind, namely, that the amendment offered by the Senator from Nevada will not have a tendency to restore river navigation. As I understand the Senator, his view is that a railroad company which has a line paralleling a river may be disabled from charging rates along the river for the short haul greater than for the long haul, but that the same railroad may have another line penetrating into the interior of the country and it will impose on that part of its line the burden of sustaining itself by reason of the lower rates which it must give along the river. The Illinois Central is in that situation. It has a line, as we all know, running practically parallel with the Mississippi River from Chicago to New Orleans, and it has also a line running west as far as Sioux City. Although it might be guilty of charging lesser rates along the Missouri River, I take it the Senator's idea is that it could impose very heavy rates upon transportation out as far as Sioux City, and thus balance up. Of course, there is a limit, however, to what it can charge those people.

But let me put to the Senator the case of competition with the river. Take the case of a railroad line running from the city of New York to the city of St. Louis. Foreign merchandise going to the city of St. Louis may either go by the port of New Orleans or may go by the port of New York, either by rail or by water. The railroad charges a less rate from New York to St. Louis, or no higher rate than the rate from New York by water to New Orleans and St. Louis. Of course, the railroad is going to get the business. In order to get the business, however, it has to make a rate to St. Louis practically as low as the water rate; but it can not live on that rate, and so it must charge a higher rate to intermediate points between New York and St. Louis. If it were prohibited from charging a higher rate from New York to intermediate points than it charges clear through to St. Louis, as a matter of course it would have to charge, in order to make a living, a higher rate upon its through freight to St. Louis, and accordingly competition on the part of the boats would not be as strong, and they would have a chance to live that they otherwise would not have. Therefore, why is not the tendency of the amendment to which the Senator from Nevada is now addressing our attention to promote transportation carried by water rather than by land?

Mr. RANSDELL. Mr. President, will the Senator from Nevada permit me to answer the Senator from Montana?

Mr. PITTMAN. Certainly.

Mr. RANSDELL. I will say in reply to the Senator that I am inclined to think he stated the case very fairly and correctly, and I am sorry if I gave the impression in what I said that I am opposed to the idea of the amendment, for I have always favored it.

Mr. WALSH of Montana. As I understood the Senator, he favored it, not, however, because it would help restore river transportation, but upon some other consideration.

Mr. RANSDELL. The Senator misunderstood me. I said I thought there had been very great unfairness in many sections

of the country, and that I was particularly interested in the development of the waterways and the use of those waterways. I simply asked the Senator from Nevada to explain to me as fully as he could how the commerce of the waterways was going to be restored; and if this amendment was not going to restore it, then I tried to indicate to him that I would aid him to frame it in such way that it would restore the commerce of the waterways and at the same time accomplish what the intermountain States so badly need. I understand they are charged outrageously high rates by the railroads.

Mr. WALSH of Montana. But the line of argument which I have advanced to the Senator certainly must have occurred to him.

Mr. RANSDELL. It has occurred to me.

Mr. WALSH of Montana. There was no acuteness upon my part, so I was a little surprised when the Senator from Louisiana asked the Senator from Nevada to explain to him how the amendment would tend to restore water transportation.

Mr. RANSDELL. I wanted to get the reason for the faith that seemed to be so strongly in the mind of the Senator from Nevada who was making such an eloquent speech about how the boats had been driven off the rivers by the onslaughts of the railroads and driven off the Panama Canal, and how they were going to come back. I wanted to understand his reasoning about it, as I had heard it reasoned more than once and as the Senator from Montana reasoned just a moment ago in explaining it, because his explanation is the same I have heard before.

Mr. PITTMAN. As the Senator has reasoned it out before in that way, why did he ask the Senator from Nevada? As a matter of fact, I tried to reason it out to the Senator in the same way, but I was not as clear as the Senator from Montana.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. PITTMAN. I yield to the Senator from North Carolina.

Mr. OVERMAN. New Orleans is a water point and so is Norfolk, Va. I will give the Senator a concrete case to show how water transportation works. A barrel of molasses was shipped from New Orleans to my town, Salisbury, N. C., and another barrel shipped to Lynchburg, Va., which is near Norfolk. They had been charging more to my town than they had charged Lynchburg, which was 150 miles further. Would the amendment cover such a case as that? In other words, the molasses could be shipped to Lynchburg, Va., and shipped back along the same line to my town, and money saved on the freight charges.

Mr. PITTMAN. I do not know on what ground they charge more for the short haul than they do for the long haul.

Mr. OVERMAN. That is the point. They claim it is on the line near Norfolk.

Mr. PITTMAN. Do they claim it is water competition?

Mr. OVERMAN. Yes.

Mr. PITTMAN. Then I will say that if the Senator is charged more for the short haul than the long haul which he has just described, and permission to make that charge is granted by the Interstate Commerce Commission on the ground that Lynchburg is included within the water points, that discrimination would be removed by the amendment.

Mr. SMITH. I think perhaps the Senator from North Carolina may be mistaken.

Mr. OVERMAN. I do not know whether that is the case now, but that was the case that existed 10 years ago, I think, when I introduced the amendment now contained in section 4, which I thought would correct the situation. It has not corrected it by reason of the fact of the discretion given to the Interstate Commerce Commission.

Mr. SMITH. I think the Senator refers to what was commonly known as a base point. They selected certain interior points like Atlanta, Ga., for instance, which they used as a base for rate making in certain zones. I think perhaps Lynchburg may have been in that category.

Mr. OVERMAN. Lynchburg is in another classification district, although it is in a neighboring State.

Mr. SMITH. It came within the definition of base point, like Atlanta, Ga., rather than under the water competition.

Mr. OVERMAN. I understand the water competition argument, but I did not know how it would affect the interior points.

Mr. PITTMAN. I ask permission to place in the RECORD in parallel columns section 4 of the transportation act as it now exists and the amendment which I have introduced, so Senators may be enabled to readily see the change that is proposed in the existing law. I have tried to describe the change. As a matter of fact the change simply means that they can not grant this exception and departure from section 4 to meet water competition. It does not affect it as far as making exceptions between railroads is concerned.

The PRESIDING OFFICER. Without objection, the request of the Senator from Nevada is granted.

The matter referred to is as follows:

ACT OF FEBRUARY 28, 1920	MR. PITTMAN'S AMENDMENT TO HOUSE BILL 7877
SEC. 406. Section 4 of the Interstate Commerce act is hereby amended to read as follows: "SEC. 4. (1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *And provided further*, That rates, fares, or charges existing at the time of the passage of this amendatory act by virtue of orders of the commission or as to which application has theretofore been filed with the commission and not yet acted upon shall not be required to be changed by reason of the provisions of this section until the further order of or a determination by the commission. "(2) Wherever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points it shall not be permitted to increase such rates unless after	Amendment intended to be proposed by Mr. PITTMAN to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, viz: On page 96, after line 6, insert a new paragraph to read as follows: "That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows: "'(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier by rail may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

Mr. RANSDELL. Yes; they tied up a good while there. The Senator has seen them when he used to live at Bunchs Bend, in northeast Louisiana, on the banks of the Mississippi. I have seen five of them. In 1882 I went to live in East Carroll Parish, and I have lived there ever since. I have seen at one time the smoke of five boats tied up on sand bars in the river. There were plenty of them in those days.

Mr. PITTMAN. That was not many out of 500.

Mr. RANSDELL. I mean at one time. They were tied up on sand bars. They could not proceed because of the shallow bars. But there was not a railroad on either side of the river then. The people would frequently have to wait for a month or six weeks or two months for their freight; but they would get it eventually. Now, of course, with a good railroad on either side of the river, they are not going to do business with boats unless the boats can travel the entire year. The boats have now been driven off, and the feeders of the Mississippi are unnavigable, except for brief periods. I will say to the Senator that the great river on which the distinguished Senator from Missouri [Mr. REED] lives—the Missouri—is a navigable stream but a short portion of the year, the upper Mississippi is a navigable stream for only a few months, and the Ohio is not a navigable stream except for a limited period. We are trying to complete that system. There is a bill in Congress now providing for the absolute completion of the Missouri to Kansas City, the upper Mississippi to St. Paul, and the Ohio to Pittsburgh within a period of five years. When those rivers are all completed you will see a great many boats on them. In the meantime we have been doing what we could. I have never failed to vote for any legislation to help protect the boats from unfair rail competition.

Mr. PITTMAN. But the Senator is not going to vote for this amendment?

Mr. RANSDELL. I did not say I would not. The Senator is assuming that I am not for his amendment. I have not said so at all. I will say to the Senator that I have been leaning very strongly toward his amendment. He is assuming something without any authority.

Mr. PITTMAN. The Senator said I had not convinced him yet.

Mr. RANSDELL. I beg the Senator's pardon. I said I would like to have him give me some information. If he could get provisions inserted in his amendment which would assure me that the effect of the measure would be to put the boats back on the river, I would be with him strong. Now, with his eloquence, let him convince me of that, or, if his measure does not accomplish it, let us pull together and change it so that it will do that; then I will be with him.

Mr. PITTMAN. If the Senator will ask any railroad man, or ask anyone a member of the Interstate Commerce Committee, he will learn that if we do not allow them to charge a confiscatory rate at points where there is water competition, they will have to charge more. On the Senator's argument, if the railroads had to charge more at competitive points with the boats, the boats could charge more, and on his very argument that the boats could charge more, the boats can run. If the Senator can think of anything better to ask anybody around here to propose, I want him to do it, because I tell him that there are a great many people in this country who are getting tired of voting for 40 years to appropriate millions of the people's money to make rivers navigable when the people on the river do not care to use them.

Mr. REED of Missouri. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Missouri?

Mr. PITTMAN. I yield.

Mr. REED of Missouri. I am very sorry to hear the debate on what I regard as a highly meritorious proposition take the turn it has just assumed. The proposition brought forward by the Senator from Nevada ought to be voted upon on its merits, on its general benefit to the entire community, or it ought to be rejected because it is not a good measure for the entire country. I do not know why any man should be asked to demonstrate that it will put boats on the river before he can ask people to support the measure. I do not believe the amendment will gain any strength by the implied threat that if it is not passed there will be no more money appropriated for the rivers of the country. I hardly think that is the way to get votes, if the Senator from Nevada will permit me to say so.

Mr. PITTMAN. I did not say that as a threat. I said it as a common-sense proposition, that the country is getting quite tired of having appropriations made to improve navigation without getting transportation.

Mr. REED of Missouri. The Senator said it in a certain connection, and I am not criticizing him; but I say it is a poor way to get votes for a measure which I believe to be perfectly meritorious in itself and which I intend to support, and the principle of which I have supported ever since I have been in the Congress.

Mr. PITTMAN. So have I.

Mr. REED of Missouri. But the other question, which is a question by itself, relating to the virtue or the vice of appropriating money for the rivers, is one that ought to be settled by itself. I can not see why the Senator from Louisiana, whom I esteem very highly, would have demanded to know that the amendment was at once to relieve against unjust railroad rates and also carry with it an improvement of the rivers.

Mr. GOODING. Mr. President, will the Senator from Missouri yield?

Mr. REED of Missouri. I am here by the grace of the Senator from Nevada.

Mr. PITTMAN. I am going to yield the floor inside of three minutes.

Mr. REED of Missouri. Then I shall not further trespass on the Senator's time, but will take the floor for a few moments in my own right a little later.

Mr. WALSH of Montana. Mr. President, will the Senator from Nevada permit a slight interruption on my part?

Mr. PITTMAN. Certainly.

Mr. WALSH of Montana. I have been following the line of thought indicated by the questions propounded to the Senator from Nevada by the Senator from Louisiana, and I am not able to follow the line of thought he has in mind, namely, that the amendment offered by the Senator from Nevada will not have a tendency to restore river navigation. As I understand the Senator, his view is that a railroad company which has a line paralleling a river may be disabled from charging rates along the river for the short haul greater than for the long haul, but that the same railroad may have another line penetrating into the interior of the country and it will impose on that part of its line the burden of sustaining itself by reason of the lower rates which it must give along the river. The Illinois Central is in that situation. It has a line, as we all know, running practically parallel with the Mississippi River from Chicago to New Orleans, and it has also a line running west as far as Sioux City. Although it might be guilty of charging lesser rates along the Missouri River, I take it the Senator's idea is that it could impose very heavy rates upon transportation out as far as Sioux City, and thus balance up. Of course, there is a limit, however, to what it can charge those people.

But let me put to the Senator the case of competition with the river. Take the case of a railroad line running from the city of New York to the city of St. Louis. Foreign merchandise going to the city of St. Louis may either go by the port of New Orleans or may go by the port of New York, either by rail or by water. The railroad charges a less rate from New York to St. Louis, or no higher rate than the rate from New York by water to New Orleans and St. Louis. Of course, the railroad is going to get the business. In order to get the business, however, it has to make a rate to St. Louis practically as low as the water rate; but it can not live on that rate, and so it must charge a higher rate to intermediate points between New York and St. Louis. If it were prohibited from charging a higher rate from New York to intermediate points than it charges clear through to St. Louis, as a matter of course it would have to charge, in order to make a living, a higher rate upon its through freight to St. Louis, and accordingly competition on the part of the boats would not be as strong, and they would have a chance to live that they otherwise would not have. Therefore, why is not the tendency of the amendment to which the Senator from Nevada is now addressing our attention to promote transportation carried by water rather than by land?

Mr. RANSDELL. Mr. President, will the Senator from Nevada permit me to answer the Senator from Montana?

Mr. PITTMAN. Certainly.

Mr. RANSDELL. I will say in reply to the Senator that I am inclined to think he stated the case very fairly and correctly, and I am sorry if I gave the impression in what I said that I am opposed to the idea of the amendment, for I have always favored it.

Mr. WALSH of Montana. As I understood the Senator, he favored it, not, however, because it would help restore river transportation, but upon some other consideration.

Mr. RANSDELL. The Senator misunderstood me. I said I thought there had been very great unfairness in many sections

of the country, and that I was particularly interested in the development of the waterways and the use of those waterways. I simply asked the Senator from Nevada to explain to me as fully as he could how the commerce of the waterways was going to be restored; and if this amendment was not going to restore it, then I tried to indicate to him that I would aid him to frame it in such way that it would restore the commerce of the waterways and at the same time accomplish what the intermountain States so badly need. I understand they are charged outrageously high rates by the railroads.

Mr. WALSH of Montana. But the line of argument which I have advanced to the Senator certainly must have occurred to him.

Mr. RANSDELL. It has occurred to me.

Mr. WALSH of Montana. There was no acuteness upon my part, so I was a little surprised when the Senator from Louisiana asked the Senator from Nevada to explain to him how the amendment would tend to restore water transportation.

Mr. RANSDELL. I wanted to get the reason for the faith that seemed to be so strongly in the mind of the Senator from Nevada who was making such an eloquent speech about how the boats had been driven off the rivers by the onslaughts of the railroads and driven off the Panama Canal, and how they were going to come back. I wanted to understand his reasoning about it, as I had heard it reasoned more than once and as the Senator from Montana reasoned just a moment ago in explaining it, because his explanation is the same I have heard before.

Mr. PITTMAN. As the Senator has reasoned it out before in that way, why did he ask the Senator from Nevada? As a matter of fact, I tried to reason it out to the Senator in the same way, but I was not as clear as the Senator from Montana.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. PITTMAN. I yield to the Senator from North Carolina.

Mr. OVERMAN. New Orleans is a water point and so is Norfolk, Va. I will give the Senator a concrete case to show how water transportation works. A barrel of molasses was shipped from New Orleans to my town, Salisbury, N. C., and another barrel shipped to Lynchburg, Va., which is near Norfolk. They had been charging more to my town than they had charged Lynchburg, which was 150 miles further. Would the amendment cover such a case as that? In other words, the molasses could be shipped to Lynchburg, Va., and shipped back along the same line to my town, and money saved on the freight charges.

Mr. PITTMAN. I do not know on what ground they charge more for the short haul than they do for the long haul.

Mr. OVERMAN. That is the point. They claim it is on the line near Norfolk.

Mr. PITTMAN. Do they claim it is water competition?

Mr. OVERMAN. Yes.

Mr. PITTMAN. Then I will say that if the Senator is charged more for the short haul than the long haul which he has just described, and permission to make that charge is granted by the Interstate Commerce Commission on the ground that Lynchburg is included within the water points, that discrimination would be removed by the amendment.

Mr. SMITH. I think perhaps the Senator from North Carolina may be mistaken.

Mr. OVERMAN. I do not know whether that is the case now, but that was the case that existed 10 years ago, I think, when I introduced the amendment now contained in section 4, which I thought would correct the situation. It has not corrected it by reason of the fact of the discretion given to the Interstate Commerce Commission.

Mr. SMITH. I think the Senator refers to what was commonly known as a base point. They selected certain interior points like Atlanta, Ga., for instance, which they used as a base for rate making in certain zones. I think perhaps Lynchburg may have been in that category.

Mr. OVERMAN. Lynchburg is in another classification district, although it is in a neighboring State.

Mr. SMITH. It came within the definition of base point, like Atlanta, Ga., rather than under the water competition.

Mr. OVERMAN. I understand the water competition argument, but I did not know how it would affect the interior points.

Mr. PITTMAN. I ask permission to place in the RECORD in parallel columns section 4 of the transportation act as it now exists and the amendment which I have introduced, so Senators may be enabled to readily see the change that is proposed in the existing law. I have tried to describe the change. As a matter of fact the change simply means that they can not grant this exception and departure from section 4 to meet water competition. It does not affect it as far as making exceptions between railroads is concerned.

The PRESIDING OFFICER. Without objection, the request of the Senator from Nevada is granted.

The matter referred to is as follows:

ACT OF FEBRUARY 28, 1920

SEC. 406. Section 4 of the Interstate Commerce act is hereby amended to read as follows:

"SEC. 4. (1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence: *And provided further*, That rates, fares, or charges existing at the time of the passage of this amendatory act by virtue of orders of the commission or as to which application has theretofore been filed with the commission and not yet acted upon shall not be required to be changed by reason of the provisions of this section until the further order of or a determination by the commission.

"(2) Wherever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points it shall not be permitted to increase such rates unless after

MR. PITTMAN'S AMENDMENT TO HOUSE BILL 7877

Amendment intended to be proposed by Mr. PITTMAN to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, viz:

On page 96, after line 6, insert a new paragraph to read as follows:

"That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"'(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier by rail may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

tion without getting transportation.

I thought there had been very great unfairness in many sections

making exceptions between railroads is concerned.

increase such rates unless after longer distance.

ACT OF FEBRUARY 28—CON.

hearing by the commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition."

MR. PITTMAN'S AMENDMENT—CON.

"'Where any common carrier has or common carriers have in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearing, based on no less a showing than that upon which the commission is herein authorized to grant relief.

"'*Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission or permitted by it to be filed.'

"Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed."

INCREASE OF PENSIONS—BILL INTRODUCED

Mr. BURSUM asked and obtained leave to introduce a bill (S. 3304) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers, and certain maimed soldiers, and for other purposes, which was read twice by its title and referred to the Committee on Pensions.

EXTENSION AND WIDENING OF STREETS

The PRESIDING OFFICER (Mr. LADD in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes.

Mr. BALL. I move that the Senate disagree to the amendments of the House of Representatives, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. BALL, Mr. JONES of Washington, and Mr. KING were appointed conferees on the part of the Senate.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriation for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. WARREN. Mr. President, I desire to amend the bill by adding to the amendment of yesterday, at the commencement, the word "Hereafter." It was inadvertently left out.

The PRESIDING OFFICER. Without objection, the amendment will be made.

Mr. GOODING. Mr. President, the friends of this measure found themselves in this position: The Committee on Interstate and Foreign Commerce of the House of Representatives has a great number of railroad bills before it, but with the exception of one bill of very little importance no hearings have been held on those bills by that committee. So I and others who were supporting this measure felt that to take up the time of the Senate without some chance of getting the measure before the House would be fruitless. That is the reason why an amendment will be offered to the Army appropriation bill affecting the long and short haul provision of the interstate commerce act.

Mr. President, no question enters into the life of this Nation more deeply than that of transportation. It is of vital importance to every State in the Union, to every community, and to every industry; no State, city, nor community, nor industry can develop beyond its transportation, and our country will be just as big and just as great as its transportation facilities. Beyond them it can not develop.

If our country is to reach its full greatness as a Nation, then transportation rates must be reasonable, just, and fair, and without discrimination to any State in the Union, to any community, or to any industry. Nor can this country develop to the full extent of which it is capable without the development of water transportation on our inland waterways and without the development also of coastwise shipping. As I see it, a great crisis confronts this Nation in the matter of transportation, and unless we permit the development of our inland waterways by eliminating discrimination against water transportation by our own Government, through the Interstate Commerce Commission, then the mighty growth and development that has taken place in America in the last few years will be forced to come to a standstill for the lack of adequate transportation.

Mr. President, our railroads will always remain the greatest factors in our transportation. The man who would deliberately impair the great railroad system of America is an undesirable citizen and should be branded as an anarchist. On the other hand, the railroads that grind so fine that they take the last drop of blood that any product will bear to carry it to market and that for their own selfish interest destroy the usefulness of our inland waterways, which nature has created to lighten the burdens of humanity, by forcing upon some of the States of the Union a discrimination in freight rates for the purpose of destroying water competition so that the railroads may have a monopoly of transportation in this country are a hundred times more dangerous to this Government than the anarchist or the Bolshevik, for the Bolshevik is never dangerous to any country so long as those who control the great wealth of the country are forced to give the people a square deal.

Mr. President, the interstate commerce act to regulate transportation was passed February 4, 1887. That act created the Interstate Commerce Commission for the purpose of regulating the railroads and provided that unjust and unreasonable preferences between persons, localities, or communities, subjecting any one of them to unjust or unreasonable discriminations, were unlawful. The Interstate Commerce Commission has stopped discrimination as between individuals in the same locality by refusing the railroads the right to rebate to favored shippers, but it has not stopped discrimination so far as localities are concerned. In fact, the Interstate Commerce Commission has been the instrumentality through which the Government has permitted discrimination in freight rates between the States by allowing the railroads to charge more for the shorter haul than for the longer haul where the railroads come in competition with water transportation, until the Government has succeeded in practically destroying water transportion upon our rivers and at the same time has impaired the growth and development of our coastwise transportation.

Senate bill 2327, on which extensive hearings have been held by the Interstate Commerce Committee of the Senate covering a period of something more than three weeks, proposes to amend the fourth section of the interstate commerce act by making it absolute, so far as permitting violations by the railroads to meet water competition is concerned. It interferes in no way with violations of the fourth section upon circuitous railroads, nor does it interfere with violations of the fourth section on imports or exports, nor on express rates, and it gives the Interstate Commerce Commission a year within which to eliminate

all violations of the interstate commerce act that have been permitted for the purpose of destroying water competition.

The fourth section of the act to regulate commerce reads as follows:

That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive a greater compensation in the aggregate for the transportation of passengers, or a like kind of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line in the same direction, the shorter being included within the longer distance, but this shall not be construed as authorizing any common carrier within the terms of this act to charge and receive as great compensation for a shorter as for a longer distance: *Provided, however*, That upon application to the commission appointed under the provisions of this act such common carrier may in special cases, after investigation by the commission, be authorized to charge less for the longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section of this act.

Very early in the history of this act the commission and the courts ruled that the dominating words of the act were "under substantially similar circumstances and conditions" and that it was for the carriers, in the first instance, to determine whether the circumstances and conditions were similar or dissimilar. If the conditions and circumstances were dissimilar, the rule did not apply. After a few unsuccessful attempts to stop discrimination by violations of the fourth section it became a dead letter and little or no attention was paid to it.

On June 18, 1910, the fourth section was amended by striking out of the words "under similar circumstances and conditions," leaving in the words "in special cases after investigation." This virtually made the section absolute so far as the railroads were concerned. It gave to the commission permission "in special cases after investigation" to grant the railroads the right to charge less for the longer than for the shorter haul.

The debates in Congress lead to the conclusion that Congress intended that "special cases" should mean exactly what the words imply, that the commission should not have authority to grant relief unless the carrier by proper showing made out a "special case."

The commission in construing the amended section ruled that the only change that had taken place was to transfer the determination of the right to charge less for the long than for the short haul from the railroads to the commission.

On February 28, 1920, section 4 was further amended by adding the words:

But, in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is no longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence.

Mr. President, when the fourth section was amended by the act of 1920, providing that no violation should be permitted unless the rate was reasonably compensatory and that no authorization should be granted merely because of potential water competition not actually in existence, it was thought by those who had been fighting against the violation of the fourth section that they had won a great victory.

It was believed and argued by friends of the measure that a compensatory rate must mean a rate that would enable the railroads to pay operating expenses and give a fair return on the capital invested; but from the violations in existence to-day it is quite evident that the Interstate Commerce Commission has given but very little weight to the words "reasonably compensatory," and, in view of the fact that the Interstate Commerce Commission has permitted violations of the fourth section where only potential water competition exists, it is believed by all those who have suffered through discrimination of the fourth section of the interstate commerce act that, unless an amendment to that provision of the act shall be made denying the Interstate Commerce Commission the authority to authorize violations of the interstate commerce act as against water transportation, there is very little hope for any future development of the interior States of the West or for the development of water transportation upon our inland rivers or our coastwise shipping through the Panama Canal.

Mr. President, when this Government undertook to regulate our railroads it assumed a mighty responsibility, for freight rates are a tax that the people must pay for the use of the railroads, and when that tax is controlled and regulated by the Government it should be a fair tax, a just tax, and without discrimination. When this Government permits railroad corporations to discriminate in the interest of some great city, of some great industry, as against smaller communities or smaller industries, then the Government no longer represents fairly and justly the interest of all its people in its regulation of the railroads.

Mr. President, discrimination in freight rates by railroads when the rates were fixed by those who owned and operated the roads was bad enough; but when this Government passes an act to regulate commerce, and fixes the freight rates so that the railroads may earn a fair return on their investment, and then permits the railroads to discriminate against States or communities or individuals so that communities and individuals are forced to pay an increased freight rate to make up the loss for those who receive a lower freight rate for the longer haul than for the shorter haul, then this Government adopts a policy that is un-American and dangerous to the best interests of this Republic.

Mr. President, ever since railroads became a factor in the transportation problems of this country there has been a bitter struggle between water transportation and rail transportation; but the struggle has not been an even one or a fair one, for, with the Interstate Commerce Commission on the side of the railroads, transportation upon our rivers has not had a fighting chance to exist. It can be said that this Government, through the Interstate Commerce Commission, has practically destroyed water transportation upon our inland waterways, for everywhere and at every place where there is water transportation in any part of this country, with the exception of the Great Lakes in the territory east of Chicago, the Interstate Commerce Commission has permitted the railroads to charge less for the longer haul than for the shorter haul, and up until the act of 1920 the Interstate Commerce Commission permitted violations of the fourth section where there was the faintest suspicion of potential water competition in this country, which has made it impossible to interest capital in building river boats to establish transportation upon rivers, and at the same time it has impaired the growth and development of our coastwise shipping.

Mr. President, Congress has forbidden the railroads to operate ships through the Panama Canal; yet we permit the Interstate Commerce Commission to violate the fourth section of the interstate commerce act by making freight rates so low to the coast that it is not possible to develop to any great extent coastwise shipping through the Panama Canal, for capital is not going to take a chance of building vessels for our coastwise business when the Interstate Commerce Commission permits the railroads to destroy its investment.

Where this Government, through the Interstate Commerce Commission, failed to destroy water competition the railroads through different methods have succeeded in completing the destruction. This interesting story was told to the Interstate Commerce Committee in its hearings on Senate bill 2327 by Judge Simms, of Tennessee, who for many years represented that State in Congress. He told the story of how the merchants along the Tennessee River formed a corporation and put a river boat upon the river for the transportation of freight. All went along very nicely until an agent of some one appeared upon the scene and bought up all the freight this river boat carried and transferred it to the railroads. Of course the river boat was put out of commission with a great loss to those who formed the corporation.

This is only one story of hundreds that might be told of the destruction of water transportation on our rivers by the railroads. Let us not think the railroads were alarmed over the little freight that this river boat was carrying on the Tennessee River. What the railroads have been fighting for and what they have succeeded in getting with the assistance of the Interstate Commerce Commission by the destruction of water transportation is a monopoly of transportation in this country. No river boat or any other water transportation has been permitted to exist that the railroads could destroy, and Congress created an instrumentality—not intentionally, of course—that has most effectively destroyed water transportation and, in my judgment, has created in this country a condition that is dangerous to the best interests of its people.

The railroads themselves openly admitted that the purpose of the violations of the fourth section is to destroy water competition. The western railroads fought very bitterly the building of the Panama Canal. Jim Hill used to boast that before the transcontinental railroads got through their fight against the Panama Canal there would be pond lilies growing in its channel. Mr. Blakely, general freight agent of the Northern Pacific, at a meeting of the general freight agents of all the transcontinental railroads in Salt Lake City last June, together with members of the Intermediate Rate Association, made the statement that the building of the Panama Canal was a mistake as far as the West was concerned and that the canal should be filled up. Most of the general freight agents of the transcontinental railroads agreed with Mr. Blakely. I was present at that meeting and branded Mr. Blakely's statement as un-American.

Mr. President, I find that we have appropriated altogether for rivers and harbors in this country the sum of $1,200,000,000. In the last 22 years we have expended upon our rivers and harbors $750,000,000, and last year I voted for an appropriation of $56,000,000 for rivers and harbors. I understand that there are two appropriation bills before Congress at the present time dealing with this subject. I am not quite sure as to the amounts of the appropriations contained in the two bills, but the one before the Senate at the present time makes an appropriation of $37,000,000 for rivers and harbors. Altogether we will have presented here in the Senate something more than $100,000,000 of appropriations for rivers and harbors, I understand.

Mr. President, I want to continue to vote for appropriations for rivers and harbors, for I do not believe this country can reach its fullest greatness as a Nation without the development of water transportation upon our rivers and our coastwise shipping; but it seems to me it is a waste of money to continue appropriating hundreds of millions of dollars for the improvement of our rivers with a governmental policy that makes it impossible to develop water transportation upon our inland waterways, for capital will never invest in river boats as long as there is the slightest danger that their investment may be destroyed by permitting a railroad to charge less for the longer haul than for the shorter haul. Such a Government policy, in my judgment, is outrageous, and it demonstrates very clearly that as far as transportation is concerned in this country, the railroads have this Government by the throat, and dictate its policy on transportation. I want to say, Mr. President, that as far as I am concerned, if it is going to be the policy of this Government to permit violations of the fourth section to destroy water transportation upon our rivers and water transportation through the Panama Canal, then I have cast my last vote for appropriations for rivers and harbors.

Mr. President, I have long been convinced that our troubles in this country are not that there is too much government in business but that there is too much big business in government. The citizens of my State who have seen great freight trains that are almost a mile long pass their doors are unable to understand why they should pay a freight rate as high or higher than the people who live on the Pacific coast, where the haul in some cases is a thousand miles longer. You can not convince the people in my State who have suffered from these discriminations that the railroads of this country are not dominating the Government as far as transportation is concerned.

Discriminations in freight rates against communities in this country are un-American; and with such a policy forced upon the country by our Government it is not strange that we have a few anarchists in America, and the only wonder is, Mr. President, that there are not more anarchists in America than we have at the present time. It is these discriminations in freight rates that are forcing a great many people to change their minds in favor of Government ownership of railroads; and as far as I am concerned, Mr. President, if it is going to be the policy of this Government to permit the railroads to discriminate against the people of my State, then I am going to fight for Government ownership of railroads, with the hope that some day Idaho will have an opportunity to develop its mighty resources, which are not excelled in any State in the Union.

Mr. President, the present policy of our Government in permitting discriminations in freight rates is building up great centers of population at the expense of the interior, for capital will never invest in any State or in any community that is cursed with a discrimination in freight rates or where there is the slightest danger of a discrimination in freight rates. One thing that Congress should do for all time is to pass legislation that will stop this discrimination or publicly admit to the people of the United States that the policy of this Government is to destroy water transportation through permitting discrimination in freight rates in favor of our railroads.

Mr. President, this Government appropriated and spent $378,531,302 for the building of the Panama Canal. When the Panama Canal was built, the people of my State and those of other interior States of the West believed that with the building of the Panama Canal they would be able to reach the markets of the world without discrimination; but to-day the Panama Canal hangs as a nightmare over the people of the interior States of the West, because they know and understand that, unless Congress passes legislation that will make the fourth section absolute as far as water transportation is concerned, the Interstate Commerce Commission will permit violations of the fourth section as against water transportation through the Panama Canal that will make impossible the development of the mighty resources of the West. The policy of this Government in permitting these discriminations, together with a policy of the Interstate Commerce Commission that permits western railroads to charge, in many cases, 100 per cent higher freight rates for the movement of low-priced farm products to tidewater westbound, as compared with freight rates to the Eastern markets on a mileage basis, has denied to the people of my State and other interior States of the West an opportunity to use the Pacific Ocean, which, no doubt, God Almighty created for the use of all the people, and they are denied, to a large extent, the use of the Panama Canal, which they were taxed to help build, as well as the people of every other State in the Union.

Mr. President, the State of Idaho is nearer tidewater and nearer the markets of the world, taking them as a whole—the Orient, South America, and Europe—than the State of Ohio is to tidewater at New York and the markets of the world; yet, through excessive freight rates west bound to tidewater many of the low-priced farm products of Idaho are forced over the long haul to the eastern markets and the markets of Europe.

Mr. President, all the people of the West ask for is a square deal, the same rights and the same privileges that the people of the Eastern States enjoy, so that we may develop our own resources, but with a discrimination in freight rates forced upon us by our own Government the West has not a fighting chance to develop its mighty resources. Mr. President, under our governmental policy of discriminating in freight rates against the interior States of the West and the South, we are building up great centers of population in this country at the expense of the interior, a most dangerous policy for any government to pursue, for the best interest of every government lies, as far as possible, in a proper distribution of its people, for a congested condition of population in any country always adds to the burdens of government.

In my State and in the interior States of the West, where much of the raw material of this country is produced, capital can not be interested in building manufacturing institutions nor is our jobbing interest safe under a policy that permits railroads to charge more for the shorter haul than for the longer haul, and, of course, Mr. President, that is true of every part of the country where there is a discrimination in freight rates. And as much as I regret to say it, nevertheless it is true, the population of some of the interior States of the West is going backward, and yet, to use a western phrase, we have not yet scratched the mighty resources of the West.

Mr. President, nations, like individuals, have their birth, their youth, their manhood, and their old age. This country is passing from its youth to early manhood; there is much yet to do before we reach our full greatness as a nation, but under a governmental policy that permits the railroads to impair and destroy water transportation upon our rivers and along our coasts this country can never reach its full measure of greatness. Under the present policy of this Government we can not expect or hope that capital will invest in river boats or in coastwise vessels when every few days the Interstate Commerce Commission is granting the railroads violations of the fourth section to destroy water competition.

Already, through a governmental policy that discriminates against the interior States of the West and the South, we have built up great centers of population in this country, and if we continue that policy there is some danger that the prophecy of Lord Macaulay, the great English historian, who predicted the downfall of this Republic, may some day come true. In a letter to Mr. R. H. Randall, of Virginia, written by Lord Macaulay in 1857, a part of which I will read, he says:

> I have long been convinced that institutions purely democratic must, sooner or later, destroy liberty or civilization or both. You may think that your country enjoys an exemption from these evils. I will frankly own to you that I am of a very different opinion. Your fate I believe to be certain, though it is deferred by a physical cause. As long as you have a boundless extent of fertile and unoccupied land your laboring population will be more at ease than the laboring population of the Old World, and while that is the case the Jefferson politics may continue to exist without causing any fatal calamity. But the time will come when New England will be as thickly populated as old England. Wages will be as low and will fluctuate with you as with us. You will have your Manchesters and Birminghams, and in those Manchesters and Birminghams hundreds of thousands of artisans will assuredly sometimes be out of work. Then your institutions will be fairly brought to the test. * * *
>
> It is quite plain that your Government will never be able to restrain a distressed and discontented majority, for with you the majority is the Government and has the rich, who are always a minority, always at its mercy. The day will come when in the State of New York a multitude of people, none of whom has more than half a breakfast or expects to have more than half a dinner, will choose a legislature. On one side is a statesman preaching patience, respect for vested right, strict observance of public faith. On the other is a demagogue ranting about the tyranny of capitalists and usurers, and asking why anybody should be permitted to drink champagne and ride in a carriage, while thousands of honest folks are in want of necessaries. Which of the two candidates is likely to be preferred by a workingman who hears the children cry for more bread?
>
> I seriously apprehend that you will, in some such season of adversity as I have described, do things which will prevent prosperity from returning; that you will act like people who would, in a year of scarcity, devour all of the seed corn and thus make the next year one not of scarcity but of absolute famine. There will be, I fear, spoliation. The spoliation will increase the distress; the distress will produce spoliation. There is nothing to stop you. Your Constitution is all sail and no anchor.
>
> As I said before, when a society has entered on the downward progress, either civilization or liberty must perish. Either some Cæsar or Napoleon will seize the reins of government with a strong hand, or your Republic will be fearfully plundered and laid waste by barbarians in the twentieth century, as the Roman Empire was in the fifth, with this difference—that the Huns and Vandals who ravished the Roman Empire came from without, while your Huns and Vandals have been engaged within your own country by your own institutions.

Mr. President, I do not agree with Lord Macaulay that there is any danger of the downfall of this Republic, for I have confidence in the American people and believe that our problems will all be worked out for the best interests of all the people, and if the time ever comes I am sure that our Constitution will meet the test; but let us not forget there is always danger to any government when those in control do not legislate wisely for the best interests of all the people. Abuse long continued, with discrimination and special privileges given by governments to the selfish interests of a country have strewn the pathway of civilization with the sad stories of the downfall of governments as far back as history tells the story of the achievements of mankind.

Mr. President, the time has come when this Government must give serious thought and consideration to our problems of transportation if the growth and development of this country are not to be impaired. In the matter of transportation we have been following a blind trail without any thought or consideration of the future. We have permitted the railroads, through the Interstate Commerce Commission, to destroy water transportation upon our rivers and to impair our coastwise transportation. At the same time, the railroads have not kept pace with the growth and development of this country, and, as I see it, this country to-day is facing a crisis in the matter of transportation.

I have a table here which I offer for the RECORD that shows the ton-miles of freight hauled by all the railroads in the United States, beginning with 1890, up to and including 1923, a period of 33 years. In reading the ton-miles I will give just the first figures for the years I use for comparison to show the marvelous growth in the number of ton-miles hauled by our railroads. "Ton-mile" is the term used by the railroads to measure the volume of business transacted. I ask that the table be inserted in my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Ton-miles all railroads

1890	76,207,047,000
1891	81,073,784,000
1892	88,241,050,000
1893	93,588,112,000
1894	86,335,105,000
1895	85,227,516,000
1896	95,328,360,000
1897	95,139,022,000
1898	114,077,576,000
1899	123,667,257,000
Total	932,884,829,000
1900	141,596,551,000
1901	147,077,138,000
1902	157,289,370,000
1903	173,221,279,000
1904	174,522,000,000
1905	186,463,110,000
1906	215,877,551,000
1907	236,601,300,000
1908	218,361,555,000
1909	218,802,987,000
Total	1,869,833,019,000
1910	255,016,910,000
1911	253,782,702,000
1912	264,080,745,000
1913	301,730,221,000
1914	288,037,042,000
1915	277,134,816,000
1916	366,173,174,000
1917	398,263,062,000
1918	408,778,041,000
1919	367,164,371,000
1920	413,098,749,000
1921	309,533,365,000
Total	3,913,991,288,000
1922	339,945,894,000
1923	413,562,132,000

Mr. GOODING. In 1890 the railroads handled in round numbers 76,000,000,000 ton-miles. In other words, all the railroads in the United States hauled a ton of freight 76,000,000,000 miles, or they hauled 76,000,000,000 tons of freight 1 mile. From 1889 to 1901, a period of 11 years, the ton-miles hauled by our railroads had increased to 147,000,000,000, or an increase of almost 100 per cent. From 1901 to 1913, a period of 12 years, the ton-miles hauled over our railroads had increased to 301,000,000,000, or a little over 100 per cent of an increase from 1901 to 1913.

From 1913 to 1923 the freight handled by our railroads had increased to 413,000,000,000 ton-miles, an increase for those 10 years of 37 per cent, and for the months of January and February of this year, I understand, the railroads show an increase as compared with January and February of 1923.

The increase of ton-miles of freight hauled by our railroads in 1923 was 443 per cent over 1890, when the railroads, as I have shown, hauled 76,000,000,000 ton-miles of freight. The increase from 1913 to 1923 of 112,000,000,000 ton-miles of freight is practically equal to the total tonnage of all the railroads in the United States in 1898, when the railroads for that year hauled 114,000,000,000 ton-miles.

Mr. President, I offer a table for the RECORD, showing the total number of miles of railroads in use in this country in 1890 up to and including 1923. This table shows very conclusively that the railroads are not keeping pace with the wonderful development that is going on in America, and unless something is done to meet the transportation needs of the country the transportation of this country will be broken down and the whole country will be seriously impaired from the lack of adequate transportation.

The PRESIDING OFFICER. Is there objection to the insertion of the table?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Number of miles of railroad operated

Year	First track	Other main tracks	Yard track and sidings	Total
1890	168,404	9,769	83,711	169,874
1891	164,275	10,428	35,742	207,446
1892	167,397	10,698	37,607	211,020
1893	169,779	11,682	40,404	221,865
1894	175,660	12,168	41,944	228,784
1895	177,748	12,348	43,181	233,275
1896	181,982	12,499	44,717	239,128
1897	186,294	12,794	45,934	245,022
1898	184,668	13,098	47,189	244,955
1899	187,534	13,384	49,223	250,141
1900	192,596	14,075	52,159	258,794
Increase 1900 over 1890	25,152	4,315	19,449	58,920

Number of miles of railroad operated—Continued

Year	First track	Other main tracks	Yard track and sidings	Total
1900	192,556	14,075	52,153	258,784
1901	195,561	14,875	54,914	265,350
1902	200,154	15,819	58,220	274,193
1903	205,313	16,947	61,560	283,820
1904	212,243	18,337	66,492	297,072
1905	216,973	19,881	69,941	306,793
1906	222,340	20,981	73,760	317,085
1907	227,454	22,770	77,749	327,977
1908	230,494	23,699	79,452	333,645
1909	235,402	24,572	82,376	342,350
1910	240,830	25,353	85,581	351,764
1911	246,238	27,612	88,973	362,823
1912	249,852	29,366	92,019	371,237
Increase 1912 over 1900	47,296	15,291	39,866	112,453
1912	249,852	29,366	92,019	371,237
1913	253,470	30,826	95,211	379,507
1914	256,547	32,376	98,285	387,208
1915	257,569	33,662	99,910	391,141
1916	259,705	34,325	102,983	397,013
1917	259,705	35,065	105,582	400,252
1918	258,506	36,228	107,608	402,342
1919	258,524	36,729	108,636	403,889
1920	259,941	36,894	109,744	406,579
1921	258,361	37,813	111,555	407,529
1922	257,334	37,888	113,994	409,716
1923 (estimated)				410,716
Increase 1922 over 1912	7,982	8,522	21,975	39,479

Mr. GOODING. In 1890 we had in use in this country 156,404 miles of what is called first-track railroad and 9,760 miles of other main track that made up our double-track railroads. At the same time we had in use 33,711 miles of yard tracks and sidings, making a total of miles of track in use in 1890 of 199,875 miles. This mileage I am giving is for steam railroads.

In 1900 we had in use in this country, for all purposes, 258,784 miles of tracks, or an increase of 29 per cent over the number of miles of track in use for all purposes in 1890. In 1912, after a period of 12 years, we had in use for all purposes 371,237 miles of railroad tracks, an increase over 1900 of 43 per cent. In 1923, after a period of 11 years, we had in use in this country 410,716 miles of railroad track for all purposes, an increase of only 11 per cent. Our railroad trackage in this country for all purposes since 1890 shows an increase of 106 per cent, while our railroad tonnage shows an increase of 443 per cent.

Mr. President, since 1920 there has been an actual decrease of 2,107 miles in what is called first-track railroads. Since 1912 there has been an increase of 8,522 miles in our double-track roads, and in yard tracks and sidings there has been an increase of 21,975 miles, which makes up the increase of 11 per cent in the number of miles of track since 1912, a period of 11 years. It is now estimated that motor vehicles are handling 50 per cent as many tons of freight each year as our steam railroads. This tremendous increase in the use of motor vehicles has saved this country from a total collapse, as far as transportation is concerned, but let us not forget that we have only made a good beginning, as far as the development of our mighty resources in this country is concerned.

Unless something is done in the very near future to relieve the railroads by water transportation, there can not be any question but that this country, so far as its growth and development are concerned, must come to a standstill.

Mr. President, there is no doubt that we have made great strides in the efficiency of our railroads, and it has been brought about by the use of heavier rails and locomotives with greater tractive power and better equipment all the way around for the transportation of freight, but with only 11 per cent increase in the number of track miles, which includes single tracks, double tracks, yard tracks, and sidings, it must be apparent to everyone who has studied the transportation question that we are reaching a dangerous period in our transportation problems, and unless this country adopts a policy that will permit capital to invest in water crafts and at the same time inaugurates a policy that will permit low-priced agricultural products, together with the cheap basic materials in this country, to seek the nearest water transportation, then this country will be forced to come to a standstill for the need of adequate transportation.

Mr. President, if we are going to continue to be a mighty factor in the trade of the world, then we must have adequate transportation, and as far as possible we must have cheap transportation. Let us not forget that railroads have their limit of capacity as well as everything else in this world. Some of our great railroad systems already have all the transportation they can handle economically and with efficiency all the year around, and many of them are choked and blocked with transportation during the season of crop movement in this country.

Some of our railroads are no longer hungry for freight, and in the last few years some of our railroads have placed an embargo on freight and only yielded when they were forced to do so by the Interstate Commerce Commission.

The peak in the increase in freight rates since the outbreak of the war reached 78 per cent above pre-war freight rates. The present freight rate on an average for the whole country is 55 per cent above pre-war rates. Freight rates in this country have become a burden to the people, but that is not strange with a governmental policy that destroys the use of its inland-water transportation.

Any policy of this Government that is right east of Chicago ought to be right west of Chicago, yet the fact remains that the Government has protected the Great Lakes and some of the rivers east of Chicago and made it possible for them to develop water transportation and give the people of the great industrial centers of the East cheaper transportation than is possible for the West to enjoy.

The South, with its great natural waterways which the Government has spent hundreds of millions of dollars to develop, together with its climate, its great coal fields, iron mines, and cotton fields, if we could develop transportation on its inland waterways, would become the industrial beehive of the country.

It is hardly necessary to discuss with Senators, I am sure, what discrimination in freight rates means to industry or to capital. I wonder if there is a Senator here who would permit discrimination in his own State. I am sure there is not one who would stand for it a minute if he could help himself, and he should not want to force upon the people of another State what he is not willing to accept for his own State, because he is not here representing alone his own Commonwealth but is here representing all the people of this great country.

I have here a copy of the application of the transcontinental railways for what they call "relief from the fourth section." We people who have suffered by this relief call it a violation of the fourth section. I ask that the letter of Mr. R. H. Countiss, making application to the Interstate Commerce Commission, be placed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

TRANSCONTINENTAL FREIGHT BUREAU,
Chicago, August 11, 1923.

INTERSTATE COMMERCE COMMISSION,
Washington, D. C.

GENTLEMEN: I inclose herewith application No. 26 on behalf of transcontinental carriers for authority to depart from the long-and-short-haul provisions of the fourth section of the interstate commerce act in publication of proposed rates from eastern defined territories to Pacific coast terminals, as fully set forth in the application and exhibits attached to and made part thereof.

The carriers find it necessary at this time to present this application because of the great change which has taken place in the canal competition since my fourth section application No. 19 (I. C. C. No. 12063) and others were heard and decided, such change consisting of the greatly increased number of steamship lines and steamers which have entered into the intercoastal traffic via the Panama Canal, the very much lower rates which the steamship lines are carrying, and the much greater proportion of the westbound traffic which they are obtaining, the reaching of the steamship lines farther into the mid-western territory, the shutting out of the mid-western shippers and consequently the mid-western carriers from participation in the Pacific coast traffic by reason of an increasing part of it being forwarded from the Atlantic seaboard, and the need of the Pacific coast rail carriers for westbound traffic to enable them to furnish cars to handle the products of that territory, particularly those of the interior territory, which is dependent solely on rail transportation.

Since application No. 19 (I. C. C. No. 12063) was decided the carriers have made a number of material reductions in their westbound rates, the reductions on the various commodities approximating 25 per cent. These reductions have been applied as maxima to intermediate destinations and, taken in connection with the rates now proposed to the terminals, will very materially narrow the spread between the rates to the intermediate points and those proposed to the terminals as compared with those contained in fourth section application No. 19 (I. C. C. No. 12063). The carriers believe that in the reductions which have been made they have gone as far as it is possible for them to go on these commodities without fourth section relief, both in meeting the water competition and in the reduction of their rates to the interior territory.

Yours very truly,

R. H. COUNTISS, *Agent.*

Mr. GOODING. I have a list of commodities showing the present rates and the rates asked by the transcontinental railroads, showing the reductions it would mean at Pacific coast points. There are about 50 of the commodities altogether. The application for violation of the fourth section would not reduce the freight rates to a single point in the interior, but would make a reduction to Pacific coast points, their terminals, of from 20 to 48 per cent, covering practically all, or a large part of the commerce that is hauled by the railroads. I ask that the list may be placed in the RECORD at this point.

The table shows the present rates, Chicago to Pacific coast, and rates asked for by the railroads in violation of the fourth section.

Present rates apply as a maximum at intermediate points; no reductions are proposed to intermediate points.

If application is granted, rates to Pacific coast points will be lower than to interior by the amount shown.

The PRESIDING OFFICER. Without objection, permission is granted.

The list is as follows:

Commodity	Minimum	Present rate	Proposed rate	Reduction
Ammonia, phosphate of	50,000	$2.66	$1.00	$1.66
Ammunition	40,000	1.40	1.10	.30
Compounds, boiler	60,000	1.10	.90	.30
Dry goods	40,000	1.58	1.10	.48
Electric appliances	50,000	1.20	.90	.30
Iron and steel articles:				
Pipe bands and rods	80,000	1.20	.75	.45
Bar iron, etc	80,000	1.00	.75	.25
Shingle bands and ties	80,000	1.00	.75	.25
Billets and blooms	80,000	1.00	.75	.25
Bolts and nuts	80,000	1.00	.75	.25
Horseshoes	80,000	1.00	.75	.25
Castings and forgings	50,000	1.20	.90	.30
Plate and sheet	80,000	1.00	.75	.25
Sheet iron, corrugated	50,000	1.15	.90	.25
Boiler flues	40,000	1.25	1.00	.25
Do	80,000	1.00	.75	.25
Nails and spikes	50,000	1.30	1.05	.25
Do	80,000	1.00	.75	.25
Cast-iron pipe	80,000	1.00	.75	.25
Pipe fittings	60,000	1.00	.80	.20
Structural iron and steel	40,000	1.25	1.00	.25
Do	80,000	1.00	.75	.25
Soda alumini	50,000	1.20	1.00	.20
Magnesium sulphate	60,000	1.20	1.00	.20
Packing-house products	40,000	1.60	1.20	.40
Paint	50,000	1.25	1.00	.25
Paper and paper articles:				
Bags	40,000	1.25	1.00	.25
Bags, gummed and tissue paper	40,000	1.35	1.00	.35
Bags, books, etc	40,000	1.25	1.00	.25
Boxes	40,000	1.25	1.00	.25
Boxes, fiber, pulp, or strawboard	40,000	1.35	1.00	.35
Labels	50,000	1.35	1.00	.35
Wall paper	40,000	1.35	1.00	.35
Carpet lining	40,000	1.25	1.00	.25
Do	40,000	1.35	1.00	.35
Book paper	40,000	1.25	1.00	.25
Do	40,000	1.35	1.00	.35
Writing paper	40,000	1.25	1.00	.25
Paper, news, poster, etc	40,000	1.25	1.00	.25
Tissue paper	40,000	1.35	1.00	.35
Wrapping paper	40,000	1.25	1.00	.25
Rails and fastenings	80,000	1.00	.75	.25
Axle, wheels, and forgings	60,000	1.00	.75	.25
Rice and rice products	60,000	1.05	.75	.30
Roofing material	50,000	1.10	.90	.20
Rosin	60,000	1.20	.75	.45
Soap	60,000	1.25	1.00	.25
Sodium	60,000	1.00	.75	1.00
Tinware	22,000	1.86	1.50	.36
Vehicles, self-propelling, viz:				
Pressed-steel car sides	40,000	1.25	1.00	.25
Do	80,000	1.00	.75	.25
Cable rope	50,000	1.20	.90	.30
Wire rods	80,000	1.00	.75	.25

Mr. GOODING. In the last Congress I introduced Senate Resolution 472, requesting the Interstate Commerce Commission to inquire into the influence which had been used and the pressure that had been brought to bear upon the railroads to apply for relief from the fourth section. The Interstate Commerce Commission sent its field men out and held hearings all over the country. On February 4, 1924, the commission rendered its report to the Senate. It is a very interesting report. I have a copy of it here. I want to show the Senate how permission to violate the fourth section has been given to the railroads. The report shows that since the amendment of the fourth section on February 17, 1911, there have been filed with the commission 12,513 applications. There were 5,776 applications granted, 4,593 denied, 1,659 withdrawn, and 153 current applications not yet acted on, and 1,329 so-called temporary applications filed prior to February 18, 1911, which are in effect. Out of 5,579 applications granted only 303 were heard. All of those applications were granted practically without any investigation at all and without any hearings, at least with the exception of the 303. Adding to the 5,276 applications granted without hearing the 1,329 applications in effect February 17, 1911, we have altogether in effect 6,605 fourth-section violations without hearing.

In this report are some telegrams that passed between the Chicago Association of Commerce and the executive officers of the transcontinental railroads and their representatives.

In order that I may be able to make these telegrams clear that I shall read into the RECORD I wish to say that Mr. J. P. Haynes, who plays a leading part in these telegrams, occupied the position of traffic director from the Chicago Association of Commerce, and that Mr. R. H. Countiss was chairman of the standing-rate committee of the transcontinental freight bureau, an organization that included all of the transcontinental railroads in this country.

Mr. President, these telegrams can be found in the report made to the Senate by the Interstate Commerce Commission on Senate Resolution No. 472, which required the Interstate Commerce Commission to make an investigation into the influence of propaganda brought about by the railroads for the violations of the fourth section of the interstate commerce act.

On August 4, 1923, the Chicago Association of Commerce wired the Union Pacific Railroad as follows:

Please advise why fourth section application is not filed with the commission. After many conferences with shippers certain commodities and rates were agreed to on which relief was found necessary, and the subject has been dragging since February last. If more prompt action is not taken, shippers will make other arrangements and will not be interested. Wire answer.

On August 4, 1923, the Union Pacific Railroad wired the transcontinental freight bureau, of which Mr. Countiss is chairman, as follows:

Chicago Association of Commerce complaining bitterly about delay in filing fourth-section application. Understood it was agreed this application should be presented to commission by committee. What is delaying that action?

On August 4, 1923, the director of traffic, Chicago Chamber of Commerce, sent a telegram to the chairman of the board of directors of a transcontinental road reading as follows:

Please advise why fourth-section application is not filed with commission. After many conferences with shippers certain commodities and rates were agreed to on which relief was found necessary, and the subject has been dragging since February last. If more prompt action is not taken, shippers will make other arrangements and will not be interested. Necessity for fourth-section relief was manifested in your annual report to stockholders. Wire answer.

On the same date he sent the following telegram to executives of four other transcontinental roads:

Please advise why fourth-section application is not filed with commission. After many conferences with shippers certain commodities and rates were agreed to on which relief was found necessary, and the subject has been dragging since February last. If more prompt action is not taken, shippers will make other arrangements and will not be interested. Wire answer.

The following telegrams were sent by executives of those transcontinental lines in reply to the above telegrams:

Replying to your wire 4th regarding filing with commission our fourth-section application on proposed rates from territory Chicago and west. The outcome of this effort to obtain relief from fourth section is of deep concern to transcontinental lines, and we are anxious to safeguard each step. Please be assured that we are in earnest in the matter and we are proceeding as expeditiously as possible.

I quote some further telegrams:

Message to Mr. Gray—

Mr. Gray is president of the Union Pacific Railroad Co.—

To-day we supposed fourth-section application had been filed; am inquiring Countiss's reason for delay.

Yours, 4th: Am not aware any delay filing fourth-section application other than what was necessary in order to have it in proper shape. Am wiring Toll to at once file the application prepared by Toll and Hastings.

Further regarding your telegram, 4th: Mr. Countiss filed the fourth-section application with commission Saturday by mail with understanding executive traffic officers, if deemed advisable, will arrange conference with commission later.

Further your wire, 4th. Fourth-section application all ready for presentation to commission, but lines think should be personally presented by committee of executives, feeling it would have more weight with commission if presented in this manner. Will probably be disposed of in a very few days.

Matter of fourth-section application will be called to attention of other lines interested, and this company will undertake to expedite ruling, which has been delayed to decide on most forcible method of presentation.

On August 6, 1923, the Transcontinental Freight Bureau wired the Union Pacific system as follows, and this is the last telegram I shall read, Mr. President:

Your B-16, 4th instant, fourth-section application all ready for presentation to commission, but several lines think should be personally presented by committee of executives. Understand Santa Fe and Northern Pacific in correspondence with other executives on this point. California lines had originally suggested personal presentation by me, but such personal presentation would carry no weight with commission.

I understand, Mr. President, that it is not an unusual thing for the executives of roads to appear in a body before the Interstate Commerce Commission, and that they did make such a visit in the interest of the applications that I have here which cover a wide range of commodities. Fortunately for the West, there was some new blood upon the commission that objected to the violations of the fourth section that were asked for by the transcontinental railroads from Chicago to the Pacific coast being allowed without hearings. These telegrams that have passed between the associated chamber of commerce and the executives of the transcontinental railroads should destroy the confidence in at least some of the members of the Interstate Commerce Commission who have always shown an unfriendliness toward the shippers. I have a very high regard for the spirit of fairness of some of the members of the commission, but that is not true as far as all of the members are concerned. With these executives and their representatives and Mr. Countiss there seemed to be no thought of submitting information and facts in regard to this application for the violation of the fourth section. The question that was to be considered was how could the Interstate Commerce Commission best be given to understand that chief executives of the transcontinental railroads wanted these violations.

Mr. Countiss, who holds a high position with the railroads and no doubt draws a very large salary from the railroads and is considered one of the greatest railroad men in this country, was sure he had no influence with the commission, but that a visit to the Interstate Commerce Commission by the executives would bring about these violations in short order.

So that Senators may understand what these violations will mean to the South and States west of Chicago—if they are allowed—I have prepared a map which shows what these violations mean to the West and the South, together with the unreasonableness in our freight rates of the West and the South at the present time. First, I want to call the Senate's attention to the violations of the fourth section on wool rates from the Pacific coast to Boston.

Mr. President, it can be seen from the map on the wall of the Senate Chamber that there are no violations in all of this territory [indicating] east of Chicago, with the exception of a few down here [indicating] in some of the Southern States. The rate on wool in bales from Portland, Oreg., to Boston, Mass., a distance of 3,300 miles, is $1.50 a hundred. With a 30,000-pound car the railroad earns for that haul from Portland to Boston $450.

The rate from Pocatello, Idaho, to Boston on baled wool—a shorter haul by 716 miles—is $2.44 a hundred in carload lots. On that carload of wool the railroad earns $732 per 30,000-pound car. The lines east of Chicago get for their 1,038 mile haul 27½ per cent of the $1.50 rate from Portland to Boston, or 27½ per cent of $732, or $123.75. The railroads east of Chicago earn 11.9 cents per mile on their car. The lines between the Missouri River and Chicago get 17½ per cent of the balance, or $57.10, or 11.7 cents per car-mile. The Union Pacific Railroad, for a haul of 1,058 miles from Pocatello to Omaha, receives the balance, or $551.15, or 52 cents per car-mile for a 30,000-pound car of wool. So they get practically five times as much for hauling a carload of wool from Pocatello to Omaha per mile as do the roads between Omaha and Chicago.

At a hearing in a wool-rate case in Boise, Idaho, I think something like two years ago, when the railroads were asking to reduce the freight rates from Portland to Boston to $1.35 a hundred, a rate expert for the Union Pacific Railroad testified that $1.35 a hundred from Portland to Boston would be a compensatory rate.

Under the Esch-Cummins Act, in which the rate of earning for the railroads is fixed at 5½ per cent, if a rate of $1.35 a hundred for a 3,300-mile haul from Portland, Oreg., to Boston, Mass., is a compensatory rate, then a rate of $2.44 a hundred from Pocatell, Idaho, a haul of 2,500 miles, must surely be an unreasonable and a discriminatory rate. Yet that is the condition from which the people of Idaho are suffering. These violations of the fourth section occur all through the western section of the country on all the railroads, including the Northern Pacific, the Great Northern, the Chicago, Milwaukee & St. Paul, the Southern Pacific, and the Santa Fe. All of the interior States in the West suffer in the same way, so far as wool shipments are concerned, as do the people of Idaho; and the Union Pacific earns five times as much per car-mile as the eastern roads earn. These violations are actually occurring to-day, and the people are paying the freight, not only on one railroad but on all of them.

I wish to discuss what the effect would be if the applications of the transcontinental railroads should be granted. On the Union Pacific Railroad on dry goods in carload lots from Chicago to Seattle, Wash., a distance of 2,445 miles, the present rate is $1.58 a hundred. The railroads have asked the commission for a rate from Chicago to Seattle of $1.10 a hundred. From Chicago to Scranton, Iowa, on the Chicago & North Western Railroad, a distance of 376 miles, the present rate is $1.11. Here [indicating on the map] is Scranton, Iowa, and if the violation of the act is permitted the rate to that point from Chicago, for a haul of 375 miles, will be a cent a hundred more on dry goods than will be the rate to San Francisco or Portland or Seattle or any other coast points. There is not a question of doubt in my mind that such a discrimination will be permitted unless we make the fourth section absolute.

Mr. SMITH. Where is the point of origin of that shipment?

Mr. GOODING. At Chicago; the haul is 376 miles and the present rate is $1.11, while the railroads are asking for a rate to San Francisco, Portland, and Seattle of $1.10 a hundred. The commission has the authority to give them that rate and there is not any doubt in my mind that those rates will be put into effect.

From Chicago to Ogallala, Nebr., a distance of 820 miles, on dry goods in carload lots at present the rate is $1.58 a hundred. Ogallala is here [indicating on the map], but the people of Ogallala and west are now paying the same rate on dry goods that the people of Portland, Seattle, and San Francisco are paying. We think that is unfair and unjust. When we have a fixed earning for a railroad of 5½ per cent, surely the people in part of this great country [indicating the interior] are making up the difference in the cost of hauling halfway across the continent for the people over here in Seattle.

If all that were not done for the purpose of destroying water competition, if it were necessary for the railroads to have that violation in order to exist, the situation might be entirely different; but the fact is that the freight to the Pacific coast is only about 2 per cent of the total freight that goes through the canal at the present time. The railroads will lose more money in reducing the rates 48 per cent to the people of the coast towns than they will make up in what they will take away from the boats that are going through the Panama Canal.

Mr. BROOKHART. Mr. President——

Mr. GOODING. I yield to the Senator from Iowa.

Mr. BROOKHART. In this amendment, as I read it, there is allowed the right to charge less for the long haul than for the short one where one railroad is competing with another. Why should that be any more than where a railroad is competing with water?

Mr. GOODING. No; it is not where they are competing with one another. It is only where one railroad goes directly through the country and where there is a circuitous route that comes around a long way, perhaps two or three hundred miles longer. In such a case the present act permits the longer railroad—and this amendment does not change that—to charge the same rate as the short line. That is, if the short road is 1,000 miles long, and the circuitous road is 1,200 miles long, it permits the violation in the 200 miles between the 1,000-mile point and the 1,200-mile point.

Mr. BROOKHART. But if we are going to deny the railroads, under this amendment, the right to charge less for the long haul than for the short haul because it competes with water transportation, it seems to me the same principle would deny them the right when they are competing with one another.

Mr. GOODING. There are a good many roads running through the eastern section of the country, and there are times when it is almost impossible for them to handle all the freight over one line; and the discriminations that are allowed are so small that they can not really be called discriminations, and I believe they should not be touched.

Mr. BROOKHART. I think it is quite as uneconomic to haul that freight away around Robin Hood's barn as it is to permit a greater charge for the short haul than for the long haul.

Mr. GOODING. There is not any question about it, and some time Congress will stop all that. When the rails first break down in our transportation we are going to stop the hauling of this freight around out of the way.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from South Carolina?

Mr. GOODING. I yield.

Mr. SMITH. In response to the suggestion made by the Senator from Idaho with reference to permission to make a departure from this provision where a circuitous route is in competition with a direct one, the testimony before the committee, as indicated by the Senator from Idaho, was to the effect that it was in favor of economy, because freight originating at one point and reaching another, both of them served by the more circuitous as well as by the more direct route, could be handled for the betterment of all parties concerned by virtually allowing this departure from the ordinary rule rather than have the congestion and loss of business that would result from trying to use the direct route where the freight was in excess of the capacity of the direct route.

Mr. GOODING. Yes; we have reached that condition in this country to-day—a most dangerous condition, to my mind, if we are going on to develop the industries of the country.

Mr. BROOKHART. During Government operation we sent all the freight as nearly as possible along the short line, and the saving in that respect certainly was very great to the Government and to the people of the United States. It seems to me that the competition of all these roads is at the expense of the people, and has a tendency to increase the inbetween rates.

Mr. SMITH. If the Senator will allow me, this is the very identical principle that the Senator from Idaho is attempting to establish—that we need and should have all the transportation that we can economically utilize—and it goes without saying that our water facilities should not be destroyed by an artificial fixing of rates that is not compensatory to the other class of carriers, namely, the railroads; but when it comes to a competition between the railroads in a congested section competition indicates just the opposite.

Mr. CUMMINS. Mr. President, will the Senator yield to me for a moment?

Mr. GOODING. Yes; I yield.

Mr. CUMMINS. I am in favor of the amendment that will be proposed by the Senator from Idaho or the Senator from Nevada. I understand that the application for leave to depart from the provisions of the fourth section, which the Senator is now discussing, is based upon water competition, and I do not think there ought to be any departures from the fourth section on account of water competition; but I am afraid the Senator from Idaho is venturing into some suggestions that would be very disastrous for the country which he particularly represents, and I do not want by sitting silent to seem to give assent to these suggestions.

Take the freight rate from Chicago to Portland or Seattle. Every freight rate over any given line, if it were properly adjusted, would be made up according to the cost of the service. To be absolutely fair and equitable, it would be made up according to the cost of the service. All people ought to be willing to pay according to the cost of the service, if that rule could have been adopted originally. Every freight rate is made up of three parts: First, the initial terminal charge; second, the final terminal charge; and third, the haulage charge. Now, if a freight rate from Chicago to Spokane as compared with the freight rate from Chicago to Scranton, in Iowa, were made up in that way, the freight rate from Chicago to Spokane would be a great deal more than it is now.

Mr. GOODING. I am not discussing that. I think the Senator misunderstood me entirely.

Mr. CUMMINS. I am afraid that what the Senator has said might lead to the conclusion that he wanted all these freight rates to be logically made up.

Mr. GOODING. On a mileage basis. Is that the Senator's thought?

Mr. CUMMINS. It would be a mileage basis, with the exception of the terminal charge at each end of the route. The Senator from Idaho does not want any such system to be imposed upon the railways of this country, as logical as it may be, does he?

Mr. GOODING. I am sure that would not be feasible or practicable. I understand that a railroad must make a lower rate for the long haul; but what I am complaining about is the unreasonableness that exists in the West and South, the discrimination that exists.

Mr. CUMMINS. I do not dispute about that.

Mr. GOODING. I am complaining about the discrimination that makes it impossible to develop communities, all in the interest of the Pacific coast, for the purpose of destroying an instrumentality that this country must have if it is going to grow and develop at all—water transportation.

Mr. CUMMINS. I am entirely in sympathy with the Senator from Idaho about that; but I do not want the impression to get abroad that the Interstate Commerce Commission has been unfair and unjust because it has permitted an illogical system of making rates to develop and to continue.

I can not conceive of an instance in which there ought to be a higher rate for the shorter haul than the longer haul induced by water competition, and I am willing to stand with the Senator from Idaho to abolish that possibility, and I am willing to do it largely because we have not enough transportation facilities now in the United States. The railroads are saying, and I believe they are saying truly, that if we develop our internal transportation facilities to meet the demands of commerce we must spend from $750,000,000 to $1,000,000,000 per year in order to meet the growth of commerce; and it is plainly economical—I think it is plainly imperative—that water transportation shall be permitted to carry the commodities which it is fitted to carry at a lower price than they can be hauled upon a railway, because railway transportation always costs more, especially on the coast-to-coast business from the western coast to the eastern coast. It will always cost more to haul freight across the mountains and across the continent on the railways than it will cost to haul it through the Panama Canal.

Mr. GOODING. That is true; but I can not agree that it will cost any more to haul freight over our transcontinental railroads than it now costs to haul freight between Chicago and New York or Boston, because the fact is that the transcontinental railroads are hauling as many tons of freight per horsepower or tractive power, as it is called, as the eastern railroads. All the grades on the transcontinental railroads have been practically eliminated. All the curves have been eliminated. In my own State, on the Union Pacific, freight trains almost a mile long go down the valley of the Snake. No other road in the United States hauls as many tons or as many freight cars in a train, I am told, as down the valley of the Snake toward tidewater at Portland, and yet we pay 100 per cent higher freight rates than the people east of Chicago. We pay 40 per cent more of a freight rate westbound on wheat than the people of Montana pay over the Northern Pacific or the Great Northern.

Mr. CUMMINS. The Senator must not understand me to defend any such adjustment of the rates as that.

Mr. GOODING. No; I understand the Senator.

Mr. CUMMINS. I think that is absolutely indefensible.

Mr. GOODING. I want to say, as far as the transcontinental railroads are concerned, that they have an advantage over all the eastern railroads. Located along their lines are the greatest forests in America, the finest timber in the world. They have their own coal mines. The climatic conditions out there are not excelled in any State of the Union. In my State we have no blizzards or cyclones, and it is safe to say that the Union Pacific operates as cheaply as, if not cheaper than, any other railroad in the United States, and yet the Interstate Commerce Commission permits them to charge unreasonable freight rates with all these discriminations. On all of the freight originating east of Chicago the people at the State line pay the same freight that the people at Portland and Seattle pay, although the haul to the coast is a thousand miles longer. That is what we have to meet. That is what I complain about—unreasonable, unjust freight rates and discriminations—because if this application is allowed now, Portland and Seattle will job back into our territory. Our people can not even serve themselves through a jobbing house. We can not interest anybody to build a manufacturing institution out there, although, as I have said, out in that great country we produce a large part of the raw products of the country; but we are at a standstill and going back, all because of this discrimination.

I am satisfied that unless Congress acts that application is going to be allowed. I am willing to vote for appropriations for the development of our rivers in the South, because I know we can not go on without water transportation. When you realize that in the last 10 years we have only increased 11 per cent in track mileage, while we increased practically 200 per cent as far as the ton-mile haul of business on railroads is concerned, where are we drifting? Yet every movement

that has ever been permitted, every violation that has ever been permitted, has been for one purpose only, and that is the destruction of water transportation.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Iowa?

Mr. GOODING. I yield.

Mr. BROOKHART. Is it not the Senator's theory that the rates to these water points having been determined under the law to be compensatory this adjustment will be made by a reduction of the rates which are excessive at the intermediate points?

Mr. GOODING. We are not asking any reduction. All we are asking for is the same freight rates. As I have said, I think the rates are unfair, and I think there is some discrimination in that long haul, but we are not complaining about that. What we are trying to defend and protect ourselves against is a discrimination in the long haul, a cheaper freight rate for the shorter haul, so that we can go on and invite capital into our our State with the hope that we will delevop it so as to make it possible for our people to have homes out there.

Mr. BROOKHART. That discrimination can only be removed in one of two ways, either by raising the rates to points in competition with water transportation or by lowering the rates at points in Idaho and my State, for instance. Is not that correct?

Mr. GOODING. As far as the revenue is concerned, it is not necessary to increase any of the rates; they are entirely too high, in my judgment. The railroads are earning revenue enough. Possibly no railroad in the United States is earning more revenue than the Union Pacific; yet as to all the transcontinental railroads I agree there should be some reduction. But we are not fighting for that now. What we are asking for is to have our investment out there protected, which is the same every other Senator would demand for his own State and for his own city and his home.

On packing-house products in carload lots from Chicago to Seattle, Wash., a distance of 2,445 miles, via the Union Pacific, the present freight rate is $1.60 per 100.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $1.20 per 100.

From Chicago to Dale Creek, Wyo., on the Union Pacific, a distance of 1,028 miles, the present rate is $1.20. Of course, if this application is allowed, the people of Dale Creek, Wyo., will be paying the same freight rate as the people at Portland and Seattle, although the distance is 1,417 miles longer from Chicago to Seattle than it is from Chicago to Dale Creek.

From Chicago to Table Rock, Wyo., a distance of 1,232 miles, the rate on packing-house products is $1.60 a hundred, the same rate as the people of Portland, Seattle, Tacoma, and all coast towns are paying at the present time. That is what the people of the West are complaining about, although we are not asking legislation on that.

Mr. FLETCHER. May I interrupt the Senator to inquire if his argument leads to this, that railroad rates ought to be based on mileage? That would not be a right principle, would it, on which to base the rates?

Mr. GOODING. No; I am not asking that. The average railroad haul in this country is 188 miles. I am sure we all understand that when there is a short haul there is a good deal of expense in connection with the terminals at each end, but there should not be much difference in the rate on a mileage basis for a haul after it gets to six or seven hundred miles. The 3,000-mile haul, of course, should be some cheaper per mile, possibly, than a thousand-mile haul, but the people whose freight moves 1,400 miles should not pay 100 per cent more than the people whose haul is 3,000 miles. That is an unfair and unjust discrimination; and yet, with all that, while we are finding fault with that, we are not asking for legislation. But when I live only 376 miles from Chicago and pay a rate of $1.11, and they haul the same goods out to Seattle and Portland and San Francisco for $1.10, that is a crime; it is un-American; and no government can live under such a policy as that.

Mr. FLETCHER. I can see the Senator's objection and the ground for it. It looks as if the rate to his point is too high. But is it not a fact that the rate to and from the coast seems so low owing entirely to water competition, and the railroads have to meet the water competition or they can not get the business?

Mr. GOODING. The point I am making is that if we permit the interior to develop, the transcontinental railroads will have more business than they can handle. Our country is going backward notwithstanding it has not scratched the great resources as yet, but you can not develop a country when there is discrimination in freight rates. The Senator understands that, of course.

Mr. FLETCHER. I can understand that; and I would not favor that at all; but whether you would get lower rates, even though the rates to the coast were raised, is a question.

Mr. GOODING. We are more interested in seeing that the fellow west of us has not a cheaper freight rate than we have. We can pay the same freight rate he can, and are willing to do it, even if it is 1,000 miles farther, but we are never going to quit fighting as long as we are forced to pay more than he does for half the service he gets. No Senator would want to force any such condition as that upon any State in the Union, it seems to me.

Mr. ASHURST. Mr. President——

Mr. GOODING. I yield.

Mr. ASHURST. How would Senators or anyone else like it if, when they started home in a taxicab, they were charged a very high price, but the farther they went the less they were charged, and if for a small journey they were charged a high price? Would they like that kind of competition? Would that be fair? Is there any man here or elsewhere, and if there is, I would like to see him, who will say he is honestly for this sort of thing being perpetrated on our people—the long and the short haul injustice? No man who has ever spoken yet has said it was right. No man here or elsewhere has ever said it was an honest thing to do. There is excuse, apology, defense; but no man yet has ever risen to say that it is an honest device.

Mr. GOODING. There is only one justification for it, and that is the destruction of water competition; and that is its purpose, and that is why it has been permitted. There is no other excuse, and the railroads are fair enough to admit it. It is said now that if these violations are permitted, more than half the boats that are now going through the Panama Canal will have to find other business in some other part of the world.

Mr. KING. Mr. President, did the evidence before the Committee on Interstate Commerce reveal the fact that there has been for more than two years cut-throat competition between the boats engaged in constwise traffic from ocean to ocean, as a result of which the freight rates upon cargoes from eastern ports to western ports, and vice versa, have not only been lower than what they were in the past but have been so low that most of the boats have lost money, and that the purpose was not only to destroy some of the competing lines but perhaps to affect the railroads? I do not know so much as to the latter, but I was interested to know whether there was proof before the committee respecting competition between the coastwise boats.

Mr. GOODING. No; no evidence of that kind was offered to the committee.

Mr. KING. Of course, if there is such competition—and I know there is and has been—the Interstate Commerce Commission, if it has jurisdiction—and if it has not it should be clothed with jurisdiction—ought to fix their rates as well as they fix the rates upon the railroads.

Mr. GOODING. I quite agree with the Senator. It will likely be necessary to regulate commerce through the Panama Canal and on our inland waterways, but we had better develop some commerce before we do that. We have not the commerce at the present time, and what little we have is not hurting the railroads at all. Of course, the whole fight all the way through on the part of the railroads is to destroy water competition, so that they may have a monopoly, and that is what all the great industries are striving for nowadays.

Out of my State we have a power company, one of the subsidiaries of the General Electric. They have gathered up all the power plants in my State. Some of them, I am quite sure, they paid an unreasonable price for, but the object, of course, was to secure a monopoly, and this year they have succeeded in increasing the power rates, because they control all the power developed in the State of Idaho. No one else I know of has an electric plant left anywhere in the State. That is the same policy the railroads have pursued to destroy all competition. They do not want competition.

On paint in car lots from Chicago to Seattle, Wash., a distance of 2,445 miles, via the Union Pacific, the present freight rate is $1.25 per hundred.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $1 per hundred.

From Chicago to Brule, Nebr., on the Union Pacific, a distance of 829 miles, the present rate is $1 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of Brule, Nebr., will pay the same rate

as the people of Seattle, although the haul is 1,616 miles longer than to Brule, Nebr.

From Chicago to Ozone, Wyo., a distance of 1,017 miles, the rate on paint in carload lots is $1.25 per hundred.

The present rate to Seattle is $1.25 per hundred.

At the present time the people of Ozone, Wyo., and all points west on the Union Pacific are paying the same freight rates on paint as Seattle. If this fourth section violation is allowed the Union Pacific, the people of Ozone, Wyo., will continue to pay a freight rate of $1.25 per hundred on paint, but the people of Seattle will pay a rate for a haul that is 1,428 miles longer than the haul from Chicago to Ozone, Wyo., of $1 per hundred.

On bar iron in carload lots from Chicago to Seattle, Wash., a distance of 2,445 miles, via Union Pacific, the present freight rate is $1 per hundred.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of 75 cents per hundred.

From Chicago to Kearney, Nebr., on the Union Pacific, a distance of 674 miles, the present rate is 75 cents per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of Kearney, Nebr., will pay the same rate as the people of Seattle, although the haul will be 1,771 miles longer than to Kearney, Nebr.

From Chicago to Borie, Wyo., a distance of 1,004 miles, the rate on bar iron, in carload lots, is $1 per hundred. The present rate to Seattle is $1 per hundred.

At the present time the people of Borie, Wyo., and all points west on the Union Pacific are paying the same freight rate on bar iron as Seattle. If this fourth section violation is allowed the Union Pacific, the people of Borie, Wyo., will continue to pay a freight rate of $1 per hundred on bar iron, but the people of Seattle, will pay a rate for a haul that is 1,441 miles longer than the haul from Chicago to Borie, Wyo., of 75 cents per hundred.

Mr. WALSH of Montana. Mr. President——

Mr. GOODING. I yield.

Mr. WALSH of Montana. I would like to inquire of the Senator whether this power now exercised by the Interstate Commerce Commission under the existing act was defended before the Committee on Interstate Commerce or advocated by any public bodies speaking for any constituency as in the public interest, or whether it was advocated solely by the railroad companies?

Mr. GOODING. The committee had before it two of the commissioners, Mr. Campbell and Mr. Hall. Mr. Campbell showed the disadvantage to the country very generally in his statement before the committee, while Mr. Hall practically justified the violations of the fourth section in the interest of the railroads.

Mr. WALSH of Montana. Did Mr. Hall make the argument that it was a wise policy to permit this discrimination?

Mr. GOODING. He seemed to think so. I thought he thought so. Mr. Campbell was just as positive that it was a dangerous policy, an unfair one, an unjust one.

Mr. WALSH of Montana. I was not speaking about those who urged that it was a dangerous policy, an unjust policy, an unwise policy. We have heard those arguments in the Senate repeatedly, but I have never heard any argument on the other side of the question from any public body or chamber of commerce or other representative speaking in the public interests.

Mr. GOODING. The Chicago Chamber of Commerce was before the commission asking permission to violate in the interest of Chicago. They wanted trade violations, violations permitted in the interest of trade in certain communities, while the people of New York, Boston, and practically all points east of Chicago were fighting the applications that I am now discussing. It was a fight over that territory for its business as between the different commercial points in the country. Chicago was asking for the violation. New York and the other cities east were opposing it.

Mr. WALSH of Montana. Just what was the line of argument generally put up by the Chicago people in favor of the violation?

Mr. GOODING. The Chicago people called this [indicating] intermountain territory their territory. They think they are entitled to the territory and the trade in the West, and of course their argument is that commerce is shipped around through the Panama Canal from New York and they are denied opportunity to participate in the business, although the traffic through the Panama Canal does not prove that at all.

Mr. WALSH of Montana. Then the argument is that the discrimination would help build up Chicago as against New York?

Mr. GOODING. Yes. In other words, the people living in the far West are a good deal in the position of the bone over which the dogs are quarreling, with no opportunity to develop our own resources, no opportunity to build up manufacturing institutions or even jobbing houses, if the violations are allowed.

They are fighting over that country out there. That is what it all means. That is what they ask for, and they admit it. The president of the Chamber of Commerce of Boston claimed that the commission has no right to divide up the territory and give it to Chicago or to say what manufacturers shall do business out there. At the same time they are opposing the bill that is before the Congress at the present time because they want some violations of their own. They have some violations now into the Southern States by the water route and over the railroads into different points. I do not know whether I am going to have the time to discuss them or not. That is the whole question that is involved. It is just a fight over the business between the great centers in the country. They seem to have influence enough with the Interstate Commerce Commission, and railroads, I am sorry to say, to get all the violations they wanted.

The Chicago, Milwaukee & St. Paul Railroad, on dry goods in carload lots from Chicago to Seattle, a distance of 2,190 miles, has a present freight rate of $1.58. They have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $1.10. The Milwaukee & St. Paul, the Northern Pacific, and the Great Northern all joined with the Union Pacific in asking for the violation.

From Chicago to Bongards, Minn., on the Milwaukee, a distance of 457 miles, the present rate, is $1.10. If this application is allowed by the Interstate Commerce Commission, the people of Bongards, Minn., would pay the same rate as the people of Seattle, although the haul would be 1,733 miles longer than to Bongards, Minn.

From Chicago to Mahto, N. Dak., a distance of 828 miles, the rate on dry goods in carload lots is $1.58 per hundred and the present rate to Seattle is $1.58 per hundred. At the present time the people of Mahto, N. Dak., and all points west on the Chicago, Milwaukee & St. Paul are paying the same freight rate on dry goods as Seattle. If the fourth section violation is allowed the Chicago, Milwaukee & St. Paul, the people of Mahto will continue to pay a freight rate of $1.58 per hundred on dry goods, but the people of Seattle will pay a rate for a haul that is 1,362 miles longer than the haul from Chicago to Mahto of $1.10.

The violations I have shown on the Union Pacific exist on all the railroads—the Milwaukee & St. Paul, the Great Northern, the Northen Pacific, the Santa Fe, the Missouri Pacific, and every other railroad.

Mr. CUMMINS. The Senator means if the applications shall be granted?

Mr. GOODING. Yes.

Mr. CUMMINS. It is to be hoped they will not be granted.

Mr. GOODING. I do not believe they can be stopped unless some legislation is enacted that will make it absolute. Every amendment to the fourth section of the interstate commerce act has been ineffective. The Senator from Iowa himself believed he had proposed an absolute provision preventing it, but it has not prevented it. The Interstate Commerce Commission has gone on and permitted the violations, almost as many as there were before the Senator's amendment to the fourth section was adopted.

Mr. CUMMINS. Mr. President, will the Senator yield to me for a moment?

Mr. GOODING. Certainly.

Mr. CUMMINS. That is substantially correct. I have always believed in a rigid fourth section, for I have always believed that the true rule in making a freight rate is the cost of the service, including in the cost of the service a reasonable return upon the capital employed in the enterprise. When we came to amend the law in 1920 the then Senator from Washington, Mr. Poindexter, being a member of the committee, made exactly the same claim for the territory from which he came—and he was a resident of Spokane, Wash.—that the Senator from Idaho now makes. I believed that his contention was sound and just. But there was great difference of opinion in the committee with respect to the matter. There was still greater difference when the bill came in to the conference committee. We finally compromised the respective claims upon the one side and the other. There was a great deal to be said on both sides.

I recognize that my friend from Idaho has not stated fully, nor would I expect him to state fully, the reasons which are urged by the railway companies and by some communities for what he calls violations of the fourth section. Suffice it to say that the controversy was finally compromised by the use of the words now in the law, namely, that in any event if the charge

was less for the longer haul than for the shorter, the charge for the longer haul must be compensatory. I had no doubt with regard to the meaning of that phrase. I have no doubt now with regard to the meaning of the phrase. I believe it contemplates that the railway companies shall secure or receive from the traffic involved in the longer haul a return that will not only pay what railway companies call the out-of-pocket costs, but will contribute a fair share of the rewards that must be given to capital.

Mr. SMITH. If the Senator will allow me, the amendment of the Esch-Cummins law went further than the mere proviso to which the Senator has referred. It is absolute except the proviso which says "only in special cases," and even in those special cases the rates must be compensatory.

Mr. CUMMINS. That phase of the law of 1920 has already been remarked upon. I have no doubt whatever, and I told the Senate so when we came to discuss the matter before the Senate, that the requirement that the charge should be at least a compensatory one would practically prevent a greater charge for the shorter haul than for the longer one. No one has been more disappointed than I over the construction which the Interstate Commerce Commission has given to that part of the law.

Mr. WALSH of Montana. As I understand it also, they construe "special cases" to mean every case of water competition, because apparently in every case which ever arose where there is water competition they apparently have reduced the rate. That was always so. Those were always "special cases."

Mr. CUMMINS. At least the Interstate Commerce Commission has not given much attention, as I understand it, to the phrase "special cases." I regret that very much. I do not look upon it as a fault in the law, but it is a fault with the interpretation of the law.

Mr. BRUCE. Mr. President, will the Senator from Iowa yield to me?

Mr. CUMMINS. I am speaking in the time of the Senator from Idaho. I would be very glad, so far as I am concerned, to yield to the Senator from Maryland.

Mr. BRUCE. Oh, no; I shall not ask that.

Mr. CUMMINS. I understand perfectly that the rigid application of the fourth section, as it originally was or as it would be without qualification, would disrupt the commerce of some communities, would disturb the commerce of some communities very much. I am thinking now rather of the southeastern country than I am of the western country. I can understand how in New England and New York, with their access by water to certain points along the Atlantic seacoast and the distribution of the freight carried to the interior in competition with direct railway lines from New England or New York to the interior of Georgia or Louisiana or Tennessee or any point that can be reached from the eastern seacoast, there might have to be some rearrangement of the conditions there existing.

But if the doctrine is a righteous one, sooner or later we shall be compelled to readjust those situations; and I do not believe there is a better time to do it than the present.

So far as the violation, so called, of the fourth section by the competition of rail carriers is concerned, it is abundantly provided for in an exception that is found in the amendment that will be offered by the Senator from Nevada [Mr. PITTMAN] or by the Senator from Idaho [Mr. GOODING]. It does not entirely forbid the charge so far as the competition between rail carriers is concerned—at least, I so understand the amendment—but it does, if I correctly interpret it, prevent a railway company from reducing its rates in order to meet water competition. I think that it is perfectly idle to attempt to adjust railway rates in order to meet what we ordinarily know as water competition. These two facilities for commerce are so utterly unlike, and the cost of maintaining and operating the one is so dissimilar from the cost of maintaining and operating the other that each must stand upon its own bottom. I, for one, believe that the water transportation of the United States, which can be carried on more cheaply than rail transportation, ought to take the traffic to which it is adapted. That is economic; that is fair; and we can not maintain a water competition in any other way.

I may also say that in the effort to maintain and build up water transportation we provided, by the act of 1920, for the first time in the history of railway regulation, that the Interstate Commerce Commission should have the authority to establish minimum rates as well as maximum rates. From 1887 up to 1920 the only authority which the commission had was to establish maximum rates, and the railway companies were at perfect liberty to reduce their rates according to their own desires or according to their own views of their interests as much as they pleased, limited only by a provision of the law that they must not discriminate as against any person or any locality; but, with that exception, their rates could be reduced below the maximum according to their own pleasure.

We provided in 1920—and what we provided it for was to preserve or build up water transportation—that the Interstate Commerce Commission could establish minimum rates. We intended that to meet just the condition that was suggested by the Senator from Louisiana [Mr. RANSDELL]. When the southern Mississippi River was at a low stage we did not intend that the railway companies on either side of it could reduce their rates so as to destroy that competition. When the upper Mississippi River, the Ohio River, and the upper Missouri River were frozen so that there could be no transportation upon those streams we intended that the railway companies should not be permitted to raise their rates during the interrupted period and then reduce their rates when the rivers were again able to resume their functions.

Mr. OVERMAN. Mr. President, will the Senator from Iowa yield?

Mr. CUMMINS. I have not the floor; I am trespassing upon the courtesy of the Senator from Idaho.

Mr. GOODING. I am glad to yield to the Senator from North Carolina.

Mr. OVERMAN. I understood the Senator from Idaho to say that the amendment would not meet the situation on the southeastern seaboard. If the amendment would meet the situation in the West, as described by the Senator from Idaho, I should like very much for the Senator from Iowa to explain why it would be a good thing for the West and the Mountain States and would not be a good thing for North Carolina and Tennessee, for instance.

Mr. CUMMINS. I am not able to answer that definitely. This amendment at least protects the southeastern section of the country in its water transportation; that is to say, a railway running directly from Virginia or from New England or from New York into North Carolina can protect itself, if it be the longer line, by application to the Interstate Commerce Commission, but it can not protect itself against the competition which exists by carrying the freight by water from Baltimore or from New York or from Boston to those points. We have always intended to give to the southeastern section of the country the benefit of their cheaper water transportation, and I think this proposed legislation would fairly secure it.

Mr. WALSH of Montana. If I may interrupt the Senator, take the rates from New York to New Orleans. Do roads passing through Knoxville, Tenn., or Salisbury, N. C., or Atlanta, Ga., make a lower rate from New York to New Orleans than they do, for instance, from New York to Atlanta?

Mr. CUMMINS. This amendment, if enacted into law, would prevent that.

Mr. WALSH of Montana. So it would be of benefit to all western North Carolina and Tennessee and northern Georgia and northern Alabama just the same as it would to the territory west of the Mississippi River?

Mr. CUMMINS. Undoubtedly; that is the very purpose of the amendment.

I am obliged to the Senator from Idaho [Mr. GOODING] for yielding to me.

Mr. GOODING. I thank the Senator from Iowa for the interruption.

Mr. President, I desire to refer to some violations on the Missouri Pacific. The present rate on dry goods to Little Rock, Ark., from Chicago, a distance of 634 miles, is $1.90½ a hundred. The railroads have asked for a rate on dry goods from Chicago to New Orleans, in carload lots, of $1.53 a hundred. If these violations are allowed by the Interstate Commerce Commission, the people of Little Rock will have to pay, for a 278-mile shorter haul, 37 cents more a hundred.

The rate on dry goods from Chicago to San Francisco, a distance of 3,408 miles, is $1.58 a hundred. The people of Little Rock, for a haul 2,774 miles shorter than the haul to San Francisco, will pay a rate of 31½ cents a hundred more.

Mr. President, these violations are not confined to the West alone, but they have been even more numerous in the South than in the West. That is due to the fact that there is more water transportation in the South. I feel, therefore, that the South is as much interested, if not more interested, in preventing violations of the fourth section than is the West.

Mr. BROOKHART. Mr. President——

Mr. GOODING. I yield.

Mr. BROOKHART. In making an investigation of the Mississippi River the special committee looked into that question quite extensively, and I may say that if the map to which the Senator has been referring were extended to the Southwest

it would show discriminations quite as great as those that have occurred in the West, and all for the purpose of destroying the cheaper water competition, of course. When that is destroyed or lessened the railroad rates always rise. That is the condition which exists now. There is not much water transportation except upon the Government barge line on the Warrior River and on the Mississippi up to St. Louis, and that, of course, does not meet the traffic situation. As an instance of the discrimination, it is possible to ship canned goods from Cedar Rapids, Iowa, to Baltimore and then get the water rate around to Seattle more cheaply than they can be shipped direct on the railroad from Cedar Rapids to Seattle. That is one of the situations which has been developed.

Mr. GOODING. Of course, we must develop in this country water transportation and then permit low-price farm products and low-price basic materials to seek the nearest water transportation. It is going to be impossible for the railroads, with the growth and development that is coming to this country, even to undertake to take care of the traffic; and unless we commence developing our rivers and enacting legislation that will make it profitable for capital to build water craft, the country must come to a standstill from the lack of proper transportation facilities.

Mr. President, I desire to refer to some further violations. On the Missouri Pacific the rate on soap in carload lots from St. Louis, Mo., to Alexandria, La., a distance of 642 miles, is 61½ cents a hundred; the rate on soap in carload lots from St. Louis to New Orleans, a distance of 835 miles, is 42½ cents a hundred. It will be seen, therefore, that the people of Alexandria, although the haul to that point is 193 miles shorter than the haul to New Orleans, are paying a rate at the present time of 19 cents a hundred more than the people of New Orleans are paying.

The rate on agricultural implements in carload lots from St. Louis to Alexandria, La., a distance of 642 miles, is 80 cents a hundred. The present rate from St. Louis to New Orleans, a distance of 835 miles, on agricultural implements is 64 cents a hundred. The haul to Alexandria is 193 miles shorter than the haul to New Orleans, and yet the rate on agricultural implements is 16 cents a hundred more when shipped to Alexandria than when shipped to New Orleans.

Mr. President, I find that it is impossible for me to get through this evening, and if it meets with the approval of the chairman of the committee I should like to yield the floor at this point. If he insists, however, upon going on, I will try to continue; but I find myself a little tired, and I have a great many rates here that I want to discuss yet.

TERMS OF DISTRICT COURT IN WYOMING

Mr. WALSH of Montana. Mr. President, if it is the purpose of the Senator to suspend here, I ask leave to report from the Committee on the Judiciary favorably, with amendments, House bill 4445, to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary"; and I submit a report (No. 533) thereon. I invite the attention of the Senator from Wyoming to the bill. It is a local measure.

The PRESIDING OFFICER (Mr. LADD in the chair). Without objection, the report will be received.

Mr. WARREN. Mr. President, as this is entirely a local matter and pertains only to Wyoming, with the consent of the Senator from New York I will ask for its immediate consideration.

Mr. WADSWORTH. I make no objection, Mr. President.

Mr. McKELLAR. What is the request?

Mr. WARREN. For the consideration of a bill which simply adds another point for holding court in Wyoming.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. Without objection, the unfinished business will be temporarily laid aside. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments.

The amendments were, on page 1, line 7, after the word "Wyoming," to strike out "and the Yellowstone National Park"; on page 2, line 12, after the word "appoint," to insert "among others"; on line 13, after the words "deputy marshals," to strike out "for the Yellowstone National Park"; and in line 14, after the words "reside in," to strike out "said park" and insert "the Yellowstone National Park," so as to make the bill read:

Be it enacted, etc., That section 115 of the act approved March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," be, and the same is hereby, amended so as to read as follows:

"SEC. 115. The State of Wyoming shall constitute one judicial district, to be known as the district of Wyoming. Terms of the district court for said district shall be held at Cheyenne on the second Mondays in May and November, at Casper on the first Monday in February, at Evanston on the second Tuesday in July, and at Lander on the first Monday in October; and the said court shall hold one session annually at Sheridan, and in said national park, on such dates as the court may order. The marshal and clerk of the said court shall each, respectively, appoint at least one deputy to reside at Casper, and one to reside at Evanston, and one to reside at Lander, and shall also maintain an office at each of those places: *Provided*, That until a public building is provided at Casper suitable accommodations for holding court in said town shall be furnished free of expense to the United States. The marshal of the United States for the said district may appoint among others one or more deputy marshals, who shall reside in the Yellowstone National Park.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WALSH of Montana. Mr. President, there is a brief report on this bill. I ask that it be published in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report is as follows:

TERM OF COURT AT CASPER, WYO.

Mr. WALSH of Montana, from the Committee on the Judiciary, submitted the following report to accompany H. R. 4445:

The Committee on the Judiciary, to whom was referred the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," having considered the same, report favorably thereon with the recommendation that the bill do pass with amendments.

The bill amends section 115 of the so-called Judicial Code, so as to provide for holding a term of court at Casper, in the State of Wyoming, a change which the growing importance of that city seems to require. In the consideration of the measure attention was called to the fact that a part of Yellowstone Park lies within the exterior boundaries of the State of Montana, and that under section 92 of the general act referred to the State of Montana is a judicial district. It results, accordingly, that there is an overlapping of jurisdiction under the two sections referred to as to that part of the Yellowstone Park so within the boundaries of the State of Montana, a serious matter should a crime be committed within that area. It is in the last degree doubtful whether Congress has the power to include within the same district, territory being parts of two States, in view of the provision of Article VI of the amendments to the Constitution of the United States providing that defendant is entitled to trial in the State and district within which the crime was committed.

The committee can see no reason for attempting to extend the jurisdiction of the district of Wyoming over that portion of the park within the State of Montana while consequences of the gravest character might ensue from the attempt to do so. It accordingly recommends that the bill be amended by striking out the language in lines 7 and 8, page 1, "and the Yellowstone National Park," and to make the bill a harmonious whole that further amendments as follows be made:

After the word "appoint," at the end of line 12, page 2, insert the words "among others."

Strike out the words, in lines 13 and 14, page 2, "for the Yellowstone National Park," and the words "said park," in line 14, and insert after the word "in," in line 14, page 2, the words "the Yellowstone National Park."

PUEBLO INDIAN LANDS

Mr. BURSUM. Mr. President, I ask unanimous consent for the present consideration of Senate bill 2932, to quiet the title to lands within the Pueblo Indian land grants, and for other purposes.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent for the present consideration of Senate bill 2932. Is there objection?

Mr. ASHURST. Mr. President, I have no objection to the bill being discussed, but I want to have the bill and the report read. For the last three or four years I have had an enormous number of protests against any bill proposing to take away from the Pueblo Indians any part of their lands.

Mr. BURSUM. Mr. President, will the Senator yield for a moment?

Mr. ASHURST. I yield.

Mr. BURSUM. I desire to say to the Senator from Arizona that all of the differences of opinion have been reconciled.

All of the associations which heretofore have objected have withdrawn their objections.

At the time the bill was last introduced there was one objection, namely, the method of compensation of the Indians. That has been reconciled to the entire satisfaction of those who were formerly opposed to the bill; and yesterday I received a telegram from Mrs. Atwood, who is at the head of the Women's Federated Clubs, and also a letter from Mr. Burleigh, of New York, who is attorney for the Indian Rights Association, requesting that the bill be passed as soon as possible. There is no objection or disagreement whatever at this time.

Mr. JONES of New Mexico. Mr. President, I may say that a subcommittee of the Committee on Public Lands, consisting of the Senator from Colorado [Mr. ADAMS], the Senator from New Mexico [Mr. BURSUM], and myself, have been considering this bill for a number of months—in fact, ever since the present session of Congress began—and the bill has been entirely reformed from the shape in which it was a year or more ago. The subcommittee reported to the general Committee on Public Lands, and there was a unanimous report, as I understand, in favor of reporting out the bill as it is; and I think there is no objection to the bill now from any source. There is none that I know of.

Mr. BURSUM. The amendments which are proposed by the committee meet with the entire approval of all of these associations and those who have heretofore opposed the bill.

Mr. WILLIS. Mr. President, when the Senator from New Mexico submitted his request last evening I objected to the consideration of the bill, because I had had certain representations from my constituents to the effect that the rights of the Indians were not properly protected. I have gone over the correspondence that has come to me, and have conferred with the Senator from New Mexico, and he has assured me, and indeed convinced me, that those rights have been properly protected in the bill. I therefore have no objection to the consideration of the bill, and trust that it may be passed.

Mr. ASHURST. Mr. President, I surely shall not object to the consideration of the bill in view of the statements that have been made, especially by the two Senators from New Mexico; but I ask that the bill be read, and that the report of the committee be read. I shall not object to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 2932?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands and Surveys, with amendments.

The PRESIDING OFFICER. The Secretary will read the bill.

The reading clerk proceeded to read the bill.

Mr. ASHURST. Mr. President, the Pueblo Indians have been in possession of these lands for 200 or 300 years, we know. During the Lincoln administration they came here, and President Lincoln assured them that they never would be deprived of the ownership and title to these lands. Now we find the title in dispute. We find legislation necessary to settle the title to the lands. How, when, and why, since they have been in possession of this land for 200 or 300 years, under what circumstances, because of what act or omission on the part of any official, did it happen that these lands are now in peril, and that a suit to quiet title must be brought? I should like to know something about them.

Mr. BURSUM. Mr. President, I can explain to the Senator from Arizona how that came about, if he will yield to me.

Mr. ASHURST. I yield, of course.

Mr. BURSUM. This controversy has been in existence since the United States took over New Mexico. Prior to that time there were certain lands which had been granted by Spain to non-Indians and certain lands which had been granted to Indians. When the United States took over New Mexico the Congress extended certain grants of land to the Indians and included the lands of the non-Indians and also of the Indians, and the grants were made subject to the rights of third parties.

That is the reason why this matter is up. It is not that any non-Indians have gone on as squatters, or have gone on and filed, or have attempted to take away from the Indians any lands; but a cloud on the title arose by reason of the decision of the Supreme Court in 1913 in what is known as the Sandoval case—a whisky case—which reversed the doctrine of the Supreme Court laid down in 1876. Therefore it was necessary to have some kind of legislation which would settle and adjudicate the controversy on the basis of equity and right and giving to each that to which he was entitled.

Mr. ASHURST. That is a very frank and a very concise statement. Now, a word: What is the area in acres or square miles of the present Pueblo lands?

Mr. BURSUM. The total of the present Pueblo lands is 340,000 acres, divided into 20 pueblos.

Mr. ASHURST. Under this bill, will that area be diminished?

Mr. BURSUM. No; it will not be diminished. These lands which are owned by non-Indians are inside. The lands in controversy amount to about 10 per cent of the total lands—34,000 acres. This bill provides that if at any time the Federal Government shall have failed in any way to protect the rights of the Indians, in due season the Indians shall be reimbursed and paid and compensated, the amount of the compensation to be fixed by judicial finding of the Federal court. That is what these Indian rights associations were asking for, and precisely that which they asked for and insisted upon is what the committee has given them. I may say that the Federated Women's Clubs, which Mrs. Atwood is at the head of, and Mr. Burleigh, who is the attorney at New York for several of the Indian rights associations, are anxious that the bill as now modified, with the suggested amendments of the committee, shall pass at the earliest moment, so that it may be considered by the other House. The committee has put in, I suppose, a year's work on this, trying to reconcile the differences.

Mr. ASHURST. I believe the committee has been very faithful.

Mr. WILLIS. Mr. President, will the Senator permit an interruption? I wish to ask a question of the Senator from New Mexico.

Mr. ASHURST. I yield for that purpose.

Mr. WILLIS. There is one matter that I neglected to bring to the attention of the Senator from New Mexico. One of my correspondents makes this statement:

> This bill does not provide for any compensation to the Pueblos where white settlers are permitted to settle upon and hold land inside of Pueblo grants.

Mr. BURSUM. That is just what it does do. This amendment provides for that very thing.

Mr. WILLIS. Precisely.

Mr. ADAMS. Mr. President, will the Senator yield for just one second?

Mr. ASHURST. Yes; I yield.

Mr. ADAMS. I have been serving on this committee with these gentlemen who have known of this matter for a long time. It was new to me, and consequently I have gone into it with a good deal of care.

If the bill is open to criticism, it is not because the Indian is not being looked after, but because he is being looked after too much at the expense of the United States. If there is any criticism, it is to come from those who are interested in the United States Treasury and not the Indian. I think it might be open to argument that the United States is assuming a rather unnecessary burden, but it is done in an effort to go to the limit to protect the rights of the Indian.

As to the earlier bills, I would concur with those who objected to the bills. The rights of the Indian were not fully protected; but now the bill has gone over to the other extreme. There are these conflicting claims. Not only the Indian but the settler has been upon the land for several hundred years. It is not a recent conflict. When the Spaniards came in about 1540 they found these colonies there. Some of their people settled, and they settled in communities. They made wide grants rather regardless of actual settlement, and this is an effort to provide a method of adjudication and to establish titles. It resembles in a way the water-adjudication statutes with which the Senator from Arizona is familiar with in his State. It provides for a proceeding the cost of which is borne by the United States exclusively.

The United States files the bill, makes the survey, and carries all of the costs for the purpose of ascertaining what is the real fact. The Indian is protected. An effort is made to protect the settler; and the bill then goes the one step beyond, and provides that if the Indian loses his apparent title to any part of the land, if the United States, acting as the guardian of the Indian, could have protected him by seasonable prosecution, the United States shall make good to the Indian the value of the land which has been lost through the neglect of the United States. All this is done upon the theory laid down by the Supreme Court that the United States is the guardian of these Indians, and imposing upon the United States the responsibility which a guardian has to carry in case of any neglect of the interests of his ward.

Be it enacted, etc., That section 115 of the act approved March 3, 1911, entitled "An act to codify, revise, and amend the laws relating

Mr. ASHURST. I think the explanations have been clear——

Mr. ADAMS. May I add one further word in reference to the moneys which the Government may have to appropriate, in order that the Government's side may appear? Certain money will ultimately have to be appropriated to make good, and the bill provides that that money shall be used for the purpose of purchasing for the Indians land and water rights to replace those which he loses.

Mr. ASHURST. That is just the point I wanted to ask, if the Indian is to have money distributed to him it may or may not be sufficient; but if he is to have the right to select lands in lieu of those he loses, I will be content.

Mr. BURSUM. To show how far the committee has gone in favoring the Indian, it is provided in the bill that in the event a non-Indian shall have a superior title to Spanish land grants, no writ of ouster shall issue, but that the value of that land shall be reported to Congress so as to preserve for the Indian those lands, notwithstanding the fact that there may be outstanding a title superior to that of the Indian.

Mr. ASHURST. I withdraw my request to have the bill read, but I do ask that the bill and the report be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill and report were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in order to quiet title to various lots, parcels, and tracts of land in the State of New Mexico for which claim shall be made by or on behalf of the Pueblo Indians of said State as hereinafter provided, the United States of America, in its sovereign capacity as guardian of said Pueblo Indians, shall, by its Attorney General, file in the District Court of the United States for the district of New Mexico its bill or bills of complaint with a prayer for discovery of the nature of any claim or claims of any kind whatsoever adverse to the claim of said Pueblo Indians, as hereinafter determined.

SEC. 2. That there shall be, and hereby is, established a board to be known as "Pueblo Lands Board" to consist of the Secretary of the Interior, the Attorney General, each of whom may act through an assistant in all hearings, investigations, and deliberations in New Mexico, and a third member to be appointed by the President of the United States. The board shall be provided with suitable quarters in the city of Santa Fe, N. Mex., and shall have power to require the presence of witnesses and the production of documents by subpœna, to employ a clerk who shall be empowered to administer oaths and take acknowledgments, shall employ such clerical assistants, interpreters, and stenographers with such compensation as the Attorney General shall deem adequate, and it shall be provided with such necessary supplies and equipment as it may require on requisitions to the Department of Justice. The compensation and allowance for travel and expenses of the member appointed by the President shall be fixed by the Attorney General.

It shall be the duty of said board to investigate, determine, and report and set forth by metes and bounds, illustrated where necessary by field notes and plats, the lands within the exterior boundaries of any land granted or confirmed to the Pueblo Indians of New Mexico by any authority of the United States of America, or any prior sovereignty, or acquired by said Indians as a community by purchase or otherwise, title to which the said board shall find not to have been extinguished in accordance with the provisions of this act, and the board shall not include in their report any claims of non-Indian claimants who, in the opinion of said board after investigation, hold and occupy such claims of which they have had adverse possession, in accordance with the provisions of section 4 of this act: *Provided, however*, That the board shall be unanimous in all decisions whereby it shall be determined that the Indian title has been extinguished.

The board shall report upon each pueblo as a separate unit, and upon the completion of each report one copy shall be filed with the United States District Court for the District of New Mexico, one with the Attorney General of the United States, one with the Secretary of the Interior, and one with the Board of Indian Commissioners.

SEC. 3. That upon the filing of each report by the said board, the Attorney General shall forthwith cause to be filed in the United States District Court for the District of New Mexico, as provided in section 1 of this act, a suit to quiet title to the lands described in said report as Indian lands, the Indian title to which is determined by said report not to have been extinguished.

SEC. 4. That all persons claiming title to or ownership of any lands involved in any such suit or suits, may in addition to any other legal or equitable defenses which they may have or have had under the laws of the Territory and State of New Mexico, plead limitation of action, as follows, to wit:

(a) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed, under color of title from the 6th day of January, 1902, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitation or adverse possession of the Territory or of the State of New Mexico, since the 6th day of January, 1902, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

(b) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed with claim of ownership, but without color of title, from the 16th day of March, 1889, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitation or adverse possession of the Territory or of the State of New Mexico, from the 16th day of March, 1899, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

Nothing in this act contained shall be construed to impair or destroy any existing right of the Pueblo Indians of New Mexico to assert and maintain unaffected by the provisions of this act their title and right to any land by original proceedings, either in law or equity, in any court of competent jurisdiction and any such right may be asserted at any time prior to the filing of the field notes and plats as provided in section 13 hereof, and jurisdiction with respect to any such original proceedings is hereby conferred upon the United States district court for the district of New Mexico with right of review as in other cases: *Provided, however*, That any contract entered into with any attorney or attorneys by the Pueblo Indians of New Mexico to carry on such litigation shall be subject to and in accordance with existing laws of the United States.

SEC. 5. The plea of such limitations, successfully maintained, shall entitle the claimants so pleading to a decree in favor of them, their heirs, executors, successors, and assigns for the premises so claimed by them, respectively, or so much thereof as may be established, which shall have the effect of a deed of quitclaim as against the United States and said Indians, and a decree in favor of claimants upon any other ground shall have a like effect.

The United States may plead in favor of the pueblo, or any individual Indian thereof, as the case might be, the said limitations hereinbefore defined.

SEC. 6. It shall be the further duty of the board to separately report in respect of each such pueblo—

(a) The area and character of any tract or tracts of land within the exterior boundaries of any land granted or confirmed to the Pueblo Indians of New Mexico and the extent, source, and character of any water right appurtenant thereto in possession of non-Indian claimants at the time of filing such report, which are not claimed for said Indians by any report of the board.

(b) Whether or not such tract or tracts of land or such water rights could be or could have been at any time recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians. Seasonable prosecution is defined to mean prosecution by the United States within the same period of time as that within which suits to recover real property could have been brought under the limitation statutes of the Territory and State of New Mexico.

(c) The fair market value of said water rights and of said tract or tracts of land (exclusive of any improvements made therein or placed thereon by non-Indian claimants) whenever the board shall determine that such tract or tracts of land or such water rights could be or could have been at any time recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians, and the amount of loss, if any, suffered by said Indians through failure of the United States seasonably to prosecute any such right.

The United States shall be liable, and the board shall award compensation, to the pueblo within the exterior boundaries of whose lands such tract or tracts of land shall be situated or to which such water rights shall have been appurtenant to the extent of any loss suffered by said Indians through failure of the United States seasonably to prosecute any right of the United States or of said Indians, subject to review as herein provided. Such report and award shall have the force and effect of a judicial finding and final judgment upon the question and amount of compensation due to the Pueblo Indians from the United States for such losses. Such report shall be filed simultaneously with and in like manner as the reports hereinbefore provided to be made and filed in section 2 of this act.

At any time within 60 days after the filing of said report with the United States District Court for the District of New Mexico as herein provided the United States or any pueblo or Indians concerned therein or affected thereby may, in respect of any report upon liability or of any finding of amount or award of compensation set forth in such report, petition said court for judicial review of said report, specifying the portions thereof in which review is desired. Said

Mr. BURSUM. I desire to say to the Senator from Arizona that all of the differences of opinion have been reconciled.

court shall thereupon have jurisdiction to review, and shall review such report, finding, or award in like manner as in the case of proceedings in equity. In any such proceedings the report of the board shall be prima facie evidence of the facts, the values, and the liability therein set forth, subject, however, to be rebutted by competent evidence. Any party in interest may offer evidence in support or in opposition to the findings in said report in any respect. Said court shall after hearing render its decision so soon as practicable, confirming, modifying, or rejecting said report or any part thereof. At any time within 30 days after such decision is rendered said court shall, upon petition of any party aggrieved, certify the portions of such report, review of which has been sought, together with the record in connection therewith, to the United States Circuit Court of Appeals for the Eighth Circuit, which shall have jurisdiction to consider, review, and decide all questions arising upon such report and record in like manner as in the case of appeals in equity, and its decision thereon shall be final.

Petition for review of any specific finding or award of compensation in any report shall not affect the finality of any findings nor delay the payment of any award set forth in such report, review of which shall not have been so sought, nor in any proceeding for review in any court under the provisions of this section shall costs be awarded against any party.

SEC. 7. It shall be the further duty of the board to investigate, ascertain, and report to the Secretary of the Interior, who shall report to the Congress of the United States, together with his recommendation, the fair market value of lands, improvements appurtenant thereto, and water rights of non-Indian claimants who, in person or through their predecessors in title prior to January 6, 1912, in good faith and for a valuable consideration purchased and entered upon Indian lands under a claim of right based upon a deed or document purporting to convey title to the land claimed or upon a grant, or license from the governing body of a pueblo to said land, but fail to sustain such claim under the provisions of this act, together with a statement of the loss in money value thereby suffered by such non-Indian claimants. Any lands lying within the exterior boundaries of the pueblo of Nambe land grant, which were conveyed to any holder or occupant thereof or his predecessor or predecessors in interest by the governing authorities of said pueblo, in writing, prior to January 6, 1912, shall, unless found by said board to have been obtained through fraud or deception, be recognized as constituting valid claims by said board and by said court, and disposed of in such manner as lands the Indian title to which has been determined to have been extinguished pursuant to the provisions of this act: *Provided*, That nothing in this section contained with reference to the said Nambe Pueblo Indians shall be construed as depriving the said Indians of the right to impeach any such deed or conveyance for fraud or to have mistakes therein corrected through a suit in behalf of said pueblo or of an individual Indian under the provisions of this act.

SEC. 8. It shall be the further duty of the board to investigate, ascertain, and report to the Secretary of the Interior the area and the value of the lands and improvements appurtenant thereto of non-Indian claimants within or adjacent to Pueblo Indian settlements or towns in New Mexico, title to which in such non-Indian claimants is valid and indefeasible, said report to include a finding as to the benefit to the Indians in anywise of the removal of such non-Indian claimants by purchase of their lands and improvements and the transfer of the same to the Indians, and the Secretary of the Interior shall report to Congress the facts with his recommendations in the premises.

SEC. 9. That all lands, the title to which is determined in said suit or suits, shall, where necessary, be surveyed and mapped under the direction of the Secretary of the Interior, at the expense of the United States, but such survey shall be subject to the approval of the judge of the United States District Court for the District of New Mexico, and if approved by said judge shall be filed in said court and become a part of the decree or decrees entered in said district court.

SEC. 10. That necessary costs in all original proceedings under this act, to be determined by the court, shall be taxed against the United States and any party aggrieved by any final judgment or decree shall have the right to a review thereof by appeal or writ of error or other process, as in other cases, but upon such appeal being taken each party shall pay his own costs.

SEC. 11. That in the sense in which used in this act the word "purchase" shall be taken to mean the acquisition of community lands by the Indians other than by grant or donation from a sovereign.

SEC. 12. That any person claiming any interest in the premises involved but not impleaded in any such action may be made a party defendant thereto or may intervene in such action, setting up his claim in usual form.

SEC. 13. That as to all lands within the exterior boundaries of any lands granted or confirmed to the Pueblo Indians of New Mexico, by any authority of the United States of America or any prior sovereignty, or acquired by said Indians as a community by purchase or otherwise and which have not been claimed for said Indians by court proceedings then pending or the findings and report of the board as herein provided, the Secretary of the Interior at any time after two years after the filing of said reports of the board shall file field notes and plat for each pueblo in the office of the surveyor general of New Mexico at Santa Fe, N. Mex., showing the lands to which the Indian title has been extinguished as in said report set out, but excluding therefrom lands claimed by or for the Indians in court proceedings then pending, and copies of said plat and field notes certified by the surveyor general of New Mexico as true and correct copies shall be accepted in any court as competent and conclusive evidence of the extinguishment of all the right, title, and interest of the Indians in and to the lands so described in said plat and field notes and of any claim of the United States in or to the same. And the Secretary of the Interior within 30 days after the Indians' right to bring independent suits under this act shall have expired, shall cause notice to be published in some newspaper or newspapers of general circulation issued, if any there be, in the county wherein lie such lands claimed by non-Indian claimants, respectively, or wherein some part of such lands are situated, otherwise in some newspaper or newspapers of general circulation published nearest to such lands, once a week for five consecutive weeks, setting forth as nearly as may be the names of such non-Indian claimants of land holdings not claimed by or for the Indians as herein provided, with a description of such several holdings, as shown by a survey of Pueblo Indian lands heretofore made under the direction of the Secretary of the Interior and commonly known as the "Joy Survey," or as may be otherwise shown or defined by authority of the Secretary of the Interior, and requiring that any person or persons claiming such described parcel or parcels of lands or any part thereof, adversely to the apparent claimant or claimants so named as aforesaid, or their heirs or assigns, shall, on or before the thirtieth day after the last publication of such notice, file his or their adverse claim in the United States land office in the land district wherein such parcel or parcels of land are situate, in the nature of a contest, stating the character and basis of such adverse claim, and notice of such contest shall be served upon the claimant or claimants named in the said notice, in the same manner as in cases of contest of homestead entries. If no such contest is instituted as aforesaid, the Secretary of the Interior shall issue to the claimant or claimants, or their heirs or assigns, a patent or other certificate of title for the parcel or parcels of land so described in said notice; but if a contest be filed it shall proceed and be heard and decided as contests of homestead entries are heard and decided under the rules and regulations of the General Land Office pertinent thereto. Upon such contest either party may claim the benefit of the provisions of section 4 of this act to the same extent as if he were a party to a suit to quiet title brought under the provisions of this act, and the successful party shall receive a patent or certificate of title for the land as to which he is successful in such proceeding. Any patent or certificate of title issued under the provisions of this act shall have the effect only of a relinquishment by the United States of America and the said Indians.

If after such notice more than one person or group of persons united in interest makes claim in such land office adverse to the claimant or claimants named in the said notice, or to any other person or group of persons who may have filed such contest, each contestant shall be required to set forth the basis and nature of his respective claim, and thereupon the said claims shall be heard and decided as upon an original contest or intervention.

And in all cases any person or persons whose right to a given parcel or parcels of land has become fixed either by the action of the said board or the said court or in such contest may apply to the Commissioner of the General Land Office for a patent or certificate of title and receive the same without cost or charge.

SEC. 14. That if any non-Indian party to any such suit shall assert against the Indian title a claim based upon a Spanish or Mexican grant, and if the court should finally find that such claim by the non-Indian is superior to that of the Indian claim, no final decree or judgment of ouster of the said Indians shall be entered or writ of possession or assistance shall be allowed against said Indians, or any of them, or against the United States of America acting in their behalf. In such case the court shall ascertain the area and value of the land thus held by any non-Indian claimant under such superior title, excluding therefrom the area and value of lots or parcels of land the title to which has been found to be in other persons under the provisions of this act: *Provided, however*, That any findings by the court under the provisions of this section may be reviewed on appeal or writ of error at the instance of any party aggrieved thereby, in the same manner, to the same extent, and with like effect as if such findings were a final judgment or decree. When such finding adverse to the Indian claim has become final, the Secretary of the Interior shall report to Congress the facts, including the area and value of the land so adjudged against the Indian claim, with his recommendations in the premises.

SEC. 15. That when any claimant, other than the United States for said Indians not covered by the report provided for in section 7 of this act, fails to sustain his claim to any parcel of land within any Pueblo Indian grant, purchase, or donation under the provisions

of this act, but has held and occupied any such parcel in good faith, claiming the same as his own, and the same has been improved, the value of the improvements upon the said parcel of land shall be found by the court and reported by the Secretary of the Interior to Congress, with his recommendations in the premises.

SEC. 16. That if any land adjudged by the court or said lands board against any claimant be situate among lands adjudicated or otherwise determined in favor of non-Indian claimants and apart from the main body of the Indian land, and the Secretary of the Interior deems it to be for the best interest of the Indians that such parcels so adjudged against the non-Indian claimant be sold, he may, with the consent of the governing authorities of the pueblo, order the sale thereof, under such regulations as he may make, to the highest bidder for cash, and if the buyer thereof be other than the losing claimant, the purchase price shall be used in paying to such losing claimant the adjudicated value of the improvements aforesaid, if found under the provisions of section 15 hereof, and the balance thereof, if any, shall be paid over to the proper officer, or officers, of the Indian community, but if the buyer be the losing claimant, and the value of his improvements has been adjudicated as aforesaid, such buyer shall be entitled to have credit upon his bid for the value of such improvements so adjudicated.

SEC. 17. No right, title, or interest in or to the lands of the Pueblo Indians of New Mexico to which their title has not been extinguished as hereinbefore determined shall hereafter be acquired or initiated by virtue of the laws of the State of New Mexico, or in any other manner except as may hereafter be provided by Congress, and no sale, grant, lease of any character, or other conveyance of lands, or any title or claim thereto, made by any pueblo as a community, or any Pueblo Indian living in a community of Pueblo Indians, in the State of New Mexico, shall be of any validity in law or in equity unless the same be first approved by the Secretary of the Interior.

SEC. 18. That the pleading, practice, procedure, and rules of evidence shall be the same in all causes arising under this act as in other civil causes in the Federal courts, except as otherwise herein provided.

SEC. 19. That all sums of money which may hereafter be appropriated by the Congress of the United States for the purpose of paying in whole or in part any liability found or decreed under this act from the United States to any pueblo or to any of the Indians of any pueblo, shall be paid over to the Bureau of Indian Affairs, which bureau, under the direction of the Secretary of the Interior, shall use such moneys at such times and in such amounts as may seem wise and proper for the purpose of the purchase of lands and water rights to replace those which have been lost to said pueblo or to said Indians, or for purchase or construction of reservoirs, irrigation works, or the making of other permanent improvements upon or for the benefit of lands held by said pueblo or said Indians.

TO QUIET THE TITLE TO LANDS WITHIN PUEBLO INDIAN LAND GRANTS, AND FOR OTHER PURPOSES

Mr. ADAMS, from the Committee on Public Lands and Surveys, submitted the following report to accompany S. 2932:

The Committee on Public Lands and Surveys, to whom was referred the bill (S. 2932) to quiet the title to lands within Pueblo Indian land grants, and for other purposes, having considered the same, report thereon favorably with the following amendments:

On page 4, line 17, after the word "Territory," insert the words "or of the State."

On page 5, line 4, after the word "Territory," insert the words "or of the State."

On page 6, strike out all of section 6 and insert in lieu thereof the following:

"SEC. 6. It shall be the further duty of the board to separately report in respect of each such pueblo—

"(a) The area and character of any tract or tracts of land within the exterior boundaries of any land granted or confirmed to the Pueblo Indians of New Mexico and the extent, source, and character of any water right appurtenant thereto in possession of non-Indian claimants at the time of filing such report, which are not claimed for said Indians by any report of the board;

"(b) Whether or not such tract or tracts of land or such water rights could be, or could have been at any time, recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians. Seasonable prosecution is defined to mean prosecution by the United States within the same period of time as that within which suits to recover real property could have been brought under the limitation statutes of the Territory and State of New Mexico.

"(c) The fair market value of said water rights and of said tract or tracts of land (exclusive of any improvements made therein or placed thereon by non-Indian claimants) whenever the board shall determine that such tract or tracts of land or such water rights could be, or could have been at any time, recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians; and the amount of loss, if any, suffered by said Indians through failure of the United States seasonably to prosecute any such right.

"The United States shall be liable, and the board shall award compensation, to the pueblo within the exterior boundaries of whose lands such tract or tracts of land shall be situated or to which such water rights shall have been appurtenant, to the extent of any loss suffered by said Indians through failure of the United States seasonably to prosecute any right of the United States or of said Indians, subject to review as herein provided; such report and award shall have the force and effect of a judicial finding and final judgment upon the question and amount of compensation due to the Pueblo Indians from the United States for such losses. Such report shall be filed simultaneously with, and in like manner as, the reports hereinbefore provided to be made and filed in section 2 of this act.

"At any time within 60 days after the filing of said report with the United States District Court for the District of New Mexico as herein provided, the United States or any pueblo or Indians concerned therein or affected thereby may, in respect of any report upon liability or of any finding of amount or award of compensation set forth in such report, petition said court for judicial review of said report, specifying the portions thereof in which review is desired. Said court shall thereupon have jurisdiction to review, and shall review, such report, finding, or award in like manner as in the case of proceedings in equity. In any such proceeding the report of the board shall be prima facie evidence of the facts, the values, and the liability therein set forth, subject, however, to be rebutted by competent evidence. Any party in interest may offer evidence in support or in opposition to the findings in said report in any respect. Said court shall, after hearing, render its decision so soon as practicable, confirming, modifying, or rejecting said report or any part thereof. At any time within 30 days after such decision is rendered said court shall, upon petition of any party aggrieved, certify the portions of such report, review of which has been sought, together with the record in connection therewith, to the United States Circuit Court of Appeals for the Eighth Circuit which shall have jurisdiction to consider, review, and decide all questions arising upon such report and record in like manner as in the case of appeals in equity, and its decision thereon shall be final.

"Petition for review of any specific finding or award of compensation in any report shall not affect the finality of any findings nor delay the payment of any award set forth in such report, review of which shall not have been so sought, nor, in any proceeding for review in any court under the provisions of this section, shall costs be awarded against any party."

On page 7, line 22, after the word "fraud," insert the words, "or to have mistakes therein corrected"; and in the same line strike out the word "general" and also the words "or by a special suit."

On page 7, line 23, after the word "of," insert the words "said pueblo or of"; and in the same line strike out the words "by the Attorney General."

On page 7, line 24, strike out the words "the last paragraph of section 4 of."

On page 9, line 16, strike out the word "suits" and insert in lieu thereof the words "court proceedings then pending."

At the top of page 12, lines 1 and 2, strike out the words "and shall not affect the adverse right or rights of any other person whatsoever."

On page 15, strike out all of section 19 and insert in lieu thereof the following:

"SEC. 19. That all sums of money which may hereafter be appropriated by the Congress of the United States for the purpose of paying in whole or in part any liability found or decreed under this act from the United States to any pueblo or to any of the Indians of any pueblo, shall be paid over to the Bureau of Indian Affairs, which bureau, under the direction of the Secretary of the Interior, shall use such moneys at such times and in such amounts as may seem wise and proper, for the purpose of the purchase of lands and water rights to replace those which have been lost to said pueblo or to said Indians, or for purchase or construction of reservoirs, irrigation works, or the making of other permanent improvements upon or for the benefit of lands held by said pueblo or said Indians."

This bill incorporates the greater portion of the provisions of Senate bill 726 heretofore referred to the Committee on Public Lands.

Consideration of the Senate bill 726 led to the making of many amendments and to the rephrasing of many parts. For the sake of clearness and in order that it might be more readily understood, both by the committee and by the Senate, it was deemed advisable to reintroduce Senate bill 726 with amendments, and it now appears as Senate bill 2932. Senate bill 726 was referred to the Secretary of the Interior, who furnished the committee with a report thereon, copy of which is attached hereto and made a part of this report, as the prin-

ciples involved in the bill which were approved by the Secretary of the Interior appear not to have been departed from, though altered in details.

This bill is an effort to provide for the final adjudication and settlement of a very complicated and difficult series of conflicting titles affecting lands claimed by the Pueblo Indians of New Mexico. In order to understand the necessity for the legislation proposed in this bill, it seems advisable to make a brief statement of some points in the very interesting history of the Pueblo Indians.

There are 20 pueblos involved with a total Indian population of between 6,500 and 8,000. Each pueblo consits of about 17,000 acres of land within its exterior boundaries, or a total of 340,000 acres in all.

These Indians were found by Coronado and the first Spanish explorers in 1541, many of them residing in villages and occupying the same lands that the Pueblo Indians now occupy.

The rights of these Indians to the lands occupied by them was recognized by the Spanish conquerors from early days. The first decree of record concerning them was issued by Charles V of Spain, dated March 21, 1551, when they were ordered gathered into pueblos or towns. In 1687 a grant of lands was made to them by the King of Spain, and from that time on until the termination of Spanish dominion grants of land were made at various times and the Spanish authorities supervised their affairs. The Spanish grant to each pueblo as finally confirmed by Congress became 4 square leagues, 1 league in each direction from the center of the village or the door of the church.

During the Spanish occupation of New Mexico some grants were also made to non-Indians by the Spanish Government. Upon the termination of Spanish sovereignty in this territory these Pueblo Indians came under the jurisdiction of Mexico, by the government of which they were given many political and civil rights. All of the land grants made to and held by the Indians have been and are now held in a type of communal occupancy and ownership.

Upon the acquisition by the United States from Mexico of the territory now comprising the State of New Mexico these Indians and the lands in question came under the jurisdiction of the United States. The relationship of the inhabitants of this territory and the Government of the United States was established by the treaty of Guadalupe Hidalgo in 1848. In 1859 Congress confirmed the Spanish grants to the Indians, subject, however, to any valid adverse rights should any exist.

While a matter of importance, the legal status of these Indians was not finally determined until 1913.

It was only by the decision of the case of the United States *v.* Sandoval (231 U. S. 28) that the Supreme Court of the United States definitely established the principle that these Indians were wards of the Government.

In an earlier case, that of the United States *v.* Joseph (94 U. S. 614), the Supreme Court of the United States, speaking of these Indians, said:

"The character and history of these people are not obscure, but occupy a well-known page in the story of Mexico from the conquest of the country by Cortes to the cession of this part of it to the United States by the treaty of Guadalupe Hidalgo. The subject is tempting and full of interest, but we have only space for a few well-considered sentences of the opinion of the chief justice of the court whose judgment we are reviewing.

"For centuries," he says, "the Pueblo Indians have lived in villages, in fixed communities, each having its own municipal or local government. As far as their history can be traced, they have been pastoral and agricultural people, raising flocks and cultivating the soil. Since the introduction of the Spanish Catholic missionary into the country they have adopted mainly not only the Spanish language but the religion of a Christian church. In every pueblo is erected a church, dedicated to the worship of God according to the form of the Roman Catholic religion, and in nearly all is to be found a priest of this church, who is recognized as their spiritual guide and adviser. They manufacture nearly all of their blankets, clothing, agricultural and culinary implements, etc. Integrity and virtue among them is fostered and encouraged. They are intelligent as most nations or people deprived of means or facilities for education. Their names, their customs, their habits, are similar to those of the people in whose midst they reside or in the midst of whom their pueblos are situated. The criminal records of the courts of the Territory scarcely contain the name of a Pueblo Indian. In short, they are a peaceable, industrious, honest, and virtuous people. They are Indians only in feature, complexion, and a few of their habits; in all other respects superior to all but a few of the civilized Indian tribes of the country and the equal of the most civilized thereof. This description of the Pueblo Indians, I think, will be deemed by all who know them as faithful and true in all respects. Such was their character at the time of the acquisition of New Mexico by the United States; such is their character now.

"At the time the act of 1834 was passed there were no such Indians as these in the United States unless it be one or two reservations or tribes, such as the Senecas or Oneidas of New York, to whom, it is clear, the eleventh section of the statute could have no application. When it became necessary to extend the laws regulating the intercourse with the Indians over our new acquisitions from Mexico, there was ample room for the exercise of those laws among the nomadic Apaches, Comanches, Navahos, and other tribes, whose incapacity for self-government required both for themselves and for the citizens of the country this guardian care of the General Government.

"The Pueblo Indians, if, indeed, they can be called Indians, had nothing in common with this class. The degree of civilization which they had attained centuries before their willing submission to all laws of the Mexican Government, the full recognition by that Government of all their civil rights, including that of voting and holding office, and their absorption into the general mass of the population (except that they held their lands in common), all forbid the idea that they should be classed with the Indian tribes for whom the intercourse acts were made, or that in the intent of the act of 1851 its provisions were applicable to them. The tribes for whom the act of 1834 was made were those semi-independent tribes whom our Government has always recognized as exempt from our laws, whether within or without the limits of an organized State or Territory, and in regard to their domestic government, left to their own rules and traditions; in whom we have recognized the capacity to make treaties and with whom the Governments, State and National, deal, with a few exceptions only, in their national or tribal character and not as individuals.

"If the Pueblo Indians differ from the other inhabitants of New Mexico in holding lands in common and in a certain patriarchal form of domestic life, they only resemble in this regard the Shakers and other communistic societies in this country, and can not for that reason be classed with the Indian tribes of whom we have been speaking."

In the Sandoval case the Supreme Court took a different view as to the legal status of these Indians, and in holding that they were wards of the United States Government said:

"The people of the Pueblos, although sedentary rather than nomadic in their inclinations and disposed to peace and industry, are nevertheless Indians in race, customs, and domestic government, always living in separate and isolated communities, adhering to primitive modes of life, largely influenced by superstition and fetichism and chiefly governed according to the crude customs inherited from their ancesters. They are essentially a simple, uninformed, and inferior people."

Speaking of its previous opinion in the Joseph case, the court said that the observations there made as to the character of these Indians "were evidently based upon statements in the opinion of the Territorial court, then under review, which are at variance with other recognized sources of information now available.

Up to the time of the decision of the Sandoval case in 1913 it had been assumed by both the Territorial and State courts of New Mexico that the Pueblos had the right to alienate their property. From earliest times also the Pueblos had invited Spaniards and other non-Indians to dwell with them, and in many cases Pueblos and individual Indians attempted to convey lands to non-Indians which under the decision of the Sandoval case they were not competent to do.

As a result of this situation, conflicts as to title and right to possession arose and exist in many instances. During the Sixty-seventh Congress extensive hearings were held and much testimony taken. This testimony was, by agreement of all interested parties, submitted to the present committee to be accepted as representing the evidence which would be presented if new hearings were had. These hearings disclosed that there are now approximately 3,000 claimants to lands within the exterior boundaries of the Pueblo grants. The non-Indian claimants with their families comprise about 12,000 persons. With few exceptions, the non-Indian claims range from a town lot of 25 feet front to a few acres in extent. It was stated, however, in the hearings by all parties that probably 80 per cent of the claims are not resisted by the Indians and only about 20 per cent of the number will be contested.

Another complication is due to the fact that under Spain and Mexico there were no surveys, hence descriptions were very loose and not subject to reliable identification for any great period of time. It is also alleged that non-Indian claimants have encroached upon Indian lands, have sought to enlarge the boundaries of their claims, and that the rights of the Indians are being constantly violated.

To settle the complicated questions of title and to secure for the Indians all of the lands to which they are equitably entitled is the purpose of this bill.

The committee had before it representatives of the Indians and of several associations which have interested themselves on behalf of the Indians and also representatives of the non-Indians. It also had before it representatives of the Bureau of Indian Affairs. These representatives, recognizing the necessity of a solution of these intricate problems and conscious of the fact that a failure to substantially agree upon a bill might lead to the total failure of legislation to this end, and having in

mind the experience in this respect during previous sessions of Congress, made earnest and sincere efforts to reach an adjustment of the various matters of difference. As a result, by concessions and compromises the present bill has been worked out with a view of establishing principles and creating and putting into operation the necessary legal machinery for the equitable adjustment of these conflicting land titles. Except on a few points, the representatives of all those interested are in accord.

The bill provides for the institution by the Attorney General of the United States of a bill or bills of complaint in the United States District Court for the District of New Mexico on behalf of the United States in its sovereign capacity as guardian of the Pueblo Indians for the purpose of quieting the title to the lands claimed to belong to these Indians and discovering the nature and character of adverse claims.

There is also established a board known as "Pueblo lands board," to consist of the Secretary of the Interior, the Attorney General, and a third member to be appointed by the President of the United States.

The Secretary of the Interior and the Attorney General may act through assistants in investigations and deliberations conducted in New Mexico. This board is to be provided with an office at Santa Fe, N. Mex., and is given the power to require the presence of witnesses and the production of documents and to employ necessary clerical assistance, interpreters, and stenographers, with such compensation as the Attorney General shall deem adequate.

It is made the duty of this board to investigate, determine, report, and describe the lands within the exterior boundaries of any lands granted or confirmed to the Pueblo Indians of New Mexico by any authority of the United States or of any prior sovereignty or acquired by said Indians as a community by purchase or otherwise, title to which the said board shall find not to have been extinguished in accordance with the provisions of this act. It is required that the board shall be unanimous in all decisions by which it is determined that the Indian title has been extinguished. The board is required to report upon each pueblo as a separate unit and to file one copy of the report with the United States District Court for the District of New Mexico, one with the Attorney General, one with the Secretary of the Interior, and one with the Board of Indian Commissioners. Upon the filing of each report, the Attorney General is required to file a suit to quiet the title to the lands described in said report as Indian lands, the Indian title to which is determined by the report not to have been extinguished.

Section 4, which is the portion of the act which heretofore has caused most of the controversy, is now approved by the representatives of the Indians and of the associations interested on behalf of the Indians and is also approved by the representatives of the non-Indians, except in one particular, and as to that no serious objection is now urged. This section provides that persons claiming title to any lands involved in such suits to quiet title may, in addition to any other legal or equitable defenses which they may have or have had under the laws of the Territory and State of New Mexico, plead limitations of action as follows:

"(a) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed, under color of title from the 6th day of January, 1902, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statute of limitations, or adverse possession of the Territory of New Mexico, since the 6th day of January, 1902, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

"(b) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed with claim of ownership, but without color of title, from the 16th day of March, 1889, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statute of limitation or adverse possession of the Territory of New Mexico from the 16th day of March, 1899, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

"Nothing in this act contained shall be construed to impair or destroy any existing right of the Pueblo Indians of New Mexico to assert and maintain unaffected by the provisions of this act their title and right to any land by original proceedings, either in law or equity, in any court of competent jurisdiction, and any such right may be asserted at any time prior to the filing of the field notes and plats as provided in section 13 hereof, and jurisdiction with respect to any such original proceedings is hereby conferred upon the United States District Court for the District of New Mexico with right of review as in other cases: *Provided, however,* That any contract entered into with any attorney or attorneys by the Pueblo Indians of New Mexico to carry on such litigation shall be subject to and in accordance with existing laws of the United States."

It is to be noted that this section makes substantial changes in reference to asserting rights or defenses based upon statutes of limitations from that which was provided in the bills pending in previous sessions of Congress. In order to successfully maintain a plea of limitations based upon adverse possession, under color of title, such adverse possession must have continued from January 6, 1902, to the date of the passage of this act, and must have been accompanied with the payment of the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitations or adverse possession of the Territory of New Mexico since the said date, except where the claimant was exempted or entitled to be exempted from such tax payment.

Where the plea of limitations is based upon claim of ownership, but without color of title, adverse possession must be established from the 16th day of March, 1889, to the passage of the act, and the claimant must have paid the taxes lawfully assessed and levied thereon to the extent required by the New Mexico statute of limitations from the 16th day of March, 1899, except where the claimant was exempted or entitled to be exempted from such tax payment.

It is also provided that nothing in the act shall impair any existing right of the Pueblo Indians to assert and maintain their title by proceedings in any court of competent jurisdiction, and jurisdiction is expressly conferred upon the United States District Court for the District of New Mexico to hear such cases, and a right of review from such decisions is provided for.

It is further provided that contracts entered into by the Pueblo Indians with attorneys shall be subject to the existing laws of the United States requiring contracts between attorneys and Indians to be approved by the United States.

If a plea of limitation is successfully maintained, the bill entitles the claimant to a decree which shall have the effect of a quitclaim deed as against the United States and against the said Indians, and a decree in favor of claimants upon any other grounds shall have like effect.

It is further provided that the United States may plead in favor of the pueblo or of any individual Indian thereof the limitation provisions set out in the act.

Section 6 provides that the board shall investigate and report as to the extent, character, and value of lands and water rights within such pueblo land grant and which are not claimed for the Indians in the report of the board. The board shall also find and report whether or not such lands or water rights could have been at any time recovered for the Indians by the United States by the prosecution of any right of the United States or of the Indians within the periods fixed by the statutes of limitations of the Territory and State of New Mexico. Inasmuch as by the decision of the Supreme Court of the United States, referred to above, it was held that the United States was the guardian of these Indians, it seems to follow that if such guardian by reason of negligence has allowed the property of its wards to be lost there is at least a moral, if not a legal, obligation to make reasonable restitution for the loss suffered. Upon this theory this section provides that if the board finds that the United States has failed to recover for the Indians lands or water rights which could have been recovered by seasonable prosecution of the rights of the Indians that the United States shall be held liable and that the board shall award compensation to the pueblo whose lands and water rights have thus been lost to the extent of the loss suffered by the Indians through such failure on the part of the United States. Such loss is to be found and reported by the board. Such findings are, however, subject to review both by the United States District Court of the District of New Mexico and on appeal by the United States Circuit Court of Appeals. It should be noted in connection with this section that it is provided in section 19 of the act that all sums of money which may be appropriated by Congress for the purpose of paying any liability found or decreed under the provisions of the act shall not be paid over to the Indians or to the pueblo authorities but shall be paid over to the Bureau of Indian Affairs, which bureau, under the direction of the Secretary of the Interior, is directed to use such moneys for the purpose of purchasing lands and water rights to replace those which have been lost to said pueblo or for the purchase or construction of reservoirs, irrigation works, or the making of other permanent improvements upon or for the benefit of lands held by said pueblo.

It thus appears that the two sections in substance together provide for a substantial effort to restore to the Indians the lands and water rights which they have lost, or equivalent therefor, and it is not sought to turn over to the Indians any moneys to be expended by themselves. These Indians being wards of the Government, there is an obligation on the part of the Government to make reasonable and proper provision for them. By reason of the loss of lands from various causes, some of these pueblos do not have enough land to enable them to be self-supporting, and the United States Government has already recognized this situation for some years by making appropriations for their maintenance. The Government in its capacity of guardian will naturally make appropriations to provide the necessary lands and water rights so as to make these people self-supporting, as far as possible, and the record shows that their general disposition

is to be self-supporting and that their dependence upon the Government for some years past has been due to reduction of their available landed areas to a point where it is insufficient for the purpose of their own community farming and the grazing of their flocks. As a result the moneys so awarded, covering the loss of Indian lands, will probably not exceed in amount the appropriations which would otherwise be made in the natural course of affairs in the caring for these people, so that the loss to the Government by reason of this section will be comparatively slight.

Section 7 imposes a similar duty upon the board in reference to lands and water rights of non-Indian claimants who acquired title in good faith prior to January 6, 1912, and entered upon Indian lands under a claim of right but have failed to sustain their claim under the provisions of this act. This provision was inserted because of the consequences of the New Mexico enabling act, which went into effect on January 6, 1912. This section further contains a special provision applying only to the Pueblo of Nambe by reason of special circumstances there existing.

The bill provides for necessary surveys, and that such surveys shall be subject to the approval of the United States District Court for the District of New Mexico.

The bill further provides that the necessary cost in all original proceedings under the act shall be taxed against the United States, but that parties claiming the right to review by appeal or writ of error from the decision of the district court shall pay their own costs.

Section 13 provides that as to all lands within the exterior boundaries of any lands granted or confirmed to the Pueblo Indians by the United States or any prior sovereignty, or acquired by the Indians by purchase or otherwise, and which have not been claimed for said Indians by suit or the findings and report of the board, the Secretary of the Interior at any time after two years after the filing of the reports of the board shall file the field notes and plats for each pueblo in the office of the surveyor general of New Mexico at Santa Fe, N. Mex., showing the lands to which the Indian title has been extinguished as set out in the report, but excluding lands claimed by or for the Indians in court proceedings then pending, and copies of said plat and field notes certified by the surveyor general of New Mexico shall be accepted in any court as conclusive evidence of the extinguishment of the Indian title to the lands so described. The Secretary of the Interior is required within 30 days after the Indians' right to bring independent suits under this act shall have expired to cause notice to be published in some newspaper of general circulation issued in the county where the lands claimed by non-Indian claimants are located for five weeks, setting forth the names of the non-Indian claimants of lands not claimed by or for the Indians, with description of such holdings as shown by a survey of Pueblo Indian lands, heretofore made under the direction of the Secretary of the Interior, known as the "Joy survey," or as may be otherwise shown or defined by authority of the Secretary of the Interior, requiring that all those claiming any interest in such lands or any part thereof adversely to the apparent claimant so named, or their heirs or assigns, shall on or before the thirtieth day after the last publication of such notice file his or their adverse claim in the United States land office in the land district where such lands are situate, in the nature of a contest, setting forth the character and basis of such adverse claim, and notice of such contest shall be served upon the claimant in the same manner as in cases of contests of homestead entries.

If no such contest is instituted, the Secretary of the Interior shall issue to the claimants a patent or certificate of title for the lands described in the notice, but if a contest shall be filed it shall proceed to be heard and decided as contests of homestead entries are heard and decided under the rules of the General Land Office. Upon such contests either party may claim the benefit of the limitation provisions of this act, to the same extent as if he were a party to a suit to quiet title brought under the provisions of this act, and the successful party shall receive a patent or certificate to the land as to which he is successful in such proceeding. It is provided, however, that such patent or certificate of title shall only have the effect of a relinquishment by the United States and the Indians.

It is also provided in the act if any non-Indian party to such suit shall assert against the Indian title a claim based upon a Spanish or Mexican grant and the court shall decide that such claim is superior to that of the Indian claim, no final judgment against the Indian shall be entered or writ of possession allowed against the Indians or any of them or against the United States acting in their behalf. In such case the court will ascertain the area and value of land, the title to which has been found to be in other persons under the act. Such findings may be reviewed on appeal or writ of error, and if and when such findings adverse to the Indian claimant becomes final, the Secretary of the Interior shall report to the Congress such fact, including the area and value of the lands so adjudged against the Indian claim, with his recommendations in the premises.

This paragraph of the act indicates clearly the extent to which the effort has been made in drafting the act to fully protect the Indian titles and also the extent to which in negotiations between representatives of the Indians and the settlers the non-Indians have consented to go in conceding measures deemed necessary or advantageous in the protection of the Indians' interests. This is especially obvious to those who have knowledge of the history of these conflicting titles, the nature and extent of which it is needless to comment upon in this report.

It is also provided that when any claimant other than the United States for the Indians, not covered by the report provided for in section 7, fails to sustain his claim to any parcel of land within any Pueblo Indian grant, but has held and occupied such parcel in good faith, claiming a right and has improved the same, the value of the improvements upon said parcel of land shall be found by the court and reported to Congress by the Secretary of the Interior with his recommendations in the premises.

If any land adjudged by the court or board against any claimant is situate among land adjudicated in favor of non-Indian claimants, apart from the main body of the Indian land, and the Secretary of the Interior deems it to be for the best interests of the Indians that such land be sold, he may with the consent of the governing authorities of the pueblo sell the same to the highest bidder for cash, and if the buyer be other than the losing claimant the purchase price shall be used to pay to such losing claimant the adjudicated value of the improvement thereon and the balance to be paid over to the proper officers of the Indian community. If the buyer be the losing claimant, the buyer shall be entitled to have credit upon his bid for the value of his improvements.

Section 17 provides that no right, title, or interest in or to the lands of the Pueblo Indians of New Mexico to which their title has not been extinguished shall be hereafter acquired or initiated in any manner except as may hereafter be provided by Congress and that no sale or lease or other conveyance made by any pueblo as a community or any Pueblo Indian living in a community of Pueblo Indians in the State of New Mexico shall be of any validity unless first approved by the Secretary of the Interior.

This bill is submitted after many conferences and much consideration in the hope and belief that it will operate to secure a fair solution of a problem which has greatly distressed the entire State of New Mexico and especially the Indians living in these primitive pueblo communities and their neighbors and non-Indian land claimants with whom there have been constant misunderstandings and disputes for many years, and that it will tend to promote the peace and prosperity of these peoples.

DEPARTMENT OF THE INTERIOR,
Washington, January 4, 1924.

Hon. I. L. LENROOT,
Chairman Committee on Public Lands and Surveys,
United States Senate.

MY DEAR SENATOR LENROOT: Receipt is acknowledged of your request of December 18, for a report on Senate 726, being a bill to quiet the title to lands within Pubelo Indian land grants, and for other purposes.

Senate 726 has been compared with Senate 3855, Sixty-seventh Congress, fourth session, which bill passed the Senate on February 28, 1923, and was found to be identical. The bill has been gone over carefully. It seems to provide fair and just methods for settling the many conflicting claims within the Pueblo Indian reservations. It is understood that the provisions of Senate 3855, Sixty-seventh Congress, fourth session, as it passed the Senate on February 28, 1923, met with the general approval of practically all persons who took part in the hearings on the original Pueblo bill, and as the present bill is identical with the one just mentioned, this department recommends favorable action by the Congress on the proposed legislation.

Very truly yours,

HUBERT WORK, *Secretary.*

Mr. DIAL. Mr. President, I would like to ask the Senator from New Mexico a question. I have not read the bill. I presume this bill covers the question of the statute of limitation, and so forth?

Mr. BURSUM. The statutes of limitations of the State of New Mexico are binding, regardless of what we might do.

Mr. DIAL. This is in effect to give a money judgment against the United States?

Mr. BURSUM. Not exactly that; no money goes to the Indians.

Mr. DIAL. Not to the Indian as an individual, but to the Indians as a tribe?

Mr. BURSUM. No; not as a tribe. The improvements go to the Indians. We are making them anyway.

Mr. DIAL. How long has this kind of a bill been pending?

Mr. BURSUM. Two years. We passed a similar bill at the last session. This bill has been in the Senate several months.

Mr. DIAL. Mr. President, it seems to me the bill raises a very big question. I do not know much about these Indian

matters, but I can not see much necessity for the bill. However, it is pretty late in the day, and if other Senators want to go on with it I will not object now. But I can see where it might be very expensive to the United States.

Mr. BURSUM. There will not be much expense.

Mr. DIAL. I do not like to have Congress legislate in the dark, and it is actually growing dark at this time of day. I think this is a very far-reaching measure.

Mr. KING. May I inquire of the Senator from New Mexico what, in his opinion, will be the ultimate cost in dollars and cents to be paid out of the Treasury of the United States which will not be reimbursable out of any tribal funds?

Mr. BURSUM. I will say that there will not be a dime expended out of the Treasury on account of the bill unless it is found that the United States, as the guardian of these Indians, has been at fault. My opinion is that the amount involved is very small, and even should there be any amount found due, no money is to be given them, but the money is to be expended by the Bureau of Indian Affairs in improvements, and we are already making improvements for them.

Mr. KING. May I inquire whether they have any lands of their own and any funds of their own?

Mr. BURSUM. They have 306,000 acres of their own, the title to which is undisputed.

Mr. KING. Is this bill for the purpose of quieting title to other lands which the Government claims, and to which the Indians assert title?

Mr. BURSUM. It is to quiet title to lands which are claimed by non-Indians who have lived upon these lands for the last three centuries, and upon which there are certain Spanish grant claims. In order to protect the Indians the committee has provided that although a superior title might be held under some Spanish grant no writ of ouster shall issue in order to retain the lands from the Indian. There may or may not be any of those titles found superior. That is a matter for the courts to decide in case the Secretary of the Interior and the Attorney General deem it proper to bring legal proceedings, which they are empowered to do.

Mr. KING. If I understand the Senator—and I confess I am not familiar with the terms of the bill—the situation in brief is this, and I have only the statements just made by the Senator as a predicate for any observations I may make: There are grants which were formerly within the Republic or Kingdom of Mexico.

Mr. BURSUM. Yes; and of Spain.

Mr. KING. Of course, Spain and Mexico, and under the treaty of Guadalupe Hidalgo that territory was ceded to the United States, impressed with certain grants, actual and valid, or fictitious.

Mr. BURSUM. Yes.

Mr. KING. The Government of the United States subsequently allotted lands to the Indians, and in their allotments included lands which were impressed with these Spanish grants.

Mr. BURSUM. Exactly so.

Mr. KING. Now you want to take away from the settlers under the Spanish grants the lands which they and their predecessors in interest have had for three or four centuries, to use the Senator's expression, and give them to the Indians, and then you want the United States to pay the Spanish settlers or their successors?

Mr. ADAMS. No; that is not the case. May I correct that impression? The situation is this: If there has been any non-Indian in possession for a period longer than the statute of limitations, his title is good, and the United States does not have to make restitution. The only obligation of the United States is for the loss of lands which has occurred since the treaty of Guadalupe Hidalgo; that is, in 1848. The United States assumed no guardianship, of course, prior to that time. The theory of the bill, so far as the liability of the United States is concerned, is that laid down by the Supreme Court. The fact that the United States is the guardian of these Indians, that it has stood by and failed to protect the interest of its wards after that period, will require it to make restitution, if the United States could have recovered the land for the Indians. That is the condition described in the bill, that the obligation of the United States is contingent upon the fact that the United States has been neglectful of its duty as a guardian of the property of its ward.

Mr. KING. Will the Senator permit an interruption?

Mr. ADAMS. Certainly.

Mr. KING. I have tried to follow the statement of the Senator, and he always make a very clear and lucid one. Yet I am not quite able to understand now the position which he takes. May I retrace for a moment? These lands in question were within the cession to the United States?

Mr. ADAMS. Yes.

Mr. KING. They did not belong to the Indians over whom the United States assumes guardianship?

Mr. ADAMS. They did belong to the Indians. The Indians had Spanish grants. When the United States took them over, the United States confirmed the Spanish grants up to a certain extent, that extent being measured 1 league each way, giving to the Indian a definite allocation of lands measured 1 league in each direction, as they expressed it, to the four winds from the door of the church, the center of the Pueblo village. That confirmation was made subject to existing rights. There were the existing, bona fide rights within these grants which the United States made, and some of those existing rights had been held by non-Indians running for 50 or 100 to 200 years, just as the Indian held his.

Mr. KING. Does the United States challenge the rights of those persons or their successors?

Mr. ADAMS. No; the United States is not a party to these proceedings except in behalf of the Indians. The controversy exists between the settler within the confirmed grant and the Pueblo Indian settlement. The Pueblo Indian settlements are all communal in nature. There is no private ownership of land, so there is a square section of land of approximately 17,000 acres, I think, in each pueblo. There are some 26 or 27 different pueblos in different conditions. Some of them have been intruded upon very little; some more. In some instances the pueblo has been whittled down to comparatively a small amount of land. The general run of the land, as I understand it, is of a grazing character, of comparatively small value.

The question of the Spanish land grants is only a small part, so far as the settler is concerned. The Indians, through their communities, have in some instances sold lands within the grant. There were questions as to whether or not individual Indians could sell. The Supreme Court of the United States handed down conflicting decisions as to the legal status of the Indians. An earlier decision took the ground that the Indians were citizens, and that each Indian had a right to deed and convey, and that the communities had, and some deeds were made, some contracts were made, relying upon this decision, known as the Joseph case.

In a subsequent case the Supreme Court took a different view and held that the Pueblo Indians were not to be distinguished from the other Indians in the country, and that they were, in fact, wards of the Government, the earlier case having taken the ground that they were little nationalities and led an independent existence and had the right to contract and the right to convey and almost the right to make little treaties.

This is an effort to set up a tribunal in which, without cost either to the settler or to the Indian, these conflicting matters may be adjudicated, applying to the questions the statutes of New Mexico in reference to the limitations which are to apply.

Mr. KING. Why not leave it to the courts?

Mr. ADAMS. It is left to the courts. In the first instance, a board is appointed to survey and recommend. Then the matter goes into court in the shape of a suit to quiet title.

Mr. KING. How many acres are involved?

Mr. ADAMS. I do not know the acreage. I think there are a good many acres in all. There are some two or three thousand settlers involved and some eight or ten thousand Indians. It is a complicated matter, and the State of New Mexico is very much involved in it. It is finally gotten down to this point, that all of the conflicting interests, which have been at odds there for years, have come together and have said that this bill will work out the solution of this apparently insoluble problem.

Mr. KING. If it is adjudicated that the settlers other than the Indians are to be ousted, that their claims are inferior to those of the Indians, does it mean that the Government will have to reimburse those white settlers and others?

Mr. ADAMS. It does not.

Mr. KING. They will have to leave without compensation?

Mr. ADAMS. There are certain provisions whereby recompense is to be made for improvements erected in good faith upon the land. That is the substance of it.

Mr. KING. What does the Senator figure will be the possible limit of cost to be paid by the Government of the United States, the administrative activities of the boards and other instrumentalities set up, plus the amount which may have to be paid?

Mr. ADAMS. I do not know.

Mr. BURSUM. It would be less than $50,000.

Mr. DIAL. I would like to ask the Senator from Colorado if this is a report from the Committee on the Judiciary?

Mr. ADAMS. It is a report from the Public Lands Committee, to which the bill was referred.

Mr. DIAL. Would it not be proper to amend the bill and omit any liability on the part of the United States?

Mr. ADAMS. In that event the bill would not be satisfactory at all. The subcommittee could not recommend the bill unless all the balancing elements were there. It has resulted from innumerable conferences, trying to work out a balance which would be agreeable, and after many, many efforts they have reached this situation. If anything is left out, there would be no use in trying to pass the bill.

Mr. DIAL. I would be very glad to have the claimants settle their differences among themselves, and I did not want to bother the United States if I could help it.

Mr. ADAMS. The United States is supposedly the guardian of the Indians.

The PRESIDING OFFICER. The amendments will be stated.

The amendments of the Committee on Public Lands and Surveys were—

On page 4, line 17, after the word "Territory," insert the words "or of the State."

On page 5, line 4, after the word "Territory," insert the words "or of the State."

On page 6, strike out all of section 6 and insert in lieu thereof the following:

"SEC. 6. It shall be the further duty of the board to separately report in respect of each such pueblo—

"(a) The area and character of any tract or tracts of land within the exterior boundaries of any land granted or confirmed to the Pueblo Indians of New Mexico and the extent, source, and character of any water right appurtenant thereto in possession of non-Indian claimants at the time of filing such report, which are not claimed for said Indians by any report of the board.

"(b) Whether or not such tract or tracts of land or such water rights could be, or could have been at any time, recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians. Seasonable prosecution is defined to mean prosecution by the United States within the same period of time as that within which suits to recover real property could have been brought under the limitation statutes of the Territory and State of New Mexico.

"(c) The fair market value of said water rights and of said tract or tracts of land (exclusive of any improvements made therein or placed thereon by non-Indian claimants) whenever the board shall determine that such tract or tracts of land or such water rights could be, or could have been at any time, recovered for said Indians by the United States by seasonable prosecution of any right of the United States or of said Indians; and the amount of loss, if any, suffered by said Indians through failure of the United States seasonably to prosecute any such right.

"The United States shall be liable, and the board shall award compensation, to the pueblo within the exterior boundaries of whose lands such tract or tracts of land shall be situated or to which such water rights shall have been appurtenant, to the extent of any loss suffered by said Indians through failure of the United States seasonably to prosecute any right of the United States or of said Indians, subject to review as herein provided; such report and award shall have the force and effect of a judicial finding and final judgment upon the question and amount of compensation due to the Pueblo Indians from the United States for such losses. Such report shall be filed simultaneously with, and in like manner as, the reports hereinbefore provided to be made and filed in section 2 of this act.

"At any time within 60 days after the filing of said report with the United States District Court for the District of New Mexico as herein provided the United States or any pueblo or Indians concerned therein or affected thereby may, in respect of any report upon liability or of any finding of amount or award of compensation set forth in such report, petition said court for judicial review of said report, specifying the portions thereof in which review is desired. Said court shall thereupon have jurisdiction to review, and shall review, such report, finding, or award in like manner as in the case of proceedings in equity. In any such proceeding the report of the board shall be prima facie evidence of the facts, the values, and the liability therein set forth, subject, however, to be rebutted by competent evidence. Any party in interest may offer evidence in support or in opposition to the findings in said report in any respect. Said court shall, after hearing, render its decision so soon as practicable, confirming, modifying, or rejecting said report or any part thereof. At any time within 30 days after such decision is rendered said court shall, upon petition of any party aggrieved, certify the portions of such report, review of which has been sought, together with the record in connection therewith, to the United States Circuit Court of Appeals for the Eighth Circuit, which shall have jurisdiction to consider, review, and decide all questions arising upon such report and record in like manner as in the case of appeals in equity, and its decision thereon shall be final.

"Petition for review of any specific finding or award of compensation in any report shall not affect the finality of any findings nor delay the payment of any award set forth in such report, review of which shall not have been so sought, nor, in any proceeding for review in any court under the provisions of this section, shall costs be awarded against any party."

On page 10, line 23, after the word "fraud," insert the words "or to have mistakes therein corrected"; and in line 24 strike out the word "general" and also the words "or by a special suit."

On page 24, line 24, after the word "of," insert the words "said pueblo or of"; and on page 71, line 1, strike out the words "by the Attorney General."

On page 11, line 21, strike out the words "the last paragraph of section 4 of."

On page 12, line 19, strike out the word "suits" and insert in lieu thereof the words "court proceedings then pending."

On page 15, lines 3 and 4, strike out the words "and shall not affect the adverse right or rights of any other person whatsoever."

On page 18, strike out all of section 19 and insert in lieu thereof the following:

"SEC. 19. That all sums of money which may hereafter be appropriated by the Congress of the United States for the purpose of paying in whole or in part any liability found or decreed under this act from the United States to any pueblo or to any of the Indians of any pueblo, shall be paid over to the Bureau of Indian Affairs, which bureau, under the direction of the Secretary of the Interior, shall use such moneys at such times and in such amounts as may seem wise and proper for the purpose of the purchase of lands and water rights to replace those which have been lost to said pueblo or to said Indians, or for purchase or construction of reservoirs, irrigation works, or the making of other permanent improvements upon or for the benefit of lands held by said pueblo or said Indians."

So as to make the bill read as printed on a preceding page.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF HOBOKEN SHORE LINE

Mr. WADSWORTH. Mr. President, I think that none of the Senators here present will contend that I have endeavored to place obstacles in the way of passing bills by unanimous consent at this hour of the day daily. Therefore, I am going to see if I can do the same thing. I ask unanimous consent that the Senate proceed to the consideration of calendar 372, the bill (S. 2287) to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line. The bill was reported from the Committee on Military Affairs, having the support of the War Department.

Mr. McKELLAR. Is it a unanimous report?

Mr. WADSWORTH. It is; and upon it the Senators from New York are in entire agreement.

Mr. KING. With what does the bill deal?

Mr. WADSWORTH. It has to do with authorizing the Secretary of War to sell the stock of the Hoboken Manufacturers Railroad Co., which the War Department owns and the Port of New York Authority wants to acquire.

Mr. KING. I am familiar with the matter.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments on page 1, line 4, after the word "terms," to insert the words "and conditions"; in line 9, after the word "shore," to strike out the word "line" and insert the word "road"; on page 2, in line 8, after the word "proper," to insert the words "and sufficient"; in line 14, to strike out the word "however"; in line 16, after the word "war," to strike out the period and insert:

or other national emergency: *Provided further*, That in order to facilitate the interchange of freight between rail and water facilities, such railroad, if acquired by the Port of New York Authority hereunder, shall be operated in coordination with the piers and docks adjacent thereto so long as said piers and docks are owned and operated by the United States Government or by any agency thereof, or by any corporation a majority of whose stock is owned by the United States:

Provided further, That if the Port of New York Authority fails to agree upon terms and conditions of sale which are considered satisfactory by the Secretary of War, he is hereby authorized to sell and dispose of the stock of the Hoboken Manufacturers' Railroad Co., or all or any part of the real and personal property of the Hoboken Manufacturers' Co., to any purchaser or purchasers upon such terms and conditions as he may deem best, subject, nevertheless, to the provisos herein above stated: *Provided further*, That if the Secretary of War shall deem it to be in the public interest that any real or personal property owned by the said Hoboken Manufacturers' Railroad Co., not connected with the railroad itself, should be separately disposed of or held for later disposition, he is hereby authorized to cause such property to be transferred from the said Hoboken Manufacturers' Railroad Co. to the United States, and thereafter to sell the same upon such terms as he deems best; or, if more expedient, he is hereby authorized to form a corporation to acquire such property, and is authorized to cause such property, or any part thereof, to be transferred from the said Hoboken Manufacturers' Railroad Co. to such new corporations so organized and to accept in place thereof the stock of such new corporation and to hold the same until such time as he secures what he shall deem to be a fair and reasonable price for such property, at which time he is authorized to sell said property, in whole or in part, or the stock in the said new corporation to which such property is transferred, on such terms and conditions as in his judgment will best promote the public interest; and the Secretary of War is further authorized to make and impose any terms, conditions, or reservations necessary to effectuate the purpose hereof and to enter into such contracts as will effectuate the same: *And provided further*, That nothing in this act shall be construed as relieving or exempting the property acquired hereunder by the Port of New York Authority from any municipal taxes or assessments for public improvements, and nothing herein contained shall be construed as an expression on the part of the Congress as to whether the States of New York and New Jersey, or either of them, should relieve or exempt the said Port of New York Authority from taxation or subject the said port of New York or any of said property to taxation.

So as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized, for such sum and on such terms and conditions as he may deem best, to sell to and dispose of, and the Port of New York Authority is authorized to acquire from the Secretary of War, the stock of the Hoboken Manufacturers' Railroad Co., said corporation being the lessee of the line known as the Hoboken Shore Road, now constituting part of Belt Line No. 13 in the comprehensive plan for the development of the port of New York, adopted by the States of New York and New Jersey under chapter 43, Laws of New York, 1922, and chapter 9, Laws of New Jersey, 1922, and ratified and confirmed by the Congress of the United States by Public Resolution 66, Sixty-seventh Congress; and the Secretary is authorized and empowered to take and accept in lieu of cash the bonds of the said Port of New York Authority, secured by such lien as the Secretary in his discretion may determine is proper and sufficient; and upon such acquisition the Port of New York Authority shall be authorized to operate the said railroad in State and interstate commerce in accordance with the provisions of the said comprehensive plan for the development of the port and the improvement of commerce and navigation: *Provided*, That the Secretary shall attach such conditions to such transfer as shall insure the use of such railroad facility by the United States in the event of war, or other national emergency: *Provided further*, That in order to facilitate the interchange of freight between rail and water facilities, etc.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line."

PRACTICE OF DENTISTRY IN THE DISTRICT OF COLUMBIA

Mr. COPELAND. Mr. President——

Mr. McKELLAR. I hope there will be no more business this afternoon. It is very late, and we can not give the measures proper consideration.

Mr. COPELAND. There is one bill on the calendar which I would like to have considered this evening. Senators have been kind to the senior Senator from New York. Will they not be kind to the junior Senator? I desire to call up the dental bill, which has been agreed to by all the dentists and by the committee. I ask unanimous consent to have Senate bill 1785 immediately considered.

Mr. KING. What committee reported the bill?

Mr. COPELAND. The subcommittee on public health of the Committee on the District of Columbia. It has been passed on by the District of Columbia Committee, too.

Mr. McKELLAR. What does it propose?

Mr. COPELAND. Some modifications of the present dental law.

Mr. KING. To set up a dental board with cost to the Government?

Mr. COPELAND. It is the same sort of board that we have had previously; but it makes some changes in the details of the law.

Mr. McKELLAR. Does it give larger salaries?

Mr. COPELAND. No; there are no salaries involved.

Mr. McKELLAR. It authorizes the appropriation of how much money?

Mr. COPELAND. Not any.

Mr. KING. If it takes a dollar out of the Treasury of the United States, I shall object to its consideration.

Mr. COPELAND. It does not.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1785) to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment of the Committee on the District of Columbia was, in section 2, on page 2, line 7, after the word "three" to insert "to seven," so as to make the section read:

SEC. 2. That no person shall be eligible for appointment upon the board of dental examiners who has not been for five years next preceding his appointment a resident of and in the active and reputable practice of dentistry in the District of Columbia. Appointments shall be for a term of five years or until their successors are appointed and qualified, and shall be from a list of three to seven eligibles submitted by the dental societies of the District of Columbia; and no officer or member of the faculty of any dental school or college shall be eligible for appointment upon said board.

The amendment was agreed to.

The next amendment was, in section 3, on page 2, line 13, after the word "treasurer," to strike out "and" and to insert "who shall give bond to the United States in the sum of $2,500. The board," and at the beginning of line 19 to strike out "registration of," so as to read:

SEC. 3. The board of dental examiners shall organize by electing from its members a president and a secretary-treasurer, who shall give bond to the United States in the sum of $2,500. The board shall make and adopt such rules and regulations, not inconsistent herewith, as it deems necessary; it shall hold in January and June of each year, in such place as may be designated by said board, examinations to determine the fitness of applicants for licenses as dentists and oral hygienists, respectively, under this act.

The amendment was agreed to.

The next amendment was, in section 3, on page 2, line 22, before the word "oral," to strike out "registration as," so as to make the proviso read:

Provided, That the concurrence of a majority of said board shall be necessary to grant or revoke, respectively, either a license as dentist or oral hygienist, under this act.

The amendment was agreed to.

The next amendment was, in section 4, on page 2, line 25, after the word "proceedings," to insert "a complete record of the credentials of each licensee," and on page 3, in line 3, after the word "and," to strike out "a register," so as to make the section read:

SEC. 4. The board of dental examiners shall have an official seal and shall keep a record of its proceedings, a complete record of the credentials of each licensee, a register of persons licensed as dentists and oral hygienists, and of licenses by it revoked. A transcript of an entry in such records, certified by the secretary-treasurer under seal of the board, shall be evidence of the facts therein stated.

The amendment was agreed to.

The next amendment was, in section 8, on page 4, line 16, before the word "dental," to strike out "reputable," and in the same line, after the word "college," to strike out "as de-

fined" and insert "approved," so as to make the section read:

SEC. 8. Any person who desires to practice dentistry within the District of Columbia shall file with the secretary-treasurer of the board of dental examiners a written application for a license and furnish satisfactory proof that he is a graduate of a dental college approved by the board. Such application must be upon the form prescribed by the board, certified by oath, and accompanied by the required fee and a recent unmounted autographed photograph of the applicant.

The amendment was agreed to.

The next amendment was, in section 9, on page 5, at the end of line 5, to strike out the word "the" and to insert "That the"; in line 10, after the name "United States," to insert "approved by the board"; at the end of line 15, to strike out "applies; provided" and to insert "applies: *Provided*, That"; and, in line 24, after the word "examiners," to insert "under seal," so as to make the section read:

SEC. 9. An applicant for a license to practice dentistry shall appear before the board of dental examiners at its first meeting after the filing of his application and pass a satisfactory examination, consisting of practical demonstrations and written or oral test, or both, in the following subjects: Anatomy, anesthetics, bacteriology, chemistry, histology, operative dentistry, oral hygiene, oral surgery, orthodontia, pathology, physiology, prosthetic dentistry, materia medica, metallurgy, and therapeutics, and such other subjects as the board may from time to time direct: *Provided*, That the board of dental examiners may waive the theoretical examination in the case of an applicant who furnishes proof satisfactory to said board that he is a graduate from a reputable dental college of a State or Territory of the United States, approved by the board, and holds a license from a similar dental board, with requirements equal to those of the District of Columbia, and who, for five consecutive years next prior to filing his application, has been in the lawful and reputable practice of dentistry in the State or Territory of the United States from which he applies: *Provided*, That the laws of such State or Territory accord equal rights to a dentist of the District of Columbia holding a license from the board of dental examiners of the District of Columbia, who desires to practice his profession in such State or Territory of the United States. An applicant desiring to register in the District of Columbia under this section must furnish the board of dental examiners with a letter from the secretary of the board of dental examiners under seal of the State or Territory of the United States from which he applies, which shall state that he has been in the lawful and reputable practice of dentistry in the State from which he applies for five years next prior to filing his application, and shall also attest to his moral character and professional qualifications.

The amendment was agreed to.

The next amendment was, in section 10, on page 6, line 9, after the word "which," to insert "after being registered with the health officer," so as to make the section read:

SEC. 10. If such applicant passes the examination and is of good moral character, he shall receive a license from the board of dental examiners, attested by its seal, signed by the members of the board, and registered with the health officer, which after being registered with the health officer shall be conclusive evidence of his right to practice dentistry in the District of Columbia. If the loss of a license is satisfactorily shown, a duplicate thereof shall be issued by the board upon payment of the required fee.

The amendment was agreed to.

The next amendment was, in section 12, on page 7, line 6, after the word "examination," to insert "consisting of practical demonstrations and written or oral tests"; in line 10, before the word "signed," to strike out "and"; and in line 11, after the word "which," to insert "after being registered with the health officer," so as to make the section read:

SEC. 12. An applicant for a license as oral hygienist shall appear before the board of dental examiners at its first examination after the filing of his application and pass a satisfactory examination consisting of practical demonstrations and written or oral tests on such subjects as the board may direct. If such applicant passes the examination and is of good moral character, he shall receive a license from the board of dental examiners, attested by its seal, signed by the members of the board, which after being registered with the health officer shall be conclusive evidence of his right to practice as an oral hygienist in the District of Columbia according to the provisions of this act.

The amendment was agreed to.

The next amendment was, in section 14, on page 8, line 3, before the word "under," to insert "may operate only," and in line 4, after the word "dentist," to strike out "may operate in the" and to insert "in his," so as to make the section read:

SEC. 14. Any licensed dentist, public institution, or school authority may employ such licensed oral hygienist, who may remove calcic deposits, accretions, and stains from the surfaces of the teeth, but shall not perform any other operation on the teeth or tissues of the mouth. A registered oral hygienist may operate only under the general direction or supervision of a licensed dentist, in his office or in any public school or other institution. The board of dental examiners may suspend or revoke, with power to reinstate, the license of any dentist who shall permit any oral hygienist, operating under his supervision, to perform any operation other than that permitted under the provisions of this section, and it also may suspend or revoke, with power of reinstatement, the license of any oral hygienist violating the provisions of this act; the procedure to be followed in the case of such suspension, revocation, or reinstatement shall be the same as that prescribed by law in the case of suspension, revocation, or reinstatement of a licensed dentist.

Mr. KING. I would like to have section 14 of the bill read, to which the amendments just read apply.

The PRESIDING OFFICER. The section will be read as requested.

The reading clerk read the section as proposed to be amended.

Mr. KING. Of course, I have not the bill before me and I have never seen it before. I would like to ask the Senator from New York if the object of the provision just read is to prevent persons who are not fully qualified, who have not passed all examinations, from discharging the duties which usually belong to a qualified dentist?

Mr. COPELAND. That is the purpose.

Mr. KING. It is to let apprentices try their hand upon school children without charge?

Mr. COPELAND. Only under direction.

Mr. KING. There is nothing in the bill that gives the right to practice to a select class?

Mr. COPELAND. Oh, no. One has to be a qualified dentist and a graduate of a reputable school.

Mr. KING. What is the general object of the amendments?

Mr. COPELAND. It is simply to make it so that everybody who does practice within the District must be a qualified practitioner of dentistry and a graduate of a reputable school.

Mr. KING. Do not existing regulations require that?

Mr. COPELAND. No.

Mr. LODGE. The existing regulations are very poor. The bill is based on exactly similar laws which exist in Ohio and in Massachusetts, and, I think, in New York.

Mr. KING. I am in favor of such a medical bill, including bills that deal with the practice of dentistry. I offered in my own State the very first one of the medical bills that was enacted into law. I believe that dentists as well as doctors should be licensed and that there should be proper examinations to determine their qualifications.

Mr. COPELAND. I may say that this bill was formulated by the Dental Society in connection with Doctor Downing, the commissioner of education of Albany, who is a great authority on this matter. It is a model bill.

Mr. KING. Does the Senator think it is needed in the District of Columbia?

Mr. COPELAND. Absolutely.

The PRESIDING OFFICER. The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, in section 16, on page 9, line 21, after the word "drugs," to insert "or afflicted with a contagious or infectious disease," so as to make the section read:

SEC. 16. The board of dental examiners may revoke or suspend the license of any dentist or any oral hygienist in the District of Columbia upon proof satisfactory to said board:

1. That said license or registration was procured through fraud or misrepresentation.

2. That the holder thereof has been convicted of an offense involving moral turpitude.

3. That the holder thereof is guilty of chronic or persistent inebriety, or addiction to drugs, or afflicted with a contagious or infectious disease.

4. That the holder thereof, through misleading advertising or otherwise, is guilty of conduct calculated or likely to deceive or defraud the public.

5. That such holder is guilty of conduct which, in the opinion of said board, disqualifies him to practice with safety to the public.

The amendment was agreed to.

The next amendment was, in section 18, on page 10, line 16, after the word "thereby," to insert "Any dentist whose license has been suspended or revoked may be reinstated and a new license issued to him when, in the judgment of the board of dental examiners, such action is warranted, provided such reinstated dentist shall pay all the costs of the proceedings resulting in his suspension and reinstatement and in addition thereto a fee of $25," so as to make the section read:

SEC. 18. If upon such hearing the board finds the charges sustained, it may revoke or suspend the license of any such dentist or oral hygienist. Such revocation shall take from the person named in such license all rights and privileges acquired thereby. Any dentist whose license has been suspended or revoked may be reinstated and a new license issued to him when, in the judgment of the board of dental examiners, such action is warranted, provided such reinstated dentist shall pay all the costs of the proceedings resulting in his suspension and reinstatement and in addition thereto a fee of $25.

The amendment was agreed to.

The next amendment was, in section 19, on page 11, line 11, before the words "of receipts," to strike out "balance" and to insert "total"; in line 12, after the word "any," to strike out "balance of fees" and to insert "funds," so as to make the section read:

SEC. 19. That in addition to the fees heretofore fixed herein each applicant for a license as dentist shall deposit with his application a fee of $20; with each application for a duplicate license a fee of $5 shall be paid to said board of dental examiners, and for each certificate issued by said board a fee of $1 shall be paid. That out of the fees paid to said board, as provided by this act, there shall be defrayed all expenses incurred in carrying out the provisions herein contained, including the detection and prosecution of violations of this act, together with a fee of $10 per diem for each member of said board for each day he may be actually engaged upon business pertaining to his official duties as such board member: *Provided,* That such expense shall in no event exceed the total receipts: *And provided also,* That at the close of each fiscal year any funds unexpended in excess of the sum of $1,000 shall be paid into the Treasury of the United States to the credit of the District of Columbia.

The amendment was agreed to.

The next amendment was, in section 20, on page 11, line 19, after the word "address," to insert "and such other information as the board may deem necessary"; in line 22, after the figure "$1," to insert: "On or before the 1st day of November of each year it shall be the duty of the secretary-treasurer of the board of dental examiners to mail to each dentist and oral hygienist licensed in the District of Columbia, at his last known address, blank form for registration"; and on page 12, line 5, after the name "District of Columbia," to strike out "within 10 days from said date," and in line 6, after the word "shall," to insert "at the end of 10 days from said date," so as to make the section read:

SEC. 20. During the month of December of each year every licensed dentist and oral hygienist shall register with the secretary-treasurer of the board of dental examiners his name and office address and such other information as the board may deem necessary upon blanks obtainable from said secretary-treasurer, and thereupon pay a registration fee of $1. On or before the 1st day of November of each year it shall be the duty of the secretary-treasurer of the board of dental examiners to mail to each dentist and oral hygienist licensed in the District of Columbia, at his last known address, blank form for registration. In the event of failure to register on or before the 31st day of December a fine of $5 will be imposed, and should the practitioner fail to register and pay the fine imposed and continues to practice his profession in the District of Columbia he shall at the end of 10 days from said date be considered as practicing illegally and penalized as otherwise provided for in this act. If he suspends his practice he may be reinstated at any time upon registering and paying the prescribed fee of $5. On or before the 1st day of February, annually, said board shall issue a printed register of the names and addresses so received, a copy of which shall be mailed or otherwise sent to each registrant thereon.

The amendment was agreed to.

The next amendment was, in section 21, on page 12, line 18, after the word "performs," to insert "or advertises to perform," and in line 20, after the word "jaw," to insert "mechanically, medicinally, or by the use of radiograms," so as to make the section read:

SEC. 21. Any person shall be regarded as practicing dentistry who is a manager, proprietor, operator, or conductor of a place for performing dental operations, or who for a fee, salary, or other reward paid or to be paid either to himself or to another person, performs or advertises to perform dental operations of any kind, diagnoses or treats diseases or lesions of human teeth or jaw, mechanically, medicinally, or by the use of radiograms, or attempts to correct malpositions thereof, or who uses the word "dentist," "dental surgeon," the letters "D. D. S.," or other letters or title in connection with his name which in any way represent him as being engaged in the practice of dentistry.

The amendment was agreed to.

The next amendment was, in section 22, on page 13, line 1, after the section number to strike out "On and after the passage of this act it shall be unlawful for any person or persons to practice or offer to practice dentistry or dental surgery under the name of any company, association, or corporation, and any person or persons practicing or offering to practice dentistry or dental surgery shall do so under his name only" and to insert "On and after the passage of this act it shall be unlawful for any person or persons to practice or offer to practice dentistry or dental surgery under any name except his proper name, which shall be the name used in his license granted to him as a dentist, as provided for in this act; and unlawful to use the name of any company, association, corporation, trade name, or business name in connection with the practice of dentistry as defined in this law," so as to make the section read:

SEC. 22. On and after the passage of this act it shall be unlawful for any person or persons to practice or offer to practice dentistry or dental surgery under any name except his proper name, which shall be the name used in his license granted to him as a dentist, as provided for in this act; and unlawful to use the name of any company, association, corporation, trade name, or business name in connection with the practice of dentistry as defined in this law. Any person convicted of a violation of the provision of this section shall be fined for the first offense not less than $100 nor more than $200, and upon a second or any subsequent conviction thereof by a fine not to exceed $500, and upon conviction his license may be suspended or revoked by said board.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STOCK-RAISING HOMESTEADS—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. LADD in the chair) submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (Stat. L. p. 862), having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 2 and 3.

That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "; but no right to occupy such lands shall be acquired by reason of said application until said lands have been designated as stock-raising lands, unless the applicant actually establishes his residence and resides on the land"; and the House agree to the same.

E. F. LADD,
ROBT. N. STANFIELD,
A. A. JONES,
Managers on the part of the Senate.

N. J. SINNOTT,
ADDISON T. SMITH,
JOHN E. RAKER,
Managers on the part of the House.

The report was agreed to.

SPEECH BY FORMER SENATOR GILBERT M. HITCHCOCK

Mr. OVERMAN. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered by former Senator Gilbert M. Hitchcock as temporary chairman of the Nebraska Democratic State convention.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATE POLICY CONSTRUCTIVE, NATIONAL VERY HURTFUL TO THE MIDDLE WEST, SAYS G. M. HITCHCOCK TO DEMOCRATS, DEPICTING GREAT WRONGS TO AGRICULTURAL AMERICA

[Complete text of speech of former Senator Gilbert M. Hitchcock as temporary chairman at the Democratic State convention.]

We have gathered here to-day to start campaign organization for 1924. We not only have before us the State campaign as we had two years ago but the national campaign as we had four years ago.

Upon State questions and State experiences I shall have little to say, for the reason that we are to have those matters presented by a

man better qualified to discuss them than I am. I refer to our vigilant, vigorous, and militant governor, Charles W. Bryan.

Two years ago Mr. Bryan entered the campaign with certain definite declarations and pledges. Up and down this State he went, condemning extravagance and waste in State government. He revealed to the people the truth that Nebraska, under a series of Republican administrations, had become a State of burdensome and excessive taxation. He declared that if elected governor he would use the powers of his office to the utmost to cut down expenditures and reduce taxation. He particularly proclaimed his purpose to bring about the repeal of the code bill, which fastened upon the State of Nebraska a ponderous system of government suitable only for a rich and populous State. All he stipulated was that in electing him governor the people should also elect a Democratic legislature that would accept his leadership.

RECORD IS CLEAR

The people elected Governor Bryan and he has faithfully and triumphantly kept the pledges of the campaign. During the first six months of his administration the number of State employees was 300 less than during the first six months of the preceding administration. The cost of State government was reduced $867,000 in his first year. He could and he would have done more if the people who elected him had also elected a legislature which would have accepted his leadership. By a strange failure of popular judgment, however, the people trusted a Republican legislature and that body refused his urgent plea to repeal the code bill, and that expensive form of State government still remains to burden taxpayers. It must again be submitted to the voters of Nebraska, and Bryan is again to bear the banner of Democracy pledged to equality before the law, economy in government, and progress in legislation.

I can not, however, leave the subject of Governor Bryan's honorable and creditable administration without mentioning a service which he has rendered the people of this State somewhat outside of ordinary official duties. He had neither State machinery nor State funds to aid him but he grappled single-handed with the profiteer and forced him to yield. He used the prestige and prominence of his office so vigorously that he saved consumers several million dollars on their coal and gasoline, while reforms in bidding for road construction and in the purchase of materials have saved taxpayers hundreds of thousands more. I leave to him a more detailed report of his achievements in the interest of economy and good government.

In the interest of good government Governor Bryan should be supported in his coming term by a legislature and a complete list of executive officials who will stand by him and our ever-popular secretary of state, Charles W. Pool, in making the Democratic program effective.

NATIONAL POLICIES HURT

Now, let me draw your attention to national affairs. At once we are struck by the marked contrast. While the State administration for nearly two years has been doing what could be done to alleviate the hardships and improve conditions of the people of this State, the policy of the national administration has been the opposite.

The national policy has been not only adverse to western interests but destructive to western prosperity. It is not by accident or by chance that the prices of western products have been depressed. It is not by accident or by chance that the West has been compelled to pay higher prices for what it must buy. Western products have been depressed and eastern products raised by governmental action. The result has been a short-lived and false prosperity in the East and a protracted and serious depression in the West.

Here in the Middle West we may take Nebraska as a representative State. Our people depend on agriculture, and agriculture has been impoverished. The policy of this administration has been to deflate the credit and depress the prices of agriculture. That was followed by placing on the back of agriculture an enormous burden for the benefit of privileged manufacturers. These two policies, both followed by this administration, have threatened the West with bankruptcy while enabling the tariff-promoted factories to add hundreds of millions to their dividends.

IN THE MIDDLE WEST

Let me be specific. I have said that the prices of our western products have been depressed. Let me quote figures.

The United States Department of Labor compiles from time to time tabulated statistics of prices. These are wholesale and cover a large number of articles. Brought together and averaged, they go to make up what is designated as an "index number."

This Government publication takes 1913 as a normal year in prices before they were affected by the Great War.

The index number for 1913 on every commodity is therefore taken as 100. By the end of 1923, after violent fluctuations in prices, the index number of all commodities taken together was found to be 151. That meant that five years after the war prices on an average were found to be 51 per cent higher than before the war. While that means a material increase in the cost of living, it would in the main be compensated for by higher wages and salaries and would work no injustice if the increase in prices applied to all products with some degree of equality. This would naturally have been the case except for Government interference. Because of Government interference we find the grossest inequality. Some prices are far above the price level of 1913 because they have been pushed up by the iniquitous provisions of the Fordney tariff bill. Others are about the same as they were in 1913. In the main our agricultural products in the West are the ones which are about the same as before the war. In the main, also, the products which have been greatly advanced in price are manufactured goods which are tariff taxed.

In other words, what we in Nebraska must buy has greatly advanced in price, while the products which we sell have fallen to near the old level before the war. Our hundreds of millions of bushels of wheat, corn, rye, and oats sold, as the index figures for 1923 show, but little above the price level of the year before the war. The same is true of potatoes and poultry, while some of the products, like hogs and hides, even sold below the price level of 1913. Even cattle, which have improved somewhat and make the best showing, have an index number only slightly above the level of 1913.

BUYING AT HIGH PRICE

Those are the products we in the West raise and sell. How is it with those we must buy? The index number of prices prove that house furnishings have advanced 89 per cent; fuel, 85 per cent; clothing, 100 per cent. Steel and lumber and cement in proportion.

Agriculture in the West is receiving on an average about 15 per cent more for its products than 10 years ago and paying for what it buys 85 per cent more. That's what's the matter not only with the farmer but with the small towns and the larger cities that do business with the farmer. This accounts for the bankruptcy which has swept through the West. It accounts for the closing of 328 western banks within the last four months and the foreclosing of thousands of farm mortgages. Agriculture in the West was fairly prosperous, doing business on a fair margin, until its products were depressed down almost to pre-war levels while manufactured goods were maintained 85 per cent above pre-war levels.

When did this great disparity in price level between what we buy and what we sell occur? It can not be blamed upon the war, because the price level of agricultural products went up with other price levels as a result of the war. At the time the war closed farm prices were maintained in proportion to other prices. If we in the West had to pay double-price for what we bought, we still received double-price for what we sold. The war can not be held responsible for the present disparity.

DEPRESSING PRICES

Some powerful influences since the war closed, and especially within the past three years, have depressed the prices of those things we must sell and held high the prices of things we buy.

What are those influences?

The Republican policy of deflation in currency and credits set forth in the Republican platform of 1920 depressed our prices, combined with the Republican policy of isolation from the rest of the world, which has partly closed our foreign markets for farm products.

On the other hand, the Republican Fordney tariff bill passed two years ago has served to maintain and raise the prices of manufactured products. The disparity in prices thus produced between what we sell and what we buy has impoverished the West to a degree never before known in an equal number of years.

G. O. P. PROMISES KEPT

Lest we forget the deflation of prices and bank credits which the Republican Party at its convention in June, 1920, pledged itself to undertake, let me quote from the Republican platform of that year, as follows:

> "The prime cause of the high cost of living has been, first and foremost, a 50 per cent depreciation in the purchasing power of the dollar, due to a gross expansion of our currency and credit."
> * * *

The high cost of living was thus the excuse for the deliberate attack on the currency and credit of the country. The same plank, after denouncing the Democratic Party for expanding credit and currency, pledged the Republican administration as follows:

> "We pledge ourselves to earnest and consistent attack upon the high cost of living * * * by courageous and intelligent deflation of our overexpanded credit and currency."

This platform proposal made four years ago to deflate our bank credit and our currency was kept, and the result was a crash in the prices of farm products. The prices of manufactured goods were only slightly affected. They did not crash. The great combines could maintain prices; they could reduce production; they could close their factories until they could get the new high tariff bill passed, which made high prices for factories easy. That passed nearly two years ago. The high cost of living, therefore, continues, and the farmer and the farming regions remain as the victims not only of deflation but of the robber tariff.

CRASH FOLLOWS POLICY

On the day that the Republican National Convention four years ago proclaimed the intention of the Republican Party to undertake "Cou-

rageous and intelligent deflation of our overexpanded credit and currency," the market price of wheat in Omaha was $2.75 per bushel. In nine months by a rapid collapse it had fallen to $1.40, and now it is about $1. Corn was then selling in Omaha for $1.85 per bushel. Now it sells for 75 cents, or less than one-half. When the attack on currency and credit was proclaimed by the Republican Party four years ago, cattle were selling in Omaha for $15 a hundred pounds; now the price is about $11. After years of Republican deflation of currency and credit, hogs now sell in Omaha for less than $7 a hundred pounds, or just about half what they sold for four years ago.

This has all been done under pretense of reducing the cost of living, but we all know that but little change has occurred in the cost of living in four years.

Untold millions have been squeezed out of the West in the monstrous crash of prices of western products. Other millions have been exacted from the West in exorbitant prices for manufactured products artificially maintained by a tariff enacted at the dictation of the powerful combines of industry. Still other millions have been taken from the West by excessive freight rates.

These facts, for which the Republican Party is admittedly responsible, are the main cause of the hard times and depression which prevail over western food-producing States, notwithstanding bountiful crops.

IGNORE WORLD MARKET

These conditions have no doubt been aggravated by the delay in the rehabilitation of Europe. This delay has to a great extent reduced the foreign demand for our farm products. Instead of cooperating with European nations in reestablishing order, peace, and business conditions, we have stood aloof, arrogant in our boasted isolation. Our great merchant marine, built during the war, has been allowed to rust and rot in our harbors, and our surplus products have accumulated in the channels of commerce and been sold at prices not equal even to the cost of production.

Meanwhile millions of the people in Europe, particularly those in Germany, have suffered keenly for lack of our products and been compelled to see their children stunted and starving for lack of our food.

So much for the disastrous experience which the West has had with Republican policies for three years. If other parts of the country have fared better it has been only temporarily. The voracious West is the great consumer of American manufactures and the spoliation of the West has for the present destroyed its purchasing power. Already the tariff-favored factories and mills of the country are suffering a marked falling off in business. They are reducing production. They are discharging men. The day of reckoning is at hand. The railroads are feeling it. Car loadings have fallen off one-third as compared with a year ago. They are still falling off. Idle cars are multiplying. Commercial failures are increasing. Three years ago, when Harding became President, such failures averaged but little more than 100 per week. Now they run about 400 per week. A chill has come over the New York Stock Exchange, and the carefully nurtured boom of last fall has withered away. The great interests that financed the Republican Party and exacted the outrageous tariff are beginning to discover that one part of the country can not long prosper at the expense of another part. They are beginning to find out that the plundered consumer soon loses his capacity to buy.

A PARTY FAILURE

Everywhere we hear expressed the discontent and disappointment over Republican administration. The party has failed to establish prosperity. Failed to reduce the cost of living. Failed to assure a foreign market for our farm products. Failed to get back to normalcy. Failed even to govern honestly.

Revelations of shocking graft and corruption in high places and hurried attempts by Republican leaders to discredit and stop investigation have nauseated and enraged the country. No single individual is responsible alone for this condition. The Republican Party must answer for it as an organization.

We depend in America on party government, and it has been found the best form of government. It is better than individual government, which is autocracy, and it is better than group government, which is the great evil of European legislative bodies, and which is unstable. When it takes a coalition of several parties, with leaders of different groups in a cabinet, as we see in most European governments, we find uncertainty and frequent changes.

In America we have two great party organizations. The people intrust one or the other with power for a definite period and hold it responsible for results. The Republican Party has now had its chance. Placed in power by the election four years ago, it is now staggering through the last months of a discredited administration. It tried to turn our great Government-owned merchant marine over to the Shipping Trust and to vote Government subsidies in addition. It fastened on the country an outrageous tariff to enrich favored manufacturers at the expense of the people. It relieved highly prosperous business enterprises of taxes which should be paid on excessive profits. It used its power to enrich favored interests or classes, and it put in office men who carried the theory one step further by enriching themselves or their friends by graft and corruption.

DEMAND OF A PEOPLE

The Republican Party has become a class party. Its whole party machinery is used to promote the interests of privileged classes who finance its campaigns. When it wins they expect to realize on their investment. They at once demand the privileges and rewards. They demand places in the Cabinet and elsewhere for the Falls, the Mellons, and the Daughertys. They demand their subsidies, their tax exemptions, and their high tariffs.

At such times the people turn to the other great party organization for relief and salvation—the party founded by Jefferson, strengthened by Jackson, developed by Bryan, and glorified by Wilson.

The Democratic Party has no favored classes and no privileged interests. Poor in purse, it is rich in principle. Above all else, it teaches and it champions equal opportunities for all, special privileges for none.

It is for that party that we are gathered to-day to organize the Nebraska campaign. We are called upon to do our part in placing this State in line to share in the glories of a great Democratic victory.

ALASKAN FISHERIES

Mr. JONES of Washington. Mr. President, just before 2 o'clock I said I hoped to be able to have considered this afternoon the Alaskan fisheries bill, but one or more Senators desired to discuss the measure or some matters connected with it probably for 15 or 20 minutes, and it is so late that I will not try to call the bill up to-night, but I hope to get it up just as soon as there is an opening.

RECESS

Mr. WADSWORTH. Mr. President, I assume that while the Senate was considering the several measures which have been acted upon during the last half hour the unfinished business was temporarily laid aside.

The PRESIDING OFFICER. It was.

Mr. WADSWORTH. With the understanding that it is again before the Senate, I move that the Senate now stand in recess until 11 o'clock to-morrow morning.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, May 14, 1924, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

TUESDAY, *May 13, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our strength in ages past and our hope for years to come, with one accord we offer Thee our humble gratitude. Give each of us the blessing of a calm and thankful heart. Sustain us by Thy truth, which is so fadeless and pure, and may we never leave our peace of mind and rest of soul to the mercy of events. May all our labors be characterized by strength, firmness, and confidence, and always with the deepest concern for our country and good will for all humanity. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

URGENT DEFICIENCY BILL

Mr. MADDEN, chairman of the Committee on Appropriations, by direction of that committee presented the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union.

CONTESTED ELECTION CASE, GORMAN AGAINST BUCKLEY

Mr. ELLIOTT, chairman of the Committee on Elections No. 3, presented a privileged report from that committee on the election case of Gorman against Buckley, which was referred to the House Calendar.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed bills and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of the Gallup-Durango highway across the Navajo Indian Reservation, and providing reimbursement therefor;

S. 1762. An act providing for the acquirement by the United States of privately owned lands within Taos County, N. Mex., known as the Santa Barbara grant, by exchanging therefor timber, or lands and timber, within the exterior boundaries of any national forest situated within the State of New Mexico;

S. J. Res. 107. Joint resolution declaring agriculture to be the basic industry of the country and for other purposes; and

S. 2848. An act to validate an agreement between the Secretary of War acting on behalf of the United States and the Washington Gas Light Co.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas in the State of Wisconsin, and for other purposes;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes;

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota; and

H. J. Res. 248. Joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity.

The message also announced that the Senate had passed with amendments the bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 8350) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. JONES of Washington, Mr. CURTIS, Mr. LODGE, Mr. OVERMAN, and Mr. HARRIS as the conferees on the part of the Senate.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Under clause 2, Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. J. Res. 107. Joint resolution declaring agriculture to be the basic industry of the country, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1762. An act providing for the acquirement by the United States of privately owned lands within Taos County, N. Mex., known as the Santa Barbara grant, by exchanging therefor timber, or lands and timber, within the exterior boundaries of any national forest situated within the State of New Mexico; to the Committee on Public Lands.

S. 2159. An act authorizing annual appropriations for the maintenance of that portion of Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor; to the Committee on Indian Affairs.

S. 2848. An act to validate an agreement between the Secretary of War, acting on behalf of the United States, and the Washington Gas Light Co.; to the Committee on Public Buildings and Grounds.

WHAT HAPPENED TO THE FARMERS OF IOWA

Mr. KOPP. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on "What happened to the farmers of Iowa."

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD on the subject indicated. Is there objection?

There was no objection.

Mr. KOPP. Mr. Speaker and gentlemen of the House, as you know, Iowa, which I in part represent, is an agricultural State. In this respect it stands out preeminently. Within its four boundaries is the most wonderful body of farm land in all the world. Its black prairies are unsurpassed in richness by the valley of the Nile. Its rolling sections produce blue grass not excelled even by the famous blue-grass region of Kentucky. There is not a foot of waste land in the entire State. Many of the States, indeed, have a far greater area, but in agriculture Iowa stands first among them all.

It was my good fortune to be born on a farm. In fact, it was my privilege to be born in a log house; and, looking back, I know of no place where I would rather have been born. Land has always appealed to me, and what little I have been able to save has practically all been invested in farm land. Therefore I know the trials and struggles of the Iowa farmers. Their problems are my problems. Their misfortunes are my misfortunes.

In my time many changes have occurred on Iowa farms. I have seen improved machinery take its place. Well do I recall the old reaper, which simply dropped the grain. I saw that superseded by the self-rake, and then I saw the self-rake superseded by the self-binder. I saw the lumber wagon give way as a passenger vehicle to the spring wagon, the spring wagon to the buggy and the carriage, and the buggy and the carriage to the automobile. I have also seen changes in the financial condition of the farmers. Well do I recall the hard times that existed from 1893 to 1897. During those years the prices of farm products were so low that farmers could not sustain their families. Those were the days when in certain sections corn was often burned for fuel. Fortunately, in 1897 times began to improve. Gradually the farmers recovered from the distress which they suffered from 1893 to 1897. For years they made a steady advance. At no time, indeed, did they gain riches, for that was impossible; but they toiled and saved, and by industry, thrift, and economy they gradually acquired modest estates. While thus progressing they built better homes, established better schools, and in many ways added to the comfort, health, and happiness of their families.

During the period to which I have just alluded the farmers of Iowa were contented. Values were settled. Prices were stable. We could look forward with certainty and confidence. We knew that at the end of the year we would have a fair return for our labors. Under the conditions that then existed we had a square deal and could work out our own salvation.

The farmers of Iowa gained a proud position in the financial world. They were regarded as the best possible risks. It was a common saying that there was no better or safer security than a mortgage upon Iowa land. That was true. In those days the farmers of Iowa promptly paid principal and interest when due. Foreclosures of Iowa farm mortgages were then practically unknown. The farmers of Iowa then scarcely knew that there was such a thing as a court in bankruptcy.

How different it is to-day! Foreclosures of farm mortgages are taking place everywhere. Many farmers have been compelled to take refuge in the bankruptcy court. Practically our only real estate agents now are the county sheriffs and the trustees in bankruptcy. Thousands of farmers have thrown up their hands and, to avoid legal proceedings and complications, have willingly turned everything over to their creditors. Their equities are an entire loss. Their savings have been completely wiped out. Their efforts have all come to naught. Many families that a few years ago were in comfortable circumstances are to-day homeless and helpless. Such a change has far-reaching effects. It means that children will be deprived of many opportunities and advantages. It means that parents may not have a serene and contented old age. I personally know many of the people who have been victims of the distress that has swept over Iowa. Their misfortunes touch me deeply. I sympathize with every one of them.

What brought about this change in recent years? What happened to the farmers of Iowa?

The big interests that had much to do with bringing these calamities upon the farmers of Iowa, in order to hide their own guilt, have loudly proclaimed that the farmers themselves brought on these calamities. I deny this oft-repeated assertion of Wall Street. The farmers of Iowa did not cause their own misfortunes. For Wall Street to put the blame upon the farmers themselves is to add insult to injury.

There are no better people anywhere than the people of Iowa. They are warm-hearted and generous. They are whole souled. They love their fellow men. They live just beyond the great Mississippi—"out where the West begins." Well, indeed, did the poet describe the people of Iowa when he said:

Out where the handclasp's a little stronger,
Out where the smile dwells a little longer,
That's where the West begins.
Out where the sun is a little brighter,
Where the snows that fall are a trifle whiter,
Where the bonds of home are a wee bit tighter,
That's where the West begins.

The people of Iowa are intelligent—none more so in all the States of the Union. Iowa has the lowest per cent of illiteracy of all the States. This we regard as our greatest and best achievement. The people on our farms are not behind the people of our cities in intelligence. Go to our farm homes and you will find there the best books and the best magazines. You will find there men and women of culture and refinement. I know that the East has always claimed a superior intelligence, but I also know that I am right when I say that, on the average, the farmers of Iowa read more and think more than the residents of any of the great cities of the East.

Let me briefly trace the misfortunes of the Iowa farmers. Their deplorable condition is due to inflation and deflation. Both are moral and economic crimes. Neither was brought on by the farmers. Let the blame rest where it belongs.

First, as to inflation: As soon as war was declared big business organized for plunder. It proceeded to Washington, and, in some strange and unaccountable way, induced the Government to let it have war contracts on a cost-plus basis. In these contracts the Government agreed to reimburse the contractors for all cost of labor and material, and, in addition, to pay the contractors as their profit a per cent of the cost. Thus, the more the cost the more the profit to the contractors. It was, therefore, to the interest of the contractors to make everything cost the Government the greatest possible amount. Prices mounted higher and higher. This was inevitable. False values were established in order that contractors might make enormous profits at the expense of the Government. Instead of paying the lowest possible price, the Government paid the highest possible price. Instead of following sound economic law, the Government put itself at the mercy of the big interests.

No wonder that the war cost such a vast sum. No wonder that 23,000 new millionaires were created during the war. If the business of the country were conducted upon such a basis now, in less than six months the country would blow up. In order to make such profiteering impossible in the future it has been strongly urged that in the next war money as well as men should be conscripted. I am in hearty accord with this movement, but I fear that if we succeed in passing such a law now it will be repealed as soon as we get into another war. You may depend upon it that as soon as another war begins big business will again organize for plunder. The big profiteers will pose as superpatriots, and while waving the flag will declare that the repeal of the law is necessary "in order to win the war." If another war comes, the big interests will make every effort to rob the American Government and the American people, just as they robbed them in the last war.

The cost-plus contracts were only one way in which the Government inflated the country during the war. There were many others.

What was the result of inflation? All values were unsettled. All adjustments that had been worked out by time among the different interests and industries were undone. No one knew what anything was really worth, and nearly everyone was trying to get fictitious prices for whatever he had to sell. Everywhere, on the streets, in the offices, in the stores, and in the banks, in fact, wherever men congregated it was stated that we had reached a new price level, and it was quite generally believed that this new price level would be permanent.

Notwithstanding the general belief that the new price level had come to stay, the farmers of Iowa were cautious. From the time the World War commenced until the armistice was signed Iowa land scarcely advanced 10 per cent. The farmers of Iowa instinctively felt that as soon as the armistice was signed deflation would begin. Hence there was but little activity in real estate during the war. Had deflation been begun by the Government through the Federal reserve bank at the time the armistice was signed Iowa would not have been overtaken by such an awful catastrophe. The Government, however, kept up its inflation policy. The Federal Reserve Board encouraged it. But the farmers of Iowa still hesitated to believe that the new price level would be permanent. This hesitation continued for six months after the armistice. Finally, seeing that the Government itself was still keeping up inflation, and also seeing that the Federal reserve bank was still concurring in that policy, the farmers finally concluded that the new price level had come to stay. Then, very naturally, land began to advance toward the new price level.

The boom followed and lasted until about July, 1920, a little over a year. Land doubled in price, the best corn land going from $225 an acre to $450 an acre. That boom was the worst thing that ever happened to Iowa. Let it be clearly remembered, however, that the boom was not brought on by the farmers. They were the victims of it, and not the cause of it. Farmers can not create a boom in real estate. Booms result from conditions over which the farmers have no control. In this case the boom was the direct result of the inflation policy of the Government, which no doubt found its inspiration in the war profiteers of Wall Street. If farmers could start a boom in farm land, they certainly would start one now. The boom lasted as long as the Government continued its inflation policy. When in the summer of 1920, the administration, through the Federal Reserve Board, deflated Iowa farmers, the land boom broke, and left behind a trail of ruin and disaster.

The first crime was inflation, which is never excusable in a Government that is solvent and has unimpaired credit, and which is just as certain to bring its penalties as is the violation of a law of nature. The second crime was the sudden, arbitrary, and brutal deflation of the Iowa farmers in the summer of 1920 by the Federal Reserve Board. I am fully aware that the Federal Reserve Board denies that it committed such a crime. Such a denial need occasion no surprise. Many a defendant in our courts has pleaded not guilty, and yet has been promptly convicted by a jury after a fair and impartial trial. Whatever the Federal Reserve Board may say or claim about it, the fact remains that it struck the farmers of Iowa a fatal blow. For the board to deny it and to assume that it can make us believe such a denial is no compliment to our intelligence. The farmers of Iowa can not be deceived even by the able and skilled defenders of the Federal Reserve Board. The farmers of Iowa know who struck the blow.

I would not abolish the Federal Reserve Board. It serves some good and useful purposes. In order to function, such a board must necessarily have large powers and wide discretion. When the Federal Reserve Board was established, it was taken for granted that such powers and discretion would be exercised wisely and justly. Unfortunately, that was not the case when the board deflated the farmers in 1920. The board at that time followed the wishes and directions of Wall Street. It was a cold-blooded and heartless transaction. It was secretly arranged. The big interests of the country knew what was coming, but the farmers were led, like sheep, to the slaughter. It may, indeed, be true that the members of the board thought that they were doing the right thing. It is characteristic of men who have been associated with, and have served the money powers to think in terms of money. Such men often have perverted views of life. But, even if the members of the board thought it was right to ruin the farmers, that did not make it so. In fact, it was a monstrous crime.

The local banks were in no way to blame for the deflation. Many of them protested vigorously against the policy of the Federal Reserve Board, but they were helpless. They had no power and could not do anything. As a matter of fact, the Iowa banks themselves became victims of the deflation policy of the Federal Reserve Board. When the farmers lost, the banks lost also. Many banks in the agricultural sections were closed. Many others had their surplus greatly impaired. For many it will take years to get back where they were before deflation set in. I know whereof I speak when I say that the Iowa bankers stood by the farmers nobly and heroically. Credit to whom credit is due. There may have been some exceptions, but exceptions only prove the rule. In the misfortunes that swept over Iowa the bankers had their full share of grief. Their troubled days were many, and their sleepless nights were not few. The Iowa bankers as a class are entitled to the highest praise.

But, it may be asked, Of what use is it to criticize the Federal Reserve Board after the damage has been done and after it can not be undone? In answer to such a question, I say that public criticism may prevent a recurrence of such a crime in the future. When men know that they will be called before the bar of public opinion, they sometimes hesitate to do an unconscionable thing. Let us not submit without a protest. Besides, the history of that critical time should not be forgotten.

We have been told again and again that only speculators in farm land were hurt. If this were true, it would not be a good defense of the Federal Reserve Board, for even speculators in land are entitled to fair treatment. But speculators were not the only ones that were hurt. By no means. They constituted but a small fraction of the injured parties. Many men and women, who had struggled and toiled for years, invested their savings in a farm, which they hoped to make a permanent home, and lost everything. It is a sad, sad story. My heart goes out to every one of these people. The big interests that deceived them by wrongful and unjust policies now ridicule these unfortunate people because they permitted themselves to be deceived. Was there ever greater outrage?

After these years of hardship, what is the condition of the Iowa farmer to-day? Everything is upon a new price level except the products of the farm. The farmers are compelled to buy on a high-price level and are compelled to sell on a low-price level. Under these conditions the farmers do not have a fair chance. They are handicapped in the race to begin with. No wonder many of them have left the farm. No wonder that more are constantly leaving.

Permit me to revert for just a moment to the claim that the farmers should have known that a new price level would not be maintained for farm products. Are they to blame for being mistaken as to this when, in fact, a new price level has been maintained for all other products? How could they know that farm products would be an exception?

Naturally, people wonder why the unfortunate condition of our farmers has not been remedied by legislation. I wish it were possible to correct and cure all evils by legislation. Unfortunately, such is not the case. Many things when once done can not be undone. If a man has his hand cut off, no surgeon, however skilled, can put it back on. From some diseases a recovery is impossible, even if the most eminent physicians are in attendance. Many efforts were made to aid farmers by legislation in the last Congress. Farm organizations were invited, and even urged, to suggest remedies, and every bill that had their approval was passed. I was glad to vote for all of these measures. Undoubtedly some benefit resulted from this legislation.

Legislation during the last Congress improved the credit facilities of the farmers, and now, in Iowa at least, there is no complaint on that score. The fact is, and this fact we should recognize, that men are often given too much credit. This is fully as disastrous as too little credit. When a bank makes too large a loan to a man it injures the man quite as much as it does itself. It is not uncommon for people to criticize banks for not making them larger loans. In most cases they should thank the banks for restricting their credit. Borrowed money must be repaid, and the larger the loan, in proportion to the assets, the more difficult to make repayment. To-day in Iowa the farmers are not suffering for lack of credit. The local banks are willingly and adequately taking care of their needs. Immediately following deflation, money could not be secured upon any terms. That condition, fortunately, has entirely disappeared.

The problem that remains is how to raise the level of prices for farm products to the general level of prices. This is a hard problem, and thus far has baffled solution.

We have been told by those whose interests are adverse to ours that we should not try to raise prices by arbitrary means; that, in fact, it would be wrong to do so; and that we should be content to submit to the law of supply and demand. If the law of supply and demand were really functioning throughout the whole economic world, I would be willing to take our chances with the rest, but the law of supply and demand has been largely suspended. In nearly all lines, aside from agriculture, it is to-day practically inoperative. Prices outside of the agricultural industry are very largely fixed by agreement and not by the law of supply and demand. The farmers, therefore, while submitting to the law of supply and demand, are at a very serious disadvantage.

It has been proposed that the farmers, when prices are too low, shall reduce the output and thus, following the methods of manufacturers, force up the prices. This is more easily said than done. This proposal sounds very well, but the difficulties in the way make it impossible of execution. Manufacturers are very limited in number, while the farmers number many millions. The greater the number the harder it is to act together. Besides, a manufacturer can shut down his factory and practically stop his expense, but the farmer can not close down his farm. He must keep on farming or the farm will go to rack and ruin. It has also been proposed that the farmers shall all unite and, by universal agreement among themselves, fix the price of farm products, regardless of the supply on hand. This also is impossible. Not enough farmers will join such an organization to make it a success. Possibly at some time in the future the farm organizations may be so complete, comprehensive, and effective that they can reduce the output or fix the price of farm products, regardless of the supply, by their own power, but they are not able to do that at this time. Other plans equally difficult have been proposed without avail. What, then, can be done?

There are certain forces in operation that in time will probably put prices of farm products on a parity with other prices. If we produced less than the demand in our own country, prices undoubtedly would go up. The national surplus, which must be exported and which must be sold in the markets of the world, depresses our domestic prices. Eventually there will be no surplus of farm products in this country. That will be brought about by the increase in population. We are increasing now at the rate of more than a million a year. There may be some increase in our production, but the increase in production will not keep pace with the increase in population. In the course of time, therefore, our population will consume all of our farm products. However, if we rely upon the increase in population to dispose of the surplus it will take considerable time—perhaps 10 years or more—for the farmers to come fully into their own again.

The farmers do not want to wait years for relief. They need it now. Immediate relief, however, can not be given unless some method is found for disposing of our surplus without depressing our domestic prices. Therefore we are confronted with this important question: Can we devise some way in which we can dispose of our surplus farm products abroad in a low market and at the same time create and maintain substantially higher prices on our farm products at home? That question has been engrossing the attention of Congress during this session. For months that question has been paramount in the mind of every friend of the farmer.

All of the big interests of the country deny that this can be done. However, practically all of them are doing that very thing in their own lines of business. They sell their surplus at a low price in Europe but maintain a high price for their products in America. When they say that a farmer can not do the same thing, the wish is father to the thought. They want farm products to remain cheap in America.

The big interests, nevertheless, claim to have a deep concern in us and are offering us much advice. The other day Julius H. Barnes, president of the United States Chamber of Commerce, suggested that the way—or, at least, one of the ways—to make the farmers prosperous was to reduce the taxes on the rich. According to men like Barnes we shall have a new earth and, perhaps, even a new heaven when the rich get their taxes reduced. Men of the Barnes type are always complaining about the taxes of the rich, but have never a word about the taxes of the poor. Judging him by the advice he has given us, I think Mr. Barnes has about as much sympathy for the farmers as an iceberg has for a wrecked ship. Mr. Barnes's attitude recalls a recent article in the Wall Street Journal, which, with evident satisfaction, compared the farmers to oxen pulling a heavy load up hill.

Different methods have been suggested for bringing about the desired result. These suggestions have been embodied in various bills, which are now pending in the House and Senate. The best known of these is the McNary-Haugen bill. It received this name because it was introduced in the Senate by Senator MCNARY, of Oregon, and in the House by Congressman HAUGEN, of Iowa. Congressman HAUGEN is the dean of the Iowa delegation. He is now serving his thirteenth consecutive term in Congress and is chairman of the great Committee on Agriculture. All know that he is one of the most useful, capable, and conscientious men in Congress.

By way of opposition it has been stated that any bill that may be passed for the purpose of marketing our surplus farm products in the foreign market in the manner indicated above will be in the nature of an experiment. This I readily admit, but I do not admit that this is a valid argument against such a bill. Experiments have meant much to the world. Most of our advancement and progress has been due to experiments. I am not afraid of a new thing simply because it is new.

I also readily admit that all legislation, whether along old lines or along new lines, should be sound. That is not only important but vital. The farmers do not want an unsound remedy. They know that such a remedy instead of making the situation better would only make it worse. The wrong medicine will not restore a sick man to health. It will only aggravate his condition; and the sicker the man the more danger in administering the wrong medicine. You may be assured that the farmers do not want to take a false step. They well know that they themselves would be the worst sufferers from such a course.

Perhaps no bill can be drawn that will give full relief to the farmers. Perhaps the prevailing conditions can not be wholly cured by legislation. I concede that no one can speak with absolute certainty on this subject. But, notwithstanding the doubts that may exist, let us make an effort. Let us do our best to lift the farmers out of the slough of despond in which they now find themselves. Let us not betray our trust. Under existing conditions indifference and inaction would be a crime.

It is not my purpose at this time to make an argument for or against any particular bill. What I now want to emphasize is the need of speedy action. I want to urge that at the earliest possible date an opportunity be given to consider farm relief in the House. The time is getting short. It has been proposed that Congress shall adjourn within a few weeks. We can not leave here until we have done justice to the farmers of the country. I also want to urge a spirit of unity among the friends of the farmers. We must not defeat ourselves by unnecessary division. For one, I stand ready to vote for any and all bills that in any sane way promise relief to the farmers.

The Representatives of the people in Congress, who are charged with legislation, must bear in mind that agriculture is the basic industry of the world. It preceded all other industries and it will survive to the end of time. Many of the representatives of the cities do not seem to understand this. Let me warn the cities that they can not be permanently prosperous unless the farmers become prosperous also. In the long run, we must either all go up together or all go down together.

Wall Street has indulged in much criticism of the farmers of Iowa during the past few years. It has denounced them as radicals and Bolsheviks. Again and again it has called them socialists. In behalf of my people I resent these foul and baseless slanders. Why, if our institutions ever become endangered, which God forbid, the farmers of Iowa will be found among the last defenders of the Constitution. Talk about socialists! Why, you can not find a socialist on the farms of Iowa. The farmers of my State have thus been maligned and vilified simply because they have resented and have protested against the injustice that has been done them. The gamblers of Wall Street, who find so much fault with the farmers of Iowa, should come out and meet them face to face. It would be a great education for these Wall Street gamblers to get acquainted with the farmers of Iowa. It would do them good. It would give them a better outlook on life. There are no millionaires among our farmers. The people who live on the farms are honest and God-fearing men and women. Their prayer is that they be given neither riches nor poverty. There are no social castes among the farmers. No one looks down upon his neighbors. No one thinks himself too important to give cordial recognition to all with whom he comes in contact. On the farms the people recognize that, though a man be poor and unfortunate, he is nevertheless, in the language of Robert Burns, "a man for a' that." I want to pay tribute to the women on the farms. They lead useful and busy lives. They find their joy in service—service in the home, service in the church, service in the community. They do not, like so many of the rich women of the large cities, waste their health and strength in chasing after selfish and foolish pleasures.

In the large cities you constantly speak of your criminal class. Such a class is wholly unknown on the farms of Iowa. No police officers are needed there. In many townships in my district not a single crime, not even a misdemeanor, has been committed for many years. Nowhere in all the world can you find better people, better communities, better institutions, and less crime than on the farms of Iowa.

Before concluding, let me speak a word of hope. A better day will surely come for the farmers of Iowa. Such land and such people can not permanently be held down. Our recovery may be hastened or retarded, but it will come as certainly as day follows night.

Iowa is not envious of any other State. Her good will goes out to all. In her youth one of her distinguished sons uttered these noble words, "Iowa, the affections of her people, like the rivers of her borders, flow to an inseparable union." In abbreviated form this sentiment was inscribed on the Iowa stone in the Washington Monument at the National Capital. We love all the States, but naturally and properly, like dutiful and grateful children, we love Iowa the best. The State song of Iowa, written by Major Byers, who was one of the boys in blue and who marched with Sherman to the sea, well expresses the universal feeling of our people:

You ask what land I love the best—
Iowa, 'tis Iowa,
The fairest State of all the West,
Iowa, O Iowa!
From yonder Mississippi's stream
To where Missouri's waters gleam,
O fair it is as poet's dream,
Iowa, in Iowa.

THE BALL RENT ACT

Mr. LAMPERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7962, the Ball Rent Act, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to take from the Speaker's table the Ball Rent Act, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. BLANTON. I object.

EXTENSION OF REMARKS

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech I made in Brooklyn.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. LONGWORTH. What is it?

Mr. LINDSAY. It is a speech that I made in Brooklyn.

Mr. LONGWORTH. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

FREEDOM OF CONSCIENCE

Mr. LINDSAY. Mr. Speaker and gentlemen of the House, no words of mine can sufficiently emphasize the seriousness of the principle concerning which I am about to speak. I ask the indulgence of the House for the time allotted me on this subject. My poor ability at best is unequal to my theme, therefore I hope I shall not be asked to yield during my brief discourse. Thoughts of freedom of conscience have occupied the minds of all great men in proportion, it would seem, to their service in behalf of their fellow men and all posterity. So it is not surprising that the principle of religious freedom has been affirmed in varying expressions by such typical Americans as George Washington, Thomas Jefferson, Benjamin Franklin, Abraham Lincoln, and Woodrow Wilson. I am choosing these illustrious names at random. Were a complete list of all such expressions attempted, I believe it would include every patriot on the immortal roster of this great country.

In those stirring days of the American revolution the Jews gave their loyalty and cast their fortunes with the struggling young Republic. Witness the address of George Washington to the Hebrew congregation of Newport in 1790.

I shall not read it in its entirety, but I commend it to your future study. In part, the glorious Washington wrote:

All possess alike, liberty of conscience and immunities of citizenship. * * * For happily the Government of the United States, which gives to bigotry no sanction, to persecution no assistance, requires only that they who live under its protection, shall demean themselves as good citizens in giving it on all occasions their effectual support. May the children of the stock of Abraham who dwell in this land, continue to merit and enjoy the good will of the other inhabitants, while everyone shall sit in safety under his own vine and fig tree and there shall be none to make him afraid.

The same principle is voiced on many other occasions. In the course of discussing the Declaration of Independence, hear great Washington say again:

Every man who conducts himself as a good citizen is accountable alone to God for his religious faith, and should be protected in worshiping God according to the dictates of his conscience.

I ask your accord, gentlemen, with the words and spirit of George Washington. Compare his utterance with the propaganda of the hooded horde which seeks to set up standards of intolerance and religious discrimination contrary to the belief of the noblest character in our history, and profanes the sacred name of patriotism with religious persecution.

Thomas Jefferson, that incomparable and versatile genius to whom I turn for guidance in matters political, on April 21, 1803, sent to his friend Dr. Benjamin Rush certain manuscripts on which he had been at work for his private pleasure and conviction. These had for their purpose a comparison of the doctrines of Jesus with the moral precepts of the ancient philosophers.

I only wish to refer at this time to the personal letter of Thomas Jefferson which accompanied the manuscript.

In confiding this to you—

Writes Jefferson—

I know it will not be exposed to the malignant perversions of those who make every word from me a text for new misrepresentations and calumnies. I am, moreover, averse to the communica-

tion of my religious tenets to the public; because it would countenance the presumption of those who have endeavored to draw them before that tribunal, and to seduce public opinion to erect itself into that inquest over the rights of conscience, which the laws have so justly prescribed. It behooves every man who values liberty of conscience for himself to resist invasions of it in the case of others, or their case may, by change of circumstances, become his.

What wisdom, my colleagues, is contained in that last sentence! I feel it will bear repetition in italics:

It behooves every man who values liberty of conscience for himself to resist invasions of it in the case of others, or their case may, by change of circumstances, become his.

These words of Jefferson are as inspired as any he ever penned or spoke. How the glow of truth remains undimmed by time! Age can not mar, nor time efface, sincerity; and truth is eternal, a safe guide in any situation wherewith men or nations may be confronted. In matters of principle, that which is true is forever true.

Remember, gentleman of the House, my previous quotation is from that patriot who wrote the Declaration of Independence; he who as President of our infant Republic added the great western empire included in the Louisiana Purchase. This is the early father who succeeded the illustrious Franklin as minister to France—Jefferson—whose contribution to civilization and the growth of the United States is immeasurable, the builder of Monticello, the founder of a great university, the colleague of those whose very life and soul entered into the erection of this, our Government. This is the man who succeeded Patrick Henry in the Virginia Legislature, and took up his predecessor's glorious cry, "Give me liberty, or give me death!"

Forgive me, gentlemen, if I recall old glories. I do so not without reason, for of all Jefferson's accomplishments, one stands out as epochal in the history of the world. And it was this that brought a spontaneous glow to his great human heart. While serving as minister to France in 1785 he was brought word that the Virginia Legislature had adopted the "act for religious freedom" which he had introduced while serving as a member of that body. This was the first statute of religious freedom that had ever adorned the world. Jefferson was greatly pleased with the passage of this act. Copies were printed in French and Italian and distributed throughout Europe. These were received with rapture by the French liberals, especially Lafayette, and acclaimed, as Jefferson says:

Not at the courts, but by the people everywhere.

May I offer for your consideration the Americanism, the patriotism, the wisdom and understanding of Thomas Jefferson? I bow my head in humble admission of my inconsequence when I realize that I am to-day addressing the great Congress of the United States on a subject which merited the consideration of such a man.

Gentlemen, there is abroad in our land to-day an organized movement to deprive our fellow men of liberty of conscience in religion. Were I gifted with great eloquence, and though I possessed the divine fire of oratory, still would I approach this subject with reluctance. I consider it my duty to speak that the right to individual freedom of conscience shall not perish so long as this Government continues to function. I never thought the day would come when it would be necessary for a Member of the Congress of the United States to arise in defense of religious freedom for any inhabitant of this country. The right to such freedom is called inalienable in the Declaration of Independence itself. It is reaffirmed in the amendments included in the Bill of Rights. And now, 138 years after the passage of Virginia's act for religious freedom, there is a spirit of religious intolerance and bigotry being developed by deliberate methods to an evil end.

Men who are in some instances unscrupulous, in others thoughtless or ignorant, are spreading the hideous propaganda and injecting religious issues in Government affairs. And yet, so malevolent is their purpose, so fraught with danger are the consequences of linking religion and government, that I cannot even say—

Forgive them, for they know not what they do.

Indeed, a group of men who can countenance physical assault by a mob upon any individual, men who dare presume to invade by act or word the sacred precincts of a man's private conscience, men who invite the maelstrom of hate and suspicion which surely will attend a continuance of the methods of the Ku-Klux Klan, know not only what they do but why they do it.

Emboldened by being tolerated, this organization admittedly seeks to gain control of this Government. Indeed, mere adherence to the prescribed religious creed is not enough—membership in the klan is the standard by which a candidate's fitness for office is determined. Already I have been branded the tool of some mighty, secret, sinister, religious power. Gentlemen, my religious beliefs are as little the concern of the public as are my preferences in diet. I have never consciously violated a single right of the lowliest of my fellow men. That, I take it, is the measure by which a man is best judged. I am proud of my country, my State, and my constituency, and in my list of friends I count hosts of men and women of every religious belief, and some with none, I dare say. Perhaps these, too, will find favor on judgment day. Catholic, Protestant, and Jew you will find numbered among the dead in Flanders. In the great State of New York, an empire in itself, you will find examples of patriotism equal to any. That State contains 10,000,000 people, of every kind and shade of religious belief.

I can not avoid the conclusion that some wise Providence placed at our hands an argument for every righteous plea. I am thinking of Lord Baltimore and his Catholic colony in Maryland, the Puritan elders in New England, far from Catholic, yet not tolerant of Roger Williams, who must settle in Rhode Island. Then the Quakers in Pennsylvania, and all those elsewhere who endured the stormy seas and winter in a strange land rather than compromise on matters of conscience.

Lest there be a romantic misconception that the klan is the descendent of the old klan of the South, may I remind you that Thomas Dixon, author of the "Klansman," which invested reconstruction days with an air of romance, has entirely abjured the Ku-Klux Klan of to-day. Again, on this subject, my colleagues of the South, when you pause to admire in reverence the noble group in stone that will adorn the face of Stone Mountain as an eternal monument to the old South's regard for those who gave their all that freedom of conscience be theirs in civil matters, perhaps you will in fancy see the spirit of Father Ryan, a Catholic priest of Georgia, and Theodore O'Hara, of Kentucky, hovering over your beloved leaders. For these were your own poets laureate in the secession days, and every line they wrote breathes love of country.

How dare anyone raise a religious issue in this country! When did the recent consciousness of religious difference begin? For years I have been intimately associated with men whose creed is still unknown to me, so little does it matter. I have sat at table with some whose ways in such things were not mine. I have clasped hands with others whose path was along different ways, perhaps, but I dare say we all are bound for the same place, though we go by different roads. Never has a difference of religious practice made any difference in our associations. How can any man be so absurd as to surrender his intelligence to such ridiculous ideas as are advocated by the klan? Let us free our country from such undignified mummery. I am sure the Constitution and the Declaration of Independence are a better guarantee of happiness than the tar pot and feather pillow. Life, liberty, and the pursuit of happiness are more precious than klans, kleagles, and klonciliums.

It is hard to resist the impulse to laugh at the spectacle of grown men in nightshirts and nightcaps, but these men are dangerous. Loss of the sense of humor is characteristic of loss of mental balance. And these hordes of misguided men, at the order of a few self-constituted authorities, are a menace. Out of their mouths, when they accuse others of plots and treason, their perfidy is revealed, for "as a man thinketh in his heart so is he." They attribute to others the very desire that secretly possesses their own hearts. Not so much is their danger in direct action, but the spread of the intolerance idea is dangerous. Where men before were unconscious of religious differences and mingled in good fellowship there will be a barrier raised, on trifles, it is true, but hatred will replace the congeniality of citizenship we long have known. The most bitter wars of long ago were religious wars; the saddest conflicts of history have been internal civil wars. We must not fail to stamp out the smallest spark that might advance a great destroying fire.

This Nation was born out of our rebellion against the political tyranny of a king. Shall it be said that in our land we tolerate the religious tyranny of a klan?

Mr. Speaker and my colleagues, I have tried to show the great importance of the situation that is being brought about—a most unwarranted, unjustified, and un-American conspiracy by large numbers, whose organized strength is said to be far-reaching. I consider it my duty to ask your consideration of these things and to invite your assistance in destroying this menace. The klan would like you to believe that the ancient fraternity of Masons is in sympathy and identified with its activities. But this is not so. It has been officially repudiated and was personally denied by so eminent a Mason as

the distinguished Senator from Alabama. Likewise the Elks officially disapprove of the klan:

In New York City a series of instructive and inspiring lectures were held under the arrangement of the Masonic order. With a high Masonic official occupying the chair, a prominent Catholic priest, a distinguished Protestant clergyman, and a learned Hebrew rabbi were invited to speak each alternate week. This is an inspiring example of the brotherhood of man and a practical illustration of the freedom of conscience guaranteed our people. In national convention the American Legion refused indorsement of the klan program. I refer to these facts because in at least one publication devoted to klan matters an attempt is made to create the impression that these fraternities are in cooperation with the klan, and there is absolutely no justification in fact for such an impression.

Lest you be inclined to belittle the seriousness of these conditions, let me remind you that already many municipal and State offices have been obtained by men who were avowed candidates of the klan in certain sections of this country. A governor was elected and later removed, and it is said a certain Senator holds his seat by dispensation of the sovereigns of this invisible empire. I hope it may not be for want of proper consideration that serious consequences will outgrow the activities of a secret, ambitious, and lawless organization. And because it is the Ku-Klux Klan this time, the Know-Nothings last time, and the Know-It-Alls next time I have drawn a bill, "the anti-intolerance act," which is now in committee. I have been most careful in drawing this bill, so that it shall apply only to cases where the circumstances are such as I have spoken on. No individual, no secret fraternity, and no publication is prevented from conducting its affairs as it may choose so long as it does not violate our Constitution and our Bill of Rights.

The Government of the United States is still strong enough to guarantee the rights and to enforce respect for those rights of every citizen. Remember that Washington in his letter to the Jews of Newport not only expressed his strong desire that every citizen should enjoy religious liberty according to his individual conscience, but he added the important phrase, "and should be protected in worshiping God according to the dictates of his conscience." I am asking you, my colleagues, to give ear to the words of Washington—"should be protected"—and as it is the function of government to protect, I am sure you will support this anti-intolerance bill at the proper time.

What I have said here will be soon forgotten; but listen to Him who said:

> Heaven and earth shall pass away, but my words shall not pass away.

And now, klansmen everywhere, hear this in reverence and awe. Bow your heads and stay your hands, for the Man of Mercy has said:

> Love ye one another, for that is all the law and the prophets.

And though His hand holds no slaver's whip nor torturer's fire, yet must His Word prevail.

> Love ye one another and dwell in peace—

so saith the Law of God and the law of the United States.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announcing that the Senate had insisted upon its amendments to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMOOT, Mr. MCLEAN, Mr. CURTIS, Mr. SIMMONS, and Mr. JONES of New Mexico as the conferees on the part of the Senate.

PURCHASE OF THE CAPE COD CANAL

Mr. SNELL. Mr. Speaker, I call up a privileged report from the Committee on Rules, House Resolution 278.

The Clerk read as follows:

House Resolution 278

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 3933, for the purchase of the Cape Cod Canal property, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution provides for the consideration of the bill H. R. 3933, which is to approve a contract entered into by the Secretary of War with the Boston, Cape Cod & New York Canal Co. for the purchase of the Cape Cod Canal in accordance with a previous act of Congress. This resolution, if adopted, provides for three hours general debate, and after that the bill to be considered under the general rules of the House.

In discussing this canal-purchase proposition I am not going into an extended argument in regard to the advantages from a humanitarian standpoint, from the standpoint of the great commerce along the coast, nor discuss its importance as a connecting link in the intercoastal water system, nor shall I speak of it from the standpoint of national defense. But I am going to talk for a few moments to show you the exact law and what the real status of this contract for the purchase of the canal is at the present time, and show that the Secretary of War in presenting this contract to the House for its consideration at this time is following the exact direction and instruction of Congress itself. The Secretary of War is doing exactly what Congress told him to do.

In the first place, in the naval bill passed in 1916, the Secretary of the Navy was authorized to get information in regard to this canal, but the first definite act as far as Congress is concerned was on August 8, 1917, when the river and harbor bill became law. It carries this provision:

It directed the Secretaries of War, Navy, and Commerce to investigate the Cape Cod Canal with a view of its acquisition by the Government as a toll-free canal, and authorized the Secretary of War to negotiate for the purchase of the property at a satisfactory price and enter into a contract for the purchase, subject to the ratification and appropriation by Congress.

It provided further that if he could not do that, then, through the Department of Justice, to institute and carry to completion proceedings for condemnation.

That was the first definite start toward the purchase of the canal. The Federal Government made the start and definitely directed the Secretaries of War, Commerce, and Navy to perform certain specific acts in regard to this canal. It is the completion of this act that we have before us at the present time.

Mr. McKEOWN. Will the gentleman yield?

Mr. SNELL. Not just yet; I want to follow this down through to the present time and then I will be glad to yield. The United States Army engineers made a definite report that the canal was worth $10,000,000 on July 3, 1918, and on July 25, 1918, by special proclamation by President Wilson, the canal was taken over by the Government.

Mr. FREAR. Mr. Speaker, it occurs to me this is an important question and deserves a better audience, and I suggest the absence of a quorum.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present. It is clear there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Griffin	Montague	Sears, Nebr.
Bacharach	Harrison	Moore, Ohio	Seger
Bankhead	Howard, Okla.	Moores, Ind.	Simmons
Boles	Huddleston	Morin	Snyder
Burdick	Hull, Tenn.	Morris	Steagall
Byrnes, S. C.	Hull, Morton D.	Mudd	Strong, Pa.
Canfield	Hull, William E.	Murphy	Sweet
Clark, Fla.	Johnson, Ky.	O'Brien	Taber
Cole, Ohio	Kahn	O'Connell, N. Y.	Tague
Collins	Kelly	O'Sullivan	Taylor, Colo.
Connolly, Pa.	Kiess	Park, Ga.	Upshaw
Corning	Kincheloe	Peavey	Vare
Croll	Kurtz	Perkins	Vinson, Ky.
Curry	Kvale	Rainey	Ward, N. Y.
Doyle	Langley	Ransley	Ward, N. C.
Drane	Larson, Minn.	Reed, W. Va.	Wason
Eagan	Leatherwood	Robinson, Iowa	Welsh
Edmonds	Lehlbach	Rogers, N. H.	Williams, Tex.
Funk	Linthicum	Rosenbloom	Wilson, Miss.
Garrett, Tex.	McKenzie	Rouse	Winter
Geran	McNulty	Sanders, N. Y.	Wood
Gibson	Magee, Pa.	Schafer	Zihlman
Gilbert	Manlove	Scott	
Goldsborough	Miller, Ill.	Sears, Fla.	

The SPEAKER. Three hundred and thirty-nine Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

TAXATION OF LUMBER COMPANIES

Mr. SCHALL. Mr. Speaker, I ask unanimous consent to extend in the RECORD a statement in reference to my Resolution 301.

The SPEAKER. The gentleman from Minnesota ask unanimous consent to extend in the RECORD his remarks relative to his Resolution 301. Is there objection? [After a pause.] The Chair hears none.

Mr. SCHALL. Mr. Speaker, there was published in some of the Minnesota daily papers on May 9 a statement made by E. W. Backus, president of the Backus-Brooks Co., International Lumber Co., Minnesota & Ontario Power Co., and various allied companies, in which he commented upon H. Res. 301, offered by me on May 7, and the statement made by me at that time.

One of my reasons for bringing to the attention of the House the matter of the enormous underpayment of taxes by the Backus-Brooks companies running back as far as 1917 was the fact that by understating their income in their returns as filed they had saved, and the Government had lost, a vast amount of interest—for instance, interest for six and five years respectively on the amounts which have already been found to have been underpaid for 1917 and 1918. The amount of this interest alone at 6 per cent would be nearly $500,000, to say nothing of interest on the still larger amounts which I understand may be found to be still due for years subsequent to 1918.

Mr. Backus in his statement says:

> Another thing. He [Mr. SCHALL] suggests that by this delay our companies have been able to save upward of $1,000,000 in interest. Anyone having the slightest knowledge of the Federal tax laws knows that this is absurd. Whenever it is found that a taxpayer owes additional taxes for earlier years, no matter how small the amount, he is obliged to pay interest from the time that the tax should originally have been paid.

This assertion by Mr. Backus may accomplish its evident purpose and fool some of the people of his State, but to anyone conversant with the revenue laws and presumably to every Member of Congress a statement such as this, made with complete and reckless disregard of the facts, will sufficiently characterize the accuracy and purpose of Mr. Backus's whole statement.

His only purpose is apparently to discredit my resolution and my purpose and motives in offering it. To accomplish this Mr. Backus has been willing to make any statement, no matter how rash or absurd.

The fact is that there has never been up to the present time any provision in any United States revenue law requiring the payment of interest on deficiencies in the payment of income or profits taxes. Every taxpayer—and there are many of them—who has been required upon examination of his returns to pay additional assessments for "deficiency" over and above his original return knows that no interest has ever been added.

The revenue acts of 1917 and 1918 provided for a penalty of 5 per cent and 1 per cent a month for refusal to pay a tax after the same became due and after notice of and demand for the same, but this does not apply in the case of additional assessments until the latter are actually made and notice thereof given to the taxpayer. In the act of 1917 there was provided a penalty for a false or fraudulent return—100 per cent of the amount of the deficiency in addition to a specific penalty.

In the 1918 act it was provided that in case there was a deficiency—

> if the return is made in good faith and the understatement of the amount in the return is not due to any fault of the taxpayer, there shall be no penalty because of any such understatement.

It was also provided that if the understatement was due to negligence on the part of the taxpayer but without intent to defraud, there should be added as a part of the tax 5 per cent of the total amount of the deficiency plus interest at the rate of 1 per cent per month on the amount of the deficiency. This provision, however, has in actual administration been practically a dead letter, as it has been almost impossible for the Internal Revenue Bureau to charge lack of good faith and negligence in cases where there has not been actual and positive fraud. The act of 1918 also provided a penalty for a false or fraudulent return with intent to evade the tax, this penalty being 50 per cent of the amount of the deficiency in addition to a specific penalty.

It is not true, and never has been true, that (as stated by Mr. Backus)—

> whenever it is found that a taxpayer owes additional taxes for earlier years * * * he is obliged to pay interest from the time the tax should have originally been paid.

Just the contrary is true, and no one with the slightest inclination toward accuracy of statement could ever have stated otherwise.

This failure to provide for or permit the commissioner to add interest to amounts found to have been underpaid has been a feature of all previous laws of which unscrupulous taxpayers have taken the greatest advantage, which has resulted in the loss of enormous amounts to the Government. It is a defect which would for the first time be remedied if the revenue bill—H. R. 6715—now pending before the Senate becomes a law. That bill as passed by the House provided (sec. 274, subdivision (f)) that—

> interest upon the amount determined as a deficiency * * * shall be assessed at the same time as the deficiency, shall be paid on notice and demand from the collector, and shall be collected as a part of the tax at the rate of 6 per cent per annum from the date prescribed for the payment of the tax.

No such provision, or any provision bringing about the same results, can be found in any previous revenue act.

Assessment for a deficiency exceeding $1,300,000 has already been made against the Backus companies. This assessment has been made, as I am informed, after at least three years of almost continuous investigation by the department and numerous hearings and conferences with the taxpayer. Mr. Backus knew when he made his statement that no interest had been charged or added by the department, and that if he had paid the assessment (as he has refused to do) he would have paid only what should have been paid in the years 1918 and 1919, without one cent of interest added.

I recognize that the department makes many claims and assessments for additional amounts due, and that in many, if not most, of these cases there is a legitimate difference of opinion between the taxpayer and the department.

Mr. Backus's whole statement is cunningly and deliberately framed to give the impression that he is but one among the many taxpayers having "honest disputes" with the Internal Revenue Bureau; but one of many who are honestly trying to cooperate with the bureau to expedite the ascertainment of the correct tax liability for the earlier years. That there is any honest or legitimate dispute with respect to substantially all of the amount of the additional assessments already made, I emphatically deny. The fact that after years of investigation and after affording these companies every opportunity to be heard these enormous additional assessments have been made for 1917 and 1918 is at least very good prima facie evidence that something was radically wrong in the original returns.

I charge and believe that an investigation will show:

1. That the amount of the tax liability disclosed on the original returns and paid at that time was but a pitiful fraction of the entire amount now found to be due.

2. That no fair and legitimate attempt was made to disclose the true income in the original returns.

3. That the differences between the original returns and the corrected returns are in many instances so gross and startling that no honest or legitimate attempt could be or has been made to justify the original returns.

4. That—to specify but one of these instances—the depletion charge claimed for timber cut by these companies was at least twice the amount that could be justified by any evidence or process of reasoning; and that the difference was so great as to preclude the claim that there was an honest difference of judgment.

5. That the Backus companies have not cooperated with the Internal Revenue Department in any way to facilitate or expedite the ascertainment of the true tax liability; on the contrary, by delay and refusal to furnish information and the furnishing of untrue and misleading information, they have placed every obstacle in the way of a correct and speedy determination.

6. That further investigation of physical property and conditions (upon which Mr. Backus lays great stress in his statement) now being made by the department does not in the slightest degree involve or affect the tax liability for the earlier years—1917 and 1918.

seeks to gain control of this Government. Indeed, mere adher-

ated and was personally denied by so eminent a Mason as

7. That by the character of the original returns, by absurd, unfounded, and dilatory claims, by his refusal to pay additional taxes when assessed, resulting in the unusual necessity to file the liens already filed to collect these amounts, Mr. Backus and his companies have defied, treated with contempt, and evaded the revenue laws of the United States.

If these things are true, the Congress, the people of Mr. Backus's State, and all taxpayers, small and great, are entitled to know them, and the investigation provided for in my resolution is the only way in which to bring them to light. Such investigation will serve also, perhaps, to emphasize the defects in the present law, if it is true that under the present law Mr. Backus and his companies are absolved from paying even interest on the deficiencies. It may also serve to explain the reason, if any, why none of the penalties above referred to have been assessed against these companies for 1917 and 1918.

CAPE COD CANAL

Mr. SNELL. Mr. Speaker, I will continue to give some of the facts in regard to the canal project. On July 23, 1918, the Board of Army Engineers on Rivers and Harbors reported favorably the purchase of the canal at $10,000,000. On July 25, two days after this special report from the Board of Engineers, by special proclamation of President Wilson the canal was taken over by the Government and placed by him under the jurisdiction and control of the United States Railroad Administration. On November 19, 1918—that is, after the armistice was signed—President Wilson wrote another letter to the Secretary of the Navy, and I wish the gentlemen of the House would listen to the reading of this letter, as it has an important bearing on the whole question:

MY DEAR MR. SECRETARY: By an act of Congress of August 8, 1917, as you may remember, authorization was given for a committee composed of the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce to investigate the advisability of the acquisition of the Cape Cod Canal by the Government. If they should decide in favor of its acquisition, the Secretary of War is authorized either to make contracts for its purchase or, in the event that a satisfactory contract can not be arranged, to institute condemnation proceedings through the Attorney General.

That is the direct order of President Wilson. He goes on further to say:

It seems to me from every point of view desirable that we should acquire the canal and maintain it as a genuine artery, and I would be very much obliged if the committee thus designated would get together at an early date and proceed with this business in any way that they may think best. I am writing to the same effect to the Secretary of the Navy and the Secretary of Commerce.

Mr. McKEOWN. Will the gentleman yield?

Mr. SNELL. Let me continue and then I will yield.

Mr. BLANTON. What is the date?

Mr. SNELL. November 19, 1918. On January 17, 1919, Secretary of War Baker offered $8,250,000 for the canal property. Three days later the company declined this offer as being far below its actual cost and insufficient for them to pay their obligations on account of the construction of the canal. Then January 26, six days later, the Secretary of War advised the canal company that the Attorney General had been directed to institute proceedings of condemnation. There is a logical trend right straight down through to show that the Federal Government intended to take over this canal in accordance with the act of Congress that was passed on August 8, 1917. Court proceedings were taken, and resulted in the jury rendering a verdict assessing the value of the canal and its appurtenances at $16,801,201.11, from which must be deducted $170,000, awarded by the jury to the United States Railroad Administration during the period of Federal control. After the award was made then the Government began to back water, appealed the case, tried to turn the canal back to its owners, and so forth. Then we entered into a long period of negotiations, and nothing definite was done until June 29, 1921, when a contract was entered into between Secretary of War Weeks and the canal company for the purchase of the property by the Government, including 932 acres of land not covered in the original proceedings, at an agreed price of $11,500,000, and by a provision in this contract that was made at that time, on July 29, 1921, when the people who owned the canal believed there was no doubt but what the Government would carry out its end of the contract, they agreed to run, operate, and maintain the canal for the Government until such time as the contract arrangements were completed. Now, a bill was introduced in Congress December 12, 1921, to carry out the provisions of this contract. This bill was reported favorably by the Committee on Interstate and Foreign Commerce and a rule was granted for its consideration in the latter part of the last Congress, but in that legislative jam it did not come up for consideration. The Committee on Interstate and Foreign Commerce took this matter up again in the present Congress. They again made a favorable report, and the Rules Committee has granted a rule for its consideration at this time. Now, as I look at this whole proposition it is simply this: It is not a question of whether I want the canal or you want the canal; it is a question of whether the United States Government will carry out its contract that was made in good faith with the people who owned the Cape Cod Canal. That is the only question that is before us to-day. The Secretary of War has done exactly what he was instructed to do and nothing more, and during all of that time every administration—three separate administrations—have approved the purchase of this canal, and in all the hearings there was not a single man appearing before the committee opposing it. Now, the question is fairly up to this House whether at this time you will carry out a fair and square and legal contract or not. It seems to me there is only one thing to do, and that is to buy the canal.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. McKEOWN. Has the gentleman any assurance that the Secretary of War has changed his attitude toward the toll business of the Government, like the Panama Railroad, so as to be in accord with operating this canal?

Mr. SNELL. I never asked him; I do not know, sir.

Mr. McKEOWN. Can the gentleman tell us whether they will operate this canal free of tolls?

Mr. SNELL. Yes. This is to be expressly a toll-free canal, the and Secretary of War is doing only what this Congress directed him to do, and nothing else.

Mr. LITTLE. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. LITTLE. I want to say to the gentleman from Oklahoma [Mr. McKEOWN] that the Secretary of War has in fact testified that he thought the Cape Cod Canal should have been built by the Government in the first place. So that answers the gentleman's question.

Mr. McKEOWN. What is the difference between the price proposed to be paid in this bill and the amount that Secretary Baker said the property was worth?

Mr. SNELL. Secretary Baker made an offer of $8,250,000, and the people owning it refused it, because it cost over $13,000,000 to build.

Mr. WINSLOW. Mr. Speaker, will the gentleman yield there for a moment?

Mr. SNELL. I yield.

Mr. WINSLOW. In the river and harbor act of 1909, Sixtieth Congress, second session, in section 4 of the bill, it was provided that no tolls or operating charges whatever should be collected from any vessel passing through any lock, canalized river, or other work constructed for the use and benefit of navigation and belonging to the United States, or that might thereafter be acquired or constructed, with a proviso in the case of the Panama Canal, so that if we take this over under the existing statute it must be free of tolls.

Mr. SNELL. In a duly authorized court the people who own this canal were given a judgment of over $16,000,000 for it.

Mr. BLANTON. To be absolutely fair—and I am sure the gentleman from New York wants to be——

Mr. SNELL. Yes; I want to be——

Mr. BLANTON. That was set aside by the courts on an appeal by the Government.

Mr. SNELL. It has been in the courts ever since.

Mr. BLANTON. But it was set aside by the appellate court, was it not?

Mr. SNELL. I do not think it was set aside by the appellate court; but there was a petition for a retrial, and that was granted.

Mr. BLANTON. It has never been retried. It is in statu quo.

Mr. WINSLOW. That is by agreement between the Government and the owners.

Mr. KINDRED. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. KINDRED. Quite aside from the question of price, is it not a fact that this waterway is absolutely needed to perfect our system of intercoastal waterways in order to avoid loss of life and of property and for naval and navigation purposes?

Mr. SNELL. Yes; that is true. But I was trying merely to put just the actual facts as far as the contract is concerned before the House.

Mr. KINDRED. As a member of the Committee on Rivers and Harbors I have studied the question, and I consider it absolutely paramount for naval and navigation purposes.

Mr. SNELL. Yes. Mr. Speaker, I reserve the balance of my time. I yield 30 minutes to the gentleman from Wisconsin [Mr. NELSON].

The SPEAKER. The gentleman from Wisconsin is recognized for 30 minutes.

Mr. NELSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks, because I want to incorporate certain things.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. FREAR. Mr. Speaker, I think my colleague is entitled to a full House, and I am not quite sure if he has that or not. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred and twenty-one Members are present. A quorum is present.

Mr. NELSON of Wisconsin. Mr. Speaker, the gentleman from New York [Mr. SNELL] has just given an outline of a few of the points in the history of this Cape Cod Canal project. The gentleman from Massachusetts [Mr. WINSLOW], having put the Cape Cod Canal bill through his committee, came before the Rules Committee to get a rule; needless to say, he got it promptly. As the gentleman from New York said, last year the gentleman from Massachusetts performed the same feat. But during the closing days of the session his bill failed of consideration. The distinguished minority leader [Mr. GARRETT of Tennessee] and the gentleman from Alabama [Mr. HUDDLESTON] advised me of what was taking place, and with others I was on guard, watching for this bill. I spoke to a member of the steering committee about it and was told that it had been sidetracked. He spoke as if he thought himself entitled to praise for this disposition of it. I agreed with him and congratulated him heartily.

Last week I opposed granting this rule. No rule, as I see it, should be reported unless there is reason to believe it is desired by a preponderance of votes in the House. Now, I venture to assert, and I hope the House will bear me out, that there is not only no sentiment for this bill but, on the contrary, the sentiment is adverse.

I can not believe, speaking frankly, that my conservative colleagues, Republican or Democrat, will support this huge unwarranted expenditure. How can they "save their face" and vote for it in view of presidential vetoes of soldier bills?

The distinguished chairman of the Appropriations Committee [Mr. MADDEN] has told me that he will fight this enormous expense with all his might. I give my conservative colleagues credit for too much political sagacity to vote for this measure at the risk of their political lives. Of course, no progressive of any party would think for a moment of voting for it and make so ugly a blot on a good record. I desire to use parliamentary language in characterizing legislation. This is difficult when I study this measure. This is special-interest legislation in full bloom.

Consider now the pitiful state of some Wall Street financiers. Who constitute the Cape Cod Canal Co.? Who are to be the beneficiaries of this bill? To whom are we to vote millions of relief? We find them on page 179 of the hearings. Here they are:

F. R. Appleton, 26 East Thirty-seventh Street, New York; August Belmont, 45 Cedar Street, New York; DeWitt C. Flanagan, 228 West Seventy-first Street, New York; C. C. Tegethoff, 39 Broadway, New York; L. F. Loree, 32 Nassau Street, New York; Eugene Klapp, 84 Pine Street, New York; F. de C. Sullivan, 61 Broadway, New York; F. D. Underwood, 50 Church Street, New York; H. P. Wilson, 50 Broad Street, New York; W. A. Harriman, 39 Broadway, New York.

They are all from New York. They are the big capitalists, the big financiers. The president, principal bondholder and stockholder is August Belmont.

The directory of directors in the city of New York shows the number of corporations with which these Cape Cod directors are connected. Belmont is an officer or director in the following 16 combinations of big business: Cape Cod Canal Co.; the Appraisals Corporation; Audit Co. of New York; Bank for Savings in New York; Degnon Realty & Terminal Improvement Co.; Interborough Consolidated Corporation, chairman of board; Interborough Rapid Transit Co., chairman of board; Long Island Electric Railway Co.; Long Island Railroad Co.; Louisville & Nashville Railroad Co.; Matawok Land Co.; Metropolitan Opera & Real Estate Co.; New York and Long Island Traction Co.; New York and Queens County Railway Co.; Rapid Transit Subway Construction Co., chairman; Westchester Racing Association, president and director.

Mr. C. C. Tegethoff is an officer or director in the following 14 corporations: Secretary-treasurer and director of Sinnemahoning Iron & Coal Co.; Acme Engineering & Contracting Co.; Arden Water Co.; Bobwhite Chemical Corporation; Furnaceville Iron Co.; Golden Reward Consolidated Gold Mining & Milling Co.; Harriman National Bank; Cape Cod Canal Co.; Harriman Research Laboratory; One hundred and sixty-five East Sixtieth Street Corporation; Opazel Laboratories (Inc.); Phelps & Perry (Inc.); South American Steamship Corporation; Southern Pacific Railroad Co. of Mexico; Standard Safe Deposit Co. of New York; United States Express Co., secretary and director.

Mr. L. F. Loree is an officer or director of the following 26 corporations: President of the Delaware & Hudson Co.; Albany & Susquehanna Railroad Co.; Albright Coal Co.; American Surety Co.; Capitol Railway Co.; Chamber of Commerce of the State of New York; Cape Cod Canal Co.; Champlain Transportation Co.; Chateaugay & Lake Placid Railway Co.; Cohoes Railway Co.; Erie Railroad Co.; Hudson Coal Co.; Kansas City Southern Railway Co.; Lake George Steamship Co.; Mechanics & Metals National Bank; Mexican-American Steamship Co.; Mexican Central Railway Co. (Ltd.); National Railroad Co. of Mexico; National Railways of Mexico; New York, Ontario & Western Railway Co.; Northern Coal & Iron Co.; Seaboard Air Line Railway Co.; Southern Pacific Co.; Wells, Fargo & Co.; Wheeling & Lake Erie Railway Co.

Mr. Eugene Klapp, of the firm of Parsons, Klapp, Brinckerhoff & Douglass (Inc.), 84 Pine Street, represents also Cape Cod Canal Co., Parklap Construction Co.

Mr. F. deC. Sullivan represents the Adams Express Co.; American Sumatra Tobacco Co.; Curtis International Turbine Co.; Degnon Realty & Terminal Improvement Co.; Interborough Rapid Transit Co.; Cape Cod Canal Co.; National Surety Co.; New York Railways Co.; North Butte Mining Co.; Rapid Transit Subway Construction Co.; Subway Realty Co.; West Bay Naval Stores & Lumber Co.

Mr. F. D. Underwood, president and director Erie Railroad Co., is also in Buffalo Creek Railroad Co.; Chatham and Phoenix National Bank, of the city of New York; Cape Cod Canal Co.; First National Bank of Wauwatosa, Wis.; Lehigh & Hudson River Railway Co.; New York, Susquehanna & Western Railroad; Pennsylvania Coal Co.; Southern Pacific Co.; and Wells, Fargo & Co.

Mr. H. P. Wilson, of H. P. Wilson & Co., New York, represents California Electric Generating Co.; Cape Cod Canal Co.; Great Western Power Co.; Quenelda Graphite Corporation; Vernes Chemical Co.; and Western Power Corporation.

Mr. W. A. Harriman, chairman board of directors of American Ship & Commerce Corporation, sits on the board of the American Hawaiian Steamship Co.; American Railway Express Co.; Arden Farms Dairy Co.; Atlantic Fruit Co.; Atlantic Mail Corporation; Guaranty Trust Co., of New York; Harriman Industrial Corporation; Cape Cod Canal Co.; Illinois Central Railroad Co.; Merchant Shipbuilding Corporation; National Surety Co.; Railroad Securities Co.; Union Pacific Railroad Co.; United American Lines; Wells, Fargo & Co.; William Cramp & Sons Ship & Engine Building Co.; and Wright Aeronautical Corporation.

Mr. F. R. Appleton, director of National Park Bank, of New York.

Mr. DeWitt C. Flanagan is a director of Cape Cod Canal Co. He was the principal landowner.

Here we have Belmont connected with 16 big combinations; L. F. Loree, 23; Eugene Klapp, 4; Sullivan, 11; Underwood, 9; and Harriman, 18.

We are to vote relief of $11,500,000 to these Wall Street speculators to help them out of a bad bargain. They want to unload on Uncle Sam. This is not a loan. This is not a gift. If is worse than a loan and far worse than a gift. It would pay us to give them $11,500,000 outright. The Congress would save more than twice the amount of the gift by so doing. We would save future burdens of upkeep, and future costs of repair and enlargement double and quadruple this amount to furnish these interests free toll.

No rule, in my opinion, should be given for the consideration of a bill unless there is some emergency to justify its being given priority over other meritorious measures.

But what is the emergency here? The only emergency that appeared before the committee was the gentleman from Massachusetts [Mr. WINSLOW], astute, ponderous, and resourceful. Oh, there is pressure here, gentlemen; there is strong pressure. What is it? Legislative pressure, to get it by before the jam of the short session; financial, to save current losses to these New York financiers; and political, Uncle Sam's money spent in this Cape Cod deal will affect votes in Massachusetts.

I am against a rule at any time and in every case for this kind of legislation. It is special interest in its worst form. I have seen some specimens of class legislation—ship subsidy and the like—but in my long term this is the worst, the sheerest, and the rankest special-interest legislation I can recall.

Now, consider the subject: Unloading on Uncle Sam. Get the fact that these financiers are asking Congress for relief. Congress does not want their property. Who would be the best authority as to this fact? The Secretary of War. Why? Because he is the man to whom they have to go for a tentative contract. He has knowledge first-hand of the facts; facts of experience, facts of record, facts of observation. Now, what did the Secretary of War, Mr. Baker, say? Listen to his words:

These gentlemen built this canal; they thought it was going to be a great commercial success; they found it was more expensive to build than they had anticipated. They found very great difficulty in tempting people to use it. * * * And so they came to the conclusion that there was not enough liveliness to their hope of large commercial success to justify their continuing to carry the burden, and so they came to Congress. * * * They have been seeking to get the Government to take this burden off their shoulders, and they have said, "We were patriotic in doing this; were trying to build a great highway for the commerce of the Nation, and we find that the burden is so great that private enterprise ought not to be asked to sustain the losses that are involved in carrying it to a profitable status." And therefore they said, "Being a public work, Congress ought to take this off our shoulders."

Here we have a clean-cut statement of the former Secretary of War of the process of unloading this burden on Uncle Sam.

Let us consider the extent of the present plight of a "busted bit of big business." The stock of the Cape Cod Canal Company is worse than worthless—busted. It has never paid dividends. We might give the money away, and we would be better off, as I shall show you, than if we give them the $11,500,000.

On this point I quote from the hearings. Here is the testimony of Mr. H. P. Wilson, vice president of the Cape Cod Canal Co. and the great water-power magnate, before the committee:

The CHAIRMAN. If this trade which has been under discussion with the Government should be executed, would it not appear that after the canal company had paid its debts there would be nothing left for the stockholders.

Mr. WILSON. Yes, sir; there is not a dollar of value left in the stock. It is wiped out.

The CHAIRMAN. It is wiped out, and there is $3,500,000 more of indebtedness?

Mr. WILSON. Yes, sir.

The CHAIRMAN. So that, if you got $11,500,000 from the property, $6,000,000 of it would go to redeem the bonds turned over to the Government?

Mr. WILSON. Yes, sir.

The CHAIRMAN. Which they would assume, and it would take a further sum of $5,500,000 to pay the debts, or their equivalent?

Mr. WILSON. In so far as the $5,500,000 would go.

The CHAIRMAN. There would be about $3,000,000 more?

Mr. WILSON. Yes, sir; we owe to-day approximately $8,500,000.

The CHAIRMAN. So that the value of the paper is all that you have left in the stock?

Mr. WILSON. Yes, sir. The construction company would be wiped out in the same way. I am dealing with the construction company because all of the financing was done by the construction company. The capital of the construction company went into the construction of the canal. This construction company reached a point where it could go no further ahead, and it had to go out and borrow money from private sources to finish the canal. The point I want to make clear is that at the present time, in addition to the $6,000,000, which represents the first mortgage upon this property, the canal company and the construction company are in debt to the extent of $8,500,000, against which this contract provides $5,500,000.

The CHAIRMAN. Do you include in that $8,500,000 the stock as an obligation?

Mr. WILSON. No, sir; we actually borrowed that amount of money, and the stock is not worth a dollar.

The CHAIRMAN. If you should make this trade and have $5,500,000 left in cash, in order to liquidate at 100 cents on the dollar, you would have to pay out that amount and $3,000,000 more?

Mr. WILSON. Yes, sir.

Let me give you a graphic picture. If we make them a gift of $5,500,000—I say gift because no one would take this ditch off their hands but the Government—if we turned into these empty stocks money from the United States Treasury at the rate of $1 per second for 63 days there would still be a deficit of unpaid bills of $3,500,000.

That is the way this construction company worked. It looks like a wrecking company, it seems to me, more than anything else. Think of financiers getting into a hole like this. Belmont and the rest of them are in that, too. The testimony of Mr. Wilson is that Belmont holds $150,000 or $200,000 of bonds, and admitted that he held only $50,000 worth.

The bonds resting upon such hollow foundations are, of course, unmarketable. Doubless some of the other Wall Street magnates hold like blocks of bonds, but bonds are also held in small lots by citizens of Massachusetts. I quote from the hearings:

Mr. GRAHAM. Who sold the bonds?

Mr. WILSON. My recollection is that the construction company sold them. There is a small amount of these bonds that were not sold.

Mr. GRAHAM. Were they sold to small holders or did you sell them to men like Mr. Belmont individually?

Mr. WILSON. I should say offhand—I will give you those figures—that Mr. Belmont, perhaps, had $150,000 or $200,000 of bonds. I personally bought $50,000 of the bonds, and I have personally bought $25,000 of the stock of the construction company. I paid 97.5 for the bonds, and I paid cash for the construction company's stock at par.

Mr. GRAHAM. Did some broker in some place handle the bonds?

Mr. WILSON. No, sir; they were never sold through a broker.

Mr. GRAHAM. Were they sold locally in Massachusetts?

Mr. WILSON. In Massachusetts and in New York.

Mr. GRAHAM. People bought one or two bonds?

Mr. WILSON. Yes, sir; there are holdings of 1 or 2 bonds; 5 and 10 bonds.

Mr. GRAHAM. What denomination?

Mr. WILSON. One thousand dollar coupon bonds.

(Hearings, pp. 147, 148.)

It is in the testimony that bonds of the canal company amounting to $2,875,000 are held by the construction company, because they can not market them.

Mr. LAGUARDIA. Will the gentleman yield right there?

Mr. NELSON of Wisconsin. No; pardon me, I would like to finish my statement first. If I start yielding to one I will have to yield to others.

Finally, to cap the climax of their plight, the income from tolls will not meet the interest on bonds and the upkeep of the canal company.

Oh, it is a beautiful proposition for Uncle Sam, is it not? Figure the interest: Six million dollars at 5 per cent would be $300,000. Then, the upkeep is more than $150,000 or $200,000; and there is a deficit every year, and they want to get rid of that deficit quick. They want us to take it over. This is the proposition which is to be unloaded on Uncle Sam to-day—bold, brazen in its boldness.

Now we understand the emergency. They had to increase the toll recently, which will, of course, discourage the toll-paying trade. Should not Congress have pity on these disappointed Wall Street financiers? How can Congress unmoved behold them in this dreadful financial ditch? Surely, in a pitiful case like this, Government ownership is highly needed. That would not be socialism but patriotism.

Behold a friend to the rescue! Nothing like having a friend in need, especially in Congress. Oh, yes; these gentlemen had a friend in Congress over in the other Chamber. It was the Senator from Massachusetts, the Hon. John W. Weeks. He gets an amendment put on the rivers and harbors bill, a little $5,000 innocent item, too insignificant to be objected to; but there is in it the language quoted by the chairman of the Rules Committee, artful language, permitting the War Department not only to investigate this project but to make contracts—tentative, truly; a contract subject to ratification by Congress.

Here is the place where we can stop this business—"subject to ratification by Congress and appropriation." On this week's rider they predicate the claim of moral obligation. Of course, there is no legal obligation. The gentleman from Massachusetts [Mr. WINSLOW] has the bill here, and we are to sign on the dotted line and help them out.

This little $5,000 item went through and now it is "a moral obligation." There is the Government—i. e., Mr. Weeks—putting this little joker in, and so there is "a moral obligation" to help these gentlemen out and take over this bad bargain and loot the Treasury.

Talk about the "powers that prey," the "predatory interests" that Roosevelt spoke about. Here we find them busily engaged on the job.

Of course, during the war these gentlemen got in their most effective work. There was some war scare about a German submarine. They rushed to President Wilson, and he ordered the United States Railroad Administration to take over this water route, just as he ordered taking over the railroads. But we did not hear of any moral obligation on the Government to keep the railroads. We were told of our moral obligation to give them back. Why is not that also true as to this canal? Had it been profitable, would they not have stressed the moral obligation to give it back?

But pressure was brought to bear on the Secretary of War to make a contract, which he might do under the Weeks rider, a tentative contract. After employing accountants to find out exactly what had been put into this hole, Mr. Baker said he would not give more than $8,250,000. He stuck to it under pressure.

A condemnation suit was begun up there. They did get an award by a local jury, as the gentleman has said, but the Court of Appeals looked it over—and I have read their decision—and they said, "This item should not have been in, and that item should not have been in"—Belmont, for instance, got $50,000, and Henry Taft got another $50,000 for attorney's fees.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. NELSON of Wisconsin. I just declined to yield and hope the gentleman will excuse me, because I do not want to be discourteous by yielding for one interruption and not for another.

The jury awarded Belmont and his friends between fourteen and sixteen millions by including all kinds of collateral expenditures. The court of appeals reviewed this award and vacated it. There the job rests to-day. The canal company has tried its best to impose this burden on the Government and failed.

Behold an old friend to the rescue again, not in Congress now but in the Cabinet. The gentleman who got this nice little joker in the rivers and harbors bill now meets with Vice President Wilson, of the Cape Cod Canal Co., and at once gives him three and a quarter million dollars more than Baker said it was worth. Mr. Weeks signs the contract, and we are to ratify it to-day. Moral obligations, you see, all the way through; but if it was not a moral obligation that we should keep the railroads, what is the moral obligation to keep the canal? If that canal had been profitable, would they be now talking about a moral obligation? The moral obligation then would be to return it to these gentlemen so they could make more money.

Now, let us look at some of the camouflage, sugar-coating, that they give to this measure. In war it is patriotism; in peace it is national defense. Fortunately, however, Secretary of War Baker cut off any possibility for such pretense by printing in the hearings statements of the General Navy Board and of the Board of Rivers and Harbors Engineers. Listen to this authoritative statement as to the need of this ditch for national defense:

GENERAL NAVY BOARD

The expense of rendering the Cape Cod Canal available to all types of naval vessels not only requires a considerable expenditure for enlarging it but also additional continuing expense for the maintenance of such increased size, and an even greater expenditure for the defenses that should be given an important military waterway at a salient of our coast. Such large additional expenditures are not warranted by the apparent increased military advantages of having the canal available for the passage of ships requiring a depth of over 25 feet at mean low water.

The board has no doubt of the advantages of a sufficient depth and width to permit the passage of battleships. It adheres, however, to its previous expressions to the effect that military necessity is not sufficiently great to warrant the department in urging the expenditure of public funds to that end.

UNITED STATES BOARD OF ENGINEERS FOR RIVERS AND HARBORS

The Board of Engineers for Rivers and Harbors has no data upon which it can assign a definite value to the canal for these naval uses. As the canal is a going concern and now available for military and naval uses upon payment of reasonable tolls, there is no urgency for acquisition of the canal for these purposes unless it is deemed essential to enlarge it to accommodate capital ships of the Navy, which is apparently not the case. The value of public ownership for any uses that can be made of the present canal would obviously be due to the saving of tolls on Government vessels.

Both of these boards of experts say that this military defense argument can not be sustained. The expenditure is too great. But if we take it over and add enormously to the expense, then the claim will be that we must erect fortifications to protect it, for these gentlemen are adepts at spending money.

Now, consider the cost to the Government of relieving these Wall Street financiers of their bad bargain. Obviously there is the first cost of $11,500,000, right off the bat.

Then there is 5 per cent for bonds on $6,000,000, which is $300,000 per annum; then the upkeep of the canal, which under Government auspices would be from $250,000 to $500,000 a year more; and if we enlarge the canal nobody can calculate the amount under $1,000,000 a year; and finally the cost of repairs on the enlargement, according to conservative estimates of their own witness, would be double this sum, and, in the opinion of a Member from this very district, it would cost at least $50,000,000. In making this statement in the House Mr. Walsh was not prejudiced in favor of the Government against his own district.

Now, let us consider some more of the flimsy pretenses set forth to justify this enormous expense.

This project, they say, is necessary to save life. It is a perilous thing to pass around Cape Cod. Lives are lost. Such general statements as made one might think that hearthreaking tragedies were happening daily. What are the facts? In the hearings Mr. GRAHAM of Illinois made this inquiry of Colonel Burr, the engineer in charge:

Mr. GRAHAM of Illinois. Right along that line, Colonel, I was struck with the statements prepared, I think, by the Coast Guard officers and which are delineated on that map over there, and which show that in 10 years there have been 32 lives lost in that stretch of water around the cape, including the Block Island Sound and up that coast, as I understand it. Is that an extraordinary loss of life in a 10-year period for a similar extent of coast?

Colonel BURR. If it means the coast from Block Island around Cape Cod, I should say it was an exceptionally small average.

Mr. GRAHAM. That is what the statement showed. It shows 32 lives lost in that time.

Think of it, only three lives lost per year. Why, the Mississippi River or even one of the lakes of Madison is more perilous, and these lives may have been lost fishing. There is no proof that they were lost because of commerce. So much for the life-saving argument.

Now, consider the alleged destruction of property. But again the hearings do not give us any figures on the subject for obvious reasons. We find some captain saying that at a certain time there was a storm. I quote his language:

Capt. W. H. HALEY. I noticed on your chart a few circles representing Vineyard Haven. I laid in Boston in November, 1898, undergoing the annual steamboat inspection through a severe gale of wind, and came out of Boston after the gale and came down on Nantucket Shoals when all the lightships, with the exception of the Nantucket lightship, had gone adrift.

There were no guides in there. I went on Nantucket Shoals and up into Vineyard Haven where we ran across one of the vessels disabled. There were 38 or 39 vessels which had foundered and gone ashore in Vineyard Haven in that same gale. (Hearings, p. 38.)

Now this is all the evidence presented of loss of property. But there are other facts of record which are significant on this point:

If there is little loss of life, there is proportionate little loss of property. As the toll rate was only 6 cents per ton, if there were any danger of loss of property, the captains of ships and vessel owners could go through the canal rather than around the cape, which they do not do. The Government has constructed a very safe channel at great expense around the cape. Here is the clincher: The insurance rates, and trust me the insurance companies know, are the same, testifies Colonel Burr, whether the vessel goes through the canal or around the cape. These facts show how hollow is the claim that the Government should take over this ditch for any property-saving purpose.

Mr. Speaker, let us now consider another aspect of the special-interest nature of this legislation. I called your attention to the real beneficiaries, the financiers of Wall Street, who seek relief from a bad investment. These gentlemen are interested in coal mines, interested in steamboats, interested in carrying passengers and freight. The Metropolitan Steamship Co., says Mr. Weeks, paid one year $150,000 in tolls. The Eastern Steamboat Co. paid in one year as much as $193,000 in toll. Indeed, this company has ships passing through the

canal daily carrying passengers. The average cost for toll of a 3,000-ton steamer carrying passengers is about $300 per trip. These financiers, many of them, have coal barges transporting coal up through the canal. With a toll-free canal they would be saved expense, but would the people get cheaper coal? Oh, no! Mr. Calvin Austin, the president of the Eastern Steamship Co., frankly confessed that the steamboat companies alone would get the benefit. I quote from the hearings:

The CHAIRMAN. Would that contribute to any appreciable extent to the cost of the coal in the New England region?

Mr. AUSTIN. The cost of coal in New England?

The CHAIRMAN. Or ought it to do so?

Mr. AUSTIN. The cost of coal in New England is largely on the freight, but I do not know how they work that.

Mr. HOCH. What sort of freight does your company handle?

Mr. AUSTIN. All general merchandise.

Mr. HOCH. Do you handle any coal?

Mr. AUSTIN. No, sir.

Mr. HOCH. Any cotton?

Mr. AUSTIN. Yes, sir.

Mr. HOCH. Where do you ship your cotton from usually?

Mr. AUSTIN. From New York. It is delivered to us by the Southern Line.

Mr. HOCH. Do you handle any cotton through this canal?

Mr. AUSTIN. We operate all of our ships now through the canal.

Mr. HOCH. Can you give us any figures or any ideas that would be understandable to a layman as to the percentage that the tolls probably add? For instance, take a cotton shipment from Savannah to Boston?

Mr. AUSTIN. The tolls are based on the tonnage of the ship. We pay over 10 cents per gross ton on the passenger ships running. They are about 7,000 gross tons and cost $742 a night. On freight ships it is 6 cents, I think, and that would be about $112 or $115 more.

Mr. HOCH. Well, take a shipment of cotton; can you give us some idea as to what the present toll means with reference to a cotton shipment from Savannah to Boston?

Mr. AUSTIN. No; I could not do that.

Mr. HOCH. Could you give us any approximation or any idea about that?

Mr. AUSTIN. No; no more than you could. That is all figured in our cargo. We do not take one cargo of cotton, but we take everything that is to be shipped.

Mr. HOCH. Suppose the tolls were taken off; what would the significance of that be with reference to the price of the cotton, either to the man who sold the cotton or the man who bought it?

Mr. AUSTIN. The steamship company would be benefited.

Mr. HOCH. Would anybody else reap any benefit except the steamship company?

Mr. AUSTIN. I do not think so in that case. If we had free tolls, we would not have to pay $193,000 as we did last year.

Mr. HOCH. Do you mean to say that the toll has nothing to do with the price that the buyer pays for the cotton that goes through the canal?

Mr. AUSTIN. I do not look at it in that way.

Mr. HOCH. Is there any other charge that is put upon that cotton that the buyer does not have something to do with? How does it happen that the toll has nothing to do with the price of the cotton?

Mr. AUSTIN. There is a rate established on that cotton from the shipping point to the point of destination, and if it was brought by the Clyde Line or the Mallory Line from Texas and turned over to us, the rates would be the same.

Mr. HOCH. In your view of it, then, the mills in Connecticut would pay as much for the cotton if they had free tolls as they do now?

Mr. AUSTIN. Yes; unless they reduced the freight rate.

(Hearings, pp. 45–46.)

Moreover, this Cape Cod Canal is a local affair. The larger vessels prefer to pass up farther into the ocean. This is not a national, but a State matter. Massachusetts has the option of taking over the canal. Bills have been before the Massachusetts Legislature, but Massachusetts is too wise to do this. It is so much easier to unload on Uncle Sam. He is to furnish free toll to these profiteers at an average expense of at least $1,000,000 annually. The Wall Street interests can not afford to sink more millions into this enterprise, even with the payment of heavy tolls. But they would have the Government operate the canal free of toll.

So I say that in my long experience as a Member of the House this measure is the sheerest, rankest, and most wicked special-interest legislation that I can recall. Ship subsidy shines brightly side by side with this job.

The gentleman from Massachusetts [Mr. WINSLOW] puts it through his committee and gets the rule promptly. The Barkley bill can not get out, except we batter down the door. Section 15a can not be repealed to save farmers from excessive freight rates. But the Cape Cod Canal deal gets through the Committee on Interstate and Foreign Commerce, gets a rule from the Rules Committee, and is backed by the power of Massachusetts in Congress and in the Cabinet.

But, Mr. Speaker, powerful as is Massachusetts, I would not like to see the President, a Massachusetts man, veto the Bursum pension bill and sign this Winslow bill. It seems to me he can not do it and succeed himself in the White House.

Gentlemen, let us line up, and if we are for this Cape Cod Canal deal then we certainly are devotees of big business and special interests. I believe that no progressive will mar his record by voting for such legislation. I have fought ship subsidy and many other special-interest bills, but this seems about as bold and bad as any in all my experience. [Applause.]

Mr. BERGER. Will my colleague and friend yield?

Mr. NELSON of Wisconsin. Yes.

Mr. BERGER. Will my colleague and friend explain one thing? The gentleman has studied the bill and I have not, and I think a great deal of his judgment. Is the canal necessary and is it useful to commerce and will it protect life and property as claimed by its promoters?

Mr. NELSON of Wisconsin. So far as it is necessary, it is serviceable now. With a rate of 6 cents a ton or 10 cents per passenger now, anybody who wants to can go through this canal. But these gentlemen when they find they can not get the Government to take it over, repair, and fix it up for them, with free toll, are still bondholders; they are still stockholders and will run it somehow. So far as necessity is concerned, therefore, I say no. I have shown you that the people will not get the benefit. The steamship companies, the coal companies carrying coal through there, want to get free tolls where they are now paying upward of $200,000 apiece annually.

Mr. BERGER. One more question. The gentleman from Wisconsin is, of course, aware that the Panama Canal was originally constructed on a stock-jobbers' proposition, and there were a great many scandals. There was a Credit Mobilier—the de Lesseps Co.—and there were big scandals. Finally the United States Government took it over, and it is one of the great canals of the world and a blessing to commerce and a very necessary highway of the world. The gentleman knows how short it is. Is this a similar proposition on a small scale?

Mr. NELSON of Wisconsin. In one case you have to come through from the Atlantic to the Pacific. But this, well, according to their own testimony, a fast steamer will save four hours and a slow sailing vessel will save eight hours, but the captains now prefer to go outside—through the channel that we spent money on just outside. This is simply a ditch. Now, listen. If it had been a great necessity for the people they would have used it; but they would not pay the 6 cents a ton, and they prefer to go around, and that is why it is a failure.

It has developed more rock than was expected and more current, so they have got to get the rock out, and they have got to have locks put in in all probability, two types being proposed.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. NELSON of Wisconsin. Yes.

Mr. LAGUARDIA. In response to the inquiry made by the gentleman from Wisconsin, is it not true that the opposition to this bill is not based upon the fact of whether this canal is necessary or not, but it is based upon the one fact that the owners have their remedy at law, and when they were defeated in the appellate court they abandoned that and come here to get what the court would not give them?

Mr. WINSLOW. No; that is absolutely unfair and wrong.

Mr. LAGUARDIA. The record will speak for itself.

Mr. WINSLOW. The gentleman can not bring on a line.

Mr. NELSON of Wisconsin. I think the gentleman will debate that question later. I yield to the gentleman from North Dakota.

Mr. BURTNESS. Assuming there was no canal there at the present time, and the proposition came up as to whether the Government for the purpose of encouraging transportation facilities there on the eastern coast, and for the purpose of providing a waterway saving considerable mileage of boats through there, and the proposition was of considering the advisability of building this, would the canal be meritorious or not?

Mr. NELSON of Wisconsin. Possibly that might be debatable, but here we have these financiers of Wall Street, whose names I have given. They have found this to be a failure, but they have it and they can use it. Why take the burden off their hands? [Applause.]

Having leave to revise and extend my remarks, I append to them this condensed résumé of my speech given to the press the day following its delivery. This I do at the request of Members and for future use.

President Roosevelt coined the terms "the predatory interests" and the "powers that prey." Yesterday these freebooters of finance had a field day in the House of Representatives.

They put through the Cape Cod Canal deal, a most striking example of the greedy grasp on legislation of corporate self-interest enriching itself at the expense of the Public Treasury, doing so with the bipartisan aid of "faithful" Representatives in Congress.

This Cape Cod Canal job is a significant illustration of the fact that Wall Street has, when it pleases to exert it, a bipartisan hold upon both Republican and Democratic regulars, and demonstrates the need of an independent progressive group in the Congress to protect the interests of the public.

DEAL IS SUMMARIZED

The Cape Cod Canal deal may be summed up briefly.

The well-known Wall Street financier, August Belmont, capitalist, politician, Democrat, with eight other colleagues high in the financial district of New York City, each of them an officer or director in from 7 to 26 different corporations, are directors of the Cape Cod Canal Co.

This business speculation was undertaken shortly before the World War started, but proved a financial failure. It cost more to construct than was expected.

Commerce would not make use of it under the toll charged. In short, it became a tragic bit of busted big business.

The stock of the company never paid dividends and is worse than worthless. The debt of the company not only wipes out the value of the stock but leaves a debt of over $3,500,000.

The canal company's bonds are also unmarketable. Blocks of bonds are held by Belmont and his Wall Street associates, ranging in various sums, and some bonds were sold to Massachusetts and New York people.

CONSTRUCTION ORGANIZATION

The Canal Construction Co., made up of the same group of financiers, was created under the laws of Maine to construct the canal.

It looks more like a wrecking than a construction company, judged by the debts contracted, a fine sample of high finance. This agent of the company holds $2,500,000 in bonds which are not marketable.

The annual toll income does not meet the interest on the bonds and the upkeep of the canal. Deficit follows deficit.

Facing this plight these representatives of big business planned to unload the ditch on Uncle Sam.

They are interested in steamships carrying various kinds of freight to Boston. Some steamship companies pay toll yearly above $150,000 a year.

Free toll is given to these steamship companies by this Cape Cod Canal deal, an annual saving to some ranging as high as $200,000 in toll fees. The people will not get a bit of the benefit.

Of course these steamship owners are right on the job, too, to push this deal through Congress under various masks—life-saving, protecting property, and furthering commerce.

FRIENDS IN ALL CAMPS

A feature of this deal is the way their friends in Congress and in the Cabinet smoothed the way to the public purse. Seven years ago John W. Weeks was their friend in the Senate.

He got a rider put on the rivers and harbors bill calling for an expenditure of only $5,000, but which rider served as a joker to commit the Government to survey this ditch, to permit the Secretary of War to enter into tentative contract for its purchase, or to start condemnation proceedings subject to ratification by Congress. This Weeks rider has been worked hard by the Cape Cod Canal Co. to put this deal through.

Under the cover of the World War these gentlemen persuaded President Wilson to take over the canal for war purposes. They tried to get Secretary of War Baker to give them a contract.

After he had a firm of accountants looking into the actual money put into the canal he fixed the price in a tentative contract at $8,250,000. The canal company refused. Condemnation proceedings began; the jury awarded a large sum.

The Government appealed, and the court of appeals reversed the award because excessive, and there the unloading stopped. Bear in mind that this rider made the contract subject to ratification by Congress.

Unfortunately for the country the successor of Newton Baker as Secretary of War is the same Senator John W. Weeks who got the rider put into the appropriation bill. He promptly agrees to give these gentlemen $11,500,000 for the ditch, a sum $3,250,000 in excess of what Baker said was a fair price. Army Engineers in river and harbor work estimate the canal is worth not over $2,500,000 for the purposes of commerce.

GIVEN RIGHT OF WAY

To get the consent of Congress, Mr. WINSLOW, of Massachusetts, chairman of the Committee on Interstate and Foreign Commerce, rushes through a bill in his committee and gets promptly a rule to give it a right of way over other legislation in Congress.

Last year, because of the jam, the Cape Code Canal deal was sidetracked, but promptly this year Mr. WINSLOW repeats the performance, gets the bill through his committee, and obtains a rule rushing the bill ahead of legislation desired by the American people.

The Howell-Barkley bill, for instance, had to be forced out of Mr. WINSLOW's committee by a discharge rule. It is desired by labor to safeguard industrial peace in the operation of railroads.

Farmers are clamoring for the repeal of so-called section 15a of the Esch-Cummins bill in order that freight rates may be reduced so that they can send their freight to market. But these bills were pigeonholed in this committee and now are being brought out by battering down the door of the Winslow committee with discharge rules.

Yesterday a vote was had which is significant. The Republican regulars were for the bill. Public ownership, socialism, Government in business—all of these slogans are forgotten, all talk of economy is lost sight of. The Republican chairman of the Appropriations Committee, Mr. MADDEN, warned them, as did the ranking Democrat, Mr. BYRNS, of increasing deficits, but this Cape Cod Canal is in the interest of big business. This is for the relief of these financial magnates of Wall Street, so they voted solidly for this raid upon the Treasury.

IMMENSE SUMS INVOLVED

The initial cost is $11,500,000; the annual expense is about $500,000 per year. To repair and enlarge it, according to Mr. WALSH, a Member from this very Cape Cod district, will cost $50,000,000 at least.

The Wall Street interests can not afford to sink more millions into this enterprise, even with the payment of heavy tolls. But they would have the Government operate the canal free of toll.

Three Progressive Republicans exposed the deal. So did a like number of Progressive Democrats, but Democratic leaders kept quiet. We were warned that there would only be a straw opposition on the Democratic side, which happened.

The secret is Belmont, the big Tammany Democrat, one of the angels of the Democratic Party. In vain will the votes be scanned to find a Representative from New York City against this measure, other than the Progressive LAGUARDIA.

Even at that the bill could not have passed but for logrolling, a deal in pork. Muscle Shoals votes were gotten among the Democrats; also a number of pork-barrel river and harbor projects lined up Democrats, especially a $16,000,000 Texas project now before the House. Progressives know that this last deal is another tragic waste of funds as far as commerce is concerned.

In short, the deal was put through by a narrow margin of 149 to 131. Not a Progressive Republican voted for the deal, and it was announced on the floor as a "steal."

So I say, here we have an illustration of the need of independent progressives in the House. Here we have an illustration of the "powers that prey," the bipartisan government of the predatory Wall Street interest with its control, when it wants to put over a deal, of the regulars of both the Republican and Democratic Parties.

Should this deal get through the Senate, which is unlikely, will President Coolidge sign it with the pen that vetoed the Bursum pension bill, for the sake of economy?

The story of the Cape Cod Canal deal will be told on many a stump this campaign.

The SPEAKER. The time of the gentleman has expired.

Mr. SNELL. Mr. Speaker, I yield five minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD. Mr. Speaker and gentlemen of the House, this proposition has been before this body for some considerable time. In so far as its virtue is concerned, I am convinced it is meritorious. Had it not been so President Wilson would not have recommended it away back in 1918. It was also recommended by President Harding, and it is recommended now by President Coolidge. The question that was propounded by the gentleman from North Dakota to Mr. NELSON, I think, was a vital one,

and if properly answered would have been an answer as to what our attitude should be. Would we build this thing if we were entering upon a project of building a system of deep waterways? I am convinced that if the facts set forth in the report are true that we would answer in the affirmative. I am convinced that we are under a moral obligation, if not under a legal obligation, to carry out the contract entered into by the present Secretary of War.

All of the gentlemen who have made an investigation concerning the facts of this case have agreed that we should take over this property. The only difference has been with reference to the price, and I apprehend that that may be the only difference before this body to-day. As to whether the price is right or not I do not profess to know, but I will rely upon the judgment of those who have been charged with the responsibility of ascertaining what is a just price not only by President Wilson but by President Harding and President Coolidge. And there is another thing that appeals to me. It has been the dream of the century that some time in some way we will have not only intercoastal waterways but we will have throughout this country deep waterways to effect and facilitate transportation. To my mind one of the best things that can happen to solve the difficulties of the farmers of this country to-day is transportation. We have a dream in our country that one of these times we will have a deep waterway from the Lakes to the Gulf. I believe it is possible. The engineers tell us that it is possible. If that be so, one of the best guaranties of our desire and our intention to complete this system of waterways is to take over this thing which has been recommended not only by the Presidents, three of them in number, not only by the Secretary of War under two administrations, but by the engineers upon whom we must depend with reference to practicability, with reference to feasibility, and with reference to economical investment. So that to my mind this is the hour and this is the time when we should manifest our intention by taking over this project which has been so highly recommended, to enter upon a program of deep-waterway improvements.

Mr. SHERWOOD. I would like to ask the gentleman this question: Has General Beach recommended it?

Mr. WOOD. General Beach has recommended it, and every other engineer in the War Department has recommended it and advised its feasibility.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. SNELL. Mr. Speaker, how much more time have I?

The SPEAKER. The gentleman has 10 minutes.

Mr. SNELL. I yield nine minutes to the gentleman from Massachusetts [Mr. WINSLOW].

The SPEAKER. The gentleman from Massachusetts is recognized for nine minutes.

Mr. WINSLOW. Mr. Speaker and gentlemen of the House, if I were to undertake in the 10 minutes which I have to reply seriatim and in kind, if I were willing to put in words a reply to the remarks of the gentleman from Wisconsin [Mr. NELSON] about this canal, I would not be able to begin it, to say nothing of completing it. I have heard from soap-box orators and others who depend upon their pipe dreams for facts, on many occasions, strange and interesting stories, but never from anybody undertaking to discuss a real business problem have I heard so many misstatements, misconceptions, and wrong conclusions as we have had poured out to us in dramatic style to-day.

Mr. NELSON of Wisconsin. I challenge you to point out a single fact that is mistaken.

Mr. WINSLOW. Give me a list of people in Massachusetts who own securities in this canal. Who are they? Let us hear who they are. You can take your own time later and do it. When you get through with that, we will have another question to propound.

I can not go into the details of this. There are two problems before this House. One is not to abuse the committee. The history of this project is clear and straightforward, and was begun long before the present incumbent was chairman of the committee or a member of the committee. I do not propose to allow any man to insinuate against the good faith and bona fides of a man like Secretary Weeks. He may have made mistakes; he may have committed the awful crime of being industrious and successful in this life; but no man has been found who is able on facts to go out and cast aspersions upon him by reason of wrongdoing on his part. [Applause.] Moreover, he has nothing to do with the case. He is not on trial, and his honesty is not at stake. Neither am I on trial, nor is my honesty at stake. But do not depend upon my say-so. Depend upon the facts of the record and the testimony given under oath.

Here we have two problems to consider. The first one is, Shall we, after this opportunity given, have this Congress determine whether or not it will support the Government of the United States, which has acted under a mandate of Congress through its own legislation? A fair show is due to everybody involved, whether they are plutocrats of Wall Street or great brewers from Wisconsin; we do not care who they are. They are entitled to a fair show, and the outlook is that they will not get it under present conditions.

This bill was brought before our committee earlier in the session. We did not have hearings on it, and why? Because, with the exception of six members of the committee, all the others had been through it in hearings. But those six agreed that they would read the testimony of the hearings and have private converse with me for explanation, and abide thereby. We went through that program, and I have yet to hear any of those new Members complain that he did not have ample opportunity of learning all the facts. And in order that we might get to the Barkley bill and other bills, we passed through this Cape Cod bill quickly, and put it on the calendar, and then held it back until the appropriation bills and other important bills were well-nigh finished. Now give us a chance to bring this bill before the House. Do not say, "We do not care a hurrah for what the Sixty-fifth Congress did, or what President Wilson did, or what President Harding did or recommended with respect to the fulfillment of a contract. We do not care what Secretary Baker or Secretary Daniels or Secretary Redfield or the committee in the present Cabinet said about it. We are going to cut your throat."

The only man who ever cast any aspersion on the honesty of this purpose and who is in the House at this moment is the gentleman from Wisconsin [Mr. NELSON]. If any one of you can point out where he stated a well-grounded fact concerning this proposition you will point out a fact that I could not comprehend. The gentleman from Wisconsin may have spoken to the gallery, but I do not think Members of the House here, whatever their mental level may be, will say, "We will not give you a chance to tell your story." That is what we want. We will take our chances on the merits of the case. If a majority of this House says it is a bad bargain, we will not cry "baby." But in defense of the Government itself, and in defense of the good name of Congress itself, we of the committee charged with the business of bringing this bill out, not as ours but as a bill representing three administrations, want to have this thing settled and done with.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. WINSLOW. I will yield.

Mr. BLANTON. After Secretary Baker submitted this matter to the Department of Justice and they entered condemnation proceedings, what authority had Secretary Weeks for making a contract? Did it not take it out of his hands?

Mr. WINSLOW. Not at all.

Mr. BLANTON. I would like to hear about that.

Mr. WINSLOW. I would like to report on that. It was mentioned here a moment ago.

Mr. BLANTON. I just want to know the legal features of it.

Mr. WINSLOW. I am not strong on the legal features of it. I am not trained that way. But I understand the English language, and I think I can show that to you.

Mr. FREDERICKS. Mr. Speaker, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. FREDERICKS. How does the price that it is contemplated the Government will pay compare with the actual cash expended by those who put the project into the condition it is now in?

Mr. WINSLOW. If I have time enough to do that, I will do it. But I do not want to send a ball over the plate and then dispute the decision of the umpire. [Laughter.]

Mr. FREDERICKS. What is the price named in this bill?

Mr. WINSLOW. Eleven million five hundred thousand dollars, of which $5,500,000 is for the property, which will go to pay some of the debts of the company, and $6,000,000 to the holders of the bonds less the value of 922 acres of land, which I believe is worth about $300,000, and $100,000 to be left in cash in the treasury of the company for the Government.

Mr. FREDERICKS. What amount of money has this company expended in putting the thing in the shape it is in now? Have you the figures?

Mr. WINSLOW. In connection with that you get into a matter of accounting. It is one of those questions which I should have a little time to explain, in fairness to the gentleman, in

fairness to myself, and in fairness to the House, because that is the controversy on which Secretary Baker put forth the claim that he was being asked to pay too much. But his own accountants, who are Price, Waterhouse & Co., of New York, a great concern, retained by the Government and paid by the Government, have shown a cost investment, according to their way of looking at it, of over $12,000,000.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SNELL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. NELSON of Wisconsin) there were—ayes 109, noes 27.

Mr. NELSON of Wisconsin. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighty-five Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 228, nays 96, answered "present" 6, not voting 102, as follows:

YEAS—228

Abernethy	Dickstein	Kerr	Porter
Ackerman	Doughton	Ketcham	Pou
Allen	Driver	Kindred	Prall
Allgood	Dyer	King	Purnell
Almon	Elliott	Knutson	Quayle
Andrew	Evans, Mont.	Kurtz	Ragon
Anthony	Fairchild	Lankford	Rainey
Aswell	Fairfield	Larson, Minn.	Raker
Bacon	Faust	Lazaro	Rathbone
Barbour	Favrot	Lea, Calif.	Reece
Beers	Fenn	Leatherwood	Reed, N. Y.
Begg	Fish	Leavitt	Richards
Berger	Fisher	Lindsay	Rogers, Mass.
Bixler	Fleetwood	Lineberger	Romjue
Black, N. Y.	Foster	Logan	Sanders, Ind.
Bland	Fredericks	Longworth	Sandlin
Bloom	Free	Lozier	Sears, Fla.
Bowling	Freeman	Luce	Sinnott
Boyce	French	Lyon	Smith
Boylan	Frothingham	McDuffie	Smithwick
Briggs	Fuller	McFadden	Snell
Britten	Gallivan	McLaughlin, Mich.	Speaks
Browne, N. J.	Garber	McLaughlin, Nebr.	Spreul, Ill.
Bruckner	Garrett, Tex.	McLeod	Stalker
Buchanan	Gasque	McSweeney	Stengle
Buckley	Gifford	MacGregor	Stephens
Burdick	Glatfelter	Major, Ill.	Strong, Kans.
Burtness	Graham, Pa.	Mansfield	Strong, Pa.
Burton	Green, Iowa	Mapes	Sullivan
Butler	Greene, Mass.	Martin	Swing
Cable	Griest	Mead	Swoope
Campbell	Hadley	Merritt	Taber
Cannon	Hardy	Michener	Temple
Carew	Haugen	Miller, Wash.	Thompson
Casey	Hawes	Milligan	Tilson
Celler	Hawley	Mills	Timberlake
Chindblom	Hayden	Minahan	Tincher
Christopherson	Hickey	Moore, Ohio	Tinkham
Clancy	Hill, Ala.	Moore, Va.	Treadway
Clarke, N. Y.	Hill, Md.	Morgan	Underhill
Cleary	Hoch	Morrow	Vestal
Cole, Iowa	Holaday	Murphy	Vincent, Mich.
Collier	Hooker	Nelson, Me.	Wainwright
Colton	Hudspeth	Newton, Minn.	Watres
Connery	Hull, Iowa	Newton, Mo.	Watson
Cooper, Ohio	Hull, William E.	O'Brien	Weaver
Cramton	Jacobstein	O'Connell, R. I.	Weller
Crowther	Jeffers	O'Connor, La.	Wertz
Cullen	Johnson, Ky.	O'Connor, N. Y.	White, Me.
Cummings	Johnson, S. Dak.	O'Sullivan	Williams, Ill.
Dallinger	Johnson, Tex.	Oliver, Ala.	Wilson, La.
Darrow	Johnson, Wash.	Oliver, N. Y.	Winslow
Davey	Jost	Paige	Wood
Deal	Kearns	Parker	Woodruff
Dempsey	Kelly	Patterson	Wurzbach
Denison	Kendall	Perlman	Wyant
Dickinson, Iowa	Kent	Phillips	Young

NAYS—96

Arnold	Davis, Tenn.	Johnson, W. Va.	Mooney
Ayres	Dickinson, Mo.	Jones	Moore, Ga.
Beck	Dominick	Keller	Morehead
Bell	Dowell	Kopp	Nelson, Wis.
Black, Tex.	Drewry	Kunz	Nolan
Blanton	Evans, Iowa	LaGuardia	Oldfield
Brand, Ga.	Frear	Lampert	Parks, Ark.
Browne, Wis.	Fullbright	Lanham	Peery
Browning	Fulmer	Larsen, Ga.	Quin
Bulwinkle	Gardner, Ind.	Lee, Ga.	Ramseyer
Byrns, Tenn.	Garner, Tex.	Lilly	Rankin
Clague	Garrett, Tenn.	Little	Rayburn
Connally, Tex.	Greenwood	Lowrey	Reed, Ark.
Cook	Harrison	McClintic	Roach
Cooper, Wis.	Hastings	McKeown	Robsion, Ky.
Crisp	Hill, Wash.	McReynolds	Ruber
Crosser	Howard, Nebr.	Major, Mo.	Sabath
Davis, Minn.	James	Michaelson	Sanders, Tex.
Schall	Sumners, Tex.	Tillman	White, Kans.
Schneider	Swank	Tucker	Williamson
Shallenberger	Tayler, W. Va.	Underwood	Wilson, Ind.
Sinclair	Thatcher	Vinson, Ga.	Wingo
Sproul, Kans.	Thomas, Ky.	Voigt	Woodrum
Stedman	Thomas, Okla.	Wefald	Wright

ANSWERED "PRESENT"—6

Busby	Madden	Tydings	Wolff
Carter	Salmon		

NOT VOTING—102

Aldrich	Gilbert	Miller, Ill.	Sites
Anderson	Goldsborough	Montague	Snyder
Bacharach	Graham, Ill.	Moore, Ill.	Steagall
Bankhead	Griffin	Moores, Ind.	Stevenson
Barkley	Hammer	Morin	Summers, Wash.
Beedy	Hersey	Morris	Sweet
Boies	Howard, Okla.	Mudd	Tague
Box	Huddleston	O'Connell, N. Y.	Taylor, Colo.
Brand, Ohio	Hudson	Park, Ga.	Taylor, Tenn.
Byrnes, S. C.	Hull, Morton D.	Peavey	Upshaw
Canfield	Hull, Tenn.	Perkins	Vaile
Clark, Fla.	Humphreys	Ransley	Vare
Cole, Ohio	Kahn	Reed, W. Va.	Vinson, Ky.
Collins	Kiess	Reid, Ill.	Ward, N. Y.
Connolly, Pa.	Kincheloe	Robinson, Iowa	Ward, N. C.
Corning	Kvale	Rogers, N. H.	Wason
Croll	Langley	Rosenbloom	Watkins
Curry	Lehlbach	Rouse	Welsh
Doyle	Linthicum	Sanders, N. Y.	Williams, Mich.
Drane	McKenzie	Schafer	Williams, Tex.
Eagan	McNulty	Scott	Wilson, Miss.
Edmonds	McSwain	Sears, Nebr.	Winter
Fitzgerald	MacLafferty	Seger	Yates
Funk	Magee, N. Y.	Sherwood	Zihlman
Geran	Magee, Pa.	Shreve	
Gibson	Manlove	Simmons	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gibson (for) with Mr. Busby (against).
Mr. Curry (for) with Mr. Rouse (against).
Mr. Corning (for) with Mr. Funk (against).
Mr. O'Connell of New York (for) with Mr. Park of Georgia (against).
Mr. Upshaw (for) with Mr. Kvale (against).
Mr. Tague (for) with Mr. Wolff (against).
Mr. Shreve (for) with Mr. Morris (against).
Mr. Humphreys (for) with Mr. Collins (against).

Until further notice:

Mr. Madden with Mr. Carter.
Mr. Magee of New York with Mr. Bankhead.
Mr. Kahn with Mr. Clark of Florida.
Mr. Manlove with Mr. Kincheloe.
Mr. Bacharach with Mr. Wilson of Mississippi.
Mr. Graham of Illinois with Mr. Barkley.
Mr. Boies with Mr. Linthicum.
Mr. Kiess with Mr. Doyle.
Mr. Hudson with Mr. Box.
Mr. Sears of Nebraska with Mr. McNulty.
Mr. Aldrich with Mr. Eagan.
Mr. Sweet with Mr. Taylor of Colorado.
Mr. Vare with Mr. Huddleston.
Mr. Cole of Ohio with Mr. Sherwood.
Mr. Welsh with Mr. Byrnes of South Carolina.
Mr. Winter with Mr. Goldsborough.
Mr. Connolly of Pennsylvania with Mr. Watkins.
Mr. Schafer with Mr. Hull of Tennessee.
Mr. Reid of Illinois with Mr. Canfield.
Mr. Peavey with Mr. Howard of Oklahoma.
Mr. Seger with Mr. McSwain.
Mr. Morin with Mr. Gilbert.
Mr. Fitzgerald with Mr. Drane.
Mr. Scott with Mr. Stevenson.
Mr. Morton D. Hull with Mr. Ward of North Carolina.
Mr. Ransley with Mr. Montague.
Mr. Lehlbach with Mr. Steagall.
Mr. Mudd with Mr. Croll.
Mr. Perkins with Mr. Rogers of New Hampshire.
Mr. Magee of Pennsylvania with Mr. Hammer.
Mr. Taylor of Tennessee with Mr. Geran.
Mr. Rosenbloom with Mr. Sites.
Mr. Brand of Ohio with Mr. Griffin.
Mr. Miller of Illinois with Mr. Vinson of Kentucky.
Mr. MacLafferty with Mr. Williams of Texas.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Mr. WINSLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3933) for the purchase of the Cape Cod Canal property, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 3933, with Mr. CRAMTON in the chair.

The Clerk read the title of the bill.

Mr. WINSLOW. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. WINSLOW. Mr. Chairman, no arrangement has been made as to control of the time.

The CHAIRMAN. The rule provides that there shall be not to exceed three hours of debate, to be equally divided for and against. The gentleman from Massachusetts, I assume, is in favor of the bill and will be recognized for one hour and a half.

Mr. BLANTON. Mr. Chairman, that can not be done in committee. I make the point of order that can only be done in the House.

The CHAIRMAN. The limitation upon the time has been fixed, but not the control of the time.

Mr. GARRETT of Tennessee. Mr. Chairman, if the gentleman will permit me a moment, of course, I know the time has passed for arranging for control of the time, but in the interest of orderly procedure, the three hours should be controlled.

Mr. BLANTON. Certainly.

Mr. GARRETT of Tennessee. Just a moment. An agreement can not be entered into in Committee of the Whole and yet it should be. It seems to me that the gentleman from Massachusetts should control one hour and a half and the gentleman from Texas, the ranking member of the Committee on Interstate and Foreign Commerce, opposed to the bill, should control one hour and a half.

Mr. TILSON. There is nothing to hinder that if there is unanimous consent.

Mr. SANDERS of Indiana. If the gentleman from Tennessee will yield, I suggest that in the absence of any specific direction by the House, the question of control may be made in the committee by unanimous consent. The question of control of time can not be extended because that is specifically fixed by the House.

Mr. GARRETT of Tennessee. The gentleman thinks control of the time can be so fixed.

Mr. TILSON. By unanimous consent.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask unanimous consent that the time for general debate may be controlled one-half by the gentleman from Massachusetts [Mr. WINSLOW] and one-half by the gentleman from Texas [Mr. RAYBURN].

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the control of the time may be given one-half to the gentleman from Massachusetts [Mr. WINSLOW] and one-half to the gentleman from Texas [Mr. RAYBURN]. Is there objection?

Mr. WOLFF. I object, but will withhold it.

Mr. BLANTON. Mr. Chairman, I reserve the right to object in order to ask a question.

The CHAIRMAN. Does the Chair understand objection has been made?

Mr. BLANTON. Mr. Chairman, I reserve the right to object. All I want is 10 minutes against the bill. I was promised time against the rule by the gentleman from New York [Mr. SNELL], but through an arrangement which he made with the gentleman from Wisconsin he had to give my time to him. I would like to have 10 minutes against this bill out of the one hour and a half. If I can get a little time against the bill, that is all I want.

Mr. RAYBURN. Mr. Chairman, I will say to the gentleman that I have seven men who have already spoken for time; but if I have any time left I will yield it to the gentleman from Texas, but, of course, I am making no contract about that.

Mr. BLANTON. I shall not object, Mr. Chairman. I am sure the gentleman will yield me time, if possible.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and it is so ordered. The gentleman from Massachusetts is recognized for an hour and a half.

Mr. WINSLOW. Mr. Chairman and members of the committee, years ago, in 1873, the first move was made by the United States toward the establishment of internal and intercoastal waterways. Since that time the policy of the Government has been to develop transportation by water from time to time until now we have quite a considerable amount of water transportation under the control of the United States, both intercoastal and internal.

The United States has been buying up or building waterways and they now have quite a number covering many parts of the country. As yet there has been no registered protest against the existence of any one of those that the United States has bought up or developed.

We have the Chesapeake and Delaware waterway, the Chesapeake and Albemarle, Beaufort, N. C., to Jacksonville, Charleston to Windsor, Wapoo Cut, Beaufort, S. C., to St. Johns River, Indian River, Appalachicola River, Santa Rosa Sound, Mobile Bay, Mississippi River, Galveston to Corpus Christi, St. Marys Falls, Lake Huron, Black Rock Canal in the Niagara River, Sturgeon Bay and Green Bay with Lake Michigan Ship Canal in Michigan, the Kanawha waterway on Lake Superior, the Illinois and Mississippi waterway in Illinois, Louisville and Portland in Kentucky, Colbert Shoals Canal in Tennessee, Muscle Shoals Canal, Cascade Canal in Oregon, Dalles and Toledo Canal in Oregon, Willamette Falls in Oregon, Lake Washington Ship Canal in Seattle, and the Government has spent or has arranged to spend on these canals all the way from a few hundred thousand dollars up to $24,000,000.

The Government has bought privately owned canals and developed them and built others. We have before us now for the consideration of Congress in the immediate future three distinct waterway problems which I believe are in the interest of the transportation of the entire country. It is not fair to say that any one of these canals which I have mentioned is strictly a local undertaking. Each contributes to local development, to be sure, but each, nevertheless, helps some locality to reach out and get into every part of the United States and each helps every part of the United States to get to the locality of each waterway. The issue is national, and it is only the narrow mind that is prepared to say that any one of these canals is not a national proposition.

We have, for instance, coming up in a few days the Mississippi River barge canal bill, with reference to forming a corporation to operate the Mississippi River barge canal business.

It is a most meritorious undertaking and was reported out of the committee by a very large vote; I think, unanimously. It is a proposition not to make a waterway but to incorporate the Big Warrior and Mississippi River barge business in such a way that it can do business and go on and try out the inland-waterway proposition, and it is well worth the cost for the country to try this water system of transportation. It can only be tried out by putting the canal company in such shape so that it can handle its business efficiently.

Mr. McKEOWN. Will the gentleman yield?

Mr. WINSLOW. Not now. If the Mississippi undertaking is worked out and another link is put along the shore of Texas, as I shall explain, the great fabricators of iron and steel in Pittsburgh can get down the Ohio from Pittsburgh and other cities, and down the Mississippi River from St. Paul to New Orleans, and can send freight through the Louisiana and Texas Canal. When finished, as it ought to be, it will carry us up to the Mexican border, and those who have studied the subject know that the Mexican Government is waiting and has for a long time been waiting for us to deliver shipments to the Mexican border by waterway. Mexico will then make a canal of its own which would mean that you could load a barge in Pittsburgh, Cincinnati, or Paducah and run straight through the Texas country without any discharge whatever.

The Mississippi River barge matter, I think you all know and likely have a better idea of it than of the proposed Louisiana and Texas canal project. That matter is before the River and Harbor Committee. It is not my purpose to forestall the action of any committee or butt into its undertaking. To my mind, that Louisiana and Texas canal project is an exceedingly meritorious proposition, and it ought to go through. It ought to be supported by our Government. There is a little stretch between the Sabine River and Galveston Bay, where there is a canal proposed to be built that will make a continuous line from Mobile to Louisiana and New Orleans, to Corpus Christi, and then later on to the Mexican border.

Mr. HUDSPETH. Will the gentleman yield?

Mr. WINSLOW. For a brief question.

Mr. HUDSPETH. How much is to be appropriated for the interconstal canal from Corpus Christi to New Orleans?

Mr. WINSLOW. I do not know; I am not concerned myself about the cost of that. I am not concerned as much about the cost as I am of the importance and necessity of building the canal. There is another project under way which will eventually go through, and that is cutting across the top of the peninsula of Florida. When that is done, you can start anywhere on the coast of Texas and come up into our country until you reach this dangerous point on the Atlantic coast that has been known for all time as the graveyard of the Atlantic. Shall it not be built, because somebody locally far away does not like it?

We could send wares all the way down through this system, and we could get shipments cheaper from Pittsburgh than we

can get them now from Pittsburgh to Massachusetts by rail. All the projects I have named are meritorious and ought to be put through. Now, to get down to the discussion of this important Cape Cod Canal.

Mr. BLANTON. Will the gentleman yield?

Mr. WINSLOW. My heart prompts me to yield, but I do not like to get sidetracked in my limited time. I will hurry through as fast as I can, and then I will yield.

Mr. BLANTON. The gentleman has shown that he is a good fisherman with the bait he is offering.

Mr. WINSLOW. Well, does the gentleman bite? [Laughter.] The Cape Cod Canal is no new proposition. I am not going through the long history of it; but it is interesting to know that in George Washington's time there was an effort to get through Cape Cod territory. Somebody asked why did not George get through, and why did not the engineers later get through. There are two reasons, and the main one has been that the mechanical devices which would enable them to get through with anything like a normal and reasonable expense were not sufficiently developed. In later times they have been.

Mr. SHERWOOD. Will the gentleman tell us what is the depth of the canal?

Mr. WINSLOW. At present it is 25 feet. Later on I shall approach that subject in some detail. As time went on, times without number, they undertook to get through Cape Cod, but it was not until much later that a company thought they saw their way to build and complete the canal in view of the development in building such public works. A company was organized, men with money went into it, and who in heaven's name would expect to accomplish anything of that kind without the participation of men with money. You can not pay for a canal with paper bags. It takes capital to do it. Men of courage and capital went into it. They opened the canal on the 14th of August, 1914. I remember it with pleasure, because I happened to be one of those who went through when it was opened with appropriate ceremonies—not now possible. [Laughter.]

On the 14th of August they opened the canal when the depth was 12 feet. It was suitable only for small draft boats. There was no idea of making it pay, but, of course, there was an idea of getting a little something back from the shallow draft boats. The owners never had a chance to try out the canal. The opening up of that canal came along, and, mind you, November 16, after the canal was opened on August 14 the Government of the United States, through the behest of the Secretary of the Navy and the Secretary of War, began to look about to see for what sum the canal could be bought.

I will say for the benefit of the opponents and proponents alike that so far as I know and so far as I have heard there never has been anyone who has ever testified or said in conversation or otherwise that at any time before the Government reached out for a price that the owners of the Cape Cod Canal offered it or tried to sell it to anybody whatsoever. If there is a man in this House who has the information which I do not have, which he will substantiate with references, I will take his word for it; but in the absence of such I am not willing to take the broad statement of anybody from the beginning up to this minute that the canal company ever made an initial move to sell.

Mr. NELSON of Wisconsin. If the gentleman will allow me to interrupt. Secretary Baker said so, and I read his own words.

Mr. WINSLOW. I say I do not dispute it, but I ask for the record. "Say so" will not go with me in a statement of facts. If anyone has the record, I will bow to it; but in the absence of it I can not consider the argument. I could hang everybody here on "say so" if I traveled in various districts. [Laughter and applause.]

I am dealing with facts which are substantiated by witnesses, and not statements which a man may make because he believes them and which he is not able to carry through with demonstration. I hurry over this. The Secretary of War asked for a price. He got $13,000,000 handed back to him. He did not like it, and then meanwhile he had an accounting made at Government expense by his own accountants, as I have described. In due time, after the President of the United States, Woodrow Wilson—now I am a little bit ahead. While the war was on we took over the canal by presidential proclamation for war purposes. Before it was given up by the United States and turned back into the hands of the owner the Secretary of War was unable to buy it; he could not agree on the price, so he fell back on Congress's mandate in law that we could purchase it for so-and-so, and if we could not obtain it privately we could go into a court in condemnation proceedings. Secretary Baker went into court and, instead of getting the canal for $8,250,000, the court said, "No; if you please, $16,850,000 less $150,000 for deferred maintenance." By the way, you remember Congress said, "If you can not buy it like a horse trader, buy it through the court." The Secretary went to the court, and the court gave an award.

The other parties to the trade said, "Nothing doing; you will have to go back into the court and go before the court of appeals in Washington," and the verdict was, I think, set aside—I am untrained in technical legal expressions—but, however expressed, a new trial was ordered on the ground of improper testimony. Under the law the Cabinet committee, the Democratic administration, Wilson's Secretary of War, Secretary of the Navy, and Secretary of Commerce, unanimously agreed—I have plenty of testimony to show even under oath—that we ought to have the canal. President Wilson's committee finally said we ought to get it for less money, so they undertook condemnation. Meanwhile the administration changed, and after the court of appeals had ordered a new trial this new Cabinet came in, a Cabinet of Warren G. Harding, and a new Cabinet committee made a trade and set up a contract which was entered into, I believe, in absolutely good faith, and it provided for $11,500,000 with which to get not only the canal property as originally comprehended but also 932 acres of adjoining land most valuable to the canal property, and $100,000 was to be reserved in cash on the trade when the contract should be executed.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. JACOBSTEIN. Under what authority, if the gentleman please, was that contract agreed to?

Mr. WINSLOW. Under the authority of the act of Congress of August 8, 1917. It was made under the act of Congress which said, "Go buy it." That was in President Wilson's time. Within two weeks after the armistice was signed the Government ordered or directed Secretary of War Baker to buy the canal, in accordance with the provision of law which I have stated, and make a genuine artery, not for war purposes alone, not for stragetic purposes alone, but for all purposes as a genuine artery, and under that direction of President Wilson the committee, under the leadership of the Secretary of War, tried to buy it. They did not get their price, so they went to the court. They did not get something that pleased them, so they kicked over and finally managed to get an order for a new trial, and that new trial was under way when the Harding administration came in, and automatically the Secretary of War, the Secretary of the Navy, and Secretary of Commerce of the Harding administration succeeded to the responsibilities of their predecessors. They picked this negotiation up again and communed with the owners of the canal, and they arrived at the price and the terms which appear in the contract. I happened to be chairman of the Committee on Interstate and Foreign Commerce at the time, and my name as chairman of the committee, automatically—not from any residence of mine in Massachusetts but in accordance with the common practice of the Congress for the chairman to put his name at the head of purely administration bills—and that is why my name appears as that of the introducer of the bill. Moreover, I am not sleeping with bloated stock and bond holders of New York and Massachusetts. [Laughter.]

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. JACOBSTEIN. Has there been any change in the ownership of the canal?

Mr. WINSLOW. None whatever. It is now being operated by the canal company in the interest of the Government until the time comes for the disposition of the contract. At one time the Government did not want to run the canal. They disputed its ownership, and the company did not want to run it, as it denied ownership, and the canal was run for a while by a man "for whom it might concern." When the contract was established the canal company, which was familiar with the operation, was asked by the United States Government to run it pending the action of Congress on the contract as otherwise agreed to, and that situation exists now. No money is diverted to the treasury of the canal company and no receipts spent for a couple of years, except for maintenance and upkeep.

Mr. JACOBSTEIN. No new financial interests have come in?

Mr. WINSLOW. No; and meanwhile the canal company owners have been compelled to pay out of their own pockets the interest on $6,000,000 in bonds.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. ABERNETHY. I am for the canal, because it is a part of the inland waterway scheme which the Government is undertaking to operate from Boston down to the Gulf. But I would like to have an answer to a question raised on this side of the House, that at one time the owners of the canal undertook to accept $9,000,000 for it. That item got into a river and harbor bill in the Senate. Now they want $11,500,000. Will the gentleman explain that?

Mr. WINSLOW. I will, according to my best recollection, and I will call on the gentleman from New York [Mr. DEMPSEY] for correction, if any need be made.

The Committee on Interstate and Foreign Commerce reported out a bill carrying in round numbers $11,500,000 for the canal. When the river and harbor bill was put in in the last Congress it pleased the Senate through a conference to bring in a rider on that bill—perhaps a matter beyond their jurisdiction; but they brought in an item for $9,000,000, clipping off two million and a half from the amount named by the Committee on Interstate and Foreign Commerce in its bill. When that report came in the Committee on Interstate and Foreign Commerce resisted it, for this reason: They were not aware of the fact that the owners of the canal had ever consented to any reduction of the $11,500,000. They were not aware of the fact that the committee of the President had any notice of the proposed reduction or that they agreed to it as a wise course.

Our committee presented its views to the House, and the Committee on Rivers and Harbors presented its views, and by a vote of the House it was decided that the item naming $9,000,000 had better be stricken out of the river and harbor bill, and it was referred back to conference and so it was dropped out. That is the whole story, is it not?

Mr. DEMPSEY. Yes; that is a correct statement.

Mr. WINSLOW. I would like to add, with such pleasure as may be connected with this experience, that neither the Cabinet nor the President discussed the wisdom of cutting off the $2,500,000.

Mr. DEMPSEY. Yes; that is correct.

Mr. ABERNETHY. Mr. Chairman, will the gentleman again yield?

Mr. WINSLOW. Yes.

Mr. ABERNETHY. The owners, as I understand, never agreed to that?

Mr. WINSLOW. No. The Senate, for reasons sufficient to itself, clipped off $2,500,000. We never raised it up. They cut it down.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. OLIVER of Alabama. This is a segment of an intercoastal canal project which the Government has in view, and is in accordance with the provision reported by the Committee on Rivers and Harbors in connection with the project now entertained of an intercoastal canal?

Mr. WINSLOW. Yes. This is of importance to the Government, which has favored this matter as an absolute necessity for the Government; a project which Secretaries Baker, Redfield, Daniels, Weeks, Denby, and Hoover, and Presidents Wilson, Harding, and Coolidge, and engineers of the Army and Navy, and admirals ad libitum favored.

I could give you a whole line of Government and expert indorsers of it here, with quotations necessary to prove the statement. You will, I am sure, take my word that they have indorsed the purchase of the canal as a desirable thing all the time, and there has been only one contention about it, and that has been as to the price. Never until this morning have I heard anybody suggest that it would not be a desirable acquisition to the Government for three reasons: First, as a commercial proposition, and then again from the standpoint of strategic position for war purposes, and again for the humane considerations, which we will undertake to develop in due time.

Mr. BLANTON. The gentleman spoke of President Wilson and his cabinet being heartily in favor of this proposition. I would like to ask the gentleman to explain this for my benefit. President Wilson and his cabinet were in absolute authority in August, 1917. They could pass any kind of a bill they wanted. Why was it necessary for Secretary Weeks in the Senate to put this matter as a rider on an appropriation bill for a Democratic administration? Why did they not have some one acting for themselves to put it on?

Mr. WINSLOW. Maybe they could not find any Democrat who knew half as much about it as Senator Weeks. [Laughter.]

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield for another question?

Mr. WINSLOW. Yes.

Mr. JACOBSTEIN. You stated there were three reasons, and you mentioned as first the commercial reason.

Mr. WINSLOW. Yes.

Mr. JACOBSTEIN. Did you mean by that that even though the private company could not operate it profitably the Government could, giving free tolls?

Mr. WINSLOW. That is one of the reasons.

Mr. JACOBSTEIN. You would not regard that as a commercial enterprise?

Mr. WINSLOW. Yes.

Mr. JACOBSTEIN. The Government would not make it pay, would it?

Mr. WINSLOW. By charging an admission fee?

Mr. JACOBSTEIN. Yes.

Mr. WINSLOW. It can not make any of those things pay. Long Island is not paying and New York Harbor is not paying.

Mr. JACOBSTEIN. It is not as a purely commercial proposition, then?

Mr. WINSLOW. No more than is Ambrose Channel. But you New York people do not want to lose that channel nor have the Government abandon it.

Mr. JACOBSTEIN. It is not to be used with tolls for shipping?

Mr. WINSLOW. No. Under existing law they can not run canals with tolls, except the Panama Canal.

Mr. JACOBSTEIN. One more question. Reference was made in the debate to the transfer of jurisdiction of this matter from the Committee on Rivers and Harbors to the Committee on Interstate and Foreign Commerce. As a new Member, I would like to have the gentleman explain how it got to the Committee on Interstate and Foreign Commerce instead of the Committee on Rivers and Harbors.

Mr. WINSLOW. If the gentleman regards the question as germane and important, and if he will call upon me, I will tell him all about it.

Mr. JACOBSTEIN. In debate it was stated there was an implication somewhere of motive for transferring it.

Mr. WINSLOW. No, no. That happened in the Senate, and we are not accountable for any strange vagaries of theirs. [Applause.]

Mr. WILLIAMSON. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. WILLIAMSON. What is the approximate width and depth of this canal at the present time?

Mr. WINSLOW. The average depth is 25 feet. It is deeper at one end than at the other, on account of the way the water runs, due to the movement of the tides. I am very glad to go on in this way, because it shows what the Members are interested in, but it will break up the continuity of a running statement by me. The depth at mean low water now is 25 feet. They propose—the engineers of the Army, through whom everybody has worked, and whose figures are accepted—to have a depth of 35 feet. It is the opinion of General Goethals and others that with a depth of 35 feet, in connection with the tides twice a day, it will make it possible for a warship of 40 feet draft to go through the canal.

Mr. WILLIAMSON. How much additional will it cost to give this canal a depth of 35 feet and a width of 200 feet?

Mr. WINSLOW. The estimate of the engineers was about $10,000,000.

Mr. WILLIAMSON. Can this canal be operated without locks?

Mr. WINSLOW. There has been only one engineer who suggested locks, and that was Colonel Burr, of the Army.

Mr. WILLIAMSON. What is the approximate difference in the height of Cape Cod and Buzzard's Bay—the level?

Mr. WINSLOW. I think the gentleman from Massachusetts [Mr. GIFFORD] can tell you about that, but I think, 7 feet.

Mr. GIFFORD. Five feet.

Mr. UNDERHILL. That is at flood tide?

Mr. WINSLOW. Are there any other questions at this moment?

Mr. McKEOWN. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. McKEOWN. I would like to know what the attitude of Secretary Weeks is now on the Warrior River proposition. I noticed the other day that he was in favor of disposing of that proposition.

Mr. WINSLOW. I am not going to waste any more time on Warrior River. I have told you I think it is a fine thing, and I think Secretary Weeks is one of the strongest men in support of it.

Mr. McKEOWN. But I noticed in the papers that he was going to sell it.

Mr. WINSLOW. I do not care to yield further as to the Warrior River. I will help the gentleman fry those fish later but not now.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. SHALLENBERGER. Did I understand the gentleman to say that the rider carrying $9,000,000, which was put on in the Senate, was put on at the instance of Senator Weeks at that time?

Mr. WINSLOW. No; that was long before and he was not there.

Mr. SHALLENBERGER. But the $11,500,000 appropriation was his?

Mr. WINSLOW. No; that was made up by a committee of three—the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce, acting for the Harding administration.

Mr. SHALLENBERGER. My point was whether the Senator had agreed to the $9,000,000.

Mr. WINSLOW. No.

Mr. MANSFIELD. If the gentleman will permit, I want to suggest to the gentleman from Nebraska [Mr. SHALLENBERGER] that the Senate did not put it in at $9,000,000; they put it in at $11,500,000, but the conferees—the gentleman from New York [Mr. DEMPSEY] was one of the conferees—suggested $9,000,000 in the conference.

Mr. WINSLOW. However it was, it was not accepted by the House at the time.

Now, the time has been flying. I could show you—and I would like to get permission to extend my remarks if it is possible to obtain that permission now.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WINSLOW. We can give you, as to the value for war purposes, the testimony of many engineers, beginning with General Goethals. We can take in Admiral Benson. We have Colonel Hodges; we have Gen. Leonard Wood; we have General Murray; General Black; General Beach; Admiral Chester; Admiral Knight, and I do not know how many others, but all have contributed their direct testimony to the effect that it is of high importance, and the particular thing which all emphasize is that if you can have that canal you can run up the Atlantic coast and clear up from the South with torpedo destroyers, submarines, and so on, without getting into rough water, and they can come in through Long Island Sound and into Massachusetts Harbor and run away from any attack which can be made outside. We had such an experience during the war, when some barges were shot up by a German submarine which skinned across the ocean and bobbed up outside of Cape Cod. That submarine shot up some of these barges from Philadelphia, or Baltimore or Norfolk. The barges would never go out that way if they had this canal as a matter of commerce.

We have more ships going through the Cape Cod Canal than there are going through the Panama Canal every year. We do not get the tonnage because they carry very big ships through the Panama Canal, but we have great numbers of coastwise small boats, many pleasure boats and hundreds of little fishing smacks which are used by men who get their living from pulling fish out of the water and carrying them to Boston. Then, too, more people—not more people, because there are now excursion steamers going through the Panama Canal—but when you come to the number of vessels, my recollection is that there are about twice as many going through the canal at Cape Cod as through the Panama Canal.

Mr. CLAGUE. Will the gentleman please explain the saving in distance?

Mr. WINSLOW. I will. New York is down this way and the coast runs off here [indicating on map]. Cape Cod is this part down here [indicating]. All of these black marks [indicating] indicate marine disasters of one kind or another, involving property or lives or both.

There have been hundreds and hundreds of them which have not been recorded here for the reason that the data have not got into the hands of the Government departments such as the Coast Guard, which keeps these records.

Long Island Sound comes up here, and they go either outside, of Block Island or inside. That is a very bad place, but it is in the middle of the ocean, and, of course, you can not canal that; but they do work along there in comparatively smooth water. Then they strike Buzzards Bay, which is almost landlocked. It is a safe place for little catboats and other boats used for pleasure purposes in the summer. All this land around here [indicating] is very valuable for summer residences and is selling fast for that purpose. The land which would be obtained here at Cape Cod is also very valuable for that sort of purpose as well as for terminals of railroads.

They come up through Buzzards Bay, where there is a deep channel for a warship without any danger of being hit, and then the dredging begins out here, perhaps 3 or 5 miles until you get into the canal proper. Then they go on through there.

You have asked the distance it saves. If ships come in through here and wiggle around through this very rough place and come around here the saving is about 65 or 70 miles according to the chances that are taken. Mighty few of them, in any weather that looks heavy, ever go near Nantucket or ever come near this point down here. They go off here sometimes 50 or 100 miles in bad weather and an ordinary coasting steamer would stand off there 50 to 70 miles. Bear in mind that between here and Spain there is not anything to interrupt the breezes and the rolls of the ocean are tremendous there. As they steer off around this cape, they go into Boston. It is a question of the chances the mariner is willing to take, the size of his vessel, and so forth and the weather, as to whether this distance is around 60 or 70 miles or 100 miles.

You must understand that a great deal of the business that comes here is coal. We are not able in New England to get sufficient coal over the railroad lines in the wintertime and I do not know that we could get sufficient coal in the summer time to store for winter and many barges come up here from Norfolk, from Philadelphia, from Baltimore and from New York, bearing coal, frequently three tows behind a tug.

If the weather gets bad, they put in at a harbor like this or they come around the cape. If the cape trip is their trip, they may stay there a fortnight before they get out, because of rough water or fog. But they do not lose time like that. There is hardly a day in the year when they can not scoot up here and go along the coast to Boston or go to Portland.

Mr. WOODRUFF. Will the gentleman yield just there?

Mr. WINSLOW. Yes.

Mr. WOODRUFF. Has the canal ever frozen over since it was built?

Mr. WINSLOW. I believe it has frozen over, but there never has been a time when they could not clear it out with what they call a ramming boat.

Mr. WOODRUFF. An ice breaker?

Mr. WINSLOW. An ice breaker. I do not know that they have ever lost a day.

Mr. UNDERHILL. An ordinary tug will break it.

Mr. WINSLOW. They have never lost a day, have they, Mr. GIFFORD?

Mr. GIFFORD. No.

Mr. SUMMERS of Washington. The legend on the map seems to indicate that the wrecks marked on the map occurred prior to 1903. Can the gentleman explain to us why the map is not revised to date, and how many wrecks have occurred since that date?

Mr. WINSLOW. Yes, sir; I can tell you that exactly. The casualties from around Cape Cod for the period following that up to 1924—this is reported by the Coast Guard April 30, 1924—instances of assistance, 895.

Mr. NELSON of Wisconsin. Is that information in the hearings?

Mr. WINSLOW. No; it is information privately obtained.

Mr. NELSON of Wisconsin. Is there anything in the hearings on that?

Mr. WINSLOW. On these later dates?

Mr. NELSON of Wisconsin. On the loss of property?

Mr. WINSLOW. Oh, yes.

Mr. NELSON of Wisconsin. Can the gentleman refer to it?

Mr. WINSLOW. It is in the report and probably in the hearings. I can not say too positively about the hearings, but I will give you that information if you like just as soon as I finish.

Instances of assistance, 895; persons on board, 8,685; lives lost, 66; value of the property involved, $38,570,760.

From 1875 to 1924 there are recorded 1,473 marine disasters in the Cape Cod area. But, mind you, it is not all a matter of having a disaster. It is not all a question of a casualty. If people get out there and are strung up in the rigging in times of stormy weather and suffer mental anguish and all the fear that goes with marine disasters, it is a matter to be considered as well as just waiting for somebody to die.

Mr. SUMMERS of Washington. Let me understand the gentleman. Would the first figures quoted apply from 1903 to the present time?

Mr. WINSLOW. 1880 to 1903 are the figures here, and then the figures I read are since that time.

Mr. SUMMERS of Washington. The gentleman then went back to 1875 and gave some figures, which was rather confusing.

Mr. WINSLOW. I went back there to group together the total of marine disasters.

Mr. RAKER. Will the gentleman yield for a question?

Mr. WINSLOW. Certainly.

Mr. RAKER. Where is Woods Hole as marked on the plat?

Mr. WINSLOW. It is right here [indicating].

Mr. RAKER. It may not be important, and possibly is not, but you have a wharf and a railroad leading from there which runs directly to Boston, have you not?

Mr. WINSLOW. Yes, sir.

Mr. RAKER. But that is insufficient to carry the coal, if you should unload it at Woods Hole and take it on into Boston. That is a fact, is it not?

Mr. WINSLOW. Oh, they could not handle anything at Woods Hole. It is just an inlet, about large enough for a steamer and a yawl to get in and turn around and get out. It is a little rock pocket.

Mr. RAKER. That is only for the purpose of passenger traffic?

Mr. WINSLOW. Yes; and for boats to land for that area around there.

Mr. RAKER. There is a railroad running from Boston to Woods Hole, because I have been over it.

Mr. WINSLOW. That is quite right.

Mr. RAKER. But it would not answer the purposes of transportation of heavy freight.

Mr. WINSLOW. Oh, no; and here is the trouble. In the matter of coal, they would have to bring it to Boston either by rail or by water, and then they would have to transfer it on to rail again and carry it on down to Woods Hole, and then they would have to transfer it and put it on the barges. The handling would be worth more than the coal.

Now, I will not undertake to go into the humane features of it. We come to the financial proposition, and the only objection I have ever heard which appealed to me as being a real argument. I want to address myself briefly to that. Secretary Baker on January 17, 1919, offered $8,250,000 for the property. It is safe to say that when the committee of the Cabinet unanimously agreed to it he thought he was justified in offering something for it; otherwise he would be subject to discredit, and I do not discredit him. He might be wise enough in trying to get it as cheaply as he could. The Government had the books of the Cape Cod Canal Co. and went over them. The accountants paid by the Government brought in an appraisal of upward of $12,000,000. The canal company knew what they had put in there and what the account was and they declined Mr. Baker's offer. They went to the courts and got an award of $16,801,201.11. The trial was in progress and is being delayed by consent of counsel of both litigants by agreement.

The Government never had the canal, although it then directed the operation and has ever since. The canal company has had no real proper use of the canal. If you will take the amount of $8,250,000 which Secretary Baker offered and which might have gone into the coffers of the canal company, and which if it had gone into the coffers of the canal company would have represented an interest charge to the Government, you will find on a basis of 6 per cent interest, compounded semiannually, on $8,250,000 from the time Mr. Baker offered it up to the 7th of May, 1924, it would have amounted to $13,168,864. Secretary Baker's offer plus simple interest would come to $12,748,750, which would represent his personal idea of the value of his offer. In addition to that, you should hitch on for the benefit of the Government $100,000 which must be left in the Treasury. Then you must take into consideration the land item of $300,000, and there you have a proposition which shows that after all the committee of the Harding administration and the Coolidge administration have not been very far from the Baker offer when you consider the offer plus the interest accruing up to the time of making the contract.

We are almost down to the price of Secretary Baker, so if anyone wants to come in and say that Mr. Baker's offer was enough, the proposition is how much was money worth from that time to this, and you will get to a point which will establish the value of the canal as a good buying proposition for the Government. Mr. Chairman, how much time have I used?

The CHAIRMAN. The gentleman has used 47 minutes.

Mr. THATCHER. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. THATCHER. Does Mr. Baker's offer include the land?

Mr. WINSLOW. No; the land was not in it.

Mr. THATCHER. How much land is there there?

Mr. WINSLOW. Nine hundred and thirty-two acres, which is appraised at about $300,000. There is plenty of land for widening the canal without buying any more.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. JACOBSTEIN. What is the physical condition of the canal to-day compared with what it was when Mr. Baker made the offer?

Mr. WINSLOW. I do not know that I am wise enough to tell the gentleman that. I have gone through it many times; but whatever the condition is now, it would not amount to enough in the way of being of less value in the light of what must be done to make it so that large ships can go through as contemplated. There may have been some misplaced sand or a rock rolled down from the riprap since Mr. Baker's offer; and, on the other hand, they may have improved it.

Mr. UNDERHILL. It has been improved; some rocks have been taken out. I was through there last summer, and the captain of the vessel told me that it was in much better condition than it had ever been before.

Mr. FOSTER. Will the gentleman yield?

Mr. WINSLOW. I yield.

Mr. FOSTER. After the armistice the Wilson administration was attempting in good faith to secure the canal.

Mr. WINSLOW. Yes; they were acting in good faith and trying to get the canal.

Mr. FOSTER. When the war was over they did not abandon it, but tried to secure it.

Mr. WINSLOW. Yes; that same year after the armistice Mr. Wilson told the Secretary of War to "go to it" and either get it by purchase or condemnation.

Mr. FOSTER. And they were still engaged in that when the change of administration came.

Mr. WINSLOW. Yes; although the Government tried to turn it over to the owners, but they would not take it because, they said, under the law proceeding it was not theirs and, as a matter of fact, the canal never has gone back to the owners.

Mr. O'CONNELL of Rhode Island. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. O'CONNELL of Rhode Island. Would not the use of the canal result in a great decrease in freight rates for shippers?

Mr. WINSLOW. I think there would be a general rate reduction, because the ship companies would go through there and cut off hundreds of miles, and it would inevitably have a tendency to bring down freight rates.

Mr. JACOBSTEIN. One further question. When the Government attempted to dispose of Muscle Shoals we disregarded the money invested by the Government in that project. We did not consider the market value, apparently, of that property when we were to turn it over to a private individual. Now, when a private individual wants to turn something over to the Government, we have to consider the money invested in that project. There does not seem to be the same application in those two cases, and I was wondering how the gentleman would square that.

Mr. WINSLOW. I never can square a Government operation in a financial deal of any kind, and never could. [Applause.]

Mr. RAYBURN. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman and gentlemen of the committee, my opposition to this bill is based on the method employed in bringing this matter before us and the procedure followed rather than the merits of this particular canal. Now, I will concede for the sake of argument that the canal at this point is useful to navigation. I concede that it is the policy of our Government to build canals and operate them. That perhaps is more than some of my colleagues sponsoring this particular bill will do. The distinguished chairman of the committee made a statement in which he said that it is not a matter of price which brings this proposition into the House, and on that point I take issue. I have before me, gentlemen, the Federal Reporter, volume 271, and on page 877 you will find reported the case of United States *v.* Cape Cod & New York Canal Co. The Circuit Court of Appeals, First Circuit, reversed the award granted in the court below after a trial by jury. It has been pointed out on the floor of this House many times that it is not the function of the legislative branch of the Government to control the courts, and I submit that the reason that this bill is now before us is because the award of the jury was re-

versed by the circuit court, and under the law of the case as laid down by the circuit court nothing like the original award of $16,000,000 could possibly be obtained by the owners of this canal. They knew it, and the effort is now being made to get $11,500,000. The distinguished chairman pointed out that it was not a matter of price. It was pointed out by the chairman that it was not reversed on any question of the value, and, gentlemen, I will ask you to take the trouble to read the opinion of the court, and, by the way, the opinion of the court is the soundest, most logical, and the fairest opinion that was handed down in all of the war cases involving questions of valuation. It is the one case in which every State and municipality of this country has relied in litigation on rates for public utilities and where property was taken during and since the war for public use.

Pursuant to the proclamation of the President on July 8, 1918, the canal was taken over by the United States Government on July 25, 1918, as a war measure. The Government was in possession and controlled the canal at the time the condemnation proceedings were instituted and remained in control of the canal up to March 1, 1920, when it was turned back to the canal company.

There seems to have been some negotiations for the purchase outright of this property. Just how necessary the canal was as a war measure I personally do not know. That is a question which does not particularly concern us at this moment. Whether the Government went after the canal or the canal people went after the Government—that, too, we may disregard at this time. There was testimony at the trial to indicate that the Government did make use of this canal during the war. The war is over. That it is the policy of this Government to develop the waterways of the country, to own and operate canals, I have just stated. But whether we are to establish a policy that a venture which was originally intended to be operated by private capital but has turned out to be a financial failure owing to its high cost of promotion, costly financing, overissuance of stock, is to be dumped on the Government; that is the question which we are to decide to-day. It is conceded by the proponents of this measure that under private operation this canal is a financial failure. We have heard repeated statements of how useful this canal is, but, on the other hand, that ships will not avail themselves of the use of the canal owing to the toll charges which the company must maintain. We know, too, that the canal requires widening and dredging, entailing expenditure of several million dollars. Although a reasonable toll is charged, ships would rather go around the cape and risk the dangers and storms than to pay a regular toll for the use of the canal. I state unhesitatingly that if we were voting an initial appropriation for the digging of this canal by the Government, I would cheerfully vote for it, but I hesitate to accept this bill, and I feel it is my duty to oppose it because we are paying not only for the actual cost of digging and building this canal but are asked to pay for enormous costs of promotion, financing, and water—I mean water in the stock, not in the canal. Let us for a moment see just what happened.

Mr. O'CONNELL, of Rhode Island. Before the trial in 1917, a representative of the firm of Price, Waterhouse & Co., internationally known, testified and got the figures for the Government, and said it cost $13,765,000; and they were employed by the Army engineers.

Mr. LaGUARDIA. There is not a lawyer in this House but knows that you can get certified accountants to testify to any valuation desired, just as you can get medical experts to testify both ways.

After an apparent failure to negotiate a private sale, the Government instituted condemnation proceedings on April 1, 1919, in the United States district court, to acquire this property under the river and harbor act of August 8, 1917. The canal company filed its answer, and the Old Colony Trust Co. appeared in the action, claiming an interest in the property in the nature of a mortgage dated January 1, 1910, in the sum of $6,000,000, and asking that its rights be protected and compensation paid to it. The trial took place in the months of October and November, 1919. The issues submitted to the jury were—

1. The value of the property and franchise sought to be determined.

2. The amount fairly and reasonably chargeable to the Canal Co. on account of dredging and other work done by the United States while the canal was in control of the United States Railroad Administration.

Substantially the question was the value of the property plus franchise less expenditures by the Government which resulted in enhancing the value of the property. The jury rendered a verdict of $16,801,201.11 and credited the Government with the amount of $150,000, which under the issues was to go in reduction of the general verdict.

Judgment was entered on the 3d day of August, 1920, and from that judgment the Government prosecuted a writ of error. In its assignment of error the Govenment complained that the court erred, (1) in the admission of evidence, (2) in its charge to the jury, (3) in its refusal to grant certain requests for instructions, and (4) in the substance and form of the decree entered. It has been suggested that the errors assigned by the Government in its appeal and the subsequent reversal by the appellate court has nothing to do with the price and award of the jury. It has been repeatedly stated that this reversal was due to technicalities of law and that the award made by the jury was not questioned and that a new trial would result in a like award. I take issue with such statements. I deny that such is the case. Gentlemen, the errors assigned, as I will proceed to show you, were based on the testimony which was permitted to go to the jury on the question of valuations, the very crux of this action. Errors were made in permitting testimony to go to the jury on franchise values. The court erred in charging the jury on law of valuation. That was the only issue really that the jury had to decide, and when the appellate court reversed the decision of the court below on errors of admission of testimony and the court's charges to the jury, that in itself takes the very foundation upon which the respondents based their whole theory of valuation.

A Mr. Johnson qualified as an expert on the history and theory of canal transportation and as having special knowledge of canals and inland waterways, both in this country and in Europe, with reference to the amount of business they did and the tolls they charged. The purpose of this testimony was to establish the franchise value of the canal. Mr. Johnson did not testify as to what it cost the company to construct the canal, not at all. He testified to the prospective future business of the canal; he testified to the tonnage which would go through this canal in order to establish the progressive growth in the company's business, upon which the profits of the canal could be ascertained not only for the present time, but in the future. The future estimated profits were then taken and capitulized and that amount added to the value of the property of the canal.

Mr. Johnson testified that in 1909, 26,465,000 gross vessel tons passed around the cape and that the gross vessel tonnage per annum during the war which passed through the canal and around the coast was 18,108,893 tons. Then Mr. Johnson, as an expert, was asked what, in his opinion, the future coastwise traffic would be—mark you, not what would go through the canal, but what the future coastwise traffic would be—and he said that he predicted the coastwise traffic would return to normal within three years. He assumed the tonnage would be 26,000,000 in 1923—and you will remember he was testifying in October or November of 1919—and he estimated it would reach 34,500,000 tons in 1923. Mr. Johnson also looked further into the future and estimated that in 1943 the increase would carry the figures to 46,200,000 tons. Then Mr. Johnson, as an expert witness, was asked how much of this 46,200,000 tons would go through the canal, and let me read you the testimony of the witness—Mr. Johnson's own words:

*The most reliable estimate that I can make of the future growth of the traffic of a canal like the Cape Cod Canal is by predicting for it such a rate of increase as has actually been experienced by canals who have run their history for 20, 30, and 40 years, whose history is a matter of record. * * * The best method I know of to estimate the probable development of a canal like the Cape Cod Canal is to consider—and I shall be very brief about it—the actual experience of some other canals, and I have selected the Suez, the Manchester, and the Kiel Canals.*

Just pause for a moment to see how far-fetched and remote was the theory upon which this expert witness based his testimony. He assumes tonnage for 1923 based upon tonnage of 1909; tonnage that went around the cape, not through the canal. Then to estimate the growth of the canal's business as far ahead as 1943 he goes to the Suez Canal in Egypt, to the Kiel Canal in Germany, and to the Manchester Canal in England. He applies the percentage of growth of tonnage of these canals in far-off distant lands, each of the three canals an important highway of traffic in the world's commerce, and applies the percentage of growth of these canals to the tonnage he assumed in 1919 would go around the cape in 1923. After he testifies to his figure of 46,000,000—to be correct, his figure was 47,857,000 tons—in this flimsy, unscientific, unprecedented manner, then they proceeded to multiply the 47,000,000 tons by so much a ton toll, deducted their estimated expense, and then capitalized the profits way up to 1943.

The court permitted all of that to go to the jury and the jury naturally took that into consideration.

The testimony was admitted over the objection of Government's counsel. The circuit court of appeals held that the testimony was improper, that the basis and theory of the witness was too remote and could by no stretch of the imagination be applied to the franchise value of this property. Gentlemen, that strikes at the very heart of the value of this property, and that is one of the reasons the court set it aside and that is one of the reasons that the bondholders and Mr. Belmont dared not go back to a new trial, because no such fantastic testimony would be admitted and no such far-fetched theory would be admitted and no such exaggerated value of franchise can possibly be presented to a new jury. For that reason I say that the value of the property is directly involved by the decision of the appellate court. The appellate court, after reviewing in detail Professor Johnson's testimony, pointing out how the jury was misled, concluded by saying: "We are therefore of the opinion that the evidence under consideration given by Professor Johnson was incompetent and should not have been received."

In order to establish the tolls charged by this company and apply the rate to the speculative tonnage estimated by the witness Johnson, the company called Mr. Calvin Austin, of the Eastern Steamship Co., and the court permitted to be introduced in evidence an alleged contract between the canal company and the Eastern Steamship Co. prepared in 1916 relative to tolls for the year 1917. The terms of this proposed contract were put in evidence over the objection of Government's counsel to establish the tolls charged and as bearing upon the useful or potential value of the canal property, based upon the estimated tonnage as far ahead as 1943. But this proposed contract, it was disclosed, had never been signed and accepted by the steamship company. The appellate court held that the steamship company having never sanctioned the proposed contract, the evidence was inadmissible and that the court erred in receiving it. Does that not go to the amount awarded by the jury? If this contract which was never executed, fixing a toll which was never received by the canal company and this toll is multiplied by tonnage which the canal company could never expect to get through its canal, and that amount was capitalized and added to the value of property, how could anyone say that the question of value did not enter into the decision of the appellate court?

I will not bore you with all the assignment of errors, but I do believe I should give you just one or more examples of the evidence offered in this case upon which I base my statement, that the award was exorbitant and not warranted by the testimony and that the ruling of the appellate court so held and laid down the law of the case in such unmistakable terms that a new trial could not come anywhere near the amount originally granted.

For instance, General Goethals, of Panama Canal fame, was called as an expert witness for the purpose of showing the value of the canal property. General Goethals was asked to state his opinion as to the value of the canal, giving due consideration to the different elements of value which has been submitted, some of it erroneously, and especially to the potential earning capacity of the canal as estimated by Professor Johnson. The testimony of General Goethals was admitted over the objection of the Government and the Government took an exception on the ground that the opinion of General Goethals was predicated upon the acceptance of Professor Johnson's figures as to the potential earning capacity of the canal. The general, on cross-examination, qualified his estimates of the future prospective earnings of the canal by stating his figures were not based entirely upon Professor Johnson's figures, and that he did not know the professor's figures until after he had decided on his own estimate. That qualification saved part of the general's testimony.

Then the company, at the trial, proceeded to prove the value on the theory of the cost of reproduction. The theory that has cost the people of the United States hundreds of millions of dollars in the last seven years and has put hundreds of millions of dollars into the pockets of holders of watered stock and bondholders, covering property that had to be taken by the Government, State, or municipalities for public use. It is this theory of reproduction, gentlemen, that has worked havoc with rates of public utilities and on this artificial, illogical theory of reproduction, accepted by the courts, the people of the United States are paying millions of dollars in excessive telephone, gas, electric, and transportation rates. I do not want to digress on that subject at this time. It would take too much of my time, gentlemen, to give you my personal experience as an official of the city of New York and what this theory of reproduction cost really means to the people of this country. To get back to our case, witnesses took the stand and testified as to the cost of the canal, not when it was built, but as to the cost to reproduce the canal in 1919.

Mr. GALLIVAN. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. GALLIVAN. The gentleman referred to the cost of reproduction and to the fact that the appellate court reversed the decision because certain evidence was admitted which should not have been admitted. What was the cost of reproduction as given by the experts for the canal owners?

Mr. LaGUARDIA. I will tell you in just a minute.

Mr. GALLIVAN. Was it not in the neighborhood of $25,000,000?

Mr. LaGUARDIA. Yes; I am coming to that, I will say to the gentleman.

Mr. SANDERS of Indiana. The jury did not follow that valuation, and if it were resubmitted to the jury there is not any supposition that it will?

Mr. LaGUARDIA. If it is resubmitted to the jury in accordance with the opinion of the appellate court, the gentleman knows they can not put any such reproduction cost without qualification in evidence. They can not put any speculative profit in evidence and capitalize that. The gentleman knows that. The gentleman knows that the case must be tried in accordance with the law laid down by the appellate court.

Mr. MADDEN. Does the law, as a matter of fact, give anybody the right to compromise without a trial of the case? They have got to try this case before they can settle it?

Mr. LaGUARDIA. Yes; in accordance with the act of August, 1917. I believe, gentlemen, they do not want to go back to a trial of this case.

Mr. MADDEN. Then the case is not properly before us?

Mr. LaGUARDIA. Exactly. Now to continue—Patrick McGovern, a contractor, who duly qualified as an expert on the cost of construction, testified that in his estimation it would cost to reproduce the canal in 1919 $27,980,729, and General Goethals, who likewise qualified as an expert, testified that in his opinion the cost of reproducing the canal in 1919 would be $25,832,245, if the work was done by the Government by "force account," or $30,716,081.75 if done by a private contractor, and if by a private corporation obliged to finance the project by floating stocks and bonds about $40,000,000. Before this evidence was introduced, counsel for the Government requested the court not to admit the evidence unless it was supported by affirmative proof on the part of the canal company that the reproduction of the canal at present prices was a reasonable commercial proposition; that in the absence of such evidence the court should take judicial cognizance of the enormous increase in the cost of work of this sort between the time when the canal was built and the cost April 1, 1919. In answer to this the court said:

So the question before me is whether I can say as a matter of fact—and it is nothing but a question of fact—that in this case the circumstances are so peculiar that reproduction cost is of no significance. I am not prepared to do it.

The court erred in permitting the unqualified estimates on the cost of reproduction to be submitted to the jury.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. TINCHER. Then the only objection which the gentleman has to this bill is the amount involved?

Mr. LaGUARDIA. To the method. I think another jury ought to pass upon this in accordance with the opinion laid down by the appellate court.

Mr. TINCHER. Suppose their decision should be $16,000,000?

Mr. LaGUARDIA. That is impossible on the evidence admissible in accordance with the law.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. JACOBSTEIN. The gentleman says it is here prematurely. The gentleman says he wants it submitted to the courts again and that he does not object to the price but to the procedure which brings the matter before us prematurely?

Mr. LaGUARDIA. I do object to the price. I venture to say that it would not be here if the award had not been reversed by the circuit court of appeals.

As I have stated before, the court's decision is, to my mind, the best decision on the subject of reproduction cost theory ever rendered by any court during all of these years that we have been troubled with inflated prices of material and labor caused by the war. I desire to call the attention of the gentle-

men to whom I have yielded in the course of these remarks, who are of the impression, first, that the reversal of the jury award was based upon technicalities and errors of law but had nothing to do with the amount awarded by the jury, and, second, to reiterate what I have said before, that the reversal takes the very foundation from the award of the jury, and that under no circumstances could a jury give anything like an award of $16,000,000 if this case ever goes back for a new trial under the rules laid down in this opinion. Permit me to read to you what the court said on the theory of reproduction as testified by the witnesses McGovern and General Goethals:

The evidence which the canal company offered shows that reproduction prices as of April 1, 1919, were, due to war conditions, about 100 per cent above the actual cost of the canal; and the question is whether, under such circumstances, the court below should have declined to admit the evidence of reproduction cost, unless he was satisfied from evidence produced that a reasonable man would undertake to reproduce the canal at present prices as a commercial proposition, or whether the evidence should have been submitted to the jury, with instructions that they should not consider it on the question of market value, unless they were satisfied by a balance of probabilities that a reasonable man would undertake to reproduce the property at present prices, or whether the evidence should have been submitted to the jury, with the single instruction that they might consider it and allow it such weight as they thought it was entitled to, disparaged, as it might be, by proof introduced by the Government. (See Colburn v. Groton, 66 N. H. 151, 28 Atl. 95, 22 L. R. A. 703; Jaques v. Chandler, 73 N. H. 376, 382, 62 Atl. 713.)

While it is customary to admit evidence of reproduction cost as bearing upon the question of value, the rule seems to be subject to certain limitations. In the Minnesota Rate cases, 230 U. S. 352, 432; 33 Sup. Ct. 720, 741 (57 L. Ed. 1511, 48 L. R. A. (N. S.) 1151, Ann. Cas. 1916A, 18), Mr. Justice Hughes, speaking on this subject, said:

"The cost of reproduction method is of service in ascertaining the present value of the plant, when it is reasonably applied and when the cost of reproducing the property may be ascertained with a proper degree of certainty. But it should not justify the acceptance of results which depend upon mere conjecture."

In that case, the court thought, in view of the length of time which had elapsed since the railroad was built and the material development of property and changes in the community since that time, that to attempt to estimate what would be the actual cost of acquiring the right of way over which the railroad was located, on the assumption that the railroad was not there, was to indulge in mere speculation, and that such a method of ascertaining present value under this conditions shown should not be made use of. The question then is, If we assume that the cost of reproducing the canal may be ascertained with a proper degree of certainty, can the rule permitting the introduction of such evidence be reasonably applied in times of abnormal prices, in the absence of proof that a reasonably prudent man would purchase the property or undertake its construction at reproduction prices?

It seems to us that this is a necessary limitation upon the application or use of the rule when construction prices are abnormal, and that the court below either should have passed upon the preliminary question of fact himself, or submitted it to the jury, with instructions that they should not consider the evidence of reconstruction cost upon the question of value unless they were satisfied that a reasonably prudent man would purchase or undertake the construction of the property at such a figure. When the cost of reproduction is taken into consideration as evidence of value, if the original property has depreciated, proper deduction therefor should be made in the evidence submitted to the jury.

Then the court said:

As the evidence of McGovern and General Goethals was admitted generally and without limitation and without and deduction for depreciation, the court erred in so doing.

I believe the opinion of the court fully answers the doubt expressed by some of my colleagues and fully contradicts the theory upon which this bill has been sustained, namely, that a fair award was made by the jury and that the reversal had nothing to do with the amount and that a new trial would result in a jury awarding the same amount. Nothing could be further from the fact.

Gentlemen, there are several other assignment of errors considered and reviewed by the appellate court, with which I will not tire you. I believe that sufficient has been taken from the opinion of the circuit court of appeals which, when considered with the history of this canal and with the bill now before us, to convince us that we should not embark at this time upon a policy to take over a project which would never have been offered to the Government had it been profitable and a financial success. A comparison to what has been said on the floor of this House on the necessity of this canal and its convenience to navigation, which I do not deny, but coupled with the admission that ships can not pay the toll and that it can not possibly be operated profitably unless it is a Government-operated canal, to be used free of charge, with the testimony of the experts at the trial as to the value of the franchise based upon annual profits on the future tonnage going through this canal and the future capitalized earnings, will convince not only this House but any jury that there is no likelihood of a $16,000,000 award being repeated. It is our duty to vote down this bill and not establish a vicious and bad precedent.

Mr. OLIVER of Alabama. The gentleman believes that the courts will regard the act, which undertook to authorize condemnation proceedings and provided a suspension of the damages until the award is approved, as legal?

Mr. LaGUARDIA. Well, we must assume that our own act is legal. We can not do otherwise.

The CHAIRMAN. The time of the gentleman from New York has expired. Does the gentleman from Texas [Mr. RAYBURN] ask for further recognition at this time?

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAYBURN. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. McKEOWN].

The CHAIRMAN. The gentleman from Oklahoma is recognized for 15 minutes.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, I am very grateful to the distinguished gentleman from Texas [Mr. RAYBURN], who is kind enough to yield me this time; a gentleman who, on account of his modesty, never gets the full credit for the many splendid things he does in Congress.

The question here is, Shall the United States at this time embark on the matter of purchasing this canal? If I were in favor of buying this canal, I would not be in favor of buying it now, in the present condition of the Treasury of the United States and the present condition of the country. If I had been in favor of this proposition, I would favor postponing it until a date when the condition of the Treasury of the United States warranted the expenditure of the money and the condition of the people of the United States was such that the purchase would meet with their approval.

I have no fault to find with the improvement of rivers and harbors or in the reclamation of arid lands, wherever the same can be done without detriment to the great interests of the taxpayers of the United States. But whenever a bill lays so heavy a burden upon the Treasury as this bill does at this time, it is the duty of every Congressman, no matter what the interests are in his own district, to vote against a measure of this kind. Appeals are being made here to members of the Committee on Rivers and Harbors or Members affected by river and harbor legislation.

Fifteen days ago, and not exceeding that, the press of this country carried a statement from the Secretary of War to the effect that he wanted to sell the Warrior River barges, he wanted to sell the Panama Railroad, and he wanted to sell all the property of the United States that is used as if privately owned. Then you find this attempt to support this proposition because you may have something more beneficial than the Warrior River.

In the first place, there is watered stocks and bonds to the amount of over $2,000,000. Gentlemen say they want facts, and that is what I am going to address myself to. A man named Flanagan paid out $475,000 for a right of way and for lands for this canal, and he received in payment in securities, bonds, and stocks $1,650,000, making a profit of $1,175,000. Then we have here the cost of financing this proposition, which is a high-finance cost. We find it cost $1,006,250 to finance it. And how was it financed? A corporation was organized for $10,000 under the laws of the State of Maine. Then they organized a canal company for $1,000,000. Then the company which was organized under the laws of the State of Maine for $10,000 let a contract to another company organized as the Canal Construction Co. to dig the canal, and the result of it was they received $12,000,000 in the way of $6,000,000 in stock and $6,000,000 in bonds.

Mr. NELSON of Wisconsin. Will the gentleman yield?

Mr. McKEOWN. I prefer to make my statement first.

Mr. NELSON of Wisconsin. I wish the gentleman would tell the House that Belmont is the main holder of the stocks and bonds.

Mr. WINSLOW. Is the gentleman willing to permit me to make a suggestion to him?

Mr. McKEOWN. I am willing to have corrections made if any are necessary.

Mr. WINSLOW. I think the gentleman is wrong in one thing. They are not selling the Government stocks except the bonds. They are selling the bonds. They are not selling the stock of the company, but they are selling the property, which is a very different matter.

Mr. McKEOWN. I will try to get at what the value of the property is. That property was bought in by the canal company, or the construction company made a deal with this $10,000 corporation. They were to get $6,000,000 in stock and $6,000,000 in bonds. Now, what did they do? They bid it in and built it. How much money did they put in that proposition? They put in that proposition a little over $6,000,000. They put in directly $6,100,000. That is the amount of money they directly put into the project, and they put in indirectly $142,650. The total amount invested was $6,243,150. In all that total there are lawyers' fees and expenses. In the first place, there are legal expenses charged up to this project of $122,900.28, and there are administration costs of $260,462.76. The court said they wanted to charge up $50,000 a year for six and a half years for services for financing the company.

Now, what are the facts? They say they had a contract with the Government. They never had any contract, and their records show they never had any contract. They tried to make a contract with the Government, and they tried to make a contract out of the proposition. What happened? Well, when Mr. Baker offered them every cent it was worth and made every allowance possible, he offered them a sum exceeding $8,000,000. Then Price, Waterhouse & Co. made an investigation and an audit to see exactly how much money was invested in that canal. That company reported to Mr. Baker the exact amount. And as I tell you now, as shown by these auditors, there is not to exceed $6,243,150 invested in the canal.

When they went into court to try the case, what did they try it on? Not on the basis of what was actually invested in the canal, but they went on to try the case upon the theory as to what such a canal as that ought to cost under the circumstances of the time and the occasion. But the court held that was not the proper measure of its value; that the proper measure of value of the property was its reasonable market value at the time the Government was going to take it over. Every man here knows that the measure of damages is the reasonable market value of the property when they take it over.

Now, let us see further. They say—and I am reading from the record——

Mr. MANSFIELD. Will the gentleman yield?

Mr. McKEOWN. In just a second.

Mr. MANSFIELD. Then the cost was not the market value?

Mr. McKEOWN. Well, they could not find any market value. If they can find a market value they can go now and establish it in the court.

Mr. GALLIVAN. Will the gentleman tell us where he gets the figures of six million and odd as the estimate from Price, Waterhouse & Co.?

Mr. McKEOWN. Well, I get them from the hearings, the direct cost as shown on page 83 of the hearings.

Mr. GALLIVAN. Up to what date?

Mr. McKEOWN. That was the direct cost up to the time that they were calling upon Secretary Baker to make an audit to see what he should offer for the property. That is on page 83 of the hearings.

Mr. GALLIVAN. I have figures from Price, Waterhouse & Co. as of the 31st of August, 1917, amounting to $13,763,605.

Mr. McKEOWN. I will say to the gentleman that is just like the hearings show the difference between Secretary Baker's statement as to how much the canal was losing and Secretary Weeks's statement as to how much the canal was making. It is just that difference between them. It is just a matter of juggling figures.

Mr. GALLIVAN. This is a matter of investment and not of price.

Mr. McKEOWN. Yes; and that $13,000,000 includes additional items. It includes, for instance, interest on $6,000,000 of its outstanding bonds; discount on $2,000,000 of notes issued to fund indebtedness; loss of interest on paid-in cash capital of construction company; income-tax payments; contingent claims—obligations incurred through negligence in sinking a ship in the canal. They have us charged up with that. Then there is a difference in the fiscal account between the Government and the canal company. On one hand the canal company is claiming $1,000,000 against the United States for damages for operating expenses, and, on the other hand, the Government is claiming some $500,000 for claims against this company for money expended. In addition to that, when the Government of the United States was operating the canal, we went to work and spent there for dredging purposes, through an appropriation obtained through the Rivers and Harbors Committee of the House, something like $150,000.

Mr. WINSLOW. Will the gentleman yield for information? That is all taken care of and wiped out in the proposed adjustment.

Mr. McKEOWN. If the contract goes through, then they are going to square the claim of the company against the claim of the Government.

Mr. WINSLOW. In section 1 you will find the whole matter is squared off.

Mr. McKEOWN. That is just what I am saying.

Mr. WINSLOW. You do not say it though; you say something else.

Mr. McKEOWN. You are going to square the claim of this company against the claim of the Government.

Here is the proposition as shown by the facts in this case. If you want to buy the canal as a coastal water project, all right, well and good; and I will say to you that the condition as to loss of life on the coast of Massachusetts can not appeal to any man stronger than it appeals to me. I realize what the women of that country give in the way of the lives of their husbands and sons to the sea in the operation of the business of our country; but, gentlemen, this is a proposition you are dealing with as the representatives of the taxpayers of the United States. The whole country is involved, and are you going to pay more for this piece of property than it is worth? Are you going to pay more for a defunct ditch up in Massachusetts than they have invested in it?

Mr. STEVENSON. Will the gentleman yield?

Mr. McKEOWN. Yes, sir.

Mr. STEVENSON. In reference to the destruction of life there, whether the Government buys the canal or not, the canal is now there, is it not, and is going to stay there?

Mr. McKEOWN. Of course. Here is what will happen and here is what you are buying: You are not buying just the canal as it stands. You are buying a project, on account of which you will have to deepen the canal to 35 or 40 feet, and that will entail a large expenditure. I think the gentleman was very conservative in his figures. The engineers say the cost will be $6,000,000 and the gentleman from Massachusetts has said $10,000,000, which is a fair proposition. You are going to make an investment, not of $11,500,000, but you are going to make an investment of $20,000,000 for this piece of property, because you can not operate it as it now stands without the risk of great damages on account of the current that comes into that canal which makes the vessels hard to steer in going through there, and they are continually having damages up there on account of the way the vessels in the canal operate on account of the tide.

If you decide to pay $11,500,000 for it, you ought at least to reduce that sum by $2,047,500 and take all the watered stock out of it, because these bondholders, in many instances, got the bonds, and the stock was thrown in. The record shows here that in some instances it was thrown in, and the company was organized at only $10,000.

Mr. UNDERHILL. Will the gentleman yield?

Mr. McKEOWN. Yes, sir.

Mr. UNDERHILL. The stock is not worth a cent, never was, and never will be.

Mr. MADDEN. Neither are the bonds.

Mr. McKEOWN. The bonds are outstanding. The proposition was to make $12,000,000 out of it. The stock is worth something here, because it takes $6,000,000 of it to make up the $12,000,000. If it is not worth anything, then cut this down to $6,000,000 and you will come nearer having the price of the canal.

Mr. BYRNS of Tennessee. Does not the gentleman think that the fact that the stock is not worth anything is one reason why they want to sell it to the Government?

Mr. GALLIVAN. I wonder if that is the reason President Wilson asked that it be seized.

Mr. BYRNS of Tennessee. President Wilson took it over during the war.

Mr. GALLIVAN. President Wilson wrote a letter after the war asking that the property be seized.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, I am not a member of the committee that reported this bill and am therefore not as familiar with the case as those who have conducted the hearings. I have, however, had some connection with this matter in previous years.

When the authorization was put in the rivers and harbors bill in 1917, I was in close touch with the action of the committee and of Congress at that time, and was an advocate of it. In the river and harbor bill, a year ago last September, this measure had been embraced in that bill as a Senate amendment. I happened to be one of the conferees on that bill and had some occasion to look into it more fully than I I had done previously.

In this connection I want to answer a little more fully the question asked a while ago by the gentleman from New York [Mr. JACOBSTEIN]. What was the question he asked when the gentleman from Massachusetts [Mr. WINSLOW] was speaking?

Mr. O'CONNELL of Rhode Island. About the commercial value?

Mr. MANSFIELD. No; he asked why the matter was in the river and harbor bill, and also before the Committee on Interstate and Foreign Commerce at the same time.

Mr. WINSLOW. If the gentleman will suffer an interruption, I think he asked why the Senate put it in, and that turned out to be inaccurate information from me.

Mr. MANSFIELD. Yes. I will state that this project was not put in the bill by the House, but after the river and harbor bill had passed the House and had gone to the Senate. It was put in there as a Senate amendment, and at the time it was so placed in the river and harbor bill, this bill which we are now considering was with the Committee on Interstate and Foreign Commerce. No Member of this House was responsible for this project having been placed in the river and harbor bill at that time. It was done by the Senate, acting in accordance with its own rules and its own judgment.

The question was asked if the Senate did not put it in at a cost of $9,000,000. That is an error. It was placed in the bill by the Senate at $11,500,000, just the amount embraced in this bill. We in conferance, acting arbitrarily, on our own responsibility, and without the knowledge or consent of the owners of this canal, decided that we would report the bill in conference at $9,000,000, with the hope that the owners would accept it if it went through. They have never indicated that they would accept that amount, and no one, so far as I know, has any reason to believe that they would do so.

It is not a question of what this canal cost. It is not a question of what it would cost to reproduce it to-day. The question is, What is it worth to the American Nation as an instrument of commerce and for the purposes of war in the event that we should unfortunately be thrown into another war? [Applause.] What is its value to the American Nation to-day? That is the question. If you go back to what it cost before the war, General Beach, Chief of Engineers, stated to our committee three weeks ago that the cost of reproducing these things to-day is more than double what it was prior to the war. Everything pertaining to dredging and work upon the rivers and harbors and canals has more than doubled, according to the Chief of Engineers' testimony. Suppose the canal did cost only eight or nine million dollars before the war, you could not reproduce it to-day for $20,000,000. I believe that is an absolute fact. Here you have an opportunity to secure it for $11,500,000, which is perhaps not more than one-half of the cost of reproduction.

Now, is it worth that to the American Nation? If so, then we are letting a bargain slip if we let this opportunity go by.

Mr. LINEBERGER. Will the gentleman yield?

Mr. MANSFIELD. I will.

Mr. LINEBERGER. Is it not a fact that if this project was submitted to-day to the Committee on Rivers and Harbors, it would receive a favorable consideration as a new project?

Mr. MANSFIELD. I can not answer for any other member of the commiteee; but as for myself, I say that it would receive my favorable consideration.

Mr. ABERNETHY. The gentleman is the ranking Democratic member on that committee, is he not?

Mr. MANSFIELD. I am.

Mr. LINEBERGER. I have talked with many members of that committee, and I have not found a single man who is opposed to it.

Mr. MANSFIELD. I think the gentleman is correct in that. Now, gentlemen, this is not a party question; it is not a sectional question. It is a national question. The freights that go around Cape Cod and freights that go through this canal are not the property of any particular section of this country. Massachusetts is not the only State nor the only section in the United States that is interested in the great bulk of freight that goes up there, which consists principally of coal and cotton, and return cargoes of manufactured goods.

The country in which I live is the great cotton-producing section of the South. We produce in the South normally about 12,000,000 bales of cotton yearly. About one-third of that is exported, about one-third is manufactured in New England, and about one-third is manufactured in the Southern and Southeastern States. That cotton does not go from Texas, Alabama, and the other cotton States by rail to Massachusetts. It goes by boat. It goes by ship in the coastwise trade. It is bound to go through this canal, or it is bound to take the hazardous route around Cape Cod, one or the other.

Mr. UNDERHILL. Will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. UNDERHILL. There is one other alternative, and that is to lay off Martha's Vineyard for three or four weeks until the weather clears up.

Mr. MANSFIELD. Yes; and those fogs are very disastrous up there. Now, gentlemen, I want to read to you what a Democratic Cabinet officer said about this matter: Secretary Redfield in the Senate hearings in 1919 corrected a statement made by Senator SIMMONS, of North Carolina, in regard to the dangers of Cape Hatteras and called attention to the fact that Senator SIMMONS was mistaken in assuming that Cape Hatteras was the most dangerous section along the Atlantic coast. Secretary Redfield said that from 1834 to 1859, inclusive, along Cape Cod there had been 827 marine disasters, involving 4 steamers, 492 schooners, and various other vessels, and that the average annual loss was nearly $600,000. According to the records of the United States Life Saving Service—and that was under his direction—during the 28 years from July 1, 1875, to May, 1903, there were 687 wrecks on and near Cape Cod, involving property valued at $10,105,350. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RAYBURN. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. WOLFF].

Mr. WOLFF. Mr. Chairman and gentlemen of the House, this is one of the first occasions upon which I have attempted to address this membership. I have listened to the eloquent address and tribute to this canal by my friend from Texas [Mr. MANSFIELD], and I appreciate what he has said. But I want to say to you, my friends, that there are other things to be considered here. As I look over this House and I see the membership here who are continually hallooing "Economy," especially my colleague from Texas on this side, I think that this is one of the places where we should practice economy. [Applause.]

I know something about this little old canal that we are talking about over in Massachusetts. I know something about conditions over there, and I know that this is one of the grafts that some people are figuring on putting over on this Congress. That little old canal does not amount to anything. That little old canal involves, when it comes down to the real facts, a real investment of something like $200,000. That is what it amounts to. But you are asking this great Government to invest $11,500,000 to put over a steal. [Applause.] I want to say to the gentleman from Massachusetts and his committee——

Mr. DEAL. Will the gentleman yield?

Mr. WOLFF. I can not. I have only a few minutes. I want to say to the gentleman from Massachusetts, who heads that great committee of this House, that I have listened to him from the floor of this House tell us about certain things. I want to say to him that the other day there was a petition presented that asked to take away from his committee a bill that involved 110,000,000 people of the United States, which involved 4,000,000 working people of these United States, that he was not interested in at all. [Applause.] It involved 110,000,000 people of the United States, because I want to say to you that the transportation proposition of these United States is the biggest proposition that we have to deal with here to-day. That great committee refused to allow that bill to come out——

Mr. WINSLOW. Mr. Chairman, I ask that the gentleman be called to order.

Mr. WOLFF. The committee did not allow that bill to come out——

Mr. WINSLOW. I ask that the gentleman be called to order.

The CHAIRMAN. The gentleman from Missouri will proceed in order.

Mr. WOLFF. All right. I am talking about this bill. This I know is a steal, an absolute steal. It represents an absolute valuation of $200,000; a steal of over $11,300,000 for a few people in Massachusetts, and I want to say to you that I do not condone that steal.

Mr. DENISON. Mr. Chairman, I ask that the gentleman's words be taken down.

Mr. WOLFF. I have only five minutes, if the gentleman will yield me five minutes of his time——

Mr. BLANTON. Withdraw it.

Mr. WOLFF. No; that is a steal, and I refuse to withdraw it.

Mr. DENISON. Mr. Chairman, I ask that the words be taken down.

The CHAIRMAN. The gentleman from Missouri will suspend. The gentleman from Illinois demands that the gentleman's words be taken down. The Clerk will report the words.

Mr. WOLFF. I say this thing is a steal.

The CHAIRMAN. The gentleman will be seated until the question is decided.

Mr. WOLFF. All right; I will leave it to the House to say whether it is a steal or not. I say it is a steal.

The CHAIRMAN. The gentleman from Missouri will suspend and be seated until a decision is reached as to his words.

Mr. WOLFF. All right; I am listening now. Mr. Chairman, I make the point of order there is no quorum.

Mr. CHINDBLOM. Mr. Chairman, I make the point of order the gentleman has no right to the floor. He should be seated and maintain his seat.

Mr. SANDERS of Indiana. Mr. Chairman, a Member who has been called to order by another gentleman can not proceed until he is further recognized by the Chair?

The CHAIRMAN. No. The gentleman from Missouri will take his seat until the matter is disposed of.

Mr. WOLFF. Mr. Chairman, I withdraw my statement regarding the gentleman from Massachusetts [Mr. WINSLOW].

The CHAIRMAN. The gentleman from Missouri withdraws his statement.

Mr. DENISON. Mr. Chairman, then I withdraw the request.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri may be allowed to proceed.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WOLFF. Mr. Chairman, I ask that I be allowed to proceed for five minutes.

Mr. SPROUL of Illinois. I object.

The CHAIRMAN. Objection is made.

Mr. RAYBURN. Mr. Chairman, two minutes of the gentleman's time has been taken by this discussion, and I yield two minutes to the gentleman.

The CHAIRMAN. The Chair will state to the gentleman from Texas that the time of the gentleman from Missouri had expired, and the Chair was about to so announce when the demand was made by the gentleman from Illinois, so that none of his time was taken up by the controversy. Does the gentleman from Texas yield further time to the gentleman from Missouri?

Mr. WINGO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. While the rule is very clear that whenever a Member uses language that is objected to he can not continue his remarks, that does not deprive him of his constitutional right to call for a quorum. I am only thinking of it as a precedent, not caring about this particular case.

The CHAIRMAN. The gentleman from Illinois has withdrawn his demand.

Mr. WINGO. Has the gentleman from Missouri withdrawn his point of no quorum?

The CHAIRMAN. I think so.

Mr. WOLFF. I have withdrawn my point, providing, Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois having withdrawn his demand, the gentleman from Missouri has the right to make the point of no quorum.

The CHAIRMAN. Does the gentleman from Texas [Mr. RAYBURN] yield further time to the gentleman from Missouri?

Mr. WOLFF. I understand that I have two minutes more.

The CHAIRMAN. The gentleman from Texas has not yielded further time to the gentleman.

Mr. WOLFF. The gentleman from Texas yielded to me two additional minutes.

The CHAIRMAN. Did the gentleman from Texas yield two additional minutes?

Mr. RAYBURN. Yes; I yield to the gentleman two additional minutes.

The CHAIRMAN. The gentleman from Missouri is recognized for two minutes.

Mr. WOLFF. Mr. Chairman and gentlemen of the House, I do not want to be obnoxious. This is one of the few times that I have asked leave to occupy this floor.

I say to you candidly that while I have withdrawn my remarks regarding the gentleman from Massachusetts [Mr. WINSLOW], I really do not believe that this proposition should pass. I do not believe that the people of this great country of ours, when they are calling for economy, when the President of the party represented on that side of the House—your President—says that the Bursum bill should not pass—the bill that provides for and takes care of your old soldiers, of their widows and orphans; when your President says that we are looking to economy and vetoes that bill; when he is going to veto the bill that takes care of our ex-service men of this last war; when he is going to condemn an expenditure of money that takes care of the men who carried the guns and fought the battles of this country on an economy plea, God help you fellows the next time! I am not for any President who stands to veto a bill that would take away the rights of the men who carried the guns and fought the battles of this country.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. WOLFF. I would like to have a minute more. I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. SPROUL of Illinois. I object.

Mr. WOLFF. I am glad the gentleman objected. I am glad to hear from the gentleman.

Mr. RAYBURN. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. FREAR] 10 minutes.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 10 minutes.

Mr. FREAR. Mr. Chairman and gentlemen of the House, for many years I have been opposed to the proposal to buy what is known as the Cape Cod Canal, and I would not be consistent unless I expressed my opposition to the bill now before us carrying $11,500,000 with which to buy another worthless canal. It is in no way a personal matter. I admire the chairman of this committee and consider him a personal friend. I think he is one of the shrewdest men I have ever met. No other man could have made the speech he has made on this floor to-day and have secured the strength for this bill that he has worked so hard to win. I see the gentleman from Massachusetts now supported by his delegation, all favoring this bill. But it is outside of Massachusetts he has extended his appeal. He has covered all of Florida. Is there a gentleman from Florida present who does not understand that the intercoastal waterway of which Chairman WINSLOW so eloquently spoke is connected with this project? The Louisiana delegation has its projects, as he has well said. The gentleman has also mentioned Texas. Texas has its waterways also to remember. I was on the River and Harbor Committee for a number of years. I happen to know something about this Cape Cod Canal from my viewpoint, and it can rest on its own merits or demerits.

The Members from the Mississippi Valley are told about the barge canal that is in the mind of the chairman of the Interstate Commerce Committee. There is not a section of the country where your sympathies could be touched upon that has not been enlisted by his appeal to-day. All to help the Cape Cod Canal. I do not know, however, but that it is proper when you are trying to secure support for a desperate case with a bill like this. I have no prejudice personally to urge against it.

Mr. DEAL. Mr. Chairman, will the gentleman yield for a moment?

Mr. FREAR. Not at this time. I hope the gentleman will get time for himself.

I have followed this canal-purchase plan for years; years before it was taken up by the Government during the war. It was taken over in 1917 by the Government during the strenuous days of the war. We then took over everything—railroads, waterways, and everything. Practically all were released after the war, and that is no justification for this position in which we are sought to be placed to-day.

Here is a bill calling for an immediate expenditure reaching $11,500,000. According to the statement of one of the strongest

Members we have ever had on this floor from Massachusetts—Joe Walsh, whom we all admired personally—when he was a Member he said in his judgment the expense will reach $50,000,000 eventually. I do not think that is a wide guess when you consider how these projects grow, and that is apart from a heavy annual expense for maintenance. A few feet in width of a project below water enhances the cost enormously. This canal is 8 miles long. Already they say it has cost $20,000,000, or would cost $20,000,000 and more to reproduce it as it is, so that if we double the present size of the canal as proposed it means an everlasting continuing expense as well as a heavy initial expense when we build it to meet plans already proposed by the report. What are we going to get for this $50,000,000 expenditure? What return do the taxpayers of the Government receive?

This property, according to the report of the Army engineers, is worth just $2,500,000. I am quoting from the official report. For purposes of commerce—and I quote from the report, which has not been questioned, on page 22—the figure given is $300,000 annual income now derived from tolls; only a moderate commerce on this 8-mile canal. Based on that, the engineers' report is as follows:

> Capitalized at 4 per cent it corresponds to a capital investment of $2,500,000. This amount, therefore, is apparently an upper limit of any justifiable expenditure by the United States to acquire public ownership for commercial purposes.

That is to say, $2,500,000 is apparently an upper limit that the United States is justified in paying for this canal that is here held at $11,500,000 and will cost $50,000,000 eventually.

Not an ordinary figure but an "upper limit," a maximum "of any justifiable expenditure." So say the Government engineers.

The bill before us carries over four and one-half times the amount recommended by the Army engineers as the "upper limit."

"Justifiable" is the word the Army engineers use.

> Two million five hundred thousand dollars is the upper limit of any justifiable expenditure by the United States to acquire public ownership for commercial purposes.

How can we in good conscience ignore that report if we at any time decide to buy the canal to help out these bondholders?

Now, if you are going to put it on the basis of war value, or if you expect to have war a few days from now and you need to run submarines through the canal, I concede it may have another value, but that is not considered in any appraisal given to us. These are the figures of the Army engineers who had no interest in misrepresenting, and I warn you gentlemen that this bill can not be defended.

It has been stated to us that this canal is needed to avoid dangers to life. Some 32 lives were lost in 10 years, according to the report by ships rounding Cape Cod. There are more people killed on the streets in Washington every year by automobiles by far than have lost their lives in 10 years around this cape. According to the statistics, the number is only 32 at Cape Cod in 10 years, and it runs nearly one a week in Washington, or nearer 500 killed or to be killed on the Capital City's streets in 10 years. I presume in Boston every year the number killed on the streets by automobiles is far greater than the 32 lost around the cape in 10 years.

The gentleman who preceded me spoke about the difficulty in getting consideration for the Barkley conciliation bill affecting several million railway men. I was one of those who supported the plan, when we signed a petition under the rule and secured 150 names to it, of bringing the bill out upon the floor.

I thought it was the right thing to do. I felt they had a right to be heard, and it was the only way we could get the bill out from the committee presided over by the gentleman from Massachusetts [Mr. WINSLOW]. I say to the House, Republicans and Democrats alike—because we have no political choice in this bill or ought not to have—is it not a sad commentary upon the House of Representatives when this bill is brought out for the expenditure of $11,500,000 from the Treasury of the United States by the chairman of that same committee, and given consideration, and we can not get the Barkley bill out with a petition of 150 names, so as to have consideration? Make your own excuses and explanations, but that is the situation which confronts us now. Let the responsibility rest where it belongs.

The gentleman who was responsible for signing this so-called contract is the same man who had more to do with this canal purchase than anyone else when he was a Senator from Massachusetts—Senator Weeks. He was then in the Senate pressing hard upon the Congress for the purchase of the canal. Presumably I might press what I believed to be a meritorious matter, if interested in one, from my own State, and my own State has the second largest harbor in the United States.

But when this offer was rejected by his predecessor, then Mr. Weeks took his pen and as Secretary of War signed an approval to tie up the Government to this proposition, as I have stated, to pay these stockholders $11,500,000 out of the Government Treasury when the Army engineers of Secretary Weeks's own department had placed the highest limit to be paid at $2,500,000, and it is dear at any price.

Now, say this bill is finally passed and it goes to the White House. The gentleman who preceded me made some significant remarks. I do not care to continue in the same vein at all, but I say to you gentlemen, suppose this bill is presented to the President, who has just declared we must have economy in this country when he vetoed the Bursum pension bill, should we not hesitate about passing a bill of this kind up to him for his signature, even if it is primarily a Massachusetts project? The Bursum bill was vetoed, but many of us are going to vote for that bill notwithstanding the veto if given opportunity to do so. The President raised the point that we have got to economize. How can he justify a Bursum bill veto and then sign a $50,000,000 cost to the Government by this Cape Cod Canal bill.

Mr. NELSON of Wisconsin. The Bursum bill failed to-day by one vote in the Senate to carry over the veto.

Mr. FREAR. So the veto, according to the statement of my colleague, will stand. The Bursum bill, giving relief to men, women, and children, for service of Civil War veterans, now in need, was vetoed on the ground of economy. Sentiment moves us quite frequently, and we vote for such propositions, because we do not always stop on the ground of economy when rewarding patriotism, but that bill could and will be defended where this bill can not. Here is a proposition that is one of extravagance at any time, and $11,500,000, running up to $50,000,000, is a considerable amount to put through at this time, when the President warns the country of our need for economy. Another bill is going to be vetoed, we are informed. It is now in the hands of the President, passed overwhelmingly by both Houses. There can not be any question about it, because everybody tells us it will be vetoed. That is the so-called soldiers' bonus bill, and it is to be vetoed also on the ground of economy. Other bills are going to be vetoed if they succeed in getting through Congress—the postal employees' bill and others, we are informed—on the ground of economy. Yet we are asked to vote for $11,500,000 at this time on a bill for which Army engineers recommended $2,500,000 as the outside limit, to take over eleven millions from the Treasury when we are having so much bitter criticism aimed at Congress.

Congress is criticized to-day more than ever before in recent history for extravagance. Unjustly, I feel, at times. I do not believe the press has the right to make many unwarranted statements, but how can we justify at this time the Cape Cod Canal expenditure, reaching ultimately $50,000,000, with the people asking for tax reduction and with so many important measures vetoed on the ground of economy? Yet to-day we are asked to vote for this indefensible proposition by the proponents of the bill, who enlist the support of pending river and harbor projects all over the country. Some of my friends would like to have very many waterways adopted. They have projects that may rest for passage or defeat with their support of the Cape Cod Canal bill. We are asked to adopt a proposition here which accommodates only 20 per cent of the water traffic around Cape Cod to-day. Eighty per cent goes outside the cape by the same route it has gone for four centuries and will go hereafter, whether the Government buys this canal or not. Before we buy this canal we may well hesitate. The reasons are obvious.

A legal question has been discussed by the gentleman from New York [Mr. LAGUARDIA], and his suggestions as to the legal rights seem to be very well grounded. We have no right at this time, based upon the record, to take the matter away from the court. This proposition should be decided by the court before any action is taken here. Later we are required to affirm or reject the court's decision. By what right do we act now?

I regret very much that this matter has ever been brought up, and I may want to offer an amendment at the proper time.

A gentleman came to me yesterday very much interested and said, "Will Congress pursue the dog-in-the-manger attitude by refusing to permit this thing to be settled?" I said, "No; not for a moment. Let us get through with it. Let us quitclaim all interest we have, if any, in the project and allow the parties to present their claims, if any, before the Claims Committee and give them back this tremendously valuable property

for which they ask $11,500,000, but which the Board of Engineers says is worth only $2,500,000," at an outside figure to the Government. The canal owners ask us to ratify Secretary Weeks's offer made in their behalf.

On what ground are we going to justify this tremendous expense when taking the money out of the Treasury at this time?

Mr. DEAL. Will the gentleman yield now?

Mr. FREAR. Yes.

Mr. DEAL. Does the gentleman favor the passage of the McNary-Haugen bill?

Mr. FREAR. I do, if it is the only agricultural aid bill offered, for this reason——

Mr. DEAL. Carrying $200,000,000.

Mr. FREAR. No; it will not carry anything like that amount. I do favor some proposal to aid farmers of the country for this reason: Men are leaving their farms and—if the Chairman will excuse me for answering the question, which is not related to the canal subject—men are leaving their farms all over the West, all over the western country because they are buying in a protected market and they are selling their surplus goods, which fix the price, in a free market and they can not remain on the farm. [Applause.]

Now, that is all there is to it. It is not a question of sentiment, it is a question of necessity, and, my friend, if you knew how some of these people are situated——

Mr. DEAL. That applies more particularly——

Mr. FREAR. There are over 100 banks in one State I know that have failed because every man who leaves the farm takes with him his obligations to the bank, and takes with him the local business, and everything becomes wiped out in some of the counties. Many States are in distress and are pleading for relief.

Mr. DEAL. I do not doubt the accuracy of the gentleman's statement.

Mr. FREAR. That has nothing to do with this canal project, but I would give the farmers relief when the emergency is so great; immediately, if possible to do so. I would give anyone such relief as was necessary, but there is no immediate relief warranted in this canal project for anyone, because for four centuries these people have been in the same situation they are in to-day, sailing around the cape as they will do for centuries to come, and this canal is dear at any price.

Mr. DEAL. But the relief which the gentleman wishes to give comes more particularly from the section from which he comes.

Mr. FREAR. No; not particularly; because the people where I live are just as well to do as the people of Virginia and just as able to take care of themselves. Theirs is a dairy country; and, in fact, they raise as much tobacco, possibly, as the people in the State of the gentleman from Virginia, or very nearly so. They are a fairly prosperous people, if any agricultural districts are prosperous to-day, but disaster and bankruptcy to thousands of farmers in other parts of the country are felt by all and injure all.

Mr. DEAL. Then they do not need the $200,000,000.

Mr. FREAR. I am speaking here for the people of the whole United States, not for any locality, when urging some form of farm relief, and speaking for the Government and for the Treasury of the United States when deploring this Treasury raid of $11,500,000 to buy a useless canal, and I am not speaking for Virginia or for Wisconsin or for any individual State.

Mr. DEAL. Virginia is not asking for it.

Mr. FREAR. I refuse to yield any further.

I feel this question is too important and too big for the Members of Congress to view from any local point of view, and for that reason I stand here to express my opposition to a bill that in my judgment ought to be defeated.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. RAYBURN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. LARSEN].

Mr. LARSEN of Georgia. Mr. Chairman and gentleman of the committee, we have heard a great deal to-day from the Republican side of the House as to the action taken by the Democratic Secretary of War, Baker, regarding the purchase of the Cape Cod Canal. It is rather amusing to note the great confidence which the gentlemen on that side of the House now seem to have in Mr. Baker. Contrast, if you please, the great confidence they display at this time with that which they manifested in days that have gone.

I had the privilege of serving in the House with Hon. Joseph Walsh, of Massachusetts, a Republican, who then represented the district in which Cape Cod Canal is located. He was one of the greatest statesmen and one of the most brilliant men that Massachusetts has furnished this assembly within recent years. I want to offer his testimony, delivered on the floor of the House, against the testimony offered by the gentleman from Massachusetts to-day. I want you to know what he thought and said concerning this proposition when it first came before the House. This was back in 1917, when the House had under consideration the conference report on the rivers and harbors appropriation. The gentleman from North Carolina [Mr. SMALL], then chairman of the committee, speaking on the measure, was interrupted by Judge Walsh, who said:

> I should like to ask the chairman of the committee why it is that in the Cape Cod Canal item it requires three Cabinet officers to enter into negotiations for the purchase of that ditch, while in the negotiations for the purchase of the Chesapeake & Delaware Canal, the matter is confined to the Secretary of War alone.

Mind you, they call it a canal to-day.

Mr. SMALL said:

> In answer to the gentleman I would say that, in accordance with the general precedents it should have been confined to the Secretary of War alone.

Mr. Walsh, again speaking, said:

> Does the gentleman mean to say that the House Committee on Rivers and Harbors merely relied upon the two Senators from Massachusetts in putting this into the bill?

Mind you, gentlemen, when the matter was put in at that time, there had been no hearing on it. The then Senator Weeks, now Secretary of War, had simply introduced a bill in the Senate authorizing the purchase of this ditch, as it was then denominated by Judge Walsh, and without any hearing the Senate permitted him to tack it on as a rider.

The gentleman from North Carolina, referring to Judge Walsh, said:

> May I ask the gentleman, in reply, is he opposed to this item in the conference report?

Referring to the canal matter.

Mr. Walsh replied:

> I have voted against the bill. I expect to vote to recommit it, and I also expect to vote against it in the conference report.

The gentleman from North Carolina then said, "To this particular item?" And Judge Walsh replied:

> I am opposed to this item because it will involve an expenditure of over $50,000,000 before this Government gets any benefit from it.

The RECORD shows "applause." It probably came from the Republican side.

Mr. DENISON. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. DENISON. I would like to state that the gentleman from Massachusetts, Mr. Walsh, on further investigation of this matter changed his views entirely and was in favor of it.

Mr. LARSEN of Georgia. I heard the gentleman from Massachusetts at a later day. He represented the district in which this "ditch" was then located. He was then the Representative, and of course we understand that when the pressure was put upon him by his constituents and influential authorities, he was not so insistent, but I do not believe that any man, even the distinguished gentleman from Illinois, able as he is, can point to a single sentence uttered by Mr. Walsh which will show that he has reversed his opinion. He simply permitted or tolerated without denouncing it as he did in the first instance.

The gentleman from Texas, advocating the passage of the bill, referred to it as a great military proposition. He is an able Representative and a fine gentleman, but I imagine he is as poor a soldier as the balance of us. At any rate, I would rather have the opinion of some man engaged in that particular line of work, and I quote from those in such service. I quote from a letter from the General Board of the Navy, dated August 19, 1916. It is found in section 17 of the report of the Board of Engineers for Rivers and Harbors, on page 222 of the hearings, and is as follows:

> The expense of rendering the Cape Cod Canal available to all types of naval vessels not only requires a considerable expenditure for enlarging it but also additional continuing expense for the maintenance of such increased size, and an even greater expenditure for the defenses that should be given an important military waterway at a salient of our coast. Such large additional expenditures are not warranted by the apparent increased military advantages of having the canal available for the passage of ships requiring a depth of over 25 feet at mean low water.

The board has no doubt of the advantages of a sufficient depth and width to permit the passage of battleships. It adheres, however, to its previous expressions to the effect that military necessity is not sufficiently great to warrant the department in urging the expenditure of public funds to that end.

Ah, gentlemen, is there anyone who in the face of this report, made by the War Department, can urge the proposition as a military necessity? You can not justify it in that way nor in any other way.

Now, let us see what happened before the present Secretary of War came into the position he now holds. First of all the Government employed experts to investigate the matter. Price, Waterhouse & Co., of New York were employed, and they found that the total cost of the canal was $6,243,171.01. By adding interest, taxes, and so forth, they found that, with all things considered, it did not exceed $8,265,743.04. Upon these figures and by this report, made and paid for at public expense, the then Secretary of War, Mr. Baker, recommended that the canal be purchased at $8,200,000. But, mark you, when Newton D. Baker went out of office and was succeeded by the present distinguished gentleman, who was then Senator from Massachusetts, the matter is again brought before Congress and we are asked to authorize purchase at $11,500,000.

It is the same canal for which Secretary Baker would give only $8,200,000. It is the same canal which cost $6,243,171.01 at most, including interest, taxes, and so forth, $8,265,743.04. It is no better now than it was then. We are asked to purchase it because private individuals who control it are unable to make it a paying investment. We are asked to purchase it because August Belmont and his associates who promoted its construction were mistaken as to the amount of revenue it would yield. Unless the Government buys it at a price far in excess of its cost or worth promoters will not receive enormous sums, and the bondholders in Massachusetts and on Wall Street, in New York, may lose a few million dollars.

The report of the Board of Engineers says the canal is worthless unless it is made a lock canal, and estimates this cost at $16,000,000. Then they say it must be given a depth of 30 feet and a width of 200 feet. So you see Mr. Walsh was not far from right when he said the ditch would cost $50,000,000 before this Government gets any benefit from it.

The Government has no use for the canal. The report of the engineers shows this fact. If we get it under the provisions of this bill, we will pay far more than it cost or is worth. You must remember that the valuation placed upon it by the court in the condemnation proceeding was set aside and the judgment reversed because the method of valuation was erroneous and because it was not based upon costs of construction.

The President has recently vetoed the Bursum bill and refused to give relief to the Spanish-American War veterans, who are in need and have suffered great discrimination, because of claim of desire to economize in the expenditure of Government funds. Let us see what he does with this bill should it come before him.

We do not need the property, the sale is not at a reasonable price, and I can not agree to levy such great additional tax burden upon the country, especially at this time.

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman, when I came to Congress I had some definite ideas in regard to appropriations from the Public Treasury. My experience has shown me that I was pretty nearly all wrong in those ideas. The first illustration of that fact was brought particularly to my attention when I was appointed on a special committee to go down into the lower Mississippi Valley when the Mississippi River was at flood. It had always seemed to me that the people of the States should take care of their own problems. I found a mighty river flowing by and through the States of Mississippi, Arkansas, Missouri, and Louisiana, with which they could not cope. They had no jurisdiction whatever over the source from which the torrent of water came, exceeding in volume that of Niagara Falls, and which was destroying the property of the people there. The source was from 35 other States. And so I learned my first lesson in national problems. I came back here to Congress, made a report, and that report carried an appropriation exceeding $40,000,000 to relieve the situation of the people in the States which were suffering from the flood. Since that time it has been my privilege and pleasure to travel abroad throughout the length and breadth of many States in this great country and view their problems.

I have seen irrigation projects; I have seen water-power projects; I have seen harbor projects; I have seen improvements on public works and on road construction in which the Government was interested and to which the Government appropriated various sums of money for the benefit of all the people of the country. Now, there is not a drop of water from Massachusetts that goes into the Mississippi River, not a drop, but it was my pleasure, and I believe it was only justice to the people of Mississippi when every Member from Massachusetts voted for something to protect the people of the Mississippi Valley. So it has been with many of these projects. Now, we are not asking this for Massachuetts. We consider it a national problem. What is going to be the result? We will pay this money back to the Government in a little while with the trade that will come between Canada, New England, Texas, Louisiana, Alabama, Georgia, and Virginia. A line of steamers will be established and put in operation almost as soon as the bill becomes a law. Just at this season of the year when all the Northern States are suffering for green stuff a line of steamers can start from Galveston, pick up fruit and vegetables there, come along to New Orleans, Mobile, Savannah, and Norfolk, bring those things we crave to our doors and get a very good price for them, and in return——

Mr. CONNERY. Will the gentleman yield?

Mr. MADDEN. Will the gentleman yield?

Mr. CONNERY. I will yield to the gentleman from Illinois.

Mr. MADDEN. I suppose they will come up all the way by the inside route.

Mr. UNDERHILL. I trust so, in time.

There is another proposition; we will drop the vegetable proposition; we will take cotton. Cotton is a staple article of production in all of the States I have mentioned.

I realize the importance of the cotton crop in the South and its manufacture into the finished product up in New England. How are you shipping it now? By freight; and you are paying twice, three, and four times by rail that you would by water. It is a much cheaper proposition to ship your raw product by water, and you will get a better price for your cotton, and you will pay a lower price for your manufactured goods in return.

The total traffic passing through the canal during 1923 was as follows:

Number of vessels		6,771
Gross tonnage of these vessels	tons	4,051,869
Cargo carried	do	1,389,457
Passengers carried through canal		116,309

It will be seen from the tonnage of the vessels using the canal that most of them are small. This is accounted for by the fact that the canal is not capable of handling large vessels, and it is questioned to-day whether it is a safe channel for vessels more, if anything, over 18 feet draft, brought about by filling in from the banks, tidal causes, and so forth.

In report No. 1016, May 18, 1922, made by the Committee on Interstate and Foreign Commerce of the House of Representatives upon the purchase of the Cape Cod Canal property, the following estimate of traffic was made:

The probable increase of traffic passing Cape Cod, either going around the Cape or going through the canal, for the decade between 1920 and 1930 will be approximately 21 per cent, and for the succeeding decade 18 per cent. Applying these percentages, the probable traffic passing Cape Cod in 1930 will be between thirty and thirty-five million gross tons, and in 1940 between thirty-five and forty million gross tons. These estimates are based upon statistics covering growth of population and production in New England over a period as far back as 1890, but principally for the years between 1897 and 1916, inclusive.

So you see the great commercial value this will be to the whole country.

Mr. McKEOWN. Will the gentleman yield?

Mr. UNDERHILL. I can not yield. I want to come back to this proposition. Massachusetts is not asking a dollar for irrigation purposes, Massachusetts is not asking a dollar for the development of her white coal resources; Massachusetts is not asking for a dollar for flood control or river development, for road building——

The CHAIRMAN. The time of the gentleman has expired.

Mr. UNDERHILL. May I have one minute more?

Mr. WINSLOW. I yield the gentleman one more minute.

Mr. UNDERHILL. As a member of the Flood Control Committee I recently voted to report out of that committee 18 bills for investigation and survey of streams in States, every one of them west of the Mississippi River, every one of them for the benefit of the people far from the State I represent in part. Now I am not pleading for Massachusetts any more than I am for Texas or Louisiana or Alabama, Georgia, Virginia, or any other State. I am pleading more for the proposition which I believe to be a national benefit in the first place, to be a business proposition which will pay for itself in time, and I am

pleading for it most of all as a humanitarian proposition. I know the people down on the cape. I have lived among them a part of the year for 25 years, I have seen the widows and the fatherless children, and I know their sacrifices and sorrows of the past and their hope for the future. They are giving their work and their lives down through that section in order that the rest of you may have those things that you can not get without transportation by sea. I could make a plea for those people who go down to the sea in ships which would stir your hearts had I time to go into details, and you would vote for the bill if it cost twice as much. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WINSLOW. I yield five minutes to the gentleman from Missouri [Mr. NEWTON].

Mr. NEWTON of Missouri. Mr. Chairman and gentlemen, I presume I represent a constituency as little concerned about Cape Cod as any part of the country. But I regard this as a part of one of the projects of a great national policy. I do not think that in passing upon matters of this kind we ought to allow sectionalism to interfere with our judgment. I think this is a meritorious project. I think it unpardonable to-day for the United States to refuse to own a project of this character. There is a great deal of commerce in Boston, in Portland, Me., and in this section of the country in the northern extremity of the eastern border of the United States that necessarily must find a market in the interior or southern part of the country. This canal is a part of a great highway along our seaboard and crosses one of nature's barriers that extends out into the sea. When the weather is rough the ships have to go miles out into the ocean in order to pass around Cape Cod. It is quite dangerous and hazardous. There is no question that commerce will be greatly benefited and that products will be sold cheaper to the consumer that are manufactured in the New England States if they are permitted to make this short cut along the shore line in order to get more directly and quickly to the markets.

Mr. McKEOWN. Will the gentleman yield?

Mr. NEWTON of Missouri. I will.

Mr. McKEOWN. Does the gentleman know of any product going through that canal we get a reduction on?

Mr. NEWTON of Missouri. Yes; I know there are products that go through that canal, such as cotton goods, shoes, and many other products, that are manufactured in Boston and that section of the country. Some of them come in competition with goods manufactured in the Middle West; and if I were going to look at this project from a selfish standpoint, I would want to cut off that competition. But I think that we ought to look at these things from a national standpoint. I think this Government ought to own that short-route canal.

New England has got to get her coal in large measure from the Pittsburgh district. That coal can be loaded onto barges and taken up through this short cut with perfect safety, with a much shorter haul and at a cheaper rate.

They talk about using the railways from Boston to New York. What are the facts? The average railway freight rate of this country last year, according to the records of the Interstate Commerce Commission, was 10.78 mills per ton-mile, while the average ocean rate was 3 mills per ton-mile. There can not be any excuse for not trying to conserve the cost of transportation in the way that would be afforded in this particular case. We improved the Monongahela River from Pittsburg upstream at an expense of $20,000,000. The coal that went down the Monongahela River to Pittsburgh from the upper reach of the river last year saved to that city in freights something like $27,000,000. They haul coal at 15 cents per ton, while the railroads charge 80 cents per ton.

We are trying to build up the merchant marine of this country. We have spent over $2,000,000,000; and here we have a barrier, forcing our ships to go through dangerous shoals, where there are numerous rocks strewn in the way, and far out to sea, going from port to port on our coast. There is no question but that the Government ought to own this canal and will own it eventually and will make it toll free. I can not see any reason why we should not own it now.

They say the price is too high. I am not sure about that. We might try to get it cheaper if we can. But the evidence indicates that those people have paid out $14,000,000 in the construction of this canal; that $16,000,000 would be needed to reproduce the work; and that a jury, hearing evidence for more than six weeks, hearing experts on both sides, where the Government was represented by able counsel, brought in a verdict fixing its value at $16,801,201. I think the project ought to be adopted. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WINSLOW. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from Massachusetts has 18 minutes remaining, and the gentleman from Texas [Mr. RAYBURN] has 29 minutes remaining.

Mr. RAYBURN. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Chairman, as an expert disciple of Izaak Walton, the distinguished chairman of this committee [Mr. WINSLOW] appears in a new rôle. There is not in any of your districts finer speckled-bass fishing than there is in mine. If he were to come down to my district this summer and use the same judgment he has exhibited here to-day in selecting his bait and in casting his hook, I doubt whether there would be a speckled bass left in my district. He would catch them all.

There is not another man in this House who is abler or more genial, more courteous, than that gentleman. He is a bully good fellow. That is what he is. And if he would reduce the expense of this project down to the $8,250,000, which was offered to Mr. Secretary of War Baker, I would vote for his bill. But he will not do that, and he is going to have to do that in order to get my vote. Of course, he will not have it.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret I can not. I have only five minutes.

Now they say there is a moral obligation on the part of this Congress to uphold this contract. If there were, I would support the bill. But there is not. Mr. Weeks, when Senator, put this matter as a rider on an appropriation bill in the Senate. The gentleman from Massachusetts [Mr. WINSLOW] suggested we did not have anybody able enough to draw such an amendment. That may be so. But we had a President and a Cabinet and an administration that was able enough to win the war with your help.

Mr. WINSLOW. And they were all for this project.

Mr. BLANTON. They were all for this project; at $8,250,000, but not at $11,500,000; and it was a Republican who put it on as a rider over in the Senate. President Wilson instructed the Secretary of War to acquire this property, and if he could not, to have it condemned by the Department of Justice, and the action taken to be ratified by Congress.

He offered $8,250,000. That was refused, and then he turned it over to the Department of Justice. He thereby lost jurisdiction over it when he did that. The War Department had no more jurisdiction over it after Secretary Baker turned it over to the Department of Justice, and the contract that Mr. Weeks as Secretary of War afterwards entered into, after he became a cabinet officer and had left the Senate, was executed without any authority of law whatever, and is in no way binding on Congress. There is no sort of question about that. Who will contend that he did have authority? It had passed out of his hands.

Let me say this: After the Government buys this canal, we are going to have to spend $10,000,000 at least to put this canal in order. There is no question about that.

Mr. MADDEN. Over $20,000,000.

Mr. BLANTON. But the chairman [Mr. WINSLOW], the distinguished fisherman, says $10,000,000.

Mr. WINSLOW. I challenge anybody to show that it will cost more than $10,000,000.

Mr. BLANTON. I do not believe that the gentleman would try to mislead us. I am willing to accept his statement. But it will cost us $10,000,000 more, he says, to put this in order. That makes $21,500,000 that we are putting into this project, if you please. I am not willing to spend that much money in it. I hope the gentleman will admit an amendment to reduce this total purchase price to $8,250,000. That is as much as we ought to pay for it. [Applause.]

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. GALLIVAN. Mr. Chairman, for the life of me I can not see any occasion in the world for anybody having a spasm over this bill. I want the attention for the moment of the brilliant young barrister from New York [Mr. LAGUARDIA], who read to us a portion of the decision of the appellate court.

I want to go this far with this young lawyer from New York. Suppose that this is a compromise of a lawsuit. Is he the kind of a lawyer who is unwilling to settle outside of court when he

can get a much more reasonable figure outside of court than he gets from a jury? Why, gentlemen, this is the affirmation of a contract entered into, not by one Secretary, may I say to my friend from Texas [Mr. BLANTON], but of a contract entered into by three Secretaries of this administration; and they are appointed by an act of Congress to negotiate for the purchase of this canal; do not overlook that fact.

Do not forget, Mr. Chairman, that the jury rendered a verdict of $16,800,000 upon the condemnation proceedings. By the contract I have referred to the Secretaries have been able to agree to the payment of but $5,500,000 in cash.

Mr. MANSFIELD. Will the gentleman yield?

Mr. GALLIVAN. Yes.

Mr. MANSFIELD. And the gentleman from New York [Mr. LAGUARDIA] intimated that he would rather leave it to a Massachusetts jury than to this Congress to fix the price, did he not?

Mr. GALLIVAN. Well, I do not know but what I might myself if I were one of the canal owners.

Mr. BLANTON. If you would put Joe Walsh on it, I would be willing, too.

Mr. GALLIVAN. Not alone has the verdict been reduced by more than $5,000,000, but the Government has compelled the owners to deed 1,000 acres of land not included in the original condemnation proceedings, and these properties are worth in the vicinity of $100,000. They would not get this treatment from a jury.

Yes, there is a humane side to it. And whether the Cape Cod Canal has its inlet or outlet in Massachusetts or elsewhere I am one of those who believe that this great project should be under the control of Uncle Sam.

Why, Mr. Chairman, there is no place on the entire Atlantic coast line more dreaded by the mariner than that portion embracing Cape Cod. This is due primarily to severe storms, winds, strong currents, shoals, and thick fogs which almost constantly prevail there. It is one of the most treacherous coasts in the world. Ships not routed through the canal are frequently tied up in Vineyard Haven and other harbors anywhere from one day to two weeks, lying at anchor waiting for a chance to get over the shoals. The records show over 1,000 marine disasters to ships going around the cape between 1880 and 1906. From July 1, 1907, to June 30, 1917, a period of 10 years, casualties to vessels passing Cape Cod, including Nantucket Shoals, Nantucket Sound, Marthas Vineyard, and Vineyard Sound, involved vessels to the number of 326 of a total tonnage of 190,105 and of property valued at $12,761,920. Of this total property involved $1,653,770 in value was lost. During the same period the lives of 3,900 persons on board these vessels were imperiled, and the records show that 32 lives were lost.

The Government has long recognized the extreme danger to navigation in this locality. For many years it has maintained 13 life-saving stations between Monomy Point and Wood End, Cape Cod, a distance of about 40 miles.

During the fiscal year ended June 30, 1920, the assistance rendered by United States Coast Guard steamers and stations from Cuttyhunk to Provincetown involved the saving of life and property, and shows the value of vessels in jeopardy to have been $16,477,000.

Mr. MADDEN. Will the gentleman yield?

Mr. GALLIVAN. I always yield to my respected chairman.

Mr. MADDEN. I wonder why the State of Massachusetts did not carry out its contract and buy this canal instead of turning it over to the Government of the United States to buy?

Mr. GALLIVAN. Because the Government, away back in the days of George Washington, wanted the canal there. He was the first man who wanted the Government to have a canal there, and the last President of the United States who issued orders was the lamented Woodrow Wilson, when he instructed his Secretary of War, Mr. Baker, to begin condemnation proceedings at once.

Mr. MADDEN. But the gentleman from Massachusetts knows that there was a contract between the State of Massachusetts and the owners of this canal under which the State was to buy it.

Mr. GALLIVAN. Well, if there was such a contract—and I do not know it—I repeat what I said a moment ago, that a great waterway like this, which means so much to humanity, should be owned by the Federal Government, whether it be in Massachusetts, in Texas, in California, or on the coast of the State of Washington. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GALLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. UNDERHILL. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. RAYBURN. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. HOWARD].

The CHAIRMAN. The gentleman from Nebraska is recognized for 10 minutes. [Applause.]

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, I appear not for the purpose of praising nor of condemning the proposition now before the House in toto. I do sincerely hope that some day our Government may own and operate a canal in the place designated under the pending legislation.

My object for the moment is to direct attention to the general situation in the country, and whether the voting of these millions of dollars for this improvement is more to be desired than the voting of other millions to relieve distress in other parts of our country.

If I were inclined to deal with a serious subject facetiously—which I am not—I might dismiss it all by saying to you gentlemen—and particularly to my magnificent friend from Massachusetts, in charge of the bill—that I like codfish, and I am for them generally; but for the moment I prefer first to cater to the needs of the cornfield canaries. But I do not want to discuss it facetiously. I want to call your attention ever so earnestly, my friends, on both sides—and I always try to speak to both sides rather than to one side—that we have been assembled in Congress for many months. Every one of us, I think, came here with the earnest understanding that the greatest need of the hour in a legislative way was something for the relief of agriculture. We have accomplished nothing; we have appropriated not a dollar to aid agriculture. Oh, it is true we did create a lot of new official positions, with some kind of a French name attached to them, and a comfortable salary, also. We did that in the name of helping agriculture; but aside from that I know of nothing we have done.

I am interested in the humane proposition here. I went over this map with my friends from Massachusetts and I asked them the meaning of all these little black spots on the map.

They told me that each of the black spots represents a locality in the waters where some ship went down to death. That is sad. But, my friends, if I were desirous of bringing tears to your eyes in this moment I could point to 10 little black spots all over the agricultural zone for every one that you have here, and I could tell you that every black spot marked the failure of somebody on an American farm.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. HOWARD of Nebraska. Yes.

Mr. MACLAFFERTY. Has the gentleman a remedy to propose?

Mr. HOWARD of Nebraska. Yes.

Mr. COLE of Iowa. What is it?

Mr. HOWARD of Nebraska. For the agricultural situation?

Mr. COLE of Iowa. Yes.

Mr. HOWARD of Nebraska. Oh, if I had my way I would bring in a bill looking not to the relief of agriculture next month or next year, but for the immediate relief of agriculture. I speak to you from the standpoint of one who has never indorsed the principle of the Government giving cost plus to anybody.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. HOWARD of Nebraska. Certainly.

Mr. MACLAFFERTY. Has not the gentleman the privilege of bringing in such a bill?

Mr. HOWARD of Nebraska. Oh, yes; but I have been unable to get it.

Mr. MACLAFFERTY. But you can bring in such a bill?

Mr. HOWARD of Nebraska. I could if I had the ear of the Rules Committee.

Mr. MACLAFFERTY. Here is a distinct remedy proposed for an evil that exists.

Mr. HOWARD of Nebraska. Oh, yes; but let me finish my statement, since the gentleman has asked me for my remedy. Here is my remedy, following my statement that I do not believe, as a governmental principle, in cost plus for any man or any institution in our country; but here our Government has for years given cost plus to the railroads and kindred organizations, and now, for my part, I am in favor of giving just a little bit of cost plus to agriculture. I want to give agriculture a chance to get up to that cost-plus trough and get its nose in there deep enough to get just a little bit of its share of cost plus, and if I could have had my way I would

have brought out of the Committee on Agriculture long, long ago some bill looking to that good end. But I have not had that influence with the Committee on Agriculture which I might desire, and hence I know now that I shall not have opportunity to vote for any such bill. Why? Because my good President and your good President has declared that everything must be subordinated to the one great end of economy. He has vetoed our pension bill in the name of economy, and I understand, and unhappily I bear the news to you, that only an hour ago the Senate failed by one vote to pass the bill over the presidential veto.

Standing here on the eve of another presidential veto—and I do not state it on my own authority, but upon the authority of many of you administration leaders—we are going to have another dose of economy; and if economy be the watchword, men, under what manner of reasoning can we ask each other to vote for a proposition of this kind at this time?

My friends when I came down here I had been studying to some extent this problem of inland waterways, and I talked with a number of western Representatives, and we agreed that it ought to be dealt with by the Government and favorably. I would like to ask the direct question here of any gentleman on the floor who has been talking to me with reference to my support of the general inland waterways program, Is this bill a part of that program?

Mr. ABERNETHY. Yes; it is a part of it.

Mr. HOWARD of Nebraska. It is a part of it?

Mr. ABERNETHY. It is a part of it, and that is the reason I am voting for it.

Mr. HOWARD of Nebraska. Then if it be a part of that program I want to serve notice that I shall have to withhold my vote for another year or two from that program, because, after listening to the statement made here by that magnificent fellow from Wisconsin, showing the character of this plan to take money out of the Treasury at the present time when our President tells us that economy is so much to be desired, I can not give my consent to indorsing it, and if the general inland waterways program be part and parcel of this program I think I shall have to do a little more studying of that program before I shall promise my vote to any part of it.

My friends, I want to be free—oh, I want to be altogether free—from any thought or suspicion of a sectionalistic mind when I shall be legislating here, and I am dealing with nothing of the kind in mind. I tell the gentleman from Massachusetts frankly I hope to live to see the day when this canal shall be owned and operated by the parent Government, but, after listening to the statement of the gentleman from Wisconsin, I could not vote for the bill at the present time.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WINSLOW. Mr. Chairman, I yield two minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman and fellow Members of the House, I wish to state first of all that I am not interested in the United States Government taking over this canal to pay back the gentlemen who dug this canal or who are responsible for the digging of this canal, but I am interested in the canal and what it means as a national proposition and to the people of New England. The gentleman from Massachusetts mentioned how the ships have to go outside of Nantucket Island and stay there sometimes for three weeks, if necessary, until the weather abates, and then go up in and around the cape and get into Boston Harbor. We in New England know well how the people suffered last year from a lack of coal. Coal had to come in by rail from the western part of the State of Massachusetts, in through New York State, a little narrow neck of the bottle, and while the people of New England were freezing waiting for coal which the railroads could not move to them, especially those of us who lived in the eastern part of the State, other ships and coal barges were off Nantucket Island waiting to get into Boston Harbor.

As I say, I am not interested in all these millionaires they have been talking about, Mr. August Belmont, or any of these New York financiers—they do not mean anything in my young life at all, as I have had plenty of opportunity to show by my vote this session—but I am interested in the Cape Cod Canal, and in what it is going to mean to the people of Massachusetts, to the people of Maine, all of New England, and right on down the Atlantic seaboard, as has been mentioned, to the people of Florida and so on over to Texas.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WINSLOW. Mr. Chairman, I would like to inquire if the gentleman from Texas has any more speakers.

The CHAIRMAN. The gentleman from Texas has 14 minutes remaining and the gentleman from Massachusetts has 11 minutes.

Mr. CROSSER. I do not think the gentleman from Texas is going to use any more time.

Mr. WINSLOW. With the understanding that the gentleman from Texas has no more speeches, I will yield the remainder of my time to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I am a native of the region through which this canal passes, and for a long time have looked forward to having an opportunity to say something to the Congress on the subject. But after a debate lasting as long as this one has and after all the points which have already been brought out, I can not say all that I intended.

As a dweller on Cape Cod I have to-day learned a lot of facts from Wisconsin and Oklahoma that are surprising, but the most surprising fact I have learned—and it must have surprised many of you as well—was that my immediate predecessor from the sixteenth district of Massachusetts, Judge Walsh, was opposed to this canal purchase. I want you all to know that if he were here in my stead to-day, he would be urging the passage of this bill, as I am. About 10 days ago he told me that he did say something against the proposition, but he told me that it was in war times when the Government was spending money lavishly and wastefully. Now the occasion is different. I can not imagine Judge Walsh being opposed to this purchase or ratification—why, practically every person in that whole section is in ardent favor of it, for they know the need. If I had had the least idea that he was going to be quoted adversely to the measure, as he has been, I should have his affidavit to this effect.

I have lived on Cape Cod all my life and continually heard the harrowing stories of shipwrecks and drownings off our coast. Being very fully informed on that particular aspect of the case I could spend ten times the time that is mine on it and in what lawyers call "boring for water." But I do not intend to do so. However, it did hurt a little when it was said a few moments ago, "You have your canal, why not make use of it?" I want to call your attention to the fact that only a little more than a month ago the *Wyoming*—a magnificent vessel, one of the last of the six masters, and the pride of the State of Maine—was lost off Cape Cod with all on board because, drawing 29 feet of water, she could not use the canal in its present state and was forced to make the trip around the cape. When you gentlemen estimate the expense of this measure, how are you going to measure what the lives of those men alone were worth?

The gentleman from Wisconsin [Mr. NELSON] on April 10 told us about the little alcove over in the Congressional Library where there are a thousand volumes on the moral law. It was there, I suppose, that he prepared his to-day's speech, filled with criticism, witticisms, and sarcasm. Some time in that seclusion and his hours of meditation perhaps the spirits of those lost seamen and countless others will visit and chide him.

In the present condition of the canal, only 25 per cent or less of the shipping will use it, and the manifold dangers of the outside route remain a menace to the larger vessels as of old.

You may have forgotten; but we of Cape Cod have not, the thrill we had during the late war when a German submarine suddenly appeared off our coast and sunk several coal barges. Instantly all of the shipping was frightened away from the outside route and tried to get through this inland waterway. Within three or four days thereafter the Government seized the canal as a pressing war-time measure, and at a tremendous and wasteful expense attempted to put it into proper shape to meet the conditions, while it was simultaneously being operated to its maximum capacity.

After an agitation for the building of this waterway by the Government, which had extended through generations, it had finally been forced to take it over. What was the spark that caused the blaze resulting in the building of the Panama Canal? Was it not the fact that the Oregon was forced to sail all the way around Cape Horn to join the Atlantic fleet during the war with Spain? It was a similar spark, the dire need of sending our shipping through a safe and short inland route which caused the Government to take over the Cape Cod Canal.

While I have not the time to present lengthy arguments, I want to say to you that the people whom I represent have been demanding of me, in no uncertain terms, what the Government intends to do in this matter so vital to them, and what really is the Government? There are three departments in our Government. They know that the executive branch

has, in good faith, done its full duty therein. The case has also been through the judicial department and the courts have rendered a verdict in the condemnation proceedings. Now, it alone remains for the Congress to act in accordance with its moral obligation. It should to-day likewise do its duty. We will be getting for $11,500,000 what would to-day cost $25,000,000. I was personally present at the trial of the case and heard the expert witnesses who testified to that fact.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. GIFFORD. My time has so nearly expired that I must ask the gentleman to allow me to continue.

The CHAIRMAN. The gentleman declines to yield.

Mr. GIFFORD. We are getting a wonderful bargain, in fact. If this canal were not already built, it would cost that great sum to construct. It has deteriorated a little, of course, but not so much as has been pictured here to-day. I am pleading not so much for those ocean-going steamships we have to have in order to carry the commerce of the Nation, and which may go around that ocean graveyard off Cape Cod with reasonable safety, but I am speaking on behalf of the small ships and barges. What a crime it is to send men on coal barges around that section of the cape in rough weather! I have particularly in mind the story of one of my near neighbors. After following the sea as captain of a sailing vessel most of his life he was forced to take a barge job when steam drove the old schooners almost from the seas. In order really to appreciate what it is to make that trip on a barge in bad weather you must experience it, but I wish that you could hear that captain tell of one such trip when they were wrecked, clung to the wreckage for more than 24 hours and finally his own son was swept off and drowned before his eyes. It is incidents like that which make the humanitarian side of this question appeal to me above all others, and it should be an important factor in your considerations. Yes; our Government has for a long time been very derelict in its plain duty to its sailor citizens. This canal should have been built 50 years ago. Now we have the opportunity to acquire it and should not let that opportunity slip.

I want to say a word for the private capital involved. Sarcastic reference has been made to the men in Wall Street who were interested in constructing this canal. Some of us happen to know that the ancestors of August Belmont lived on Cape Cod. We, at least, believe that he was actuated by high motives and for the public good when he risked his money in the untried venture. I hold no brief for the private owners, but my belief is that having been recommended by the various other departments of the Government and fully considered by the committee which has reported it, it should pass as it stands, and that it carries the proper sum for them to receive. [Applause.] Mr. Chairman, I ask leave to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the contract dated July 29, 1921, executed by the Boston, Cape Cod & New York Canal Co., and transmitted to Congress by the Secretary of War and printed in House Document No. 139, Sixty-seventh Congress, second session, is hereby ratified on condition that such company files with the Secretary of War its consent in writing that paragraph 8 of such contract be amended to read as follows:

"8. The payment of the amount herein agreed to be paid, or any part of same, to the said canal company is to be upon the express condition that the Boston, Cape Cod & New York Canal Co. waives, in writing, any and all claims of any nature whatsoever that it may have against the President, the Director General of Railroads, or the United States, and upon such release the Director General of Railroads shall release the company from any claim or demand against the company growing out of Federal control."

Mr. BURTNESS. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 9, after the word "that," strike out the word "paragraph" and insert in lieu thereof the following: "Paragraph 5 and"; also at the end of line 10 insert a new paragraph in quotation marks reading as follows:

"5. The company offers to sell the canal to the United States for $8,255,000, as follows: $2,255,000 in cash, payable when Congress ratifies this agreement and upon delivery of deed of conveyance as provided herein and the assumption by the United States of the payment of the bonds mentioned in paragraph 2, including interest coupons maturing on and after January 1, 1922."

Mr. BURTNESS. Mr. Chairman and gentlemen of the committee, in passing upon this question I have tried to pass on it very much in the light of the suggestion made by the gentleman from Alabama [Mr. HUDDLESTON] in the minority report in the quotation I am going to give you, which is found on page 20:

The purchase of Cape Cod Canal has the same status for congressional action as would have a measure for the construction of the canal at the beginning. Its status is the same for our practices as though a proposal for the construction of a canal was now being brought forward for the first time.

I regard that attitude as eminently fair and proper. After considering the evidence that has been offered in favor of the proposal for acquiring the Cape Cod Canal, I am for the Government procuring it at the earliest possible date, and I think the very best argument that can be submitted is the map which is shown here, both from a commercial benefit and from a humanitarian benefit. It is strictly in accord with the development of water transportation, both on inland waterways and coastwise; but that does not mean that I am one of those who is willing to jump at any suggestion whenever it is offered.

I think I have tried fairly to consider this proposition thoroughly, and I am convinced that as a matter of fairness, under all the conditions up there, taking into consideration actual values and the condition of the canal, that the amount of $11,500,000 is not fair to the Government, and I have suggested by my amendment the payment of $8,265,000. I am not so certain but what the amount ought to be about $10,000,000. At any rate, I want to quote from the hearings some of the testimony which, to my mind, indicates why one or the other of those suggested sums should be considered rather than $11,500,000. I want to say that if the amendment I have proposed is voted down I hope to offer another for $10,000,000.

Mr. BEGG. Will the gentleman yield for a question?

Mr. BURTNESS. I can not just now. On May 29, 1918, the Board of Engineers for Rivers and Harbors rendered its report to the Chief of Engineers of the United States Army, and after setting out the total amount found by the firm of accountants as to the claims of the cost of the canal, amounting, in all, to $13,053,000, the report says this:

The board has studied the various items making up these amounts and has reached the conclusion that the sum of $8,265,743.04 may properly be included in toto in determining a fair and reasonable estimate of the cost of the canal. What part, if any, of the indirect expenditures represented by the $4,787,410.67 should be included is a matter not readily determined. The board has carefully considered the various items comprising this sum and has reached the conclusion that a reasonable allowance for the Flanagan rights of way and franchise and for the development expenses as represented by the losses amounting to $1,527,198.42 experienced prior to August, 1917, in building up a traffic warrants appraising the fair cost of the canal in round numbers at $10,000,000, as based upon the reported expenditures. This is intended to cover all property rights and franchises of whatever description acquired by the company in connection with this enterprise, whether directly used for canal purposes or otherwise.

And so the record is full of facts sustaining that contention. In the report of Price, Waterhouse & Co., the accountants who went over the books of the company, you will find that those accountants reported that $8,265,743 in fact constituted the construction cost of the canal.

Permit me also to quote very briefly from the report of the Chief of Engineers.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for five more minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. BURTNESS. This is what the Chief of Engineers says to the Secretary of War:

The board has given careful study to the financial statements contained in Appendix A of the report on survey, from which it appears that the direct cost of actual construction amounted to $6,243,171.01, the indirect cost to $1,274,459.63, and the interest and taxes during construction to $748,112.40, thus giving a total cost of construction amounting to $8,265,743.04, not including amounts paid in capital stock for rights and franchises or for services in promotion, organization, engineering, financing, etc., nor discount on securities, loss or deficit on operations, and damage claims, amounting in all to $4,787,410.67. The total expenditures on the canal (see Exhibits E and EE

of Appendix A) are thus reported to be $13,053,153.71 up to August 31, 1917, counting the payments with stocks and bonds at par. The board believes that the sum of $8,265,743.04 may be properly included in toto in determining a fair and reasonable estimate of the cost of the canal, and that reasonable allowance for the rights of way and franchises and for the development expenses in building up a traffic warrants appraising the fair cost of the canal in round numbers at $10,000,000, as based upon the reported expenditures. * * *

Now, an estimate is also found in the evidence as to how much it would have cost the Government to have built this canal, if constructed at the same time, regardless of the figures that are found in the books of the canal company. That estimate you will find on page 286, made by one M. W. Lewis on November 13, 1918. I quote a tabulation therefrom, as follows:

Direct costs:	
Excavation, at 25.6 cents	$3,842,165.90
Slope protection	279,112.65
Land	537,493.33
	4,658,771.99
Breakwater	304,076.66
Bridges	521,068.85
Railway changes	100,463.72
Highway changes	62,502.01
Equipment	181,993.71
	6,118,896.94
Superintendence, inspection, and contingencies, 20 per cent	1,223,779.39
Total	7,342,676.33

Then he says:

By adding to the above the work done at the approaches (3,000,000 cubic yards) the above estimate is increased $768,000, or to a total of $8,110,000.

The above estimate does not include the cost of approximately 1,000 acres of land, franchises, and other rights obtained from Mr. Flanagan. So the situation is this, as it seems to me: If you want to pay the fair cost of construction and of overhead expense and the interest on necessary expenditures during the time of construction and pay nothing for the franchises that were held by this man Flanagan or for some land that he turned over, the figure of $8,765,000 proposed in the present amendment would be about right. If you want to pay for the franchises and the land that is included in this proposition, the total amount, according to the report of the engineers of the Army, should not exceed $10,000,000; and it does not seem to me right and proper that we should give to these people a million and a half dollars, or more, even if it is true that they have lost not only that million and a half but several times that much.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. In a moment. My amendment is simply a duplication of section 5 of the offer made by this company.

Mr. WAINWRIGHT. Was there any cash payment in addition to this $8,265,000? In other words, is it not a question whether a part of that $4,000,000 was in cash?

Mr. BURTNESS. I do not know whether all of it was paid in cash or not; I do not recall. But the $4,000,000 is made up of a large number of items—cost of franchises, stock, promotion fees, attorneys' fees, including claims for damages, and everything of that nature—made during the time this canal was in the process of construction. The engineering fees were very large. I am not in a position to judge exactly, so perhaps I ought not to make the assertion, but in my judgment the engineering fees and every item of that sort, which were included in the $13,000,000, were positively exorbitant.

At any rate, I for one am willing to accept the judgment and advice of the Chief of Engineers of the Army, as given in the report made to the Secretary of War, and especially so after the report had been made on the records of the company itself, as disclosed by the audit of the accountants and also by the Board of Engineers of the rivers and harbors organization, all having that same general end in view.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SANDERS of Indiana and Mr. MADDEN rose.

The CHAIRMAN. The gentleman from Indiana [Mr. SANDERS] has the preferential right and is recognized.

Mr. SANDERS of Indiana. Mr. Chairman, the gentleman from North Dakota [Mr. BURTNESS], a very able member of our committee, has indicated to the House that after an investigation of this proposition he was thoroughly convinced that the Cape Cod Canal should be taken over, and that the only objection he has to the bill is the amount. He says he is going to offer this amendment to decrease the amount to $8,250,000, and if that is not agreed to he is going to offer an amendment carrying $10,000,000.

Mr. Chairman, I want to call particular attention to the status of this legislation. The Congress authorized the Secretary of War to negotiate a contract for the purchase of this canal, and in the event of the failure of those negotiations to institute condemnation proceedings by the use of the Attorney General. The Secretary of War undertook to agree and offered the amount which the gentleman proposes to put in the bill. That amount was rejected by the company; condemnation proceedings were instituted and the jury rendered a verdict of $16,800,000. The Government, discontented with that award, appealed, and not because the verdict was excessive, Mr. Chairman, but for technical reasons that case was reversed and sent back to the Federal court for retrial. The Secretary of War having this proposition in hand did what an individual would do. He proceeded under the authority he had to negotiate and said:

I have offered the canal company $8,250,000; the jury has rendered a verdict of $16,800,000; I am going to negotiate further.

And he did negotiate further, and has arrived at a contract for $11,500,000. It is proposed by the gentleman from North Dakota [Mr. BURTNESS] to send this back with an amendment which practically kills the bill, because we have no assurance that any such contract will be entered into. On the contrary, we have every assurance that the amount fixed by the amendment will be again rejected. So that those who are in favor of closing this matter ought to immediately vote against the amendment offered by the gentleman from North Dakota and support this measure as it is, carrying the amount which has been agreed to by the Secretary of War, who has had full authority. The engineers under him have been merely reporting to him, and he reports to us that this is the best that can be done, and the contract includes rights of considerable value in addition to the rights which were proposed to be given for the original amount of $8,250,000.

So I suggest, Mr. Chairman, that it is absolutely necessary, if we are to have this legislation, for us to leave the amount as it is now written in the bill.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. MADDEN. Mr. Chairman and gentlemen, whatever may be the ultimate necessity for the purchase of this canal, we are living in a period when every dollar of the public money should be conserved and no dollar expended for any purpose except that which is an essential need of the hour. No one will claim that this project is an emergency, nor will anyone deny that it can be postponed without any injury to any cause; no one will dare deny that the amount proposed to be paid is excessive. I assert it is. If but $6,000,000 or a little more has been expended by the promoters of this canal, I ask you why we should be called upon to pay $11,500,000. I ask you why there is danger in adopting the amendment offered by the gentleman from North Dakota [Mr. BURTNESS]. We are asked not to adopt it because, forsooth, we must not send the question back. If the proposal he makes is just, what harm can be done by sending it back?

If the proposal made by the committee is unjust, why should we adopt it? Oh, they have argued sentimentally. They say that every dot upon this map means a loss of life. That is no argument on the merits of the proposal. One gentleman here even argued that you could start a ship from Galveston and go all the way to Boston on the inside route. That was one of the arguments, and that is as good an argument as most of the arguments that have been made on the merits of the question.

Gentlemen, we have $300,000,000 of obligations facing us over and above the revenues at the disposal of the Government, and, under the pending revenue act now in conference, there will be created a deficit of $450,000,000; yet we run wildly into the expenditure of unnecessary millions. Is there anyone, anywhere, willing to speak a word for economy?

Mr. MILLS. Will my friend from Illinois yield?

Mr. MADDEN. No; I do not want to yield just now.

Is there anyone willing to represent the people in their demand for lower taxation? You can not help but admit that if you continue to pile up the expenses, you must levy new taxes. You can not go before the American people and plead that you did not understand the question. You understand that every dollar appropriated by this Congress must be raised by tax levy, and you can not say to the American people, "We thought we were conserving your interests when we made the

appropriation, and we forgot that it was necessary to raise the money by taxation." You can not plead that.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WINSLOW. Mr. Chairman, I move to strike out the last two words.

I quite agree with the preceding speaker and I applaud him for continuing to be the good, old, faithful watchdog of the Treasury; but there are conditions in business which are worth considering, even if it becomes a pull to get the wherewithal to meet them, and one of them is good faith.

The Government of the United States, by what it has done in this case, has crowded the owners against the wall; and when it crowded them by virtue of condemnation proceedings and got a good licking in the courts, it proceeded to crowd them again and got them against the wall once more, and then under the decision of the court of appeals a new trial was ordered. Later comes along the Government once more, through its authorized agents, authorized by Congress, and says, "Now, let us not go to the expense of litigation and a great, big fight; let us have the canal run along until Congress can come together and pass on our trade with you," and thus it has come to pass.

Meanwhile there has been no income to the canal company. It has all been diverted to the care of the canal or saved in the Treasury for the Government. The owners of the canal, those who hold the stock and are entitled to vote, have paid the bond interest out of their own pockets. Now, it is not good faith for the Government of the United States and the Congress to delay the agony longer. If we do not want to put this bill through, let us say so good and plenty and be done with it, and let the canal company go back to the court and try out its cause, without hanging on them the way a dog will keep a rat going for an indefinite period, but let us do it in a businesslike way and let the Government be an example of good business and not be a terror to everybody who has anything to do with it.

Mr. TINCHER. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. TINCHER. Is the suit instituted by the Government still pending?

Mr. WINSLOW. It is pending, and it is being delayed from time to time by agreement of counsel on both sides.

Mr. TINCHER. If we turn down the proposition of compromise that has been agreed to, then another jury in the same locality that tried the case before will be impaneled and will fix the amount.

Mr. WINSLOW. Just so, and we may get another $16,000,000 instead of $11,500,000.

Mr. McLAUGHLIN of Michigan. Is there anything out of the ordinary in that suit to make it obligatory on the Government to accept the verdict of the jury in fixing the amount?

Mr. WINSLOW. I think they have the ordinary recourse to law.

Mr. McLAUGHLIN of Michigan. And the Government can accept the verdict or not, as it pleases?

Mr. WINSLOW. No; when the court finally decides and all the steps have been taken that the Government can take to get out from under, then they will have to pay.

Mr. McLAUGHLIN of Michigan. Ordinarily, in a case of this kind, the one against whom the verdict is rendered can accept it or not. Of course, if he takes the property he must pay, but he can wash his hands of the whole thing and say, "The verdict is too high, I refuse to pay it."

Mr. WINSLOW. But the Congress of the United States has ordered it bought. Do not forget that. The order has been put in by Congress to buy this property, by private arrangement or through condemnation. Therefore the Government must take the canal one of these days when through the operation of the courts a decision as to purchase price is established.

Mr. O'CONNELL of Rhode Island. Mr. Chairman and gentlemen, I rise in opposition to the amendment of the gentleman from North Dakota, and I base my objection on two grounds: First, I am firmly convinced that if the amount suggested by him is substituted for the amount provided in the bill there will be no purchase of the Cape Cod Canal. Second, I am opposed to it because I am satisfied, from reading the rivers and harbors act, approved August 8, 1917, which gives authority to examine and appraise the value of the works and franchises of the Cape Cod Canal and to negotiate and contract for its purchase, that if we make any change in the figures provided in the offer of the Cape Cod Canal Co., made on July 29, 1921, and accepted on the same date in behalf of the United States Government by the Secretary of War, that we have no authority under any other provision of the act of August 8, 1917, or of any other special act or general law, to purchase this canal. That act provides in part that if, in the judgment of the Secretary of War, the Secretary of the Navy, and the Secretary of Commerce, the price of such canal is reasonable and satisfactory, and its acquisition is agreed upon by all three Secretaries, that the Secretary of War is authorized to make a contract for the purchase of the same at the option of the United States, subject to future ratification and appropriation by the Congress; or, in the event of inability to reach a satisfactory agreement as to price, to take it over by condemnation proceedings. We tried the condemnation proceedings and they have failed. Now there is only one other way and we must take it on the ratification by Congress of the existing contract.

The ratification by Congress is a condition subsequent. There must be a previously existing bona fide contract which has been executed by some official in behalf of the United States Government and by the Cape Cod Canal Co. The only contract in existence is the one of $11,500,000, made on July 29, 1921, by the officials of the Cape Cod Canal Co. and accepted on behalf of the Government by the Secretary of War. We are now asked to ratify that contract. There is no other contract in existence that we can ratify, and if we substitute the figures proposed by the gentleman from North Dakota, or any other figures except the exact figures of the contract, in the terms of the offer made and the acceptance of that offer, then we have nothing to act upon under authority conferred by the act of August 8, 1917, which is the only source of authority for the proposed purchase.

It is simply a means of putting this proposition to sleep, of administering to it a deadly sleeping potion. This waterway is sadly needed. It is in truth a part of the intercoastal system of this country and it should be accepted. In my opinion, the figures are reasonable and much less than the actual cost of construction. [Applause.]

Mr. WINSLOW. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto be closed in five minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on the section and all amendments thereto close in five minutes. Is there objection?

Mr. McLAUGHLIN of Michigan. Reserving the right to object, I should like a couple of minutes.

Mr. WINSLOW. Mr. Chairman, I will modify my request and make it eight minutes.

The CHAIRMAN. The gentleman from Massachusetts modifies his request and asks unanimous consent that all debate on the section and amendments thereto close in eight minutes. Is there objection?

Mr. PARKS of Arkansas. I object.

Mr. McKEOWN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. McKEOWN to that of Mr. BURTNESS: Strike out the figures "$11,500,000" and insert in lieu thereof "$6,243,150."

Mr. McKEOWN. The bill will be ratified on condition they would strike out $11,500,000 and insert $6,243,150.

Mr. BURTNESS. How about the $5,500,000 of bonds?

Mr. McKEOWN. We will come to that; we will come to that later. I am in favor of the gentleman's amendment if we do not get this.

Mr. BURTNESS. I raised that point because it is plain you change the amount——

Mr. McKEOWN. It is how you come at it. Here is the proposition. They talk about a contract. Here is the contract; I have it here. The contract provides that this will be a contract whenever it is approved by the Congress. There is no contract now. We can change this proposition, and here we are making a counter offer. The gentleman makes a counter offer to them. There is no binding contract; we are not bound to accept this at all, and if we do accept it why pay more than the actual value of the property? Gentlemen talk about a lawsuit and wanting to go to a jury. Let it go to a jury. I am willing to go to a jury upon the rules as set forth by the court. What were those rules? The rules were the measure of the value of the property damages, which was the value of the property and not what somebody says it would probably cost, such as they had—expert witnesses such as General Goethals and other persons who testified this canal would cost $20,000,000 or $30,000,000, but it said the cash market value of that property.

Mr. BURTNESS. If the gentleman will allow a suggestion. If even that award under the law was passed by Congress in 1917, permit me to quote one line:

The acceptance of the award in said proceedings to be subject to future ratification and appropriation by Congress.

Mr. McKEOWN. There is nothing binding here now. I make this proposition, and it is a fair proposition: Put in a proposition to pay them six or eight million dollars, and if you make the proposition, if you put it in, you will never hear any kick about not accepting it. They will accept it, and you will save to the Government some two or three millions of dollars, which, as the evidence shows in this case, is watered stock. Why, here is a man who only paid $470,000 for the rights of way in all this land, and yet he gets back in bonds over $1,360,000. Here is a law firm in New York which drew $50,000 a year for five years you are going to pay back. Here is another proposition of high finance of $1,006,000, and the Congress of the United States, in view of the condition of the Treasury at this time, is it willing to go on record with the taxpayers of the country that you are to pay over money for lawyers' fees, high financial propositions of $1,006,000, instead of paying the value of the property itself?

Mr. O'CONNELL of Rhode Island. If the gentleman will substitute any other figures than the figures here, what existing contract does he ratify?

Mr. McKEOWN. We will not have a contract like we have now. We have none now. We only have an offer and acceptance. They make an offer of $11,500,000, and Congress in turn makes an offer of $8,500,000 or $8,000,000, whatever it is, and it is up to them to accept or reject it. No contract can be made unless the two minds meet on the proposition.

Mr. WINSLOW. Mr. Chairman, I move that all debate on this section and all amendments thereto close in six minutes.

The CHAIRMAN. The gentleman from Massachusetts moves that all debate on the pending section and all amendments thereto close in six minutes.

The question was taken, and the motion was agreed to.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, in order to get recognition I rise in opposition to the motion of the gentleman from Oklahoma. The gentleman from Massachusetts [Mr. WINSLOW] gave me what I think is a wrong impression. I think he must have given the House a wrong impression as to the status of that lawsuit to the effect that the amount of the verdict of the jury might be far in excess of $11,500,000 and it would be binding upon the Government. Quoting from the law I find that it authorizes the "Attorney General to institute and carry to completion proceedings for the condemnation of said canal and its appurtenances, the acceptance of the award in said proceedings to be subject to future ratification and appropriation by Congress."

That is a contradiction of the statement made by the gentleman from Massachusetts as I understood him. I wish to say only one thing more. We have here the report of the Chief of Engineers, whose duty it is to investigate, examine, and report on every proposed river and harbor and waterway project in the country. I represent a harbor district, have had not a little experience with the Corps of Engineers, and have the highest respect for it. I know that in every matter which they consider their decision is accepted by the Congress as absolutely final and conclusive. It is futile for anyone interested in a project to try to get approval of it or money from the Federal Treasury contrary to the report of the Chief of Engineers. It is a matter of official record that during the last 20 years not one dollar of public money has been spent on any kind of river or harbor or waterway proposition anywhere from the Federal Treasury contrary to the report of the Chief of Engineers. We are asked here to override and disregard altogether the reports and recommendations of the Chief of Engineers respecting the Cape Cod Canal, to disregard his estimate of its value and his opinion and advice as to the necessity and desirability of the Federal Government acquiring title to it.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Oklahoma [Mr. McKEOWN].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from North Dakota [Mr. BURTNESS].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BLANTON. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas demands a division.

The committee divided; and there were—ayes 60, noes 85.

So the amendment was rejected.

Mr. BURTNESS. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Dakota.

The Clerk read as follows:

Amendment offered by Mr. BURTNESS: Page 1, line 9, after the word "that," strike out the word "paragraph" and insert in lieu thereof the following: "paragraphs 5 and"; also, at the end of line 10 insert a new paragraph in quotation marks, reading as follows:

"5. The company offers to sell the canal to the United States for $10,000,000, as follows: $4,000,000 in cash, payable when Congress ratifies this agreement and upon delivery of deeds of conveyance as provided herein, and the assumption by the United States of the payment of the bonds mentioned in paragraph 2, including interest coupons maturing on and after January 1, 1922."

Mr. BURTNESS. There are one or two minutes left, are there not?

The CHAIRMAN. Three minutes remain.

Mr. BURTNESS. Mr. Chairman, the amendment I have now proposed is identical with the last one, except that I have inserted "$10,000,000" instead of "$8,265,000" and have made the necessary allowances for the amount to be paid in cash. That is on the theory that the additional $1,735,000 would pay for the franchise and for the land that was owned by this man named Flanagan prior to the organization of the corporation with which you are dealing. So if this amendment is adopted you pay not only for the construction of the canal and all the overhead expense and the interest during the time the canal was under construction, but you would also pay for all the land that goes with it and for all the franchises that were held by the individuals who dealt originally with the corporation.

Now, this situation is exactly as it was put to you a moment ago by the distinguished gentleman from Michigan [Mr. McLAUGHLIN]. It is simply a question whether you are going to turn down the recommendation of the Chief of Engineers as to the amount that the canal actually did cost; also whether you are going to disregard the evidence submitted to the committee, as found in the hearings, of what the canal would have cost if the Government had built it, or whether you are going to accept an arbitrary figure based upon nothing particularly definite, but offered merely as a compromise calculation between what it cost and what the jury happened to award in war times after improper instructions from the court and after improper evidence had been submitted to it. That is the sole question before you, and I ask you to vote for the amendment. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Dakota.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BURTNESS. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 72, noes 85.

Mr. BURTNESS. Mr. Chairman, I demand tellers on that vote.

The CHAIRMAN. The gentleman from North Dakota demands tellers. Those who desire to have this vote taken by tellers will rise and stand until they are counted. [After counting.] Only 18 gentlemen have risen, not a sufficient number.

Tellers were refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That the sum of $5,500,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be expended under the direction of the Secretary of War, for the acquisition by purchase, in accordance with the terms of such contract, modified as provided in section 1 of this act, of the Cape Cod Canal and other property referred to in paragraph 1 of such contract.

Mr. BYRNS of Tennessee. Mr. Chairman, I want to ask the indulgence of the committee for just a few minutes at this late hour.

I do not profess to be any more anxious to see economy practiced than any other Member of the House, and certainly I have no greater responsibility than any other Member of the House. There are many reasons why I would like to support this bill, particularly on account of the fact that some of my friends on the floor, and they are very good friends of mine, are very warmly in favor of it.

I have been appealed to by the arguments which have been made from the humanitarian standpoint, both as to the loss of lives and as to the loss of property, but I am reminded of the fact that we now have a canal there. If there was not a canal already there, I might, even at the expense which is involved at this particular time, favor the digging of a canal.

any other provision of the act of August 8, 1917, or of any

1917, permit me to quote one line:

But we now have a canal there, and certainly I do not think, when we are facing a large deficit, as has been stated upon the floor of this House this afternoon, that this is the time to take this property off the hands of the stockholders, for whom the gentleman from Massachusetts so passionately argued a few minutes ago, abandoning, it seemed to me, in large measure his previous argument. I say, I do not think we should relieve the stockholders of this property merely because they have upon their hands a losing proposition. They did not dig this canal with the original idea that the United States Government was going to take it off of their hands, but they now find that they have a proposition which is losing money, and they come and ask the Government to relieve them of that financial loss.

I read a statement made by a distinguished Senator a day or so ago, a gentleman who knows as much about tax matters and financial matters as any Member of Congress, and he said that when this new tax measure is passed—if enacted as it is now in conference—the Government is going to lose $470,000,000 in revenue. We are told that is going to mean a $150,000,000 deficit, as was stated by the gentleman from Illinois, the chairman of the Appropriations Committee, a while ago, and that is not taking into consideration the additional burdens Congress is voting every day upon the Public Treasury and upon the people.

Let me tell you some of these additional burdens and what this great so-called economy Congress has done by way of legislating up to this time and in adding to the regular appropriations which have been carried in the appropriation bills. Many of the measures which I am going to recite to you are measures which we all might favor and would like to see enacted into law, but they are costing the people millions of dollars which have got to be met by increased taxes, for there is no other way you can meet them.

Let me read some of them to you. I have made these notations while sitting in my seat here this afternoon, simply from memory. There may be other measures which could be added. I am going to give you these figures in round numbers, as I say, from my memory.

The Bursum bill was passed which would have added $58,000,000 annually to the expenditures of the Government. That bill was vetoed, it is true, by the President, and I understand the President's veto was sustained by the Senate this afternoon. I am wondering what the President, in view of his claim that he vetoed that measure on the ground of economy, is going to do with this particular bill when it reaches the doors of the White House.

The bonus bill, which carried, according to the arguments made here when it was on the floor, an ultimate cost to the Government of $2,100,000,000. The actuary of the American Legion has stated since, so the papers tell us, that it will cost $3,300,000,000, and the Treasury has estimated it will ultimately cost the Government as much as $4,800,000,000.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for three more minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for three additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. The loan to the German people carrying $10,000,000; the loan to the farmers of New Mexico, carrying $1,000,000; the increase for the employees of the House and Senate, carrying $360,000; the increase under the reclassification measure to the employees of the Government in the District of Columbia and in the field, which will amount to $8,000,000 and possibly $10,000,000 or $12,000,000; the increase which will be made to the postal employees under a bill which is shortly to be reported to the House, which, it is stated, will amount to $65,000,000; the increase to the teachers and the police and fire departments of the District of Columbia, $2,000,000; the increase made the other day by the bill passed by the House for new hospitals, $6,500,000; roads in the national parks, $2,500,000; reforestation, $2,500,000; vocational rehabilitation, $4,000,000, to be spent in four years, with $75,000 a year for administration; veteran legislation now pending which will probably pass, and which no doubt ought to be passed, which will cost $40,000,000, so estimated. There are other measures carrying authorizations for appropriations which I do not just at this moment recall. For this proposition, which is not urgent and which is not needed at this time, either from a humanitarian standpoint or from any other standpoint, we are asked to obligate the Government to spend $5,500,000 in cash and to obligate it to assume $6,000,000 of bonds, and it is stated by the gentleman from Massachusetts the project will ultimately cost $10,000,000 in addition, and some say $15,000,000 to $25,000,000 more in order to put it in proper shape. This is a rather remarkable record for the House, in view of its repeated claims of economy. Remember, all these sums are in addition to the regular appropriations, and will, to that extent, increase the deficit.

Gentlemen, you upon the Republican side of the House are responsible, as the majority in this House, and I leave it to you whether you are going to add this additional $11,500,000, with all that may come after it, to the present burdens of the people. [Applause.]

Mr. WINSLOW and Mr. WOOD of Indiana rose.

Mr. WINSLOW. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in eight minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on the pending section and all amendments thereto close in eight minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD. Mr. Chairman, I have listened with a great deal of interest to the speech just made by my friend and colleague from Tennessee. I believe that my record, together with the record of the gentleman from Tennessee, has been for economy, but sometimes a fault can be found in false economy. We have been advocating for years the development not only of our intercoastal waterways but our interstate waterways.

If we are to be guided by the figures that may be given, like those that have been given by the gentleman from Tennessee on the expenditures of this Government, we will never dig any canals and we will never build any waterways. It is the same old story that has been heard from the beginning of this Government down to this time against public improvement, and I was a little bit amazed at the gentleman from Tennessee in view of what has transpired in a very few weeks past. I heard the gentleman, with all the eloquence at his command, with all the ingenuity of which he is capable, pointing out the great advantages that might come by reason of accepting the Muscle Shoals proposition. I am not here for the purpose of making invidious comparisons. I am here though contending that that which is best for all our country ought to be the thing that we should try to subserve.

I am in favor of the intercoastal proposition. I am in favor of the St. Lawrence proposition. It has been the dream of our section and the dream of the West and of the Northwest to realize by accomplishment a deeper waterway from the Lakes to the Gulf, and if we are ever going to commence upon that program we will never have a better opportunity than now. By our action to-day will be determined our course for the future in regard to deep waterways improvement.

The cost involved in this measure, while it seems great, is not so enormously great in comparison with the possibilities of accomplishment. We are constantly reminded here of the necessity of improving our transportation facilities. We are constantly reminded of the excessive rates that are being charged by the railroads of the country. If we are ever going to reduce them, if there is any medium by which that can be done, it can best be accomplished by providing cheap waterway transportation.

We should not only consider the outlay at the present moment but should visualize, if possible, the resulting consequences in the future. It strikes me there never was a time more opportune than now for the commencement of the thing which has been the dream and hope of every section and all our people throughout all this country. The people of New England have this in mind. The people of New York have this in mind. They have also in mind waterway transportation by reason of the improvement of the St. Lawrence system. We people in the Middle West and West and Northwest have as our dream the consummation of the deeper waterway scheme from the Lakes to the Gulf.

We are now at the crucial point of determining whether we are going to enter upon this program or whether we are not going to enter upon it. I know this is a critical time. I know something of the burden of taxation resting upon our people, but there will always be a burden of taxation that will be with us ever; but we must progress and through our progression make it possible to reduce our burden of taxation.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. FISH. Mr. Chairman, the gentleman from Tennessee [Mr. BYRNS], who has just spoken, thinks very little of giving Henry Ford $100,000,000 worth of Government property, but he feels it is inopportune to spend $11,500,000 of Government money to pay for the Cape Cod Canal and fulfill

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Dakota.

a canal already there, I might, even at the expense which is involved at this particular time, favor the digging of a canal.

a lawful agreement entered into by the Secretary of War. What I have to say applies more to Republicans because we are the administration, or at least represent the administration. I feel that we can afford to be honest before election just as well as after election. We are confronted with an honest obligation that should have been fulfilled several years ago. It is no use to say that it is not opportune, and postpone consideration until after election. If it is honest, let us act honestly now. If it is unjust and unfair, let us vote it down. Do not let us do anything illogical because it is not opportune to appropriate the money on account of some vague apprehension of its effect on the presidential campaign. Let us do the honest and fair thing and have done with this bill.

The whole motive against this bill can be summed up in two words—August Belmont. Since when has it been the American policy to stand out against a man because he has been successful in business. Since when has it been the Republican or Democratic policy to deny credit to a man who has been energetic, industrious, and successful in financial matters? I have known August Belmont for 20 years. He is not a constituent of mine; he belongs to the opposite party, but I know of no more public-spirited man or patriotic American citizen. He was no war profiteer; he was commissioned as a major of Cavalry during the war, and his two sons were in the service. He invested his money in ditches over the ground and under the ground. He had faith in the American people. He built the subway under New York. He dug the Cape Cod Canal and made navigation safer and easier. He promoted commerce and industry, and yet the whole motive, the only objection I have heard to this bill has been that August Belmont is the biggest stockholder, and some Members of Congress instead of commending want to penalize him simply because he is affiliated with Wall Street and has been a successful business man. [Applause.]

The Clerk completed the reading of the bill.

Mr. WINSLOW. Mr. Chairman, I move that the committee do now rise and report the bill to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 3933) for the purchase of the Cape Cod Canal, and for other purposes, had made no amendment thereto, and had directed him to report the bill to the House with the recommendation that the bill do pass.

The SPEAKER. By the rule the previous question is ordered, and the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. NELSON of Wisconsin. And on that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 150, nays 131, answered "present" 6, not voting 145, as follows:

YEAS—150

Abernethy	Dickstein	Hudspeth	Nelson, Me.
Aldrich	Doughton	Hull, William E.	Newton, Mo.
Allgood	Driver	Humphreys	O'Connell, R. I.
Almon	Dyer	Jeffers	O'Connor, La.
Aswell	Elliott	Johnson, Wash.	O'Connor, N. Y.
Barbour	Fairfield	Kearns	Oliver, Ala.
Begg	Favrot	Ketcham	Oliver, N. Y.
Bixler	Fish	Kindred	Paige
Black, N. Y.	Fisher	King	Parker
Bland	Fitzgerald	Lankford	Phillips
Bloom	Fleetwood	Larson, Minn.	Prall
Bowling	Foster	Lazaro	Purnell
Box	Freeman	Leatherwood	Quayle
Boyce	French	Lindsay	Ragon
Boylan	Frothingham	Longworth	Raker
Briggs	Gallivan	Lozier	Reece
Brumm	Gasque	Luce	Reed, N. Y.
Cable	Geran	Lyon	Richards
Carew	Gifford	McDuffie	Rogers, Mass.
Celler	Graham, Pa.	MacGregor	Sanders, Ind.
Chindblom	Greene, Mass.	Major, Mo.	Sandlin
Clarke, N. Y.	Hadley	Mansfield	Sears, Fla.
Cleary	Hammer	Mapes	Sinnott
Collier	Hardy	Martin	Smith
Connery	Hawes	Mead	Smithwick
Cooper, Ohio	Hawley	Merritt	Sproul, Ill.
Cullen	Hayden	Miller, Wash.	Stedman
Dallinger	Hickey	Mills	Stengle
Darrow	Hill, Ala.	Minahan	Stephens
Deal	Hill, Md.	Moore, Ga.	Strong, Pa.
Dempsey	Hoch	Moore, Va.	Sullivan
Denison	Hooker	Morgan	Swing
Thompson	Underhill	Wertz	Wood
Tilson	Vaile	Williams, Ill.	Wurzbach
Timberlake	Vestal	Wilson, La.	Wyant
Tinkham	Weaver	Wingo	
Treadway	Weller	Winslow	

NAYS—131

Ackerman	Dowell	McClintic	Salmon
Allen	Drewry	McFadden	Schafer
Arnold	Evans, Iowa	McKeown	Schneider
Ayres	Frear	McLaughlin, Mich.	Shallenberger
Bacon	Fulbright	McLaughlin, Nebr.	Sherwood
Beck	Fulmer	McLeod	Sites
Beers	Garber	McReynolds	Speaks
Bell	Gardner, Ind.	McSweeney	Sproul, Kans.
Black, Tex.	Garrett, Tenn.	Magee, N. Y.	Stalker
Blanton	Glatfelter	Major, Ill.	Stevenson
Brand, Ga.	Green, Iowa	Michaelson	Sumners, Tex.
Brand, Ohio	Greenwood	Michener	Swank
Browne, N. J.	Griest	Milligan	Taber
Browne, Wis.	Harrison	Mooney	Taylor, Tenn.
Browning	Hastings	Moore, Ohio	Taylor, W. Va.
Bulwinkle	Hill, Wash.	Morehead	Temple
Canfield	Holaday	Murphy	Thatcher
Cannon	Howard, Nebr.	Nelson, Wis.	Thomas, Ky.
Casey	Jacobstein	O'Sullivan	Tillman
Christopherson	James	Oldfield	Underwood
Clague	Johnson, S. Dak.	Parks, Ark.	Vincent, Mich.
Clancy	Johnson, Tex.	Peery	Volgt
Cole, Iowa	Jones	Perlman	Wainwright
Connally, Tex.	Keller	Quin	Watres
Cook	Kent	Ramseyer	Wefald
Cooper, Wis.	Kopp	Rankin	White, Kans.
Cramton	Kurtz	Rathbone	Williams, Mich.
Crosser	Lampert	Roach	Williamson
Cummings	Lanham	Robinson, Iowa	Wilson, Ind.
Davey	Larsen, Ga.	Robsion, Ky.	Woodruff
Davis, Minn.	Leavitt	Romjue	Woodrum
Davis, Tenn.	Little	Rubey	Wright
Dickinson, Mo.	Lowrey	Sabath	

ANSWERED "PRESENT"—6

Berger	Byrns, Tenn.	LaGuardia	Rayburn
Burtness	Dominick		

NOT VOTING—145

Anderson	Fuller	McNulty	Seger
Anthony	Funk	McSwain	Shreve
Bacharach	Garner, Tex.	MacLafferty	Simmons
Bankhead	Garrett, Tex.	Madden	Sinclair
Barkley	Gibson	Magee, Pa.	Snyder
Beedy	Gilbert	Manlove	Steagall
Boies	Goldsborough	Miller, Ill.	Strong, Kans.
Britten	Graham, Ill.	Montague	Summers, Wash.
Buchanan	Griffin	Moore, Ill.	Sweet
Buckley	Haugen	Moores, Ind.	Swoope
Burdick	Hersey	Morin	Tague
Burton	Howard, Okla.	Morris	Taylor, Colo.
Busby	Huddleston	Morrow	Thomas, Okla.
Butler	Hudson	Mudd	Tincher
Byrnes, S. C.	Hull, Morton D.	Newton, Minn.	Tucker
Campbell	Hull, Iowa	Nolan	Tydings
Carter	Hull, Tenn.	O'Brien	Upshaw
Clark, Fla.	Johnson, Ky.	O'Connell, N. Y.	Vare
Cole, Ohio	Johnson, W. Va.	Park, Ga.	Vinson, Ga.
Collins	Jost	Patterson	Vinson, Ky.
Colton	Kahn	Peavey	Ward, N. Y.
Connally, Pa.	Kelly	Perkins	Ward, N.C.
Corning	Kendall	Porter	Wason
Crisp	Kerr	Pou	Watkins
Croll	Kiess	Rainey	Watson
Crowther	Kincheloe	Ransley	Welsh
Curry	Knutson	Reed, Ark.	White, Me.
Dickinson, Iowa	Kunz	Reed, W. Va.	Williams, Tex.
Doyle	Kvale	Reid, Ill.	Wilson, Miss.
Drane	Lungley	Rogers, N. H.	Winter
Eagan	Lea, Calif.	Rosenbloom	Wolff
Edmonds	Lee, Ga.	Rouse	Yates
Evans, Mont.	Lehlbach	Sanders, N. Y.	Young
Faust	Lilly	Sanders, Tex.	Zihlman
Fenn	Lineberger	Schall	
Fredericks	Linthicum	Scott	
Free	McKenzie	Sears, Nebr.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Gibson (for) with Mr. Busby (against).
Mr. Curry (for) with Mr. Rouse (against).
Mr. Corning (for) with Mr. Funk (against).
Mr. O'Connell of New York (for) with Mr. Park of Georgia (against).
Mr. Upshaw (for) with Mr. Kvale (against).
Mr. Porter (for) with Mr. Dominick (against).
Mr. Tague (for) with Mr. Wolff (against).
Mr. Shreve (for) with Mr. Morris (against).
Mr. Butler (for) with Mr. Collins (against).
Mr. Patterson (for) with Mr. Peavey (against).
Mr. Griffin (for) with Mr. Wilson of Mississippi (against).
Mr. Burton (for) with Mr. LaGuardia (against).
Mr. MacLafferty (for) with Mr. Crisp (against).
Mr. Newton of Minnesota (for) with Mr. Rayburn (against).
Mr. Vare (for) with Mr. Byrns of Tennessee (against).
Mr. Jost (for) with Mr. Johnson of West Virginia (against).
Mr. Morin (for) with Mr. Free (against).
Mr. Wason (for) with Mr. Croll (against).

Additional general pairs until further notice:

Mr. Reid of Illinois with Mr. Williams of Texas.
Mr. White of Maine with Vinson of Georgia.
Mr. Swoope with Mr. Bankhead.
Mr. Anthony with Mr. Kerr.
Mr. Madden with Mr. Carter.

Mr. Mudd with Mr. Eagan.
Mr. Dickinson of Iowa with Buchanan.
Mr. Faust with Mr. Lea of California.
Mr. Magee of Pennsylvania with Lee of Georgia.
Mr. Scott with Mr. Garrett of Texas.
Mr. Sinclair with Howard of Oklahoma.
Mr. Dyer with Mr. Gilbert.
Mr. Campbell with Mr. Evans of Montana.
Mr. Burdick with Mr. Hull of Tennessee.
Mr. Watson with Johnson of Kentucky.
Mr. Ward of New York with Mr. Tucker.
Mr. Beedy with Mr. Rainey.
Mr. Crowther with Mr. Thomas of Oklahoma.
Mr. Hersey with Mr. O'Brien.
Mr. Bacharach with Mr. Fox.
Mr. Simmons with Mr. Drane.
Mr. Kelly with Mr. Kunz.
Mr. Britten with Mr. Lilly.
Mr. Fredericks with Mr. Huddleston.
Mr. Hudson with Mr. Sanders of Texas.
Mr. Kendall with Reed of Arkansas.
Mr. Fenn with Mr. Tydings.
Mrs. Nolan with Mr. Buckley.

Mr. DOMINICK. Has the gentleman from Pennsylvania, Mr. PORTER voted?

The SPEAKER. He did not.

Mr. DOMINICK. I wish to withdraw my vote of "no" and answer "present." If Mr. PORTER were present, he would vote "aye" and I would vote "no."

Mr. LaGUARDIA. Did the gentleman from Ohio, Mr. BURTON vote?

The SPEAKER. He did not.

Mr. LaGUARDIA. I withdraw my vote of "no," as I have a pair with the gentleman from Ohio. If he were present, he would vote "aye."

Mr. LEA of California. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. LEA of California. I do not believe I quite reach it.

Mr. CONNERY. Mr. Speaker, my colleague, Mr. TAGUE, was unable to be present and requested me to say that if he were present he would vote aye on the Cape Cod Canal.

The result of the vote was announced as above recorded.

On motion of Mr. WINSLOW, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. BLANTON. Mr. Speaker, I insist on a division of the motion.

The SPEAKER. There can be no division of the question to lay the motion on the table.

Mr. BLANTON. The gentleman moved first to reconsider the vote, and I ask for a vote on that.

The SPEAKER. And then moved to lay on the table, and the question comes on the motion to lay on the table.

Mr. BLANTON. Well, I will not insist on it.

INTERIOR DEPARTMENT BILL

Mr. CRAMTON. Mr. Speaker, I present a conference report for printing under the rule.

Mr. BLANTON. I make the point of order there is no quorum present. I withhold it for a moment.

The SPEAKER. The gentleman from Michigan presents a conference report on a bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925.

The SPEAKER. Ordered printed under the rule.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KVALE, for the balance of the week, on account of important business.

To Mr. DOYLE, for five days, on account of important business.

To Mr. STENGLE, for an indefinite period, beginning May 15, on account of important business.

Mr. RANKIN. Mr. Speaker, I wish to ask for leave of absence of my colleague, Mr. COLLINS, for a couple of days. He is detained unavoidably.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

THE PUBLIC BUILDINGS SITUATION

Mr. BOX. Mr. Speaker, I ask unanimous consent to extend my remarks on the public building situation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BOX. Mr. Speaker and gentlemen of the House, because the Congress and administration do not seem to appreciate the acuteness of the need for the erection of Federal buildings in which to transact public business at many places in the country outside of the District of Columbia, and because the people of those points do not generally understand why the Government persistently fails to provide these necessary buildings I am occupying this space in the RECORD for the purpose of making this statement for the information of the House and the people.

There is a continuous, loud clamor in Washington for the spending of additional millions for the construction of a great memorial bridge, many public buildings, and similar improvements in the District of Columbia. There is doubtless need for some additional buildings here which should receive consideration; but the commercial interests of Washington cause much of this noise to be made. They want these vast sums spent here for business reasons. Those who clamor for these buildings in Washington seem to forget the urgent needs of the country while considering the liberal or lavish use of money to adorn the Capital City. Large expenditures by the Government here for Washington improvements will increase business and the price of real estate, but Members of the House and Senate and others who favor such a course need to have their attention recalled to the fact that the Federal funds come from the people of the United States and must be expended for the benefit of every part of the country.

There is now, and for several years has been, an urgent need of courthouse and post-office buildings all over the Nation. No general public buildings bill and no individual bill authorizing the construction of such buildings as these has been enacted since 1913—before the beginning of the World War. Many of the buildings authorized and appropriated for then have not yet been constructed by the Treasury Department, which lets the contracts for the erection of such buildings, supervises their construction, and controls the expenditure of the funds appropriated for that purpose by Congress.

In the second district of Texas, which I have the honor to represent, the need of housing for Government business is distressing. I have three bills providing for such buildings pending before the House Committee on Public Buildings and Grounds. So often and urgently have I pressed upon the chairman and some members of that committee the needs of my people in this respect that I have doubtless made myself troublesome, but the distressing need among my constituents compels me to urge that they be granted relief. I take this method of again calling the attention of each member of that committee to the acute situation at those points in that district.

At Beaumont, a city of some 50,000 people, handling great volumes of all kinds of business, is located an important division of the United States court for the eastern district of Texas, with its retinue of necessary officers. The customs service at that point is extensive and increasing with the great increase of foreign trade passing through that and adjacent ports. The prohibition enforcement officers, internal revenue forces, and other Government agencies all require office and working room at Beaumont. The post-office business and forces have doubled and trebled since the erection of the present building. The city of Beaumont itself has more than doubled in population and made still greater increases in the volume of business handled.

The result has been the piling up of a greatly increased amount of Government business, handled by the several Government agencies mentioned, and others without sufficient room for its handling. At my instance the Chief Architect in the Department of the Treasury, some two or three years ago, sent an expert to survey the housing situation and Government business at Beaumont. After a thorough survey he officially reported that the present building there, even at that time, was not quite half sufficient to meet the requirements. The business has increased since then. The situation now is even worse. The Government is trying to rent space in buildings near by in which to handle Government business. It is bad for the taxpayers and for all concerned for the United States to pay heavy rents and have Government activities scattered here and there with the division, confusion, and inefficiency thereby produced. I have had this bill for the relief of that situation pending through several sessions of Congress and have urged its consideration in every possible way. That bill, with all others introduced by me and every one of my colleagues, has remained on the calendar of the Committee on Public Buildings and Grounds without consideration and, of course, unreported.

The city of Lufkin is thriving and growing and now has more than 5,000 people without a Federal building in which to handle its post office and other Government business. When I became a Member of this House five years ago I introduced a bill for the purchase of a site and the erection of a building at

Lufkin. That, too, has had my diligent attention. Every effort has been made to get the committee and Congress to act favorably on it; yet it, like all of the hundreds of bills introduced by the 435 Members of the House, has remained on the committee calendar, unconsidered and unreported.

Five years ago I introduced a bill for the purchase of a site for a building at Jacksonville, but it has shared the same fate as all the others. During the present Congress, because of the continued growth of Jacksonville and the increasing volume of post-office business handled there, I introduced another bill authorizing both the acquisition of a site and the erection of a building. Notwithstanding every effort, it has remained, like all the others from Texas and every other State, dormant in the Committee on Public Buildings and Grounds.

Every Member of the House and Senate knows, and every citizen should be advised, that no such bill has any chance to be passed through the House and Senate and be approved by the President until it has been considered and favorably reported by the Committee on Public Buildings and Grounds. It is equally well understood by all who are informed that even if it were possible to get a favorable report from the committee on one or two isolated buildings from a single district it would be impossible to even get it up for consideration in the House, where the other 434 Members, all of whom have similar bills, are the judges as to what measures will be considered or passed. They will not tolerate the passage of bills providing for other districts and slighting theirs. I know, and am sure my intelligent constituents know, that a public buildings bill is only possible when it makes sufficient provision for the general needs of the country to command the support of majorities of both Houses and the approval of the President. The most influential Member of the House or Senate is not exempt from this rule. Hon. FREDERICK H. GILLETT, the Speaker himself, whose position and power approaches that of the President and Vice President, is not able to avoid the operation of this rule. He has had pending for some years a bill for the relief of an acute situation in the city of Springfield, Mass., but his people have been compelled to wait, just as my people have. No more progress has been made in the consideration of or toward the passage of the Speaker's bill than has been made in the consideration of mine.

Every one of the 18 Members of Congress from Texas, including the 1 Republican, has had the same experience that I and all the other Members of Congress from other States have had.

Since Texas became a State, some 80 years ago, four Federal buildings have been erected within the second Texas congressional district—ours—as the result of the continued and able efforts of a long line of able Representatives, including such men as Reagan, Stuart, Cooper, Brooks, and Dies. The Federal buildings within the second congressional district are located at Beaumont, Port Arthur, Nacogdoches, and Marshall. One was authorized for Orange 11 years ago. It has not yet been erected, but we hope to get it built within the next year. Other Texas districts have not fared better.

The first congressional district of Texas, represented by Hon. EUGENE BLACK, has four Federal buildings. The post-office building at Paris burned in 1916. A one-story post office was constructed on the ruins of the old building and temporarily covered out of funds appropriated in 1917 in the emergency created by the fire. Temporary quarters are rented for the use of the Federal court. No new courthouse or general Federal building has been erected since the fire, because the funds have not been provided.

The third congressional district of Texas, represented by Hon. MORGAN G. SANDERS, has obtained three Federal buildings during the history of the State. Mr. SANDERS has had bills pending for the erection of Federal buildings in six cities in the district, none of which have been reported or passed.

The fourth congressional district of Texas, represented by Hon. SAM RAYBURN, has seven Federal buildings. No new buildings have been authorized during the last 11 years.

The fifth congressional district of Texas, represented by Hon. HATTON W. SUMNERS, has three Federal buildings. Mr. SUMNERS has had bills pending for the erection of a Federal building at Dallas, none of which have been reported or passed since 1913, though the need is said to be great.

The sixth congressional district of Texas, represented by Hon. LUTHER A. JOHNSON, has had bills pending for the erection of Federal buildings in three cities in the district, none of which have been reported or passed.

The seventh congressional district of Texas, represented by Hon. CLAY STONE BRIGGS, has two Federal buildings, located at Galveston and Palestine. Mr. BRIGGS has had bills pending for the erection of Federal buildings in four cities in the district, none of which have been reported or passed.

The eighth congressional district of Texas, represented by Hon. DANIEL E. GARRETT, has four Federal buildings. No new buildings have been authorized for that district in a dozen years, though said to be badly needed.

The ninth congressional district of Texas, represented by Hon. JOSEPH J. MANSFIELD, has five Federal buildings. Mr. MANSFIELD has had bills pending for the erection of Federal buildings in five cities in the district, none of which have been reported or passed.

The tenth congressional district of Texas, represented by Hon. JAMES P. BUCHANAN, has four Federal buildings. Mr. BUCHANAN has had bills pending for the erection of Federal buildings in two cities in the district, none of which have been reported or passed.

The eleventh congressional district of Texas, represented by Hon. TOM CONNALLY, has four Federal buildings. Mr. CONNALLY has had bills pending for the erection of Federal buildings in two cities in the district, none of which have been reported or passed.

The twelfth congressional district of Texas, represented by Hon. FRITZ G. LANHAM, who is the Texas member of the Committee on Public Buildings and Grounds, has three Federal buildings, located at Fort Worth, Weatherford, and Cleburne. Mr. LANHAM has had bills pending for the erection of Federal buildings in three cities in the district, none of which have been reported or passed. The Texas member of this committee knows this general situation well. He has heard so much about the needs of Beaumont, Lufkin, and Jacksonville that he could not forget them if he would. I know he is our friend and will do his utmost to help us.

The thirteenth congressional district of Texas, represented by Hon. GUINN WILLIAMS, has four Federal buildings. Mr. WILLIAMS has had bills pending for the erection of a building at Bowie, which, like the others, has remained unreported and unpassed.

The fourteenth congressional district of Texas, represented by Hon. HARRY M. WURZBACH, the only Texas Republican in Congress, has four Federal buildings. Mr. WURZBACH has had bills pending for the erection of Federal buildings in three cities in the district, none of which have been passed or even reported.

The fifteenth congressional district of Texas, represented by Hon. JOHN N. GARNER, who has served in Congress some 22 years, has four Federal buildings. Mr. GARNER has had bills pending for the erection of Federal buildings in six cities in the district, none of which have been reported or passed since 1913.

The sixteenth congressional district of Texas, represented by Hon. C. B. HUDSPETH, has four Federal buildings. Mr. HUDSPETH has had bills pending for the erection of Federal buildings in three cities in the district, none of which have been passed or reported.

The seventeenth congressional district of Texas, represented by Hon. THOMAS L. BLANTON, has had no bills for the erection of Federal buildings for post offices or courthouses in the district reported or passed since 1913.

The eighteenth congressional district of Texas, represented by Hon. MARVIN JONES, has one Federal building. Mr. JONES has had bills pending for the erection of buildings but has been unable to get any of them passed or reported.

The second congressional district of Texas, which I have the honor to represent, has four Federal buildings, which is a little above the average for Texas congressional districts, and these buildings in our own district and in all the others are not the work of present Congressmen chiefly, but are the result of the efforts of all the above-mentioned men, such as Mills, Coke, Bailey, Reagan, Cooper, the Culbersons, the Sheppards, the Lanhams, and all of the strong men who have represented Texas in the upper and lower Houses during the nearly 80 years of our statehood.

The average length of service of the present Texas delegation in Congress is greater than my own, yet they have not been more fortunate than I have in getting their public buildings' bills passed.

Among the Texas cities now asking and thus far failing to secure Federal buildings are Huntsville, Crockett, Athens, Mineola, Kaufman, Wills Point, Henderson, Kerrville, Gilmer, Pecos, Big Springs, Gatesville, Hamilton, Stephenville, Dublin, Texas City, Mexia, Bryan, Groesbeck, Seguin, Kenedy, Bowie, Lufkin, and Jacksonville. Among the larger cities having older Federal buildings which have been outgrown and are now insufficient, which have asked for enlarged Federal buildings and failed to obtain them, are Beaumont, Fort Worth, Galveston, Dallas, and Houston.

This condition of old, outgrown and overcrowded Federal buildings insufficient to meet present needs and the inability of hundreds of flourishing young cities to obtain any at all extend not only over all Texas but throughout the United States.

All of the Members of this House and of the Senate from all of the States have had the same experience. In hundreds of places the most urgent needs of public buildings have gone unsupplied. I have already referred to the fact that the Speaker of this House has had exactly the same experience met by me and all of my Texas colleagues.

Under the present Budget system the passage of a bill authorizing a public building does not provide the funds necessary. The money must be provided by an additional bill making the appropriation for the building. Even after that is done the immediate erection of the building is not assured. As just stated, we are just now securing the erection of a building at Orange which was authorized and appropriated for 11 years ago. After bills are passed authorizing the erection of buildings and others making appropriations for the purpose, the letting of the contracts and the expenditure of the money is in charge of the Secretary of the Treasury, who acts through the Supervising Architect of the Treasurer's office. That department often waits years before erecting buildings.

There are now scores, possibly hundreds, of buildings authorized and appropriated for 10 or more years ago which remain unconstructed. Doubtless this is caused by the heavy demands made upon the taxpayers by the expenses of the war and in part by the fact that the cost of building has very greatly increased since these bills were passed, so that funds then ample are now insufficient.

Members of this House, the country generally, and my own intelligent constituents particularly, should be frankly told these facts in order that they may know conditions exactly as they are. When many flourishing young cities expect to secure immediate authorizations and appropriations for public buildings and their prompt erection, it is well to remember that Federal buildings are nothing like as numerous as is generally understood, and that in the whole history of Texas, covering 80 years, the second district of Texas, an older section of the State and having at least its average share of these buildings, has been able to secure only four within 75 or 80 years, through the efforts of my numerous and able predecessors. Public buildings are not nearly so easily secured as is commonly supposed. I sincerely regret that I am not able to assure my constituents that my public buildings bills for their relief will be immediately passed and approved by the President and thereafter appropriations made and thereafter contracts for the erection of the buildings promptly let.

I am doing my utmost to present their claims, and I hope for success, but I can not truthfully say that relief is sure to come at once. However, my colleagues of the Committee on Public Buildings and Grounds, and particularly the Texas member, Hon. FRITZ G. LANHAM, and the chairman, know with what diligence I have presented this need of the flourishing and ambitious young cities of my district which really need these buildings for the transaction of Government business. It is to be hoped that the condition of the Public Treasury will be such, and the views of the House organization and administration and majorities in both Houses of Congress will be such, that substantial progress can soon be made. This line of improvement has been falling further and further behind and the need becoming more and more acute. It will take the Government years to catch up with its building program, and the sooner it takes it up again the better it will be for the branches of the Government service and the needy communities involved.

I make this statement through the columns of the CONGRESSIONAL RECORD in an effort to impress upon both branches of Congress and all concerned in the administration of the Government with the urgent need not only of my constituents, which to me are special, but the whole country, and to advise my constituents and all others who read this part of the record of the situation as it is.

ADJOURNMENT

Mr. WINSLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 35 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 14, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

472. A communication from the President of the United States, transmitting a communication from the Secretary of the Navy, submitting an estimate of appropriation in the sum of $24,333.16, to pay 19 claims for damages for which Navy vessels were found to be responsible, which have been adjusted and which require an appropriation for their payment (H. Doc. No. 274); to the Committee on Appropriations and ordered to be printed.

473. A communication from the President of the United States, transmitting two communications from the Secretary of the Navy, submitting an estimate of appropriation in the sum of $3,115.03, to pay 13 claims, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 275); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MILLER of Washington: Committee on Naval Affairs. H. R. 8263. A bill to authorize the accounting officers of the Treasury to pay to certain supply officers of the regular Navy and Naval Reserve Force the pay and allowances of their ranks for services performed prior to the approval of their bonds; without amendment (Rept. No. 717). Referred to the Committee of the Whole House on the state of the Union.

Mr. MADDEN: Committee on Appropriations. H. R. 9192. A bill making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes; without amendment (Rept. No. 718). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE of Maine: Committee on the Merchant Marine and Fisheries. S. 2930. An act reaffirming the use of the ether for radio communication or otherwise to be the inalienable possession of the people of the United States and their Government, and for other purposes; with an amendment (Rept. No. 719). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 5261. A bill to repeal and reenact chapter 100, 1914, Public, No. 108, to provide for the restoration of Fort McHenry, in the State of Maryland, and its permanent preservation as a national park and perpetual national memorial shrine as the birthplace of the immortal "Star Spangled Banner," written by Francis Scott Key, for the appropriation of the necessary funds, and for other purposes; with amendments (Rept. No. 720). Referred to the Committee of the Whole House on the state of the Union.

Mr. CABLE: Committee on Election of President, Vice President, and Representatives in Congress. H. R. 8956. A bill to prevent corrupt practices in congressional elections; with amendments (Rept. No. 721). Referred to the House Calendar.

Mr. ELLIOTT: Committee on Elections No. 3. A report in the contested-election case of Gorman *v.* Buckley (Rept. No. 722). Referred to the House Calendar.

Mr. McSWAIN: Committee on Military Affairs. S. 1557. An act to give military status and discharges to the members of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany; with amendments (Rept. No. 727). Referred to the Committee of the Whole House on the state of the Union.

Mr. SINNOTT: Committee on the Public Lands. H. R. 6651. A bill to add certain lands to the Umatilla, Wallowa, and Whitman National Forests, in Oregon; with an amendment (Rept. No. 728). Referred to the Committee of the Whole House on the state of the Union.

Mr. LaGUARDIA: Committee on the Post Office and Post Roads. H. R. 6942. A bill establishing transmission and carrying of mail by airplanes and flying machines; with amendments (Rept. No. 729). Referred to the Committee of the Whole House on the state of the Union.

Mr. LaGUARDIA: Committee on the Post Office and Post Roads. H. R. 7064. A bill to encourage commercial aviation and to authorize the Postmaster General to contract for Air Mail Service; without amendment (Rept. No. 730). Referred to the Committee of the Whole House on the state of the Union.

Mr. FAIRCHILD: Committee on Foreign Affairs. H. R. 7558. A bill to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable;* with an amendment (Rept. No. 731). Referred to the Committee of the Whole House on the state of the Union.

Mr. REED of New York: Committee on Industrial Arts and Expositions. H. J. Res. 199. A joint resolution authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington; with amendments (Rept. No. 732). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on the Public Lands. H. J. Res. 210. A joint resolution for the relief of delinquent homesteaders on the Fort Assiniboine abandoned military reservation; without amendment (Rept. No. 734). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOCH: Committee on Interstate and Foreign Commerce. H. J. Res. 141. A joint resolution directing the Interstate Commerce Commission to take action relative to adjustments in the rate structure of common carriers subject to the interstate commerce act and the fixing of rates and charges; without amendment (Rept. No. 735). Referred to the Committee of the Whole House on the state of the Union.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 9176. A bill granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Allisons Ferry, S. C.; with an amendment (Rept. No. 736). Referred to the House Calendar.

Mr. WILLIAMS of Michigan: Committee on the Public Lands. H. R. 7144. A bill to relinquish to the city of Battle Creek, Mich., all right, title, and interest of the United States in two unsurveyed islands in the Kalamazoo River within the corporate limits of said city; with amendments (Rept. No. 738). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 3388. A bill to place the name of Paul Crum on the muster rolls of Company E, First Regiment Nebraska Infantry, United States Volunteers; with an amendment (Rept. No. 723). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 6554. A bill to correct the military record of Harry D. Rayburn; without amendment (Rept. No. 724). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 7508. A bill for the relief of Ramon B. Harrison; with an amendment (Rept. No. 725). Referred to the Committee of the Whole House.

Mr. COLE of Iowa: Committee on Foreign Affairs. H. J. Res. 249. A joint resolution to authorize certain officers of the United States Marine Corps to accept from the Republic of Haiti "The medal for distinguished service"; without amendment (Rept. No. 726). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. H. R. 5759. A bill for the relief of James F. Abbott; with an amendment (Rept. No. 733). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on the Public Lands. H. R. 8226. A bill granting a patent to the First State Savings Bank of Gladwin, Mich.; with amendments (Rept. No. 739). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on War Claims was discharged from the consideration of the bill (H. R. 8326) to confer jurisdiction upon the Court of Claims to hear and determine the claim of the lawful heirs of Matilda Picotte, and the same was referred to the Committee on Indian Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 9192) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. HUDSPETH: A bill (H. R. 9193) to establish a national park in the State of Texas; to the Committee on the Public Lands.

By Mr. LILLY: A bill (H. R. 9194) to increase the limit of cost of the public building at Williamson, W. Va., and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. TABER: A bill (H. R. 9195) to prevent the shipment of impure coal between the States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WAINWRIGHT: A bill (H. R. 9196) to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide a permanent national training school for the blind; to the Committee on World War Veterans' Legislation.

By Mr. RATHBONE: A bill (H. R. 9197) for the purchase of a site for a Federal building at Roodhouse, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. ANDREW: A bill (H. R. 9198) providing for the conveyance to the city of Gloucester, in the State of Massachusetts, of property known as Old Fort Defiance; to the Committee on Military Affairs.

By Mr. WILSON of Louisiana: A bill (H. R. 9199) to prevent the pollution by oil of navigable rivers of the United States; to the Committee on Rivers and Harbors.

By Mr. CRAMTON: Joint resolution (H. J. Res. 264) authorizing the restoration of the Lee Mansion in the Arlington National Cemetery, Va.; to the Committee on the Library.

By Mr. O'CONNOR of New York: Resolution (H. Res. 310) providing for the appointment of a committee of Members of the House of Representatives to investigate the matter of telephone rates and service in the United States and in particular the relationship between the American Telephone & Telegraph Co. and its subsidiaries; to the Committee on Rules.

By Mr. WHITE of Maine: Resolution (H. Res. 311) providing for the consideration of S. 2930, a bill reaffirming the use of the ether for radio communication or otherwise to be the inalienable possession of the people of the United States and their Government, and for other purposes; to the Committee on Rules.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 312) for the consideration of H. R. 7650, a bill to amend the Judicial Code; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW: A bill (H. R. 9200) granting a pension to Lillian Skidmore; to the Committee on Invalid Pensions.

By Mr. BROWNE of New Jersey: A bill (H. R. 9201) for the relief of Frederick MacMonnies; to the Committee on Claims.

By Mr. CELLER: A bill (H. R. 9202) for the relief of Herman Lincoln Chatkoff; to the Committee on Military Affairs.

By Mr. DOUGHTON: A bill (H. R. 9203) granting a pension to Letcher Caudill; to the Committee on Pensions.

By Mr. DREWRY: A bill (H. R. 9204) granting six months' pay to Constance D. Lathrop; to the Committee on Naval Affairs.

By Mr. FRENCH: A bill (H. R. 9205) granting an increase of pension to James Fogle, jr.; to the Committee on Invalid Pensions.

By Mr. GERAN: A bill (H. R. 9206) to renew and extend certain letters patent to John V. Rice, jr.; to the Committee on Patents.

By Mr. GREENWOOD: A bill (H. R. 9207) granting an increase of pension to William A. Daniels; to the Committee on Pensions.

By Mr. KETCHAM: A bill (H. R. 9208) granting a pension to Linna L. White; to the Committee on Pensions.

By Mr. LEAVITT: A bill (H. R. 9209) for the relief of George A. Robertson; to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 9210) granting a pension to Eva M. Roberts; to the Committee on Invalid Pensions.

By Mr. PARKER: A bill (H. R. 9211) granting a pension to Julia L. Hawkins; to the Committee on Invalid Pensions.

By Mr. RATHBONE: A bill (H. R. 9212) granting a pension to Leamon Bunch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9213) granting a pension to Mary Jane Howes; to the Committee on Invalid Pensions.

By Mr. STEPHENS: A bill (H. R. 9214) granting a pension to Eugene C. Dempsey; to the Committee on Pensions.

Also, a bill (H. R. 9215) granting a pension to Katherine D. White; to the Committee on Invalid Pensions.

By Mr. TABER: A bill (H. R. 9216) granting a pension to Mrs. Ira Dibble; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 9217) granting a pension to Mary E. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9218) granting a pension to Matilda Higgins; to the Committee on Invalid Pensions.

By Mr. WARD of New York: A bill (H. R. 9219) granting a pension to James O. Dunnagan; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 9220) granting a pension to Mary Virginia Reed; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2743. By the SPEAKER (by request): Petition of members of the Centerville Grange, Klickitat County, Wash., favoring the McNary-Haugen bill; to the Committee on Agriculture.

2744. By Mr. BARBOUR: Petition signed by residents of Tulare County, Wash., protesting against any amendment of the national prohibition act; to the Committee on the Judiciary.

2745. By Mr. CELLER: Petition of the American Legion, Sergeant Jasper Post No. 13, Washington, D. C., favoring a joint resolution proposing the adoption of the Star-Spangled Banner as the national anthem; to the Committee on the Judiciary.

2746. By Mr. GALLIVAN: Petition of Maj. M. J. O'Connor Camp, No. 4, United Spanish War Veterans, South Boston, Mass., urging passage of the Bursum pension bill over the President's veto; to the Committee on Pensions.

2747. Also, petition of postal employees, Boston, Mass., urging early and favorable action on House bill 9035; to the Committee on Rules.

2748. By Mr. MADDEN: Petition of citizens of the city of Chicago, Ill., favoring legislation that will permit the withdrawal from Lake Michigan by the Sanitary District of Chicago of 10,000 cubic feet of water per second; to the Committee on Rivers and Harbors.

2749. By Mr. RAKER: Fifty-seven letters from Tacoma, Wash., in re changing name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2750. Also, petitions of San Francisco Press Club; Rapid Blue Print Co., Los Angeles, Calif; Edison Electric Appliance Co., Ontario, Calif., and Leon Israel & Bros. (Inc.), San Francisco, Calif., in re San Carlos dam bill; to the Committee on Indian Affairs.

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE
SIXTY-EIGHTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

AND INDEX

VOLUME LXV—PART 9

MAY 14 TO MAY 26, 1924

(Pages 8499-9582)

WASHINGTON
GOVERNMENT PRINTING OFFICE
1924

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE SIXTY-EIGHTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

AND INDEX

VOLUME LXV—PART 9

MAY 14 TO MAY 20, 1924

(PAGES 7529 TO 8000)

PUBLISHED BY
UNITED STATES GOVERNMENT PRINTING OFFICE
1924

Congressional Record

PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS
FIRST SESSION

SENATE

WEDNESDAY, *May 14, 1924*

(Legislative day of Tuesday, May 13, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Bayard	Curtis	Heflin	Robinson
Brookhart	Dial	Johnson, Calif.	Sheppard
Bruce	Fernald	King	Smith
Cameron	Fess	Lodge	Sterling
Capper	Frazier	Oddie	Trammell
Caraway	Gooding	Overman	Wadsworth
Copeland	Harris	Ransdell	Warren
Cummins	Harrison	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Utah [Mr. SMOOT], the Senator from Connecticut [Mr. MCLEAN], the Senator from North Carolina [Mr. SIMMONS], and the Senator from New Mexico [Mr. JONES] are attending a meeting of the Finance Committee.

I also announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I will let this announcement stand for the day.

I also desire to announce that the Senator from Ohio [Mr. WILLIS] is detained on official business.

I also wish to announce that the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. MCNARY], the Senator from New Hampshire [Mr. KEYES], and the Senator from Indiana [Mr. RALSTON] are attending a meeting of the Committee on Agriculture and Forestry.

I also announce that the Senator from New Hampshire [Mr. MOSES], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

I also announce that the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Colorado [Mr. PHIPPS], the Senator from South Dakota [Mr. NORBECK], the Senator from Florida [Mr. FLETCHER], the Senator from Wyoming [Mr. KENDRICK], the Senator from Virginia [Mr. GLASS], and the Senator from Mississippi [Mr. STEPHENS] are attending a meeting of the Committee on Banking and Currency.

The PRESIDENT pro tempore. Thirty-one Senators have answered to the roll call. There is not a quorum present. The clerk will call the roll of absentees.

The principal clerk called the names of the absent Senators, and the following Senators answered to their names when called:

Bursum	Neely	Pittman	Watson
McKellar			

The PRESIDENT pro tempore. Thirty-six Senators have answered to their names. There is not a quorum present.

Mr. ROBINSON. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Ashurst	Edge	Reed, Mo.	Walsh, Mass.
Ball	Ernst	Shipstead	
Broussard	Harreld	Swanson	

Mr. ROBINSON. Mr. President, I inquire how many Senators have responded to their names.

The PRESIDENT pro tempore. Forty-six Senators have answered to their names.

Mr. ROBINSON. I move that the Sergeant at Arms be directed to compel the attendance of absent Senators.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Arkansas that the Sergeant at Arms be directed to compel the presence of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms is directed to compel the presence of absent Senators.

The following Senators entered the Chamber and answered to their names:

McLean and Johnson of Minnesota.

Mr. ROBINSON. Mr. President, I move that the Senate adjourn until 12 o'clock.

The motion was agreed to; and (at 11 o'clock and 37 minutes a. m.) the Senate adjourned until 12 o'clock meridian.

SENATE

WEDNESDAY, *May 14, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we turn our thoughts to Thee. Thou knowest us better than any others can possibly know us. We seek from Thee guidance in the many duties which come. Enable us to see Thy face continually, and may we be glad to do Thy will, fulfilling every purpose of Thy grace in connection with responsibilities which are so arduous. We ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, May 13, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Lodge	Shipstead
Ashurst	Fess	McKellar	Shortridge
Bayard	Fletcher	McKinley	Simmons
Borah	Frazier	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Brookhart	Glass	Moses	Spencer
Broussard	Gooding	Norbeck	Stanfield
Bruce	Hale	Norris	Stephens
Bursum	Harreld	Oddie	Sterling
Capper	Harris	Overman	Swanson
Caraway	Harrison	Pepper	Trammell
Colt	Heflin	Phipps	Wadsworth
Copeland	Howell	Pittman	Walsh, Mass.
Cummins	Johnson, Minn.	Ralston	Walsh, Mont.
Curtis	Jones, N. Mex.	Ransdell	Warren
Dale	Jones, Wash.	Reed, Mo.	Watson
Dial	Kendrick	Reed, Pa.	Wheeler
Dill	Keyes	Robinson	Willis
Edge	King	Sheppard	
Ernst	Ladd	Shields	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent owing to illness. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 3933) for the purchase of the Cape Cod Canal property, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented a memorial of sundry citizens of Reyburn and vicinity and Hot Springs County, Ark., remonstrating against any increases in the rates in the parcel-post service, which was referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER presented a resolution of the District Woman's Home Missionary Society of the Methodist Episcopal Church of Coats, Kans., protesting against amendment of the national prohibition act, which was referred to the Committee on the Judiciary.

Mr. JONES of Washington presented a petition of sundry citizens of Sylvan, Wash., praying an appropriation to enable the United States to participate in the forthcoming international conference for the suppression of the narcotic traffic, which was referred to the Committee on Foreign Relations.

Mr. WARREN presented petitions of sundry citizens of Green River, Wyo., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. JOHNSON of Minnesota presented the petition of Art E. Granlund and 184 other citizens of Mille Lacs County, Minn., praying the imposition of higher tariff duties on butter and butter products so as to protect the home market, which was referred to the Committee on Finance.

He also presented petitions of H. P. Bengtson and 35 other citizens of Yellow Medicine County; of A. V. Hare and 25 other citizens of Pennington County; and of S. A. Syresson and 47 other citizens of Scambler Township, all in the State of Minnesota, praying for the passage of the so-called McNary-Haugen export corporation bill, which were referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by Pacific Post No. 290, the American Legion, William Courtney commander, favoring the passage of the so-called Johnson bill for the relief of disabled veterans of the World War, which were referred to the Committee on Finance.

He also presented the petition of A. G. Sanford and 55 other citizens, members of Gopher Local, No. 205, International Brotherhood of Blacksmiths, Dropforgers, and Helpers, of Minneapolis, Minn., praying for the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the petition of Fred Schmidt and 188 other patients of United States Veterans' Hospital No. 68, of Minneapolis, Minn., praying for the passage of the so-called Johnson bill for the relief of disabled veterans of the World War, which was referred to the Committee on Finance.

He also presented the memorial of Matt Johnson and H. R. Hicks and 295 other citizens of Grand Marais, Cook County, Minn., remonstrating aginst the passage of the so-called Fuller bill, providing for the enlargement of the Superior National Forest, which was referred to the Committee on Public Lands and Surveys.

He also presented a resolution adopted at a mass meeting of citizens held at Grand Marais, Cook County, Minn., protesting against the passage of the so-called Fuller bill, providing for the enlargement of the Superior National Forest, which was referred to the Committee on Public Lands and Surveys.

REPORTS OF COMMITTEES

Mr. KENDRICK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 976) for the relief of Lyn Lundquist, reported it without amendment and submitted a report (No. 534) thereon.

Mr. STERLING, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 6482) authorizing the Postmaster General to contract for mail messenger service, reported it with an amendment and submitted a report (No. 535) thereon.

He also, from the Committee on the Judiciary, to which was referred the bill (S. 1005) to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations, reported it with amendments and submitted a report (No. 536) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

A bill (S. 3305) to renew and extend certain letters patent; to the Committee on Patents.

A bill (S. 3306) to amend section 21 of the act entitled "An act making apropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1897, and for other purposes," approved May 28, 1896, as amended; to the Committee on the Judiciary.

By Mr. RANSDELL:

A bill (S. 3307) for the relief of E. L. F. Auffurth and others; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 3308) granting an increase of pension to Mary A. Helm; to the Committee on Pensions.

GASPARILLA ISLAND MILITARY RESERVATION, FLA.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 3276) authorizing the sale of real property no longer required for military purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

AMENDMENT TO RIVERS AND HARBORS BILL

Mr. HARRIS submitted an amendment providing for the examination and survey of an extension of the intracoastal canal system from New Orleans, La., to Apalachicola River, Fla., and deepening and maintaining a channel up the Apalachicola and Chattahoochee Rivers to Columbus, Ga., of sufficient depth to permit economical operation of self-propelled barges, intended to be proposed by him to House bill 8914, the rivers and harbors authorization bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. LODGE submitted an amendment providing that additional taxes amounting to $74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, be canceled and the Treasury Department be authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate, intended to be proposed by him to the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

INVESTIGATION OF FEDERAL FARM LOAN SYSTEM

Mr. HOWELL submitted the following resolution (S. Res. 223), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books and documents; to administer oaths; and to take testimony.

The expenses of the committee shall be paid from the contingent fund of the Senate.

TERMS OF DISTRICT COURT IN WYOMING

Mr. WARREN. The Senate last night passed the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary." It appears that there is an error in it which should be corrected. I therefore enter a motion to reconsider the vote on its passage, and move that the House be requested to return the bill to the Senate.

The motion was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 3933) for the purchase of the Cape Cod Canal property, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had approved and signed acts and a joint resolution of the following titles:

On May 9, 1924:

S. 2902. An act authorizing the acquiring of Indian lands on the Fort Hall Indian Reservation, in Idaho, for reservoir purposes in connection with the Minidoka irrigation project.

On May 13, 1924:

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones;

S. 2998. An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico; and

S. J. Res. 104. Joint resolution requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925, and authorizing an appropriation to defray the expenses of the meeting.

WAR DEPARTMENT APPROPRIATIONS

Mr. WADSWORTH. Mr. President, I move that the Senate proceed to the consideration of House bill 7877, the War Department appropriation bill.

Mr. ROBINSON. I assume that if the Senator from New York would ask unanimous consent to proceed at once to the consideration of the War Department appropriation bill, there would probably be no objection to his request. Pending his request, if he chooses to make it, however, I desire to submit a brief statement.

Mr. WADSWORTH. I will withdraw my motion, and request unanimous consent that the Senate proceed to the consideration of House bill 7877, the War Department appropriation bill.

BUSINESS OF THE SENATE

Mr. ROBINSON. Mr. President, the Senate recessed yesterday afternoon until 11 o'clock this morning. When the Senate met, the Senator from Kansas [Mr. CURTIS] suggested the absence of a quorum and a quorum failed to respond. It then became necessary to move that the Sergeant at Arms be directed to request the attendance of absent Senators. After that motion had prevailed and the Sergeant at Arms had been busy for half an hour, a motion was made to direct the Sergeant at Arms to compel the attendance of absent Senators. At 20 minutes of 12 o'clock I made a motion that the Senate adjourn until 12 o'clock, and that motion prevailed.

I made the motion in order to emphasize the absurdity, when a large majority of the Senators are busy attending committees, of undertaking to hold a session of the Senate at other than the regular hour when the Senate is expected to meet.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. I wish to state that if the Sergeant at Arms had called the Committee on Finance he would have found there were three Senators in attendance upon that committee who would have come to the Chamber immediately to make up the quorum. The committee room was not called. I had announced the absence of four Senators who were attending the meeting of the Finance Committee. One of those Senators came into the Chamber and answered to his name, and the other three would have come if they had been notified that their presence was required.

Mr. SHORTRIDGE. Mr. President, will the Senator yield to me?

Mr. ROBINSON. I wish to continue my statement for just a moment. I want to finish it.

It is an absurd practice to undertake to have all the Senate committees in session and to have the Senate itself trying to do business at the same time. If it is necessary for committees to meet in the morning, I suggest that the Senate should meet at the regular hour. We have arranged for a night session tomorrow night, and we have been holding night sessions for some time. Why is it thought desirable to arrange for a recess until 11 o'clock, to request Senators to meet here at that hour, and then consume the time until 12 o'clock securing the attendance of a quorum? It wastes an hour's time of 96 Senators. It is an absurd practice. The Senate ought to meet at 12 o'clock, or the Senate committees ought not to be in session if the Senate meets earlier than 12 o'clock. The truth of the matter is that the time of the Senate would be conserved if we arranged for the business of committees to be conducted on certain days and for the Senate to meet on other days when the committees were not in session. I suggest to the majority that hereafter, if they arrange for meetings of the Senate earlier than 12 o'clock, they discontinue their committee meetings, so the Senate may transact business.

Mr. NORRIS. Mr. President, I want to say just a word on the subject touched upon by the Senator from Arkansas. I have just come into the Chamber from a meeting of the Committee on Agriculture and Forestry.

The Committee on Agriculture and Forestry have had under consideration since the reconvening of Congress the question of Muscle Shoals. We have had, of course, extensive hearings on various bills pertaining to other questions related to agriculture and have spent a great deal of time on them.

The Committee on Agriculture and Forestry, I venture to say without fear of successful contradiction, when their hearings are finished will present to the country and to the world the greatest amount of useful evidence and testimony on the question of water power that has ever been gotten together anywhere since the dawn of civilization.

I make this assertion, and I want any member of the Committee on Agriculture and Forestry to dispute it right now if he does not agree with me, that there have never been hearings on the subject of water power or any other subject where the testimony on the average has been more closely confined to the subject at issue and upon which the committee is called to pass. There has never been an instance where the testimony has been more illuminating and more to the point. We find a great clamor on the part principally of those who favor the acceptance of Mr. Ford's offer, and I say this without any criticism, because I agree with them that the question ought to be settled. They claim that the committee should report and that the Senate ought to act; and yet in all the testimony which has been produced before the committee there have been but two witnesses who have for five minutes of the time diverted and brought in a lot of irrelevant testimony, and both of those witnesses were in favor of the acceptance of Mr. Ford's offer.

The testimony has been educational. It has been enlightening. It is a subject, when gone into in any detail, that is almost like fiction. The possibilities of what can be done at Muscle Shoals, which is one of the key points to the whole country, and particularly to the South, are almost beyond human imagination. Personally I have no interest in it and neither have my people except as citizens of our common country. We are not through. We have been in session every day until 12 o'clock, and while there is a demand, which I think is justified to some extent, that we report before this session draws to a close, I wish to say that we can not do it if we are going to be compelled to close those hearings and to come to the Senate at 11 o'clock. That will be out of the question; it will be a physical impossibility. I think we are doing more good and will be able to do more good for the country at large and for the South in particular by going on and exhausting the subject and hearing everybody who has anything of value to say on every bill which has been presented, including my own bill, which provides that the Government shall retain all the property and through a governmental corporation administer it as well.

Mr. SHIELDS. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. SHIELDS. I am glad to hear, as I understand the Senator, that the hearings will be concluded and a report will be made by the committee during the present session; at least, it is the opinion of the Senator at this time that that can be done.

Mr. NORRIS. Yes, sir; that is what we are all trying to do.

Mr. SHIELDS. I hope the report will be made in time for action at the present session of Congress.

Mr. NORRIS. I hope so.

Mr. SHIELDS. Mr. President, I am very much interested in this project. I am anxious, and I have been anxious for many years, for the completed development of the Muscle Shoals, and by a general water-power bill. Soon after I came to the Senate in 1914 or 1915, I made an effort to accomplish that purpose, but the measure was killed in the other House, I believe, after the Senate had twice passed it. I will ask the Senator from Nebraska if he can advise me how much has the Government spent in the construction of the dams at Muscle Shoals?

Mr. NORRIS. The Government has spent somewhere in the neighborhood of between $130,000,000 and $150,000,000 on the project.

Mr. SHIELDS. That amount has already been expended?

Mr. NORRIS. Yes; not in the dams alone, however, but also in the other properties that the Government owns there.

Mr. SHIELDS. Such as the construction of the nitrate plant and the steam plant?

Mr. NORRIS. Yes.

Mr. SHIELDS. What is the estimate of the amount it will take to complete the work?

Mr. NORRIS. It is estimated that Dam No. 2, which is now about three-fourths completed, will cost from $49,000,000 to $51,000,000, and that Dam No. 3 will cost from $25,000,000 to $27,000,000.

Mr. SHIELDS. Is it estimated that it will cost that much in addition to what has already been spent?

Mr. NORRIS. No; I mean that will be the total cost.

Mr. SHIELDS. I thought I misunderstood the Senator. How much will be required to complete Dam No. 2?

Mr. NORRIS. Speaking generally, in round numbers, about one-fourth of $50,000,000.

Mr. SHIELDS. Then, it will require from $12,000,000 to $15,000,000?

Mr. NORRIS. Yes.

Mr. SHIELDS. And already about $130,000,000 or $135,000,000 has been expended there?

Mr. NORRIS. Yes.

Mr. SHIELDS. Does the Senator from Nebraska find any disposition or feeling in Congress, in either House, or is there any disposition in the country to suspend that work and leave it uncompleted in its present condition, regardless of whom it may be leased to?

Mr. NORRIS. There has been some propaganda to that effect, but, in my judgment, it is absolutely, completely, and totally unfounded. I would not think of such a thing as consenting to abandoning that property now. There might have been a question at the beginning whether or not we should enter upon the work, but we have entered upon it; we have spent the people's money in its prosecution; and there is only one thing to do, and that is to complete it, whatever disposition may afterwards be made of the property.

Mr. SHIELDS. In about what time is it likely to be completed, in view of the progress which is now being made?

Mr. NORRIS. It is expected that Dam No. 2 will be completed in a year from the next coming July, and that it will take from three to five years to complete Dam No. 3.

Mr. SHIELDS. The completion of Dam No. 2 will enable the lessee, whoever he may be, to begin the manufacture of nitrates and other fertilizers and otherwise to utilize the power?

Mr. NORRIS. Oh, yes. I did not intend to speak of this matter, but since the Senator has asked about it and since he so creditably, in part, represents the great State of Tennessee in this body, I wish to say that this very day I had my attention called to what I was told was propaganda being circulated that we were likely to quit; that those who are opposed to the Ford offer wanted to quit; that the development of the Tennessee River by dams that ought to be built, as well as these two, would never be undertaken; and that the improvement of the navigation of the Tennessee River would not be undertaken. I want to state to the Senator that there is not any foundation of truth whatever for that kind of propaganda or statement, I do not care who makes it.

The Ford proposition, for instance, as well as the propositions of all the other bidders, does not contemplate the building of a single storage dam outside of Dams No. 1 and No. 2. Such a proposition is not contained in any bill.

The bill which the committee has before it, and which, in my judgment, has behind it a majority of the committee, provides for the survey and development of the Tennessee River, completely, from source to mouth, as to flood-water control, as to navigation, and as to power development.

I only rose to say, Mr. President, that while, of course, I know that this question has two sides, if the Senate wants to meet at 10 o'clock or 11 o'clock in the morning, and to require the attendance of Senators, we shall, of course, have to obey; but, if we do, we shall have to suspend operations in the committee; and I think it would be almost a crime to do that.

The PRESIDENT pro tempore. The Senator from New York [Mr. WADSWORTH] asks unanimous consent that the Senate proceed to the consideration of the military appropriation bill. Is there objection?

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. The Senator from Alabama.

Mr. HEFLIN. I have no objection to the request of the Senator from New York.

Mr. WADSWORTH. Then, might we not have the bill laid before the Senate, Mr. President?

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from New York, and it is so ordered.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. WARREN. Mr. President, will the Senator from Alabama yield to me for a moment?

Mr. HEFLIN. I yield to the Senator from Wyoming.

Mr. WARREN. Mr. President, we are falling behind in the matter of passing the appropriation bills. I hope that the appropriation bill now before the Senate will not be delayed beyond the early portion of to-day, but I think hereafter we shall have to meet evenings and possibly this evening, particularly in view of what my friend, the Senator from Arkansas [Mr. ROBINSON] has said. As it seems to be inconvenient to meet earlier in the morning, probably we shall have to resort to evening sessions in order to expedite the consideration of the appropriation bills. We ought to be here at 11 o'clock promptly; the business of the Senate makes a meeting at that hour necessary.

Mr. HEFLIN. Mr. President, in response to the statement of the Senator from Nebraska [Mr. NORRIS] regarding the hearings that are now proceeding before the Committee on Agriculture I wish to say that these hearings have been going on for weeks, and some very interesting facts have been brought out. Much of the testimony, however, has covered practically the same ground. While suggestions are being made by some of the witnesses, probably, that other witnesses have not made, yet, in the main we have reached that point where, in my judgment, the hearings should be speedily brought to a close.

It has been more than two and a half years since Mr. Ford was invited to make a bid for Muscle Shoals. The Muscle Shoals project had been abandoned; the cofferdams were washing away; the House committee that went down to inspect and investigate the project reported that it ought to be abandoned as junk. Then Mr. Ford, in company with Mr. Edison, went down to see Muscle Shoals, came back, and in response to the invitation of the Government made an offer. For months and months his was the only offer pending; but as soon as the combined power companies discovered that Henry Ford might get Muscle Shoals and they be defeated in their purpose of getting it ultimately they commenced to make bids. That there is a combination between some if not all of these companies to prevent Henry Ford from acquiring Muscle Shoals I have not the slightest doubt. I believe that almost anyone who attended the hearings day by day would be convinced that there is concert of action between some of those representing the various companies, all working together for the good of each other and all against Henry Ford.

Henry Ford is entitled to know whether or not his bid is going to be accepted. Two and a half years have come and gone since the Government invited him to bid. The House, I believe, has twice passed a bill accepting his offer. The Senate has had the bill for quite a while, and it is now before the committee and has been there several weeks.

I say again, Mr. President, I want to see the hearings speedily brought to a close. I do not want to do anybody an injustice; I want everybody to be heard whom it is necessary or desirable to hear; but two and a half years is a long time to consider a matter like this, and two and a half years is a long time to keep in suspense a man who has made a bid, as Mr. Ford has. I submit to the Senate and to the country that, whether his bid is going to be accepted or not, he is entitled to have the Senate determine the question; and I want to appeal to the Senator from Nebraska, who is very much interested in this power question and always has been, although he favors one view of the question and I favor another, in a spirit of justice to Mr. Ford to expedite consideration by the committee so that we may have some kind of action by the Senate before we adjourn and so that Mr. Ford may know whether he is going to get Muscle Shoals or whether he is not going to get Muscle Shoals. He is entitled to know that.

If the Senate does not want him to have Muscle Shoals, it ought to say so by its vote. So I hope that the Senator from Nebraska will help us to expedite matters and hold witnesses to the issue directly involved and speed up the hearings as much as possible, and let us get through this week, if possible, and act on these measures and bring out all of them—I would not object to that—and let the Senate itself say which one of them it will accept.

So far as I am individually concerned, representing the sentiment of the people of Alabama, as I believe I do, who are overwhelmingly in favor of the Ford offer, as is the whole South, I may say I should regret to see an adjournment until a vote has been had upon this question.

I shall vigorously oppose anything looking toward adjournment until the Senate has an opportunity to vote on the Ford offer.

Mr. GOODING and Mr. REED of Missouri addressed the Chair.

The PRESIDENT pro tempore. The Senator from Idaho.

Mr. GOODING obtained the floor.

Mr. REED of Missouri. Mr. President——

Mr. GOODING. I yield to the Senator from Missouri.

Mr. REED of Missouri. Had the Senator been addressing the Senate in a speech that is not yet concluded?

Mr. GOODING. Yes; but I will yield to the Senator on this subject.

Mr. REED of Missouri. Under those circumstances I do not want to interfere with the Senator. I wanted to discuss the Pittman amendment.

Mr. GOODING. That is before the Senate and I shall be very glad to have the Senator discuss it.

Mr. NORRIS. Mr. President, with the permission of both Senators, I should like to say just a word.

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. GOODING. I yield.

Mr. NORRIS. I want to say just a few words in reference to what the Senator from Alabama [Mr. HEFLIN] has said. If the Senators are not going to discuss that subject, will they be kind enough to let me do that?

Mr. GOODING. I yield, Mr. President.

Mr. HARRISON. Mr. President, may I say, too, that after the Senator has discussed the matter I desire to say merely a word about the proposition now pending—not the long-and-short-haul proposition?

Mr. NORRIS. Mr. President, it is so often asserted that Muscle Shoals was abandoned; and yet when we get down to the whole truth of the matter we find, as the Senator from Alabama says, that a committee of the House recommended its abandonment. On the other hand, the Senate passed a bill providing for the continuation of the work under way there and the completion of the plant. So it is not correct to say that Muscle Shoals has been abandoned. I know that neither the Committee on Agriculture and Forestry nor other Members of the Senate outside of the committee ever for one moment conceded that it was abandoned, notwithstanding the action taken by the House committee.

I join with anybody in wanting to get this matter settled just as soon as possible. I want it settled, if possible, at this session of Congress; but let me ask the Senator from Alabama [Mr. HEFLIN] and the Senator from Mississippi [Mr. HARRISON], both of whom favor the Ford proposition, whether they can call to mind a single instance, with the exception of the two I have mentioned, where time has been wasted? I am not even criticizing those, because those things creep in; but Major Stalman, a Ford advocate, and the man who followed him, a Ford advocate, devoted most of their time to issues that had nothing to do with Muscle Shoals. Outside of that, I want to ask these Senators if there has been any time wasted?

I know that as chairman of the committee I have received applications from all kinds of people who wanted to be heard, and when I found out that they wanted to talk about something else, or that they had a side issue that they wanted to air, I did not call them. I want to permit everybody, including Mr. Ford, to have all the time he wants to explain his proposition, as long as he sticks to the text.

The Senator has said that, in his judgment, there is a combination of other bidders. Of course I can not say as to that. I can only say that not a scintilla of evidence has been produced before the committee that there is, either directly or indirectly, any such combination. The Senator from Alabama is on the committee. He has an opportunity to bring it out if there is such a thing. I should be glad to have it done. I do not believe there is. As far as my idea of the disposition of Muscle Shoals is concerned, I do not care whether there is a combination or not; I do not want them to have it.

Mr. McKELLAR. Mr. President, will the Senator yield for a question?

Mr. NORRIS. I yield.

Mr. McKELLAR. As I understood the Senator a few moments ago, he said that he thought a report would be made by June 1. Do I understand the Senator to say, also, that he is in favor of a vote on the question at this session?

Mr. NORRIS. Why, of course I am in favor of it.

Mr. McKELLAR. I think it ought to be passed on, and I hope there will be a vote at this session.

Mr. NORRIS. There is one thing, Mr. President, that has been just a little exasperating. Senators say, "Do you want to get a vote at this session?" and I say "Yes"; and the question comes over and over, "Are you going to report as soon as possible?" and I say, "Yes; I am doing everything I can to expedite it"; but the very questioning sometimes appears to me to be an intimation that I am not trying to do that.

If there is anybody on the committee or off of it who has any such information, let him produce it. The committee ought to know about it. I have done the best I could to be absolutely fair, whether the witness agreed with me or not; and, personally, I do not agree with very many of the witnesses as to what ought to be done with Muscle Shoals. That, however, does not preclude me, I think, from giving them a full and fair hearing.

Mr. REED of Missouri. Mr. President, I wish to discuss the Pittman amendment briefly; but since this other question is before the Senate—a question on which I intend to address the Senate later—I shall simply say this:

The disposition to surrender to any one citizen, however good he may be, however wise he may be, however public-spirited he may be, a great public work in which the Federal Government has invested many millions of dollars and to make that surrender upon the theory that this particular individual is in some way a general guardian of the public and the private interests of the people of the United States is, in my opinion, the limit of absurdity. Mr. Ford should be dealt with exactly as any other citizen of the United States. His contract should be shown to be a contract beneficial to the people of the United States and the most beneficial that can be offered.

Mr. NORRIS. Mr. President, may I interrupt the Senator there? I should like to call his attention to the fact that Mr. Ford is the only bidder of all the bidders who has refused to come before the committee in person and explain his bid.

Mr. REED of Missouri. Very well. That does not alter the situation. He should be dealt with on business principles, no matter how good he may be—and he is so good that he can be nominated by the Democratic Party and please it, and then indorse a Republican President the next day and please him. He can do other strange and peculiar things, and, to use a slang phrase, "get away with it." Nevertheless, we must deal on business principles, for, even if he were as good as some people think he is, he is not going to live forever, and the contract we propose to make and which will run for more than a hundred years will have to be carried out by somebody other than Mr. Ford.

There is a disposition to say, "Give it to Henry Ford, and he will do the business." Against that sort of theory I most earnestly protest in the name of common sense. Besides, sir, I do not believe that any man who, when he gets into a financial pinch, will unload upon his agents against their will millions of dollars' worth of his products and compel them to go to the banks and raise money to advance on automobiles and tractors they never ordered, and who, having unloaded these articles upon the agents and compelled them to go to the banks and borrow the money and advance it to him, then refuses to protect them on the price of the article he compelled them to take but cuts the price, is such an archangel of purity and disinterestedness as some other people would have us think.

When this Government comes to deal with Henry Ford it had better deal with him as a shrewd, keen business man and protect itself. I do not say that to speak with harshness of Mr. Ford; but I have been looking around during my lifetime for one of these infallible and absolutely disinterested creatures, and I am still in the same condition of doubt that poor, old Diogenes was when he started out with his lantern. My quest is equally with his a failure.

I have no hesitancy in saying that with the amount of money the Government has put into this great public work the Government ought to complete it; and while I do not believe in the Government being in business at all, I believe it ought to hold it. Then I believe it ought to make an arrangement to wholesale the power under such conditions as will bring to the people of this country the benefits that all of us would like to see realized. That kind of operation will not put the Government in business in the offensive sense in which the term is usually employed.

We have had a good deal of trouble with Muscle Shoals. We have put a lot of money into it, and I want to see that money conserved. I am growing more and more of the opinion as time goes on that the great fundamental resources of this country which are necessary to furnish power to public or

quasi-public service institutions to enable them to furnish heat, light, and power to the people of the United States as a whole should be kept as nearly as possible within complete public ownership and control.

Mr. KENDRICK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Wyoming?

Mr. REED of Missouri. I do.

Mr. KENDRICK. I want to ask the Senator if he understands that Muscle Shoals as a water power is second only in this country to Niagara Falls?

Mr. REED of Missouri. I have heard that statement made, and I have no reason to doubt it at the present time.

Mr. KENDRICK. And does not the Senator believe that to deliver that water power to any individual or corporation other than under the water power act would have the effect of destroying that act? Does not the Senator believe that it would completely, or almost completely, nullify the water power act?

Mr. REED of Missouri. I think it would greatly impair it.

Mr. President, it was disclosed on the floor of the Senate the other day, in the debate on the tax bill, that some great corporations escaped the payment of surtaxes either by themselves or by their stockholders by accumulating enormous reserves, and that among others Mr. Ford had accumulated something like $265,000,000 in cash, and that by holding it and not distributing it the surtaxes of himself and other stockholders were enormously reduced. I do not speak of that to deal harshly with Mr. Ford, but it illustrates the fact that "though on pleasure he is bent, he has a frugal mind." He looks after, or some of his skillful employees look after, his business pretty keenly, and I think that in figuring with the Federal Government he has not been figuring for the benefit of the man who wants fertilizer. His heart has not been bleeding over the poor farmer who wants to make his fields rich, and to do it with cheap material. He has been thinking about the dividends that will flow to Henry Ford, and he has the right to do that; but, upon the other hand, we, dealing for the people of the United States, must look after the interests of the people of the United States.

This twaddle and folderol and froth indulged in over Henry Ford, to use another slang expression, simply makes me tired. If he has ever done anything great for his country, I do not know it.

Mr. ASHURST. Mr. President——

Mr. REED of Missouri. If John D. Rockfeller were engaged in the automobile business and were doing exactly what Mr. Ford is doing, the common opinion in this country would be that he was cutting prices to destroy all the other automobile companies of the country to create a great monopoly. Gentlemen would be standing here on their hind legs roaring until the stumps out there in the old Potomac River would bob up and down, as those gentlemen denounced John D. Rockefeller.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Arizona?

Mr. REED of Missouri. I yield.

Mr. ASHURST. I am interested in what the Senator is saying, because I had a letter last week from a constituent appealing to me very pathetically to be sure to vote to give Muscle Shoals to Henry Ford, as Mr. Ford, so my friend says, would "make nitrates for the farmers." I scrutinized the Ford proposition closely, and I find to my surprise that Mr. Ford does not pledge himself and does not agree to make fertilizers. If I am wrong about that, I should like to be set right.

Mr. HARRISON. Mr. President——

Mr. HEFLIN. The Senator is entirely wrong.

Mr. ASHURST. I am willing to be enlightened. Applying my scrutiny to the Ford proposition, as submitted to me, I find that Mr. Ford does not agree to make fertilizers. As a matter of law, there is nothing in the contract compelling him to make fertilizers.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. REED of Missouri. I yield.

Mr. KENDRICK. My interpretation of the contract is that Mr. Ford agrees to make 40,000 tons of nitrates each year, providing he can make 8 per cent on the production.

Mr. REED of Missouri. That is a very modest profit for him to make. Mr. President, I simply threw in those remarks concerning Muscle Shoals because the spirit moved me at this moment to make them.

I want to say a few words to the Senate in regard to the Pittman amendment, the long and short haul amendment. That question has been before the Senate ever since I have been a Member of the Senate, and I say in the inception that there is no question but that the problem of railroad rates is one of the most difficult and intricate with which the human mind has ever undertaken to grapple. There are so many considerations which enter into the question of the making of rates and of permitting the transportation lines to live that none of us can say with absolute certainty that we are able to devise a plan for just and equitable rates in all cases. But this much we certainly know, that every railroad in the United States is a common and public carrier; that there is exercised on behalf of it the powers of eminent domain, whereby it is enabled to take the property of the private citizen for its own use, and that that is justified because it is a public highway, and as it is a public highway it exists for the common benefit of all of the people of the land, always, of course, subject to its just right to fair compensation for services rendered.

Starting with the premise that the railroads are public highways, existing for the common benefit of the public, it follows that any condition or any system of rates so devised as to build up one section of the country at the expense of another section of the country is inequitable, unjust, and utterly indefensible.

Any community of the United States is entitled to the benefits of its natural advantage, and no law is a just law which levies upon that community a tribute for the support, the maintenance, and the emolument of some other portion of the Republic.

Mr. President, when the railroads were practically without governmental supervision they inaugurated a system of meeting competition or, if there was no competition, of building up a particular section of the country, in the hope of thereafter reaping profits from it, and that system embraced frequently the hauling of freight to the favored community for less than the actual cost of the haul. In order to make up the disadvantage for the losses thus sustained an enormously unjust tribute was levied upon other sections of the country which were not so favored by the railroads. So it came about that communities and States and entire sections of the country were, by the arbitrary action of those who managed the public highways of the country, discriminated against, while other sections were specially favored.

That was, of course, an unjustifiable and an iniquitous system, because it placed the destiny of the people in the hands of a few men who controlled the public highways, not for the general public good but for the special good of certain communities, to the end that the transportation lines might reap some special benefit for themselves.

When the Interstate Commerce Commission was created it was expected that those evils and enormities would be abolished, and that a system of transportation rates favorable alike to all sections of the country, justly and fairly arranged, would take the place of the system which had been inaugurated by selfish interests for selfish purposes, but from that day to this we have been struggling with the Interstate Commerce Commission and have found it about as difficult of management as the powers which formerly controlled the railroads, and I have sometimes thought more difficult of management.

Mr. McKELLAR. Mr. President, I was very much interested in what the Senator was saying about building up certain communities. I was wondering if what he had to say in that regard applied to communities situated on natural waterways.

Mr. REED of Missouri. I do not wish to be diverted from the line of thought I am pursuing at this moment, but I will try to answer the Senator's question a little later.

Under the old system, and under the system as perpetuated by the Interstate Commerce Commission, it frequently happened that goods could be shipped—and I speak of this as only one illustration—from New York or St. Louis or Kansas City or other intermediate points clear to the Pacific coast, through the city of Denver or the city of Salt Lake or others of the western towns or cities, and then shipped back cheaper than they could be shipped to one of these towns and unloaded on the direct passage west.

I do not care how much verbal chicanery or intellectual legerdemain may be indulged in, that sort of system can not be justified. It means literally the economic and commercial murder of the interior points, for every man who knows anything about rates understands that upon rates of transportation depends the development of a country. Given an advantage of a few cents a ton, or a few mills per hundred pounds, upon goods that are to be shipped, the locality having that advantage can gather to itself factories and industries and wealth. Change the conditions against it, and that city or town can be made substantially a whistling post, its development arrested, and the entire country dependent upon it correspondingly injured.

Freight rates or transportation rates are the key to the industrial development of any part of the country. An unjust

freight rate militates against and constitutes a robbery of entire communities, and may constitute a despoliation of the peoples of entire States, for the freight rate is added, in the end, to the prices paid by the consumers. If, for instance, the State of Utah, or the State of Idaho, or the State of Colorado, or the State of Missouri has an unjust freight rate, it follows that every one of the inhabitants in those States is taxed on everything he consumes and which has to be shipped, and that tax constitutes a burden upon him which he pays for the benefit of the citizen of some favored part of the United States.

That is an intolerable condition, and it ought not to be allowed to continue. The long-and-short-haul provision has been before the Congress many times. The Senator from Nevada [Mr. PITTMAN] yesterday recited its history. In verification of what he then said I recall that at the time the bill providing that there should not be more charged for a long haul than for a short haul was before the committees of Congress, it was insisted that the words "except under special conditions" should be inserted and that that would be a full protection to the public and yet allow the Interstate Commerce Commission in some rare and exceptional cases to provide against what might otherwise prove to be calamitous. It is also true, as said by the Senator from Nevada, that the Interstate Commerce Commission seizing upon that clause has to all intents and purposes perpetuated the system exactly as it was before the amendment was adopted, and the clause to which I referred, "except under special conditions," was inserted at the request of the Interstate Commerce Commission.

The truth is the Interstate Commerce Commission has so often plainly by its rulings defeated the purpose of the legislation of Congress that I am getting in the humor to ask that the commission be abolished. It seems to be impossible to get the commission to move when it is necessary to have prompt action to save the situation. It seems to me that it is about as thoroughly controlled by the railroads as the boards of directors of the several roads are controlled by the great financial interests which furnish their capital. I have no warfare to make upon railroads, but I say that the sooner the railroads conclude to adopt the policy of absolutely fair, just, and impartial dealings with the public, the sooner they will make friends and the sooner they will make for prosperity.

The Senator from Tennessee [Mr. McKELLAR] asked me—and I regret that he has left the Chamber—what effect the amendment would have where there is water competition?

I hold to the theory that every locality is entitled to the benefit of its natural advantages. If it is located where water traffic is available, it is entitled to that advantage and no one should take it away. If another locality is situated close to a market it is entitled to that natural advantage, and no law and no ruling of the tribunal should take away that advantage. So that if a city is located, as is New York or New Orleans, upon the ocean or immediately accessible to the ocean no one should try to frame freight rates to disadvantage those cities merely because they have water advantages. Neither should there be a law enacted nor a system inaugurated which would deny to any part of the country such advantages as it may have by closer proximity to the market than other places which happen to have the benefits of water transportation. Either one of these artificial interferences with natural conditions and advantages is unjustifiable.

Upon the other hand, because a city or country may have the benefit of natural water transportation and another community may not have the benefit of water transportation, it is equally unjustifiable to levy a tribute in the form of freight rates upon the community which is deprived of water transportation for the purpose of giving to the place that already has the natural advantage of water transportation the additional and artificial advantage created by law, one which it does not possess naturally, but which is conferred upon it by arbitrary action.

Such a course can not be justified. Moreover such a course does not make for the good of the country. The symmetrical development of all parts of our country is a policy of wisdom which no man ought to doubt.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Missouri yield to the Senator from Utah?

Mr. REED of Missouri. I yield.

Mr. KING. The Senator can understand, I think, the resentment—perhaps I have used too strong a word—the feeling that they have been discriminated against, the feeling of exasperation upon the part of some of the interior portions of our country which are denied access to water, when they see enormous appropriations for rivers and harbors and then find those discriminations by the railroads against them as the result of which it is absolutely impossible for any industrial or economic development to occur.

Mr. REED of Missouri. Answering the question now with special reference to river transportation, the towns along the great rivers of our country, just as the towns along the great seacoasts of the country, are entitled to the natural advantage they have through the existence of the waterways, and a proper development of the waterways is justifiable because as a result of the expenditure of a comparatively small amount of money an enormous traffic can be carried upon the waters. That is only giving them the natural advantage to which they are entitled. But going along with that there certainly should not be a scheme which deprives the dry-land town, if you please, of its right to be treated the same as the water town so far as freight rates are concerned. I may be criticized for saying that because I live in one of the towns that has the benefit of a river, and that I hope to see improved.

But let us see whether the making of equitable freight rates and the abolition of the custom of levying too high freight rates upon one part of the country for the benefit of others will not result in benefit even to river transportation. I have not the figures here, but the astonishing fact exists that the railroads which parallel the Mississippi River, running, speaking generally, from the North to the South across our country, are carrying freight on those parallel lines for a rate which I think is less than one-quarter of the average rate charged over the United States. I shall be glad to get those figures and put them in the RECORD. What does that mean? It means that because the river is there, although only half improved, the railroads in order to get that freight have cut their rates. The result naturally was that when they first inaugurated that system they destroyed the river transportation and continued to destroy river transportation by the maintenance of that character of rates. There are certain kinds of freight, and the kinds are very widely diversified, that can be carried upon those rivers. It can be carried there without the destruction of the railroads. No one with any common sense wants to destroy the railroads. The whole country can be developed by virtue of the cheaper freight rates that come through river transportation.

Now, let me say that those rates thus made upon that river are not confined in their benefits to the lines along the river. Those who are in charge of the boat lines upon the Mississippi River have been fighting and struggling with this same Interstate Commerce Commission to get it to compel the inauguration of just joint rates between the boat lines and the railroads touching the river points. They have had one of the most uphill fights ever waged. It has seemed to me that the Interstate Commerce Commission has acted in a manner wholly unjustifiable in the matter of inaugurating joint rates. But the boat lines have practically succeeded, and the result is that the benefit of the lower freight rates upon the Mississippi River has inured to communities and States hundreds of miles removed from the river, for whenever we can establish a system of boats that will carry freight as cheaply from St. Louis to New Orleans and then can establish joint rates the great States lying to the west and northwest can claim the advantage of those joint rates and get the same advantage from river traffic that the towns along the river receive, or approximately the same advantage.

But we have had a policy which seems to me to be merely stubborn, if not worse. I can illustrate that. There is a boat line operating Government-owned boats on the Mississippi River and also on the Warrior River. The boat line on the Mississippi River, although there are bars across the river, and although transportation is sadly interfered with—and, by way of parenthesis, I will say that every interference could be removed by the expenditure of a few million dollars—has actually made money, and with proper capital it can be made a very profitable enterprise. It has been carrying freight at 80 per cent of the charge of the railroads, although the competition it meets is that of the railroads which have already cut their rates to the bone in order to hold the traffic against the boats.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nevada?

Mr. REED of Missouri. I yield.

Mr. PITTMAN. Right on that point, I wish to say a word. The Senator from Missouri has already said that these Government barges, if they desire a part of the traffic, can not charge over 80 per cent of what the railroads charge.

Mr. REED of Missouri. They do not charge over 80 per cent of what the railroads charge.

Mr. PITTMAN. They can not do it successfully, it is held, because of the more expeditious moving of freight by rail, we will say——

Mr. REED of Missouri. I think they do it in order to get the business.

Mr. PITTMAN. I also call the attention of the Senator to the fact that the rates on the railroads with which they are now competing are only 58 per cent of the average charge of the railroads somewhere else. The Senator says that these barges are commencing to make money. I think he is right that they can make money, but here is the point: At the present time the discriminations of the railroads are not at the maximum; the fear is not so much for existing conditions but that the Interstate Commerce Commission will grant all of these applications to lower still further the rates at competitive points; and when that happens, the boats go out of business. In other words, Mr. President, I say to the Senator from Missouri that no careful concern can go into business under existing conditions when they are threatened with a reduction of competitive rates by the railroads below a point at which their boats can make money. That threat is pending with the Interstate Commerce Commission to-day in the form of applications. Those applications will be granted if the criterion established by the Interstate Commerce Commission is not abolished by this amendment.

Mr. REED of Missouri. Mr. President, the Senator from Nevada has stated the case very well. I was diverted, however, from the particular thing I was going to say. I have spoken of the Mississippi River. On the Warrior River, where the equipment was inadequate and other conditions somewhat adverse, the Government agency operating a line of boats found itself confronted with this situation: The railroads refused to establish joint rates; and frequently, where the boat haul was ten times the rail haul, the railroads took from 75 to 80, and I believe in some instances even 90 per cent of the total tolls collected. When that case was brought before the Interstate Commerce Commission—a case which seemed to appeal for immediate relief and drastic action—the commission held the case for many months, finally laid down some general rules, and then told the parties to get together and agree.

I am becoming completely and utterly disgusted with the Interstate Commerce Commission. I repeat, I am not here contending as an enemy of railroads. The railroads we must have, and they must be allowed to earn an adequate return or they will cease to exist, and certainly they will cease to make improvements. They must be fairly and justly treated; but because we should fairly and justly treat the railroads is no reason why we should allow injustices to be perpetrated upon vast sections of this land and communities milked for the benefit of other communities or for the building of certain terminals in which the railroads are particularly interested.

Let us settle this question upon its merits and in accordance with the principles of equity. I say no man on earth can justify hauling freight through a town hundreds and perhaps thousands of miles and then hauling it back at a cheaper rate than it could be hauled on the direct route and unloaded. That is a waste of time, a waste of energy, and a manifest wrong. There is no sense in building up one community at the expense of another. There is no sense in undertaking to foster railroads, to the total destruction of water transportation or to its injury, any more than there would be sense in a farmer feeding his horses more than they needed to eat and allowing his cattle to starve to death, or a man looking after one business and pouring into it unnecessary moneys and allowing another branch to go bankrupt. Particularly is this unjustifiable when we have regard to the fact that the railroads of the country are merely the highways of the people, and that the people have the right to fair, just, and equitable treatment, regardless of the particular portion of the country in which they live, and at the same time the roads are entitled to live and to make a decent return upon their just investment.

There has been a great deal said here in the way of attacking the railroads that can not be justified when the facts are thoroughly thrashed out, and there have been some criticisms that are, of course, just. The Pittman amendment, in my judgment, is in the right direction. Whether it goes far enough or not we can only determine upon trial, for it may be that the ingenuity of the Interstate Commerce Commission will again find some means by which it can nullify an act of Congress.

Mr. GOODING. Mr. President, it is indeed gratifying to find a Senator within whose State great cities are located who insists on a square deal for all the people of the State which he represents. The great city of St. Louis has been benefited by the violation of the fourth section by receiving cheaper freight rates than other communities in the great State of Missouri; but the Senator from Missouri [Mr. REED] in this instance, as he always does, stands for an American principle, for if there is anything that the American people demand it is a square deal for all. When a railroad hauls freight 2,000 miles or 3,000 miles, in some cases, for a less charge than they make for a shorter haul—and they are asking to extend that practice now—it is unfair and unjust and must be and is un-American. So I repeat it is reassuring to know that in this fight for a square deal for the people who live in the interior States of the Union, and especially for the people who live in the interior States of the West, the able Senator from Missouri is championing their cause.

Mr. President, I wish to call the attention of the Senate to the profile map of the Monongahela River, which I have had placed on the wall. I first saw this map at one of the interesting hearings on Muscle Shoals before the Agricultural Committee of the Senate. I was so much impressed with the great work that the Government has done on the Monongahela River in making possible transportation for low-priced basic materials that I asked Mr. E. G. Waldo, a civil engineer employed by the Tennessee River Improvement Association, for the loan of this map. The map indicated to my mind the opportunity that lies before the American people for the development of water transportation.

Railroads cross the Monongahela River at eight different points, but there are no violations of the fourth section in that immediate territory, and the result is that in 1920 upon this river there were carried 24,000,000 tons of coal and coal products. It is carrying on an average now something like 18,000,000 tons a year. It has been a mighty factor in making Pittsburgh one of the great steel centers of the world.

This is a Government project, and what a story it tells! There are 15 different locks on the Monongahela River which are operated by the Government itself. In 1889 the Government purchased these locks from the Monongahela Navigation Co., a private concern. The length of the river that is in operation is 130 miles. The Government paid for the locks and improvements of the river at the time $4,300,000, and since then has expended something like $6,000,000 for the operation and maintenance of those locks. No toll is charged upon this river. I suspect that the steel companies of Pittsburgh have been the beneficiaries of this Government expenditure.

Mr. President, it seems strange to me that this Government will spend $10,000,000 in the purchase and operation of a river project for the transportation of freight, and at the same time through its organization, the Interstate Commerce Commission, deny to the people of the Western States and the Southern States a chance to have water transportation, by permitting railroads to charge a lower freight rate for the longer haul than for the shorter haul where they come in competition with water transportation, so that the boats have been driven off of the rivers in the South and have been partly driven out of the Panama Canal and our coastwise routes.

It is strange, is it not, that a policy that is right for the East is not just as right for the people of the South and the people of the West? Yet that does not seem to be the case at the present time.

I was impressed with this map because some day the Government will build a reservoir somewhere near the headwaters of this river, and the floods on that river, that at times do a great deal of damage, causing loss of property and loss of life, will be under complete control.

I am familiar with and understand very fully what flood control means, for in our Western States many of our great rivers now are controlled through a reservoir system which not only holds and controls all the flood water but holds all the water that flows down those rivers the year around. Flood control in this country is going to be one of the simplest and easiest problems that we have to meet. I live on an irrigation project in my own State, that controls and holds all the water that flows down the river and that furnishes water for the irrigation of something like 100,000 acres of land. So the problems of flood control in this country are simple.

If it had not been for this Government project in 1920, when they carried down the Monongahela River 24,000,000 tons of freight—the year when we had the railroad congestion and blockade—the steel plants of Pittsburgh would have been forced to close down. The West is not asking the Government to go out there and develop a project like that and spend its money. I am glad that the Government has done this, because it has demonstrated the necessity of what to my mind is more essential for America than any other one thing is before this country to-day, and that is adequate transportation. Without it this country will be forced to come to a standstill. It is going to be

impossible to build enough railroads to carry the low-priced farm products and the low-priced basic materials of the country, nor can we compete for the trade of the world if we are forced to transport all of those cheap products over the long hauls to market. By every right the coal from the coal mines and the wheat from the wheat fields, where it is possible, should be permitted to seek the nearest water transportation; but this Government policy has forced practically all of the farmer's wheat to be shipped east over a long haul of railroads, that are manned by the most expensive labor in all the world, and in that condition freight rates are necessarily high.

Mr. President, the World War brought us a new world. We have in this country to-day the highest cost of production of any country on earth. Wages here are higher than in any other country, anywhere from 75 to 300 per cent higher. When Germany comes back to normal, with its cheap cost of production as against the high cost of production in this country, unless we do something to move the low-priced farm products and the low-priced basic materials to the furnace and the factory and the market we shall be unable to compete successfully; for the competition for the trade of the world in the future, as I see it, is going to be keen and sharp and severe. We have been prosperous in this country only because the balance of trade has been in our favor. From the beginning of the war up to last year we had a balance of trade in our favor of something like $21,000,000,000, three times as much as we had in all the preceding years since the foundation of this Government was laid; but last year, 1923, our imports exceeded our exports by only $370,000,000. Up to the 1st of September of 1923 the balance of trade was against us in this country; and even with the high protective tariff that we have in this country, with the cheap cost of production there is in foreign countries, I do not believe that it is going to be possible to have a balance of trade in our favor. I believe this country is facing the most dangerous period in its history; and yet we go along blindly and permit the railroads to increase freight rates, the peak of which was 78 per cent above pre-war freight rates, and the present level is 55 per cent above the pre-war level, without any thought or consideration for the future of transportation in this country. The railroads are not keeping pace with the development of commerce. As I showed in my remarks yesterday, there has been only a little over 100 per cent of an increase in miles of tracks in this country in the last 33 years, while at the same time there has been 443 per cent of an increase of traffic in this country.

Only three years ago, I think, some of the railroads put an embargo on perishable fruits from California. They refused to handle them. They were so congested with transportation, if you please, that they would not accept this class of freight at all, and they were only moved by the Interstate Commerce Commission to accept it.

Mr. President, I hope Senators will give this map a little attention, and see what is possible on every other river in the United States, and see what will be possible with the development of that river in the development of electric power.

The Government is now considering building at this point a power plant that will develop something like 50,000 horsepower. It will pay back to the Government all of its expenses in a few years and all of the money that it has paid out for operation. We can generate in this country on our great rivers more power than any other country in the world with the exception of Africa, and it will have to be developed in order to make possible cheaper production all along the line, and we can not commence that work any too soon.

I am ready to go along with the development of Muscle Shoals, Mr. President. I am ready to go along with the building of the St. Lawrence ship canal. It will bring the Atlantic Ocean a thousand miles farther inland. I am ready to go along with the development of the Mississippi and all the rest of the great rivers of the country; but before I do that, Mr. President, I want to know that the money that this Government expends in that development can not be destroyed by the railroads by permitting them to haul freight on the longer hauls cheaper by more than 100 per cent in some cases than on the shorter hauls; and until I can be assured that this policy is not going to be continued I am not going to vote for any appropriation for rivers and harbors.

Now, Mr. President, I want again to take up some of these discriminations and violations of the fourth section of the interstate commerce act. I want to take up again the violations on wool.

The present freight rate on wool in bales in carload lots from San Francisco to Boston, a distance of 3,300 miles, is $1.50 a hundred. The rate on wool in bales from Salt Lake City, Utah, to Boston, a distance of 2,553 miles, is $2.36 a hundred. Although the distance from Salt Lake City, Utah, is 744 miles shorter than the distance from San Francisco, the rate on wool per hundred is 86 cents more than it is from San Francisco.

The rate on wool in bales from Reno, Nev., to Boston, a distance of 3,055 miles, is $2.38½ a hundred. While the distance from Reno to Boston is 245 miles shorter, yet the rate from Reno to Boston is 88½ cents higher than it is from San Francisco.

I come now to violations of the fourth section on the Santa Fe Railroad.

The present rate on wool in bales in carload lots from San Francisco to Boston, a distance of 3,578 miles, is $1.50 a hundred. The rate on wool in bales from Prescott, Ariz., to Boston, a distance of 2,939 miles, is $2.44½ a hundred. The distance from Prescott, Ariz., to San Francisco is 639 miles. So the haul from Prescott to Boston is 639 miles shorter, and yet they will pay a rate of 94½ cents a hundred more on wool than the rate from San Francisco.

Violations on wool on the Northern Pacific: The present freight rate on wool in bales by carload lots from Seattle to Boston, a distance of 3,352 miles, is $1.50 a hundred. The rate from Spokane, a distance of 2,953 miles, is $2 a hundred.

The rate on wool in bales from Fargo, N. Dak., to Boston, a distance of 1,700 miles, is $1.47½ a hundred. Although the distance from Fargo, N. Dak., is 1,652 miles less than the distance from Seattle to Boston, the rate is only 2½ cents less.

On the Great Northern the wool rate is the same as on all the transcontinental railroads, $1.50 a hundred. From Grand Forks, N. Dak., to Boston, a distance of 1,768 miles, the rate is $1.53 a hundred. The distance from Grand Forks, N. Dak., is 1,455 miles less than the distance from Seattle. Yet they are paying 3 cents a hundred more on wool than the people of Seattle.

PROPOSED VIOLATION OF THE FOURTH SECTION ASKED FOR BY THE SOUTHERN PACIFIC

On dry goods in carload lots from Chicago to San Francisco by the way of the Illinois Central, New Orleans, and Southern Pacific, a distance of 3,408 miles, the present freight rate is $1.58 per hundred. The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of $1.10 per hundred.

From Chicago to Greenville, Miss., on the Illinois Central, a distance of 747 miles, the present rate is $1.10 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people at Greenville, Miss., will pay the same rate as the people of San Francisco, although the haul will be 2,661 miles longer than to Greenville, Miss.

From Chicago to Amesville, La., a distance of 931 miles, the rate on dry goods in carload lots is $1.58 per hundred. The present rate to San Francisco is $1.58.

At the present time the people of Amesville, La., and at all points west on the Southern Pacific are paying the same freight rates on dry goods as those in San Francisco pay. If this fourth section violation is allowed to the Southern Pacific, the people of Amesville, La., will continue to pay a freight rate of $1.58 per hundred on dry goods, but the people of San Francisco will pay a rate of $1.10 a hundred for a haul that is 2,477 miles longer than the haul from Chicago to Amesville, La.

On horseshoes in car lots from Chicago to San Francisco, a distance of 3,408 miles, the present rate is $1 per hundred. The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of 75 cents per hundred.

From Chicago to Schriever, La., a distance of 976 miles, the present rate is $1 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of Schriever, La., will pay the same rate as do the people of San Francisco, although the haul will be 2,432 miles longer than to Schriever, La.

From Chicago to Sugarland, Tex., a distance of 1,208 miles, the rate on horseshoes in carload lots is $1 per hundred. The present rate to San Francisco is $1 per hundred.

At the present time the people of Sugarland, Tex., and all points west, on the Southern Pacific, are paying the same freight rate on horseshoes as is paid at San Francisco. If this fourth section violation is allowed the Southern Pacific, the people of Sugarland, Tex., will continue to pay a rate of $1 per hundred on horseshoes, but the people of San Francisco will pay a rate for a haul that is 2,200 miles longer than the haul from Chicago to Sugarland, Tex., of 75 cents.

Here are some proposed violations of the fourth section asked for by the Santa Fe Railroad: On dry goods in carload lots from Chicago to San Francisco, a distance of 2,540 miles, the present rate is $1.58 a hundred. The same application has been made

by all the transcontinental railroads. They are asking for a reduction to $1.10 a hundred.

If these violations are allowed from Quenemo, Kans., the people of that city will continue to pay $1.58 a hundred on carload lots, which is the present rate to San Francisco, but San Francisco will have $1.10 a hundred, while Quenemo will be paying $1.58, although the haul is 2,017 miles longer from this Kansas town to San Francisco than it is from Chicago to Quenemo.

On ammunition in carload lots from Chicago to San Francisco, a distance of 2,540 miles, the present rate is $1.40 a hundred. The railroads are asking for a rate of $1 a hundred.

Mr. KING. Will the Senator yield?

Mr. GOODING. I yield.

Mr. KING. The Senator has just alluded to the rate which the railroads are asking now from Chicago to San Francisco of $1.10. I presume there is no accompanying proposal that they will reduce the rates charged upon freight shipped from Chicago to intermediate points. They are going to maintain the same high levels of rates which now exist from Chicago to all intermediate points?

Mr. GOODING. Yes; that is correct.

Mr. KING. So, of course, they would build up Chicago, perhaps, and San Francisco or the port towns at the expense of all the intermediate sections.

Mr. GOODING. That is the object of it, of course, together with the idea of destroying water transportation, which is the primary object. That has been the struggle, and on the side of the railroads has been this Government, represented by the Interstate Commerce Commission, and its work has been complete.

All these violations, which cover 50 commodities, are applications, as far as freight reduction is concerned, to Pacific coast terminals. No point on this side that I am aware of gets any reduction at all. It means, of course, a destruction of our jobbing interests in the interior country. We will not be able to serve our own people in the simplest way.

Mr. KING. Has the Senator before him any of the rates showing the highest levels to any intermediate point between Chicago and San Francisco?

Mr. GOODING. The highest points?

Mr. KING. The highest level upon any of those 50 articles, if the Senator has the rates before him. If not, I do not want to interrupt the orderly arrangement of his remarks. I presume the highest rate between Chicago and San Francisco at some intermediate point would be very much in excess of the $1.10 which they are now asking as the rate from Chicago to San Francisco.

Mr. GOODING. The highest level reached at the intermediate point is the present Pacific coast rate of $1.58, which is blanketed back from the Pacific coast to Ogallala, Nebr., which is 820 miles west of Chicago.

The figures I have show that 48 per cent is the greatest reduction they are asking for. I have not all the figures in connection with this application before me at this time, however.

From Chicago to Raton, N. Mex., a distance of 1,098 miles, the rate on ammunition in carload lots is $1.40 a hundred. The present rate to San Francisco is $1.40 a hundred. If the rate is reduced, of course the people in San Francisco will have a rate of $1.10, while the people of Raton, N. Mex., will continue to pay a rate of $1.40 a hundred. The haul from Chicago to San Francisco is 1,444 miles longer than it is from Chicago to Raton.

On bolts in carload lots from Chicago to San Francisco, a distance of 2,540 miles, the present rate is $1 a hundred. The railroads are asking for a reduction to 75 cents a hundred. From Chicago to Newton, Kans., on the Santa Fe, a distance of 636 miles, the present rate is 75 cents a hundred. If this application is allowed the people of Newton will be paying the same price the people of San Francisco pay, although the haul to San Francisco is 1,904 miles longer than it is to Newton, Kans.

From Chicago to Dalles, N. Mex., a distance of 1,366 miles, the rate on bolts in carload lots is $1 a hundred. If this application is allowed the people at that point will continue to pay $1 a hundred, while the people of San Francisco will have a rate of 75 cents a hundred. At no place at any intermediate point do the railroads propose to reduce a single rate from the present rates which they have in effect.

Mr. DILL. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Idaho yield to the Senator from Washington?

Mr. GOODING. I yield.

Mr. DILL. If these rates were granted and the net revenues of the railroads were not sufficient to meet the payment of interest on the bonded indebtedness, the next application would be to increase the rates to the interior. Would not that be the natural result?

Mr. GOODING. Not at all. If the railroads would permit the Senator's great State to develop in the interior, and all the rest of the interior Western States to develop, they would have to double-track their lines to take care of their business.

Mr. DILL. I do not think the Senator understood my question.

Mr. GOODING. Yes; I understood the Senator's question. I am coming to a more direct answer to it. The controversy at the present time is over about 2 per cent or less of the business of the railroads that is now going through the Panama Canal. There is no doubt, in my judgment, that if the rates are reduced to San Francisco the railroads will not earn as much money as they are earning at the present time with the rates they have in force. That is not the object at all. The object is to do just what the transcontinental railroads have always said they would do, and that is, if possible, to make it so that pond lilies would grow in the channels of the Panama Canal. There is no question about what the railroads are fighting for—a monopoly.

Mr. DILL. But if there should be a raise in rates, necessarily, under present conditions, the application would be to raise the rates to the interior points and not to the coast or water points.

Mr. GOODING. That is what this has the effect of doing.

Mr. DILL. That is what I understood.

Mr. GOODING. It lowers the rates to the coast points. I think most of the merchants of the country take the position that they are not so much interested in what the freight rate is as that they shall not have any discrimination or that some other merchant in some other town shall not have a lower freight rate than they have. Of course, the merchant is able to pass the freight on to the consumers. The farmers are interested in lower freight rates on farm products, for he pays the freight going and coming—he is not able to pass it on. With the high freight rates which we are forced to pay over the long haul to eastern markets, agriculture in the Senator's State and mine and all the interior States of the West is not even getting a fighting chance.

The Government made two horizontal increases in freight rates. They increased the rates on all low-priced farm products with the exception of wheat and livestock. The first increase made by Director of Railroads McAdoo was 25 per cent. When the Interstate Commerce Commission made its increase from 25 per cent to 40 per cent, and 33⅓ per cent as between different zones, it did not make any distinction at all as to low-priced farm products. The result is that we have to-day low-priced farm products in the West in some cases paying 3,000 per cent higher freight rates according to its value than some of the manufactured articles of the East, for the maintenance and upkeep of the railroads.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. GOODING. I am glad to yield to the Senator from Wyoming.

Mr. KENDRICK. Can the Senator tell us, in view of this request, if permission to lower the freight rates at competing points with water transportation should be granted, whether there was any general request made by the railways a year or two ago to reduce the freight rates on farm products that could not be moved to market without such a reduction? Does the Senator recall any instance in which the railroads appealed to the Interstate Commerce Commission for permission to lower the rates in order that the farm products might be moved to market?

Mr. GOODING. I have no knowledge of any such application on the part of the railroads. I do know that President Harding tried very hard to get the Interstate Commerce Commission and the railroads, when the reduction of 10 per cent was made, to give that 10 per cent reduction to farm products and the low basic materials of the country, and that six members of the Interstate Commerce Commission refused to do it, five voting for it, and the railroads refused to give any reduction or to give the 10 per cent reduction to farm products and the basic materials that were suffering from the horizontal increase of freight rates that had been made.

Mr. KENDRICK. In fact, the Senator does not know that in many instances and in many localities in the West it was found impossible to move farm products to market because of the prohibitive rates, and a great many of the products were therefore allowed to waste because of the impossibility to market them?

Mr. GOODING. In my own State thousands of carloads of potatoes could not be moved to market.

Mr. KENDRICK. The same was true in my State.

Mr. GOODING. At times it was pretty hard, with the low prices of some kinds of livestock, to move it to market. This year my people were not able to move the finest red apples that grow in America without paying in advance the freight rates. Trains of refrigerator cars of prunes passed up the valley of the Snake River that brought back to the railroads $36,000 in freight rates, but not a penny to the prune grower. He had to guarantee the freight rates and pay any loss, and yet they would not reduce the freight rates. When agriculture was suffering, the wheat growers of the West appealed to the Interstate Commerce Commission for a reduction of freight rates, but one of the commissioners said, "Why do they want to grow wheat if they can not make a living? Why do they not grow something else?" Another one of the commissioners said, "Why don't they get off the farms if they can not make a living there?" This Government is responsible for the condition of the wheat growers and the condition of the farms, but that is the expression we get from the Interstate Commerce Commission. I am sorry to say—I am going to say it, however—that a majority of them are just mere tools for the railroad corporations. I think a thorough investigation would prove that beyond the question of a doubt.

Many of the farmers are forced to grow wheat because they can not grow anything else. They have no machinery to grow anything else. Prosperity has been destroyed. My God, they have not been able in some States to buy a mere plain coffin to bury the dead of their families, and yet the Interstate Commerce Commission, to which we appeal, says, "Why don't they grow something else or why don't they get off the farms?" when they have, without any consideration at all or any investigation, increased the freight rates 33⅓ per cent.

Now, when we talk to them about reduction of freight rates they say it will take years to bring it about.

When Mr. McAdoo was appointed director of railroads he made a horizontal increase in three days after he was appointed, of 25 per cent, but he made exception as far as wheat and livestock were concerned and provided that no increase on wheat should be more than 6 cents a hundred, and that no rate on livestock should be increased more than 7 cents a hundred. Even a schoolboy understands that low-priced farm products can not bear the increase, where the freight rate is already high, as does the manufactured article. The railroads have always given some consideration heretofore to what a product would bear to carry it to market. They have usually taken all it would bear to carry it to market, or so nearly so at least that there has not been much left for agriculture in the past. When the Government forced freight rates on the farmer that were 65 per cent of an increase, they destroyed the American farmer and destroyed his prosperity everywhere, and made it impossible for him to ship many of his products to market. All we ask in Idaho—and my State is only 350 miles from tidewater—is an opportunity to go to tidewater with our cheap farm products; but with their policy of excessive freight rates, we are forced over the long haul to the eastern market.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. GOODING. Certainly.

Mr. ASHURST. The Senator's speech is able and penetrating, and I agree with him so fully that, although I know I will mar the symmetry of his speech, I can not resist making the observation at this time that the dwellers in the city complain seriously and justly about the high prices of farm products. Now is an opportunity for the representatives of the dwellers in the cities to in some way help equalize the rates so that the farmer may bring his produce to the city at a reasonable rate.

The Senator's speech is one of the most valuable contributions he has made to the public service. I almost envy him the ability and courage he displays in making it. He is saying things that ought to have been said long ago. I hope that those who come from the large cities, where they must have every morning a fresh supply of food for their subsistence, will give consideration to this important question of at least equalizing the rates.

My State, strange, is noted not only as a metal-producing State but as an agricultural State. We have a great opportunity in the southwest to become an agricultural country, but we are paralyzed and strangled by the unjust discrimination inhering of the so-called long-and-short haul. We are anxious to sent the cantaloupe to the tables of the East. We are anxious to send other agricultural products to the East, but the long-and-short haul and its vicious and unjust discrimination makes it practically impossible to do so.

Mr. GOODING. I thank the Senator for his kind words. There have been occasions in my life when I wished that my early training or occupation might have been along different lines. When I had wanted to express myself so that I might be understood, I have sometimes wished that I might have been a lawyer, but those were only passing fancies with me. I am glad that my life has been that of a farmer and stock grower out in the great open, out in the mighty West. I do have in presenting this question a feeling so deadly in earnest that possibly if I had the early training of the Senator from Arizona and his ability I might make myself better understood.

Mr. ASHURST. I reciprocate the kind words of the Senator, but the Senator need not fear that the words will be misunderstood. They are good, plain, strong English words, and there will be no person in this country who will fail to comprehend them because they are so plain and so strong that he who runs may read.

Mr. GOODING. I thank the Senator again. I want to get back to the observation the Senator made about dwellers of the cities. None are more interested in the prosperity of the farmer and in seeing that he has reasonable freight rates than are the dwellers of the cities—the men who work for day pay—because the farmer has been the best customer of their toil. No class of people in America or any place in the world spend money more freely than do the American farmers. They want to live, to educate their children, and to have the same opportunities that the people have who follow other occupations in the country. But if the time shall ever come in this country when the farmer is driven back to the old gray mare to go to market and those who live off of the tolls of the farmer are able to honk him off of the road with their limousines, then we shall have reached the end of this civilization.

What I am fighting for are freight rates without discrimination. This is vital to the American citizen who tills the soil and who has made this country the mightiest country in all the world. He has been the pioneer of America. He has blazed the trail; he has cut away the great forests; has built our roads; has subdued the desert; has made a thousand blades of grass grow where none grew before; and has made it possible for those who followed him in after years to enjoy peace, prosperity, and happiness in the great West; but now he is confronted by an application for freight rates, which, if granted, will give his competitor 1,000 or 2,000 miles farther toward the Pacific coast cheaper transportation than he is privileged to enjoy. It is un-American; it is a crime against civilization; and there is no doubt in my mind that, properly presented, it would be decided to be unconstitutional.

I desire at this point to refer to some violations on the Northern Pacific Railroad. On dry goods in carload lots from Chicago to Seattle, a distance of 2,314 miles, the rate is $1.58 a hundred. The rates on dry goods are all $1.58 per hundred at the present time. From Chicago to Detroit, Minn., on the Northern Pacific, a distance of 613 miles, the present rate is $1.10 a hundred. If this application is allowed, the people of Detroit, Minn., will be paying $1.10 per hundred, the same as the people at Seattle, although the distance is 1,700 miles longer than it is to Detroit, Minn.

From Chicago to Steele, N. Dak., a distance of 812 miles, the rate on dry goods in carload lots is $1.58 a hundred, the same as it is to Seattle at the present time. If the application of the railroads be allowed, the people in this town of North Dakota will continue to pay $1.58 a hundred and all the people west, in North Dakota and Montana, will be paying $1.58 a hundred, while the people of Seattle will be receiving a carload lot of dry goods for $1.10 a hundred.

Mr. President, I have a number of similar illustrations, comprising but few, however, of those which might be cited. With the permission of the Senate, I ask to have them incorporated in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

PROPOSED VIOLATIONS OF THE FOURTH SECTION ASKED FOR BY THE NORTHERN PACIFIC

On soap in carloads from Chicago to Seattle, Wash., a distance of 2,314 miles, the present freight rate is $1.25 per hundred.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $1 per hundred.

From Chicago to New Salem, N. Dak., a distance of 889 miles, the present rate is $1 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of New Salem, N. Dak., will pay the same rate as the people of Seattle, although the haul will be 1,425 miles longer than to New Salem, N. Dak.

From Chicago to Sentinel Butte, N. Dak., a distance of 1,027 miles, the rate on soap in car lots is $1.25 per hundred.

The present rate to Seattle is $1.25 per hundred.

At the present time the people of Sentinel Butte, N. Dak., and all points west on the Northern Pacific are paying the same freight rate on soap as Seattle. If this fourth-section violation is allowed the Northern Pacific, the people of Sentinel Butte, N. Dak., will continue to pay a freight rate of $1.25 per hundred on soap, but the people of Seattle will pay a rate for a haul that is 1,287 miles longer than the haul from Chicago to Sentinel Butte, N. Dak., of $1.25 per hundred.

On roofing material on car lots from Chicago to Seattle, Wash., a distance of 2,314 miles, the present freight rate is $1.10 per hundred.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to Seattle of $0.90 per hundred.

From Chicago to South Heart, N. Dak., on the Northern Pacific, a distance of 996 miles, the present rate is $0.90 per hundred.

If this application is allowed by the Interstate Commerce Commission, the people of South Heart, N. Dak., will pay the same rate as the people of Seattle, although the haul will be 1,318 miles longer than to South Heart, N. Dak.

From Chicago to Beach, N. Dak., a distance of 1,036 miles, the rate on roofing material in carload lots is $1.10 per hundred.

The present rate to Seattle is $1.10 per hundred.

At the present time the people of Beach, N. Dak., and all points west on the Northern Pacific are paying the same freight rates on roofing material as Seattle. If this fourth-section violation is allowed the Northern Pacific, the people of Beach, N. Dak., will continue to pay a freight rate of $1.10 per hundred on roofing material, but the people of Seattle will pay a rate for a haul that is 1,278 miles longer than the haul from Chicago to Beach, N. Dak., of $1.10 per hundred.

FOURTH SECTION VIOLATIONS BY THE ILLINOIS CENTRAL

On dry goods from Chicago to Meridian, Miss., a distance of 712 miles, the freight rate is $1.82 per 100.

The railroads have asked the Interstate Commerce Commission to be permitted to make a rate from Chicago to New Orleans, a distance of 912 miles, on dry goods in carload lots of $1.53½ per 100.

If this application is allowed by the Interstate Commerce Commission, the people of Meridian, Miss., will have to pay for a 200-mile shorter haul than the haul from Chicago to New Orleans, a freight rate of 28½ cents more per 100 pounds.

The present rate on dry goods in carload lots from Chicago to San Francisco, a distance of 3,408 miles, is $1.58 per 100.

The present rate to Meridian, Miss., a distance of 712 miles, is $1.82 per 100.

Although the haul from Chicago to Meridian, Miss., is 2,796 miles shorter, the people of Meridian pay 34 cents per 100 more.

The railroads have asked the Interstate Commerce Commission to be permitted to make a rate of $1.10 per 100 from Chicago to San Francisco.

If the commission permits them to make a rate of $1.10 per 100, the people of Meridian, Miss., will have to pay for a haul that is 2,796 miles shorter, a freight rate of 72 cents more per 100.

PROPOSED VIOLATION OF THE FOURTH SECTION ASKED FOR BY CHICAGO, ROCK ISLAND & PACIFIC, AND SOUTHERN PACIFIC

On dry goods in carload lots from Chicago to San Francisco, a distance of 2,760 miles, the present freight rate is $1.58 per 100.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of $1.10 per 100.

From Chicago to Willard, Kans., on the Rock Island, a distance of 601 miles, the present rate is $1.10 per 100.

If this application is allowed by the Interstate Commerce Commission, the people of Willard, Kans., will pay the same rate as the people of San Francisco, although the haul will be 2,159 miles longer than to Willard, Kans.

From Chicago to Haviland, Kans., a distance of 749 miles, the rate on dry goods is $1.58 per 100.

The present rate to San Francisco is $1.58 per 100.

At the present time the people of Haviland, Kans., and all points West on the Rock Island and Southern Pacific are paying the same freight rate on dry goods as San Francisco. If this fourth section violation is allowed the Rock Island and Southern Pacific, the people of Haviland, Kans., will continue to pay a freight rate of $1.58 on dry goods, but the people of San Francisco will pay a rate for a haul that is 2,011 miles longer than the haul from Chicago to Haviland, Kans. of $1.10 per 100.

On bolts and nuts, in carload lots, from Chicago to San Francisco, a distance of 2,640 miles, the present freight rate is $1 per 100.

The railroads have asked the Interstate Commerce Commission for a rate from Chicago to San Francisco of 75 cents per 100.

The present rate from Chicago to Lebanon, Kans., on the Rock Island, a distance of 704 miles, is 75 cents per 100.

If this application is allowed by the Interstate Commerce Commission, the people of Lebanon, Kans., will pay the same rate as the people of San Francisco, although the haul will be 1,836 miles longer than to Lebanon, Kans.

From Chicago to Brewster, Kans., a distance of 868 miles (on the Rock Island) the rate on bolts and nuts in carload lots is $1 per 100.

The present rate to San Francisco is $1 per 100. At the present time the people of Brewster, Kans., and all points west on the Rock Island and Southern Pacific are paying the same freight rate on bolts and nuts as San Francisco.

If this fourth-section violation is allowed the Rock Island and Southern Pacific, the people of Brewster, Kans., will continue to pay a freight rate for a haul that is 1,772 miles longer than the haul from Chicago to Brewster, Kans., of $1 per 100.

Mr. GOODING. Mr. President, at the present time not all the transcontinental railroads are making a fight for the privilege to violate section 4 of the interstate commerce act. They have asked for it, but there has been a division among them because, after all, some of them at least understand that they are only building up coast points at the expense of the interior; that they are building up great cities which sooner or later, beyond a doubt, will ship most of their merchandise on the ocean through the Panama Canal. They are building up great cities where they will come in competition with other railroads and must divide the business. No thought or consideration has been given on the part of the railroads to the development of their own territory, over which they have a monopoly.

Mr. President, I have here a short letter from Mr. Kenney, vice president and director of traffic of the Northern Pacific Railroad, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

[W. P. KENNEY, vice president and director of traffic]

GREAT NORTHERN RAILWAY CO.,
Seattle, Wash., July 26, 1921.

(Personal.)

Mr. EDWARD CHAMBERS,
Vice President, Santa Fe System, Chicago, Ill.

MY DEAR MR. CHAMBERS: There is intense feeling regarding request of the railroads for fourth-section relief.

I have been in Spokane and around the coast. There seems to be but little interest on the coast, while in Spokane and other inland cities the merchants are up in arms because they understand the railroads will file the request for fourth-section relief, and my own opinion is that our filing this request for fourth-section relief will alienate all of the intermediate shippers, who, as Mr. McCarthy says, do not care what the rate is so long as they are on equality with their competitors.

If we are ever going to fix up rates, such as you and I discussed, to apply terminal rates at intermediate points as maximum, we should, if we can do so, avoid the necessity for filing an additional fourth-section application at this time, because our filing such application will be to signal for a general attack on our rates by the intermediate States, and I think we had better be prepared to apply every domestic rate as the maximum at intermediate points. If not and we get fourth-section relief we are going to merely build up people that will continually try to break down our rates through water competition while the intermediate jobber, who wants to be friendly and stay with us, will be less able to meet the competition from the coast.

A general attack on our intermediate rates as to their reasonableness, such as the grain rates from Montana, wool rates, livestock rates, etc., that will be precipitated by fourth-section application on our part, will lose us much more than we can gain by any relief we will secure through such application.

I have certainly reached the conclusion that if we buck the intermediate sentiment we will lose much revenue in the interior, much more than we will gain on the coast, and we will finally get an inflexible long-and-short-haul clause that will cause us a great deal of worry and trouble in the future.

Yours very truly,

W. P. KENNEY.

Mr. GOODING. Mr. President, the letter just read from the desk was secured by the Interstate Commerce Commission or its representatives in its investigation into the propaganda of commercial clubs and great cities and of the railroads themselves to force fourth-section violations upon the country. At this point I conclude my remarks.

Mr. BROOKHART obtained the floor.

Mr. BRUCE. Mr. President——

Mr. BROOKHART. Does the Senator from Maryland desire to proceed at this time?

Mr. BRUCE. I thought the Senator from Idaho [Mr. GOODING] had the floor. I had not observed that the Senator from Iowa had taken the floor.

Mr. PITTMAN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Iowa yield to the Senator from Nevada?

Mr. BROOKHART. I yield.

Mr. PITTMAN. It is apparent that there is not a quorum in the Chamber, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The roll will be called.

The roll was called, and the following Senators answered to their names:

Adams	Edge	Lodge	Sheppard
Ashurst	Fess	McKellar	Smith
Ball	Frazier	McKinley	Stanfield
Borah	Gooding	McNary	Sterling
Brandegee	Hale	Moses	Swanson
Brookhart	Harris	Neely	Trammell
Broussard	Harrison	Norris	Wadsworth
Bruce	Heflin	Oddie	Walsh, Mont.
Bursum	Johnson, Calif.	Overman	Warren
Cameron	Johnson, Minn.	Phipps	Wheeler
Capper	Jones, Wash.	Pittman	Willis
Copeland	Kendrick	Ransdell	
Dial	Keyes	Reed, Mo.	
Dill	Ladd	Robinson	

The PRESIDING OFFICER. Fifty-three Senators having answered to their names, a quorum is present.

Mr. BROOKHART. Mr. President, the proposed amendment has but one object, and that is to prevent a lower charge for a long haul than for a short haul over the same route and in the same direction. Since, under the law, rates must be compensatory, and since these low rates to points competitive with water transportation have been adjudicated to be compensatory, I assume, and shall discuss this proposition from the standpoint, that this amendment means a reduction of rates to intermediate points. It will not be of great value to the farmers unless it does mean a reduction of rates.

The first question to which I shall address myself is, who shall be benefited by this amendment, and who shall be injured, assuming that each, according to his personal interest, will be for it or against it?

I think, in the long run, when every phase of the matter is figured out and fully considered, that there will be nobody against it except those who believe in a monopoly of transportation. Perhaps there was a time when the city of St. Louis believed that the low rates put in by the railroads for the specific purpose of destroying the river traffic would be a good thing for that city. Perhaps some of them, seeing the temporary advantage, took that view; but after the river transportation was destroyed, and the boats had ceased to move, and traffic had practically ended on the river, and the rates were then raised, that sentiment changed.

I know from personal contact with the people of St. Louis recently that at this time they are entirely opposed to any scheme of rate-discrimination that will destroy river traffic; and any temporary advantage that might at one time, and did at one time, accrue to them from that policy of the railroads, is now long since past and gone.

The same argument will apply to the cities on the Atlantic seaboard. Transcontinental rates have been put in, and are proposed now to be put in, for the purpose of destroying the Panama Canal traffic in the same way that the river traffic was destroyed. There might result a temporary advantage to New York and to Norfolk and to Charleston and some of the other cities on the Atlantic seaboard, and to some extent a corresponding benefit to the Pacific seaboard cities; but as soon as the railroads have accomplished their purpose of monopoly in transcontinental traffic and have again raised the rates to those points the temporary advantage will be not only quickly lost but quickly outbalanced by the disadvantages that result from this monopoly.

I therefore assume that each Senator will consider this question in its full aspect; that each Senator will figure it out not as a temporary matter for a local result but as a permanent matter for its national result. Upon that basis I think that every city and every State should favor this equalization of railroad rates, and that every citizen should favor it, unless it be that small group of citizens that are interested in a railroad monopoly of transportation.

A recent report of the Director General of Railroads said that there were some 768,000 people in the United States who owned railroad stocks. If that be true, that is less than three-quarters of 1 per cent of our people who have any direct interest in this railroad monopoly, and many of those in that membership would be loyal to the public interest against any little benefit that might result to them personally.

With this general idea in view and upon the theory that this amendment will reduce the intermediate rates, and that it ought to reduce the intermediate rates, I shall proceed to a discussion of this question. I want to point out some of the larger facts which indicate that not only these rates but all railroad rates ought to be reduced. I want to discuss the big proposition as well as to the specific question relating to the long-and-short-haul proposition.

In the first place, I assert that the railroads can and should reduce their rates because their valuation is not now and never has been the $19,000,000,000 that has been fixed by the Interstate Commerce Commission. I want to present a theory of valuation which I think deserves the serious consideration of the Congress of the United States, especially at this time, when agricultural values have been so completely broken down.

These 768,000 people who own the railroads of the United States do not own locomotives. They do not own ties. They do not own steel rails. They do not own coaches. They do not own freight cars. They do not own terminal stations, either freight or passenger. What those people own are certificates of stock; and the only other people in the United States who have a direct interest in the ownership of railroads are the bondholders, and of course they own bonds. These certificates of stock are the property of these people, and they have a value; and I want to say, and put it of record, that the value of those stocks and bonds, the actual properties owned by these people, on any market that has ever been created in the United States, never has exceeded $12,000,000,000; it does not now exceed $12,000,000,000; and I insist that that market value of these securities is the maximum value upon which they are entitled to a return.

I have some authorities upon this question that I desire to present in the record of the Senate. I have here American Railroads of date March 13, 1922. This is a bulletin published by the authority of the Association of Railway Executives, 61 Broadway, New York. This publication, on the date I have mentioned, printed a speech of Mr. C. W. Barron before the Economic Club upon this question of railroad transportation.

Mr. Barron is the owner of the Wall Street Journal, and in that speech Mr. Barron said:

> The railroads of the United States, as you know, have been capitalized at $20,000,000,000. They could not be duplicated for $30,000,000,000. They are selling for $12,000,000,000.

Which means, and which is true, that upon the markets you could buy all the stock and all the bonds representing all the value of all the railroads in all the United States at $12,000,000,000, and the people owning those stocks and bonds would get every cent of value they had in their ownership, and more than they ever actually invested in those stocks and bonds.

In the next place, I wish to quote from Mr. Theodore H. Price, the editor of Finance and Commerce, speaking before the Retail Lumber Dealers' Association of Nebraska, at Omaha, on February 15, 1923. In discussing this question Mr. Price said:

> Taking up the capital investment first, it may not be generally known that, although the Interstate Commerce Commission has accepted a valuation of $18,900,000,000 for the railroad properties of the country, in construing the provisions of the Esch-Cummins bill the aggregate market value of all the railroad stocks and bonds outstanding is rather less than $12,000,000,000.

These statements are from as high and well-informed financial authority as we have in this country. I myself have made a partial check of this situation. I checked the values of the stocks and bonds of 35 roads, and, taking the market value and the percentage, it is my judgment, too, that this estimate of $12,000,000,000 for the total value of all these properties is high enough.

Is it an unsound theory that we should take that value as a basis of the return upon the railroads? If we do take that value, it means that $7,000,000,000 of water was legalized under the provisions of the transportation act, and that we must pay a return upon that $7,000,000,000 now of 5½ per cent.

Up jumps some financier and says, "It is unsound to take those as a basis of value." If it is unsound, it is for this reason—that it is too high—and that the stock and bond markets have been manipulated. This is the maximum value, then, that would be sound from the standpoint of the people of the United States.

Surely the owners of the railroads can not complain about the market value of their securities as a test for fixing the real valuation of the railroads. They themselves have created

that market. They buy and sell those stocks and those bonds upon the market. Therefore they have no argument and no reason for not accepting this as a sound basis of value.

At times that market has been manipulated. At times stocks have been advanced far beyond their value by speculation. Bonds have also been advanced far beyond their value, because I find that the bonds of these railroads are watered as well as stocks. While that is true, and while it would not do for us to take some particular road of which the stock values have been manipulated by speculation and use that as a test, still, as a matter of fact, it has only been a small percentage of this whole volume of stock that has been manipulated at any one time.

That small percentage does not change the grand total of twelve billion very much, and throughout the entire history of the railroads stocks and bonds have, in fact, in their market value been nearer to the actual value of the properties than any other index.

It is said that you can not use that as a test. It is said that a lot of other elements must be considered, and it is also true that the Supreme Court of the United States, in the old, original case of Smyth *v.* Ames, laid down a rule including several other elements of value. I think it might be well at this time to refresh the record with the doctrine laid down by the Supreme Court in that leading case. I will read a portion of the opinion of the court, as follows:

> It can not, therefore, be admitted that a railroad corporation maintaining a highway under the authority of the State may fix its rates with a view solely to its own interests, and ignore the rights of the public. But the rights of the public would be ignored if rates for the transportation of persons or property on a railroad are exacted without reference to the fair value of the property used for the public or the fair value of the services rendered, but in order simply that the corporation may meet operating expenses, pay the interest on its obligations, and declare a dividend to stockholders.
>
> If a railroad corporation has bonded its property for an amount that exceeds its fair value, or if its capitalization is largely fictitious, it may not impose upon the public the burden of such increased rates as may be required for the purpose of realizing profits upon such excessive valuation or fictitious capitalization; and the apparent value of the property and franchises used by the corporation, as represented by its stocks, bonds, and obligations, is not alone to be considered when determining the rates that may be reasonably charged. What was said in Covington & L. Turnpike Co. *v.* Sandford, 164 U. S. 578, 596, 597 (41: 560, 566, 567), is pertinent to the question under consideration. It was there observed:
>
> "It can not be said that a corporation is entitled, as of right, and without reference to the interests of the public, to realize a given per cent upon its capital stock. When the question arises whether the legislature has exceeded its constitutional power in prescribing rates to be charged by a corporation controlling a public highway, stockholders are not the only persons whose rights or interests are to be considered. The rights of the public are not to be ignored. It is alleged here that the rates prescribed are unreasonable and unjust to the company and its stockholders. But that involves an inquiry as to what is reasonable and just for the public. * * * The public can not properly be subjected to unreasonable rates in order simply that stockholders may earn dividends. The legislature has the authority, in every case where its power has not been restrained by contract, to proceed upon the ground that the public may not rightfully be required to submit to unreasonable executions for the use of a public highway established and maintained under legislative authority."

There is much more general discussion to the same effect, but I will find a part of the opinion, if I may, which points out the specific things which are considered in making up a reasonable rate. I read:

> We hold, however, that the basis of all calculations as to the reasonableness of rates to be charged by a corporation maintaining a highway under legislative sanction must be the fair value of the property being used by it for the convenience of the public. And, in order to ascertain that value, the original cost of construction, the amount expended in permanent improvements, the amount and market value of its bonds and stock, the present as compared with the original cost of construction, the probable earning capacity of the property under particular rates prescribed by statute, and the sum required to meet operating expenses, are all matters for consideration, and are to be given such weight as may be just and right in each case. (U. S. Supreme Court Repts., 167–170, Smyth *v.* Ames, marginal pp. 545, 546, 547.)

Those are the specific elements of the reasonable rate as it must be considered and established by the Interstate Commerce Commission when it is regulating rates for railroads operated by private corporations.

In that method of establishing rates is included the value of the stocks and bonds. However, that is only one of the elements, and these other elements are considered in determining this rate.

Now, however, there is a different theory or policy which I desire to present in connection with this question of valuation. If this valuation can be reduced by $7,000,000,000 legally and rightfully, it is easy to see that not only these intermediate rates but the whole rate structure can be reduced, and this is the proposition.

I think everybody who has studied the railroad question has reached this conclusion, that there must be a combination of these roads into systems, which will end a large part of the competition, especially of the petty competition, which exists at this time. Personally I do not believe in the theory of competition in transportation at all. I believe it is vicious and always works to the disadvantage of the public.

If it be true that these roads should be combined into systems, then the Congress has the right to combine them by condemnation of the stocks and the bonds. If the Interstate Commerce Commission, in fixing this $18,900,000,000 value, has correctly interpreted the law as laid down in Smyth against Ames, then we have two ways of doing it—one by accepting a value of that kind, the other by proceeding directly against the value of the stocks and the bonds.

We do not need to proceed against the bonds; they can be paid when they become due, and there is no necessity of their condemnation; but if we proceed against the stocks, we will take them at their fair market value, which will reduce the whole value of these roads to less than $12,000,000,000. Every owner of stocks in the United States would get every dollar that his property is worth.

I have seen the railroads come through my State. I have seen them take farms for use in railroad construction. They took those farms at their fair market value, and that was all there was to it. The same rule should apply when we must unite the roads into systems to bring about further economy in the transportation system of the people of the United States. If we follow that rule, then we could adopt the amendment and could reduce all the intermediate rates until they fall below the terminal rates which have been established by the exceptions under the law.

I desire to place in the RECORD the holding of the Supreme Court upon the question of the right to condemn stocks and bonds. That has been decided without dissent by a unanimous decision of the Supreme Court. The case is reported in Two hundred and third United States Supreme Court Reports, at page 231, Charles K. Offield, plaintiff in error, *v.* New York, New Haven & Hartford Railroad Co., defendant in error. I shall not take the time to read the opinion, although it is not long. It is by Mr. Justice McKenna. I will read only the latter part of it, as follows:

> (1) The power of the State to declare uses of property to be public has lately been decided in Clark *v.* Nash (198 U. S. 361; 49 L. ed. 1085; 25 Sup. Ct. Rep. 676) and in the case of Strickley *v.* Highland Boy Gold Mining Co. (200 U. S. 527; 50 L. ed. 581; 26 Sup. Ct. Rep. 301). These cases exhibit more striking examples of the power of a State than the case at bar. In the first case the statute of the State permitted an individual to enlarge the ditch of another to obtain water for his own land; in the second case the statute authorized the condemnation of a right of way to transport ore from a mine to a railroad station. In the first case it was said that the public policy of the State, declaring the character of use of property, depends upon the facts surrounding the subject. In the second case it was said, commenting on the first, "it proved that there might be exceptional times and places in which the very foundations of public welfare could not be laid without requiring concessions from individuals to each other upon due compensation, which, under other circumstances, would be left wholly to voluntary consent."
>
> The case at bar does not need the support of such broad principles. The ultimate purpose of defendant in error in the case at bar is the improvement of the New Haven & Derby Railroad, which "connects (we quote from the opinion of the supreme court of errors, 77 Conn. 419, 59 Atl. 511) at New Haven on the east with four, and at its western terminals with two, important railroad lines owned by the plaintiff (defendant in error) and forms a link in an all-rail route between Boston and the West, which is the only one controlled by the plaintiff, and the only one of any kind controlled by it over which goods can be transported with assured dispatch in all weathers and at all seasons." In this purpose the public has an interest, and to accomplish it the court applied the statute. The court observed: "To

develop this route so as best to serve the public interest requires the laying of additional tracks on the New Haven & Derby Railroad and other extensive and very costly improvements. The lessor company has neither means nor credit whereby this can be effected on advantageous terms. The plaintiff could and will effect it, and at much less cost, if it can acquire the two outstanding shares of the stock of the lessee. They are owned by the defendant, who refuses to agree on terms of purchase."

(2) The contract which it is contended was impaired is the lease of the New Haven & Derby Railroad by defendant in error. The lease is for a period of 99 years from July 1, 1892, at a rental of 4 per cent per annum upon the capital stock, together with the payment of taxes, assessments, and interest upon the funded debt. Associated with this contention there is another, more general, to the effect that the statute impairs the contract rights of plaintiff in error as a stockholder of the New Haven & Derby Railroad Co. We do not find it necessary to give precise and separate discussion to these contentions. They seem to us to be but parts or incidents of the contention that the stock is sought for a private use. If they are not incidents of that, they are answered and opposed by the case of Long Island Water Supply Co. v. Brooklyn (166 U. S. 685, 41 L. ed. 1165, 17 Sup. Ct. Rep. 718). Whatever value the lease gives the shares of stock will be represented in their appraisement.

Therefore, the court not only holds for the power of condemning stocks, but leases or any other form of contract that would interfere with the public interest in this kind of a case. Under that situation the Congress of the United States is now at this point. Shall we consolidate the railroads into systems under a valuation that will place them at about $20,000,000,000, thereby taking into that value all sorts of theories, estimates, and calculations which are not based upon actual investment or upon facts, but based upon the opinions of experts who have opinions without limit; or shall we base that value upon the stocks owned by 768,000 people in the United States and pay them directly what their stocks are worth? If we do that thing, we squeeze $7,000,000,000 of water out of the valuation, and we end the return that must be paid forever upon that valuation. By doing that we would be able not only to adopt this amendment and to reduce the intermediate rates that are higher than the rates in competition with water transportation, but we would be able to reduce the whole rate structure of the United States. We would do no damage and no wrong to any owner of any interest or any right in any railroad whatsoever. We would do exactly what we have done in every condemnation proceeding in all the States and in all the United States for that matter.

The next proposition I desire to discuss is this: If the value be established at $12,000,000,000, what is a reasonable return upon it? I assert that 5¾ per cent is an unreasonable return. It is unreasonably high, and I have some facts and a theory which I desire to present to the Senate which would reduce that return under any fair conditions to something like 3½ or 4 per cent. I base my theory upon the average increase of wealth in the United States, as a result of all labor in the United States, as a result of all earnings of capital in the United States, and as a result of all unearned increment in the United States added together.

The percentage that would represent all of those things would be the maximum that any stabilized capital ought to earn. It is more than the maximum that any stabilized capital should earn, because capital is not entitled to all that the people of the United States can produce. There should be some sort of division when we come to figure the total earnings. I think the theories of figuring out a reasonable return have been based upon the unreasonable returns that have been taken by the power of monopoly in institutions like the Steel Trust and the Oil Trust and the Henry Ford trust and those great combinations that have ruled the matter of profits in our country.

On this question I desire to present to the Senate a recent bulletin of the Department of Commerce, which gives the values of all property in the United States for the years 1912 and 1922. It also goes back to the years 1904, 1900, and previous years. In 1912 the total value of all property in the United States was $186,209,664,000. From those figures, in the next 10 years the value increased to $320,803,862,000. I took the first figures and figured them at 5 per cent, compounding or adding in the interest at the end of each year, because the 5 per cent, if that be the rate, would be added each year. When I got through I found that 5 per cent almost represented the entire advance. A slight fraction over 5 per cent is all the wealth increase that all the people and all the capital and all the property advance in the United States are able to produce in a period of 10 years.

Mr. NORRIS. Mr. President, will the Senato[illegible] 10-year period again? I have forgotten the date.

Mr. BROOKHART. From 1912 to 1922. If [illegible] to figure other periods, I will give the figures for [illegible] because the rate does not change very materially o[illegible] the periods. The figures for 1904 are $107,104,194,000 and for 1900 the figures are $88,517,307,000.

Mr. NORRIS. That is a period of only four years.

Mr. BROOKHART. Yes; but it only figures between 5 and 6 per cent anywhere along the line, as I recollect it.

This is a great economic fact that has received but little consideration in framing the laws that should govern our economic institutions in the United States. Profits are allowed to run wild, and the profits that go highest and wildest are those that are controlled by business that is the most stable. Stable business certainly has no right to a profit above the average earnings of all the people and of all properties. There may be some other lines of business that are a greater risk that would be entitled to some consideration upon that theory, but the whole proposition is that all of the earnings of the people are entitled to more weight in figuring up a reasonable return than is any other consideration.

Mr. NORRIS. Mr. President, may I ask the Senator from Iowa a question?

Mr. BROOKHART. Yes.

Mr. NORRIS. In the totals which he is stating, does he include the so-called "unearned increment"?

Mr. BROOKHART. Absolutely; and that ought not to be included in a railroad valuation. I will discuss that in a moment.

Furthermore, while these figures show only a 5 per cent increase in property in all the United States year by year, here is the comment of the Secretary of Commerce upon these figures:

> It should be borne in mind that the increases in money value are, to a large extent, due to the rise in prices which has taken place in recent years, and so far as that is the case they do not represent corresponding increases in the quantity of wealth.

Therefore, the actual wealth or property increases have probably been much less than the 5 per cent which is figured out in this case.

Under that situation, what is a fair return upon a railroad property, which is one of the best stabilized properties now in the United States under the present transportation act? It is stabilized by a command in the law directing the Interstate Commerce Commission to levy rates upon the people of the United States high enough to yield the railroads a return of 5¾ per cent on their adjudged value. Five and three-fourths per cent is an unreasonable return upon their property. There are $10,000,000,000 of bonds now in that valuation that are only yielding about 4½ per cent; and nobody has ever explained to me or given to me a reason why there should be an extra return of $150,000,000, a bonus, as it were, upon that bonded portion of this capital.

What about the "unearned increment"? Should it be added to railroad valuation in any case? It is said that a farmer has a right to the advance in the value of his farm, and, therefore, it is asked, why should not a railroad have the right to the advance in the value of its property; but is that a fair comparison? What is the difference in the comparison? The farmer has no law and no board that fixes prices for his products high enough so that he can collect operating expenses, all taxes, and all depreciation, and then have a return of 5¾ per cent in addition upon the full value of his farm, and 50 per cent of water added.

There is no such law surrounding any business except the business of the public utility, but the public utility has that law, as decided in the Smyth-Ames case, which I have just read. Even before the enactment of the transportation act the public utility had the right under the common law and under the Constitution to a reasonable return, which was, in effect, a guaranteed return. It had the right to levy rates high enough to yield such a return and to compel the public to pay those rates. Since the farmer and other business have no such law and no such right, there is a different situation as to "unearned increment" presented when it relates to public utilities and when it relates to private business.

I maintain that the public utility has no right to a law that will give it a guaranteed return; then, in addition, charge up and add to its capitalization a speculative increase in the value of its property; and then charge the public which created that increase rates high enough to get a return upon that speculative value. So far as railroads are concerned, there is no jus-

[illegible] capitalization of "unearned increment." Perhaps [illegible] correct what has happened in the past, though to [illegible] we can by the condemnation of the stocks and [illegible] two or three billion dollars' worth of those stocks [illegible] would have no value in them at all to-day had not the "unearned increment" in the real-estate values grown up under them and given them a value.

Some say if this method of condemning the stocks and bonds were adopted it would mean Government ownership of the railroads. What if it did? Government operation during the war was a good deal cheaper than the operation which followed after the railroads were turned back. The McAdoo management of the railroads, which I have always condemned, was nearly a billion and a half dollars cheaper than the private management which immediately followed it. I desire to put the figures in the RECORD at this point. I quote from Statistics of Railways for the year 1919, which was the last year of Government operation of the railroads and within two months of the end of Government operation. I find on page 50 of that report that the total operating expense of all three classes of roads for that year was $4,569,029,750. Two months later the roads were turned back to the so-called efficient private ownership, and for the next 10 months of that year they were operated under private ownership. What happened to the operating expenses in that time? Did they decrease under the efficiency of private ownership? Did it cost the people of the United States less to operate the roads? Here we have a comparison for two years, the best two years for the purpose of comparison in the history of the railroads, for during those two years traffic and other conditions were more nearly equal than in almost any other two years that can be mentioned. How much were the operating expenses reduced under the so-called efficiency of private management? Here are the figures. The Statistics of Railways for the year 1920, to December 31 of that year, on page 43, show that the total operating expenses for that year were $6,054,933,684. Senators can subtract those two amounts for themselves and see that, instead of the operating expenses decreasing under this efficient private management, they increased $1,485,000,000.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. BROOKHART. Yes.

Mr. NORRIS. I was called out of the Chamber for a moment and I lost to some extent the connection, but, as I gather, the last figures the Senator has quoted represent the operating expenses under private management for only 10 months?

Mr. BROOKHART. Yes; for only 10 months.

Mr. NORRIS. While the other figures the Senator read just previously as to operation under Government control represented 10 or 12 months?

Mr. BROOKHART. Twelve months. The figures I have given were for the whole 12 months in each case, but 2 months of the 12 in the last figures were under Government operation, being the months of January and February. If the roads had been in private management throughout the whole period of the 12 months the showing would have been worse.

During 6 months of those 10 there was a Government guaranty, which was paid out of the Treasury of the United States. The law guaranteed the roads this return during that time. I asked the Interstate Commerce Commission for a statement of how much was paid out to make up these expenses, and I have the statement here, dated May 12, 1924. The total is $505,857,512.70, and it is estimated that the balance due under the section is $30,142,487.30. Those two items added together make exactly $536,000,000, representing funds paid to the railroads by the Government of the United States. Yet when the Agricultural Committee tries to obtain a little appropriation of $200,000,000 to assist agriculture in its present distressed condition, those who advocate that plan are denounced as an outfit of socialists and anarchists and bolshevists. No one denounced in those terms the men who advocated taking $536,000,000 out of the Treasury of the United States to guarantee to the railroads a return of 6 per cent upon a fictitious valuation, $7,000,000,000 of which was watered.

That is not all the Government has done for the railroads. While we are upon the question of paternalism I wish to point out that paternalism and socialism and anarchism and all the other isms which the representatives of the farmers and the common people are accused of advocating are very reasonable things when they are advocated by a lot of Wall Street anarchists.

In addition to the cash amount paid to the railroads under the law the Interstate Commerce Commission was authorized to take out of the Treasury $350,000,657 of loans to the railroads. These gigantic amounts of Government aid have been granted to the railroads at different times, although their total real valuation is only $12,000,000,000. In addition to that there is held uncertified nearly $100,000,000 more for the purpose of such loans. The secretary of the commission gives me the figures as $97,335,425.

Mr. NORRIS. What is that item, I should like to ask the Senator? I wish he would explain that item.

Mr. BROOKHART. That is loans under the revolving fund. It is headed:

The following statement shows, as of April 30, the status of the revolving fund of $300,000,000 created by section 210 of the transportation act.

So right now we have that system of paternalism in operation to take care of the railroads and to protect the profits of the owners of railroad stocks—not only three-quarters of 1 per cent above the average earnings of all the people of the United States and of all the property of the country, but upon a valuation that is $7,000,000,000 or $8,000,000,000 higher than you could purchase the property for right now in the markets of the United States.

That is not quite all that we have done under our system for transportation in our history. I want to mention at least one other matter of paternalism that has been done by the Government for the railroads of the United States, and that is the land grants to the railroads.

I notice that this document went out of print suddenly. I had a hard time to find it, but I finally got a copy of it. It was printed first in 1915. It is entitled:

Statement showing land grants made by Congress to aid in the construction of railroads, wagon roads, and so forth, together with data relative thereto.

It was prepared by the Department of the Interior, by A. A. JONES, First Assistant Secretary.

Mr. WARREN. That is the senior Senator from New Mexico.

Mr. BROOKHART. Our Senator JONES?

Mr. NORRIS. Yes; that is our Senator JONES.

Mr. BROOKHART. Then there is not any doubt but that it is right.

Mr. NORRIS. At least, nobody here would dare dispute it.

Mr. BROOKHART. No.

Then what do we find? We find that there has been given to the railroads in land grants 158,293,376.84 acres. That is more than 4½ times the size of the State of Iowa; and one-fifth of the State of Iowa was given away in those grants.

The present value of that land is far more than the total value of all the railroads in the United States, and at the value at which they held it then it was more than the amount of money that they put into the railroads of the United States.

I was up in New York not long ago. I was talking to a crowd of those financiers who juggle the railroads for their own private profit, and after I had finished talking there was a series of questions. One of those chaps stood up and said to me: "You are unfair to the railroads." He said: "I was out in your State when land was worth $5 an acre."

Mr. WARREN. I was there when it was worth $2.50 an acre.

Mr. BROOKHART. He said: "We built a railroad along beside that land, and it became worth $150 an acre." Then I said to him, "Yes; Iowa is the best agricultural spot in this big, round world. It produces one-tenth of all the foodstuffs in all the United States. There is not another spot of ground on this earth as large as Iowa, as near square as Iowa, with as little waste land and as rich soil and as great production as the State of Iowa; and we gave one-fifth of that princely domain to the railroads. Not only that, but we voted taxes upon towns and upon townships, and we voted bonds on counties, and we built those roads, and after we built them you owned them back here in New York."

In spite of all that the Government and the people of the United States have done for transportation——

Mr. NORRIS. Mr. President, may I interrupt the Senator before he leaves the subject of giving lands to the railroads?

Mr. BROOKHART. I yield.

Mr. NORRIS. Does this document to which the Senator has referred give the number of acres by States and localities?

Mr. BROOKHART. It does by railroads and in detail as the grants are made.

Mr. NORRIS. I do not want to interfere with the outline of the Senator's remarks, but I think it would be interesting if he would give us some of those details. For instance, how much land was given to the Union Pacific, and how much of that was in the State of Nebraska, and how much in Colorado?

Mr. BROOKHART. I doubt whether it is divided by States, because the grants, I think, were not made by States.

As to the main line of the Union Pacific, I find this:

STATEMENT SHOWING LAND GRANTS MADE BY CONGRESS TO AID IN THE CONSTRUCTION OF RAILROADS, WAGON ROADS, CANALS, AND INTERNAL IMPROVEMENTS, TOGETHER WITH DATA RELATIVE THERETO, COMPILED FROM THE RECORDS OF THE GENERAL LAND OFFICE.

Chronological No. 41:

Date of grant.—July 1, 1862 (12 Stat. p. 489).

Route of road.—From a point on the one hundredth meridian of longitude west from Greenwich, between the south margin of the valley of the Republican River and the north margin of the valley of the Platte River, in the Territory of Nebraska, to the western boundary of Nevada Territory; also from a point on western boundary of Iowa to the one hundredth meridian aforesaid.

Extent of grant in place.—Odd sections within 10 miles on each side of road.

Extent of indemnity limits.—No indemnity.

Grantee.—Union Pacific Railroad Co.

Subdivisions of grant and present owners.—No subdivision. Union Pacific Railroad Co.

Additional legislation affecting but not increasing grant—

July 3, 1886 (14 Stat. p. 79). Authorized company to locate and construct its road from Omaha westward by the best and most practicable route without reference to the initial point on the one hundredth meridian previously provided by law.

July 26, 1866 (14 Stat. p. 367). Grants right of way through military reservation and authorizes the President to set apart lands for depot purposes.

April 10, 1869 (16 Stat. p. 56). Provides for the protection of the interests of the United States in the Union Pacific Railroad Co. for a common terminus of the Union Pacific and Central Pacific roads at or near Ogden.

May 6, 1870 (16 Stat. p. 21). Fixes the point of junction of the Union Pacific and Central Pacific Railroad Cos.

June 20, 1874 (18 Stat. p. 111). Amends section 15, act of July 2, 1864, and provides for a penalty for a refusal of the company or any officer or agent thereof to use and operate the Pacific railroads as a continuous line and a mode of enforcing said penalty.

May 7, 1878 (20 Stat. p. 56). Provides for a sinking fund, etc.

June 24, 1912 (37 Stat. p. 138). Legalizing conveyances of rights of way.

Date of definite location—

First 100 miles west of Omaha, October 24, 1864. Date of withdrawal: December 16, 1863; December 22, 1863; December 16, 1864; and December 19, 1864.

First 100 miles west of Omaha, November 4, 1864.

One hundred miles west of Omaha to Sale Lake, June 25, 1865. Date of withdrawal: December 18, 1867, and December 28, 1867.

Second 100 miles west of Omaha, January 19, 1866. Date of withdrawal: February 6, 1866.

Second 100 miles west of Omaha, June 29, 1866. Date of withdrawal: August 21, 1866.

Third 100 miles west of Omaha, July 23, 1866. Date of withdrawal: None.

Third 100 miles west of Omaha, March 30, 1867. Date of withdrawal: June 26, 1867, and April 21, 1871.

Fourth 100 miles west of Omaha, March 14, 1867. Date of withdrawal: June 26, 1867.

Fourth 100 miles west of Omaha, January 6, 1868. Date of withdrawal: November 6, 1869; December 21, 1870; April 21, 1871; and November 8, 1873.

Fifth 100 miles west of Omaha, January 6, 1868. Date of withdrawal: November 6, 1869; December 21, 1870; November 8, 1873; August 9, 1870; April 17, 1871; and May 11, 1872.

Sixth 100 miles west of Omaha, January 6, 1868. Date of withdrawal: November 6, 1879; November 8, 1873; August 9, 1870; April 17, 1871; and May 11, 1872.

Seventh 100 miles west of Omaha, July 2, 1868. Date of withdrawal: August 9, 1870, and April 17, 1871.

Eighth 100 miles west of Omaha, October 21, 1868. Date of withdrawal: August 9, 1870, and April 17, 1871.

Ninth 100 miles west of Omaha, October 21, 1868. Date of withdrawal: August 9, 1870, and April 17, 1871.

Tenth 100 miles west of Omaha, April 28, 1869. Date of withdrawal: August 9, 1870; April 17, 1871; May 15, 1869; April 6, 1870; April 22, 1872; and October 16, 1873.

Eleventh 100 miles west of Omaha, April 28, 1869. Date of withdrawal: August 9, 1870; April 17, 1871; May 15, 1869; April 6, 1870; April 22, 1872; and October 16, 1873.

Date of restoration of indemnity lands—No right of indemnity.

Condition of grant—Not adjusted.

Estimated area of grant, in acres—12,119,671.63.

Number of acres certified or patented to June 30, 1914—11,933,776.09.

Length of road, in miles—1,038.68.

Miles of road completed within time prescribed—1,038.68.

Miles of road completed after time prescribed—None.

Miles of road uncompleted at date entire road should have been completed—None.

Miles of road uncompleted September 29, 1890—None.

Remarks—Extends from the Missouri River at Omaha, Nebr., to a junction with the Central Pacific Railroad in the northwest quarter of northeast quarter section 1, township 6 north, range 2 west, Utah, 5.11 miles north of the town of Ogden. See act of May 6, 1870. The Central Pacific Railroad Co., however, leases and operates the road between the point of junction and Ogden, 5.11 miles, the running connections being made at the latter point. Company received bonds for 1,038.68 miles.

Chronological No. 41a:

Date of grant—July 2, 1864 (13 Stat. p. 356).

Route of road—From a point on the one hundredth meridian of longitude west from Greenwich, between the south margin of the valley of the Republican River and the north margin of the valley of the Platte River, in the Territory of Nebraska, to the western boundary of Nevada Territory; also from a point on western boundary of Iowa to the one hundredth meridian aforesaid.

Extent of grant in place—Odd sections within 20 miles on each side of road.

Extent of indemnity limits—No indemnity.

Grantee—Union Pacific Railroad Co.

And here is the total:

Estimated area of grant in acres, 12,119,671.63.

Number of acres certified or patented to June 30, 1914, 11,993,776.09.

I will say to the Senator that I have some recent information, which I have not yet checked; that the Union Pacific now owns, as a result of that grant, lands and natural resources that are worth more than its road, and is carrying them on its books at the original valuation to avoid taxation.

Mr. President, I think there has been no economic policy in the history of the world that has gone so far from the rights of the people as our economic policy with reference to transportation. It has been said that this system gave us railroads speedily, and a speedy development of the country. I deny that conclusion. I want to say that this system has retarded the development of the country just exactly as the cost-plus contracts retarded the building of the cantonments during the war. If we had gone about this matter in a proper way and handled it in the interest of the public, instead of turning it over into the hands of a few great financiers who were reaching out for their own personal profit, the results would have been speedy, and they would have been much better for the development of the whole country, and in addition this discrimination in rates, at which the amendment under consideration strikes, never would have been developed.

It has been said that this system of building our railroads gave us lower rates. I have read in newspapers hundreds of times that American freight rates were the lowest in the world.

I want to place the statement in the RECORD, and I stand ready to demonstrate it beyond possible denial that American freight rates have been the highest in the world for the same service.

A freight rate is made up of two elements. One is the terminal expense of loading and unloading. The other is the movement. In the United States that is divided about half and half. The terminal expense costs about as much as does the movement on the road. The average haul in the United States, as I find from consulting the 1921 table, was 304 miles. That is the longest average haul in the world, unless it be in Canada. Taking that longer haul and comparing it with the shorter hauls of other countries, they were able to get a per-ton-mile rate for the United States that was lower than in other countries. The average haul in Germany before the war was 68 miles, so that there was nearly five times as much terminal in the German haul as there was in the American haul, and yet by comparing them as though the service were the same they reached the conclusion that the American rate of about three-quarters of a cent per ton-mile was lower than the German rate of one and a quarter cents per ton-mile. Then I took their rules for figuring terminal expenses, and I figured out the terminal expense per ton in the United States, and I found that the terminal expense alone was more than the whole German rate, terminal move-

ment and all. So that under this sort of a juggling of figures we have proceeded under the theory that we have the best service and the best rates, when in fact we have no such thing. We were charged the highest rate, and in comparison our service was not equal, when the propositions were properly compared.

Most of this does not bear directly on the proposition in issue before the Senate at this time, but indirectly it has an important bearing, because we have reached the time when we must consider all of these questions with reference to the whole economic problem, and when we consider it in that way we must have all of the big facts upon which this economic situation is justly based. We must take into consideration the relative situation of agriculture and of other business and of transportation.

Agriculture is the greatest business in the United States. The property value of agriculture, under the 1920 census, was over $78,000,000,000. Since then the deflation has reduced it. It has gone down perhaps to $60,000,000,000, but while agriculture has been deflated the artificial value put upon the railroads continues. It has not been deflated one cent, and the added investments have been added to it, so that the present value exceeds the value at first fixed by the Interstate Commerce Commission.

The railroads have been sustained by this paternalistic law, which maintains their value for them whether times are good or bad. The value of the Steel Trust properties and of the Oil Trust properties have been maintained because the Government of the United States, through a paternalistic tariff, has permitted them to establish prices for their products which maintain their profits regardless of what may be the condition of agriculture or of other lines of business.

Mr. WADSWORTH. Is there a tariff on petroleum?

Mr. BROOKHART. I could not answer the Senator's question.

Mr. WADSWORTH. My attention was directed to the assertion of the Senator that the oil companies' values are sustained by a tariff.

Mr. NORRIS. The Steel Trust, he said.

Mr. WADSWORTH. The Senator referred to the oil companies.

Mr. BROOKHART. I may have included the oil companies, and there may be some tariff on some of the oil products. I think there is.

Mr. WADSWORTH. If so, I would like to have my attention called to it.

Mr. BROOKHART. At any rate, I know in some instances the combinations may not need a tariff. The situation as to location and everything else may be such that they can organize their combinations and levy their profits upon the people of the United States regardless of whether they are right or wrong.

Mr. FESS. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Iowa yield to the Senator from Ohio?

Mr. BROOKHART. I yield.

Mr. FESS. Does not the tariff apply to farmers just as it does to the others?

Mr. BROOKHART. No; it does not apply to farmers, because the situation is different. The farmer is not enabled by the tariff to fix his price at Pittsburgh, plus freight, as the Steel Trust does, and he never has been able to.

Mr. FESS. How does the manufacturer fix his price through the tariff in any different way from what the farmer can fix his price with the same tariff in operation?

Mr. BROOKHART. Is the Senator familiar with the Steel Trust cost-plus system of fixing prices at Pittsburgh?

Mr. FESS. No; the Senator is not.

Mr. BROOKHART. I will tell him about it, then. When the Steel Trust wants to fix the price, it figures up what it will charge at Pittsburgh. It does not ask anybody what the price is in Liverpool, or in London, or in Hamburg, or any place else. It figures it out at Pittsburgh. For 15 years before the war the Steel Trust put a price on steel rails at $28 a ton. There was an $8 tariff on rails. If you bought rails at Gary, Ind., or Pueblo, Colo., or anywhere else, they added the freight from Pittsburgh to the point where those rails were made, although the rails were not shipped from Pittsburgh at all.

Mr. FESS. Will the Senator yield?

Mr. BROOKHART. That is the Pittsburgh plus theory. I yield.

Mr. FESS. What do the independent steel manufacturers do, those who handle a little more than 50 per cent of the steel production of the United States?

Mr. BROOKHART. They trail right along after the trust, and if they did not, they would be smashed. They do not dare do otherwise.

Mr. FESS. In other words, one fixes the price for all?

Mr. BROOKHART. Practically so. That is the practical result. I checked up those prices for five years on rails—and those rails are paid for largely by farmers in freight rates—and at the time I priced steel rails in Canada, at Winnipeg, they paid more than a thousand miles of freight and sold the rails at $20 a ton in Winnipeg. I checked the prices in Europe, and found that the manufacturers paid the freight across the ocean and sold the rails at $20 a ton.

Mr. NORRIS. May I interrupt the Senator there?

Mr. BROOKHART. Certainly.

Mr. NORRIS. The Pittsburgh plus system does not apply merely to rails. It applies to all steel products.

Mr. BROOKHART. That is true.

Mr. NORRIS. And that same system applies to building material. Just to illustrate, let us say that a manufacturer in Chicago sells rails to a builder in Omaha; the price of those rails includes the freight charge from Pittsburgh to Chicago, although as a matter of fact, they never saw Pittsburgh and never were east of Chicago. There is no question about that. It is a question as to which the Federal Trade Commission made complaint against the steel people, and issued an order against them, stating that it was an unfair practice. That is in court now, under an injunction pending against the Federal Trade Commission, to prohibit them with going on with the case.

Mr. BROOKHART. The tariff enabled them to do that. Without the tariff they could not have done that with steel.

Colonel Rumsey, of St. Louis, Mo., who is heavily interested in mining, told me that he bought his steel supplies for his mines in Mexico for prices 20 per cent lower, on an average, than he bought them in the United States, buying them from the same company.

Mr. FESS. Will the Senator yield there?

Mr. BROOKHART. I yield.

Mr. FESS. Was that steel of the same style, or of a different style, which is sold at a cheaper rate in the foreign market?

Mr. BROOKHART. It was the same thing in every respect.

Mr. NORRIS. It might have been a different style, but it was sold by the ton. If it was a lighter rail it did not cost so much, of course, but it was sold by the ton.

Mr. FESS. It is a very common thing for American manufacturers to sell a style abroad that is different from what we use here. For example, the locomotives that were supplied to Russia by our country were not the same locomotives we use here, and therefore they could be sold at lower prices.

Mr. BROOKHART. But the steel bars which Colonel Rumsey bought for his mines were the same as those he bought in this country, and described them to me as exactly the same articles. He said all kinds of such articles cost him in Mexico an average of 20 per cent less.

The farmer has no rights under the tariff. He has no possibility of doing those things. His price is fixed at Liverpool by the markets of the world; and I want to say right now that the protective system is on trial. I say that the farmers of the United States are going to have some arrangement so that their prices will be fixed at cost of production plus a reasonable profit, or something will happen to the tariff system in the United States.

Mr. FESS. Mr. President, does not the Senator believe that the price of a farm product, the same as the price of any other product is determined, not by the fixing of a price, but by the demand and the ability to meet the demand?

Mr. BROOKHART. I do not believe demand has anything to do with any protected industry's price in the United States, I believe it is fixed by the tariff and by combinations behind the tariff.

Mr. FESS. Then why does it not apply to the farmer?

Mr. BROOKHART. Because the farmer's price is fixed by the surplus which he must sell abroad.

Mr. FESS. Why is the manufacturer's price not fixed by the surplus?

Mr. BROOKHART. Because they do not care. The surplus is a small amount, and they have control of it. Our surplus is not under our control. It is under the control of certain trusts and exporters.

Mr. FESS. I fear the Senator's view is going to increase the surplus, and his remedy is going to be worse than the disease.

Mr. BROOKHART. There is always some economic theory by which you try to get around doing anything for the farmer if you can; but you are not going to get around it this year

and get away with it. Something is going to happen unless they get, not a promise of relief, but a law which will relieve the farmers in this situation.

Mr. FESS. I fear that if the Senator has his way something will happen to the farmers.

Mr. BROOKHART. Something has happened to them under the Senator's way of doing business down here, and that is bankruptcy. That is what the Senator's system has done for them.

Mr. FESS. Is the decrease in the production of wheat from 9 bushels per acre to 6 bushels per acre in the Northwest due to the tariff, or due to the Government, or due to anything we do here?

Mr. BROOKHART. It is due to several different things. It has nothing to do with the point we are discussing.

Mr. FESS. I think it has very much to do with it. We are talking about inadequate freight rates.

Mr. BROOKHART. The Senator is in favor of the protective tariff for industrial enterprises in the United States, is he not?

Mr. FESS. I am in favor of the protective tariff to the degree of making up the difference in the cost of labor here and in the country with which we compete.

Mr. BROOKHART. The Senator always puts it on the basis of labor, and takes it on the basis of profit. Is that right?

Mr. FESS. The profit goes to labor; certainly.

Mr. BROOKHART. The profit as I figure it out does not go to labor.

Mr. FESS. The Senator figures it out wrong.

Mr. BROOKHART. Let me give the Senator the figures. I have the figures on profits.

Mr. FESS. Suppose we had no tariff upon an article which is imported from Germany to-day; with Germany working at the inflated price of the mark for about one-fifteenth of what our American workmen work for, what would be the effect?

Mr. BROOKHART. The effect would be that the Germans would destroy our industrial institutions.

Mr. FESS. Precisely; that is right.

Mr. BROOKHART. I have been a protectionist all my life, but I have not been a protectionist for the Steel Trust as a specialty. I am not a protectionist on the theory that we will protect a few and let the many suffer, and that is the situation in which we find ourselves now.

Mr. FESS. The Senator and I agree on that, that we are not protectionists for any special interest. The Steel Trust, as a matter of fact, has less protection than most of the industries of the country. In fact, the tariff has been reduced on steel products for the last 30 years, as the Senator knows.

Mr. BROOKHART. Yes; but it was too high at the beginning and too high at the end.

Mr. FESS. The Senator would say that the oil industry is one of the greatest trusts. There is no tariff upon oil.

Mr. BROOKHART. On oil products?

Mr. FESS. Some products——

Mr. BROOKHART. I thought so.

Mr. FESS. As to some products in which labor is involved, there is a tariff to protect labor.

Mr. BROOKHART. We will see about labor in a moment.

Mr. NORRIS. Mr. President, the theory of the protective tariff does not imply that some industries ought to have any tariff at all. The thorough protectionist, as I conceive him to be, believes that articles which we can manufacture better and cheaper than they can be made anywhere else on earth ought to be on the free list. A protectionist does not necessarily demand a tariff on everything. Where we are producing and exporting an article to the balance of the world, and selling it in competition with the balance of the world, no protectionist would ask that a tariff be placed on such an article, no matter what it might be.

Mr. FESS. Mr. President, does the Senator say that we would need to have protection on an article that could be produced to the point of exporting it?

Mr. NORRIS. I thought I made myself clear. It is true there might be an instance here and there where temporarily we would export, even in cases where we ought to have a tariff. I concede that; but I am speaking now of a general rule——

Mr. FESS. I agree with the Senator——

Mr. NORRIS. A general proposition. As I conceive protection, we ought to have no tariff on things in which we can under ordinary, reasonable, fair conditions compete with the entire world, and which we can send all over the world and sell all over the world.

Mr. FESS. Not if we can do it without the protection; but if we have an industry like the refining of sugar, for instance, as to which under proper protection we could ultimately become an exporting country, the tariff should not be taken off because we have reached the point where we can export, because as soon as we did that the competition with the old country would put us back where we were before, unless we reduced the recompense of our labor.

Mr. NORRIS. I think there is a good deal in what the Senator said, but, again, the protectionist does not believe in putting a tariff on things that we can not produce here unless he does it purely for revenue—for instance, on coffee. We would agree on that.

Mr. FESS. Yes.

Mr. NORRIS. There might be articles—and sugar might be one of them—where there would be an honest disagreement as to whether we were prepared and qualified to produce them to the limit of our consumption. The Senator has given an instance where I think there might be an honest disagreement. If we can produce the sugar and do not have to make the tariff too high to do it, and can develop it, we ought to do it. We could produce bananas in this country if we made the tariff high enough and grew them in glass houses, but no protectionist would stand for a scheme of that kind. Under ordinary natural conditions can we do it?

Mr. FESS. I used the sugar illustration because a former Secretary of Agriculture said we had 278,000,000 acres of ground in this country that is sugar land, and I presume with that acreage we could produce all the sugar we need and supply a good portion of the world demand. I think the Senator from Nebraska and I are agreed on the fundamental statement of the principle that he mentioned a moment ago.

Mr. BROOKHART. But I am not agreed to the proposition that we are entitled to set up a protective tariff system that will enable any line of capital in the United States to earn more in the way of dividends and profits than the people of the United States can produce. That is the basis from which I start. I pointed out—I do not know whether the Senator from Ohio was present or not—that 5 per cent a year in the last 10 years represented all the wealth increase of all the brains and all the muscle and all the capital and all the everything else that contributes to property increase.

Mr. FESS. I do not think I agree with the Senator.

Mr. BROOKHART. I think we have gone wild in having a corporation system that has enabled them to levy and to charge profits upon us, charging them as a tax, a tax without representation, just as surely as was the tax on tea that sent us into the Revolutionary War.

Mr. FESS. Does the Senator mean we ought not to stimulate, through a protective tariff, an industry to the point where we go beyond supplying our own needs and can supply other portions of the world?

Mr. BROOKHART. I do not mean any such thing, but I mean that the profits on that business should not be turned to a few men at a rate in excess of what the people of the country can produce in profits. That is special privilege. I want to say to you that if all the increase from all the wealth and all the unearned increment only amounts to 5 per cent a year, then capital is not entitled to 5 per cent. When the banks charge 7 and 8 and 10 per cent upon money loaned they are not entitled to charge it. They are taking more than they are entitled to in this economic situation. When the Steel Trust and the Oil Trust and these other fellows who are combined in the trusts of the country take these gigantic profits and these enormous stock dividends which they are taking, and to which they are not entitled, they are taking them out of the sweat and labor of the farmers and the common people of the United States. When the railroads under this law are able to charge 5¾ per cent upon a valuation, and that valuation has $7,000,000,000 of water in it over and above what we could buy all the stocks and all the bonds for, representing all the value at this moment, then I say to you that such an economic situation can not continue. That is what is the matter in the country.

Mr. FESS. Oh, the Senator does not mean that all the stocks that are issued in an industry are to measure all the value of that industry, does he?

Mr. BROOKHART. No; I certainly do not, nor in the case of the railroads.

Mr. FESS. In other words, the stocks and bonds of the railroads do not represent what the railroads are worth. Does the Senator mean that?

Mr. BROOKHART. If the Senator had been in the Chamber during my discussion of the matter, he would have found out what I mean. No; I do not mean that. I said the stocks represented mostly water and they do not represent value at all. I referred to the total value of the railroads. I fix that total

value because we could buy all the stocks and bonds right now for less than $12,000,000,000 if we got them at present market value.

Mr. FESS. I am as much interested in the reduction of freight rates as is the Senator from Iowa. As a member of the committee I have been studying the problem very carefully. How is the Senator going to reduce the income of the railroads if he does not reduce the cost of operation? In reducing the cost of operation, how much of the tax is he going to take off? How much of labor is he going to reduce? How much of operating expenses is he going to take off? Where is he going to take it all off?

Mr. BROOKHART. I am going to take $7,000,000,000 of water out of the value to start on, and there is $400,000,000 of revenue to start with. In the next place I am going to stop the capitalization of some $300,000,000 of unearned increment that no public utility should have any right to capitalize. In the next place I am going to stop the return on the bonded portion of the capital over and above the interest rates on the bonds, which now on $10,000,000,000 is less than 4½ per cent. In the next place I am going to stop the graft of the subsidiary companies that are making all the supplies for the railroads, which amounts to $300,000,000 or $400,000,000 a year. With those items I am going to reduce freight rates in the country by more than $1,000,000,000 without reducing the wages of any man that works.

Mr. FESS. The Senator has made a statement I do not understand. I do not know whether other Senators understand it or not. I am asking how he is going to reduce the cost of operation, and he says he is going to take $7,000,000,000 of water out of the stock.

Mr. BROOKHART. Yes; and that takes $400,000,000 out of operation.

Mr. WADSWORTH. But it has nothing to do with operation. The Senator is speaking of cost of operation.

Mr. BROOKHART. Under this law they get 5¾ per cent upon the valuation, and I am going to reduce that valuation until the return we must pay on it will be $400,000,000 less a year.

Mr. FESS. The Senator has made a statement. Will he indicate by the ledger that marks the amount of money he takes in and the amount he pays out, wherein he is cutting?

Mr. BROOKHART. I have just figured out a billion dollars of it and over, by ledger or any other way the Senator wants to figure. If the Senator can not add $400,000,000 on capital and $300,000,000 on unearned increment and $150,000,000 of excess return on the bonded portion of the capital, and then $300,000,000 or $400,000,000 graft in the furnishing of supplies, and take all of those out of the costs, all of which are added in operating expenses now, I can not help him to understand the situation.

Mr. WADSWORTH. Operating expenses?

Mr. BROOKHART. Yes.

Mr. WADSWORTH. Dividends are not a part of operating expenses. I beg the Senator to think that over a moment.

Mr. BROOKHART. I do think it over, and I know what I am talking about. Under this law we are required to pay 5¾ per cent, and that is operating expense.

Mr. MOSES. Oh, no. That is the limitation. That is not a guaranty.

Mr. FESS. That is merely the maximum. It is not a guaranty.

Mr. BROOKHART. The Senator said it is not a guaranty, and yet the law commands the Interstate Commerce Commission to levy rates upon me and upon the farmers and the people of the country high enough to yield that return upon a valuation which is, as fixed in the beginning, $18,900,000,000.

Mr. FESS. If it commands it, why has it not been done?

Mr. BROOKHART. There is a power sometimes even beyond the czar, and when they deflated the farmers so that they did not have the money to pay it they could not collect it, but they have collected every dollar they could. If prosperity should return so they could collect it, they would collect every dollar of it now.

Mr. FESS. It is simply a matter of permission to the Interstate Commerce Commission, and the commission has never exercised it.

Mr. BROOKHART. The commission had it all in its power. It raised the rates until it destroyed agriculture or contributed largely to the destruction of agriculture. It raised them to a point beyond which they found out the returns were declining, and then they quit raising them. The people did not have the money to pay them.

Mr. President, in view of the questions by the Senator from Ohio [Mr. FESS], I am going to put into the RECORD some figures in relation to the profits of the manufacturing industries and of the wages of labor. I have before me the bulletin of the Department of Commerce on manufactures for the year 1919. On page 3 of that publication, I find that in that year there was capital employed in manufactures amounting to approximately forty-four and one half billion dollars; that the wage earners employed averaged 9,096,372; that they received in wages ten and a half billion dollars, approximately, which means approximately $1,100 each. In the year of the highest wages and the high tide of prosperity in the United States, I find that the total value of manufactured products was nearly sixty-two and a half billion dollars. I find that that value was increased by manufacture over $25,000,000,000. Subtracting the wages of workers, the salaries of the officers, the rent, the taxes, the fuel, the power, and other items, I find that there was left $9,324,000,000, or 21 per cent upon that whole amount of nearly forty-four and one-half billion dollars invested.

During the same year the farmers, with a valuation of $78,000,000,000, only had a gross value in their production of about $14,000,000,000. They had a less percentage of earnings for all their work and the work of their families and children and hired men than any other industry. There never has been a time when profits have been proportioned rightly. There never has been a time when those who were in the big combinations were not able to make excessive charges upon the other people of the United States.

Mr. KING. Mr. President, will the Senator from Iowa permit an inquiry at that point? I desire to ask a question for information.

Mr. BROOKHART. I yield.

Mr. KING. The statement has often been made that the Railroad Administration under the management of Mr. McAdoo raised the wages of the employees of the railroads to altitudinous heights entirely disproportionate to the wages which were paid in other lines of industry. I will ask the Senator if it is not a fact that the wage increase then made was on an average less than 25 per cent, that there have been two increases in wages since Mr. McAdoo's administration, and that even now the wages of the railroad employees in many departments are much lower than in other lines of industry?

Mr. BROOKHART. As I recollect the percentages, the wages of railroad labor were raised less than were wages generally. I recollect one raise in wages after Mr. McAdoo retired from the management of the railroads. Then, of course, there has been a big reduction in wages, I think to the extent of about $552,000,000 or something like that, since the railroads were turned back to their owners. Considering the risk of the employees, and all of the matters connected with the railroad service, railroad wages are not substantially higher than are any other wages in the country even at this time.

Mr. President, in reference to this situation, I desire to have printed in the RECORD an editorial from the Des Moines Register of last Sunday. It covers the question of the returns to the farmers, to the railroads, to the banks, and to business generally in a very fair-minded way. It points out the disjointed situation as to agriculture and the reasons why it is time for the industrial world to wake up and see that agriculture shall join in the partnership of prosperity. I think, Mr. President, that the prosperity of which we read so much can not much longer continue, with agriculture in the depressed condition in which it is at the present time.

The PRESIDING OFFICER. Without objection, the editorial referred to will be printed in the RECORD.

The editorial is as follows:

[From Des Moines Sunday Register, Sunday, May 11, 1924]

WHY NOT FACE IT?

The Register republishes this morning on this page a most interesting showing of America's enormous financial gains out of the war.

From paying interest abroad before the war of $300,000,000 a year we have now coming from abroad about $700,000,000 a year, a net change of $1,000,000,000 a year.

Even with all our travel abroad and with all our purchases abroad the net balance is in our favor. We are receiving more than we are spending. The gold is still being shipped to us to meet balances.

And yet at this very time, with this enormous shift of the world's wealth to America, farms are being foreclosed all over the West, banks heavily loaned to farming are in distress, renters are walking off their farms without a dollar, and hundreds of thousands are flocking to the industrial centers to earn day wages.

How does it happen that just when America is becoming the wealthiest nation of the world an occupation that concerns one-third of our people and furnishes our basic supplies is, figuratively speaking, on the rocks, with nobody suggesting a way out that promises any sort of equalizing of benefits, or if somebody is suggesting an equalizing of

benefits the suggestion is immediately hailed as a violation of the "economic law" and of "the law of supply and demand"?

On the face of it there is something wrong with the organization of the industrial community when a nation that gains so rapidly in wealth finds one-third of its people, in its most basic employment, not only not holding their own but actually losing out.

There is no "economic law" and no "law of supply and demand" to account for any such disproportion of benefits. For if the mere laws of nature were alone at work manifestly no such disproportion could come. It is the organization of society, the stabilization of industries, the control of markets, of banking, of railroading, that is at the bottom of the ups and downs of business. In the old days the artisan shared with the farmer. Why in this post-war period has that not happened to the organized trades? Anybody who answers that question will answer the larger question.

At the close of the war we were threatened with an invasion of European goods at bankrupt prices. What was Congress at once asked to do? To erect a tariff wall for the express purpose of keeping the American market above the world market, for the express purpose of enabling the manufacturer to sell at a high price at home and dispose of his surplus abroad at what he could get for it.

But the moment somebody suggests that this same American market be kept for the farmer, at the same level of prices the manufacturer has, the farmers' surplus to be sold abroad at what it will bring, at once it is denounced as paternalism, State socialism, an interference with the natural laws of trade.

Now, why should the farmer be left to the world market and asked to listen to ancient platitudes about the natural laws of trade, when we are so prompt to move if the manufacturer is threatened? Why should the manufacturer be a national concern, for whom half the time of every Congress is taken adjusting tariffs, when the farmer is more distressed by world competition than the manufacturer?

If everybody would consider frankly what is involved in the creation of the Federal reserve banking system, we should have the American judgment on organized national efforts to sustain business, for the creation of the Federal reserve system was in direct violation of everything the standard economists say about the present situation. Fortunately, the debate has been heated enough and prolonged enough to permit everybody to know precisely what was involved.

The struggle for some national organization of banking was in Jackson's day, and for a generation was defeated by the determined State-sovereignty notions of "Old Hickory." The same plea was made then for the individual initiative of the local bank, for freedom from Government interference. Even when the Federal reserve system was forced in Congress everybody recalls how individual banks resisted it, how thy complained after it was organized over being forced to sustain it with cash capital and with deposits, much against their inclination. The Federal reserve banking system was in direct violation of the "economic law" and the "law of supply and demand" as preached to the farmer. Without any question whatever it was the handling of interest rates by the Federal Reserve Board that brought on such violent deflation and forced the farmers to such ruinous liquidation.

And yet the common judgment of the people is that if the Federal reserve system had not been instituted when it was, individual banking would not only not have seen us through the war, individual banking would not have got us started in the war. We should have been financially flat before we were well along to any big organized effort of any sort.

Coming back to the question why the farm is flat when the country is so suddenly rich in assets, we are just where we should have been if, with all our wealth, we had not had a national organization of bank credit for the war. The farm has been left to the "natural laws of trade" when everything else has been organized to resist the ups and downs of the natural laws of trade, the very men who lecture the farmer the most to "grin and bear it" being the ones who have been first to get the Nation organized and stabilized at the other end.

Now, there is one of two courses. We can either retrace our steps of stabilization and let every tub stand on its own bottom in the business world, under an unlimited competition of the natural laws of trade. Or we can go ahead with stabilization by taking all our great interests in under the same tent cover. The one course we can not pursue much longer with safety is to put one-half of our big business in under the tent cover of national organization and legislative protection and leave the other half out to meet the cold blasts of world competition without shelter.

It is fully time for the economists to be honest with themselves and face the situation.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. JOHNSON of Minnesota. Judging from the editorial appearing in this morning's Washington Post, the farmers are all right. The writer of the editorial calls attention to the fact that just as soon as the farmers of South Dakota get their crops in they make tours to Florida, California, and other places.

Mr. BROOKHART. If there is any editorial page in the country that I would consign to the realms of concentrated ignorance all the time, it is that of the Washington Post.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. NEELY. Is that because of the Senator's particular love for the owner, Ed McLean, or because of the character of the propaganda that the newspaper conducts?

Mr. BROOKHART. It is because of both.

Mr. President, in connection with the editorial from the Des Moines Register I also ask to have printed in the RECORD a statement entitled "America's financial strength," from the Manchester Guardian, the statement being referred to in the editorial from the Des Moines newspaper. The figures given in that statement indicate some of the prosperity that has gone to other lines of business and that has been denied to agriculture.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is follows:

AMERICA'S FINANCIAL STRENGTH

(By Sir George Paish in Manchester Guardian Commercial)

The net sum of $294,000,000 of gold imported into the United States last year was somewhat larger than the $238,000,000 of gold imported in 1922, but in 1923 America's new foreign investments were reduced to $300,000,000 from $600,000,000 in the previous year, and allowance must be made for this. Still the fact remains that in 1923 America had a favorable balance of $600,000,000 after meeting all outgoings, and that she received payment for this sum half in gold and half in foreign securities.

The reason for the ability of America to maintain her exchange at gold parity is thus obvious. She has no difficulty in selling all the produce and goods she needs to sell in order to buy what she requires, and, as her requirements are not equal to her sales, she is able to make large foreign investments and to import great sums of gold. How greatly America's exports have exceeded her imports since 1914 will be obvious from the following:

America's foreign trade since 1915

Year	Exports	Imports	Exports over imports
1915	$2,716,000,000	$1,674,000,000	$1,042,000,000
1916	4,272,000,000	2,197,000,000	2,075,000,000
1917	6,227,000,000	2,655,000,000	3,572,000,000
1918	5,839,000,000	2,946,000,000	2,893,000,000
1919	7,750,000,000	3,904,000,000	3,846,000,000
1920	8,080,000,000	5,278,000,000	2,802,000,000
1921	4,485,000,000	2,509,000,000	1,976,000,000
1922	3,831,000,000	3,112,000,000	719,000,000
1923	4,165,000,000	3,789,000,000	376,000,000
9 years	47,365,000,000	28,060,000,000	19,276,000,000

The interest accruing to America upon her foreign investments has, during the whole of this period, more than taken care of her tourist expenditures, gifts to friends, and other invisible imports, and more than the whole of the favorable trade balance has been invested in foreign securities or has been received in gold. The total amount of securities, both American and foreign, purchased abroad in these nine years is about $20,000,000,000 over and above the receipt of $2,000,000,000 in gold. Prior to the war America employed foreign capital to the extent of about $6,000,000,000, upon which the annual interest charge to be paid abroad by her exports was about $300,000,000 per annum. The greater part of this foreign capital has now been repaid by America, and over and above this America now possesses some $15,000,000,000 of foreign securities, bringing to her an income of about $700,000,000 per annum, or a turnover from interest payable to interest receivable of nearly $1,000,000,000 per annum.

Mr. BROOKHART. Mr. President, the amendment under consideration will help a little, but only a little; it will help somewhat to equalize and to lower freight rates and will assist agriculture to that extent. I yield the floor, Mr. President.

Mr. WADSWORTH. Question!

Mr. BORAH. What is the question?

Mr. WADSWORTH. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the roll will be called.

The roll was called, and the following Senators answered to their names:

Adams	Dill	Lodge	Reed, Pa.
Ashurst	Edge	McKellar	Robinson
Ball	Fess	McKinley	Sheppard
Borah	Frazier	McLean	Simmons
Brandegee	Gooding	McNary	Smith
Brookhart	Harris	Moses	Smoot
Bruce	Heflin	Neely	Spencer
Cameron	Johnson, Calif.	Norbeck	Sterling
Capper	Johnson, Minn.	Norris	Swanson
Caraway	Jones, N. Mex.	Oddie	Trammell
Copeland	Jones, Wash.	Overman	Wadsworth
Cummins	Kendrick	Phipps	Walsh, Mont.
Curtis	Keyes	Pittman	Warren
Dale	King	Ralston	Wheeler
Dial	Ladd	Ransdell	Willis

Mr. CURTIS. I desire to announce that the Senator from California [Mr. SHORTRIDGE], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Nebraska [Mr. HOWELL], the Senator from Virginia [Mr. GLASS], the Senator from Florida [Mr. FLETCHER], and the Senator from Mississippi [Mr. STEPHENS] are attending a meeting of the Committee on Banking and Currency.

The PRESIDING OFFICER. Sixty Senators having answered to ther names, a quorum is present.

Mr. ODDIE. Mr. President, I desire to say a few words by way of indorsement of the amendment upon the long-and-short-haul clause offered by my colleague [Mr. PITTMAN].

Our State, Nevada, has suffered severely for many years because of freight conditions and the uncertainty existing at the present time regarding them. The Intermountain States are practically all in a similar position. Our enterprises, manufacturing and commercial, must be stimulated. They have been throttled to an extreme, with the result of holding back our growth and prosperity to a very serious extent. It is unfair, uneconomic, and unjust. The growth of our Intermountain States can hurt nobody. It will benefit the whole United States, and especially the Pacific coast. The more business that is developed there the larger and the more prosperous the population and the greater the benefits that will come to the whole Pacific coast.

I refer to the action of George Washington before the Revolution, as outlined in a letter of his to England written about that time, in which he criticized the British for their attitude toward the Colonies, an attitude of suppression, an attitude which tended to hold down the growth of their industries. He suggested that if that were changed and the manufacturing and various other industries in the Colonies were allowed to prosper and grow, it would result in greater business to England. The policy he complained of is similar to that followed by the railroads and the Pacific coast toward the Intermountain States. England later changed her policy toward her Colonies in this particular and they then started to grow and prosper. The more the Intermountain States grow the more their prosperity will be reflected in increased business throughout the country. The manufacturing States of the East will benefit very largely by their growth and development.

I can see very plainly that the railroads themselves will benefit by this amendment in the end. The more business we have in the Intermountain States the more prosperous they will be and the more business the railroads will have. It is not a case where they should try to figure merely on the dollars and cents profits on the existing business and conditions. They should look to the future.

Years ago, when the Atlantic Coast States were the only ones in the Union, business began gradually growing and expanding to the West. If the policy that is now being pursued by the opponents of this amendment had been followed at that time, we would not have had any Middle West or West.

Mr. President, I want to see this amendment adopted, and I want to see it considered in an economic way. My colleague [Mr. PITTMAN] has gone into the legal and other aspects of this matter very thoroughly. The Senator from Idaho [Mr. GOODING] has gone into the business end of it in a very able manner. I simply want to add my voice of approval to this amendment, and to say that if it should be agreed to we will have an era of prosperity in the Intermountain States which will reflect itself on the whole United States. We have a class of people out there who have braved the elements, who have pioneered, and who are entitled to at least a living chance to get ahead; which they do not have to-day. I hope this amendment will be agreed to.

Mr. KING. Mr. President, may I inquire of the able Senator from Massachusetts whether it is his intention to have an executive session this evening?

Mr. LODGE. It is the desire to have an executive session before the Senate adjourns or takes a recess.

Mr. EDGE. Mr. President, it seems that we have reached somewhat a state of impasse on the pending bill. I do not want to do anything in the world to obstruct its passage; quite the contrary. There is some other important legislation, however; and I should like to ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1889, the postal salary readjustment bill.

Mr. KING. Mr. President, it would take too long to consider that.

Mr. WARREN. Of course, I object to that.

The PRESIDING OFFICER. There is objection.

Mr. LODGE. Mr. President, I do not wish to interfere with the plans of the Senator in charge of the bill. Whenever it is agreeable to him I shall be glad to move an executive session.

Mr. WADSWORTH. Mr. President, perhaps I may be permitted to make a very brief observation.

On Monday at 2 o'clock the War Department appropriation bill was handed down as the unfinished business. The consideration of the text of the bill was completed by 3.30 that afternoon. Since then the discussion has proceeded upon a subject which has not yet been presented to the Senate in the form of an amendment or in any other form.

We have now discussed this matter the equivalent of three days. Regardless of our opinion of the merits of the amendment which we are informed will at some future time be offered to the bill, I think it proper to remind Senators that thus far only two of the great appropriation bills have passed both Houses and have been sent to the White House. The delay upon this bill, of course, has the effect of banking up behind it not only the appropriation bills which have not yet reached the Senate as a body at all but also other measures of great importance and of great interest to many Members of the Senate; and I include in that category the so-called farm-relief legislation. We have conflicting ideas as to that, and there are several bills pending on that question. The bill which the Senator from New Jersey [Mr. EDGE] has just endeavored by unanimous consent to bring before the Senate is another bill which attracts the favorable attention of a good many Senators; and if one should go through the calendar which is still unacted upon, one would find many, many bills of great interest to Senators and of great importance to the country.

Mr. President, I have no special liking for night sessions. I have engagements, as other Senators have them, which I shall find it exceedingly difficult and embarrassing to break; but we are confronted with a situation which we can not ignore. If I may be permitted to express myself in such fashion, either this amendment should be offered and the Senate allowed to act upon it, or it should not be offered.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. WADSWORTH. I yield.

Mr. GOODING. I want to say to the Senator that, so far as I am concerned, I am trying to find out whether or not we need any appropriation for rivers and harbors in this country. If we are going to destroy the opportunity for their use, it seems to me it is a waste of money to appropriate money to develop further our rivers and harbors—that is, to the extent provided for in this bill.

Mr. WADSWORTH. All the Senator has to do is to move to strike out the appropriation for rivers and harbors which is contained in this bill, and I think probably he would be the only Senator who would vote in favor of it.

Mr. KING. No; I shall vote for it, too.

Mr. GOODING. I hope the Senator will not try to throttle debate here.

Mr. WADSWORTH. Why, Mr. President, there is no means that I could employ that would throttle debate. If I could throttle debate, I would have done it two days ago. There have been three days of debate on something that is not before the Senate at all.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nevada?

Mr. WADSWORTH. I yield.

Mr. PITTMAN. The matter is just as much before the Senate as it would have been if it had been presented as an amendment. It has been presented by the Senator from Nevada, it has been printed, it is on the desk of every Senator. They all know what they are discussing. They all know that whenever the discussion is completed the amendment is going to be offered, that it is going to be acted on, that a point of order will be made, and that the minute the point of order is made the debate will cease to be on

the merits of the matter and will be on the parliamentary situation.

As I stated to the Senator from New York when we started, my reason for that was simply this, and nothing else, that I desired that this subject, which I conceive to be of great importance—and some other Senators think so, too—should be understood by the Senate. I feel that it will be better understood through the procedure I have taken than it would have been understood if the debate had instantly gone off on a parliamentary point. That was my sole reason for the action I have taken.

I want to say to the Senator that I have not participated in any filibuster on this question, and I do not think any other Senator has participated in a filibuster on it. I am perfectly conscious of the fact that I have spoken at length. I did not try to do so, however. I was dealing with statistics which bear on this question, and I quoted only a very few of those. The Senator from Idaho [Mr. GOODING] has also been dealing with essential facts bearing on the question.

I stated before to the Senator—whether I stated it to him on the floor or privately I do not remember—that it was a subject which was going to be discussed not for the purpose of delay but that Senators who are intensely interested in this question and believe it is of an extremely important character were desirous that those Senators who had not participated in the study of the question before the committee which had it in charge might at least understand the subject.

Mr. WADSWORTH. Mr. President, I have entire sympathy with the Senator in wanting this subject understood, and I appreciate its great importance; but if I may be permitted to say so, I think the reasonable and indeed the more expeditious way to get a decision on the question upon its merits is to permit the War Department appropriation bill to pass and go to conference, and then, if the supporters of the measure so desire, move to take up the bill, which is now on the calendar. If there is a sufficient number of votes to attach it to the War Department appropriation bill, where everybody admits it does not belong at all, then there is a sufficient number of votes to take it up and pass it.

But the trouble in the situation is that by attempting to attach it to the War Department appropriation bill the question is thrown into a parliamentary tangle and becomes a parliamentary issue rather than a question of the merits of the bill; and if the proponents of this measure desire the quickest possible effective action by the Senate, why not move to put the measure before the Senate? That is apparently not their intention. They intend to propose it as an amendment to the Army appropriation bill, and it will be subject to a point of order.

Mr. DILL. Mr. President, how many times previously have the river and harbor appropriations been placed on the War Department appropriation bill?

Mr. WADSWORTH. For the last three years, since the rules of the House of Representatives were changed.

Mr. PITTMAN. May I answer just two statements made by the Senator, in his time?

Mr. WADSWORTH. I would be very glad to have the suggestions of the Senator.

Mr. PITTMAN. The Senator has stated, in the first place, that the simple method is, if we have a measure we want enacted, to take up the bill and pass it. That suggestion would be entirely sound and past contravention if this were the only body in the Congress; but it happens that nothing becomes a law until it has passed both branches of Congress. Consequently, in considering it we have to consider the parliamentary situation in two bodies.

Mr. WADSWORTH. I have that in mind, too; with some experience along that line.

Mr. PITTMAN. I have no doubt whatever that we can pass it in the form of a bill through the Senate, and I am perfectly confident, from the debates that have taken place here in the past, that this body is entirely in favor of this proposition. But, mind you, I am also conscious of the fact that the rules of the House, and the parliamentary proceedings in that body, make it possible and very probable that it would never come on the floor of the House out of the committee. That is one reason why I have pursued this policy. If it were earlier in the session, it might be different; but it is not.

Mr. WADSWORTH. Perhaps we might discuss it from the practical standpoint. I have had experience in conferences between the Senate and the House, and under the rules as to conferences and conference reports, House conferees have taken one steady, consistent stand on legislation attached by the Senate to general appropriation bills, and that is this, that they will not even discuss the matter.

Mr. PITTMAN. That is a very unfortunate thing.

Mr. WADSWORTH. They will not even discuss it. They say that it is in such direct violation of every rule of the House that they will not even take it back to the House. I have run up against that myself. That is their general attitude toward legislation attached by the Senate to a general appropriation bill.

Suppose we could persuade the House conferees on the War Department appropriation bill to submit this matter to the House for special instructions; thereupon the supporters of this measure in the House would find themselves confronted by the obstacle of the House rules and the tradition of the House, who have declared again and again in the last five years that they will not permit the Senate to force down their throats legislation attached by the Senate to an appropriation bill.

Mr. President, I say in all sincerity that the supporters of this measure are picking out the most difficult way to get it enacted. They are summoning up in its path every conceivable objection which can be found in the House rules and in the traditions and the pride of the House. The House simply will not accept it.

The quick and proper method, I say in all humility to those who are managing this proposition, as I assume, is to pass through the Senate in regular fashion the bill on the calendar dealing with the long and the short haul clause and send it to the House. I remind the Senator from Nevada that the other body has amended its rules at the present session providing for a method of discharging a committee from the consideration of a bill.

The responsibility is with the Senators who are supporting this measure, and who, in my humble judgment, are selecting the most difficult way they could possibly find in order to get their legislation enacted.

Mr. PITTMAN. I thank the Senator for his advice. I realize perfectly he would like to help those who are advocating this amendment.

Mr. WADSWORTH. Mr. President, the observation of the Senator draws from me an observation in turn. I will vote to bring the Senator's bill before the Senate.

Mr. PITTMAN. That is a very good idea, but I am afraid the Senator's support in the Senate will not help us very much in the House. If the Senator could use his great influence with the leaders of the House to get an assurance for us that it would be brought on the calendar in the House, it would be very valuable assistance.

The Senator tells us of the difficulties of passing legislation through the House. It is an unfortunate situation when one of two bodies which must pass on laws assume that they may regulate the method of procedure in the other branch of Congress. That thing is intolerable. The House may regulate the presentation of amendments in the House. They have a right to do that. But this thing is certainly going beyond its natural jurisdiction when it states the method of amending a bill in the Senate, and if we have come down to the point where no matter what this body desires to adopt as a parliamentary procedure we can not adopt it unless it is the parliamentary procedure of the House, then we should abolish our rules altogether and adopt the rules of the House.

We should ask the House when we might change our method of amending bills, because we can not amend them in any other way than that which is agreeable to them. We might as well try that situation out.

Mr. WADSWORTH. It has been tried out before several times.

Mr. PITTMAN. But this is a delightful time to try it out now. I say to the Senator right now that there are those here in this body who think so seriously of this legislation—and I have tried to convince them that I do—that we do not see the necessity for the appropriation of money for the Panama Canal if they are going to uphold in Congress a law permitting the Interstate Commerce Commission to drive half of the ships off the Panama Canal. We do not see the necessity of appropriating money to make navigable the inland waterways of the country if Congress at the same time, with knowledge covering 30 or 40 years, is going to sit supinely by and permit one of its agents, the Interstate Commerce Commission, to misconstrue the laws of this body to such an extent as to make those appropriations useless.

I am in favor of improving the inland waterways and the harbors of this country and maintaining the Panama Canal, but I am not in favor of appropriating the money solely for the purpose of expending it. If it is not in aid of navigation and if it does not result in navigation, it is a waste of the money of the people of the country. And when you say that another body than this will tell us how we may legislate in this body, how we may amend our bills in this body, when we

shall, and when we shall not, I say it is time to try the question out, and for one, if this body sees fit to attach any amendment to the bill, I am willing to try it out with the House, and if they insist upon controlling our methods of legislation in this body, say "The responsibility for lack of legislation is on you and not on us."

Mr. NORRIS. Mr. President, I want to say only a word. I may want to discuss this matter at length later.

For a great many years two things have been taking place both in the House and in the Senate. Ever since I have been in public life the question of the long and the short haul in a commerce law has been a live one and always agitated. Time and again Congress has thought, or I have presumed they thought, for I did, that the law was amended so that an evil, which, it seems to me, must be conceded to be a great evil, would be remedied, but each and every time by some hook or crook or legerdemain or decision or manipulation what Congress thought had become a remedial piece of legislation became nothing, not worth the paper on which it was written, and we still have the question unsettled. That has been with us for 20 years. The injustice has been pointed out continually.

Another thing which has been with us has been the river and harbor appropriation bill. Quite a large number of Members of the Senate and of the House have been fighting river and harbor appropriation bills. I have joined with them myself on several occasions; and the thing that moved me, and I suppose it has influenced everybody else in the same attitude, was the fact that we were appropriating millions of dollars—yes, hundreds of millions—for the improvement of our rivers, to make them navigable, just to see them drift full of sand and never be used, and the people get no benefit out of them.

That has been the principal reason why I have opposed river and harbor bills in the past. I have seen the money of the taxpayers thrown into these streams and no good come from it because of the evil that existed, and which we have tried to cure by changing the long-and-short-haul clause to prevent the railroad companies from putting the boats out of commission on the rivers by rates that were too low, and when they got the boats off raising the rates again. As long as the men who were otherwise engaged in river transportation knew that was possible they simply abstained from going into it, and our rivers do us no good.

Mr. DILL. Mr. President——

Mr. NORRIS. I yield to the Senator from Washington.

Mr. DILL. The Senator from New York [Mr. WADSWORTH], in answer to a question by me, said the river and harbor appropriations had been included in the War Department appropriation bill for the last three years, since the House rules were changed. I am not familiar with the changes in the rules of the House, but I am familiar with what happened to river and harbor bills in the House previous to the change in the rules. The fact was that they were killed by votes in the House, if not in the Senate also. It looks to me like this is a method to drag in appropriations for rivers and harbors by attaching them to the War Department appropriation bill. If we are going to drag in appropriations for rivers and harbors, we ought to drag in legislation also that will have some controlling effect upon the value of the rivers and harbors.

Mr. NORRIS. My attitude on the appropriation proposed in the pending bill with reference to rivers depends a great deal upon what happens to this amendment. I am not willing to be a party to appropriating money to build up our rivers and then see the money literally thrown away. On the other hand, I believe most sincerely that we can afford to appropriate public money for the improvement of our rivers and making them navigable if we will protect the navigation on them after we have done that. The amendment under consideration is intended to do that, and I think will do it.

Therefore, so far as I am concerned, if there are enough Senators who feel as I do, if the amendment or something like it is not put on the bill, I am ready to go into any kind of a fight against the part of the bill relating to appropriations for rivers and harbors. I think they ought to be cut away down if we are going to keep this amendment out. To my mind, the amendment involves a fundamental principle of transportation. While I know that a great many people are opposed to that kind of legislation, I do believe that they are moved, perhaps unconsciously, by selfish interests of the different localities of the country. A favored spot, a favored city, a favored harbor, a favored market, under present conditions built up at the expense of the people who live in the interior of the country, away from those favored spots, naturally, if selfishness prompts them, are opposed to this kind of legislation. I think it is a serious proposition. I do not ask that the legislation be passed. I must abide by the majority vote of the Senate and the House, but I think that we are entitled to a fair, square, honest vote on the proposition.

Mr. PITTMAN. Mr. President, I would like to have the attention of the Senator from New York [Mr. WADSWORTH]. I want to say that I am just as anxious to get the matter disposed of as is the Senator. The only difference in the matter is that the Senator said he would cut off the debate if he could, while I would not do that. There are Senators who have announced to me a desire to discuss the question. One of them is the Senator who has just entered the Chamber, the chairman of the Committee on Interstate Commerce, Mr. SMITH. I think very probably he is as familiar now with this subject as anyone in the Senate. He was chairman of the committee that reported out the bill which is the foundation of the amendment.

There are other Senators here who are especially interested in the matter. They have stated that they want to discuss it. They are as much interested as I am and have as much right to discuss it. They probably are more familiar with it than I am and certainly can present it better than I have done. Therefore I say, as I have said frankly all the time, as soon as those who desire to discuss it are ready to quit discussing it, I will present the amendment.

I will state to the Senator now that from information I have at the present time from those who desire to speak, I do not think there will be over probably two or three hours more discussion. That, of course, is a rough guess; but knowing those who are going to speak, that is my opinion. I feel perfectly confident that I can present the amendment to-morrow and then let it take its parliamentary course. That is the way I feel about it. It would seem that way to me now.

Mr. WADSWORTH. Would the Senator entertain a suggestion that an hour to-morrow be fixed at which debate on the proposed amendment shall cease and the amendment shall be introduced and the question of parliamentary procedure decided without further debate?

Mr. PITTMAN. I am hardly in a position to do that, for the sole reason that I have not conferred with those who are supporting the matter. I only speak for those whom I know said they desire to discuss it. If there is no objection made by anyone here, I would state this—because I have no way of knowing their thoughts on the subject—that I will present the amendment at some hour that might be agreed on to-morrow, which would practically throw the debate directly on the parliamentary situation.

Mr. WADSWORTH. So far as I may make an agreement, it would be only binding upon myself.

Mr. PITTMAN. That is all I can do now.

Mr. WADSWORTH. I would be willing to enter into some satisfactory agreement, say, to cease debate at 4 o'clock to-morrow.

Mr. GOODING. Mr. President, I do not think it is possible to reach any agreement.

Mr. WADSWORTH. Would the Senator be willing to agree to conclude debate on this particular matter by 5 o'clock to-morrow afternoon?

Mr. GOODING. Not until I shall have consulted with those whom I know want to speak on the subject, which I have not done. I may be able to answer the Senator to-morrow at 12 o'clock possibly, but before entering into an agreement on the matter I must consult with those whom I know want to discuss it. Just how long they will want to talk I do not know. I still have some observations that I desire to make.

Mr. WADSWORTH. Does the Senator think at this moment that it would be impossible to reach a unanimous-consent agreement?

Mr. GOODING. I am sure of that.

Mr. PITTMAN. Does not the Senator from Idaho think we can get through the main speeches to-morrow and let me submit the amendment and let it be considered on the parliamentary feature of the matter?

Mr. GOODING. That might be possible, but I have not consulted any of the Senators as to the time they may desire to take. Probably we can do that, but it would be out of place to enter into an agreement at this time. It seems to me the whole matter might well go over until to-morrow. I do not think we can come to an agreement to-night.

Mr. PITTMAN. As I said, as soon as the main speeches shall have been made on the proposition, so that the discussion from that time on will be purely a parliamentary discussion, I want to present the amendment. I understand the Senator from New York will make his point of order at the time I submit the amendment and from that time the discussion will be purely on the parliamentary question. That seems to be the situation in which we find ourselves at this time.

Mr. WARREN. Mr. President, I do not think there is any disposition to cut off proper debate at any time, but it seems to me that the Senate must either meet promptly in the morning, or it must run its business into the night hours, or it must cease some of this important debate—I will admit that it is important—if we expect to adjourn in ordinary season this year. Think of the spectacle of the Senate of the United States taking in the usual way a recess until 11 o'clock in the morning and assembling here without a quorum and having the Sergeant at Arms and his employees running in every direction for Senators and, finally, compelling the leader of the minority on the other side of the Chamber to move an adjournment until 12 o'clock. This could have been done on either side of the Chamber, so far as that is concerned, and it was the only proper thing we could do. But I think the spectacle to the country and the show we made of ourselves is putting us in the position that if we will not come here and get to work, and if we will not stay here at night and work, we will be accused of filibustering, and we can not expect otherwise. I do not accuse the Senator from Nevada of that, or any other Senator, but the country will believe it, and we will soon have to believe it ourselves. I will have to believe it, so far as I am concerned, because I know we can get here in the morning if we like, and I also know that we can stay here at night, whether we like it or not.

I am perfectly ready, so far as I am concerned, to come to any reasonable agreement as to the time to-morrow or to-morrow night, or whenever it can be arranged, when the amendment shall be submitted and voted on. Of course, as I said, I am going to yield to whatever the Senate wants to have done. I am always ready to take its orders, but I still say, and I think it will not be disputed by my friend from Nevada, that we either "ought to fish or cut bait," to use the farmer's phrase. We ought to be here to talk or here to act, or else say that we can not and recess for a few days or for a week until we shall finally be able to work.

Mr. PITTMAN. I thoroughly agree with the Senator, and that is exactly what the Senator from Arkansas [Mr. ROBINSON] said this morning, that "we ought to fish or cut bait." The Senator, of course, said he did not accuse me of not being here this morning. I want it affirmatively known that I was here this morning. I also want it said for the benefit of the Senator from Idaho [Mr. GOODING] that at 11 o'clock this morning he was standing in front of his map with his pointer in his hand, ready to finish the speech upon which he was engaged yesterday.

Mr. WARREN. I hope the Senator from Nevada will not take what I said as being personal to any of those who have occupied the time of the Senate. In fact, I honor them for their punctuality and being here all the time and saying what they have to say. But it is those who have nothing to do apparently with legislation who ought to loan us at least their presence in the morning to answer the roll call. They ought not to leave it to those who do the work to be compelled to run after them to get them here so that they will join us in simply having a roll call.

Mr. PITTMAN. I am willing to come here at any hour in the morning that may be decided to be the proper hour. I think if we could have gotten a quorum at 11 o'clock this morning we would have been quite a bit further ahead than we seem to be now.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. PITTMAN. I yield the floor.

Mr. NORRIS. I take it that what the Senator from Wyoming said does not apply to those who were here. It must apply to those who were not here. I was not here, so it must apply to me as one, and yet I think I was doing more work than the average Senator from 6 o'clock this morning until 12 o'clock, when I did get here.

The Committee on Agriculture and Forestry are crowded and condemned on the one hand because they do not finish their work. They can not finish their work if the Senate requires their attendance here, and you can "fish or cut bait" on that proposition just as you have a mind to do.

I am accused half the time, at least inferentially, on the one side by saying: "Here, we want to get this Muscle Shoals business out of the way," and I am asked about every 15 minutes if I am still going along with it, and on the other hand condemned because I am not here in the Senate Chamber. Senators can take their choice. If the Senate, on the one hand, wants to stop the hearings of the committee, it of course has the power to do it, and it can compel by arrest the attendance of Senators here; but I do not want anybody to insinuate that those who are working night and day on a proposition of as great importance as any one of the bills which we are now discussing, even though I do regard this as a very important proposition, are not doing their best to get the Muscle Shoals matter ready for the Senate, or are idling away their time by any means.

Mr. WARREN. Mr. President, will the Senator allow me to interrupt him?

Mr. NORRIS. There is no other committee of the Senate—I except none and I defy anyone to successfully contradict it—that has done as much work during this session of the Senate as has the Committee on Agriculture and Forestry.

Of course all the members of the committee are never there at one time, but there are a few there, and the chairman is always there, and we try conscientiously to do what we can. There are some other committees in much the same position. I see the Senator from North Dakota [Mr. LADD] in his place. He is chairman of the Committee on Public Lands, which is carrying on an investigation. The fact is, Mr. President, that nobody can be in two places at one time, and he ought not to be expected to be. I protest against the Senate meeting at 11 o'clock unless it first directs that the committees, particularly the committee of which I have the honor to be the chairman, shall cease work. When the Senate orders us to quit we have to obey; but I am not going, on the one hand, to be accused of delaying legislation pending before that committee, and on the other hand, to be condemned because I am there trying to push the work of the committee and to keep it going just as rapidly as it can possibly be pushed along.

Mr. WARREN. Mr. President——

Mr. NORRIS. I yield to the Senator from Wyoming.

Mr. WARREN. Mr. President, the able Senator from Nebraska has stated the case very well as to the committees meeting in the morning. I honor the committees for so doing and for carrying forward their work, and that is why I say if we can not meet earlier in the morning—and I never have asked the Senate to meet at 11 o'clock in the morning, as I remember, certainly I have not done so lately—we should have sessions in the evening.

I alluded to the fact that the pending appropriation bill ought to be drawn to a conclusion to-day, in order to indicate to the Senate that it ought to remain in session to-night, and I wish the Senate might remain in session to-night. It seems to me to be necessary, with all the committee work which it is necessary to do, that opportunity should be given for them to conclude their work, and that could be done by having the Senate meet at the usual time, and then sitting in the evening. I hope the Senator will remember that the committee of which I have the honor to be chairman, is one of the committees which is busy every morning. We ought to have time for the work of the committees and also sufficient time to keep matters moving along in the Senate as smoothly as possible.

Mr. NORRIS. Mr. President, I should like to see the business of the Senate move along. I would not object to a reasonable limitation on debate in the Senate; but I think we ought to face the fact that, unless we do put some limitation on debate here, it will be an impossibility for the Senate to adjourn at the time when a good many Senators say it is going to adjourn, namely, early in June. It can not be done, Mr. President, unless some drastic method is adopted, several of which I have suggested. Either we must stop the committees in their work, or we must make up our minds that we are not going to get through by the 7th day of June. I wish we could adjourn on the 1st of June; it means more to me than to most Senators to be compelled to remain in Washington during the hot weather; but I want to say to you frankly, Mr. President, that, however much we may desire to do it, however delighted we might be if it could be done, I have reached the conclusion that it is an impossibility, and we might just as well face the inevitable. We can not finally adjourn then, but we will have to stay here longer.

Mr. LADD. Mr. President, I think I owe it to the Committee on Public Lands to make a brief statement. The Committee on Public Lands has been in session practically every day since the 20th of last November. The room in which we are holding the committee hearings, the "marble room," so called, in the Office Building, has no bell connections with the Senate, so that we know nothing about whether there is a call for a quorum or whether the Senate is in session. We might not come if there were a bell; but, at least, if there were a bell we would know when there was a call for a quorum. If that room is to be used for committee hearings in the future, there should be some provision for notifying Senators who are working in committee there as to when their presence is required in the Senate Chamber.

Mr. WARREN. Mr. President, I am very glad that there have been brought out the facts and circumstances which have been developed from the statements made this evening. I understand that many Senators have engagements for to-night, and I understand further from the Senator who is particularly in charge of the proposed amendment to the pending bill that other Senators are not ready to go on to-night. So I think that the better course would be to take a recess until 12 o'clock to-morrow, unless some Senator desires to discuss further the pending question.

Mr. LODGE. I should like an opportunity to have a short executive session.

Mr. WARREN. I suggest that when the Senate completes its session to-day it take a recess until to-morrow at 12 o'clock noon.

SENATOR BURTON K. WHEELER

Mr. BORAH. Mr. President, I desire to submit the report of the special committee authorized under Senate Resolution 206 to investigate the charges against Senator BURTON K. WHEELER. This report is signed by four members of the committee. The Senator from South Dakota [Mr. STERLING] reserved the right to file separate views. I submit the report for reading and printing, and later shall discuss it upon the floor.

The report (No. 537) was read and ordered to be printed, as follows:

[Senate Report No. 537, Sixty-eighth Congress, first session]

SENATOR BURTON K. WHEELER

Mr. BORAH, from the special committee authorized to investigate charges against Senator BURTON K. WHEELER, submitted the following report pursuant to S. Res. 206:

On April 9, 1924, the Senate passed the following resolution:

"*Resolved*, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana."

That thereafter the President pro tempore of the Senate appointed Senators WILLIAM E. BORAH, CLAUDE SWANSON, THOMAS STERLING, T. H. CARAWAY, and CHARLES L. MCNARY as a special committee to make the investigation authorized by the foregoing resolution.

The charge against Senator BURTON K. WHEELER, and which charge your committee was authorized to investigate, arises under and by virtue of section 1782 of the Revised Statutes of the United States. That statute reads as follows:

"No Senator, Representative, or Delegate, after his election and during his continuance in office, and no head of a department or other officer or clerk in the employ of the Government, shall receive or agree to receive any compensation whatever, directly or indirectly, for any services rendered, or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever. Every person offending against this section shall be deemed guilty of a misdemeanor, and shall be imprisoned not more than two years, and fined not more than $10,000, and shall, moreover, by conviction therefor, be rendered forever thereafter incapable of holding any office of honor, trust, or profit under the Government of the United States."

The Supreme Court has construed this statute particularly in the case of Burton v. the United States, 202 U. S. p. 344.

Under this statute an agreement to receive compensation for services rendered, or to be rendered, before any department, court-martial, bureau, officer, or any civil, military, or naval commission is made an offense; the receiving of compensation in violation of the statute whether pursuant to a previous agreement or not is also made an offense. In other words, if a party agrees to receive compensation for such services he is guilty under the statute; or if he receives compensation without any previous agreement, he is also guilty of an offense. This statute in no way prohibits or interferes with a Member of Congress from appearing before any department, court-martial, bureau, officer, or any civil, military, or naval commission, provided he does so free from any agreement to receive compensation, or without receiving compensation therefor. The sole question which your committee was authorized to investigate, therefore, was: Did Senator WHEELER agree to receive compensation, directly or indirectly, for services rendered, or to be rendered; or did he receive compensation for services rendered, or to be rendered, relative to his appearance or services before any department, court-martial, bureau, officer, or any civil, military, or naval commission?

Your committee finds:

First. That during the months of January and February, 1923, after his election to the Senate, Senator WHEELER entered the employ of Gordon Campbell as his attorney, the said contract of employment including the firm of lawyers under the name of Wheeler & Baldwin.

Second. That, according to the terms of employment by which he entered the service of Campbell as his attorney, the said firm of Wheeler & Baldwin was to receive a retainer's fee of $10,000 per annum; that $2,000 thereof was paid January 9, 1923, and $2,000 thereof on February 16, 1923, and that the balance is still unpaid.

Third. That it was fully understood and agreed between all parties to said contract of employment that the services of Senator WHEELER and his firm related alone to the litigation then pending, or to be brought, in the State courts of Montana, said Campbell being at that time interested in a number of lawsuits, some 19 or 20 at least in number.

Fourth. That said BURTON K. WHEELER did not at any time agree to receive compensation for services before any department, court-martial, bureau, officer, or any civil, military, or naval commission, at Washington, and did not at any time receive compensation for such services before any department, court-martial, bureau, officer, or any civil, military, or naval commission.

Fifth. That, on the other hand, the sole contract of employment which he had with Campbell related to matters of litigation in the State courts of Montana; that Senator WHEELER did not at any time appear for said Campbell, or his companies, before any of the departments in Washington under agreement to receive compensation, and did not at any time receive compensation for any appearance or services rendered before said Government departments.

In conclusion, the committee wholly exonerates Senator BURTON K. WHEELER from any and all violation of section 1782 of the Revised Statutes of the United States, and finds that he neither received or accepted, or agreed to receive or accept, any compensation whatever, directly or indirectly, for any services rendered, or to be rendered, to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States was a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever.

The committee further states that in its opinion Senator WHEELER was careful to have it known and understood from the beginning that his services as an attorney for Gordon Campbell, or his interests, were to be confined exclusively to matters of litigation in the State courts of Montana, and that he observed at all times not only the letter but the spirit of the law.

WM. E. BORAH.
CHAS. L. MCNARY.
CLAUDE A. SWANSON.
T. H. CARAWAY.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

RIGHTS IN SYRIA AND THE LEBANON

In executive session this day, the following convention was ratified, and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to its ratification, I transmit herewith a convention, signed by the plenipotentiaries of the United States and France at Paris on April 4, 1924, respecting the rights of the two Governments and their respective nationals in Syria and the Lebanon, over which a mandate was conferred upon the Government of France.

CALVIN COOLIDGE.

THE WHITE HOUSE, *April 28, 1924.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention between the United States and France with respect to the rights of the two Governments and their respective nationals in Syria and the Lebanon, over which a mandate was conferred upon the Government of France, signed at Paris on April 4, 1924.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, April 25, 1924.

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND FRANCE REGARDING THE MANDATE FOR SYRIA AND THE LEBANON

The President of the United States of America and the President of the French Republic.

Whereas by the treaty of peace concluded with the allied powers Turkey renounces all her rights and titles over Syria and the Lebanon; and

Whereas article 22 of the covenant of the League of Nations in the treaty of Versailles provides that in the case of certain territories which as a consequence of the late war ceased to be under the sovereignty of the states which formerly governed them mandates should be issued and that the terms of the mandate should be explicitly defined in each case by the council of the league; and

Whereas the principal allied powers have agreed to intrust the mandate for Syria and the Lebanon to France; and

Whereas the terms of the said mandate have been defined by the Council of the League of Nations, as follows:

ARTICLE 1. The mandatory shall frame, within a period of three years from the coming into force of this mandate, an organic law for Syria and for the Lebanon.

This organic law shall be framed in agreement with the native authorities and shall take into account the rights, interests, and wishes of all the population inhabiting the said territory. The mandatory shall further enact measures to facilitate the progressive development of Syria and the Lebanon as independent states. Pending the coming into effect of the organic law, the government of Syria and the Lebanon shall be conducted in accordance with the spirit of this mandate.

The mandatory shall, as far as circumstances permit, encourage local autonomy.

ART. 2. The mandatory may maintain its troops in the said territory for its defense. It shall further be empowered, until the entry into force of the organic law and the reestablishment of public security, to organize such local militia as may be necessary for the defense of the territory and to employ this militia for defense and also for the maintenance of order. These local forces may only be recruited from the inhabitants of the said territory.

The said militia shall thereafter be under the local authorities, subject to the authority and the control which the mandatory shall retain over these forces. It shall not be used for purposes other than those above specified save with the consent of the mandatory.

Nothing shall preclude Syria and the Lebanon from contributing to the cost of the maintenance of the forces of the mandatory stationed in the territory.

The mandatory shall at all times possess the right to make use of the ports, railways, and means of communication of Syria and the Lebanon for the passage of its troops and of all materials, supplies, and fuel.

ART. 3. The mandatory shall be intrusted with the exclusive control of the foreign relations of Syria and the Lebanon and with the right to issue exequaturs to the consuls appointed by foreign powers. Nationals of Syria and the Lebanon living outside the limits of the territory shall be under the diplomatic and consular protection of the mandatory.

ART. 4. The mandatory shall be responsible for seeing that no part of the territory of Syria and the Lebanon is ceded or leased or in any way placed under the control of a foreign power.

ART. 5. The privileges and immunities of foreigners, including the benefits of consular jurisdiction and protection as formerly enjoyed by capitulation or usage in the Ottoman Empire, shall not be applicable in Syria and the Lebanon. Foreign consular tribunals shall, however, continue to perform their duties until the coming into force of the new legal organization provided for in article 6.

Unless the powers whose nationals enjoyed the aforementioned privileges and immunities on August 1, 1914, shall have previously renounced the right to their reestablishment, or shall have agreed to their nonapplication during a specified period, these privileges and immunities shall at the expiration of the mandate be immediately reestablished in their entirety or with such modifications as may have been agreed upon between the powers concerned.

ART. 6. The mandatory shall establish in Syria and the Lebanon a judicial system which shall assure to natives as well as to foreigners a complete guarantee of their rights.

Respect for the personal status of the various peoples and for their religious interests shall be fully guaranteed. In particular the control and administration of Wakfs shall be exercised in complete accordance with religious law and the dispositions of the founders.

ART. 7. Pending the conclusion of special extradition agreements, the extradition treaties at present in force between foreign powers and the mandatory shall apply within the territory of Syria and the Lebanon.

ART. 8. The mandatory shall insure to all complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality. No discrimination of any kind shall be made between the inhabitants of Syria and the Lebanon on the ground of differences in race, religion, or language.

The mandatory shall encourage public instruction which shall be given through the medium of the native languages in use in the territory of Syria and the Lebanon.

The right of each community to maintain its own schools for the instruction and education of its own members in its own language, while conforming to such educational requirements of a general nature as the administration may impose, shall not be denied or impaired.

ART. 9. The mandatory shall refrain from all interference in the administration of the councils of management (conseils de fabrique) or in the management of religious communities and sacred shrines belonging to the various religions, the immunity of which has been expressly guaranteed.

ART. 10. The supervision exercised by the mandatory over the religious missions in Syria and the Lebanon shall be limited to the maintenance of public order and good government. The activities of these religious missions shall in no way be restricted nor shall their members be subjected to any restrictive measures on the ground of nationality, provided that their activities are confined to the domain of religion.

The religious missions may also concern themselves with education and relief, subject to the general right of regulation and control by the mandatory or of the local government in regard to education, public instruction, and charitable relief.

ART. 11. The mandatory shall see that there is no discrimination in Syria or the Lebanon against the nationals, including societies and associations of any state member of the League of Nations as compared with its own nationals, including societies and associations, or with the nationals of any other foreign state in matters concerning taxation or commerce, the exercise of professions or industries, or navigation, or in the treatment of ships or aircraft. Similarly there shall be no discrimination in Syria or the Lebanon against goods originating in or destined for any of the said states; there shall be freedom of transit, under equitable conditions, across the said territory.

Subject to the above, the mandatory may impose or cause to be imposed by the local governments such taxes and customs duties as it may consider necessary. The mandatory, or the local governments acting under its advice, may also conclude on grounds of contiguity any special customs arrangements with an adjoining country.

The mandatory may take or cause to be taken, subject to the provisions of paragraph 1 of this article, such steps as it may think best to insure the development of the natural resources of the said territory and to safeguard the interests of the local population.

Concessions for the development of these natural resources shall be granted without distinction of nationality between the nationals of all states members of the League of Nations, but on condition that they do not infringe upon the authority of the local government. Concessions in the nature of a general monopoly shall not be granted. This clause shall in no way limit the right of the mandatory to create monopolies of a purely fiscal character in the interest of the territory of Syria and the Lebanon, and with a view to assuring to the territory the fiscal resources which would appear best adapted to the local needs, or, in certain cases, with a view to developing the natural resources either directly by the state or through an organization under its control, provided that this does not involve either directly or indirectly the creation of a monopoly of the natural resources in favor of the mandatory or its nationals, nor involve any preferential treatment which would be incompatible with the economic, commercial, and industrial equality guaranteed above.

ART. 12. The mandatory shall adhere, on behalf of Syria and the Lebanon, to any general international agreements already existing, or which may be concluded hereafter with the approval of the League of Nations, in respect of the following: The slave trade, the traffic in drugs, the traffic in arms and ammunition, commercial equality, freedom of transit and navigation, aerial navigation, postal, telegraphic, or wireless communications, and measures for the protection of literature, art, or industries.

ART. 13. The mandatory shall secure the adhesion of Syria and the Lebanon so far as social, religious, and other conditions permit, to such measures of common utility as may be adopted by the League of Nations for preventing and combating disease, including diseases of animals and plants.

ART. 14. The mandatory shall draw up and put into force within 12 months from this date a law of antiquities in conformity with the following provisions. This law shall insure equality of treatment in the matter of excavations and archaeological research to the nationals of all states members of the League of Nations.

1. "Antiquity" means any construction or any product of human activity earlier than the year 1700 A. D.

2. The law for the protection of antiquities shall proceed by encouragement rather than by threat.

Any person who, having discovered an antiquity without being furnished with the authorization referred to in paragraph 5, reports the same to an official of the competent department shall be rewarded according to the value of the discovery.

3. No antiquity may be disposed of except to the competent department unless this department renounces the acquisition of any such antiquity.

No antiquity may leave the country without an export license from the said department.

4. Any person who maliciously or negligently destroys or damages an antiquity shall be liable to a penalty to be fixed.

5. No clearing of ground or digging with the object of finding antiquities shall be permitted, under penalty of fine, except to persons authorized by the competent department.

6. Equitable terms shall be fixed for expropriation, temporary or permanent, of lands which might be of historical or archæological interest.

7. Authorization to excavate shall only be granted to persons who show sufficient guaranties of archæological experience. The mandatory shall not, in granting these authorizations, act in such a way as to exclude scholars of any nation without good grounds.

8. The proceeds of excavations may be divided between the excavator and the competent department in a proportion fixed by that department. If division seems impossible for scientific reasons the excavator shall receive a fair indemnity in lieu of a part of the find.

ART. 15. Upon the coming into force of the organic law referred to in article 1, an arrangement shall be made between the mandatory and the local governments for reimbursement by the latter of all expenses incurred by the mandatory in organizing the administration, developing local resources, and carrying out permanent public works, of which the country retains the benefit. Such arrangement shall be communicated to the Council of the League of Nations.

ART. 16. French and Arabic shall be the official language of Syria and the Lebanon.

ART. 17. The mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the council as to the measures taken during the year to carry out the provisions of this mandate. Copies of all laws and regulations promulgated during the year shall be attached to the said report.

ART. 18. The consent of the Council of the League of Nations is required for any modification of the terms of this mandate.

ART. 19. On the termination of the mandate, the Council of the League of Nations shall use its influence to safeguard for the future the fulfillment by the Government of Syria and the Lebanon of the financial obligations, including pensions and allowances, regularly assumed by the administration of Syria or of the Lebanon during the period of the mandate.

ART. 20. The mandatory agrees that if any dispute whatever should arise between the mandatory and another member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it can not be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by article 14 of the covenant of the League of Nations.

Whereas the mandate in the above terms came into force on September 29, 1923; and

Whereas the United States of America by participating in the war against Germany contributed to her defeat and the defeat of her allies and to the renunciation of the rights and titles of her allies in the territory transferred by them, but has not ratified the covenant of the League of Nations embodied in the treaty of Versailles; and

Whereas the Government of the United States and the Government of France desire to reach a definite understanding with respect to the rights of the two Governments and their respective nationals in Syria and the Lebanon;

The President of the United States of America and the President of the French Republic have decided to conclude a convention to this effect and have nominated as their plenipotentiaries:

The President of the United States of America.

His excellency, Mr. Myron T. Herrick, ambassador extraordinary and plenipotentiary of the United States of America to France.

And the President of the French Republic:

M. Raymond Poincaré, senator, president of the council, minister of foreign affairs.

Who, after communicating to each other their respective full powers, found in good and due form, have agreed as follows:

ARTICLE 1

Subject to the provisions of the present convention, the United States consents to the administration by the French Republic, pursuant to the aforesaid mandate, of Syria and the Lebanon.

ARTICLE 2

The United States and its nationals shall have and enjoy all the rights and benefits secured under the terms of the mandate to members of the League of Nations and their nationals, notwithstanding the fact that the United States is not a member of the League of Nations.

ARTICLE 3

Vested American property rights in the mandated territories shall be respected and in no way impaired.

ARTICLE 4

A duplicate of the annual report to be made by the mandatory under article 17 of the mandate shall be furnished to the United States.

ARTICLE 5

Subject to the provisions of any local laws for the maintenance of public order and public morals, the nationals of the United States will be permitted freely to establish and maintain educational, philanthropic, and religious institutions in the mandated territory, to receive voluntary applicants and to teach in the English language.

ARTICLE 6

Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate as recited above unless such modification shall have been assented to by the United States.

ARTICLE 7

The present convention shall be ratified in accordance with the respective constitutional methods of the high contracting parties. The ratifications shall be exchanged at Paris as soon as practicable. The present convention shall take effect on the date of the exchange of ratifications.

In witness whereof the respective plenipotentiaries have signed this convention and have affixed thereto their seals.

Done in duplicate at Paris the 4th day of April, in the year 1924.

[L. S.] (Signed) MYRON T. HERRICK.

RECESS

Mr. WARREN. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 15, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 14, 1924

POSTMASTERS

ALABAMA

Minnie W. O'Hara to be postmaster at Hurtsboro, Ala., in place of S. A. Borom. Incumbent's commission expires June 4, 1924.

Alden M. Wallace to be postmaster at Tuskegee, Ala., in place of B. C. Gibson, resigned.

ALASKA

William J. Shepard to be postmaster at Cordova, Alaska, in place of C. H. Scheffler. Incumbent's commission expires June 4, 1924.

ARKANSAS

Robert A. Choate to be postmaster at Tuckerman, Ark., in place of R. A. Choate. Incumbent's commission expires June 4, 1924.

Bertha E. Millian to be postmaster at Lexa, Ark., in place of B. E. Millian. Incumbent's commission expires June 4, 1924.

CALIFORNIA

Clyde W. Holbrook to be postmaster at Venice, Calif., in place of J. C. Barthel. Incumbent's commission expired February 11, 1924.

Earle R. Hawley to be postmaster at Stockton, Calif., in place of E. R. Hawley. Incumbent's commission expires June 4, 1924.

Chauncey P. Wright to be postmaster at San Pedro, Calif., in place of C. J. Adair. Incumbent's commission expired February 11, 1924.

Louis P. Miller to be postmaster at Rio Vista, Calif., in place of L. P. Miller. Incumbent's commission expires June 4, 1924.

George W. Nygren to be postmaster at Parlier, Calif., in place of G. W. Nygren. Incumbent's commission expires June 4, 1924.

William C. Werry to be postmaster at Palo Alto, Calif., in place of W. H. Kelly. Incumbent's commission expires June 4, 1924.

Marion W. Bessom to be postmaster at Lawndale, Calif., in place of M. W. Bessom. Office became third class April 1, 1924.

Flora H. Vaughn to be postmaster at Earlimart, Calif., in place of E. H. Vaughn, resigned.

John H. B. Speer to be postmaster at Delano, Calif., in place of R. M. Wilbur, resigned.

COLORADO

James L. Allison to be postmaster at Woodmen, Colo., in place of J. L. Allison. Incumbent's commission expires June 4, 1924.

George Haver to be postmaster at Eckley, Colo., in place of George Haver. Incumbent's commission expires May 21, 1924.

Irving P. Beckett to be postmaster at Craig, Colo., in place of I. P. Beckett. Incumbent's commission expires June 4, 1924.

CONNECTICUT

John A. Ayer to be postmaster at Saybrook, Conn., in place of R. D. Burns. Incumbent's commission expires June 5, 1924.

Clarence L. Clark to be postmaster at Lyme, Conn., in place of C. L. Clark. Incumbent's commission expires June 5, 1924.

William T. Crumb to be postmaster at Jewett City, Conn., in place of D. F. Finn. Incumbent's commission expires June 5, 1924.

James F. Holden to be postmaster at Forestville, Conn., in place of J. F. Holden. Incumbent's commission expires June 5, 1924.

Edward S. Coulter to be postmaster at Essex, Conn., in place of E. S. Coulter. Incumbent's commission expired April 9, 1924.

IDAHO

Lester J. Holland to be postmaster at Shelley, Idaho, in place of O. P. Jensen. Incumbent's commission expires June 5, 1924.

Charles J. Shoemaker to be postmaster at Sand Point, Idaho, in place of D. C. D. Moore. Incumbent's commission expires June 5, 1924.

Floyd E. Reynolds to be postmaster at Richfield, Idaho, in place of F. E. Reynolds. Incumbent's commission expires June 5, 1924.

Hugh D. Stanton to be postmaster at Kendrick, Idaho, in place of J. F. Brown. Incumbent's commission expires June 5, 1924.

Albert E. White to be postmaster at Payette, Idaho, in place of A. E. White. Incumbent's commission expires June 5, 1924.

Frank Dvorak to be postmaster at Aberdeen, Idaho, in place of Frank Dvorak. Incumbent's commission expires June 5, 1924.

ILLINOIS

Harry L. Dean to be postmaster at Witt, Ill., in place of T. W. Daly. Incumbent's commission expires June 4, 1924.

Anna J. Arthur to be postmaster at Lovejoy, Ill., in place of A. J. Arthur. Office became third class April 1, 1924.

Laura A. Gregory to be postmaster at Willisville, Ill., in place of L. A. Gregory. Incumbent's commission expires June 5, 1924.

Simon K. Lewis to be postmaster at Utica, Ill., in place of John Gilchrist. Incumbent's commission expires June 5, 1924.

Christian Andres to be postmaster at Tinley Park, Ill., in place of Christian Andres. Incumbent's commission expires May 28, 1924.

Henry H. Pierce to be postmaster at Royalton, Ill., in place of H. H. Pierce. Incumbent's commission expires June 5, 1924.

Harry Hutchins to be postmaster at Rockton, Ill., in place of W. W. Sloan. Incumbent's commission expires June 5, 1924.

August Kulkitz to be postmaster at Red Bud, Ill., in place of Albert Schrieber. Incumbent's commission expires June 5, 1924.

Jessie A. Livingston to be postmaster at Livingston, Ill., in place of F. A. Thomure. Incumbent's commission expires June 5, 1924.

Andrew R. Tarbox to be postmaster at Gibson City, Ill., in place of A. R. Tarbox. Incumbent's commission expires June 4, 1924.

John H. Stolle to be postmaster at Evansville, Ill., in place of C. D. Pautler. Incumbent's commission expires May 28, 1924.

Frank G. Robinson to be postmaster at El Paso, Ill., in place of F. G. Robinson. Incumbent's commission expires May 28, 1924.

Edwin C. O'Brien to be postmaster at Barry, Ill., in place of E. C. O'Brien. Incumbent's commission expires May 28, 1924.

Francis W. Craig to be postmaster at Apple River, Ill., in place of W. H. Smith. Incumbent's commission expires June 5, 1924.

Lottie M. Jones to be postmaster at Antioch, Ill., in place of L. M. Jones. Incumbent's commission expires June 5, 1924.

INDIANA

Warren B. Johnson to be postmaster at Owensville, Ind., in place of F. W. Boren. Incumbent's commission expires June 5, 1924.

Walter C. Farrell to be postmaster at Middletown, Ind., in place of W. C. Farrell. Incumbent's commission expired May 6, 1924.

IOWA

Jesse A. Stump to be postmaster at Wellman, Iowa, in place of D. F. Kirkpatrick. Incumbent's commission expires June 5, 1924.

Clair A. Sodergren to be postmaster at Wayland, Iowa, in place of Jacob Wenger. Incumbent's commission expired March 22, 1924.

Hazel A. Coltrane to be postmaster at Stockport, Iowa, in place of Gustavus Anderson. Incumbent's commission expired March 22, 1924.

William H. Ward to be postmaster at Ryan, Iowa, in place of W. H. Ward. Incumbent's commission expires June 5, 1924.

Frank E. Moravec to be postmaster at Oxford Junction, Iowa, in place of F. E. Moravec. Incumbent's commission expired August 5, 1923.

Charles E. L. See to be postmaster at Laurens, Iowa, in place of C. E. L. See. Incumbent's commission expires June 4, 1924.

John F. Dicus to be postmaster at Griswold, Iowa, in place of R. A. Donahoe. Incumbent's commission expires June 5, 1924.

Lloyd S. Meyers to be postmaster at Columbus Junction, Iowa, in place of L. S. Meyers. Incumbent's commission expires June 4, 1924.

William W. Jamison to be postmaster at Brighton, Iowa, in place of A. J. Johnson. Incumbent's commission expired March 22, 1924.

Charles G. Wiley to be postmaster at Bonaparte, Iowa, in place of C. G. Wiley. Incumbent's commission expires June 4, 1924.

Patience Felger to be postmaster at Afton, Iowa, in place of Patience Felger. Incumbent's commission expires June 4, 1924.

KANSAS

Eldon C. Newby to be postmaster at Randolph, Kans., in place of J. E. Leach. Incumbent's commission expires June 4, 1924.

George F. Gibson to be postmaster at Lyons, Kans., in place of B. C. Peterson. Incumbent's commission expired October 11, 1923.

Sherman E. Lull to be postmaster at Linn, Kans., in place of M. L. Hoerman. Incumbent's commission expires June 4, 1924.

James L. Reeves to be postmaster at Gridley, Kans., in place of J. L. Reeves. Incumbent's commission expires June 4, 1924.

Merton M. Fletcher to be postmaster at Glasco, Kans., in place of C. T. Butler. Incumbent's commission expires June 4, 1924.

Herbert L. Fryback to be postmaster at Colby, Kans., in place of W. J. Taylor. Incumbent's commission expired May 6, 1924.

KENTUCKY

Carley O. Wilmoth to be postmaster at Paris, Ky., in place of J. W. Payne, resigned.

Edgar Renshaw to be postmaster at Hopkinsville, Ky., in place of J. E. Moseley, removed.

LOUISIANA

Lillian P. Witherow to be postmaster at Lake Providence, La., in place of L. P. Witherow. Incumbent's commission expires June 2, 1924.

MAINE

Lawrence H. Allen to be postmaster at South Windham, Me., in place of W. K. Foster. Incumbent's commission expires June 5, 1924.

Gustavus A. Young to be postmaster at Island Falls, Me., in place of G. A. Young. Incumbent's commission expires May 18, 1924.

Carleton E. Young to be postmaster at Winterport, Me., in place of C. E. Young. Incumbent's commission expires May 18, 1924.

MASSACHUSETTS

Charles W. Swift to be postmaster at Yarmouth, Mass., in place of C. W. Swift. Incumbent's commission expires June 4, 1924.

Wendell F. Gurney to be postmaster at Whitman, Mass., in place of Martin Ratigan. Incumbent's commission expires June 4, 1924.

Nancy S. Harley to be postmaster at South Hanson, Mass., in place of N. S. Harley. Incumbent's commission expires June 4, 1924.

Walter B. Currier to be postmaster at South Acton, Mass., in place of W. B. Currier. Incumbent's commission expires May 28, 1924.

Herbert E. Buxton to be postmaster at Shrewsbury, Mass., in place of H. E. Buxton. Incumbent's commission expires May 28, 1924.

Joseph L. McGrath to be postmaster at Sharon, Mass., in place of J. L. McGrath. Incumbent's commission expires June 4, 1924.

Charles H. Sawyer to be postmaster at Northampton, Mass., in place of P. F. Brown. Incumbent's commission expires June 4, 1924.

MICHIGAN

Frank N. Green to be postmaster at Olivet, Mich., in place of Thomas Maveety. Incumbent's commission expires June 4, 1924.

Arthur G. Stone to be postmaster at Niles, Mich., in place of F. W. Richter. Incumbent's commission expires June 4, 1924.

Adrian J. Westveer to be postmaster at Holland, Mich., in place of W. O. Van Eyck. Incumbent's commission expires June 4, 1924.

Edwin L. Groger to be postmaster at Concord, Mich., in place of E. L. Groger. Incumbent's commission expires June 4, 1924.

MINNESOTA

Hans P. Becken to be postmaster at Hanska, Minn., in place of H. P. Becken. Incumbent's commission expires May 28, 1924.

MISSOURI

Isaac P. Hopkins to be postmaster at Edgerton, Mo., in place of I. P. Hopkins. Incumbent's commission expires June 5, 1924.

MONTANA

Thomas E. Devore to be postmaster at Whitehall, Mont., in place of T. E. Devore. Incumbent's commission expired May 10, 1924.

Robert Parsons to be postmaster at Sweetgrass, Mont., in place of Robert Parsons. Incumbent's commission expires May 28, 1924.

NEBRASKA

May Roberts to be postmaster at Nemaha, Nebr., in place of May Roberts. Office became third class April 1, 1924.

Orin J. Schwieger to be postmaster at Chadron, Nebr., in place of B. A. Brewster, removed.

Margaret M. Anderson to be postmaster at Stromsburg, Nebr., in place of M. M. Anderson. Incumbent's commission expired April 9, 1924.

Harry B. Clayton to be postmaster at Central City, Nebr., in place of E. H. Bishop. Incumbent's commission expired April 9, 1924.

Edward F. Farley, jr., to be postmaster at Bancroft, Nebr., in place of X. Y. Zuhlke. Incumbent's commission expires June 4, 1924.

NEW HAMPSHIRE

William T. Lance to be postmaster at Meredith, N. H., in place of G. F. Sanborn. Incumbent's commission expires June 5, 1924.

Leston F. Eldredge to be postmaster at Durham, N. H., in place of Samuel Runlett. Incumbent's commission expires June 5, 1924.

Thomas H. Dearborn to be postmaster at Dover, N. H., in place of G. H. Sherry. Incumbent's commission expires June 5, 1924.

NEW JERSEY

Harry B. Mason to be postmaster at Pompton Lakes, N. J., in place of J. F. Beardsley, deceased.

Lyle W. Morehouse to be postmaster at Little Falls, N. J., in place of J. T. Steel, resigned.

Charles Herrmann to be postmaster at South River, N. J., in place of Clara Mark. Incumbent's commission expired March 2, 1924.

NEW YORK

William P. McConnell to be postmaster at Marlboro, N. Y., in place of Herbert McMullen. Incumbent's commission expired July 21, 1924.

Lulu B. Morehouse to be postmaster at Marathon, N. Y., in place of A. L. Slate. Incumbent's commission expired May 6, 1924.

NORTH CAROLINA

Perry T. Roane to be postmaster at Kelford, N. C., in place of P. T. Roane. Office became third class April 1, 1924.

Stella Taylor to be postmaster at Efland, N. C., in place of B. A. Clark. Office became third class January 1, 1924.

NORTH DAKOTA

Benjamin L. Anderson to be postmaster at Grenora, N. Dak., in place of B. L. Anderson. Incumbent's commission expired January 23, 1924.

OHIO

Fred M. Hopkins to be postmaster at Fostoria, Ohio, in place of Roscoe Carle. Incumbent's commission expired February 24, 1924.

Olive G. Randall to be postmaster at Hubbard, Ohio, in place of S. E. Denison, removed.

Frank J. Eckstein to be postmaster at Salem, Ohio, in place of G. H. Mounts. Incumbent's commission expired May 10, 1924.

Charles R. Finnical to be postmaster at Newton Falls, Ohio, in place of J. B. Beard. Incumbent's commission expires June 4, 1924.

John W. Kramer to be postmaster at Maumee, Ohio, in place of J. W. Kramer. Incumbent's commission expires June 2, 1924.

Hosea A. Spaulding to be postmaster at Delaware, Ohio, in place of W. E. Haas. Incumbent's commission expires June 4, 1924.

OKLAHOMA

Fred Godard to be postmaster at Wellston, Okla., in place of Fred Godard. Incumbent's commission expires May 18, 1924.

Clifton J. Owens to be postmaster at Mill Creek, Okla., in place of C. J. Owens. Incumbent's commission expires May 18, 1924.

PENNSYLVANIA

Howard S. Kiess to be postmaster at Blossburg, Pa., in place of M. C. Bermingham. Incumbent's commission expires June 5, 1924.

PORTO RICO

Moises Jordan to be postmaster at Utuado, P. R., in place of Moises Jordan. Incumbent's commission expires May 28, 1924.

Jose M. Alcover to be postmaster at Arecibo, P. R., in place of J. M. Alcover. Incumbent's commission expires May 28, 1924.

Carlos F. Torregrosa to be postmaster at Aguadilla, P. R., in place of C. F. Torregrosa. Incumbent's commission expires June 4, 1924.

SOUTH DAKOTA

William R. Amoo to be postmaster at Morristown, S. Dak., in place of W. R. Amoo. Incumbent's commission expires May 28, 1924.

TENNESSEE

Herschel H. Tatlock to be postmaster at Covington, Tenn., in place of R. H. Green. Incumbent's commission expires June 4, 1924.

TEXAS

William H. Tarter to be postmaster at Roxton, Tex., in place of R. C. Lattimore. Incumbent's commission expires June 4, 1924.

Abundio Contreras to be postmaster at Riogrande, Tex., in place of Abundio Contreras. Incumbent's commission expires June 4, 1924.

Mike O. Sharp to be postmaster at Denison, Tex., in place of H. L. Piner. Incumbent's commission expires June 4, 1924.

UTAH

William S. Anderson to be postmaster at Moroni, Utah, in place of W. S. Anderson. Incumbent's commission expires June 4, 1924.

VERMONT

Reginald W. Buzzell to be postmaster at Newport, Vt., in place of D. R. Stetson. Incumbent's commission expires June 5, 1924.

VIRGINIA

Nannie L. Curtis to be postmaster at Leehall, Va., in place of N. L. Curtis. Incumbent's commission expired April 13, 1924.

WEST VIRGINIA

Earle Reger to be postmaster at Weston, W. Va., in place of Earle Reger. Incumbent's commission expires June 5, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14, 1924

POSTMASTERS

CALIFORNIA

Frances W. Brown, Montrose.
Myrtle H. Turner, Reseda.
Ralph R. Merritt, Tehachapi.
Ellen M. Gholson, Tennant.

COLORADO

Thomas F. Beck, Aspen.
John C. Kessenger, Limon.
Erman D. Acton, Oak Creek.

CONNECTICUT

Frederick W. Foster, Short Beach.

FLORIDA

Edward O. Sawyers, Zolfo Springs.

ILLINOIS

Oscar N. De Forde, Alma.
John H. Lawder, Campbell Hill.
Harry V. Popejoy, Cropsey.
Willis G. Hodge, Ina.
Charles J. Rohde, Lena.
Irene L. Ford, Mahomet.
Lyle E. Wilcox, McLean.
Louis A. Willman, Metamora.

IOWA

Charles H. Cookinham, Ayrshire.
William E. Clayman, Conrad.
James W. Duckett, Corwith.
Calvin C. Knoll, Gilmore City.
Perry D. Burke, Gladbrook.

KENTUCKY

Edna W. Morin, Alexandria.
John F. Graves, Arlington.
Herbert E. Brown, Brandenburg.
Annie M. Thomas, Cadiz.
Bryant H. Givens, Caneyville.
John M. Burkholder, Crofton.
Nannie J. Wathen, Irvington.
Henry C. Hurst, Jackson.
Gertrude Berry, La Center.
J. Whit Wingo, Lynnville.
Ella M. Geddes, Pippapass.
Anna E. Fuqua, Rockvale.
Thomas B. Rhoades, Sturgis.

LOUISIANA

Robert H. Staples, Castor.

MISSOURI

Walter L. Meyer, Auxvasse.
Milton C. Terry, Carterville.
Robert J. Smith, Miller.
Ezra L. Plummer, Seneca.

NEBRASKA

Leah P. Rice, Harrison.
Louis A. Rice, Wilsonville.

NEVADA

William E. Dalton, Gerlach.
Louis H. Ulrich, Hawthorne.
John W. Christian, Pioche.

NEW JERSEY

Francis M. Denver, Blackwood.
Rachel E. Berger, Ringoes.
George A. Yewell, Yardville.

NEW MEXICO

George H. Disinger, Hillsboro.

OREGON

William P. Skiens, Burns.
Henry W. Bahringer, Dundee.
Charles Royse, Spray.

RHODE ISLAND

Marion A. Smith, Conimicut.

SOUTH DAKOTA

Arthur W. Siegele, Herreid.
Thomas C. Burus, Mitchell.

TENNESSEE

William G. Leach, Huntingdon.
Haggai M. Miller, Mountain City.
Alvin L. Henderson, Tracy City.

TEXAS

Sudie Gaut, Arp.
Charles F. Palm, Carrizo Springs.
George H. Fricke, Cat Spring.
Lenora A. Rudder, Coahoma.
Lee M. Feagin, Colmesneil.
Charles W. Ford, Gatesville.
Thomas C. Hood, Lyford.
Robert W. Bourland, Marathon.
Edgar Lewis, Mesquite.
Fred N. Bland, Orangefield.
Charles A. Quails, Post.
Mabel E. Kennedy, Rockport.
Cynthia M. Martin, San Augustine.
Raymond G. Hirth, San Juan.
Manton W. Williams, Sinton.

WASHINGTON

William G. Menelce, Carson.
Thomas D. Johnson, Cosmopolis.
Hugh E. Osborn, Longmire.
Rose M. Illy, Uniontown.

WEST VIRGINIA

Lawrence Barrackman, Barrackville.
Aileen J. Calfee, Eckman.
Gertrude Smith, Oak Hill.
Harry A. Pettigrew, Pursglove.

WYOMING

Mrs. Bert Williams, Cumberland.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 14, 1924

POSTMASTERS

PENNSYLVANIA

John W. Hawes to be postmaster at Renton, in the State of Pennsylvania.

RHODE ISLAND

Marion A. Smith to be postmaster at Conimicut, in the State of Rhode Island.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *May 14, 1924*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Love Divine, keep us in the ways of Thy precepts lest we fail; lead us and shield us lest we falter. Great is our need, but greater far is Thy loving power. Remind us, O Lord, that no good thing dost Thou withhold from him who walks uprightly. In every way may we so value this life that we may realize that it is but an echo of the life eternal. This day may our thoughts be pure, our words clean, our labor wise and helpful. Forgive us if we are selfish; rebuke us if we are untrue; recall us if we go estray; and cleanse us from all secret faults. For Jesus's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill (S. 381) to amend section 2 of the act entitled "An act to provide for stock-raising homesteads and for other purposes," approved December 29, 1916 (39 Stat. L. p. 862).

The message also announced that the Senate had passed with amendment the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes, and asked a conference with the House on the disagreeing votes of the two Houses thereon and had appointed Mr. BALL, Mr. JONES of Washington, and Mr. KING as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," in which the concurrence of the House of Representatives was requested.

The mesage also announced that the Senate had passed bills and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof;

S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line;

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes; and

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians, of Montana, in the Treasury of the United States.

The message also announced that the Senate had passed the following order:

Ordered, That the House of Representatives be requested to return to the Senate the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

SENATE BILLS AND JOINT RESOLUTION REFERRED

Under clause 2 of Rule XXIV, Senate bills and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line; to the Committee on Military Affairs.

S. 1785. An act to amend an act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, and acts amendatory thereof; to the Committee on the District of Columbia.

S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes; to the Committee on Indian Affairs.

S. J. Res. 103. Joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians, of Montana, in the Treasury of the United States; to the Committee on Indian Affairs.

ORDER OF BUSINESS

Mr. McKENZIE. Mr. Speaker, this is Calendar Wednesday. I understand that there are scheduled about two hours of speeches on various subjects to-day, and inasmuch as the Committee on Military Affairs has a number of rather important bills—not great bills, but important to the service, both the National Guard and the Regular Army—I hope that there will be no extensions asked for further time on this day, which should be given to the consideration of bills from the Committee on Military Affairs.

INTERNATIONAL COURTS

The SPEAKER. By a special order the gentleman from Pennsylvania [Mr. WATSON] is entitled to address the House for 15 minutes.

The gentleman from Pennsylvania is recognized.

Mr. WATSON. Mr. Speaker, I rise pursuant to my request to speak on the international courts, where nations may settle disputes either by arbitration or judicial procedure.

First, I purpose to outline the history of the two courts, in order more clearly to emphasize my belief, that through the philosophy of progression a court can and will be established to meet the approval of all nations.

Arbitration was practiced among the ancients in the disposition of civil cases. The Permanent Court of Arbitration of modern times was established in 1899. Nicholas, the Czar of Russia, initiated the peace conference which was held in the city of The Hague in 1898, and at The Hague the court was instituted and there maintained its seat.

The United States was numbered with many signatory powers that ratified the court. The group created a list of 100 names, from which are selected three or five arbitrators to decide a dispute that may arise between its members. Each case has different arbitrators, "hence the impossibility of arriving at a jurisprudence capable of developing international law." The first case was arbitrated in 1902. It involved a question between the United States and Mexico relative to boundary lines of certain territory. The decision was accepted by both countries and thus the controversy ended in peace. The result interested Andrew Carnegie, which prompted him to offer to the commissioners of the court a fund to establish a law library. While the proffer was in abeyance, Mr. Carnegie advised that his gift of $1,500,000 be applied for the erection of a building to house the court in place of a library, and thus the "Carnegie Foundation" was realized, known as the Palace of Peace.

The issue as to the site was settled when the city of The Hague donated the Royal Park, a tract of 15 acres located in the heart of the city. Two hundred and sixteen competitive designs were submitted. The one adopted presented a building 160 feet long, of Norwegian granite, columns of gray stone, and stately towers, all of which mark the edifice with inspiring dignity.

By a resolution of the commissioners in the conference of 1907, all nations were privileged to present materials and objects of art. The city of The Hague gave the grand marble staircase; the United States, a group of statuary; England, stained glass windows; Japan, silk tapestry and furniture; France, paintings and Gobelins; other nations, rich pieces of decoration. A noted horticultural engineer beautifully laid out the grounds with ornamental lakes, fountains, perennial plants, rose and flower gardens. These, with a background of old and majestic trees, present a peaceful charm.

Attempt was made in the 1907 conference to establish with the Permanent Court of Arbitration a permanent court of arbitral justice, by electing judges for a stated term, drawing salaries, and being always ready to respond to the invitation of powers desiring to submit a difference to their judgment. This failed because the great and small powers were unable to agree upon a method of selecting the judges. After the armistice the League of Nations was created, from which eminated the Court of International Justice, which is also located in the Palace of Peace.

Article XIV of the league provides that the council shall formulate a plan for the establishment of the court, which was submitted to the league and adopted December 13, 1920. The council and the assembly, two organizations of the League of Nations, within their prescribed power, elected for a period of nine years, 11 acting and 4 deputy judges. The rules of the court relative to practice are similar to those of the Supreme Court of the United States. The nations submitting their differences must file an agreement with the registrar, that the decision of the court shall be the decision of the parties in suit. There is no appeal, but either contestant may file an application for revision. The session commences June 15 each year and ends when the calendar is cleared.

The court was formerly restricted to the members of the league. The rules, however, have been modified to admit every nation, and have been broadened to cover all international disputes.

The jurisdiction of the court was originally confined to—

(a) The interpretation of a treaty;

(b) Any question of international law;

(c) The existence of any fact, which, if established, would constitute a breach of an international obligation; and

(d) The nature or extent of the reparation to be made for the breach of an international obligation.

The docket indicates a gradual increase of cases, and it is significant that not one has been entered in the court of arbitration since the organization of the court of justice.

The United States may appeal to the World Court for settlement of differences with other nations, but as the United States can not name the judges nor be assessed to maintain the court without membership, of course the United States would not submit issues to the court. Therefore, the question, Shall the United States become a member of the World Court? Membership would not draw the United States into the League of Nations, nor place it under obligation to accept its covenants.

Primitive man was governed by the unwritten law that permitted the stronger to prevail over the weaker, and "the strength of the arm won over the strength of the mind." The evolution of law marks the progress of civilization. As life of ease forges its way into human conduct, the desire for war gradually dies away in the advance stage of society, where the heart of man softens toward his fellow being.

One code of law can not be framed to apply to all nations, but one court can be organized to settle differences that may arise between nations. Habits of the peoples of the earth are growing similar, resulting from modern sciences by which thought may be quickly transmitted around the world and articulated sounds be waved across the Atlantic. Thus human society appeals for peace, public economy, higher morale, and legislation to be in accord with the age. People rebel against the enactment of new laws, as they are looked upon as taking away the common-law rights of liberty. Therefore we find opposition to the World Court. As an illustration, history relates a story that when Varus failed in his expedition to Germany, where Rome had enforced the laws of her country, a German warrior meeting one of the Roman jurists thrust a sword into his heart, saying: "Viper, hiss again if you can."

The International Court has been founded and it will remain. Under Article XIV of the covenant, the functions of the court are of a twofold nature—judicial and advisory. Its judicial functions are defined as follows:

The court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it.

The advisory functions are founded upon the last phrase of the article.

The court may also give an advisory opinion upon any dispute or question referred to by the council or by the assembly.

It has required the age of man to perfect the civil tribunals as they are to-day. Courts with new jurisdiction, laws to neutralize the imperfections of old ones, and commissions are created almost daily throughout the world to meet the requirements of civilization and the density of population. The Court of International Justice has been established only since September, 1922, permanently, however, regardless of the opinion of political students to the contrary, and as its calendar becomes crowded new branches of the court will be ordained.

The method of electing judges, the objections that facts are not developed by a jury, and that the judges have or have not international interest in the disputes are questions that can be adjusted at the will of man, as similar ones have in the gradual formation of the civil tribunals. A nation that has not accepted the optional clause concerning the court's compulsory jurisdiction in disputes with another nation need not go to the World Court but to arms if preferable. The International Court of Justice is a stride forward. It will not eliminate wars to-morrow, but it will arrest the vigor for wars, which may in time bring universal peace. [Applause.]

REPEAL OF SECTION 15A OF THE TRANSPORTATION ACT

The SPEAKER. The gentleman from Nebraska [Mr. SHALLENBERGER] is recognized for 30 minutes.

Mr. SHALLENBERGER. Mr. Speaker and gentlemen of the House, I obtained leave last week to address the House for 30 minutes to-day to discuss railroad rate legislation, particularly the repeal of section 15a. I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SHALLENBERGER. Further, I would like first to be permitted to proceed uninterrupted, and then later I shall be glad to answer questions.

I am glad to state to the House that we are at last to have hearings before the Committee on Interstate and Foreign Commerce on section 15a. The bill concerning which I am about to address you at this time has been for two years and four months pending before that committee, and so far no hearings have been ordered upon it. But this morning, the very morning when I am to address you on the bill, a resolution was passed by the Committee on Interstate and Foreign Commerce to have hearings on section 15a. The program of committee hearings on 15a does not in any way lessen the necessity for filing the discharge petition at the Clerk's desk. We need not hope because hearings are to be held, we will get a chance to vote upon the repeal of section 15a, because of any action by the Committee on Interstate and Foreign Commerce. The hearings do not mean that we are to have a favorable report on the bill from the committee. I do not believe that the membership of the House believes that as that committee is now organized we shall receive a favorable report on the bill. The fact that hearings will be had does not mean that the bill will be favorably reported by the House committee, and the bill will not be considered in the House without a rule from the Committee on Rules, and the membership of the House knows that we can not receive a favorable report on the bill from the Committee on Rules of this Congress.

This is the most important measure the Committee on Interstate and Foreign Commerce has before it upon the question of railroad rate reduction. I hope we may have consideration of it in the House before this Congress adjourns.

On May 7 I filed a motion in writing, as required by the rules of the House, to discharge the Committee on Interstate and Foreign Commerce from further jurisdiction of H. R. 5427, and asking for its immediate consideration by the House. This bill was introduced by the gentleman from Alabama [Mr. HUDDLESTON]. It provides for the repeal of section 15a of the interstate commerce act and declares unlawful advances in rates, fares, and charges authorized after the passage of the transportation act, which includes section 15a.

The transportation act was approved February 28, 1920.

The bill H. R. 5427 was first introduced by Mr. HUDDLESTON in the Sixty-seventh Congress and was referred to the Committee on Interstate and Foreign Commerce and remained there during the Sixty-seventh Congress and has been resting peacefully in possession of that committee along with many other bills relating to transportation problems.

It is evident to everyone at all familiar with the situation confronting this House at this time that if there is to be any action by this Congress upon the question of railroad rate legislation it requires immediate action and consideration to be effective.

It is the recognized intention of those who control the program of this Congress to adjourn some time next month.

So those who are favorable to this legislation find themselves confronted with the situation that they must endeavor to secure action through a motion to discharge the Committee on Interstate and Foreign Commerce or this session of Congress will end without attempting to grant any relief to the great basic industries that are suffering because of excessive transportation charges.

This is the first effort made in this Congress to secure relief from the excessive freight charges which have become an unbearable burden upon the basic industries of the country and more especially destructive to agricultural prosperity.

Section 15a is that portion of the transportation act which has received the most severe and constant criticism of any section of the bill. This section contains nearly all the evils which have brought public condemnation upon the so-called Esch-Cummins law. Section 15a was not in the transportation act of 1920 when that bill first passed the House.

It was forced upon the House from the conference committee and by reason of its addition to the measure many Members then refused to support it who had been favorable to the bill before.

There have been numerous bills introduced in this Congress for the repeal of section 15a itself or declaring unlawful the rates which have been established because of its provision and since its enactment.

As showing the strong demand for the repeal of section 15a and the wide opposition to it from different sections of the country, I want to read a list of the bills introduced in this session of Congress for the repeal or radical modification of this section of the transportation act.

Mr. GRAHAM of Illinois, a recognized leader both of his party and of the Congress, and a member of the Interstate and Foreign Commerce Committee, has introduced a bill to repeal section 15a.

Mr. McLAUGHLIN of Nebraska has introduced a bill for the repeal of the entire transportation act of 1920, which includes 15a, so his bill also includes the section referred to in the Huddleston bill.

Mr. TILLMAN, of Arkansas, has introduced a bill to amend section 15a, making unlawful the advance in freight rates ordered after its approval.

Mr. VINSON, of Georgia, has introduced a bill amending section 15a, making unlawful the rates and charges ordered by the Interstate Commerce Commission under section 15a.

I also introduced a bill for the repeal of section 15a and section 19a, and that bill was referred to the Commerce Committee.

Mr. HUDDLESTON, of Alabama, introduced, on the 14th of January last, the bill which I have petitioned to have taken from the committee and immediately considered by the House.

This is a larger number of bills than have been introduced concerning any other one transportation question before the American Congress. Section 15a should be repealed for the reason that it contains fundamental provisions that are wholly wrong in public policy, both as to principles and practices.

First, it provides a cost-plus plan for determining the rates which the carriers shall be allowed to charge the public. It in effect commands the Interstate Commerce Commission to make rates high enough to earn 5¾ per cent net upon all railroad property above the reported operating expenses, without regard to any other consideration.

The authorized per cent which the railroads are permitted to earn is 5¾ per cent upon the determined value of all the railroads. Commissioner Esch, in hearings before the House Commerce Committee, stated that such a rule for fixing a fair return inevitably resulted in many railroads earning incomes far in excess of what any court would declare or permit as a just return upon the capital invested.

Section 15a makes the rule to determine the fairness of a rate the matter of the cost of the service alone, instead of also including the value of the service rendered and its effect upon the commerce of the Nation.

Section 15a makes it lawful for the principal railroad systems of the country, which carry the vast volume of traffic of the Nation, to tax the people through excessive freight rates and earn enormous and unfair percentages and profits.

This provision of the law is excused as necessary in order that poorly managed or weak and failing railroads may earn a profit in spite of all just economic law. The principle is unreasonable, unsound, and can not be justified under any of the recognized rules of economic justice or decisions of our courts prior to the enactment of this law.

The absolute unfairness and injustice of this rule was so apparent that the recapture clause was incorporated in the section while the bill was in conference. This clause provides that only one-half of the excessive and unfair rates which are taken from the people shall be retained by the railroads; the other part of the unfair earnings of the carriers is to be turned over to the Interstate Commerce Commission, upon the supposition that it may be used for the rehabilitation of railroads that are trying to keep out of the hands of receivers or courts of bankruptcy.

The recapture clause is as unfair in practice and principle as though a bank were permitted by law to charge its borrowers who were solvent and prompt in payment any usurious rate, no matter how high, in order that the bank might make good its losses upon its loans made to other borrowers who were insolvent or refused to pay.

Before the enactment of the transportation act including section 15a the courts had held that if it could be shown that a carrier was earning an unfair percentage of income upon its property investment because of excessive rates and charges the public was entitled to have such charges reduced sufficiently to leave the carrier only a just return.

Under that construction the unfair rates that the public is now compelled to pay to the railroads that carry the great bulk of the Nation's traffic would not be permitted by the courts. But section 15a makes injustice lawful.

Section 15a in paragraph 17 provides that no shipper shall be entitled to recover from the carrier upon the sole ground that any rate shall reflect a proportion of excess income to the carrier if a portion of the excessive charges is paid to the commission in the public interest under the provisions of this section.

In other words, if the percentage of earnings of a carrier is 20 per cent or 30 per cent, under the present law, the public is estopped from the plea that the rate is unjust and excessive since one-half of the robbery is to be paid to the Interstate Commerce Commission for its disposal.

The people of Nebraska or Iowa or Pennsylvania or any other State may be required to pay a rate that returns excessive and unfair profit to the carrier in those States, but they must endure the injustice because some bankrupt railroad in another State can be bolstered up by money taken from the pockets of the people of another Commonwealth.

It is because of the unfair and revolutionary provisions contained in section 15a, a few of which I have mentioned, that there has arisen a tremendous demand on the part of both producers and consumers from every quarter of the Nation insisting upon its repeal.

It was forced upon the House by the power of special interests fighting behind the prestige of a conference report, and the House should repeal it now that it knows the results of its unfair provisions.

It hog ties the Interstate Commerce Commission by its provisions so that it is no longer free to determine what are just and fair rates both to the public and the carrier.

The commission must base the rate of return only upon the cost to the carrier without regard to the value of the service rendered or its effect upon the price of commodities or the other business interests of the Nation.

Under the mandate of 15a the Interstate Commerce Commission advanced railroad rates and charges so enormously that as a result commerce between the States is halted, all basic industries are declining, and agriculture is suffering as it has never suffered before.

The prospect of the soft-coal industry for the future is as black as the coal itself. The public refuses to buy coal because freight rates make the price prohibitive. As a consequence, the coal is piled up at the mine's mouth for the lack of markets and labor in the soft-coal regions is idle or working for short periods and at reduced wages.

Prices of all basic commodities are affected adversely because of unreasonable transportation charges. Profitable agriculture is rapidly being destroyed, and the farming regions of the West and Middle West are suffering more acutely at this time than any other section of the Republic.

But the contagion of bankruptcy brought on by the stagnation and destruction of the farming industry is creeping nearer and nearer to the States in the prosperous East that have yet escaped the blasting influences that followed from section 15a. But even the prosperous East is bound to suffer from its blighting effects sooner or later.

Commissioner Esch in a statement to the Interstate and Foreign Commerce Committee of the House states that in the eastern section railroad charges were 211 per cent above prewar charges.

Every day word is brought from the great agricultural valleys of the West that business conditions are becoming more and more unendurable. The people out there have lived up the profits they accumulated in happier times. When that condition comes to you in the East you will feel what the West has had so long to endure.

Because of the provisions of section 15a the Interstate Commerce Commission enormously advanced freight rates, effective August 26, 1920. In all the years prior to 1917 only once did the commission grant a general increase of railroad freight rates and that was only an advance of 5 per cent to the roads in one section of the country.

Yet in 1916 the railroads of the Nation earned a net return of over 6 per cent upon their total valuation. That was before the cost-plus plan of figuring net returns was authorized and inaugurated under section 15a of the Esch-Cummins law.

In 1917 an advance of 15 per cent was allowed to the railroads in the eastern division. In 1918 the Director of Railroads, Mr. McAdoo, advanced freight rates on all railroads under his control 25 per cent additional to that of 1917.

March 1, 1920, the railroads were returned to private control. On that date section 15a began to operate, and railroad operating expenses for the year 1920 showed an increase over that of 1919 of $1,406,755,525.

Under the provisions of section 15a the public were required to pay this enormous increase in expenses before the railroads would show any net earnings. The cost-plus plan of figuring profits nearly bankrupted the Government during the war, and the cost-plus plan of determining railroad income and rates has about bankrupted the producers and consumers of America.

The increase in freight rates granted by the Interstate Commerce Commission to the carriers, effective August 26, 1920, amounted to from 25 to 40 per cent above those already in effect when the railroads were returned to private control.

The amount of the increase as stated by the Interstate Commerce Commission was $1,528,000,000 per annum. Complaints became so loud because of this new burden put upon the public that a horizontal reduction of 10 per cent was ordered by the commission in 1922.

There have also been some reductions in rates upon wheat, coarse grains, and livestock, which were granted for the relief of agriculture in certain sections. But there still remain in force increases in rates under the order of August 26, 1920, above those in force prior to that order in an amount in excess of $1,000,000,000 per annum because of the requirements of section 15a.

Section 2 of the Huddleston bill provides that the rates and charges made effective since and including August 26, 1920, are declared unlawful. It is because of this provision of section 2 that I selected this bill as the one that would bring real

and immediate relief to the producers and consumers of the country if enacted into law.

The repeal of section 15a is a consummation devoutly to be wished. But such action is useless unless its repeal is followed by resulting relief. The repeal of the section should be followed by setting aside the rate advances which the act compelled the Interstate Commerce Commission to allow. That is just what the Huddleston bill provides for.

Discussing the Hoch bill for readjustment of railroad rates, Commissioner Esch said:

> The problem, of course, arises out of the command to the Interstate Commerce Commission under the transportation act to so arrange schedules, rates, fares, and charges as with honest, economical, and efficient management would produce 5¾ per cent net upon the aggregate value of the carriers properly devoted to public use.

The Interstate and Foreign Commerce Committee has reported out the Hoch bill. That is a bill providing for an investigation in order to find out if we can not discover some way to relieve basic industries from unfair rates; but, gentlemen, I have little faith in investigations. I have generally found that when we want to stall upon something in Washington or want to put off action we call for an investigation. We had Commissioner Esch before us, as well as the director of traffic of the Interstate Commerce Commission, and in reply to an inquiry Commissioner Esch said that the investigation asked for in Mr. Hoch's bill would, in his judgment, take 10 years before it could be brought to a conclusion. Gentlemen, I do not expect to be here 10 years from now, so I would like to have some action upon this grave question before 10 years. [Applause.] Furthermore, gentlemen, I have found out that if you refer something to a commission for investigation and you give the commission plenty of money that commission will hold hearings until the money runs out. If I had my way, I would put over the doors of all these investigating committees empowered to investigate grave questions the same sign which Dante said he saw over the door to the inferno, "All hope abandon, ye who enter here." [Applause.]

Mr. HOCH. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. HOCH. The gentleman does not contend that the resolution which I introduced is limited to an investigation, does he?

Mr. SHALLENBERGER. No; I do not contend that.

Mr. HOCH. Does it not direct that these maladjustments be corrected?

Mr. SHALLENBERGER. It does.

Mr. HOCH. And is it not also true that the witness to whom the gentleman has referred did say that it might possibly take 10 years, but that subsequently he modified that statement by saying it might be possible to go through an entire survey of the freight structures and some relief given in the near future? Is not that true?

Mr. SHALLENBERGER. I agree with that. But the whole trend of the commissioner's testimony was that the bill which the gentleman from Kansas [Mr. HOCH] has introduced does not give any new power to the commission which the commission does not already have, but that it simply instructs them to hold an investigation, while I want some change in the law which controls and affects the commission's actions.

If the bill I am asking to be considered is enacted into law, it will result in an immediate reduction of at least $1,000,000,000 in freight charges. The provisions of the bill are so plain and easily understood that he who runs may read and understand them.

We made a fight last week for the enactment of a bill that will protect the interests and secure the rights of labor. What excuse can Members of this House offer to the producers and consumers of the Nation, who are suffering more at this time than any other class, if we do not invoke the same rule and make a fight for them?

Labor is organized and therefore is armed and prepared to fight for its rights. The farmer and the consuming public are not organized as they should be to secure their just rights from Congress. But I think we will find them organized at the polls in November, and they will hold every Member of this House responsible if they do not make a fight for them here and now, and they ought to do so.

It will not avail any Member to say he did not sign the petition because he did not understand the purposes and provisions of the bill. They are as plain as day and as certain as fate if enacted into law.

It is futile for Members to try to excuse themselves by saying it is too late to secure the passage of the bill at this session. We can still pass the bill if a majority are here who desire to do it, and we can not determine that unless we bring the matter to the test.

No Member can fairly claim that he is in favor of reducing railroad rates and charges and withhold his signature from the petition now upon the Clerk's desk. We can no longer dodge a great question since the adoption of the discharge rule.

The line is very clearly drawn, and all must take their stand upon one side or the other. The basic producers and the consuming public are all going to know where we stand upon the matter of securing relief from excessive railroad rates and charges.

Unless we revoke the rule of law established under section 15a the present high freight rates will remain in force, no matter how tremendous the fall in the value of commodities. Agriculture already has suffered such a decline in prices that the present freight rates are confiscatory.

Reduction of freight and passenger rates to a lower and more just level does not necessarily mean that the carriers shall therefore earn a smaller net annual income. The railroads must shape their business policy toward increasing the volume of transportation traffic rather than that of increasing charges upon a lesser or diminishing volume of freight business.

Labor costs will not trouble the railroad managers any more than they trouble Henry Ford if they will use the same sound principles of business management by which Mr. Ford has built up the greatest industrial property in the world.

American workmen are the highest-paid labor in the world. But America also dominates the world's markets with her products of mass production because American labor is the most efficient and economical, measured by the cost of production, of any labor in the world.

The bill is not revolutionary, nor does it involve any unfair or new principle of determining what shall constitute a fair railroad return.

The bill does not take away any power which the Interstate Commerce Commission now has. It only relieves them from the restrictions and obligations that section 15a has imposed upon them.

It leaves to the carriers all the advances that were granted to them before the war and during the war as war measures. It empowers the Interstate Commerce Commission to so adjust railroad rates, fares, and charges as they shall find to be just, reasonable, and in conformity with the value of the service rendered.

Members of Congress will find it difficult to convince their constituents that these terms and provisions are not fair and reasonable as to the public, the producer, the consumer, and the railroads.

Mr. Speaker, we have by law constituted the railroad systems of the Nation a great private monopoly. We then created the Interstate Commerce Commission as an instrumentality of the Government to protect the people from injustice and oppression by this nation-wide transportation monopoly.

But the transportation act has changed the powers of that commission into an instrument behind which and by whose order the railroad monopoly is permitted to prey upon the public, which it was before designed to protect.

The bill that I am asking to be considered will again put the Interstate Commerce Commission in a position to protect the public from charges and injustices that have become intolerable and indefensible. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. CHINDBLOM. Does the gentleman think that Congress would have the power, without an investigation and without hearings, to wipe off the schedule of rates now in force and declare excessive any rates greater than those which were in force on August 25, 1920?

Mr. SHALLENBERGER. Yes; I think Congress certainly has that power. I had that particular proposition put up to me when I was making my race for Governor of Nebraska, on the question of reducing passenger fares in Nebraska from 3 cents a mile to 2 cents a mile. The argument was made by those who opposed that action by legislative enactment, which is what I propose here, that it would not be sustained by the courts. I was charged then with not being a lawyer and advocating something unlawful; and, of course, I know that my questioner, the distinguished gentleman from Illinois, is a good lawyer. The Republican papers said, "You can lock that fellow from the short-grass country up in a room, give him paper and pen and ink and leave him there for a week, and he can not draft a law which will stand the test of the courts, nor the attacks of the learned lawyers the railroads will employ." My answer was, being a Democrat I was not expected to spell big words, but that I could read words of one syllable; that if I were empowered

to write such a law I would hunt around in the present law—which declared the maximum fare that the people of Nebraska would be required to pay was 3 cents per mile—and I would scratch out the word "three" and write in the word "two," and reenact the law; and I said I believed that the law would stand the test of the courts. Now, that is what we are in substance seeking to do here. We are striking out the excessive rates ordered because of the present law by declaring them unlawful. It may be interesting to you to know that we finally passed the 2-cent passenger fare law in Nebraska and put it upon the statute books. The committee that drafted the law in the legislature was composed of a number of distinguished lawyers like my friend from Chicago [Mr. CHINDBLOM]. They spent a month trying to draft a bill different in language from the one I had advocated, but finally they threw away all the bills the lawyers had drawn; they hunted around in the old act until they found the word "three," they scratched it out and wrote in the word "two," and reenacted it into law. It stood the test of the courts, and it gave the people of Nebraska the right to ride on the railroads at 2 cents for 11 years.

Mr. CHINDBLOM. How long ago was that?

Mr. SHALLENBERGER. That was in 1907, but the rate stood for 11 years. Mr. McAdoo first raised it to 3 cents during Government control of the railroads, and then under the Esch-Cummins law passenger fares were advanced to 3.6 cents per mile.

Mr. CHINDBLOM. Does the gentleman contend that a rate that was reasonable in 1907 or that was reasonable in 1920 is necessarily reasonable in 1924?

Mr. SHALLENBERGER. No; and this bill does not provide that. It simply provides that we shall declare unlawful the rates and advances made since the adoption of section 15a if we repeal the section. Section 2 of the bill I am advocating gives to the Interstate Commerce Commission the right to decide the very thing that the gentleman wants to have decided by it; but I want them to be free to act and not bound down and hog tied by this particular section of the transportation act.

Mr. CHINDBLOM. But we would be establishing rates by legislative enactment.

Mr. SHALLENBERGER. We are seeking to establish the fact that certain rates are unlawful and authorizing the Interstate Commerce Commission to determine by another rule the rates that the railroads may lawfully charge the public.

Mr. CHINDBLOM. But in the meantime the old rates will be in force.

Mr. SHALLENBERGER. No; they would not be in force, because I take it the Interstate Commerce Commission will obey the mandates of Congress, which would make them unlawful.

Mr. CHINDBLOM. They will have to take time to have hearings on the question of the rates.

Mr. SHALLENBERGER. There will be plenty of time to do that before we get this bill enacted into law; I know that.

The Huddleston bill (H. R. 5427) is as follows:

A bill (H. R. 5427) to repeal section 15a of the interstate commerce act and to restore rates, fares, and charges authorized prior to increases effective August 26, 1920

Be it enacted, etc., That section 15a of the interstate commerce act be, and the same is hereby, repealed.

SEC. 2. That hereafter all charges, rates, and fares of carriers subject to the interstate commerce act greater than were in force on August 25, 1920, shall be unlawful: *Provided*, That this act shall not operate to increase any rate, fare, or charge above what same was prior to its passage: *Provided further*, That the Interstate Commerce Commission shall hereafter have authority to change any particular rule, rate, fare, or charge which may be found not to be just, reasonable, and in conformity with the value of the service rendered.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. LEA of California. Mr. Chairman, I desire to speak in opposition to the proposition of the gentleman from Nebraska [Mr. SHALLENBERGER], not because I am opposed to considering legislation upon this subject, but because of my belief that the bill he is supporting would deal with one of the most delicate and vital economic problems of America in a ruthless and in a destructive way.

The bill which he supports proposes to do two things, fundamentally. The first is to repeal section 15a. Section 15a of the interstate commerce act has 18 subdivisions. They deal with three or four important elements of our transportation problem.

In the first place it is that section of the law which defines the rules of rate making. It defines the basis of railroad charges against freight and passenger traffic. It is the provision that is responsible for the change from the old rule of "reasonable return" to the rule of the transportation act which is that of a "fair return" upon the aggregate value of the property involved.

I agree with the gentleman from Nebraska [Mr. SHALLENBERGER] that as a matter of principle the fair-return principle is objectionable. That was one of the reasons I voted against the transportation act. In my judgment that rule includes as elements of value charges which should not be placed against the shippers of the country. However, the question at this hour as to whether or not we shall change that principle is practically an abstract one. A repeal of that rule at this time would give no promise of practical benefits of value in any reasonable time. The abstract definition of the rule of rate making in the United States is not of immediate practical importance.

Section 15a also established the group system of rate making, which this bill would abolish. The group system of rate making is based on the candid admission that we have what are called "weak sister" railroads in this country that can not survive against open competition. Due to unsuccessful management or improvident investment at the beginning, they can not in competition with the efficient and successful road make a return that is sufficient to maintain themselves and serve the great communities where they operate. The group-rate system takes care of this situation.

In considering this question of the group system of rate making which this bill would so ruthlessly wipe from our transportation system I ask you to consider this point: There are many of these weak roads in this country that are to-day giving reasonably satisfactory service only because they are furnished this crutch by the transportation act. The group system of rate making deserves most careful consideration.

Section 15a contains the recapture clause. We frankly admit that when we make the rate high enough to sustain the weak roads we are compelled to fix a rate that gives an excessive return to the efficient and prosperous roads. As a means of taking care of that excess payment by the shippers of the United States the recapture clause provides that half of the income of carriers in excess of 6 per cent shall be paid to the Interstate Commerce Commission for the United States, to be used for certain specified purposes in aid of railroad equipment.

This bill would wipe out the recapture clause without providing what shall be done with the funds. At the present time something over $3,000,000 has been paid into the revolving recapture fund for the Government. The Supreme Court has recently held that provision constitutional. The Interstate Commerce Commission is now engaged in an effort to enforce it.

Another feature of section 15a provides that this fund of the Interstate Commerce Commission may be loaned to the railroads or it may use the fund to buy equipment which may be rented to the railroads. This feature also will be wiped out by this legislation.

Realizing how important section 15a, embodying these features, is to the transportation system of the United States, nevertheless that section is a minor consideration as compared with the second thing which this bill proposes to do, so far as immediate practical results are concerned.

The second purpose attempted to be accomplished by this bill is to provide that all rates and fares greater than those in existence on the 25th day of August, 1920, shall, by the enactment of this bill, be wiped off the books.

Any raise made subsequent to that time, regardless of how meritorious or how necessary it may be, is absolutely, by congressional action, wiped off the slate. The well-settled plan of railroad regulation adopted in this country is by a regulatory body—the Interstate Commerce Commission. Nobody has ever contended it was practical or possible for Congress to write the railroad rates from the floor of this House, yet the method proposed here would, in a few sentences, wipe the Interstate Commerce Commission out of the picture, and we would attempt to write railroad rates from this floor. We would make the wise use of its powers impossible without being able to do the work we made impossible for them.

Now, what is the result as a practical thing, and that is what we are interested in after all, and not the theory of it? This bill, if it became a law, would reduce the freight income of the railroads of the United States 12.81 per cent. More than $1 out of every $8 that the railroads are now receiving from freight would be taken away from them by one sentence of this bill when written into law. In addition to that the bill would take away from the railroads 15.86 per cent of the fares the railroads now collect. Now, to go a little further into what that means. In 1923 the railroads had a net operating income

of $977,000,000. This bill would take out of that $977,000,000 $774,000,000. Is there anybody that can defend this bill for one moment when they realize that 3/4 out of $5 of net operating returns of the railroads of the United States would be taken from them by this bill? Does that mean anything but destruction, chaos, and discouragement? That would leave the railroads of the United States an income out of their net operating income of only $203,000,000, which is less than the railroads have received in any year for many years past, even in the lean and most unfortunate years.

If you add to the $203,000,000 the nonoperating income, you would have a gross income of $469,000,000. Deduct from that interest and rentals which the railroads are paying and you would have an annual deficiency of $186,000,000 by writing this bill into law.

Let us get the background of the picture behind this legislation. In 1918 we took over the railroads into Federal control. The railroads were in bad condition. In 1918 the director of the railroads made a flat increase of freight rates of 25 per cent. The result was that the increased operating revenues of the railroads in 1919 amounted to $1,130,000,000. Following that action during Federal control the additional cost of operating the railroads was $1,548,000,000, or a total expense increase after the raise that the Federal administration made of $418,000,000.

During Federal control we were in effect subsidizing the railroads at the expense of the Federal Government. That became necessary to serve our war purposes. Outside of that subsidization they were in an insolvent condition. Out of the Treasury of the United States we gave the railroads a standard return, paying them $718,000,000.

Now to contrast the working conditions under Federal control with the present. If during the Federal control we had paid for the transportation of freight during that period the same rates that we were paying in March, 1923, the shippers and passengers of the United States would have paid the railroads $2,468,000,000 more than they did pay during the Federal control period. In other words, while the Federal control during the period of control cost the United States a billion and a quarter dollars, the higher freight rates following private operation were twice that amount, or $2,468,000,000, for the same amount of traffic.

What is the position since Federal control as to the financial condition of the railroads?

The operating revenue under the administration of the railroads since Federal control in 1919 has increased $1,172,000,000. The operating expenses have increased $524,000,000, making a net increase in the income over expenses of $648,000,000. The total increased expense has been $711,000,000, leaving a net revenue increase in 1923, as compared with 1919, of $462,000,000.

In 1920 we adopted the transportation act with the idea of giving the United States an adequate, self-supporting transportation system. We adopted the fair-return standard and the group system of rate making. In July, 1920, the Labor Board ordered an increase in the wages of labor of $618,000,000. The amount of the raise paid labor alone was greater than the total net operating income of the railroads in 1919. In order to produce the fair return and meet all the additional charges, the Interstate Commerce Commission divided the country into groups, as it had been authorized to do, and it made these raises of August 26, 1920. In the eastern division freight rates were raised 40 per cent; southern, 25; western, 35; and the mountain and Pacific, 25. Then what followed? All the country knows of the business depression. It so happened that with the raise in the railroad rates came a slump in prices, particularly the slump in the price of farm products. Then we had the worst conditions we could have in reference to transportation charges on industry. In 1921 there was a decrease in the volume of freight in the country of 25 per cent. The result was that the transportation act failed to make that fair return which the Interstate Commerce Commission had determined was necessary. Then, in 1921, reductions in rates began to be made. The Labor Board in 1921 and 1922 made a labor reduction of $450,000,000, with the result that in 1923 the total received by labor of the railroads was reduced to $161,000,000 above what it was during Federal control in 1919.

Beginning in 1921, there followed a series of piecemeal reductions in freight rates. I will not attempt to enumerate. Finally, on the 1st of July, 1922, the commission made an order that reduced freight rates approximately $1,000,000,000 in addition to all other reductions which had been made. It reduced the eastern rates 10 per cent, the western 13½ per cent, the southern, the mountain, and the Pacific 12½ per cent.

Incidentally, I would like to call attention to the proportionate effect upon some products of agriculture. The revenue that wheat, corn, and all grain gives to the railroads of the United States is less than 7 per cent of their income. The income on cattle, sheep, and hogs is less than 3 per cent of the revenue of the railroads of the United States. I do not say that with the idea of minimizing the importance of wheat, corn, cattle, sheep, and hogs, but to show its relation to the railroad schedules of the United States. Many of those reductions in fact most of the reductions in 1921 and 1922, were established with the intention of relieving the agricultural situation.

Now, what is the proposition to-day? The net operating revenue in 1923, the most successful year since 1916, was $977,000,000, or an average of 5.02 per cent upon the estimated value of the railroad property. The cost of transportation for 1923 as compared with 1913 index figures is 154. The index number for all commodity wholesale articles was 150. The index figure of some of the great agricultural products in the United States is materially less than the index figure for freight transportation.

Mr. SUMMERS of Washington. Will the gentleman yield for a question?

Mr. LEA of California. Yes.

Mr. SUMMERS of Washington. The gentleman refers to the retail market, does he not, when he makes that statement?

Mr. LEA of California. All commodity prices.

Mr. NEWTON of Minnesota. That is wholesale.

Mr. LEA of California. Yes; all commodity prices.

Mr. SUMMERS of Washington. The wholesale agricultural price of farm commodities is far below the freight.

Mr. LEA of California. For some products, yes.

I would like to take a little broader view of this question. What is the transportation problem of the United States? The laboring man may say it is a question of higher wages between employee and employer. The stockholder may think it is a question of how much dividends he is going to get. The bondholder thinks it is a question of the interest on bonds. The shipper thinks it is a question of getting lower freight rates. The transportation problem of the United States is not that. It is all that and much more. These things are only incidental. The great transportation problem of the United States is the problem of America, one of her greatest and most vital problems. There is nothing more vital to the prosperity and the advancement of the United States than an efficient and economical transportation system.

We have in the United States 250,000 miles of railroads. Their length is sufficient to reach 10 times around the earth. It is sufficient to reach 80 times across the continent from the Atlantic to the Pacific. These carriers have freight cars sufficient to make six solid trains across the continent, consisting of 2,400,000 freight cars. The railroads represent an estimated investment of $19,000,000,000. They owe over $11,000,000,000. They employ 1,700,000 men.

They are the essential connecting link between the producer and the consumer. The farmer and the manufacturer depend upon them for an outlet for their products. The consumer depends on them for his supplies. The cost of transportation is part of every pound of food, clothing, and material purchased by the American consumer.

Look at the map of the United States. The Mississippi Valley, the great Central West, is the greatest producer of tonnage on this earth. Beyond the Rockies is our Pacific coast. We are dependent upon the railroad for many of our supplies, and it is by means of the railroad that we place our products in the centers of population, in the East, and in foreign markets. The relation of transportation to economic efficiency is probably more vital in the United States than in any other country in the world. We are the biggest consuming Nation; we have the greatest volume to transport; we have the greatest productive areas to be served by our railroads.

What have the American people a right to demand of their transportation system? The public of the United States have a right to two things—efficient service and reasonable charges. The present service is, at least, reasonably efficient. The question of securing more reasonable charges involves many considerations. At the present time it involves the question as to what should be the rule of rate making. Should we maintain the present rule, providing for a fair return on the aggregate value of the property held and used by the carrier in the service of transportation, or should we return to the old rule that rates must be reasonable? The "fair return" rule considers, primarily, the interest of the carrier and largely ignores inflated values or improvident investments in railroad properties.

The question of securing reasonable charges also involves the method and justice of the system of valuation of the properties

of the carriers and also the wisdom of the group system of rate making. In addition to this, efficient supervision or regulation of railway expenses is necessary to protect the public by preventing unwarranted expenses of various kinds being charged to expense accounts.

Congress can define the rule of rate making. It can prescribe the general principles to be followed in the valuation of railroads. It can determine the wisdom of maintaining, modifying, or repealing the present law, providing for the the group system of rate making. But the successful administration of all these features that most intimately affect the ultimate question as to whether or not we are going to secure reasonable rates depends upon the administration of the law by the Interstate Commerce Commission.

A slight knowledge of the duties and responsibilities of the Interstate Commerce Commission will convince anyone that its members have a very important and a very burdensome task, one that requires ability, patience, and great skill. Our transportation system is so great and so widespread in its ramifications that our rate structure must be handled with ability, courage, and skill.

From the standpoint of the investor in railroad properties, and ultimately from the standpoint of the people of the country, a reasonable return is essential to efficient service and reasonable transportation charges. We necessarily exercise regulatory power over railroad rates. We deny the railroad investor the right that we grant to other investors, to make unlimited profits for his capital. Depriving him of the advantage and attraction of an investment that may bring excessive returns, we must, in part at least, provide the advantage of a fairly certain return, though moderate in amount. The railroads of the country, as a whole, can neither give efficient service nor at reasonable rates unless they be maintained as going concerns on a profit-making basis. Without profits there is no inducement to the investor; there is no opportunity for betterments or expansion. The inevitable consequence of nonprofitable railroad property is poor service, deteriorating equipment, and excessive charges.

We might unreasonably cut down the revenue of the railroads and secure a continuance of satisfactory service temporarily, but our satisfaction from such a source would be temporary and ill-advised. The shipper needs cars, service, and promptness. The traveler needs comfort, safety, and reliability. These are advantages that come from going concerns and not from insolvent concerns.

Our transportation problem is yet in an uncertain stage. There are only three possible plans. We are going to have a nonregulated railroad, public ownership, or the present system of regulation. The nonregulated railroad has passed forever and will not again be the subject of practical consideration. Public ownership of railroads gives the advantage of unification of control and unified use and operation of facilities. It gives the advantage that would come from the unearned increment going to the public instead of the owners of railroad properties. Government ownership during the last 60 years would have given this advantage, inasmuch as many railroad properties have increased materially, due to increase of population and the railroad traffic that accrued.

However, so far no one has suggested any plan by which we could have Government ownership free of politics. The railroads will shortly have 2,000,000 employees. These men might easily be primarily interested in the political life of the Nation on questions concerning their own compensation and conditions of employment. No plan is known by which, with a popular government, we could free the management and operation of railroads from political influence of appalling consequences. Without a certainty of separation of government from railroads and politics I could not reconcile myself to Government ownership.

In the next few years we may be in the final test of our present system of regulation. The country must be confident that it can get efficient service at reasonable cost under the present system or it will probably turn to Government ownership, as undesirable as that appears to be. Has this popular form of government the ability, courage, and the skill necessary to properly control and regulate our great transportation system, assuring us efficiency and economy? We commit much of that problem to the Interstate Commerce Commission. Its success or its failure is closely related to the economic and political welfare of the future decades of our country.

The SPEAKER. The time of the gentleman has expired.

Mr. LEA of California. I ask the privilege of revising and extending my remarks.

The SPEAKER. The gentleman from California asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

The SPEAKER. The gentleman from Kansas [Mr. HOCH] under order of the House is recognized for 20 minutes. [Applause.]

Mr. HOCH. Mr. Speaker and Members of the House, you have already heard two excellent speakers on this railroad subject. I appreciate that it is a rather technical subject, and perhaps you are not in a mood to hear further about it, but I offer in justification for taking any time of the House now the very great importance of the matter involved in the motion filed by the gentleman from Nebraska [Mr. SHALLENBERGER]. I want, if I may, simply to supplement what the gentleman from California [Mr. LEA] has said, and to call your attention to what seems to me to be the high points in the proposition that is involved in this motion to discharge the committee from the consideration of this bill, H. R. 5427, and bring that bill up on the floor of the House for action here upon the floor without hearings and without full knowledge of the facts. Now, this bill has two sections. The first section is a flat, unconditional repeal of section 15a. The second section automatically restores all freight rates that were in effect in this country at the close of Federal control. Now, I want to say a word or two in reference to the first—probably I may duplicate, but I shall endeavor not to do that—the repeal of section 15a. This section 15a contains two major propositions. The first one is the so-called rule of rate making. The second one of those propositions, which a good many people I find in this country do not know is included in section 15a, is a provision for the so-called recapture of excess earnings. Now, in reference to the rule of rate making, I will say to you frankly I have never agreed that as an economic principle the rule of rate making laid down in section 15a is sound, although I realize there are very plausible arguments in its support. Upon countless occasions I have voiced my objection in committee and outside committee with reference to the rule of rate making involved in section 15a.

I am sorry that there is not time now, and that this is not the place to go into a technical discussion of that rule of rate making; but let me say again that that rule of rate making is not a governmental guaranty. In fact, there has not been an act of Congress passed since I have been a Member of this House that has been so grossly misrepresented from one end of the country to the other as the act containing that rule laid down in section 15a. It is not a guaranty. Not a dollar has ever been paid or ever will be paid out of the American Treasury as a guaranty under section 15a.

Mr. CARTER. What is the difference to the people between having it paid out of the Treasury and paid by the people?

Mr. HOCH. The Interstate Commerce Commission is required to fix rates which, under honest, efficient, and economical administration—to quote the statute—will, in their judgment, earn a reasonable return on the investment. Certainly no one wants to deny the roads, under honest management and honest valuation, the opportunity to make a fair return, because obviously we can not maintain the railroads without that fair return. But if the railroad does not earn a fair return—and even in the last year, which was the most prosperous year to the roads since the act went into effect, they earned, the railroads as a whole, 5.2 per cent—there is no guaranty. Many roads have earned only 1 per cent or 2 per cent, and some have had no net earnings. No dollar has ever been taken out of the Treasury in any way to make up the 6 per cent to these roads, so that it is not a guaranty, and no claim has ever been made by a railroad that it is a guaranty, and no claim has ever been made upon the Government for a return on that basis. There is a considerable difference between a guaranty, under which a deficiency in revenues would be made up by the Government, and this provision, under which the Government or the people do not make up the deficiency and the railroads must bear it themselves.

Mr. CARTER. The gentleman in charge of the bill, Mr. Esch, admitted that it was a guaranty when he brought the bill into the House.

Mr. HOCH. The gentleman is mistaken about that. It is not a guaranty in any ordinary use of that term. And I say that, although, as I have said, I do not subscribe to the soundness of the provision. It is true that there was a guaranty in the railroad law previous to that. I do not say this as a partisan matter. Gentlemen will agree with me when I say that I seldom discuss partisan matters on this floor. But President Wilson when he took over the railroads put in a declaration for an actual guaranty to the railroads of a stand-

ard return for three years—and those years had been prosperous years for most railroads—and the Congress followed with the Federal control act, which continued and ratified that standard return. The transportation act passed by a Republican Congress continued that standard return for six months.

Personally I may say—although I perhaps ought not to stop to indulge in personal references—I was not a Member of Congress when the Federal control act was passed; but when the transportation act was passed we had a separate vote on the six months' extension of that guaranty, and I voted against it and have always been opposed to it. Under that guaranty there was paid directly out of the Federal Treasury for the 26 months of Federal control close to $2,000,000,000 as an actual guaranty, and those who misrepresent the transportation act of 1920 by calling it a guaranty should remember that there was an actual guaranty under the Democratic administration under which the operating expenses of the railroads were increased to a high level and no adequate increase of transportation charges were made to take care of that increase, and then they turned around and made up the deficiency out of the Federal Treasury. [Applause.]

Mr. WEFALD. Mr. Speaker, will the gentleman yield?

Mr. HOCH. I can not yield; I am sorry.

The SPEAKER. The gentleman declines to yield.

Mr. HOCH. Now, then, so much for the rule of rate making. I would like to go into it further if I had the time, to show my objection to it. The second part of section 15a is this provision as to the recapture of excess earnings. That is a very debatable subject as a matter of governmental policy. I realize that. But certainly I would not want to vote for a flat, unconditional repeal of the recapture clause, which does take at least from these prosperous roads a part of their excess earnings for the benefit of transportation as a whole in this country.

I am surprised that anybody should come here and propose a flat, unconditional repeal of that part of section 15a which compels the prosperous roads to surrender half of their excess earnings.

Mr. CHINDBLOM. The gentleman will remember that the prosperous roads made a vigorous fight against this recapture clause.

Mr. HOCH. Yes. The prosperous railroads made a vigorous fight, as the gentleman from Illinois says, against this recapture clause. They went to the Supreme Court, and recently the Supreme Court sustained the constitutionality of the recapture clause.

The gentleman from Nebraska [Mr. SHALLENBERGER] says that no money has been paid in. Of course, that was an unintentional error. I have a letter here from the Interstate Commerce Commission of May 9, showing that there has already been paid into the Federal Treasury $3,286,000 in actual cash. That has all been turned in. That is only a small part of what already appears on the record as excess earnings. I want to say that some of the railroads, in my judgment, are indulging in indefensible practices in their effort to avoid showing excess earnings. Some of them are making unwarranted claims as to valuation, and some of them are indulging in overmaintenance of their roads, to avoid showing excess earnings. But are we, without testing that, without trying that, without going and bringing from those roads the earnings which they should rightfully surrender—are we to go on and repeal this recapture clause without reservation and without consideration of whether the principle of surrender of excess earnings should be maintained? What would happen to these claims, aggregating many, many millions of dollars, which the Federal Government now has upon records already made from these prosperous roads? And yet, gentlemen, by one stroke of the pen, without consideration in committee, without any effort to find out the exact situation, seek to come here and repeal that section and release all these railroads from claims aggregating many, many millions of dollars which the Federal Treasury now has upon the railroads.

How much time have I remaining, Mr. Speaker?

The SPEAKER. The gentleman has nine minutes more.

Mr. HOCH. The second part of the bill which we are asked to bring here without committee consideration is section 2, which automatically restores the freight rates which were in effect in this country at the close of Federal control.

Now, gentlemen, I come from a country where the burden of heavy freight rates has been grievous. I think members of the committee and others know that I have been somewhat active in seeking any possible measure of freight relief. I know that the proposal here is a seductive proposition, but I ask you as fair men to look that proposition squarely in the face. What do you propose to do? You propose by one act to wipe out all of the increased revenues of the railroads made necessary by the increase in operating costs, including the increases in labor costs. You leave all of the labor costs, and you leave all of the other operating costs of the railroads as they are, but you propose to simply wipe out the charges which the railroads make upon the public and from which alone they are able to meet these operating costs and these high labor costs.

I believe in good wages. I believe in maintaining a high standard of American living, and all of that, and I am not here discussing the question about labor costs, although I come from a country where the farmers have not fared as well, unfortunately, as the men employed upon the railroads.

Let me give you just a figure or two. During Federal control the operating expenses of the railroads in this country, comparing the last year of private control, 1917, with the last year of Federal control, 1919—the annual operating expenses of the railroads under Federal management were increased in one year $1,548,000,000. Of this amount, the increase in the pay roll alone amounted to $1,100,000,000. In addition to that increase in the labor costs of $1,100,000,000 during Federal control there was added in 1920 to the pay roll of the railroads an amount of $618,000,000. Now, I want to be entirely fair. Since that time this labor cost has been reduced about $450,000,000, which leaves a net increase since Federal control of $161,000,000 in labor costs alone. If you add that to the increase during Federal control——

Mr. BLANTON. The gentleman means $1,610,000,000?

Mr. HOCH. No; I mean $161,000,000 as the net increase since Federal control, but if you add that to the increases during Federal control it amounts to $1,261,000,000.

Now, then, I ask the gentlemen who come here in the interest of American labor—and I stand with them in all fair measures for American labor—whether it is in the interest of American labor to take from the railroads by one sweep all increases in operating revenues, out of which alone they can pay these increases in labor costs. [Applause.] I ask whether it is in the interest of the American farmer, as much as he needs cheaper transportation, and I ask whether it is in the interest of American labor to wreck these railroads by one fell swoop and bring them to a condition of insolvency? My friends, I do not believe that any man can fairly take those figures and come out of that consideration and say that this is a fair measure.

Mr. WEFALD. The farmers are insolvent.

Mr. HOCH. Does the gentleman desire the railroads also to be insolvent?

Mr. WEFALD. I say, the farmers are insolvent.

Mr. HOCH. And I ask the gentleman again whether he desires to make the railroads insolvent?

Mr. WEFALD. Does the gentleman desire the farmers to be insolvent?

Mr. HOCH. I do not, and I am willing to compare records with the gentleman or anyone else here in manifested desire to give relief to the farmers in any possible practical way. I think that one of the ways to bring about a better condition for the American farmers is, while we are reducing freight rates as much as can be done, at the same time to see that we do not destroy the transportation system of the country, upon which its prosperity depends as much as any other factor. [Applause.] I desire to see every legitimate industry in this country solvent.

The gentleman from Nebraska [Mr. SHALLENBERGER]—I think not intentionally, however—misstated the effect of the bill which I introduced some time ago, upon which we have had hearings, and which, I am glad to say, is now upon the calendar of this House. It is not merely, as he says, for an investigation, but it directs the Interstate Commerce Commission to readjust these freight rates and correct whatever inequalities exist. If I had the time I think I could show that there are many inequalities. I think the basic commodities, particularly agricultural commodities, are bearing an unfair share of the freight burden in this country, and I want an adjustment to be made sanely and fairly and made in such a way as not only to bring relief to the people who need relief but at the same time made in such a way as will make it possible to maintain an adequate system of transportation in this country, which I do not believe any sane man in his sane moments wants to destroy. [Applause.]

I want to say in this connection that there was passed in the Senate day before yesterday a resolution as to freight rates similar to mine. I have no personal pride in my resolution as to form, but I hope we may get consideration for a measure of that sort which I think is sane and fair and which attempts to give a measure of relief in connection with the freight burden. But I am opposed—and I think in his better moments every Member in this House is opposed—to discharging a committee from the consideration of a bill like this and bringing it upon the floor of this House without hearings

to develop the real facts, where every man knows a technical measure like this can not be fairly and properly drafted in the first instance. I am opposed to legislation in America by impulse. [Applause.]

Now, I might indulge in criticism. I have not always been satisfied with the speed made by the committee upon measures in which I was interested. I wonder if there are other gentlemen here who have at times, perhaps, been dissatisfied because committees of which they were members did not give as speedy consideration as they thought they ought to have to the particular measures in which they were interested. I have not always been satisfied. I have at times criticised, and perhaps sometimes too severely, the action of my own committee in some of these matters.

I am glad to say that we are to have hearings, beginning next week, on this subject, and if I had time I think I could show you that this committee is not subject to the extreme criticism that has been made upon the floor of this House.

We gave consideration, for instance—taking it from the railroad standpoint, from which the criticism has been made—recently to a very important measure introduced by the gentleman from Ohio [Mr. COOPER] with reference to the boiler-inspection service. That measure is now on the calendar with a favorable report, and I trust we may get action upon it. We have the freight rates resolution here which I have referred to and which, in my judgment, is a substantial, constructive effort to bring relief along these lines.

Mr. HUDSPETH. Will my colleague yield for a question?

Mr. HOCH. Yes.

Mr. HUDSPETH. Will my friend from Kansas give me some idea when the truth in fabrics bill will be reported out of this committee?

Mr. HOCH. I will say to the gentleman that hearings have just been completed upon that measure. A subcommittee has been named to put together the various bills—and there were 10 or 12 of them, involving all sorts of very complicated considerations—and draft a composite bill. That problem itself is not as simple as it seems at first blush. I have been a friend of that measure, but I want to say to you that after the hearings I do not think it is a matter so simple that we can pass it out without giving it thorough consideration.

Mr. HUDSPETH. I agree with the gentleman, but it has been pending for five years before the committee, I understand.

Mr. HOCH. I am glad a subcommittee has been appointed, and I trust we may get action upon a measure of that sort. [Applause.]

The SPEAKER. The time of the gentleman from Kansas has expired.

By special order of the House, the gentleman from Texas [Mr. CONNALLY] is recognized for 20 minutes.

THE CONGRESS OF THE UNITED STATES

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER. The gentleman from Texas asks unanimous consent that his time may be extended 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House: The Congress of the United States is an institution that was established by the Constitution of our country. It is chosen at the ballot box by the people of the several States in the exercise of the most solemn and serious function of citizenship. It embodies the very essence of representative government and institutions. It should never lack a defender. An adherence to that conviction has led me to-day to speak, when some one other than I should lift up his voice here; some Member of the majority of this Congress, the Speaker or the majority leader, Mr. LONGWORTH, who wear honors conferred by the majority of this body.

Mr. COLE of Iowa. What is the majority?

Mr. CONNALLY of Texas. The gentleman from Iowa wants to know what is the majority. The majority is the most votes. The majority is the most votes that the Speaker got when he was elected Speaker and the gentleman from Ohio received when he was elected Republican floor leader. That is what a majority is.

Mr. COLE of Iowa. How often do we have it?

Mr. CONNALLY of Texas. I have answered the gentleman and I hope he will ask me something that calls for some information.

But neither of these gentlemen speaks, neither cares nor dares to speak. They who should stand forth as the champions of the Congress sit silent in their seats. They who wear the honors of the Congress, and who should pick up the insulting challenge hurled into the face of the Congress, sit in their seats without resentment and permit abuse of the Congress to go unrebuked. That is my warrant for taking the liberty of calling the attention of this House to a recent publication in the Literary Digest of May 10, entitled "Leading Americans Attack and Defend Congress."

The Digest is a journal of 1,500,000 circulation and it reaches and makes a strong appeal to an influential reading public; and containing as it does some of the most savage thrusts at Congress it broadcasts them throughout the United States.

The article to which I refer opens with the following:

> Bolshevism and Congress were coupled as menaces to the American Nation at a conference of the American Bankers' Association in New York last week. "With such agencies at work in the country as Bolshevism and the present United States Congress, we have some job on our hands to maintain the integrity of the Nation and the security of her institutions," said the speaker, Mr. Orrin Lester, of the Bowery Savings Bank. "The worst thing we have is our American Congress," declared Elbert H. Gary, chairman of the United States Steel Corporation, addressing the annual meeting of stockholders a few days earlier.

Further along in the article the editor comments as follows:

> The sharpest onslaughts against Congress seem to be made by spokesmen for business and finance—as illustrated by the words of Mr. Gary and Mr. Lester already quoted—among whom there seems to be a feeling that our legislators have hampered the advance of prosperity with partisan and unsettling investigations while neglecting to enact promised and essential measures.

And then Nicholas Murray Butler rises to remark:

> If the record of the present House of Representatives is bad, and if that of the Sixty-eighth Congress as a whole is one that gravely disappoints every patriotic American, what is to be said of the exhibition of shameless contempt for the public interest and of ill-mannered scandal-mongering that is presented by the Senate?

The editor then observes:

> From presidents of chambers of commerce all over the country comes a sharp fire of criticism against our national legislators. Failure to enact the Mellon tax reduction bill is a heavy count against Congress, in the opinion of many of the chamber of commerce presidents.

Mr. Speaker, those charges are more than an attack upon the present and temporary membership of this Congress. If that were all that these charges imply, I, a member of the minority, would not feel compelled to repel assaults on the Republican majority, with which I frequently disagree. But these assaults go much farther. They constitute a subtle attack upon the Congress as an institution, an attack upon representative government as contrasted with rule by bureaucrats and cabinets; and I propose to demonstrate to this House that these men who bring these charges are opposed to the rule of a representative assembly, but want this Government controlled by cabinets and bureaucrats. That I propose to do, speaking alone for myself and the splendid constituency that has honored me with a seat in this Chamber.

What are the counts in this indictment drawn by these gentlemen? The first count is that Congress has not enacted the Mellon tax plan; second, that Congress has investigated and exposed some of the most startling and sensational scandals that ever stained the annals of American official life.

I have said these denunciations constituted an attack on representative government, and why? Steel King Gary, Mr. Lester, of the Bowery Savings Bank, and others in the columns of the Literary Digest are angry because Congress has not enacted the Mellon tax plan. Gentlemen, are they angry because Congress has not reduced taxation? Oh, no. Are they angry because Congress has not deliberated upon this question in its sessions and in its committees? Oh, no. Are they angry because through the Houses have not been passed any bills reducing taxes? Oh, no; because Congress has already passed a bill through each Chamber lowering taxes; a bill that gives greater relief to American taxpayers than the Mellon plan; a bill that reduces the taxes of every taxpayer in the United States; a bill that took into account the ability to pay and gave the greater reduction to persons having an annual income of $50,000 or less, while the Mellon plan proposed to give the greatest reduction to persons with annual incomes of $50,000 or more. And so these men are not angry because Congress has failed to reduce taxes. But the bill which passed Congress was not the Mellon plan, and these men assail Congress because it did not tamely accept the dictates of the Secretary of the Treasury, because the Congress failed and refused to enact the Mellon plan without changing a word or altering a figure. These men are mad with rage because the Congress of the United States, the elected representatives of the people, chose

to exercise their constitutional function rather than to accept the dictates of a bureaucrat to pass a bill that was written in secret and thrown into this Chamber with the coarse demand that it be enacted just as it was written.

Of course, nobody is surprised that the United States Steel Corporation, that made fabulous profits during the war, that fattened off the woes and misfortunes not only of America but of the Allies, while the American people were pinching and sacrificing to buy bonds that were later sold at a discount; nobody is surprised that Judge Gary, the chairman of the board of that corporation, who directed its destinies during the war and who kept it down on the low sordid plane of greed while the spirit of America was lifted into the heights of exaltation; nobody is surprised that Judge Gary, now gorged with gains, with a debt of $20,000,000,000 and more hanging over the American people, is perfectly willing and desirous that Congress shall take a very large share of that burden off the owners of the Steel Corporation and thereby increase the great burden of debt which remains on the people of small and moderate incomes.

Nobody is surprised that Banker Lester, of the Bowery Savings Bank, whose profits come from the savings of the poor, is perfectly willing to have the taxes of himself reduced by a larger percentage than the tax of the poor upon whom he profits.

So I say this is a challenge to representative government because these gentlemen demand that this Congress accept the ukase of a Cabinet officer, that it shall not deliberate, but swallow speedily and quickly without examination of the contents, but noting only the label, the nauseous Mellon plan, prescribed by the Secretary of the Treasury and compounded in the secret precincts of his office.

Mr. BLACK of New York. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield.

Mr. BLACK of New York. I wonder if the gentleman noticed in the Literary Digest a column advertisement containing the announcement of the American Bankers' Association that could not possibly have any business reaction, and also that the Remington Typewriter Co. had a similar ad in the same number.

Mr. CONNALLY of Texas. I will state to the gentleman that I did not read the advertisements in the Digest, but I am sure his statement is correct as to that.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. CONNALLY of Texas. Certainly.

Mr. SANDERS of Indiana. As a matter of fact, the Literary Digest presented both sides of the question.

Mr. CONNALLY of Texas. I do not desire to spend much time on the Literary Digest. I am pointing out the individuals and their interests as quoted in the Literary Digest. What are these gentlemen disturbed about? They are angered because Congress did not constitute itself so many wooden men with so many wooden heads and register the will of the Secretary of the Treasury. They are angry not because we have not reduced taxes but because at the press of a button in the Secretary of the Treasury's office this Congress did not transform itself into so many automatons and register the will of a bureaucrat not elected to office but holding his tenure of office by appointment. I say that sentiment, whether it comes from Judge Gary, of the Steel Corporation, or Mr. Lester, of the Bowery Savings Bank, or Nicholas Murray Butler, president of Columbia University, or the man in the street, that kind of doctrine is a challenge to the very foundations upon which this institution of Congress rests. [Applause.]

What else do we find? They do not believe in popular government; they believe in Cabinet rule. They do not believe that Congress should regulate taxes, they do not believe that the fathers were wise when they placed in Congress the right to regulate taxes; they do believe that Mellon ought to regulate taxes and that Congress ought to merely go through some sort of a perfunctory confirmation of his decrees.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. CONNALLY of Texas. Certainly.

Mr. MOORE of Virginia. We understand, do we not, that the Mellon plan was drawn up before Congress met; that the Secretary did not take into his confidence any Member of the incoming Congress, and that so far as we are advised he did not consult with the prospective majority leader or any gentleman who constituted the majority side of the House?

Mr. CONNALLY of Texas. That is my information gained from rumor. I have no knowledge on that subject because I am not in the confidence of the gentlemen mentioned. But I will say this. It is to the credit of a Representative of the majority on the other side of the Chamber, the chairman of the Ways and Means Committee, that he had the courage to repudiate the methods of the Secretary of the Treasury in trying to force down the throats of Congress such a bill without consideration and without proper deliberation. [Applause.] Be it said to the credit of the majority leader, the gentleman from Ohio, that after making several unsuccessful attempts to swallow the Mellon prescription he had the good sense to compromise with some gentlemen on his side and first made quite an improvement by perfuming it and coloring it to make it more palatable and acceptable, and finally abandoned it altogether. [Laughter.]

Mr. BLANTON. Will the gentleman yield for a question?

Mr. CONNALLY of Texas. I yield.

Mr. BLANTON. Is it not a fact that in the end there was hardly a handful of Members who voted against the amended bill in the House?

Mr. CONNALLY of Texas. I do not know about the handful; there was a small minority.

Mr. BLANTON. About eight, I think.

Mr. CONNALLY of Texas. Now, gentlemen, this indictment has two counts in it. What is the second count in the indictment? The second count is that they "have hampered the advance of prosperity with partisan and unsettling investigations."

True, gentlemen, the advance of the prosperity of Sinclair and Doheny, the oil magnates, a prosperity at the expense of the American naval oil reserves, has for the time being been slightly hampered. [Laughter.] Partisan investigations, say these gentlemen. Partisan! Why, gentlemen, is it partisan to insist on public officials being honest, is it partisan to detect criminal guilt and insist that the guilty be punished? Is that partisan? When did it become partisan to protect public property? But partisan and unsettling investigations! Now, it is true that these investigations have been somewhat unsettling. For instance, they unsettled Attorney General Daugherty [laughter] and jolted him out of the Cabinet.

They unsettled the mind of the President to let out Secretary Denby after he had said that it was settled that he would not let him out. They forced proceedings to unsettle some settlements made by Secretary Fall with Mr. Doheny and Mr. Sinclair. And so these caustic critics and especially Doctor Butler are unhappy and outraged because the Congress has unmasked criminal conspiracy between crooked big business and crooked big politics. Now, what would have been the situation if we had had no investigation?—Secretary Fall would not have been forced to plead his own crime to avoid testifying. Mr. Fall would have his $100,000 received from Mr. Doheny and his $25,000 from Mr. Sinclair and would be posing as a distinguished former Cabinet member. Mr. Doheny would have the oil reserves in California; Mr. Sinclair would have possession of Teapot Dome; Mr. Denby would be now in the Department of the Navy, leasing out, I suppose, the rest of the oil reserves to the same parties, because he has said that he would do exactly what he did over again if he only got the chance. And Mr. Daugherty would be conducting the affairs of the Department of Justice. Is that all of the picture?

Mr. STENGLE. No; Burns.

Mr. CONNALLY of Texas. Mr. Burns was merely a subordinate in the Department of Justice, but he would still be in office had Daugherty not been forced to resign.

Mr. COLE of Iowa. Why not mention McAdoo?

Mr. CONNALLY of Texas. I will mention him. This is a nonpartisan matter, you can see from the interruptions. [Laughter.] Every time anybody mentions politics there are some gentlemen on the Republican side who begin to have nightmares about McAdoo, and they dream dreams about McAdoo. McAdoo whatever he may have done, I do not know whether he has done anything wrong or not, has not been shown by the evidence to have violated any law or to have done any wrong. If he committed any wrong, even as to ethics, he committed it while he was out of office as a private citizen. He did not betray the property of the people of the United States nor barter the public confidence of the people of the United States in a Cabinet office for dirty gold. [Applause.]

Now, let us see. I want to go a little further here. What else? This is not the only story. If Fall and Doheny and Sinclair and Denby and Daugherty had not been disturbed, Judge Gary and Mr. Lester and Doctor Butler would be happy. They would be partially happy at least, partially happy if these investigations had not taken place. Now, what do we find? We find that these men right here again betray their preference for the rule of cabinets and bureaucracy over the rights and the power of the Congress. They do not want these Cabinet officials interfered with. They do not believe the Congress ought to investigate their doings.

Do you believe, or do they believe, that the bureaucrats of the Cabinet, appointed and not elected, should act either within the law or without the law, as they may choose? Do these gentlemen mean to proclaim to the country that the

people of the United States do not expect the Congress to protect their rights here in this Capital? Is it not the duty of Congress to investigate the dark places and find out the truth and drag out of their places those who betray the public trust and pull them out into the open places?

Mr. Speaker, the Congress ought to receive its instructions from the people, and the people alone; its investigations ought never to stop until every corrupt official is exposed; until every guilty man is punished. The American people believe in that doctrine. But Doctor Butler, Judge Gary, and the flock of critics in the Literary Digest do not accept that doctrine. They want the Congress to accept the dictates of Secretary Mellon, and want Congress to keep its hands off the investigation of the other bureaus. Fall was in the Cabinet, Daugherty was in the Cabinet, Denby was in the Cabinet, Mr. Mellon is still in the Cabinet. And these gentlemen rise and criticize Congress and want these Cabinet members to rule and want the Congress to stand aside. Doctor Butler, it should be said, complains of ill-mannered scandal-mongering in the Senate. It is possible Doctor Butler would not object to nice, refined, adylike scandal-mongering, but he complains of "ill-mannered scandal-mongering." [Laughter.] It is only that particular kind and variety of scandal-mongering that seems to offend the delicate texture of his scholarly mind.

Mr. Speaker, the most amazing and remarkable thing about these shocking revelations is that any self-respecting element can look upon corruption in high office with complacency, if not toleration. Guilt is personal, it is true, but when it is condoned, when it is defended, it becomes more than personal. That any prominent man should condemn its exposure is alarming; it is a most distressing sign that his concept of public virtue is either subnormal or decayed. If this Republic shall ever perish, the forces of its destruction will be found in corruption and internal decay rather than in assault from without. The Goths and Vandals never, unresisted, trampled upon the prostrate Roman State until its once stern public virtue had become corrupted and its rulers and captains had fallen under the influence of gold and license.

And who are these men that assume the function of judging Congress? What sublimated beings are these? Whence do they derive this strange and occult wisdom that is superior to that of the makers of the Constitution? Why does the Digest place Judge Gary on the front page? Is it because he is a public benefactor? What distinguished service has he ever rendered to the public or to his generation? Is it upon that his fame depends, or does it rest upon the fact that he incarnates the sinister and sordid spirit of privilege and profiteering?

Now, what are these gentlemen's ideas about government? I have no doubt on earth that Judge Gary's idea of a proper substitute for Congress—because he says Congress is the worst thing we have; and if it is the worst thing we have, surely it ought to be destroyed—I have no doubt that Judge Gary's idea of a proper substitute for Congress would be a board of directors, with himself as chairman and all the other members of his own selection. I am satisfied that that kind of a governmental institution would function according to his idea of democracy.

Why, my friends, that is the same doctrine that every autocrat has embraced in one form or another from the old Egyptian King, Tutankhamen, of whom we have lately read, who made his subjects work 12 hours a day and bend their sweating backs to lift up a monument to their master, to Gary, who until recently worked his employees 12 hours a day to pile up profits for the masters of the Steel Corporation. Old King Tut got his monument because the law allowed him to take a certain toll out of the labor of his subjects, and Judge Gary gets his profits because the law allows him to lay a toll on the labor of every man who consumes steel products in the United States. Of course, Judge Gary would like to see his board of directors or some similar one running the Government of the United States.

Now, what does Doctor Butler say? What are his ideas about government? Doctor Butler made a speech several years ago and in it he said:

I have no time now to more than indicate where I believe the path of true political progress for our democracy leads. It leads, in my judgment, not to more frequent elections, but to fewer elections. It leads not to more elective officers but to fewer. It leads not to more direct public interference with political institutions but to less. It leads to a political practice in which a few important officers are chosen to relatively long terms of service, given much power and responsibility, and are then held to strict accountability therefor.

That is the idea of Nicholas Murray Butler as to democratic institutions. He at that time said he wanted to hold officers to a strict accountability. He must have changed his mind. Now he does not seem to want to hold them to strict accountability, at least not to Congress and to strict investigation. Set over against the words of Butler the words of James Bryce in discussing the development of "Modern democracies":

If we look back from the world of to-day to the world of the sixteenth century, comfort can be found in seeing how many sources of misery have been reduced under the rule of the people and the recognition of the equal rights of all.

And again:

Yet the rule of many is safer than the rule of one—as Cavour said, that however faulty a legislative chamber may be, an ante-chamber is worse—and the rule of the multitude is greater than the rule of a class. However grave the indictment may be brought against democracy, its friends can answer, "What better alternative do you offer?"

While the world has been moving forward toward democracy Doctor Butler has been moving backward toward oligarchy. He wants fewer elective officers. And do you know that out of the 500,000 officials and employees of the Federal Government only 533—the Congress and President and Vice President—are elected, while all the remaining half million men are bureaucrats and Cabinet heads and subordinates?

Mr. Butler no doubt believes in a rule by the President and by the Cabinet. You will recall that a few years ago he was a candidate for the nomination for President on the Republican ticket, an enterprise, if Democrats were moved by partisan considerations, in which we would look with great pleasure upon his success. He may still entertain that ambition. He may still run for the Republican nomination some day; and I want to observe that since the coming of woman suffrage the strength of Doctor Butler has greatly increased, because I understand that he now has the support of both himself and his wife in his candidacy for the nomination for the Presidency. [Laughter and applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CONNALLY of Texas. Mr. Speaker, I ask for five minutes additional.

The SPEAKER. The gentleman from Texas asks for five minutes additional. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House, if Congress is not to rule this country, if the laws of America are not to be enacted in these two Chambers that sit under this Dome, who is to rule? There is no one else to rule the Federal Government except the bureaus and the Cabinet in this city and elsewhere throughout the Republic—bureaus and cabinets who owe no direct responsibility to the people—bureaus and cabinets to whom Gary, Lester, and Butler hope to have easy and frequent access. Tyranny is the abuse of power whether by a king or a bureau—and the most despicable of tyrants is an arrogant bureau head. If Congress does not curb the demands of the bureaus, taxes will be vastly increased instead of decreased. It is the habit of bureaus to grasp more power, to increase the number of employees, and to intrude their authority farther and farther into the affairs of the citizen.

Gary and Lester and Butler may have received some inspiration for their utterances from high official sources. The President, like Gary and the rest, demanded that Congress accept the Mellon plan just as it was sent to the Capitol, and when Congress dared to legislate in fact and dared to investigate, he sneeringly referred to Congress in these words:

and the Congress or the legislative branch, which is supposed under the Constitution to be engaged in legislation.

And then after losing from his Cabinet Denby and Daugherty by the investigation route, he protested, in a message to the Senate, against an investigation of Secretary Mellon, after the Secretary had protested to him.

Mr. Speaker, whatever the source of these attacks, the functions of Congress must be maintained—the right of the Congress to investigate, a Democratic administration, or a Republican administration, must be vindicated. The Congress must not surrender its power to reduce taxes in the interest of all the people and cowardly submit to the demand of selfish interests.

Congress must first do its duty by doing right and then trust the public, when informed, when it learns the truth, to approve its course. If this Congress had adopted the Mellon plan and had not exposed public corruption, Gary and Butler would have thought it one of the best in our history. Gentlemen, so it is that we are confronted by this challenge by men of prominence

like Gary and Butler; a defiant challenge wherein they say that the worst thing we have is the Congress of the United States.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. McSWAIN. Did he think it so bad that it ought to be adjourned for five years before they raised the protective tariff in 1921?

Mr. CONNALLY of Texas. Oh, no. The gentleman got what he wanted out of Congress in 1921, and that is the tariff bounty; and now he is perfectly willing for the Congress to adjourn until he hopes it will raise it another peg.

Mr. MacLAFFERTY. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. MacLAFFERTY. Why does not the gentleman comment on what Samuel Gompers and numerous other heads of labor organizations say in the Literary Digest? Some of their strictures are worse than those he has mentioned.

Mr. CONNALLY of Texas. I do not want to be diverted. Some well-informed men brag on Congress. [Laughter]

Let me say that when Judge Gary says that the American Congress is the worst thing we have on our hands he is but repeating the cry that comes down to us through six centuries of struggle toward liberty. Why, there will be Garys and Lesters and Butlers to scoff at a Congress they can not control as long as the contest between the people and the great covetous and selfish interests goes on.

Mr. MacLAFFERTY. Mr. Speaker, will the gentleman yield?

Mr. CONNALLY of Texas. No. I have only two or three minutes.

The SPEAKER. The gentleman declines to yield.

Mr. CONNALLY of Texas. Gentlemen, in the olden time, in the year 1265, I believe it was, when the English Parliament was established, there were those who opposed its establishment. All the beneficiaries of royal favor were against it, all the court favorites were opposed to it, all of the cabinet denounced it, all who had the King's ear fought it. The cry of Judge Gary is but an echo of that same cry that they hurled at the doors of the Parliament of England. Judge Gary says the worst thing we have is our American Congress. I would remind Judge Gary that the worst thing that the beneficiaries of privilege had on their hands 600 years ago was the Parliament at Westminster. I would remind him that the worst thing that Charles I had on his hands was the Parliament of the English people. I would remind him that the worst thing that Louis XVI had on his hands was the States-General, the National Assembly, and the convention of the French people. And I would remind Judge Gary that the worst thing that George III had on his hands was the Continental Congress [applause], that led the people of the American Colonies to tear down the power and the majesty of a King and his court and build up the power of the American people [applause]; the Garys and Lesters and Butlers shall not tear it down. [Applause.]

The SPEAKER. The gentleman from Kansas [Mr. TINCHER] is recognized.

Mr. TINCHER. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER. The gentleman from Kansas asks unanimous consent that his time be extended 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. TINCHER. Mr. Speaker and gentlemen of the House, with a considerable portion of the address just delivered I am in accord. However, I believe that the best feeling Members of Congress can have is to so conduct themselves as to feel absolutely innocent when charges like the Literary Digest charges are flaunted in their faces. I do not think it makes much difference about the criticisms of Congress unless the criticisms are based on facts.

It is rather unfortunate that all the criticism that Congress is receiving now does not come from Butler and Gary. The people of this country were in thorough sympathy with Congress so long as they believed the investigations that were being made were made in the interest of the Government, and so long as they believed that we were seeking to clean house and punish the guilty I think the sentiment of the whole country was with Congress. But I do think that when it became apparent that certain men were called across the continent—like Al Jennings and this man, Means—and given headlines in the newspapers for a good many days, that the folks got to thinking whether it was true or not, and that was not confined to Gary and Butler. People got to thinking that there was a little politics in it and they became disgusted with the conduct of certain investigations. Whether the Congress could have protected itself by being fair with itself on that criticism is too patent for answer.

Now, I am seriously in favor of not having things about for which we can be criticized, and then if they criticize just let them go. But let us see what we are doing over here. There are some things which have been bothering me a little lately, I do not like to repeat. I have talked twice on this so-called Barkley bill, and I have been criticized for those speeches. I have examined them and examined them more, and I am not here to retract anything, but I am here for the purpose of emphasizing, if possible, some of the things I have already said.

I have in mind this morning a residence block out in a country county-seat town. On the corner of this block lives the pharmacist, a highly educated man about 45 years old, a man who has worked in the same store for 10 or 15 years. He gets $120 a month. He works six days a week, 10 or 12 hours, and then he goes to the store and fills prescriptions for the sick on Sunday. He is a respectable man, and he has gotten along some way on $120 a month. Next door to this pharmacist is the bank cashier. I have noticed recently that his hair is turning prematurely gray, because the struggle since the war has been an uphill one. He gets $125 a month, because this is in an agricultural section. He has not much prospect for a raise, and if he has any stock in the bank he has not gotten any dividends and will not receive any for some little time. Then, next in that block is the fireman who runs the train over to the main line. He will never be an engineer, they say, because there is some qualification he does not possess. Although he is a middle-aged man he will never be promoted to an engineer, but he gets $11.45 a day, and his working time is only about six hours, although he is on duty eight hours. Sometimes he is on duty a little longer and sometimes he gets in some extra time, but he is well paid for it, and $11.45 is his salary. Then, next is a widow. Her husband died about the time the war came on. They had two boys practically grown, and a little girl. They lived on a farm but they bought this little house in town so that she might send the children to high school, and she stayed there in the wintertime. One of the boys has married and the other brother lives with him out on the farm and they are working it, but she is still there in that house in order to send the little girl to high school, and I think she graduates this year. They have had to mortgage the farm since the war, in the farm-loan bank. Not because of mismanagement, but because of depressed prices, they have not been able to make a living on that 640 acres of land.

Then next is the grocery man, who had an invoice of $6,000 before the war. He worked hard 12 and 14 hours a day for six days in the week. He is a thrifty fellow, but things have not been well with him. I know he was out of debt just before the war, and I know he is in debt a little now. And so on around the block. The next man is the county treasurer, a reputable farmer who came in there and took the office of county treasurer because the neighbors love and respect him and know he is an honest man. His salary is $1,500 a year. There is no one in the block who gets half what the fireman gets, and yet here we are proposing a law which will take up all the remainder of the time of the American Congress, and it is proposed in obedience to the demands of the lobby over here which says that this Congress must spend the balance of its time in legislating for organized labor. Oh, yes; the statement was made openly—with the gallery full of his friends—by the gentleman from Alabama. He stood here and tragically declared that on this side is peace and on this side is war. The druggist, the banker, the pharmacist, and the widow have no lobby here. They can not maintain a newspaper in the city of Washington to publish the names of the Congressmen who do not obey their beck and call, and so clip this out and put it away for future reference.

Ah, my friends, I would rather have the feeling that the charge that I acted at the beck and call of that putsh was not true than to have all the magazines lay off in criticism. [Applause.] Their criticisms do not need to worry us if we do the right thing.

This morning we spent our time in debating whether we would discharge the Committee on Interstate and Foreign Commerce and take up another one of those bills. I do not know why, unless it is because we reported out a bill which we think will reduce freight rates on agricultural products. I think it is about time the folks at home had the right to believe that the pharmacist and ordinary fellow will have the same treatment in the American Congress as though they had lobbies down here standing at our doors every morning.

There is not a man in my district, farmer or business man, who is worth as much money to-day as he was when the Adamson law was passed. The Adamson law did make a joke of the American Congress. They took us by the throat—I was not here at the time, and I suppose if I had been I would have been in it, too—and said, "You must pass this law; we will have no other." And from that day to this they have felt that at any time just before a presidential election they can walk in and take the Congress by the throat and say, "You must pass this measure."

Ah, my friends, they ask you as the representatives of all the people to take the bill that their lawyers, high-priced men, spent weeks and months on, perfecting it from their standpoint, and vote blindly on it as a representative of all the people.

This block of residents is in every one of your towns, and I hope that every Member of Congress between now and next Monday——

Mr. WEFALD. Will the gentleman yield?

Mr. TINCHER. I do not yield to the gentleman.

I hope every Member of Congress will get in mind a picture of those people and will remember that they are entitled to our consideration here the same as though they had a newspaper to denounce you and a lobby to sit in the gallery and hiss or applaud you. [Applause.]

I think this is a happy morning, and let us start out now to stop such articles of criticism as appear in the newspapers, and the best way to stop them is to say that from now on every one of us is going to do what he believes to be right, regardless of what the lobby here tells us to do. [Applause.] If you do that, the Barkley bill will not last 30 minutes, because it is undoubtedly the most vicious legislation that anyone ever tried to thrust down the throat of an American Congress. It ignores the rights of everyone and attempts to legislate for a class—a class that you know has the best of it right now.

I thank you, gentlemen. [Applause.]

CALENDAR WEDNESDAY

The SPEAKER pro tempore. To-day is Calendar Wednesday, and the Clerk will call the roll of committees.

The Clerk called the Committee on Military Affairs.

AMENDMENT OF THE NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I call up H. R. 8886, a bill providing for sundry matters affecting the Military Establishment. This bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that this bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I understand there is an amendment to be offered. There will be opportunity to offer amendments, I presume.

Mr. McKENZIE. Yes. If I may be permitted, Mr. Speaker, I wish to say to the membership of the House that this bill represents a conclusion reached by the representatives of the National Guard in conjunction with the officers of the Regular Army and the Secretary of War concerning little defects that exist in the present national defense act. The bill tends to equalize and put the National Guard on the same footing as the officers and men in the Regular Army, and I do not think there will be one objection to this bill. However, it will be read section by section, and if the Members feel they ought to offer any amendment, that opportunity will be given. My reason for doing this, I want to say, is because we have a great many bills from our committee and many of the Members have matters of great importance to them on the calendar, and I simply desire to expedite the work. I have no interest in any one of these bills above another, and I simply wish to expedite the work in order that the Members may get action on their bills which are pending.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 87 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended by adding thereto the following proviso:

"*And provided further*, That property issued to the National Guard and which has become unserviceable through fair wear and tear in service, may, after inspection thereof and finding to that effect made by an officer of the Regular Army designated by the Secretary of War, be sold or otherwise disposed of, and the State, Territory, or District of Columbia, accountable, shall be relieved from further accountability therefor; such inspection, and sale or other disposition, to be made under regulations prescribed by the Secretary of War, and to constitute as to such property a discretional substitute for the examination, report, and disposition provided for elsewhere in this section."

Mr. McKENZIE. Mr. Speaker, I move to strike out the last word. I feel that in fairness to the membership of the House I ought to make a brief statement in connection with this bill in order that they may know the facts. I do not wish to mislead any Member of the House in connection with the proposed legislation.

Section 1 simply amends the national defense act, covering the disposition and the replacement of damaged property in the hands of the National Guard. Section 1 of this bill simply adds the proviso to both the Government and the National Guard and makes it satisfactory to both branches.

Section 2 of the national defense act is the section providing for the training of the National Guard. The amendment provides that several detachments may combine for drill, and so forth, and cures the defect in the law now held by the comptroller that in order to be entitled to Army drill pay, drills must be attended by all units of an organization. This simplifies the thing so that the National Guard can go on and do their training to great advantage over the present system.

Section 3 provides that the rates of pay shall be under the present laws governing pay, as approved by the act, and amends section 109 of the national defense act. It increases the number of possible drills from five to eight in any one calendar month. The purpose of this is that during the summer months there might be companies that could drill to greater advantage in wintertime than in the summer months, when they are busy; and this section takes care of that.

As a matter of fact, there is not anything in this bill that is revolutionary or does anything except put the National Guard practically on the same basis as the Regular Army.

The expense involved comes in section 6. It is estimated that this amendment will involve an additional expense of $60,000, but no additional appropriation will be requested for the year 1925.

That is about all there is to the bill.

The SPEAKER pro tempore. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk completed the reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING THE NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I call up the bill S. 2169, to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. LaGUARDIA. I reserve the right to object.

Mr. McKENZIE. If the gentleman will permit, I will say that this bill includes a number of matters, some of which died on the calendar in the last Congress. It also has a provision affecting the detailing of all officers with troops, and it is limited to the Medical Department. The House might want to change that amendment of the committee, but I want to say that if this bill is permitted to be considered on the Union Calendar after the first section is read, the gentleman from New York [Mr. WAINWRIGHT], who reported the bill, will take the floor and explain the bill in detail.

Mr. BLANTON. Reserving the right to object, how much is this going to cost the Federal Treasury?

Mr. McKENZIE. So far as the section covering the increase in the percentage of noncommissioned officers, which is the same as it was a year ago, for we amended it in committee, it will be about one million and a half dollars.

Mr. BLANTON. How much will the whole bill cost the Government?

Mr. McKENZIE. I do not think there is very much in the other sections that will cost anything.

Mr. BLANTON. The gentleman from Illinois is a careful legislator, and he knows what a piece of legislation is going to cost before it gets behind him. How much is the bill going to cost the Federal Treasury?

Mr. McKENZIE. I have not the figures here.

Mr. WAINWRIGHT. If my friend will wait until I can explain the bill, I will give him the figures.

Mr. BLANTON. This is the idea—if this bill is going to cost a whole lot, it ought to be debated in the Committee of the Whole House, but if it is not, the membership will probably be willing to have it debated in the House.

Mr. McKENZIE. The first section which will cost money as I say will cost a million dollars and a half.

Mr. BLANTON. How much will the whole bill cost?

Mr. WAINWRIGHT. I have the figures here. I have not footed up the total, but I can give each item, and the gentleman can make his own computation. The first section provides for the increase in the number of noncommissioned officers and will not cost more than $1,575,000 estimated.

Mr. BLANTON. How much more each year thereafter?

Mr. WAINWRIGHT. That is the maximum that it can cost. It is represented that it will require no additional appropriation this year because there are funds available to take care of it. The personnel of the Regular Army is not up to maximum yet. In the second section there is no cost whatever; the third section no cost whatever. In the fourth section no cost, and the fifth section provides for the forage of animals owned and hired by the State. That may cost $50,000 if taken full advantage of.

Mr. BLANTON. Is the forage provided for them the year round?

Mr. WAINWRIGHT. I presume it would be for the year round because the horses being owned by the State are necessarily to be fed the entire year. These are animals for the National Guard owned by the State. There is a slight addition in the number of caretakers allowed to the heavier than air squadron, an increase of $25,000. Then there is one lieutenant colonel which will be provided for one of the ancient organizations of the State of Massachusetts, which is entitled to have him under the existing law. That will be $900.

Mr. BLANTON. The whole cost is within $2,000,000.

Mr. WAINWRIGHT. Well, within $2,000,000—I think $1,700,000.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois that this bill be considered in the House as in Committee of the Whole?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That hereafter the respective grade percentages prescribed in section 4 (b) of the national defense act of June 3, 1916, as amended, of the total authorized number of enlisted men shall not exceed seventy-nine one-hundredths of 1 per cent for the first grade, 2.17 per cent for the second grade, 2.99 per cent for the third grade, 10.11 per cent for the fourth grade, 9.5 per cent for the fifth grade, and 25 per cent for the sixth grade; and aforementioned section 4 (b) is hereby amended accordingly.

The committee amendments were read as follows:

Page 1, line 6, strike out seventy-nine one-hundredths of 1 per cent and insert "0.79 per cent."

Page 1, line 7, strike out "2.17" and insert "2.1."

Page 1, line 8, strike out "2.99" and insert "3.4."

Page 1, line 9, strike out "10.11" and insert "9.2."

The question was taken, and the amendments were agreed to.

Mr. McSWAIN. Mr. Speaker, I have another committee amendment, which I will offer now or at the proper time. Shall I offer it now?

The SPEAKER pro tempore. The gentleman can offer it when the gentleman from New York yields the floor.

Mr. WAINWRIGHT. There will be at least two committee amendments offered in the progress of the consideration of the bill.

Mr. McSWAIN. That is, we will take the amendments up in their order?

Mr. WAINWRIGHT. I am assuming that the committee amendments will be offered at their place in the bill.

Mr. McSWAIN. Very well.

Mr. WAINWRIGHT. Mr. Speaker and gentlemen, I will be as brief as I can in the explanation of the provisions of this bill. Section 1 proposes to amend section 4 (b) of the national defense act in so far as it divides into seven grades the enlisted personnel of the Army. In 1920 Congress adopted a new method for the grading of enlisted commissioned personnel, and they were divided into seven grades. The law specified the percentage for each grade, and that percentage determined the number and the sum total of those percentages making up the authorized enlisted strength of the Army.

Mr. MORTON D. HULL. Percentages of what?

Mr. WAINWRIGHT. Percentages of the total authorized enlisted strength of the Regular Army. Now, those percentages were based upon the experience then available and based also upon the enlisted strength of an Army of 280,000. In addition to the normal tasks of the noncommissioned officers of the Army——

Mr. BEGG. Will the gentleman yield for a question?

Mr. WAINWRIGHT. I will.

Mr. BEGG. Will the gentleman explain just what these percentages do? Does it increase the number of officers in the Army or decrease them, or just what does it do?

Mr. WAINWRIGHT. I will come to that if the gentleman will permit me to make an explanation as briefly as I can in my own way, and I think I shall answer the question before I get through. Now, in addition to the normal tasks of the higher grades of the enlisted personnel, namely, the noncommissioned officers of the line of the Army, as you are all aware a large number are required for duties with the National Guard, with the schools, and with the Organized Reserves. Now, the reductions in the Army from 280,000 to 225,000, of course, has much reduced the number of noncommissioned personnel. The percentages by law, of course, remain fixed, and the tasks, irrespective of those in the line of the Army, have not only not decreased, but have increased. The reduction of the Army from an enlisted strength of 280,000 to 125,000 has resulted in a reduction of the noncommissioned officers of the Army of over 8,000.

This section proposes by changing the percentages, particularly the percentages in the four higher grades, to increase the noncommissioned personnel by 1,987. That increase will be in the first grade, master sergeants, 237; second grade, technical and first sergeants, 315; and the third grade, staff sergeants, 1,750, with a reduction in the fourth grade of duty sergeants of 375, making the net increase of noncommissioned officers of 1,987. The purpose of this increase is to enable the War Department to carry on successfully and efficiently the important duties involved in the training and instruction of the National Guard, the Organized Reserves, the civilian military training camps, the Reserve Officers' Training Corps, and other activities. It has been found that the number at present——

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WAINWRIGHT. I ask unanimous consent to be permitted to continue for an additional 10 minutes.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. WAINWRIGHT. I will.

Mr. LARSEN of Georgia. In this increased number of officers what cost does it involve?

Mr. WAINWRIGHT. I attempted to answer that question when propounded by the gentleman from Texas, $2,075,000. Now, the second section, unless there are some further questions in regard to the first, originally provided for a complete change in the law with regard to the duty of commissioned officers of the Army with troops, but there was so much objection to that that finally the committee determined that the only change that should be made in that regard should be in the Medical Corps in order to give the President authority to retain a medical officer at a hospital or other similar establishment for a period of more than four years if deemed desirable. Under the present law an officer is only permitted to remain away from duty with troops for four years, after which he must return to actual duty with troops. But the committee decided that a different situation was presented with regard to the Medical Corps; that it would be advisable to permit the President to retain at some of the medical establishments—let us say, for example, Walter Reed Hospital here in Washington—some of the distinguished surgeons who have been developed in the medical service of the Army.

Mr. BLANTON. Before the gentleman reaches it, and while the gentleman is generally discussing the bill, would he kindly explain section 9 to us?

Mr. WAINWRIGHT. I will propose an amendment to section 9, striking that from this bill because that is included, as I recall, in the bill just passed.

Mr. BLANTON. Section 109 will be stricken out.

Mr. WAINWRIGHT. I understand that section 9 has been incorporated in the bill just passed. If that is the case it will be stricken out of this bill, of course. Now, the authority——

Mr. LaGUARDIA. Do I understand the gentleman correctly to say that section 9 will be stricken out?

Mr. WAINWRIGHT. If it is included in the bill just passed as explained by the gentleman from Illinois [Mr. McKENZIE].

Now as to section 3 of the bill——

Mr. FROTHINGHAM. Does the gentleman mean section 9 or section 109?

Mr. BLANTON. Section 9, the last section of the bill.

Mr. WAINWRIGHT. I beg the gentleman's pardon. I thought he referred to "section 109."

Mr. BLANTON. Will the gentleman explain No. 9?

Mr. WAINWRIGHT. Yes; I will explain it when I get to it, if the gentleman will permit.

Mr. BLANTON. There was some question as to whether that section was in a bill that had been disapproved by the President. We want to know something about it before we reach it. Would the gentleman mind letting us know about the provisions in that section now?

Mr. WAINWRIGHT. If the gentleman will permit, I will be glad to explain it when we come to that section.

Section 2 provides that officers of the National Guard shall be commissioned in the Army of the United States. This is to remove an objection which the National Guard officers have to taking Reserve commissions. Up to this time not over 50 per cent of the National Guard officers have taken Reserve commissions. Thus there are not 50 per cent of them who would be available for Federal service in time of emergency. Now to obviate objections on that score, and in deference to the wishes of the National Guard, expressed in their national convention, also on the recommendation of a commission composed of officers of the Regular Army and of the Reserve and of the National Guard which met recently here in Washington under appointment from the Secretary of War, this provision is being proposed, which will result in all officers of the Reserve being commissioned, as they should be, in the Army of the United States, recognizing the fact that the basic, all-inclusive establishment is the Army of the United States in which the Regular Army, the Reserves, and the National Guard are merely components. So in Federal service the National Guard officer will receive, if he desires it—it will not be obligatory—in addition to his National Guard commission, which of course comes from the State, a commission from the President of the United States in the Army of the United States Reserves.

It is also provided in this section that the National Guard officer may hold this commission as long as he holds his National Guard commission, relieving him of the present provision of the law which limits the Reserve commission to five years, thus preventing the necessity of the National Guard officer being reexamined and recommissioned every five years.

Mr. BEGG. Mr. Speaker, will the gentleman yield to me?

Mr. WAINWRIGHT. Yes.

Mr. BEGG. I could not hear distinctly on account of the confusion in the Chamber whether the gentleman answered my question a little while ago or not. I want to ask it now in a little different way. This is to increase the number of commissioned officers to 1,987. Has that necessity arisen from the fact that so many officers have been promoted, and so many retired so that they could be promoted, and you have no vacancies now? Have so many commissioned officers been promoted that you have a lack now of the noncommissioned officers?

Mr. WAINWRIGHT. I thought I had made that clear. The reduction of the Army from 280,000 to 125,000 had resulted in the reduction of the noncommissioned officers by 8,000.

Mr. BLANTON. If the gentleman will yield, the gentleman from Ohio will understand this, that those 1,987 are additional noncommissioned officers added to the present establishment.

Mr. WAINWRIGHT. No. Let me correct the gentleman. This will in no way increase the authorized maximum of the Army.

Mr. BLANTON. I am not talking about that. I am talking about the present personnel as it exists now.

Mr. WAINWRIGHT. It would not increase by one man the personnel.

Mr. BEGG. Is not the situation this: That you have none now, and you must create some?

Mr. WAINWRIGHT. No; that is not the fact.

Mr. BEGG. I can not read anything else, either in the report or in this bill, than that men have been promoted from noncommissioned to commissioned officers, and then so many have been promoted out that you have a shortage of "noncoms" now.

Mr. WAINWRIGHT. No. I have never heard that feature of it referred to in any way in the discussion of this measure.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. McKENZIE. In response to the gentleman from Ohio [Mr. BEGG], he has evidently forgotten that Congress legislated out of the Army several hundred commissioned officers a few years ago at the same time that we were cutting down the enlisted personnel.

Mr. BEGG. It was a hardship on them when we let them out.

Mr. BLANTON. I want to suggest to the gentleman from Ohio that he will remember that right after the war, when there was a reorganization, there were so many promotions that we did not have a second lieutenant.

Mr. McKENZIE. Yes. That is what has happened now.

Mr. SPEAKS. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. BEGG. I would like to have somebody who is frank tell all about it.

Mr. SPEAKS. This will not increase the enlisted personnel of the Army by one man. This will not increase the commissioned personnel of the Army in any particular. What is required and desired in this bill is to furnish some additional noncommissioned officers who can be sent out to the National Guard organizations.

Mr. BEGG. What became of the noncommissioned officers who were in the Army two years ago?

Mr. SPEAKS. I might say this: That two years ago, before the strength of the Army was increased to such a wide extent, there was an ample number of noncommissioned officers. But to-day we are sending out noncommissioned officers to the National Guard organizations in every State of the Union, and they are constantly clamoring for more, one in the gentleman's town, probably.

Mr. BEGG. Yes; and they will have one there if you pass this bill. It is a good place to spend the summer.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. Yes.

Mr. McKENZIE. In order that the gentleman may get this clear in his mind I want to ask the gentleman from Ohio [Mr. SPEAKS] if this is not true, that when the Army was reorganized on the basis of 280,000, there were 0.6 of 1 per cent of the enlisted men put in the top grade. This bill provides for 0.79 of 1 per cent.

Mr. SPEAKS. Absolutely.

Mr. McKENZIE. When the Army was reduced, following the law, they had to reduce down the number of noncommissioned officers in that grade and in all the other grades, and they simply pushed them down from the top to the grades of first-class privates and privates. That is what happened.

Mr. SPEAKS. Now, one thing more. I want to confess that, in my judgment, we have too many major generals and brigadier generals and colonels and lieutenant colonels, but we have not too many of these noncommissioned officers and enlisted men. I say frankly that so far as the higher grades are concerned I would be willing to reduce the number at any time, and I have so stated on this floor. But in the case of these noncommissioned officers, we do not have enough. They are men of long experience and men who are required to perform important duties, and in many cases now a first-class private is required to perform duties which ought to be looked after by a sergeant or corporal.

Mr. TEMPLE. Will the gentleman yield?

Mr. WAINWRIGHT. I shall be glad to yield to the gentleman.

Mr. TEMPLE. Is it not true that the number of noncommissioned officers is a percentage of the enlisted personnel of the Army?

Mr. WAINWRIGHT. Absolutely.

Mr. TEMPLE. Is it not true also that there is considerable use for noncommissioned officers on service away from the enlisted personnel?

Mr. WAINWRIGHT. More use than ever.

Mr. TEMPLE. When we reduced the number of enlisted personnel we did not reduce the number of places outside the Regular Army service.

Mr. WAINWRIGHT. That is it exactly.

Mr. TEMPLE. Now, we need more men, but not for service with the enlisted personnel.

Mr. WAINWRIGHT. That is correct.

Mr. TEMPLE. When we reduced the number we did not reduce the number of these outside places; consequently six-tenths of 1 per cent of 280,000 will furnish more of the men available for outside work than six-tenths of 1 per cent of 70,000.

Mr. WAINWRIGHT. That is correct. The gentleman has made a more lucid statement than I could make. Section 4 simply provides that on reenlistment a man may be enlisted for one or three years. To-day reenlistments are limited to one year.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. WAINWRIGHT. May I have another five minutes?

Mr. BLACK of Texas. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas that the gentleman have 10 minutes additional? [After a pause.] The Chair hears none.

Mr. BLACK of Texas. I want to ask the gentleman about section 9 of the bill.

Mr. WAINWRIGHT. I have not come to that yet.

Mr. BLACK of Texas. I thought the gentleman was discussing the bill generally.

Mr. WAINWRIGHT. No; I am attempting to explain each section. Now, section 5 provides that animals owned by the State and used exclusively for military purposes may be foraged out of Federal funds. It also provides for five additional caretakers for each of the heavier-than-air squadrons of the Aviation Service of the National Guard. This will mean one caretaker for each plane, whereas in the Regular Service there are two caretakers for each plane. As I have said, section 6 is to be stricken out of this bill because it is included in the bill just passed. The purpose of section 7 is simply to authorize, in time of peace, a lieutenant colonel, as well as a major, for a Massachusetts organization which has had this additional officer since the time of its organization in 1792. Section 8 provides that enlisted men should be paid for drills actually made and not limited merely to 60 per cent of the drills made during a month. Of course, the present provision of law was intended to induce greater regularity at drills, but the effect has been found to be just the reverse.

It should need no explanation or no justification that we should pay these men for drills actually made. Section 9 of the bill, as to which I have been interrogated, simply provides that when noncommissioned officers of the Army who served as commissioned officers during the World War are retired they may be retired as warrant officers, the highest grade of noncommissioned officers. The comptroller, or maybe it is the Judge Advocate of the Army, has ruled that only those who were discharged during the World War should be discharged as warrant officers. It should need no explanation that those men who served as commissioned officers during the World War who return to the service and who have been serving as noncommissioned officers should be retired with the highest possible grade of noncommissioned officers.

Are there any further questions with regard to this bill which any Member desires to ask?

Mr. CONNERY. Section 9 would merely cover the fact that a man who served during the World War as a noncommissioned officer and who stayed in the Army would receive his discharge on retirement as a warrant officer?

Mr. WAINWRIGHT. That is it exactly.

The SPEAKER resumed the chair.

The SPEAKER. The Chair suggests, if there is no objection, that the Clerk read the substitute instead of reading the sections stricken out.

There was no objection.

The Clerk read as follows:

SEC. 2. Add at the end of section 4c of the national defense act of June 3, 1916, as amended, the following sentence: "When in his judgment efficiency demands such action, the President is authorized to except officers of the Medical Corps from the provisions of this section requiring duty with troops of one or more of the combatant arms."

Mr. WAINWRIGHT. Mr. Speaker, I have a committee amendment to the amendment.

The SPEAKER. The gentleman from New York offers a committee amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment to the amendment offered by Mr. WAINWRIGHT: Page 4, line 6, add the following: "The appointment as Chief of Infantry, of Cavalry, of Field Artillery, or of Coast Artillery, of an officer of a grade above that of colonel shall create a vacancy in such grade, but shall not deprive the officer so appointed of the commission he otherwise holds in the Army: *Provided*, That the authorized total number of officers in the Army shall not be exceeded and that no officer serving as chief of any branch shall while so serving be appointed as a brigadier general. The President may at any time discharge the chief or any assistant chief of any branch from his office as such, and such officer when so discharged shall resume the position he would have occupied but for his appointment as such chief or assistant chief."

Mr. WAINWRIGHT. Mr. Speaker, taking the last provision first, this gives the President the right to discharge a chief or assistant chief of any branch. Under the present law the President has not that right, nor has anybody that authority, except, as I understand, Congress. It has seemed to our committee that the Executive should have that right.

The provision in the first sentence provides that if an officer is appointed above the grade of colonel in the four combat branches—the Infantry, the Cavalry, the Field Artillery, and Coast Artillery—a vacancy shall be created. Under the present law the appointment of an officer above the grade of colonel does not create a vacancy, and the consequence is that if a brigadier general is appointed as the chief of one of these arms we may get a major general, but we lose a brigadier general. This is proposed in order to enable the President and the Secretary of War to make the selections for chiefs of the combat branches from among those who should be best qualified, namely, brigadier generals, who have been selected on account of their superior ability and without sacrificing a brigadier general or reducing the number of brigadiers by making such appointment. Under the present law the practice is to appoint colonels so as not to lose a brigadier general. This will create no more brigadier generals and it will operate to avoid losing a brigadier general upon the promotion of a brigadier general to major general as chief of one of the combat branches mentioned.

Mr. BLANTON. Will the gentleman yield?

Mr. WAINWRIGHT. Certainly.

Mr. BLANTON. What is the gentleman going to do about the recommendation made by our colleague, the gentleman from Ohio [Mr. SPEAKS]? He said we had too many of them.

Mr. WAINWRIGHT. I know the views of the gentleman from Ohio [Mr. SPEAKS] with regard to those questions. I have heard them very often expressed in the committee, but I am sure General SPEAKS will agree with me that this will not increase the number of brigadiers.

Mr. BLANTON. But we all have confidence in the judgment of the gentleman from Ohio [Mr. SPEAKS], and he says we have too many brigadier generals, too many major generals, and too many colonels.

Mr. WAINWRIGHT. Oh, the gentleman from Ohio [Mr. SPEAKS] is for this proposition. There is no question about that.

Mr. BLANTON. I have not heard him speak for it, but I heard him, just a moment ago, speak against the policy and the principle of it.

Mr. WAINWRIGHT. Not against this proposition. May I say to the committee that this is the only proposition—I do not know whether this is going to help or hurt the proposition—that General Pershing has asked; and the only thing that General Pershing himself came before the committee and advocated strongly, stating that he considered it was vital that he should have this power in order that he might be able to appoint the best man he could find for chief of the four combat branches.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. McKENZIE. Mr. Speaker, I move to strike out the last word in order that the gentleman from Kansas may ask a question; and I also want to ask the gentleman a question.

Mr. ANTHONY. I simply want to ask a question of the gentleman from New York to find out exactly what this provision does. It seems to me, in the first place, it creates additional colonels in the Army, because that is the class of officer from which these chiefs of branches will be appointed. You say that the appointment of a colonel to chief of a branch as major general shall create a vacancy. That means some other man can be promoted up to the grade that is vacated; is that right?

Mr. WAINWRIGHT. A brigadier is appointed a major general and chief of branch.

Mr. ANTHONY. Not always; he can be appointed from a colonelcy.

Mr. WAINWRIGHT. But assuming a brigadier general is appointed, this bill is to enable the appointment of a brigadier without the loss of the authorized number of brigadiers. For instance, a brigadier is appointed major general; that will create a vacancy in the list of brigadiers.

Mr. ANTHONY. And make the appointment of another brigadier possible.

Mr. WAINWRIGHT. Of course, a colonel will be appointed a brigadier and there will be promotion up the line. Of course, that will necessarily follow.

Mr. ANTHONY. Then in regard to the other language in the paragraph giving the President the authority to remove these chiefs of branches at any time, heretofore they have had a four-year tenure of office?

Mr. WAINWRIGHT. Yes.

Mr. ANTHONY. Does not this mean in substance that when the chief of a branch office differs in policy with anyone of higher authority his head would come off? Do you not think that would interfere with the exercise of free judgment on the part of the chief of a branch?

Mr. WAINWRIGHT. I do not think so. I think we should be willing to trust the President of the United States and the Secretary of War to justly exercise that authority. Let us take the other case. There may be some chief of a branch who may be very unsatisfactory for many reasons. As the law stands to-day, it is impossible for the President to get rid of such a chief of branch, as I understand it, without a resolution of Congress.

Mr. ANTHONY. Does not the gentleman know that when the legislation was passed creating these chiefs of branches it was done with the idea of getting men of long experience, experts, technical men at the head of these branches, so we could have the benefit of their judgment in the administration of the branches? If we provide they shall not have a four-year tenure of office and their heads can be chopped off at any time, these men will simply be the clerks of the higher authority and will not be able to exercise their own mature judgment in the administration of their branches.

Mr. WAINWRIGHT. I do not see why it should in any way interfere with the independence or the efficiency of the chief of a branch, but I do see how it would give the President this power—which I believe he should have—with regard to any officer so appointed.

Mr. ANTHONY. But the gentleman knows the President never exercises this power. This power is always exercised by the Chief of Staff or some officer who operates the War Department in his name.

Mr. McKENZIE. Will the gentleman yield to me a moment? I did not listen to the reading of your amendment, but does it include the provision that any officer serving as a chief of branch can not be promoted to the grade of brigadier general while so serving?

Mr. WAINWRIGHT. Yes; it does. I should have stated that. In the interest of saving time I overlooked that feature of the provision.

Mr. McKENZIE. I wish to say to the members of the committee that this is the situation: When General Pershing came to see about this matter, I said to him very frankly that in my judgment it was a 50-50 proposition so far as the Army was concerned, and the criticism made by the gentleman from Kansas [Mr. ANTHONY] is one of the criticisms that can be made. On the other hand, if the hands of the War Department are tied by getting an inefficient man detailed as chief of a branch, of course that is not good for the service. I can understand that, but here is what we want to protect. We want to legislate in the interest of the Military Establishment and not in the interest of individual officers, and for that reason the committee inserted a provision to prevent promotion while an officer is serving as chief of a branch. For example, a colonel under the law can be appointed chief of any of the branches, and while so serving he draws the pay of a major general. Now, while serving as major general in that capacity, he is in fact a colonel. If there is a vacancy in the grade of brigadier general, he could be transferred into the grade of brigadier general and made a brigadier general while serving as a major general, chief of a branch, and we feel this way about it, or at least I do, that the colonels in the Army at least ought to have a fair show, and it would not be fair to permit, under the law, the making of a colonel a major general, and while so serving as chief of a branch promote him into the vacancy created in the grade of brigadier general.

Mr. LAGUARDIA. What happens to the vacancy of the colonel?

Mr. McKENZIE. They fill it.

Mr. LAGUARDIA. Mr. Speaker, I rise in opposition to the amendment. I agree with the acting chairman of the committee that in legislation of this kind we want to legislate for the benefit of the Military Establishment and not for the individual. What is the result? The more power you concentrate in the Chief of Staff and the General of the Army, or nominally in the President, the more you promote the absolute control of the heads of these branches. I have had some experience very recently. When we had the military bill under consideration I called the attention of the House to the maneuvers at Panama where the aviation cooperated with the Coast Defense Corps and the Navy.

A report was submitted by the Army and the Navy. Where the report is we could not ascertain. When you asked one branch of the War Department they referred you to some other bureau. It is impossible to obtain any information of the result of those maneuvers to guide us in our work in legislating for the Army. Why is that? We got information unofficially. Some very interesting facts were learned as a result of the maneuvers. I gather information from various sources and yet we are unable to be officially informed. I often hear experts in the Army tell of startling facts, but they will add "I can not tell it officially." When you ask for information you are unable to get it, and if a report is submitted not in accordance with the ideas of the General Staff you can not get the facts. That is the condition that exists to-day. You can try as much as you like to legislate for the Army and improve the establishment, but you are up against the stubbornness of the General Staff. If there were more of a spirit of cooperation with us it would be better for the Army and better for the country. You undertake to provide for the heads of the branches. If a colonel is promoted to the head of one branch he takes the rank and pay of a major general. You want to fill that gap. Suppose he finishes his time as head of the branch, what becomes of him?

Mr. WAINWRIGHT. That is just what we want to get rid of, appointing a colonel; this is to enable the department to appoint a brigadier.

Mr. LAGUARDIA. But you fill the vacancy of the colonel. Suppose a new man is relieved after six months as the head of the branch of the Army, what happens?

Mr. WAINWRIGHT. He goes back as a brigadier and another brigadier is appointed in his place.

Mr. LAGUARDIA. If the gentleman believes that it will improve the establishment, make it more modern and businesslike, and produce better cooperation, I am for the gentleman's amendment.

Mr. WAINWRIGHT. General Pershing believes that it will add to the efficiency of the service and get better men for the extremely important positions of heads of these branches.

Mr. LAGUARDIA. The only recommendation we get from them for efficiency is promotion to a higher rank.

Mr. WAINWRIGHT. It does not affect the promotion of anybody except the promotion of the colonel to a brigadier to fill the vacancy.

Mr. CONNERY. If the gentleman will yield, in line with what General SPEAKS has just said, I want to say that at Camp Devens last summer the boys were all lined up and singing to the tune "We have no bananas," "Yes, we have no privates." [Laughter.]

Mr. BLANTON. Mr. Speaker, I think the gentleman from Kansas [Mr. ANTHONY] hit the nail on the head when he said they are going to commission a good many more colonels than we need; at least some additional ones. I am willing to follow our colleague from Ohio, General SPEAKS, because he knows, and he says we have now too many of the higher officers—too many colonels, too many brigadiers, and too many major generals.

I am reminded of what happened in my office the other day. A distinguished-looking gentleman came in, introduced himself as Colonel ———, a retired Army officer, and told me he wanted me to vote for the new retirement pay bill for Army officers. I asked him how old he was, and he said he was 63. He looked as young as I do, appeared to be in as good health as I am, and looked to be as strong and vigorous. He said he had been retired already two years, and said he was not getting enough money from the Government. I said, "How much do you receive, Colonel, from the Government of the United States?" He said, "I just receive $354 a month." I said, "You ought to be the happiest man on God's earth; you are just 63 years old, able-bodied, and in fine health, and you have been retired two years, and you are getting $850 every month of the year, and you are doing nothing on earth." Now, there are too many of that kind.

Mr. BOYLAN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BOYLAN. Does the gentleman take into consideration the fact of what this gentleman has done in the past?

Mr. BLANTON. Oh, yes.

Mr. BOYLAN. That he has been under a good deal of a strain?

Mr. BLANTON. Not any more strain than the Members of Congress undergo. [Laughter.]

Mr. BOYLAN. That he has been under a strain that almost took life itself?

Mr. BLANTON. Perhaps.

Mr. BOYLAN. The gentleman does not compare the everyday, prosaic life of a Member of Congress with that of a colonel?

Mr. BLANTON. They do not live under half the strain of life that we do. According to our distinguished colleague from Ohio, General SHERWOOD, the death rate of the higher officers in the last war was not as great as the death rate of the membership of this House. [Laughter.]

Mr. WEFALD. Does the gentleman think that the colonel is on a par with the fireman the gentleman from Kansas spoke of?

Mr. BLANTON. The railroad fireman is well off, because he has got a job for life.

Mr. WEFALD. A colonel does not do half the work?

Mr. BLANTON. We must revise and reduce the retirement pay of officers in the Army and Navy and force them to contribute to their own retirement fund. They are getting too much retirement pay for the services they render. The idea of paying a retired man, able-bodied and in good health, at 61 years of age, the age at which this colonel retired, $350 a month, three-fourths of his pay and allowances!

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. CRAMTON. Is the gentleman in touch with this equalization program the Navy is now reporting that will require retirement considerably sooner than at present?

Mr. BLANTON. Yes. And they will get that through. They will have some friend on the Naval Affairs Committee get up here—not the chairman of the committee but some particular friend—get up and offer from the floor an amendment, subject to a point of order; but the chairman will sit in his seat and not make the point of order against it, as in this case, and nobody in the House will know anything about it except the distinguished gentleman who introduces it, and it will pass.

Mr. CRAMTON. I understand they propose retirement at 62 instead of 64.

Mr. BLANTON. Yes; and nobody here will know anything about the gentleman's amendment except the gentleman himself.

Mr. WAINWRIGHT. I think every member of the committee knows.

Mr. BLANTON. Why did not the gentleman have the committee put it in the bill? Why did he wait until the bill came up and offer the amendment from the floor? Why did the chairman have to ask the gentleman so many questions about the nature of this amendment? Why did not he put his amendment in the bill?

Mr. CHINDBLOM. This committee is luckily not to be discharged.

Mr. WAINWRIGHT. I call the attention of the gentleman to the fact this bill passed the Senate.

Mr. BLANTON. The chairman could have killed this amendment with a point of oder, if he had made it.

Mr. JEFFERS. Mr. Speaker, I rise in opposition to the pro forma amendment for the purpose of asking a question of the gentleman from New York [Mr. WAINWRIGHT]. As I understand it, this amendment is simply for the purpose of making an adjustment in the law so that the heads of sections, under the present national plan of defense, can be provided for in an orderly way without disrupting the list of brigadier generals on duty in the field and otherwise. That is about all that it amounts to, is it not?

Mr. WAINWRIGHT. It is to appoint a brigadier general, staff service, without losing a brigadier general.

Mr. JEFFERS. From the field?

Mr. WAINWRIGHT. Let me again repeat. If this amendment is adopted and the bill is adopted it would not lead to an increased number of brigadier generals.

Mr. JEFFERS. Mr. Speaker, as I understand the amendment it is merely a remedial or perfecting amendment which is needed in conjunction with the present plan of national defense. For the first time in the history of the Nation we have had, since 1921, a comprehensive plan of national defense, for the proper functioning of which the Chief of Staff is responsible. Now, no plan as great as the present plan of national defense could be expected to be perfect or to function perfectly from the very beginning without proper adjustments and amendments from time to time, and here is a situation which the Chief of Staff has come up against and he needs this perfecting amendment, and since we are holding him responsible for the smooth working of this great plan, I think we ought to grant this perfecting amendment to the law.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. JEFFERS. I will.

Mr. LAGUARDIA. In keeping with the modernization of the Military Establishment as the gentleman suggests, does not the gentleman believe that this new General Staff and new establishment should keep pace with the times and so improve methods of warfare rather than to retard them for the sake of holding so many high ranking officials?

Mr. JEFFERS. Well, I think this is a step looking toward improvement. I think it is needed and I think it is clearly meritorious.

Mr. LAGUARDIA. Let us hope so.

Mr. JEFFERS. I do hope so and believe so, and therefore I am for the amendment, and hope it will pass.

Mr. BLACK of Texas. Mr. Speaker, since the question of retirement and retirement pay has been brought up, I want at this time to call attention to section 9 of this bill. Now, some of you will probably remember—those of you who were here in 1917—that the war risk insurance act when it was first brought before the Congress was written upon the central idea that compensation for disability should be paid according to the rank and pay of the officer and enlisted man, also that pay to the dependents of deceased officers and enlisted men should be graded in the same manner. Now, that was an unprecedented step on the part of the American Government. It was a new departure, and when the bill was before the House I drew a series of amendments which struck out the whole unequal and discriminatory percentage plan and followed the uniform policy that our Nation has always followed, to compensate the dependents of the deceased officer or enlisted man upon an equal footing, and the House by an almost unanimous vote adopted my whole series of amendments and the Senate accepted them and they were written into the law. Ever since then there has been one effort after another made to break down the decision of Congress at that time and engraft upon the law one exception after another, and several of them have already passed the House in first one way and then the other. Each such exception seems as a precedent for another. At the last session the Senate passed what is known as the Bursum bill, which if it had been adopted by the House would have put every officer who had incurred 30 per cent disability upon the retired list and would have paid him officer's retirement pay for the rest of his life.

Mr. LAGUARDIA. Will the gentleman yield there?

Mr. BLACK of Texas. Yes; I will yield to the gentleman.

Mr. LAGUARDIA. Does not the gentleman believe that all emergency officers who are disabled should receive the same retirement or compensation as the Regular Army officer who was disabled to exactly the same extent?

Mr. BLACK of Texas. The retirement act for Regular Army officers was written before I ever came to Congress. If I were rewriting the whole retirement act, if I had it in my power, I would make many changes in it. It is now entirely too burdensome to the taxpayers of the Nation and will become increasingly so as time goes on. The gentleman from New York will not get me to support one proposition because some Congress in the past enacted some other one which is not defensible.

The thing to do is to correct some of the mistakes of the present Army officers' retirement act and not multiply them by adding on more discriminatory features as section 9 of this present bill would do.

Section 9 ought to be stricken out of the bill. Congress did pass a law in 1920 for those enlisted men of the Regular Army who served as commissioned officers during the war and retired during the war because of disability. Congress passed a law allowing them to draw the retired pay of warrant officers. They were men retired during the war because of disabilities received during the war.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLACK of Texas. Mr. Speaker, may I have five minutes more?

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. McKENZIE. I ask unanimous consent, Mr. Speaker, that at the termination of the five minutes asked for by the gentleman from Texas all debate on this section and amendments thereto close.

The SPEAKER. The gentleman from Illinois asks unanimous consent that at the termination of five minutes all debate on this section and amendments thereto be closed. Is there objection?

There was no objection.

Mr. BLACK of Texas. There were 325 enlisted men of the Regular Army who were thus retired during the war and were

placed upon the retired list with the pay of warrant officers. But since the war and up to now there are 464 who have been retired, and they want to be put on the pay roll as retired warrant officers. That is the purpose of section 9; retired, if you please, since the war closed. There is no requirement that they are retired because of injuries received during the war; not at all. I do not know what they were retired for. The Members of this House do not know what they were retired for. All we know is that if we pass section 9 of this bill these 464 men will be immediately placed upon the retired list as warrant officers, and their retired pay will be increased $250 a year, and will add $120,000 per annum at the expense of the taxpayers. The committee itself admits that while that will be the first year's cost of section 9, they will not undertake to estimate how much it may cost and how large the increased expenditure may go in some future years.

Now, gentlemen, if we do not quit this extravagance in retired pay of Army officers and Navy officers and Government civilians; if we do not quit it, pretty soon everybody in the United States will be working for the Government. We who are not directly on the pay roll will be working for those who are on the pay roll. [Applause.] It is getting time we were bringing some check to bear on this retirement extravagance, and I am going to offer an amendment to strike out section 9 of this bill, and I hope my amendment will be adopted.

Mr. HULL of Iowa. Mr. Speaker, I have another amendment to offer.

The SPEAKER. The question is on agreeing to the pending amendment.

The amendment was agreed to.

The SPEAKER. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL of Iowa: Page 4, line 5, after the word "corps," insert "Ordnance Department and Chemical Warfare Service."

Mr. HULL of Iowa. Mr. Speaker, and gentlemen of the House, this amendment will not increase the commissioned personnel. It will not cost one penny. It is simply to correct and make possible something that is necessary in the Army organization. The Chemical Warfare Service to-day is practically all located at Edgewood Arsenal, in New Jersey, and to require them to send out with troops the personnel of that arsenal will destroy what you have of Chemical Warfare Service. As a matter of fact, it is a physical impossibility, because as your Army is organized at the present time they have not units out with the troops at all. It is a purely technical branch, which is and should be kept at Edgewood Arsenal. The same is true with respect to the Ordnance Department. That should be included with the Medical Department, as the amendment calls for.

Mr. LAGUARDIA. What does the gentleman's amendment do? Does it add to the Medical Department unit?

Mr. HULL of Iowa. No. It simply exempts the Medical Corps, the Ordnance Corps, and the Chemical Warfare Service from the provision which requires them to be sent out with the troops. It comes in on line 5 after the Medical Corps.

Mr. TILSON. Mr. Speaker, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. TILSON. I understand, so far as the Ordnance is concerned, that it is eminently proper that that should be so. I do not know so much about the Chemical Warfare. Has the gentleman conferred with the Army officers in regard to that?

Mr. HULL of Iowa. Oh, certainly. They asked for other branches to be exempted, which we refused to do. Our attention was called to the fact that it was a physical impossibility to comply with the present provisions of the law as to the Ordnance and Chemical unit, and so we ask it here.

Mr. TILSON. But the Chemical Warfare is a fighting service.

Mr. LAGUARDIA. The gentleman thinks that that is a correct amendment?

Mr. HULL of Iowa. Yes; I think it is all right.

Mr. BEGG. Mr. Speaker, I have an amendment that I want to offer after the Wainwright amendment is disposed of.

The SPEAKER. The amendment offered by the gentleman from Iowa [Mr. HULL] is pending. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

Mr. BEGG. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 4, at the end of the Wainwright amendment; change the period to a colon and add the following:

"*Provided*, That in time of peace no officer of the Army shall be or remain detailed in the War Department more than five out of any period of seven consecutive years."

Mr. McKENZIE. I have no objection to letting that go to conference.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

SEC. 3. That said national defense act, as amended, be, and the same is hereby, further amended by inserting therein, immediately after section 37 thereof, a new section, to be known as section 38, in lieu of original section 38 struck out by section 31 of the amendatory act of June 4, 1920, and to read as follows:

"SEC. 38. Commissions of reserve officers: All persons appointed reserve officers shall be commissioned in the Army of the United States. Officers of the National Guard, federally recognized as such under the provisions of this act, who are appointed reserve officers under the provisions of section 37 of this act, shall be appointed for the period during which such recognition shall continue in effect and terminating at the expiration thereof in lieu of the five-year period hereinbefore prescribed, and in time of peace shall be governed by such special regulations appropriate for this class of reserve officers as the Secretary of War may prescribe."

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the last word.

Mr. BAKER. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from New York is recognized.

Mr. LAGUARDIA. Mr. Speaker, I am afraid the House did not realize the importance of the last amendment, that was just passed, and I believe the attention of the House ought to be called to it, because the older Members of the House will remember that it took many years of struggle in this House before you passed the law which required officers assigned to desk jobs to go back to troops every four years. The amendment which you have just passed destroys that law.

Mr. McKENZIE. Will the gentleman yield?

Mr. LAGUARDIA. Of course, I yield.

Mr. McKENZIE. I think the gentleman is entirely mistaken.

Mr. LAGUARDIA. I hope I am.

Mr. McKENZIE. The amendment offered by the gentleman from Ohio [Mr. BEGG] does not repeal the Manchu law, but the effect of it, as I understand it, would be this——

Mr. LAGUARDIA. It just changes it.

Mr. McKENZIE. No; it does not do that. It just takes in the officers who are now subject to the Manchu law and provides that they must also go out.

Mr. LAGUARDIA. If the gentleman pleases, the law now is that after four years of assignment an officer must be returned to troops—is not that correct?

Mr. McKENZIE. He can be reappointed.

Mr. LAGUARDIA. No; he must go back to troops.

Mr. McKENZIE. No. Take the Surgeon General of the Army.

Mr. LAGUARDIA. Let us except the Surgeon General and let us take the line officers. A line officer, after four years' assignment, is ordered back to troops. That is the law, and the amendment which you have just passed permits them to stay five years out of seven. And if that is not destroying the very purpose of the Manchu law, I do not know what it is.

Mr. BEGG. Does not the gentleman think he is a wee bit late in raising his criticism?

Mr. LAGUARDIA. I wanted to see the maneuvering and tactics that the chairman of this committee adopted.

Mr. McKENZIE. If the gentleman will yield, I will simply say to the gentleman from New York that if he will just contain himself until this law is finally written he will probably find out that the chairman of the committee has not been maneuvering for any other purpose than that of protecting the Military Establishment and the Government of the United States, and when we get through I think the gentleman will say it is a good job.

Mr. LAGUARDIA. I beg the gentleman's pardon. I thought we were legislating here. I do not know what else we are doing.

Mr. CHINDBLOM. No; we were legislating to go to conference.

Mr. LAGUARDIA. I think there has been too much of legislating in conference in the last few weeks. You will have a little taste of that when your tax bill comes back.

I hope the House will reconsider that, and when the bill is up for passage I am going to ask for a separate vote on that very important and vital amendment.

Mr. BLANTON. The gentleman's time for that has passed, because we are in the House now.

Mr. LAGUARDIA. Can we not have a separate vote on an amendment in the House?

Mr. BLANTON. No.

Mr. LAGUARDIA. Well, we will have to defeat it some way.

Mr. BEGG. The gentleman from New York does not know what it is all about yet.

Mr. LAGUARDIA. I do know what it is all about, and the gentleman from Ohio knows what it is all about.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. HOWARD of Nebraska. I am so thoroughly impressed by the earnestness of the gentleman from New York in stating that this amendment practically kills the law which compels a fellow to take his heels off of a desk once every four years and go out in the field that I am almost inclined to say that there are not enough of us here to consider such an important proposition.

Mr. LAGUARDIA. I will say to my friend from Nebraska that it has been considered.

Mr. HOWARD of Nebraska. But we are going to vote upon it pretty soon, and we ought to have more, if that is the case, so, Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. The gentleman from Nebraska makes the point of order that there is no quorum present. The Chair will count.

Mr. HOWARD of Nebraska. Mr. Speaker, upon being more accurately advised concerning the situation, for the moment I withdraw the suggestion of no quorum. [Applause.]

Mr. LAGUARDIA. Mr. Speaker, the purpose for which I took the floor was to call the attention of the House to the method employed in certain sections of the country in commissioning officers in the reserve. Now, the backbone of our Military Establishment is the reserve, and I believe the gentlemen of the committee will agree with me on that.

It has come to my attention that in certain sections of the country capable, able, and efficient men who served in the World War, and with brilliant military records, are turned down, while men with certain influences, local, if you please, or departmental, in some cases, are appointed to high rank. I know of cases in New York City where men have been appointed to high rank without examination. I have a case in mind out in Ohio, in the gentleman's State [Mr. BEGG], of one of the most efficient young officers who served in the American Expeditionary Forces. Owing to local conditions that young man's application for a commission in the Engineer Corps was turned down.

The SPEAKER. The time of the gentleman has expired.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to proceed for five minutes more.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. And the excuse presented was so flimsy that it was ridiculous. This man served with me in the Aviation Service. He brought order out of chaos at aviation headquarters; he coordinated the whole service in France. He was awarded a distinguished-service medal; he was efficient in every sense of the word, and yet they turned him down on the pretext that he was not a civil engineer, when the greater percentage of the officers commissioned in the Engineer Corps are not civil engineers. One of them was a salesman, the other was a draftsman, and so on. I have the entire list.

If the War Department expects the cooperation of this House, and they ought to have it, of course, and if we are going to build up a reserve force in this country, the thing to do is to let the department know that we will not stand for the playing of favorites, for the selecting of these young officers through political or social influence, and that we expect them to maintain a high standard of efficiency in the reserve force and fairness and impartiality in the selection of the reserve personnel.

The trouble is, gentlemen, you are coddling these men and instead of making soldiers out of them you are making politicians out of them. You have just passed an amendment that will go a long way toward keeping these departmental politicians in Washington. Leave them here five years, and you talk about lobbies! Why, they will be around here lobbying all the time, and they will build up their little departmental cliques, and they will not run the department for the good of the Military Establishment, but according to their own views and their own comforts and their own interests.

I appeal to the House, and I want to say right now that I am going to follow up this case from Ohio, and if the department wants to make a test of it, I will show where men were appointed lieutenant colonels and colonels who were absolutely incompetent to hold the rank in case of an emergency. I do not object to a colonelcy being handed here and there for local reasons. That is all right. I suppose they have to do it, but I do say, in the main, they ought to give due credit to military record in the war, and they ought to give due credit to a man's age and his ability. I have complained to The Adjutant General about the case I have mentioned here, and I expect to follow it up. I do hope that in legislating for the reserve corps—and there is nothing more important to the national defense than our reserve force—we will at least so legislate as to build up a reserve force and not a departmental-military-political machine.

Mr. RAKER. Mr. Speaker, I rise in opposition to the pro forma amendment. Mr. Speaker, simply for expedition, I ask unanimous consent that I may print in the RECORD, so it will be in the RECORD to-morrow, proposed legislation and present law and a statement from the Secretaries of State, Commerce, and Labor relative to seamen.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. LONGWORTH. Mr. Speaker, reserving the right to object, does this request involve a large mass of material?

Mr. RAKER. I suppose it will cover about four or five pages.

Mr. LONGWORTH. What is the gentleman's object?

Mr. RAKER. The matter will be squarely before the House to vote on to-morrow.

Mr. LONGWORTH. The vote will be on accepting the conference report. It will not be a matter of going into all this detail.

Mr. RAKER. It will be discussed, and my purpose was to have the information in parallel columns so that the House might know the full situation and the status as to the laws that exist now and the proposed legislation.

Mr. LONGWORTH. Mr. Speaker, let me see what the gentleman intends to put in and perhaps later on I shall not object.

Mr. RAKER. I would have to go to the office and it will take me a couple of hours to get it ready. If the gentleman thinks it will delay the disposition of the matter I will forego the pleasure until after the conference report is through, but I want to get it printed in full before we get through.

Mr. MADDEN. I think the gentleman's presence here is very important on the matter we are considering now and the gentleman ought not to have to leave to go to his office, and therefore, I think, for the present I shall object.

Mr. BEGG. Mr. Speaker, I move to strike out the last word.

I do not expect to consume more than a couple of minutes. It does strike me that the gentleman from New York [Mr. LAGUARDIA] in his remarks might perhaps be easily misunderstood.

I do not know whether favoritism is shown in the selection of these commissioned officers of the reserve corps or not, but I do know that if we can not trust the Army to select the reserve officers on merit, then we had better begin to revise the Army, and the gentleman's remarks to me are such a common experience that I could not help but call attention to the fact that every time there is an appointment of any kind to be made that comes under the jurisdiction of a Congressman or otherwise, the defeated candidate for that particular office always says the selection was not fair.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BEGG. In referring to the gentleman's own State, he said a reserve officer from Ohio was turned down. I do not know whether he refers to a friend of mine who tried very diligently to get into the Army and could not qualify——

Mr. LAGUARDIA. Oh, this man had a great military record.

Mr. BEGG. Well, I said he could not qualify, and that is what I mean.

Mr. LAGUARDIA. Evidently we are not talking about the same man.

Mr. BEGG. He could not qualify to the point of being selected. That does not mean anything against the man. It simply means that those charged with the responsibility of selecting the officer were more impressed with some other candidate.

My good friends, I think with all the cries and criticism against the Government we are hearing on every side, and most of it

without foundation, we Members of the House ought to be very careful about charging the departments with being unfair, unless we have the goods to back it up. In the gentleman's example, it is just the gentleman's judgment against those authorized by law to select the various men in the Army, and I deplore the fact that we criticize destructively too many times on our own prejudice, and the populace read it in the RECORD and they go out and say that everything is wrong.

I do not make these remarks with any thought of criticizing or chastising my good friend from New York. I simply think we ought to be more careful.

Mr. WEFALD. Does the gentleman want to leave the inference that these men are appointed like postmasters are appointed?

Mr. BEGG. The gentleman from New York indicated that.

Mr. WEFALD. Are they appointed in that way?

Mr. BEGG. I do not know. I never went to the department and asked for the appointment of any man either in the Army or out of it.

Mr. LAGUARDIA. If the gentleman does not know how does he know that the complaints of the gentleman from New York are unfounded?

Mr. BEGG. Well, the gentleman from New York did not offer any evidence.

The Clerk read as follows:

SEC. 5. That section 90 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary services, and supplies for the Government animals issued to any organization, and for animals owned or hired by any State, Territory, District of Columbia, or National Guard organization, not exceeding the number of animals authorized by Federal law for such organization and used solely for military purposes, and for the compensation of competent help for the care of material, animals, armament, and equipment of organizations of all kinds, under such regulations as the Secretary of War may prescribe: *Provided*, That the men to be so compensated shall not exceed five for each organization, except heavier-than-air squadrons, for each of which a maximum of 10 to be so compensated is hereby authorized, and shall, save as otherwise provided in the next succeeding proviso, be duly enlisted therein and detailed by the organization commander, and shall be paid by the United States disbursing officer in each State, Territory, and the District of Columbia: *Provided further*, That whenever it shall be found impracticable to secure the necessary competent enlisted caretakers for the material, animals, armament, or equipment of any organization from the duly enlisted personnel thereof, the organization commander may employ one civilian caretaker therefor who shall be entitled to such compensation as may be fixed by the Secretary of War."

Mr. ANTHONY. Mr. Speaker, I move to strike out the last word. I notice in section 5 provision is made for forage for animals of the National Guard aside from those owned by the Government to cover those hired by the Government. It developed during the hearings on the appropriation bill that the National Guard had quite a number of animals that were neither owned nor hired but were loaned to the guard. For instance, the Government animals are not sufficient to horse the entire company and in many instances residents in the locality have loaned animals to the Government, and they must be foraged at the Government's expense. That is right, and we appropriated a certain sum in the appropriation bill. It seems to me that in order to cover that in the law there ought to be a provision here to cover animals that are loaned. It is economy for the Government to have the animals loaned to the National Guard. I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 5, line 14, after the word "organization," insert "for animals loaned to the National Guard."

Mr. McKENZIE. I have no objection to that.

Mr. LAGUARDIA. I have an amendment to the amendment. At the end of the amendment offered by the gentleman from Kansas insert the words "*Provided*, The horses are used for no other purpose than military purposes."

Mr. McKENZIE. I can not accept that.

Mr. LAGUARDIA. You do not want to feed horses for joy riding, do you?

Mr. WAINWRIGHT. I think if the gentleman will read the section he will see that his amendment is unnecessary. It provides in lines 17 and 18 that all of the horses shall be used solely for military purposes.

Mr. CHINDBLOM. That is a limitation upon all of them.

Mr. LAGUARDIA. Then, why do you object to my amendment?

Mr. WAINWRIGHT. Because it is already in there and is not necessary.

Mr. LAGUARDIA. Mr. Speaker, let us have the whole provision read as it will appear with the amendment inserted.

Mr. McKENZIE. I ask unanimous consent that the sentence to which the amendment is offered be read as it will read when amended.

The Clerk read as follows:

SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary services, and supplies for the Government animals issued to any organization, for animals loaned to the National Guard, and for animals owned or hired by any State, Territory, District of Columbia, or National Guard organization, not exceeding the number of animals authorized by Federal law for such organization and used solely for military purposes.

Mr. LAGUARDIA. I withdraw my amendment to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was agreed to.

Mr. McKENZIE. Mr. Speaker, section 6 has already been enacted into law in the bill H. R. 8886. Therefore I ask unanimous consent that the reading of section 6 be omitted and the section stricken from the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

SEC. 7. That pursuant to section 63 of the national defense act of June 3, 1916, as amended, the First Corps Cadets, antedating, and continuously existing in the State of Massachusetts since, the act of May 8, 1792, now designated as the Second Battalion, Two hundred and eleventh Artillery, Antiaircraft, Coast Artillery Corps, First Corps Cadets, Massachusetts National Guard, hereby declared to be such a corps as is defined in said section 63 for all the purposes thereof and now incorporated in the Organized Militia and a part of the National Guard of Massachusetts, shall be allowed to retain its ancient privileges and organization. Said First Corps Cadets is hereby further declared to be entitled to a lieutenant colonel in command, and a major second in command; and said officers, when federally recognized, shall receive, in accordance with the provisions of said national defense act, and the pay readjustment act of June 10, 1922, the pay of their respective grades: *Provided*, That nothing in this section or other provisions of law shall be deemed to be in derogation of any other ancient privileges to which said First Corps Cadets is entitled under the laws, customs, or usages of the State of Massachusetts.

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the last word in order to ask the chairman of the committee a question. What are the ancient privileges that we are extending here?

Mr. WAINWRIGHT. The only ancient privilege in regard to this particular organization is the right of a battalion in time of peace to have two commanding officers, a lieutenant colonel and a major. The only object is that when they go out on maneuvers or training they may take along the lieutenant colonel as well as a major.

Mr. FROTHINGHAM. It is not only that but it is to attend the governor in certain ceremonies and to wear a certain uniform.

Mr. LAGUARDIA. Is it a serviceable uniform for field purposes?

Mr. FROTHINGHAM. It is absolutely. This organization not only served in the Civil War but in the late war, and the only change is that a battalion usually has a major for a commandant, but they want a lieutenant colonel. The Comptroller recognizes him as a major, and this is to do away with the ruling of the Comptroller General.

Mr. LAGUARDIA. Of course, in time of emergency if they were ordered in the field, they would be subject as other troops.

Mr. FROTHINGHAM. They are part of the National Guard, subject to federalization like other troops.

Mr. McKENZIE. This was written in the law, and the question was raised by the comptroller.

Mr. CRAMTON. If the gentleman will yield, with reference to the gentleman's historical statement I notice he omitted any reference to the War of 1812. Was that because this organization shared the common view of Massachusetts in that struggle? [Laughter.]

Mr. FROTHINGHAM. I did not think it would interest the gentleman.

Mr. JEFFERS. Will the gentleman yield for a question? Did the gentleman say two commanding officers?

Mr. WAINWRIGHT. They had a lieutenant colonel from the beginning. This section only applies to this organization, which has been in continuous existence since 1792, and this is one of the purposes of their organization so far as two commanding officers are concerned. This is the First Corps of Cadets of Massachusetts.

The Clerk read as follows:

SEC. 8. That the first paragraph of section 110 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 110. Pay for National Guard enlisted men: Each enlisted man belonging to an organization of the National Guard, other than enlisted men of the sixth and seventh grades, shall receive compensation at the rate of one-thirtieth of the initial monthly pay of his grade in the Regular Army, and each of those of the sixth and seventh grades shall receive compensation as is provided in section 14 of the pay adjustment act of June 10, 1922, for each drill ordered for his organization where he is officially present and in which he participates for not less than one and one-half hours, not exceeding eight in any one calendar month and not exceeding 60 drills in one year: *Provided*, That the proviso contained in section 92 of this act shall not operate to prevent the payment of enlisted men actually present at any duly ordered drill or other exercise: *Provided further*, That periods of any actual military duty equivalent to the drills herein prescribed (except those periods of service provided for in sections 94, 97, 99, and 101 of the national defense act, as amended) may be accepted as service in lieu of such drills when so provided by the Secretary of War: *And provided further*, That any enlisted man shall, under such regulations as the Secretary of War may prescribe, receive compensation under the provisions of this section for any drill had in accordance with such provisions where he is officially present and in which he participates for not less than one and one-half hours with a National Guard organization within the same State at a station other than his own, upon presentation of a certificate in form prescribed in said regulations from the organization commander to the commanding officer of the organization of which he is a member showing such drill participation."

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent that the numbers may be changed in the bill to conform with the striking out of section 6.

The SPEAKER. The gentleman from New York asks unanimous consent to change the numbers in the bill as indicated. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SEC. 9. That retired enlisted men of the Army heretofore or hereafter retired who served honorably as commissioned officers of the Army of the United States at some time between April 6, 1917, and November 11, 1918, shall be entitled to receive the pay of retired warrant officers of the Army; and retired enlisted men of the regular Navy and Marine Corps heretofore or hereafter retired who served honorably as commissioned officers, regular, temporary, or reserve, in the naval service at some time between the aforesaid dates, and who at the time of their retirement were members of the regular Navy or Marine Corps, shall be entitled to receive the pay of retired warrant officers of the Navy and Marine Corps, respectively: *Provided*, That such enlisted man retired prior to July 1, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired prior to that date, and that any such enlisted man retired subsequent to June 30, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired subsequent to that date: *Provided further*, That nothing in this act shall operate to prevent any person from receiving the pay and allowances of his grade, rank, or rating on the retired list when such pay and allowances exceed the pay to which he would be entitled under this act by virtue of his commissioned service.

Mr. BLACK of Texas. Mr. Speaker, I offer an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACK of Texas: Page 10, line 16, strike out all of section 9, on pages 10 and 11.

Mr. BLACK of Texas. Mr. Speaker, awhile ago I called the attention of the House to the fact that if this section is adopted it will have the effect of engrafting one more exception to the general principle of the war risk insurance act, to the effect that the same payment should be made for disabilities incurred in the service to a private as is paid to an officer. I am not in the habit of trying to give the House any warning or undertake to offer any superior advice; but if this section remains in the bill you will find that it will be offered as a precedent to bring pressure upon the Committee on Military Affairs to report out the so-called Bursum bill, which provides that every man who served in the World War as a commissioned officer and who was disabled to the extent of 30 per cent shall be placed on the retired list and shall be retired at the rank that he held while in the service. Under that Bursum bill, if a man served as a captain and has a rating of 30 per cent disability he would be retired at a compensation of $150 per month for the rest of his life. Now, in the few remarks I made awhile ago I called your attention to the fact that 325, I believe it is, of these enlisted men who were actually retired during the World War were retired as warrant officers, and we are not seeking to disturb them; but 464 have been retired since the war closed, and the purpose of this section is to take up these 464 men and say, "Gentlemen, we will place you on the retired list as warrant officers and increase your retired pay $250 per annum," or a total expenditure of $120,000 a year. Now, gentlemen, before we do that let me submit this: We already have the most liberal and generous retirement law of any nation in the world. Is there a Member on the floor of the House who will dispute that fact?

Mr. WAINWRIGHT. If the gentleman will give way——

Mr. BLACK of Texas. In a moment. These 464 men have all been retired upon full retirement pay as enlisted men. Are we justified in adding this $120,000 to the already bended backs of the taxpayers? I ask you that.

The SPEAKER. The time of the gentleman has expired.

Mr. BLACK of Texas. I ask that I may have two more minutes, and then I shall yield to the gentleman from New York.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BLACK of Texas. I will yield to the gentleman from New York.

Mr. WAINWRIGHT. Let me give the gentleman this instance. I will give an actual instance of two noncommissioned officers of the Regular Army, both of whom were commissioned as majors, one in The Adjutant General's Department and one in the Quartermaster General's Department, both in combat divisions. One of them gets his discharge and is retired as a warrant officer. The other was not quite through with soldiering and elected to stay for five or six years, and when he comes to be retired, being then a master sergeant, he retires as a master sergeant. Does not the gentleman think it is fair he should have exactly the same pay, the same distinction, and the same recognition from his Government as the other man?

Mr. BLACK of Texas. Let me give the gentleman this answer by citing an example myself which I think will exactly cover the case. Congress passed an Army and Navy pay bill here two or three years ago. I thought it was unduly extravagant in some of its pay provisions and I voted against it. I had a few days ago an Army officer in my office, and he said, "I retired before that pay bill was passed, and I think you gentlemen ought to amend the law so as to go back and increase all our pay to equal all who have retired since the Army retirement act was passed." What does the gentleman from New York think about that? If we do that sort of thing there will never be any end to the drain on the Treasury.

The Bible says that broad is the way to destruction and many there be who travel it, and that narrow is the way which leads to life eternal and few there be that follow it.

The way to reduce taxation, and the only way, is the straight and narrow path of economy, and my experience is that few there be that travel it. The way to waste and extravagance is the broad highway of increased appropriations, and many there be that follow it.

The country is not going to get much relief from taxation until the situation is reversed.

Mr. QUIN. Mr. Speaker and gentlemen of the House, I am a member of this committee, and I have decided to say nothing except what I believe to be vital. This section 9 in the Senate bill is a great, big snake that slips in there for the purpose of giving a special privilege to a lot of men in the Army and Navy who call themselves warrant officers. This Congress has been just and fair, according to my construction, to the Regular soldiers of this last war; and those men in the Regular service should expect the law to be applied to their retirement just the same as if there had been no war.

Now they come up, because they happened to be in the Regular Army and Navy before entering into the World War, and ask a special privilege at the expense of the taxpayers of the United States. It is time for the Congress to take note of all these little apparently insignificant sections that creep into these measures. Already crowding around the doors of the Com-

mittee on Military Affairs there is a bunch of warrant officers who want to have their pay raised; great hordes of them; so much so that they actually come around and lobby for the provisions they desire. This is just another one of them.

They reported out here a bill to give a special privilege to officers who stayed in the Regular Army after the war is over, men who went into the war during the years 1917 and 1918 above 45 years of age, whereas the Committee on Military Affairs passed a bill, which became a law, providing that all of that age who stayed in the Army should not be retired because of physical disability on the pay of Regular Army officers. Yet that bill to favor those men who stayed in the service knowing they could not be retired on the Regular Army officer retirement pay is reported out to this House, and they expect you to pass it. So you see how they are edging up on you on all occasions.

Now, where do the taxpayers of the country come in? We must have some regard for the people who pay the taxes. If you go out and put on the retired list all those who happen to hold a job in the Army or Navy or in the civil service, you place them on the backs of the people who toil. I can not see a more pitiful picture than the farmer who toils in his fields all day, bowed down with his cares and his work, when I realize that he has a whole horde of Government Army officials and employees on his back.

This section 9 grants a special privilege that is not deserved to these men who held those positions, and when you vote for it, you vote to take out of the pockets of the laboring people of this country their hard-earned money to give to these people who have been well paid for their services in positions which they accepted themselves as their chosen pursuit in life. They were enlisted men in the Regular Army and Navy and Marine Corps, and when the United States entered the World War they were made noncommissioned officers. After the war they were demoted to privates, and now, as they retire as privates, you propose to retire them not on the retirement pay of privates but on the noncommissioned officer pay. It is wrong. This section involves an additional expense of $120,000 a year. Multiply that by 40 years and see what it amounts to. By and by we shall be in the hands of the Philistines. [Applause.]

Mr. BLACK of Texas. It will cost $120,000 the first year, and the committee itself says it does not know what it will cost in future years.

Mr. QUIN. Yes. It will just keep on growing as the number will grow. It is just like moss growing on a tree. It first starts on one limb, and then it spreads over other limbs, and before you know it the whole tree is covered. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. QUIN. May I have two additional minutes?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. QUIN. I call on you, Members of the House, to strike out section 9. If you do not do that, we ought to kill the whole bill, although the balance of the bill is good, except the Begg amendment.

Mr. STENGLE. Mr. Speaker, will the gentleman yield?

Mr. QUIN. Yes.

Mr. STENGLE. I believe the gentleman wants to be fair, and so far as he has gone on the other lines I am with him; but he made a misstatement a while ago when he said that the civil employees of this Government are a burden on the backs of the toilers. I want to inform the gentleman that they pay for their pensions, and they now have on hand a reserve fund of $40,000,000.

Mr. QUIN. They pay only part of it; but the rest of it comes out of the pockets of the taxpayers. Do you think there is a civil-service pension in this country where the employees pay it all themselves? That would be nothing but Government insurance. The taxpayers of the country are contributing largely to that fund. The gentleman from New York ought to inform himself. All the people in these lines are getting paid at the expense of the hard-working people of the country. The man who lives in idleness in his gilded palace and has a limousine to ride in gets the taxes on his wealth necessarily from the labor of those who toil, either in the workshops or in the mills or in the stores, offices, or on the farms of the Republic. For one, I am going to vote to relieve, wherever I can, the taxpayers of the country from such burdens. [Applause.]

Mr. McKENZIE. Mr. Speaker, I do not want to take the time of the House further than to say that this bill is intended to give to all enlisted men in the Army who served during the World War the rank of warrant officer, whether they served during the World War as commissioned or as noncommissioned officers. As the gentleman from Texas has said, several hundred of them retired while still holding their commissions. Several hundred more were forced back into the ranks and now are being retired as enlisted men. This provision would give to all of them the retired pay of a warrant officer. The only question involved, to be determined by the Members of this House, is whether or not we wish to give this additional compensation, which will amount to about $120,000, I am informed, to these old enlisted men.

It is not a question that requires debate. My position on retirement is well known in this House. I have insisted and I have endeavored to get some of my good friends to get a joint committee appointed to work out an entire retirement system. The present system, in my judgment, is wrong, and up to this time such a joint committee, as I have suggested, has not been appointed. But until we have a different system, a system that will be more equitable and just, a system that recognizes retirement for disability rather than for age or every other excuse that can be thought of, almost, we must get along in the same old rut. I can see no reason why it would not be an act of justice and fairness, at least, to give these men the same pay in the meantime, and let Congress get down to business later and work out a system that will be just and equitable to all.

Mr. LAGUARDIA rose.

Mr. McKENZIE. Let us have a vote. I move that all debate on this section and all amendments thereto end in five minutes.

The SPEAKER. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. LAGUARDIA. Mr. Speaker, in this instance I agree with the chairman of the committee, and I hope that that amendment will be voted down. There was no more useful service rendered in the entire war than the service of these experienced noncommissioned officers. But the gentleman from Texas couples with his amendment notice to the House that he is opposed to a bill, which we hope to bring before the House very shortly, providing equal compensation for all disabled officers of the World War.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. BLACK of Texas. Is the gentleman in favor of disturbing the principle we wrote into the war risk insurance act, to wit, that the same pay should be paid to a private who was disabled, and for the same disability, as is paid to an officer? Does the gentleman desire to disturb that principle?

Mr. LAGUARDIA. That is not the principle in existence today, because, I submit to the gentleman, you are paying compensation to disabled officers in accordance with their rank if they happen to be members of the Regular organization, but you refuse to pay the same compensation to a boy holding the same rank and with exactly the same disability if he happens to be a volunteer.

Mr. McKENZIE. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. McKENZIE. In time of war, of course, it is necessary to have a large emergency force?

Mr. LAGUARDIA. Absolutely.

Mr. McKENZIE. Men are called into that emergency force, and some of them are made officers, while others are privates.

Mr. LAGUARDIA. Yes; and some get shot and some stay in Washington. Some go to fight and some get a cost-plus contract.

Mr. McKENZIE. Does the gentleman think it is right to give one of those men much more than is given to others?

Mr. LAGUARDIA. I do not. I pleaded with the gentlemen yesterday when this House considered "war services" in the bill we passed yesterday. I asked then not to give one more than another. What were the "war services" that were considered yesterday? We took some property from some bondholders during the war and yesterday you were very solicitous in seeing that you gave those bondholders just compensation, and you did not stint on the compensation either. You gave them more than 100 cents on the dollar. You took a business venture that was a failure and you are paying 100 cents plus on the dollar for every bond and for every certificate of stock issued. You are not only going to pay for the water in the canal but also for the water, and there is plenty of it, in the stock. Now, if we are going to have a principle and if we are going to treat them all on the $30-a-month basis, let us do it. But let us not talk about that principle when considering disabled officers or retired soldiers, and disregard it when we vote millions to contractors, profiteers, and financial experts.

Mr. BLACK of Texas. The gentleman knows I voted against that proposition.

Mr. LAGUARDIA. And I was with the gentleman, so we agree on that. I am sure that the gentleman from Texas, on reflection, will see the injustice of the present system in giving one officer one rate of compensation and another officer another rate of compensation. So I hope that when that bill does come before the House—and it should come very soon, because gentlemen will remember that in the last Congress we could not get that bill out of the committee——

Mr. JEFFERS. If the gentleman will permit I would like to make this observation: That not only are the Regular Army officers retired for disability received during their war service but also the provisional Regular Army officers, the regular and emergency naval officers and the regular and emergency marine officers. So we have seven classes of officers—the Regular Army officers, the provisional officers in the Regular Army, the marine regular and emergency officers, and the naval regular and emergency officers. Those six classes are retired, while the disabled emergency officers of the Army are the only ones out of seven classes so discriminated against.

Mr. LAGUARDIA. Certainly. My colleague and buddy [Mr. JEFFERS] is right. The gentleman from Texas [Mr. BLACK] is so fair that I am certain if we ever do get that bill before the House he will help us put it through. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired; all time has expired. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken; and on a division (demanded by Mr. BLACK of Texas) there were—ayes 24, noes 34.

Mr. QUIN. Mr. Speaker, I make the point of no quorum.

The SPEAKER pro tempore. The gentleman from Mississippi makes the point of order that there is no quorum present. The Chair will count.

Mr. McKENZIE. I hope the gentleman from Mississippi will withdraw his point of order.

The SPEAKER pro tempore (after counting). Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 60, nays 217, not voting 155, as follows:

YEAS—60

Allen	Evans, Iowa	Logan	Salmon
Anthony	Fulmer	Lowrey	Sanders, Tex.
Begg	Garner, Tex.	Lozier	Shallenberger
Black, Tex.	Garrett, Tenn.	McClintic	Sherwood
Blanton	Hammer	McSwain	Stedman
Box	Harrison	Major, Ill.	Stevenson
Bulwinkle	Hastings	Milligan	Strong, Kans.
Busby	Hill, Wash.	Moore, Ga.	Sumners, Tex.
Byrns, Tenn.	Hoch	Morrow	Taylor, W. Va.
Cannon	Howard, Nebr.	Porter	Thomas, Ky.
Connally, Tex.	Hudspeth	Quin	Thomas, Okla.
Cramton	Johnson, W. Va.	Ragon	Tincher
Dominick	Kerr	Rankin	Tucker
Doughton	Larsen, Ga.	Rayburn	White, Kans.
Driver	Lilly	Romjue	Wolff

NAYS—217

Abernethy	Cooper, Wis.	Greene, Mass.	McKenzie
Ackerman	Croll	Griest	McKeown
Almon	Crosser	Hadley	McLaughlin, Mich.
Andrews	Crowther	Hardy	McLeod
Arnold	Cullen	Hawes	McReynolds
Aswell	Cummings	Hawley	McSweeney
Ayres	Dallinger	Hayden	MacGregor
Bacon	Darrow	Hersey	MacLafferty
Beck	Davis, Minn.	Hill, Ala.	Magee, N. Y.
Beers	Denison	Hill, Md.	Major, Mo.
Bell	Dickinson, Mo.	Hudson	Mapes
Berger	Dowell	Hull, Iowa	Martin
Bland	Drewry	Hull, Morton D.	Mead
Bloom	Dyer	Humphreys	Michener
Boyce	Eagan	Jacobstein	Miller, Wash.
Boylan	Elliott	James	Mills
Brand, Ga.	Evans, Mont.	Jeffers	Minahan
Brand, Ohio	Fairfield	Johnson, Ky.	Moore, Ohio
Briggs	Fairchild	Johnson, Tex.	Moore, Va.
Browne, Wis.	Faust	Kearns	Morgan
Browning	Favrot	Keller	Murphy
Brumm	Fisher	Kent	Nelson, Me.
Buckley	Fitzgerald	Kindred	Newton, Minn.
Burtness	Foster	King	Nolan
Burton	Frear	Knutson	O'Connell, R. I.
Butler	Free	Kurtz	O'Connor, La.
Cable	French	LaGuardia	O'Sullivan
Canfield	Frothingham	Lampert	Oliver, N. Y.
Carew	Gallivan	Lankford	Paige
Chindblom	Garber	Lazaro	Peery
Christopherson	Gardner, Ind.	Lea, Calif.	Perlman
Clancy	Garrett, Tex.	Leatherwood	Phillips
Clarke, N. Y.	Gasque	Leavitt	Prall
Cleary	Gernn	Lineberger	Purnell
Cole, Iowa	Gibson	Linthicum	Rainey
Collier	Glatfelter	Longworth	Raker
Colton	Graham, Ill.	Luce	Rathbone
Connery	Graham, Pa.	McDuffie	Reece
Cook	Green, Iowa	McFadden	Reed, N. Y.
Richards	Sites	Timberlake	Williams, Ill.
Roach	Smith	Tinkham	Williams, Mich.
Robinson, Iowa	Smithwick	Treadway	Williamson
Robsion, Ky.	Speaks	Tydings	Wilson, Ind.
Rogers, Mass.	Stalker	Underhill	Wilson, La.
Rubey	Stengle	Underwood	Wingo
Sabath	Stephens	Vincent, Mich.	Winslow
Sanders, Ind.	Summers, Wash.	Vinson, Ga.	Woodruff
Sandlin	Swank	Voigt	Woodrum
Schafer	Swing	Wainwright	Wright
Schall	Taber	Watkins	Wurzbach
Schneider	Temple	Watres	Yates
Seger	Thatcher	Watson	Young
Shreve	Thompson	Weaver	
Sinclair	Tillman	Wefald	
Sinnott	Tilson	Wertz	

NOT VOTING—155

Aldrich	Fenn	Lindsay	Reid, Ill.
Allgood	Fish	Little	Rogers, N. H.
Anderson	Fleetwood	Lyon	Rosenbloom
Bacharach	Fredericks	McLaughlin, Nebr.	Rouse
Bankhead	Freeman	McNulty	Sanders, N. Y.
Barbour	Fulbright	Madden	Scott
Barkley	Fuller	Magee, Pa.	Sears, Fla.
Beedy	Funk	Manlove	Sears, Nebr.
Bixler	Gifford	Mansfield	Simmons
Black, N. Y.	Gilbert	Merritt	Snell
Boies	Goldsborough	Michaelson	Snyder
Bowling	Greenwood	Miller, Ill.	Sproul, Ill.
Britten	Griffin	Montague	Sproul, Kans.
Browne, N. J.	Haugen	Mooney	Steagall
Buchanan	Hickey	Moore, Ill.	Strong, Pa.
Burdick	Holaday	Moores, Ind.	Sullivan
Byrnes, S. C.	Hooker	Morehead	Sweet
Campbell	Howard, Okla.	Morin	Swoope
Carter	Huddleston	Morris	Tague
Casey	Hull, William E.	Mudd	Taylor, Colo.
Celler	Hull, Tenn.	Nelson, Wis.	Taylor, Tenn.
Clague	Johnson, S. Dak.	Newton, Mo.	Upshaw
Clark, Fla.	Johnson, Wash.	O'Brien	Valle
Cole, Ohio	Jones	O'Connell, N. Y.	Vare
Collins	Jost	O'Connor, N. Y.	Vestal
Connolly, Pa.	Kahn	Oldfield	Vinson, Ky.
Cooper, Ohio	Kelly	Oliver, Ala.	Ward, N. Y.
Corning	Kendall	Park, Ga.	Ward, N. C.
Crisp	Ketcham	Parker	Wason
Curry	Kiess	Parks, Ark.	Weller
Davey	Kincheloe	Patterson	Welsh
Davis, Tenn.	Kopp	Peavey	White, Me.
Deal	Kunz	Perkins	Williams, Tex.
Dempsey	Kvale	Pou	Wilson, Miss.
Dickinson, Iowa	Langley	Quayle	Winter
Dickstein	Lanham	Ramseyer	Wood
Doyle	Larson, Minn.	Ransley	Wyant
Drane	Lee, Ga.	Reed, Ark.	Zihlman
Edmonds	Lehlbach	Reed, W. Va.	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Bankhead (for) with Mr. Curry (against).
Mr. Collins (for) with Mr. Wason (against).
Mr. Wilson of Mississippi (for) with Mr. Hickey (against).

Until further notice:

Mr. Kahn with Mr. Clark of Florida.
Mr. Aldrich with Mr. Kincheloe.
Mr. Connolly of Pennsylvania with Mr. Hull of Tennessee.
Mr. Fleetwood with Mr. Black of New York.
Mr. Bacharach with Mr. Williams of Texas.
Mr. Manlove with Mr. Morris.
Mr. Kless with Mr. Gilbert.
Mr. Snell with Mr. Allgood.
Mr. Funk with Mr. Goldsborough.
Mr. Boies with Mr. O'Brien.
Mr. Fenn with Mr. Barkley.
Mr. Magee of Pennsylvania with Mr. Greenwood.
Mr. Fredericks with Mr. O'Connor of New York.
Mr. Madden with Mr. Hooker.
Mr. Reid of Illinois with Mr. Bowling.
Mr. Winter with Mr. Griffin.
Mr. Kendall with Mr. Doyle.
Mr. Johnson of Washington with Mr. Vinson of Kentucky.
Mr. Ketcham with Mr. Ward of North Carolina.
Mr. Gifford with Mr. Fulbright.
Mr. Michaelson with Mr. Morehead.
Mr. Strong of Pennsylvania with Mr. Weller.
Mr. White of Maine with Mr. O'Connell of New York.
Mr. Sweet with Mr. Browne of New Jersey.
Mr. Wood with Mr. Howard of Oklahoma.
Mr. Vare with Mr. Oldfield.
Mr. Taylor of Tennessee with Mr. Kunz.
Mr. Sears of Nebraska with Mr. Rogers of New Hampshire.
Mr. Swoope with Mr. Oliver of Alabama.
Mr. Merritt with Mr. Buchanan.
Mr. Wyant with Mr. Huddleston.
Mr. Vestal with Mr. Park of Georgia.
Mr. Morin with Mr. Reed of Arkansas.
Mr. Newton of Missouri with Mr. Celler.
Mr. Patterson with Mr. Parks of Arkansas.
Mr. Welsh with Mr. Byrnes of South Carolina.
Mr. Perkins with Mr. Carter.
Mr. Mudd with Mr. Jones.
Mr. Ransley with Mr. Pou.
Mr. Scott with Mr. Drane.
Mr. Lehlbach with Mr. Mooney.
Mr. Freeman with Mr. Casey.
Mr. Bixler with Mr. Jost.
Mr. Campbell with Mr. Quayle.
Mr. Dickinson of Iowa with Mr. Rouse.
Mr. Burdick with Mr. Kvale.
Mr. Fish with Mr. Sears of Florida.

Mr. McLaughlin of Nebraska with Mr. Corning.
Mr. Cole of Ohio with Mr. Lanham.
Mr. Johnson of South Dakota with Mr. Lee of Georgia.
Mr. William E. Hull with Mr. Steagall.
Mr. Miller of Illinois with Mr. Crisp.
Mr. Fuller with Mr. Sullivan.
Mr. Holaday with Mr. Davey.
Mr. Parker with Mr. Lindsay.
Mr. Ward of New York with Mr. Tague.
Mr. Sproul of Illinois with Mr. Lyon.
Mr. Britten with Mr. Taylor of Colorado.
Mr. Rosenbloom with Mr. McNulty.
Mr. Beedy with Mr. Deal.
Mr. Clague with Mr. Upshaw.
Mr. Kelly with Mr. Mansfield.
Mr. Cooper of Ohio with Mr. Dickstein.
Mr. Sanders of New York with Mr. Montague.

The result of the vote was announced as above recorded.

Mr. ANTHONY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. ANTHONY: Page 11, after section 9, add the following as a new section:

"SEC. 10. Payments of commutation for the additional rations provided for certain noncommissioned officers by the act of May 18, 1920, and the act of June 4, 1920, made after July 1, 1922, to noncommissioned officers of the National Guard receiving pay under the provisions of sections 94, 97, and 99 of the national defense act, as amended, and remaining uncollected are hereby authorized to be credited in the disbursing officers' accounts in which they now appear."

Mr. ANTHONY. Mr. Speaker, the purpose of the amendment just offered is to correct the status of a number of the accounts of disbursing officers of the National Guard in various States whose expenditures for the payment of rations with respect to the National Guard have been disallowed by the comptroller. Previous to the enactment of the last pay act there were two classes of specialists who were allowed certain pay as a substitute for rations. The pay act did away with that, but, nevertheless, in a few States the disbursing officers kept on making payments for these allowances for rations. The payments were authorized by the Militia Bureau. For instance, in my State the comptroller has disallowed against the disbursing officer a total of $690.89. Of that amount, $301.01 was for longevity pay, a correction of which has been made in the bill just passed this afternoon, but there has been no correction of these disallowances by the comptroller for overpayments on these rations, and if this amendment is adopted it will relieve these disbursing officers on account of having paid $389.88 allowed by the Militia Bureau in my State, and also relieve the officers in other States of small sums of this kind.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. ANTHONY. I yield.

Mr. McKENZIE. Has the gentleman from Kansas investigated this matter and looked into it and found that the facts as stated by him are correct?

Mr. ANTHONY. That is the result of my investigation at the Militia Bureau.

Mr. McKENZIE. And this is recommended by the Militia Bureau?

Mr. ANTHONY. No; I have had no direct recommendation from the bureau.

Mr. McKENZIE. But they find the facts to be as stated?

Mr. ANTHONY. They say the facts are as I have stated them, and as the gentleman will recall, in the bill just previously passed, we corrected the overpayments by these disbursing officers in the instance of longevity pay, but there has been no legislation so far to correct the overpayments on the rations. If we do not reimburse these officers in this instance, the State legislatures undoubtedly will have to do it, and as the payments were authorized by the Militia Bureau and the payments made in good faith by the disbursing officers—and they are not large in amount—I think in justice to these National Guard officers Congress ought to authorize the comptroller to allow them.

Mr. McKENZIE. You think this is equitable and just?

Mr. ANTHONY. I do.

Mr. McKENZIE. I think the judgment of the gentleman from Kansas ought to be accepted. The gentleman was on the Committee on Military Affairs a great many years and should know about these things.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SPEAKS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. SPEAKS: Page 11, line 15, after the period add the following: That section 9 of the act of June 10, 1922, is hereby amended by adding at the end of said section the following:

"The Secretary of War is hereby authorized in execution of the preceding provision to fix the pay grades hereunder of all enlisted men of the Army, retired prior to the inception on July 1, 1920, of the operation of section 4(b) of the national defense act as amended."

Mr. SPEAKS. Mr. Speaker and gentlemen of the House——

The SPEAKER. The Chair understands that all debate on this section has been closed.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that the gentleman may have two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none.

Mr. SPEAKS. Mr. Speaker, this amendment is offered with the consent of the chairman of the committee. The language is that of the War Department. The amendment in no wise affects any commissioned officer of the Army. It relates solely to enlisted men of the Army with 30 years of service, upon which they retire. When the pay bill was enacted the language in one particular was such that the comptroller by a decision held that these men could not occupy a classification which it had been intended they should have.

The language of this bill simply authorizes the Secretary of War to so classify. As I stated before, the amendment is drawn by the War Department.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. McSWAIN. Mr. Speaker, I offer the following committee amendment.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: At the end of the bill insert a new paragraph as follows:

"SEC. 10. That section 11 of the national defense act of June 3, 1916 (39 Stats. pp. 173-174), as restated in modified form in section 11 of the act of June 4, 1920 (41 Stats. p. 768), is hereby amended by striking out the words 'one assistant' and inserting in lieu thereof the words 'two assistants,' and by adding to said section the following: '*Provided*, That one of said two assistants shall be legally eligible for assignment in charge of the public buildings and grounds in the District of Columbia, shall be legally eligible for assignment as superintendent of the State, War, and Navy Department buildings, and shall also be legally eligible for service in the exercise of any or all functions heretofore exercised by the officer detailed to act as officer in charge of the public buildings and grounds in the District of Columbia or as superintendent of the State, War, and Navy Department buildings.' That portion of the act of March 3, 1873 (17 Stats. p. 535), which prescribed that the officer in charge of the public buildings and grounds in the District of Columbia shall have the rank, pay, and emoluments of a colonel is hereby repealed."

Mr. BLANTON. Mr. Speaker, I make the point of order that this amendment is not germane either to the bill or the paragraph.

Mr. McSWAIN. Mr. Speaker, as far as the paragraph is concerned, it is a new paragraph or section. The bill is a general bill relating to a number of phases and activities of the War Department, and relates to all of the activities of the general subject of national defense. This is an amendment to section 11 of the national defense act, which is under consideration in the bill S. 2169. It seems to me the subject of the bill opens up all the general subject of the sections of the national defense act.

The SPEAKER. It does not seem to the Chair that this bill brings the whole national defense act before the House. It only brings before the House a very limited portion of it and not the portion affected by the amendment offered by the gentleman from South Carolina. The Chair is disposed to sustain the point of order. The point of order is sustained. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CONTESTED-ELECTION CASE—ANSORGE AGAINST WELLER

Mr. COLE of Ohio, chairman of the Committee on Elections No. 1, presented a report from that committee on the contested-election case of Ansorge against Weller, which was referred to the House Calendar.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

Connery
Cook
Graham, Pa.
Green, Iowa
McDuffie
McFadden
Reece
Reed, N. Y.

Mr. Burdick with Mr. Kvale.
Mr. Fish with Mr. Sears of Florida.

H. J. Res. 248. A joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity;

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883; and

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota.

RETURN TO THE SENATE OF THE BILL H. R. 4445

The SPEAKER laid before the House the following:

In the Senate of the United States May 14, 1924—

Ordered, That the House of Representatives be requested to return to the Senate the bill (H. R. 4445) entitled "An act to amend section 115 of the act of March 3, 1911, entitled 'An act to codify, revise, and amend the laws relating to the judiciary.'"

GEORGE SANDERSON, *Secretary*.

The SPEAKER. Without objection, the request will be complied with.

There was no objection.

THE QUESTIONNAIRE

Mr. HAWES. Mr. Speaker, I ask unanimous consent to extend in the RECORD some remarks on the subject of the questionnaire.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD on the subject of the questionnaire. Is there objection?

There was no objection.

Mr. HAWES. Mr. Speaker, all municipal and State legislative bodies, as well as Congress, provide, first, for the printing of a bill; second, its reference to a committee where it is publicly discussed by its friends and opponents and testimony is taken as to its good and bad effects; third, the report of the bill, usually changed and amended, is then submitted to the House; fourth, a report of the revised bill, a special report of those favoring and opposing it, is sent to the Members of the House, and Members are furnished with a copy of the hearings.

The bill is then placed upon the calendar and equal time is permitted for proponents and opponents to discuss it.

It is then engrossed and read three times, and not until this has all been done do Members vote upon it.

This proceeding in Congress is followed practically in every legislative body in the United States.

Yet the author of the questionnaire seldom reads a bill; it is never given careful discussion; only the proponents of the bill are heard; usually the question is propounded at a meeting and indorsed at the same meeting. Then the question is sent to a Congressman and he is expected to answer "yes" or "no" before he has read the bill, discussed it, or heard any testimony on the subject.

The Congressman, however, is expected to pledge himself for or against a measure, according to the wishes of the propounders of the questionnaire.

This he is expected to do in advance of the meeting of Congress.

Now, contrast the method of discussion, of hearings, the care which is put upon the legislature by Municipal, State, and National laws, with the action of the author of the average questionnaire.

He demands an offhand expression of opinion from a Congressman before he has read, discussed, or heard testimony on the subject, and frequently the group behind the questionnaire vote for or against a Member of Congress on this single subject.

If this policy were pursued generally, the functions of Congress and all legislative bodies would be usurped and Congressmen would be denied the privilege of investigation, discussion, and the educational effect of debate. They would be tied and vote as automatons in the way they had pledged themselves to vote prior to even the convening of Congress.

Many of the authors of questionnaires are sincere, earnest men and women. They think they are doing right, but they are weakening the intellectual force of Congress and are in addition in many cases carried away by hearing only one side of a question; and in a majority of cases, not even having read the bill which they indorse, they indorse it upon a mere statement of what it contains.

It has been my experience that many bills seem good at first, but after hearing and discussion appear in quite a contrary light.

The same is true of other bills, which create a bad impression at the outset but upon discussion and hearing testimony they may be all right.

Then there is a third class of bills—those which are changed in committee and made acceptable. There is not one bill in a thousand presented to the House which is not changed.

And yet the questionnaire demands, in advance of a hearing, in advance of testimony, in advance of a discussion, and in advance of an opportunity for amendment, an unqualified "yes" or "no" answer on a subject which even the author of the questionnaire has not investigated and upon which he has not taken testimony nor heard evidence.

This is unfair to the public, it is unfair to Congress, and it is even unfair to many misguided men and women who thoughtlessly indorse a bill or a project which they do not understand and which they have not even examined.

Congressmen and Senators are overridden with this sort of thing. It is undermining the individuality of Congress and is harmful to a large degree.

THE PROPAGANDIST

The propagandist is another evil.

Some one presents a subject from his point of view. The other side of the question is not heard or discussed. Naturally defects and objections are glossed over, and the main object of the bill is described in a satisfactory way.

Then the propagandist proceeds to secure an indorsement and sends this indorsement to Congress, and in many cases he accompanies it by a series of petitions advocating the passage or defeat of a bill.

Not one in a thousand signers has ever read the bill or understands it. They are acting solely upon the representations made to them by the person who starts the propaganda. Usually behind this propaganda will be found some special interest.

The average Congressman desires to hear from his constituents on any measure which may be before Congress if his constituents have read the measure and understand it. He values such communications. They are of service to him. So are arguments and briefs on any subject upon which he may vote, or the statement of a practical farmer, laborer, or business man.

But when he is deluged by telegrams and letters which he knows originate in one central point and are merely copied by persons who have not read the bill or who do not understand it, he is placed in an embarrassing position.

It is impossible for him to correspond with all the signers of these petitions. He can, if he has time and at great labor, send to all these petitioners copies of the hearings and records of the debates before Congress. But time will usually not permit this to be done.

THE QUESTIONNAIRE AND THE CANDIDATE

Not to make the matter personal, I will simply say that I happen to know a Congressman who two years ago received a questionnaire containing over 30 questions. They ranged from State to National subjects. He put in nearly three days reading municipal statutes, State laws, and the National statutes, looking up cases, and then proceeded to answer the questionnaire. Some of the questions he answered favorably, some unfavorably, and on those about which he was doubtful he entered into lengthy discussions.

About the time he had concluded this three days' labor a friend came in and asked him if he had answered this particular questionnaire, and the candidate told him that he was not quite through but would finish the next day.

His friend then informed the candidate that his opponent for Congress had answered each question in the affirmative, and he further learned that every questionnaire presented to his opponent had been answered by him in the exact way he thought the promoters of the questionnaire had desired it to be answered.

The result was that the candidate refused to answer any questionnaires. He was perfectly justified in this, because if he was to be measured in the matter of vote getting by an opponent who answered "yes" to everything, he was placed at an immediate disadvantage.

In the long questionnaire above refered to it so happened that the candidates who had answered everything "yes" had a record so black, regarding the specific matters mentioned, that no particular harm had been done.

But suppose he had been an unknown man who did not care how he pledged himself and that his one pursuit was that of votes, the great injustice of this procedure can be easily seen.

Then there is another difficulty so far as the candidate is concerned. He is asked if he will vote for a certain measure and he answers "yes." Later he is confronted with a bill which may cover one portion of the subject about which he is questioned, but goes far beyond it and extends into a variety of subjects, and has a tendency altogether different from what he was led to suppose it would be.

These questionnaires usually demand a reply within a limited period.

The municipal assembly, the legislature, and Congress all permit a long period of discussion, but the questionnaire does not permit this investigation, and, in many cases, driven by the fear of loss of votes, he commits himself to a policy which is repugnant to him intellectually and bad for the country.

If the questionnaire consisted of a copy of a bill in its entirety, and the candidate was given an opportunity to read and study the bill, and then an expression of opinion was asked it would have some of the elements of fairness. But even this would not be quite fair to the candidate, because he would be deprived of the public hearing and the testimony of those who favored and opposed the bill. He would even in this case be deprived of the benefit of a discussion on the subject.

Of course, there are certain subjects and certain general principles upon which a candidate should declare himself, and he should submit, where honestly propounded, to questions in his campaign; but the average man should be content with the declaration of principles made by the party convention of which the candidate is the nominee.

The candidate himself may not understand a question propounded in these questionnaires.

Take, for instance, a question which has been propounded throughout the United States by an organization of well-meaning people couched in this language:

Will you vote for any measure which will tend to weaken a certain law?

Now, the candidate might honestly answer this question "No," and yet his idea of whether the law would be weakened by an amendment might be entirely different from that of the person preparing this question. He might be entirely honest and have a different viewpoint as to what was meant by a weakening of the law. He might think that if it was changed in a number of respects it would be strengthened, while the author of the question would think that any change would be a weakening.

The questionnaire is dangerous in itself and tends to eliminate the element of ability, the matter of sincerity, and may, in addition, cause a vote for or against a candidate on one single subject when this same candidate may have to pass upon 10,000 different bills presented to Congress containing 10,000 different subjects. He might be right on 99 out of 100 problems, but if the propaganda back of the questionnaire found him wrong in 1, they would vote against him on the 1, although he was right on 99 others.

THE REMEDY

An organization which discusses a question and hears both sides, allowing an opportunity for proponents and opponents to be heard, which provides for the hearing of testimony, debates, and the same process of discussion provided by law in municipal, State, and national organizations, might with some propriety after this kind of hearing and discussion address a candidate on the subject of securing his "yes" or "no" statement; but no organization which does not hear both sides discussed and does not proceed with the same care that the body in which the candidate votes has the right to attempt to dictate to him, especially where the decision has been arrived at hastily, unfairly, or without impartial hearing.

Instead of advancing the cause of good government, no matter what the object may be, it would be an attack upon intelligent government.

If these organizations would adopt a rule of printing their bill, setting a time for discussion, and inviting both sides to be heard, that in itself would be an improvement; but this is rarely done.

In 99 cases out of 100 only one side is heard, or a resolution, sprung at the eleventh hour in a convention, without discussion or hid away in a series of resolutions, is adopted, then made the basis of a demand upon a Congressman.

The whole proceeding is unfair to the legislative body to which the candidate belongs; it is unfair to the public; and it is even unfair to the organization which has been hastily forced into a position which it does not understand.

ADJOURNMENT

Mr. McKENZIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.) the House adjourned until to-morrow, Thursday, May 15, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

474. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Illinois River, Ill., with a view to preparing plans and estimates of cost for the prevention and control of floods on said river and its tributaries, and to determine the extent to which the United States and local interests should cooperate in carrying out such plans (H. Doc. No. 276); to the Committee on Flood Control and ordered to be printed, with illustrations.

475. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1921, $37,603.52, and a supplemental estimate of appropriation for the fiscal year ending June 30, 1924, $4,890.67—in all, $42,494.19—for the Navy Department; also drafts of proposed legislation affecting certain existing appropriations (H. Doc. No. 277); to the Committee on Appropriations and ordered to be printed.

476. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the legislative establishment of the United States for the fiscal year ending June 30, 1923, in the sum of $7,285.08 (H. Doc. No. 278); to the Committee on Appropriations and ordered to be printed.

279. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the fiscal year 1923, $50.62; and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, $41,000, for the District of Columbia, amounting in all to the sum of $41,050.62 (H. Doc. No. 279); to the Committee on Appropriations and ordered to be printed.

280. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the United States Veterans' Bureau, vocational rehabilitation, for the fiscal year ending June 30, 1923, $900,000 (H. Doc. No. 280); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DYER: Committee on the Judiciary. H. R. 7650. A bill to amend sections 136 and 138 of the Judicial Code; without amendment (Rept. No. 740). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 745. A bill for the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the establishment of public shooting grounds to preserve the American system of free shooting, the provision of funds for establishing such areas, and the furnishing of adequate protection for migratory birds, and for other purposes; with amendments (Rept. No. 746). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 4088. A bill to establish the Upper Mississippi River wild life and fish refuge; with amendments (Rept. No. 747). Referred to the Committee of the Whole House on the state of the Union.

Mr. GIBSON: Committee on the District of Columbia. H. R. 5327. A bill to provide for the payment to the retired members of the police and fire departments of the District of Columbia the balance of retirement pay past due to them but unpaid from January 1, 1911, to July 30, 1915; with amendments (Rept. No. 748). Referred to the Committee of the Whole House on the state of the Union.

Mr. RICHARDS: Committee on the Public Lands. H. R. 8587. A bill granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes; without amendment (Rept. No. 749). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 9157. A bill for the purchase of the Oldroyd collection of Lincoln relics; without amendment (Rept. No. 753). Referred to the Committee of the Whole House on the state of the Union.

Mr. GIBSON: Committee on the District of Columbia. S. 112. An act providing for a comprehensive development of the park and playground system of the National Capital; without amendment (Rept. No. 755). Referred to the Committee of the Whole House on the state of the Union.

Mr. ABERNETHY: Committee on the Territories. H. R. 5558. A bill to authorize the incorporated town of Juneau, Alaska, to issue bonds in any sum not exceeding $200,000 for the purpose of improving the street and sewerage system of the town; with amendment (Rept. No. 754). Referred to the House Calendar.

Mr. COLE of Ohio: Committee on Elections No. 1. A report in the contested-election case of Ansorge v. Weller, from the twenty-first district of New York (Rept. No. 756). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McREYNOLDS: Committee on Claims. H. R. 1671. A bill for the relief of Adaline White; with amendments (Rept. No. 741). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 4750. A bill for the relief of James F. Jenkins; with an amendment (Rept. No. 742). Referred to the Committee of the Whole House.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 5813. A bill for the relief of Samuel T. Hubbard, jr.; with an amendment (Rept. No. 743). Referred to the Committee of the Whole House.

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 6268. A bill for the relief of Francis M. Atherton; with an amendment (Rept. No. 744). Referred to the Committee of the Whole House.

Mr. RICHARDS: Committee on the Public Lands. S. 511. An act to authorize the Secretary of the Interior to issue patent in fee simple to the Board of Regents of the University of Arizona, State of Arizona, of Tucson, Ariz., for a certain described tract of land; without amendment (Rept. No. 745). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 4896. A bill for the relief of John H. Cowley; without amendment (Rept. No. 750). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 4904. A bill for the relief of Jesse P. Brown; with an amendment (Rept. No. 751). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 6001. A bill for the relief of John E. Walker; without amendment (Rept. No. 752). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 2958. A bill for the relief of Isaac J. Reese; with an amendment (Rept. No. 757). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 9221) to fix salaries of certain judges of the courts of the United States; to the Committee on the Judiciary.

By Mr. McKEOWN: A bill (H. R. 9222) to amend section 237 of the Judicial Code as amended by the act of February 17, 1922; to the Committee on the Judiciary.

By Mr. FISH: A bill (H. R. 9223) authorizing an appropriation for the transportation, maintenance, and subsistence of deceased World War veterans' mothers to and from the burial places of such veterans; to the Committee on Military Affairs.

By Mr. LOWREY: A bill (H. R. 9224) granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in the Tallahatchie River; to the Committee on Interstate and Foreign Commerce.

By Mr. McLEOD: A bill (H. R. 9225) to prohibit and punish certain seditious acts against the Government of the United States, and to prohibit the use of the mails for the purpose of promoting such acts; to the Committee on the Judiciary.

By Mr. HAWES: Resolution (H. Res. 313) for the consideration of House bill 4088, authorizing the establishment of the upper Mississippi River wild-life and fish refuge; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLAN: A bill (H. R. 9226) for the relief of Anna Jeanette Weinrich; to the Committee on Claims.

Also, a bill (H. R. 9227) for the relief of Mr. and Mrs. Charles Vanderveer; to the Committee on Claims.

By Mr. BUTLER: A bill (H. R. 9228) for the relief of Charles Ritzel; to the Committee on Naval Affairs.

By Mr. COLE of Ohio: A bill (H. R. 9229) granting a pension to Daisy A. Barnhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9230) granting an increase of pension to Flora S. Weeks; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 9231) granting a pension to Bertha Scheich; to the Committee on Invalid Pensions.

By Mr. CURRY: A bill (H. R. 9232) for the relief of Arthur J. Santonge; to the Committee on Military Affairs.

By Mr. JOST: A bill (H. R. 9233) granting an increase of pension to Emelia Goerisch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9234) granting an increase of pension to Charles W. Hildreth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9235) granting an increase of pension to Gertrude Rank; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 9236) granting an increase of pension to John E. Hanson; to the Committee on Pensions.

By Mr. LOZIER: A bill (H. R. 9237) granting an increase of pension to Susan G. Caplinger; to the Committee on Pensions.

By Mr. MacLAFFERTY: A bill (H. R. 9238) for the relief of the owners of the barkentine *Monterey*; to the Committee on Claims.

By Mr. MORGAN: A bill (H. R. 9239) granting a pension to Adeline McAnaney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9240) granting an increase of pension to Anna M. Smith; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2751. By Mr. BOYCE: Petition of John P. Nields, Wilmington, Del., favoring a Permanent Court of International Justice; to the Committee on Foreign Affairs.

2752. Also, petition of National Association of Letter Carriers, Wilmington, Del., favoring House bill 9035; to the Committee on the Post Office and Post Roads.

2753. Also, petition of R. R. German, S. N. Culver, and others, of Delmar, Del., in relation to House bill 9035 for the relief of postal employees; to the Committee on the Post Office and Post Roads.

2754. By Mr. DARROW: Petition of the City Council of Philadelphia, in opposition to the McNary-Haugen bill (S. 2012, H. R. 5563); to the Committee on Agriculture.

2755. By Mr. GARBER: Petition of Mr. P. E. Courtney, service officer, American Legion, Enid, Okla., urging changes in Veterans' Bureau work; to the Committee on World War Veterans' Legislation.

2756. By Mr. HICKEY: Petition of Northern Indiana Lay Electoral Conference of the Methodist Episcopal Church, held at Marion, Ind., through its secretary, Mr. F. W. Greene, Syracuse, Ind., protesting against the modification of the eighteenth amendment and the Volstead Act; to the Committee on the Judiciary.

2757. By Mr. KETCHAM: Petition of citizens of Michigan and adjoining States, opposing the passage of the Sterling-Reed national education bill; to the Committee on Education.

2758. By Mr. NEWTON of Minnesota: Petition of tubercular patients of United States Veterans' Hospital, No. 68, Minneapolis, Minn., in favor of the Royal C. Johnson bill for disabled veterans; to the Committee on World War Veterans' Legislation.

2759. By Mr. RAKER: Thirteen letters from Tacoma, Wash., in re measure to change name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2760. Also, petition from Mabel Wick, San Francisco, Calif., in re San Carlos dam bill (S. 966); to the Committee on Indian Affairs.

2761. By Mr. VARE: Petition of city council of Philadelphia, Pa., urging Congress to defeat the McNary-Haugen bill; to the Committee on Agriculture.

2762. By Mr. WELSH: Petition of Philadelphia Board of Trade, opposing certain provisions of House bill 8387; to the Committee on Banking and Currency.

SENATE

THURSDAY, *May 15, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Robinson
Ashurst	Fess	Lodge	Sheppard
Bayard	Fletcher	McKellar	Shields
Borah	Frazier	McKinley	Shipstead
Brandegee	George	McLean	Shortridge
Brookhart	Glass	McNary	Smith
Broussard	Gooding	Neely	Smoot
Bruce	Hale	Norbeck	Stephens
Cameron	Harreld	Norris	Sterling
Capper	Harris	Oddie	Swanson
Caraway	Harrison	Overman	Trammell
Copeland	Heflin	Owen	Wadsworth
Cummins	Howell	Pepper	Walsh, Mass.
Curtis	Johnson, Calif.	Phipps	Walsh, Mont.
Dale	Johnson, Minn.	Pittman	Warren
Dial	Jones, Wash.	Ralston	Watson
Dill	Kendrick	Ransdell	Weller
Edge	Keyes	Reed, Mo.	Willis
Ernst	King	Reed, Pa.	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness. I ask that the announcement may stand for the day.

I was requested to announce that the junior Senator from Montana [Mr. WHEELER] is attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-five Senators have answered to the roll call. There is a quorum present.

PERSONAL EXPLANATION

Mr. HARRELD. Mr. President, I desire to take this opportunity to say a few words in the nature of a personal explanation.

When the Senate voted day before yesterday on the question of whether or not it would sustain the President's veto of the pension bill I voted inadvertently "yea." Some of the newspapers have seen fit to assert and to try to create the impression that I changed my vote on the spur of the moment; that is, that I changed my opinion about how I should vote. I simply want to state for the RECORD that I made up my mind several days before that I would support the President in his veto of the pension bill.

At the time the bell rang to call Senators to the Chamber for the vote I was at lunch with my wife and some guests. I came into the Chamber while the roll was being called. Under the impression that to support the President's veto I should vote "yea," I cast that vote. Immediately afterwards, in conversation with the Senator from Kansas [Mr. CURTIS] and others, I found that I had inadvertently voted wrong and that in order to support the President's veto I should have voted "nay." Of course, I rose immediately after the roll call had been concluded and asked that my vote be changed.

I make this statement in order that it may be understood that it was not a sudden change of mind at all on my part. I had made up my mind several days previously how I was going to vote, and it was necessary to change the vote as I did in order to carry out my purpose.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, returned to the Senate in compliance with its request the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

The message also announced that the House had passed the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H. R. 8886) providing for sundry matters affecting the Military Establishment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes; and

H. J. Res. 248. A joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

Mr. JONES of Washington. Mr. President, I submit a conference report and ask for its immediate consideration.

The PRESIDENT pro tempore. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 14, 15, 16, 17, 18, 20, 24, 25, 26, 27, 29, 30, 33, 34, 35, 36, 37, and 38, and agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$261,000" and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$233,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$597,550"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

MILTON W. SHREVE,
GEO. H. TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. KING. Will the Senator having the matter in charge state what the differences were, or at least what recessions were made by the Senate conferees?

Mr. JONES of Washington. The Senate conferees receded on amendment No. 1. That is the amendment with reference to the Undersecretary of State. They also receded on amendment No. 2, corresponding with amendment No. 1. With reference to the amendments relating to the Department of Commerce, there was a reduction in some of the amounts. There was not a complete recession on those items.

Mr. ROBINSON. Does the report represent a complete agreement?

Mr. JONES of Washington. It does not.

Mr. ROBINSON. What are the amendments still in conference?

Mr. JONES of Washington. The Senate conferees receded from amendments Nos. 1 and 2. Amendment No. 28 is under the Department of Commerce and relates to the commercial attaché. We agreed to $261,000 instead of $291,000. Did the Senator have that particular amendment in mind?

Mr. ROBINSON. No; I merely wanted to know the effect of the conference agreement and what is left in conference.

Mr. JONES of Washington. One of the items left in conference is the provision with reference to the salaries of attorneys in the Department of Justice. That had to come back to the Senate in disagreement. Upon most of the other items reported in disagreement the conferees have really agreed, but the items have to go back to the House because of the House rule.

Mr. ROBINSON. The principal outstanding controversy then relates to the salaries of attorneys in the Department of Justice?

Mr. JONES of Washington. It does. There is no serious controversy with reference to that item, but the House conferees felt that they had to take it back to the House.

Mr. ROBINSON. I have no objection to the conference report.

The PRESIDENT pro tempore. The question is upon agreeing to the report.

The report was agreed to.

Mr. JONES of Washington. I move that the Senate further insist upon the amendments still in disagreement, ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed as conferees on the part of the Senate at the further conference the Senator from Washington [Mr. JONES], the Senator from Kansas [Mr. CURTIS], the Senator from Massachusetts [Mr. LODGE], the Senator from North Carolina [Mr. OVERMAN], and the Senator from Georgia [Mr. HARRIS].

PETITIONS AND MEMORIALS

Mr. ROBINSON presented telegrams in the nature of petitions from the Boston Women's Trade Union League of Boston, Mass.; the Evanston League of Women Voters, Mrs. E. L. Middleton, president, of Evanston, Ill.; Mrs. E. W. Bemis, county commissioner and director Democratic Women's Club, and the Women's Trade Union League, Agnes Nestor, president, both of Chicago, Ill.; Mrs. Walter Cope, Mrs. Samuel S. Fels, and the Consumers' League of Eastern Pennsylvania, of Philadelphia, Pa.; the Consumers' League of New York, Alice D. Jackson, president; the New York League of Women Voters, Mrs. F. Louis Slade, chairman; the New York League of Girls' Clubs, Mabel W. Krause, president; Mrs. Franklin D. Roosevelt, and the Women's Trade Union League, of New York, praying for the passage without amendment of the joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States relative to child labor, which were referred to the Committee on the Judiciary.

Mr. LODGE presented the petition of Alden G. Alley, lieutenant of Infantry, Organized Reserves, and 192 other citizens, all in the State of Massachusetts, praying for the adhesion of the United States to the protocol under which the Permanent Court of International Justice was established by the League of Nations, which was referred to the Committee on Foreign Relations.

Mr. WILLIS presented resolutions adopted by the Toledo (Ohio) Bar Association, protesting against the passage of Senate bill 624, to amend the practice and procedure in Federal courts, and for other purposes, which was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

Mr. RANSDELL, from the Committee on Commerce, to which was referred the bill (S. 3161) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, reported it without amendment and submitted a report (No. 538) thereon.

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2087) for the relief of Laura C., Ida E., Lula P., and Esther P. Peterson, reported it without amendment and submitted a report (No. 539) thereon.

He also, from the same committee, to which was referred the bill (S. 1650) for the relief of William F. Brockschmidt, reported it with amendments and submitted a report (No. 540) thereon.

Mr. STEPHENS, from the Committee on Commerce, to which was referred the bill (S. 3244) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi, reported it without amendment and submitted a report (No. 541) thereon.

Mr. DIAL, from the Committee on Commerce, to which was referred the bill (S. 3084) to enlarge the fish-cultural station at Orangeburg, S. C., reported it with an amendment and submitted a report (No. 542) thereon.

Mr. LADD, from the Committee on Commerce, to which was referred the bill (S. 3249) granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal, reported it without amendment and submitted a report (No. 543) thereon.

Mr. HARRELD, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 2875) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont. (Rept. No. 544);

A bill (H. R. 4160) authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use (Rept. No. 545);

A bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891 (Rept. No. 546); and

A bill (H. R. 6857) to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma (Rept. No. 547).

Mr. HARRELD also, from the Committee on Indian Affairs, to which was referred the bill (H. R. 731) authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims, reported it with an amendment and submitted a report (No. 548) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 3309) to establish the Mena National Park in the State of Arkansas; to the Committee on Public Lands and Surveys.

By Mr. SHORTRIDGE:

A bill (S. 3310) for the relief of the owners of the barkentine *Monterey;* to the Committee on Claims.

By Mr. RALSTON:

A bill (S. 3311) for the relief of Alden H. Baker; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 3312) granting an increase of pension to Isabelle Lowen; to the Committee on Pensions.

By Mr. BALL:

A bill (S. 3313) to provide for the widening of Park Road between Thirteenth and Sixteenth Streets NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. BURSUM:

A bill (S. 3314) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers and widows, and certain maimed soldiers, and for other purposes; to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 3315) to amend section 206 of the transportation act, 1920, approved February 28, 1920; to the Committee on Interstate Commerce.

By Mr. PEPPER:

A bill (S. 3316) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 18, section 22, and section 24 of the Federal reserve act, and for other purposes; to the Committee on Banking and Currency.

By Mr. JONES of Washington:

A bill (S. 3317) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of Fort Vancouver, State of Washington; to the Committee on Finance.

By Mr. LODGE:

A bill (S. 3318) to authorize the payment of an indemnity to the Government of the Dominican Republic on account of the death of Juan Serlano, a Dominican subject, resulting from the landing of an airplane belonging to the United States Marine Corps at Guerra, Dominican Republic; to the Committee on Foreign Relations.

A bill (S. 3319) authorizing the extension and operation of the transcontinental airplane-mail service to Boston, Mass.; to the Committee on Post Offices and Post Roads.

AMENDMENT TO AGRICULTURAL APPROPRIATION BILL

Mr. NORBECK submitted an amendment proposing to increase the appropriation for investigating the food habits of North American birds and animals in relation to agriculture, horticulture, and forestry, etc., from $568,000 to $652,240, intended to be proposed by him to House bill 7220, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

HEARINGS BEFORE THE COMMITTEE ON PATENTS

Mr. ERNST submitted the following resolution (S. Res. 224), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Patents, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

THE MILITARY ESTABLISHMENT

The bill (H. R. 8886) providing for sundry matters affecting the Military Establishment was read twice by its title.

Mr. WADSWORTH. There is a Senate bill reported by the Committee on Military Affairs now on the Senate calendar which contains the same provisions as are contained in the House bill just laid down.

Mr. SMOOT. What is the calendar number of the Senate bill?

Mr. WADSWORTH. Order of Business 547. I ask unanimous consent that the House bill be placed on the calendar without reference to the committee, the committee having already acted upon the same matter.

Mr. ROBINSON. Is the House bill identical with the Senate bill?

Mr. WADSWORTH. The Senate bill is more comprehensive, in that it contains an additional feature which the House bill does not contain.

Mr. ROBINSON. As far as the House bill goes, it is identical with the Senate bill?

Mr. WADSWORTH. It is.

Mr. ROBINSON. I have no objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and the House bill will be placed on the calendar.

AMENDMENT OF NATIONAL DEFENSE ACT

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

Mr. WADSWORTH. I move that the Senate disagree to the House amendments and ask for a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. WADSWORTH, Mr. CAMERON, and Mr. FLETCHER conferees on the part of the Senate.

REPORT OF COMMERCIAL COMMISSION TO SCANDINAVIA

Mr. OWEN presented a copy of his remarks made in the Senate and printed in the Appendix to the RECORD of Tuesday, February 19, 1924, relative to and including the report of the commercial commission to Scandinavia, organized and directed by the Southern Commercial Congress, which was referred to the Committee on Printing with a view to having it printed as a Senate document.

TERMS OF COURT IN WYOMING

Mr. WARREN. There is now at the desk, returned from the House, House bill 4445. I wish to move a reconsideration of the vote by which the bill was passed.

Mr. ROBINSON. What is the request of the Senator?

Mr. WARREN. It has reference to a local matter concerning the courts of Wyoming. On the report submitted by the Senator from Montana [Mr. WALSH], who reported the bill from the Committee on the Judiciary, the word "Yellowstone" was stricken out in several places, but in one place it seems that it was left in the bill. I asked for the passage of the bill on the basis of the report and discovered the error afterwards.

Mr. ROBINSON. The Senator wishes to correct an error?

Mr. WARREN. That is all. I move to reconsider the vote by which the bill (H. R. 4445) to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," was ordered to a third reading and passed.

The motion to reconsider was agreed to.

Mr. WARREN. On page 2, line 4, I move to strike out the words "and in said national park," and in the same line, after the word "such," to strike out the word "dates" and insert the word "date."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. BROOKHART. Mr. President, the Senator from Ohio [Mr. FESS] on yesterday asked me a question as to how freight rates could be reduced. I answered his question in part, and I will this morning answer it a little more fully.

The items I mentioned were watered valuation, the excess return on the bonds over the interest rate, and the capitalization of unearned increment. All of those technically, of course, go to the property account of the railroads, but, so far as the people of the United States are concerned, the sums collected for those items are from operating expenses of the railroads and are therefore chargeable to the people's operating expense account. That is what I meant by including them all in the operating expenses of railroads. Of course under the law the commission is commanded—it is not a matter of discretion with the commission itself, but it is its duty—to levy rates high enough to yield a return upon all of these items of valuation. I shall not further discuss them, because yesterday I pointed out the facts, I think, quite fully; but I mentioned the question of subsidiary corporations, and I wish to discuss that question somewhat in detail.

The profits of subsidiary corporations constitute a very great item of the operating expenses of our railroads, and those profits ought to be removed. We start out with the theory that a private concern can manage a railroad better than can anybody else, and then, as soon as we adopt that theory, the next minute it is said, "Well, a railroad can not run a sleeping-car business, so we will organize a Pullman company, an inside corporation, and it will take charge of that." Of course, incidentally, it makes a crop of millionaires and reaps an immense harvest of profits out of the operating expenses of the railroads.

It is also said, "Yes; private ownership is efficient in handling the railroad business, but of course it can not operate an express company." Then another group of friends organize an express company, and they dip into the earnings of the railroads and again take great profits out of the operating expense account of the railroads.

Then it is said again, "Yes; private corporations know how to run railroads, but the telegraph business that we need on our roads we can not operate; so we must have another inside company." Accordingly the same process is followed in reference to telegraphs and telephones.

Then it is said, "Our railroad company can not operate refrigerator cars as well as can an inside concern; so let a refrigerator-car company be organized to handle that business." Such a company is organized, and it takes out of the expenses of the railroads a large sum of money for its private profit.

Then along come the oil-tank outfits, and it is said, "Of course it would not do for a railroad company to run tank cars, and we must organize inside companies to run tank cars." They again dip into the operating expenses for excess profits, for a great amount of the profits for the big oil companies of the United States.

Then it is said, "We have locomotive shops, but it will not do to rebuild our locomotives in our own shops; we must send them over to the Baldwin company. Baldwin is our friend, because Mr. Morgan, the same man who runs our railroads, runs the Baldwin company." Again they dip into the profits from operating expenses by charging prices two, three, and four hundred per cent above what it would cost to rebuild those locomotives in the railroad-owned shops. The same thing happens in the case of the car shops.

Then comes perhaps the biggest item of all, the coal companies, which are also organized and controlled by the same men who control the railroads. They sell coal to the railroads not at the lowest price for which they can afford to sell it but for the highest price they can collect from the American people under the guaranty provision of the law and under the guaranty provision of the common law that existed before the present transportation act. Alongside of the gigantic profits taken in that way are the profits of the steel companies, which now are controlled by the same men who control the railroads, and again the prices which they charge for steel is not the lowest price at which they can afford to make steel in the United States but the highest price that they can collect from the people of the United States. Those items all added together mean many hundreds of millions of dollars; they mean two or three hundred million dollars every year in the operation of the railroads.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BROOKHART. I yield.

Mr. FESS. I think the Senator's premise is wrong. He assumes that the railroad company can do the express work cheaper than can the express company, and, therefore, it could reduce the cost if it would do the same work itself. I do not believe that statement is correct. On the other hand, I believe that separate companies can carry on that business with as much economy and efficiency and at as little cost to the public as could the railroads. I repeat, I think the Senator's premise in that respect is subject to a question.

Mr. BROOKHART. That is the old worn-out argument that has been used ever since these inside profiteers organized companies for those purposes. I will cite some instances where it has been done in the other way and draw the comparison. The expense is reduced very greatly where the railroads do the work themselves. There is no need of all these separate organizations with separate overhead.

Mr. FESS. Let me get the Senator's view. The Senator thinks that the Pennsylvania Railroad system can operate the telegraph and operate the express business and operate oil-tank cars and operate the Pullman cars cheaper to the public than can the separate companies which are now conducting those activities. Is that the position of the Senator?

Mr. BROOKHART. They can do it very much cheaper.

Mr. FESS. I should like to have the figures which demonstrate that it can be done cheaper. My conception is that we are getting more efficient and better service at equally cheap rates, if not cheaper, than if it were all done by one company.

Mr. BROOKHART. I know that is the newspaper view of the situation and that is the argument the railroads and the subsidiary companies have always advanced, but when it comes to the proof it is not there. There is no accounting for the gigantic profits they derive except on the theory that they are charging too much for the service.

Mr. FESS. Is there any illegality in the railroads going into these subsidiary businesses and carrying them on themselves?

Mr. BROOKHART. No; but there would be a loss of profit for their big inside men. There were a couple of men from my State who were connected with the New York Central. One of them was president and the other was general purchasing agent. They came back to the State of Iowa millionaires in a very few years. Their profits were enormous out of those activities. That is the way the business is carried on by all the railroads.

There is of course no exact comparison in the United States, because all of our railroads are using these inside grafting companies and it is difficult to get an exact comparison; but I have analyzed the situation in other countries where such activities are conducted by the railroads, and I find a very much reduced cost. The express companies in Germany did not cost half what they did in the United States for the same service before the war.

Mr. FESS. No; because in Germany the cost of operation is cheaper.

The Senator suggested coal. Is it not true that the Reading Railroad, which owns the anthracite fields, was denied under the law the privilege of operating those fields as a railroad? Is not that true?

Mr. BROOKHART. Yes; that is true, and then it immediately turned around and organized an inside corporation, and the condition was worse than before.

Mr. NORBECK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from South Dakota?

Mr. BROOKHART. I yield.

Mr. NORBECK. Mr. President. I am enjoying the discussion very much indeed. I regret I did not hear the argument of the able Senator yesterday afternoon, on account of attendance on a committee meeting, but I think we are getting a great many things cleared up. The particular thing in which I am interested, of course, is how to get freight rates reduced to the people in my section of the country. As I now understand, the railroads which have been operating in my State have not been paying dividends for a number of years.

I have in mind especially the Chicago, Milwaukee & St. Paul Railroad, that serves half of our people. I understand the Northwestern Railroad did pay some dividends out of previous earnings, so that they were really on a dividend-paying basis; but stock of the Chicago, Milwaukee & St. Paul Railroad was up to about $1.40 before the Government undertook to handle the railroad problem, before we had what is called "McAdoo railroading," before the Federal Government went into the price-fixing business, and saddled upon us the extra burden of $2,000,000,000, a part of which was necessary, no doubt, for some of the railroad employees were underpaid and should have been taken care of in a better way. But the thing that pleases me very much this morning is that we are finding out where the difference comes in between the two forces here, those that say that we can reduce freight rates and those that say that it is difficult, if not impossible, to do so.

The most striking thing to my mind is the fact that the freight rates had to go up to take care of the $2,000,000,000 wage increase. I have never been able to figure out how we could get away from that burden, and we have got to get away from it in whole or in part before freight rates can be reduced on a railroad which does not pay dividends, but which pays out 100 cents for every dollar collected. But I am interested in what the Senator from Iowa says. He has proved, or attempted to prove, that there are certain leaks that should be stopped, and of which the shipper should have the benefits. I am inclined to agree with a great deal the Senator says. The disappointing thing is that he suggests a saving of only two or three hundred million dollars, which is only 10 or 15 per cent of the wage increase that was put upon us. If that is all the relief that is in sight, we are in horrible shape.

Mr. BROOKHART. If the Senator had been here, he would have heard about the other items of relief that I suggested that amount to quite a good deal more.

Mr. NORBECK. May I ask how much more? It is a question of figures here.

Mr. BROOKHART. Over a billion dollars, without reducing wages one cent. I am going to discuss more of those items now.

So far as the Chicago, Milwaukee & St. Paul Railroad is concerned, that road goes through my town, too, and it is the watered condition of its capital stock that has cut down its return so that it gets little dividends. A hundred millions or more of water has been injected into that value, which, of course, ought not to get any dividends. A large part of that was done in some western extensions which were coupled up with the old system.

So far as the Burlington Railroad is concerned, it paid 24 per cent and 27 per cent and dividends like that for a number of years. The Great Northern, the Northern Pacific, the Northwestern, and all those roads have been able to earn plenty, and that was on top of watered stock. Why, the Burlington has $100,000,000 of water in its stock, and the commission found in 1910 that it had capitalized $150,000,000 of unearned increment.

Mr. FESS. Mr. President, will the Senator answer a question there? We are talking about the profits of railroads, and whether we can reduce the income, thereby reducing freight charges. I can not understand how watered stock has anything whatever to do with the outlay of the railroads; and if you take out the watered stock, how do you reduce the cost of operation?

Mr. BROOKHART. The law provides that the railroads shall have a return of 5¾ per cent now, after adjudication.

Mr. FESS. But they never have had it. They never have gotten it.

Mr. BROOKHART. They got it practically in 1923. They have gotten about all of it; and, referring to this valuation which was fixed at $18,900,000,000, I have already pointed out that there was seven billions of water in that legalized valuation which ought not to be there. That means about $400,000,000 of return that the people must pay in their rates under this law that they ought not to pay.

Mr. FESS. But suppose you take that out.

Mr. BROOKHART. I have taken that out in one point of my argument.

Mr. FESS. Suppose you take that out: Then how do you enable the railroads to reduce the rates when you have not changed the cost of operation?

Mr. BROOKHART. If they do not need to earn dividends on that $7,000,000,000 they can reduce the rates by that much.

Mr. FESS. However, they have these fixed prices to pay; and if you reduce the income by that amount, then how are you going to reduce the freight charges when you are not reducing the outgo? You are leaving the outgo the same as it was.

Mr. BROOKHART. The fact that they have fixed prices makes no difference.

Mr. FESS. That only reduces the income. That does not reduce the outgo.

Mr. BROOKHART. Under the law they are entitled to charge rates sufficient to give them a return of 5¾ per cent.

Mr. FESS. But the Senator is talking only about the income. I am talking about the outgo.

Mr. BROOKHART. I have just talked about two or three hundred million dollars of outgo in the graft of these inside companies. That is one little item that comes squarely out.

Mr. FESS. That is a disputed point.

Mr. BROOKHART. Yes; it is disputed, but it is there just the same; and that is the reason why we have always had to pay about twice as high freight rates in the United States for the same service as they have had to pay in other countries.

Mr. FESS. Suppose we assume that the Senator's premise is correct in regard to the subsidiaries. How does this watered stock that the Senator talks about have anything to do with the outgo that the railroads are paying?

Mr. BROOKHART. I am afraid it is a hopeless case with the Senator, because he refuses to see that the return collected on this valuation has to be paid by somebody in freight rates. When that has to be done, it amounts to approximately $400,000,000 a year. If we reduce the capitalization so that that will not be collected under the law, it is that much of a saving to the people who pay freight.

Mr. FESS. Let me put it in a different form. Probably then we may able to see it a little more clearly.

The items of cost to a railroad are wages. Are you going to reduce those?—and taxes, $1,000,000 a year. Are you going to reduce those; and if so, how much? Wherein are you going to reduce the items of cost of operation? Which item are you going to reduce? That is what I want to know.

Mr. BROOKHART. All right; I have already told the Senator, in the operating-expense account, how I would reduce these inside profits. That is three or four hundred millions of dollars. Now I am going to tell him about some more of those in the operating-expense account. I had only gotten started on that phase of the proposition.

At the present time overmaintenance is constantly charged by these railroads. They are building up the roads, making them better every year, out of the operating-expense account.

Mr. FESS. There is a point where there might be a reduction.

Mr. BROOKHART. I have proved that before the commission in the rate cases, and I know it is true. It was claimed that they were not properly maintained during Government operation, but the fact is that they were overmaintained then; and the final report of the director general admits that, although he is entirely favorable to the railroad side of these questions. There is another item that is going to reduce these expenses.

If we can have these enforced consolidations by condemnation of stocks and bonds, and end competition, we will end a very great waste and a very great expense. The waste of competition is one of the burdens of our railroad system. Away back in the days of Collis P. Huntington he said that the waste of competition in New York City alone was $100,000,000 a year. If it was $100,000,000 a year in his time, it is $200,000,000 a year now. Ten years ago Edward Dudley Kenna, vice president of the Santa Fe Railroad, one of the great authorities upon these questions, wrote a book analyzing this waste of competition, and he said 10 years ago it exceeded $400,000,000 a year. If it was $400,000,000 10 years ago, it is five or six hundred million dollars a year now, with the advance of wages and the advance of prices and the advance of everything of that kind. So the proposition I have made will cut out these gigantic items in operating expense; it will cut out these gigantic items in the capital account and reduce the amount that will have to be earned in order to pay dividends, and upon all of those items more than a billion dollars' reduction in rates can be made, again I say without reducing the wages of any man that works.

Mr. BRUCE obtained the floor.

Mr. PITTMAN. Mr. President, will the Senator yield for just a moment?

Mr. BRUCE. Is the Senator going to offer an amendment?

Mr. PITTMAN. I am going to suggest something in that connection.

Mr. BRUCE. I think that I prefer to go on just now. I have not been taken into the confidence of the Senator at all with regard to his plans, and so I think that I shall proceed.

Mr. PITTMAN. I was about to do this for the benefit of the Senator.

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Nevada?

Mr. PITTMAN. I do not ask the Senator to yield any more. I was going to do something for the Senator's benefit, but since he does not understand it I will not.

Mr. BRUCE. I think I do understand it.

Mr. PITTMAN. If the Senator does understand it, it is surprising.

Mr. BRUCE. Oh, indeed? I at least did not understand the full extent to which—I hardly know what expression to use—to which the haste of the Senator from Nevada is capable of going.

Mr. President, I congratulate the Senator from Nevada upon the strategic cleverness that he has exhibited in this matter. As a member of the Interstate Commerce Committee he said or did nothing to indicate that he felt any particular degree of interest in departures from the fourth section of the interstate commerce act so far as they affected the lower reaches of the Mississippi. What he was really interested in, and what most of the supporters of the amendment that he is about to offer are interested in, is departures from the fourth section of the act in the intermountain country. Like a good general, he has been making a feint attack on departures on the lower Mississippi when what he was truly concerned about was the proposed departures—for there are no actual departures at the present time—in the intermountain region.

Mr. PITTMAN. Mr. President, I do not know whether or not the Senator will object to yielding when he is discussing what I said or did not say in committee. I will ask the Senator if he will yield to me.

Mr. BRUCE. Of course, I shall be glad to yield to the Senator for any purpose except the one that he was harboring just now.

Mr. PITTMAN. I was not going to offer any amendment. I was going to suggest that possibly the amendment might be offered so that it would be open to discussion, but that is past.

Mr. BRUCE. The Senator is a strategist, and in my blundering way I tried to be one just a little, too.

Mr. PITTMAN. I simply wish to say that I did not testify before the Interstate Commerce Committee, and I do not remember what argument I made in the committee in support of the bill. I will admit to the Senator, however, that he is correct in his assumption that my State is more interested in the long and short haul legislation, so-called, by reason of the discriminations that are practiced under it against our State as against coast points than it is in the subject that I was discussing, namely, the effect of this legislation upon water transportation. I will admit that.

Mr. BRUCE. The Senator is bound to admit that, with great respect to him.

Mr. PITTMAN. And I called attention to the fact when I started to speak that I was taking that branch of the subject because the Senator from Idaho [Mr. GOODING] was taking the other branch of it. I would just as soon have taken the other. I dislike very much, however, to have the Senator think, because I come from a State that has a direct interest in the legislation by reason of one phase of it, that I can not as a Senator of the United States have any interest in inland waterways or the Panama Canal.

As a matter of fact, our people out there were intensely interested in the building of the Panama Canal. They thought it was going to be of benefit to the whole country, and particularly to the West. It has resulted as a disadvantage to the intermountain country; but nevertheless, if the Senator please, I do not want him to think that I am so selfish and so narrow that it is impossible for me to look at anything from a national standpoint.

Mr. BRUCE. I do not think that. The Senator has too many of the elements of true statesmanship in him, if he will allow me to say so, to take such an attitude as that toward any public question; and even with reference to this particular question the Senator is not speaking only for the State of Nevada. He is speaking for one of the most important regions in the United States—that is to say, the intermountain region. I gladly acquit the Senator of any disposition whatever to take too pinched or circumscribed a view of the question under consideration; and it may be, for all I know, that, since the Senator was born down on the lower Mississippi, he may have been

drawn back to that part of the United States by sentimental as well as practical considerations.

Be that as it may, I think that more importance has been attached to departures along the lower Mississippi River than the occasion really calls for. My opinion is that the Senator from Nevada has failed to take into due account the handicaps to which navigation on the Mississippi and its tributaries is subject when brought into competition with rail transportation.

There was a time, of course, when the bosom of the Mississippi and the bosom of the Ohio were alive with water craft; but that, as the Senator from Louisiana [Mr. RANSDELL] has pointed out, was a time when there were no railroads running up and down the banks of those western streams.

A railroad may be handicapped to a certain extent when it is in competition with inland water transportation and yet be too much for the water competition. Why is that? The competitive superiority of rail transportation is represented by a differential of no less than 6 per cent. In the first place, railroads can carry and deliver freight with more speed and with more dispatch than steamboats—and speed and dispatch are things for which shippers are always prepared to pay an extraordinary price. In the next place, railroad transportation is much more dependable. As the Senator from Louisiana pointed out, it is only for a brief seasonal period that you can have satisfactory transportation on the Ohio River, and of course navigation on the Mississippi, too, is very much impeded by sand bars and the effects of summer droughts and, in the case of upward voyages, by the force of the current. Railroad transportation, carried on, as it is, on fixed tracks and under perfectly stable and assured conditions, is always a more trustworthy thing than inland water transportation.

The superior trastworthiness of rail service was most strikingly shown during the World War. During that war practically all the coastwise ships that had been transporting freight from the Atlantic seaboard through the Panama Canal to the Pacific coast quit altogether their usual routes for the great profit to be earned from transmarine voyages, and if the people of the Pacific coast had been totally dependent on water transportation they would have had no reliable agency of transportation at all. It was not until after the World War, with its enormous maritime gains, had come to an end that water transportation through the Panama Canal to the Pacific coast of the United States became again what it is at present. So I doubt very much whether any sums that you may expend on the navigation of many of our inland waters will ever produce any permanent results of the same value as those which are secured by railroad transportation.

The discussion in this case, so far as the proposed amendment is concerned, ought to turn, as it turned in the Committee on Interstate Commerce, mainly on transportation conditions in the intermountain region. When we come to that region, the quarrel of the Senator from Nevada [Mr. PITTMAN] and of the Senator from Idaho [Mr. GOODING] is really to a great extent a quarrel with God and nature. The Senator from Idaho is complaining because the Deity gave to the State of Idaho the Snake River instead of the Pacific Ocean. San Francisco and Portland and other points on our Pacific seaboard enjoy a decisive advantage over any intermountain city or town in that they are on the Pacific, that vast sheet of water which in all likelihood will become the most important expanse of water in the world, and which is now intimately connected with the Panama Canal, that brings the coastwise commerce of the United States from its eastern to its western coast.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Idaho?

Mr. BRUCE. I yield.

Mr. BORAH. I understood the Senator to say that my colleague was quarreling with God and nature. As I understood my colleague, what he wants to happen is that God and nature may be permitted to operate without the interference of the Interstate Commerce Commission to thwart their purposes.

Mr. BRUCE. Then, if that were brought about, the intermountain region might be in a worse condition than at present.

Mr. BORAH. If San Francisco and Portland and the other coast cities have their advantage by reason of being upon the ocean, why should they not be satisfied with that advantage, instead of asking for an additional advantage through the railroads charging us more for a short haul than they charge them for a long haul?

Mr. BRUCE. Because if these transcontinental lines were not allowed lower rates to the Pacific seaboard than to intermediate points, then they might have to charge higher rates than now to the intermediate points.

Mr. BORAH. Not necessarily, at all.

Mr. BRUCE. I think so, and that in my judgment is the crux of the whole case. It is true that the low rates to Pacific points which might be granted by the commission might not be fully compensatory in the ordinary sense, but, all the same, they would make a substantial contribution toward the entire overhead expenses of the transcontinental lines, and it is entirely conceivable that if the departures were not allowed on westbound freight rates to Reno, Salt Lake City, Boise City, and other intermountain towns might, instead of being as low as they now are, be still higher.

So, as I have said, the real misfortune of the intermountain country consists in the fact that it is an intermountain country, and, to use the language of Sheakespeare, "cribbed, cabined, and confined" by nature. It is not on the sea, and must face the competition of great cities that are.

Mr. REED of Missouri. Mr. President——

Mr. BRUCE. I yield.

Mr. REED of Missouri. I do not want to interrupt the Senator in his discourse, and I do not rise in any spirit except to elicit the Senator's views.

Mr. BORAH. I can not hear the Senator.

Mr. REED of Missouri. I have not said anything of importance yet; maybe I will not.

Mr. BORAH. I know the Senator will.

Mr. REED of Missouri. The Senator, of course, will concede that a railroad can not make any money hauling freight at less than the cost of hauling, and with a little profit added.

Mr. BRUCE. Of course not; there must be the out-of-pocket-plus rate for the railroad to make any profit.

Mr. REED of Missouri. If the railroad hauls, then, to any destination, should it not, as an economic proposition, always charge a rate which will pay the expense of the haul and a small profit to that point; and if it pursues any other policy, does it not necessarily involve a loss?

Mr. BRUCE. That is perfectly true; but these transcontinental lines which are asking for departures in the present case propose, if the Interstate Commerce Commission will allow them to do so, to charge out-of-pocket-plus rates. That is to say, they do not propose to charge fully compensatory rates—under the statute they are not bound to do that—but they do propose to charge reasonably compensatory rates; that is to say, rates which, notwithstanding the fact that they are lower than the rates that they charge to intermediate points, will yet make a material contribution toward their general expenses.

Mr. REED of Missouri. Then they must be making a profit.

Mr. BRUCE. They will make a profit, though a comparatively small profit, and it is to the interest of points in the intermountain country that they should be allowed to make it, because if they were not given permission to do so they might either have to go out of business altogether or charge higher rates to intermediate points.

Mr. REED of Missouri. If the Senator will pardon just a further interruption, I am trying to get his view——

Mr. BRUCE. That is my view.

Mr. REED of Missouri. If a railroad hauls freight from New York to San Francisco and makes a reasonable profit, how can it be justified in making a system of rates such that it can better afford to haul freight from New York through Denver to San Francisco, and then back to Denver, and charge a lower rate for that haul than it would charge as a direct rate to Denver?

Mr. BRUCE. It has to meet water competition at San Francisco or Portland, and it has to adjust its rates so as to be able to meet it, and to share in some of the business which the water lines would otherwise monopolize.

Mr. REED of Missouri. But why does it not unload that Denver freight at Denver when it goes west from New York and not ship it on to the coast and then ship it back something like 1,400 miles to Denver, making a perfectly useless haul of about 2,800 miles?

Mr. BRUCE. I have heard no testimony to the effect that that is ever done.

Mr. REED of Missouri. Those are the facts, and those conditions have existed for many years in various forms. I am trying to see how that can be reconciled, as an economic proposition, with the reduction of overhead charges by making a low rate to the coast.

Mr. BRUCE. Those are not the facts which have been brought to my attention. The roads are simply asking for a differential on the Pacific coast that will enable them to participate to a reasonable extent in commerce that is now water borne.

Mr. KING. Mr. President, will the Senator yield?

Mr. BRUCE. I yield.

Mr. KING. Corroborating what the Senator from Missouri has stated, may I say to the Senator that a practice which pre-

vailed many years in my State, and in all of the intermountain region, was just as destructive as that to which the Senator has referred. Indeed, that is an exemplification of it. Frequently goods and commodities which would be purchased in Chicago and in New York for Salt Lake City, Utah, and Boise and surrounding territories would pass on to California, usually to San Francisco, sometimes to Sacramento, and then be shipped back again to the interior point. They would not permit us to unload them at Ogden or Salt Lake City, or, if we did, we would have to pay the rate to the coast plus the rate back again. That even does not exist to-day, but we fear that if the petitions now pending before the Interstate Commerce Commission shall be granted, we will be confronted with the same evil practices which in the past have been so ruinous to our intermountain section.

Mr. BRUCE. I was coming to that aspect of the case. The discussion has gone on exactly as if there were now departures from the fourth section of the interstate commerce act actually applying to west-bound freight on its way to the Pacific coast. That is not the case. What is being indulged by Members of the Senate who have participated in this discussion so far is a mere apprehension, based solely on the fact that the transcontinental lines have made application to the Interstate Commerce Commission for departures on some 43 west-bound commodities. Nobody knows whether the Interstate Commerce Commission will allow those departures or not. It is clothed with full discretion to say whether it will do so or not. What right therefore has any Member of the Senate to anticipate, in the manner that is now being pursued, the action of the commission on these applications?

Mr. REED of Missouri. I would like to understand the Senator, if he will pardon me.

Mr. BRUCE. Certainly.

Mr. REED of Missouri. I want to be sure that I understand him. Am I to understand the Senator to say that the Interstate Commerce Commission has not allowed such rates to the Pacific coast and that the condition to which I have referred does not, in principle, exist?

Mr. BRUCE. It does not exist in fact at all, if the testimony before the Interstate Commerce Committee can be believed.

Mr. REED of Missouri. Very well; I understand the Senator now.

Mr. BRUCE. In the first place, there are no departures at all, actual or agitated, on eastbound freight from the Pacific coast. That is the testimony, and the chairman of the Interstate Commerce Committee will bear me out when I say that. Nor, as I have said, are there just at this time, though there were before the World War, any departures in force on west-bound freight to the Pacific coast.

So I say to the Senator from Idaho [Mr. GOODING] and to the Senator from Nevada [Mr. PITTMAN] that they are crying out before they are hurt. What right have they to prejudge the conclusion of the Interstate Commerce Commission? What right have they to suppose that it will not exercise soundly and wisely its discretion? And yet, notwithstanding the fact that the anticipated departures are all in fieri, even the conservative Senator from Missouri [Mr. REED] has gone so far as to say that he is very often inclined to think that the Interstate Commerce Commission should be abolished and that for one—I think that I quote his exact words—he is fully and completely disgusted with it. The Senator from Idaho [Mr. GOODING] has not fallen short of saying that the commission is a mere tool of the railroads. Think of that! This commission, the duties of which have been administered by such able and upright men as Judge Cooley and Mr. Prouty, a mere tool of the railroads!

The Senator actually went so far in his outburst of extravagant hysteria as to quote the famous letter of Lord Macaulay, in which he predicted the certain downfall of our democratic institutions.

So first of all I ask the Senate to keep in mind the fact that not one single hair upon the head of the intermountain territory has been affected by a departure yet, and that there is not a Member of this body who has any right to arrogate to himself the office of prophecy and to say that the commission will grant a single one of the departures that are now petitioned for.

Here I propose to digress for a moment for the purpose of making just a brief excursion into the wider domain of discussion into which the Senator from Iowa [Mr. BROOKHART] and the Senator from Idaho [Mr. GOODING] at certain points in their respective addresses allowed themselves to be deflected. I confess that I am beginning to weary of the statement that is made almost every day of the week in this body that the farmer is fairly being ground into the earth by excessive freight rates. During the debates on the transportation act of 1920 it was again and again stated that the people of the United States enjoyed the lowest freight and passenger rates in the whole world, notwithstanding the fact that they paid their employees the highest wages in the whole world, and paid for all the materials and supplies that they purchased the highest prices in the world.

Relatively, railroad rates are lower in the United States to-day than they were before the World War. I defy any Member of the Senate or any other legislative body to establish the contrary. The average increase in railroad rates in the United States has been only 54.63 per cent since 1914, as against an average increase in the cost of living, which has been recently computed by one of the Government bureaus to amount to 68 per cent at this time.

Mr. KING. Does the Senator mean the conclusion of the World War or the beginning of it in August, 1914?

Mr. BRUCE. I am speaking of the eve of the war, of 1914. It so happens, as the chairman of the Senate Interstate Commerce Committee knows, that we have recently had a great deal of highly instructive testimony upon this point. Among the witnesses was Mr. Daniel Willard, the president of the Baltimore & Ohio Railroad Co. What did he say before the committee? He said:

> The price which the railroads—or, at least, some of them—were obliged to pay for their fuel in 1923 was 116 per cent higher than in 1916. The prices paid for lumber, ties, steel, including rails and other representative material, were about 57 per cent higher in 1923 than the average prices during the three years, July 1, 1914, to June 30, 1917, known as the test period. Taxes paid by the railroads in 1923 were 145 per cent higher than in 1914, equal to an increase of $196,485,000. The official figures of the United States Department of Labor show that the total cost of living in 1923 was 68 per cent higher than in 1914, as indicated on the chart submitted herewith—that is, the chart attached to this statement. These figures, which have been carefully obtained from the most reliable sources, fully support the statement that railroad rates to-day are comparatively lower than in 1914, because the per cent of increase in railroad charges over 1914 is substantially less than the average aggregate per cent of increase in connection with the other items above mentioned.

These figures can not be gainsaid. They emanate from an absolutely trustworthy source, and are subject to verification by anybody. On the same occasion Mr. Willard said that the average increase of railroad rates since 1914 in the United States had been only 54.63 per cent, though the increase in the wages of railroad employees during the same time had been 98 per cent.

And what else did Mr. Willard say? I ask the attention of every Member of the Senate within the sound of my voice to it. He testified that the entire net revenue of the railroads of the United States from the transportation of agricultural products in 1923 was $132,000,000. Then he demonstrated by a simple arithmetical calculation, which any Member of this body, nay, any schoolboy, can make for himself, that if this whole sum of $132,000,000 was applied to the wheat and corn raised by the farmers of the United States in 1923, it would signify an increase of only 4 cents per bushel. Yet we have a Member of the Senate like the Senator from Idaho [Mr. GOODING] threatening us practically with the destruction of our American institutions if these frightful rate abuses, that exist in his own imagination only, are not redressed.

No; what has been said here is but another illustration of the unreasoning agrarian agitation that is going on in the Northwest, and of that agitation I have no disposition to speak at any length. It is to a great extent as preceding agitations of the kind have been, merely the restless edges of the sea murmuring because they can not escape the constraint of the rock-bound land. But, to use a vigorous phrase, it does fatigue my indignation to hear it said that the railroads of the country are ruthlessly oppressing the farmer and placing an intolerable burden upon his back, and to see our superb railroad system, the finest in the world, threatened with derangement and even destruction by every covert or open attack that could possibly be made upon their welfare and that of the people of the United States to whom their welfare is a matter of such vital concern.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Maryland yield to the Senator from Utah?

Mr. KING. I wish to inquire of the Senator——

Mr. BRUCE. In just one moment I will gladly yield to the Senator. I desire to continue a little longer while I am on my present topic.

Mr. KING. My inquiry is apropos of what the Senator is saying.

Mr. BRUCE. But I desire to go on before the line of thought that I am now pursuing passes from my mind.

Another gentleman with an arithmetical turn of mind has calculated just what effect freight rates at the present time have on the cost of living; and he has made up the following little table:

Freight rates have little, if any, effect on the cost of living

Freight charges on the following commodities and the prices paid by the ultimate consumer are as shown:

Commodity	Freight rate	Consumer pays	Per cent of freight rate to cost to consumer
Flour, 1 pound, Minneapolis to Cedar Rapids, Iowa	1.9 mills	$0.06	3.17
Suit, 6 pounds, Chicago to Seattle (about)	7 cents	50.00	.14
Hat, ½ pound, Chicago to Cedar Rapids	7.9 mills	4.00	.20
Sugar, 1 pound, New Orleans to Chicago	7 mills	.10	7.00
Coffee, 1 pound, New Orleans to Chicago	6.5 mills	.43	1.44
Tea, 1 pound, Seattle to Chicago	1.5 cents	1.00	1.50
Salt, 1 pound, Detroit to Cedar Rapids	2.5 mills	.02	12.50
Butter, 1 pound, Cedar Rapids to Chicago	4.75 mills	.65	.75
Eggs, 2 pounds (1 dozen), Cedar Rapids to Chicago	9.5 mills	.56	1.70

Now, let me pass from that to freight rates on livestock in the West at the present time, as set forth in a recent publication.

> Sales of livestock and the freight rates paid on the same were studied at four markets: Chicago, East St. Louis, Kansas City, and South Omaha. These studies were made for three days at intervals of three weeks, October 15, November 5, and November 26, 1923. The stock was received from 27 States and included 13,161 cattle, 18,585 hogs, and 24,682 sheep. Then, taking each class of stock separately, the cost to the purchaser, delivered at the yards, was divided into three items—price paid to the farmer, freight paid to the railroad, and miscellaneous distribution costs. The following is the result:
>
> With cattle, freight was 6.9 per cent of the total bill; miscellaneous costs, 3.1 per cent; price to the farmer, 90 per cent.
>
> With hogs, freight came to 5.1 per cent; miscellaneous costs to 3.3 per cent; price paid to the farmer, 91.6 per cent.
>
> With sheep, freight covered 7.4 per cent; miscellaneous costs, 4.1 per cent; price paid to the farmer, 88.5 per cent.
>
> Or, taking all stock together, of every dollar paid out by the buyer the railroads got 6.5 per cent for freight, other costs absorbed 3.3 cents, and the farmer got 90.2 cents.

In view of all the unimpeachable figures, founded on the actual records of the transportation systems of this country that I have given, I assert again that freight rates in the United States to-day are relatively lower than they were in 1914. Surely it is not the fault of the railroads that wages have gone up 98 per cent since 1914; surely it is not their fault that the cost of everything in the way of materials and supplies which they buy has gone up greatly, too. How can we expect railroad rates to remain down when nothing else remains down?

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Wyoming?

Mr. BRUCE. I will be glad if the Senator will postpone the interruption for a moment. I have a great deal of matter to get through with. However, if he desires to ask me a question along the line that I am pursuing, I will yield.

Mr. KENDRICK. I merely wish to say that I am sure the Senator would not want to misrepresent the facts in any way. He refers to the record which he has cited as being unimpeachable, but it is a fact that the freight rates on livestock from western points to market are relatively higher in proportion to what the livestock is selling for in the market than they were in 1914.

Mr. BRUCE. I will let the figures speak for themselves. Of course, after all, it is not true that figures do not lie, but I think that they have about the best deserved reputation for veracity of anything in the world.

Mr. KENDRICK. Figures do not lie, but liars do figure.

Mr. BRUCE. Yes; they certainly do sometimes, especially when they are strongly under the influence of agrarian agitation and disaffection.

If I thought that there was any practical way of aiding the farmer along such lines as have been suggested in this body since I became one of its Members, I would certainly lend a helping hand. I am the son of a farmer, of a man who never pursued any occupation during the nearly 50 years of his active business life but that of a farmer, and I myself owned a farm for many years, and have had not a limited experience in farming. Whenever the hand of Congress can be held out wisely to the farmer, I wish to see it held out, because his industry is the basic industry upon which the whole structure of our national prosperity is founded.

I think that a great deal can be done for his benefit along cooperative lines. A few years ago a cooperative marketing tobacco association was established in North Carolina and southern Virginia, which proved highly beneficial to the tobacco planter, and I hope that it is proving so to-day, too.

The real trouble with the farmer is that he happens to be the first individual in the body politic to whom the inevitable processes of deflation that set up after the World War were applied. Sooner or later we shall all be subjected to the same trying process. Under the operation of the crushing tariff enacted by the Republican Party a short time ago the farmer is paying exorbitant prices for almost everything that he buys, and under the operation of what I conceive to be the fatuous international policy of the Republican Party he has no good foreign market in which to sell. So much for the more general considerations which have been logged into this debate.

Now, as the French say, let us get back to our mutton; that is to say, to the long-and-short-haul clause of the interstate commerce act. I began by saying that the attention of the people of the intermountain section has been so closely riveted upon their own region that in their apprehension lest departures might be fastened upon them under the fourth section of the act, they have quite ignored the fact that in all the other regions of the United States business and commerce are largely built up upon rate structures involving thousands and thousands of such departures. And so little injustice have these departures worked in the central and eastern portions of the United States, that not one solitary human being from them, I believe, appeared before the Interstate Commerce Committee to lift up his voice in favor of the Gooding bill.

It is a great mistake to think that the discretion vested in the Interstate Commerce Commission by the fourth section of the interstate commerce act is exercised only where railroads come into competition with water transportation lines. It is exercised in many cases that have no relation to competition between rail and water transportation.

Let us take just a few typical examples, and I hope that Members of the Senate will apply them to their own local or regional conditions as I go along.

First of all, there may be a direct railroad line between two points, and there may be a circuitous railroad line between the same two points. In cases of that sort the Interstate Commerce Commission in many instances has allowed the circuitous line to fix a lower rate at a common point at which it comes into competition with the direct line than at intermediate points on its own line. The communities served by the two railroads profit by such action on the part of the commission. They have two vehicles of transportation instead of one. They have two railroads engaged in active competition with each other, instead of a single railroad endued with an oppressive monopoly. In times of congestion and car shortage, too, there are two railroads to tap the congestion instead of one.

The Gooding bill, I am glad to say, at least does not entirely destroy the power of the Interstate Commerce Commission to grant departures in cases like these, though it does deprive partly rail and partly water lines and pipe lines and sleeping-car lines of the privilege of departure. A good illustration of a direct line and a circuitous line between the same competitive points is found in the Illinois Central, which is a direct line between Charles City, Iowa, and Omaha, and the Chicago, Rock Island & Pacific and Charles City Western Railways, which is a circuitous line between the same points. The direct line is 275 miles long; the circuitous 318; but the people of the region in which the two railroads are operated are served by both, as they should be, under orders of the Interstate Commerce Commission allowing the proper departures from the fourth section of the interstate commerce act.

Again, the Interstate Commerce Commission at times allows departures for the purpose of strengthening some weak railroad, that without any fault of its own is in a poor financial condition, and experiences difficulty in meeting its operating expenses. There are many roads of this kind in the United States, and yet not a few of them are of indispensable value to the communities that they serve. An illustration of this

situation is found in the Tennessee Central road, which runs from Emory Gap, Tenn., through Nashville, Tenn., where it meets the competition of the Louisville & Nashville Railroad, one of the strongest railroads in the United States, to Hopkinsville, Ky. It traverses a mountainous, sparsely-settled region, and it would have to go out of existence if the Interstate Commerce Commission did not allow it to charge lower rates at Nashville than at intermediate points between Emory Gap and Nashville.

Again, the power of allowing departures is sometimes exercised by the Interstate Commerce Commission for the purpose of equalizing the positions of two ports. For example, there have always been large importations of green coffee into the United States through the port of New Orleans, and there was a strong tendency on the part of this commodity to find its way into the United States through the port of Galveston too, to the same points served by New Orleans. Consequently to enable the railway lines running out of Galveston to deliver green coffee at these points, which were remoter from Galveston than New Orleans, the latter lines were authorized by the commission to charge lower rates to them than to intermediate points; and in the same way the commission has conferred reciprocal privileges upon the port of New Orleans.

Again the commission often allows departures so that the productions from a particular territory or region in the United States can be transported to a common market by more than one railroad line, one railroad line, of course, being more remote from the common market than the other. The result is achieved by allowing the railroad that is the more remote one from the common market to charge lower freight rates at the point of destination than at intermediate points on its line. An example of this sort of departure is found in the special rates that railroads were allowed to make a few years ago on western sugar to meet the competition of foreign sugar coming in through the ports of New York and New Orleans. Again, departures are sometimes permitted to aid situations created by drought or famine Such a situation arose in 1922 during the terrible drought of that year in the State of New Mexico. The commission allowed railway lines leading into that State to deviate from the hard-and-fast rule of the fourth section both for the purpose of delivering cattle feed in that State at less cost and of shipping cattle out at less cost. The power to make departures in such a case as this is not revoked by the Gooding bill, but it makes no provision for departures in the case of an emergency created by congestion.

A few years ago the cotton mills in New England were about to shut up because the tracks of railways leading to New England were so densely congested that those mills could not obtain from the South the supply of cotton that they required. This predicament the commission met by allowing the proper departures on railway lines leading down from the cotton region to New Orleans and other South Atlantic ports, where the raw cotton needed by the New England mills was transshipped by water to them.

Still another illustration—I might multiply them still more—is this: A joint-line railroad comes into competition with a single-line railroad. The former is subject to a handicap inasmuch as it has to transship. For the purpose of offsetting this handicap and putting the two lines on a footing of parity, the commission will allow the joint line to depart from the strict rule of the fourth section of the act.

Is the beneficent jurisdiction of the Interstate Commerce Commission in all those varied cases, and others that might be enumerated, to be swept out of existence? The Senate should bear in mind that the power to grant departures from the rule prescribed by the long-and-short-haul prohibition has existed ever since February 4, 1887; that is to say, about 37 years. It is true that from time to time the fourth section has been amended, but never has Congress been willing to repeal it. In the first instance, the railroads were allowed to haul freight for longer distances at lower rates than for shorter distances under what the act termed "substantially similar circumstances and conditions." It was found that the discretion that this language gave to the railroads was at times abused, and it was taken away from them by Congress in 1910 and lodged in the commission.

The act of 1910 provided that in special cases a railway might be empowered by the commission to haul freight and passengers for a longer distance at a lower rate than for a shorter distance over the same line and in the same direction. The same act provided also that where a departure from the fourth section was allowed in order that a railroad might meet water competition, the railroad should not afterwards be permitted to raise the reduced rate simply on the strength of the actual elimination of the water competition.

Then later was enacted the act of 1920, which provided that where a rate was allowed to be charged at a point of destination lower than at intermediate points it should be a "reasonably compensatory" one, and that a departure would not be granted to a railroad to meet merely potential water competition. Some other amendments also, which I need not mention in detail, were engrafted upon the interstate commerce act by the act.

Be it remembered that during this entire period of 37 years the power conferred upon the Interstate Commerce Commission by the original interstate commerce act as modified by these amendments has been exercised, and exercised in thousands and thousands of instances, and so wisely exercised that, aside from the intermountain country, and the territory along the lower stretches of the Mississippi, there is no dissatisfaction, so far as I know, harbored at the present time by shippers in any portion of the United States because of rate departures.

Since 1910 there have been some 12,000 applications for departures made to the Interstate Commerce Commission, and among those applications is a vast number of blanket applications, each one of which comprehends many applications. Rate structures throughout the United States have been built up largely on such departures.

The Senator from Connecticut [Mr. McLEAN] knows to what extent the business of New England is founded at the present time upon rail and water differentials.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER (Mr STANFIELD in the chair). Does the Senator from Maryland yield to the Senator from Connecticut?

Mr. BRUCE. I yield.

Mr. McLEAN. I have not been able to listen to all of the Senator's remarks on this subject. I did listen, as I had an opportunity, to the speeches made in favor of this amendment, and I will say to the Senator from Maryland that they sounded well, but it is not always well to legislate by sound.

I remember that in 1883 and 1884 we had this long-and-short-haul question up for the first time in Connecticut, when I was a member of the Connecticut General Assembly.

It was the important question before that body, and in the enthusiasm of my youth I was easily convinced that the argument which was so attractive to the ear was sound in fact, and we passed the bill. It did not work as we expected. It simply gave the direct line a little additional income, and reduced the income of the circuitous line, which ran through the town in which I happened to live, and if the circuitous line had been permitted to charge rates that would have paid expenses, they would have been compelled to raise the rate instead of lowering it. I can see no other conclusion. Frankly, if this bill is passed, I can not see how anyone living in the State of Idaho can expect to see any reduction in freight rates.

Mr. BRUCE. There would probably be an increase, I should say.

Mr. McLEAN. That seems to me to be a mathematical certainty, because if a transcontinental road, by the operation of this law, is prevented from taking freight to the coast, which it could otherwise take at a compensatory rate, if there is a loss of $100 in its net income, that loss must be made up by adding to the rates to the intermediate points.

Mr. BRUCE. I think that that is unquestionably sound reasoning. Indeed, before the Senator came into the Senate Chamber I endeavored to present that aspect of the pending question.

Mr. McLEAN. We have tried it in the East, and we have learned our lesson, and if the West insists upon the experiment, they will learn the lesson, too.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. BRUCE. I yield.

Mr. GOODING. We are not expecting any reduction in freight rates through this legislation if it is enacted. What we are expecting is that San Francisco, Seattle, Portland, and all other coast points shall not have a cheaper rate than the people of Idaho have, when the haul is a thousand miles longer. This bill interferes with no circuitous lines at all in this country, and permits the Interstate Commerce Commission to make a violation if they want to. That is a special exception that is made. We only ask that our farming interests and other people may go on and develop the interior of our country. We have especially provided that other people shall not be interfered with. If the Senator would read my amendment, I think he would take our view of it.

Mr. McLEAN. The inevitable logic of the Senator's argument is that if the road is deprived of its through traffic, and

thereby loses on its net income, it will have to raise the rate to the intermediate points in order to live.

Mr. GOODING. Mr. President, we can pass legislation that will permit the interior of this country to develop. It has not commenced to develop yet. It is not scratched. The Senator knows that you can not develop a country where there is discrimination in freight rates. He knows what would happen to the business of his town if there were a discrimination of even a few cents against it. That is what we are opposing.

Mr. McLEAN. I do not want to take the time of the Senator from Maryland, but if the Congress is going to undertake to remedy the geographical disadvantage of one community by operation of law, the Senator from Idaho will find that his location will be the first to suffer injury. If there were 20,000,000 people living in San Francisco instead of a million, does the Senator think it would hurt the industries of Idaho? Does he think the building up of the great seaboard cities means injury to the intermountain section?

Mr. GOODING. I will say to the Senator that when they are built up at the expense of the interior, it is an injury.

Mr. McLEAN. You can not build them up at the expense of other sections.

Mr. GOODING. That is exactly what the discrimination in freight rates does.

Mr. McLEAN. It is an economic impossibility.

Mr. GOODING. That is all the Senator is after, a discrimination in freight rates in the interest of his own people, so that they may take the business away from the people of the interior.

Mr. BRUCE. Mr. President, as we lawyers say, this debate is becoming too much res inter alios acta, as far as I am concerned, for me not to crave my privilege of going on to say what I still have to say.

Answering the Senator from Idaho, I affirm that the Pacific Ocean ports will always have lower rates than the intermountain country so long as the Pacific Ocean laps their wharves and piers, as he was told by the counsel of the railways who appeared before the Interstate Commerce Committee when his bill was under consideration. That is the controlling, inescapable fact in this whole discussion. These Pacific ports are seated upon the Pacific Ocean and are readily accessible to the water-borne commerce of both the Atlantic and the Pacific coasts, and consequently the intermountain region can never, under any conditions, occupy as favorable a position as respect rates as do the Pacific port cities.

Mr. McLEAN. The prosperity from this great increase in population at the seaboard must reflect itself, of course, upon the intermediate sections of the country.

Mr. BRUCE. Precisely; it radiates out through all of the intermountain country.

I ask every man on this floor who is directly interested in the welfare of any port on the Atlantic seaboard, or of any railroad in the East, to inquire how the Gooding bill will affect his community and his constituents. Let the Senators from Massachusetts ask how it will affect the commerce of the city of Boston. Let the Senators from New York ask how it will affect the commerce of the city of New York. Let the same question be asked by the representatives of the State of Maryland, of the State of Virginia, of the State of South Carolina, of the State of Georgia, of the State of Louisiana, of the State of Texas, all of which States have important maritime cities whose prosperity is largely based on departures granted by the Interstate Commerce Commission for the purpose of putting them on an equal competitive footing with Atlantic ports farther north. Extending all the way from New England to the southern and southeastern and central parts of the United States are two great agencies of transportation.

First you have all-water lines, or partly rail and partly water lines; and then, making across the United States to the westward, you have great all-rail lines, and it would not be possible to balance these rail and water or partly rail and partly water systems of transportation in such a way as fully to subserve the transportation needs of the people if departures were not allowed by the Interstate Commerce Commission.

Just take, for instance, one line of trade in which the State of New York and the State of Maryland are engaged to a very great extent. I am speaking of shipments of canned goods. The State of New York and the State of Maryland ship great quantities of canned goods by sea to southern ports, and from these ports they find their way to points in the interior, to Oklahoma, to Missouri, and to other localities, to which they could never find their way if there were no such thing as departures to equalize the competition between the agencies by which they are transported and the shorter all-rail agencies by which the same points of destination are reached from the interior of the country.

I say another thing to some of the Senators here: That is that if the fourth section of the interstate commerce act is mutilated, as is proposed by the Gooding bill, we have the testimony of no less an authority than the Interstate Commerce Commission itself to the effect that some of the roads in the States which they represent will go into bankruptcy.

Mr. BORAH. Mr. President, will the Senator permit an interruption?

Mr. BRUCE. Certainly.

Mr. BORAH. It seems to me the logical effect of the Senator's address is that water transportation must be practically eliminated in order to save the railroads.

Mr. BRUCE. Not at all. My idea is the idea of the transportation act itself—that is, that the rail and water transportation systems of the United States should both be fostered and preserved.

Mr. BORAH. But the Senator is not willing that the railroads shall come in competition with water transportation.

Mr. BRUCE. Yes; I am. That is just what I would like to see, if the Interstate Commerce Commission thinks that it is wise in this instance.

Mr. BORAH. Yes; but the best regulator of rates, in my judgment, in the world is water transportation. I think water transportation regulates rates without any favoritism, and it is constantly in operation. It seems to me that it is one of the most certain regulators of rates that we could have.

Mr. BRUCE. It is, but at the same time nothing can be more completely established than the fact that if you have a railroad competing with a steamship line at a certain point of destination the railroad can, if allowed the proper departure, charge just a little more than the water line and yet maintain the competition with a reasonable degree of success. This is because transportation by rail is so much more speedy, so much more certain, and under many circumstances so much more dependable than transportation by water.

Mr. BORAH. The railroads, of course, can take care of themselves against water competition, so we need not be uneasy about cutting into the competition.

Mr. BRUCE. I am not uneasy. All they want to do is come in competition with the water lines at San Francisco and Portland. What they ask is that the rates to those points be placed at levels that will enable them to get a fair share of the traffic at those points.

Mr. BORAH. And the extra charge for it is placed back upon the intermountain points.

Mr. BRUCE. I do not think so. My own view about it is, and the Senator from Connecticut [Mr. McLEAN] seems to agree with me entirely on that subject, that it might be that if we do not allow the transcontinental lines to transport freight to the Pacific coast at rates lower than to intermediate points they might have to put up the rates to intermediate points.

Mr. McLEAN. The Senator from Idaho assumes they can continue to get the traffic if they raise the rate, whereas that is impossible if the water rate is lower.

Mr. BRUCE. That is true.

Mr. BORAH. I do not assume that. The one thing I am objecting to is the high rate, and I want the power of water transportation to bring down those rates.

Mr. McLEAN. If the Senator takes the other horn of the dilemma, they lose the traffic.

Mr. BORAH. I am not uneasy about that. That horn of the dilemma is not disturbing me. The western part of the United States is practically foreign country so far as shipments to the East now are concerned. The freight rates are such that we are practically cut off from the East. Of course, if it is true that the railroads can not exist and earn less money than they are earning, that is one proposition, but a proposition which I do not accept.

Mr. McLEAN. Of course, that is a proposition which is accepted by the railroad managers and the Interstate Commerce Commission.

Mr. BORAH. I know it is accepted by the railroad managers.

Mr. McLEAN. It has been demonstrated that a great many roads have been ruined by reason of the fact that they were not allowed to take freight at a compensatory rate which perhaps did not pay a large dividend.

Mr. BRUCE. I would like to call attention to the fact that the railroads are doing pretty poorly in all of the northwestern territory and all the intermountain territory under existing conditions. They are really having quite a struggle to make anything like a moderate return on the amounts invested on them. For instance, here is the recent testimony by Mr. Elliott, president of the Northern Pacific Railroad, before the

mitted to raise the reduced rate simply on the strength of the actual elimination of the water competition.

ment is that if the road is deprived of its through traffic, and

from the interior of the country.

Elliott, president of the Northern Pacific Railroad, before the

Interstate Commerce Committee. Answering the chairman he said:

Now, here is a little bit of information that may interest you, showing what happened on this particular road, which I happen to know about, the Northern Pacific, before there was a transportation act.

In point of fact, he is president, and the very able president, of that road.

We earned in the year 1916 a rate of return of 6.715 per cent; 1917, 5.946. Then the war difficulties began and we ran down hill. In 1918 we earned 4.603; in 1919, 2.720; in 1920, 0.472; in 1921, 1.993; in 1922, 3.537; and in 1923, 2.982. * * * Then, take that northwestern section, which is a great empire—where you live, Senator GOODING. Last year of the carriers serving that country, the Milwaukee made 2.73 per cent; the Great Northern, 4.56 per cent; Minneapolis & St. Louis, 1.22; Soo Line, 3.77; Northern Pacific, 2.93; Oregon, Washington & Navigation Co., 0.61; total, six roads, 3.10; Chicago, Burlington & Quincy, 4.24; total, seven roads, 3.33.

So it will be seen these carriers are pretty close to the line of net-revenue sterility now.

Continuing what I was saying, I assert that there are some railroads in the United States which will absolutely have to go out of business if they are not allowed the proper departures. For instance, the Kansas City, Mexico & Orient Railroad and the Missouri & North Arkansas Railroad. Both of those railroads are valuable roads to the agricultural regions which they serve.

The same things could, perhaps, almost be said of the Georgia, Florida & Alabama Railroad and of the Missouri & North Arkansas.

The truth is that rate departures are so inseparably interwoven with the commerce of the greater part of the country and so much has been erected upon them that the Gooding bill, if enacted, would probably work untold disturbance and derangement, not to say ruin. Shall the rate structures into which these departures enter topple down and be abased to the very dust simply because the citizens of the intermountain territory are afraid that the Interstate Commerce Commission may, on the applications now pending, grant departures on freight bound over the transcontinental lines to the Pacific coast?

Of course, I do not intend to dwell upon the rhapsody in which the Senator from Idaho [Mr. GOODING] has indulged with reference to the possibilities of the West and its future expansion if departures were only barred. He will have to satisfy me that he is a more accurate observer of contemporary events than I believe him to be before I shall attach much importance to him as a prophet.

I trust that this attempt to maim or hamstring the fourth section of the interstate commerce act will fail, as such efforts have always failed heretofore. Of course, any such provision as the fourth section is bound to breed a certain amount of dissatisfaction. When an act of Congress declares that a railroad may, with the approval of the commission, charge less for a longer than for a shorter distance, and that is done, such a result is almost sure, occasionally, to awaken a sense of fancied injustice on the part of individuals and localities. But on the whole the jurisdiction of the commission in the matter of departures has been justly and judiciously exercised, and is, as a general thing, regarded with popular favor. The commission prescribes certain criteria for itself in exercising the jurisdiction, to which I believe they have honestly adhered. If it is a circuitous route that desires to meet the competition of a direct route, the commission asks whether to grant the departure would involve wasteful transportation or not.

If it is requested to allow a departure on a direct line it takes care to see that when it fixes a lower rate for the longer distance, the rates to intermediate points are not unduly burdensome or unreasonably discriminatory. And that it has the power to fix such lower rates where no excessive burden or undue discrimination is created has been decided by the Supreme Court of the United States in the case of United States *v.* Atchison, Topeka & Santa Fe Railroad (234 U. S.) and the case of United States *v.* Union Pacific Railroad Co. in the same volume. Even if lower rates to the Pacific coast were fixed by the commission than to Salt Lake City or Reno or other similar interior points, that would be no just subject for complaint in a legal sense provided that the rates to these points were not excessively onerous or unduly discriminatory. A departure does not per se necessarily imply such rates.

Before I conclude, I wish further to call attention to the fact that not only is the power of granting departures exercised by the Interstate Commerce Commission, but also by State public-service commissions when dealing with intrastate rates. That shows that the exercise of the power has not only been a good thing on the whole in the sphere of the National Government, but also in the province of the State governments as well.

A thing that I do not understand is why this bill should be brought up at this late day in the session. It was reported favorably from the committee a good many weeks ago, if my memory serves me right, and it has come up for consideration in the Senate certainly at least once if not oftener, and has gone over for lack of attention, if I am not mistaken. Since it came into the Senate nobody seems to have been paying any heed to it, much less urging the Senate to pass it.

It has been allowed to drift along very much as the shallow, demagogic bill providing for an investigation into railroad propaganda has been allowed to drift. Now, toward the close of the session, when it is impossible for the bill independently of some legislative host or other to be enacted, all of a sudden there is this spasmodic effort made to infuse vitality into it, and the Senator from Nevada [Mr. PITTMAN] goes to the extraordinary length, as I conceive it, of offering the bill in the form of an amendment to the War Department appropriation bill.

Mr. President, I have been reading a good deal recently with respect to different forms of animal life that save themselves the trouble of making their own nests and are in the habit of burrowing into the tails or backs of other forms of animal life and depositing their eggs in the cavities thus created. Last night when I turned to a work on elementary science I could not but be struck with the extraordinary analogy between the effort of the Senator from Nevada to engraft his amendment on the pending bill, to which it is totally foreign in nature, and the habits of a little fish found in the waters of the European Continent which is known as the bitterling. The bitterling is a shrewd economist of time and labor, for, instead of making its own nest out of a little circle of stones or what not, it is in the habit of projecting a long ovipositor downward from its body and depositing its spawn in the shell of the mussel, and allowing the mussel to save it the task of incubation. I think that the Senator from Nevada must have been reading about the curious habits of this creature when he announced to the Senate his intention of finding a host for his amendment of the long-and-short-haul section of the interstate commerce act in a War Department appropriation bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

RESTRICTION OF IMMIGRATION—CONFERENCE REPORT

Mr. REED of Pennsylvania submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this act may be cited as the 'immigration act of 1924.'

"IMMIGRATION VISAS

"SEC. 2. (a) A consular officer upon the application of any immigrant (as defined in section 3) may (under the conditions hereinafter prescribed and subject to the limitations prescribed in this act or regulations made thereunder as to the number of immigration visas which may be issued by such officer) issue to such immigrant an immigration visa which shall consist of one copy of the application provided for in section 7, visaed by such consular officer. Such visa shall specify (1) the nationality of the immigrant; (2) whether he is a quota immigrant (as defined in section 5) or a nonquota immigrant (as defined in section 4); (3) the date on which the validity of the immigration visa shall expire; and (4) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(b) The immigrant shall furnish two copies of his photograph to the consular officer. One copy shall be permanently attached by the consular officer to the immigration visa and the other copy shall be disposed of as may be by regulations prescribed.

"(c) The validity of an immigration visa shall expire at the end of such period, specified in the immigration visa, not exceeding four months, as shall be by regulations prescribed. In the case of an immigrant arriving in the United States by water, or arriving by water in foreign contiguous territory on a continuous voyage to the United States, if the vessel, before the expiration of the validity of his immigration visa, departed from the last port outside the United States and outside foreign contiguous territory at which the immigrant embarked, and if the immigrant proceeds on a continuous voyage to the United States, then, regardless of the time of his arrival in the United States, the validity of his immigration visa shall not be considered to have expired.

"(d) If an immigrant is required by any law, or regulations or orders made pursuant to law, to secure the visa of his passport by a consular officer before being permitted to enter the United States, such immigrant shall not be required to secure any other visa of his passport than the immigration visa issued under this act, but a record of the number and date of his immigration visa shall be noted on his passport without charge therefor. This subdivision shall not apply to an immigrant who is relieved, under subdivision (b) of section 13, from obtaining an immigration visa.

"(e) The manifest or list of passengers required by the immigration laws shall contain a place for entering thereon the date, place of issuance, and number of the immigration visa of each immigrant. The immigrant shall surrender his immigration visa to the immigration officer at the port of inspection, who shall at the time of inspection indorse on the immigration visa the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The immigration visa shall be transmitted forthwith by the immigration officer in charge at the port of inspection to the Department of Labor under regulations prescribed by the Secretary of Labor.

"(f) No immigration visa shall be issued to an immigrant if it appears to the consular officer, from statements in the application, or in the papers submitted therewith, that the immigrant is inadmissible to the United States under the immigration laws, nor shall such immigration visa be issued if the application fails to comply with the provisions of this act, nor shall such immigration visa be issued if the consular officer knows or has reason to believe that the immigrant is inadmissible to the United States under the immigration laws.

"(g) Nothing in this act shall be construed to entitle an immigrant, to whom an immigration visa has been issued, to enter the United States, if, upon arrival in the United States, he is found to be inadmissible to the United States under the immigration laws. The substance of this subdivision shall be printed conspicuously upon every immigration visa.

"(h) A fee of $9 shall be charged for the issuance of each immigration visa, which shall be covered into the Treasury as miscellaneous receipts.

"DEFINITION OF 'IMMIGRANT'

"SEC. 3. When used in this act the term 'immigrant' means any alien departing from any place outside the United States destined for the United States, except (1) a government official, his family, attendants, servants, and employees, (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure, (3) an alien in continuous transit through the United States, (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory, (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman, and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

"NONQUOTA IMMIGRANTS

"SEC. 4. When used in this act the term "nonquota immigrant' means—

"(a) An immigrant who is the unmarried child under 18 years of age, or the wife, of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

"(b) An immigrant previously lawfully admitted to the United States, who is returning from a temporary visit abroad;

"(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him;

"(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

"(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

"QUOTA IMMIGRANTS

"SEC. 5. When used in this act the term 'quota immigrant' means any immigrant who is not a nonquota immigrant. An alien who is not particularly specified in this act as a nonquota immigrant or a nonimmigrant shall not be admitted as a nonquota immigrant or a nonimmigrant by reason of relationship to any individual who is so specified or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

"PREFERENCE WITHIN QUOTAS

"SEC. 6. (a) In the issuance of immigration visas to quota immigrants preference shall be given—

"(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the wife, of a citizen of the United States who is 21 years of age or over; and

"(2) To a quota immigrant who is skilled in agriculture, and his wife, and his dependent children under the age of 16 years, if accompanying or following to join him. The preference provided in this paragraph shall not apply to immigrants of any nationality the annual quota for which is less than 300.

"(b) The preference provided in subdivision (a) shall not in the case of quota immigrants of any nationality exceed 50 per cent of the annual quota for such nationality. Nothing in this section shall be construed to grant to the class of immigrants specified in paragraph (1) of subdivision (a) a priority in preference over the class specified in paragraph (2).

"(c) The preference provided in this section shall, in the case of quota immigrants of any nationality, be given in the calendar month in which the right to preference is established, if the number of immigration visas which may be issued in such month to quota immigrants of such nationality has not already been issued; otherwise in the next calendar month.

"APPLICATION FOR IMMIGRATION VISA

"SEC. 7. (a) Every immigrant applying for an immigration visa shall make application therefor in duplicate in such form as shall be by regulations prescribed.

"(b) In the application the immigrant shall state (1) the immigrant's full and true name; age, sex, and race; the date and place of birth; places of residence for the five years immediately preceding his application; whether married or single, and the names and places of residence of wife or husband and minor children if any; calling or occupation; personal description (including height, complexion, color of hair and eyes, and marks of identification); ability to speak, read, and write; names and addresses of parents, and if neither parent living, then the name and address of his nearest relative in the country from which he comes; port of entry into the United States; final destination, if any, beyond the port of entry; whether he has a ticket through to such final destination; whether going to join a relative or friend, and, if so, what relative or friend and his name and complete address; the purpose for which he is going to the United States; the length of time he intends to remain in the United States; whether or not he intends to abide in the United States permanently; whether ever in prison or almshouse; whether he or either of his parents has ever been in an institution or hospital for the care and treatment of the insane; (2) if he claims to be a nonquota immigrant, the facts on which he bases such claim; and (3) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws, as may be by regulations prescribed.

"(c) The immigrant shall furnish, if available, to the consular officer, with his application, two copies of his 'dossier' and prison record and military record, two certified copies of his birth certificate, and two copies of all other available public records concerning him kept by the Government to which he owes allegiance. One copy of the documents so furnished shall

be permanently attached to each copy of the application and become a part thereof. An immigrant having an unexpired permit issued under the provisions of section 10 shall not be subject to this subdivision. In the case of an application made before September 1, 1924, if it appears to the satisfaction of the consular officer that the immigrant has obtained a visa of his passport before the enactment of this act, and is unable to obtain the documents referred to in this subdivision without undue expense and delay, owing to absence from the country from which such documents should be obtained, the consular officer may relieve such immigrant from the requirements of this subdivision.

"(d) In the application the immigrant shall also state (to such extent as shall be by regulations prescribed) whether or not he is a member of each class of individuals excluded from admission to the United States under the immigration laws, and such classes shall be stated on the blank in such form as shall be by regulations prescribed, and the immigrant shall answer separately as to each class.

"(e) If the immigrant is unable to state that he does not come within any of the excluded classes, but claims to be for any legal reason exempt from exclusion, he shall state fully in the application the grounds for such alleged exemption.

"(f) Each copy of the application shall be signed by the immigrant in the presence of the consular officer and verified by the oath of the immigrant administered by the consular officer. One copy of the application, when visaed by the consular officer, shall become the immigration visa, and the other copy shall be disposed of as may be by regulations prescribed.

"(g) In the case of an immigrant under 18 years of age the application may be made and verified by such individual as shall be by regulations prescribed.

"(h) A fee of $1 shall be charged for the furnishing and verification of each application, which shall include the furnishing and verification of the duplicate, and shall be covered into the Treasury as miscellaneous receipts.

"NONQUOTA IMMIGRATION VISAS

"SEC. 8. A consular officer may, subject to the limitations provided in sections 2 and 9, issue an immigration visa to a nonquota immigrant as such upon satisfactory proof, under regulations prescribed under this act, that the applicant is entitled to be regarded as a nonquota immigrant.

"ISSUANCE OF IMMIGRATION VISAS TO RELATIVES

"SEC. 9. (a) In case of any immigrant claiming in his application for an immigration visa to be a nonquota immigrant by reason of relationship under the provisions of subdivision (a) of section 4, or to be entitled to preference by reason of relationship to a citizen of the United States under the provisions of section 6, the consular officer shall not issue such immigration visa or grant such preference until he has been authorized to do so as hereinafter in this section provided.

"(b) Any citizen of the United States claiming that any immigrant is his relative, and that such immigrant is properly admissible to the United States as a nonimmigrant under the provisions of subdivision (a) of section 4 or is entitled to preference as a relative under section 6, may file with the Commissioner General a petition in such form as may be by regulations prescribed, stating (1) the petitioner's name and address; (2) if a citizen by birth, the date and place of his birth; (3) if a naturalized citizen, the date and place of his admission to citizenship and the number of his certificate, if any; (4) the name and address of his employer or the address of his place of business or occupation if he is not an employee; (5) the degree of the relationship of the immigrant for whom such petition is made, and the names of all the places where such immigrant has resided prior to and at the time when the petition is filed; (6) that the petitioner is able to and will support the immigrant if necessary to prevent such immigrant from becoming a public charge; and (7) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulation prescribed.

"(c) The petition shall be made under oath administered by any individual having power to administer oaths, if executed in the United States, but, if executed outside the United States, administered by a consular officer. The petition shall be supported by any documentary evidence required by regulations prescribed under this act. Application may be made in the same petition for admission of more than one individual.

"(d) The petition shall be accompanied by the statements of two or more responsible citizens of the United States, to whom the petitioner has been personally known for at least one year, that to the best of their knowledge and belief the statements made in the petition are true and that the petitioner is a responsible individual able to support the immigrant or immigrants for whose admission application is made. These statements shall be attested in the same way as the petition.

"(e) If the Commissioner General finds the facts stated in the petition to be true, and that the immigrant in respect of whom the petition is made is entitled to be admitted to the United States as a nonquota immigrant under subdivision (a) of section 4 or is entitled to preference as a relative under section 6, he shall, with the approval of the Secretary of Labor, inform the Secretary of State of his decision, and the Secretary of State shall then authorize the consular officer with whom the application for the immigration visa has been filed to issue the immigration visa or grant the preference.

"(f) Nothing in this section shall be construed to entitle an immigrant, in respect of whom a petition under this section is granted, to enter the United States as a nonquota immigrant if, upon arrival in the United States, he is found not to be a nonquota immigrant.

"PERMIT TO REENTER UNITED STATES AFTER TEMPORARY ABSENCE

"SEC. 10. (a) Any alien about to depart temporarily from the United States may make application to the Commissioner General for a permit to reenter the United States, stating the length of his intended absence and the reasons therefor. Such application shall be made under oath, and shall be in such form and contain such information as may be by regulations prescribed, and shall be accompanied by two copies of the applicant's photograph.

"(b) If the Commissioner General finds that the alien has been legally admitted to the United States, and that the application is made in good faith, he shall, with the approval of the Secretary of Labor, issue the permit, specifying therein the length of time, not exceeding one year, during which it shall be valid. The permit shall be in such form as shall be by regulations prescribed and shall have permanently attached thereto the photograph of the alien to whom issued, together with such other matter as may be deemed necessary for the complete identification of the alien.

"(c) On good cause shown the validity of the permit may be extended for such period or periods, not exceeding six months each, and under such conditions, as shall be by regulations prescribed.

"(d) For the issuance of the permit, and for each extension thereof, there shall be paid a fee of $3, which shall be covered into the Treasury as miscellaneous receipts.

"(e) Upon the return of the alien to the United States the permit shall be surrendered to the immigration officer at the port of inspection.

"(f) A permit issued under this section shall have no effect under the immigration laws, except to show that the alien to whom it is issued is returning from a temporary visit abroad; but nothing in this section shall be construed as making such permit the exclusive means of establishing that the alien is so returning.

"NUMERICAL LIMITATIONS

"SEC. 11. (a) The annual quota of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

"(b) The annual quota for any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

(c) For the purpose of subdivision (b) national origin shall be ascertained by determining as nearly as may be, in respect of each geographical area which under section 12 is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4) the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses, and such other data as may be found to be reliable.

"(d) For the purpose of subdivisions (b) and (c) the term 'inhabitants in continental United States in 1920' does not include (1) immigrants from the geographical areas specified in subdivision (c) of section 4 or their descendants, (2) aliens ineligible to citizenship or their descendants, (3) the descendants of slave immigrants, or (4) the descendants of American aborigines.

"(e) The determination provided for in subdivision (c) of this section shall be made by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly. In making such determination such officials may call for information and expert assistance from the Bureau of the Census. Such officials shall, jointly, report to the President the quota of each nationality, determined as provided in subdivision (b), and the President shall proclaim and make known the quotas so reported. Such proclamation shall be made on or before April 1, 1927. If the proclamation is not made on or before such date, quotas proclaimed therein shall not be in effect for any fiscal year beginning before the expiration of 90 days after the date of the proclamation. After the making of a proclamation under this subdivision the quotas proclaimed therein shall continue with the same effect as if specifically stated herein, and shall be final and conclusive for every purpose except (1) in so far as it is made to appear to the satisfaction of such officials and proclaimed by the President, that an error of fact has occurred in such determination or in such proclamation, or (2) in the case provided for in subdivision (c) of section 12. If for any reason quotas proclaimed under this subdivision are not in effect for any fiscal year, quotas for such year shall be determined under subdivision (a) of this section.

"(f) There shall be issued to quota immigrants of any nationality (1) no more immigration visas in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more immigration visas than 10 per cent of the quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the commissioner general with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

"(g) Nothing in this act shall prevent the issuance (without increasing the total number of immigration visas which may be issued) of an immigration visa to an immigrant as a quota immigrant even though he is a nonquota immigrant.

"NATIONALITY

"SEC. 12. (a) For the purposes of this act nationality shall be determined by country of birth, treating as separate countries the colonies, dependencies, or self-governing dominions, for which separate enumeration was made in the United States census of 1890; except that (1) the nationality of a child under 21 years of age not born in the United States, accompanied by its alien parent not born in the United States, shall be determined by the country of birth of such parent if such parent is entitled to an immigration visa, and the nationality of a child under 21 years of age not born in the United States, accompanied by both alien parents not born in the United States, shall be determined by the country of birth of the father if the father is entitled to an immigration visa; and (2) if a wife is of a different nationality from her alien husband and the entire number of immigration visas which may be issued to quota immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to an immigration visa, unless the total number of immigration visas which may be issued to quota immigrants of the nationality of the husband for the calendar month has already been issued. An immigrant born in the United States who has lost his United States citizenship shall be considered as having been born in the country of which he is a citizen or subject, or if he is not a citizen or subject of any country, then in the country from which he comes.

"(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. In the case of a country recognized by the United States, but for which a separate enumeration was not made in the census of 1890, the number of individuals born in such country and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890. In the case of a colony or dependency existing before 1890, but for which a separate enumeration was not made in the census of 1890 and which was not included in the enumeration for the country to which such colony or dependency belonged, or in the case of territory administered under a protectorate, the number of individuals born in such colony, dependency, or territory, and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890 to have been born in the country to which such colony or dependency belonged or which administers such protectorate.

"(c) In case of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting in the creation of new countries, the governments of which are recognized by the United States, or in the establishment of self-governing dominions, or in the transfer of territory from one country to another, such transfer being recognized by the United States, or in the surrender by one country of territory, the transfer of which to another country has not been recognized by the United States, or in the administration of territories under mandates, (1) such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or self-governing dominions or in such territory so transferred or surrendered or administered under a mandate, and revise (for the purposes of subdivision (a) of section 11) the population basis as to each country involved in such change of political boundary, and (2) if such changes in political boundaries occur after the determination provided for in subdivision (c) of section 11 has been proclaimed, such officials, jointly, shall revise such determination, but only so far as necessary to allot the quotas among the countries involved in such change of political boundary. For the purpose of such revision and for the purpose of determining the nationality of an immigrant, (A) aliens born in the area included in any such new country or self-governing dominion shall be considered as having been born in such country or dominion, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred, and (B) territory so surrendered or administered under a mandate shall be treated as a separate country. Such treatment of territory administered under a mandate shall not constitute consent by the United States to the proposed mandate where the United States has not consented in a treaty to the administration of the territory by a mandatory power.

"(d) The statements, estimates, and revisions provided in this section shall be made annually, but for any fiscal year for which quotas are in effect as proclaimed under subdivision (e) of section 11 shall be made only (1) for the purpose of determining the nationality of immigrants seeking admission to the United States during such year, or (2) for the purposes of clause (2) of subdivision (c) of this section.

"(e) Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported and thereafter such quotas shall continue, with the same effect as if specifically stated herein, for all fiscal years except those for which quotas are in effect as proclaimed under subdivision (e) of section 11, and shall be final and conclusive for every purpose.

"EXCLUSION FROM UNITED STATES

"SEC. 13. (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of the immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a nonquota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

"(b) In such classes of cases and under such conditions as may be by regulations prescribed immigrants who have been legally admitted to the United States and who depart therefrom temporarily may be admitted to the United States without being required to obtain an immigration visa.

"(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

"(d) The Secretary of Labor may admit to the United States any otherwise admissible immigrant not admissible under clause (2) or (3) of subdivision (a) of this section, if satisfied that such inadmissibility was not known to, and could not have been ascertained by the exercise of reasonable dili-

gence by, such immigrant prior to the departure of the vessel from the last port outside the United States and outside foreign contiguous territory, or, in the case of an immigrant coming from foreign contiguous territory, prior to the application of the immigrant for admission.

"(e) No quota immigrant shall be admitted under subdivision (d) if the entire number of immigration visas which may be issued to quota immigrants of the same nationality for the fiscal year has already been issued. If such entire number of immigration visas has not been issued, then the Secretary of State, upon the admission of a quota immigrant under subdivision (d), shall reduce by one the number of immigration visas which may be issued to quota immigrants of the same nationality during the fiscal year in which such immigrant is admitted; but if the Secretary of State finds that it will not be practicable to make such reduction before the end of such fiscal year, then such immigrant shall not be admitted.

"(f) Nothing in this section shall authorize the remission or refunding of a fine, liability to which has accrued under section 16.

"DEPORTATION

"SEC. 14. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under this act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the immigration act of 1917: *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States, any alien child who, when under 16 years of age was heretofore temporarily admitted to the United States and who is now within the United States and either of whose parents is a citizen of the United States.

"MAINTENANCE OF EXEMPT STATUS

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clauses (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed, and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), (4), or (6) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

"PENALTY FOR ILLEGAL TRANSPORTATION

"SEC. 16. (a) It shall be unlawful for any person, including any transportation company, or the owner, master, agent, charterer, or consignee of any vessel, to bring to the United States by water from any place outside thereof (other than foreign contiguous territory) (1) any immigrant who does not have an unexpired immigration visa, or (2) any quota immigrant having an immigration visa the visa in which specifies him as a nonquota immigrant.

"(b) If it appears to the satisfaction of the Secretary of Labor that any immigrant has been so brought, such person, or transportation company, or the master, agent, owner, charterer, or consignee of any such vessel, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each immigrant so brought, and in addition a sum equal to that paid by such immigrant for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, such latter sum to be delivered by the collector of customs to the immigrant on whose account assessed. No vessel shall be granted clearance pending the determination of the liability to the payment of such sums, or while such sums remain unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of an amount sufficient to cover such sums, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(c) Such sums shall not be remitted or refunded, unless it appears to the satisfaction of the Secretary of Labor that such person, and the owner, master, agent, charterer, and consignee of the vessel, prior to the departure of the vessel from the last port outside the United States, did not know, and could not have ascertained by the exercise of reasonable diligence: (1) That the individual transported was an immigrant, if the fine was imposed for bringing an immigrant without an unexpired immigration visa, or (2) that the individual transported was a quota immigrant, if the fine was imposed for bringing a quota immigrant the visa in whose immigration visa specified him as being a nonquota immigrant.

"ENTRY FROM FOREIGN CONTIGUOUS TERRITORY

"SEC. 17. The Commissioner General, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favor of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of aliens brought thereto by them, to submit to and comply with all the requirements of this act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from or through foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that he was brought to such territory by a transportation company which had submitted to and complied with all the requirements of this act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

"UNUSED IMMIGRATION VISAS

"SEC. 18. If a quota immigrant of any nationality having an immigration visa is excluded from admission to the United States under the immigration laws and deported, or does not apply for admission to the United States before the expiration of the validity of the immigration visa, or if an alien of any nationality having an immigration visa issued to him as a quota immigrant is found not to be a quota immigrant, no additional immigration visa shall be issued in lieu thereof to any other immigrant.

"ALIEN SEAMEN

"SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman (which inspection in all cases shall include a personal physical examination by the medical examiners), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

"(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

"(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents,

consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act.

"PREPARATION OF DOCUMENTS

"SEC. 21. (a) Permits issued under section 10 shall be printed on distinctive safety paper and shall be prepared and issued under regulations prescribed under this act.

"(b) The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

"OFFENSES IN CONNECTION WITH DOCUMENTS

"SEC. 22. (a) Any person who knowingly (1) forges, counterfeits, alters, or falsely makes any immigration visa or permit, or (2) utters, uses, attempts to use, possesses, obtains, accepts, or receives any immigration visa or permit, knowing it to be forged, counterfeited, altered, or falsely made, or to have been procured by means of any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or who, except under direction of the Secretary of Labor or other proper officer, knowingly (3) possesses any blank, permit, (4) engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of permits, (5) makes any print, photograph, or impression in the likeness of any immigration visa or permit, or (6) has in his possession a distinctive paper which has been adopted by the Secretary of Labor for the printing of immigration visas or permits, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(b) Any individual who (1) when applying for an immigration visa or permit, or for admission to the United States, personates another or falsely appears in the name of a deceased individual, or evades or attempts to evade the immigration laws by appearing under an assumed or fictitious name, or (2) sells or otherwise disposes of, or offers to sell or otherwise dispose of, or utters, an immigration visa or permit, to any person not authorized by law to receive such document, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(c) Whoever knowingly makes under oath any false statement in any application, affidavit, or other document required by the immigration laws or regulations prescribed thereunder, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"BURDEN OF PROOF

"SEC. 23. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration visa, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

"RULES AND REGULATIONS

"SEC. 24. The Commissioner General, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all such rules and regulations, in so far as they relate to the administration of this act by consular officers, shall be prescribed by the Secretary of State on the recommendation of the Secretary of Labor.

"ACT TO BE IN ADDITION TO IMMIGRATION LAWS

"SEC. 25. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connection with the provisions of this act. An alien, although admissible under the provisions of this act, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this act, and an alien, although admissible under the provisions of the immigration laws other than this act, shall not be admitted to the United States if he is excluded by any provision of this act.

"STEAMSHIP FINES UNDER 1917 ACT

"SEC. 26. Section 9 of the immigration act of 1917 is amended to read as follows:

"'SEC. 9. That it shall be unlawful for any person, including any transportation company other than railway lines entering the United States from foreign contiguous territory, or the owner, master, agent, or consignee of any vessel to bring to the United States either from a foreign country or any insular possession of the United States any alien afflicted with idiocy, insanity imbecility, feeble-mindedness, epilepsy, constitutional psychopathic inferiority, chronic alcoholism, tuberculosis in any form, or a loathsome or dangerous contagious disease, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was afflicted with any of the said diseases or disabilities at the time of foreign embarkation, and that the existence of such disease or disability might have been detected by means of a competent medical examination at such time, such person or tranportation company, or the master, agent, owner, or consignee of any such vessel shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival for each and every violation of the provisions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien afflicted with any mental defect other than those above specifically named, or physical defect of a nature which may affect his ability to earn a living, as contemplated in section 3 of this act, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was so afflicted at the time of foreign embarkation, and that the existence of such mental or physical defect might have been detected by means of a competent medical examination at such time, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $250, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien for whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien who is excluded by the provisions of section 3 of this act because unable to read, or who is excluded by the terms of section 3 of this act as a native of that portion of the Continent of Asia and the islands adjacent thereto described in said section, and if it shall appear to the satisfaction of the Secretary of Labor that these disabilities might have been detected by the exercise of reasonable precaution prior to the departure of such aliens from a foreign port, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien on whose account assessed.

"'If a fine is imposed under this section for the bringing of an alien to the United States, and if such alien is accompanied by another alien who is excluded from admission by the last proviso of section 18 of this act, the person liable for such fine shall pay to the collector of customs, in addition to such fine but as a part thereof, a sum equal to that paid by such accompanying alien for his transportation from his initial point of departure indicated in his ticket, to the point of arrival, such sum to be delivered by the collector of customs to the accompanying alien when deported. And no vessel shall be granted clearance papers pending the determination of the question of the liability to the payment of such fines, or while the fines remain unpaid, nor shall such fines be remitted or refunded: *Provided*, That clearance may be granted prior to the determination of such questions upon the deposit of a sum sufficient to cover such fines or of a bond with sufficient surety to secure the payment thereof, approved by the collector of customs: *Provided further*, That nothing contained in this section shall be construed to subject transportation companies to a fine for bringing to ports of the United States aliens who are by any of the provisos or exceptions to section 3 of this act exempted from the excluding provisions of said section.'

"SEC. 27. Section 10 of the immigration act of 1917 is amended to read as follows:

"'SEC. 10. (a) That it shall be the duty of every person, including owners, masters, officers, and agents of vessels of transportation lines, or international bridges or toll roads, other than railway lines which may enter into a contract as provided in section 23, bringing an alien to, or providing a means for an alien to come to, the United States, to prevent the landing of

was imposed for bringing an immigrant without an unexpired | but shall remain in force as to all vessels, their owners, agents,

any transportation company other than railway lines entering

such alien in the United States at any time or place other than as designated by the immigration officers. Any such person, owner, master, officer, or agent who fails to comply with the foregoing requirements shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in each case of not less than $200 nor more than $1,000, or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment; or, if in the opinion of the Secretary of Labor it is impracticable or inconvenient to prosecute the person, owner, master, officer, or agent of any such vessel, such person, owner, master, officer, or agent shall be liable to a penalty of $1,000, which shall be a lien upon the vessel whose owners, master, officer, or agent violates the provisions of this section, and such vessel shall be libeled therefor in the appropriate United States court.

"'(b) Proof that the alien failed to present himself at the time and place designated by the immigration officers shall be prima facie evidence that such alien has landed in the United States at a time or place other than as designated by the immigration officers.'

"GENERAL DEFINITIONS

"SEC. 28. As used in this act—

"(a) The term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands; and the term 'continental United States' means the States and the District of Columbia;

"(b) The term 'alien' includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, nor citizens of the islands under the jurisdiction of the United States;

"(c) The term 'ineligible to citizenship,' when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 2169 of the Revised Statutes, or under section 14 of the act entitled 'An act to execute certain treaty stipulations relating to Chinese,' approved May 6, 1882, or under section 1996, 1997, or 1998 of the Revised Statutes, as amended, or under section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, or under law amendatory of, supplementary to, or in substitution for, any of such sections;

"(d) The term 'immigration visa' means an immigration visa issued by a consular officer under the provisions of this act;

"(e) The term 'consular officer' means any consular or diplomatic officer of the United States designated, under regulations prescribed under this act, for the purpose of issuing immigration visas under this act. In case of the Canal Zone and the insular possessions of the United States the term 'consular officer' (except as used in sec. 24) means an officer designated by the President, or by his authority, for the purpose of issuing immigration visas under this act;

"(f) The term 'immigration act of 1917' means the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens to, and the residence of aliens in, the United States';

"(g) The term 'immigration laws' includes such act, this act, and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens;

"(h) The term 'person' includes individuals, partnerships, corporations, and associations;

"(i) The term 'commissioner general' means the Commissioner General of Immigration;

"(j) The term 'application for admission' has reference to the application for admission to the United States and not to the application for the issuance of the immigration visa;

"(k) The term 'permit' means a permit issued under section 10;

"(l) The term 'unmarried,' when used in reference to any individual as of any time, means an individual who at such time is not married, whether or not previously married;

"(m) The terms 'child,' 'father,' and 'mother,' do not include a child or parent by adoption unless the adoption took place before January 1, 1924;

"(n) The terms 'wife' and 'husband' do not include a wife or husband by reason of a proxy or picture marriage.

"AUTHORIZATION OF APPROPRIATION

"SEC. 29. The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized.

"ACT OF MAY 19, 1921

"SEC. 30. The act entitled 'An act to limit the immigration of aliens into the United States,' approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder, and any alien who prior to July 1, 1924, may have entered the United States in violation of such act or regulations made thereunder may be deported in the same manner as if such act had not expired.

"TIME OF TAKING EFFECT

"SEC. 31. (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11, shall take effect on July 1, 1924, except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per cent of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

"(b) The remainder of this act shall take effect upon its enactment.

"(c) If any alien arrives in the United States before July 1, 1924, his right to admission shall be determined without regard to the provisions of this act, except section 23.

"SAVING CLAUSE IN EVENT OF UNCONSTITUTIONALITY

"SEC. 32. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

DAVID A. REED,
HENRY W. KEYES,
WM. J. HARRIS,
Managers on the part of the Senate.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
JOHN E. RAKER,
Managers on the part of the House.

Mr. REED of Pennsylvania. Mr. President, I move the adoption of the conference report by the Senate, and on that motion I ask for the yeas and nays.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED of Pennsylvania. I yield.

Mr. KING. Does the Senator wish to disturb the consideration of the pending bill by taking up the conference report?

Mr. REED of Pennsylvania. I understand that under the rules the motion to take up the conference report is privileged.

Mr. KING. I know that it is privileged, but I had hoped that the Senator would let the conference report lie on the table until a later hour this afternoon or to-morrow, in order to give us an opportunity to examine it.

Mr. LODGE. The conference report has got to be read, of course.

Mr. McKELLAR. I hope the Senator from Utah will not insist upon delaying the consideration of the conference report. Let us vote on it.

Mr. KING. Mr. President, of course, I may be in the minority, but I am opposed to the conference report, and I am opposed to the bill in its present form; and I think there are a number of its features that, perhaps, ought to be considered.

Mr. SMITH. May we not have the report read, Mr. President, in order that we may know what changes have been made in the bill by the conference report?

Mr. LODGE. Mr. President, of course, the conference report will be read. The Senator from Pennsylvania [Mr. REED] has moved to agree to the report. The privilege of the conference report extends merely to its presentation. After that any motion in reference to it is in order, and the Senator from Pennsylvania has made a debatable motion.

Mr. ROBINSON. I inquire if the conference report has been printed and is available for the use of the Senate?

Mr. REED of Pennsylvania. The report has been printed in full in the CONGRESSIONAL RECORD. I can explain very briefly just what has been done in conference, if the Senator cares to hear it.

The PRESIDING OFFICER. The Chair is informed that the conference report has also been printed as a House document.

Mr. REED of Pennsylvania. I think the conference report is also printed as a House document, but I have not the number of the document.

Mr. McKELLAR. I should like to have the Senator from Pennsylvania explain the conference report.

Mr. REED of Pennsylvania. I shall be glad to do so.

Mr. President, the conferees have adopted the Senate bill, in substance. The changes of any importance which were made were these: We have included the provisions of the House bill for certain types of nonquota immigrants. The difference between nonquota immigrants and quota immigrants is merely that the nonquota immigrants are required to furnish full information about themselves before getting a visé of their passports. The only additional classes of persons whom we admit outside of quota immigrants——

Mr. ROBINSON. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON. Does the Senator from Pennsylvania expect to take up the conference report now and to have it acted upon?

Mr. REED of Pennsylvania. I hope to get a vote on the conference report at once.

Mr. ROBINSON. Then I think Senators ought to have an opportunity of being present in order to hear the statement of the Senator from Pennsylvania; and if the Senator will yield to me for that purpose, I will suggest the absence of a quorum.

Mr. REED of Pennsylvania. I yield for that purpose.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Fess	Lodge	Shipstead
Ball	Fletcher	McKellar	Shortridge
Bayard	Frazier	McLean	Simmons
Borah	George	McNary	Smith
Brandegee	Gerry	Mayfield	Smoot
Brookhart	Glass	Neely	Stanfield
Broussard	Gooding	Norbeck	Stephens
Bruce	Hale	Norris	Sterling
Butler	Harreld	Oddie	Swanson
Cameron	Harris	Overman	Trammell
Capper	Harrison	Owen	Wadsworth
Caraway	Heflin	Pepper	Walsh, Mont.
Colt	Howell	Phipps	Warren
Copeland	Johnson, Calif.	Pittman	Watson
Cummins	Johnson, Minn.	Ralston	Weller
Curtis	Jones, N. Mex.	Ransdell	Wheeler
Dale	Jones, Wash.	Reed, Mo.	Willis
Dial	Kendrick	Reed, Pa.	
Dill	Keyes	Robinson	
Edge	King	Sheppard	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, there is a quorum present.

Mr. REED of Pennsylvania. Mr. President, I was just starting to describe the only important matters of difference between the conference bill and the immigration bill as it passed the Senate.

The House has yielded to practically everything of importance that was in dispute between the two Houses, with the exception of the nonquota class of immigrants, and as to that item they have yielded almost all that was in dispute. The only nonquota immigrants permitted by the conference bill beyond those who were permitted by the Senate bill are the wives and the children under 18 of American citizens resident here. That is to say, under the Senate bill the wife of an American citizen resident here would be given a preference within the quota, but would be charged against the quota nevertheless, while under the conference bill a wife under those circumstances would be admitted outside the quota.

The question is important only because of the recent enactment of what is known as the Cable Act, which provides that marriage does not automatically operate to transfer the wife's citizenship to that of the husband. Before the Cable Act these same wives under the same circumstances would have been permitted to enter the United States of their own right as American citizens, but under the Cable Act they do not by their marriage acquire American citizenship. What we have done here has been to admit them as nonquota immigrants. They are not charged against the quota; but we have stricken out the House provisions as to parents and as to husbands and as to skilled labor, and practically all of the House nonquota immigrants who would have come in in great numbers in addition to the quota.

The only other point on which we yielded in that regard was as to professors coming to accredited colleges and ministers of recognized religious denominations; and the number of those who will come in any one year is so small that in our judgment it is negligible.

The next important change lay in the Asiatic exclusion clause. Under the Senate bill, the Asiatic exclusion clause would have taken effect immediately upon enactment. Under the conference bill as it now stands—it went through several phases, but in the shape in which it now stands—the exclusion act will take effect on July 1 of this year. The reason why that seems to us wiser than the Senate bill is that there is a small number of Japanese now on the ocean, and it did not seem fair to clap the law on while they were in transit. When the quota law of 1921 was passed nobody thought about the people who were on the ocean, and the act was made to take effect immediately on its adoption, and Congress within a few weeks afterwards had to pass a joint resolution extending the time in substance so as to admit all of those people who were on the ocean at the time the act of 1921 was signed. We do not want to make that mistake here, and so we have made the exclusion clause take effect July 1.

Mr. ROBINSON. Mr. President, may I ask the Senator a question in connection with the exclusion clause?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON. There is no suggestion in the clause as it has been finally agreed upon that any treaty respecting immigration or exclusion shall be negotiated?

Mr. REED of Pennsylvania. Absolutely not any.

Mr. ROBINSON. The conference report, then, recognizes immigration as a domestic issue, and seeks to put no limitation upon the exclusion, except that it shall not take effect until July 1?

Mr. REED of Pennsylvania. Absolutely not any restriction whatever. It is treated as a domestic question. It is handled by legislation only, and there is no suggestion of any treaty modification.

Mr. BAYARD. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Delaware?

Mr. REED of Pennsylvania. I do.

Mr. BAYARD. Would not the deferment of the operation of this act so far as Asiatic exclusion is concerned tend to open the door to a ratification of the gentlemen's agreement up until July 1, 1924?

Mr. REED of Pennsylvania. Not at all. There is no recognition in the act of the existence of any such thing as a gentlemen's agreement. We do not even go so far as did the quota act of 1921, which referred to such agreements generally. We do not even do that in this act.

Mr. BAYARD. But all other portions of the proposed act go into effect immediately upon its becoming a law, do they not?

Mr. REED of Pennsylvania. No; not at all. Only so many sections go into effect immediately as are necessary to enable the consuls abroad to issue immigration visas in the meantime; but all of the quota provisions take effect July 1. The present quota law will continue in effect until the last day of June.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Washington?

Mr. REED of Pennsylvania. I yield to the Senator from Washington.

Mr. JONES of Washington. I have not had time to examine this report. I am advised by a gentleman who ought to know that this report very materially modifies the seamen's act. I should like to know whether that is correct.

Mr. REED of Pennsylvania. I agree with the Senator that his informant ought to know, if it is the same informant that has been appealing to me.

Mr. JONES of Washington. It is Mr. Furuseth.

Mr. REED of Pennsylvania. Yes; Mr. Furuseth has made the same claim to me over and over again, but he is absolutely wrong; and all of the members of the conference committee, so far as I know, feel that he is wrong, with the possible exception of the Senator from Utah [Mr. KING].

Mr. JONES of Washington. So that there is not any intention, at any rate, to modify the seamen's act seriously?

Mr. REED of Pennsylvania. Absolutely not, and in fact we rejected several suggestions that were made by him because we were fearful that they would change the La Follette Seamen's Act, and our intention has been the exact contrary. We have been anxious to avoid any change in that act, and I am perfectly confident as a matter of law that we have avoided it. I think Mr. Furuseth's objections arise out of his great caution and his great care in this matter, but I think he is overfearful.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Tennessee?

Mr. REED of Pennsylvania. I do.

Mr. McKELLAR. I desire to ask the Senator about the so-called Simmons amendment in reference to skilled labor—farm labor.

Mr. REED of Pennsylvania. Yes; I am glad the Senator asked me about that. We have not been able to secure a complete acceptance of it, but we have secured it in substance. Under the act preferences are given within the quota up to the extent——

Mr. McKELLAR. What page of the pamphlet does the Senator refer to?

Mr. REED of Pennsylvania. Section 6, page 4, of the pamphlet. Preferences are given first to the children under 21, the father, the mother, the husband, or the wife of an American citizen who himself is over 21; next, to quota immigrants who are skilled in agriculture, and their wives, and their dependent children under the age of 16, if accompanying or immediately following them. Then it is provided that there shall be no priority between those two classes of preferences; that is to say, that relatives and farmers, farm laborers, shall have a common preference within the quota up to 50 per cent of the quota of each nationality.

That, in substance, is the same as the Simmons amendment. The only point of difference lies in this, that the Simmons amendment provided that the governors or legislatures of particular States might put in a claim for so many immigrants. We were fearful, first, that that provision would not be effective, because obviously we can not restrain the immigrant's movements after he is admitted to the United States; and, next, that it would lead to a clash between the authorities of different States. For those reasons the conferees thought it wisest to leave out that feature.

Mr. HARRIS. Mr. President——

Mr. REED of Pennsylvania. I yield to the Senator from Georgia.

Mr. HARRIS. The change was satisfactory to the Senator from North Carolina [Mr. SIMMONS].

Mr. REED of Pennsylvania. I understood that it was satisfactory to the Senator from North Carolina, and that he saw the force of our reasons for leaving out that feature.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Utah?

Mr. REED of Pennsylvania. I yield to the Senator from Utah.

Mr. KING. I think the Senator should state that the conferees representing the Senate presented fully the views of those who had advocated that amendment to the bill as it was reported and contended for it, but that the House refused to accede to our view, and the compromise is the one which has just been described by the Senator.

Mr. REED of Pennsylvania. I thank the Senator for his suggestion. I supposed it would be assumed, and it was the fact, that we conceived it to be our duty to put forward the thought of the Senate in the adoption of each of these points in disagreement. We did our best to represent the arguments of the sponsors of each of these amendments, and in the main we succeeded in keeping them in.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Mississippi?

Mr. REED of Pennsylvania. I yield to the Senator.

Mr. HARRISON. Do I understand that the Senate conferees insisted in conference against the exceptions that were put on in the House, which added many thousands of immigrants to this country?

Mr. REED of Pennsylvania. We did insist, and we insisted against that for day after day, and we succeeded in our insistence as to those classes which will add the largest numbers. Those points on which we yielded are the people who will be fewest in number.

Mr. HARRISON. May I ask the Senator whether the conferees have met in the last two days for the purpose of revising the proposition and striking out some of the exceptions?

Mr. REED of Pennsylvania. The conferees met on the day that the House directed their conferees to strike out the Japanese-extension provision, which they had recommended. We have not met since that day.

Mr. HARRISON. I do not want to ask the Senator anything that happened in executive session of the conference, but in the last two or three days has not the chairman of the House conference committee asked the Senate conferees if they would not meet and agree on striking out this provision touching ministers and professors, thereby reducing the number of the nonquota group?

Mr. REED of Pennsylvania. I think it was on Saturday or Monday last, I am not sure which, that the chairman of the House conferees applied to us for a further conference on the matter of striking out that clause, and the Senate conferees unanimously declined to open up the agreement, which had already been signed.

Mr. HARRISON. Does the Senator think that the conferees were carrying out the instructions of the Senate when they declined that invitation, which would have reduced the number and come closer to the views of the Senate?

Mr. REED of Pennsylvania. I am absolutely certain of it, because if we had yielded to that request we might have opened up this agreement, and we would have lost the benefits of this act to a far greater extent——

Mr. HARRISON. Opened up what agreement—the Japanese question?

Mr. REED of Pennsylvania. No; I am not afraid of opening up the Japanese question, but we have here a bill that is much more exclusive than the House bill. It was bitterly resisted by some of the House conferees. We fought to hold down the number, and we have succeeded. We are all satisfied with the result that we got, and we did not want to jeopardize it.

Mr. HARRISON. What I am interested in is whether or not the conferees carried out the instructions of the Senate. The instructions of the Senate were that we were to abide by 2 per cent of the census of 1890. We voted against any exceptions being made. The House conferees, as we now understand, asked for another conference so that the number of exceptions might be reduced, and we find that the Senate conferees said: "No; we will not do it, because we do not want to open it up."'

Mr. REED of Pennsylvania. But we could not agree to a partial conference. If we had agreed to any further conference it would have been on the whole bill, and we had gained so much that we did not want to risk losing what we had gained.

Mr. HARRISON. I understand that; but the conferees of the House and Senate have met, and they have adjourned, and they have been called together at the instance of the President, and then they have adjourned, a great many times; and if they had met this time at the invitation of the chairman of the House conferees, they would have come nearer carrying out the instructions of the Senate.

Mr. McKELLAR. Mr. President, may I ask how many additional immigrants are allowed under the compromise provision?

Mr. REED of Pennsylvania. These nonquota immigrants will be the wives of American citizens living here, children under 18, and ministers and professors. That is the only addition. I can only guess at the number, but I should say that in the total the nonquota immigrants admitted under the conference bill will be about one-fourth of the number that would have been admitted under the House bill. Nobody can do better than guess at it.

Mr. KING. I think it is fair to state, Mr. President, that the arguments which were adduced by the House conferees in favor of certain exemptions coming within the nonquota class, particularly wives of American citizens, were appealing and persuasive. I will say frankly that the arguments appealed to me, and I do not think they were sufficiently stressed in the consideration of the bill when it was before the Senate. However, the chairman of the Senate conferees, the Senator from Pennsylvania, insisted upon the bill in these respects as it came from the Senate, but the House conferees—and I hope I am not betraying any confidence—took the position that certain exceptions should go into the bill, and in that respect they refused at the beginning of the conference to accede to the position taken by the Senate conferees.

I am sure the Senator from Pennsylvania and the other conferees—I shall not speak for myself—attempted to carry out the instructions of the Senate, and I will say frankly that some of the provisions of the Senate bill for which I contended in conference, carrying out the views of the Senate, were not agreeable to me. By that I mean I sought to carry out the

wishes of the Senate, though some of them were against my views. As Senators know, I voted against the Senate bill because some of its provisions were not in accord with my views. But as ranking minority member of the conference I attempted to secure a bill that would meet the views of the Senate as expressed in the bill approved by them.

Mr. REED of Pennsylvania. Just one word further, Mr. President. I want to explain what was done about the matter of alien seamen. The Senate Immigration Committee had stricken out all references to alien seamen because we thought that matter ought to await further consideration and be treated in a separate bill. The House had a rather complicated and intricate method of handling alien seamen, and we went into conference with this elaborate House provision and nothing at all on the subject in the Senate provisions.

We had two things in mind. In the first place, we did not want to change the provisions of the La Follette seamen's law, not because we were convinced that they were all so wise and beneficial but because we had not studied the subject enough to tinker with that law in any way. All the Senate conferees felt that way about it.

In the next place, the various interests involved, the shipping companies on one part, the immigration authorities on another part, and the seamen's association for a third group, could no two of them agree on what ought to be done about the alien seamen. There was no agreement on any provision by those three groups which were interested in that question.

What we have done finally has been to take that provision in the bill as it passed the House, which was a mere restatement of the present immigration law of 1917 and will be found in section 19 of the law, which merely provides that no alien seaman who is ineligible as an immigrant shall be permitted to land, except temporarily and under such regulations as the Department of Labor may establish. That is the present law. There is no change in that whatever.

Next, we cut out absolutely the landing-card provision, to which Mr. Furuseth objected so strenuously. There is a good deal to be said for the landing-card system, because it furnishes conclusive identification for deserting seamen. On the other hand, the immigration authorities, or some of them, say that it has been and that it is a failure, practically. Mr. Furuseth argued with great force that it treated alien seamen like convicts, and that that was not a reasonable thing to do; and because of those two arguments we succeeded in striking out the whole of the landing-card section, which was section 20, the one immediately following section 19.

All we have done to the alien seaman law that is new has been to provide that after the inspection of alien seamen by the immigration authorities—and that inspection is required under the present law, and there is nothing new about that—the shipowner or master must keep on board any seaman who is indicated by the immigration inspector as unfit to land. There is a loophole in the present law. The present law requires that such seamen be kept on board until examination. It requires that they be examined, but it does not provide any penalty for the ship captain who lets a man slip overboard or on shore between the time of the examination and the time he is to be put in the hospital.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. REED of Pennsylvania. I yield.

Mr. SHIPSTEAD. The Senator says that the sailor must be inspected. By whom? By the Public Health Service or by the immigration authorities?

Mr. REED of Pennsylvania. The Public Health Service makes the inspection for the immigration authorities. That is under the present law, and that is not changed in any way.

Mr. SHIPSTEAD. An examination into the question of whether or not they are entitled to citizenship?

Mr. REED of Pennsylvania. Oh, no; into the question of whether or not they are entitled to temporary landing.

Mr. SHIPSTEAD. Under this you take a sailor out of the immigration question——

Mr. REED of Pennsylvania. Absolutely.

Mr. SHIPSTEAD. And in section 15 you put him right back again.

Mr. REED of Pennsylvania. Oh, no; that is Mr. Furuseth's argument. If the Senator will look at section 3, he will see very clearly that an alien seaman is taken clear out of the class of immigrants; that he is permitted to land just as a government official is permitted to land. He is not treated as an immigrant at all. What we do and what we need to do is to require a physical examination, and to see that a man who is found to have a contagious disease goes to the hospital after the examination. Just let me finish this explanation and I think it will be clear.

It happens in hundreds of cases, under the present law, that the public health doctors who make the examination for the immigration authorities find a man with trachoma, or with some kind of acute venereal disease, or perhaps even with the smallpox. He says to that man, "You stay on board until you can be taken to the hospital at Ellis Island and put in the contagious-disease ward." The moment the inspector leaves the ship the man slips overboard, or onto the pier, as the case may be, and there is nothing in the present law which enables us to punish or fine the captain of that ship. The only change we make in the law is this: That we require the captain to keep that man on board, in the brig, if necessary, until we can get him in the hospital.

Mr. ROBINSON. Will the Senator yield for a question?

Mr. REED of Pennsylvania. I yield.

Mr. ROBINSON. Does the present law permit a seaman to land under such conditions, after he has been examined and found afflicted with a contagious disease?

Mr. REED of Pennsylvania. No; it does not permit him to land; but it does not put any penalty on the master who lets him land.

Mr. ROBINSON. The law contemplates that he shall not land?

Mr. REED of Pennsylvania. Precisely.

Mr. ROBINSON. And the amendment is intended only to give effect to the intention of the present law?

Mr. REED of Pennsylvania. That is exactly it.

Mr. ROBINSON. No alien seaman has been denied the right to land if he is entitled to land under the present law?

Mr. REED of Pennsylvania. Every alien seaman who has not some contagious disease has a right to land under the present law, and under this measure.

Mr. ROBINSON. Does anybody contend that an alien seaman who has a contagious disease ought to be permitted to land?

Mr. REED of Pennsylvania. Nobody contends that, but Mr. Furuseth reads this provision in a different way from the way in which we read it. He thinks that somehow or other we would keep on board every alien seaman who does not have an immigration visa, and he does not seem to have read section 3, which distinctly provides that such a sailor does not need a visa. I can not make him see it, and although practically every member of the conference committee has explained it to him over and over again he simply can not understand it.

Mr. SHIPSTEAD. Mr. President, is the Senator contending that an alien seaman, under the provisions of the conference report, is taken out of the immigration question?

Mr. REED of Pennsylvania. Absolutely; and if the Senator will look at section 3 he will see it, I know.

Mr. SHIPSTEAD. Then I will ask the Senator another question. If it is true that a bona fide alien seaman is taken out of the immigration question, how, then, do you provide for taking care of a man who is not a bona fide seaman who comes in as a seaman in order to avoid the immigration law?

Mr. REED of Pennsylvania. That is another reason for having him examined, as he is, by the public health doctor and by the immigration authorities. If he is a bona fide seaman, he is not within the law at all. If he is not a bona fide seaman, but is an attempted smuggler, he is held up, and under the law the master is punished if he lets him escape.

Mr. SHIPSTEAD. How are you going to tell whether or not he is a bona fide seaman?

Mr. REED of Pennsylvania. Sometimes they make a mistake.

Mr. SHIPSTEAD. Can you tell by physical examination?

Mr. REED of Pennsylvania. Of course not; but you can tell by an oral examination. We were told about one case of a man who pretended he was an able-bodied seaman, and he spoke of "coiling the funnel in the hawse hole." It was very evident he was not a bona fide seaman. That is what we are driving at, and I think we have succeeded in covering such cases. If the Senator will look at section 3, he will see that it is provided plainly there that the term "immigrant" means any alien coming into the United States, and so on, except a bona fide alien seaman serving as such.

Mr. SHIPSTEAD. Under section 15 it is provided that—

The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed.

What does that mean?

Mr. REED of Pennsylvania. It means that any alien who comes in temporarily, as a tourist, or for a temporary business stay, or any alien in continuous transit through the United States, or any alien lawfully admitted who afterwards goes across the border frequently, or any alien who comes in under a treaty, may be required to give bond, and in reciting the kind of people who may be required to give bond we purposely omitted class 5, which is the alien seamen clause. If the Senator will look at the middle of section 15 he will see that it requires a bond only for classes 2, 3, 4, and 6, and alien seamen come under class 5.

Mr. FLETCHER. Mr. President——

Mr. REED of Pennsylvania. I yield.

Mr. FLETCHER. It seems to me there might be some question, by reason of the provisions of section 19 and section 3, as to whether there is any change in the matter of alien seamen. This is the provision in section 3, that the word "immigrant" does not include "a bona fide alien seaman serving as such on a vessel arriving at a port of the United States." He is not an immigrant. Then section 19 provides that "No alien seaman excluded from admission into the United States under the immigration laws," can do so and so. If he is not an immigrant, is he excluded under the immigration law?

Mr. REED of Pennsylvania. Yes, Mr. President. There are a great many people, several hundred million of them, who are not immigrants, but who are excluded from admission under the immigration laws. In other words, the immigration laws prescribe who shall be immigrants, and forbid the admission of millions of others, including all the Chinese, the Hindus, and the Malays.

Mr. FLETCHER. Then the Senator's contention is that the able seamen on these vessels, although not immigrants, are excluded under our immigration laws?

Mr. REED of Pennsylvania. Yes; under certain conditions they are.

Mr. FLETCHER. Under certain conditions; and they are taken care of under sections 19 and 20 of the committee report?

Mr. REED of Pennsylvania. Precisely. They can be admitted temporarily under regulations, and that is a humane thing, because the Chinese ship coming into our ports with a Chinese crew should not be made a jail while it is in port.

Mr. FLETCHER. I quite agree with that. Then the provision repealing section 32 of the immigration act of 1917 as applied to all seamen arriving in the United States prior to the passage of that act would not interfere with the seamen's act?

Mr. REED of Pennsylvania. Not at all, because the substance of section 32 is reenacted into sections that immediately precede it.

Mr. FLETCHER. In other words, they are divided up. Sections 19 and 20 really embrace section 32 with some strengthening provisions.

Mr. REED of Pennsylvania. It is practically a reenactment of that section.

Mr. FLETCHER. So the Senator is quite clear there is no interference with the seamen's act if the report shall be adopted?

Mr. REED of Pennsylvania. I am very sure, and we have been solicitous to see that there should not be.

Mr. KING. Has the Senator's attention been called by the Senator from Minnesota to a communication which, I think, was sent to a number of Senators—I did not receive one, however—by Mr. Furuseth or his representative under this date? An excerpt from the communication is as follows, but if the Senator from Minnesota called attention to this I shall not do so:

The sections to which I refer are sections 19 and 21 of the conference committee print of May 8, 1924. I understand that section 20 has already been stricken out of the bill.

Mr. REED of Pennsylvania. That is the one that had to do with landing cards.

Mr. KING. The letter continues:

In evidence of my assertion that the original purpose in drafting this bill was in no way to conflict with the seamen's act, I call attention to the provisions of section 3, which exclude bona fide alien seamen from the definition of immigrants. Section 19, however, which was written into the bill in conference appears to be in direct conflict with both the letter and the spirit of section 3. This section has the effect, in view of the rigid provisions of the quota requirements and the citizenship provisions, of severely restricting the right of the seaman to come on shore and seek employment in another vessel, which is, of course, the fundamental right guaranteed to him by the seamen's act.

The subjection of the seaman to the absolute control of the master of the vessel while in our ports is made absolute by paragraph (b) of section 21. This paragraph provides:

"Proof that an alien seaman did not appear on the outgoing manifest of the vessel on which he arrived in the United States, from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor."

This means that no seaman will be permitted to leave his vessel even for a visit on shore, nor will he be permitted under any circumstances to ship in another vessel, as provided in the seamen's act.

Mr. REED of Pennsylvania. I fully agree with Mr. Furuseth's idea that the men ought not to be detained on the ship, but I reassert that he is overanxious and that there is nothing in the provisions to which he calls attention that could possibly be used to hold the men on ship in such a fashion. The last section that was put in was inserted at the request of the district attorney of New York, who has found it impossible to convict the masters of ships that come in with double crews and go out with the scant requirements of the law. They are smugglers of immigrants. We have to be able to convict them for that smuggling. Unless we can have a presumption that they intended to smuggle from the fact that their outgoing manifest did not include the men who were on the incoming manifest we are never going to get any convictions. No master could hold his men on ship by virtue of that section. If he tried it they could be gotten out on habeas corpus in a minute. Unless the Secretary of Labor should undertake to make such a preposterous regulation as that no alien seaman should leave his ship—of course he never would attempt to make such a regulation—they have a vested right to come on shore under this bill.

Mr. SHIPSTEAD. It is not clear to my mind how the provisions of the bill distinguish between bona fide and mala fide seamen.

Mr. REED of Pennsylvania. It is done in this way: When an immigrant reaches our port an immigration inspector, with the doctor, goes on board the vessel.

Mr. SHIPSTEAD. I am talking about the seamen, not the immigrant.

Mr. REED of Pennsylvania. The immigration inspector goes on board the vessel and inspects every member of the crew and every member on the passenger list. He finds some that claim to be government officials and others that claim to be seamen employed on the ship, and he has to use his judgment. If he finds a man claiming to be a government official who he thinks is not a government official, he says, "You go to Ellis Island for examination by the board of inquiry," and the same thing if he finds a seaman whom he does not think is a bona fide seaman.

Mr. SHIPSTEAD. That takes the seaman into the immigration question if he is taken to Ellis Island.

Mr. REED of Pennsylvania. Of course. Every human being that comes to this country from another country has to be examined by an immigration inspector. Everybody, including government officials, has to pass some scrutiny.

Mr. SHIPSTEAD. And the seamen on the ships?

Mr. REED of Pennsylvania. Including the seamen on the ships. The crew of the vessel is inspected just like the passengers on the vessel and they have to show the bona fides of their status just the same as an ambassador who comes here. He is outside the immigration laws if he presents evidence that he is a real ambassador, and the same thing is true of an alien seaman. They have to show something to establish their status. That is the exact situation.

Mr. SHIPSTEAD. Then what is to be done with him?

Mr. REED of Pennsylvania. If the inspector says that he is a fraud, that he is not what he pretends to be, he sends him to Ellis Island or similar detention station, where he is examined before the board of inquiry consisting of three judges. If he thinks the man is not a fraud he passes him and he comes right in. It has been worked that way for many years.

Mr. SHIPSTEAD. The Senator thinks he is restoring existing law so far as the seamen are concerned?

Mr. REED of Pennsylvania. We do not restore it, but we do not disturb it.

Mr. SHIPSTEAD. But under the law that is not now disturbed, we know and there is plenty of evidence to show that shipowners have shipped in a great many immigrants in the hold of the ship or as extra hands in the crew, who have landed here and mingled with the population and did not return to the country from whence they came.

Mr. REED of Pennsylvania. That is true.

Mr. SHIPSTEAD. Is there any provision now compelling a master to take out as many as he brings in?

Mr. REED of Pennsylvania. No; there is not; but we make him subject to a very high fine if he does not take out the people that he brought in, and we put the burden on him to show why they are not on the ship as it goes out.

Mr. SHIPSTEAD. The Senator does not mean to say that the master of a ship will be fined if he does not take out the same people he brought in?

Mr. REED of Pennsylvania. We fine him unless he shows some good reason for not taking them out.

Mr. SHIPSTEAD. As a matter of fact, the law provides that he can not be fined unless it is shown that there has been collusion between the master and the man who has deserted or left the ship.

Mr. REED of Pennsylvania. Under this provision we presume that if a man is missing, he is missing with the collusion of the master, and the burden is on the master to show that there was no collusion. He can do that very easily if he shows that the man reshipped through his consulate on some other ship. He can do it if he shows a man deserted. What we want to do is to catch just the kind of smuggling which the Senator speaks about.

Mr. SHIPSTEAD. May I ask just one other question? Is there any provision that says a master shall take back as many members of the crew as he had when he came to this country?

Mr. REED of Pennsylvania. No; there is not, and there ought not to be, because sometimes they come ashore and die; sometimes they desert, and it is not his fault. Every spring shoals of men desert from New York and go to work on the Great Lakes, and it would be a great hardship on a ship to make it take back as many men as it brought here under those circumstances.

Mr. SHIPSTEAD. Is it not reasonable to assume that the ship would not bring in a larger crew than was necessary to operate the ship?

Mr. REED of Pennsylvania. It is reasonable to assume that it would not; but as a matter of fact they all carry a few more than the minimum requirement under the law. If we should have any such provision as the Senator has in mind, then the sailing of every big ocean liner could be held up by the strike of half a dozen waiters. We do not want to expose them to that situation. Everybody admits that would be unreasonable. The Senator can understand the situation. In the case of a big liner like the *Aquitania*, if half an hour before sailing time six or eight waiters walked down the gangplank she could not sail if such a provision were in the law.

Mr. SHIPSTEAD. I want to say to the Senator that I should regret very much if the conference report should be adopted without giving us plenty of time to consider it further.

Mr. REED of Pennsylvania. We have been considering this matter for four months. We have given careful thought and study to all of Mr. Furuseth's suggestions, and many of them are good. I think that his apprehensions are groundless.

Mr. HARRISON. Mr. President, I am sure we all quite agree that the junior Senator from Pennsylvania [Mr. REED] has rendered great service to the country in his work on the Immigration Committee and in helping fashion this particular piece of legislation. But it seems to me that when the Senate has deliberately voted upon propositions and conferees have been appointed, they are supposed to carry out the action of the Senate. The conferees have woefully failed to do that. What right have we, after we have passed on a measure here and the conferees have been appointed, not to protest when they have deliberately gone against the instructions of the Senate? No; there was no motion to instruct. It was not necessary. We had a right to expect that the action of the Senate would be carried out in the action of the conferees, and as best possible they would report back the bill for our final approval as we had interpreted it here. I say that has not been done.

The main question in the consideration of immigration legislation when before the Senate was how many immigrants should be permitted to come into the United States. There was a difference of opinion and various views expressed as to whether the number should be 160,000 or 250,000 or no limitation at all. Some Senators voted for the 1890 census and some for the 1910 census. Some thought the percentage should be 1 per cent, others 3 per cent, and so on. But all agreed that some definite number should be fixed to come into the United States annually. The suggestion was not at all presented to the Senate as embodied in the House bill that above a certain quota on a certain census a lot of exceptions could be made and that they might come in above that quota.

This question is of great importance. Last year, in 1923, 337,000 immigrants came to the United States above the quota. So the Senate desired to restrict immigration; and by an overwhelming vote it reduced the number which should come to 160,000 annually, or 2 per cent, based on the census of 1890. The House also provided that 2 per cent, based on the census of 1890, should be permitted to come; but in addition to that they provided that many could come without the quota; that wives of citizens of the United States could come from foreign countries; children could come from foreign countries; and tourists and ministers could also come and not be counted within the quota. Yet as the conference report comes in it not only bases the quota on the 2 per cent of the census of 1890, which is right, if the quota were closed there, but it allows many exceptions to be made so that more can come in.

There is no Senator here who can tell what number may now come in beyond the quota of 2 per cent based on the census of 1890. We do know that many will come in, because many have come in the past. As I have said, 337,000 came in last year above the quota. Of course, the bill as contained in the conference report is better than the present law, because 337,000 could come in under the present law, not counting the exemptions, and, adding the exemptions, 673,000 came in last year. So we have "marched up the hill and marched down again."

I did not think, Mr. President, that when three of the Senators who were on the conference committee voted against the 2 per cent quota based on the 1890 census it would mean that they would go into conference and adopt the House provision containing a lot of exceptions. If I had thought so, there would have been a fight made on the floor of the Senate that conferees be appointed who would carry out the action of the Senate. Here we are with our hands tied. We may vote against the conference report, yes, and a majority of us could do so and send the report back to conference; and it would be the best thing that could be done; but it may be that if we send it back to conference we shall never have it returned.

A startling thing to me is that the members of the conference committee say, "We have put forth our best efforts to carry out the views of the Senate"; and yet the chairman of the conference committee admits upon the floor of the Senate that two or three days ago the chairman of the conferees on the part of the House came to him and invited him into another conference in order to wipe out the provision as to the number of ministers and professors who could come within the exceptions, and he declined the invitation. Does that show that the conferees carried out the instructions of the Senate?

Ah, Mr. President, we had thought we were traveling on the road to real restrictive immigration, but we have not been. Now, I yield to the Senator from Massachusetts if he desires that I shall do so.

Mr. LODGE. I will wait until the Senator from Mississippi yields the floor.

Mr. HARRISON. I am going to talk, perhaps, for three or four hours, and I do not wish to tire the Senator by keeping him standing up.

Mr. LODGE. It would tire me if I should listen.

Mr. HARRISON. Mr. President, there are times when matters occur here that are of interest, and this question is one of great interest to the American people. The distinguished Senator from Rhode Island [Mr. COLT], who is one of the finest characters whom it has ever been my pleasure to know, is not so much of a restrictionist as am I. He was against the proposition to take the census of 1890 as the basis; he was also against the "racial origins" method, and he refused to be a member of the conference committee because he did not feel that he should do so inasmuch as the views of the Senate were contrary to his views. However, Mr. President, it would have been the right thing when the invitation came from the chairman of the House conference committee to go back into conference on the proposition to reduce the number of exceptions under the law, which we are now proposing to pass, to have accepted the invitation.

Members of the conference committee have not been afraid to go into conference since this bill was passed by the Senate. They have performed like Japanese in the game of jujutsu with respect to the Japanese exclusion question. The Senate said what it would do by way of excluding the Japanese, and yet, at the instance of the President of the United States, the conference committee wrote into the conference report, without authority, that the exclusion should not take effect until 1928, I think it was. The proposition went to the House of Representatives; that body would not stand for it, and it repudiated

that action. Then the conferees went back into conference on that question. The President again sent for them; and they have been in hot water on the proposition all the time.

Why, in the interest of the American people and civilization and of restrictive immigration, did they not go into conference this last time and try to reduce the number who could come in by eliminating the ministers and teachers, at least?

Oh, I wish that we could write upon the statute books now an immigration law restricting immigration to 2 per cent based on the census of 1890 and provide that in 1925 only 160,000 immigrants shall come within the portals of the United States and after 1925 the number shall be 150,000, according to the Reed amendment. But that has not been done. The bill provides that 150,000 may enter after 1925, but it also admits all others within the exceptions. It goes beyond the present law in the cases of the exceptions, because the present law does not make the wife an exception. It excepts children under 18 years of age; but in this instance the conferees have written into the law that wives also may come in as well as children under 18 years of age, and ministers and professors, and there are a number of other exceptions.

It is said the conferees had to do it because of the Cable law. Why, God bless you, Mr. President, they came in within the quota under the present law. If a citizen of the United States wants to marry some woman living in a foreign country, let him take his chances of bringing his wife in within the quota. So the children should also come in within the quota. Under this bill if a foreign-born citizen of the United States has a mother in some foreign land solely dependent upon him and without a relative over there, she can not come in without the quota, but she is given a preference within the quota. Why not provide that wives and children may come in within the quota and give them a preferential right, but do not go any further than that?

Mr. President, I have expressed my views. I do not approve of the action of the conferees. I presume I will have to take what they have given to me, but to-morrow I will introduce a bill that will wipe out these exceptions, and if I can get enough help in the Congress I will try and secure its passage.

Mr. LODGE. Mr. President, the purpose of a conference, as I have always understood it, is to settle existing differences between the two Houses. I have never seen a bill of any importance, especially a large bill containing many provisions which was finally agreed to and passed by adopting the views of only one side. The Senate provided for no exemptions as they are commonly called, but the House provided for the exemptions that had been previously in the law, covering, for instance, wives, parents, children, clergymen, and some unimportant lesser classes. Therefore, there was an absolute difference between the two bodies. One was for no exemptions, while the other was for all the existing exemptions. It was one of those cases where a compromise was inevitable.

I am strongly in favor of the attitude taken by the Senate; I believe in the extinction of all exemptions; that is, amending all those classes in the quota, although I am aware there is one which has been retained which it will be extremely difficult to give up and which has a real sentimental importance.

Under these circumstances the conferees on the part of the Senate went into conference, and the Senate never had more loyal or more faithful conferees on any bill of which I have ever known. They fought for the views of the Senate from the beginning to the end. Of course they have made one or two compromises, but they have achieved success in almost every instance. From the point of view of the division between the two Houses, the Senate side has been most successful.

But, Mr. President, when you come to judge a conference report everything depends upon how you look at the general subject. To me the general result of this bill far outweighs any other consideration. It contains certain great provisions on which both bodies are agreed which are infinitely more important in the passage of the coming years than any single item could be.

This legislation, if it shall be maintained, is going to stretch forward into the centuries; it is going to change the current of infusion in the blood of the American population; it is going to make a change for the better in the quality of our immigration, a change far more important than any that has ever yet been made in the much-traversed and much-considered question of immigration to the United States. I regret that our conferees thought it necessary, in view of the opposition of the House, to yield on the question of excluding the exemptions from the quota, but compared to the general importance of the bill that is a small point.

Mr. President, the difference, as it seems to me, between my attitude and that of my friend from Mississippi is that he could not at the end resist bringing it into politics. I have always been proud of the fact, and never more so than during the debate in this Congress, that immigration, which affects the quality of all the people of the United States in the future, has never been a political question in any sense. This bill was discussed; it was passed; it has come back here from the conference, and until this moment there has not been a trace of politics in regard to it. Without reference to politics we have fought side by side.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Mississippi?

Mr. LODGE. No; I have only a little to say, and if the Senator will allow me, I should like to finish what I am saying. Then I will yield.

Mr. HARRISON. The Senator alluded to "this moment." I wondered if he felt that I had let politics enter into this discussion.

Mr. LODGE. The Senator certainly has not shown it until this moment in this speech.

Mr. HARRISON. I do not know what I have said that leads the Senator to think I have done so now.

Mr. LODGE. I have never seen a man work harder and render better service to a great cause than the Senator from Mississippi, and I say that with great pleasure.

Mr. HARRISON. I have not tried to get any politics into this proposition now. I was expressing the views, or what were the views, of the Senator from Massachusetts——

Mr. LODGE. They are my views still.

Mr. HARRISON. And they are still my views, but evidently they are not now the Senator's views.

Mr. LODGE. But that does not alter my feeling that the great end is more important than any one detail. The chairman of the conference, who has labored night and day on this matter for many weeks, and has done as much as any man could do, and who is one of the ablest and best Senators in this body, and who has given himself to it without any holding back, with the utmost freedom, has fought this matter at every stage, and has got the best bill, I believe, that any man could hope to get. If there was a suggestion made from the House after the conference report had been signed to reopen that matter, everybody who listens to me knows that it would have reopened the Japanese question—that is the plain English of it—and he refused to reopen it. You can not open a little bit of a conference. If you open it, you open it all; and that question was the one that was in the public mind, that was of the utmost gravity to a great section of the United States, on which feeling was heated, where it was important to use violence or harshness in debate which might by any possibility reflect upon a friendly nation, and on which it was desirable to get a final conclusion as soon as possible, for which reasons the Senator from Pennsylvania very wisely and properly declined to reopen the signed conference report.

Mr. President, in my judgment, the Senate has been splendidly represented on that conference, not merely by the Senator from Pennsylvania [Mr. REED], but by the Senators who sat with him, although they may have disagreed somewhat among themselves. In my judgment, they have done the best that could be done; and I am extremely anxious that the work being now done shall receive its final approval by the Senate of the United States.

Mr. SMITH. Mr. President, I do not care to take the floor now, because I am going to speak on a different subject. I was wondering if the chairman of the committee desired to take a vote now, or if the Senate is prepared to take a vote at this time?

Mr. REED of Pennsylvania. Yes; I should like to have a yea-and-nay vote now.

Mr. SMITH. I do not care to cut off anyone who desires to discuss this question.

The PRESIDING OFFICER. Let the Chair state the parliamentary situation. The first question before the Senate is, Will the Senate proceed to the consideration of the conference report? That has not been agreed to yet.

Mr. REED of Pennsylvania. I ask unanimous consent, then, that the Senate proceed to the consideration of the report.

Mr. KING. Mr. President, I hope the Senator will not ask unanimous consent. I have no objection to his moving that the Senate take up the report.

Mr. LODGE. Unanimous consent was not requested by the Senator, I think, if the Senator will pardon me. I think the Senator from Pennsylvania moved that the Senate agree to the report.

The PRESIDING OFFICER. The Chair must state that under the rules of the Senate the motion can not be put in that way. We will first have to get the privilege of proceeding to

the consideration of the report, and that is before the Senate now.

Is there objection to proceeding to the consideration of the conference report?

Mr. KING. I will not object to the Senator from Pennsylvania moving to take up the conference report for consideration; but, of course, he has a right to do so, and I am advised that many Senators desire to have the report immediately disposed of. While I shall not filibuster or attempt to prevent the conference report being laid before the Senate, I regret that such hasty action is deemed necessary. I do not feel that I can consent to its being taken up for the reason that I have some apprehension, notwithstanding the lucid explanation made by the chairman of the conferees, in regard to the alien seamen provision of the bill. A memorandum has been handed to me just a few moments ago, which I have not had time to peruse, in addition to the note to which I called the Senator's attention, which seems to raise some legal questions as to the effect of the provisions of this bill upon the existing seamen's act; and in view of that fact I do not wish to have it taken up to-day. I should be very glad to have consideration of the report go over until to-morrow; but the Senate has the power and if it is asserted, of course, I shall be overcome. I want to add that I did not sign the conference report for the reason that I was dissatisfied with the manner in which the alien seamen provisions were dealt with, and because of other fundamental features with which I did not agree.

Mr. REED of Pennsylvania. Mr. President, I ask unanimous consent that after the disposition of the conference report the unfinished business now before the Senate—that is, the War Department appropriation bill—shall continue to be the unfinished business.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that after the consideration of the conference report the unfinished business shall be then taken up.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. HARRISON. If a motion should be made to take up the conference report, would that thereby set aside the Army appropriation bill, and also this unanimous-consent request that is now being asked?

The PRESIDING OFFICER. The Chair understands that the request is made in order that it shall not be set aside.

Mr. REED of Pennsylvania. It is asked in order to make sure that it does not displace the Army appropriation bill.

Mr. HARRISON. I am making a parliamentary inquiry as to whether it would.

The PRESIDING OFFICER. The Chair would decide that it would not. Without objection, that order will be made. The question before the Senate is, Shall the Senate proceed to the consideration of the conference report?

The motion was agreed to, and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

The PRESIDING OFFICER. The question now is on agreeing to the conference report.

Mr. REED of Pennsylvania and Mr. LODGE called for the yeas and nays.

Mr. ROBINSON. No; Mr. President, we are not going to vote for just a minute.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. ROBINSON. I want to ask the Senator from Pennsylvania a further question about the alien seamen provision. His statement with respect to the first paragraph of section 20 cleared my mind of some of the difficulties that had been suggested by Mr. Furuseth. I do not understand the effect of subsection (b) of section 20, which reads:

> Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

Will the Senator from Pennsylvania explain briefly to the Senate the purpose and effect of that provision? Of course I understand that it relates to a rule of evidence.

Mr. REED of Pennsylvania. I shall be glad to do so, Mr. President.

It has been found in the past that where immigrants are smuggled in in the guise of alien seamen the master pleads ignorance of their intention to desert, and the Government is unable to prove that the master connived with the smuggled immigrant to come to this country and remain. A ship comes in with a large crew showing on its inbound manifest. It goes out with the bare requirements of the law. A large number of those who showed on the incoming manifest do not appear on the outgoing manifest; and the courts have held that those facts standing by themselves do not raise a prima facie case against the master when he is prosecuted for smuggling immigrants. The purpose of the subdivision to which the Senator calls attention, and the only purpose, is to throw the burden of proof over upon the master to show that those missing seamen deserted without his knowledge, or that they died, or that they were held in hospitals.

Under the present law and the present state of the decisions, the United States in any such prosecution has to prove all those negatives. What we want to do is to put the burden on the master to show what became of these missing seamen—either that they deserted, or that they went to a hospital, or that they died, or that they went to their consulates and reshipped on some other foreign ship. The master knows, and the United States does not know without an investigation that would take a year in every case; and it seemed to us that this was a proper enough provision, to put the burden on the master to account for those missing men. It has no other purpose. It will not serve to keep the men in jail, as Mr. Furuseth at one time feared that it would. I think his doubt on that point has been dispelled; and it can not in any way work hardship on the seamen themselves.

Mr. ROBINSON. It merely shifts the burden of proof from the Government to the master of the vessel in cases of that kind?

Mr. REED of Pennsylvania. Precisely; and it does not alter the status of the seamen themselves.

Mr. HARRIS. Mr. President, I have no apologies to make for the humble part I took in the conference report. This is by far the best bill on this subject we have ever had in the United States. It will do more for our country than any other bill that has been passed by Congress, in my humble judgment, since I have been a Member of the Senate. I fought for exclusion of all immigration for five years, in the committee, on the floor of the Senate, and in conference, but I could not get what I wanted in conference. I never have been able to get, from people that did not agee with me, all that I would like to get. The men who construct things in this world are the men who can be criticized, and it is far easier to criticize than it is to construct, and it is often necessary to compromise and get the best you can in order to get anything. Those who opposed restrictive immigration in the House voted against this conference report. They think it is too restrictive. The enemies of restrictive immigration are hoping the Senate will vote down this conference report and defeat all hope of legislation this session.

We have here a measure that I believe meets with the approval of the country. If I had had my way, we would not have had any immigration for five years; and with the exemptions I made I think it would have been far better if my bill had passed, because then we would have had no embarrassment with Japan or any other country. We would only have allowed the fathers and mothers over 55 years of age and children under 18, of American citizens residing in this country, to come here, and not so many would have come, and not near so many would have come in as under the Senate bill.

I am sorry my distinguished friend from Mississippi [Mr. HARRISON] does not agree with me. I did not agree with everything he did. I recall, if I am not mistaken, that the Senator from Mississippi made the motion to increase the percentage from 1 to 2 per cent after the Senate had voted for 1 per cent here. I wanted to shut out immigration entirely for five years, and when my amendment was voted down I voted for 1 per cent, and the Senator from Mississippi certainly voted for 2 per cent if he did not make the motion, while I voted for 1 per cent. I did not get mad with him because of that. The Senator from Mississippi is on the Committee on Immigration and has done a splendid work. He deserves the thanks of his people and the country for the work that he has done; but this conference report was a compromise, and while I thought the House Members were hard-headed at times, when they would not agree with me in consenting to the provisions of the Senate bill, I have never seen men work harder or more conscientiously than the four members of the Senate committee, my colleagues, and the five members from the House. We worked for weeks on this measure, worked eight hours a day and more, and we had only one thought in view and that was what was the best thing for our country, for our children, and our grandchildren.

While I was disappointed in not getting a more restrictive bill I am proud of the record that was made in this bill. If I felt as some of the other Senators who have criticized it feel about it I would vote against it. I would not vote for a bill if I raised so many objections to it. I do not believe they are going to do that, however, for they know this is the best immigration bill ever passed by Congress. I think the Senate and the country understand that we have done remarkably well, and that we have gotten a better bill than we ever hoped to get a few years ago.

I opposed President Coolidge's recommendations relative to Japanese exclusion, I insisted that Congress alone should control in immigration matters—it is not a question to be settled by treaty—I favored and fought for exclusion of Japanese and am glad Congress took that view of it.

Mr. SHIELDS. Mr. President, I am not going to detain the Senate long to make any argument against this conference report, because I know that it is useless, and I am not in the habit of making an argument and speaking to a question unless I hope to effect something; but this report, I do not hesitate to say, is a very great disappointment to me.

We have been working upon this immigration bill for several weeks. It was the general understanding that we were going to effect some real, substantial restriction upon foreign immigration. We had a very good bill passed by the Senate. There was very great restriction under it, and that bill met the approbation of the American people, as was shown by letters doubtless to every Member of the Senate and by the press at large without any regard to politics.

The American people wanted restriction. We gave them reasonable restriction in the bill as passed here, and in the conference it has been largely abandoned, very largely. The conference report is some better than the present law, and I will vote for it; largely it is a legislative abortion.

Mr. President, we expected a limitation to about 162,000 immigrants by providing that their relatives and friends and certain other exceptions should come with preference under the quota clause, and that made ample provision for them. It prevented all hardships, all of what we might call cruel separations of families. I would not have agreed to a bill that did not provide preferences for those relatives and some chance for them to come here and join those who were already in America and on the way to become American citizens. This decreased the number of other immigrants.

It is well known now that instead of having 160,000 immigrants admitted we will have about 300,000 with these exceptions. This includes those coming under the quota law and those excepted.

Mr. REED of Pennsylvania. Will the Senator yield?

Mr. SHIELDS. In a moment; that we have now about 225,000 who come in from Mexico and Canada annually; about 25,000 sailors who smuggle themselves in. Then there is a large number smuggled in from Cuba, from Canada, and from Mexico, both orientals and Europeans, under the present law, and, Mr. President, there is now possible an immigration to this country from all sources, some six or seven hundred thousand annually, and it is against the will of the people. It is a menace to American citizenship and American institutions.

Mr. HARRIS. May I ask the Senator one question?

Mr. SHIELDS. I yield first to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. I will withhold my question.

Mr. HARRIS. The Senator from Tennessee is familiar with this legislation, because he is on the committee, and he knows how hard I have fought, and he knows my extreme views, which are more extreme than his own. The Senator from Tennessee is criticizing the allowing of Mexicans and Canadians to come in. I made a motion, which the Senate voted down, to place them under the quota. The conferees certainly should not be criticized because they did not try to bring them under the quota, since the Senate voted otherwise.

Mr. SHIELDS. Mr. President, the Senator from Tennessee has made no such question. I simply referred to the immigrants who are coming here from those two countries, Canada and Mexico, as showing the aggregate of foreigners who are now entering the United States annually.

I voted to include Canada and Mexico in the quota law. I thought when we were passing the bill we were restricting immigration, but with all these exceptions, more than there were under the old law, we have accomplished comparatively nothing.

Mr. REED of Pennsylvania. Will the Senator explain just what exceptions he thinks we have added that are going to accomplish such terrible results? Does he think that the addition of persons born in the Western Hemisphere is going to increase the immigration over what the bill as it passed the Senate would have allowed in?

Mr. SHIELDS. If the Senator will just read the exceptions set out in his conference report, he will know exactly what I mean, for I refer to every single one of them.

Mr. REED of Pennsylvania. I am very glad to read them. We have talked about wives of American citizens. Next is the immigrant previously lawfully admitted, and returning from a temporary visit abroad. Does the Senator disagree with that exception?

Mr. SHIELDS. I stand on the Senate bill, excluding every one, and only giving them a preference under the quota. There can not be any doubt about my position or any doubt about the facts, because they are written into the bill.

Mr. REED of Pennsylvania. The doubt arises out of the fact that the same exceptions are in the bill as it passed the Senate, about which the Senator was so proud, and I was wondering why it is any worse——

Mr. SHIELDS. We did not allow them here absolutely, but allowed them to come in under the quota clause. and then you gave up, and opened the floodgates of immigration into this country, against the very spirit of the Senate in passing the bill.

Mr. REED of Pennsylvania. On the contrary, Mr. President, the bill as it passed the Senate admitted them as nonimmigrants. They did not even have to give their pedigrees. Now they are admitted as nonquota.

Mr. SHIELDS. Oh, well: that is mere language. I am talking about people who are getting into this country, not about playing on words. The man can come here whether you call him a nonimmigrant or a quota immigrant.

Mr. REED of Pennsylvania. The Senator has taken the liberty of calling the conference report a "legislative abortion," and I want to show how much has been aborted. The Senator points out that clause allowing the returning absentees to come in. I say it was in the bill as it passed the Senate, for which the Senator voted with such pride.

The next exception is immigrants who were born in the Dominion of Canada and other countries in the Western Hemisphere. I suppose the Senator objects to that. In fact, I know he does, because he called attention to it as one of the items that made this a "legislative abortion." I say that in the bill as it passed the Senate, for which the Senator was so proud to vote, that class was absolutely excepted, and more so. This is more restrictive than was the provision in the bill as it passed the Senate, before we created this "abortion," as the Senator calls it.

Mr. HARRISON. May I interrupt the Senator?

Mr. REED of Pennsylvania. The next one——

Mr. SHIELDS. I mentioned the Canadians and the Mexicans as showing the number that come here, and not as exceptions. I know that under the old law they were allowed to come. They were not within the quota law, and they were not within the quota law as the Senate passed the bill. Some of us tried to include them and failed. There is no controversy about that. What I am attacking is that all these exceptions were to come under the quota law in the bill as passed by the Senate, and you take them out of that and let them come in independent of the quota law, and that raises the number who can come in under the quota provision.

Mr. REED of Pennsylvania. Mr. President, that is just what I am trying to make clear to the Senator from Tennessee, that these people were not under the quota in the bill as it passed the Senate, for which he voted so proudly. The temporary absentees were not under the quota when he voted for the bill as it passed the Senate. The persons born in the Western Hemisphere were not under the quota then any more than they are now, and, finally, the students under 15 years of age, the last class of exceptions, were admitted as nonimmigrants and not under the quota before the bill became an "abortion." The very points the Senator says caused it to be a "legislative abortion" were in the bill when it was such a monument of jurisprudence that he was so proud to vote for it.

Mr. SHIELDS. But they were under the quota clause. The Senator is constantly playing upon words and attributing arguments to me which I did not make.

Mr. REED of Pennsylvania. They were not under the quota clause then and are not now.

Mr. HARRISON. Mr. President——

Mr. HEFLIN. Before the Senator yields to the Senator from Mississippi permit me to say that I did not hear the Senator from Pennsylvania answer the Senator from Tennessee when he said that 300,000 or 350,000 could come in under the bill as reported by the conferees. Can they?

Mr. REED of Pennsylvania. No, Mr. President; the reason the Senator did not hear me answer was that when I tried to answer the Senator from Tennessee would not yield. They can not.

Mr. McKELLAR. How many can?

Mr. HEFLIN. How many, in the judgment of the Senator, can come in?

Mr. REED of Pennsylvania. In the next three years, 161,000 immigrants can come in, because that is what 2 per cent based on the census of 1890 would mean. In addition to that, the wives and children of American citizens who live here can come in. The Senator would not want to keep them out, would he?

Mr. HEFLIN. How many of them can come in under this new provision?

Mr. REED of Pennsylvania. The whole world, if they happen to be married to American citizens, who live here; but, as a matter of fact, it will not be over eight or ten thousand a year. This does not admit the wives of unnaturalized persons. It refers only to wives of citizens who live here.

Mr. SHIELDS. How many came in last year?

Mr. REED of Pennsylvania. Mr. President, the exemptions last year in the quota law, which is about to expire, were so broad that the number who came in almost equaled the number under the quota.

Mr. SHIELDS. That is about the same as the number now.

Mr. REED of Pennsylvania. Oh, no. We allowed domestic servants, and skilled labor, and all kinds of relatives, and there was a list of exemptions of about 20 different classes of people, which we have cut down ruthlessly. The only exemptions allowed here, that were not allowed in the bill as it passed the Senate covers wives of American citizens and the little children, and ministers of the Gospel. Those exemptions will not total 10,000 people in a year.

Mr. HARRISON. The Senator left out professors.

Mr. REED of Pennsylvania. Yes; I omitted professors. That, perhaps, will add 200 or 250.

Mr. HARRISON. In the present law—I am not talking about the Cable law, but the present law—wives were not an exception, were they?

Mr. REED of Pennsylvania. I have not the text of the present law before me.

Mr. HARRISON. I have the text here.

Mr. REED of Pennsylvania. Will the Senator read it?

Mr. HARRISON. It leaves out wives. Children are an exception in the present law, but wives are not. In the bill the Senator has brought in he has children and wives; so he has broadened it, as the Senator from Tennessee has stated.

Mr. REED of Pennsylvania. Before the Cable law was passed those wives were American citizens, and they came in without hindrance.

Mr. HARRISON. Under the Cable law the wives came in under the quota. They do not come in above the quota. They come in within the quota.

Mr. REED of Pennsylvania. Does the Senator think that the wife of an American citizen should be held back by a quota law?

Mr. HARRISON. I think that we ought to have a quota law——

Mr. REED of Pennsylvania. So do I; but will the Senator answer my question?

Mr. HARRISON. The Senator has asked me a question I am glad he asked. I voted to limit immigration to a quota; and when I did, I voted to keep out wives, and to keep out children, and to keep out mothers, and fathers, and professors, and ministers, and that is what I meant. If those people want to come in, they should have a right to come in, within the quota. I know that you have left a hole here which certain people will use as a subterfuge to bring more into the country. There are some people who would not mind paying $3 for a marriage license in order to get somebody into this country, and they will do it.

Mr. SHIPSTEAD obtained the floor.

Mr. SHIELDS. Has the Senator from Mississippi the report?

Mr. HARRISON. I have.

Mr. SHIELDS. Will the Senator read the exemptions that are made under that report?

Mr. HARRISON. The Senator from Minnesota has the floor.

Mr. SHIPSTEAD. I yield that the Senator from Tennessee may ask the Senator from Mississippi a question.

Mr. SHIELDS. I understand the Senator from Minnesota yields that the report may be read.

Mr. HARRISON. I will send it to the Senator.

Mr. SHIELDS. I came in during the discussion, and did not have a copy of the report, and hence I asked the Senator from Mississippi for it. These exemptions, I understand, come in under the clause covering nonquota immigrants. Am I correct in that? I think I am. Those exemptions read as follows:

(a) An immigrant who is the unmarried child under 18 years of age, or the wife of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

(b) An immigrant previously lawfully admitted to the United States, who is returning from a temporary visit abroad;

(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him;

(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university, particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

Then it proceeds to give the quota. That appears in the report, and I shall not read it all.

Mr. SHIPSTEAD. Mr. President, before the bill was sent to conference we had a lengthy discussion here that took up several hours of the afternoon. It was decided that the front door and the back door should be closed to immigrants, but the bill was sent to conference with what I would call the side door open after the back and front doors had been closed. We were told that the side door would be closed in conference, and the very able and distinguished Senator from Pennsylvania [Mr. REED] now assures us that this has been done. I do not doubt his sincerity, I do not doubt his good intentions to close the door, but I fail to see that the door has been closed.

I find also, I believe, in the proposed conference report a nullification of section 4 of the La Follette Seamen's Act. Therefore I shall ask the indulgence of the Senate while I discuss the bill as it now comes to us from conference. It seems to me that in the last two weeks we have been rather rushing legislation through, discovering later that we had certain provisions incorporated in it that a good many Senators did not know had been placed in the legislation.

The purpose of the bill is to limit the number of certain kinds of alien immigrants and to prohibit the coming of others into the United States. Such alien persons as are ineligible to become citizens are excluded as immigrants. Certain persons who are not capable of becoming citizens are excluded, because they are subnormal, afflicted with certain diseases, hold certain opinions, or because they can not read.

Legally admissible immigrants are limited to certain specified numbers from each country. Beyond those legally permitted to come as immigrants, none may come unless they are specifically admitted as being outside of the immigration laws.

Section 3 of the bill specifies who may come as not included in or subject to the immigration laws. Among the persons so listed, for the first time in our history, we have the seamen. Section 3 reads in part as follows:

(5) A bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman.

This section, it would seem, places the seaman outside of the immigration laws as long as he is a bona fide seaman. The presumption from the language would be that the bill will in some way distinguish between a bona fide seaman and a person who pretends to be a seaman in order to violate the immigration laws, but no such distinction is made as far as I can find.

According to reports of the Commissioner of Immigration, our ports last year were visited by 1,018,000 alien seamen. Those men were employed in our commerce. The free flow of commerce is one of the necessities of existing civilization, and the less interference with those men the better; but among them may be men who are suffering from contagious diseases

and who in the interest of humanity ought to be segregated and sent to some hospital to be cured, as already provided by law, or there may be men who are seeking to violate our immigration laws, but more particularly our exclusion laws, and that is, of course, the reason for using the expression "bona fide seamen."

A remarkable fact about this bill is that it makes no effort to distinguish between bona fide and mala fide seamen. It seems to me that there can be but one reason for placing seamen outside of the immigration laws. It is intended that they shall be permitted on shore. To prevent them from coming on shore would be an inhumanity so gross that no nations prohibit shore leave except for the purpose of quarantine or in times of war. But aside from this consideration we could not hold them on board of the vessel, because they are in our harbors, within our jurisdiction, and it would be involuntary servitude and prohibited by the thirteenth amendment to our Constitution. While we might restrain those seamen in some safe place until they could be deported, it does not seem to me that we can convert those vessels into prisons in our harbors.

Section 15 of this bill, which provides for the maintenance of exempt status, is as follows:

The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3) (4), (5), or (6) of section 3, or declared to be nonquota immigrants by subdivision (e) of section 4, shall be for such time as may be by regulation prescribed (including when deemed necessary for the classes mentioned in classes (2), (3), (4), or (6) of section 3, the giving of bonds with sufficient surety, in such sums and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

Here we have bona fide and mala fide seamen treated alike. So far as the seamen are concerned, there may be regulations; but there are to be no bonds. The purpose of this distinction between the seamen and others is evidently that the regulations are not to be of such kind as to keep the seaman a prisoner on the vessel. So far these provisions are humane and in the best interests of the United States except that it gives to the mala fide seaman, the man who seeks to use the status of seaman to violate the immigration laws, his opportunity to escape and to thus accomplish his purpose.

The conferees must have felt that section 15 leaves an opening for vessels and mala fide seamen to violate the immigration laws, because section 19 brings all seamen under the complete domination of the immigration laws.

I call the attention of the Senate to the fact that I asked the Senator from Pennsylvania if section 15 did not bring the seamen back under the immigration law, and he said that it did not. The Senator was correct. I made a mistake in the number of the section. I meant sections 19 and 21 instead of section 15.

Mr. REED of Pennsylvania. My answer to the question as changed would have been just the same.

Mr. SHIPSTEAD. I will read section 19 as follows:

SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed by any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

The term "immigration laws" is on page 43, lines 21 to 24, defined as follows:

The term "immigration laws" include such act, this act, and all laws, conventions, and treaties of the United States, relating to immigration, exclusion, or expulsion of aliens.

Surely there must be some unconscious oversight. In section 4612 of the Revised Statutes of the United States, the word "seaman" is defined as follows:

and every person (apprentices excepted) who shall be employed to serve in any capacity on board the same (vessel) shall be deemed and taken to be a "seaman."

Sections 3 and 15 exempts the seaman from the immigration laws, and he may go on shore. Section 19 places him under the immigration laws and he may not go on shore except in case of sickness for medical treatment or pursuant to such regulations as the Secretary of Labor may prescribe. Those regulations must, of course, be within the immigration laws, and it does not seem that he can go on shore at all unless he can qualify as an immigrant in every particular and in addition thereto has an immigration visa, which he can not obtain except in his own country.

Section 21 provides a fine of $1,000 in each case for any failure to keep the seaman on board until examined physically and otherwise, or for failure to keep on board and deport him who is not permitted to land, and finally the same fine is imposed if any seaman has deserted and is not on the vessel when she is about to depart from the port. The master will see that no one deserts if he can prevent it, unless he carried such person to our port with the purpose of violating the immigration laws.

The fine of course can not be collected unless collusion can be proved, and under such circumstances as exist in every vessel there is no chance of proving collusion. Thus it seems that the bona fide seaman is legally tied to the vessel, while the mala fide seaman, who came with the purpose of violating the immigration laws, is accomplishing this purpose.

The purpose of amending our maritime law by passing the seamen's act was—

1. To abolish involuntary servitude among seamen in so far as we could do it;
2. To encourage the American citizen to go to sea;
3. To equalize the wage cost of operating foreign and American merchant vessels.

Such equalization could only come by the seamen being liberated. Hence we abrogated such treaties and repealed such statutes as compelled the seaman to remain on the vessel on which he served when coming into our ports. It was realized that if the seaman could not obtain at least half the wages earned and not received he would be held to the vessel by his physical necessities and the purpose of the law would fail. It was for this reason that section 4 of the seamen's act was passed.

Section 4 of the seamen's act reads in part as follows:

Every seaman on a vessel of the United States shall be entitled to receive on demand from the master of the vessel to which he belongs one-half part of the balance of his wages earned and remaining unpaid at the time when such demand is made at every port where such vessel, after the voyage has been commenced, shall load or deliver cargo before the voyage is ended, and all stipulations in the contract to the contrary shall be void. * * * Any failure on the part of the master to comply with this demand shall release the seaman from his contract, and he shall be entitled to full payment of wages earned. * * * *And provided further*, That this section shall apply to seamen on foreign vessels while in harbors of the United States, and the courts of the United States shall be open to such seamen for its enforcement.

It is difficult to see how the seaman can enforce his right under this section of the marine law if the Commissioner of Immigration or the Secretary of Labor is to enforce the immigration laws, as provided in sections 19 and 21 of this bill. Under section 21 it will require a court order to get the seaman legally out of the vessel; and if the seaman deserts, he may, under the immigration laws, be apprehended and either returned to the vessel or deported in some other vessel. The court-order method will be extremely difficult, and enforcement after desertion will be impossible.

For all practical purposes, section 4 of the seamen's act is superseded and repealed.

I do not believe that such was the intention of the conferees, and I certainly do not believe that the Senate had any such intention. This is my reason for taking up the time of the Senate with this question. When the conferees felt that section 15 left a big opening for the violation of the immigration laws, they had a complete remedy in the amendment offered in the Senate by the Senator from Utah [Mr. KING]. At that time it was, as I understood, tentatively agreed that the "side door" should be closed in conference, and the seamen's act left intact. The amendment offered by the Senator from Utah would have closed this door. I remember that on the evening the bill was sent to conference we did not insist upon a record vote, because we were assured that this door would be closed.

The amendment offered by the Senator from Utah made a clear distinction between bona fide and mala fide seamen. It provided for deportation, at the cost of the vessel by which they were brought, of mala fide seamen and of excluded persons coming as seamen, unless the seamen came on a vessel in distress or on a vessel of whose flag they were the proper nationals as distinct from being subject to such flag through belonging to any colony or dependency of such flag.

Subsections (e) and (f) of the amendment offered by the Senator from Utah would effectively close the "side door," and do so without repealing the seamen's act or any part thereof. Before I vote for the report of the conferees, and

thereby assist the foreign shipowners and others unfriendly to the development of a merchant marine and a sea power for the United States, I desire some further information as to why this amendment should not be adopted, especially since we have letters from the Commissioner of Navigation to the effect that, with a slight amendment which would be an improvement, there is nothing impractical in either of these subsections; and from the Secretary of State to the effect that there is no treaty to which such subsections are contrary and that, with a slight amendment, to which there can be no valid exception, it will not offend against any idea of comity; and also from the Secretary of Labor stating that if the bill should incorporate the amendment to which I have referred, he could see no reason why it should cause any interference with the administration of the immigration laws by the Department of Labor.

In the report of the conferees as first submitted there were provisions for photographing and fingerprinting the seamen; in other words, treating them as convicted crooks. Aside from what it did to the seamen, it purposed to burden the vessels with needless, cumbersome, time-destroying and very expensive machinery, which after all would have been ineffective. As I recall, the Senator from Utah told me this afternoon that that provision had been eliminated.

Mr. REED of Pennsylvania. If the Senator from Utah did not say so, I think I did; it has been taken out completely.

Mr. SHIPSTEAD. And there is no landing card provision?

Mr. REED of Pennsylvania. There is no landing card provision.

Mr. SHIPSTEAD. I am of the opinion that the Senate should take action to strike out sections 19 and 21. With those sections stricken out and the adoption of the amendment offered by the Senator from Utah, I believe the side door will be closed, and we shall carry out what I believe was the intention of the Senate when we sent this bill to conference, when we were assured that this door would be closed.

Mr. President, I believe that I have furnished the proofs that sections 19 and 21 as embodied in the conference report repeal or at least take all practical value out of the seamen's act. If this be so, and I believe it to be so, then we shall have, at least until the courts can act, a restoration of involuntary servitude imposed upon seamen serving on board vessels within our jurisdiction; we shall have the old differential in wage cost restored and we shall lose what we now have of efficient American seamen, for all able-bodied, intelligent, efficient Americans will leave the sea unless proper protection and safeguards are afforded them. If this reversal policy is to be effectuated let it be done openly and without any equivocation. It ought not to be brought here as an illogical appendix to the immigration bill. If we are going to kill the seamen's act, let us do it openly and aboveboard. How is such reversal of policy going to appeal to the men without whom we can have no merchant marine? Prior to the passage of the seamen's act we had practically no native or citizen seamen.

So long as the seamen's act was being enforced conditions on board vessels were such that American boys would go to sea. Men who will go to sea are the only source of sea power of any nation. The sea power of a nation can not be built up when its merchant marine and its navy are manned by the nationals of other countries. If America is going to take its place among the nations of the world as a sea power, if it is worth anything to the Nation to have a Navy and to have a merchant marine, they can only be built up by manning the ships of the Navy and of the American merchant marine by American citizens, and they can only be encouraged to serve on board vessels when the conditions are such that they can maintain their self-respect.

Mr. REED of Pennsylvania. I ask for the yeas and nays, Mr. President.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. NORRIS. I thought the Senator from Minnesota had concluded.

Mr. REED of Pennsylvania. I beg the Senator's pardon; I thought he had finished.

Mr. SHIPSTEAD. I shall finish in a very little while.

Mr. NORRIS. I do not want the Senator to understand that I was trying to hurry him. That was not my purpose by any means. I thought the Senator had finished. He turned around and walked back. I certainly do not want to hurry him.

Mr. SHIPSTEAD. I walked back to get a pamphlet. I will assure the Senator from Pennsylvania and the Senator from Nebraska that I do not think they tried to hurry me.

Mr. President, after years of investigation and study, the seamen's act was passed. The war came. We needed loyal and courageous seamen. The Shipping Board in its reports has indicated the ease with which our efforts might have been hampered by the seamen, but it also records that there were no strikes among the seamen because "of the patriotism and sound leadership which prevailed among the men."

Mr. President, I send to the desk "A call to the sea" which was sent out by the president of the Seamen's Union of America to all men in America who had left the sea. I think the loyalty and devotion of seafaring men in the time of the Nation's crisis was of such a character that they are entitled to the protection of the country which they served well in time of war. I ask that this "Call to the sea" may be read at the desk.

The PRESIDING OFFICER (Mr. STERLING in the chair). Without objection, the Secretary will read as requested.

The principal clerk read as follows:

A CALL TO THE SEA

To all seafaring men ashore or afloat:

The International Seamen's Union of America, in annual convention assembled, representing the organized seamen of America, submits the following to all men of seafaring experience, ashore or afloat.

The Nation that proclaimed your freedom now needs your services. America is at war. Our troops are being transported over the seas. Munitions and supplies are being shipped in ever-increasing quantities to our Armies in Europe. The bases are the ports of America. The battle fields are in Europe. The sea intervenes. Over it the men of the sea must sail the supply ships. A great emergency fleet is now being built. Thousands of skilled seamen, seafaring men of all capacities who left the sea in years gone by as a protest against the serfdom from which no flag then offered relief, have now an opportunity to return to their former calling, sail as free men, and serve our country.

Your old shipmates—men who remained with the ship to win the new status for our craft—now call upon you to again stand by for duty. Your help is needed to prove that no enemy on the seas can stop the ships of the Nation whose seamen bear the responsibility of liberty.

America has the right—a far greater right than any other nation—to call upon the seamen of all the world for service. By responding to this call now you can demonstrate your practical appreciation of freedom won.

All men of seafaring experience can get further information on this subject by applying to any representative of the United States Shipping Board, or to any officer or representative of the International Seamen's Union of America, or any of its district organizations. It should be understood that this statement is not issued because of any real shortage of men at this time. We must be prepared, however, to man the great new merchant fleet now building. Men must be ready and in training. It is in recognition of this need that we, as a duty to the Nation, submit this call to all seamen.

INTERNATIONAL SEAMEN'S UNION OF AMERICA.

Mr. SHIPSTEAD. Mr. President, I send to the desk a letter from the Acting Secretary of Labor and ask that it be read.

The PRESIDING OFFICER. Without objection, the Secretary will read the letter.

The reading clerk read as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, May 1, 1924.

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

MY DEAR MR. RAKER: In the absence of the Secretary, I have the honor to acknowledge receipt of your letter of April 30, inclosing printed copy of letter from the Secretary of State, in which you ask whether subdivisions E and F of Secretary Hughes's letter can be added to section 19 of H. R. 7995.

We have given section 19 and the proposed amendments careful consideration, and this department is of the opinion that if this section and the proposed amendments, with corrections as suggested by Secretary Hughes, are adopted it will go far toward solving many of the difficulties with which this department has been confronted in its efforts successfully to cope with the seamen's situation as it pertains to the enforcement of the immigration laws. This being true, the proposed amendments meet with the approval of this department and are highly desirable from an administrative standpoint.

Cordially and sincerely yours,

ROBE CARL WHITE,
Acting Secretary.

Mr. SHIPSTEAD. Mr. President, I will say that that letter refers to the amendment that was proposed by the Senator from Utah, which I maintain would have closed this door.

I also send to the desk a letter from the Secretary of State, Mr. Hughes, and a letter from the commissioner of navigation of the Department of Commerce, and I ask that they be printed in the RECORD without being read.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The letters referred to are as follows:

DEPARTMENT OF STATE,
Washington, April 24, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

MY DEAR MR. RAKER: I have received your letter of April 23 asking whether, in my opinion, subdivisions (e) and (f) of the proposed amendment of section 19 of the pending immigration bill, H. R. 7995, would be in conflict with any treaty now existing between the United States and a foreign country. The proposed provisions are as follows:

"(e) All vessels entering ports of the United States manned with crews, the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall, when departing from the United States ports, carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance.

"(f) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who, if he were applying for admission to the United States as an immigrant, would be subject to exclusion under paragraph (b) of section 12 hereof; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies, immigrants coming from which are excluded by the said provisions of law, shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed."

Probably the countries which would be affected most by the proposed measures would be Great Britain, Japan, and the Netherlands.

I do not find anything in the treaty of commerce and navigation of 1852 with the Netherlands which seems to have any direct bearing upon this question.

Article I of the convention of commerce and navigation of 1815 with Great Britain reads as follows:

"There shall be between the territories of the United States of America and all the territories of His Britannic Majesty in Europe a reciprocal liberty of commerce. The inhabitants of the two countries, respectively, shall have liberty freely and securely to come with their ships and cargoes to all such places, ports, and rivers, in the territories aforesaid, to which other foreigners are permitted to come, to enter into the same, and to remain and reside in any parts of the said territories, respectively; also to hire and occupy houses and warehouses for the purposes of their commerce; and, generally, the merchants and traders of each nation, respectively, shall enjoy the most complete protection and security for their commerce, but subject always to the laws and statutes of the two countries, respectively."

Article I of the treaty of commerce and navigation of 1911 with Japan reads, in part, as follows:

"The citizens or subjects of each of the high contracting parties shall have liberty to enter, travel, and reside in the territories of the other, to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses, and ships, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established."

Article IV of the same treaty reads as follows:

"There shall be between the territories of the two high contracting parties reciprocal freedom of commerce and navigation. The citizens or subjects of each of the contracting parties, equally with the citizens or subjects of the most-favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports, and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to the laws of the country to which they thus come."

Provisions more or less similar to those quoted may be found in treaties with other countries.

Especial attention is called to the provisions in the treaties from which I have quoted relating to "reciprocal liberty of commerce" and "reciprocal freedom of commerce and navigation." It appears to me that subdivision (e) of the proposed amendment of section 19 might operate in such a way as to interfere with reciprocal freedom or liberty of commerce and to cause serious loss to British and Japanese vessels, and perhaps vessels of other countries with which the United States has commercial treaties similar to those from which I have quoted. If, for example, a seaman on a vessel coming within the provisions of subdivision (e) should die or become ill and have to be taken to a hospital, or if one or more members of the crew should desert, immediately before the scheduled time for sailing, it is quite possible that a considerable time would be required to obtain other seamen to fill their places. It is quite conceivable that a delay of several hours or of a day or more might be required to fill the quota of the crew. In the case of a large vessel a delay of an hour or more may result in a very large loss. Therefore, if the proposed provision should be adopted, it would seem desirable to amend it in such a way as to make it less rigid. Perhaps this might be done by adding a provision to the effect that the Secretary of the Treasury should have authority to give the vessel clearance where the crew loss has occurred within a specified time before the scheduled time for sailing and where such loss has not been caused by the fault of the vessel. You may wish to consult with the Secretary of the Treasury concerning this point.

As to subdivision (f), there would seem to be no conflict with commercial treaties except, perhaps, in so far as it applies to seamen subject to exclusion under the immigration act as being ineligible to naturalization and coming from overseas dominions or colonies of the country to which the vessel belongs. This objection would not be apt to arise under the convention of commerce and navigation of 1815 between the United States and Great Britain, since that convention specifically applies to commerce between the territories of the United States of America and "all the territories of His Britannic Majesty in Europe." However, the British Government might object upon the ground that the provision as applied to Hindoos serving in British vessels plying between the United States and India would be so unreasonable as to amount to a violation of international comity. The Japanese Government might object upon the ground that the application of this provision to Korean seamen serving on Japanese vessels would be a violation of the provisions of Articles I to IV of the treaty of commerce and navigation of 1911, quoted above. The Japanese Government might reasonably contend that the treaty provisions just mentioned guarantee the right of Japanese subjects, whether coming from Japan proper or from overseas dominions, to come to the United States for purposes of commerce and navigation, and that these provisions cover the seamen on a vessel as well as its owners and agents.

For the reasons mentioned above, it would seem desirable to have subdivision (f) amended in such a way as to avoid its application to seamen of the class mentioned coming from outlying dominions.

I am, my dear Mr. RAKER,

Sincerely yours, CHARLES E. HUGHES.

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION,
Washington, April 23, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

DEAR MR. RAKER: I have received your letter of the 22d instant inclosing proposed amendments of sections 18 and 19 of immigration bill H. R. 7995. You inquire as to the bureau's opinion whether these amendments are in contravention of the seamen's act of March 4, 1915; whether they are contrary to any treaties existing between the United States and any foreign governments; and whether they are in contravention of the "law of the sea."

As I understand the proposed amendments, they are not in contravention of the seamen's act of March 4, 1915.

Whether these proposed amendments are in contravention of treaties of the United States appears to be for the consideration of the Department of State, and this bureau does not feel justified in going into that question.

The proposed addition at the end of line 11, page 25, to the effect that the immigration authorities may remove from vessels, foreign and American, any member of the crew found not to be a bona fide seaman in the opinion of the immigration officer, goes much further than any maritime law or practice with which this bureau is familiar.

The amendment which follows, identified as (e), does not appear to be in contravention of any of our navigation laws unless possibly it is contrary to the spirit of section 4400, Revised Statutes, which provides, in effect, that the United States is not to fix the number of crew which a foreign vessel shall carry, inasmuch as section 4400 does not make 4463, Revised Statutes, as amended, applicable to foreign vessels. The bureau has not before it the law of any other maritime nation containing a similar requirement.

The amendment identified as (f), prohibiting any vessel bringing into a port of the United States an ineligible alien as a member of her crew, with enumerated exceptions, extends much further than

any legislation of any maritime country with which this bureau is familiar.

In making the above statements this bureau wishes it clearly understood that it is not in any sense approving or disapproving the amendments or endeavoring in any way to pass on the merits of such proposals.

Respectfully, D. B. CARSON, *Commissioner.*

Mr. SHIPSTEAD. Mr. President, I will say in conclusion that in my opinion the report of the conference committee ought to be sent back and that the conferees ought to be instructed to bring back a bill complying with the intention of the Senate.

I move, Mr. President, that the bill be sent back to conference and that the conferees be instructed to bring back——

Mr. REED of Pennsylvania. Mr. President, a point of order. I make the point of order that the pending motion is to agree to the conference report, and that no motion is in order unless it would have the effect of bringing about a prompter concurrence between the Houses than would the adoption of the present motion, and therefore that the motion of the Senator from Minnesota is out of order.

The PRESIDING OFFICER. The point of order is sustained. The question is on agreeing to the conference report.

Mr. KING. Mr. President, a parliamentary inquiry. Do I understand the Chair to hold that a motion to recommit with instructions to conferees to insist upon incorporating within the bill certain provisions to which the Senator has referred—namely, an amendment offered by a Senator when the bill was under consideration—is not proper at this time?

The PRESIDING OFFICER. The Chair is of that impression.

Mr. LODGE. Mr. President, simply on the point of order, I think the order of motions in regard to conference reports is very well settled. It is based, of course, on the proposition that that motion which most quickly brings the Houses together is first in order; and if a motion to agree to a report is made, that motion must be first disposed of before any other can be made.

Mr. HARRISON. Mr. President, may I ask the Senator from Massachusetts a question? Here is a conference report. Does the vote come on the adoption of the conference report or the rejection of it?

Mr. LODGE. It must come first on the motion to agree to the report. That has been held here several times.

Mr. HARRISON. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Mississippi will state his parliamentary inquiry.

Mr. HARRISON. May I say, before I propound the parliamentary inquiry, that my impression is that it is necessary to vote the report up or down——

Mr. LODGE. Yes.

Mr. HARRISON. And that no motion to recommit with instructions is in order; but if a motion to recommit is in order, I desire to amend the motion to recommit with instructions touching this other phase of the proposition. It is my impression, however, that it is necessary to vote the report either up or down.

Mr. LODGE. Certainly.

The PRESIDING OFFICER. That is the understanding of the Chair, and the Chair has so ruled.

Mr. NORRIS. Mr. President, so far as the parliamentary situation is concerned, it seems to me there can be no controversy. The principle that underlies conference reports, so far as preference of motions is concerned, is always to give preference to that motion which will soonest bring the two Houses together. The motion pending before the Senate is to agree to the conference report. If that motion prevails, of course it brings them absolutely together. There could be no motion made that would do it more effectively than that. If the motion to agree to the conference report should be defeated, then these other motions would be in order.

I did not expect to talk about the parliamentary situation; but, Mr. President, I have been unable for want of time to give any detailed consideration to some of the legislation that is very important and in which I have a deep interest. The immigration bill is one of those measures. I always feel, however, a jealous regard for the seamen's act. That law was put on the statute books after a great deal of discussion, lasting quite a good many years, and upon which honest men disagreed; but finally we put that law on the statute books. I do not want, myself, to do anything that will change that law, unless it be to improve it. I was a believer in it when it passed, and I have always believed in it since.

I regret that I am not able, with the light I have and the study I have been able to make in the limited time I have had to devote to it, to satisfy myself as to just what is the proper thing to do in regard to this conference report. I voted for the immigration bill, and, with the exception of the matter that is in controversy here, I believe in it. I believe particularly in that part of the conference report which has brought to an end the so-called exclusion controversy. I do not want to do anything that would delay the consummation of a law of that kind.

I listened to the explanation made by the Senator from Pennsylvania [Mr. REED] in regard to the so-called seamen's act, and it seemed to me that he made a fair explanation of it. It was fairly satisfactory to me. I have listened to the Senator from Minnesota [Mr. SHIPSTEAD]. I have been very greatly impressed with what he has said, because he has evidently studied the matter and knows much more about the particular controversy than I do. I have been acquainted with Mr. Andrew Furuseth for a good many years, and I want to say for him that of all the men I have come in contact with who are watching legislation for various organizations and various interests there is not a single man that I have met in any capacity of that kind in whom I have greater confidence than I have in Andrew Furuseth. I would be willing to take his word on almost anything that I had not an opportunity myself to study out and solve satisfactorily to myself. I do not believe that he is capable of trying to mislead any honest man, or that he is ever actuated by a dishonest motive.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. REED of Pennsylvania. The Senator did not understand, from anything I said, that I differed with him in that, I hope.

Mr. NORRIS. No; I did not.

Mr. REED of Pennsylvania. I believe, with the Senator, that Mr. Furuseth tells the exact and literal truth as he sees it, whether it is for him or against him.

Mr. NORRIS. I think so.

Mr. REED of Pennsylvania. We can depend on his statements of fact, but I can not yield to him when it comes to the mere matter of construction of a statute.

Mr. NORRIS. Neither could I yield to him if I had had an opportunity to study the matter, as the Senator has, and had reached a different conclusion from Mr. Furuseth. I would follow mine. I am confronted here, however, with a condition where I have not been able to take up the controversy myself and go through it. It has been a physical impossibility for me to do it, as I presume it has for other Senators who have been engaged in other work.

When we passed the immigration bill, although the amendment of the Senator from Utah was not put on it, I thought that the whole thing would be satisfactorily arranged in conference. According to the idea of the Senator from Pennsylvania—and I have great respect for his opinion on the subject, and he has given it much study—that has been done. It seems that there is still a disagreement, however, as to whether the adoption of this conference report would not have the effect of putting some loopholes in the seamen's act.

I say this to those who believe in the restriction of immigration: They are equally interested, I think, in seeing that nothing is done with the seamen's act that will permit owners of foreign ships unlawfully to bring in here immigrants that our law intends to exclude. We all agree to that, of course. The Senator from Pennsylvania does, the same as the rest of us. Whether or not there is such a loophole is in dispute. If I thought this conference report could go back to the conferees and that there would not be any doubt but that we could get another conference report here that would relieve the question of all doubt, I would not hesitate to vote to send it back, although my motive might be misconstrued if I did not express my ideas on it. Outside of that, I should like to approve this conference report.

I do not agree with some of the Senators who object to it because, for instance, some had been put outside of the quota whom they would put in. Most of those I would rather have inside of the quota than out, but we will have to concede something to the other House. We can not get all we want, probably, and we will have to compromise. As far as a citizen of the United States whose wife is an alien and who is abroad is concerned, I believe I would prefer that that exception be outside of the quota, because that is a plain instance where, it seems to me, the wife ought to be admitted, regardless of all conditions and of all circumstances. The idea of passing an immigration law that will separate families and break home ties is simply heartbreaking, and no man can afford to stand for it. I have no objection to the conference report, therefore, on that ground. It will admit a few more, but it will admit only those who ought to come in anyway.

I wanted to say this much, Mr. President, because I did not want to be misunderstood. I do not want to see the seamen's act injured. I do not want to see a loophole left by which persons can come in illegally. I was rather impressed, when the Senator from Pennsylvania outlined the dispute with Mr. Furuseth as to the effect of this conference report on the bill, that the Senator from Pennsylvania was right in his construction. I do not understand, however, why some of these simple amendments which have been suggested by the Secretary of Labor have not been included in the conference report.

I have not been able to be here all the time this debate has been going on. I have been called out two or three times, and knowing the interest which the junior Senator from Utah has taken in this matter, I would like to hear from the Senator from Utah as to his construction of that disagreement between the Senator from Pennsylvania and Mr. Furuseth as to the possibilities or the probabilities of this measure, as it now stands in the conference report, being used for the purpose of bringing in illegally some immigrants, and what change, if any, has been made in the seamen's act. I would like to know what he thinks with regard to the measure as it stands now in the conference report.

Mr. KING. Mr. President, I regret that I am not able to give a satisfactory reply to the inquiry of the Senator from Nebraska [Mr. NORRIS]. I did not anticipate the conference report would be presented to the Senate for action until to-morrow, and I hoped to have had an opportunity to examine the legal questions now raised and brought to my attention for the first time in a sharp and definite manner this morning, in connection with the provisions of the reported bill dealing with seamen. As the Senator knows, when the bill was before the Senate, I offered an amendment which would have dealt in a comprehensive, and I think effective manner with the question of aliens as that question is linked with seamen. It effectually closed the doors which now are surreptitiously opened and through which persons ineligible to citizenship or to entrance into the United States reach our shores. It was a proper complement to the immigration law to be integrated with the seamen's act.

The Senate, however, rejected the amendment which I offered, so that when the Senate bill went to conference, there were no provisions within it dealing with this question. The House bill, however, had a number of provisions dealing with seamen, but some of them were objectionable and were not accepted. I suggested in the conference—and I hope that I am not violating the proprieties in referring to the action of the conferees—that the amendment which the Senate had rejected, or some other suitable provision, be made a part of the measure agreed upon in conference. However, my suggestion was not accepted.

The House provisions were modified, and as modified appear in the conference report. I can say to the Senator from Nebraska that it was the opinion of the conferees who accepted the final draft that it did not impinge upon the seamen's act and would not be construed as in any manner contravening either the letter or spirit of the same. However, I have not had time to examine this question as fully as I should like. I did not approve of the conference report and declined to sign it. One of the reasons which prompted me to withhold my signature was my feeling that we had not handled the immigration question as it was allied to seamen in as effective and satisfactory a manner as it should have been dealt with. I believed that the accepted provisions now found in the conference report would not accomplish what was desired in the exclusion of persons from our shores who, either as seamen or as immigrants, were not permitted to land.

I regret that the measure before us has not covered this important subject, as I believe it should have been dealt with. There was no thought when the provisions were agreed upon in conference that it could possibly be interpreted as affecting the seamen's act, and, as stated, not until to-day was my attention sharply challenged to this matter.

Mr. Furuseth feels that it does modify provisions of the seamen's act, and he takes the position, with great vigor, that it leaves the side door open, as a result of which persons who are excluded from admission to our shores will be enabled to enter the United States. He also feels that it will modify the present law and impose restrictions upon certain persons, which will illegally interfere with their freedom. One of the House conferees with whom I have just spoken, and who has given a great deal of attention to this matter, states that the interpretation placed by Mr. Furuseth upon the conference report will not be the one adopted by the departments or by the courts, and that there need be no concern upon the ground that it may modify or emasculate, in any manner, the seamen's act.

Mr. NORRIS. May I interrupt the Senator?

Mr. KING. Certainly.

Mr. NORRIS. If this conference report were rejected and went back to conference, and everybody understood that it went back just on this one provision alone, would the House conferees, in the Senator's judgment, feel as I think the Senate conferees would feel, that the only object was to remedy what may be a defect in this one particular about the seamen's act, and that if there is any defect, they would like to remedy it? In other words, would there be any real controversy with the House conferees?

Mr. KING. My opinion after having spoken to-day with one of the House conferees, and from the general discussion when the matter was before us in conference, is that if the bill were sent back to conference no change would be made in this provision. By that I mean that a majority of the conferees, I believe, would take the same position that they now take, namely, that the provisions agreed upon in conference are not in conflict in any possible way with the seamen's act. If the conference report could be recommitted and more effective and suitable provisions accepted, I should be glad. It would gratify me if the bill could be recommitted for the purpose of having the amendment which I offered in the Senate substituted for the provisions dealing with alien seamen now appearing in the conference report. Candor, however, compels me to state to the Senator that I do not believe the conferees would accept my amendment or any amendment or provision of similar import.

Mr. President, I am disappointed in the measure which will soon receive the approval of the Senate and which has already obtained the seal of approval by the House. I was in favor of restricting immigration and as a member of the Immigration Committee endeavored as best I could to aid in framing a bill that would be fair and would protect the interests of our country and deal fairly and justly with the various peoples who were to be admitted to our shores. The pending bill is discriminatory against certain nationalities. It has perpetuated a view with respect to the races of Europe which I do not regard as sound and which should not be the basis of national legislation. It is believed by nations of southern and southeastern Europe that it is discriminatory, and the provision of the bill which bases quotas for immigration after the year 1927 upon national origins confirms this view which is so widely entertained. However, the necessity for legislation dealing with the subject of immigration is conceded by all, and this bill will undoubtedly be approved by a great majority of the American people. It has many admirable features and much of which I cordially approve. With a few amendments, I could give it my hearty approval.

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

Mr. REED of Pennsylvania. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. ROBINSON (when Mr. COPELAND's name was called). The junior Senator from New York [Mr. COPELAND] is necessarily absent. He is paired with the Senator from West Virginia [Mr. ELKINS]. If the junior Senator from New York were present and at liberty to vote, he would vote "nay."

Mr. KING (when his name was called). I have a general pair with the junior Senator from Missouri [Mr. SPENCER]. Not knowing how he would vote, I am compelled to withhold my vote.

Mr. CURTIS (when Mr. LENROOT's name was called). The junior Senator from Wisconsin [Mr. LENROOT] is absent on account of illness.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. As he has already voted for the bill, and I know would vote as I intend to vote, I feel at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. ROBINSON. The junior Senator from New Jersey [Mr. EDWARDS] is unavoidably absent. If he were present, he would vote "nay."

The senior Senator from Alabama [Mr. UNDERWOOD] is necessarily absent. If he were present, he would vote "yea."

Mr. BROUSSARD (after having voted in the affirmative). I have a general pair with the Senator from New Hampshire [Mr. MOSES], who would vote "yea" if present. Therefore I permit my vote to stand.

Mr. FESS (after having voted in the affirmative). The Senator from Michigan [Mr. FERRIS], with whom I am paired, is unavoidably absent. I understand that if he were present he would vote "yea." Therefore I allow my vote to stand.

Mr. CURTIS. I wish to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 69, nays 9, as follows:

YEAS—69

Adams	Edge	Lodge	Shields
Ashurst	Fess	McKellar	Shortridge
Ball	Fletcher	McKinley	Simmons
Bayard	George	McNary	Smith
Borah	Glass	Mayfield	Smoot
Brandegee	Gooding	Neely	Stanfield
Brookhart	Hale	Norbeck	Stephens
Broussard	Harreld	Norris	Swanson
Bruce	Harris	Oddie	Trammell
Bursum	Harrison	Overman	Wadsworth
Cameron	Heflin	Pepper	Walsh, Mont.
Capper	Howell	Phipps	Warren
Caraway	Johnson, Calif.	Pittman	Watson
Cummins	Johnson, Minn.	Ralston	Wheeler
Curtis	Jones, N. Mex.	Ransdell	Willis
Dale	Jones, Wash.	Reed, Pa.	
Dial	Kendrick	Robinson	
Dill	Keyes	Sheppard	

NAYS—9

Colt	Ladd	Owen	Sterling
Frazier	McLean	Shipstead	Walsh, Mass.
Gerry			

NOT VOTING—18

Copeland	Fernald	Lenroot	Stanley
Couzens	Ferris	McCormick	Underwood
Edwards	Greene	Moses	Weller
Elkins	King	Reed, Mo.	
Ernst	La Follette	Spencer	

So the report was agreed to.

POSTHUMOUS APPOINTMENTS AND PROMOTIONS OF CERTAIN PERSONS IN THE ARMY

Mr. HARRIS. Mr. President, during the war a number of our brave soldiers were killed in battle or died. In many cases their commissions had been sent to them or they had been recommended for promotion; but under the law, inasmuch as they had not accepted, they could not be given the rank which it was intended they should have. I have prepared a joint resolution providing that all of these boys shall be placed on the rolls in the grade and at the rank to which they were appointed or for which they were recommended by the War Department, including some whose commissions were not received at all.

Sections 1 and 2 of my resolution to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers are substantially the same as sections 2 and 3 of Senate Joint Resolution No. 28 of the Sixty-seventh Congress, which passed the Senate January 23, 1922, and the latter resolution is identical with Senate Joint Resolution No. 70, of the Sixty-sixth Congress, which passed the Senate August 2, 1919.

The slight changes in the wording of my resolution were made in conformity with the recommendation of the Secretary of War in letter addressed to the chairman Committee on Military Affairs, House of Representatives, March 25, 1922, while that committee was considering Senate Joint Resolution No. 28. These changes in no way alter the meaning or the intent of the original resolutions as they passed the Senate.

The Senate has thus on two occasions, once during the Sixty-sixth and once during the Sixty-seventh Congress, approved these two sections (1 and 2) of my resolution, and the War Department has formally recommended them.

Section 3 of my resolution is substantially the same as section 5 of House Joint Resolution No. 105, Sixty-seventh Congress, the first four sections of which were identical with Senate Joint Resolution No. 28 of that Congress, which, as I have already stated, passed the Senate January 23, 1922. The fifth section of the House resolution, from which my section 3 is taken, was added upon recommendation of the Secretary of War in letter to the chairman Committee on Military Affairs, House of Representatives, dated April 27, 1921, in which Secretary Weeks renewed a recommendation made by his predecessor in letter of October 29, 1919. The slight changes I have made in the wording of this section conform to the recommendation of the Secretary of War in letter to the chairman Committee on Military Affairs, House of Representatives, dated March 25, 1922.

None of these resolutions was ever reported out by the House Committee on Military Affairs, due, I am informed, to objections to sections 1 and 4, both of which have been omitted in my resolution. So far as I am aware, no opposition was voiced to any one of the three sections of the resolution I have introduced, and they are so manifestly appropriate and just, though belated, that I can not conceive of anyone objecting to them.

Briefly, sections 1 and 2 of my resolution provide for the posthumous appointment of soldiers to commissioned grades and promotion of commissioned officers who were killed in action or died in line of duty during the World War after their appointment or promotion to the advanced grade had been duly approved but before official notice thereof or the commissions could reach them. The final step necessary in all appointments and promotions—that is, the formal acceptance of the commission—is therefore lacking, and under a decision of the Supreme Court the men's names can not be carried on the records of the War Department in the advanced grades. To perfect these appointments and promotions, earned in most cases by meritorious and distinguished service on the field of battle, and to provide for the issuance of appropriate commission in the names of the deceased is the purpose of this resolution. The resolution carries no increase of pay; in fact, such increase is specifically prohibited by section 4.

In the case of Brig. Gen. Edward Sigerfoos, who while serving as a colonel was killed in action on October 7, 1918, three days after his nomination by the President for appointment as brigadier general, the Congress by special act approved April 12, 1920, directed that he should thereafter be held and considered to have become a brigadier general and to have held that office until the date of his death. The act also provided for the issuance of a commission as brigadier general in his name.

No doubt special acts would have been passed in behalf of others had not the general resolutions I have mentioned covering all similar cases been pending before Congress.

I myself would have introduced and strongly urged the passage of a bill to promote the late First Lieut. Henry M. Atkinson, Jr., whose commission as captain reached his regiment in France the very day of his death.

Lieutenant Atkinson was the only son on one of the most prominent and influential men of my State. Few men have done as much as he has for the development of our section. Lieutenant Atkinson was himself the highest type of young American manhood. He was given the very best educational advantages this country affords, and he made good use of them.

As a boy he attended the Peacock School and Marist College in Atlanta. He spent six years at Groton School and four at Harvard College, receiving his degree of bachelor of arts at the latter in 1915. He then went to the Massachusetts Institute of Technology to pursue a graduate course in electrical engineering to prepare himself to assist his father in his profession. It was the latter's intention gradually to turn over to his son his extensive business interests in order that he might later retire and enjoy a well-earned rest.

Realizing that he might have occasion to serve his country on the field of battle, young Atkinson attended a military school as a boy, and while at Harvard University he served one three-year enlistment in the Massachusetts Volunteer Militia. The character of "Excellent" on his discharge from the latter attests the deep interest taken by him in his military training.

Mr. Atkinson was among the first to volunteer for service after our declaration of war with Germany. He was sent to the first officers' training camp, and upon completion of the course was offered a commission as captain in the Officers' Reserve Corps. He, however, declined this offer and accepted a commission in a lower grade—lieutenant—in the Regular Army, feeling that he might thereby be amongst the first to reach the battle front in France.

Lieutenant Atkinson served with credit and distinction until nine days before the armistice, when he succumbed to an attack of bronchial pneumonia during that terrible epidemic of influenza which took away so many of our patriotic and brave soldiers in France, as well as in our concentration camps at home. I have already stated that his commission as captain, which he had earned on the field of battle, reached his regiment the very day of his death, too late for him to sign his letter of acceptance.

Not realizing that acceptance of the commission was essential to perfect his promotion, the regiment buried him as a captain and placed the title of captain before his name on the white cross that marked his temporary resting place in France.

Nearly four years later, in the summer of 1922, the bereaved father and mother made a pilgrimage to far-off France to be present at the final interment of their son in the national cemetery near Fere-en-Tardenois, one of the six large American cemeteries in France, to which were transferred the bodies of our brave officers and soldiers that were not to be brought back to the homeland.

Upon arrival in Paris the father was informed by the officer in charge of the American graves registration service that instructions had just been received from the War Department to change the rank from captain to first lieutenant on the white cross that was to be placed at the new grave of

act.

Mr. NORRIS. May I interrupt the Senator?

from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

his son. It is not difficult to imagine the pain this information caused the disconsolate mother who had made the long journey from her home in America to pay tribute to the memory of her beloved son and hero. She felt that her boy was being demoted by an ungrateful Government after he had made the supreme sacrifice for his country and humanity.

Fortunately the instructions to change the rank on the cross were not transmitted immediately from the headquarters in Paris to the officer in charge of the cemetery, so the parents had the satisfaction of seeing the title of captain before their son's name on the white cross when they reached the cemetery the following day.

Later the War Department authorized the retention of the higher rank on the crosses in the cases of Captain Atkinson and others whose death prevented them from accepting commissions forwarded to their commands.

No doubt the War Department was influenced by the knowledge that there was then pending before Congress a joint resolution, which had twice passed the Senate, providing for the promotion of these officers who had sacrificed their lives for their country, and it is more than probable that the department felt reasonably sure this meritorious provision would soon become law.

This commendable act of the War Department brought comfort to the bereaved parents, widows, and other relatives and friends of the fallen heroes, but the department is without authority of law to take the next step and change its own records to show the appointments and promotions to the higher grades.

We thus have one rank or title before the names of these officers on the headstones or white crosses that mark their last resting places and another and lower rank on the records of the War Department. To correct this anomaly and posthumously confer upon these officers the rank which they earned on the field of battle would be a simple act of justice and would show that their Government has not entirely forgotten the sacrifices they made in its defense.

There is another case, Mr. President, with which I happen to be familiar, that would no doubt have received special consideration by the Congress had there been any fear of unfavorable action upon the pending general legislation now incorporated in my resolution.

It is the case of First Lieut. Thurston Elmer Wood, Twelfth United States Field Artillery, a brave and gallant young officer, who was killed in action in France on July 21, 1918. For extraordinary heroism displayed by him in the battle in which he sacrificed his life, Lieutenant Wood was posthumously awarded the Croix de Guerre with silver star by the French Government, the citation stating that—

He displayed coolness and contempt of danger in going, under a violent bombardment, to the rescue of a wounded driver of his section.

Lieutenant Wood, the son of a distinguished officer of the Navy, Capt. Albert N. Wood, was graduated from the United States Military Academy on August 30, 1917, and served with credit and distinction until he was killed on the field of battle. In recognition of his efficient and meritorious service in France, Lieutenant Wood had been recommended for promotion to the grade of captain and his promotion had been duly approved, but he was cut down by the enemy's projectile before he could accept the commission in the higher grade.

Mr. President, I have explained in detail the case of Lieutenant or Captain Atkinson, and briefly that of Lieutenant Wood, to show there is need for congressional action even at this late date. No doubt there are many other similar cases that have been brought to the attention of Members of this body, and we shall be derelict in our duty if we fail before the end of this session of Congress to authorize the War Department to issue the appropriate commissions and make the necessary corrections in the records of the officers concerned.

The purpose and intent of section 3 of my resolution is set forth in letters of the Secretary of War to the chairman Committee on Military Affairs, House of Representatives, dated October 29, 1919, and April 27, 1921, and to the chairman Senate Committee on Military Affairs, dated May 10, 1921.

I quote from the letter to the chairman of the Senate committee:

The reason for the suggested addition is that a number of officers of the Regular Army have died after they had been examined and found qualified for promotion and after a vacancy had occurred to which they were entitled to be promoted but before they had been able to accept their commissions. In the case of one of these officers, Maj. John T. Haines, a special act (Private, No. 168, Sixty-third Congress, approved February 17, 1915) awarded the rank to which he would have been entitled had he lived to accept his commission. It appears to be appropriate and desirable that legislation should be enacted to cover all future cases of this nature, thus rendering unnecessary such special legislation as was enacted in the case of Major Haines.

In addition to the case of Major Haines, referred to in letter of the Secretary of War, the Congress by special act (Private No. 142, 64th Cong., approved August 29, 1916) posthumously promoted Maj. Matthew C. Butler, jr., who was brutally murdered in cold blood on July 20, 1916, six days after his nomination for promotion to the grade of lieutenant colonel had been confirmed by the Senate.

I might add that Lieutenant Colonel Butler, who had an honorable record of 33 years' service in the Army, was the son of the late United States Senator Matthew C. Butler, of South Carolina, a gallant and distinguished Confederate general.

These Regular Army cases covered by section 3 of my resolution are of rare occurrence, though I happen to know of one other case, that of First Lieut. Ralph H. Countryman, a veteran of the World War, who was drowned on December 4, 1920, after he had stood his examination for promotion. No special act has been passed awarding him the rank of captain, to which he would have been entitled had he lived to accept his commission, as was done in the cases of Major Haines and Major Butler.

My resolution covers the case of Lieutenant Countryman and all other similar cases that have occurred in the Regular Army since our declaration of war with Germany, as well as those that may occur in the future.

The fourth and last section of my resolution specifically provides that no person shall receive any bonus, gratuity, pay, or allowances by virtue of any provision of the resolution, thus removing any possible objection that might be urged against the action contemplated.

The sole purpose of my resolution is to do justice to the memory of a comparatively few officers who have died, or may hereafter die, in the service of their country before being able to accept commissions due them. This consideration by the Congress will afford some measure of comfort to the bereaved widows and parents of the officers, and will entail no expense to the Government.

As I have already stated, the Senate has twice passed resolutions embodying sections 1 and 2, and the Secretary of War has on at least three separate occasions formally recommended all the sections of my resolution.

I trust the Committee on Military Affairs, to which I assume the joint resolution will be referred, will be able to give it early consideration, and will report it back to the Senate without delay, in order that final action may be taken before the end of this session of Congress.

I introduce the joint resolution and ask that it may be printed in the RECORD and referred to the Committee on Military Affairs.

The joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers, which was read twice by its title and referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers

Resolved, etc., That the President be, and he is hereby, authorized to issue or cause to be issued an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, had been duly appointed to a commissioned grade and, through no fault of his own, was unable to accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such appointment, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission from the date of such appointment to the date of his death.

SEC. 2. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, may have been officially recommended for promotion to a commissioned grade, which recommendation shall have been duly approved by the Secretary of War, or by the commanding general American Expeditionary Forces, as the case may be, and who shall have been unable to receive and accept such commission by reason of his death in line of

duty; and any such commission shall issue as of the date of such approval, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission, from the date of such approval to the date of his death.

SEC. 3. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any former officer of the Regular Army of the United States who, after having been examined and found duly qualified for promotion, died since April 6, 1917, or shall die, in line of duty after the occurrence of the vacancy entitling him, by virtue of seniority, to such promotion and before the issue or acceptance of a commission therefor; and any such commission shall issue with rank as of the date of said vacancy, and any such officer's name shall be carried upon the records of the War Department as of the grade and branch of the service shown in such commission, from the date of such vacancy to the date of his death.

SEC. 4. That no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any provision of this resolution.

DISCRIMINATION AGAINST AMERICAN SHIPPING

Mr. McKELLAR. Mr. President, I wish to take a moment of the time of the Senate in reference to a matter other than that now before the Senate. I am not always in agreement with editorials which are published in the Washington Post, but there was one published in that newspaper this morning which is of such vast importance to the people of this country, and should be to Congress, that I am going to take the liberty of reading it and thereby calling the attention of the Senate to it. The editorial to which I refer is headed "Discrimination against America," and reads as follows:

DISCRIMINATION AGAINST AMERICA

The chairman of the United States Shipping Board has called attention to the lack of teamwork between American railroads and shipping lines, resulting in the capture of an enormous tonnage of American exports by foreign shipping lines. Some of the railroads have made long-time contracts with foreign shipping interests which have diverted to foreign bottoms the freight that should be carried by American vessels. It is stated that two railroads recently delivered over 70,000 tons to Japanese lines, while American competing lines obtained only 4,000 tons. Yet the American lines offer equally good rates and service, and are ready to deliver freight at points desired.

This discrimination in favor of foreign ships has caused a shortage of freight for the 366 Government-owned vessels now operated, besides making it impossible to operate nearly 900 vessels that could be employed to advantage if freight were available.

At the same time the railroads are putting up a poor mouth and asking for favors from the Government.

Jobbers and exporters are also held accountable for diverting traffic to foreign ships. Cooperation among American interests seems to be entirely lacking.

This situation deserves the attention of Congress in connection with Shipping Board and railroad legislation. There is no good reason why the United States should not apply such measures as will compel cooperation in behalf of American shipping. Foreign governments do not fail to foster their merchant marine, both for the sake of commercial profit and for the upkeep of fleets that are indispensable to their national defense.

The factor of national defense in maintaining the merchant marine is not ignored by any great maritime power other than the United States. Although the ships controlled by the Shipping Board were built for the national defense, the end of the war seems to have marked the end of all concern as to the maintenance of these vessels as adjuncts of defense. Another war would require the rapid expansion and adaptation of the merchant marine to defense purposes. If the merchant marine could be safely dealt with as an exclusively commercial problem during peace times, the country would not pay much attention to the discrimination in favor of foreign ships so long as cargoes were carried cheaply. That was the situation before the war. But the war taught a costly lesson that the American people need not learn twice. It taught the people that a modern war is fought with all weapons available, and that merchant ships are most powerful weapons of offense as well as defense. The transportation of armed forces, munitions, and war materials is but a part of the duty performed by merchant vessels during war. They are indispensable as carriers of raw materials, foodstuffs, and other necessaries which must be obtained in spite of the enemy. The ravages of the submarine upon merchant shipping nearly lost the war to the Allies, notwithstanding their strength on the battle line. American destroyer convoys checkmated the submarines, but the need of merchant shipping was just as urgent as before. If the United States had not built merchant ships the war would have been lost.

Now that the ships are in existence it is the plain duty of the Government to maintain them and to replace them as they drop out of commission. The cost of maintaining the fleet solely for national defense, waiting for a war that may not come for many years, is not only prohibitive, but unnecessary extravagance. The ships can be employed for commerce, and the commerce exists with which to support them.

Foreign governments are skillful managers of ocean shipping. Their energies extend over the earth, and competition sharpens their wits. The two large Japanese lines that are getting the lion's share of American freight bound for the Orient are strongly backed by their Government, while the American lines on the Pacific are deprived of American freight and the United States Government does nothing to keep this freight in American hands. Consequently ship operators are discouraged, and it is with great difficulty that the Shipping Board keeps its vessels operating.

The United States has no quarrel with foreign governments or foreign ship lines. If they can take American freight away from Americans, they are not to be blamed. They are merely exercising the skill, persistence, and teamwork that should be exercised by the United States and its citizens. Americans should not overlook the fact that this foreign activity tends to build up merchant marines, which in time of war would be dangerous weapons in the hands of the enemy. At the same time, superior foreign tactics in capturing American freight increase the difficulty and expense of maintaining an American marine that would be adequate for the national defense.

While present conditions exist, American citizens are placed in the position of contributing to the upkeep of foreign naval power while destroying their own. Naval power is not to be reckoned only in battleships. It includes merchant vessels also. This fact was mentioned by Assistant Secretary Roosevelt in his recent able letter to Chairman BUTLER of the House Committee on Naval Affairs. Statesmanship requires full consideration of the part played by the merchant marine in national defense. For this reason, as well as for others, Senator KING's proposed thorough inquiry into the state of the United States Navy should be ordered by Congress before adjournment.

Mr. President, with all the earnestness of which I am capable, I wish to commend this well-thought out, well-considered advice to Congress, for that is what it is, or what it should be. There is no harshness about it, but it looks at the question in a businesslike way. We have 366 merchant ships in operation, and some 900 are tied up because of the lack of cargoes. There is ample freight in this country to keep them all employed, and merely by cooperation, by bringing about a state of mutual helpfulness between our railroads and our merchant marine, virtually all the wealth of the maritime western world could be brought into the hands of our merchant marine. We are justly entitled to transport the largest share of the freight pertaining to America, but we are disregarding and overlooking the opportunities that are ours. I hope that the commerce committee will take this matter up at the earliest possible moment and bring to a successful conclusion the effort to prevent such discriminations against American shipping as are set forth in the editorial which I have read.

We should not be unfair to our railroads nor should we permit them to be unfair to our merchant marine. They should be willing to cooperate with American shipping, and Congress should arrange terms on which they could cooperate to their own advantage and also to the advantage of our merchant marine. I wish most heartily to commend the statement which Chairman O'CONNOR has given out on this subject and also heartily to commend the editorial expression on this subject which I have quoted.

Mr. PITTMAN. Will the Senator from Tennessee yield to a question?

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Nevada?

Mr. McKELLAR. I yield.

Mr. PITTMAN. I merely wish to say that the editorial which the Senator has read is very timely. While we are endeavoring to build up the merchant marine, the Interstate Commerce Commission is considering the applications of western railroads for competitive rates to Pacific coast points, which applications they will be compelled to grant if they shall follow their prior decisions. At the same time the Shipping Board has passed a resolution stating that if those rates shall be granted under a departure from the fourth section of the transportation act which we have been considering, it will destroy the coastwise trade.

Mr. McKELLAR. What the Senator from Nevada has so well said I indorse. Surely, steps must be taken by Congress to prevent this destruction of the business which properly be-

longs to our merchant marine, and that is what would certainly happen if such a condition were allowed to exist.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. FLETCHER. Mr. President, we have now only five minutes remaining before we shall take a recess. We can not accomplish anything on the pending bill during the next few minutes, and I wish to ask the chairman of the Committee on Military Affairs, the Senator from New York [Mr. WADSWORTH], if he will not request that the bill be temporarily laid aside in order that I may secure action upon a local measure.

Mr. WADSWORTH. I have no objection, Mr. President, to the unfinished business being temporarily laid aside, and I make that request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Florida temporarily to lay aside the unfinished business, being the War Department appropriation bill? The Chair hears none, and that bill is temporarily laid aside.

GASPARILLA ISLAND MILITARY RESERVATION

Mr. FLETCHER. From the Committee on Military Affairs I report back favorably with an amendment, in the nature of a substitute, the bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation, and I submit a report (No. 549) thereon. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDENT pro tempore. The Senator from Florida asks unanimous consent for the immediate consideration of the bill named by him, which will be read for the information of the Senate.

Mr. WILLIS. What is the nature of the bill?

Mr. FLETCHER. The bill has reference to the sale of a military reservation in Florida which is no longer needed for military purposes. The report is made in accordance with the recommendation of the War Department.

The PRESIDENT pro tempore. Does the Senator from Ohio desire that the bill shall be read for information?

Mr. WILLIS. Let the report be read, if it is not too long.

Mr. FLETCHER. I have reported the bill precisely as the War Department has prepared it. The War Department prepared a substitute for the original bill, which has been reported by the committee as an amendment.

Mr. WILLIS. I accept the Senator's statement and do not insist upon the reading of the report.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of War be, and he is hereby, authorized to sell or to cause to be sold, either in whole or in two or more parts, as he may deem best for the interests of the United States, or any interest therein or appurtenant thereto, the Gasparilla Island Military Reservation, in the State of Florida, no longer needed for military purposes, except such part or portion thereof as is occupied by the Department of Commerce for lighthouse purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

SEC. 2. In the disposal of said lands the Secretary of War shall cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. The Secretary of War shall sell or cause to be sold said property at public sale at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

SEC. 4. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 5. The expense of appraisal, survey, advertising, and sale shall be paid from the proceeds of the sale, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

SEC. 6. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

Mr. FLETCHER. The substitute, as I have stated, has been prepared in accordance with the recommendation of the War Department.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. I ask to have the report on the bill printed in the RECORD.

There being no objection, the report (No. 549) submitted by Mr. FLETCHER was ordered to be printed in the RECORD, as follows:

[Senate Report No. 549, Sixty-eighth Congress, first session]

GASPARILLA ISLAND MILITARY RESERVATION

Mr. FLETCHER, from the Committee on Military Affairs, submitted the following report to accompany S. 3211:

The Committee on Military Affairs, to which was referred the bill (S. 3211) authorizing the sale of Gasparilla Island Military Reservation, having considered the same, report thereon favorably with the recommendation that it do pass with an amendment.

The present occupants of the Gasparilla Island Military Reservation have certain vested rights in the lands and improvements thereon. It is understood that the appraisal and sale to be made under this act would cover only the right, title, and interest of the United States in the lands and the public improvements thereon, it not being intended by this act to alter or modify in any way any rights heretofore created in the reservation.

The bill, as amended, has the approval of the War Department, and the letter of approval of the Secretary of War is appended hereto and made a part of this report, as follows:

WAR DEPARTMENT,
Washington, May 9, 1924.

Hon. JAMES W. WADSWORTH, Jr.,
Chairman Committee on Military Affairs, United States Senate.

MY DEAR SENATOR WADSWORTH: Referring to your request of May 6, 1924, for a report on S. 3211, a bill authorizing the sale of Gasparilla Island Military Reservation, I am pleased to inform you that the War Department has no objections to legislation authorizing a sale of those lands. However, I desire to suggest certain amendments which, in my judgment, would be protective of the Government's interests.

As will be noted, the bill does not require appraisal, advertisement before sale, public sale, report of sale to Congress, use of sale proceeds to meet the sale expenses, nor is there any protective provision to avoid possible repeal of prior legislation. Each of these provisions is contained in the act of March 4, 1923 (42 Stat. 1450), which authorizes the sale of 45 military reservations and is the latest expression of governmental policy as to sales of military lands. It is recommended that the bill be amended to include the foregoing, it being particularly important that authority be given for use of the sale proceeds to meet the sale expenses. For your convenience and consideration, I inclose herewith the draft of a bill containing the foregoing suggestions.

Gasparilla Island is several miles in length and is situated at the entrance to Charlotte Bay on the west coast of Florida. The military reservation has an area of approximately 532 acres and was withdrawn from public domain for military purposes in 1882. There are no fortifications or other military installations thereon. The Department of Commerce occupies a part thereof, approximately 93 acres, for lighthouse purposes, under War Department permit. It will be noted that S. 3211 excepts such tract from sale. The south 2 miles of the island constitutes the military reservation, the northerly portions being privately owned. The Charlotte Harbor & Northern Railway Co. has a tract traversing the island and connecting with the mainland lines. This railroad line was authorized by the act of June 13, 1902 (32 Stat. 384), and in addition to a right of way, this company for some years has occupied additional acreage on the reservation by lease from the War Department. Its present lease expires January 20, 1925. The remainder of the reservation, excepting the lighthouse tract, has been under lease to the Boca Grande Land Co. for some years, the present lease expiring December 1, 1924. A resort hotel owned by one of these lessees is situated on lands adjoining the reservation and the Government land has long been used as a golf course. It is understood that both the railway company and the land company are subsidiaries of the American Agricultural Chemical Co., a New York concern. A permit for a public road is outstanding.

The military reservation is not required for military purposes and disposition thereof has been contemplated by the War Department. As these lands were reserved from the public domain, there is present authority for that transfer thereof to the Interior Department by Executive order pursuant to the act of July 5, 1884 (23 Stat. 103). That act authorizes the Interior Department to sell the lands so transferred at public sale at not less than the appraised value.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7962) to extend for the period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

The message also announced that the House insisted upon its amendments to the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Butternut Street, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ZIHLMAN, Mr. LAMPERT, and Mr. BLANTON were appointed managers on the part of the House at the conference.

ORDER FOR A RECESS UNTIL TO-MORROW

Mr. CURTIS. Mr. President, as we are to have the calendar considered to-night, I ask unanimous consent that when the Senate concludes its business this evening it take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent that when the Senate concludes its business to-night it take a recess until 12 o'clock to-morrow. Is there objection?

Mr. ROBINSON. I think there is no objection to that arrangement. I have heard of none.

The PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

RECESS

The hour of 5.30 o'clock having arrived, the Senate, under the previous order, took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

THE CALENDAR

Mr. CURTIS. I ask unanimous consent that we commence the calendar where we left off on the last call, at No. 335.

The PRESIDENT pro tempore. Is there objection?

Mr. REED of Pennsylvania. May action on the request be deferred until we examine the calendar?

Mr. CURTIS. Then let us commence at the beginning.

Mr. REED of Pennsylvania. I do not make that request.

Mr. CURTIS. In order to save time let us commence at the beginning.

The PRESIDENT pro tempore. The Clerk will announce the first bill on the calendar.

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as first in order.

Mr. ROBINSON. I ask that the bill may go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1181) naming the seat of government of the United States was announced as next in order.

Mr. JONES of Washington. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. ROBINSON. Let the bill go over. That is a pension bill that has already been disposed of.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Ramon B. Harrison was announced as next in order.

Mr. DIAL. Let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was anounced as next in order.

Mr. OVERMAN. Let it go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

GORDON G. MACDONALD

The bill (S. 1013) for the relief of Gordon G. MacDonald was announced as next in order.

Mr. ROBINSON. This appears to be a bill for the retirement of an officer in the Naval Reserve. I wonder why it was referred to the Committee on Claims instead of the Committee on Naval Affairs.

Mr. SHORTRIDGE. It was referred to the Committee on Claims and thereafter referred to the Committee on Naval Affairs, and both committees reported unanimously in favor of the passage of the bill.

Mr. ROBINSON. Very well. I make no objection.

The bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That Gordon G. MacDonald, who, while serving as a lieutenant, United States Naval Reserve Force, was found by a naval retiring board to be permanently incapacitated for active service by reason of physical disability incurred in the line of duty as a result of an incident of the service, in time of war, shall be eligible for retirement; and the President is hereby authorized to place him upon the retired list with the rank and three-quarters of the pay of the grade held by him at the time such physical disability was incurred.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. ROBINSON. Let it go over. It is under consideration now in connection with the Army appropriation bill.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 185) to promote agriculture by stabilizing the price of wheat was announced as next in order.

Mr. OVERMAN. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2691) to amend the Penal Code was announced as next in order.

Mr. DIAL. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

WRITS OF ERROR

The bill (S. 2693) in reference to writs of error was announced as next in order.

The PRESIDENT pro tempore. The bill has heretofore been considered as in Committee of the Whole and an amendment agreed to.

The Senate as in Committee of the Whole resumed the consideration of the bill.

The amendment of the Committee on the Judiciary, heretofore agreed to, was, in section 2, page 1, line 6, before the words "all cases" to insert the word "in," so as to make the bill read:

Be it enacted, etc., That the writ of error in cases, civil and criminal, is abolished. All relief which heretofore could be obtained by writ of error shall hereafter be obtainable by appeal.

SEC. 2. That in all cases where an appeal may be taken as of right it shall be taken by serving upon the adverse party or his attorney of record, and by filing in the office of the clerk with whom the order appealed from is entered, a written notice to the effect that the appellant appeals from the judgment or order or from a specified part thereof. No petition of appeal or allowance of an appeal shall be required: *Provided, however*, That the review of judgments of State courts of last resort shall be petitioned for and allowed in the same form as now provided by law for writs of error to such courts.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMUTATION OF QUARTERS, HEAT, AND LIGHT

The bill (S. 2299) to validate the payment of commutation of quarters, heat, and light under the act of April 16, 1918, and of rental and subsistence allowances under the act of June 10, 1922, was announced as next in order.

The PRESIDENT pro tempore. The bill was passed on March 31, 1924, and a motion to reconsider entered by the Senator from Utah [Mr. KING].

Mr. WADSWORTH. I hope the Senator from Utah will not insist upon the motion now. If so, I will let the bill go over.

Mr. KING. The Senator from Nebraska [Mr. HOWELL], as the Senator from New York remembers, wanted to speak upon the bill.

Mr. WADSWORTH. He did so the last time the bill was brought before the Senate.

Mr. KING. He spoke only a short time. The Senator will recall that he was unable to conclude and stated that when the bill was before the Senate again he would further discuss it. I know he wants to discuss it quite fully. He has some matters of which I think the Senate should be advised. I have no disposition to delay its consideration, but I feel constrained under the circumstances to appeal to the Senator to let it go over.

Mr. WADSWORTH. Of course, the Senator's appeal is directed to me, and if acceded to means that I consent to the defeat of the bill at this session.

Mr. KING. I do not ask the Senator to do that.

Mr. WADSWORTH. The bill has passed the Senate once after full explanation, and then was brought back from the House at the request of the Senator from Utah, and a motion to reconsider was entered. Here it is now. Everything that was done has been brought back. I can not get all the Senators here at the same time who have been interested in it. It has been brought up again and again.

Mr. KING. I shall join with the Senator, as soon as we finish with the War Department appropriation bill, to-morrow or at any other time the Senator may ask, for the consideration of the bill.

Mr. WADSWORTH. But we are to recess to-night until 12 o'clock to-morrow and then proceed with the consideration of the War Department appropriation bill.

Mr. KING. I shall join with the Senator any time he indicates and ask for the consideration of the bill. The Senator has been very courteous.

Mr. WADSWORTH. May it be temporarily laid aside? Perhaps the Senator from Nebraska will come in later.

The PRESIDENT pro tempore. The bill will be passed over temporarily.

BILLS PASSED OVER

The bill (S. 2149) to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation, was announced as next in order.

The PRESIDENT pro tempore. This bill has been heretofore passed and reconsidered.

Mr. CURTIS. I ask that the bill may go over.

Mr. KING. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2150) to authorize arrests by officers and employees of the Department of Agriculture in certain cases, and to amend section 62 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2151) to increase the subsistence and per diem allowances of certain officers and employees of the Department of Agriculture was announced as next in order.

Mr. OVERMAN. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

SIOUX INDIAN CLAIMS FOR DESTRUCTION OF HORSES

The bill (S. 1174) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses was announced as next in order.

The PRESIDENT pro tempore. The bill has previously been read and considered as in Committee of the Whole.

Mr. KING. I would like to ask the Senator from South Dakota [Mr. STERLING] if any estimate has been made of the probable cost, and the reason why so many years have elapsed since the alleged tort was committed without payment?

Mr. STERLING. This is a claim for 465 horses and ponies that were killed on the order of the Government. It was supposed in the first instance that they were infected with the glanders, and therefore the order was given to investigate and kill them. A veterinarian was sent out for that purpose. He went in and killed 465 of the horses, 288 of which were owned by an Indian woman who had a large ranch, and for the 288 she received a judgment of $29,500 in the Court of Claims, where her case was fully considered and tried. The remaining number, about 173, I think, were killed under exactly the same circumstances.

Mr. ROBINSON. The Court of Claims made a favorable finding in the case referred to it?

Mr. STERLING. Yes. I will say to the Senator from Arkansas I have here the decision of the Court of Claims in the first case.

Mr. ROBINSON. I do not desire that the Senator should read the decision if he is familiar with it. I merely asked if it was a favorable decision.

Mr. STERLING. It was a favorable decision.

Mr. WARREN. What was the amount involved?

Mr. STERLING. The amount in that case was $29,500. The bill does not appropriate any amount; it simply authorizes the Secretary of the Interior in his discretion to investigate, adjust, and determine the unsettled claims on the part of the owners of the horses.

Mr. KING. And refer it back to Congress?

Mr. STERLING. And refer it back to Congress for Congress to make such appropriation as may be necessary.

Mr. ROBINSON. Does the bill authorize a reexamination of the other claim?

Mr. STERLING. I think not, since that has been decided by the Court of Claims, and judgment was awarded and paid.

Mr. HARRELD. Mr. President——

Mr. STERLING. I yield to the Senator from Oklahoma.

Mr. HARRELD. This bill was before the Committee on Indian Affairs and we made a favorable report upon it. There is only one trouble in the case. I remember that in 1895 such ponies sold at public auction in my State for $10 or $15 apiece, and I think the Secretary of the Interior ought to be instructed in making settlement not to settle for the horses at present-day prices.

Mr. STERLING. I do not think there will be any attempt to do that, I will say to the Senator from Oklahoma. I want to say in reference to the claim of Mrs. Rousseau that she had some very valuable blooded horses kept for breeding purposes, and that is the reason why the judgment was as great as it was in her case—$29,500. I have an idea that the rest of the horses were Indian ponies, not worth to exceed $20 or $25 apiece.

Mr. ROBINSON. I ask the Senator about the language of the bill. It appears to authorize an investigation by the Secretary of the Interior into the cases of the Indians who had horses killed under the conditions stated, and I am not sure that it does not authorize a reinvestigation of the Rousseau claim. Was Mrs. Rousseau an Indian?

Mr. STERLING. Yes; she was a Sioux Indian.

Mr. ROBINSON. I think if the Senator will read the language of the bill he will find that it probably authorizes a reinvestigation of that claim.

Mr. STERLING. If the Senator from Arkansas will note the language, it refers to the claim. Mrs. Rousseau can have no claim here now, her claim having been adjudicated and satisfied.

Mr. FLETCHER. It involves the question of attorneys' fees and compensation, does it not?

Mr. STERLING. The compensation of attorneys will have to be paid out of the amount allowed for the claim, and that is to be under the direction of the Secretary of the Interior. I think that is well enough safeguarded so the Indians will not be imposed upon to pay extortionate attorney fees.

Mr. OVERMAN. Did the Senator say the Rousseau judgment had been paid?

Mr. STERLING. I think it has been paid. The judgment was rendered in 1909 by the Court of Claims, if I remember correctly.

Mr. OVERMAN. The bill provides for the investigation of other cases?

Mr. STERLING. Yes; it provides for the investigation of the other cases of horses killed under exactly the same conditions.

Mr. DIAL. Mr. President, I do not think the bill ought to pass.

The PRESIDENT pro tempore. Does the Senator from South Carolina object to its present consideration?

Mr. DIAL. This claim originated in 1895, 1896, and 1897. The veterinary who passed upon the condition of the horses in all probability is dead. Now, to come here 30 years after that time and go back to other cases and say that the Government veterinary was wrong, that he made the same mistake on three successive occasions in three different years and had these horses killed, is unbelievable. If the Government has employed that kind of people, it is time it is waking up.

It seems to me to be a waste of the taxpayers' money to go ahead and entertain this claim at this late day. It is establishing a very bad precedent, indeed, for us to come here and pass upon the acts of individuals some 30 years ago without having more proof before us than the report here disclosed, simply upon the theory of some similar case of some widow out there because her horses were killed. I think it is carrying the theory of responsibility of the Government entirely too far. I do not see how the Government could ever get beyond the reach of similar claims if we paid this one. Here some time ago I believe we paid a claim—at least the bill passed the Senate—where a Government veterinary was said to have stood by and watched them dip some cattle coming over from one State and going into another State because it was claimed it would spread the cattle fever.

I do not know whether or not the Government received any money for inspecting these horses or anything of that kind. This is one of those same cases where although we sit here as a jury, yet we are not prepared to pass upon the facts of the case. Why should a question like this be brought to Congress? It should be referred to a court to pass upon the legality of the claim. It is beyond my belief that there ever were veterinarians employed by the Government who would make the same mistake in three successive years. What they were doing was for the good of the Indian tribe and the community in keeping some horse disease from spreading and horses were killed. After the testimony which has been offered, I do not think we ought to entertain the claim, and I hope the bill may be defeated.

The PRESIDENT pro tempore. Does the Senator from South Carolina object to the consideration of the bill?

Mr. DIAL. No; I do not object. I want to vote against the bill. I think we have set apart to-night in order to consider these cases.

Mr. ROBINSON. I inquire of the Senator in charge of the bill whether a similar measure has passed the House of Representatives at this session?

Mr. STERLING. I think not, I will say to the Senator from Arkansas.

Mr. ROBINSON. It has been suggested to me that such a bill had been passed by the House.

Mr. STERLING. There may be such a bill pending there, but I know of no such bill having passed.

The Indians have been making claims for these losses for years, so far as that is concerned, and I think bills have been introduced heretofore covering the claims, but have not received consideration.

Mr. KING. Mr. President, will the Senator from South Dakota permit a question?

Mr. STERLING. Yes.

Mr. KING. What does the Senator understand is meant by the words "adjust and determine"? Does that mean that the Secretary is authorized to pay or simply to ascertain the facts?

Mr. STERLING. He is authorized simply to ascertain the facts and make a report on the facts.

Mr. KING. Then why would not the Senator consent to amending the bill by striking out the words "adjust and determine" and to insert in lieu thereof "and report to Congress the facts in regard to," so that it will read:

> That the Secretary of the Interior be, and he is hereby, authorized, in his discretion and under such rules and regulations as he may prescribe, to investigate and report to Congress the facts in regard to the claims of members of the Sioux Nation.

If the Senator construes the word "adjust" as he has just interpreted it, he ought to accept my amendment, which I now offer.

Mr. STERLING. I suggest that the purport of the amendment proposed by the Senator from Utah is contained in the bill, taking the text of the bill altogether. The bill provides that the Secretary of the Interior is to "report the amounts so ascertained and determined to be due the various claimants and attorneys to Congress not later than December 3, 1924, through the Treasury Department." I think that fairly covers the idea suggested by the Senator from Utah.

Mr. OVERMAN. I should like to make an inquiry of the Senator from South Dakota. There seem to be a number of attorneys in this case. What have the attorneys done for which they should be paid?

Mr. STERLING. I can not say what all the attorneys have done as yet, so far as that is concerned.

Mr. OVERMAN. No suit has been brought?

Mr. STERLING. No suit has been brought that I know of.

Mr. OVERMAN. Does the language mean that we are to pay a lot of lobbyists and attorneys who have been here?

Mr. STERLING. I do not think that the bill contemplates that the Secretary of the Interior will be authorized to pay lobbyists for getting the claims through. There would be attorneys of record in case any suits had been brought, and I know of no suits having as yet been brought, I will say to the Senator from North Carolina.

Mr. OVERMAN. I should like to know what services have been performed by attorneys for these claimants.

Mr. STERLING. I know of none now. In any event, attorneys will not be paid any compensation separate and apart from the amounts allowed on the claims.

Mr. OVERMAN. The Indians would be cheated unless the attorneys performed some service in their behalf.

Mr. STERLING. I would be willing to trust the Secretary of the Interior in that regard.

Mr. OVERMAN. Attorneys may come here and lobby in behalf of bills but perform no service. Does the Senator know whether the attorneys have a contract with the Indians?

Mr. STERLING. I know of no contracts on the part of the Indians with any attorneys in regard to the matter.

Mr. OVERMAN. There have been claims here where attorneys have had contracts and yet have rendered no service except to appear before Congress as lobbyists, which contracts are null and void, as the Supreme Court has decided. I do not know whether these are attorneys of that sort or not. I do not know anything about them.

Mr. STERLING. I do not believe there is any contract with the Indians for paying any attorney for his services in regard to this matter.

Mr. OVERMAN. Does the Senator know how many attorneys there are?

Mr. STERLING. I do not know.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1174) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses.

Mr. KING. Mr. President, notwithstanding the statement made by the Senator from South Dakota, I renew my motion; and if that prevails, I shall move to strike out the words to which the Senator called attention in lines 11, 12, and 13, on page 2. There is no reason why the report should be made to the Treasury Department. If anybody is to be reported to, it should be Congress. The Secretary of the Interior, as I understand the purport of the bill, is to be made a fact-finding commissioner to determine what the facts are and to report them to Congress. With all due respect to the able Senator from South Dakota, the proper way would have been to remit the matter to the Court of Claims and let that tribunal ascertain the facts; but that course has not been pursued, so I move the amendment which I have offered.

The PRESIDENT pro tempore. The time of the Senator from Utah has expired. The Secretary will state his proposed amendment.

The READING CLERK. On page 1, in lines 5 and 6, it is proposed to strike out the words "adjust and determine" and to insert "and report to Congress the facts in regard to."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. The Chair desires to remind Senators of the terms of Rule VIII.

Mr. KING. The Senator from Utah is familiar with the rule. I rose for the purpose of making a motion. I move to strike out in lines 11, 12, and 13 the words "through the Treasury Department, for payment as legal claims out of appropriations that may be made by Congress therefor." That amendment is necessary in view of the amendment which has just been adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Utah.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 192) to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho, was announced as next in order.

Mr. OVERMAN. Is the money in this case to be paid out of the Treasury or out of Indian funds?

Mr. HARRELD. The appropriation is to be made out of the Treasury.

Mr. OVERMAN. There are a number of public buildings we should like to have provided for. I object to the consideration of the bill.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

The bill (S. 2327) to amend section 4 of the interstate commerce act was announced as next in order.

Mr. ROBINSON. Mr. President, that is what is known as the "long and short haul" bill, which is under consideration before the Senate, and therefore I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1707) appropriating money to purchase lands for the Clallam Tribe of Indians in the State of Washington, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Mr. President, that bill ought to be passed, but it involves such a large sum that I do not believe it can be passed to-night under the rule. So I myself ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1809) for the relief of Emelus S. Tozier was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

DEPUTY CORONERS IN THE DISTRICT

The bill (S. 116) to amend section 196 of the Code of Law for the District of Columbia was considered as in Committee of the Whole. It proposes to amend section 196 of the Code of Law for the District of Columbia by striking out that section and inserting in lieu thereof the following:

SEC. 196. Deputy coroners: The Commissioners of said District shall have authority to appoint two deputy coroners, who shall assist the coroner in the performance of his duties aforesaid, and shall perform the same duties in case of the absence or disability of the coroner. The deputy coroners shall serve and receive pay only in case of the absence or disability of the coroner, and when serving, their duties shall be the same as the aforesaid duties of the coroner. The deputy coroners shall, while acting, receive compensation at a rate not exceeding $5 per day, to be paid as other expenses of said District, and each shall give bond in the penalty of $2,500, with security to be approved by the Supreme Court, conditioned for the due performance of his duties.

Mr. BALL. Mr. President, I should like to state that the original law provided for one deputy coroner, while this bill provides for two, or one additional. It seems to be very necessary to have the additional coroner in the District at this time.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

NORTHERN PACIFIC LAND GRANTS

The joint resolution (S. J. Res. 82) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes, was announced as next in order.

Mr. LADD. Mr. President, inasmuch as a similar measure to the one the title of which has just been read has been passed by the House and is now on the Senate Calendar, I move that the joint resolution be indefinitely postponed.

The motion was agreed to.

THE SECRETARY OF THE TREASURY

The resolution (S. Res. 200) directing the Committee on the Judiciary to inquire into the right of the Secretary of the Treasury to hold his office was announced as next in order.

Mr. REED of Pennsylvania. Mr. President, I ask that that resolution go over under Rule IX.

The PRESIDENT pro tempore. The resolution will be passed over under Rule IX; but the Chair is of the opinion that there is no such thing as the calendar under Rule IX.

Mr. McKELLAR. Then let it be passed over.

The PRESIDENT pro tempore. It has been the custom of the Senate, however, to place measures on the calendar under Rule IX.

Mr. REED of Pennsylvania. We have on the calendar a page which is headed "Under Rule IX."

Mr. OVERMAN. We always have had a calendar under Rule IX, and there is one now.

Mr. REED of Pennsylvania. If the Chair will look on page 23, he will find there the heading "Under Rule IX," and it is to that page that I ask that this resolution go.

The PRESIDENT pro tempore. The Chair understands that, but the Chair is of opinion that there is no authority for it. However, the Chair will not interfere with the custom of the Senate.

BILL PASSED OVER

The bill (S. 1639) to provide for the appointment of a court reporter by each judge of the United States district court, fixing their salaries and fees, defining their duties, and repealing all laws and parts of laws inconsistent herewith, was announced as next in order.

Mr. DIAL. Let that bill go over.

Mr. JOHNSON of Minnesota. I should like to have that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CAPT. JOHN W. LOVELAND, JR., DECEASED

The bill (S. 1387) to provide for payment of the amount of a war risk insurance policy to a beneficiary designated by Capt. John W. Loveland, jr., deceased, was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. BAYARD. Mr. President, I will ask the Senator to withhold his objection for a moment, and will inquire if he has read the report?

Mr. KING. I have not.

Mr. BAYARD. I should like to explain this measure to the Senator. The bill is designed to pay the insurance that was taken out by young Captain Loveland, who died shortly after his return from the World War. He had kept up his insurance and had written to the Veterans' Bureau in regard to the renewal of it and perhaps a transference of the name of the beneficiary, and perhaps a change in terms which the bureau was then offering to those who had taken out insurance during the term of the war.

The record discloses a mere pencil mark in the records of the Veterans' Bureau tending to show—that is the explanation given by the bureau—that some information was sent him; that the custom was to send out a printed form; and that the blue-pencil mark showed that. So far as the evidence shows, young Loveland never did receive this information and was waiting to receive it, having paid his assessments up to that time. The correspondence shows that he was up to date, shortly before his death, and was depending upon the information to be received from the bureau. Then he died; and the bureau since that time has claimed that his insurance lapsed; that this blue-pencil mark showed that they had sent him this information on the printed form, and that they could do nothing. The boy during his lifetime complained to his parents that he had not received this information and wondered why it was, and the record seemed to show nothing beyond this blue-pencil mark of a customary procedure on the part of the bureau. There was nothing to show the receipt of this information by the boy; and the committee—although I am not reporting out the bill—were of the opinion that the facts plainly showed that the boy did everything he could, and the records of the bureau did not show that they had fulfilled their obligations in giving him the information to which he was entitled.

Mr. McKELLAR. Mr. President, I do not know that Director Forbes was much authority; but I notice, on page 6 of the report, that he said:

> In view of the general terms of the war risk insurance act, applying to all alike, and the fact that the bill is a special measure which amounts in effect to a pension, I am opposed to such special legislation as opening the way to the granting of free insurance.

As I say, I do not know that Mr. Forbes's opinion about this matter is of very much value. I would a great deal rather take the Senator's opinion about it. The Senator thinks the bill ought to pass, does he?

Mr. BAYARD. I had occasion to examine into this claim last year, so I happen to know the details of it. It came then just at the end of the session, so the bill was not reported out on the floor. The Senator from Missouri [Mr. SPENCER] reports it out this time. It seems to be otherwise a worthy claim, and the committee were unanimous in reporting it out.

Mr. KING. Mr. President, I objected to the consideration of the bill, and in view of the statement made by the Senator I am very reluctant to persist in the objection. I can see, however, because I know something about the insurance matters there, that if we pass this claim upon the statement made by the Senator we will have hundreds if not thousands of applications to open up insurance cases which have been closed, the result of which no one can foresee. I think there ought to be further investigation before we pass this measure, because of the precedent which will be established; and if my friend will indulge me I shall ask that it go over until we can get a little further light on it.

Mr. BAYARD. May I state to the Senator that I am quite sure we will not get any more information in this case. I personally examined the records with great care last year, and for the reasons stated I did not report out the bill just at the close of that session. The Senator from Missouri [Mr. SPENCER] did the same thing at this session, and he has come to the conclusion that the bill should pass, and so reported to the full committee, which has reported the bill unanimously. We have gotten every piece of paper we can lay our hands on as far as the department's records are concerned.

Mr. KING. I think we should know the effect of this as a precedent, and I beg that the Senator will not appeal to me to withdraw the objection which I have made.

Mr. BAYARD. I do not think it will establish a precedent.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

BILL PASSED OVER

The bill (S. 2685) for the relief of the Davis Construction Co. was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

LEASING OF UNALLOTTED INDIAN LANDS

The bill (S. 2314) to permit the leasing of unallotted lands of Indians for oil and gas purposes for a stated term and as long thereafter as oil or gas is found in paying quantities, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs, with an amendment.

Mr. McKELLAR. Mr. President, will the Senator from Oklahoma explain the bill?

Mr. HARRELD. Mr. President, this bill applies only to unallotted lands. Under the general mining law certain Indian lands can be leased only for 10 years for oil. The law was intended to be applicable to other minerals, but it is applicable to petroleum. The Indian lands that come within this general mining law limiting to 10 years the time for which leases can be made are at a disadvantage when it comes to leasing. Nobody will take a lease on Indian land for petroleum for 10 years, because it takes that long to develop a tract of land, usually, if it is oil land; and, more than that, as time goes on apace and the 10-year limit comes nearer, it is impossible to get them to do anything toward developing it.

Very frequently lands leased under this 10-year tenure lie by the side of a tract that is leased on the usual terms, and the usual terms are to lease lands for 10 years or as long thereafter as oil or gas is produced in paying quantities, which makes the lease a continuing lease. Very frequently these lands that can be leased only for 10 years lie alongside a tract that is leased for 10 years or as long as oil or gas can be found in paying quantities. The consequence is that production work is pushed on the one and retarded on the other, and it amounts to drainage in some instances. So this bill was introduced, at the instance of the department, to cure that condition, to make it possible to lease all unallotted Indian lands after full notice on the same terms as the others, which means for 10 years or as long thereafter as oil can be found in paying quantities. It is to be done at public auction also.

Mr. McKELLAR. Mr. President, I ought to know, perhaps, but I do not: What are unallotted Indian lands?

Mr. HARRELD. Those that have not been allotted in severalty, that belong to tribes.

Mr. McKELLAR. Who controls the land? What is this council speaking for the nation?

Mr. HARRELD. Almost every tribe has a council.

Mr. McKELLAR. Of its own people?

Mr. HARRELD. Of its own people, where they have unallotted lands. All the tribes that have unallotted lands have a council of some sort, and this bill provides that these leases shall be made upon their application.

Mr. McKELLAR. Where does the money go—to the tribe?

Mr. HARRELD. It goes into the tribal fund, and then is distributed among the members of the tribe.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Ohio?

Mr. HARRELD. I yield.

Mr. WILLIS. The Senator will remember that when the bill was up before I objected to its consideration. I do not desire to object now, but I do desire to call the attention of the Senator to the language at the end of the amendment. It seems to me that is very important. It reads:

> And the terms of any existing oil and gas mining lease may in like manner be amended by extending the term thereof for as long as oil or gas shall be found in paying quantities.

Therefore, the bill applies not only to future leases but to any lease already made, which, under this amendment, may be extended indefinitely.

Mr. HARRELD. That is true; and the argument I have just made makes it very desirable to do that, because most of these 10-year lease lands are not being developed, while lands all around are being developed, and these lands are being drained.

Mr. WILLIS. The Senator thinks that the public interest and the interest of the Indians is sufficiently protected?

Mr. HARRELD. I think so. Of course, it is all done under rules and regulations of the department and at public auction. It puts these lands on exactly the same plane as allotted Indian lands as to the making of leases.

The PRESIDENT pro tempore. The amendment of the committee will be stated.

The READING CLERK. The committee proposes to strike out all after the enacting clause and to insert:

> That unallotted land on Indian reservations subject to lease for mining purposes for a period of 10 years under the proviso to section 3 of the act of February 28, 1891 (26 Stat. L. p. 795), may be leased at public auction by the Secretary of the Interior, with the consent of the council speaking for such Indians, for oil and gas mining purposes for a period of not to exceed 10 years, and as much longer thereafter as oil or gas shall be found in paying quantities, and the terms of any existing oil and gas mining lease may in like manner be amended by extending the term thereof for as long as oil or gas shall be found in paying quantities.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891."

EXTENSION OF NATIONAL BANK ACT TO VIRGIN ISLANDS.

The bill (S. 2919) to extend the provisions of the national bank act to the Virgin Islands of the United States was considered as in Committee of the Whole, and was read, as follows:

> *Be it enacted, etc.*, That the national bank act, as amended, and all other acts of Congress relating to national banks, shall, in so far as not locally inapplicable, hereafter apply to the Virgin Islands of the United States: *Provided*, That such inhabitants of the Virgin Islands of the United States as resided therein and were Danish citizens on January 17, 1917, and who have not since that date elected to preserve their Danish citizenship in the manner provided for in article 6 of the convention between the United States and Denmark signed August 4, 1916, shall be regarded as citizens of the United States within the meaning of section 5146 of the Revised Statutes, as amended: *Provided further*, That section 19 of the act of February 8, 1875 (18 Stat. L. p. 311), shall not apply to the National Bank of the Danish West Indies: *Provided further*, That any bank which shall organize under the authority of this act shall not have the right to issue bank notes until after the expiration of the concession granted to the National Bank of the Danish West Indies or the relinquishment of such concession by said bank.

Mr. McLEAN. Mr. President, I introduced this bill at the request of the Assistant Secretary of the Navy. It has the approval of the Solicitor of the Treasury and the Comptroller of the Currency.

There is at the present time one commercial bank in the Virgin Islands. It was organized under the laws of Denmark. The owners of the bank want to dissolve and reorganize and come in under our national bank act, now that we own the

islands. I know of no objection to the bill, and I hope it will pass.

Mr. ROBINSON. Mr. President, does the bill define the political status of the inhabitants of the Virgin Islands?

Mr. McLEAN. Yes; it takes care of that. They have the same status that the inhabitants of the Philippine Islands have, and they will retain that; but this bill provides that in so far as our law requires that directors of national banks shall be citizens of the United States the law is modified so that the inhabitants of the islands who now control this bank can qualify as directors.

Mr. FLETCHER. Mr. President, I see no objection to the bill except that it is going to be very expensive to send an examiner over there to examine one or two banks in the Virgin Islands.

Mr. McLEAN. This bank will have to pay that expense.

Mr. ROBINSON. Is it expected that other banks may be organized there under the national banking law from time to time?

Mr. McLEAN. Not at the present time, I assume. There is only one commercial bank of any importance there at the present time.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL RESERVE ACT

The bill (S. 2905) to amend section 25 (a) of the act approved December 23, 1913, known as the Federal reserve act, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That section 25 (a) of the act approved December 23, 1913, know as the Federal reserve act, as amended, be further amended by changing the last sentence of subparagraph (a) of the paragraph which specifies the corporate powers of corporations organized under the said section, to read as follows:

"Whenever a corporation organized under this section receives deposits in the United States authorized by this section it shall carry reserves in such amounts and in such form as the Federal Reserve Board may prescribe, but in no event less than 10 per cent of its deposits."

Mr. McKELLAR. Mr. President, will the Senator explain that bill?

Mr. McLEAN. Mr. President, under the existing law the foreign finance corporations which are organized under the Edge Act have to maintain a demand deposit or a cash deposit of 10 per cent. They are in no sense commercial banks. They are not permitted to accept deposits subject to check. In fact, they are permitted to accept no deposits except such as are incidental to their foreign business. Banks organized under State law and having the same powers that these banks have are not required to keep any deposits at all. This act does not relieve the corporations of the requirement of the deposit. It simply gives the Federal Reserve Board power to permit them to keep their deposits in some other form than cash—short-time commercial gilt-edge paper, or something of that sort. The passage of the bill is recommended by the Federal Reserve Board. It seems to me that the Federal corporations ought to be put upon a par with the corporations organized under State laws and doing the same kind of business.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DOMINIC I. MURPHY

The bill (S. 1699) authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That Dominic I. Murphy, a consul general of the United States of America, be, and he is hereby, authorized to accept and receive a silver fruit bowl bearing on one side an engraved crest of the British Government and on the other the words "Presented to Dominic I. Murphy by His Majesty's Government, November 11, 1918," the bowl being now in the custody of the Secretary of State.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WESTERN STATE COLLEGE OF COLORADO

The bill (H. R. 3104) granting 160 acres of land to the Western State College of Colorado at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys, with amendments, on page 2, line 8, after the word "use," to strike out "for a period of two years," and on the same page, line 13, after the word "that," to strike out "for a period of two years subsequent to the passage of this act," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey to the board of trustees of the Western State College of Colorado at Gunnison, Colo., subject to the provisions and reservations of section 24 of the Federal water power act, and with a reservation to the United States of all the coal and other minerals in the lands granted, together with the right of the United States, its grantees or permittees, to prospect for, mine, and remove the same, the following described land, to wit, the south half of the southwest quarter of section 14 and the west half of the northwest quarter of section 23, all in township 51 north, range 1 east, New Mexico meridian, consisting of 160 acres, more or less, for use of the Rocky Mountain biological station of the said college: *Provided*, That the lands hereby granted shall be used by the State only for the purpose of a biological station, and if the said land or any part thereof shall be abandoned for such use for a period of two years, said land or such part shall revert to the United States; and the Secretary of the Interior is hereby authorized and empowered to declare such a forfeiture of the grant and to restore said premises to the public domain, if at any time he shall determine that for a period of two years subsequent to the passage of this act the State has abandoned the land for the use of a biological station, and such order of the Secretary shall be final and conclusive, and thereupon and thereby said premises shall be restored to the public domain and freed from the operation of the grant aforesaid.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

DANIEL A. SPAIGHT AND OTHERS

The bill (S. 588) for the relief of Daniel A. Spaight was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, as follows, to wit: To Daniel A. Spaight, the sum of $8,269.90, $769.90 of which is for medical expenses; to Elizabeth Tabele, the sum of $2,500; to Mary F. Spaight, the sum of $2,900, $400 of which is for medical expenses; to Thomas F. Sutton, the sum of $700; and to Thomas A. Tabele, the sum of $250, in full settlement for injuries received on June 25, 1922, at Westport, Mass., when an automobile in which they were passengers was struck by an auto truck belonging to and negligently operated by the War Department.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Daniel A. Spaight and others."

SALVADOR BUITRAGO DIAZ

The bill (S. 2455) to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Buitrago Diaz by United States marines on February 6, 1921, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Foreign Relations with an amendment, on page 1, line 6, to strike out "$1,500" and insert in lieu thereof "$750," so as to make the bill read:

Be it enacted, etc., That there is authorized to be paid, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, to the Government of Nicaragua, $750, to indemnify Salvador Buitrago Diaz, owner of the newspaper La Tribuna, of Managua, Nicaragua, for damages alleged to have been done to his property by United States marines on February 6, 1921, as set forth in the letter from the Secretary of State dated January 9, 1924, and printed as Senate Document No. 18, Sixty-eighth Congress, first session.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NICARAGUAN INDEMNITY

The bill (S. 2457) to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with United States marines, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That there is authorized to be paid, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, to the Government of Nicaragua, $11,700, being $1,500 each for the benefit of the families of Manuel Gomez Molino, Obdulio Gomez, Guadalupe Valverde, Francisco Ramos, Estanislao Rocha, Julio Carballo, and Manuel Hernandez, Nicaraguan subjects who were killed by United States marines at Managua, Nicaragua, between the dates of December 8, 1921, and January 25, 1922, and $150 each to Manual Pineda, Alejandro Malespin, Ignacio Dona, Manuel Aburto, Teofilo Garcle, Pedro R. Vega, Gilberto Lopez, and Juan Ortiz, who were wounded by United States marines at Managua, Nicaragua, between the dates of December 8, 1921, and January 25, 1922, as set forth in the letter from the Secretary of State to the President, dated January 18, 1924, and printed as Senate Document No. 24, Sixty-eighth Congress, first session.

Mr. KING. Mr. President, may I inquire of the Senator from Massachusetts whether the presence of the marines in Nicaragua was the immediate cause of the outbreak or the assaults which were committed which culminated in injuries to Nicaraguans, and which were the basis of the claims for damages against the United States?

Mr. LODGE. This bill was sent to the committee by the State Department with a recommendation that it be paid. I think there is no doubt that these injuries were caused by the marines. The bill was referred to the Senator from Minnesota [Mr. SHIPSTEAD], who is not here to-night, I am sorry to say. He is fully acquainted with all the details; but I remember the case. I think the Government should pay the claim.

Mr. ROBINSON. Mr. President, the record shows that in some of the cases embraced in this bill the marines were tried and sentenced by court-martial for the offenses out of which the claims arise. The committee looked into the matter of the claims somewhat carefully, and I believe they ought to be paid.

Mr. LODGE. I have no doubt of it. We looked into them very carefully.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ELECTIVE FRANCHISE IN PORTO RICO

The bill (S. 2448) to amend the organic act of Porto Rico, approved March 2, 1917, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Territories and Insular Possessions with amendments, on page 3, line 14, after the word "determined" and the period, to strike out the words "a vice governor shall also at such time be elected for a term of four years, under like conditions. He shall act as governor in case of vacancy, the temporary absence or removal, resignation, or disability of the governor, and shall exercise all the powers and perform all the duties of the governor during such vacancy, disability, or absence. The vice governor shall be ex officio the president of the senate"; on line 22, after the word "governor," to strike out the words "and vice governor"; on line 23, after the word "hold," to strike out the words "their offices" and to insert the words "his office"; on line 24, to strike out the words "their successors have" and to insert the words "his successor has"; on page 4, to insert a paragraph, as follows: "The elected governor herein provided for may be removed at any time during his term of service by order of the President of the United States for cause, and may be impeached by the insular house of representatives and on trial by the insular senate may be removed by a two-thirds vote of that body upon conviction of treason, bribery, or other high crimes and misdemeanors. Judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under the United States or Porto Rico, but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law. In the case of removal of any elected governor by order of the President or by impeachment during his incumbency, the President of the United States shall appoint a governor, by and with the advice and consent of the United States Senate, who shall serve the remainder of the term, or until such time as a successor for the unexpired term may be elected at an election to be ordered by the President"; on page 5, line 18, after the word "incumbency," to insert the words "and shall have resided in Porto Rico for at least two years prior to their appointment," so as to make the bill read:

Be it enacted, etc., That section 12 of an act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 12. That the supreme executive power shall be vested in an executive officer, whose official title shall be the Governor of Porto Rico. He shall be appointed by the President, by and with the advice and consent of the Senate, and hold his office at the pleasure of the President and until his successor is chosen and qualified. The governor shall reside in Porto Rico during his official incumbency, and maintain his office at the seat of government. He shall have general supervision and control of all the departments and bureaus of the government in Porto Rico, so far as is not inconsistent with the provisions of this act, and shall be commander in chief of the militia. He may grant pardons and reprieves and remit fines and forfeitures for offenses against the laws of Porto Rico, and respites for all offenses against the laws of the United States until the decision of the President can be ascertained, and may veto any legislation enacted as hereinafter provided. He shall commission all officers that he may be authorized to appoint. He shall be responsible for the faithful execution of the laws of Porto Rico and of the United States applicable to Porto Rico, and whenever it becomes necessary he may call upon the commanders of the military and naval forces of the United States in the island to summon the posse comitatus, or call on the militia, to prevent or suppress lawless violence, invasion, insurrection, or rebellion, and he may, in case of rebellion or invasion, or imminent danger thereof, when the public safety requires it, suspend the privilege of the writ of habeas corpus, or place the island, or any part thereof, under martial law until communication can be had with the President and the President's decision therein made known. He shall annually, and at such other times as he may require, make official report of the transactions of the Government of Porto Rico to the executive department of the Government of the United States to be designated by the President as herein provided, and his said annual report shall be transmitted to Congress, and he shall perform such additional duties and functions as may in pursuance of law be delegated to him by the President.

"At the general election to be held in Porto Rico in the year 1928, and thereafter at each general election, the qualified electors of Porto Rico shall elect the governor, who shall qualify as such on the first Monday of January of the succeeding year, and upon such qualification the office of the appointed governor shall cease and determine. The governor thus elected shall hold his office for a term of four years and until his successor has been elected and qualified.

"The elected governor herein provided for may be removed at any time during his term of service by order of the President of the United States for cause, and may be impeached by the insular house of representatives and on trial by the insular senate may be removed by a two-thirds vote of that body upon conviction of treason, bribery, or other high crimes and misdemeanors. Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States or Porto Rico, but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law. In the case of removal of any elected governor by order of the President or by impeachment during his incumbency, the President of the United States shall appoint a governor, by and with the advice and consent of the United States Senate, who shall serve the remainder of the term, or until such time as a successor for the unexpired term may be elected at an election to be ordered by the President."

SEC. 2. That section 13 of the said organic act approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 13. That the following executive departments are hereby created: A department of justice, the head of which shall be designated as the attorney general; a department of finance, the head of which shall be designated as the treasurer; a department of interior, the head of which shall be designated as the commissioner of the interior; a department of education, the head of which shall be designated as the commissioner of education; a department of agriculture and commerce, the head of which shall be designated as the commissioner of agriculture and commerce; a department of labor, the head of which shall be designated as the commissioner of labor; and a department of health, the head of which shall be designated as the commissioner of health.

"The heads of departments shall be appointed by the governor, by and with the advice and consent of the Senate of Porto Rico, for the term of four years, and until their successors are appointed and qualified, unless sooner removed by the governor.

"Heads of departments shall reside in Porto Rico during their official incumbency.

"The heads of the departments shall collectively form a council to the governor, known as the executive council. They shall perform

under the general supervision of the governor the duties hereinafter prescribed or which may hereafter be prescribed by law and such other duties not inconsistent with law as the governor, with the approval of the President, may assign to them; and they shall make annual and such other reports to the governor as he may require, which shall be transmitted to the executive department of the Government of the United States, to be designated by the President as herein provided: *Provided*, That the duties herein imposed upon the heads of departments shall not carry with them any additional compensation."

SEC. 3. That section 18 of the said organic act, approved March 2, 1917, be, and the same is hereby, amended to read as follows:

"SEC. 18. That the commissioner of agriculture and commerce shall have general charge of such bureaus and branches of government as have been or shall be legally constituted for the study, advancement, and benefit of agriculture, commerce, and other industries; the chief purpose of this department being to foster, promote, and develop the agricultural interests and the welfare of the farmers of Porto Rico; to improve their market conditions and to advance their opportunities for profitable sales of their products, and shall perform such other duties as may be prescribed by law."

SEC. 4. That between sections 18 and 19 of said organic act, approved March 2, 1917, a new section is hereby inserted to read as follows:

"SEC. 18 (a). That the commissioner of labor shall have charge of such bureaus and branches of government as have been or shall be legally constituted to foster and promote the welfare of the wage earners of Porto Rico; to improve their working conditions and to advance their opportunities for profitable employment, and shall perform such other duties as may be prescribed by law."

The amendments were agreed to.

Mr. WILLIS. Mr. President, I offer the following amendment.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Secretary will state the amendments.

The READING CLERK. On page 3, line 10, after the word "year," strike out "1928," and insert, "1932: *Provided*, That if at any time prior to that date a census of Porto Rico, taken under the rules and regulations followed by the United States Census Bureau in such cases, should disclose that the percentage of illiteracy does not exceed 30 per cent, the qualified electors shall be permitted to elect a governor."

Mr. KING. I would be glad to have the Senator from Ohio explain the full import of the amendment.

Mr. WILLIS. Mr. President, this bill was reported by the Committee on Territories and Insular Possessions after the most careful investigation and thorough hearing, and upon a report from the War Department favoring the bill, provided that the year to be set for the election of the governor should be 1932 instead of 1928.

The committee reported it, fixing the date at 1928, but my own judgment is, and I made this reservation in the proceedings of the committee, that we ought to conform to the departmental recommendations. The amendment provides that the election shall be held in 1932, but that if at any time prior thereto inquiry by the Census Bureau shows that the percentage of illiteracy shall have been reduced below 30 per cent, then the election may be had anyhow. This affords encouragement to the people there to extend their educational facilities. I believe it will be beneficial, and I think it will not be objectionable to the people there.

Mr. KING. Of course, I shall not try to retard the passage of the bill. I had the honor to offer this bill, and appeared before the committee in its advocacy. I believe that, with the splendid record which has been made by the Porto Ricans, we could have trusted them to the election of their governor long before the date suggested in the amendment offered by the Senator from Ohio.

May I say that the records of the hearings show that in the election a greater percentage of the Porto Ricans vote than American citizens vote in any State in the Union. My recollection is that something like 80 per cent, and in some parts of the island a larger percentage than that, of the registered voters—and practically all were registered—participated actively, enthusiastically, and intelligently in the various elections which have been held.

Mr. ROBINSON. Will the Senator yield for a question?

Mr. KING. I yield.

Mr. ROBINSON. The present Governor of Porto Rico, Governor Towner, appeared before the committee and advocated the passage of the bill. Did he suggest that it should go into effect in 1932? His proposal was that it should take effect at once if I remember correctly.

Mr. KING. Yes; the Senator is correct.

Mr. WILLIS. I have in my possession a letter from Governor Towner, which came to me after this amendment was prepared, in which he said that, in his judgment, it would be all right if it were enacted to provide for 1928, but he does not think 1932 would be objectionable, and in view of the fact that the department and all parties represented—and there were three political parties represented in the large delegation here—finally agreed upon this measure, it seemed to me that it would be wiser to make it 1932, especially in view of the fact to which the Senator from Utah has just been directing our attention, namely, that they have been making splendid progress in education.

In my judgment, if the amendment shall be adopted, as I hope it will be, it will be such an incentive to the people there that before 1932 they will be able to elect their governor. I quite agree with what the Senator from Utah has said about the fine progress made there, and I believe this will encourage them.

Mr. ROBINSON. I attended the meetings of the committee when the matter was discussed, and I heard the testimony of all the representatives of Porto Rico who advocated extending the privilege to the people of Porto Rico to elect their own governor and to make it effective immediately. There was no suggestion in the hearings before the committee, as I recall, that we should defer the privilege until 1932.

Mr. WILLIS. If the Senator will refer to the report of General McIntyre, on page 7 of the committee report, he will observe that the recommendation is distinctly made there for 1932. That was likewise the opinion of the Secretary of War, and since there was agreement upon it, it seemed to me best to pass it in that form. I hope the Senator from Utah will accept the amendment.

Mr. ROBINSON. Did the Senator state that the representatives of Porto Rico made an agreement that the provision should become effective in 1932?

Mr. WILLIS. I should not like to make the statement that they agreed to it, but from information——

Mr. ROBINSON. I understood the Senator a moment ago to say that an agreement had been made by the representatives of all the political parties and by the War Department to that effect.

Mr. WILLIS. I did not mean to say that. I wish the Senator from Arkansas would turn for a moment to the report and read what General McIntyre said. This is his language:

> Finally, it should be stated that this recommendation that the Porto Rican people be permitted to elect their governor in 1932 and thereafter is made at this time because of the unanimous request of the representatives of the several political parties of Porto Rico to elect their governor and because it conforms to the American policy heretofore outlined with respect to Porto Rico, and in this most important respect for the first time the political parties in Porto Rico have united in requesting what we had always indicated our intention to grant at the appropriate time.

It seems to me that in good faith we ought to carry that out.

Mr. ROBINSON. I do not think any sound reason could be assigned for postponing the taking effect of the act until 1932. I shall not object to the amendment if the Senator from Utah agrees to it.

Mr. McKELLAR. Before the matter is passed on will the Senator from Ohio state what the percentage of illiteracy now is in Porto Rico?

Mr. WILLIS. I have forgotten the exact figures. Perhaps the Senator from Utah has them. It is rather high, but they are making splendid progress, and it seems to me that this amendment will encourage them to further progress. I think it is probably something like 50 per cent.

Mr. KING. It is my recollection that it is between 40 and 50 per cent.

Mr. WILLIS. But they are reducing it rapidly, and I believe that with this incentive it will be reduced still more rapidly, and that they will be enabled to elect their governor before 1932. My colleague just advises me that he knows that the commissioner made the statement that the illiteracy is about 50 per cent. I hope the Senator from Utah will accept the amendment.

Mr. ODDIE. Mr. President, I have visited Porto Rico twice in the last two years, and I desire to testify to the splendid condition and remarkable progress being made in the schools of that island and as to the healthy and happy appearance of the children. It is remarkable. I do not think there is a State in this Union in which the children in the schools are as contented looking and as happy and are doing better work than

they are in Porto Rico. I want to say the same thing for the people there in general. They are making fine progress and are worthy of every consideration we can give them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. KING. I do not want to accept the amendment. Of course, it is for the Senate to determine. I just want to say that Governor Towner, a very estimable gentleman, whom we all know, who was an able Member of Congress for many years, came before our committee. He is the present Governor of Porto Rico, and he gave very strong testimony in favor of this bill.

The testimony showed remarkable development and progress, not only industrially but intellectually, and all the evidence before the committee showed the devotion and attachment of the people of Porto Rico to this Republic and to our form of government. They exhibited a spirit of loyalty to our Republic and to our institutions that would be creditable to some people who live upon the mainland. I regret very much that the Senator has felt constrained to offer the amendment, and I regret that General McIntyre and the War Department have felt it necessary to make the recommendation.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. WILLIS. I wonder if the Senator will permit me to read just a paragraph from a letter which recently came to me from Governor Towner:

> It may be better, in view of the opposition of the Secretary—

That is, the Secretary of War—

> to such an early date, to adopt his suggestion of putting it off until 1932. In that event, however, I hope you will also adopt his suggestion that if before that date the percentage of illiterates is reduced 30 per cent that then the right to elect their governor shall be given the people of Porto Rico.

So he is inclined to accept the amendment.

Mr. KING. I regret very much that the Secretary of War has felt impelled to interpose his personality into the matter. I do not think it was his province to recommend when Congress should grant to the people of Porto Rico the right to elect their own governor. However, he has done so.

Mr. WADSWORTH. It seems to me that that criticism of the Secretary of War is utterly unwarranted. Under the statute the Governor of Porto Rico reports to the Secretary of War, and it is the business of the Secretary of War to make his opinions known as to the condition of the island and its government.

Mr. KING. I am very glad the Secretary of War has such an able and eloquent champion in the distinguished Senator from New York, but I repeat what I said a moment ago. The Secretary of War may make his findings and may make his statements to the committee—he did appear before the committee—but I do not think that in legislation of this character his opinion ought to be controlling or that his recommendation should be of the peremptory character which this seems to be.

Mr. McKELLAR. Mr. President, I want to ask the Senator from Ohio a question. Of course, the illiteracy is 50 per cent now. The proviso of the Senator as proposed to be inserted is that when they shall have only 30 per cent illiteracy they shall elect their own governor. It seems to me that the proviso would be nugatory so far as fixing the time is concerned. It could not be expected that they would reduce their illiteracy to 30 per cent before 1932.

Mr. WILLIS. The Senator heard the statement that they are making very rapid progress and it was the opinion of the governor that it would be very helpful to them.

Mr. McKELLAR. It would be the most marvelous progress ever made in the world if they did as well as that.

Mr. FLETCHER. I do not understand that the amendment carries any reference to the reduction of illiteracy. It simply fixes the time at 1932.

Mr. WILLIS. It says that the election shall be in 1932, but if prior to that time the percentage of illiteracy is reduced below 30 then they can elect their governor at an earlier date.

Mr. FLETCHER. I feel that this right ought to be granted to these people. In view of the unanimity of opinion and the fact that they have all united on this date, it ought to be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Before the matter is passed by, may I ask whether the amendment on page 5, lines 18 and 19, was agreed to or approved by Governor Towner and by the representatives of the Government?

Mr. WILLIS. Yes; that was specifically covered in the recommendations from the War Department. It was not thought necessary that that should be required. Since the governor is now to be elected, it was not thought necessary that the heads of the Government should reside in Porto Rico, but that would be attended to by the governor anyhow.

This is rather an important measure. I ask that the report on the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report is as follows:

[Senate Report No. 356, Sixty-eighth Congress, first session.]

TO AMEND THE ORGANIC ACT OF PORTO RICO

MR. WILLIS, from the Committee on Territories and Insular Possessions, submitted the following report to accompany S. 2448:

The Committee on Territories and Insular Possessions, to whom was referred the bill (S. 2448) to amend the organic act of Porto Rico, approved March 2, 1917, having had the same under consideration, reports thereon with the recommendation that the bill do pass with certain amendments:

On page 2, line 23, strike out the word "hapeas" and insert in lieu thereof the word "habeas."

On page 3, line 14, strike out "A."

On page 3, strike out lines 15, 16, 17, 18, 19, 20, and 21.

On page 3, line 22, strike out the word "senate."

On page 3, line 22, strike out the words "and vice governor."

On page 3, line 23, strike out the words "their offices" and insert in lieu thereof the words "his office."

On page 3, line 23, strike out the second word "their" and insert in lieu thereof the word "his."

On page 3, line 24, strike out the words "successors have" and insert in lieu thereof the words "successor has."

At the bottom of page 3 insert the following new paragraph:

> "The elected governor herein provided for may be removed at any time during his term of service by order of the President of the United States for cause, and may be impeached by the insular house of representatives, and on trial by the insular senate, may be removed by a two-thirds vote of that body upon conviction of treason, bribery, or other high crimes and misdemeanors. Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States or Porto Rico, but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law. In the case of removal of any elected governor by order of the President or by impeachment during his incumbency the President of the United States shall appoint a governor, by and with the advice and consent of the United States Senate, who shall serve the remainder of the term, or until such time as a successor for the unexpired term may be elected at an election to be ordered by the President.

On page 4, lines 24 and 25, strike out "and shall have resided in Porto Rico for at least two years prior to their appointment."

Realizing that S. 2448 contemplates a very important and far-reaching change in the character of the government of Porto Rico, your committee has given most careful consideration to the measure.

Extended hearings were held, during which statements were made by the Governor of Porto Rico, by various officials of the insular government, as well as by numerous citizens representing every shade of political opinion in the island. It was the unanimous opinion of all of those who appeared before your committee that such action as is proposed under S. 2448 would be not only promotive of the best interests of the people of the island but would serve to strengthen the strong ties which bind those people to other citizens of the United States. On this general subject Governor Towner in his statement, page 3 of the hearings, said:

> "This extension of autonomous government, I am inclined to think, is fully justified.
>
> "You know, as has been suggested here to-day, the steps of autonomy in our dependent possessions are, or should be, at least, gradual, and are, or should be, given to the people in direct proportion to their ability to meet their responsibilities.
>
> "Following our military occupancy Porto Rico was governed by a military government. Three generals of the Army were the first governors of the island. Then followed the Foraker Act. I think you remember that quite well, Senator MCLEAN. The Foraker Act provided for an extension of autonomous government to the island, which gave them the right to elect the lower branch of their legislature but still kept within the control of the President by appointment the upper chamber of the legislature or

council, which was equivalent to the senate. Then followed the last act, which was adopted in 1917, which was on a par almost with the Philippine act which you have been considering, which gave the people of Porto Rico the right to elect both the senate and the house of representatives, and which extended to them other powers which it is not necessary for me to take the time to discuss.

"They have been acting under that act down to the present time. They are asking now for a further extension by a grant of the privilege to elect their own governor."

His further statement on page 7 of the hearings confirms the above contention. It is as follows:

"Since 1917 they have had the entire responsibility of the legislation of the island. While the governor has had the right of veto, in so far as I remember it has never been exercised in any important matter. It has been exercised upon some matters of legislation that would be in controversy and which I thought ought not to pass, relating to items of the appropriations; the veto power extends to canceling items in the budget, and, of course, that is exercised sometimes by the governor, and it was exercised by me, but never at any time has anyone suggested that the United States take a part in destroying legislation enacted unwisely or in giving them additional legislation to correct or modify or change legislation that has been unwisely passed by the legislature.

"Of course, one can not say that every act that has been passed by the legislature was a wise act, any more than we could claim that for all of our acts in Congress or anywhere else; but on the whole I think I would be justified in saying that the legislation that has been passed by the Legislature of Porto Rico might well challenge comparison with that of almost any State in the Union. It would be surprising to you, I think, to look through a volume of their laws and note the wisdom of each action and the independence of it as well."

Attention is also invited to the argument made by Hon. Miguel Guerra Mondragon, speaker of the House of Representatives of Porto Rico, page 15 of the hearings, in which he spoke, in part, as follows:

"It has been hinted that the granting to Porto Rico of the right to elect our governor might operate as an encouragement for future independence, for the separation of the island, and the Filipino people is set as an instance of that. But that is not so. When Congress granted a quasi-autonomous government to the Philippine Islands—in other words, granted quasi autonomy to the Filipinos—that did not by itself put independence into the minds and hearts of the Filipinos. They were encouraged to think of independence by the very promise made by Congress to them. In other words, it was Congress that encouraged the people of the Philippine Islands to think of independence, aside from other reasons. That was not so with Porto Rico. Almost at the same time that Congress promised the Filipinos that as soon as their people were able to establish a stable government they would be made independent the people of Porto Rico were granted American citizenship. In other words, Congress established two policies almost at the same time, one for the Philippine Islands and an entirely different one for Porto Rico, and Porto Rico was able to understand what this action on the part of Congress meant. So much so that we knew from the first that American citizenship meant not a mere theory, but something real and something that was an honor as well as a duty.

"When we entered the war and when Congress was about to pass the military conscription bill, Porto Rico, as one man, asked you not to leave her out of that war measure, for we wanted to show our appreciation and to perform the duties and undergo the sacrifices the newly granted citizenship signified. We were given the honor to serve under the flag; and the armistice, when it came, saw 18,000 Porto Ricans at Camp Las Casas ready for battle, willing to seal with their blood the new compact made with the Nation."

Gen. Frank McIntyre, Chief of the Bureau of Insular Affairs, War Department, in a letter to the committee, says:

"Finally, it should be stated that this recommendation that the Porto Rican people be permitted to elect their governor in 1932 and thereafter is made at this time because of the unanimous request of the representatives of the several political parties of Porto Rico to elect their governor and because it conforms to the American policy heretofore outlined with respect to Porto Rico, and in this most important respect for the first time the political parties in Porto Rico have united in requesting what we had always indicated our intention to grant at the appropriate time.

"It would seem to be wise to take advantage of this unanimity of opinion in Porto Rico, and thus prevent, if possible, the spasmodic talk, on the one hand, of independence, and, on the other hand, of an incorporated Territory and statehood—requests which could not be seriously considered."

It thus appears that not only officials of Porto Rico, but the representatives of the people of that island and the officials of our own Government as well, who are charged particularly with the responsibilities connected with the insular affairs, are agreed in their view that this measure is a wise one, and that the present time is opportune for its enactment.

It is noted, as disclosed by the hearings, that there is no disposition on the part of the people of Porto Rico to secure independence and separation from the United States. The whole trend of the testimony upon this point is to the effect that the Porto Ricans are proud of their American citizenship and desire to continue indefinitely as a part of the United States. The letter from General McIntyre is a carefully prepared summary of the history of legislation, so far as it affects Porto Rico, and the development that has occurred under this legislation. This document is hereby embodied as a part of the report on this bill:

WAR DEPARTMENT,
Washington, March 29, 1924.

MY DEAR SENATOR WILLIS: General McIntyre has submitted to me your letter of March 27 expressing the desire of your committee for a full expression of the views of the department on S. 2448, a bill amending the organic act of Porto Rico.

Complying with your request, I am transmitting a memorandum prepared in the Bureau of Insular Affairs, which is a statement of the policy heretofore pursued by the United States with reference to the government of Porto Rico and of the reasons why it is deemed advisable at this time to enact the legislation proposed.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

Hon. FRANK B. WILLIS,
Acting Chairman Committee on Territories and Insular Possessions, United States Senate.

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington, March 28, 1924.

Senator WILLIS, the acting chairman of the Committee on Territories and Insular Possessions, requests a full expression of the views of the department regarding S. 2448, a bill to amend the organic act of Porto Rico, approved March 2, 1917, with a proposed amendment providing for an elective governor in 1932 and thereafter.

As the providing for an elective governor in the Territory of the United States is a new departure, a brief review of our policy in Porto Rico would seem to be advisable.

The intent of the United States has been set forth for the Executive by our several Presidents and Secretaries of War, who have had the supervision of Porto Rican affairs; by Congress in its several enactments relating to Porto Rico; and by the Supreme Court in its decisions on the political questions arising in Porto Rico. These views have been uniform and have given no basis for the claim that the status of Porto Rico with reference to the United States was in doubt.

The designation of the status—a new one to us—was perhaps first officially applied by the Supreme Court, "Porto Rico is unincorporated Territory of the United States." It might be well to cite, in chronological order, some of the more important official statements and acts indicative of the settled purpose of the United States.

Mr. Root, in his report as Secretary of War for 1899, made clear his view that Porto Rico should be governed by Congress in the exercise of the power conferred by the Constitution upon Congress, "to dispose of and make all needful rules and regulations respecting the Territory or other property belonging to the United States."

Congress, shortly after the publication of this report, passed an act creating a civil government in Porto Rico. In the debate on the organic act of Porto Rico, Mr. Foraker, the chairman of the committee who managed the bill in the Senate, said that it was not desired to use the word "Territory" in describing the Legislative Assembly of Porto Rico, because he and those who were of his mind in the matter did not desire that Porto Rico should be what we had heretofore called a Territory in the United States. In order that this intention should be made clear by the act—

First, the use of the word "Territory" was avoided.

Second, the bill which had originally provided that inhabitants of Porto Rico should be, with certain exceptions, citizens of the United States was amended, on motion of the chairman of the committee, so that they would be "citizens of Porto Rico."

Third, section 1891 of the Revised Statutes, which had been included in the organic acts of all Territories since 1850, was omitted and an effort to include it in the organic act of Porto Rico was defeated. The section provides as follows:

"The Constitution and all laws of the United States which are not locally inapplicable shall have the same force and effect within all the organized Territories and in every Territory hereafter organized as elsewhere within the United States."

It was clear that Congress did not intend to incorporate Porto Rico into the United States, and that it did not desire to make it a Territory, which might be regarded as a promise of statehood.

The Supreme Court in cases coming before it definitely fixed the relation of Porto Rico to the United States as that of "unincorporated territory," thus Porto Rico's relation to the United States as recommended by the Executive had been fixed by Congress and the congressional legislation was construed by the Supreme Court as doing exactly what it was intended to do.

The first serious effort to amend or remold the Foraker Act was undertaken in 1910. Secretary of War Dickinson visited Porto Rico at the close of 1909, and on January 20, 1910, submitted to the President a report on his visit, recommending certain changes in the organic law. After outlining these proposals, Mr. Dickinson said:

"While I believe the changes recommended by me are desirable, and believe that they will redound to the advantage of Porto Rico and of the United States in their relations with Porto Rico, I feel that I should say that in my opinion the people of Porto Rico have had on the whole an excellent government, and that the people of the United States can look with just pride upon the administration they have given of affairs there."

Mr. Taft transmitted this report in a special message to Congress. This bill was taken up by the House Committee on Insular Affairs, and after hearings thereon it reported "A bill to provide a civil government for Porto Rico, and for other purposes."

An analysis of the resulting bill is unnecessary. It passed the House of Representatives, but did not receive consideration in the Senate. It is of importance because of the fact that it was the basis of what subsequently became the present organic act of Porto Rico and embodied a number of provisions now unchanged in this act. It developed, however, the view of the committee at that time of the status of Porto Rico. In this regard the committee was unanimous, and its view is best set forth in the following statement made by Mr. Olmsted, the chairman of the committee, in advocating the passage of the bill on the 25th of May, 1910:

"This bill is in line with the recommendations of President Roosevelt. It carries into effect the recommendations of President Taft. It does not provide statehood. It does not promise statehood. It does not incorporate Port Rico into the United States. But it does go as far as, under present conditions, wisdom and prudence dictate, in the direction of constituting Porto Rico a self-governing community under the sovereignty and protection of the United States."

Having undertaken a revision of the Foraker Act, the committees of Congress handling Porto Rican affairs continued a study of the subject until the present organic law was passed and approved on March 2, 1917.

The statements made by Mr. Olmsted, quoted above, continued to be the outstanding policy of Congress and of the Executive until the new law was passed. Mr. Stimson, in his reports as Secretary of War, emphasized the necessity of avoiding anything in the pending legislation which could be construed as creating in Porto Rico an incorporated Territory or as promising to the people of Porto Rico statehood.

It should be observed that while this reformation of the organic law of Porto Rico was under consideration the political control in the United States had passed from one party to another, but that this made no difference in the policy to be pursued in Porto Rico.

The bill which became the organic law of 1917 was considered by Congress at intervals for seven years. The history of the effort to secure the passage of this bill, as well as the views of the executive department in urging it, was thus set forth in the annual report of the Bureau of Insular Affairs for 1916:

"Since 1910, or, in fact, since Porto Rico was placed under the jurisdiction of the War Department, there has been an effort consistently backed by the Presidents and by the department, to obtain for Porto Rico a new organic act which would make the Porto Ricans citizens of the United States and would give to them a practically autonomous government.

"The department contemplated, in recommending an act to replace the present act 'temporarily to provide revenues and a civil government for Porto Rico,' that it should embody the following general principles:

"First: The people of Porto Rico should be made citizens of the United States to make clear that Porto Rico is to remain permanently connected with the United States.

"Second. The present fiscal system by which Porto Rico received its own internal revenue and customs receipts should be continued.

"Third. It should be clear that Porto Rico was not made by the act an incorporated Territory of the United States, and therefore it should be made plain that the Constitution and general statutory laws of the United States were not extended to Porto Rico and that there was no direct or implied promise of statehood.

"Fourth. The government given Porto Rico should be as autonomous as consistent with fair efficiency and of a form permitting further extension of powers without radical change in the form of government.

"Fifth. The form of government was to be a development from the experience of Porto Rico and no sacrifice of efficiency was to be made to adapt its form to our theories."

The purposes thus set forth were accomplished in the bill enacted. The statement in the third paragraph that the Constitution should not be extended to Porto Rico is a nontechnical statement, but the idea was well understood in the United States and in Porto Rico, and was that the position of Porto Rico with reference to the Constitution should not be changed by the act, and the Supreme Court held that this was the case, in its opinion, however, stating that—

"The Constitution of the United States is in force in Porto Rico as it is wherever and whenever the sovereign power of that Government is exerted. This has not only been admitted but emphasized by this court in all its authoritative expressions upon the issues arising in the Insular cases, especially in the Downes v. Bidwell and the Dorr cases.

"The Constitution, however, contains grants of power and limitations which, in the nature of things, are not always and everywhere applicable, and the real issue of the Insular cases was not whether the Constitution extended to the Philippines or Porto Rico when we went there, but which ones of its provisions were applicable by way of limitation upon the exercise of executive and legislative power in dealing with new conditions and requirements." (Jesus M. Balzac v. People of Porto Rico.)

Our policy, therefore, having been uniform and the intent being clear progressively to extend to Porto Rico all purely local authority as rapidly as it could be done consistently with fair efficiency, it is obvious that this extension of power would be urged by Porto Ricans and that it would be granted by Congress as rapidly as there should be evidence that powers extended would be for the benefit of the people of Porto Rico.

This particular request from the people of Porto Rico to be permitted to elect their own governor after a certain fixed date is deserving of special consideration because of the fact that it is practically the unanimous request of the people of Porto Rico. It has been urged by the legislative representatives of the three political parties represented in the legislature. This is the more important because it is an evidence of the fact that the three parties are as to this question in line with the policy of our Government. Heretofore two of the parties of Porto Rico have been insistent in urging—

First, the establishment of a Territorial government in Porto Rico.

Second, the extension to Porto Rico of those clauses of the Constitution not now in effect there, desiring that the United States should commit itself directly or impliedly to a promise of statehood for Porto Rico.

What is now urged implies no such promise.

The questions which now present themselves are:

First, should this additional and most important step in creating an autonomous government now be made?

Second, if so, should it take this particular form?

The effect of the passage of the act in question, with the modification suggested, would mean that after 1932 the legislative and executive departments of the government of Porto Rico would be representative of the electorate of Porto Rico, with the exception of the auditor, who would be appointed by the President, as at present. The judiciary would likewise be so, except the supreme court, the justices of which would be appointed by the President, as at present. The several executive departments of the Federal Government would have the same jurisdiction in Porto Rico as at present.

The Porto Rican people prior to the American occupation of that island were without experience in self-government or, in fact, in the operation of any government. Their experience in government may with accuracy be said to have begun first with the military government of the United States and, since 1900, with the civil government established under the Foraker Act. They have had experience for 25 years in the passing of their own laws, in conducting practically all of the affairs of government; the elections have been conducted, on the whole, fairly, the government has been free from corruption, and the administration of justice has not been generally complained of.

Briefly, while not in all respects and in all details a highly efficient government, and while there is perhaps a disposition to extravagance on the part of the legislature, there has never been a failure to meet all obligations when due, and there has been, on the whole, an improvement in the Government in all its branches with the experience acquired, and this nothwithstanding the fact that the local participation in the Government has been steadily increased. On several occasions in the past and for considerable periods residents of Porto Rico have acted as governor and performed acceptably the duties of the office. The experience in government has been brief. The condition as to literacy in the island has greatly improved but leaves much to be desired.

There would seem to be little doubt that if advantage is taken of the next eight years, in 1932 the governorship of Porto Rico could be made elective, not only without a loss of efficiency on the part

of the Government, but probably with beneficial results. The responsibility for the selection of the governor will rest with the people of Porto Rico and probably with the leaders of Porto Rican opinion as it may be developed.

There might be added a proviso making the provision for the election of governor contingent upon a certain percentage of literacy in the electorate. Such a provision might have a beneficial effect in stimulating education in Porto Rico. It is probable, however, that the stimulus is unnecessary, and it would seem that the people of Porto Rico are at present making every effort to overcome this inherited disadvantage.

The grant of autonomy to Porto Rico in this form can not but bring up, by comparison, the form of autonomy under which the self-governing dominions of Great Britain have been administered. This brings up for decision whether our own customary form of government—and the only one with which Porto Ricans have had a practical experience—should be continued or whether we should adopt the British system under which a governor would be appointed by the President but would be in effect a presiding officer and not a chief executive.

It would seem wiser to continue the development in Porto Rico along the line heretofore pursued, to make the local government there established conform as nearly as possible to American practice. For this reason it is believed that the provision in the bill meets the situation.

Finally, it should be stated that this recommendation that the Porto Rican people be permitted to elect their governor in 1932 and thereafter is made at this time because of the unanimous request of the representatives of the several political parties of Porto Rico to elect their governor and because it conforms to the American policy heretofore outlined with respect to Porto Rico, and in this most important respect for the first time the political parties in Porto Rico have united in requesting what we have always indicated our intention to grant at the appropriate time.

It would seem to be wise to take advantage of this unanimity of opinion in Porto Rico, and thus prevent, if possible, the spasmodic talk, on the one hand, of independence, and, on the other hand, of an incorporated Territory and statehood—requests which could not be seriously considered.

As to the details of the bill, attention is invited to House Report No. 291 to accompany H. R. 6583, being a report from the Committee on Insular Affairs on a similar bill, which embodies certain amendments which may be deemed advisable. It is specifically recommended—

First. That beginning on line 14 of page 3, the provision for vice governor be stricken out, and that the last sentence on page 3 read, "The governor thus elected shall hold office for a term of four years and until his successor has been elected and qualified."

There is no necessity in Porto Rico of a vice governor. Section 24 of the present organic act, which is continued in effect, would fully meet the necessity of an officer to act in the absence of the governor, and the officer so designated is far better in touch with the duties of the governor than would a vice governor be. The only duty provided for the vice governor is to preside over the senate. The senate in Porto Rico is in session an average of not more than 50 days a year.

Second. That lines 23, 24, and 25, on page 4, be stricken out. It is not believed that such a restriction as to residence is necessary or advisable.

FRANK MCINTYRE, *Chief of Bureau.*

Section 12 of the bill, up to and including line 8, on page 3, is the existing law.

In the provision for an elective governor it is to be noted that the year 1928 is stated as the time at which a general election shall be held for the purpose of choosing a governor. The recommendation from the War Department is based upon the theory that this election would be held in 1932 instead of 1928. However, it is to be noted that your committee recommends an amendment which gives the President of the United States the authority to remove the elected governor for cause, and also gives power to the insular house of representatives to impeach and to the insular senate to try the elected governor. The causes under which an elected governor may be removed by a two-thirds vote of the senate are the same causes as are designated in the Constitution of the United States.

Inasmuch as the authority of the elected governor would be thus lessened by the power of removal vested in the President, and the power of impeachment vested in the local legislative body, it is believed that the arguments so clearly stated by General McIntyre in favor of an elective governor will still apply, even though it is proposed that the election shall be held in 1928 instead of 1932.

The provision for the election of a vice governor in the original bill is recommended to be stricken out by committee amendment, because it was believed that section 24 of the organic act makes a sufficient provision for filling a vacancy in case of the death or inability of the governor.

Section 24 of the original organic act is not changed by the pending bill, and is as follows:

"SEC. 24. That the President may from time to time designate the head of an executive department of Porto Rico to act as governor in the case of a vacancy, the temporary removal, resignation, or disability of the governor, or his temporary absence, and the head of the department thus designated shall exercise all the powers and perform all the duties of the governor during such vacancy, disability, or absence."

The amendment of section 13 is for the purpose of establishing an independent department of labor. Under the existing law section 13 reads as follows:

"SEC. 13. That the following executive departments are hereby created: A department of justice, the head of which shall be designated as the attorney general; a department of finance, the head of which shall be designated as the treasurer; a department of interior, the head of which shall be designated as the commissioner of the interior; a department of education, the head of which shall be designated as the commissioner of education; a department of agriculture and labor, the head of which shall be designated as the commissioner of agriculture and labor; and a department of health, the head of which shall be designated as the commissioner of health. The attorney general and commissioner of education shall be appointed by the President, by and with the advice and consent of the Senate of the United States, to hold office for four years and until their successors are appointed and qualified, unless sooner removed by the President. The heads of the four remaining departments shall be appointed by the governor, by and with the advice and consent of the Senate of Porto Rico. The heads of departments appointed by the governor shall hold office for the term of four years and until their successors are appointed and qualified, unless sooner removed by the governor.

"Heads of departments shall reside in Porto Rico during their official incumbency, and those appointed by the governor shall have resided in Porto Rico for at least one year prior to their appointment.

"The heads of departments shall collectively form a council to the governor, known as the executive council. They shall perform under the general supervision of the governor the duties hereinafter prescribed, or which may hereafter be prescribed by law and such other duties, not inconsistent with law, as the governor, with the approval of the President, may assign to them; and they shall make annual and such other reports to the governor as he may require, which shall be transmitted to the executive department of the Government of the United States to be designated by the President as herein provided: *Provided*, That the duties herein imposed upon the heads of departments shall not carry with them any additional compensation."

It will be observed that the bill provides instead of a department of agriculture and labor, a department of agriculture and commerce, the head of which shall be designated the commissioner of agriculture and commerce.

Section 18 of the organic act is amended so as to provide a direct statement of the duties of the commissioner of agriculture and commerce instead of those of the commissioner of agriculture and labor. The new section known as section 18a, to be inserted between sections 18 and 19 of the organic act, designates the duties of the new commissioner of labor. It is believed that this amendment will give larger recognition to the dignity of labor, and provide at the same time a more complete stimulus for the improvement of its conditions, and extend the opportunities for profitable employment.

The bill, as amended, is in harmony with the early history and policy of the American Government in its dealings with Porto Rico. It is significant that while there have been different policies advocated with reference to other insular possessions because of changes in political control in the continental United States, there has been a continuous policy followed with reference to Porto Rico. The letter from the War Department points this out, especially in the following language:

"It should be observed that while this reformation of the organic law of Porto Rico was under consideration the political control in the United States had passed from one party to another, but that this made no difference in the policy to be pursued in Porto Rico."

Inasmuch as the proposed legislation is in strict harmony with the historical precedents of our Government and is the logical development of the principle of autonomy which has been applied throughout in the relations between Porto Rico and continental United States, it is believed that the enactment of the proposed legislation will be promotive of public good and a strengthening of the feeling of respect and affection entertained by the people of Porto Rico for the Government of the United States.

The experience of the people of that island thus far under American leadership has been most encouraging. Schools have been built, roads have been constructed, the percentage of illiteracy has been rapidly reduced, health conditions have been improved, business has advanced.

All this is appreciated by the people of Porto Rico, and it is believed by them and by your committee that the enactment of this proposed legislation will serve further to encourage the spirit of progress and advancement which is now so strong in this beautiful island.

EUSTACIO B. DAVISON

The bill (S. 513) for the relief of Eustacio B. Davison was announced as next in order.

Mr. STANFIELD and Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ALLOTMENT OF ISAAC JACK, A SENECA INDIAN

The bill (H. R. 1629) authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the restrictions upon the northeast quarter of the southeast quarter of section 21, township 25 north, range 24 east of the Indian meridian, in Oklahoma, which is land heretofore allotted to Isaac Jack, Seneca allotee No. 264, are hereby removed, and the Secretary of the Interior is hereby authorized and directed to cause to be issued to said Isaac Jack a patent in fee simple for said described land.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

JAMES A. HUGHES

The bill (S. 2548) for the relief of James A. Hughes was announced as next in order.

Mr. FLETCHER. The bill was reported adversely. I move its indefinite postponement.

The motion was agreed to.

CARLISLE BARRACKS RESERVATION

The bill (S. 2940) authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the transfer from the Department of the Interior to the War Department of the control and jurisdiction over the parcels known as farm No. 1, farm No. 2, and the Sanno tract, now constituting a part of the Government reservation at Carlisle Barracks, Pa., is ratified and confirmed.

SEC. 2. The Secretary of War is authorized to sell at either public or private sale, upon terms and conditions deemed advisable by him, the land lying north of the Carlisle-Harrisburg Highway, being part of the tract of land known as farm No. 2, constituting a part of the Carlisle Barracks Reservation, the land to be sold as a whole or in parcels, as the Secretary of War may determine, and to execute and deliver in the name of the United States and in its behalf any and all deeds or other instruments necessary to effect such sale.

SEC. 3. For the acquisition of the additional land needed at the post of Carlisle Barracks for the use of the Medical Field Service School an appropriation of $10,000 is authorized.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION OF CIRCUIT COURTS OF APPEALS

The bill (S. 2060) to amend the Judicial Code, further to define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes, was announced as next in order.

Mr. KING. That is a very important bill. However, I do not want to object to its consideration if some Senator here desires to have it considered and will explain it.

Mr. CUMMINS rose.

Mr. KING. I shall not object if the Senator from Iowa [Mr. CUMMINS] thinks it can be disposed of under the five-minute rule.

Mr. CUMMINS. I would like very much to have it passed, but I recognize that it involves many and very important changes in the jurisdiction of the Supreme Court of the United States and the circuit courts of appeals. It will be utterly impossible to consider the proposed changes within the limits that are permitted at this time. While I do not ask it to go over, I shall not be surprised if some one else does.

Mr. OWEN. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

QUALIFICATIONS OF POSTMASTERS

The bill (S. 819) prescribing certain qualifications of postmasters of offices of the first, second, and third classes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That no person shall be eligible for appointment to fill a vacancy as postmaster of any office of the first, second, or third class who has not actually resided within the delivery of the office and also been a bona fide patron of the office for a period of not less than two years immediately preceding the occurrence of the vacancy to be filled.

The bill was reported without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THIRD-CLASS MAIL

The bill (H. R. 4442) to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes, was announced as next in order.

Mr. KING. I would like to have the Senator who reported the bill make an explanation of it, the extent of it, and the cost, if any, to the Government.

The PRESIDING OFFICER. It is a House bill, reported by the Senator from South Dakota [Mr. STERLING].

Mr. STERLING. It has passed the House.

Mr. KING. I think I shall ask that it go over, to give us a chance to investigate it.

The PRESIDING OFFICER. The bill will be passed over.

CALUMET RIVER BRIDGE, CHICAGO, ILL.

The bill (H. R. 2685) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street in the city of Chicago, county of Cook, State of Illinois, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River at a point suitable to the interests of navigation in the vicinity of One hundred and thirty-fourth Street, in section 30, township 37 north, range 14 east of the third principal meridian, in the city of Chicago, county of Cook, State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE

The bill (H. R. 6810) granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation and its successors to construct a bridge across the Susquehanna River at Millersburg, Pa., was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Millersburg & Liverpool Bridge Corporation, a corporation organized under the laws of the State of Pennsylvania, and its successors and assigns to construct, maintain, and operate a bridge and approaches thereto across the Susquehanna River at a point suitable to the interests of navigation, at or near Millersburg, Pa., in the county of Dauphin, in the State of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE

The bill (H. R. 7063) granting the consent of Congress to the State of Illinois, and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Illinois and the State of Iowa, or either of them, to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, at or near the city of Savanna, in the county of Carroll, Ill., and the city of Sabula, in the county of Jackson, in the State of Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE

The bill (H. R. 7846) to extend the time for the construction of a bridge across the North Branch of the Susquehanna River

from the city of Wilkes-Barre to the borough of Dorranceton, Pa., was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the time for commencing and completing the reconstruction of a bridge authorized by act of Congress approved September 7, 1916, as renewed and extended by joint resolution approved February 15, 1921, to be constructed by the county of Luzerne, State of Pennsylvania, across the North Branch of the Susquehanna River, from the city of Wilkes-Barre to the borough of Dorranceton, in said county of Luzerne and the State of Pennsylvania, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

NAVAL AIR STATION AT PENSACOLA, FLA.

The bill (S. 2928) authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States Naval Air Station at Pensacola, was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, when directed by the President, to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title to such lands as he may deem necessary or desirable in the vicinity of Pensacola, Fla., for use as a site and right of way for the construction and maintenance of a pumping station, wells, and pipe line to provide a suitable water supply for the United States Naval Air Station, Pensacola, Fla.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ESTATE OF ROBERT DILLON

The bill (S. 1834) for the relief of the legal representative of Robert Dillon, deceased, was considered, as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the claim of the legal representative of Robert Dillon, deceased, for the net proceeds of the cotton purchased, or turned over to him, or owned by him, taken by United States officers, sold, and the net proceeds thereof placed in the United States Treasury, be, and the same is hereby, referred to the Court of Claims of the United States for determination of the law and the facts, under the act of Congress approved March 12, 1863 (12th Stat. L. p. 820), any statute of limitations, or the act of July 2, 1864 (13th Stat. L. p. 376), and all other nonintercourse laws to the contrary notwithstanding, and report to Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DREDGE "DELAWARE" AND STEAMSHIP "A. A. RAVEN"

The bill (S. 2052) to carry out the decree of the United States District Court for the Eastern District of Pennsylvania in the case of United States of America, owner of the steam dredge *Delaware*, against the steamship *A. A. Raven*, American Transportation Co., claimant, and to pay the amount decreed to be due said company, was considered as in Committee of the Whole and was read, as follows:

Whereas by final decree of the District Court of the United States for the Eastern District of Pennsylvania, entered December 21, 1916, in an action in admiralty known as No. 4 of 1914, wherein the United States, as owner of the steam dredge *Delaware*, was libellant, and the steamship *A. A. Raven*, whereof American Transportation Co. was owner, was respondent, which action arose out of a collision between the said dredge and the said steamship, occurring in the Delaware River on December 1, 1913, it was adjudged, ordered, and decreed that both the dredge *Delaware* and the steamship *A. A. Raven* were in fault as to said collision; that the damage, costs, and interest accruing to each party in said cause be equally divided; and that said damages, interest, and costs were found to be as follows: To the libellant $8,567.34, and to the respondent $14,883.82; and

Whereas upon dividing the damages of the said dredge *Delaware* and steamship *A. A. Raven*, as decreed by the court, it appears that there is due from the United States to said American Transportation Co., as owner of said steamship, the sum of $3,158.24: Therefore

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay to the American Transportation Co., out of any money in the Treasury not otherwise appropriated, the sum of $3,158.24, in full settlement and discharge of the sum found due to said American Transportation Co. by the decree of the United States District Court for the Eastern District of Pennsylvania, as hereinbefore recited.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

RELIEF OF ITALIAN GOVERNMENT

The bill (S. 2826) for the relief of the Italian Government was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Italian Government, out of any money in the Treasury not otherwise appropriated, the sum of $291,001.88 to reimburse said Government for the loss of a cargo of copper as a result of a collision between the U. S. S. *Buford* and the barge *Anode*, which occurred in the harbor of New York on January 18, 1919.

Mr. REED of Pennsylvania. I move to amend, in line 4, page 1, by striking out the word "pay" and inserting the word "credit." The language of the bill is—

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Italian Government, out of any money in the Treasury not otherwise appropriated, the sum of $291,001.88.

There is no doubt about the justice of the claim, and I understand from the report that it is only intended that it should be credited to the Government of Italy, but before we pass the bill I think we had better make it a little more clear that it is the intention only to credit that amount of money and not to pay it.

Mr. BAYARD. May I explain to the Senator from Pennsylvania that under the agreement this Government has with the Italian Government immediate payments of this character and similar payments are to be credited to our claim against the Italian Government. We have under our agreement with the Italian Government, in the case of a payment of this kind, the understanding that it shall be taken on their account and no cash actually shall pass. The Senator will find a reference to it in the letter from the Secretary of the Treasury.

Mr. SMOOT. I would like to say that my understanding is similar to that of the Senator from Delaware. The appropriation is made direct, but whatever amount is appropriated will be credited upon their indebtedness to the United States.

Mr. REED of Pennsylvania. If it is the intention to credit only, I do not see why we should not say so.

Mr. SMOOT. I think the appropriation ought to be made so that it will come out of the Treasury of the United States and be paid with the understanding we have. I know that it will merely be credited to their account.

Mr. FESS. May I call attention to the fact that a similar bill was passed in another instance and we have paid the actual cash? I think the Senator from Pennsylvania is correct. We ought to put that language in the bill to make sure that it is only to be credited.

Mr. REED of Pennsylvania. Early in the session I remember a similar bill, to which I offered a similar amendment, and there was no objection to it. It seems to me where they owe us over a billion dollars, as they do, we ought not to leave it to be a matter of any doubt whatever that we do not intend the money to be actually paid, but only credited.

Mr. FLETCHER. It is a Senate bill and can be put in such form as the Senate sees fit now without causing any delay one way or the other.

Mr. SMOOT. If the amendment is agreed to, then we certainly will have to amend the balance of the bill, because it provides that the Secretary of the Treasury is authorized and directed to pay to the Italian Government, out of any money in the Treasury not otherwise appropriated. The whole bill would then be out of line.

Mr. REED of Pennsylvania. That would be very easily done by striking out line 5 and the first words in line 6.

Mr. SMOOT. If we are going to pass a bill of this kind, we ought merely to say that "the Secretary of the Treasury be, and is hereby, authorized to credit the sum of $291,000 to reimburse said Government for the loss of the cargo," and so forth.

Mr. REED of Pennsylvania. If that is what we mean why not say it?

Mr. SMOOT. I do not know just how the books of the Navy Department and the Treasury Department would appear as a result of the passage of a bill of this kind. It seems to me the proper way is to make the appropriation and credit the amount. That is exactly what would happen.

Mr. BAYARD. Let me read to the Senator from Pennsylvania the concluding paragraph of Secretary Mellon's letter under date of April 29, 1922. It is as follows:

It is my understanding of the arrangement to which you refer that it gives the Treasury the right, if it should so elect, to make payment of all claims of the Italian Government or any department or agency

thereof against this Government or any department or agency thereof by crediting the amount of any such claim on Italian obligations held by the United States. The phrase "all claims" is broad enough to include claims in tort as well as claims in contract, and there is nothing to indicate that the words were intended to have a narrower application in this respect. It is the view of the Treasury, therefore, that if provision is made by Congress for payment of the claim under consideration the Treasury's right to take suitable action under the above-mentioned arrangement would be the same as if the claim were one arising out of contract instead of out of a tort.

Mr. KING. Will the Senator from Pennsylvania, in view of the suggestion made, accept this amendment? Permit the language of the bill to remain as it is, and at the close add the following proviso:

Provided, That said amount shall be applied by the Secretary of the Treasury as a credit upon any sum due from the Italian Government to the United States.

Mr. REED of Pennsylvania. I shall be very glad to accept that language.

The PRESIDING OFFICER. Does the Senator from Pennsylvania withdraw his amendment.

Mr. REED of Pennsylvania. I do.

Mr. SMOOT. There is no necessity for it at all because that agreement has already been made between the two Governments.

Mr. KING. Notwithstanding that, I think there is no objection to making it a legislative direction, and I offer the amendment.

The PRESIDING OFFICER. The Senator from Utah offers the amendment, which will be stated.

The READING CLERK. Add at the close of the bill the following proviso:

Provided, That said amount shall be applied by the Secretary of the Treasury as a credit upon any sum due from the Italian Government to the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EAST L'HAVE TRANSPORTATION CO. (LTD.)

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2498) for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zipck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew of the schooner *Con Rein*, sunk by United States submarine *K-4*, which was read, as follows:

Be it enacted, etc., That the claim of the East LaHave Transportation Co. (Ltd.), owner of the schooner *Con Rein*, of the port of LaHave, in the Province of Nova Scotia, Canada; that the claim of A. Picard & Co., the owner and consignee of the cargo aboard said schooner, and the claims of the several members of the crew of said schooner, namely, George Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman LeGay, against the United States for damages alleged to have been caused by collision between said schooner and the submarine *K-4*, owned by the Government of the United States and operated by the United States Navy, which occurred near Block Island, R. I., on August 29, 1921, may be sued for by the said claimants in the United States District Court for the District of Massachusetts, sitting as a court of admiralty and acting under the rules governing such court with jurisdiction to hear and determine such suit, and to enter judgments or decrees for the amounts of such damages and costs, if any, as may be found against the United States in favor of the said claimants, or any of them, or against said claimants in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. KING. I should like to have some explanation of that bill.

Mr. BAYARD. Mr. President, I will explain to the Senator from Utah that the bill proposes to give to the East LaHave Transportation Co. (Ltd.), owner of the schooner *Con Rein*, the right to bring suit in the Federal district court for damages caused by collision occurring between that schooner and a submarine owned by the Federal Government. The bill provides that due notice must be given to the Attorney General, and suit must be brought within a definite time after the passage of the act. The rights of the Government are fully protected, and the court is merely to hear and determine such suit, and to enter judgments or decrees for the amounts of damages.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RUSH O. FELLOWS

The bill (H. R. 3183) for the relief of Rush O. Fellows was announced as next in order.

Mr. DIAL. Let that bill go over, Mr. President.

Mr. STERLING. I hope the Senator from South Carolina will withhold his objection.

The PRESIDING OFFICER. Does the Senator from South Carolina withdraw his objection?

Mr. DIAL. I withdraw my objection for the present.

Mr. STERLING. I think this is a most meritorious claim and ought to be passed. A similar bill has passed the other House. The bill provides for the reimbursement of Rush O. Fellows for expenses incurred in behalf of the Government while he was postmaster at Bellefourche, S. Dak. The Postmaster General says that the department has very carefully examined into the claim of Mr. Fellows, and that it should be paid. I trust that it will be. The expenditures made by Mr. Fellows seem to have been necessary, and the Government got the benefit of those expenditures.

Mr. KING. Mr. President, the amount involved, of course, is very small, but these small matters sometimes constitute very vexatious and embarrassing precedents in the future. If the postmaster, without authority, made expenditures and now comes and asks the Government to reimburse him, what limit will there be upon other employees of the Government? I should like an explanation of the bill or I shall be compelled to vote against it.

Mr. STERLING. I will say to the Senator from Utah that the explanation is this: During the incumbency of the predecessor of Mr. Fellows the post office was changed from the third to the second class and there were paid out of the pocket of the postmaster certain amounts of money.

Mr. KING. For what purpose?

Mr. DIAL. I desire to know for what purpose the expenditure was made.

Mr. STERLING. The expenditures were made for rent, for one thing. Here are the items paid out by Mr. Fellows:

UNITED STATES POST OFFICE,
Bellefourche, S. Dak., April 30, 1922.

The United States Government, Dr., to Rush O. Fellows, postmaster, from July, 1915, to May 1, 1922

Voucher No. 1. Paid on rent from July 1, 1915, to December 31, 1915, 30 months, at $5 per month	$150.00
Voucher No. 2. Paid on rent from January 1, 1916, to August 31, 1917:	
20 months, at $5 per month	100.00
10 months, at $10 per month (from September 1, 1917, to June 30, 1918)	100.00
Voucher No. 3. Paid water tax from July 1, 1918, to November 15, 1920, 88½ months, at $1 per month	88.50
Voucher No. 4. Paid for construction of room on sidewalk for fuel and parcel-post storage	37.50
Voucher No. 5. Paid for janitor service from March 15, 1920, to November 15, 1920, 8 months, at $5	40.00
Paid 50 cents semimonthly for removing ashes and hauling and burning accumulated trash, 88½ months (no vouchers available; work done by different draymen)	88.50
	604.50

But then he is charged with—

Credit: Cash received from rental of basement from July 1, 1913, to June 30, 1917, 48 months, at $5 per month (which was vacated on last date mentioned)	240.00
Balance due or cash from personal funds	364.50

The bill provides for $354.50.

That is due to the fact that he built a shed which was necessary for the use of the post office at an expenditure of $37.50; he then sold the shed for $10, and hence he is charged with $10 received on that account, which reduced the bill to $354.50 for money actually paid out.

Mr. KING. Does the Postmaster General recommend the passage of the bill?

Mr. STERLING. He does. I call attention to the statement of the Postmaster General, which is as follows:

This claim has been carefully considered, and the department is of the opinion that it is a meritorious one, as it is apparent that the amount covered thereby was expended personally by Mr. Fellows in order to properly maintain the service at the Bellefourche office, and that no allowances have been granted by the department to reimburse him for such expenditures.

It being a second-class post office during the time of his incumbency it was the business of the Government to pay these expenses, which were found to have been necessary by the department itself.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

It proposes to pay to Rush O. Fellows, of Bellefourche, S. Dak., $354.50, to repay him for private funds expended for governmental purposes while he was postmaster at Bellefourche, S. Dak.

Mr. DIAL. Mr. President, the passage of this bill will establish somewhat of a precedent; but the amount is small and, as the Postmaster General recommends the passage of the bill, I shall not object.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PASSAGE OF HOUSE BILLS BY THE SENATE

Mr. FLETCHER. Mr. President, I desire to inquire if the Senator from South Dakota [Mr. STERLING] can give us any sort of assurance that the gentlemen at the other end of the Capitol will pay any attention to Senate bills which pass this body. There are a number of House bills coming up for consideration in the Senate, and we are passing them right along, but, so far as I can learn, the Members of the other body are not giving much attention to any bills which may pass the Senate and be sent over there.

Mr. STERLING. The bill which has just been passed is a House bill.

Mr. FLETCHER. I wonder if the Senator from South Dakota can make some arrangement whereby there will be some understanding that when we pass bills of the House of Representatives they will remember the Senate bills which may be sent to that body?

Mr. STERLING. I hope such an arrangement may be made, and I shall be very glad if it may be.

BILLS PASSED OVER

The bill (H. R. 6049) for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth was announced as next in order.

Mr. DIAL. Let that bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 8235) for the relief of Aktieselskabet Marie di Giorgio, a Norwegian corporation of Christiania, Norway, was announced as next in order.

Mr. KING. I should like some explanation of the bill.

The PRESIDING OFFICER. The Senator who reported the bill is not present. The bill will go over.

The bill (H. R. 8237) for the relief of Bruusgaard Kiosteruds Dampskibs Aktieselskab, a Norwegian corporation of Drammen, Norway, was announced as next in order.

Mr. McKELLAR. That is a bill similar to the one which has just gone over.

Mr. KING. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

J. R. KING

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2669) for the relief of J. R. King, which had been reported from the Committee on Claims with an amendment in line 4, after the words "directed to pay," to insert "out of any money in the Treasury not otherwise appropriated," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated to J. R. King, father and administrator of the late Lawrence B. King, a lieutenant in the Air Service of the Officers' Reserve Corps, who died on duty at Clover Field, Santa Monica, Calif., the sum of $478.51, burial and transportation expenses.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The bill was reported to the Senate as amended, and the amendment was concurred in.

THOMPSON-VACHE BOAT CO.

The bill (H. R. 2123) for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo., was considered as in Committee of the Whole. It provides that the claim of the Thompson-Vache Boat Co., of Bonnots Mill, Mo., against the United States for the loss alleged to have been sustained by the sinking of the steamer *Floyd* in the Missouri River on March 3, 1920, may be sued for by the company in the United States District Court of the Western District of Missouri, sitting as a court of admiralty and acting under the rules governing such court, and the court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damage, including interest, and costs, if any, as shall be found to be due agtinst the United States in favor of the Thompson-Vache Boat Co., or against the Thompson-Vache Boat Co. in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal; but such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States; and suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. DIAL. Mr. President, that bill authorizes suit, as I understand, but does not provide for payment.

The PRESIDING OFFICER. The Chair understands that the bill merely provides that suit may be brought in a court of admiralty.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING subsequently said: Mr. President, referring to House bill 2123, which was just passed, and which, for the purpose of the remarks I am about to make, I move to reconsider——

The PRESIDING OFFICER. Without objection the vote whereby the bill was ordered to be engrossed for a third reading, read the third time, and passed, will be reconsidered.

Mr. KING. My eye has just rested upon the statement of Secretary Weeks that—

No copies of the affidavits which accompanied that letter were retained on the files of the office of the Chief of Engineers, and no papers except the above-mentioned copy of letter, therefore, accompany this reply.

I also find in a communication from the Assistant Secretary of War the following statement:

It is therefore believed that the claim of the Thompson-Vache Boat Co. is without merit, and that it should not receive a favorable report from the Committee on Claims.

I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 2126) for the relief of C. C. Carson was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EXAMINATION AND REGISTRATION OF ARCHITECTS IN THE DISTRICT

The bill (S. 933) to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia was announced as next in order.

Mr. OWEN. I ask that that bill go over.

Mr. BALL. Mr. President, I trust the Senator will not insist on his objection to the bill. It involves no extra expense to the Government or to the District, but merely provides a method whereby more efficient architects may be provided in the District. The bill will certainly fill a need in the District, and there is evidence of the necessity for such a measure in a great calamity which occurred in the District a year or two ago. As I have said, the bill involves no expense.

Mr. OWEN. I withdraw the objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 10, on page 4, line 6, before the word "each," to strike out "July" and insert "August," so as to make the section read:

SEC. 10. That a roster showing the names and places of business and residences of all registered architects shall be prepared by the secretary of the board during the month of June of each year; such roster shall be printed out of the funds of the board as provided in section 11. On or before the 1st day of August each year the board shall submit to the Commissioners of the District of Columbia a report of its transacions for the preceding fiscal year, together with a complete statement of the receipts and expenditures of the board, certified by the chairman and the secretary, and a copy of the said roster of registered architects.

The amendment was agreed to.

The next amendment was, on page 4, after line 11, to strike out section 12 as follows:

SEC. 12. That the said board shall have suitable quarters and equipment provided by the Commissioners of the District of Columbia.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection the sections will be renumbered to correspond with the amendment which has just been made.

Mr. KING. Mr. President, I should like to have the Senator from Delaware explain the full effect of this bill. The Senator knows that too often in our municipalities there is a disposition on the part of a few of the elite or of the elect in each profession to control the profession and to determine who shall enter the profession, and they set up a sort of machine by which they eliminate from active practice in the profession those that do not measure up to such standards as they may set. What is the effect of this bill?

Mr. BALL. The bill provides for the appointment of a board by the Commissioners of the District to supervise the examination and registration of architects.

Mr. KING. Would it prevent a man from building his own house and acting as his own architect? Would a man have to go before the proposed board of five men who are architects and submit to an examination?

Mr. BALL. If the plans were approved by the engineers of the District, he would not have to do so; but the bill will prevent a man who is not qualified from holding himself out as a recognized architect in the District and having his plans accepted as an architect's plans.

Mr. KING. Is it not one of the objects of the bill—and I have not read it all, as it embraces 14 pages—to keep out of the field of competition here out-of-town architects no matter how competent and able they may be?

Mr. BALL. Mr. President, the first bill that was introduced on this subject grew out of the calamity which befell the Knickerbocker Theater. A number of persons professing to be architects in the District were drawing plans which were not sufficient in their detail and engineering aspects to insure the safety of the structures designed to be built. It was following that disaster that the first bill on this subject was introduced. This is the first time the House has been able to pass such a bill. Now I trust the Senate will also pass the bill.

Mr. KING. Mr. President, there may be very great necessity for the passage of the bill; sometimes a very great disaster or a bad decision may result in bad laws. This may be a good bill and it may be a bad bill. I am trying to find out. I shall not object; but, without knowing more about it, I shall refrain from voting, because I can not assent to it without knowing what it provides.

Mr. BALL. I will say to the Senator that this is a good bill.

Mr. FLETCHER. Mr. President, I understand that what the bill intends is that no one shall set himself up as an architect unless he is professionally qualified.

Mr. BALL. That is correct.

Mr. FLETCHER. And that no one shall undertake to practice architecture until he has stood an examination before the board selected by the commissioners.

Mr. BALL. He must be recognized by his profession as a qualified architect.

Mr. FLETCHER. He can not practice architecture until he is licensed by the proposed board. A man may draw plans, prepare designs, and all that sort of thing as an individual, but he can not set himself up and represent himself to be an architect until he has stood this examination.

Mr. McKELLAR. Under the bill will a man be able to draw his own plans and build his own house?

Mr. FLETCHER. Undoubtedly. Section 14 provides:

That any person wishing to practice architecture in the District of Columbia under title of architect shall, before being entitled to be or be known as an architect, secure from such board a certificate of qualifications to practice under the title of architect, as provided by this act.

If he does not want to engage in the practice of architecture, the bill does not affect him. I do not know whether the bill provides that architects may come from other States and practice in the District. Can the Senator tell us anything about that? Suppose a builder here wants to erect a building, can he engage a qualified architect in New York or Boston to prepare his plans?

Mr. BALL. The bill requires that before a man may become an architect he shall know sufficient about drawings, and so forth, to pass an examination before the board, just as is required in other professions. When a man receives a certificate from the board he is entitled to represent himself to be a member of the profession.

Mr. FLETCHER. There is nothing in the bill, though, that would prevent the Senator from engaging an architect in New York or in Philadelphia or in Boston, if he so desired, to prepare plans for a building that he might wish to erect in the District.

Mr. BALL. The object of the bill is to prevent the people from selling as architects the results of their labor when they are not professional architects.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1027) to regulate the practice of optometry in the District of Columbia was announced as next in order.

Mr. BALL. Mr. President, I move that House bill 3236 be substituted for that bill. It has passed the House.

The PRESIDENT pro tempore. Is the bill on the calendar?

Mr. BALL. No; it is not on our calendar, but it has passed the House.

The PRESIDENT pro tempore. It has not yet been reported by the committee?

Mr. BALL. No; but it is here. It has come over from the House.

Mr. CURTIS. Mr. President, unless it is on the calendar, that is not permissible, and I object to it. I suggest that the bill go over. The Senator can report out the House bill, and then we can take it up.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1733) to authorize the Secretary of War to secure for the United States title to certain private lands contiguous to and within the Militia Target Range Reservation, State of Utah, was announced as next in order.

Mr. McKELLAR. Mr. President, will somebody explain that bill?

Mr. KING. Mr. President, I know only a little about it. The Government had a military post in Utah, and the target range, as I understand, is not sufficient. That is to say, the Government has not sufficient land of its own upon which to conduct target practice, and this is to enable the Government to acquire it.

Mr. ROBINSON. The bill would appear to authorize the Government to acquire private holdings within the limits of the present target range. Of course the purpose of that is apparent. If there are private lands there that might be occupied and used for private purposes, that would defeat the object of the target range.

Mr. KING. Yes.

Mr. McKELLAR. Mr. President, I call attention to an apparently adverse report by the Secretary of War. He says:

In connection with this viewpoint of the War Department it is but fair to state that provision for the acquisition of the parcels of land covered by the bill was not included in the War Department's submit of its budget for the fiscal year 1925, due to more urgent projects that had to be provided within the limiting total of funds allotted to the War Department by the President.

On this account it becomes me to state that the acquisition of the real estate covered by Senate bill 1733 does not fall within the financial policy of the President for the fiscal year 1925.

Sincerely yours,

JOHN W. WEEKS, *Secretary of War.*

Mr. OVERMAN. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

VALIDATION OF APPLICATIONS AND ENTRIES OF PUBLIC LANDS

The bill (S. 2975) validating certain applications for and entries of public lands, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to issue patents upon the entries hereinafter named upon which proof of compliance with law has been filed upon the payment of all moneys due thereon:

Homestead entry, Santa Fe, N. Mex., No. 026282, made by Guadalupe D. de Romero on October 24, 1916, for the west half of the southwest quarter, west half of the northwest quarter, northeast quarter of the northwest quarter, north half of the northeast quarter, and southeast quarter of the northwest quarter, section 17, township 14 north, range 22 east, New Mexico principal meridian.

Additional homestead entry, Las Cruces, N. Mex., No. 017008, made by Joseph S. Morgan on April 1, 1921, for the southwest quarter of section 30, township 17 south, range 10 east, New Mexico principal meridian.

Additional homestead entry, Clayton, N. Mex., No. 028906, made by Allie M. Vickers, widow of James L. Vickers, deceased, on February 2, 1922, for the west half of section 15, township 15 north, range 30 east, New Mexico principal meridian.

Homestead entries, La Grande, Oreg., Nos. 014086 and 015372, made by James A. Wright, for the southeast quarter of the northeast quarter, east half of the southeast quarter, section 13, township 11 south, range 41 east, and lots 2 and 3, southeast quarter of the northwest quarter, northeast quarter of the southwest quarter and northwest quarter of the southeast quarter, section 18, township 11 south, range 42 east, Willamette meridian.

Homestead entry, Lamar, Colo., No. 025406, made by John Bond on April 18, 1918, for the west half of the northwest quarter of section 29, and the east half of the northeast quarter of section 30, township 21 south, range 42 west, sixth principal meridian.

Homestead entry, Montrose, Colo., No. 012686, made by Mary A. McKee (Mary A. Ryan, deceased) on November 4, 1919, for the south half of the north half and the north half of the south half, section 20, south half of the north half and the north half of the south half, section 21, township 42 north, range 13 west, New Mexico principal meridian.

Homestead entry, Cass Lake, Minn., No. 09951, made by Joseph La Fond on March 9, 1918, for lot 9 of section 17, township 55 north, range 26 west, fourth principal meridian.

Homestead entry, Blackfoot, Idaho, No. 028692, made by Margaret E. Askew (now Margaret E. Tindall), on July 10, 1918, for the north half of section 25, township 9 north, range 32 east, Boise meridian.

SEC. 2. That the entries hereinafter named be, and the same are hereby, validated, and the Secretary of the Interior authorized to issue patents thereon upon submission of satisfactory proof of compliance with the law under which such entries were allowed:

Homestead entries, Douglas, Wyo., No. 026690 and 026691, made by Peter Peterson on April 20, 1921, for lots 3 and 4 of section 30, and lot 1 of section 31, township 37 north, range 62 west, and the east half of the northeast quarter and the northeast quarter of the southeast quarter of section 20, south half of the northwest quarter and the northwest quarter of the southwest quarter of section 28, township 37 north, range 63 west, sixth principal meridian.

Homestead entry, Douglas, Wyo., No. 030379, made by Orin Lee on December 10, 1921, for the south half of section 17, township 36 north, range 85 west, sixth principal meridian.

Homestead application, Roswell, N. Mex., No. 050381, filed by Robert T. Freeland, for the north half of section 24, township 5 south, range 14 east, New Mexico principal meridian, subject to the provisions of the act of December 29, 1916 (39 Stat. L. p. 862).

Homestead entry, Santa Fe, N. Mex., No. 040823, made by Charles N. Barnhart on August 21, 1922, for the west half of section 12, township 29 north, range 10 east, New Mexico principal meridian.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized to allow the following application to make entry:

Homestead application, Santa Fe, N. Mex., No. 046215, filed by Feles Montoya for lot 1 and the east half of the northeast quarter, section 36, township 13 north, range 3 east, and lot 10, section 31, township 13 north, range 4 east, New Mexico principal meridian, effective March 7, 1923, the date filed, and that the State of New Mexico through its proper officers be, and it is hereby, authorized to select 134.80 acres of surveyed nonmineral, unappropriated, and unreserved public land in lieu of that part of the above-described tract situate in said section 36.

SEC. 4. That homestead entry 011279, Montrose, Colo., embracing lots 5 to 20, inclusive, section 1, township 48 north, range 8 west, New Mexico principal meridian, may be perfected under the provision of section 2 of the act of July 28, 1917 (40 Stat L., p. 248), by the legal representatives of Clyde R. Hiatt.

SEC. 5. That Hiram Williams be, and he is hereby, allowed to perfect by acceptable final proof homestead entry 049024, Roswell, N. Mex., embracing lots 13 and 14 and the east half of southwest quarter of section 6, township 18 south, range 17 east, New Mexico principal meridian; and that the Secretary of the Interior be, and he is hereby, authorized to allow the application 049025, Roswell, N. Mex., of said Williams, to make an additional entry under section 4 of the stock raising homestead act of December 29, 1916 (39 Stat. L., p. 862), for lots 5 to 12, both inclusive, and southeast quarter of said section 6.

SEC. 6. That the Secretary of the Interior be, and he is hereby, authorized to issue to Francis W. Woodward a patent for the fractional west half of northwest quarter and the fractional northwest quarter of southwest quarter of section 18, township 28 north, range 6 west, fourth principal meridian, Wisconsin, upon payment therefor at the rate of $1.25 per acre.

SEC. 7. That the Secretary of the Interior be, and he is hereby, authorized to issue a patent to Lukas Zullig and Max Zullig, infant children of Robert Zullig, under homestead entry 06833, Lakeview, Oreg., for the southeast quarter of section 14 and northeast quarter of section 23, township 26 south, range 18 east, Willamette meridian.

SEC. 8. That the Secretary of the Interior be, and he is hereby, authorized to allow Y. Charles Earl, of Blackshear, Ala., to purchase at private sale, at the rate of $1.25 per acre, the southeast quarter of southeast quarter of section 23, township 3 north, range 3 east, St. Stephens meridian, Alabama.

SEC. 9. That the Sabine Lumber Co., of St. Louis, Mo., be, and it is hereby, authorized to purchase at private sale the southwest quarter of southwest quarter of section 23, township 1 north, range 19 west, fifth principal meridian, Arkansas, at the rate of $1.25 per acre.

Mr. LADD. Mr. President, at the request of the Secretary of the Interior, I desire to amend this bill by the addition on page 3, after line 17, of the matter which I send to the desk.

The PRESIDENT pro tempore. The Senator from North Dakota proposes an amendment, which will be stated.

The READING CLERK. On page 3, after line 17, it is proposed to insert the following:

Homestead entry, Missoula, Mont., No. 08533, made by Hudson L. Mason on August 24, 1920, for lots 1, 2, 3, 4, 5, and 6, and the south half of the northwest quarter, southwest quarter of the northeast quarter, northwest quarter of the southeast quarter, and northeast quarter of the southwest quarter, section 1, township 7 south, range 15 west, Montana principal meridian.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, this appears to be something in the nature of an omnibus bill validating homestead entries. I presume they are all approved by the Interior Department, or recommended by the department?

Mr. LADD. The bill was submitted by the Interior Department, and there is a written report covering each item.

Mr. McKELLAR. Was there a unanimous report of the committee?

Mr. LADD. There was. I may say that the bill covers only little technicalities here and there that the Secretary felt he would rather have Congress approve than approve himself.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, MINNESOTA

The bill (S. 2977) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River was announced as next in order.

Mr. LADD. Mr. President, inasmuch as a House bill identically the same has passed the House and is on the calendar, I ask that House bill 8229, Order of Business No. 474, on page 16 of the calendar, be substituted in place of this bill.

The PRESIDENT pro tempore. The question is on the motion of the Senator from North Dakota.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8229) granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 2977 is indefinitely postponed.

LANDS IN FORT ASSINNIBOINE MILITARY RESERVATION, MONT.

The joint resolution (S. J. Res. 90) providing an extension of time for payment by entrymen of lands on the Fort Assinniboine abandoned military reservation in the State of Montana was considered as in Committee of the Whole, and was read, as follows:

Resolved, etc., That the act of January 6, 1921 (41 Stat. L. p. 1086), providing additional time for the payment of purchase money under homestead entries within the former Fort Assinniboine Military Reservation, in Montana, be, and the same is hereby, amended so as to authorize extensions of time from year to year for the payment of all unpaid principal upon the payment of interest thereon in advance at the rate specified in the said act, for not to exceed 10 years from date of entry.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HOMESTEAD ENTRIES, ETC., FORT BERTHOLD INDIAN RESERVATION, N. DAK.

The bill (H. R. 4494) authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak., was considered as in Committee of the Whole.

Mr. KING. Mr. President, I should like to inquire whether this means that white settlers upon Indian lands have the time extended for making payment, and if so, whether such extension is with the approval of the tribe? The reason why I make the inquiry is because a number of complaints have been brought to my attention, and I know to the attention of the Committee on Indian Affairs, by representatives of the Indian tribes, that where lands have been taken from their reservation and sold, or where entries have been made by white settlers upon their lands, payments have been deferred by act of Congress or by regulations of the Interior Department, which has resulted, of course, in deferring for a very long period the payment of money which the Indians had relied upon; and they have made complaints in many instances because of these deferred payments, and have claimed that they were deferred in some instances without their consent.

Mr. LADD. Mr. President, as I recall, Fort Berthold Indian Reservation is an old reservation that has been given up, this portion of it, and opened to settlers.

Mr. KING. Does the Senator recall whether the payments derived from the sale go to the Indians or go to the Government?

Mr. LADD. They go to the Government.

Mr. KING. I have no objection.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WILLIAM KAUP

The bill (S. 953) for the relief of William Kaup was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the homestead entry of William Kaup on farm unit E. Huntley reclamation project, Montana, under the act of June 17, 1902, the said entry being known as lot 2, section 31, township 3 north, range 29 east, principal meridian, is hereby validated, subject to further compliance with the law.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. This bill is the unfinished business.

Mr. McKELLAR and other Senators. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FIRST LIEUT. HARRY L. ROGERS, JR.

The bill (S. 2138) for the relief of First Lieut. Harry L. Rogers, jr., was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$902.63" and insert "$700," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to Harry L. Rogers, jr., first lieutenant, Infantry, United States Army, out of any money in the Treasury not otherwise appropriated, the sum of $700, as reimbursement for the loss sustained by him as commanding officer of the Twenty-fifth Recruit Company, Fort Slocum, N. Y., when such amount was stolen on or about April 1, 1921, by his company clerk, who immediately thereafter deserted.

The amendment was agreed to

Mr. KING. Mr. President, may I ask the Senator from New York [Mr. WADSWORTH] whether any arrangements are made by which these clerks or custodians of war funds in the various departments are under bond, so that in cases like this, where there is a defalcation or a theft, the Government may recover?

Mr. WADSWORTH. I am not familiar with the terms of this bill. It did not come from the Committee on Military Affairs.

Mr. KING. No; it comes from the Claims Committee; but it is to reimburse an officer for money stolen.

Mr. WADSWORTH. No; a commissioned officer in the Army handling or disbursing funds, as in a case of this sort, is not under bond; but if loss occurs—in the event, for example, that funds are stolen by some other person—they are charged against the officer's account. If he can show, however, that the theft has been perpetrated through no neglect of his own, the War Department is glad to ask the Congress to relieve the officer of responsibility for the funds.

Mr. KING. Does not the Senator think that it might be wise for the War Department to require bonds to be given by those who are custodians of funds?

Mr. WADSWORTH. That would involve a very large expense upon a very large number of officers; and I think that if the Senator will think over the matter he will agree that, taking the history of the United States Army as a whole for 130 years, the amount of money lost to the Government of the United States through the negligence of Army officers in cases of this sort is infinitesimal.

Mr. KING. I think that is true.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2793) for relief of estate of Anne C. Shymer was announced as next in order.

Mr. OVERMAN. Mr. President, this question ought to be left to the commission. The commission passes on all these claims and is now sitting. This bill ought not to be here at all. It is for property that was lost on the *Lusitania*, as I understand. There is a commission now sitting on all claims for losses sustained by the sinking of the *Lusitania*.

Mr. ROBINSON. Apparently the basis of the claim is that it was sent to the State Department by some one and lost in transit, and a bill was presented for $12,000; but an amendment was adopted reducing the amount to $3,900. It is a very unusual claim, and I think it had better go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 336) for the relief of Harry Ross Hubbard was announced as next in order.

Mr. KING. Mr. President, this bill, as I hastily get its meaning, involves the policy to be pursued by the Government in dealing with the Comptroller General. I ask the attention of the Senator from Nebraska [Mr. HOWELL] to this matter. Congress has passed a law giving to the Comptroller General considerable authority. He is a sort of a check on appropriations and upon the departments, and a very wise check; but we seem to be dissatisfied, and there may be grounds for the dissatisfaction with some of his decisions. The proposition now is to ignore his decisions, and reject his action, and validate payments made by subordinate officers when the Comptroller General has rejected them. I should like an explanation of this claim before I should be willing to vote for it.

Mr. ROBINSON and Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ELIZABETH WOOTEN

The bill (S. 830) for the relief of Elizabeth Wooten was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "sum of," to strike out "$3,000" and insert "$2,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Elizabeth Wooten, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 as compensation for injuries received and expenses incurred by reason of having been struck by a United States Army motor truck in Jacksonville, Fla., on the 27th day of May, 1918.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 1182) to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor was announced as next in order.

Mr. KING. Mr. President, that is a very important bill. I think we are in favor of it, but we can not consider it under the five-minute rule.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 56) for the allowance of certain claims for indemnity for spoliations by the French prior to July 31, 1801, as reported by the Court of Claims, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States giving Congress power to limit or prohibit child labor was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 246) for the relief of Margaret I. Varnum was announced as next in order.

Mr. KING. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 354) for the relief of J. H. Toulouse was announced as next in order.

Mr. KING. Mr. President, I should like to ask whether this man was an employee of the Government at the time, and whether the work which he gave in devising these plans was within the line of his employment and within his usual hours of labor?

Mr. CURTIS. Let the bill go over, Mr. President.

The PRESIDENT pro tempore. The bill will be passed over.

ARCHIBALD L. MACNAIR

The bill (S. 825) for the relief of Archibald L. Macnair, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Archibald L. Macnair, out of any money in the Treasury not otherwise appropriated, the sum of $1,530.10 as damages for the destruction of his Sopwith airplane by an Army service airplane, March 12, 1922, at Daytona Beach, Fla.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RED CROSS BUILDINGS IN THE CITY OF WASHINGTON

The joint resolution (S. J. Res. 95) to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C., was considered as in Committee of the Whole, and was read, as follows:

Joint resolution (S. J. Res. 95) to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C.

Whereas by joint resolution of Congress approved the 22d day of May, 1917, authority was granted to the American National Red Cross to erect temporary structures upon square No. 172, in the city of Washington, D. C., for use in connection with its work in cooperation with the United States Government, provided said buildings erected under said authority should be removed and the site or sites thereof placed in good condition within such time as may hereafter be provided by Congress; and

Whereas the buildings erected pursuant to said resolution are still needed for use in connection with its work in cooperation with the United States Government: Therefore be it

Resolved, etc., That authority be, and is hereby, given to the central committee of the American National Red Cross to continue the use of such temporary buildings as are now erected upon square No. 172, in the city of Washington, for the use of the American Red Cross in connection with its work in cooperation with the Government of the United States: *Provided*, That any building or buildings the use of which is extended under this authority shall be removed and the site or sites thereof placed in good condition within such times as may hereafter be provided by Congress: *Provided further*, That the United States shall be put to no expense of any kind by reason of the exercise of the authority hereby conferred.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

POST-OFFICE BUILDING, CINCINNATI, OHIO

The bill (H. R. 4200) to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to permit the cleaning of the exterior of the post-office building at Cincinnati, Ohio, in connection with the improvements in the blocks known as Fountain Square, said cleaning to be without expense to the United States and to the entire satisfaction of the representative of the Treasury Department who may be detailed for the final inspection thereof.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND AT WASHINGTON, MO.

The bill (H. R. 6059) authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets, was considered as in Committee of the Whole and read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to convey to the city of Washington, in the State of Missouri, by quitclaim deed, the north 10 feet of the Federal building site in the said city of Washington, Mo., to be used for an extension of the existing public alley through the entire block from Oak to Lafayette Streets, which said existing public alley now extends but half way through said block, to be used for a public alley and for no other purpose: *Provided, however*, That the city of Washington shall open said extension to the existing public alley as herein authorized to be granted, and improve and maintain the same as other public alleys of said city are improved and maintained; also, that the city of Washington shall bear all expense incident to the moving of the north curb and the partial rebuilding of the driveway entrance to the Government lot, made necessary by the establishment of the new alley line along the northern boundary of the Federal building site: *Provided further*, That the city of Washington shall not have the right to sell or convey the land herein authorized to be granted, or any part thereof, or to devote the same to any other purpose than as hereinbefore described, and in the event that the said land shall not be used for the purpose of a public alley it shall revert to the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RELIEF OF AGRICULTURE

The bill (S. 3091) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

EXTENSION OF RITTENHOUSE STREET

The bill (S. 2593) for the extension of Rittenhouse Street, in the District of Columbia, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments, on page 2, to strike out lines 5, 6, and 7, as follows:

Such proceedings shall be governed as to assessment of damages and benefits under the laws of said District provided for the condemnation and extension of streets and avenues.

Also to strike out lines 19, 20, and 21, as follows:

Such estimate, with suitable report as to the cost of such conduit, shall be made to Congress in the next annual report of said commissioners.

So as to make the bill read:

Be it enacted, etc., That upon the filing by the owners in the surveyor's office of the District of Columbia a dedication of the land necessary to extend Rittenhouse Street from the Metropolitan Branch of the Baltimore & Ohio Railroad Co. east to Sligo Mill Road, through parcels or tracts of land known as 115/51 and 115/52, the Commissioners of the District of Columbia are hereby authorized and directed, within 30 days thereafter, to institute and prosecute proceedings in the Supreme Court of the District of Columbia holding a district court, for the condemnation of the land necessary for the remainder of said street, so as to extend same from its present terminus at Blair Road east to Sligo Mill Road in accordance with the approved highway plan for the District of Columbia.

And when the land for said street is so dedicated and condemned, the said street shall be taken and used with its present grade at said railroad tracks with the same intent and meaning as any other street so situated, any law or regulation to the contrary notwithstanding.

And said commissioners are hereby directed to cause to be prepared by the engineer department of the District of Columbia plans and secure estimates looking to the construction of a conduit to create and provide a suitable roadway through said street under the tracks of the Baltimore & Ohio Railroad.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MEDICAL SOCIETY OF THE DISTRICT OF COLUMBIA

The bill (H. R. 4122) to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District

those who are custodians of funds?

of Columbia," approved July 7, 1838 (6 Stat. L. p. 741), as amended, be, and the same hereby is, amended so as to read as follows:

"That Doctors George Wythe Cook, William Gerry Morgan, John B. Nichols, John D. Thomas, E. Y. Davidson, Philip S. Roy, A. L. Stavely, Henry C. Macatee, E. G. Sibert, J. Russell Verbrycke, jr., A. W. Boswell, Charles S. White, J. A. Gannon, D. S. Lamb, and Virgil E. Jackson, and such other persons as they may associate with themselves, and their successors, be, and they hereby are, constituted a body corporate not for profit, of the District of Columbia, for the purpose of promoting and disseminating medical and surgical knowledge and for no other purpose, and not for the purpose of establishing a medical school or schools.

"SEC. 2. That the Medical Society of the District of Columbia be, and it is hereby, empowered to own, mortgage, and convey such property as may be necessary for its purposes, and to make such rules and regulations as it may require, and which may not be repugnant to the Constitution or laws of the United States.

"SEC. 3. That Congress may at any time alter, amend, or annul this act of incorporation of said society."

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BERNICE HUTCHESON

The bill (H. R. 3143) for the relief of Bernice Hutcheson was announced as next in order.

Mr. KING. I would like to inquire if the War Department which must have made an examination, recommends the payment of this claim. Since asking the question I see that in the concluding paragraph of the report, on page 3, the Secretary of War, Mr. Weeks, refrains from a positive recommendation for or against the claim in question.

Mr. DIAL. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

HUBERT REYNOLDS

The bill (H. R. 5541) for the relief of Hubert Reynolds was announced as next in order.

Mr. ROBINSON. Mr. President, that bill should be explained.

Mr. CURTIS. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

EDWARD T. WILLIAMS

The bill (H. R. 5808) for the relief of Edward T. Williams was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the accounts of Edward T. Williams, acting postmaster at Niagara Falls, N. Y., in the total sum of $87,932.77, due the United States on account of losses as the result of burglary on June 2, 1920, as follows: Postal funds, $4,306.27; postage stamps, $32,734.27; 8,044 war savings stamps, at $4.17 each, $33,543.48; 20,225 thrift stamps, at 25 cents each, $5,056.25; and internal revenue stamps, $12,292.50.

Mr. KING. I would like to have an explanation of the bill.

Mr. WADSWORTH. Mr. President, this bill is for the relief of the postmaster at Niagara Falls, or, rather, the man who was acting as postmaster, Mr. Edward T. Williams, for a total of $87,932.77, that being the amount stolen from the office; in postal funds, $4,306.27; postage stamps, $32,000; 8,044 war savings stamps, at $4.17 each, a total of $33,000; 20,225 thrift stamps, at 25 cents each, $5,056.25; and internal revenue stamps amounting to $12,392.50.

This bill has passed the House. It would seem that the theft occurred at this office through no negligence on the part of the postmaster. Under the regulations of the department the postmaster is held liable for this amount. Obviously, it is utterly impossible for him to pay $87,000 into the Federal Treasury. This bill is for the purpose of relieving him of that liability. It was a case of robbery.

Mr. KING. They could have had burglary insurance.

Mr. WADSWORTH. The Post Office Department does not carry burglary insurance.

Mr. McKELLAR. The postmaster could not have been required to take out insurance.

Mr. WADSWORTH. No. It is one of those unfortunate cases that sometimes happen, and under the statutes the postmaster is responsible.

Mr. KING. Was it prudent to keep such a large amount on hand?

Mr. WADSWORTH. Niagara Falls is a city of 40,000 or 50,000 inhabitants, and that amount of postage stamps is required to be kept on hand in the office.

Mr. DIAL. Has anyone been arrested or prosecuted in connection with the matter?

Mr. WADSWORTH. I am not informed as to that. Of course, that is a matter in the hands, in the first instance, of the post-office inspectors, and if they can possibly trace the thief, the testimony is turned over to the United States attorney, and the Senator knows that the arm of the Federal Government is quite long in cases of this kind. They keep after the case until the man is found, and sometimes it takes years.

Mr. McKELLAR. I suppose the postmaster has not paid the money, but this is merely to relieve him from doing it?

Mr. WADSWORTH. That is the idea.

Mr. BROOKHART. There were arrests and convictions.

Mr. WADSWORTH. The Senator from Iowa prompts me that there were arrests and convictions. I was not familiar with that side of the question.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

GREAT LAKES ENGINEERING WORKS

The bill (S. 698) for the relief of the Great Lakes Engineering Works was announced as next in order.

Mr. DIAL. Let that go over.

Mr. ROBINSON. This is merely to refer to the Court of Claims for adjudication a claim for damages alleged to have grown out of a collision between a United States steamship and a steamship belonging to the Great Lakes Engineering Works. It seems to be appropriate to refer it to the Court of Claims for adjudication, if the Senator will withdraw his objection to its consideration.

Mr. FLETCHER. I suggest also the absence, on account of serious illness, of the Senator who introduced the bill. He is not here to look after it.

Mr. ROBINSON. The Senator who reported the bill is absent, and requested me to look after it.

Mr. FLETCHER. I think it ought to be passed.

Mr. DIAL. Mr. President, I had not read far enough down to see where it was stated that it would be referred to the Court of Claims. I thought it was to be adjusted out of court. I am very much in favor of referring cases to the court, and I withdraw my objection.

The bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the claim of the Great Lakes Engineering Works, a corporation organized under the laws of the State of Michigan, with its principal place of business in the city of Detroit, in said State, owner of the steamship *Frank H. Goodyear*, and certain docks on the Detroit River, at Ecorse, Mich., against the United States for damages alleged to have been caused by collision between the U. S. S. *Isla de Luzon* and said steamship *Frank H. Goodyear* on May 24, 1917, in the Detroit River, at Ecorse, Mich., may be sued for by the Great Lakes Engineering Works in the District Court of the United States for the Eastern District of Michigan, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the Great Lakes Engineering Works, or against the Great Lakes Engineering Works in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by the order of said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COMMERCIAL UNION ASSURANCE CO. (LTD.) AND OTHERS

The bill (S. 1975) for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co. was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, without interest, thirteen 4 per cent United States Treasury certificates of indebtedness Nos. 12033, 12034, 12035, 12036, 12037, 12038, 12039, 12040, 12256, 12257, 12258, 12259, and 12260, of the denomination of $1,000 each, dated August 20, 1918, and maturing July 15, 1919, without presentation of such certificates of indebtedness, which have been lost, stolen, or destroyed, and to pay, from the proceeds of such redemption, to the

following companies the respective sums set after their names: Commercial Union Assurance Co. (Ltd.), $2,600; Federal Insurance Co., $2,600; American & Foreign Marine Insurance Co., $1,950; Queen Insurance Co. of America., $1,950; Fireman's Fund Insurance Co., $1,820; United States Lloyds, $1,560; St. Paul Fire & Marine Insurance Co., $520; a total sum of $13,000: *Provided*, That the said certificates of indebtedness shall not have been previously presented and paid: *And provided further*, That the said Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co. shall first file in the Treasury Department of the United States a bond in the penal sum of double the amount of the principal of said certificates of indebtedness, in such form and with such sureties as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificates of indebtedness hereinbefore described.

Mr. McKELLAR. Will the Senator from Delaware please explain the bill?

Mr. BAYARD. Mr. President, this is a bill to reimburse certain insurance companies for the losses of United States Treasury certificates of indebtedness, a certain number set up in the bill.

Under the facts in the case the securities in question were shipped by one of the Federal reserve banks to the Treasury Department here and were lost in transit. They were insured with the Treasury Department by the original owners of these certificates, and the Treasury Department paid the loss. Then the Treasury Department was reimbursed by the several insurance companies named, and they were therefore subrogated to the rights of the Treasury Department, which had paid for these certificates of indebtedness which were lost. But the certificates are still outstanding evidences of debt against the United States, and therefore by subrogation belong to the subinsurers, and have not yet been paid, are owed by the United States, and are owned by these insurance companies by the doctrine of subrogation. They will give bond in double the sum of the bonds to the Federal Government, in the event of these securities turning up hereafter, and the bill is approved by the Secretary of the Treasury.

Mr. McKELLAR. That means that it will not cost the insurance companies anything? As I understand, they insured the safe delivery of the bonds?

Mr. BAYARD. The Government insured the safe delivery of the bonds, and reinsured themselves with the insurance companies. So the insurance companies have been subrogated as owners of these bonds.

Mr. KING. Did they pay the Government?

Mr. BAYARD. They paid the Government. The Government paid the original owners of the bonds, and then the Government called upon the insurance companies, who were the subinsurers of the Government, which had just insured the shippers.

Mr. McKELLAR. Does the bill provide that if these bonds turn up at any time——

Mr. BAYARD. There is a provision in the bill indemnifying the Government in case they turn up. Every precaution is taken. There have been a number of these cases in the last two or three years, since the issue of the war securities. This is another case of subrogation. It has all been gone over by the Secretary of the Treasury, who recommends the passage of this bill, and who helped to draw the particular terms of it.

Mr. McKELLAR. It looks like an unusual proceeding. The Government insures itself against loss in the transportation of bonds, and the insurance companies pay the Government, and then the Government pays the insurance companies. The Government might still not have insured in the first place.

Mr. BAYARD. The bonds did not belong to the Government in the first place. They were shipped by one of the Federal reserve banks to the Treasury Department here, but they were not in the ownership of the Government. They were shipped on account of other parties, and were insured by the Government. The Government had reinsured those, as a precaution against loss, and then the Government paid the original shippers the face value of the bonds, and then collected from the subinsurers, and by the doctrine of subrogation the subinsurers became the owners of the bonds, which are still outstanding, which are still owing.

Mr. KING. I would like to ask the Senator a question. I do not understand this case yet. As I understand, the bonds were lost, and the Government of the United States paid in cash the par value of the bonds, plus accumulated interest.

Mr. BAYARD. Not interest.

Mr. KING. Paid for the bonds, then. The bill calls for the payment of the amount which the Government has already paid to the insurance companies, so the Government will make two payments, though it has received but one.

Mr. BAYARD. Oh, no. The Government received payment for the bonds when it issued them. Do not forget that. These bonds were issued once by the Government, and the Government received par for the bonds, and the owners of the bonds shipped them from the Federal reserve bank to the Treasury Department here, and they were lost in transit. But the Government had insured the safe delivery of those bonds, and they not having been delivered—in fact, being lost—the Government then paid the shippers of the bonds, but it had reinsured itself in the meantime, and collected that money, which was paid to the shipper, from the reinsurers, who in turn became subrogated as owners of those bonds.

Mr. McKELLAR. Suppose the bona fide owner of those bonds turns up and demands from the Government that they pay him? Then the Government will be paying for them twice, certainly.

Mr. BAYARD. I tried to explain to the Senator that these insurance companies give bond in twice the amount of the bonds.

Mr. McKELLAR. In other words, the insurance company proceeds on the theory that the bonds have been lost permanently and will not come into the hands of an innocent holder.

Mr. BAYARD. And the Government owes the money on them. They are fully indemnified under the terms of the bill.

Mr. McKELLAR. How long ago did this happen? It seems to me they might wait awhile.

Mr. BAYARD. I do not remember the exact date.

Mr. ROBINSON. Shipment was made July 1, 1919, according to the report.

Mr. BAYARD. And the bonds have matured.

Mr. FLETCHER. I understand the situation to be that these were original Government bonds issued by the Government, sold to A, B, and C, and that A, B, and C took the bonds to the Federal reserve bank to be sent on to Washington. The Federal reserve bank insured the bonds——

Mr. BAYARD. With the Government.

Mr. FLETCHER. I do not suppose so. The Federal reserve bank is responsible to the shipper for the bonds. They took out insurance to protect themselves. The Government did not actually insure them, but the Federal reserve bank was liable for the delivery of the bonds, and the bank took out insurance, and then when the bonds were lost the bank had to pay the owners of the bonds and call on the insurance company to reimburse them.

Mr. BAYARD. No. What happened was that the insurance was taken by the Federal Government because they were sent by mail.

Mr. McKELLAR. What sort of bond was given, a surety-company bond?

Mr. BAYARD. It is the regular bond provided in similar cases by Government authority.

Mr. McKELLAR. It may be merely a private bond.

Mr. BAYARD. I imagine not.

Mr. McKELLAR. It seems to me it is bad business unless the bond is beyond question. If it is merely an individual bond, it may not be much security. I am talking about the bond they have offered for security.

Mr. ROBINSON. That is all subject to approval of the Treasury Department. I think the bill is all right. The next bill is of the same character.

Mr. BAYARD. The bill is similar except the facts are not quite the same. The principle involved is the same exactly.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COMMERCIAL UNION ASSURANCE CO. (LTD.), AND OTHERS

The bill (S. 1976) for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, without interest, two 4½ per cent United States Treasury certificates of indebtedness Nos. 7012 and 7013 of the denomination of $5,000 each, dated April 10, 1918, and maturing July 9, 1918, without presentation of such certificates of indebtedness, which have been lost, stolen, or destroyed,

and to pay from the proceeds of such redemption to the following companies the respective sums set after their names: Commercial Union Assurance Co. (Ltd.), $2,000; Federal Insurance Co., $2,000; American & Foreign Marine Insurance Co., $1,500; Queen Insurance Co. of America, $1,500; Firemen's Fund Insurance Co., $1,400; St. Paul Fire & Marine Insurance Co., $400; and United States Lloyds, $1,200; a total sum of $10,000: *Provided*, That the said certificates of indebtedness shall not have been previously presented for payment: *Provided further*, That the said Commercial Union Assurance Co. (Ltd.), the Federal Insurance Co., the American & Foreign Marine Insurance Co., the Queen Insurance Co. of America, the Fireman's Fund Insurance Co., the St. Paul Fire & Marine Insurance Co., and the United States Lloyds, shall first file in the Treasury Department of the United States a bond in the penal sum of double the amount of the principal of said certificates of indebtedness, in such form and with such sureties as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificates of indebtedness hereinbefore described.

Mr. McKELLAR. I suppose the same principle is involved here that was involved in the bill just passed?

Mr. BAYARD. The same principle is involved, but on a different state of facts.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PERLEY MORSE & CO.

The bill (S. 2124) for the relief of Perley Morse & Co. was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FREDERIC K. LONG

The bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to reconsider the record of trial of Frederic K. Long, who on March 19, 1924, while a captain of Infantry in the Regular Army, was dismissed the service of the United States pursuant to a sentence adjudged by general court-martial; and if upon reconsideration of said record of trial in connection with the record of service of said Frederic K. Long, including his service during the World War, the President shall determine that the ends of justice and discipline and the public interest would be served better by loss of a certain number of files in military rank and in position on the promotion list than by permanent separation from the military service, the President is hereby authorized, by and with the advice and consent of the Senate, to reappoint said Frederic K. Long a captain of Infantry in the Regular Army, to fill the next or any subsequent vacancy in the grade of captain, with such date of rank not earlier than his former date of rank and such place upon the promotion list not above his former place upon that list as to the President may seem just and advisable.

Mr. KING. I would like to understand the necessity for this legislation.

Mr. WADSWORTH. This is a case which appealed to the Committee on Military Affairs very strongly.

Mr. ROBINSON. The officer was found guilty of having failed to pay his obligations on several occasions.

Mr. WADSWORTH. Yes. This officer served during the war in France. He was found guilty since the war—he was still in the regular service—of having failed to pay his just obligations after having promised on several occasions in writing to do so. He was finally court-martialed and was sentenced to be dismissed from the service. Before the papers in the case reached the Secretary of War for approval, a former Assistant Secretary of War, the Hon. J. M. WAINWRIGHT, now a Member of the House of Representatives, visited in person the Secretary of War, and asked that official if he would hold the papers on his desk before the dismissal was approved in order that he, Mr. WAINWRIGHT, might have an opportunity to give him, the Secretary of War, some additional information about the officer. The Secretary of War agreed to do that, and agreed to do it in perfectly good faith, especially because Mr. WAINWRIGHT served with this man in France and knew his military record from close, constant daily observation.

Unfortunately the papers passed over Secretary Weeks's desk with his approval without his having had his attention recalled to the fact that he was to see Mr. WAINWRIGHT. When it was discovered, the Secretary of War was very much aggrieved at his own failure to give the supplemental hearing, as it were, to former Assistant Secretary WAINWRIGHT, who incidentally had been this officers' comrade in France. Upon considering the case the Secretary of War agreed with Mr. WAINWRIGHT to support a bill which might be introduced and passed by the Congress, the effect of which would be to reopen the case and give a chance for the additional testimony to be introduced. That is the purpose of the bill.

Mr. McKELLAR. Is it cause for dismissal that an officer does not pay his debts?

Mr. WADSWORTH. Oh, yes.

Mr. ROBINSON. The bill does not reinstate the officer?

Mr. WADSWORTH. It does not.

Mr. ROBINSON. It merely authorizes the President to look into the facts with a view of reinstating him if the circumstances justify that action?

Mr. WADSWORTH. That is the entire purpose of the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

UNDERWOOD TYPEWRITER CO. AND FRANK P. TROTT

The bill (H. R. 4647) for the relief of the Underwood Typewriter Co. and Frank P. Trott was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay $707.50 from the appropriations originally applicable to the Underwood Typewriter Co. for 17 Underwood typewriters delivered to various field offices of the General Land Office during the fiscal year 1921, valued at $1,147.50, less the value of 17 unserviceable typewriters taken in exchange, valued at $400, claims for which were disallowed by the Auditor for the Interior Department because of the act of May 29, 1920 (41 Stat. L. p. 688).

That the Comptroller General be, and is hereby, directed to allow credit in the accounts of Frank P. Trott, United States surveyor general of Arizona, the sum of $42.50, being the amount suspended by the Comptroller General in the settlement of his accounts for the period October 1, 1920, to June 30, 1921, under the appropriation, "Deposits by individuals for surveying public lands," for payment to the Underwood Typewriter Co. for one Underwood typewriter.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SOUTHERN PACIFIC CO.

The bill (H. R. 6012) to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided, was considered as in Committee of the Whole and was read, as follows:

Whereas at the request of President Roosevelt and under the stress of great emergency, from December 1, 1906, to November 30, 1907, the Southern Pacific Co. closed and controlled the break in the Colorado River and thereby prevented the overflow and destruction of 1,214,000 acres of irrigable land in the Imperial Valley in southern California and saved to the Government the Laguna Dam and the Yuma reclamation project connected therewith in Arizona as well as thousands of acres of other Government land along the Colorado River: Therefore

Be it enacted, etc., That the claim of the Southern Pacific Co., a corporation, against the United States for reimbursement and repayment to such company of the cost to said company and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, be, and such claim is hereby, referred to the Court of Claims, and full jurisdiction is hereby vested in said court to ascertain the amounts actually expended and the actual costs incurred by the said Southern Pacific Co. in closing and controlling said break within said period and to render judgment in favor of said Southern Pacific Co. and against the United States of America for such aggregate amounts, less such proportion of such expenditures and costs as would be fair and reasonable to be deducted as said company's share of such expenditures and costs and the share of any subsidiary corporation of said Southern Pacific Co., because of the amount and probable value of the land and improvements thereon belonging at the time to said company or any subsidiary corporation of said Southern Pacific Co., and which in the opinion of said court were saved by the closing and controlling of said break, as compared with the amount and probable value of the other land, improvements, and other property belonging at the time to the United States Government and occupants and settlers and exclusive of railroad holdings and holdings of any subsidiary corporation of said Southern Pacific Co. which in the opinion of said court were also saved by the closing and controlling of said break; with the right of appeal to both parties, and no statute of limitations shall apply to the right of recovery by said claimant. In ascertaining and determining aforesaid costs, expenses, facts, and matters the court may receive and consider all papers, depositions, records, correspondence, and documents heretofore at any time filed in Congress or with committees thereof and in the

executive departments of the Government, together with any other evidence offered.

Mr. OVERMAN. I ought to object to the bill because it renders judgment.

Mr. KING. Will the Senator withhold his objection until the Senator from California [Mr. SHORTRIDGE] may offer an explanation? I think we considered a similar bill favorably at the former session.

Mr. SHORTRIDGE. A bill to the same effect was introduced at the last session and was referred to the Committee on Claims, which reported unanimously in favor of its passage. I introduced a bill of this character at this session. The immediate bill now before the Senate was introduced in the House, favorably reported, and came to us here. It is a most meritorious bill.

Mr. OVERMAN. Several Senators around me tell me that it was before the Senate and was gone into very carefully, so I withdraw my objection, although I do not think the Court of Claims ought to be allowed to render judgment.

Mr. ROBINSON. This claim has been pending before the Congress for a great many years. It has been investigated and reinvestigated by the committees in both Houses of Congress, and many favorable recommendations have been made respecting the claim. I believe the bill ought to pass. I think, in good faith, considering the circumstances under which the claim arose, that it is the duty of the Government to make arrangements to see that it is promptly adjudicated and finally paid.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

ALBERT O. TUCKER.

The bill (S. 2035) for the relief of Albert O. Tucker was announced as next in order.

Mr. DIAL and Mr. KING. Let the bill go over.

Mr. CAMERON. Mr. President, I hope the Senators will withhold their objection until I can make a brief explanation.

This is a bill for the relief of Albert O. Tucker. It is a most meritorious case. This man is 87 years old. He is in very destitute and feeble condition. Owing to the fact that he has been unable to submit evidence to the effect that he was unable to return to duty because of wounds and injuries, or disease received or contracted in line of duty, the War Department is unable to issue a discharge to him. An effort has been made to locate the doctor who attended him during the illness, or some one who could substantiate his testimony, but without success. The physician who attended him has no doubt been dead for a long time.

In view of his age and pitiable condition the committee was of the opinion that he should be given the benefit of any doubt that may exist as to his record, and that he should receive a pension for the few remaining years of his life. I think it is the duty of the Senate at least to allow him to have an honorable discharge, as there is no back pension involved.

Mr. KING. I find in the report which has been submitted the following language:

On which date it is shown that he left his company while on the march and did not return. Prisoner-of-war records show that he was taken prisoner at Suffolk, Va., July 8, 1863; that he was confined at Richmond, Va., July 10, 1863; that he was paroled at City Point, Va., July 14, 1863; that he reported at Camp Parole, Md., July 15, 1863, and that he deserted from that camp July 23, 1863.

It looks as though he had the habit of deserting, because he left twice in a month.

Mr. CAMERON. Will the Senator read further?

Mr. KING. If there is anything the Senator wants to read, I shall be glad to have him do so.

Mr. CAMERON. I read further:

In January, 1865, he went to Augusta, Me.——

Mr. KING. The Senator asked me to go on further. Of course, he meant in the same paragraph?

Mr. CAMERON. I would be very glad to have the Senator read that paragraph.

Mr. KING. It reads as follows:

Nothing has been found of record to show that Tucker ever returned to his command or notified the military authorities of his whereabouts or the cause of his absence.

That is confirmatory evidence of desertion. I presume the Senator wants to read the affiant's statement?

Mr. CAMERON. I do.

Mr. KING. It is ex parte.

The PRESIDENT pro tempore. Objection has already been made, and the bill will go over.

OOSTANAULA RIVER BRIDGE, GEORGIA

The bill (S. 3025) to authorize the construction of a bridge across the Oostanaula River, in Gordon County, Ga., was considered as in Committee of the Whole.

The bill had been reported from the Committee on Commerce with amendments, on page 1, line 3, to strike out the words "county of Gordon, in the State of Georgia," and insert in lieu thereof the words "Highway Department of Georgia," and on page 2, after line 2, to insert a new section, as follows:

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

So as to make the bill read:

Be it enacted, etc., That the Highway Department of Georgia, its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Oostanaula River, in Gordon County, Ga., at a point suitable to the interests of navigation, on the road between Calhoun, Gordon County, Ga., and Dalton, Whitfield County, Ga., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NUMBER OF NATIONALS ADMITTED INTO THE UNITED STATES

The resolution (S. Res. 202) directing the Secretary of Labor to furnish information as to number of nationals admitted into the United States during the past 12 months was announced as next in order.

Mr. WILLIS. The resolution relates to immigration matters that have already been passed upon. I do not think any good purpose would be served by its passage. I suggest that it go over.

The PRESIDENT pro tempore. The resolution will be passed over.

REFUNDS TO WORLD WAR VETERANS ON RECLAMATION PROJECTS

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2397) to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects, which had been reported from the Committee on Irrigation and Reclamation with amendments.

The first amendment was, in section 2, page 2, line 9, after the word "time," to strike out "prior to the date of passage of this act" and to insert "since April 6, 1917"; and in line 14, after the word "after," to strike out "April 1, 1917," so as to read:

SEC. 2. (a) Any veteran—who at any time since April 6, 1917, has made entry upon a farm unit within a Federal irrigation project under the reclamation law and (1) who no longer retains such entry because of cancellation by, or relinquishment to, the United States, or (2) who, prior to receipt by him of a final certificate in respect of such entry, but in no case more than one year after the date of passage of this act, desires to relinquish such entry—may, in accordance with regulations prescribed by the Secretary of the Interior, file application for the refund provided in subdivision (b). A veteran who has been compensated, in cash or otherwise, for any such relinquishment shall not be entitled to the benefits of this act, and before payment of such refund the Secretary of the Interior, under such regulations as he may prescribe, shall require proof that the veteran has not been so compensated.

The amendment was agreed to.

Mr. KING. I should like the Senator from Wyoming, who introduced the bill, to explain its terms.

Mr. KENDRICK. Mr. President, the purpose of this bill is to refund to veterans of the World War such moneys as they have paid on construction charges on claims selected by them on reclamation projects. Only in cases where they have failed to finish their proof on those projects are they allowed or entitled under the bill to a refund of the original payments. The bill does not allow them any refund for the maintenance charges or the overhead charges; it does not propose to return to the veteran the cost of any improvements that he may have put on the land. It merely proposes to return the original amount paid in construction charges where he has failed to finish his proof and to receive title to the land.

Under the circumstances it is inconceivable that the Government would want to profit on the veterans of the World War. In case the money is returned to the veteran the bill provides by an amendment that that shall be deemed a relinquishment of all his rights, which, of course, means that the

Government still holds the land and still owns the water rights that go with the land. The Government will not be out a single cent.

The land is improved to whatever extent the veteran has contributed improvements; but it is not proposed that there shall be any refund because of improvements in the shape of houses, fences, and plowing and planting. All of these improvements are to be relinquished and abandoned to the Government, and I repeat there is to be no return of overhead and maintenance charges.

Mr. KING. I was about to ask the Senator, would it not be better to provide for an extension of the time within which to make payments, to encourage the veteran to acquire a home by giving him advantageous terms, than to encourage him by this law to abandon the property and receive back the pittance which he has paid to the Government?

Mr. KENDRICK. That arrangement is now proposed by legislation which, I hope, will shortly come before the Senate, which provides for an extension of time, and in some cases, I believe, for deductions from the original price of the land and the water rights; but in the cases covered by this bill—and there are not many of them; they are very limited—the veterans have forsaken the land and have abandoned the right to it because, in most instances, of sickness or ill health of themselves or their families. Under no circumstances can the Government suffer any loss as a consequence of such an abandonment, and, as I have already said, it seems inconceivable that the Government should profit at the expense of these veterans.

Mr. KING. Has the Secretary of the Interior approved this proposed legislation?

Mr. KENDRICK. The Secretary of the Interior approves of it with the amendments which have been reported by the committee.

Mr. DIAL. I desire to know whether or not if this bill be passed it would establish a precedent for treating others in the same position in like manner and thus extending the principle? Of course, I want to be kind to the veterans, but I am afraid there is a good deal of harm sometimes done in the name of the veterans.

Mr. KENDRICK. This bill applies only to veterans, and in any event, as I have already said, not many of them will be involved. The passage of the bill would not establish a dangerous precedent, because in the majority of the cases the veterans are benefited more directly or materially by maintaining their right to the land and making final proof; but where they have found it impossible to do that and have relinquished all their rights, and although they have actually given days and weeks and months of hard work to improving it and have in many cases made physical improvements upon the land, they are willing to sacrifice all that and leave the land, it seems only just and fair to them that they should be allowed to have the original investment in the land returned to them. Of course, they would not abandon the land and leave it through choice, but where they find it necessary to do so it seems unfair to them to insist that the Reclamation Service should profit by retaining the pitiful amount that they have invested in the property.

Mr. DIAL. Does this bill apply to all reclamation projects?

Mr. KENDRICK. It applies only to reclamation projects; and I dare say it would not involve to exceed from 15 to 20 veterans all told.

Mr. DIAL. Of course if those are all which are to be included not much harm could happen. I do not desire, however, that we shall establish a precedent which might be extended to others.

The next amendment reported by the Committee on Irrigation and Reclamation was, in section 2, page 3, line 2, after the word "authorized," to strike out the words "and directed" and to insert "to investigate the facts and, in his discretion"; and in line 7, after the word "such," to strike out the word "suit" and to insert "unit. Every such refund so approved by the Secretary of the Interior shall be paid from the appropriation for the project on which the entry in question was made," so as to make the clause read:

(b) Upon receipt of such application the Secretary of the Interior is authorized to investigate the facts and, in his discretion, to pay as a refund to any such veteran entitled thereto, a sum equal to all amounts paid to the United States by such veteran, or for his account, as construction charges and as interest and penalties on such charges in respect of such unit. Every such refund so approved by the Secretary of the Interior shall be paid from the appropriation for the project on which the entry in question was made.

The amendment was agreed to.

The next amendment was, on page 3, line 18, after the word "shall," to strike out the word "relinquish", and to insert "be deemed thereby to have relinquished," so as to make the clause read:

(b) A veteran (or his estate) accepting in respect of any farm unit the benefits of this act shall be deemed thereby to have relinquished, in accordance with regulations prescribed by the Secretary of the Interior, all right, title, or interest of such veteran (or estate) in such farm unit and any improvements thereon.

The amendment was agreed to.

The next amendment was, on page 4, after line 6, to strike out as follows:

SEC. 6. There is hereby appropriated, out of any moneys in the reclamation fund established under the reclamation law, an amount sufficient to carry out the provisions of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 106) for the relief of Robert F. Hamilton was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

MODIFICATION OF CERTAIN BARGE CONTRACTS

The joint resolution (S. J. Res. 102) authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal was announced as next in order.

Mr. KING. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

Mr. WADSWORTH. Mr. President, may I ask the Senator from Utah to withhold his objection for a moment?

Mr. KING. I will withhold it in order that the Senator may make an explanation of the joint resolution.

Mr. WADSWORTH. Mr. President, this joint resolution has to do with an unusual situation. It was examined into by the Military Affairs Committee in extensive hearings, which finally resulted in a unanimous report by the committee in favor of this measure. I may say that my colleague [Mr. COPELAND] has also examined it and thoroughly approves of this measure.

During the war the United States Railroad Administration established a line of barges on the New York State Barge Canal. As a matter of fact, the boats themselves were not finished until just about the time the war ended, but the boats were installed and the service started for the purpose of relieving the traffic congestion on the railroads, which at that time were greatly overburdened.

After the war was over the Railroad Administration transferred to the War Department the ownership of these barges, and the War Department proceeded to operate them as a Government undertaking on the New York Canal. In the transportation act passed, as I recall, in 1920, a provision was inserted by Congress directing the Secretary of War to sell these barges and cease governmental operation on the New York canals. The Secretary of War at that time advertised for bids for this group of boats. The War Department believed that they were worth more than a million dollars. They were built at war-time costs. The highest bid that was received as a result of the first advertisement was in the neighborhood of $450,000 from a certain company, but the conditions of the bid were not as favorable as even that might seem, because there was to be a cash payment of only 33⅓ per cent, and then installment payments extending over a good many months thereafter.

The War Department was dissatisfied with the bids and ordered another advertisement. Upon that advertisement the highest bid, instead of being $450,000, was $300,000. It then became apparent to the War Department that by advertising for bids they could not get responsible bidders to offer anything like the sum which had been originally expended on these barges by the Railroad Administration.

Finally the War Department persuaded a syndicate of gentlemen, most of them residing in New York, to purchase these boats on a contract under which they were to pay the principal sum of $1,000,000—$100,000 down and $150,000 to be secured by bonds, and the remainder to be paid in 72 equal monthly installments, the installments to run over 6 years.

Mr. KING. With interest?

Mr. WADSWORTH. No; I think not. The boats were turned over to the company, and the company has been struggling with the operation ever since. They have had much the same experience as the Warrior and Mississippi River barge lines have had, which have been run by the War Department itself. As a matter of fact, Colonel Ashburn, the head of inland waterways transportation on behalf of the War Department, has kept very close track of the operations of this company. The fact of the matter is the company has paid in $100,000 in cash and has paid something like $58,000 in interest and installments, and the bonding companies can be compelled to pay $150,000 more. The Government to-day is in a position to collect, all told, the principal sum of about $306,000.

The company has lost money steadily. Last year it lost $40,000 over and above its income. It simply can not meet the terms of the contract. They paid too much for the boats, and they are greatly overcapitalized, $1,000,000 being the capitalization. Their accounts have been audited twice by the War Department, and their entire business operations have been examined by Colonel Ashburn, who has had a very similar experience on the Warrior and the Mississippi Rivers.

The question arises now, Shall the Government collect from the bonding companies $150,000 and take back the boats? If it does so, it will have collected altogether $306,000, which is more money than was bid after public advertisement at the second bidding. Shall the Government take back the boats, and because the War Department, under the statute, can not operate them, endeavor to dispose of them all over again?

This bill proposes to authorize the Secretary of War to modify that original contract. He has told us that he has no right under the statute to make any modification, but desires to draft a new contract with these people, who have done their level best to live up to the old one, but who have lost everything they put in, potentialily at least. Under no circumstances, however, shall the Government accept as a principal sum less than $500,000 under a modified contract.

Mr. McKELLAR. Does that mean in addition to the $158,000 that it has already received in principal and interest?

Mr. WADSWORTH. The amount is inclusive.

Mr. HOWELL. Mr. President, may I ask the Senator what is the condition of the company that entered into this contract with the Government?

Mr. WADSWORTH. The condition of their business, perhaps, may be of interest. The boats have been running full, east and west, on the barge canal; but, unfortunately, the boats were not properly designed—they were built by the Government originally—and they are not the most practical type of boats. The company has not been able to handle them in an economical manner, in addition to which the expenses of operating them have been much higher than was ever supposed would be the case. Their experience has been the same as that which Colonel Ashburn has had with the Warrior and Mississippi River boats. They have carried two-thirds of all the through freight passing over the barge canal between New York and Buffalo both ways. If they are taken off the canal by reason of the War Department taking the boats away from them, and leaving them penniless in the meantime, the shippers on the canal will be greatly inconvenienced.

The canal is slowly coming into its own. The business of barge transportation, apparently, is a new thing in the United States, and those who go into it have bitter experiences for the first two or three years. That has been the case on the lower Mississippi, on the Warrior, on the upper Mississippi, on the Ohio, on the intercoastal canal, and on the barge canal.

Mr. McKELLAR. Conditions on the lower Mississippi are improving greatly at this time.

Mr. WADSWORTH. Our people are beginning to learn the "trick of the trade" and how to run barge lines for transportation purposes.

These people are so terribly overcapitalized that they can not pay these installments and the interest. If we will permit them to reduce their capitalization by modifying the contract, there is not the slightest doubt that they can live and continue to serve the shippers of the West. Half the stuff they carry is wheat; 111,000 tons of wheat were brought from Buffalo to New York during the last canal season. If they are cut off by reason of the recapture of the barges by the Government, those shippers are the losers as well as these unfortunate gentlemen who in perfect good faith went into this enterprise but bid much too high for the property.

Mr. McKELLAR. I take it that they have paid no dividends since they have had the boats?

Mr. WADSWORTH. Oh, they have not had a penny of dividends—nothing. The accounts have been carefully audited by the War Department. We had before us Colonel Ashburn, who described the difficulties of starting barge-line transportation.

The Secretary of War has been consulted about this matter and is heartily in favor of giving these people a chance to live. Otherwise the barges will come back to the Government, and the Government can not use them, and no one will ever pay the Government anything like what these people attempted to pay.

Mr. HOWELL. Mr. President, what are the net assets of this concern?

Mr. WADSWORTH. Their statement is found on page 3 of the report.

Mr. FLETCHER. The statement is in the report.

Mr. WADSWORTH. It is quite an extended statement, and is the result of a double audit by the War Department itself. The War Department gives them a clean bill of health on their accounts, and also a clean bill of health as to the condition in which they have maintained this equipment. The equipment to-day is in what might be termed "apple-pie order."

Mr. HOWELL. The point I am arriving at is this: Are they able to pay their obligations to the Government, assuming that their property is sold in the open market?

Mr. FLETCHER. No; it would not bring anything.

Mr. HOWELL. Are their assets sufficient to pay the indebtedness to the Government were the property sold in the open market?

Mr. WADSWORTH. Oh, no; they could not pay. The Government would have to take back the property. They have fallen down on the contract. That is what has happened.

Mr. WARREN. Their sole assets are these boats.

Mr. WADSWORTH. The Government has a lien on the boats; and when these people can not meet the terms of their contract, which they should never have entered into, the Government takes back the boats.

Mr. HOWELL. But have they not the notes of this corporation?

Mr. WADSWORTH. Yes; but the Government can not collect.

Mr. HOWELL. Does the Senator mean that they have no assets outside of these boats?

Mr. WADSWORTH. No; they have not, as a corporation. The corporation was formed for this one purpose.

Mr. FLETCHER. The corporation was formed for the purpose of making this purchase, and this comprises their whole property. If they are not allowed to do this, the Government will have to take back all the boats, and the Government is not in a position to operate that line successfully. It seems that this is the only chance for the Government to realize anything out of it.

Mr. WILLIS. Mr. President, I do not desire to object to the consideration of this joint resolution, but I suggest for the consideration of the Senator from New York, whether he might be willing to let it go over until there can be joint consideration of this measure, and another bill which was reported from the Committee on Commerce to-day, proposing absolutely the opposite policy with reference to the Mississippi barge line?

Mr. WADSWORTH. The Mississippi barge line is owned and operated by the Government.

Mr. WILLIS. Precisely; I understand that. The disposition which is proposed here is, of course, exactly the opposite policy from that.

Mr. WADSWORTH. There is no analogy between the two cases. I am familiar with that bill also. That bill is to authorize the Government, which owns and operates the Warrior-Mississippi barges, to form a corporation the stock of which shall all be owned by the Government, and that the undertaking thereafter shall be operated by a Government-owned corporation. This is not a Government-owned corporation.

Mr. WILLIS. Precisely; and, as the Senator suggests, if the Government should foreclose under the rights it now has, it would have the boats, and we would have the same situation that exists in the other case.

Mr. WADSWORTH. Not at all, because the law forbids the Government operating any boats on the New York Barge Canal under any circumstances.

Mr. WILLIS. The State law?

Mr. WADSWORTH. No; the Federal law. The people of the State of New York never will permit the United States Government to use their canal in a Government operation, and thereby keep all New York citizens off of it, because the people of New York built that canal, and they own it. They

paid $167,000,000 for it, but it is free of toll for any citizen of the country. There is no analogy between the two cases.

Mr. WILLIS. It seems to me there ought to be.

Mr. WADSWORTH. There can not be.

Mr. McKELLAR. Will the Senator state again what tonnage passed through that canal over this barge line?

Mr. WADSWORTH. Two hundred and forty thousand tons.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Whereas in pursuance of Public Resolution No. 62, approved February 27, 1921, the Secretary of War sold all boats, barges, tugs, and other transportation facilities originally intended for the New York Barge Canal to a syndicate which organized the New York Canal & Great Lakes Corporation, and transferred the aforementioned transportation facilities purchased thereto; and to a syndicate which organized the Baltimore, Philadelphia & Southern Transportation Corporation and transferred the transportation facilities purchased thereto, for an aggregate sum of $1,400,000; and

Whereas the Inland Steamship Co., the successor to the Baltimore, Philadelphia & Southern Transportation Corporation, did, on the 14th day of November, 1922, for various considerations, transfer by lease or otherwise, all of its boats, barges, tugs, and other transportation facilities to the New York Canal & Great Lakes Coporation; and

Whereas the New York Canal & Great Lakes Corporation has been actively engaged in transportation business with said transportation facilities upon the New York Canal, and has made strenuous efforts, and expended considerable money in endeavoring to establish paying transportation facilities upon such canal; and

Whereas the War Department has caused to be made two complete audits of the affairs of said company, and an inspection of all vessels now in the possession of such corporations, and finds that such audits and inspection indicate a sincere and earnest effort on the part of the New York & Great Lakes Corporation to carry out the terms of its contracts; and

Whereas such audits have demonstrated the practical impossibility of said New York Canal & Great Lakes Corporation being able to put its boats, barges, tugs, and other transportation facilities on a paying basis, with such a capital charge against them; and

Whereas the provisions of Public Resolution No. 62, approved February 27, 1921, preclude the operation of such boats, barges, tugs, and other transportation facilities by the Secretary of War, or any other agency of the United States upon the New York Canal; and

Whereas such boats, barges, tugs, and other transportation facilities are not suitable for operation upon any other navigable waters upon which the Inland and Coastwise Waterways Service, War Department, is conducting operations for the Secretary of War, in accordance with the transportation act, 1920; and

Whereas the bid of the syndicate which purchased three-fourths of the tugs, barges, boats, and other facilities actually constructed for operation on the New York Barge Canal was $699,900 in excess of the nearest competing bid, to wit, that of the Knickerbocker Marine Navigation Co., opened May 16, 1921, after a campaign of country-wide advertising, of $300,100; and

Whereas the controlling stockholders in the New York Canal and Great Lakes Corporation, and the Inland Steamship Co., the successor to the Baltimore, Philadelphia & Southern Transportion Co., are to all intents and purposes the same; and

Whereas Congress has declared its policy in section 500, transportation act, to be the promotion, encouragement, and development of water transportation service and facilities in connection with the commerce of the United States, and the fostering and preservation in full vigor of both rail and water transportation: Now, therefore, be it

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to so modify the terms of all contracts and supplements thereto that have been entered into by the United States regarding the sale of boats, barges, tugs, and other transportation facilities intended for operation on the New York State Barge Canal by such a new contract or contracts as will enable the New York Canal and Great Lakes Corporation to operate the boats, barges, tugs, and other transportation facilities sold under the terms of Public Resolution No. 62, 1921, with a reasonable prospect of success: *Provided*, That the terms of sale shall not be so modified in any manner or condition as to result in the acceptance by the United States of a principal sum of money less than $500,000.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

BILL PASSED OVER

The bill (S. 2590) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," was announced as next in order.

Mr. OWEN. Let that go over.

Mr. FESS. Mr. President, will the Senator withhold that objection a moment?

Mr. OWEN. Mr. President, I made the point against the bill because it will take a long time to dispose of it.

Mr. FESS. But will the Senator withhold it for just one minute?

Mr. OWEN. Certainly; I withhold it for a moment.

Mr. FESS. This is a continuation of the act passed June 2, 1920. It was a permanent law as it left the House. The Senate limited it to four years. The law expires on the 30th of next month. Unless we ratify what the House did a few days ago this entire work, which has operated in 36 States, will be discontinued.

I do not think the Senate desires to defeat the continuation of the act. If it is objected to, I shall take the earliest opportunity to move to bring it before the Senate, because it is very important.

Mr. KING. I call for the regular order.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

ROBERT F. HAMILTON

Mr. HARRELD. Mr. President, I ask to return to Senate bill 106, Order of Business 448, for the relief of Robert F. Hamilton. The Senator from South Carolina [Mr. DIAL] objected to the consideration of this bill, but he has very kindly agreed to withdraw his objection. The bill will take only a moment.

The PRESIDENT pro tempore. The Senator from Oklahoma asks unanimous consent to return to Order of Business 448. Is there objection?

Mr. DIAL. Mr. President, I thought this was a desertion case, but I find it is not, and I therefore withdraw my objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That in the administration of the pension laws and laws conferring rights and privileges upon honorably discharged soldiers, their widows, and dependent relatives Robert F. Hamilton, late a private in Company M, Tenth Regiment Ohio Volunteer Cavalry, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said organization on the 25th day of April, A. D. 1864: *Provided*, That no back pay, pension, bounty, or other emolument shall accrue prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 7111) to promote American agriculture by making more extensively available and by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

J. F. ROWELL

The bill (S. 2526) providing for an allotment of lands from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to J. F. Rowell, an enrolled member of the Kiowa Tribe, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and to insert:

That in order to give effect to the act of Congress of April 4, 1910 (36 Stat. L. p. 280), directing an allotment to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe of Indians, Oklahoma, who has heretofore received no allotment of land, or money settlement in lieu of such allotment, the Secretary of the Interior is hereby authorized to make an allotment of 160 acres of land to James F. Rowell out of the remaining lands embraced in the former Kiowa, Comanche, and Apache Indian Reservation, Okla., including land reserved for agency, subagency, and school purposes, no longer needed for administration of the Kiowa Agency, should it appear to the Secretary of the Interior that the aforesaid lands selected be not worth more than $25 per acre, after appraisement: *Provided*, That such selection shall be made within 90 days after the passage of this

act, by and with the advice and consent of the superintendent of the Kiowa Indian Agency, and shall not include land in the pasture reserves or on which buildings are located; and shall be subject to final approval by the Secretary of the Interior: *Provided further*, That the Secretary of the Interior shall issue to the said James F. Rowell a fee patent for the lands allotted to him under the provisions of this act.

Mr. KING. Mr. President, will the Senator from Oklahoma explain this bill?

Mr. HARRELD. Mr. President, J. F. Rowell is a citizen of the Kiowa Tribe. He is the only citizen of that tribe who has failed to get an allotment. This bill is to authorize the Secretary of the Interior, under certain conditions, to allow him to have an allotment. The courts have held that he is entitled to an allotment, and there is no doubt about it. If the allotment is made, it will have to be made out of certain lands that have been reserved for school purposes. For that reason the bill is hedged about by fixing a limit on the price. The Secretary of the Interior has approved the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe."

CHIPPEWA INDIANS IN MICHIGAN

The bill (H. R. 694) to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910, was announced as next in order.

Mr. KING. Mr. President, a gentleman to-day spoke to me in regard to this bill. Is that the one that was before the committee some time ago when a Representative from Oklahoma was present?

Mr. HARRELD. I do not think that is the bill the Senator has reference to.

Mr. KING. If the Senator will explain the bill briefly, I can determine whether it is or not.

Mr. CURTIS. Mr. President, if the Senator will permit me, this is a case where, in 1910, these Indians were authorized to bring a suit, and the attorney's fee was limited to $10,000. They never have been able to employ lawyers to go on with the case for that amount. The Secretary of the Interior has no objection to the bill and recommends it, so that the fee can be not to exceed $25,000 for carrying the case through.

Mr. KING. It involves attorneys' fees only?

Mr. CURTIS. That is all. It is an amendment to the old act.

Mr. HARRELD. That is all there is to the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMANCHE INDIANS OF KIOWA RESERVATION

The bill (H. R. 2881) to compensate three Comanche Indians of the Kiowa Reservation was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HOMESTEAD ALLOTMENTS TO KANSAS OR KAW INDIANS, OKLAHOMA

The bill (H. R. 2887) to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma was announced as next in order.

Mr. KING. Mr. President, may I say to the Senator that I have had several letters recently from some association——

Mr. CURTIS. Not about this bill, I think.

Mr. KING. It was with respect to limitations imposed by the Government. One letter claimed that the Government was too strict in permitting alienations, and the other communication asserted that the Government was too liberal and that the Indians parted with their lands before they should.

Mr. CURTIS. May I explain this bill?

Mr. KING. Yes.

Mr. CURTIS. These Indians were allotted land in 1902, with a 25-year restriction. The 25 years is about up. There are now about 130 full-blood Indians—98 full bloods and about 30 above three-quarters. In the last two years very valuable oil deposits have been found upon this land. The restrictions expire on all the lands—they have 160-acre homesteads and 240 acres of surplus lands—in about three years. The extension of the restrictions is only upon the homesteads after the expiration of the restrictions contained in the act of 1902. The department wants to protect the full-blood Indians, the incompetent Indians, and this bill authorizes the extension of the restrictions for 20 years upon such Indians as the Secretary deems in need of further restrictions.

Mr. KING. The Senator thinks it is all right, then?

Mr. CURTIS. There is no question about it.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND IN WINNEBAGO INDIAN RESERVATION, NEBR.

The bill (H. R. 3800) to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND IN ROUND VALLEY INDIAN RESERVATION, CALIF.

The bill (H. R. 3900) to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHOCTAW AND CHICKASAW TOWN-SITE FUND

The bill (H. R. 4462) to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes," was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHOCTAW AND CHICKASAW INDIAN CLAIMS

The bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, on page 2, after line 23, to insert the following proviso: "*Provided, however*, That suit upon any or all claims herein authorized to be brought may, in the opinion of the Secretary of the Interior and the Commissioner of Indian Affairs, be conducted and prosecuted by the regular tribal attorney or attorneys employed under existing law, with such additional reasonable and necessary expenses for said attorneys to be approved and paid from the funds of the respective tribes under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation"; on page 4, line 2, before the word "attorney," to strike out the word "the" and to insert in lieu thereof the word "any"; on the same line, after the word "attorneys," to strike out the word "so" and to insert the words "other than the regular tribal attorney or attorneys employed under existing law"; on line 5, after the word "incurred," to strike out the words "prior to"; on line 6, after the words "approval of," to strike out the words "this act" and to insert the words "such contract"; on line 8, after the word "for," to strike out the word "fees" and to insert the words "services and expenses"; and on line 12, after the word "States" and the comma, to insert the words "nor in any event in excess of $40,000," so as to make the bill read:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Choctaw and Chickasaw Indian Nations or Tribes, or either of them, or arising under or growing out of any act of Congress in relation to Indian affairs which said Choctaw and Chickasaw Nations or Tribes may have against the United States, which claims have not heretofore been determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act. The claim or claims of each of said Indian nations shall be presented separately or jointly by petition in the Court of Claims, and such action shall make the petitioner party plaintiff or plaintiffs and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and said contract with such Indian tribe shall be executed in behalf of the tribe by the governor or principal chief thereof, or, if there be no governor or principal chief, by a committee chosen by the tribe under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior: *Provided, however*, That suit upon any or all claims herein authorized to be brought may, in the opinion of the Secretary of the Interior and the Commissioner of Indian Affairs, be conducted and prosecuted by the regular tribal attorney or attorneys employed under existing law, with such additional reasonable and necessary expenses for said attorneys to be approved and paid from the funds of the respective tribes, under the direction of the Secretary of the Interior, as may be required for the proper conduct of such litigation. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of the above-named Indian nations to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nations.

SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nations, but any payment which may have been made by the United States upon any claim against the United States shall not operate as an estoppel, but may be pleaded as an offset in such suit.

SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act, an appeal may be taken by either party as in other cases to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid any attorney or attorneys, other than the regular tribal attorney or attorneys employed under existing law, employed by said Indian nations for the services and expenses of said attorneys rendered or incurred subsequent to the date of approval of such contract: *Provided*, That in no case shall the aggregate amounts decreed by said Court of Claims for services and expenses be in excess of the amount or amounts stipulated in the contract of employment, or in excess of a sum equal to 10 per cent of the amount of recovery against the United States, nor in any event in excess of $40,000.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States in such case.

The amendments were agreed to.

Mr. HARRISON. I ask the Senator from Oklahoma if he will not accept an amendment which I send to the desk?

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 3, at the end of section 3, which would be after line 19, insert:

That the Mississippi Choctaws whose names do not appear upon the tribal rolls of the Choctaw Nation, but who would have been entitled to enrollment under the laws relating to the final enrollment of the citizens of the Choctaw-Chickasaw Nations if they had made application and otherwise complied with the provisions of the act of Congress pertaining thereto, may file their petition, or petitions, in said Court of Claims, which is hereby given power and authority to hear and adjudicate any claim of said Mississippi Choctaws against the United States, or against the Choctaw or Chickasaw Nations, provided that said claimants under this section shall proceed under all of the provisions and restrictions of the other sections of this act, but in the event they have no sufficient tribal organization they may proceed through a committee or as individuals.

Mr. HARRELD. Mr. President, I am sorry, but I can not accept that amendment.

Mr. HARRISON. These other matters in the original bill pertain to claims against the Government of the United States. If I strike out the proposition there as to the claims against the Choctaw Nation, but merely give the right to the Choctaws in Mississippi to sue the United States, will not the Senator, with that amendment, let it go in?

Mr. HARRELD. Does the Senator mean to give them the privilege of bringing a separate suit for whatever claims they may have against the Government?

Mr. HARRISON. Yes; against the Government of the United States.

Mr. CURTIS. Mr. President, rather than to authorize that, I hope the Senator will let the bill go over and let us study the amendment. I do not think the Government of the United States is indebted to the Mississippi Choctaws in any amount, and it would not be fair——

Mr. HARRISON. I do not want to jeopardize the passage of the bill, as far as that is concerned, but I would be very glad if the Senator would accept the amendment.

Mr. HARRELD. There is another objection to it. The policy of the committee——

Mr. HARRISON. I will withdraw the amendment, in the hope that the Senator will help me to get a separate bill out of the committee.

The PRESIDENT pro tempore. The amendment is withdrawn.

Mr. KING. Mr. President, I am not satisfied. I would like to know the contingent obligation against the Government of the United States, and under the statement just made by the Senator from Kansas it would seem there should not be any liability against the Government. There is no moral and no legal obligation. If that is true, then why not limit the bill so that no judgment may be rendered against the Government of the United States?

Mr. HARRELD. The remarks of the Senator from Kansas referred only to the Mississippi Choctaws.

Mr. CURTIS. That is all.

Mr. HARRELD. The amendment covering them is now out by the withdrawal of it by the Senator from Mississippi.

Mr. KING. Will the Senator state to me what contingent liability under this bill would rest upon the Government of the United States?

Mr. HARRELD. This Indian estate involving about $25,000,000, already realized and distributed, with about $12,000,000 more yet to be realized from the sale of assets, is now in its final stages. This tribe assert that they have certain claims as to which they ought to be allowed to bring suit in the Court of Claims to establish the claims against the Government itself. This is necessary in order to put these tribal affairs in a condition to be wound up and closed.

Mr. ROBINSON. A similar or identical bill has passed with reference to the other tribes?

Mr. HARRELD. Yes; with reference to the other tribes, and this is in exactly the same form.

Mr. KING. Is it not more of an action to quiet title than to recover damages?

Mr. HARRELD. No; it is more of an action to surcharge a guardian, to have a court finally pass on the report of a guardian, or something of that sort.

Mr. KING. Is there any information before the committee which indicates any possible judgment against the Government?

Mr. HARRELD. The Indians have several things they want to include in this suit. I think some of their claims are just and some are unjust; but it is necessary to authorize them to go to the court. Then it can be determined what are just and what are unjust. In other words, I think this litigation is absolutely necessary to a final winding up of the affairs of these tribes.

Mr. ROBINSON. I should think they ought to be permitted to sue.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CERTIFICATES OF CITIZENSHIP TO INDIANS

The bill (H. R. 6355) to authorize the Secretary of the Interior to issue certificates of citizenship to Indians was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with amendments, to strike out lines 3 to 9, after the enacting clause, and to insert the words, "That all noncitizen Indians born within the territorial limits of the United States be, and they are hereby, declared to be citizens of the United States"; on line 12 to strike out the words "issuance of a cer-

tificate of" and to insert the words "granting of such," so as to make the bill read:

Be it enacted, etc., That all noncitizen Indians born within the territorial limits of the United States be, and they are hereby, declared to be citizens of the United States: *Provided*, That the granting of such citizenship shall not in any manner impair or otherwise affect the right of any Indian to tribal or other property.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill granting citizenship to Indians, and for other purposes."

ORDER OF BUSINESS

Mr. CURTIS. Mr. President, I promised several Senators that at 10 minutes before 11 I would ask that we stop the calling of the calendar so that they might ask to have one or two measures taken up, and I feel like carrying out that agreement.

Mr. FLETCHER. The unanimous-consent agreement provides that we shall go on with the calendar until 11 o'clock.

The PRESIDENT pro tempore. What is the request of the Senator from Kansas?

Mr. CURTIS. It is suggested that I have no right to prefer it under the agreement, so I withdraw my request.

CALUMET RIVER BRIDGE, CHICAGO, ILL.

Mr. McKINLEY. Mr. President, earlier in the evening we passed House bill 2665, a bridge bill for the city of Chicago. The city of Chicago is straightening out the Calumet River in southwest Chicago, and extending the Roosevelt Boulevard. There is another bill, House bill 8304, granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street in the city of Chicago, County of Cook, State of Illinois, and I ask unanimous consent that we take up that bill for consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River, at a point suitable to the interests of navigation, at or near One hundredth Street, in the city of Chicago, in the county of Cook, in the State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CREEK INDIAN CLAIMS

The bill (H. R. 7913) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REORGANIZATION OF THE FOREIGN SERVICE

Mr. LODGE. Mr. President, I ask unanimous consent to take from the calendar Order of Business No. 566, House bill 6357, for the reorganization and improvement of the foreign service of the United States, and for other purposes. I desire to say just a word about it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator?

Mr. KING. Reserving the right to object, let us hear an explanation of it.

Mr. SHEPPARD. Is this the so-called Rogers bill?

Mr. LODGE. It is the so-called Rogers bill.

Mr. KING. I reserve the right to object.

Mr. LODGE. I hope the Senator will not object.

This is a very important bill, providing for the reorganizing of the foreign service of the United States. It has passed the House twice. A similar bill came to the Senate and was reported favorably by the Committee on Foreign Relations, but it was the last day or two of the session, and there was no opportunity to pass it through the Senate. It has now come before us again. It is a very important measure, and I should not venture to ask such prompt action on it were it not that the bill had been examined and framed with the utmost care. It has a unanimous report from the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, I desire to state that the Committee on Foreign Relations gave very careful consideration to the bill, and I think action should be taken on it as speedily as possible. That is the opinion of all the members of the committee.

Mr. LODGE. That is the opinion of all the committee, without any difference.

Mr. McKELLAR. May I ask the Senator if consideration was given to further consolidating the service so as to put all the agents of other departments under the control of the American ambassadors?

Mr. LODGE. This is simply a consolidation of the consular and foreign diplomatic service, all under the State Department.

Mr. McKELLAR. I agree entirely with that as a very desirable thing to do, but it seems to me it should have gone further and coordinated the other departments under the general direction of the ambassadors.

Mr. LODGE. The Senator knows that I sympathize with him in that view, but it was impossible to get it into this bill, but it is a step in that direction.

Mr. McKELLAR. I think it is a good step, and I heartily favor it. I hope we can soon take another step, and put them all under the ambassadors.

Mr. LODGE. So do I. I am entirely in favor of that. I shall not delay the Senate at this late hour, but the Senate will remember that in 1906 we put the Consular Service under a graded system. It passed out of the domain of favoritism and politics. It has improved enormously since that time. I think it is not going too far to say that we have one of the best consular services in the world, if not the best.

In 1913, under President Wilson, the same general principle was applied to the Diplomatic Service below the rank of minister and ambassador, and it has had the same admirable results there, and it has been carried out by all administrations. It is now desired to put them together. The total additional cost will be only $435,000.

I do not want to go further, because I would like to get the bill through before the time arrives to take the recess.

Mr. KING. I have no objection to the bill. The only point in my mind was, if the Senator will pardon me, that I should like to see all the departments coordinated, to bring under the jurisdiction of this organization the Department of Commerce in its foreign activities.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments, in section 5, on page 3, line 8, after the word "appointment," to strike out "as ambassador or minister" and to insert "to some other position in the Government service"; in section 14, on page 8, line 19, after the word "gathering," to insert a semicolon and the following additional proviso: "*Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6, in lieu of subsistence for foreign-service officers on special duty or foreign-service inspectors"; in section 18, on page 14, line 22, before the words "per centum," to strike out "50" and to insert "75"; on page 17, after line 16, to insert the following additional section:

SEC. 22. The titles "Second Assistant Secretary of State" and "Third Assistant Secretary of State" shall hereafter be known as "Assistant Secretary of State" without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

There is hereby established in the Department of State an additional "Assistant Secretary of State," who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

The position of Director of the Consular Service is abolished and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized.

And on page 18, line 7, to change the section number from "22" to "23," so as to make the bill read:

Be it enacted, etc., That hereafter the Diplomatic and Consular Service of the United States shall be known as the foreign service of the United States.

SEC. 2. That the official designation "foreign service officer" as employed throughout this act shall be deemed to denote permanent officers in the foreign service below the grade of minister, all of whom

are subject to promotion on merit, and who may be assigned to duty in either the diplomatic or the consular branch of the foreign service at the discretion of the President.

SEC. 3. That the officers in the foreign service shall hereafter be graded and classified as follows, with the salaries of each class herein affixed thereto, but not exceeding in number for each class a proportion to the total number of officers in the service represented in the following percentage limitations: Ambassadors and ministers as now or hereafter provided; foreign service officers as follows: Class 1, 6 per cent, $9,000; class 2, 7 per cent, $8,000; class 3, 8 per cent, $7,000; class 4, 9 per cent, $6,000; class 5, 10 per cent, $5,000; class 6, 14 per cent, $4,500; class 7, $4,000; class 8, $3,500; class 9, $3,000; unclassified, $3,000 to $1,500: *Provided*, That as many foreign service officers above class 6 as may be required for the purpose of inspection may be detailed by the Secretary of State for that purpose.

SEC. 4. That foreign service officers may be appointed as secretaries in the Diplomatic Service or as consular officers or both: *Provided*, That all such appointments shall be made by and with the advice and consent of the Senate: *Provided further*, That all official acts of such officers while on duty in either the diplomatic or the consular branch of the foreign service shall be performed under their respective commissions as secretaries or as consular officers.

SEC. 5. That hereafter appointments to the position of foreign service officer shall be made after examination and a suitable period of probation in an unclassified grade or, after five years of continuous service in the Department of State, by transfer therefrom under such rules and regulations as the President may prescribe: *Provided*, That no candidate shall be eligible for examination for foreign service officer who is not an American citizen: *Provided further*, That reinstatement of foreign service officers separated from the classified service by reason of appointment to some other position in the Government service may be made by Executive order of the President under such rules and regulations as he may prescribe.

All appointments of foreign service officers shall be by commission to a class and not by commission to any particular post, and such officers shall be assigned to posts and may be transferred from one post to another by order of the President as the interests of the service may require: *Provided*, That the classification of secretaries in the Diplomatic Service and of consular officers is hereby abolished, without, however, in any wise impairing the validity of the present commissions of secretaries and consular officers.

SEC. 6. That section 5 of the act of February 5, 1915 (Public, 242), is hereby amended to read as follows:

"SEC. 5. That the Secretary of State is directed to report from time to time to the President, along with his recommendations, the names of those foreign service officers who by reason of efficient service have demonstrated special capacity for promotion to the grade of minister, and the names of those foreign service officers and employees and officers and employees in the Department of State who by reason of efficient service, an accurate record of which shall be kept in the Department of State, have demonstrated special efficiency, and also the names of persons found upon taking the prescribed examination to have fitness for appointment to the lower grades of the service."

SEC. 7. That on the date on which this act becomes effective the Secretary of State shall certify to the President, with his recommendation in each case, the record of efficiency of the several secretaries in the Diplomatic Service, consuls general, consuls, vice consuls of career, consular assistants, interpreters, and student interpreters then in office and shall, except in cases of persons found to merit reduction in rank or dismissal from the service, recommend to the President the recommissioning, without further examination, of those then in office as follows:

Secretaries of class 1 designated as counselors of embassy and consuls general of classes 1 and 2 as foreign service officers of class 1.

Secretaries of class 1 designated as counselors of legation and consuls general of class 3 as foreign service officers of class 2.

Secretaries of class 1 not designated as counselors, consuls general of class 4, and consuls general at large as foreign service officers of class 3.

Secretaries of class 2, consuls general of class 5, consuls of classes 1, 2, and 3, and Chinese, Japanese, and Turkish secretaries as foreign service officers of class 4.

Consuls of class 4 as foreign service officers of class 5.

Secretaries of class 3, consuls of class 5, and Chinese, Japanese, and Turkish assistant secretaries as foreign service officers of class 6.

Consuls of class 6 as foreign service officers of class 7.

Secretaries of class 4 and consuls of class 7 as foreign service officers of class 8.

Consuls of classes 8 and 9 as foreign service officers of class 9.

Vice consuls of career, consular assistants, interpreters, and student interpreters as foreign service officers, unclassified.

SEC. 8. That consuls general of class 1 and consuls of class 1 holding office at the time this act takes effect shall not, as a result of their recommissioning or reclassification, suffer a reduction in salary below that which they are then receiving: *Provided, however*, That this provision shall apply only to the incumbents of the offices mentioned at the time this act becomes effective.

That the grade of consular assistant is hereby abolished, and that all consular assistants now in the service shall be recommissioned as foreign service officers, unclassified.

SEC. 9. That sections 1697 and 1698 of the Revised Statutes are hereby amended to read as follows:

"Every secretary, consul general, consul, vice consul of career, or foreign service officer, before he receives his commission or enters upon the duties of his office, shall give to the United States a bond, in such form as the President shall prescribe, with such sureties, who shall be permanent residents of the United States, as the Secretary of State shall approve, in a penal sum not less than the annual compensation allowed to such officer, conditioned for the true and faithful accounting for, paying over, and delivering up of all fees, moneys, goods, effects, books, records, papers, and other property which shall come to his hands or to the hands of any other person to his use as such officer under any law now or hereafter enacted, and for the true and faithful performance of all other duties now or hereafter lawfully imposed upon him as such officer: *Provided*, That the operation of no existing bond shall in anywise be impaired by the provisions of this act: *Provided further*, That such bond shall cover by its stipulations all official acts of such officer, whether as foreign service officer or as secretary in the Diplomatic Service, consul general, consul, or vice consul of career. The bonds herein mentioned shall be deposited with the Secretary of the Treasury."

SEC. 10. That the provisions of section 4 of the act of April 5, 1906, relative to the powers, duties, and prerogatives of consuls general at large are hereby made applicable to foreign service officers detailed for the purpose of inspection, who shall, under the direction of the Secretary of State, inspect the work of offices in the foreign service, both in the diplomatic and consular branches.

SEC. 11. That the provisions of sections 8 and 10 of the act of April 5, 1906, relative to official fees and the method of accounting therefor shall include both branches of the foreign service.

SEC. 12. That the President is hereby authorized to grant to diplomatic missions and to consular offices at capitals of countries where there is no diplomatic mission of the United States representation allowances out of any money which may be appropriated for such purpose from time to time by Congress, the expenditure of such representation allowance to be accounted for in detail to the Department of State quarterly under such rules and regulations as the President may prescribe.

SEC. 13. Appropriations are authorized for the salary of a private secretary to each ambassador, who shall be appointed by the ambassador and hold office at his pleasure.

SEC. 14. That any foreign service officer may be assigned for duty in the Department of State without loss of class or salary, such assignment to be for a period of not more than three years, unless the public interests demand further service, when such assignment may be extended for a period not to exceed one year. Any foreign service officer of whatever class detailed for special duty not at his post or in the Department of State shall be paid his actual and necessary expenses for travel and not exceeding an average of $8 per day for subsistence during such special detail: *Provided*, That such special duty shall not continue for more than 60 days, unless in the case of trade conferences or international gatherings, congresses, or conferences, when such subsistence expenses shall run only during the period thereof and the necessary period of transit to and from the place of gathering: *Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6 in lieu of subsistence for foreign service officers on special duty or foreign service inspectors.

SEC. 15. That the Secretary of State is authorized, whenever he deems it to be in the public interest, to order to the United States on his statutory leave of absence any foreign service officer who has performed three years or more of continuous service abroad: *Provided*, That the expenses of transportation and subsistence of such officers and their immediate families, in traveling from their posts to their homes in the United States and return, shall be paid under the same rules and regulations applicable in the case of officers going to and returning from their posts under orders of the Secretary of State when not on leave: *Provided further*, That while in the United States the services of such officers shall be available for trade conference work or for such duties in the Department of State as the Secretary of State may prescribe.

SEC. 16. That the part of the act of July 1, 1916 (Public, No. 131), which authorizes the President to designate and assign any secretary of class 1 as counselor of embassy or legation, is hereby amended to read as follows:

"*Provided*, That the President may, whenever he considers it advisable so to do, designate and assign any foreign service officer as counselor of embassy or legation."

SEC. 17. That, within the discretion of the President, any foreign service officer may be appointed to act as commissioner, chargé d'affaires, minister resident, or diplomatic agent for such period as the

public interests may require without loss of grade, class, or salary: *Provided, however,* That no such officer shall receive more than one salary.

That section 1685 of the Revised Statutes as amended by the act entitled "An act for the improvement of the foreign service, approved February 5, 1915," is hereby amended to read as follows:

"SEC. 1685. That for such time as any foreign service officer shall be lawfully authorized to act as chargé d'affaires ad interim or to assume charge of a consulate general or consulate during the absence of the principal officer at the post to which he shall have been assigned, he shall, if his salary is less than one-half that of such principal officer, receive in addition to his salary as foreign service officer compensation equal to the difference between such salary and one-half of the salary provided by law for the ambassador, minister, or principal consular officer, as the case may be."

SEC. 18. The President is authorized to prescribe rules and regulations for the establishment of a foreign service retirement and disability system to be administered under the direction of the Secretary of State and in accordance with the following principles, to wit:

(a) The Secretary of State shall submit annually a comparative report showing all receipts and disbursements on account of refunds, allowances, and annuities, together with the total number of persons receiving annuities and the amounts paid them, and shall submit annually estimates of appropriations necessary to continue this section in full force and such appropriations are hereby authorized: *Provided,* That in no event shall the aggregate total appropriations exceed the aggregate total of the contributions of the foreign service officers theretofore made, and accumulated interest thereon.

(b) There is hereby created a special fund to be known as the foreign-service retirement and disability fund.

(c) Five per cent of the basic salary of all foreign service officers eligible to retirement shall be contributed to the foreign service retirement and disability fund, and the Secretary of the Treasury is directed on the date on which this act takes effect to cause such deductions to be made and the sums transferred on the books of the Treasury Department to the credit of the foreign service retirement and disability fund for the payment of annuities, refunds, and allowances: *Provided,* That all basic salaries in excess of $9,000 per annum shall be treated as $9,000.

(d) When any foreign-service officer has reached the age of 65 years and rendered at least 15 years of service he shall be retired: *Provided,* That the President may in his discretion retain any such officer on active duty for such period not exceeding five years as he may deem for the interest of the United States.

(e) Annuities shall be paid to retired foreign service officers under the following classification, based upon length of service and at the following percentages of the average annual basic salary for the 10 years next preceding the date of retirement: Class A, 30 years or more, 60 per cent; class B, from 27 to 30 years, 54 per cent; class C, from 24 to 27 years, 48 per cent; class D, from 21 to 24 years, 42 per cent; class E, from 18 to 21 years, 36 per cent; class F, from 15 to 18 years, 30 per cent.

(f) Those officers who retire before having contributed for each year of service shall have withheld from their annuities to the credit of the foreign service retirement and disability fund such proportion of 5 per cent as the number of years in which they did not contribute bears to the total length of service.

(g) The Secretary of the Treasury is directed to invest from time to time in interest-bearing securities of the United States such portions of the foreign service retirement and disability fund as in his judgment may not be immediately required for the payment of annuities, refunds, and allowances, and the income derived from such investments shall constitute a part of said fund.

(h) None of the moneys mentioned in this section shall be assignable, either in law or equity, or be subject to execution, levy, or attachment, garnishment, or other legal process.

(i) In case an annuitant dies without having received in annuities an amount equal to the total amount of his contributions from salary with interest thereon at 4 per cent per annum, compounded annually up to the time of his death, the excess of the said accumulated contributions over the said annuity payments shall be paid to his or her legal representatives; and in case a foreign service officer shall die without having reached the retirement age the total amount of his contributions, with accrued interest, shall be paid to his legal representatives.

(j) That any foreign service officer who before reaching the age of retirement becomes totally disabled for useful and efficient service by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the President, be retired on an annuity under paragraph (e) of this section: *Provided, however,* That in each case such disability shall be determined by the report of a duly qualified physician or surgeon designated by the Secretary of State to conduct the examination: *Provided further,* That unless the disability be permanent, a like examination shall be made annually in order to determine the degree of disability, and the payment of annuity shall cease from the date of the medical examination showing recovery.

Fees for examinations under this provision, together with reasonable traveling and other expenses incurred in order to submit to examination, shall be paid out of the foreign service retirement and disability fund.

When the annuity is discontinued under this provision, before the annuitant has received a sum equal to the total amount of his contributions with accrued interest, the difference shall be paid to him or to his legal representatives.

(k) The President is authorized from time to time to establish, by Executive order, a list of places in tropical countries which, by reason of climatic or other extreme conditions, are to be classed as unhealthful posts, and each year of duty at such posts, while so classed, inclusive of regular leaves of absence, shall be counted as one year and a half, and so on in like proportion in reckoning the length of service for the purposes of retirement.

(l) Whenever a foreign service officer becomes separated from the service, except for disability, before reaching the age of retirement, 75 per cent of the total amount of contribution from his salary, without interest, shall be returned to him.

(m) Whenever any foreign service officer, after the date of his retirement, accepts a position of employment the emoluments of which are greater than the annuity received by him from the United States Government by virtue of his retirement under this act, the amount of the said annuity during the continuance of such employment shall be reduced by an equal amount: *Provided,* That all retired foreign service officers shall notify the Secretary of State once a year of any positions of employment accepted by them, stating the amount of compensation received therefrom, and whenever any such officer fails to so report it shall be the duty of the Secretary of State to order the payment of the annuity to be suspended until such report is received.

(n) The Secretary of State is authorized to expend from surplus money to the credit of the foreign service retirement and disability fund an amount not exceeding $5,000 for the expenses necessary in carrying out the provisions of this section, including actuarial advice.

(o) Any diplomatic secretary or consular officer who has been or any foreign service officer who may hereafter be promoted from the classified service to the grade of ambassador or minister, or appointed to a position in the Department of State, shall be entitled to all the benefits of this section in the same manner and under the same conditions as foreign service officers.

(p) For the purposes of this act the period of service shall be computed from the date of original oath of office as secretary in the Diplomatic Service, consul general, consul, vice consul, deputy consul, consular assistant, consular agent, commercial agent, interpreter, or student interpreter, and shall include periods of service at different times in either the Diplomatic or Consular Service, or while on assignment to the Department of State, or on special duty, but all periods of separation from the service and so much of any period of leave of absence as may exceed six months shall be excluded: *Provided,* That service in the Department of State prior to appointment as a foreign service officer may be included in the period of service, in which case the officer shall pay into the foreign service retirement and disability fund a special contribution equal to 5 per cent of his annual salary for each year of such employment, with interest thereon to date of payment compounded annually at 4 per cent.

SEC. 19. In the event of public emergency any retired foreign service officer may be recalled temporarily to active service by the President, and while so serving he shall be entitled, in lieu of his retirement allowance, to the full pay of the class in which he is temporarily serving.

SEC. 20. That all provisions of law heretofore enacted relating to secretaries in the Diplomatic Service and to consular officers, which are not inconsistent with the provisions of this act, are hereby made applicable to foreign service officers when they are designated for service as diplomatic or as consular officers, and that all acts or parts of acts inconsistent with this act are hereby repealed.

SEC. 21. That the appropriations contained in Title I of the act entitled "An act making appropriations for the Departments of State and Justice and for the Judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes," for such compensation and expenses as are affected by the provisions of this act are made available and may be applied toward the payment of the compensation and expenses herein provided for, except that no part of such appropriations shall be available for the payment of annuities to retired foreign-service officers.

SEC. 22. The titles "Second Assistant Secretary of State" and "Third Assistant Secretary of State" shall hereafter be known as "Assistant Secretary of State" without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

There is hereby established in the Department of State an additional "Assistant Secretary of State," who shall be appointed by the President,

by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

The position of Director of the Consular Service is abolished, and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized.

SEC. 23. That this act shall take effect on July 1, 1924.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SALARIES OF DISTRICT POLICEMEN AND FIREMEN

Mr. BALL. I ask unanimous consent for the immediate consideration of House bill 5855, to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia.

Mr. KING. Mr. President, automatically at 11 o'clock we will take a recess.

Mr. BALL. We have two minutes yet.

The PRESIDENT pro tempore. The Senator from Delaware asks unanimous consent for the present consideration of the bill which he has indicated.

Mr. KING. What is the bill?

Mr. BALL. Increasing the salaries of the policemen and firemen in the District of Columbia.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments, in section 2, on page 3, at the end of line 4, to strike out "$3,050" and to insert "$3,250"; in line 6, after the word "inspector," to strike out "$2,000" and to insert "$2,160"; and on page 4, after line 2, to insert the heading "United States park police" and the following additional sections:

SEC. 4. That the United States park police shall be under the exclusive charge and control of the officer in charge of public buildings and grounds, under the general direction of the Chief of Engineers, United States Army. It shall consist of an active officer of the United States Army, detailed by the War Department, 1 lieutenant with grade corresponding to that of lieutenant (Metropolitan police), 1 first sergeant, 5 sergeants with grade corresponding to that of sergeant (Metropolitan police), and 54 privates, all of whom shall have served three years to be with grade corresponding to private, class 3 (Metropolitan police); all of whom shall have served one year to be with grade corresponding to private, class 2 (Metropolitan police); and all of whom shall have served less than one year to be with grade corresponding to private, class 1 (Metropolitan police).

SEC. 5. That the annual salaries of the members of the United States park police force shall be as follows: Lieutenant, $2,700; first sergeant, $2,400; sergeants, $2,300 each; privates, class 3, $2,000 each; privates, class 2, $1,800 each; privates, class 1, $1,700 each.

SEC. 6. That the members of the United States park police force shall be furnished with uniforms, means of transportation, and such other equipment as may be necessary for the proper performance of their duties, including badges, revolvers, and ammunition; the United States Army officer detailed as superintendent of the United States park police, who shall use on official business motor transportation furnished and maintained by himself, and shall receive an extra compensation of not to exceed $480 per annum. Members detailed to motor-cycle service shall each receive an extra compensation of $120 per annum.

SEC. 7. That under and in accordance with section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended, members of the United States park police force shall be entitled to all the benefits of relief and retirement therein authorized upon the payment by each member into the policemen and firemen's relief fund, District of Columbia, of an amount equal to 1½ per cent of the total basic salary received by him since September 1, 1916, as a member of such United States park police force, and as a watchman of the United States in any public square or reservation in the District of Columbia: *Provided*, That a member of the United States park police force, to be designated by the officer in charge of public buildings and grounds, shall be a member of the police and firemen's retirement and relief board in all cases of relief and retirement of members of the United States park police force and of the White House police force: *Provided further*, That on and after July 1, 1924, appropriations to pay relief and other allowances authorized by said section 12 of the act of September 1, 1916, shall be paid 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States: *And provided further*, That on and after July 1, 1924, the rate of deduction from the monthly salary of members of the Metropolitan police force, United States park police, and the White House police force shall be 2½ per cent: *And provided further*, That such monthly deductions and other moneys now authorized by law to be credited to the policemen and firemen's relief fund shall continue to be credited.

SEC. 8. That the refund provided for in section 11 of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, as amended, shall be paid to all members of the United States park police force who on the date on which the provisions of this act become effective are entitled to such refund by reason of contributions previously made by them to the civil service retirement fund.

SEC. 9. That the officer in charge of public buildings and grounds, in his discretion, may appoint special policemen, without compensation, for duty in connection with the policing of the public parks and other reservations under his jurisdiction within the District of Columbia, such special policemen to have the same powers and perform the same duties as the United States park police and the Metropolitan police of said District of Columbia, and to be subject to such regulations as the Chief of Engineers may prescribe: *Provided*, That the jurisdiction and police power of such special policemen shall be restricted to the public parks and other reservations under the control of the officer in charge of public buildings and grounds.

And, on page 7, line 16, to change the section number from 4 to 10, so as to make the bill read:

Be it enacted, etc., That the annual basic salaries of the officers and members of the Metropolitan police force shall be as follows: Major and superintendent, $5,200; assistant superintendents, $3,500 each; inspectors, $3,250 each: *Provided*, That the inspector assigned to the supervision and command of the detective bureau shall, during the period of such assignment, be rated as and shall receive the pay of an assistant superintendent; captains, $3,000 each; lieutenants, $2,700 each: *Provided*, That the lieutenant assigned as assistant to the inspector commanding the detective bureau, shall during the period of such assignment, hold the rank and receive the pay of a captain; sergeants, $2,400 each; privates of class 3, $2,100 each; privates of class 2, $1,900 each; privates of class 1, $1,800 each. Driver-privates shall have the same rank and pay as privates of the above classes. Members of said police force who may be mounted on horses, furnished and maintained by themselves, shall each receive an extra compensation of $450 per annum; members of said force who may be called upon to use motor vehicles, furnished and maintained by themselves, shall each receive an extra compensation of $480 per annum; members of said force detailed to detective headquarters in the prevention and detection of crime shall each receive extra compensation of $600 per annum; members of said force who may be mounted on bicycles shall each receive an extra compensation of $70 per annum; members of said force detailed for special service in the various precincts in the prevention and detection of crime shall each receive an extra compensation of $240 per annum; and members detailed to the motor-cycle service shall each receive an extra compensation of $120 per annum.

SEC. 2. That the annual basic salaries of the officers and members of the fire department of the District of Columbia shall be as follows: Chief engineer, $5,200; deputy chief engineers, $3,500 each; battalion chief engineers, $3,250 each; fire marshal, $3,250; deputy fire marshal, $2,500; inspectors, $2,160 each; captains, $2,500 each; lieutenants, $2,350 each; sergeants, $2,200 each; superintendent of machinery, $3,250; assistant superintendent of machinery, $2,500; pilots, $2,250 each; marine engineers, $2,250 each; assistant marine engineers, $2,150 each; marine firemen, $1,800 each; privates of class 3, $2,100 each; privates of class 2, $1,900 each; privates of class 1, $1,800 each.

SEC. 3. That in lieu of Sunday there shall be granted to the Metropolitan police and to each officer and member of the fire department of the District of Columbia one day off out of each week of seven days, which shall be in addition to his annual leave and sick leave now allowed by law: *Provided, however*, That whenever the Commissioners of the District of Columbia declare that an emergency exists of such a character as to require the continuous service of all the members of the Metropolitan police force and the members of the fire department, the major and superintendent of police and the chief engineer of the fire department shall have authority, and it shall be their duty, to suspend and discontinue the granting of the said one day off in seven during the continuation of such emergency.

UNITED STATES PARK POLICE

SEC. 4. That the United States park police shall be under the exclusive charge and control of the officer in charge of public buildings and grounds, under the general direction of the Chief of Engineers, United States Army. It shall consist of an active officer of the United States Army, detailed by the War Department, one lieutenant with

grade corresponding to that of lieutenant (Metropolitan police), one first sergeant, five sergeants with grade corresponding to that of sergeant (Metropolitan police), and 54 privates, all of whom shall have served three years to be with grade corresponding to private, class 3 (Metropolitan police); all of whom shall have served one year to be with grade corresponding to private, class 2 (Metropolitan police); and all of whom shall have served less than one year to be with grade corresponding to private, class 1 (Metropolitan police).

SEC. 5. That the annual salaries of the members of the United States park police force shall be as follows: Lieutenant, $2,700; first sergeant, $2,400; sergeants, $2,300 each; privates, class 3, $2,000 each; privates, class 2, $1,800 each; privates, class 1, $1,700 each.

SEC. 6. That the members of the United States park police force shall be furnished with uniforms, means of transportation, and such other equipment as may be necessary for the proper performance of their duties, including badges, revolvers, and ammunition; the United States Army officer detailed as superintendent of the United States park police, who shall use on official business motor transportation furnished and maintained by himself, shall receive an extra compensation of not to exceed $480 per annum. Members detailed to motorcycle service shall each receive an extra compensation of $120 per annum.

SEC. 7. That under and in accordance with section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended, members of the United States park police force shall be entitled to all the benefits of relief and retirement therein authorized upon the payment by each member into the policemen and firemen's relief fund, District of Columbia, of an amount equal to 1½ per cent of the total basic salary received by him since September 1, 1916, as a member of such United States park police force, and as a watchman of the United States in any public square or reservation in the District of Columbia: *Provided*, That a member of the United States park police force, to be designated by the officer in charge of public buildings and grounds, shall be a member of the police and firemen's retirement and relief board in all cases of relief and retirement of members of the United States park police force and of the White House police force: *Provided further*, That on and after July 1, 1924, appropriation to pay relief and other allowances authorized by said section 12 of the act of September 1, 1916, shall be paid 60 per cent from the revenues of the District of Columbia and 40 per cent from the revenues of the United States: *And provided further*, That on and after July 1, 1924, the rate of deduction from the monthly salary of members of the Metropolitan police force, United States park police, and the White House police force shall be 2½ per cent: *And provided further*, That such monthly deductions and other moneys now authorized by law to be credited to the policemen and firemen's relief fund shall continue to be so credited.

SEC. 8. That the refund provided for in section 11 of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, as amended, shall be paid to all members of the United States park police force, who, on the date on which the provisions of this act become effective are entitled to such refund, by reason of contributions previously made by them to the civil service retirement fund.

SEC. 9. That the officer in charge of public buildings and grounds, in his discretion, may appoint special policemen, without compensation, for duty in connection with the policing of the public parks and other reservations under his jurisdiction within the District of Columbia, such special policemen to have the same powers and perform the same duties as the United States park police and the Metropolitan police of said District of Columbia, and to be subject to such regulations as the Chief of Engineers may prescribe: *Provided*, That the jurisdiction and police power of such special policemen shall be restricted to the public parks and other reservations under the control of the officer in charge of public buildings and grounds.

SEC. 10. That the salaries herein provided for shall be payable on and after July 1, 1924.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia."

RECESS

The PRESIDENT pro tempore (at 11 o'clock p. m.). Under the unanimous-consent agreement the Senate will stand in recess until to-morrow at 12 o'clock.

HOUSE OF REPRESENTATIVES

THURSDAY, *May 15, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, for Thy name's sake hear us. We ask that our hearts be fashioned for the purest music and our minds fixed for the noblest thoughts. May they chant a silent and thankful refrain in grateful memory of Thy love, so amazing and so divine. Do Thou bestow rich blessings of comfort and happiness upon every citizen of our country, and bless every effort and institution that promotes peace and good will among all men. Be with us in our memories and in our anticipations. When the shades of this evening gather and we tarry alone with our thoughts, may we thank God for the day. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF A MEMBER

Mr. O'CONNOR of Louisiana. Mr. Speaker, I present my colleague, Mr. J. ZACH SPEARING, elected on April 22, 1924, from the second congressional district of Louisiana, to succeed the late H. Garland Dupré. He desires to take the oath of office.

Mr. SPEARING appeared at the bar of the House and took the oath of office.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the Judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, had further insisted upon its amendments Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23, had asked for further conference with the House on the disagreeing votes of the two Houses thereon, and had ordered that Mr. JONES of Washington, Mr. CURTIS, Mr. LODGE, Mr. OVERMAN, and Mr. HARRIS be the conferees on the part of the Senate.

IMMIGRATION OF ALIENS INTO THE UNITED STATES—CONFERENCE REPORT

Mr. JOHNSON of Washington. Mr. Speaker, I call up the conference report upon the bill H. R. 7995, to limit the immigration of aliens into the United States, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Washington calls up the conference report upon the immigration bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. SABATH. Mr. Speaker, reserving the right to object, can we not agree upon some time?

Mr. JOHNSON of Washington. I shall use as little time as possible, and I shall be glad to grant to others in opposition to the bill the same amount of time that I used in favor of the bill.

Mr. SABATH. And the gentleman would not care to agree upon any particular time?

Mr. JOHNSON of Washington. I want to keep the entire debate within the hour permitted by the rules.

Mr. SABATH. Will the gentleman yield me 30 minutes?

Mr. JOHNSON of Washington. I shall yield the gentleman at first 15 minutes, as soon as I have used 15 minutes. We will get along all right, I think.

Mr. SABATH. There are two gentlemen who have asked me for time, who are entitled to a little time. It is not that I desire to yield the time to them, but if the gentleman from Washington will yield them time, it will be quite satisfactory.

Mr. JOHNSON of Washington. If the gentleman would yield his right to the 15 minutes, then I shall be glad to yield such time as I can, but there can not be more than 30 minutes yielded on that side.

Mr. SABATH. Fifteen minutes to me, and then the gentleman from Washington will take care of these other two gentlemen?

Mr. JOHNSON of Washington. I shall yield the gentleman from Illinois 10 minutes and take care of each of the other gentlemen with 5 minutes.

Mr. SABATH. I fear that would not be satisfactory.

Mr. JOHNSON of Washington. Then 15 minutes.

Mr. RAKER. Mr. Speaker, reserving the right to object, will the gentleman from Washington give me 10 minutes?

Mr. JOHNSON of Washington. I am afraid that I have not the time to yield.

Mr. RAKER. I feel that the House ought to know, and I thought to take at least 10 minutes to present the seaman proposition, if there be any objection made.

Mr. JOHNSON of Washington. I thought that I would take care of that. I shall yield the gentleman about seven minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington that the statement be read in lieu of the report?

Mr. BROWNE of Wisconsin. Mr. Speaker, reserving the right to object, may I have five minutes?

Mr. JOHNSON of Washington. I shall yield the gentleman five minutes.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this act may be cited as the 'immigration act of 1924.'

"IMMIGRATION VISAS

"SEC. 2. (a) A consular officer upon the application of any immigrant (as defined in section 3) may (under the conditions hereinafter prescribed and subject to the limitations prescribed in this act or regulations made thereunder as to the number of immigration visas which may be issued by such officer) issue to such immigrant an immigration visa which shall consist of one copy of the application provided for in section 7, visaed by such consular officer. Such visa shall specify (1) the nationality of the immigrant; (2) whether he is a quota immigrant (as defined in section 5) or a nonquota immigrant (as defined in section 4); (3) the date on which the validity of the immigration visa shall expire; and (4) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(b) The immigrant shall furnish two copies of his photograph to the consular officer. One copy shall be permanently attached by the consular officer to the immigration visa and the other copy shall be disposed of as may be by regulations prescribed.

"(c) The validity of an immigration visa shall expire at the end of such period, specified in the immigration visa, not exceeding four months, as shall be by regulations prescribed. In the case of an immigrant arriving in the United States by water, or arriving by water in foreign contiguous territory on a continuous voyage to the United States, if the vessel, before the expiration of the validity of his immigration visa, departed from the last port outside the United States and outside foreign contiguous territory at which the immigrant embarked, and if the immigrant proceeds on a continuous voyage to the United States, then, regardless of the time of his arrival in the United States, the validity of his immigration visa shall not be considered to have expired.

"(d) If an immigrant is required by any law or regulations or orders made pursuant to law to secure the visa of his passport by a consular officer before being permitted to enter the United States, such immigrant shall not be required to secure any other visa of his passport than the immigration visa issued under this act, but a record of the number and date of his immigration visa shall be noted on his passport without charge therefor. This subdivision shall not apply to an immigrant who is relieved, under subdivision (b) of section 13, from obtaining an immigration visa.

"(e) The manifest or list of passengers required by the immigration laws shall contain a place for entering thereon the date, place of issuance, and number of the immigration visa of each immigrant. The immigrant shall surrender his immigration visa to the immigration officer at the port of inspection, who shall at the time of inspection indorse on the immigration visa the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The immigration visa shall be transmitted forthwith by the immigration officer in charge at the port of inspection to the Department of Labor under regulations prescribed by the Secretary of Labor.

"(f) No immigration visa shall be issued to an immigrant if it appears to the consular officer, from statements in the application or in the papers submitted therewith, that the immigrant is inadmissible to the United States under the immigration laws; nor shall such immigration visa be issued if the application fails to comply with the provisions of this act; nor shall such immigration visa be issued if the consular officer knows or has reason to believe that the immigrant is inadmissible to the United States under the immigration laws.

"(g) Nothing in this act shall be construed to entitle an immigrant to whom an immigration visa has been issued to enter the United States if upon arrival in the United States he is found to be inadmissible to the United States under the immigration laws. The substance of this subdivision shall be printed conspicuously upon every immigration visa.

"(h) A fee of $9 shall be charged for the issuance of each immigration visa, which shall be covered into the Treasury as miscellaneous receipts.

"DEFINITION OF 'IMMIGRANT.'

"SEC. 3. When used in this act the term 'immigrant' means any alien departing from any place outside the United States destined for the United States, except (1) a Government official, his family, attendants, servants, and employees; (2) an alien visiting the United States temporarily as a tourist or temporarily for business or pleasure; (3) an alien in continuous transit through the United States; (4) an alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory; (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman; and (6) an alien entitled to enter the United States solely to carry on trade under and in pursuance of the provisions of a present existing treaty of commerce and navigation.

"NONQUOTA IMMIGRANTS

"SEC. 4. When used in this act the term 'nonquota immigrant' means—

"(a) An immigrant who is the unmarried child under 18 years of age, or the wife, of a citizen of the United States who resides therein at the time of the filing of a petition under section 9;

"(b) An immigrant previously lawfully admitted to the United States who is returning from a temporary visit abroad;

"(c) An immigrant who was born in the Dominion of Canada, Newfoundland, the Republic of Mexico, the Republic of Cuba, the Republic of Haiti, the Dominican Republic, the Canal Zone, or an independent country of Central or South America, and his wife and his unmarried children under 18 years of age, if accompanying or following to join him;

"(d) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, or professor of a college, academy, seminary, or university; and his wife, and his unmarried children under 18 years of age, if accompanying or following to join him; or

"(e) An immigrant who is a bona fide student at least 15 years of age and who seeks to enter the United States solely for the purpose of study at an accredited school, college, academy, seminary, or university particularly designated by him and approved by the Secretary of Labor, which shall have agreed to report to the Secretary of Labor the termination of attendance of each immigrant student, and if any such institution of learning fails to make such reports promptly the approval shall be withdrawn.

"QUOTA IMMIGRANTS

"SEC. 5. When used in this act the term 'quota immigrant' means any immigrant who is not a nonquota immigrant. An alien who is not particularly specified in this act as a nonquota immigrant or a nonimmigrant shall not be admitted as a nonquota immigrant or a nonimmigrant by reason of relationship to any individual who is so specified or by reason of being excepted from the operation of any other law regulating or forbidding immigration.

"PREFERENCES WITHIN QUOTAS

"SEC. 6. (a) In the issuance of immigration visas to quota immigrants preference shall be given—

"(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the

wife, of a citizen of the United States who is 21 years of age or over; and

"(2) To a quota immigrant who is skilled in agriculture, and his wife, and his dependent children under the age of 16 years, if accompanying or following to join him. The preference provided in this paragraph shall not apply to immigrants of any nationality the annual quota for which is less than 300.

"(b) The preference provided in subdivision (a) shall not in the case of quota immigrants of any nationality exceed 50 per cent of the annual quota for such nationality. Nothing in this section shall be construed to grant to the class of immigrants specified in paragraph (1) of subdivision (a) a priority in preference over the class specified in paragraph (2).

"(c) The preference provided in this section shall, in the case of quota immigrants of any nationality, be given in the calendar month in which the right to preference is established, if the number of immigration visas which may be issued in such month to quota immigrants of such nationality has not already been issued; otherwise in the next calendar month.

"APPLICATION FOR IMMIGRATION VISA

"SEC. 7. (a) Every immigrant applying for an immigration visa shall make application therefor in duplicate in such form as shall be by regulations prescribed.

"(b) In the application the immigrant shall state (1) the immigrant's full and true name; age, sex, and race; the date and place of birth; places of residence for the five years immediately preceding his application; whether married or single, and the names and places of residence of wife or husband and minor children, if any; calling or occupation; personal description (including height, complexion, color of hair and eyes, and marks of identification); ability to speak, read, and write; names and addresses of parents, and, if neither parent living, then the name and address of his nearest relative in the country from which he comes; port of entry into the United States; final destination, if any, beyond the port of entry; whether he has a ticket through to such final destination; whether going to join a relative or friend, and, if so, what relative or friend and his name and complete address; the purpose for which he is going to the United States; the length of time he intends to remain in the United States; whether or not he intends to abide in the United States permanently; whether ever in prison or almshouse; whether he or either of his parents has ever been in an institution or hospital for the care and treatment of the insane; (2) if he claims to be a nonquota immigrant, the facts on which he bases such claim; and (3) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws, as may be by regulations prescribed.

"(c) The immigrant shall furnish, if available, to the consular officer, with his application, two copies of his 'dossier' and prison record and military record, two certified copies of his birth certificate, and two copies of all other available public records concerning him kept by the Government to which he owes allegiance. One copy of the documents so furnished shall be permanently attached to each copy of the application and become a part thereof. An immigrant having an unexpired permit issued under the provisions of section 10 shall not be subject to this subdivision. In the case of an application made before September 1, 1924, if it appears to the satisfaction of the consular officer that the immigrant has obtained a visa of his passport before the enactment of this act, and is unable to obtain the documents referred to in this subdivision without undue expense and delay, owing to absence from the country from which such documents should be obtained, the consular officer may relieve such immigrant from the requirements of this subdivision.

"(d) In the application the immigrant shall also state (to such extent as shall be by regulations prescribed) whether or not he is a member of each class of individuals excluded from admission to the United States under the immigration laws, and such classes shall be stated on the blank in such form as shall be by regulations prescribed, and the immigrant shall answer separately as to each class.

"(e) If the immigrant is unable to state that he does not come within any of the excluded classes, but claims to be for any legal reason exempt from exclusion, he shall state fully in the application the grounds for such alleged exemption.

"(f) Each copy of the application shall be signed by the immigrant in the presence of the consular officer and verified by the oath of the immigrant administered by the consular officer. One copy of the application, when visaed by the consular officer, shall become the immigration visa, and the other copy shall be disposed of as may be by regulations prescribed.

"(g) In the case of an immigrant under 18 years of age the application may be made and verified by such individual as shall be by regulations prescribed.

"(h) A fee of $1 shall be charged for the furnishing and verification of each application, which shall include the furnishing and verification of the duplicate, and shall be covered into the Treasury as miscellaneous receipts.

"NONQUOTA IMMIGRATION VISAS

"SEC. 8. A consular officer may, subject to the limitations provided in sections 2 and 9, issue an immigration visa to a nonquota immigrant as such upon satisfactory proof, under regulations prescribed under this act, that the applicant is entitled to be regarded as a nonquota immigrant.

"ISSUANCE OF IMMIGRATION VISAS TO RELATIVES

"SEC. 9. (a) In case of any immigrant claiming in his application for an immigration visa to be a nonquota immigrant by reason of relationship under the provisions of subdivision (a) of section 4, or to be entitled to preference by reason of relationship to a citizen of the United States under the provisions of section 6, the consular officer shall not issue such immigration visa or grant such preference until he has been authorized to do so as hereinafter in this section provided.

"(b) Any citizen of the United States claiming that any immigrant is his relative, and that such immigrant is properly admissible to the United States as a nonquota immigrant under the provisions of subdivision (a) of section 4, or is entitled to preference as a relative under section 6, may file with the Commissioner General a petition in such form as may be by regulations prescribed, stating (1) the petitioner's name and address; (2) if a citizen by birth, the date and place of his birth; (3) if a naturalized citizen, the date and place of his admission to citizenship and the number of his certificate, if any; (4) the name and address of his employer or the address of his place of business or occupation if he is not an employee; (5) the degree of the relationship of the immigrant for whom such petition is made, and the names of all the places where such immigrant has resided prior to and at the time when the petition is filed; (6) that the petitioner is able to and will support the immigrant if necessary to prevent such immigrant from becoming a public charge; and (7) such additional information necessary to the proper enforcement of the immigration laws and the naturalization laws as may be by regulations prescribed.

"(c) The petition shall be made under oath administered by any individual having power to administer oaths, if executed in the United States, but, if executed outside the United States, administered by a consular officer. The petition shall be supported by any documentary evidence required by regulations prescribed under this act. Application may be made in the same petition for admission of more than one individual.

"(d) The petition shall be accompanied by the statements of two or more responsible citizens of the United States, to whom the petitioner has been personally known for at least one year, that to the best of their knowledge and belief the statements made in the petition are true and that the petitioner is a responsible individual able to support the immigrant or immigrants for whose admission application is made. These statements shall be attested in the same way as the petition.

"(e) If the Commissioner General finds the facts stated in the petition to be true, and that the immigrant in respect of whom the petition is made is entitled to be admitted to the United States as a nonquota immigrant under subdivision (a) of section 4 or is entitled to preference as a relative under section 6, he shall, with the approval of the Secretary of Labor, inform the Secretary of State of his decision, and the Secretary of State shall then authorize the consular officer with whom the application for the immigration visa has been filed to issue the immigration visa or grant the preference.

"(f) Nothing in this section shall be construed to entitle an immigrant, in respect of whom a petition under this section is granted, to enter the United States as a nonquota immigrant, if, upon arrival in the United States, he is found not to be a nonquota immigrant.

"PERMIT TO REENTER UNITED STATES AFTER TEMPORARY ABSENCE

"SEC. 10. (a) Any alien about to depart temporarily from the United States may make application to the Commissioner General for a permit to reenter the United States, stating the length of his intended absence, and the reasons therefor. Such application shall be made under oath, and shall be in such form and contain such information as may be by regulations prescribed,

the date, the port of entry, and the name of the vessel, if any, on which the immigrant arrived. The immigration visa shall

"(1) To a quota immigrant who is the unmarried child under 21 years of age, the father, the mother, the husband, or the

and shall be accompanied by two copies of the applicant's photograph.

"(b) If the Commissioner General finds that the alien has been legally admitted to the United States, and that the application is made in good faith, he shall, with the approval of the Secretary of Labor, issue the permit, specifying therein the length of time, not exceeding one year, during which it shall be valid. The permit shall be in such form as shall be by regulations prescribed and shall have permanently attached thereto the photograph of the alien to whom issued, together with such other matter as may be deemed necessary for the complete identification of the alien.

"(c) On good cause shown the validity of the permit may be extended for such period or periods, not exceeding six months each, and under such conditions as shall be by regulations prescribed.

"(d) For the issuance of the permit and for each extension thereof there shall be paid a fee of $3, which shall be covered into the Treasury as miscellaneous receipts.

"(e) Upon the return of the alien to the United States the permit shall be surrendered to the immigration officer at the port of inspection.

"(f) A permit issued under this section shall have no effect under the immigration laws, except to show that the alien to whom it is issued is returning from a temporary visit abroad; but nothing in this section shall be construed as making such permit the exclusive means of establishing that the alien is so returning.

"NUMERICAL LIMITATIONS

"SEC. 11. (a) The annual quota of any nationality shall be 2 per cent of the number of foreign-born individuals of such nationality resident in continental United States as determined by the United States census of 1890, but the minimum quota of any nationality shall be 100.

"(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

"(c) For the purpose of subdivision (b) national origin shall be ascertained by determining as nearly as may be in respect of each geographical area which under section 12 is to be treated as a separate country (except the geographical areas specified in subdivision (c) of section 4) the number of inhabitants in continental United States in 1920 whose origin by birth or ancestry is attributable to such geographical area. Such determination shall not be made by tracing the ancestors or descendants of particular individuals, but shall be based upon statistics of immigration and emigration, together with rates of increase of population as shown by successive decennial United States censuses, and such other data as may be found to be reliable.

"(d) For the purpose of subdivisions (b) and (c) the term 'inhabitants in continental United States in 1920' does not include (1) immigrants from the geographical areas specified in subdivision (c) of section 4 or their descendants, (2) aliens ineligible to citizenship or their descendants, (3) the descendants of slave immigrants, or (4) the descendants of American aborigines.

"(e) The determination provided for in subdivision (c) of this section shall be made by the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly. In making such determination such officials may call for information and expert assistance from the Bureau of the Census. Such officials shall, jointly, report to the President the quota of each nationality, determined as provided in subdivision (b), and the President shall proclaim and make known the quotas so reported. Such proclamation shall be made on or before April 1, 1927. If the proclamation is not made on or before such date, quotas proclaimed therein shall not be in effect for any fiscal year beginning before the expiration of 90 days after the date of the proclamation. After the making of a proclamation under this subdivision the quotas proclaimed therein shall continue with the same effect as if specifically stated herein, and shall be final and conclusive for every purpose except (1) in so far as it is made to appear to the satisfaction of such officials and proclaimed by the President that an error of fact has occurred in such determination or in such proclamation, or (2) in the case provided for in subdivision (c) of section 12. If for any reason quotas proclaimed under this subdivision are not in effect for any fiscal year, quotas for such year shall be determined under subdivision (a) of this section.

"(f) There shall be issued to quota immigrants of any nationality (1) no more immigration visas in any fiscal year than the quota for such nationality, and (2) in any calendar month of any fiscal year no more immigration visas than 10 per cent of the quota for such nationality, except that if such quota is less than 300 the number to be issued in any calendar month shall be prescribed by the Commissioner General, with the approval of the Secretary of Labor, but the total number to be issued during the fiscal year shall not be in excess of the quota for such nationality.

"(g) Nothing in this act shall prevent the issuance (without increasing the total number of immigration visas which may be issued) of an immigration visa to an immigrant as a quota immigrant even though he is a nonquota immigrant.

"NATIONALITY

"SEC. 12. (a) For the purposes of this act nationality shall be determined by country of birth, treating as separate countries the colonies, dependencies, or self-governing dominions, for which separate enumeration was made in the United States census of 1890; except that (1) the nationality of a child under 21 years of age not born in the United States, accompanied by its alien parent not born in the United States, shall be determined by the country of birth of such parent if such parent is entitled to an immigration visa, and the nationality of a child under 21 years of age not born in the United States, accompanied by both alien parents not born in the United States, shall be determined by the country of birth of the father if the father is entitled to an immigration visa; and (2) if a wife is of a different nationality from her alien husband and the entire number of immigration visas which may be issued to quota immigrants of her nationality for the calendar month has already been issued, her nationality may be determined by the country of birth of her husband if she is accompanying him and he is entitled to an immigration visa, unless the total number of immigration visas which may be issued to quota immigrants of the nationality of the husband for the calendar month has already been issued. An immigrant born in the United States who has lost his United States citizenship shall be considered as having been born in the country of which he is a citizen or subject, or if he is not a citizen or subject of any country, then in the country from which he comes.

"(b) The Secretary of State, the Secretary of Commerce, and the Secretary of Labor, jointly, shall, as soon as feasible after the enactment of this act, prepare a statement showing the number of individuals of the various nationalities resident in continental United States as determined by the United States census of 1890, which statement shall be the population basis for the purposes of subdivision (a) of section 11. In the case of a country recognized by the United States, but for which a separate enumeration was not made in the census of 1890, the number of individuals born in such country and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890. In the case of a colony or dependency existing before 1890, but for which a separate enumeration was not made in the census of 1890, and which was not included in the enumeration for the country to which such colony or dependency belonged, or in the case of territory administered under a protectorate, the number of individuals born in such colony, dependency, or territory, and resident in continental United States in 1890, as estimated by such officials jointly, shall be considered for the purposes of subdivision (a) of section 11 as having been determined by the United States census of 1890 to have been born in the country to which such colony or dependency belonged or which administers such protectorate.

"(c) In case of changes in political boundaries in foreign countries occurring subsequent to 1890 and resulting in the creation of new countries, the governments of which are recognized by the United States, or in the establishment of self-governing dominions, or in the transfer of territory from one country to another, such transfer being recognized by the United States, or in the surrender by one country of territory the transfer of which to another country has not been recognized by the United States, or in the administration of territories under mandates, (1) such officials, jointly, shall estimate the number of individuals resident in continental United States in 1890 who were born within the area included in such new countries or self-governing dominions or in such territory so transferred or surrendered or administered under a mandate, and revise (for the purposes of subdivision (a) of section 11) the population basis as to each country involved in such change of political boundary, and (2) if such changes in political

boundaries occur after the determination provided for in subdivision (c) of section 11 has been proclaimed, such officials, jointly, shall revise such determinations, but only so far as necessary to allot the quotas among the countries involved in such change of political boundary. For the purpose of such revision and for the purpose of determining the nationality of an immigrant, (A) aliens born in the area included in any such new country or self-governing dominion shall be considered as having been born in such country or dominion, and aliens born in any territory so transferred shall be considered as having been born in the country to which such territory was transferred, and (B) territory so surrendered or administered under a mandate shall be treated as a separate country. Such treatment of territory administered under a mandate shall not constitute consent by the United States to the proposed mandate where the United States has not consented in a treaty to the administration of the territory by a mandatory power.

"(d) The statements, estimates, and revisions provided in this section shall be made annually, but for any fiscal year for which quotas are in effect as proclaimed under subdivision (e) of section 11 shall be made only (1) for the purpose of determining the nationality of immigrants seeking admission to the United States during such year, or (2) for the purposes of clause (2) of subdivision (c) of this section.

"(e) Such officials shall, jointly, report annually to the President the quota of each nationality under subdivision (a) of section 11, together with the statements, estimates, and revisions provided for in this section. The President shall proclaim and make known the quotas so reported, and thereafter such quotas shall continue, with the same effect as if specifically stated herein, for all fiscal years except those years for which quotas are in effect as proclaimed under subdivision (e) of section 11, and shall be final and conclusive for every purpose.

"EXCLUSION FROM UNITED STATES

"SEC. 13. (a) No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of the immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a nonquota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

"(b) In such classes of cases and under such conditions as may be by regulations prescribed immigrants who have been legally admitted to the United States and who depart therefrom temporarily may be admitted to the United States without being required to obtain an immigration visa.

"(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) if section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

"(d) The Secretary of Labor may admit to the United States any otherwise admissible immigrant not admissible under clause (2) or (3) of subdivision (a) of this section, if satisfied that such inadmissibility was not known to, and could not have been ascertained by the exercise of reasonable diligence by, such immigrant prior to the departure of the vessel from the last port outside the United States and outside foreign contiguous territory, or, in the case of an immigrant coming from foreign contiguous territory, prior to the application of the immigrant for admission.

"(e) No quota immigrant shall be admitted under subdivision (d) if the entire number of immigration visas which may be issued to quota immigrants of the same nationality for the fiscal year has already been issued. If such entire number of immigration visas has not been issued, then the Secretary of State, upon the admission of a quota immigrant under subdivision (d), shall reduce by one the number of immigration visas which may be issued to quota immigrants of the same nationality during the fiscal year in which such immigrant is admitted; but if the Secretary of State finds that it will not be practicable to make such reduction before the end of such fiscal year, then such immigrant shall not be admitted.

"(f) Nothing in this section shall authorize the remission or refunding of a fine, liability to which has accrued under section 16.

"DEPORTATION

"SEC. 14. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under this act or regulations made thereunder, shall be taken into custody and deported in the same manner as provided for in sections 19 and 20 of the immigration act of 1917: *Provided*, That the Secretary of Labor may, under such conditions and restrictions as to support and care as he may deem necessary, permit permanently to remain in the United States, any alien child who, when under 16 years of age was heretofore temporarily admitted to the United States and who is now within the United States and either of whose parents is a citizen of the United States.

"MAINTENANCE OF EXEMPT STATUS

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clause (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time as may be by regulations prescribed, and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clauses (2), (3), (4), or (6) of section 3, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States.

"PENALTY FOR ILLEGAL TRANSPORTATION

"SEC. 16. (a) It shall be unlawful for any person, including any transportation company, or the owner, master, agent, charterer, or consignee of any vessel, to bring to the United States by water from any place outside thereof (other than foreign contiguous territory) (1) any immigrant who does not have an unexpired immigration visa, or (2) any quota immigrant having an immigration visa the visa in which specifies him as a nonquota immigrant.

"(b) If it appears to the satisfaction of the Secretary of Labor that any immigrant has been so brought, such person, or transportation company, or the master, agent, owner, charterer, or consignee of any such vessel, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each immigrant so brought, and in addition a sum equal to that paid by such immigrant for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, such latter sum to be delivered by the collector of customs to the immigrant on whose account assessed. No vessel shall be granted clearance pending the determination of the liability to the payment of such sums, or while such sums remain unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of an amount sufficient to cover such sums, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(c) Such sums shall not be remitted or refunded, unless it appears to the satisfaction of the Secretary of Labor that such person, and the owner, master, agent, charterer, and consignee of the vessel, prior to the departure of the vessel from the last port outside the United States, did not know, and could not have ascertained by the exercise of reasonable diligence, (1) that the individual transported was an immigrant, if the fine was imposed for bringing an immigrant without an unexpired immigration visa, or (2) that the individual transported was a quota immigrant, if the fine was imposed for bringing a quota immigrant the visa in whose immigration visa specified him as being a nonquota immigrant.

"ENTRY FROM FOREIGN CONTIGUOUS TERRITORY

"SEC. 17. The Commissioner General, with the approval of the Secretary of Labor, shall have power to enter into contracts with transportation lines for the entry and inspection of aliens coming to the United States from or through foreign contiguous territory. In prescribing rules and regulations and making contracts for the entry and inspection of aliens applying for admission from or through foreign contiguous territory due care shall be exercised to avoid any discriminatory action in favor of transportation companies transporting to such territory aliens destined to the United States, and all such transportation companies shall be required, as a condition precedent to the inspection or examination under such rules and contracts at the ports of such contiguous territory of aliens brought thereto by them, to submit to and comply with all the requirements of this act which would apply were they bringing such aliens directly to ports of the United States. After this section takes effect no alien applying for admission from or through foreign contiguous territory (except an alien previously lawfully admitted to the United States who is returning from a temporary visit to such territory) shall be permitted to enter the United States unless upon proving that

he was brought to such territory by a transportation company which has submitted to and complied with all the requirements of this act, or that he entered, or has resided in, such territory more than two years prior to the time of his application for admission to the United States.

"UNUSED IMMIGRATION VISAS.

"SEC. 18. If a quota immigrant of any nationality having an immigration visa is excluded from admission to the United States under the immigration laws and deported, or does not apply for admission to the United States before the expiration of the validity of the immigration visa, or if an alien of any nationality having an immigration visa issued to him as a quota immigrant is found not to be a quota immigrant, no additional immigration visa shall be issued in lieu thereof to any other immigrant.

"ALIEN SEAMEN.

"SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman (which inspection in all cases shall include a personal physical examination by the medical examiners), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

"(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

"(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act.

"PREPARATION OF DOCUMENTS.

"SEC. 21. (a) Permits issued under section 10 shall be printed on distinctive safety paper and shall be prepared and issued under regulations prescribed under this act.

"(b) The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

"OFFENSES IN CONNECTION WITH DOCUMENTS.

"SEC. 22. (a) Any person who knowingly (1) forges, counterfeits, alters, or falsely makes any immigration visa or permit, or (2) utters, uses, attempts to use, possesses, obtains, accepts, or receives any immigration visa or permit, knowing it to be forged, counterfeited, altered, or falsely made, or to have been procured by means of any false claim or statement, or to have been otherwise procured by fraud or unlawfully obtained; or who, except under direction of the Secretary of Labor or other proper officer, knowingly (3) possesses any blank permit, (4) engraves, sells, brings into the United States, or has in his control or possession any plate in the likeness of a plate designed for the printing of permits, (5) makes any print, photograph, or impression in the likeness of any immigration visa or permit, or (6) has in his possession a distinctive paper which has been adopted by the Secretary of Labor for the printing of immigration visas or permits, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(b) Any individual who (1) when applying for an immigration visa or permit, or for admission to the United States, personates another, or falsely appears in the name of a deceased individual, or evades or attempts to evade the immigration laws by appearing under an assumed or fictitious name, or (2) sells or otherwise disposes of, or offers to sell or otherwise dispose of, or utters, an immigration visa or permit to any person not authorized by law to receive such document, shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"(c) Whoever knowingly makes under oath any false statement in any application, affidavit, or other document required by the immigration laws or regulations prescribed thereunder shall, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both.

"BURDEN OF PROOF.

"SEC. 23. Whenever any alien attempts to enter the United States the burden of proof shall be upon such alien to establish that he is not subject to exclusion under any provision of the immigration laws; and in any deportation proceeding against any alien the burden of proof shall be upon such alien to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigration visa, if any, or of other documents concerning such entry, in the custody of the Department of Labor.

"RULES AND REGULATIONS.

"SEC. 24. The Commissioner General, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all such rules and regulations, in so far as they relate to the administration of this act by consular officers, shall be prescribed by the Secretary of State on the recommendation of the Secretary of Labor.

"ACT TO BE IN ADDITION TO IMMIGRATION LAWS.

"SEC. 25. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws, and shall be enforced as a part of such laws, and all the penal or other provisions of such laws, not inapplicable, shall apply to and be enforced in connection with the provisions of this act. An alien, although admissible under the provisions of this act, shall not be admitted to the United States if he is excluded by any provision of the immigration laws other than this act, and an alien, although admissible under the provisions of the immigration laws other than this act, shall not be admitted to the United States if he is excluded by any provision of this act.

"STEAMSHIP RULES UNDER 1917 ACT.

"SEC. 26. Section 9 of the immigration act of 1917 is amended to read as follows:

"'SEC. 9. That it shall be unlawful for any person, including any transportation company other than railway lines entering the United States from foreign contiguous territory, or the owner, master, agent, or consignee of any vessel to bring to the United States either from a foreign country or any insular possession of the United States any alien afflicted with idiocy, insanity, imbecility, feeble-mindedness, epilepsy, constitutional psychopathic inferiority, chronic alcoholism, tuberculosis in any form, or a loathsome or dangerous contagious disease, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was afflicted with any of the said diseases or disabilities at the time of foreign embarkation, and that the existence of such disease or disability might have been detected by means of a competent medical examination at such time, such person or transportation company, or the master, agent, owner, or consignee of any such vessel shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival for each and every violation of the provisions of this section, such latter sum to be delivered by the collector of customs to the alien on whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien afflicted with any mental defect other than those above specifically named, or physical defect of a nature which may affect his ability to earn a living, as contemplated in sec-

tion 3 of this act, and if it shall appear to the satisfaction of the Secretary of Labor that any alien so brought to the United States was so afflicted at the time of foreign embarkation, and that the existence of such mental or physical defect might have been detected by means of a competent medical examination at such time, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $250, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien for whose account assessed. It shall also be unlawful for any such person to bring to any port of the United States any alien who is excluded by the provisions of section 3 of this act because unable to read, or who is excluded by the terms of section 3 of this act as a native of that portion of the continent of Asia and the islands adjacent thereto described in said section, and if it shall appear to the satisfaction of the Secretary of Labor that these disabilities might have been detected by the exercise of reasonable precaution prior to the departure of such aliens from a foreign port, such person shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000, and in addition a sum equal to that paid by such alien for his transportation from the initial point of departure, indicated in his ticket, to the port of arrival, for each and every violation of this provision, such latter sum to be delivered by the collector of customs to the alien on whose account assessed.

"'If a fine is imposed under this section for the bringing of an alien to the United States, and if such alien is accompanied by another alien who is excluded from admission by the last proviso of section 18 of this act, the person liable for such fine shall pay to the collector of customs, in addition to such fine but as a part thereof, a sum equal to that paid by such accompanying alien for his transportation from his initial point of departure indicated in his ticket, to the point of arrival, such sum to be delivered by the colector of customs to the accompanying alien when deported. And no vessel shall be granted clearance papers pending the determination of the question of the liability to the payment of such fines, or while the fines remain unpaid, nor shall such fines be remitted or refunded: *Provided*, That clearance may be granted prior to the determination of such questions upon the deposit of a sum sufficient to cover such fines or of a bond with sufficient surety to secure the payment thereof, approved by the collector of customs: *Provided further*, That nothing contained in this section shall be construed to subject transportation companies to a fine for bringing to ports of the United States aliens who are by any of the provisos or exceptions to section 3 of this act exempted from the excluding provisions of said section.'

"SEC. 27. Section 10 of the immigration act of 1917 is amended to read as follows:

"'SEC. 10. (a) That it shall be the duty of every person, including owners, masters, officers, and agents of vessels of transportation lines, or international bridges or toll roads, other than railway lines which may enter into a contract as provided in section 23, bringing an alien to, or providing a means for an alien to come to, the United States, to prevent the landing of such alien in the United States at any time or place other than as designated by the immigration officers. Any such person, owner, master, officer, or agent who fails to comply with the foregoing requirements shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine in each case of not less than $200 nor more than $1,000, or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment; or, if in the opinion of the Secretary of Labor it is impracticable or inconvenient to prosecute the person, owner, master, officer, or agent of any such vessel, such person, owner, master, officer, or agent shall be liable to a penalty of $1,000, which shall be a lien upon the vessel whose owner, master, officer, or agent violates the provisions of this section, and such vessel shall be libeled therefor in the appropriate United States court.

"'(b) Proof that the alien failed to present himself at the time and place designated by the immigration officers shall be prima facie evidence that such alien has landed in the United States at a time or place other than as designated by the immigration officers.'

"GENERAL DEFINITIONS

"SEC. 28. As used in this act—

"(a) The term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Porto Rico, and the Virgin Islands; and the term 'continental United States' means the States and the District of Columbia;

"(b) The term 'alien' includes any individual not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed, nor citizens of the islands under the jurisdiction of the United States;

"(c) The term 'ineligible to citizenship,' when used in reference to any individual, includes an individual who is debarred from becoming a citizen of the United States under section 2169 of the Revised Statutes, or under section 14 of the act entitled 'An act to execute certain treaty stipulations relating to Chinese,' approved May 6, 1882, or under section 1996, 1997, or 1998 of the Revised Statutes, as amended, or under section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, or under law amendatory of, supplementary to, or in substitution for, any of such sections;

"(d) The term 'immigration visa' means an immigration visa issued by a consular officer under the provisions of this act;

"(e) The term 'consular officer' means any consular or diplomatic officer of the United States designated, under regulations prescribed under this act, for the purpose of issuing immigration visas under this act. In case of the Canal Zone and the insular possessions of the United States the term 'consular officer' (except as used in section 24) means an officer designated by the President, or by his authority, for the purpose of issuing immigration visas under this act;

"(f) The term 'immigration act of 1917' means the act of February 5, 1917, entitled 'An act to regulate the immigration of aliens to, and the residence of aliens in, the United States';

"(g) The term 'immigration laws' includes such act, this act, and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens;

"(h) The term 'person' includes individuals, partnerships, corporations, and associations;

"(i) The term 'commissioner general' means the Commissioner General of Immigration;

"(j) The term 'application for admission' has reference to the application for admission to the United States and not to the application for the issuance of the immigration visa;

"(k) The term 'permit' means a permit issued under section 10;

"(l) The term 'unmarried,' when used in reference to any individual as of any time, means an individual who at such time is not married, whether or not previously married;

"(m) The terms 'child,' 'father,' and 'mother' do not include a child or parent by adoption unless the adoption took place before January 1, 1924;

"(n) The term 'wife' and 'husband' do not include a wife or husband by reason of a proxy or picture marriage.

"AUTHORIZATION OF APPROPRIATION

"SEC. 29. The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized.

"ACT OF MAY 19, 1921

"SEC. 30. The act entitled 'An act to limit the immigration of aliens into the United States,' approved May 19, 1921, as amended and extended, shall, notwithstanding its expiration on June 30, 1924, remain in force thereafter for the imposition, collection, and enforcement of all penalties that may have accrued thereunder, and any alien who prior to July 1, 1924, may have entered the United States in violation of such act or regulations made thereunder may be deported in the same manner as if such act had not expired.

"TIME OF TAKING EFFECT

"SEC 31. (a) Sections 2, 8, 13, 14, 15, and 16, and subdivision (f) of section 11 shall take effect on July 1, 1924, except that immigration visas and permits may be issued prior to that date, which shall not be valid for admission to the United States before July 1, 1924. In the case of quota immigrants of any nationality, the number of immigration visas to be issued prior to July 1, 1924, shall not be in excess of 10 per cent of the quota for such nationality, and the number of immigration visas so issued shall be deducted from the number which may be issued during the month of July, 1924. In the case of immigration visas issued before July 1, 1924, the four-month period referred to in subdivision (c) of section 2 shall begin to run on July 1, 1924, instead of at the time of the issuance of the immigration visa.

"(b) The remainder of this act shall take effect upon its enactment.

"(c) If any alien arrives in the United States before July 1, 1924, his right to admission shall be determined without regard to the provisions of this act, except section 23.

"SAVING CLAUSE IN EVENT OF UNCONSTITUTIONALITY

"SEC. 32. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

DAVID A. REED,
HENRY W. KEYES,
WM. J. HARRIS,
Managers on the part of the Senate.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
JOHN E. RAKER,
Managers on the part of the House.

STATEMENT

The managers on the part of the House at the second conference on the disagreeing votes on the Senate amendment to H. R. 7995, a bill to limit the immigration of aliens into the United States, submit the following written statement, explaining matters agreed upon by the conference committee and recommended in the text of the conference report. Section 13 has been amended in accordance with the instructions of the House.

The managers on the part of the Senate accepted the nonquota feature of the House bill but reduced these by striking out the skilled labor nonquota classification, by changing the contiguous territory clause so that it applies only to those born in such territory, and by limiting the "relative" clause to wives and children of American citizens.

Fathers and mothers are given a preferential right within quotas, together with bona fide farmers, their wives and small children, up to 50 per cent of all quotas which are more than 300.

The minimum age for students is made 15 years, and safeguards are provided for the maintenance of the status as students at accredited and designated schools.

The definition of an "immigrant" is reduced from the Senate proposal to the original House provision.

The House conferees accepted words by which "immigration certificates" are designated as "immigration visas."

The plan in the Senate amendment for determination of quotas by national origins, was accepted by the House managers after it had been rewritten and perfected.

The quota plan of the House—2 per cent based on the 1890 census (with a minimum quota of 100)—stands for three years, after which the following quota plan goes into effect:

(b) The annual quota of any nationality for the fiscal year beginning July 1, 1927, and for each fiscal year thereafter, shall be a number which bears the same ratio to 150,000 as the number of inhabitants in continental United States in 1920 having that national origin (ascertained as hereinafter provided in this section) bears to the number of inhabitants in continental United States in 1920, but the minimum quota of any nationality shall be 100.

Provisions for working out this plan are carried in paragraphs (c), (d), and (e) of section 11, including a provision for putting this plan into operation by proclamation of the President, under certain conditons.

The effect of section 11, broadly speaking, is that for three years the quota shall be based on a percentage of the foreign born in the United States in 1890, and thereafter the quota percentage shall be based upon the whole white population of the United States, with due regard for the national origin of that population.

The charge for visaing and registering the certificate and passport of an immigrant has been reduced from $11 to $10 to make it conform to other passport fees.

The fee for a permit for an outgoing alien who expects to return is reduced from $6 to $3.

A new paragraph is added to section 21 (p. 34) as follows:

The Public Printer is authorized to print for sale to the public by the Superintendent of Public Documents, upon prepayment, additional copies of blank forms of manifests and crew lists to be prescribed by the Secretary of Labor pursuant to the provisions of sections 12, 13, 14, and 36 of the immigration act of 1917.

The alien seamen's provisions of the House bill are reduced somewhat, and the "landing card" provisions are eliminated.

Paragraph (c) of section 13, page 23 (the exclusion section), reads as follows:

(c) No alien ineligible to citizenship shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (e) of section 4, or (2) is the wife, or the unmarried child under 18 years of age, of an immigrant admissible under such subdivision (d), and is accompanying or following to join him, or (3) is not an immigrant as defined in section 3.

This paragraph becomes effective July 1, 1924, under the provisions of section 31.

This is the text of the original House bill, and in accord with the instructions of the House to its conferees.

ALBERT JOHNSON,
WILLIAM N. VAILE,
BIRD J. VINCENT,
JOHN E. RAKER,
Managers on the part of the House.

Mr. JOHNSON of Washington. Mr. Speaker, after a reasonable time for debate on some of the disputed items of the immigration bill, I shall move to concur in the conference report, which represents some yielding on the part of both Senate and House, with the result that the restriction bill is more restrictive than when it went from the House.

The immigration bill, if enacted into law, will go into effect July 1. I regret that we could not agree upon a plan by which the sections affecting Japanese immigration might have been deferred a few months, inasmuch as the number of Japanese who could have come in as immigrants would have been but 10 per month. The proposal did not contemplate the making of an immigration treaty, nor did it pave the way for another agreement. I wish that I could make that clear.

Members of Congress, of course, know that the original proposition which reached the Senate and House conferees, that the so-called exclusion clause be deferred some 20 months, with a proviso that if a treaty could be negotiated the exclusion clause should not go into effect, was never at any time before either House or Senate. It was offered for recognized and necessary diplomatic reasons. It was rejected by the conferees. That ended it.

The next proposal, that the exclusion clause be deferred until March 1, 1925—eight months—during which time the President might negotiate for the end of the agreement, was rejected by the House. I believe that the mere matter of date made no difference, and the Democratic leader, the gentleman from Tennessee [Mr. GARRETT], agrees with me on that. But it was the fear that the House might by its act be opening the way for another long line of misunderstanding as to treaties and agreements, and to a degree forfeiting its right to participate in the handling of the immigration question, that led to the failure of that proposal.

All agree that we can not settle the Japanese problem by letting Japan write or defer the writing of our immigration laws.

Mr. Speaker, we have had immigration troubles with both China and Japan. Our troubles with China, beginning with our first treaty, extended for 50 years, and resulted in six treaties, two of which were broken by this country, and two or three of which were abrogated by China. Those troubles resulted in two presidential vetoes; resulted in the establishment of two commissions by Congress to investigate matters; resulted in numerous massacres and in the authorization by Congress of payments of two large sums to China for assaults upon their people here. In all, 10 acts of Congress in reference to Chinese exclusion were passed, prior to the final Chinese exclusion act, a section of which recognizes and revives a part of an immigration treaty of 1880. In the opinion of your committee the clauses of the bill now before you correct that situation, which relates to students.

Then, Mr. Speaker, we have had 17 years of misunderstanding with Japan under the gentlemen's agreement. In view of all this, I think one may readily predict that neither the present Senate nor any future Senate will ever ratify a treaty relating wholly to immigration. It is safe to assume that the public will never countenance another gentlemen's agreement with any nation in the world.

In this connection I ask unanimous consent to extend my remarks in the RECORD at a later date by inserting a résumé of the laws, treaties, and agreements relating solely to immigration with countries of the Far East.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker, the vote of the other day was not an assault upon JAPAN. It certainly was not

a reflection on the President of the United States, Mr. Coolidge, and I am sure that Congress does not desire to criticize the Secretary of State, Mr. Hughes, for his efforts to handle in the most diplomatic way the ever-increasing problems of the Far East.

Japan must be consoled with the fact that we are treating that nation much better than China was treated. We broke treaty after treaty with China, particularly through the Scott law of 1888 and the Geary law of 1902. Senator Dawes of Massachusetts said of the Scott act (Fiftieth Congress):

> The law was a rank and unblushing repudiation of every treaty obligation—a violation such as the United States would not dare to commit toward any warlike nation of Europe.

But, as I said the other day, this immigration bill is drawn with due regard to all of the treaties of the United States with the nations of the world. The only thing that has been in the way has been the gentlemen's agreement. Under this bill it is ended July 1. Several thousand Japanese will enter the United States before that date. Your conferees did not accept the proposal of the Senate that the exclusion clause should be effective on enactment of the law. That would have left these incoming Japanese helpless on the high seas.

Some Japanese statesmen are alarmed as to the future of the Japanese now here and in Hawaii. They need not be. The United States has progressed a long way since it massacred the Chinese at Rock Springs and stoned them elsewhere. Many Japanese are here, and they become simply a part of the many complex problems that the United States has brought upon itself through its carelessness and laxity with regard to immigration, both from Europe and Asia.

Many nations have protested against this particular bill, and others will protest, but we propose to greatly restrict immigration from all nevertheless. We recognize Japan as one of the great powers. I presume that Japan will go on with her desire and her effort to extend her zone of influence in the Orient. I am sure that Japan will realize our necessity for this legislation.

Mr. WEFALD. Will the gentleman yield?

Mr. JOHNSON of Washington. I am sorry, but I can not. I assume the United States will go on with its well-defined policies in the Far East—pacific and helpful policies. I am sure that trade and commerce will go on as before.

Mr. Speaker, we respect all nations, but we propose to control immigration to the United States. We propose to restrict immigration; we propose to exclude, and we propose further to deport all of those aliens who defy our laws or who endanger our Government. [Applause.]

All of these things are demanded by a majority, I think, in every congressional district except a dozen or two.

President Coolidge has spoken publicly in favor of restriction and in favor of exclusion. I think that is well understood. The recent proposal of the President, as presented by me to this House a week ago, did not propose to compromise the sovereignty of this Nation.

No nation can compromise its sovereignty. His proposal did give a slight extension of time for the ending of an agreement that many believe has arisen almost to the dignity of a treaty. It is, of course, not a treaty. A slight extension may have been—would have been—a better plan. But that incident has passed. It should not jeopardize this important bill here or elsewhere. I firmly believe now that it will not. [Applause.]

Mr. Speaker, a short time ago I had the privilege of addressing the Daughters of the American Revolution assembled in annual congress in Washington. I said then that it had been the pride of our country that on great national issues the Congress of the United States always has abandoned party lines and risen to patriotic heights. I believe that Congress will always do so. I believe that this moment is one of the great occasions that demands that Congress rise far above party. In fact, party divisions have never occurred with respect to immigration legislation. I believe your votes today, gentlemen of the House, will have greater effect and do more for the welfare of the United States now, 50 years from now, and for all time, than any of us can now see or any legislation we may conceive. Gentlemen, I thank you. [Applause.] I reserve the remainder of my time.

The SPEAKER. To whom does the gentleman yield?

Mr. JOHNSON of Washington. I yield 15 minutes to the gentleman from Illinois [Mr. SABATH].

The SPEAKER. The gentleman from Illinois is recognized for 15 minutes. The gentleman from Washington has used seven minutes.

Mr. SABATH. Mr. Speaker and gentlemen, when the time comes, which will be within one hour, I shall move to recommit the conference report with the following instruction: To strike out the national-origin scheme that has been voted down by the House and inserted by the conferees. I shall also in my motion move that we include as the nonquota immigrants the parents of American citizens over 55 years of age, the wives and children of declarants who have resided here over two years, and also the wives and children under 18 years of age of ex-service men. I will also include in that motion a proviso to strike out the alien-seamen provision and insert in lieu thereof two new sections which have the approval of all those whose sympathies are with the seamen of America and the world.

Mr. Speaker and gentlemen, many of you remember what occurred in 1921, immediately after the first quota bill was passed. Within six months thereafter numerous civic, patriotic, and communal organizations in our country appealed to Congress to amend the inhumane, barbarous, and harsh provisions contained in the bill. Within one year two resolutions had to be passed to eliminate those inhumane provisions which caused tremendous hardship to the unfortunate immigrants who were otherwise qualified in every way for admission.

Mr. Speaker and gentlemen, I am satisfied that this bill will create, if enacted, more hardships than the act of 1921 or the act of 1922 which we were obliged by the force of public opinion to amend twice within one year. I agree with the gentleman from Washington [Mr. JOHNSON] that we should restrict. I have always stood ready and willing, same as he, to deport every alien who defied our Government or deliberately violated our laws.

There is no contest on that proposition. As I stated before, I have repeatedly voted to include in the immigration laws some of the most stringent provisions as to deportation and regulation.

I approve of many of the provisions in the present law. I helped to draft them in the 1917 act, and I approve of every provision that will properly safeguard the interests of our common country. I concede that we have the absolute right and the power to legislate and to pass any restrictive measure, it matters not how harsh or discriminatory it may be. The gentleman from Washington [Mr. JOHNSON] also lays great stress that we should not permit any foreign nation to dictate to us, and I would be the last man who would be willing to yield to any foreign nation the control of our immigration policy, but notwithstanding his oft-repeated statements and proclamations and that of some of his colleagues, I can not refrain from saying that their statements in view of what is transpiring as to the controlling of our policy by other nations must be qualified and in the future they should say, "We resent interference on the part of any other nation except Great Britain." Mr. Speaker, it seems to me that we not only permit Great Britain to dictate our immigration policy, but I regret exceedingly that she has been dictating our foreign policy, our naval policy, our merchant-marine policy, and only a few days ago she made representations as to our inland-waterways policy.

I must return to my explanation of the motion to recommit. Anyone who studies this bill must come to the incontestible conclusion that we are being dictated to by Great Britain in this legislation. For weeks on the floor of this House you have been made to believe that this is only a Japanese proposition. Why, gentlemen, half a dozen European nations have made representations and objected to some of the clearly discriminatory provisions of this bill, and I have not seen or heard where the President or anyone here paid considerable attention to those objections. But though we may not pay any attention to the objection of any foreign nation, should we not pay some heed before we deliberately insult over thirty million American citizens who are declared by this bill of being of inferior stock and origin?

Let me say right here I do not wish that we should do anything which might bring about unfriendly relations with any nation.

But why does not Congress and the President take into consideration European countries outside of Great Britain?

Now, when this bill was recently on the floor the gentleman from Washington [Mr. JOHNSON], as well as all the other proponents of this legislation, stated to you that in view of the liberal exemption in the nonquota provision, the 1890 per cent basis, which I designated as discriminatory, would be adjusted, and that the newer immigration will derive a certain benefit out of the nonquota provision. At that time the husbands and the wives and the fathers and the mothers and children of American citizens were exempt from the quota provision.

Now, what did the conferees of the House do? Did they stand by the House bill? No. The first chance that they had they yielded to the Senate and eliminated the provision that

exempted the fathers and parents and husbands of American citizens.

Mr. WATKINS. Mr. Speaker, will the gentleman yield there?

Mr. SABATH. Yes; I yield to the gentleman.

Mr. WATKINS. In section 6, did they not give the preference in the nonquota to children and wives?

Mr. SABATH. I know what that will amount to. It will amount to absolutely nothing. And right here I want to say that the gentleman from Oregon himself, the gentleman from Washington [Mr. JOHNSON], and every other gentleman who introduced an immigration bill had a clause in his bill exempting from the quota the wives and children of ex-service men and of those who declared their intention to become American citizens.

Some of you, gentlemen, are laboring under the impression, I take it, that because of the exemption in the nonquota conditions will be equalized. When you take into consideration the provision of the so-called Reed scheme, the national-origin scheme, and figure it out according to the best tables which have been furnished, you will find the following results:

	Present law	2 per cent, 1890	Origin scheme
Belgium	1,563	509	260
Czechoslovakia	14,357	1,873	1,320
Denmark	5,619	2,782	1,092
France	5,729	3,578	2,768
Norway	12,205	6,453	2,433
Poland	30,979	8,872	4,509
Rumania	7,419	631	386
Spain	912	124	141
Sweden	20,042	9,561	3,707
Yugoslavia	6,426	735	602
Germany	67,607	50,129	22,018
Great Britain	77,342	62,458	91,111
Russia	24,405	1,792	4,002
Austria	7,342	990	1,840
Italy	42,057	3,889	5,878

You will note that the quota of Great Britain will be increased to 91,000, not taking into consideration the large number that may come in through and from Canada. I maintain that it is manifestly unfair, unjust, and discriminatory. I am of the opinion that within a short space of time when this bill goes into effect, you gentlemen will agree with me in the views I am expressing here. You will eventually reach the same conclusion that I am justified in my deductions, as I was right in 1921 and in 1922, something which many of you now concede.

Now, as to the wives and children of the ex-service men and the wives and children and parents of American citizens, the American Federation of Labor has recommended that we should exempt the wives and children and parents from the quota. You gentlemen who always maintain that the American Federation of Labor recommends fair legislation and say you are willing to follow it, should in all fairness follow it now. I know I have been willing, and I am now.

Mr. Quinn, the head of the American Legion, and his aid, who appeared before the committee, recommended and advocated that we should exempt the wives and children of ex-service men and that we should permit them to come outside of the quota. Notwithstanding their recommendation, and knowing how the membership has been led astray by false statements, false statistics, and false reports, I presume you are going to ignore the recommendation of that great champion of labor, Samuel Gompers, and his organization, as well as the recommendation and appeal that has been made to you by Mr. Quinn, of the American Legion. You have the votes and you can do it, but before I conclude, gentlemen, I appeal to you, to your sense of reason and conscience. You will not endanger the bill by sending it back and asking that the conferees embody these exemptions. It will not increase the number of arrivals to any very large extent. I do not think the number of wives, children, and fathers and mothers will number, in the first year, more than 15,000 or 20,000, and gradually the number will be reduced, especially in view of the fact that you have cut down the immigration to such small numbers, 160,000. I therefore feel that 10,000 mothers and fathers of American citizens and the wives and children of ex-service men will do no harm to our institutions. I am of the opinion and firmly believe that humanity and justice demand that this bill be sent back and that the conferees be instructed to embody in the bill the provision which the bill originally contained when it left the House.

Now, there is also the additional motion as to the alien-seamen provision. Sections 19 and 20, as amended in the bill, will, to my mind, nullify section 4 of the La Follette Seamen's Act. For those reasons I believe, gentlemen, if you desire to be fair and just, though you believe in restricted immigration, that you should send this bill back with the instructions I have indicated, as otherwise the seamen's rights will be restricted and subject them to the absolute control of the masters of vessels.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Minnesota [Mr. WEFALD].

The SPEAKER. The gentleman from Minnesota is recognized for three minutes.

Mr. WEFALD. Mr. Speaker, I can say that I do not like to take the floor at this time, because I was one of those who whole-heartedly supported the immigration bill at the time it was before the House, and I fully realize the position that the chairman of the committee is in to-day. But I can not let this occasion go by without entering my protest. I can not support this bill in its present form, and I am going to vote for the motion made by the gentleman from Illinois [Mr. SABATH] to recommit.

To my mind, the heart of the immigration bill was the 1890 census, 2 per cent of the 1890 census, which we adopted as the quota basis. I agreed with the gentleman from Washington [Mr. JOHNSON] in his opening statement, when he said that, in making this immigration bill, we proposed to restrict immigration from all countries. If that had been carried out, I think no man in this House to-day would raise his voice against the bill at this time; but I find that is not the case.

As the bill will stand, under the national-origin scheme, which will go into effect on July 1, 1927, I find that two-thirds of all the immigrants coming into this country will come to us from Great Britain and Ireland. Under the present law Great Britain and Ireland could send to this country 77,342 immigrants. As the bill stood when it left the House they would be able to send 62,458, but when the national-origin scheme goes into effect in 1927 they will be able to send to this country 91,111 immigrants out of a total quota of 150,000. Now, I say it is not fair. I say it was breaking faith with us when the conference committee agreed to this most insidious scheme which the Senate conferees had written into the bill.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. WEFALD. Mr. Speaker, I ask unanimous consent to extend and revise my remarks in the RECORD.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WEFALD. Mr. Speaker, this bill is little short of a farce as it now stands. Section 6, dealing with preferences within quotas, says that, among others, preferences shall be given to quota immigrants who are skilled in agriculture; and then the bill goes right ahead and cuts off immigration from those countries where agricultural laborers could come from. I submit the table that has been used all through this discussion showing quotas as they are under the present law, as the bill that we passed in the House on April 12 left them, and as they will be if the conference report is adopted and the bill as it now stands will become a law:

Quotas

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 100,000 limit proviso
Albania	288	100	100
Armenia	230	100	100
Austria	7,342	990	1,840
Belgium	1,563	509	200
Bulgaria	302	100	100
Czechoslovakia	14,357	1,873	1,320
Danzig	201	223	100
Denmark	5,619	2,783	1,092
Esthonia	1,348	102	221
Finland	3,921	145	408
Fiume	71	100	100
France	5,729	3,578	2,783
Germany	67,607	50,129	22,018
Great Britain and Ireland	77,342	62,458	91,111
Greece	3,063	100	536
Hungary	5,747	473	1,392
Iceland	75	100	100
Italy	42,057	3,889	5,878
Latvia	1,540	117	283
Lithuania	2,622	388	444
Luxemburg	57	100	100
Netherlands	3,832	1,637	2,649
Norway	12,205	6,453	2,433

Quotas—Continued

Nationality or country	Present law	2 per cent of 1890 with minimum of 100	National origins under the 150,000 limit proviso
Poland	30,979	8,872	4,509
Portugal	2,465	474	275
Rumania	7,419	631	386
Russia	24,405	1,792	4,002
Spain	912	124	141
Sweden	20,042	9,561	3,707
Switzerland	3,752	2,081	781
Yugoslavia	6,426	735	602
Other Europe	86	126	100
Palestine	57	100	100
Syria	882	100	162
Turkey	2,654	100	119
Other Asia	92	100	100
Africa	104	100	100
Egypt	18	100	100
Atlantic Islands	121	100	134
Australia	279	120	100
New Zealand	80	100	100
Total	357,801	161,990	150,903

I submit a table setting out in detail the nationalities whose quotas will be increased under the conference bill and the increase to each individual nationality:

Increase of quotas

Nationality	Johnson bill, 2 per cent 1890 census	Conference bill	Increase over Johnson bill
Austria	900	1,840	940
Finland	145	498	353
Greece	100	536	436
Hungary	488	1,259	771
Italy	3,889	5,878	1,989
Latvia	117	253	136
Lithuania	302	444	142
Netherlands	1,637	2,669	1,032
Russia	1,792	4,002	2,210
Spain	124	141	17
Syria	100	162	62
Turkey	100	119	19
Atlantic Islands	100	134	34
Esthonia	102	221	119
Total increase for these countries			8,270
Great Britain and Ireland	62,458	91,111	28,653
Total increase			36,923

I also submit a table showing nationalities whose quotas will be decreased under the conference bill:

Nationality	Johnson bill, 2 per cent 1890 census	Conference bill	Decrease under conference bill
Belgium	509	260	249
Czechoslovakia	1,873	1,320	553
Denmark	2,782	1,092	1,690
France	3,878	2,763	1,115
Germany	50,129	22,018	28,111
Norway	6,453	2,433	4,020
Poland	8,872	4,509	4,363
Portugal	474	275	199
Rumania	631	386	245
Sweden	9,561	3,707	5,854
Yugoslavia	735	602	133
Australia	120	100	20
Switzerland	2,081	781	1,300
Total decrease			47,852

Among the nationalities whose quotas will be increased, only Finland, Latvia, Lithuania, and The Netherlands would send us any agricultural workers, and the increase for these countries in the conference bill over the Johnson bill will only be 1,263.

The immigration from Great Britain and Ireland will bring only a very small percentage of agriculturally trained persons or persons who would be apt to take up agricultural pursuits.

Most of the countries whose quotas are cut down by the conference bill would send a great percentage of agricultural workers. Denmark, Germany, Norway, Sweden, and Switzerland have in the past sent us a preponderating percentage of farmers; yet the quotas from these countries have been reduced 40,975.

I shall proceed to prove the truth of these statements by the census records for the year 1920.

According to this census relating to foreign-born white farmers and farm acreage and value owned and operated by them, I find the following to be the fact: That farmers born in the following countries owned and operated farms to the values as follows:

England	$384,492,414
Scotland	162,473,851
Wales	37,675,623
Ireland	308,442,116
Total for Great Britain and Ireland	893,084,004
Norway	878,081,731
Sweden	978,605,102
Denmark	547,475,863
Switzerland	225,299,776
Germany	2,520,600,623

These figures will show clearly what nationalities have sent us our farmers. Norway has sent us farmers that own within $15,002,273 in farm values of what those born in England, Scotland, Wales, and Ireland own, and those born in Sweden own farm values to the extent of $85,521,098 more than those who come from Great Britain and Ireland during the same period. Yet the immigration quota from Great Britain and Ireland is increased under this bill by 28,653 and that of Norway cut down 4,020 and that of Sweden 5,854.

Farmers born in Germany own and operate farm values to the amount of about three times that of all those born in Great Britain and Ireland, yet the German quota is decreased 28,111 and that of Great Britain and Ireland increased 28,653.

I bring out these facts not because I have any but the highest regard for the people of the British Isles, nor am I actuated by any racial feelings; but the conference bill has cut the Johnson bill all to pieces for the purpose of improving it, to keep out immigrants that would drift into the cities and turn the tide of immigration onto the farm. In fact, the preference for farmer immigrants is so pronounced that one-half of our whole immigration is expected to go onto the farm.

The House managers have surrendered all along the line. They have either been weak kneed or they were not sincere when the Johnson bill was debated and passed in the House.

Every imaginable scheme for a quota basis was proposed during the discussions in the House. Two per cent of 1890, 2 per cent of 1910, 2 per cent of 1920 census, as well as 2 per cent of an average of the 1890, 1900, 1910, and 1920 censuses were proposed and all voted down except what became the heart of the Johnson bill, 2 per cent of the 1890 census. All through the debate the demand resounded that we would go back to the census that gave us the best immigration, the immigration that went onto the farm, the immigration that built our empire.

After having fought off all assaults on the 2 per cent of 1890 quota basis of the Johnson bill in the House, why did the House managers surrender and accept 1 per cent of the 1920 census as a quota basis after July 1, 1927?

What protection will there be in this immigration bill for labor?

The quota from countries with mostly nonagricultural immigration has been increased by 36,923, while the quotas from countries that would send mostly agricultural immigrants has been reduced by 47,852. This will result in the conference bill under its July 1, 1927, provision throwing about 40,000 more immigrants into our cities to compete with labor than would the Johnson bill with its 2 per cent of the 1890 census quota basis.

The Steel Trust barons, the meat packers, the mine owners, and those that act for them and speak for them will hail this bill as a good law.

Perhaps also Anglo-Saxon jingoes will hail it as a piece of patriotic legislation, but labor will find out that it is the most cunningly worked-out scheme to make it swallow a bitter dose of medicine and make it think it likes it. I supported the Johnson bill in many provisions that many men thought were too drastic. I was satisfied to have every immigrant prove that he was a good, moral person and fit to take up the duties of citizenship before we let him in. I stood for the drastic provisions in regard to deportations. But I can not sit idly by and see this nefarious scheme of big business slipped over on the people.

The seamen's provisions in this bill are so rank that they are beyond comprehension, but I shall not discuss that now. Under this bill we nearly shut out those who have proven that they make the best citizens, those with the highest percentage of literacy and the lowest percentage of crime, the strongest, the most capable, the purest Nordics.

We leave provisions in this bill that will rend families asunder, yet we take high moral ground when we do so.

The crux of the whole thing is that we give the barons of industry 40,000 more cheap laborers than the Johnson bill would have given them. It was time wasted to discuss the immigration bill in the House when it was finally written in conference and ratified without debate.

Mr. JOHNSON of Washington. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. DICKSTEIN].

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. DICKSTEIN. Mr. Speaker and Members of the House, I was in great hopes that when this conferees' report came before the House last Friday some effort would be made by my good friends from California to restore in the bill the provision pertaining to the nonquota proposition, consisting of fathers and mothers, but it seems to me much politics has been played before the conference committee, and it was a question of bargain; it was a question of giving up everything that this House stood for when this bill came before the House for deliberation. They voted out almost everything which made the bill humane, because they were promised that if they would take out the nonquota provision for the fathers and mothers and insert in the conference report the new origin scheme after July 1, 1927, the managers of the conference would support the Japanese question, and because California wanted to be satisfied as to the removal of the Japs they agreed to the conferees' demand, which now practically destroys the whole bill and the whole of the legislation.

Now, some of you might sneer and some of you might laugh, but I tell you, my friends, that some day you will be called upon to account for your action to-day, when you go to an American citizen who has been in this country for many years and tell that American citizen that, although he has not seen his mother for 15 years, she does not come within the nonquota class because the exemption which would unite families has been removed by the legislators of the American Congress, the greatest Congress of the world, who have written into the law a provision which makes it impossible for him to bring in his mother. Now, gentlemen, that poor woman might be all alone in the world; that poor woman might be friendless over in Europe, and the only child she might have is her boy, a loyal citizen of the United States, who seeks to bring her into this country. Yet by this legislation you are going to tell that citizen, "Your mother will have to stay over there until some time, somewhere, and in some way the quota might be opened to bring in your mother." Gentlemen, if you call that humane legislation, then I do not know what humane legislation is; and I think you ought to think it over again, from the standpoint of the very argument you have made on the floor of this House that the sentiment of the Government is to legislate for the American people; and I say to you that you are not legislating for the American people nor expressing the sentiment of your constituency nor the sentiment of the Government when you attempt to keep away the parents from the child, whose aim and ambition is to bring to this country of ours, where they can be protected in their last stages of life.

Mr. WATKINS. Will the gentleman yield?

Mr. DICKSTEIN. No; my time is limited. Gentlemen, I am not arguing with you if you want to restrict immigration. The majority of the people rule and the majority of this House has expressed its sentiment that there should be restricted immigration, and was evidenced when this bill left the House and went to conference; not that I agreed with the policy or with the manner in which you are attempting to restrict immigration or the attempt to fix quotas, but when you attempt to play around with the nonquota, which would simply unite the families which have been here for many years, the families of citizens who have been loyal, who have been faithful, who have been honorable, and who are a credit to the United States, when you tell them that they can not have their fathers and mothers come into this country, I do not think, gentlemen, you are passing proper legislation, which would meet with the general favor of the American people amongst your own constituents.

I know my friend from Oregon [Mr. WATKINS] might tell me that they are getting a preference. Well, gentlemen, that preference is nothing but camouflage, because if you will study the proposed conference report you will find it simply gives you 50 per cent of the quota allotted to the country based upon the 1890 census, so that if a nation has 1,000 of a quota she can allot 500 of that number to the preference class, and the agriculturists, their wives, and their minor children can consume that 50 per cent. Now, who is going to be the judge of the preference?

Palestine under the present law gets 57. Under the 2 per cent of 1890 census she gets only a minimum of 100. Under the origin scheme she gets 100. Only 50 would be entitled to be placed in the preference class beginning with the new July 1 quota. The consul may visé 50 agriculturists under this preference, which would practically and completely deprive a citizen who may have his father and mother, or both, in Palestine to come to join him in this country. It would discriminate against him by bringing in his own people, and this argument applies not only to Palestine but to almost every other nation except Great Britain and Germany, because their quotas are so large that there may be good chances for preferences to be recognized and allowed. Is it fair to say that preferences may be given to one part of Europe more than to another? Is it fair to say that because the father and mother of a citizen live in one part of Europe they can more easily join their children; or is it fair to say that because they happen to live in another part of Europe whose quota is almost nought, that they must be discriminated against because that particular country has so small a quota that only a handful can come in? It does not require much argument to understand the situation, and surely no argument can be presented against the statements I make, because these are facts, not inferences that I make.

We were confronted with them at the beginning of the new immigration law, which is to be a permanent policy of the United States, with no powers vested in any commission to relieve the hardships that we are confronted with at this stage of the enactment of the permanent policy of the Government.

Until this time I have not yet heard any explanation by the members of the conference or the managers as to why the origin scheme was incorporated in the conference report and have not yet heard the reason why the father and mother was removed from the nonquota class. Is it a secret? Is it something that no one is entitled to know? Are not we entitled to know something about this legislation? Is this a star-chamber proceeding and should not the committee constituting the conferees of this House at least justify their action in allowing the managers to remove from the House bill the most humane provision, as a result of which it permitted this House to support the bill along the lines indicated?

The day is not far away when some of your own constituents will call upon you to bring about the admission of their fathers and mothers, when you will have to be honorable enough and tell your constituents, American citizens who are entitled to every privilege America can afford them, that you, their Representative, were the cause of removing from the bill the nonquota relative, namely, the father and mother, thereby depriving them from bringing into this country their relatives under the preference allowed which may and may not be given.

Now that you have restored your Japanese question in the conference report, you are simply deserting all the other provisions of the House bill. Is that what you call legislating for the American people? I do not think so nor do you. Is it because you gained your point to exclude the Japanese that you are satisfied and now disregard other cries from all parts of the country which demand the uniting of families of the white races?

I therefore hope, Mr. Speaker and Members of the House, that you will practice what you preach and support the motion which will be made by the gentleman from Illinois [Mr. SABATH] to recommit the bill for further amendments so that we may restore the very thing that we hold so dear to us—our mother. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. BROWNE].

The SPEAKER. The gentleman from Wisconsin is recognized for five minutes

Mr. BROWNE of Wisconsin. Mr. Speaker, I have voted for this immigration bill and am in favor of the general provisions of it, but there are several inconsistencies in it which I think ought to be remedied and the bill recommitted back to the committee on the motion of the gentleman from Illinois [Mr. SABATH].

Section 3 of this bill defines an immigrant as meaning "any alien departing from any place outside the United States destined for the United States." Then it goes on and makes six exceptions that are excepted from the operation of this

immigration bill. The fifth exception is the one I wish to call the attention of the House to. It provides as follows:

A bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman.

Thus a bona fide alien seaman is excepted from the operation of this law. That was the intention of the framers of this bill, and they put it clearly and unmistakably in one of the first provisions, section 3 of the bill.

Section 19 of the bill is clearly in conflict with the provision of the bill I have just quoted, and according to my interpretation of it section 19 repeals quite a portion of the seamen's act which was passed by the Sixty-third Congress in 1916 and which is regarded as very wholesome legislation.

There was considerable criticism of the seamen's act. It was tested out in the court but was sustained, and yet with all the talk in the newspapers and the propaganda against the seamen's act there has not been an amendment even proposed that has ever been discussed in the House or in the Senate. So there is a pretty strong presumption that a law that has been on our statute books for eight years and has been attacked only in the newspapers must be a pretty wholesome and good law.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BROWNE of Wisconsin. I want to finish my statement first.

Mr. JOHNSON of Washington. I will yield the gentleman an additional minute. I want to set the gentleman right on the charge that we are interfering in any way with the La Follette Act.

Mr. BROWNE of Wisconsin. One of the purposes of the seamen's act was to give the seamen some liberty. They were absolutely under servitude before that act.

I want now to show you what this bill as proposed here today does. Section 19 provides as follows:

No alien seaman excluded from admission into the United States, etc., shall be permitted to land in the United States, except for medical treatment or pursuant to such regulations as the Secretary of Labor may prescribe for ultimate departure or deportation from the United States.

Under our existing laws there is no opportunity for alien seamen to violate our immigration laws and I never have heard of any abuse or any complaint that alien seamen were getting over here in any large numbers or violating the law.

I want to call your attention to the exact wording of section 19:

No alien seaman excluded from admission in the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

An alien seaman can not get off his ship except for medical treatment, and as he can get medical treatment on his ship with the ship doctor he, as a matter of fact, can not leave his ship. If he does not like his job, if his contract is violated, if he is subject to any indignity, no matter what, he can not leave the ship. He is a prisoner. The La Follette Seamen's Act was passed to remedy just such abuses to liberate the seamen. This bill in my opinion makes a slave of the seamen.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. JOHNSON of Washington. I yield the gentleman one minute more to ask a question. I want to make it just as clear as I can that the provision the gentleman has just read only applies to those who can not enter the United States, such as anarchists and others who are in the excludable classes of section 3 of the act of 1917.

Mr. BROWNE of Wisconsin. I would like to ask the gentleman whether anarchists can come in now?

Mr. JOHNSON of Washington. No.

Mr. BROWNE of Wisconsin. Then what is the purpose of this section 19? It prevents any seaman from getting off his vessel in the United States.

Mr. JOHNSON of Washington. Oh, no; only if he is excludable.

The SPEAKER. The time of the gentleman has again expired.

Mr. BROWNE of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none.

Mr. JOHNSON of Washington. Mr. Speaker, I yield eight minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. SABATH. Mr. Speaker, I make the same request.

Mr. WILSON of Louisiana. Mr. Speaker, I make the same request.

Mr. BOX. I ask permission also to extend my remarks, Mr. Speaker.

The SPEAKER. Is there objection to any of these requests? [After a pause]. The Chair hears none.

Mr. RAKER. I stand for this conference report. It should be adopted. I want to state to the House that I have been advised and requested by the members of the Committee on Immigration—except the two distinguished gentlemen who originally voted against the bill—to state to the House that they and their friends shall vote down any motion to recommit and shall vote for the conference report that is now before the House. I am in full accord with my colleagues who signed the majority report on the immigration bill. Nothing has occurred to cause any of us to change our views therein expressed.

The only thing I will have time to discuss now is the question of alien seamen, and I will have to state that as briefly and as rapidly as I can.

I want to say to you, gentlemen of the House, from a study of the question and from an investigation with the men who have been assisting as expert draftsmen with the Department of Labor and with all concerned, having just discussed it with the Department of Labor this morning, there can be no question, and I say to you unhesitatingly, that the provisions of the present bill do not in the slightest way repeal or modify the seamen's act.

Mr. SABATH. Why are those two sections in there then?

Mr. RAKER. I decline to yield, if the gentleman please.

Section 3 of the bill as it now stands, subdivision 5, does not include a seaman as an immigrant, and therefore the seaman can come to the country under that provision identically as he can come under the act of 1917.

Section 19, to which the gentleman referred in regard to seamen, is the provision of section 18 of the original bill, and I say unquestionably to the Members of the House that the language of section 18—now section 19 of the bill—is the same as section 32 of the immigration act of 1917, with this exception: In the former act of 1917 the act describes the treaties and various laws. This act says "immigration laws," and "immigration laws" in the definitions are described and they are identically the same.

Under the act of 1917, section 32, a vessel entering a port of the United States could unload her seamen on board, diseased and otherwise, unless a written notice was given it, and the consequence was they unloaded them by wholesale before the immigration officer could inspect them. The district attorney of New York stated that, and on investigation we found that if we required the vessel to keep on board the seamen until examination was made, then those that were admissible would be permitted to enter and those that were not would not land or enter. So under the provisions of section 20 of the present bill it provides that no vessel shall be permitted to land any seamen until examination has been made by the Health Service and the Bureau of Immigration for the purpose of ultimately determining who shall land. If he does, if he lets them steal away, if any officer connives with them and they get off the steamship, he is fined $1,000. So every man will be on board when the examination is made, and if the seamen under the law is not diseased, he will be permitted to land. That is a wholesome provision.

Mr. SABATH. Has not the gentleman insisted heretofore that the seamen's act should be amended to include a provision making it possible for the vessel to unload 50 seamen?

Mr. RAKER. No. I want to say that I never asked to repeal the seamen's act; I never during the five months of the consideration of the bill asked or requested that the seamen's act be amended. The thing I did, and the record will show it, was to make the immigration workable as to seamen—protect the seaman—and at the same time protect the United States and make the steamship companies obey the law. I have produced letters from the Secretary of State, the Secretary of Commerce, and the Secretary of Labor, which have been printed, and they said if the provisions of sections 18, 19, and 20, as originally passed by the House, had added to them two other provisions the law would be practically perfect. It would work, and work well. It would keep out those who were not entitled to enter and make the steamship companies abide by the law. Then we have these two provisions: (e)

Vessels entering the United States can take out as many seamen, excluding the dead, if any, and those who are in the hospital, as it brought in. That is simple, just, and equitable, but the great steamship companies, with all their power, were able apparently to keep out of this legislation these provisions, notwithstanding their real value, and that the seamen and their friends wanted it in; (f) that the steamship company or a vessel flying the English flag had on board 50 sailors—40 English, 5 French, and 5 Singhalese, or Japanese, or Chinese—that that vessel would be fined $1,000 for each one it brought in; and that these five men ineligible to enter would be taken from the vessel, their expenses paid, and sent back to the port from which they came or to their own country at the expense of the vessel. Is there anybody that says that that is not fair to the seamen? Is there anybody that says their country would object?

Mr. SABATH. I never opposed that.

Mr. RAKER. Why, the gentleman in conference voted to strike out the first part of the seamen's bill, which I will call attention to now. Talk about a motion to recommit—when a man votes in conference to strike out the very crux, the very heart of the law which gives the seamen the right of consideration!

I will extend my remarks under the authority heretofore given me by the House.

The SPEAKER. The time of the gentleman from California has expired.

JAPANESE EXCLUSION

Mr. RAKER. Mr. Speaker and gentlemen, when a candidate for Congress in the fall of 1910 I prepared a statement explaining my position on the then important questions facing the voters at the election to be held in November of that year. I stated in detail my views and followed with an enumeration of important matters I was in favor of.

The statement made was:

I am therefore in favor of—

* * * * * * *

20. An exclusion law excluding from the United States and Territories all Asiatics except certified merchants, students, and travelers.

* * * * * * *

Having been elected at the November, 1910, election I came on to Washington early in 1911. In the spring of 1911, President Taft called an extra session of Congress, and at that session I introduced my first Asiatic exclusion bill on August 11, 1911, Sixty-second Congress, first session, being House bill 13500.

In the Sixty-third Congress, first session, on April 7, 1913, House bill 102 was introduced. This was a very full and comprehensive bill to exclude Asiatics, which included Japanese.

I constantly kept this legislation before the Committee on Immigration and Naturalization of the House, the Congress, and the country. Reintroducing it each Congress thereafter, the last being House bill 113, Sixty-eighth Congress, first session.

In 1917 we were able to assist in placing on the immigration bill that finally passed both Houses a provision excluding the Hindoos. We tried to have Japanese placed in the same barred zone, but in this we failed.

Have been a member of the House Committee on Immigration and Naturalization continually since 1913. Helped to write and pass the immigration act of February 5, 1917, and all immigration and naturalization laws since 1913.

On June 27, 1922—Sixty-seventh Congress, second session—I introduced H. R. 12193. The bill was the first ever introduced in Congress carrying the provision that "no alien ineligible to citizenship should be admitted to the United States."

The provisions of H. R. 12193 on this question read as follows:

That no alien ineligible to citizenship under the laws of the United States shall be admitted to the United States. (Subdivision 2 of section 2.)

Later in the Sixty-seventh Congress, fourth session, the chairman, on February 9, 1923, introduced a bill, H. R. 14273, on immigration, but it provided that—subdivision (b), section 12—

(b) An immigrant not eligible to citizenship shall not be admitted to the United States unless such immigrant (1) is admissible as a nonquota immigrant under the provisions of subdivision (c), (e), or (h) of section 4; or (2) is the wife or unmarried minor child of an immigrant admissible under such subdivision (c), and is accompanying or following to join him.

On February 15, 1923, the House Committee on Immigration reported to the House S. 4092 by striking out all after the enacting clause and inserting an entirely new immigration bill as one amendment. Subdivision (b) of section 12 of this amendment to S. 4092 carried a provision that—

An immigrant not eligible to citizenship shall not be admitted to the United States * * *.

This is the first time any bill from a committee carrying this or similar provision excluding aliens ineligible to citizenship was ever reported to either House of Congress.

While we helped to secure this subdivision (b) of section 12 on this amendment it was never entirely satisfactory to us. I always wanted it in the language of subdivision 2 of section 2 of H. R. 12193, and reading—

No alien ineligible to citizenship shall be admitted to the United States.

By reason of the rush during the closing months of the Sixty-seventh Congress S. 4092, with this House amendment, died a natural death on the calendar.

On the opening of the Sixty-eighth Congress, first session, on December 5, 1923, I introduced H. R. 5. Subdivision (b) of section 12 of that bill reads as follows:

No alien ineligible to citizenship under the laws of the United States shall be admitted to the United States unless such alien (1) is admissible as a nonquota immigrant under the provisions of subdivisions (e) or (h) of section 4; or (2) is the wife or unmarried minor child, under 16 years of age, of an immigrant admissible under such subdivision (e) and is accompanying or following to join him; or (3) is an individual specified in subdivisions (1), (2), (3), or (4) of section 3 of this act.

Subdivision (e) of section 4, specified in section 12 above, is:

(e) An immigrant who continuously for at least two years immediately preceding the time of his application for admission to the United States has been, and who seeks to enter the United States solely for the purpose of, carrying on the vocation of minister of any religious denomination, professor of a college or seminary, or member of any recognized learned profession.

Subdivisions (1), (2), (3), and (4) of section 3, specified in section 12 above, are:

(1) A Government official, his family, attendants, servants, and employees;

(2) An alien visiting the United States as a tourist or temporarily for business or pleasure;

(3) An alien in continuous transit through the United States; and

(4) An alien lawfully admitted to the United States who later goes in transit from one part of the United States to another through foreign contiguous territory.

H. R. 101, Sixty-eighth Congress, first session, on December 5, 1923, was introduced by Mr. JOHNSON, of Washington, chairman of the Committee on Immigration and Naturalization of the House.

Subdivision (b) of section 12 of this bill H. R. 101 is as follows:

(b) An immigrant not eligible to citizenship shall not be admitted to the United States unless such immigrant (1) is admissible as a nonquota immigrant under the provisions of subdivision (b), (d), or (g) of section 4, or (2) is the wife or unmarried minor child of an immigrant admissible under such subdivision (d), and is accompanying or following to join him.

Public hearings were had on H. R. 5, H. R. 101, and H. R. 561 during December, 1923, and January, 1924. Thereupon the committee took the proposed legislation up for the purpose of reporting same to the House.

H. R. 101 was taken as the basis for consideration, though H. R. 5 and H. R. 101 were in many respects practically the same, the chairman's bill always being considered in preference to other bills on the same subject. The whole subject of immigration was fully considered, and the chairman on behalf of the committee introduced H. R. 6540 on February 1, 1924, which was reported to the House on February 9, 1924. During the consideration of H. R. 101, subdivision (b) of section 12 of H. R. 5 was substituted for subdivision (b) of section 12 of H. R. 101.

Thus H. R. 6540, as introduced and as reported out by the committee, carried the provisions of subdivision (b) of section 12 of H. R. 5. After further consideration and deliberation the chairman, for and on behalf of the committee, introduced H. R. 7995 on March 17, 1924. This was done to perfect the bill and avoid consideration of many amendments while the bill would be under consideration by the House. On March 24 the committee reported H. R. 7995 to the House.

H. R. 7995, with one amendment, finally passed the House on April 12, 1924, and on April 18, 1924, passed the Senate with an amendment striking out all after the enacting clause of the House bill, H. R. 7995, and inserting the Senate bill, S. 2576, as one amendment. See CONGRESSIONAL RECORD, pages 6645 to 6649, April 18, 1924.

The Senate bill, S. 2576, never carried any provision relative to the exclusion of aliens ineligible to citizenship. This bill was reported to the Senate by the Senate Committee on Immigration on March 27, 1924. No bill had been introduced in the Senate containing any provisions like those of subdivision (b) of section 12 of H. R. 5 and the bills H. R. 6540 and H. R. 7995 at any time.

In the Senate, on April 2, 1924, a proposed amendment by the Senator from California [Mr. SHORTRIDGE] was presented to S. 2576, which proposed amendment was in the language of subdivision (b) of section 12 of H. R. 7995—H. R. 5 and H. R. 6540. This proposed Senate amendment was then ordered to lie on the table and to be printed.

But on April 15 an amendment was presented in the Senate to S. 2576, which amendment as agreed to was in the same language as that carried in the House bills. On adopting this amendment on April 15, 1924—see CONGRESSIONAL RECORD, page 6377—after the amendment had been presented by Senator REED of Pennsylvania and read by the Clerk the following occurred:

Mr. ROBINSON. Does the Senator say that this is identical with the provision in the bill passed by the House?

Mr. REED of Pennsylvania. It is identical in its effect. It avoids a duplication of words, but in effect it is exactly the same. * * *

The amendment of Senator REED was agreed to.

The House bill, H. R. 7995, with the Senate amendment, went to conference. The conferees agreed to the provision of the House bill in the language as it passed the House—subdivision (b) of section 12 of H. R. 7995—which conference report having finally been approved by the two Houses and approved by the President is now the law.

I have set out the history of this provision of the immigration act of 1924, as it relates to Japanese exclusion, to the end that the record might be kept straight and, at the same time, easy of access.

Have not gone into the many other admirable features of the immigration act of 1924, upon which I have given every aid and assistance. The Committee on Immigration of the House, to a man, gave their best efforts, and this combined labor, to my way of thinking, has produced a humane and workable piece of legislation, which was much needed to meet the serious impending situation. It is not perfect by any means, though it represented the composite judgment of the committee and thereafter received the sanction of both Houses.

When it is put in actual practice and operation, no doubt there will develop questions overlooked or some inserted that should not have been, but on the whole it is a step, and a big one, in the right direction. Corrections, if any, when, and if necessary, can be made by Congress hereafter by way of amendment.

ALIEN SEAMEN

Mr. Speaker and gentlemen of the House, it is my intention to discuss the provisions of the immigration act of 1924 as it relates to alien seamen. The discussion will go to the preparation of this legislation in relation to what should have gone into the bill, what did go in as it left the committee, and finally the elimination of certain provisions and as the report came from the conferees, which conference report was adopted by the two Houses and the bill approved by the President.

I presented to the Committee on Immigration and Naturalization of the House a communication from Mr. Andrew Furuseth of date December 29, 1923, which was printed as part of the hearings (see statement of Mr. Furuseth before the committee hearings, vol. ser. 1-A, pp. 152-179; also vol. ser. 2-A, pp. 1110-1148, of the 68th Cong., 1st. sess.), which statement is as follows:

DECEMBER 29, 1923.

Hon. JOHN E. RAKER,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: On December 3, 1923, the Secretary of Labor called a conference in his office for the purpose of consultation about an immigration bill which was then being prepared in the department. Invited to this conference were Mr. Gompers, Mr. Morrison, president and secretary, respectively, of the American Federation of Labor, and other representatives of other labor organizations, including myself.

The eighteenth section of that bill dealt with seamen and gave to the Secretary of Labor the power to hold seamen coming into the ports of the United States on the vessels on which they serve, unless they could furnish such bond as the Secretary of Labor may prescribe.

The twentieth section provided for the reestablishment of a landing card, which, of course, includes a registration of cards issued. Realizing that the Secretary of Labor ultimately would be compelled to demand bonds from every seaman before he was granted shore leave, I protested, because it would repeal the freedom clauses of the seamen's act, impose upon the seamen an undue and unusual hardship, and largely fail of its stated purpose.

After some discussion it became apparent that the conference, as such, could reach no agreement upon the subject, the Secretary of Labor taking one position and practically the entire conference taking the other. The Secretary then appointed a committee of three, consisting of Mr. Gompers, Mr. Wallace, and myself. This committee was to draft a substitute to be submitted to the Secretary of Labor within the next three days.

The substitute and a short statement of reasons therefor were submitted to the Secretary of Labor on the third day, were tentatively rejected by him, but referred to the attorney drafting the bill for further consideration. The reasons for the substitute submitted to the Secretary of Labor were as follows:

REASONS FOR THE SUBSTITUTE

"On behalf of the seamen we respectfully submit the following as a substitute for or amendment to section 18 of the draft dealing with seamen submitted and discussed at the meeting held in the Secretary of Labor's office in the afternoon of December 3, 1923.

"It was generally understood that the purpose of the sections submitted was to keep out of the United States, so far as possible, any persons who might come as seamen and as seamen get on shore, notwithstanding the fact that they are excluded from the United States by law, treaty, or otherwise.

"The second purpose was to prevent seamen eligible to citizenship and coming to the United States from leaving and mingling in the population in violation of the general immigration laws.

"Third. That it was not intended to repeal that part of the seamen's act which, while it was passed in the interest of seamen, was even more so enacted for the purpose of equalizing the wage cost of American and foreign vessels and thus give to the United States an equal opportunity in the ocean carrying trade.

"The section as proposed, and for which this is a substitute, deals with the seaman who does not initiate and is not the first cause of the persistent violation of law about which there is so much just complaint. The owner of the vessel may under existing law or proposed draft legally bring excluded persons into the harbors of the United States, and the real penalties are not visited upon the first cause—the owner or the vessel—which has its origin in self-interest and a desire to evade or violate the law, but the real force of the proposed law is placed upon the seaman, who, when he shipped, in many instances knew not that the vessel was coming to the United States.

"The vessel hires the cheapest and for the purposes of the owner and officers thereof the most effective men that he or they can find. If he or they be interested in smuggling Chinese or other excluded persons from Cuba or from the West India Islands into the United States, or narcotics from any ports, he or they will naturally choose those who are most expert as smugglers and who can best be depended upon to keep silent and accept the penalty without exposing either the owner of the ship or the officers of the ship, and without the knowledge of the latter no serious amount of smuggling can ever be carried on. The seamen from the Mediterranean countries are the best trained and most expert smugglers amongst European seamen and most likely to keep silent, and they are therefore preferred.

"On the Pacific the owner or the officers will for the same purposes act in the same way, and they will, so far as they can, employ Chinese, and, second, Filipinos. There is ample proof that wherever Chinese are employed on the Pacific smuggling of Chinese and narcotics is carried on, and it makes no difference whether the vessel is a private one or belongs to the Emergency Fleet Corporation. The smuggling by the Filipinos is largely narcotics or alcoholic beverages. The penalty of $1,000 imposed upon the owner for permitting a seaman to escape is of doubtful validity. As a criminal statute, it would be strictly construed and collusion would very likely have to be proven, and such collusion would be as difficult to prove as it is now to prove, that the masters or other officers of the vessel know anything about the smuggling that is now daily taking place. When it is seriously intended that the laws shall be obeyed the lawmakers, at least in the past, sought to make evasion more expensive than obedience, thus enlisting in the executions of the law the self-interest of anyone who might be tempted to evade or violate it.

"The shipowner brings the seaman into our ports. The seaman seeks an opportunity here, as elsewhere, to go on shore; and no nation, except for the purposes of quarantine, has so far passed

any law to prohibit shore leave. When it has been prevented by the master of a ship, such prevention has invariably been evaded or violated in spite of criminal statutes and treaties of arrest, detention, and return of seamen. It is, therefore, reasonable to presume that laws or rules which could not be effectively executed, even in war time, when such laws or rules were based upon national safety, will be more extensively violated when based on immigration laws. The laws must, therefore, be so drawn as to put the responsibility upon the shipowner and the ship who bring excluded persons, except on vessels of their own nationality, and to so regulate the landing of seamen not specifically excluded as will permit the seamen to come on shore unless he be brought with the purpose above indicated, in which case the vessel must be made responsible and pay for deportation.

"That the United States can adopt such laws can not be questioned, because the Supreme Court of the United States has decided that the United States may forbid foreign vessels to come into its ports for any reason and therefore may make rules under which such ships may come. The same court has decided further that at least for the purposes of immigration and the crews the ship is not a part of the soil of the nation whose flag it is flying."

The substitute is as follows:

SUBSTITUTE

"Any alien person eligible to citizenship in the United States coming to any port of the United States as a bona fide seaman employed as part of the crew of any vessel shall be permitted to land in the United States temporarily either under the act entitled 'An act to provide for the treatment in hospital of diseased alien seamen,' approved December 26, 1920, or in pursuit of his calling. Such seaman shall be examined by order of the officer in charge of immigration, and if found temporarily admissible either for hospital treatment or in pursuit of his calling, he shall be furnished with a landing certificate as provided in section 20 of this act.

"*Provided*, First, that no vessel the crew of which were engaged without the jurisdiction of the United States, and which is bound to a foreign port or place, shall be permitted to depart from any port in the United States unless such vessel has a crew at least equal in number with the crew which such vessel had on her arrival.

"Second. That it is hereby made unlawful for any vessel to come to a port of the United States, except in distress, with a crew which under the laws of the United States is not permitted to depart on the same vessel from any port of the United States, and such crew or such members thereof shall be taken into custody by the immigration officer in charge and shall be deported as passengers on some other vessel to the place of their shipment at the expense of the vessel by which brought, and such vessel shall not be given clearance until this proviso is complied with.

"Third. That the Commissioner General of Immigration shall cause each member of the crew of any vessel arriving in any port of the United States from any foreign port or place to be examined, and shall cause a report to be made to the collector of customs and to the Bureau of Immigration; if the examining officer finds that such crew fails to comply with the requirements of section 13 of the seamen's act (Stat. L. * * *), he shall instruct the master to keep the members of such crew or such members thereof on board of such vessel awaiting further instructions, and he shall at once specifically report such findings and instructions to the Bureau of Immigration and to the collector of customs, who shall refuse clearance of such vessel pending final investigation and action by order of the Commissioner General of Immigration, as provided in the foregoing proviso.

"Fourth. It is hereby made unlawful for any vessel to bring, except in distress, any person ineligible to citizenship in the United States, into any port of the United States, as a seaman unless he be a national of the country whose flag the vessel flies. Any such person so brought shall be taken into custody by the immigration officer in charge and shall be deported as a passenger on some other vessel, either to the place of his shipment or to the country of which he is a national at the expense of the vessel by which brought, and such vessel shall not be given clearance until such provisio is complied with."

The substitute, together with the short statement above given, was later submitted to the legislative conference committee of the American Federation of Labor, where the action and report of the committee was indorsed. Nearly all of the immigration bills submitted or in process of preparation were reported to the conference as containing a provision for bonding of seamen. It was realized that the shipowners would make a special point of employing excluded persons wherever such would be convenient; that the bonding would have to be made general; that no bona fide seamen could put up the bonds required; and that the bonding provision would only be complied with by those who were using the navigation laws for the purpose of violating the immigration laws. For these reasons the conference adopted the following resolution:

"It is the sense of this conference that we insist upon the inclusion of the substitute offered by the committee in any immigration bill; also that we will do everything possible to prevent adoption of any legislation that will compel the seamen to put up bonds before being permitted to land."

In accordance with your suggestion this report, the action thereon, and some further reasons for this action are hereby submitted to you.

ARE SUCH LAWS NEEDED

The answer is that the immigration and exclusion laws are systematically and persistently violated. The maritime law gives to the seaman the right to come on shore "in pursuit of his calling" and assumes that he will ship out again. Once on shore he may change his mind about going to sea again. He may change his status and then vanish in the population. Those who desire to come to this country and who would be stopped at the gate can in this way come in. Those who want to import excluded persons can in this way bring them into the country, and the smuggling of excluded persons is as remunerative as other smuggling. It is generally understood that $1,000 is paid by the Chinese for being landed in the United States in such a way that he can at once mingle with others of his kind; and when we know that vessels manned with Chinese are constantly going away with from 10 to 40 or even 50 men less in the crew than they had on arrival we must realize that we are here dealing with a temptation to shipowners and to officers of vessels that is great enough to tempt the shipowners as well as the officers. Again, vessels coming from Europe have on one trip to this country left behind them from 50 to 150 persons, a great many of whom would have been refused admission if coming as regular immigrants. It does, therefore, appear that something ought to be done if we are serious in our immigration and exclusion policy.

ARE SUCH LAWS JUSTIFIED

As against those who have no desire to gather wealth by violating our laws, this proposal certainly can not be said to be harsh. The vessel is obligated to take away as many persons in her crew as she brings. In all nations there are either laws or regulations prescribing a minimum crew for the safety of life and property. The vessel can not leave home ports without this minimum number, but they can take as many more as the master or owner may determine. If in the judgment of the master or owner it is necessary for the safety of life and property to have a certain number in the crew coming west from Europe or east from the Orient, it certainly follows that the same number is needed to go back over the same waters; and no nation can justly complain because we insist that the laws of that particular nation and the judgment of the shipowner as to the number needed is enforced by this country.

One result is increased safety at sea, the other is that our population is not increased. But it is said that such vessels may bring such men as are for one reason or another excluded and take away those that are already admitted and must, therefore, be more desirable. This objection, though much overestimated, is met by the two provisos which forbid vessels to come into our ports, except in distress, with certain crews or certain persons in their crews unless they be citizens or subjects of the country to which the vessel belongs. The penalty is that the persons so brought shall be taken in charge by immigration officers and shall be sent out of this country at the expense of the vessel by which brought. The cost will be so considerable that the shipowners will take care not to violate our laws. There will be less temptation to smuggle. The risk of loss will be too great; but why not let the vessels come with anybody whom they may select and then see to it that the seamen are kept on board?

First, because it is a cruelty which we would be the only nation to perpetrate. No nation denies "shore leave" to seamen on visiting vessels except for the purpose of quarantine or in time of war. Quarantine is of short duration and is not often violated; but we know from the late war that it is practically impossible to enforce the denial of shore leave even in times of war. Desertions were plentiful even with the precautions then taken. Second, because it would reestablish involuntary servitude within the jurisdiction of the United States. Third, because it would reestablish the differential in the wage cost of operating American and foreign vessels. Fourth, because the penalties would be visited upon the innocent to the exclusion of the guilty and at the same time be to a considerable extent ineffective. The three reasons first mentioned may, or should be, accepted as self-evident, but the fourth needs some statement of facts to make it easily seen by readers who are not seamen or acquainted with sea life.

When a seaman joins a vessel he subscribes to a contract called shipping articles, in which it is stated that he is to go in the vessel to a named port and thence to any port or place within certain boundaries north and south and to return to some port in the country to which the vessel belongs. The seaman does not know what coun-

tries he is to visit during the time of his employment. He is not particularly interested unless the vessel is going to some place that is known to be especially sickly, and such contingency is usually taken care of in the law. If he knew that he is going to the United States, where shore leave is forbidden, he would very likely refuse unless forced by starvation. The shipowner knows where he is going to send his vessel and he can, therefore, act accordingly when hiring the crew. If he sends his vessel to the United States with a forbidden crew or forbidden persons in his crew, he does so in violation of our law, and he is the guilty party against whom the law in decency ought to be directed.

Our immigration and exclusion laws are based upon the principle that to be permitted to come to the United States is a privilege which we extend to some and forbid to others. If John Doe, the shipowner, desires to come to the United States, he knows that he must obtain a passport, to be visèed by the American consul. If he desires to send his son here to study or for travel and pleasure, he knows that the son must be provided with a guaranty that the boy will not alter his status; and yet he, the shipowner, may send any or all of his vessels—1, 2, 20, or 50—here into our ports with subjects or citizens of some other nation and specifically excluded from the United States. Surely there is no logic in such legislation, nor can there be said to be sincerity in it. He or his son may not come, except upon specific permission, but he is permitted to bring within the jurisdiction of the United States hundreds or thousands—more or less of men—of excluded men whom he chooses to employ on his vessels; however, with the condition that those vessels are to be turned into prisons for his bondsmen here within our jurisdiction, so that the unfortunates who happen to be on his vessels may not come on shore to mingle with our population. Such legislation might not be held unconstitutional, because of the Supreme Court decision in Robertson against Baldwin, but surely would be indecent, both because it is direct inhumanity and because it would punish the innocent with imprisonment and let the guilty go free to pocket the proceeds arising out of the transaction.

But then it may be held to be contrary to the thirteenth amendment to the Constitution of the United States. The Supreme Court has held that the jurisdiction of the United States begins 3 miles offshore and that a foreign vessel inside of the 3-mile limit comes within the American law—that she is subject to penalties—if she has rum on board, even if the rum be under seal. A foreign vessel brings rum into the jurisdiction of the United States and seals it up, so that it may be kept on board while within the jurisdiction and again used after the vessel is again at sea, and the court says that is an offense against the sovereignty of this country; another vessel brings an excluded person into the jurisdiction, keeps him under arrest, turning the vessel into a private prison, and holds him a prisoner until the vessel is again at sea. One is tempted to ask if this be not the worst offense, since it violates not only the thirteenth amendment but also the exclusive right to imprison and punish. And the imprisonment would not be for any actual violation of law but to prevent a possible violation. Much water has gone over the dam since the Robertson against Baldwin decision was handed down and Congress has abolished the laws and treaties under which the decision was made. Are we sure that the court may not now distinguish between seamen at sea under the common hazard and seamen in port? The constitutionality could surely be questioned and the decision might be all the worse for the ship. But let us suppose that the seaman should stow away a bottle of rum in his kit or on his person. What would then be the result? Arrest, imprisonment on shore, and finally deportation at the expense of the United States.

AS TO FOREIGN NATIONS

It has already been suggested that they can not justly complain, because we would play no favorites and would only be helping them by seeing that their own laws are obeyed while in our jurisdiction; but again Great Britain takes control to see that no vessel leaves her ports undermanned. She determines the minimum crew on her own vessels and then applies that law to foreign vessels. She has boarding officers who, upon complaints, visit any vessel; and if the law is about to be violated, the vessel is held until the law is complied with.

THE SACREDNESS OF VESSEL PROPERTY

One might express some wonder about what there is about a vessel that is so sacred that the owner is to be permitted to violate the laws of this country or that the laws must be so made as to make it easy for him to violate them with impunity. Are we so eager to see foreign vessels in our ports that we must give them special privileges in order that they may come here? Or is this law that makes the vessel in an American port into a prison to apply to American vessels as well as to foreign ones? If this be the case, then the purpose is easily understood. In that case it is just an effort to man the American vessels with orientals to be hired in the Orient under the act of 1884; but this would be a death sentence of the American hope of sea power. No self-respecting American would sail under such laws.

The idea to place seamen under bonds began in the newspapers as a part of the propaganda against the seamen's act. The failure to enforce the seamen's act and to make regulations which the Department of Commerce and the Department of Labor have a right to make made it easy and safe to use one law against the other to bring both into disrepute and to prepare the public mind for such legislation as would, at least ostensibly, enforce the immigration laws. It was easy, therefore, to suggest a remedy for violation of the immigration laws which at the same time would repeal the seamen's act.

When this is brought to the attention of the promoters of the bonding idea they suggest as an alternative that the whole question of seamen be left out of the proposed immigration legislation. If that was the only reasonable and decent alternative and the only way in which the immigration laws could be made effective, the seamen would not seriously complain; but the evil so justly complained of would continue and continue to grow. Why this should be done when there is another alternative which is justifiable, human, and decent seems rather difficult to understand.

Feeling sure that these suggestions and the substitute will be given serious attention by the members of the committee and of Congress, I beg to remain,

Most respectfully,

ANDREW FURUSETH.

Proper and adequate inspection of aliens arriving as seamen at ports of the United States is required under the provisions of sections 18, 19, and 20 of the bill.

Enforcement of the sections (secs. 32, 33, and 34) of the immigration act of 1917 respecting alien seamen has been one of the most difficult tasks confronting the Immigration Service. In fact, due to a weakness in section 32, there has been no proper enforcement for several years. The flaw was that the shipmaster, although required to detain inadmissible seamen, could not be punished for failure to detain unless it was shown that he had notice in writing so to do. Notice in writing anterior to the breach of responsibility to detain was physically impossible.

Requirement of a landing card for every alien seaman is made a feature of this phase of the bill. All the rights of seamen under the La Follette Act are protected. Sections 32, 33, and 34 of the immigration act of 1917 are repealed.

Section 3 of H. R. 7995 defines an immigrant and excepts an alien seaman from such definition, namely:

DEFINITION OF "IMMIGRANT"

SEC. 3. When used in this act the term "immigrant" means any alien departing from any place outside the United States, destined for the United States, except * * * (5) a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman.

For purposes of comparison, the new paragraphs affecting alien seamen and the paragraphs of the 1917 act to be repealed are printed in parallel columns:

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917	ALIEN SEAMEN PROVISIONS OF H. R. 6540
SEC. 32. That no alien excluded from admission into the United States by any law, convention, or treaty of the United States, regulating the immigration of aliens, and employed on board any vessel arriving in the United States from any foreign port or place, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to regulations prescribed by the Secretary of Labor providing for the ultimate removal or deportation of such alien from the United States, and the negligent failure of the owner, agent, consignee, or master of such vessel to detain on board any such alien after notice in writing by the immigration officer in charge at the port of arrival, and to deport such alien, if required by such immigration officer or by the Secretary of Labor, shall render such owner, agent, consignee, or master liable to a penalty not exceeding $1,000, for which sum the said vessel shall be liable, and may be seized and proceeded against by way of libel in any district court of the United States having jurisdiction of the offense.	SEC. 18. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary may prescribe for the ultimate departure, removal, or deportation of such alien from the United States. SEC. 19. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

SEC. 33. That it shall be unlawful and be deemed a violation of the preceding section to pay off or discharge any alien employed on board any vessel arriving in the United States from any foreign port or place, unless duly admitted pursuant to the laws and treaties of the United States regulating the immigration of aliens: *Provided*, That in case any such alien intends to reship on board any other vessel bound to any foreign port or place, he shall be allowed to land for the purpose of so reshipping, under such regulations as the Secretary of Labor may prescribe to prevent aliens not admissible under any law, convention, or treaty from remaining permanently in the United States, and may be paid off, discharged, and permitted to remove his effects anything in such laws or treaties or in this act to the contrary notwithstanding, provided due notice of such proposed action be given by the master or the seaman himself to the principal immigration officer in charge at the port of arrival.

SEC. 34. That any alien seaman who shall land in a port of the United States contrary to the provisions of this act shall be deemed to be unlawfully in the United States, and shall, at any time within three years thereafter, upon the warrant of the Secretary of Labor, be taken into custody and brought before a board of special inquiry for examination as to his qualifications for admission to the United States, and if not admitted said alien seaman shall be deported at the expense of the appropriation for this act as provided in section 20 of this act.

ALIEN SEAMEN PROVISIONS OF H. R. 6540—continued

prescribed, and having permanently attached thereto a photograph of such alien.

(b) If the alien seaman after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

Paragraph (e) describes form of landing cards.

Paragraph (f) relates to fines.

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman, and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary to do so shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

ALIEN SEAMEN PROVISIONS OF H. R. 6540—continued

payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary.

Paragraph (c) is a repealing clause.)

AMENDMENTS PROPOSED BY ANDREW FURUSETH AFTER H. R. 7995 HAD GONE TO THE FLOOR OF THE HOUSE

On page 26 of House bill, line 9, insert the word "which" between the words "card" and "shall." Strike out the period after the word "valid" and insert "for sixty days unless extended because of sickness or litigation."

On page 28 of House bill strike out after the word "required," beginning with "or," on line 3, to and including the word "so," on line 6.

The alien seaman provision as finally reported out by the House committee, on H. R. 7995, and as it passed the House, is in the following language, namely:

ALIEN SEAMEN

SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

SEC. 20. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seamen employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations prescribed, and having permanently attached thereto a photograph of such alien.

(b) If the alien seaman after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause the fingerprints of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling, or who is employed on a vessel touching at more than one port of the United States in the course of a continuous voyage, may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

(e) Landing cards shall be printed on distinctive safety paper prepared and issued, under regulations prescribed under this act, at the expense of the owner, agent, consignee, charterer, or master of the vessel. The Secretary of Labor, with the cooperation of the Secretary

of State, shall provide a means of obtaining blank landing cards outside the United States.

(f) The owner, agent, consignee, charterer, or master of any vessel who violates any of the provisions of this section shall pay to the collector of customs for the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom the violation occurs; and no vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

SEC. 21. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman, and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act. Sections 33 and 34 of such act are repealed, to take effect after the expiration of four months after the enactment of this act, but the provisions of such section 34 shall thereafter remain in force in the case of any alien seaman who has landed in a port of the United States before such repeal becomes effective.

AMENDMENT OFFERED BY SENATOR KING DURING CONSIDERATION OF THE IMMIGRATION BILL IN THE SENATE, CALENDAR DAY, APRIL 18, 1924

[CONGRESSIONAL RECORD, p. 6858, Sixty-eighth Congress, first session]

SEC. 16. (a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman, and (2) he is an alien of the class described in subdivision (f), section 17, hereof; and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

(b) If it is found that such alien is not a bona fide seaman he shall be regarded as an immigrant, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary; and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported, as a passenger, on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(c) If it is found that such alien is subject to exclusion under subdivision (f) of section 17 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

(d) If it is found that, although a bona fide seaman, such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December, 1920, entitled "An act to provide for the treatment in hospital of diseased alien seamen."

SEC. 17. (a) Upon the arrival—after the expiration of four months after the enactment of this act—of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in duplicate, containing such seaman's name, age, nationality, personal description, and the capacity in which employed, and having permanently attached thereto a photograph of such seaman.

(b) If such alien employee is found upon examination not to be subject to detention or exclusion under any of the provisions of section 16 hereof, he shall be permitted temporarily to land during the stay of the vessel in port or for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card. Thereupon one copy of the landing card shall be delivered to said seaman, and the other copy shall be filed in the archives of the immigration office at the port of arrival and properly indexed for future reference.

(c) If such a temporarily landed alien seaman remains in the United States without reshipping foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission; and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917.

(d) Landing cards shall be printed on distinctive safety paper prepared and issued, under regulations prescribed under this act, at the expense of the owner, agent, consignee, charterer, or master of the vessel. The Secretary of Labor, with the cooperation of the Secretary of State, shall provide a means of obtaining blank landing cards outside the United States.

(e) All vessels entering ports of the United States manned with crews engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance.

(f) No vessel shall enter a port of the United States, except in distress, having on board as a member of the crew any alien who if he were applying for admission to the United States as an immigrant laborer would be subject to exclusion under the Chinese exclusion laws, or under the sixth proviso to section 3 of the immigration act of 1917 and rule 7 of the immigration rules of February 1, 1924, or under the clause of section 3 of the immigration act of 1917 excluding by territorial limitations certain natives of Asia and of islands adjacent thereto; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrant laborers coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony, to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

(g) The owner, agent, consignee, charterer, or master of the vessel who violates any of the provisions of this section shall pay to the collector of customs for the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom the violation occurs; and no vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

COMPARATIVE PRINT, SHOWING PROVISIONS OF IMMIGRATION ACT OF 1917 AND HOUSE BILL 7995, RELATING TO ALIEN SEAMEN

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917	ALIEN SEAMEN PROVISIONS OF H. R. 7995, AS INTRODUCED
SEC. 32. That no alien excluded from admission into the United States by any law, convention, or treaty of the United States regulating the immigration of aliens, and employed on board any vessel arriving in the United States from any foreign port or place, shall be permitted to land in the United States, except temporarily for medical treatment or pursuant to regulations prescribed by the Secretary of Labor providing for the	SEC. 18. No alien seamen excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof, shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary may prescribe for the ultimate departure, removal, or deportation of

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

ultimate removal or deportation of such alien from the United States; and the negligent failure of the owner, agent, consignee, or master of such vessel to detain on board any such alien after notice in writing by the immigration officer in charge at the port of arrival and to deport such alien, if required by such immigration officer or by the Secretary of Labor, shall render such owner, agent, consignee, or master liable to a penalty not exceeding $1,000, for which sum the said vessel shall be liable and may be seized and proceeded against by way of libel in any district court of the United States having jurisdiction of the offense.

SEC. 33. That it shall be unlawful and be deemed a violation of the preceding section to pay off or discharge any alien employed on board any vessel arriving in the United States from any foreign port or place unless duly admitted pursuant to the laws and treaties of the United States regulating the immigration of aliens: *Provided*, That in case any such alien intends to reship on board any other vessel bound to any foreign port or place, he shall be allowed to land for the purpose of so reshipping under such regulations as the Secretary of Labor may prescribe to prevent aliens not admissible under any law, convention, or treaty from remaining permanently in the United States, and may be paid off, discharged, and permitted to remove his effects, anything in such laws or treaties or in this act to the contrary notwithstanding, provided due notice of such proposed action be given by the master or the seaman himself to the principal immigration officer in charge at the port of arrival.

SEC. 34. That any alien seaman who shall land in a port of the United States contrary to the provisions of this act shall be deemed to be unlawfully in the United States and shall at any time within three years thereafter, upon the warrant of the Secretary of Labor, be taken into custody and brought before a board of special inquiry for examination as to his qualifications for admission to the United States; and if not admitted, said alien seaman shall be deported at the expense of the appropriation for this act as provided in section 20 of this act.

ALIEN SEAMEN PROVISIONS OF H. R. 7995, AS INTRODUCED—contd.

such alien from the United States.

SEC. 19. (a) Upon the arrival (after the expiration of four months after the enactment of this act) of any vessel in the United States, it shall be the duty of the owner, agent, charterer, consignee, or master thereof to deliver to the immigration officer in charge at the port of arrival, in respect of each alien seaman employed on such vessel, a landing card in triplicate, stating the position such alien holds in the ship's company, when and where he was shipped or engaged, and whether he is to be paid off and discharged at the port of arrival, and such other information as may be by regulations prescribed, and having permanently attached thereto a photograph of such alien.

(b) If the alien seaman, after examination (which examination in all cases shall include a personal physical examination by the medical examiners) is found to be temporarily admissible to the United States, he shall be permitted to land during the stay of the vessel in port, or temporarily for the purpose of reshipping on board any other vessel bound to a place outside the United States, and the immigration officer shall cause a fingerprint of the alien to be placed upon each copy of the landing card, and indorse upon each copy the date and place of arrival, the name of the vessel, and the time during which the landing card shall be valid. Thereupon one copy of the landing card shall be delivered to him by the immigration officer, one copy shall be transmitted forthwith to the Department of Labor under regulations prescribed under this act, and the third copy shall be retained in the immigration office at the port of arrival for such length of time as may be by regulations prescribed. It shall be unlawful for any alien seaman to remain in the United States after the expiration of the validity of his landing card.

(c) Any alien who has received a landing card under this section and who departs from the United States shall, prior to his departure, surrender such card to the master of the vessel, who shall, before the departure of the vessel, deliver such card to such individual as may be by regulations prescribed.

(d) An alien seaman who departs from the United States temporarily at frequent intervals in the pursuit of his calling may be admitted to the United States, under such regulations as may be prescribed, without the requirement of a landing card in respect of each entry into the United States.

ALIEN SEAMEN PROVISIONS, IMMIGRATION ACT OF 1917—contd.

ALIEN SEAMEN PROVISIONS OF H. R. 7995, AS INTRODUCED—contd.

Paragraph (e) describes form of landing cards.

Paragraph (f) relates to fines.

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessels until the immigration officer in charge at the port of arrival has inspected such seaman and delivered to him a landing card (in cases where a landing card is required), or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary to do so shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary.

Paragraph (c) is a repealing clause.

The following letter was submitted to Hon. ALBERT JOHNSON, chairman of the Committee on Immigration and Naturalization of the House and one of the conferees on House Resolution 7995, and considered by the conference, namely:

APRIL 26, 1924.

Hon. ALBERT JOHNSON,
Chairman Committee on Immigration,
House Office Building, Washington, D. C.

DEAR MR. CHAIRMAN: In dealing with the question of immigration no one could fail to note an effort on the part of the Department of Labor to acquire a right to hold alien seamen on board of the merchant vessels in our harbors in order to prevent the vessels from being the means of violations of the immigration and exclusion laws.

The early drafts of all the bills contained provisions under which the masters of vessels were to hold the seamen on board of the vessels and be penalized if they failed.

It evidently did not occur to the draftsmen that such legislation would be either cruel or unconstitutional. Unconstitutional for two reasons. First, because these men would be held to involuntary servitude within the jurisdiction of the United States. Second, because the vessels would be private prisons, and as such incompatible with the sovereignty of the United States. As it became apparent to the membership of the committees that any legislation to hold the seamen on the vessels against their will might be declared void, it was thought that it might be accomplished in some indirect manner, as in the House bill (line 25 on page 81, and lines 19, 20, 21, and 22 on page 83, conference committee print No. 1), or that it might be better to permit the coming of aliens as seamen, as in the Senate bill.

When, during the hearings on the bill, your attention was called to the real situation, you stated that to deal with the question of seamen in the effective way suggested by me might defeat the proposed legislation.

To that suggestion I answered by stating that if such was the case it would be better to leave the seamen as they are. While the seamen question is of importance the seamen will stand aside, and I would

do nothing which might endanger the bill. I have kept that promise. The situation is now altered.

There is not now any danger to the legislation, except to its effectiveness by leaving a side door open through which excluded laborers may come in as great numbers as might be desired by either the steel corporation or the steamship companies.

The census year to be used, the percentage to be admitted legally, and the Japanese exclusion are in the same language in the House and the Senate bills. The majority with which the bills passed the separate Houses is such as to make any danger from any source practically unthinkable.

There is, however, nothing in either bill that will prevent vessels of any nation from bringing excluded aliens into our ports, where they can not be kept on board for reasons given above.

There is nothing in either bill to prevent vessels from coming here with 50 or even 100 per cent of men added to their crews, to drop the extra men here as illegal immigrants and then go away with just such men as they might retain on board.

That vessels will do this, when they can collect not only immigrant fares but in some instances $1,000 per person landed in the United States, will not be denied by any man with the ordinary amount of candor and respect for the truth.

That our supply of Chinese is kept up and added to in this manner, you will not question. That immigrants are coming from Europe in this way, you have been told in such manner that you can not doubt it. Here is a side door through which the law is to be violated, and to much greater extent than in the past. You can close this door if you so desire. There are no treaties to forbid. The Bureau of Immigration has withdrawn its objections and now has notified the conferees that it now looks upon the amendments offered by Senator KING as the one effective way proposed for the real enforcement of the law. The only known parties, that are now opposed, are the steamship companies. Are they going to be permitted to stand in the way until in some dim and distant future you can pass the separate bill, of which you spoke, but the reason for which has now passed away?

Most respectfully yours,

ANDREW FURUSETH.

The following letter by Mr. Furuseth was presented to Senator REED, a conferee on H. R. 7995 on the part of the Senate, and used by the conferees, which letter and memorandum are in words following:

WASHINGTON, D. C., *May 5, 1924.*

Hon. DAVID A. REED,
United States Senator, Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: From information which I have obtained it seems that the conferees on the immigration bill have tentatively agreed to sections 18, 19, and 20 of the House bill, which sections deal with the question of alien seamen in relation to immigration, without adding thereto subsections (e) and (f), as found in the amendment submitted by Senator KING.

I do most sincerely hope that no such agreement will be finally arrived at. It is a fact, not now disputed by anybody, that vessels are leaving our ports with a much smaller crew of seamen than they had on arrival. If subsection (e) is not made a part of the law, there will be nothing either in the maritime law or in the immigration law which would justify any protests on the part of our immigration authorities if a vessel coming here was to double her normal crew and leave one-half of that double crew behind her when she departs. That vessels will do this is as certain as the fact that men will do things that they are permitted to do if it is to their economic advantage.

About 165,000 immigrants will be admitted regularly. There is no reason anywhere in the law why that number can not be doubled and 330,000 brought here in violation of the spirit, but not of the letter, of the immigration law. Nothing can be more certain than that men will pay their passage, be placed on the articles of the ship, and do some work on the way over in order to ostensibly prove that they are seamen.

If subsection (f) is not adopted, there will be nothing in the law to prevent vessels coming from any foreign port or place bringing to the United States persons that are racially or territorially excluded from the United States and bringing them in such numbers as to make it worth while even to wealthy corporations. It is not now disputed by anybody that Chinese are paying $1,000 to be landed in the United States. That the same will henceforth apply to other orientals can not reasonably be questioned. The provisions for fines, as found in section 20, will have no force or effect, because the Government will have to prove collusion, and that can not be proved except in very rare instances, if at all.

But, bad as this is, it is not the worst. While the side door is left wide open to bring in all kinds of excluded people, the honest legitimate seaman is to be photographed and fingerprinted, like any convicted criminal, and the vessels are to be annoyed, subjected to delay, trouble, and expense by obtaining from the consul special papers for every alien on board and to cause him to be photographed. They are to be punished by fines for violating this provision. It will be the honest seaman that will be fingerprinted; the crook will refuse on the plea that he is not going ashore at all, and when night comes he will slip from the side and vanish. If the photographing and the fingerprinting were general, of course the seaman could not properly complain; but when the seaman is selected and put in the class with convicted crooks simply because he is a seaman and unfortunate enough to come within the jurisdiction of the United States, it is a dishonor put upon the seaman which will certainly not help the United States in getting efficient, self-respecting men or boys to serve at sea, whether they be of American or foreign parentage.

If the conferees could adopt (e) and (f), there would be no necessity for any landing card, because those specifically excluded would be picked up on the arrival of the vessel and deported. This would certainly be less annoyance to any vessel than to furnish photographs on special paper for every member of the crew, running from 20 to 700 men and women. If it be stated that it would be a hardship on the vessel to be prohibited from departing unless she had as many men in her crew as she had on arrival, I respectfully submit that that is the law dealing with American vessels, and you will find that in section 4463 of Revised Statutes, as finally amended in 1913.

I stated to the committee of the House and to the committee of the Senate that if proper workable immigration laws could not be placed in this bill the seamen would prefer to be left exactly as they are now. The adoption of the House sections does not leave the seamen as they are now. It makes at least the distinction of changing the seamen from being presumably as honest as everybody else to that of being in the class of convicted crooks. If it be true that the House provisions dealing with alien seamen are adopted or are to be adopted, it would be infinitely better to leave the bill on that question as it was adopted in the Senate.

On behalf of the seamen,

Most respectfully yours,

ANDREW FURUSETH.

Memorandum concerning changes which should be made in the seamen's sections of H. R. 7995 in order to make those sections fairly effective from the immigration standpoint and in order that this proposed law shall not result in repealing any provisions of the seamen's act.

[The print of the bill used in preparing this memorandum is conference committee print No. 6 of May 8, 1924]

As all provisions requiring the seamen to have landing cards and provisions relating to such landing cards have already been eliminated from the bill in conference through the deletion of each and every paragraph of section 20 thereof, these suggestions proceed upon the premise that the landing-card arrangement has been definitely abandoned.

Section 19 of the bill (lines 15–22, p. 29) should be stricken out, because the provisions thereof, treating alien seamen as though "excluded from admission into the United States under the immigration laws," are in direct conflict with the fifth clause of section 3 (lines 8–12, p. 5), excepting from the "definition of immigrant" any alien who is "a bona fide alien seaman serving as such on a vessel arriving at a port of the United States and seeking to enter temporarily the United States solely in the pursuit of his calling as a seaman." And in order that the bill may clearly show the extent to which and the purpose for which alien seamen are to be examined there should be inserted as section 19 the following:

"(a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman and (2) he is an alien of the class described in subdivision (f), section 20, hereof, and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

"(b) If it is found that such alien is not a bona fide seaman, he shall be regarded as an immigrant, and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary, and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported as a passenger on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(c) If it is found that such alien is subject to exclusion under subdivision (d) of section 20 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

"(d) If it is found that although a bona fide seaman such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December 26, 1920, entitled 'An act to provide for the treatment in hospital of diseased alien seamen.'"

Strike out paragraph (a) of section 21 of the bill (line 11, p. 32, to line 4, p. 33) and insert in lieu thereof the following:

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until such alien has been inspected pursuant to paragraph (a) of section 16 hereof, or until such alien has been placed in hospital pursuant to paragraph (d) of said section, or who fails to make provision for the deportation of any alien ordered deported pursuant to paragraph (b) of said section or pursuant to paragraph (c) of said section and paragraph (d) of this section, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom any such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs."

Strike out paragraphs (b) and (c) of section 21 (lines 5–19, p. 33), and change the designation of what is now paragraph (d) (line 20, p. 33) to (b).

Add to section 21 of the bill (after line 5, p. 34) three paragraphs to be designated and to read as follows:

"(c) All vessels entering ports of the United States manned with crews the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance: *Provided, however,* That such vessel shall not be required when departing to carry in the crew any person to fill the place made vacant by the death or hospitalization of any member of the incoming crew.

"(d) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who if he were applying for admission to the United States as an immigrant would be subject to exclusion under paragraph (c) of section 13 hereof; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman, brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity as a passenger on a vessel other than that on which brought at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(e) If any alien seaman temporarily landed under the provisions of this act remains in the United States without shipping, foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling, and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission; and unless such alien shows either that he has not abandoned his calling, but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917."

The following letter and statement by Mr. Furuseth was submitted by me to the conferees while H. R. 7995 was under consideration. It follows:

MEMORIAL ON IMMIGRATION BILL, BY ANDREW FURUSETH, ON BEHALF OF THE SEAMEN

Section 19 places the seamen under the immigration laws. Immigration laws are defined as all acts, treaties, and conventions, including this act, dealing with immigration, exclusion, and expulsion of aliens, so that the seamen will, first, have to comply with all the provisions of the former immigration statutes, and in addition to that he must be capable of becoming a citizen of the United States under this proposed statute.

Section 21 provides that the master of a vessel must hold the seaman on board, first, until examined; second, until deported either by himself in the same ship or by order of the Secretary of Commerce in some other ship, unless the seaman shall be permitted to land. Having no immigration visé, of course he can not land in the United States under the immigration laws as they will be amended if these two sections are adopted. The failure of the master to hold the seaman to the vessel carries with it a penalty of $1,000.

Section 4 of the seamen's act was passed (1) to liberate the seamen, (2) to induce Americans to go to sea, and (3) to equalize the wage cost of foreign and American merchant vessels. It gives to the seaman the right to demand one-half of the wages earned, and if that is refused, to leave the vessel and apply to the courts for the payment of all the wages earned. This section of the seamen's act has been most seriously contested by foreign and domestic shipping companies. It finally came before the Supreme Court of the United States in the case of Dillon v. Strathearn (U. S. 252, p. 358). Great Britain appeared through amicus curiae. The United States was represented through the Department of Justice; and the Supreme Court unanimously held this section to be valid law.

Sections 19 and 21 of the immigration bill and section 4 of the seamen's act can not operate together, if the immigration laws and the seamen's act are both to be obeyed. If you do not desire to repeal section 4 of the seamen's act, sections 19 and 21 of this act must be deleted. The seamen were given a definite promise by the committees of both branches of Congress that no part of the seamen's act would be repealed.

Respectfully submitted.

ANDREW FURUSETH.

WASHINGTON, D. C., *May 13, 1924.*

The following letter was sent by me to Secretary of State Hughes, and his reply thereto duly received. These were presented to the conferees and by them considered. My letter and Secretary Hughes's reply are as follows:

APRIL 23, 1924.

Hon. CHARLES E. HUGHES,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: I am sending you herewith a proposed amendment to sections 18 and 19 to the present pending immigration bill, H. R. 7995.

There are two provisions in the bill that I would like your opinion on, to see whether or not they are in conflict with any treaty now existing between the United States and any foreign country. The only questions really involved upon which I particularly call your attention are the provisions of subdivision (e) and (f) of the proposed amendment to section 19.

I would appreciate your reply to this at the earliest possible date, not later than Thursday evening, if possible.

I am sending this to Mr. Andrew Furuseth, when I have requested to go over the matter with you, so that we may have a full and complete understanding on the subject. I want to know whether or not these two sections as written are workable, so far as our treaties are concerned.

Respectfully submitting the same and anticipating your early reply, believe me, I am

Most cordially yours,

JOHN E. RAKER, M. C.

ALIEN SEAMEN PROVISIONS IN H. R. 7995 AS PASSED BY THE HOUSE, WITH SUGGESTIONS RELATING THERETO FROM THE SECRETARY OF STATE AND OTHERS—LETTER FROM THE SECRETARY OF STATE TO HON. JOHN E. RAKER, M. C.

[Received April 24, 1924]

DEPARTMENT OF STATE,
Washington, April 24, 1924.

Hon. JOHN E. RAKER,
House of Representatives.

MY DEAR MR. RAKER: I have received your letter of April 23 asking, whether, in my opinion, subdivisions (e) and (f) of the proposed amendment of section 19 of the pending immigration bill, H. R. 7995, would be in conflict with any treaty now existing between the United States and a foreign country. The proposed provisions are as follows:

"(e) All vessels entering ports of the United States manned with crews the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall when departing from the United States ports carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance.

"(f) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who if he were applying for admission to the United States as an immigrant would be subject to exclusion under paragraph (b) of section 12 hereof; except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or

colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to the place of shipment or to the country of his nativity, as a passenger, on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed."

Probably the countries which would be affected most by the proposed measures would be Great Britain, Japan, and the Netherlands.

I do not find anything in the treaty of commerce and navigation of 1852 with the Netherlands which seems to have any direct bearing upon this question.

Article I of the convention of commerce and navigation of 1815 with Great Britain reads as follows:

"There shall be between the territories of the United States of America, and all the territories of His Britannic Majesty in Europe, a reciprocal liberty of commerce. The inhabitants of the two countries, respectively, shall have liberty freely and securely to come with their ships and cargoes to all such places, ports, and rivers, in the territories aforesaid, to which other foreigners are permitted to come, to enter into the same, and to remain and reside in any parts of the said territories, respectively; also to hire and occupy houses and warehouses for the purposes of their commerce; and, generally, the merchants and traders of each nation, respectively, shall enjoy the most complete protection and security for their commerce, but subject always to the laws and statutes of the two countries, respectively."

Article I of the treaty of commerce and navigation of 1911 with Japan reads, in part, as follows:

"The citizens or subjects of each of the high contracting parties shall have liberty to enter, travel, and reside in the territories of the other to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses, and ships, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established."

Article IV of the same treaty reads as follows:

"There shall be between the territories of the two high contracting parties reciprocal freedom of commerce and navigation. The citizens or subjects of each of the contracting parties, equally with the citizens or subjects of the most-favored nation, shall have liberty freely to come with their ships and cargoes to all places, ports, and rivers in the territories of the other which are or may be opened to foreign commerce, subject always to the laws of the country to which they thus come."

Provisions more or less similar to those quoted may be found in treaties with other countries.

Especial attention is called to the provisions in the treaties from which I have quoted relating to "reciprocal liberty of commerce" and "reciprocal freedom of commerce and navigation." It appears to me that subdivision (e) of the proposed amendment of section 19 might operate in such a way as to interfere with reciprocal freedom or liberty of commerce and to cause serious loss to British and Japanese vessels, and perhaps vessels of other countries with which the United States has commercial treaties similar to those from which I have quoted. If, for example, a seaman on a vessel coming within the provisions of subdivision (e) should die or become ill and have to be taken to a hospital, or if one or more members of the crew should desert, immediately before the scheduled time for sailing, it is quite possible that a considerable time would be required to obtain other seamen to fill their places. It is quite conceivable that a delay of several hours or of a day or more might be required to fill the quota of the crew. In the case of a large vessel a delay of an hour or more may result in a very large loss. Therefore, if the proposed provision should be adopted, it would seem desirable to amend it in such a way as to make it less rigid. Perhaps this might be done by adding a provision to the effect that the Secretary of the Treasury should have authority to give the vessel clearance where the crew loss has occurred within a specified time before the scheduled time for sailing and where such loss has not been caused by the fault of the vessel. You may wish to consult with the Secretary of the Treasury concerning this point.

As to subdivision (f), there would seem to be no conflict with commercial treaties except, perhaps, in so far as it applies to seamen subject to exclusion under the immigration act as being ineligible to naturalization and coming from overseas dominions or colonies of the country to which the vessel belongs. This objection would not be apt to arise under the convention of commerce and navigation of 1815 between the United States and Great Britain, since that convention specifically applies to commerce between the territories of the United States of America and "all the territories of His Britannic Majesty in Europe." However, the British Government might object upon the ground that the provision, as applied to Hindoos serving on British vessels plying between the United States and India, would be so unreasonable as to amount to a violation of international comity. The Japanese Government might object upon the ground that the application of this provision to Korean seamen serving on Japanese vessels would be a violation of the provisions of Articles I to IV of the treaty of commerce and navigation of 1911, quoted above. The Japanese Government might reasonably contend that the treaty provisions just mentioned guarantee the right of Japanese subjects, whether coming from Japan proper or from overseas dominions, to come to the United States for purposes of commerce and navigation, and that these provisions cover the seamen on a vessel as well as its owners and agents.

For the reasons mentioned above, it would seem desirable to have subdivision (f) amended in such a way as to avoid its application to seamen of the class mentioned coming from outlying dominions.

I am, my dear Mr. RAKER,

Sincerely yours,

CHARLES E. HUGHES.

A letter to Secretary Davis and his reply thereto are as follows:

APRIL 30, 1924.

Hon. JAMES J. DAVIS,

Secretary of Labor, Washington, D. C.

In re: H. R. 7995.

MY DEAR MR. DAVIS: I am sending you herewith a printed copy of a letter to me from Secretary of State Hughes, of date April 24, 1924.

I wish you would take H. R. 7995, sections 18, 19, and 20 of the bill as it passed the House. Then we desire to add to section 19 two new subdivisions, which are marked in the letter from Secretary Hughes as "(e)" and "(f)." While we want to leave section 19 just as it stands, the subdivisions would be changed and "(e)" and "(f)" of the Hughes letter would be then different subdivisions, but what we want to know is whether or not you can see your way clear to add to section 19 of H. R. 7995 the provisions of "(e)" and "(f)," as found in the Hughes letter of April 24, 1924, copy of which I am submitting herewith.

I hope that I may have your favorable approval of these two subdivisions.

Respectfully submitting the same, I am

Yours most truly,

JOHN E. RAKER, M. C.

DEPARTMENT OF LABOR,
OFFICE OF THE ASSISTANT SECRETARY,
Washington May 1, 1924.

Hon. JOHN E. RAKER,

House of Representatives, Washington, D. C.

MY DEAR MR. RAKER: In the absence of the Secretary, I have the honor to acknowledge receipt of your letter of April 30, inclosing printed copy of letter from the Secretary of State, in which you ask whether subdivision (e) and (f) of Secretary Hughes's letter can be added to section 19 of H. R. 7995.

We have given section 19 and the proposed amendments careful consideration, and this department is of the opinion that if this section and the proposed amendments, with corrections, as suggested by Secretary Hughes, are adopted it will go far toward solving many of the difficulties with which this department has been confronted in its efforts successfully to cope with the seamen's situation as it pertains to the enforcement of the immigration laws. This being true, the proposed amendments meet with the approval of this department and are highly desirable from an administrative standpoint.

Cordially and sincerely yours,

ROBB CARL WHITE,
Acting Secretary.

The following is a letter to Mr. Carson, Commissioner Bureau of Navigation, and his reply thereto, namely:

APRIL 22, 1924.

Hon. D. B. CARSON,

Commissioner Bureau of Navigation, Washington, D. C.

MY DEAR MR. COMMISSIONER: I am sending you herewith proposed amendment—sections 18 and 19—to the present pending immigration bill, H. R. 7995.

There are two provisions in the bill that I would like your opinion on to see whether or not they are, first, against the contravention of the La Follette seaman's act, and, second, whether or not they are contrary to any treaties existing between the United States and any foreign governments, and, third, whether or not they would be in contravention of the law of the sea.

I would like your reply to this at the earliest possible date, not later than Thursday noon. If there is anything that is not plain here, I would be pleased to get in consultation with you and your office upon it.

I am sending this by Mr. Andrew Furuseth, whom I have requested to go over the matter with you, so that we may have a full and complete

understanding on the matter. I want to know whether or not these two sections as written are workable, for the reasons suggested, or could there be any lawful or legal reasons why they would not be workable.

Respectfully submitting the same, I am

Yours most truly,

JOHN E. RAKER, M. C.

[Letter from the Department of Commerce received April 24, 1924]

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION,
Washington, April 23, 1924.

Hon. JOHN E. RAKER,

House of Representatives.

DEAR MR. RAKER: I have received your letter of the 22d instant inclosing proposed amendments of sections 18 and 19 of immigration bill, H. R. 7995. You inquire as to the bureau's opinion whether these amendments are in contravention of the seamen's act of March 4, 1915; whether they are contrary to any treaties existing between the United States and any foreign governments; and whether they are in contravention of the "law of the sea."

As I understand the proposed amendments, they are not in contravention of the seamen's act of March 4, 1915.

Whether these proposed amendments are in contravention of treaties of the United States appears to be for the consideration of the Department of State, and this bureau does not feel justified in going into that question.

The proposed addition at the end of line 11, page 25, to the effect that the immigration authorities may remove from vessels, foreign and American, any member of the crew found not to be a bona fide seaman in the opinion of the immigration officer, goes much further than any maritime law or practice with which this bureau is familiar.

The amendment which follows, identified as (e), does not appear to be in contravention of any of our navigation laws unless possibly it is contrary to the spirit of section 4400, Revised Statutes, which provides in effect that the United States is not to fix the number of crew which a foreign vessel shall carry inasmuch as section 4400 does not make 4463, Revised Statutes, as amended, applicable to foreign vessels. The bureau has not before it the law of any other maritime nation containing a similar requirement.

The amendment identified as (f), prohibiting any vessel bringing into a port of the United States an ineligible alien as a member of her crew with enumerated exceptions, extends much further than any legislation of any maritime country with which this bureau is familiar.

In making the above statements this bureau wishes it clearly understood that it is not in any sense approving or disapproving the amendments or endeavoring in any way to pass on the merits of such proposals.

Respectfully,

D. B. CARSON,
Commissioner.

The following is a letter to Mr. Jeremiah Hurley, Department of Labor, and his reply thereto, namely:

APRIL 24, 1924.

Mr. JEREMIAH HURLEY,

Department of Labor, Washington, D. C.

MY DEAR MR. HURLEY: I am sending you herewith House bill 7995 as it passed the House. I am calling your attention especially to sections 18 and 19 of said bill. First. A suggested amendment to add at the end of section 18, line 11, page 25, of the bill. Second. A new subdivision to be known as "E-1." Third. A new subdivision to be known as "F-1." These three are the controversial matters now pending.

I would like to have you make thorough and complete investigation and study of these proposed amendments separately and then collectively, and then determine whether or not either or all of them are workable and are not contrary to the seamen's act and would not be in contravention of any treaties. Further, is there any reason why such provisions should not be placed upon the immigration bill?

Kindly give this your best personal attention, preparing a written memoranda as follows:

1. Would like to have a letter from you on the subject as to your views.

2. If you can not do this, then have the above memoranda prepared so that if the conferees call you before them you will have something concrete and definite so that the conferees will have your views on the bill and suggested amendments to consider concretely and without scattering.

I am sending this letter by special messenger.

Respectfully submitting the same, I am,

Yours most truly,

JOHN E. RAKER, M. C.

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF IMMIGRATION,
Washington, April 26, 1924.

Hon. JOHN E. RAKER, M. C.,

House of Representatives, Washington, D. C.

MY DEAR MR. RAKER: As requested in your communication of the 24th instant, I have to state that I have made a careful study of the seaman's provisions contained in bill H. R. 7995 as it passed the House, together with the proposed amendments E and F.

In this connection, I am of the opinion that the proposed amendments E and F are both practicable and feasible, and if they are added to the seaman's provisions of the bill H. R. 7995 as it passed the House and then enacted into law, can be effectively administered under regulations prescribed by the Secretary of Labor.

Very truly yours,

JEREMIAH J. HURLEY,
Special Representative (Seamen's Work).

The conferees amended the seamen's provisions of H. R. 7995—being sections 18, 19, and 20 thereof—and adopted the following amendments, which became sections 18 and 19 of the present immigration act of 1924, as follows:

ALIEN SEAMEN

SEC. 19. No alien seaman excluded from admission into the United States under the immigration laws and employed on board any vessel arriving in the United States from any place outside thereof shall be permitted to land in the United States, except temporarily for medical treatment, or pursuant to such regulations as the Secretary of Labor may prescribe for the ultimate departure, removal, or deportation of such alien from the United States.

SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until the immigration officer in charge at the port of arrival has inspected such seaman—which inspection in all cases shall include a personal physical examination by the medical examiners—or who fails to detain such seaman on board after such inspection or to deport such seaman if required by such immigration officer or the Secretary of Labor to do so, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien seaman in respect of whom such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine, or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine, or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

(b) Proof that an alien seaman did not appear upon the outgoing manifest of the vessel on which he arrived in the United States from any place outside thereof, or that he was reported by the master of such vessel as a deserter, shall be prima facie evidence of a failure to detain or deport after requirement by the immigration officer or the Secretary of Labor.

(c) If the Secretary of Labor finds that deportation of the alien seaman on the vessel on which he arrived would cause undue hardship to such seaman, he may cause him to be deported on another vessel at the expense of the vessel on which he arrived, and such vessel shall not be granted clearance until such expense has been paid or its payment guaranteed to the satisfaction of the Secretary of Labor.

(d) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen, arriving in the United States prior to the enactment of this act.

It is unfortunate that the seamen sections—sections 18, 19, and 20 of H. R. 7995—were not adopted as they passed the House, with the two added subdivisions set out in Secretary Hughes's letter of date April 24, 1924, with the amendment thereto suggested by Mr. Hughes.

This would have made the immigration provisions as they relate to alien seamen workable and effective. Good for the seaman and for his protection. Most effective as to preventing vessels bringing in large numbers of seamen who are not in fact bona fide seamen, and then leaving our ports with 10 to 25 per cent less seamen than they brought in. Using this method to land those not otherwise entitled to enter and remain in the United States.

The last or second subdivision referred to in Secretary Hughes's letter, if adopted, would have effectively stopped up the leak of those inadmissible entering the United States as is now practiced. It would have worked.

We are hoping at the convening of Congress that the alien seamen features above referred to may again be taken up and a proper, workable, and effective amendment adopted.

If the present provisions of the immigration act of 1924, sections 19 and 20, relating to alien seamen are enforced, and a full report made on outgoing as well as incoming alien seamen provided for in subdivision (b) of section 20 of said act, we will have the necessary facts and information upon which to make proper amendment to the alien seamen law as it relates to immigration.

Mr. JOHNSON of Washington. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. OLIVER].

Mr. OLIVER of New York. Mr. Speaker and gentlemen of the House, last Monday we were informed by the gentleman from Washington that we would insult Japan if we passed the bill in its original form. The distinguished leader of the majority, the gentleman from Ohio, said that we would insult Japan and would not be acting gracefully if we passed the bill in that shape. The great keynoter of the Republican Party, the gentleman from Ohio [Mr. BURTON], informed us that it would be an absolute insult to the Government of Japan to pass this bill in its present shape. And yet on this day something has changed the insult into a decorous and most diplomatic manner of doing the thing. I wonder what brought the change about. I listened to the debate the other day and said to myself, the President has a right to be heard, he should be upheld, but none of these distinguished gentlemen who advocated the President's side on last Monday are standing up here to-day and advocating it now. You are running away from your President; you are betraying him; you are letting him flounder around without a single word of protest. This situation was created because the leaders of the Republican side were like men riding backwards in a hack. They did not see things until they were passed by.

Mr. TINCHER. Will the gentleman yield?

Mr. OLIVER of New York. I will.

Mr. TINCHER. Did the gentleman vote to sustain the President the other day?

Mr. OLIVER of New York. No; I did not vote to sustain the President.

Mr. TINCHER. The gentleman's concern about the President is very recent? [Laughter.]

Mr. OLIVER of New York. The loyalty of the gentleman from Kansas to the President is of short duration.

The gentleman was with the President on Monday, and he leaves the President on Thursday, and I say to the gentleman from Kansas [Mr. TINCHER] that he will carry any load the Republican Party votes upon him, whether it be Jesse James with a load of loot from a plundered train or a prohibitionist with a bottle of nice, fresh, spring water for a fishing trip. [Laughter.] The gentleman is a fine pack horse for the Republican Party. He does not choose the road and he does not choose the load. He is not responsible. He is just a pack horse, faithful in body and absent in mind. [Laughter]. But here we are dealing with an international situation to-day, and yet the great Republican Party leader, the keynoter himself [Mr. BURTON], is silent. The keynote that he sounds at Cleveland will not be a stirring bugle call which will send a thrill through both the rider and the charger. It will sound more like the dinner bell rung by a landlady in a boarding house. It will sound like the dinner bell ringing on the ears of the delinquent boarders, who will rush hastily to feed heartily at the festive board against the hour of their eviction. It will recall to the radio fans that fine ballad:

There is a boarding house three miles away,
Where they have ham and eggs three times a day;
And when the boarders hear the bell,
Downstairs they rush pell-mell
Three times a day.

[Laughter.]

Oh, I feel sorry for the President; I feel sorry for him because he has a job that is too big for him. I feel sorry for him because he is convalescing even from his exertions as Vice President of the United States. I feel sorry for the President because he has no party and no loyalty behind him. [Applause on the Democratic side.]

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Speaker, it is quite amusing to find gentlemen who never voted to sustain the President upon this or any other proposition to-day shedding crocodile tears over the situation of the President. It is also very suggestive and pertinent to observe that the opposition to the conference report comes from those men in this House who never have supported restrictive immigration of any kind.

Mr. WEFALD. Not altogether.

Mr. CHINDBLOM. No; you have changed your mind because you got orders from the Seamen's Union. [Laughter.]

Mr. WEFALD. I got no orders and I take no orders. I take no orders from Wall Street or Chicago.

Mr. CHINDBLOM. But you take them now. I got the same thing in the mail this morning, just as the gentleman did; but it did not have the same effect upon me. I say this for myself: I voted last Monday to sustain the President, or, rather, to conform with what we understood to be his position in this matter. We do not know what the situation may be now. I am going to vote for this report because I am in favor of the restriction of immigration, and I am also in favor of the exclusion of Japanese immigration.

Mr. WEFALD. Because you have your orders.

Mr. CHINDBLOM. Oh, no, no.

The SPEAKER. The gentleman must not interrupt the speaker without first asking him to yield.

Mr. CHINDBLOM. The gentleman knows I have voted consistently on this proposition; but I say this for myself and without orders from anybody: If the President in his wisdom finds after this legislation has been passed that it is impossible for him, in the discharge of his duty to the Nation and in the proper consideration of our international relations, to conform his conduct to this conference report, then I shall vote again to support the President. [Applause.] We have no information to-day that that situation exists, however. International relations change within less time than five days frequently. They change in a few hours, in a few minutes. Conferences and other situations may have created a different condition to-day than we had last Monday, but those who are in favor of restriction of immigration generally, and those who are in favor of Japanese exclusion specifically, will vote for this conference report to-day, and then await the future to bring whatever change there may be in the situation hereafter.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. JOHNSON of Washington. Mr. Speaker, I yield three minutes to the gentleman from Oregon [Mr. WATKINS].

[By unanimous consent, Mr. WATKINS was granted leave to extend his remarks in the RECORD.]

Mr. WATKINS. Mr. Speaker, the old adage, "Beware of the Greeks bearing gifts," is just as true to-day as it was when first uttered and most apropos at this time. I want you to bear in mind that the men who will vote to recommit this bill vote with the express purpose, with malice aforethought as it were, and with the intent that that action will mean the death knell of legislation of this kind. There are but three substantial changes in this bill from that which passed the House, and I shall give you those in the hope that you will vote as you did before, because those three changes are changes in the interest of restriction and consequently improve the House bill. The gentleman from California, Judge RAKER, has explained the seaman's provision and I therefore shall not consume any time on it. This act is in addition to the regular immigration law. It is not a substitution therefor. The good of the old is retained.

The first change is the nonquota provision; this bill makes it stricter than it was before. We passed a bill putting the husband, the wife, the children, and the parents in the nonquota title. This bill has eliminated the father, the mother, and the husband. They must come in under the quota section, and so the only kinfolks that can enter under the nonquota provision are the children and the wife of an American citizen. There is not a single man in this House who voted for this bill before who can object to that change, because the Senate and the House conferees have made it better from the standpoint of America, and that is the only viewpoint I entertain.

The second change is section 6, which gives a preference to kin and to agriculturists. Heretofore the bill gave no such preference. Any man who wanted to come to America who could stand the test and pass the examination could come, if he could get a visé certificate. We now say that the kin, the father, the mother, and the husband, and agricultural people shall have the preference to the extent of 50 per cent. No man in this House who represents an American constituency can oppose that change, and every man who voted for the bill as it passed the House can with more justification vote for this conference report, but those who do not want any restrictive immigration, those who only want the present law with practically no restriction whatsoever, will vote to recommit the bill.

The third change in the national-origin section, which will not take effect until July 1, 1927. To vote to recommit this

bill is to flirt with danger—that of no restriction of immigration whatever. The bill is not perfect, but it is a step forward in the interests of the United States and because of that interest challenges the support of every one of us who thinks in terms and tone of America. I urge your favorable vote. [Applause.]

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. JOHNSON of Washington. Mr. Speaker and gentlemen, the time has about expired. In reference to the alien seamen's provision, let me give you an exact statement of its purpose. It will work fairly for the United States and fairly for the sailors of the world. Seamen can not now be held on board ship even long enough to give them the medical examination necessary for the protection of the United States. We correct that situation.

It is charged that section 19 places the alien seamen under the immigration laws, and that to come ashore these seamen will have to comply with all the provisions of the immigration laws and be eligible to citizenship.

There is nothing to that charge. The provision excluding from admission aliens ineligible to citizenship by its own terms does not apply to any alien who is not an immigrant as defined in section 3. By the terms of section 3 bona fide seamen are expressly declared not to be immigrants. Therefore seamen are not prevented from landing under the Japanese-exclusion provision.

Next it is charged in a pamphlet signed by Andrew Furuseth on behalf of the seamen, that—

Section 21 provides that the master of a vessel must hold the seaman on board, first, until examined; second, until deported either by himself in the same ship, or by order of the Secretary of Labor in some other ship, unless the seaman shall be permitted to land. Having no immigration visé, of course, he can not land in the United States under the immigration laws, as they will be amended if these two sections are adopted. The failure of the master to hold the seaman to the vessel carries with it a penalty of $1,000.

This is absolutely without foundation. The only person required to have an immigration visé is an immigrant. Section 3 expressly declares bona fide seamen not to be immigrants.

In conclusion, Mr. Speaker and gentlemen, a vote for this conference report is not a vote against the President of the United States. In bringing the report out in this form we acted in accord with the will of the House. The President in his right offered a suggestion. But the House and the Senate control immigration through law. Both House and Senate, if I may be permitted to speak plainly, are through with immigration treaties and are through with agreements. We hope the President may find a way to give proper notice of the abrogation within the very limited time given him, otherwise the burden is on Congress.

Mr. Speaker, I move the previous question on the adoption of the conference report.

The question was taken.

The previous question was ordered.

Mr. JOHNSON of Washington. I move the adoption of the conference report.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SABATH. Mr. Speaker, I move to recommit, which motion I have sent to the Clerk's desk.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SABATH moved to recommit the bill to the committee on conference with instructions on the part of the House not to agree to the Senate amendment with amendments comprehending paragraphs (b), (c), (d), and (e) of section 11 (known as the national-origin scheme), and with further instructions not to agree to paragraph (a), section 4, and to insist in lieu thereof on the following:

"SEC. 4. (a) An immigrant who is the husband, wife, father, or mother, over 55 years of age, or unmarried child under 18 years of age of a citizen of the United States.

"(2) An immigrant who is the husband, wife, or unmarried child under 18 years of age of an alien who has been;

"(a) Legally and permanently admitted to the United States;

"(b) Who has resided continuously for at least two years within the United States;

"(c) Who has at least one year prior to July 1, 1924, filed a declaration of intention in the manner provided by law to become a citizen of the United States.

"(3) An immigrant who is the wife, unmarried child under 18 years of age, father or mother over 55 years of age of one who served in the military or naval forces of the United States at any time between April 5, 1917, and November 11, 1918, and who was not discharged under dishonorable conditions."

And with further instructions to disagree to sections 19 and 20 (known as the alien seamen's provisions) and in lieu thereof to agree on the following:

"SEC. 19. (a) Every alien employed on board of any vessel arriving in the United States from any place outside thereof shall be examined by an immigrant inspector to determine whether or not (1) he is a bona fide seaman, and (2) he is an alien of the class described in subdivision (d), section 20, hereof; and by a surgeon of the United States Public Health Service to determine (3) whether or not he is suffering with any of the disabilities or diseases specified in section 35 of the immigration act of 1917.

"(b) If it is found that such alien is not a bona fide seaman, he shall be regarded as an immigrant and the various provisions of this act and of the immigration laws applicable to immigrants shall be enforced in his case. From a decision holding such alien not to be a bona fide seaman the alien shall be entitled to appeal to the Secretary; and on the question of his admissibility as an immigrant he shall be entitled to appeal to the Secretary, except where exclusion is based upon grounds nonappealable under the immigration laws. If found inadmissible, such alien shall be deported as a passenger on a vessel other than that by which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(c) If it is found that such alien is subject to exclusion under subdivision (d) of section 20 hereof, the inspector shall order the master to hold such alien on board pending the receipt of further instructions.

"(d) If it is found that, although a bona fide seaman, such alien is afflicted with any of the disabilities or diseases specified in section 35 of the immigration act of 1917, disposition shall be made of his case in accordance with the provisions of the act approved December 26, 1920, entitled 'An act to provide for the treatment in hospital of diseased alien seamen.'

"SEC. 20. (a) The owner, charterer, agent, consignee, or master of any vessel arriving in the United States from any place outside thereof who fails to detain on board any alien seaman employed on such vessel until such alien has been inspected pursuant to paragraph (a) of section 19 hereof, or until such alien has been placed in hospital pursuant to paragraph (d) of said section, or who fails to make provision for the deportation of any alien ordered deported pursuant to paragraph (b) of said section or pursuant to paragraph (c) of said section and paragraph (d) of this section, shall pay to the collector of customs of the customs district in which the port of arrival is located the sum of $1,000 for each alien in respect of whom any such failure occurs. No vessel shall be granted clearance pending the determination of the liability to the payment of such fine or while the fine remains unpaid, except that clearance may be granted prior to the determination of such question upon the deposit of a sum sufficient to cover such fine or of a bond with sufficient surety to secure the payment thereof approved by the collector of customs.

"(b) Section 32 of the immigration act of 1917 is repealed, but shall remain in force as to all vessels, their owners, agents, consignees, and masters, and as to all seamen arriving in the United States prior to the enactment of this act. Sections 33 and 34 of such act are repealed, to take effect after the expiration of four months after the enactment of this act, but the provisions of such section 34 shall thereafter remain in force in the case of any alien seaman who has landed in a port of the United States before such repeal becomes effective.

"(c) All vessels entering ports of the United States manned with crews, the majority of which, exclusive of licensed officers, have been engaged and taken on at foreign ports shall, when departing from the United States ports, carry a crew of at least equal number, and any such vessel which fails to comply with this requirement shall be refused clearance: *Provided, however*, That such vessel shall not be required when departing to carry in the crew any person to fill the place made vacant by the death or hospitalization of any member of the incoming crew.

"(d) No vessel shall, unless such vessel is in distress, bring into a port of the United States as a member of her crew any alien who, if he were applying for admission to the United States as an immigrant, would be subject to exclusion under paragraph (c) of section 13 hereof, except that any ship of the merchant marine of any one of the countries, islands, dependencies, or colonies, immigrants coming from which are excluded by the said provisions of law shall be permitted to enter ports of the United States having on board in their crews aliens of said description who are natives of the particular country, island, dependency, or colony to the merchant marine of which such vessel belongs. Any alien seaman brought into a port of the United States in violation of this provision shall be excluded from admission or temporary landing and shall be deported either to

the place of shipment or to the country of his nativity as a passenger on a vessel other than that on which brought, at the expense of the vessel by which brought, and the vessel by which brought shall not be granted clearance until such expenses are paid or their payment satisfactorily guaranteed.

"(e) If any alien seaman temporarily landed under the provisions of this act remains in the United States without shipping foreign for a period in excess of 60 days, such circumstance shall constitute prima facie evidence of abandonment of calling and becoming an immigrant, and such alien shall thereupon be taken into custody by immigration officials and examined as though he were an immigrant applying for admission, and unless such alien shows either that he has not abandoned his calling but is still a bona fide seaman, or that he is in all respects admissible under this act and the immigration laws, such alien shall be deported in the manner prescribed by sections 19 and 20 of the immigration act of 1917."

Mr. JOHNSON of Washington. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BLANTON. Mr. Speaker, I make a point of order against the motion to recommit.

The SPEAKER. The gentleman will state his point of order.

Mr. BLANTON. I make the point of order, Mr. Speaker, that the motion to recommit is against the rules of the House, as it contains instructions to the conferees that are without the scope and limit of the conferees on matters which were not in conference at all; and for that reason the motion to recommit is not proper.

The SPEAKER. The Chair overrules the point of order; everything is in conference. The gentleman from Washington moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. SABATH. A division, Mr. Speaker.

The SPEAKER. The gentleman from Illinois demands a division.

The House divided; and there were—ayes 33, noes 246.

Mr. SABATH. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. There are far more than a quorum present.

Mr. SABATH. I ask for the yeas and nays.

The SPEAKER. The gentleman from Illinois demands the yeas and nays. Twenty-nine gentlemen have arisen, not a sufficient number, and the yeas and nays are refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

Mr. JOHNSON of Washington. Mr. Speaker, I join in that request.

The yeas and nays were ordered.

The question was taken; and there were—yeas 308, nays 62, not voting 63, as follows:

YEAS—308

Abernethy	Butler	Dominick	Gifford
Ackerman	Byrns, Tenn.	Doughton	Glatfelter
Allen	Cable	Dowell	Goldsborough
Allgood	Canfield	Drewry	Graham, Ill.
Andrew	Cannon	Driver	Graham, Pa.
Anthony	Carter	Dyer	Green, Iowa
Arnold	Chindblom	Elliott	Greene, Mass.
Aswell	Christopherson	Evans, Iowa	Greenwood
Ayres	Clague	Evans, Mont.	Griest
Bacon	Clarke, N. Y.	Fairchild	Hadley
Barbour	Cole, Iowa	Fairfield	Hammer
Beedy	Cole, Ohio	Faust	Hardy
Begg	Collier	Favrot	Harrison
Bell	Collins	Fish	Hastings
Bixler	Colton	Fisher	Haugen
Black, Tex.	Connally, Tex.	Fitzgerald	Hawes
Bland	Cook	Fleetwood	Hawley
Blanton	Cooper, Ohio	Foster	Hayden
Bowling	Cooper, Wis.	Frear	Hersey
Box	Crisp	Fredericks	Hickey
Boyce	Croll	Free	Hill, Ala.
Brand, Ga.	Crowther	French	Hill, Wash.
Brand, Ohio	Cumming	Frothingham	Hoch
Briggs	Dallinger	Fulbright	Holaday
Britten	Darrow	Fuller	Hooker
Browne, Wis.	Davey	Fulmer	Howard, Nebr.
Browning	Davis, Minn.	Garber	Hudson
Brumm	Davis, Tenn.	Gardner, Ind.	Hudspeth
Buchanan	Deal	Garner, Tex.	Hull, Iowa
Bulwinkle	Dempsey	Garrett, Tenn.	Hull, Morton D.
Burtness	Denison	Garrett, Tex.	Hull, Tenn.
Burton	Dickinson, Iowa	Gasque	Hull, William E.
Busby	Dickinson, Mo.	Gibson	Humphreys
Jeffers	McSweeney	Rankin	Swank
Johnson, Ky.	MacLafferty	Rathbone	Swing
Johnson, S. Dak.	Madden	Rayburn	Swoope
Johnson, Tex.	Magee, Pa.	Reece	Taber
Johnson, Wash.	Major, Ill.	Reed, Ark.	Taylor, Colo.
Johnson, W. Va.	Major, Mo.	Reed, N. Y.	Taylor, Tenn.
Jones	Manlove	Reid, Ill.	Taylor, W. Va.
Jost	Mansfield	Richards	Temple
Kearns	Mapes	Roach	Thatcher
Keller	Martin	Robinson, Iowa	Thomas, Ky.
Kelly	Michener	Robsion, Ky.	Thomas, Okla.
Kendall	Miller, Wash.	Rogers, Mass.	Thompson
Kent	Milligan	Romjue	Tillman
Kerr	Mills	Rubey	Timberlake
Ketcham	Montague	Salmon	Tincher
King	Moore, Ga.	Sanders, Ind.	Treadway
Kopp	Moore, Ill.	Sanders, N. Y.	Tucker
Kurtz	Moore, Ohio	Sanders, Tex.	Tydings
Lampert	Moore, Va.	Sandlin	Underwood
Lanham	Morehead	Schall	Vaile
Lankford	Morgan	Scott	Vestal
Larsen, Ga.	Morrow	Sears, Fla.	Vincent, Mich.
Larson, Minn.	Murphy	Shallenberger	Vinson, Ga.
Lazaro	Nelson, Me.	Sherwood	Wainwright
Lea, Calif.	Nelson, Wis.	Shreve	Watkins
Leatherwood	Newton, Minn.	Simmons	Watson
Leavitt	Newton, Mo.	Sinnott	Weaver
Lee, Ga.	Nolan	Sites	Wertz
Lilly	O'Connor, La.	Smith	White, Kans.
Lineberger	Oldfield	Smithwick	Williams, Ill.
Linthicum	Oliver, Ala.	Snell	Williams, Mich.
Little	Paige	Speaks	Williamson
Longworth	Parker	Spearing	Wilson, Ind.
Lowrey	Parks, Ark.	Sproul, Ill.	Wilson, La.
Lozier	Patterson	Sproul, Kans.	Wingo
Lyon	Peery	Stalker	Winslow
McClintic	Perkins	Steagall	Wolff
McDuffie	Pou	Stedman	Wood
McKenzie	Purnell	Stephens	Woodruff
McKeown	Quin	Stevenson	Woodrum
McLaughlin, Mich.	Ragon	Strong, Kans.	Wright
McLaughlin, Nebr.	Rainey	Strong, Pa.	Wurzbach
McReynolds	Raker	Summers, Wash.	Wyant
McSwain	Ramseyer	Sumners, Tex.	Zihlman

NAYS—62

Aldrich	Dickstein	McFadden	Schneider
Bacharach	Magan	McLeod	Seger
Beck	Fenn	Magee, N. Y.	Sinclair
Berger	Freeman	Mead	Sweet
Black, N. Y.	Geran	Merritt	Tague
Bloom	Griffin	Minahan	Tilson
Boylan	Hill, Md.	Mooney	Tinkham
Buckley	Jacobstein	O'Connell, R. I.	Underhill
Carew	James	O'Connor, N. Y.	Vare
Casey	Kindred	O'Sullivan	Voigt
Celler	Knutson	Oliver, N. Y.	Watres
Clancy	Kunz	Perlman	Wefald
Cleary	LaGuardia	Prall	Weller
Connery	Lindsay	Quayle	Young
Crosser	Logan	Sabath	
Cullen	Luce	Schafer	

NOT VOTING—63

Almon	Drane	Miller, Ill.	Sears, Nebr.
Anderson	Edmonds	Moores, Ind.	Snyder
Bankhead	Funk	Morin	Stengle
Barkley	Gallivan	Morris	Sullivan
Beers	Gilbert	Mudd	Upshaw
Boles	Howard, Okla.	O'Brien	Vinson, Ky.
Browne, N. J.	Huddleston	O'Connell, N. Y.	Ward, N. Y.
Burdick	Kahn	Park, Ga.	Ward, N. C.
Byrnes, S. C.	Kless	Peavey	Wason
Campbell	Kincheloe	Phillips	Welsh
Clark, Fla.	Kvale	Porter	White, Me.
Connolly, Pa.	Langley	Ransley	Williams, Tex.
Corning	Lehlbach	Reed, W. Va.	Wilson, Miss.
Cramton	McNulty	Rogers, N. H.	Winter
Curry	MacGregor	Rosenbloom	Yates
Doyle	Michaelson	Rouse	

So the conference report was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Curry (for) with Mr. O'Connell of New York (against).
Mr. Cramton (for) with Mr. Gallivan (against).
Mr. Rouse (for) with Mr. Corning (against).
Mr. Phillips (for) with Mr. Burdick (against).
Mr. Howard of Oklahoma (for) with Mr. McNulty (against).
Mr. Connolly of Pennsylvania (for) with Mr. Ransley (against).
Mr. Bankhead (for) with Mr. Sullivan (against).
Mr. Funk (for) with Mr. O'Brien (against).
Mr. Almon (for) with Mr. Doyle (against).
Mr. Stengle (for) with Mr. Browne of New Jersey (against).

Until further notice:

Mr. Boles with Mr. Drane.
Mr. Wason with Mr. Kincheloe.
Mr. Beers with Mr. Park of Georgia.
Mr. Kless with Mr. Williams of Texas.
Mr. Lehlbach with Mr. Barkley.
Mr. Kahn with Mr. Clark of Florida.
Mr. White of Maine with Mr. Gilbert.
Mr. Winter with Mr. Upshaw.
Mr. MacGregor with Mr. Byrnes of South Carolina.
Mr. Campbell with Mr. Huddleston.
Mr. Morin with Mr. Kvale.
Mr. Mudd with Mr. Morris.
Mr. Michaelson with Mr. Rogers of New Hampshire.
Mr. Moores of Indiana with Mr. Peavey.
Mr. Porter with Mr. Vinson of Kentucky.
Mr. Sears of Nebraska with Mr. Ward of North Carolina.
Mr. Welsh with Mr. Wilson of Mississippi.

Mr. BEERS. Mr. Speaker, I wish to vote "aye."

The SPEAKER. Was the gentleman present in the Hall listening when his name was called?

Mr. BEERS. No; I was not. I was out.

The SPEAKER. Then the gentleman does not qualify.

The result of the vote was announced as above recorded.

On motion of Mr. JOHNSON of Washington, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

CHARGES AGAINST TWO REPRESENTATIVES IN CONGRESS

Mr. BURTON. Mr. Speaker, I desire to present the report of the select committee appointed on March 12, 1924, to investigate the charges against two Representatives in Congress, and I ask that the same be read.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the report be read. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

CHARGES AGAINST TWO REPRESENTATIVES IN CONGRESS

The select committee appointed March 12, 1924, pursuant to House Resolution 217, to investigate the statement contained in a report of a grand jury for the District Court for the Northern District of Illinois, southern division, relative to certain evidence presented to them involving the payment of money to two Members of Congress and to ascertain—

(a) Whether said "two Members of Congress" so charged are Members of the House of Representatives; and

(b) If so, to make such further investigation as may be essential to establish the truth or falsity of said allegation;

and further, to "report to the House as promptly as possible the results of its inquiries, together with such recommendation as it may deem advisable," now submits its report, as follows:

Your committee upon mature deliberation determined that the hearings should be in executive session, but that all of the evidence should accompany the report. It was formally ascertained that the Members referred to were Representatives FREDERICK N. ZIHLMAN, of Maryland, and JOHN W. LANGLEY, of Kentucky.

It was agreed by the committee that in view of the indictment and probable immediate trial in the District of Columbia of Representative LANGLEY, the committee would first consider the Zihlman case. Since then Representative LANGLEY has been indicted, tried, convicted, and sentenced in the Federal court for the eastern district of Kentucky. It is understood that he has initiated appellate proceedings, and therefore it would seem proper that further action by the committee in respect to him be deferred for the present, it being assumed that until the final disposition of the case he will take no part whatever in any of the business of the House or its committees.

The committee has considered the Zihlman case. It has secured the testimony of all persons supposed to have any direct or indirect knowledge of the charge against him. It has examined 22 witnesses and a number of documents, and the printed record, containing some 828 pages, accompanies this report. The evidence is conflicting and sharply contradictory, and the question of the credibility of individual witnesses has frequently arisen. Taken as a whole, in the opinion of the committee the evidence does not establish the truth of the charge against Representative ZIHLMAN, and, accordingly, the committee recommends that, so far as he is concerned, no further action is required or should be taken by the House.

THEODORE E. BURTON.
FRED S. PURNELL.
EARL C. MICHENER.
OTIS WINGO.
R. WALTON MOORE.

Mr. BURTON. Mr. Speaker, I file at this time a copy of the testimony taken in the case.

The SPEAKER. The gentleman from Ohio files a copy of the testimony.

Mr. BURTON. As I understand it, this report takes its place on the calendar of the House, and no motion for adoption or rejection is in order unless called up as a privileged matter; and if such motion should be made, it is the feeling of the committee that the membership of the House should have time to examine the testimony if they so desire.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield to me?

Mr. BURTON. Yes.

Mr. WOODRUFF. I would like to ask if the report submitted by the committee is signed by the entire membership?

Mr. BURTON. It is.

Mr. MOORE of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BURTON. Yes.

Mr. MOORE of Virginia. I would like to suggest that the gentleman inform the Members of the House of the fact that copies of the evidence will be available to all the Members of the House.

Mr. BURTON. Yes.

The SPEAKER. Referred to the House Calendar.

Mr. McKEOWN. Mr. Speaker, I would like to ask the gentleman from Ohio a question. Is it the purpose of the gentleman to call this up any more?

Mr. BURTON. That must await developments. I will say further that the precedents do not sustain the position that a motion should be made to adopt or reject. I was a member of a special committee in 1904 to investigate certain matters in the Post Office Department. A majority report and a minority report were filed, but there was no motion made to adopt or reject the reports.

RENT COMMISSION

Mr. LAMPERT. Mr. Speaker, I call up from the Speaker's table the bill (H. R. 7962) to extend for a period of two years the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended, with Senate amendments, and move to agree to the Senate amendments.

The SPEAKER. The Clerk will report the Senate amendments.

The Senate amendments were read.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Texas is recognized for five minutes.

Mr. BLANTON. Mr. Speaker, I did everything within the scope of parliamentary rules to prevent the passage of this bill extending the Rent Commission. But it passed. In its present shape it extends the law for only one year from May 22, 1924. If it should go to conference its provisions might be changed so as to extend the Rent Commission several years longer.

The situation is this: The author of the Rent Commission law over in the Senate now has pending there a bill to make this commission permanent, with the salaries of the personnel raised, and embracing other wasteful, extravagant provisions. If this bill should go to conference he will be one of the conferees, and in fact would preside as chairman over the conference.

Our colleague from Wisconsin [Mr. LAMPERT], who introduced this measure in the House, introduced it as extending the act only for a stated number of years and increasing personnel, salaries, and expenses, but in the RECORD he has frankly expressed himself as favoring a permanent commission. And if this bill goes to conference, he will be one of the conferees.

Our fight against this bill in the House forced it to be reframed and restricted to a mere extension of the present law for one year, without any additional personnel and without any raises in salaries, and without increased expenses.

We can stop this evil where it is by accepting the minor amendments of the Senate and in thus letting it become a law without sending it back to conference. If it should go to conference, the probabilities are that there would be five conferees in favor of continuing this Rent Commission on for several years, with increased expenses; and I would be the only conferee against the measure, and I would be outvoted, and the conferees would probably be able to get the House and Senate to adopt their report. Hence through strategy I am going to let well enough alone and accept the least of possible evils and try to keep this bill from going to conference.

Therefore I proposed to the gentleman from Ohio [Mr. BURTON] and to the gentleman from Wisconsin [Mr. LAMPERT] that if they would move to accept the Senate amendments and thus finally pass the bill as it now stands, I would not resort to any parliamentary prerogatives to delay it. And they accepted my proposals, and therefore I will vote with them to accept the Senate amendments. And thus we thereby limit the life of this unwarranted, unconstitutional Rent Commission to one year only.

The Supreme Court of the United States has already advised that it would hold this law unconstitutional. Based on such opinion, a member of the Supreme Court of the District of Columbia has indicated that he will grant an injunction against this Rent Commission from functioning. And this surely will be done. Thus our colleagues who have forced the passage of this unconstitutional measure through Congress will have the satisfaction of soon witnessing these five rent commissioners and all of their employees drawing their salaries from the Public Treasury for a whole year and having nothing whatever

to do and performing no service whatever for the pay they will receive, for the courts will not let them function. The President of the United States ought to retire them and save this money for the taxpayers of the United States.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

The SPEAKER. The gentleman from Massachusetts is recognized for five minutes.

Mr. UNDERHILL. Mr. Speaker, this bill has come back from the committee on conference a little worse, if possible, than it was when it went to conference. Another branch of Congress has added legislative matter to the bill which, if a motion were made to add the same on the floor of the House, would be subject to a point of order, and the point of order would be sustained.

It seems to me that those in the House who are opposed to the general proposition that Congress shall have the power to override the decisions of the Supreme Court—those men who believe that is contrary to the traditions of our Government and to the best interests of the Nation as a whole, should, as a matter of principle, vote against this report.

It not only extends the life and the powers of the Rent Commission so far as it may govern apartment houses, but another section has been added which makes it applicable to hotels and goes even further and includes food as well as lodging. Where are you going to stop? Some of us who have to pay a high price for clothing would like to have it brought in under the provisions of this bill, in fact, every necessity of life might just as well be included, and because most luxuries nowadays are considered necessities by most of the people, we might include everything.

I did not want this report accepted without making a protest, a protest made in all sincerity, not that it affects me in any way, shape, or manner, but that the principle laid down and the policy pursued are absolutely wrong fundamentally and absolutely wrong constitutionally.

If I were a lawyer instead of a layman, I would hate to stake my reputation as a lawyer on my individual opinion in comparison with the decision practically made by the Supreme Court in this matter. You write yourselves down either as believing your opinion is supreme and superior to that of the judgment of the Supreme Court or that you approve of the proposition which will come before Congress sooner or later, backed by all the radical elements of this Nation, namely, that Congress shall have the power to supersede the Supreme Court in its decisions.

Now, that is the situation, and if you vote honestly according to your own light and your own judgment—I mean mentally honest—the responsibility is yours and not mine. As for me, a common, ordinary laymen, with more or less respect, in fact, more than less respect for the Supreme Court, I propose to vote against the proposition.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

The SPEAKER. The gentleman from Kansas is recognized for five minutes.

Mr. TINCHER. Mr. Speaker, this proposition is a good reason and furnishes a fair example of why certain publications criticize Congress.

The first proposition contained in the conference report has been passed on by the Supreme Court of the United States, and I will not at this time discuss it. It will not be effective because the courts have enjoined the enforcement of it.

The second proposition has had no consideration whatever. However, it has been tried in a great many places, and it has brought about a raise of rates by hotels in every State where it has ever been tried. If there is any place in the world where it will not work, it is in the District of Columbia, because here the transient is more or less permanent and the hotels are constructed in a way that some of us use apartments. But every room under this will have to have the rates published, whether you use it with the bath or without the bath or whether two or three Congressmen come here in the summer time and have two rooms with a bath between. The rate will be published, and of necessity the hotel man will protect himself by publishing a high rate in the room.

I can not conceive how Congress can be disappointed when magazines criticize us if we agree to take up a proposition like this and pass it without one witness testifying before any committee, but simply because some one man in some body offered it as an amendment.

I have no interest save and except that I want to be understood as being one Member of Congress who did not vote for this kind of legislation.

Mr. BLANTON. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BLANTON. I am sure the gentleman from Kansas would be willing to do what I am going to do, accept the lesser of two evils. If the bill goes to conference, you will have five conferees for two years and one for no year, and the two years will probably be adopted.

Mr. TINCHER. I am not going to accept any evil without a protest. I intend to vote against the acceptance of this conference report, and I shall not be mad if every publication in America condemns the act of a Congress which will take such hasty action on such important matters.

There are only two reasons advanced, and the second one has had no hearing and no one knows anything about it, and if you will investigate you will find it wrong; and the first proposition that we are adopting has been held unconstitutional by the Supreme Court and by the courts of the District.

Mr. SCHAFER. Will the gentleman yield?

Mr. TINCHER. No; I do not yield.

Mr. LAMPERT. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and gentlemen of the committee, the only purpose of saying anything on the question of the acceptance of the bill with the Senate amendments is, perchance, there may be somebody who does not clearly understand just what this provision does.

In the first place, the House overwhelmingly passed an extension of the rent act for two years. The Senate amended that and made it one year, and the proponents of the measure are willing to accept that amendment.

Now, why accept a one-year amendment? The Supreme Court has rendered a decision that at least puts some question of doubt on its ultimate action. This doubt hinges entirely on whether or not the actual fact of an emergency is found to exist. In the Supreme Court of the District the other day, before Justice Stafford, an injunction was sought on the ground there was no emergency. Within 48 hours the Department of Justice had an attorney before that court arguing for a little extension of time to prove that an emergency exists. Let us assume it is found that no emergency exists. We are not making a spectacle of ourselves at all in extending a law which the Congress has twice overwhelmingly passed. So there is not anything to be excited about or embarrassed about in voting for an extension for one more year on the ground that perchance the Supreme Court may find that there is not any need for the law on the ground that there is no emergency.

There will be established legally whether or not there is an emergency, through the courts; and if it is established that there is an emergency, and we, on the advice of some of the opponents of this bill, refuse to recognize the fact that there is an emergency, I submit to you that we are throwing ourselves open to greater criticism than if we go ahead and extend the time one year.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BEGG. Briefly; because I only want to take one more minute.

Mr. LAGUARDIA. The gentleman does not want to leave the impression that the court has the power to decide whether there is an emergency?

Mr. BEGG. No; not entirely. The gentleman from Ohio tried to make an argument on that when the bill was before the House, and I do not want to consume the time of the House on that matter now. The court has undertaken to ascertain that fact in an injunction suit and that question will be brought up.

As to the hotel rates, there is not a thing to be alarmed at in the provision regarding the publicity of the rates charged for the rent of rooms in commercial hotels. My distinguished colleague from Toledo, General SHERWOOD, knows—and every other Ohio man knows—that every single room in the hotels of that State, when you walk into them, has hanging on the door a little card with the laws of the State of Ohio, and the card says "the rate of this room is $3.50 per day or $5 per day or $7 or $2," or whatever the rate is. Now, there is not any hardship on the hotel management in that proposition, either. If the hotel wants to charge $5 for a $2 room, the buyer of that room for the day has a right to know the rate, and he has the right to have that rate in a public place so that he does not pay that rate and the next man the next night pay $2. Therefore there is not anything to be scared about on that proposition, and I hope the House will accept the amendments and adopt the bill.

Mr. LAMPERT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the Senate amendments.

The question was taken, and the Speaker announced that the ayes seem to have it.

Mr. UNDERHILL. Mr. Speaker, I make the point of order that there is no quorum present and ask for a roll call on the vote.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. Mr. Speaker, I make the point of order that the gentleman's point of order comes too late on the vote.

The SPEAKER. The Chair thinks not. The Chair did not notice the gentleman or he would have recognized him. The Chair assumes the gentleman was ready to make the point of order although it was after the Chair had made the announcement.

Mr. UNDERHILL. I was on my feet ready to make the point of order.

The SPEAKER. The Chair will count.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. Is the vote on the amendments or on adoption as amended?

The SPEAKER. On the adoption of the amendments.

Mr. GARRETT of Tennessee. Mr. Speaker, may I interrupt the count long enough to make another parliamentary inquiry?

The SPEAKER. Certainly.

Mr. GARRETT of Tennessee. Would the result of the adoption of the amendments—that would be the final vote, would it?

The SPEAKER. It would. [After counting.] One hundred and seventy-nine Members present; not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 287, nays 52, answered "present" 1, not voting 93, as follows:

YEAS—287

Abernethy	Driver	Kindred	Purnell
Aldrich	Dupré	King	Quayle
Allen	Elliott	Kinzer	Quin
Allgood	Evans, Iowa	Kopp	Ragon
Almon	Evans, Mont.	LaGuardia	Ramey
Andrew	Fairchild	Lampert	Raker
Arnold	Fairfield	Lanham	Rankin
Ayres	Faust	Lankford	Rathbone
Bacon	Favrot	Larsen, Ga.	Rayburn
Barbour	Fenn	Larson, Minn.	Reece
Beck	Fish	Lazaro	Reed, Ark.
Beedy	Fisher	Lea, Calif.	Reid, Ill.
Beers	Fitzgerald	Leatherwood	Richards
Begg	Fleetwood	Lehlbach	Roach
Bell	Foster	Lilly	Robinson, Iowa
Berger	Frear	Lindsay	Robsion, Ky.
Black, N. Y.	Freeman	Linthicum	Romjue
Black, Tex.	French	Lyon	Rubey
Blanton	Frothingham	McClintic	Sabath
Bloom	Fulbright	McFadden	Salmon
Bowling	Fuller	McKeown	Sanders, N. Y.
Box	Fulmer	McLaughlin, Mich.	Sandlin, Tex.
Boylan	Garber	McLaughlin, Nebr.	Sandoe
Brand, Ga.	Gardner, Ind.	McLeod	Schafer
Brand, Ohio	Garner, Tex.	McReynolds	Schall
Briggs	Garrett, Tenn.	McSwain	Schneider
Britten	Garrett, Tex.	McSweeney	Scott
Browne, N. J.	Gasque	Madden	Sears, Fla.
Browne, Wis.	Gibson	Magee, N. Y.	Sears, Nebr.
Browning	Goldsborough	Major, Ill.	Shallenberger
Buchanan	Graham, Ill.	Major, Mo.	Sherwood
Buckley	Greene, Mass.	Manlove	Shreve
Burtness	Greenwood	Mansfield	Simmons
Busby	Griest	Mapes	Sinclair
Butler	Griffin	Martin	Sinnott
Byrns, Tenn.	Hammer	Mead	Sites
Cable	Hardy	Michener	Smith
Canfield	Harrison	Miller, Wash.	Smithwick
Cannon	Hastings	Milligan	Snell
Carew	Haugen	Mills	Speaks
Casey	Hawes	Minahan	Spearing
Celler	Hayden	Montague	Steagall
Clague	Hickey	Mooney	Stedman
Clancy	Hill, Ala.	Moore, Ohio	Stephens
Cole, Ohio	Hill, Wash.	Moore, Va.	Strong, Kans.
Collins	Holaday	Morehead	Strong, Pa.
Colton	Hooker	Murphy	Summers, Wash.
Connally, Tex.	Hudson	Nelson, Me.	Sumners, Tex.
Connery	Hudspeth	Nelson, Wis.	Swank
Cook	Hull, Iowa	Newton, Minn.	Swing
Cooper, Ohio	Hull, Morton D.	Newton, Mo.	Tague
Croll	Humphreys	O'Brien	Taylor, Colo.
Crosser	Jacobstein	O'Connell, R. I.	Taylor, Tenn.
Cullen	James	O'Connor, La.	Thatcher
Cummings	Jeffers	O'Connor, N. Y.	Thomas, Ky.
Dallinger	Johnson, Ky.	O'Sullivan	Thomas, Okla.
Davey	Johnson, S. Dak.	Oldfield	Thompson
Davis, Minn.	Johnson, Tex.	Oliver, Ala.	Tillman
Davis, Tenn.	Johnson, W. Va.	Oliver, N. Y.	Timberlake
Denison	Jones	Palmer	Tinkham
Dickinson, Iowa	Kearns	Parks, Ark.	Vare
Dickinson, Mo.	Keller	Patterson	Vestal
Dickstein	Kelly	Perlman	Volpt
Dominick	Kendall	Prall	Wainwright
Doughton	Kent	Purnell	Wallace
Dowell	Kerr	Quayle	White, Kans.
Drewry	Ketcham	Quin	Williams, Ill.
		Ragon	Wilson, Ind.
		Ramey	Wilson, La.
		Raker	Wingo
		Rankin	Winslow
		Rathbone	Wolff
		Rayburn	Wood
		Reece	Woodruff
		Reed, Ark.	Woodrum
		Reid, Ill.	Wright
		Richards	Wurzbach
		Roach	Young
		Robinson, Iowa	Zihlman
		Robsion, Ky.	
		Romjue	
		Rubey	
		Sabath	
		Salmon	
		Sanders, N. Y.	
		Sandlin, Tex.	
		Sandoe	
		Schafer	
		Schall	
		Schneider	
		Scott	
		Sears, Fla.	
		Sears, Nebr.	
		Shallenberger	
		Sherwood	
		Shreve	
		Simmons	
		Sinclair	
		Sinnott	
		Sites	
		Smith	
		Smithwick	
		Snell	
		Speaks	
		Spearing	
		Steagall	
		Stedman	
		Stephens	
		Strong, Kans.	
		Strong, Pa.	
		Summers, Wash.	
		Sumners, Tex.	
		Swank	
		Swing	
		Tague	
		Taylor, Colo.	
		Taylor, Tenn.	
		Thatcher	
		Thomas, Ky.	
		Thomas, Okla.	
		Thompson	
		Tillman	
		Timberlake	
		Tinkham	
		Underwood	
		Vare	
		Vestal	
		Vincent, Mich.	
		Volpt	
		Wainwright	
		Wallace	
		White, Kans.	
		Williams, Ill.	
		Wilson, Ind.	
		Wilson, La.	
		Wingo	
		Winslow	
		Wolff	
		Wood	
		Woodruff	
		Woodrum	
		Wright	
		Wurzbach	
		Young	
		Zihlman	

NAYS—52

Ackerman	Beal	McDuffie	Sproul, Kans.
Aswell	Free	Magee, Pa.	Stevenson
Bixler	Geran	Merritt	Taber
Bland	Gifford	Miller, Ill.	Temple
Boyce	Hadley	Moore, Ill.	Tilson
Bruckner	Hill, Md.	Morrow	Tincher
Bulwinkle	Hoch	Nelson, Me.	Tucker
Chindblom	Hull, William E.	Perkins	Tydings
Clarke, N. Y.	Johnson, Wash.	Pou	Underhill
Cleary	Jost	Rogers, Mass.	Weaver
Cole, Iowa	Kunz	Sanders, Ind.	Werts
Crowther	Kurtz	Seger	Williams, Mich.
Darrow	Luce	Spreul, Ill.	Wyant

ANSWERED "PRESENT"—1

Howard, Nebr.

NOT VOTING—93

Anderson	Edmonds	MacLafferty	Snyder
Anthony	Fredericks	Michaelson	Stengle
Bacharach	Funk	Moore, Ga.	Sullivan
Bankhead	Gallivan	Moores, Ind.	Sweet
Barkley	Gilbert	Morgan	Swoope
Boies	Glatfelter	Morin	Taylor, W. Va.
Burdick	Graham, Pa.	Morris	Treadway
Burton	Green, Iowa	Mudd	Upshaw
Byrnes, S. C.	Hawley	Newton, Mo.	Vaile
Campbell	Hersey	O'Brien	Vinson, Ga.
Carter	Howard, Okla.	O'Connell, N. Y.	Vinson, Ky.
Christopherson	Huddleston	Park, Ga.	Ward, N. C.
Clark, Fla.	Hull, Tenn.	Parker	Ward, N. Y.
Collier	Kahn	Peavey	Watson
Connolly, Pa.	Kiess	Perry	Welsh
Cooper, Wis.	Kincheloe	Phillips	White, Me.
Corning	Kvale	Porter	Williams, Tex.
Crampton	Langley	Ransmeyer	Williamson
Crisp	Lee, Ga.	Remley	Wilson, Miss.
Curry	Lehlbach	Reed, N. Y.	Winter
Dempsey	Little	Reed, W. Va.	Yates
Doyle	McKenzie	Rogers, N. H.	
Drane	McNulty	Rosenbloom	
Dyer	MacGregor	Rouse	

So the Senate amendments were agreed to.

The following pairs were announced:

Mr. Ramey with Mr. Crisp.
Mr. Treadway with Mr. Moore of Georgia.
Mr. Burdick with Mr. Hull of Tennessee.
Mr. Cramton with Mr. Taylor of West Virginia.
Mr. Graham of Pennsylvania with Mr. Doyle.
Mr. Burton with Mr. Glatfelter.
Mr. Sweet with Mr. Stengle.
Mr. Newton of Missouri with Mr. O'Brien.
Mr. Connolly of Pennsylvania with Mr. Lee of Georgia.
Mr. Anthony with Mr. Gallivan.
Mr. Swoope with Mr. Rouse.
Mr. Morgan with Mr. Peery.
Mr. Bacharach with Mr. Vinson of Georgia.
Mr. Funk with Mr. O'Connell of New York.
Mr. MacLafferty with Mr. Sullivan.
Mr. Curry with Mr. McNulty.
Mr. Phillips with Mr. Bankhead.
Mr. Ward of New York with Mr. Howard of Oklahoma.
Mr. Dyer with Mr. Corning.
Mr. Green of Iowa with Mr. Park of Georgia.
Mr. Christopherson with Mr. Collier.
Mr. Hawley with Mr. Ward of North Carolina.
Mr. Parker with Mr. Carter.

The result of the vote was announced as above recorded.

On motion of Mr. LAMPERT, a motion to reconsider the vote whereby the Senate amendments were agreed to, was laid on the table.

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD which I made on this bill.

The SPEAKER pro tempore (Mr. GRAHAM of Illinois in the chair). The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

THE CONFERENCE REPORT ON THE IMMIGRATION BILL

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD on the immigration bill. Is there objection?

There was no objection.

Mr. HILL of Maryland. Mr. Speaker, to-day by a vote of 308 to 62, with none voting "present," and 63 absent, the House finally passed the immigration act. I was one of the 62 who voted finally against the bill. I have already fully expressed my objections to this bill, which have caused me to vote consistently against the bill, and to vote with those who desired to support the President on the Japanese question.

I desire to call the attention of the House to the following editorial from the Sun, of Baltimore:

[From the Sun, May 11, 1924]

STAND TO YOUR GUNS, MR. PRESIDENT

Apparently, President Coolidge has been defeated in his efforts to amend the immigration bill so that the Japanese exclusion question could be taken up diplomatically and adjusted in a spirit of mutual courtesy and forbearance.

The action of the House in rejecting the proposal to extend the effective date of Japanese exclusion to March 1, 1925, seems to be conclusive. The Senate and House conferees in charge of the bill were willing to extend the date, after conferences with the President in which the facts of the problem were treated candidly, but the significance of that fact was as nothing to the House. And in the light of the House's course support of the President in the Senate, which probably would have been reluctant at best, may feel itself futile and disappear.

If, as now seems certain, the immigration bill goes to the President with the Japanese exclusion provision as originally written, the President can do no less than veto it, although it will be recognized by all that his situation will be difficult and that, in a sense, he will be confronted by an unfair political risk.

He has worked hard to put sense into the heads of Members of Congress and has failed to find enough heads that can be filled with sense. There is some doubt whether a veto would be sustained. Consequently, in asking that he veto the bill, it is asked that he pursue a policy which may have no parliamentary effect. And at the same time it may have a far-reaching political effect, for it would be likely to injure the President on the Pacific coast in the fall campaign.

That is a tough bullet for the President to chew. But the country has the right to ask him to chew it, and it will be warranted in grave disappointment if he does not do so.

The reason is this: Should Congress maintain to the end the vicious attitude it has adopted in this Japanese exclusion question, the one way in which the American people can make plain to Japan the undoubted fact that Congress does not voice intelligent American opinion is through a presidential veto. If the veto should be sustained, so much the better. But if it should be overridden there will have been a presidential demonstration of simple decency toward a great neighbor nation that, backed as it will be by the best thought of the land, may do much to reduce the evil that Congress has wrought.

Only one word is to be used in describing the almost solid line-up of the Democrats of the House against the extension desired by the President. That word is "shameful." To introduce partisanship into the treatment of this question is a sin against the Nation and against its youth. The Democrats have been complimented on their ability in this session to act as a coherent party. In the fight on Friday they prostituted that ability. The fact of prostitution is emphasized by the refusal of WALTON MOORE of Virginia, probably the ablest and soundest man on the Democratic side, to follow his party. Mr. MOORE and the handful of other Democrats who voted with the President honored themselves.

I hope the President will veto the immigration bill. If he does so veto this bill I shall vote to support his veto.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

A message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries.

VACATING CERTAIN STREETS AND ALLEYS

Mr. ZIHLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 114) vacating certain streets and alleys and authorizing the widening and extension of Fourteenth Street, insist on the House amendments, and agree to the conference asked for by the Senate.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to take from the Speaker's table the bill S. 114, insist on the House amendments, and agree to the conference asked for by the Senate. Is there objection?

Mr. BLANTON. Reserving the right to object, the gentleman from Maryland knows that the House by an emphatic vote placed a certain amendment in this bill. I want to ask the gentleman whether or not the House may be assured that before any change is made in that action the House will have an opportunity to pass on the question.

Mr. ZIHLMAN. There are about 10 amendments to the bill.

Mr. BLANTON. I refer to the McKenzie amendment.

Mr. ZIHLMAN. There were four or five McKenzie amendments.

Mr. BLANTON. I am talking about the one that refers to the double track for street cars going through the Walter Reed Hospital.

Mr. ZIHLMAN. The gentleman from Texas will be one of the conferees.

Mr. BLANTON. I know; I have served on the conference committee, and we receded from about 60 out of 68 amendments.

Mr. ZIHLMAN. That was the gentleman's first experience; and the most of them he agreed to.

Mr. BLANTON. I agreed with those that did not conflict with what I knew the House was in favor of. But we ought to have some understanding that these matters will be brought back to the House if there is to be any change of them. It would not be treating the House right not to bring them back.

Mr. ZIHLMAN. It will, of course, come back to the House.

Mr. MURPHY. Reserving the right to object, I want to press that a little further. I would like to ask the gentleman if he will take care of that situation in conference. If they do not agree, will the gentleman bring it back and give us a chance to vote on it?

Mr. ZIHLMAN. The gentleman knows that the conferees will represent the will of the House and the conferees of the Senate will represent the will of the Senate, but before the House conferees recede we will give the House an opportunity to vote on it.

Mr. MURPHY. The gentleman says that the conferees will not recede without giving the House a chance to act on it?

Mr. ZILHMAN. There is a number of amendments.

Mr. MURPHY. Oh, I refer to the one mentioned by the gentleman from Texas [Mr. BLANTON] to close the streets through Walter Reed Hospital. That is the one we are interested in. All we want is an assurance that the gentleman will give us a chance to vote on that without agreeing to it in conference.

Mr. ZILHMAN. As one of the conferees I agree that before the House recedes——

Mr. MURPHY. On that particular amendment.

Mr. ZILHMAN. That is embodied in a number of amendments.

Mr. BLANTON. It is the main car line amendment.

Mr. MURPHY. The gentleman knows exactly what we are trying to do, and we want his assurance because we know him to be an honorable gentleman.

Mr. ZILHMAN. I shall bring it back to the House for its approval.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection the Chair will appoint the following conferees: Mr. ZIHLMAN, Mr. LAMPERT, and Mr. BLANTON.

There was no objection.

IMMIGRATION

Mr. BRIGGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BRIGGS. Mr. Speaker, everyone giving consideration to the question has appreciated the need, particularly since the World War, for restrictive immigration legislation. Otherwise America would simply be overwhelmed with immigrants from every land desiring to escape conditions abroad. The growth of our own population and the necessity for preserving the true spirit of Americanism, as well as the traditions, institutions, and Government of our country, demand not only more care in the selection of immigrants but also require that such immigration shall be restricted to the minimum in order that the United States may not be overwhelmed and overcrowded by an unlimited number of aliens seeking to establish themselves here.

The Johnson immigration bill, for which I voted, and which I believe is the best measure obtainable at this time, provides for a 2 per cent quota based upon the census of 1890. This measure reduces the quota from 3 per cent to 2 per cent and thereby reduces the number of immigrants in any one year from 351,803 to an estimated number of 161,184, or over 50 per cent.

The Immigration Committee of the House of Representatives, which gave this question long and most serious consideration after the most extensive hearings, reported the Johnson immigration bill as a measure needed for the country and aimed not only to insure a better type of immigrant by providing as far as possible for examination and selection in the country from which the immigrant comes, but also by providing a system of certificates and consular visés of passports which will operate to prevent steamship companies bringing to America a large

number of aliens who through disease or otherwise are ineligible for admission to the United States, but who suffer great hardships and face ultimate deportation.

One of the great problems to-day facing this country is the assimilation of those who come from foreign countries to our shores—particularly is this true in the great cities and manufacturing centers of the United States—and our first duty is to provide for a proper appreciation, understanding, and adoption by them of the principles of government, history, and traditions of our country, so that they may thoroughly identify themselves with it and become true Americans in every sense of the word.

America is made up of peoples who have either emigrated themselves from various countries of the world or who are descendants of such emigrants. Out of this composite type has sprung the greatest nation in the world and a virile and strong spirit of Americanism characterized by love of country and its institutions, and a generous and considerate disposition toward all the world.

The question of the extent to which further immigration is to be sanctioned is purely a domestic question with which foreign nations have absolutely no concern whatever. It is one to be determined solely by the American people, and when that determination has been made no foreign country has just ground for complaint.

It is entirely within the right of the American people to say who shall and who shall not be admitted, and the admission of some and exclusion of others can give no just grounds for offense or constitute any basis for a claim of discrimination. Every other nation reserves to itself a similar right, and America does not challenge its existence. I am sure that the American people will never relinquish their undisputed right to determine for themselves who may or may not be admitted to the United States, for the question is too vital and rests upon rights which no foreign nation is entitled to challenge.

Mr. BOX. Mr. Speaker, those who oppose acts of Congress restricting immigration talk much about regulating this important problem by treaties or agreements. These suggestions come from several groups favoring the liberal admission of alien peoples, but I have never heard or read them from those who fear and seek to guard against the peril which arises from the migrations of all the tongues and tribes of the earth to America.

Since the Johnson bill has been pending, one writer, voicing violent opposition to the legislation, has declared that the migrations of men should be regulated by international agreements in connection with the League of Nations, or some similar agency, on the ground that immigrants are international population. It is said that the prejudices of the people of one country should not prompt them to exclude the home-seeking millions who are fleeing from the miseries of other countries. America's policy in this heretofore has been to consult the present and future interests of her own people. She has claimed and usually exercised an exclusive, unlimited right to do that. Even the moving multitudes have not been allowed to have their wishes and interests prevail over the interests of those already in America. Nor have we admitted the demand of the overcrowded countries of the Old World that they have a free hand to solve their problems of overcrowding by sending their undesirable surplus to us.

It is frequently insisted that the League of Nations should control migrating populations, helping them to secure admission into the country of their selection and protecting them from the opposition usually called prejudice which confronts them. Those who urge this proposition want a league of Europeans and Asiatic nations who are suffering from overcrowding to have power to procure the admission of migrating population to the United States, where they are trying to come. Neither President Wilson nor any other responsible American advocate of the League of Nations has favored passing to it the control of America's immigration policy. European and Asiatic nations would like to see that done. Spokesmen for their people already admitted here have urged it frequently during recent years. The suggestion will never be tolerated by the American people.

There remains, then, the question whether our immigration policy will be controlled by treaties or agreements between us and foreign countries or by Congress. Treaties regularly made by the President and ratified by the Senate are in a class apart from mere agreements made by the Executive with foreign powers without "the advice and consent of the Senate." The "gentlemen's agreement" belongs to the latter class.

Italy, in its note of September 15, 1921, to Mr. Secretary Hughes, suggested that its emigration, which, of course, is America's Italian immigration, "be made the subject of a specific agreement beforehand, as already suggested." This suggestion no doubt expresses the wish of other foreign governments. I point out two specific reasons why America's immigration policy should not be regulated by the treaty-making power.

Our experience as to the attitude of our Presidents toward this problem should warn us of the danger of passing absolute or chief control of it to him. The President's constant contact with delicate and difficult questions of our foreign relations and the necessity of maintaining cordial intercourse with foreign countries expose him and his advisers and agencies to constant pressure toward a tendency to too great liberality in immigration laws and regulations. Our people now almost unanimously agree that we have heretofore been ruinously loose in our immigration policies; but even such restrictive measures as have been adopted in the past have nearly all been enacted in the face of executive opposition. Nearly every step forward has been in spite of the President's veto.

In 1879 President Hayes vetoed the first Chinese exclusion act. In 1882 President Arthur vetoed an act suspending Chinese immigration for a period of 20 years (Immigration Commission Report, vol. 2, pp. 580–581). On March 3, 1897, President Cleveland vetoed an immigration act excluding illiterates (2 I. C. R. 573). President Taft vetoed an immigration bill in 1913 containing a restriction against the admission of illiterates (RECORD, special session 59th Cong. p. 101). In 1917 President Wilson vetoed an act excluding illiterates, but Congress passed it over his veto. The present percentage quota immigration law was first passed by the Sixty-sixth Congress, but failed because President Wilson withheld his approval. It was again passed by the Sixty-seventh Congress and later extended, both acts having been approved by President Harding, whose action on these measures was about the first approval by a President of the United States of any measure designed to reduce or strictly regulate immigration from foreign countries.

The treaty between the United States and China, called the Burlingame treaty, concluded July 28, 1868, and proclaimed February 5, 1870, volume 1, Treaties and Conventions, page 234, Article V, contains the following language:

> The United States of America and the Emperor of China cordially recognize the inherent and inalienable right of man to change his home and allegiance, and also the mutual advantage of the free migration and emigration of their citizens and subjects, respectively, from the one country to the other for purposes of curiosity, of trade, or as permanent residents.

Article VI of the same treaty contains the following provision:

> Citizens of the United States visiting or residing in China shall enjoy the same privileges, immunities, or exemptions in respect to travel or residence as may there be enjoyed by the citizens or subjects of the most-favored nation; and, reciprocally, Chinese subjects visiting or residing in the United States shall enjoy the same privileges, immunities, and exemptions in respect to travel or residence as may there be enjoyed by the citizens or subjects of the most-favored nation. * * *

Intolerable conditions soon developed in California as the result of this treaty stipulation that Chinese had an inalienable right to immigrate to the United States and permanently reside here, but the treaty-making power failed to relieve the situation. In 1879 a bill was introduced in Congress limiting to 15 the number of Chinese who could come into the United States upon any one vessel. It was argued against this bill that it would abrogate the provisions of the Burlingame treaty. After being amended by adding a provision for the abrogation of articles 5 and 6 of that treaty, which gave to the Chinaman all privileges enjoyed by "citizens or subjects of the most-favored nations," the bill passed the House January 28, 1879, by a vote of 155 to 72, and on February 15 it passed the Senate by a small majority. On March 1, 1879, President Hayes returned it with his veto, declaring that history gave no other instance where a treaty had been abrogated by Congress, and that it was not competent to modify a treaty by cutting out certain sections; and even if it were constitutional, seeing that China would probably assent willingly to such a modification, he thought it better policy to wait for the proper course of diplomatic negotiations.

Chinese immigration continued and conditions grew worse on the Pacific coast, but Congress failed to pass that bill over the President's veto. But under the threat of congressional action the Chinese Government, in 1880, agreed to another

treaty, which was proclaimed October 5, 1881, Article I of which was as follows:

Whenever in the opinion of the Government of the United States the coming of Chinese laborers to the United States, or their residence therein, affects or threatens to affect the interests of that country, or to endanger the good order of the said country or of any locality within the territory thereof, the Government of China agrees that the Government of the United States may regulate, limit, or suspend such coming or residence, but may not absolutely prohibit it. The limitation or suspension shall be reasonable and shall apply only to Chinese who may go to the United States as laborers, other classes not being included in the limitations. Legislation taken in regard to Chinese laborers will be of such a character only as is necessary to enforce the regulation, limitation, or suspension of immigration, and immigrants shall not be subject to personal maltreatment or abuse.

It will be noted that this article limits the right of the United States to deal with Chinese immigration according to its will, giving it the privilege of dealing reasonably with the immigration of laborers, but forbids it to absolutely prohibit their coming, and forbids it to deal with other classes.

After the treaty of 1880 was concluded, a bill to execute certain stipulations contained therein was passed by the Senate and House. As this bill went to the President for approval it provided that within 90 days after its passage, and until 20 years thereafter, the coming of Chinese laborers should be suspended. Exception was made to Chinese laborers who were in the United States on November 17, 1880, and those who should come before the act went into effect.

Skilled Chinese laborers were specifically among those excluded, and all State or United States courts were denied the right to admit Chinese to citizenship. On April 4, 1882, President Arthur returned the bill with his veto, his principal reason for refusing to sign it being that the passage of an act prohibiting immigration for 20 years was an unreasonable suspension of immigration and consequently a breach of the treaty. The features relating to registration he also claimed served no good purpose. Subsequently a modified bill was passed by Congress, and, although containing some of the provisions objectionable to the President, he approved it on May 6, 1882. This law provided that all immigration of Chinese laborers, skilled or unskilled, should be suspended for a period of 10 years.

Conditions in California and on the Pacific coast arising from Chinese immigration had been bad before the making of the Burlingame treaty of 1868, by which the United States bound itself to recognize the inalienable right of such people to migrate and establish permanent homes in America. So aptly did the treaty-making power deal with the problem in that instance. Conditions in California and on the Pacific coast were then and soon afterwards so bad that, in 1872, California was pleading with Congress for the exclusion of the Chinese; that is, for the termination of the "inalienable right" of Chinese to come to America in tens, or even hundreds, of millions. A congressional committee was sent to California, where it found conditions very bad.

After the making of the second immigration treaty with China in 1880-81 it was soon found that that immigration treaty was unwise and the United States asked China to agree to its abrogation; but China objected and delayed, until Congress passed a drastic exclusion law, from which the President withheld his approval until he became convinced that China would not enter into a new treaty abrogating the treaty of 1880, of which the United States was by then anxious to be rid. That was the second successive failure of the treaty-making power of our Government to handle Chinese immigration in a manner which our own people would tolerate.

Another and controlling objection to the regulation of our immigration by treaties is that it would give to foreign powers a voice in that policy, whereas under the present system it is treated as a domestic question to be regulated by Congress in the constitutional way according to our own will. Even the opponents of restriction should not favor the adoption of a policy by which we would surrender our right to deal with the subject in our own way. That right once lost would be hard to regain. The permanent loss of it would be an irreparable calamity to America. As already shown, foreign countries, under the promptings of self-interest, must consent to the provisions of treaties. Under that system our immigration policy would be shaped not by the representatives of our people but partly by our treaty-making power and partly by foreign countries. If that policy should ever be generally and permanently adopted, it would entail consequences too tragic to be stated here.

The regulation of our immigration by agreements made by our Executive with foreign countries, without the approval of Congress, or without the consent and approval of the Senate, is a still greater and more dangerous departure from the American policy of treating this as a purely domestic question.

President Roosevelt's agreement with Japan, made in 1908, commonly called "the gentlemen's agreement," has now been recognized by both countries for some 15 years. Both Japan and the United States have insisted that they were living up to its terms.

The use of the word "agreements" in the immigration acts of 1920 and 1922, both passed by the two Houses of Congress and approved by the President, was a conscious and deliberate recognition of the agreement made by President Roosevelt with Japan, regulating immigration from that country to the United States. Yet that agreement was made by the President regardless of the wishes of Congress and without the consent of the Senate. It was never submitted to the Senate for ratification.

That agreement was held up to the Legislature of the State of California as a valid treaty prevailing over the will and power of that State legislative body. In a letter which President Roosevelt wrote to Speaker Stanley, of the lower house of the California Legislature, under date of February 8, 1909, protesting against certain anti-Japanese legislation then pending in that legislature, among other things, President Roosevelt said:

But such a bill as this school bill accomplishes literally nothing whatever in the line of the object aimed at and gives just cause for irritation, while, in addition, the United States Government would be obliged immediately to take action in the Federal courts to test such legislation, as we hold it to be clearly a violation of the treaty (Theodore Roosevelt—An Autobiography, pp. 416-417).

Thus President Roosevelt called this agreement, made without submission to the Senate, a "treaty" and threatened the Legislature of California with its prevailing power as a treaty, to which the Legislature of California submitted.

In my judgment that agreement has always been without legal or binding force. However, at least two Presidents have recognized it as valid, and one of them has called it a treaty. Congress has twice recognized it, and a sovereign State has submitted to it as the supreme law of the land. In addition, it has been in operation between two great countries for some 15 years, during which it has regulated the immigration from Japan to the United States. Manifestly, then, it is possible that the President might, without consulting Congress or even the Senate, inaugurate a system of immigration regulation according to his own will. Because that has been done in a very vital immigration connection and a precedent thereby set, it is more apt to be done again. Under such a system neither Congress nor the Senate would have any voice in immigration regulation. It is now being urged that the Congress is bound by it.

A member of this committee, in his study of this question, referred to several able gentlemen the brief or statement on certain phases of this problem which the writer prepared for the use of the committee. Among the gentlemen to whom this statement was referred is Hon. George W. Wickersham, formerly Attorney General of the United States, who acts as president of the National Committee on American-Japanese Relations, which has conducted an active propaganda against the pending legislation. From Mr. Wickersham's reply I quote the following:

The matter should be dealt with, it seems to me, by negotiation with these foreign countries. The agreement which might be reached through negotiation would not necessarily be a treaty but the sort of agreement which customarily is made by the executive branch of our Government, as, for example, the international postal conventions. There is quite a range of international agreements, not rising to the dignity of a treaty, respecting which throughout our history the executive government has acted without reference to the treaty-making power.

The suggestion in this connection concerning agreements which "do not rise to the dignity of" treaties probably refers to the "gentlemen's agreement" regulating immigration from Japan, made by Mr. Roosevelt, and others like it regulating the same subject which might be made by other Presidents. Not "rising to the dignity of" treaties, these "agreements" would not have to be submitted to the Senate. The "gentlemen's agreement" was not. Such agreements, if made and accepted as valid regulations of immigration and then successfully held up as bars to congressional action, would oust Congress of all control over our domestic policy concerning a problem of greatest importance. If such "agreements," not subject to the approval of the Senate, are to be permitted to control our immigration policies. President Hayes, who made the Burlingame treaty, which guaranteed the Chinese "the inalienable right"

to migrate to America, could have merely made an agreement "not rising to the dignity of" a treaty and accomplished what he then contended for. President Arthur could have likewise worked his will in avoiding a later act in restraint of Chinese immigration to America by such an agreement much better than by a veto, as he undertook to do. Presidents Cleveland, Taft, and Wilson needed only to have made such agreements and to have Congress and the American people accept them as inviolable international obligations too sacred to be touched by congressional action. Mr. Wickersham's suggestion as to "agreements not rising to the dignity of" treaties regulating immigration to the United States is very unfortunate, unless it proves fortunate as a reminder that the handling of immigration by agreement not submitted to the Senate might be resorted to again and again until it became an established policy, and Congress thereby ousted from control over the question, leaving it wholly to those who have almost, though not quite, uniformly tried to restrain the Congress elected by the people from doing the will of the Nation in protecting it, even so far as it has been protected. Control of immigration by treaties would be dangerous. Control of it by agreements between the Executive and foreign countries "not rising to the dignity of" treaties would be even more dangerous.

In the deliberate judgment of the writer, formed after full consideration of all the objections which the opponents of this legislation have urged, an opportune time has arrived for the American Congress to say with emphasis that it proposes to retain and exercise, in the protection of American interests and in obedience to the Constitution, full control over this vitally important question without consulting any foreign potentate or power.

Neither Italy, Japan, nor any other nation has any right to ask, much less to insist, that we change our method of handling this fundamentally domestic question in our own way and place ourselves where we would have to procure their consent to our regulatory, restrictive, or prohibitory immigration measures.

There has been an apparent effort to impress the country with the idea that the only question between Congress and the Executive concerning the Japanese exclusion provisions of the recent immigration act was whether the act should go into effect July 1, 1924, March 1, 1925, or at some subsequent date. Many people who thought they were keeping informed on this issue were lead to believe that the whole controversy was over this question. That was not the question at all.

The controversy was over the question whether the Congress of the United States should control immigration as required by the Constitution of the United States, or would shirk its responsibility fixed by the Constitution and let another department usurp it in violation of the purpose of the Constitution in violence to important present public interests and the equally important interests of the future. I have explained in the foregoing remarks what was involved in the proposed continuance of the present unratified and only partially published and partially known Executive agreement with Japan, called the "gentlemen's agreement," never submitted to the Senate for approval.

In order that those who wish to know may understand how this matter assumed its final status I call attention to the fact that while the House Committee on Immigration and Naturalization was shaping this legislation in committee the executive department sent to the House committee an amendment to be inserted in the bill in the following language as an exception to section 3, "an alien entitled to enter the United States under the provisions of a treaty," in such connection as would have exempted from the excluding provision of the entire law the nationals of every country with which the United States should have a treaty regulating immigration made before or after the passage of the law. By inserting such a provision in the bill as the Executive, through its State Department, sought to have inserted, Congress would have placed itself in the attitude of seeking to renounce its constitutional duty to regulate immigration from any country except such as the President might leave within the operation of the law by his failure to control it by treaty. Of course, Congress can not legally, or without gross dereliction, throw down responsibilities which the Constitution places upon it, and the executive department can not, without blameworthiness, seek to take upon itself the performance of functions which the Constitution places upon Congress. Both of these vices were involved in the suggestion made to the committee by the Executive, through the State Department. Moreover, in view of the history of the country's dealing with this vitally important question the suggestion was fraught with grave danger in addition to the violence it offered to the Constitution.

When this first suggestion, that virtually all regulation of immigration be passed to the treaty-making power, was unanimously rejected by the committee and not tolerated by the House, another amendment was sent to the conferees in the following language, to be inserted in section 12 (c) of the present bill:

* * * after the letter (b) and before the word "no" insert "on and after March 1, 1926."

On same page at the end of the paragraph strike out the period, insert a colon and insert "*Provided, however*, That the provisions of this paragraph shall not apply to the nationals of those countries with which the United States, after the enactment of this act, shall have entered into treaties, by and with the advice and consent of the Senate, for the restriction of immigration."

By this the Executive showed that, not being permitted to control immigration with all countries by treaty, it sought to control our immigration from Asiatic and Malayan countries by treaties. This was not quite as vicious as the usurpation involved in undertaking to control it by unratified and partly secret Executive agreements, but it was nevertheless vicious and dangerous in that it involved the same principle embodied in the amendment first suggested by the executive department, except that it was limited to the clause excluding immigrants from Asiatic countries. One would be stupid indeed who could not see that after that principle and precedent were established and made to control immigration from Asiatic countries it would probably be extended to all countries. The House and Senate conferees, though evidently anxious to oblige the President, were unable to bring themselves to the acceptance of that principle.

But the Executive did not stop there. The same suggestion was obscured and sugar-coated and wrapped up in the following language, which the conferees were finally induced to accept and embody in their conference report:

Provided, That this subdivision shall not take effect as to exclusion until March 1, 1925, before which time the President is requested to negotiate with the Japanese Government in relation to the abrogation of the present arrangement on this subject.

This language was so shaped that it could be distorted into three meanings, though it had but one and was intended to have but one. First, it was possible, not reasonable, for an interested political press to hold it forth as meaning only that the President desired eight additional months within which to persuade and flatter Japan into conceding graciously the right of the United States to control this domestic question in its own way, only postponing the date when the law would become effective. But it did not mean that and was not so intended. The second meaning, which, like the first, might be held forth until the general election had passed, was that this additional time should be granted; and in the meantime the President was requested to busy himself in getting rid of the "gentlemen's agreement," with the consent and approval of Japan. This version carried the idea that the gentlemen's agreement would in any event be ended and the statute now being enacted would in any event become the law on March 1, 1925; but according to this view, as stated by Chairman JOHNSON, who had been seduced into accepting it, it was meant merely to "throw a kiss at Japan," while we went ahead enacting our law in our own way, to become effective unconditionally on March 1, 1925, after we had gone through the pretense of securing Japan's consent to what, according to that view, we were determined to do regardless of her giving or withholding her consent.

But the clause did not mean that and was not intended to operate that way, though the country was to be induced to so construe it for the present. It meant something or nothing. If it meant nothing, it involved only palaver and unworthy hypocrisy on our part for the purpose of deceiving the country or temporarily deceiving and for the moment placating Japan. We must not accept the suggestion that the State Department or the President intended that. Then, thirdly, if it meant anything worthy of consideration at all, it meant to request the President to solicit Japan to agree with him on some method by which the Executive or treaty-making power and the foreign country, which is entitled to no voice in the matter, should control the question regardless of the wishes and interests of the American people as expressed in Congress. It is gratifying indeed to note that neither branch of Congress would tolerate this last suggestion any more than they would favorably consider the clause as meaning mere hypocritical palaver or "throwing a kiss at Japan." Therefore, the third effort of the Executive met the disapproval which the first two had met, and for the same good reasons.

URGENT DEFICIENCY APPROPRIATIONS, FISCAL YEAR 1924

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union, for the consideration of the bill H. R. 9192, making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes. Pending that I ask unanimous consent that general debate be confined to 30 minutes, 15 minutes to be controlled by the gentleman from Tennessee [Mr. BYRNS] and 15 minutes by myself.

The SPEAKER pro tempore. The gentleman from Illinois moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of an urgent deficiency appropriation bill, and, pending that, asks unanimous consent that general debate be limited to 30 minutes, one-half to be controlled by himself and one-half by the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I want to know whether I will have a chance to get into that or not. Otherwise I object.

Mr. BYRNS of Tennessee. How much time does the gentleman want?

Mr. HOWARD of Nebraska. About long enough to ask a question—about five minutes.

Mr. BYRNS of Tennessee. I do not think there will be any question about that.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Will the gentleman from Illinois give way for a moment so that the Chair may lay before the House a message from the President of the United States?

Mr. MADDEN. Certainly.

ADJUSTED COMPENSATION—VETO MESSAGE

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

Herewith is returned, without approval, H. R. 7959, a bill "to provide adjusted compensation for veterans of the World War, and for other purposes."

The bill provides a bonus for the veterans of the World War and dependents of those who fell. To certain of its beneficiaries, whose maximum benefits do not exceed $50, this bonus is to be paid immediately in cash. To each of its beneficiaries who are not to receive such immediate cash payment there is to be provided free insurance under a 20-year endowment plan. The face value of each policy will be based upon the military service, the average amount being at least $962, payable at the expiration of 20 years or at death prior thereto. After the lapse of two years the holder of a policy may borrow thereon from banks at reasonable rates of interest. If amounts so borrowed are not repaid by the veteran, the Government is obligated to pay to the banks this indebtedness, which ultimately reduces the maturity value of the policy.

An appropriation of $146,000,000 for the fiscal year 1925 will be required to provide the prorated annual cost of the insurance and to meet cash payments to those not receiving such insurance. This does not include administrative costs, which will amount to approximately $6,500,000 the first year. For the fiscal year 1926 an appropriation of $155,500,000 will be required, and the annual appropriations for the 20-year period will aggregate, according to the lowest estimate, $2,280,758,542. These and the other figures herein are from the Veterans' Bureau, but the Treasury estimates are materially more.

That part of the annual appropriation not required to meet the cash bonus or to pay policies maturing on account of death will be invested in Government bonds. The face value of the bonds thus acquired plus the interest thereon reinvested will equal during the 20-year period the maturity value of the insurance policies, aggregating at the lowest estimate $3,145,000,000.

The money spent for the acquisition of these bonds manifestly can not be spent for any other purpose, no matter how urgent our other requirements may be. In other words, we will be committing this Nation for a period of 20 years to an additional average annual appropriation of $114,000,000. This of itself should require most serious reflection, but if we are to have such commitment it should be in some form which would be in harmony with recognized principles of Government finance. The provisions of this bill are not so in harmony. Under it the Government will not have in the fund in 1945 two and a half billions of dollars. All it will have will be its own obligations, and it will owe two and a half billions of dollars cash. It will then be necessary to sell to the public this two and a half billions of bonds—a major operation in finance which may be disastrous at that time and may jeopardize the value of Federal securities then outstanding.

We have no money to bestow upon a class of people that is not taken from the whole people. Our first concern must be the Nation as a whole. This outweighs in its importance the consideration of a class, and the latter must yield to the former. The one compelling desire and demand of the people to-day, irrespective of party or class, is for tax relief. The people have labored during the last six years under a heavy tax burden. This was necessary to meet the extraordinary costs of the war. This heavy assessment has been met willingly and without complaint. We have now reached a financial condition which permits us to lighten this tax burden. If this bill becomes law, we wipe out at once almost all the progress five hard years have accomplished in reducing the national debt. If we now confer upon a class a gratuity such as is contemplated by this bill, we diminish to the extent of the expenditures involved the benefits of reduced taxes which will flow not only to this class but to the entire people. When it is considered that less than $40 a year would pay for the average policy provided by this bill, there is strong ground to assume that the veterans themselves would be better off to make that small payment and be relieved of the attendant high taxes and high living costs which such legislation would impose on them. Certainly the country would. We have hardly an economic ill to-day which can not be attributed directly or indirectly to high taxes.

The prosperity of the Nation, which is the prosperity of the people, rests primarily on reducing the existing tax burden. No other action would so encourage business. No other legislative enactment would do so much to relieve agriculture. The drastic executive campaign for economy in Government expenditures has but one purpose—that its benefits may accrue to the whole people in the form of reduction in taxes. I can not recede from this purpose. I am for the interests of the whole people. The expenditures proposed in this bill are against the interests of the whole people. I do not believe they are for the benefit of the veterans.

The running expenses of the Government for services and supplies must be met. Certain other obligations in the nature of investments for improvements and buildings are necessary and often result in a saving. The debts of the Nation must be paid. The sum of all these is a tremendous amount. At the present rate it is nearly $35 for each resident of our country, or $175 for each average family every year, and must be for some time. This bill calls for a further expenditure in the aggregate of nearly $35 for each inhabitant and lays nearly $175 more on each family, to be spread over a period of 20 years. No one supposes the effort will stop here. Already suggestions are made for a cash bonus in addition, to be paid at once. Such action logically would be encouraged if this bill becomes law. Neither the rich nor the profiteers will meet this expense. All of this enormous sum has to be earned by the people of this country through their toil. It is taken from the returns of their production. They must earn it; they must pay it. The people of this country ought not to be required by their Government to bear any such additional burden. They are not deserving of any such treatment. Our business is not to impose upon them but to protect them.

If this bill be considered as insurance, the opportunity for such a provision has already been provided. Nearly $3,000,000,000 of war risk and Government life insurance is now outstanding, and over $500,000,000 has been paid on such policies. When this provision was made in 1917 it was on the explicit understanding of the Congress that such insurance was to relieve the Government of subsequent contributions. The then Secretary of the Treasury said in relation to the proposed insurance act: "It ought to check any further attempts at service pension legislation by enabling a man now to provide against impairment through old age, total disability, or death resulting from other causes, and to give all this protection to those kindred who may be dependent upon him and who do not share in the Government compensation." This opportunity was afforded all those who entered the service. It was distinctly understood that it covered every obligation on the part of the Government. The intent of this bill now to provide free insurance lacks both a legal or moral requirement and falls into the position of a plain gratuity.

Considering this bill from the standpoint of its intrinsic merit, I see no justification for its enactment into law. We owe no bonus to able-bodied veterans of the World War. The first duty of every citizen is to the Nation. The veterans of the World War performed this first duty. To confer upon them a cash consideration or its equivalent for performing this first duty is unjustified. It is not justified when considered in the

interests of the whole people; it is not justified when considered alone on its own merits. The gratitude of the Nation to these veterans can not be expressed in dollars and cents. No way exists by which we can either equalize the burdens or give adequate financial reward to those who served the Nation in both civil and military capacities in time of war. The respect and honor of their country will rightfully be theirs forever more. But patriotism can neither be bought nor sold. It is not hire and salary. It is not material, but spiritual. It is one of the finest and highest of human virtues. To attempt to pay money for it is to offer it an unworthy indignity which cheapens, debases, and destroys it. Those who would really honor patriotism should strive to match it with an equal courage, with an equal fidelity to the welfare of their country, and an equal faith in the cause of righteousness.

I am not unmindful that this bill also embraces within its provisions the disabled of our veterans and the dependents of those who fell. To state that the disabled veterans and these dependents are entitled to this additional gratuity is to state that the Nation is not meeting its obligation to them. Such a statement can not truthfully be made. The Nation has spent more than $2,000,000,000 in behalf of disabled veterans and dependents of those who died. It is now spending for compensation, training, insurance, and hospitalization more than $400,000,000 annually. Solicitude for the disabled veterans and the dependents of those who lost their lives is the Nation's solicitude. To minister to their every need is a sacred obligation, which will be generously and gratefully met. The Nation stands ready to expend any amount needed for their proper care. But that is not the object of this bill.

America entered the World War with a higher purpose than to secure material gain. Not greed but duty was the impelling motive. Our veterans as a whole responded to that motive. They are not asking as a whole, they do not want as a whole, any money recompense. Those who do seek a money recompense for the most part, of course, prefer an immediate cash payment. We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism. Our country has maintained the principle that our Government is established for something higher and finer than to permit those who are charged with the responsibility of office, or any class whose favor they might seek, to get what they can out of it. Service to our country in time of war means sacrifice. It is for that reason alone that we honor and revere it. To attempt to make a money payment out of the earnings of the people to those who are physically well and financially able is to abandon one of our most cherished American ideals. The property of the people belongs to the people. To take it from them by taxation can not be justified except by urgent public necessity. Unless this principle be recognized our country is no longer secure, our people no longer free. This bill would condemn those who are weak to turn over a part of their earnings to those who are strong. Our country can not afford it. The veterans as a whole do not want it. All our American principles are opposed to it. There is no moral justification for it.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 15, 1924.*

The SPEAKER. The message is ordered printed. The questions is, Shall the bill pass, the objections of the President to the contrary notwithstanding?

Mr. LONGWORTH. Mr. Speaker, of course every Member of the House will want an opportunity to vote on this most important matter, and in making the request I am about to make I am mindful of requests that have been made to me by gentlemen who are unable to be here before the last part of next week. I shall not press this, if there be any real objection to it. I ask unanimous consent that after the reading of the Journal on Thursday next this question be taken up and disposed of.

The SPEAKER. Is there objection?

Mr. FISH. Mr. Speaker, reserving the right to object, I think it is perfectly fair to request that there should be a postponement for a few days so that everyone might have an opportunity to vote on this important measure, but I do not think it is fair or wise to postpone the consideration of the bill beyond next Tuesday. Therefore, I ask the majority leader if he will agree to Tuesday?

Mr. LONGWORTH. I agreed with certain gentlemen that I would make the request. Of course I shall not press it if there be objection.

The SPEAKER. The gentleman from Ohio asks unanimous consent that action upon the President's veto message be taken immediately after the reading of the Journal on Thursday next. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, reserving the right to object, I did not clearly understand the majority leader when he gave his reasons for desiring the delay and I will thank him if he will make them plainer to me.

Mr. LONGWORTH. I simply stated that a number of gentlemen had informed me that it would be impossible for them to be here before next Thursday. I said to them that I would attempt to accommodate them by asking unanimous consent that this matter be taken up next Thursday. I further stated that I should not press that matter if there was real objection to it.

Mr. RANKIN. Mr. Speaker——

The SPEAKER. The gentleman from Mississippi.

Mr. HOWARD of Nebraska. But I have not finished yet.

Mr. RANKIN. I thought the gentleman had finished his question.

The SPEAKER. The Chair supposed that the gentleman from Nebraska had asked his question, and that it had been answered. If he has not, then the Chair thinks the gentleman is entitled to put the question.

Mr. HOWARD of Nebraska. I yield to the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I wish to ask the gentleman from Ohio [Mr. LONGWORTH] if Members will have any opportunity to speak on this proposition in the House? I will give my reason for that question: In the first place the bill was brought in here under a suspension of the rules, shutting off all amendments and practically all debate. Then the President comes out here to-day with a great long document which, to be perfectly frank, goes out of its way to offer a gratuitous insult to the ex-service men who have been demanding this adjusted compensation. [Applause.] He virtually denounces them as unpartiotic.

Unless we have an opportunity to speak for the ex-soldiers while the press carries the President's message representing the views of the predatory interests who continue to fight this measure in an insidious and unfair manner I shall object. [Cries of "Regular order!"] Then, Mr. Speaker, I object.

The SPEAKER. The gentleman from Mississippi objects.

Mr. LONGWORTH. Then, Mr. Speaker, I ask unanimous consent that on Monday next, immediately after the reading of the Journal, the matter be disposed of.

Mr. RANKIN. Mr. Speaker, I object. [Cries of "Vote!"]

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that on Monday next, immediately after the reading of the Journal, this matter be taken up and disposed of.

The SPEAKER. The Chair understands the gentleman from Mississippi to object to that request also?

Mr. RANKIN. Mr. Speaker, if we object to any extension of time, when will this proposition come to a vote?

The SPEAKER. The Chair thinks a motion would be in order to fix a date.

Mr. WATKINS. Would a motion be in order to consider the matter now?

The SPEAKER. The Chair thinks so.

Mr. WATKINS. Then I move to consider it at the present time.

The SPEAKER. The Chair has not recognized the gentleman for that purpose.

Mr. RANKIN. Mr. Speaker, I object to the request of the gentleman from Ohio.

Mr. LONGWORTH. Then, Mr. Speaker, I move that on Monday next, immediately after the reading of the Journal, this matter shall be disposed of. On that motion I move the previous question.

Mr. BLANTON. Mr. Speaker, I make the point of order against that, that the motion of the gentleman from Ohio is not in order. The only motion that would be in order would be a motion to refer it to a committee, and that has not been made.

Mr. WATKINS. Mr. Speaker, I want to offer a preferential motion.

The SPEAKER. The Chair will hear the gentleman from Texas. Has the gentleman any authority?

Mr. BLANTON. Yes; there was such a motion made to refer it in the last Congress.

The SPEAKER. But what authority?

Mr. BLANTON. To postpone it to a day certain can be done only by unanimous consent, and I cite the Chair to the precedents for the last 10 years.

The SPEAKER. Has the gentleman the authority there?

Mr. BLANTON. I have not got it in my hip pocket.

Mr. WATKINS. Mr. Speaker, I desire to offer a preferential motion.

The SPEAKER. The gentleman can not do that while a point of order is pending.

Mr. RANKIN. I want to offer an amendment to the motion.

Mr. BLANTON. You can not do that.

Mr. LONGWORTH. Before the Chair rules, I desire to modify my motion by substituting Saturday for Monday.

Mr. BLANTON. I renew my point of order.

Mr. LONGWORTH. Next Saturday, day after to-morrow——

Mr. BLANTON. I make the point of order it is not in order.

Mr. LONGWORTH. And upon that I move the previous question.

The SPEAKER. The Chair understands the gentleman from Missouri [Mr. CANNON] desires to be heard.

Mr. CANNON. Mr. Speaker, the admissibility of the motion to postpone consideration of a veto message received from the President is well established. The motion to postpone indefinitely is not admitted, but the motion to postpone to a day certain is in order and has been offered under similar circumstances at least once in every recent Congress.

If the Speaker desires citations to that effect they may be found in Volume IV of Hinds' Precedents, sections 3542 to 3547. In fact, this question was decided by the present occupant of the chair on August 18, 1919, when the gentleman from Texas, who raises the point of order, made the same point of order against this same motion under identical circumstances.

The SPEAKER. Yes; and also in September, 1919.

Mr. CANNON. That is true; and again in the Sixty-sixth Congress, when the veto of the Volstead bill was received.

The House has just listened to a presentation of one side of this question and is entitled to hear the other side. The advocates of this bill are entitled to their day in court.

The SPEAKER. There is a precedent of September 19, 1922, when Mr. Mondell moved the further consideration of the President's message be had to-morrow immediately after the reading of the Journal.

Mr. RANKIN. But there there was no point of order against that——

The SPEAKER. No.

Mr. RANKIN. As I understand it.

The SPEAKER. The Chair will hear the gentleman from Mississippi.

Mr. RANKIN. Now, Mr. Speaker, I think the Chair will find that in the case referred to, the Mondell case, there was no point of order made. This proposition is not governed altogether by the rules of the House, but it is governed largely by the Constitution, and my understanding—I have not the Constitution at my hand here and unfortunately the copy has been removed from the desk——

The SPEAKER. The Chair will read.

> If he approve he shall sign it, but if not he shall return it, with his objections, to that House in which it shall have originated, who shall enter the objections at large on their Journal and proceed to reconsider it.

Mr. RANKIN. Now, if the Chair pleases, that means to proceed immediately to its consideration, as I understand it.

Mr. LONGWORTH. Oh, Mr. Speaker, if the gentleman had been here long enough he would not make that statement.

Mr. RANKIN. Mr. Speaker, I realize I am on the opposite side of this controversy from the gentleman from Ohio [Mr. LONGWORTH], but I insist that the gentleman from Ohio has no right to interrupt me without my permission.

The SPEAKER. The gentleman from Mississippi is correct.

Mr. RANKIN. Now, suppose the Chair should hold that the gentleman from Ohio, or anyone else, should have the right to postpone this matter from day to day or from week to week and could carry it over 30 days or six months or beyond the adjournment of this Congress, because all we need to adjourn the Congress to-morrow is a concurrent resolution of both Houses. I submit, Mr. Speaker, the very letter and spirit of the Constitution provides that when a bill having the President's veto is returned to the House we should proceed immediately to its consideration, and that the gentleman's motion is entirely out of order.

Mr. BEGG. Will the gentleman yield? Does the gentleman——

Mr. RANKIN. Further, Mr. Speaker, it has been the practice ever since the beginning of the Government when veto messages were brought to the House to proceed immediately to their consideration, unless unanimous consent was given to carry them over until a day certain.

Mr. FITZGERALD. Mr. Speaker, I want to ask the gentleman from Mississippi if there is any better speech to be made or an argument on this bill than instant action by this House?

The SPEAKER. The gentleman must confine himself to the point of order.

Mr. BEGG. I desire to ask the gentleman from Mississippi in reference to his parliamentary argument, and the question I want to ask the gentleman is, Does the gentleman contend in his argument that if we had a concurrent resolution adjourning this House at 3.30, we could not act upon it, even though there was a veto message pending?

Mr. RANKIN. Oh, that question is all out of order——

Mr. BEGG. That is all the gentleman's argument.

Mr. RANKIN. The gentleman evidently did not hear what I said.

Mr. FISH. Mr. Speaker, a parliamentary inquiry. [Cries of "Vote!"]

The SPEAKER. The gentleman from Mississippi is propounding a question as to procedure which ought to be settled.

Mr. FISH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from New York wishes to make a parliamentary inquiry?

Mr. LAGUARDIA. I do, too.

Mr. CLEARY. I do, too.

Mr. FISH. Will it be in order to move to amend the motion of the gentleman from Ohio to bring this matter to a vote immediately?

The SPEAKER. Why, certainly——

Mr. FISH. I wish to make that motion.

The SPEAKER. If the previous question is not ordered. Is any further debate desired?

Mr. LAGUARDIA. I desire to be heard on the point of order.

The SPEAKER. The Chair will hear the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. I call the attention of the gentleman from Mississippi [Mr. RANKIN] to the fact that what he asks for is often impossible. The Senate in such a case as this has to act first, so that in a great many cases it has been absolutely impossible for the House to act immediately after the receipt of a veto message, so that that can not be the meaning of the Constitution.

The SPEAKER. The Chair will hear the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, the gentleman from Ohio [Mr. LONGWORTH] moved to consider the President's veto on a day certain, whereupon the point of order was made that such a motion was not in order.

Now, then, I respectfully submit to the Speaker that the same situation arose at the time that the presidential veto was delivered to this House on the so-called Volstead Act, and the House was in a similar tangle as to the parliamentary situation and as to the propriety of the motion to fix a day certain. Whereupon the gentleman from Minnesota, Mr. Volstead, or the gentleman from Massachusetts, Mr. Walsh, withdrew his motion, and the House proceeded to vote on the question then and there. [Applause.]

Now, as was pointed out by the gentleman from Mississippi [Mr. RANKIN], it is first in order to consider a vote on the message at this time, but as I understand the situation the gentleman from Ohio [Mr. LONGWORTH] wants time to get his breath after listening to such a message.

But to get back to the point of order. If the motion now pending is in order, then it is possible for a majority to keep the House from considering a veto at any time. I submit that we should follow the precedent established at the time the Volstead Act was sent back to the House and we should proceed to a vote immediately.

The SPEAKER. The Chair will hear the gentleman from New York [Mr. CLEARY].

Mr. CLEARY. Mr. Speaker, I was going to tell the story that the gentleman from New York [Mr. LAGUARDIA] related. But it was this way: Mr. Volstead got up and asked permission to put this off to Wednesday, and it was granted by Speaker Clark. Two hours after that the prohibition men got around Volstead and said "Vote now," and then Volstead got up and asked permission of the Speaker to get up the question now. That was two hours after it was put on. That is what happened then.

Mr. CONNALLY of Texas. Mr. Speaker, I want to propound an interrogatory to the Speaker: If it is in order to postpone to a day certain, and that motion is voted down, would not, under the Constitution, the vote then revert to an immediate consideration?

The SPEAKER. The Chair thinks so if there is no other privileged motion.

Mr. CONNALLY of Texas. So that if those who want consideration voted down the motion to postpone, it would result in immediate consideration automatically?

The SPEAKER. Yes.

Mr. GARRETT of Tennessee rose.

The SPEAKER. The Chair will hear the gentleman from Tennessee.

Mr. GARRETT of Tennessee. Mr. Speaker, it is entirely immaterial to me, of course, whether the vote is taken immediately or later, and it is for the House to determine. But in good faith to colleagues on this side of the Chamber, some of whom are absent, I think this statement should be made.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield there?

Mr. GARRETT of Tennessee. Yes.

Mr. LONGWORTH. I will say to the gentleman that I made the request largely influenced by the request made to me by the gentleman from Arkansas [Mr. OLDFIELD], the whip on that side of the House, that opportunity be given to gentlemen to be present and he suggested three days' notice. That is one of the reasons why I asked postponement.

Mr. GARRETT of Tennessee. I was about to state that the gentleman from Ohio advised me several days ago—I do not recall that I made any request concerning it—but I asked him as to the procedure.

Mr. LONGWORTH. The gentleman from Arkansas [Mr. OLDFIELD] made the request.

Mr. GARRETT of Tennessee. And the gentleman advised me that there would be three days' notice, and I so advised gentlemen on this side; I advised them to that effect.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. GREEN of Iowa. I will also say that a number of gentlemen on that side spoke to me about postponing action, so that their colleagues could be advised.

Mr. FISH rose.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. FISH. I desire to make a motion.

The SPEAKER. No motion would now be in order. The Chair thinks that the question of order is very clear.

Mr. BLANTON. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. Yes; the Chair will hear the gentleman.

Mr. BLANTON. I want to call the Speaker's attention to what happened in the Sixty-sixth Congress when the Volstead Act was passed.

The SPEAKER. That has been cited twice.

Mr. BLANTON. I know; but the Speaker will not find a single instance where a point of order has been made to a motion to postpone to a day certain and it has been overruled.

The SPEAKER. Can the gentleman cite a case?

Mr. BLANTON. There was a similar request made to postpone to a day certain on the Volstead Act.

The SPEAKER. That was not a unanimous-consent request.

Mr. BLANTON. I know. But it was stated then that an agreement had been made with New York Members to the effect that the vote would not be taken at that time.

The SPEAKER. The Chair is ready to rule.

Mr. LONGWORTH. Mr. Speaker, would any further argument be in order?

Mr. FISH. Mr. Speaker, I desire to offer an amendment.

The SPEAKER. That would not be in order.

Mr. LONGWORTH. Does the Chair desire any further argument as to the legitimacy of this motion?

The SPEAKER. The situation seems clear to the Chair. The gentleman from Ohio [Mr. LONGWORTH] has made a motion to postpone to a day certain action on the President's veto. Now, the Constitution, as the Chair has already read, provides that "the House shall proceed to consider it." If that meant that the House should proceed immediately to vote upon it, then the action of the House for a great many years has been entirely wrong, because the House has repeatedly entertained and voted on motions to refer it to a committee and to postpone. It seems to the Chair that the language "the House shall proceed to consider it" means that the House shall immediately proceed to consider it under the rules of the House, and that the ordinary motions under the rules of the House—to refer, to commit, or to postpone to a day certain—are in order. One gentleman suggested that such a construction put it in the hands of one gentleman to determine what the House shall do; but, on the contrary, it leaves it entirely in the hands of the House. If the House does not like the motion that is made, it can vote it down and the House can have its will. It seems to the Chair that is an exact compliance with the Constitution and is also the action which allows the House entire freedom of action. So the Chair overrules the point of order.

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. If the gentleman's motion is voted down, does that bring up the matter automatically?

The SPEAKER. If no other motion which is in order is made, then it would come immediately to a vote.

Mr. FISH. Mr. Speaker, I want to offer an amendment——

The SPEAKER. The gentleman can not do that at present. The gentleman from Ohio [Mr. LONGWORTH] has made a motion that it be postponed until Saturday, and on that he moved the previous question. Of course, the House has to act first upon that. The question is on the motion of the gentleman from Ohio for the previous question.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were—yeas 123, noes 54.

So the previous question was ordered.

The SPEAKER. The question is now on the motion of the gentleman from Ohio that action on the veto be postponed until immediately after the reading of the Journal on Saturday next.

Mr. RANKIN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Mississippi demands the yeas and nays.

Mr. RANKIN. Mr. Speaker, I withdraw that request.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were—ayes 109, noes 112.

Mr. LONGWORTH. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 179, nays 171, not voting 83, as follows:

YEAS—179

Ackerman	Dickstein	Kopp	Reed, N. Y.
Andrew	Dominick	Kurtz	Robinson, Iowa
Bacon	Doughton	Larsen, Ga.	Sanders, Ind.
Beers	Eagan	Leatherwood	Sanders, N. Y.
Begg	Elliott	Lindsay	Scott
Bixler	Evans, Iowa	Longworth	Seger
Black, N. Y.	Fairfield	Lowrey	Sinnott
Bland	Faust	Luce	Smith
Bloom	Fleetwood	McDuffie	Snell
Boyce	Foster	McFadden	Speaks
Boylan	Fredericks	McKenzie	Sproul, Ill.
Brand, Ohio	Freeman	McLaughlin, Mich.	Sproul, Kans.
Britten	French	McLeod	Stephens
Browne, N. J.	Garner, Tex.	McReynolds	Strong, Kans.
Brunim	Garrett, Tenn.	Madden	Summers, Wash.
Bulwinkle	Geran	Magee, N. Y.	Swoope
Burtness	Gibson	Magee, Pa.	Taber
Burton	Gifford	Manlove	Tague
Butler	Graham, Ill.	Mapes	Temple
Byrns, Tenn.	Green, Iowa	Mead	Thatcher
Cable	Greene, Mass.	Michener	Tilson
Cannon	Griest	Miller, Wash.	Timberlake
Carew	Griffin	Mills	Tincher
Celler	Hadley	Minahan	Tinkham
Chindblom	Hardy	Montague	Treadway
Christopherson	Haugen	Mooney	Underhill
Clancy	Hawes	Moore, Ill.	Vaile
Clarke, N. Y.	Hawley	Moore, Ohio	Ware
Cleary	Hickey	Nelson, Me.	Vestal
Cole, Iowa	Hill, Md.	Newton, Minn.	Vincent, Mich.
Cole, Ohio	Hoch	Newton, Mo.	Waterwright
Collier	Holaday	O'Connor, N. Y.	Watres
Colton	Hudson	Oldfield	Watson
Connery	Hull, Iowa	Oliver, Ala.	Weller
Cooper, Ohio	Hull, Morton D.	Oliver, N. Y.	Wertz
Crisp	Hull, William E.	Paige	White, Kans.
Crowther	Humphreys	Perry	Williams, Ill.
Cullen	James	Perkins	Williams, Mich.
Dallinger	Johnson, Ky.	Porter	Williamson
Darrow	Johnson, S. Dak.	Pratt	Winslow
Davey	Johnson, Wash.	Purnell	Wood
Davis, Tenn.	Jost	Quayle	Woodruff
Denison	Kearns	Ramseyer	Wyant
Dickinson, Iowa	Kendall	Ransley	Young
Dickinson, Mo.	Kindred	Reece	

NAYS—171

Abernethy	Canfield	Frear	Johnson, Tex.
Allen	Carter	Frothingham	Johnson, W. Va.
Allgood	Casey	Fulbright	Jones
Almon	Clague	Fuller	Keller
Arnold	Connally, Tex.	Fulmer	Kelly
Aswell	Cook	Gardner, Ind.	Kent
Ayres	Cooper, Wis.	Garrett, Tex.	Ketcham
Barbour	Croll	Garner	King
Beck	Crosser	Goldsborough	Knutson
Bell	Cummings	Greenwood	Kunz
Berger	Davis, Minn.	Hammer	LaGuardia
Black, Tex.	Dempsey	Harrison	Lampert
Blanton	Dowell	Hastings	Lanham
Bowling	Drewry	Hayden	Lankford
Box	Driver	Hill, Ala.	Lazaro
Brand, Ga.	Dyer	Hill, Wash.	Lee, Calif.
Briggs	Evans, Mont.	Hooker	Leavitt
Browne, Wis.	Fairchild	Howard, Nebr.	Lee, Ga.
Browning	Favrot	Hudspeth	Lilly
Buchanan	Fish	Hull, Tenn.	Linthicum
Buckley	Fisher	Jacobstein	Logan
Busby	Fitzgerald	Jeffers	Lozier

McClintic	Patterson	Schafer	Taylor, Tenn.
McKeown	Perlman	Schall	Taylor, W. Va.
McLaughlin, Nebr.	Pou	Schneider	Thomas, Ky.
McSwain	Quin	Sears, Fla.	Thomas, Okla.
McSweeney	Ragon	Sears, Nebr.	Thompson
Major, Ill.	Rainey	Shallenberger	Tilman
Mansfield	Raker	Sherwood	Tydings
Martin	Rankin	Shreve	Underwood
Michaelson	Rathbone	Simmons	Vinson, Ga.
Milligan	Rayburn	Sinclair	Voigt
Moore, Ga.	Reed, Ark.	Sites	Watkins
Moore, Va.	Reid, Ill.	Smithwick	Weaver
Morehead	Richards	Spearing	Wefald
Morgan	Roach	Steagall	Wilson, Ind.
Morrow	Robsion, Ky.	Stedman	Wilson, La.
Murphy	Romjue	Stevenson	Wingo
Nelson, Wis.	Rubey	Strong, Pa.	Wolff
Nolan	Sabath	Sumners, Tex.	Woodrum
O'Connell, R. I.	Salmon	Swank	Wright
O'Connor, La.	Sanders, Tex.	Sweet	Zihlman
Parks, Ark.	Sandlin	Swing	

NOT VOTING—83

Aldrich	Fenn	Lyon	Rosenbloom
Anderson	Free	McNulty	Rouse
Anthony	Funk	MacGregor	Snyder
Bacharach	Gallivan	MacLafferty	Stalker
Bankhead	Garber	Major, Mo.	Stengle
Barkley	Gilbert	Merritt	Sullivan
Beedy	Glatfelter	Miller, Ill.	Taylor, Colo.
Boies	Graham, Pa.	Moores, Ind.	Tucker
Burdick	Hersey	Morin	Upshaw
Byrnes, S. C.	Howard, Okla.	Morris	Vinson, Ky.
Campbell	Huddleston	Mudd	Ward, N. Y.
Clark, Fla.	Kahn	O'Brien	Ward, N. C.
Collins	Kerr	O'Connell, N. Y.	Wason
Connolly, Pa.	Kiess	O'Sullivan	Welsh
Corning	Kincheloe	Park, Ga.	White, Me.
Cramton	Kvale	Parker	Williams, Tex.
Curry	Langley	Peavey	Wilson, Miss.
Deal	Larson, Minn.	Phillips	Winter
Doyle	Lehlbach	Reed, W. Va.	Wurzbach
Drane	Linthicum	Rogers, Mass.	Yates
Edmonds	Little	Rogers, N. H.	

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Curry with Mr. McNulty.
Mr. MacLafferty with Mr. Sullivan.
Mr. Bacharach with Mr. Rouse.
Mr. Miller of Illinois with Mr. Corning.
Mr. Phillips with Mr. Bankhead.
Mr. Graham of Pennsylvania with Mr. Doyle.
Mr. Stalker with Mr. Gilbert.
Mr. Campbell with Mr. Huddleston.
Mr. Beedy with Mr. Kerr.
Mr. Morin with Mr. Kvale.
Mr. Garber with Mr. Major of Missouri.
Mr. Parker with Mr. Lyon.
Mr. Moores of Indiana with Mr. Stengle.
Mr. Larson of Minnesota with Mr. Taylor of Colorado.
Mr. Winter with Mr. Upshaw.
Mr. Mudd with Mr. Morris.
Mr. Welsh with Mr. Wilson of Mississippi.
Mr. Aldrich with Mr. Deal.
Mr. Burdick with Mr. Barkley.
Mr. Peavey with Mr. Park of Georgia.
Mr. Funk with Mr. O'Connell of New York.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Boies with Mr. Collins.
Mr. Kiess with Mr. O'Sullivan.
Mr. Fenn with Mr. Glatfelter.
Mr. Wurzbach with Mr. Vinson of Kentucky.
Mr. Anthony with Mr. Gallivan.
Mr. White of Maine with Mr. O'Brien.
Mr. MacGregor with Mr. Byrnes of South Carolina.
Mr. Rogers of Massachusetts with Mr. Kincheloe.
Mr. Free with Mr. Linthicum.
Mr. Lehlbach with Mr. Tucker.
Mr. Cramton with Mr. Williams of Texas.
Mr. Merritt with Mr. Ward of North Carolina.
Mr. Kahn with Mr. Clark of Florida.
Mr. Connolly of Pennsylvania with Mr. Drane.
Mr. Ward of New York with Mr. Howard of Oklahoma.

Mr. BACHARACH. Mr. Speaker, I am not sure whether I can qualify or not. I came in the door here, but I could not hear whether my name was called or not.

The SPEAKER. The gentleman must take upon himself the responsibility of saying whether or not he was present when his name was called.

Mr. BACHARACH. I would not want to say because there was so much confusion.

Mr. ANTHONY. Mr. Speaker, I would like to be recorded as present. I was not here when my name was called but would have voted "aye" if I had been present.

The SPEAKER. The gentleman could not do that.

The result of the vote was announced as above recorded.

Mr. RANKIN. Mr. Speaker, I ask for a recapitulation.

The SPEAKER. The Chair does not think the vote is close enough for that—8 votes.

URGENT DEFICIENCY BILL

Mr. MADDEN. Mr. Speaker, I renew my motion to go into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 9192, with Mr. TILSON in the chair.

The Clerk read the title of the bill.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. HOWARD of Nebraska. I object.

The CHAIRMAN. The gentleman from Nebraska objects. The Clerk will report the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, namely:

SENATE

CONTINGENT EXPENSES

For expenses of inquiries and investigations ordered by the Senate, including compensation of stenographers to committees at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate but not exceeding 25 cents per hundred words, $100,000.

DEPARTMENT OF STATE

INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS

To defray the cost of representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City, Mexico, in 1924, as authorized by the joint resolution approved April 28, 1924, including payment of salaries of a secretary and other employees, travel and subsistence expenses (notwithstanding the provisions of any other act), and such other expenses as the President may deem necessary to the accomplishment of the purposes expressed in the aforesaid resolution, to be disbursed under the direction and subject to the approval of the Secretary of State, $30,000, to remain available during the fiscal year 1925.

DEPARTMENT OF JUSTICE

MISCELLANEOUS OBJECTS

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $200,000, to remain available until June 30, 1925.

UNITED STATES COURTS

Salaries, fees, and expenses, United States marshals: For salaries, fees, and expenses of United States marshals and their deputies, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $530,000.

Salaries and expenses of United States district attorneys: For salaries and expenses of United States district attorneys, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $210,000.

Salaries and expenses of clerks, United States courts: For salaries of clerks of United States circuit courts of appeals and of United States district courts, including the same objects specified under this head in the act making appropriations for the Departments of State and justice and for the judiciary for the fiscal year 1924, $35,000.

Fees of United States commissioners: For fees of United States commissioners and justices of the peace acting under section 1014, Revised Statutes of the United States, $125,000.

Fees of jurors: For fees of jurors, $250,000.

Fees of witnesses: For fees of witnesses and for payment of the actual expenses of witnesses, as provided by section 850, Revised Statutes of the United States, $200,000.

Miscellaneous expenses, United States courts: For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska and in courts other than Federal courts, $35,000.

PENAL INSTITUTIONS

Support of United States prisoners: For support of United States prisoners, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $602,000.

Mr. MADDEN. Mr. Chairman and gentlemen, this bill is to provide urgently needed funds for the immediate needs mainly of the courts of the country. The total amount carried in the bill is $2,317,000.

One hundred thousand dollars of the total is requested by the Senate to pay the expenses of the committees which it has appointed and which have been at work investigating. The Senate has had during this session $225,000 so far for the purpose indicated. It has already spent $214,000 of the $225,000. This left $11,000 on hand unexpended at the time the testimony was taken in connection with this bill. It is, of course, impossible for the House to tell just why all the money is required by the Senate for the purpose indicated, but I assume the Senate itself should be given a rather free hand to decide questions in which it alone is involved. It may be that we do not approve of all the expenditures made by the Senate or the purposes for which they are made, but nevertheless the Senate is a responsible part of Congress. It has independent functions to perform, and it has a right, I think, beyond any question to say whether or not it shall perform them and how much it shall cost. It is true that the money can not be expended by the Senate without confirmation of the House, but there ought to be a spirit of comity between the House and the Senate which will enable the membership of each House on matters pertaining to that House to decide in a large degree what activities it shall engage in and how the money may be expended that is placed within its jurisdiction.

The next item in this bill is for $30,000 and is provided for the purpose of paying the expenses of three delegates, some interpreters, some stenographers, and some expert electrical men to the City of Mexico, where there is to be held on the 27th of May, and continuing from that date for three months, a convention in connection with the development of electrical communication—wireless, telegraphy, and cable.

When the Versailles treaty was under consideration it was agreed by all the parties to the treaty that sometime in the future there would be held an international—I may say a world—convention in respect of what should be done to regulate electrical communication between the nations of the world. Later on a conference was held by the European nations and the United States here in Washington relative to the subject in connection with which this world convention was to be held later. No agreement was reached as to policy; but it is of the most—I was going to say vital, but I will not—it is of the utmost importance that some world agreement shall be had in connection with the use of wave lengths in radio, in wireless telegraphy, in cable matters, in telegraphy matters, and about a year ago there was a convention held in Santiago, Chile, at which several delegates from the United States were present. This convention agreed that there should be a convention held in the City of Mexico, beginning on the 27th of next May, and in conformity with the agreement entered into there Congress passed a resolution authorizing the appointment of delegates to the convention for which the appropriation in this bill is proposed.

There is very valuable, confidential information in the possession of the Committee on Appropriations in connection with this proposed appropriation, and I should be very happy to give that information to the membership of the House if they were the only ones to whom it would be given while it was being communicated by me to them; but the press is here, and there are international reasons why we should not disclose America's interest, and there are good reasons why they should not be disclosed, and we ask you to take us on faith that the appropriation of this $30,000 is of more than great importance.

Mr. MOORE of Virginia. If the gentleman will yield, I wish to say to the gentleman that the investigation made by the Committee on Foreign Affairs is exactly in line with what the gentleman has been saying, and that committee was convinced that the United States can not properly forego participation in this conference.

Mr. MADDEN. No; we can not, if we want to protect our own interests.

Mr. KING. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. KING. Will there be any effort made in this convention to so organize and make arrangements that eventually control of world intercommunication may be secured by certain classes of people?

Mr. MADDEN. The law under which this appropriation was made distinctly provides that no one interested financially in electrical communications shall represent the United States on the delegation. All of our experts are to be taken from the departments. No one will be under pay except the clerks, stenographers, and interpreters. The delegates will be men of knowledge, without financial interest in the outcome.

Mr. KING. Will there be any politics in it, any league of nations?

Mr. MADDEN. None. Further, we provide for $2,187,000 for the Department of Justice, $200,000 of which is to supplement an appropriation of $500,000 for the prosecution of the so-called war-fraud cases. Four hundred and twenty thousand dollars of the $500,000 was expended at the date of the hearings on this bill. The department had so many cases so well in hand, so far advanced, that if we failed to give them this additional sum of money we would retard the work. There has been expended by the Department of Justice for this purpose since the work began about two years ago a little over $900,000. There has been collected by the department as the result of their work $6,000,000 and over in cash. There has been supplemental work which will result in the payment of enough money right off to make the collection $8,900,000.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. MOORE of Virginia. Has the War Department been doing similar work?

Mr. MADDEN. About as much as the Department of Justice, but not similar work. The War Department audits the claims; they do the accounting, it is purely a matter of accounting.

Mr. MOORE of Virginia. It is the same claims.

Mr. MADDEN. The same claims; they are certified by the War Department to the Department of Justice and the work of the War Department is all accounting.

Mr. MOORE of Virginia. Is the gentleman able to make any forecast as to how much in addition to the $200,000 will be required to complete the work?

Mr. MADDEN. I can not; because there are $69,000,000 of claims involved in the work already under way. Nobody knows what the outcome will be, but they are making good progress.

Mr. WOODRUFF. Will the gentleman yield?

Mr. MADDEN. Certainly.

Mr. WOODRUFF. In addition to the $69,000,000 of claims now before the department there will be many millions more.

Mr. MADDEN. Yes; they are coming every day. It has been said that the work done by the War Department and the Department of Justice is duplication. Well, to some extent that is true, but only to this extent. In the first place the War Department takes the claims and accounts, enters upon a mathematical calculation of what the situation is and what claims the Government has against any person that can be submitted for trial or prosecution to the Department of Justice, and the Department of Justice handles the claims; it has perhaps some accounting work to do on the cases but only such accounting work as is necessary in the preparation of the case for the trial in court.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. GARNER of Texas. It looks like this: The Appropriation Committee gave them $500,000. The Department of Justice said that is not all we need, we are going to need more. We will use the $500,000 and then go to the Appropriation Committee and say the work has progressed to such a point that it will break down if you do not give us more. So they force the House to give them the additional sum. Congress has no control over the amount of money that we pay the attorneys——

Mr. MADDEN. Yes; we have. We provide that they shall not exceed $10,000, and they go from that down.

Mr. GARNER of Texas. Ten thousand dollars a year?

Mr. MADDEN. Yes.

Mr. GARNER of Texas. No man can draw more than $10,000 if he does not work but three months?

Mr. MADDEN. If he only works three months he only gets his proportion of that.

Mr. GARNER of Texas. And he can hire 50 or 100 as the case may be?

Mr. MADDEN. Yes.

Mr. HARRISON. The gentleman says that $6,000,000 has been collected.

Mr. MADDEN. Six million one hundred and twenty-eight thousand dollars.

Mr. HARRISON. Of that $6,000,000 over $2,000,000 were collected through the War Department, through the auditors, and in no wise ought to be credited to this appropriation.

Mr. MADDEN. That was in the Lincoln Motor case?

Mr. HARRISON. No; I refer to the audit and accounting office, before it got to the Department of Justice.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. Will the gentleman yield me two or three minutes.

Mr. BYRNS of Tennessee. I yield three minutes to the gentleman.

Mr. MADDEN. Mr. Chairman, the remaining items in the bill consist of salaries and expenses of the United States marshals and their deputies, salaries and expenses of district attorneys and their officers, salaries and expenses of the clerks of courts, fees of United States commissioners, fees of jurors, fees of witnesses, miscellaneous expenses, United States courts, and support of United States prisoners in jails and penitentiaries throughout the United States. I wish to say that the investigation by the committee discloses the fact that unless this money is appropriated at once many of the courts will have to close, and this committee did not want to assume the responsibility of refusing to report a bill of this sort if by doing so there was any chance of closing the courts.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield half a minute to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Chairman, I ask the attention of the gentleman from Illinois [Mr. MADDEN]. I ask unanimous consent to insert in the RECORD a statement by Miss Ina C. Emery, who is the author of a Monument guide book which has been on sale at the Monument for many years, made before the Subcommittee on Appropriations. It was not printed in the hearings, and it presents her side of a controversy which I think ought to be presented to the public.

Mr. MADDEN. I supplied her with that copy.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, on March 28 last I called the attention of the House to the fact that a statement made by Miss Ina C. Emery before the House appropriations subcommittee on the War Department bill on February 14, preceding, relating to the sale of the Washington Monument Guide Book, had not been printed in the hearings, though a statement on the same subject by Lieut. Col. C. O. Sherrill was printed in those hearings. Remarks on the subject appeared in the CONGRESSIONAL RECORD of March 28, pages 5184 to 5185. The only reference to Miss Emery in the printed record of the hearings was on pages 1252 and 1253, wherein Colonel Sherrill made certain references to Miss Emery and her guidebook and what she had to say was dismissed with this parenthetical statement:

> Miss Emery appeared before the committee. Her statement was transcribed and left in possession of the clerk, but is not printed, as the matter to which it relates is one beyond the jurisdiction of the committee.

With the permission of the gentleman from Illinois, Mr. MADDEN, as chairman of the Committee on Appropriations, who sees no reason why the statement should not be printed, I ask the consent of the House to have printed in the RECORD the statement as made before that subcommittee by Miss Emery as furnished to her by the committee by Mr. MADDEN's direction.

The statement follows:

Mr. ANTHONY. Miss Emery, the committee would be glad to have a short statement from you with regard to the sale of the guidebook at the Washington Monument. It is understood that you formerly had the concession for the sale of your guidebook at that place and that that concession was taken away from you. The guidebook now being sold there is one sold by the welfare association.

STATEMENT OF MISS INA CAPITOLA EMERY, OF WASHINGTON, D. C.

Miss EMERY. In 1909, after my book had been sold at the Monument for a number of years, a clause was put in the bill forbidding anything to be sold at the Washington Monument.

I went to the Secretary of War at that time—I have forgotten which one it was—and he said there was not any intention whatever to displace my book, that it was an oversight in not mentioning that, and he advised me to go to Congress.

I went before the Appropriations Committee, and the sale of my book has been continued there without interruption and with the commendation of every Secretary of War since 1901—including Senator Redfield Proctor, who became Secretary of War—and including the present one. It has had the personal indorsements of President McKinley, President Roosevelt, President Taft, Vice President Sherman; and Vice President Sherman went among the Senators and interested himself in my behalf in connection with my book.

Then, in addition to the various Secretaries of War, I have had the support of Senators CURTIS, Dillingham, HARRISON, MCKELLAR, and John Sharp Williams, and of Representatives KAHN, MADDEN, RAINEY, TAYLOR, Champ Clark, GARRETT of Tennessee, BYRNS of Tennessee, Rodenberg, of Illinois, Nolan, of California, ASWELL, of Louisiana, and a host of other Members of Congress, past and present, all of whom have indorsed my book.

I want to say as to Colonel Sherrill, that the first time I ever met him was with Senator HARRISON. He met me very pleasantly then. Later, I went to see him and asked him if I might pay in advance the $75 which I pay the Government. My book costs the Government nothing, and I pay the Government $75 a year. I supervise my book and prepare it and it is no cost or trouble to the Government. In that respect it is different from the book of Colonel Sherrill. As to his book, I have absolute proof by whom it is copyrighted and by whom it is sold.

I had learned that Fred Harvey, who was living at that time, but who has since died, had tried year after year to get the influence of the Superintendent of Public Buildings and Grounds to put his manuscript in place of my book, and that year after year he had been stopped; that they could see no reason for it. I understood that he induced Colonel Sherrill to be interested in the matter, and I heard it from Mr. C. C. Glover, who is responsible for Colonel Sherrill's being a member of the Monument Association.

I then went and asked Mr. Sherrill, as I said, the second time I had ever seen him, if I might pay the $75 in advance, as I was going away for the summer. This was in May, I believe. He did not even ask me to be seated, but he met me in an entirely different way from the way in which he met me when I went with Senator HARRISON. This was his comment: "Miss Emery, I think you have had that book too long. I think I will take it away from you." I said, "Oh, no, Colonel Sherrill."

And may I read what happened?

In May, 1922, I heard of rumors at the Monument. They were saying that my book was to be displaced. I wondered how it was that the watchmen at the Monument knew so much more about it than I did.

Finally, on repeated hearing of this matter, I went to Colonel Sherrill's office, accompanied by Senator HARRISON. As a result of that interview the Senator and I both gathered that there would be no trouble. I went to Colonel Sherrill's office the second time to ask if I might pay the license fee of $75 a year in advance at that time. Colonel Sherrill was hardly courteous——

Mr. DICKINSON. Mr. Chairman, I do not think we should go into these personal matters between Colonel Sherrill and Miss Emery.

Mr. ANTHONY. Miss Emery, just confine yourself to the facts.

Miss EMERY. He told me then he could take the permit away from me and he said that I had had it too long. I said, "Colonel Sherrill, you have been in office for some time. You do not expect to be relieved from office, do you, because you have been here so long?" He said I ought to be patriotic enough to give the book away. I replied, "You are wearing the United States uniform; are you giving your services free?" That seemed to anger him, and he then told me that he would take the book away from me. This is the only reason my book is not there now.

Mr. ANTHONY. Now, Miss Emery——

Mr. FRED EMERY. May I interrupt a moment to say that that is the basis of this entire persecution of my sister—the conversation that she mentions?

Miss EMERY. I said, "I am a woman; you would not take it away from me. It was put there by special act of Congress." And Colonel Sherrill snapped his fingers three times and said, "I care that, that, that for Congress." I said, "Then there is nothing more I can do."

Colonel SHERRILL. I object to this testimony, Mr. Chairman, because there is absolutely no truth in it whatever.

Mr. FRED EMERY. I was present at the time, Mr. Chairman, and I heard that statement made.

Miss EMERY. He made that statement.

Mr. ANTHONY. Miss Emery, let me call your attention to the fact that the law which governs this matter was approved on March 4, 1909.

Miss EMERY. Yes.

Mr. ANTHONY. And that law states:

> "That hereafter no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument, except upon the written authority of the Secretary of War."

Miss EMERY. Yes, but there is a previous law.

Mr. ANTHONY. Now, has the Secretary of War given his authority for the change?

Miss EMERY. Yes. May I explain about that?

Mr. ANTHONY. He has?

Miss EMERY. Colonel Sherrill put his initials on this letter—"C. O. S." I assure you that that all comes from Colonel Sherrill's office.

Mr. ANTHONY. If the Secretary of War has ordered this change, that seems to be the final authority under the law.

Miss EMERY. May I say this: I went to Secretary Weeks with Mr. Rodenberg in 1922 (immediately after the interview with Colonel Sherrill). Secretary Weeks said, "Miss Emery, so far as I am concerned, you may have your book there for 20 years to come, if you want it. I have heard no complaint about your book or the management." And I did have it then, as usual. But last year, when Congress was not in session, on the 1st day of July, 1923, my book was stopped.

These things are all pertinent to my not having it; they are the absolute reasons why I haven't it. I have letters saying that I ought to use a slot machine. Colonel Sherrill said that, but he is not using one for his own book. Secretary Weeks said that was ridiculous, "And, so far as I am concerned," he said, "Miss Emery, I see no reason why you should not have the book for 20 years to come." And Mr. Rodenberg, if here to-day, would corroborate that statement. So it is not Secretary Weeks; it is the influence back of it, and the letters were prepared in Colonel Sherrill's office——

Mr. ANTHONY. How long a notice did you receive that the change was contemplated?

Miss EMERY. I saw Secretary Weeks about the last of May or the first of June, and he said that for 20 years I could have it, "so far as I am concerned."

On the 8th of June, 1922, I had a letter from Secretary Weeks, saying steps were under way to renew my permit under the same conditions as heretofore, and that it would not be renewed after July 1, 1923, except under certain conditions—use of a slot machine and a reduction in the price of the book. The 35 cents charged for the book was authorized by the department. When I went to see Secretary Weeks with Representative Rodenberg, the Secretary said he did not regard 35 cents as too much and he agreed that the slot machine was impractical.

On June 23, 1922, I had a letter from the Secretary of War, evidently prepared for his signature, saying the permit would not be renewed after the fiscal year 1922–23, and that it is contemplated that the Washington Monument Association, in cooperation with the Office of Public Buildings and Grounds, prepare an abstract of the official report of the Washington Monument and its dedication for issue at nominal cost or gratis to those who make the ascent of the Monument. That was the work of the man I referred to, Mr. Harvey.

Mr. ANTHONY. What do you expect this committee to do? The law gives the authority to the Secretary of War.

Miss EMERY. I beg pardon. The law was that it could not be sold except by his authority, I think, but it could be sold there. May I read Mr. MADDEN's letter? I feel in justice to myself you must let me show you that I do not believe Secretary Weeks would contradict himself. I think, in the mass of correspondence, that that letter was simply signed by Secretary Weeks.

Before I had time to go into the slot-machine matter—in fact, I had called up a man and he was making inquiries about the slot machine—an arbitrary letter came saying that the book would not be continued.

Mr. ANTHONY. Signed by the Secretary of War?

Miss EMERY. But it was prepared in Mr. Sherrill's office. We understand, of course, that those things are signed in a mass of correspondence. The point is that it is Colonel Sherrill. He contended that I should not make anything on my book, yet he was receiving money from outside sources, supplementing his salary.

Mr. ANTHONY. Who wrote the letter there that you wanted to call attention to?

Miss EMERY. Chairman MADDEN (of the House Appropriations Committee), on July 2, 1923.

May I preface this? After I received this letter of June 23, 1922, when Secretary Weeks signed the letter, and which does not sound like him, and which I do not believe he ever composed—I know he didn't, and it comes from Colonel Sherrill's office, and in the mass it was signed. At least, that is the inference back of it. After that, in February following, Colonel Sherrill wrote to Representative BYRNES: "We will take this under consideration, and we will want to meet your wishes," etc. He also wrote a letter to Mr. KAHN along the same line, indicating that everything would be all right.

Colonel Sherrill told Mr. Lloyd, a former Member here, over the telephone, on June 29, 1923, to "tell Miss Emery not to worry and not to disturb her salesman. She will hear from me Monday." Mr. Lloyd repeated this statement to me, as I was present at that time. On July 1 my book was stopped by Colonel Sherrill's order. This is Mr. MADDEN's letter on July 2. "Mr. Secretary"—this was to Secretary Weeks—[reads letter]:

> COMMITTEE ON APPROPRIATIONS,
> SIXTY-SEVENTH CONGRESS,
> *Washington, D. C., July 2, 1923.*
>
> MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following:
>
> "That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."
>
> Then, later, in Statutes at Large, volume 35, page 997, there appears the following:
>
> "That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument, except upon the written authority of the Secretary of War."
>
> In pursuance of this authority, Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued. It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given in all these years to the visiting public, she should be permitted to continue its sale.
>
> I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.
>
> Very sincerely yours,
>
> MARTIN B. MADDEN.

Mr. DICKINSON. What is your annual profit on the sale of this book at the Monument?

Miss EMERY. About a thousand dollars a year.

Mr. DICKINSON. And you have sold how many copies?

Miss EMERY. I can not tell you exactly. I could by referring to the books. I sell about 8,000 annually.

Mr. DICKINSON. What does this book cost you?

Miss EMERY. Colonel Sherrill asked me for that information.

Mr. DICKINSON. Do not involve Colonel Sherrill.

Miss EMERY. The last copies cost me 10 cents a copy, and I pay my salesmen 10 cents.

Mr. ANTHONY. Under the law the sale of this book is peculiarly an executive matter and one over which this committee, in my opinion, would have no authority. I do not see what good it is to come before this committee and prolong our hearings on a matter of this kind.

Miss EMERY. May I say this: Colonel Sherrill stated that he would take my book away. Secretary Weeks overruled him. Now, that was in 1922. In 1923 Colonel Sherrill did take the book away. There was no book to take its place then, because Mr. Harvey died. It took six weeks before they had a book there. Then, if you will remember, President Coolidge overruled the appointment that Colonel Sherrill made of Major Wearts, his assistant, to the White House. You will remember the criticism, public and private, when that same man who prepared the book that did take the place of mine, when Mr. Sherrill appointed him in the place of Major Baldinger. He prepared this new book under Colonel Sherrill and it is copyrighted by a private organization of which Colonel Sherrill is a member. It is sold at Government expense.

Mr. DICKINSON. Do you mean to imply that Colonel Sherrill is getting any money out of the sale of this book?

Miss EMERY. I know nothing about that. I am stating the facts. That book was prepared by Colonel Sherrill, and the returns are made to Colonel Sherrill's office.

Mr. DICKINSON. For what purpose?

Miss EMERY. Wait a minute.

Mr. DICKINSON. No; I do not want to wait a minute. I am asking you a question, and I want you to answer it.

Miss EMERY. I can't say for what purpose. I couldn't say.

Mr. DICKINSON. Do you know where the profit goes?

Miss EMERY. Wait a minute. No.

Mr. DICKINSON. Then you do not think the profits from the sale of that book go to the welfare association?

Miss EMERY. I do not know what the welfare association is. I can't find out much, except that it is for Government employees, and if it is, the Government is paying every salesman that is there except one man, who is not in uniform. They are all salaried by the Government.

Mr. DICKINSON. They are members of the welfare association, are they?

Miss EMERY. Why should they be salaried by the Government as watchmen and then work as book salesmen?

Mr. DICKINSON. Do you think they are neglecting their duties as watchmen?

Miss EMERY. Yes, sir; I can bring a lady here to tell you that she tripped, and the watchman paid no attention to her, but said, "Madam, have one of our beautiful books?" I can produce the witness. This is what I was going to say, that the book was prepared by Major Wearts, the assistant of Colonel Sherrill, so the editor stated to me.

Mr. ANTHONY. Miss Emery, what do you want this committee to do?

Miss EMERY. This is all I ask—and may I read you Senator Dillingham's last letter?

Mr. ANTHONY. I do not think it is necessary to do that, Miss Emery.

Miss EMERY. Just one second. You asked me what I wanted—that the Washington Monument Guide Book authorized by Congress in 1909 shall be continued at the Monument, and Mr. MADDEN, I know, concurs with this idea.

Mr. ANTHONY. You are asking that?

Miss EMERY. I am asking that.

Mr. ANTHONY. That would be legislation over which this committee would have no authority.

Miss EMERY. Well, I had legislation before.

Mr. ANTHONY. Well, we would have no authority to insert that legislation.

Mr. DICKINSON. It would be subject to a point of order.

Mr. ANTHONY. It would be subject to a point of order, and would have to come through a legislative committee.

Miss EMERY. May I say this: While Colonel Sherrill was objecting to my making some money, he said: "I ought not to make a cent, because I had made enough." I turned to him and said: "You are wearing a uniform," and he had one on at that time——

Mr. ANTHONY. Let us leave that out, Miss Emery.

Miss EMERY. But may I just say this: He said that I ought not to make anything out of the 35-cent book that I prepared, produced, and sold, yet he was drawing a private income from the Congressional Country Club, and at the same time he was drawing a salary from the Government for the same working hours.

Mr. ANTHONY. We will have to discontinue the hearing now, Miss Emery, because the committee has not the time to spare to go into further details.

Miss EMERY. May I ask you people to read the statement? May I read Senator Dillingham's last letter?

Mr. ANTHONY. I think not, because the committee is without power to act in the matter.

Miss EMERY. The committee is without power to act in the matter?

Mr. ANTHONY. It is without power to act in the matter, because it is an executive matter.

Miss EMERY. You mean to say that I can not come here, yet if a man is asking for an increase in salary——

Mr. ANTHONY. Wait. You should take this matter up with the Secretary of War, who under the law has absolute power to regulate it.

Miss EMERY. Will you tell me, then, where is justice to be found, if not here, when a man who is drawing a salary under the Government would deprive me of my income for spite work absolutely? He said he would take the book away, and did take it away.

Mr. ANTHONY. We will talk it over, Miss Emery, but I am afraid we have no power to act on it.

Miss EMERY. May I ask you to read the statements, and I can prove every one of them? And if you do not believe that Colonel Sherrill said—and he said it absolutely—"I care that and that and that for Congress," and my brother said he heard it. I have a witness to it; my brother was present. I wish you would let me read Senator CURTIS's letter in reference to this matter. Will you permit me to do that?

Mr. ANTHONY. We could not put any more in the record.

Miss EMERY. Senator Dillingham, Representative KAHN, and Mr. MADDEN are all of the same opinion, that it is a grave injustice that is being done me, and each one has said that I had recourse to Congress, as I had before.

Mr. ANTHONY. We are glad to give you the opportunity to make these statements.

Mr. FRED EMERY. Mr. Chairman, I want to thank you on behalf of my sister, and to thank the whole committee.

Mr. ANTHONY. All right.

Colonel SHERRILL. I would like to submit the record. I request that this matter be cut out of the record, because she has brought in absolutely extraneous matter in the nature of an attack. If you want me to, I could give you all of the record, and to show you that all of her statements are really false, because I recommended—and I have the record here to show that I recommended the continuance of her contract over that whole year.

Mr. ANTHONY. The stenographer will note that Miss Emery's statement be transcribed, the same to be left in the possession of the clerk, without being printed, as the matter appears to be one beyond the jurisdiction of the committee.

Mr. BYRNS of Tennessee. I yield four minutes to the gentleman from Nebraska [Mr. HOWARD].

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, I asked permission several times for the propounding of a question. I have propounded that question before. I introduced a resolution here some four months ago specifically requesting information as to the number of these graft-prosecuting attorneys appointed by the Attorney General, the salaries paid or agreed to be paid them, the result of their prosecutions; specifically directing that I be furnished with the name of any war grafter now in the penitentiary as a result of those war-graft prosecutions; specifically asking, further, what portion of the time of these war-graft prosecutors had been expended in promoting the candidacy of any particular candidate for President of the United States. I have been unable to get any such answer. It is true the present Attorney General is not the same Attorney General we had when those questions were first asked. Another certain resolution was introduced about that time in this House affecting the late Attorney General, and it rather frightened him, I guess; at any rate, he oozed, and he is no longer in the old place where we knew him, and nobody has given me an answer to my question.

Mr. BYRNS of Tennessee. Does not the gentleman think that it would be rather a little embarrassing to the administration to ask?

Mr. HOWARD of Nebraska. I dare say it would, and I make allowance for that and so, right now exercising that gentle way which is always mine, instead of propounding the question anew to this new Attorney General—of whom I think I am going to be fond—not desiring to embarrass him, I would like to propound the question directly to the distinguished Chairman of the Committee on Appropriations, who never permits himself to be embarrassed under any circumstances. He is always a very busy man, and he is particularly busy right now. [Laughter.]

Mr. MADDEN. I did not hear the gentleman. [Laughter.]

Mr. HOWARD of Nebraska. The gentleman says he did not hear me. Indeed, I thought his ears might be tingling, as mine always do when somebody is saying something pretty about me. [Laughter.]

Mr. MADDEN. I was engaged by these gentlemen on my right.

Mr. HOWARD of Nebraska. I will say to the gentleman that I have been trying in vain, seeking every possible source of information, to discover the name of any one war grafter who is now in the penitentiary as the result of the expenditure of these millions of dollars for war-graft prosecutions. Now, the Department of the Attorney General has declined to give me the name of that fellow who is in the penitentiary, and so now I am coming to the seat of wisdom and asking for that name.

Mr. MADDEN. I will say to the gentleman this, from the information I have on the subject, that most of the conspiracy cases where proof was definite and conclusive were completed before the armistice was signed, and the statute of limitations has run, and therefore the prosecutions would not lie. I think there have not been any convictions where men have been sent to the penitentiary, but a great many civil cases have been tried and a good deal of money recovered.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WOODRUFF. Will the gentleman yield to me for a moment?

Mr. HOWARD of Nebraska. I yield to everybody, but I want to finish my statement.

Mr. BYRNS of Tennessee. The statute of limitation was extended three years.

Mr. WOODRUFF. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOWARD of Nebraska. I yield to the gentleman.

Mr. WOODRUFF. The chairman of the Committee on Appropriations has stated that the statute of limitations has run, and that, therefore, prosecutions would not lie in conspiracy cases. Yet if the gentleman has read the newspapers of the city of Washington he will understand and know that in the courts of this city at the present time men are being criminally prosecuted for war profiteering.

Mr. HOWARD of Nebraska. What I want to know is, has anyone been sent to the penitentiary? The statute of limitations has run, and Fall has run, and Denby has run, and Daugherty has run, and Burns has run, and now the gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, has run away from telling me the name of one who is in the penitentiary for war grafting.

Mr. WOODRUFF. I will say that it is possible that the fact that we have a new Attorney General is responsible for the present criminal prosecutions which are now going on in the courts of Washington.

Mr. HOWARD of Nebraska. Then I think we should be congratulated on the fact that we have a new Attorney General. But I retire again in darkness with reference to an answer to the question that has been so often repeated here. [Laughter.]

The CHAIRMAN. The time of the gentleman from Nebraska has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

CONTINGENT EXPENSES

For expenses of inquiries and investigations ordered by the Senate, including compensation of stenographers to committees at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate but not exceeding 25 cents per hundred words, $100,000.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. Would the chairman of the committee have any objection to an amendment providing for a detailed statement of expenses?

Mr. MADDEN. Of course the gentleman is at perfect liberty to offer any amendment he chooses. We can not govern the Senate, however. They are not under our orders, and we would not obtain any information.

Mr. BLANTON. When we vote this $100,000 we could attach a proviso to the effect that there should be filed a detailed statement of expenditures. I follow the gentleman from Illinois on economic matters.

Mr. MADDEN. I hope the gentleman will not press that.

Mr. BLANTON. If the gentleman will not offer it I will withdraw my pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF JUSTICE

MISCELLANEOUS OBJECTS

Investigation and prosecution of war frauds: For the investigation and prosecution of alleged frauds, either civil or criminal, or other crimes or offenses against the United States, growing out of or arising in connection with the preparation for or prosecution of the late war, including the institution and prosecution of suits for the recovery of moneys which contain no element of fraud but arose incident to the investigation of alleged frauds, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $200,000, to remain available until June 30, 1925.

Mr. MADDEN. Mr. Chairman, I offer an amendment. On line 21 of page 2, following the word "war," the word should be "frauds."

The CHAIRMAN. Without objection, the Clerk will correct the spelling. Is there objection?

There was no objection.

Mr. HARRISON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Virginia moves to strike out the last word.

Mr. HARRISON. Mr. Chairman, of course this $200,000 for the prosecution of war fraud claims having been obligated, it is out of the question for this House to deny the appropriation. These high priced attorneys know their business thoroughly, when they come after pay. But this makes $700,000 that has been appropriated for the prosecution of war frauds in the past year, in addition to which $500,000 was appropriated through the War Department, making $1,200,000 that has been expended in the prosecution of war frauds during the last year. This is the third million dollar appropriation for this purpose. To bolster up such extravagance it has been stated that some $6,000,000 has been collected. As a matter of fact, the testimony before the subcommittee on war appropriations shows that over $2,000,000 of that $6,000,000 was collected through the War Department on a simple audit of the claims. Another $1,500,000 represents the settlement with the Lincoln Motor Co. When this appropriation was first made—about two years ago—Mr. Daugherty came before the House of Representatives in a letter and said he was about to collect $9,000,000 from the Lincoln Motor Co. He was then being criticized for not prosecuting that claim, and he informed the House in his letter that he had already brought the matter to such a situation that $9,000,000 was about in sight, but all that seems to have been done in the way of the settlement of the Lincoln Motor Co. case by this $2,000,000 appropriation has been to reduce the $9,000,000 to $1,500,000 in a settlement. That seems to be what this appropriation has brought about, a $9,000,000 claim, which Mr. Daugherty said was in sight, being reduced to $1,500,000. Investigation of other items claimed to have been collected will probably show a similar state of facts as to them.

I therefore desire to call the attention of the House to the fact that these moneys are being appropriated without any result worthy of the name.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. HOWARD of Nebraska. Would the gentleman from Virginia, out of the abundance of his knowledge, after having investigated this matter, be kind enough to tell me the name of the grafter who was brought to trial through the expenditure of this money and who is now in any Federal penitentiary?

Mr. HARRISON. I am not able to throw any light on that subject.

Mr. HOWARD of Nebraska. Darkness again.

Mr. WOODRUFF. Mr. Chairman, as every Member of the House knows, I have taken a more active interest in furthering the prosecution of the war-fraud cases than has any Member of this body. On the 11th of April, two years ago, I took the floor and in an extended speech pointed out to the House the flagrant inactivity of the Department of Justice relative to these cases. I called attention to the fact that audits of certain aircraft contracts had disclosed overpayments to the contractors by the Government running into many millions of dollars. I showed that while many of these cases had been referred to the Department of Justice, nothing whatsoever had been done to return these overpayments to the Treasury and to prosecute the guilty.

We had been regaled for many months through the columns of the newspapers in interviews with the then head of the Department of Justice, Attorney General Daugherty, with what he proposed to do to these profiteers and grafters. Promises had been long and loud, but nothing had been done. Three appropriation bills carrying appropriations for the Department of Justice had been submitted to the House, and no request for funds had been made by the Attorney General for the purpose of carrying on this work.

On April 7, 1922, when the third appropriation bill of that Congress, carrying appropriations for the Department of Justice, was before the House for consideration, an amendment was offered by the gentleman from South Dakota [Mr. JOHNSON] providing an appropriation of $500,000 for the purpose of investigating and prosecuting the war grafters. The chairman of the committee in charge of the bill in the House, Mr. Husted, stated:

Mr. Chairman, I think I can say to the gentleman from South Dakota that he is out on the estimate just the amount carried in his amendment. The Department of Justice has not asked for this item, but the Department of Justice is engaged in this work and has ample funds to carry it on at the present time. It does not need an additional dollar for this purpose.

It seems clear from this that the Department of Justice had made no demand upon Congress for money for this purpose. Events proved that no attempt had been made to prosecute these cases. It was clear, in the minds of some of us at least, that no attempt was intended to be made to properly prosecute these claims.

On numerous occasions thereafter I secured time and continued to call the attention of the House to the conditions existing in the Department of Justice.

On the 15th of May, 1922, there was presented to the House a request by the Attorney General for an appropriation for $500,000 for the purpose of instituting investigations and prosecutions of frauds developing from the audits of war contracts. At that time I said:

I believe the Congress and the people will be, and should be, rather critical as to just how this $500,000 is expended. If results are shown, we will all applaud, if not, even greater condemnation will be heaped upon the Department of Justice.

It is significant that the Attorney General, after being in office more than a year, discovered in the short space of time from April 11 to May 15 the desirability and necessity of securing necessary funds to carry on this work. Those of us who criticised him, while recognizing his past delinquencies, were willing to give him a further opportunity to do something. I, as one of the men who had criticized him severely, felt that he had grossly neglected his plain duty in regard to these cases, but notwithstanding that fact, I wanted him to have a further opportunity to do his duty. Congress very promptly appropriated $500,000 for this purpose. I think it is true that much of the information and much of the evidence that had been

available in the Department of Justice had disappeared from the files of the department, and naturally it has taken much time to replace these documents. This is responsible for some of the delay in the prosecution of these cases. It has not been responsible for all the delay, however.

After securing this appropriation the Attorney General promptly organized what is known as the war frauds section of the Department of Justice and placed in charge of its activities men of unquestioned integrity. I believe much work has been done by this war frauds section within the Department of Justice. I do not believe, however, that everything has been done that should or could have been done. I have in mind particularly the Wright-Martin case. An audit of the Wright-Martin contract disclosed an overpayment of five and a quarter million dollars. That case was reported to the Department of Justice by the War Department in October of 1921 and was the first case sent to the Department of Justice by the War Department. When the case reached the Department of Justice it fell into the hands of John W. H. Crim, an Assistant Attorney General of the United States, who promptly forwarded it to the district attorney in New York for prosecution.

I much regret a statement made on the floor of the House by a Member and a very dear friend of mine, the gentleman from Illinois [Mr. KING] relative to Mr. Crim. He challenged the integrity of Mr. Crim, and I want to say, Mr. Chairman, that, to my knowledge, there has been no man connected with the Department of Justice who is more entitled to the confidence of the Congress and the country than John W. Crim. As a matter of fact, up until the time I assailed the Attorney General and the Department of Justice, the only war-fraud cases that had been sent to the courts were sent there by John W. Crim.

Mr. BEGG. Will the gentleman yield?

Mr. WOODRUFF. Surely.

Mr. BEGG. Does not the gentleman think, in order to be absolutely fair, he should state that there was an advisory committee with very great power, consisting of ex-Senator Hardwick, Judge Bigger, of Columbus, Ohio, a man by the name of Kerr, about whom I do not know anything, and I believe Senator Thomas, of Colorado, was on this committee at one time. Their authority was unlimited, as I understand it. Does not the gentleman believe that if everything was not done that could be done these three men of unimpeachable character might have discovered it?

Mr. WOODRUFF. I do not believe anything of the kind. If the gentleman has been listening carefully he will understand I have given full credit to those gentlemen. I am not criticizing that particular bureau because the affairs about which I am now speaking are matters which existed in the department before the attack was made upon the Department of Justice. The men of whom the gentleman speaks all became connected with this work on July 1, 1922, or thereafter, and the conditions to which I refer existed prior to that date.

I will say further to the gentleman from Ohio regarding the situation that has existed in this department since the organization of the war fraud section that, notwithstanding the unimpeachable character of the men who handle these cases and their undoubted willingness to bring each and every grafter to account, they have, in the last analysis, been more or less helpless, for the reason that they are, after all, subordinates, and as such must take their orders from superior authority. This is true especially in affairs connected with the more important cases referred to their bureau.

In the hearings before the subcommittee of the House Committee on Appropriations on Thursday, May 8, 1924, the following colloquy took place between the chairman and other members of the committee and Judge Kerr, the present head of the war frauds section in the Department of Justice.

The CHAIRMAN. The next item on the list is for the investigation and prosecution of war frauds. We asked the Attorney General when he was here to state the form of the organization in charge of the so-called war-fraud cases. Of course, he was not familiar with the details of it, and we would like very much, Judge Kerr, to have you state them. First state how long the organization has been in existence and how many people are employed in it.

Mr. KERR. Mr. Chairman, I was appointed myself and began my duties with this organization some time about the 1st of July, 1922. The bill which created this section, I think, passed in May, 1922, or that is my recollection. The activities of the organization itself did not begin until about July 1, 1922. As originally contemplated and organized, the Attorney General was the head of the entire organization.

The CHAIRMAN. That is to say, all of the cases were required to be presented to him for decision before action was taken?

Mr. KERR. Yes, sir; and that has been carried out through the entire organization except in minor cases where we assumed authority.

And further.

Mr. DAVIS. And finally, before any suit or action is really begun, it has to go to the Attorney General and he orders the suit?

Mr. KERR. All suits have to be ordered by the Attorney General.

So it would seem, Mr. Chairman, that the gentleman from Ohio is in error; that the war-frauds section does not have the unlimited authority he speaks of. Undoubtedly the authority is sufficient to enable that section to secure all necessary evidence and prepare the cases for court; but when it comes to actually starting legal procedure, to taking the cases into court, then the permission of the Attorney General must be secured; and in the Wright-Martin case this seems to have been impossible.

Mr. MOORE of Virginia. May I interrupt the gentleman?

Mr. WOODRUFF. Certainly.

Mr. MOORE of Virginia. I would like to add my word to what the gentleman has said about Mr. Crim. I have known him since his boyhood, and I believe he is an able and honest man and official.

Mr. WOODRUFF. I am glad to have my opinion of Mr. Crim confirmed by my friend from Virginia, whose opinion is always given great weight by the House. To follow the Wright-Martin case a little further, I will say that in December, 1922, I was assured by men high in authority in the Department of Justice that the Wright-Martin case would be sent to the courts within three weeks. The Wright-Martin case is not yet in the courts, although I have reason to believe it will be within the near future. If the sworn testimony of the auditor who recently made a trip into Ohio to examine tax-return records of Mr. Daugherty and the books of a certain bank is to be relied upon, it is found that the ex-Attorney General of the United States was the possessor of something like 2,500 shares of the Wright-Martin Co.'s stock. Whether that had anything to do with the inactivity of the Department of Justice relative to this particular case, of course, I do not know. I do know, however, that this case was ready for the courts in December, 1921, and that the Assistant Attorney General, after repeated hearings given the Wright-Martin Co., declined to postpone action. Later the case was taken out of the hands of the district attorney in New York, and a reasonable assumption is that the Attorney General directed such action.

It is to the everlasting credit of President Coolidge that he has demanded the resignation of the man who was responsible for this situation and has placed at the head of the Department of Justice a man whose ability and integrity are unquestioned, and in whom the people of the country have confidence. I have every reason to believe that the present Attorney General of the United States is going to see to it that these war-fraud cases are taken into the courts and settled. I think that is all any Member of the House or any good citizen could ask. I have an infinite confidence in our courts, and I believe that if these cases are taken before the courts they will be decied equitably, and if this is done there will be many, many millions recovered to the Treasury.

Mr. DENISON. Will the gentleman tell us how many cases are pending, if he knows?

Mr. WOODRUFF. There are now 118 claims for the recovery of money pending in the courts. These claims aggregate $69,342,741.23. There are also 18 claims pending with receivers and trustees in bankruptcy. These aggregate $2,636,418.43. Just how much is involved in the more than 400 other cases now in the hands of the war-frauds section, and which have not as yet been presented to the courts, I can not say, but it must run into an enormous amount.

It will be interesting to the Members, also, to know what has been done by the different departments of the Government in securing the return of money to the Treasury. The following are the figures up to date:

Audit section of Air Service (collected)	$280,423.93
Department of Justice (collected)	6,189,667.24
Department of Justice (settlements not yet paid)	3,000,000.00
General Accounting Office (collected)	434,431.10
Contract audit section, War Department (collected)	4,230,128.35
Total	14,134,590.62

This amount, Mr. Chairman, is sufficient to pay the salaries of every Member of this House for four and a third years, and enough to pay the salary of a single Member for nearly 2,000 years.

Comparatively few of the war contracts have received the attention of the contract audit section and the Department of Justice. If the entire 350,000 war contracts are carefully

audited and the necessary legal action taken in those which show overpayments it is reasonable to suppose that enough money can be recovered to pay the salaries of the House membership for many years to come.

The gentleman from Nebraska [Mr. HOWARD] seems much interested to know the name of any man who has been sent to jail for conspiracy to defraud the Government during the war. He seems to doubt that any one of them are to receive this proper punishment for their misdeeds. Certainly his inquiries are proper ones and do credit to the gentleman propounding them. But, Mr. Chairman, he does not carry the inquiries far enough. Inasmuch as no one seems able to enlighten him, he should inquire why there has been no one convicted of conspiracy. For the information of the gentleman, I will quote a further colloquy between the chairman of the Committee on Appropriations and Judge KERR reminding the gentleman that it was the neglect of the gentleman's party—which was in control of the Government during the war—to extend the statute of limitations that has made it practically impossible to secure criminal indictments in all but a few cases:

Mr. KERR. There is one thing that perhaps I ought to call attention to in connection with criminal prosecutions. It is not generally understood that the statute of limitations was three years, but you extended it to six years.

The CHAIRMAN. That means that the cases in which the statute of limitations had expired at the time we extended it were out of your jurisdiction?

Mr. KERR. Yes, sir; and most of the cases of actual fraud or cases of an indictable character occurred prior to the armistice. I speak of the armistice as a general point of division. The act of November 7, 1921, as I recall, only related back to the 17th of November, 1918, and any act that had been committed prior to November 17, 1918, is therefore barred by the statute of limitations, unless there was some act committed after that time which would connect it up. Therefore in that way a great proportion of the actually indictable offenses during the war were barred by the statute of limitations long before this division was organized. I do not think that is generally understood.

I know the entire House will share the regret of the gentleman from Nebraska to learn that but 35 criminal indictments have been secured. One of these, the infamous J. L. Phillips case, is now being tried in the courts of Washington, and it is to be hoped that within the very near future it will be possible to give to the gentleman from Nebraska the information he has so long and so earnestly sought.

I can verify the things which the chairman of the committee has stated relative to the necessity for this appropriation. I know that many of these cases now pending in court will be lost by default if this appropriation is not made. Cases are pending in court in which all of the information and evidence has not been gotten together, and the court is not going to postpone cases from time to time at the request of the Government without some very good reason therefor. I hope the House will approve the appropriation as submitted in this bill. I believe if this is done you will find that the Department of Justice, under the direction of Attorney General Stone, will go ahead with these cases and prosecute them, and prosecute them properly. [Applause.]

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. O'SULLIVAN. Mr. Chairman, I rise in opposition to the pro forma amendment. I am going to beg the indulgence of the House to use just a moment to explain the lack of my vote on the recent roll call.

Mr. MADDEN. I will say to the gentleman that that should be done in the House.

Mr. O'SULLIVAN. I am going to use less than half a minute.

Mr. MADDEN. I have no objection; but I think it would be better if it were done in the House instead of in committee.

Mr. O'SULLIVAN. In view of the fact that I am obliged to leave right away, I ask your indulgence. This is merely to get it in the RECORD. The House Committee on the Judiciary had a meeting in Senator CUMMINS's office this afternoon and we left word with the cloakroom to call us. Through an oversight they did not call us, which accounts for the fact that several of us were unable to be present, which is a source of regret.

Mr. MADDEN. I will say for the information of the gentleman that the gentleman from Illinois [Mr. YATES] is going to make a general statement in respect of that matter when we go back into the House.

Mr. KING. Does the gentleman desire to state in the RECORD how he would have voted if he had been present?

Mr. O'SULLIVAN. I would have voted "no."

Mr. KING. The gentleman would have been correct in his vote.

The Clerk read as follows:

PENAL INSTITUTIONS

Support of United States prisoners: For support of United States prisoners, including the same objects specified under this head in the act making appropriations for the Departments of State and Justice and the judiciary for the fiscal year 1924, $402,000.

Mr. HOWARD of Nebraska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOWARD of Nebraska: On page 4, after line 23, insert a new paragraph, to read as follows:

"For investigation of the rolls of the inmates of the several United States penitentiaries in an effort to discover the name of any prisoner convicted on the charge of war graft as a result of prosecution by any special war-graft attorney appointed by the Attorney General of the United States, $1,000."

Mr. MADDEN. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill, is legislation on an appropriation bill, and in violation of the rules of the House.

Mr. HOWARD of Nebraska. In support of my position and in opposition to the point of order, I will say that I think the point of order is well taken forbidding me to legislate, but I can not consent, Mr. Chairman, that it is not germane. Indeed, we are dealing with penal institutions, and we have appropriated some millions of dollars for the purpose of sending somebody there; I can not find the names of the persons, and so I think it is entirely germane. [Laughter.]

The CHAIRMAN. The Chair sustains the point of order.

Mr. MADDEN. Mr. Chairman, I move that the committee do now rise and report the bill to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. HOWARD of Nebraska. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. HOWARD of Nebraska. For the purpose of suggesting that there does not seem to be enough Members here, and I make the point of no quorum.

Mr. MADDEN. I hope the gentleman will not do that.

Mr. HOWARD of Nebraska. Well, I will withdraw it, Mr. Chairman.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker having resumed the chair, Mr. TINSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, and had directed him to report the same back with an amendment, with a recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. MADDEN. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

Mr. HOWARD of Nebraska. Mr. Speaker, in view of the fact that we did not have time to deal with the soldier compensation legislation, I think we ought not to deal with this important matter without a quorum.

Mr. MADDEN. I hope the gentleman will not do that. This is a very urgent matter. The courts may be compelled to close any day if they do not get this relief.

Mr. HOWARD of Nebraska. Mr. Speaker, I will yield to the pleading of the distinguished chairman of the Committee on Appropriations and withdraw my suggestion if he will promise me that he will put forth his best effort to discover and tell me the names of any war grafter now in the penitentiary as a result of prosecutions conducted by special war-graft attorneys. [Laughter.]

Mr. MADDEN. I would be delighted to do so if I could.

The SPEAKER. The question is on the motion of the gentleman from Illinois for the previous question.

The previous question was ordered.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MADDEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

THE SOLDIERS' BONUS

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. YATES. Mr. Speaker, five Members of the House—the gentleman from Maine [Mr. HERSEY], the gentleman from Minnesota [Mr. LARSON], the gentleman from Missouri [Mr. MAJOR], the gentleman from Connecticut [Mr. O'SULLIVAN], and myself—were detained at a joint meeting of the Judiciary Committees of the House and Senate at the other end of the Capitol in the office of the Vice President, and so were unable to be present at the roll call on the postponement of the consideration of the veto on the soldiers' bonus bill. We would like to have the RECORD show that we were absent on public business.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I desire to make an announcement in regard to the program of business. It is expected that tomorrow we will call up rules in the following order:

H. R. 8209, incorporating the Mississippi River Barge Line. H. R. 3316, two additional judges for the southern district of New York. H. R. 646, enforcement of agreement of arbitration in contracts. H. R. 5209, completion of Veterans' Bureau hospital program.

And, further, the Rules Committee has agreed to grant the following rules and expects to call them up in their order:

The McNary-Haugen bill, the postal employees' bill, and the amendment to the national banking act. As far as possible those rules will be called up in their order.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. MOORE of Virginia. In accordance with the promise of last January, has the committee taken up for consideration the proposition that there shall be an official announcement in advance of the business to be transacted by the House?

Mr. SNELL. We have considered it a good many times in committee, but we have not come to an agreement yet.

Mr. MOORE of Virginia. Is there any prospect that an agreement will be reached?

Mr. SNELL. I think there will be some time.

Mr. McDUFFIE. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. McDUFFIE. Will the gentleman state whether his committee has come to any conclusion as to a rule for the legislative program on river and harbor legislation?

Mr. SNELL. That has not been considered by the committee.

Mr. McDUFFIE. Is it going to be considered by the committee?

Mr. SNELL. The committee will consider all of the business as fast as possible, but it is not policy to vote out rules which there is no reasonable expectation can be considered.

CONDITION OF THE FARMER

Mr. MILLIGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. DENISON. Reserving the right to object, on what subject?

Mr. MILLIGAN. The condition of the farmer.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLIGAN. Mr. Speaker, I take this opportunity to bring to the attention of the House the conditions that are now confronting the farmer of this Nation. I believe I am in a position to know some of the problems of the farmer, as I represent an agricultural district. Having lived on a farm all my life, my home now being on a farm, I am directly interested in farming and in sympathy with the interests of agriculture.

The farmer is the only one who has taken a deep cut in his wages and stuck to his job; he is the only business man who has written off all his losses and gone down to bottom rock; he is the only one who has reached the depths of readjustment; and is the only one who has gone back to normalcy, which has meant for him financial ruin. Normalcy, the goal toward which America is striving, can not be reached until the farmer can return to the market as a buyer, and the farmer can not buy until there has been a readjustment of the prices of farm products on a fair level with the prices of other commodities that the farmer must buy. In other words, the dollar the farmer receives for his products must be worth 100 cents in a city market where he must buy his supplies.

The farmer buys one-third of the Nation's supplies. In his position to-day he can not buy in the Nation's market on an equal footing with others, because the dollar that he received for his produce will only buy 70 cents worth of supplies in that market, while his neighbor from the city goes into the country with his dollar and buys $1.30 worth of farm products. The result is that not only is the farmer affected but there has been a slump in all business in the cities. There will not be prosperity in other lines until the farmer's dollar has regained its fair purchasing power in the city market. The truth of this statement is proven by comparing the number of business failures for the last 30 years with the purchasing power of the farmer's dollar, which will show that the number of business failures increase whenever the purchasing power of the farmer's dollar drops below average.

The United States is a producing nation. We only consume about 60 per cent of our products, and we must have a foreign market for our surplus.

This administration has done nothing to aid in settling conditions in Europe that are a result of the war. This administration has no foreign policy; we have merely drifted since the signing of the armistice and have failed to take advantage of our position in the world's affairs and prosecute to a victorious conclusion the winning of the war by successful peace terms that the nations of Europe might now be at peace with each other and their people be engaged in peaceful and gainful occupations. The United States can not isolate itself from the rest of the world and still maintain its foreign markets, which we must have in order to dispose of our surplus farm products. If the United States can by some plan, I care not what, so long as it protects Americans' rights and aids in settling the conditions in Europe so that we can sell them our products, we will have done a great deal to solve the problems of the farmer of the United States.

This statement is borne out in the following extract from a report of observations made by a group of farm-bureau officials while visiting Europe:

> We have no hesitancy in saying, therefore, that unless the countries of Europe are enabled to put their political and economic life on a more normal and stable basis the American farmer must be adversely affected for a long time to come. The first and indispensable step toward stabilization is the settlement of the vexed problems of war reparations.

The farmer is suffering from the high freight rates that he must pay to ship his farm products to market. When he ships a car of hogs or cattle to a city market a great deal of his profit goes into the pockets of the railroads in the form of high freight rates.

In 1920 the Congress passed a law giving the Interstate Commerce Commission the right to fix or set the minimum freight rate that the railroad could charge for the transportation of any commodity. Since the passage of this law freight rates have been higher than ever before in the history of the railroads. A railroad at this time can not lower its freight rates without the consent of the Interstate Commerce Commission. The railroad wishing to lower its freight charges must file the tariff carrying the proposed reductions with the Interstate Commerce Commission. The other railroads can within 30 days file objections, and the commission may suspend it. A hearing is then held with the usual result that the railroad wishing to lower its rates is informed that the other railroads can not compete with it if the rates are lowered. Therefore, they can not make the reduction in freight rates as requested. The result is that the high rates must remain in order to protect the weaker railroad lines. I have introduced in this House a bill that will cure this evil and reduce freight rates. This bill provides that the Interstate Commerce Commission shall not have the authority to set a minimum freight rate. This will give the railroads the right to lower freight rates whenever they please, and in this way you will revive competition between the railroads. If you will pass this bill, you will see an immediate reduction of freight rates by the railroads, which will mean a great saving, not only to the farmers but also to the consumers of the United States who are now paying these high freight rates ordered by the Interstate Commerce Commission to protect some weak railroad. I would mention that there is no law on the statute books to protect and guarantee a profit to the farmers, all of whom are now financial wrecks as the result of such class legislation.

The farmer is to-day paying the high tariff rates that are placed upon the necessities of life and supplies for the farm that he must have to sustain his family and carry on his farm work. He does not pay these high tariff rates in order to raise

revenue to maintain the Government; he pays them as a tribute to the manufacturers of the United States. Under the present tariff schedule there has been a vain attempt to fool the farmer by placing certain farm commodities on the protected list. It was an attempt to camouflage the vicious schedules of the Fordney-McCumber tariff law and make the farmer believe he was being benefited by this legislation. This is impossible. The farmers are not fools; as a class they are the best informed people of our Nation.

The Fordney-McCumber law places a tariff duty of 30 cents a bushel on wheat. That can not raise the price of wheat, as the price of wheat is fixed in the world market; we compete with the world in raising wheat and ship our surplus wheat to a foreign market, so what effect can a duty on wheat have in raising the price, creating a world demand, or reducing the world's supply of wheat?

A duty of 1 cent a pound is placed on rice; this is of no benefit to the rice farmer of the Nation, as we export rice, and the price, as in the case of wheat, is fixed by the market of the world. We export rice to China and Japan, and the price depends on the world's supply and demand. This is the case of many other grains and cereals produced by the American farmer that bear a tariff which neither does the farmer any good or any harm.

There is a duty of 2.03 cents per pound on sugar. Only 3 per cent of all sugar consumed in the United States is produced by the American sugar farmer, 97 per cent of the sugar consumed by our Nation is imported, and the consumer must pay a duty of 2.03 cents per pound on every pound of sugar consumed in order to protect the sugar farmer who only produces 3 per cent of that sugar. The cost of this to the consumer is $192,400,000 each year, of which the farmers of our Nation pay $48,100,000. This duty is not put on sugar to protect the cane growers or the beet growers, but for the benefit of the great interests engaged in the manufacture and refining of sugar.

There is a duty placed on wool which amounts to 12.5 cents per pound in the condition it comes from the sheep. We do not produce enough wool for our own use and must import wool from other countries. The price is fixed after the tariff is paid in our own market inside the tariff wall. Only one farmer in a hundred are sheep raisers in commercial numbers. Giving the sheep-raising farmer the benefit of this tariff in raising the price of his wool would mean an increase in price of about $37,500,000 to the woolgrowing farmer, while, on the other hand, the tariff duty is shifted onto the consumer; the cost to the consumer would be around $91,000,000. All farmers of the Nation pay this tariff in the increased price of clothing that he must buy to clothe himself and family.

Also a tariff is placed on cattle; this is not a benefit to the farmers but a loss to them. The farmers of the corn-growing States feed cattle and do not raise enough cattle for feeding purposes. "Feeders," as these cattle are called, are grown where grass land is cheap, and shipped to corn-growing States to be fed for market. This tariff cuts off our supply of feeders from Canada. The effect has been to increase the price of the feeders to the farmers of the corn States.

We have seen that the tariff on farm products is merely a case of playing both ends against the middle in the case of the farmer. Let us now look at the other side of the picture.

This law places a duty on everything the farmer must buy and thereby increases the cost to the farmer. The Fordney-McCumber tariff schedules now in effect cost the American consumer from three to four billions of dollars yearly, and cost the farmers of the United States, as stated by the American Farm Bureau Federation, $426,000,000 each year. It not only increases the high cost of living but hurts agriculture, labor, and business. The nations of Europe can not trade with us with the tariff wall built by this law.

In the report of the farm bureau officials, a majority of whom are Republicans, the following statement is made relative to the effect of the tariff on foreign trade:

> But whether for barter or for money there are serious obstacles to the full and necessary development of international trade that are of gratuitous American making. Our tariff laws are in many instances prohibitive rather than protective.

They make it impossible for foreign countries to sell to us and therefore impossible for them to buy from us. International trade is literally a trade and exchange. If there is nothing that we can take in exchange for what we offer there is no trade. Nations can not buy without selling.

These nations must be able to trade their goods for our goods, including our surplus farm products. The long standing argument of the Republicans has been that we must have a protective tariff in order to protect our manufacturers against competition with the foreign manufacturer, yet under the present law duties are placed upon many articles manufactured in the United States which are shipped to foreign markets and sold in competition with all the world without the protection of a tariff. This being an undeniable fact, then the American manufacturer does not need a tariff duty to protect him against competition. It is class legislation for the benefit of the big interests of the United States that allows them to rob the American people of billions of dollars each year.

Farming is the largest business we have in the United States to-day, and has received the least consideration at the hands of Congress.

The total value of all farm property as shown by the census of 1920 was $77,924,100,338. Of this farms and buildings on the farms were valued at $66,316,002,602; implements and machinery, $3,594,772,928; and livestock, $8,013,324,808. The mortgaged indebtedness on the farms of the Nation was $4,003,767,192. This was an increase of 131.9 per cent over the mortgaged indebtedness of 1910. This amount does not include the indebtedness carried in chattel mortgages or the unsecured indebtedness of the farmer, which, if taken into account, would greatly increase this amount. The average rate of interest on the mortgage debts is 6.1 per cent, while the rates of interest on the chattel mortgages and unsecured debts are, in some cases, as high as 12 per cent. You will see by this the great burden the farmer is carrying in paying the interest upon this enormous debt.

Congress, by the farm loan bank act, has made it possible for the farmer to obtain long-time loans at a low rate of interest, which has been a great benefit. But, as I see the situation, Congress should do something now to aid the farmer to get out of debt.

Taxes on farm lands have increased so rapidly that they threaten to absorb farm-land values. If this continues, the net return of our farm lands will be absorbed in tax payments. Dr. Richard Ely, director of the institution for research in land economics and public utilities at the University of Wisconsin, states that taxes in 1920 were absorbing 66 per cent of the net rent of all farms rented for cash. He also shows, while taxes show no tendency to decrease but, on the contrary, a tendency to increase, land values as compared with their greatest height about 1920 have fallen over 20 per cent according to estimates of the United States Bureau of Agricultural Economics. Doctor Ely concedes that the underlying cause of increased and increasing public expenditures is found in the development of State and Nation as cooperative institutions for promoting public welfare. The State governments, as well as our National Government, are constantly creating new boards and bureaus to interfere in the private affairs of our citizens and at great expense to the taxpayers.

In my State the present State administration has very materially increased the taxes on farm land by assessing it at its full value of farm land when it was at its highest. Many farms in my district are now selling at public sale at a price much less than their assessed value as shown by the tax books. Taxes can be reduced by reducing the cost of National, State, county, and municipal governments. This must be done if the farmer is to recover.

Congress has been in session for five months and as yet no act of legislation has been passed that will tend to cure these maladies from which the farmer is suffering. This House long ago passed a bill relieving the man with an income but no relief was carried in this legislation for the farmer; he has had no income for the last four years on which to pay an income tax. His relief must come by reducing the high taxes, high tariff rates, high freight rates, and by the United States aiding in settling conditions in Europe so that those nations may buy our surplus farm products, and by so readjusting conditions that the purchasing power of the dollar the farmer receives for his products will be worth 100 cents in the city market.

DEPARTMENT OF STATE APPROPRIATION BILL—CONFERENCE REPORT

Mr. SHREVE. Mr. Speaker, I present a conference report upon the bill (H. R. 8350) making appropriations for the Departments of State and Justice, for the judiciary, and for the Departments of Commerce and Labor.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Messrs. MOBIN, HULL of Iowa, SPEAKS, WAINWRIGHT, FISHER, McSWAIN, and HILL of Alabama, at the request of Mr.

how he would have voted if he had been present?

whereby the bill was passed was laid on the table.

JAMES, of the Military Affairs Committee, for two days, May 16 and 17, on account of official visit to United States Military Academy at West Point, as members of the Board of Visitors of the Academy.

To Mr. COLLINS, for three days, at the request of Mr. RANKIN, on account of important business.

To Mr. LEAVITT, for two days, Saturday, May 17, and Monday, May 19, on account of invitation to speak at dedication of veterans' monument, at Portland, Me.

CRITICISM OF CONGRESS

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD which I made yesterday.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following title, when the Speaker signed the same:

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes;

PRINT OF PRESIDENT'S VETO MESSAGE

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that 5,000 copies of the President's veto message of the bonus bill be printed.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, what is the necessity for this when we are going to vote upon it on Saturday next?

Mr. LONGWORTH. We are not going to vote upon it until next Saturday, and I think probably there will be a great demand for them.

Mr. BLANTON. I shall not object.

The SPEAKER. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, what is it?

The SPEAKER. The gentleman from Ohio asks unanimous consent that 5,000 copies of the President's veto message be printed. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, I am almost impelled to be disrespectful, but I shall not.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to address the House on Wednesday next for 10 minutes, immediately after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. Is there objection?

Mr. LONGWORTH. I dislike intensely to object, but I do not think general leave ought to be given at this time. For instance, next week we are to have up the Haugen-McNary bill, with perhaps three days of general debate, and it will be very easy for the gentleman to get in under that; but I shall not object.

The SPEAKER. Is there objection?

There was no objection.

PROHIBITION

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address by the Hon. Nicholas Murray Butler.

The SPEAKER. Is there objection?

Mr. HOWARD of Nebraska. I object.

ADJOURNMENT

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until to-morrow, Friday, May 16, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

479. A letter from the Director of the United States Veterans' Bureau, transmitting a statement showing by location, salary range, and bureau designation employees receiving an aggregate annual salary of $2,000 and over as of May 1, 1924, for central office, and as of April 1, 1924, for the field (H. Doc. No. 281); to the Committee on Appropriations.

480. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, a report on preliminary examination of the Illinois River and tributaries, Lake Depue to Goose Lake, Ill.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PURNELL: Committee on Agriculture. H. R. 157. A bill to authorize the more complete endowment of agricultural experiment stations, and for other purposes; with amendments (Rept. No. 758). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTON: Committee to Investigate Alleged Charges Against Two Members. A report on alleged charges against two Representatives in Congress (Rept. No. 759). Referred to the House Calendar.

Mr. RAMSEYER: Committee on Post Offices and Post Roads. H. R. 9093. A bill declaring pistols, revolvers, and other firearms capable of being concealed on the person nonmailable and providing penalty; with amendments (Rept. No. 762). Referred to the House Calendar.

Mr. JOHNSON of South Dakota: Committee on World War Veterans' Legislation. S. 2257. An act to consolidate, codify, revise, and reenact the laws affecting the establishment of the United States Veterans' Bureau and the administration of the war risk insurance act, as amended, and the vocational rehabilitation act, as amended; with an amendment (Rept. No. 763). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. H. J. Res. 128. A joint resolution to promote peace and to equalize the burdens and to minify the profits of war; without amendment (Rept. No. 764). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. FULLER: Committee on Invalid Pensions. H. R. 9246. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; without amendment (Rept. No. 760). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on War Claims. S. 1014. An act for the relief of F. J. Belcher, jr., trustee for Ed Fletcher; without amendment (Rept. No. 765). Referred to the committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 2756. A bill for the relief of Thomas H. Burgess; with amendments (Rept. No. 766). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of Washington: A bill (H. R. 9241) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of Fort Vancouver, State of Washington; to the Committee on Coinage, Weights, and Measures.

By Mr. KING: A bill (H. R. 9242) to provide for the continuance of records which will be needed to carry out the intentions of Congress; to the Committee on Banking and Currency.

By Mr. LOGAN: A bill (H. R. 9243) to authorize the War Department to repair damages to the roadway between stations 18 and 28½, on Sullivans Island, S. C.; to the Committee on Military Affairs.

By Mr. BERGER: A bill (H. R. 9244) to condemn and acquire for Government ownership and operation railroad, telegraph, telephone, and express properties engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. KENDALL: A bill (H. R. 9245) granting the consent of Congress to the commissioners of Fayette and Greene Counties, Pa., to construct a bridge across the Monongahela River near Masontown, Fayette County, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: A bill (H. R. 9246) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee of the Whole House.

By Mr. ZIHLMAN: A bill (H. R. 9247) to amend an act regulating the height of buildings in the District of Columbia, approved June 1, 1910; to the Committee on the District of Columbia.

By Mr. BUCKLEY: A bill (H. R. 9248) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. AYRES: A bill (H. R. 9249) to protect the commerce of the United States and to punish the crime of piracy; to the Committee on the Judiciary.

By Mr. LEAVITT: A bill (H. R. 9250) to authorize the leasing of lands withdrawn under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. HOWARD of Nebraska: Concurrent resolution (H. Con. Res. 23) for the appointment of a joint committee composed of Members of the House and Senate to investigate credit to farmers and a remedy for depression in agriculture, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE: A bill (H. R. 9251) granting a pension to Sallie Garland; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 9252) granting a pension to Charles Meyer; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 9253) granting a pension to Pauline G. Harris; to the Committee on Pensions.

By Mr. GLATFELTER: A bill (H. R. 9254) granting an increase of pension to Mary Ann Finfrock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9255) granting an increase of pension to Mary Shewell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9256) granting an increase of pension to Louisa C. Swartzbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9257) granting an increase of pension to Sarah Zimmerman; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 9258) granting a pension to Grace E. Moore; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 9259) to extend the benefits of the employees' compensation act of September 7, 1916, to Carol E. Reeves; to the Committee on Claims.

By Mr. STALKER: A bill (H. R. 9260) granting a pension to Alice May; to the Committee on Invalid Pension.

Also, a bill (H. R. 9261) granting a pension to Anna Pruden; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9262) granting an increase of pension to William H. Gray; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 9263) granting an increase of pension to Mary E. Allen; to the Commitee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 9264) granting a pension to Charlie Simmons; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 9265) granting an increase of pension to Charles H. Black; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2763. By Mr. BARBOUR: Petition of citizens of Livingston, Calif., protesting against any amendment of the Federal prohibition act; to the Committee on the Judiciary.

2764. By Mr. BOYCE: Petition of Anna Marie Fullerton and others, of Holly Oak, Del., in relation to proposed equal rights amendment; to the Committee on the Judiciary.

2765. By Mr. GALLIVAN: Petition of Bernard J. Rothwell, Boston, Mass., protesting vigorously against passage of the McNary-Haugen bill; to the Committee on Agriculture.

2766. Also, petition of Grain Board of the Boston Chamber of Commerce, Boston, Mass., protesting against passage of Senate bill 2012 and House bill 5563, known as the McNary-Haugen bill; to the Committee on Agriculture.

2767. By Mr. HUDSON: Petition of citizens of Lansing, Mich., indorsing the peace proposal setting forth the prevention and real cause of international wars as contained herein and drafted by Homer L. Boyle; to the Committee on Foreign Affairs.

2768. Also, petition of the International Arbitration Association, indorsing a plan as outlined by Homer L. Boyle, of Lansing, Mich., to prevent wars and the racing in armament of the nations of the world, and recommending and requesting Congress to pass an act authorizing the President to call an international peace conference of all nations of thte world; to the Committee on Foreign Affairs.

2769. By Mr. PARKER: Papers to accompany House bill 9090, granting an increase of pension to Eliza A. O'Connor; to the Committee on Invalid Pensions.

2770. By Mr. RAINEY: Petition of William Mumford and 18 other citizens of Pittsfield, Ill., protesting against the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2771. Also, petition of Case County (Ill.) Farm Bureau, favoring McNary-Haugen bill; to the Committee on Agriculture.

2772. Also, petition of Sweetwater (Ill.) Friday Afternoon Club, favoring hospitals for mentally afflicted soldiers; to the Committee on World War Veterans' Legislation.

2773. Also, petition of Menard County (Ill.) Farm Bureau, favoring farm relief; to the Committee on Agriculture.

SENATE

FRIDAY, *May 16, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 3684) for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes, and it was thereupon signed by the President pro tempore.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McKinley	Shortridge
Ashurst	Frazier	McLean	Simmons
Ball	George	McNary	Smith
Bayard	Glass	Mayfield	Smoot
Borah	Gooding	Neely	Spencer
Brandegee	Hale	Norris	Stanfield
Bruce	Harreld	Oddie	Stephens
Bursum	Harris	Overman	Sterling
Cameron	Harrison	Owen	Swanson
Capper	Heflin	Pepper	Trammell
Caraway	Johnson, Calif.	Phipps	Wadsworth
Colt	Johnson, Minn.	Pittman	Walsh, Mass.
Copeland	Jones, N. Mex.	Ralston	Walsh, Mont.
Cummins	Kendrick	Ransdell	Warren
Curtis	Keyes	Reed, Pa.	Watson
Dale	King	Robinson	Weller
Dill	Ladd	Sheppard	Willis
Edge	Lodge	Shields	
Fernald	McKellar	Shipstead	

Mr. CURTIS. I wish to announce that the junior Senator from Wisconsin [Mr. LENROOT] is necessarily absent owing to illness. I ask that this announcement may stand for the day.

I was requested to announce that the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], and the Senator from Montana [Mr. WHEELER] are engaged in a hearing before a special investigating committee of the Senate.

Mr. SMITH. I desire to announce that my colleague [Mr. DIAL] is absent on account of illness.

The PRESIDENT pro tempore. Seventy-four Senators have answered to their names. There is a quorum present.

HOUSE BILL REFERRED

The bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

INVESTIGATION OF COMMERCIAL WHEAT-FLOUR MILLING

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, pursuant to Senate Resolution 212 (agreed

to January 18, 1922, 67th Cong., 2d sess.), the report of the commission relative to the wheat-flour milling industry, which was ordered to lie on the table.

SALARIES IN THE VETERANS' BUREAU

The PRESIDENT pro tempore laid before the Senate a communication from the Director of the United States Veterans' Bureau, transmitting, pursuant to law, a statement showing by location, salary range, and bureau designation employees receiving an aggregate annual salary of $2,000 and over as of May 1, 1924, for the central office, and as of April 1, 1924, for the field, which was referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the petition of the constituent bodies of the Federal Council of the Churches of Christ in America and other bodies, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the Council of the New York Commandery, Military Order of Foreign Wars, at New York, N. Y., protesting against the passage of House Joint Resolution 180, for the relief of the distressed and starving women and children of Germany, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram in the nature of a petition from Samuel Gompers, president of the American Federation of Labor, on behalf of the executive council of the federation meeting at Montreal, Quebec, praying for the passage of the Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a telegram from Local No. 89, Italian Dressmakers' Union, of New York, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

[Western Union telegram]

NEW YORK, N. Y., *May 15, 1924.*

United States Senators, Washington, D. C., greetings:

HONORABLE SIRS: This organization, the Italian Dressmakers' Union, Local No. 89, I. L. G. W. U., respectfully urges the voting of the joint resolution to amend the Constitution of the United States for the protection of children of our Republic, limiting, prohibiting, and regulating the employment of said children under 18 years of age.

ITALIAN DRESSMAKERS' UNION, LOCAL NO. 89,
I. L. G. W. U. EXECUTIVE BOARD,
LUIGI ANTONINI, *General Secretary.*

Mr. KING. Mr. President, I have received a large number of telegrams relating to the Howell-Barkley bill. One which I have in my hand explains the view of the persons from whom the telegrams have come. I ask that it be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the telegram was referred to the Committee on Interstate Commerce and was ordered to be printed in the RECORD, as follows:

[Western Union telegram]

SALT LAKE CITY, *May 13, 1924.*

Hon. WILLIAM H. KING,
United States Senate, Washington, D. C.:

As representative of Foundrymen Craft, am instructed strenuously oppose and enlist your assistance in opposition Howell-Barkley bill, which we have read. Will work uncalled-for injustice on 153,000 railroad workers and deny more than 106,000,000 public due consideration.

JAMES L. KARREN,
Chairman for Foundrymen.

REPORTS OF COMMITTEES

Mr. WARREN, from the Committee on Appropriations, to which was referred the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, reported it with an amendment and submitted a report (No. 550) thereon.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War, reported it with an amendment and submitted a report (No. 551) thereon.

Mr. BRUCE, from the committee on Military Affairs, to which was referred the bill (H. R. 7296)) for the relief of John W. Dilks, reported it without amendment and submitted a report (No. 552) thereon.

Mr. STEPHENS, from the Committee on Commerce, to which was referred the bill (S. 3272) declaring a part of the Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream, reported it with amendments and submitted a report (No. 553) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 3263) to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va. (Rept. No. 555); and

A bill (S. 3285) to provide retirement for the Nurse Corps of the Army and Navy (Rept. No. 556).

Mr. WADSWORTH also, from the Committee on Military Affairs, to which was referred the following bill and joint resolution, reported them each with an amendment and submitted reports thereon:

A bill (S. 3276) authorizing the sale of real property no longer required for military purposes (Rept. No. 557); and

A joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers (Rept. No. 558) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRELD:

A bill (S. 3320) to provide for the purchase of a site and building at Sapulpa, in the State of Oklahoma, and providing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. SWANSON:

A bill (S. 3321) to provide for the inspection of the battle fields of the siege of Petersburg, Va.; to the Committee on Military Affairs.

By Mr. BURSUM:

A bill (S. 3322) extending in certain cases the time for commencing training under the vocational rehabilitation act; to the Committee on Education and Labor.

A bill (S. 3323) for the relief of Ferdinand M. Brown; to the Committee on Claims.

By Mr. GLASS:

A bill (S. 3324) to amend section 5 of the trade-mark act of 1905, as amended, relative to the unauthorized use of portraits; to the Committee on Patents.

By Mr. McKINLEY:

A joint resolution (S. J. Res. 125) granting permission to Fred F. Rogers, commander, United States Navy, to accept certain decorations bestowed upon him by the Venezuelan Government; to the Committee on Naval Affairs.

AMENDMENT TO RIVERS AND HARBORS BILL

Mr. HALE submitted an amendment providing for an examination and survey of Portland Harbor, Me., intended to be proposed by him to House bill 8914, the rivers and harbors authorization bill, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO INLAND WATERWAYS CORPORATION BILL

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 3161) to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, which was ordered to lie on the table and to be printed.

ORIGIN OF THE WORLD WAR

Mr. OWEN submitted the following resolution (S. Res. 225), which was referred to the Committee on Foreign Relations:

Resolved, That the Committee on Foreign Relations shall cause to be prepared for the Senate an authoritative and impartial analysis and abstract of all authentic important evidence heretofore made available in printed form, or otherwise readily accessible, bearing on the origin of the World War, together with the conclusions of the committee of inquiry as to the relative responsibility therefor.

2. The Committee on Foreign Relations is authorized and directed to appoint a "committee of inquiry" of seven impartial citizens of the United States, trained in historical research, to assemble and analyze this evidence, applying to it reasonable and scientific rules of legal and historical criticism, and summarizing the conclusions to which it points. This committee shall not be composed of persons in the Government service. They shall serve without compensation, but shall be reimbursed for their actual and necessary traveling expenses, and for their maintenance while actually engaged in the work of the committee shall receive an allowance not exceeding $9 per diem. The Committee on Foreign Relations shall have authority to employ such additional clerical service as the committee of inquiry may require at a cost not

to exceed $5,000. The office of the committee of inquiry shall be in the Committee on Foreign Relations, or elsewhere as determined by the Committee on Foreign Relations. All expenditures incidental to the formation and operation of the committee of inquiry and the printing of its reports shall be paid from the contingent fund of the Senate.

3. The committee of inquiry shall submit its abstracts and conclusions to the Committee on Foreign Relations not later than February 1, 1925, which shall be printed for the information of the Senate.

REPORT OF NEAR EAST RELIEF

On motion of Mr. LODGE, it was

Ordered, That the report of the Near East Relief for the year ended December 31, 1923, transmitted to the Senate on April 24, 1924, be printed as a Senate document.

SPECULATIONS IN WHEAT (S. DOC. NO. 110)

On motion of Mr. LADD, it was

Ordered, That the communication of the Secretary of Agriculture, with the accompanying report of the Grain Futures Administration under the grain futures act of September 21, 1922, with respect to trading in grain futures on the Chicago Board of Trade, transmitted to the Senate on May 3, 1924, in response to Senate Resolution 9, agreed to January 8, 1924, be printed as a Senate document.

ADDRESS BY SENATOR STANFIELD

Mr. McNARY. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting and thoughtful address made a few nights ago by my colleague, the junior Senator from Oregon [Mr. STANFIELD], entitled "Have faith in our Republic."

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

ADDRESS BY HON. ROBERT N. STANFIELD, OF OREGON, OVER STATION WRC AT WASHINGTON, D. C., SATURDAY EVENING, MAY 10, 1924

"HAVE FAITH IN OUR REPUBLIC"

The history of our Republic is the marvel of the world.

Our agricultural development; our industrial development; our transportation systems; our standard of living; our inventive genius; our peace-loving spirit; our ability to fight in defense of right, but never for conquest, are the pride of Americans everywhere and the envy and hope of all other peoples.

Though an infant in years as nations go, yet we are the bankers of the world.

But all these things, alone, do not justify a continued faith in our Republic.

During the recent war years we so often did that which seemed impossible; we raised fabulous sums of money; and though not a military nation, we raised, equipped, trained, and transported a magnificent army in record time and with this added strength of American manhood to the war-worn armies of our allies the victory for civilization and democracy was won.

By these victories we have come to feel that nothing is impossible to us; but through these accomplishments, and this faith in ourselves they have inspired, we have formed habits of waste, indifference, overconfidence, and even arrogance, that without extreme care on our part will lead to the sowing of the seed of our own destruction, for the Divine injunction:

"When ye think ye stand, take heed lest ye fall," applies to nations as well as to individuals.

No country involved in the great World War has weathered the financial and industrial storms of the years since the armistice was signed—the years of readjustment and reconstruction—as safely and successfully as has our own United States.

Our tax burdens, it is true, have been heavy, but even so they are not to be compared with the tax burdens of our allies.

Our people have been employed at good wages; our National Budget has been balanced, and the national income has been sufficient to pay all current expenses of the Government. The interest on the public debt has been paid, and enough on the principal to insure its payment in full at an early date.

During all this time our financial system, the American dollar, has not suffered in its value or reputation, and indeed has become the standard of value everywhere. The value of the pound, the franc, the kronin, and the mark is now measured by the American dollar, oftimes to their discredit.

But this is not enough to justify faith in the endurance of our Republic.

That firm and abiding faith in our Republic must be founded on the individual character of our people.

If the individual citizen is honest, industrious, and thrifty, if the public official is reliable, faithful, and incorruptible, then our Republic is founded upon a rock, and our faith in its endurance is justified.

That the individual citizen is honest, industrious, and thrifty is proven by our record of readjustment and reconstruction since the war by our expenditures, our exports, our imports, and our increasing bank deposits.

During the period of the war we gathered money by the billions from the people and spent it like irresponsible sons of multimillionaires.

Since the war we have been engrossed in problems of readjustment, and now that we feel we are safely back to the ways of peace the spirit of calling our public officials to account prevails.

All this is as it should be, but as we call these officials to book we must remember that it takes a lifetime to build a reputation for honesty, integrity, and morality, and such a precious thing should not be held lightly or destroyed in a day unless worthy evidence, calmly considered, justifies it.

Honorable men—executive, investigators, committeemen, and prosecutors—charged with the responsibility of conducting investigations have a solemn duty to perform toward the individual as well as to the Government and the public.

We must remember that fairy tales do not always come from fairies, but sometimes "wolves in sheep's clothing, seeking whom they may devour," prompted by desire for revenge or love of publicity, find spinning fairy tales a pleasant diversion from the night life of big cities and the criminal atmosphere of the underworld, particularly so when Uncle Sam pays their expenses and witness fees, and there is no danger of contradiction from the dead and slight risk of punishment from the living.

The voluntary statements of the criminal and unworthy sometimes lead to corroborating evidence, and because of that must be received, but should never be received with open doors or given publicity until worthy evidence of guilt has been secured; otherwise the name and reputation of no man is safe.

An investigation should not be closed or discontinued until the last bit of evidence that will either exonerate or convict the accused official has been taken, but I have no sympathy with methods that will destroy the lives and usefulness of worthy men and women by publicity given the mouthings of criminals, adventurers, and dope fiends.

We should either listen to the statements of such unworthy and unreliable witnesses behind closed doors, and treat their statements in confidence, observing the rules of grand-jury investigations, or we should observe the rules of evidence adopted by trial courts, and thus deny this flock of character wolves their chance to destroy those against whom they hold grudge, or their chance to satisfy a craving for publicity at the expense and sacrifice of worthy men and women.

It is true that occasional cases of corruption are disclosed among public officials, but these cases are rare and far between.

It is true that our press carries news stories of crimes committed daily, but we must remember that through our modern method of gathering and disseminating news through the press service associations all the papers publish the same story of the same crime, usually in all its sordid colors.

It is also true that only the unusual and extraordinary have any news value. The brilliant and the criminal, and oftimes the brilliant criminal, furnish the news for our press and writers. This is because there are but few either brilliant or criminal, and therefore their doings and sayings are unusual and extraordinary, have news value, and find their way into the press.

If the brilliant and the criminal were many, their doings and sayings would be commonplace and have no news value. The doings and sayings of the good are many and common and therefore excite no comment.

The great mass of our American citizenship are good, honest, industrious, faithful, home-loving, God-fearing men and women, and it is upon this safe, sound, solid foundation the security of our Republic rests.

A little fringe, some possibly at the top and a little fringe at the bottom of our great social fabric is weak, corrupt, and unsound, but the fabric in between these fringes is woven of warp and woof the best this world affords, and because of this our faith in this Republic is justified.

Have faith in our Republic!

SALARIES OF POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I notice that the Senate last evening in one minute's time passed a very meritorious bill, in my judgment, raising the salaries of the policemen and firemen of the District of Columbia some two hundred-odd dollars per year. I am very anxious, as I have indicated several times, to bring before the Senate for consideration Senate bill 1898, which provides for the readjustment of the salaries of 200,000 postal employees throughout the country. However, I believe in regularity so far as it is possible to adhere to it. I had intended to ask unanimous consent this morning that the Senate proceed to the consideration of the bill, and endeavor

to get it through to-day. I recognize, however, that the Senate is in recess, and we shall have no morning hour. As the unfinished business, the War Department appropriation bill, is before the Senate, I shall not attempt to displace that measure. I am simply taking this occasion to give the Senate notice that in the first morning hour we have I shall ask unanimous consent to consider the postal employees' salary bill and, failing in my effort to get unanimous consent, I shall move that the bill be taken up for consideration.

Mr. SHIELDS. Mr. President, the Senator from New Jersey has given notice that the first time we have a morning hour following an adjournment of the Senate he will ask for the consideration of the bill which is now upon the calendar for the relief of postal employees of the United States. I hope he will do so, and that the bill will be advanced, if necessary, and certainly considered and passed during the present session of the Congress, for it is a bill which proposes to give relief which has long been needed.

Mr. President, I have here an editorial from the Gazette-Times, of Pittsburgh, Pa., which states some good reasons for the advancement of the consideration and passage of the bill at the present session of Congress. I ask unanimous consent that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh (Pa.) Gazette-Times, Friday, April 9, 1924]

PASS THE POSTAL PAY BILL

The bill providing increased compensation for postal employees has reached that stage in Congress where, unless favorable action on it be prompt, it will be lost. But a few weeks of the present session remain. Business is piling up. In the closing days there is to be expected a degree of congestion in which, this being a presidential election year, legislation that can be turned to political advantage will receive an undue share of attention from many Representatives and Senators.

The postal employees' pay bill is in no sense political. It is a measure that might aptly be entitled a bill to do justice to upwards of 300,000 indispensable and always faithful employees of this great and rich country. In a circular describing the United States Postal System, Postmaster General Harry S. New describes the department under his direction as "the biggest single business in the world." It is that. But it is far more than a business. It is a public utility without whose uninterrupted and efficient functioning every other business in the country would be incalculably hampered.

A primary interest of the American people is the Postal Service. It is an interest to be fostered. It ought not to be necessary for the men and women in it who are devoting their lives to the service of the people to ask for adequate compensation. This should be volunteered. It is not, unfortunately. Whether or not the Postal Service sustains itself is not a question for consideration when the subject of remunerating its employees is up. It does the people's work and the people are not entitled to unremunerated service.

The postal employees' pay bill should be taken up immediately and passed, the rates allowed being commensurate with the services rendered and in keeping with the requirements of the men and women affected for maintaining the American standard of living. Unless this is done the country will be disgraced.

WASHINGTON MONUMENT GUIDE BOOK

Mr. ROBINSON. Mr. President, for the information of the Senate in connection with the pending conference report on the independent offices appropriation bill I ask to have printed in the RECORD a statement of Miss Ina C. Emery before the House subcommittee on the urgent deficiency appropriation bill on January 14, 1909, and a letter of the chairman of the House Committee on Appropriations dated July 2, 1923, to the Secretary of War relating to the same subject matter, namely, the Washington Monument Guide Book. The text of Miss Emery's hearing before the committee in 1909 shows very clearly that the intent of the legislation subsequently enacted was to authorize the sale of her Monument Guide Book at the Monument. The purport of the letter of Chairman MADDEN, of the Appropriations Committee, in 1923 cites the law governing the matter, shows her book, which has been at the Monument since 1901, is in pursuance of that law and involves no expenditure of public money, and urges the restoration of her right to have the book sold at the Monument, a right which the War Department discontinued, effective July 1, 1923. I merely submit this matter so that Senators may be informed of the situation.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the matter will be printed as requested.

The letter and statement referred to are as follows:

COMMITTEE ON APPROPRIATIONS,
SIXTY-SEVENTH CONGRESS,
Washington, D. C., July 2, 1923.

MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following:

"That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."

Then later, in Statutes at Large, volume 35, page 907, there appears the following:

"That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument except upon the written authority of the Secretary of War."

In pursuance of this authority, Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money, and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued.

It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given all these years to the visiting public she should be permitted to continue its sale.

I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.

[From hearing before House Appropriations Committee, January 14, 1909]

STATEMENT OF MISS INA C. EMERY

The CHAIRMAN. Miss Emery, you have called our attention to a provision in the sundry civil law for the current fiscal year in connection with the Washington Monument, asking that it may be abrogated. It reads as follows:

"*Provided*, That no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument."

That is the Washington Monument, here in the city?

Miss EMERY. Yes.

The CHAIRMAN. What reason have you for asking that this provision be abrogated, for wanting this law changed?

Miss EMERY. It is because I have a book, the only book that has ever been published, containing all the inscriptions, the history, and a description of the construction of the Washington Monument. It is the only one that has ever been prepared, and it has cost me over $1,600 to prepare the book, and it has been there for nearly six years, without a single adverse criticism from anywhere. On the contrary, I have had letters from all over the country, and even from Europe, telling me what a pleasure it has been to the writers to read an inscription on a tablet that an aunt or an uncle or some one had placed there, and it is the only book of the kind ever published.

The CHAIRMAN. Were you selling this book at the time that the Superintendent of Public Buildings and Grounds recommended to the committee the adoption of this paragraph?

Miss EMERY. Yes, sir.

The CHAIRMAN. Did you know about the paragraph at the time of its adoption?

Miss EMERY. No, sir; I had no intimation of it.

Mr. KEIFER. When was that passed?

The CHAIRMAN. At the last session of Congress.

Mr. LIVINGSTON. What objection have you to advertisements that do not affect your book?

Miss EMERY. I have no objection. I only want my book placed back there.

Mr. VREELAND. She wants the right to sell her book there. The right has been taken away.

Mr. RODENBERG. They construed that provision in such a way as to exclude her book.

Mr. LIVINGSTON. Suppose the law is changed so that it will not exclude the selling of your book?

Miss EMERY. That is all I ask.

Mr. VREELAND. She is not seeking to exclude anybody else.

Miss EMERY. No. I only ask that my book may be sold there, as it is a benefit to the public, and I think that Mr. Tawney knows of the various persons who have interested themselves in it who know the book and know what it has done.

Mr. LIVINGSTON. Can anyone tell why that law was passed?

The CHAIRMAN. Yes. It was enacted at the last session of Congress on the recommendation of the Superintendent of Public Buildings and Grounds. It was placed as a provision on the sundry civil bill.

Mr. LIVINGSTON. I was not here at the time and did not get a chance to hear a thing about it. What reason did he give?

The CHAIRMAN. He wanted to shut out the vending of anything at that place, because, as he said, if you will allow one you would have to license others.

Mr. GRAFF. There is no book vended there except this book, is there, Mr. Chairman?

The CHAIRMAN. I do not recall the testimony now. My recollection, however, is that there were applications for permission for the vending of all sorts of articles—postal cards, souvenir postal cards, and souvenirs of all kinds.

Mr. GRAFF. But there is no history of the Monument except this one?

The CHAIRMAN. Not that I know anything about.

Mr. VREELAND. We could amend the provision by excepting books describing the Monument, or views of the Monument.

The CHAIRMAN. This is a guide to the Monument?

Miss EMERY. It is a guide to the Monument. There is nothing in it except a guide to the Monument.

The CHAIRMAN. Then if we were to amend this provision so as to read that no advertisement of any kind should be displayed, or any articles should be sold except this book, that would be satisfactory to you?

Miss EMERY. Yes, sir; that is all I ask.

Mr. LIVINGSTON. I do not see why they should prohibit anybody.

The CHAIRMAN. There was reason for this legislation. Of course, the committee did not know anything about this book at the time, but if you allow these people to go there indiscriminately you would have a crowd of people selling things there, especially during the week of inauguration and perhaps weeks afterwards.

Mr. VREELAND. It is a great convenience for the people to go there and buy it. I want to look at it myself.

The CHAIRMAN. This is of benefit to visitors, in that it will enable them to understand the history of the Monument and the history of the inscriptions inside of it?

Miss EMERY. Yes, sir.

Mr. KEIFER. I think we can amend that in a way to be satisfactory to you.

Mr. VREELAND. I wish you would send up two or three copies of that book. When it comes up in the House we would like to show just what it is.

Miss EMERY. I have already sent a copy to each member of the committee. I thank you, gentlemen, very much.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. SMITH. Mr. President, I am not going to consume very much time in the discussion of the amendment proposed to the pending bill looking toward a modification of what is known as the fourth section of the transportation act. I have been somewhat disappointed in the tenor of the arguments of certain Senators in reference to this matter. There has never been before the Senate or before the American people a subject of more vital importance, one more far-reaching in its effect, than the proper solution of the problem involved in what is known as the fourth section of the transportation act. It is not a question between the partisans of the railroads and the partisans of water transportation; it is a question of how a rapidly developing country may meet the needs of its people in transporting the rapidly increasing products of the Nation.

There has been discussed here on the floor the question as to what section of the country may or may not be benefited by a modification in the wording of the fourth section. The relations of the railroads to themselves, in my opinion, do not enter into the proper discussion of the question. The real question is, How we may utilize to the best advantage of the American people the available facilities for transportation.

What are those facilities? There are only two—the natural and the artificial. The domain of the one in a certain respect does not enter the domain of the other. They are both here and are available. The question involved is, What relation shall the two facilities bear to each other for the good of the American people and not primarily for the good of those who may furnish the facilities in the one case or the other? The late Senator Newlands, of Nevada, who was the chairman of the Committee on Interstate Commerce, spent his senatorial life in trying to impress Congress with the fact that we had those two facilities, and that the part of statesmanship in this body was so to correlate the two that they would perform the maximum service for the American people.

Before going specifically into the relation of the two facilities, I will say that a glance at the map on the wall of the Senate Chamber showing certain already accomplished facilities and indicating those which may hereafter be furnished will convince every man on the floor that nature and art have furnished us as they have furnished no other nation on earth with the potential facilities of moving adequately and freely with the least possible delay and cost all the possible production of America.

Starting at our extreme northern boundary we find that there a friendly nation is now collaborating with us in determining the feasibility of opening the St. Lawrence Canal and making a gateway from the Great Lakes out to the ocean that will give to the people of the North and Northeast water facilities by means of a great highway which will be there eternally, which will not involve the building of switches and pass tracks, and which will be available for all the possible tonnage that may be committed to it.

Then our coast line from the extreme northeast down around the peninsula of Florida, in conjunction with that magnificent piece of engineering, cutting the link that binds the North and South America, the Panama Canal, affords a highway around to the western coast and to the extreme border of the northwest, and renders possible with expedition and efficiency to transport our tremendously increasing tonnage by water from the eastern shore to the western shore and vice versa.

Outside of the less than one-fourth of our continental boundary, there is nature's great highway, with natural facilities for transmitting the products of all the people within a reasonable distance of that coast line by means of the intercoastal trade.

Then, in the center of our continent we have a highway, a natural transportation facility. The Mississippi River and its tributaries are in effect a great transportation system running from the Gulf of Mexico practically to our extreme northern border.

The question, therefore, with us to-day is not one of the selfish interests of the railroads or those who have invested in securities that make them possible, but the question with us is, What are we going to do in reference to maintaining both of these systems in their full efficiency?

Now, I desire to call attention to some facts upon which I wish to predicate what I have to say. I have before me a very enlightening table furnished by the Interstate Commerce Commission. I believe they have agreed that in about every 10 years, not to exceed 12 years, the tonnage of the country doubles. Therefore, transportation facilities should likewise increase. All of us know that we have a vast territory which yet needs pioneering. I want to read from this table as to the mileage of the railroads in America from 1910 to 1923, inclusive.

In 1910 we had 240,831 miles of railway.

Mr. KING. Do those figures include the short as well as the long railroads.

Mr. SMITH. Yes; the figures represent the total mileage.

In 1911 there were 246,238 miles of railway; in 1912, 249,852 miles.

I am reading these figures, instead of asking to have the table printed in the RECORD, in order that Senators may follow them and notice the per cent of increase in railroad mileage in nearly a decade and a half, during which time our tonnage has more than doubled.

In 1913 there were 253,470 miles of railway in the United States; in 1914, 256,547 miles; in 1915, 257,569 miles; in 1916, 259,705 miles; in 1917, 259,705 miles. You will notice that in those two years not a mile of track was added. In 1918 there were 258,507 miles of railway, an actual decrease; in 1919, 258,525 miles; in 1920, 259,941 miles; in 1921, 258,362 miles; in 1922, 257,834 miles. We were beginning at that time to enter a period of railroad activity, so far as volume of business was concerned, that culminated in the peak in 1923. In 1923 there were 258,183 miles of railway; so that in 1923 we had less miles than we had in 1916.

As a companion to that, let us see what has been done on a stationary construction of mileage facilities. Here is a very interesting and enlightening table to apply immediately to the one I have just read.

In 1910, on the mileage that I have just given the Senate—240,831 miles—there was an investment in road and equipment of $14,558,000,000. I am just giving the sums in round numbers. In 1911 there was an investment of $15,612,000,000; in 1912, $16,005,000,000; in 1913, $16,589,000,000; in 1914, $17,164,000,000; in 1915, $17,441,000,000; in 1916, $17,843,000,000; in 1917, $18,574,000,000; in 1918, $18,965,000,000; in 1919, $19,300,000,000; in 1920, $19,940,000,000; in 1921, $20,329,000,000; in 1922, $20,580,000,000; in 1923, $21,480,000,000.

So that this curious fact occurs: By reference to these tables it will be found that in 1916 we had 259,705 miles of road, with an investment value of $17,843,000,000, while in 1923 we had 258,183 miles of road, and an investment value of $21,480,000,000; showing that our roads, though static as to the matter of additional mileage and increased territory covered,

had increased their investment in the roads already operating from $17,843,000,000 to $21,480,000,000.

In conjunction with that table, in order that the Senators may as nearly as possible get a grasp of just what is being done and what the increased burden may be on the people who pay for these facilities, I take a table showing the investment in road and equipment in excess of retirements from 1912. I did not get the figures for 1910 and 1911. That is the amount, as claimed by the roads, that was necessary for their upkeep in road and equipment in excess of retirements:

Expenditures for road and equipment, 1912–1923 (roads of Class I and II and their nonoperating subsidiaries)

Investment in road and equipment in excess of retirements for year ended:	
June 30:	
1912	$477,191,155
1913	600,589,302
1914	550,513,731
1915	263,729,096
1916	281,135,100
December 31:	
1916	354,025,570
1917	571,746,523
1918	488,117,653
1919	335,219,123
1920	544,463,696
1921	458,103,187
1922	342,137,181
1923 (estimate from advance figures compiled by Bureau of Railway Economics for Class I roads only)	900,000,000

In the hearings before the committee, Mr. President, as you personally are aware, and all members of the committee, the statement has been made over and over again that in order for the railroads to meet the necessary expansion of traffic they must be put in a position where they can invite vast volumes of new money. That has been the basis of the contention for the present transportation act. The question before us is, Is that justifiable, not upon the question of a reasonable return to the roads, but are we justified under our present system in pouring in this vast volume of taxes collected through transportation to expand our railroad trackage and facilities, to the total neglect of an auxiliary that nature has given us, and that could relieve to a large extent the so-called congestion and necessity for transportation by allowing through proper legislation an opportunity to determine whether or not our rivers and our coast traffic can be filled with carrier vessels?

Mr. KING. Mr. President, will the Senator permit a question?

Mr. SMITH. I yield.

Mr. KING. It may not be in line with the argument the Senator is making, and I apologize if I divert him. I am interested in the statement made by the Senator that the investment in road and equipment and the upkeep of the roads in 1923 was substantially $900,000,000, a considerable increase over the investment for like purposes during the five or six or seven preceding years. May I inquire of the Senator whether any part of that $900,000,000 was obtained from the Government in payment of amounts due the railroads, or was any part of it obtained from the sale of bonds or stocks, or was it all obtained from what might be denominated net earnings; and then, finally, may I inquire whether dividends were paid upon any of those roads which expended that $900,000,000, in addition, of course, to the expenditure?

Mr. SMITH. The expenditure of the $900,000,000 during 1923 was out of the earnings of the roads. It consisted—and I have tables here which I may insert in the RECORD—of making up the deficit or the lack of motive power and freight cars. I have those items here. That was one of the principal items—that the roads were lacking in equipment of traction power and lacking in equipment of carrier facilities, box cars, and so forth.

Mr. KING. Mr. President, if the Senator will permit another inquiry, do the figures which the Senator has before him show, or is there any information before his committee showing, whether any part of that $900,000,000 included what might be called expenditures for ordinary wear and repairs, or was it all what might be called capital investment?

Mr. SMITH. That $900,000,000, in so far as it pertained to their equipment of cars and engines, of course, was chargeable to capital account, because it was a permanent improvement on the road. The Interstate Commerce Commission have a system by which they keep an account of the deterioration of the different parts of the equipment of the road.

I want to call attention, right along with these tables, starting with 1910, showing the increased mileage and the investment in that mileage, to the revenue derived from the mileage, so that we might have an intelligent comprehension of what facilities we have and what they are costing to keep up what is practically a static institution. These are the figures furnished me by the commission as to the return upon this property.

Let us take the question of freight revenue. In 1913 the railroads collected freight revenue of $2,140,000,000. If Senators will bear in mind that the tonnage about doubles, to be conservative, every 12 years, they can follow intelligently this table of the revenue receipts:

1913	$2,140,000,000
1914	2,060,000,000
1915	1,978,000,000
1916	2,561,000,000
1917	2,820,000,000
1918	3,441,000,000
1919	3,543,000,000
1920	4,317,000
1921	3,911,000,000
1922	4,007,000,000
1923	4,649,000,000

That shows an increase for 1923 over 1913 of more than 100 per cent.

Mr. KING. Was that for freight alone, or for freight and passengers?

Mr. SMITH. That is freight alone. I intend to have these tables incorporated; but the revenue from the passenger receipts is possibly more striking than the other. For the years I have enumerated the passenger returns were as follows:

1913	$679,000,000
1914	684,000,000
1915	629,000,000
1916	674,000,000
1917	825,000,000
1918	1,032,000,000
1919	1,178,000,000
1920	1,287,000,000
1921	1,152,000,000
1922	1,076,000,000
1923	1,148,000,000

I have given these tables and the increases to show that without any additional trackage our tonnage has more than doubled, and the revenues have more than doubled; yet the cry from the roads and from the people is for additional facilities for transportation.

Mr. KING. Will the Senator permit an interruption right there?

Mr. SMITH. I will.

Mr. KING. I am very much interested in what the Senator is saying. The Senator has given in dollars and cents the increases in the rates by the railroads, both in the matter of freight and passengers, for the years stated. What will the increase in tonnage be? It is apparent with the increases in the passenger and freight rates, and there might be a very large increase in the aggregate, and yet not be a very great increase in the tonnage.

Mr. SMITH. I gave the figures for the tonnage a moment ago.

Mr. KING. I beg the Senators' pardon; I did not know that.

Mr. SMITH. I made a statement to the effect that in every 10 years the tonnage about doubles, so that the increase in the revenue was about indicated in the increase in the amount of traffic carried; but the point I am making is that we have gotten our transportation facilities now to the point where they can not and do not meet the necessities of expanding commerce, and can not meet them without additional trackage, with the enormous cost incident to the purchase of material and the construction of new roads.

As I called to the attention of the Senate a moment ago, we have a potential water system in America, running from the Gulf of Mexico practically to our northern boundary. We have the Panama Canal. We have now in course of investigation the feasibility of building the St. Lawrence Canal. Do we know, or have we been in a position to test, whether transportation on our waterways is feasible, economical, and practical? It is upon the fourth section that the answer to that question depends, and has depended from the very beginning of railroading in this country as a means of transportation.

I submit this to the Senate: If we allow the railroads to meet water competition, and put their rates a point below the figure at which the water carrier can live and carry the freight—and that is admitted to be lower than the railroad can carry freight for without a loss—how do we know and how can we tell what would be the condition of freight rates in this country with boats on our rivers and with intercoastal shipments if we had a policy in this country which made it impossible for the railroads to destroy this water competition? Have we gotten value received for the things we lost?

It is an elementary proposition that if the railroads are to make a reasonable return upon the property invested for the public account—and where there is water competition the railroads lose money—the interior must make up the deficit.

The next question is, Can the railroads meet the requirements of rail transportation and be denied the privilege of destroying water competition?

There has been no relief from the provisions of the fourth section since March, 1918. The roads are prospering as they have not prospered in the last decade. The question is, what tonnage could be taken from the roads by these water facilities, and to what extent would the taking of such tonnage render them less capable of carrying the interior tonnage?

My answer to that question is included in the first question. If they are carrying that tonnage to meet water competition at a loss, does it not follow that if they were to lose that tonnage, and it were carried by water, necessarily they would not sustain that loss, and, adjusting their business to the territory over which they have a monopoly, the amount released to the boats would react in an equitable adjustment of the interior rates to where the full amount they now receive could be received, for the reason that every ton of freight originating in America and exported abroad, and every ton originating abroad and imported into America, has to be handled by the railroads in the last analysis. Therefore it is a question as to whether we are going to allow the great transcontinental lines to carry the tonnage across the continent at water rates and recoup themselves on the local intermediate shipments, or whether we are going to confine them to the carriage by land and leave the question of adequate transportation to the dual system of land and water.

There is one other phase of this question. The argument has been made here that we have no boats on the rivers, that we have no intercoastal shipping. The reason we have no boats on the rivers is apparent to every intelligent man on this floor. Under the very first interpretation of section 4 of the act of 1877, the roads were given the power, under what perhaps was a loosely constructed verbiage in that act, but whose intent was clear, to meet water competition, and rail transportation being more expeditious and being safer than water transportation, necessarily, at the same rate, a shipper would prefer the railroad.

The Senator from Maryland [Mr. BRUCE] yesterday called attention to that fact. He said the roads were more expeditious, they were safer, and therefore the shipper preferred to ship by them. I contend that if railroad transportation is the more expeditious and is safer, costing more, the shipper should pay more for that kind of freight transportation than for transportation by the means with the greater risk. In other words, if the railroads cost more and are more expeditious and give a better advantage to the shipper, by the same token he should be willing to pay more for the transportation that gives him an advantage over the less expeditious and less safe route. He should at least have the choice between the two. He has not that choice now.

My position in reference to this fourth section is this, that we should so word the act that there could be no mistake, and we could do that by providing that no rail carrier should be allowed to charge less for the long haul than for the shorter haul, if that smaller charge was for the purpose of meeting or destroying water competition.

I think the time has arrived when, without complicating our railroad problem, but trying to amend the fourth section of the act so that it might affect this delicate thing called the rate structure, we should go on record with the statement that we intend to try by an equitable adjustment to see whether or not we can build up our water facilities. The only way that can be done, Mr. President, is by declaring by statutory enactment that it is the policy of this country that we do not intend that the rail facilities of the country shall crowd out the water facilities and recoup the losses sustained in that crowding out by an extra charge on the interior points.

Mr. OVERMAN. What does the Senator say about discrimination in favor of one town against another in order to build up the one town to the detriment of the other town in the interior?

Mr. SMITH. That is a very serious matter, but there are in this rate structure conditions that must be met that render it perhaps one of the most delicate and scientific things that meet organized society. We have to meet conditions in the interior by what is popularly known as zoning if we are going to give the people of a given community an equal chance to a market which has been built up by virtue of fortunate position and circumstance. The great Middle West wants and should have access to the eastern, western, and northern markets on as even terms as it is possible to grant, without detriment to them or to other communities. That is the reason why I made the general statement that I do not believe that we have the right as representatives of the people to so frame legislation that the roads of the country can destroy water competition and not give the American people the opportunity of knowing whether we can not utilize both of them to their fullest efficiency.

It goes without saying that under the present form of the amended fourth section, where the wording is such as it is, that the railroads are now clamoring for relief from the fourth section, not for the purpose of regulating their interior freights but for the purpose of meeting and holding and maintaining tonnage that is rapidly drifting through the Panama Canal. I state that if the people of America can be served efficiently by the operation of that canal and by the operation of our intercoastal shipping they are entitled to have a chance at it. I state it as a sound fundamental principle that the railroads of the country should be denied the power to meet water competition at a lower rate than the Interstate Commerce Commission has fixed as a reasonable rate in order to meet that competition, upon the untenable position that if denied that tonnage they would be unable to meet the out-of-pocket cost and therefore would be unable to serve the interior as efficiently as they are now serving it.

I wish to address myself particularly to the object that I individually have toward the law, that we should allow no railroad to charge less at a water-competing point than the maximum charge to any intermediate point and restrict it to where it meets water competition, and establish that as our policy. Then we might invite investment in river and coastwise and intercanal shipping. We can not have it now for the reason that bitter experience since the passage of the interstate commerce act has demonstrated that in spite of three amendments to the fourth section, the decisions of the commission and the courts have been such that they were enabled to meet the competition and destroy the traffic on our rivers and on our coastal waters. Therefore, what I am pleading for is not with any particular reference to the construction of the rate structure in reference to the relation of the roads each to each other.

Considering the figures I have submitted and the startling fact that within the last 13 years we have not added practically a mile of road and have doubled the investment in the railroads that we already have, and remembering the cry coming from every quarter of the country that our transportation system has broken down, and that we have a great water system bisecting our country from north to south and our whole continent encircled with magnificent harbors and facilities for export trade, I claim that now, while this amendment is pending, we should so word it as to make available the millions of dollars that were put into our river and harbor improvements, and invite capital to invest in our water carriers and pledge to them that we will not allow the railroads of the country to destroy water competition, discriminate against interior places in favor of coastal places, and upset the balance and destroy the hopes of those who have a right to enjoy not only our water facilities, but our railroad facilities. They should be so correlated that each should serve in its sphere to its fullest capacity without relation to the welfare of the earnings of the other in so far as they serve within their sphere.

I know it is a hard matter to eliminate the feeling of section, and the feeling that perhaps, under certain conditions, my neighborhood may be benefited more under an unjust system than under a just one. But it is my duty to stand here and declare what is my conviction as to the problem that confronts us. I believe that by denying the railroads the right to destroy water competition, by encouraging the utilization of our water facilities, we will, with a minimum of cost, furnish adequate transportation for the needs of America and meet at every step its advancement and expansion and its progress in the development of its facilities.

Mr. President, I do not think that it is a question before us as to whether or not our railroads have a right to demand so and so. It is simply a question of what the development of the country and the needs of the country demand. They demand adequate transportation facilities at the lowest reasonable cost. Transportation is as essential to the development and welfare of America as is the financial system. We lay our hands upon our banking and currency and regulate it under certain rules, and we are attempting to do it to meet the needs of all those who produce and all those who transform that production. It is therefore essential for us to meet the problem not in the sense of favoring the railroads or favoring water transportation but to solve the problem as to whether or not

they both are engaged in the transportation problem, and adjust our laws so as to see that each shall develop in its own sphere for the benefit of the people.

Mr. BRUCE. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Maryland?

Mr. SMITH. I yield.

Mr. BRUCE. It is not possible, is it, for the railroads to destroy water competition unless they are allowed to do so by the Interstate Commerce Commission?

Mr. SMITH. No; that is true.

Mr. BRUCE. Does the Senator think the Interstate Commerce Commission is deliberately exercising its discretion in such a way as to permit the railroads to destroy water competition?

Mr. SMITH. No. I answer the Senator frankly. I agree with him that these gentlemen are trying as best they may to carry out the intent of Congress, but when a case is taken to the courts and the Supreme Court of the country decide that the language of a certain statute is such as to grant the privilege asked by the complainant their hands are tied, like the Senator's and mine would be.

Mr. BRUCE. But is not the thing to do under those circumstances to take another case to the Supreme Court of the United States and have the Supreme Court say that the construction placed on the amendment by the Interstate Commerce Commission is erroneous?

Mr. SMITH. Oh, no. I am talking about the carrier ultimately taking the case to the Supreme Court, as they have done under practically every amendment that has been passed to the fourth section and the position of the commission denied or reversed by virtue of the decision of the court. I do not believe under the language of the present law that the railroads in a test case under certain conditions could be denied relief by the Supreme Court.

Mr. BRUCE. Let me ask the Senator another question. I am seeking light. It is only for that reason that I ask the question. Suppose Congress were to provide that the railroads were never to charge rates to the Pacific coast that were below a level of, say, 6 per cent higher than the existing water rate. Would that meet the situation?

Mr. SMITH. No. Let me put my case clearly.

Mr. BRUCE. I ask the question of the Senator, who is an old, experienced member of the Interstate Commerce Committee, and I would like to know the Senator's view.

Mr. SMITH. My position is that the railroads shall not charge for the longer distance any less than the average remunerative price received from the highest charge on the intermediate haul, or, to put it in another way, that they shall not charge less than the aggregate charges on the intermediate freight on that line to meet water competition.

Mr. BRUCE. Then the Senator would make it impossible, as I see it, for the railroads to obtain any share of the business at San Francisco or Portland at all. It is only by allowing them to have lower rates at those points that they can participate in the business of those ports in competition with the water lines at all. The effect of the Senator's suggestion would be to cut off the communities in the eastern portions of the United States from doing any business with the Pacific coast at all by rail. The only thing they could do, of course, would be to resort to the water line between the eastern seaboard of the United States and the western seaboard of the United States; and, of course, that might be a very unfortunate necessity to them where the communities were situated in the northern portion, we will say, of the central and eastern part of the United States. The effect of the Senator's suggestion is to cut off shippers in the eastern part of the United States from shipping goods to the Pacific coast, as they would do under different conditions.

Mr. SMITH. Mr. President, I have not the table before me, but it has been suggested that less than 2 per cent is handled by the railroads. That, however, if the Senator from Nevada will allow me, does not concern me, for this reason: If an adequate transportation system can be built up from the East to the West by the water route, it is our duty to ascertain that fact and to establish such a system.

Mr. BRUCE. But I was asking the Senator particularly whether he does not think—and I am asking the question from curiosity—the situation might be met by having a sliding differential scale that would always preserve a certain ratio between the rates of water lines on the Pacific Ocean and the rates of the railroad lines leading to the Pacific coast?

Mr. SMITH. The situation might be so met after we should have built up our boat facilities.

Mr. BRUCE. I should like to know what the Senator from Nevada thinks about it.

Mr. PITTMAN. If the sliding scale accomplishes what the railroads want—that is, if it gives them what they call their proportionate share of the traffic now carried by water—then the sliding scale will be just as destructive as the Senator from South Carolina is complaining that it would be; and if the sliding scale does not give the railroads that, they do not want the sliding scale.

Mr. BRUCE. I do not see that. Their professed object, of course, is simply to get their fair share of the Pacific coast traffic.

Mr. PITTMAN. Then, I say, if they do not get their fair share with the rate that is allowed, they do not get anything. If they do get what they call their fair share, they get half; and if they get half, the same rate that would allow them to get half would not stop them at getting half.

Mr. BRUCE. No matter what they would get, however, the profit would be a contribution, of course, toward the general administration expenses of the railroads and for that reason would inure to the benefit of intermediate points on transcontinental lines.

Mr. PITTMAN. Mr. President, just on that point, will the Senator from South Carolina pardon a further interruption?

Mr. SMITH. Certainly.

Mr. PITTMAN. There is not any doubt but what there would be freight shipped by transcontinental railroads if this amendment should go into effect, because the able Senator from Maryland [Mr. BRUCE] yesterday disclosed the fact that the railroad is the more expeditious and safe means of shipment. There is not any doubt but what all freight which is required to be expedited would go by rail. We have had railroad men testifying before the committee, and they all know that is the fact. As a matter of fact, if they should be given half of the transportation going through the Panama Canal which they seek and which would put half of the boats off, it would mean only 2 per cent, mind you, of the business that the western railroads are doing. It would mean that they would be doing that 2 per cent without profit, so far as earning above out-of-pocket costs is concerned. For the benefit of carrying 2 per cent more freight at an out-of-pocket cost they are willing to destroy at least half of the coastwise shipping going through the Panama Canal. That is all there is to that.

Mr. BRUCE. I do not admit that, of course.

Mr. SMITH. Mr. President, I wish the Senator from Maryland to understand my position thoroughly. We know that we now have no water transportation, and we know that so long as the railroads are allowed to meet the water competition we are not going to have any. We know that the level of freight rates to interior points will always be kept up so as to absorb the loss which is sustained by virtue of meeting the water competition. In the inception of the railroad business of this country we gave millions upon millions of acres of land in the development and building up of the great transcontinental lines. By the same token now we should address ourselves to a policy that would for a sufficient number of years give the water carriers an opportunity at least to test whether or not with their equipment they can aid in meeting the needs of transportation.

Mr. President, I do not think that this subject is one of local or sectional interest. It is a problem that affects all the American people; it is one that has invited the thought of the best students of economics in the world. I do not believe, however, that there is another civilized country in the world that has paid so little attention to or has derived so little advantage from the magnificent water facilities and the capacity for service that the water routes and our coast offer to the American people.

I am not an advocate of Government ownership. I do not believe that after we have arrived at the present stage of tremendous investment in the railroads we shall probably have in the next generation or so any serious attempt for the Government to take over the railroads; but I do believe that the Government should so adjust and correlate these rates and the relation of water transportation to the railroads that we may have the benefit of both.

It is not a question on whom the burden falls, as has been discussed on this floor; it is a question of relieving the burden. Let us here adjudicate and distribute that burden as in our judgment is right. I hope this amendment shall be so amended as to apply to competition with water and deny beyond any peradventure the right of court or commission to say that the rail carriers of this country can, for the purpose

of destroying competition, fix a rate that does destroy that competition.

Mr. President, just a glance at the map on the wall and then I am through. From the mouth of the Mississippi River up to the Great Lakes we have had provided by nature and by providence a transportation system which, if developed, would meet the needs of a vast area of our inland territory. By the development of the St. Lawrence Canal we would open a gateway for this great section of the country [indicating on the map] to the ocean, and from our eastern seaboard, with its ports and facilities, clear around the Gulf of Mexico and through the Panama Canal we have the whole continent encircled with the possibility of transportation to relieve any congestion on the rails and give them the added opportunity to develop normally and naturally to meet the normal and natural requirements of their territory, without invading the province of nature's gift to the American people in the possibilities of water transportation.

Mr. GOODING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FESS in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	Ladd	Sheppard
Ashurst	Fletcher	Lodge	Shipstead
Ball	Frazier	McKellar	Shortridge
Bayard	George	McKinley	Simmons
Borah	Gerry	McLean	Smith
Brandegee	Glass	McNary	Smoot
Brookhart	Gooding	Mayfield	Spencer
Broussard	Hale	Moses	Stanfield
Bruce	Harris	Neely	Stephens
Bursum	Harrison	Norris	Swanson
Cameron	Heflin	Oddie	Trammell
Capper	Johnson, Calif.	Overman	Underwood
Caraway	Johnson, Minn.	Owen	Wadsworth
Copeland	Jones, N. Mex.	Pepper	Walsh, Mont.
Cummins	Jones, Wash.	Pittman	Warren
Curtis	Kendrick	Ransdell	Watson
Dale	Keyes	Reed, Pa.	Wheeler
Dill	King	Robinson	Willis

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present.

Mr. GOODING. Mr. President, I feel that I should state at this time the reason why the long and short haul amendment will be offered to the Army appropriation bill. It is for this reason:

The Interstate Commerce Committee of the Senate has been having hearings now for something over four months. For something like 30 days the Senate was delayed in electing a chairman of that committee. I understand that it is the first time in the history of Congress that a member of a minority party has been elected chairman of a great committee of the Senate. We have reported out at least one measure of very great importance to agriculture, and the long and short haul measure is important to the whole country. Other measures of great importance are under consideration, and some of them have been reported to the Senate.

I think we are all aware that for some time there has been in this country a propaganda that no railroad legislation should be passed at this session. Large sums have been spent by the railroads in this propaganda work. From the fact that two long and short haul bills were introduced in the House on the 10th of December, soon after Congress convened, and many other railroad measures, and no hearing has been had on any of them that can be considered as important legislation, it is generally admitted that there is no opportunity for this legislation to come out of the House, although I hope I am mistaken in this.

The time seems to have arrived in this country when the people can not have a hearing on a petition or important proposed legislation because the great railroad corporations of this country, through a propaganda, seem at this time to wield what I believe is a dangerous influence from the standpoint of legislation and good government.

It was for that reason that the friends of this measure took an unusual course. I agree very thoroughly that legislation of this kind should not be placed on a great appropriation bill. I am quite sure that under normal conditions that policy is right; but to-day there are unusual conditions. When the people are denied the right of a hearing, which everybody admits is un-American, then the friends of the measure who want legislation must proceed along unusual lines, too. That is the reason why the amendment carrying the long and short haul bill will be offered to the Army bill; and I want to say to the Republican Party, to my party, that if it is going to be its policy to the end, until Congress adjourns, that no thought or consideration or hearing shall be given to legislation along railroad lines before the House Committee on Interstate Commerce, those who are directing the affairs of the Republican Party had better get the wrecking crew ready to gather up the fragments of the Republican Party after the November elections.

If there comes a time when the American people can not have measures in which they are interested presented to a committee that is organized for that purpose, we shall have about reached the end of a government of the people. That is the reason why we are appealing to those who think the people should have relief from discrimination in freight rates, that we may attach it to this important measure with the hope that when it comes back from the House it will come back approved.

Mr. President, I am going to take up a little more time now in discussing these discriminations. It is possible that I have not made myself altogether clear. Freight rates are hard to understand, so I have worked them out a little more fully.

Take the case of a 40,000-pound carload of dry goods going from Chicago to Scranton, Iowa, a distance of 376 miles. The rate is $1.11. The car earns for the railroad $444. It earns for each mile from Chicago to Scranton $1.18. If the proposed rate is put in to Seattle—the distance from Chicago to Seattle is 2,445 miles, and the proposed rate is $1.10 a hundred, a cent less than it is at Scranton—the car will earn $440 for a haul of 2,445 miles, but it will be hauled each mile from Chicago to Seattle for 18 cents a mile, as compared with $1.18 for the people of Scranton.

I am sorry the Senators from Arkansas are not in the Chamber. Here is a very interesting violation.

On a 40,000-pound carload of dry goods going from Chicago to Pine Bluff, Ark., a distance of 677 miles, the rate is $1.99½ a hundred. The car earns for the railroad $789. The car-mile rate is $1.18 a mile. From New Orleans the distance to Chicago is 912 miles, 235 miles longer than to Pine Bluff, Ark. The rate is $1.53½ a hundred. The car earns for the railroad $614. The car-mile rate is 67 cents a hundred, as compared to $1.18 that the people of Pine Bluff, Ark., must pay.

If the proposed rate of $1.10 from Chicago to San Francisco were put in, the car passing through Pine Bluff, Ark., would pay only 12 cents per car mile, as against $1.18 that the people of Pine Bluff would pay for their dry goods.

Mr. President, I have here a resolution passed by the State railroad commissions of the United States. I send it to the desk and ask that it be read. This resolution was passed unanimously on two occasions.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The reading clerk read as follows:

Resolution adopted by National Association of Railway Commissioners in convention at Atlanta, Ga., in 1921, and readopted in convention at Miami, Fla., in 1923

Resolved, That Congress is hereby respectfully urged to amend section 4 of the interstate commerce act as amended by striking out all of the first proviso therein, which reads as follows:

"*Provided*, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous line or route is, because of such circuity, granted authority to meet the charges of a more direct line or route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points; and no such authorization shall be granted on account of merely potential water competition not actually in existence."

At Miami, Fla., the 1923 convention adopted the following resolution:

"*Resolved*, That we affirm the resolution passed by this association at the Atlanta convention, October 11 to 14, 1921, as to amendment of the fourth section of the interstate commerce act relating to long and short haul rates."

Mr. GOODING. Mr. President, I want to refer again, on the map on the wall, to the Monongahela River. I find that the statement I made in my remarks a day or two ago, that the river carried something like 18,000,000 tons last year, was somewhat in error. I find that the river carried 23,000,000 tons, and that passing up and down that river were 15 different commodities,

of which 18,709,000 tons were coal, 2,100,000 tons were cement, and there were 700,000 tons of iron and steel products.

To handle this 23,000,000 tons carried on the Monongahela River it would require 589,000 cars of 80,000 pounds each, which if placed in trains three-quarters of a mile long, containing 75 cars each, would require 7,852 trains, or 21 trains of 75 cars each for every day in the year.

On the Allegheny River there were carried 4,612,640 tons of freight, which would require 115,316 cars of 80,000 pounds each, and would require 1,537 trains of 75 cars each, or 4 trains a day, for each day in the year, including Sundays, to haul this freight.

Passing up and down the Ohio there were 7,286,005 tons of freight, equivalent to 182,150 cars of 80,000 pounds each, and 2,428 trains of 75 cars each, requiring nearly 7 trains a day for each day in the year.

Altogether, on these three rivers, there were 35,458,669 tons of freight, equal to 886,466 cars of 80,000 pounds each, and equal to 11,819 trains of 75 cars each, and it would require 32 trains, with at least two locomotives, each day, including Sundays, to handle this enormous tonnage.

The Government is paying for the operation of the locks on those rivers. The Government paid for all the construction. No toll is paid for the use of those rivers. The larger part of the coal is carried direct to the steel mills in Pittsburgh. I am discussing this because I want the Senate to understand what river improvement means. Fortunately, of course, for this improvement and this development, there is no violation of the fourth section. With violations of the fourth section we can not have any improvements on our rivers and we can not develop the electric power on our rivers. So for that reason, Mr. President, if this country is to continue to develop, is to continue its onward march of progress—and we have just made a beginning—then we must make use of our great inland waterways.

It is strange, it seems to me, that the people of Pittsburgh should have the Government operating their locks and building all the improvements necessary, while the people of the West are forced, through a Government agency, to pay an increased price in freight rates in order that the Government itself may destroy water transportation in some other part of the country. It is not strange, after all, when we realize the tremendous influence the Steel Corporation has in this country. We have a "Pittsburgh plus" in freight in this country, under which every farmer and every man who buys steel, even if he buys it as far west as Pueblo, must pay the freight rate on steel from Pittsburgh to the place where he uses it. He may go to the steel mills at Pueblo, Colo., and buy a thousand pounds of steel of any kind, but he pays the freight on it from Pittsburgh. It is said that the farmers of this country are paying $50,000,000 a year of an increase in freight rates on manufactures of iron and steel brought about by the "Pittsburgh plus" policy, yet when you get down into the agricultural country, where we might develop manufacturing institutions and our natural resources, we find a freight rate that is discriminatory and under which we pay in many cases as high as 900 per cent more than others pay on a mileage basis and a higher rate than others pay for a haul a thousand miles longer.

Mr. President, this discrimination in freight rates is un-American. We thought we settled that policy in the Revolutionary War. We did not go to war with England over the tea party in Boston Harbor alone. For more than a hundred years the English Government had denied the people of the Colonies an opportunity to develop their natural resources. They were not permitted to mold a plowshare; they were not permitted to manufacture a horseshoe nail.

They were only permitted to produce the raw material which the British Government forced them to ship to England to be manufactured into the finished product. The Colonies knew and understood that a country that could not manufacture its raw materials into the finished product must always remain agricultural and pastoral. It was for those great principles that we fought the Revolutionary War—that we might develop industries in this country, produce the finished product, and be a factor with all other nations in the markets of the world.

The development of the mighty resources of this country into the finished product has built up the greatest industries in America the world has ever known, and yet in the development of our mighty resources we have only made a beginning in this country if we make it possible to develop adequate transportation upon our inland waterways and coastwise shipping.

The West is making a fight against the discriminatory freight rates that have been forced upon us for many years, and unless we can eliminate this discrimination the interior States of the West must always remain agricultural and pastoral, for capital will never invest in any industry or in any part of the country where there is discrimination in freight rates. It is so unjust and un-American that it should be settled for all time, and this Government should adopt a policy that will permit every section of this great country to take part in the growth and development that will come to us with a spirit of fairness in transportation for the whole country.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House insisted upon its amendments to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McKENZIE, Mr. HULL of Iowa, and Mr. QUIN were appointed managers on the part of the House at the conference.

The message also announced that the House had further insisted upon its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

RESTRICTION OF IMMIGRATION

Mr. REED of Pennsylvania. Mr. President, in this morning's issue of the Washington Post I notice a statement that there is a loophole in the immigration bill, or, as it is called in another part of the same article, a "joker," which will allow the admission of an indefinite number of Asiatics regardless of the exclusion clause.

I only rise to say that the clause in question was in the bill as it passed the House and was in the bill as it passed the Senate, in exactly the same words. It was not in conference and is not some artifice of the conferees, but is a clause upon which both Houses were in agreement.

What it does is to permit the entry as nonimmigrants of persons who under treaties of trade and navigation are permitted to enter the United States. The same privilege has been extended for a hundred years past. There is nothing new whatever in this provision of the bill. The same exception existed under the quota law of 1921. The same exception has always been recognized in the Chinese exclusion law and the Chinese exclusion treaty, and it never occurred to anybody, except the Washington Post of this morning, to consider it a joker.

It is a mere recognition of the trade privileges which they give us and we give them, and we actually went so far in this new immigration law as to require for the first time that those persons might be compelled to give bond to insure their departure when their treaty business was finished, something that has never been done before in the history of this country.

Mr. DILL. I take it the Senator does not think that the interpretation placed on the treaty in the Washington Post story this morning is correct?

Mr. REED of Pennsylvania. I am perfectly certain it is not.

Mr. DILL. And there is nothing in that treaty which gives them any such rights as are suggested?

Mr. REED of Pennsylvania. We have treaties of trade with practically every civilized nation in the world. Our treaties provide that their ships may come to our ports, and of course they have to bring human beings with them when they come. They give us the same privileges in their ports. Then we have treaties with every nation that their nationals may come here or their merchants may come here for the purpose of trade.

Mr. DILL. Japan has never relied upon that as a means of getting her people into this country?

Mr. REED of Pennsylvania. Never; nor has China; nor has Great Britain used it for bringing Asiatics here from her Asiatic possessions. I am perfectly sure there is nothing whatever in the suggestion, and I am making this statement only to allay, if I can, any possible doubt that may have been raised by the article.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. SMOOT submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

LOUIS C. CRAMTON,
FRANK MURPHY,
C. D. CARTER,
Managers on the part of the House.

The report was agreed to.

Mr. SMOOT. I move that the Senate still further insist on its amendment to the amendment of the House to Senate amendment numbered 47 to House bill 5078, and ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS conferees on the part of the Senate at the further conference.

THE NARCOTIC PROBLEM

Mr. COPELAND. Mr. President, I ask unanimous consent to submit for the RECORD and have printed a "Survey of the narcotic problem," by Commissioner Simon, of New York, in connection with which I desire to make some remarks later, especially as to the use of heroin in the United States.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

SURVEY OF THE NARCOTIC PROBLEM

[By Carleton Simon, M. D., special deputy police commissioner in charge narcotic division of the New York City police department, before the Medical Society of the County of New York, January 28, 1924, at New York Academy of Medicine]

Of late years there has been considerable controversy as to whether narcotic drug addiction should be viewed as a medical question or as a police problem. We may go on forever debating the question academically, but why not have the facts?

This latter is exactly what I have undertaken to get. Instead of relying on estimates based upon hearsay and exaggeration I have gathered exact statistics.

In June, 1923, questionnaires were sent to all the physicians and dentists in the State of New York.

The one to the physicians asked:

Amount of morphine prescribed in 1922.

Amount of heroin prescribed in 1922.

Amount of cocaine prescribed in 1922.

Number of narcotic addicts treated in 1922.

Do you believe heroin necessary in your practice?

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocain or similar preparations?

The one to the dentists contained the following inquiries:

Amount of cocaine used in 1922.

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocain or similar preparations?

The animating purpose in making these inquiries of physicians and dentists as to the practical experience acquired in their professional use of habit-forming drugs were:

1. To determine whether narcotic drug addiction is a medical issue or a police problem, or both.

2. To gain statistical knowledge as to the number of medical drug addicts treated in this State during a given period of time, from which reasonable approximations or conclusions may be drawn.

3. To ascertain the quantity of narcotics prescribed by the physicians and dentists in the State of New York.

No attempt was made to ascertain the amount of narcotics consumed by the public and furnished to the market legitimately through druggists in the form of paregoric, proprietary medicines, etc., nor were hospitals taken into consideration. It was my opinion that addicts treated in hospitals had previously been under treatement in the private practice of physicians. Therefore, in order to avoid duplication, no hospital statistics were gathered.

4. To obtain general information as to the desirability and possibility of the practitioner substituting nonhabit-forming drugs, without lessened efficacy of his service to his patients.

5. To secure information as to the necessity of heroin in the practice of medicine.

There was no intention to suggest any restrictions to the constitutional right of the physician to prescribe whatever he deemed necessary to his practice. In the light of the investigations here reported and which may hereafter be made, the profession itself should determine whether the physicians themselves should not unite in declaring heroin an outlawed drug.

6. To ascertain the quantity of cocaine used by dentists and physicians; to determine the percentage of practitioners who, in part or wholly, employ synthetic preparations having no habit-forming qualities, and to learn from those competent to judge, the efficacy of these substitutes.

It was my intention to find out what narcotics are necessary and the extent of their use and in general to show, through the census, the general trend.

Far from attempting to minimize the work of the practitioner, my aim has been to gather information so that the various viewpoints of the physicians and dentists may be available for mitigating and eradicating evils in connection with the use of habit-forming drugs.

The responses to this appeal from the medical and dental profession have been most hearty, and again furnish exhaustive evidence that the professional man is an altruist in lending his aid in the solution of great public issues. It is to be hoped that the data secured will be helpful in solving some of the vexatious problems that obtrude. A review of the returns received from the questionnaire shows as follows:

IS DRUG ADDICTION A MEDICAL ISSUE OR A POLICE PROBLEM?

Some medical men have been of the opinion that all that pertains to this subject should be under the jurisdiction of the medical profession; that drug addiction is a sickness or a disease, and the addict should be regarded and treated as a sick man.

On the other hand, most of those administering the criminal laws, supported by the great majority of social workers, contend that because such a large percentage of criminals have acquired the narcotic habit, the issue has become one that is inseparably connected with the regulation of crime.

The returns show that there is a medical narcotic addict who requires narcotics because of physical ailments. This type is obviously one to be handled by physicians, and every barrier should be removed so as not to embarrass the physician in according relief to such sufferers.

The far greater number, however, are the criminal drug addicts, whose addiction in its inception and in its continuance is due to vice, vicious environment, and criminal associations. The consideration of this class, the figures prove, constitutes a distinct police problem. The so-called medical addict, who will not consult the physician but purchases his narcotics from street vendors, and thus supports the illicit traffic in drugs, obviously places himself in the same class with the criminal addict. In about 10,000 arrests and hospital commitments for cure by the narcotic division of the police department during the past three years, 98 per cent and a fraction frankly admitted that their addiction was due to bad associations; that there was never any medical reason for their using narcotics. The remaining 2 per cent gave various excuses for first using narcotics, principally some surgical operation or illness. At the time of their arrest there was in this minute percentage almost invariably no reason for their continuing to use narcotics; surely there was no excuse for the use of heroin and cocaine. They buy these on the street, knowing that no reputable doctor will prescribe for them. The medical addict usually confines himself to morphine, but the menu of the criminal addict is heroin and cocaine. Approximately 95 per cent of those arrested by the police in New York City are heroin and cocaine users. In other parts of the country morphine is the chief narcotic.

Heroin addiction is, however, rapidly replacing morphine addiction throughout the United States, this spread being more noticeable in the seaport cities and from them.

To those addicted to the use of an opium derivative, morphine or heroin is considered a daily necessity. Cocaine does not entail suffering if withdrawn. Heroin is preferred because of its greater potency, and because of its smaller bulk per weight it is more easily smuggled.

NUMBER OF ADDICTS UNDER TREATMENT

It has been asserted that the arrests of the police department represent but 10 per cent of the narcotic addicts in this State; that the greater number of addicts are being treated by the physicians as private patients. I have always taken the opposite position, and controverted the criticism directed at the medical profession.

This census of the physicians of this State shows that the percentage of medical addicts is almost negligible.

Those who dispute the police point of view, that narcotic drug addiction is an underworld problem, maintain that there is a very large number of addicts with whom the police never come in contact. They contend that the larger number and better class of addicts are treated by physicians. The replies to this questionnaire definitely settle this point.

TABLE 1.—*Treatment of addicts*

Number of physicians questioned	14,715
Number of replies received	7,550
Percentage of replies per cent	51.27
Number of addicts treated during 1922 (as reported by 7,550 physicians)	775

Further analysis of the answers received to the questionnaire shows as in Table 2:

TABLE 2.—*Treatment of addicts*

Two hundred and fifty-six physicians treated 1 addict	256
Sixty-nine physicians treated 2 addicts	138
Thirty physicians treated 3 addicts	90
Fourteen physicians treated 4 addicts	56
Four physicians treated 5 addicts	20
Three physicians treated 6 addicts	18
Two physicians treated 7 addicts	14
Two physicians treated 8 addicts	16
Three physicians treated 10 addicts	30
Two physicians treated 12 addicts	24
One physician treated 16 addicts	16
One physician treated 22 addicts	22
One physician treated 25 addicts	25
One physician treated 50 addicts	50
A total of 389 physicians treated a grand total of addicts	775

NINETY-FOUR AND EIGHT-TENTHS PER CENT OR 7,170 PHYSICIANS DID NOT TREAT ANY ADDICTS

It was my desire to make an accurate survey of the medical situation, as I felt that the physician had been stigmatized by the popular idea that he was the cause of the growth of narcotic drug addiction in this country.

Some of the addicts included in the above total of 775 treated by physicians were not what might strictly be called "medical" addicts; that is, their addiction was traceable in its acquirement to some ailment, or they were suffering from some diseased condition that required narcotics. Furthermore, most of the cases reported were of patients under treatment for cancer or other painful disease or of very old people. No question was asked as to the ages of addicts, but some physicians furnished additional information, as the following examples show:

One physician treated 7 addicts, all old people.

One physician treated 8 addicts, all over 60 years.

One physician treated 8 addicts, ages of 63 to 76.

One physician treated 11 addicts, all over 50, most past 70, one 87.

One physician treated 16 addicts, all suffering from some chronic disease, one under 40, 3 under 30, others between 50 and 75.

The haunting specter of narcotism has been exaggerated to propaganda, no doubt well meaning but nevertheless misleading. It is my desire to clear away the mist that enshrouds this subject and not to overestimate nor belittle its import.

When we look for figures as to the number of narcotic users in the country or in any section or spot therein we are given the choice of a wide variety of guesses from many official sources. For New York City these estimates run as high as 250,000.

The United States Public Health Service in a bulletin issued in 1915 gave 140,000 as its highest estimate of the number of drug addicts in this country. Four years later, 1919, the congressional committee appointed to investigate this problem stated that the number of drug addicts in the United States exceeded 1,000,000, or 2 per cent of the population, 4 per cent of the adults. These are Government figures. In addition the committee viewed the situation with alarm and reported that drug addiction was increasing; that there was a nation-wide use of narcotics and that it was being used by all classes.

I believe that these figures are inexact but am convinced that the prevalence of narcotic drug addiction in the underworld is nevertheless appalling.

To even more definitely show the criminality associated with drug addiction and the extent to which it has grown in the ranks of the criminal I have selected, from the arrest statistics of the narcotic division of the police department of the city of New York for 1923, a group of 741 individuals whose records showed more than five precious convictions, which are summarized in Table 3:

TABLE 3.—*Criminality and narcotic addiction*

	Previous arrests for various crimes	Total
1 individual's record showed	25	25
1 individual's record showed	24	24
1 individual's record showed	23	23
1 individual's record showed	19	19
1 individual's record showed	18	18
1 individual's record showed	17	17
3 individuals' record showed	16	48
4 individuals' record showed	15	60
5 individuals' record showed	14	70
4 individuals' record showed	13	52
8 individuals' record showed	12	96
12 individuals' record showed	11	132
44 individuals' record showed	10	440
48 individuals' record showed	9	432
73 individuals' record showed	8	584
105 individuals' record showed	7	735
136 individuals' record showed	6	816
293 individuals' record showed	5	1,465
741 individuals, previously arrested (times)		5,056

On carefully checking up our statistics of arrests and commitments to hospitals of narcotic users for the years 1921, 1922, and 1923, totaling 9,637 in number, I found that they represent 3,174 individual narcotic users. I then checked up the criminal records of these 3,174 persons, and, so far as shown by records on file in the international identification bureau of narcotic criminals, of the New York police department, representing 700 cities and 27 nations, these 3,174 individuals had been previously arrested 32,696 times in all sections of the country for every crime on the calendar.

The 3,174 narcotic users were tabulated as follows:

Eight hundred and seventy-six opium smokers (mostly Chinese).

Twenty-seven hasheesh users (marahuanne smokers).

Three hundred and seventy-nine use morphine only.

Six thousand eight hundred and ninety-two use heroin separately or combined with cocaine.

It will be noted that eliminating the smokers of opium and hasheesh, 95 per cent of the narcotic addicts use heroin. Only 2 per cent trace their addiction to medical reasons.

These figures are exact as far as criminal records were available, and are extremely illuminating on the great problems confronting the police. They permit us also to arrive at the definite conclusion that the number of drug addicts in the State of New York—estimates running to half a million individuals—has been grossly exaggerated.

We know there are drug addicts among the wealthy, in society, on the stage, and in the professional ranks, but their number has also been greatly overestimated. Some of these have also been arrested by the police. The source of supply of the drugs in these instances is the same—the smuggler and the street vendor.

PRESCRIBING OF NARCOTICS

As to the quantity of narcotics used and prescribed by physicians and dentists in the State of New York as an index to the legitimate demand per capita, replies to the questionnaires give the following:

AMOUNT OF MORPHINE AND HEROIN PRESCRIBED IN 1922 BY 7,559, OR 51.37 PER CENT, OF THE PHYSICIANS OF THIS STATE

Morphine: 1,392 ounces, or 43,291 grams.

Heroin: 30 ounces, or 922 grams.

The basis of 1,392 ounces, or 43,291.2 grams, of morphine used by 7,559 physicians establishes an average of 5.727 grams of morphine per physician, which, when applied to 14,715 physicians in the entire State, gives a total of 2,709.7 ounces, or 84,272 grams, of morphine prescribed by the physicians of this State during the year 1922.

On this basis also, of 30 ounces, or 933 grams of heroin prescribed by 7,559 physicians, would give an average of 0.1234 gram per physician, which, when applied to 14,715 physicians in the entire State, gives a total of 58.38 ounces, or 1,815.83 grams, of heroin prescribed by the physicians of this State during the year 1922.

Of the physicians who answered the question, 5,362 stated they did not prescribe any heroin in 1922.

IS HEROIN NECESSARY

To the question, "Do you believe heroin necessary in your practice?" the replies were divided as follows:

No, 5,715. Yes, 1,201. Occasional, 404. Unanswered, 239.

Under occasional use we have grouped a variety of replies which may be best expressed by that word. Most of those prescribing heroin believed it to possess special qualities useful in the treatment of bronchial conditions. Of the large percentage of practitioners answering this inquiry approximately 80 per cent deemed heroin a needless addition to their therapeutic armamentarium.

While so small a quantity of heroin was legitimately used by physicians in this State, more heroin is used by the criminal narcotic addicts in New York City than all other narcotic drugs combined. Ninety-five per cent of the criminal drug addicts arrested in New York City use heroin regularly, adding cocaine occasionally or whenever they can get it, and resorting to morphine only when they can not get heroin. Placing the customers of the illicit narcotic street vendors in New York City at a minimum of 10,000, based upon arrest statistics, using at the average of 10 grains per day, we have 100,000 grains daily or 36,500,000 grains or 76,041 ounces as the yearly quantity of heroin used by the criminal drug addict in New York City alone, against 58 ounces computed as being legitimately prescribed by the entire medical profession of the State. That is why I am seeking light on the subject, trying to find a way to shut off this flow, at the same time respecting the rights of the physician to prescribe.

These replies show that the majority of the addiction cases treated by the physicians are purely medical cases; that these patients require narcotics and are exempt under the Harrison Drug Act or are being treated by the physicians in good faith for their cure and not addicts being supplied for their comfort.

As previously noted, this State census shows that these answers represent 51.37 per cent of the physicians of the entire State of New York who have treated 775 medical addicts in one year.

From these replies I arrive at the conclusion that at this ratio the number of medical addicts in the State of New York is 1,509.

Thus it is definitely shown that the medical narcotic addicts whose number can be estimated and who require narcotics because of physical ailments is far in the minority in comparison with those whose numbers are ascertainable through arrest and whose activity is absolutely a police problem.

The questionnaire was sent out last June. Coincidentally, the Portuguese delegate to the advisory committee on traffic in opium of the League of Nations on June 5, 1923, proposed "that in view of the existing medical evidence, tending to show the possibility of completely doing away with the use of heroin in medical and surgical practice, that the committee recommended to request our Government to appoint a committee of inquiry with a view of ascertaining the possibility of completely abolishing the manufacturing of heroin and its use, and in the event of the committee of inquiry deciding that manufacturing of heroin could not be done away with entirely to inquire into its use being limited to certain types of cases, or in particular type of cases."

In the United States Army the use of heroin has been interdicted by order of the Surgeon General.

In the United States Public Health Service the use of heroin has been interdicted by the order of the Surgeon General.

In a large number of public hospitals the use of heroin has been interdicted by order of medical boards and superintendents.

The health commissioners of Chicago and of New York City simultaneously expressed themselves:

"Stop the use of heroin in all hospitals. It serves no purpose that other agents can not accomplish as effectively and without the attendant possibility of disaster."

COCAINE AND ITS SUBSTITUTES

Many physicians and dentists in a desire to offset the dangers of cocaine to their patients and to avoid the entanglement and the annoyance connected with complying to the Harrison Drug Act have gradually substituted in their practice nonhabit-forming synthetic compounds having otherwise similar attributes to cocaine. Chief among these have been novocaine, also known in this country as procaine.

Another question was: "Do you believe cocaine can be advantageously replaced by nonhabit-forming drugs, such as novocaine or similar preparation?" The replies were as indicated in Table 4:

TABLE 4.—"*Is cocaine replaceable?*"

	Yes	No	Occasional	Unanswered
Physicians	5,158	1,280	534	687
Dentists	3,770	253	277	35

Another question which was asked of physicians and dentists was: "Amount of cocaine used in 1922?"

The cards returned by 7,559, or 51.37 per cent, of the physicians and 4,335, or 50.89 per cent, of the dentists showed the following:

Physicians: 610 ounces, or 18,971 grams.

Dentists: 1,716 ounces, or 53,368 grams.

An analysis of the replies received from physicians as to the need for cocaine and the possibility of substituting some nonhabit-forming synthetic product, such as novocain, shows that only approximately 17 per cent of those answering this question considered cocaine indispensable. The majority of this 17 per cent deemed cocaine necessary in the treatment of nose and throat lesions, and there were also some ophthalmologists and genito-urinary specialists who preferred cocaine where anesthesia of the eye membranes and of the urethral tract is an essential to examination and treatment. Most of the practitioners of these three groups use cocaine topically only, rarely, if ever, prescribing it. Thus it will be noted that from these angles of medical practice the danger of cocaine habit forming is negligible. It will be further noted that about 83 per cent of the physicians answering the inquiry of this point expressed the belief that cocaine can be advantageously replaced by nonhabit-forming drugs, such as novocain or similar preparations.

Members of the dental profession were even more favorably inclined to substitute novocain and like products for cocaine, there being only 6 per cent of those answering who believed cocaine indispensible.

CONCLUSIONS

(1) The narcotic addict exists.

(2) His addiction is the result of physical or medical causes in only 2 per cent of all cases among the thousands observed by the police.

(3) In those few instances of true medical addiction treated by the medical profession in the State of New York for the year 1922 the great preponderance show that they were treated for disease and not for drug addiction.

(4) Because of the fact that addiction has its origin or is coupled with crime or with criminal environment in 98 per cent of the police cases, the problem is in the category of criminology and therefore comes within the province of the police.

(5) The quantity of the various habit-forming drugs purchased by physicians and by dentists is well within the needs of their patients. These legitimate amounts represent but an infinitesimal proportion of what is trafficked in through underground channels.

(6) Heroin has no specific uses in medicine in the opinion of approximately 80 per cent of the practitioners consulted.

(7) Cocaine is useful in medical practice as a topical anesthetic in various conditions of the eye, the nose, the throat, and the genito-urinary parts. Eighty-three per cent of the physicians and 94 per cent of the dentists, whose answers are to hand, are of the opinion that cocaine can be dispensed with in practice through the use of novocain or other nonhabit-forming synthetic compounds.

(8) Underworld addicts have a decided preference for heroin and cocaine.

(9) The international phase of this question is largely dependent upon what the laboratory is likely to accomplish in the near future in the preparation of habit-forming drugs synthetically and the education of the professions in the use and selection of nonhabit-forming substitutes. Sooner or later heroin, cocaine, and morphine will be possible of manufacture universally at a far less cost than that which now obtains through growth and treatment of the plants from which they are derived. When that time comes supply and demand can be regulated in conformity with economic conditions, plus international agreement as to traffic in these drugs.

(10) The sharp distinction between the medical addict and the underworld addict will clear up many of the problems confronting the medical profession and the law-enforcing agencies. This will also destroy many ramifications of the leakage from legitimate sources to the underground criminal strata. There is a whole-hearted cooperation on the part of every State and local governmental department, executive, legislative, and judicial, to safeguard the interests of the public.

In the city of New York narcotism has decidedly decreased during the past three years. This is evidenced by the fact that a beginner is now rarely found among the addicts recently apprehended. Constant vigilance is necessary, for relaxation on the part of the police would result in the immediate influx into this city of thousands of addicts from all over the country and addiction would claim many new victims.

Only about 10 per cent of the addicts arrested by the police are women. The percentage of female to male addicts is, however, much greater. They are not so liable to arrest, as comparatively few of them personally make their purchases on the street. It is delivered to them or bought usually through some male addict.

Evidence of the control of the situation is shown by the statistics of the ages of addicts. In 1921, when we were several months without a suitable narcotic law in New York City, a large number of individuals became addicts, mostly in the ages of 18, 19, and 20, and the peak age then was around 25 years; that is to say, there were more addicts giving the age of 25 years than any other age. In 1922 this peak age was 27 years, while this year the ages 27 and 28 are almost equal.

SUMMARY

Figures received from 7,559 physicians, or 51.37 per cent of the total physicians in the State of New York (14,715), and figures received from 4,335 dentists, or 60.89 per cent of the total in the State of New York (7,119):

Morphine prescribed in 1922 (physicians), 1,392 ounces, or 43,296 grams.

Heroin prescribed in 1922 (physicians), 30 ounces, or 933 grams.

Cocaine prescribed in 1922 (physicians), 610 ounces, or 18,971 grams.

Cocaine prescribed in 1922 (dentists), 1,716 ounces, or 53,368 grams.

Number of narcotic addicts treated in 1923 was 775.

Do you believe heroin necessary in your practice?

Physicians:

Yes	1,201
No	5,715
Occasionally	404
Unanswered	239

Do you believe cocaine can be advantageously replaced by nonhabit-forming synthetic drugs, such as novocaine or similar preparations?

	Yes	No	Occasionally	Unanswered
Physicians	5,158	1,280	534	687
Dentists	3,770	253	277	35

Applied pro rata for all physicians and dentists in New York State (population 10,384,144).

Morphine prescribed in 1922 (physicians), 2,709 ounces or 84,272 grams.

Heroin prescribed in 1922 (physicians), 58 ounces or 1,816 grams.

Cocaine prescribed in 1922 (physicians), 1,187 ounces or 36,931 grams.

Cocaine used in 1922 (dentists), 2,818 ounces or 87,639 grams.

Number of narcotic addicts treated in 1922, 1,509.

The questionnaire to which reference is made in this paper has added to our available knowledge of this subject. The medical and dental professions have given splendid cooperation, for which I am

[illegible], previously arrested (times)		5,056

Thus it is definitely shown that the medical narcotic addicts whose number can be estimated and who require narcotics because of physi-

deeply appreciative. Their aid in securing the data, comprising expressions of opinion based upon professional experience, utilizable for lay purposes, will be employed for the purpose of solving some of the questions of the narcotic menace.

We may hope, then, that future generations may be free of a curse which has been interlinked with criminality throughout the ages.

WAR DEPARTMENT APPROPRIATIONS

The Senate as in Committee of the Whole resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. NORRIS. Mr. President, the amendment that has been discussed for several days in the Senate is one which, as I said on a former occasion, has attracted the attention of Congress for a great many years. To my mind, the evil that it seeks to remedy is so apparent that it is surprising how, in a civilized country, the people would submit to the injustice that it does seek to remedy. If we permit railroad companies, by means of the power that they now have, apparently, without this amendment being enacted into law, to continue to use that power, we simply say that a favored community shall grow and prosper and that a community not thus favored shall pay additional taxes and bear additional burdens.

When it is claimed, for instance, that we can ship freight from Chicago to Spokane, Wash., and that in the same car or in the same train we may have another shipment of the same kind, of the same weight, going on to Seattle, and that we will compel the merchant or the purchaser in Spokane to pay a higher rate of freight than the merchant or the purchaser in Seattle, we are laying down a principle that can not be defended and never has been defended and for which no man can give any reasonable excuse.

That is a sample of what is going on everywhere. I heard a Senator the other day say that on shipments coming from the West, going through Topeka, Kans., the freight charge to Topeka, Kans., was the freight from the shipping point on to the Missouri River and the local rate back to Topeka added. By what principle of justice can a practice of that kind be defended? I can see how the proposition might be defended that the freight should be the same, although that may have two sides to it; but conceding for the sake of the argument that it should be the same, I have never yet heard what, to my mind, was an argument based upon reason or justice that would justify the charging of a higher rate for a short haul than a long haul when the short haul was included in the long haul. That is a system in our transportation more or less in vogue all over the United States, and always has been. Congress has been trying for many, many years to remedy the situation and in one way or another they always fail, even though they have enacted a statute which, it was thought at the time of its passage, would remedy the evil. Why it is that a proposition of that kind is not accepted unanimously is more than I am able to explain.

The Senator from Idaho [Mr. GOODING] was giving some illustrations of the benefits that come to the railroads in the development of some of our rivers in some instances where corporations and individuals somewhat equal to railroads in power were able to continue boats and barges upon our rivers, developed and built up by the taxpayers' money. But when that comes out into the general traffic in general transportation where the people generally are to get the benefit, then no such condition exists.

In the case I cited, for instance, in regard to Topeka, Kans., or some other point farther west, let us say Hutchinson, Dodge City, or some place the railroad runs right through, it means that the people in the interior points are either paying the losses of the railroad at the terminal point, or that the charges for freight at those interior points are away beyond what they ought to be. If the railroad company is making a profit, which it has a right to make, of course, upon shipments to the terminal point, then if it charges a higher rate for less labor and a shorter haul at an interior point, it logically follows that the rate at the interior point ought to be reduced. If they are carrying the freight to the terminal point at a loss, then they are recouping the loss from the less favored communities in the interior. No defense can be made for the practice in either case.

But the Senator from Idaho, when speaking of the influence that the railroads seem to have to prevent legislation sometimes, called to my attention the wonderful propaganda that has been going on against any change in the so-called Esch-Cummins Act. I suppose every Senator and every Member of the House has had the experience that I have had. Thousands upon thousands of letters come from various kinds of business men in all the localities of the country asking us not to change the Esch-Cummins law and particularly not to change section 15a. I had the experience of having received 8 or 10 letters from a little town in my State, all to the same effect, all written in different language, but all asking the same thing. The next day I would get 8 or 10 letters from another town, 15 or 20 miles away, and so on all the time. That has been going on for months, and is still going on. I took occasion one day to take up the letters that came from one town at the same time, and wrote a letter to each one of those persons and asked them how it was that they came to write the letter. Some of them never answered me, although I inclosed a stamped addressed envelope for reply in every case. Some of them were kind enough to say that on the day when they wrote the letter the attorney for the railroad company had been to see them. One man said, "In fact, he wrote my letter on my typewriter and I signed it. I do not know anything about it. I have not given it any study."

One of the peculiar things is that the people do not know, they do not seem to realize, that they are paying the expense of this propaganda. This attorney who was traveling around was traveling ostensibly on a salary from the railroad company paid by the railroad company, with his expenses paid by the railroad company; but as a matter of fact the people of those towns who purchased anything that had been shipped on the railroad were the people who paid that fellow's salary, and paid for the writing of that letter. It makes very little difference to the company how much the expense of this propaganda is. It is very little concern of theirs how many million dollars it costs, because it is all in the freight bill, and the people who wear clothes, who eat food, wherever they are, are paying their proportionate share of that expense.

I have here a copy of a telegram sent out by the Great Northern Railway Co., and it is only a sample. All the companies are, of course, engaged in the same propaganda work, and we are paying the expense of all of it—every cent of it. It does not cost them anything. This telegram is sent in cipher, in part, and I want to read it to the Senate. I have omitted the name of the person to whom it is sent and his address, because I do not want to identify him and possibly get him into some trouble. The telegram, which is in part in cipher, reads as follows:

St. Paul, April 23, 1924.

GREAT NORTHERN RAILWAY CO.,

House bill introduced by BARKLEY abolishes Labor Board and puts national labor unions in very powerful position as against railroads. Under new rules, bill has been called out of committee for consideration by House and comes up on or about May 5: please confer with other railroad counsel in your State and see whether through cooly plaster and mattings in your stroll abide of leech craft cars drunk time rebuke chide. At conference of railroad counsel to-day all agreed if any useful results are possible, they will be obtained through remit stolen thinly by sex filch.

M. L. COUNTRYMAN.

I will now read that telegram as it is translated, so it will appear in the RECORD decoded. It reads as follows:

House bill introduced by BARKLEY abolishes Labor Board and puts national labor unions in very powerful positions as against railroads. Under the new rules, bill has been called out of committee for consideration by House and comes up on or about May 5. Please confer with other railroad counsel in your State and see whether, through business men and interests in your State, the House can be convinced to oppose bill. At conference of railroad counsel to-day all agreed if any useful results possible they will be obtained through other sources than railroads direct.

M. L. COUNTRYMAN.

I have here a general letter that went out from the law department of the Missouri Pacific Railroad. It is directed "To all local surgeons," and reads as follows:

MISSOURI PACIFIC RAILROAD CO.,
LAW DEPARTMENT,
Atchison, Kans., March 7, 1924.

To all local surgeons:

A meeting was held in the office of the general solicitor of the Atchison, Topeka & Santa Fe, at Topeka, with reference to the situation at Washington.

The situation at Washington indicates that there is danger of legislation in the Senate and House striking at the transportation act of 1920, and there is so much activity in the direction mentioned as to make it necessary to intensify our efforts to defeat the same without delay.

It was decided at the meeting to call on all local surgeons to proceed at once and secure letters from business men, farmers, and others, directed to the congressmen of their district, setting forth,

briefly, why the transportation act should not be repealed or amended, but given a fair trial.

I am sending you herewith the following documents:

(1) Memorandum dated Chicago, January 21, prepared by S. T. Bledsoe, Santa Fe general solicitor.

(2) Letter from Earl H. Ellis, Santa Fe solicitor for Colorado, to Mr. Gardiner Lathrop, dated January 19, 1924.

(3) Points to be used in the letters above referred to.

I am also inclosing a copy of an editorial article entitled, "The transportation act," from the Kansas City Star, December, 1923, which argues against the amendment of the transportation act.

It is of supreme importance that we get as many letters as possible forwarded promptly to our Congressmen and Senators. We do not expect them all to be in the same form. This should be avoided. I am asking you, therefore, to give preferred attention to the subject matter of this letter and lose no time in getting as many letters as possible and having them sent to our Senators and Congressmen.

If you are put to any expense in this matter, such as automobile hire in going to other towns to secure these letters, let me know amounts thereof, and I will make voucher to cover.

Since the expense would be incurred by surgeons, I suppose, there would be something in the vouchers to show that some person was sick or was hurt. The letter continues:

I shall thank you, within the next 10 days, to send me a list of persons who have written letters at your request. You can assist the writers of these letters in preparing the form, having them as different as possible, and not of a rubber stamp, stereotyped character. Immediate attention to this matter is especially requested.

If you can get a few prominent farmers to send in such letters, it would be of much benefit.

Please regard this communication as confidential and not for publication.

I beg pardon; perhaps I ought not to have read it; but that suggestion comes so late in the letter that it had gotten out before I really had time to stop myself. The letter is signed—

Yours truly,

W. P. WAGGENER, *General Attorney.*

That letter was sent to all the surgeons of the system. The people of the community do not know that the surgeons of the railroad companies are doing anything except that which pertains to their professional duties. They do not realize that a great propaganda is on and that surgeons as well as attorneys and other agents are all engaged in the same kind of work if they obey the directions given to them from the top.

Mr. President, in that letter it will be remembered the writer said he included "points" which he wanted to be emphasized in the letter. I have the inclosure, and find that he has stated 11 points. The first point which he wishes them to emphasize in the letter—and Senators who have read the letters which have come to them will recognize these points—is that the railroad is giving the best service ever in the history of the United States. The second point is that they are enabled to give this service under the transportation act. The third point is that under section 15a it is the duty of the Interstate Commerce Commission to prescribe rates which shall yield a fair return, and so forth.

I will print the entire inclosure with my remarks.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Without objection, permission to do so is granted.

The matter referred to is as follows:

POINTS

I. Best service in 1923 in railroad history.

II. Result of operation under transportation act.

III. Most valuable provisions of act are:

I. Section 15a, making it duty of Interstate Commerce Commission to prescribe rates which will yield a fair return.

Paragraphs 3 and 4 of section 13 relative to the supervisory control of the Interstate Commerce Commission over intrastate rates.

IV. While less than a fair return, as fixed by the Interstate Commerce Commission, has been realized under the prescribed rates, yet the income has been sufficient to enable the railroads to pay expenses of operation and small dividends, and their credit has been stabilized so as to enable them to raise and borrow money for pressing capital expenditures.

V. A repeal of section 15a would undoubtedly lead to reduction in rates, which is the real object of the repeal, with consequent reduction of railway revenue and inevitable impairment of service.

VI. Railway credit would also be seriously crippled.

VII. A restoration of the power of the State commissions over intrastate rates, with a limitation upon the supervisory control of the Interstate Commerce Commission thereover, would seriously affect the orderly administration of the transportation act as to rates and bring back the chaos and costly litigation of former years.

VIII. The business and shipping public by a great majority are well satisfied with the present law and the performance of the railroads under it and are opposed to its amendment.

IX. Reductions in rates would bring but little relief to the individual farmer who is complaining, but would shrink the revenues of the railroads to the danger point.

X. Efficient transportation is essential to business prosperity.

XI. Good service is of far greater importance than a reduction of rates.

Mr. NORRIS. I have here a letter which is directed "To all local attorneys in Colorado." It is dated January 18, 1924, and is signed by Earl H. Ellis, general solicitor of the State of Colorado. I am not going to take the time of the Senate, Mr. President, to read the letter, but I will state that it is along the same lines, except it is more in detail than is the letter which I have read which directed the surgeons of the railroads to go out and get letters from business men and farmers addressed to Senators and Members of the House of Representatives asking them not to make any changes in the Esch-Cummins law. I ask unanimous consent that the letter may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

FOSTER BUILDING,
Denver, Colo., January 18, 1924.

To all local attorneys in Colorado:

I have stopped the practice of sending out marked copies of the Traffic World, because I found that they did not make the rounds very promptly. I have looked through the last few numbers, having in mind the thought of what might interest you in connection with our publicity program, and think it proper to comment upon the following matters:

Recently the directors of the National Lumber Manufacturers' Association adopted a resolution which pointed out that the lumber industry can not be served except by regular and dependable car supply; that the Government operation of the railroads failed to give the country efficient service; and that restrictive railroad legislation has resulted not in better service or in lower rates but in financial and physical impoverishment of railway transportation; that during the past three years the railroads, operating under the present law, have furnished the lumber industry with the most satisfactory transportation service in its history, so that:

> "The lumber industry is opposed to further legislative experimentation with the railroad service; to any action that will unnecessarily impair the credit of the railroads or that will hinder or discourage the efforts of the railroads to develop for all American commerce prompt and reliable transportation service at reasonable rates."

Perhaps some of you know lumber people well enough in your community to call their attention to this resolution and to request that they write a letter to any Congressman known to them, placing the stamp of their personal approval upon this argument of the lumber industry generally.

On January 5 to 8 the sixth annual business meeting of the American Fruit & Vegetable Shippers' Association was held at Chicago. At the meeting there was approved a report of the traffic committee, in which a further trial without change of the present transportation act was recommended, and it was ordered that copies be forwarded to all legislative representatives. At the meeting W. A. Schumacher, general freight manager of the Fruit Dispatch Co., gave an address and drew applause, it is reported, when he declared that the carriers needed to be let alone and that efficient service was of greater value to the fruit and vegetable shipper than a rock-bottom rate. In discussing the transportation act he declared that the so-called "guaranty of earnings" clause was in reality a limitation-of-earnings provision.

Perhaps some one of the fruit and vegetable shippers in your community would feel inclined to echo this sentiment in a personal letter, if they happen to know any Congressman well enough, and if you should make the suggestion to them.

A recent bulletin of the Guaranty Trust Co. of New York stresses that continued trial of the transportation act of 1920, maintenance of the existing railroad rate structure as satisfactory to all interests for the present are the cardinal features of a sound railroad policy. The company points out that a reduction in rates on agricultural products would fall on the carriers least able to stand the loss (meaning, among others, the western railroads). Also, it is axiomatic that any savings to the farmers would necessarily result in heavier costs to other classes, with no general benefit to all. The bulletin asserts that a lowering of rail earnings would not constitute a tax on the wealthy people of the country, but would fall upon 2,000,000 owners

of rail securities, many of them persons of small means. From the pamphlet I take the following quotation:

"To nullify, directly or indirectly, at this time, the principle of a fair return on a reasonable valuation, as expressed in the 1920 law, in the face of the generous response of the railroads to its own provisions, and before its full effects can be known, would be not only an act of bad faith but a misdirected effort to remedy conditions whose real causes lie quite outside the field of railway legislation."

I have recently sent you a copy of the Santa Fe bulletin, in which Mr. Storey so clearly proves the fact referred to above that the reasons for high rates lie outside of the railroad legislative field and are purely economic.

Secretary Mellon of the Treasury Department, in his annual report, first points out that the benefit the country has received during the past year was on account of the liberal expenditures by the railroads. He says, however, one unsatisfactory feature, and that is that the funds for this purpose have been almost wholly provided by borrowing under bond issues. Of course this can not be a permanent financial scheme, so unless a proportion of the new capital is provided in the form of proprietary investment the credit of the country would suffer, interest rates upon their offers will have to be advanced, and soon a limit will be reached to such borrowing power. So he concludes:

"The public is interested in maintaining the credit and the service of the railroads, and especially interested now that their expenditures shall be in 1924, as in 1923, a strong supporting element in the general employment business situation."

As you know, rail executives are planning to keep up the remarkable improvement program for the coming year, believing that Congress is not going to change the present law. Any change of any serious nature whatsoever would undoubtedly, in my opinion, result in an immediate curtailment of the railway companies of these expenditures, which are so beneficial to the general situation throughout the country.

Walker D. Hines, former Director General of Railroads, recently made a very able talk in connection with section 15a of the Interstate commerce act, the basis of the present structure of freight rates. He referred favorably to the decision of the Supreme Court which has denied the validity of the contention made by a few railroads relative to the recapture clause and has upheld the excess-earnings provisions of the transportation act. He sees in this a reason for insisting with greater emphasis and confidence than ever before that section 15a be not repealed. His suggestion to the business men of the country is so important that I feel that I should give it to you, as you may find the opportunity to use it in discussing this general question with any business man or Congressman.

"If your public Representatives say they are favorable to this repeal, ask them to search their conscience and tell you why. Do they wish to break down the railroads so as to bring about eventual Government ownership and operation; do they wish to aid in bringing about a practical situation where rates will be lower than are necessary to meet the legitimate cost of railroad operation? If not, why do they wish to repeal section 15a? They certainly will not admit that they do so for the purpose of leading the public to believe that the repeal will bring about rate reductions which they believe would not be brought about. Nor are they likely to admit that they simply want to shift the entire burden of responsibility to the commission and be wholly free from any such burden themselves, and yet that is one of the most obvious things that would be involved in a repeal of the section. Congress would be washing its hands of a great responsibility in connection with an essential affirmative policy for protecting the transportation which the people need. Nor are our public Representatives who seem favorable to a repeal of this section likely to admit that they wish to abandon an affirmative and comprehensive policy toward the railroads and go back to the old-time piecemeal policy of negation. But if none of these things do account for their position, then why do they wish to repeal section 15a? I urge you to press that question home and to insist upon an answer. If they come forward with an adequate substitute, some other and better expression of the comprehensive and affirmative policy which is indispensable to give the people the transportation they need, a different situation would be presented. But no such substitute is proposed. It is a bare proposal to undo what has been done, to return to a negative policy instead of an affirmative policy, and I urge you to continue to ask why this should be done and to insist that it shall not be done."

If you find such a letter as this of any value or assistance to you I shall be very glad.

Very truly yours,

EARL H. ELLIS,
Solicitor for Colorado.

Mr. NORRIS. Mr. President, if all citizens of the United States realized that the propaganda such as has been going on for the last several months and which is still going on is conducted at the expense of the people at large and not of the railroads, they would appreciate the importance of it. The great efficiency that is claimed by the present management lies in part in the fact—and of that I do not complain—that they are able to pass on all charges to the consumers of the country. They ought, however, to be prevented from carrying on a propaganda as expensive and great as that which is going on now; they ought to be compelled to pay it out of their own earnings and not be allowed to charge it up as freight and passenger rates to the people of the United States, who must contribute the entire expense.

Mr. WALSH of Montana. Mr. President, let me inquire of the Senator whether the auditing system imposed upon the railroads by the Interstate Commerce Commission requires them to itemize expenditures of that kind? It has been represented to me that an enormous amount of money has been expended by the various railroads of the country for the purpose of carrying on a propaganda against the Government ownership of railroads and for the purpose of discrediting the administration of the railroads by the Government during the war. Does the auditing system descend so much into detail as to afford us any information concerning the total amount of money expended for such purposes?

Mr. NORRIS. I am unable definitely to answer the Senator's question. I may be wrong about it, but, in my judgment, the auditing system does not do that.

Mr. WALSH of Montana. How is it in the case, for instance, which the Senator has mentioned?

Mr. NORRIS. The letter which I read was directed to the surgeons of the railroad. I emphasized as I went along that portion of the letter which advised the surgeons that if they incurred any expense, if they hired automobiles to go to other towns, for instance, to send in a statement and it would be covered with a voucher. The man who wrote that letter was not a surgeon. He was one of the attorneys, and I presume he would cover the expense in a voucher that would show the expenditure of the money in the line of duty of the surgeon.

Mr. WALSH of Montana. But when I go to the monthly report of the railroad company showing its receipts and expenditures, under what head would such expenditures as that be found?

Mr. NORRIS. I presume they would be found under the heading of expenses of surgeons. The expenses incurred under the other letter which I read here would come under a different department; probably they would come strictly under the legal department, and I presume, if the local attorneys went to any expense, that a voucher would provide for their expenses and, perhaps, would include payment for their time, although I do not know as to that, and would be covered up somewhere in the books as expenses of the legal department, and so on.

Mr. WALSH of Montana. I am reminded that when I was a youth in Wisconsin lumbering was extensively carried on, and the manager of the winter camp used to send in a bill which included the item of "incidentals." That item was generally regarded as covering drinks.

Mr. NORRIS. Yes; and I presume there would be some of the same kind of "incidentals" in the work of the surgeons and attorneys to which I have referred. Probably if it were necessary to get a good letter from a farmer he would like to partake of those "incidentals."

Mr. KING. Perhaps they would include cider or homemade beer.

Mr. NORRIS. Possibly.

Mr. President, it seems to me important that we should bring home to the people of the United States the fact that they are paying the bill for these expenditures. As the Senator from Montana has said, the propaganda of the railroads against Government ownership, their propaganda against a change in the law, and their propaganda when the time comes—and it does come every little while—in regard to the appointment of some man on the Interstate Commerce Commission or perhaps on the Federal bench, carried on all over the United States, involve the expenditure of millions and millions of dollars. The expense of postage alone on letters that come to Members of the House of Representatives and the Senate is something enormous. They are coming to my office, and have been coming for months, at the rate of from 10 to 15 every day. Somebody writes them. In many cases men are on the road traveling around doing the work. They all get good salaries; they all stop at good hotels; and the entire bill is paid for by the farmers and business men of this country. In other words, the people of the country are being bled and made to pay for their own deception.

Mr. JOHNSON of Minnesota. The Senator might add also that Mr. Countryman himself, the vice president and counsel of the Great Northern Railroad, is out every week making

speeches telling that the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Nebraska [Mr. NORRIS], myself, and others are out with threshing machines for the railways. I imagine that expense is also charged up, and we have to pay the bill.

Mr. RANSDELL. Mr. President, I wish to discuss—briefly I hope—the proposed amendment of the Senator from Nevada [Mr. PITTMAN]. In my judgment, this amendment, which provides for enforcement of the long-and-short-haul clause of the interstate commerce act, is one of the most important measures that have been presented to Congress in the present session, indeed that have been before us in a great many years. I know of nothing that enters more closely into the daily relations of life than transportation. It affects everything we eat, everything we wear, the houses that shelter us, and our means of getting from place to place. It really and truly enters into our daily life as closely as anything can possibly do.

The question before the Senate to-day was stated very tersely at a meeting of the rivers and harbors congress in this city about two years ago, when a joint debate was held on the subject: "Should water competition be considered a justification for relief from the long-and-short-haul clause?" The negative of that proposition was taken by Mr. Frank Lyon, an attorney of this city. He stated the question so much better than I can that I will read it:

The concrete proposition which is now before this association is to have Congress enact a law depriving the Interstate Commerce Commission of the power to permit a railroad to reduce its rates to and from water-competitive points below a reasonable basis when such reduction is solely for the purpose of depriving the water lines of business they would secure if the railroad were forced to charge the water-competitive points the same reasonable rate that it must charge interior points.

That is the whole case—to pass a law that will prevent the railroads of the country from charging such low rates at water-competitive points as will deprive boats, whether ocean carriers or steamboats on our interior waters, from getting and doing the business they are entitled to receive by the natural advantages which their cheaper method of water transportation naturally gives to them.

Mr. President, I have always been in favor of the idea presented by this amendment. During my entire 25 years in Congress I have taken an interest in the development of the waterways of this country. The Senator from Nevada [Mr. PITTMAN], in discussing this question two days ago, rather criticized the attitude of myself and others in so strongly advocating large appropriations for the improvement of waterways which are not used. That criticism was not an unnatural one on the part of the Senator, and I am sure he did not intend it in any improper sense.

We have spent very large sums for improving rivers which at this day are not being used at all, or used only very slightly; but, Mr. President and Senators, we have also spent large sums for improving rivers and connecting waters that are used, and used with tremendous benefit to the American people. Let me cite you the giant locks on the Sault Ste. Marie River, connecting Lake Superior and Lake Huron, the improvements on the Detroit River, the great improvements on the harbors of the Lakes. Vast sums have been spent for those connecting channels and lake harbors, with what result? A truly colossal commerce is carried annually from the upper end to the lower end of the Lakes and back again—from the upper end largely composed of iron ore to be converted into steel for the use and benefit of all the citizens of the land, and from the lower end mainly of coal for the use of the citizens of the great Northwest.

There is a vast commerce also in machinery, autos, lumber, furniture, and in package goods of various kinds and sorts. I have not the figures before me, but the last time I examined them that commerce ran into something like eighty to ninety million tons per annum, and it was carried at a rate averaging about one-ninth of the railroad rate of the country. For one-ninth of the railroad rate of the country this colossal commerce was carried on the Great Lakes because of the expenditure of several million dollars to construct big locks at the Sault Ste. Marie and to dredge the channel of the Detroit River and to deepen the harbors on the Great Lakes so that mighty steamers, truly ships, drawing 20 to 21 feet of water, could ply those Lakes—inland seas, as they are justly called. Mr. President, all America has received wonderful benefits from those waterway improvements.

Mr. KING. Mr. President, will the Senator yield?

Mr. RANSDELL. I yield to the Senator.

Mr. KING. I should like to ask the Senator whether or not the costs to which he now refers upon the Great Lakes would be substantially the same or would they not be very much less than the costs upon what might be called inland streams, rivers, and waterways; and, secondly—if I may ask two questions at the same time—whether the cost of handling bulky material, such as were carried upon the ships, would not be less relatively than the cost of handling manufactured and more valuable articles and commodities, because in carrying the latter it seemed to me that both ships and railroads would be compelled to employ instrumentalities and agencies of a higher character and to bestow upon them greater care than would have to be bestowed upon the bulky and less valuable articles?

Mr. RANSDELL. That is a very pertinent question. To answer the latter part of it first, there is no doubt but that it costs more to handle ordinary merchandise, manufactured articles of iron and steel and wood, package goods of every kind and sort, than it does to handle such commodities as iron ore and coal, to which I have just alluded.

There are wonderful appliances for handling ore and coal on the Great Lakes. I had the pleasure of visiting the Mesabi Range, at the western end of Lake Superior, several years ago. I went out into the country about 80 miles from Duluth-Superior and saw this very rich iron ore, 65 to 70 per cent iron, being scooped up from the ground in steam shovels—not mined in the ordinary sense, but dug up in steam shovels—and loaded onto cars. The cars then traveled for 80 miles to the city of Duluth, and went out over the docks on their rails. They had automatic openings underneath and these openings dropped the ore into the great docks, which were built, as I recall, for a long distance out over the lake and high above the water. The boats then ran alongside these ore docks. There were large steel chutes running from the lower portion of the ore docks into the hatches of the ship—one chute for each hatch—and it was entirely feasible to load one of those big steamers, carrying nine or ten thousand tons of ore, in 60 to 90 minutes.

I do not know any place in the world where commerce is handled more expeditiously than there. That ore ship would then go through the entire length of Lakes Superior, Huron, and Erie to the ports in the State of Ohio, such as Cleveland, Ashtabula, Conneaut, and others, or to Buffalo, N. Y. There it would dock alongside of railroad tracks, and with a perfectly marvelous machine, known as the Hewlett automatic unloading machine, this ore would be picked up in a big scooping shovel handling 6 or 7 tons at each load, would be whisked up from the ship, carried on an overhead trolley, and dropped in the car without being ever touched by human hands. That car would carry it to local furnaces or to Pittsburgh or wherever it was to be handled.

That was a wonderfully cheap method of handling the ore at both ends. Coal was handled very much in the same way. I saw great cars loaded with many tons of coal picked up, swung out by a great crane over the ship, and tilted so that the entire load of coal was dumped down into the ship. Of course, it is impossible to handle ordinary commerce by any such method as that; but a great advance has been made, let me say to the Senator, in the handling of many kinds of commerce. Truly marvelous water terminals have been constructed on the Mississippi River within the last few years. Many devices, the product of the best engineering skill, have been placed along these waterways, and it is possible to load and unload freight from the boats at a very small charge. A great deal of the commerce on the interior rivers—to make some kind of comparison between the freights there, as I understood the Senator's question, and the freights on the Great Lakes—a great deal of the commerce on these interior rivers, certainly in the past, was coal, the fuel which is essential to human civilization. That coal was carried down the Ohio and the Mississippi Rivers in great fleets of barges. There is an instance on record where a steamboat carried in one tow 56,000 tons of coal in a fleet of 72 barges. That coal was loaded at the extreme upper end of the Ohio River, either in Pennsylvania or West Virginia. It was carried down the river on freshets. It could not be conveyed during the greater portion of the year, but when the water was high in the spring, for several months when there was good boating on the river, that coal was carried down in small tows, was picked up after it reached the Mississippi River, bunched together in this one immense tow, and carried all the way down to Louisiana.

That kind of commerce was as cheap as the commerce on the Great Lakes. Gen. William L. Sibert, one of the most remarkable engineers this country ever produced, the builder of the Gatun Locks and Dams at Panama, a colaborer in the wonderful task of constructing the Panama Canal with General Goethals and General Gilliard, made a most elaborate study of transpor-

tation on the Ohio and Mississippi Rivers, and according to him the cost to carry coal down the Ohio, when canalized to 9 feet, and the Mississippi would be about one-eleventh to one-tenth of the average railroad charges in the country.

Beyond question, Senators, water transportation is much cheaper than rail transportation where you have good channels available all the year round. The frictional resistance of water itself, a fluid, is infinitely less than that of steel rails. A given amount of energy applied to a vessel loaded with a thousand tons or ten thousand tons of freight will carry that freight a great deal farther and easier and at infinitely less expense than if carried over a railroad. Your own common sense will tell you how much easier it is to move a load on the water than over a dirt road or a steel railroad.

There is no question, Senators, but that the god of nature intended the waterways to be used by man as transportation agencies. We have had the railroads for only a little over a hundred years. We have had real beneficial development of railroads for less than a hundred years; but during all the ages of time prior to the last hundred years man was dependent upon the waterways. The great cities of the ancient world were always found on navigable waters. There were comparatively very few highways of any consequence anywhere on earth. We read of the famous Appian Way and some good roads in the old Roman Empire, but the roads were very few and very far between. People could travel by water with comparative ease, but it was extremely dificult to travel by land.

In the early days of our Republic, the days of the immortal Washington, great interest was taken in waterways. Some historians say of Washington that not only was he the Father of his Country but, in a particular degree, the father of waterway transportation in this country. As I understand it, when he was notified of his nomination for President of the United States he resigned his position as president of a canal company to become President of the United States.

The initial cause, the main cause, for the convention which resulted in our great Constitution was the necessity of the various States getting together on transportation problems. In many instances rivers were the dividing lines between the States. Interstate commerce was a problem of extreme difficulty. It was absolutely necessary to provide for close interstate relations; and because of the troubles between Maryland and Virginia on the Potomac, and Pennsylvania and Delaware and New Jersey on the Delaware, the first interstate convention was called, which resulted later in the convention that created our Federal Constitution. It was necessary to settle this very problem of water transportation.

George Washington predicted, in the early portion of his career, following the Revolution, that if the Atlantic States did not connect with the Ohio Valley by a good, sufficient waterway, the people of the Ohio Valley would separate and form a government entirely distinct from that along the Atlantic. From the earliest days of this Republic until very recent times we used the waterways and derived great benefits from them.

As the Senator from Nevada [Mr. PITTMAN] said in his able speech two days ago, when he and I were boys—I believe I was a little bigger boy then he—living on the banks of the Mississippi River in northeast Louisiana, there were a great many steamboats, and magnificent boats they were, plying the Mississippi River. But at that time there were no railroads to serve the large population on each bank of the river. The only means of transportation from New Orleans up to St. Louis, from St. Louis on to Kansas City, from Kansas City on and on and on, up to Fort Benton on the Missouri, was by boats. The only way to reach most of the river points up to Pittsburgh, a thousand miles up the Ohio, was by boat. The only way to get up to St. Paul and Minneapolis in those early days, perhaps a little earlier than the time to which I have alluded, was by boat.

In spite of the fact that there were many shallows in the river which interfered with navigation during extreme low-water seasons, and in spite of the fact that ice interfered materially during several months of the winter in the upper stretches of the river, those boats gave the people reasonably good and cheap transportation for several months out of each year, and the only transportation they had. Certainly, Senators, there were no highways in those days; there were no railways, and it was either use such waterways as the god of nature had given us, unimproved as they were, or not travel. That was the situation.

When the railroads came they found it advisable from their narrow and unwise viewpoints to destroy water competition. All up and down the Mississippi River, at such points as Baton Rouge, Pinquemines, Vidalia, St. Joseph, and Lake Providence, in my State; Natchez, Vicksburg, Greenville, Friars Point, and other places in Mississippi; Helena and other points in Arkansas; Memphis and other points in Tennessee, and so on up the line, the railroads said, in substance, "We do not propose to have boats competing with us and carrying freight a great deal cheaper than we can possibly carry it."

I will not attempt to go into details on that; it has been done already; but, as a matter of history, the boats were gradually driven off the river by the railroads making such low rates at river points that the boats were unable to compete with them, and in that instance these railroads charged very much higher rates at interior points sufficiently far from the waterway so that it would cost more to haul by wagon from the point to the river than the extra freight would amount to. In other words, at interior points they placed on the commerce all the charges that it would bear. If a town was 10 or 15 miles in the interior and there was an impassable forest or swamp between that point and the river, they charged just as much from that point as from an interior town 100 or 200 miles from the river-competitive point. They succeeded thoroughly in driving the boats off the river.

Now comes the question, Why did we go on improving the rivers, seeing there were no boats on them and no commerce? Why did Congress undertake, at a cost of what I believe will ultimately be more than $100,000,000, to canalize the Ohio River from Pittsburgh to Cairo?

That is 1,000 miles of river. It runs through the most marvelous freight-developing region in America. There is no place on this globe—and I say it advisedly—which generates anything like as much commerce in tons—I do not say in value, but in tons—as Pittsburgh and the district 50 miles around it. Students of the subject say that the commerce of that region is greater than the combined commerce of London, Liverpool, Hongkong, and New York, greater than all four combined, not more valuable than all four, for it is commerce composed very largely of steel and iron and coal and the products of those three minerals.

However, Senators, it costs practically as much to convey from Pittsburgh to the seaboard a ton of coal as it would cost to convey a ton of the most valuable manufactured products that can be conceived. To a great extent a ton is a ton when it comes to conveying it from place to place. After the railroads had driven away the boats they began to put up the rates and to make things extremely unpleasant for people along the rivers. So throughout the land waterway associations were formed for the purpose of assisting in and urging Congress to improve the rivers in order that they might become the same effective carriers of freight in the future as in the past. The engineers were required to survey the Ohio River to see if it could not be made navigable every day throughout the year when the ice permitted boats to travel. The engineers found that it was feasible and practicable to do so.

Congress undertook the improvement of the Ohio River by a law enacted in 1876 and we have been enacting laws ever since to improve it. The original law provided for a 6-foot channel. In 1910 the law was changed so as to provide for a continuous depth of 9 feet all the way down the Ohio River from Pittsburgh to Cairo, by the construction of 53 locks and dams at an estimated cost, to complete the improvement in 1910, of $63,000,000, if my memory is correct. That act provided that the work was to be completed within 10 years. Fourteen years have elapsed since 1910, and according to the latest information from the Engineer Corps of the Army it will require at least five or six years longer to finish the Ohio River work. So we are going to be 10 years behind time in completing that work which was begun in 1876. In this connection let us not forget that the Panama Canal—by odds the most difficult and expensive waterway improvement ever undertaken—was completed and in operation within 10 years from its inception.

Surely no one can expect boats to compete reasonably with railroads along the banks of the Ohio—and I use that as an illustration for other waterways—unless the river is so improved that they have a continuous certain period of navigation when free from ice. I have just told of the colossal commerce on the Great Lakes amounting to 90,000,000 tons carried at one-ninth of the average railroad rate. On the Great Lakes there are between four and four and a half months of ice. Boats can only run about seven and a half to eight months at the outside. Yet commerce knows definitely and positively that for the other seven and a half to eight months great fleets of boats are going to run, and carry that commerce at very low rates.

If we could have the Ohio improved so as to have a dependable channel of 9 feet for every month of the year except when stopped by ice—say eight dependable months from the high water of the spring until the ice accumulates in December—there would be large fleets of boats on the Ohio. They would carry very large volumes of commerce from that great freight-producing region, the Pittsburgh district and throughout the entire length of the river. They would carry the products of steel and iron and porcelain and everything made of minerals for 2,000 miles down the Ohio and the Mississippi to the ocean at New Orleans to be transshipped thence to the marts of the world. They would carry a vast commerce on the Ohio, if the other rivers were properly improved, down to Cairo and up to St. Paul, out to Kansas City and Omaha, and up through an improved Illinois River to the city of Chicago and the Great Lakes. They would carry it, Senators, through the 16,000 miles of navigable waters of the Mississippi River system if all those rivers were properly improved as some of them are now being improved. We can not use them effectively now, because of innumerable shallows and obstructions, but we would use them to great advantage if properly improved, and that is the answer to the query, "Why are you improving the rivers and not using them?"

One little river up near Pittsburgh was improved a few years ago, the Monongahela. On the Monongahela, a little river which many of us probably have never heard of, there were 30,000,000 tons of commerce carried last year—think of it—30,000,000 tons, at an average of one-third the average rail rates of the country. Who gets the benefit of that cheap commerce on the Monongahela River? Every one of us, for that commerce is iron ore and coal and the products of ore and coal, and every citizen of the Union is a beneficiary of the resultant low priced steel and its countless products.

It is needless for me to remind the Senate that the very large portion of our expenditures for rivers and harbors has been for the harbors of the country. The harbors, as we all know, are railroad terminals. What is the great harbor of New York, that of Boston, that of Philadelphia, that of Baltimore, that of Norfolk, of New Orleans, of Los Angeles, of San Francisco, Seatle, and Portland—what are all of those great harbors but railroad terminals? The railroads run into those ports, run up alongside the ships, unload their cargo into the ships, and receive a return cargo from the ships.

After 25 years of experience in Congress, 23 of which have been spent as a member of either the Rivers and Harbors Committee of the House or the Commerce Committee of the Senate, I can say that I have never known any opposition on the part of the railroads or from any other source to the improvement of harbors. I have shrewdly suspected very serious opposition to the improvement of the rivers from our railway competitors. I hope I make myself clear. The harbors on which immense sums have been spent are cooperators, parts and parcels, of the railway systems, and wisely so. I am not criticizing it. They have been improved, with everybody willing to make the improvements, but when it came to improving a great river like the Ohio, with its wonderful potentialities as a competitor with railroads, somebody worked his rabbit's foot in such a way that although we began to improve the river in 1876—48 years ago—we are still six years away from completion.

Now, Senators, suppose anyone with plenty of money in hand—for no one can say the United States did not have sufficient money to improve the Ohio River, and no one can say we did not have as able engineers as there are on earth—should handle his private business in that way? What would be thought of him? That is not any more extreme than other cases I might mention. I use it as an illustration.

Again I say it is for such reasons as that that the waterway organizations throughout the land have insisted that we must make the rivers navigable all the year around. Right now before the Committee on Agriculture and Forestry there is an extremely interesting hearing going on that has taken weeks and weeks of time in connection with the Muscle Shoals development. At Muscle Shoals we are building a great dam for the joint purpose of creating electric power and giving good navigation on the Tennessee River. In connection with it we have to construct another dam up the stream known as Dam No. 3. Then other dams will have to be constructed on the Tennessee. Work is going on upon many of the rivers of the country. Well do I recall that when elected to Congress in September, 1920, the first movement in which I took a live interest was the improvement of the Ouachita River in Louisiana and Arkansas. That was practically 25 years ago. We began active work on the river after a very desperate fight in Congress in 1902, 22 years ago, under the leadership of Senator Berry, of Arkansas, and of myself in the House. Just 10 days ago the first steamboat went up the Ouachita from New Orleans to Camden, the head of that navigation.

It took us 22 years to finish the locks and dams on that great river—and I use the term "great" advisedly—so that boats could load at New Orleans, go up to the junction of Black River with the Red, and up the Ouachita 400 miles to the city of Camden. We are going to use that river now. It is navigable for the entire year. It will be used, and great will be the benefit to the people along its banks. With that discussion as to rivers, I wish to say just a few words about the coastwise trade.

I have not looked into that subject very carefully lately. I listened to what the Senator from Nevada [Mr. PITTMAN] said, and I have no doubt he stated the facts correctly, that if we do not watch closely and do not enact this amendment which he has proposed or legislation similar to that the vast coastwise commerce of this country will be destroyed.

I had a conference several days ago with several members of the board of directors of the National Merchant Marine Association, and one of the ablest shipping men in America made the statement that the coastwise business of this country is in very great distress and it is necessary to do something for it. Senators, all of us recall that when the World War broke out in 1914 all but 9 per cent of the foreign commerce of this country was carried in ships flying foreign flags. Only 9 per cent of our gigantic foreign commerce was carried under the folds of Old Glory; 91 per cent was carried in foreign ships, exactly reversing the conditions which prevailed 100 years before, when 90 per cent of our commerce and a great deal of the commerce of other countries was carried under the American flag and only 10 per cent was carried under foreign flags.

Our overseas merchant marine was in a very unfortunate position at the outbreak of the World War; but, thanks to the law prohibiting foreign vessels from engaging in the coastwise business of the United States, we had a very respectable fleet of vessels under our flag engaged in the coastwise business, a fleet consisting, if I recall correctly, of nearly 5,000,000 tons of good ships. When the cry went up for ships, more ships, and still more ships to carry food and supplies to our allies abroad, and to carry our men across the sea to save democratic institutions, we had at least the nucleus of a fleet in those coastwise vessels. They performed wonderful service to this Nation and for mankind, and we can not afford to do anything that will jeopardize the coastwise business of our country. If the railroads are to be permitted so to reduce their freight rates to seaport as to make it unprofitable for vessels to engage in the coastwise commerce, and so to drive those vessels from the sea, I should consider it such a serious national calamity that it must be prevented at any cost; and such a calamity, beyond question, would be prevented should the pending amendment on the long-and-short-haul clause be adopted. That consideration alone, in my judgment, warrants us in adopting the amendment.

Senators, I have never knowingly given my consent to anything that was palpably unjust and unfair to any portion of our Republic, and no man with any real sense of fair play in his make-up can say that the interior sections of our country, away from the waterways, away from navigable streams, and especially those sections which are located in what are known as the intermountain region, have been treated fairly in regard to their freight rates.

Their treatment has been unjust in the extreme, and I for one am willing now, as I have always been willing, to vote for any law that will bring about reasonable and proper treatment of all sections. In this category I include not alone the intermountain section, for there are plenty of other towns and cities in this land, situated 25, 100, or 150 miles away from navigable waters and a thousand miles or more from the intermountain section, which need relief. So do not imagine that that section alone is interested in this question; a great many others are likewise interested, and common decency requires that all of them should be properly and fairly treated.

Mr. President and Senators, beyond any question it is our duty, especially in this period when freight rates are high, when the cost of living is high, when the cost of everything is high, so to act, if we possibly can, that we may have a reduction in the cost of transportation.

Do not understand me as being inimical in any sense to railroads. I consider that the railroads of this country have been the most marvelous developers of civilization the world has ever known. Our great country could not have gone forward by leaps and bounds as it has, could not have risen to the highest place in the world, but for our great railroad systems. I give them proper credit; but, while I accord them all the credit to which they are entitled, I deem it the part of wisdom, I deem it essential for us to develop and use the

highways and to develop and use the waterways to the very fullest possible extent.

There is a trinity of transportation—highways, railways, and waterways. There should be no rivalry between them, no competition between them; they should be friendly; they should cooperate in every way. As Schley said to Sampson after the Battle of Santiago, "There is glory enough for all," so we may say of the highways, railways, and waterways, "There is business enough for all three systems of transportation in this country." Let us develop them and use them. Certainly if the Maker of the universe so planned His work that waterways can carry freight for very much less than railways can carry it, we are not cooperating with the Creator unless we use those waterways. He intended them for use.

I have shown that the colossal commerce of the Great Lakes is carried at one-ninth of the rail rates; I have shown, according to Colonel Siebert, that a great portion of the commerce of the fully improved Ohio and Mississippi can be carried at from one-tenth to one-eleventh of the rail rates. Then, if that be true, it is our duty beyond any question, Senators—it is our bounden duty as patriots and lawmakers—so to legislate that these waterways will be used. And I say to you that I know of nothing that will tend more to bring them into use than the adoption of the amendment offered by the Senator from Nevada.

Mr. President, I have very little more to say. I should like to read as part of my remarks two telegrams addressed to Mr. William Allen, Munsey Building, this city, by Mr. Theodore Brent, of New Orleans. Mr. Brent is one of the best traffic men in America, and for many years was connected with the railroads.

For the past few years he has been in charge of the barge line on the Mississippi River, the line of boats running from New Orleans to St. Louis, which we have every reason to believe is going to prove quite successful in carrying large quantities of freight and greatly reducing the rates thereof, although at the present time the reduction is only 20 per cent. That is, this barge line, in its incomplete condition, with unfinished terminals, with boats not equipped as they should be, and with a shortage of plant in many things, is carrying a large amount of freight at 80 per cent of the rail rates; and the railroads are carrying freight adjacent to that river, as the Senator from Nevada pointed out, at considerably less than their average rates—58 per cent of their average rates, the Senator reminds me. Let me say that it is not only the freight actually carried by the barge lines for which the shippers pay 80 per cent of the average rail rates, but there is a very large commerce carried by the railroads adjacent to the river for which the charge is only 58 per cent of their average rates; so it will be seen that that barge line is beginning to be of immense benefit to the people.

This telegram is dated May 14, from New Orleans, and reads as follows:

WILLIAM ALLEN,
830 Munsey Building, Washington, D. C.:

I have already wired you giving my own opinion as to the Gooding bill. As to paragraph 2 of section 4, as administered by commission, there is no health in it for a water line. The commission has allowed the railroads to do what they please, and they have always been able to make a plea of changed conditions, other than elimination of water competition, which suited the immediate emergencies of the railroad. If the Gooding bill passes, we don't need the second paragraph of the fourth section. No person who hopes to see inland and coastwise water transportation, whether publicly or privately administered, become as permanent a part of the Nation's transportation system as the railroad should oppose the present effort to secure a more rigid fourth section. The 14 years of discretionary administration of this section by the commission offers little hope of stabilizing investment in water-transportation property under the existing law. Under a more rigid law requiring the railroads to consult the actual aggregate cost of rail transportation in fixing railroad rates, instead of their eagerness to absorb traffic which can be more cheaply carried by water, it will, in my judgment, result in a gradual and logical separation between rail rates and water rates commensurate with the relative cost of the service performed by each, and with the savings of water transportation easily reflected to the people of the interior through logical expansion of the system of joint rail, water, and rail rates.

BRENT.

In this connection I desire also to read the following telegram:

MAY 15, 1924.

WILLIAM ALLEN,
830 Munsey Building, Washington, D. C.:

Your letter 13th. I have read CONGRESSIONAL RECORD as suggested. Senator PITTMAN is absolutely correct. I think it would be very foolish for friends of waterways not to join these intermountain people in their efforts to pass the Gooding amendment. At the very least we should not jeopardize river appropriations and barge-line legislation by any opposition to this law. I can not personally think of anything which will so tend to clean up the uncertainty as to the future of water transportation as to remove from the field of commission's discretion the administration of the fourth section except in matter of export and import rates which are essentially divisions of through rates to points beyond our country, and in allowing one railroad to meet the shorter haul of another railroad. Experience has proven that this is all the latitude that ever was necessary in order to give the proper measure of railroad competition; and now we should go a step further, and see that the railroads under the law are not privileged to prey upon the water lines. * * * Railroads put the steamboats on the Mississippi River out of business by just the same methods the transcontinental lines are using to put the coastwise ships out of business; and there is also pending before the Interstate Commerce Commission at present time a similar application on the part of the Mississippi Valley lines to do just the same thing with rates between Chicago and New Orleans.

BRENT.

Before concluding, Mr. President, I wish to say that in my judgment we are rapidly approaching the time when waterways are going to be used again. On a few of the rivers of the country the improvement is in such a state that it is feasible to use these waterways; and though the boats were driven off years ago, and though it is very hard to get men started again to using the rivers, it is being done gradually. If Congress will carry on for a few years longer the policy of improving a few of our great rivers, and of completing work already begun, such as the completion of the Ohio, to which I have alluded, of the upper Mississippi, of the Missouri to Kansas City, and of the Illinois to the city of Chicago, there will grow up within the next 10 years a very great commerce by water through all that interior section.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Louisiana yield to the Senator from Maryland?

Mr. RANSDELL. I do.

Mr. BRUCE. I should like to ask the Senator just why it is, in his opinion, that general use is not made at the present time of the inland waters of this country for commercial purposes? To what does the Senator ascribe that fact?

Mr. RANSDELL. If the Senator had listened to me he would not have been obliged to ask that question, because I tried to cover it.

Mr. BRUCE. I listened, I can truly say, to every word the Senator uttered, and certainly his thoughts were very clearly expressed; but it seemed to me he never came just to that question.

Mr. RANSDELL. I tried to show that in the early days, when there were no highways and no railways, the boats were so much better than for people to haul their goods in mule wagons or ox wagons or something of that kind, that, although the rivers were frozen for several months in the year in the wintertime and were very shallow for several months of the year in the summer time, there was a period of a few months of each year when the boats could run on them, and they had a very large commerce. When, however, the railroads were built on either bank of the stream, and when the boats were completely driven away by the very low charges at river points, recouped by the high charges at interior points, the boats went out of business, and people have not been willing to put their money in them since.

Mr. BRUCE. What I want to ask the Senator is this: Are those boats being driven away at the present time by rate discriminations in favor of the railways?

Mr. RANSDELL. No, Mr. President; they were driven away years ago, and they have never come back.

Mr. BRUCE. But there must be some reason, then, for their never having come back, aside from railway discrimination. Why have they not come back?

Mr. RANSDELL. Let me ask the Senator, if he had a lot of money that he wanted to conserve for the use of his family, his wife and children, does he think he would invest it in steamboats on the Mississippi River, let us say, when there was a rival railroad on either bank of the river, and the moment he got started carrying freight on that river the railroads would make such low rates at Baton Rouge, and Natchez, and Vicksburg, and Lake Providence, and Greenville, and Helena, and Memphis, and all the points up the river that he could not afford to carry the freight?

Mr. BRUCE. Yes; I would, provided there was an Interstate Commerce Commission sitting at Washington pledged by the statute under which it was discharging its duties to foster and preserve both railway and water transportation.

Mr. RANSDELL. I am glad to see the faith the Senator from Maryland has in waterways, for I have been a waterway crank for 25 years, and I have done everything I possibly could to encourage the use of these waterways. I have some good friends who have gone down in the slough of despond and in poverty in their old age as a result of trying to fight railroads by running boats. They can not do it. There is something wrong in the laws, and I believe this amendment will correct that wrong.

Mr. BRUCE. The Senator will not be affronted, I am sure, if I ask him, then, whether he believes with the Senator from Idaho [Mr. GOODING] that the Interstate Commerce Commission is the tool of the railway companies of the United States?

Mr. RANSDELL. I do not want to say anything of that kind. I would not go so far as that.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Idaho?

Mr. RANSDELL. Pardon me for a moment; then I will yield to the Senator.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. RANSDELL. Let me say to the Senator from Maryland that what a man drinks in with his mother's milk influences him during all of his life; and the Interstate Commerce Commission was created for the purpose of regulating railroad rates. If the Senator will examine the law, he will not find that it mentions waterways. There is not anything about waterways in it. The commission has not any right to regulate rates by water, either on the ocean or in the interior. It is a railroad organization, so intended by law, to regulate rates. It is natural that its members should lean that way. I do not believe that a single one of these gentlemen means to be corrupt or bad; but I believe that all the trend of their thoughts is to build up and maintain and strengthen the great railroad systems of the country, which they were created to assist and regulate. That is my view of the matter.

Mr. BRUCE. Why have they that bias, if I may ask the Senator from Louisiana?

Mr. RANSDELL. Why, they were created that way.

Mr. BRUCE. The Senator means the Interstate Commerce Commission?

Mr. RANSDELL. The act itself creates a railroad commission. It does not create a waterways commission.

Mr. BRUCE. The Senator is aware that the transportation act expressly declares it to be the policy of the United States Government to foster and preserve both rail and water transportation?

Mr. RANSDELL. I remember that well. I had the honor of being the author of those words, and for years and years and years we fought to get those words put in. I think they were put in in the act of 1920, were they not, just three or four years ago?

Mr. BRUCE. Yes.

Mr. RANSDELL. Up to that time we could not get even an expression that Congress wanted to have the waterways treated fairly, and I presume that since 1920 the commission is a little more friendly to waterways; but when you have grown up with a system, when you do absolutely nothing else but that all your life, you can not help leaning to it, and these gentlemen naturally lean toward the railroads. I would if I were one of them.

Mr. BRUCE. But the Senator is aware that the commission has jurisdiction over lines that are partly rail and partly water, under the same common management and control, is he not?

Mr. RANSDELL. Yes; but we have no lines now that are partly rail and partly water.

Mr. BRUCE. Oh, the Senator is mistaken.

Mr. RANSDELL. In substance that is true. I am going to reach that in a minute. In substance we now have no lines that are partly rail and partly water except the barge line on the Mississippi, and, perhaps, some of the lines on the Great Lakes. The boats were so completely driven out that they do not exist. We have a few lines that are not common carriers. Take the situation on the Ohio: The United States Steel Corporation has built some wonderful barges there.

Mr. GOODING. Mr. President——

Mr. RANSDELL. I will yield to the Senator from Idaho in a moment. Jones & Laughlin, a tremendously big corporation at Pittsburgh, have built some extra good barges, and they go down the Ohio River on the freshets in the spring loaded with thousands and thousands of tons of steel products for my section of the Union and for other sections. They are not common carriers, however, and they are not subject to this law. They are private carriers.

Mr. BRUCE. Is it not the real fact that inland water transportation is subject to certain transportation shortcomings, as compared with rail transportation, that the Interstate Commerce Commission, as a body of sensible, judicious men, are bound to recognize?

Mr. GOODING. Mr. President——

Mr. RANSDELL. I yield to the Senator from Idaho.

Mr. BRUCE. I object to the Senator from Idaho taking me off the floor.

Mr. GOODING. I merely want to correct the Senator.

Mr. BRUCE. The Senator from Louisiana can take me off the floor, but not the Senator from Idaho.

Mr. RANSDELL. I do not want to yield to the Senator from Idaho until the Senator from Maryland has finished his query.

Mr. BRUCE. Exactly; I knew the Senator would not.

Mr. RANSDELL. I do not want to do that, but really I do not want to yield for a speech. I am glad to yield for a question.

Mr. BRUCE. Of course. I do not want to make a speech. The Senator has answered all my questions. I am very much obliged to him for answering them. I will put no more.

Mr. RANSDELL. I yield now to the Senator from Idaho.

Mr. GOODING. Mr. President, I wanted to correct the Senator from Maryland in regard to a statement. I did not make the statement that all the members of the commission were tools of the railroads. I did say that some of them were, and I am glad to have a chance to repeat that. I have come to that conclusion as the result of things that I know, telegrams that I have put into the RECORD, where the chief executives of the railroads were going to the commission in a body, not to present facts and evidence in regard to why there should be a violation of the fourth section, but merely because they were the chief executives of great railroads. Those were matters of record that are part of the record of the Senate, and I put them in, taken from the files of the railroads and railroad organizations.

Mr. RANSDELL. I yield further to the Senator from Maryland.

Mr. BRUCE. I have nothing further to say.

Mr. GOODING. Judge Prouty has been spoken of. I have a very high regard for him. I have a very high regard for men who are now on the commission. I do not think we ever had a greater man in the service of the country than Judge Prouty, of the Interstate Commerce Commission, as far as that is concerned. There have been many other great men who have served their country on this commission. Judge Prouty is a big, broad, true American, and I have respect for such men; but when I know, after I have made a study of these questions, how they get violations of the fourth section, that there have been practically 6,000 violations made without much or any investigation and without a hearing, and that out of all that have been made in only some three hundred and odd has there been any hearings at all, I make up my mind that there is some influence besides evidence.

Mr. RANSDELL. I yield to the Senator from Maryland, if he cares to say anything.

Mr. BRUCE. I have nothing more. I have elicited from the Senator from Idaho just what I wanted to elicit, that if he does not think that all the members of the commission are the tools of the railways he at least thinks a majority of them are.

Mr. RANSDELL. Mr. President, I hope I will not be considered as taking part in this criticism of the Interstate Commerce Commission. I have never found I could get anywhere in this life by criticizing people, and I never indulge in criticism; so I trust that part of this debate will not be misunderstood, as far as I am concerned.

I ask to have attached to and made a part of my remarks a brief address, only four or five pages long, delivered by Mr. Frank Lyon, of this city, before the eighteenth annual convention of the National Rivers and Harbors Congress held in this city on December 6, 1922. The convention on that date held a joint debate on the subject, "Should water competition be considered a justification for relief from the long-and-short-haul clause?" The negative was taken by Mr. Lyon.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ADDRESS OF FRANK LYON, WASHINGTON, D. C.

Ladies and gentlemen and members of the association, I hope I will be able to so state my case as to require no reply on my part. [Laughter.] I shall do my best to make it so that I will not have to make a reply. I am a lawyer. I am an advocate. I believe in a thing or I do not believe in it. I imagine I have before me a much easier task than had my opponent, because I have a partial and sympathetic audience.

If I understand the purpose of your association, it is to develop water commerce. You are not particularly solicitous about the railroads of the country, except as they serve your needs, just as other inventions serve them, but I assume you are here to serve the interests of the water lines, and I am here to join you, and to tell you from the experience I have had how it may be done. The method that has been pursued by my honorable opponent, against whom I have appeared for the last 10 years in many controversies before the Interstate Commerce Commission, is the best way to wipe out transportation by water that could be devised. I point to history in support of that statement. This country now has the greatest natural system of waterways in the world. The possibilities of its development are beyond the imagination of the present generation, and it lies with such organizations as this to initiate the steps required for its development. We have the greatest rivers in the world. We have the greatest harbors. We have probably the longest coast line. With these wonderful natural facilities placed at our disposal by nature, what has been the history of water transportation during the past 60 years—since the advent of railroads in the equation of transportation? You gentlemen know that as well as I do. Water as a means of transportation has been in use since the earliest times. The aborigines had their canoes, and then came the application of the sail as applied to the canoe. This transportation goes back thousands of years. It has been the means of transporting commodities from the earliest time.

About the beginning of the last century came the invention of the steam engine by Watt, and a little later its application to the railroad. Prior to the Civil War the development of the railroad was in its infancy. After that war there was a great impetus to the building of railroads, and coincident therewith was the disappearance of the ship. Prior to the Civil War the American flag was in all the harbors of the world. Since the Civil War the American flag gradually disappeared from the high seas. It was in part restored by the building of a great fleet during the recent war. Now it is proposed to subsidize those ships in order that the flag may continue upon the sea.

The coastwise traffic of this country has always been protected by laws which prohibit the engaging therein by foreign ships, but there never has been any law which forbade the railroads from depriving such ships of business by the railroads charging less at the water competitive points than they do to points in the interior where there is no competition. I am here to advocate a line of policy on your part that will lead to the enactment of a law which will not permit the railroads to deprive the steamships of business by charging less than reasonable rates at the ports of call of the ships. Under the present law the Interstate Commerce Commission may authorize lower rates at the water competitive point. This authority should be withdrawn.

It is a question of governmental policy as to whether there shall be transportation by water. The Government might adopt a policy, or rather continue the present policy, of throwing all of its energies to the development of the railroad, leaving the ships to take only that business which the railroad does not want. I heard a prominent attorney of one of the transcontinental lines make an interesting argument upon the proposition that it is vastly more important to develop the railroad than the ship. While I do not agree with that contention, it is understandable from the point of view of those who have money invested in railroads. But what I have never been able to understand is how an advocate from Seattle, an important port on the Pacific, the residence of my opponent, could advocate any policy that would deprive Seattle of one pound of transportation by water. The only advantage a seaport has over an interior point is the fact that it is accessible to transportation by water, and here my opponent advocates a policy which has the effect of transferring from the bottoms of the ships to the railroads traffic that would naturally go by water if it were not for the policy advocated by him. It is a natural argument for the representative of a railroad. It is an unnatural argument for the representative of a port.

The concrete proposition which is now before this association is to have Congress enact a law depriving the Interstate Commerce Commission of the power to permit a railroad to reduce its rates to and from water competitive points below a reasonable basis when such reduction is solely for the purpose of depriving the water lines of business they would secure if the railroads were forced to charge the water competitive point the same reasonable rate that it must charge interior points.

If the authority granted by the commission to the railroads to charge less than reasonable rates to the water competitive points does not have the effect of either diverting to the railroads a portion of the business then being handled by the water lines or preventing new business from coming to the water lines, the action of the commission is of no avail whatever to the railroad. It is important to get this thought clearly in your minds. The purpose of a departure from the rigid provision of the fourth section, that the railroads shall not charge less for the longer distance, is to divert natural water-borne business to the railroads. This fourth section of the act to regulate commerce has been amended two or three times, but the fundamental purpose has been written into all the amendments. Long before 1887, when the act to regulate commerce was enacted, railroads were charging less at water competitive points, and that policy has continued down to the present time. The Interstate Commerce Commission is a regulating body, created for the purpose of looking after the interests of railroads and shippers over railroads. It has no official duty with reference to water lines. The commission has no authority over ships and the steamships have no rights before the commission, unless it be in the case of joint rates. The commission has always been most courteous in permitting the representatives of the water lines to appear before it when fourth section applications were being considered which would have the effect of diverting business to the railroads if authority were granted. In the transportation act of 1920 Congress has said that railroads may earn 5½ or 6 per cent, and it is the duty of the commission to see that they do earn this if reasonably possible and the interests of the water carriers are not to be considered by the commission in its attempt to have the railroads make these earnings.

Do not understand me to imply that the commission is without sympathy for the water lines. What I mean to say is that Congress has so framed the fourth section, and the exceptions to be authorized thereunder, that it is entirely within the limits of propriety for the commission to lean toward serving the railroads at the expense of the water lines. In other words, your remedy is before Congress and not before the commission So long as Congress leaves the law in the form it now is, that the commission may allow less rates at water competitive points than at intermediate points, it is inevitable that the commission will lean to the granting of such authority when the railroads show that the water lines are getting the business. The commission may not be justly criticized for this attitude.

During the war there was no transportation by water between the Atlantic and Pacific coasts and the railroads secured 100 per cent of the business. That was the ideal condition from the railroads' point of view. After the war the steamships again reappeared in the coast-to-coast business. In the nature of things they could not have reappeared had they not made rates lower than the reasonable rates that had been heretofore charged by the railroads. They could only secure business by reducing rates, as their service is less attractive. As soon as the steamships commenced to secure this transcontinental business in such volume as to justify their continuance in the business the railroads applied to the Interstate Commerce Commission for leave to depart from the rule of the fourth section by charging less between the coasts than to intermediate points. There were several of these applications before the commission, some on westbound business and some on eastbound. The commission granted some and denied others. The denial was not based upon the fact that if granted the business would be diverted from the water to the rail line.

The basis of these applications by the railroads was that the ships were taking business between the coasts which they had not theretofore handled, and that in order to prevent this it was necessary that the railroads should be authorized by the commission to charge less for the haul between the coasts than to intermediate points. This means that less than reasonable rates would be charged by the railroads between the coasts while reasonable rates would be charged to the intermediate destinations. It is well recognized that the additional cost of handling additional business is less than the average cost of handling all business. In other words, with the railroads operating between the coasts, if business now carried by the ships could be transferred to the railroad, the additional cost of handling this new business would be relatively small. It was upon this theory that the case was presented to the commission and the railroads showed that they would not lose money by taking on the additional business at less than just and reasonable rates as that phrase is understood in the first section of the interstate commerce law.

The commission has heretofore recognized this as justifying an exception to the fourth section, if other provisions of the law were not violated. These low rates could not be authorized if their application unduly prejudiced the interior. Some of the applications made by the railroads were granted and some were denied. It would be tedious for the audience for me to here enter into a detailed discussion of the technical grounds upon which the applications were granted and denied. Suffice it to say that the denials were not based upon consideration for the water lines. The westbound applications were in such form that the commission held some sections would be unduly prejudiced if they were granted. These denials have worked to the advantage of the water lines to as great an extent as though there were a rigid fourth section applicable to this particular business. However, these decisions favorable to the water lines may be reversed at any time the commission

should change its mind or whenever there should be a change in membership. It must be remembered that substantially the same law has been in effect since 1887, and this is among the few decisions rendered that have curtailed the activity of the railroads in depriving ships of business where actual water competition was shown. Owing to this uncertainty as to what will be the attitude of the commission from time to time, it is vitally important that it should have no discretion and that the railroads should be forced to adhere to the strict provision of the fourth section where water competition alone is involved.

Members of the association will remember that in these recent transcontinental applications some were granted and some were denied. It may be that upon a second application some of those now denied may be granted. It may interest the association to know that there is set for hearing at Salt Lake City on January 30, 1923, a number of applications of these same transcontinental carriers for permission to depart from the rigid provisions of the fourth section in the making of rates on hides from the Pacific coast to the Atlantic coast. This involves identically the same question that was in the application for leave to depart from the fourth section in the case of wool, which was denied by the commission.

The shipping industry can not be built up successfully so long as the Interstate Commerce Commission is left discretion to allow departures from the fourth section which have for their purpose the limiting of business to be transported by water. To do away with uncertainty the law should be either that the railroads may take all the business or that the boat lines should be allowed to engage in the transportation without having hanging over them the continuing threat that at any moment this business will be taken from them because of authority granted by the commission to the railroads to charge less than reasonable rates at the water competitive points.

The issue is clearly drawn and is simple. There may be no denial of the fact that if the water lines transport the business the railroads will lose it. The converse is equally true. If the railroads transport it, the boat lines will lose it. It is for this association to take a definite and positive position in support of its own interests, and that position should be that the Interstate Commerce Commission shall not have authority to allow the railroads to charge less than reasonable rates at water competitive points.

In these applications the railroads in making them and the commission in rendering its decision often speaks of dividing the business between the water lines and the rail lines. In fact, that is what meeting competition means—that both means of transportation shall do part of the transporting. However, you can never get the railroads to say what proportion of the business they hope to take from the water lines. The reason for this is that they intend to get it all, if they can do so under rates that will be allowed by the commission. It is only a pretense on their part to say that they want only a portion of the business. If they are entitled to take 1 per cent of the water business, they are entitled to take 99 per cent of it so long as they do not place a burden on other railroad traffic, and that is what they intend to do under their application. The history of railroading shows that that is what they have substantially done upon all the inland waterways of this country.

Due to the war, the high railroad rates charged during and since the war, and to the fact that the attitude of the Interstate Commerce Commission as at present constituted is more favorable to water lines, there has been a substantial increase both in coastwise and inland water-borne traffic. If this attitude could not be changed, the water business would continue to grow, but so long as that attitude is subject to change, as it is under the present law, the ventures in water lines will be restricted, as no one will know when his investment will be made unprofitable by the granting of applications.

That the granting of applications in the past has gone further than the law contemplated is evidenced by the fact that the water competitive points have always been represented before the commission by counsel and traffic men, urging the commission to grant the application. Of course if these applications went no further than to give to the water competitive points only the advantage which they enjoyed by water, there would be no occasion for representatives of the water points to be insisting before the commission that the applications be granted. The moment you see one of these attorneys or traffic men appear before the commission on behalf of the application of the railroad you may rest assured that granting the application will give the water competitive point something more than it has been able to secure by the water line. During the past 10 years, in which I have represented the water lines in the transcontinental cases, our strongest opponents have been not the railroads but the terminal cities. The representatives of those cities have insisted that the applications be granted, although they represented the ports from which the ships sailed. It is a strikingly inconsistent attitude for the ports to insist that the Interstate Commerce Commission pursue such a course of action as will deprive the ships serving the ports of the only business they are able to secure. Yet this has been their position in all these cases, as it is that of my opponent here.

Not only have the railroads insisted that they had a right to meet the water competition at the places where that competition actually existed but, under the principle of "market competition," they have insisted that they have a right to deprive the water lines of business not only by making less than reasonable rates between the ports but by making less than reasonable rates from an interior point of manufacture to the port reached by the steamship.

As matters now stand the commission has no obligation to the steamships, while it has a definite obligation to the railroads, and it is but natural that it should decide fourth-section applications with that duty ever before it. It is for the commission to say how far the railroads may go in reducing rates to meet water competition. The only limitation is that the rates shall not be so low as to cast a burden upon other commerce. It must at least pay the extra cost of handling the additional traffic. This additional cost is so low that if allowed to be applied by the railroads there will be little water transportation. It will be remembered that this "out-of-profit cost" is not the "out-of-profit" cost from port to port, but from some interior point to the port of destination. Under such conditions no water line could meet the situation. Under that practice the railroads have in the past been allowed an exception under the fourth section in making rates from Colorado to San Francisco to meet the competition of boats from New York to San Francisco. In this case the "out-of-profit" cost is only that cost from Colorado to San Francisco. The recent decision of the commission in the transcontinental cases leans away from this method of making rates. But up to that decision the commission has authorized the meeting of water competition under the conditions named.

Compared with the twelve thousand million tons of freight orginated by railroads each year in this country, the amount handled by the water lines is comparatively trifling. In the transcontinental cases it appeared that in 1921 the total tonnage, both eastbound and westbound, through the Panama Canal from coast to coast was about 1,500,000 tons, and that the earnings were not over $15 a ton, making the gross revenue $22,500,000. The gross revenue of the rail carriers in 1921 was over six billions. The purpose of the fourth-section applications was to transfer part of this $22,500,000 to the railroads. If they had secured all of it they would hardly have known that it had been received.

In closing I can only repeat that if you are to serve the interest which brings you together in the Rivers and Harbors Congress it is necessary for you to urge an amendment to the interstate commerce law to the effect that water competition shall not constitute an exception under the fourth section authorizing the charging of less for the long than for the short haul. [Applause.]

Mr. ASHURST. Mr. President, the amendment intended to be proposed by the Senator from Nevada [Mr. PITTMAN] has been ably discussed. If Senators still are in doubt, I would ask them to send for a copy of the hearings held by the Committee on Interstate Commerce of the Senate in this session of Congress. It is a voluminous document, containing 887 pages.

I will not take the time to read even extracts from the hearings, nor would I ask a Senator to read all the hearings, but whoever reads a considerable part of these hearings will be convinced, as, indeed, any fair mind would be convinced, of the gross injustices and the discriminations of the long and short haul. I hope that when the amendment intended to be proposed by the Senator from Nevada [Mr. PITTMAN] is called to a vote, as I understand it will be very soon, it will prevail.

I have said nothing up to this time on this subject, because what I had intended to say has been said in a better way by other Senators than I could have said it. Upon this subject I will ask Senators to recall that when the conference report on the railroad control bill, which was House bill 10453, was pending before the Senate in February, 1920, a number of speeches were made on the conference report, which was adopted by the Senate on that day.

At that time the then Senator from Mississippi, Mr. John Sharp Williams, spoke upon this subject of the long and short haul. Not only was that Senator a philosopher, not only do we remember him for his flashes of Gallic wit, but we recall that when he applied his faculties to a question he usually produced a result that could be defended. It so happens that he gave the long-and-short-haul question his attention; and I am going to read a part of the remarks he delivered upon that subject when the conference report on what we now call the Esch-Cummins bill was before the Senate. That was on February 23, 1920. Pretermitting other matters not pertinent to the issue, I read as follows from Senator Williams's remarks:

Mr. President, I am in favor of the adoption of the conference report, although there are several provisions in the bill and several provisions in the existing law of which I do not approve. However, when you are brought face to face with a situation you are not called upon to say what is the best thing possible, but what is the best thing presently attainable. I think that this conference report is the best thing pres-

ently attainable. I do not, however, want my position in favor of the adoption of the conference report misunderstood, and therefore I want to say that in a part of what has been said by the Senator from Nevada [Mr. PITTMAN] I sympathize very much. As to that, I like to go back to history for an argument.

When the original railroad commission bill, as it was called, which afterwards became the interstate commerce law, passed the House of Representatives under the championship and leadership of Mr. Reagan, of Texas, afterwards a Member of this body, and prior to that time postmaster general of the Confederacy, and a man of very great ability, it contained a proviso to the effect that there should never be a freight rate for a short haul exceeding a freight rate for a long haul upon the same road in the same direction. When that bill got here the Hon. John Sherman, then a Senator from the State of Ohio—I believe it was he, but if not he, he advocated it, at any rate—proposed an amendment which the Senate adopted, putting in three little words—

We recall with what remarkable emphasis, and even with what grimaces, the learned Senator from Mississippi spoke of those three little words.

Mr. KING. Weasel words.

Mr. ASHURST. Weasel words, he might have said, as I am reminded by the able Senator from Utah. I quote further from the remarks of Senator Williams:

"under similar conditions," I believe were the words, or, perhaps, "under similar circumstances" (under similar circumstances and conditions).

When the law went to the courts and to the Interstate Commerce Commission they decided that when freight was being carried from New York to San Francisco or from Boston to New Orleans on a railroad the railroad had a right to compete with water rates on the ground that water rates and land rates were not similar but dissimilar, and that, therefore, the three little apparently innocent words "under similar conditions" changed the entire construction of the law. They therefore ruled that a bale of cotton could be carried down the Yazoo River from my town, which was on the Yazoo River, to New Orleans on the railroad for $1.25, whereas from Vaughan Station, 25 miles due east from me, and the same distance on the same railroad, but not on a navigable river, they could charge $2.25 a bale. The decision was based upon the ground that Yazoo City was on a waterway and Vaughan not, although Yazoo was out of the direct way from Memphis to New Orleans. What has been the consequence? The entire actual commerce upon the Mississippi River has been killed as dead as a door nail. When I was a boy I could go down to the wharf at Memphis, Tenn., and find any day from 15 to 25 boats at the levee. You could have gone down to New Orleans and found still more; to Vicksburg, and found as many; but the minute the railroads were allowed to reduce their freight rates in competition with water rates just low enough to put the steamboats out of operation, the steamboats went out of operation.

Then a great many people in these towns on the rivers but in favor of river and harbor bills began to talke about "potential competition." What is needed is not "potential" competition but actual competition.

What was the further consequence? The further consequence was that the railroads on each side of the Mississippi River—and there is a continuous line on each side—were congested with freight, so that it frequently took absolutely a longer time to send a given commodity by freight on the railroad from Memphis, Tenn., to New Orleans, La., by rail than it did downstream by river, because the railways were congested. The reasons for that Senators who understand insurance and understand the remainder of the situation will appreciate.

Mr. President, what happened in Germany in connection with a similar condition? Under old Bismarck's wise statesmanship the German Reichstag absolutely forbade any railroad ever charging more for a short haul than for a long haul. There were railroads on each side of the River Rhine, and when I was a boy, before Bismarck's policy went into operation, the Rhine had no great cargo-carrying business at all. Tourists made use of it and it carried a few commodities from river landing to river landing, just as the Arkansas or the White River steamboats do; but after that policy was put into operation two things occurred. The first thing that occurred was that all the lumber and the iron ore and the coal, where expedition of delivery was not essential to the business, went by water down and up the Rhine, and other business requiring expedition went by rail, there being two continuous railroads, one on each side of the Rhine. The consequence was that the railroads were never congested and that the Rhine increased its business twentyfold.

The consequence of the other policy, which was pursued here, was that the great Mississippi River, the central artery of this country, carrying freight from St. Paul to New Orleans and from above St. Louis on the Missouri to New Orleans and from above Cincinnati on the Ohio to New Orleans, was absolutely crippled and put out of business except for a little coal delivered on barges downstream and some grain delivered in the same way.

So I am just as much opposed to the system which is criticized by the Senator from Nevada [Mr. PITTMAN] as he is; but, as the Senator from Washington [Mr. POINDEXTER] says, the fault is in the present law and not in this conference report. That is not all. That particular point about long and short hauls is not in conference at all. If the conferees had attempted to deal with it a point of order could have been made.

The Senator in another part of his able speech made a further statement that I desire to read. I recall that speech with particularity. I think I was sitting then in the seat I now occupy. The speech struck me so forcefully that when my attention was called to it yesterday I concluded that it ought to be delivered again to the Senate. He said:

Water carriage alone—a gift of God and of nature—makes a sufficient discrimination, and if a railroad were forbidden ever to charge more for a short haul than for a long haul, whenever they reduced the long-haul charge they would have to reduce the short-haul charge proportionately, and intermediate points would get the benefit, and this would avoid the very inequity of which the Senator from Nevada complains and would bring about that equality of opportunity which, whether for individuals or communities, spells equality.

I know in my own section how the scheme has been worked. Freight can be carried from Memphis to New Orleans upon the Mississippi River, by the Illinois Central, or the Mississippi Valley road, or on the road on the western side of the river. The rail rates are put just a little bit above the water rates, because they need not go quite down to the water rate. Shippers having the same rate both by water and rail will prefer to send by rail, with the idea that the shipment will reach its destination quicker. So the railroads put the boats out of commission; they were tied up, no new boats were built to take their places, and the great, magnificent interior waterway system that God gave this country has been deprived of almost all of its efficacy.

* * * * * * *

I do not so much reprobate the question of discrimination against intermediate points, although that is unequal, inequitable, unjust, and bad, as I do the destruction of the God-given navigability of the waterways of interior America. This is the very opposite of conservation of resources. It is destruction of natural resources by the artificial operation of statute law. Here is this great arterial system from above St. Paul to New Orleans, from the Blue Ridge down to the Gulf, from the Rocky Mountains nearly down to the Gulf; and by just three apparently innocent little words in a law this whole magnificent opportunity of the American people was destroyed. You may say whatever you please about old Bismarck and the Germans—and I have no good word to say of Bismarck's way of running his country—but Bismarck had better sense than that; he never destroyed the commerce on the Rhine; he built it up. He never destroyed the railroads, because while the water carried the heavy commodities, the railroads carried the light commodities, and wherever expedition of delivery was the chief thing to be considered the railroads carried the freight, and where cheapness of delivery was the chief thing the water carried it.

It seemed to me that the debate on the proposed amendment ought not to close until this contribution had been put into the RECORD. Paying my tribute of respect and admiration to all that has been said, and well said, this speech made on the 23d of February, 1920, by the then Senator from Mississippi, Mr. Williams, is to this hour unanswered. In my judgment it is unanswerable.

In conclusion, respecting the long and short haul, nearly everyone admits that it is a discrimination as it operates at this time. I repeat, nearly every person admits that it is a discrimination. A large majority of our citizens admit that it works an injustice. But there never has been a person in America who has replied to the charge that it was dishonest. No man can defend its honesty, because it is a dishonest provision. It attempts to do by indirection that which it has not the courage to do directly. It attempts to discriminate, and it does grossly and furiously discriminate, against intermediate points in favor of points, which, as the able Senator from Mississippi well said, have already by nature and by Providence been very sufficiently provided for.

Mr. KING. Mr. President, the subject under consideration is of transcendant interest to the people of the United States, and particularly to various interior sections. The question of transportation now, as always, is one of supreme importance. The fertility of the soil, the increase in agricultural products, the thrift and industry of the people; all these things count for naught if transportation facilities are denied or are accompanied by obstacles so great as to deprive producers of profit upon their investments or reward for their labor.

In ancient times, when land transportation was limited to most primitive methods, the prosperous and progressive communities and States were found upon the shores and banks of

oceans, seas, lakes, and rivers. The wind and the sail and the boats propelled by human hands carried the products of the people to waiting markets. The shores of the Mediterranean Sea were dotted for hundreds, if not thousands of years, with mighty cities made great and populous by their maritime trade.

Wealth results from barter and trade, from the sale and exchange of commodities and the products of labor. The Greeks and Phœnicians were trading peoples and gained eminence centuries ago as a result of the intrepid spirit of their traders and seamen, who carried from port to port and country to country not only the products of Hellenic States and Phœnician cities but also those of many races.

Venice wore the crown of commercial primacy because upon the seas were thousands of craft carrying under the Venician flag the products of all climes. Great Britain's marvelous development is attributed to her maritime activity. Before the days of Drake England's place in the world was not conspicuous; but when British ships traversed the seven seas and sought the ports of all lands the day of her greatness dawned and the foundations of her commercial and political power were laid.

In the early days of this Republic and, indeed, until the time of the Civil War, this Nation was a strong competitor of Great Britain in ocean commerce. From the shipyards upon the Atlantic coast came the swiftest and best cargo-carrying vessels. The harbors of the world were familiar with the Stars and Stripes which fluttered from the mast-heads of innumerable American ships which brought to our shores, and carried from our ports to many lands, products essential to the people of the world. A trading people will become a prosperous people. It is important that there should be great production, but it is essential that proper and adequate transportation systems, both rail and water, shall be developed if industrial progress shall be enjoyed by the people of this age.

Following the Revolutionary War, the adventuresome sons of American fathers turned their faces toward the West. They crossed the Alleghenies and settled Kentucky and Tennessee and other sections out of which great Commonwealths have been carved. Still others pushed beyond the Ohio and into the Northwest Territory, where great States were founded. And as the years went by, their children looked beyond the Mississippi and toward the plains and mountains of the West and to the far-off Pacific coast. By their heroism, thrift, and industry, they established towns and cities and States, and added to the wealth and glory of this Republic.

The numerous waterways threading our vast domain were utilized by the people, and proved of value in the development of the country. They cheapened transportation and enabled the people to convey their surplus products, not only to interior points, but to ocean ports from which they were carried to the markets of the world.

The genius of America was never more conspicuous than in the application of scientific principles and new discoveries and inventions in aid of the industrial and economic development of our country. Steamboats were placed upon our rivers and lakes, and railroad lines crossed the land, binding together not only oceans which washed our shores, but all sections of our country. We often speak of the Seven Wonders of ancient times—of the Colossus of Rhodes, of the Hanging Gardens of Babylon—how little and insignificant they appear compared with the remarkable, not to say miraculous, development of railroads in the United States and the vast transportation system which was created.

At the beginning of the World War we had more than 280,000 miles of railroads within the continental limits of the United States; and these great railroad systems, notwithstanding their defects and the mistakes which the officials of some systems had committed, were serving in a fairly satisfactory way the needs of the people in many sections of our country. I do not mean to state that the conduct of all railroad companies was free from criticism or can be wholly indorsed. As a matter of fact, many injustices were perpetrated and oftentimes discrimination was practiced which not only proved injurious to some parts of our country but destructive of the prosperity of the people residing therein.

The American people for a hundred years following the Revolution were like a young giant. They burst their bonds and with a militant and buoyant spirit pressed forward into unknown projects and almost undiscovered territory, and oftentimes with heedlessness they pushed forward enterprises and projects without proper provision for their development or any recognized objective. The blood of youth was in their veins, and they were often carried forward upon the strong wings of a consuming ambition to accomplish big things in a big way. The material achievements during the period to which I have referred, utilitarian though they were, constitute an epic, and future ages will point to that time as one of the dynamic and heroic periods of the world's history. The business of the world was revolutionized, and the inventions and discoveries of men of genius were directed along practical lines and harnessed to the car of progress which carried the people of our country forward.

We do not forget Vanderbilt and the projectors of the New York and New England railroad systems, and those who developed the great railroad organizations in such States as Michigan, Ohio, Indiana, Illinois, Wisconsin, as well as in many of the Southern States; and when American railroad systems are discussed, we think of those who projected and built the railroads west of the Mississippi and to the Pacific coast. Stanford and Huntington and Hill, and a multitude of other great builders bulk large on the horizon when we speak of the railroad and empire builders of this Republic. Eulogies have been paid during this debate to those who have built our railroads and terminals; I join with Senators in paying tribute to those who have carried out vital transportation projects, who have planned great bridges and pierced mountains and performed difficult engineering feats required in the execution of the mighty tasks which they undertook. They were architects in the building of our Republic.

America has produced not only political architects who have builded a great political and governmental system and founded democratic institutions—which we pray may be preserved for all time—but she has given to the world architects and builders and engineers whose works have been the marvel of the age and whose labors have materially contributed to the happiness and welfare of the American people. These men have applied the scientific discoveries and inventions of the age, and have brought within the reach of the people not only the necessities of life, but commodities and products and countless other things which have ministered to the comfort and happiness of the people.

I should not omit to pay tribute to the moral and spiritual and intellectual leaders produced by our country, whose contributions to America's development and the progress of the world can not be estimated or fully appraised.

Mr. President, as I have indicated, while recognizing the merits, advantages, and benefits of our railroad transportation system, it must be confessed that there are defects in its framework, and there have been serious mistakes which have imposed burdens upon the people in its administration. Unfortunately at times men have seized control of railroads for selfish ends and have used them for personal aggrandizement. There have been crooked schemes devised and frauds perpetrated by manipulators and capitalists and promoters who exhibited but slight regard for the laws of morality and common honesty. These outstanding transactions and in some instances fraudulent and corrupt practices, however, provoked resentment upon the part of the people, and lead oftentimes to wholesale criticisms and indiscriminate condemnation of our entire transportation system. Undoubtedly in the early days of railroad building not only the promoters and builders but most of the people regarded these enterprises as belonging exclusively to the corporations controlling them or to the interests behind such corporations. The idea had not been developed that corporations existed not as a matter of right but by reason of the will of the people, and that transportation companies were common carriers and subject to State and governmental control.

Many railroad corporations and their managers resolutely opposed Federal or State regulation or any curb upon rates, either passenger or freight. The prevalent idea for many years was that railroads, being privately owned, were not subject to any regulation, either municipal, State, or National. This view led some railroad managers and some operating systems to pursue a high-handed and arbitrary course in their dealings with the public.

Senators are familiar with the system of rebates and the discriminatory and unfair practices which prevailed for many years. Finally legislation, State and National, corrected these evils, and the railroads accepted the view that they were common carriers, that they were public-service corporations, and subject to reasonable rules and regulations promulgated and enforced by National and State authorities. That rather dark and wholly unsatisfactory chapter in the history of our railroad development, I think, is closed. Generally speaking, I believe that those who own and control our railroads recognize that the welfare of the public is paramount and that railroads must be operated in the interest of the public and be subject to such reasonable regulations as may be prescribed by law.

It is to be expected that occasionally there will be found rebellious persons who can not accommodate their views to

the changed conditions and to the true and proper concepts as to the functions of railroads and their relation to the public generally.

I have felt at times that some railroad officials have been indifferent to the needs of the people and were too strongly influenced by the traditions that have come down from the past.

Upon the other hand, we frequently find persons in official as well as in private life who regard the railroads as the exclusive property of the public or of the Government. They seem incapable of understanding that private persons have built the railroads, and that the billions of dollars employed in their construction and equipment have been furnished by hundreds of thousands of people whose holdings therein are represented by stocks and bonds. It should not be forgotten that many estates and insurance companies own railroad stocks and bonds, and hundreds of thousands of people of moderate means have invested a portion of their savings in railroad securities.

For years the railroad question has been the subject of controversy; it has aroused bitter discussion and has been the basis of political disputation. Among the farmers, the wage earners, the business men, the capitalists—indeed everywhere throughout the land, the question "What shall be done with the railroads?" has been the subject of discussion, often partisan and frequently in ignorance of facts. Intemperate remarks and unfair criticisms have been directed against the railroads and their management. Many who have discussed the question have been unwilling to consider all factors involved or all elements entering into the subject. They have been dogmatic, oftentimes selfish, and frequently ignorant. They have not always appreciated that the railroad problem is one of great intricacy and may not be solved by tyros or comprehended by superficial investigators. It is a problem calling for intensive study and sound judgment. It is not a subject which should be treated in a partisan manner, nor should it become the football of politicians. Unfortunately, efforts have been made from time to time to make it a political question, and upon many occasions it has been used for the elevation of unworthy persons to official position. And the railroads themselves and their officials have too often been arrogant in their dealings with the people and have sought to control States and their political subdivisions.

But I believe a new day has dawned and the railroad corporations and their stockholders and the majority of the people have a truer conception of the duties and responsibilities of transportation companies and their proper relation to the Government—State and National.

Speaking broadly, I think it may be said that railroad officials as well as the Interstate Commerce Commission and the various railroad commissions of the States are seeking the adoption of plans and policies which will best serve the people and at the same time protect the rights of those who have invested in the securities of transportation companies.

I am compelled, however, to modify this statement in view of the situation which was brought to the attention of Congress and which the amendment now under consideration seeks to correct. The action of the transcontinental railroads, which are seeking permission to modify, if not abrogate, the long-and-short-haul provision of the transportation act, seems to me to be a recrudescence of the policy of discrimination which has so marred the record of the railroad companies of the United States. I regret exceedingly such action upon the part of the railroads. It will provoke resentment and arouse prejudices which have been allayed, if not extinguished. It will tend to develop old feuds and controversies, the injurious effects of which will be felt sooner or later by the railroad companies.

Mr. President, while conceding that the transportation problem is a complicated one, nevertheless it would be childish to declare it to be insoluble, and therefore the public and railroad officials must deal with it in a capricious, haphazard, and experimental way. Much light has been thrown upon the subject of transportation during the past two decades, and certain rational—indeed some might say scientific principles—have been evolved. However, the railroad question has not yet been settled. It has not been determined what form of organization will finally be adopted. The extent to which the unification of all transportation systems shall be effected does not bring a concurrence of views.

Many of the States evince great dissatisfaction with the authority exercised by the Interstate Commerce Commission over intrastate railroads, as well as over the segments of interstate railroads found within the boundaries of such States. Many believe that the Federal Government has exercised too much control over railroads, while others insist that there has been too little Federal supervision. We find still others contending that the Government shall take over the railroads and own and operate them.

While admitting that the railroad question is still in the lap of the gods, I believe that sufficient data are available to enable the railroads to formulate just and rational transportation policies. Undoubtedly the questions involved in rate making are difficult. I have thought at times, however, that some railroad companies have surrounded the rate-making structure, or the machinery which rate-making experts created, with an air of mystery, largely for the purpose of bewildering the people, particularly the shippers. Rate-making experts have accompanied their explanations with so many technicalities and dubious phrases and clouded utterances that State utility commissions as well as courts have sometimes been befogged and misled.

Mr. President, Washington is the Mecca to which come caravans, not all of whom are composed of wise men, who seek to impose their views upon Congress and to secure legislation and the adoption of executive and administrative policies which they believe, or affect to believe, are indispensable for the welfare of the people. Many foolish and fantastic schemes are suggested with reference to our transportation system, as well as activities which it is urged the Government must undertake. Some persons desire the States submerged and the assumption by the Federal Government of all powers now exercised by sovereign States and their political subdivisions. There are some individuals who profess their devotion to democratic principles and to what they call "progressive policies," whose only idea of progressivism is embodied in the doctrine that the Federal Government shall create a multitude of agencies and bureaus to whom shall be committed the power to rule the country. There are some who profess great interest in social questions, in education, in economic and industrial problems, but the solution offered by many of these individuals for the evils—real or imaginary—supposed to exist in our country, is found in the formula that Congress must enact more laws and extend the jurisdiction and authority of the General Government over States and individuals.

The idea of many of the people seems to be that bureaucracy and paternalism constitute the unfailing panacea for all social, economic, and political ills. It is sometimes discouraging to behold the lack of understanding upon the part of so many people as to our form of government and the checks and balances which have been provided for the preservation of the liberty of the people. It is amazing to find so many American citizens who are unaware of the rights of the States and the limitations placed upon the Federal Government; and it is depressing to discover the large number of unthinking people who are seriously engaged in the task of destroying local self-government and converting the people to the view that they are incapable of governing themselves or working out their own destiny, and therefore a powerful Federal and paternalistic Government must be created where authority will be exercised through hundreds of bureaus and departments and commissions and Federal agencies.

There are too many Americans who are constructing crutches to put under the arms of individuals and too few who are expounding those enduring principles which guided our fathers when they established this Republic.

Some of the class of people to whom I have referred are constantly importuning Congress to have the Government acquire and operate the railroads. They seem indifferent as to whether the owners of the railroads shall be paid for their property or not. Many such persons regard the Government as possessed of all power, seeming to be oblivious to the fact that such view would make a despotism of this Republic. The examples which we have before us, of the failures of governments to successfully and economically and efficiently carry on enterprises which belong to the realm of private endeavor, are lost upon these apostles of paternalism and bureaucracy, whose cries resound throughout the land and whose shadows haunt the Capitol. However, I shall not pursue this thought further.

Mr. President, I confess that I approach the discussion of the measure before us with some misgivings. I have given some study to our transportation problems and have endeavored to familiarize myself with the legislation of Congress, as well as that of most of the States; and I have followed with interest the decisions rendered by the Interstate Commerce Commission and by our courts—State and Federal—upon transportation questions which have been brought to their attention; and I have given some little attention to the theory upon which freight rates are based and have sought to understand the effect

of changes in the rate structure and the modification of what, in the absence of a better term, I shall call the "mechanism of rate making."

Of course, it would be presumptuous upon my part to say that I can throw any light upon a question which I have conceded is intricate and complicated. However, the point which I desire to discuss can not be dissociated from certain concrete and practical matters, nor from effects with which many people are familiar. Oftentimes, even without technical or expert knowledge, pertinent observations may be submitted where injustices are being suffered and policies executed which discriminate against sections or classes. The proposition before us is not new. Many sections of our country have suffered from what the people regard as discriminatory and unfair practices of railroads in charging lower rates for the longer than for the shorter distances between two points, the shorter being included within the longer distance. In many sections of our country it is believed that the railroads and the Interstate Commerce Commission have nullified congressional legislation which was enacted to protect interior points against a system of freight rates which, as applied, gave advantages to other sections, and particularly to terminal points.

The long-and-short-haul provision of various acts of Congress has been provocative of controversy, and the efforts which have been made, by those sections of the country which have suffered from the discriminatory rates imposed, to secure what they believed to be a proper interpretation of these acts, and the failures attending such efforts, have produced a feeling of exasperation and resentment which could only arise from a sincere belief that a gross injustice had been done.

The Senator from Maryland [Mr. BRUCE] has presented in an admirable and able manner the position of some railroad officials upon this perplexing question. He attempted to demonstrate that the charging of less rates from coast to coast, or from one section of our country to another, than were charged to intermediate points upon the same line, would result in benefit to the people, taken as a whole, including, of course, those residing at such intermediate points. I am not able, Mr. President, to subscribe to the conclusions reached by the able Senator. The Senator from Arizona has just read from a speech delivered by former Senator John Sharp Williams on February 23, 1920, during a discussion upon the long-and-short-haul provision of the transportation act. This speech presents in a convincing way the arguments in opposition to the policy of permitting lower rates for a long haul upon the same road in the same direction than upon a short haul. He pointed out the disastrous effects of such a policy upon water transportation and the injurious effects resulting to intermediate points. He denounced the "discrimination" against the intermediate points as being unequal, inequitable, and unjust.

The pending amendment deprives the Interstate Commerce Commission of the power to grant departures from the fourth section of the transportation act to meet water competition. In other words, it gives full effect to the long-and-short-haul clause in so far as railroad rates may be affected by water competition. It does not forbid rail and water competition; but it does forbid the right to reduce rail rates to and from water competitive points, the result of which would be to charge less for longer than for shorter distances for the transportation of passengers or property. It compels, in effect, a rate structure which would compel the Interstate Commerce Commission to require that rates charged to competitive water points shall be compensatory and shall not only pay the actual cost of moving freight but contribute its fair share toward a fair return on the property.

The Senator from Maryland confessed, as I understood his position, that there should be some limitation upon the authority of transportation companies to impose higher rates upon the freight hauled to intermediate points. His position, as I understood it, was that it would be unfair if freight should be carried at a loss from one terminal point to another, so that freight rates to intermediate points would have to be maintained or adjusted to meet the deficit. However, he contended that to meet water competition railroads should be permitted to modify the long-and-short-haul clause of the existing law. It is difficult to determine just where the position of the Senator would lead us to, or where he would draw the line below which rates might not be reduced. I shall discuss this question later in connection with the 1920 act, providing that rates must be "reasonably compensatory."

Mr. President, it is possible that under some circumstances and for a limited period a policy may be justified which gives advantage to the long haul over the short haul, but no conditions now exist justifying further departures from the fourth section. Indeed, broadly speaking, I doubt whether a policy which permits discrimination resulting in higher rates for the short than for the long haul will prove beneficial either to the railroads or to the country. The injustices of such a course are manifest. It is unfair to charge the same rates from Chicago to Denver as from Chicago to San Francisco.

The intermountain States have been the victims of railroad rate discrimination, and this policy has prevented the development of the intermountain regions. It is apparent that a rate structure which discriminates against sections will arrest the development of that part of the country to which such discrimination is applied, regardless of its natural resources or the thrift and energy of its people. No part of our country can be prosperous without adequate transportation facilities, and such facilities are not adequate if discriminatory rates are laid upon it. For years it has appeared to the residents of the intermountain region that the railroad companies were more interested in developing cities upon the Pacific coast than they were in doing justice to the intermountain region and to territory west of the Missouri River.

It was felt that after some of these discriminations had been removed by the Government when it was operating the railroads there would be no further attempt to return to the old conditions; but certain transcontinental lines are now seeking permission, under the pretext of meeting water competition, to lay the heavy hand of destruction, through discriminatory freight rates, upon a large section of our country. The Senator from Maryland stated that there was no certainty that the Interstate Commerce Commission would grant the applications, and therefore no legislation should be enacted to restrain it from exercising its discretion in the matter.

I concede that we do not know what action will be taken by the commission. However, if its former interpretations of the long-and-short-haul provisions of the law are prophetic of its action upon these applications, then there is real ground for concern upon the part of those residing within the intermountain region. The granting of the applications would prove so disastrous to this section that even the thought of it fills the people with dismay.

It has been said by persons familiar with conditions in the West that economic and industrial ruin would sweep over the intermountain States and severely affect other portions of our country. In view of this impending peril, the people of the intermountain States have been aroused to the imperative necessity of obtaining legislation such as is contemplated in the bill now before us.

Mr. President, I shall not indulge in harsh criticism of the Interstate Commerce Commission, although I feel constrained to say that some of its decisions in interpreting and applying the long-and-short-clause of the transportation acts have seemed to me to be illogical and at variance with the spirit if not the letter of the law. I appreciate the fact that the questions presented for their determination are intricate and complicated, and that the mutations in our economic and industrial life aggravate the problems presented for their consideration. It is also true that these changing conditions add to the problems of transportation companies. The construction of the Panama Canal introduced a new factor into the equation and perhaps called for a reexamination of the issues which theretofore have been raised. I know the practice is quite general throughout the country to denounce our courts and the Interstate Commerce Commission. Their decisions are often the subject of coarse and brutal criticism, and the officials themselves sometimes are not free from vituperative abuse.

Mr. President, in my opinion the judges of our country are men of probity and integrity. I think the same is true of members of the Interstate Commerce Commission; and, generally speaking, it may be said that our public officials measure up to the high standards of honor and integrity which should obtain among an enlightened people. As a lawyer I have met many judges and State and Federal officials. I have never seen a judge who I thought was corrupt or who betrayed his trust.

During this debate the Interstate Commerce Commission has been severely criticized, and I have felt that some of the criticisms have reflected upon the fairness and integrity of at least some of the members of the commission. I repeat that while I have not agreed with all decisions of this important Federal agency I have never felt that the members of the commission were actuated other than by a desire to be just and to administer the law as they understood it.

We must recognize the fact that individuals are influenced unconsciously by their training. Coming as I do from a section in which the people universally believe they have suffered from the failure of the Government to enforce the pre-

visions of section 4 of the transportation act, it is quite natural that I should be influenced by that view. Those who are called to the bench or to fill positions with the Interstate Commerce Commission carry with them their former views and ideas. They do not change overnight, nor can they throw off the thoughts and habits of a lifetime. It is not expected that they should. But the history of our political institutions and of our courts confirm the statement that those who have been called to responsible positions in the Republic, or in the State, or in the executive, legislative, or judicial branches of our Government, have sought with fidelity to discharge the duties devolving upon them and to meet the responsibilities of their various callings in a patriotic and honorable way.

Recurring to the applications filed with the Interstate Commerce Commission by the transcontinental lines, I desire to repeat that the people of the West are filled with apprehension. They know what the consequences will be if favorable action is taken upon these applications by the commission. Prior to 1918, as Senators know, the departures from the fourth section of the transportation act, departures authorized or acquiesced in by the commission, brought disaster to the intermountain States.

Nature has endowed that part of our country with great wealth. The fields are fertile and the mountain streams carry vitalizing waters which, when applied to the soil, result in abundant harvests. The coal mines there found can not be equaled in any part of the world. Petroleum deposits are found in great stretches of oil sands hundreds of miles in extent. The mountains hold within their embrace gold, silver, lead, copper, and other precious metals the value of which can not be computed. The mountains and the plains and the deserts furnish food for cattle and sheep. The raw materials are there for great manufacturing enterprises and for industries of the most varied character. But with all these resources industrial and commercial advancement has been retarded, if not prevented, because of the discriminatory freight rates imposed. High freight rates have prevented the development of our coal mines and the establishment of important iron and steel industries. Agricultural products which can be produced in such great abundance are deprived of value because markets are closed against them through prohibitive railroad tariffs. And so it is both with respect to commodities and products produced in the region referred to as well as with respect to commodities imported into such district.

In 1918 some relief was obtained by the people of the region to which I am particularly referring. Freight rates became more equitable and uniform. It must be stated, however, that the rates imposed were so high as to prohibit the shipment from intermountain States of surplus products of the value of hundreds of millions of dollars, and these surplus products were needed in the United States and in foreign lands; but their value was destroyed and the industries to which the West was entitled languished and many of them died. Notwithstanding the great coal deposits from which the world could be supplied for thousands of years, Utah has been permitted to ship annually but a few million tons.

The same may be said of Wyoming, as well as other Western States, whose coal measures are inexhaustible. I repeat that the freight rates which have been and are in force make it impossible to ship from the West the mineral wealth, the agricultural products, and other commodities which are found there in such rich abundance. Without lower freight rates this section and other parts of our country will be prevented from developing and reaching that high standard of industrial and economic development which their resources demand.

A number of small industries, however, have been developed in Utah and surrounding States since some of the discriminatory practices to which I have referred were abandoned; but if the petitions referred to are granted then the industrial progress which is being witnessed will be arrested and industrial paralysis will follow.

Mr. President, it is a great mistake to have our manufacturing plants and factories in a few restricted districts. There is too much congestion in the "neck of the bottle." There should be more of a diffusion of the manufacturing business of our country. It would be far better for the Nation—and certainly for the people—if many of the great manufacturing plants, factories, and industries now crowding New York, Philadelphia, Boston, and Chicago, as well as other points which might be mentioned, had been erected in the interior of the United States and in some of the Western States and upon the Pacific coast. The housing problem in the great cities would not have been so serious. We have witnessed the advantages of this decentralization of industry in some of the Southern States. There factories have been erected in country towns and in rural districts, and the people who work in manufacturing plants have all the advantages incident to suburban life.

President Harding, in his message to Congress in December, 1921, in effect, condemns the rate-making policy which has brought unhealthy concentration of wealth and industry in limited sections. His words are as follows:

> The existing scheme of adjusting freight rates has been favoring the basing points until industries are attracted to some centers and repelled from others. A great volume of uneconomic and wasteful transportation has attended, and the cost increased accordingly. The grain-milling and meat-packing industries afford ample illustration and the attending concentration is readily apparent. The menaces in concentration are not limited to the retarding influences on agriculture.
>
> Manifestly the conditions and terms of railway transportation ought not to be permitted to increase this undesirable tendency. We have a just pride in our great cities, but we shall find a greater pride in the Nation which has a larger distribution of its population in the country where comparatively self-sufficient smaller communities may blend agricultural and manufacturing interests in harmonious helpfulness and enhance good fortune. Such a movement contemplates no destruction of things wrought, of investments made, or wealth involved. It only looks to a general policy of transportation of distributed industry and of highway construction to encourage the spread of our population and restore the proper balances between city and country. The problem may well have your earnest consideration.

President Harding argued for a transportation policy which would tend to decentralize population and develop in various parts of our country manufacturing industries and markets, in order that there might be a symmetrical and proper development in our economic and industrial life. The discriminatory rates and the inequities found in rate structures of the past and, in part, of the present, are largely responsible for the unhealthy congestion and spotted industrial development of our country.

I am glad to know that some leaders in manufacturing industries are taking a different view from that which has obtained in the past and are erecting factories in small towns and in rural districts. Some of the problems of transportation would be solved if the factories and manufacturing plants were taken to the farms. If there were in Iowa and Nebraska and Kansas and in other agricultural sections large manufacturing plants, furnishing employment to hundreds of thousands of people, the farmers would have better markets for their products and would be free from the crushing burdens imposed by transportation charges, and the profits for their toil and labor would be very much greater.

In the Intermountain States the mineral and other resources are so great that hundreds of industries could be developed if reasonable rates could be obtained. The coal-tar products of Pennsylvania have aided in developing a great chemical industry. The bituminous coal fields of Utah, Colorado, and Wyoming are the basis for a multitude of chemical plants. The West needs steel and iron. It has iron deposits and coal from which a superior quality of coke can be produced, but the transportation problem stands as a threatening specter before every movement for industrial and commercial development.

Mr. President, it is not a satisfactory condition which develops prosperity in spots. We must have universal prosperity in our country. Our industrial system is faulty if it reduces the farmers to poverty and adds to the tremendous fortunes of the manufacturers and the great industrialists of the land. If for a protracted period agriculture languishes, its effect will be felt in the cities and in all sections of the country. Agriculture is the basis of our Nation's prosperity. The United States can produce agricultural products sufficient to feed the world, and our resources are so great that we can supply annually manufactured products of the value of billions of dollars for the people beyond our shores. If the West does not prosper and agriculture languishes, within a short time manufacturing plants will close and thousands of unemployed will walk the streets of our cities crying aloud for opportunities for work and bread for their families.

With our great resources, there should be no atrophy or hypertrophy. There must be no dilation of the heart or atrophy of the limbs. The blood of prosperity must course freely through all parts of the land, giving life and vigor to the people and producing a well-balanced and symmetrical development.

It is a mistake for railroads to dry up the fountains of wealth in some sections for the purpose of increasing production in other sections. A transportation policy which prevents the development of one portion of our country in order to overdevelop some other part can not be defended in morals or

section. Indeed, broadly speaking, I doubt whether a policy fered from the failure of the Government to enforce the pro-

be justified upon any rational ground. Railroads are public agencies, and they must not use their powers to destroy communities or sections. The laws under which their charters are obtained should prevent discriminations and should require of them the adoption of just and fair measures and the execution of policies which will have the interests of all the people of our country at heart. Much of the prejudice against railroads, and I regret that there should be any prejudice, has resulted from the feeling that some railroad officials have been indifferent to the needs of the people and to the just demands which they have made. There is a feeling that there have been too many conflicts between rival groups of capitalists to obtain control of railroad companies, whether competing or not; and many people feel that they have been mere pawns upon the chessboard to be used in promoting organizations which have played with railroads as if the people had no interest in the same.

Let me repeat what I stated a few moments ago, that the time has come when the transportation question must be settled along the lines of justice and equity. The owners of the railroads are entitled to a reasonable return, and a railroad policy must be adopted which will encourage capital investments in railroad development. With the growth of our country, the expansion of business is sure to come. We must add annually to our railroad trackage thousands of miles. There must be no confiscation of property, no governmental or bureaucratic oppression which will paralyze the initiative and the genius of railroad managers and operators. The railroads must be so operated as to command the confidence and support of the people, and a spirit of mutual good will and fellowship must be cultivated.

The growth of our country is such that the freight carried by our railroads doubles every 10 or 12 years. If time permitted, I could show, covering various decades during the past four or five decades, the remarkable increase in the freight carried by the railroads of our country. It is likewise true that the gross earnings have increased in a most astonishing manner during the last 15 years. During the next 10 years the population of the United States will increase many millions. The production of the country will likewise increase. Unless our railroad facilities are multiplied the transportation problem will become more serious than it has been in the past. I repeat, a policy must be pursued that will encourage capital investment in our transportation systems. There are now needed not hundreds of millions of dollars but several billions for betterments and improvements and for construction of additional railroad trackage. Hundreds of locomotives and thousands of cars are required. Better terminal facilities must be obtained.

Cooperation and integration among the railroad companies are imperatively required. The situation will become serious within a very short time unless capital is available for railroad development. Every reasonable effort should be made by railroad managers to satisfy the just demands of the people and to acquaint them with the obstacles which the railroads encounter and the difficulties which they have to meet, and the reasons, if reasons exist, why more favorable policies and lower rates may not be adopted and put into effect.

If the people can be convinced that the railroads are being operated efficiently and economically and that the interests of the people are being protected, then many of the attacks made upon the railroads will cease and the demand for governmental control and operation of the railroads will grow feebler. When the people believe that their interests are being ignored or betrayed and that they are the victims of wrongs at the hands of individuals or corporations or groups they will make demands which may be radical and perhaps unjust.

The way to prevent bad legislation and the enactment of measures which are socialistic and paternalistic is for those who are engaged in enterprises and activities of a quasi-public character to appreciate their true relation to the people and to adopt policies which are just and fair and can be defended in the forum of morals.

I venture to suggest that if those who own and operate our railroads want additional capital they must secure the confidence of the people. And I submit that with the growing demands for further transportation facilities it becomes a serious question where and how the needed capital is to be obtained. It is obvious that the applications made by the transcontinental lines to obtain permission to modify section 4 of the transportation act will arouse indignation throughout the intermountain region, as well as in other parts of our country. The people in the regions referred to will regard the railroads as enemies and feel that they are seeking to injure and to oppress them. I believe that the filing of these applications is not only imprudent and unwise but is unsound from an economic and business standpoint.

The granting of the applications would arouse a feeling of bitterness against the railroad companies among millions of people. It would result in decreasing the freight hauled to and from large sections of our country, and the losses thereby sustained could not possibly be compensated by any gains derived from the hauling of a larger tonnage from ocean to ocean or from the Chicago zone to the Pacific coast.

It is proper to remark that the Chicago district has been active in pushing these applications for the abrogation of some of the provisions of the fourth section of the transportation act. It is regrettable that there are sections of the country in which business interests urge the adoption of a selfish policy which must result in harm, if not disaster, to other parts of the land. There is no water competition, or, at least, it is unimportant, between the Chicago territory and the Pacific coast. Apparently the purpose is to meet competition of shippers on the eastern coast who send their products to the Pacific coast, and the plan, of course, is to compel the interior, and particularly the intermountain section, to supply funds from which the railroad companies may recoup their losses incurred in carrying out the plan of the Chicago district. It has been said that this is market competition and not carrier competition, and that when the railroads make market competition instead of carrier competition then the evil of a policy of this character becomes more apparent.

Railroads have no right to aid in market competition when it will result in discriminatory rates. The applications pending before the Interstate Commerce Commission are in aid of market competition rather than in aid of carrier competition. It is frequently said in reply to the appeals of the intermountain section for justice and relief that nature has given to coastal cities geographical advantages denied to the intermountain States, as well as to various interior points, and therefore no complaint should be made if lower rates are granted from coast to coast than from the coast to interior points, or from the latter to the coast.

It may be remarked that the Chicago territory is not as favorably situated geographically, in order to obtain the benefit of water rates, as are cities upon the Atlantic and Pacific Oceans, but it is sought by an adjustment of rates which will give Chicago the same opportunity to ship to the Pacific coast as if it were located upon the Atlantic coast, and thus to remove the geographical disadvantage from which it suffers. The fact is that "Chicago seeks to sell upon the Pacific coast upon an equality with cities upon the Atlantic Coast, which ship by water; but it denies the intermountain region, which is situated 900 miles nearer Chicago than the Pacific coast, the right to rates by rail which will enable the intermountain jobbers to buy in Chicago upon an equality with San Francisco and Seattle."

At the expense of the intermountain region, it is designed to aid the Chicago district to obtain the same rates to the Pacific coast as to any intervening point. The scheme is to repeal, or at least to suspend, the provisions of the long-and-short-haul clause, and to force from the interior points millions of dollars in excess freight rates with which to recoup the losses which the railroads will undoubtedly sustain in carrying out this discriminating policy in favor of Chicago. As stated, it is demanded that the rates by rail to the coast shall be reduced, notwithstanding the statutory long-and-short-haul rule, so that in selling upon the coast the adverse effects which might arise from the existence of the Panama Canal may be averted. This plan would permit the Pacific coast to buy upon the Atlantic coast with advantage of the longer haul, and then purchase in Chicago with discrimination against intermountain points along the railroad.

It is quite likely that it would be beneficial to the markets in Chicago territory, but it would be disastrous to the intermountain districts. It is sought, under these applications, to use the power of the Interstate Commerce Commission to suspend the law, thus increasing the disadvantages due to geographical location of all intermountain territory in order that the disadvantages, geographically, which Chicago has may be removed.

The injustice of such a plan is so patent as to need no argument. It seems to me to be shocking, and I can not believe that the Interstate Commerce Commission will give an affirmative reply to the request made.

Much may be said in support of the proposition that such a plan is illegal. As I read the statute, it requires that rates shall be "compensatory." I submit that the statute is not complied with by fixing rates for a long haul so low that re-

coupment must be made by increasing rates, or maintaining inordinately high rates, to and between intermediate points. A compensatory rate is not one which meets the costs of transportation. It was said in the case of Coleman Commercial Club v. Louisville & Nashville Railroad Co. (33 I. C. C. Reports, p. 634) that—

> Competition between distributing markets does not constitute a justification for the maintenance of lower rates to a more distant than to an intermediate point.

Applying this decision to case made by the petitions now being considered by the Interstate Commerce Commission for further departures from the fourth section of the transportation act, it seems manifest to me that they should be promptly denied. To grant them, I submit, would be gross discrimination against shippers to intermediate points and manifestly unfair to the intermountain section of our country. In passing may I refer to the statement made by the Senator from Maryland [Mr. BRUCE]? As I understood him, his position was that there are no discriminations now with respect to the long-and-short-haul clause of section 4, that shipments from the East are required to pay the same rates to the coast as are shipments to intermediate points, and that shipments from the western coast, or from intermediate points to the East, are governed by the same rule. The Senator, I feel sure, is in error. The rates from the Pacific coast, for instance, to Chicago or New York are lower than are the rates from Salt Lake City or Denver or Reno to Chicago.

Mr. PITTMAN. Mr. President——

Mr. KING. I yield to the Senator from Nevada.

Mr. PITTMAN. The only change that has been made in the pre-war discriminations which existed under that section were those discriminations that were removed during the war on the ground that there were no ships left on the Pacific Ocean and therefore there was no excuse of competition. The same discriminations that were practiced before the war, moving east and moving throughout the rest of the country, are there now. That is the situation.

Mr. KING. That is as I understand it. The broad statement, therefore, of the Senator from Maryland needs qualification. The intermountain region is now discriminated against, and this injuriously affects this region in its efforts to find markets for its surplus products. It can not successfully compete in the Mississippi Valley and intermediate points with the Pacific coast and, of course, with the Chicago territory. Steel products manufactured in California or Oregon from pig iron produced in Utah may be shipped to Chicago or eastern markets at lower rates than are imposed upon similar products manufactured in Utah. Though 800 miles nearer Chicago than is San Francisco, Utah products are compelled to pay a much heavier rate than like products shipped from California. The Interstate Commerce Commission supports this policy, though it is ruinous to Utah and surrounding States.

Such a policy is economically unsound and it needs no argument to demonstrate its injustice and inequity. I submit that a transportation policy which permits such discrimination will disastrously affect many sections of our country, and the reactions upon our national, economic, and industrial life must, in the end, be exceedingly harmful. Moreover, I affirm that it is wrong to employ the power of the Government, through the Interstate Commerce Commission, to permit railroad companies to paralyze business in one section to improve industry in another, and to dry up the fountains of production and wealth at one point to open up springs of production in some other part of our country. Such a course is an abuse, indeed a perversion of the power committed to the Federal Government. That power has been used in the past, and it is against the continuation of this unfair practice that the legislation now before us is sought.

It is desired that section 4 of the transportation act shall be so amended as to make it impossible to continue abuses which have been so ruinous to the West and to other parts of our country. It is not sufficient argument to say that the railroads are compelled to meet competition between coast and coast because of the Panama Canal. I repeat the words of the decision just referred to that:

> Competition between distributing markets does not constitute a justification for the maintenance of lower rates to a more distant than to an intermediate point.

Notwithstanding this statement by the commission, the railroads are now asking for permission to give lower rates between terminal points than are fixed for intermediate points, though in so doing they would receive no compensation in many instances for carrying freight from coast to coast or from the Chicago district to the Pacific coast.

Mr. President, if the Panama Canal is to be used as a pretext to destroy interior sections of the United States, there will be some individuals who may feel that the more than $400,000,000 expended in its construction was not wisely spent.

In passing may I add that the Government has expended more than $174,000,000 upon the Mississippi River and its tributaries; more than a billion dollars have been expended by the Government upon its rivers and waterways. These vast sums were expended to aid commerce and to develop the industries of our country. Unfortunately much of these stupendous sums, in my opinion, have been wasted. A few years ago I made a careful examination of the items constituting these vast sums expended by the Government upon its rivers and inland waterways. I examined thousands of pages of reports and testimony, involving substantially every project, big and little, upon which money had been expended for the Government. I discovered that tens of millions of dollars had been wasted upon little streams and creeks and bayous and swamps. There had been a most profligate expenditure of the public funds. It is not to be wondered that there were criticisms of the "pork barrel" bills which were forced through Congress by "logrolling" and other unworthy methods.

Of course, such appropriations by Congress were illegal. They can not be defended from any standpoint. The reports revealed the strategy employed by various districts to obtain appropriations and the methods by which favorable consideration was given to unworthy projects.

Mr. President, the record of many of these appropriations is an ugly one. It is a reflection upon Congress, as well as upon the people in many parts of the country. There are many streams upon which millions were spent which never carried a pound of freight and never will. I recall that approximately eight millions of dollars were expended upon the Hennepin Canal in Illinois and I recall that a former Senator from Illinois, Mr. Sherman, admitted that the appropriation was improper and that the canal was of no advantage to commerce.

I have in mind scores of streams and districts which obtained many millions of dollars; the money was absolutely wasted and no freight is carried upon the stream. I am not opposed to a rational plan for the improvement of our harbors and inland waterways. I have heretofore condemned the wasteful, unscientific, and reprehensible policy which the Government has pursued in the past in dealing with its harbors and waterways. All attempts made to introduce a scientific and rational plan for the improvement of harbors and rivers failed.

Several years ago I offered a bill creating a suitable commission which should be charged with the duty of improving our harbors and waterways. This commission was to determine what expenditures were needed in order to provide for our commercial development and expend whatever Congress appropriated for rivers and harbors. I believe that a commission composed of technical, scientific, and business men should be charged with the responsibility of expending such sums as Congress might appropriate and allocating the sums to such harbors and rivers as they deemed for the best interests of the country.

The control of our harbors and waterways at present is some little improvement over the past, but we are still pursuing a wasteful and unscientific policy. Congress is still passing laws for the improvement of unworthy projects, and we are still appropriating for streams and rivulets which by the wildest stretch of imagination can not be brought within the principle which empowers Congress to regulate interstate commerce.

The fact is that the interstate commerce clause of the Constitution is being perverted and laws are passed based upon said clause, which I submit can not, in all fairness, be brought within the words and spirit of the Constitution. I recall that in the reports which I examined I learned that upon many streams work had been in progress for a great number of years. It seemed as if there was no purpose to complete the work but merely to furnish jobs for a large number of persons.

The Senator from Louisiana [Mr. RANSDELL] referred a few moments ago to the appropriations which had been made for the improvement of the Ohio River. These appropriations have extended over a period, as I recall, of more than 30 years. A number of dams have been constructed, and three or four additional ones are required. The work has been carried on in a halting, hesitating, and wasteful manner. No advantages have thus far been derived, and millions of dollars have been taken from the Public Treasury. If the project was worthy of Federal consideration it ought to have been completed promptly.

It is a fact, however, Mr. President, that the railroads have, by their better service, made some of our inland streams of but little if any value as carriers of freight. Railroads have paralleled some rivers, and where this has been done, river traffic has ceased. The rates on railroad lines paralleling the Mississippi

River are approximately 60 per cent of the average rates in the interior sections of our country. The railroads have, in some instances, in order to destroy water competition upon streams where the Government has expended millions for their development, established rates so low as to drive the boats from such waterways.

However, the rates fixed upon these lines were not applied in other sections. Doubtless in some instances the railroad companies derived no profit whatever from the operation of lines paralleling waterways. Freight rates in other parts of the country had to be maintained at higher levels in order to meet the losses resulting from the efforts to destroy water competition.

Much might be said upon the frightful waste, as well as the absurdity of a policy which takes millions out of the Treasury of the United States for the improvement of waterways and then permits the destruction of water transportation by permitting railroads paralleling the waterways to fix rates for that purpose.

Congress has done much to encourage the building up of our coastwise trade. Following the war, many American boats were put into this important service. The rates established by them, between intercoastal or from coast-to-coast points, were, generally speaking, reasonable, but the proposition is now presented of injuring, if not ruining, a portion of our coastwise trade, or at least that engaged in coast-to-coast traffic.

In the transcontinental cases of 1922, the Interstate Commerce Commission announced, as a criterion to be applied as construing the fourth section of the transportation act, that rate reductions proposing a departure from the fourth section must not threaten the elimination of legitimate water competition. It seems to me that this view is the correct one and that it should be adhered to by the Interstate Commerce Commission. Undoubtedly it expressed the will of Congress as that will was manifested in various legislative enactments.

I have heretofore referred to the importance of developing the internal trade and commerce of our country and adopting a sound policy which would call for the maintenance of our railroads at the highest point of efficiency. I also referred to the importance of encouraging the investment of capital in railroad enterprises, because of the imperative needs of railroad extensions and railroad development in many parts of the United States. The field of commerce is broad enough for two systems of transportation. Our railroads can not now adequately care for the demands of the people. Water transportation is needed, and a policy should be pursued which will make possible its development to meet the growing needs of the people. A destructive competitive policy, which would drive all boats engaged in coastwise trade from the seas and all boats and barges from our inland streams, must not be permitted; indeed, there must be encouragement for the development of our railroads and the expansion of our water-transportation systems.

On the 28th of February, this year, the Shipping Board, which is presumed to have some interest in the development of our merchant marine—although I confess its record is one of failure—protested, by resolution, against these applications of the railroads to set aside the provisions of section 4 and affirmed its belief that the plan contemplated in the applications would seriously injure our coastwise trade. I recall that an exhibit, which was offered by Mr. Garrow in the hearings before the Committee on Interstate Commerce upon the applications to which I have referred, showed the total westbound tonnage through the Panama Canal in 1923 to be 3,277,225 tons. This was only 1.2 per cent of the westbound tonnage of the 13 transcontinental railroads. In other words, there were carried by boats from coast to coast through the Panama Canal 3,277,225 tons as against the enormous tonnage carried by the railroads, represented by 98.8, the base of calculation being 100.

The tonnage passing through the canal from coast to coast in the same year, exclusive of oil, amounted to 5,586,724 tons. The tonnage of the 13 roads increased from 226,800,000 tons to 271,600,000 tons, and for the year 1922 there was an increase in the tonnage of freight carried by these roads of 32,400,000 tons. These figures show the absurdity of claiming that there is any necessity for a modification of section 4 in order to meet water competition through the canal.

The railroads are scarcely able now to handle the vast tonnage which will be offered to them to be carried from ocean to ocean as well as from interior to various coastal points, and the rapidly increasing commerce of the United States will soon impose upon the railroads demands for additional facilities that they will be unable to meet. I repeat that a wise transportation policy calls for a general reduction in freight rates throughout the United States, not only from coastal points to interior points but from interior points to other interior points as well as to the coasts.

This is no time for the inauguration of further discriminatory policies. The farmers now are in distress, particularly because of the high freight rates and their inability to ship their surplus products to markets. I repeat that it would be most unwise, and certainly unjust, to abrogate the provisions of section 4 and permit the railroads to enter into a ruinous rate war with the boats which carry such a small fraction of our tonnage from coast to coast.

Mr. President, I ask the indulgence of the Senate while I briefly refer to legislation of Congress which was aimed at discriminatory rates. The railroads, by their rebates, discriminations, and evil practices, aroused the country to such an extent that Congress in 1887 was compelled to act. Some of the evils which the act of 1887 sought to correct were set forth in an article written by Judge McChord, of the Interstate Commerce Commission, in 1918, a part of which I ask may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, the request will be granted.

The article is as follows:

MONUMENTS EVIDENCING RUINOUS EFFECTS OF LONG-AND-SHORT-HAUL RATES

> Many of these factories proved to be failures, and a ride over the country to-day discloses crumbling buildings and smokestacks in many towns and villages as grim monuments to the dead hopes of their projectors. Not all of these were properly located; many of them were the result of the dreams of some inventor of a short cut to wealth, but most of them should have survived and would have done so except that influences were at work that made success impossible. Among the chief of these was the fact that the railroads favored certain manufacturing centers in the way of facilities and rates.
>
> The freight-traffic manager's business was to secure tonnage for the particular railway by which he was employed. Long hauls in large lots afforded attractive business that added to the aggregate of the returns to the carrier from his efforts and led to his preferment by those higher up in the control and management of the road. Competition for business at points reached by several railroads was keen and incessant. The more railroads that served a particular point, the keener the struggle between rival traffic officials for business. For many years previous to 1910, and by many roads until 1906, rebates were paid to secure business to such an extent that officials have frankly admitted in evidence in proceedings before the Interstate Commerce Commission that few carriers pretended to collect more than 80 per cent of the advertised rates on shipments from competitive points. Railroads were built from business centers to business centers. Some reached the objective points by short direct routes and others by long indirect routes. The latter, in order to do business at the competitive point, met the rates named by the short line, meanwhile maintaining higher rates at shorter distance points on their own lines. In the same way competition by boats on our inland and coastwise waterways was met by all-rail carriers until transportation by water, so far as our inland rivers are concerned, has been nearly abandoned.
>
> The inducement to give the large shipper and all shippers for manufacturing centers an adequate supply of cars, transit privileges, switching arrangements, etc., was ever present, and the force of competition operated in favor of such shippers.
>
> These considerations rendered it impossible for the factory at the small town to compete in the sale of its products with a factory producing the same product at the larger and more favored city. The result was that the factory in the small town ceased to operate, and its employees were compelled to seek employment in the centers of production. * * *
>
> Relatively the same facilities should be furnished the factory that ships 1 carload a day as the one that ships 10 or more carloads. The opportunity to do a manufacturing business at a profit should be afforded at any point in the country. The supply of raw material and the possible field of consumption will dictate the location. * * *

Mr. KING. The Interstate Commerce Commission in its second annual report commented upon the injustices resulting from the rate systen then in force. Its statement is as follows:

> The sense of justice received a shock when one was told that the small dealer in the country town was made to pay three times as much for the carriage of his goods as the city merchant paid upon a like quantity for even a greater distance; and a well-founded feeling of discontent arises among many people when it can see things done under the protection of its law which seem to be plainly and unmistakably unjust. The advantages growing out of freight rates and discriminatory charges were referred to in the Sacramento-Santa Rosa case (29 I. C. C. 65)). The commission there said: "There can

the Chicago district to the Pacific coast.

ceased. The rates on railroad lines paralleling the Mississippi

be no question about the great commercial advantages which accrue to the towns having these rates. In the contest for new factories, to the industries looking for locations on the Pacific coast, the town with these rates has an advantage which can not be overcome by its rivals not blessed with such rates. New factories mean more workers, more money, more houses, and more people in general. * * * The record of these cases shows that, although the fact that the railroads have published tariffs, eliminating San Jose, Santa Clara, and Marysville from the coast or terminal points has been known only a few months; already these three points have felt the disadvantage of the possibility of ultimately losing such rates. San Jose, for example, has been unable to secure new industries because of the absurdity of its terminal-rate position."

The situation became so intolerable that Congress determined to prevent the evils resulting from the discriminatory rates adopted by the railroads. The purpose was to prevent the charging of lower rates for longer hauls than for shorter hauls. Congress wrote into section 4 provisions which it was believed would terminate this great evil. Section 4, in part, is as follows:

That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kind of property under substantially similar circumstances and conditions for a shorter than for a longer distance over the same line in the same direction; the shorter being included in the longer distance. But this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great a compensation for a shorter as for a longer distance: *Provided, however,* That upon application to the commission appointed under the provisions of this act, such common carrier may in special cases, after investigation by the commission, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property, and the commission may, from time to time, prescribe the extent to which such designated common carrier may be relieved from the operation of this section of this act.

This section, of course, must be construed in connection with other provisions of the act. Sections 1 and 3 of the act of 1887 sought to secure reasonable and nondiscriminatory rates. It was the contention of able lawyers and many shippers that a proper construction of sections 1, 3, and 4, and, of course, all must be construed together, prohibited such discriminations as would arise from granting lower rates for a long haul than for a short haul. Moreover, it is a principle of statutory construction that the evils sought to be remedied are to be taken into account in the construction of the remedial statute. Accordingly, as stated, it was believed by many that the act of 1887 prohibited, once and for all, the evils which resulted from granting lower rates over the same road and in the same direction, for a long than a short haul.

However, the commission and the courts took the view that the words—

under substantially similar circumstances and conditions—

permitted the railroads to depart from the provisions of section 4 which made it unlawful for a common carrier to charge or receive greater compensation for a shorter than for a longer distance over the same lines in the same direction, the shorter being included in the longer distance, and to continue the evil practices which had aroused such universal opposition throughout the country. And they also made the railroads the judges for the purpose of determining, when departures from the fourth section were made, whether the conditions and circumstances were "substantially similar" to those which fixed the rates for other commodities to intermediate points.

Under the construction placed upon the act the discriminations resulting from charging lower rates for the long haul than for the short haul continued. The act was practically nullified by the construction placed upon it, and the people continued to be subject to the inequitable and discriminatory practices which they had revolted against and which they believed the act of 1887 would terminate. The provisions of the statute which provided that upon application to the commission it might—

in special cases, after investigation, be authorized to charge less for longer than for shorter distances for the transportation of passengers or property—

were entirely disregarded, and without authorization the condemned practices against which the statute was leveled were continued.

The purpose of Congress in enacting the legislation referred to was to secure just and reasonable rates and to make unlawful every unjust and unreasonable charge; to prevent preferences between persons, localities, and commodities; to make undue or unreasonable prejudices or discriminations unlawful; to prevent discrimination in rates and charges and to make them unlawful; to make it unlawful to charge more for a short haul than for a long haul of persons or property; and to prevent pooling of freight of different railroads or dividing earnings of railroads. The purpose of Congress was manifest, but the construction placed upon the act left the people in many instances empty handed.

Under the construction placed upon the act the carriers applied indiscriminately higher rates for a short than for a long haul whenever it was of advantage to them. The shippers continued to charge to interior points in the intermountain States the maximum rate from the point of origin to the Pacific coast plus the rate from the Pacific coast to the point of destination. To illustrate, a merchant in Salt Lake City purchasing his goods in New York was compelled to pay the rate from New York to San Francisco with the added charge from San Francisco to Salt Lake City. And it should be stated that the rate from the coast to Utah and the intermountain region was exceedingly high. The merchants in Idaho who purchased goods in the same market were not charged the same rates, though the goods were shipped in the same car. And the merchandise destined for Idaho was unloaded in that State and the rest of the merchandise went on to Portland, 800 miles or more distant. The Idaho merchant was compelled to pay the rate to the Pacific coast plus the rate from Portland back to Idaho. This system, of course, imposed higher freight rates upon the interior sections. This policy was in violation of sections 1 and 3 of the act of 1887, and, as I contend, was not in harmony with the provisions of section 4.

It is obvious to the most superficial observer that this policy gave the Pacific coast an advantage and prevented the development of the intermountain region. The oppressive policy of the railroads became so intolerable that in 1910 Congress was compelled to respond to the demands of the people. The words of section 4—

under substantially the same circumstances and conditions—

were eliminated from the section, and the section was further amended so as to make it impossible for the carriers to charge—

any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act.

A further proviso was added to the section reading as follows:

Provided further, That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission in accordance with the provisions of this section, until a determination of such application by the commission.

Whenever a carrier by railroad shall, in competition with a water route or routes, reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition.

Undoubtedly it was felt by those who had suffered so long from the injustices and discriminatory practices of the railroads that these amendments to section 4 would bring relief, and it was believed that no modification of the long and short haul clause would be permitted by the commission, except upon proper showing and after a full and complete hearing.

The Interstate Commerce Commission on November 9, 1911, revoked former orders and restored the old system of rate making on combination rates to the coast with the back-haul rate to the point of destination. The Interstate Commerce Commission refused permission to the carriers to continue lower commodity rates from the Missouri River district and west to the Pacific coast than to intermediate points, but did authorize higher rates to intermediate points than to the coast on traffic originating in Chicago, Pittsburgh, and New York territories.

The rate from the Missouri River to the interior was fixed at not to exceed the rate to the coast. The rate from Chicago was fixed at 5 per cent, Pittsburgh 15 per cent, and New York 25 per cent higher to the interior than to the coast. This order was set aside by the Commerce Court, but in 1914 the Supreme Court of the United States reversed the action of the Commerce Court and affirmed the decision of the Interstate Commerce Commission. Thereupon the carriers sought relief from the effect of the decision and the commission extended the time when the decree was to be made effective as to approximately 80 per cent of the westbound traffic until January 1,

1915. This action resulted in imposing millions of dollars of additional freight charges upon the people of this section.

Later, the commission, by decision, authorized the carriers to establish commodity rates from the Missouri River territory to the Pacific coast lower than to intermediate points—

provided the rates from the Missouri River territory to the intermediate points were not exceeded by more than 15, 25, and 35 cents per hundred pounds from the points in Chicago, Pittsburgh, and New York territories, respectively. That is, the carriers might establish a rate to the Pacific coast from the Missouri River, the Chicago district, and New York; and a rate to the interior points at $1 from the Missouri River, $1.15 from Chicago, $1.25 from Pittsburgh, and $1.35 from New York.

Under this tariff the rates from New York to the Pacific coast on certain goods amounted to 85 cents, and to the interior, 1,000 miles shorter haul, $1.10. And in substantially all commodities this same inequality in tariff rates existed. This enabled the jobbers and merchants upon the coast to reship their products into the intermountain region and to compete with merchants and jobbers resident in that section.

The freight-rate situation continued unsatisfactory with constant applications for increase in rates and for discriminatory charges. It would tax the patience of the Senate if I should detail the devious ways of the carriers in evading the provisions of section 4, and in perpetuating the unjust and inequitable system of discriminatory rates which, with but slight modification, had prevailed for many years. It is sufficient to say that the law was practically nullified and the elimination of the words—

in substantially similar circumstances and conditions—

brought no benefits to the people or relieved them from the injustices to which they have long been subjected.

The situation was still unsatisfactory, and when the transportation act of 1920 was enacted demands came from various parts of the United States for relief from the oppressive and discriminatory rates which were still being enforced by many of the carriers.

Section 4, as amended by the act of February 28, 1920, makes it unlawful for any common carrier to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of a like kind of property, for a shorter haul than for a longer distance over the line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate points subject to the provisions of this act. It also provides that upon application to the commission a common carrier—

may in special cases, after investigation, be authorized by the commission to charge less for the longer than for the shorter distances for the transportation of passengers or property * * * but in exercising the authority conferred upon it in this provisio the commission shall not permit the establishment of any charge to or from any more distant point if it is not reasonably compensatory for the service performed.

The provision is also made for a modification of section 4 where a circuitous rail line or route—thus increasing its mileage—is compelled to meet rail competition between and at the same terminal points. It was the intention of Congress, by this amendment to section 4, to terminate once and for all the evasions and injustices practiced by common carriers in exacting higher rates to intermediate points. It was felt that the railroads had treated contemptuously the long-and-short-haul provisions of the law and by tricks and devices wholly unworthy of them had imposed upon the people unconscionable rates to their great injury.

But events transpiring since the passage of the act indicate that Congress again failed in its purpose and that the railroad companies considered that they could still impose higher rates upon intermediate points and charge lower rates for the long haul.

The railroads are demanding the right, upon the pretext of meeting water competition, to nullify the long-and-short-haul provisions of section 4. They place a construction upon the words "reasonably compensatory for the service performed" at variance with the accepted meaning of the words and contrary to the interpretation placed upon them by the legislative branch of the Government. Because of the interpretation placed by the railroads upon section 4 as amended in 1920, and because of the uncertain attitude of the Interstate Commerce Commission with respect to the construction of section 4, as amended, and particularly in view of the applications filed by 17 or 18 transcontinental railroads for permission to establish lower rates for longer hauls over rates applied to intermediate points, the intermountain section and other parts of the United States are demanding legislation which will make it impossible for the applications referred to to be granted.

The Senator from Nevada has offered as an amendment to H. R. 7877, known as the War Department appropriations bill, an amendment which deprives the Interstate Commerce Commission of the power to modify the long-and-short-haul features of section 4 in order that common carriers may meet water competition. Undoubtedly it would be more regular and more in conformity with the rules of the Senate to consider this question separate and apart from the appropriation bill now before us and solely upon its merits. But the lateness of the session and the numerous bills which have a privileged status make it impossible to secure consideration of this matter except as it shall be presented in the form of an amendment to an appropriation bill.

If the Interstate Commerce Commission had interpreted section 4 as Congress intended that it should be interpreted, then I have no doubt that the Senator from Nevada would not have offered his amendment. But when he sees the West and other sections of the country threatened with the revival of the discriminatory rates which have been so ruinous to the people, he feels, and other Senators feel, that the situation is so critical as to justify this rather unusual procedure.

Mr. President, there are those who believe that neither water competition nor any other form of competition warrants a policy permitting lower rates for a long than for a short haul. Hon. Johnston B. Campbell, one of the members of the Interstate Commerce Commission, has stated that—

the fourth section fosters waste in transportation service, tends to reduce the revenue of carriers, and creates the very worst kind of discrimination ever devised by the mind of man. It takes away from the intermediate localities the benefit of their location with respect to the farther distant points. It favors the large centers and the large shippers as against the small centers and small shippers. It tends to make the large center larger and the small community smaller. It casts an additional burden on our economic questions. It tends toward congestion in the large communities, impoverishes the small community, and creates economic problems not only for this generation but for future generations to solve.

It seems clear that under the amendment of 1910, and certainly under the amendment of 1920, Congress intended to give vitality to section 4 and to prevent the evils which, Commissioner Campbell points out, arise from the construction which has been placed upon it.

The Supreme Court in the Intermountain Rate cases (234 U. S. 487) declared that—

power in the carrier primarily to meet competitive conditions in any point of view by charging a less rate for a longer than for a shorter haul has ceased to exist, because to do so, in the absence of some authority, would not only be inimical to the provisions of the fourth section but would be in conflict with the preference and discrimination clauses of the second and third sections.

In other words, to meet competition is not sufficient ground to modify section 4 and thus impose discriminatory rates upon certain individuals or sections of the country. The 1910 amendment strengthened the act of 1887 and forbade any departures from the long-and-short-haul provisions, except that in "special cases and after investigation by the commission" modification might be made. But it is clear that competition was not a reason nor a "special case." Conceding that to meet water competition presents a "special case," the amendment of 1920 imposed a condition which must be met by the carrier before any modification of section 4 may be obtained.

The carrier must show, in order to obtain permission to charge less for a long than a short haul, that the charge made is "reasonably compensatory" for the service performed, and an investigation must be made by the commission and they must afterwards find that the charge made is "reasonably compensatory." The commission in determining this question must always keep in mind that whatever discretion they have must be a sound legal discretion—

as to whether the request should be granted compatibly with a due consideration of the private and public interests concerned and in view of the preference and discrimination clauses of the second and third sections.

The public interest manifestly would not be served by adopting a policy which destroys water competition and ruins large centers of our country. Even without the amendment to section 4 in the transportation act of 1920, I am at a loss to understand the attitude of the Interstate Commerce Commission. It permitted violations of the fourth section by continuing the discriminations which were in force when the act of 1910 amending section 4 was enacted. Commissioner Campbell expressed

his views upon this matter in the case of Palmine Co. v. I. C. R. R. Co. (87 I. C. C. 279), where he said:

By the 1910 amendment, therefore, the right and power to depart from the long-and-short-haul provision of the fourth section was taken from the carrier and lodged in the commission; and that amendment, so far as the carriers are concerned, made this provision of the fourth section absolute and unqualified, except in so far as it gives to the carrier the right to apply to the commission for authority to depart from that provision. This latter right to make application for such authority is specifically limited to "special cases," and such an application must embody facts which purport to present a "special case," or under the law it should not be considered as an appropriate application for authority to depart from this provision of the fourth section. The fourth-section violations brought about by the rates assailed in this case were not protected by such an application and should be held to be unlawful; and, following the reasoning in my dissenting expression in Anaconda Copper Mining Co. v. Director General (64 I. C. C. 136), since complainant paid freight charges on basis of such unlawful rates to the intermediate points, it is entitled to restitution in the amount of the difference between charges so paid and those which have been approved under the lower rate to the more distant point.

But conceding, for the sake of the argument, that under the provisions of section 4 as amended in 1910 departures from the fourth section were within the power of the commission to grant, a different question is presented in the light of the 1920 amendment.

It seems to me that much casuistry has been employed in explaining away the meaning of the words "reasonably compensatory." It must be borne in mind that Congress intended to prevent discrimination and to give vitality to the long-and-short-haul provisions of section 4. The special cases which might possibly warrant an exception to the rigid application of the rule must be brought within the rule that the rates charged must be "reasonably compensatory." In other words, Congress did not intend by the amendment of 1920 to permit a repetition of the wrongs resulting from violation of the long-and-short-haul clause.

The discussions in the Senate at that time indicate that it was the intention of Congress to prohibit the inequities and injustices visited upon certain sections or parts of our country in charging a less rate for a longer haul, and it was clear that the possibility of water competition was not a reason or a "special case" calling for modification of section 4. Indeed, it is declared in section 500 of the transportation act of 1920—

To be the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation.

Congress has shown its sincerity in promoting and fostering water transportation by appropriating more than a billion dollars to construct and repair harbors and to develop our inland waterways. Congress has appropriated more than $400,000,000 to construct the Panama Canal. Are these stupendous sums to be wasted and our water transportation to be destroyed? Manifestly Congress believed there was a broad field both for rail and water transportation.

Commissions had studied the transportation systems of Germany and reported that great benefits had been derived by the German people from the development of her rivers and harbors. The prosperity of Germany in part was due to the harmonious development of her dual transportation systems and to a proper coordination of the same.

At the last session of Congress approximately $40,000,000 were appropriated, as I now recall, to be expended upon our rivers and harbors. It is inconceivable that a policy should now be adopted that would drive boats and barges from our rivers and streams and paralyze the activities of our ships engaged in intercoastal or coastwise trade. And yet it is conceded that if the plans of certain railroads are carried into execution a large part of our coast-to-coast water traffic will be destroyed and all boats and barges driven from our inland streams. Even the Interstate Commerce Commission, in the transcontinental cases decided in October, 1922 (74 I. C. C. 48), stated:

It clearly would defeat the intent of Congress to foster transportation by rail and water in full vigor if the rail carriers were permitted at practically little or no profit to themselves to operate so as to deprive water carriers of traffic which the water carriers would naturally handle. Moreover, it must be borne in mind that where "out-of-pocket" theory is used as a rate basis there is inevitably thrown upon the rest of the traffic the task of providing the bulk of the net return contemplated in section 15 (a). Too wide an extension of the out-of-pocket theory would transpose the entire burden of meeting other fixed charges upon only a part of the traffic carried.

And in the case of a shipment of coffee from Galveston and other Gulf ports (64 I. C. C. 26) the commission stated, in granting relief from the fourth section, that it was necessary to consider not only the letter but the spirit of the law and the interests of the destination. However, these views can not quite be reconciled with the decision of the commission in the case above referred to (74 I. C. C. 71) where it is held that—

In the administration of the fourth section the words "reasonably compensatory" imply that a rate properly so described must (1) cover and more than cover the extra or additional expenses incurred in handling the traffic to which it applies; (2) be no lower than necessary to meet existing competition; (3) not be so low as to threaten the extinction of legitimate competition by water carriers; and (4) not impose an undue burden on other traffic or jeopardize the appropriate return on the value of carrier property generally, as contemplated in section 15 (a) of the act.

Commissioner Campbell concurred in the conclusions of the commission in denying certain of the applications but dissented from the construction placed upon section 4 as amended by the act of 1920, and stated:

To my mind "reasonably compensatory" as used in the amendment means a rate equal in amount to a "nonconfiscatory rate."

He then quotes from the opinion of Mr. Justice Brewer in the case of C. & N. W. Ry. Co. v. Dey, 35 Fed. 879, as follows:

Compensation implies three things: Payment of cost of service, interest on bonds, and then some dividend. Cost of service implies skilled labor, the best of appliances, keeping of the roadbed and the cars and machinery and other appliances in perfect order and repair. * * * The same rule obtains as to engines, machinery, roadbed, etc., and it may be doubted whether even the legislature, with all its power, is competent to relieve railroad companies whose means of transportation are attended with so much danger from the full performance of this obligation to the public. The fixed charges are the interest on the bonds. This must be paid, for otherwise foreclosure would follow and the interest of the mortgagor swept out of existence. The property of the stockholders can not be destroyed any more than the property of the bondholders. Each has a fixed and vested interest which can not be taken away.

When the act of 1920 was under discussion the words "reasonably compensatory" were considered. Senator CUMMINS in discussing the matter stated:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital. I take it that the word "compensatory" is used in that sense. Therefore, in the case put by the Senator from North Carolina, if the charge for the longer distance was not a compensatory charge the Interstate Commerce Commission would have no authority to grant the right to charge more for transporting the sugar, or whatever it may have been, over the shorter distance than it charged for transporting it over the longer distance. I think this amendment will go very far toward correcting the manifest abuses which have crept into the law. I think that the Interstate Commerce Commission could have prevented very many of those abuses by proper and correct rulings upon the law as it is, although I do not criticise it in that respect, for its work has been very difficult.

But, as I understand the decision of the commission in the Transcontinental cases, their definition of the words "reasonably compensatory" is much more restricted. A rate which would bring a return sufficient to more than meet the extra or additional expenses incurred in handling the traffic to which it applies would be "reasonably compensatory." How much more, they do not state; 1 cent or $1 might be more than sufficient to cover the extra additional expenses incurred in handling the traffic to which it applies. And yet it is obvious that that would not be "compensatory." How long would a business last if its returns were measured by the definition of the commission?

The statement of Senator CUMMINS contemplates that a rate which is "reasonably compensatory" must be such as will defray the cost of maintenance and operation of the railroad and will bear its just share of the return upon capital. One of the essentials of the compensatory rate is that there should be a reasonable return upon the capital invested. It is not a compensatory rate if the bare expenses of operation are met. If no returns were made upon investments, our industrial development would halt.

In the case of the Northern Pacific Railroad v. North Dakota (236 U. S. 585), the Supreme Court stated that—

In determining the cost of the transportation of a particular commodity all the outlays which pertain to it must be considered. We find no

basis for distinguishing in this respect between so-called "out-of-pocket" costs or "actual" expenses and other outlays which are none the less actually made because they are applicable to all traffic instead of being exclusively incurred in the traffic in question. Illustrations are found in outlays for maintenance of ways and structures, general expenses, and taxes. It is not a sufficient reason for excluding such or other expenses to say that they would still have been incurred had the particular commodity not been transported. That commodity has been transported, the common carrier is under a duty to carry, and the expenses of its business at a particular time are applicable to what it does carry.

Commissioner Campbell, in testifying before the Senate Committee on Interstate Commerce, refers to the time when rail carriers violated the fourth section without check and in so doing destroyed water competition. He referred to the fact that they had driven water transportation from the ocean around the Horn, and by rail across the Isthmus of Panama. He further stated that, in his opinion, if the railroads were permitted to violate the fourth section to meet water competition, all boats would immediately reduce their rates and their decline would continue until destruction overtook them.

It would seem obvious that if a rate were "reasonably compensatory" for the services performed, any higher rate must be excessive, and if a given rate between Chicago or New York and San Francisco is "reasonably compensatory," then a higher relative rate, based upon mileage, to any intermediate point is excessive. I submit that any rate for a long haul, which is determined to be "reasonably compensatory," must be no greater than the aggregate of the intermediate rates.

If the provisions of the fourth section are broken down by the subtle casuistry which is employed in defense of the proposition that a rate is "reasonably compensatory" if it meets the out-of-pocket-plus standard, then there will be a recrudescence of the evils which obtained for so many years and brought such injury and distress to many parts of our country.

If water competition may be met by abrogating the fourth section, then the intermountain region and other States will be brought to economic and financial ruin. I am advised that the railroads proposed, if their applications are granted, to submit rates from the Chicago territory and other western points to the coast very much less than the present rates, and rates which manifestly will not be reasonably compensatory. But they will not change the rates to intermediate points, which means that those residing at such points must bear the additional burden resulting from the reduced rates upon the long haul. As an illustration, out of hundreds which might be given, I call attention to the proposed rates upon structural iron and steel from Chicago to Los Angeles.

As I understand, if the applications filed with the Interstate Commerce Commission are granted the rates upon these products from Chicago to Los Angeles will be $1 per hundredweight on a minimum carload lot of 100,000 pounds and $0.80 per hundredweight on a minimum carload lot of 80,000 pounds. This will be a reduction of 25 cents and 20 cents, respectively, over existing rates. But the rates between Chicago and New Mexico upon the same products will not be reduced, notwithstanding the fact that New Mexico is approximately 700 miles nearer Chicago than is Los Angeles. A 40,000-pound shipment of iron and steel from Chicago to New Mexico will cost $500, but if the same shipment is carried 735 miles farther the cost will be but $400.

It is apparent that such discrimination will injuriously affect New Mexico, and the same policy, of course, will be followed by all other transcontinental roads which are seeking the same ends, and the same serious consequences will visit the entire intermountain region.

Mr. President, the reason is apparent for the waging of this contest to secure the adoption of the amendment offered by the Senator from Nevada. Under the more equitable rate policy following the control of the railroads by the Government there has been some development in manufacturing and other industrial enterprises in Utah and in the entire intermountain region. The inhabitants of this section perceive, in the applications filed by the transcontinental railroads and in the attitude of the Interstate Commerce Commission, a danger and menace which brings to them terror and dismay. For more than a quarter of a century they contended against powerful odds. When the act of 1887 was passed they believed relief was at hand, but the evils from which they suffered were continued. The amendment to the fourth section enacted in 1910 it was confidently believed would terminate the evil practices which had brought them such harm. They regarded the provisions of the amendment to section 4 of the act of 1900 as a complete protection against discriminations and inequitable freight rates. And now after these years of battle and conflict they discover a new danger. It would be surprising if they did not avail themselves of every opportunity to secure protection against the enemy which is at their gates.

Mr. WADSWORTH. Mr. President, before temporarily laying aside the bill, which I understand the Senator from Wyoming [Mr. WARREN] is going to request, and also before we take a recess or go into executive session, I desire on behalf of the committee to offer an amendment.

On page 79, line 14, under the title "Citizens' military training camps," I move to strike out in line 14 the figures "$2,100,000" and to insert "$2,330,000."

The PRESIDING OFFICER (Mr. FESS in the chair). The Senator from New York offers an amendment, which will be stated.

The READING CLERK. On page 79, line 14, it is proposed to strike out "$2,100,000" and insert "$2,330,000."

The amendment was agreed to.

Mr. PITTMAN. Mr. President, I want to say with reference to the proposed amendment to the appropriation bill, I have discussed the matter with the chairman of the committee and with the Senator from New York, and I have agreed to present the amendment to-morrow at 1 o'clock. At that time there will undoubtedly be a point of order made, and the question then will be on the point of order. I hope between 12 and 1, if I get an opportunity and the Senate will permit me to do so, to present my views with regard to the parliamentary situation affecting the presentation of this matter.

Mr. WADSWORTH. Mr. President, may I say to the Senator, for one, that I am entirely willing that the procedure outlined by him shall be followed; and, for that matter, I am willing that the amendment be officially and formally offered now, and no point of order will be raised against it before 1 o'clock to-morrow.

Mr. PITTMAN. That course is probably better. Then it can be printed in the RECORD.

For that purpose, Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Nevada offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 96, after line 6, insert:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency, such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

"Where any common carrier has, or common carrier have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1921, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearings, based on no less a

showing than that upon which the commission is herein authorized to grant relief: *Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed.

Mr. WADSWORTH. Mr. President, so that we may all understand it, I will state the intention is that at the conclusion of business this afternoon the Senate will stand in recess until 12 o'clock to-morrow, and that at 12 o'clock general debate will cease, and that at 1 o'clock, if the Senator from New York may obtain recognition—which I hope he will be permitted to do, in the spirit of this agreement—the point of order will be raised.

The PRESIDING OFFICER. Does the Senator submit that request?

Mr. PITTMAN. As far as the Senator from Nevada is concerned, if he has the floor, he will yield for that purpose; and, as I stated before, I hope to present my views of the parliamentary situation in justification of my offering this amendment. Of course there may be other Senators who will want to speak.

Mr. WADSWORTH. I think we all understand each other, and there probably will be no serious difficulty about it.

Mr. GOODING. That is my understanding, Mr. President.

Mr. WADSWORTH. I am very grateful to both Senators.

The PRESIDING OFFICER. Does the Senator submit that as a request?

Mr. PITTMAN. I do not think it is necessary for a unanimous-consent agreement to be entered into. The amendment is here, subject to a point of order. If the point of order should be made, I am perfectly willing to trust the matter to the Senator from New York.

Mr. WADSWORTH. Perhaps it can be done in this way: I may give notice that at 1 o'clock to-morrow, or as near that time as may be, I shall make the point of order.

Mr. PITTMAN. As I said, when I presented the amendment I did so with entire confidence in the Senator from New York. I do not require any agreement.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

The message also announced that the House receded from its disagreement to the amendments of the Senate numbered 4, 5, 6, 7, 8, 9, 10, 11, and 12 to the bill H. R. 8350; receded from its disagreement to the amendment of the Senate numbered 19, and concurred therein with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its disagreement to the amendments of the Senate numbered 21, 22, and 23; agreed to a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama were appointed managers on the part of the House at the further conference.

LEASING OF UNALLOTTED INDIAN LANDS

Mr. HARRELD. Mr. President, last evening the Senate passed Senate bill 2314. It has reference to giving power to the Secretary of the Interior to make leases of unallotted Indian lands, instead of for 10 years, as under the present law, for 10 years and as long thereafter as oil or gas is found in paying quantities. Inadvertently we overlooked the fact that there is before the Senate a similar bill which has already been passed by the House and has already been reported favorably by the Senate Committee on Indian Affairs.

Under the circumstances, I ask unanimous consent that the unfinished business be temporarily laid aside and that the House bill, which is on the calendar as Order of Business 580, with a favorable report from the Indian Affairs Committee, be considered at this time; and if it is passed, I shall move to reconsider the action of the Senate by which Senate bill 2314 was passed yesterday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma for the temporary laying aside of the unfinished business and the present consideration of this House bill?

Mr. PITTMAN. Mr. President, just one question, please. Was there any opposition to this bill in the committee?

Mr. HARRELD. No. This proceeding is merely to correct an error that was made last night. We should have substituted the House bill for the Senate bill and passed the House bill; but the fact that the House bill was on the calendar and was before the Senate with a favorable report was overlooked at the time. I make the request simply to remove the necessity of having to pass the Senate bill in the House. We have met half way between the two places. It is just to correct a parliamentary tangle.

Mr. PITTMAN. The Senator's request carries with it a request that the bill now pending shall be only temporarily laid aside for this purpose?

Mr. HARRELD. Yes.

Mr. PITTMAN. I have no objection.

The PRESIDING OFFICER. Without objection, then, the unfinished business will be temporarily laid aside. Is there objection to the present consideration of the bill indicated by the Senator from Oklahoma?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. HARRELD. Now, Mr. President, I ask unanimous consent to reconsider the votes by which Senate bill 2314 was ordered to a third reading and passed, and that it be indefinitely postponed.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent to reconsider the votes by which Senate bill 2314 was passed and that it be indefinitely postponed. Is there objection? The Chair hears none, and that order will be made.

EMPLOYEES OF THE LEGISLATIVE BRANCH

Mr. WARREN. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate may take up House bill 8262, to fix the compensation of officers and employees of the legislative branch of the Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government.

Mr. WARREN. Mr. President, as there is hardly time to consider the measure to its end to-night I ask unanimous consent to lay it aside for the purpose of taking up some executive business which will follow.

Mr. WADSWORTH. Mr. President, I think under the form of the request this particular bill would be the unfinished business to-morrow at 12 o'clock.

Mr. WARREN. I hardly think so after the agreement is made to take up the appropriation bill at a special hour. However, I am perfectly willing to submit to the chairman in charge of the bill to-morrow if he will lay aside his bill that I may call up this bill. As I understand the arrangement made, the appropriation bill will be taken up at 1 o'clock.

Mr. WADSWORTH. At 12 o'clock. The Senator from Nevada desires to discuss the War Department appropriation bill at 12 o'clock, and at 1 o'clock I am to raise the point of order on his amendment. I had hoped that we could pass this bill to-night.

Mr. WARREN. Unfortunately, in the absence of one or two who want to be heard on House bill 8262, it is likely to take a longer time than we have to-night. I am perfectly willing to have it considered now and passed.

Mr. PITTMAN. Of course, if some time is to be taken up in the consideration of the bill called up by the Senator from Wyoming, we would have to alter the arrangement about the War Department appropriation bill.

Mr. HARRISON. May I make an inquiry of the Senator from Wyoming? Is the bill which he seeks now to have passed the one that eliminates the bonus and gives the employees a 5 per cent increase?

Mr. WARREN. It gives various increases. It gives the senior clerks to Senators a minimum of something more than 20 per cent over the bonus and their old salaries. It gives House Members $4,000 each for two clerks, which is an increase of only 10 per cent over their present allowances. It gives the other employees the bonus and somewhere from 8 to 10 per cent over the salaries and bonuses they were receiving.

The PRESIDING OFFICER. What request does the Senator make?

Mr. WARREN. The Senator from New York has a right to ask that, having taken this bill up now, we put it on its passage.

Mr. WILLIS. I trust that will not be done. The Senator from New Hampshire [Mr. MOSES], who has taken a great deal of interest in this matter, is not present. I will say that there would be at least some discussion. If it is desired to run on for a time, I do not object to that, but I should have to call for a quorum, because I would not like to have the bill disposed of unless the Senator from New Hampshire were present.

Mr. WARREN. I do not wish to tangle up matters at all, and I am willing to withdraw my request.

Mr. WADSWORTH. I desire to have the Senator from Wyoming thoroughly understand my own predicament.

Mr. WARREN. I understand it perfectly.

Mr. WADSWORTH. We have just reached an arrangement under which at 1 o'clock to-morrow a certain point of order will be raised on an amendment which has already been offered to the War Department appropriation bill. So, of course, the War Department bill must be before the Senate when that point of order is raised.

The PRESIDING OFFICER. The Senator from Wyoming withdraws the request he made.

Mr. WARREN. I withdraw it altogether. I acted only with a desire to push the matter along.

Mr. WILLIS. Mr. President, I want to make a brief statement about this matter. So far as I am concerned, I have not the slightest objection to the consideration of the bill now.

Mr. WARREN. Before the Senator starts, permit me to say that the Senator from New Hampshire [Mr. MOSES] asked me two days ago not to call the bill up and finish it on Thursday, but that he would be here on Friday, and he wished to offer an amendment, which I told him I would certainly oppose, and he made no further request. It is a question whether he should be present when we call the bill up or whether he should not be. He knew I would call it up at the first opportunity. That is the situation.

Mr. WILLIS. No one, of course, questions in the slightest degree the good faith of the Senator——

Mr. WARREN. I simply withdraw my request altogether.

The PRESIDING OFFICER. The request is withdrawn.

Mr. WILLIS. I want, if I may, to finish my statement. Of course, no one questions the good faith of the distinguished Senator from Wyoming. I simply know that there are a number of Senators who are interested in this measure and who have expressed a desire to be present, and I know that one or two desire to offer amendments to the bill. I therefore think it proper to call attention to that situation and to say that if the bill is to be taken up at this time, in fairness to those Senators I shall have to call for a quorum.

LA PLATA RIVER COMPACT

Mr. BURSUM. Mr. President, I ask unanimous consent to submit a report from the Committee on Irrigation and Reclamation.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. BURSUM. From that committee I report back favorably without amendment the bill (S. 1656) granting the consent and approval of Congress to the La Plata River compact, and I submit a report (No. 554) thereon.

This is a bill ratifying a compact between New Mexico and Colorado relating to the apportionment of the waters of the La Plata. No other State has any interest whatever in the bill. The Senator from Colorado is here, and I ask that the bill be now considered.

Mr. OVERMAN. I do not think we ought to put any bill on its passage this afternoon; it is too late.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent for the present consideration of the bill.

Mr. OVERMAN. I shall object to any bill going through this afternoon.

The PRESIDING OFFICER. Objection is heard, and the bill goes to the calendar.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 7902. An act to extend for the period of one year the provisions of Title II of the food control and District of Columbia rents act, approved October 22, 1919, as amended; and

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes.

RECESS

Mr. HARRISON. Mr. President, what is before the Senate?

The PRESIDING OFFICER (Mr. FESS in the chair). There is nothing before the Senate.

Mr. HARRISON. I understood there was to be a motion for an executive session.

Mr. LODGE. I promised one or two Senators that I would not call for an executive session to-day.

Mr. WADSWORTH. I move that the Senate stand in recess until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.) took a recess until to-morrow, Saturday, May 17, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 16, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou art merciful and gracious and slow to anger, and Thy truth endureth from generation to generation. Do Thou, gracious Lord, incline our hearts to seek Thy face and to own Thee as Father and Savior. Into the secret places of every breast, let Thy whisper come and bless us with Thy peace. Let Thy blessing rest upon our homes. The loved ones of our firesides, wherever they may be, O may they ever be kept dear and near to the heart of our heavenly Father. May we have the faith that gives hope in the darkness, strength in weakness, courage in perplexity. Bear with our infirmities and fortify us against error. Deliver us from the anxiety of the future and make us strong, urgent men of to-day, through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary."

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. CAMERON, and Mr. FLETCHER as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7995) to limit the immigration of aliens into the United States, and for other purposes.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street in the city of Chicago, county of Cook, State of Illinois;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 8300. An act to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund and for other purposes";

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by U. S. submarine *K-4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River, connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.; and

H. R. 3183. An act for the relief of Rush O. Fellows.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1834. An act for the relief of the legal representative of Robert Dillon, deceased;

S. 1013. An act for the relief of Gordon G. MacDonald.

S. 1699. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government;

S. 953. An act for the relief of William Kaup;

S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds;

S. 830. An act for the relief of Elizabeth Wooten;

S. 819. An act prescribing certain qualifications of postmasters of offices of the first, second, and third class;

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army;

S. 588. An act for the relief of Daniel A. Spaight and others;

S. 116. An act to amend section 196 of the Code of Laws for the District of Columbia;

S. J. Res. 95. To authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C.;

S. J. Res. 90. Providing an extension of time for payment by entrymen of lands on the Fort Assinniboine abandoned military reservation in the State of Montana; and

S. 933. An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia.

AMENDING NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2169), to insist on the House amendments and agree to the conference asked by the Senate.

The SPEAKER. The gentleman calls up the conference report on a bill which the Clerk will report by title.

The Clerk read as follows:

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.

The Clerk read as follows:

Mr. McKENZIE, Mr. HULL of Iowa, and Mr. QUIN.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CRAMTON. Mr. Speaker, I wish to call up the conference report on the bill H. R. 5078, the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan calls up a conference report, which the Clerk will report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

LOUIS C. CRAMTON,
FRANK MURPHY,
CHARLES D. CARTER,
Managers on the part of the House.

Mr. CRAMTON. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment to the amendment of the House to the amendment of the Senate No. 47. Mr. Speaker, in support of my motion I desire to make this statement of the situation with reference to the Interior Department appropriation bill: That bill, as you know, covers the appropriations for all activities of the Interior Department. It is a bill of very great importance. It carries a number of items which are immediately available. That bill passed the Senate on February 28. Since then it has been in conference. It is now in May and the delay very largely has been caused by inability of the two bodies to agree with reference to the item providing for purchase of the Bright Angel Trail in the Grand Canyon. I received a telegram the other day that the *Boxer*, a ship used by the board of education for its work in Alaskan waters, has been laid up. The captain and engineer are laid off because there is no money with which to pay them, although this bill carries money for that purpose.

There are other activities that are suffering likewise by reason of this delay of this bill to become a law. It is strange indeed that the bill should be delayed because of this one item, which at first blush might appear to be of small consequence. It involves an appropriation proposed by the House for the purchase of the trail leading from the rim down to the floor of the canyon in the Grand Canyon National Park from the county of Coconino. The opposition to that is led in another body by a gentleman who has a very close personal interest in that matter. In the CONGRESSIONAL RECORD on page 4001, March 11, 1924, will be found a letter from one Ralph H. Cameron to the Senate conferees on this bill under date of March 5, which says:

It has been stated that I have an interest in certain mining claims within the Grand Canyon National Park, which have been the subject of litigation. I reiterate that I have not at the present time, and have not had for many years prior to the date of the creation of the Grand Canyon National Park in 1919, any interest in claims title to which is being litigated by the Government of the United States. It has also

been stated that the water from two springs on the Bright Angel Trail have been polluted with typhoid germs. Title to one of these springs is in the county of Coconino, Ariz.; the other in a mining location in which I have had no interest for many years.

I can not say who is the Ralph H. Cameron who signed that letter. I have a letter from the Attorney General of the United States in response to a recent inquiry on my part. I will say that the mineral claims that are cluttering up the development of the Grand Canyon and make possible the continuance of serious nuisances in the park, the question of validity of those claims of Ralph H. Cameron was passed on by the Supreme Court of the United States in 1920, which held them to be invalid. It is apparent, if you had no knowledge of the facts, you would understand that nothing but high influence of some description could hold possession of United States property in a great national park for four years in the face of a decision of the United States Supreme Court.

Ralph Cameron writes the Senate conferees he has no interests in claims in litigation. Under date of May 6, 1924, Attorney General Stone wrote me as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., May 6, 1924.

Hon. LOUIS C. CRAMTON,
House of Representatives, Washington, D. C.

DEAR MR. CRAMTON: I am in receipt of your letter of the 2d instant regarding the pending cases involving Ralph H. Cameron, which affect lands within the Grand Canyon National Park.

Upon receipt of the letter dated February 28, 1924, from the Secretary of the Interior, to which you make reference, I instructed the United States attorney at Tucson, Ariz., to take appropriate action to enforce full and complete compliance by Mr. Cameron with the decrees which had been entered in the suits brought to enjoin occupancy of these lands by him and others. In my letter, which was dated March 5, 1924, I referred to the fact that the controversy regarding occupancy of lands under mining claims in that area was of long standing and should be terminated as speedily as possible, and that I desired him to give the matter immediate attention.

I may say that the letter of the Secretary brought to my attention not only the failure of Mr. Cameron and his associates to fully comply with the decrees in the cases referred to, but also the claims asserted by eight individuals said to be associates of Mr. Cameron under about 55 placer mining locations of 160 acres each on the floor of the Grand Canyon. As to these, the United States attorney was directed to institute appropriate suit or suits.

Prompt acknowledgment of my letter of instructions was made by the United States attorney. The institution of proceedings has been somewhat delayed by reason of the fact that he was engaged in important court work and for the further reason that some investigation was necessary, as was also the procuring of certain data from the local land office in Arizona. I have, however, received a report dated the 5th instant, in which the United States attorney states that motion and affidavit in contempt proceedings for violation of the injunction were that day forwarded to Phoenix for filing, and that a bill for injunction against locators of the claims on the floor of the canyon will be completed and forwarded to the superintendent of the Grand Canyon National Park for verification not later than to-day.

I have had close supervision kept of this matter, and assure you that no unnecessary delay will be tolerated.

Respectfully,

HARLAN F. STONE, *Attorney General.*

So that this letter makes it apparent that one Ralph Cameron is to-day and has been for years in litigation with the United States concerning mineral claims in the Grand Canyon National Park. Whether this Ralph Cameron who wrote the conferees is the one or not, some Ralph Cameron is party to a litigation now being carried on by the Attorney General of the United States. At the same time I have a report from the superintendent of this national park dated May 1, 1924, referring to a Mr. Steel who is in charge of Indian Gardens in the park, and who takes his orders from some Ralph H. Cameron, which says in part:

Warm weather will be here soon, and I sincerely trust that during the heated period visitors to Grand Canyon National Park may be permitted to rest and eat lunch in the splendid grove of cottonwood trees, where pure water is abundant.

Mr. Steel, the hard-boiled caretaker, is not at Indian Gardens at present, but I understand he is away on a short vacation. In his place there is a rather likeable young man, who yesterday, at least, appeared to be very courteous. It is obvious, however, that he is carrying out the instructions of Mr. Steel, for when we arrived at Indian Gardens from Phantom Ranch two hikers were resting on the benches at the lunch station, where the water has been found to be dangerous, and where we posted the signs that have been torn down.

I might say that the water at the place where tourists stop for lunch has been found to contain thousands of colonies of typhoid bacilli. The gentleman from Oklahoma [Mr. CARTER] and the gentleman from Arizona [Mr. HAYDEN] and myself drank quantities of that water, and I do not know how we got by the typhoid germs, but we did.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield there?

Mr. CRAMTON. Yes.

Mr. HOWARD of Nebraska. Would the gentleman be kind enough to locate this person Steel and this person Cameron, of whom he speaks, and tell us with just what department of the Government he is still connected officially?

Mr. CRAMTON. Steel is an employee of one Ralph Cameron and has charge of this ideal camping spot in the national park that is withheld from public use by Ralph Cameron, who holds possession without legal right. Ralph H. Cameron I am not able to identify. There seems to be difficulty, for the reason that one Ralph H. Cameron wrote a letter to the conferees in which he said that he had no interest in the control of these springs or any mineral claims, but the Ralph H. Cameron that is the employer of Mr. Steel exercises to-day that control, and under his authority the signs which the administration of the park put up to warn the public against drinking that typhoid water were torn down, probably by Mr. Steel.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WATKINS. You say you can not identify Mr. Cameron. What you mean to say is that you will not identify him? Is not that it?

Mr. CRAMTON. I am seriously handicapped by the parliamentary rules in the presentation of the matter, reference to Members of another body being forbidden.

Mr. HOWARD of Nebraska. That is entirely sufficient.

Mr. CRAMTON. Mr. Eakin in his letter states further, referring to the two hikers who were sitting there:

I asked them if they had drunk any of that water, and they replied that the man above had told them that the water at the house was unsafe, but that the water at the lunch station was safe—

That is, where it contained the typhoid bacilli. Then he proceeds:

In other words, they were deliberately misled and deliberately directed to water that is impure. This, I believe, shows you the necessity of obviating any delay possible in securing Government control at Indian Gardens.

I have a few pictures here that you can not very well see at a distance, but anyone interested in them can look at them more closely and see the disgraceful sort of shacks and wrecks that strew this most beautiful part of the trail leading down into the canyon. Visitors to the park wonder how the Government of the United States permits those things to be there. But they are on the land held by Ralph Cameron in defiance of law. I myself wonder why, after four years, with the decision of the Supreme Court of the United States declaring the invalidity of his claims, Cameron still holds possession, but he does. The present Secretary of the Interior and Attorney General now have proceedings under way to put him out.

The gentleman from Oklahoma [Mr. CARTER] and myself visited the place a year ago and we came to the conclusion that we would stop this thing, and that the Government should maintain its control over the property, no matter how high the official position or connection of the squatters might be. To fully clear up the situation it is essential the Government acquire title to this privately owned trail in the park, which is a toll trail.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAMTON. I will yield.

Mr. BLANTON. The House, by an overwhelming vote, backed up the gentleman in his position. I do not know anything that has transpired since that would warrant the House in receding from that position.

Mr. CRAMTON. I hope the House will not recede, but will make its position more apparent. We have again been in conference, and we can not agree.

Mr. BLANTON. There was not a single dissenting vote before.

Mr. CRAMTON. It is amazing to me that any private individual, whether in office or not, should maintain the attitude that some Ralph Cameron does maintain toward this wonderful park—a national playground. It is so contrary to the attitude of others.

The announcement of a gift of $250,000 for the purpose of constructing and maintaining museums in the national parks was made this week by the American Association of Museums which has been holding its annual conference here in Washington. The Congress has made possible the acceptance of such public-spirited benefactions by giving the Secretary of the Interior the necessary legislative authority to accept donations for national-park purposes.

With this splendid contribution park museums which will tell the story only of the parks are to be built in Yellowstone and Yosemite National Parks, and adequate funds are to be provided for their maintenance over a period of several years. In Mesa Verde Park, in southwestern Colorado, which I visited last summer, I saw the walls of a building, harmonious with its surroundings, rising under the almost loving touch of the superintendent, which is to house the relics of a prehistoric civilization which built the wonderful ruins that are preserved in this park. The funds for this building were subscribed by a park visitor, who felt the small inadequate timber structure which the Government of the United States had given funds to build was a disgrace, and out of her own means she has supplied funds for the proper housing of these invaluable relics.

These museums are supplying the demand of thousands of visitors who pour into these parks for information on the natural sciences. Specimens of the beautiful but unknown flowers growing by the wayside are to be placed in these museums, properly labeled so that the visitor may identify them in the field. The rocks and trees, and in fact all the living and growing things can thus be made known by the museums and the early historical records kept there. These museums are fountains of education, and by giving a better knowledge of our land create a stronger love for it. These invaluable adjuncts to the wonderful service that is being rendered in these national parks are being given by public-spirited citizens without a cent of cost to the Federal Government.

That is the spirit that is aroused in the normal American who comes in contact with these great playgrounds and scenic reservations. That spirit is commendable, the desire to serve the common good by private means and private effort.

In comparison, how pitiable is the exhibition of the desire to hinder the public use or to monopolize and exploit for private gain these wonder spots of the earth.

I am not going to take longer time. I am going to ask a roll call on this, because I want another body to understand that this House has determined that this intolerable situation in a great national park shall not continue, and that no amount of personal influence shall be permitted to stand in the way of the public good.

Mr. Speaker, I move the previous question.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield there for a moment first?

Mr. CRAMTON. I yield.

Mr. HOWARD of Nebraska. Will the gentleman be good enough to tell the House if this bill is being held up on any other items than this Bright Angel Trail item?

Mr. CRAMTON. The bill has been completed for two months as to everything else in the bill except this one item.

The SPEAKER. The gentleman from Michigan moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Michigan [Mr. CRAMTON] that the House further insist on its disagreement to the Senate amendment.

Mr. CRAMTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Michigan makes the point of order that there is no quorum present. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 353, nays 1, not voting 79, as follows:

YEAS—353

Abernethy	Bacharach	Black, Tex.	Britten
Ackerman	Bacon	Bland	Browne, N. J.
Aldrich	Barbour	Blanton	Browne, Wis.
Allen	Beck	Bloom	Browning
Allgood	Beedy	Bowling	Ruumm
Almon	Beers	Box	Buchanan
Andrew	Begg	Boyce	Buckley
Anthony	Bell	Boylan	Bulwinkle
Arnold	Berger	Brand, Ga.	Burton
Aswell	Bixler	Brand, Ohio	Busby
Ayres	Black, N. Y.	Briggs	Butler
Byrns, Tenn.	Greene, Mass.	McSwain	Sears, Nebr.
Cable	Greenwood	McSweeney	Seger
Canfield	Griest	MacLafferty	Shallenberger
Cannon	Griffin	Magee, N. Y.	Shreve
Carew	Hadley	Magee, Pa.	Simmons
Carter	Hammer	Major, Ill.	Sinclair
Casey	Hardy	Major, Mo.	Sinnott
Celler	Harrison	Manlove	Sites
Chindblom	Hastings	Mansfield	Smithwick
Christopherson	Haugen	Mapes	Snell
Clague	Hawes	Martin	Speaks
Clancy	Hawley	Mead	Spearing
Cleary	Hayden	Merritt	Sproul, Ill.
Cole, Iowa	Hersey	Michaelson	Sproul, Kans.
Collier	Hickey	Michener	Stalker
Collins	Hill, Ala.	Miller, Wash.	Steagall
Colton	Hill, Wash.	Milligan	Stedman
Connally, Tex.	Hoch	Mills	Stephens
Connery	Holaday	Minahan	Stevenson
Cook	Hooker	Montague	Strong, Kans.
Cooper, Ohio	Howard, Nebr.	Mooney	Strong, Pa
Cooper, Wis.	Hudson	Moore, Ga.	Summers, Wash.
Cramton	Hudspeth	Moore, Ohio	Sumners, Tex.
Crisp	Huff, Morton D.	Moore, Va.	Swank
Croll	Huff, William E.	Morgan	Sweet
Crosser	Hull, Iowa	Morrow	Swing
Crowther	Humphreys	Murphy	Swoope
Cullen	Jacobstein	Nelson, Me.	Taber
Cummings	James	Newton, Minn.	Tague
Darrow	Jeffers	Newton, Mo.	Taylor, Tenn.
Davey	Johnson, Ky.	Nolan	Taylor, W. Va.
Davis, Minn.	Johnson, S. Dak.	O'Connell, R. I.	Temple
Davis, Tenn.	Johnson, Tex.	O'Connor, La.	Thatcher
Deal	Johnson, Wash.	O'Sullivan	Thomas, Ky.
Dempsey	Johnson, W. Va.	Oldfield	Thomas, Okla.
Denison	Jones	Oliver, Ala.	Thompson
Dickinson, Iowa	Jost	Oliver, N. Y.	Tillman
Dickinson, Mo.	Kearns	Paige	Tilson
Doughton	Keller	Parker	Timberlake
Dowell	Kelly	Parks, Ark.	Tincher
Drewry	Kendall	Patterson	Tinkham
Driver	Kent	Peery	Treadway
Dyer	Kerr	Perkins	Tucker
Eagan	Ketcham	Perlman	Tydings
Elliott	Kincheloe	Phillips	Underhill
Evans, Iowa	Kindred	Porter	Underwood
Evans, Mont.	King	Pou	Vaile
Fairchild	Knutson	Purnell	Vestal
Fairfield	Kopp	Quayle	Vincent, Mich.
Fenn	Kunz	Quin	Vinson, Ga.
Favrot	Kurtz	Ragon	Volgt
Fenn	LaGuardia	Rainey	Wainwright
Fish	Lampert	Raker	Watkins
Fisher	Lanham	Ramseyer	Watres
Fitzgerald	Lankford	Rankin	Watson
Fleetwood	Larson, Ga.	Rathbone	Weaver
Foster	Larson, Minn.	Rayburn	Wefald
Frear	Lazaro	Reece	Weller
Fredericks	Lea, Calif.	Reed, Ark.	Werts
Free	Leatherwood	Reed, N. Y.	White, Kans.
Freeman	Leavitt	Reid, Ill.	Williams, Ill.
French	Lee, Ga.	Richards	Williams, Mich.
Frothingham	Lehlbach	Roach	Williamson
Fulbright	Lindsay	Robinson, Iowa	Wilson, Ind.
Fuller	Lineberger	Robsion, Ky.	Wilson, La.
Fulmer	Linthicum	Romjue	Wingo
Garber	Logan	Rouse	Wolff
Gardner, Ind.	Longworth	Rubey	Wood
Garner, Tex.	Lowrey	Sabath	Woodruff
Garrett, Tenn.	Luce	Salmon	Woodrum
Garrett, Tex.	Lyon	Sanders, Ind.	Wright
Gasque	McClintic	Sanders, N. Y.	Wurzbach
Geran	McDuffie	Sanders, Tex.	Wyant
Gibson	McFadden	Sandlin	Yates
Gifford	McKenzie	Schafer	Young
Goldsborough	McLaughlin, Mich.	Schneider	
Graham, Ill.	McLeod	Scott	
Green, Iowa	McReynolds	Sears, Fla.	

NAYS—1

O'Connor, N. Y.

NOT VOTING—79

Anderson	Funk	Madden	Sherwood
Beakhead	Gallivan	Miller, Ill.	Smith
Barkley	Gilbert	Moore, Ill.	Snyder
Boles	Glatfelter	Moores, Ind.	Stengle
Burdick	Graham, Pa.	Morehead	Sullivan
Bartness	Hill, Md.	Morin	Taylor, Colo.
Byrnes, S. C.	Howard, Okla.	Morris	Upshaw
Campbell	Huddleston	Mudd	Vare
Clark, Fla.	Hull, Tenn.	Nelson, Wis.	Vinson, Ky.
Clarke, N. Y.	Kahn	O'Brien	Ward, N. Y.
Cole, Ohio	Kless	O'Connell, N. Y.	Ward, N. C.
Connolly, Pa.	Kvale	Park, Ga.	Wason
Corning	Lingley	Peavey	Welsh
Curry	Lilly	Prall	White, Me.
Dallinger	Little	Ransley	Williams, Tex.
Dickstein	Luce	Reed, W. Va.	Wilson, Miss.
Dominick	McKeown	Rogers, Mass.	Winslow
Doyle	McLaughlin, Nebr.	Rogers, N. H.	Winter
Drane	McNulty	Rosenbloom	Zihlman
Edmonds	MacGregor	Schall	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Dallinger with Mr. Hull of Tennessee.
Mr. Burdick with Mr. Croll.
Mr. Kahn with Mr. Clark of Florida.
Mr. Rogers of Massachusetts with Mr. Dominick.

Mr. Ward of New York with Mr. Ward of North Carolina.
Mr. Cole of Ohio with Mr. Stengle.
Mr. Luce with Mr. Barkley.
Mr. Curry with Mr. Byrnes of South Carolina.
Mr. Clarke of New York with Mr. Upshaw.
Mr. Funk with Mr. Kvale.
Mr. Rosenbloom with Mr. Taylor of Colorado.
Mr. Vare with Mr. Doyle.
Mr. Hill of Maryland with Mr. Vinson of Kentucky.
Mr. Boies with Mr. Sherwood.
Mr. Connolly of Pennsylvania with Mr. Bankhead.
Mr. MacGregor with Mr. Park of Georgia.
Mr. Madden with Mr. Wilson of Mississippi.
Mr. Burtness with Mr. Sullivan.
Mr. Miller of Illinois with Mr. Gallivan.
Mr. Graham of Pennsylvania with Mr. Howard of Oklahoma.
Mr. Kless with Mr. Gilbert.
Mr. Moore of Illinois with Mr. Huddleston.
Mr. White of Maine with Mr. Drane.
Mr. Ransley with Mr. McNulty.
Mr. Winslow with Mr. O'Connell of New York.
Mr. Mudd with Mr. Glatfelter.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Winter with Mr. Morehead.
Mr. Zihlman with Mr. O'Brien.
Mr. Welsh with Mr. Dickstein.
Mr. Schall with Mr. Morris.
Mr. Morin with Mr. Williams of Texas.
Mr. Smith with Mr. Corning.
Mr. Campbell with Mr. Lilly.
Mr. Moores of Indiana with Mr. McKeown.

The result of the vote was announced as above recorded.

PERMISSION TO ADDRESS THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to address the House for two minutes. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I do not like to object to any man addressing the House; but if Members could realize the pressure that is brought upon the Rules Committee to get legislation before the House, they would appreciate the position I am in at this time. The Rules Committee is willing to bring out rules as fast as the House can absorb them, and that is the best we can do. If we are going to get this legislation through, we can not yield for speeches outside of the regular order of business. I will not object now, but I do feel that in the future I shall be obliged to object.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNERY. Mr. Speaker and gentlemen of the House, while listening to the President's veto message yesterday I had some very strange and ironic thoughts. I was wondering whether the President fully realized what the service men of the Nation did in the war not only to keep safe our beloved country from foreign aggression but to protect the property of the taxpayers in whose welfare the President seemed so intensely interested.

Now, knowing from past experience that this veto was what to expect, I saved a little clipping which was written by "Old Timer" in the Chicago Tribune after the late lamented President Harding had sent his veto message to Congress. I saved this clipping, knowing that the day would come when this adjusted compensation bill would be again vetoed, and I am going to offer it for the deep consideration of this House:

I remember the dawn of that cold rainy day
Our first time over the top,
How for hours we crouched in the mud of the trench
With our hearts going flippity-flop.
And at last the word came—and over we went,
Where the bullets whistled and spat;
And shrapnel screamed 'round like devils from hell,
But—nobody vetoed that.

I remember a night in a thick marshy wood,
When the boche gave a chlorine-gas ball;
We couldn't fight back, we were held in reserve,
Had to stay there and take it—that's all.
And thicker and thicker the stinking fumes grew
While we lay there sprawling out flat,
Choking and cursing—but—holding our ground;
And nobody vetoed that.

I remember the nights, when with pick and spade,
We scooped shallow graves for our dead;
No songs could be sung—there were snipers around,
Not even a prayer could be said.
We had to work fast for with coming of day
The guns would start in to chat;
Without coffins or blankets we laid them away—
And nobody vetoed that.

Now, my colleagues, I confidently hope that the membership of the House of Representatives when we vote to-morrow will rebuke the President for the gratuitous insult which he gave, in his message yesterday, to the men who bore arms for this Republic, and by an overwhelming vote will pass this adjusted compensation bill, and thus render belated justice to the service men of the United States. [Applause.]

EXTENSION OF REMARKS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with the conference report on the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in connection with the conference report on the Interior Department appropriation bill. Is there objection? [After a pause.] The Chair hears none.

DEPARTMENT OF STATE APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I call up the conference report on H. R. 8350, making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes, and I ask unanimous consent that the statement be read instead of the report.

The SPEAKER. The gentleman from Pennsylvania calls up the conference report on H. R. 8350 and asks unanimous consent that the statement be read instead of the report. Is there objection? [After a pause.] The Chair hears none.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 14, 15, 16, 17, 18, 20, 24, 25, 26, 27, 29, 30, 33, 34, 35, 36, 37, and 38, and agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$261,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$233,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "597,550"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 4, 5, 6, 7, 8, 9, 10, 11, 12, 19, 21, 22, and 23.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On Nos. 1 and 2: Strikes out the Senate language providing for the appointment of the Undersecretary of State by the President, by and with the advice and consent of the Senate, and fixing his salary at $10,000, and appropriates $1,069,600, as proposed by the House, instead of $1,072,100, as proposed by the Senate, for salaries in the office of the Secretary of State.

On No. 3: Authorizes $2,500, as proposed by the Senate, instead of $1,800, as proposed by the House, for the operation and maintenance of the launch for the embassy at Constantinople.

On No. 13: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $47,750 heretofore appropriated for the revision of Chinese customs tariff.

On No. 14: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $21,000 heretofore appropriated for inquiry into extraterritoriality in China.

On No. 15: Places in the discretion of the President the use of $6,000 of the appropriation for the International Boundary Commission between the United States and Mexico for taking over the water gauging now being done by the State of Texas, as proposed by the Senate, instead of making mandatory such use of the money, as proposed by the House.

On No. 16: Makes available for the fiscal year 1925, as proposed by the Senate, the appropriation of $15,000 heretofore made for the International Commission on Public and Private International Law.

On No. 17: Strikes out the House language making the quota of the United States for the support of the International Office of Public Health payable in gold francs.

On No. 18: Makes available for the fiscal year 1925, as proposed by the Senate, the unexpended balance of the appropriation of $20,000 heretofore appropriated for the Third Pan American Scientific Congress.

On No. 20: Appropriates $58,287, as proposed by the Senate, instead of $51,750, as proposed by the House, for contingent expenses of the Department of Justice.

On No. 24: Provides for printing and binding the official reports of the Supreme Court of the United States, and advance pamphlet installments thereof, during the fiscal year 1925, as proposed by the Senate, instead of 1924, as proposed by the House. It is merely the correction of an error.

On No. 25: Places a limitation of $150,000, as proposed by the Senate, on the amount of the appropriation of $840,00 for special assistants to district attorneys which may be expended for special counsel to enforce the national prohibition act.

On Nos. 26 and 27: Corrects the language of the paragraph making appropriations for contingent expenses of the Department of Commerce.

On No. 28: Appropriates $261,000, instead of $241,000, as proposed by the House, and $291,000, as proposed by the Senate, for commercial attachés.

On No. 29: Appropriates $400,000, as proposed by the Senate, instead of $385,000, as proposed by the House, for promoting commerce in Europe and other areas.

On No. 30: appropriates $181,000, as proposed by the Senate, instead of $166,000, as proposed by the House, for district and cooperative offices, Bureau of Foreign and Domestic Commerce.

On No. 31: Appropriates $233,000, instead of $213,000, as proposed by the House, and $253,000, as proposed by the Senate, for promoting commerce in the Far East.

On No. 32: Appropriates $597,550, instead of $582,500, as proposed by the House, and $625,000, as proposed by the Senate, for export industries, Bureau of Foreign and Domestic Commerce.

On No. 33: Corrects the punctuation by inserting a semicolon, as proposed by the Senate, instead of a comma, as proposed by the House.

On No. 34: Appropriates $180,278, as proposed by the Senate, instead of $158,778, as proposed by the House, for the enforcement of wireless communication laws.

On Nos. 35 and 36: Appropriates $314,300, as proposed by the Senate, instead of $250,000, as proposed by the House, for Pacific coast surveys under the Coast and Geodetic Survey, and corrects the total.

On No. 37: Makes available for the fiscal year 1925, as proposed by the Senate, the appropriation of $40,000 heretofore made for the establishment of a fish-rescue station on the Mississippi River.

On No. 38: Makes immediately available, as proposed by the Senate, $100,000 of the appropriation for additional land-border patrol under regulating immigration.

The committee of conference have not agreed upon the following amendments of the Senate:

On Nos. 4 to 12, inclusive: Making appropriations for the surviving next of kin of consular officers dying in the service.

On No. 19: Relating to subsistence expenses of employees of the Mixed Claims Commission, United States and Germany, while in a travel status.

On Nos. 21, 22, and 23: Relating to salaries of employees in the war transaction section, Department of Justice.

MILTON W. SHREVE,
GEORGE HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. SHREVE. Mr. Speaker, H. R. 8350, making appropriations for the Departments of State, Justice, Commerce, and Labor, as it passed the House carried for items in dispute, on which the conferees have agreed, $3,117,678, and as it passed the Senate it carried $3,374,965. The conference figures now are $3,295,015. The real increase made by the Senate and agreed to by the conferees over the House bill is $177,337. There are three items that are not in agreement, and I move the previous question on the adoption of the conference report.

Mr. HUDSPETH. Will the gentleman yield for a question?

Mr. SHREVE. Yes.

Mr. HUDSPETH. I call the attention of the gentleman to page 16 of the report regarding the $6,000 which I offered as an amendment to provide for the gauging of the water of the Rio Grande. That is left discretionary with the President, and I notice the House has receded. I would like to ask the gentleman if he does not think that if this money is not expended in properly gauging the water by the Federal Government it may cost this Government $50,000,000 or $60,000,000. Why should it be left to the discretion of the President when it is really a duty upon the Federal Government?

Mr. SHREVE. I will say to the gentleman that that was an amendment put in by the Senate at the suggestion of Senator SHEPPARD, and we all know that Senator SHEPPARD is deeply interested in the gauging of this water. The Senators in conference felt that the President, having charge of the matter, would see that the gauging was done. We explained that the reason the amendment was put on the bill was for the very purpose of compelling the commission to do the gauging.

Mr. HUDSPETH. I usually agree with the Senator over there, but I think in this case he is mistaken, because I will state to the gentleman that it is not in accord with the request of the boundary commissioner, Mr. Curry, which I submitted, through a letter, to the Senator.

Mr. SHREVE. They understood fully the attitude of the House on the question. The only object we had was to enforce the gauging of the river.

Mr. HUDSPETH. That is the idea.

Mr. SHREVE. But they said under their amendment the President would see that the work was done.

Mr. HUDSPETH. I trust he will.

Mr. SHREVE. And we accepted that statement.

Mr. HUDSPETH. It is a duty upon the Federal Government and I think the Senator is mistaken in his view. I think it should be mandatory upon every President, because, I will state to my friend who suggested a similar amendment to me that I placed upon the bill and who had that much interest in the matter, that other Presidents have not seen to it that the gauging was done; and the State of Texas has had to do the gauging for several years in order to protect the Government. I would suggest to my friend that he adhere to the original amendment that I placed in the bill, making it mandatory on the Federal Government, and for once override the Senator from Texas on the proposition.

Mr. SHREVE. I am inclined to think that the Senators will live up religiously to the agreement and see that the work is done as they say.

Mr. HUDSPETH. I sincerely trust they will, but I would rather have it the other way, as the House placed it. I think it is safer for this Government, because, I will state to my friend, that the Mexican Government at all times has gauged this water and is now preparing to levy a claim, so I am informed, against this Government for excess water that they claim we have used, and therefore it is very essential that this work be done.

Mr. McKEOWN. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. McKEOWN. I desire to ask the gentleman with reference to Nos. 1 and 2, which strike out the Senate language providing for the appointment of the Undersecretary of State by the President, by and with the advice and consent of the Senate, and fixing his salary at $10,000.

Mr. SHREVE. I may say that the Senate attempted to raise the salary of this Undersecretary from $7,500 to $10,000 and the House disagreed. This is simply bringing it back to $7,500.

Mr. McKEOWN. I wish to compliment the gentleman very much on that proposition. I am absolutely opposed to paying more than Members of Congress receive for work of a similar nature.

Mr. SHREVE. Thank you.

Mr. McKEOWN. There is another question I would like to ask the gentleman: What is the necessity for reenacting and making available the balances that have not been expended out of various appropriations? For instance, unexpended balances for Pan American Scientific Congress and $15,000 for eastern trade, and I call the gentleman's attention to the unexpended balance of $21,000 for the extraterritorial inquiry in China.

Mr. SHREVE. In reply to the gentleman permit me to say that item was authorized some time ago, but due to the effects of the war that work was never accomplished, and this is simply carrying out work started a long time ago in our legal relations with China.

Mr. McKEOWN. It is not the purpose of these men to simply use up the money that has been made available?

Mr. SHREVE. Absolutely not; it was work that was delayed by reason of the war. They are treaty obligations—and there are several of them—and it was necessary to reenact them and place the department in position to carry on the regular, orderly course of business with such foreign countries.

Mr. McKEOWN. I again compliment the gentleman, because I do not like this idea of these men having money they can not expend and then wanting a little more time in which to spend it. I want them to try to save it.

Mr. SHREVE. I quite agree with the gentleman.

The SPEAKER. The gentleman from Pennsylvania moves the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. SHREVE. Mr. Speaker, I wish to call up and have read the amendments that are in disagreement.

The SPEAKER. Does the gentleman wish to take action on them?

Mr. SHREVE. I would like to have action taken on amendments 4 to 12.

The SPEAKER. The Clerk will read the first amendment in disagreement.

The Clerk read as follows:

For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

Mr. SHREVE. Mr. Speaker, I will say that the reason we brought back these items is because they are legislation and we did not desire to establish the practice of legislating on an appropriation bill. I think the committee realizes that these are claims against the Government, and we are prepared to submit the matter to the House so it may take action upon it. It is establishing a precedent. If we are to pass items in this way on appropriation bills, it will soon become a precedent that we can not get away from. We are all anxious to keep the appropriation bills as clean from legislation as possible. So we place the responsibility squarely upon the House.

Mr. BRITTEN. Will the gentleman yield?

Mr. SHREVE. Certainly.

Mr. BRITTEN. Senate amendments 4 to 12 apply to consular officers who have died at their post of duty in the service of the Government. For 30 years this character of amendment has come to the House on various appropriation bills. I sincerely hope the managers on the part of the House will recede and concur in these nine Senate amendments. They are not out of the ordinary, but are brought back to the House only because they are legislation on an appropriation bill. Gentlemen in the House know that legislation on appropriation bills has become the custom rather than being unusual since the new rules of the House have divided the authority of the various committees. I recall that the naval appropriation bill now in conference comes to the House with much added legislation, which the conferees will probably agree to, because the legislation is not objectionable to the Committee on Naval Affairs.

Mr. SHREVE. But that legislation is to be brought back to the House.

Mr. BRITTEN. Yes; it may come back, but it is not unusual for appropriation bills nowadays to have legislation added to them, and I hope the House managers will recede and concur.

Mr. Speaker, for more than 30 years past Congress has appropriated money for the relief of the widows of deceased diplomatic and consular officers, and I now have in mind the payment to the heirs of Alexander Clark, late minister and consul general to Liberia, being one year's salary, $4,000, authorized in act of July 28, 1892. Then again on March 3, 1893, Congress authorized a payment to Mrs. Sarah O. Hanna, widow of Bayless W. Hanna, late minister resident and consul general to Buenos Aires, of $5,375. There are dozens of precedents in the succeeding years, but I will not take up the time of the House to recite them. Suffice it to say that Congress has continued to promote this form of relief for the widows of many Amercan consular officers, and I am sure that every Member of the House will agree with me that it is the least that could be done under the circumstances. Everybody knows that our diplomatic and consular representatives are underpaid and that their sudden death very often leaves a family in destitute circumstances. I am glad to call to the attention of the House the further fact that each of the nine Senate amendments apply to cases where the consular officer actually died at his post of duty from illness contracted in the service, with the single exception of an officer who was returning home in a sick and weakened condition who died aboard ship.

Mr. Speaker, I move that the House recede from its disagreement to the Senate amendments 4 to 12, inclusive, and that it concur in the same.

Mr. SHREVE. Mr. Speaker, I move that the House recede and concur in the Senate amendments from 4 to 12, inclusive, and upon that motion I ask that all amendments be considered en bloc.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the amendments from 4 to 12, inclusive, be considered en bloc. Is there objection?

There was no objection.

The Clerk read the amendments, as follows:

(4) For Carrie Kitchin Hazeltine, widow of Ross Hazeltine, late consul at Lourenco Marques, Portuguese East Africa, one year's salary of her deceased husband, who died while at his post of duty, of illness incurred in the Consular Service, $4,500.

(5) For Pauline M. Robinson, widow of Fred R. Robinson, late consul to Saltillo, Mexico, one year's salary of her deceased husband, who died while returning to the United States from his post of duty of illness incurred in the Consular Service, $3,500.

(6) For May Adelaide Sharp, widow of Hunter Sharp, late consul at Edinburgh, Scotland, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,000.

(7) For Ethel Roberts Loop, widow of Carl R. Loop, late consul at Catania, Italy, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $4,000.

(8) For William B. Kirjassoff and David M. Kirjassoff, minor children of Max D. Kirjassoff, late consul at Yokohama, Japan, one year's salary of their deceased father, who died in the earthquake and fire while at his post of duty, $3,500.

(9) For Eliza R. Seidmore, sister of George H. Seidmore, late consul general at Yokohama, Japan, one year's salary of her deceased brother, who died of illness incurred in the Consular Service, $8,000.

(10) For Frances R. Jewett, widow of Milo A. Jewett, late consul of the United States at Trondhjem, Norway, $3,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

(11) For Teresa B. Handley, widow of William W. Handley, late consul general at Callao-Lima, Peru, $5,500, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service.

(12) For Irene Gracie Pontius, widow of Albert W. Pontius, late consul general at Mukden, China, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, $5,500.

The SPEAKER. The gentleman from Pennsylvania moves that the House recede and concur in the Senate amendments.

The question was taken, and the motion was agreed to.

Mr. SHREVE. Now, Mr. Speaker, I call up the amendment No. 19, at the bottom of page 4.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 26, line 21, strike out "and subsistence expenses" and insert "expenses and per diem in lieu of subsistence at not exceeding $8."

Mr. SHREVE. Mr. Speaker, I move to recede and concur in this amendment with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to amendment of the Senate No. 19, and agree to the same with an amendment as follows: "expense and per diem in lieu of subsistence, and the Secretary of State may allow per diem in lieu of subsistence for foreign travel at not to exceed $8."

The SPEAKER. The gentleman moves to recede, and concur with an amendment.

The question was taken, and the motion was agreed to.

Mr. SHREVE. Mr. Speaker, I desire to further insist on the disagreement to Nos. 21, 22, and 23, on page 4 of the conference report.

The SPEAKER. The Clerk will report the amendment.

The Clerk reads as follows:

Amendment 21: Page 33, line 5, strike out "one person" and insert "two persons."

Amendment 22: Page 33, line 7, after the word "annum," insert the word "each."

Amendment 23: Page 33, lines 7 to 9, inclusive, strike out the following language: *Provided further*, That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment," and insert in lieu thereof the following: "but the Attorney General may fix the compensation of not to exceed eight persons at not to exceed $10,000 each."

Mr. SHREVE. I move that the House agree to the request of the Senate for a further conference.

Mr. OLIVER of Alabama. Before that is done, did the gentleman include Senate amendment 23? I was under the impression that we had reached an agreement on amendment 23.

Mr. SHREVE. I thought so myself. I thought the matter was disposed of when the gentleman from Alabama and I departed, but it seems—and I get my information from the Clerk—that they were not disposed of.

Mr. OLIVER of Alabama. In other words, they felt that all three amendments should be considered together?

Mr. SHREVE. Yes; that is my understanding.

Mr. OLIVER of Alabama. I think the gentleman will agree that it is the sentiment of the House that we should adhere strictly to insistence on the provision of the House that not more than one person in the Department of Justice be employed at a cost exceeding $10,000. That seems to be the crux of all these amendments.

Mr. SHREVE. I am glad to have the support of the gentleman from Alabama in our contention that there should be but one person employed at a rate exceeding $10,000.

The SPEAKER. The gentleman from Pennsylvania moves that the House further insist on its disagreement to the Senate amendments 21, 22, and 23.

Mr. SHREVE. Mr. Speaker, I move to concur in the request of the Senate for a further conference.

The motion was agreed to.

The SPEAKER appointed the following conferees: Mr. SHREVE, Mr. TINKHAM, and Mr. OLIVER of Alabama.

CRITICISMS OF CONGRESS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning recent criticisms of Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, several recent issues of the Literary Digest, a weekly magazine with very large circulation, have conspicuously displayed many bitter criticisms of Congress; and this was true notably of the issue of May 10, 1924. Please note carefully that this criticism is not directed at the majority—Republican—in control and responsible for the conduct of congressional business. The attack is a broad, general, and unconditional condemnation of Congress as an institution, as a governmental agency, as one of the chief creatures of our Federal Constitution.

Danger lurks in the mental attitude back of these complaints. The suggestion is unmistakable that such a useless, constantly irritating, business-disturbing agency as Congress be abolished or permanently prorogued. In a pretense of fairness the Literary Digest prints a few contrary views buried so deep in the text as not to attract attention. But the sensational, wholesale, passionate denunciations are played up far to the front to startle the eye and mind.

What can be the motive? Do such men as Judge Gary still, as Alexander Hamilton did, prefer a monarchy? Do they wish to transform the President into a dictator, an autocrat, a despot? Would they have such despotism slowly changed to a hereditary imperialism? Do they contemplate violent revolution, or a slow, silent, secret, sapping of liberty, till the people's power be enchained and militarism be enthroned? Let them either withdraw their words, confess their mistake, or stand convicted of treason to the sacred institutions our fathers set up to bless all humanity.

Congress is the most essential part of the constitutional machine. It not only must enact all laws, levy all taxes, appropriate all money, but when the Electoral College fails to function must elect the President, may remove the President or any other officer, including judges, by impeachment. Without Congress, neither the executive nor judicial department could ever function a single day.

Corruption in government does not creep in through congressional action or judicial decisions. History shows that in all countries and ages, as in our own, corruption springs up through the executive or administrative department. There is a reason. In Congress everything said is public for all to hear and printed for all to read. A jealous and ambitious minority is always watching every move of the majority, anxious to expose a fault. So in the courts the hearings are public and decisions written and printed in book form. There are two adversaries mutually and usually bitterly opposed in every court proceeding. There is simply no opportunity for corruption.

Generally wherever corruption in Members of Congress has been established it has been in conjunction with corruption of some executive or administrative officer. It has been due to some corrupt conspiracy between one executive and a Congressman relating to such matters as pardons, public lands, or public property, such as surplus war material, or permits, privileges, or franchises under executive control, or the division of the salary of some executive office. Corruption between Members of Congress regarding legislative business is entirely unknown, not even suspected or charged by the enemies of Congress.

The reason that corruption in government nearly always is found to exist in the executive branch is manifest. Executive acts, decisions, and orders are made in secret. Both sides are not publicly represented. There are no galleries "listening in."

There is no stenographer taking down every word to be printed and scattered abroad. Here is the opportunity for corruption, and history, both past and present, shows that where the opportunity exists it is employed to the great financial benefit of the executive office holder. Such opportunity exists par excellence in the income tax bureau and prohibition enforcement unit. Does corruption exist there? If not, then only fear of exposure by a congressional investigation prevents it.

Consequently, the great duty of preserving the full limit of congressional power to investigate every thing and everybody connected with the Government, at any time. Most of this present tirade against Congress arises from the proper, necessary, and effectual investigations of executive corruptions that Congress has conducted.

The Literary Digest, having virtually challenged us to defend Congress created by the Constitution, I felt impelled to send a letter to its editor, and I herewith print same for the information of the public:

The EDITOR OF THE LITERARY DIGEST:

I feel a duty to answer your request for a statement—very brief it must be—fearing lest silence may be misconstrued to the prejudice of the liberties of America. I do not defend, nor would it be becoming to me, the personnel of the present Congress. I, too, would change the Republican majority to a Democratic majority. But the sentiments to which you are giving such wide circulation go deeper; they strike at Congress as an institution; they condemn parliamentary government. When you link together Bolshevism and Congress as joint destructive agencies, when you disseminate sentiments that "the worst thing we have is our American Congress," you necessarily argue the destruction of Congress. Indeed, one writer in The Chronicle of April 26, 1924, following the implications of Elbert H. Gary's statements, suggests that "Congress and all State legislatures take a five-year recess." He goes on to say: "We will never have a stable business situation until we have a stable government." Again: "Can business ever prosper in the true and complete sense with this vulture gnawing at its vitals?"

Did Judge Gary and his disciple writing in the Chronicle think "Congress the worst thing in America," "Congress a vulture," when in 1921 Congress enacted the high protective tariff law now in force? Do they regard the tariff as class legislation promoted by a selfish tariff bloc? I respectfully suggest that the trouble with Judge Gary and the other tariff beneficiaries is that they do not agree with the present majority in Congress regarding surtax rates on incomes, adjusted compensation for ex-soldiers, and restrictive immigration. They failed to suggest in April, 1921, that Congress should then take a five-year recess before it reduced the surtax rates and raised the tariff rates.

Judge Gary and those who think as he does are evidently entirely out of sympathy with popular government, with a parliamentary system, and therefore do not like our American institutions. They manifestly prefer an autocracy either of one man or a few, either Italian, Spanish, or Russian. Their great teacher and leader, Alexander Hamilton, in his day preferred the English Government for its "autocratic stability." But doubtless Judge Gary and his sympathizers regard the present English Parliament, which is the entire English Government—legislative, executive, and judicial—as worse even than the American Congress.

Judge Gary and his school forget that the essence of parliamentary government, of congressional government, of American Government, is majority rule by compromise. No one man nor set of men less than a majority can have their own sweet way. By compromise independence was finally declared and achieved. By compromise the Constitution was finally formulated and adopted and the National Capital located. By compromise the Nation has developed swiftly and mightily.

But some seem to think that suddenly American institutions have become all wrong. While there is restrictive immigration, there is not restriction on emigration; expatriation is an American doctrine. We should bless, not curse, the hand that feeds us.

Judge Gary and his school are following a dangerous course—"Worst things" ought to be changed. Thus they imply that Congress ought to be abolished, not merely recess five years. What would they have in its stead? "Aye, there's the rub." Does Judge Gary wish a "big business soviet"? Does he seek an American Mussolini? Is he organizing the American fascisti? Or does he prefer General Rivera and the methods of Spanish militarism? To dissolve and dismember the American Congress would be revolution. When a revolution starts where will it stop? But Judge Gary must remember that all revolutions start with words, thoughts, ideas, followed finally by deeds—violent deeds. Judge Gary is using the words and suggesting the ideas.

Let me respectfully but earnestly suggest an idea to Judge Gary and others who hastily and thoughtlessly repeat his words: Revolutions are decided by numerical, physical man power; not by money power, as elections are sometimes decided. As Senator Tillman used to say, "When skull cracking commences all men's skulls look alike." Judge Gary must remember that a hundred thousand Regular Army soldiers can not overwhelm a hundred million American people and hold them in restraint. He can not count on the National Guard and the organized reserves to help the Regular Army subjugate the American people.

Then, most earnestly do I plead for patience, tolerance, and the spirit of "give and take," the spirit of Washington, Jefferson, and Lincoln. The only hope for invested capital and the vested interest is in the American constitutional system, including both Federal and State Governments. Of this system, the legislative branch, to wit, Congress and all State legislatures, is the bedrock. The preservation of the American legislative system, including the fullest power to investigate everything and everybody at any time, is essential and indispensable to the preservation of American liberty, and liberty is more precious than life.

Let Judge Gary and his disciples reread and remember the American history, English history, French history, German history, Italian history, Russian history, Roman history, Biblical history, and rejoice that we still have an American Congress.

Let not Judge Gary and other "big business men" give any just cause for others to say of them as was said of the "big business men" of France long ago—"the Bourbons never learn anything and never forget anything."

Finally, let me suggest that the remedy is not to destroy the Congress, but to clean it out—not burn the barn to be rid of the rats. Let all men, including even Judge Gary, give their personal time and attention, not merely their money, to their civic and political duties. Let our ablest and cleanest men run for Congress, and, if necessary, let some of them forego the huge financial returns from industrial leadership, and, if elected, go into Congress to exemplify before the country their ideal of how a Congressman should function. Congress is not an abstract institution—it is composed of 531 human beings; so we are dealing with an individual and personal problem.

My personal experience and testimony is that Members of Congress, with rare exceptions, are able, honest, and patriotic men, but hoping to be reelected by a majority of the men and women in their respective districts; they will not take orders from any one man, though as rich as Judge Gary, or as able and learned as Dr. Nicholas Murray Butler.

J. J. McSWAIN.

The majority of all who love free institutions, and who therefore feel a deep protest against an attack upon the only direct representation the people have in the Federal Government, are voiceless. They have no great newspapers and magazines; but here is a letter from one of them:

A TIMELY PROTEST

GRAND FORKS, N. DAK., *May 12, 1924*.

Hon. JOHN J. McSWAIN, M. C.,
Washington, D. C.

DEAR SIR: It was with deep concern and regret that I read a recent statement made by Judge Gary that "the worst thing we have in this country is Congress"—the Congress that was founded on the principles of true democracy, conceived in the faith that all men are created equal and therefore entitled to a voice in the making of those laws with which we are governed; a Congress that had its genesis in the cradle of liberty, that shone as a beacon light throughout the world in those dark days when life and liberty and the pursuit of happiness were purchased with the blood of our forefathers, and which since then has withstood the vicissitudes of civil war, governmental corruption, invasion of the doctrine of hate and anarchy, and that has made America the greatest nation on earth.

Shall we now tolerate utterances from men who regard themselves greater than Congress, that destroy the faith and confidence in that branch of our Government that we have learned from childhood to revere and respect? Shall they be permitted to malign and libel the men ordained as Representatives of the people, who are conscientiously endeavoring to serve all the people for the good of all, and, above all, restore the confidence of the people by stamping out dishonesty or any semblance of dishonesty among those who retain the stewardship of public office?

Is it possible that these "supermen"—and we do not refer particularly to Judge Gary—feel chagrined at their inability to control the destiny of the people through control of Congress, that they may either guide the lawmakers to do their bidding for the protection and gain of their own private interests, or prevent them from passing legislation demanded by the big majority that might somewhat impair these private interests? At least these men give vent to their spleen in such a manner as to foster and encourage that growing tendency in this country to disregard law and order and those institutions founded by the fathers of this Nation.

Can it be that we have a "supergovernment" ruled by such men as Judge Gary and Julius Barnes, who regard the Constitution as a "scrap of paper"? Woe be unto this Nation if the people become convinced of this! There is no doubt that these men, by virtue of their positions and influence, wield a big power in the Government, and I want to protest most vigorously against the position they take toward a measure that is the crying need of America to-day, for it involves the very life and existence of the most important industry in this country, agriculture.

* * * * * * *

Yours very truly,

GEO. E. DOTA,
President North Dakota Wheat Growers' Association.

INLAND WATERWAYS CORPORATION

Mr. SNELL. Mr. Speaker, I call up House Resolution 279, a privileged report from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 279

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8209, to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution simply provides for the consideration of H. R. 8209, to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes. Under authority granted by Congress during the war the President took over a majority of the railroads and a good many of the steamboat transportation lines of the country. Under the special authority of that act he was granted power to take over these boats, barges, and steamboats and also to build additional ones to meet the demands of the Government. Because of the shortage of transportation facilities, he was obliged to buy a considerable number at war costs. When we passed the

1920 transportation act turning back the railroads to the individual owners, it was provided in sections 201 and 500 of that act that the Secretary of War should conduct, for the present at least, such transportation facilities as the Government then owned on the Lake Erie Canal, the Black Warrior River, and the Mississippi River. It has been found by actual working that it is practically impossible for the Secretary of War to carry out in an efficient way the provisions of that law, and it seems to be absolutely necessary, if we are going to get as good results as possible from the operation of these various lines, that there should be an independent corporation formed, of which the Government should own all the stock, to take over and operate these lines in accordance with the direction of Congress. The Government at the present time owns all of the barges, and so forth, and this act provides for a corporation with a capital of $5,000,000, and the Government shall own all of the stock. As a matter of fact, it simply puts the Government in a position to operate these various lines in an efficient, businesslike way, and under same conditions as any other private organization. As far as I know, there is no opposition to this general proposition. It comes as a unanimous report from the Committee on Interstate and Foreign Commerce.

Mr. NEWTON of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. NEWTON of Minnesota. There has been a rule reported out from the Committee on Rules in respect to increased hospitalization. Can the gentleman advise the House when we may expect that to be called up?

Mr. SNELL. Either late this afternoon or to-morrow morning. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DENISON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8209) to create the Inland Waterways Corporation, for the purpose of carrying out the mandates and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8209, with Mr. TILSON in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois to control one-half of the time in favor of the bill.

Mr. RAINEY. Mr. Chairman, may I have the other half of that time? I am not opposed to the bill, but there are some features of it that I would like to discuss.

Mr. DENISON. Mr. Chairman, I understand there is no one on the committee who is opposed to the bill. I do not know that I could yield him half of the time, because I think there are some gentlemen on that side who want to discuss the bill.

Mr. GARRETT of Tennessee. Mr. Chairman, no time was taken in the debate on the rule, practically, and it seems to me it might easily be agreed here to extend the time a little in the Committee of the Whole by unanimous consent, so that the gentleman from Illinois [Mr. RAINEY] might have some time. If I had known the gentleman from Illinois desired time, I should have asked for it on the rule and arranged to give him some.

Mr. RUBEY. Mr. Chairman, I would like to have 5 or 10 minutes' time, but I do not want it on this bill.

Mr. GARRETT of Tennessee. Of course, debate is confined to the bill under the rule.

The CHAIRMAN. If no member of the committee claims the right as opposing the bill, the Chair will recognize the gentleman from Tennessee to control half the time.

Mr. GARRETT of Tennessee. I am not opposed to the bill.

The CHAIRMAN. The Chair understands that.

Mr. RAINEY. I am not opposed to the bill, but there are some features of it I want to discuss that I am not in favor of.

Mr. DENISON. It is satisfactory to me if the gentleman from Tennessee controls one-half of the time, and then he can yield such time as he desires to the gentleman from Illinois.

The CHAIRMAN. Without objection, the gentleman from Tennessee will control the time in opposition to the bill.

There was no objection.

Mr. DENISON. Mr. Chairman, I desire to proceed until I complete my statement without interruption, because I do not want to take up all of the time. Some of the other members of the committee desire an opportunity to express their views.

This is a question of transportation, and preliminary to an explanation of the bill I shall say just a few words upon the question of transportation. There is no question more important to the American people than that of transportation. The welfare of the entire country depends upon it, and the question of transportation is a question that is going to be before Congress for its attention for some time to come. About $20,000,000,000 is invested in the railroads, it is claimed, and freight rates are very high. That fact comes home to every family in the country. I have serious doubts whether there is any chance or any hope to get a material reduction in railroad freight rates in the country in the near future.

Mr. Markham, president of the Illinois Central Railroad, has stated that the railroads are going to require $10,000,000,000 for improved facilities in the next 10 years, or at the rate of a billion dollars a year. I do not see how they are going to get the money. I think it is impossible, because that will make the railroad investment at least $20,000,000,000, and rates will have to be fixed so as to give a reasonable return on the investment, if they ever expect to get the money. So I think it is impossible. Mr. Rhea, one of the great railroad men of the country, stated that the transportation necessities of the country double every 10 years, which is in harmony with the statement of Mr. Markham. If these facts are true, the railroads are going to be unable absolutely to take care of the country's transportation of the future. So the problem will be up to Congress to provide some sort of transportation facilities to accommodate the commerce, the industry, and the economic development of this country in the future.

How are we going to do it? Transportation has become more and more specialized, and it is going to become more so. We are developing highways, building hard roads, building feeders for the railroads, and motor haulage has to take care of a certain class of transportation; it is bound to do so. If we had not the hard roads and motor haulage in this country, the railroads could not now take care of the transportation of the country. We have to improve the roads and use motor haulage and furnish feeders for the railroads. Now, then, the railroads have to handle a certain class of transportation that can not be handled either by motor haulage or water haulage. But there is a class of freight that the railroads ought not to be expected to handle and will not in the future handle, and that class must be handled by the rivers and canals of the country. Transportation is going to become more and more specialized as the country develops and industries increase, and those who have studied the subject carefully, I think, will agree that the future needs of the country absolutely make it imperative that the Government improve the rivers and inland waterways and take some appropriate action to rehabilitate water transportation.

The older countries have found this to be so. Germany has 8,500 miles of improved waterways; France has 8,600 miles of improved waterways, and 25 per cent of all the freight of the Republic of France is transported on its waterways. Forty-one per cent of all the freight that goes into the great city of Paris goes on the Seine River. There is also the little country of Belgium, which has about 1,500 miles of improved waterways. Those countries have found their industrial development depended absolutely upon the development of their waterways, and they are honeycombed with canals and improved rivers. As we increase in population and as our business and industries increase we ought to develop our great system of waterways in this country. The railroads alone can not meet the situation. And so that problem is our problem, and it is up to us to provide for a system of water transportation.

Now, let me give you a few figures which perhaps some of you may know, but may have forgotten. We have expended in this country, I find on making some investigation recently, $1,058,453,343 in the development of rivers and harbors already. We have expended something over $600,000,000 in the development and improvement of rivers alone. Let me give you these illustrations: We have expended on the improvement of the Warrior River, which runs from above Birmingham down to Mobile, about 419 miles—we have expended on that river and its 17 locks $10,271,295, and that project has been completed.

That is a completed project. We have expended on the Mississippi River from the head of the Passes up to the mouth of the Ohio River $137,920,738, and from the mouth of the Ohio to the mouth of the Missouri about $21,681,600, and from the mouth of the Missouri to Minneapolis $34,402,000, so that upon the Mississippi River system we have expended about $194,004,338, according to the best figures I could get from the engineers. On the Ohio River we have expended about $89,542,389, and on the Missouri River $19,027,500. Now, we have expended all this money on the theory that we are going to make these rivers navigable and put commerce back on them. There still remains a great deal of work to be done. The Mississippi River is practically completed from the mouth of the Ohio to the head of the Passes.

Mr. LINTHICUM. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LINTHICUM. The gentleman mentioned the amount of money spent on river and harbor improvement. I want to state that we have spent considerable money at Miami, and constituents of mine established a steamship line to Miami; and just as soon as they began to make it a success the railroads got in and asked the Interstate Commerce Commission to allow them to reduce their rate so they could compete with the boats, and how can you ever establish water transportation so long as that exists?

Mr. DENISON. That is one of the problems Congress is going to have to take hold of, and I hope we may find a solution to it very soon.

Mr. LAZARO. Will the gentleman yield?

Mr. DENISON. I will.

Mr. LAZARO. I know the gentleman is quite a student of waterways. Now, in view of what the gentleman has stated here, does not the gentleman think it is the duty of Congress to pass a river and harbor bill before we adjourn?

Mr. DENISON. I do; I think the river and harbor bill ought to be passed before Congress adjourns. Now, the problem which the gentleman from Maryland mentions is one that ought to be solved, and I think it will require additional legislation; but that is not entirely pertinent to the bill we are now considering.

I mentioned these expenditures for the improvement of rivers for the purpose of showing that Congress has expended a great deal of money for the development of water transportation. The Mississippi River has about 6,520 miles that can be improved into a navigable waterway—that is, the Mississippi River system, that runs right through the heart of the country, can be easily made into a navigable waterway system of that length.

Now, we are spending money each year to complete these projects. What is the purpose of it? What has all this been for? It is for the purpose of restoring commerce to our waterways, to relieve the railroads of their strain, and to cheapen transportation. And it will cheapen transportation. I will tell you why: The cost of transportation by railroad on the average is about 10¾ mills per ton-mile; on the rivers the Government is now hauling freight at an average of 3½ mills per ton-mile, so that you can carry freight on the rivers at about one-third of what you can carry it for on the railroad.

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. MORTON D. HULL. When you figure the cost of hauling freight on the waterways do you figure it on the cost of opening up the waterway and the improvements, or just the actual transportation?

Mr. DENISON. The actual transportation costs.

Mr. MORTON D. HULL. Well, the cost of transportation as figured on the railways includes the interest on the bonded indebtedness and all the construction costs.

Mr. DENISON. Yes; that is true, but we have always improved our rivers and harbors from the Federal Treasury as a national policy.

Mr. KINDRED. Mr. Chairman, may I suggest to the gentleman the value of fully verifying the statements through the verification of the United States Board of Engineers and other most reliable sources as to the great amount saved?

Mr. DENISON. Yes. All countries have found it so, and we are going to find it so, that if you expect to get cheap transportation in this country—and you must have it—you have got to get it by water.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. WILLIAMSON. I understand that on the Warrior River as well as on the Mississippi River the Government is transporting freight at 3½ mills per ton-mile, but that the business on the Warrior River has been running at a loss ever since they began. Have they reached the point where they can pay the expense and make a profit?

Mr. DENISON. The reason why the barge line on the Warrior River has not been operated at a profit is on account of certain conditions that exist there, and it is the purpose of this legislation to enable the Government to remove those conditions. If we can enact this legislation and give the Government a chance to carry out its program, freight can be carried on the Warrior River at a profit to the Government and at a great saving in transportation charges to the people.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. LINTHICUM. Does not this put the Government in competition with private owners?

Mr. DENISON. No. There are no private owners that are now operating on these rivers.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes; I yield to the gentleman from Iowa.

Mr. COLE of Iowa. When you speak of the cost of water transportation, have you counted in the expense of improving the waterways and the maintenance and depreciation, or do you approximate that?

Mr. DENISON. Those items are not considered as part of the costs. The navigable rivers belong to the Government and are under the direct supervision of the Government, and we have to develop them for national defense purposes if for no other.

Now, I want to proceed with the discussion of the bill after these preliminary statements. This vast investment that we have made in the development of our waterways and the additional amount that will be required to complete them will not accomplish anything unless it succeeds in putting transportation back on the rivers. In the old days we had transportation on the Mississippi River and other rivers. There were packet steamers that went along and used such channels as they could find. But the days of such transportation have passed. The transportation that we are going to have on our waterways in the future is through an entirely different class of transportation facilities. We are using now the barge system, where we can haul bulky and heavy freight that does not require much speed, and where you can haul immense quantities with a small amount of power.

During the war the Government came into possession of various facilities for transportation on the Mississippi River and other rivers. The Government took them because the railroads had fallen down and were unable to carry the commerce of the country; and we resorted to every possible means of transportation. Among other things, we took over tugs and barges on the rivers, and anything that we could get, at any price we could get them for. Of course, we had to take them at high prices during the war. The Government then began to increase its facilities for water transportation, but it was done at war prices; and when the war ended and we began to settle up our accounts we found quite a large number of barges and towboats and other water craft in the possession of the Railway Administration which had been taken over during the war. Something had to be done with them. We handled that question in the transportation act—section 201 of the act of 1920. That act provided that all such facilities that the Government had come into possession of should be turned over to the Secretary of War, and he was given a mandate to operate them on the Mississippi River and the Warrior River as a transportation system.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DENISON. In a moment. He was told in that act to operate them as a private transportation company, and he has been doing so the very best he could since the passage of the transportation act.

Now I yield to the gentleman.

Mr. ABERNETHY. Does the act apply only to the Mississippi River?

Mr. DENISON. No; it applies also to the Warrior River.

Mr. ABERNETHY. We had a very substantial boat line operated by the Government from Baltimore to Newbern, N. C. That was gobbled up by somebody and taken off. Colonel Ashburn had charge of it. I notice here that he has given you certain information. I want to support the gentleman's bill, but if we have the same bad luck as we had on our waterway over here between Baltimore and Newbern it does not look very encouraging to me.

Mr. DENISON. That was a separate transportation company taken over by the Government as we did the railroads.

to the owners, and I presume they have been trying to operate them. Since then the Secretary of War has been operating these barges on the lower Mississippi from St. Louis to New Orleans, and on the Warrior from Birmingham to New Orleans. He has been operating them with some considerable success and now and then some considerable loss due to special conditions; but he has found that in the management of this immense business he is surrounded with so many limitations that surround all management by a Government bureau or a Government department that he can not operate them with any considerable success, and he feels that additional legislation should be enacted to enable him to carry out the mandate of Congress in a businesslike way and with a fair chance of success.

Mr. McKEOWN. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. McKEOWN. Does the gentleman have any information that the Secretary of War has changed his opinion with reference to privately operated affairs of the Government since he made the statement that he was in favor of selling the Panama Railroad and the Warrior River barges?

Mr. DENISON. I think I am in a position to advise the gentleman from Oklahoma that the Secretary of War, after further and mature consideration, has somewhat modified his views on that subject, and he is very anxious to have this legislation enacted.

The Secretary of War, in the operation of this barge system, has been carrying freight from St. Louis to New Orleans, and, through railroads connecting with the barge line, we have been carrying freight from 35 different States. Only about 20 per cent of the amount of freight that is being carried on the barge lines originates at points on the rivers. The freight is being sent from Kansas, Nebraska, Colorado, and other States, even from Ohio, Indiana, Michigan, and Wisconsin. That freight is sent to St. Louis and Cairo, Ill., and there loaded onto the barge line and transported down the river to New Orleans and to other parts of the world. They have been doing an immense business, but with increased facilities and improved business methods, which it is intended to give them by this legislation, the business of the barge lines can be wonderfully increased and the savings to the shippers of the country can be greatly increased.

Mr. McKEOWN. Will the gentleman yield for a further question?

Mr. DENISON. I yield.

Mr. McKEOWN. What difference will there be as to the losses? Who will have to pay the losses under this incorporation?

Mr. DENISON. What losses does the gentleman mean?

Mr. McKEOWN. The losses in operating the barges.

Mr. DENISON. Well, if they sustain any losses the Government will have to pay them just the same as it is paying them now.

Mr. McKEOWN. The Government does sustain losses now in the operation of these barges, does it not?

Mr. DENISON. No. Sometimes it sustains losses and at other times it has large earnings.

Mr. SHALLENBERGER. The reports and the testimony before the committee show that for the entire year there has been a profit to the Government in this operation.

Mr. DENISON. Yes; even under all these difficulties we have been making a fair profit.

Mr. McKEOWN. Then what is the necessity for a change?

Mr. DENISON. I am going to explain that. If the gentleman will allow me to proceed without interruption I will try to explain it to his entire satisfaction.

Mr. SHALLENBERGER. If the gentleman will permit, I would like to ask this question. I wonder whether the gentleman has stated to the House that the Committee on Interstate and Foreign Commerce has unanimously reported this bill?

Mr. DENISON. Yes. The committee gave very careful consideration to this bill; the hearings are contained in a fairly good-sized volume, and it has been favorably reported by the unanimous vote of the committee. The bill is wholly nonpartisan. It is a businesslike bill; it is trying to put some business methods into this business the Secretary of War is trying to conduct under the mandate of Congress.

rate of the country. So you can see what a saving it means to the shippers of the country to be able to use these facilities of water transportation.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. MANSFIELD. Is it not a fact that people away from the river get the benefit of those reduced rates on freight that goes over the river?

Mr. DENISON. That is true. There is an immense amount of wheat that comes in from Kansas, Nebraska, and Iowa. It is shipped to St. Louis, and is there transhipped to the barges, and then it goes down the river for shipment to other parts of the world. The McCormick Harvester Co. is using the barge line very extensively now to ship their products to all parts of the world. As I said a moment ago, freight is being carried from practically every congressional district between the western border of Pennsylvania and the Rocky Mountains. They are all using this barge line in order to get the advantage of the cheap freight rates.

Now, the value of this matter is this: The Government is carrying on a pioneering enterprise in water transportation. We are carrying on an experiment. We are trying to demonstrate to the people of the country the efficiency, the value, the practicability, and the economy of water transportation. However, there are certain problems connected with water transportation which must be solved before private capital will invest in water transportation facilities. Those problems are so difficult and so great that it is the judgment of those who have made a study of this subject that the Government itself must solve them before private capital will again become interested.

Now, that is what we are trying to do. We have expert men handling these barge systems; they are working on the problems that are preventing the rehabilitation of water transportation; and just as soon as we can work those things out and solve those problems there is no doubt at all but that the private capital of the country will seek this investment and put transportation back on the rivers of the country just as fast as we can go ahead and complete the navigable channels.

Let me tell you what some of those problems are. If I have the time to do so: In the first place, before we can get transportation back on the rivers of the country we have to complete the navigable channels.

We have to have navigable channels, and the Government is carrying on that work from time to time; what we ought to do is to see that it is done as systematically and as rapidly as possible, because we can never restore transportation to the rivers until we complete the navigable channels. That is the first thing.

The next problem to work out is appropriate equipment. You have to have one sort of facility for the Mississippi River, for instance, and it takes an entirely different facility for the Warrior River, and it will take a different kind of a boat or barge for the Missouri River, and perhaps a different kind for the Ohio River. The Warrior River has 17 locks and only barges of a certain type can go through the locks. The upper Mississippi River has a certain depth of channel. The barges that are suitable for the lower Mississippi will not be suitable for the upper Mississippi. All these problems have to be worked out by engineers and require experimentation, and that is what we are doing.

Private capital can not afford to take the chances of loss in the working out of these problems, and our engineers are working on them. We have lost some money in the process of developing these things. We have built barges and found out after they were built they were not properly adapted to the place where they were to be used and could not be used there. There are immense engineering problems that must be worked out and that is one of the things the Government is undertaking to do in the operation of this barge system on the Mississippi and Warrior Rivers. That is the second problem.

Mr. LINTHICUM. Will the gentleman yield for one other question?

Mr. DENISON. Yes.

Mr. LINTHICUM. Did I understand the gentleman to say that the parallel railroad rates along the Mississippi are only 60 per cent of the regular rates?

other one of our problems, and that is the difficult one. That is the thing, gentlemen of the committee, that really stands in the way of rehabilitating water transportation.

Transportation was driven off of the river by the railroads years ago.

Mr. LINTHICUM. Will it not be driven off again if that situation continues?

Mr. DENISON. We are hoping not. That is one of the problems that is up to Congress to solve. Years ago the Government permitted the railroads to reduce the rates along the rivers so that gradually transportation was driven off of the rivers. Of course, the interior of the country pays the loss back to the railroads. That is the system that has become entrenched, and private individuals can not dislodge it. It is a problem for the Government to solve and that is one of the things this barge service is now undertaking to do.

In the first place, you have got to have interchange rates between the railroads and the rivers, and the railroads are reluctant to give up any part of their business to a water transportation system; generally they will not do it unless they are made to do it. Some of them are voluntarily doing it now, but only a very few, and therefore it is up to the Government, I think, to take such proceedings before the Interstate Commerce Commission as will compel proper interchange arrangements with the railroads.

Then there is the further question of a proper division of the joint rates between rail and water transportation facilities. That is a problem that requires proceedings before the Interstate Commerce Commission. It will take several years to work it out, but until all these problems are solved, private capital will not invest in expensive transportation facilities on the rivers. [Applause].

The CHAIRMAN (Mr. MICHENER). The time of the gentleman from Illinois has expired. By consent of the committee, the opposition time is to be controlled by the gentleman from Tennessee [Mr. GARRETT]. Mr. GARRETT has requested that the gentleman from Kentucky [Mr. BARKLEY], a member of the committee, be recognized to control the time, and the Chair will recognize the gentleman from Kentucky [Mr. BARKLEY].

Mr. RAINEY. I may say, Mr. Chairman, that the gentleman from Kentucky [Mr. BARKLEY] yielded the time to me.

The CHAIRMAN. By consent of the House, then, the Chair recognizes the gentleman from Illinois [Mr. RAINEY] for 30 minutes.

Mr. RAINEY. Mr. Chairman and gentlemen of the committee, I have listened with great interest to the explanation of this bill and the necessity for it given by my colleague from Illinois [Mr. DENISON]. I am an enthusiastic advocate of river transportation. I have for 20 years voted for every river and harbor bill presented to the Congress and for every proposition remotely connected with transportation by water in this country, and I am going to vote for this measure. But I conceive that I can render the best service in this matter at this time by calling attention to the failures of this service and to the reasons for the failures.

I know I can not amend this bill. I know it can not be defeated in this House, and I do not want to defeat it, but I want to put in the RECORD some facts that may lead to a material reformation of the bill when it reaches the Senate.

I agree with everything my colleague has said as to the necessity for developing the rivers and as to the approaching possibilities of river transportation, but this bill in its present form and under the present method of controlling these barges will, I think, result in injury rather than benefit to this service. I want now to call attention to some of the losses which have been sustained through the operation of these barge lines. It is true, as has been stated by my colleague, that nearly every congressional district in the Mississippi River Valley has contributed freight to this barge line.

It is true that a substantial saving has been made, just as he has stated, to the shippers of freight, but I want to tell you how much it has cost the Government to do it. According to the evidence submitted and the report of the committee, the loss of operating these barges on the lower Mississippi River, counting the loss during the war, is $1,320,000. The loss of operating these barges on the Warrior River, including the loss during the war, is $1,783,000, making a total loss of operating the barge lines on these two rivers up to date, according to the testimony of the Secretary of War, $3,103,000. This

assisting these cities in erecting river terminals. Of course, if the barge service is not a success, the Government will not get any of that money back, although it goes as a loan. That makes $887,000 additional. In other words, estimating now the losses from operating these barge lines, the total loss will be $4,990,000, or, in round numbers, $5,000,000. This does not account for all of it, because they have been buying other equipment as it has been offered them. I do not know how much they own now and the hearings do not disclose, but a careful audit as to the method of conducting these barge lines will disclose that probably the Government's loss up to this time is $7,000,000 or $8,000,000.

Now, this bill authorizes an appropriation of $5,000,000. Unless this amount is appropriated this transportation service must stop, because it has failed. In other words, we will be asked to appropriate in order to continue the lines in service as much as I have shown we have already lost, and this will be necessary in order to continue the barge lines for a certain period in the future—and I do not believe under the present management they will run for five years. If the bill is passed, we are to promote a colonel of the Coast Artillery, who is now in charge of the operations of the barge line, over all other officers and give him the rank of a major general of the Army and his salary.

Mr. SHALLENBERGER. A brigadier general.

Mr. RAINEY. A brigadier general, with a salary of $10,000, ignoring the engineers of the service who have usually been connected with the operation of rivers. I know that we could take an engineer if we wanted to.

Mr. WINSLOW. Will the gentleman yield?

Mr. RAINEY. I will.

Mr. WINSLOW. I am not offering anything in opposition to what the gentleman is saying, but I want to find out if he really had in mind that the bill contemplated the appropriation of $5,000,000 in real money.

Mr. RAINEY. Yes; it does.

Mr. WINSLOW. Hardly.

Mr. RAINEY. What kind of money is it going to be?

Mr. WINSLOW. The proposition is to take the property that is floating around in the assets of the War Department, bring them together and transfer as a matter of bookkeeping to the corporation which will have the keeping of the $5,000,000. Nobody ever expected $5,000,000 new money would be appropriated. It will be an accounting matter, and only a small part of the $5,000,000 will be needed in cash, and then not all at one time. It authorizes the use of that money, the purpose being to make the corporation an institution that can borrow money in time of a shortage and relieve the situation, and not to come to Congress to get money when it needs it, as it might take three months' time.

Mr. RAINEY. It will probably result in a Government appropriation very soon, because no private party is going to loan on a losing proposition any amount of money.

Mr. WINSLOW. I am not going to argue the matter with the gentleman. I am telling him what the bill means.

Mr. RAINEY. I am obliged to the gentleman for his contribution to my speech, and he always makes a valuable contribution whenever he interrupts.

Mr. DENISON. Will the gentleman yield?

Mr. RAINEY. I will.

Mr. DENISON. In reference to what the gentleman said about appointing a colonel of the Coast Artillery.

Mr. RAINEY. I said you could appoint an engineer if you wanted to do it.

Mr. DENISON. The promotion of the engineer during the management of this concern only means a nominal increase. It is an increase in quarters, because he has reached the point where his salary would be about the same.

Mr. RAINEY. That is immaterial, I do not care anything about that. It is not important, but there are other matters exceedingly important.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. WILLIAMSON. The gentleman has mentioned certain leases, including leases during the period of the war. Do I understand from the gentleman that he contends these barge lines on the Mississippi have been running at a loss since the war?

ing to conduct under the mandate of Congress.

60 per cent of the regular rates?

ating the barge lines on these two rivers up to date, according to the testimony of the Secretary of War, $3,103,000. This

lines on the Mississippi have been running at a loss since the war?

Mr. RAINEY. I think they have; yes—oh, yes.

Mr. WILLIAMSON. I thought it was stated that they have been running at a loss on the Warrior River, but that they were making money on the Mississippi.

Mr. RAINEY. The report makes that statement, but it does not comply with what the Secretary in his testimony has said. Of course, the greatest losses were during the war, and occasionally for a month or two when the river is high they run at a profit when they have made prior arrangements for freight.

Mr. DENISON. Oh, the gentleman is entirely wrong. The only time when they lost money was when the river got so low that a barge was hung up and they sustained a loss, but nearly always when no accident of that kind happened they made a handsome profit for the Government.

Mr. RAINEY. Part of the time they made a profit and part of the time they sustained a loss, and the losses exceeded the profits; and the losses I have stated correctly, according to the testimony of the Secretary of War. This is the reason why they have not succeeded better; we constructed these barges as they construct barges on the slack-water canals and rivers and lake systems of New York. We had that kind of an engineer. He constructed that kind of barges. These barges were intended to operate and carry full loads in a channel 8 feet deep between St. Louis and Cairo. According to the testimony of Colonel Ashburn, the boats when loaded drew 8 feet 3 inches. In other words, they deliberately designed boats for use on the lower Mississippi between St. Louis and Cairo which could not operate on the lower Mississippi between those cities because they drew too much water. In order to meet this situation—and this was a serious mistake—it has become necessary for this service to run shuttle boats between St. Louis and Cairo during a large portion of the time, according to the testimony of the Secretary, and then transfer the barge to the deeper-draft Government propelling boats, and this involves much additional expense. In addition, these barges are built with what we call a bluff bow or slack-water bow, and when you try to propel a barge of that kind upstream it meets with a tremendous pressure from the current of the river as it flows on down toward the sea. As a result, the operation is slower and it costs more money. The Government steamers which were built—and there are 40 of these barges and 6 of these steamers—the steamers were all built with screw propeller of the tunnel type. On the Mississippi River, as any Mississippi River pilot will tell you, they must follow the channel, either in going up or down the river. That channel winds back and forth. The driftwood on the river also follows the channel, and the driftwood becomes entangled in these propellers, which are on each side and on the end of the boat, and that causes trouble. So these boats were improperly designed and constructed in about every other particular, in addition to the fact that they were constructed so that they drew more water than there was in the river.

The Secretary of War has been endeavoring to make a demonstration as to the possible success of barge service on the Mississippi River with the result I have indcated so far in my remarks.

I call attention to another feature of this problem. In the report submitted with this bill I find the following language:

During the war the Government entered into a contract with a private individual in St. Louis for the operation of a system of barges on the upper Mississippi above St. Louis. Under the terms of the contract, the Government was to construct the barges and towboats and turn them over to this individual to be operated between St. Louis and St. Paul. It was thought advisable at that time that this service be inaugurated for the purpose of bringing ore from the North to St. Louis and transporting coal from St. Louis to the North.

I do not know where my colleague obtained that information. I can not find it in the hearings, and I ask him now where he obtained the facts on which he bases that statement?

Mr. DENISON. Does the gentleman mean with reference to what it was used for?

Mr. RAINEY. No; in reference to the contract under which the barges were seized, being entered into during the war.

Mr. DENISON. Does my colleague have reference to the date of the contract?

Mr. RAINEY. Yes; in the report it is simply said that during the war the Government entered into a contract with a private individual in St. Louis.

Mr. DENISON. I do not know that I could put my finger on where I got the information, but I understood that he entered into that contract during the war.

Mr. SHALLENBERGER. It was made with Mr. Goltra during the war. Mr. Goltra appeared before the committee and made his statement.

Mr. RAINEY. But you did not get it from him.

Mr. DENISON. I have the information from other sources; I could not state where.

Mr. McKEOWN. Was that the controversy out of which they were trying to put a man in jail for contempt of court?

Mr. RAINEY. No; I do not think anybody was put in jail. I have here a photostat copy of the contract, and it was made on the 28th of May, 1919, after the war was over. This is the contract under which these boats were being operated at that time, and it was not made during the war. I have a photostat copy of that contract here.

Mr. SHALLENBERGER. It was made under the war administration by the Secretary of War.

Mr. RAINEY. It was made after the war was over.

Mr. SHALLENBERGER. Under the war powers given the Director of Railroads.

Mr. RAINEY. It was made on the 28th of May, 1919, and the war ended on the 11th of November, 1918. I want to tell now how this happened and something about the seizure of these boats and something about the boats themselves. During the war the War Department found itself short of 4,000,000 tons of pig iron. We were preparing for a war of long duration. At first we expected it to last 11 years, and they were short 4,000,000 tons of pig iron, and the existing facilities were not sufficient to manufacture 4,000,000 tons additional of pig iron. Therefore they commenced to look about to see how it could be done. They found that the Mississippi Valley Iron Co., operated in St. Louis, was the only company with which they could enter into a contract, and so they called Mr. Goltra, who was at the head of that company, to come here to Washington and talk the matter over. He agreed to produce that amount of pig iron by assembling at St. Louis iron ore from the Mesaba Range and coking coal from West Virginia, using the rivers.

And the Government agreed to build four blast furnaces in St. Louis in addition to the blast-furnace equipment the Mississippi Valley Co. already had. So that this contract the Government entered into required the building of 19 barges and 4 propelling steamers. Then the war ended abruptly, and the Government never built the blast furnaces, but the Government was committed to contracts which involved the completion of these barges and these propelling steamers at an expense of $3,860,000. Mr. Goltra was entirely relieved from his contract; there was nothing else for the Government to do; and so the officials of this Government sent for him. He came and finally, as a result of their solicitation, he agreed to take off their hands these 19 barges and 4 propelling steamers at the time of their completion. That was the occasion of this contract. I have it here. Under this contract he agreed to give bond for $300,000 and to take these barges and operate them as a common carrier on the rivers. Then he agreed to take all the profits from the operation of these barges and deposit them in such banks as the Government might indicate, these banks to be bonded. He was not to get a dollar out of this contract; he took the chances of loss. He was compelled to keep the boats insured against destruction from fire and all kinds of accidents, including collisions, and he was required to keep up this equipment as the Government might dictate and to operate the boats as a common carrier, and to put every dollar of the net profits in such bonded banks as the Government might indicate, to remain there for a period of five years, and at the expiration of that five years, if he earned a profit equal to $3,860,000 and the interest on it—he was to be charged 4 per cent interest during all of that time—that amount would be applied to the payment of the barges, and the barges were to be his if he wanted them. If that much money was not deposited out of the profits at the end of the five years, there was to be an appraisal of these barges to determine their value at the time, and he was to have the option of taking the barges at the appraised value. He entered into a bond of $300,000 to carry out this contract. Now, that looked fair enough. It was not going to cost the Government a dollar.

Mr. Goltra is a successful business man. He has had to do with large enterprises, and he could make this a success if anybody could. If he does not make it any more of a success than the Government in operating these barges, he stands to lose three or four million dollars in the next four or five years. I want to tell you what happened after this contract was made. After this contract was entered into and the barges were completed and delivered to him he went to the Secretary of War and told him he was ready to operate as a common carrier and asked the Secretary of War what rate he could have as a common carrier—and I will print in the RECORD this original contract to show what the terms are—and the Secretary said to him, "I want you to operate these boats on the upper Mississippi

River alone." This contract provides he can operate on the Mississippi River or any of its tributaries. He started in to operate on the upper Mississippi River and did operate successfully there. While the Government barges could not be operated successfully on the deeper depths of the lower river he was making a success on the upper river. He was making a success of it because these barges, when they are loaded to carry 1,300 tons, draw 5 feet of water, and when the Government barges are loaded with 1,300 tons they carry 7 feet of water; and, as my collegue has stated, the Government must have different kinds of barges to use on different rivers. These barges will operate on any of the inland rivers. Finally he got the Secretary to agree to let him operate as a common carrier on the lower river at 20 per cent below the rail rate, provided he carries only coal, sand, oil, and one or two other commodities of that kind. The Secretary agreed that he could operate there as a common carrier and carry package freight or anything he wanted to carry, but not at 20 per cent less than the rail rate. He must carry those things at the rail rate; and there is plenty of evidence I can find for this statement—he must operate at the rail rate. The reason for it, of course, is apparent; there can not be any question about what the reason for it was; these Government barges had failed.

They had tried to make it a success by operating the Government barges with a shuttle boat connecting with the barges at the greater depths of the lower river at Cairo. The Goltra boats could run through from Minneapolis or from St. Louis and then on down the lower stretch of the river to New Orleans at all seasons of the year and carry 1,300 tons on each barge each trip. The Goltra barges were built as he wanted them built. He knew something about operating boats on rivers. He had made a demonstration in 1917 for the Government by taking the old barges and running them up to Minneapolis and back again. This was an expensive process. It cost him over $12,000 to do it. So he knew something about building barges for use on the Mississippi River. During the war he suggested these barges he built not with the blunt, bluff bows, but with what is known as spoon-shaped bows. The current strikes that oval part of a barge of this type and then slips off on either side. They built the propelling towboats with stern wheels to keep them from being injured by driftwood. If a successful demonstration were to be made at all with barges on the Mississippi River, it must be made with the Goltra barges. But in spite of all these difficulties placed in his way by the War Department, and this is one objection to operating a utility of this kind by the Government, in spite of all this, he was quite ready to operate these barges, even though he was not permitted to carry at 20 per cent less than the rail rate, but was required to carry the valuable package freight at the rail rate, and the Secretary has testified that is where the profit is. That is part of the record. Now, bear in mind this contract which permitted him to operate as a common carrier on the Mississippi River and its tributaries, gave the Secretary of War the right to fix rates, and the Secretary of War said to him:

You can not operate as a common carrier unless you operate with these more valuable freights at exactly the rail rates.

I want to read to you an extract from a notice served on Mr. Goltra on the 3d day of March, 1923:

You are hereby notified that in my judgment you have not complied with the terms and conditions of said contracts in that you have failed to operate the said towboats and barges as a common carrier and in other particulars.

Now, the Secretary states in his testimony that "he was advised that this was the case." Mr. Goltra replied at once to the notice and refused to return the barges. Then they waited, Colonel Ashburn, of the Coast Survey, until the 25th day of March, and that was Sunday. On that day, with revolvers strapped about him, Colonel Ashburn, at the head of 42 armed men, boarded the Goltra barges, drove his captains and men off, and captured the barges, and moved them to the other side of the river, where, he was advised, they would be out of the jurisdiction of the court in St. Louis and where writs could not be served on him. A writ was served on him, however. He refused to accept it, and they threw it down at his feet. The court ordered the barges returned, but he did not bring them back to the jurisdiction of the court until April 20 following. Then he brought them back. He applied for a writ of prohibition, and the case was argued here before the Supreme Court of the United States, and I have here the opinion of the Supreme Court of the United States. The opinion was rendered on the 10th day of December last, refusing a writ of prohibition and confirming the jurisdiction of the courts in St. Louis.

These barges and towboats are still held by the Government. We are operating these Government barges for the purpose of making a demonstration that barge service on rivers can be successful—for the purpose of inviting private capital to enter into this service on the rivers and to finally take over these barges. But with armed men the War Department drove from the Goltra barges the captains and the crews employed by Mr. Goltra. Is this the way to get private capital to invest in boats for our rivers?

EXTRACT

1. This lease, made this 28th day of May, 1919, between the United States of America, represented by Major General William M. Black, Chief of Engineers, United States Army, directed by the Secretary of War so to represent the United States, hereinafter designated as the lessor, party of the first part, and Edward F. Goltra, of the city of St. Louis, State of Missouri, hereinafter designated as the lessee, his heirs, executors, and administrators, party of the second part, witnesseth that—

Whereas the party of the second part at the request of certain Government officials as an emergency of war, in order to increase the output of pig iron, made certain arrangements for iron ore and coal properties with a view to producing pig iron at St. Louis, Missouri; and

Whereas the United States Shipping Board Emergency Fleet Corporation allotted to the Chief of Engineers the sum of $3,860,000 for the construction of a fleet of towboats and barges for the primary purpose of transporting the said iron and coal to and from St. Louis, Missouri; and

Whereas on the 1st day of August, 1918, the United States of America entered into contracts for the construction of nineteen barges suitable to use for the transportation of said iron ore and coal; and

Whereas the United States of America is about to construct by contract or otherwise a fleet of towboats for the purpose of towing the said barges, the construction of which in the opinion of the Secretary of War is necessary to enable the Government to dispose of the said barges more advantageously; and

Whereas the said fleet of towboats and barges is especially designed for and adapted to the transportation of iron ore and coal; and

Whereas the said lessee has entered into various engagements and undertakings to increase the pig iron supply as a war measure, which may have created, and according to the contention of the lessee did create, obligations on the part of the United States to the said lessee, but which he entirely releases and discharges in part consideration of this lease, which engagements, undertakings, and lease are in furtherance of the original design for the assembling of coal and iron ore at St. Louis, Missouri, and for the increase of pig iron facilities.

Now, therefore, the said lessor doth hereby charter and lease unto the said lessee for a term of five (5) years, beginning with the date of delivery to the lessee of the first barge or towboat and terminating five (5) years after the delivery of the first barge or towboat the following-described property, viz:

Nineteen barges which are being constructed under contracts dated August 1, 1918, with the Marietta Manufacturing Company, of Point Pleasant, W. Va., the Dravo Contracting Company, of Pittsburgh, Pa., and the Dubuque Boat & Boiler Works, of Dubuque, Iowa, and three or four towboats about to be constructed and described in accordance with specifications prepared or to be prepared therefor.

It is thereupon covenanted and agreed between the said parties as follows:

2. (a) That the said lessee shall operate as a common carrier the said fleet of three or four towboats and nineteen barges upon the Mississippi River and its tributaries for the period of the lease and of any renewals thereof, transporting iron ore, coal, and other commodities at rates not in excess of the prevailing rail tariffs, and not less than the prevailing rail tariffs without the consent of the Secretary of War; but nothing herein shall be deemed to prevent the most profitable and most advantageous use of said vessels being made provided the Secretary of War consents to such use other than as a common carrier.

(b) That the lessee shall pay all operating expenses of the fleet and maintain, during the continuance of the lease, each towboat and barge of the fleet in good operating condition to the satisfaction of the lessor, and shall hold the United States entirely free from all liabilities and indebtedness of every kind in connection with the operation, care, and maintenance of the entire fleet and all its engines, boilers, outfit, tackle, apparel, furniture, and appurtenances; and the lessee shall, without unnecessary delay, as soon as he acquires any knowledge thereof, discharge any and all maritime liens that may at any time during the continuance of this lease from any cause arise against or become impressed upon any one, any or all of the fleet of nineteen barges and three or four towboats. The lessee shall procure and take out for the benefit of the United States insurance, both fire and marine, in such an amount as in the judgment of the Secretary of War each of the vessels may require and with such underwriters or in such companies as are approved by the lessor, insuring each and every one of the barges and towboats against physical injury to them, or any of

them, and against the loss of any or all of the barges and towboats hereby leased. The lessee shall likewise procure and take out fire, marine, and towers liability insurance in such an amount as in the judgment of the Secretary of War each of the vessels may require with such underwriters or in such companies as shall be approved by the lessor, and for the benefit of the United States, insuring each of the vessels against such injury as may be inflicted by such vessel upon other property, such as might result in maritime liens, or in liability or obligation by the lessor and, if the lessor shall require, execute and deliver to the lessor a bond in the penal sum of three hundred thousand ($300,000.00) dollars, conditioned to protect the United States against such liability or obligation and against any and all maritime or other liens against the fleet or any of the vessels of the fleet and against any and all depreciation in value of all or any of said vessels, by reason of maritime or other liens arising or becoming impressed upon them or any of them. Such bonds as in any part of this contract are required to be given by the lessee for the benefit of the United States shall always and at all times during the continuance of this lease be kept good and shall be replaced at any time by other good and sufficient bonds at the request of the lessor, and they shall be kept good not only against the impaired credit or financial responsibility of the obligor or surety, but also against partial depletion or entire exhaustion thereof brought about by the payment of losses or indemnities thereunder.

(b-1) All salvage earned to which any of the said fleet shall become entitled, shall be for the benefit of the United States, after deducting all expenses incident thereto and the proportion due to the master, officers, and crew.

(c) For the protection of persons furnishing materials, services, and labor in connection with the operation, furnishing, repair, care, and maintenance of the said towboats and barges the lessee shall furnish to the lessor and continue in effect during the period of the lease, and in case of sale until title passes to the purchaser, a good and sufficient bond, approved by the lessor, in the penal sum of two hundred thousand ($200,000) dollars.

3. The net earnings above operating expenses and maintenance for each and every ton of cargo moved and all other net earnings shall be turned over by the lessee to the Secretary of War as soon as practicable after each proper determination of the amount thereof, but at least every ninety days, for deposit with the Treasurer of the United States to the credit of the Secretary of War in a special deposit account and shall continue so to be turned over to him and so deposited by him until such time as said net earnings shall equal the full amount of the cost of the several vessels of the fleet plus interest on said cost at 4 per cent per annum computed from the respective dates of delivery of the several vessels of the fleet and that thereafter all net earnings over and above the full amount of the said cost of the several vessels of the fleet, plus interest on said cost at 4 per cent per annum, shall be deposited to the credit of the Secretary of War at least every 90 days by the lessee in one or more national banks in St. Louis, Missouri, to be designated by the lessor, to be held for the fulfillment of the terms of this lease, provided that earnings derived from the transportation of commodities in barges hereby leased, moved by towboats not furnished by the United States, shall until all vessels of the Government fleet are delivered to the lessee be subject to deduction of cost of the hire of the necessary towboats to move said barges, in addition to any other operating expenses and maintenance in connection therewith.

The lessee shall keep accurate detailed accounts of all tonnage moved and of all moneys received and due and of all items of operating costs, and his accounts shall at all times be subject to inspection by the lessor or his representatives. The overhead expenses included in operating costs shall be subject to the approval of the lessor, and any items not approved by him and to which the lessee may object and take exception shall be referred to the Secretary of War, whose decision shall be final.

4. The approved national banks shall be required to furnish good and sufficient bonds, approved by the lessor, in penal sum in amounts at least equal to the sum deposited, conditioned for the safety of the funds held on deposit, as provided in this lease, said bonds to be delivered to the custody of the lessor and to be maintained during the period of deposit. The said banks shall credit to the account interest at the local prevailing rates of nonchecking accounts.

5. Within three months prior to the expiration of the lease, or of any period of renewal, or sooner if so desired by the lessee, a board of three persons shall be appointed, one to be designated by the lessor, one by the lessee, and one by the said two members, unless they shall fail to agree, in which case the third member shall be appointed by the Secretary of War, all of whom shall be familiar with the construction and cost of river vessels of steel and with the current market values thereof, to appraise the value of the said fleet at that time, and the said lessee shall be given the option of purchasing the fleet upon the following terms:

(a) If the funds turned over to the Secretary of War and deposited by him with the Treasurer of the United States, under section 3 of this lease, shall aggregate a sum equal to the full amount of the cost of the several vessels of the fleet, plus interest on said cost at 4 per cent per annum as aforesaid, then in case of the exercise of said option by the lessee said funds shall be applied to payment in full for the fleet, and any net earnings over and above the amount required for such payment on deposit in said bank or banks, provided in section 3 of the lease, or otherwise held on deposit, shall be paid to the lessee.

(b) If the funds turned over to the Secretary of War and by him deposited with the Treasurer of the United States, under section 3 of this lease, shall be less than the full amount of the cost, plus accrued interest at the rate of 4 per cent per annum on such cost, but greater than the appraised value, the funds shall in said event be applied to payment of the fleet at the appraised value, and any amount in excess of the appraised value shall be retained by the Secretary of War for the use and benefit of the United States; and the fleet shall thereupon become the property of the lessee.

(c) If the funds turned over to the Secretary of War and by him deposited with the Treasurer of the United States, as provided by section 3 of this lease, shall be less than the appraised value, then in the event aforesaid such funds shall be applied to the payment of the fleet so far as they shall reach, and the lessee shall pay in addition thereto, in the manner specified in section 6 hereof, the amount whereby the aggregate funds so turned over to the Secretary of War fall short of the said appraised value.

6. It is further covenanted and agreed that the method of payment of any amount which the purchaser shall be required to pay, and not provided for out of the sums deposited to the credit of the Secretary of War, shall be as follows:

There shall be sixteen (16) payments. The first shall consist of all moneys on deposit to the credit of the Secretary of War, as indicated above, and shall be so applied at the date of the sale. The lessee shall execute for the balance fifteen (15) promissory notes, in equal amount, payable at the expiration of one year, two years, three years, etc., from date of sale, with interest at 4 per cent per annum. Title to the property shall remain in the United States until the payment of the whole of the purchase price of said property.

7. It is understood and agreed that the lessee assumes full responsibility for the safety of his employees, plant, and materials, and the said nineteen barges and three or four towboats, and for any damage or injury done by or to them and from any source or cause in the operation of the fleet.

8. The lessor reserves the right to inspect the plant, fleet, and work at any time to see that all the said terms and conditions of this lease are fulfilled, and that the crews and other employees are promptly paid, monthly or oftener; and noncompliance, in his judgment, with any of the terms or conditions will justify his terminating the lease and returning the plant and said barges and towboats to the lessor, and all moneys in the Treasury or in bank to the credit of the Secretary of War shall be deemed rentals earned by and due to the lessor for the use of said vessels.

9. In the performance of the conditions of this lease, the employment of persons undergoing sentences of imprisonment at hard labor which have been imposed by courts of the several States, Territories, or municipalities having criminal jurisdiction is prohibited.

10. No Member or Delegate to Congress or Resident Commissioner, nor any person belonging to or employed in the military service of the United States, is or shall be admitted to any share or part of this contract, or to any benefit which may arise herefrom; but under the provisions of section 116 of the act of Congress approved March 4, 1909 (35 Stats. 1109), this stipulation, so far as it relates to Members of or Delegates to Congress or Resident Commissioners, shall not extend or be construed to extend to any contract made with an incorporated company for its general benefit.

In witness whereof the parties aforesaid have hereunto placed their signatures the date first hereinbefore written.

WILLIAM M. BLACK, [SEAL.]
Major General, Chief of Engineers, U. S. Army.
(First party.)

Witness:
JOHN STEWART,
Lt. Col. of Engineers.

EDWARD F. GOLTRA, [SEAL.]
(Second party.)

Witness:
THOS. J. JENNSEN,
Lieut. Col. of Engineers.

The insertion of the words "three or" in the thirteenth and nineteenth lines of page 2, the seventh line of page 3, and the fifteenth line of page 7 are correct and were made before the contract was completed.

WILLIAM M. BLACK,
Maj. Gen., Chief of Engr.
(First party.)
EDWARD F. GOLTRA,
(Second party.)

It is further understood and agreed between the said William M. Black, Chief of Engineers, United States Army, and Edward F. Goltra, parties of the first part and of the second part, respectively, of the above contract, that the number of towboats to be supplied under the above contract, denominated "three or four" therein, shall be at least three, and that a fourth shall be supplied only in the event that four suitable towboats of the general type and power described in the request for proposals now being canvassed for four towboats for the upper Mississippi River can be obtained with the funds available as specified in the second whereas of the above contract, and not otherwise.

WILLIAM M. BLACK.

Witness:
JOHN STEWART,
Lt. Col. of Engineers.

EDWARD F. GOLTRA.

Witness:
JAMES M. HOFFMAN,
Capt., Engrs., U. S. A.

(War Department, engineers. Form 10b)

Whereas on the twenty-eighth day of May, 1919, a contract was entered into between Major General W. M. Black, Chief of Engineers, U. S. Army, who, as well as his legally appointed successor, is hereinafter designated as the lessor, representing the United States of America, of the first part, and Edward F. Goltra, of the city of St. Louis, State of Missouri, his heirs, executors, administrators, or assigns, hereinafter designated as the lessee, of the second part, for chartering and leasing unto the lessee for a term of five years, subject to renewals, nineteen (19) barges and four (4) towboats, belonging to the United States.

And whereas it is found advantageous and in the best interest of the United States to modify the said contract as hereinafter specified, for the following reasons:

To more fully provide for the operation of the said barges and towboats as a common carrier by providing unloading facilities at St. Louis, Mo., by the use of funds remaining from the allotment of $3,860,000.00 from the United States Shipping Board Emergency Fleet Corporation, and to provide for the sale of the said unloading facilities to the lessee under certain conditions.

Now, therefore, the said contract is, by this supplemental agreement between Maj. Gen. Lansing H. Beach, Chief of Engineers, United States Army, and the said contractor, on this 26th day of May, 1921, hereby modified in the following particulars, but in no others:

The lessee will, at his own expense, within eight months from the date hereof provide the necessary tract of land and runway on which the said unloading facilities are to be erected, stand, and operate, said tract to be selected by the lessor, subject to approval by the lessee, and said runway to be built according to plans submitted by lessee and approved by the lessor.

The lessor will erect on the said tract of land an unloading apparatus or facilities of a kind and character mutually agreed to by lessor and lessee as sufficient and adequate to handle the cargoes to be transported by the said barges and towboats.

The said lessee shall, at his expense, maintain and operate the said unloading facilities in connection with the barges and towboats as a common carrier, subject to such charges for services of loading and unloading as may be approved by the Secretary of War.

The said lessee shall take out and maintain for the benefit of the United States insurance in such amount and with such companies as may be approved by the lessor.

The terms of the original lease as to net earnings (par. 3), appraisement and option to purchase, and conditions of purchase (par. 5), method of payment in the event of purchase (par. 6), inspection (par. 8), shall govern so far as applicable and pertinent to the said unloading facilities.

In case the said lessee, his heirs, administrators, executors, or assigns does not take over and pay for the said unloading facilities according to the aforesaid terms, then and in that case the lessor may, without let or hindrance by the said lessee, his heirs, administrators, executors, or assigns, take said unloading facilities in the same manner as is provided in the original lease as to the barges and towboats; or

In case the lessor does not desire to remove the said unloading facilities under the preceding paragraph the lessor shall have the right to lease the land and runways on which the unloading facilities stand for five years with the privilege of renewals, the terms of such lease, if not mutually agreed to by the lessor and lessee, to be fixed by a board of three persons, one member to be selected by the lessor, one member by the lessee, and one member by agreement between the two aforesaid members.

This supplemental agreement shall be subject to the approval of the Secretary of War.

In witness whereof the parties aforesaid have hereunto placed their signatures at the time of execution of this agreement.

LANSING H. BEACH,
Major General, Chief of Engineers.

Witness:
P. J. DEMPSEY.

EDWARD F. GOLTRA.

Witness:
THOMAS M. ROBINS,
Major, Corps of Engineers.

[Executed in triplicate]

Aproved May 27, 1921.

J. M. WAINWRIGHT.

Approved: ——— ———, 192—.

———,
Assistant Secretary of War.

CONSENT OF SURETY

We, ——— ———, bondsmen for the due performance of a contract dated ———, 192—, between the United States, represented by ——— ———, Corps of Engineers, U. S. Army, and ——— ——— for ———, hereby give our full consent to the attached supplementary articles of agreement, dated ———, 192—, providing for ———.

Supreme Court of the United States
(No. 23, original—October term, 1923)

In the matter of the petition of the United States of America, as owner of 19 barges and 4 towboats. (December 10, 1923.)

Mr. Justice McKenna delivered the opinion of the court.

Motion on part of the United States, as asserted owner of 19 barges and 4 towboats, praying a writ of prohibition to be directed to the Hon. C. B. Faris, a judge of the district court, eastern division of the eastern judicial district of Missouri, and the other judges thereof, to prohibit him and them from asserting and exercising jurisdiction in a certain suit brought March 25, 1923, by Edward F. Goltra against John W. Weeks, Secretary of War, and other officers of the United States, in which it was averred that a contract was made between the United States, represented by Maj. Gen. William M. Black, Chief of Engineers of the United States Army, as lessor, and Goltra, as lessee, whereby the boats and barges (then under construction by the United States) were leased and chartered to Goltra for the period of five years from the date of delivery of the boats and barges to him, Goltra, upon the payment of certain periodical rentals and a compliance by Goltra with other terms and conditions.

The suit by Goltra, the pleadings in which are detailed in the petition, was brought to determine his rights under the contract and a supplement to it.

The contract was preceded by negotiations between Goltra and representatives of the Government, particularly with the War Department and the then Secretary of War, which included, among other things, the construction of a fleet of towboats and barges in the then emergency of war. But after the signing of the armistice and the emergency of war had ceased, other negotiations were had between Goltra and the War Department and the Secretary of War, and a lease was made—the contract above—whereby the boats and barges were leased to Goltra, by him to be operated on the Mississippi River and its tributaries as a common carrier, he to pay all operating expenses, to take out fire and marine insurance, and incur and discharge other obligations.

On May 28, 1919, the supplement to the contract was entered into between Major General Beach, then Chief of Engineers of the United States Army, the successor of Black.

On March 5, 1923, Weeks, as Secretary of War, undertook to cancel the contract for the noncompliance by Goltra, as lessee, with its terms and conditions, and demanded the return of the boats and barges to the United States; and the defendants, on March 25, 1923, unlawfully took possession of some and were about to take possession of the remainder of them.

There was a prayer by Goltra for a temporary restraining order against such action or against any action interfering with his possession. There was also a prayer for a temporary injunction against any act whatsoever looking to the cancellation and termination of the lease or the retaking of the boats and barges taken before the attempted cancellation of the contract. The prayer was that upon final hearing a decree be entered in favor of Goltra to determine his rights under the contract and to perpetually enjoin the defendants from interfering in any way with his rights thereunder.

A mandatory order was issued as prayed, and an order to show cause why a temporary injunction should not be issued.

In response to the order to show cause, the Attorney General filed suggestions against the jurisdiction of the court, and subsequently the other defendants made returns to the order averring that the suit was in purpose and effect one against the United States and its property.

A motion was made in accordance with the representations. It was overruled and the defendants granted time to plead.

It is alleged in the petition that, unless restrained, the district court judge will proceed with the cause and issue an injunction as prayed by Goltra, and that such order will deprive the United States of the possession and use of boats and barges of the value, approximately, of $3,500,000.

Prohibition was prayed as above stated.

The return of Judge Faris to the petition concedes some of its allegations and denies others. It denies the character described to Goltra's suit. It alleges that there is a right of possession of the boats and barges in Goltra, and that while his bill was in course of preparation the defendants in the suit were proceeding with a large force of men to take from him and remove from St. Louis the boats and barges that remained in his possession. And that the suit was not one against the United States, but against individual defendants who were proceeding in violation of law. And it is averred that there is an adequate remedy by appeal.

The answer of Goltra to the petition is presented with elaborate detail of fact and argument. In foundation and essence it is the same as that of the district court. The opinion of the court, which was oral, is attached to it. The opinion cites that of Judge Baker in United States Harness Co. v. Graham et al., in the District Court for the Northern District of Virginia.

The merits of the case present interesting questions. The question of the remedy is, however, the more insistent. Does the case justify it? Prohibition is a remedy of exigency and in exclusion of other process of relief. It is directed against unwarranted assumptions of jurisdiction or excesses of it. In some cases there may be instant judgment that such is the situation and the writ granted. In other cases there may be doubt and the writ denied. (Ex parte Muir, 254 U. S. 522, 534.) And doubt in the instant case would seem to be justified, for two district courts have decided that under the circumstances such as presented in this case it does not involve or constitute a suit against the United States. And also the writ is to be denied if there be remedy against the action complained of by appeal.

Ex parte Oklahoma (220 U. S. 191) and cases cited is a complete exposition of the writ and its uses. The opinion in that case observed the distinctions of prior cases; that is, that the writ is a remedy against unwarranted assumptions of jurisdiction and that, besides, the condition of its issue is that the party attacking the jurisdiction has no other remedy. In other words, the writ can not be made to perform the office of an appeal or writ of error. Are the decisions applicable here?

There was submitted to the court the contracts and their construction and effect—whether under them the United States or its officers retained property in the boats and barges or whether that property was transferred with the right of possession to Goltra. The court so construed them, adjudging Goltra's right to the property and, necessarily, his right to the possession of it, and that he was entitled to an injunction to protect that possession pending the suit. From that decision there was right of review by appeal, and it would be timely and adequate for relief if the decision were erroneous. (Judicial Code, sec. 129; United States Fidelity & Guaranty Co. v. Bray (225 U. S. 205, 214); Denver v. New York Trust Co. (229 U. S. 123, 136); Ex parte in the Matter of Chicago, Rock Island & Pacific Railway Co. (255 U. S. 273).)

Writ denied.

A true copy.

Test:

——— ———,

Clerk, Supreme Court United States.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of carrying on the operations of the Government-owned inland, canal, and coastwise waterways system to the point where the system can be transferred to private operation to the best advantage of the Government, of carrying out the mandates of Congress prescribed in section 201 of the transportation act, 1920, as amended, and of carrying out the policy enunciated by Congress in the first paragraph of section 500 of such act, there is hereby created a corporation, in the District of Columbia, to be known as the inland waterways corporation (hereinafter referred to as the "corporation"). The Secretary of War shall be deemed to be the incorporator, and the incorporation shall be held effected upon the enactment of this act. The Secretary of War shall govern and direct the corporation in the exercise of the functions vested in it by this act.

Mr. SHALLENBERGER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last word.

Mr. SHALLENBERGER. Mr. Chairman and gentlemen of the committee, I wish to confine my remarks principally to the objections that the gentleman from Illinois [Mr. RAINEY] made to this bill. In the first place, he referred to the fact that Colonel Ashburn, who is to be in charge of this corporation, if the bill passes, is to be made a brigadier general with a salary of $10,000. The salary of $10,000 mentioned in the bill is a civilian's salary; it is the salary paid to the director of traffic that manages and controls the traffic of the corporation. That you undersand, is a technical position and requires men who are thoroughly informed on the matter of securing contracts for traffic and the directing of it. It has no reference to Colonel Ashburn.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. McDUFFIE. The present traffic manager is receiving that salary at the present time.

Mr. SHALLENBERGER. Yes. The present traffic manager is receiving that salary. Colonel Ashburn has been in the service of the United States for 30 years as a commissioned officer. He is entitled under the law to retire at any time he asks for retirement. If he continues in the service, as he will under this act, he will be entitled to all the allowances of a colonel because of his 30 years' service. If he is promoted to the rank of brigadier general during his term of service as chairman of the board, the only thing he will get out of this law is promotion to the rank of brigadier general and $400 increase in pay. He has now been practically four years in charge of this work and has acquired, of course, a great amount of valuable information and experience, which the Government would lose if he is permitted to go back to service with troops. Therefore the committee felt they were warranted in recommending his appointment to this position and his advancement to the rank of brigadier general, because it will add very little to the expense of the Government and will reward an officer who has rendered a great service to the Government.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. McKEOWN. What salary is it proposed to pay under this bill?

Mr. SHALLENBERGER. To whom?

Mr. McKEOWN. To the chief operator.

Mr. SHALLENBERGER. To the director, $10,000.

Mr. McKEOWN. Is the gentleman from Nebraska in favor of creating positions that pay salaries higher than that of a Member of Congress?

Mr. SHALLENBERGER. I will say to the gentleman that this is a position to manage the business affairs of a corporation of $5,000,000 capital and to direct a traffic that affects the welfare of the people of half the States of the Union; and we thought, and I think, that $10,000 as the salary at this time is not too much to pay to the man in that position.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. WINGO. Does the gentleman know of any private business of this magnitude that could get a man of the requisite business experience and responsibility for as low a salary?

Mr. SHALLENBERGER. Well, there are men who are receiving twice as much as this in private employment in positions similar to the one provided for in this bill.

Mr. McKEOWN. I can find 20 who will accept $7,500.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. KING. The gentleman is a Democrat in every sense of the word. I wonder if he does not deprecate this new idea of detailing Army officers to fill civilian positions. Right now one is detailed to be the Chief of the Bureau of Engraving and Printing. Every day we are hearing of these officers being detailed to occupy civilian positions. That has been against the policy of this Government for 50 years.

Mr. SHALLENBERGER. In answer to that I will say to the gentleman that I am a Democrat, as he says, but in this particular position Colonel Ashburn is a man who has been trained by this Government at our military school; he has been given the highest character of education, both as to engineering and to general education, that the Government can give him, and now we are to get the benefit of that man's ability and the benefit of the training the Government has given him at a salary one-half the salary at which we could expect to get the same character of man from civil life. The Army develops men with the single ambition to serve their country, and that is the spirit that Colonel Ashburn has been showing in this matter.

Mr. KING. And if anything should happen to him another military officer would be appointed in his place.

Mr. SHALLENBERGER. I would be apt to agree with the gentleman if we were simply taking a military officer and placing him untried in this position, but that is not the case in this particular instance. Colonel Ashburn has acquired experience and shown ability that are now invaluable to success of this enterprise.

The CHAIRMAN (Mr. TILSON in the chair). The time of the gentleman from Nebraska has expired.

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SHALLENBERGER. Yes.

Mr. MOORE of Virginia. Did the committee consider the expediency of placing the services which are mentioned in this bill in charge of the Department of Commerce, transferring them from the War Department?

Mr. SHALLENBERGER. Well, we did consider that, but the situation with which we are confronted now is that it is in the hands of the War Department and in the hands of men who have been managing it for four years. They therefore are well equipped to go on with it.

Now, I want to say to the committee that instead of the management proving a failure it has proven a success. It is true that during the war and before Colonel Ashburn came into the management of it we did lose the millions of money to which the gentleman from Illinois [Mr. RAINEY] has referred. But if you will refer to the report, page 13, you will find that Colonel Ashburn took charge of this corporation, or the operation of this Government activity, in 1920. From January 1, 1921, to June 30, 1921, the barge-line service on the lower Mississippi was operated at a net profit to the Government of $67,170 and a saving to the public in freight rates of $280,700; during the period from July 1 to December 31, 1921, it was operated at a net profit to the Government of $85,262 and a saving to the public in freight rates of $363,300; during the period from January 1 to June 30, 1922, it was operated at a net profit to the Government of $31,924 and a saving to the public in freight rates of $486,700; during the period from January 1 to June 30, 1923, it was operated at a net profit to the Government of $159,490 and a saving to the public in freight rates of $482,000; and even during the period from July 1 to December 31, 1923, when the Government lost in operating expenses on account of extreme low water the sum of $200,589, the public saved in reduced freight rates during the same period the sum of $441,000.

Mr. BLACK of Texas. Will the gentleman yield for one question?

Mr. SHALLENBERGER. Yes.

Mr. BLACK of Texas. Does the gentleman know whether in counting up the question of profit they made any allowance for capital investment or for depreciation?

Mr. SHALLENBERGER. No.

Mr. BLACK of Texas. But a private business would have to make those allowances.

Mr. SHALLENBERGER. The fact is that the Government at that time took it over as a war measure; they have it on their hands and they can not sell it for anything like what it cost the Government. The purpose now is to demonstrate to the country the practicability of water-borne freight service. We are operating with the kind of boats the gentleman from Illinois [Mr. RAINEY] stated; they are not the best suited for river traffic, but these and other problems connected with it are being worked out.

Mr. BLACK of Texas. Then the gentleman's statement would hardly be accurate that the Government has realized a profit when it has not made any depreciation charge or any charge for capital investment.

Mr. SHALLENBERGER. Perhaps not. I realize that if we were to go into the matter of making charge for interest and depreciation, probably we would not be able to show so much profit, but I have made this statement to show that we have not lost the millions of money stated by the gentleman from Illinois [Mr. RAINEY].

I want to say another thing to the committee. It was demonstrated before the committee in its hearings by representatives of the great steel interests and coal interests of Pittsburgh, for instance, that water transportation on the Monongahela River was costing one-sixth of the rate that would have to be paid to the railroads, and representatives of one of the great steel companies of Pittsburgh came before our committee and showed that they were moving freight on the Ohio River at one-third the rate charged by the railroads. But, gentlemen, that cheap freight is all moved upon barges owned by these great corporations; they are not open to the general public, and they are not public carriers. This is an attempt to give the public a chance to enjoy the benefits of reduced rates because of water transportation. This is to demonstrate the value and practicability of inland-water transportation.

I want to call the committee's attention to this fact: That railroad freight-rate reduction is a thing which the public attention is fixed upon now. Water competition is going to have a tremendous effect upon the transportation question and is one of the means whereby we hope to secure that reduction.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. SHALLENBERGER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more, because gentlemen, by their questions, do not give me a chance to explain some matters that I believe the House wants information upon.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. ABERNETHY. Mr. Chairman, reserving the right to object, I would like to follow the gentleman for a few minutes.

The CHAIRMAN. The Chair can not make any promises as to recognition.

Mr. ABERNETHY. I do not object.

The CHAIRMAN. Is there objection? [After a pause. The Chair hears none.

Mr. SHALLENBERGER. I think the effect of water transportation on railroad transportation has already been demonstrated by the requests of the railroads of the Nation to the Interstate Commerce Commission.

Requests were made to the Interstate Commerce Commission to reduce freight rates upon commodities essential to life—on coal, foodstuffs, and other essentials. Even the President of the United States asked the railroads to reduce the freight rates upon coal, being a necessity, but the railroad managers refused to grant it. But when water competition, through the Panama Canal, came in direct conflict with coast-to-coast rates upon the railroads, then the railroad corporations of this country came to the Interstate Commerce Commission and asked, upon bended knees, to be allowed to cut freight rates 25 per cent from coast to coast because of water competition. It is to develop the practicability of public carrier service upon the rivers and lakes of the country that we are asking to have this proposition tried out.

Now, as to the conflict with Mr. Goltra. I do not care to discuss that more than to say that it was brought before the committee. As you can see from the remarks of the gentleman from Illinois [Mr. RAINEY] it is evident that the Government entered into a contract during the war with Mr. Goltra because they thought he could help them out of a certain situation, as the gentleman from Illinois has explained to you. It was to assist the movement of ore and other things necessary for war purposes; but it was demonstrated that Mr. Goltra could not successfully operate boats upon the upper Mississippi River. He said in his testimony that one of the reasons the Government vitiated his contract and seized his boats was because he did not operate them upon the upper Mississippi, that he was five months trying to bring one of those barges, which the gentleman from Illinois referred to, from St. Paul down to St. Louis, and he could not return because it drew too much water. His answer to the complaint of the Government was that he could not move the boats over the upper Mississippi because the Government did not provide him a water channel that would enable him to operate them. There is a conflict between the Government and Mr. Goltra as to his contract. It is in the courts, and the courts must settle it.

Now, the only reason for bringing Colonel Ashburn into this and attacking him is because as the agent of the Government authorized by the Secretary of War he was empowered and

directed to seize those boats, and he did seize them, and that is the quarrel between Mr. Goltra and Colonel Ashburn.

Now, Mr. Chairman and gentlemen, this bill provides for a capitalization of $5,000,000. The chairman of the committee called your attention to the fact that it does not require that the Government shall invest $5,000,000 in cash. That is not contemplated. But this barge property was turned over to Colonel Ashburn without any capital with which to operate. The barges were turned over to him and he is not responsible for the character of those barges. The barges were built by engineers and by Government officials before they were turned over to Colonel Ashburn. The War Department and the Railroad Administration lost money until Ashburn got hold of them.

Since he has had control of this system he has been making money, but the corporation must have capital, as any corporation does transacting the amount of business they handle, and in order to get it he had to go to the banks and borrow it. Therefore we hope now if you will pass this bill to give the corporation sufficient capital so that it will not be put to the point of having to go to borrow money every time the corporation falls short of cash, as any corporation may do in certain periods of its operation.

The $5,000,000 includes the value of all the property it now has in its hands. It may be $2,500,000, or it may be $3,000,000. I do not know what the valuation is, but the entire amount of capital stock that may be issued, taking into consideration all the property we have now, is to be $5,000,000. We do not expect the Government will have to advance more than perhaps $1,000,000 of actual cash at any time to carry on the operation of this corporation, and it is only for five years in order that we may try this matter out. Personally I would like to see the corporation made permanent, but a majority of the committee determined otherwise.

Mr. LINTHICUM. Will the gentleman yield for a question?

Mr. SHALLENBERGER. I yield now.

Mr. LINTHICUM. I want to ask the gentleman whether in figuring the amount of money which the gentleman says has been earned as a profit they have figured anything for depreciation or interest on investment?

Mr. SHALLENBERGER. I answered that question before. That was figured in, as I recall. I do not know certainly.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. DENISON. Mr. Chairman and gentlemen, I want to take five minutes to explain one or two matters. The Secretary of War in the accounting system of the barge line is carrying this equipment on the books at just what it cost the Government. My friend, the gentleman from Nebraska [Mr. SHALLENBERGER], I think, inadvertently made a misstatement, unless he was thinking of a different thing from that which is in my mind now. We are carrying this equipment under the regulations of the Interstate Commerce Commission at just what it cost the Government during the war, and it cost about three times what you could replace it for now. In other words, we are carrying it at war prices because the Government acquired it then by either taking it over or building the equipment during the war. Since the time that Colonel Ashburn has had charge of it the Government, with the exception of one period of six months, has made a substantial profit over and above the actual cost of operation, including interest on the investment at war prices and depreciation.

Mr. SHALLENBERGER. If the gentleman will permit, I stand corrected. I was not aware of that.

Mr. DENISON. I thought the gentleman was mistaken. They have had to figure out depreciation and have had to figure interest on war prices and, notwithstanding all that, during the first half of 1921 the Government made a net profit of $67,000 and saved to the shippers in reduced freight rates $280,000. During the next half of the year the Government made a net profit of $85,000 and saved to the shippers in reduced freight rates $363,000 plus, and during the next half year they made for the Government, net, over $300,000 profit and saved to the shippers $486,700 in reduced freight rates. I will not repeat further the figures that the gentleman from Nebraska [Mr. SHALLENBERGER] gave you. These are net profits over and above operating costs, interest on investment of something over $13,000,000, and depreciation.

Now, during one-half of one year the Government sustained a heavy loss due to the fact that on one of these trips the barges got hung up on a sand bar south of St. Louis and the Government had no equipment there to take it off. The barge-line service has no "trouble boat" to go to a place where they have trouble and take the barges off a sand bar. The result was they had to unload and thereby sustained a heavy loss.

Now, what we want to do is to secure a boat for that purpose. Let this service secure a boat that will be available to help when a barge is hung up on a sand bar, or for some other reason.

Mr. HUDSPETH. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. HUDSPETH. Does the gentleman believe that the operation of this barge line will tend to decrease freight rates throughout the country?

Mr. DENISON. Absolutely; freight is being shipped over this barge line to different points of Texas, and it will tend to reduce the freight rates in Texas.

Mr. HUDSPETH. I want to state that the Senator from Missouri [Mr. REED], who lives on the river, made a statement in the Senate the other day that water transportation tended to decrease freight rates adjacent to that territory; but for railroad points that were not reached by water transportation, in order to make a reasonable return upon the investment, they had to raise the rate for those points.

Mr. DENISON. I was speaking of the territory reached by water transportation. If the Interstate Commerce Commission permits the railroads to do that, the charges will be higher.

Mr. HUDSPETH. I know that I am talking against the interests of my own State.

Mr. SHALLENBERGER. I want to say to the gentleman that that was under the operation of the section 15a, and after we get that repealed it will not be possible.

Mr. BARKLEY. Will the gentleman yield?

Mr. DENISON. I will.

Mr. BARKLEY. That would not happen unless it was a competitor that was not competing with river traffic, because the road that reduces the rate would get all the business, and the road that did not would not get any.

Mr. DENISON. That is right.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. DENISON. I yield.

Mr. WHITE of Kansas. I was interested in the statement of the gentleman from Nebraska when he stated that the Coastal Transcontinental Line had asked for 25 per cent reduction. Is it the practice, if the gentleman can give us the information, for the Interstate Commerce Commission to permit a line paralleling in successful operation to make a lower rate—does the gentleman know what the practice is?

Mr. DENISON. In former years they did, and that is what drove transportation off the rivers. But we are hoping that the Interstate Commerce Commission will not allow that to be done in the future.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DENISON. Mr. Chairman, I ask for two minutes more, and then I will quit. I do not want to take up any more time, but I want to make this statement for the information of the committee: One of these barges on the Mississippi River carries as much freight as you could put into 100 freight cars, and one towboat will take eight of these barges to New Orleans in six days. In other words, one trip from St. Louis to New Orleans will take 800 carloads of freight. Think what that will do for the country, how it will relieve the railroads in time of car shortage and supply the shippers of the country with cheaper transportation.

Now, if a barge in a time of long drought, when sand bars may appear, should be hung up suddenly and the Government has no equipment near to pull it off, they sustain a loss. What we want to do is to give some additional equipment to the barge service in order to prevent this loss until the War Department can complete the improvement of the channel.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DENISON. I will.

Mr. MANSFIELD. I want to suggest that General Beach a few weeks ago stated before the Rivers and Harbors Committee that one of these boats on the Mississippi carried the largest cargo ever carried by any vessel in water transportation—56,000 tons of coal.

Mr. DENISON. That is true. Now, gentlemen, the Secretary of War says he would not know how to run a barge service unless he had Colonel Ashburn, who is an expert in transportation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ABERNETHY. Mr. Chairman and gentleman of the committee, I started out to oppose this bill, but when I found so many of my friends with whom it is necessary for me to stay, and whose sections it will aid, I am going to support it. [Laughter.]

Mr. McKEOWN. Is not this a sequel to the Cape Cod proposition?

Mr. ABERNETHY. It is in a large measure. I desire seriously to call the attention of this committee to the situation that has operated along the inland coastal waterway under Colonel Ashburn's supervision, and the reason I am calling the attention of the House to it now is because there is pending before the committee that has charge of this bill a resolution that passed the Senate yesterday by Senator WADSWORTH, of New York, in reference to it. There was a boat line operating from Baltimore to Newbern, N. C., Government owned and operated, and it was working well. That boat line was allowed to be sold without any notice to the local people. It was sold for $400,000 on time, with a payment of $25,000, sold to the people who operated a barge line on the State canal in New York. Now, these people to whom these boats were sold have not paid for them, and they can not pay for them. I have been trying to prevail with Colonel Ashburn to put some of these boats back on the inland waterway between Baltimore and the South, which is a part of the link that we voted on the other day when we voted for the Cape Cod Canal, but by the resolution which passed the Senate yesterday it is solemnly proposed to allow the people who bought these boats and others from the War Department to be relieved of half a million dollars of the amount they agreed to pay, and still we have no boats on the inland waterways from whence these boats were taken and sold to irresponsible people, as I contend.

Gentlemen, I am going to vote for this bill, because I think it is a step in the right direction and will aid the great Mississippi Valley section of the country. I am a very small cog in this situation. However, all up and down the Atlantic coast we need waterway transportation right now. In the State of North Carolina now the railroads are undertaking to raise freight rates at this time to a point where it is going to run our business men out of existence. We need boats, and I appeal to this powerful Committee on Interstate and Foreign Commerce to hold up this Wadsworth resolution, and I appeal to you men who are favorable to this proposition to help me hold it up until we can see if it is not possible to have returned the boats which were taken from us and have them placed back into the service on the inland waterways. That is all I want to say, and I am going to vote for this bill.

Mr. BLACK of Texas rose.

Mr. DENISON. Can not the gentleman discuss this matter on the next section?

Mr. BLACK of Texas. I want to state some objections I have to the bill. I see no reason why I should not discuss it right now.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

Mr. RAKER. Mr. Chairman, reserving the right to object, I would like to have five minutes.

Mr. DENISON. Does the gentleman want it on this particular section of the bill? Would he not be just as well satisfied on another section of the bill?

Mr. RAKER. The trouble is that if we pass to the next section, and one of the committee rises, not being on the committee, I would get left.

Mr. DENISON. If the gentleman feels he is liable to be left, I will amend my request to make it 15 minutes.

The CHAIRMAN. Is there objection to 15 minutes?

Mr. RAINEY. Mr. Chairman, reserving the right to object, may I have five minutes of that?

Mr. DENISON. Can not the gentleman speak on the next section?

Mr. RAINEY. I would like to reply to something said by the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. DENISON. The gentleman from Texas wants five minutes?

Mr. BLACK of Texas. Yes.

Mr. DENISON. The gentleman from California wants five minutes?

Mr. RAKER. I would like to have 10 minutes.

Mr. DENISON. I can not agree to that just now. Is the gentleman from Oklahoma [Mr. McKEOWN] insisting on some time?

Mr. McKEOWN. If the gentleman do not take too much time, I am going to wait.

Mr. DENISON. Mr. Chairman, I amend my request and make it 15 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate upon this section and all amendments thereto close in 15 minutes. Is there objection?

There was no objection.

Mr. BLACK of Texas. Mr. Chairman, if a man gets up in the morning and puts his pants on with the seat in front and the front behind, we would say that he was either asleep or crazy. It seems to me that we are undertaking to do that very thing in legislation of the sort we now have before us. There is no man on the floor of this House who has studied the question of river transportation who does not know that the real trouble is the railroad long and short haul practice. There is the trouble. Until Congress forces a correction of that situation you can operate a barge line for 40 years by the Government and pay the cost of it out the taxpayers' pockets, but you are not going to get private individuals to go very much into river transportation.

Mr. MOORE of Virginia. And may I suggest one other thing, and that is the inadequacy of amounts allowed to the boat lines when the division of rates is made?

Mr. BLACK of Texas. Of course. They can not possibly survive under competition of that sort. We must first get this basic trouble corrected before we can expect to get very far with development of river transportation.

Mr. CLEARY. Is the gentleman familiar with the fact that there are millions of dollars invested by private individuals now in running up Long Island Sound and up the Hudson River, and that they can beat the railroads so much that they get the business and that the railroads do not? And that is being done right now all of the time.

Mr. BLACK of Texas. Yes; I have no doubt that in a congested center such as the gentleman mentions you can do that, but I am talking about transportation on rivers like the Mississippi and the Ohio and streams of that sort. You can not possibly have a successfully operated river transportation when you permit the railroads to come in and cut their rates in such localities below the costs of producing the service. In the face of conditions of that kind to try to establish permanent barge service by a law of this kind is like the man who tries to put his breeches on wrong side in front.

Mr. CLEARY. Will the gentleman allow me to say just a word? Take the water rates from Lake Superior clean on along down to Long Island Sound and through there, and there is no more danger of the railroads taking that freight away than there is of its being taken by the man in the moon, because the water can carry it for less than half of what the railroads can.

Mr. BLACK of Texas. My friend surely heard me admit that in these congested centers and waters like the Great Lakes that can be done.

Mr. CLEARY. It is not only in the congested centers.

Mr. BLACK of Texas. It is somewhat different from conditions on the Mississippi or the Ohio.

Mr. CLEARY. Through the Great Lakes it is the same way. There is not as cheap transportation anywhere in the world. Give us lots of water and never mind your boats and individuals will all go into the business.

Mr. BLACK of Texas. I hope the gentleman will understand that I am not talking about transportation on the Great Lakes. I am talking about the Mississippi and the Ohio Rivers and other rivers, and why it is that we do not have successful water transportation there. From Portland, Me., to New Orleans is a distance of 1,686 miles, and the freight rate on first-class freight is $2.51. From Dallas, Tex., to New Orleans is 515 miles, which is a third of the distance from Portland to New Orleans, and yet the rate from Dallas to New Orleans on the same class freight is $2.31, nearly as much as it is from Portland to New Orleans. From Seattle to Boston is 3,258 miles, and the rate on 100 pounds of paint is $1.83, while the rate on 100 pounds of paint from St. Louis to Denver, an inland point without water transportation, over a level prairie haul and only a distance of 916 miles, is $1.06. There are many instances of that kind, and the United States Government will never demonstrate to private industry that it can successfully operate river transportation as long as these long-and-short-haul discriminations are permitted to be made.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RAKER. Mr. Chairman, in answering the gentleman from Illinois [Mr. DENISON], I stated that I wanted to proceed for five minutes. I now ask unanimous consent that I may speak out of order for those five minutes.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed out of order for five minutes. Is there objection?

Mr. DENISON. Upon what subject?

Mr. RAKER. On the subject of an article that appeared in the Washington Post this morning.

Mr. DENISON. Mr. Chairman——

Mr. RAKER. The five minutes that I would ramble along on this river navigation, which I understand perfectly well, might not do the gentleman very much good but surely no harm to his bill. I think my vote would do more good than my talk, and I would like to use the five minutes on a really important subject.

The CHAIRMAN. Is there objection?

Mr. SCOTT. Mr. Chairman, I object.

Mr. RAKER. Is there not somebody that wants my five minutes?

Mr. CLEARY. I will take it.

Mr. RAKER. I will be glad——

Mr. RAINEY. I will take the five minutes.

Mr. RAKER. I will yield the gentleman from New York my five minutes.

Mr. BEGG. I make the point of order the gentleman can not yield time.

The CHAIRMAN. The gentleman can not yield time, but the Chair can recognize the gentleman.

Mr. RAKER. I ask unanimous consent that the five minutes allowed me be given the gentleman from New York [Mr. CLEARY].

Mr. BEGG. I object to that; that is not in accordance with the rule.

Mr. NEWTON of Minnesota. But the Chairman certainly can recognize the gentleman from New York.

The CHAIRMAN. The Chair said that it was not subject to unanimous consent.

Mr. RAKER. On this water bill it seems strange that other men can take practically all the morning on a subject not directly connected with the bill, and in regard to a statement made this morning relative to legislation that is absolutely untrue a man is unable to explain it to the House that the House Members might know that they have been treated fairly and properly and the matter properly explained to them.

Mr. BEGG. I make the point of order the gentleman is speaking out of order.

Mr. RAKER. I shall get down to the bill.

Mr. BEGG. The gentleman is entitled to speak if he gets recognition for that purpose, but he ought to speak to the bill.

Mr. RAKER. I do not understand I need any criticism or castigation from the gentleman from Ohio especially, many times he has been in a position that we could have said a good many things, but I do not want to take up any of the time of the committee. However, I will get down to a discussion of this bill in proper shape and proper form. It is a very important bill in regard to waterway transportation. The same committee has under discussion railroad legislation which is coordinate with water transportation and railroad transportation.

Mr. DENISON. If the gentleman will yield, let me explain to the gentleman from California that several Members on this side have come to me and asked if I would not let them talk on this same subject, and I have said that I should have to object. We desire to hurry through with this bill as there is another bill coming up and——

Mr. RAKER. The gentleman has made a statement, let me answer it. When I have presented a matter to the House after giving great consideration to it and a paper comes back in the morning and says the matter was not fairly represented, and at least 24 men have asked me in regard to it here this morning, I felt it to be my duty to present the matter to the membership of this House so that they might understand the situation and know that they were not deceived.

Mr. DENISON. I would be glad to help the gentleman as soon as we get through with this bill. I would be glad to ask unanimous consent——

Mr. RAKER. I know the gentleman has been exceptionally kind, and I appreciate it, and I asked for time in order that I might discuss this important bill in five minutes. I told him I wanted the five minutes. I can see plainly my five minutes are going so fast I am not going to get down to a discussion of this bill. Now, in regard to this legislation, the long and short haul, which means so much to our people. For 30 years we have paid freight from the East to Reno and San Francisco and back. For over 40 years we paid the freight from San Francisco to Reno, 200 miles and more, notwithstanding the railroad people left the cars at Reno and did not haul the freight over the mountain. We have had that situation for over 40 years, and the time has come when the people ought to have an opportunity to pay a fair rate of freight and not be compelled to pay a rate for hauling over a mountain grade, the highest in the United States, and then haul it back when the cars are left 250 miles east of the point of termination. We have had so much talk about the equalization of railroad and water rates.

Mr. CHINDBLOM. If you had had an inland waterway, of course, it would not have been so expensive.

Mr. RAKER. But what we ought to have is an equalization of the rates on water and rail, and when there is railroad transportation, freight or passenger, it ought to have a fair, honest compensation for the work it performs, but ought not to be permitted to charge a rate 500 miles from the coast line and make the public pay that extra freight, although I have not gotten very far for what I arose to tell the House. Will do that in due time. I thank you, gentlemen.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. Mr. Chairman, I want to call the attention of my friend the gentleman from Nebraska [Mr. SHALLENBERGER] to the fact that these Goltra barges were operated—and operated successfully—on the upper Mississippi River under the direction of the Secretary of War, and did operate there when they could not operate the Government barges on the lower river; and the statement in the testimony of Mr. Goltra that the gentleman from Nebraska called attention to, on page 133 of the hearings, has reference entirely to equipment which Mr. Goltra got from the War Department in 1917 to make an experimental trip to St. Paul and back again.

I read from the hearings:

Mr. HUDDLESTON. Did you not in 1917 get some equipment from the War Department with a view to making experimental trips on the upper Mississippi?

Mr. GOLTRA. I did.

Mr. HUDDLESTON. Did you make those trips?

Mr. GOLTRA. I did.

Mr. HUDDLESTON. Did they pay your expenses?

Mr. GOLTRA. No, sir; I paid my own expenses.

Mr. HUDDLESTON. Has any organization asked you to come?

Mr. GOLTRA. No organization, sir. I have not attempted any propaganda whatsoever, Mr. HUDDLESTON.

Mr. HUDDLESTON. But you appear here voluntarily?

Mr. GOLTRA. As a citizen.

Mr. HUDDLESTON. At your own expense?

Mr. GOLTRA. At my own expense.

That is on pages 133 and 134. Again, on page 135, Mr. Goltra says:

I paid for the trip north to St. Paul, which was done at the urgent request of the Government, all of the expenses and, if my memory serves me correctly, lost some twelve or fifteen thousand dollars in that movement, because of the fact that the steamer furnished—when we tried to return, the water having fallen in the river—was of too deep draft to navigate the river. It was the low season of navigation.

Therefore it was not these steamers at all; and the gentleman from Nebraska [Mr. SHALLENBERGER] will find out his mistake if he examines the hearings.

Now, as to the operation of these Government barges at a loss, I simply want to read from the testimony of Secretary Weeks on page 27 of the hearings. He says:

The financial returns up to this time have not been encouraging on the lower Mississippi and have been very discouraging on the Warrior River. The service seems to go pretty well for a month or two or three months and then something happens. I do not know whether or not this will always be the case; but, for example, a year ago last summer we had the lowest water on the Mississippi I believe has ever been known, and the result was such shallow water that our boats could not navigate. They were on bars a good deal of the time.

Again, on page 28:

Up to this time the net result of the operations have been that we have lost on the lower Mississippi—and this includes the war period when, as I have stated, there was insufficient equipment—we have lost $1,320,000; and we have lost on the Warrior River, which has been almost continuously losing, $1,783,000.

Now, with reference to the Goltra barges, which can operate on all these rivers at all times except perhaps on the Warrior River, I want to read again what the Secretary of War said. Referring to these Goltra barges, he says:

In January, 1919, an authorization was made for the construction of towboats and barges for the purpose of bringing—presumably for the purpose, and the preamble stated "for war reasons"—ores from the Mesaba Range to the iron furnaces at St. Louis, and that equipment was leased to Mr. Goltra, of St. Louis. The construction, I should think, was about two-thirds completed when I went into the War Department in 1921. It was certainly completed to a degree which made it financially advisable to complete its construction, although it seemed to me a very doubtful proposition in view of the purposes for which it was to be leased. When it was completed it was turned over to Mr. Goltra. He did not comply with what I was advised were the terms of the lease,

and after a good deal of delay we seized the equipment. He got an injunction in the courts, and the matter is still in the courts, but we have the equipment and are using it. That supplements what we had before and is of real advantage to us now, because it is being used to its full capacity. Before that was done we had to run, because of the depth of the water, a shuttle boat from Cairo to St. Louis, which involved very much additional expense and was not, from a financial standpoint, satisfactory. The Goltra boats can run to St. Louis without any breaking of cargo, which is an advantage.

Then, again, I want to read from his testimony as to the statement that he wants to keep Colonel Ashburn in this service:

The War Department is not equipped to conduct a transportation service. We can do it, and we are doing it to the best of our ability, but my judgment is that this service should have been turned over to the Department of Commerce or to the Shipping Board for operation instead of the War Department.

This is the opinion of the Secretary of War, in spite of what all these gentlemen say as to the qualifications of Colonel Ashburn. The Secretary of War thinks this entire equipment ought to be turned over to the Department of Commerce or to the Shipping Board.

Now, I want to tell you why these Goltra barges operate successfully over all these rivers; and whenever these bills come up I am going to keep on denouncing the seizure of these Goltra barges. It was an act of piracy without a precedent in the history of this country. Operating barges and propelling boats by a private individual does not appeal much to candidates for Congress who are making their campaigns on the strength of the Government service. There is no opportunity to junket up and down the rivers in that service in splendidly appointed Government boats. There are no receptions in cities—no speeches—and therefore a private and a successful operation of boats does not compel much attention and receives no public recommendation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. I ask unanimous consent, Mr. Chairman, to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. All time has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to correct and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. The capital stock of the corporation shall be $5,000,000, all of which is hereby subscribed for by the United States. Such subscription shall be paid by the Secretary of the Treasury, within the appropriations therefor, upon call from time to time by the Secretary of War. Upon any such payment a receipt therefor shall be issued by the corporation to the United States and delivered to the Secretary of the Treasury, and shall be evidence of the stock ownership of the United States. There is hereby authorized to be appropriated the sum of $5,000,000 for the purpose of paying such subscription.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, the gentleman from North Carolina [Mr. ABERNETHY] was very frank when he admitted that this bill was the sequel to the Cape Cod Canal. This bill is designed to put the Government in business all right.

We had a statement from the Secretary of War a few days ago in which he said that he was in favor of disposing of the Panama Railroad and disposing of all the property that is owned as the private property of the United States; and now we find here a bill putting in his department a privately owned and operated barge system. The trouble with the whole matter of water transportation is not only what the gentleman from Texas said as to rates, but it is with the American people, who are not willing to wait upon freight by water. They are in too big a hurry to get the freight; and they will not wait until it comes by water, but insist on its coming by rail.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. DEMPSEY. The transportation manager of the General Electric Co. stated that they had assembled a chance fleet, not adapted to the business, and found they could deliver freight from Schenectady to New York more quickly and more reliably and dependably than by rail.

Mr. McKEOWN. I take it, with a short distance like that, that would be true. But where you have transportation coming in from western points, on through freight, it would be different.

Mr. CLEARY. May I make a point that will help you?

Mr. McKEOWN. Yes.

Mr. CLEARY. Take the business over the Great Lakes, down through New York. It is a matter of warehouses. This is the reason they are not in a hurry. The goods are stored in great warehouses in the city of New York.

It is the same way with coal transportation. Coal is accumulated in large stocks. It is not true that the boats can not deliver fast enough. I was in the business 40 years, and I carried coal from New York to Buffalo at 50 cents a ton, and from New York to Chicago at $1.50 a ton.

Mr. McKEOWN. I regret I can not yield further. The gentleman evidently thinks I am criticizing water transportation. I am not criticizing water transportation. But the source of the trouble is the fact that our people have not learned to be patient enough to let the freight come by water transportation, as they ought to do.

Now, there is no question but what we are 100 years behind where we ought to be in the matter of water transportation. We have the finest streams in the world and yet we are not making use of them. But that is far afield from the question before us. The question before us is: Why has the Government of the United States embarked in this business of organizing a corporation to run these barges? The distinguished gentleman from Illinois [Mr. DENISON] has changed front since the passage of the transportation act, because the RECORD shows that when the transportation act was under consideration the gentleman from Illinois [Mr. DENISON] said he hoped the Government would dispose of these boats as soon as possible, and that he would only vote for the transportation act because it was a necessary emergency at that time.

Mr. MANSFIELD. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. MANSFIELD. Does the gentleman know that freight cars are conveyed on ferryboats from the State of Michigan across Lake Michigan to Wisconsin and that in that way the shippers save two weeks' time rather than to allow them to go through the car yards at Chicago?

Mr. McKEOWN. I have been informed that works a miracle, as far as that is concerned, but I want to say to the gentleman that if it comes to transporting freight down the Mississippi River to St. Louis and then that freight has to be reshipped into Oklahoma, our fellows will pay a higher rate.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DENISON. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ABERNETHY. Has the gentleman any water transportation in his section?

Mr. McKEOWN. I will say to the gentleman from North Carolina that when we have water in our streams we have too much and when it it dry we hardly have enough water for fish to swim in. That is the condition in Oklahoma. But that is not the question here. I am talking about the policy of organizing a corporation and embarking in this business. On every hand we hear the statement made that the Government should stay out of business, but we are now asked to have the Government embark in this business.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. SHALLENBERGER. The proposition is, I will say to the gentleman, that the Government is already in this business, and we only hope to give them sufficient capital to carry it on for five years and try it out.

Mr. McKEOWN. I am in favor of letting it go along like it is, because when you get the corporation organized you will never be able to bring it to an end.

Mr. SHALLENBERGER. I hope it will never be brought to an end.

Mr. McKEOWN. I am in favor of the Government going along as it is at present; I am in favor of the Government operating these barges and carrying on this industry, with the hope that in a few months or a few years we will be able to develop a great business down there, a great business that will be of real benefit.

Now, when you get these special rates on your waterways, all well and good; but the rest of the country has got to pay the freight. When you have a country like mine, which has no water transportation, and you get specially favored rates from the railroads in competition with the water rates, my people in Oklahoma and in the great State of Kansas have to pay that additional rate, because they have to make good the loss which they stand when they go into competition with the water rates.

Mr. SHALLENBERGER. Will the gentleman yield further?

Mr. McKEOWN. Yes.

Mr. SHALLENBERGER. The question of long and short hauls comes into the problem and affects you in Oklahoma in the same way as was stated by the gentleman from Texas. But the gentleman must know that is entirely a matter of interpretation on the part of the Interstate Commerce Commission. The law prohibits that now, and unless the Interstate Commerce Commission sees fit to hold hearings and decide that for some special reason in a special case they can do it. The correction of the entire evil is with the Interstate Commerce Commission.

Mr. McKEOWN. I do not want you to misunderstand me. I am not opposed to the development of water transportation in this country, because, as I say, I think we are 100 years behind where we ought to be in water transportation. But what I do say is this. The country is going broke over the proposition of the high rates we have to pay and we must do something immediately, but that does not mean that we shall go to work and incorporate this company, because I think the Government can pay the money just as well one way as another way. I think this Government should go along like it is until we see what we are doing.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. LaGUARDIA. The gentleman is anxious about the waterways and he says he does not want the Government to do it. Does he want the railroads to do it?

Mr. McKEOWN. No. But what is the difference between the Government owning a corporation such as this and the Government doing it itself? And we will pay for it no matter whether you have a corporation do it or whether you have the Government to do it as it is now doing it.

Mr. LaGUARDIA. And I will state to the gentleman that my State will pay for it and not his.

Mr. McKEOWN. I will say to the gentleman that they have plenty of waterways up there and plenty of money.

Mr. LaGUARDIA. And the State developed them.

Mr. McKEOWN. Yes; that is true.

The rate problem before the people of the United States is one of the greatest problems that confronts them at this time, and I say to you now that the proper way to adjust this is to fix rates so that farm products throughout the country may have special rates to certain groups of places in the far-distant parts of the Nation. Here, on the one hand, you have the cabbage raised down in the district of my friend from Texas [Mr. HUDSPETH] that is rotting because they can not pay the freight to Chicago, and the people in Chicago are getting hungry because they can not get the cabbage from the district of my friend in Texas. Gentlemen, it is like the situation in the Indian Territory in the old days when we had such high freight rates out there. A fellow shipped four carloads of horses to East St. Louis and got a bill back for $136 additional after they had sold the horses to pay the freight. He was a fellow who could not read and write very well and had not much education, and he wrote them a letter like this: "Dear Frisco: I ain't got no money, but I can ship you some more horses."

Mr. BLACK of Texas. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLACK of Texas: Page 2, line 8, strike out all of section 2.

Mr. BLACK of Texas. Mr. Chairman, the concluding language of section 2 is: "There is hereby authorized to be appropriated the sum of $5,000,000 for the purpose of paying such subscription."

A few days ago the Committee on Interstate and Foreign Commerce reported the Cape Cod bill with an authorized appropriation, I believe, of $11,500,000, and to-day we have from the same committee an authorization of $5,000,000 more, and I think this committee will, if it does much more along this line, earn the title of the economy committee of the House. To use a slang expression, this is saving money "over the left." I agree with my good friend, the gentleman from Nebraska [Mr. SHALLENBERGER], that the real fault of this river transportation system—in a sense, the real fault—lies with the Interstate Commerce Commission; but after all, let me call my friend's attention to the fact that the Interstate Commerce Commission gets all of its power from the Congress of the United Sates, and we are cognizant of the fact that the commission is not enforcing that section of the interstate commerce act or the Esch-Cummins bill, to be more explicit, which prohibits the long and short haul discriminations which we are talking about, and the view I have in mind is that if we want relief from this situation, if we really want to bring about some relief in our freight rate structure, the thing to do is to absolutely prohibit the carriers from indulging in such practices as carrying 100 pounds of first-class freight from Portland, Me., to New Orleans, La., a distance of 1,686 miles, for virtually the same rate as the railroad carries it to Kansas City, practically one-half the distance.

We will never get any relief from that situation by coming in here and trying to set up a little $5,000,000 corporation to demonstrate that the Government can operate a barge sysem so successfully that private enterprise will take hold. Gentlemen will find out they will get no relief from that. The basic difficulty must first be corrected.

I received a letter sometime ago from the Intermediate Rate Association of Spokane, Wash. I think it suggests the only thing that will give us any relief. This letter says:

The only relief we see in sight is the passage of the bill introduced by Senator GOODING, which will amend the fourth section of the interstate commerce act to prohibit fourth section violations for the purpose of meeting water transportation.

First, it will protect the interior West from the continued assaults upon us and permit us to grow and develop as we should. Second, it will put a stop to the cutthroat rate competition on the part of the railroads that has put so many of our boats and steamship lines out of business.

I understand that bill is pending in the Senate and I hope that legislative body will pass it and send it over to the House, and it will certainly receive my unqualified support.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

SEC. 3. (a) Until otherwise directed by Congress, the corporation shall continue the operation of the transportation and terminal facilities now being operated by or under the direction of the Secretary of War, under section 201 of the transportation act, 1920, as amended, and shall, as soon as there is an improved channel sufficient to permit the same, initiate the water carriage heretofore authorized by law upon the Mississippi River above St. Louis.

(b) If the Secretary of War deems it advisable to discontinue the operation of any part of the transportation or terminal facilities or to develop and operate new lines in order to give the public the proper service, he shall report thereon to Congress. The operation of any of such facilities shall not be discontinued and new lines shall not be developed or operated until authorized by Congress.

(c) The operation of the transportation and terminal facilities under this act shall be subject to the provisions of the interstate commerce act as amended and to the provisions of the shipping act, 1916, as amended, in the same manner and to the some extent as if such facilities were privately owned and operated; and all vessels of the corporation operated and employed solely as merchant vessels shall be subject to all other laws, regulations, and liabilities governing merchant vessels.

Mr. DENISON. Mr. Chairman, I ask unanimous consent to correct an error in line 14. The word "some" should be "same."

The CHAIRMAN. Without objection, the correction will be made by the Clerk.

There was no objection.

Mr. BLACK of Texas. Mr. Chairman, I have an amendment.

In line 7, page 3, after the word "Congress," strike out the balance of line 7 and all of lines 8 and 9.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 3, line 7, after the word "Congress," strike out the remainder of the paragraph.

Mr. BLACK of Texas. Mr. Chairman, the language I seek to strike out reads as follows:

The operation of any of such facilities shall not be discontinued and new lines shall not be developed or operated until authorized by Congress.

I understand the purpose of the creation of this corporation is to relieve the present United States Government operation of the barge lines from unbusinesslike methods and from bureaucratic control and to allow the corporatioon to operate somewhat in the same manner as a private enterprise would operate, and yet, by this language we would say to this corporation, "Even if you find a line you are operating is unprofitable and losing you money every day, you have got to come here to Congress and get Congress to pass a law permitting you to discontinue its operation, before you can cease your service on that line."

Mr. DENISON. Will the gentleman yield?

Mr. BLACK of Texas. I will.

Mr. DENISON. We are conducting an important experiment down there, and we do not want to authorize the Secretary of War to stop it unless he puts it up to Congress. On the other hand, we do not want to allow him to extend this to some other river unless Congress gives him the permission. There is a great deal of political influence used one way and another, and the Secretary of War does not want to be subjected to it, but let Congress control it.

Mr. BLACK of Texas. Yes; it is because I know the inefficiency produced by this political influence that I do not want the Government to continue in this business. Let me call attention to this fact: Suppose we should say to the Emergency Fleet Corporation, which is charged with the responsibility of operating our Government-owned fleet, "You shall not discontinue a line or put another line into operation until you come to Congress and get authority."

Mr. ABERNETHY. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. ABERNETHY. I think this is necessary language to remain in the bill. If we had had that language in there, the Secretary of War, through his agent, would not have been allowed to have taken off the inland-waterway boats and sold them to a State barge line.

Mr. BLACK of Texas. Oh, no. What the gentleman has stated emphasizes the reason why I expect to vote against this bill. You want to tie, and you will tie, the hands of this corporation so that it can not operate this in a business way. The only way the corporation can operate it is to come to a committee of Congress and let that committee tell its operating officials upon what route you shall operate your boats, and it does not make any difference how much money you are losing, you must not discontinue a single line until Congress allows you to do it. Committees of Congress have their useful functions to perform, but operating steamboats is not one of them.

Mr. WINSLOW. Will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. WINSLOW. I sympathize with the gentleman in his argument based on his point of view, but I fear he has not comprehended the spirit of the bill and its purposes. The central idea in this bill is to try out an inland-waterway service.

Mr. BLACK of Texas. In a businesslike method?

Mr. WINSLOW. That is what I would have said in less elegant language [laughter] if the gentleman had not made his inquiry. We differ as to the essence of the proposition, but that is the central idea. The purpose is to try it without the Government going permanently into the business of inland waterways.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WINSLOW. Mr. Chairman, I will ask the floor for myself. Mr. Chairman, the purpose of this bill is to demonstrate whether inland-water transportation is worth encouraging in this country for private enterprise. As the industry stands now it is discredited and no capital is going into it. We have, through the exigencies of war, a considerable amount of money invested in barge lines on the Black Warrior and Mississippi Rivers. They have gone through the preliminary stage of trial, and those who have most to do with them believe there is ample warrant to go on and try it a little further.

The $5,000,000 is a matter of bookkeeping. The waterway property now in the War Department is to be transferred to this proposed corporation so as to make the business efficiently transacted. If we were to go in as does the Emergency Fleet and build up a shipping industry without much regard to time or where it would land, that would be one thing. If the corporation created by this bill does not demonstrate permanently the wisdom of waterway development and operation, building barges and clearing channels of the rivers all over the country, then there is nothing to it. I feel that we ought to look at the problem simply as a trial. Those of us in sympathy with the purpose of this bill believe that the trial will show what value is in the proposition. They feel further that if it proves that inland waterway business can be well done the Government should stop, and that the demonstration of the successful operation will result in the investment of private capital and there will be no need for the Government to go further in such direction. We feel that we should give Congress the opportunity to pass on the principle involved and make all future operations depend on the will of Congress rather than to put the Secretary of War or his agents in a position to reach out and favor this plan or that plan and perhaps one day to be severely criticised by Congress itself.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. BLACK of Texas. I have no objection to the provision not allowing the Secretary of War to establish new lines without the consent of Congress, but does the gentleman think that the Secretary's hands should be tied so far as a losing proposition is concerned so that he can not discontinue a line that is losing without the consent of Congress?

Mr. WINSLOW. I think if we are going to give it a trial we should give it a fair trial, and we ought to operate it long enough so that Congress may be satisfied in the interest of the whole people.

Mr. MORTON D. HULL. Will the gentleman yield?

Mr. WINSLOW. Certainly.

Mr. MORTON D. HULL. How long does the gentleman think will be required to demonstrate whether it is wise or unwise?

Mr. WINSLOW. The testimony before the committee was that five years would be a reasonable time, beyond which we ought not to go, and further, we do not advise tying their hands by any shorter trial period.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. OLIVER of Alabama. We were also advised, as I am informed, that it should continue until we felt there was some stability about the service so that the people would be willing to patronize it.

Mr. WINSLOW. Quite so.

Mr. OLIVER of Alabama. And as soon as you create a corporation and give it some life and some hope of continuation then we will take a step in the right direction.

Mr. WINSLOW. That is quite in accordance with the testimony as affecting the development of business.

Mr. NEWTON of Minnesota. And is it not true, in order to operate a barge line, that it is necessary for the owner to some extent to build his connection, and if he has a five-year period he can afford to take the risk of building the connection, but if he has no assurance as to how long it will go he is not willing to take the risk of building a connection without that guaranty?

Mr. WINSLOW. Yes. And, further, no business man will cut himself from present facilities until he is satisfied that this new corporation, and so forth, are sufficiently well established to warrant his patronage.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RAINEY. Mr. Chairman, I understand from the statement just made, and it was an exceedingly clear statement, that the object of continuing the operation of these barges for another five years is to enable the Government to make a demonstration that barge service can be made successful on the rivers. This section authorizes an appropriation of $5,000,000. I know this committee can not appropriate any money, but it is authorized here in this section just as positively as any committee ever authorized an appropriation. Of course, they will have to go to the Budget Committee before they get it, but they will get the entire $5,000,000 before the five years are out. If the object of this demonstration is to show private citizens that they can operate barge lines successfully, why in the name of God did they take away from a private citizen 19 barges

and 4 steamers, barges so constructed as to properly operate on the rivers, upon the alleged charges that he was not operating as a common carrier, when they had refused him permission to operate as a common carrier at the same rate charged by the Government barges? These boats, according to the testimony of the Secretary of War, could go without breaking cargo the entire length of the Mississippi River, all the way from St. Louis clear down to New Orleans, and the Government boats can not do that. Mr. Goltra, who is financially able to make good all of his contracts, and who stood to lose if he could not operate any better than the Government operates barges, two or three million dollars on this contract, was starting to operate under his contract when the Government seized his barges. The Government is operating them now, according to the testimony before the committee. If the object is to encourage private citizens to engage in an enterprise of this kind, are you encouraging private citizens when you seize barges that private citizens want to operate at their own expense without the possibility of a dollar loss to this Government, when they have given a $300,000 bond for the opportunity of operating these barges?

Mr. Chairman, there is politics in this, and I want to tell you what it is. At the time these barges of Mr. Goltra were seized, and we might as well know it, he was the Democratic national committeeman of the State of Missouri, and they did not want a Democratic national committeeman who got his original commission from a Democratic administration to make a success of barge traffic on the river and they seized these barges, although the Government did not stand to lose a dollar and Mr. Goltra stood to lose all of it, if any was lost. They seized them at the moment when he was preparing to operate and make them a success. There is politics in this, and that is the reason why it was done. They can not do anything with the Government barges on that river. They draw too much water, and you can not successfully operate shuttle boats. I propose every time one of these bills comes up to keep exposing that outrage; that act of piracy on the part of the Secretary of War.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. DENISON. I would be glad to have the gentleman advise the House that all of this controversy between Mr. Goltra and the War Department is a matter now in the courts and which will be there disposed of in accordance with law. It is not a matter for us to dispose of here on the floor of the House in connection with this bill. It is not relevant to this bill.

Mr. RAINEY. It is a matter of which this Congress, which makes these appropriations and authorizes their services, ought to be advised, and the country ought to know about it, and I am going to see that the country is advised about it.

Mr. DENISON. My friend has now spent about 40 minutes upon this subject, and I think the House is fairly well advised about it. I would like to proceed with this bill.

Mr. RAINEY. I am only occupying the five minutes allowed to me under the rules, and I have said as much as I want to say now. I may want to say more before we get through with this bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 4. (a) The Secretary of War shall appoint an advisory board of six members (hereinafter referred to as the "board") from individuals prominently identified with commercial or business interests in territory adjacent to the operations of the corporation. No member of the board shall be an officer, director, or employee of, or substantially interested in, any railroad. Two of such members shall continue in office for terms of one year, and the remaining four for terms of two, three, four, and five years, respectively, from the date of appointment, the term of each to be designated by the Secretary of War. Each successor shall be appointed by the Secretary of War for a term of five years from the date of the expiration of the term of the member whom he succeeds, except that any successor appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed only for the unexpired term of the member whom he succeeds. A vacancy in the board shall not impair the powers of the remaining members to execute the functions of the board.

(b) The members shall receive no salary for their services on the board but, under regulations and in amounts prescribed by the Secretary of War, may be paid by the corporation a reasonable per diem compensation for attending meetings of the board and for time spent on special service of the corporation, and their traveling expenses to and from such meetings, or when assigned to such special service.

(c) In addition to the six members, the Secretary of War shall appoint an individual from civil life, or (notwithstanding section 1222 of the Revised Statutes or any other provision of law, or any rules or regulations issued thereunder) detail an officer from the Military Establishment of the United States as chairman of the board. Any officer so detailed shall, during his term of office as chairman, have the rank, pay, and allowances of a brigadier general, United States Army, and shall be exempt from the operation of any provision of law, or any rules or regulations issued thereunder, which limits the length of such detail or compels him to perform duty with troops. Any individual appointed from civil life shall, during his term of office as chairman, receive a salary not to exceed $10,000 a year, to be fixed by the Secretary of War. The Secretary of War may delegate to the chairman any of the functions vested in the Secretary by this act.

(d) The board shall meet for organization purposes when and where called by the Secretary of War, and thereafter at such times and places as the Secretary deems necessary. The board shall consider matters submitted to it by the Secretary of War and make recommendations thereon, and from time to time advise him and make recommendations in respect of the management and operation of existing facilities or the development and operation of new lines.

Mr. GRAHAM of Illinois. Mr. Chairman, there is a typographical error in line 21, page 4. The word "addition" ought to be correctly spelled.

The CHAIRMAN. Without objection, the word "addition" will be correctly spelled.

There was no objection.

Mr. DENISON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DENISON: Page 3, line 25, after the word "railroad," insert the word "corporation."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. FISHER. Mr. Chairman, I move to strike out the last word. The people of the section of the South in which I live are strong believers in the development of water transportation. Every encouragement and support has been given to the Federal barge line by our city administration and our business men. We have a commission on water terminals composed of strong, enthusiastic business men who have, together with an active and interested mayor and efficient engineer, cooperated to the fullest extent with the representatives of the Government.

About the time there was such a great congestion of freight, due to the war needs, and the Director General of the Railroads for the Government began activities for an increase in the development of the water lines, our city, cooperating with the Government, invested large sums of money in a warehouse near the bank of the great Mississippi River, thus increasing its terminal facilities and at an expense of $450,000. Great improvements were made to facilitate the handling of the river freight. The equipment was inadequate, but the demand for the release of freight held for want of a means of transportation caused great efforts to be made by the few barges of the Railroad Administration and river fleet which were available. This development brought some relief. It aroused our people to the great need for an efficient and dependable line of boats or barges.

The declaration by the Congress in 1920 in the transportation act stating the future policy of the Government with reference to the transportation on our inland waterways was welcome news. Under the terms of section 500 Army engineers and our engineer and commission had many conferences, and as a result a modern water terminal to cost much over a million dollars was planned. It is now completed and furnishes the most modern machinery for the landing of water freight. It was stated by Colonel Ashburn in the hearings before the House Committee on Interstate and Foreign Commerce that this new terminal built by the citizens of Memphis is perhaps the best of its kind in the world to-day. The results have been gratifying. Many of the industries of our city which have in recent years been built with the thought of convenience of railroad trackage can now utilize the new terminals, for there is every convenience for the switching of cars.

With this heavy expenditure of money and with so bright an outlook for a big business, it is expected that under the policy of the Government, stated in the act of 1920, there should be some assurance that the barge line will be continued till the business is established and conditions of rates and other uncertainties done away with; then it may be private interests may come in to buy and take over the business. It is out of the

question to expect private interests to take it over at this time.

In so far as the Federal barge line's operation on the Mississippi River is concerned, even under various handicaps it has proven that the service can make a success, saving the shippers of freight large sums of money. It has already greatly reduced freight rates and has proven that it can render service acceptable to the people. [Applause.]

There are, however, great handicaps to the present management, and it has been recommended that there be created the inland waterways corporation to carry out the policy of the Government as to the development of the waterways system.

The bill provides that the Secretary of War shall be the incorporator and shall govern and direct the corporation in the exercise of the functions vested in it by the law. The capital stock shall be $5,000,000, all of which is subscribed for by the United States. The Secretary of War is authorized to appoint an advisory board of six members from prominent business interests in territory adjacent to the operations of the barge line. It is provided that none of them nor any officer, director, or employee shall be interested in any railroad. The members of the board are to receive no salary and only a reasonable per diem compensation for attendance at meetings of the board and for time spent on special service of the corporation and their traveling expenses to and from the meetings. Provision is made for a chairman of the board at a salary fixed by the Secretary of War, but not to exceed $10,000 a year. There are many provisions in the bill which will make it possible to operate the barge lines efficiently. The bill has had careful study, and has the recommendation of those who have had much experience in the operation of the Federal barge line. The Secretary of War has indorsed it. It is believed that such a corporation is necessary under the present circumstances. If the Federal barge line should not be continued, it would mean the danger of water transportation being given a handicap which would greatly hinder its progress.

The South has great natural waterways upon which the Government has spent millions of dollars. It has great resources in coal fields, iron mines, and a cotton yield which is the greatest in the world. It needs an efficient water transportation to aid in distributing these resources to the markets of the world. [Applause.]

Mr. McKEOWN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

Mr. DENISON. One moment. I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

Mr. BLANTON. Mr. Chairman, I have not had an opportunity to speak on this bill; I ask for five minutes on the bill.

Mr. DENISON. I will amend my request and make it 7 minutes; the gentleman from Oklahoma wants 2 minutes and the gentleman from Texas 5.

Mr. BLANTON. I thank the gentleman.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on this section and all amendments thereto close in 7 minutes, the gentleman from Oklahoma to have 2 minutes and the gentleman from Texas 5. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

On page 2, line 20, after the word "service," insert "provided no member of the board will receive in excess of $1,500 in any one year in excess of his expenses."

Mr. DENISON. Please read that again; I did not hear it.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The amendment was again reported.

Mr. DENISON. The gentleman must understand that they do not get anything in excess of their expenses. The gentleman is allowing $1,500.

Mr. McKEOWN. They have a per diem allowance for meetings of the board, which is right, which is fair, and for special services a per diem allowance, but I want to limit the amount of the per diem altogether to $1,500. We have experience in some places with officers who get a per diem, and the per diem runs up sometimes to very large sums. I want to limit it not to exceed $1,500, which is in addition to their actual expenses. I think the gentleman ought to accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. McKEOWN. I offer another amendment while I am on my feet.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 10, after the word "exceed," strike out "$10,000" and insert "$7,500."

Mr. McKEOWN. I am just going to say to the gentleman——

Mr. BLANTON. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the Chair announced the noes seemed to have it.

Mr. McKEOWN. I ask for a division. I want to see if gentlemen here want to pay this man more than they get themselves.

The committee again divided; and there were—ayes 18, noes 46.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph. Mr. Chairman, I have voted for my last Government corporation. The Shipping Board and the Emergency Fleet Corporation has convinced me that they are unwise; that they cost too much money before we get through with them and before we can get rid of them. You are by this paragraph creating a new position of $10,000 a year, and I want to say to you that you carry with it——

Mr. SHALLENBERGER. I know the gentleman wants to be correct. The fact is that the man already receives that salary without it being declared that he is being paid that money and——

Mr. BLANTON. You are now providing this $10,000 position by law, and as the distinguished gentleman from Nebraska knows, when you once create an office of $10,000 you never can get rid of it.

Mr. McDUFFIE. But we could not run this without this man.

Mr. BLANTON. Oh, yes; but here is what you are doing: This board may appoint, fix the compensation of, and remove such officers and employees, attorneys, and agents as are necessary for the transaction of the business of the corporation.

Mr. DENISON. Will the gentleman yield right there?

Mr. BLANTON. I regret to say I only have five minutes, and I want to state my position on this proposition if the gentleman will kindly excuse me. The bill places no limitation on that. It has no restriction on the salaries or the number of employees. They can appoint just as many as they want, and under the provisions of this bill they can fix their salaries just as high as they want and you could without violating the law have another wasteful, extravagant Shipping Board and an Emergency Fleet Corporation in this bill.

Why do we have to create a new Government corporation, anyhow? Have we not enough already. Surely among all the Government institutions that we have now we could find one of them that could attend to this business without creating another.

I just received this morning a telegram from the West Texas Chamber of Commerce. You will imagine that that was a chamber composed only of bankers and business men. It is not. My colleague from El Paso, Senator HUDSPETH, knows that that is one of the biggest institutions of my State and his State.

Mr. HUDSPETH. It is one of the biggest chambers of commerce in the United States, so far as membership is concerned.

Mr. BLANTON. Yes; it is one of the biggest chambers of commerce in the United States. This telegram came from a convention of 20,000 of them assembled there. They sent a telegram up here demanding that action be taken to stop that Barkley bill from being passed next Monday. They are against it. That chamber of commerce, with 20,000 members assembled there on yesterday, is composed of farmers, if you please; stockmen from all over the country there, and laboring men, if you please; merchants, bankers, preachers, doctors, lawyers, teachers, dentists; men from every avocation and walk in life. If you draw a line north and south through Fort Worth, the district of my colleague, Mr. LANHAM, everything west of that line is the territory of the West Texas Chamber of Commerce; and without equivocation those men sent that direction up here and asked in the name of these people that there be not five boards of 45 members drawing salaries ranging from $7,000 to

$10,000 a year, with all the incidental employees that go into that bill, placed as a burden upon the people.

Mr. LOZIER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I wish I had the time, but I have not.

The CHAIRMAN. The Clerk will read.

The Clerk resumed and concluded the reading of the bill.

Mr. DENISON. Mr. Chairman, I move that the committee rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The question was agreed to.

Accordingly the committee rose; and Mr. GRAHAM of Illinois having resumed the chair as Speaker pro tempore, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 8209) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER pro tempore. Under the rule the previous question is ordered. Is a separate vote demanded on any of the amendments? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Texas demands a division.

The House divided; and there were—ayes 78, noes 4.

So the bill was passed.

On motion of Mr. DENISON a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. CAREW. Mr. Speaker, I make the point of no quorum.

Mr. SNELL. Will the gentleman withhold that for a minute, while I present a rule for printing in the RECORD?

Mr. CAREW. Yes.

WAGES OF GOVERNMENT PRINTING OFFICE EMPLOYEES

Mr. SNELL. Mr. Speaker, I present a report (Rept. No. 773) from the Committee on Rules on the resolution (H. Res. 315) for the consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Report from the Committee on Rules on the resolution (H. Res. 315) for the consideration of the bill (H. R. 7996) to regulate and fix rates of wages for employees of the Government Printing Office.

The SPEAKER. Referred to the House Calendar and ordered to be printed.

NO QUORUM—CALL OF THE HOUSE

The SPEAKER. The gentleman from New York [Mr. CAREW] makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Davey	Hull, Tenn.	Mooney
Andrew	Dickstein	Johnson, Wash.	Moore, Ill.
Anthony	Dominick	Jost	Morin
Bankhead	Dowell	Kahn	Morris
Boies	Doyle	Keller	Mudd
Britten	Drane	Kelly	Nelson, Wis.
Browne, N. J.	Edmonds	Kiess	Nolan
Burdick	Fenn	Kvale	O'Brien
Byrnes, S. C.	Freeman	Langley	Park, Ga.
Campbell	Frothingham	Larson, Minn.	Patterson
Casey	Funk	Leatherwood	Peavey
Clark, Fla.	Gallivan	Lehlbach	Prall
Clarke, N. Y.	Garber	Little	Ransley
Cole, Ohio	Gilbert	McKenzie	Reed, Ark.
Connolly, Pa.	Graham, Pa.	McLaughlin, Nebr.	Reed, W. Va.
Corning	Green, Iowa	McNulty	Rogers, Mass.
Curry	Howard, Okla.	MacGregor	Rogers, N. H.
Dallinger	Huddleston	Madden	Rosenbloom
Schneider	Sweepe	Vinson, Ky.	Welsh
Snyder	Tague	Voigt	White, Me.
Stengle	Taylor, Colo.	Ward, N. Y.	Williams, Tex.
Sullivan	Thomas, Ky.	Ward, N. C.	Wilson, Miss.
Sweet	Upshaw	Wason	Winter

The SPEAKER. Three hundred and forty-one Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills and joint resolution:

H. R. 1823. An act for the relief of the Long Island Railroad Co.;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes; and

H. J. Res. 248. Joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes; and

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

ADDITIONAL JUDGES, SOUTHERN DISTRICT OF NEW YORK

Mr. SCOTT. Mr. Speaker, I offer a privileged resolution from the Committee on Rules.

The SPEAKER. The gentleman from Michigan offers a privileged resolution from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

House Resolution 298

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3318) entitled "A bill to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of New York." That after general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SCOTT. Mr. Speaker and gentlemen of the House, this rule allows the House to consider House bill 3318. That bill provides for the appointment of two district judges in the southern district of New York. The bill is reported to the House by the unanimous report of the Committee on the Judiciary. It is recommended unanimously by the judiciary, and it is urged by such notable individuals as Chief Justice Taft, of the Supreme Court. In view of the fact that the bill has the unanimous support of your Committee on the Judiciary, I have no desire to discuss before the House the provisions of the rule, which are in accord with the usual rules for the consideration of a bill, and unless some one desires to discuss the matter, I will move the previous question.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. SUMNERS of Texas. The gentleman states correctly, as I understand, that there is no minority report?

Mr. SCOTT. That is true.

Mr. SUMNERS of Texas. But as one member of the Judiciary Committee, I voted against agreeing to the bill and served notice within the committee that I would oppose it when it came up for consideration.

Mr. SCOTT. Then I should modify my statement, because I had not the information given me by the gentleman from Texas.

Mr. SEARS of Florida. Will the gentleman yield?

Mr. SCOTT. Yes.

Mr. SEARS of Florida. Does the gentleman say that Chief Justice Taft has indorsed this bill?

Mr. SCOTT. Yes; he has indorsed the bill.

Mr. SEARS of Florida. Is it not true that less than two years ago, or about two years ago, the Chief Justice recommended 18 judges and opposed any additional judges?

Mr. SCOTT. It seems to me I have a recollection of something of the kind. The situation in the southern district of New York is this: It has been necessary for some time to have judges from other sections of the country come to the State of New York in order to assist in the trial of their cases. If these two new judges are appointed, the expense to the United States Government will be less than it has actually cost the Government to import foreign judges for the trial of the cases.

Mr. GARRETT of Tennessee. Will the gentleman yield me some time?

Mr. SCOTT. Certainly.

Mr. GARRETT of Tennessee. Say, 15 minutes?

Mr. SCOTT. Yes; I yield the gentleman 15 minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CELLER]. [Applause.]

Mr. CELLER. Mr. Speaker and gentlemen of the House, I am from the very district or, rather, the adjoining district in New York which is supposed to be benefited by the creation of two new judges; that is, two judges for the United States District Court for the Southern District of New York.

I am opposed to the adoption of this rule and I am opposed to the bill, first, because we do not need the two judges in New York; and second—and I will endeavor to show you if I have time—that if we pass this bill we will be putting the seal of approval upon a most pernicious practice with reference to equity receiverships which we have ever seen in the history of the judiciary of the United States, and when this is known generally I am sure the gentlemen of this House will not want to vote for this bill.

I have taken the trouble to see whether or not it was necessary for the proper procedure in the court there to have these two additional judges. I have read much in the hearings with reference to the large dockets in the southern district of New York. We hear of thousands of cases of a criminal nature; we hear of hundreds of cases of an equitable nature, so many hundreds in admiralty, that there is tremendous delay and that justice delayed is justice denied. But let us examine into the situation and see whether or not those facts square with the truth. I have before me the hearings held by the Judiciary Committee when they had this very bill under consideration. There was inserted in the record some figures with reference to the number of equity cases, the number of law cases, and the number of admiralty cases which remained pending on the docket in that court June 30, 1923. I have tried to get figures with reference to these cases that remained on the docket six months after December 31, 1923. I have those figures and let me compare them with you.

There remained pending June 30, 1923, in the southern district court, where there are now six judges, 1,151 cases in equity, and there remained six months after—and this is after you had already given New York two additional judges—561 cases in equity, so that there had been disposed of in those six months 50 per cent of the entire equity docket in that court. Why do you want two more judges? I say, verily, if you give a little more time and there is a real willingness to work on the part of some of the judges in that court, you will clear the equity docket in that court very quickly. What is the situation with reference to the legal end of it, the law side of that court? On June 30, 1923, I found that there were 2,184 cases left undisposed of on the docket. Six months afterwards there were only 1,647, a reduction of 25 per cent.

With reference to admiralty cases, there were 3,518 cases on the docket June 30, 1923, and six months thereafter, with the work of these two new judges, there were 1,830 cases, a reduction of 45 per cent.

Now, I say, my good friends, if there have been such reductions all along the line in equity, in law, and in admiralty cases, what is the necessity for the additional judges in the district courts for the southern district of New York?

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. CELLER. I yield.

Mr. PERLMAN. The gentleman has said that with the two additional judges we got they disposed of so many cases. Do you know that within the last year 34 judges from outside of New York were sent to the southern district of New York to help the 6 judges?

Mr. CELLER. I will come to that matter in just a moment, and I will say this, that if you get 2 more judges in New York you will still have 34 judges coming in, because you will get into the situation where the more judges you get the more judges will be desired, and you can never get away from that situation.

Mr. PERLMAN. Will the gentleman yield further?

Mr. CELLER. I have only 15 minutes, and I want to develop my thought.

Now, what is the situation with reference to the criminal side of the court? We find on that particular day in question, June 30, 1923, there were something like 8,836 cases on the docket, and at the end of the six months' period there were just 269 more cases on the criminal side of the court. The figures that I cite are to be found on pages 6 and 8 of the hearings.

To recapitulate:

Cases pending June 30, 1923:	
Equity	1,151
Law	2,184
Admiralty	3,518
Cases pending six months later, December 31, 1923:	
Equity	561
Law	1,647
Admiralty	1,830

We read in the records given by some of the proponents of the bill that the criminal cases have flooded the court and that they have so many criminal cases as a result of prohibition violations that it is utterly impossible to get any cases disposed of; but I will tell you something, my good friends, about that. The judges in the southern district have only themselves to blame for this condition; and why? They have passed a resolution, the six of them, in concert with one, I believe, of the judges of the circuit court of appeals, that they will not fine first offenders for violation of the prohibition law. What has been the result of that particular position which they have assumed?

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. CELLER. In just a moment. We find that none of the attorneys who represent these offenders in the prohibition cases will file pleas of guilty when assured of jail sentences only for their clients, and the result is you have the calendar so congested with prohibition cases that you can not get any of the prohibition cases tried, or only a few of them, and then when they find that condition as a result of their own resolution, which is most improvident, they bring in outside judges who are more lenient in such cases. These outside judges come in, and they only fine first offenders, and then they clear the entire docket.

I say, my good friends, they have no right in New York, considering the public opinion of New York's population, to impose imprisonment in cases of first offenders, when in most parts of the country the Federal judges refuse to imprison and only fine, and I say that if they would be more lenient in their attitude concerning prohibition cases perhaps they would not have so many of these prohibition cases congesting the docket.

Mr. KING. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. KING. What I am interested in is when the gentleman is going to bring out his bill to raise the salary of Members of this House.

Mr. CELLER. I will bring out that bill just as soon as the Judiciary Committee will permit me to do it. [Applause.]

There has been another reason for this congesting of the docket in the southern district of New York. About 20 months ago you gave to the country some 22 new and additional judges and two of them were assigned to New York. It took the Republican Party almost a year and a half to agree upon who should be the designees and who should receive this judicial preferment, and this delay caused considerable trouble. Do not, therefore, say that because Congress gave you the two additional judges and there was this Republican fumbling and delay in the appointing of the judges with the consequent piling up of untried cases, you want two more judges to remove the very court's congestion caused by the said fumbling and delay. I wonder whether the other side, in the event of this bill's passage, will again show its lack of strength of party by being unable to agree upon the recipients of these judicial prizes.

Mr. MOORE of Virginia. Who were the two judges appointed that were authorized by the act approved in 1922?

Mr. CELLER. I think they were Judges Winslow and Goddard.

Mr. MOORE of Virginia. When were they appointed?

Mr. CELLER. They were appointed, I think, January 4, 1923.

I have before me a rather interesting letter written to one of my colleagues, Congressman JACOBSTEIN, of the Rochester district of New York. The gentleman from New York [Mr. JACOBSTEIN] has a bill in the House to establish an additional judicial district in the upper regions of New York State, and at the end of a letter written by Attorney General Stone we have this very significant language, after he had indicated disapproval of the bill:

This report is not in conflict with the financial program of the President of the United States.

Although this language is vague, I presume that the President in strictest economy does not want any more judges in northern New York. At the risk of being accused of using one Republican President's argument of economy, I nevertheless desire to caution the other side to heed the President. He opposes additional judges in northern New York. To be consistent he must oppose additional judges for southern New York.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield the gentleman three minutes more.

Mr. CELLER. Gentlemen, we get nowhere whatsoever if we every once in a while answer the plea of certain sections of the country for additional judges. It is a hit-and-miss policy, a mere palliative. It gets us nowhere. We must develop some sort of permanent policy with reference to taking care of the judicial procedure in the United States, a policy along the lines laid down by Chief Justice Taft of the Supreme Court. We must establish something in the nature of a system of rotating judges. We have plenty of judges in this country, and if there is need in New York for additional judges we have enough of them in the North, enough of them in the West, enough of them in the South, and there should be a policy established whereby New York could draft, as it were, those judges who have not as much to do as other judges in New York and let them come to New York and take care of the congested dockets, if any such dockets exist.

And in that way, my friends, we will do away with this calling upon Congress to give us additional and unnecessary—I say unnecessary advisedly—judges. That is the policy that ought to be adopted, a policy that will prevent the ever-recurring plea for additional judges. When the additional 22 judges were given recently it was thought that the two judges for the southern district of New York would be amply sufficient. Why was not the plea made for four judges? That was only 20 months ago. Has the situation so suddenly changed as to require two more judges for New York? The facts are identical in the equity and law sides of the calendar. There is no necessity for additional judges. In New York also we have a remedy—we can refuse to allow the courts to entertain jurisdiction in a great many cases. The testimony before the committee showed by one who represented the Patent Law Association that it is always the desire and avidity of lawyers to bring their litigation in the New York courts.

In patent cases they can go wherever there is a violation of the patent or the patent license. Despite the permission to try the case elsewhere they always bring their cases in the courts of New York. If we adopted suitable legislation we could deny the right of certain litigants to come into the New York courts to flood those courts with their cases. We can also have an additional remedy in the matter of admiralty cases. Many admiralty cases are brought in the New York courts that have no right to be there.

In this connection there is an interesting letter, on page 13 of the hearings, from I. Maurice Wormser, editor of the Law Journal of New York, part of which permit me to quote:

The amount of business in this district warrants, in my opinion, the addition of two judges, though, in general, I would oppose this creation because of my regard for the pockets of the already overburdened taxpayers. However, in this particular instance there can be no doubt of the necessity, *particularly as much litigation is brought in New York which ought to be brought elsewhere.*

Much is made of the fact that the judicial council approved this bill, the judicial council being presided over by Chief Justice Taft. That same council recommended an additional judge for a Virginia district not so long ago, and here is what our esteemed friend, Governor MONTAGUE, of the Judiciary Committee, said:

In my own State you recommended a judge and nobody wanted a judge; even the district judges did not want a judge. You just submitted it to us on a mere mathematical calculation.

I am not criticising the merits of the bill. I am just wondering how we are wandering into these judges, and *it seems to be the more you appoint the more you need.*

One would imagine if there was so much truth in the statement made of the tremendous business in the court that the administration would endeavor to decrease, rather than increase, the burdens of the court. Yet recently all naturalization cases were withdrawn from the New York State courts and forced into the Federal courts. At each final hearing day, I am informed, there are at least 400 naturalization cases. These final hearing days are not infrequent. I presume that the administration realizes that the Federal judges in the southern district court can take on more work, otherwise why would the administration give them these additional naturalization cases.

There probably will be reported out of the Judiciary Committee the arbitration bill. If this bill passes, and there is every indication that it will, it will have the result of relieving the Federal judges of a great deal of civil work. It will be the means of settling many cases out of court. In the face of this innovation we should indeed hesitate to appoint two Federal permanent judges for life.

Furthermore, in the hearings before the Committee on the Judiciary, United States Senate, Sixty-seventh Congress, first session, on the original bill to provide for 18 new judges—increased later to 22—Chief Justice Taft testified—page 11—"that the Volstead Act only adds 8 per cent to the business of the court." This has been the first authoritative statement I have seen on the question of increase of Federal cases caused by prohibition. The general opinion is that the increase is far more than 8 per cent.

Senator CUMMINS—page 13, those same hearings—quoted Attorney General Daugherty to the effect that—

In the course of a few years the procedure and rules in connection with the Volstead Act will be so simplified or crystallized that it will not take so many judges to enforce it a few years hence as it takes now.

Attorney General Daugherty himself—page 21, Senate hearings—states:

The Volstead Act—the prohibition act—is much dwelt upon in connection with the reason for this request for increase. * * * I think it is at its peak now, so far as prohibition laws are concerned. * * * My judgment is that it is at its peak. * * * The prohibition law increases this business not to the percentage that the general public is led to believe or that an effort is made to lead the general public to believe that it has increased.

That being so, I repeat that we must not unduly and hastily increase our number of judges.

Then there is the possibility, or rather the probability, that the Volstead Act might be liberalized to permit light wines and beer, in which event the proportion of Volstead violations will be materially decreased.

We would also do well, in order to decrease the amount of business, particularly in the southern district of New York, to repeal the Overman Act, which permits public utility corporations to test, for example, any State taxing statute or any State transit commission's increase of rates or fare, in the Federal court by having three judges pass upon the facts, the two judges being district judges, and the third a circuit court judge. New York City has suffered immeasurably because of this Overman law. The corporation counsel of the city of New York has pointed out, for instance, that without the permission of a Federal court the city can not bring suit to revoke a franchise with the terms of which the receiver of the bankrupt transit company fails to comply. The hearing of these cases by the three Federal judges usually consumes weeks. This practice is most pernicious and makes for the very congestion that we hear tell of.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. SCOTT. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. MILLS].

Mr. MILLS. Mr. Speaker and gentlemen of the House, this is not a matter as to which you gentlemen are interested in the personal opinion of individual Members. The question

as to whether you should provide for two additional judges in the district of New York is one that can best be determined by the judges and by the lawyers who practice in New York. And their testimony, if you please, is unanimous on that point. I have a letter from the secretary of the New York County Bar Association in which he says that the Hon. James O'Gorman, president, directed him to advise that the board of directors, at a meeting held on February 4, approved of the bill providing for the appointment of two additional judges.

Mr. PURNELL. Will the gentleman yield?

Mr. MILLS. I will yield.

Mr. PURNELL. Mr. O'Gorman was formerly a United States Senator and is a Democrat?

Mr. MILLS. That is quite correct. Mr. O'Gorman is a former Democratic United States Senator. I have also a letter from De Lancey Nicoll, a prominent Democrat.

Mr. CELLER. Has the gentleman a letter from Lindley Garrison, who received half a million dollars in fees, who is also a Democrat?

Mr. MILLS. I have not heard from him. The fact that gentlemen are Democrats or Republicans has nothing to do with this matter. The most unfortunate aspect in the discussion of this bill is apparently that it is going to assume a partisan aspect for reasons which I may find opportunity to cover. Gentlemen, what you want to know is: Do the people of New York need these judges; do the litigants need them; are the calendars crowded? What is the opinion of the bench; what is the opinion of the bar? I say to you that the opinion of the bench and the bar is unanimous to the effect that these two judges are needed.

De Lancey Nicoll, speaking for the Association of the Bar of the City of New York, says, "Our judiciary committee feels very strongly that the bill providing for two additional judges should become a law." He says, "The situation is growing daily worse," and he says that it takes two years for a case to be reached for trial.

That is the opinion of the lawyers as to the necessity for these judges. You will also find in the report of the Judiciary Committee the statement that Chief Justice Taft after careful review of the situation is satisfied that these additional judges are needed.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. MILLS. I yield.

Mr. O'CONNOR of New York. In the county of New York is it not a fact that we have over 40 judges and it still takes two years to get consideration of a case?

Mr. MILLS. Yes; and I will say that in the State of New York when it was sought to create four additional supreme court judges to be elected last year in the county of New York, in an off year, when the gentleman's party was sure to elect them, the bill was passed in Albany and signed by a Democratic governor providing for the additional supreme court judges. But when the question now comes up to create two new judges, who are to be appointed by a Republican President, we find a united Democratic opposition, irrespective of the opinion of the judges, irrespective of the opinion of the bar, irrespective of the rights of litigants who for all you care will have to wait until by accident you may elect a Democratic President and appoint Democratic judges. [Applause on the Republican side.]

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield further?

Mr. MILLS. I can not yield further. What does the chief judge of the circuit court say?

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes; I yield to the gentleman from Tennessee.

Mr. GARRETT of Tennessee. What was the attitude of the gentleman as to the creation of those new State judgeships?

Mr. MILLS. I was not a member of the State legislature, and never had an opportunity to express any opinion.

Mr. PERLMAN. And is it not a fact that in the State legislature which passed this bill the assembly was Republican and the bill was passed by a Republican assembly?

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I can not yield further. That has nothing to do with this matter. What I want to do is to get the facts before this House. What does the chief judge of the Circuit Court of Appeals say? He says:

The situation in the southern district was one of the matters which came before the judicial conference at its meeting in September. The judicial conference, as you know, is composed of the Chief Justice of the Supreme Court and the senior circuit court judge in each of the nine circuits of the United States. After full consideration the conference voted in favor of the appointment of two additional judges for the southern district of New York.

And this action was taken by unanimous vote, if you please. In other words, the judges decided that the situation demanded the appointment of these extra judges.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I am sorry I can not yield.

Mr. HOWARD of Nebraska. So am I.

Mr. MILLS. If I have time, I shall later. The chief judge then goes on to point out that there are over 25,000 cases pending on the calendars; that it takes two and a half years for a case to be reached for trial, and that far from doing what the gentleman from New York [Mr. CELLER] said a few moments ago, catching up during the last six months of 1923, every calendar saw further congestion—the criminal calendar, the equity calendar, the law calendar, each saw a net increase of cases over cases actually disposed of, and the chief judge of the circuit court then proceeds to say:

That being the condition, it is evident that in many cases a situation exists which amounts to a denial of justice.

That, Mr. Speaker, is not the expression of the opinion of a politician interested in partisanship. That is not the opinion of a politician who under some conceivable circumstances may be interested in whether a judge shall be a Democrat or a Republican—and I plead guilty to being in that class of politicians—that, Mr. Speaker, is the solemn affirmation of the chief judge of our Circuit Court of Appeals, stating that in our city of New York the calendars are so congested that it amounts to a denial of justice.

I sincerely hope, gentlemen of the Democratic side of the House, that upon further consideration you will decide whether it is wise for you as a party, simply on the partisan suggestion of my Democratic colleagues from New York, to vote for what the chief judge of the circuit court of appeals affirms would be a denial of justice to the people of the State of New York.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Yes.

Mr. HOWARD of Nebraska. I am quite aware that oftentimes in the heat of debate we let slip inadvertently some sentences——

Mr. MILLS. Oh, I yielded to my friend from Nebraska for a question, not for a speech.

Mr. HOWARD of Nebraska. I was wanting to ask the gentleman, by way of a preliminary, whether he spoke inadvertently or advisedly when he said that the people of New York City were interested in this matter. As far as I have seen, he has not presented to me anybody from New York under the head of "people" other than judges and the bar. Has the gentleman any other recommendations?

Mr. MILLS. Yes; I will say to the gentleman that I speak for the 25,000 litigants whose cases wait 24 months before they are reached for trial. I call them as my witnesses.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SCOTT. Mr. Speaker, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, in commenting upon the congestion of these New York dockets, the gentleman from New York [Mr. MILLS] should have told you about how the business of those courts is handled. I imagine that if you would investigate you would find that these courts open when they hold business about half past 9 or 10 o'clock in the morning, and then run until about 12 o'clock, then take a noon recess until about 2 or half past 2——

Mr. BLACK of New York. From 1 to 2.

Mr. BLANTON. And then they hold how long, may I ask the gentleman?

Mr. BLACK of New York. Oh, I have seen them sit until 6 or 7 o'clock at night.

Mr. BLANTON. But ordinarily?

Mr. BLACK of New York. Five o'clock.

Mr. BLANTON. And is it not the fact that they sometimes do not open until half past 10 o'clock in the morning?

Mr. CELLER. Half past 10 is the usual hour for these courts to open.

Mr. BLANTON. And if these courts would open a little earlier, say at 9 o'clock and run until 1, and then come back at 2 o'clock and run until 5 or 6 o'clock every day, they could clean every docket in the United States, holding court every working day of the week.

Mr. ALMON. Will the gentleman state his hours when he was on the bench?

Mr. BLANTON. I held court, when it was necessary to clean up the docket, from 8 o'clock in the morning until 6 o'clock in the evening, and then held many night sessions until I cleaned up the docket in all five counties of my district, and I kept those dockets clean; and any judge, State or Federal, can do it if he is willing to work; but the trouble is they do not work enough. May I ask the gentleman from New York this: Does not a judge ordinarily take one or two or three months' vacation in the summer? Is not that the case?

Mr. PERLMAN. No; some do not take any time at all.

Mr. BLANTON. How many months' vacation do the New York judges take?

Mr. PERLMAN. The supreme court or the Federal courts?

Mr. BLANTON. In the trial courts; district judges.

Mr. PERLMAN. Not a day.

Mr. BLANTON. In the summer?

Mr. PERLMAN. No.

Mr. BLANTON. Well, I know some who take two or three months' vacation in the summer.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes; I yield.

Mr. LaGUARDIA. When the gentleman held court——

Mr. BLANTON. I am talking about this bill relating to Federal judges.

Mr. LaGUARDIA. When the gentleman held court from 8 o'clock until 6 in the evening and at night, when did he look up his law? [Laughter.]

Mr. BLANTON. I had plenty of time to look up the law. I had the law briefed by the trial lawyers for me just like your New York judges have it briefed for them by the attorneys. I also had time at night to look after it when I went home, where I had a good library; but the trouble is these Federal judges do not work enough, and you know it as well as I do. If these Federal judges would get busy and work like other men do, they could clean up these dockets. Then you would not have the extra surplus judge in Minnesota, like the gentleman from Minnesota [Mr. WEFALD] says they have now. He says they have got an extra surplus one. I wonder if he is going to vote for these two new ones here. You would not have the extra surplus judge in New Mexico, as now exists there, or extra judges all over the United States, if they would all work.

The SPEAKER. The time of the gentleman has expired.

Mr. SCOTT. Mr. Speaker, I do not wish to tire the House, but I am rather surprised this bill has provoked such controversy. It has risen very suddenly and decidedly, contrary to my expectation. This is the first time I have even seen a ripple of dissent, and this rule has been before us for several weeks. I have not any interest in the world in the selection of judges in the southern district of the State of New York, and I was hopeful in my experience in the House that I would find Mr. BLANTON on the right side of the proposition; but I am afraid I am going to be disappointed. But my interest in this matter is that of a taxpayer and a citizen who has no other interest in it in the world. There is no question of doubt that it costs the taxpayers of the United States to-day and has for several years, perhaps, more than the salaries of two new judges or three new judges or four new judges because the entire bench in the State of New York have insisted upon the importation of judges to clean up the calendar. We sent them in the past and we will send them in the future to clean up the calendars, and it will cost the taxpayers of the United States more money to have these judges come in than to create the two new judges which are asked.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The gentleman from Michigan moves the previous question on the adoption of the resolution.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Mr. Speaker, if we should adjourn now, would it be in order to bring this matter up the first thing after the vote on the veto of the bonus bill to-morrow?

The SPEAKER. The Chair knows of nothing of higher privilege.

Mr. SNELL. Would it be better to go into the committee first or take a recess now? The reason I ask is that we have an evening session, and if it were not for the evening session we would clean up this matter to-night, but having the evening session we have to come back at 8 o'clock.

The SPEAKER. The Chair sees no advantage of going into committee first.

RECESS

Mr. SNELL. I move the House take a recess until 8 o'clock to-night.

The SPEAKER. The Chair appoints the gentleman from Connecticut [Mr. TILSON] as Speaker pro tempore for to-night. The gentleman from New York moves that the House take a recess until 8 p. m.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House stood in recess until 8 p. m.

EVENING SESSION

The recess having expired, the House was called to order by Mr. TILSON as Speaker pro tempore.

THE PRIVATE CALENDAR

Mr. EDMONDS. Mr. Speaker, to-night is the night for the consideration of bills on the Private Calendar. I ask unanimous consent that the bills be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bills on the Private Calendar be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the first bill on the Private Calendar.

CLIFFORD W. SEIBEL AND FRANK A. VESTAL

The Clerk read the title of the bill, as follows:

A bill (H. R. 5448) for the relief of Clifford W. Seibel and Frank A. Vestal.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. HOWARD of Nebraska. What is it?

Mr. BEGG. Mr. Speaker, what bill is taken up?

The SPEAKER pro tempore. The first bill on the calendar.

Mr. HOWARD of Nebraska. It is all right. I have received information from authority now. It is perfectly all right. I do not need any more information.

Mr. BEGG. I have no objection to that.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the General Accounting Office is hereby authorized to credit the accounts of Clifford W. Seibel, chemist and special disbursing agent for the Bureau of Mines, in the sum of $1,418.89, and Frank A. Vestal, special disbursing agent for the Bureau of Mines, in the sum of $546.42, with payments made by them for the maintenance, repair, and operation of certain motor-propelled, passenger-carrying vehicles.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

O. H. TITTMANN

The next business on the Private Calendar was the bill (H. R. 1917) for the relief of Dr. O. H. Tittmann, former Superintendent of the United States Coast and Geodetic Survey.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I think the House would be establishing a bad precedent in allowing this bill to pass. I know it would be a fine thing to put every person on the retired list and pay them a salary during their natural life if the Government could afford it. But the taxpayers can not afford to do that. This bill proposes to pay this man $150 a month as long as he lives because he has done 47 years' service for the Government. We have numerous men in this House—that is, several of them—who have served in Congress almost that long.

A MEMBER. Regular order!

Mr. BLANTON. Somebody seems to be anxious to proceed. Therefore I shall object.

The SPEAKER pro tempore. Objection is made. The Clerk will report the next bill.

RELIEF OF LEBANON NATIONAL BANK

The next business on the Private Calendar was the bill (H. R. 3748) for the relief of Lebanon National Bank.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object.

Mr. BULWINKLE. The gentleman from Tennessee [Mr. HULL], who introduced this bill, is not here to-night. But since the first time this bill was objected to he has corresponded with and furnished to the Secretary of the Treasury an affidavit to show that these coupons were burned, and I have a copy of a letter from Mr. Mellon, in which he says:

This is the first time the Treasury has seen the affidavit in support of the alleged destruction, and the statements contained therein "that the coupons were burned" and "that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner." The evidence of destruction is very strong, and it would seem, therefore, a hardship not to grant relief.

The Secretary of the Treasury also says:

It is to be understood, however, that in making no further objection the Treasury is guided solely by the very conclusive evidence presented, and that its position applies only to the case under consideration and does not bind it to any general policy.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I objected to this bill the other night on the ground, first, that there was no favorable report from the department, and held that we should not allow claims of this kind without a favorable report, and at that time favorable recommendation of the department had been withheld because there was no evidence that the bonds had been destroyed.

The fact is that this bill was introduced here and considered by the committee and favorably reported to the House without proof—such proof as was available—as to the destruction of the coupons ever having been offered to the department.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. In a moment. I want to make this statement.

I do not believe that the time of Congress ought to be taken up in passing upon claims when the parties in interest have not offered the administrative branch of the Government such proof as they have to justify their claim. Now time has passed since the objection was made the other night. At that time there had been no proof offered to the department as to the destruction of these coupons, and if they were in the hands of other parties, the Treasury Department held, they would not be able to protect themselves against payment again. Now, I understand the letter—a copy of which has been furnished to me—indicates that proofs have been offered to the Treasury Department, proofs so clear as to the destruction of the coupons by fire, that the department holds that the proof is conclusive.

In the face of that statement I am not going to object to the consideration of this bill; but I want it understood that, so far as I am concerned, the department must be satisfied that the proof of destruction is conclusive before I think Congress ought to pass any act for relief, and I do not want any favorable action on this bill to be taken as a precedent for any general allowance of bills of that kind. Only in the case of a showing of facts as to the destruction of the coupons that will satisfy the department do I think we ought to allow such a claim.

Mr. BULWINKLE. In justice to the committee I will say that they had this evidence, but for some reason or other it did not get into the report. The gentleman from Oklahoma [Mr. THOMAS], who made the recommendation of a favorable report, had this evidence, but for some reason, I say, it did not get into the report.

Mr. CRAMTON. Far be it from me to criticize the subcommittee, but the fact remains that the parties interested in this matter had not gone to the Treasury Department with their proof, but first rushed to Congress.

Mr. BLANTON. Mr. Speaker, I shall not object, in view of the situation, but the Committee on Claims should not assume that the mere filing of a bond in the Treasury Department is going to protect the Treasury. It also requires some careful, watchful action thereafter. Our colleague the gentleman from Illinois [Mr. KING] is present, as he usually is, and he has placed in the RECORD evidence of the fact that the Treasury Department has paid duplicates of $1,000,000 worth of bonds with duplicate numbers; and, if I understand the situation correctly, those bonds were paid without discovery at the time that they were duplicates. Of course, if the Treasury Department is going to do its duty, it should keep a list of these lost bonds and a close check upon same, and then the public will be protected. They ought to do that, and their attention ought to be brought to this matter in a very clear and decisive way. I withdraw the reservation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BULWINKLE. Mr. Speaker, I desire to extend my remarks by including in the RECORD the letter from the Secretary of the Treasury and the affidavits I have referred to.

The SPEAKER pro tempore. The Chair hears no objection to the present consideration of the bill. The gentleman from North Carolina [Mr. BULWINKLE] asks unanimous consent to extend his remarks by inserting in the RECORD a letter from the Secretary of the Treasury and certain affidavits. Is there objection? [After a pause.] The Chair hears none.

The letter and affidavits referred to follow:

THE SECRETARY OF THE TREASURY,
Washington, April 28, 1924.

Hon. G. W. EDMONDS,
Chairman Committee on Claims,
House of Representatives.

MY DEAR CONGRESSMAN: I have received your letter of April 4, 1924, with inclosures, relative to H. R. 3748, a bill for the relief of the Lebanon National Bank, Lebanon, Tenn., on account of the alleged destruction of coupons detached from a Liberty bond and from Treasury notes.

This is the first time the Treasury has seen the affidavits in support of the alleged destruction, and the statements contained therein "that the coupons were burned," and "that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner." The evidence of destruction is very strong, and it would seem, therefore, a hardship not to grant relief. However, if after considering the facts, as previously stated by me, that a bond of indemnity will not afford the Treasury Department adequate protection against double payment of these coupons, especially in view of the fact, as set forth in my letter to Congressman CRAMTON, dated March 26, 1924, a copy of which is inclosed, that Congress in making appropriations for the expenses of the public debt service for the fiscal year beginning July 1, 1924, reduced the Treasury Department's estimate by the amount necessary to pay the expense of assorting and recording paid coupons, and it will, therefore, be impossible after July 1, 1924, to maintain records from which it may be determined whether or not any particular coupons have been presented and paid, you still feel that relief should be given, the Treasury will interpose no further objection. It is to be understood, however, that in making no further objection the Treasury is guided solely by the very conclusive evidence presented, and that its position applies only to the case under consideration and does not bind it to any general policy.

In accordance with your request the affidavits and letter forwarded by you are returned herewith. A copy of this letter is also inclosed.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

STATE OF TENNESSEE, *County of Wilson:*

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, J. A. Pendleton, to me known, who makes oath that he was on June 23, 1923, and is now employed as assistant cashier of the Lebanon National Bank, Lebanon, Tenn., and that on June 28, 1923, he witnessed the clipping of coupons from United States Government bonds as follows:

$5,000 Treasury certificate, series C-1925, No. 7650, coupon No. 1, due June 15, 1923	$112.50
$5,000 Treasury certificate, series C-1925, No. 7651, coupon No. 1, due June 15, 1923	112.50
$2,000 Treasury certificate, series C-1925, Nos. 41206, 41207, 41208, 41209, 41210, 41212, 41213, 42357, 42358, 42359, 42360, 12 coupons No. 1, at $22.50	270.00
$500 Treasury certificate, series C-1925, No. 12445, coupon No. 1, due June 15, 1923	2.12
Total	505.87

Affiant further states that after the clipping and cashing of these coupons by the Lebanon National Bank they were lost from their files and burned, and that upon careful search of the burned papers the

ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner.

J. A. PENDLETON.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON,
Notary Public.

STATE OF TENNESSEE,
County of Wilson:

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, Mrs. Ruby McGlothlin, to me known, who makes oath that she was on June 23, 1923, and is now employed by the Lebanon National Bank, of Lebanon, Tenn., as assistant teller and bookkeeper, and that on June 23, 1923, she witnessed the clipping of coupons from the following United States Government bonds:

(Same description.)

Affiant further states that after the clipping and cashing of these coupons by the Lebanon National Bank they were lost from their lists and burned, and that upon careful search of the burned papers the ashes of these coupons were found in such condition as to be easily read and recognized, though too delicate to be handled or transmitted in any manner.

MRS. RUBY MCGLOTHLIN.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON, *Notary Public.*

The same affidavit made by G. E. Ashby, auditor of the Lebanon National Bank; Will A. Hale, cashier of the bank; and Hampton A. Moore, bookkeeper of the bank.

STATE OF TENNESSEE,
County of Wilson:

Personally appeared before me, E. L. Carson, a notary public in and for the State and county aforesaid, John B. Scruggs, who makes oath that prior to and after June 23 and 24, 1923, he was employed as a porter at the Lebanon National Bank, Lebanon, Tenn., and that on the morning of June 24, 1923, he was called to the Lebanon National Bank and questioned as to the loss of certain coupons from Government bonds, and when called on to show where he had burned the refuse paper of the evening before, he, with others, made careful search of the burned papers and found the ashes of coupons, which, while delicate, were easily read and recognized as the following:

(Same description.)

JOHN B. SCRUGGS.

Subscribed and sworn to before me this 28th day of December, 1923.
[SEAL.] E. L. CARSON, *Notary Public.*

Mr. KING. I would like to ask the gentleman if the affidavit gives the numbers of these bonds?

Mr. BULWINKLE. Yes.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment instead of the original bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, in favor of the Lebanon National Bank, Lebanon, Tenn., the coupon No. 9, matured April 15, 1923, in the amount of $2.12, from permanent coupon bond No. E-03144745 in the denomination of $100 of the fourth Liberty loan 4¼ per cent bonds of 1933–1938, and the following coupons from 4¼ per cent Treasury notes, Series C-1925, issued December 15, 1922, maturing June 15, 1925, payable to bearer; coupons No. 1, maturing June 15, 1923, in the amount of $112.50 each, from notes Nos. 7650 and 7651 in the denomination of $5,000 each, coupons No. 1, matured June 15, 1923, in the amount of $22.50 each from notes Nos. 41206, 41207, 41208, 41209, 41210, 41211, 41212, 41213, 42357, 42358, 42359, and 42360 in the denomination of $1,000 each, and the coupon No. 1, matured June 15, 1923, in the amount of $11.25, from note No. 12445 in the denomination of $500; such redemption to be made without presentation of the said coupons, which have been destroyed: *Provided*, That the said coupons shall not have been previously presented for payment: *Provided further*, That the said Lebanon National Bank shall first file in the Treasury Department a bond in the penal sum of double the amount of said coupons, in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the coupons herein described.

The SPEAKER pro tempore The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF HENRY M'GUIRE

The next business on the Private Calendar was the bill (H. R. 1306) for the relief of Henry McGuire.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc, That there is authorized to be appropriated for payment by the Secretary of the Treasury to Henry McGuire, or his legal representatives, the sum of $225.23, as full compensation for 9,385 feet board measure of lumber which, upon dates between September 22, 1909, and October 11, 1909, and at the specific request and direction of an employee of the Forest Service, United States Department of Agriculture, was furnished to one Hiram Campbell for use in the construction of a house to replace one owned by said Hiram Campbell, which was destroyed on September 19, 1909, by fire originating from brush-burning operations conducted on national-forest land by employees of the Forest Service.

With the following committee amendment:

Page 1, line 6, strike out "9,385 feet board."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

PENSION TO NELLIE ROCHE M'ANDREW

The next business on the Private Calendar was the bill (H. R. 2574) granting a pension to Nellie Roche McAndrew.

The SPEAKER pro tempore. Is there obection to the present consideration of the bill.

Mr. BLANTON. Mr. Speaker, I object.

Mr. KNUTSON. I hope the gentleman from Texas will withhold his objection.

Mr. BLANTON. My colleague from Texas [Mr. BLACK] placed upon the war risk insurance bill, with regard to compensation for death, a very fine amendment, which holds to the policy that when a soldier dies he gives his all to the country, whether he is a private or a general, and his life is worth just as much to his widow whether he is a private or whether he is a general. Now, the widow of this distinguished general was entitled to certain privileges under the law and she is now seeking additional privileges by reason of his rank. I object.

Mr. KNUTSON. Will the gentleman withhold his objection?

Mr. BLANTON. There are so many other bills to be considered and I intend to object, anyway, so I object now.

Mr. KNUTSON. Has the gentleman from Texas looked at the service rendered by General McAndrew in the late war?

Mr. BLANTON. Yes. I am willing to admit that it is the very highest that is possible, but we have certain laws that ought to be adhered to with respect to the service men, whether they are privates or generals, and the general law applicable to all of them ought to be carried out. I regret that I must object.

Mr. WATRES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WATRES. I understand it is the rule and has been the custom of the House not to consider bills after one objection, but it seems to me that under the present rules there is room for argument that it should require three objections. There is nothing in the rules of the House as to the Private Calendar which requires that the bill shall not be considered, and that, as I understand, is a matter of custom.

The SPEAKER pro tempore. The Chair will inform the gentleman that we are working to-night under a special rule that has no reference whatever to the Consent Calendar. We are working under a special order, which is that we consider bills unobjected to.

Mr. EDMONDS. Mr. Speaker, will the bill lose its place on the calendar?

The SPEAKER pro tempore. It will not lose its place on the calendar. The bill holds its place on the calendar, and no bills are stricken off of this calendar. The Clerk will report the next bill.

RELIEF OF THE NEW JERSEY SHIPBUILDING & DREDGING CO., OF BAYONNE, N. J.

The next business on the Private Calendar was the bill (S. 1572) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Reserving the right to object, when this bill was up several weeks ago I called attention to certain discrepancies in the report, which at that time the committee in charge were not able to explain.

Since then parties interested in the bill have made a full showing of facts that has sufficiently satisfied me, so that I do not propose to continue my objection. The only occasion for my saying anything now is that in my absence the last time it was up the statement was made on the floor that I was sorry for my objection and I was very enthusiastic for this bill, or words to that effect. I have no apologies to make for having objected to the bill until evidence could be furnished that would, to my mind, justify it. I do not say that the evidence that now has been furnished makes me particularly enthusiastic about the bill, but it is sufficiently strong to cause me to withdraw any objection.

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill that involves $152,278.

Mr. KNUTSON. How many cents?

Mr. BLANTON. And some cents. It is too large a bill to be passed by unanimous consent, without any consideration at all. A bill of this size and character ought to go to the Court of Claims, and it ought not to be passed here under unanimous consent.

Mr. EDMONDS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. EDMONDS. I would like to explain to the gentleman that in this case the amount of damage has been settled by the Navy Department. There was also an added charge of $52,000 for demurrage. If you send this to the admiralty court, you will find you will pay not only the $150,000 but will also pay the $52,000 demurrage.

Mr. BLANTON. I will say to the gentleman from Pennsylvania without any hesitancy at all that if this bill was a proposal to send this case to the Court of Claims I would vote for it without any hesitation and let the court decide, but for us to decide it here under unanimous consent and let it be passed by a simple reading of its title and thereby take $152,278 out of the Public Treasury is out of all reason.

Mr. EDMONDS. And yet you would pay $52,000 more on account of the demurrage and the court cost. I think this is the easiest way to settle it.

Mr. BLANTON. If that is the law, they ought to have it.

Mr. UNDERHILL. It is not the law.

Mr. BLANTON. If they are entitled to it, they ought to have it, and they ought to have a day in court.

Mr. EDMONDS. The gentleman misunderstands. After discussing this matter with the parties in interest, they have agreed to accept this $152,000 and waive the claim of $52,000, but not in writing, and if we go to court they will also claim that.

Mr. BLANTON. Has the Secretary of the Navy proposed to pay this amount?

Mr. EDMONDS. Yes; that is right there in the report.

Mr. BLANTON. They have proposed to pay this?

Mr. EDMONDS. They have recommended the payment of it.

Mr. FISH. They state they are fully responsible for the whole thing.

Mr. BLANTON. Under the statement of four of my colleagues in whom I have confidence, I am not going to put my judgment up against the four, and therefore I withdraw my objection.

Mr. EDMONDS. I am glad the gentleman has come to that conclusion, because it will save the Government $52,000.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152,278.28 to the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., in full settlement to reimburse said owner of drill boat *No. 3* for loss sustained as a result of total destruction of said drill boat *No. 3* through collision with the U. S. S. *Lykens*, in Hell Gate, off Hallets Point, New York Harbor, on September 1, 1921.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

TRANSFER OF CERTAIN LANDS AT CAMP JACKSON, S. C.

The next business on the private calendar was the bill (H. R. 490) authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, and I think I shall have to object, this is a bill that proposes to donate 2,000 acres of land immediately adjacent——

Mr. FULMER. Will the gentleman yield? The acreage is 1,192.

Mr. CRAMTON. Yes; 1,192 acres immediately adjacent to a military post which we intend to continue, and adjacent on the other side to a military reservation which is to be developed as a forest. This military post has developed railroad facilities, paved roads, and so forth.

Mr. BEGG. Will the gentleman yield?

Mr. CRAMTON. Not just now, because I do not want to take up too much time. I want to say a word in outline of my position before I get into an argument at all. This bill proposes to turn this land over to a board of trustees. I do not know what kind of an entity that board of trustees will become. They have the right of perpetual succession. They, in effect, become a corporation, and by the bill they are authorized to administer this tract of land, which certainly has industrial possibilities, and administer it for agricultural or industrial or educational purposes, and so forth.

My objections are two: First, I question whether we want to be so quick in giving away this land when we have spent large sums of money in developing the land we own adjacent, and without any real indorsement from the department. The statement you have from the department is a most perfunctory one; and if we do this, I do not think it should be turned over to the sort of a halfway corporation created by this bill.

Mr. BEGG. Will the gentleman yield now?

Mr. CRAMTON. Yes.

Mr. BEGG. I will say to the gentleman that I agree with every word he has said and I believe I objected to the bill the other time and suggested to the gentlemen interested that they put in an amendment confining it to agricultural, experimental, charitable and educational purposes. That would make it wholly a philanthropic proposition. If the Government is going to turn over this 1,100 acres to the city for that kind of a purpose I should have no objection on that score. What the gentleman from Michigan says in regard to the board of directors I will say that I agree with him again. I would suggest that if possible it be turned over to the board of directors of the Chamber of Commerce.

Mr. CRAMTON. That is very often a temporary institution.

Mr. BEGG. If the gentleman from South Carolina will accept the other amendment I will not object.

Mr. FULMER. I will be glad to accept that amendment because they want to use that land especially for charitable and educational purposes.

Mr. CRAMTON. If this bill proposed to turn over something to the orphanage, that is one thing; but the bill is so drawn that it can be used for industrial and agricultural purposes; the element of profit enters into it. I think the bill had better go over and see if it can not be redrafted.

Mr. FULMER. I will accept the proposition of the gentleman from Ohio. If the gentleman from Michigan will look over the letter written by the Secretary of War——

Mr. CRAMTON. There must be a clear showing as to the propriety of the Government giving away this land. This tract of land we have adjacent to that which it is proposed to give away has been improved with paved highways and street railways.

Mr FULMER. The citizens of Columbia gave the tract of land and now they want this piece of land at one side. The Secretary of War says that they will not have any further use for it. It was all in a large tract of 23,000 acres, and the heart of the camp originally I think they retained.

Mr. CRAMTON. Eleven hundred acres was given to the Government as an inducement to locate the camp. We have developed it; we have put in paved highways and a street railway, and now the camp is to be continued there, and because you can not give back that same land you want to give them some other.

Mr. FULMER. The railway connected with this camp, unless it can be developed, will be taken up. They are holding over on account of the passage of this bill. In the meantime the piece of land is not worth one-tenth of the original tract of land.

Mr. CRAMTON. I want to say in justice to other bills on the calendar that I think that we ought not to take undue time on this bill, and I am forced to object.

Mr. FULMER. Will the gentleman yield for a minute? Last session this bill was introduced in the Senate and passed. It has a unanimous report from the Military Committee. It got caught in the jam of the Sixty-seventh Congress, and now it is reported this time. They are waiting to-day at the orphanage with 200 boys, waiting for this to be settled.

Mr. CRAMTON. Well, let us have something definite about that; before this Government gives away land adjacent and connected with the military reservation there ought to be a clear-cut indorsement from the War Department that the land will not be needed hereafter in connection with the Government reservation.

Mr. FULMER. Here is a letter from Secretary of War Weeks.

Mr. CRAMTON. That is only a perfunctory statement.

The SPEAKER pro tempore. The gentleman from Michigan objects, and the Clerk will report the next bill.

WILLIAM H. NELSON

The next business on the Private Calendar was the bill (H. R. 6972) for the relief of William H. Nelson.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. This bill, Mr. Speaker, should be explained, and I reserve the right to object.

Mr. REECE. Mr. Speaker, this man will receive no additional pay or benefits under the provisions of this bill. He is a retired Army officer now, having the status of captain. He also served a time as private during the Civil War and as captain in another regiment than the one shown in the records of the War Department. Out of pride he wants this bill passed to show this additional service.

Mr. BLANTON. He gets a status that will bring him a pension.

Mr. REECE. He does not draw any pension.

Mr. BLANTON. It will give him a larger retired pay than he would get if it did not pass.

Mr. REECE. He has been given the status of a captain during the Civil War, and this bill would only extend his record to include his service as private and captain in particular regiments.

Mr. BLANTON. If we pass this bill it gives him a higher retired pay hereafter than he would have if it did not pass.

Mr. REECE. No; I think not.

Mr. BEGG. Will the gentleman permit a question?

Mr. BLANTON. Yes.

Mr. BEGG. The gentleman knows that there are 8 or 10 similar bills in the list to-night. I think there ought to be some sort of an understanding as to what we are going to do with all of them. I think there is as much merit in one as in another.

Mr. BLANTON. That is what I had in mind in asking the gentleman to explain, so that we could determine what we are to do with them.

As a matter of fact, we must not be blind to the situation. If we pass this bill, we give this officer a higher standing than he would have if we did not pass it.

Mr. REECE. Mr. Speaker, I do not think the gentleman is correct in that assumption.

Mr. BLANTON. What is the purpose of the bill?

Mr. REECE. Out of pride of service, he merely wants this additional service to show on the records, and if the gentleman will notice, in the letter from The Adjutant General in the report, the third paragraph states that upon evidence furnished by him he was given the rank of captain in Company H of the said regiment in 1865, so that it does not give him any additional rank, but shows the service in these particular regiments in addition to the service with which he is credited in the War Department. I think I am perfectly safe in saying that he has no additional pay status under this bill.

Mr. BLANTON. If the disposition of the House is to pass all of these bills, to treat them all alike, I shall not object to any of them, but if we are to make flesh of some and fowl of others, I shall object.

Mr. REECE. May I add that this is not a desertion case. Captain Nelson has a brilliant record. There is not a blemish on it. He was an exemplar soldier and is now a beloved and valuable citizen. He merely wants to extend the record of his service to include his services in particular regiments, and I hope there may be no objection made to the consideration of the bill.

Mr. BLANTON. I shall not object.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, William H. Nelson shall hereafter be held and considered to have been a captain in the First Regiment Middle Tennessee Volunteer Infantry, also known as the Tenth Regiment Tennessee Volunteer Infantry, from the 8th day of June, 1862, to the 25th day of July, 1862, and to have been discharged honorably as such on the latter date, and shall be held and considered to have been a private in Company H, Fifth Regiment Tennessee Volunteer Cavalry, from the 25th day of July, 1862, to the 6th day of August, 1863, and to have been discharged honorably as such on the latter date by reason of promotion to lieutenant in said regiment.

With the following committee amendment:

Page 2, line 4, after the word "regiment" insert a colon and the following: "*Provided*, That no pension, pay, or allowance shall be held to have accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

ALBERT J. CAPRON

The next business on the Private Calendar was the bill H. R. 3030, to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. The Comptroller General has already allowed this officer a credit of $125.17 on his account, and the Comptroller General, Mr. McCarl, makes this recommendation:

That Captain Capron should promptly remit to the United States the balance of $84.52 due the United States.

That is the recommendation of your Comptroller General, whom this Congress created and made independent of every department in Washington, responsible only to the Congress itself. This is a small amount, and ordinarily I would not object to a bill of this kind, except upon the principle of backing up the Comptroller General. He ought to be backed up. He is doing splendid work down there, and if all of our colleagues will check up all of the work that he has done there since he has been in office every man will gladly back him up.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BEGG. I agree with the gentleman in what he said; but the thing that changed my mind—and I first marked this bill with a blue pencil—was that this man, Captain Capron, is a disabled war veteran and poor. I certainly do not want to make him pay back money that he never got himself.

Mr. BLANTON. We are going to have numerous bills introduced here during the next two or three years seeking to set aside the authority of the Comptroller General. I am going to object to every one of them coming up under unanimous consent. If this officer, who is disabled and who is trying to get credit for $84, can get his accounts past the gentleman from Ohio [Mr. BEGG], I shall not object to this one, and I withdraw my reservation.

Mr. BEGG. I desire to say just one thing more. The difference between Comptroller General McCarl and the Congress is that Mr. McCarl must go according to the law while Congress can show a little humanity.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow and credit in the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by settlement No. M-76559, dated June 12, 1923, office of the Comptroller General of the United States, and now standing against him on the books of the General Accounting Office.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

WILLIAM D. MULLEN CO.

The next business on the Private Calendar was the bill (S. 129) for the relief of the William D. Mullen Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. This is a bill where an officers' mess bought goods and refused to pay for them. I objected to this bill once, but I am not going to do so now. The United States was not responsible for it, and in view of the fact that this merchant was misled, in view of the fact that he thought he had a right to sell goods to soldiers of the United States, it would be very unwise, I think, not to pay the bill now.

Mr. BOYCE. He thought he was selling to an agent of the Government.

Mr. BEGG. Mr. Speaker, reserving the right to object, I desire to ask the gentleman from Delaware a question. I have told him that I would not object, but I find on my bill here a proposed amendment and I ask him now if he will accept it?

The amendment is at the end of the sentence and consists of these words:

And the Navy Department is directed to withdraw the honorable discharge from Lieut. Benjamin A. Buxton, of the United States Naval Reserve Force, if same has been issued.

Here is a man who unquestionably, according to all of the evidence, was dishonest, and yet in the face of his dishonesty, from all the information that is available, he has been granted an honorable discharge.

Then we are asked to come in here and make his dishonesty good. I am willing——

Mr. BOYLAN. I shall not oppose it.

Mr. BEGG. Provided the Navy is directed to withdraw that dishonorable discharge?

Mr. ROACH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. CONNALLY of Texas. I would like to say to the gentleman——

Mr. ROACH. I insist on my right to the floor. This bill was up for consideration during the last time we had up the Unanimous Consent Calendar and objection was made. The parliamentary inquiry I wish to propose to the Chair is whether or not it requires more than one objection?

The SPEAKER pro tempore. No; it is not on the Unanimous Consent Calendar at all; it is on the Private Calendar. Is there objection?

Mr. BEGG. If I understand the gentleman from Delaware, he will accept that amendment.

Mr. BOYLAN. Yes.

Mr. ROACH. I reported this.

Mr. BOYLAN. I stated I would not oppose the amendment.

Mr. BEGG. That does not satisfy me.

The SPEAKER pro tempore. Is there objection?

Mr. FISH. Mr. Speaker, I do not think we should be too hasty in this matter, and I would like to reserve the right to object. In the first place, I think the point of order could be made against this amendment as not being germane, and in the second place I am not prepared to say what the department should do in taking away an honorable discharge without considering the question. I hope the gentleman will not press this.

Mr. BLANTON. Mr. Speaker, the amendment, if passed, would not affect the man. After his discharge was issued the department has no control over him at all.

Mr. SPEAKS. But it puts a mark against the man without any justification at all.

Mr. BLANTON. The Navy Department has no control over him now.

Mr. ROACH. Will the gentleman from Ohio yield?

Mr. BEGG. I yield; yes.

Mr. ROACH. In the first place, I want to suggest to the gentleman from Ohio such an amendment as he proposes would be subject to the point of order, and, in the second place, I want to suggest to the gentleman we would be trying to convict this officer without giving him an opportunity to be heard. This officer has never been called upon for a statement in regard to this matter other than to state that the papers in support of this claim which were in his possession had been lost in transit. Now, it would hardly be fair to this officer to try to convict him without giving him his day in court and giving him an opportunity to explain his responsibility or lack of responsibility.

Mr. BEGG. Will the gentleman yield?

Mr. ROACH. I do.

Mr. BEGG. The gentleman makes the statement this officer had never been called upon to pay or show cause——

Mr. ROACH. The gentleman is in error.

Mr. BEGG. What did the gentleman say?

Mr. ROACH. I said that the only explanation he has thus far given were that the papers relative to this claim in his possession were lost in transit, and that for that reason he is unable to satisfy or properly explain or submit his case——

Mr. BEGG. Is not the proper course to pursue to indict the man if he has done some wrong?

Mr. ROACH. Oh, no. The thing to do would be to give him an opportunity to defend his position in the matter.

Mr. SPEAKS. Mr. Speaker, I think I can put it in a light so anybody can understand it in this way: Suppose next November the gentleman from Ohio, my distinguished colleague, would be defeated——

Mr. BEGG. That is not improbable.

Mr. SPEAKS. It might happen but it is not probable. Suppose after the new Congress assembles some man gets up and moves that a committee be appointed to look into the record of this distinguished Ohioan and see if he can not find something and bring him back before the committee——

Mr. BEGG. Now, will the gentleman keep his analogy somewhere near accurate. This man is a self-confessed defrauder in that he did not pay with the money he had on hand.

Mr. SPEAKS. Wait a minute.

Mr. ROACH. Let me call your attention to the report.

Mr. SPEAKS. Let me finish my illustration.

Mr. ROACH. If forced to it, I will object to it. I think if the gentleman from Ohio understands this matter he will withdraw his objection.

A MEMBER. Regular order!

The SPEAKER pro tempore. The regular order is, Is there objection?

Mr. BEGG. I would like to make one statement, and the statement I want to make is that I am not going to object, not because I believe we ought to pass the bill without some kind of an action or attempt to recover, but the reason I am not going to object is because I gave my promise that I would not, and it would be punishing the wrong party if I were to object to this bill. But I certainly think that when an officer of the Army collected funds for the payment of the mess and then does not pay the mess and refuses to acknowledge the department's letters he is not entitled to an honorable discharge.

The SPEAKER pro tempore. Is there objection?

Mr. ROACH. Reserving the right to object, Mr. Speaker, does the gentleman from Ohio make a qualified objection?

Mr. BEGG. No.

Mr. HOWARD of Nebraska rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. For the purpose of asking the gentleman from Ohio a question.

Mr. STEPHENS. Regular order!

The SPEAKER pro tempore. The regular order is, Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the William D. Mullen Co., of Wilmington, Del., out of any money in the Treasury not otherwise appropriated, the sum of $85.75, said sum being due the William D. Mullen Co. for merchandise furnished to the Reedy Island naval station mess during the months of October, November, and December, 1918.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

JOHN H. BARRETT AND ADA H. BARRETT

The next business on the Private Calendar was the bill (H. R. 912) for the relief of John H. Barrett and wife.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill is of course appealing, as would be any bill that meant the payment of money to any of our former service men. But the War Department makes this statement in the report on the bill:

Regardless of the character of the claim involved, it does not appear that the United States should be required or expected to reim-

Mr. BLANTON. I shall not object.

I was read the third time, and passed.

Mr. ROACH. I do.

burse the heirs or legal representatives of deceased members of the military forces for private property that is not required or necessary in the military service which is voluntarily carried into the field and lost without the fault of any officer, agent, or employee of the Government. If members of the military forces choose to carry valuables or keepsakes with them in the field, reimbursement for the loss thereof hardly seems to be a proper public burden.

For us to pass this bill in the face of that recommendation of the department that statement would overturn that position. I do not think we should create that precedent, and therefore I feel constrained to object.

Mr. STRONG of Kansas. Has the gentleman read the second statement of the Secretary of War?

Mr. CRAMTON. It is pretty safe to assume that I have.

Mr. STRONG of Kansas. If so, you will see that he withdraws the statement, because the articles that the soldier had were articles that he was supposed to have, and they were taken possession of, inventoried, and placed in the hands of this captain and by him sent back under guard for the purpose of being forwarded.

Mr. CRAMTON. The department closes that letter with this statement:

You are advised that the War Department has never held that any financial responsibility rested in the Government in cases of this character.

I shall have to object.

The SPEAKER pro tempore. The gentleman from Michigan objects.

Mr. BLANTON rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. I ask unanimous consent to proceed for a minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I hope the gentleman from Michigan [Mr. CRAMTON] will withdraw his objection to the consideration of this bill. Several bills of this kind have been passed. This is a bill for less than $250 and for personal property lost in France, belonging to a service man, to be paid to the mother or father. I do not know anything about the parties, but it is the principle of the thing in which I feel concerned. We have passed a number of such bills. I hope the gentleman from Michigan will not insist on his objection.

Mr. CRAMTON. I will say to the gentleman that if he can show me a number of bills like it, I will withdraw my objection.

Mr. HOWARD of Nebraska rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. I rise to ask that when objection is made to bills, the objection shall be confined to one minute, and three minutes only shall be allowed for an explanation of a bill.

The SPEAKER pro tempore. The gentleman can control that by objecting at the end of a minute. The Clerk will report the next bill.

GEORGE T. TOBIN & SON

The next business on the Private Calendar was the bill (S. 130) for the relief of George T. Tobin & Son.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to George T. Tobin & Son, of New Castle, Del., out of any money in the Treasury not otherwise appropriated, the sum of $248.98, said sum being due George T. Tobin & Son for merchandise furnished to the Reedy Island naval station mess during the year 1916.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

THE MARYLAND CASUALTY CO., ET AL.

The next business on the Private Calendar was the bill (H. R. 6288) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem after the 1st day of July, A. D. 1924, 6 per cent unregistered Treasury certificate of indebtedness No. 8240, in the denomination of $10,000, series TD-1921, dated December 15, 1920, and maturing December 15, 1921, with interest at the rate of 6 per cent per annum from December 15, 1920, to December 15, 1921, in favor of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co., without presentation of the said certificate, the certificate of indebtedness having been lost, stolen, or destroyed: *Provided*, That the said certificate of indebtedness shall not have been previously presented for payment and that no payment shall be made hereunder for any coupons which shall have been previously presented and paid: *And provided further*, That the said Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co. shall first file in the Treasury Department a bond in the penal sum of double the amount of the principal and interest of said certificate of indebtedness of the Treasury Department of the United States of America in such form and with such surety or sureties as may be acceptable to the Secretary of the Treasury to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificate of indebtedness herein described.

With committee amendments, as follows:

Page 1, line 4, after the word "redeem," strike out the words "after the 1st day of July, anno Domini 1924, 6 per cent unregistered" and insert "one United States."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. WINGO. Mr. Speaker, I have read the report of the committee. It does not show what is the interest of the Maryland Casualty Co. in the United States Fidelity & Guaranty Co. of Baltimore.

Mr. EDMONDS. Does the gentleman mean the interest on the money?

Mr. WINGO. No. What is their interest?

Mr. EDMONDS. They own the bond.

Mr. WINGO. The record discloses that no proof has been offered that they have ever paid the bond to the owner. I presume the owner is the Central Trust Co.?

Mr. EDMONDS. Yes.

Mr. WINGO. Did the committee ascertain that they had paid the bond?

Mr. EDMONDS. My understanding was that they paid the bond; yes. They phoned to me and told me they had paid the bond. I thought the gentleman was going to ask about the 6 per cent interest.

Mr. WINGO. No. I was intent on reading the report when objection might have been made. I notice that the Secretary of the Treasury raises the question that there is nothing to show that they have paid this bond.

Mr. EDMONDS. My understanding is from their officials here in Washington and Philadelphia that this bond has been paid; in other words, it was insured and paid for and this reimbursement would go direct to them.

Mr. WINGO. Was the bond lost?

Mr. EDMONDS. It was lost or destroyed. It is presumed to have been lost.

Mr. WINGO. The committee was satisfied it was either lost or destroyed?

Mr. EDMONDS. The committee was satisfied it was either lost or destroyed.

Mr. WINGO. In the mail or while being transported?

Mr. EDMONDS. I think it was in transportation. It was insured, and, of course, we get a bond in double the amount.

Mr. WINGO. But it occurred to me that as to a bill of this kind—with numerous bills of the same character coming on—the record ought to show that the parties in whose behalf the bill is to be passed are the real parties in interest, and the record ought to show that the bond was either lost or destroyed. A hurried reading of the record does not disclose whether the bond was lost or destroyed and just what interest the beneficiaries have in this matter. I assume, though, the committee evidently looked into that, but through an oversight the record did not disclose that fact.

Mr. EDMONDS. Yes; there were some disclosures that something happened to the bond; at any rate, it was destroyed.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 4, after the word "certificate," strike out the words "the certificate of indebtedness having" and insert the words "or the coupons therefrom, which have."

The SPEAKER pro tempore. Without objection, the committee amendment is agreed to.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 15, after the word "said," insert the word "Treasury," and after the word "indebtedness" strike out the words "of the Treasury Department of the United States of America" and insert "and the interest payable thereon."

The SPEAKER pro tempore. Without objection, the committee amendment will be considered as agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RECONVEYING TO ELIZABETH MOORE THE CAMP SITE OF CAMP ROBERT E. L. MICHIE

The next business on the Private Calendar was the bill (H. R. 7805) reconveying to Elizabeth Moore the camp site of Camp Robert E. L. Michie.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this is a bill which the committee says has the approval of the Secretary of War, and so forth, but there is no presentation of that fact.

Mr. HUDSPETH. I will state to the gentleman from Michigan that I have here a letter from the Secretary of War.

Mr. CRAMTON. That will be interesting, and I will be glad if the gentleman will put it in the RECORD. But this is another case where we propose to give away some of the Government's property.

Mr. HUDSPETH. If the gentleman will permit, I think I can explain the matter to his satisfaction.

Mr. CRAMTON. I will yield, although I am frank to say I shall have to object.

Mr. HUDSPETH. Let me state to the gentleman that during the war the citizens of Del Rio donated $8,000 for the purchase of this camp site from Mrs. Moore. It was the understanding, I will state to the gentleman, and the Secretary of War so states in this letter, that when this camp was abandoned the property should be returned to the donor. The camp has been abandoned, the property was sold last October, and the Government has no further use for the land. There is no expectation of ever reestablishing a camp site there, and the understanding at the time, the citizens of Del Rio donated this money was that when the camp was abandoned it was to be returned to the donors. Mrs. Moore is willing to return the money, and I have the deed here.

Mr. CRAMTON. I think it is very unfortunate that when a bill is reported by a committee the report should not contain the papers that are vital to its consideration. This comes from the Military Affairs Committee, and my experience with them is that they are very thorough and very considerate. They voted some time ago to report out a bill of mine, but it has not yet appeared on the floor of the House, so I think they take ample time to have their reports contain the vital matter. In this case the paper most vital is not here. I shall have to object.

Mr. HUDSPETH. I trust the gentleman will not object tonight. My colleague from Texas [Mr. WURZBACH] made the report on the bill. He is thoroughly conversant with the facts as I have stated them; he is a member of the Military Affairs Committee, and he knows that the Government has no further use for this site. These people, I will state to my friend, happen to be in a section of the country where the drop in the price of livestock has put them in thorough distress regarding financial matters, and they need the money.

Mr. CRAMTON. The letter which the gentleman has handed to me, and which I am going to ask permission to extend in my remarks and have it in the RECORD in full, is a very perfunctory report.

This is not the kind of report that Congress ought to have before we give away a military reservation. We want an explicit statement by the War Department that they do not think they will ever want it again and that it should be disposed of. This letter simply says that inasmuch as an understanding in regard to a refund of the purchase price to the subscribers when the property was resold seems to have been made, and so forth. "I do not feel that the War Department should make any recommendation as to such disposition." That is between the contributors, and there is no express recommendation by the department in this letter indorsing the bill.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. CHINDBLOM. Is there anything to show the character or the nature of the agreement under which the reconveyance is to be made?

Mr. CRAMTON. There is nothing to show that there was any agreement that there should be a reconveyance so far as the letter goes; and there is nothing to show what improvements, if any, we have made upon the property, and there is nothing to show whether it is again likely to be needed for military purposes.

Mr. HUDSPETH. I will state to the gentleman that the buildings and everything the Government owned on the property were sold at public auction last October.

Mr. CRAMTON. Suppose the gentleman gets a recommendation that will hold the military department of the Government responsible.

Mr. HUDSPETH. I want to say to the gentleman that if this was a matter originating in his district and the gentleman was personally cognizant of all the facts, I would certainly take the statement of the gentleman from Michigan.

Mr. CRAMTON. I, of course, take any statement the gentleman from Texas makes, but I take the position that these bills should come here with the information a matter of record in the report to bind not the Congressman from that district, but to bind the department that is interested.

Mr. HUDSPETH. Let me state to the gentleman that this very bill was drawn by the Quartermaster General of the Army. It was approved by General Hines, and I will state to the gentleman that I presented the matter in person to Secretary of War Weeks and it has his approval.

Mr. CRAMTON. No doubt the gentleman can get that express indorsement.

Mr. HUDSPETH. But I can not get it in time for the bill to be passed at this session.

Mr. CRAMTON. Oh, yes; we are going to have another night session very soon.

Mr. HUDSPETH. I do not think so.

Mr. CRAMTON. I shall have to object, Mr. Speaker.

Mr. WURZBACH. If the gentleman will yield, I just want to state that the gentleman from Texas [Mr. HUDSPETH] made this same statement to the committee, stating that the War Department had no further use for this property, and it seemed to us under that state of facts it was only right that the property should be returned, because the understanding, as stated by the gentleman from Texas, at the time of the deeding of the property was that when there was no further use for the property it would be returned.

The SPEAKER. The gentleman from Michigan objects.

Mr. HUDSPETH. Mr. Speaker, I trust I may have one more minute to explain this matter to the gentleman. I want to state that this property did not cost the Government one cent. The people there donated the money and the Government has not a dollar's worth of improvement on that property to-day. This bill was passed upon by the Judge Advocate General of the Army and was drawn in the office of the Quartermaster General after full investigation concerning the matter. I hope the gentleman will not object.

Mr. CRAMTON. For the reasons I have stated, I shall have to object, Mr. Speaker.

LIEUT. HENRY N. FALLON, RETIRED

The next business on the Private Calendar was the bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHINDBLOM. Mr. Speaker, I reserve the right to object, and I may say that I think that objection ought to be

made. The last time this bill was up a request was made for information, and I understand the gentleman from Ohio is expecting to get that.

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. I have objected to this bill on three different occasions, but since then I have talked with our colleague, the gentleman from North Carolina [Mr. BULWINKLE], who is on the Committee on Claims, and the gentleman assures me that he has given this bill careful consideration and assures us that it is absolutely a worthy bill.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. Is the gentleman trying to emulate the transition from Saul to Paul by becoming an advocate to-night for everything he has previously objected to?

Mr. BLANTON. No; but I want to say to the gentleman from Michigan that every objection I make here is a conscientious objection upon good grounds.

Mr. CRAMTON. The gentleman knows that men have gone to jail for that.

Mr. BLANTON. And whenever I make an objection, it is one that I believe is good and worthy, and I am not going to stand up here and object to a bill unless I can show it is unworthy. That is my position, and I have accepted my colleague's statement because I am not prepared to show him that he is mistaken.

The SPEAKER pro tempore. Is there objection?

Mr. CHINDBLOM. Yes; I object.

Mr. BULWINKLE. Will the gentleman withhold his objection?

Mr. BUTLER. The gentleman objects. This is a one-man Congress. There are 434 other men elected, but one man seems able, without listening to the statements, to decide these matters. A parliamentary inquiry, Mr. Speaker. I ask permission to speak here for a minute.

Mr. CHINDBLOM. Mr. Speaker, let me say to the gentleman from Pennsylvania that the rule under which we are here to-night is for the consideration of private bills unobjected to.

Mr. BUTLER. That is all right, but I will not go home until this bill is passed.

Mr. BULWINKLE. Will the gentleman from Illinois state why he objects?

Mr. CHINDBLOM. Here is a patient who escaped from Washington, went to California, and is gone about two weeks. The family put him into a hospital and put in a claim for $2,078.93. The Senate committee recommends $1,500, and says that "while it is difficult to determine just what part of this expense should be refunded your committee is of the opinion that the sum of $1,500 will fully reimburse the family for all expenses."

No doubt $1,500 will fully reimburse the family, but what is there to show that they are entitled to the $1,500?

Mr. BULWINKLE. This man was mentally afflicted. He was in the insane asylum, and the Secretary of the Interior says:

> I am frank to say that it would appear to me that the entire matter as presented, even by resting upon the hospital superintendent's reports alone, evinces extreme carelessness and an entire lack of interest in the case.

Here is a man, a patient, an officer in the war, who escapes and the hospital authorities make no effort to search or hunt for him, and this girl and her mother have to mortgage their property to go out and hunt for him.

The SPEAKER pro tempore. Is there objection?

Mr. CHINDBLOM. Reserving the right to object, the gentleman from Ohio [Mr. BEGG] is seeking for information in this matter. I think it is proper that the House should know of the attempts being made to get information on which the House may act. All that we have is the Senate committee saying that $1,500 is enough to fully reimburse the family.

Mr. BUTLER. The bill is itemized, and here in the report, I will say to my friend, are affidavits for the information of the committee.

Mr. ROACH. The information which the gentleman from Ohio seeks would be purely speculative on the part of the Government out of the very necessities of the case. It is a claim that it is difficult to determine just what amount of expense would have been necessary to have apprehended this Lieutenant Fallon, because neither the Government nor anyone else knew where he was. The Government would have been in exactly the position the family was; it would have sought information from any source, and the expense of that information is purely speculative. Two committees have carefully gone over the items in this matter. The Committee on War Claims, of which I am the chairman of the subcommittee, devoted the greater part of a day to analyzing the testimony in this case and going over the details of the expense, and every dollar that was charged for we believed that the Government, in all honesty, would have charged for if it had paid the expenses.

Mr. BEGG. What does the gentleman have to say to this:

> On the 5th of January Lieutenant Fallon, having conducted himself all right in every respect, so far as his parole privileges were concerned, was brought up again before the staff conference to consider granting him a 30-day leave, with indefinite extension, in the care of his brother. This leave was granted.

We are attempting to get information from the department as to what they thought the Government would have been called upon to expend. In this case they send a high-class man out at so much per day to California to bring the man back, and when he gets there he would not bring him back alone, but brought another man with him.

Mr. ROACH. Because he was discovered on the street running wild, and a menace to society.

Mr. CRAMTON. And is it not a fact that most of the expenditure was incurred after they found the man?

Mr. ROACH. The physician's treatment was incurred after they found him.

Mr. BUTLER. Will the gentleman withhold his objection and give me a minute?

Mr. BEGG. I will withhold it.

Mr. BUTLER. Mr. Speaker, I would like to explain to my colleagues that this money is owing by our Government. This is one of the most distinguished men that ever sailed the great deep sea in an armed American ship. He is himself responsible for the sinking of two submarines. He lost his reason, I believe, in the undertaking. He served 14 months upon the submarine destroyer *O'Brien* on the coast of France He escaped from St. Elizabeth Asylum. He was not paroled and never had the liberty extended to him. It is in evidence in the department that recommends the payment of this bill, that the superintendent directed his keeper not to let him out of his cell.

That information never was communicated, and after this officer had his dinner the cell door was open——

Mr. BEGG. Mr. Speaker, will the gentleman yield for a moment?

Mr. BUTLER. Just wait. I want to put myself right, because I know these people and they live my near neighbors. I desire to say that I am not putting anything in the RECORD here that I do not believe is right. The family of this great sailor can not afford to pay these bills, and they should not be asked to pay them from their own private purse. They are now sustaining this sailor man in an asylum. The man was made mad from military service. After his escape from St. Elizabeths he was found in California. The department did not go in the search to find him. If anybody will read the report he will see that the authorities took no part in the search, but put the responsibility upon the family. They searched for him in New York and Pennsylvania and New Jersey, and finally located him in California, wandering around, half clad, half starved, and they are now maintaining him at private expense in a private hospital. These bills are all right. I have not anything further to say at this time. [Applause.] Let the objection be made. I ask that a majority of this House shall pass upon a claim of this kind. The people of the United States can not afford to treat their soldiers as this man has been treated. This family has paid, and the Government was paying at the time to safely keep him in an asylum. He was permitted to escape, and the Government should have made the search. He was in an asylum where he was supposed to be safe, and was allowed to escape through negligence of his keeper, and for one month wandered unfed and unclothed until found by his family in California. Of course his family sent for him, as I would have done for my son. I would have sent the best man I could. I would have beggared myself to save him. He was worth it. He rendered his country service that few other men have rendered.

Mr. O'CONNELL of New York. And they sold their home to do it.

Mr. BUTLER. I have heard so. It is said they have disposed of property to keep their beloved son, a brilliant young man who had come from Annapolis with honors and served his country until he had reached the grade of lieutenant, and then as I have said, lost his mind in the service of his country. His family should have these expenses paid at once. He is the same to his kin as though he were sane, and their affection for him is even greater because of his infirmity. I protest against Congress declining to pay the bills incurred honestly

in the search for and the recovery of this man. Furthermore, as an evidence of the character of his service he has been decorated by the British Government with its highest medal, as he has been decorated by this country with one of its highest medals for valorous and heroic service in the presence of its armed enemy.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. BUTLER. Certainly.

Mr. BEGG. I want to say to the gentleman from Pennsylvania that I would have to be pretty stony hearted to withstand the appeal that he has just made. [Applause.]

Mr. BUTLER. In my 28 years of service, I believe, this is the third or fourth bill of the kind that I have introduced. I know these people well, as I have said; they are my neighbors, honorable and honest. Of all men who did masterful service in the Great War, from my congressional district, no one whom I know of outdid Fallon, who as I have said steered his boat alongside two submarines and assisted his crew in sinking them.

Mr. BEGG. Mr. Speaker, reserving the right to object—and I am not going to object—I simply want to say that I think there is nothing that Uncle Tom, as everybody calls the gentleman from Pennsylvania, really wants that will be denied him.

Mr. BUTLER. I do want it, Jim, very badly. [Laughter.]

Mr. BEGG. And I want to add one further statement now, for the sake of the future. This is not a pleasant task that I have been asked to perform and I do not want this to be considered a precedent. So far as my humble effort goes, I think I was entirely fair when I said that I was willing to allow whatever the department said it would have cost the Government, but I am not going to even stand on that after the fine speech of the gentleman from Pennsylvania.

Mr. BUTLER. I am grateful to my friend.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to the family of Lieut. Henry N. Fallon, United States Navy, retired, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 in full satisfaction of all claims for expenses incurred by them or under their direction in the locating and caring for Lieut. Henry N. Fallon after his escape from St. Elizabeths Hospital, District of Columbia.

With the following committee amendments:

> Page 1, line 4, strike out the words "the family" and insert "Amy L. Fallon, mother"; and on page 1, line 8, strike out the word "them" and insert the word "her"; and in the same line strike out the word "their" and insert the word "her."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

Mr. CRAMTON. Mr. Speaker, there is just one statement that I want to make in connection with this bill.

Mr. KNUTSON. Let the gentleman extend his remarks.

Mr. CRAMTON. No; I will not. I have carefully read the report of Doctor White, the superintendent of St. Elizabeths, whom I know very well and for whom I have a very great admiration. I have also read the report of Secretary Fall, which indulges in very severe criticism of Doctor White. I do not need to discuss Secretary Fall; but I want to say that my action in withholding an objection to this bill is not to be taken in any way as an indorsement of the criticisms of Doctor White by Secretary Fall, because I consider they are absolutely unjustified.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended to read as follows: "An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired."

PETER C. KEEGAN

The next business on the Private Calendar was the bill (S. 210) for the relief of Peter C. Keegan and others.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the rigiit to object. The report says that the Government has already paid Commissioner Keegan $5,000; Commissioner Murchie, $5,000; Commissioner Maddigan, $3,876.86; and Counsel Fellows, $6,411.73. They had exceeded the appropriation. The department so notified them. They went ahead, nevertheless, and now they claim this sum. I do not think it is a wise policy to allow a commission to exceed an appropriation without any authority whatever. We have not been paying these claims. We have so many commissions that if we once established a policy, all of them are going to exceed their appropriations. I think there should be some explanation outside of this report that will warrant the payment of this claim. I withhold my objection.

Mr. THOMAS of Oklahoma. Mr. Speaker, this report is based on a letter from the Secretary of State. Congress passed a law creating this commission. The commission served in conjunction with a commission appointed by Great Britain.

The only information that the committee has is what is contained in the records submitted by the department, and it occurs to me that if we can not take the recommendations made by the Secretary of State on matters that he has under his control, we would not know where to go to get the information. The facts are that this commission served for many days after the appropriation had expired. This commission submitted claims on the basis of $50 per day. The Secretary of State thought that was too high and cut their per diem to $20 per day, and this bill embodies a compromise and an agreement between the Department of State and these gentlemen. It occurs to me, Mr. Speaker, that this compromise should be approved.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Do I understand that these parties have agreed, in accordance with the suggestion made by Secretary Hughes, to accept this in full settlement, and this is the exact amount in the bill to which Secretary Hughes agreed?

Mr. THOMAS of Oklahoma. Yes.

Mr. BLANTON. I withdraw the reservation.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Peter C. Keegan, the sum of $1,700; to the estate of John B. Madigan, the sum of $348.14; to the estate of Oscar F. Fellows, the sum of $2,950.77, said sums representing additional compensation for services rendered on the St. John River Commission.

The bill was ordered to be read the third time; was read the third time, and passed.

JAMES MORAN

The next business on the Private Calendar was the bill (S. 589) for the relief of James Moran.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, James Moran, late corporal in the One hundred and ninth Company, United States Coast Artillery Corps, shall be held and considered to have been honorably discharged from the military service of the United States as a member of Company A, Ninth Regiment United States Infantry: *Provided*, That no back pay, bounty, or other emoluments shall accrue prior to the passage of this act.

Mr. BLANTON. Mr. Speaker, what about this amendment that the Adjutant General recommends that ought to be incorporated? The Adjutant General in his recommendation says that if the bill is to be enacted into law it should be amended according to a suggestion that he had made. I took it for granted that the committee, of course, was going so to amend it, and I hope they will amend it. What does the chairman of the Committee on Claims say about it?

Mr. EDMONDS. This is a bill from the Committee on Military Affairs.

Mr. BLANTON. Who represents that committee?

Mr. BULWINKLE. Mr. McSWAIN reported this bill.

Mr. BLANTON. Notwithstanding that it has passed the objection stage here The Adjutant General recommends an amendment to the committee. I have not had time to look up the exact wording of the amendment. It is too late, but I ask unanimous consent——

Mr. KING. I object.

Mr. BLANTON. That the bill be passed over——

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the bill be passed over——

Mr. BOYLAN. I would like to make a statement, Mr. Speaker. In the absence of Mr. McSWAIN, I will say the Committee on Military Affairs considered this bill and whatever

recommendations were made by The Adjutant General were included in the bill, and I am pretty sure the bill is in the form now which he desires.

Mr. O'CONNELL of Rhode Island. Mr. Speaker, I can say to the gentleman from Texas that the change has been made in the first part of the bill which referred to the United States Coast Artillery Corps. That change has been made in the Senate bill and is in the correct form at present.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word for the purpose of calling attention to the recommendation from The Adjutant General. Of course, it is a small matter, but the House ought to know this fact. The Adjutant General suggests this:

The War Department has not authority to amend this record so as to show that this soldier was honorably discharged as a member of Company A, Ninth United States Infantry, as of August 25, 1899, or any other date, he having been, in fact, dishonorably discharged as a member of that organization on that date.

And he suggests that it be amended accordingly. Now, the bill, in the face of that suggestion, says that this man was honorably discharged, which is not in accord with the suggestion made by The Adjutant General; but unless the Committee on Military Affairs sees fit to protect the matter, I am not going to do so.

Mr. WINGO. I think the gentleman overlooked this fact. The object of this bill is to give a pensionable status.

Mr. BLANTON. Yes.

Mr. WINGO. The Adjutant General always objects to correcting the records down there, where often it is contended there is an error, and I think that is the contention possibly in this case; but the War Department takes the position that they do not object to the language used in this bill that in the administration of the pension laws he shall be considered as honorably discharged. I think the form now meets the objection of the War Department. This will not correct the military record but provides that in the administration of the pension laws he shall have the same status as if honorably discharged.

The bill was ordered to be read the third time, was read the third time, and passed.

WILLIAM BROWN

The next business on the Private Calendar was the bill (H. R. 2313) authorizing the issuance of a patent to William Brown.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to cause a patent to issue to William Brown, a native of Indian, of Ketchikan, Alaska, to a tract or parcel of land situated in the District of Alaska, to be described in said patent as follows, to wit: Beginning at the point near the high-water line on the north shore of Tongass Narrows, now marked by a half-inch copper bolt cemented into a solid rock, said point being 1,708.5 feet south 51 degrees, 34 minutes, and nine-hundredths of a second east, true, from the United States Coast and Geodetic Survey triangulation station "Red," and 3,245.6 feet south, 79 degrees, 45 minutes, and 25 seconds east, true, from the United States Coast and Geodetic Survey triangulation station "Hick," on Pennock Island; thence north 46 degrees and six-hundredths of a minute east, true, 400 feet; thence south 43 degrees and 54 minutes east, true, 250 feet; thence south 46 degrees and six-hundredths of a minute west, true, 400 feet, more or less, to the high-water line; thence northwesterly, following the meanderings of the high water of the shore line, to the point of beginning, containing 2 acres, more or less, upon his payment therefor at the rate of $2.50 per acre: *Provided, however*, That said patent shall contain an expressed reservation to the United States of a permanent right of way over said land 60 feet in width for a road which has been or may be located and constructed thereon by, or under the supervision of, the Bureau of Public Roads.

The committee amendments were read, as follows:

Page 1, line 5, strike out the words "or Indian."

Page 2, line 1, strike out the words "hundredths of a second" and insert in lieu thereof "seconds."

Page 2, line 7, strike out "hundredths of a minute" and insert the word "minutes."

Page 2, line 11, strike out the words "hundredths of a minute" and insert "minutes."

Page 2, line 21, insert a colon and "*Provided further*, That said William Brown shall apply to the surveyor general for the survey of said tract, at his own proper expense, within six months from and after the passage of this act, and that the patent, when issued, be in accordance with the terms of such survey."

Mr. WINGO. Mr. Speaker, I intended to get some information on this bill before consent was given, but my attention was diverted so I will get that information now.

Did the Committee on Public Lands adopt this policy represented by this bill?

Mr. SUTHERLAND. This is a case where the United States Government took up a certain section of land for a lighthouse depot, where they constructed a wharf to keep material for the lighthouse. They found in that section this little plat occupied by this Indian. Now, the Department of Commerce relinquishes it, and the Department of the Interior favors giving the patent to this 2 acres of land.

Mr. WINGO. I am acquainted with the record. I understand an Indian squatted on the land with absolutely no title. He then leased it to a tenant. Then he quit-claimed it to his tenant. His tenant quitclaimed it to a Jap. The Jap, I think, quitclaimed it to this man. Is that the chain of title?

Mr. SUTHERLAND. Yes; but this was land that the Indians occupied at the mouth of this little brook from time immemorial.

Mr. WINGO. Yes. I want to know if the Committee on Public Lands has adopted the policy of granting title or patent to land where the patentee traces his title back to a quitclaim from a squatter? Is that the policy?

Mr. RAKER. Mr. Speaker, will the gentleman yield there?

Mr. WINGO. Yes.

Mr. RAKER. That is not involved in this case at all.

Mr. WINGO. Is the report correct about the chain of title?

Mr. RAKER. Well, there is no chain of title.

Mr. WINGO. Well, is that the policy of the Committee on Public Lands to authorize the issuance of patent to a man who has no chain of title at all?

Mr. RAKER. That is not the case at all.

Mr. WINGO. I know what the case is. The gentleman says that in this case there is no chain of title. He is in error. Is not that true?

Mr. RAKER. There is no legal chain of title.

Mr. WINGO. I notice that the Interior Department recommends it. But I am interested to know why they are willing to grant a patent in a case like this, yet refuse it in other cases. When lands are set aside under proper acts of Congress and selections are made, and the records are filed with the local land office for 50 years, and they show that title deeds passed from the Federal Government, and some thirty-odd years before the land was sold for State taxes, forfeited to the State, and the State issued a deed to citizens, and those citizens, numbers of them, lived on the land and conveyed it; some day the department finds out that its local records show that this land was not alienated by the Government away back yonder, whereas the records at Washington show that the entries were canceled, then they say, "We will not authorize patent to go to the people who have rested on that title all these years. No; you have got to go and buy up scrip," some of which costs $15 an acre. I would like to know about the policy.

Mr. RAKER. As to the very character of case that the gentleman has suggested, I will guarantee that within this and preceding Congresses there have been 25 similar cases which the department has reported favorably from the Southern States, and patents have been issued to the parties in identically like cases.

Mr. WINGO. Well, they will do it for some Members of Congress, but they will not do it for others.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF THE ESTATE OF CHARLES L. FREER, DECEASED

The next business on the Private Calendar was the bill (H. R. 8100) for the relief of the estate of Charles L. Freer, deceased.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 8100) for the relief of the estate of Charles L. Freer, deceased

Whereas Charles L. Freer, deceased, late of Detroit, Mich., presented to the Nation, through the Smithsonian Institution, art collections valued at several million dollars and provided over a million dollars for the erection by the institution of a building to house this collection; and

Whereas the said Smithsonian Institution, in addition to certain specific bequests, was named as the residuary legatee by the will of the said Charles L. Freer; and

Whereas all taxes and other charges found due against the estate of the said Charles L. Freer, having been paid by the executors, the said estate was closed, the residue paid over to the Smithsonian institution, and the executors discharged on December 27, 1922; and

Whereas since the date of said settlement of the estate the Treasury Department in a reexamination of the income-tax returns have assessed additional taxes amounting to $74,889.56 against said estate; and

Whereas the estate having been closed and the residue of the estate having already been paid into the hands of the Government, the payment of these additional taxes by the Smithsonian Institution, the residuary legatee, would in effect be a serious curtailment of Mr. Freer's munificent bequest to the Nation: Therefore

Be it enacted, etc., That additional taxes amounting to $74,889.56, together with all penalties and charges thereon assessed by the Treasury Department under date of February 1, 1923, and March 6, 1923, against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may thereafter be found due from the said estate.

With a committee amendment, as follows:

On page 2, line 14, after the word "from," insert the words "the said residue."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. JOHNSON of Washington. Mr. Speaker, I think we might do well to strike out the preamble. The preamble has a magnificent sound, but the exact facts are stated in the bill.

The SPEAKER pro tempore. That comes later. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

The SPEAKER pro tempore. Does the gentleman from Washington move to strike out the preamble?

Mr. JOHNSON of Washington. Yes.

Mr. CHINDBLOM rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Illinois rise?

Mr. CHINDBLOM. To ask unanimous consent to make just one brief statement about the preamble. I will say that the preamble is not a necessary part of a bill or resolution. The preamble was no doubt put in for the purpose of showing the intent of the bill; but for good form, of course, the preamble is not necessary.

The SPEAKER pro tempore. The question is on agreeing to the motion to strike out the preamble.

The question was taken; and on a division (called for by Mr. KING) there were—ayes 27, noes 17.

So the motion was agreed to.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the bill was passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

DENNIS SHEVLIN

The next business on the Private Calendar was the bill (H. R. 1332) for the relief of Dennis Shevlin.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, Dennis Shevlin, also known as Daniel Shevlin, shall hereafter be held and considered to be honorably discharged from the military service of the United States as a private in Company G, Seventy-fifth Regiment Illinois Volunteer Infantry, on December 10, 1862: *Provided*, That no pension shall accrue prior to the passage of this act.

With a committee amendment, as follows:

Page 1, line 10, after the word "pension," insert the words "pay or allowance"; strike out the word "accrue," after the word "shall," and insert the words "to be held to have accrued."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

COMMANDER DORR F. TOZIER

The next business on the Private Calendar was the bill (S. 1698) granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KING. I object, Mr. Speaker.

Mr. COLE of Iowa. I trust the gentleman from Illinois will withhold his objection.

Mr. KING. I withhold the objection.

Mr. COLE of Iowa. I hope the gentleman from Illinois will not push his objection. The recipient of this gift is a man who entered the United States Cutter Service in 1865. In 1902 he performed a service for the British Government. A vessel was destroyed on Vancouver Island and he was sent to make a search for the remains. He discovered one quarter boat, which was in the possession of an Indian on the island, and the Indian refused to give up this boat except upon the gift of this man's sword.

Mr. BOYLAN. Will the gentleman yield?

Mr. COLE of Iowa. Yes.

Mr. BOYLAN. Would the gentleman mind accepting an amendment to his bill providing also that the King give a gift of the release of that distinguished Irish patriot, Eamon de Valera? [Laughter.]

Mr. COLE of Iowa. I think the gentleman had better introduce that as a separate bill.

Mr. KING. I was waiting until the gentleman had finished his brilliant speech in order to withdraw my objection.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman to give us one precedent for this.

Mr. COLE of Iowa. Oh, there are many precedents.

Mr. BLANTON. Will the gentleman recite one? We have an inhibition of law against it.

Mr. COLE of Iowa. Not against gifts of this kind, but we have a constitutional inhibition.

Mr. BLANTON. What is the precedent?

Mr. COLE of Iowa. We have a long line of precedents.

Mr. CRAMTON. If the gentleman from Iowa will yield, I will say that during the World War—if the gentleman from Texas wants information—Congress passed a general act——

Mr. BLANTON. About the only things of value——

Mr. CRAMTON. Mr. Speaker, I am trying to say to the gentleman from Texas that during the World War Congress passed a general act permitting men in the military service to accept decorations, and so forth. Whether it went as far as to include gifts I do not know, but this is about in the same status as decorations.

Mr. COLE of Iowa. I will say to the gentleman from Texas that we passed at least two bills of the same kind in the last Congress.

Mr. BLANTON. If this gift were anything other than a sword I would object.

Mr. KING. What is the King going to give him?

Mr. WINGO. Yes; I want to find out what the King is going to give him.

Mr. COLE of Iowa. This man gave up his sword and the King of England is going to give it back to him.

Mr. KING. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. The objection is withdrawn, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That Commander Dorr F. Tozier, United States Coast Guard, retired, be, and he is hereby, authorized to accept a sword tendered to him by the King of Great Britain through the Department of State of the United States.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

EXCHANGE OF LAND FORMERLY USED AS A SITE FOR THE POINT OF WOODS RANGE LIGHTS, MICHIGAN, FOR OTHER LANDS IN THE VICINITY

The next business on the Private Calendar was the bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WINGO. Mr. Speaker, I should like to ask the gentleman from Michigan what is the necessity for this?

Mr. WILLIAMS of Michigan. This involves the transfer of something like four or five acres; it involves giving up the old site used for a range light for a new site, which is badly needed for the same purpose.

Mr. WINGO. It is a question of exchange?

Mr. WILLIAMS of Michigan. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce be, and he is hereby, authorized and directed to grant and convey to Robert P. Hudson, of Sault Ste. Marie, Mich., all of that certain lot or piece of land acquired by the United States through condemnation proceedings by an order dated January 18, 1909, of the Circuit Court of the United States for the Western District of Michigan, northern division, described as follows:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point marked by a stone monument bearing south 40 degrees, 42 minutes, 50.07 feet distant from the center of the front range light mast, and running north 46 degrees, 47 minutes, 22.13 seconds west, 408.77 feet; thence north 43 degrees, 12 minutes, 37.87 seconds east, 100 feet; thence south 46 degrees, 47 minutes, 22.13 seconds east, 453 feet, more or less, to the shore of the St. Marys River; thence along said shore in a southwesterly direction to the point of intersection of said shore with a line bearing south 46 degrees, 47 minutes, 22.13 seconds east from the point of beginning; thence along said last line north 46 degrees, 47 minutes, 22.13 seconds west, 54 feet, more or less, to the point of beginning; for and in consideration of the said Robert P. Hudson granting and conveying to the United States in fee simple, free and clear of all mortgages, liens, encumbrances, taxes, or claims of any kind whatsoever, the following-described premises:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point 20 feet south 44° 16′ west from the center of the cast-iron mast supporting the Point of Woods Range Front Light, center of said mast being 206 feet north 38° 50′ east from the location of the old front light of the Point of Woods Range; thence north 45° 44′ west 350 feet; thence north 44° 16′ east 60 feet, more or less, to the St. Marys River; thence southeasterly along the shore of the St. Marys River to its intersection with a line through the point of beginning, and bearing south 45° 44′ east; thence north 45° 44′ west along the above line 100 feet, more or less, to the point of beginning, all bearings given being from the true north;

Provided, That the Attorney General shall first examine the title of the said Robert P. Hudson to premises to be conveyed to the United States as aforesaid and shall furnish his written opinion in favor of the validity thereof: *Provided further*, That the said Robert P. Hudson, within such reasonable time after the passage of this bill as may be determined by the Secretary of Commerce, shall deed to the United States the premises herein described to be conveyed by him: *And provided further*, That the said Robert P. Hudson shall furnish, free of expense to the United States, requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary; and that any expense necessary to be incurred by the United States in affecting this exchange shall be payable from the appropriation "General expenses, Lighthouse Service," for the fiscal years in which such expenses are incurred.

With the following committee amendment:

Page 4, line 5, strike out the word "affecting" and insert in lieu thereof the word "effecting."

The SPEAKER pro tempore. Without objection, the committee amendment is agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF FORREST J. KRAMER

The next business on the Private Calendar was the bill (H. R. 7249) for the relief of Forrest J. Kramer.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, I object to that bill unless——

Mr. HASTINGS. If the gentleman will withhold his objection, I think I can explain it.

Mr. BEGG. I will state my objection; and then if the gentleman thinks he can explain it, all right. I can see no difference between this and if I were to buy a piece of property from some other man, and if I were not careful and were careless in my purchase and paid the man in full for the property and then he could not deliver a clear title, I certainly think the Government would not owe me for the amount of money I lost; hence I am going to object.

Mr. HASTINGS. If the gentleman will withhold his objection for one minute, I think I can explain it so that the gentleman will not object. Let me say that the purchase of this land was not from this woman Mary Marshall, but the purchase of this land was through the Indian officials. This party Kramer had no dealings whatever with the woman Mary Marshall, who owned this land. The way this is done is this: The supposed owner of this land was a restricted Creek Indian. Under the law and under the rules of the department she could apply, through the Superintendent of the Five Civilized Tribes, a Federal official in Oklahoma, for the removal of her restrictions; she did so apply; that was forwarded, through the Superintendent of the Five Civilized Tribes, to the Secretary of the Interior for approval, and the Secretary of the Interior approved it. Now, under the rules and regulations this land was offered for sale by Federal officials and not by this woman, the supposed owner of the land. This man paid not only the appraised value, which was $2,400, for the 80 acres of land, but he gave $2,520, and at the time he did it he deposited 10 per cent, under the rules, with the Federal officials, not with the woman. He had no dealings whatever with this woman. Then when the deed was delivered to him through the Federal officials he paid the remainder of the purchase price, making $2,520. The deed was delivered to him by the Indian officials, and when he goes to get possession of the land he finds that this person who had made application to have her restrictions removed, and who had made this deed, was not the owner of the land at all. The Indian officials in the meantime had paid out $104.90 of the money of this innocent purchaser, who had no dealings except with the Federal officials, and then it was discovered that this woman who had made an application for the removal of her restrictions and who made this deed, which was fraudulent, was not the party to whom the land was allotted. It was no fault on earth of the alleged purchaser.

Mr. BEGG. The gentleman is making a very plausible statement.

Mr. HASTINGS. That is exactly what this report shows.

Mr. BEGG. Now, the report does not show that to me, as I understand the report.

Mr. HASTINGS. I knew the gentleman did not understand it.

Mr. BEGG. I would like to ask the gentleman one other question. Why is not the purchaser in the same position to protect himself from fraud in this kind of a sale as he would be if he buys from another individual outright?

Mr. HASTINGS. He did not deal with this woman at all.

Mr. BEGG. That does not make any difference. Why did he pay over the money?

Mr. HASTINGS. He did not pay it to her. He paid it to the officials of the Government and they delivered him the deed.

Mr. BEGG. That does not change the situation to my mind. Would you pay money to the Government for the purchase of a piece of land before you were in a position to know that the Government could deliver a clear title?

Mr. HASTINGS. Let me say to the gentleman from Ohio that in the case of the thousands and thousands of restricted Indians in Oklahoma that is exactly what is done in every single, solitary case where the Indian is restricted or is under the supervision of the Government. You have got to apply through the superintendent of the Five Civilized Tribes for the right to sell; in other words, for the removal of the restrictions—and every paper goes through that Federal official's office, and this was forwarded here to the Secretary of the

Interior, and the Secretary of the Interior approved it. This man had no dealings whatever directly with this party.

Mr. BEGG. The gentleman is not answering my question. I understand that all right. The gentleman is simply going over the same thing he has stated twice. If the gentleman can convince me that the purchaser was in no position to protect himself by his own alertness then I will not object, but the gentleman has not given me any reason why that can not be done.

Mr. HASTINGS. This man had to rely upon the Federal officials in believing that they themselves had dealt with the proper party. This purchaser, Kramer, had nothing to do with that.

Mr. BEGG. Did the Federal officials make an error?

Mr. HASTINGS. They took an application from a party that did not own the land, and when he paid over this money—$2,520—to the Federal officials, he did not pay it to this woman, but paid it to the Federal officials, and they paid her out of that money, erroneously, $104.90.

Mr. BEGG. Then the error is an error on the department officials and not the result of the man's own carelessness.

Mr. HASTINGS. There was no carelessness on the part of the man at all. It was found that through error the Federal officials had paid this money to an old darky woman who did not have a penny of money.

Mr. BEGG. Is there anything in the report which shows that the Government officials acknowledge the error?

Mr. HASTINGS. Here is the report of the Secretary.

Mr. BEGG. What is there in the report that says that the Indian Bureau made an error?

Mr. HASTINGS. If the gentleman from Ohio will permit me, this is the report from the Secretary of the Interior, and every one of these Government officials is under the Secretary of the Interior, and the Secretary has reported the facts just as I have stated them to the House. The report itself shows they made an error and it was through no fault of this man himself.

Mr. BEGG. I did not get that from the report. The report states that six months after the man completed the contract he discovered this.

Mr. HASTINGS. Oh, he had nothing to do with this woman, Mary Marshall. He dealt with the Government officials.

Mr. BEGG. Will the gentleman agree to pass this over?

Mr. HASTINGS. There is only $104.90 involved, and the report is plain and states every fact I have stated here to-night. There can not be any possible doubt about it. The report says that Mary Marshall, now Carter, who executed the application for removal of restrictions, is reported to be a negro 80 years of age, absolutely destitute. So it would be absolutely impossible to recover from her the money paid to her from the proceeds of sale.

Mr. BEGG. Mr. Chairman, I withdraw my objection.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Forrest J. Kramer, out of any money in the Treasury not otherwise appropriated, the sum of $104.90, being the amount due him on account of the cancellation of sale to him of land allotted to Mary Marshall, Creek Indian, roll number 3774.

With the following committee amendment:

In line 4 strike out the words "and directed:"

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

JEREMIAH O'CONNOR

The next business on the Private Calendar was the bill (H. R. 5517) authorizing the sale of certain Government property in the District of Columbia to Jeremiah O'Connor.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection to the bill?

Mr. WINGO. Let us see about this.

Mr. KELLER. Let me say to the gentleman that this is a small part of a lot, about 20 feet by 30, in the District of Columbia. The person named in the bill owns the lot next to it, but can make no use of this because it is owned by the Government. It faces an alley.

Mr. WINGO. How did the Government happen to own this part of the lot?

Mr. KELLER. I do not know how it came to be owned by the Government.

Mr. WINGO. Does the gentleman mean that there are regular-sized lots, and in this particular block the Government owns this one piece?

Mr. KELLER. The Government owns this one piece, 20 by 30 feet. This man wants to put a building on it but can not, because it is owned by the Government.

Mr. WINGO. What is the reason for giving this man priority?

Mr. KELLER. The bill has been amended by striking out the person's name, so it leaves the Secretary of Agriculture authority to sell it to the man who pays the most.

Mr. WINGO. If there is any peculiar reason why this man should be given priority, we ought to protect him. How did the Government get title to it? How did it own this isolated part of a lot?

Mr. KELLER. I do not know.

Mr. CRAMTON. I would like to know all that the gentleman has asked and some other things. The Secretary of Agriculture is authorized to sell this land, but there is no statement here as to the interest that the Department of Agriculture has in it. I think we should have a report, and while the name of Jeremiah O'Connor is stricken out the bill provides that the sale shall be for cash under such rules and regulations as the Secretary may prescribe. There is no requirement that it shall be sold at public sale or to the highest bidder. I notice from the report that the property is assessed at $4,500.

Mr. KELLER. That is for the entire lot.

Mr. CRAMTON. I suggest that we ought to have an explanation of what interest the Department of Agriculture has in it, and what other facts there are. I think for the present I will have to object.

The SPEAKER pro tempore. The gentleman from Michigan objects.

JAMES A. HUGHES

The next business on the Private Calendar was the bill (H. R. 6737) for the relief of James A. Hughes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BEGG. Reserving the right to object, I would like to ask a question of the gentleman in charge of the bill.

Mr. BOYLAN. I shall be glad to answer any questions.

Mr. BEGG. Why was not this man honorably discharged?

Mr. BOYLAN. The man originally enlisted for a period of three years, and at the expiration he reenlisted for three years more. During the new enlistment he developed a species of insanity.

Mr. BEGG. The gentleman need not go any further; I remember about the case, and I do not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, James A. Hughes, One hundred and sixty-seventh Company, Coast Artillery Corps, shall hereafter be held and considered to have been honorably discharged from the military service of said company.

The following committee amendment was read:

Add at the end of the bill the following: "*Provided*, That no pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

LOUIS LEAVITT

The next business on the Private Calendar was the bill (S. 88) for the relief of Louis Leavitt.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. KING. Mr. Speaker, I object.

Mr. BULWINKLE. Will the gentleman withhold his objection?

Mr. KING. I will withhold it, but I am prepared to make a speech against the bill. The hour is late and there are so many Members waiting for their bills to come up that I feel that in the economy of time I should object. This is the notorious bacon bill, which has been hanging around here for six years.

Mr. EDMONDS. Does the gentleman know how the committee has arranged the matter in the bill?

Mr. KING. Yes; I have read it, and it is absolutely throwing away all rights of the Government.

Mr. EDMONDS. No, indeed; that claim is well protected.

Mr. KING. I have been laying for this bill too long, and I can not withdraw the objection at this time.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill.

Mr. LINDSAY. Mr. Speaker, my constituents objected to this bill and I object to it now.

Mr. BULWINKLE. Mr. Speaker, will the gentleman withhold his objection for a few minutes?

Mr. LINDSAY. Yes; temporarily.

Mr. BULWINKLE. Mr. Speaker, this claim is one of the claims growing out of war contracts. It is a case in which the Federal Government on one hand said to one of its citizens, "We have a surplus of bacon that we want to sell you," and then another branch of the Federal Government sends up the man who buys the bacon and says, "You can not have that property, you are hoarding it, and we therefore libel the property and indict you."

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. Yes.

Mr. CRAMTON. I did not intend to object to the bill because its form is changed so that it may be sent to the Court of Claims, but I do not want to let statements go unchallenged in the RECORD.

Mr. BLANTON. Mr. Speaker, I rise to a point of order. The gentleman from New York [Mr. LINDSAY] objected, as I understand it, and he is going to object in any event. He may as well object now.

The SPEAKER pro tempore. Does the gentleman intend to object?

Mr. LINDSAY. Yes. I object.

ARTHUR FROST

The next business on the Private Calendar was the bill (S. 105) for the relief of Arthur Frost.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur Frost the sum of $900 in full for damages suffered by reason of being negligently shot and seriously injured by a regularly enlisted soldier of the United States while in pursuit of a deserter and in the legal discharge of his duty as a military policeman.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

ELLEN B. WALKER

The next business on the Private Calendar was the bill (S. 365) for the relief of Ellen B. Walker.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, and I do so for the purpose of asking a question, this is a bill for the relief of the widow of a man who was killed. It originally provided for $5,000, and the committee has cut that to $1,500.

Mr. EDMONDS. One year's compensation under the act of 1908.

Mr. BEGG. And nearly every other bill comes in for a good deal more. There is a bill in here to-night for just injuries which carries an amount of over $7,000. Perhaps that is not too high, but certainly I think the widow of a man killed in the service is entitled to more than $1,500 if a man who has a leg cut off is entitled to two or three thousand dollars. I am certainly in favor of raising the committee's recommendation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BEGG. I shall not object, Mr. Speaker.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Ellen B. Walker, of Albuquerque, N. Mex., as full compensation for the death of her husband, Thomas A. Walker, who, while in the employ of the United States Government, in the Bureau of Indian Affairs, lost his life by the collapse of a water-tower structure at Paquate, N. Mex., on July 17, 1915.

With the following committee amendment:

Line 5, strike out the figures "$5,000" and insert in lieu thereof the figures "$1,500."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. BEGG. Mr. Speaker, I rise in opposition to the committee amendment, and I do it as a pure matter of equity. I call the attention of the House to one thing. On a plea made by Uncle TOM BUTLER a little while ago we allowed $1,500 expenses as a matter of sympathy alone. The actual facts of that bill warranted probably $500, and yet, because one man comes and makes a plea, we allow $1,500. Here is a case of a widow whose husband has been taken away through accident in the discharge of his duties, and because there is nobody here to plead her case we have cut it down to $1,500.

Mr. SEARS of Florida. Mr. Speaker, will the gentleman yield?

Mr. BEGG. Yes.

Mr. SEARS of Florida. Perhaps my good friend from Pennsylvania will make another appeal.

Mr. BEGG. Mr. Speaker, I am not at all frivolous in my statement, nor am I trying to be unusually generous. I think there ought to be a semblance of equity in allowances of this kind. The fact that this man was killed while an old law was in effect does not have any weight when the widow is getting the benefit at this hour, when, if a man in the Government service to-day is killed, perhaps his beneficiary would get five or ten thousand dollars.

Mr. JOHNSON of Washington. Oh, no. I have a half dozen claims for people killed within a year or two in the Forest Service and in other services, and the claims are for no such amount as that.

Mr. BEGG. In the Forest Service there is a bill here to allow, I think, over $7,000 to a man who is alive because his wife had her leg broken and was otherwise badly injured, and if there is any justification in this committee allowing a man who is able to work $7,000 because his automobile was damaged and his wife crippled for life, then I think there is none in their allowing a widow only $1,500 because her husband was killed and her earning power gone. I can not see it, and I shall not vote that way.

Mr. TINCHER. Mr. Speaker, will the gentleman yield?

Mr. BEGG. Yes.

Mr. TINCHER. As I understand it, the gentleman makes an investigation of these things?

Mr. BEGG. As best I can.

Mr. TINCHER. And the attitude he takes on this matter is based purely on his investigation?

Mr. BEGG. Purely on equity.

Mr. TINCHER. The gentleman does not know anything about the parties?

Mr. BEGG. I never heard of the woman.

Mr. TINCHER. I think it commendable if the gentleman thinks the amount ought to be raised.

Mr. BEGG. I never heard of this woman, and it is just a matter of equity to me. If a man's wife wounded is worth $7,000, then a husband dead ought to be worth more than $1,560.

Mr. EDMONDS. I would like to rise in favor of the committee amendment. I have to oppose, not that I like to do it, the proposition of the gentleman from Ohio. In 1908 the Congress of the United States passed a bill giving one year's compensation to any employee of the Government who was killed while in the performance of his proper duties. From 1908 until the passage of the employees' compensation act your committee has paid one year's pay under the law passed by you to those people. There have been thousands of cases where we have settled with those people on the basis of one year's pay. This accident came in 1915, one year before the employees' compensation act was passed. We paid a number of people in 1912, 1913, 1914, all along through different years one year's compensation under the law passed by you, the only law we had to act under; yet you turn around and say, "Let us drop that law," and pay any sum of money contrary to the law what you have passed and which you yourself ordered paid.

Mr. CRAMTON. Will the gentleman yield for a question?

Mr. EDMONDS. I will.

Mr. CRAMTON. Do I understand that the law or that the committee in its regulations applies one rule in case of death

of a person in Government employment and another rule in case of a person killed who is outside of Government employment?

Mr. EDMONDS. The case the gentleman from Ohio speaks of——

Mr. CRAMTON. I am not referring to any particular case; I am asking whether the rule is different?

Mr. EDMONDS. This is not the case of a man employed by the Government. This is the case, I think, the gentleman is talking about——

Mr. CRAMTON. Yes; but he was injured before——

Mr. EDMONDS. The passage of the compensation act.

Mr. CRAMTON. Now, the reason for my question is this: I agree with the gentleman from Ohio that the various bills reported from the committee do not seem to be consistent. There is this bill, in which a fellow was killed who was an employee of the Bureau of Indian Affairs, and his widow gets the sum of $1,560. In another case the man was a roadmaster, at $140 a month, was not an employee of the Government, but he was killed by an act of a Government employee, and the committee recommended $5,000 in his case.

Mr. EDMONDS. Is that a recent case?

Mr. CRAMTON. It is No. 151 on this calendar.

Mr. EDMONDS. When we treat people outside the limit of damages for which they draw pay is $5,000.

Mr. CRAMTON. That is just what I asked the gentleman, whether in treating people outside you have a different rule?

Mr. EDMONDS. We have a different rule for those outside.

Mr. CRAMTON. I want to make this observation: I do not know of any reason why the Government should treat more liberally a person not in the employ of the Government who is killed by reason of the action of some person in the service than one in the service.

Mr. EDMONDS. The reason is very plain. You pass a law, an act of Congress, which says a man shall receive one year's pay. That is the reason, not because we do not want to pay any more, but because the law says we shall pay that.

Mr. CHINDBLOM. The only reason this bill is here is this was merely a temporary employee of the Government. If he had been a regular employee, it would have been different, and in addition it has been held that the Indian Service does not come under the act. Is not that it?

Mr. EDMONDS. I am not sure, but I want the gentleman to understand distinctly that when we act there is a law on the statute books and we are trying to follow the law, and if you do not like the law, change it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MORROW. Mr. Chairman, I offer to amend the committee amendment by inserting $5,000, and I desire to be heard on that.

Mr. JOHNSON of Washington. If the gentleman presses that, I shall be compelled to make a point of no quorum.

Mr. UNDERHILL. That is not necessary for the reason——

The SPEAKER pro tempore. For what purpose does the gentleman from New Mexico rise?

Mr. MORROW. I rise to be heard on this claim. I represent this claim, and introduced a similar bill in the House. This is a Senate bill, and I would like to explain this bill if I may be permitted.

Mr. UNDERHILL. I want to be heard in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from New Mexico is asking recognition, and under the rule he can proceed for five minutes.

Mr. BLANTON. His amendment should be reported at the desk.

The SPEAKER pro tempore. If he has an amendment.

Mr. BLANTON. He has offered an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

Mr. MORROW. Mr. Speaker and gentlemen, this is perhaps one of the most worthy bills ever presented to you. It is a worthy claim. Now, it is stated here this man was only a temporary employee. That may be true to a certain extent, but he was in the Indian Service. He was a plumber employed to do certain work upon a Government tank. He had done certain work upon this Government tank in January, 1915. Going back the next day to complete his work, having ascended the tank and taking out a wrench to do something to the tank, the tank collapsed and he lost his life. His widow is a tubercular patient at this time, and was at that time. This bill has passed the Senate four times, and is now reported by this Committee on Claims. It has never been reported by this Committee on Claims until now.

It is true that there was a law in 1908 which provided in certain occupations for claims by employees of the Government. It strictly states what occupations are included. The Indian Department is not mentioned in that law of May 30, 1908. This widow is without means.

I want to say to you that the grand jury sitting indicted the engineers who constructed that tank. They were never convicted, because the question of the jurisdiction of the State courts was raised, it being a Federal matter. The woman had no money to follow up the suit. The suit was dismissed. In 1915 this injury occurred. This woman has been from that time to this time without any compensation for the loss of her husband.

I have evidence here which I do not think was ever presented to the committee, because this Claims Committee is one of the most impossible committees to get before I ever met. It is almost impossible to present your case to it. I am not criticising the committee. One member, the gentleman from Tennessee [Mr. MCREYNOLDS], did permit me to present certain evidence. But I want to present this to you, that the construction of the tank was defective. The timber that went into the tank was defective. As soon as it was filled with water and this man went up there to complete his work, it collapsed and he lost his life. The United States Government is a just Government, and each one of you is a portion of the Government.

The husband of this poor woman was her sole support. He was a man about 45 years of age. She is to-day a woman beyond the age of 50, tubercular, a patient now in the hospital at Los Angeles, Calif. I think it is a proper claim and should be allowed, with interest from 1915 up to the present time.

The SPEAKER pro tempore. The time of the gentleman from New Mexico has expired.

Mr. UNDERHILL. Mr. Speaker, I rise in opposition.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for five minutes.

Mr. UNDERHILL. Mr. Speaker, we might as well have it out on this bill as upon others that may follow. This committee may be a hard-boiled committee and it may be hard to get before; but it is as hard-worked a committee as there is in Congress. We can report out only so many bills. Our capacity is limited.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield there?

Mr. UNDERHILL. Yes.

Mr HUDSPETH. The gentleman spoke about this being a hard committee to get before. It is a great deal easier to get before this committee than it is to get the committee to report a bill out.

Mr. UNDERHILL. The committee tried at this session and at the last session to get something scientific on which it could base its findings, and I think it has succeeded thus far, partially at least.

This particular bill, as the chairman has explained, deals with a case where the death occurred in 1915, one year before the workmen's compensation act was passed. But there was a workmen's compensation act passed by Congress in 1908 which covered certain employees of the Government engaged in certain lines of business. If they were killed their widows or heirs could draw one year's salary, or one year's pay, or an amount equivalent to one year's pay. Thousands of cases have been settled upon that basis. If you are going to open this case and deviate one particle from the policy laid down by this committee and established in Congress by law, you are going to open up thousands of cases, including practically all of the Panama Canal cases.

Furthermore, just referring for a moment to this one case, this man was not a regular employee. He had worked only eight days and the job was about completed when this accident happened.

Mr. CRAMTON. If he had not been an employee at all and was a stranger, he would have gotten $5,000.

Mr. UNDERHILL. No. The gentleman is absolutely unfair in that. As a rule, the gentleman is pretty fair. I will withdraw those words, and say the gentleman is mistaken. The proposition is that had this man been a stranger and had been hurt last year or any year subsequent, we will say, to 1916, the committee would have considered the case and given him what the committee thought was right under the table of rates prepared by the Compensation Commission and in force to-day.

Mr. CRAMTON. But in this case the roadmaster on a railroad gets $140 a month, but for his death the committee has recommended $5,000. That does not come in under your table of rates.

Mr. UNDERHILL. It certainly does come under our table of rates. I can not yield further.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. UNDERHILL. No. If the gentleman will get me more time, I will yield.

But here is the proposition: The workmen's compensation law differs in various States, but practically every State allows $5,000 for a death, and the United States Government allows that. Consequently, when a citizen of the country, without fault of his own, is killed by some employee of the Government, this committee has deemed it wise to set that price on a life, of $5,000. I do not believe the committee has deviated $1 from that standard, except in cases where a claim is brought in for a smaller sum, and the committee did not feel justified in raising the sum; that is, in the case of a wage earner.

The committee has tried to get, and I believe has got, a scientific plan for settling these claims. I do not blame the Members of the House for questioning the committee at times; but I can see where it is going to result in a good deal of confusion, at least, and immense injustice if Members of the House who are unfamiliar with the situation, unfamiliar with the law, unfamiliar with the proceedings in the committee, are going to come here and try to raise the amount recommended by the committee.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. CHINDBLOM. Mr. Speaker, I rise in opposition to the pro forma amendment. In 1916 Congress passed the compensation act now in force. Prior to 1916, under the act passed in 1908, one year's pay was paid to an employee of the Government who had been killed in the service. Since 1916 such compensation has been paid upon a different basis, as has been explained by the gentleman from Massachusetts [Mr. UNDERHILL]. This death occurred before 1916. If this case were pending in a court of justice, the rule applicable at the time of death would apply. The rule applicable at the time of death in this House in 1915 was the law of 1908, giving one year's compensation. I do not see how this House can avoid being consistent and giving the same compensation in this case as it has given in the thousands of cases which occurred prior to 1916.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The question was taken and the Chair announced that the ayes seemed to have it.

Mr. JOHNSON of Washington. Mr. Speaker, I object to the vote and make the point of order that there is no quorum present. I understand this is a committee amendment and I withdraw my point of no quorum.

Mr. BEGG. Mr. Speaker, I ask for a division.

The question was taken; and on a division (demanded by Mr. BEGG) there were—ayes 22, noes 21.

So the amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF WILLIAM J. M'GEE

The next business on the Private Calendar was the bill (H. R. 2005) for the relief of William J. McGee.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SEARS of Florida. Mr. Speaker, reserving the right to object, I notice that this bill was introduced on April 12, or was it reported on April 12?

Mr. EDMONDS. It was reported on April 12.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. I was on my feet, and was trying to ascertain what bill this is. We can not hear what the Clerk reads.

The SPEAKER pro tempore. The bill under consideration is H. R. 2005. Is there objection to its consideration?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the committee amendment in lieu of the original bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury and the Comptroller General of the United States be, and they are hereby, authorized and directed to credit in the accounts of the Treasurer of the United States the sum of $514.95, now carried in the accounts of the office of the Assistant Treasurer of the United States at San Francisco, Calif., and representing a balance due the United States from William J. McGee, former Assistant Treasurer of the United States, when the subtreasury at San Francisco was discontinued December 20, 1920, due to a loss in current and uncurrent silver dollars amounting to $454.95, and a further loss of $60, due to the payment of a disbursing officer's check on a forged indorsement, these losses having occurred through no fault or negligence on the part of the said Assistant Treasurer; and for this purpose the sum of $514.95 is hereby appropriated out of any money in the Treasury not otherwise appropriated.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF CLARA T. BLACK

The next business on the Private Calendar was the bill (H. R. 1326) for the relief of Clara T. Black.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment in lieu of the original bill.

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Clara T. Black, formerly acting postmaster at Taylorsville, Ky., in the sum of $10,578.28, due the United States on account of postal stamps, war-savings certificate stamps, United States Government thrift stamps, and war-tax revenue stamps which were lost as the result of bank burglary on January 13, 1920.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELIEF OF ROBERT J. KIRK

The next businesss on the Private Calendar was the bill (H. R. 3009) for the relief of Robert J. Kirk.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Robert J. Kirk, of Florence, S. C., the sum of $332.50 for service as United States commissioner for the eastern district of South Carolina for the period beginning July 1, 1919, to November 15, 1919.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

RELEIF OF GESTON P. HUNT

The next business on the Private Calendar was the bill (H. R. 7052) for the relief of Geston P. Hunt.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I reserve the right to object in order to ask a question. I want to know whether it is not a fact that there was a former adverse report by the Post Office Department on this bill?

Mr. EDMONDS. Not that I know of.

Mr. BLANTON. Was not the first report on this bill unfavorable?

Mr. ELLIOTT. There are no unfavorable reports on it that I ever heard of.

Mr. BLANTON. I mean back in 1922.

Mr. ELLIOTT. I think not.

Mr. BLANTON. If that is the case, I shall not object; but my impression was the department held that the regulations had not been complied with in regard to this burglary.

Mr. BEGG. If the gentleman will yield, I think the gentleman has in mind another bill.

Mr. BLANTON. If that is the case, I shall not object.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Geston P. Hunt, formerly postmaster at Rushville, Ind., in the sum of $10,026.64, due to the United States on account of postage stamps and war-tax revenue stamps which were lost as the result of burglary on March 9, 1921.

Mr. BLANTON. Mr. Speaker, I move to strike out the last word. Within the last five minutes, Mr. Speaker, this will be the second bill we will have passed crediting postmasters with $10,000 losses in burglaries.

Mr. UNDERHILL. Over $10,000.

Mr. BLANTON. Over $10,000 in each case.

Mr. UNDERHILL. Yes.

Mr. BLANTON. If you gentlemen will examine the records, you will find that there is not a single special-bill day but what we have numerous similar bills. They are having too many losses over the United States in postal funds.

Mr. UNDERHILL. Will the gentleman yield right there?

Mr. BLANTON. I yield.

Mr. UNDERHILL. The Post Office Department can settle up to $10,000 in case of burglary.

Mr. BLANTON. I know; but you will find lots of them under $5,000 that the Post Office could not have settled and which the Post Office Department has not settled because the regulations have not been complied with.

Mr. UNDERHILL. You do not find many of those.

Mr. BLANTON. I only want to take up one minute of time to say that our postmasters are getting entirely too careless over the United States with Government funds. They ought to protect them, just like they protect their own property, and then we would not have so many of these losses.

Mr. KING. What has the gentleman to suggest—any difference in the method of appointment?

Mr. BLANTON. The Post Office Department ought to call their attention to it and have stricter regulations and rules.

The SPEAKER pro tempore. Without objection, the pro forma amendment will be withdrawn, and the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

FREDERIC K. LONG

The next business on the Private Calendar was the bill (H. R. 8259) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The Clerk read the title of the bill.

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill which passed the Senate last night and is now at the desk.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to substitute a similar Senate bill. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object to the whole proceeding, is the Senate bill identical in terms?

Mr. WAINWRIGHT. Identical. I will be very glad to explain the bill.

Mr. CRAMTON. I understand the bill perfectly, and I was going to suggest that it seems to me the bill would be just as well if it did not put in any directions from Congress as to what sort of evidence should be considered. It is simply a case where the department was considering the matter and promised to hear the gentleman from New York——

Mr. WAINWRIGHT. It is simply to overcome the breach of a promise made to me personally.

Mr. CRAMTON. And having failed to keep faith, the gentleman wants a rehearing. Why would it not be enough if we ordered a rehearing without telling them what kind of evidence they should consider?

Mr. WAINWRIGHT. I do not quite understand the gentleman.

Mr. CRAMTON. I suggest striking out in lines 8 to 10 the following:

In connection with the record of service of said Frederic K. Long, including his service during the World War—

and just send it back with authority to reconsider, and they will consider such evidence as they want to. I do not think we ought to direct them as to the kind of evidence they should consider.

Mr. WAINWRIGHT. I will accept the amendment, but I say frankly to my friend from Michigan that I do not want to delay it.

The SPEAKER pro tempore. Is there objection to the substitution of the Senate bill? [After a pause.] The Chair hears none, and the Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to reconsider the record of trial of Frederic K. Long, who on March 19, 1924, while a captain of Infantry in the Regular Army, was dismissed the service of the United States pursuant to a sentence adjudged by general court-martial; and if, upon reconsideration of said record of trial in connection with the record of service of said Frederic K. Long, including his service during the World War, the President shall determine that the ends of justice and discipline, and the public interest, would be served better by loss of a certain number of files in military rank and in position on the promotion list than by permanent separation from the military service, the President is hereby authorized, by and with the advice and consent of the Senate, to reappoint said Frederic K. Long a captain of Infantry in the Regular Army, to fill the next or any subsequent vacancy in the grade of captain, with such date of rank not earlier than his former date of rank and such place upon the promotion list not above his former place upon that list as to the President may seem just and advisable.

Mr. CRAMTON. Mr. Speaker, I move to amend on page 1, by striking out, in lines 8 to 10, the words "in connection with the record of service of said Frederick K. Long, including his service during the World War."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 8, of the Senate bill, strike out the words "in connection with the record of service of said Frederick K. Long, including his service during the World War."

Mr. HOWARD of Nebraska. Mr. Speaker, I would like to have some information as to what that is for.

Mr. CRAMTON. Mr. Speaker, the amendment is to avoid giving direction to the Secretary of War as to what evidence he shall consider. It simply gives him authority to consider the case, and he will consider such evidence as he thinks advisable.

Mr. HOWARD of Nebraska. I suggest that if we had been giving orders to the Cabinet officers heretofore it would have been better. [Laughter.] However, let it go.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection, the House bill will lie on the table.

There was no objection.

FRED E. JONES DREDGING CO.

The next business on the Private Calendar was the bill (H. R. 1078) for the relief of the Fred E. Jones Dredging Co.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the bill?

There was no objection.

The SPEAKER pro tempore. Without objection the substitute amendment will be read.

There was no objection.

The Clerk read the substitute amendment to the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $13,457.64, in full settlement against the Government, to the Fred E. Jones Dredging Co., of Norfolk, Va., for damages arising from the sinking of its dredge No. 8 by the United States Army transport *Northern Pacific*, in the Elizabeth River, Norfolk, Va., on the 25th day of September, 1919.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

REUBEN R. HUNTER

The next business on the Private Calendar was the bill (S. 353) for the relief of Reuben R. Hunter.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. CRAMTON and Mr. UNDERHILL objected.

HEIRS OF AGNES INGELS

The next business on the Private Calendar was the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Agnes Ingels, deceased, late of Lexington, Ky., the sum of $5,000 for injuries occasioned to the said Agnes Ingels while a visitor at Hot Springs, Ark., by the negligent operation of United States Government motor truck No. 25967, while said truck was in the care and custody of and being driven by an enlisted man of the United States Army under the orders of his superior officer, and while the use of such truck was dangerous because of its defective condition, such condition being known to the officer responsible for the maintenance of said truck in operation, the injuries occasioned as aforesaid resulting in the death of said Agnes Ingels.

The following committee amendments were read:

In line 7, page 1, strike out the figures "$5,000" and insert in lieu thereof "$1,000" and the following words, "in full settlement against the Government."

In line 13, page 1, strike out the last six words, and on page 2 strike out lines 1, 2, 3, 4, and 5.

The committee amendments were agreed to.

The Senate bill as amended was ordered to be read the third time, was read the third time, and passed.

EMIL L. FLATEN

The next business on the Private Calendar was the bill H. R. 2806, for the relief of Emil L. Flaten.

The Clerk read the title to the bill.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I hate to object to the bill of the gentleman from Minnesota [Mr. WEFALD], but this carries an appropriation of $16,000. I think there ought to be some explanation of it.

Mr. EDMONDS. I would like to call the attention of the gentleman from Texas to the report.

Mr. BLANTON. I want to hear from the gentleman who introduced the bill.

Mr. WEFALD. Mr. Speaker, I can see no other reason for my getting up and explaining this bill, except that it is the first bill I have introduced which comes up for action.

Mr. BLANTON. If that is the case, Mr. Speaker, I withdraw the objection. [Laughter.]

The Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Emil L. Flaten, postmaster at Moorhead, Minn., in the sum of $16,391.99, due to the United States on account of postage stamps, key-deposit funds, war savings and thrift stamp funds, and war-tax revenue stamp funds which were lost as the result of burglary on October 11, 1920.

The following committee amendment was read:

In line 9 strike out the figure "11" and insert "27."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

TITLE TO CERTAIN LANDS IN HAWAII

The next business on the Private Calendar was the bill (H. R. 6303) to authorize the governor and commissioner of public lands of the Territory of Hawaii to issue patents to certain persons who purchased government lots in the district of Waiakea, island of Hawaii, in accordance with act 33, session laws of 1915, Legislature of Hawaii.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, this bill is too important to act upon without any report from the department, and I object.

The SPEAKER pro tempore. Objection is heard.

J. B. PORTER

The next business on the Private Calendar was the bill (H. R. 3477) for the relief of J. B. Porter.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will read the amended bill.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $152.73, in full settlement against the Government, to James B. Porter, of Kansas City, Mo., for damage to his property by a United States mail truck."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill for the relief of James B. Porter."

CHARLES SWANSON

The next business on the Private Calendar was the bill (H. R. 1442) authorizing the issuance of a patent to Charles Swanson.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to Charles Swanson, of Gig Harbor, Wash., patent to lots 3 and 4, section 5, township 20 north, range 2 east, Willamette meridian, the same comprising 9.57 acres, and being part of Gig Harbor abandoned military reservation, No. 23 and 24, in the State of Washington, upon presentation by the said Charles Swanson of proof that he has resided upon the land for a period of eight years, and upon payment by him of a sum of money equal to the appraised value thereof as fixed under authority of the act entitled "An act providing for the sale of certain lands in the State of Washington, and for other purposes," approved July 3, 1916 (39 Stat. L. p. 342), but not less than $10 per acre.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

H. E. KUCA AND V. J. KOUPAL

The next business on the Private Calendar was the bill (H. R. 2977) for the relief of H. E. Kuca and V. J. Koupal.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any moneys in the Treasury not otherwise appropriated, the sum of $2,960 to H. E. Kuca and V. J. Koupal, in settlement of their claim against the Government for land on the Yankton Indian Reservation, S. Dak., purchased by them through the Secretary of the Interior, title to which land now being declared by judicial decree to be in a previous purchaser: *Provided*, That the Secretary of the Interior shall reimburse the Government, in whole or in part, out of any Indian trust property now or hereafter owned by Amos Henry and Mary Sky Necklace, the grantors, or either of them, the amount appropriated by this act, being the sum received by the said Amos Henry and Mary Sky Necklace, paid by said H. E. Kuca and V. J. Koupal as consideration for the land.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

ADJOURNMENT

Mr. BLANTON. Mr. Speaker, it is now 11 o'clock p. m., and the time has arrived for adjournment.

Mr. EDMONDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock p. m.) the House adjourned until to-morrow, Saturday, May 17, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

481. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Labor for the fiscal year ending June 30, 1925, to carry into effect the provisions of an act relative to the promotion of the welfare and hygiene of maternity and infancy in Hawaii, $12,079.96 (H. Doc. No. 283); to the Committee on Appropriations and ordered to be printed.

482. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Board for Vocational Education for the fiscal year ending June 30, 1925, to carry out provisions of an act providing for cooperative vocational education in agriculture, trades, and industries in Hawaii (H. Doc. No. 284); to the Committee on Appropriations and ordered to be printed.

483. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1923 and prior years, $79,218.47, and supplemental estimates of appropriations for the fiscal year ending June 30, 1924, $144,225, for the Department of Justice, amounting in all to the sum of $223,443.47 (H. Doc. No. 285); to the Committee on Appropriations and ordered to be printed.

484. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the War Department amounting to $35,000, to remain available until June 30, 1925, for the compensation of owners for land taken and for damages suffered incident to the construction and maintenance of the new Dixie Highway and the electric transmission line in the vicinity of Camp Knox, Ky. (H. Doc. No. 286); to the Committee on Appropriations and ordered to be printed.

485. A communication from the President of the United States, transmitting a draft of proposed legislation to make the appropriation for the fiscal year ending June 30, 1924, for the expenses of the American Battle Monument Commission available for the maintenance of War Department automobiles used by the commission abroad (H. Doc. No. 287); to the Committee on Appropriations and ordered to be printed.

486. A letter from the Acting Secretary of Commerce, transmitting report on the disposition of useless papers authorized under House Report No. 306, Sixty-eighth Congress, showing 42,658 pounds had been sold and the revenue derived therefrom was $439.79; to the Committee on Disposition of Useless Executive Papers.

487. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Shipyard River, S. C. (H. Doc. No. 288); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

488. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Black Rock Channel and Tonawanda Harbor, N. Y. (H. Doc. No. 289); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

489. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1924, to remain available until June 30, 1925, for scrapping of naval vessels, $3,000,000 (H. Doc. No. 290); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WAINWRIGHT: Committee on Military Affairs. S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Shore Line; without amendment (Rept. No. 767). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 8090. A bill authorizing the Secretary of the Treasury to remove the quarantine station now situated at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; with amendments (Rept. No. 768). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 9177. A bill granting the consent of Congress to the counties of Kittitas and Grant, in the State of Washington, to construct a bridge across the Columbia River at or near Vantage Ferry, Wash.; with amendments (Rept. No. 769). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 315. A resolution providing for the consideration of H. R. 7996, a bill to regulate wages of employees of the Government Printing Office; without amendment (Rept. No. 773). Referred to the House Calendar.

Mr. REECE: Committee on Military Affairs. H. R. 5417. A bill authorizing and directing the Secretary of War to investigate the feasibility and to ascertain and report the cost of establishing a national military park in and about Kansas City, Mo., commemorative of the Battle of Westport, October 23, 1864; without amendment (Rept. No. 774). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 1023. A bill for the relief of John A. Douglas; with an amendment (Rept. No. 770). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. H. R. 1569. A bill for the relief of Andrew A. Gieriet; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. WILLIAMS of Michigan: Committee on War Claims. H. R. 4610. A bill for the relief of the estate of Filer McCloud; without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAWES: A bill (H. R. 9266) extending the time for awarding medals of honor, distinguished-service crosses, and distinguished-service medals, and for other purposes; to the Committee on Military Affairs.

By Mr. McKENZIE: A bill (H. R. 9267) for the relief of sufferers from earthquake in Japan; to the Committee on Military Affairs.

By Mr. WAINWRIGHT: A bill (H. R. 9268) to authorize appropriate commissions to enlisted men recommended for appointment to a commissioned grade and who shall have been unable to accept by reason of death in line of duty; to the Committee on Military Affairs.

By Mr. DAVIS of Minnesota: A bill (H. R. 9269) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of St. Paul Foundry Co., St. Paul, Minn.; of American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 9270) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, and to certain Spanish War soldiers and widows, and certain maimed soldiers, and for other purposes; to the Committee on Invalid Pensions.

By Mr. SIMMONS: A bill (H. R. 9271) to amend subsections (1), (2), and (3) of section 302 of the war risk insurance act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. MOORE of Virginia: A bill (H. R. 9272) to repeal a part of section 12, chapter 353, Thirty-first United States Statutes at Large, as heretofore amended; to the Committee on the District of Columbia.

By Mr. BUTLER: Resolution (H. Res. 314) for the immediate consideration of H. R. 2688, a bill providing for sundry matters affecting the naval service, and for other purposes; to the Committee on Rules.

By Mr. O'CONNOR of New York: Memorial of the Legislature of the State of New York urging Congress to make appropriations to carry out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 9273) granting a pension to Emma Alexander; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 9274) granting a pension to Henry F. C. Toedt; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 9275) granting a pension to Walter P. Meade; to the Committee on Pensions.

Also, a bill (H. R. 9276) to award a medal of honor to John Leventis; to the Committee on Military Affairs.

Also, a bill (H. R. 9277) granting a pension to Benjamin Garland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9278) for the relief of Thomas W. Doherty; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9279) granting an increase of pension to Frances C. Evans; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 9280) granting a pension to John Cash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9281) granting an increase of pension to Julia A. McCabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9282) granting a pension to Minnie Wolfe; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 9283) granting a pension to Bridget Mathews; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 9284) granting an increase of pension to Delia A. Castle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9285) granting a pension to Ellen W. Gregory; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 9286) for the relief of E. L. F. Auffurth and others; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 9287) granting an increase of pension to James Lane; to the Committee on Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 9288) granting a pension to Roena J. Vance; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 9289) for the relief of Tom Hunter; to the Committee on Claims.

By Mr. TREADWAY: A bill (H. R. 9290) granting an increase of pension to Alice Fern; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Illinois: A bill (H. R. 9291) granting a pension to Emily Ray; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2774. By the SPEAKER (by request): Petition of Arizona Baptist Convention, favoring the construction of the San Carlos dam project for the benefit of the Pima Indians; to the Committee on Indian Affairs.

2775. By Mr. CORNING: Petition of New York State Legislature, requesting Congress make liberal appropriations for the carrying out of the spirit of the national defense act; to the Committee on Appropriations.

2776. By Mr. BURTNESS: Petition of Trondenes Ladies' Aid Society, of Sharon, N. Dak.; Woman's Christian Temperance Union, of Northwood, N. Dak.; Young People's Branch of Woman's Christian Temperance Union, Fargo, N. Dak.; Lutheran Church, Humber, N. Dak.; members of Literary Club, Fairmount, N. Dak.; Women's Home Missionary Society, Cando, N. Dak.; Woman's Christian Temperance Union, Hope, N. Dak.; the Women's Club, Hope, N. Dak.; Woman's Christian Temperance Union, Cando, N. Dak.; and Woman's Christian Temperance Union, Amidon, N. Dak., protesting against the modification of the eighteenth amendment and the Volstead act; to the Committee on the Judiciary.

2777. By Mr. GALLIVAN: Petition of Pettingell-Andrews Co., Boston, protesting against House bill 4528; to the Committee on Patents.

2778. Also, petition of Frederick H. Nash, Boston, Mass., recommending early and favorable consideration of Senate bill 2685, which proposes to amend the law authorizing insurance companies to interplead in the Federal courts; to the Committee on the Judiciary.

2779. By Mr. GARBER: Petition of Cherryvale Grange, No. 221, protesting against proposed increases in parcel post rates; to the Committee on the Post Office and Post Roads.

2780. By Mr. KAHN: Petition of United Veterans' Council of San Francisco, Calif., urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2781. Also, petition of Corporal Harold W. Roberts Post, No. 468, Veterans of Foreign Wars of the United States, urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2782. Also, petition of Frederick Funston Camp, No. 61, Department of California, United Spanish War Veterans, urging prosecution of naturalization frauds; to the Committee on the Judiciary.

2783. By Mr. KIESS: Petition of Association of Shop Employees, Eastern Region, Pennsylvania Railroad system, containing approximately 1,000 names, protesting against the passage of House bill 7358, known as the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2784. By Mr. KINDRED: Petition of William Eisermann, New York City, N. Y., favoring the game refuge bill; to the Committee on Agriculture.

2785. Also, petition of Hon. John F. Hylan, mayor of the city of New York, opposing House bill 7014; to the Committee on Military Affairs.

2786. By Mr. MORROW: Petition of Dona Ana County Farm Bureau, Las Cruces, N. Mex., favoring the Purnell bill (H. R. 2243, Sixty-seventh Congress); to the Committee on Agriculture.

2787. By Mr. RAKER: Five letters from residents of Tacoma, Wash., relative to changing the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2788. Also, petition of Miss Louise E. Schutz, secretary Association of Governmental Labor Officials of the United States and Canada, submitting resolution urging constitutional amendments on child labor; to the Committee on the Judiciary.

2789. Also, petition of William E. Colby, secretary Sierra Club, 402 Mills Building, San Francisco, opposing any change in the name of Mount Tacoma; to the Committee on the Public Lands.

2790. Also, petitions of Coast Banker Publishing Co., San Francisco, Calif., protesting against additional increase in second class matter, and Messrs. Cooper, Tambs, and Jesperson, railway mail clerks in Tuolumne and Stockton, Calif., railway post office, urging support of H. R. 9035; to the Committee on the Post Office and Post Roads.

2791. Also, petition of Rev. William F. McDowell, 2107 Wyoming Avenue, Washington, D. C., indorsing Capper-Hull bill providing for adequate number of chaplains for the Army and Navy; to the Committee on Military Affairs.

2792. Also, petitions of Retailers' Credit Association of San Francisco, Calif.; E. P. Oliver, 100 Montgomery Street, San Francisco, Calif.; and James S. Wyatt, 315 Montgomery Street, San Francisco, Calif., in favor of San Carlos Dam bill (S. 966); to the Committee on Indian Affairs.

2793. By Mr. SITES: Petition of 206 employees of the Pennsylvania Railroad system, who are citizens of the nineteenth Pennsylvania congressional district, protesting against the passage of the Barkley bill (H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2794. Also, petition of employees of the Pennsylvania Railroad system who are citizens of the nineteenth congressional district of Pennsylvania, protesting against the passage of the Howell-Barkley bill (S. 2646, H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2795. Also, petition of employees of the Pennsylvania Railroad system who are citizens of the nineteenth Pennsylvania congressional district, protesting against the passage of the Howell-Barkley bill (S. 2646, H. R. 7358) and setting forth the reasons for such protest; to the Committee on Interstate and Foreign Commerce.

2796. Also, petition of Pride Lodge, No. 60, Ladies Society of the Brotherhood of Locomotive Firemen and Enginemen, Harrisburg, Pa., indorsing the Howell-Barkley bill (S. 2646, H. R. 7358) and praying for its early enactment into law; to the Committee on Interstate and Foreign Commerce.

2797. By Mr. WINTER: Petition of citizens of Green River, Wyo., expressing sentiments on war excise taxes; to the Committee on Ways and Means.

SENATE

SATURDAY, *May 17, 1924*

(Legislative day of Wednesday, May 14, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills of the Senate:

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan and others;

S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 365. An act for the relief of Ellen B. Walker; and

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 946. An act for the relief of the family of Lieut. Henry N. Fallon, retired; and

S. 1765. An act for the relief of the heirs of Agnes Ingels, deceased.

The message also announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 1078. An act for the relief of the Fred E. Jones Dredging Co.;

H. R. 1306. An act for the relief of Henry McGuire;

H. R. 1326. An act for the relief of Clara T. Black;

H. R. 1332. An act for the relief of Dennis Shevlin;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 2005. An act for the relief of William J. McGee;

H. R. 2313. An act authorizing the issuance of a patent to William Brown;

H. R. 2806. An act for the relief of Emil L. Flaten;

H. R. 2977. An act for the relief of H. E. Kuca and V. J. Koupal;

H. R. 3009. An act for the relief of Robert J. Kirk;

H. R. 3030. An act to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 3748. An act for the relief of Lebanon National Bank;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity;

H. R. 5448. An act for the relief of Clifford W. Seibel and Frank A. Vestal;

H. R. 6383. An act for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co. of Baltimore, Md., and the National Surety Co.;

H. R. 6737. An act for the relief of James A. Hughes;

H. R. 6972. An act for the relief of William H. Nelson;

H. R. 7052. An act for the relief of Geston P. Hunt;

H. R. 7249. An act for the relief of Forrest J. Kramer;

H. R. 8100. An act for the relief of the estate of Charles L. Freer, deceased; and

H. R. 8209. An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McLean	Simmons
Ashurst	Fletcher	McNary	Smith
Bayard	Frazier	Moses	Smoot
Borah	George	Neely	Spencer
Brandegee	Gerry	Norbeck	Stanfield
Brookhart	Gooding	Norris	Stephens
Broussard	Hale	Oddie	Sterling
Bursum	Harris	Overman	Swanson
Cameron	Harrison	Owen	Trammell
Capper	Heflin	Pepper	Wadsworth
Caraway	Johnson, Minn.	Phipps	Walsh, Mass.
Colt	Jones, N. Mex.	Pittman	Walsh, Mont.
Copeland	Jones, Wash.	Ralston	Warren
Cummins	Kendrick	Ransdell	Watson
Curtis	Keyes	Reed, Pa.	Weller
Dale	King	Robinson	Wheeler
Dill	Ladd	Sheppard	Willis
Edwards	Lodge	Shields	
Fernald	McKellar	Shipstead	
Ferris	McKinley	Shortridge	

Mr. SMITH. I wish to announce that my colleague, the junior Senator from South Carolina [Mr. DIAL], is absent on account of illness.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

Mr. PITTMAN obtained the floor.

Mr. WILLIS and others addressed the Chair.

Mr. PITTMAN. I desire to state that I anticipate several Senators will ask to present some routine matters. I am not going to object to that, and I will yield for that purpose if it does not require any debate or take any time. But we have an understanding that at 1 o'clock to-day the Senator from New York [Mr. WADSWORTH] will make a point of order against the amendment which I have submitted to the pending bill. There may be other points of order made by others after that time. I take it that no one will offer a point of order prior to 1 o'clock, but there is one question upon which a point of order may be presented and may lie, upon which there can be no debate. Rule III expressly provides that the question as to whether an amendment is germane and relevant shall be submitted to the Senate and determined without debate. It therefore is essential that before the point of order is made I shall attempt to explain why I believe such a point of order would not lie. For that reason I desire to have some time between now and 1 o'clock to discuss the particular question, as I will have no opportunity to discuss it afterwards. I hope, if there are any Senators who have not made up their minds on the matter they will give me their attention.

Mr. BORAH. May I ask the Senator from Nevada if there is any unanimous-consent agreement in regard to the matter?

Mr. PITTMAN. No; there is not. Yesterday there was a unanimous-consent agreement merely for the purpose of recessing, but many Senators not being here there was merely an understanding publicly that this procedure would take place.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

Mr. NORRIS. Mr. President, I want simply to make an announcement. Some time ago the Senate Committee on Agriculture and Forestry reported back to the Senate the joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation." It provides for the use of $150,000,000 of the funds in the hands of the Alien Property Custodian to buy farm products and ship them to Germany and Austria. I simply want to give notice that on Monday, or as soon after that time as I can conveniently be heard, or at least at a very early date and Monday if possible, I shall ask the Senate by motion to take up the joint resolution for consideration. I do not think it will take very long, although it will undoubtedly require some explanation. I merely wanted to give this notice to the Senate.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented telegrams in the nature of petitions from Lucy R. Mason, general secretary Young Women's Christian Association, of Richmond, Va.; the board of managers of the Vocational Service for Juniors; Helen Icelin Henderson, president the Women's City Club, of New York; Mary Garrett Hay, president; O. H. Blackman, associate editor Collier's Weekly; the Federal Council of Churches, Worth M. Tippy, Mrs. David Mitchell, Beatrix Budell, Mrs. E. K. Taft, Mary Dreier, Dr. Helen Montague, Mrs. Arthur Slade, Mrs. Augusta S. Page, Grace H. Childs, and Mrs. DeWitt Gutman, all of New York, N. Y., praying for the prompt passage of the joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States relative to child labor, which were referred to the Committee on the Judiciary.

Mr. NORBECK presented petitions of sundry citizens of Rutland, Hayti, Madison, Wentworth, Nunda, Hartford, Colton, Dell Rapids, Humbolt, Brookings, Sioux Falls, Sherman, Garretson, Parker, Chester, Harrisburg, Oldman, Ellis, Valley Springs, and Brandon, all in the State of South Dakota, and of sundry citizens of Jasper, Luverne, Beaver Creek, and Hills, in the State of Minnesota, praying for the enactment of legislation for the maintenance, encouragement, and protection of open competitive livestock markets in the United States, and prohibiting the diversion of livestock from the markets at stockyards posted by the Secretary of Agriculture under the provisions of the packers and stockyards act of 1921, which were referred to the Committee on Agriculture and Forestry.

Mr. NORBECK. I present a telegram from M. R. Benedict, secretary of the Cooperative Wool Growers of South Dakota, of Brookings, S. Dak., indorsing the McNary-Haugen export corporation bill, which I ask may be read and referred to the Committee on Agriculture and Forestry.

There being no objection, the telegram was read and referred to the Committee on Agriculture and Forestry, as follows:

BROOKINGS, S. DAK., *May 10, 1924.*

Senator PETER NORBECK,
Washington, D. C.:

Following indorsement may be helpful. That most of the criticisms voiced against the McNary-Haugen agriculture relief measure are without weight, and that the plan should be given a fair trial is the opinion expressed by President Charles W. Pugsley, of South Dakota State College of Agriculture, formerly Assistant Secretary United States Department of Agriculture and one time delegate United States Government to International Institute of Agriculture at Rome. He expresses belief no serious danger as to currency inflation, disorganization of business, etc., as claimed by opponents of bill.

M. R. BENEDICT,
Secretary Cooperative Wool Growers of South Dakota.

Mr. NORBECK. I also present a telegram from E. U. Berdahl, secretary of the Retail Merchants' Association of South Dakota, of Aberdeen, S. Dak., indorsing the McNary-Haugen export corporation bill, which I ask may be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the telegram was ordered to be printed in the RECORD and referred to the Committee on Agriculture and Forestry, as follows:

ABERDEEN, S. DAK., *May 15, 1924.*

Hon. PETER NORBECK,
United States Senate, Washington, D. C.:

Our association to-day adopted following resolution, which you are urged to pass on to fellow Senators and Members House of Representatives:

Whereas the condition of agriculture at the present time has reached a point where it presents a serious problem not only to the tillers of the soil but to every industry dependent on agriculture for support; and whereas these conditions have prevailed for more than three years and have driven thousands of farmers into bankruptcy, while a great majority of the farmers are merely existing and permitted to operate because of the leniency of their creditors, and whereas we, as retailers and distributers of merchandise in the agriculture communities, come in close touch with farm life and fully realize the deplorable condition in which the farmer has been placed by reason of low prices on agriculture products and the high prices demanded by other industries for commodities the farmer must have, look to Congress for relief in the form of legislation which should be promptly enacted to avert a national calamity, and believing in the practical provisions and economic soundness of the McNary-Haugen bill: Be it therefore

Resolved by the members of the Retail Merchants' Association of South Dakota, in annual convention assembled, That we urge our Representatives in Congress to use all honorable means to secure the passage of the McNary-Haugen bill and that a copy of this resolution be forwarded to the Hon. Calvin Coolidge, President of the United States, and to the Secretary of Agriculture and to members of the Committees of Agriculture of the Senate and House of Representatives.

E. U. BERDAHL,
Secretary Retail Merchants' Association of South Dakota.

REPORTS OF COMMITTEES

Mr. WILLIS, from the Committee on Foreign Relations, to which was referred the bill (S. 2719) to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun*, reported it with an amendment and submitted a report (No. 559) thereon.

Mr. SHIPSTEAD, from the Committee on Foreign Relations, to which was referred the bill (S. 2718) to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel*, as the result of a collision between that steamship and the American steamship *Ausable*, reported it with an amendment and submitted a report (No. 560) thereon.

Mr. MOSES, from the Committee on Foreign Relations, to which was referred the bill (S. 2458) to authorize the payment of an indemnity to the Swedish Government for the losses sustained by its nationals in the sinking of the Swedish fishing boat *Lilly*, reported it with an amendment and submitted a report (No. 561) thereon.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 1725) for the relief of Rubie M. Mosley, reported it with an amendment and submitted a report (No. 562) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BORAH:

A bill (S. 3325) granting an increase of pension to Mary M. Shaeffer; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3326) to provide for the establishment of a dairying and livestock experiment station at Dalhart, Tex.; to the Committee on Agriculture and Forestry.

By Mr. SMITH:

A bill (S. 3327) to provide for the cooperative marketing of agricultural commodities; to the Committee on Agriculture and Forestry.

By Mr. HOWELL:

A joint resolution (S. J. Res. 126) to limit the compensation that may be paid under the Federal farm loan act; to the Committee on Banking and Currency.

DEVELOPMENT OF WATER RESOURCES

Mr. RANSDELL. I introduce a bill, accompanied by a brief explanation, which I ask may be printed in the RECORD as a part of my remarks.

The bill (S. 3328) for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes, was read twice by its title, and referred to the Committee on Commerce.

Mr. RANSDELL. Mr. President, I wish to attach to my remarks without reading a very brief explanation of the bill—

for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes.

This measure authorizes the Federal Power Commission, acting under section 4 of the Federal water power act, to prepare—

a comprehensive plan of development of the water resources of the United States for the purpose of providing electric power for farms, rural communities, cities, and industries, of promoting navigation, of controlling floods, and of securing other beneficial public uses of such resources,—

And so forth.

The commission is authorized to bring into coordination the data and work of all branches and bureaus of the Government that relate in any way to waterways. It shall report to Congress from time to time its conclusions with respect as to how the water resources of the Union may best be regulated, controlled, and utilized for the production of electric power in connection with other sources of power for use in agriculture, transportation, and industry, and how such waters may best be controlled so as to prevent floods and promote navigation, and so forth.

In formulating plans, consideration shall be given to cooperative action between the United States and the several States, municipalities, corporations, and individuals, and so forth.

In order to defray the expenses made necessary under this bill, the commission is authorized to use for any of the purposes described in this act, and in the Federal water power act, all charges collected from licenses under said act, and so forth.

It is believed that the funds derived from these licenses will suffice, and that no demand will be made upon the Federal Treasury hereunder.

The bill is hereto attached and made a part of my remarks.

I also attach hereto as part of my remarks a letter received from Mr. O. C. Merrill, executive secretary of the Federal Power Commission, dated the 16th instant:

FEDERAL POWER COMMISSION,
Washington, D. C., May 16, 1924.

Hon. JOSEPH E. RANSDELL,
United States Senate.

DEAR SENATOR RANSDELL: Answering your request for a brief statement concerning the bill which you are proposing to introduce and which would provide for surveys and investigations of the streams of the United States.

Of all our major national resources we know less about our water-power resources than any other. We have made extensive examinations of our coal, oil, and gas fields, have plotted their location and have estimated the total resources available. We have done similarly with respect to other of our important mineral resources. We have made a fairly careful estimate of our total timber resources, both those upon public lands and those upon private lands, and we can

predict fairly closely the extent to which we can use these resources if we are to maintain a continuous supply. With respect to our water resources, the Geological Survey has maintained for many years a series of gauging stations upon our rivers. The records there taken make it possible to estimate the total water supply available at these stations with much the same degree of accuracy as apply to our estimates of minerals and timber, but an estimate of the amount of water flowing in a stream is but one of the factors required in order to know the extent of the power resources of that stream. To make reasonably satisfactory estimates of power we must know the drop in various sections of the stream where dams can be economically located, and in particular the possibilities of storage. On only a few streams in the United States have studies been carried to the point where reasonably complete information is available on which to draw the general plan of river development, not only for purposes of water power but for such other related uses as navigation, irrigation, public water supply, and flood control.

The United States is now conducting on the upper Tennessee River the type of survey which we must have on other streams if we are to get adequate information for planning future development. This survey will cover an area along the river and its tributaries, will locate possible dam sites and particularly storage possibilities. The area of watersheds involved in these surveys is 31,000 square miles, approximately 1 per cent of the total area of the United States. This survey will have taken approximately four years to complete and at an estimated cost of $535,000.

If surveys of similar scope are to be conducted on other streams of the United States, it is apparent that a considerable period of time and a considerable amount of money are involved. The item most likely to delay carrying out comprehensive surveys on the rivers and river systems of the United States is the question of finance, particularly at a time when endeavors are being made to reduce rather than to increase the scope of Federal expenditure.

Section 4 of the Federal water power act authorizes the commission "to make investigation and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries, and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to market, of power sites." That is, the commission has the authority to conduct adequate investigations on any stream of the United States where the question of water power is involved. The conduct of such surveys is therefore contemplated as one of the items in the administration of the Federal water power act.

Section 10 (e) of the act provides that licensees shall pay to the United States "reasonable annual charges in an amount to be fixed by the commission for the purpose of reimbursing the United States for the costs of the administration of the act." It is apparent, therefore, that the funds so collected may be made available for the purpose of conducting surveys of the character described above.

The Federal water power act provides for the collection of charges for reimbursing costs of administration in order that operation under the act shall be self-supporting and that the cost, but only the cost, of such operations shall be collected. If the charges which would be collected under rates prescribed by the commission are in excess of the costs of administration, the commission would be required under the provisions of the law to reduce its rates until the aggregate of charges collected corresponded to the total of expenditures. That point has now been reached with respect to its ordinary expenses of administration. Hereafter there will be funds available in excess of the requirements of ordinary administration to engage in surveys of water resources; and while the margin at the present time is not large, it is likely to equal $200,000 to $300,000 per annum within five years. Those who are paying charges under the Federal water power act will be willing to continue payment on the present schedule if the funds can be used for river surveys, because the information so secured would be of value to them. It is suggested, therefore, that provision be made, either by amendment to the Federal water power act or by a new bill such as that which you have in mind, to place these charges into a special fund in the Treasury, to be subject to use by the commission, not only for its ordinary purposes of administration but for these special surveys. In my opinion no better means is available for securing the necessary investigations and surveys, and they can be had without drawing in any degree upon the Treasury of the United States if the means which I have suggested be employed.

Very truly yours,

O. C. MERRILL, *Executive Secretary.*

By Mr. RANSDELL: A bill (S. 3328) for the development of water resources for electric power, agriculture, flood control, navigation, and other purposes

Be it enacted, etc., That in pursuance of the authority conferred upon it by section 4 of the Federal water power act the Federal Power Commission is hereby authorized and empowered to prepare a comprehensive plan of development of the water resources of the United States for the purpose of providing electric power for farms, rural communities, cities, and industries, of promoting navigation, of controlling floods, and of securing other beneficial public uses of such resources. In the preparation of such a plan the commission shall utilize all data available in the records of the various departments, bureaus, and other agencies of the Federal, State, and municipal governments or obtainable from other sources or by examinations or surveys.

SEC. 2. The commission is authorized to bring into coordination so far as practicable the data and work of the engineering, scientific, and construction services, bureaus, boards, and commissions of the several governmental departments of the United States that relate to the study, development, or control of rivers and their tributaries, and of lakes, swamps, and other bodies of water, and to utilize the personnel of said services, bureaus, boards, and commissions with a view to unity of method and economy of service in the investigation, development, and control of rivers and river systems in the United States in the interest of navigation and protection from floods, and with particular reference to the most complete and efficient development and use of the waters thereof for hydroelectric power and to the coordinated operation of hydroelectric and fuel-electric plants in interconnected systems of the widest scope that may be found physically and economically practicable.

SEC. 3. The commission shall report to Congress from time to time its conclusions with respect to rivers, river systems, and all waters referred to in section 2 aforesaid, of the United States for which it shall have presented plans and shall indicate how, in its opinion, the water resources may best be regulated, controlled, and utilized for the production of electric power in connection with other sources of power for use in agriculture, in transportation, and in the diffusion of industry, and how such rivers, river systems, and other waters may best be controlled to avoid floods and promote navigation and other beneficial uses of their waters.

SEC. 4. In formulating plans consideration shall be given to cooperative action between the United States and the several States, municipalities, corporations, and individuals within the jurisdiction, powers, and rights of each, respectively, and with a view of assigning to the United States such portion of such development, regulation, and control as should be undertaken by the United States and to the States and others such portions as pertain to their respective rights, duties, and interests; and in furtherance of such action the commission is authorized to receive and use in the performance of its work funds which may be appropriated or donated by such cooperating States, municipalities, corporations, or individuals.

SEC. 5. That in the performance of the duties imposed upon it by this act or otherwise the commission is authorized to employ in the District of Columbia and elsewhere such expert, technical, clerical, and other personnel as may be necessary for the performance of said duties and to make other expenditures requisite and incident thereto. All such expenditures, including rent in the District of Columbia, payment for personal services in the District of Columbia and elsewhere, reimbursement within the discretion of the commission of other Government departments or agencies for salaries or expenses incurred in the performance of work for the commission, necessary printing and binding, purchase of equipment, supplies, law books, books of reference, periodicals, and directories, all necessary expenditures for transportation and subsistence, including, in the discretion of the commission, a per diem of not exceeding $4 in lieu of subsistence incurred by its employees under its orders, or by employees of other Government departments or agencies engaged upon the work of the commission, in making any investigation or conducting field work, or upon official business outside of the District of Columbia, and away from their designated points of duty, shall be allowed and paid on the presentation of itemized vouchers therefor approved by a member or officer of the commission duly authorized for that purpose.

SEC. 6. In order to defray the expenses made necessary in the performance of the duties placed upon the commission under this act and under the Federal water power act, all charges collected from licenses under said act for the purpose of reimbursing the United States for the costs of adminstration of said act are hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the commission; and the commission is hereby authorized to cause to be transferred on the books of the Treasury from such special fund to "Miscellaneous receipts," or to permanent and indefinite or other departmental appropriations or funds, such amounts as may be required to reimburse salaries or expenses heretofore or hereafter paid or incurred by other Government departments or agencies in the performance of work for the commission.

SEC. 7. Nothing herein contained shall be construed to delay or interfere with the completion of any project or work heretofore or hereafter authorized for the improvement of any of the rivers or harbors of the United States or with legislative action upon reports heretofore or hereafter presented.

TARIFF ON BUTTER

Mr. JOHNSON of Minnesota. I submit a resolution which I ask may be printed and lie on the table until Monday next, when I expect to call it up.

The resolution (S. Res. 226) was ordered to lie on the table, as follows:

Whereas in the general depression from which agriculture has been suffering, particularly in the grain-growing sections of the Nation, some agreeable relief has been experienced from the gradual but marked expansion of the dairy industry; and

Whereas the future of the region hereinabove specifically referred to depends in no small degree upon the growth of that industry to which the soil and climate thereof is peculiarly adapted; and

Whereas with the sanction and approval of the President of the United States, an effort is being made to finance and promote therein the further development of the dairy industry; and

Whereas during the months of January and February, 1924, butter was imported into the United States amounting to 9,500,000 pounds, almost one-half of the total importations for the year 1923, and the highest monthly average ever recorded, resulting in a rapid decline of the price of that commodity on the New York market until it now commands a price little if any above the cost of production: Therefore be it

Resolved, That the United States Tariff Commission be, and it hereby is, requested forthwith to institute an inquiry under the provisions of section 315 of the act approved September 21, 1922, concerning the cost of the production of butter in the United States and in those countries from which our importations thereof come, and to report its findings to the President of the United States with a view to the increase in the duty on imports of butter should such increase be warranted by the facts found.

CLAIM OF THE CITY OF NEW YORK

Mr. COPELAND submitted the following resolution (S. Res. 227), which was referred to the Committee on Claims:

Resolved, That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and audit the claim of the city of New York for expenses incurred by said city in aiding to suppress the insurrection against the United States during the years 1861 to 1865, and in making said audit the provision of the act of Congress of July 27, 1861 (12 Stats. p. 276), as interpreted and applied by the Supreme Court of the United States in the case of the State of New York *v.* The United States, decided January 6, 1896 (160 U. S. Repts. p. 598), shall be applied by the said Comptroller General, and report the amount so ascertained to the Senate for consideration.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 1306. An act for the relief of Henry McGuire; to the Committee on Agriculture and Forestry.

H. R. 8100. An act for the relief of the estate of Charles L. Freer, deceased; to the Committee on Finance.

H. R. 8209. An act to create the inland waterways corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes; ordered to be placed on the calendar.

H. R. 2977. An act for the relief of H. E. Kuca and V. J. Koupal; and

H. R. 7249. An act for the relief of Forrest J. Kramer; to the Committee on Indian Affairs.

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 2313. An act authorizing the issuance of a patent to William Brown; and

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity; to the Committee on Public Lands and Surveys.

H. R. 1332. An act for the relief of Dennis Shevlin;

H. R. 3080. An act to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States;

H. R. 6737. An act for the relief of James A. Hughes; and

H. R. 6972. An act for the relief of William H. Nelson; to the Committee on Military Affairs.

H. R. 1078. An act for the relief of the Fred E. Jones Dredging Co.;

H. R. 1326. An act for the relief of Clara T. Black;

H. R. 2005. An act for the relief of William J. McGee;

H. R. 2806. An act for the relief of Emil L. Flaten;

H. R. 3009. An act for the relief of Robert J. Kirk;

H. R. 3477. An act for the relief of James B. Porter;

H. R. 3748. An act for the relief of Lebanon National Bank;

H. R. 5448. An act for the relief of Clifford W. Seibel and Frank A. Vestal;

H. R. 6383. An act for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co.; and

H. R. 7052. An act for the relief of Geston P. Hunt; to the Committee on Claims.

FREDERIC K. LONG

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army, which was, on page 1, line 8, to strike out all after the word "trial" down to and including the word "War," in line 10.

Mr. WADSWORTH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AGNES INGELS, DECEASED

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased.

Mr. ROBINSON. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. CAPPER, Mr. SPENCER, and Mr. CARAWAY conferees on the part of the Senate.

ELLEN B. WALKER

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 365) for the relief of Ellen B. Walker.

Mr. JONES of New Mexico. I move that the Senate disagree to the amendment of the House, request a conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. CAPPER, Mr. SPENCER, and Mr. TRAMMELL conferees on the part of the Senate.

DAM IN THE TALLAHATCHIE RIVER, MISS.

Mr. STEPHENS. I ask unanimous consent for the present consideration of Calendar No. 586, the bill (S. 3272) declaring a part of Tallahatchie River, in the State of Mississippi, to be a nonnavigable stream.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent for the present consideration of the Senate bill 3272. Is there objection?

Mr. PITTMAN. If it leads to no debate and requires no explanation, I have no obection. If it does, I must object.

Mr. STEPHENS. I am sure it will lead to no debate.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

That the consent of Congress is hereby granted to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River, at or near Porters Ferry, Panola County, Miss.: *Provided*, That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

SEC. 2. That the authority granted by this act shall cease and be null and void unless the actual construction of the dam hereby authorized is commenced within one year and completed within three years from the date of approval of this act: *Provided*, That from and after 30 days' notice from the Federal Power Commission, or other authorized agency of the United States, to said drainage district, or its successor, that desirable water-power development will be interfered with by the existence of said dam, the authority hereby granted to construct, maintain, and operate said dam shall terminate and be at an end; and any grantee or licensee of the United States proposing to develop a power project at or near said dam shall have authority to remove, submerge, or utilize said dam under such conditions as said commission or other agency may determine, but such conditions shall not include compensation for the removal, submergence, or utilization of said dam.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill granting the consent of Congress to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River."

ADDRESS BY SENATOR WILLIAM J. HARRIS, OF GEORGIA

Mr. GEORGE. I ask unanimous consent to have printed in the RECORD an address by my colleague, the senior Senator from Georgia [Mr. HARRIS], which was delivered before the General Assembly of the State of Georgia on Tuesday, July 25, 1922.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The speech referred to is as follows:

It is an honor to address the General Assembly of Georgia, and I am grateful for the privilege. As a member of this body I began my public service and because of the friends among the members, many of whom were lifelong, it was the most agreeable work of my public career.

As this is the first opportunity to address you since I entered the United States Senate on March 4, 1919, I shall speak only of my efforts in behalf of legislation and measures directly and vitally affecting all of the people of Georgia, as you are familiar with my record on national questions. I shall not make excuses for what I have failed to do, because of a Republican Congress, and a Republican administration, but will relate to you what I have in my humble way accomplished in spite of these obstacles. I shall be disappointed if the results of my efforts have not been felt by those who must labor to support their families.

In all matters I have had the active and helpful cooperation of the Senators and Representatives from Georgia with whom I have served. My relations with them have been cordial, which enables us better to serve our people.

In the organization of the Senate, I am a member of the Committees on Appropriations, Immigration, and Territories and Insular Possessions, and the Vice President has this session appointed me on three special committees. Under the present budget law, and a change in the Senate rules, all appropriation bills are now framed by one Appropriations Committee, making it the most important in Congress. Formerly the Appropriations Committee did not handle appropriations for Agriculture, Post Office, Military Affairs, and Commerce. I am assigned to the following appropriation subcommittees, which directly touch our people: Department of Agriculture; Departments of Commerce and Labor; Department of the Interior; Post Office Department, including good roads; War Department, including rivers and harbors, and legislative establishment. These subcommittees handle three-fourths of the billions Congress appropriates. Of the 12 members of the committee, I am on more subcommittees than any other Senator except one, who has the same number.

It has not been many years since a few small New England States dominated Congress. Senator Aldrich, of Rhode Island, was chairman of the Finance Committee; Senator Frye, of Maine, chairman of the Commerce Committee; Senator Hale, of Maine, chairman of the Naval Affairs Committee; Mr. Dingley, of Maine, chairman of the Ways and Means Committee in the House. Thomas B. Reed was Speaker, and many other able men from that section were in high positions. These men were not orators and did not make long speeches, but they were the most influential men in Congress. They honestly believed in a high tariff for manufacturers of their section, but they could not understand the great injustice this did to those engaged in agriculture, who had to pay high prices for everything they bought and received no protection on the products of the farm which they sold.

The New England States years ago realized the importance of continuing their Senators and Congressmen until they could become chairmen of committees or ranking Members, as a new Senator starts at the bottom of committees. Senator CARTER GLASS, a very able man, who had been in Congress 20 years and Secretary of the Treasury, came to the Senate shortly after my term began, and had to go to the foot on committees. Although I was a new Member I am senior to Senator GLASS on the Appropriations Committee, and will continue to advance on the committee as other Senators above me retire. A ranking Senator on committees has more influence than others less fortunate, as most of the legislation is framed in committees and relatively few changes in their recommendations are made when the bill is before the Senate.

As Georgia receives more appropriations than any State in the South my position on the committee is very important. Within a year after my term began in the Senate, I visited every place in Georgia which receives special appropriations from the Government, among them the river and harbor work of the coast cities, Savannah, Brunswick, Darien, and St. Marys; Fort Benning at Columbus, Fort McPherson, the Federal prison, and the Public Health Hospital at Atlanta, and the arsenal at Augusta.

Georgia is one of the foremost agricultural States. The wealth of the country is created principally by the farmers. When they can not sell their products at a profit all lines of business suffer. Every section of our country is dependent upon the other. That is the situation which brought into existence the so-called "agricultural bloc" in the United States Senate, with which I have been actively identified since its organization. It is composed of Members of the Senate, Republican and Democratic, who are specially interested in legislation that will help agriculture. Since the boll weevil has seriously interfered with the production of cotton, it has been necessary for our farmers to raise other crops. Our marketing system of agricultural products is obsolete and does not meet present conditions. The trouble is due largely to our lack of storage and marketing facilities, unreasonable freight rates, the high rates of interest and insurance.

Criticism, unless constructive, is worse than useless. Legislation alone will not remedy everything, but in order to overcome some of the difficulties mentioned, I introduced measures amending the Federal warehouse act and the Federal reserve system act that will, in my opinion, be most helpful to the farmers and merchants and do much toward remedying the defects in our system. If all farm products are marketed as soon as harvested, the price invariably goes down below the cost of production. It is essential that part of the surplus crop be held in storage in barns or warehouses. If products are shipped in less than carload lots the freight rates are so high that it takes all the profit. By cooperation the farmers can prevent this loss. A warehouse with Federal license gives them lower insurance and interest rates. These warehouse receipts can be used to borrow money at low rates of interest. The Federal reserve banks give preference in rediscounting paper to loans secured on products in Federal warehouses.

The eight amendments to the Federal warehouse act in a bill offered by me have been agreed to by the Senate, and the legislation is pending in the House. It is proposed to broaden the present law, which only allows cotton and tobacco stored in these warehouses, so as to permit the storage of any agricultural product designated by the Secretary of Agriculture, such as cottonseed, peanuts, pecans, sirup, and other products now excluded.

The Federal reserve banks make loans to small member banks at the same rate of interest as the large city banks. About half the State banks of Georgia are not eligible to join the Federal reserve system, because they have capital of less than $25,000. To remedy this I introduced a bill, and it passed the Senate, which allows the small banks in Georgia to join provided they will increase their capital stock annually an amount equal to 20 per cent of the annual net earnings until the capital meets the present requirements. This will strengthen the system and give the banks more capital to accommodate their customers.

I am a firm supporter of the splendid Federal reserve system. It was created by a Democratic Congress on the recommendation of a Democratic President, who realized that the old banking system, supported by the Republican Party, was a Wall Street system. Except for this change we would have had a panic in this country before and during the war which would have shocked the world's financial foundation. Senator OWEN and I were the first Senators to protest and direct attention to the ruinous deflation policy of the Federal Reserve Board. That policy destroyed values in agriculture and commerce amounting to billions through their unnecessary advance of discount rates and restriction of credit, making it unprofitable or impossible for banks to extend credit to the legitimate business industries of the country. I introduced bills amending the Federal reserve act to reducing the interest rates, making the rates the same in all reserve banks, allowing loans on agricultural paper for 12 months instead of five under the present law, and requiring the consent of Congress to the erection of reserve bank buildings above $250,000. The Republicans defeated the first three, but the Senate passed the last one. While we were fighting for lower discount rates, the Federal reserve bank building under construction in New York cost over $20,000,000—more than any two Government buildings in Washington. Such extravagance was inexcusable at any time, especially when they were charging high discount rates. The discount rate in the New York bank is 4 per cent to-day, while the bank in Atlanta and other agricultural sections must pay 4½ per cent. There is no reason for this discrimination.

Two bills introduced by me to make more accurate cotton production estimates and reduce speculating and gambling in cotton have passed the Senate, and a third is pending with a favorable committee recommendation. The first would cause the Census Bureau to gather estimates from the ginners of the amount of cotton remaining in the field to be ginned at the same time they collect statistics on the amount actually ginned. The second bill directs the Department of Agriculture to publish their estimates on the current cotton crop at the same time the Census Bureau announces their ginning figures of the amount of cotton actually ginned. All of these reports, announced on the same dates, would provide a better estimate for the total crop for the year than at present. These figures are vital factors in the market price, and their accuracy will deter the Wall Street gamblers from manipulating the market. A third bill, which has the approval of Secretary

Hoover of the Department of Commerce, provides a world census to determine the amount of low-grade cotton on hand, which is supposed to be large and depressing the price. It would include the number of bales of cotton tenderable under the law on September 1, December 1, and March 1 of each year for the whole world instead of reports for only the United States under the present law.

Last year the cotton-crop estimate of the Agricultural Department was 6,500,000 bales. Before the season was half over the Census Bureau's report of cotton ginned was to be issued; and on account of the unusual warm, dry weather most of the cotton was ginned, and the report would show three-fourths of the estimated crop ginned. The gamblers had expected to run down the price of cotton on this report. I presented the matter to the Secretary of Agriculture and urged both departments to issue a statement with the ginner's report, informing the public that more of the cotton crop had been ginned earlier than ever before, showing their first estimate of a small crop was correct. This was the first time either department ever issued a statement of this kind, and it is said it kept the cotton speculators from depressing the price of cotton at the time.

Until I changed the Census Bureau reports of cotton ginned, while director, and separated the linters from cotton, the reports always showed more cotton on hand than was correct.

The Federal farm loan banks, created under the Wilson administration, loan money to farmers at a cheaper rate of interest and for a longer term than the private loan companies. The private companies were anxious to stop these banks and they went into court to test their legality. It was carried to the United States Supreme Court and for more than a year, while the case was pending, the farm loan banks could not sell their bonds to get money to loan. This worked a great hardship on those who had lost so much in the two years following the war. When the Supreme Court upheld the banks many believed and still feel that the Farm Loan Board was not making loans as fast as they should have done. I conferred with them time and again and urged against delay, as our people were suffering. I took the matter up with the agricultural bloc and we passed resolutions urging haste. I was appointed chairman of a committee to confer with the board. The other members of the committee were Senator FLETCHER, of Florida, the author of the act creating these banks, and Senator Kenyon, chairman of the agricultural bloc. Georgia has received more money from these banks than any State in the Southeast, the total to date being $11,999,835.

Last year when the banks in agricultural sections could not get sufficient money to save the farmers from bankruptcy and keep the banks open, I was one of many Senators who urged that the War Finance Corporation be revived to accommodate our people by making loans with agricultural products as collateral, direct to farmers' cooperative associations or to banks holding agricultural and livestock paper. Congress had been in session for months, the Republicans had done nothing to relieve the burden of the farmers, and Senator LODGE, the leader of the Republicans in the Senate, moved that the Senate recess for several weeks. I opposed the motion, insisting that we should remain in session and give relief to our people. It was defeated 24 to 27. I voted against the motion, as did my colleague, Senator WATSON. Had we voted for the motion it would have passed 25 to 26, but the vote of the Georgia Senators kept Congress in session and we passed the Norris bill reviving the War Finance Corporation, giving financial relief to the agricultural sections—millions to Georgia. Since its revival the War Finance Corporation has advanced $6,768,934.88 on agricultural loans to banking and financial institutions in Georgia, and $5,350,000 to cooperative associations composed of farmers. We also passed the Kenyon-Kendrick bill to protect the hog and cattle raisers from the destruction of the Meat Packers' Trust, a monopoly by which five men in Chicago fix the price of meat—hogs and cattle raised in Georgia and all over the United States. I actively supported the farmers' cooperative marketing bill.

Under the high protective tariff policy a comparatively few men are enriched in the manufacturing centers of the East, while the mass of laborers employed in that section are not benefited proportionately. The agricultural and livestock sections of the South and West are taxed heavily by the tariff and receive little in return. The South especially is discriminated against by the high protective duties, because 60 per cent of our cotton is exported, the price fixed in Liverpool, and our farmers must compete with pauper labor of the world. A tariff of a dollar a pound on cotton would not benefit the farmers of Georgia a cent, as short-staple cotton is not shipped here to compete with us. Under the high protective policy of the Republican Party, the South and West pay a dollar for every 10 cents benefit they receive. The tariff bill now before the Senate was written behind closed doors by the Republican members of the Finance Committee, Democratic members were denied admission to the committee rooms, but the millionaire manufacturers of the East were there; many of them had contributed to the Republican campaign fund and were taxing all the people through the tariff so as to get dividends on their campaign contributions. The Republican Party is sectional.

If any benefit comes to the South from the present tariff bill it would be from a duty on peanuts and vegetable oils, which China produces in large quantities and competes with our peanuts and cottonseed oil. The committee gave little protection to these items, but the Senate voted a fair duty, as no one could defend this discrimination. I voted for a duty on peanuts and cottonseed and vegetable oils.

Under the present tariff bill, as passed by the House, a high protective duty was placed on potash, which is controlled by a German trust and would mean a tax of millions yearly on Georgia farmers. All the Georgia Members opposed this high duty. Most of the potash is used in the South in fertilizers and our farmers would have to pay it. The cotton they produce with this fertilizer gets no protection. I offered an amendment to the House bill, placing potash on the free list, and by a hard fight we have succeeded in getting enough Republicans to help the Democrats put potash on the free list, which will save Georgia farmers millions yearly on their fertilizers.

This tariff bill will greatly increase the cost of living by taxing everything that we must eat and wear and all the necessaries of life and place heavier burdens on the poor man and the man with moderate income. When the sixteenth amendment was adopted to authorize an income tax to be collected it was intended to collect taxes only on the large incomes, and those who favored it never dreamed that the Government would take advantage of it so as to thrust the hands of the tax gatherer into the pockets of the farmer, laborer, and small business man, and take from them the necessities of life while it relieved the rich of their fair share of the tax burden which they could carry without hardship and without depriving their families of luxuries to say nothing of necessities. As long as I remain in the Senate I shall oppose collecting any income tax from men of small income. No married man should pay an income tax until his income amounts to $5,000 a year.

As a member of the Immigration Committee I have supported efforts to stop all immigration for five years. The American Legion indorsed that policy, and after my resolution to that effect was defeated, I proposed the amendment to the present law to extend the 3 per cent quota restriction law until June 30, 1924, pending the enactment of permanent restrictive measures. The House passed the bill extending the law only until 1923, when Congress would not be in session, and the steamship companies would have brought over millions before another law could be enacted; but my amendment prevented this.

The Committee on Territories handles all legislation affecting our insular possessions, and in order that I might have information at the source, at my own expense I visited Hawaii and the Philippines. I went from there to China and Japan, where the South exports so much cotton and cotton goods.

Soon after I entered the Senate I learned that the Meat Packers Trust was discriminating against the peanut-fed hog in Georgia and the South. The Senate adopted my resolution to investigate the alleged discrimination, and the Department of Agriculture is continuing an investigation to determine all phases of the relation of the peanut-fed hog to the so-called hard hog. When this investigation first began they were paying from 3 to 7 cents less for peanut-fed hogs than those fed on corn in the North and West, but now the difference is much less. I shall continue until there is no discrimination, and I believe my work has saved the hog raisers of Georgia millions of dollars.

Amendments to the appropriation bills for the Department of Agriculture, which I offered and supported, have made it possible to fight the peach pests by establishing an experiment station at Fort Valley; establish peach, watermelon, and cantaloupe marketing stations at Thomasville and Macon; establish a tobacco experiment station at Tifton; and start pecan experimental work in the Albany section. As a member of the subcommittee framing this legislation, I have supported items to fight the boll weevil, develop the cultivation of peanuts, sweet potatoes, and other crops. The department is now experimenting on Geargia cane sirup to stop the fermentation, which injures the sale and prevents a higher price. At my solicitation the Secretary of Agriculture sent experts to Georgia from the Market Bureau to cooperate with the market bureau of the Georgia Agricultural Department and the State College of Agriculture.

The Esch-Cummins bill, practically guaranteeing the railroads an annual earning of 6 per cent, was passed by a Republican Congress. I voted against the bill. Under that law the Interstate Commerce Commission raised freight rates at a time when agriculture and nearly all industries were at a standstill, and prices so low that the increased rates made shipments prohibitive, which paralyzed all industry. I was the first Senator to protest against the high rates, and I have constantly urged lower freight and passenger rates to help business as well as railroads. When the railroads made a 10 per cent reduction in rates on certain agricultural products some time ago, they did not include watermelons, which, as you know, is a large industry in our State. I took the matter up immediately with the commission and they agreed to include watermelons in the reduction. The railroad rates are still too high. Business and the roads will suffer until the rates are low

enough to allow the farmer, lumberman, and manufacturer a fair profit, which will encourage him to make more shipments, thereby benefiting the producer as well as the railroads.

Since the close of the Civil War the South has been discriminated against in many ways by the Federal Government. Take the matter of freight rates from the Middle West to the southwestern ports, including Savannah and Brunswick. The rates were much higher for the same distance than the rates to New York and the eastern ports for years. I joined with other southern Senators and we had this great injustice remedied, but the eastern ports are now at work trying to bring back the old situation.

The South is discriminated against in the matter of ocean freight rates on cotton and other products. For three years I have cooperated with other southern Senators in an effort to stop this injustice. Ocean freight rates from New York and eastern ports to South America and through the Panama Canal to China and Japan are the same as the rates from Savannah and Brunswick, which are 600 miles nearer. But when we ship cotton, naval stores, and other products to Liverpool and other European ports they charge us more than from New York. This discrimination is inexcusable and should be stopped.

When the Muscle Shoals proposition was before the Senate last year I offered an amendment providing that nitrates made at the plant during peace times should be sold to the farmers at cost and that they should be given the preference in purchasing. In our State alone we have used in one year more than $50,000,000 of fertilizers. If this plant should be developed as proposed, it would save the farmers of Georgia more than $12,000,000 a year on the cost of fertilizers, in my judgment, which is equal to the total annual expense of our State government, including Confederate pensions and common schools.

After the Muscle Shoals measure passed the Senate last year it was defeated in the House by a small majority. Every other country has nitrate plants except the United States. Soon after we declared war the German Government protested against Chile furnishing this country with nitrates and tried to prevent her doing so.

The partisan Republicans, because of hatred of a Democratic President, were willing to scrap this great plant and leave the country, in time of war, at the mercy of the Chilean nitrate trust. They were trying to discredit President Wilson by charging that the money spent on Muscle Shoals had been wasted. They did not care about the great saving in getting cheaper fertilizers, and manufacturers in securing cheaper water power, which would develop the South more than anything within a half century. I conferred with the Secretary of War several times and urged that he require all bidders to agree to manufacture fertilizers to sell to the farmers at cost, plus a reasonable interest rate, and that the power should not be leased to power companies in our section controlled by the trusts, which would prevent competition. When the Secretary of War made his report he sent it to the House only. I feared this would delay action until after Congress adjourned, and I immediately urged the Secretary to send his report to the Senate so it could be considered at the same time it was before the House committee. The Secretary granted my request, and when the report was laid before the Senate I made a motion to refer it to the Agricultural Committee, which was friendly to the development of Muscle Shoals, to manufacture fertilizer and sell to the farmers at cost in times of peace. I was a member of the Subcommittee on Appropriations which recommended the appropriation of seven and a half million dollars to begin work on October 1. We shall at least begin the great work which has been opposed by the fertilizer and power trusts with a powerful lobby.

Our southern farmers export 60 per cent of their cotton produced and much of their other products. The southern manufacturers must export their surplus goods. The foreign trade of the South has greatly increased in recent years, but the agricultural and manufacturing section of the South has had no branch office of the Bureau of Foreign and Domestic Commerce until recently, when I secured an appropriation for a branch office in Atlanta.

Last year, when all products were reduced, I had complaints from Georgia farmers and ginners that bagging and ties, which are used in covering cotton, were selling at the old high prices, as when controlled by the trusts. I asked the Federal Trade Commission to make an investigation, and soon a reduction in prices on bagging and ties came.

Several years ago I received letters from people in my State and others calling attention to the fact that the Standard Oil Co. was selling gasoline in Chicago at 5 cents a gallon less than in Georgia, when the difference in transportation was less than 1 cent a gallon. I asked the Federal Trade Commission, of which I was a member, to make an investigation, and we found the charges were true, but they were different companies of the Standard Oil. There are more than a dozen Standard Oil companies, but most of the stock is owned by practically the same people, 51 per cent of the stock of all the companies being owned by 16 people. There was no competition, but it was contended they were not doing anything illegal.

The commission called the attention of Congress to the discrimination and recommended the enactment of laws to correct the evil, but nothing was done. Soon after I entered the Senate I introduced a measure, which the Senate passed, preventing the Standard Oil Co. from selling gasoline lower in one State than in another.

When the legislation to raise revenue for the support of the Government was before the Senate, it was Republican members of the agricultural bloc, joining with Democrats, who prevented the bill, recommended by the Finance Committee, from becoming a law until they changed many important items intended to relieve the taxes of the wealthy and place the burden on those who toil. Until President Wilson's administration all taxes to support the Government were paid by the consumers of the country through the tariff and other taxes, and the wealth of the country, most able to pay, escaped taxation while receiving the greatest benefits from our Government. During the World War the number of millionaires was more than doubled, and they hoped to escape taxation on their wealth when the Republicans came into power. This would have been done had the Republican members of the bloc not joined with the Democrats and defeated legislation planned by Republican leaders. The Republicans succeeded in repealing the tax imposed upon corporations making excess profits.

While this revenue bill was before the Senate I offered an amendment to the bill cutting in half the tax, after deducting exemptions, on the first few thousand dollars of income earned by those engaged in trades and professions. I took the position that earned income on the first few thousand should not be taxed the same as income from bonds and stocks owned by persons who did not work to earn a livelihood. It was the Republican members of the agricultural bloc and the Democrats who made the surtax on incomes of over $100,000 50 per cent instead of 35 per cent, as it passed the House and was recommended by the Senate Finance Committee.

I have referred a number of times in the Senate to the great debt of gratitude the country owed the southern cotton farmers. Except for the export of cotton, which brings more gold to this country than any other product, more than both wheat and corn, we would not now have 40 per cent of the gold of the world in our Treasury, making us the richest country on earth.

In 1914, after war was declared in Europe, the West could ship wheat to Europe, and the price more than doubled. Cotton was difficult to handle and almost impossible to ship to countries at war who had always purchased our cotton. The price was less than half what it formerly sold for. The South suffered financially in 1914 and 1915 more than some of the countries at war, all because there was no market for our cotton. Many of our farmers and merchants were ruined because of this condition, while the wheat farmers were comfortable in wealth. When the cotton crop was almost gathered in 1916 and the price had advanced there was a demand from both Republicans and Democrats in the North for President Wilson to fix the price. Mr. Cox, a Democratic Congressman from Indiana, introduced a bill fixing the price of cotton at 15 cents per pound, when it had cost the farmers at least 35 cents that year to raise it. Others urged that the price be fixed at about this price. Had Congress or President Wilson fixed the price at anything like the low price provided by Mr. Cox's bill it would have ruined the South. The movement to fix the price in 1916 was shortly after the primary in which I was nominated for the Senate. When I learned of this movement I went to Washington on the first train to confer with President Wilson, calling his attention to the high cost of producing cotton and other facts I have just enumerated.

When you think of the difference in the price of cotton at 15 cents a pound, which the Republicans and northern Democrats urged President Wilson to fix, and the prices, up to 45 cents a pound, it sold for in a few months, the loss to the South would have been staggering. The difference between 15-cent cotton, which brings $75 a bale, and 40-cent cotton, bringing $200 a bale, is $125. This would be a loss of more than $200,000,000 on Georgia's nearly 2,000,000 bales which President Wilson saved the farmers of Georgia alone. Most of this cotton was sold in Europe, and the money was sent here. No President of the United States ever had such an opportunity to help or hurt the South. The North, East, and West were demanding that he do this great injustice. I had confidence in the justice of my side of the argument I made against fixing the price of cotton. While this saved the South financially, the Republicans made a campaign issue of it and charged that President Wilson had favored the South by not fixing the price of cotton after they had fixed the price of wheat and other products. It was on this issue principally that the Democrats lost both Houses of Congress in 1918; and for two years this Republican Congress instead of doing constructive work in readjusting great problems left after the war were trying to embarrass and harass President Wilson, often denouncing him when he was hovering near death's door.

When the armistice was signed hundreds of parents, sisters, and wives of soldiers in France begged me to get their loved ones home, some of them to go to school, others to the farms or factories. I decided it was as little as I could do to take these letters and at my own expense go to General Pershing's headquarters in France and urge him to let these men go home. I am glad to say that I was shown

every courtesy, and my request was granted in nearly every instance. I am, so far as I know, the only Senator who went to this expense and performed this service for the soldiers. Except for this work I believe hundreds of Georgia soldiers would have been kept in France many months longer.

As long as I am a Member of the Senate, regardless of criticism, I shall do everything I can to help these young men who served our country. Congress has not done its duty by them. A great injustice was about to be done the veterans of our State and section when a bill passed the House, over the opposition of all the Members from our section, providing for hospitals, and the wording of the bill deprived Georgia and the Southeast from receiving one of these hospitals. When the House bill came to the Senate I started the fight in the Senate to amend the bill, and one of the large hospitals was placed at Augusta, Ga. As the bill came from the House Augusta and the Southeast could not have had one of the large hospitals, and our veterans could not have secured hospital facilities near home and their loved ones.

On account of the high cost of living our Government is now, and has for several years, been paying many thousand civil employees a $240 annual bonus, but we have done little for the boys who gave up their positions and offered their lives for their country. The bonus to civil employees has amounted to $1,080. After the war the Government readjusted the payments to railroads and war contractors. Why not the World War veterans? My office is a clearing bureau for claims of all ex-service men, and their claims are never neglected.

I aided in locating Camp Benning at Columbus, which brings several million dollars a year to Georgia. It is the largest Infantry training school not only in the United States but in the world. The present Congress appropriated $400,000 for buildings alone at Benning. I was with Congressman WISE and the committee when the Secretary of War assured us he would establish Camp Wheeler at Macon. I aided in getting Camp Hancock at Augusta.

The headquarters of the Army for the Southeast were located at Charleston, S. C. One of the first things I did after entering the Senate was to urge the War Department to move the headquarters to Atlanta, Ga., which every Army officer knew was the logical place because of its location and railroad facilities. The headquarters were moved to Atlanta, and I believe they will continue there. This brings a large amount of money to Georgia.

Henry Lincoln Johnson was appointed by President Harding recorder of deeds for the District of Columbia. Serving in that office are many splendid white women and several from Georgia. When the nomination came before the Senate Senator WATSON and I objected, and he was defeated.

Since the war was over there has been a propaganda in this country urging the cancellation of all debts of foreign countries. The greatest amount was due the United States, amounting to $9,000,000,000. Some Senators announced in favor of canceling these debts. I offered a resolution, which was the first, declaring it to be the sense of the Senate that none should be canceled by the United States. When the law was passed providing commissioners to confer with European countries and giving them authority to act, the law stated that no part of these debts should be canceled.

There are two great dangers to our Government, the first the election of men to office by the large expenditures of money who will serve the big interests as against the people, and the second is the danger of the demagogue who plays on the prejudice of the people in order to serve his selfish ambition. Because of the $200,000 spent to elect Senator Newberry I voted to unseat him. When a senatorship can be purchased our Government is in danger.

During the Democratic administration I was consulted in the appointment of all United States judges in Georgia. There is no greater responsibility than the selection of men for these lifetime positions. The names of the men I indorsed need no praise from me; they are known to all of you—Alex C. King, Beverly D. Evans, Wallace Lambdin, Samuel H. Sibley, U. V. Walpole, and William E. Thomas. The last two were nominated, but the Senate refused confirmation because of objections by the Georgia Senators.

When I was made Director of the Census the age limit set by the bureau kept any Confederate soldiers from employment. I immediately raised this age limit and gave preference to Confederate soldiers in my appointments in the South, and I appointed more Confederate soldiers to Federal office than any man in the South.

I am the author of many other bills and resolution in the interest of our people which I shall not have the time to discuss to-day. Among them: Authorizing loan of tents and other equipment to Confederate soldiers; investigation of department handling foreign trade; to build pontoon bridge at West Point after the flood which swept the bridge away; author of bill appropriating $1,000,000 for eradication of malaria in the South; appropriating $25,000 for development of peanut industry; resolution requiring Secretary of the Treasury to give Senate data on excess profits during war so as to tax war profiteers; resolution calling on Civil Service Commission to give preference to soldiers in appointments.

I shall oppose the Dyer antilynching bill, which was introduced to play cheap politics with the negro.

I supported the constitutional amendment for woman suffrage and the legislation to enforce the prohibition amendment. I have always been on the moral side of public questions. I supported the Sheppard-Towner maternity bill and Federal aid to the States for road building, voting for the bill to improve all the roads instead of only the automobile highways. I strongly supported the Borah resolution for naval disarmament by agreement with other governments and voted to ratify the treaties to bring about disarmament.

STATEMENT OF GENERAL SUKHOMLINOFF

Mr. OWEN. Mr. President, I ask to have printed in the RECORD a statement by General Sukhomlinoff as an addendum to an address which I made in the Senate some time ago.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement referred to is as follows:

[From the American Monthly]

SUKHOMLINOFF TELLS HOW THE GRAND DUKE AND POINCARÉ STARTED THE WORLD WAR—THE CZAR'S OWN WAR MINISTER GIVES THE FULL HISTORY OF THOSE FIVE DAYS OF AGONY, JULY 25 TO JULY 30, 1914

(By Gen. Vladimir Alexandrovitch Sukhomlinoff, adjutant general to His Majesty, the late Nicholas II, Czar of all the Russias, and formerly Minister of War at St. Petersburg)

PERSONS IN GENERAL SUKHOMLINOFF'S AMAZING REVELATIONS

Paleologue: French ambassador to the Czar's court and a man with a genius for romance in the style of Monte Cristo. This genius ran away with Paleologue and caused him to mistake his own fantastic inventions for matter-of-fact realities.

Januschkevitch: Chief of the general staff of the Russian Army; a tool of the Grand Duke Nicholas, with whom he plotted on the back stairs and behind drawn curtains.

Nicholas Nicholalevitch: The grand duke with the long legs, who was uncle to the Czar and had the Czar under his thumb.

Nicholas II: Czar of all the Russias, but a henpecked husband, a submissive nephew, a smiling and polite and sweet sovereign without a backbone and incapable of distinguishing good advice from bad.

Poincaré: Then President of the French Republic; he is in the background of events like the ghost of Banquo in Macbeth. Poincaré leaves behind him the trace of a fatal visit to the Czar on the eve of the war.

Hohenlohe: A gloomy Austrian prince.

William II: His telegrams alone figure here.

Bark: Russian Finance Minister with a bite.

Sasonoff: Russian Foreign Minister; sly, sleek, slippery. He enjoyed the confidence of the Czar's uncle, and that proves how deep he must have been.

Goremykin: An aged, aged man more like the senile simpleton in Alice in Wonderland than the Prime Minister of a powerful potentate, which last—alas!—he was.

Pourtalès: A count who was German ambassador to Russia. He spent his time in desperate efforts to find out what was transpiring on the back stairs, in the boudoirs, and behind the curtains. When he did learn a thing or two he was assured that he had discovered another mare's nest.

Krivoschein: Minister of Agriculture in the Czar's cabinet; an intense nature, disposed to duels.

Grigorevitch: Minister of Marine; a typical sea dog.

Swverbieff: Russian ambassador at Berlin with a touching faith in telegrams and a peculiar ignorance of the true state of affairs. He has since passed away, and of the dead we may say what is good—if we wish and if we can. Poor Swverbieff!

Schtscheglovitoff: Russian Minister of Justice, a perfect professor profoundly versed in history and what we would now call a "high brow," although he might as accurately be described as a walking encyclopedia that wouldn't walk, preferring an automobile.

Isvolsky: Russian ambassador at Paris, who pulled Poincaré's strings so that Poincaré might pull the Czar's leg.

Time: July 25 to August 2, 1914.

Place: Summer palace of the Czar, Nicholas II.

I. WAR? NO! NO!

It was July, 1914. With my wife, just returned from Egypt, I made one in a gathering at the beautiful country home of the Countess Kleinmichel.

The Austrian-Serbian clash had then attained the loftiest peak of its fire and fury. It was altogether inevitable that the diplomatic and political situation should afford the theme of the talk. This was the more natural, indeed, since—or so everyone assumed—the countess herself, in all that related to Germany, was an eager diplomat whose functions were not exactly limited within the atmosphere of salon conversations.

Among the guests of the countess happened to be a diplomatist who—if my memory serves me faithfully—was not connected with the embassy of a great power. He was of opinion that no serious prospect of war loomed on the horizon of events; that the conflict must settle itself. The great powers had ample facilities, according to him, for putting out the sparks!

The prevailing view among the members of this gay party took on a hopeful tone. There was faith that the matter would really turn out well.

The countess was otherwise impressed.

She deemed it important to emphasize the fact that fire must not be played with; that the strings of the lyre of diplomacy were not to be stretched too taut.

As soon as we had dined a guest suddenly made his appearance with the news—direct from Vienna—that the Hapsburg monarchy was undeniably bent upon a final settlement with Serbia, a trial of strength, perhaps, upon the material plane.

The countess, accordingly, seemed to be in the right.

II. THE CHEERFUL CZAR

The grand climax of the military maneuvers in each recurring season arrived only with the first coming of the Czar, Nicholas II, to Krassnoie Selo. The ceremonies included a round in state of the whole camp, a sounding of "taps" with many a flourish, and a performance in the local theater.

On the appropriate days of that storm-charged summer of 1914 an incredibly pressing throng of the most fashionable people streamed into town. These people utilized the most varied modes of conveyance. Automobiles, jaunting carts with steeds going tandem, stage coaches, horses—all hurried along the closely trimmed paths bordered with grass plots and flower beds. They all arrived by rail from Peterhof, Oranienbaum, Strelna, Ligovo, Zarskoie Selo, Sergieffskaia, and Gatschina.

What a mood of carnival dominated that throng of men from the diplomatic corps, military attachés, courtiers, officers, exalted officials, their uniforms set off by the elegance of the women who pervaded the scene in effects of color no less varied!

The Czar himself arrived from Peterhof in an automobile.

At the summer palace in Kolomenskaia he reviewed the guard of honor, recruited from some crack regiment or other in the St. Petersburg barracks unless, indeed, it came from some military district boasting even finer troops. When the guard had been duly dismissed the Czar mounted a horse and rode, a glittering suite trailing after him, the full length of the columns of soldiers standing erectly in full formation. At Krassnoie Selo were stationed the cavalry, and just beyond, deployed the length of their great camp, were the infantry and the artillery. At the extreme right of this vast encampment, in the zone of operations of the first infantry division, were the imperial headquarters, established in a palatial tent. There, where more than one regimental band was stationed, the Czar got down from his horse. There was a grand flourish of trumpets.

There, too, thronging the space about headquarters, were the great ones of the land, making up the most fashionable and the most magnificent of "publics." The flattest of floors was afforded by the greenest of grass. Conversation was of the liveliest kind—bits of news, bits of gossip, twaddle more or less piquant because it dealt with personalities as well as with politics. The sauce of this talk was derived from the spice of diplomacy and the note everywhere was one of crisis. It was truly all St. Petersburg that thrilled now with the tingling of the sensation of this year of 1914 and caught the sheer exhilaration of it. Of things to talk about there was enough and to spare. The open challenge in the defiant attitude of the Austrians, the sea trip of President Poincaré to St. Petersburg, the journey of the German Emperor, William II, to Norway, and the agitated comments in the newspapers regarding the possibility of war—these things yielded themes for conjectures of every sort.

Speaking metaphorically, the air reeked with gunpowder. Optimism seemed to have vanished. And yet scarcely one of all those present there and then could have surmised that the very last of all the peaceful "taps"—sounded in those circumstances of pomp and parade—was ringing in the ear of an "all-highest" war lord.

There was a fixing of every eye upon the Czar himself, as if to gather from his deportment some hint of the mood of the man. No one seemed to have penetrated his reserve, to have reached the secret of his soul. His Majesty seemed what he was always—friendly, calm, composed. With those immediately about him His Majesty talked in the friendliest fashion, the smile never leaving his countenance.

The only shadow in that pleasing prospect was afforded by the Austrian military attaché, Prince Hohenlohe. My attention was directed to him particularly by Count Apraxin, a gentleman in waiting upon the Czar, or, rather, just then filling the post of chamberlain. The moody, not to say oppressed, aspect of the Austrian drew attention to him at once. In complete abstraction from all that went on under his eyes, he stood apart, a solitary figure in that press of people. He was resting his head against one hand, or, rather, against a clenched fist, and his elbow rested against a tree. He stepped forward to greet no one. He talked with nobody. His appearance was that of a man taken ill or oppressed by a thought that through its weight of woe had robbed him completely of self-command.

The orchestras meanwhile, undisturbed by the moods or the miseries of their auditors, discoursed the sweetest strains of a magnificent concert program.

Then the captain of the guard on service at that hour made his obeisance to the Czar and besought permission to sound the evening taps. A trumpeter and a bugleman stood forth and gave the signal. There was a moment of breathless silence. The orchestral strains had died away. There was a burst of three great rockets into the heavens. The beating of the "tattoo" proper had begun. The roar of the artillery came across the camp. A rushing din of some hundreds of drummers obliterated every other sound. Then the combined orchestras sent forth the strains of the famous hymn "How Great is the Glory of God Almighty!" Its melody was borne aloft on the waves of sound from the drums. The hurricane symphony lasted several minutes. Then ensued some seconds of absolute silence followed by the abrupt, grim command: "Caps off!" The master of the horns, who had stationed himself in front of the Czar, repeated in a voice loud and clear: "Our Father, Who art in Heaven!"

During this recitation of the Lord's prayer and all through the reverential stillness that prevailed I gazed steadfastly at the Czar.

Not for an instant was he conscious—of this I am sure—of being the leader in battle. Never even in a dream did his thought take that turn. Not once did he suspect that this sounding of the retreat to rest and slumber amid such ceremony and with all that careless magnificence was to signify the end of an era.

What invested us then was the calm before the storm.

There was no such thing this time as getting out of the path that led us to war. A whole series of accidents and misunderstandings, explicable in part by the anomalies in the position of the house of Romanoff, brought on a world conflict. The origins of that war lay deeper, indeed, profoundly involved and imbedded in all the given conditions of Europe's political setting.

III. IN THE RUSSIAN WAR MINISTRY

Many able men have beaten their brains in the effort to establish the immediate cause of the outbreak of the war.

After the sincerest efforts on my part to get at the truth regarding the tremendous catastrophe, I must throw up my hands.

Exalted as was my position in the Russia of the Czars, I was able to observe directly and at first hand but a minute and decreasing part of the activity that brought on the war. This part I can outline and this I will describe with no desire to extenuate what is past and with no regard whatever for myself.

In the early months of the year 1914 there was no expectation whatever in the Russian War Ministry of anything in the nature of a clash of arms. In the higher administration of the general staff of the army throughout the winter of 1913–14 all arrangements for the military maneuvers proceeded in the usual way. Some detachments of troops from the remoter districts—among them a few from the western frontier—were to come to the imperial post of Krassnoie Selo. Again, as was quite the usual course, upon the coming of May the troops quitted their barracks and the artillery began gun practice. In July there was a general activity by way of preparation for the maneuvers in contemplation since the previous winter.

In marked contrast with this feeling of peace throughout the army, the newspapers painted the diplomatic horizon in tints ever darker and darker. The slaying of the heir to the Austro-Hungarian throne and the establishment of an Austro-Serbian conflict operated like distant lightning flashes. The trip of the President of the French Republic to St. Petersburg seemed to bring with it a piling of one storm cloud above another over the waters of the Neva. An oppressive, well-nigh intolerable feeling of gloom dominated everyone and prevailed everywhere.

After the departure of Poincaré on the 24th of July—when the Austrian ultimatum to Serbia had become widely known—the military maneuvers at Krassnoie Selo were in full swing. In accordance with plans made in advance, we had, under the command of the Grand Duke Nicholas Nicholaievitch, not only the troops of the guard and those of the St. Petersburg district but a number of crack regiments from other military districts and even some from the frontiers.

IV. A MOMENTOUS GATHERING

Not altogether unexpectedly, although there was an element of surprise in it, too, I received in the course of my summer's labors for the army a command to participate in a crown council on the 25th of July at Krassnoie Selo.

I well remember that while on the trip to the meeting of the council I had not even the least premonition of the impending catastrophe. I was aware of the love of peace that was so characteristic of the Czar's personality. I had received no special or particular communication

with regard to the occasion or the cause of the conference to be held. Hence it was that I attached so little importance to the trip I made to Krassnoie Selo that I went alone without taking the chief of the general staff with me and without even having the adjutants on duty along. The subject of the gathering must be, I assumed, some matter of routine connected with the military district of St. Petersburg or with the exercises of the troops in the field.

In the little summer palace of the Grand Duke Nicholas Nicholaievitch I encountered as soon as I arrived various cabinet ministers who were already on hand, among these the minister for foreign affairs and some exalted personages in the higher ranks of the military establishment.

A goodly number of them seemed to be in total darkness regarding the occasion of the Crown conference soon to be held. The presence of Sazonoff, the minister for foreign affairs, was duly remarked and led to inferences from the diplomatic crisis that some political consideration was responsible for everything.

The Czar entered the hall in which the meeting was to be held, but when he did so he was accompanied by his uncle. Nicholas II wore the white summer uniform of his personal bodyguard, the Hussars. Smiling in the friendly fashion that was habitual with him, manifesting no mood of anxiety, he greeted the persons there assembled in a somewhat general bow, and without further ceremony he took his seat. Goremykin, head of the ministry just then, was on the Czar's right hand and the Grand Duke Nicholas Nicholaievitch was on his left.

The apartment in which we were now assembled was a great dining-room furnished somewhat primitively. Great glass doors led across a terrace or veranda into the park. In the center of this impositngly large room was a dining table laid now with a green cloth, and about this table when the Czar had given the signal we proceeded to sit.

Facing the Czar was Sazonoff. I sat several seats away from Sazonoff on the same side, while next me or very near me, if my memory plays me no trick, was Finance Minister Bark. The minister of marine I saw nowhere at that gathering.

Without any sort of introduction the Czar gave the minister of foreign affairs a signal to speak. He used up something like half an hour in painting a word picture of the international scene as it had developed from a Russian point of view through the Austrian-Serbian conflict.

What Sazonoff laid before us as a report or speech was in reality a serious indictment of all Austro-Hungarian diplomacy. His auditors there derived from it all the profound impression that they were concerned now with a deliberate challenge. In the face of this challenge would be found united the powers of the triple alliance—the "entente cordiale"—France and Great Britain standing closely beside Russia if she refused to tolerate any oppression of her Slav brother effected by violence.

Sazonoff achieved a powerful effect in rousing our soldierly sentiments.

He assured us that displays of arrogance, in view of the impotence exhibited by every purely diplomatic agency, could be met only with military measures. He concluded with the suggestion that a case had arisen in which results could be obtained against the powerful and efficient diplomacy of Austria only by means of a partial mobilization. In terms of technical military science this signified that the next step would be to decree the so-called period of preparation for war. Of the probability or even of the possibility of an actual declaration of war nothing at all was said.

The Czar displayed the utmost calmness of demeanor.

It was subsequently established beyond all doubt that on the day preceding this Crown council he had held a long private conference with his uncle, the Grand Duke Nicholas Nicholaievitch.

The latter now sat in grim gravity and silence, smoking his cigarette, beside the Czar. Having had opportunities in the course of long years to observe the relations subsisting between this pair, it became obvious to me that the uncle had already influenced the nephew, the grand duke had already brought over the Czar, when no witnesses other than themselves were by. Hence the elder had no occasion to say a word at the meeting. He had the Czar where he wanted him for a long time now.

Although Austria-Hungary had already crossed the Rubicon, many who took part in this gathering cherished still the hope of an auspicious issue from this crisis. The Czar himself, in a concluding word or two, gave expression to that very hope. He did not, for all that, modify his view that a stern admonition to Austria would be in order. Austria, as Sazonoff had declared, was now so far along her fatal path that she would not deign to reply to our diplomatic representations, the one object of which was the maintenance of peace.

V. TRAP SET FOR THE CZAR

Taking all these consideration into account, the Czar explained to us that in accordance with the suggestions of the diplomatists he would adopt the expedient reserved for such occasions—a partial mobilization.

This would show, the Czar declared, too, that so far as concerned ourselves, no hostile demonstration against Germany was planned at all.

The thing was accordingly determined.

For the 26th of July the beginning of the period of preparation for war was ordained.

If, as a consequence of this expedient, negotiation was discernible, there must ensue a second step—partial mobilization against Austria-Hungary.

My own part in these decisions, as I have intimated before, was in reality quite circumscribed.

In my capacity as minister of war faced by such a decision, which was really a move on the chessboard of world politics, I had no right whatever to make any objection, not even if a threat of actual war was being made. Politics was not my business, not my affair. Still less was it my business in my capacity as minister of war to warn the Czar against any war as such. I was a soldier. I had to obey when the army was summoned to the defense of the fatherland. It was not for me to urge considerations one way or the other.

I could have been accused—and with justice—of downright cowardice had I, after enjoying the power and prestige of a minister of war in time of peace, permitted myself to issue warnings against war merely as war. In my opinion, moreover, and according to all human insight, there was no reason whatever why Russian diplomacy should permit itself to be overawed by the proceedings of Austria-Hungary. That had passed in 1909, to be sure.

Besides all these considerations, which did not blind me in the least to the difficulties of the task that lay ahead of us, there was one further impression derived by myself and some of the other ministers from the exposition made us by the competent chief of the European section of the foreign office. According to this there was no other issue from the dilemma but war, and hence any word I spoke against war would have been useless. Through the medium of any protest on the 25th of July I would simply have questioned, or even have rendered difficult the possibility as well as the adoption of, an armed neutrality. In the state of the case as it was put before us the decision of the foreign minister must determine our own.

But he called for a partial mobilization.

In harmony with this idea, the line of procedure was determined. Nevertheless I was an opponent of partial mobilization. My views on this subject had never been withheld from anyone or concealed behind a mask. But it was my business to keep the army in readiness for any move on the chessboard of world politics which to Sazonoff seemed expedient, since he was playing the game. Hence in this matter of detail, too, it was for me to obey. It might have been somewhat different if, to repeat, I found myself in 1914 in the situation in which Roediger, former war minister, was placed in 1909.

In the year 1914 the training and the equipment of the army were so far advanced that Russia seemed justified in contemplating a war with equanimity. Never before was Russia better organized for war than she was in 1914. Moreover, the representations of Sazonoff regarding the position and the attitude of both France and England in the conflict were of a kind to justify no want of ardor in ourselves. Even his communications with reference to Italy and Rumania confirmed the other details he laid before us and worked to the same end.

On the basis of the conference held at Krassnoie Selo and in accordance with the order then issued, the "period of preparation for war" began on the day after the gathering—that is to say, on the 26th of July.

The military maneuvers were interrupted.

The troops returned to their garrisons or to their barracks.

VI. "PRESSING THE BUTTON"

After this gathering I did not see the Czar again on the 25th of July, nor even on the 26th or the 27th. What happened on those days in the ministry of foreign affairs did not come to my knowledge.

From Sazonoff I did not receive the least bit of information.

In consequence of the reports that flew about the city to the effect that our army was to be mobilized, the German ambassador, Count Pourtalès, sent the German military attaché, Major von Eggeling, to interview me. I informed him with sufficient accuracy of the immediate posture of affairs. I assured him that a general mobilization had not been ordered and that on the German frontier no preparations for any march into a field of action were under way.

Throughout all the regiments of the garrison at St. Petersburg there now took place inspections of field equipment, inquisitions into baggage, examinations of weapons. The Pavlowsky Regiment of the Guard had in pursuance of this program transported its entire campaign equipment to the Field of Mars. A report spread at once that the guard was mutinous. I enjoined Januschkevitch to hold a discreet conference with the military staff of the district and to take steps in concert with them to avoid for the future all demonstrations of a kind to precipitate such rumors. He was to give absolute orders for the suppression of whatever procedures might tend to

alarming misinterpretations and the spread of false reports that a declaration of war was, in fact, already issued.

Januschkevitch at once expressed to me his anxiety lest the Grand Duke Nicholas Nicholaievitch, as supreme commander of the district, might feel himself slighted at such an order or, rather, such interference. He might feel all the more affronted since the measures I was thus objecting to did not exceed the limits of peaceful routine in the usual course of military duty, such as mustering in, inspection of the details of mobilization, and so on. I did not on that account urge him any less eagerly to see to the execution of my order. I have no idea how or in what form it was carried out, for I received no further report respecting it.

Among ourselves the procedure in mobilization was this: The Czar signed the order, which went at once to the senate. With the signatures of the ministers of war, navy, and interior added, telegrams to the various military districts, giving the date of the first mobilization day, were prepared for transmission as soon as the "all-highest" command had been issued. Not until this stage was reached came the so-called pressing of the button.

This whole proceeding was exclusively the function of the supreme administration of the general staff, so far as the technical aspects of the business were involved. It comprised a continuation of policy with military means—a going from words to deeds. The political part of the game was played solely by the minister for foreign affairs. He it was, too, who on the 28th of July transmitted to the chief of the general staff the "all-highest" command to make two orders ready. One of these was for the partial mobilization. The other was for an eventual general mobilization.

All mobilization documents were naturally, as is the case in every army, previously prepared.

According to the development of the diplomatic and "world-political" situation, one or the other of these telegrams or "all-highest" commands, signed by the Czar and countersigned by the war and marine ministers, would, again upon the personal indication of the Czar, he actually issued. This anticipatory order of mobilization was thus by a very special arrangement insured against any evasion by the minister of war.

It was General Januschkevitch who laid these two orders before the Czar for the imperial signature. The orders signed thus by His Majesty had the countersignature of the directing senate by the time they made their way into the portfolio of the general staff. Upon the basis of these orders and in accordance with them were the corresponding telegrams prepared and these were signed likewise by the three ministers.

VII. MOBILIZATION OF ALL THE RUSSIAS

On Tuesday, the 28th of July, I made a final report to the Czar at Peterhof.

From the calmness, or rather from the repose with which the Czar took my exposition of the affairs that were now proceeding, one might have inferred that there was nothing whatever that then threatened the peaceful life of Russia. I was amazed at the reserve and the scant sympathy accorded my report by His Majesty. I could think of no explanation of it all that satisfied me.

After my return to St. Petersburg on this same 28th of July, in the latter portion of the afternoon, Januschkevitch told me that through Sazonoff he had received the "all-highest" command to mobilize the districts of Kieff, Moscow, Kasan, and Odessa—to go forward; that is, to a partial mobilization.

This was the counterstroke to the general mobilization of the Austro-Hungarian forces, already announced to us as complete by our ambassador at Vienna, Schebeko.

This partial mobilization, which we were now to undertake, was in reality unpalatable to the military element. From considerations of a technical nature, it might happen that a partial mobilization would create difficulties and confusions. These must become actually perilous if, immediately after such a step had been taken, it became necessary later to proceed to an actual general mobilization. This was clear to every officer in the ministry of war and to no one was it clearer than to the general staff.

Nevertheless, I was obliged on the 28th of July to press the button for a general mobilization.

VIII. RUSSIA IN THE FRENCH TRAP

On the 30th of July a meeting of the cabinet was held in the palace of Our Lady.

Reflected in our procedure was the agitated mood of the capital. Reflected in it, too, was the tense state of the nerves of the members of that ministry. Upon the turn of a hair seemed to depend whether or not a duel should take place between Makiskoff and Krivoschein.

In the foreground of all discussion at this sitting naturally stood the needs of the armed forces. These had to be met in the event—now apparently highly probable—that diplomacy failed to avoid a war.

From Sazonoff's elucidations at this cabinet conference it grew clear to us all that actual war was now scarcely to be escaped. It certainly could not be avoided if our menace through the medium of armed neutrality by means of our partial mobilization in the southern districts in reply to the challenging course of the dual monarchy remained without effect.

I made reference, naturally, to the dangerous situation in which we found ourselves as a result of the partial mobilization.

By myself as well as by Admiral Grigorovitch certain details connected with measures of preparation for war were now brought forward. These could not be urged with due prominence before. They entailed also energetic attack and the use of ample funds. With the closing of the frontiers immediate measures must be adopted to provide for the manufacture of munitions and weapons at home. These had hitherto been obtained from abroad. The industrial life of Russia based upon private business establishments and enterprises was not equipped for the task. Its development in this direction, in view of the scant resources placed at the disposal of the war ministry during the period of peace, could not be begun even. In this connection I was reminded by the minister of agriculture, Krivoschein, who sat near me, of the talks and dealings we had in 1910 with the finance minister. At that time Kokovtseff had declared that after a declaration of war the thing needful for the actual campaign was money, money, and more money yet. I had replied at the time that we could not even after the actual entrance upon a campaign shoot money at the enemy, and that our accumulations of gold would merely fall into the hands of the enemy if we had at home no industrial plants that could manufacture munitions and weapons.

IX. UNDER UNCLE'S THUMB

Even the incorrigible optimists could now no longer deny that we were on the eve of war.

In the general staff a feverish activity prevailed. Thanks to the interference of the grand duke in a fashion that set precedence and order at defiance, the chief of staff now enjoyed direct access to the Czar. The minister for foreign affairs likewise transacted business unknown to me with the chief of staff. It was no wonder that with such irregularities gross blunders were perpetrated.

In the agitating days immediately preceding the breach with Germany zeal was displayed by the German ambassador, Count Pourtalès, in frustrating the possibility of a mobilization of our forces. He importuned Sasonoff not to rush into military measures that might prove prejudicial to the work of peace proceeding still in diplomatic circles.

With the solution of the diplomatic problem I was not involved. Nicholas Nicholaievitch had known how to spare the Czar the "presence" of all inconvenient advisers and that signified my "presence" conspicuously. The Czzar in those days just prior to the war was entirely under the influence of his uncle.

If it now developes that behind my back General Januschkevitch sought to substitute and set in motion instead of the partial mobilization a general mobilization, I can only say this is news to me—an undertaking that at the time was cleverly concealed from me. Januschkevitch was an able and farseeing man. Of his own motion he could not have formed any plan for this criminal deed. There can be no doubt whatever that he was guided throughout by a person whose influence with the Czar was so great that Januschkevitch himself ran not the slightest risk whatever.

We know now that instead of the partial mobilization determined on the 28th of July, almost a complete mobilization was declared on the 29th of July.

Behind my back some one had evidently undertaken to extract from the Czar authority for a general mobilization. Manifestly, Nicholas Nicholaievitch had constrained the assent of the Czar to this. But His Majesty, after the arrival of the letter from Emperor William, had thereupon once more modified his command.

When he transmitted this ultimate decision of the Czar to the general staff, General Januschkevitch added that the Kaiser (thus in the original. The Czar is meant) took full responsibility upon himself for the partial mobilization.

X. TALKS BY TELEPHONE

After the arrival of the letter from Emperor William the subsequent progress of events took a rapid course.

About midnight of the 29th-30th of July the Czar called me on the telephone from Peterhof and communicated to me the contents of a telegram received from Emperor William. The Kaiser therein implored the Czar to suspend our partial mobilization, but said not a word about the suspension of any mobilization in Austria. Nor did he promise that this power, which had been the first to have recourse to such an expedient, would abandon it.

As I had not myself seen the Czar since the 28th day of July, I was, as may readily be understood, somewhat staggered by this telephone talk. The Czar, it became at once clear to me, must be somewhat shaken in the confidence he had reposed in the advice he received behind the curtains or on the back stairs. If the Czar was now firmly resolved to meet the wishes of the German Emperor, a direct order would have to be given to suspend the mobilization. For any such step the Czar did not find sufficient strength of purpose. In my opinion the reason was that such a step would not accord with the

point of view of his trusted adviser, from whose influence he would indeed gladly have been freed, but whose influence he could not of himself shake off. In his position, between hammer and anvil, the Czar chose a middle course, whereby responsibility, as he thought, was shifted to other shoulders.

"Is it not possible," he asked me, "to stop the mobilization?"

Over the telephone I replied that the mobilization was not a mechanism that at one's mere will could be halted and then set in motion again, like a wagon. As regards the partial mobilization, I deemed it my duty, if a command on this point were to be issued, to say that subsequently much time would be necessary to restore normal conditions for a fresh mobilization throughout the military districts. I begged the Czar for that reason, in view of the importance of the subject, to ask further advice upon it from the chief of the general staff. With that our talk ended.

After some little time, but on this same night, Januschkevitch called me on the telephone and informed me of a talk with the Czar, in the course of which his answer harmonized with that I had likewise given His Majesty.

Thus it transpires that neither Januschkevitch nor myself received any order for a suspension of the partial mobilization. We had not the right to undertake any arrangements of any kind with reference to it; we were still less justified in such a thing from the additional detail that the partial mobilization against Austria was determined not by the Czar alone but by the crown council of the 25th of July. Under such circumstances Nicholas II did not find strength of purpose to countermand his order without the support of the minister for foreign affairs, who had received the mandate from the crown council. The decision of this matter lay in the hands of those who conducted foreign affairs and with those forces which were effective on the back stairs, the control of which was impossible to me.

XI. SNUBBED

On the morning of the 30th of July I begged an audience of the Czar for the sake of making my report to him.

I received no reply.

Can the Czar have been then so busy that in those critical hours he could not receive the minister of war with his report?

Between the hours of 1 and 2 on that same afternoon Januschkevitch informed me by telephone that he had received from Sazonoff the "all-highest" command to publish a general mobilization order for both army and fleet.

This decision had been reached in consequence of the latest intelligence received from Berlin.

When Januschkevitch informed me of this it was already at the latest 2 o'clock in the afternoon. It was subsequently established that the questionable telegram from Berlin of our Ambassador Svwerbieleff could not have been received until the evening of that 30th of July.

This ambassador died not long ago. It has been granted me to make an examination of some notes left by him. In the course of these records of his he makes mention of the telegram of the 30th of July. It may be of interest to observe what Svwerbieleff himself said of these things on August 28, 1920, in Athens:

> "I was put in a position to inspect some diplomatic documents of the Berlin cabinet (published by M. Kautsky), and among them I found two papers.
>
> "One was a telegram from Herr Bethmann-Hollweg to the Count Pourtalès. I no longer recall the date. Another was a dispatch from the Bavarian minister to his Government on July 31. In these I am censured for having at least hastened, if not actually helped along, the outbreak of the war because I am alleged to have sent on to St. Petersburg without previous verification the false news of a German mobilization.
>
> "As for the denial with which I followed up my telegram, that would not, according to the Berlin cabinet, prove sufficient, seeing that I did not decide to confess my error candidly.
>
> "Now, here is an exact account of what happened.
>
> "As I have already narrated elsewhere, the Lokalanzeiger, official organ of the Government, had on the day previous, the 29th of July (Sukhomlinoff says the 30th is really meant), through the medium of an extra edition, spread the news that Germany was mobilizing. I was informed of it by telephone by the representative of the St. Petersburg agency at 2.25 p. m. (I remember the hour exactly.) I had barely time to send a telegram when the same agent telephoned me that the editors of the Lokalanzeiger denied the news it had previously published. It accounted for the origin of the error with an explanation only slightly plausible.
>
> "Without delay I sent a second telegram to Monsieur Sazonoff, in which I begged him to consider the previous one as null, void, and not received.
>
> "A quarter of an hour later—it was now 2.40 p. m.—the counselor of the embassy, Monsieur Bronevsky, came and told that, besides presenting his apologies, the Secretary of State had asked him over the telephone to tell me the news of the mobilization was false and that all the issues which had been made ready by the publishers for all eventualities and put in circulation at 1 o'clock in the afternoon were already confiscated.
>
> "Without losing an instant I sent a third telegram giving the purport of the communication from the Secretary of State. Hence all my three telegrams had been sent, and I had every reason to hope that they would reach their destination one after another at short intervals.
>
> "On reaching St. Petersburg I learned that matters had turned out differently. The first was received at about 4 o'clock in the afternoon, while the two others were decidedly delayed. The official denial had not reached its destination until about 9 o'clock in the evening.
>
> "What may have been the reason of this delay, I do not know. I have been told by competent persons who were involved at Berlin in the events preceding the war that the German Government—eager that the denial above mentioned should not be known too soon in St. Petersburg—had held back my last two telegrams.
>
> "Not being able to guarantee the authenticity of this information, I have persisted merely in giving the exact details of the episode that brought down upon me the unjust censure of the Berlin cabinet. (Note by G. Cleinow to the German edition of Sukhomlinoff's memoirs: The actual facts of this matter have since been documentarily established without prejudice one way or the other. The suspicion (that the telegrams were delayed by the Berlin Government) is wholly unfounded. The detail is moreover immaterial, since through the revelation of General Sukhomlinoff, as well as that of Ambassador Svwerbieleff, it is clear that Sazonoff had put through the general mobilization with the Czar even before the news of any mobilization came in from Berlin. General Sukhomlinoff says plainly: 'It was at the latest 2 p.m.' when Januschkevitch gave out the Czar's order for a general mobilization, whereas Svwerbieleff's telegram from Berlin 'could have been received only in the evening of July 30.' Svwerbieleff says specifically, 'the first telegram was received in St. Petersburg toward 4 o'clock in the afternoon.')
>
> "It is due to the editors of the journal (the Lokalanzeiger) to say that the Secretary of State explained the mistake to me in this way: On Wednesday, July 28, was held at Potsdam a council of war and it had been expected that the mobilization would then and there be decreed. The Lokalanzeiger had accordingly prepared copies for the purpose of giving the news to the public—copies which were circulated in the street by office boys."

XII. THE CZAR ASKED TO STAY AT HOME

My next report to the Czar was to be made personally on the 1st of August.

Meanwhile I was informed from Peterhof that the Czar wished to receive the Minister of War with his report on the 2d of August in the Winter Palace after the court ceremonies.

This "court" took place on a Sunday.

After the church ceremonies the Czar delivered an address to the assembled representatives of the army. To more than 4,000 officers were the inspirational words of imperial greeting then addressed.

When later I was received to make my report, His Majesty was most gracious. He thanked me for the brilliant and orderly execution of all mobilization details, employing the warmest words and embracing me as well.

Our Emperor was not so fortunate as to avoid war. As it was decided, apparently, that he would himself take command of the army in the field, the cabinet meeting, in view of the impending departure of His Majesty for the front, was held in Peterhof at the so-called "Ferma."

To this ministry His Majesty meant to give due powers and authority during his absence from the capital and he was now to signify and verify their nature and extent. The "Ferma" was really a pavilion in the park, a hall with small antechambers of the oddest construction, furnished fantastically. In the middle of the great hall stood a table around which some 20 or 25 persons could find seats. The furniture dated from the reign of Catherine. On the walls were equally ancient etchings, pictures of old castles, hunting scenes, representing the life of the seventeenth century. Portraits of individuals in high pompadour wigs, ruffles, frills, and tremendous encircling collars looked down upon the gathering.

To this "Ferma" the Czar came afoot, with no escort whatever and with no sword, just as if he had to do with an ordinary everyday gathering.

Now, as I set down these lines, nearly nine years after those days, when the critical, history-making question of whether the Czar should head the fighting army, was decided—to-day, when facts are at hand permitting a judgment regarding it all—I can indeed absolve the sovereign from the guilt of failing to show strength of will when he gave up his intention on the ground that I had made the necessary preparations for the war and for the conduct of the armed forces.

Better indeed would it have been if clearness had prevailed on this point before. Then the swapping of horses while crossing a stream would not have been necessary.

XII. HE DID NOT GO

Kicking a dead lion is not a sport I ever liked. Our unfortunate Czar has now to answer before the highest throne of all for his doings. Yet I should like to make clear how guilty I must feel in my own eyes had I not protested energetically against the opinion of all others there gathered for the cabinet conference—had I not affirmed that His Majesty ought not—confronted now, as he was, by the actual catastrophe—to abandon the purpose he had previously formed of personally taking the field with his troops.

During the meeting at the "Ferma" there sat on the right of the Czar, who presided, Goremykin in his capacity as prime minister. To the left of His Majesty I myself, as minister of war, was established. The declaration of the Czar was that he, before he took the field with the army, wished to confer certain powers upon the cabinet so that decisions could be taken efficiently during his absence without delay and without bureaucratic interference. Thereupon Goremykin was besought by His Majesty to express an opinion.

The mere framing of this entreaty made it apparent to me that on the part of the civil power nothing whatever had been thought out in justification of the original wish of the Czar. The aged prime minister indeed, almost with tears in his eyes, implored the Czar in view of the political situation not to leave the capital. He dwelt upon the peril to the country involved in the absence from its seat of government in Russia's difficult crisis of the official head of the realm. The address was in truth moving and made a tremendous impression upon the Czar.

These representations were warmly indorsed by the minister of agriculture and lands, Krivoschein, who vehemently affirmed that the Czar ought to stay in the administrative center of the vast state machine. He urged his point with such feeling that a powerful impression was produced upon the mind of the Czar. Then spoke up Schtscheglovitoff, the experienced professor. With his calm and quiet exposition, which he enforced by means of historical parallels, bringing in Peter the Great and conditions in the Prussian camp of those days, he persuaded us all that there was good reason why the Czar should remain at the helm of the administration. After Schtscheglovitoff other participants in this meeting spoke to the same effect.

Then it was my turn to speak.

His Majesty turned to me and remarked:

"Now, let us see what our minister of war has to say to this."

"As minister of war," I declared, "I must say that the army would be delighted to see its all-highest commander in its midst—all the more so since I know this to be also the eager desire of your Majesty. Upon this assumption the general staff laid its plans and it has taken it for granted in its scheme of operations in the field. Yet as a member of the ministry I stand alone now in my opinion. In the face of so united a front on the side of my colleagues I have no moral right to stand alone as the only one in opposition."

"This means," concluded the Czar, "that even the minister of war is against me."

He persisted no further in his contemplated departure to the army.

XIV. BEHIND THE CURTAINS

Whoever wishes to be well grounded in the backstairs history of the war should give particular attention to the days covering the period in which Poincaré's visit to the Czar occurred as well as to the days of that next series—from, say, the 24th to the 28th of July, 1914.

I am firmly persuaded that during this interval the decision regarding peace or war was made in the light of the understanding arrived at by Grand Duke Nicholas Nicholajevitch, Sazonoff, and Poincaré to frustrate every effort at a peaceful solution under all circumstances.

During and after the visit of Poincaré I was cut off from the Czar until the 2d of August when the war machine had already been set in motion by diplomacy. A stop or a halt was possible only through a breach of the pledge given by the Czar to the ally.

During all those days I was systematically hindered from being alone with the Czar. I was likewise systematically prevented from gaining an insight into the existing political situation.

Sazonoff and the Grand Duke, until the departure of the President of the French Republic, acted behind closed doors or on the back stairs. After the crown council of the 25th of July, sustained by the resolution taken therein and by the mandate from the foreign minister, they acted wholly without contact with the minister of war.

The Grand Duke had then chiefly to play the part of the one who inspired the mood of the Czar with a warlike spirit and to retain him in that state of mind. Sazonoff conducted himself in the fashion and worked in the direction suggested from Paris by Isvolsky, whereby, as may be seen from the treatment accorded Swerbieleff's telegram from Berlin, all information likely to leave an open door for peace was held back.

Sazonoff in all these doings was not the dominant personality. He was indebted for his post as foreign minister chiefly to his family connections and to the harmony between his conceptions of eastern policy with those of Isvolsky, the Grand Duke Nicholas Nicholajevitch, and the two Montenegrin princesses. Without having any fundamental experience in the field of diplomacy, Sazonoff was a man of culture and cleverness above the average, although very dependent upon such of his fellow workers as, like Count Tatistcheff, were more experienced politically than himself. In the sessions of the cabinet he defended the propositions brought forth by his department with energy. In the discussion of questions that concerned only other ministers he took no part.

I never had any difference with the foreign minister. Our rigidly correct intercourse was determined chiefly by the relations established for us through our official posts. The nature of our official intercourse was reflected even in unofficial ways. There were between us no enduring points of contact, since I had little concern with diplomacy, and Sazonoff did not interest himself in military affairs. His plan for the landing on the shores of the Bosphorus showed me how little he understood military matters.

Januschkevitch, the pliant creature of the grand duke, acted under his direct guidance. The extent to which this took place I had no means of controlling. As a result I knew nothing of the fact that the general subordinate to myself was daily with the Czar and reported behind my back. I thought I had arranged with the Czar that the chief of the general staff was to be asked to make reports only in the presence of the minister of war. It seems, however, that the Czar as early as the 25th of July, felt himself to be acting in the capacity of commander in chief, and for that reason believed—quite in the manner of the precedent set by his talks with Kuropatkin during the Japanese War—he could deal directly with the chief of staff by going over the head of the war minister and still not affront the latter. * * *

The grand duke, as well as Sazonoff, knew that I could advance powerful considerations in favor of the maintenance of peace in that summer of 1914. For that very reason they prevented me from advancing them at the most timely moment.

They were only too successful.

XV. A MASTER OF MENDACITY

No worthy representative of his government in St. Petersburg was the French ambassador—Paleologue.

Instead of working earnestly, he gave himself up to teas and empty chatter; he was influenced by gossip, and he did not disdain the acquaintance of even Gregory Rasputin. In his volume of recollections dealing with his stay amongst us, he contrives to tell many a fable. Anyone with even a casual acquaintance with the character of the Czar Nicholas II and his mode of speech would not believe a word of Paleologue's.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the amendment of the Senate No. 19 to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, which was, in lieu of the matter proposed to be inserted, to insert the following:

expenses and per diem in lieu of subsistence (and the Secretary of State may allow per diem in lieu of subsistence for foreign travel at not to exceed $8).

Mr. JONES of Washington. Mr. President, I desire to make a request which I think will take but a minute. In agreeing to the conference report on the appropriation bill for the Departments of State and Justice and Commerce and Labor the House agreed to one amendment with an amendment. I desire to move that the Senate concur in the amendment of the House to the amendment of the Senate.

The PRESIDENT pro tempore. The Senator from Washington moves that the Senate concur in the amendment of the House to the amendment of the Senate. The question is on that motion.

The motion was agreed to.

SETTLEMENT OF INDEBTEDNESS OF HUNGARY

Mr. SMOOT. Will the Senator from Nevada yield to me? I desire to report a bill from the Committee on Finance and to ask for its immediate consideration.

Mr. PITTMAN. I will yield, reserving the right, if debate occurs on the bill, to object.

Mr. SMOOT. If the bill leads to any debate at all, I will withdraw it.

From the Committee on Commerce I report back favorably without amendment the bill (H. R. 8005) to authorize the settlement of the indebtedness of the Kingdom of Hungary

to the United States of America. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. I wish to say to the Senate that the settlement that is made with Hungary is exactly the same as the settlement which we have made with England and with Finland.

Mr. WALSH of Montana. Reserving the right to object, I ask that the bill be read.

Mr. PITTMAN. Then I shall have to object, because I can not consent, in view of the circumstances, to have the time taken up now.

Mr. SMOOT. The bill is to settle the debt to us from Hungary in the sum of $1,939,000.

Mr. PITTMAN. I am sorry that I can not yield.

The PRESIDENT pro tempore. Objection is made by the Senator from Nevada to the consideration of the bill.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, the pending question being on Mr. PITTMAN's amendment, on page 96, after line 6, to insert:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

"(1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance: *Provided*, That upon application to the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed; and if a circuitous rail line or route is granted authority to meet the charges of a more direct rail line or rail route to or from competitive points and to maintain higher charges to or from intermediate points on its line, the authority shall not include intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between competitive points: *Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carrier or shippers, in cases of emergency, such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance.

"Where any common carrier has, or common carriers have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearings based on no less a showing than that upon which the commission is herein authorized to grant relief: *Provided*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

Paragraph 2 of section 4 of the interstate commerce act, as amended, is hereby repealed.

Mr. PITTMAN. Mr. President, under the rules there may be presented at 1 o'clock—and that is the understanding—two points of order against my amendment. One of those points of order is on the ground that the amendment is not germane and relevant to the subject matter of the bill under consideration. If that point of order be made at 1 o'clock, then it will be the duty of the Chair, under paragraph 3, Rule XVI, to submit the question without debate. It is therefore very material, in order to have an understanding as to how we are going to vote on the matter, to consider the question whether or not the amendment is germane.

There is another point of order that may be made under the rules, and that is that the amendment is general legislation to a general appropriation bill. I desire to discuss those two questions.

In determining whether the amendment is germane it is necessary, in the first place, to ascertain the purpose of the bill; and, in the second place, to ascertain the purpose of the amendment. The object of the bill—at least, of that portion of it which I seek to amend—is to appropriate money for the improvement of and making navigable our inland waterways and for the improvement of the Panama Canal. The amendment which I offer has for its purpose the prevention of acts by the Interstate Commerce Commission that will make futile those appropriations.

The purpose of the appropriation for harbors and inland waterways and for the Panama Canal is to place them in a condition where they will encourage and make possible transportation by water. If one of the departments of this Government is conducting its affairs contrary to law and in a manner that will make navigation on the inland waterways impossible, then it is certainly germane and relevant to place some safeguards around the appropriation.

At the start I charge that there is no water transportation on inland waterways, and I charge that the evidence discloses that there never can be any transportation on the inland waterways if the construction now given to the law and the practices being followed by the Interstate Commerce Commission shall continue. In other words, unless there is some qualification placed in this bill with regard to the manner of the use of these appropriations, they will be wasted and useless. That is the whole situation.

Now what is the existing law, which I contend that the Interstate Commerce Commission are violating to the destruction of water transportation? It will be found in the transportation act of 1920, commonly known as the Esch-Cummins law.

Section 4 of that act, which has been on the statute books since 1887, provides that no common carrier shall charge more for a short haul than a long haul, or, reversing the language, that the Interstate Commerce Commission shall not grant authority to a railroad to charge less for the long haul than for the short haul. They may charge exactly the same amount; they may charge as much, if they please, under the policy of Congress, to haul freight from New York to St. Louis as they do from New York to San Francisco; that is permissible under the fixed law of this country; but they can not charge more for hauling freight from New York to St. Louis than they charge for hauling it from New York to San Francisco.

Mind you, Mr. President, Congress attempted to relieve from that stringent rule, and how did they attempt to do so? They put a proviso in that act. It was not the first proviso; there have been several of them; but in the act of 1920, when we were trying permanently to regulate the commerce of this country, when Congress desired to treat transportation as a national system, they put in this proviso:

Provided, That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved of the operation of this section; but in exercising the authority conferred upon it in this proviso the commission shall not permit the establishment of any charge to or from the more distant point that is not reasonably compensatory for the service performed.

Now, let us see what the construction is that is placed upon the act. I will first read the construction which Congress itself placed upon the act. By turning to page 141 of the interstate commerce act we find this language:

SEC. 500. It is hereby declared to be the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States, and to foster and preserve in full rigor both rail and water transportation.

Congress so declared again in the transportation act of 1920, where the provision is included which I have just read.

When the chairman of the Senate Committee on Interstate Commerce presented to the Senate the transportation act of 1920 he explained to the Congress the meaning of this new provision in section 4 of the interstate commerce act. What did

he say? Remember, Mr. President, he was speaking for the committee and he was speaking as the author of the bill. This is what the Senator from Iowa [Mr. CUMMINS] had to say at that time:

We have said in this bill that the Interstate Commerce Commission can give the authority to charge more for the shorter than the longer haul, but in giving the authority it must find that the rate which is charged by the railway company for the longer distance is a compensatory rate as distinguished from an out-of-pocket cost rate. There is a great difference between those two things.

The Senator from Iowa continued as follows:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital.

I wish to say that I am not presenting this question here purely as a perfunctory matter. I consider it one of the most important questions that we have had before the Senate, and I know that a good majority of Senators recognize the outrage that is being perpetrated by the action taken by the Interstate Commerce Commission and desire to change it. There are many Senators here, however, who do not believe that they have a right to consider this amendment by reason of it being offered to an appropriation bill, and that is the question which I am now discussing.

Mr. SPENCER. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. Yes.

Mr. SPENCER. I am very much interested in what the Senator is saying. I am inclined very much to agree with him, but I should like to ask whether, before he concludes, he intends to discuss the statement he has just made, for it is in that regard that I have my greatest doubt?

Mr. PITTMAN. That is exactly what I am moving to now. I wish to read again what the Senator from Iowa [Mr. CUMMINS] said in presenting the bill which became the transportation act of 1920:

A compensatory rate, I assume, means a rate which will enable the railway company charging it to defray the cost of maintenance and operation and that will also bear its just share of the return upon capital. I take it that the word "compensatory" is used in that sense. Therefore, in the case put by the Senator from North Carolina, if the charge for the longer distance was not a compensatory charge, the Interstate Commerce Commission would have no authority to grant the right to charge more for transporting the sugar, or whatever it may have been, over the shorter distance than it charged for transporting it over the longer distance. I think this amendment will go very far toward correcting the manifest abuses which have crept into the law. I think that the Interstate Commerce Commission could have prevented very many of those abuses by proper and correct rulings upon the law as it is, although I do not criticize it in that respect, for its work has been very difficult.

Mr. BORAH. Mr. President, I did not understand what the Senator is reading from.

Mr. PITTMAN. I am reading from the speech of the Senator from Iowa [Mr. CUMMINS], the chairman of the Interstate Commerce Committee, at the time he presented to the Senate the transportation act of 1920, and when he was explaining the meaning of the proviso to section 4, which required that where the charge to the more distant point was less than to the intermediate point it, at least, had to be compensatory, and in which he stated that it was different from an out-of-pocket cost; that it had to earn more than that.

Now, let us see, for instance, what Mr. Justice Brewer's opinion was on this very matter. I refer to page 9 of the hearings, in the statement made by Mr. Campbell, of the Interstate Commerce Commission. Here is what Mr. Justice Brewer had to say in the case of the Morgan Grain Co. *v.* Atlantic Coast Line Railroad Co. (19 I. C. C. 460, p. 470):

Compensation implies three things: Payment of cost of service, interest on bonds, and then some dividend.

The Supreme Court of the United States, in Northern Pacific Railway Co. *v.* North Dakota (236 U. S. p. 585), quotes that definition of compensation as correct.

Now, let us see what the definition is that is given to this by the Interstate Commerce Commission. Here is the criterion laid down by the Interstate Commerce Commission; and notice how different it is from that laid down by the Supreme Court of the United States and laid down by the Senator from Iowa, the chairman of that great committee, when he presented this amendment. Here is the criterion laid down by the Interstate Commerce Commission, upon which they decide these applications for departure:

A rate properly so described must (1) cover and more than cover the extra or additional expenses incurred in handling the traffic to which it applies.

There is quite a difference in that; but, mind you, if that language is not sufficiently definite, I want to turn to the testimony of Mr. Hall, the chairman of the Interstate Commerce Commission, who testified before our committee on this very act a few weeks ago. He is speaking for the majority of the commission. He is speaking, in fact, for every member of it except one member, and that is Mr. Campbell, who dissented. Now, remember, it was only a week or two ago that the chairman of the Interstate Commerce Commission gave his construction of "reasonably compensatory"; and what did he say? Here is what he said:

Senator PITTMAN. But right now you are not prepared to say on a shipment of steel, for instance, what part of the compensation is a fair return on those roads, are you?

Commissioner HALL. No; I don't know how you could get at it. Perhaps some of the gentlemen representing the carriers can, but I don't know.

Now, listen to this, Senators:

Senator PITTMAN. How do you get at the question as to whether the charges at the distant point are reasonably compensatory?

Commissioner HALL. I have said to you, sir, that while I am not satisfied with the answer, the nearest I have gotten to an answer in my own mind is that if, as the net result of getting the additional traffic at the lower rate, the carrier has an increased net revenue, then it may be said that that additional traffic has been reasonably compensatory under the circumstances.

Look at the difference between those things. If it pays anything over and above the cost, it is reasonably compensatory; and yet the Supreme Court of the United States says "compensation" means sufficient not only to pay costs and maintenance but to pay interest on bonds and some dividends. That is the same attitude that was taken by the Senator from Iowa when, as chairman of the committee, he presented this very provision. Mind you, it had the construction of Congress before the act was passed, while it was being considered; and in spite of that the Interstate Commerce Commission up until this very hour is refusing to accept that interpretation of it, and continuing to construe "compensation" to mean "out of pocket costs."

Now, let us see what the railroad construction is of this provision.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

Mr. PITTMAN. I yield.

Mr. OVERMAN. This great contest has been going on here for 15 years. We had a debate on it for two weeks 10 years ago and thought we were arranging this matter so that the people would be protected against unjust discriminations. Then we had it again later on. The Interstate Commerce Commission differed with the intention of Congress, it seemed, and we passed another amendment, and still the law is construed against the will of Congress so as to permit discriminations. If the Senator's amendment should be adopted, what assurance have we that the Interstate Commerce Commission will not construe the law so that the relief the Senator asks for will not be obtained? That has been my experience for 15 years.

Mr. PITTMAN. The Senator is entirely right; and the only way we can possibly remedy the situation is to state that they shall have no discretion whatever in varying from section 4 to meet water competition.

Now let me read to you what the railroad construction of this proviso of section 4 is. I take it from the hearings recently had before our committee at page 426:

The CHAIRMAN. Mr. Spence, in asking for relief, what are the main reasons that prompt that request?

Mr. SPENCE. The sole reason, Mr. Chairman, is that the rail carriers may obtain, or recover, I might say, a share of the traffic that is going by sea or by water.

The CHAIRMAN. Is that tonnage that you desire to recover profitable to your carrying by rails?

Mr. SPENCE. It is profitable in the sense that it yields a return of about what it costs to handle the extra traffic.

The CHAIRMAN. It yields a return above the cost?

Mr. SPENCE. Yes, sir.

That is the railroad construction of it; that is the Interstate Commerce Commission construction of it; and that is diametrically opposed to the construction placed upon the provision by Congress when they were debating it here and by the

Supreme Court of the United States in defining what "compensation" means.

Now, let us see. What do the water shippers of the country have to say about this proposition?

Here is a statement by Mr. Lyon, representing a great number of water shippers, in the hearings before the committee a few weeks ago, when we were discussing this matter. At page 626 he says this:

The granting of the application would practically destroy the water lines, or at least certainly reduce their ships to one-half the number they now have.

Senator GOODING. The granting of this application?

Mr. LYON. Yes; and there is no reason why they should not take all the business if they can do it on a rate which is something over their 40-cent rate, using that to illustrate; if they can get 50 per cent of our business, I see no reason why they should not get 99 per cent of it.

Now, let us see. What hope is there that the Interstate Commerce Commission will change their attitude on this subject? Is there any? As the Senator from North Carolina [Mr. OVERMAN] says, have we not tried it out for 30 years? Has not the chairman of the commission come before the Interstate Commerce Committee in the last few weeks and given his testimony as to how he will continue to construe it? Even though his attention was called to the speech of the Senator from Iowa, he still maintains his position.

Now, I want to see what chance there is to change this matter. I want to read from the testimony of Mr. Campbell, of the Interstate Commerce Commission. He testified before us a few days ago. He is in favor of the construction given by the Senator from Iowa and by the Supreme Court of the United States, and when a case came up on departure he so voted; but he was the only one of the whole commission who voted for that construction. The others voted for the construction given it by Mr. Hall, the chairman of the commission.

Now, listen to what took place:

Senator PITTMAN. I also understand from your statement that it is your opinion, or your view as a commissioner, that the commission has not carried out the intent of Congress in the administration of this act.

Commissioner CAMPBELL. Well, I would not put it that broad. I would say that they have not carried out what I think Congress intended. Of course, the majority think they have, and they may be right.

Senator PITTMAN. But that is your opinion?

Commissioner CAMPBELL. Yes; that is my opinion.

Senator PITTMAN. You have referred to a particular dissenting opinion there. How many members of the commission joined you in that dissenting opinion?

Commissioner CAMPBELL. Which one was that?

Senator PITTMAN. It was in regard to 1922.

Commissioner CAMPBELL. About the reasonably compensatory rates?

Senator PITTMAN. Yes.

Commissioner CAMPBELL. I think none.

Senator PITTMAN. How many of the commissioners were there then and participated in that?

Commissioner CAMPBELL. I think all of the commissioners participated in that.

Senator PITTMAN. That is, there were 11 commissioners, were there not?

Commissioner CAMPBELL. Yes.

Senator PITTMAN. And there were 10 against it?

Commissioner CAMPBELL. I think so.

Senator PITTMAN. Is there any way of changing that policy of those 10 men, in your opinion, if Congress thinks that policy should be changed, except by direct legislation?

Commissioner CAMPBELL. No; I tried my persuasive powers, and I was not successful; so I think it is up to Congress.

Senator PITTMAN. And if Congress should agree with you, then, in your opinion, there is but one way of enforcing that policy on the part of the commission, and that is by mandatory legislation?

Commissioner CAMPBELL. I think so.

So, Mr. President, we have come down to the position where we know definitely what the attitude of the Interstate Commerce Commission is, and will continue to be if we do not enforce the construction of this proviso as intended by Congress what will be the result? The Interstate Commerce Commission must grant the applications now pending by the western roads for an out-of-pocket cost rate in competition with intercoastal water transportation, and subsequent applications to meet water competition on our inland waterways. Is not that true? How can they refuse an application to meet water competition when they have said to the rail carriers: "If it is essential to meet water competition, we will let you haul goods in competition at cost." That is their rule; that is their interpretation of "reasonably compensatory," so they will continue to do it.

What would be the result of such action? Now, mind you, every western road has made application for departures from the fourth section.

Every western road is asking to have put into effect rates at the seaboard towns that are out-of-pocket cost. What will be the result? We have established a Shipping Board here in this country for the purpose of trying to encourage shipping, and what is said by the Shipping Board? We ought to take the advice of the Shipping Board on some matters, at least, or we ought to abolish it. I have already read the whole resolution adopted by the board, and I will not read it all again, but just a part of it. It is as follows:

Whereas it is believed by the United States Shipping Board that the application of the rail carriers is made in contemplation that it will drive the ocean carriers from this competitive trade through diversion of the commerce now being so carried in fair competition; and

Whereas any destruction of the favorable and economical competitive transportation of commerce from the Pacific to the Atlantic seaboards through the Panama Canal would be injurious to the public interest: Now, therefore, be it

Resolved, That the United States Shipping Board convey to the Interstate Commerce Commission the protest of the United States Shipping Board against granting the application designated as fourth section application No. 12436.

What good does that protest do? They have been making that kind of protest for years. You can not protest against a court administering a law under the construction which it has already given to the law. The commission are simply violating the instructions of Congress; and, as Mr. Campbell said, there is no remedy except to take away from them the discretion to allow railroads to charge just the cost of transportation so as to put water carriers out of business.

Let us see what the Merchants' Association of New York has to say about this thing, and I am sorry the junior Senator from New York [Mr. COPELAND] is not here. He was very much interested in the matter the other day. This is what they said:

We believe the rates proposed by the applicants are lower than are necessary to meet legitimate water competition, and if they are permitted to become effective, will eliminate legitimate competition by the water lines. This situation will be most detrimental to New York and shippers in Atlantic seaboard territory, in that they will be deprived of rates, service, and markets to which, by reason of their geographical location, they are lawfully entitled.

To extend this territory of origin and to reduce the rates therefrom so materially as the carrier proposes in this application will create so great a disadvantage to the producers in Atlantic seaboard territory as to preclude their entering the Pacific coast markets in competition with middle western shippers.

For these reasons, therefore, the Merchants' Association of New York protests against granting the rail carriers' application, and respectfully requests that authority to establish the proposed rates be denied.

So this commercial body is opposing these rates, and they have always opposed them. But what good does it do? They know that under the rule established by the Interstate Commerce Commission they must grant them. They should know there is only one way to stop them from granting them, and that is to divest them of their authority to allow railroads to charge these confiscatory rates to put the water competition out of business. That is all this amendment does. This amendment has nothing to do with the regulating of railroads. It has nothing on earth to do with the long-and-short-haul departures as between direct and circuitous rail rates. It does not affect anything of that kind. It affects only these rates which these men are protesting against.

I see the junior Senator from New York has just entered the Chamber. I will say to him that I have just read a protest by the Merchants' Association of New York against this application of the western roads for relief under this provision of section 4. They say that it will destroy coastwise trade. They say that it will be unfair to New York, with its natural location on the water.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. COPELAND. I would like to say to the Senator from Nevada that I am not only a Senator of the United States but I am a Senator from the State of New York, and live in the city. I have had protests that the passage of this amendment would militate against the business of the city of New York; that under the present arrangement we can get rapid railroad

transportation from New York to the Pacific coast, but if this amendment were to be enacted it would mean that the only way the New York merchant could send his stuff to the coast at the low rate would be actually by shipping it by the long water routes, which would involve weeks of time; that if the direct route were to be taken the price would be materially increased. I would like to ask the Senator from Nevada what the answer is to that criticism?

Mr. PITTMAN. I am sorry I have only 10 minutes and can not go over the argument I have just made. I have read what your merchants' association says, that the rates are too low from Chicago west, because they are cost rates; and yet that is in accordance with the rule laid down by the Interstate Commerce Commission, and they will follow it. If they give cost rates from Chicago to the Pacific coast and give cost rates from New York to the Pacific coast, the rates from Chicago will be lower. There is no question about that, because it costs less. If they give cost rates to the coast on all lines, the actual cost of the transportation, which is what their application asks for, Chicago, Toledo, and all points west of New York will have a lower rate to San Francisco, because the cost will be lower for hauling any commodity 2,000 miles than for hauling it 3,000 miles. Your commercial bodies oppose the granting of this relief, and yet they do not understand that it is going to be granted if the power is not taken away from the Interstate Commerce Commission. They think we are dealing with circuitous and direct rail routes. We have nothing to do with them. We deal only with water competition.

Mr. GOODING. Mr. President, may I say to the Senator from New York that there is no violation between New York and Chicago at the present time, and never has been. So your people, as far as that is concerned, are not interested in that feature. The great interests between New York and Chicago would not permit violations. Pittsburgh would not permit a violation. No point in the State of Ohio or any other point, where there are great industries strong enough, would permit violations. The railroads would not ask for them.

Mr. BORAH. Mr. President, the Senator from Nevada has only a few minutes left, as I understand the agreement, and I wish he would dwell somewhat upon the question of the point of order more directly, because that is troubling some more than the other question is troubling them.

Mr. PITTMAN. Very well; I will do that now. I have only gone so far into this matter for the purpose of showing that at least this amendment is germane to the legislation providing these appropriations. There is no question about that. That is why I went into it. It is germane, because the appropriations are futile unless there is some such provision in the law. I wanted to show that there must be a law to change the attitude of these people or they would not change it.

This amendment simply reaffirms existing law, and denies the authority of the Interstate Commerce Commission to violate it.

It simply restates every power the Interstate Commerce Commission was intended to have under section 4.

It simply adds provisions to protect the appropriation and insure the accomplishment of its purpose under existing law.

It is to direct the Interstate Commerce Commission not to obstruct or interfere with the encouragement and development of water transportation, which is provided for in section 500 of the interstate commerce act.

Similar provisions in the Panama Canal act were not only deemed germane but relevant and necessary. I refer to the provisions of that act which prevented the railroad companies from operating ships through the Panama Canal in competition with other ships. It was known that you had to do that or the railroad companies would not permit any privately owned ships to operate through the Panama Canal.

This is just as important to the Panama Canal as was the provision that railroad companies should not operate ships through the canal. It is just as germane, it is just as relevant, it is just as necessary. That shows, beyond question, the germaneness of the matter.

As to the other proposition, that it is general legislation, when there was pending in the Senate recently the celebrated Howard University dispute the junior Senator from Wisconsin [Mr. LENROOT] presented the following amendment to an appropriation bill:

For additional medical school, $370,000.

A point of order was made against that on the ground that it was general legislation. What was the result? I read from the RECORD:

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Chair overrules the point of order so far as it relates to general legislation, because the Chair is of the opinion that it is not general legislation. In accordance with the rule, the Chair submits to the Senate the question of whether or not the amendment is germane.

The Senator from Wisconsin, in trying to avoid the argument made by different Senators that it was general legislation, said:

The question often came up whether a given item or given language was general legislation or special legislation, and so the word "new" was used to cover them both, not items of appropriation, necessarily, but whether it was general or special legislation.

In the Howard University matter the amendment authorized the erection of a building for the benefit of a private institution, not a public institution, because the Howard University is not a public institution. If the authorizing of a building not provided for in general existing law was not new legislation, then certainly a reaffirmation of the existing law can not be held to be new legislation. This is nothing but a reaffirmation of existing law. It does not change a single thing in the law as understood by the Senator from Iowa, and as the Supreme Court held it to be. There is not a change in it. It is a reaffirmation of existing law.

If that is any different in principle from legislation authorizing the erection of a building, I do not understand it. As a matter of fact, I took the ground on the floor at that time that the Lenroot amendment was general legislation. I stated at that time that if the Senate sustained the Chair in that proposition, I would accept it as a rule, as I accept the construction of a law by the Supreme Court of the United States, although I may differ from it.

This is the situation: We made a rule. The amendment before us was subject to two constructions. The Senate of the United States construed it in that case. I stand on that construction, that the legislation authorizing the erection of a new building was not, in the interpretation of the rule, general legislation. Why was that ruling made? Because in the past there had been appropriations made for that purpose, and because those appropriation bills were existing law, or something of that kind.

This appropriation bill which comes before us to-day has new legislation in it. The committee amendments have legislation in them. The House has provided in an appropriation bill for the building of a new power plant at the Panama Canal. If it is understood that an appropriation bill is nothing but a supply bill, that it will do nothing but furnish money to carry out existing law, I stand by it, but if an appropriation bill is to be used as the medium of the legislative ideas of appropriation committees, and then the Senate, when it gets the bill before it, can not amend it to protect the appropriations in it, I am against it.

But I say now that the situation as it stands is simply that the Senate has held that it is only a question as to whether the amendment offered is germane and material. They have wiped out that provision of the rule requiring that no legislation shall be offered to an appropriation bill by the ruling in the Howard University case. They passed through this body an appropriation for the erection of a building for a private institution with regard to which there was no former legislation. We can not have a rule that applies to one case and does not apply to another similar case.

There is only one point involved in the proposition. Here is an appropriation to accomplish navigation by water. Here is an amendment that is admittedly essential to make that appropriation available. If we can put a limitation on an appropriation, at the same time we ought to be allowed to put safeguards on the appropriation. If we can not, then the appropriation is perfectly futile. That is my position in the matter. I contend that under the ruling in the Howard University case they wiped out the provision with regard to general legislation and narrowed it down solely to the question of whether or not it was in aid of carrying out a policy contained in a bill, and whether or not, having appropriated money for the university in the past, we could continue where it was necessary to make the formal appropriations available. That is the rule we have come down to, and if we are not going to enforce that rule then we are going to give to appropriation committees the right to use their great power of appropriation not for the purpose of supplying money to carry out existing laws, but for the purpose of using that committee for the purpose of initiating bills that will develop into law.

It seems to me, Mr. President, that the case is on all fours with the Howard University case. It seems to me the supreme court of this body, which is the Senate itself, has given its construction to a rule and it can not go back on the construction. It certainly should not go back on the construction in a case that is as vital as this case.

I have gone into the evidence during the last 15 or 20 minutes to show the absolute necessity for this kind of legislation, and to show that the appropriations are wasted, that they will be unavailing and useless without this kind of legislation. It is not general legislation in the sense that the Senate had in mind. It is not new legislation in the sense that the Senate had in mind. It is legislation which reaffirms existing law, which says to the Interstate Commerce Commission, "We will rewrite this law, although we do not change it from what we originally intended, but we do want to say to you that we grant this appropriation through the rivers and harbors act with the understanding that you shall not make futile these appropriations by a violation of the law." If that can not be done, then we have no method of adequately preventing a constant misconstruction of the law by one of our agents. This is not misconstruction by the courts. It is a misconstruction by the Interstate Commerce Commission, which is an agent of this body. This is special legislation with regard to rivers and harbors and intercoastal waterways. The amendment is not general legislation. It is special in that we are throwing a protection around this particular special subject.

Mr. WADSWORTH obtained the floor.

Mr. WARREN. Mr. President, I think there should be a quorum present before the point of order is made and discussed. Therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fletcher	McKellar	Shipstead
Ashurst	Frazier	McKinley	Shortridge
Bayard	George	McLean	Simmons
Borah	Gerry	McNary	Smith
Brandegee	Gooding	Moses	Smoot
Brookhart	Hale	Neely	Spencer
Broussard	Harreld	Norbeck	Stanfield
Bursum	Harris	Norris	Stephens
Cameron	Harrison	Oddie	Sterling
Capper	Heflin	Overman	Swanson
Caraway	Howell	Owen	Trammell
Colt	Johnson, Calif.	Pepper	Wadsworth
Copeland	Johnson, Minn.	Phipps	Walsh, Mass.
Cummins	Jones, N. Mex.	Pittman	Walsh, Mont.
Curtis	Jones, Wash.	Ralston	Warren
Dale	Kendrick	Ransdell	Watson
Dill	Keyes	Reed, Pa.	Wheeler
Edwards	King	Robinson	Willis
Ferris	Ladd	Sheppard	
Fess	Lodge	Shields	

Mr. SMITH. I wish to announce that my colleague, the junior Senator from South Carolina [Mr. DIAL], is absent on account of illness.

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present.

Mr. BORAH. Mr. President, will the Senator from New York yield to enable me to have something inserted in the RECORD?

Mr. WADSWORTH. I yield for that purpose.

Mr. BORAH. I have a communication from Mr. J. F. Shaughnessy, of Nevada. I do not know whether it has been put in the RECORD or not. May I ask the Senator from Nevada if it has been put in the RECORD?

Mr. PITTMAN. I think not.

Mr. BORAH. I ask permission to insert in the RECORD a statement by Mr. J. F. Shaughnessy, chairman of the Nevada Railroad and Public Service Commission, being a discussion of the merits of the pending amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MAY 16, 1924.

Hon. WILLIAM E. BORAH,
United States Senate.

MY DEAR SENATOR: I desire to express appreciation for your kindness in allowing me a few moments out of your busy day and also your consideration in granting me the privilege of confirming by letter the few thoughts I am anxious to leave with you in support of the amendment for the correction of long and short haul rate abuses, which Senator PITTMAN has given notice he will offer to the rivers and harbors appropriation bill.

I am here in the interest of the people of Nevada, as one of their State officers, being the chairman of the Public Service Commission of Nevada, and we, with other Intermountain States, are petitioning the Congress for the aforesaid relief in order that we may have at least an equal opportunity from a transportation standpoint with the heretofore more favored Pacific coast terminal points.

As illustrative of the long and short haul rate situation which I brought to your attention, I beg to set forth the following examples, which you will note are in contravention of the declaration of Congress set forth in section 500 of the transportation act that—

"It is the policy of Congress to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation."

WOOL RATES

For a haul of 3,300 miles from San Francisco to Boston the rate is $30 per ton, whereas for a haul of 2,600 miles from Battle Mountain, Nev., to Boston (directly intermediate) "the shorter being included within the longer haul," the rate is $60 per ton.

HIDES

For an average haul of approximately 3,200 miles from San Francisco to New York and Boston the Pacific coast jobber or broker may ship at a rate of $30 per ton, whereas the actual producer, 800 miles inland, say, from Ogden or Salt Lake City, Utah, to New York City and Boston, the rate is $40 per ton.

At the present time the transcontinental carriers have an application pending before the Interstate Commerce Commission for authority to establish long-and-short-haul rates on 43 commodities from Chicago to the Pacific coast terminals—San Francisco, San Diego, Los Angeles, Portland, Tacoma, and Seattle—while maintaining higher rates intermediate throughout Western and intermountain States, and the railroads operating south from Chicago likewise have an application before the Interstate Commerce Commission seeking authority to establish long-and-short-haul rates from Chicago to New Orleans, while maintaining higher rates at intermediate points. These discriminations I will illustrate by dry goods on the west bound application and by iron and steel articles on the southbound application.

DRY GOODS

For a haul of 2,300 miles from Chicago to San Francisco, for example, and intermediate Mountain-State points 800 miles inland, the rate is $31.60 per ton. The railroads propose to maintain this rate at intermountain-State points and reduce the rate to $22 per ton at the aforesaid Pacific coast terminals.

In this connection it is interesting to note that for a haul of 375 miles from Chicago to Scranton, Iowa, the rate is $22.20 per ton. This rate the carriers propose to maintain and graduate the rates upward to a peak of $31.68 per ton at all intermountain-State points, and then abruptly dropping the rate down to $22 per ton to Pacific coast terminals on the plea of meeting water competition. In this behalf it may be stated, for your information, that the commercial tonnage handled by the intercoastal-water lines from the Atlantic coast to the Pacific coast terminals during the year 1923 was 3,277,000 tons, and the total commercial tonnage both east and west bound, exclusive of oil, was but 5,000,000, compared with which the all-rail tonnage handled by the transcontinental lines reaching the Pacific coast aggregated 248,000,000 tons for the year 1923, which was an increase of 25,600,000 tons over the previous year. In other words, of this all-rail tonnage the westbound intercoastal tonnage through the canal was but 1.3 per cent, and if the total coast to coast tonnage, including Gulf ports, amounting to 5,600,000 tons aforesaid, is contrasted with the all-rail tonnage of 248,000,000 tons, it will be noted that it is less than 2 per cent. There is about 5,500,000 or 6,000,000 tons of domestic traffic which the traffic managers of the transcontinental railroads estimate they can compete for and which if long-and-short-haul rates are granted on the basis of the application aforesaid, will enable them to take half of the tonnage away from the intercoastal transportation lines operating through the canal.

These traffic managers estimate there will be moving through the canal 6,000,000 tons, and that they should therefore secure 3,000,000 tons, but, of course, do not undertake to show, because it can not be done, how much more or less than this amount they may secure. It is admitted by some of them in testimony that they will take it all if they can get it. Others recognize that the reduction of their rail rates to the Pacific coast terminals may precipitate a rate war between the rail and intercoastal carriers which would require very much lower rail rates if they are to get any considerable amount of traffic. (Note how small the water traffic is, relatively.)

In any event the question is not only beset with great and unjustifiable selfishness, but the startling fact remains that the carriers are now attempting to voluntarily throw off a large amount of revenue for the purpose of taking a substantial volume of traffic away from the intercoastal lines, or of destroying them if then can. There are 141 ocean vessels in the canal trade from coast to coast with an investment of $75,000,000, and the general counsel, Mr. Frank Lyons, of these intercoastal lines, testifying before the Senate Committee on Interstate Commerce, confirms the railroad traffic manager's estimate that the granting of the long-and-short haul rates will take away one-half the traffic and cut down their boats and investment one-half.

IRON AND STEEL ARTICLES

For a haul of 912 miles from Chicago to New Orleans the present rate is $11.40 per ton, while to Meridian, Miss., for a haul of 712 miles, the rate is $10.60 per ton, or graduated in proportion to distance. The railroads now propose to reverse this and to maintain said rate of $10.60 at Meridian for the short haul and reduce the long haul rate at New Orleans to $8.60 per ton.

As illustrative of their underlying motive here exemplified, Congressman CLEVELAND A. NEWTON of Missouri, testifying before the House Committee on Interstate and Foreign Commerce, February 26, 1924, on House bills 6647 and 8209, to create an inland waterways corporation for the promotion and protection of the Government-owned barge lines on the Mississippi River, and which bills have been favorably reported (see H. Rept. No. 375), shows at page 6 of the printed hearings that—

"The Mississippi barge line rate (between St. Louis and New Orleans) is 80 per cent of the rail rates that parallel the river, but the rail rates that parallel the river are but 58 per cent of the average rail rate of the country, so that the barge rate is not more than 50 per cent of the average rail rates of the whole United States."

Of course, the difference between the 58 per cent rate factor maintained by the railroads paralleling the river and the full 100 per cent rate basis is made up by the railroads charging higher rates at all interior points where river transp tation is not available.

The Interstate Commerce Commission, in section 6 of the interstate commerce act as amended, 1920, is given authority to fix the minimum rate or rates at such a level in a case of this kind as to properly preserve and protect water transportation and to see that "both rail and water transportation shall be fostered and preserved in full vigor," as provided in section 500 of the transportation act; but, of course, as long as section 4 confers discretion upon the Interstate Commerce Commission to authorize the railroads to charge long-and-short-haul rates there is such a direct contradiction in terms that said section 500 will doubtless continue to be a dead letter.

Further illustrating, Congressman NEWTON, at page 8 of said printed hearings shows that the first-class rate for a haul of 494 miles from New Orleans to Fort Smith is $38.80 per ton, while between St. Louis and New Orleans the rate is $34.00 for a 700-mile haul, and from Dallas, Tex., to New Orleans, for a 515-mile haul, where there is no water transportation, the rate is $41.70 per ton; that from Portland, Me., to New Orleans, for a haul of 1,685 miles, the rate is $45.20 per ton on first-class freight, whereas from Kansas City to New Orleans, for a haul of 879 miles, the rate is $44.50 per ton. Further, from St. Louis to New Orleans the first-class rate is $35.80 per ton, whereas from St. Louis to Texarkana the rate is $37.80, and from St. Louis to Dallas the rate is $44.50.

STRUCTURAL STEEL

Further, the rate on structural steel from Pittsburgh to Galveston or Houston is $17.50 per ton, whereas from Pittsburgh to Dallas, for a 350-mile less haul, the rate is $20.40 per ton.

CEMENT

On cement, from St. Louis to Galveston, for a thousand-mile haul, the rate is $7.40 per ton, whereas for a 850-mile less haul to Dallas the rate is $9 per ton.

AGRICULTURAL IMPLEMENTS

On agricultural implements from Fort Madison, Iowa, to Houston, for a haul of 1,160 miles, the rate is $24 per ton, whereas for a 800-mile less haul to Dallas the rate is $25.60.

MOLASSES

On molasses from New Orleans to Memphis, for a haul of 460 miles, the rate is $5 per ton, whereas from New Orleans to Longview, Tex., for a haul of 391 miles, the rate is $13.40 per ton; for a haul of 458 miles from New Orleans to Little Rock, Ark., the rate is $9.40 per ton; for a haul of 183 miles, from New Orleans to Jackson, Miss., the rate is $5.90 per ton. For a haul of 1,093 miles, from New Orleans to Norfolk, Va., the rate is $9 per ton, whereas for a haul of 737 miles to Asheville, N. C., the rate is $12.70, and for a haul of 688 miles to Spartanburg, S. C., the rate is $11.70 per ton.

This is illustrative of the long-and-short haul rates between water competitive points from the Gulf of Mexico to Norfolk on the Atlantic Ocean, with the higher long-and-short haul rates at intermediate North and South Carolina points. Other points could be named but these are fairly representative of the situation, and if the amendment here under consideration is passed, it will have the effect of correcting the highly preferential rail rates named to these Atlantic coast and Gulf ports, while at the same time preventing the prejudicially higher rates at North and South Carolina points. Likewise, it will correct the present prejudicial rates applied in Mississippi, Louisiana, Texas, Arkansas, and Oklahoma.

The long-and-short haul situation as affecting Louisiana may be illustrated by the table set forth below:

From—	Miles	Agricultural implements, rate per ton	Soap rate, per ton	Packing house products, rate per ton
St. Louis to—				
Alexandria, La.	692	$16.00	$12.20	$15.20
New Orleans	836	12.80	8.55	11.30

FERTILIZER

The injustice of the railroad long-and-short-haul rates may be further illustrated by referring to the movement of fertilizer from Savannah and New Orleans to various points reached by water, compared with the higher rates for shorter hauls to intermediate points that do not have the benefit of water transportation.

On fertilizer for a haul of 678 miles from Savannah to Memphis, Tenn., the rate is $5.20 per ton, whereas for a haul of 588 miles to Corinth, Miss. (directly intermediate), the rate is $6.64 per ton; for a haul of 632 miles from Savannah to Vicksburg, Miss., $4.95 per ton, whereas for a haul of 583 miles from Savannah to Jackson, Miss., the rate is $5.63 per ton; for a haul of 718 miles from New Orleans to St. Louis the rate is $5.20 per ton, and likewise for a haul of 776 miles to Louisville, Ky., is $5.20; whereas for a haul of 360 miles from New Orleans to Longview, Tex., and for a haul of 471 miles to Little Rock, Ark., the rates are $5.50 per ton, and for a haul of 523 miles from New Orleans to Bonham, Tex., the rate is $6.10 per ton.

These illustrations are self-explanatory. Many others could be given; but these will suffice, I believe, to show that the Western and Southern States are vitally interested in having the long-and-short-haul rate situation, now in effect for the purpose of meeting water competition, eliminated for the future. The Railroad Administration refused to authorize long-and-short-haul rates during its existence, and while since 1918, or for the past six years, we have been in a large part free from discrimination, we find the carriers setting the stage for a return to the old indefensible discriminations covering large sections of the country. The bill under way does not undertake to interfere with competition as between rail carriers and will only put a stop to the practice of carrying artificial rates to and from water transportation points, the burden of which must be carried by the intermediate States and communities. Further, by thus stabilizing the rate base, the policy of Congress may be carried out which provides that "both rail and water transportation shall be fostered and preserved in full vigor." It will eliminate the present uncertainty under which the intermediate sections labor at present; it will enable them to establish industries and manufacture raw products, of which the interior abounds; it will prevent the interior from being exploited, as at present, by being compelled to ship raw products long distances, leaving nothing at the point of production in the way of increased population and taxable property; and it will enable the people of the intermediate sections to gather and safely invest their own capital as well as bid for and secure outside capital for investment and development purposes, all of which can not be accomplished under the present plan of operation.

Finally, what the intermediate sections of our country need is a stable rate base before they can go forward in full development of their enormous resources. Under the act as it now stands—authorizing as it does (as shown by the examples herein) the charging of a higher rate for a shorter than for a longer haul, and the rates being subject to change from a uniform or a graduated basis to a long-and-short-haul scheme, there can, of course, be no certainty at intermediate points upon which we can bid for new capital and population, nor can we prevent the railroads from parceling our country into producing and industrial sections in the interest of long and double hauling of traffic. The exercise of such uncalled for power results in the railroads throwing off millions in earnings to the large water ports, not so much on the relatively small scheme of water traffic to be secured but on the large volume of traffic that is already moving to the water ports by rail which, of course, must be made up by higher rates at all intermediate points of the country—thus destroying or neutralizing water competition. On the other hand, we, of the interior, are taxed to build canals and improve rivers and harbors and by this railroad policy we are burdened with an additional tax; or, in other words, double taxation which, of course, is unjust and indefensible.

The National Association of Railroad Commissioners at its annual conventions at Atlanta, Ga., in 1921, and at Miami, Fla., in 1922, adopted resolutions memorializing Congress to amend the fourth section of the interstate commerce act in order to make the rule absolute and to establish a wise and equitable policy for the future. These resolutions were put in evidence before the Senate Committee

on Interstate Commerce on S. 2327 (p. 332 printed hearings) and were read into Senate record by Senator GOODING May 16, 1924.

Respectfully yours,

J. F. SHAUGHNESSY,
Chairman Nevada Railroad and Public Service Commission.

Mr. WADSWORTH. Mr. President, the point of order which I am about to make against the amendment offered by the Senator from Nevada is based upon certain language contained in Rule XVI. Let me say at the outset—and I shall be exceedingly brief—that I do not intend to raise a point of order against the amendment on the ground that it is not germane or relevant, but upon another and separate ground.

The first sentence of paragraph 3 of Rule XVI reads as follows:

No amendment which proposes general legislation shall be received to any general appropriation bill.

The measure before us is the War Department appropriation bill. It is not a special appropriation bill. It bears no resemblance to appropriations for the settlement of private claims. It is indeed nothing more nor less than a general appropriation bill for the support of the War Department in its military and nonmilitary activities. I think that assertion can not be denied.

It is proposed to insert in this general appropriation bill an amendment, to be inserted on page 96, after line 6, the first sentence of which reads as follows:

That paragraph (1) of section 4 of the interstate commerce act, as amended, is amended to read as follows:

The interstate commerce act is not a special act. It is a general law. The pending amendment is an amendment to a general law of the land. Its provisions affect the whole country with respect to railroad transportation and rates. It is general legislation. There is nothing special or private or limited about it. It is general in every conceivable fashion and way.

The rule forbids the reception of amendments contemplating general legislation on a general appropriation bill; therefore, this being a general appropriation bill and the amendment that is proposed being general legislation, I submit that the amendment is out of order, and I make the point of order against the reception of the amendment on that ground.

Mr. WALSH of Montana. Mr. President, I had hoped the Senator from New York would be constrained not to urge the point of order against the amendment proposed by the Senator from Nevada. The situation is a peculiar one. By virtue of some rules of the House of Representatives and of this body the ordinary rivers and harbors bill becomes a part of the Army appropriation bill, a reprehensible logrolling arrangement under which the ardent supporters of large appropriations for rivers and harbors are constrained to support the Army appropriation bill, whatever it may contain, and the advocates of liberal appropriations for the Army are in a way forced to support unjustifiable appropriations for rivers and harbors. I shall feel obliged to support the point of order made by the Senator from New York if it is pressed.

I regret exceedingly to be driven to this position. I wish to see enacted the legislation embodied in the amendment offered by the Senator from Nevada [Mr. PITTMAN]. The whole intermountain country has been discriminated against for years by the legislation which it is sought to correct, and, as has been shown, every effort to relieve ourselves from the unjust burden that has been imposed upon us has been in some way or other frustrated, contrary to the pronounced views of Congress.

The Senator from New York will accomplish nothing by his point of order, because if it shall be sustained I shall submit another amendment, to which I am confident no objection whatever can be taken, that will accomplish exactly the same result.

So we are going to get a vote on this question regardless of the point of order. If the point of order be sustained, I shall offer the following amendment to the bill: After line 15, on page 95, where the language reads:

RIVERS AND HARBORS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers.

I shall offer to amend as follows:

Provided, however, That no part of the sum hereby appropriated shall be available until Senate bill 2327 shall have been considered and finally disposed of by the Senate, and, if passed by the Senate, until it shall have been considered and finally disposed of by the House of Representatives.

That amendment will be entirely relevant and germane to the bill, and it will not be general legislation of any character whatever. Now, I appeal to the Senator from New York to let us have a vote on this question; let us have a vote on the merits of it. Why should the Senator object to doing so?

Mr. WADSWORTH. Mr. President, my raising the point of order is not due to hostility to the amendment itself.

Mr. WALSH of Montana. I assume as much.

Mr. WADSWORTH. It is due to two reasons: First, the Committee on Appropriations has delegated to me in a sense, as chairman of a subcommittee, the charge of the bill on the floor. In that capacity I assume that it is my duty to protect the bill against infractions of the rules of the Senate.

I am not authorized by the Committee on Appropriations to refrain from raising points of order in one direction and to raise them in others. The Committee on Appropriations will not tolerate for a moment my "playing favorites" in connection with legislative amendments that may be offered.

The second reason, Mr. President, as I have said to the Senator from Nevada and to the Senator from Idaho in the colloquy here the other afternoon, is that I have believed, and still believe, that the process of attempting to put this legislative amendment on the Army appropriation bill will not gain the advantage which its supporters desire for it, even if it be successful here in the Senate, for the simple reason that the House conferees almost invariably have taken the position that when the House has sent an appropriation bill to the Senate and the Senate proceeds, as they term it, to load it up with legislative amendments, they simply will not discuss those amendments.

Mr. JONES of Washington. Mr. President, will the Senator from New York yield?

Mr. WADSWORTH. I yield.

Mr. JONES of Washington. The House of Representatives has a rule which controls them and prevents such action on their part.

Mr. WADSWORTH. Yes; they have a rule which controls them. I anticipate that if an amendment of this sort be placed upon the bill, the Senate conferees will find themselves confronted by three absolutely adamant Members of the House forbidden by their own rules to accept the amendment.

The attitude of the other House, I think I can say, is just this: They object to the Senate, through the channel of a conference report, forcing legislation on the House which the House has had no opportunity to pass upon or even to amend.

Mr. WARREN. Their rules forbid it.

Mr. WADSWORTH. And their rules are especially framed to prevent the Senate dictating legislation on appropriation bills. I believe now, as I said the other day, that the supporters of this measure are taking the poorest course, the most unwise course, if they really wish to attain the object they have in mind.

Mr. BORAH. Mr. President, there seems to be some difference as to whether or not the House has established rules on the subject or whether its conferees simply act under specific instructions with reference to particular matters.

Mr. WADSWORTH. They have rules.

Mr. BORAH. They have rules that cover this matter so that it would have to go back to the House?

Mr. WADSWORTH. Yes; it would. Their conferees are not allowed to accept such amendments. I think I may say that, regardless of its merits, when such a proposal as this comes before the House many Members object to not having any right to perfect or amend the legislation; and I must say I think that, if we are fair about it, we must admit that the House has a good deal of right on its side in making that contention.

Mr. WALSH of Montana. As I understand the Senator, two reasons are urged by him why he ought to press the point of order. The first is that he speaks for the Committee on Appropriations and that he ought not to play favorites, and the second is the difficulty that will be encountered by the conferees on the part of the Senate in considering the matter with the House of Representatives.

In the first place, I do not understand that the Senator in raising this point of order is speaking for the Committee on Appropriations. I understood the point of order was made by the Senator from New York and not for the Committee on Appropriations. Of course, he is acting in his individual capacity with reference to this point of order, and any other Member may raise a point of order against any other amendment, and the Senate will determine whether it ought to go on or ought not to go on.

Mr. WADSWORTH. May I say that before the point of order was raised by me I consulted the members of the Committee on Appropriations who collaborated in the preparation of this bill?

Mr. WALSH of Montana. I dare say the Senator did, but that does not mean that the action is that of the Committee on Appropriations.

Mr. WARREN. Mr. President, I wish to say to the Senator from Montana that the Senator from New York is a member of the Committee on Appropriations under our rules.

Mr. WALSH of Montana. Undoubtedly.

Mr. WARREN. And is charged with the duty of conducting this particular bill on the floor of the Senate.

Mr. WALSH of Montana. I appreciate that the Senator from New York is a member of the Committee on Appropriations under the rules.

Now, Mr. President, as to the attitude of the House of Representatives with respect to this matter, the House of Representatives sends over to this body an Army appropriation bill and has tacked onto it provisions in relation to appropriations for rivers and harbors.

The two have no sort of relation to each other; none whatever. The one, the appropriation for the support of the Army, is made under one provision of the Constitution, while the other, the appropriation for rivers and harbors, is made under an entirely different provision of the Constitution, namely, that which gives to Congress the power to regulate commerce between the several States and with foreign nations. When the House sends over to us a bill containing appropriations of that character, in relation to two entirely separate and distinct subjects, it then says, "You must not put anything else on; we have tied two entirely irrelevant and incongruous things together, but you must not put on a third."

Let me say that, as everybody knows, the only possible connection between the two is that the river and harbor work is conducted under the supervision of the engineers of the War Department.

Mr. FLETCHER. Mr. President, if the Senator will allow me to interrupt him, the bill itself is not merely an Army appropriation bill but it is a bill for the whole War Department, including both the military and the nonmilitary activities of the War Department.

Mr. WALSH of Montana. Oh, yes.

Mr. FLETCHER. And river and harbor expenditures are under the engineers of the War Department.

Mr. WALSH of Montana. The river and harbor expenditures are under the engineers of the War Department, but they have no relation whatever to the national defense. River and harbor appropriations are made for the promotion of commerce, as everybody perfectly understands.

Mr. President, the appropriateness of this proposed amendment to the appropriation for rivers and harbors has been so fully demonstrated by the Senator from Nevada and the Senator from Idaho that there can remain, it seems to me, no doubt in the mind of any Senator that the appropriations for the improvement of rivers and harbors are utterly useless, so far, at least, as the interior of the country is concerned, if the policy at which the amendment is aimed is to continue. As has been said, to make appropriations for the improvement of the Mississippi River is like pouring money into a rat hole so long as we allow the railroads to fix rates to river points that will drive navigation off the river. It is a waste of public funds. The main purpose of the legislation proposed by the amendment is to make useful the enormous appropriation that we make annually, great portions of which are absolutely lost by this policy.

As I have stated, the Senator from New York will avail himself nothing by a point of order, because I shall offer the amendment which I have suggested, and, if the Senate agrees to it, it will accomplish practically the same result as that sought to be accompanied by the amendment of the Senator from Nevada. I feel constrained, however, to support the point, for I can not reconcile myself to the view that the amendment does not propose general legislation on a general appropriation bill.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Nevada.

Mr. PITTMAN. Does the Senator see any difference as regards general legislation between this amendment and the amendment offered by the Senator from Wisconsin [Mr. LENROOT] to construct a building for a private institution?

Mr. WALSH of Montana. Yes; I have considered that, and I have not been able to satisfy myself, I will say to the Senator from Nevada, that the Howard University case is a just precedent for this amendment. I wish I could stand with him on that question; but I can not do so.

The PRESIDENT pro tempore. In view of the relations of the Chair to this subject, it may not be improper for him to state that as a Senator he is in favor of the proposed amendment, but as Presiding Officer of the Senate it is his duty to interpret and apply the rules which the Senate has adopted for its guidance. The Chair has no doubt whatsoever that the amendment submitted by the Senator from Nevada proposes general legislation, and, therefore, the point of order made by the Senator from New York is sustained.

Mr. PITTMAN. Mr. President, as I have contended, I consider the decision recently rendered in the Howard University case as having changed the former understanding of the rule, and in order to have an opportunity of ascertaining whether there are other Senators who take the same view of it that I do, I respectfully appeal from the decision of the Chair.

The PRESIDENT pro tempore. The Senator from Nevada appeals from the decision of the Chair.

Mr. PITTMAN. And on that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PITTMAN. Mr. President, a parliamentary inquiry. In what form will the question be put?

The PRESIDENT pro tempore. The question is, Shall the ruling of the Chair stand as the judgment of the Senate? Upon that question the yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the Senator from Delaware [Mr. BALL]. He is absent, but I am informed that he would vote as I expect to vote on this question. I vote "yea."

Mr. LODGE (when his name was called). I transfer my pair with the Senator from Alabama [Mr. UNDERWOOD] to the Senator from Vermont [Mr. GREENE] and will vote. I vote "yea."

Mr. McLEAN (when his name was called). I transfer my pair with the Senator from Virginia [Mr. GLASS] to the Senator from New Jersey [Mr. EDGE] and will vote. I vote "yea."

The roll call was concluded.

Mr. PHIPPS. I have a pair with the junior Senator from South Carolina [Mr. DIAL], which I transfer to the senior Senator from Delaware [Mr. BALL], and will vote. I vote "yea."

Mr. SMITH. I desire to state that my colleague [Mr. DIAL] is absent on account of illness. He is paired with the Senator from Colorado [Mr. PHIPPS]. If my colleague were present and voting, he would vote "nay."

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

Mr. PITTMAN. I wish to announce that the Senator from Missouri [Mr. REED] is paired with the Senator from Maryland [Mr. BRUCE]. If those Senators were present and voting, the Senator from Missouri would vote "nay," and the Senator from Maryland would vote "yea" on this question.

The result was announced—yeas 49, nays 25, as follows:

YEAS—49

Adams	Hale	Owen	Stephens
Bayard	Harreld	Pepper	Sterling
Brandegee	Harris	Phipps	Swanson
Cameron	Harrison	Ralston	Trammell
Capper	Jones, Wash.	Ransdell	Wadsworth
Colt	Keyes	Reed, Pa.	Walsh, Mass.
Curtis	Lodge	Sheppard	Walsh, Mont.
Dale	McKellar	Shields	Warren
Edwards	McKinley	Shortridge	Watson
Fernald	McLean	Simmons	Willis
Fess	McNary	Smoot	
Fletcher	Moses	Spencer	
George	Overman	Stanfield	

NAYS—25

Ashurst	Ferris	Jones, N. Mex.	Robinson
Borah	Frazier	Kendrick	Shipstead
Brookhart	Gooding	King	Smith
Bronssard	Heflin	Ladd	Wheeler
Bursum	Howell	Neely	
Caraway	Johnson, Calif.	Oddie	
Dill	Johnson, Minn.	Pittman	

NOT VOTING—22

Ball	Edge	La Follette	Reed, Mo.
Bruce	Elkins	Lenroot	Stanley
Copeland	Ernst	McCormick	Underwood
Couzens	Gerry	Mayfield	Weller
Cummins	Glass	Norbeck	
Dial	Greene	Norris	

So the Senate decided that the decision of the Chair should stand as the judgment of the Senate.

The PRESIDENT pro tempore. The point of order is sustained.

Mr. GOODING. Mr. President, I give notice that as soon as the bill which is now before the Senate is disposed of, I shall move to take up Senate bill 2327.

Mr. WALSH of Montana. Mr. President, I desire to offer an amendment. After line 15, on page 95, I move to insert:

Provided, however, That no part of the sum hereby appropriated shall be available until Senate bill 2327 shall have been considered and

finally disposed of by the Senate, and, if passed by the Senate, until it shall have been considered and finally disposed of by the House of Representatives.

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The READING CLERK. On page 95, after line 15, it is proposed to insert the following proviso:

Provided, however, That no part of the sum hereby appropriated shall be available until Senate bill 2327 shall have been considered and finally disposed of by the Senate, and, if passed by the Senate, until it shall have been considered and finally disposed of by the House of Representatives.

Mr. WALSH of Montana. Mr. President, I was very glad to hear the Senator from New York say a few days ago, in the course of this debate, that he would be glad to aid in securing consideration for Senate bill 2327, introduced by the Senator from Idaho [Mr. GOODING], and in substance like the amendment now offered by the Senator from Nevada [Mr. PITTMAN]. I think it eminently advisable that before any part of this appropriation for the improvement of rivers and harbors shall become available at all the Congress shall declare its policy with reference to this subject of the long-and-short-haul clause, which is so intimately and so vitally connected with the appropriations for the improvement of rivers and harbors.

Mr. BORAH. Mr. President, this is a limitation upon the appropriation with reference to rivers and harbors alone?

Mr. WALSH of Montana. Yes; it applies only to the appropriation for rivers and harbors. As I said a little while ago, it has been demonstrated beyond controversy in the debate upon the amendment offered by the Senator from Nevada [Mr. PITTMAN] that to a very large extent the appropriations for the improvement of our interior rivers at least are entirely wasted if the policy of giving rates to river points lower than to interior points a less distance from the point of shipment is tolerated at all. No other factor and no other agency is so potent in the destruction of river carriage as that policy.

Mr. OVERMAN. Mr. President, I am heartily in favor of this amendment to this bill, as the Senator knows; but the Senator from Idaho [Mr. GOODING] has given notice that when this bill is disposed of he is going to call up his bill, and I think two-thirds of the Senate are for it. Why can we not legislate in the regular way upon that bill, instead of putting an amendment on this appropriation bill?

Mr. WALSH of Montana. That is what I ask. My amendment does not affect the appropriation at all. It simply provides that we shall not do any more of the wasteful expenditure of money that we have been doing in the past.

Mr. OVERMAN. I agree with the Senator, and I think that bill ought to pass and will pass; but why hamper this bill and send it to conference and never get it heard over in the House of Representatives by a threat of this kind to hold it up? Let us pass the other bill in the regular way and send it to the House, and they will pass it. We can notify the House that we will pass none of their bills unless they pass that bill. I am willing to do that; but to put it on an appropriation bill as an amendment is not the way to legislate.

Mr. WALSH of Montana. Mr. President, I take an entirely different view of the matter from the Senator. This is not anything in the nature of a threat, either to this body or to the House of Representatives. It is a declaration on the part of those who so believe that we will appropriate no money for the improvement of our interior rivers and allow no money to be expended so long as that policy is pursued.

Mr. President, I said that that is the view, I think, of the Senate; but some feeble voices have been heard in favor of this policy. Very well.

If it is the policy of Congress to allow discrimination of that character, and to build up the terminal points at the expense of the interior of the country, we can make appropriations for the improvement of rivers and harbors in view of that policy; but to go on in this way seems to me entirely useless, if not senseless. Accordingly, I think this amendment should be agreed to.

Mr. SWANSON. To what appropriations in the bill does the limitation offered by the Senator from Montana apply?

Mr. WALSH of Montana. It affects nothing except the appropriations for rivers and harbors.

Mr. SWANSON. Harbors, too?

Mr. WALSH of Montana. Yes; because it is impossible to make it any other way, as the appropriation is in a lump sum, $37,250,000.

Mr. SWANSON. Under the Senator's amendment that would apply entirely to the policy in reference to freight rates and passenger rates throughout the country.

Mr. WALSH of Montana. Not necessarily. The appropriation is made, as a matter of course, for the harbors at the terminal points, as well as for the improvement of the interior rivers. The policy, of course, affects all of them, both the interior rivers and the coast points.

Mr. BROUSSARD. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Montana yield to the Senator from Louisiana?

Mr. WALSH of Montana. I yield.

Mr. BROUSSARD. Does not the Senator understand that the policy of all the transcontinental railways, and all of the railways at the water points, is to develop the harbors, in which case they disagree with the Senator from Montana; but, on the other hand, that they are aggressively opposed to the development of the river navigation in this country, and as the amendment of the Senator, if adopted, would have the effect of preventing the development of such streams as the Ohio, a project which is nearly completed, and the development of the Mississippi and other great river systems, to that extent the railroads thoroughly agree with the Senator from Montana?

The harbors themselves have been properly looked after, but we are just now beginning to see the coming of the time when we may have river competition with the railroads, and the result of it will be that the people whom the Senator from Montana and other Senators on this floor represent, people living in the interior of the country, will agree exactly with the views of the railroad systems that want to prevent water competition.

Mr. FLETCHER. May I suggest to the Senator that the only effect, of course, would not be, as the Senator from Louisiana has said, to play into the hands of the railroads. It would amuse the railroads very much if Congress should say that it will do nothing further in the way of improving and developing the rivers and harbors of the country; but the effect would be to tie up all operations now going on, to tie up the Government plants. This work is continually going on upon projects which are under way, and it would just stop all improvements unless both Houses should happen to pass the bill. If they should fail to pass the bill which the Senator desires to have passed, then all work of this nature under way now, under contract, or ready to be let to contract, would be discontinued, because there would be no money to pay for the work.

Mr. WALSH of Montana. The Senator has not understood the amendment. It would not suspend the work until the bill was passed. It would simply suspend it until the Congress declared its policy, either one way or the other; that is all. If the bill should be defeated in the Senate, that would end the limitation, and all of the money would be available. If it should pass the Senate and go to the House, and pass the House, then the limitation would be ended. If it went to the House and was considered in the House and defeated in the House, then the limitation would cease and all the money would be available. The only purpose is to provide that it shall not be available until the Congress shall have passed on this other question, that is all, and it seems to me that is eminently fair and just.

Mr. WADSWORTH. Mr. President, I confess this amendment now offered by the Senator from Montana is of a new kind if it is to be classed among amendments placing restrictions or limitations upon appropriations. It proposes that this appropriation shall not become available until the Congress legislates in a certain fashion. I assume that in its essence it is still legislation, although the Senate has upon occasion taken a very broad view of its powers under the rules to restrict or limit appropriations. But before making any further observation let me point out one or two things which will happen if this amendment is adopted.

The appropriation on which it is supposed to be a limitation provides, among other things, for the maintenance of all the river and harbor work thus far completed. If this amendment goes through, the Army engineers will be forbidden, in effect, to maintain any channel in a river or harbor until the Congress takes certain action with respect to legislation now pending. Certainly no Senator wants to tie up the maintenance work. There are some projects completed years since which require certain expenses for maintenance every year. If those expenses are not met and that maintenance work not carried on the channels will become useless.

Mr. WALSH of Montana. I suppose we made an appropriation last year that was intended to carry the work over until the end of the present fiscal year, June 30?

Mr. WADSWORTH. Yes.

Mr. WALSH of Montana. That will all be available, will it not?

Mr. WADSWORTH. Yes; but this amendment will not terminate in its effect, as I read it, on the adjournment of this session of Congress. If the legislation urged by the Senator from Idaho does not go through both Houses at this session, the money appropriated for rivers and harbors for next year can not be used. And all through the next session of this Congress, during which the Gooding bill will have life, nothing can be done by the Army engineers in carrying on new projects or maintaining old ones. I think I am right in that if I read this correctly.

Mr. BROUSSARD. Mr. President, are they not continuing contracts which go beyond this period?

Mr. WADSWORTH. Oh, yes.

Mr. BROUSSARD. Which must be cared for?

Mr. WADSWORTH. Yes.

Mr. BROUSSARD. What will become of them if we adopt this amendment?

Mr. WADSWORTH. They would be canceled, and the Government would lose millions of dollars by having to enter into new contracts at some future time after the contractors' equipment had been taken off the field and dispersed.

Mr. WALSH of Montana. I say to the Senator that that is the very purpose of this amendment, so that not a dollar shall be spent for the present current year——

Mr. WADSWORTH. The present current year?

Mr. WALSH of Montana. That is the purpose of this amendment—that not a dollar shall be spent until Congress declares its policy with respect to this matter, either one way or the other.

Mr. WADSWORTH. Does the Senator contend that we should not even maintain what we have?

Mr. WALSH of Montana. No; we should get a declaration from Congress about the matter.

Mr. WADSWORTH. I notice that while by this amendment a certain notice is served upon the House of Representatives, the Senator has not served notice on the President of the United States, who is part of the legislative machinery in that without his signature the new legislation under discussion can not become a law.

Mr. WALSH of Montana. That signifies the extent of our confidence in the good judgment and wisdom of the President of the United States.

Mr. WADSWORTH. The absence, however, of notice to the President, who must sign this measure, is significant.

Mr. President, it seems to me to be so utterly impracticable and likely to inflict such severe injury on public works already long since completed, and the continuance of public works which the Congress has authorized by statute, that I can not conceive that the Senate will put such a limitation upon this appropriation. I confess I am somewhat puzzled as to whether it is a proper limitation or an improper one. At least it is an extraordinary one.

Mr. SWANSON. Mr. President, I desire to make a point of order against this amendment. I do not think it is a limitation on an expenditure. It makes an appropriation available upon the occurrence of certain events, and I think there is a difference between a limitation and a provision making an appropriation available provided certain things occur. I make the point of order that this is not a limitation directing how this money shall be spent. It simply is to make it available on the happening of certain conditions.

Mr. WALSH of Montana. Mr. President, I have a precedent before me which seems to indicate that the question now raised by the Senator from Virginia has already been passed upon by the Senate. It is found in volume 2 of Gilfry's Precedents.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Chair will say to the Senator from Montana that it is ready to rule.

The Chair remembers that the Senate has taken different positions with reference to limitations on appropriations, but that the later attitude of the Senate has been to hold such limitations in order. Therefore the Chair overrules the point of order.

Mr. TRAMMELL. Mr. President, regardless of the question of whether this amendment is in order or not, it occurs to me that it is a most extraordinary amendment to be proposed to any bill, and that the adoption of such an amendment would be setting a precedent which would plague the Senate for the remainder of time. If one Senator or any group of Senators succeed in having an amendment of this character agreed to, which would force legislation dealing with some other subject on any measure, then any other Senator or any other group of Senators could do likewise, and we would possibly have this kind of practice to contend with in all the future, because I dare say that Senators who are not able to get certain measures to which they were favorable called up in the regular order will not sit supinely by and allow others to go ahead with their legislation, when the Senate has once established a precedent that limitations may be placed upon some measure that is being considered which will force subsequent action upon the measure which they are favoring.

That is what this means. It is not only an attempt to force the Senate at this time in considering this measure to agree to act upon another measure, but it also attempts to force the House also to consider the measure.

Mr. PITTMAN. Mr. President——

Mr. TRAMMELL. I yield.

Mr. PITTMAN. The Senate could not force any limitation on it unless a majority of Senators were in favor of it, and if a majority were in favor of it, they could defeat it just as well as limit it.

Mr. TRAMMELL. That is very true, and for that reason I am voicing my opposition to any such action as the one proposed, just as the proponents of the amendment are voicing their sentiment in favor of it. I say that, regardless of the question of the merits of the bill which this contemplates bringing before the Senate, it sets a bad precedent, and a precedent that will rise to plague the Senate in the future, if adopted, regardless of the merits of the bill the Senators are seeking to force upon the Senate and force upon the House in an irregular way, although it may be in order under parliamentary rules.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Iowa?

Mr. TRAMMELL. Certainly.

Mr. BROOKHART. I would like to ask the Senator if the provision on page 82 in reference to the stop-watch business is not of exactly the same character as the amendment proposed by the Senator from Montana?

Mr. TRAMMELL. I have not the bill before me, and I do not know exactly what that provision is.

Mr. WADSWORTH. May I answer the Senator from Iowa?

Mr. TRAMMELL. I yield to the Senator from New York.

Mr. WADSWORTH. That legislation was inserted by the House and not by the Senate. We have no jurisdiction over it, so far as our parliamentary rules are concerned.

Mr. BROOKHART. That matter could be decided on a point of order.

Mr. WADSWORTH. It was inserted by the House.

Mr. BROOKHART. The question now is as to the character of the amendment offered by the Senator from Montana, and there is a provision in the bill of identically the same character, which was passed without objection in either House.

Mr. WADSWORTH. A point of order against House language does not lie in the Senate.

Mr. WALSH of Montana. I wish to inquire of the Senator from New York if he takes the position that the House may put any kind of a limitation upon an appropriation which it sees fit to put, but that the Senate can not do it?

Mr. WADSWORTH. No, Mr. President, I took no such position.

Mr. WALSH of Montana. But in answer to the Senator from Iowa the Senator from New York said, "Oh, but that limitation was put on by the House."

Mr. WADSWORTH. I made that observation——

Mr. WALSH of Montana. Therefore, though the House puts a limitation upon an appropriation which it makes, it is the position of the Senator that the Senate can not do the same thing.

Mr. WADSWORTH. No; I did not take any such attitude. I am quite sure the Senator misunderstood me.

Mr. WALSH of Montana. I certainly misunderstood the Senator then.

Mr. WADSWORTH. I made my statement with respect to the so-called "stop-watch" provision which appears in the bill as it was agreed to in the House, and therefore is not subject to a point of order in the Senate.

Mr. WALSH of Montana. Certainly, but the Senator from Florida, as I understand, is not raising a point of order.

Mr. WADSWORTH. I was answering the Senator from Iowa.

Mr. WALSH of Montana. And the Senator from Iowa was commenting upon the remarks of the Senator from Florida. Now, that part of the bill reads as follows:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch—

And so forth.

The House put that kind of limitation on its appropriation. Why should not the Senate put this limitation upon another appropriation?

Mr. TRAMMELL. That, it seems to me, is much more pertinent as a limitation than an attempt to write into the pending bill a provision that we must first consider another certain measure and that the House must consider that measure if it passes the Senate before the provisions of this bill will become operative so far as the appropriations are concerned for rivers and harbors. I never heard of such procedure in all of my observation and experience in connection with legislative bodies, covering a period of probably 20 years. Perhaps some Senator who has served here for 25 or 30 years, or even with an experience of half a century, may have heard of such procedure, but I fancy no such effort was ever before recorded. I do not like the idea of trying to write into a law that the provisions of that law shall not become operative until the Senate takes up and considers some other measure. If we are going to establish that kind of precedent, then every time that any other Senator may have some measure which he may not have been able to bring before the Senate in an orderly way, all we will have to do will be to try to tack it on as an amendment to an appropriation bill, and if it is not adopted as an amendment we can have a prolonged debate for two or three or four days trying to tack it on under this kind of procedure, and we would have that process followed daily or weekly. I think the amendment ought to be defeated as a matter of the orderly conduct of the business of the Senate, if for no other reason.

Mr. SWANSON. Mr. President, I would suggest to our friends who favor the McNary-Haugen bill that possibly they could offer as an amendment to this bill a provision that no appropriation in the bill shall be available until the McNary-Haugen bill is considered and passed. I would suggest that every Senator who has any legislation pending might offer it as an amendment to an appropriation bill, and, failing in that, offer an amendment providing that none of the money appropriated in the bill shall be available until that certain legislation in which the Senator is interested shall have been acted upon.

Mr. FESS. Mr. President, will the Senator yield?

Mr. SWANSON. Certainly.

Mr. FESS. If there are those who would like to defeat all the appropriations for rivers and harbors, that would be a pretty good way to do it, would it not?

Mr. SWANSON. It would be a fine way. The time has come when the Committee on Rules must report an amendment with regard to the limitation of appropriations which are to continue from year to year. I am not criticising the Senator from Montana [Mr. WALSH]. Since the rule has been adopted by which any kind of legislation in the world is not permissible on a general appropriation bill, but can be put on an appropriation bill covering a period of only one year and then continued from year to year, that seems to be the favorite method of getting legislation enacted. But this is the first time it has ever been attempted in the history of the Senate to make money appropriated unavailable until certain legislation has been enacted.

I believe that President Coolidge, when he was Vice President, concurred in a decision rendered by Vice President Marshall which was not identical with this, but the Senate overruled him in that decision. I have not had an opportunity to look it up, but I have the impression that Vice President Coolidge made a ruling similar to this, and the Senate overruled him. However, I may be mistaken. This would mean that all the harbors of the country could not be improved if the House should get impatient and adjourn without considering a certain measure; that the rivers and improvements now in operation must cease unless the House and the Senate shall consider certain legislation. If they consider it at this session, that is not fixing a policy. They could change it next year or they could change it the year afterwards.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Utah?

Mr. SWANSON. I yield.

Mr. KING. What is the good of improving rivers and harbors and spending the $40,000,000 or $50,000,000 appropriated in this bill, plus any appropriation still unexpended, if we are going to pursue a policy which in the end must be destructive of rivers and harbors as freight carriers?

Mr. SWANSON. I think the Senator and those who are cooperating with him in the support of this amendment were frightened when they ought not to have been frightened. Do not Senators want the entrances to all these harbors, which have cost millions and millions of dollars, not to be dredged, to be kept open, to let foreign and other ships enter and leave? What would be the condition of our agriculture if that situation arose? A great many of the harbors of the United States must be dredged annually, and there must be expenditures made for that purpose. We can not stop dredging a few months without increasing, doubling, and trebling the expenditures that would have to be made thereafter. Is it the idea that if the long-and-short haul principle prevails one way or the other, we do not need harbors to export wheat and other grain, and to bring in goods? The mere statement of the fact shows the folly of it, whether we have high freight rates or low freight rates. At the ports of entry and export it means a great deal in the matter of the importing and exporting business of this country.

If I understand it aright, a vast majority of the appropriations are used for harbor improvements rather than river improvements, but we must keep the harbors in condition whether we have high or low freight rates. Whether we have competition of one harbor with another harbor in the United States, we are bound to have import and export business. This proposition would hamper the entire river and harbor improvement of the United States. It seems to me it is a bad policy to start, and I regret that the Chair did not hold that the amendment was subject to a point of order.

Mr. WADSWORTH. Mr. President, an incident very much like this occurred on January 23, 1923. At that time the District of Columbia appropriation bill was before the Senate and the Senator from Tennessee [Mr. MCKELLAR] offered an amendment to an item of the appropriation bill which appropriated money for the salaries of the Public Utility Commissioners of the District of Columbia. His amendment and the subsequent proceedings read as follows:

Provided, That the appropriation in this section shall not become available until the Public Utilities Commission shall fix rates of fare for the street-railway companies in the District of Columbia at rates not in excess of the rates of fare fixed in existing charters or contracts heretofore entered into between said companies and the Congress—

And so forth.

The question being on the point of order yesterday made by Mr. PHIPPS that the amendment proposed general legislation to a general appropriation bill,

The Vice President overruled the question of order and held the amendment to be in order.

From the decision of the Chair Mr. WADSWORTH appealed to the Senate. * * *

The Vice President stated the question to be, Shall the decision of the Chair stand as the judgment of the Senate?

It was determined in the negative—yeas 32, nays 36.

So the Senate has already created a precedent almost exactly on all fours with the situation confronting us to-day.

The PRESIDING OFFICER. The present occupant of the chair has a very distinct recollection with reference to different rulings on the proposition by the Senate. The present occupant of the chair himself has made a point of order against limitations, and they have been held in order. The personal opinion of the present occupant of the chair is in accordance with the latter ruling; but in view of the fact that the Senate has taken a different attitude with reference to the matter the Chair overruled the point of order.

Mr. ROBINSON. Mr. President, of course the question raising the point of order has been determined, and there is no occasion for a further discussion of it. I take this opportunity, however, to say that the Senate has nullified its own rule by the interpretation placed upon it by a vote of the Senate. I recall that on one occasion an amendment was submitted to a general appropriation bill—I think the Senator from Nevada [Mr. PITTMAN] referred to the distance—which was plainly out of order under the rule which has been invoked to-day. The point of order was submitted to the Senate; and the Senate, because

it favored the legislative provision involved in the amendment, placed an interpretation on the rule which it reversed just a few minutes ago.

I thought the ruling in the Howard University case was clearly wrong, but I followed the precedent set by the Senate in my vote upon the point of order raised to the amendment proposed by the Senator from Nevada [Mr. PITTMAN]. The Senate saw fit to reverse its decision in the Howard University case just a few minutes ago on the amendment submitted by the Senator from Nevada, so that the effect of the rule is to restrain the Senate from legislating on general appropriation bills when the Senate is willing to be restrained and to accomplish nothing whatever when the Senate wants to violate its own rules. That is a plain statement of the effect of the precedent which the Senate itself has written on this general rule.

But with respect to the amendment I feel it my duty to make a statement in explanation of my vote. I am in sympathy with the proposal of the Senator from Nevada and feel that an opportunity should be afforded to vote on his proposal. I can not, however, support the pending amendment for the reasons stated by the Senator from Florida [Mr. TRAMMELL] and suggestions made by the Senator from Virginia [Mr. SWANSON], and for other reasons.

We hear occasionally in the Senate references to the practice of logrolling, which of course means the process of trading votes and influence. This is usually censured and justly censured. I do not know of a precedent which would be better calculated to invite logrolling in legislation than the adoption of the pending amendment. It declares that the appropriation for rivers and harbors shall not be available until Senate bill 2327 shall have been finally disposed of in the Senate and, if the Senate passes it, until it shall have been finally disposed of in the House of Representatives, which means, if it means anything, if it is adopted that all who favor river and harbor improvement will be expected to get behind Senate bill 2327 and help secure its passage in order to secure their desires in connection with river and harbor improvements.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. WALSH of Montana. Admitting that the idea is sound, and I do admit it, does not the Senator find exactly the same vice in the bill as it comes to us with the appropriation for the improvement of rivers and harbors tacked on to the bill making appropriations for the War Department?

Mr. ROBINSON. Oh, no. Under the rule of the Senate the War Department appropriation bill properly incorporates appropriations for rivers and harbors.

Mr. WALSH of Montana. I do not controvert that it is in accordance with the rule, but I want to go back of that.

Is it not a fact that combining these two, those who are not interested in the appropriations for the Army at all but are very deeply interested in the appropriation for rivers and harbors will be constrained or in a measure induced to support the appropriations for the Army, and those who are not interested in river and harbors appropriations but are interested in the appropriations for the Army will be induced to support the other? In other words, is it not a logrolling bill, to start with?

Mr. ROBINSON. I think not. I do not think such a statement is justified. The Senate has determined that certain general appropriation bills shall embrace appropriations to carry out authorizations by the Congress; and, in pursuance to its decision upon that question, the appropriations for rivers and harbors are carried in the Army appropriation bill, probably for the reason that the Army engineers have jurisdiction of certain investigations and reports upon which the appropriations are based. It is perfectly proper under those circumstances to embrace river and harbor appropriations in the Army appropriation bill, because they can not otherwise be provided for under the rules of the Senate as they now exist. That, however, is a very different thing, both in theory and in practice, from adopting an amendment which prevents an appropriation from being expended until affirmative legislation relating to another subject has been disposed of by both Houses of Congress. I can not conceive of a worse parliamentary procedure than that contemplated in the pending amendment, according to my view of it. Everything that the Senator from Florida has said regarding it is justified.

I make this statement in order to explain why I shall vote against the amendment. It is unfortunate for the proposal which has been advanced here, touching the subject of the long and short haul and the rates applicable thereto, that it should be coupled with an attempt to establish a precedent of this character. I should like to support the amendment of the Senator from Nevada, but I can not support the proposal in the form in which it is presented by my friend, the Senator from Montana.

Mr. NORRIS. Mr. President, it is, of course, desirable that any legislative body should proceed in matters of legislation in an orderly way. The rule that prohibits legislation on an appropriation bill, while it has two sides to it, I think is justified. We must remember, however, that desperate conditions warrant desperate remedies. Our forefathers confronted such a condition when they rebelled against the mother country. It was not because they wanted to isolate themselves, but the desperate remedy of revolution was resorted to in order to protect their own liberties and their own rights.

It will be observed that the amendment suggested by the Senator from Montana does not require the passage of the bill therein referred to, either by the Senate or by the other House; but merely provides that the bill must be disposed of, and, if in such disposition it shall be passed by the Senate, then it must be disposed of by the other House before the appropriation for rivers and harbors shall become effective.

If that bill were defeated in the Senate, the money would immediately be available so far as this amendment is concerned. If it were passed by the Senate and defeated in the House, again it would be true that the money provided for in the bill for river and harbor appropriations would at once be available.

I wish that the Senator from Montana had not included the entire appropriation, but that he had included only the portion of the appropriation providing for the improvement of rivers. That would entirely meet the argument made by the Senator from Virginia [Mr. SWANSON] that our ports must be kept open in order that products may come in and go out.

Mr. President, why should the money appropriated for rivers be held back until some provision similar to that now proposed shall be enacted into law? The money which we appropriate for rivers is practically thrown away so long as we permit the railroads to put out of business the boats that would ply up and down upon the rivers after we shall have spent the money to provide for their dredging and improvement. So there is an intimate connection between the limitation in the amendment and the appropriation itself. Unless some such amendment shall be adopted we might just as well throw the money away. That is the principal reason why the river and harbor bill in the past has met with so much opposition in the Senate and in the House of Representatives, and has been so often condemned by the people of the country. We spend a hundred million dollars of the people's money dredging the rivers and then permit the railroads to drive all of the boats out of business as soon as they are put on the river which has thus been improved, and when the boats are driven off then up go the rates. That has been going on for 25 years. Is it any wonder that Members of Congress and people generally are getting tired of that kind of a misuse of the money of the taxpayers?

But that is not all; by virtue of the law permitting the railroads to charge a greater amount for a short haul than for a long haul when the short haul is included within the long haul, the people in the interior of the country are taxed in two ways: They are directly taxed by law to improve the rivers that do nobody any good, and, second, they are taxed by the railroad companies by means of higher rates in order to build up cities on the coast or at other points known technically as competitive points. They are getting tired of that kind of fleecing, and it is no wonder that a spirit, as it were, of revolution is growing up in the minds of men who have been paying taxes for 25 years to pay for the upbuilding of communities a thousand miles away from where they live, and who have been compelled to pay freight charges higher than other people must pay a thousand miles farther away from market. That injustice has been going on for generations. Time and time again it was supposed that it had been remedied by law, but some joker or some method of administration has always interfered, and relief has never come.

I want to tell you, Mr. President, I think we are justified in attaching to this bill, if we have the votes to do it, a limitation against the improvement of rivers until we have regulated the traffic both on the rivers and on the railroads so that our money will not be wasted and thrown away. I want to say to the Members of the Senate who are particularly interested in the improvement of the rivers that I believe I feel as deep an interest in their improvement as they do, but I am not so enthusiastic that I want to improve them when it will do nobody any good. I am willing that Senators should take public money with which to improve the rivers if the people in return may derive some benefit from lower freight rates, but the people are not getting such benefit now; we know they are not getting

it; and this bill will not give it to them. It is proposed to appropriate $37,000,000 more of public funds to be thrown away on the improvement of rivers without bringing any return to the people who must toil to produce the money thus expended. If this proposed step surprises and annoys some Senators and makes them feel that the people are becoming revolutionary, just keep up the practice long enough, keep pushing down those who must pay taxes in the interior of the country to build up particularly favored cities and localities, and they will get a taste of something that is worse than this, and it will come naturally. I make no threat, Mr. President; I have no feeling of ill will against anyone, but a system is being perpetuated here that, carried to its logical limit, must result at some time in those who are already over-burdened with taxation refusing to pay money to build up rival localities.

We ask nothing unfair; we are not asking that we be favored; we are not asking even that the charge for the short haul shall be less than the charge for the long haul. We are willing that those who have the long haul shall have their rates cut down as low as the rates of those who have only the short haul, but we are not willing to pay more for the short haul than for the long haul. We have been doing that for a lifetime, but we have come to a place where we feel that the injustice ought to end and we should be given some relief from that kind of a condition.

Talk about passing the bill as a separate measure! We have done that before, but it has not accomplished any good. Somewhere, at some place, somehow, somebody sidetracks it, pigeonholes it, and no relief is afforded. What good does it do to spend millions of dollars every year on our rivers if we are not going to use the rivers? We are not justified in taking public funds out of the Treasury to improve and dredge the rivers and let them fill up in the natural course of events without boats plying on them. We are willing to appropriate public funds to dredge the rivers and to improve the harbors if there may be coupled with such appropriation a provision under which somebody will get some good out of it in addition to those who receive the money for doing the dredging.

We are not asking anything unreasonable or anything unfair, and there is no injustice in the proposal. We ought to have what is now demanded. We ought to provide before we spend a single dollar to dredge any river that boats when put upon it shall not be driven out of business by competition that is unfair and unjust, which always results in the rail rates going up immediately the boats are driven off. We in the interior ought not to be expected either to continue to toil and to pay taxes to build up rival cities and favored communities in some other localities. It seems to me, therefore, Mr. President, that if the amendment shall be modified as I have suggested there can be no injustice in it and it ought to be adopted.

GOVERNMENT INTEREST RATES

Mr. SHIPSTEAD addressed the Senate on Government interest rates.

After having spoken for some time,

Mr. ROBINSON. Mr. President, will the Senator from Minnesota be good enough to yield until an effort is made to effect an arrangement about voting on the bonus bill?

Mr. SHIPSTEAD. Yes; I yield.

Mr. CURTIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from Kansas?

Mr. SHIPSTEAD. If it will not cause discussion I shall be delighted to yield.

Mr. CURTIS. The bonus bill has passed the House over the President's veto and will be presented here very soon.

Mr. ROBINSON. It is here now.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Page, its Clerk, announced that the President of the United States having returned to the House of Representatives, in which it originated, the bill (H. R. 7959) to provide adjusted compensation for veterans of the World War, and for other purposes, with his objections thereto, the House proceeded, in pursuance of the Constitution, to reconsider the same; and

Resolved, That the bill pass, two-thirds of the House of Representatives agreeing to pass the same.

ADJUSTED COMPENSATION—VETO MESSAGE

Mr. CURTIS. Mr. President, some of the Senators on the other side desire to leave the city, and I desire to know if we can not reach an understanding as to when we will have a final vote upon this measure. So far as I am concerned, I am ready to proceed now or on Monday or on any other day that is satisfactory to the different Senators.

Mr. NORRIS. Mr. President, it seems to me that Senators take an extraordinary course here, to break in right in the middle of a Senator's argument to take up something else.

Mr. ROBINSON. Mr. President, I suggest to the Senator from Nebraska that the Senator from Minnesota was good enough to yield.

Mr. NORRIS. I know he was, but——

Mr. ROBINSON. A number of Senators on both sides of the Chamber—some four or five on the other side and three on this side—have expressed a desire to leave the city. Many of them are leaving for the purpose of attending political conventions in their respective States. My impression is that if the arrangements can be effected a vote may be had next Monday. If that is not done, it may be necessary to defer the vote for several days.

I ask unanimous consent that immediately upon convening next Monday the Senate proceed to the consideration of the veto message, and that before the expiration of the calendar day of Monday the Senate vote finally upon it.

Mr. McKELLAR. That is day after to-morrow?

Mr. ROBINSON. Yes.

Mr. REED of Pennsylvania. Mr. President, I shall have to object to that, for the same reason that my friends on the other side object to making it two days later, Wednesday, as was suggested. We have in Pennsylvania a State committee meeting and a meeting of all our delegates to the Republican convention fixed for Tuesday morning, and it will be necessary for both my colleague [Mr. PEPPER] and myself to leave here early Monday in preparation for that. Then there will be some debate on the matter of overriding the veto, and for that reason, it seems to me, that to fix a vote for Monday is a little too soon. I suggest to the Senator that he make it Wednesday or Thursday of next week.

Mr. ROBINSON. The difficulty about that, as the Senator knows, and as already stated, is that a number of Senators are leaving here Tuesday to be gone all the week, and the Senator from Indiana is leaving this afternoon.

Mr. REED of Pennsylvania. Then I suggest to the Senator that he make it a week from Monday—that would enable all of the absent Senators to get back—or next Saturday, a week from to-day, if that is preferable.

Mr. CURTIS. Why not a week from to-day?

Mr. McKELLAR. Mr. President, I have my doubts about whether we can get back. Our convention takes place on next Thursday, and we would have to leave early Thursday evening in order to get back here by Saturday morning.

Mr. REED of Pennsylvania. Would Monday be satisfactory to the Senator from Tennessee?

Mr. SHIELDS. Monday week? That would be only one day later than Saturday.

Mr. McKELLAR. That would be entirely satisfactory to me.

Mr. ROBINSON. I ask unanimous consent, then, that the Senate, on convening next Monday week, proceed to the consideration of the veto message on the adjusted compensation bill, and that not later than 10 o'clock p. m. of said day the Senate proceed to vote.

Mr. CURTIS. Mr. President, as the Senator having charge of the bill, I have no objection to that.

Mr. ROBINSON. That is May 26.

Mr. NORRIS. It will be necessary to have a roll call.

Mr. ROBINSON. We shall have to have a roll call, and, Mr. President, if no Senator who is present objects, I shall suggest the absence of a quorum.

Mr. SHIPSTEAD. Mr. President, I object to a roll call being had at the present time. When I yielded the floor——

Mr. ROBINSON. Will the Senator pardon me for another interruption? The Senator was good enough to yield for the purpose of submitting this request, and unless an arrangement is effected this afternoon for a final vote it will occasion considerable inconvenience to a number of Senators. I hope the Senator will be kind enough to permit this arrangement to be entered into now, and in order to do that it is necessary to have a roll call. If the Senator would prefer——

Mr. REED of Pennsylvania. Mr. President, I suggest that by unanimous consent these remarks about an agreement for a vote on the bonus bill be directed to appear in the RECORD apart from the remarks of the Senator from Minnesota, so as not to interrupt the sequence of his remarks as they will appear in the RECORD.

Mr. ROBINSON. Certainly. All proceedings on this subject. I think that is entirely proper.

The PRESIDENT pro tempore. Is there objection to the last request with respect to the continuity of the address of

the Senator from Minnesota? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. The Senator from Arkansas suggests the absence of a quorum in order to submit a request for unanimous consent.

Mr. SHIPSTEAD. Mr. President, I will say to the Senator from Arkansas that when I yielded——

Mr. ROBINSON. There is no intention of taking the Senator from Minnesota off the floor.

Mr. SHIPSTEAD. I am aware of that. I will say to the Senator that when I yielded the floor I did so with the understanding that there was to be no debate, and certainly I did not understand that there was to be a roll call or a vote; but in view of the fact that that is necessary now, since we have been interrupted so long, and in view of the fact that so many Senators want to leave the city, I will agree.

Mr. ROBINSON. I thank the Senator from Minnesota. That is very courteous of him.

Mr. McKELLAR. Mr. President, just one moment. I stated a while ago that I was willing to have a vote next Monday. Of course I should like to see this matter voted on at the earliest possible moment, and I am perfectly willing to vote to-day, if possible. I think the sooner we vote on it, the better.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	Lodge	Sheppard
Ashurst	Fletcher	McKellar	Shields
Bayard	Frazier	McKinley	Shipstead
Borah	George	McLean	Simmons
Brandegee	Gerry	McNary	Smith
Brookhart	Gooding	Moses	Smoot
Bruossard	Hale	Neely	Stanfield
Bursum	Harris	Norbeck	Stephens
Cameron	Harrison	Norris	Sterling
Capper	Heflin	Oddie	Swanson
Caraway	Howell	Overman	Trammell
Colt	Johnson, Minn.	Pepper	Wadsworth
Copeland	Jones, N. Mex.	Phipps	Walsh, Mass.
Cummins	Jones, Wash.	Pittman	Walsh, Mont.
Curtis	Kendrick	Ralston	Warren
Edwards	Keyes	Ransdell	Watson
Fernald	King	Reed, Pa.	Weller
Ferris	Ladd	Robinson	Willis

The PRESIDENT pro tempore. Seventy-two Senators having answered to the roll call, there is a quorum present.

The Secretary will state the proposed unanimous-consent agreement.

The reading clerk read as follows:

I ask unanimous consent that the Senate, on convening next Monday a week, May 26, 1924, proceed to the reconsideration of the adjusted compensation bill, and that at not later than 10 o'clock p. m. on said day the Senate proceed to vote thereon.

Mr. ROBINSON. Mr. President, for the benefit of Senators who have come into the Chamber since the discussion that preceded the request for unanimous consent occurred, I desire to say that a number of Senators find it necessary to leave the city to attend political conventions in their home States. Some of them are leaving to-day, others will leave Monday, and still others upon days following:

I asked unanimous consent at first that the vote upon the reconsideration of the adjusted compensation bill be had next Monday. It developed that that agreement could not be secured, and that during the remainder of next week there would be absent a number of Senators who desire to be recorded upon the bill.

I therefore submitted the request for the earliest day when it appeared all Senators might be able to be present, namely, next Monday a week. I should like to see the vote had at an earlier time; I should like to see it had very promptly; but it does not appear possible to effect that arrangement, and Senators do not desire to leave with the question unsettled as to when the vote on the reconsideration of the bill will be had. I am merely submitting the request for the convenience of Senators on both sides of the Chamber who have advised that they are compelled to leave the city to attend political conventions.

The PRESIDENT pro tempore. Is there objection?

Mr. JONES of Washington. Mr. President, I desire to suggest that after a certain hour on that day the speeches be limited in time. Under this unanimous-consent agreement three or four Senators could take all the time.

Mr. ROBINSON. I have no objection to modifying the request in any particular with respect to a limitation of debate which the Senator desires to suggest.

Mr. JONES of Washington. I suggest that after the hour of 6 o'clock p. m. speeches be limited to 10 minutes.

Mr. ROBINSON. I have no objection to that modification. Indeed, I think it improves the agreement.

Mr. CURTIS. I have no objection to it.

The PRESIDENT pro tempore. Is there objection to the request as modified?

Mr. NEELY. Mr. President, reserving the right to object, I wish to announce that it will be impossible for me to be present on Monday, the 26th day of May, for the reason that our primary election is to be held in West Virginia on May 27. I desire to vote on this question, and purpose voting to pass the adjusted compensation bill over the President's veto. Unless the unanimous-consent agreement is modified so as to provide for the taking of the vote on some day other than the 26th or 27th of May, I shall be compelled to object to the request.

Mr. ROBINSON. I modify the request so as to make it a week from to-day, next Saturday, which would be the 24th, and I will move up the hour for the final vote, if no Senator objects, to 6 o'clock.

The PRESIDENT pro tempore. Is there objection to the request as now modified?

Mr. JONES of Washington. If that brings the final vote at 6 o'clock, we should modify the request so as to make the 10-minute limitation apply at 4 o'clock.

Mr. ROBINSON. Very well; let that be done.

The PRESIDENT pro tempore. Is there objection?

Mr. GEORGE. Mr. President, I am willing to vote on this matter this afternoon or any day early next week; but I can not possibly be here on next Saturday, and that is the situation of some other Senators, the Senator from Colorado [Mr. ADAMS] among others, on account of conditions similar to those in which the Senator from West Virginia [Mr. NEELY] finds himself.

Mr. ROBINSON. Mr. President, I have demonstrated that it is impossible to fix upon a day upon which every Senator will find it convenient to be present. Unless Senators want to be obstinate about the matter, and occasion great inconvenience to other Senators, I think some date ought to be fixed and notice given. Otherwise I shall move to proceed to the reconsideration of the bill next Monday upon the convening of the Senate. It is privileged, and I can do that.

Mr. CURTIS. The Senator ought to leave that to the Senator in charge of the bill. That Senator was going to serve the same kind of a notice.

Mr. ROBINSON. If the Senator will serve that notice, I will withdraw mine.

Mr. CURTIS. I am perfectly willing to handle the measure.

Mr. ROBINSON. I assure the Senator from Kansas that I have no intention of usurping his jurisdiction.

Mr. CURTIS. When I first made my statement I said to the Senate that I was willing to go on now, or to go on Monday, or at any time; but I am willing to consult the convenience of other Senators by having a day fixed.

Mr. BROOKHART. Is there any reason why we can not go on right now?

Mr. CURTIS. We could not go on now, with the Senator from Minnesota entitled to the floor, and Senators who are not here want to be heard.

The PRESIDENT pro tempore. The Chair understands that objection has been made.

SEVERAL SENATORS. No! No!

The PRESIDENT pro tempore. The Senator from Georgia [Mr. GEORGE] made an objection.

Mr. GEORGE. Mr. President, I did not make a formal objection, but it is simply a question of not wanting the Senate to decide on a day when I could not be here.

Mr. WATSON. I ask unanimous consent that we proceed to vote immediately upon the subject.

Mr. REED of Pennsylvania. I object, Mr. President.

Mr. CURTIS. Mr. President, I serve notice that upon Monday, immediately after the convening of the Senate, I will move that the Senate proceed with this privileged matter.

Mr. SHEPPARD. Mr. President, I call for the regular order.

Mr. CURTIS. Under the rule, until 2 o'clock on Monday the calendar will be the order. So I change my notice. I will call the adjusted compensation bill up immediately after 2 o'clock next Monday.

Mr. SHIPSTEAD. Mr. President, I will say this to the Senator, that if an agreement can be made to vote this afternoon I shall be willing to go on on Monday by unanimous consent, if it is agreeable that I continue my remarks on Monday. I shall not do anything to interfere with the Senate acting now, if the Senate will agree to act now. The fact that I have the floor need not stop the Senate from transacting this busi-

ness if the Senate will agree to do it now. I am willing to yield the floor for that purpose.

Mr. SMOOT. Mr. President, there are a number of Senators out of the city, and some will be leaving at 4 o'clock with the idea that we were not going to vote to-day. It would be unfair to them to take the matter up, and therefore I shall object.

Mr. SHIPSTEAD. If no agreement can be made, I shall refuse to yield the floor.

NAVAL APPROPRIATIONS—CONFERENCE REPORT (S. DOC. NO. 112)

Mr. HALE. Mr. President, I submit a conference report on the naval appropriation bill, and ask that it lie on the table and be printed. I give notice that I shall call it up at the earliest possible moment.

The report was ordered to lie on the table and to be printed, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,409,826; for aviation material, equipment, fuel, and rental of hangars, $320,174; in all, $3,900,000, not more than $1,242,289 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided further*, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than four cargo ships, two transports, and one ammunition ship, unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy classification of accounts;'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ": *And provided further*, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service, who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in all, $50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,385,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,911,800"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ", and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON
(With exception of Senate amendment No. 64, which I insist upon),
Managers on the part of the Senate.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES
(Not in agreement on amendment No. 64),
W. B. OLIVER
(Not in agreement on amendment No. 64),
Managers on the part of the House.

Mr. SHIPSTEAD resumed and concluded his speech, which is entire as follows:

GOVERNMENT INTEREST RATES

Mr. SHIPSTEAD. Mr. President, the Senator from Nebraska [Mr. NORRIS] said something about being taxed for the purpose of raising funds to develop harbors and then being taxed again to pay railroad rates. There are more ways of taxing the people than by simply passing a tax bill requiring the citizen to go to the county treasurer, pay his county taxes and his State taxes, and pay his income and excise taxes to the Federal Government.

It is interesting to note that while we have been discussing the Army appropriation bill the President has vetoed the bill calling for adjusted compensation to the service men of the last war. For doing so he gives various reasons, the chief among which is his desire to lower taxes.

Mr. President, because the Senate, through various sources, has been led to believe and the country has been led to believe that the Secretary of the Treasury has been the chief financial adviser of the administration, and because of the fact that I myself and other Senators have been deluged with letters and telegrams asking the Congress to sign on the dotted line when it comes to passing tax measures or when it comes to acting upon questions of public finance that are proposed by the Secretary of the Treasury as the chief financial adviser of the administration, I want to discuss the conduct of the Government financing by the Secretary of the Treasury, and I want to discuss him as chief financial adviser of the administration; and I want to say that I do not intend to do it in a controversial spirit. I do not intend to do it in a partisan spirit. I want to confine myself to the facts, to the statements of the Secretary of the Treasury, and to the statements of his friends.

Mr. President, the President has vetoed the bonus bill. His message tells us that he has been actuated by various motives, chief among which is his desire for lower taxes and therefore easier economic burdens for the American people. A desire for lower taxation is a commendable one, upon which there can be no difference of opinion. I am firmly of the opinion, however, that the President is ill advised when he places the burden and cost of reducing taxes upon the soldiers. There are other ways whereby the burden of the people can be lightened and the taxes reduced without taking it out of the pockets of those who risked their lives at the request of the Government during the World War. There are many ways of placing unnecessary burdens upon the backs of the people, but the most universal manner is that of taxation. It is an axiom that "The power to tax is the power to destroy." It is also a recognized fact that the power to fix the interest rates is the power to tax, and therefore the power to destroy.

On February 1, during this session of Congress, I tried to impress upon the Senate the fact that this power had been so used and that it had resulted in an exorbitant rate of interest being charged on borrowings of all kinds in the United States to such an extent that it is conservative to say that the American people were paying an exorbitant interest charge of at least 1 per cent on borrowings of all kinds. That as a result of this exorbitant interest charge the American people were obliged to pay directly an unnecessary interest charge totaling $1,000,000,000 per year, based on a total indebtedness, public and private, of $100,000,000,000, which I know to be a very conservative estimate of the indebtedness of the people of the United States. At that time I also pointed out the law of economics—that each unnecessary cent that goes into the cost of production is multiplied five times when the article produced reaches the ultimate consumer, and that therefore, in accordance with that law, an exorbitant interest charge of $1,000,000,000 entered into the cost of production of American products has been multiplied into $5,000,000,000 when the products reach the ultimate consumer. I charge that this unnecessary burden of $5,000,000,000 annually is the result of the extraordinary high interest rate paid by the Government, by commerce, public and private corporations, and private individuals. My remarks to the Senate on February 1 state that this high rate of interest was due to the high interest paid by the Federal Government upon its securities issued by the Secretary of the Treasury, the interest rate on which is fixed by the Secretary of the Treasury, and by the high rediscount rates of the Federal reserve banks; that these high rates serve as a peg on the money market of the United States and set the pace for high interest rates being charged on borrowings of all kinds. I called attention at that time to the fact that the Secretary of the Treasury is chairman of the Federal Reserve Board as well as Secretary of the Treasury, and therefore was to a large extent to blame for the high interest rates paid by the Government and high rate of discount charged by Federal reserve banks, and therefore for the high rate of interest being charged upon debts of all kinds in the United States.

Three months have passed by, and the matters I have referred to have been discussed in the financial journals all over the country, by bankers' conventions, and the Secretary of the Treasury has replied thereto in the public press in the April issue of the American Bankers' Association Journal, answering my remarks to the Senate of February 1.

Mr. President, I am sending to the desk a copy of that letter of the Secretary of the Treasury.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator desire to have it read?

Mr. SHIPSTEAD. I will not take the time to have it read. I ask unanimous consent to have it printed in the RECORD with my remarks, without being read.

The PRESIDING OFFICER. Without objection the request will be granted.

The letter is as follows:

MARCH 17, 1924.

DEAR SIR: I received your letter of March 10, 1923, commenting on the address of Senator SHIPSTEAD of Minnesota on the floor of the Senate, February 1, 1924, in which he charged that the people of the United States are paying about 1 per cent too much interest on the public debt, and requesting a statement as to how the Treasury fixes the rate of interest on its borrowings.

The factors which the Treasury must always take into consideration in floating a new issue of securities are practically the same as those which must be considered by any investment banker in floating new issues for his clients. All Government offerings are made on a strict investment basis. The Treasury always aims to sell its securities at the lowest possible interest rate consistent with their successful distribution among investors, and with this in view it always gives close attention and consideration, in connection with the determination of the amount and terms of each issue, to the market quotations on outstanding securities and to prevailing money-market conditions. No one realizes better than the Treasury that the burden of paying the interest on the public debt falls on the country's taxpayers, and I can assure you that every effort is made to minimize this burden. On the other hand, it is necessary to meet market conditions in carrying on refunding operations and in securing funds to meet current activities. If Treasury certificates and notes should be offered at rates of interest lower than market conditions warrant, they would not prove sufficiently attractive to investors and the funds necessary to carry on the Government's activities would not be available. The Government can no longer appeal to the public to purchase its securities at less than market rates on grounds of patriotism.

In the Government financing which took place on December 15, 1923, the Treasury required, to meet maturing obligations and to carry it over the period to March 15, 1924, about $350,000,000. One-third of this could be thrown into June 15, 1924, maturities, when maturing obligations were somewhat lower than expected receipts, and two-thirds placed in December 15, 1924, maturities, on which date there were no other maturing obligations. A summary of the market situation December 10, 1923, when the December 15 financing was announced, with the maturity dates, the amount of short-term issues then outstanding, and their return based on the market price, follows:

Maturity	Amount outstanding	Return
		Per cent
Mar. 15, 1924	$370,946,500	3.85
June 15, 1924	311,068,000	4.00
Sept. 15, 1924	377,661,100	4.20
Dec. 15, 1924		
Mar. 15, 1925	508,358,000	4.30

Obviously the above market situation called for an interest rate of 4 per cent on the six months' certificates maturing June 15, 1924, and 4¼ per cent on the certificates maturing December 15, 1924. That in spite of oversubscriptions the interest rate was correctly fixed is shown by the fact that in the week succeeding their issuance large amounts of the new issue of each series changed hands at par.

The March 15 certificates were offered Monday morning, March 10, and the previous Saturday the price of Government short-term obligations indicated the following returns on the maturity dates:

June 16, 1924	3.60
September 15, 1924	3.88
December 15, 1924	3.85
March 15, 1925	4.00
June 15, 1925	4.12
December 15, 1925	4.10

Faced with this market situation, a 3¾ per cent rate was too low for a nine months' certificate. To have made this 3¾ would have been to adopt an inconvenient rate. It was determined, therefore, to issue 12 months' certificates on a 4 per cent basis, which exactly hit the market.

It is possible, of course, that the Treasury might at times have issued its securities at a somewhat lower rate and have appealed to the Federal reserve banks to support the market through heavy purchases of such securities in case the proper distribution should not be effected. To pursue such a course in peace times, however, would seem to me to be inexcusable. It would create an artificial situation in the investment and money markets and tend to produce inflation. It may be noted in this connection that the Treasury has succeeded in borrowing on its certificates of indebtedness at a lower rate than even States and cities have been able to borrow on their fully tax-exempt short-term bills, though in substance the Treasury certificates are exempt only from the normal income tax. During the whole of February, for example, the city of New York paid 4¼ and 4½ per cent on its short-term bills, while the Treasury is now offering one-year certificates at 4 per cent. Moreover, the Treasury's long-term bonds not wholly tax exempt do not bear higher rates than the average on municipal bonds issued during and since the war, which are wholly tax exempt. The Treasury's wholly tax-exempt securities bear a rate

nearly 1 per cent lower than municipal tax-exempt securities. A glance at the public-debt statement will show that the great bulk of the outstanding public debt bears 4¼ per cent or less. During the heavy refunding operations of 1921 and the early part of 1922, when the money market was tight and interest rates high, it was necessary, of course, to issue securities at somewhat higher rates, but it will be noted that none of these issues have long maturities. They all mature within the next few years and can soon be replaced by issues at lower rates according to the conditions of the market. In fact the two series of notes which bear the highest rates mature during the current calendar year and will be paid off or refunded at the market rates.

The principal evidence in support of the contention that the Treasury is paying too high rates seems to be that the various offerings were oversubscribed, but if one will take the trouble to examine the market it will be found that there are comparatively few successful offerings of securities of any kind which are not oversubscribed. In fact, if they are undersubscribed, the offering is in part a failure and reflects on the judgment of those who made it. The investment market is an exceedingly delicate affair, and a very small difference in rate will mean the difference between success and failure of the offering. Reference was made to the Treasury notes of January 15, 1923, bearing 4¼ per cent and the notes of May 15, 1923, bearing 4¾ per cent. The daily quotations, which are, of course, the best index of what the market will take, show that soon after the issue of the 4¼ per cent notes in January they dropped below par, and by May, when the next issue was due, they were selling at a yield of over 4.60. The May issue was an unusually large one, amounting to nearly $700,000,000, and I do not believe anyone familiar with the market would contend that the issue would have been successful at a lower rate. You will recall the violent criticisms which were directed against the Treasury after the war when the Liberty bonds sold below par on the ground that the rates on the loans were too low.

In comparing the rates on acceptances with the various types of Government securities the differences in the nature of the issues in maturity dates, size of issues, changing market conditions, and other fundamental factors were wholly ignored. Rates on acceptances are for 90-day bills, and it might be noted that in December, 1923, the Treasury issued six-month securities at 4 per cent, and is now offering an issue of 12-month securities at 4 per cent, while the market rate on bills was 4¼ to 4½ on the former date and is now 4½. A compilation of interest rates shows that the rate on 6-month certificates has conformed fairly closely to the rate on 90-day bills since 1921, and that the rate on commercial paper has run approximately three-quarters to 1 per cent higher.

Much of the criticism of the Treasury and the Federal reserve banks clearly betrays a lack of understanding of the fundamental economic principles which determine interest rates. The impression seems to prevail that conditions in the money market are due entirely to the rates paid on Government securities and to the discount rates of Federal reserve banks, and that these rates can be fixed arbitrarily at a higher or lower level, thus determining market conditions at will. On the contrary, both the rates paid on Government securities and the discount rates of Federal reserve banks reflect conditions in the money market rather than cause them. Fundamentally, interest rates are determined by the demand for and supply of capital. The comparatively high money rates which continue to prevail are the result of economic conditions which exist throughout the world.

The demand for capital everywhere following the destruction of the war is so great that high rates must be paid by those who wish to secure the limited supply. The return to normal rates must necessarily be a gradual process depending upon the rapidity with which the supply of capital is replenished. A scarcity of capital is something beyond the power of the Treasury or banks to prevent. It is a persistent fallacy that financial and credit institutions can create capital or make it cheap. They can manufacture credit, but only in a limited sense can credit take the place of capital. Capital can be created only by increased productivity and increased savings.

With reference to the effect of the Federal reserve bank rate on conditions in the Northwest, statistics show that in the Minneapolis district the average rate charged by member banks to customers on paper which they in turn rediscounted rose from 7.65 per cent in December, 1921, to 7.99 per cent in December, 1923, although the discount rate of the Federal Reserve Bank of Minneapolis declined from 5½ to 4½ per cent. On the latter date the spread between the discount rate and the rate charged by member banks to their customers was 3½ per cent. This would hardly bear out the contention that the plight of the banks in that district is due to the discount rate of the Federal reserve bank. A similar situation prevails in some of the other districts, particularly in the agricultural districts. Many banks have long been accustomed to charge the maximum rate allowed by the usury laws of the State, especially on the smaller loans. In some sections of the country these rates range from 6 to 10 per cent, and are still paid by many borrowers in spite of the discount rate of 4½ per cent. In many agricultural sections, moreover, a great majority of the commercial banks are not members of the Federal reserve system, and under such conditions it would be difficult for the Federal reserve banks to exercise any great influence over the higher level of interest rates for these districts. In fact, the discount rates of none of the Federal reserve banks can be said to be effective at the present time in the sense that they are a controlling factor in the general level of interest rates. It should be noted in this connection that discount rates of Federal reserve banks are not fixed with the idea of enabling member banks to make a profit. Commercial banks are not primarily borrowing institutions; they are lenders, and for them to borrow in order to lend at a profit is universally recognized as unsound practice. The primary purpose of reserve institutions is to assist commercial banks in times of unusual or emergency demands rather than to extend a permanent line of credit on which member banks can make a profit. In connection with this whole question of discount rates and the function of reserve institutions, it is significant that in England and other European countries the bank rate is almost constantly higher than market rates on discountable paper. Since the entrance of the United States into the World War in 1917, however, the rates of Federal reserve banks have been lower than rates charged by member banks on practically all paper rediscounted.

While the Treasury welcomes any public discussion or suggestion with reference to its policies, I realize that much harm has been done by charges against the Federal reserve system by those who are neither familiar with the facts nor the fundamental economic principles involved. These charges have inflamed the minds of the public in certain sections with wholly imaginary evils and injustices, and any contribution that you can make toward the better understanding of our banking and financial systems will be a public service.

I fully appreciate the conditions in certain agricultural districts, but in my opinion the farmer's greatest enemies to-day are those who, posing as his champions, lead him into the belief that his ills can be cured by political measures rather than through the necessary economic adjustments, and who seek to divert him from facing the facts in the case by indiscriminate attacks on existing institutions. What the farmer needs above all else at this time is sound constructive statesmanship.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Mr. JAMES E. CLARK,
Editor American Bankers' Association Journal,
110 East Forty-second Street, New York City.

Mr. SHIPSTEAD. Mr. President, in this letter the Secretary of the Treasury does not deny that the Treasury, through the Federal reserve banks, is outbidding banks for bank deposits on their savings certificates, paying a higher rate of interest than banks can afford to pay on savings. He does not deny my charge that there is an exorbitant rate of interest being charged on borrowings of all kinds. He does not say that the Treasury is not paying too high a rate of interest on several billion dollars of floating indebtedness. He does not deny that the rediscount rates of the Federal reserve banks are too high, but he says that the Secretary of the Treasury and Federal reserve banks are not to blame. He says that the high rate paid by the Secretary of the Treasury on Government issues and the high rediscount rate of the Federal reserve banks reflect the condition of the money market instead of causing those high rates.

In the article published in the American Bankers' Association Journal Secretary Mellon states:

> Much of the criticism of the Treasury and the Federal reserve banks clearly betrays a lack of understanding of the fundamental economic principles which determine interest rates. The impression seems to prevail that conditions in the money market are due entirely to the rates paid on Government securities and to the discount rates of the Federal reserve banks, and that these rates can be fixed arbitrarily at a higher or lower level, thus determining market conditions at will. On the contrary, both the rates paid on Government securities and the discount rates of the Federal reserve banks reflect conditions in the money market rather than cause them. Fundamentally interest rates are determined by the demand for and supply of capital. The comparatively high money rates which continue to prevail are the result of economic conditions which exist throughout the world.

Then he goes on to say:

> No one realizes better than the Treasury that the burden of paying the interest on the public debt falls on the country's taxpayers.

So he recognizes that fact.

Now I will quote another statement from a document bearing the name of the Secretary of the Treasury, in which he takes an entirely opposite point of view. This is from a document issued by the Federal Reserve Board, of which the Secretary of the Treasury is the chairman. This report is dated February 15. I believe it was not available until the first week in April, which is the week in which his letter to the American Bankers' Association Journal was published.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. KING. Before proceeding to a consideration of the matter to which the Senator has just adverted, may I inquire if it is not a fact that the Secretary of the Treasury, in his borrowings, went into a number of the agricultural States—into Ohio and Illinois and Indiana and Iowa—and obtained from those States considerable money for these short-time certificates at a higher rate of interest than was then current in those respective localities?

Mr. SHIPSTEAD. Oh, yes.

Mr. KING. So that that would be a refutation of the statement which is contained in the letter which the Senator has just read.

Mr. SHIPSTEAD. Oh, yes. That drive was made for the sale of savings certificates drawing 4½ per cent interest, compounded semiannually. I will say, however, that the newspapers record that on the 1st day of February that sale of savings certificates was stopped in the Northwest States.

I want to quote from this other document bearing the name of the Secretary of the Treasury. Here he gives an entirely different point of view on the question of whether or not the Federal reserve bank discount rate has anything to do with the rate of interest being charged on borrowings of all kinds. On page 10 he says:

> The experience of the Federal reserve banks, notwithstanding that the brief period of their active operation on a considerable scale has been one of disturbed economic and financial conditions, is demonstrating that there is a sufficiently close connection between changes in Federal reserve bank rates and changes in interest rates charged their customers by member banks on a sufficiently large volume of customers' borrowings to make Federal reserve rates an important and at times a leading influence in money centers. In that sense the Federal reserve bank rates may be said to be effective. Its effectiveness and the range of its influence have been promoted in no inconsiderable degree in recent years by the increasing fluidity of the American credit system; that is, by the ease with which credit flows between the larger financial centers and the interior of the country.
>
> Member bank customer rates have shown a tendency to move with Federal reserve bank rates. * * *

Are not these two statements entirely opposite and contradictory? In the first statement, Secretary Mellon states that the Federal reserve bank rates reflect conditions in the money market rather than cause them, but in the second statement he claims that there is a sufficiently close connection between changes in the Federal reserve bank rates and changes in rates charged their customers by member banks to make Federal reserve rates an important and at times a leading influence in money centers.

Which of the above statements is true? The letter to the American Bankers' Association Journal was written in reply to my address to the Senate of February 1, in which I charged that the Federal reserve rate kept up the interest rate on commercial borrowings, and Secretary Mellon's letter was not written until March 17, plenty of time for due deliberation. The report for 1923 by the Federal Reserve Board was made public the latter part of March or first part of April, so that the letter and report can be said to be simultaneous expressions from the Treasury Department.

There we have Mr. Mellon's view on the question of whether or not the high rate of interest being charged on borrowings of all kinds in the United States is caused by the Secretary of the Treasury setting the pace by offering an unnecessarily high rate of interest on Government securities, and rediscount rates charged by the Federal reserve banks. That seems to be the question in controversy.

The Secretary of the Treasury takes the position that the Federal reserve bank rediscount rates reflect the condition of the money market, and are not the cause of the high rate of interest. He admits that interest rates are high.

Since these statements were made some very interesting things have happened, because on the 1st day of May the Federal Reserve Bank of New York reduced its rediscount rate from 4½ per cent to 4 per cent.

I want to call to the attention of the Senate the fact that on April 30, the day before that interest rate was reduced, call money on the New York market closed at 4½ per cent.

I have an editorial from the Wall Street Journal which I send to the desk, and part of which I want to have printed. I do not care to have the whole editorial printed, but just enough to indicate the fact that the call-money rate at the close on April 29 was 4½ per cent.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 1, 1924]

MONEY DEMAND IS SLOWING UP—RESERVE REDISCOUNT RATE REDUCED TO 4 PER CENT—BROKERS BORROWING LIGHTLY—COMMERCIAL PAPER STEADY

New York Federal Reserve Bank announced reduction on the rediscount rate from 4½ per cent to 4 per cent Wednesday.

Last time the rediscount rate was changed was on February 23, 1923, when it was increased from 4 per cent to 4½ per cent, when the Federal reserve banks of New York, Boston, and San Francisco all acted at once, so the same rate, 4½ per cent, prevailed throughout the system.

It is believed that some of the stronger reserve banks, with high ratios, may follow the lead of the New York bank now. Each Federal reserve bank is free to take independent action on rediscount rate, subject to approval of the Federal Reserve Board.

Money market continues quiet. Tuesday's closing rate of 4½ per cent brought a flood of out-of-town money to swell the already large local surplus so that the rate opened at 4½ per cent.

Mr. SHIPSTEAD. Another editorial from the Wall Street Journal of April 30 read as follows:

> Call money renewed at 3¾ per cent and gradually rose to 4½ per cent in the afternoon without any particular demand for loans in the stock market or elsewhere.

The news that the New York Federal Reserve Bank had reduced its rate was not made known in the money market until after the close of business on May 1 of this year, and here we find in the editorial of the Wall Street Journal for May 1 this statement:

> Money market continues quiet. Tuesday's closing rate of 4½ per cent brought a flood of out-of-town money to swell the already large local surplus, so that the rate opened at 4½.

Here is another editorial from the Wall Street Journal of May 1:

> Liberty loans rally on rumors that Federal reserve rediscount rate will be cut.
>
> When there was only a rumor in the money market that the Federal reserve bank intended to reduce its rediscount rate, Liberty loan bonds and other Government securities started to go up.
>
> Rumors in the street yesterday to the effect that the Federal reserve bank would reduce the rediscount rate influenced activity in United States Government bonds and after early slight recessions most issues rallied above Tuesday's closing level. News of the cut in the bank rate did not come until after the close of the bond market so that the full effect of that constructive action was not reflected in yesterday's prices. Most of the surplus funds of banks and insurance has been placed lately in United States Government bonds and high-grade railroad issues. From now on, high-yielding bonds of the second grade should do better.

So we find that when it was only rumored that the Federal reserve rediscount rate would go down, bonds, and particularly Government issues, started to rise.

Mr. BROOKHART. Mr. President, I would like to ask the Senator if, conversely, at the time of the deflation in 1920, when the rediscount rates were raised, the prices of Government bonds were not depressed?

Mr. SHIPSTEAD. Certainly.

Mr. BROOKHART. And people who had bought those bonds for war purposes were forced to sell them at below par?

Mr. SHIPSTEAD. We know by bitter experience that that is true.

Mr. BROOKHART. Perhaps it might be reasoned from that that one of the big objects of deflation as talked at that secret meeting of May 18, 1920, was to depress the bonds and buy them in at the lower rates.

Mr. SHIPSTEAD. I do not see how any sane man can doubt that.

Mr. President, I have here an editorial from the Wall Street Journal of May 2, the day after the Federal Reserve Bank of New York lowered its rediscount rate, and I find this in large headlines:

> United States 4¼'s at record high. Reduction in Federal reserve rediscount rate and the decline of call loans to 3½ per cent stimulates Government issues.

I want to call attention to the fact that the day after the Federal Reserve Bank of New York lowered its rediscount

rate from 4½ per cent to 4 per cent, call money dropped to 3½, and has never gone above that to this day. As a matter of fact, this morning's Wall Street Journal said that the money market last night closed at 3 per cent.

Here is what the Wall Street Journal said editorially as the effect of the reduction of the Federal reserve bank rediscount rate upon the money market:

Responding to the cut in the New York Federal Reserve Bank rediscount rate from 4½ to 4 per cent and continued easy-call loans, which receded to 3½ per cent in the afternoon, the bond market developed activity yesterday with attention centered chiefly on United States Government and other high-grade investment bonds. United States Treasury 4¼'s established a record price of 102, and all the Liberty loan issues reached the highest prices for the year.

On May 2 there appeared in the North American of Philadelphia a communication from their correspondent in New York, which appears on page 23, in which he said:

Although bankers generally agree that the lowering of the local Federal reserve rate will result in easier money, its only effect to-day was in the call money market, which opened at 4½ per cent, and then dropped successively to 4, 3½, and 3½. * * *

* * * * * * *

Sharp rallies in Liberty bonds, which mounted in unusually active trading to the highest levels of the year, to-day measured the bond market's response to the reduction in the New York Federal Reserve Bank's rediscount rate. For the first time this year all active issues sold at par or higher, while the Treasury certificates reached a new price of 102, the highest ever recorded.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Alabama?

Mr. SHIPSTEAD. I yield.

Mr. HEFLIN. There is a Federal reserve bank also at Philadelphia. Does the Senator know the difference between the rediscount rate of the New York bank and of the bank at Philadelphia?

Mr. SHIPSTEAD. I will say to the Senator that up until May 1, when the New York Federal Reserve Bank lowered its rediscount rate to 4 per cent, the Federal reserve bank rediscount rates were uniform in all banks throughout the United States. Whether the Philadelphia bank has followed the action taken by the New York bank I do not know. I am quite sure it had not been done up to yesterday. But it is expected that it may be done. Whether they will do it or not we can not tell.

Mr. SMITH. Mr. President, I have not heard all of the Senator's speech; but has the contention been made that the rediscount rate at the regional or reserve banks has not affected the flow of money or the rates that were exacted in the member banks, and in the ordinary commercial and national banks?

Mr. SHIPSTEAD. I will say to the Senator that I made the charge on the floor of the Senate last winter that it affected borrowings of all kinds.

The Secretary of the Treasury, in a letter written to the American Bankers' Association Journal on March 17, and published in the April issue, made the statement that the Federal reserve discount rates reflected a condition in the money market and the interest rate in America instead of being the cause of those high rates. Does that answer the Senator's question?

Mr. SMITH. I was just wondering if, under an amendment offered on the floor of the Senate by the Senator from Connecticut [Mr. McLEAN], chairman of the Committee on Banking and Currency, and adopted by the Senate, which was known as an amendment to provide a progressive and graduated rate when the borrowings of the bank had reached a certain base line and above it, they were to be foreclosed by the progressive and graduated rates that were incorporated in the Federal reserve act.

Mr. SHIPSTEAD. That is correct.

Mr. SMITH. I have a statement from officials of the Federal reserve bank that under the operation of that amendment in some places the discount charges were 16 per cent, and in one case in Alabama 87½ per cent was charged, not because the security was not ample or perhaps was not safe, but simply because they wished to reduce operations and to bring about deflation, which they did amply succeed in doing.

Mr. SHIPSTEAD. I will say to the Senator that I think he is absolutely correct. It may seem presumptuous to take up the time of the Senate this afternoon with a discussion of a question so rudimentary as that, but because of the fact that the Secretary of the Treasury has not recognized the power of the Federal reserve bank through the control of the rediscount rate to control the interest rates, the high rates of interest being charged all over the country, and because of the fact that the Senate and the people of America are asked to accept him as their official infallible adviser on questions of public finance, I am taking up the time of the Senate this afternoon to show what has actually taken place in the money market since the Federal Reserve Bank of New York reduced its rediscount rate on the 1st of May.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from North Carolina?

Mr. SHIPSTEAD. I yield.

Mr. SIMMONS. Am I to understand the Senator to say that the Secretary of the Treasury has stated that the Federal reserve system did not fix the rate of interest but, rather, followed the commercial rate? I was under the impression that one of the chief objects and purposes of the Congress in the establishment of the Federal reserve system was that it might act as a regulator, so to speak, of the interest charges made in ordinary commercial transactions, just as the Bank of England has always been supposed to regulate the interest charge prevailing in the Kingdom of Great Britain. It is news to me and rather a startling statement to come from the Secretary of the Treasury that the Federal reserve system is not performing that function at all but simply following in the wake of commercial enterprises and commercial investments in commercial enterprises.

Mr. SHIPSTEAD. I will say to the Senator that before he came into the Chamber I quoted the Secretary's point of view on that question contained in a letter to the American Bankers' Association Journal and published in their issue for April. For the benefit of the Senator and other Senators who were not in the Chamber when I quoted the Secretary previously, and because I do not want to misstate what he said, I will read the direct quotation again.

Mr. SIMMONS. I would like very much to hear it.

Mr. SHIPSTEAD. He said:

Much of the criticism of the Treasury and the Federal reserve banks clearly betrays a lack of understanding of the fundamental economic principles which determine interest rates. The impression seems to prevail that conditions in the money market are due entirely to the rates paid on Government securities and to the discount rates of Federal reserve banks, and that these rates can be fixed arbitrarily at a higher or lower level, thus determining market conditions at will. On the contrary, both the rates paid on Government securities and the discount rates of Federal reserve banks reflect conditions in the money market rather than cause them. Fundamentally, interest rates are determined by the demand for and supply of capital. The comparatively high money rates which continue to prevail are the result of economic conditions which exist throughout the world.

Mr. SIMMONS. Does the Senator understand that to mean that the Federal reserve banks can not in any way affect the rate of interest charged in the country, either to reduce that rate or to pursue a policy which would necessarily force down the rate?

Mr. SHIPSTEAD. I think the language is very plain when he says that those rates reflect conditions in the money market rather than cause them.

Mr. HEFLIN. Mr. President, will the Senator permit me to interrupt him?

Mr. SHIPSTEAD. Certainly.

Mr. HEFLIN. It was the purpose or one of the purposes in creating the Federal reserve system to control just such situations as he talks about, but those who are now in control are saying that conditions in the money market fix the rediscount rates and not the Federal Reserve Board.

Mr. SHIPSTEAD. That is what the Secretary said. I will say to the Senator from North Carolina that the Federal Reserve Board issued a report dated February 15, in which they took the opposite point of view, and because the Senator was not in the Chamber when I read it I will read it again.

The experience of Federal reserve banks, notwithstanding that the brief period of their active operations on a considerable scale has been one of disturbed economic and financial conditions, has demonstrated that there is a sufficiently close connection between changes in Federal reserve bank rates and changes in rates charged their customers by member banks on a sufficiently large volume of customers' borrowings to make the Federal reserve rates an important and at times leading influence in the money markets. In that sense the Federal reserve rate may be said to be effective.

Mr. SIMMONS. I never supposed the Federal reserve banks could absolutely fix the rate of interest in the United States, but I did suppose the Federal reserve banks might exercise a largely determining influence in the fixing of the rates of interest throughout the country. I thought that was the purpose of the inauguration of the system. When the deflation policy was first inaugurated it was very well understood at that time that the Federal Reserve Board, in fixing the rate at that time, was fixing it for the purpose not only of influencing but to a very large extent controlling the rates of interest throughout the country.

Mr. SHIPSTEAD. Certainly.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. SHIPSTEAD. I yield.

Mr. FLETCHER. The Secretary seems to claim that the ample supply of capital—and by that he means the supply of money deposited in the banks, savings accounts, and elsewhere—has an influence in the matter of fixing the rediscount rates. In a statement issued by the Federal Reserve Board on April 30, 1924, it appears that in the various Federal reserve districts the savings deposited in the Federal reserve districts amounted on April 1, 1924, to $7,307,062,000, as against $6,740,410,000 on April 1, 1923. It appears also that the time deposits in all the national banks exceeded $6,000,000,000. So we have savings deposits of over $7,000,000,000 and time deposits of over $6,000,000,000 in the banks. There would seem to be a supply of capital.

Mr. SHIPSTEAD. I have here an editorial from the Wall Street Journal of May 8, in which it is said:

Business has not receded nearly so far as some opinions indicate. Loans are still in demand, and liquidation of old business is hardly sufficient to keep down total loans outstanding. Total loans of reporting member banks in leading cities stood at $12,062,136,000 on April 16. They were at $12,066,813,000 on January 2, which was the high point since deflation in 1921.

This report is only from about one-third of the money markets of the United States, showing that there is a tremendous demand for capital, that capital is not unemployed, that there is plenty of capital in the country, and that there are more bank borrowings now than there have been since 1921.

Of course during the deflation period of 1920 the Federal reserve banks annihilated the credit which they had created during several years prior to the time when they put in that period of deflation by restricting the circulating medium of the country and thereby breaking the prices of agricultural products, causing the Liberty loan bonds to come out from the people who had bought them at par, and compelling them to sell at 80 and 85. It is very significant that they did not come back until after the revenue act of 1921 was passed putting them on the tax-exempt list when held by corporations.

It was not only the Liberty loan bonds that were shaken out of the hands and pockets of the American people during that period of deflation. The American people during that period were, by this power of the control of the money and credit and discount of interest rates, deflated out of many billions of dollars. The Secretary of Agriculture has said that the American farmer alone was deflated or dispossessed at $18,000,000,000 in property. I had never claimed that he had been deflated out of more than $12,000,000,000, but the Secretary of Agriculture claimed he was dispossessed of $18,000,000,000. The Manufacturers' Journal, of Baltimore, makes the statement that the American farmer was dispossessed of $32,000,000,000 of property. That is a very conservative journal and therefore very respectable, so I hope the Senate will take under consideration the statement which I have just quoted.

Mr. BROOKHART. Is it not true that this control of interest rate also has an effect upon prices?

Mr. SHIPSTEAD. From the editorials which I have read from financial journals that I have been quoting this afternoon it is evident that immediately upon the drop in the rediscount rate by the Federal Reserve Bank of New York on May 1 the market prices of all kinds of securities were affected and Government issues that the Secretary of the Treasury sold March 15, 1924, to yield 4 per cent, are now sold on the open market to yield about 3.59.

Mr. BROOKHART. Is it not then true that the greatest economic power in our country, and therefore the greatest in the world, is located in the administration of the Federal reserve system?

Mr. SHIPSTEAD. Oh, certainly. It controls all industries.

Mr. BROOKHART. Does it not behoove the Congress to find out and know more about how that institution is controlled?

Mr. SHIPSTEAD. I think Congress should. Here I have an editorial from the Wall Street Journal of May 14, wherein the editor said:

Commercial paper always shows a tendency to rule at one-half of 1 per cent above the reserve bank rediscount, and when shaded below this figure hardly represents the market. In any event, the rediscount rate practically "pegs" the rate at 4½ per cent as minimum.

Here we have the editor of the Wall Street Journal admitting that the Federal reserve bank rediscount rate "pegs" the money market at 4½ per cent on the open market.

The Wall Street Journal for May 16, speaking editorially, states:

Money market, while quiet, is remarkably steady at the new level recognized by the reduction in the New York Federal Reserve Bank rediscount rate on May 1. Call money rate has not moved from 3½ per cent since the close of the market on that day. It is as if pegged. Time money is extremely dull and readily available at 4 per cent for most dates.

In my address of February 1, I quoted from Wall Street Journal of January 25, 1924, the following:

Federal reserve rediscount rate serves as a peg, insuring paper from going lower.

In Wall Street Journal of April 26, 1924, the following statement appears:

Bankers do not look for any further softness in commercial paper while the Federal bank rediscount rate holds at 4½ per cent.

I quote further from the same issue of the Wall Street Journal, May 16, 1924:

Country banks show no inclination to loan their funds at anywhere near the present market. They are finding more profitable use for their money nearer home or turning to such short-term securities as Treasury certificates and notes, bankers' acceptances and commercial paper. In any event, brokers' borrowings are so light that no considerable amount of interior money could be absorbed even though it were offered.

So we find that as a result of the lowering of the rediscount rate of the Federal Reserve Bank of New York money is beginning to flow back into the country to finance the business of the interior of the country.

I have here the editorial page of the Literary Digest for May 17; that is to-day. I send it to the desk and ask that the two paragraphs marked in ink be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

For a year past the bank rate has been 4½ per cent for all the Federal reserve districts. Now that New York has lowered it to 4 per cent, other eastern reserve banks are expected to follow suit; and, of course, interest rates on loans and deposits will be correspondingly cut down.

* * * * * * *

For money has of late been cheap in New York, call money being quoted at 4½ per cent at the end of April. We are reminded in the New York Times that 4 per cent is the lowest rate that the reserve banks have fixed at any time since the system was established in 1914.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. SHIPSTEAD. I yield.

Mr. BROOKHART. I should like to remind the Senator from Minnesota of a fact that I ascertained in reference to the cooperative banking system of England. In the panic of 1908 over there the Bank of England was forced for a while to raise its discount rate, as I remember, from 3½ to 7 per cent. At the same time the cooperative system, which was then a very large system, was able to go through, and did go through, that period with an interest rate of 3½ per cent, without change or modification. Is not that an indication that the cooperative idea of banking is sounder and safer and better in every way than is the competitive idea which we in this country follow?

Mr. SHIPSTEAD. I think the Senator from Iowa is correct; but I maintain that a comparison between the banking system of England and the banking system of the United States is not a fair comparison, because the Bank of England is controlled by the merchants who borrow the money and who are interested in a lower rate of interest on money with which to finance their business, while the banking system of the United States is in control of the bankers, who are interested in a high rate of interest.

Mr. BROOKHART. But the cooperative banking system of England is controlled by the cooperative merchants, and it is fair to compare the two systems in England. I do not mean

to compare the English system with that of the United States, but to compare the two systems in the same country.

Mr. SHIPSTEAD. Oh, yes.

Mr. BROOKHART. On that basis I think the comparison is fair.

Mr. SHIPSTEAD. A cooperative system of banking in the United States, if it were of such a character that it could control the volume of loans, I am confident would cut the interest rates on commercial borrowings.

Mr. BROOKHART. As well as on agricultural loans.

Mr. SHIPSTEAD. Absolutely. English commerce pays a much smaller rate of interest than does American commerce. The British Government sells its short-term treasury bills for 3 per cent and less, and sells them at competitive bidding to the highest bidder. The United States gives the power to fix the interest rate on Government securities to the Secretary of the Treasury.

Mr. HEFLIN. Mr. President, I should like to ask the Senator from Minnesota if the Bank of England has not recently reduced its interest rate?

Mr. SHIPSTEAD. That I can not tell the Senator.

Mr. HEFLIN. It has.

Mr. SHIPSTEAD. I have, however, heard rumors to the effect that it was going to raise its discount rate in the near future.

Mr. HEFLIN. I noticed some time ago—I think a month or more ago—that the Bank of England had reduced its discount or interest rate, and my recollection is that it was about half of what the discount rate is in the United States.

Mr. SHIPSTEAD. As to that, I can not inform the Senator. I know that the Bank of England operates in a different manner than does the Federal reserve banking system of the United States. The Federal reserve banks of the United States were copied after the German Reichsbank system, which was controlled by the bankers of Germany. The Bank of England is not controlled by the bankers of England, but is controlled by the merchants and they use the bank for the purpose of keeping the interest rate, so far as commerce is concerned, as low as possible because they are interested in having a low rate of interest.

Mr. HEFLIN. The Federal reserve system was intended to be controlled by a board appointed by the President and confirmed by the Senate that had no connection whatever with any bank in the country. I agree with the Senator that now the influence of the bankers of the country seems to be controlling the board.

Mr. SHIPSTEAD. I do not know what the intention was, but I do know what we were told was the intention when that system was established by law. We were told it was to be a money system that would give us an elastic currency that would expand and contract with the natural flow of commerce, and that it would always furnish plenty of money to business and commerce, so that there should never be a panic due to a scarcity of money and there should never be hard times due to a scarcity of money, because the Federal reserve banks could issue money based upon credit, and so long as anyone who was entitled to credit wanted to use that credit he could have it and the Federal reserve banks would see that that credit was extended to him.

Mr. HEFLIN. Absolutely; and President Wilson referred to the Federal reserve law as having established a democracy of credit so that any man who had a going business and who needed money could get money whenever he needed it.

Mr. SHIPSTEAD. He found out in the fall of 1920 that he could not get it.

Mr. HEFLIN. Absolutely; and that is when Wall Street got control of the board.

Mr. JOHNSON of Minnesota. Mr. President, if the Senator will yield, let me ask was not the trouble that they loaned out too much money for two or three years during the time of inflation? That was the main trouble. Anybody could get money with which to speculate, but he had to stop sooner or later.

Mr. HEFLIN. I agree with the Senator that they let them have too much with which to speculate.

Mr. JOHNSON of Minnesota. And the Federal reserve banks are to blame for it.

Mr. HEFLIN. But if they had stood with the West and with the South on their loans and had not forced them to sell their products, I do not think we would have had a panic.

Mr. BROOKHART. Is it not true that the powers granted and the system of administration adopted enabled those in control of the Federal reserve banks to produce a panic in agriculture? For four years they have been able to sustain every other line of business and prevent it from suffering a panic, while the panic in agriculture continues to be quite as serious as it was in the beginning.

Mr. SHIPSTEAD. Mr. President, I wish to digress from the main tenor of my remarks to answer the statement which has been made that the panic was caused because there was too much money loaned. I admit that there was too much credit extended, for instance, for speculative purposes. Credit should never be extended for speculation. That is a matter of good judgment in banking; but I maintain that in 1920 credit was not denied to the speculator but it was denied to the productive industries of the country. The farmer, who was entitled to credit and who had plenty of property with which to back up his loans with security, could not get any credit; the man who was engaged in legitimate business and had plenty of property could not use his credit in the fall of 1920 and the winter of 1921.

I do not wish to take up unnecessarily the time of the Senate to go into the history of that period, but I know of a case at Lehighton, Pa., for instance, which I think is quite typical. A man in Lehighton, Pa., had a small steel plant. He had assets of about $700,000; he had $200,000 cash in the bank; he had orders amounting to $1,500,000, upon which he expected to make a profit of $400,000; but in order to pay his labor and in order to discount his bills he had to make use of his credit. If there was anyone who was entitled to credit it should be an individual with a business in that condition. He went to his bank in the local town and with them made arrangements that they should secure for him a credit of $200,000 at the Girard National Bank in Philadelphia. He did not need that money at once, but he made arrangements so that when he did need it, it would be available. However, when the time came when he needed that credit for the purpose of finishing his contracts and keep his plant going, his banker came with a letter from the bank in Philadelphia which had agreed to extend the credit and said, "We know that we promised to take care of that manufacturer, but conditions have now changed and we are unable to do so." What was the result? That man was forced into receivership. As I have said, when he made the arrangements for the credit he had assets of $700,000 and $200,000 cash in bank and he had running liabilities of $180,000. He tells me he was sold out last winter by the receivers for $47,000. According to Dun and Bradstreet 50,000 concerns have been forced into bankruptcy since the fall of 1920.

Mr. NORBECK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from South Dakota?

Mr. SHIPSTEAD. I yield.

Mr. NORBECK. I have listened with a great deal of interest to this discussion, and I think the able Senator is on the right track.

Mr. SHIPSTEAD. I hope so.

Mr. NORBECK. Deflation was carried to the point where it did unnecessary injury. It is easy now to say to the farmers and the business men, "You should not have gone so far"; but the fact is that the bankers, even the Federal reserve bankers, encouraged the extension of credit and almost begged people to take money; in other words, asked them to get out on a limb and then sawed them off afterwards.

Mr. SHIPSTEAD. Yes.

Mr. NORBECK. I think one of the heaviest drains upon productive industry is the high interest rate. I remember very clearly when Secretary Wallace advocated the intermediate credit system the chief argument in support of it at that time was that it would reduce interest rates one-half of 1 per cent, and that if that were done it would be equal to a 20 per cent reduction in freight rates on agricultural products.

Mr. SHIPSTEAD. I think the Secretary is right.

Mr. NORBECK. If that is the case, the question of interest rates is a very far-reaching one.

Mr. SHIPSTEAD. I think the Senator from South Dakota is absolutely correct. High interest rates, which are multiplied, according to established and recognized laws of economics, five times by the time the product reaches the ultimate consumer, place a tremendous and unnecessary burden upon the American people amounting to at least five billions of dollars a year.

Mr. NORBECK. But we could not get the reduction in freight rates, we were told; and we did not get the one-half of 1 per cent reduction in interest rates which would have been its equivalent, so that the problem is still before us to be dealt with.

Mr. SHIPSTEAD. Oh, yes.

Mr. President, I have here an editorial from the Wall Street Journal for May 17, 1924. I will read the headline and one paragraph. It is headed:

Money market breaks again.

The money market broke yesterday.

Call money renewed for over the week end at 3½ per cent and after an hour dropped to 3 per cent. This renewal rate spoiled the flat picture of 3½ per cent, which, as stated, ruled uninterruptedly since May 1, so that the average renewal rate for the week works out 3.45 per cent, compared with 3½ per cent the week before.

In his letter to Chairman GREEN, dated November 10, 1923, Secretary Mellon states:

These taxpayers are withdrawing their capital from productive business and investing it instead in tax-exempt securities and adopting other lawful methods of avoiding the realization of taxable income.

Secretary Mellon made this statement in connection with his plea for reduction of surtaxes. He did not state what productive business was lacking capital, except he stated that taxpayers subject to the higher taxes can not afford to invest in American railroads or industries or embark upon new enterprises. He certainly did not advocate that more people should engage in the production of agricultural products, for the reason that when farmers ask for relief from the present deplorable condition they are met with the charge that their difficulties are due to overproduction. I have been unable to find any line of business in which production is not sufficient to meet the demands of the people. I have read financial journals very carefully since last December and have often found headlines to the effect that money was plentiful; that there was a "plethora of money"; that railroad bonds and other industrial bonds have found a ready market; and by examining the reports of large business enterprises I find that they have a large amount of cash and investments in securities. Secretary Mellon states in his letter:

There are comparatively few successful offerings of securities of any kind which are not oversubscribed.

It may be asked, "How about the small concerns?" There are very few small concerns left. They were forced out of business during the deflation of a few years ago, when over 50,000 business concerns were forced to the wall by the deflation policy of the Federal reserve banks.

[At this point Mr. SHIPSTEAD yielded that a time might be fixed for voting on the President's veto message.]

Mr. SHIPSTEAD. Mr. President, I shall refuse to yield any further. I shall finish as hurriedly as I can, and I ask the indulgence of the Senate not to be interrupted.

We are constantly met with the threat that unless we reduce the surtaxes capital will be kept out of production in business. I will read from the Good Book, Luke xvi, 19:

There was a certain rich man, which was clothed in purple and fine linen, and fared sumptuously every day.

And there was a certain beggar named Lazarus, which was laid at his gate, full of sores.

And desiring to be fed with the crumbs which fell from the rich man's table.

Mr. COPELAND. Mr. President, may we have order in the Chamber? We are anxious to hear the quotation.

The PRESIDENT pro tempore. The Senate will come to order.

Mr. SHIPSTEAD. I will say to the Senator from New York that the quotation was from Luke xvi, 19, and reads as follows:

There was a certain rich man, which was clothed in purple and fine linen, and fared sumptuously every day.

And there was a certain beggar named Lazarus, which was laid at his gate, full of sores.

And desiring to be fed with the crumbs which fell from the rich man's table.

I will read no further. The words quoted describe an economic condition. Did you ever stop to think of what would have happened to Lazarus if the rich man had voluntarily desisted from letting any crumbs fall from his table? But that is exactly what we are threatened with now. I have received a letter in which the writer purports to set forth a copy of a telegram he sent to Representative JOHN N. GARNER, from which I quote the following:

In continuing the high surtax you and your colleagues are striking a very hard blow at all higher educational institutions of America, which are entirely supported by voluntary contributions from the income of patriotic citizens.

This looks to me as a threat that if we do not cut the surtax rates there will be no crumbs for our higher educational institutions. And it has occurred to me, if these institutions are supported by "crumbs," have these institutions not also the threat hanging over them that if they teach anything, no matter how true it may be, that will in any way interfere with the business of these donors there will be no more crumbs falling? Are we not simply fed on "crumbs" of truth from some of these large institutions?

But my attention has also been called to another important document that has been issued by the Treasury Department during the last month. I refer to an article in Public Affairs for May, 1924, signed by "Garrard B. Winston, Undersecretary of the Treasury":

[From Public Affairs, May, 1924]

SPEAKING OUT IN MEETING

To the Editor of Public Affairs:

I note that you have given publicity, in the April issue of Public Affairs, to the speech of Senator SHIPSTEAD with reference to interest rates on the public debt. In making his comparisons the Senator has wholly ignored the differences in the nature of issues, maturity dates, changes in market conditions, size of issues, and other fundamental factors involved in determining the rates on securities sold to the public. He devotes much space, for example, to the difference in rates on pre-war securities and those which are being floated at the present time, apparently oblivious of the fact that billions of dollars' worth of the world's capital was destroyed in the Great War, thereby increasing the price of capital universally. Much labored effort was made to show that the circulation privilege was not an important factor in determining the rates on pre-war bonds and the proof seems to be that there are about $42,000,000 out of about $800,000,000 of such securities which are not deposited with the Treasury as security for national-bank circulation. In other words, about 95 per cent of the bonds available to secure circulation are deposited with the Treasury for that purpose, but this is not sufficient in the Senator's mind to show that the privilege enhanced the value of those securities. Moreover, no mention was made of the fact that pre-war bonds are wholly tax exempt.

The best index of what the market will take is, of course, current daily quotations, and instead of referring to the rates on pre-war wholly tax-exempt securities bearing the circulation privilege, would it not be better to apply as a test to determine rates on an offering quotations on similar securities outstanding? As you doubtless know, most of the Government 4¼ per cent bonds have been selling below par ever since they were issued, and you will recall the violent criticisms which were directed against the Treasury after the war on the ground that the rates on these loans were too low. Particular reference was made in the Senator's address to the Treasury notes of January 15, 1923, bearing 4½ per cent interest and the notes of May 15, 1923, bearing 4¾ per cent interest. Daily quotations show that soon after the issue of the 4½ per cent notes in January they dropped below par, and by May, when the next issue was due, were selling at a yield of over 4.60. The May issue was an unusually large one, amounting to nearly $700,000,000, and I do not believe anyone familiar with the market would contend that the issue would have been successful at a lower rate. In emphasizing the rates paid during 1923 no reference was made to the fact that the Treasury was able to sell four issues during 1922 at less than 4 per cent, clearly indicating changing market conditions in 1923 which the Treasury had to meet.

You may be interested in a concrete example of how the rates on securities are determined. The March 15, 1924, certificates were offered Monday morning, March 10, and the previous Saturday the price of Government short-term obligations indicated the following returns on the maturity dates:

June 15, 1924	3.60
September 15, 1924	3.83
December 15, 1924	3.85
March 15, 1925	4.00
June 15, 1925	4.13
December 15, 1925	4.14

Faced with this market situation, a 3¾ per cent rate was too low for a nine-months certificate. To have made this 3¾ would have been to adopt an inconvenient rate. It was determined, therefore, to issue 12-months certificates on a 4 per cent basis, which exactly hit the market.

It may be noted in this connection that the Treasury has succeeded in borrowing on its certificates of indebtedness at a lower rate than even States and cities have been able to borrow on their fully tax-exempt short-term bills, though in substance the Treasury certificates are exempt only from the normal income tax. During the whole of February, for example, the city of New York paid 4½ and 4¾ per cent on its short-term bills, while the Treasury is now offering one-year certificates at 4 per cent. Moreover, the Treasury's long-term bonds not wholly tax exempt do not bear higher rates than the average on

municipal bonds issued during and since the war which are wholly tax exempt. The Treasury's wholly tax-exempt securities bear a rate nearly 1 per cent lower than municipal tax-exempt securities.

Reference was also made to the Treasury savings certificates yielding 4¼ per cent. It should be noted that they yield 4¼ per cent only if held to maturity, but if redeemed before maturity the yield is only 3¾ per cent. The interest, moreover, is not collectible every six months as on bank deposits or other forms of investment, but accumulates and is payable only at maturity or whenever redeemed, and if redeemed before maturity the rate will be only 3¼ per cent as noted. I am sending you as of possible interest in this connection a Treasury press release on United States Treasury savings certificates.

While these subjects are not simple enough to be easily grasped by the general public, the facts are all available to those who are interested in getting at the truth of the matter, and I think you will agree with me that no public service is rendered by a dissemination of half truths and false impressions.

GARRARD B. WINSTON,
Undersecretary of the Treasury.

The closing words of the article are:

I think you will agree with me that no public service is rendered by a dissemination of half truths and false impressions.

I thoroughly agree with this statement, and I greatly deplore the fact that the article written by this high official of the Treasury Department contains so many half truths, and some statements that do not come within 99 per cent of being true.

This article was also written in reply to my address of February 1, and as certain portions of this article in Public Affairs, and the article referred to in the American Bankers' Association Journal are identical, I will discuss both articles at the same time.

Both articles claim that municipal bonds are wholly tax exempt. This is not true, and I called attention to this fact in my former address, namely, that if a citizen of one State holds municipal bonds of another State these bonds are subject to the tax laws of the State where he resides. I am greatly indebted to the Senator from New York [Mr. COPELAND] for the following telegram:

ALBANY, N. Y., *April 14.*

Hon. ROYAL S. COPELAND,
Washington, D. C.
Income derived from Minnesota State bonds taxable in New York.
JOHN F. GILCHRIST,
President State Tax Commission.

This shows that the State of New York, which is the greatest market in the United States for the purchase of all State and municipal bonds from all over the United States, taxes its citizens upon the income of bonds of other States and municipalities outside of the State of New York, owned by citizens of New York. This ought to be common knowledge to the high officials of the Treasury Department, but still they insist on calling State and municipal bonds wholly and fully tax exempt.

In discussing the Treasury savings certificates that are being sold, the Undersecretary forgets to state that the interest—a little better than 4¼ per cent—is compounded semi-annually. One would get the impression from his article that these certificates draw only 4¼ per cent simple interest if held for five years.

In both articles it is stated that the Treasury is now offering 12-months certificates at 4 per cent. If the Treasury is now selling 12-months certificates drawing 4 per cent interest at par, an investor could make a nice sum of money by investing a few millions, as, according to the Wall Street Journal of May 16, 1924, United States securities due March 15, 1925, were selling above par and would yield the purchaser only 3.59 per cent.

It is very interesting to note how Secretary Mellon and the Undersecretary of the Treasury explain the method by which the Treasury Department determines the rate of United States securities ranging in issues from two hundred millions to seven hundred millions. Both claim that the best way to determine this is to base it upon the current rate of similar issues outstanding, and they justify the rate paid on these large issues upon the rate at which comparatively small amounts of such securities are sold on the stock market from day to day. These sales seem to run at a million or two a day, which is a very small amount when we consider that there are about twenty-two billions of Government securities outstanding, and is a small amount of sales upon which to base the rate on an issue of from two hundred to seven hundred millions. The Treasury does not offer these bonds at competitive bidding; all that is done, as shown by the report of the Secretary of the Treasury for 1923, pages 51 to 56, is to send a circular to the Federal reserve banks asking for subscriptions to the intended issue at par, and these letters are sent out only a few days—from four to eight days—before the date of issue. No competitive bids are asked for. Rates are already fixed by the department. To use a crude illustration: The Government wants to buy a lot of money and to pay for the same in Government securities, and the rate of interest paid represents the price. When the Government wants to buy from $200,000,000 to $700,000,000 at one time, it is buying in wholesale lots; the small amounts of securities changing hands in the open market are simply retail sales. Now the Government, under the administration of Secretary Mellon, buys money in wholesale quantities, but is paying retail prices and sometimes a higher price therefor. What I claim is this—that when the Government or any State or municipality offers a large issue of securities at one time, this is more attractive to investors than a small issue, and the money can be secured at lower rates. The practice is generally followed by States and municipalities to advertise their bonds or securities and sell them to competitive bidders.

I will say that the British treasury issues three-month treasury bills and the rate of interest is determined by bids. Last summer they sold their short-time treasury bills to yield 3.16 and as low as 2.78, while the United States Treasury paid from 4 to 4¾ per cent.

Both articles referred to claim that the Treasury has succeeded in borrowing on its certificates of indebtedness at a lower rate than even States and cities have been able to borrow on their what the Treasury officials call "fully tax-exempt short term bills." Let us examine into this matter. If you examine the different issues of Treasury securities issued during the last year and a half you will find that the longer the time, the larger the rate of interest. For example, in the issue of December, 1922, the rate of certificates and notes issued by the Treasury was a follows:

	Per cent
Three months	3½
One year	4
Two and one-half years	4½

As I have stated before, both the Secretary and Undersecretary of the Treasury claim that the Treasury is now selling certificates due in 12 months at 4 per cent, and according to their previous practice if they sold long-term securities the rate would be a great deal higher.

Now let us see what States and municipalities are paying. Commerce and Finance for April 16, 1924, states:

On February 20 last, Massachusetts sold $1,096,000 on a 3.90 per cent basis.

In the same issue of Commerce and Finance we find an account of the sale by New York State of $45,000,000 of State soldiers' bonus bonds. These were sold to bankers at a premium, which would make the interest cost to the State 4.09 per cent annually. The banks in turn sold these bonds to investors to yield 4 per cent. These bonds mature from 1925 to 1949. Bonds were all taken by investors in two days.

Wall Street Journal of February 12, reports a sale of $200,000 Brookline, Mass., bonds due November 6, at 3.89 per cent discount.

Wall Street Journal of April 28 reports sale of city of Boston $2,000,000 notes to Colonial Trust Co. at par, plus $24.75 premium, notes to bear interest at 3.85 per cent on interest-to-follow basis. Due November 1.

Wall Street Journal of April 28 reports a sale of city of Pittsburgh $990,000 30-year bonds at 4¼ per cent to the Mellon National Bank at a premium of $2,128. National City Bank of New York bid $990,728.

And still the Secretary of the Treasury says that the Treasury has been able to borrow at a lower rate than States and cities.

The Secretary of the Treasury and the Undersecretary claim that the rates of interest paid on Government securities is based upon the market situation; that is, upon the prices at which Government securities of same maturities already issued are sold in the open market. They cite some market quotations to substantiate this statement.

I will cite a few quotations that I have taken from the Journal of Commerce and Commercial Bulletin, and from New York Commercial, which ought to be reliable sources of information.

On the issue of tax certificates, six months, of March 15, 1924, the Government paid 4¼ per cent interest, while the market quotations on Government securities due in six months was 4.05 on March 8, the date of the offering.

Issue of May 15, 1923, the Government paid 4¼ per cent interest on Treasury notes due March 15, 1927, while the market

quotations for Government securities due September, 1926, was 4.63, and due December, 1927, 4.59.

On the issue of June 11, 1923, six months, the Government paid 4 per cent, while the market quotations for that day on securities of the Government due in six months was 3.93.

On the issue of September 15, 1923, for six months, the Government paid 4¼ per cent interest, while the market quotations on September 10, 1923, the day they were ordered issued, on securities due March, 1924, was 4.01.

From the foregoing it will appear that on these wholesale issues the Government paid a higher rate than was paid on the retail issues sold in the open market, and in one instance twenty-four one-hundredths of 1 per cent higher.

I will cite a couple of reasons why these Treasury certificates and notes are an attractive investment to banks.

In the American Bankers' Association Journal for April, 1924, I find the following (p. 619):

Senator SHIPSTEAD did not touch upon one phase of the flotation of Federal issues that has made them an attractive investment for banks.

The United States, like other great corporations, must have on hand a considerable working balance. Its financial operations are conducted so that it can meet its maturing obligations and have enough capital to tide over the next quarter. Under the present system of selling Federal securities it permits the bank to retain as a Government deposit the amount of its subscription for the certificates and notes. The bank is required to pay 2 per cent interest on the daily balance, but receives interest on the money it has invested at the rate the issue bears. As the Government requires funds the bank is directed to deposit with the nearest Federal reserve bank.

The Government receives interest on its balance, but the bank, while paying out 2 per cent, gains a 4 per cent return on its capital.

All the banks have to do is to subscribe for certificates or notes, keep the money by paying 2 per cent on daily balances, but receive 4 per cent or whatever rate the securities subscribed for bears. This is certainly a very attractive feature.

But there is another very attractive feature for large banks and corporations in connection with these Government securities. The income therefrom is wholly tax exempt when held by corporations, but these certificates and notes are acceptable in payment of income taxes at maturity dates, and these certificates and notes mature on a quarterly tax-paying date, and certain Treasury notes may, under decision of Commissioner of Internal Revenue, approved by the Secretary of the Treasury, be accepted in payment of income tax at or within six months of their maturity. It appears to be the practice of large corporations to set aside at the close of a fiscal year a reserve fund for the payment of taxes during the following fiscal year. As the United States income taxes are payable quarterly, large corporations find it very profitable in investing this reserve in Treasury certificates and notes. This reserve for taxes will then give them an income, wholly tax exempt, of 4 per cent or better, and when the quarterly tax-paying date comes just turn in some of these certificates in payment of the tax and collect the interest that their tax reserve has earned.

Would it not be a much better plan, in selling these certificates, for the Treasury Department to advertise the sale thereof to competitive bidders? The issues may be too large to sell in one block, and it would not be advisable to offer them in one block as many of the purchasers who could take advantage of these special phases would no doubt make a much better bid than the regular market prices for a suitable block for their tax reserve, and banks would no doubt cut their profits between the rate on the bonds subscribed for and the interest they pay on the daily balances rather than take chances on losing out entirely on this snap arrangement.

Mr. President, I have taken the time of the Senate by going into this system of financing the Government, in order to show that the Secretary of the Treasury is not a safe adviser on the question of public finances. There has been an attempt to create the impression that his advice on the question of public finance and taxes is infallible. It is generally conceded that he is the President's main adviser on the question of taxation and public finance. I believe the President is ill advised. In arriving at this conclusion, I will say that the wish has not been the father of the thought. The question of public finance and taxation concerns the public welfare, and the discussion of this question should not be tainted with partisanship, and so I have based my argument on the report of the Secretary of the Treasury, the report of the Federal Reserve Board, of which he is chairman, his own letter to the American Bankers' Association Journal, the editors of the Wall Street Journal, the editors of the Journal of Commerce and Finance, and other financial writers, who apparently unanimously uphold my contention that the high interest rates are caused by the high rates of discount by the Federal reserve banks and the high rate of interest paid on Government securities by the Secretary of the Treasury; this high interest rate resulting in an unnecessary burden on the backs of the American people, amounting to $5,000,000,000 a year.

Out of this unnecessary burden on the people in one year could be paid the bonus to the ex-service men and leave a surplus of two and a half billion dollars, without costing the American taxpayer one extra cent. So if it is true, as we are led to believe, that the President relies for his economic and financial advice upon the Secretary of the Treasury, he is ill advised. I find myself in perfect agreement, however, with at least two statements made by the Secretary of the Treasury in his letter to the American Bankers' Association Journal. He says, for instance, that in his opinion "the farmer's greatest enemies to-day are those who pose as his champions, who lead him into the belief that his ills can be cured by political measures." I agree with the Secretary that the American farmer has been buncoed by those who pose as his friends. I am fully aware that in the last 20 years there have been men in public life posing as the friend of the farmer and have enacted legislation which they said would help the farmer, and this form of legislation has been used by the railroads, the Federal reserve banks, trusts, and monopolies to help the farmer, and they have helped him to such an extent that they have helped him out of almost everything that he ever had. The Secretary of the Treasury makes another statement with which I am in full accord. He says that what the farmer needs above all else at this time is sound, constructive statesmanship. I agree with the Secretary of the Treasury that the farmer at this time needs sound, constructive statesmanship, but I go further than the Secretary of the Treasury; I would go as far as to say that it is not only the farmer who needs sound, constructive statesmanship but the business man needs it, the taxpayer needs it, the whole country needs it, and above all else the President needs sound and constructive statesmanship in the Treasury of the United States.

I send to the desk a copy of Commerce and Finance for April 9, 1924, and ask that the paragraph marked in ink be printed as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[From Commerce and Finance, April 9, 1924]

It will be noticed that the Federal Reserve Board admits that "member bank customer rates have shown a tendency to move with changes in the Federal reserve bank rates," and that "the leadership of the Federal reserve banks when rates are advancing appears to be more promptly recognized than when rates are declining."

This admission that the control of the money market rests with the Federal reserve banks, and that it is easier to raise than to reduce the cost of credit to borrowers is coupled with the statement that "it seems clear that if business is undergoing a rapid expansion and is in danger of developing an unhealthy or speculative boom, it should not be assisted by too easy credit conditions," and it is added that "in such circumstances the creation of additional credit by rediscounting at Federal reserve banks should be discouraged by increasing the cost of that credit; *that is, by raising the discount rate.*"

Here, again, we find set forth the doctrine that it is the right and duty of the Federal Reserve Board to determine whether the expansion of business is healthy or "unhealthy" and to assist or check it by raising or lowering the discount rate.

It remains to be seen whether the people of this country will be willing to intrust this tremendous power to any man or group of men, however well informed or intelligent they may be.

We can not find anything in the Federal reserve act that justifies the Federal Reserve Board in thus constituting itself a deus ex machina of American business, and it is greatly to be feared that it invites the destruction of the Federal reserve system in assuming that it is empowered to say whether conditions are healthy or "unhealthy" and vindicate its conclusions by raising or lowering the discount rate.

It did this in 1920–21 and awakened a storm of resentment that has not yet subsided. Another such experience and, valuable as it is, the Federal reserve system may be wiped out of existence.

On page 82 of the report that has called forth the foregoing we read:

"No statistical mechanism alone, however carefully contrived, can furnish an adequate guide to credit administration. Credit is an intensely human institution, and as such reflects the moods and impulses of the community—its hopes, its fears, its expectations. The business and credit situation at any particular time is weighted and charged with these invisible factors. They are elusive and can not be fitted into any mechanical formula, but the fact that they are refractory to methods of the statistical laboratory makes them neither nonexistent nor nonimportant. They are factors

which must always patiently and skillfully be evaluated as best they may and dealt with in any banking administration that is animated by a desire to secure to the community the results of an efficient credit system. In its ultimate analysis credit administration is not a matter of mechanical rules, but is and must be a matter of judgment, of judgment concerning each specific credit situation at the particular moment of time when it has arisen or is developing."

Here, again, we find the Federal Reserve Board trying to justify the substitution of its own judgment for the provisions of the Federal reserve act, which prescribe that when the reserve ratio falls below certain specified minima the discount rate shall be automatically advanced. This is the law. It may be defective, but if it is to be changed the change should be made by Congress rather than by a board whose function is purely administrative and does not include the right to fix prices through the control of the discount rate, which is, in the last analysis, exactly what the Federal Reserve Board attempts to justify itself in undertaking at its discretion.

SETTLEMENT OF INDEBTEDNESS OF HUNGARY

Mr. SMOOT. Mr. President, I ask unanimous consent for the present consideration of the bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States. I will say to the Senator from New York [Mr. WADSWORTH] that if it leads to any discussion at all I shall withdraw my request.

Mr. WADSWORTH. With that understanding I do not object.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GOODING. What is the bill? Will the Senator kindly state again?

Mr. SMOOT. It is a bill to authorize settlement of the indebtedness of the Kingdom of Hungary to the United States. It is in the form that was submitted to the Senator from Arkansas [Mr. ROBINSON]. It is the same form of settlement as that made with England and Finland.

Mr. ROBINSON. The Senator means the basis of the settlement agreed upon is the same as that which operated in the bill relating to Great Britain?

Mr. SMOOT. Yes.

Mr. ROBINSON. I have no objection to the present consideration of the bill.

Mr. SMOOT. I will simply say that the amount of the indebtedness is $1,685,835.61 and they are to pay up to date 5 per cent interest, just the same as England and Finland did, the interest being $233,164.39.

Mr. ROBINSON. As I understand, payments are to be distributed over about 60 years?

Mr. SMOOT. They are distributed over a period of 62 years.

Mr. ROBINSON. Very well. So far as I am concerned, we may take a vote.

The PRESIDENT pro tempore. The question is on agreeing to the request of the Senator from Utah [Mr. SMOOT] for unanimous consent for the consideration of the bill. There being no objection, the Senate, as a Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, made by the World War Foreign Debt Commission and approved by the President upon the following terms, is hereby approved and authorized:

Principal amount of obligation to be funded, $1,685,835.61; interest accrued thereon to December 15, 1923, at the rate of 4½ per cent per annum, $253,917.43; total principal and interest accrued and unpaid as of December 15, 1923, $1,939,753.04; less payment in cash by Hungary on April 25, 1924, $753.04; total indebtedness to be funded into bonds, $1,939,000.

The principal of the bonds shall be paid in annual installments on the 15th day of December, up to and including December 15, 1985, on a fixed schedule, subject to the right of the Government of Hungary to make these payments in three-year periods; the amount of the first year's installment shall be $9,600, the installments to increase with due regularity until, in the sixty-second year, the amount of the installment shall be $75,000, the aggregate installments being equal to the total principal of the debt.

The Government of Hungary shall have the right to pay off additional amounts of the principal of the bonds on any interest date upon 90 days' notice.

Interest shall be payable upon the unpaid balances at the following rates, on December 15 and June 15 of each year:

At the rate of 3 per cent per annum, payable semiannually, from December 15, 1923, to December 15, 1933, and thereafter at the rate of 3½ per cent per annum, payable semiannually until final payment.

The Government of Hungary shall have the right to pay up to one-half of any interest accruing between December 15, 1923, and December 15, 1928, on the $1,939,000 principal amount of the bonds first to be issued in bonds of Hungary dated as of the respective dates when the interest to be paid thereby becomes due, payable as to principal on the 15th day of December in each succeeding year, up to and including December 15, 1985, on a fixed schedule, in annual installments, increasing with due regularity in proportion to and in the manner provided for payments to be made on account of principal of the original issue of bonds, bearing the same rates of interest and being similar in other respects to such original issue of bonds.

Any payment of interest or of principal shall be made in United States gold coin of the present standard of value or at the option of the Government of Hungary, in any United States Government obligations issued after April 6, 1917, such obligations to be taken at par and accrued interest.

The payment of the principal and interest of the bonds shall be secured in the same manner and to the same extent as the obligation of Hungary which is to be funded: *Provided, however*, That all or any part of such security may be released by the Secretary of the Treasury on such terms and conditions as he may deem necessary or appropriate in order that the United States may cooperate in any program whereby Hungary may be able to finance its immediate needs by the flotation of a loan for reconstruction purposes, if and when substantially all other creditor nations holding obligations similar to that held by the United States which is to be funded, to wit, Denmark, France, Great Britain, Holland, Norway, Sweden, and Switzerland, shall release to a similar extent the security enjoyed by such obligations.

The Secretary of the Treasury shall be authorized to decide when this action has been substantially taken.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WAR DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Montana [Mr. WALSH].

Mr. WALSH of Montana. Mr. President, I wish to say just a further word in relation to the amendment, chiefly for the purpose of dispelling the concern expressed by my esteemed friend from Florida [Mr. TRAMMELL] and my friend from Virginia [Mr. SWANSON] that the adoption of the amendment would set a bad precedent.

As has been pointed out, it would be impossible to incorporate legislation of this character on any pending bill except a majority of the Senate desired it to be done. So far as giving rise to discussion irrelevant to the matter under inquiry is concerned, if amendments of this character are entertained at all, everyone knows that discussion is not limited by any means to the subject which is under consideration by the Senate. Any Senator is at liberty to speak on a subject whether it forms the basis of an amendment or has any relation to the bill under consideration or not.

The Senator from West Virginia suggested that the advocates of the McNary-Haugen bill might take notice of this method of getting consideration for that measure. Well, Mr. President, as I have stated, it takes a majority of the Senate to put an amendment of this character or any character on any bill, and I suppose very likely whenever an amendment is proposed to a bill Senators will take into consideration the question as to whether or not the amendment has any bearing whatever upon the subject with which the bill deals, and the advisability of confining any measure to the particular subject is recognized by everyone for the purpose of avoiding what is known as logrolling legislation. Therefore, it is always a question which addresses itself to the individual Senator, first, as to whether he favors the amendment at all and, second, whether it bears any such relation to the subject of the bill in question as that it ought to form a part of it.

We have undertaken to make it perfectly clear that the measure referred to in the amendment has a most direct and intimate relation to the subject matter of the bill that is before the Senate at the present time, and particularly to that paragraph in the bill to which it is immediately directed. It may be that the McNary-Haugen bill does have some relation to the subject of the improvement of our rivers and harbors. It is intended to promote the export of agricultural products from this country to foreign countries, and, as pointed out by the Senator from Virginia, if the harbors are not kept free from débris and other accumulations, navigation would be interrupted and thus importation and exportation would be impeded; but the relation is rather remote in that case.

In the cases suggested by other Senators there would apparently be no relation whatever to the main subject, and that would be a good reason for not following the precedent established by this amendment, if it should become a precedent.

However, Mr. President, if an effort were made at any time to submit an amendment on a subject which was entirely irrelevant to the general subject of a pending bill, it would be sufficient to say that this case affords no precedent whatever, because in it a very direct connection and relation is set up. We are simply seeking by this amendment to prevent the further expenditure of public money for the purpose of bringing navigation to our interior rivers while a policy is pursued otherwise that effectually blocks that end, making the expenditure entirely useless.

Mr. SWANSON. Mr. President, will the Senator permit an interruption?

Mr. WALSH of Montana. I yield to the Senator from Virginia.

Mr. SWANSON. Out of the $37,250,000 of appropriation I think about $25,000,000 are for harbors and $12,000,000 for rivers. That is my understanding.

Mr. WALSH of Montana. Would the Senator give me his support if I should restrict the amendment to river improvements?

Mr. SWANSON. I would not; I think it would be bad policy.

Mr. WALSH of Montana. If the Senator would give me his support, I should be disposed to ask leave to perfect my amendment in that way.

Mr. SWANSON. No; I wish to show from the Senator's own contention that the portion of the appropriation which applies to harbors is not affected by either high or low rates. We are compelled to have harbors for ships in the foreign trade carrying imports and exports. So $25,000,000 of the appropriation does not need to await any adjustment of railway rates.

Mr. WALSH of Montana. As I said to the Senator, if the appropriations were differentiated, and a certain amount were devoted to the improvement of harbors and a certain other amount devoted to the improvement of rivers, I should have directed the amendment only to that portion which was for the improvement of rivers. Unfortunately, however, for the Senator, and possibly for myself, the whole appropriation is embodied in one total item of $37,250,000.

Mr. SWANSON. The Senator covers more territory than he had intended to cover.

Mr. WALSH of Montana. That is because of the manner in which the bill is drawn.

Mr. SWANSON. No; the Senator should confine his amendment to the appropriation for rivers.

Mr. WALSH of Montana. I say I should be disposed to do so if I thought the Senator would aid me in getting the amendment through.

Mr. CARAWAY. Mr. President, I have seldom listened to such a bald attempt to induce Senators to vote against appropriations for river improvements as that of the Senator from Montana [Mr. WALSH]. He proposes to enter into a trade with the Senator from Virginia [Mr. SWANSON] upon the floor to secure votes for his measure, and then denounces logrolling. He does that without any consistency at all.

I voted against the rule that now ties the hands of the Senate, for I rather imagined that a situation would develop such as has now developed and that we would find ourselves unable to legislate. However, the Senate did not agree with me and others and adopted the rule in the Senate. A moment ago, in order that I might be helpful to those who sought lower freight rates, I voted to have the Senate overturn the ruling of the Chair, but I was not able to accomplish that object.

The amendment here, Mr. President, is not a good-faith amendment. It is an attempt by certain Senators who have always fought river improvements to defeat appropriations for that purpose. It is an effort to do by indirection what they have been unable to do directly; and it strikes me that it comes with poor grace from that section of the country that has enjoyed more governmental favors than all other portions of the country combined. Whenever an appropriation is proposed for something for the West no one ever heard the Senator from Nebraska or the Senator from Montana object to it. Their scruples against wasting public funds always stop this side of their own particular section of the country. If the appropriation is for a reclamation project or anything of that kind it is a wise expenditure of public money, although during the 11 years I have been in the House and in the Senate I do not think the reclamation projects have ever paid interest on the public funds invested in them.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. CARAWAY. I yield to the Senator from Montana.

Mr. WALSH of Montana. I think the Senator will search the RECORD in vain for any remarks from the Senator from Montana in opposition to any river and harbor improvement.

Mr. CARAWAY. I do not have to search the RECORD. I heard the Senator just a moment ago trying to trade with the Senator from Virginia so that he might strike down all river improvements.

Mr. WALSH of Montana. I referred to the statement made by the Senator that the advocacy of the amendment comes from persons who have always been opposed to river and harbor appropriations.

Mr. CARAWAY. The RECORD can stand as a whole; I have no disposition to correct it; I will let it stand for what it is worth. I do not need to go any further than the Senator's attempt right here on the floor to enter into a combination to strike down river improvements.

I have always been inclined to the opinion that there was more than one section of this country. I have not thought that any particular section was entitled to all the favors that the Government had to bestow or ought to carry all the burdens incident to government; and it strikes me that it comes with poor grace for the Senator from Montana and those who advocate his course to seek particularly to strike down that section of the country which is more or less dependent upon river improvements. I have been willing to support their measure; I have expected to do so, but I did not expect to do so under any such trade as has been suggested. If it is a question here of reprisal, and we must stand and deliver or else have stricken down something that is essential to our very industrial life, I am perfectly willing to meet that issue right here and now.

There never has been a time and there never will be a time so long as I have a seat in this body when any section of this country can compel me to vote for some measure in order that my own particular section may not be stricken. I have never legislated in that way, and, so help me Almighty God, I do not intend ever to do it.

I have been willing to listen to reason; I have been persuaded that they are suffering from a great natural handicap; I have been willing to go to their relief at any time that it was possible. As I said a moment ago, I voted to override the ruling of the Chair on the point of order, and I voted against the rule when it was adopted in the Senate which has caused this situation to arise. I protested, but nobody heeded, and now the rule is fixed upon the Senate. It would be very much better and very much wiser to repeal the rule than to seek to hold up a particular section of the country and say, "Unless you vote with us you shall suffer."

I do not know what the Senator from Nebraska and the Senator from Montana think about what constitutes waste upon river and harbor improvements; I have no means of gauging their idea of a wise expenditure beyond one certain point, and that is that it is never unwise if the money is going to be appropriated for their particular sections of the country. As an illustration of what river improvement does——

Mr. BROOKHART rose.

Mr. CARAWAY. Does the Senator wish to interrupt me?

Mr. BROOKHART. I should like to ask the Senator a question.

Mr. CARAWAY. I yield.

Mr. BROOKHART. It seems to me that the Senator from Arkansas is unfair to both of the Senators he mentions. They want to do two things for river improvement, namely, to give river points rail rates that will be helpful and to insure that the appropriation for river improvement shall not be wasted.

Mr. CARAWAY. Yes; they want to do something that resembles the act of sending flowers to a funeral. Nobody mistakes the desire to be helpful that they manifest.

Mr. BROOKHART. Is the Senator himself in favor of both propositions?

Mr. CARAWAY. Of what—sending flowers to a funeral? It depends on whose funeral it is.

Mr. BROOKHART. The long-and-short-haul proposition——

Mr. CARAWAY. Oh, I have announced that. If the Senator was present he knows what I said about that. I said that I had voted to override the President's ruling on that question, and that I had wanted to support the proposition under the theory that they were suffering from a discrimination.

Mr. BROOKHART. The Senator from Montana [Mr. WALSH], I think, has no notion that his amendment will pre-

vent the river and harbor appropriation. It will do the opposite thing; it will get us action on the long-and-short-haul matter.

Mr. CARAWAY. Oh, the Senator knows that if you have votes enough to pass a measure you can do it as an independent measure. It was not with the expectation of getting it through that the amendment was offered; it was to hope to rally the people who wanted to strike down river improvement.

I started to say, though I do not suppose it will be of any interest to anybody, that river improvement is not wholly wasted. The great valley of the Mississippi—and that was the principal item in this bill which the Senator from Montana was trying to enter into an agreement with the Senator from Virginia to strike down—drains the flood waters from 31 States; the rivers of the State represented in part by the Senator from Iowa drain down that way, and it destroys the country.

I remember one time when I used to live down on the Mississippi River, right on the bank of it, that in one county in my State—I have said this before, but I hope I may be permitted to repeat it—I do not think there was an acre of land that would have sold for $40 an acre. There was not 10 per cent of it in cultivation; and that was less than 25 years ago. With river improvement and levee improvement, which goes with it, that county in 1922 produced more than 1 per cent of all the cotton that was grown in America. It produced one-fifth as much cotton as the great State of South Carolina, one-seventh as much as the State of Mississippi, and paid in income taxes to this Government more money than it ever received for river improvement; and yet before it had the river improvement 90 per cent of it was a swamp, absolutely uninhabited, producing no wealth, adding absolutely nothing to the wealth that tends to feed and clothe the people of this country.

Yet, Mr. President, some people say, "Of course, money spent for river improvement is wasted." It is not wasted if it is reclaiming lands out West, and yet it has cost ten times as much per acre to reclaim that land as it has to reclaim lands along improved rivers. If that were an important item at all, it would be at least some refutation of the statement that river and harbor improvements are wholly wasted. I do not take that for granted; but I do know, as everybody else knows who has ever watched river improvement at all, that under the annual appropriations—and they have always defeated any continuous-appropriation contracts—the process is necessarily slow, and you do not get results until it is completed; but on the Mississippi River now they are carrying how many hundreds of thousands of tons of freight? Does the Senator from Tennessee recall?

Mr. McKELLAR. I do not recall the exact number.

Mr. CARAWAY. Anyway, it is an enormous tonnage of freight. They could carry three or four times as much—it is available now—if we just had a little appropriation to provide all-the-year-around navigation.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. CARAWAY. I yield to the Senator.

Mr. BROOKHART. There is nothing that would increase that freight tonnage so much as this long-and-short-haul legislation.

Mr. CARAWAY. I have tried to say to the Senator that I am perfectly willing to help put through his bill; but that is not the thing.

Mr. BROOKHART. The fact that Senators have different methods of getting a result does not mean that they are against it.

Mr. CARAWAY. Oh, this method of putting a pistol to somebody's head and saying, "Unless you stand and deliver we are going to blow out your brains," may get results somewhere; I do not know; but it never got any with me. If I absolutely knew from this day that there never would be another dollar appropriated for river improvements, I would not be driven by a threat that such appropriations would be defeated unless we came across and let something else be done. Although such a course would destroy the very source of what little prosperity we used to have, and have not now, I would let it go.

I want to be perfectly fair with every other section of the country. I would love to see the Senator's proposition go through; but there are some things that are obtained at too high a price. If it is to be stated here by one Senator to another, "If you will just strike down the interior river appropriations I shall be glad to join with you," trying to make a trade here on the floor of the Senate to strike down all interior river improvements so that he might have a vote for his proposition, I do not think such a policy will prevail. I hope the Senator's proposition in the proper way will succeed; but I do not think it is likely to succeed in that way.

Mr. SWANSON. Mr. President, if the Senator will pardon me, he will recall that I stated that I would not vote for the amendment even if the Senator from Montana should exclude harbors and limit it to rivers.

Mr. CARAWAY. I knew the Senator would not, and everybody that knew him knew he would not. The Senator from Montana evidently had not studied the character of the Senator from Virginia when he made that statement.

Mr. WALSH of Montana. Mr. President, we all admire the ability of the Senator from Arkansas [Mr. CARAWAY] in caustic discussion. I am sure he appreciates, as everybody else on the floor did, that the passage between the Senator from Virginia and myself was mere badinage; but I merely desire to say that the amendment offered by me was offered in no spirit of hostility whatever to river improvement.

I took occasion, when the Senator was talking, to correct a statement he made, a sweeping characterization of those who are in favor of this amendment as being among those who are opposed to all river and harbor improvement, and who have consistently opposed appropriations for that purpose. As I stated to the Senator, the RECORD will be searched in vain for any remark from me at any time in opposition to river and harbor improvement. I have voted more times in favor of liberal appropriations for river and harbor improvement than I have voted against them, and I appreciate that there is the closest kind of a connection and relationship between the appropriations for river and harbor improvement in the lower courses of the Mississippi River and the appropriations for reclamation work along its upper courses.

As intimated by the Senator from Iowa [Mr. BROOKHART], the real spirit of the amendment offered by me is to promote river navigation, not to place any obstacles in its way. If the Senator from Arkansas takes another view of the matter, of course he has a perfect right to do that; but he ought not, it seems to me, to indulge in such freedom of criticism upon the motives which impel this amendment, nor to charge it with being a threat. I took occasion to say that it was not a threat, either to any Member of this body or to the House of Representatives. It is intended to be the expression of a policy that the long-and-short-haul clause ought to be strictly and literally enforced in order to promote river navigation so that the appropriations made for the purpose of improving the rivers shall be to some purpose and to some end. Nor would I undertake to say that there will not be some carriage by our rivers even if the long-and-short-haul clause is not enforced. It argues nothing at all that there is a large commerce upon the Mississippi and the Ohio and the other great rivers, notwithstanding the handicap of the present policy. We hope that it will be very largely increased by the observance of the policy for which this amendment stands.

Mr. CARAWAY. Mr. President, I will just make this statement in answer to the Senator from Montana:

Of course I do not know what a threat is. I did not know heretofore that you had to label this as a threat before it was a threat. The Senator is thoroughly conscious of the fact that should his amendment be added to this bill the House would not legislate under that sort of a threat; that it would simply mean the striking out from this bill of every dollar for river and harbor improvement, because the bill would go through, and the House would not act on the other matter. Unless the House has thrown away every bit of its self-respect, and has changed wholly from the kind of a House it was when I had the honor to serve in it, it would simply mean that every dollar for river and harbor improvement would be stricken out. It would not mean the enactment of the long-and-short-haul bill. If there are votes enough for the long-and-short-haul bill—and I rather imagine there are—why not let the matter be taken up in pursuance of the motion that the Senator from Idaho [Mr. GOODING] gave notice that he was going to make? I shall vote for his motion. It is the right way to legislate, but it is the height of folly simply to strike out of this bill all appropriations for river and harbor improvement when everybody knows that that would not get you the long-and-short-haul legislation.

While I shall credit the Senator from Montana with entire purity of motive, it is difficult for me to think that anybody who knows anything about legislation would believe that he was getting the long-and-short-haul legislation in that way. He would know that the thing he was getting was the elimination from the Army appropriation bill of all appropriations for rivers and harbors and nothing else. Therefore it did not strike me as very much of a stretch of my imagination to say that the real motive was to kill river and harbor improvement, and not to get the long-and-short-haul legislation, because I took it for granted that everybody knew that the House could not be driven into legislating in that way, so that if we put this

amendment on this bill it would kill river and harbor improvement and not get the long-and-short-haul legislation.

Mr. RANSDELL. Mr. President, I shall detain the Senate only a moment.

I am very strongly in favor of the enactment of the long-and-short-haul clause. I spoke for an hour and a quarter in favor of it yesterday. We have heard so much about the matter here that it is not necessary for me to rehash it. I can not help agreeing, however, with those Senators who think that the wrong means have been adopted in trying to force this amendment on the pending bill.

I sincerely hope the Senator who offered this amendment will withdraw it. I am so strongly in favor of the enactment of the principles of the Gooding bill and the Pittman amendment that I certainly shall vote to take up the measure if the Senator from Idaho makes the motion, as he said he would. I shall not only vote to take it up, but I shall vote to assist him in getting as quick action as possible on it; but I do think, Senators, that it is improper legislation to force a measure of this kind on a big appropriation bill. I do think it would be setting a terrible precedent for us, as was so eloquently stated by the Senator from Florida [Mr. TRAMMELL].

I hope the amendment will be withdrawn, and if it is not withdrawn I sincerely hope it will be overwhelmingly defeated, as I believe it will be, because the vast majority of the Members of this body are strongly interested, through their constituents, either in appropriations for some of the rivers of this mighty country or in appropriations for some of the harbors, and under the amendment all appropriations for both rivers and harbors will be held up until action has been taken upon this other measure; and it may not be taken, Senators. We are all hopeful that we are going to get away from here soon. The effect of the adoption of this amendment may be to destroy completely and absolutely any appropriation whatsoever for the rivers and harbors of the country; so I hope the amendment will be either withdrawn or overwhelmingly defeated.

Mr. HARRISON. Mr. President, I shall detain the Senate but a moment.

When the Howard University item was inserted in an appropriation bill I did not think it was in order, and I voted to sustain the Chair. I did not think to-day that this amendment was in order, and I voted to sustain the Chair.

I do not think the amendment that is now before the Senate is proper legislation at this time. Even the speeches in behalf of it show the fallacy of the policy of tying up the appropriations for rivers and harbors through a threat that this other bill has to be passed by the House of Representatives and the Senate.

I sincerely hope the amendment will be voted down.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Montana [Mr. WALSH].

The amendment was rejected.

Mr. PITTMAN. Mr. President, I desire to submit an amendment.

The PRESIDENT pro tempore. The Senator from Nevada offers an amendment, which the Secretary will report.

The READING CLERK. At the end of line 3, page 107, before the period, insert a colon and the following proviso:

Provided, That it being the intent of Congress and the policy of our Government, as expressed in the transportation act of 1920, "to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation," and to prevent departures from the fourth section of the interstate commerce act for the purpose of permitting common carriers under said act to meet competition of water carriers not under the jurisdiction of the Interstate Commerce Commission, the appropriations herein made for the construction of a new power plant at Miraflores, Panama Canal, shall not be available or used for such purposes after the date that the Interstate Commerce Commission shall hereafter grant relief from the provisions of section 4 of the interstate commerce act, as amended, to any common carrier by railroad or by rail and water subject to the provisions of such act, upon any domestic traffic which now is or hereafter may be competed for by intercoastal water carriers operating through the Panama Canal.

Mr. PITTMAN. Mr. President, permit me to explain this amendment. It does not interfere in any way whatever with any appropriation for rivers or harbors. It does not place any strings on any appropriation for rivers or harbors. It does not limit any appropriation with regard to any rivers or harbors. It deals solely with the Panama Canal. It simply restates the policy of Congress as set forth in the transportation act of 1920. I quote the language:

That it being the intent of Congress and the policy of our Government, as expressed in the transportation act of 1920, "to promote—

I am now quoting the exact language of the act, in section 500—

to promote, encourage, and develop water transportation, service, and facilities in connection with the commerce of the United States and to foster and preserve in full vigor both rail and water transportation," and to prevent departures from the fourth section of the interstate commerce act for the purpose of permitting common carriers under said act to meet competition of water carriers not under the jurisdiction of the Interstate Commerce Commission, the appropriations herein made for the construction of a new power plant at Miraflores, Panama Canal, shall not be available or used for such purposes after the date that the Interstate Commerce Commission shall hereafter grant relief from the provisions of section 4 of the interstate commerce act, as amended, to any common carrier by railroad or by rail and water subject to the provisions of such act, upon any domestic traffic which now is or hereafter may be competed for by intercoastal water carriers operating through the Panama Canal.

The amendment deals with nothing except intercoastal waterways handling domestic traffic through the Panama Canal. It simply states that hereafter if any departure is authorized by the Interstate Commerce Commission to grant relief to meet that competition going through the Panama Canal, from that day on the appropriation for building the power plant at Miraflores shall cease to be available.

It is natural that the question should be asked, Why should we make it unavailable? By reason of the absurdity of the rules of the Senate and of the Congress; that is all. It has been held time and time again that you can place a limitation upon the use of an appropriation, but that you can not affirmatively do anything to bring about the same result. Therefore I have been compelled to look around to seek the smallest appropriation in the bill, so as to find a way of reasserting the policy of the Government and of Congress with regard to the enforcement of our laws by the Interstate Commerce Commission.

Mr. McKELLAR. Mr. President——

Mr. PITTMAN. I yield.

Mr. McKELLAR. In the event that the Interstate Commerce Commission proceeded to grant the relief asked for on the transcontinental lines, there would be no inhibition against them doing it. It would merely declare a policy, and would stop the work at Miraflores.

Mr. PITTMAN. The Senator is entirely correct. If they disobeyed it the only result would be to stop the work at Miraflores. But, mind you, the chairman of the Interstate Commerce Commission has recently appeared before our committee, and when we constantly cross-examined him with regard to his violation of this provision, he said, "If the Senate of the United States means what you gentlemen think it means—if it means that this relief shall not be given from section 4 for the purpose of meeting water competition—why do you not say so?" That is what he asked us. I say now that if we say so here, he is bound to understand it, and he would not dare violate it, and if he did violate it, it would be ground for the Congress of the United States to remove every one of those commissioners from office.

Heretofore the Interstate Commerce Commission has closed its ears to the debates in Congress. The debates have been called to their attention. The construction I read this morning, given by the chairman of the committee at the time that provision was inserted, was read to them, but that is not law to the Interstate Commerce Commission. If we agree to this amendment, which provides that it is the intent of Congress and the policy of the Government that they shall not grant any relief from the fourth section for the purpose of permitting the railroads to meet water competition, then there is a positive, direct provision by this Congress, and the excuse these commissioners now use, that "if Congress means that why do they not say that," will be answered. That is what I mean.

Mr. McKELLAR. The Senator's amendment applies only to transportation over transcontinental lines?

Mr. PITTMAN. That is all it could possibly apply to, because it deals only with the domestic trade through the Panama Canal.

I have simply taken the smallest appropriation directly in point that I could find, not for the purpose of stopping that appropriation but solely for getting a parliamentary means of answering the Interstate Commerce Commission when they say, "If you mean that, why do you not say it?" That is what they said before the committee.

We do mean that, and by this amendment we do say that. I want to state now that I am satisfied that it is not the intention of the Senator from Montana [Mr. WALSH] to hold up appro-

priation bills, but I can readily see how it might be construed even as the Senator from Arkansas has construed it, and for that very reason, in preparing an amendment, and in anticipation that my original amendment might be subject to a point of order, I did not let it apply to the appropriations for rivers and harbors or inland waterways, but I picked out the smallest appropriation I could find in this bill in point, simply for the purpose of supporting a declaration.

The bill itself provides, "and including $1,000,000 for the construction of a new power plant at Miraflores." If the Interstate Commerce Commission should disobey this express pronouncement of Congress, there would be no other result than that this new power plant would not be built.

However, the appropriation even of that $1,000,000 would not be interfered with until the order was made in spite of this provision. It is inconceivable that the Interstate Commerce Commission, which is the agency created by Congress to carry out our transportation acts, will contend for one moment that they can continue these violations if Congress expressly declares that if they do so the appropriations with regard to the Panama Canal must cease.

I have asserted in my amendment the policy of our Government. I have asserted that it is the intent of Congress, that it is the policy of the Government, that they shall not utilize the provisions of the fourth section of the interstate commerce act to grant relief to common carriers to meet water competition. That is the declaration, positive and frank, and if that declaration is not made somewhere they will continue to use the excuse they have used, which is, "If you meant that, why did you not ever say that?"

This would not interfere with the passage of the bill of the Senator from Idaho in the slightest. It is a protection pending the time of the passage of his bill, as a pronouncement of the intention of Congress. It is a continuing protection in the event the House should finally defeat his bill. It is in aid of passing the Senator's bill, because it declares the policy. It is in support of his bill. It does not go as far as the Senator's bill goes, because it deals solely with transportation through the Panama Canal.

I do not think any of the objections to this matter can be urged which were urged to the amendment of the Senator from Montana. I think it is the last chance we will have at this session of announcing positively and directly the policy of this Government with regard to transportation through the Panama Canal. I sincerely hope the Senate will agree to this amendment.

Mr. WADSWORTH. Mr. President, I think it well that the Senate know something about the project for the new power plant at the Miraflores Lock before it votes on this extraordinary amendment.

The War Department appropriation bill for the current year carries an appropriation of $850,000 to commence the construction of the new power plant which is to operate the gates at the Miraflores Lock on the Panama Canal. The Panama Canal administration for some years has been faced with the possibility of a breakdown in the operation of these gates, especially during a dry season, when they desire to keep the water level as high as possible. Commencing with last year they asked authority to begin the construction of a modern auxiliary power house which would develop the same amount of power and swing the gates during a dry season or other emergency.

The amendment of the Senator from Nevada [Mr. PITTMAN] proposes that a contract which is already in process of completion be stopped at any time that an utterly unrelated branch of the Government, the Interstate Commerce Commission, issues a decision on a certain railroad question in the State of Nevada or Wyoming or somewhere else.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Nevada [Mr. PITTMAN].

Mr. ASHURST and Mr. PITTMAN. Let us have the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

The PRESIDENT pro tempore. If there be no further amendments to be proposed as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

Mr. KING. Mr. President, I had intended to offer a number of amendments dealing with the question of waterways, but in view of the protracted discussion which has taken place I shall not offer them.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WADSWORTH. I ask unanimous consent that the clerks be authorized to correct the totals in the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF INTERSTATE COMMERCE ACT

Mr. GOODING. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 2327) to amend section 4 of the interstate commerce act.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Interstate Commerce with amendments.

Mr. GOODING. Mr. President, I offer the amendment which I send to the desk. The purpose is to clarify the language of the bill and to give the commission a full year in which to readjust violations of the fourth section, provided the bill becomes a law.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. Strike out on page 3, all after line 15, and all on page 4, and insert in lieu thereof the following:

Where any common carrier has or common carriers have in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via a circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearing, based on no less a showing than that upon which the commission is herein authorized to grant relief: *And provided further*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States, or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed.

Paragraph 2 of section 4 is hereby repealed.

Mr. JONES of Washington. Mr. President, I think I shall favor the bill under consideration, but it seems to me that this is a very important amendment to be agreed to without any discussion. The bill now becomes the unfinished business, and I suggest that it go over until next week. The amendment has not been printed and Senators have had no opportunity to consider it.

Mr. FLETCHER. It seems to me that that is the wise course to follow.

Mr. JONES of Washington. It would seem so. As I said, I think I shall vote for the bill, but I want to have an opportunity to consider the amendment.

Mr. NORRIS. I think the Senator's request is a reasonable one. The importance of the amendment at this time is undoubted.

Mr. GOODING. I accept the suggestion of the Senator from Washington.

Mr. MOSES. The Senator from Idaho has secured his chief desire, which was to have the bill made the unfinished business.

Mr. GOODING. It is the unfinished business, and I am willing that it shall go over until next week.

EXECUTIVE SESSION

Mr. MOSES. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 20 minutes p. m.) adjourned until Monday, May 19, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 14) 1924

MEMBER OF THE FEDERAL RESERVE BOARD

A. C. Miller, of California, to be a member of the Federal Reserve Board for a term of 10 years. (A reappointment, his term expiring August 8, 1924.)

MEMBER OF THE UNITED STATES SHIPPING BOARD

Edward C. Plummer, of Maine, to be a member of the United States Shipping Board for a term of six years. (A reappointment, his term expiring June 9, 1924.)

DIRECTOR OF THE WAR FINANCE CORPORATION

George R. Cooksey, of the District of Columbia, to be a director of the War Finance Corporation. (A reappointment, his term expiring May 18, 1924.)

CHIEF JUSTICE COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

George E. Martin, of the District of Columbia, to be chief justice of the Court of Appeals, District of Columbia, vice C. J. Smyth, deceased.

UNITED STATES MARSHAL

Arthur Rogers, of Tennessee, to be United States marshal, western district of Tennessee, vice William F. Appleby, deceased.

PROMOTIONS IN THE REGULAR ARMY

To be major

Capt. Joseph May Swing, Field Artillery, from May 7, 1924.

To be captains

First Lieut. Rodney Campbell Jones, Coast Artillery Corps, from May 1, 1924.

First Lieut. William Aloysius Murphy, Infantry, from May 2, 1924.

First Lieut. Harold H. Elarth, Infantry, from May 3, 1924.

First Lieut. Lester Joslyn Harris, Infantry, from May 4, 1924.

First Lieut. Howard Foster Clark, Corps of Engineers, from May 7, 1924.

First Lieut. Howard Clay Brenizer, Field Artillery, from May 9, 1924.

To be first lieutenants

Second Lieut. Dwight Lyman Adams, Infantry, from May 1, 1924.

Second Lieut. Thomas Gordon Cranford, jr., Coast Artillery Corps, from May 2, 1924, subject to examination required by law.

Second Lieut. Lester George Degnan, Infantry, from May 3, 1924.

Second Lieut. Henry Bennett Sheets, Infantry, from May 4, 1924.

Second Lieut. Archie William Cooey, Infantry, from May 7, 1924.

Second Lieut. William Robert McMaster, Infantry, from May 9, 1924, subject to examination required by law.

Second Lieut. Cornelius Emmett O'Connor, Air Service, from May 13, 1924.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

ORDNANCE DEPARTMENT

First Lieut. Jonathan Lane Holman, Field Artillery, with rank from October 15, 1919.

COAST ARTILLERY CORPS

Capt. Archibald Donald Fisken, Field Artillery, effective June 15, 1924, with rank from July 1, 1920.

Second Lieut. Bernard Henry Sullivan, Air Service, with rank from June 12, 1923.

AIR SERVICE

Capt. Roland Winfred Wittman, Infantry (detailed in Air Service), with rank from July 1, 1920.

APPOINTMENT IN THE ARMY

Arthur Cecil Ramsey, of Kansas, to be second lieutenant of Infantry in the Regular Army of the United States, with rank from May 10, 1924.

POSTMASTERS

ARKANSAS

Douglas O. Dover to be postmaster at Cove, Ark., in place of I. R. Silvey, removed.

William H. Tucker to be postmaster at Casa, Ark., in place of A. F. Hunter, resigned.

ALASKA

Charles A. Sheldon to be postmaster at Seward, Alaska, in place of W. E. Root. Incumbent's commission expires June 4, 1924.

CALIFORNIA

Ernest R. Rhymes to be postmaster at Sanitarium, Calif., in place of E. R. Rhymes. Incumbent's commission expires June 4, 1924.

COLORADO

Cora M. Northup to be postmaster at Fountain, Colo., in place of N. E. Pyles. Incumbent's commission expires June 4, 1924.

FLORIDA

John B. Carlin to be postmaster at St. Cloud, Fla., in place of J. J. Johnston. Incumbent's commission expired February 14, 1924.

Jefferson Gaines to be postmaster at Bocagrande, Fla., in place of Jefferson Gaines. Incumbent's commission expired February 14, 1924.

HAWAII

Joseph Herrscher to be postmaster at Hana, Hawaii, in place of Joseph Herrscher. Office became third class April 1, 1924.

ILLINOIS

Olive G. Woods to be postmaster at Hennepin, Ill., in place of E. G. Paxson. Office became third class October 1, 1923.

Fay L. Quilter to be postmaster at Walnut, Ill., in place of F. L. Quilter. Incumbent's commission expires June 5, 1924.

Kate M. Weis to be postmaster at Teutopolis, Ill., in place of K. M. Weis. Incumbent's commission expires June 5, 1924.

Edward P. Devine to be postmaster at Somonauk, Ill., in place of E. P. Devine. Incumbent's commission expires June 5, 1924.

Elizabeth R. Grant to be postmaster at Shabbona, Ill., in place of Sarah McGinnis. Incumbent's commission expires June 5, 1924.

John N. Taffee to be postmaster at Pinckneyville, Ill., in place of T. L. Wallace. Incumbent's commission expired March 9, 1924.

Herman C. Hoefer to be postmaster at Park Ridge, Ill., in place of Charles Stade. Incumbent's commission expired August 29, 1923.

Elliott O. Andrews to be postmaster at Belvidere, Ill., in place of John Dooley. Incumbent's commission expires June 5, 1924.

INDIANA

Iva D. Myers to be postmaster at Millersburg, Ind., in place of Charles Boomershine. Office became third class January 1, 1924.

IOWA

William M. Young to be postmaster at Defiance, Iowa, in place of W. M. Young. Office became third class April 1, 1924.

Frank T. Best to be postmaster at Pomeroy, Iowa, in place of F. J. Oehmke. Incumbent's commission expired March 22, 1924.

Howard B. Gillespie to be postmaster at Guthrie Center, Iowa, in place of J. S. McLuen. Incumbent's commission expired March 22, 1924.

Clyde C. Sheaffer to be postmaster at Atlen, Iowa, in place of H. E. Button. Incumbent's commission expires June 5, 1924.

KANSAS

Susie J. Gibbons to be postmaster at St. Paul, Kans., in place of G. A. Pierce. Incumbent's commission expires June 4, 1924.

Ulysses G. Stewart to be postmaster at Rossville, Kans., in place of C. E. Van Vleck. Incumbent's commission expires June 4, 1924.

Henry M. Highland to be postmaster at McCune, Kans., in place of G. W. Harley. Incumbent's commission expired May 6, 1924.

KENTUCKY

Leona R. Meador to be postmaster at Kingswood, Ky., in place of L. R. Meador. Office became third class October 1, 1923.

MAINE

Frank G. Thompson to be postmaster at Milo, Me., in place of D. L. Brown. Incumbent's commission expires June 5, 1924.

Perley M. Hanson to be postmaster at East Millinocket, Me., in place of O. J. Tousaint. Incumbent's commission expired February 11, 1924.

Fred E. Jones to be postmaster at Brownville, Me., in place of E. A. Sampson. Incumbent's commission expires June 5, 1924.

MARYLAND

Clare N. Payne to be postmaster at Preston, Md., in place of J. W. Payne, deceased.

MASSACHUSETTS

John A. Bell to be postmaster at Leicester, Mass., in place of J. A. Bell. Incumbent's commission expires June 4, 1924.

James E. Sullivan to be postmaster at Gilbertville, Mass., in place of J. E. Sullivan. Incumbent's commission expires June 4, 1924.

William P. Lovejoy to be postmaster at Barnstable, Mass., in place of W. P. Lovejoy. Incumbent's commission expires June 4, 1924.

MICHIGAN

Ralph M. Powers to be postmaster at Jonesville, Mich., in place of W. B. Howlett. Incumbent's commission expires June 5, 1924.

John H. Ter Avest to be postmaster at Coopersville, Mich., in place of J. S. Walling. Incumbent's commission expires June 4, 1924.

Earl Brown to be postmaster at Brighton, Mich., in place of C. S. Case. Incumbent's commission expires June 4, 1924.

MINNESOTA

Henry O. Halverson to be postmaster at Gonvick, Minn., in place of H. O. Halverson. Incumbent's commission expired February 18, 1924.

NEBRASKA

Minnie L. Smith to be postmaster at Blue Springs, Nebr., in place of J. W. Henthorn, resigned.

Archie L. Smith to be postmaster at Imperial, Nebr., in place of A. L. Smith. Incumbent's commission expires May 21, 1924.

Frank W. Fuhlrodt to be postmaster at Fremont, Nebr., in place of F. W. Fuhlrodt. Incumbent's commission expired May 11, 1924.

Henry V. Ingram to be postmaster at Exeter, Nebr., in place of H. V. Ingram. Incumbent's commission expired May 11, 1924.

Oscar M. Fenstermacher to be postmaster at Cedar Bluffs, Nebr., in place of W. F. Nick. Incumbent's commission expires June 4, 1924.

Jesse R. Teagarden to be postmaster at Bethany, Nebr., in place of C. L. Demarest. Incumbent's commission expires June 4, 1924.

NEW JERSEY

John E. MacIlwain to be postmaster at Magnolia, N. J., in place of J. E. MacIlwain. Office became third class April 1, 1924.

NEW YORK

E. DeLancy Walters to be postmaster at Bolivar, N. Y., in place of E. D. Walters. Incumbent's commission expired May 6, 1924.

Arthur J. Lytle to be postmaster at Angelica, N. Y., in place of G. O. Hinman. Incumbent's commission expires May 28, 1924.

NORTH CAROLINA

Thomas A. Kennedy to be postmaster at Troutmans, N. C., in place of Worth Williamson. Office became third class January 1, 1924.

John E. Corbitt to be postmaster at Sunbury, N. C., in place of J. E. Corbitt. Office became third class April 1, 1924.

John M. Sharpe to be postmaster at Statesville, N. C., in place of R. R. Clark. Incumbent's commission expired February 18, 1924.

PENNSYLVANIA

Robert T. Barton to be postmaster at Meadowbrook, Pa., in place of R. T. Barton. Office became third class April 1, 1924.

TENNESSEE

James M. Gresham to be postmaster at Smyrna, Tenn., in place of J. M. Gresham. Incumbent's commission expired September 5, 1923.

TEXAS

James A. Morgan to be postmaster at Vega, Tex., in place of J. A. Morgan. Office became third class April 1, 1924.

Minerva M. F. Cowart to be postmaster at Turkey, Tex., in place of M. M. F. Cowart. Office became third class April 1, 1924.

VIRGINIA

James O. Fant to be postmaster at Brandy (late Brandy Station), Va., in place of J. O. Fant. Office became third class April 1, 1924.

WASHINGTON

James R. Patterson to be postmaster at Malden, Wash., in place of G. R. Patterson. Incumbent's commission expired March 11, 1924.

WEST VIRGINIA

Millard M. Mason to be postmaster at Seth, W. Va., in place of M. M. Mason. Office became third class April 1, 1924.

WYOMING

Frank G. Brown to be postmaster at Fort Laramie, Wyo., in place of F. G. Brown. Office became third class April 1, 1924.

Neletta P. Howard to be postmaster at Manville, Wyo., in place of E. R. Spragg. Incumbent's commission expires June 5, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 17 (legislative day of May 14), 1924

UNITED STATES ATTORNEYS

Ross R. Mowry to be United States attorney, southern district of Iowa.

Allen Curry to be United States attorney, eastern district of Missouri.

POSTMASTERS

ALABAMA

Anna H. Kinney, Elberta.

ARIZONA

Charles E. Hand, Winkelman.

ARKANSAS

John N. Phillips, Jasper.

ILLINOIS

Louis W. Richter, Melrose Park.

INDIANA

Clara I. Boesen, Griffith.

IOWA

Charlie C. Clifton, Thompson.

NEBRASKA

Hillery D. Bartley, Crookston.

NORTH CAROLINA

Sue M. Vick, Bailey.
Joseph S. Mitchell, Draper.

OHIO

Melroy C. Johns, Caldwell.
Guy G. Patchen, Columbiana.
Robert E. Friel, Lore City.
Don B. Stanley, Lowell.
Ben J. Filkins, Wakeman.

OKLAHOMA

Henry F. Harwell, Bryant.

PENNSYLVANIA

Joseph S. Gillingham, Lincoln University.

SOUTH DAKOTA

C. Albert Zeitner, Mission.
Lewis W. Ford, Wakonda.
Will C. Bromwell, Wessington Springs.

WYOMING

Epsie L. Winn, Superior.

HOUSE OF REPRESENTATIVES

SATURDAY, *May 17, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our heavenly Father, around about us are always Thy everlasting arms. A mighty fortress is our God, a refuge never failing. To Thee we yield ourselves, acknowledge our dependence, and confess our sins. Enlarge and extend the range of our understanding, and we always have the deepest concern for others and for the welfare of our country. In Try light may we see light and strive for the best possible work by being the best possible men. In the name of Jesus our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

ELECTION TO COMMITTEES

Mr. GARNER of Texas. Mr. Speaker, I offer the resolution (H. Res. 316), which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That J. ZACH SPEARING of Louisiana be, and he is hereby, elected a member of the standing committees of the House on Coinage, Weights, and Measures and Railways and Canals.

The question was taken, and the resolution was agreed to.

WASHINGTON MONUMENT GUIDE BOOK

Mr. GIBSON. Mr. Speaker, day before yesterday the gentleman from Tennessee [Mr. GARRETT], the minority leader, extended some remarks in the RECORD in relation to the Washington Monument Guide Book. In order to complete the record and for the information of the House, I ask permission to extend some brief remarks in relation to the same subject matter.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GIBSON. Mr. Speaker, I rise in opposition to the conference report on the independent offices appropriation bill. Senate amendment 15, to restore the right of sale at the Washington Monument of the guidebook authorized by the Congress in 1909, should be adopted.

The discontinuance of the Washington Monument Guide Book, which was prepared by Miss Ina C. Emery, a native of Bethel, Vt., is a gross injustice to her. She has had the book at the Monument approximately 20 years with the unanimous approval of Members of both Houses of Congress, of the succeeding Secretaries of War and Chiefs of Engineers, of the public, including heads of patriotic organizations, until it remained for one man, an Army officer, to stop it on July 1, 1923, and to replace it a month later with a book copyrighted by a private organization—the Society of American Military Engineers, Mills Building, Washington—of which he is a member.

MISS EMERY'S BOOK APPROVED

I ask permission at this time to insert as part of my remarks a letter of Chairman MADDEN, of the House Appropriations Committee, to the Secretary of War, on July 2, 1923, citing the law governing the matter, pointing out that Miss Emery's book at the Monument, in pursuance of that law, had given satisfaction to the public and asking the Secretary of War to restore to Miss Emery that right to sale of her guidebook at the Monument.

I also ask permission to insert as part of my remarks a copy of the hearing of Miss Emery, on January 14, 1909, on the urgent deficiency appropriation bill of 1909. That hearing was before the House appropriations subcommittee, consisting of Representative James A. Tawney, of Minnesota (chairman of the full committee); Edward B. Vreeland, of New York; J. Warren Keifer, of Ohio, who had been Speaker of the House; S. Brundidge, jr., of Arkansas, and Leonidas L. Livingston, of Georgia, who were in charge of deficiencies for the fiscal year 1909. There were also present at that time Representative Graff, of Illinois, and Representative Rodenberg, of Illinois.

SECRETARY WEEKS APPROVED IT IN 1922

It was Mr. Rodenberg who arranged for Miss Emery's hearing before the committee in 1909. Many years later, on or about June 1, 1922, Mr. Rodenberg, familiar with all the facts about the Washington Monument Guide Book, accompanied Miss Emery to the Secretary of War when a subordinate Army officer had threatened to take away Miss Emery's right to have the book at the monument. When the conversation, including the threat, was repeated to the Secretary of War, the latter stated to Mr. Rodenberg, Miss Emery, and her brother:

Miss Emery, I am thoroughly familiar with your guide book. I have no criticism to make of its price or criticism of it in any way. So far as I am concerned, I see no reason why it should not be there for 20 years to come if you want it.

Yet the subordinate officer succeeded in having the book discontinued, as he had threatened to do, and he stated before a House subcommittee (on the War Department appropriation bill) on February 14, 1924, that it was on his recommendation that the book was discontinued. He did not state that the book he put in its place is copyrighted by a private organization of which he is a member (the Society of American Military Engineers), nor did he say that his book is made up largely of the same material as in Miss Emery's book, some of it practically verbatim, nor that the book he put there bore a notice advising the public that additional copies may be obtained by sending 20 cents a copy to the Mills Building office of the private organization, of which he is a member.

The letter of Chairman MADDEN in favor of Miss Emery's book follows:

CHAIRMAN MADDEN'S LETTER

COMMITTEE ON APPROPRIATIONS,
SIXTY-SEVENTH CONGRESS,
Washington, D. C., July 2, 1922.

MY DEAR MR. SECRETARY: In Statutes at Large, volume 35, page 615, will be found the following: "That hereafter no advertisement of any kind shall be displayed and no articles of any kind, except a guidebook to the Monument, shall be sold in or around the Washington Monument."

Then, later, in Statutes at Large, volume 33, page 997, there appears the following: "That hereafter no advertising of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument, except upon the written authority of the Secretary of War."

In pursuance of this authority Miss Emery has been selling a guidebook to the Monument, which she has prepared at her own expense. The sale of this book involves no expenditure of public money, and she has paid the Government $75 per annum for the privilege. Recently you have ordered the sale of the book discontinued. It seems to me that in view of the expense incurred by Miss Emery in the preparation of the book and the satisfaction which its sale has given all these years to the visiting public she should be permitted to continue its sale.

I shall consider it a personal favor if you can find it consistent to withdraw the order recently issued by you and reinstate Miss Emery's right to the sale of the book at the Monument.

MISS EMERY'S HEARING IN 1909

The hearing of Miss Emery in 1909, referred to in Senate amendment 15 to the independent offices bill, shows textually that it was the purpose of the committee, without specifically mentioning her name, to authorize the sale of Miss Emery's guidebook to the Monument. Her book was the only one under consideration, and later when the provision the committee reported was before the House and the Senate copies of Miss Emery's book were before the membership of the two Houses. This provision and the subsequent one relating to the subject, both in 1909, are set forth in Mr. MADDEN'S letter to the Secretary of War. The first provision authorized her guidebook; the second provision provided how it should be placed on sale. The present Senate amendment is in no way in conflict with the existing law.

The hearing, from the printed record of the House Appropriations Committee hearings on deficiency bills in 1909, is as follows:

WASHINGTON MONUMENT, SALE OF ARTICLES IN

STATEMENT OF MISS INA C. EMERY

The CHAIRMAN. Miss Emery, you have called our attention to a provision in the sundry civil law for the current fiscal year in connection with the Washington Monument, asking that it may be abrogated. It reads as follows:

"*Provided*, That no advertisement of any kind shall be displayed and no articles of any kind shall be sold in or around the Monument."

That is the Washington Monument, here in the city?

Miss EMERY. Yes.

The CHAIRMAN. What reason have you for asking that this provision be abrogated, for wanting this law changed?

Miss EMERY. It is because I have a book, the only book that has ever been published, containing all the inscriptions, the history, and a description of the construction of the Washington Monument. It is the only one that has ever been prepared, and it has cost me over $1,600 to prepare the book, and it has been there for nearly six years, without a single adverse criticism from anywhere. On the contrary, I have had letters from all over the country, and even from Europe, telling me what a pleasure it has been to the writers to read an inscription on a tablet that an aunt or an uncle or some one had placed there, and it is the only book of the kind ever published.

The CHAIRMAN. Were you selling this book at the time that the Superintendent of Public Buildings and Grounds recommended to the committee the adoption of this paragraph?

Miss EMERY. Yes, sir.

The CHAIRMAN. Did you know about the paragraph at the time of its adoption?

Miss EMERY. No, sir; I had no intimation of it.

Mr. KEIFER. When was that passed?

The CHAIRMAN. At the last session of Congress.

Mr. LIVINGSTON. What objection have you to advertisements that do not affect your book?

Miss EMERY. I have no objection. I only want my book placed back there.

Mr. VREELAND. She wants the right to sell her book there. The right has been taken away.

Mr. RODENBERG. They construed that provision in such a way as to exclude her book.

Mr. LIVINGSTON. Suppose the law is changed so that it will not exclude the selling of your book?

Miss EMERY. That is all I ask.

Mr. VREELAND. She is not seeking to exclude anybody else.

Miss EMERY. No. I only ask that my book may be sold there, as it is a benefit to the public, and I think that Mr. Tawney knows of the various persons who have interested themselves in it who know the book and know what it has done.

Mr. LIVINGSTON. Can anyone tell why that law was passed?

The CHAIRMAN. Yes. It was enacted at the last session of Congress on the recommendation of the Superintendent of Public Buildings and Grounds. It was placed as a provision on the sundry civil bill.

Mr. LIVINGSTON. I was not here at the time and did not get a chance to hear a thing about it. What reason did he give?

The CHAIRMAN. He wanted to shut out the vending of anything at that place, because, as he said, if you will allow one you would have to license others.

Mr. GRAFF. There is no book vended there except this book, is there, Mr. Chairman?

The CHAIRMAN. I do not recall the testimony now. My recollection, however, is that there were applications for permission for the vending of all sorts of articles—postal cards, souvenir postal cards, and souvenirs of all kinds.

Mr. GRAFF. But there is no history of the Monument except this one?

The CHAIRMAN. Not that I know anything about.

Mr. VREELAND. We could amend the provision by excepting books describing the Monument, or views of the Monument.

The CHAIRMAN. This is a guide to the Monument?

Miss EMERY. It is a guide to the Monument. There is nothing in it except a guide to the Monument.

The CHAIRMAN. Then if we were to amend this provision so as to read that no advertisements of any kind should be displayed or any articles should be sold except this book, that would be satisfactory to you?

Miss EMERY. Yes, sir; that is all I ask.

Mr. LIVINGSTON. I do not see why they should prohibit anybody.

The CHAIRMAN. There was reason for this legislation. Of course, the committee did not know anything about this book at the time, but if you allow these people to go there indiscriminately you would have a crowd of people selling things there, especially during the week of inauguration and perhaps weeks afterwards.

Mr. VREELAND. It is a great convenience for the people to go there and buy it. I want to look at it myself.

The CHAIRMAN. This is of benefit to visitors, in that it will enable them to understand the history of the Monument and the history of the inscriptions inside of it?

Miss EMERY. Yes, sir.

Mr. KEIFER. I think we can amend that in a way to be satisfactory to you.

Mr. VREELAND. I wish you would send up two or three copies of that book. When it comes up in the House we would like to show just what it is.

Miss EMERY. I have already sent a copy to each member of the committee. I thank you, gentlemen, very much.

EXTENSION OF REMARKS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to insert in the RECORD a short editorial from the Boston Transcript, nationally known as a conservative Republican newspaper, asking the Congress to pass the adjusted compensation bill over the President's veto.

The SPEAKER. Is there objection?

Mr. SPROUL of Illinois. I object.

HAUGEN-M'NARY BILL

Mr. SNELL. Mr. Speaker, I present a report (H. Res. 317, Rept. No. 775) from the Committee on Rules.

The SPEAKER. The gentleman from New York presents a report from the Committee on Rules on a bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9033) entitled "A bill declaring an emergency in respect to certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes."

The SPEAKER. Referred to the House Calendar.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had further insisted upon its amendment to the amendment of the House to the amendment of the Senate No. 47 to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, had asked for a still further conference with the House on the disagreeing votes of the two Houses thereon and had appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment the bill (H. R. 6298) to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891.

The message also announced that the Senate had passed with amendments the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The message also announced that the Senate had passed bills of the following titles; in which the concurrence of the House of Representatives was requested:

S. 698. An act for the relief of the Great Lakes Engineering Works;

S. 1174. An act authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses;

S. 1975. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co.;

S. 2052. An act to carry out the decree of the United States District Court for the Eastern District of Pennsylvania in the case of United States of America, owner of the steam dredge *Delaware*, against the steamship *A. A. Raven*, American Transportation Co., claimant, and to pay the amount decreed to be due said company;

S. 2138. An act for the relief of First Lieut. Harry L. Rogers, jr.;

S. 2397. An act to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects;

S. 2448. An act to amend the organic act of Porto Rico approved March 2, 1917;

S. 2455. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Bultrago Diaz by United States marines on February 6, 1921;

S. 2526. An act providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe;

S. 2457. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with the United States marines;

S. 2593. An act for the extension of Rittenhouse Street in the District of Columbia;

S. 2669. An act for the relief of J. R. King;

S. 2975. An act validating certain applications for, and entries of, public lands and for other purposes;

S. 2693. An act in reference to writs of error;

S. 2826. An act for the relief of the Italian Government;

S. 2905. An act to amend section 25 (a) of the act approved December 23, 1913, known as the Federal reserve act;

S. 2919. An act to extend the provisions of the national bank act to the Virgin Islands of the United States;

S. 2928. An act authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States naval air station at Pensacola;

S. 2949. An act authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation;

S. 3025. An act to authorize the construction of a bridge across the Oostanaula River in Gordon County, Ga.; and

S. 3211. An act authorizing the sale of Gasparilla Island Military Reservation.

VETO MESSAGE—ADJUSTED COMPENSATION BILL

The SPEAKER. The business before the House is, Will the House on reconsideration pass the adjusted compensation bill, the objections of the President to the contrary notwithstanding?

Mr. LONGWORTH. Mr. Speaker——

The SPEAKER. The gentleman from Ohio.

Mr. LONGWORTH. Mr. Speaker, it seems to me that the large attendance to-day justifies the wisdom and propriety of the motion I made on Thursday to give Members an opportunity to be here and vote upon this most momentous question. However, I feel that the House does not desire to hear prolonged

debate on this question, so therefore I shall very shortly move the previous question. I now yield five minutes to the gentleman from Illinois [Mr. MADDEN]. [Applause.]

Mr. MADDEN. Mr. Speaker, the President is the Nation's leader. The people of the United States look to him for guidance. They admire his courage and his wisdom. They are willing to follow him, and I know of no reason why I should not follow him. [Applause.] I have always favored a bonus and voted for it, but I think that the present financial condition of the country justifies a change of opinion on my part, and I shall therefore vote to sustain the veto of the President. [Applause.] The State of Illinois has voted a bonus to the men of that State, $55,000,000. I paid my share of that. I am proud to pay my share of anything that is justified for the ex-service men.

The Nation since the war has done wonders to stabilize the world and put our own finances on a sound basis. As chairman of the Committee on Appropriations I think I would be unworthy to stand in my place day by day and advocate economy in every other direction and then vote to override the veto of the President. [Applause.]

I am assuming the responsibility here which the chairmanship of the Committee on Appropriations imposes upon me, and I do so gladly. I believe that in doing that I am doing what the Nation as a whole would have me do. The tax-reduction bill pending wipes out any surplus that might have existed in the 1925 program of receipts and expenditures, and it is possible that the bill itself will result in a deficit. Proposals for additional expenditures for the fiscal year 1925, pending in legislation, if approved by the President, would call for appropriations of nearly $400,000,000 more for the fiscal year 1925 over and above what the Budget for 1925 asked. No revenues are provided to meet these unusual expenditures. In other words, all these large pending proposals for expenditures would either effectively destroy tax reduction or, if tax reduction should accompany their enactment, they would result in a large deficit in the next fiscal year's running expenses of the Government.

The public debt has been reduced in the last five years approximately $4,500,000,000. Any bonus proposal for which no revenue is provided would serve to start the public debt on an upward climb, because borrowing would have to be resorted to to meet it.

Appropriations to meet the bonus would cost in 20 years $2,280,000,000. The appropriation for the fiscal year 1925, under the bonus, would amount to $152,500,000. The face value of the bonds to retire these policies plus the interest reinvested will equal the maturity value of the insurance policies, aggregating at the lowest estimate $3,145,000,000. Appropriations for compensation, insurance, vocational training, hospital construction and hospital treatment to June 30, 1925, will amount in the net to $2,750,000,000. Appropriations for the next fiscal year for these purposes alone will aggregate $349,065,000. Legislation pending to liberalize compensation and other features and provide additional hospitals aggregates $46,500,000 and if enacted will bring the total for next year to approximately $400,000,000.

So that it can not be said by the ex-service men of the Nation that we have been undmindful of the services they have rendered. There is nothing that appropriations could supply that has not been supplied to every man who needed attention, and I am sure that the Nation is proud to have been enabled to supply these needs; and to the extent that it can supply the needs of the men who came back with armless sleeves and sightless eyes and other deformities as the result of their services to the Nation I am sure that every man and woman everywhere from end to end of the Nation will be proud to do their duty. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from South Dakota [Mr. JOHNSON].

The SPEAKER. The gentleman from South Dakota is recognized for five minutes.

Mr. JOHNSON of South Dakota. Mr. Speaker, it has been my duty and pleasure to have drawn each of the three caucus or conference calls which have in the past presented the matter of adjusted compensation to the Republican conference. In all of these years this will be my first, only, and last speech on adjusted compensation in the Congress, because within five days the law will have passed both the House and Senate and be an accepted law. [Applause.] I approach it without any feeling of rancor, because it is a question upon which men may logically and fairly and honestly disagree, and I respected the men who have opposed adjusted compensation because of their manifest courage—men of the type of the gentleman who preceded me [Mr. MADDEN], the distinguished chairman of the Committee on Appropriations. He, like so many others, votes his convictions on the floor of this House, regardless of the effect upon his political fortunes.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. I will say to the gentleman that I have only five minutes. This is the only speech on this subject that I have ever made on the floor of the House, and I do not have the time to yield.

It is not a political question. Each President of the United States that we have had since the war opposed the granting of adjusted compensation—President Wilson, President Harding, and President Coolidge. Each of the Secretaries of the Treasury of both parties has disapproved adjusted compensation, the distinguished Secretary under the Democratic administration just as much as the distinguished Secretary under a Republican administration. The question of party politics can not come in it. It is a question purely of right and justice.

What we should have done in this Congress in 1919 was to have given a sufficient appropriation to have furnished each of these men who returned from the service a suit of clothes, a pair of shoes, a hat, and an overcoat, and this question would have been settled at that time if men had had that viewpoint. But Congress did not have it, and has not come to this viewpoint until after there has been much discussion of the question throughout the country.

The question of insurance comes into the veto. I do not think it properly belongs there. No man who secured insurance under the war risk insurance act but who pays for everything that he has received, and he could have purchased insurance in the open market as well as he could have secured it from the Government, the actual war risk expected.

I am firmly convinced that the passage of this act—and it will be passed—will do much to avoid the issuance of pensions to well, sound men. No service man in this House has ever introduced a pension bill for able-bodied veterans, and I hope the time will not come in my lifetime when pensions for fit and sound men will be presented. The fact that men will be able to get this insurance policy and pass insurance to their families ought to be sufficient for men who are able-bodied.

I do not like the statement that adjusted compensation is capitalizing patriotism. There was no question of capitalizing patriotism when these men were in the trenches. [Applause.] I can recognize the fact that men can divide fairly and honestly on the question, but I think that the burden of proof is on those who say it is a capitalization of patriotism. George Washington did not capitalize his patriotism when he received adjusted compensation from the Government. Abraham Lincoln did not capitalize his patriotism when he secured his land grant from the Government. Grant and Lee did not capitalize their patriotism when application was made or when they received something from the Government for their services, and that is the only part of the argument that to me does not appeal as being exactly fair. I hope that this question will be settled, that it will never come before this Congress again, and that it will be settled right by enacting finally the adjusted compensation law. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

The SPEAKER. The gentleman from Tennessee is recognized for five minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, I shall vote against the motion to pass this bill, the objection of the President notwithstanding, and I shall do so not because of but despite the message which the President sent. In so doing, whether right or wrong, I am consistent in my position.

My reason for opposing the so-called bonus bill has been stated on the floor of the House upon different occasions when the subject matter has been before it, and more important than that, perhaps, they have been stated before my constituents in a spirited campaign in which that constituted the principal issue.

I can not fail to take advantage of this opportunity to condole with my distinguished friend from Illinois [Mr. MADDEN], and possibly may have to condole with the leader of the majority [Mr. LONGWORTH], although I do not know, as yet. [Laughter.]

What the gentleman from Illinois has stated as his reason for now voting was known to me at the time we voted on the passage of the bill. It was known to me in the last Congress when we voted on the passage of the bill, and in the Congress before that time I thought I knew. I congratulate the gentleman from Illinois that he lives and learns as he lives. [Applause.]

I was opposing the bonus when the present President of the United States, then Governor of Massachusetts, was signing a bonus bill. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. FISH].

The SPEAKER. The gentleman from New York is recognized for five minutes.

Mr. FISH. Mr. Speaker, as the sponsor of the 20-year endowment insurance bill—I believe I was the only one to introduce a 20-year endowment measure—I wish to protest against the objections raised on the ground of poverty.

Here we are, five years after the armistice, pleading poverty to escape an obligation that has been recognized and fulfilled by every one of the Allies during the World War and partly with money we loaned them.

This bill was changed from the previous cash bill to the endowment-insurance feature in order to harmonize with the financial conditions of the Treasury. The gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, now comes before the House and says that we are not in a financial position to pass a 20-year endowment measure requiring an appropriation of approximately $100,000,000 annually for the next 20 years. I submit that such an appropriation will in no way harm the economic stability of our country or affect the price of Liberty bonds or hamper in any way the business conditions of the country at this time or for the next 20 years.

Both parties have pledged adjusted compensation to the veterans of the World War. Former President Harding in a speech prior to his election stated that he was for adjusted compensation, and he vetoed the Fordney-McCumber bill for a reason which proved to be a false reason. He was informed by Secretary Mellon that there would be a deficit of $600,000,000 in the Treasury on June 30, 1923, but it turned out instead that there was a surplus of $329,000,000. On June 30, 1924, there will be a further surplus of $370,000,000 in the Treasury; and now the statement is made on the floor of the House that the Treasury is not in a position to finance this particular bill. That is the main issue I want you to consider in voting on the bill. Is there sufficient money at the present time, and will there be sufficient money in the future to finance an appropriation of $160,000,000 to pay adjusted compensation by means of endowment insurance policies to veterans of the World War? This bill is based on sound business and insurance principles and without hampering business fulfills a pledge given during and after the war by the American people. It is nothing but a simple act of justice and recognition of the services of these men during the war. It is not a complete adjustment of compensation based on the difference of wages paid back home and the pay of the soldiers, as that would amount to thirty billions. This bill will cost eventually about two billions, or about half the cost of the Fordney-McCumber measure, which President Harding vetoed.

It carries out a continuous policy from Revolutionary days.

We adjusted the compensation of Washington, of LaFayette, of Steuben, and of all the soldiers and officers. It is an American policy; it is a sound policy; and it is a policy to which we have pledged ourselves individually and collectively.

We adjusted the payments of the war contractors, the railroads, and the munition makers and in one day passed the Dent bill appropriating $4,000,000,000 for the adjustment of business claims. I do not propose to discriminate in favor of everyone as against the soldiers, nor do I propose on this question to march up the hill and then down again. When will we meet the issue unless we meet it now? The whole trouble is that we did not meet it when we should have, five years ago, and given $300 to every soldier that was honorably discharged. We are now simply doing what we should have done five years ago by giving them partial adjusted compensation as the grateful act of a grateful Republic and the consummation of a debt of honor. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Speaker, when the Congress immediately after the war voted a bonus of $240 to every employee of the Government who remained at home and was never exposed to any danger or suffered any discomfort, it was all right; * * * when we treated the railroads liberally and poured millions into their coffers, that was all right; when we guaranteed the earnings of the railroads, that was all right. It is only wrong when we propose in a small way to recognize the services of the men who saved the civilization of the world. [Applause.]

Five years ago, standing at this desk, I urged my colleagues on this floor to treat the ex-service men exactly as they had treated the army of officeholders at home, to wit, to give each sailor and soldier $240; and if that had been done, I think the adjustment would have been reasonably satisfactory. But it was not done. When the great naval and military figures of the world are given money enough to make them comfortable for life, it is all right; the large donations are a proper recognition of successful, patriotic service; but when the buck privates and the sergeants and lieutenants, who led them from the front trenches forward in no man's land in the face of deadly fire of the enemy—when we propose to give these men a little pittance, it is capitalizing patriotism. [Applause.]

I respect the President of the United States, Mr. Speaker, and I am sincere when I say it was with profound regret that I heard his message read. I shall, of course, vote to pass this bill over his veto, and I want to say here once again in the moment I have that this agitation for adjusted compensation can not be properly charged to the ex-service men. It was started on this floor and in the other Chamber. In some small degree I am myself responsible, and to my dying day I shall feel proud of the part I have taken.

I regret that I can not vote for a better bill than this. It would only be partial justice if we treated every ex-service man as we have treated the war workers for a single year. But, Mr. Speaker, for my own self-respect, feeling that my position is absolutely just, I must hurl back to the President the insinuation that there is any effort to capitalize patriotism when we proceed to pass this eminently just but unsatisfactory bill. In face of all the benefits which the Government has bestowed upon others who, exposed to no danger, aided in winning the World War, I am utterly amazed that anyone should suggest sordid capitalizing of patriotism when we pass such a bill as this.

It is said that the wealth of this Nation increased from the time we entered the World War until now from $50,000,000,000 to $160,000,000,000. Nobody knows accurately, of course, but we do know that during and after the war millionaires sprung up all over this Nation, like the teeth of Cadmus, overnight; and now, because we propose to pass this eminently just measure which takes but a little pittance of the wealth that has been poured into this country from every quarter of the globe, because we would do that the charge must be hurled in the face of Congress and the ex-service men that it is an effort to capitalize patriotism. God have mercy upon the man who honestly feels that is so; for that man is groping in the dark. [Applause.] Surely he must have forgotten five years of recent history. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. MADDEN. Mr. Speaker, I make the same request.

Mr. JOHNSON of South Dakota. Mr. Speaker, I make the same request.

Mr. FISH. Mr. Speaker, I make the same request.

Mr. KINDRED. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from New York has no remarks to revise and extend.

Mr. KENDRED. But I wish to formulate some.

The SPEAKER. Is there objection to these requests? [After a pause.] The Chair hears none.

Mr. RANKIN. Mr. Speaker, if the President of the United States had contented himself merely with vetoing the adjusted compensation bill, I should have had no quarrel with him. I voted for the adjusted compensation bill because I believe the soldier boys are entitled to it, and I expect to vote to pass it over his veto; but I have no quarrel with the President because of his views on economic questions. I have no right to quarrel with any man because we happen to differ on political or economic issues.

But, Mr. Speaker, I must resent, as I feel every other American citizen should resent, that bitter veto message in which he went out of his way, as I said a few days ago, to gratuitously insult those ex-service men who are asking for adjusted compensation.

This message is no ordinary document. If it were an editorial in a local paper, or if it were an article in some transitory publication, I would not even take the time to refer to it here; but this message will not only go down in the crystallized archives of this Republic for future generations to read how the President of the United States, in a solemn document, reflected upon the ex-service men and referred to them as capitalizing their patriotism, but it will go on down to future generations to be read perhaps "in states unborn and in accents yet unknown" as a manifestation of the President's gratitude, or ingratitude, for the services rendered and the

sacrifices made by our soldiers in the World War. [Applause.] The gentleman from South Dakota [Mr. JOHNSON] has said that other Presidents have vetoed adjusted compensation measures, but no other President has ever referred to these men in the terms employed by the present Chief Executive in this harsh and unusual document.

Listen to what he says:

> We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism.

What does he mean by that expression? There can be but one answer, and that is that those who favor this measure have abandoned their patriotism. Ah, what a pitiless rebuff to those legions of ex-service men who went through the grime and dirt and fire and danger and misery of the World War for the pitiful compensation of $30 a month—"deducting twenty-nine" for insurance, allotments, and other necessities—and who are now asking for this adjusted compensation!

Cold, indeed, must those words fall upon the aching hearts of the saddened mothers, whose heroes died in Flanders Field, when they come to receive this small pittance, which is offered them in this bill, to adjust the compensation of their boys who gave their lives in the Nation's cause! [Applause.]

The President says:

> This bill would condemn those who are weak to turn over a part of their earnings to those who are strong.

What a horrible spectacle it would be to see these strong ex-service men holding up and robbing those weak and friendless profiteers who made their fortunes out of the war—those cold-blooded grasping individuals who coined their millions out of the blood and tears of the suffering men, women, and children of the world during that great conflict, and who are now abusing the ex-service men for asking for this slight recognition; those consciousless ingrates who have either placed their ill-gotten gains beyond the pale of taxation, or who are demanding that this measure be defeated in order that they may realize a greater tax reduction on their own swollen fortunes!

In concluding his unfortunate message, the President says, in referring to this measure, that "there is no moral justification for it." In other words, that those men and women who are asking for this adjusted compensation, in addition to abandoning their patriotism, are guilty of espousing an immoral cause. Thank God, that is not the view of the American people, or that of the American Congress! In asking for the passage of this legislation the ex-service men of the country feel that they are merely demanding what is justly due them; and in responding to their requests and in supporting this measure, we are not encouraging them to "abandon their patriotism" or abetting them in the commission of an immoral act. We are simply endeavoring to render justice to those brave men who support the Nation in times of peace, and who fought its battles in times of war. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Speaker, I had not planned on saying anything to-day and would not have uttered a word upon the floor here had it not been for the statements that have just been made by the gentleman from Mississippi [Mr. RANKIN].

Neither during the Sixty-sixth Congress, the Sixty-seventh Congress, nor this Congress have I been in accord with the majority of my colleagues on the question of the bonus or adjusted compensation. However, in these various discussions, whether upon the floor or upon the stump, I have respected the views of those who differed with me and who now differ with me. They have accorded me the same privilege. I also think that they should respect the President of the United States in the expression of his views. [Applause.]

I do not care whether I look to the right or to the left, to men who agree with me or to men who disagree with me, there is not a man here who does not in his heart acknowledge and admire the courage of the President of the United States. [Applause.]

Mr. Speaker, it ill behooves the members of the minority to criticize the President for his veto. He is the Chief Executive of our Nation and as such responsible to all of the people. In his first message to Congress he voiced the sentiments of the Nation in calling upon Congress for tax reduction. We went to work upon his recommendations. You, my Democratic friends, did your utmost to obstruct and prevent the adoption of this program by unsound proposals. You succeeded in part by making changes which would result in the creating of a deficit. The bill then went over to the other end of the Capitol, where members of the minority party so mutilated it as to create an annual deficit of over $250,000,000. The passage of this bill would increase this deficit over $100,000,000. Yet you who are responsible for creating this situation criticize him for doing the only thing he could do.

But, Mr. Speaker, they have not stopped at this. The effort has been made here to misrepresent the attitude of the President by adroitly extracting sentences and phrases out of their context and to make them mean what they do not mean. Some of them have been quoted here and I say have been given a meaning that was never intended. The President said:

> The first duty of every citizen is to the Nation.

Who will deny that?

> The veterans of the World War performed this first duty.

Did they not do so?

He then went on to say:

> To confer upon them a cash consideration or its equivalent for performing this first duty, is unjustified. It is not justified when considered in the interests of the whole people; it is not justified when considered alone on its merits. The gratitude of the Nation to these veterans can not be expressed in dollars and cents.

[Applause.]

This is the President of the United States speaking. Is there anyone here who will deny the truth of that statement?

I quote further:

> No way exists by which we can either equalize the burdens or give adequate financial reward to those who served the Nation in both civil and military capacities in time of war. The respect and honor of their country will rightfully be theirs for evermore.

That is the tribute of the President to the ex-service men, whom the gentleman from Mississippi said——

Mr. WATKINS. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield. I quote further:

> But patriotism can neither be bought nor sold. It is not hire and salary. It is not material but spiritual. It is one of the finest and highest of human virtues.

Does the gentleman from Mississippi disagree with those sentiments? [Applause.] No; we know the gentleman from Mississippi too well. He agrees with every sentiment there as announced by the President of the United States.

Mr. RANKIN. I deny that. I do not agree with the message of the President.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. LONGWORTH. I yield the gentleman two minutes more.

Mr. RANKIN. Will the gentleman yield?

Mr. NEWTON of Minnesota. I can not be interrupted. Let me say this, that it was the politician, not the service man, who initiated this movement. It has seemed to me as the discussion for the bonus has gone on through the several years that the effect has been to take the emphasis from duty and obligation to country and to place it upon other grounds. Its effect upon many has been to create a false conception of citizenship. Its effect has been to build up the idea that it is the business of the Government to support the people rather than that of the people to support the Government. It would be a great misfortune if any such idea should become prevalent. It would mean the death knell of our institutions. I grant you this has not been intended. It is, however, the natural result of some of the arguments that have been made in its behalf. I imagine that the President had something of this in mind when he uttered these sentiments.

Mr. Speaker, let me say that President Coolidge in his message uttered the same sentiments that were uttered by President Harding in his veto message on the bonus some two years ago. It is different only in words. I quote from President Harding's message:

> It is sometimes thoughtlessly urged that it is a simple thing for the rich Republic to add four billions to its indebtedness. This impression comes from the readiness of the public response to the Government's appeal for funds amid the stress of war. It is to be remembered that in the war everybody was ready to give his all. Let us not recall the comparatively few exceptions. Citizens of every degree of competence loaned and sacrificed precisely in the same spirit that our armed forces went out for service. The war spirit impelled. To a war necessity there was but one answer; but a peace bestowal on the ex-service men, as though the supreme offering could be paid for with cash, is a perversion of public funds, a reversal of the policy which ex-

alted patriotic service in the past, and suggests that future defense is to be inspired by compensation rather than consciousness of duty to flag and country.

So spoke President Harding. So far as I can recall there was no criticism of him or his language by anyone, on the floor of this House. In substance it is no different than the message of President Coolidge. But then we were not on the eve of a presidential election.

Mr. RANKIN. Will the gentleman yield?

Mr. NEWTON of Minnesota. No; I can not yield. Let us determine this question without rancor, without partisanship, without misrepresentation of what the President has said, strictly in accordance with the way we individually believe in reference to this question. [Applause.]

Mr. LONGWORTH. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 23 minutes.

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Speaker, when the preparation of this bill was referred to the Ways and Means Committee it was the duty of that committee to take into consideration not only what we owed to the soldier but what we owed to the rest of the country. The Ways and Means Committee did so. It made up a bill consistent with the financial program. I can not, of course, give all the details now and all the calculations and estimates which were necessary to bear in mind with reference to what the country could raise in the way of taxes and what the bill would cost, but we fully considered them at that time. As a result we reported a bill with which I had considerable to do, which was, as everybody ought to agree, an extremely moderate measure, if any action whatever was taken. It was one which I thought at the time was, as far as financial matters were concerned, so reasonable that nobody could take exception to it.

Mr. Speaker, nations like Canada and Australia several years ago paid their soldiers in cash more than we propose to pay by this bill. Even when we make every allowance for the greater number of soldiers in this country, we are so much superior in natural resources and wealth that there can be no comparison; and yet they say we can not afford to pay the sum carried by this bill. Mr. Speaker, I say that it is idle to make such a contention. The amount we save every year is estimated by good authorities at $8,000,000,000. Only a little over one-quarter of this amount is to be paid under this bill, and that we propose to distribute over 20 years. Do you tell me that the country can not afford to make that payment? How little sacrifice that is. It seems to me unworthy to say that so great, so rich, so powerful, so prosperous a Nation is unable to pay this sum, and I think it ought to be done without question. [Applause.]

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. FISH. I ask unanimous consent that the gentleman be given half a minute more.

Mr. LONGWORTH. I yield half a minute to the gentleman.

Mr. FISH. I would like to ask the chairman of the Ways and Means Committee if it is not a fact that the primary cost of the Fordney-McCumber bill is about $4,000,000,000 and the primary cost of this is about $2,000,000,000?

Mr. GREEN of Iowa. That is correct, only this bill will cost a little over $2,000,000,000, and that is distributed over 20 years. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. BRAND].

Mr. BRAND of Ohio. Mr. Speaker and Members of the House, I want to say to the gentleman from Mississippi that the President of the United States has not insulted his own conscience. He has not been willing to open the doors of the Treasury to anybody, to any voter, in order to please that voter, when he did not believe in the principle involved. The President is right and has refrained from fully stating the case. The issue is greater than the bonus problem, and the time has come to meet it. In the discussion of the old bonus measure, vetoed by President Harding, in the last Congress I said publicly, "More people are suffering from the burdens of present taxation than there are those suffering from the lack of the bonus," but the terms of the bonus were so changed that tax reduction and the bonus were both practical and possible had a program of economy been otherwise followed and, right or wrong, I voted for it.

However, I did not then realize the temper of Congress which has since been revealed to me. Extravagance runs wild. Since the bonus was passed Congress has passed or will pass new expenditure after new expenditure until the surplus in the Treasury is consumed and tax reduction is a myth.

I have talked with the ranking members of the Appropriations Committee and the chairman of the Finance Committee of the Senate, and I am convinced that we are planning to spend, in addition to the grand total of three billion plus anticipated by the Budget, the following:

Bonus annually	$114,000,000
Post-office employees	80,000,000
Reclassification Government employees	15,000,000
Roads	10,000,000
Veterans' Bureau	32,000,000
Rivers and harbors	31,000,000
Deficiency bills	10,000,000
Hospitalization of World War veterans	6,500,000
Hospitalization of Civil War veterans	1,500,000
Cape Cod Canal	11,500,000
District of Columbia extra expenditure	4,000,000
Reforestation	2,000,000
Miscellaneous items	10,000,000
Total new expenditures	327,500,000

In addition, we have a right to face the following items which are understood now to be sure of favorable consideration in the near future:

Naval program	$110,000,000
Public-building program	300,000,000
Total	410,000,000
The tax reduction bill exceeds the surplus in the Treasury by	166,000,000
New expenditures	327,500,000
Grand total deficiency	903,500,000

The bonus is but a part of the problem. All the above either have passed or will pass Congress with a whoop. No one save the President can subtract from these new expenditures. Shall his veto fail?

The picture in my mind has changed radically since I voted for the bonus early in the session. I did not then realize the temper of Congress.

There is not much between us and the confiscation of property and men's earnings for taxation purposes when you include the inclination in the States, except the President's veto. Shall it fail? If so, we must face increased taxation.

Every hand held out, especially if it has the power to strike, bids fair to be filled. To please, to grant a demand, or satisfy a plea, to protect one's own interest by opening the doors of the Treasury—this is the evil and the wickedness directly facing us.

We must sacrifice ourselves and accept the opposition that develops.

The bonus is but a part of the problem.

I yield my wish to recognize the patriotism and services of the World War Veterans, and join the President completely in the bigger issue, of saving the public from tax destruction.

I will vote to sustain his veto. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, I shall not ask to extend my remarks in the RECORD. I am hurt; I am offended; I am saddened. I simply want to protest in the name of my comrades in the service of their country during the World War against the unwarranted insult contained in the message of the President of the United States. In that message, Mr. Speaker, the President has placed a question mark on the honorable discharge granted to 4,000,000 gallant American soldiers. [Applause.]

In the crucial moment of the war when the last offensive was started, the commander in chief of the allied forces sent a message to the commander of the First Division to retire, to withdraw his troops for strategic reasons, but the gallant American general replied that he could not retire, that he could not retreat, because he would not be able to explain a retreat to his soldiers. My colleagues, if you retreat now, you will never be able to explain it to the American people. [Applause.]

I might state, Mr. Speaker, that some of the reasoning contained in the message was based on a false premise. I read from it the following statement:

> This bill would condemn those who are weak to turn over a part of their earnings to those who are strong.

Perhaps the President had in mind the Mellon tax bill; but that also has been changed by this Congress. In conclusion I will say that if there is anything spiritual in this whole problem it is not the opposition to this measure. No; the opposition is not spiritual; it is sordidly material. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from Vermont [Mr. GIBSON].

Mr. GIBSON. Mr. Speaker, yesterday the gentleman from Massachusetts [Mr. CONNERY], and to-day the gentleman from Mississippi [Mr. RANKIN] and the gentleman from New York [Mr. LAGUARDIA], have suggested that the message of the President is an insult to the soldiers who served in the Great War. I know that the gentleman from Massachusetts served in one of the best divisions that ever wore the khaki. I think he feels that he states the views of the soldiers. I, too, served in the war for two years, recruited 1,200 men, many of whom sleep under the poppies of France. I refer to this not in the way of a boast of service, but to show that I, too, may speak for the service men. I read that message, and after the remarks of the gentleman from Massachusetts I studied it, and I confess that I could not find a word that indicated any insult, open or implied, to the men who served under the Stars and Stripes. [Applause.] I may be rather old-fashioned, but it strikes me that the heart of every citizen ought to be filled with pride that we have a Chief Executive who stands courageously for what he believes to be right.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. GIBSON. No; I have not the time. The message is a fearless statement of an honest Executive trying to do his duty without regard to the soldier vote or the vote of any other group, and I say that, notwithstanding the fact that I shall vote to pass the bill over the President's veto.

What is there about that message, pray you, that indicates an insult? The gentleman from Minnesota [Mr. NEWTON] has called attention to some of it. Is it where the President says that patriotism is not to be bought or sold? Oh, my comrades, I ask you if you would part with the experience that you went through and the sacrifice that you made for dollars and cents? No; your service is something higher, something more spiritual than all that. The gentleman from Minnesota has referred to this matter as not being a partisan question. It is not, and you can not make it so, because Calvin Coolidge has so won the confidence and the respect of the American people that he is going to be triumphantly elected in November. [Applause.]

[By unanimous consent Mr. GIBSON was granted leave to extend his remarks in the RECORD.]

Mr. LONGWORTH. Mr. Speaker, I yield half a minute to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, the President said that "we must either abandon our theory of patriotism or abandon this bill," and that "patriotism which is bought and paid for is not patriotism." I am one of the few Members of this House who voted with the President on his Japanese immigration policy, but I can not follow this veto. I shall vote to pay adjusted compensation to the men of the last war.

I saw Maryland men of the One hundred and fifteenth Infantry working as carpenters at Camp McClellan in Alabama in 1917 at soldiers' pay, while across the road men not in the service got $10 a day for doing exactly the same sort of work.

I saw American soldiers in France in 1918 breaking stone on the roads at soldiers' pay, while at home in the United States others lived softly and worked in munitions factories at $10 a day or in Government departments in Washington with a bonus of $240 a year.

You can not buy patriotism! But this adjusted compensation bill dares not and does not attempt to buy patriotism. It is a just attempt to settle an economic debt, a debt far below and far removed from the battle risk that all war service either actually or potentially involved.

I am for this bill. I shall vote to pass it over the President's veto. I know it will pass, because it is just. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield three minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Speaker, if the President of the United States had been content with vetoing this bill and not casting an aspersion on the 4,500,000 men who lately composed the American Army, I would not have risen to-day, but when the President of the United States goes out of his way to say that the men who were in the service are now attempting to sell their patriotism, I for one, and on behalf of these men, must deny it and condemn the statement. [Applause.]

Mr. Speaker, in the 10 divisions that our Artillery supported there were men from Massachusetts, the President's own State, and men to whom he later, as Governor of Massachusetts, granted a bonus. Did they sell their patriotism when they received that bonus, or when they asked for it? Surely not. I say to the gentleman from Illinois [Mr. MADDEN] that my artillery supported a division from his State, and there were in that division men whom I know intimately, men who are asking that this adjusted compensation bill be passed, and not one of those men would be guilty of selling his patriotism. But this is not all.

The President, in the last paragraph of his veto message, says:

> America entered the World War with a higher purpose than to secure material gain. Not greed but duty was the impelling motive. Our veterans as a whole responded to that motive.

Does the President mean that because these organizations and these men are asking for adjusted compensation that they are actuated by the spirit of greed, and that they were part of that minority who did not respond to the highest motive? This is the construction that I place upon his remarks.

I wish to say this, Mr. Speaker, that no matter whether adjusted compensation is ever granted to the ex-service men, or not; no matter how long they may live, they will be as patriotic and as loyal to America as they have been in the past, and if the occasion should ever arise again, while they have the strength that God Almighty gives them, they will go into battle for their country with the same spirit they displayed in the World War. [Applause.]

Every Member here has received letters from the organization called the Ex-Service Men's Anti-Bonus League. Every Member here has received letters and propaganda from the United States Chamber of Commerce. Both of these organizations have repeatedly stated that they were willing to "do and to give everything for the disabled, but nothing for the able." Yet, during the six weeks the Committee on Veterans' Legislation had hearings on relief for the disabled veteran, no representative from either organization came before the committee. No single member of either organization wrote even a letter to the committee asking for any legislation for the disabled. At the same time we were having hearings for the disabled, representatives of these organizations were appearing before the Ways and Means Committee protesting against adjusted compensation.

I voted for adjusted compensation before, and I shall vote to override the President's veto. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LONGWORTH. Mr. Speaker, before moving the previous question, I have just this to say: Some three and a half years ago, seated on the same platform with the Republican candidate in my home city, on the Saturday before the presidential election, I heard him commit himself definitely to the policy of paying compensation to able-bodied ex-service men. Some few mouths after that my State, my congressional district, by substantial majorities confirmed that principle by granting a bonus to its citizen soldiers. At that time I felt myself bound by what I regarded as not only a party mandate but a popular mandate, and so I actively participated in the drafting of a bill to provide compensation for the World War veterans.

I voted for that bill. During this session of Congress necessarily, being no longer a member of the Ways and Means Committee, I did not participate in the drafting of the bill presented by it, but I voted for it. If I change my position now I am perfectly well aware that my friend from Tennessee may have ground to criticize me for lack of consistency and to condole with me as well as with the gentleman from Illinois, for which condolence I am very grateful. However, Mr. Speaker, after a most careful consideration of circumstances and conditions to-day as I see them, I can not bring myself to vote to override the veto of the President. I shall vote to sustain the President. [Applause.] I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House on reconsideration pass the bill, the objections of the President to the contrary notwithstanding? A yea-and-nay vote is provided by the Constitution.

The question was taken; and there were—yeas 313, nays 78, answered "present" 3, not voting 39, as follows:

YEAS—313

Abernethy	Bell	Bulwinkle	Cleary
Allen	Berger	Burtness	Cole, Iowa
Allgood	Black, N. Y.	Busby	Collins
Almon	Black, Tex.	Byrnes, S. C.	Colton
Andrew	Blanton	Cable	Connally, Tex.
Anthony	Bloom	Campbell	Connery
Arnold	Bowling	Canfield	Connolly, Pa.
Aswell	Boylan	Cannon	Cook
Ayres	Brand, Ga.	Carew	Cooper, Ohio
Bacharach	Briggs	Carter	Cooper, Wis.
Barbour	Browne, Wis.	Casey	Cramton
Barkley	Browning	Celler	Crisp
Beck	Bruckner	Christopherson	Croll
Beedy	Buchanan	Clague	Crosser
Begg	Buckley	Clancy	Crowther

Cullen	James	Minahan	Simmons
Cummings	Jeffers	Mooney	Sinclair
Davey	Johnson, Ky.	Moore, Ga.	Sinnott
Davis, Minn.	Johnson, S. Dak.	Moore, Ohio	Sites
Denison	Johnson, Tex.	Morehead	Smith
Dickinson, Iowa	Johnson, Wash.	Morgan	Smithwick
Dickinson, Mo.	Johnson, W. Va.	Morin	Speaks
Dickstein	Jones	Morrow	Sproul, Kans.
Doughton	Kearns	Mudd	Steagall
Dowell	Keller	Murphy	Stedman
Driver	Kelly	Nelson, Wis.	Stephens
Eagan	Kendall	Nolan	Stevenson
Elliott	Kent	O'Connell, N. Y.	Strong, Kans.
Evans, Iowa	Kerr	O'Connell, R. I.	Strong, Pa.
Evans, Mont.	Ketcham	O'Connor, La.	Sullivan
Fairchild	Kincheloe	O'Connor, N. Y.	Summers, Wash.
Fairfield	Kindred	O'Sullivan	Sumners, Tex.
Faust	King	Oldfield	Swank
Favrot	Knutson	Oliver, Ala.	Swing
Fish	Kopp	Oliver, N. Y.	Swoope
Fisher	Kunz	Parks, Ark.	Tague
Fitzgerald	Kurtz	Patterson	Taylor, Colo.
Foster	LaGuardia	Peery	Taylor, Tenn.
Frear	Lampert	Perlman	Taylor, W. Va.
Free	Lankford	Porter	Thatcher
French	Larsen, Ga.	Pou	Thomas, Ky.
Frothingham	Larson, Minn.	Prall	Thomas, Okla.
Fulbright	Lazaro	Purnell	Thompson
Fuller	Lea, Calif.	Quayle	Tillman
Fulmer	Leatherwood	Quin	Timberlake
Funk	Lee, Ga.	Ragon	Tincher
Garber	Lindsay	Rainey	Tydings
Gardner, Ind.	Lineberger	Raker	Underwood
Garner, Tex.	Linthicum	Ramseyer	Upshaw
Gasque	Little	Rankin	Vaile
Geran	Logan	Ransley	Vare
Gibson	Lowrey	Rathbone	Vestal
Glatfelter	Lozier	Rayburn	Vincent, Mich.
Goldsborough	Lyon	Reece	Vinson, Ga.
Green, Iowa	McClintic	Reed, Ark.	Vinson, Ky.
Greene, Mass.	McDuffie	Reed, N. Y.	Voigt
Greenwood	McKenzie	Reid, Ill.	Watkins
Griest	McKeown	Richards	Weaver
Griffin	McLaughlin, Mich.	Roach	Wefald
Hadley	McLaughlin, Nebr.	Robinson, Iowa	Weller
Hammer	McLeod	Robsion, Ky.	White, Kans.
Hardy	McNulty	Rogers, Mass.	Williams, Ill.
Harrison	McReynolds	Romjue	Williamson
Hastings	McSwain	Ronse	Wilson, Ind.
Haugen	McSweeney	Ruby	Wilson, La.
Hawley	MacGregor	Sabath	Wilson, Miss.
Hayden	MacLafferty	Salmon	Wingo
Hersey	Major, Ill.	Sanders, Ind.	Wolff
Hickey	Major, Mo.	Sanders, N. Y.	Wood
Hill, Ala.	Manlove	Sanders, Tex.	Woodruff
Hill, Md.	Mansfield	Sandlin	Wright
Hill, Wash.	Mapes	Schafer	Wurzbach
Hoch	Martin	Schall	Wyant
Holaday	Mead	Schneider	Yates
Howard, Nebr.	Michaelson	Sears, Fla.	Young
Hudspeth	Michener	Sears, Nebr.	Zihlman
Hull, Iowa	Miller, Ill.	Shallenberger	
Hull, William E.	Miller, Wash.	Sherwood	
Jacobstein	Milligan	Shreve	

NAYS—78

Ackerman	Dempsey	Longworth	Sproul, Ill.
Aldrich	Dominick	Madden	Stalker
Bacon	Drewry	Magee, N. Y.	Sweet
Beers	Edmonds	Magee, Pa.	Taber
Bixler	Fenn	Merritt	Temple
Bland	Fleetwood	Mills	Tilson
Box	Fredericks	Moore, Ill.	Tinkham
Boyce	Freeman	Moore, Va.	Treadway
Brand, Ohio	Garrett, Tenn.	Moores, Ind.	Tucker
Britten	Garrett, Tex.	Nelson, Me.	Underhill
Browne, N. J.	Graham, Ill.	Newton, Minn.	Wainwright
Burton	Graham, Pa.	Newton, Mo.	Watres
Butler	Hawes	Paige	Watson
Chindblom	Hooker	Parker	Welsh
Clarke, N. Y.	Hudson	Perkins	Wertz
Collier	Hull, Morton D.	Phillips	Williams, Mich.
Corning	Humphreys	Scott	Winslow
Darrow	Jost	Seger	Woodrum
Davis, Tenn.	Lanham	Snell	
Deal	Lehlbach	Spearing	

ANSWERED "PRESENT"—3

Byrns, Tenn.	Gifford	Montague

NOT VOTING—39

Anderson	Dyer	Leavitt	Rosenbloom
Bankhead	Gallivan	Lilly	Snyder
Boies	Gilbert	Lace	Stengle
Burdick	Howard, Okla.	McFadden	Ward, N. Y.
Clark, Fla.	Huddleston	Morris	Ward, N. C.
Cole, Ohio	Hull, Tenn.	O'Brien	Wason
Curry	Kahn	Park, Ga.	White, Me.
Dallinger	Kiess	Peavey	Williams, Tex.
Doyle	Kvale	Reed, W. Va.	Winter
Drane	Langley	Rogers, N. H.	

So, two-thirds having voted in favor thereof, the bill was passed.

The Clerk announced the following pairs:

Soldiers' bonus:

Mr. Boies and Mr. O'Brien (for) with Mr. Montague (against).
Mr. Burdick and Mr. Howard of Oklahoma (for) with Mr. Snyder (against).
Mr. Leavitt and Mr. Peavey (for) with Mr. Lace (against).
Mr. Dallinger and Mr. Dyer (for) with Mr. Gifford (against).
Mr. Hull of Tennessee and Mr. Stengle (for) with Mr. Byrns of Tennessee (against).
Mr. Morris and Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Curry and Mr. Winter (for) with Mr. McFadden (against).
Mr. Kvale and Mr. Doyle (for) with Mr. Ward of New York (against).
Mr. Bankhead and Mr. Drane (for) with Mr. Williams of Texas (against).

General pairs:

Mr. Kahn with Mr. Clark of Florida.
Mr. Anderson with Mr. Huddleston.
Mr. Reed of West Virgina with Mr. Lilly.
Mr. Kiess with Mr. Gallivan.
Mr. Cole of Ohio with Mr. Park of Georgia.
Mr. Rosenbloom with Mr. Ward of North Carolina.
Mr. White of Maine with Mr. Gilbert.

Mr. BYRNS of Tennessee. Mr. Speaker, I voted "no." I am paired with the gentleman from Tennessee, Mr. HULL, and the gentleman from New York, Mr. STENGLE, who are unavoidably absent, and who would have voted "aye" if they had been present. I therefore wish to withdraw my vote of "no" and ask to be recorded as "present."

Mr. MONTAGUE. Mr. Speaker, I voted "no." I am paired with the gentleman from Iowa, Mr. BOIES, and with the gentleman from New Jersey, Mr. O'BRIEN. I desire to recall my vote. If those gentlemen were present, they would vote "aye" and I would vote "no."

Mr. GIFFORD. Mr. Speaker, I voted "no." I am paired with the gentleman from Massachusetts, Mr. DALLINGER, and with the gentleman from Missouri, Mr. DYER. If they were present, they would have voted "aye" and I would have voted "no."

Mr. WEFALD. Mr. Speaker, my colleague, Mr. KVALE, is unavoidably absent. If he were here, he would vote "aye."

The result of the vote was announced as above recorded.

AGRICULTURAL CONDITIONS

Mr. GARBER. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of agricultural relief.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. GARBER. Mr. Speaker and gentlemen of the House, chiseled in granite over the portals of the Union Station in our Nation's Capital, so that all who enter may read, is the fitting inscription:

The farm—The best home of the family—Source of national wealth—Foundation of civilized society—The natural providence.

Such has been and such always should be the recognized important relationship of agriculture to the wealth and general prosperity of the country, and the farm as the abode of the unit of society essential to self-government. The family on the farm is the Government's most valuable and substantial asset. From such source the Nation gets its political oxygen purifying its blood; its courage and confidence to maintain its independence; its leaders and statesmen to solve the perplexing problems of to-morrow.

In his address of February 12, 1924, before the National Republican Club in New York City, President Coolidge well said:

The farm has a social value which can not be overestimated. It is the natural home of liberty and the support of courage and character. In all the Nation it is the chief abiding place of the spirit of independence. I do not need to dwell upon the moral requirement for the equitable distribution of prosperity and the relief of distress by the application of every possible and sound remedy. This problem is not merely the problem of the agricultural sections of our country. It is the problem likewise of industry, of transportation, of commerce, and of banking. I bring it to you, because I know that in part it is your problem.

THE MOST IMPORTANT PROBLEM BEFORE THE NATION TO-DAY

What is the problem to which the President referred? It is the problem of the rehabilitation of agriculture, its restoration to that plane of equality and prosperity enjoyed by the industries of commerce and labor. It is the most important problem before this Nation to-day. With the exception of providing the essential revenues to keep the Government itself in operation, it is of far higher importance and outweighs the necessity of all other proposed legislation. Of more importance than transportation, of greater necessity than manufacturing, of higher consequence than mining, is agriculture, with the family on the farm. Tax reduction is important. Restricted immigration is necessary. The child labor amendment is essential. Likewise the tax exempt security amendment. But they are as nothing compared to the importance and necessity of relieving our basic industry from its present deplorable condition and restoring prosperity to the farm.

AGRICULTURE IS OUR GREATEST NATIONAL ASSET

Agriculture is not only the basic industry but the largest industry as well. It is a $75,000,000,000 concern, in which are directly interested not less than 30,000,000 people living and working on the farms. They constitute 40 per cent of the home market, which in turn consumes 90 per cent of our home products. At one time agriculture furnished 50 per cent of the Nation's bank deposits. With the exception of the railroads, it is the largest consumer of steel and iron products. It consumes 50 per cent of the timber products. It is the largest purchaser of leather and textile goods and motor vehicles. It is the greatest single asset of the Nation, and when prosperous furnishes steady employment to more people than any other industry. Whatever contributes to its prosperity and well-being unquestionably benefits all other lines of industry. When the farmers are prosperous the merchant, the banker, the laborer, the mechanic, the professional man, and all lines of legitimate business are prosperous. Legislation, therefore, in the interest of agriculture is not class legislation, but basic and general. It is in the interest of all.

OPPOSITION TO LEGISLATIVE RELIEF

But when we ask for legislative relief we are confronted with the answer that the low prices for farm products are caused by overproduction and the demoralized condition of the world markets; that the problem is not legislative but economic; that farming should be conducted on a business basis; that the farmers should organize, curtail production, diversify, and market in an orderly manner; that as existing conditions gradually change the price levels will adjust themselves to their economic relations; that we are opposed to price fixing, inflation, legislative interference with economic law; and that you can not legislate prosperity—you must dig it out of its natural sources.

In the school of economics under ordinary conditions such objections might be sufficient, but in the forum of equity they are not sufficient; they are not brought in "with clean hands."

SURPLUS PRODUCTION NECESSARY FOR PROTECTION OF CONSUMING PUBLIC

Because of the uncertainties of yield, effects of the elements, or pestilences, which may so easily produce crop shortage and food famines, and because it is impracticable to regulate production, as in the industries, a surplus is a necessary element of the agricultural system and an economic necessity for the protection of the consuming public. Any loss by reason of having to sell such surplus for a lower price in the world markets is a proper economic charge against the consumer of the home product because it is produced for his protection. Beyond that necessary protective degree of production only can surplus be charged as an unnecessary burden of agriculture.

Such overproduction is but the continuing result of the Government's demands for increased production during the war. It is impossible for unorganized agriculture to curtail production like organized industry. It requires time and money to change wheat land into alfalfa, dairy, hogs, or beef. And even though these changes could have been effected it would only have added to the heavy losses already sustained by the producers, as even the prices for these products have been below the cost of production.

THE GOVERNMENT'S WAR DEMANDS INCREASED PRODUCTION ABOVE CONSUMPTION

In 1916 we produced only 636,518,000 bushels of wheat, and in 1917 636,655,000 bushels. July 1, 1917, we had only 62,000,000 bushels of wheat on hand, an amount sufficient to run our mills for only one month. Our consumption of wheat per capita at that time was 5.3 bushels, or an aggregate consumption of 556,000,000 bushels for food and 80,000,000 bushels for seed—making a total consumption of 645,000,000 bushels for home use. In answer to the insistent appeals of the Government the wheat acreage was increased from 47,000,000 before the war to 75,000,000 acres in 1919. The yield was increased from 636,655,000 bushels in 1917 to 967,979,000 bushels in 1919.

GOOD PRICES FOR FARM PRODUCTS

In May, 1917, wheat was selling on the Chicago market for $3.45. The average wholesale price of spring-wheat flour at Minneapolis during the same month was $14.88 per barrel, and at one time went as high as $16.75. No overproduction then! No lack of diversification! For the first time in many years farm prices were sufficiently high to warrant the hope of accumulation and independence ordinarily entertained by those engaged in business, manufacturing, or professional lines. At last we can make money on the farm, pay off our indebtedness, reestablish our financial independence, was the joyful anticipation of the farmers as they viewed the substantial prospect of good prices.

CONSUMERS DEMAND GOVERNMENT PROTECTION AGAINST PRICES OF FARM PRODUCTS

Was such prospect permitted to materialize? No! It was not. The consuming public would not stand for it. Whoever heard tell of a farmer becoming wealthy and independent on the profits of his farm products? He is not entitled to do so.

Such was the opposing mental conception of the possibilities of agriculture. Gradually it had become so depressed by economic law and organized industry that it was no longer looked upon as being entitled to produce wealth for the producers like other lines of business. Those who engaged in farming must leave such hope behind.

When confronted with such prices for foodstuffs the consuming public squealed like a stuck hog. It exclaimed: "Just see what the prices of farm products are in comparison to ours; we can not pay even our living expenses; such outrageous prices are unconscionable; they should be prohibited by law; the farmers should be compelled to increase their production; prices are all out of proportion; there is but one of two things to do—you will have to lower the prices of farm products to our level or raise our prices up to theirs."

FARMERS PREVENTED FROM MAKING PROFITS BY GOVERNMENT'S INTERVENTION

In the midst of all this clamor the Government was faced with the necessity of feeding our Army and voluntarily assumed the task of feeding those of the Allies. On August 10, 1917, the food control act was approved for the purpose of "encouraging production, conserving the supply, and controlling the distribution of food products and fuel." It especially provided in section 14 that—

Whenever the President shall find that an emergency exists requiring stimulation of the production of wheat, and that it is essential that the producers of wheat produced within the United States shall have the benefits of the guaranty provided for in this section, he is authorized from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit.

On August 10, 1917, under the authority of the act, by Executive order the President created the Food Administration and appointed Herbert Hoover as United States Food Administrator. On August 14, 1917, by Executive order the President, under the authority of the act, also created the Grain Corporation and appointed Julius Barnes president of the corporation. On that date he also appointed a fair price committee, consisting of 11 men, representing all interests, to fix a price for the wheat crop of 1917. On August 30, 1917, the committee presented its report to the President, recommending that the price of No. 1 northern spring wheat or its equivalent at Chicago be $2.20 per bushel. This recommendation was adopted and the amount per bushel declared to be the minimum price by law; but the Grain Corporation and the Food Administration immediately made it the maximum price by their administration of the law. They gathered within their assumed jurisdiction all the leading grain buyers, elevators, millers, traders, jobbers, and bakers in the country.

The Grain Corporation entered into written contracts with grain dealers, elevators, and millers not to pay more than $2.20 per bushel for the wheat known as No. 1 northern at the primary markets. It prohibited the export of wheat and the storage of wheat for more than 30 days; also the storage of flour; prohibited all hoarding of either, so that it kept wheat and flour on the move. It closed down the exchanges, prohibited speculation, and successfully kept the price down to the minimum, notwithstanding the fact that the law simply authorized it to keep the price up to that amount.

When the fair price committee found that $2.20 was a fair price for a bushel of wheat delivered at the primary markets, August 30, 1917, wheat was then selling for $2.72 per bushel. On September 1, 1917, the day the President issued his proclamation fixing the maximum price of wheat at $2.20, the price fell 52 cents a bushel at all the primary markets. In describing the effect of its administration, the Grain Corporation claimed credit in the following language, which is quoted from its own report:

The high prices of flour and bread led to bread riots in New York and other eastern cities. The United States was a hot bed of malcontent strikes and labor disorders in the summer of 1917 growing out

of high prices and high living costs. If there had been no prospect of lower food prices, no curb upon speculation, the temper of the industrial population might easily have broken out in an upheaval which would have paralyzed the whole national effort in prosecuting the war. It was positively necessary that some relief be given to our people if the public morale was to be sustained and a united front presented to the enemy.

Had wheat been permitted to rise in price at an equal rate with all commodities during the three years of control, to wit, from August, 1917, to February, 1920, the prices would have undoubtedly fluctuated between $3 and $5 per bushel instead of being held down from $2.20 to $2.26. The index of all commodities rose from 100 in 1914 to 210 in 1919. It is reliably estimated that the fixed and maintained price of the Government was not less than $1 per bushel below what the farmers would have received without such interference, making the total aggregate loss to the farmers on their wheat for such period, $2,094,918,000, in which amount the consuming public and the Government received full benefit in the reduced prices.

LEGISLATIVE RELIEF WAS THE ONLY SOUND REMEDY THEN

Thus a limitation was placed on the price of the farmer's wheat. But no limitation was placed on the prices of the things he had to buy. This very objection was emphatically made at the time without avail. No squeamishness then about price fixing; no learned platitudes about the necessity of permitting the price values to adjust themselves without interference; no sage reminder that it was an economic, not a legislative problem; no familiar protesting resolutions from chambers of commerce. No, indeed! Schoolroom economics could go hang. It was clearly an emergency, demanding immediate emergency relief.

UNJUST DISCRIMINATION AGAINST AGRICULTURE

On the 1st of September, 1917, when the President issued his proclamation fixing the price of a bushel of wheat at $2.20 at the primary markets, the average compensation per hour for all labor including general and division officers upon all class A railroads in the United States was 32 cents per hour. On December 28, 1917, Mr. William G. McAdoo, Secretary of the Treasury, was appointed Director General of Railroads. He had hardly got his seat warm until he began to play politics, and on January 1, 1918, he issued what is known as General Order No. 27, which, together with other supplementary orders issued by him in 1918 and 1919, increased the average compensation of labor on the railroads in the United States in 1919 to 56.5 cents per hour, an increase of 76 per cent over the wages paid for labor on our railroads when the fair price committee found that $2.20 per bushel was a fair price for a bushel of wheat. Such total increase of wage was 104 per cent above the price paid for labor in 1916 before the passage of the Adamson law.

On July 20, 1920, the Railroad Labor Board issued its decision No. 2, effective retroactively as of May 1, 1920. It increased the average compensation of our railroads for all labor including general and division officers to 67.6 cents per hour, an increase of 121 per cent over 1917, when the President issued his proclamation fixing the price of a bushel of wheat at $2.20, and 146 per cent above the price paid for labor on our railroads on January 1, 1917, before the Adamson law became effective.

In 1921 the Labor Board made a small reduction in the price of labor upon our railroads. For that year the average compensation was 66.7 cents per hour. In 1922 the Labor Board made further reduction, and for that year the average compensation per hour was 61.3 cents. The price of labor on our railroads to-day is 127 per cent above the price paid for labor upon our railroads on January 1, 1917, before the Adamson law became effective.

Up to January 1, 1917, there had been no increase in the price of labor in our shipyards, but in that year the Government increased it 10 per cent. In 1918 the Government increased the price of labor in our shipyards 81 per cent, and in 1919 granted another increase until the total amount was 122 per cent above the pre-war price. In 1921 and 1922 there were some reductions in wages in our shipyards amounting to about 10 per cent, so that the price paid for labor in our shipyards to-day is 110 per cent above the price paid for labor before the war, and 100 per cent above the price paid for labor when the President fixed the price of the farmer's wheat at $2.20 per bushel.

On September 1, 1917, when the Government fixed the price of a bushel of wheat at $2.20 at the primary markets the price of farm labor was 25 per cent above the pre-war price; in 1918 it was 75 per cent above the pre-war price; in 1919 it was 100 per cent above the pre-war price; and in 1920, 130 per cent above the pre-war price. Now, it is 70 per cent above the pre-war price.

In 1917, when the price of wheat was fixed at $2.20, farm machinery of all kinds was 31 per cent above the pre-war price; in 1918 it was 78 per cent above the pre-war price; and in 1920 it was 96 per cent above the pre-war price.

On June 24, 1918, William G. McAdoo, Director General of Railroads, having increased the wages of his employees, made a horizontal increase in all freight rates of 25 per cent, excepting that the increase on freight rates on wheat should not be increased more than 6 cents per hundred.

On July 1, 1918, the President ordered an increase of 6 cents per bushel in the price of wheat at the primary markets, which was the only increase given the farmers during the period of the war. While such increase might compensate the farmers for the 25 per cent increase on freight rates on wheat, yet it did not compensate them for the increase on their farm machinery, building material, binding twine, barbed wire, and everything else the farmer had to buy.

During such period the Government handed out its 10 per cent plus contracts to unconscionable profiteers without any limitation of expenditure. It guaranteed the railroads against loss and a reasonable return on their investment. But the farmers were limited to a price for their wheat far below the world-market price and wholly out of proportion to the enormous prices of the products they had to buy and the high wages they had to pay. In other words, the Government, through its agencies, hog-tied the farmers down to $2.20 for their wheat and let the prices of other products soar sky-high.

HEAVY FARM LOSSES

When the farmers were at the peak of production, producing with implements purchased at war prices and labor employed at war wages, in May, 1920, the deflation policy of the Federal reserve banks and the depressed foreign markets shrunk the value of their products alone in excess of $8,000,000,000 in two years, leaving them stranded high upon the rocks of bankruptcy, with their increased indebtedness contracted under high prices unpaid and with the purchasing power of their products shrunken 35 per cent. In 1919 the total tonnage production of crops was approximately 255,000,000, valued at $15,423,000,000. In 1921 the total production was still approximately 255,000,000 tons, but the value had shrunk to $6,934,000,000, a loss in value on crops alone in two years of $8,489,000,000.

INCREASE IN FARM INDEBTEDNESS

The increase in farm indebtedness prior to 1920 is shown by the last Federal census, a very considerable part of which was contracted within the four or five years just preceding 1920, when prices of farm products were relatively high, and the American farmer was encouraged to enlarge the scale of farm operations and expenditures to meet the war and post-war demands for food supplies. In 1910 the average owner-operated farm debt was $1,715 per farm. By 1920 the average debt per farm had increased to $3,356. In addition to farm mortgages farmers carry a large volume of debt represented by short-term cash loans from bankers and individuals, as well as credit accounts with merchants of all kinds. With these items included the total farm debt as of January 1, 1920, was estimated to be $13,000,000,000.

AVERAGE FARM INCOME

The average size of an American farm is about 148 acres. Its average value is estimated at about $8,500. The average mortgage debt is about $3,400 per farm. The average personal debt is over $800 per farm. The average annual interest charges are about $315 per farm. The average annual taxes are about $105 per farm. Hence interest and taxes alone take, roughly, $425 per annum from the farmer's income. The average income per farm family in 1919 has been estimated, roughly, at $1,774. The average in 1920 had fallen to $964. Estimates for 1921, though not on a wholly comparable basis, were $1,075. Estimates for 1922, though also on a different basis, indicate a return of $917 on the average to the owner-operator of over 6,000 representative farms included in a survey made by the Department of Agriculture. Although the foregoing figures of income are not wholly comparable they indicate the low rate of income per farm family in the United States.

TAXES AND INTEREST CHARGES

In his annual report for 1923 the Secretary of Agriculture estimates the property taxes and interest combined, paid by agriculture in 1920, at about $1,457,000,000; in 1921 at about $1,684,000,000; and in 1922 at $1,749,000,000. We quote further from this report:

In 1920 practically the entire value of the wheat and tobacco crops, or about two-thirds of the wheat and cotton crops, were required to pay property taxes and interest charges. This was during the period of high prices and lagging charges for taxes and interest.

In 1921 property taxes and interest were equal to the entire value of the wheat, oats, potato, and tobacco crops. The wheat and cotton crops combined would pay but five-sixths of the taxes and interest. This was during the period of low prices and rising charges for taxes and interest.

In 1922 the value of the wheat, oats, and tobacco crops, and one-half of the potato crop were required to pay taxes and interest. In that year, although cotton was very high in price, taxes and interest charges were equivalent to the entire value of the cotton crop plus two-thirds of the wheat crop. Property taxes increased from $532,000,000 in 1920 to $797,000,000 in 1922.

Unfortunately reliable estimates of taxes and interest charges are not available for the pre-war years. It is estimated, however, that property taxes alone in 1914 aggregated about $344,000,000, which was equivalent to less than two-fifths of the 1914 wheat crop, while in 1922 taxes totaled $797,000,000, which was approximately equivalent to the total value of the 1921 or the 1922 wheat crops. The wheat crop is approximately equal to the pre-war value, but taxes have more than doubled. It should be kept in mind that the increase in taxes is due to local and State governments, not Federal.

Under such a situation farmers who are out of debt can get along fairly well, but those who are heavily in debt, and especially those young farmers who have not become thoroughly established, are having great difficulty in meeting interest and principal on public and private debts.

THE PRICE LEVELS HAVE NOT RETURNED

Each year we have been waiting and hoping for the price levels to adjust themselves and for the purchasing power of agricultural products to raise to that of labor and industry. And each year we have been confronted with a market offering but from 75 to 80 cents per bushel for wheat, and prices for other farm products in proportion.

The price levels remain the same. The purchasing power of the farmers' products continues out of all proportion. In February, 1924, a bushel of wheat would exchange on the average for 71 per cent as much of commodities in general as it would before the war, 1910–1914; a bushel of corn, 82 per cent; beef cattle, 69 per cent; hogs, 59 per cent.

The following table shows these purchasing-power indexes for each February in the last four years:

Purchasing power

[Index of average price received by farmers divided by index of wholesale prices of all commodities]

[1910–1914=100]

Date	Wheat	Corn	Beef cattle	Swine
February, 1921	102	64	72	74
1922	83	58	69	81
1923	73	76	68	67
1924	71	82	69	59

DEPRECIATION IN PURCHASING POWER OF HOGS

To show the tremendous depreciation of hogs in their purchasing power the following comparison of the number of pounds needed to purchase certain farm implements in 1913 and 1923 is given:

	Cost, 1913	Cost, 1923	Pork needed		Increase
			1913	1923	
			Pounds	*Pounds*	*Per cent*
Walking plow, 14-inch, general purpose	$11.75	$21.25	157	332	111
Gang plow, 14-inch	53.25	99.00	744	1,549	108
Disk harrow, 7-foot, 16-inch	23.00	47.50	321	743	131
Corn planter, 2-row	31.75	64.50	443	1,009	128
Grain drill, 22-6	106.00	190.00	1,481	2,973	101

Farm prices, hogs, per 100 pounds: 1913, $7.16; 1923, $6.39.

DEPRECIATION IN PURCHASING POWER OF WHEAT

In order that the relative situation as between wheat and pork may be clearly understood the following comparison is given of the number of bushels of wheat needed to purchase certain farm implements in 1913 and 1923:

	Cost, 1913	Cost, 1923	Wheat needed		Bushel increase
			1913	1923	
			Bushels	*Bushels*	*Per cent*
Walking plow, 14-inch, general purpose	$11.75	$21.25	13	24	83
Gang plow, 14-inch	53.25	99.00	67	107	60
Disk harrow, 7-foot, 16-inch	23.00	47.50	29	51	76
Corn planter, 2-row	31.75	64.50	40	70	75
Grain drill, 22-6	106.00	190.00	132	206	56

Farm price of wheat per bushel:

1913	$0.799
1923	.993

	Per cent
In terms of pork, a 14-inch walking plow had increased in cost	111
In terms of wheat, a 14-inch walking plow had increased in cost	83
In terms of pork, a 14-inch gang plow had increased in cost	108
In terms of wheat, a 14-inch gang plow had increased in cost	60
In terms of pork, a 7-foot disk harrow had increased in cost	131
In terms of wheat, a 7-foot disk harrow had increased in cost	76
In terms of pork, a 2-row corn planter had increased in cost	128
In terms of wheat, a 2-row corn planter had increased in cost	75
In terms of pork, a 22-6 grain drill had increased in cost	101
In terms of wheat, a 22-6 grain drill had increased in cost	56

and so on, through practically all of the farm implements that the producer must buy, and through every other commodity.

It is astonishing to know that a gang plow that in 1913 cost 744 pounds of pork cost 1,549 pounds in 1923, and that a grain drill that cost 1,481 pounds in 1913 cost 2,973 pounds in 1923.

The farmer buys other commodities with his commodities. The money into which he first exchanges his commodities is a mere convenience of trade. His suffering is due to the fact that when converted into money and then converted into other commodities his products are so deficient in purchasing power that he is being crushed under an economic weight from which he can not escape of his own effort.

Thus we see the farmer's dollar to-day in its purchasing power is substantially 70 per cent of its pre-war value.

THE FARMER ONLY RECEIVES 37 CENTS OUT OF THE CONSUMER'S DOLLAR

Between the farmer and the consumer is a vast army of middlemen. The unorganized condition of the farmers is such that 19,000,000 middlemen are permitted to make their living out of the exchange of farm products. Why should it be necessary for the 6,500,000 farmers to feed and support such an army? It accounts for the enormous spread of $15,000,000,000 between the farmers and the consumer. Out of the $22,500,000,000 paid by the consumers for farm products the farmers only receive $7,500,000,000. Who gets the $15,000,000,000 difference? Some of it, of course, is for legitimate and necessary purposes, essential to the change of the raw material into the finished product; its necessary transportation and distribution. But the amount is out of all proportion to what the farmers who produce the products receive. They get only 37 cents out of the dollar paid by the ultimate consumer, when they ought to be receiving at least 60 cents, which amount they would receive if properly organized to market their products direct; if they were organized as business is organized, as labor is organized, to market their products. But such degree of efficient organization will require years to effect. The farmers must have relief now.

THE WORLD'S PRICE FOR SURPLUS FIXES THE PRICE OF PRODUCT FOR DOMESTIC CONSUMPTION

While benefited by a protective tariff to the extent of largely preventing all imports of farm products, the farmers must necessarily produce a surplus, which makes them sell their whole crop in a free-trade market on the basis of the world's price, in competition with the cheap lands and labor and low standards of living of foreign countries, at a purchasing price much lower than that of the high standard of American living prices, which they are required to pay for everything they have to buy.

It is frequently claimed that the farmer is robbed by the tariff, and that the only remedy is by a repeal of our present protective tariff law and the enactment of a substitute providing for tariff for revenue only or free trade. Nearly all the articles consumed by the farmers are on the free list, the high prices of which are not caused by the tariff but by the high wages of labor and the intensive organization of industry being able to fix their prices, adding all costs, and passing them on to the consumer. In order that there might be no mistake about this contention, the following commodities principally used by the farmers are on the free list:

Lumber, shingles, fence posts, barbed wire, netting wire, farming machinery of all kinds—excepting cream separators—binding twine, leather, harness, saddles, boots and shoes, gasoline, and coal oil.

The farmers are not asking that the walls be leveled, that the gates be opened, so that our home markets may be exploited by the cheap labor of the world, although it would enable them to buy at cheaper prices in proportion to the purchasing power of the prices they receive. They know that free trade or tariff for revenue only in effect would be more devastating and destructive than the ravages of war. They know too well the disastrous results of such a policy. They have experienced this. They know that every purchase abroad would curtail employment just that much here; that such curtailment of employment would result in a gradual discharge of labor; in an army of unemployed, in closed factories, idle mills, abandoned mines, Coxey's armies, and discontent threatening the Government itself.

The crops of which the farmers have an exportable surplus are not sheltered by protection. The post-war world conditions fixed the prices of their surplus, and consequently of their entire production.

Before the war the effect of this was not so marked and noticeable because there was not so much difference between the markets. As a result of the war the markets of the world have been demoralized, depressed, and largely destroyed by unstable values, inflated currency, enormous indebtedness, high taxes, and labor reduced to a lower condition than ever before, bordering on a state of peasantry in some countries and starvation in others.

LABOR AND INDUSTRY FULLY PROTECTED

The industrial interests are protected from peasant labor and the low standards of living of foreign countries. Behind a tariff wall of protection they are permitted to enjoy our home market, which is greater than all the markets of the world combined. The manufacturing, railroad, and mining interests of the country have been giving steady employment to American labor at high wages because of their ability to fix the prices for their products, add all additional charges to the cost, and pass them on to the ultimate consumer. Building programs halted by the war's interference have furnished steady employment to labor at good wages. Labor is protected by a restricted immigration law which wisely keeps out the millions who would come here and lower the American standards of wages and living and of Government.

The Adamson law in effect gave to the 2,000,000 railroad employees an 8-hour day with the same rate of pay they had been receiving for 10 hours. Through intensive organization and collective bargaining, labor has been able to exact a high wage scale, an 8-hour day, and working conditions sufficient to maintain their high standards of living.

THE FARMERS MUST PAY THE HIGH PRICES

These high wages are all reflected in the high freight rates which the farmers are compelled to pay both ways. And such rates in turn are protected by the constitutional guaranty of a reasonable return upon the investment. Rates are fixed sufficiently high to cover all costs, pay the high wages of labor, and yield a net return to the stockholders. This the railroads have been doing for the last several years.

The United States Steel Corporation controls its output and markets its products in such an orderly way through its efficient organization as to yield annual dividends of 6 to 7 per cent to its stockholders. It does not permit the prices of its surplus in foreign countries to fix the prices of its product for domestic consumption. It separates and segregates that surplus and sells it abroad, and then is in a position to fix the prices for domestic consumption, adding the high wages and passing them along to the consumer.

THE FARMERS CAN NOT FIX THEIR PRICES

The farmers are not sufficiently organized to exact the high wages of organized labor. They are not in a position to exact a constitutional guaranty of a reasonable return like the railroads. They can not segregate and sell their surplus abroad so that the prices for their products for home consumption will be proportionate to the prices they have to pay. They can not fix the prices of their products. They can not pass the high prices for implements and high wages on to the consumer. Producing the most important and most essential of all products, they are compelled to take whatever is offered.

THE INEVITABLE RESULT

The temporary prosperity now existing has been exacted from the credit and credit momentum of the farmers given to them by increased credit facilities of recent legislation, but such increased credit facilities have almost been exhausted. While they have been furnishing 40 per cent of the home market, which in turn consumes 90 per cent of all our products, they can not do it any longer. Their purchasing power has been exhausted. The indebtedness contracted by them during the high prices, in response to the appeal of the Government for increased production, remains unpaid. They are no longer able to meet the daily exactions of the high cost of living and high industrial prices, the annual demands of high taxes, and interest charges. They have ceased buying farm implements or making farm improvements or necessary repairs. Even now they are drawing on their last reserve—their remaining equity in their land.

Another year of ruinous prices and the farm will be sacrificed. His farm—"the best home of the family"—will be sold at sheriff's sale and the ancient independence of our once proud agriculture will be gone. What will be the result when 40 per cent of the purchasing power of our home market is gone? Can there be any doubt as to what the result will be? Curtail industrial production 40 per cent and what will you have? You will have closed mines, closed factories, silent mills. You will have millions out of employment, hungry women and children, bread lines, and widespread dissatisfaction and discontent.

WE MUST RAISE FARM PRICES OR LOWER INDUSTRIAL PRICES

Organized labor has seen the result and requested immediate agricultural relief. Will cautious capital see the impending peril and do likewise; or, having eyes, will it see not? Having ears, will it refuse to listen?

From admitted existing agricultural conditions there is but one conclusion. We are confronted with the alternative of either lifting agriculture up to the industrial conditions of trade and commerce, or depressing industrial conditions down to those of agriculture. We will have to resort to either one of the two remedies. There can be no escape.

It is probably true that in the course of time conditions will finally right themselves and the price levels again return to proportionate values, but in the meantime the farming interests of the country would be reduced to a state of peonage and peasantry. Already we have waited four years for this restoration of equality in purchasing power, during which period thousands of farm mortgages have been foreclosed and the farms sold at sheriff's sales, and many voluntarily abandoned by their owners.

In his November 30, 1923, report Henry C. Wallace, Secretary of Agriculture, said:

> Reports were secured from 15 States covering a period from January, 1920, to March, 1923. Out of over 68,000 owner-operated farms included in this survey, 4 per cent lost their farms through foreclosure or bankruptcy. Four and five-tenths per cent lost their farms without legal proceedings and a little over 15 per cent had been spared such loss only because of the leniency of their creditors.

Describing the economic situation in the wheat-growing sections of the Northwest in his message to Congress December 6, 1923, President Coolidge stated:

> The distress is most acute among those wholly dependent upon one crop. Wheat acreage was greatly expanded and has not yet been sufficiently reduced. A large amount is raised for export, which has to meet the competition in the world market of large amounts raised on land much cheaper and much more productive.

In his message of January 23, 1924, the President stated:

> Great numbers of individual farmers are so involved in debt both on mortgages and to merchants and banks that they are unable to preserve the equity of their properties. They are unable to undertake the diversification of farming that is fundamentally necessary for sound agricultural reconstruction of the area. They are unable to meet their obligations, and thereby has been involved the entire mercantile and banking fabric of these regions. Not only have there been large numbers of foreclosures on actual farms but there are great numbers of farmers who are continuing in possession of sufferance from their creditors. There have been large and increasing bank failures.

In his address of February 12, 1924, President Coolidge, urging the imperative need of immediate agriculture relief, again stated:

> But agriculture has only partially revived. Its position has been improved, and the returns for the year are nearly 30 per cent in excess of two years ago. But the great food staples do not sell on a parity with the products of industry. Their average price is little above the pre-war level, while manufactures are about 50 per cent higher. The farmer is not receiving his fair share. The result has been a decrease in the value of farm lands, the choking of the avenues of credit with obligations which are worthless or doubtful, the foreclosure of mortgages, and the suspension of a large number of banks. To this depression there have been other contributing causes, but the main difficulty has been the price of farm produce.

REMEDIAL RELIEF NEEDED

The ills of the farmers are fundamental, demanding immediate relief. This can only be furnished by governmental aid and assistance. Equitable treatment demands that the Government, through an appropriate agency, help them to dispose of the surplus that it caused them to create, charging any losses sustained back against the producer receiving the benefits. This would curtail production to home consumption and, when supplemented by prohibitive tariffs on farm products, would raise the prices proportionate to those of industry and labor.

If protection to the consuming public from the alleged high prices of farm products during the years 1918 and 1919 was a sufficient emergency for the Government to step in and fix the prices of the farmers' wheat far below the world market price, why is not the present emergency sufficient for the Government to step in and protect the consuming farmers from the high industrial prices now? If through its Grain Corporation it could control prices then, why, through an export corporation with similar powers, can it not establish and maintain proportionate purchasing prices for farm products now? And do this for a sufficient length of time to enable the farmers to organize, establish their marketing agencies, curtail production, diversify, and become strong enough to carry the load themselves. It has done as much for industry, labor, and transportation; why should it not do as much for agriculture until it extricates itself from its present condition?

When such assistance is rendered agriculture, prosperity will be diffused and prevail, your mines will continue to operate and produce their output, your mills will continue to run full time, your factories will continue to hum with industry and happiness, your building campaign will enlarge and gather momentum and go forward, your cities will build and further extend, confidence in business and in the Government will be restored, and the Nation will again be in the enjoyment of a world's peace and prosperity—a prosperity which will be basic and fundamental in its quality and character and lasting and permanent in its effect.

THE NATION'S HONORED HEAD

Mr. GARBER. Mr. Speaker—

> Can storied urn, or animated bust,
> Back to its mansion call the fleeting breath?
> Can honor's voice provoke the silent dust,
> Or flatt'ry soothe the dull, cold ear of death?

Woodrow Wilson has passed on. His troubled spirit is at rest. No more will his soul be tortured by the limitations of a man. He voiced the idealism of the world—at least a hundred years in advance of his time—in advance of the capacity of nations to execute. He was a crusader with as knightly and chivalrous a mein and as lofty a purpose as ever set out on a perilous journey to the Holy Land. His was to keep the way open for the poor and downtrodden of the earth in their upward climb for equality and liberty. His idealism framed the issue of our entrance into the world's great war—"We must make the world safe for democracy."

By virtue of his office he became Commander in Chief of the greatest army ever raised up in the championship of any cause in the history of the world. The greatest in its numbers, in its loyalty to country, in its intelligence, and most deadly efficiency upon the field of actual conflict. When all seemed lost and the Allies stood with their backs to the wall—in position occupied, in morale or fighting force, in necessary finances—the American Army turned the tide and saved the day for self-government in the world. From Commander in Chief of this great and victorious Army, Woodrow Wilson became the world's champion for peace. Rescued from the deadly menace of invasion and exploitation, his countrymen could not visualize the practical execution of his peace program for the prevention of future wars. It was then he entered the forum of discussion, and in his efforts to overcome the opposition, to persuade and educate the people up to the required degree for its adoption, he sacrificed his life for peace and against war. He therefore became a war and peace casualty.

It is the law of mankind that the living, however great and good, shall not be permitted to enjoy to the full the merited appreciation they deserve. And since the death of Woodrow Wilson millions mourn. With his looming greatness uncertainty increases as to his most fitting resting place. This should not be. Let it be beside the Unknown Soldier, whose commander he was, in his own democratic simplicity, side by side, so that all future generations may see the humility of the great and the greatness of the humble typically representing equality and democracy, side by side.

EXTENSION OF REMARKS

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. TAGUE. Mr. Speaker, I ask unanimous consent to extend my remarks on the veto message.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on adjusted compensation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks.

Mr. SNELL. Mr. Speaker, reserving the right to object to these extensions, I suppose it is confined entirely to gentlemen's own remarks?

Mr. SABATH. Yes, sir.

The SPEAKER. The gentleman from New York makes the reservation that extension shall be confined to Members' own remarks.

Mr. YATES. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SNELL. I am willing to allow a man to extend his own remarks, but not to insert editorials from various papers.

VETO MESSAGE—ADJUSTED COMPENSATION BILL

Mr. TAGUE. Mr. Speaker, in voting for this bill when it was passed by the House of Representatives some time ago I stated that I was doing so because I had been requested to do so by National Commander Quinn, State Commander General Edwards, and representatives of other veterans' organizations in the United States and in my home State. I wish to reiterate that statement in connection with my vote to override the President's veto.

As a member of the House Committee on Ways and Means, which had to do with drafting this legislation, I had hoped consideration of adjusted compensation would be raised above the level of petty partisan politics. Adjusted compensation has been an issue in Republican and Democratic National Conventions for the past five years, and is the child of no particular party. Accordingly it was reasonable for me to expect that my committee would proceed to the consideration of adjusted compensation without any resort to party politics, and I entered the hearings on the bills with that expectation. To the discredit of the Republican members of that committee, however, adjusted compensation was made a political football, and Democratic members of the committee were denied any part in the framing of a bill. Further than that, representatives of veterans' organizations were led to believe that the efforts of Democratic members of the Committee on Ways and Means to have drafted a genuine adjusted compensation bill were sinister designs against the success of any bill. This insidious campaign had its effect in the subsequent indorsement of the present bill by authorized representatives of the veterans' organizations—indorsement secured by duress and implied threats that no other adjusted compensation legislation could be enacted. If the Republican Party in the United States can stoop to such shallow methods in fulfilling its pledges as it has in the instance of this legislation, the day is at hand when the Republican Party will be taught, as was the German Emperor by the World War veterans, that a solemn pledge is just as sacred as a treaty between governments.

I would like the opportunity of voting for an adjusted compensation bill which would hit the bull's-eye of the wishes of the people of the United States and properly dispose of this important question. By steam-roller methods the Republican Party has denied me this opportunity. I have no other course but to surrender my individuality in order to record myself consistently as in favor of adjusted compensation for World War veterans. In this I am fortified in the present instance by an editorial appearing Thursday, May 15, 1924, in the Boston Evening Transcript, a leading Republican newspaper, published in the same State in which Governor Coolidge signed a State soldier bonus.

THE DUTY OF THE CONGRESS

> The House of Representatives we are told received "with absolute silence" the reading of the President's message which accompanied his veto of the bill providing the veterans of the war and their dependents with a modest amount of paid-up insurance. If they expected him to

refer to the solemn promise of his predecessor and his party in the campaign of 1920 to write upon the statute books some such law, the Members of the House were doomed to disappointment. For President Coolidge was careful to avoid any reference to this moral and highly pertinent aspect of the case. Here was a campaign pledge concerning the keeping of which he maintained an "absolute silence." Instead of condemning his predecessor and his party for making such a promise and soliciting votes four years ago upon the assumption that if elected to power the promise would be kept, President Coolidge addressed the argument in his message to the economic features of the bill and reserved all of his condemnation for the veterans of the war and their dependents who have advocated the passage of the bill, which originated not with the American Legion but with the leaders in Congress of Mr. Coolidge's own party.

Under all the circumstances, therefore, we think the House of Representatives is to be commended for the dignity and self-restraint and the respect for the exalted office of the Presidency which was shown by Members on both sides of the aisle in receiving such a message from the White House "with absolute silence." Perhaps even the friends of the President found themselves wishing that he had modeled his message on the statesmanlike speech of Senator BORAH against the same bill several weeks ago instead of leaning so heavily upon his inherited Cabinet for counsel.

But the duty of the Senate and the House of Representatives is alike plain and alike imperative. Pass this bill promptly over the veto of the President by the largest vote that can be mustered to its support, regardless of the pressure which may be exerted from any source upon individual Members of either House of Congress, whether in the form of "fear of punishment or hope of reward." For to keep faith with the electorate of an honorable Nation by keeping campaign promises and to deal fairly with the defenders of a rich and mighty Nation and their dependents, regardless of the cost, are aspirations dearer, as we believe, to the hearts of the plain people of the land of Washington and Lincoln and Roosevelt than to pass a hundred tax bills or to elect any President or either party to power. Here and now is the opportunity for the Congress respectfully to remind the President, his people, and their press that "he serves his party best" who "keeps the faith."

Mr. YATES. Mr. Speaker, I remember certain solemn words:

And when you come back, you shall have what is left.

Gentlemen, who uttered those words? The answer is: I did; and you did, nearly all of you.

When were they uttered? Why, they were uttered throughout the year 1917 and the year 1918, in all parts of my State, and of all States.

In my State, great, wonderful, honest, square, truthful Illinois, I uttered such words at every Red Cross rally, every Liberty loan meeting, and every going-away occasion that I could get to.

Looking into the eyes, the big honest, questioning eyes of thousands of young men about to leave for the camp, thence to go across the ocean, and then to the march and field of battle—yes, looking into those eyes and feeling upon me the eyes of fathers and mothers and wives and sweethearts who trusted me and showed it—I said such things as this:

THE PLEDGE

"The people of America, 110,000,000 strong, give you the pledge that they—we—will build a bridge of sympathy and support all the way from Yankeeland to No Man's Land and back again, until you are the best fed, the best clothed, the best armed, and the best equipped sailors and soldiers—and the best—the world ever saw, and when you come back you can have what is left."

Of course, there is no use in talking; you all know that that pledge, or its equivalent, was given—given to unnumbered thousands of our bravest and our best—given in the presence of their mothers, their fathers, their wives, or their sweethearts; denial would be idle.

There is only one question, and this is, "Is there or can there be any excuse whatever for failing to keep the pledge?"

All our lives we have talked about pledges and obligations and covenants and promises and vows and oaths of fidelity and loyalty and devotion and consecration, and have been talked to by the hour about such things. And now here is a real obligation. Shall we hesitate? I for one will not. If there ever was a sacred, solemn, binding obligation it is this one, and in the fear of God I intend to keep it.

The only objection seems to be that the Nation can not afford the bonus, or rather that the Nation now owes too much money in the effort to support all our Government activities and bureaus and boards and commissions in addition to the effort to finance Belgium, France, England, and the world.

THE DEBT

Of course, some men say that the soldier ought not to have any bonus—he ought to be thankful to go without any compensation or gift—if he managed to escape, unhit and unhurt, the bullets fired at him by 2,000,000 Germans every five minutes—say 240 bullets for say 500 days—2,000,000 Germans firing in 500 days two hundred and forty times 2,000,000, that is 480,000,000 bullets.

Very few soldiers say such a thing except those independent and well-to-do. As for the men, fat and suave, who sit back in their soft seats in the smokers and sneer at mercenary patriotism and say the country owes no debt to the soldier—I am in favor of a law right now to put right into the Army the very minute the next war begins every man over 31. Why not? The boys went this time, why not the rest of us next time?

Of course, it is all nonsense to assert the soldier has no moral claim. Disabled or not, mutilated or not, wounded or not, destitute or not, he it was who stood between this Nation and this Government and this people on the one hand and the attack of a crowned kaiser on the other who boasted he would ride down Pennsylvania Avenue in the sight of a conquered American people—he it was—our boy! "The kid has gone to the colors. And we don't know what to say." And he it was who from April 6, 1917, to November 11, 1918—one year and seven months and five days—opened and closed every day with the thought that he had a "rendezvous with death."

And he it was who had about 500 valuable and irrecoverable days taken right out of his young life by law, while his caustic critic of to-day did not sacrifice anything.

Thank heaven Congressmen are not frightened by such critics' cries or by the faces they make.

THE VETO

I do not agree with the words used by the President in his veto message that—

We must either abandon our theory of patriotism or abandon this bill.

I regret that he made such a statement. I can not think he meant it. There must surely be some explanation. I feel sure that the country at large does not concur or approve. I can not believe that the President regards as unpatriotic the 313 of us Representatives here in this House at this moment who are going to vote for this bill over and above the President's veto. I consider myself a patriot, and I so consider my 16 colleagues from Illinois—Mr. Rathbone, of Chicago; Mr. Denison, of Marion; Mr. Hull, of Peoria; Mr. McKenzie, of Galena; Mr. Miller, of East St. Louis; Mr. Fuller, of Belvidere; Mr. King, of Galesburg; Mr. Major, of Hillsboro; Mr. Rainey, of Carrollton; Mr. Funk, of Bloomington; Mr. Kunz, of Chicago; Mr. Michaelson, of Chicago; Mr. Reid, of Aurora; Mr. Arnold, of Robinson; Mr. Sabath, of Chicago; and Mr. Williams, of Flora, including myself, 17 of the 27 Illinois Congressmen voted against the veto. Nor do I believe that we are excelled in patriotism by Mr. Chindblom and Mr. Graham and Mr. Moore, of Montgomery; by Mr. Sproul and Mr. Madden and Mr. Britten and Mr. Hull, of Chicago, all of whom I respect most highly.

And I regard as highly patriotic men such Representatives as:

Mr. Andrew, of Massachusetts; also Connery, Frothingham, Greene, Rogers, and Tague.

Mr. Anthony, of Kansas; also White, and Hoch, and Tincher, and Sproul, and Little, and Ayres, and Strong.

Mr. Barkley, of Kentucky; also Thatcher, and Johnson, and Robsion, and Thomas, and Kincheloe.

Mr. Blanton, of Texas; also Connally, and Garner, and Black, and Sanders, and Mansfield, and Sumners, and Rayburn, and Wurzbach.

Mr. Browne, of Wisconsin; also Cooper, Frear, and Nelson, and Lampert.

Mr. Burtness, of North Dakota; also Young and Sinclair.

Mr. Byrnes, of South Carolina; also McSwain and Stevenson.

Mr. Cannon, of Missouri; also Major and Manlove, Rubey, and Roach.

Mr. Christopherson, of Minnesota; also Larson and Schall.

Mr. Cole, of Iowa; also Green and Dickinson.

Mr. Cooper, of Ohio; also Foster, and General Sherwood, Murphy, and Speaks, Cable, and Thompson.

Mr. Cramton, of Michigan; also Ketcham, and McLeod, and Mapes, and Hudson, and McLaughlin.

Mr. Crisp, of Georgia; also Lee and Upshaw.

Mr. Elliott, of Indiana; also Purnell, and Vestal, Hickey, and Wood, Fairfield, and Sanders.

Mr. Fish, of New York; also LaGuardia, and O'Connell, Perlman, and Crowther, A. D. Sanders, and Reed.

Mr. French, of Idaho; also Smith.

Mr. Gibson, of Vermont.

Major Stedman, of North Carolina.

Mr. Hastings, of Oklahoma; also McKeown, Howard, and Carter, and Hastings, and McClintic, and Swank.

Mr. Morrow, of New Mexico.

Mr. Hawley, of Oregon, also Mr. Sinnott.

Mr. Hadley, of Washington, also Mr. Summers and Mr. Hill.

Mr. Hersey, of Maine, also Mr. Beedy and Mr. White.

Mr. Hill, of Maryland, veteran.

Mr. Bulwinkle, of North Carolina, veteran.

Mr. Johnson, of South Dakota, veteran.

Mr. Reece, of Tennessee, veteran.

Mr. Jeffers, of Alabama, veteran.

Mr. Connery, of Massachusetts, veteran.

Mr. Speaks, of Ohio, veteran.

Mr. Lineberger, of California, veteran.

Mr. Howard, of Nebraska.

Mr. Sanders, of Indiana.

Mr. Sanders, of New York.

Mr. Sanders, of Texas.

Mr. Reed, of Arkansas.

Mr. Reed, of New York.

Mr. Reid, of Illinois.

Mr. Johnson, of Kentucky.

Mr. Johnson, of South Dakota.

Mr. Johnson, of Texas.

Mr. Johnson, of Washington.

Mr. Johnson, of West Virginia.

Mr. Campbell, of Pennsylvania, also Mr. Wyant, Mr. Kelly, Mr. Vare, and Mr. Porter.

Mr. Lazaro, of Louisiana.

Mr. Lea, of California, also Mr. MacLafferty.

Mr. Smithwick, of Florida.

Mr. O'Connell, of New York.

Mr. O'Connell, of Rhode Island.

Mr. O'Connor, of Louisiana.

Mr. O'Connor, of New York.

And I know that there are no men more patriotic than the Senators—59 in number—who are voting to pass this bill over the veto.

"REASONS"

There are numerous reasons for this bill and accordingly reasons for riding over the veto. Among those which appeal to me are the following:

I

1. A debt is owing the ex-soldier and ex-sailor; The war was not won by the uniformed service alone. Capital and labor performed services universally recognized to be as patriotic and necessary to victory as the services of soldiers. Men were legally exempt from military duty on that assumption, and were assured that they rendered the greater service to their country, by remaining apart from the armed forces, as members of the great industrial army which supported the fighting forces.

2. Equal service was not equally rewarded; There was a great discrepancy in pay between those in uniform and the civilian war worker and war contractor—between the members of the fighting forces and those of the industrial forces. This disproportionate payment increased the cost of the war by several billion dollars. To pay this cost a national debt has been incurred.

3. The returned soldier is bearing his share of the burden of paying off this debt, which was contracted for the prosecution of a war, which yielded enormous sums in increased wages and profits to those who stayed at home, but imposed a distinct economic handicap on the soldier.

4. The soldier asks no reward for his services while in uniform. But returning home he asks that, in providing for himself and his family and in bearing his share of the national debt, he be given economic equality with the man who stayed at home. The soldier has not had this equality, because of the superior economic position attained during the war by those who did not go to war, and because they did not go.

5. Therefore a debt is owing, and some adjustment of compensation—or equalization of economic values—is due the soldier to balance the scale in the daily economic struggle between him and his competitor who did not fight and by reason of that fact was able to improve his economic position at the expense of those who did fight.

II

This debt has been acknowledged by the country, and payment has been promised to the veteran.

1. In the national elections of 1920 and of 1922 a majority of the candidates of all parties for national legislative offices campaigned and were elected on platforms which contained the statement that an adjustment of compensation was due the veterans and should be paid. The late President Harding, as a candidate, placed himself explicitly on record as favoring the passage of the adjusted compensation bill. Candidates who declined to go thus on record in nearly every instance were defeated at the polls.

III

The country wants this debt paid.

1. The people of 20 States at general elections have voted in favor of adjusted compensation.

2. The legislatures of 23 States have petitioned Congress to enact the Federal adjusted compensation bill.

3. The governors of 33 States called on the President to sign the adjusted compensation bill when it was before him.

4. The legislatures of 22 States have acted favorably on State legislation of a similar nature.

5. The House of Representatives has passed the adjusted compensation bill three times, the last vote being 333 to 70.

6. The United States Senate, through its Finance Committee, has approved of this bill three times, the Senate as a whole passing it once by a vote of 47 to 22, in 1922. The vote in the Senate this time, May 19, 1924, is 59 to 26.

7. The Chamber of Commerce of the United States, a national organization which has been a consistent and active opponent of compensation, polled local chambers of commerce throughout the country on the four options of the bill. The result was 4,116 votes for and 2,657 against adjusted compensation.

8. The American Federation of Labor and many other organizations of large membership have indorsed the bill.

9. In addition to the American Legion, every recognized national organization of war veterans, from the Civil War down, has indorsed the bill and urged its enactment.

IV

The country can afford to pay this debt; the funds are available.

1. In 1921 and again in 1922, though a majority of the American people and a majority of their Representatives in Congress favored the adjusted compensation bill, the measure failed of enactment because of the plea of the Secretary of the Treasury that the finances of the country were not equal to the obligation. If this were the state of affairs in 1921 and 1922, it can not be the state of affairs today. The Treasury reported a surplus of $300,000,000 for the fiscal year ending June 30, 1923. In his last communication to Congress on the subject the Secretary declared that the surplus for 1924 would be so great as to permit of a reduction of income taxes in the amount of $323,000,000.

2. The officially estimated cost of adjusted compensation is approximately $50,000,000 a year for the first three years. Therefore the Treasury surplus of two funds for 1924 will be enough to pay that year's installment on the Nation's debt to the veterans four times over. Compensation can be paid and taxes reduced $140,000,000 in 1924.

V

1. The bill now before Congress arranged for the payment of this debt in ways which would benefit not only the individuals compensated but the country as a whole.

The veteran who is entitled by reason of his length of service to more than $50 must take his compensation in one of these three ways:

(a) A 20-year endowment paid-up life insurance policy; or

(b) A contribution toward building or paying for a home or a farm or for improvements on a farm; or

(c) A contribution toward a vocational or industrial education; or

(d) If he is entitled to $50 or less, he must accept compensation in cash.

2. The options (a), (b), and (c), which would apply to the preponderant majority of the veterans, represent investments which would make for a better, more stable, and more prosperous citizenship among the 4,000,000 who would benefit by them. They offer no chance by which these values, which represent money that is owing the soldier and which the country desires shall be paid to him, may be dissipated by unwise or uneconomic use or investment. Life insurance, homes, farms, education—the money must go into these things. No sounder investments could be suggested.

3. In the transactions comparatively little actual money will change hands. Credits simply will move from the Treasury

into 4,000,000 individual investments in discharge of an actual and acknowledged debt which the Nation owes to 4,000,000 men who bore arms in the World War, and as a consequence suffered an economic disability which can be and should be made good in part without further delay.

VI

1. The United States is not in the habit of repudiating its war obligations. It is an established American custom to adjust the compensation of individuals and economic groups which have sustained financial losses by reason of participation in a war effort. In the last war this custom was observed except in the single instance of the soldiers.

After the Revolutionary War President Washington asked Congress to adjust the compensation of the soldiers, and this was done. President Lincoln did the same after the Civil War. Mr. Lincoln previously had applied for and received his compensation following the Black Hawk War, in which he served as an Infantry captain.

2. During or since the World War an adjustment of compensation, in addition to their regular pay, was paid to Federal civilian employees totaling $225,000,000, and to the civilian employees of the Army and Navy totaling $100,000,000.

3. The Government drafted the railroads during the war and guaranteed them satisfactory profits, and to this end in 1922 settled upon them an adjustment of compensation totaling $764,271,000.

4. War contractors were guaranteed and paid profits which were always fair, frequently liberal, and sometimes exorbitant. Since the war contractors have been paid an additional $700,000,000 in adjusted compensation and these payments are still going on.

5. The returned soldier, despite his economic handicap, is now paying and for four years has been paying his share of the foregoing in addition to the other expenses of the war. All other war debts having been liquidated, and with a surplus in the Treasury, the soldier, who has waited four years, merely asks that what is owing to him be paid now.

CONCLUSION

There has been in some quarters some contention to the effect that this bill raises the question whether party men are going to uphold and stand by their President. I think it is wrong to put the matter in that way. I do not think that there is involved in this situation any question of standing by the President on the one hand or rebuking him upon the other for the sake of party. There is no question of party loyalty or party disloyalty. This bill is not a Republican Party measure. It is being voted for to-day by almost as large a percentage of Democrats as the percentage of Republicans. I think the opponents of the bill are going a long way, and in fact going entirely too far, when they, directly or indirectly, charge that a Republican must vote to sustain the veto or be guilty of disloyalty to his party.

Mr. Speaker, I do not admit that any man in this House is a more loyal Republican than I. I drummed a little drum in 1868 for Grant and Colfax whenever I could get out of my home. In 1872 I drummed a bigger drum for Grant and Wilson. In 1876 I marched in a real drum corps for Hayes and Wheeler, and in 1880, for Garfield and Arthur, I carried my first torch in the beautiful torch-light processions of that year, and in 1884 I was the proud young chairman of a proud young Republican county committee that followed to undeserved defeat James G. Blaine, the plumed knight, and John A. Logan, the black eagle. God bless them. I am for them yet.

And from that day to this no nights have been too dark, no road has been too rough, and no lane has been too long to prevent me from going up and down the State of Illinois from end to end and from side to side advocating the sublime principles of the Republican Party. I believed then, and I believe now, that it is the best party for you and the best party for me and the best party for the American people. I believe that this is so because it is the best business party and the best labor party and the most patriotic party. Whenever the Democratic Party is in power the country is confronted by continued menace. At times the menace has been a threat of free trade; at other times a threat of unsound money. In 1920 the menace took the form of lack of employment for 5,000,000 men. Again and again under Democratic administration we have had the soup house in the city and the tramp army in the country and famine at the fireside, and no one grew any richer but the rich and no help came to the poor. When the Republican Party is in power every furnace fire is burning and every factory wheel is turning and the people are again learning the important lesson that when the Republican Party is in power the American people eat more bread, wear more clothes, own more homes, and have more happiness. I am not deserting that great organization, the Republican Party, when I vote for this soldiers' bonus against the veto of the President. On the contrary, I consider that when I vote for the adjusted compensation I am voting in accordance with the Republican Party, its history of glory, and its bright prospects of renown.

I want it said at the end of my life that this one life, although short and full of shortcomings, was full of loyalty to this old party of Lincoln and Logan; of Sumner, Seward, and Grant; Garfield, Arthur, and Blaine; McKinley, Roosevelt, and Taft; yes, and Harding and Coolidge and Dawes.

So far as loyalty to country is concerned, I am willing that the chief witness in my behalf be the American Legion. I am in receipt of a letter from the officers of that Legion, and there is nothing which could be said by any executive, even the highest, which I will cherish and treasure more than this letter of praise and confidence from the American Legion by John Thomas Taylor, national legislative committee, as follows:

MY DEAR CONGRESSMAN: Now that Congress has adjourned, I wish to take this opportunity, on behalf of the American Legion and the ex-service men and women of the World War, to thank you for the splendid manner in which you supported the legislative program in which we were vitally interested.

The present Congress enacted into law the adjusted compensation bill which had been pending for more than four years; the Reed-Johnson bill, extending the benefits of the war risk insurance act to thousands of disabled veterans; and the Fernald-Langley bill, providing sufficient money to complete the hospital building program. These were, of course, all matters of major legislation.

We appreciate the fact that you cast your vote for the adjusted compensation bill when it was before the House, but more particularly do we appreciate the fact that you supported this legislation after it had been vetoed by the President, and in the name of the service men and women of America I wish to thank you for your undeviating adherence to the cause of the veteran. The great mass of the citizens of America desired you to take this action and they now approve it. This has been clearly demonstrated in every instance where the people have voted upon the question.

The progress of human rights in America is the history of clashes of administrative authority with the forward-looking ideas of the chosen representatives of the people. Ever since the election of the House of Burgess at Jamestown in 1619, when the right of taxation by consent of the people alone was established as a fundamental American principle, the representatives of the people have enlarged the scope of human rights only over the protests of administrative authority.

But in spite of the desires of those who would retard progress, the representatives of the people have slowly but surely made additional gains for the right of the constituents whom they represent and to whom they are responsible.

The unfairness in the methods employed by the opposition to this legislation made the task of Congress a difficult one. The avenues of publicity available to them were closed to the advocates of the measure, and the editorial comment often misleading regarding questions of fact and the motives actuating the Congress. The members of the American Legion and the veterans of the World War, understanding these facts, appreciate more deeply the sincere manner in which you supported this legislation.

The Legion will never forget its friends.

CONFERENCE REPORT—NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I present a conference report on the naval appropriation bill for printing under the rule.

The SPEAKER. The gentleman from Idaho presents a conference report on the naval appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

Mr. GARRETT of Tennessee. May I ask the gentleman from Idaho if that is a complete agreement?

Mr. FRENCH. It is a complete agreement; yes.

The SPEAKER. Ordered printed under the rule.

REORGANIZATION OF THE FOREIGN SERVICE OF THE UNITED STATES

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask the Speaker to lay before the House the bill H. R. 6357, with Senate amendments, and on those amendments I desire to move to concur.

The SPEAKER. The gentleman from Massachusetts calls up a House bill with Senate amendments, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 1: Page 3, line 5, after the word "appointment," strike out all down to and including "minister" in line 6 and insert, "to some other position in the Government service."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. I suggest the Senate amendments be reported.

Mr. BLANTON. On an important matter, I would like to ask the gentleman a question.

Mr. ROGERS of Massachusetts. I think the Senate amendments should be reported.

Mr. BLANTON. Does not the gentleman think——

Mr. SNELL. Will the gentleman allow the reporting of the amendments?

Mr. BLANTON. I would like to ask the gentleman this: This bill has been just brought in here, and it has been contested in the House, and we do not know what amendments the Senate has placed on it. Does the gentleman not think he ought to give us time——

Mr. ROGERS of Massachusetts. It has been printed in the RECORD for two days.

Mr. BLANTON. Has it not just been brought in from the Senate?

Mr. ROGERS of Massachusetts. It has.

Mr. BLANTON. Are there additional amendments put on it?

Mr. ROGERS of Massachusetts. I think there are probably four or five minor amendments as to which I have consulted gentlemen——

Mr. BLANTON. Has the gentleman from Texas [Mr. CONNALLY] agreed to it?

Mr. ROGERS of Massachusetts. I do not know about the gentleman from Texas, but I consulted with gentlemen on that side, Mr. LINTHICUM, the gentleman from Virginia [Mr. MOORE], and the gentleman from Tennessee [Mr. GARRETT].

The SPEAKER. Does the gentleman from Massachusetts wish to make a motion?

Mr. ROGERS of Massachusetts. Yes; I move to concur in the Senate amendment just read.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Massachusetts.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 2: Page 8, line 16, after "gathering" insert: "*Provided further*, That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6, in lieu of subsistence for foreign service officers on special duty or foreign service inspectors."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Massachusetts.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 3: Page 14, line 15, strike out "fifty" and insert "seventy-five."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The SPEAKER. The question is on agreeing to the motion to concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 4: Page 17, after line 8, insert:

"SEC. 22. The titles Second Assistant Secretary of State and Third Assistant Secretary of State shall hereafter be known as Assistant Secretary of State without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

"There is hereby established in the Department of State an additional Assistant Secretary of State who shall be appointed by the President by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

"The position of Director of the Consular Service is abolished, and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. BLANTON. What is the effect of that amendment No. 3, to strike out the "25" and insert "50"?

Mr. ROGERS of Massachusetts. It strikes out "50" and inserts "75." When the bill passed the House it provided that contributions made by foreign service officers who retired voluntarily should be returned to them, 50 per cent, without interest. The Senate provision provides that 75 per cent shall be returned, without interest. That amendment was sponsored by the gentleman from Ohio [Mr. BROOD] and I have conferred with him, and I think I am authorized to state that he is satisfied with the compromise.

Mr. Speaker, I move that the amendment just read be concurred in.

Mr. WINGO. Mr. Speaker, there has been considerable confusion in the Chamber. This seems to be an amendment creating a new position. I would like to have an explanation of it. I think the temper of the House is against creating new positions unless they are necessary.

Mr. ROGERS of Massachusetts. This does not create a new position and it creates no new salary. As the gentleman knows, for many years the Director of the Consular Service has been Mr. Wilbur F. Carr. He has been treated as on a level with the Assistant Secretary of State, and he has always had the same salary as the Assistant Secretary of State, namely, $4,500. It gives him the other title and does not increase his salary.

Mr. WINGO. As I heard it read at the desk, I thought it was $7,500. I will ask the gentleman if that is not so?

Mr. ROGERS of Massachusetts. It provides for a salary of $7,500 after July 1, with the understanding that this will take effect if the reorganization bill or reclassification goes through. The other Assistant Secretaries of State are to receive $7,500.

Mr. WINGO. The net result is a change of title of the man who has been discharging these duties, and makes him an Assistant Secretary, and after July 1 the salary will be $7,500, whereas it is $4,500 now?

Mr. ROGERS of Massachusetts. Yes; provided the classification law goes through.

Mr. WINGO. It will be a change of title and a change of salary from $4,500 to $7,500 a year. That is the net effect, is it not?

Mr. ROGERS of Massachusetts. That is the net effect.

Mr. CONNALLY of Texas. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. Did the gentleman from Massachusetts call attention to the fact that a member of the minority had concurred in this?

Mr. ROGERS of Massachusetts. The gentleman from Maryland [Mr. LINTHICUM] and the gentleman from Virginia [Mr. MOORE] and the gentleman from Tennessee [Mr. GARRETT] were conferred with.

Mr. CONNALLY of Texas. I am glad to hear that. I had no knowledge of it, although I have been on the floor all the morning.

Mr. ROGERS of Massachusetts. I would have consulted with the gentleman from Texas if I had seen him.

Mr. CONNALLY of Texas. It seems to me that the gentleman from Massachusetts, in conferring with the gentleman from Virginia and the gentleman from Maryland, has conferred with gentlemen who entertain the same view with himself, but the gentleman from Texas does not entertain the same view. Does the gentleman from Massachusetts think that is fair?

Mr. ROGERS of Massachusetts. I am sorry that I did not see the gentleman.

Mr. CONNALLY of Texas. Does the gentleman from Massachusetts think the gentleman from Texas should keep himself bodily before the eyes of the gentleman from Massachusetts in anticipation of having Senate amendments to a bill brought on this floor?

Mr. ROGERS of Massachusetts. I did not think there were any Senate amendments in relation to which the gentleman from Texas had any opposition. The amendments were printed in the RECORD two days and were available to the gentleman.

Mr. SABATH. The bill came back only to-day, did it not?

Mr. ROGERS of Massachusetts. Yes. I tried to be more than fair with the gentlemen on the minority side.

Mr. CONNALLY of Texas. When was the bill messaged back from the Senate?

Mr. ROGERS of Massachusetts. This morning, within a few minutes.

Mr. CONNALLY of Texas. I have been in attendance here and have been out of the Chamber only about 20 minutes. I had no knowledge that this matter would be taken up. It may be all right, but as matters stand I can not act intelligently on the subject.

Mr. SABATH. Mr. Speaker, I have no objection to the amendment referring to Mr. Carr. I consider him as a very capable and deserving gentleman. I understand that the statement of the gentleman from Massachusetts [Mr. ROGERS] is right when he states that this amendment does not increase Mr. Carr's salary. The amendment, as I heard it read, states that it shall be changed from $4,500 to $7,500.

Mr. ROGERS of Massachusetts. This is the only salary that is affected by this bill—Mr. Carr's salary.

Mr. SABATH. But it would be increased from $4,500 to $7,500?

Mr. ROGERS of Massachusetts. Yes.

Mr. SABATH. So that he will be placed on a par with the other Assistant Secretaries?

Mr. ROGERS of Massachusetts. Yes.

Mr. SABATH. I think he is the best man, anyway.

Mr. ROGERS of Massachusetts. I think the Members of the House understand that Mr. Carr is a most efficient and hard-working gentleman.

Mr. BLANTON. I would like to be heard on this amendment for a moment, Mr. Speaker.

This amendment is going to determine the question of policy of the House, in a small way, with respect to economy. This man is now rendering good service for $4,500 a year. His duties are not to be changed by this amendment. He would still perform the same duties, but by it he will have his salary increased from $4,500 to $7,500.

Mr. COLE of Iowa. May I ask the gentleman from Texas where he will get such a man who will continue in the service at such a salary?

Mr. BLANTON. He is performing the service now for $4,500, and on the 1st of July this amendment increases that salary by $3,000 to $7,500. The House ought to go on record on this question. I hope the gentleman will have a roll call on this amendment, and let us determine now whether you are going to carry out the President's so-called policy of economy; whether you are going to stop this raising of salaries, and whether you are going to adopt this amendment increasing this man's salary by $3,000. It is an amendment put on in the Senate and the bill came back to the House just about five minutes ago, was called up immediately and you are now asked to pass it without anybody knowing anything about it. I think we ought to go on record on this amendment, and I intend to force a record vote on it.

Mr. TINCHER. But the forcing of a roll call on this would not help it.

Mr. BLANTON. But it would let the people of the country know who are voting to raise this salary from $4,500 to $7,500.

Mr. COLE of Iowa. Who voted for the bonus?

Mr. BLANTON. I did and I am not ashamed of it, but I voted against the $11,500,000 Cape Cod bill; I voted against giving our $100,000,000 Muscle Shoals away——

Mr. COLE of Iowa. So did I.

Mr. BLANTON. And I voted against the bill for $10,000,000 German relief, as well as other extravagant propositions.

Mr. CONNALLY of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNALLY of Texas. How did this matter get before the House—by unanimous consent?

The SPEAKER. No; it is a House bill with Senate amendments.

Mr. CONNALLY of Texas. In the regular course ought not these amendments go to the committee?

The SPEAKER. No.

Mr. CONNALLY of Texas. Is not that the regular parliamentary procedure?

The SPEAKER. No; this is a House bill with Senate amendments and it can be called up at any time.

Mr. WINGO. Mr. Speaker, I want to get some time. I believe the gentleman from Massachusetts [Mr. ROGERS] has the floor and I ask the gentleman to yield me five minutes.

Mr. ROGERS of Massachusetts. I yield the gentleman five minutes.

Mr. WINGO. Mr. Speaker, I do not know whether this amendment should be agreed to or not. I understand that this man is possibly the best man in the State Department, but, gentlemen, here is the situation you are facing: We are now coming to the close of this session, and I have seen this thing happen for 11 years, and you are going to get in trouble if you continue the policy that is represented by the procedure on this bill. We just had a very interesting measure up for consideration, the veto of the President of the bonus bill. There was a great deal of confusion and Members got up and left to go to lunch and a lot of them had already gone out. Amidst that confusion the gentleman from Massachusetts [Mr. ROGERS]—who, necessarily, by reason of his character and his service, commands the respect of the House—gets up and calls up this bill. No one opposed it being called up, and, as I recall, under the rules he had the right to do it though the impression was he was calling up a conference report. But the bill on which the gentleman wants action and on which we are now acting, so far as the amendments of the Senate are concerned, has just been presented to the House. Amidst the confusion of Members leaving after the roll call on the bonus bill, a message from the Senate comes in with multitudinous measures messaged over from the Senate and among the group was this bill with certain Senate amendments. The gentleman from Massachusetts immediately called it up. I contend that is not conducive to orderly legislation. If I had time to consider this matter, and the members of the committee who say they are opposed to this kind of legislation had had an opportunity to consider it and discuss it, it may be that I should vote for it. But, gentlemen, I am not going to vote for amendments which are brought up on the spur of the moment, with the ranking member of the committee, who holds contrary views to the gentleman who brings it up, absent from the Hall and not having had an opportunity to consider it and advise with those who agree with his views and his judgment on the bill. That does not look to orderly discussion and procedure by this House. It brings confusion, and if it is attempted on some other bill, however unpopular such action may be, I shall resort to every parliamentary tactic and filibuster to prevent such hasty consideration of a measure. I shall not do it now, but I shall content myself with expressing my doubt by simply voting no, although I might on consideration—and I am inclined to think I should—agree that it is a meritorious proposition.

There are a lot of men in the service, good men, who ought to have their salaries raised but they ought not to be raised by a rider put on in the Senate, one man at a time and piecemeal.

We have attempted to reclassify, and I suspect the reclassification will cover this.

Mr. COLE of Iowa. It does.

Mr. WINGO. I do not know. But the Senate, instead of picking out one favorite man and saying, "We are going to jump his salary from $4,500 to $7,500," should do it in an orderly way, so that those public servants who are less popular by reason of their not being in touch with Members of the House can get their just demands for adequate compensation considered by the House, and all of them placed on an equality. That is the way to treat these deserving public servants who are underpaid—consider all of them and not consider just a few favored ones by piecemeal amendments of the Senate.

Mr. CONNALLY of Texas. Mr. Speaker, I make a point of order. I understand this first amendment raises Mr. Carr's salary.

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. I make the point of order, Mr. Speaker, that this amendment properly goes to the Committee of the Whole, because it increases salaries and therefore is a charge on the Treasury. I cite subdivision 2, Rule XXIV.

The SPEAKER. The Chair will state that when the gentleman from Massachusetts rose the Chair had no knowledge of what his purpose was in getting the floor. The gentleman had not notified the Chair in advance and the Chair recognized him, and then he called this bill up. The Chair thinks it is now too late to make that point of order.

Mr. CONNALLY of Texas. If the Chair will permit the gentleman from Texas to make the observation, the Chair must have been more considerate of the gentleman from Massachusetts than other gentlemen, because usually he inquires for what purpose does the gentleman rise, and I recall that only several days ago when the gentleman from Mississippi rose and the Chair courteously gave him the floor and then found out that the gentleman was making a request the Chair did not think proper, the Chair then withdrew the recognition and said that the gentleman must first consult the Chair before making such request, and in all fairness, I suggest it might be well for the Chair——

The SPEAKER. The Chair assumed the gentleman from Massachusetts had arranged with the gentleman from New York [Mr. SNELL], who was entitled to recognition, to bring the matter up.

Mr. SNELL. If the Chair will allow me to make the observation, I understood it was a regular conference report and that I could not object. I object to anything else coming up except the regular unfinished business.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. I may be wrong, but it occurs to me that the Speaker is in error when he says it is now too late.

The SPEAKER. The Chair is not sure.

Mr. WINGO. I want to refresh the Chair's mind. I may be in error, but I think it is too important a matter to pass by in this way.

The SPEAKER. The Chair thinks so.

Mr. WINGO. The customary procedure when a matter comes up, if it is a matter that requires consideration in the Committee of the Whole, is to ask unanimous consent that it be considered in the House as in Committee of the Whole. I want to suggest to the Chair that I think it would be a very unwise precedent to establish, if it has not been already established, especially with the confusion that obtained, and while I am not criticizing the gentleman from Massachusetts, yet in the confusion that existed here the chairman of the Rules Committee really thought this was a conference report.

Mr. SNELL. That is what I thought.

Mr. WINGO. I thought that, too. If I had not thought it was a conference report, there would have been some question on my part in the absence of the gentleman from Tennessee [Mr. GARRETT] on this side. I think the Chair ought to rule now that the point can be raised at any time in reference to a bill that makes a charge on the Federal Treasury, and that it is not too late now. We have just started its consideration, and I do not think it is too late now to say that this is a charge upon the Treasury, and the House has to go into Committee of the Whole to consider it.

The SPEAKER. The parliamentary clerk is looking up the precedents.

Mr. CONNALLY of Texas. Mr. Speaker, I had not finished my citation.

The SPEAKER. Will the gentleman allow the Chair to state the way this came about? The Chair did not know what was coming up, and assumed that the gentleman from Massachusetts had arranged with the gentleman from New York, who was beside him and whom the Chair had expected to recognize, to bring up this bill; and when the gentleman from Texas asked the Chair the question the Chair supposed it was a matter that did not require consideration in the Committee of the Whole. The question now is whether, once consideration has begun, it is too late. The Chair will be glad to hear the gentleman from Texas.

Mr. CONNALLY of Texas. This is what the rule says——

Mr. ROGERS of Massachusetts. May I interrupt the gentleman? Perhaps I can simplify this procedure. I frankly, Mr. Speaker, intended to do only what I thought would be the will of the House. If I have inadvertently erred in any respect, I am extremely sorry. If it is in order, I should be glad to ask unanimous consent that action upon this amendment be postponed until such time next week as it would clearly be in order under the rules of the House.

The SPEAKER. It might not be in order at that time without unanimous consent.

Mr. ROGERS of Massachusetts. It is a House bill with Senate amendments. Is not that in order after the reading of the Journal?

The SPEAKER. Not if the amendment must be considered in the Committee of the Whole.

Mr. ROGERS of Massachusetts. I took this Senate amendment to be an authorization and not an appropriation. I assumed it was privileged, but I do not wish to have any Member of this House think I am trying to crowd this matter unfairly. I ask unanimous consent, in deference to the apparent preferences of several Members, that I may be permitted to withdraw this temporarily.

Mr. BLANTON. With the understanding, Mr. Speaker, that action on the other two amendments is to be vacated?

The SPEAKER. The other two amendments have been adopted, and the Chair does not know what the purpose of the gentleman is.

Mr. BLANTON. Mr. Speaker, if a bill comes back from the Senate that has objectionable matter with reference to the House, it ought to go into Committee of the Whole on all the amendments, and the gentleman ought to ask to vacate action on those two amendments.

The SPEAKER. That is for the gentleman from Massachusets to determine.

Mr. ROGERS of Massachusetts. I do not think there is any occasion to vacate the action, although if the gentleman from Texas wishes it I will ask that also.

Mr. CONNALLY of Texas. I will say this, Mr. Speaker, in all deference to the gentleman from Massachusetts, what I have said and done was not meant as any reflection on the gentleman's intention to put anything by speedily, intentionally, or willfully. I only attribute that to his zeal in the cause. What I have said and done has been to maintain the right of the minority to be consulted about legislation on the floor of this House, and it does not make any difference whether that minority is one or one dozen, and I am referring to those who have minority views on a bill.

Mr. ROGERS of Massachusetts. May I interrupt to ask if the gentleman desires that the whole proceeding be vacated?

Mr. CONNALLY of Texas. I think it would be better in order not to set a bad precedent.

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the entire proceedings on the Senate amendments be vacated.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the entire proceedings be vacated. Is there objection? [After a pause.] The Chair hears none.

ADDITIONAL JUDGES, SOUTHERN DISTRICT OF NEW YORK

Mr. SNELL. Mr. Speaker, the unfinished business is House bill 3318, a bill to provide for the appointment of two additional judges of the district court of the United States for the southern district of New York.

Mr. CAREW. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is clear there is not a quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Faust	Lee, Ga.	Schall
Anthony	Fenn	Linthicum	Scott
Bankhead	Fletwood	Little	Sites
Barkley	Freer	Luce	Smith
Bell	Gallivan	McFadden	Smithwick
Blakey	Garrett, Tex.	McKenzie	Snyder
Boies	Gilbert	McLaughlin, Nebr.	Sproul, Kans.
Britten	Glatfelter	Mead	Stengle
Browne, Wis.	Hardy	Michaelson	Swoope
Buckley	Hawes	Miller, Ill.	Taylor, Colo.
Burdick	Howard, Okla.	Minahan	Tarr
Clague	Huddleston	Moore, Ill.	Ward, N. Y.
Clark, Fla.	Hudson	Morgan	Ward, N. C.
Cole, Ohio	Hull, Tenn.	Morris	Watson
Connolly, Pa.	Hull, William E.	Nelson, Wis.	Wefald
Cooper, Ohio	Humphreys	Nolan	White, Me.
Corning	Johnson, Ky.	O'Brien	Williams, Tex.
Cramton	Kahn	Park, Ga.	Winslow
Croll	Kendall	Peavey	Winter
Curry	Kerr	Porter	Wolff
Dallinger	Kiess	Purnell	Wood
Davis, Minn.	Knutson	Quayle	Wyant
Dominick	Kvale	Ransley	Zihlman
Doyle	Langley	Reed, W. Va.	
Drane	Leatherwood	Rogers, N. H.	
Dyer	Leavitt	Rosenbloom	

The SPEAKER pro tempore (Mr. TREADWAY). On this call 332 Members have answered to their names. A quorum is present.

Mr. BEGG. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

PRESIDENT'S VETO OF ADJUSTED COMPENSATION BILL

Mr. JOST. Mr. Speaker, I ask unanimous consent to insert in the RECORD some remarks in relation to the President's veto and my vote in support thereof.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD by inserting a statement in regard to his support of the President's veto. Is there objection?

Mr. SNELL. I have no objection if they are the gentlemans' own remarks.

Mr. JOST. They are my own remarks.

There was no objection.

Mr. JOST. Mr. Speaker, following the passage of this measure by the House and as soon as I was permitted so to do, I placed of record the reasons which moved me to vote for it. Those who may be interested to the point of referring to that statement will there learn that I regarded the measure not as a

bonus but in the nature of a preliminary pension, and I voted for it on that theory. Sooner or later pensions on a huge scale will be paid to veterans of the late war and their dependents. Whether the task of meeting that inevitable obligation should be begun now by some such measure as the one in hand or postponed until the existing financial burdens of the Government shall have been lightened is the question of the moment for me to answer with my vote.

From my viewpoint, the immediate solution of the problem is not of such overruling importance as to preclude me from voting to sustain the President's veto, and I shall so vote. While my vote is in agreement with the result sought by the veto, I certainly and most vigorously dissent from the statements therein with reference to the ex-service men and their relationship to the Government during and since the war. It seems to me that the language of the veto in that respect is unnecessarily harsh.

The responsibility of running this Government just now is with the Republican Party, of which the President of the United States is the titular head. He has solemnly declared that the instant measure is wrong, that ex-service men as a whole do not want it, that those who do, do not deserve it, and that the country can not afford to pay the cost which the bill will entail. To overrule his veto and thrust this measure on the Government against his protest is to furnish an excuse and cover for the failure of his administration to relieve the people and business from the heavy and distressing taxes which afflict the Nation.

The President speaks for his party. It is now certain he will be the candidate of the Republican Party at the next general election. He has declared positively and unequivocally against a soldiers' adjusted compensation measure in any form. In doing so he made an important and far-reaching decision. The responsibility is his. By sustaining his veto, this presidential policy would become the policy of his party and the subject of a solemn referendum at the next general election. In my humble judgment it is neither good business nor good politics to overrule this veto.

NANCY HANKS LINCOLN

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address I delivered at the dedication of a memorial tree transplanted from the grave of the mother of Abraham Lincoln in Spencer County, Ind., to the Lincoln Memorial grounds, Washington, D. C.

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, under leave granted to extend my remarks, I insert a revised address I delivered April 21, 1924, at the dedication of a memorial tree transplanted from the grave of the mother of Abraham Lincoln, in Spencer County, Ind., to the Lincoln Memorial Grounds, Washington, D. C., as follows:

We are gathered here to-day to perpetuate the memory of a mother, Nancy Hanks Lincoln, a woman whose brave, honest, and kindly spirit gave cheer to many struggling pioneers who were making inroads into the wilderness of Kentucky and Indiana.

Here in the shadow of the great Lincoln Memorial, dedicated to her martyred son, we are planting a living memorial to the beloved mother.

The cooperation and enthusiasm exhibited by so many people interested in the transplanting of this tree has been very gratifying. Let us extend our thanks to Lieut. Col. C. O. Sherrill; Mr. F. R. Peters, editor of the Evansville Press; the Boy Scouts of Evansville, Ind., and of Washington, D. C., and their executives; Mr. Noah Spurlock, custodian of the Nancy Hanks Lincoln Memorial Park, at Lincoln City, Ind.; and the school children of southwestern Indiana, for their assistance in the undertaking. It demonstrates their willingness to aid the promotion of any worthy civic or patriotic enterprise.

I have long thought that the people of my district, who have a strong claim to the fame of Abraham Lincoln because he spent several years molding into manhood in Spencer County, Ind., should donate something to the grounds of the Lincoln Memorial, which has become an international shrine, visited daily by hundreds of people from all over the world. This great memorial is not complete without something to remind the traveler and sightseer of Lincoln's mother, who contributed so much to the great President's success and of whom he himself said, "All that I am or hope to be I owe to my sainted mother." Trees have about them something beautiful and attractive to everybody. Hence I could think of nothing that would be more appropriate than this white oak tree from the Nancy Hanks Lincoln Memorial Park, in which Lincoln's mother and sister are buried and of which all Hoosiers are justly proud. Here this tree will grow and expand into a mighty oak as a living memorial to the great American's youthful days spent with his mother in the backwoods of Spencer County, Ind. Only a short distance from the thriving little village of Lincoln City is the final resting place of Nancy Hanks Lincoln.

There the State set aside and maintains a beautiful park dedicated to her memory.

Every time I look at this great monument, unequaled by any in the world, costing thousands and thousands of dollars, erected to the memory of a man whose public life exhibited such brilliant talents and who has become one of the greatest characters in history, it takes me back to the quiet little park resting among the hills of Spencer County. In that vicinity Lincoln spent some of his most trying days, enduring the hardships of the rugged pioneer, endeavoring to obtain an education under the most difficult circumstances, and molding his mind and character so that in later years he was able to deal successfully with the great questions which involved the destiny of the Nation.

Let us briefly review here the history of the Hanks family and the life of Nancy Hanks herself. It seems that all the different branches of the Hanks family come from the old town of Malmsbury in Wiltshire, 96 miles from London. In the year 878, Alfred the Great defeated the Danes, who had overrun the whole Kingdom of the West Saxons. All of the Malmsbury men who fought in this battle under King Alfred were rewarded with 500 acres of land. Among these so-called "commoners" were two brothers named Hanks, whose descendants still hold the "commoner's rights" in Malmsbury, each succeeding king having given them a charter to the land.

A descendant, Thomas Hanks, moved from Malmsbury to Stop-on-the-wold, married and had three children. One, Thomas, jr., married and had a son named Thomas 3d, who is said to have been a soldier under Oliver Cromwell. He had one son, Joseph, who married; and one of the latter's sons, Benjamin, married and came to America, landing at Plymouth, Mass., in 1699.

Interwoven in the annals of New England, we find that members of the Hanks family are remarkably inventive and that it is a "family of founders."

Suffice it to say, that the mother of Abraham Lincoln belonged to a family which has given to America some of her finest minds and most heroic hearts.

One son of Benjamin Hanks, named William, migrated to Virginia. William's son, Joseph, then moved to Amelia County, Va., where Nancy Hanks was born on the 5th of February, 1784. Here she lived until she was five years of age, when her parents decided to find a new home in Kentucky, becoming thus a part of the great migration to that State—the migration which began when Daniel Boone and James Harrod founded Harrodsburg and Boonsborough in 1774–75, and which reached its height during the last 20 years of the eighteenth century.

The journeys were practically all made via the Virginia Valley, through Cumberland Gap, and thence by what was known as Wilderness Road to the Ohio River at Louisville. The Hanks family settled on a farm of 150 acres near Elizabethtown, in what is now Nelson County, Ky. The Indians were still disputing the rights of the white people to Kentucky, and it was necessary for settlers to live in stockades. Shortly after her father's death in 1793 Nancy's mother died, and Nancy went to live with her aunt, Mrs. Richard Berry.

On June 12, 1806, when Nancy Hanks was 22 years old, she was married to Thomas Lincoln, a cousin, in a log cabin in Beechland, Washington County, near the town of Springfield, Ky., by Jesse Head, a Methodist minister of Springfield. After their marriage they went to Elizabethtown, where a child was born, named Sarah, in 1807. They then moved to Buffalo, Ky., where a son was born to them, whom they named Abraham, a name common in both the Hanks and Lincoln families.

Thomas Lincoln, like his son after him, had a notion that fortunes could be made by trips to New Orleans on flatboats. It was probably about 1815 that he built a flatboat, which, because of an idea which he had about making water crafts speedy, was high and narrow and very unsuccessful at the time because of lack of ballast. He loaded this boat with a cargo of whatever he could gather from his farm, and also of deer, bear, and buffalo furs, and floated down Salt River into the Ohio, which was flushed from recent rains and full of whirlpools and snags. Before he reached the Mississippi River, however, his boat upset. He was able to save his tool chest and part of his cargo only because he was near the Indiana shore. He stored what he had saved under the bank and went home afoot, and in debt to the neighbors who had helped him. In those days, though, people never pressed a man who had lost by Indians or by water. Later Mr. Lincoln made a trip into Indiana, prospecting for new land, and returned home to sell and move to that State.

His son wrote in later years, "This removal was partly on account of slavery but chiefly on account of difficulty in land titles in Kentucky." It might be stated here that Thomas Lincoln had advanced ideas about slavery.

In the year 1816 the family prepared to leave Kentucky. They packed their household furniture and farm tools into a wagon. Whatever of stock they owned was driven behind, and the procession started. The first part of their journey probably was not difficult, for it is claimed that the road to the Ohio was good. After crossing the river and entering Indiana their pilgrimage, no doubt, became troublesome. They then had to literally cut their way through the forests to the land which Thomas Lincoln had taken up for himself and his family.

This land lay in what is now Spencer County, Ind., on Little Pigeon Creek, about 15 miles north of the Ohio River, about 35 miles east of Evansville, Ind., and 1½ miles east of Gentryville, Ind. The hardships of the Lincoln family began after Indiana was reached and their camp in the wilderness, which was to be their shelter, was built.

Their first home was what was called "a half-faced camp"—a kind of log lean-to without doors or windows.

The winters of 1816 and 1817 were spent in this camp. The next year Thomas Lincoln built a crude cabin which was sufficient shelter. The family began to find new friends and neighbors in that far-distant country. They joined the Pigeon Creek Baptist Church and gradually became associated in whatever interested the neighborhood.

Several of Nancy's friends and relatives moved to Indiana, and the new home became more interesting as it became more habitable.

History tells us that Nancy Hanks was bright, scintillating, noted for her keen wit and repartee, and withal a great, loving heart. Her gentleness and brightness she left everywhere she went, like a ray of sunshine. Such a woman, who can face and surmount difficulties with a smile and be ever willing to lend others a helping hand, is the kind which gives us our sturdy Americans and gives power and vitality to our race.

On October 5, 1818, after an illness of a few days, she died from an intensified form of malaria. Death in the home was a peculiarly intimate thing for those early settlers; for the body lay in the room where they ate and slept, and it was necessary for the family to make all the preparations for the funeral as well as to make the coffin itself. It was customary for people of the community to attend the funeral of one of their numbers; but at this time an epidemic of malaria was raging through all of southern Indiana, and people did not dare to congregate. So the little woman was laid to rest without a funeral service under the golden autumn leaves in a lonely and yet enchanted spot on top of a hill near what is now Lincoln City—there where Nancy Hanks Lincoln and her boy had often sat together and watched the gorgeous colors of the glorious sunset far over the distant hills.

Although she gave her life as a victim to the same grinding poverty in which Abraham Lincoln grew from boyhood to manhood, and although it was, no doubt, her early influence which made of Abraham Lincoln the great man that he was, no monument has been erected in Washington to Nancy Hanks Lincoln.

The appropriateness of such a monument is obvious. And what could be more fitting than this memorial oak transplanted from that hallowed soil in Indiana to this position beside the massive monument in memory of her martyred son?

While only the eve of her life was lived in Indiana, yet the story of the inroads made into the wilderness of that State by Nancy Hanks and her little family will live to eternity.

With these things in mind plans were formulated and permission was granted by the War Department for the transplanting of this tree. Mr. Peters, of the Evansville Press, proposed to secure the tree and sought the cooperation of Mr. Zion, the Scout executive. Representatives of 14 Boy Scout troops were gathered, and they started from Evansville on Friday, April 4, 1924, at 4 p. m. They reached Tennyson, Ind., without mishap, but after that they not only walked a good portion of the way from Tennyson to Lincoln City, which is 12 miles, but pushed the two cars they had taken with them. The lights on one of the cars failed and a flash light was used.

Three miles out of Lincoln City the automobiles had to be abandoned, and the party plodded through the mud on foot the rest of the trip. Lincoln's spirit must have smiled kindly upon the courage of these boys, trudging the last long miles of an arduous journey to his old home to help perpetuate the memory of the mother whom he loved so well. The muddy and tired, but cheerful, party of 14 boys and 2 men had been invited to bunk in Mr. Wayne Hevron's barn, and there they slept soundly during the remainder of the night.

Mr. Noah Spurlock, custodian of the Nancy Hanks Lincoln Park, had the tree ready for its journey to the Capital. Working in shifts, the boys started back, hoping that they would be able by the light of day to make the journey back to Tennyson without having to walk and push. The party arrived in Evansville late in the afternoon of April 5, and the tree was shipped immediately to Washington, arriving on Tuesday, April 8, where it was received by Mr. Henlock, the superintendent of the Propagating Gardens, and the Washington Boy Scouts, under the supervision of their executive, Mr. E. D. Shaw.

To-day we plant this 10-year-old white oak tree in memory of the noble woman, the products of whose hardships and perils are commemorated by this magnificent memorial dedicated to her great son.

We have taken this tree from the soil hallowed by the possession of her mortal remains, and are transplanting it on memorial grounds established for the sole purpose of bringing mankind into the great nature of her martyred son.

May this memorial oak in future years become beautiful in its majestic grandeur. May it send out its branches to the heavens and rival its ancestors which grew on the Lincoln farm in Indiana. May it become an important addition to these grounds, beneath whose shade future tourists may stop and be reminded of the woman whose strong but gentle influence played such an important part in molding the character of one of our greatest Americans.

I now christen you Nancy Hanks Lincoln Memorial Oak.

A PLAN TO PREVENT WAR

Mr. THOMAS of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in explanation of a joint resolution I have introduced proposing an amendment to the Constitution of the United States.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. SNELL. I have no objection if they are the gentleman's own remarks.

Mr. THOMAS of Oklahoma. They are my own remarks.

There was no objection.

Mr. THOMAS of Oklahoma. Mr. Speaker, I have just introduced a joint resolution (H. J. Res. 266) proposing an amendment to the Constitution of the United States in the following language:

Amendment —.

SECTION 1. The Congress shall have power to declare war, provided three-fourths of the Members elected to and constituting each House shall concur.

SEC. 2. After a declaration of war and prior to the reestablishment of peace the Congress shall have power to enact legislation for the prosecution of such war, notwithstanding existing contracts made after ratification of this amendment.

The proposed amendment has for its purpose the prevention of war. This greatly desired end is to be accomplished by mobilizing the forces in America in an effort to prevent war rather than in the preparation for war.

The amendment, if adopted, will accomplish the following:

1. Will make it more difficult to declare war;
2. Will give Congress power to draft property and material as well as men; and
3. Will make it possible to prevent any man or interest from making profit out of war.
4. With this amendment adopted, all contracts will be made subject to "acts of God" and "declarations of war by the Congress of the United States."

At this time the majority of a quorum in each House can declare war. Under the proposed amendment such a declaration can be made only by the vote of three-fourths of the total membership elected to and constituting each House of Congress.

Congress now has power to draft and force into war boys, men, and even women; but it is not certain that Congress has the power to enact laws to provide that all the profits of war can be used in defraying the expenses of war.

Powerful interests, such as shipbuilders, armor plate and munition makers, and manufacturers of war supplies, and all who thrive on war, will oppose this amendment; but in the event of its adoption all peoples and institutions which prosper in peace and are injured by war will join in an effort to stop war throughout the earth.

With the amendment in force and in the event a defensive war is necessary, the whole resources of the country—men, money, material, and property—will be subject to mobilization by Congress to repel such invasion.

With profits withdrawn from war; with property subject to draft and mobilization the same as men; with contracts which interfere with the prosecution of war abrogated, suspended, or annulled; and with the possibility of a general moratorium being declared, warfare will be so terrible and so costly to the interests which bring about armed conflicts that war will soon become a memory of barbaric activity.

At present the United States, along with other Nations, is getting ready for the next war. We are spending hundreds of millions annually in preparation for the next "carnival of slaughter." The next war will not be confined to battles between armed and trained soldiers, but instead will be a war of destruction of property and of extermination of people, including noncombatants, women, and children.

I have introduced this proposed amendment in the hope that the attention of the people may be diverted from the preparation for war to the prevention of war, and unless this

can be accomplished, this generation, without regard to sex or age, may see a conflict the horribleness of which the human mind can not now comprehend.

ADDITIONAL JUDGES FOR SOUTHERN DISTRICT OF NEW YORK

Mr. PERLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3318) to provide for the appointment of two additional judges for the district court in the southern district of New York.

The SPEAKER pro tempore. The gentleman from New York moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3318) to provide for the appointment of two additional Federal judges for the district court of New York.

The question was taken; and on a division (demanded by Mr. CAREW) there were 44 ayes and 55 noes.

Mr. PERLMAN. Mr. Speaker, I object to the vote on the ground that no quorum is present.

The SPEAKER pro tempore. The gentleman from New York makes the point that no quorum is present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll. All those in favor of going into Committee of the Whole will answer "aye" and all those opposed will answer "no."

The question was taken; and there were—yeas 161, nays 158, not voting 114, as follows:

YEAS—161

Ackerman	Fredericks	Magee, N. Y.	Sinclair
Aldrich	Free	Manlove	Smith
Andrew	Freeman	Mapes	Snell
Bacharach	French	Merritt	Speaks
Bacon	Frothingham	Michaelson	Sproul, Ill.
Barbour	Fuller	Michener	Sproul, Kans.
Beedy	Graham, Ill.	Miller, Wash.	Stalker
Beers	Graham, Pa.	Mills	Stephens
Begg	Green, Iowa	Moore, Ohio	Strong, Kans.
Berger	Greene, Mass.	Moores, Ind.	Strong, Pa.
Bixler	Griest	Morgan	Summers, Wash.
Britten	Hadley	Morin	Swing
Browne, Wis.	Hardy	Murphy	Taber
Brumm	Hawley	Nelson, Me.	Taylor, Tenn.
Burton	Hersey	Nelson, Wis.	Taylor, W. Va.
Butler	Hickey	Newton, Minn.	Temple
Cable	Hill, Md.	Newton, Mo.	Thatcher
Campbell	Hoch	Nolan	Thompson
Chindblom	Holaday	Paige	Tilson
Christopherson	Hudson	Parker	Timberlake
Clague	Hull, Iowa	Patterson	Tincher
Clarke, N. Y.	Hull, William E.	Perkins	Tinkham
Cole, Iowa	James	Perlman	Treadway
Colton	Kearns	Phillips	Vaile
Cooper, Ohio	Keller	Porter	Vestal
Cooper, Wis.	Kelly	Rathbone	Vincent, Mich.
Darrow	Kendall	Reece	Voigt
Davis, Minn.	Ketcham	Reed, N. Y.	Wainwright
Dempsey	King	Reid, Ill.	Watson
Denison	Knutson	Roach	Wefald
Dickinson, Iowa	Kopp	Robinson, Iowa	Wertz
Dilmonda	Kurtz	Robsion, Ky.	White, Kans.
Elliott	LaGuardia	Rogers, Mass.	Williamson
Evans, Iowa	Larson, Minn.	Sanders, Ind.	Winslow
Fairchild	Lehlbach	Sanders, N. Y.	Woodruff
Fairfield	Lineberger	Schafer	Wurzbach
Fenn	Longworth	Schneider	Wyant
Fish	McLaughlin, Mich.	Sears, Nebr.	Young
Fitzgerald	McLeod	Seger	
Foster	MacGregor	Shreve	
	MacLafferty	Simmons	

NAYS—158

Abernethy	Celler	Griffin	McKeown
Allen	Clancy	Hammer	McNulty
Almond	Cleary	Harrison	McReynolds
Almon	Collier	Hastings	McSwain
Arnold	Connery	Hawes	McSweeney
Aswell	Cook	Hill, Ala.	Major, Ill.
Barkley	Crisp	Hill, Wash.	Major, Mo.
Beck	Crosser	Hooker	Mansfield
Black, N. Y.	Cullen	Howard, Nebr.	Martin
Black, Tex.	Cummings	Hudspeth	Mead
Brand	Davis, Tenn.	Jacobstein	Milligan
Blanton	Deal	Johnson, Tex.	Mooney
Bloom	Dickinson, Mo.	Johnson, W. Va.	Moore, Ga.
Bowling	Dickstein	Jones	Moore, Va.
Box	Doughton	Kent	Morehead
Boyce	Drewry	Kincheloe	Morrow
Boylan	Driver	Kindred	O'Connell, N. Y.
Brand, Ga.	Eagan	Kunz	O'Connell, R. I.
Briggs	Evans, Mont.	Lanham	O'Connor, La.
Browning	Favrot	Lankford	O'Connor, N. Y.
Buchanan	Fisher	Larsen, Ga.	O'Sullivan
Bulwinkle	Fulbright	Lazaro	Oldfield
Busby	Fulmer	Lee, Ga.	Oliver, N. Y.
Byrnes, S. C.	Gardner, Ind.	Lilly	Parks, Ark.
Byrns, Tenn.	Garner, Tex.	Lindsay	Peery
Canfield	Garrett, Tenn.	Logan	Pou
Cannon	Garrett, Tex.	Lowrey	Prall
Carew	Gasque	Lozier	Quin
Carter	Geran	McClintic	Ragon
Casey	Greenwood	McDuffie	Rainey
Raker	Sanders, Tex.	Sumners, Tex.	Watkins
Rankin	Sandlin	Swank	Weaver
Rayburn	Sears, Fla.	Tague	Weller
Reed, Ark.	Shallenberger	Thomas, Ky.	Wilson, Ind.
Richards	Sherwood	Thomas, Okla.	Wilson, La.
Romjue	Sites	Tillman	Wilson, Miss.
Rouse	Smithwick	Tucker	Woodrum
Rubey	Steagall	Underwood	Wright
Sabath	Stedman	Upshaw	
Salmon	Stevenson	Vinson, Ky.	

NOT VOTING—114

Anderson	Frear	Leavitt	Sinnott
Anthony	Funk	Linthicum	Snyder
Ayres	Gallivan	Little	Spearing
Bankhead	Garber	Luce	Stengle
Bell	Gibson	Lyon	Sullivan
Boies	Gifford	McFadden	Sweet
Brand, Ohio	Gilbert	McKenzie	Swoope
Browne, N. J.	Glatfelter	McLaughlin, Nebr.	Taylor, Colo.
Buckley	Goldsborough	Madden	Tydings
Burdick	Haugen	Magee, Pa.	Underhill
Burtness	Hayden	Miller, Ill.	Vare
Clark, Fla.	Howard, Okla.	Minahan	Vinson, Ga.
Cole, Ohio	Huddleston	Montague	Ward, N. Y.
Collins	Hull, Morton D.	Moore, Ill.	Ward, N. C.
Connally, Tex.	Hull, Tenn.	Morris	Wason
Connolly, Pa.	Humphreys	Mudd	Watres
Corning	Jeffers	O'Brien	Welsh
Cramton	Johnson, Ky.	Oliver, Ala.	White, Me.
Croll	Johnson, S. Dak.	Park, Ga.	Williams, Ill.
Crowther	Johnson, Wash.	Peavey	Williams, Mich.
Curry	Jost	Purnell	Williams, Tex.
Dallinger	Kahn	Quayle	Wingo
Davey	Kerr	Ramseyer	Winter
Dominick	Kiess	Ransley	Wolff
Dowell	Kvale	Reed, W. Va.	Wood
Doyle	Lampert	Rogers, N. H.	Yates
Drane	Langley	Rosenbloom	Zihlman
Dyer	Lea, Calif.	Schall	
Fleetwood	Leatherwood	Scott	

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. McFadden with Mr. Minahan.
Mr. Curry with Mr. Quayle.
Mr. Fleetwood with Mr. Bell.
Mr. Barbour with Mr. Wolff.
Mr. Mudd with Mr. Lea of California.
Mr. Gifford with Mr. Ayres.
Mr. Dallinger with Mr. Collins.
Mr. Johnson of Washington with Mr. Morris.
Mr. Burdick with Mr. Drane.
Mr. Scott with Mr. O'Brien.
Mr. Dowell with Mr. Browne of New Jersey.
Mr. Boies with Mr. Hayden.
Mr. Vare with Mr. Spearing.
Mr. Wood with Mr. Bankhead.
Mr. Leavitt with Mr. Oliver of Alabama.
Mr. Wason with Mr. Tydings.
Mr. Luce with Mr. Linthicum.
Mr. Winter with Mr. Goldsborough.
Mr. Madden with Mr. Connally of Texas.
Mr. Welsh with Mr. Hull of Tennessee.
Mr. Magee of Pennsylvania with Mr. Kvale.
Mr. Purnell with Mr. Williams of Texas.
Mr. Connolly of Pennsylvania with Mr. Montague.
Mr. Ramseyer with Mr. Buckley.
Mr. Cramton with Mr. Glatfelter.
Mr. Johnson of South Dakota with Mr. Jeffers.
Mr. Lampert with Mr. Stengle.
Mr. Williams of Illinois with Mr. Vinson of Georgia.
Mr. Ransley with Mr. Croll.
Mr. Sweet with Mr. Wingo.
Mr. Watres with Mr. Dominick.
Mr. Frear with Mr. Howard of Oklahoma.
Mr. Swoope with Mr. Taylor of Colorado.
Mr. Dyer with Mr. Davey.
Mr. Crowther with Mr. Lyon.
Mr. McLaughlin of Nebraska with Mr. Corning.
Mr. Anthony with Mr. Sullivan.
Mr. Miller of Illinois with Mr. Rogers of New Hampshire.
Mr. Leatherwood with Mr. Jost.
Mr. Morton D. Hull with Mr. Doyle.
Mr. Sinnott with Mr. Johnson of Kentucky.
Mr. Funk with Mr. Kerr.
Mr. Yates with Mr. Humphreys.
Mr. Brand of Ohio with Mr. Cannon.

The doors were reopened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3318, with Mr. LEHLBACH in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States, by and with the advice and consent of the Senate, shall appoint two additional judges of the District Court of the United States for the Southern District of New York, who shall reside in said district and who shall possess the same powers, perform the same duties, and receive the same compensation as the present district judges of said district.

Mr. PERLMAN. Mr. Chairman and gentlemen of the committee, the southern district of New York comprises the counties of New York, Westchester, Columbia, Dutchess, Greene, Orange, Putnam, Rockland, Sullivan, and Ulster. The population of this district, according to the census of 1920, is 3,801,364,

and the population of this district has increased considerably since the taking of the 1920 census.

The United States District Court for the Southern District of New York has six permanent judges. This bill proposes that two additional permanent judges shall be appointed for this judicial district.

At the close of June 30, 1923, there were pending in this court 24,724 civil and criminal cases.

The following is a statement of business transacted in the United States district court, southern district of New York, during the fiscal year ending on June 30, 1923:

Cases	Commenced during year	Terminated during year	Pending June 30, 1923
Civil suits to which United States is not a party:			
Equity	545	477	1,151
Law	643	566	2,184
Admiralty	787	819	3,518
Civil suits to which United States is a party	1,159	750	3,773
Bankruptcy proceedings	2,471	1,615	5,262
Total civil suits and proceedings	5,610	4,227	15,888
Criminal cases	2,919	2,559	8,836
Total civil and criminal cases	8,529	6,785	24,724

In addition there were on the motion calendar of this court during this fiscal year 15,084 motions, divided as follows:

General motions	4,117
Motions in bankruptcy cases	5,306
Final hearings in naturalization	5,661

During the six months from July 1 to December 31, 1923, the net increase in the cases awaiting trial, exclusive of prohibition and bankruptcy cases, was as follows: (This was the net increase in cases added to the general calendar from cases disposed of during that period):

Equity	70
Law	98
Admiralty	324
Criminal	482

I am reliably informed that a case on the equity calendar in this court is reached in not less than 16 months; a case on the law calendar, two years and four months; a case on the admiralty calendar, two years and six months. Many criminal cases have been on the calendar more than two years. The jury, admiralty, and equity calendars are about two years behind and on account of increased litigation the situation is daily growing worse. This congestion amounts to a denial of justice.

There was a hearing on this bill before the Committee on the Judiciary on February 13, 1924. At this hearing Mr. Henry D. Williams, representing the New York Patent Law Association, appeared and spoke in favor of the bill. Mr. Williams informed the committee that because of the congestion many patent cases are not brought in the southern district court, for it is impossible to get the amount of care and thought and attention that such patent cases require, and that citizens residing in this district are compelled to bring the patent cases in Chicago, Pittsburgh, and sometimes in San Francisco. You can appreciate that the expense incident to the bringing of witnesses from New York to Chicago, to Pittsburgh and San Francisco, makes this litigation unnecessarily expensive. This additional expense to the litigants is of no benefit to anyone and is an inexcusable waste of money.

Hon. Henry Wade Rogers, senior United States circuit judge, second judicial district, wrote to Representative OGDEN L. MILLS, the introducer of this bill, as follows:

I am writing you in reference to a bill now pending either in the House of Representatives or before the Judiciary Committee of the House which relates to the appointment of two additional Federal judges in the southern district of New York.

The situation in the southern district is one of the matters which came before the judicial conference at its meeting in Washington in September, 1923. The judicial conference, as you know, is composed of the Chief Justice of the Supreme Court and the senior circuit judge in each of the nine circuits of the United States.

After a full consideration the conference voted in favor of the appointment of two additional judges for the southern district and two additional circuit judges for the eighth circuit. This action was taken by a unanimous vote.

In the southern district of New York the situation is most serious. On the 1st of July, 1923, there were 25,000 cases on the docket. This means that a case is on the docket for two years before it can be heard. We have been doing everything in our power to relieve that congested condition and brought in during the preceding year such district judges from other districts as we could find free to come. With all our efforts in that year, instead of reducing the number of cases on the docket, there were a thousand additional cases at the beginning of the next year.

That being the condition, it is evident that in many cases a situation exists which amounts to a denial of justice.

This is a condition which ought not to be permitted to continue. Perhaps better than any other person, I know the difficulties of bringing in additional judges, and I am entirely satisfied that there is no way out to remedy the existing situation except through the appointment of at least two additional district judges in the southern district of New York.

Col. William Hayward, United States attorney for the southern district of New York, recently wrote as follows:

There is no question that the two judges asked for in this district is a most modest request. We are two or three years behind on our calendars, and although the chief justice has tried to get us additional judges to help out from other districts, they are few and far between. We have so many mail-fraud cases awaiting trial that I despair of ever reaching them. Each case takes several weeks, sometimes as much as six weeks, consuming the entire time of judge and jury. The Sherman Act cases are equally long. The prosecution of the Cement Trust, which resulted in a disagreement, took seven weeks. We ordinarily have one or at best two of the Federal judges assigned for criminal work. Judge Mack, who has been of great help to us, I understand is going to Cincinnati. We could use four times the number of judges suggested for the next two years and then only catch up with our calendars. I think Judge Hand, who makes the assignment of the judges, has done the best for us he can without neglecting or interfering with the very important work of the judges. Of course, you know of the burden of admiralty, patent, and other civil litigation they have. On the question of additional judges I feel like yelling, "Help, more help, and still more help."

There are now sitting in this district 10 Federal judges. Next month we are to have 11 judges.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. PERLMAN. Yes.

Mr. LAGUARDIA. The four extra judges come from other districts?

Mr. PERLMAN. Yes.

Mr. LAGUARDIA. And they are allowed additional compensation?

Mr. PERLMAN. Yes.

Since January 1, 13 judges from outside of the southern district of New York were assigned to the southern district of New York. Each received, in addition to his salary, $10 per day computed from the day the judge left his home to the day he returned to his home, and railroad and Pullman fares. The judge takes with him his stenographer, who, in addition to his salary, receives $4 per day, plus railroad and Pullman fares.

Now, in respect to the cost of the two additional judges the salaries of these two judges will be $15,000, and the salaries of their stenographers will be $3,680, making a total of $18,680 per year.

In this connection permit me to read a statement of the cost of the assignment of outside judges to this district, submitted to the Judiciary Committee by Mr. George E. Strong, chief clerk of the Department of Justice. It is as follows:

From January 1, 1921, to June 4, 1923, expense of travel and per diem for judges assigned to the southern district of New York from without the second circuit, under the provisions of the act of October 3, 1913 (38 Stat. 302), is $17,088.12; expense of stenographers to judges is $8,104.23; total, $25,192.35; in addition, there are stenographic assistants and incidental expenses which it is impossible to compute. There is also an item of expense due to loss of time on the part of judges when traveling to and from New York City.

The expense for the other assignments which are authorized by the act of September 14, 1922, is not available at the present time, as same would require a search of records by the marshals of the several districts.

The estimated expense for two additional judges in the southern district of New York is as follows: Salaries of judges ($7,500 each), $15,000; salaries of stenographers ($1,840 each), $3,680; total, $18,680.

It is only fair to add that in view of the general congestion throughout the United States it is most difficult to secure an available judge, and often delays occur pending the consent of the senior circuit judge and the district judge; furthermore, whenever the congestion is of a permanent nature same should be cared for by the creation of additional judges, and the provisions for assignment from one circuit to another should only be utilized to relieve congestion of a temporary character, where the general business of the district would not be sufficient to occupy all the time of an additional judge. However, if it were not for these assignments the congestion in the southern district of New York would be even more serious than exists at present.

Mr. O'CONNOR of New York. Is it not a fact that in addition to the judges' salaries we will have to get them court rooms and various attendants?

Mr. PERLMAN. No. The court rooms are there now. Last year for five months the Department of Justice paid to the outside judges and their stenographers for their per diem allowance the sum of $25,192.35, and in addition their Pullman and railroad fare. At that rate it cost the Government nearly $70,000 a year, while the cost of these two additional judges, including stenographic service, will be $18,680 per year.

Yesterday the gentleman from New York [Mr. CELLER] spoke in opposition to this bill, stating that there was no need for any additional judges in this district. The gentleman's district is not in the southern dstrict of New York. The gentleman lives in and represents a district in the eastern district of New York, where there is no congestion. Permit me to read to the gentleman from New York [Mr. CELLER] and to the other Democrats from New York, all of whom are opposing this bill, the testimony of one of their colleagues [Mr. WELLER], who is a member of the Judiciary Committee.

Mr. WELLER is an attorney and has practiced extensively in the southern district court. Until yesterday he advocated the passage of this bill. To-day he is not participating in the debate, and I believe he will vote against the bill. I wonder who changed his mind. Permit me to read his testimony at the hearings before the Judiciary Committee on February 13, 1924:

Mr. WELLER. I only want to supplement, Mr. Chairman, the remarks of Mr. Williams in reference to the condition of business and to indicate that in communications in writing from all our judges in the southern district, including the circuit judges, we have letters from all the judges approving additional judges, and up in my office I have possibly more than 150 letters from members of the bar who, like myself, practice especially in the Federal courts.

On December 31, 1923, there were approximately 25,000 actions pending in the southern district, of which 7,000 are matters which we call ex parte matters, or matters which can be threshed out by the lawyers before referees in bankruptcy, and all kinds of patent cases in which a sitting court is not required, there being 13,143 cases on the docket on December 31, divided into 561 equity cases, 1,647 law cases, 1,863 admiralty cases, 6,495 criminal cases, exclusive of prohibition cases, cases under the prohibition law, 2,610, making a total of 13,143.

The condition of the calendar is little short of a scandal.

Mr. MICHENER. Those 6,000 plus criminal cases—are many of those cases—cases which have been on the calendar a long time and are carried along?

Mr. WELLER. I dare say 25 per cent have been on the calendar for five years.

Mr. MICHENER. Those will not be tried, will they, the criminal cases?

Mr. WELLER. In all probability, no. Many of those cases consist of what we call mail-fraud cases, and the average time it takes to try a mail-fraud case is over two weeks and as long as eight months, and those cases have been piling up, and I might say we have tried, the Chief Justice has tried, and the senior circuit judge of our district, Judge Rogers, has tried to get out-of-town judges from other States to come and dispose of the so-called fraud calendar. Inasmuch as they are prolonged cases there is no disposition, I might say, for out-of-town judges to come and take up that calendar. Not only is there no disposition on the part of the judge, but on the part of the senior circuit judge of the court of which he is a member, to permit him to sit there any length of time.

The matters that are attended to by judges, especially bankruptcy hearings and the motion calendar, keep a judge busy practically all day and all night. I am not stressing the statement when I say—and I think my colleague, Mr. PERLMAN, will concur in what I say—that on the motion call in room 231 of the Post Office Building it is almost impossible to get to the door, let alone to get inside of the door. The people who are in the court at that time are not litigants; they are lawyers and lawyers' clerks who have come up to answer matters ready for argument, and time is fixed during the day when certain parts of the calendar may be taken up and lawyers able to get to a point before the bar where they can be heard by the judge.

I am not going to take up any further time. Mr. MILLS's bill has the recommendation of the Chief Justice, the President of the United States, the Attorney General, the district attorney, and all of the circuit judges of our district.

I would like to file in the record, Mr. Chairman, just a few letters—one from Judge Rogers, one from Judge Goddard, and one from Mr. I. Maurice Wormser, who is the editor in chief of the New York Law Journal and professor of law, and then the letter of the district attorney, Colonel Hayward.

I think that on the merits of this question the Democrats from New York ought to be guided by the testimony of the gentleman from New York [Mr. WELLER], a member of the Judiciary Committee, rather than by what has been said by the gentleman from New York [Mr. CELLER].

It occurs to me that the Democrats who are opposed to this bill, especially those from the city of New York, are not concerned about the congestion in this court and the denial of justice. I think that they are opposed to this bill because if it is enacted into law President Coolidge will appoint the two judges. I am certain that the people of the United States and the people of New York have confidence in President Coolidge and are satisfied that he will appoint conscientious, honest, and competent judges.

I believe that it will be of interest to you to know the comparison of the business of the southern district court with that of the district courts having the next largest amount of business:

Business of United States district courts

[Statement showing business pending in United States district courts, year ending June 30, 1923, of districts having the largest amount of business]

	Present judges	United States civil	Criminal, including prohibition	Admiralty	All other civil	Bank	Total
New York, southern district	6	3,773	8,836	3,518	3,335	5,262	24,724
New Jersey	4	523	12,023	264	652	1,419	14,881
New York, eastern district	3	633	2,283	2,449	3,586	1,815	10,766
Massachusetts	3	261	5,914	128	933	1,818	9,054
Pennsylvania, western district	3	226	320	180	1,972	2,267	4,965
Illinois, northern district	3	852	1,184	20	1,055	2,191	5,302
Pennsylvania, eastern district	3	547	539	374	1,879	1,524	4,863
California, northern district	3	385	1,598	809	595	1,440	4,827

Since June 30, 1923, the calendar of prohibition cases in this court has been greatly increased. This particularly is due to the fact that prior to that day the New York State Legislature repealed the Mullen-Gage law, which was New York State's prohibition enforcement act. The repeal of this law transferred to the United States district court all prohibition cases. The following is a telegram which I have just received from the chief clerk of the southern district court:

Replying to your second telegram, 511 prohibition and 106 other criminal cases on calendar Monday, May 12. On Monday, May 19, we will have 611 prohibition cases and 97 other criminal cases on calendar in court room 331.

Recently the naturalization service in New York County was reorganized, and since May 12, 1924, nearly all naturalization cases are heard by the United States district court judges of the southern district of New York. This has added considerably to the work of the judges of this court. I recently wrote to Mr. Charles M. Welser, deputy clerk of the United States District Court of the Southern District of New York, to ascertain the volume of naturalization work of this court. Mr. Welser replied to me as follows:

Final hearings in naturalization are conducted once a week and the calendars are increasing in length as the months progress. Since talking with you on Saturday it has developed that the local bureau of naturalization contemplates confining naturalization activities at this point to United States courts, which will mean naturalization calendars of 400 cases each final-hearing day. The demand this will impose on the time of the judiciary is apparent.

It has always been possible to keep the naturalization calendars precisely up to date in this court, whereas in the State courts in this county and Kings they are a year and two years, respectively, in arrears. With our present complement of judges, under the conditions the contemplated changes will bring about, this court will soon reach the condition of chaos which now obtains in the several State courts.

Mr. HARDY. And will the employment of these two judges help to enforce the prohibition law?

Mr. PERLMAN. If we do not have these two additional judges, it will be difficult to speedily try all cases.

The gentleman from New York [Mr. CELLER] said that if there was a willingness to work on the part of some of the judges of this court that the equity docket would be cleared quickly. I am very much surprised that the gentleman makes this statement, for he ought to know that the judges of this court are the hardest-worked judges in the United States. Every one of them is either in his chambers or in a court room from about 9 o'clock in the morning until late in the evening. All of them have at all times done more than their share of the work of this court. I have no doubt that the outside judges

congested condition and brought in during the preceding year such of New York would be ever more serious than exists at present.

will substantiate my statement, for they, too, when sitting in this district, are at work from early morning to late in the evening. The business in this court is so great that six judges working continuously every day from 9 in the morning until 6 in the evening could not keep the calendars up to date. That is why I urge the enactment of this bill.

WHO WILL BENEFIT BY THE DEFEAT OF THIS BILL?

The confidence men, who have been indicted and are awaiting trial for using the mails to defraud the people of millions of dollars by selling fake stocks and bonds; the postal thieves, who are pilfering your mail and my mail, who have been indicted and are now awaiting trial; all other criminals who have been indicted for violating Federal statutes—they favor the congestion in this court, because the congestion means delay. They know that delay will give them time to intimidate and spirit away Government witnesses. They know that delay gives them an opportunity to continue violating the law while they are out on bail. Others who benefit by the defeat of this measure are the thousands who are the defendants in civil suits brought against them by the United States Government. They do not want speedy trials, for delay means much to them, and they know that less judges than are necessary means more congestion and more delay before they can be brought to pay their debts to the Government. Defendants in civil actions brought by individual citizens also favor the defeat of this measure, for in most cases they have nothing to gain by a speedy trial and most of the time considerable to gain by delay.

WHO FAVOR THIS BILL?

President Coolidge, who, in his first message to Congress, recommended the enactment of this legislation.

Chief Justice Taft and the judicial council, who adopted a resolution recommending this legislation.

The Attorney General, who is anxious that there be speedy trials in all criminal prosecutions and all actions in which the Government is a party.

The judges of this district, who want and need help to clear the calendars of this court.

The United States attorney for the southern district of New York.

The Bar Association of the State of New York, the New York County Lawyer's Association, the New York Patent Law Association, and all the lawyers in this district.

The people of the United States are in favor of this bill, for without sufficient judges the laws of the United States can not be enforced and the people can not get the justice which is guaranteed by our Constitution.

I appeal to you to vote for this bill, for justice should not be sacrificed and slaughtered at the altar of partisanship.

Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman and gentlemen of the committee, something has been said by the last speaker about the prohibition question in New York. On yesterday our friend from New York [Mr. CELLER] had something to say along that line, and, inasmuch as that matter has been brought up, I am going to read what Mr. CELLER said. In assigning one of the principal reasons why we should not have additional judges in New York he said:

We read in the record given by some of the proponents of the bill that the criminal cases have flooded the courts, and that they have so many criminal cases as a result of prohibition violations that it was utterly impossible to get any cases disposed of; but I will tell you something, my good friends, about that. The judges themselves in the southern district have only themselves to blame for this condition; and why? They have passed a resolution, the six of them, in concert with one, I believe, of the judges of the Circuit Court of Appeals, that they will not fine first offenders for violation of the prohibition law. What has been the result of that particular position which they have assumed? We find that none of the attorneys who represent these offenders in the prohibition cases will file pleas of guilty when assured of jail sentences only for their clients—

And so forth.

In other words, he tells us that these judges up there, six judges, are attempting to enforce the prohibition law, and he tells us that these judges will not promise to let men off with fines, but tells us that they passed a resolution providing that a man who violates the prohibition law will be sent to jail. He goes further and tells us that in order to get around jail sentences they are bringing into New York outside judges, and when those judges come in they exercise more leniency and let these men off with fines. He favors this system. I am quoting the substance of the speech of the gentleman made on the floor yesterday, and in concluding his thought along this line he said:

I say, my good friends, they have no right in New York, considering the public opinion of New York's population, to impose imprisonment in cases of first offenders when in most parts of the country the Federal judges refuse to imprison and only fine; and I will say that if they will be more lenient in their attitude concerning prohibition cases, perhaps they would not have so many violations of the prohibition law.

Now, gentlemen, this should not be a question of politics or prohibition. This is simply a question of having enough suitable judges to enforce the law. Then, again, yesterday, when a gentleman was on the floor discussing this measure, something was said about the trouble in selecting a judge to fill the last vacancy and the time it took. Gentlemen, I am ready, and I believe the country is ready, to say to the President of the United States, "You may take all the time that is necessary, but you must select a judge in New York who believes in enforcing the law. You must select a man who will stand up and enforce the law." Now, it is a well-known fact—and I defy my good Tammany friends to deny it—that some of your judges in the New York State courts were elected on a wet and dry issue——

Mr. O'CONNOR of New York. Does not the gentleman know that such questions do not come up in our State courts?

Mr. MICHENER. I know they do not come up at this time and that you have repealed your prohibition enforcement law, but some judges were elected on that platform.

Mr. CELLER. Will the gentleman yield for a question?

Mr. MICHENER. I can not. In answer to that question, I want to go a step further. This gentleman from New York tells us that because of the attitude in New York the law should not be enforced. I appreciate that there is a strong sentiment along that line in New York, and I appreciate that within the last year the chief executive of that great State signed the repealing act, giving expression to that sentiment by saying that he would sign any law that brought back the foam on the glass and the brass rail.

Mr. DICKSTEIN. Will the gentleman yield for one question? Did the gentleman read the opinion of the governor on the repeal of the act?

Mr. MICHENER. No; I am quoting what the governor said in his explanation of the signing of the bill. If this is the attitude in New York to-day with reference to this question of having more judges to enforce the law, it seems to me that it is our duty to supply sufficient judges to enforce the law. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. I yield five minutes to the gentleman from New York [Mr. GRIFFIN]. [Applause.]

Mr. GRIFFIN. Mr. Chairman and gentlemen of the committee, at first I was strongly inclined to support this bill. It seemed to me to be a respectable measure, having for its purpose the enlargement of a very important court for the facilitation of public business. But the longer I have listened to the arguments in its support the more convinced I am of the lack of good faith behind it. I see in it now nothing but a sordidly partisan attempt to gather under the wings of the Republican organization in New York City the district court of the United States.

Mr. SNELL. Will the gentleman yield right there?

Mr. GRIFFIN. Pardon me, not now; a little later.

The CHAIRMAN. The gentleman declines to yield.

Mr. GRIFFIN. You can gather almost any argument you need from statistics, or philosophy, or history in support of a bad measure. The cloven hoof is disclosed in the speech of the last speaker when, to support a sordid patronage grab, he rails against Tammany Hall. Now the best test is the opinion of the people of New York City, who regard the Republican organization in New York City as without conscience—corrupt and venal—and having so lost the confidence of the people that at the last election they beat it by over 200,000 votes.

The real animus behind this bill is no longer a secret. It is confessed on page 3 of the report, in this language:

It has developed that the local bureau of naturalization contemplates confining naturalization activities at this point to United States courts.

Now, if the district court in the southern district of New York is so far behind in its business, as the sponsors of this bill would have us believe, why are they so anxious to saddle this naturalization work upon it, a work that has been done and

done satisfactorily by the local county clerks through the New York State Supreme Court?

Is it not manifest that they do not need the judges so much to do the naturalization work as they need them to furnish an excuse to take the naturalization work from the State courts? In other words, to build up another patronage nest in the naturalization bureau in the city of New York they planned to enlarge the office of the local naturalization examiner, take the naturalization cases out of the New York Supreme Court, and send them into the United States district court. And the fact that the United States court already had its hands full did not deter them even from attempting to inaugurate the change this year.

They had progressed so far as to have made commitments for additional floor space and other outlays to carry out the scheme, when it was blocked in the Committee on Appropriations by the prompt and manly, straightforward stand of the chairman of our subcommittee, the gentleman from Pennsylvania [Mr. SHREVE]. He saw through the scheme and, without a thought of partisanship, but acting wholly in the public interest, he put his foot down on the brazen, partisan patronage adventure. Of course, it was not known at that time that the next step in the campaign was to be an appeal to Congress to enlarge the district court to take care of the increased naturalization cases. That feature was kept in the background. In fact, when, in the hearings, some doubt was expressed as to the ability of the United States district court to take care of the business, Mr. Crist, the naturalization commissioner, quite confidently assured us the court was fully competent to handle the increased business.

I quote from page 107 of the hearings of the Committee on Appropriations before the Subcommittee on Labor. Mr. Crist, Commissioner of Naturalization, was testifying:

Mr. GRIFFIN. Then, how do you account for the congestion in the Federal courts?

Mr. CRIST. I do not know that there is any.

* * * * * * *

Mr. OLIVER. Let me ask at this point, if they confine themselves to naturalization cases alone, what will become of the regular cases on the calendar, which is entirely congested, in so far as the southern district of New York is concerned? It is so much congested that they are seeking new judges, and are asking Congress to give them new judges down there to help them in their work so that they may keep their calendars clear.

Mr. SHREVE. It is very necessary that we differentiate between these two lines of activities so that we know what is being done by the department over here. If I grasp your thought, the situation is this: The court is so congested with legal business that it is your contention that they would possibly be handicapped and not be able to handle naturalization business.

Mr. CULLEN. Yes.

Mr. CRIST. As to that, I can only say this: The three judges in New York, or the United States judges for the southern district of New York, Mr. Sturges, the chief naturalization examiner, and the special deputy clerk of the court having charge of naturalization work had a conference, and as a result of that conference, and of the presentation of the plans of the Bureau of Naturalization to the judges, the judges said, "We will take care of all the cases that arise in Manhattan in our jurisdiction."

From that is the inference unreasonable that the enlargement of the naturalization office in New York and the increase of the United States district judges were both essential interrelated parts of one deep-laid scheme to build up a large local patronage machine?

Now, I take it that the Members of this House will consider the local situation and what the people of the city of New York want, instead of what a patronage-hunting machine may want. The Republican organization there does not stand for the principles of the Republican Party at large throughout the United States.

Furthermore, the people of New York are opposed to this bill because they do not want to see the district court of the United States enlarged until there is some improvement in its personnel and procedure. How pleased do you imagine the people of New York will be to learn that this bill is passed granting an increase of two more judges who will doubtless be of the same type as those who are already on the bench of the district court—men who come from the bosom of reactionary social strata——

Mr. PERLMAN. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Men whose sympathies are invariably with the corporate interests of the city, the railroads, and other public-utility corporations; men whose reputation throughout the country among members of the bar is that they are dominated by the corporations? An eminent lawyer in New York, one of the ablest men practicing in the United States courts, the author of a valuable Federal practice work, once told me in the presence of witnesses that it was a well-known fact then—three years ago—that the District Court of the United States for the Southern District of New York was practically owned by the railroads and the big corporations.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. I need five minutes. May I proceed for five additional minutes?

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. GRIFFIN. He said that whenever there was a judge to be appointed for the southern district of New York either the Pennsylvania Railroad, the New York Central Railroad, or some local public-utility corporation was sure to dictate the appointment.

Take the New York Times of to-day. Here we find a judge of this particular district asked to lend his support to the granting of an injunction designed to put the burden of an increased tax on the people of New York in increased telephone charges.

The New York Telephone Co. makes an application to the district court for an interlocutory injunction restraining the public service commission of the State of New York from interfering with its increase of telephone rates. Attorney General Carl Sherman, representing the State, said in his brief that the proceedings of the telephone company were practically an invitation to the Federal courts to usurp the functions of a State body. He continues further:

"Never before has there been a case," he said, "where a matter was pending before a State body that the Federal judges had been asked to prevent the State officers from even making a decision in a matter pending before them. Heretofore public utilities have had the good grace to wait until either a temporary or final order had been made by the State officers before appealing to the United States courts."

The administration of receiverships in the southern and eastern districts of New York has long been a public scandal, and if a citizen, or even a public officer, dares to open his mouth in protest he is fined or slapped into jail for contempt. You remember the case of Comptroller Craig. He made a criticism of a certain judge that every fair-minded citizen in New York knew to have been absolutely true. He was haled before the court and actually punished with a jail sentence, and it required the intervention of the President with an Executive pardon to keep this high-minded, public-spirited official out of prison. The only saving circumstance in the whole ridiculous travesty was that the Hon. Martin Manton, a judge of real sterling merit, ability, and courage, intervened at one stage in the proceedings to prevent the fall of the judicial ax.

The New York World some time ago made an exhaustive study of the receivership scandal in connection with the United States district courts. Frank L. Hopkins and Henry F. Pringle, of the World staff, made an analysis of 233 separate cases.

They found that the courts of the southern district of New York in the last seven years have been carrying on various businesses through receiverships, involving a turnover of about $60,000,000 and having nominal assets of over $750,000,000. The patronage in all of this has been enormous—receivers, special masters, auctioneers, engineers, accountants, all designated by the court.

The fees paid to all of these have been prodigious; $7,695,498.46 of payments authorized have been analyzed as follows:

Compensation to receivers	$3,405,086.96
Paid to attorneys for receivers	2,610,636.83
Paid to other attorneys	883,780.82
Paid to special masters	151,731.49
Paid to appraisers, auctioneers, accountants, engineers, and others for special services	644,262.36
Total	7,695,498.46

It appears also from this analysis that out of the 233 concerns taken over by the court only 35 reorganized or will be able to reorganize. The practical, net result of the court's intervention, owing largely to the red tape and the heavy mulcting of the concerns for exorbitant fees, has been the liquidation of most of the concerns that are intrusted to the tender mercy of "judicial" supervision.

Dickens in Bleak House, has been equaled, if not outdone, Dickens in "Bleak House," has been equaled, if not outdone, in the United States district court; and well might the warning be put above the door:

Abandon hope all ye who enter here.

The aim of everyone connected with these receiverships seems to be to prolong the proceedings as far as possible and to get as much as possible out of the "assets," even if the creditors never get a cent. Only too often the lawyers get the oyster and the creditors are left the pleasure of drawing lots for the two parts of the shell.

For instance, in the cases analyzed by Messrs. Hopkins and Pringle, where the creditors got nothing, the receivers and their counsel collected allowances and fees of $234,000.

Here are some of the fees paid in cases where something has been realized or where it is hoped something will be realized:

In the Aetna Explosives Co. case:

Governor Odell and former Judge George C. Holt received	$609,000
Winthrop & Stimson	347,500
Stanchfield & Levy, Ingraham, Sheehan & Moran, and Thorndyke, Palmer & Dodge	185,000
Other lawyers	89,700
Total	1,213,200

All of these men appear as drawing large fees in many other receiverships. They are all, or have been, active in politics. Benjamin B. Odell was former governor of New York State. Henry L. Stimson served as United States Attorney for the southern district of New York from 1906 to 1909, and ran unsuccessfully for governor in 1910. Later he went into the Cabinet of President Taft as Secretary of War. The records show that while they may have been politicians, they are by no means pikers. They seem to have got the cream.

The receiverships of the Brooklyn Rapid Transit Co. and the New York Railways furnish another example of the liberal patronage dispensed by this court:

Receiver Lindley M. Garrison and his counsel, Carl M. Owen, received as fees	$475,000.00
And as expenses to Owen	12,622.00
Larkin, Rathbone & Perry, fees	75,000.00
Larkin, Rathbone & Perry, expenses	21,831.78
E. Henry Lacombe, special master	52,500.00
P. J. McCook, special master	15,000.00
Job E. Hedges, receiver	125,709.68
Winthrop & Stimson, attorneys for receiver	245,100.00
Winthrop & Stimson, expenses	12,985.66

In addition to this were big allowances to engineers, certified accountants, and more special masters, and so forth, too numerous and too tedious to mention.

I do not blame a single judge in distributing this patronage, nor a single man who received it. They were simply cogs in the wheels of an obsolete legal machine which ought to be abolished.

The moral of my story is that they should be content with the patronage and power they have for the brief time, I hope, they will have it. They ought not to be reaching out to take naturalization matters out of the control of the State courts as an excuse to come to Congress asking for an increase of judges in their court. The judges of the New York Supreme Court are not complaining of the work. They are willing to do it and are doing it ably and satisfactorily. They ought to be permitted to continue in this and the United States district court ought to be satisfied with the judges, the jurisdiction, and the powers that it has.

This is a measure affecting the city of New York, and I ask you gentlemen who come from the farming districts of the West and South to consider our needs as you ask us to consider yours, and not give ear to specious arguments for the enlargement of a court, the main purpose of which is the aggrandizement of political interests which are largely hostile to the welfare of our city. [Applause.]

Mr. SUMNERS of Texas. Does the gentleman from New York [Mr. PERLMAN] desire to use any more of his time at this time?

Mr. PERLMAN. Not at this time.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. SUMNERS of Texas. Mr. Chairman and gentlemen of the committee, the question very clearly is whether or not there should be added two judges to the southern district of New York. I desire to direct the attention of the committee to some statistics with regard to the condition of business in that district as shown from the hearing before the Judiciary Committee on this bill.

On June 30, 1923, there were pending 1,151 cases in equity.

On December 31, 1923, six months thereafter, there were pending 561 cases in equity.

On June 30, 1923, there were pending 2,184 law cases.

On December 31, 1923, there were pending 1,647 law cases.

On June 30, 1923, there were pending 3,518 admiralty cases.

On December 31, 1923, there were pending 1,830 admiralty cases.

The records of this court further show that during the year 1922 there were filed 607 equity cases, and during 1923 only 545 equity cases.

In 1922, 1,002 law cases were filed; in 1923, 648 law cases.

In 1922, 1,386 admiralty cases were filed; in 1923, 787 admiralty cases.

It is to be borne in mind also that a vacancy in the list of judges, exclusive of those provided for in the omnibus bill of September 14, 1923, had obtained from October 5, 1921, to March 2, 1923. In other words, there had been only three regular judges in this district during that period, and the two additional judges provided for by the act of September 14, 1922, were not appointed until the first part of the year 1923, so that these three new judges were sitting somewhat less than six months during the year 1923, through which period this reduction in pending business is shown.

That district which from October, 1921, to March, 1923, only had three regular judges now has six regular judges.

It is said there is a row on between the organized Republicans of New York and the organized Democrats of New York as to these judgeships. But the question for us to decide is, What shall the House of Representatives do in regard to putting two additional judges upon the pay roll in New York for life and for the lives of their successors? The people of the United States have got to pay the taxes. This bill proposes to give that district two additional permanent judgeships. Gentlemen, we have enough Federal judges. It is claimed now they are not properly placed. They say now that outside judges ought not to be sent in from districts where they are not needed to clean up this district. Nothing will do now but two more permanent resident judges, they say. Gentlemen, there are some things we all must stand for, and one of those things is the Federal judiciary shall be kept, as nearly as we can keep it, free from the influence of partisan politics. [Applause.]

When this administration came into power there were 106 district judgeships. That is correct, approximately. In one bill this administration—in an omnibus bill that no administration ought ever to pass, whether Democratic or Republican—added 22 district judges. I opposed that bill then, and you gentlemen will recall that in the discussion of that bill here it was shown beyond doubt that there were judgeships being provided for districts where the business would not justify their appointment. They were not needed there. It was a pork-barrel-judgeship bill.

It was then argued on the floor of this House that those judges appointed in the districts where the business would not justify their appointment would be shifted to take care of just such conditions as obtain now in the southern district of New York. That is the fact. That is the record. That is what was argued until these 22 judges were safely attached to the pay roll for life. That was bad business. That sort of business does not help to hold public confidence in the Federal judiciary. If it is evident that politics enters into the creation of a position it is not possible to convince the public that political considerations end short of the appointment. And now when the facts show that a goodly number of these judges are not needed in their respective districts, and that they might be moved into the southern district of New York, the whole argument is reversed. The contention is now made that such a use of these judges is not desirable; that such a use is expensive, and so forth. Nothing will do, we are now told, except to add two new judges. In other words, having stuffed the Federal judiciary from one end and provided 22 jobs at one time for the faithful on the theory that those not needed in the districts where they reside could be used abroad, it is now proposed to stuff the judiciary from the other end on the theory that it is not desirable to so use these idle judges, and we must have some new resident judges.

We gave a new judge to the northern district of Texas because we had a congested docket. I read this clipping from a paper published in my home city which came in just the other day. It states that Judge Atwell is being assigned to the southern district of New York, and this is the concluding part of the statement:

Judge Atwell came on the bench from the northern district of Texas with a congested docket and within the 12 months' period he had brought the docket up to date.

I doubt not, gentlemen, that what is true of this docket is happening with regard to dockets in other sections of the country. I know it is happening in these courts where the judges work as does Judge Atwell.

In considering this matter of congestion in the Federal courts you gentlemen should bear in mind that after you got control

of both branches of the Congress during the last two years of Mr. Wilson's administration you permitted very few judgeship bills to pass. You did not even permit the filling of vacancies which occurred in districts.

You permitted congestion to increase through a failure to provide the judges required by law and required by the business of the country in order. I think it a fair assumption, that a Republican President might fill these places after the next election. Maybe you can justify that procedure, but unquestionably it added to the congestion and it helped this administration to make a record for appointing Federal judges unequaled, unapproached in the history of this country. In addition to the 22 district judges provided for in the omnibus bill, this administration in three years has appointed 26 district judges, making a total of 47, approximately one-half of the total number authorized by law on September 1, 1922, and now you want the opportunity to appoint two more in a district which already has six regular judges and into which you can send a half dozen or a dozen of these omnibus judges, at least some of whom you knew at the time they were appointed were not needed in the districts where they were appointed. I do not like to make these statements, but they are facts. I tried to keep you from doing what you did at the time. You acted with your eyes open.

Besides this, of these 22 judges provided for September 14, 1922, in the omnibus bill, it is shown by the records of the Department of Justice that all the political kinks had not been straightened out when the list of judges was published the last of January of this year; there were two appointments yet to be made. But they have all been made now, and for the balance of their lives they are safely and permanently attached to the Federal pay roll.

What are you going to do with them if you are not going to use them to help clean up the docket of the southern district of New York? Of course, you will have to pay their traveling expenses and $10 per day in addition to their salaries when they are out of their districts. But you knew that when you created their jobs and when they were appointed.

Mr. HUDSPETH. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. HUDSPETH. We also provided a judge for the State of New Mexico and for the State of Arizona among the 22, did we not?

Mr. SUMNERS of Texas. Yes.

Mr. HUDSPETH. And the record shows that Judge Duval West, of the San Antonio district of the western district of Texas, tried more cases last year than those four judges down there.

Mr. SUMNERS of Texas. I suppose there is no doubt about it. And these are not the only districts where unnecessary judges were located. Gentlemen, I do not care whether it is a Democratic administration or a Republican administration; I say to you as one man who believes that he is a patriot as you believe you are patriots that you can not afford to juggle and play politics with the Federal judiciary of this country.

You can not afford to come in here and create judgeships for districts like New Mexico and justify your attempt to do it in the first instance by saying that you will shift them to districts where congestion obtains; and then when the judges in New Mexico, Arizona, the eastern district of Illinois, and in a number of other districts which could be enumerated, are not needed, you propose to give jobs to two more judges in the southern district of New York on the plea that these other judges can not be satisfactorily shifted.

Mr. SNELL. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. SNELL. I was influenced by the statement made by Chief Justice Taft when he said that the southern district of New York is absolutely congested in its business, which really results in a denial of justice. That statement by Chief Justice Taft influenced me in bringing this proposition to the floor of the House, and further, I was definitely informed that there was actual need for these judges. I never heard anything about the political proposition until yesterday afternoon. I want to make my position absolutely plain to the Members of this House.

Mr. SUMNERS of Texas. We understand the position of the chairman of the Rules Committee. There is not a Member of this House for whom I entertain a higher regard. Now, gentlemen, we put a man in New Mexico where there was already a Federal judge who had tried in the preceding year but 44 cases, criminal and civil. With all respect to the Chief Justice of the United States, he came before the Judiciary Committee when this omnibus bill was pending, and recommended 18 judges who should be moved around over the United States in order to clean up exactly such conditions as obtain in the southern district of New York.

Mr. MICHENER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. MICHENER. Was New Mexico included in the 18?

Mr. SUMNERS of Texas. No.

Mr. MICHENER. And Arizona was not included in the eighteen?

Mr. SUMNERS of Texas. No.

Mr. MICHENER. Those two were put on by the Senate, and the recommendation for the two did not come from the Judiciary Committee?

Mr. SUMNERS of Texas. New Mexico was put in in the Senate, and over my protest the House agreed to accept.

Mr. MICHENER. And they did not have Chief Justice Taft's recommendation?

Mr. SUMNERS of Texas. No; but the point I make is that Chief Justice Taft advocated 18 judges who should be moved over the States in order to take care of congested conditions in particular districts.

I want to call your attention to this particular district. I am not going to charge, gentlemen, that this situation has been juggled with. I am going to state the facts and let them speak for themselves. It is a fact that a vacancy was held open there for one year and a half—I mean of one of the four regular judges—while they were trying to straighten out the kinks in the Republican organization in New York, and no man on the floor will contradict that.

Mr. BLACK of New York. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. BLACK of New York. I wonder whether the gentleman has any suspicion as to whether or not this bill came in here to help solve the problem that was then presented to them.

Mr. SUMNERS of Texas. I do not know. I do not like to deal in suspicions when we have so many plain facts.

Mr. TINCHER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. TINCHER. What was the trouble? Could they not find a judge up there who would enforce the prohibition legislation?

Mr. SUMNERS of Texas. No; I will tell you what was the trouble. There were three or four Republicans who wanted jobs and you had but one job created by the elevation of one of the judges to the circuit bench, and you held that job open, while congestion increased, until you stuffed two more men into the omnibus bill, which gave you three jobs, and then you were able to straighten out the kinks with three judgeships when you could not handle them with one. That is the absolute fact about it. [Applause.]

Now, gentlemen, it seems to me that these 22 new judgeships in less than three years ought to be about all that any group of Republicans solicitous for the record of their party with reference to the Federal judiciary ought to be willing to stand for. They were provided for in September of 1922, and when the good year 1924 rolled around they had not yet all been appointed. They had a vacancy in the southern district of California, only recently filled. I see my friend from California smiling. They had one in Oklahoma, and they juggled around with important Republican politicians until very recently before that place could be filled. But the question is: What are we going to do this afternoon with regard to attaching two additional Federal judges upon the pay roll of this country, when many of these 22 judges have nothing to do—at least a number of them?

Mr. DEMPSEY. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. DEMPSEY. Is there any dispute about these two facts: First, that it will take two years and a half to reach certain classes of cases in the southern district of New York; and second, that it costs $70,000 a year to reduce the calendar, as the gentleman has described, by importing these outside judges, whereas it can be reduced in the same way at an expense of $18,000 by adding these two judges?

Mr. SUMNERS of Texas. I want to answer the gentleman, and this is my idea about it: If the statement of gentlemen favoring this bill is correct, you need in New York to move into that territory a number of these omnibus judges put on in 1922, that have nothing on earth requiring their presence in their respective districts except to try to entertain their associate judges in their districts. [Laughter.]

You ought to move them in there and put them to work and clean up that docket and then the judges now there—six of them—should keep it clean.

I want to say, gentlemen, the time has about come when we have got to let some of these Federal judges, who think that their chief business is to attach themselves from now on to the

Federal pay roll—I do not know about these men up here—know they must work if they are to hold their jobs. Nobody has a right to draw money from the Treasury under the false pretense that he is earning his salary. The judge of my district works.

What are you going to do with these extra judges out in New Mexico and Arizona and other districts now supplied by the omnibus bill? They have nothing else to do. What are you going to do about that? Let them stay at home and do nothing, and appoint other permanent judges to clean up the temporary congestion?

Mr. DEMPSEY. Will the gentleman yield further?

Mr. SUMNERS of Texas. Yes.

Mr. DEMPSEY. It does seem to me that you ought to do it in a businesslike way, and if it is going to cost four times as much to import these judges as it will cost to appoint two additional judges, you ought not to get your remedy by paying $4 where $1 will answer the purpose.

Mr. SUMNERS of Texas. I agree with the gentleman.

Mr. DEMPSEY. Will the gentleman yield just one moment further?

Mr. SUMNERS of Texas. Yes.

Mr. DEMPSEY. I think you ought to pass a measure to lessen the number of judges where you do not need their services, but you ought not to deny relief in the city of New York where you need the additional judges.

Mr. SUMNERS of Texas. You gentlemen ought to have acted on that policy when I plead with you to do it in 1922, but we are not denying them where they are needed. We have all sorts of district judges that will be getting rusty. They have got to keep in practice because once in a while they will get a case in their district and must know how to handle it. And you must bear in mind that for a year and a half you had but three judges in this district of New York, where you now have six, and bear in mind also that when you passed the bill in September, 1922, you were not able to straighten out your kinks in New York until the next year when you put the other two judges on and also filled the protracted vacancy. You had three vacancies from September, 1922, until January, 1923, one of which vacancies had extended from 1921.

Mr. DEMPSEY. Of course, during all that time, if the gentleman pleases, the business was piling up in New York.

Mr. SUMNERS of Texas. Yes.

Mr. CELLER. If the gentleman will yield, the difficulty, if any, existing in New York now is only temporary and yet you are providing here a permanent remedy and when the situation clears up you will still have the judges appointed who will be doing nothing.

Mr. PERLMAN. Will the gentleman yield for a question?

Mr. SUMNERS of Texas. For a very brief one.

Mr. PERLMAN. I call the gentleman's attention to the fact, as a matter of information, that not only have the number of cases increased, but the naturalization work now has to be done in the Federal courts.

Mr. SUMNERS of Texas. The gentleman will yield me such time as he consumes of my time?

Mr. PERLMAN. I will yield the gentleman as much time as I take. I want to call the gentleman's attention to the fact that the naturalization work in New York has been transferred to the Federal court because the Supreme Court of New York that had the work was 10,000 cases, or over two years, behind. This is additional work on the Federal court which they did not have before and should require at least one judge in daily attendance all the time in order to handle the naturalization work in New York.

Mr. SUMNERS of Texas. Does not the gentleman think that the new naturalization bill will relieve them somewhat of that work?

Mr. PERLMAN. No.

Mr. BLACK of New York. Does not the gentleman think we ought to be a little charitable? This is about the only thing the President asked for in his message that he is likely to get from that side. [Laughter.]

Mr. LOWREY. Will the gentleman yield just a minute?

Mr. SUMNERS of Texas. Yes; I yield.

Mr. LOWREY. I just want to say that the gentleman is at least consistent, because I have approached him twice about a new judge in my State, and he has answered me positively that he will not favor it in the committee, because he is not willing to be piling up new judges for life when temporary judges can go in and relieve the dockets, and that he will not favor the appointment of new judges for a lifetime under such condition.

Mr. SUMNERS of Texas. Gentlemen, seriously, I do not think this bill can be justified. I do not think it can be justified by anybody under the present circumstances.

You have these six judges there now. The statistics show a decrease in the filings in that district; and no gentleman will stand in his place on this floor and say that there are not enough idle district judges now in the United States to move into the southern district of New York and clean up that business.

I say that no gentleman will stand in his place now and make that statement because he would not be justified. With that situation, gentlemen, confronting you, with the heavy public expense, with the record already that you have added 22 new judges by one bill, increasing by 20 per cent the existing number of Federal judges, with these idle judges, how can you gentlemen face your constituencies demanding reduced expenses? What can you offer in excuse except that you are trying to give jobs to somebody? It is not true in your heart that you want to do that; you are not built that way. You have enough to face in the omnibus Federal judiciary bill.

Now, I do not want to take any further time.

Mr. TINCHER. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. TINCHER. Does the gentleman think that the Democrats are fighting this bill because they want Al Smith to make the appointments?

Mr. SUMNERS of Texas. Here is what I think about it. I will be candid with the gentleman. I do not speak for Tammany—Tammany might not fight the bill if out of the two one Democrat could be appointed.

Mr. TINCHER. I understand that is the proposition.

Mr. SUMNERS of Texas. That might be so. I assume from their position, if that is true, that it is understood that no Democrat is to be appointed if the bill passes. I am assuming that.

Mr. TINCHER. I do not know.

Mr. SUMNERS of Texas. I am assuming that. I do not speak for Tammany. I speak for myself and in a sense for this side of the House. I give the gentleman my own views. There are already four Republicans on the bench of that district. I understand there are two Democrats—I do not know how much democracy they have in their systems. But as between the contention of the two New York political organizations, the Republican and the Democratic, which is correct if you are going to undertake to preserve any semblance of nonpartisanship in your judiciary?

I say that there ought to be in that court not more than two to one of any political party. That is what I think about it. [Applause.]

The CHAIRMAN. The Clerk will read.

The Clerk, proceeding with the reading of the bill, read as follows:

Be it enacted, etc., That the President of the United States, by and with the advice and consent of the Senate, shall appoint two additional judges of the District Court of the United States for the Southern District of New York, who shall reside in said district and who shall possess the same powers, perform the same duties, and receive the same compensation as the present district judges of said district.

Mr. CELLER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, while I was in the lobby I believe the gentleman from New York stated that probably I did not know much about the situation, because I did not happen to be a resident of that part of the judicial district covered by this bill to create two additional judgeships for the United States District Court for the Southern District of New York. I live just across the river from that district in Brooklyn, and I do know something about the district court for the southern district of New York, because I have practiced in that court for the last 10 years. I know something about the complexion of its judges, the character of the judges, and the particular kind of judicial procedure in that court. I believe it was rather in bad taste on the part of my good friend from Michigan [Mr. MICHENER] to use Governor Smith's remarks on prohibition as a stalking horse for the logic and argument. It is unfair to bring in the governor and his attitude toward prohibition and thereby raise dust to becloud the issue. Governor Smith, one of the finest executives of the Nation, is not an issue in this bill.

The question is whether there is a necessity for the two judges and whether this Congress shall approve some wretched practices obtaining in that court. Yesterday I pointed out that the calendar of that court was not as congested as the proponents of this bill would have us believe. But furthermore there is the rotten system that now exists in this particular court with reference to equity receiverships. I believe you should know something about it. If you will take the trouble to examine carefully into the equity receiverships in that court and the

practices of the judges now resident in that court apropos thereof, you will not put the seal of approval on those practices by voting for these two judges, so that you might thereby have two more judges to augment and continue the practice. I know for example that there is one particular judge on that bench who has been a flagrant offender in this regard, although every one of the six judges of that court are not without guilt.

Mr. PERLMAN. A point of order, Mr. Chairman; the gentleman is not speaking to the bill.

Mr. BLANTON. Oh yes he is.

The CHAIRMAN. The point of order is overruled.

Mr. CELLER. We find that it costs the people of the city of New York millions of dollars that have gone into the pockets of certain attorneys and certain receivers and certain custodians and certain auctioneers, and all the many other attaches of receiverships who have only been dyed-in-the-wool Republicans, and just because they happen to be on the Republican side of the political fence receive emoluments far in excess of what their labors entitle them to. Governor Odell was the receiver in two cases and received $373,500. The judge who appointed him had some years ago received from Odell a State nomination in New York. The receivership plums were the redemption of the political debt. There is no man living who could really earn $375,500 in any two receiverships. The whole business, as is said in Hamlet, "smells to heaven."

Former District Judge Holt acted as receiver in one case and received $304,500, and the law firm of Winthrop & Stimson, the latter of whom was the Republican Secretary of War, received as attorney's fees for a receiver in one case $503,450. Gentlemen, are you going to countenance that kind of practice? I could go on and on and on and show you situations which really constitute a menace. Until this menace is destroyed let us not appoint any more judges who are bound to be selected from the political party that thrives upon these rotten equity receiverships.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CELLER. Under such leave I desire to insert extracts from a very illuminating and instructive article upon these equity receiverships written by Mr. Frank L. Hopkins under the auspices of that liberal and forward-looking newspaper, the World, of New York. The World has rendered a splendid service in inducing the writing and publishing of these articles:

INTRODUCTION

In an effort to ascertain the extent to which the Federal courts have been engaging in business through receiverships, the World has made careful investigation of the entire subject, 233 separate cases having been analyzed by Frank L. Hopkins and Henry F. Pringle, of the World staff.

The articles setting forth the results of their inquiry, republished herewith after their appearance in the World had provoked wide and approving interest, have no other purpose than to present the facts concerning the system which the Federal judges are called upon to administer. Whether the system is good or bad is a question which can best be determined by a study of the conditions which have arisen since it came into operation.

UNITED STATES COURTS IN BIG BUSINESS HAVE ANNUAL TURNOVER OF $60,000,000

This is the story of equity receiverships in New York City; the story of the Federal courts going into big business.

It is the story not so much of individuals as of a system to which eight Federal judges in New York City and scores of others throughout the country are compelled by existing laws to bow. Some of the judges approve the system. Some do not. Many of them find the work that is involved, embracing as it does business administration more than law, distasteful.

Under the procedure, as it has been dictated by Congress, the courts of the southern district of New York for the last seven years have been carrying on businesses through receivers with an aggregate annual turnover of approximately $60,000,000—as large as that of the Lehigh Valley Railroad.

One judge alone has supervised commercial dealings as large as those ordinarily handled by the administrative officers of a city of 600,000 people—and this in addition to the ordinary run of other court business.

The patronage that is involved, as is freely conceded by the judges themselves, is enormous. There are receivers to be appointed, attorneys for receivers, special masters, auctioneers, engineers, accountants, all subject to designation by the court. There are fees and frequently very large fees, which it is the province of the court to award to each of these participants in the conduct or liquidation of the commercial concerns.

There is a touch of romance in the story. In the gloomy chambers of the old post-office building sits a judge to whom is paid what many regard as a pittance of $7,500 a year. Yet with one hand he may be touching the wires which pull the copper out of Mexican mountains, direct the operations of ships on the seven seas, or control the work of negroes on southern sugar plantations, while the other runs a street railroad or two in New York City, and a dozen or so miscellaneous manufacturing enterprises.

All this is made possible because the courts, under the law as it exists to-day, are called on to do what ordinarily successful business men acknowledge they can not do—take a failing business and revive it. A friendly creditor or a group of friendly creditors complains that the X. Y. Z. Co. can't pay its debts, although its books show assets in excess of its liabilities, and that diversity of State citizenship between the corporation and one or all of the creditors makes it necessary to seek the jurisdiction of the United States court. The X. Y. Z. Co. acknowledges these allegations are true.

The concern may be in fact bankrupt. The judge may believe it to be bankrupt. But unless one of the creditors will make an affidavit that such is the case, thereby involving liability to himself if he has guessed wrong, the court has virtually no other course than to appoint an equity receiver to take over and operate the X. Y. Z. Co. In practice, the only accepted justification for refusing is a suspicion of attempted fraud or on the ground that the allegations of the complaint do not themselves set forth a cause of action.

RECEIVER MUSELLE AN ASSISTANT

Having appointed a receiver the judge occupies a position not dissimilar to that of the president of a large company. The receiver is the assistant to the president—sometimes also the business manager. It is with the success or failure of this system in operation, the patronage, the character of the appointments, the awards for services, that the World inquiry has dealt. Among the chief facts disclosed are these:

1. That between January 1, 1917, and December 1, 1923, the Federal courts of the southern district of New York have taken over 233 separate business enterprises, with nominal assets in excess of $750,000,000. These figures have not included unimportant ancillary receiverships.

2. That through receivers the judges have carried on a business for which, based on the receipts from operations, a minimum of $428,000,000 can be fixed. This does not include the completed transactions of several receiverships concerning which up to date reports were lacking in the files.

HUGE PAYMENTS AUTHORIZED

3. That in connection with their operations eight judges have authorized payments of which clear record was found either in judicial orders or receivers' reports of $7,095,498.46, divided approximately as follows: $3,405,080.96 as compensation to receivers; $2,640,826.63 as allowances to attorneys for receivers; $883,780.82 to other attorneys, including those for the petitioning creditors; $151,731.49 to special masters; $644,262.36 to appraisers, auctioneers, accountants, engineers, and others called on to perform services. A negligible proportion of these payments included reimbursement for expenses.

4. That the great majority of the receiverships have resulted not in saving the business but in liquidation, and that of the 233, only 35 reorganized or will reorganize on a basis to give the general creditors nominal payment in full.

5. That even where there has been nominal payment in full, it has almost invariably been not in cash but in stock or notes, the value of which has depended on the future success of the reorganized company.

6. That there has been the repeated appointment of certain lawyers to positions as receivers, attorneys for receivers or special masters, out of which the recipients have made large and in a few instances enormous incomes.

7. That receivers frequently have conducted operations for the court at a loss, thus further depleting the assets which on the records at the inception of the receivership are available for distribution to creditors. It is contended in justification for this practice that such operation, even at a loss, is frequently advantageous to the creditors, since it sometimes makes possible the sale of a business as a going concern instead of at junk value.

8. That in some of the liquidations there have been allowances to receivers and attorneys which, taken with the other expenses of the receivership, have exhausted from 50 to 100 per cent of the funds that otherwise would have been available for the unsecured creditors.

9. That receivers' certificates, issued under the stamp of approval of the Federal court, have been dishonored because when the receiver got through with his operations there was not enough left to pay them.

NEW CREDITORS CREATED

10. That in several instances receivers have incurred obligations in the conduct of the business which they were unable to meet, thereby adding to the first group of creditors, who got nothing, a second group who got next to nothing. In seven shipping cases the receiver was able to pay only 1 per cent of his own liabilities, amounting to many thousand dollars, although the attorneys who figured in the cases had large compensation, as did one receiver.

11. That there is in the mind of at least one of the judges a belief that the system is bad and should be changed, and that in the minds of several there is a feeling that the whole big question of overhauling the Federal receivership law merits earnest consideration.

In considering the significance of the above statements it should be remembered that they set forth only the conditions that actually have been found in the southern district of New York. But what has been going on in New York is being repeated—probably in lesser scale—in judicial districts from the Atlantic to the Pacific. In fact, the World found a record of one receiver to whom a judge in a western district made an allowance of $240,000 a year.

In the aggregate the business of the Federal courts of the United States is reaching into undreamed millions; their direct patronage, as indicated by the results of the survey in this district, probably being greater than that of all the governors of all the States in the Union, with a few mayors and sheriffs added.

In considering the question of patronage it is necessary to distinguish between the various classes of allowances. The receivers are appointed directly by the court, and their fees are fixed by the court. Sometimes a man connected with the business or an individual selected by the creditors is put in as receiver. Often the judge places a receiver of his own selection in sole charge of a business. Often he takes one man suggested by the creditors and adds one of his own appointees as coreceiver, giving to each an equal fee. There has been wide variation of the practice of the different judges in this matter.

The attorney for the receiver also is subject to direct appointment by the court. It is the practice for the receiver a few days after his appointment or on the same day to submit an application for permission to employ a certain law firm as counsel, together with an order to be signed by the judge confirming the appointment. Although attorneys for the petitioning creditors sometimes are taken, it is well understood that certain judges occasionally suggest the lawyers who are to be employed.

The judge does not himself ordinarily appoint lawyers other than those of the receiver, although he does fix the amount of compensation they are to receive. Special masters, appraisers, special accountants, auctioneers, and others usually are appointed by the court.

MORE JOBS FOR LAWYERS

In a large proportion of the cases the receivers are lawyers, but, no matter how small the receivership may be, it appears that the lawyer-receiver is virtually never able to handle the legal end of it. About his first step is to get another man on the pay roll by asking the judge to appoint an attorney. Next in order come the special accountants and special masters and finally the appraiser, who is called in to view the corpse before it is consigned to the auctioneer.

On going through the papers in a good many cases where the assets are small one wonders just what there is left for the receiver to do after he has hired the various assistants. Cases are on record of the appointment of two firms of lawyers for one receiver in one day.

Incomplete returns in the Federal files have made it impossible to determine exactly how much the creditors have received in comparison with the $7,700,000 allowances for service made to the other important figures in the receiverships. It is, however, possible to present an approximately accurate picture of what has happened to the creditors in each of the 233 cases which were studied.

Because he is the outsider, whose claim is not protected by any sort of a mortgage or other lien giving him a prior claim on the assets of the estate, the general creditor has been taken as a standard. It is found that in 26 out of the 233 cases the general creditor has received nothing, and the indications from the reports are that he will receive nothing. Twenty-eight additional cases ended in an adjudication of bankruptcy, which means generally that the general creditor's chance of recovering any substantial portion of his claim is slight.

CREDITOR'S CHANCE SLIM

There were 42 cases where a study indicated that the general creditor will not receive more than 75 per cent of his claim as allowed—in most of them very much less than this, the prospective or actual payments running as low as 1 per cent. In 24 cases the reports indicate the general creditor will get something in excess of 25 per cent and less than 100 per cent, while in 29 others he had not been paid in full and there seemed no prospect of his being paid in full on the records available, the available data being insufficient to warrant even a guess at the exact amount.

In 49 cases not the slightest indication was found in the papers of what is going to happen to the creditor, while there were 35 receiverships in which the general creditor nominally was paid in full or the promise was made he would be paid in full. What he actually received in nearly all of these cases was a small percentage of his claim in cash and a gamble on the future prospects of a reorganized company through issuance to him of stock or notes in the new company for the balance of his claim. Actual cash payments in full have taken place only in an insignificant number of cases.

In the receiverships where the general creditors got nothing the allowances to receivers and counsel have amounted to approximately $234,000.

SOLVENCY ALWAYS CLAIMED

In order to understand the significance of the above figures it is necessary to know that almost invariably the judge appointed a receiver only after an allegation had been made to him that the person or corporation going into receivership was solvent. Frequently the order of appointment referring to the defendant company notes that the company appears to be solvent. The company itself in consenting to the receivership has filed a sworn statement in effect claiming solvency.

And yet in only about 15 per cent of the cases are the general creditors of nominally solvent companies getting payment in full in either cash or the promises of a reorganized company. Company after company is being operated by the receiver for a few weeks or a few months and then liquidated for a small percentage of the assets claimed when the receiver was appointed.

Thus it appears that one of two things must be true in the majority of the cases: Either the courts are appointing equity receivers for companies which are bankrupt at the time of the appointment or the receivers' operations are on the whole a miserable failure.

No ordinary business man has the advantages of carrying on business which fall to the lot of the court. The creditors who may be pressing for the collection of sums long due them are blocked. The order of appointment carries with it an injunction forbidding any creditor to begin any action at law against the receiver to collect the amount which is past due.

HARD TO COLLECT JUDGMENT

It is true that the receiver himself may be sued in any court for damages which the receiver may have caused in the operation of the business. But even if a judgment is obtained in such a suit, collection may be difficult, since the appointing judge himself may decide, in case of doubt, whether any funds in the possession of the receiver are subject to prior liens on the estate or whether they are available for the new claims. Thus the court in business has a distinct advantage over the corporation rivals. Instances where creditors have been hung up for some three to four years before getting anything have not been unusual.

The essential facts which have been set forth above have been presented to each of eight judges, who have managed all but three of the receiverships. Their answer is that almost invariably they have been acting in accordance with the wishes of the creditors, emphatically expressed to them, in appointing the receivers, in continuing the failing businesses, and that where a receivership has not turned out well it is the fault of the creditors themselves in not seeking speedy liquidation through bankruptcy proceedings.

JULIUS M. MAYER, AS JUDGE AT $8,500 A YEAR, RUNS ENTERPRISES OF $300,000,000

Judge Julius M. Mayer, now a circuit judge, but none the less active in handling the big receiverships started while he was a district judge, is the "big business" man of the Federal courts.

Through receivers he is shown in the compilations that have been made in the course of the world survey to have carried on a business extending from the Atlantic to the Pacific, from Canada to Mexico, and including some of the islands of the Atlantic, for which a minimum can be fixed of $298,000,000. In view of the business done since the filing of the receivers' reports from which the records were taken, it is certain the total business was well in excess of $300,000,000.

MILLIONS TO COURT OFFICERS

In view of the magnitude of the operations carried on under Judge Mayer's direction, it is only natural that his allowances to those who assisted him were far in excess of those of any other judge. His own salary as circuit judge is $8,500 a year. There have been dispensed in allowances to receivers, receivers' attorneys, special masters, and other attorneys in cases over which Judge Mayer had control, a total of $3,519,254.04, of which $107,500 was in the preferred stock of a reorganized company or notes.

Special accountants, engineers, and other special appointees approved by the court received $443,490.50, making total payments found in Judge Mayer's receiverships of $3,962,744.54. A few of these allowances have been specified as covering expenses. The amount so specified is not a large item in the total.

HOW FEES ARE DISTRIBUTED

Here is approximately the way they have been divided:

To receivers appointed by Judge Mayer, $1,619,723.33, including the preferred stock and note allowance noted above.

To attorneys for receivers appointed by Judge Mayer, $1,241,694.89.

To other attorneys who have figured in the cases over which Judge Mayer (in the receivership cases only), $95,400.

To appraisers, $3,500.

These were the payments authorization for which either was found in court orders or which were shown by receivers' reports to have been made. The figures of the payments to receivers and their own attorneys are subject to readjustment, inasmuch as in one or two instances the order merely specified the amount to be paid to the two individuals, without stating how it was to be divided.

O. K'S THE WORLD'S FIGURES

It may be stated that Judge Mayer himself has seen the records of the World compilations, and without referring to his own records has conceded that they are substantially correct. In one instance allowances which came not from the estate but from the reorganization managers were included.

Here are some of the allowances made by Judge Mayer:

To former Gov. Benjamin B. Odell, who acted as Judge Mayer's receiver in two cases, $373,500.

To former District Judge George C. Holt, who acted as receiver in one case, $304,500.

To the law firm of Winthrop & Stimson, who have been appointed regular attorneys in two cases and for special service in one receivership, $593,450 up to September, 1923.

In fairness it should be stated that these men all performed continuous, extensive, and extremely important services, for which their allowances were in remuneration.

AETNA CASE EXPENSIVE

In one of Judge Mayer's receiverships, that of the Aetna Explosives Co., there was allowed for a period of approximately four years $1,244,200, of which $609,000 went to Messrs. Holt and Odell, and $347,500 to Winthrop & Stimson. Orders were found on file making allowances of $185,000 to be divided among three other law firms—Stanchfield & Levy; Ingraham, Sheehan & Moran; and Thorndyke, Palmer & Dodge. Numerous other lawyers who figured in the reorganization of the company got allowances of $89,700.

Twenty years ago, when Odell was governor and the big Republican boss of the State, Judge Mayer was an active figure in city and State politics. In 1904, when Odell backed Senator Platt off the map by nominating Higgins to succeed Odell as governor, the Odell convention nominated Mayer for attorney general and the latter was elected.

One of the members of the firm of Winthrop & Stimson is Henry L. Stimson, who also was an active political figure when Mayer was in the ring, having served as United States attorney for the southern district of New York from 1906 to 1909, and made an unsuccessful run for governor in 1910, later going into the Cabinet of President Taft as Secretary of War. The other members of his firm, which is acknowledged to be one of the best in the city, include Bronson Winthrop and Edgerton L. Winthrop, jr.

ODELL'S SECRETARY A RECEIVER

Nor is ex-Governor Odell the only man from Newburgh on whom Judge Mayer has called for service. James G. Graham, who was Odell's secretary, and who was later appointed by Mayer as a deputy attorney general, was picked as receiver in a series of shipping cases, out of which he got an allowance of $25,000. It is interesting to note in this connection that records are on file showing that in the Brooklyn Union Gas Rate case—in no way related to equity receiverships—Mayer ordered an allowance of $42,500 to Graham, taxed against the public, for acting as special master.

Ex-Governor Odell had an almost continuous job as receiver in two big cases from April, 1917, to March, 1923. His final report in the Aetna Explosives case was dated May 22, 1920, although the final order in the case was not issued until sometime later. On March 16, 1921, Odell was appointed as receiver of Gaston Williams & Wigmore (Inc.), a big exporting house, for liquidating which the ex-governor got allowances of $69,000, the last of which came in the order to pay himself $36,500 in February, 1923.

In addition to their allowances in the Aetna case, Winthrop & Stimson got a picayune $850 for some special services rendered the receiver of the D. & C. Co., a flour concern, and $245,000 in the New York Railways receivership, which will be treated in another story.

NOMINAL ASSETS $50,000,000

No story is more illustrative of the immense scope of the business undertakings of the Federal court than is that of the Aetna Explosives Co. When this company got into difficulties seven years ago it had nominal assets of $30,000,000 and controlled or directly operated munition and explosive plants in 16 cities. When the receivers took charge there was not sufficient money to meet the current pay rolls, and creditors on all sides were pressing for payment of their bills.

In 23 other court districts ancillary receivers were appointed by other judges to take over the various properties and stave off legal actions in these States. By virtue of their position here Holt and Odell themselves were appointed ancillary receivers in most of the other districts. In their final report to Judge Mayer the only comment made on the fees in the other districts is the following:

> "The accounts of all the ancillary receivers have been passed, their compensation paid, and they have all been discharged and their bonds canceled."

Thus Judge Mayer began the operation of one of the largest explosive concerns in the country. Plants which had been wrecked were rebuilt. A new TNT plant was erected by the receivers at Mount Union, Pa. A war was on. The sale of explosives was easy. The receivers, with the approval of Judge Mayer, made 30 separate contracts with the United States Government and France for delivery of picric acid, TNT, smokeless powder, guncotton, and benzol. In their final report the receivers' record they did a total of more than $82,000,000 in business. It was done at a profit.

MANY CLAIMS CONTESTED

Meanwhile an attack was opened on the claims against the company. In this connection it should be stated there are three ways in which the justice of a claim against a company in receivership may be adjudicated. It may be settled by negotiation between the receiver and the creditor. Or if no adjustment is reached, it may be decided directly by the judge having charge of the receivership, or a special master who is himself an appointee of the judge and whose findings are subject to review by the judge.

Except on an appeal to the circuit court or by the express permission of a Federal judge court the creditor can put his claim before no other tribunal. Nor can he get a trial by jury unless the court directing the receivership assents. Many believe that these considerations give a receiver a tremendous advantage in negotiating with claimants.

Messrs. Holt and Odell record in their report that they adjusted claims of $4,000,000 for $137,000. Another claim of $3,000,000 was settled for $900,000. Other claims were adjusted for new contracts, and finally when the reorganization of the company came the allowed claims were all paid in full with interest. From the standpoint of the acknowledged creditors it was undoubtedly one of the few completely successful receiverships. Judge Mayer is known to be immensely proud of it and the big business which he directed.

FEES DECLARED JUSTIFIED

The extent of the business itself has been advanced to the World representative as a complete justification for the size of the awards. It is explained that such a large business naturally involved an immense amount of litigation and that the Winthrop and Stimson record of their services is itself a volume of two or three thousand pages. The other lawyers were said to have conducted successfully litigation which saved the company several times the amount of their fees.

It has been pointed out to the World that in bankruptcy cases where more than $10,000 is involved a receiver is entitled to a fee of 1 per cent on everything that he collects. A similar fee goes to the trustee in bankruptcy who follows the receiver; and if they carry on the business, they are each entitled to a fee of 2 per cent. A referee before whom a bankruptcy estate is administered is entitled to from one-half to 1 per cent on the amount that is paid to creditors. The total allowances made to receivers and lawyers in the Aetna case amounted to approximately 1½ per cent of the actual business done.

But this was not the only receivership that Judge Mayer was running in 1917 and 1918. In addition to some which had their inception prior to 1917, he also ran the D. & C. Co., whose receiver did $1,000,000 in business, made money, and then lost all his profits; the Batavia Rubber Co., whose receiver recorded sales of $472,000 from June to September, 1918, and a few lesser operations.

BIG EXPORT HOUSE TAKEN OVER

The second receivership in which Odell figured was started in 1921, and its outcome was far different from that in the Aetna case, although the receivers and their attorneys got fees of $132,000. Gaston, Williams & Wigmore (Inc.) was a big exporting house whose books showed assets of $16,000,000 when they went to the wall.

But the receiver found that the real value of the assets was only $4,680,000, of which more than $3,000,000 were pledged. After making other deductions and settlements the receiver reported the total assets at the time of the receivership were $633,145, plus certain contingent claims against the United States and Russian Governments on which little appears to have been realized.

On the basis of this figure the allowances amounted to about 20 per cent of the assets, although the amount actually passing through the hands of the receivers was much more than this. Up to November 9, 1921, they had taken in $904,000 and disbursed $508,000.

By way of business in this case, the receivers carried out some old contracts. Their report of October 8, 1921, showed receipts from liquidation of $225,000 and receipts from sales of merchandise of $230,908. As against this there was an operating expense of $201,000 and $202,000 for the cost of the merchandise sold. Of the expenditures $137,000 had been for salaries, although these were said to have been greatly reduced.

CREDITORS GET 25 PER CENT

In the final order of Judge Mayer creditors' claims of $2,226,000 were ordered transferred to Wilbur L. Ball, as nominee of the Guaranty Trust Co., on the payment of the receiver of $66,000, thus releasing the receiver. The general creditors got 25 per cent on allowed claims. The sum of $793 in preferred claims was paid in full. Oscar A. Lewis, the attorney, received allowances of $41,500.

February 19, 1923, there were payments to the receiver and his counsel in this receivership of $56,500 out of total allowances of $132,000. The 25 per cent dividend to general creditors which was paid about the same time, amounted to $53,334. The balance in

the receivers' hands just before the payments amounted to $292,070.55, the difference going in the payment of the $66,750 on the claims transferred to Ball and in various other adjustments under the settlement.

Judge Mayer is said to regard this as a very successful receivership on the ground that at its inception it looked as if the general creditors would get almost nothing, and it was only through the hard work and good business judgment of ex-Governor Odell and Mr. Lewis that they received as much as 25 per cent. The settlement undoubtedly involved a large amount of executive and legal work. Mr. Odell is said to have given virtually all his time to the case for many months.

RECEIVERSHIPS COST CITY TRANSIT LINES $1,700,000, CHIEFLY "SPECIAL SERVICES"

As a result of its inquiry into equity receiverships the World is able to disclose to-day some of the things that have taken place while the receivers of the Brooklyn Rapid Transit Co. and the New York Railways have dragged their slow way toward the reorganization of these corporations.

These two receiverships have, according to the accounting standards set up by the transit commission, cost to date more than $1,700,000, of which $1,499,000 was in payment of some form of special service. Included in these items is $444,000 for engineers and accountants, questioned by some of the auditors as being a distinct receivership expense.

Among the facts brought to light are these:

That from the inception of the receivership until his death in September, 1919, the late Theodore P. Shonts was carried on the pay roll of Job E. Hedges, receiver of the New York Railways Co., at a salary rate first of $30,000 and later of $20,000 a year.

HEDLEY ALSO ON PAY ROLL

That Frank Hedley, who has a big job on his hands as president and general manager of the Interborough Rapid Transit Co., is still continued general manager of the New York Railways in receivership at $12,000.

That although Receiver Hedges has employed regular counsel at an expense of $266,000 to November 30, James L. Quackenbush, chief attorney of the Interborough Rapid Transit Co., has been receiving $15,700 a year additional from the receiver, his special function being to direct the legal work of the bankrupt railroad as distinguished from the litigation arising particularly out of the receivership.

Some of the payments made by the receivers of these two lines are:

Brooklyn Rapid Transit Co.:

To Receiver Lindley M. Garrison and his counsel, Carl M. Owen, $475,000, in addition to expenses of Owen of $12,622.08.

To Larkin, Rathbone & Perry, allowance of $75,000, and in addition expenses of $21,831.78.

To E. Henry Lacombe, special master, $52,500 allowance.

To P. J. McCook, special master, $15,000 allowance.

APPRAISAL COST $140,627

To Stone & Webster, engineers, who made an appraisal of the property, $140,627 (shown in an accounting independent of the court records).

To Price, Waterhouse & Co., certified public accountants, $51,868.41 (also shown in an independent accounting).

For printing, $80,783.09.

New York Railways Co. (to September 30, 1923):

Job E. Hedges, receiver, $125,709.68.

Winthrop & Stimson, attorneys for the receiver, $245,100, in monthly payments and allowances under court order, and $12,985.06 for expenses.

Price, Waterhouse & Co., $23,750.

Stone & Webster, $229,485.43.

Francis M. Scott, special master, $1,600.

E. Henry Lacombe, special master, $2,200.

Guaranty Trust Co. as trustee, $3,500 for services and $96,195.82 for covering expenses.

The Hecla Press for printing, $30,230.94.

Nor do these items represent the total expense to be attributed to the receiverships. Receiver Garrison and Receiver Hedges and their attorneys have not yet received their final allowances. These may be substantial. And the matter of reorganization may prove more expensive than the receiverships themselves.

REORGANIZATION PLAN EXPENSIVE

The B. R. T. reorganization plan contains an item of $6,484,119 to adjust claims and liabilities of the receivership not otherwise provided for, to provide for past-due taxes in litigation, to pay expenses of foreclosures and sales and cash expenses of reorganization, including compensation and expenses of committees, allowances, counsel fees, court costs, master's and referee's fees, services of experts, commissions of underwriters and syndicates, costs and taxes on incorporation and reorganization, disbursements, and miscellaneous requirements, "any balance to go to the new company for working capital."

One of the lawyers informed the World that the amount turned over for working capital would be $2,000,000. The three banking houses underwriting the reorganized company will receive approximately $1,300,000 for their services. Other allowances will be fixed by Judge Mayer after the work has been completed.

But it is not alone on the basis of expense that objection is made to Federal equity receivers for rapid transit and street railroad companies. A receiver in bankruptcy may not, under the law, be appointed for such corporations. The business must be kept running in the interest of the public.

STATE LAWS MADE INOPERATIVE

Objection is made, however, that by going to the Federal courts for the appointment of such receivers the companies avoid the operation of State laws, which would still be binding were the receiver to be appointed by the State court. Corporation Counsel Nicholson has pointed out, for instance, that without the permission of the Federal judge the city may not bring suit to revoke a franchise with the terms of which the receiver fails to comply.

It is largely to deal with this situation that a bill already has been introduced in Congress forbidding such companies or their creditors to go to the United States courts until the resources of the State court have been exhausted.

It will be noted that the two receivers, Stone and Webster, for their appraisal work have had total payments in excess of $370,000. It is also recalled that Winthrop & Stimson, who received $245,000 for services to Receiver Hodges, were also awarded $347,500 by Judge Mayer for their services to the receiver of the Aetna Explosives Co.

The Aetna Explosives Co. (Inc.) went into the hands of Receivers Benjamin B. Odell and George C. Holt in 1917, and the final report of the receivers was not rendered until May, 1920, their actual discharge coming in June, 1921. It thus will be seen that over a considerable period Winthrop & Stimson were serving both companies. The year 1920 appears to have been their most profitable year, since the records indicate them to have received in that period $53,200 from Mr. Hedges, in addition to nearly $200,000 from Messrs. Odell and Holt, receivers of the Aetna.

MANAGERS COMPETING LINES

The retention of Mr. Hedley as a general manager is all the more interesting in view of the fact that at certain points the New York Railways and the Interborough are competitors for the short-haul traffic.

The payments to Mr. Shonts will no doubt be a surprise even to the city administration, which thought it had made a careful examination of the transit situation. When Hedges became receiver Mr. Shonts started on the pay roll at $30,000. This lasted for about two months. In May, 1919, Shonts received a payment of $2,083.33, which is at the rate of $25,000, and the following month it was dropped to $20,000. There it remained until Mr. Shonts's death in the following September. The total payments recorded to him amount to $13,194.42.

It is interesting to compare these payments with the fate of the general creditors in the case of the reorganized B. R. T.—now the B. M. T.—and their probable fate in the case of the New York Railways. The former road illustrates well the fallacy of the theory that creditors are paid in full when they get back stock in a reorganized company.

When the reorganization plan of the B. R. T. came out last March everybody was shown exactly what he was going to get except the general creditors. Opposite their names appeared an estimate of $1,600,000, as the amount of their allowed claims, and after that a series of blanks. Elsewhere it was explained that they might turn in their claims if they assented to the plan of reorganization and provision would be made for them.

OPERATING CLAIMS PREFERRED

Later they were divided into two classes. First, were the operating claims—put forward by those who had sold materials to the road shortly before the receivership and who were in a sense preferred. They got an option of 100 per cent cash, or 87 per cent cash and 40 per cent preferred stock, the last to cover 13 per cent of the claim and interest which had been piling up for four and one-half years. Most of them took cash.

The general creditors, however—those who had no preference—got 25 per cent in cash and 102 per cent preferred stock. On the face of it, this looked like a fine adjustment. The preferred stock, however, on January 12 was quoted at 50¢, which means that the general creditor who had a claim of $1,000 and is still holding his stock has, after his long wait, $250 in cash and stock worth approximately $516.

The tort claimants—those with claims for damages against the railroad, including the relatives of the victims of the Malbone Street wreck—were placed in a class by themselves. The 3,106 tort claims were filed with the receiver for a total of $21,013,828.25. Of those 2,950 were reduced and settled for $2,030,775. After waiting four and one-half years for the reorganization they were paid in full in cash without interest.

Yet the manner of dealing with the tort claimants is declared to have been particularly liberal. They were given a chance, should they desire, of bringing a suit in the State courts to fix the amounts, with the alternative of settling them either by negotiation or before a special master. Most of them chose either negotiation or a hearing before

Philip H. McCook, the special master assigned particularly to this work. His findings were subject to review on appeal before Judge Mayer or the circuit court of appeals.

FEDERAL OFFICIAL SQUEEZED

Much worse was the fate of some of the stockholders. The World representative was told of one important Federal official who held Brooklyn Rapid Transit stock that had cost him $1,200. He held on to it throughout the period of the receivership because he feared that its sale might be misinterpreted. He was offered the opportunity of going into the reorganization if he would put up $35 a share in cash. He didn't have the $600 which would be required. The result was that he took the stock to a broker and sold it for $17.50.

In view of the fact that the city has a vital interest in the B. R. T. receivership expense by virtue of its relation to contract No. 4, under which the city hopes some time to get a return on its huge investment in subways, the World made efforts to learn just what decreases there had been in company salaries to offset the big increase brought about by the receivership.

Those in a position to know reported there had been one decrease in the pay roll, brought about by dropping as president Timothy S. Williams, with his salary of $75,000 a year. As against this the allowance to receivers and lawyers, excluding the engineers as an expense which might possibly have been incurred anyway in connection with the transit commission proposal to take over the lines, have amounted to well over $125,000 a year.

TEN LAWYERS ON LIST

There has been no public allotment as between Mr. Garrison and Mr. Owen of the $475,000 already paid them, but the surmise is it will be divided about equally. But, as in the case of the New York Railways, this has not been the only legal expense of the railroad in receivership. Its ordinary legal business has been looked after by a staff of lawyers in the Brooklyn office. Last May, before the receivership ended, there were, the World is informed by those in a position to know, 10 lawyers in that office on a pay roll amounting to about $90,000 a year.

Early in the receivership an effort was made to tax the entire expense of the B. R. T. receivership against operating expenses, which would have meant that it would have militated against the time when the city would get a return. The transit commission objected to this form of accounting and arbitrators have been selected to determine how much of the receivership bill will be charged against operating cost.

It is generally agreed that from the standpoint of the B. R. T. security holders Mr. Garrison handled the road in masterful fashion. He made many improvements, costing millions, expanded the powerhouse facilities, purchased additional cars, improved the operating methods, and the operating revenues from increased passenger traffic steadily increased in volume, so that on April 30, 1923, he showed a net corporate income of $25,000,000 from rapid-transit and street-car operation.

COMPANIES PREFER MAYER

It has been rumored from time to time that many lawyers and executives of the big companies have preferred to have the receiverships administered before Judge Mayer. In the case of the B. R. T., the World is reliably informed that a distinct move was made to get the receivership before him.

From a reliable source it was learned that late in December, 1918, some of those who were contemplating the receivership went to Judge Learned Hand, who it appeared might be sitting in the motion term when the matter came up, and asked him if he had any objection if the matter were presented to Judge Mayer. Judge Hand is described as being somewhat surprised at the attempt to dodge him. He, nevertheless, gave his consent and the matter was presented to Judge Mayer, who ordered the receivership on December 31, 1918, the papers not being filed in the clerk's office until after the New Year's holiday.

One thing which made the examination of the New York Railways receivership difficult was that many payments to counsel had been made without the usual allowance orders being on file in the records. It was learned subsequently from Special Master Lacombe that authorization for monthly payments to counsel was contained in a letter written by Judge Mayer to the receiver in July, 1919. Since that date Winthrop & Stimson have had a regular salary of $3,600 a month—more than $100 a day—in addition to special allowance of $61,500. Mr. Hedges has received $2,000 a month plus three extra orders totaling $17,000.

DECLARES PROPERTIES IMPROVING

Is the property of the New York Railways Co. depreciating or improving under receivership? Are conditions better than they were on the date of the receivership? Receiver Hedges presents convincing figures that they are. His reports to the transit commission to November 30, 1923, show deficit in his receivership operations of $1,118,270.03, and in the estate account, which includes all the unpaid interest on securities, of $13,244,267. But in these figures is included a reserve set up for maintenance and depreciation of $5,979,258.52.

Excluding this reserve and including $3,200,000 interest payments on underlying obligations authorized by the court to prevent foreclosures, Mr. Hedges shows a net income from March 21, 1919, to date of $1,538,811.

At the same time the latest report shows the receiver has spent nearly $5,000,000 on the maintenance of way and structures and a similar amount on maintenance of equipment. Although a preliminary plan has been put forward for reorganizing the New York Railways, it is yet too soon to say when and how much water is actually to be squeezed out of the securities and how soon the receivership will end. The plan does, however, call for the wiping out of the present stockholders. Outside the various classes of bondholders, the creditors' claims against the New York Railways amount to about $1,800,000.

Mr. CAREW. Mr. Chairman, I ask unanimous consent that my colleague [Mr. GRIFFIN], who spoke heretofore on this bill, may have permission to extend his remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PERLMAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STEVENSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 1, line 6, after the word "shall," insert the words "be residents of the district when appointed and shall thereafter."

Mr. PERLMAN. Mr. Chairman, there is no objection to that amendment.

Mr. STEVENSON. Very well; I shall waste no time upon it.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Carolina.

The amendment was agreed to.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: Line 4, strike out the word "two" and insert the word "one," and in line 5, strike out the word "judges" and insert "judge."

Mr. MOORE of Virginia. Mr. Chairman, of course I believe in equipping the courts sufficiently to enable them to transact business, and in the proper administration of all of the laws within the jurisdiction of the courts. I am not concerned about any political controversy in the city of New York, or about any controversy that may exist between the two party organizations that function there. But here is a proposition to appoint two new judges forthwith, and I do not think that any harm, so far as I have been able to analyze the statistics and understand the arguments, can come from limiting the number to one at this time and delaying the appointment of the other, if it should become really necessary to appoint another, until a little later on. We can not rely too implicitly upon the alleged facts, as our experience shows. At least I can not feel the same certainty that my friend from New York [Mr. MILLS] has expressed. In 1922, what was the situation? The committee and Congress then dealt with the entire country so far as the matter of appointing additional judges was concerned. It rested its conclusions largely upon the views of the Chief Justice and the Attorney General, Mr. Daugherty; and now the views of those gentlemen are presented as a reason for adding to the number of judges then apparently deemed sufficient. At that time the southern district of New York was given two additional judges, and now two more are proposed. To show how much at fault opinion as to these matters may be, I recall that it was assumed in 1922 at the outset that in the eastern district of Virginia, where I live, there should be an additional judge. I took the matter up at once with the judge there—he does not belong to my political party, but he is a man whom I hold in the very highest esteem and honor—and he informed me that it was absurd to think that the condition of business in that court necessitated another judge, and the suggestion was abandoned. We were told at the time of the enactment of the law of September, 1922, that we might look forward into the future and assume that for a considerable time it would not be necessary to provide any new judges. Two years have not elapsed, and we are now advised that there is the most urgent necessity existing in a certain district, notwithstanding there is authority

now to make use in that district of judges appointed for other districts and for other courts, and which we were told was going to operate materially to take care of all of the necessities. The President has just appointed, or is just about to appoint, our friend from Illinois, Mr. GRAHAM, a judge of the Customs Court of Appeals, and under the express terms of the law of 1922 Mr. GRAHAM will be eligible to be sent to New York to handle the business in the southern district, and many other judges not remote from New York will be eligible. I think the House should pause and consider whether the taking of one step at a time is not best, selecting one additional judge instead of two, if there is to be any increase.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. MOORE of Virginia) there were—ayes 78, noes 88.

Mr. O'CONNOR of New York. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chair appointed Mr. PERLMAN and Mr. MOORE of Virginia to act as tellers.

The committee again divided; and the tellers reported—ayes 103, noes 91.

So the amendment was agreed to.

Mr. REECE. Mr. Chairman, I move to strike out the last word. I do this for the purpose of speaking out of order, if I may have permission to do so, for about two minutes, because I shall have to leave the Hall before I have another opportunity to do so.

There is no more conscientious and hard-working committee in the House than the Committee on World War Veterans' Legislation.

In reporting the Johnson bill the Committee on World War Veterans' Legislation has done a splendid piece of work. The members of this committee are to be congratulated upon the efforts which they have put forth to conserve the interests of our disabled ex-service men. I hoped that the bill which has been reported might be passed by the House at the earliest possible moment. A similar bill has already passed the Senate. There is one provision in the Senate bill which has not been included in the House bill to which I wish to call the attention of the House in the hope that when the bill goes to conference that the House conferees may agree to accept it, and that is section 202, paragraph 2, Senate bill 2257, providing:

Where a tuberculous disease is diagnosed as other than that of complete arrest compensation shall be on a permanent and total basis, which shall not be changed until one year after such ex-service man has reached an arrested stage, at which time a permanent rating for life shall be granted, which shall not be below $50 per month during the remainder of his life.

This is the provision in which I am particularly interested, and unless such a provision is adopted our Government, in my opinion, will not have met its obligation to our disabled veterans who have this unfortunate disease. I am not a doctor, but I have devoted considerable study to the tubercular ex-service men, as there is in my district one of the largest sanatoriums in the country. Experts are agreed that there is no permanent cure for tuberculosis, the disease being diagnosed as either active or arrested. By arrested is meant the germ is temporarily inactive, but will become active upon the slightest provocation. The degree of resistance of each tubercular determines the period of life. Those with a great degree of resistance naturally survive the longest. The handling of this class of ex-service men has been very unsatisfactory, due to inadequate laws, which the above provision, in my judgment, will tend to correct.

The conditions under which the tubercular patient may live, together with the resulting mental ease or mental disquietude, largely affect his power of resistance. If, when the patient's tubercular condition is marked arrested his compensation is cut, he is forced again to begin to work to support himself and family. He knows also that at best his life has been shortened and consequently worries about making suitable provision for his wife and children after his death. The result is that the tuberculosis though once arrested soon becomes again active and the veteran must again be hospitalized. A majority of the patients in the National Sanatorium are readmissions, that is, men who were once marked with arrested cases again became active and who had to be readmitted. A recent contact made for approximately 1,600 ex-service men shows that over 75 per cent of the men contacted had been forced to return to hospitals from two to eight times. These men had been either in training and broke down, or had been given arrested cases and returned to civil life, compensation cut, and on account of having to return to strenuous work, to provide for themselves and families, had become active tuberculars. If these men had been given a permanent rating by the Veterans' Bureau so that they could have lived in peace and quiet without worry of the future, doubtless most of them would not have again become active. The Director of the Veterans' Bureau has submitted the following letter, estimating the cost of this provision:

MAY 16, 1924.

Hon. B. CARROLL REECE,
House of Representatives, Washington, D. C.

MY DEAR MR. REECE: In accordance with your request of this morning for an estimate of the cost of provisions under S. 2257, affecting ex-service men suffering from tuberculosis, you are advised that it has been estimated that the cost for the first year of extending the presumptive period from three years to five years for automatic service connection, would involve an expenditure approximating $11,380,000.

The additional amendment included under section 202, paragraph 2, providing for a permanent rating where tuberculosis disease is diagnosed as other than a complete arrest, and a rating of not less than $50 a month for the remainder of his life where tuberculosis has reached an arrested stage, is estimated to cost for the first year as applied to cases rated under existing legislation, $10,468,500, and when further applied to the cases estimated to come under the five-year presumption, assuming that the distribution of these cases will be on the same basis as are the total tuberculosis cases at the present time, it would increase the estimate of cost for this presumptive period by $3,900,000. The total estimated cost therefore of S. 2257 as applied to tuberculosis cases is approximately $25,748,500 for the first year of award.

In this connection it is to be borne in mind that there is no experience other than the recorded experience of the Veterans' Bureau to determine the probable development on many of these proposed changes, and it is further true that the recorded experience, while accurately showing the trend of certain activities of the Veterans' Bureau in the past, can only in a general way be used to determine what may be the result with relation to future claims. However, it is possible to apply certain broad general assumptions based upon past experience and existing records and the above cost figures are a result of this application and are considered indicative of probable future cost.

Very truly yours,

FRANK T. HINES, *Director.*

This shows the yearly cost of providing a permanent rate of compensation to these men to be around $14,000,000 yearly, but when the expense of training is deducted from the cost and when mortality is figured, it will be seen that there will be no cost, but will result in a saving, if such things can be figured in the life of a veteran.

A system of permanent rating for the tuberculars must be adopted if their problem is to be solved and I hope that it may be included in the pending bill. [Applause.]

Mr. PERLMAN. Mr. Speaker, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 3318, had directed him to report the same back with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. PERLMAN. Mr. Speaker, I move the previous question.

The SPEAKER. The previous question was ordered by the rule. Is a separate vote demanded on either amendment?

Mr. PERLMAN. Mr. Speaker, I demand a separate vote on the Moore amendment.

The SPEAKER. The first vote is on the amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MOORE of Virginia: In line 4, strike out the word "two" and insert "one" and in line 5 strike out the word "judges" and insert "judge."

Mr. LEHLBACH. Mr. Speaker, there is another amendment adopted previous to the Moore amendment, an amendment offered by the gentleman from South Carolina [Mr. STEVENSON] that has to be voted on by the House. It is a separate amendment.

Mr. BEGG. There are three amendments.

The SPEAKER. The Chair is informed there are only two as two are of the same substance. The question is on agreeing to the amendment just reported by the Clerk.

The question was taken, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. MOORE of Virginia) there were—ayes 105, noes 95.

Mr. PERLMAN. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The question is on ordering the yeas and nays.

The yeas and nays were ordered.

Mr. LONGWORTH. Mr. Speaker, before the roll call starts I would like to propound a parliamentary inquiry. In case the House adjourns will this vote be taken on Tuesday?

The SPEAKER. It would.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. PERLMAN. Mr. Speaker, I ask for a division on that.

The House divided; and there were—ayes 93, noes 117.

So the House refused to adjourn.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Do I understand now that we come to a yea-and-nay vote on the amendment?

The SPEAKER. Yes. The yea-and-nay vote has been ordered.

The question was taken; and there were—yeas 157, nays 151, answered "present" 4, not voting 121, as follows:

YEAS—157

Abernethy	Dickstein	Lea, Calif.	Rouse
Allen	Doughton	Lee, Ga.	Rubey
Allgood	Drewry	Lilly	Sabath
Arnold	Driver	Lindsay	Salmon
Aswell	Ragan	Logan	Sanders, Tex.
Ayres	Evans, Mont.	Lowrey	Sandlin
Barkley	Favrot	Lozier	Schafer
Black, N. Y.	Fisher	Lyon	Sears, Fla.
Black, Tex.	Fulbright	McDuffie	Shallenberger
Bland	Fulmer	McKeown	Sherwood
Blanton	Gardner, Ind.	McNulty	Smithwick
Bloom	Garner, Tex.	McReynolds	Spearing
Box	Garrett, Tenn.	McSwain	Steagall
Boyce	Gasque	McSweeney	Stedman
Boylan	Geran	Major, Ill.	Stevenson
Brand, Ga.	Goldsborough	Major, Mo.	Sumners, Tex.
Briggs	Griffin	Mansfield	Swank
Browning	Hammer	Martin	Tague
Bulwinkle	Harrison	Mead	Taylor, W. Va.
Busby	Hastings	Mooney	Thomas, Ky.
Byrns, Tenn.	Hawes	Moore, Ga.	Thomas, Okla.
Canfield	Hill, Ala.	Moore, Va.	Tillman
Cannon	Hill, Wash.	Morehead	Tucker
Carew	Hooker	Mortow	Tydings
Casey	Howard, Nebr.	O'Connell, N. Y.	Underwood
Celler	Hudspeth	O'Connell, R. I.	Upshaw
Clancy	Jacobstein	O'Connor, La.	Vinson, Ga.
Cleary	Jeffers	O'Connor, N. Y.	Vinson, Ky.
Collier	Johnson, Tex.	Oldfield	Watkins
Collins	Johnson, W. Va.	Oliver, N. Y.	Weaver
Connally, Tex.	Jones	Peery	Weller
Cook	Jost	Prall	Wilson, Ind.
Crisp	Kent	Quin	Wilson, La.
Crosser	Kerr	Rainey	Wingo
Cullen	Kincheloe	Raker	Wolff
Cummings	Kindred	Rankin	Woodrum
Davey	Lanham	Rayburn	Wright
Davis, Tenn.	Lankford	Reed, Ark.	
Deal	Larsen, Ga.	Richards	
Dickinson, Mo.	Lazaro	Romjue	

NAYS—151

Ackerman	Fish	Larson, Minn.	Reid, Ill.
Aldrich	Fitzgerald	Lehlbach	Roach
Andrew	Fredericks	Lieberger	Robinson, Iowa
Bacon	Free	Longworth	Robsion, Ky.
Beedy	French	McLaughlin, Mich.	Sanders, Ind.
Beers	Fuller	McLeod	Sanders, N. Y.
Begg	Funk	MacGregor	Schneider
Berger	Garber	Madden	Sears, Nebr.
Bixler	Graham, Ill.	Magee, N. Y.	Seger
Brand, Ohio	Green, Iowa	Magee, Pa.	Shreve
Browne, Wis.	Greene, Mass.	Mapes	Simmons
Bruman	Hadley	Merritt	Sinclair
Burtness	Hardy	Michaelson	Sinnott
Burton	Haugen	Michener	Smith
Butler	Hawley	Mills	Snell
Campbell	Hersey	Montague	Speaks
Chindblom	Hickey	Moore, Ill.	Sproul, Ill.
Christopherson	Hill, Md.	Moore, Ohio	Sproul, Kans.
Clague	Hoch	Moores, Ind.	Stalker
Cole, Iowa	Hudson	Morgan	Stephens
Colton	Hull, Morton D.	Morin	Strong, Kans.
Cooper, Ohio	Hull, William E.	Murphy	Strong, Pa.
Darrow	Hull, Iowa	Nelson, Wis.	Summers, Wash.
Davis, Minn.	James	Newton, Minn.	Taber
Dempsey	Johnson, Wash.	Newton, Mo.	Taylor, Tenn.
Denison	Kearns	Paige	Temple
Dickinson, Iowa	Keller	Parker	Thatcher
Dowell	Kendall	Patterson	Thompson
Edmonds	Ketcham	Perkins	Tilson
Elliott	King	Perlman	Tincher
Evans, Iowa	Kopp	Phillips	Tinkham
Fairchild	Kurtz	Rathbone	Treadway
Faust	LaGuardia	Reece	Vaile
Fenn	Lampert	Reed, N. Y.	Vestal
Vincent, Mich.	Watson	Williams, Mich.	Wurzbach
Volgt	Wertz	Williamson	Wyant
Walnwright	White, Kans.	Winslow	Young
Watres	Williams, Ill.	Woodruff	

ANSWERED "PRESENT"—4

Carter	Connery	Johnson, S. Dak.	Sites

NOT VOTING—121

Almon	Dyer	Leavitt	Reed, W. Va.
Anderson	Fairfield	Linthicum	Rogers, Mass.
Anthony	Fleetwood	Little	Rogers, N. H.
Bacharach	Foster	Luce	Rosenbloom
Bankhead	Frear	McClintic	Schall
Barbour	Freeman	McFadden	Scott
Beck	Frothingham	McKenzie	Snyder
Bell	Gallivan	McLaughlin, Nebr.	Stengle
Boies	Garrett, Tex.	MacLafferty	Sullivan
Bowling	Gibson	Manlove	Sweet
Britten	Gifford	Miller, Ill.	Swing
Browne, N. J.	Gilbert	Miller, Wash.	Swoope
Buchanan	Glatfelter	Milligan	Taylor, Colo.
Buckley	Graham, Pa.	Minahan	Timberlake
Burdick	Greenwood	Morris	Underhill
Byrnes, S. C.	Griest	Mudd	Vare
Cable	Hayden	Nelson, Me.	Ward, N. Y.
Clark, Fla.	Holaday	Nolan	Ward, N. C.
Clarke, N. Y.	Howard, Okla.	O'Brien	Wason
Cole, Ohio	Huddleston	O'Sullivan	Wefald
Connolly, Pa.	Hull, Tenn.	Oliver, Ala.	Welsh
Cooper, Wis.	Humphreys	Park, Ga.	White, Me.
Corning	Johnson, Ky.	Parks, Ark.	Williams, Tex.
Cramton	Kahn	Peavey	Wilson, Miss.
Croll	Kelly	Porter	Winter
Crowther	Kiess	Pou	Wood
Curry	Knutson	Purnell	Yates
Dallinger	Kunz	Quayle	Zihlman.
Dominick	Kvale	Ragon	
Doyle	Langley	Ramseyer	
Drane	Leatherwood	Ransley	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Minahan (for) with Mr. McFadden (against).
Mr. Quayle (for) with Mr. Curry (against).
Mr. Bell (for) with Mr. Fleetwood (against).
Mr. Wolff (for) with Mr. Cramton (against).
Mr. Morris (for) with Mr. Vare (against).
Mr. Parks of Georgia (for) with Mr. Connolly of Pennsylvania (against).
Mr. Williams of Texas (for) with Mr. Gibson (against).
Mr. Almon (for) with Mr. Gallivan (against).
Mr. Croll (for) with Mr. MacLafferty (against).
Mr. Carter (for) with Mr. Cooper of Wisconsin (against).
Mr. Stengle (for) with Mr. Barbour (against).
Mr. Connery (for) with Mrs. Nolan (against).
Mr. Buchanan (for) with Mr. Johnson of South Dakota (against).
Mr. Pou (for) with Mr. Thompson (against).
Mr. Bowling (for) with Mr. Miller of Washington (against).
Mr. Ragon (for) with Mr. Underhill (against).
Mr. Sites (for) with Mr. Manlove (against).
Mr. Milligan (for) with Mr. Knutson (against).
Mr. Byrnes of South Carolina (for) with Mr. Porter (against).

Until further notice:

Mr. Griest with Mr. Browne of New Jersey.
Mr. Bacharach with Mr. Dominick.
Mr. Kiess with Mr. Doyle.
Mr. Ransley with Mr. Garrett of Texas.
Mr. Sweet with Mr. Johnson of Kentucky.
Mr. Gifford with Mr. Kvale.
Mr. Dallinger with Mr. Parks of Arkansas.
Mr. Foster with Mr. McClintic.
Mr. Dyer with Mr. O'Sullivan.
Mr. Purnell with Mr. Wilson of Mississippi.
Mr. Mudd with Mr. Greenwood.
Mr. Freeman with Mr. Kunz.
Mr. Rogers of Massachusetts with Mr. Glatfelter.
Mr. Frothingham with Mr. Wefald.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the other amendment.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 1, line 6, after the word "shall," insert the words "be residents of the district where appointed and shall thereafter."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. CAREW. A division, Mr. Speaker.

The SPEAKER. A division is called for.

Mr. MILLS. Mr. Speaker, is this on the passage of the bill?

The SPEAKER. Yes.

Mr. MILLS. I demand the reading of the engrossed copy.

The SPEAKER. It has been read.

The House divided; and there were—ayes 131, noes 145.

Mr. PERLMAN. Mr. Speaker, I ask for a yea-and-nay vote on this.

The SPEAKER. The gentleman from New York demands the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Those in favor of the passage of the bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 150, nays 160, answered "present" 2, not voting 121, as follows:

YEAS—150

Ackerman	Fuller	Magee, N. Y.	Sinnott
Aldrich	Funk	Mapes	Smith
Andrew	Garber	Merritt	Snell
Bacon	Graham, Ill.	Michaelson	Speaks
Beedy	Green, Iowa	Michener	Sproul, Ill.
Beers	Greene, Mass.	Mills	Sproul, Kans.
Begg	Hadley	Montague	Stalker
Berger	Hardy	Moore, Ill.	Stephens
Bixler	Haugen	Moore, Ohio	Strong, Kans.
Brand, Ohio	Hawley	Moores, Ind.	Strong, Pa.
Browne, Wis.	Hersey	Morgan	Summers, Wash.
Bruman	Hickey	Morin	Swing
Burtness	Hill, Md.	Murphy	Taber
Burton	Hoch	Nelson, Wis.	Taylor, Tenn.
Campbell	Hudson	Newton, Minn.	Temple
Chindblom	Hull, Morton D.	Newton, Mo.	Thatcher
Christopherson	Hull, William E.	Paige	Tilson
Clague	Hull, Iowa	Parker	Tincher
Cole, Iowa	James	Patterson	Tinkham
Colton	Johnson, Wash.	Perkins	Treadway
Cooper, Ohio	Kearns	Perlman	Vaile
Darrow	Keller	Phillips	Vincent, Mich.
Davis, Minn.	Kendall	Rathbone	Volgt
Dempsey	Ketcham	Reece	Walnwright
Denison	King	Reed, N. Y.	Watres
Dickinson, Iowa	Kopp	Reid, Ill.	Watson
Dowell	Kurtz	Roach	Wertz
Edmonds	LaGuardia	Robinson, Iowa	White, Kans.
Elliott	Lampert	Robsion, Ky.	Williams, Ill.
Evans, Iowa	Larson, Minn.	Sanders, Ind.	Williams, Mich.
Fairchild	Leatherwood	Sanders, N. Y.	Williamson
Faust	Lehlbach	Schafer	Winslow
Fenn	Lineberger	Schneider	Woodruff
Fish	Longworth	Scott	Wurzbach
Fitzgerald	McLaughlin, Mich.	Seger	Wyant
Fredericks	McLeod	Shreve	Young
Free	MacGregor	Simmons	
French	Madden	Sinclair	

NAYS—160

Abernethy	Davis, Tenn.	Lanham	Reed, Ark.
Allen	Deal	Lankford	Richards
Allgood	Dickinson, Mo.	Larsen, Ga.	Romjue
Almon	Dickstein	Lazaro	Rouse
Arnold	Doughton	Lee, Ga.	Rubey
Aswell	Drewry	Lilly	Sabath
Ayres	Driver	Lindsay	Salmon
Barkley	Eagan	Logan	Sanders, Tex.
Black, N. Y.	Evans, Mont.	Lowrey	Sandlin
Black, Tex.	Favrot	Lozier	Sears, Fla.
Bland	Fisher	Lyon	Shallenberger
Blanton	Fulbright	McDuffie	Sherwood
Bloom	Fulmer	McKeown	Smithwick
Box	Gardner, Ind.	McNulty	Spearing
Boyce	Garner, Tex.	McReynolds	Steagall
Boylan	Garrett, Tenn.	McSwain	Stedman
Brand, Ga.	Garrett, Tex.	McSweeney	Stevenson
Briggs	Gasque	Major, Ill.	Sumners, Tex.
Browning	Geran	Major, Mo.	Swank
Bulwinkle	Goldsborough	Mansfield	Tague
Busby	Griffin	Martin	Taylor, W. Va.
Byrnes, S. C.	Hammer	Mead	Thomas, Ky.
Byrns, Tenn.	Harrison	Mooney	Thomas, Okla.
Canfield	Hastings	Moore, Ga.	Tillman
Cannon	Hawes	Moore, Va.	Tucker
Carew	Hill, Ala.	Morehead	Tydings
Casey	Hill, Wash.	Mortow	Underwood
Celler	Hooker	O'Connell, N. Y.	Upshaw
Clancy	Howard, Nebr.	O'Connell, R. I.	Vestal
Cleary	Hudspeth	O'Connor, La.	Vinson, Ga.
Collier	Jacobstein	O'Connor, N. Y.	Vinson, Ky.
Collins	Jeffers	Oldfield	Watkins
Connally, Tex.	Johnson, Tex.	Oliver, N. Y.	Weaver
Cook	Johnson, W. Va.	Peery	Weller
Corning	Jones	Prall	Wilson, Ind.
Crisp	Jost	Quin	Wilson, La.
Crosser	Kent	Rainey	Wingo
Cullen	Kerr	Raker	Wolff
Cummings	Kincheloe	Rankin	Woodrum
Davey	Kindred	Rayburn	Wright

ANSWERED "PRESENT"—2

Carter	Connery

NOT VOTING—121

Anderson	Butler	Drane	Greenwood
Anthony	Cable	Dyer	Griest
Bacharach	Clark, Fla.	Fairfield	Hayden
Bankhead	Clarke, N. Y.	Fleetwood	Holaday
Barbour	Cole, Ohio	Foster	Howard, Okla.
Beck	Connolly, Pa.	Frear	Huddleston
Bell	Cooper, Wis.	Freeman	Hull, Tenn.
Boies	Cramton	Frothingham	Humphreys
Bowling	Croll	Gallivan	Johnson, Ky.
Britten	Crowther	Gibson	Johnson, S. Dak.
Browne, N. J.	Curry	Gifford	Kahn
Buchanan	Dallinger	Gilbert	Kelly
Buckley	Dominick	Glatfelter	Kiess
Burdick	Doyle	Graham, Pa.	Knutson
Kunz	Milligan	Ramseyer	Underhill
Kvale	Minahan	Ransley	Vare
Langley	Morris	Reed, W. Va.	Ward, N. Y.
Lea, Calif.	Mudd	Rogers, Mass.	Ward, N. C.
Leavitt	Nelson, Me.	Rogers, N. H.	Wason
Linthicum	Nolan	Rosenbloom	Wefald
Little	O'Brien	Schall	Welsh
Luce	O'Sullivan	Sears, Nebr.	White, Me.
McClintic	Oliver, Ala.	Sites	Williams, Tex.
McFadden	Park, Ga.	Snyder	Wilson, Miss.
McKenzie	Parks, Ark.	Stengle	Winter
McLaughlin, Nebr.	Peavey	Sullivan	Wood
MacLafferty	Porter	Sweet	Yates
Magee, Pa.	Pou	Swoope	Zihlman
Manlove	Purnell	Taylor, Colo.	
Miller, Ill.	Quayle	Thompson	
Miller, Wash.	Ragon	Timberlake	

So the bill was refused passage.

The Clerk announced the following additional pairs:

On this vote:

Mr. McFadden (for) with Mr. Minahan (against).
Mr. Curry (for) with Mr. Quayle (against).
Mr. Fleetwood (for) with Mr. Bell (against).
Mr. Cramton (for) with Mr. Parks of Arkansas (against).
Vare (for) with Mr. Morris (against).
Mr. Connolly of Pennsylvania (for) with Mr. Parks of Georgia (against).
Mr. Gibson (for) with Mr. Williams of Texas (against).
Mr. MacLafferty (for) with Mr. Croll (against).
Mr. Cooper of Wisconsin (for) with Mr. Carter (against).
Mr. Barbour (for) with Mr. Stengle (against).
Mrs. Nolan (for) with Mr. Connery (against).
Mr. Johnson of South Dakota (for) with Mr. Buchanan (against).
Mr. Thompson (for) with Mr. Pou (against).
Mr. Miller of Washington (for) with Mr. Bowling (against).
Mr. Underhill (for) with Mr. Ragon (against).
Mr. Manlove (for) with Mr. Sites (against).
Mr. Knutson (for) with Mr. Milligan (against).
Mr. Porter (for) with Mr. Byrnes of South Carolina (against).
Mr. Gallivan (for) with Mr. O'Sullivan (against).

Mr. CONNERY. Mr. Speaker, I voted "nay." I have a pair with the lady from California, Mrs. NOLAN. I wish to withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

Mr. GARRETT of Tennessee. Mr. Speaker, I move to reconsider the vote.

The SPEAKER. A motion to adjourn is a preferential one.

Mr. BEGG. Mr. Speaker, I ask for a division.

The question was taken; and on a division (demanded by Mr. BEGG) there were—ayes 111, noes 146.

So the motion to adjourn was rejected.

Mr. GARRETT of Tennessee. Mr. Speaker, I move to reconsider the vote by which the bill was defeated and to lay that motion on the table.

The SPEAKER. Without objection it is so ordered.

There was no objection.

ADDITIONAL COPIES OF HEARINGS BEFORE THE COMMITTEE ON AGRICULTURE

Mr. JOHNSON of Washington. Mr. Speaker, I call up the privileged report from the Committee on Printing.

The SPEAKER. The gentleman from Washington offers a privileged report, which the Clerk will report.

The Clerk read as follows:

House Resolution 320

Resolved, That, in accordance with paragraph 3 of section 1 of the printing act approved March 1, 1907, the Committee on Agriculture of the House of Representatives be, and is hereby, authorized and empowered to have printed 900 additional copies of the hearings before said committee of the Sixty-eighth Congress, first session, on bills relating to the McNary-Haugen bill.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. KINDRED. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. UPSHAW. Mr. Speaker, I make the same request.

Mr. GRAHAM of Illinois. Mr. Speaker, I make the same request.

Mr. PERLMAN. Mr. Speaker, I make the same request.

Mr. BACON. Mr. Speaker, I make the same request.

Mr. CHINDBLOM. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to these requests? [After a pause.] The Chair hears none.

ADJUSTED COMPENSATION

Mr. UPSHAW. Mr. Speaker and gentlemen, under the privilege granted me by the House, I wish to say without equivocation or apology to any man or corporation, I declare my ex-

quisite pleasure in canceling my most important speaking engagement of the year, before the Southern Baptist Convention, 8,000 strong, in Atlanta, and rushing all the way to Washington to help "spank" the President for going back on his own party promises concerning the soldier bonus. It is not so much the worthiness of redeeming this long-delayed pledge for which I have voted three times that brought me, but a vigorous protest against five years of acrobatic evasion and partisan duplicity. I have seen it at close range, and here is the proof: With ample majority to do the thing, the Republicans waited until the 20th of May, three days before the Sixty-sixth Congress adjourned, before passing the bonus bill in the House, when they knew it was legislatively impossible to carry it through the Senate. On this tardy House action they went successfully after the soldier vote, saying, "See what we have done for the defenders of our country; we will complete the job for you when Congress convenes in December."

But President Harding, who had declared himself in favor of "adjusted compensation for the ex-service man," acting on the advice of Secretary Mellon and his doleful tale of a Treasury deficit of $800,000,000, came before the Senate and urged postponement—not defeat, mind you, but postponement of action. And then when a new bonus bill was brought out, the President demanded by veto that it should pay for itself through a discredited revenue plan which his own party dared not bring on the floor for action. Broken pledge No. 2. And now behold President Coolidge, who declared before high heaven that he was going to "carry out the Harding policies," vetoes even a "tombstone tip" to the ex-service man to whom his predecessor had pledged "adjusted compensation," and does it with a nonchalant, standpat, "big business" bravado that flatly declares the soldier deserves no bonus.

Shades of Frank Mondell, Phil Campbell, and Frank Murphy! The first two, with all their fervid hair-raising eloquence in behalf of "the soldier defenders of the flag," have been gathered, alas, to the limbo of all naughty Republicans, while FRANK MURPHY, who bravely fought and filibustered for the American doughboy, lives yet in the House to testify that I have told the incontestable truth about his vanishing reactionary comrades.

Let it be remembered that when Secretary Mellon, sitting on his throne of hundreds of millions—much of it made distilling and selling liquor—wanted to defeat the bonus to the soldiers who had made his fabulous fortune secure, he declared a deficit of eight hundred millions, but when he wanted to show how smart his administration had been with the Treasury he showed a surplus of three hundred millions. This is my indictment: If the bonus was right, it ought to have been passed five years ago when it would have been a godsend to the vast majority of returning soldiers who found their former business shot to pieces; if it was wrong, it should have been promptly repudiated and not used as a vote getter in two congressional elections before this final climax of presidential repudiation by the reactionary representative of big business in Pittsburgh, Wall Street, and Boston.

INTEMPERATE, UNFORTUNATE WORDS

I honor our President personally, but I marvel at the following intemperate, unfortunate words:

> We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism. * * * There is no moral justification for it.

In other words, in common parlance, the President tells party pledges and the ex-service men to "go where it doesn't snow."

Take this—and no man will dare deny; everybody knows that the whole country would have applauded if Uncle Sam had met every soldier at the ship when he came back with a handclasp of benediction containing a crisp $500 bill, saying: "My boy, I am not paying you for your patriotism—I am just reaching out to you the hand of good fellowship to help you get on your feet. Civilian employees have drawn many times as much as you, and millionaires have become billionaires while you protected them. You stood amid the mud and misery, the ice and lice, the dearth and death, the horror and hell of war for them and for me, and with this check—not solos and anthems and cheers and tears—but with this check I help you to start life again in the land you have defended by every inch and atom of your loyal arms."

Ah, fellow Americans, you know that such a practical deed by Uncle Sam to his heroic defenders would have brought more than a hundred million Americans to their feet with a continent of ringing, singing approval.

If it would have been right to do it then, who dares to say—except a few reactionary administration defenders—that five years of pitiful double-dealing has canceled this grateful obligation? It is a poor brand of personal or national honor that hides behind "the statute of limitation."

All honor to the brave young fellow who nobly says, "I do not want any compensation for my patriotism"; but he and his friends must not indict the patriotism of his comrades who feel the need of help and the sting of neglect. One equation is certain; Republican leadership, through its five years of evasion, equivocation, and final repudiation of party pledges, has forfeited all right to the soldier vote in America.

Mr. GIBSON. Mr. Speaker, an early study of the adjusted-compensation proposal convinced me that it was a measure extending justice to the men who served and sacrificed. One of the reasons for this conclusion was the fact that during the late war the Government paid a bonus to practically every civil employee, and most of these bonus payments have been continued to the present day. Every employee in the classified service with a salary of $2,500 or less receives a bonus. Thus, prohibition agents, customs employees, janitors of public buildings, clerks of all kinds in Washington and throughout the country come under the bonus provision of the law. During the past six years we have paid over $250,000,000 as a bonus in addition to regular salaries; $30,000,000 of this went to the civilian personnel of the Army and Navy.

In fact, a bonus was paid to nearly every employee during the war except the fighting man of the Army and Navy, the man who left gainful employment, who suffered untold hardships, who went into places of danger carrying proudly the flag of his country that we might continue to exist as a nation and civilization be saved. I felt that this great Nation might well treat these men who were willing to sacrifice all as well as the civilian employees were treated in the matter of adjusting compensation. These civilian employees were doing their duty and no criticism attaches to them.

Feeling the justice of the proposal, it was made one of the issues of my campaign for nomination as Representative. The issue was discussed at practically every meeting, and I endeavored to make my position clear. What I said was in the nature of a promise of action, if elected, and was made before the attitude of the President was known.

My vote on this question has given me more concern than any other since I have been a Member of the House. Personal friends and supporters have urged me to vote to sustain the veto. My great desire is to follow the lead of the President, but I can not bring myself to disregard my pledges made in good faith. Common honesty requires the carrying out of campaign promises. Failure to do so justly sacrifices the confidence of friends and forfeits self-respect.

It was my privilege to serve in the World War at home and abroad. I entered the service before the declaration of war, leaving a business and my wife and children to serve my country to the best of my ability. My State, with commendable pride, desired to send a regiment of its own across the seas and in furtherance of that purpose I traveled its hills and its valleys seeking volunteers. As a result some twelve hundred joined the colors voluntarily. I knew them, their families, their ancestry. It was my endeavor as an officer to keep close to these men and to be of help to them in every way. Twenty-five hundred of the men of the regiment in which I went overseas were from the State of Tennessee, and I came to know them and to appreciate the sterling quality of the patriotism of these men of the South. I think I can speak for service men quite as well as some of the gentlemen who have addressed the House on the question now before us.

Speaking for them, I am not in sympathy, Mr. Speaker, with the criticisms of the veto message that have been uttered in this debate. It has been charged by able men, some of them my personal friends for whom I have the highest regard, that the message is an insult to the service men. These statements made for the purpose of partisan advantage are not substantiated by the text of the message. It is not a challenge. It is rather the honest statement of the objections of a courageous Executive in the faithful execution of the duties of his office.

Service men appreciate and honor a man with courage. They may differ with him in his conclusions, but if they are true to honest impulses they admire the man who stands out in the open and in an upstanding manner states his case. That is just what the President did.

A careful study of the message shows it to be a splendid appreciation of the high motives that brought millions of the best of our manhood to the service. The very highest tribute is paid when the President says, "The first duty of every citizen is to the Nation." The veterans of the World War performed this first duty. And again, "No way exists by which we can equalize the burdens or give adequate financial reward to those who served the Nation both in civil and military capacities in time of war. The respect and honor of their country will be rightfully theirs for evermore." When he stated "patriotism can not be bought nor sold. It is not hire and salary. It is not material but spiritual. It is one of the finest and highest of human virtues," he expressed truths to which every human heart responds.

In the message the President speaks for all the people in accordance with his duty as he sees it. No service man will criticize the performance of duty. The courageous statement of objections without regard to political effect should commend the message to every man and woman who served the Nation.

The President came from a people who put duty and patriotism above all other things. His forbears after service in the Revolution became pioneers in that undeveloped land of the Green Mountains, where the settlers were battling for independent existence. These forbears joined the men of valor who had fought against Canada and Great Britain, and were then defying the Continental Congress and all the other colonies. They established their own independence and maintained it against all the world for 13 years, and until the Union would accept admission as a sovereign State.

These pioneers were silent, God-fearing men, who made plain duty the test of citizenship. They labored with a stubborn soil, eked out a scanty existence, all the time molding character, until they wrought out of the wilderness a wonderful little State and peopled it with men and women who have been the strength of our Nation. You are all familiar with the work and service of Edmunds, Morrill, Proctor, Morton, Arthur, Hayes, Taft, and scores of other national figures whose forbears are of the common heritage of our President.

The characteristics of these pioneers have come down the generations. They have furnished the defense of the principles of the fathers at every crises of our history. They wrote into the law that memorable resolution of 1799, the guiding principle that made possible the continued existence of this Republic. They repelled foreign invasion. They stood firm as the rock against the assaults of the brave men of the South at Gettysburg. They helped swing open the gates of the Orient to the civilization of the West. One in twenty of the population of Vermont served in the World War, 73 per cent being volunteers. These pioneers and their descendants have written a record of service unmatched by achievements of other men in this country.

Calvin Coolidge is of these men. Born and reared amid humble surroundings, he knows the meaning of work, hard work on the farm, because he has done all of it. He knows the full meaning of earning an education, because he had a struggle to gain one. He knows what it means to earn money with which to pay taxes, because he has helped dig it out of the soil. He knows the value of honest service, because he has always rendered it. He has experienced the worries and faced the problems of the common people, because he is one of them. He speaks their language and gives voice to their ideals. The message is their call to a higher standard of patriotism.

We are passing through a period filled with great dangers. We need a President of calm judgment and fearless action, a man who will not turn from the straight pathway for personal advancement or cater to any group for political power. Such a man is now at the head of this Nation. No man better fitted by training, temperament, or experience ever occupied that position.

Born and reared where men do the day's work and live within their means, he has brought to the office a plain integrity and honesty of purpose which the people understand and embrace. His sense of duty, his patriotic zeal gives them a singular sense of security in their country and its institutions. They feel safe with him at the helm. The outstanding points of his character have won him the confidence of the American people to an extent that makes it one of the most striking things in all American political history.

In his native State, where he is known as a man is known by his friends and neighbors, he will have the support of the service men, both Democrats and Republicans. They accept the message as that of an honest Executive, standing courageously for what he believes to be right, and doing his duty without regard to its effect on the vote of any group.

When all this tumult has subsided and a proper appraisal can be made of this day there is one figure that will stand out in bold relief typifying the honesty of the people, the honor and conscience of the Nation, and that is our President, Calvin Coolidge.

BEER OF 2.75 PER CENT ALCOHOLIC STRENGTH

Mr. KINDRED. Mr. Speaker, the question of the control of alcoholic beverages is a very old one in the United States and in other countries. I wish to state, in the first place, that my own personal attitude as a physician and law-abiding citizen with regard to the use of strong alcoholic liquors, meaning whisky, brandy, and other stronger alcoholic liquors, is and has been that they should be used with great moderation and in proper quantities and under proper conditions. I wish further to emphasize that any argument and statement that has been or will be made by me on this whole subject is made from the viewpoint of a law-abiding citizen who has been and always intends to be a sober man with respect to indulgence in alcoholic intoxicating liquors, and also from the viewpoint of a physician of long experience in the special study and treatment of the diseases known as alcoholism and insanity and other diseases complicated with excesses in the use of intoxicating liquors.

While I am, of course, aware that during the age-long discussion of the evils of excessive alcoholic indulgence a great moral question has been injected—and very properly so—into this whole question by well-meaning reformers and professional temperance advocates, I shall not, for the purposes of a purely medical presentation of this whole matter, discuss or refer to any moral or political aspects of this question, so important in its moral, sociological, economic, and health aspects. I shall confine my statement to the naked question of the leading medical facts, and particularly to the question of whether or not ordinary, well-brewed beer made of hops, barley, and malt, and containing 2.75 per cent alcoholic strength, is in fact intoxicating from a strictly medical and legal standpoint.

As to the medical use of the so-called stronger alcoholic liquors, like proof whisky, brandy, and so forth, I wish to refer to the fact that the eighteenth amendment to the Constitution of the United States specifically provides that "no intoxicating liquors shall be manufactured, transported, or sold, except for medicinal and sacramental purposes". Under the ruling of former Attorney General Palmer there existed no prohibition against the use for medicinal purposes in reasonable quantities of spirituous or intoxicating liquors—that is, whisky and brandy and wine and beer or other malt liquors of sufficient alcoholic content to be intoxicating—if in the good and honest judgment of the attending physician they should be used in the treatment of disease. This contention of the medical profession has been since upheld in two different decisions of the United States district courts, and the question will be finally settled, it is to be hoped in the near future, by the United States Supreme Court as to whether physicians shall be permitted, within the spirit of the eighteenth amendment, to prescribe such intoxicating liquors without any regulation of the prohibition enforcement and other departments of the United States Government. It is obvious that if physicians can legally prescribe and furnish, as they may do under the Volstead law, to any one patient in any period of 10 days as much as one-quarter of a gallon of vinous liquor—that is, wine of 24 per cent alcoholic content by volume—and can also furnish or prescribe for any one person within the same period of time any liquor that contains as much as 1 pint of intoxicating liquors, such as the strongest whisky or brandy, there would be no violation of the spirit of the prohibition amendment if physicians were permitted—as they are not permitted under the Volstead law—to prescribe beer and malt liquors of much less alcoholic content.

The leading medical authorities in the United States and Europe indorse the use, in all their textbooks and teachings for physicians and medical students from time immemorial, of beer, stout, porter, and ale as types of malt liquors to be used in the successful treatment of various diseases.

Prof. Hobart Amory Hare, professor of therapeutics and materia medica at the Jefferson Medical College, Philadelphia, in his textbook of Practical Therapeutics, seventeenth edition, 1918, says on page 82:

> Stout and porter and well-brewed beer are of value in wasting diseases and in convalescence from acute diseases and for nursing women. Most of the beer in America contains about 4 to 6 per cent of alcohol.

George Butler, A. M., M. D., and so forth, professor of therapeutics and pharmacology, Chicago College of Medicine and Surgery, and so forth, in his textbook of Materia Medica, Pharmacology, and Therapeutics, sixth edition, says:

> Alcohol in the form of beer or ale, taken before or during meals, is an efficient stomachic [meaning a good medicine and tonic for the stomach]; a tonic for dyspepsia and weakened digestion attendant on or upon convalescence from acute diseases. Convalescents are often greatly benefited by some form of alcohol as it is contained in beer and ale. When the digestion becomes impaired as the result of physical or mental exhaustion the drug (alcohol in the form of beer and ale) serves a useful purpose as a tonic.

Prof. Oliver T. Osborne, department of medicine, Yale University, is also authority for the following statement:

Strenuous exercise and hard labor will allow a man to take more alcohol without harm than can be used by a man of sedentary habits.

There is no doubt alcohol can be used as a substitute for food in the place of sugar and starch. In emergencies it may thus sustain and give life.

This particularly applies to the use of malt liquors, beer, ale, stout, and porter, and it also proves that alcohol, particularly the small percentage contained in malt liquors, is a food as well as a reconstructive tonic, stimulant, and tissue builder in wasting and other diseases.

Prof. Otis Larch, medical department, Tulane University, at New Orleans, in his standard textbook on Medical Diagnosis, page 39, says:

Malt beer is rich in carbohydrates and is frequently prescribed.

Sir Victor Horsley, M. D., and Doctor Sturge, the authors of the well-known book "Alcohol and the Human Body," and who violently oppose the use of intoxicating beverages and whose book was written solely against the use of strong alcoholic drinks as beverages, in discussing the effect of malt liquors on the human digestion, page 212, state:

These beverages (malt liquors) contain only from 4 to 6 per cent of alcohol, so that the alcohol contained in them could scarcely ever on its own acount produce any bad effect.

Note that the claim is made by this most widely read and extensively quoted medical authority on the effects of alcohol on the human body that the effect of malt liquors, which include beer, porter, and stout, of the small alcoholic content of from 4 to 6 per cent, could scarcely ever on its own account produce any bad effect, except through the effects of large quantities of such beverages, if taken with meals, causing dilution of the food in the process of digestion.

Everyone knows that too much water, coffee, tea, and so forth, taken with meals would retard digestion in the same way, and also that digestion is not only not interfered with but that it is aided by reasonable quantities of good malt liquor, beer, ale, porter, or stout. The existing Volstead law permits regularly licensed physicians to legally prescribe for their patients whisky, brandy, wines, beer, and malt liquors of such alcoholic strength as to be intoxicating. But with the excuse of preventing the abuse of prescribing beer, by a very small percentage of physicians, the pending measure (H. R. 7294) proposes arbitrarily and without reason to prohibit physicians from prescribing beer and malt liquors of standard alcoholic strength of 3 to 6 per cent. This bill, notwithstanding this prohibition as regards the prescribing of such beer, permits physicians to legally prescribe for medical purposes spirituous and vinous liquors—wines—that contain not more than 24 per cent of alcohol by volume, provided that not more than one-fourth of a gallon of such vinous liquor is prescribed or furnished for use for any one person within any period of 10 days, and also so permits the prescribing or furnishing by the physician of any liquor that contains as much as one-half pint of alcohol—grain alcohol—for the use of any one person within a period of 10 days.

Both the existing Volstead law and the amendments to it now proposed constitute a grave interference with the rights of both the physician and his patients, for whom he should at all times have the right to prescribe any drug or agent which, in his honest and good judgment, is really needed. Under the Harrison narcotic drug law and under all of the laws of the respective States intended to regulate the prescribing of dangerous narcotic and other drugs, the physician is permitted to prescribe most poisonous narcotic drugs, under proper regulations, but he can not under the pending measure prescribe any beer of the weak alcoholic strength of from 3 to 6 per cent. How inconsistent and absurd. It is also a matter of fact, from the medical point of view, that this proposed law will not meet the needs of the physician and his patients in respect to the alcoholic and vinous liquor which the physician may legally prescribe or furnish. I as a physician practicing for over 30 years in the specialty of treating alcoholic and drug addicts, know of my own knowledge and experience that many alcoholic and other cases require for the most scientific treatment of their diseases, particularly in the so-called tapering treatment of alcoholism and delirium tremens cases, from 2 to 3 fluid ounces of proof whisky, diluted, every three of four hours, one patient thus requiring more whisky in 24 hours than the physician is allowed to legally prescribe in any period of 10 days.

This amount would be actually necessary in many such cases to save a valuable life or to prevent an outright attack of insanity. The only way, legally, the physician could obtain a greater amount of spirituous liquor—that is, the equivalent to about 1 pint of proof whisky or brandy which he could prescribe in a 10-day period—would be for him to prove to the Commissioner of Internal Revenue that the circumstances in a given case would constitute an extraordinary reason. This would mean, according to the experience of many physicians who may have dozens of such cases under treatment, that either the physician would incur a risk of a prison term in a Federal prison if he took the law into his own hands in order to save the life of his patient, or if he obeyed this unjust law, allow his patient to die because of the lack of proper medical treatment.

These restrictions are all the more unjust because they not only allow the prescribing of too small quantities of liquors, as just pointed out, but because they limit the physician to 100 prescriptions in 90 days, although a busy physician might have honest and urgent reason to use many more than this number of prescriptions in this period of time.

After a study of this whole question from the viewpoint of the ultimate welfare of our country, I believe that the deplorable conditions as regards increasing drug addictions and bootlegging, and the increasing contempt for the laws that are causing these conditions, could be rapidly relieved if the Congress would pass reasonably liberal laws for the enforcement of the prohibition amendment; if, instead of fixing arbitrarily one-half of 1 per cent of alcoholic content for beer, an alcoholic content were fixed sufficient to make decent beer—to prevent the fermentation of the vegetable ingredients contained in the beer, this would satisfy the masses of people and bring about more real temperance and more respect for law and order. If respect for law and order is not restored in this country, it would be difficult to predict the consequences.

As a protest against these conditions and against the enactment of new blue laws of repression and oppression, the people of the district I have the honor to represent here, the borough of Queens, New York, will parade, to the number of many thousands, made up of law-abiding citizens of all classes, to-morrow night.

I hope my esteemed collengues, particularly those of the majority party who control the committees which have reported this un-American, unreasonable, unjust, and repressive measure, will agree that I have made out the case, at least from the medical side, as to the usefulness of beer and malt liquor in the practice of medicine, and that is strictly the issue drawn in the most important section—section 2— of the pending bill.

Appended are the scientific opinions of Noble P. Barnes, M. D., chairman of the council of the American Therapeutic Society, Arlington Hotel, Washington, D. C., and also resolutions of the American Therapeutic Society:

THE ARLINGTON,
Washington, D. C., Saturday, June 25, 1921.

Mr. J. J. KINDRED, M. D.,
House of Representatives of the United States,
Washington, D. C.

MY DEAR MR. KINDRED: The secretary of the American Therapeutic Society, Dr. Lewis Taylor, is not in the city, but will return to Washington Monday morning. I have left instructions for him to get into communication with you at once upon his return.

The mental note I have of the resolution of the American Therapeutic Society is as follows: "That physicians and surgeons should have the unimpaired right of prescribing this drug (alcohol) without any foolish restrictions."

The society does not approve of liquor-prescribing doctors, the society does not wish to interfere with or violate the eighteenth amendment, but the society does want to go on record as maintaining that no legislative body or enforcement authority should limit or hamper a doctor of medicine in the legitimate exercise of his functions as a physician.

Alcohol, per se, is a drug, and should be classed as such. It has a definite physiological action and a wide range of therapeutic application. It is not only useful but absolutely necessary in the treatment of certain conditions and in the manufacture of other drugs.

The restrictions, regulations, and taxation placed about and upon this drug to-day makes an enormous cost to the sick, who are usually poor. The limit in quantity—e. g., a pint of whisky every two weeks—and other regulations that are effected by ignorant if well-meaning clerks and Government officials are little short of insults to the honest, scientific members of the medical profession.

Alcoholic products constituting the so-called intoxicating liquors should likewise be classed as drugs. Just here I will add that the proper persons to determine the toxicity of drugs are recognized scientific physicians, chemists, and physiologists.

There are many conditions where light wines, beer, ale, stout, porter, etc., are needed, and if the articles contain an intoxicating amount of

alcohol they, too, should be classed as drugs, and the physician should be given the privilege to practice his profession with as little red tape as possible. An active scientific physician with his mind occupied in important problems does not want to be annoyed by excessive clerical detail.

I am inclosing a published letter written by Dr. C. R. de M. Sajous. Doctor Sajous is a member of the council of the American Therapeutic Society and one of the recognized leaders in the American medical profession. His deductions are well worth serious consideration.

Thanking you for your courtesy to me and your interest in matters pertinent to the medical profession, I am, with every good wish,

Yours fraternally,

N. P. BARNES, M. D.,
Chairman of the Council of the American Therapeutic Society.

AMERICAN THERAPEUTIC SOCIETY,
June 27, 1921.

Hon. JOHN J. KINDRED.

DEAR MR. KINDRED: At the request of Dr. Noble P. Barnes, I am sending you the resolution adopted by the American Therapeutic Society at its last annual meeting, which is as follows:

"Whereas the use of ethyl alcohol and its preparations for medicinal and surgical purposes is not only justified but also indicated by observations made by laboratory investigations and clinical experience: Be it

"*Resolved by the members of the American Therapeutic Society in convention assembled*, That alcohol has a proper place in the treatment of disease; and be it further

"*Resolved*, That the least possible restrictions in the use of this drug compatible with the enforcement of the eighteenth amendment be imposed on the members of the medical profession; and be it further

"*Resolved*, That a copy of these resolutions be sent to the proper authorities."

Very truly yours,

LEWIS H. TAYLOR,
Secretary American Therapeutic Society.

According to my own personal experiments as a practicing physician of more than 30 years' experience, and also in accordance with the experience of many other physicians in this and other countries who have studied the question from a purely scientific point of view, beer made of hops, malt, and barley of 2.75 per cent alcoholic content, have concluded that such beer of such alcoholic content is not intoxicating, either in a legal, scientific, or other sense.

What do we mean by intoxication?

There are first, second, and third degrees of intoxication.

The first stage of intoxication from alcohol would cause the same symptoms or signs as would the exhilaration that is caused by strong tea or coffee in a person of average susceptibility to either one of these agents. The symptoms of the first stages are a slight acceleration or increase of the heart action, a slight increase in breathing, or respiration, and a subjective feeling of well-being or mild exhilaration.

These symptoms of the first stage of intoxication, which is not intoxication at all in a scientific sense or in a legal sense, would be exactly the same whether they were caused by one or two pints or a stomach full of beer or by one or two cups of strong coffee or tea.

The second and third stages of intoxication or poisoning by alcohol, such as the mental symptoms of hallucination and other mental disturbances, like extreme mental exhilaration, deepening into more or less stupor and coma, and the physical symptoms, such as muscular relaxation, weak and failing heart action, cool, moist skin, noisy breathing, livid lips, are scientifically and legally intoxication.

It is absurd and entirely unfounded both from a legal and scientific standpoint to claim that the full capacity of the human stomach, which would amount to about two pints, or a quart, of 2.75 per cent beer under the ordinary condition of the stomach, could cause intoxication in a scientific sense or in a legal sense.

This brings us to the all-important questions of the percentage of alcoholic strength in a given alcoholic beverage that will cause intoxication as defined by the eighteenth amendment to the Constitution of the United States and by medical science.

I have made actual personal experiments with myself and my friends which conclusively prove that beer of 2.75 per cent alcoholic content consumed by us to the full capacity of the stomach would not and could not cause intoxication.

Two pints of bear, which is about the capacity of the stomach under its ordinary condition, meaning about six modern beer glasses full of beer, contain not enough alcoholic content or anywhere near enough to cause intoxication.

Two pints of beer, meaning 32 fluid ounces, would contain, in the strength of 2.75 per cent alcoholic content, only about 3½ dessert teaspoonfuls, or less, of ethyl alcohol or grain alcohol, which is certainly not enough to intoxicate any normal adult.

As to whether or not this amount of beer or any other amount of beer which the human stomach is capable of taking would intoxicate must be considered both from a legal and medical standpoint of the susceptibility or immunity of the average, normal human being under normal conditions of life in a state of civilized society.

The observations and experiments to which I have referred in my verbal statement before the Judiciary Committee and which statement here follows are fully borne out by the sworn medical statements of such eminent physicians as Dr. Amory Hobart Hare, for many years past the distinguished professor of materia medica in the Jefferson Medical College, of Philadelphia; and also of Dr. Smith Ely Jelliffe, a distinguished specialist and professor of materia medica in the College of Physicians and Surgeons—Columbia University—city of New York; and also of Dr. A. A. Brill, a distinguished specialist in mental and nervous diseases, of the city of New York.

STATEMENT OF HON. JOHN J. KINDRED, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK, SECOND CONGRESSIONAL DISTRICT, BEFORE THE JUDICIARY COMMITTEE OF THE HOUSE OF REPRESENTATIVES, JUNE 4, 1924

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, I desire to discuss the naked fact as to the intoxicability of beer containing 2.75 per cent of alcohol. My conclusions are founded upon extensive reading and investigation of the whole subject of the physiological effects of alcohol and the various concoctions or beverages containing alcohol.

My observations and conclusions are particularly founded on personal observations, personal experiences of myself as a sober man, and on others as to the actual effects of beer containing 2.75 per cent alcohol, with a view to observing whether it were possible that any quantity of beer of this alcoholic content that could be contained in the average human stomach could cause intoxication in any sense of the word.

In discussing the question of alcoholic intoxication we must, of course, be guided by what may be called both a medical and legal definition of intoxication.

Mr. DYER. Doctor, will you allow an interruption for a moment?

Mr. KINDRED. Certainly, Judge DYER.

Mr. DYER. Mr. Chairman, the members of the committee will be needed on the floor in these closing days of Congress, and I think we should be there. I ask that the witness, my colleague, and such other men as have statements file them with the committee.

Mr. KINDRED. I can conclude very quickly.

The CHAIRMAN. Doctor, as your statement is a scientific statement, would it not be possible, as well as proper, that you submit it in writing and let it be added to the record?

Mr. KINDRED. I readily agree. If you will allow me to make in conclusion just one or two remarks, I should like to do so.

My conclusion, based on medical facts to be herewith filed with your committee, is that beer of 2.75 per cent alcoholic content is not intoxicating, based on experiments with myself as a sober man and as an average normal being, in which experiments I included many other normal men who tried their best to get drunk on 2.75 per cent beer. Their stomachs were not capable of containing enough beer of that two and three quarters of 1 per cent alcoholic content to produce even the first stage of intoxication as defined by medical science.

No more effects could be produced from that quantity of 2.75 per cent beer than are produced constantly by one or two cups of strong coffee or tea.

With that statement I shall be glad to file my further statement.

Mr. PRATT. How many drinks were taken in, say, five hours?

Mr. KINDRED. About six or seven or eight modern beer glasses, which would contain, speaking more accurately, about 32 fluid ounces, and 32 fluid ounces of beer with 2.75 per cent of alcoholic strength could contain about seven small teaspoonfuls of ethyl alcohol or grain alcohol, which would not make any normal being drunk, especially in such diluted form as 2.75 beer. This would be absorbed so slowly by the stomach and circulation that it would not have even the intoxicating effects of that amount of alcohol taken in undiluted form, as I will show by the testimony of reliable medical authorities.

The CHAIRMAN. The hearings are now closed, except that all statements of Members of Congress which they desire to file may be submitted to the committee for addition to the record.

Mr. DYER. I ask an amendment to that, that Mr. Volstead may be permitted to file a statement.

The CHAIRMAN. There is no objection to that. I think it is magnifying an incident as to the recollection of what was said at that time, and it does not require a statement, because he explains it in his testimony afterwards.

Mr. DYER. As a courtesy to a former chairman of the committee, I should like to ask that.

The CHAIRMAN. As a courtesy to a former chairman, we will permit it, although I think it is utterly irrelevant.

Mr. DYER. I move we adjourn.

Professor Hare, in a sworn statement on this subject, deposes as follows:

IV. It is not generally known that there is produced in the human body every day certain quantities of alcohol, not infinitesimal, but in very definite amount, and for this reason alcohol can not be considered a foreign substance, and therefore can be considered as being practically at all times present in the human body. This alcohol is produced principally, if not entirely, by fermentation processes in the intestinal tube; it is absorbed and is contained in the fluids and tissues of the body in general.

It appears, therefore, that the body is accustomed daily to the utilization or oxidation of a certain percentage of alcohol, which is utilized or oxidized in exactly the same manner as alcohol which is produced outside the body and then swallowed in ordinary quantity. For these reasons alcohol can not be considered as a foreign substance to which the tissues are entirely unaccustomed, and the effects which it produces are governed entirely by the quantity ingested and by the ability of the body to deal with a substance with which it is qualified to deal. If taken in such quantities as to be beyond the power of the body to utilize it or oxidize it, it, like every other substance capable of being swallowed, is capable of producing evil effects. This is true, for example, of water and ordinary table salt. In other words, the question of the power or influence of a given substance introduced into the body is determined by the quantity and concentration of that substance. In general terms the greater the quantity and the greater the concentration the greater the effect, and, conversely, the smaller the quantity and the greater the dilution the less the effect. Salt, if taken in strong solution, irritates the stomach and causes vomiting or, if not vomited, causes such an outpouring of liquid from the tissues of the body into the stomach and intestines as to cause diarrhea. So, too, it is generally known that a considerable quantity of 50 per cent solution of alcohol when taken undiluted may, by its irritant action on the stomach, produce injury, or by its rapid absorption into the blood may produce a condition which is commonly called drunkenness. On the other hand, it is generally recognized that the same quantity of alcohol when diluted with water, so that the alcohol content by per cent is low, is absorbed so slowly as to be deprived of its power or influence in direct ratio with the degree of its dilution. This is due to the fact that the dilution results in a greater volume of fluid having to be absorbed, with a consequent slow or delayed entrance of the alcohol into the blood, so that there is at no time a very large quantity in that fluid. During the time of this slow absorption the system is busily engaged in oxidising or destroying the alcohol as it enters in comparatively small quantities, with the result that the total quantity of alcohol present in the blood at a given moment is comparatively small. In one instance the alcohol may be said to be toxic, because it overwhelms the ability of the body to deal with it, just as water may be toxic when taken in such quantity that the body can not deal with it. On the other hand, if alcohol is taken so that the body can deal with and destroy it, minute by minute, there is never a time at which it can act as alcohol and, therefore, can not exercise any intoxicating properties.

It follows from the foregoing that if a man drinks a considerable quantity of alcohol of such concentration as to equal 50 per cent it will enter his blood more rapidly than if it is in dilute form and therefore more rapidly than he can deal with it, whereas if he drinks a liquid containing a comparatively small percentage of alcohol, or, in other words, alcohol in a highly diluted form, it may be delivered to those parts of the body which utilize or oxidize the alcohol so slowly that it will never be present in sufficient quantity to produce any of the definite effects caused by alcohol which has escaped oxidation. The rapidity with which an alcoholic fluid is swallowed and the degree of its dilution to a large extent determines its effects, or, in other words, a man in one or two swallows, or one drink, of a 50 per cent solution would take as much alcohol as would a man who ingested about 1 pint of beer. The dilution in the pint of beer results in so slow an absorption of the alcohol content present as to give the body an opportunity to deal with or oxidize it as it is absorbed.

As illustrative of the delaying effect of dilution upon the absorption of alcohol, attention may be called to the well-known fact that all the strong alcoholic beverages commonly used produce their effect much more mildly if food is taken with them than if they are taken without food.

These deductions are supported by the following practical observations:

1. I have in times past taken as much as 1 quart of beer in one hour without any manifestations of intoxication, the said beer containing a higher percentage of alcohol than 2.75 per cent, by weight, although I am not an habitual user of beer or other alcoholic beverages.

2. I have frequently observed many other persons do likewise.

3. I have given whisky and brandy containing amounts of alcohol far in excess of the quantity of alcohol contained in 2.75 per cent beer in a quantity that a person can ordinarily drink several times a day without noticing symptoms of intoxication.

4. A careful study of the report of the Central Control Board of Great Britain (liquor traffic), published in 1918, which board was composed in part of men recognized the world over as authorities upon the influence of drugs or medicines upon the living body, confirms the opinions reached by me from personal experience and observation.

From these personal experiences and observations and considerations of the literature on the subject I am of the opinion that beer containing not to exceed 2.75 per cent of alcohol by weight is not intoxicating under the legal definition of that term.

Dr. Smith Ely Jelleffe also says:

III. I first became interested in the action of alcohol while I was an instructor at Columbia University. I made special experimental studies for four or five years, psychological investigations, as well with students and animals, and made a number of extensive experimental studies with animals and men on changes in the nervous tissues due to acute and chronic poisoning, alcoholic and otherwise, some of the results of which have been incorporated in some of the articles referred to, especially studies on multiple neuritis and Korsakow psychosis, and the mentality of the alcoholic, morphine, heroin, alcohol, and other drug addicts. In addition I have seen thousands of acute and chronic alcoholic cases in the wards of the City Hospital, Bellevue, Bloomingdale Hospital, the Government Hospital for the Insane, Binghamton State Hospital, Hospital of La Salpetriere in Paris, and the Charity Hospital in Berlin, and to a great extent I have made psychological investigation in private practice of patients addicted to the various grades of alcoholism.

IV. Practically all of the older data relative to the subject of alcoholism and the taking of beer or light wines pertain to solutions of from 4 to 12 per cent of alcohol, and there are practically no available data that can be said to be scientific or medically reliable on beers containing less than 4 or 5 per cent of alcohol by weight.

V. A very wide investigation of the literature of the subject reveals that nearly all of the statistics concerning beer drinking dealt with beers of from 6 to 10 per cent in strength. The extensive psychological and neuro-muscular experiments of Kraepelin were conducted on beers and alcoholic beverages of far greater alcoholic strength than 2.75 per cent by weight. In some of these cases the alcoholic percentage was not stated and the results of these experiments are thereby entirely vitiated.

VI. From my personal experience and investigation and from observations made upon others, as well as from my study of the experiences, investigations, and experiments recorded by others in the scientific literature of many countries, I am of the opinion that beer or any beverage which contains not to exceed 2.75 per cent of alcohol by weight, when consumed by an ordinary man or woman in such quantities as the human stomach can ordinarily hold, is not intoxicating.

Dr. A. A. Brill makes a sworn statement, as follows:

V. I have for many years taken a keen interest in the subject of inebriety, especially in its psychological aspects, and have examined a great number of persons suffering from various manifestations of alcoholism.

VI. I am acquainted with the substance now known and sold as "war beer," both from my own consumption of the same and from being in company of others who have drunk it; which substance, I am informed and verily believe, has an alcoholic content not to exceed 2.75 per cent by weight; and from my experience and observation I am of the opinion that such beer which is now made and sold would not tend to cause inebriation or alcoholism in any average, normal adult drinking the same; but, on the contrary, it exerts a very beneficial effect, and in my opinion it would be impossible for any such person to drink a sufficient quantity of this substance to cause drunkenness.

From both the medical and legal viewpoints, therefore, it will be evident to any person who is possessed of good common sense and who is without prejudice that well-brewed beer of 2.75 per cent alcoholic strength is not intoxicating within the meaning of the eighteenth amendment to the Constitution of the United States, and that therefore a pure wholesome beer of 2.75 per cent alcoholic strength should be permitted, under the provisions of the eighteenth amendment, to be manufactured, transported, and sold as a matter of constitutional right.

COMPARISON OF LABOR PROVISIONS OF THE TRANSPORTATION ACT WITH THOSE OF THE BARKLEY-HOWELL BILL

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Barkley-Howell bill by printing in parallel columns a synopsis of the

present provisions of the transportation act and corresponding provisions in the Barkley-Howell bill.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. NEWTON of Minnesota. Mr. Speaker, under leave to extend my remarks I am inserting a brief analysis and comparison in parallel columns of the labor provisions of the transportation act of 1920 with the provisions of the bill prepared by representatives of the railway brotherhoods and known as the Barkley-Howell bill:

COMPARISON IN GENERAL OF PROVISIONS OF LABOR PROVISIONS IN TRANSPORTATION ACT WITH THOSE IN BARKLEY-HOWELL BILL

TRANSPORTATION ACT	BARKLEY BILL
SEC. 300. The term "carrier" includes: (a) Any express company. (b) Any sleeping-car company. (c) Any carrier by railroad subject to the interstate commerce act, except a street, interurban, or suburban electric railway not operating as a part of a general steam railroad system of transportation.	SECTION 1. The term "carrier" is enlarged to include the provisions of section 300, but also the following: (a) Interurban and suburban electric railways operating as independent units. (b) Bureaus, associations, committees, and institutions, etc., in furtherance of interest of carriers. (c) Barges, boats, tugs, bridges, ferries. (d) Other transportation facilities, whether electric, gas, or steam.
SEC. 301. Duty upon carriers and employees to settle: "It shall be the duty of all carriers and their officers, employees, and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees or subordinate officials thereof."	SEC. 2. General duty: "It shall be the duty of all carriers and all officers, agents, employees, and subordinate officials to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions, and to settle all disputes arising out of the application of said agreements in order to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employees or subordinate officials thereof."
SEC. 301. Disputes first decided in conference: "All such disputes shall be considered and, if possible, decided in conference between representatives designated and authorized so to confer by the carriers or the employees or subordinate officials thereof, directly interested in the dispute. If any dispute is not decided in such conference, it shall be referred by the parties thereto to the board which under the provisions of this title is authorized to hear and decide such dispute."	SEC. 3. (A) (1) The provision is substantially the same as in the transportation act; "All disputes arising out of (a) grievances, or the application of all agreements concerning rates of pay, rules, or working conditions, or (b) proposed changes in rates of pay, rules, or working conditions between a carrier and its employees or subordinate officials shall be considered and, if possible, decided, with all expedition, in conference between representatives designated and authorized so to confer, respectively, by the carriers and by the employees or subordinate officials thereof interested in the dispute." (This provision is followed by provisions relating to the designation of representatives, time, and places of meeting which are not in existing law.)
SEC. 302. Boards of adjustment are permissive and the representatives are paid by their own group, not out of the public Treasury. "Railroad boards of labor adjustment may be established by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or subordinate officials of carriers, or organization or group of organizations thereof."	SEC. 3 (B) There are established four adjustment boards, as follows: No. 1. Consists of 14 members, 7 from carriers and 7 from employees, from engineers, firemen, conductors, and other operating employees. No. 2. Consists of 14 members, 7 from carriers and 7 from shop employees, such as boilermakers, other mechanics, and helpers. No. 3. Consists of 6 members, 3 from carriers and 3 from clerks, station workers, laborers, etc.

TRANSPORTATION ACT—con.	BARKLEY BILL—con.
	No. 4. Consists of 6 members, 3 from carriers and 3 from marine workers, such as masters, pilots, longshoremen, marine engineers, etc.
Appointed by employees and management as they agree.	Appointed by President from nominees by employee organizations and managements. Only "nationally organized crafts" of employees can send in nominations.
Salaries of members and employees to be met by the parties, not the public.	Salaries $7,000 per year, payable out of Public Treasury. "Can employ and fix salaries of such employees as may be necessary."
No specific provision as to powers.	Are given extensive powers as to conducting hearings, including right to require access to all books and papers.
ADJUSTMENT BOARDS	ADJUSTMENT BOARDS
SEC. 303. Jurisdiction applies only to disputes involving grievances, rules, or working conditions.	SEC. 4. (A) "Has jurisdiction only as to grievances or application of agreements concerning rates of pay, rules, and working conditions."
Provision is made as to instituting proceedings before adjustment boards, including petitions by unorganized employees.	No mention of how proceedings are to be commenced.
SEC. 304. Establishes a Railroad Labor Board, composed of nine members, as follows: (a) Three from labor group. (b) Three from management group. (c) Three from public generally. All are appointed by President. Salary, $10,000.	Repeals provision as to Labor Board.
Subject to civil service; has power to appoint and remove employees.	Establishes Board of Mediation and Conciliation, composed of five. Salary, $12,000. All appointed by the President. No member can, while an active member or officer in employee organization, or an officer of or pecuniarily interested in a carrier, shall be eligible. Salary, $12,000. Can employ as see fit and fix salaries.
SEC. 307. Has appellate jurisdiction as to grievances, rules, and working conditions from adjustment boards.	SEC. 5. Has appellate jurisdiction as to grievances or out of application of agreement relating to rates of pay, rules, or working conditions.
Has original jurisdiction as (1) to above if adjustment boards not organized; (2) as to wages not agreed to in conference upon request of either side or on own motion if likely to substantially interrupt commerce. (3) May suspend agreements in conference if agreement for increased wages likely to necessitate a substantial readjustment of rates. Take testimony. As to this latter decision, one of public must concur.	Has original jurisdiction to mediate only as to (1) changes in rates of pay, rules, or working conditions when not agreed on in conference when request for amicable adjustment is made by either party. (2) No jurisdiction whatever if parties agree. No power of suspension. Confined merely to mediation and conciliation.
Decisions and reasons to be published as required.	No power of decision. In event of failure to get parties to agree, only recourse is to request voluntary arbitration. Expressly made not illegal to refuse to arbitrate. Board names arbitrators if parties unable to agree. One of its members on request may sit in and observe. Award of arbitrators made final and conclusive as to the facts and as the merits of controversy and that both shall faithfully perform. This is qualified as to employees as follows:

TRANSPORTATION ACT—CON.

BASKLEY BILL—con.

"(8) Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by any employee or subordinate official an illegal act; nor shall any court of the United States or of any State issue any process to compel the performance by any employee or subordinate official of such labor or service without his consent."

In other words, the award binds the carrier but not the employees, who have voluntarily agreed to arbitrate.

In the meantime the carrier is prohibited from changing rates of pay, rules, or working conditions prior to final action or without notice.

"(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as heretofore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double any loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GALLIVAN, for 3 days, on account of illness.

To Mr. DYER, for 3 days, on account of very important business.

To Mr. FLEETWOOD, for 10 days, on account of business.

To Mr. GIBSON, for 7 days, on account of business.

EXTENSION OF REMARKS

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration bill.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD on the immigration bill. Is there objection?

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, are they the gentleman's own remarks?

Mr. RAKER. Well, public records and matters which I have gathered together.

ADJOURNMENT

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until Monday, May 19, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

490. A communication from the President of the United States, transmitting a communication from the Treasury Department under date of May 5, 1924, submitting claim of Rev. S. T. Matthews in the sum of $97.85, which has been adjusted and which requires an appropriation for its payment (H. Doc. No. 291); to the Committee on Appropriations and ordered to be printed.

491. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year 1924, $45,000, and for the fiscal year 1925, $8,330,100; in all $8,375,500; also, a proposed authorization to use an existing appropriation (H. Doc. No. 292); to the Committee on Appropriations and ordered to be printed.

492. A communication from the President of the United States, transmitting two communications from the Postmaster General, submitting an estimate of appropriation in the sum of $3,023.72, to pay claims for damages to or losses of privately-owned property, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 293); to the Committee on Appropriations and ordered to be printed.

493. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Green Bay Harbor and Fox River, Wis., from Oshkosh to its mouth (H. Doc. No. 294); to the Committee on Rivers and Harbors and ordered to be printed, with three illustrations.

494. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation "to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy"; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. SNELL: Committee on Rules. H. Res. 317. A resolution providing for the consideration of H. R. 9083, a bill declaring an emergency to exist in agricultural commodities, etc.; without amendment (Rept. No. 775). Referred to the House Calendar.

Mr. FISHER: Committee on Military Affairs. H. R. 7909. A bill granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado; without amendment (Rept. No. 777). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. LITTLE: Committee on Claims. S. 1253. An act to reimburse J. B. Glanville and others for losses and damages sustained by them through the negligent dipping of tick-infested cattle by the Bureau of Animal Industry, Department of Agriculture; without amendment (Rept. No. 778). Referred to the Committee of the Whole House.

Mr. PATTERSON: Committee on Naval Affairs. H. R. 7018. A bill for the relief of Joy Bright Little; without amendment (Rept. No. 779). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 9080. A bill for the relief of Christina Conniff; without amendment (Rept. No. 780). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JACOBSTEIN (by request): A bill (H. R. 9292) to prohibit the collection of a surcharge for the transportation of persons or baggage in connection with the payment of parlor or sleeping car accommodations; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBSON (by request): A bill (H. R. 9293) to extend the commerce of the United States by creating the world commerce corporation and authorizing the establishment of foreign trade zones; to the Committee on the Judiciary.

By Mr. CASEY: A bill (H. R. 9294) providing for the purchase of a site and the erection thereon of a public building at Nanticoke, Pa.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9295) providing for the purchase of a site and the erection thereon of a public building at Plymouth, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. RICHARDS: A bill (H. R. 9296) to provide for the acquisition of a site and the erection thereon of a Federal building at Las Vegas, Nev.; to the Committee on Public Buildings and Grounds.

By Mr. PORTER: A bill (H. R. 9297) to authorize the payment of an indemnity to the Government of the Dominican Republic on account of the death of Juan Soriano, a Dominican subject, resulting from the landing of an airplane belonging to the United States Marine Corps at Guerra, Dominican Republic; to the Committee on Foreign Affairs.

By Mr. COOPER of Ohio: A bill (H. R. 9298) to abolish the Railroad Labor Board, to provide for the settlement, mediation, conciliation, and arbitration of railway labor disputes between carriers and their employees and subordinate officials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LaGUARDIA: Joint resolution (H. J. Res. 265) for the purpose of outlawing war and to establish permanent peace in the world; to the Committee on Foreign Affairs.

By Mr. THOMAS of Oklahoma: Joint resolution (H. J. Res. 266) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. JACOBSTEIN: Resolution (H. Res. 318) providing for an inquiry into the policy and methods of the Post Office Department in leasing private property for public purposes, and specifically the leasing of the Fitzhugh Street property in Rochester, N. Y., for a new parcel-post station; to the Committee on Rules.

By Mr. COOPER of Ohio: Resolution (H. Res. 319) for the consideration of H. R. 8578, to amend the act to promote the safety of employees and travelers upon railroads, etc.; to the Committee on Rules.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of New York for liberal appropriations for the National Guard and the Organized Reserves; to the Committee on Military Affairs.

By Mr. GRIFFIN: Memorial of the Legislature of the State of New York urging Congress to provide a liberal appropriation for carrying out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK of Texas: A bill (H. R. 9299) for the relief of John W. King; to the Committee on Claims.

By Mr. BURDICK: A bill (H. R. 9300) granting an increase of pension to Mary A. Winsor; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 9301) for the relief of W. J. Laffoon; to the Committee on Claims.

By Mr. GIBSON: A bill (H. R. 9302) granting an increase of pension to Emma F. Niles; to the Committee on Invalid Pensions.

By Mr. HILL of Washington: A bill (H. R. 9303) for the relief of C. H. Reynolds, assignee of the Bitu-Mass Paving Co., of Spokane, Wash.; to the Committee on War Claims.

By Mr. KURTZ: A bill (H. R. 9304) granting an increase of pension to Mary A. Schroeder; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9305) granting an increase of pension to I. J. Howard; to the Committee on Pensions.

By Mr. PERLMAN: A bill (H. R. 9306) granting a pension to Philippine Stelze; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 9307) granting a pension to Alonzo L. Hansel; to the Committee on Pensions.

By Mr. STEPHENS: A bill (H. R. 9308) to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy; to the Committee on Naval Affairs.

By Mr. THOMPSON: A bill (H. R. 9309) granting a pension to Harry Bayless; to the Committee on Pensions.

By Mr. WEFALD: A bill (H. R. 9310) granting an increase of pension to Frank C. Myrick; to the Committee on Invalid Pensions.

By Mr. WELLER (by request): A bill (H. R. 9311) for the relief of Antti Merihelmi; to the Committee on Claims.

Also, a bill (H. R. 9312) for the relief of Agnes De Jardins; to the Committee on Claims.

By Mr. WINTER: A bill (H. R. 9313) granting an increase of pension to Martha E. Moore; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2798. By the SPEAKER (by request): Petition of Woman's Club of Casagrande and the city commission of the city of Phoenix, Ariz., favoring the passage of Senate bill 966; to the Committee on Indian Affairs.

2799. Also (by request), petition of conference of delegates from several States in the Mississippi Valley, meeting at St. Paul, Minn., asking for favorable action on House bill 8914; to the Committee on Rivers and Harbors.

2800. Also (by request), petition of Voorhees Rubber Manufacturing Co., opposing the passage of the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2801. By Mr. EVANS of Iowa: Petition of farmers of Page County, Iowa, favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2802. My Mr. GALLIVAN: Petition of employees of Boston & Maine Railroad, Boston, Mass., recommending passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2803. Also, petition of C. F. & G. W. Eddy (Inc.), Boston, Mass., protesting against passage of the McNary-Haugen bill; to the Committee on Agriculture.

2804. By Mr. KIESS: Petition of citizens of Renovo, Pa., favoring the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2805. By Mr. O'CONNELL of New York: Petition from the Board of Aldermen, city of New York, favoring the passage of House bill (H. R. 9035) for the increase in salaries for postal employees; to the Committee on the Post Office and Post Roads.

SENATE

MONDAY, *May 19, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

O Thou who inhabitest eternity, we bless Thee that Thou art pleased to dwell with him of an humble and contrite heart. We beseech of Thee that such may be our qualifications that each of us may have Thee enthroned in our being, directing our every movement, influencing every decision and helping us to realize constantly that Thou art the judge of all things in human estate and destiny. Hear us, we beseech of Thee. Bless our land and all who have to do with its administration for the highest interests and holiest welfare. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, May 14, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. WALSH of Montana. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Edwards	Kendrick	Reed, Pa.
Ashurst	Elkins	Keyes	Robinson
Ball	Ernst	King	Sheppard
Bayard	Fernald	Ladd	Shields
Borah	Ferris	Lodge	Shipstead
Brandegee	Fess	McKellar	Shortridge
Brookhart	Fletcher	McKinley	Simmons
Broussard	Frazier	McLean	Smith
Bruce	George	McNary	Smoot
Bursum	Gerry	Mayfield	Stanfield
Cameron	Glass	Moses	Stephens
Capper	Gooding	Neely	Sterling
Caraway	Hale	Norbeck	Swanson
Colt	Harreld	Norris	Trammell
Copeland	Harris	Oddie	Underwood
Cummins	Harrison	Overman	Wadsworth
Curtis	Heflin	Pepper	Walsh, Mont.
Dale	Howell	Phipps	Warren
Dial	Johnson, Calif.	Pittman	Weller
Dill	Johnson, Minn.	Ralston	Wheeler
Edge	Jones, Wash.	Ransdell	Willis

The PRESIDENT pro tempore. Eighty-four Senators have answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS

Mr. WARREN presented a resolution adopted by Lodge No. 686, Maintenance of Way Organization, of Cheyenne, Wyo., favoring the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

Mr. LODGE presented resolutions adopted by the convention of the diocese of Massachusetts, favoring the participation of the United States in the Permanent Court of International Justice and also the passage of the proposed child labor amendment to the Constitution, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by the High Prairie Farmers' Union, Local No. 732, of Baldwin, Kans., protesting against the passage of legislation increasing the parcel-post rates, which was referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented a petition of sundry citizens of White Cottage, Roseville, Zanesville, South Zanesville, Glenford, Toboso, Gratoit, Thornville, and Brownsville, all in the State of Ohio, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented the petition, numerously signed, of sundry ex-service men of Butler County, Ohio, praying for the passage of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

Mr. CURTIS presented a petition of sundry citizens of Delphos, Kans., praying for the passage of the so-called Norris-Sinclair marketing corporation bill, etc., which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Stafford County, Kans., praying for the passage of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted at a meeting of the Topeka (Kans.) Federated Labor Organizations, favoring the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

He also presented a memorial, numerously signed, of sundry members of the Missouri, Kansas & Texas Association of Shop Employees, of the Missouri, Kansas & Texas Railroad Co., at Parsons, Kans., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented petitions, numerously signed, of sundry citizens in the State of Kansas, praying for the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

Mr. McLEAN presented a telegram in the nature of a memorial from the Waterbury (Conn.) Board of Fire Underwriters, remonstrating against the passage of the so-called Fitzgerald workingmen's compensation bill for the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted by Local Union No. 10, United Hatters of North America, of Danbury, Conn., favoring the passage of House bill 6540, the so-called Johnson immigration bill, with the seamen's amendment, which was referred to the Committee on Immigration.

He also presented resolutions adopted by the Y's Men's Club, of Meriden, and the congregation of the Methodist Episcopal Church, of West Granby, both in the State of Connecticut, favoring the participation of the United States in the Permanent Court of International Justice, which were referred to the Committee on Foreign Relations.

He also presented the petition of District Lodge No. 22, International Association of Machinists, of New Haven, Conn., praying for the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the memorial of the Traffic Bureau of the New Britain (Conn.) Chamber of Commerce, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which was referred to the Committee on Interstate Commerce.

He also presented the petition of Musicians' Union No. 87, American Federation of Musicians, of Danbury, Conn., praying for the passage of legislation legalizing the manufacture and sale of beverages with a 2.75 per cent alcoholic content, which was referred to the Committee on the Judiciary.

He also presented the petition of the New Haven, Conn., Trades Council, praying for the passage of Senate bill 742, to relieve unemployment among civilian workers of the Government, to remove the financial incentives to war, to stabilize production in Federal industrial plants, to promote the economical and efficient operation of these plants, and for other purposes, which was referred to the Committee on Military Affairs.

He also presented the petitions of the Business and Professional Women's Club of Connecticut, of Hartford; the Medical Women's National Association, of Middletown; the League of Women Voters, of Meriden; the West Haven Mothers' Club, the West Haven League of Women Voters, and of sundry citizens of West Haven, and of the Executive Council of United Workers, of Norwich, all in the State of Connecticut, praying an amendment to the Constitution relative to the regulation of child labor, which were referred to the Committee on the Judiciary.

WORLD COURT

Mr. FLETCHER. I present a statement in the nature of a petition with respect to the adherence of the United States to the world court, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the statement was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

A STATEMENT WITH RESPECT TO ADHERENCE OF THE UNITED STATES TO THE PERMANENT COURT OF INTERNATIONAL JUSTICE

To Members of the Senate of the United States:

The introduction by Senator LODGE, May 8, of a resolution to create a new world court throws into bold relief the fact that American public opinion overwhelmingly demands the prompt adherence by our Government to the protocol of signature of the Permanent Court of International Justice on the conditions formulated by Secretary Hughes, vigorously championed by President Harding, and approved by President Coolidge. The hearings on April 30 and May 1 before the subcommittee of the Senate Committee on Foreign Relations indisputably prove our people's support of the existing court.

More than 50 State and national organizations were interested in the hearings. Seldom, if ever, has any great public question received so nearly a unanimous indorsement as has this suggested adherence of the United States to the Permanent Court of International Justice on the basis suggested by the Secretary of State and urged by President Harding in February, 1923, and by President Coolidge in his first message to Congress. The widespread and profound character of this popular demand was officially voiced on behalf of all of the following organizations whose representatives appeared before the subcommittee and categorically appealed for immediate action by the Senate to enable the administration to adhere to the permanent court:

American Bar Association, George W. Wickersham; American Federation of Labor, Edgar Wallace; Chamber of Commerce of the United States, Walker D. Hines; Federal Council of Churches of Christ in America, Bishop Charles H. Brent and Rev. Sidney L. Gulick.

Official church bodies: American Unitarian Association, Rev. Edward Cummings; Central Conference of American Rabbis, Rabbi Abram Simon; Congregational Churches, Rev. Jason Noble Pierce; Methodist Episcopal Church (South), Rev. W. W. Pinson; Methodist Episcopal Church, Mr. F. P. Turner; Northern Baptist Convention, Rev. John M. Moore; Presbyterian Church in the United States of America, Rev. Arthur J. Brown; Presbyterian Church in the United States, Rev. Samuel H. Chester; Protestant Episcopal Church, Rev. Charles N. Lathrop; Reformed Church in United States, Rev. Charles E. Schaefer; Southern Baptist Convention, Rev. F. W. Boatwright; United Synagogue of America, Rabbi Adolph Coblenz; Society of Friends, Thomas Raeburn White.

Religious organizations: Church Peace Union, Prof. William I. Hull; Conference of Foreign Mission Boards, Mr. F. P. Turner; Council of Women for Home Missions, Mrs. Samuel Semple; World Alliance for International Friendship Through the Churches, Dr. Nehemiah Boynton; Connecticut Federation of Churches, Prof. William North Rice.

Women's national organizations: Young Women's Christian Association, Miss Agnes Peter; National League of Women Voters, Miss Ruth Morgan; General Federation of Women's Clubs, Mrs. Kate T. Abrams; National Council of Women, Mrs. Glen Swiggett; National Federation of Business and Professional Women, Miss Mary Stewart; National Congress of Mothers and Parent Teachers' Associations, Mrs. Elizabeth Tilton; American Association of University Women, Mrs. Martin Hutchins; American Federation of Teachers, Miss Selma Borchard; Girls' Friendly Society in America, Mrs. Reginald B. Stevenson; National Service Star Legion, Mrs. Henry F. Baker; Women's World Court Committee, Mrs. Raymond Morgan, chairman; California League of Women Voters, Miss Marian Delaney; Illinois Federation of Women's Clubs, Mrs. James Morrison; New York Council to Prevent War, Mrs. Anna Garland Spencer; National Council of Jewish Women, Mrs. Alexander Wolf.

New York State Bar Association, Thomas S. Butler; League of Nations Non-Partisan Association, Mrs. James Lees Laidlaw; Everett Colby, Charles C. Bauer; World Peace Foundation, president A. Lawrence Lowell; Foreign Policy Association, James G. McDonald; Maryland Organizations, Dr. William H. Welsh, Theodore Marburg, John H. Latane.

In addition to the organizations actually represented at the hearings the following have officially in convention approved the adherence of the United States to the permanent court:

House of Bishops of the Protestant Episcopal Church.
National Council of the Congregational Churches.
Annual Conference Methodist Episcopal Clergy.
United Society of Christian Endeavor.
International Missionary Union.
National Association of Credit Men.
Baptist World Alliance.
Union Ministers' Meeting.

The following are among the well-known persons who either appeared at the hearings as individuals or sent approval of the Harding-Hughes permanent court plan to be filed in the records:

Nicholas Murray Butler, president Columbia University; Paul D. Cravath, New York; Charles W. Dabney, ex-president University of Cincinnati; Edward A. Filene, Boston; William D. Guthrie, New York; William B. Hale, Chicago; John Grier Hibben, president Princeton University; Manley O. Hudson, Harvard University; Charles Keyes, president Skidmore College; Right Rev. William Lawrence, bishop of Massachusetts; Samuel McCune Lindsay, New York; Samuel Mather, Cleveland; John H. McCracken, president Lafayette College; Charles A. Richmond, president Union College; Mrs. James T. Rourke, Bridgeport; Henry L. Stimson, New York; Isaac M. Ullman, New Haven; William Allen White, Emporia, Kans.; Ray Lyman Wilbur, president Stanford University.

The precise relation between the Permanent Court and the League of Nations was clearly explained.

The only argument against the United States adherence to the court which has impressed any considerable number of people—that the court may in some way be made a tool of the League of Nations—was completely refuted.

The opponents of the court have urged:

(1) That it is the creature of the league.

(2) That the judges are chosen by the league.

(3) That the court's expenses are paid by the league.

(4) That the court serves as private attorney of the league, because, in the discretion of the court, it may give advisory opinions.

All of these points were decisively answered in the course of the hearings:

(1) The court is in no sense the creature of the league. The statute of the court was originally drawn by a committee of jurists, of which Elihu Root was a member, and was given its final form as a result of mature deliberations in the council and assembly of the league. But the statute was not promulgated by the assembly and does not draw its force from any act of the assembly. It rests upon an independent, distinct, and separate treaty, called the protocol of signature of the Permanent Court of International Justice. This protocol has been signed by 47 powers. The United States can adhere to it without in any way becoming tied up with the League of Nations and without assuming any league obligations.

(2) The judges are elected by the council and assembly voting separately. This is the only arrangement ever worked out to overcome the hitherto insoluble problem of giving due weight to the voice of the great powers, while at the same time recognizing the equal sovereign rights of the smaller powers. The special interests of the great powers were recognized in the composition of the council of the league. Members of the league, great and small, have equal voice in the assembly. The United States could cooperate with these two bodies for the one purpose of electing judges without in any way being drawn into further cooperation. As the election may not be held oftener than once in nine years, except when a vacancy is to be filled, it is not an onerous obligation for the United States to assume.

(3) The budget of the court forms a separate part of the budget of the league. When a dollar is paid to the League of Nations 12 cents of it are put aside for the expenses of the court and can be used for no other purpose. But the United States could pay its contribution directly to the registrar of the court at The Hague. It need not pass through Geneva. This connection between the court and the league is merely administrative and does not in any way subordinate the judges to the influence of the league. One might as well argue that the judges of the Supreme Court of the United States are not independent of Congress because the funds for their salaries must be voted by Congress.

(4) It is true that in addition to cases directly submitted by the nations for adjudication the court may give advisory opinions to the council and assembly of the league. But this jurisdiction is not new to American lawyers, and a similar jurisdiction is possessed by our State supreme courts in about 10 States. The Massachusetts Supreme Court has had such jurisdiction since 1780 and has given about 140 opinions to the governor and legislature of the Commonwealth. The international court has shown by its refusal to render an advisory opinion in the case of Finland against Russia that this function will be exercised in an independent judicial way, while in several cases where the court has exercised it, as in the Tunis-Morocco dispute between Great Britain and France, such action has led directly to a settlement. It is clearly absurd, therefore, to speak of the court as the private attorney of the League of Nations.

We submit that the Permanent Court of International Justice represents the logical development of an essentially American movement under way for a generation. It is built on the foundation of the Permanent Court of Arbitration established in 1899, and on the work of the two Hague conferences. It is precisely this for which the United States was contending when the second Hague conference met in 1907. The court is now firmly established. It has begun its work. It has functioned for more than two years. Forty-seven peoples of the world are giving it their cordial support. Whether the United States acts or not, the court will go on. Nevertheless, the United States, the most powerful country in the world, one which has most eloquently argued for the settlement of international disputes by judicial means, and whose citizens have contributed in a unique way to the creation of this court, should not, in its own interest, stand aloof.

It is apparent from the almost universal support given President Harding's proposal to join the Permanent Court that favorable action by the Senate would meet with widespread approval throughout the country. Why, then, should there be further delay?

We submit that the organized churches, organized labor, organized women voters, organized members of the bar, organized university women, organized merchants, organized business and professional women, organized women's clubs, and organized teachers represent a vast majority of the voters of the United States and are expecting approval of the Harding-Hughes-Coolidge-Root permanent court plan before the recess adjournment.

In conclusion, we beg to quote from the address made by Secretary of State Hughes before the American Society of International Law at Washington, December 27, 1923:

"It is not too much to say that there will be no world court if this court can not be made one, and whether or not it is to be in the fullest sense a world court depends upon our own action."

For the committee on arrangements:

JOHN H. FINLEY,
Chairman Commission on International Justice and Good Will, Federal Council of Churches of Christ in America.
WILLIAM PRESSON MERRILL,
President Church Peace Union.
JOHN H. CLARKE,
President League of Nations Nonpartisan Association.
WILLIAM H. P. FAUNCE,
President World Peace Foundation.
Miss RUTH MORGAN,
Chairman Committee on International Relations, National League of Women Voters.
Mrs. RAYMOND MORGAN,
Chairman Women's World Court Committee.
JAMES G. MCDONALD,
Chairman Foreign Policy Association.

MAY 19, 1924.

THE NATIONAL REPUBLICAN

Mr. NORRIS. Mr. President, under the call for petitions and memorials I wish to file a paper, and I ask the permission of the Senate for a minute or two to explain it.

There have been some matters appearing recently in the National Republican, a paper that has been reading out of the party I think most of its good men, and I thought it would be interesting to get just a little idea of where the National Republican secured its funds and how it gets its subscribers. Thousands and thousands of people are getting it every week and wondering who pays for it. I have here a statement which, incidentally, is not up to date, but which shows contributions made for subscriptions to that paper by individuals and corporations between the 2d day of January, 1920, and the 23d day of September, 1920. As I understand it these subscriptions were made and the paper was sent to the persons for whom the money was contributed.

It is a list of 20 pages, naming the contributing corporations and individuals in various parts of the country, together with the amount of money they have sent in between those two dates. It is interesting to note, for instance, that Mr. Sinclair, of Teapot Dome fame, on the 26th of January, 1920, contributed $1,096, which I suppose paid for a year's subscription for 1,096 people. I am not going to comment upon the corporations which have made contributions, but I ask as a part of my remarks to insert the entire list in the RECORD, showing between the dates I have mentioned a total contribution of $70,178.16. I also ask that a list of the stockholders at about that time be printed, following the list of contributions which I send to the desk.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From the National Republican, the National Republican weekly, Washington, D. C.]

Following are the purchases of papers by companies and political committees in the year 1920. In cases of companies, name of official making purchase is given:

January 2, 1920:

Joseph H. Perry, Cambridge Paper Box Co., Cambridge, Mass	$50.00
Fred P. Stockwell, Barbour Stockwell Co., Cambridge, Mass	50.00
Willard C. Poole, New England Biscuit Co., Worcester, Mass	25.00

January 3, 1920:
V. H. Oxley, E. R. Caldwell Co., Bradford, Pa. $50.00
January 5, 1920:
Henry Harnischfeger, Pawling & Harnischfeger, Milwaukee, Wis. 100.00
P. W. Arndt, North End Foundry Co., West Allis, Wis. 50.00
January 7, 1920:
Ralph D. Reed, George R. Jones Co., Manchester, N. H. 25.00
January 8, 1920:
Fred C. Graves, Waltham Watch Co., Waltham, Mass. 100.00
January 9, 1920:
Alfred H. Morton, jr., Carr Fastener Co., Cambridge, Mass. 50.00
Robert C. Bird, Broad Iron Foundry Co., Cambridge, Mass. 25.00
C. S. White, Nottingham Knitting Co., Oswego, N. Y. 25.00
January 12, 1920:
J. A. Paasche, Paasche Air Brush Co., Chicago, Ill. 25.00
H. J. Schlesinger, Milwaukee Coke & Gas Co., Milwaukee, Wis. 200.00
E. P. Russell, Russell, Brewster & Co., Chicago, Ill. 25.00
W. N. Heald, treasurer Republican town committee, Littleton, N. H. (list attached) 50.00
January 16, 1920:
Thomas Kingsford Foundry & Machine Co., Oswego, N. Y. 100.00
James A. Spargo, Spargo Wire Co., Rome, N. Y. 100.00
January 17, 1920:
A. C. Lawrence, A. C. Lawrence Leather Co., Boston, Mass. 150.00
Republican National Committee (on account extra copies for one week's issue) 1,000.00
January 22, 1920:
C. H. Forster, Superior Steel Corporation, Pittsburgh, Pa. 200.00
January 23, 1920:
A. C. Andrews, Andrews Grain Co., Minneapolis, Minn. 40.00
George H. Johnson, The Petroleum Co., Los Angeles, Calif. 50.00
January 24, 1920:
James J. McGraw, Republican Club, Ponac City, Okla. (list attached) 109.65
January 26, 1920:
H. F. Sinclair, Sinclair Co., New York 1,096.00
Lee Sturgis, Sturgis & Brown Manufacturing Co., Chicago, Ill. 100.00
A. A. Sprague, Sprague, Warner & Co., Chicago, Ill. 100.00
Republican committee, Warrenton, Mo. 25.00
January 27, 1920:
H. E. Smith, Perry Yarn Mills, Webster, Mass. 75.00
January 31, 1920:
Holyoke Machine Co., Worcester, Mass. 55.00
February 2, 1920:
F. I. Sears, A. J. Bates Co., Webster, Mass. 150.00
Herbert Templeton, Wells & Co., Chicago, Ill. 50.00
J. B. Sherman, John Burnham & Co., Chicago, Ill. 25.00
Harry Lubliner, Lubliner & Trinz, Chicago, Ill. 50.00
R. M. Eastman, W. F. Hall Printing Co., Chicago, Ill. 50.00
Republican State committee, Indianapolis, Ind. 65.00
H. C. Whinlese, Wilcox, Crittenden & Co. (Inc.), Middletown, Conn. 37.50
B. H. Beach, Beach Lumber Co., Rome, N. Y. 25.00
H. S. Wolfe, Rome Brass & Copper Co., Rome, N. Y. 900.00
H. W. Barnard, Rome Wire Co., Rome, N. Y. 1,000.00
February 3, 1920:
George W. Norwood, Thayer Woolen Co., Worcester, Mass. 75.00
H. R. Nesbitt, Oswego Yarn Mills (Inc.), Oswego, N. Y. 25.00
February 4, 1920:
Ball Bros., Glass Manufacturing Co., Muncie, Ind. 100.00
February 5, 1920:
Thomas E. Donnelly, R. R. Donnelly & Sons Co., Chicago, Ill. 50.00
A. M. Chaffee, Chaffee Bros. Co., Oxford, Mass. 37.50
Edwin Bartlett, Edwin Bartlett Co., Oxford, Mass. 37.50
W. A. Herron, Lewis Foundry & Machine Co., Pittsburgh, Pa. 250.00
T. G. Peck, United States & Cuban Allied Works Engineering Corporation, Bradford, Pa. 26.00
Frank A. Coles, The Coles Co., Middletown, Conn. 37.50
D. W. Dyer, Frisbie Motor Co., Middletown, Conn. 30.00
February 18, 1920:
George M. Turney, Rome-Turney Radiator Co., Rome, N. Y. 50.00
A. F. Carpenter, Rome Metallic Bedstead Co., Rome, N. Y. 300.00
Illinois Steel Bridge Co., Jacksonville, Ill. 25.00
February 19, 1920:
Robert A. Leeson, Universal Winding Co., Boston, Mass. 200.00
Charles D. Owen, jr., Beacon Maufacturing Co., Providence, R. I. 150.00
February 23, 1920:
O. L. Prime, The Prime Maufacturing Co., Milwaukee, Wis. 25.00
W. T. Wood, The Heinn Co., Milwaukee, Wis. 50.00
C. I. Pfeifer, Chain Belt Co., Milwaukee, Wis. 100.00
Everett Slocum, Slocum Straw Works, Milwaukee, Wis. 25.00
A. J. Zimmerman, Quality Biscuit Co., Milwaukee, Wis. 25.00
A. E. Martin, Martin Foundry & Machine Co., Milwaukee, Wis. 25.00
Wilson J. Conway, Conway Co., Milwaukee, Wis. 25.00
S. S. Cramer, Wadhams Oil Co., Milwaukee, Wis. 75.00
W. J. Patterson, Heyl and Patterson (Inc.), Pittsburgh, Pa. 100.00
H. Y. Satcher, M. B. Suydam Co., Pittsburgh, Pa. 35.00
W. E. Baker, chairman, Republican central committee, Elkins, W. Va. 327.00
Central Paper Box Co., McGraw, N. Y. 90.00
E. W. Ott, Edlund Machinery Co. (Inc.), Cortland, N. Y. 35.00
C. D. Hammond, Vesta Corset Co. (Inc.), McGraw, N. Y. 200.00
Edward Stilson, Wickwire Bros., Cortland, N. Y. 1,000.00
February 24, 1920:
G. E. Thrillenins, Dillman Egg Case Co., Caruthersville, Mo. $25.00
February 26, 1920:
Thayer Woolen Mills, North Oxford, Mass. 46.50
February 28, 1920:
Oswego Pulp & Paper Co., Fulton, N. Y. 100.00
March 1, 1920:
Louis Duffke, Nortmann-Duffke Co., Milwaukee, Wis. 50.00
George L. Waetjen, George L. Waetjen & Co., Milwaukee, Wis. 25.00
W. C. Morehead, Great Lakes Boat Building Corporation, Milwaukee, Wis. 50.00
L. C. Haaser, The Henkel Co., Freemont, Ohio 100.00
February 6, 1920:
J. P. Eustes Manufacturing Co., Cambridge, Mass. 63.00
February 7, 1920:
Theo. Schottlander, Lorette Corset Co., Chicago, Ill. 50.00
C. P. Stewart, The N. K. Fairbank Co., Chicago, Ill. 50.00
February 9, 1920:
Fred Doepke, Wrought Washer Manufacturing Co., Milwaukee, Wis. 75.00
F. E. Hinners, George H. Smith Steel Casting Co., Milwaukee, Wis. 25.00
C. J. Meyer, Evinrude Motor Co., Milwaukee, Wis. 25.00
B. C. Walt, Milwaukee Steel Foundry Co., Milwaukee, Wis. 100.00
Indiana Steel & Wire Co., Muncie, Ind. 50.00
February 11, 1920:
P. C. Thomas, treasurer, Rome Manufacturing Co., Rome, N. Y. 800.00
Lloyd Kimbrough, Indiana Bridge Co., Muncie, Ind. 25.00
Clifford Sampson, Muncie Foundry & Machine Co., Muncie, Ind. 25.00
William T. Mellott, treasurer, Republican Central Committee, Sullivan Co., Sullivan, Ind. 33.00
February 12, 1920:
C. H. Halstead, Rome Textile Co., Rome, N. Y. 45.00
George H. Brown, Rome Soap Manufacturing Co., Rome, N. Y. 33.00
February 13, 1920:
Greenville Steel Car Co., Greenville, Pa. 300.00
E. W. Edwards, president, Edwards Manufacturing Co., Cincinnati, Ohio 32.00
February 16, 1920:
A. S. Hook, Calumet Steel Co., Chicago, Ill. 25.00
Col. H. M. Byllesby, Byllesby Engr. & Mgt. Corp., Chicago, Ill. 50.00
W. P. Westerberg, Wisconsin Malleable Iron Co., Milwaukee, Wis. 25.00
R. B. Chariton, Illinois Steel Co., Milwaukee, Wis. 100.00
C. I. Pierce, Big Creek Colliery Co., Chicago, Ill. 50.00
Harry B. Hurd, Pam & Hurd, Chicago, Ill. 25.00
Charles H. Sharpe, Vassar Swiss Underwear Co., Chicago, Ill. 25.00
Aug. C. Beck, Box Co., Milwaukee, Wis. 100.00
H. H. Seaman, Seaman Body Corporation, Milwaukee, Wis. 100.00
John Obenberger, Jno. Obenberger Forge Co., Milwaukee, Wis. 25.00
William Berger, William Berger & Co., Milwaukee, Wis. 50.00
Aug. H. Vogel, Pfister & Vogel Leather Co., Milwaukee, Wis. 100.00
F. S. Cable, Cable-Nelson Piano Co., Chicago, Ill. 50.00
Republican National Committee, New York City, (on account extra copies for one week issues) 1,000.00
March 3, 1920:
The Andrew B. Hendryx Co., New Haven, Conn. 37.50
L. A. Fairbanks, Westboro Underwear Co., Westboro, Mass. 50.00
M. M. Berg, Westboro Hat Co., Westboro, Mass. 150.00
March 5, 1920:
C. S. Taylor, Taylor Manufacturing Co., Worcester, Mass. 75.00
C. K. Gibbs, Gibbs Harness & Reed Co., Clinton, Mass. 25.00
March 6, 1920:
M. E. Chester, The Whitney-Blake Co., New Haven, Conn. 100.00
March 8, 1920:
Plant Bros. Shoe Co., Manchester, N. H. 65.00
E. P. Mann, Milwaukee Bag Co., Milwaukee, Wis. 78.00
A. C. F. Kleckhefer, Globe Gray Iron Foundry Co., Milwaukee, Wis. 25.00
A. A. Laun, Kiel Furniture Co., Milwaukee, Wis. 50.00
H. A. Viets, Fuller-Warren Co., Milwaukee, Wis. 50.00
F. R. Bacon, Cutler-Hammer Manufacturing Co., Milwaukee, Wis. 100.00
Hugo Schlesinger, Vera Chemical Co., North Milwaukee, Wis. 25.00
L. R. Smith, A. O. Smith Corporation, Milwaukee, Wis. 100.00
Max Landauer, Landauer & Co., Milwaukee, Wis. 50.00
Phillip Schwab, Schwab-LeZotte Boiler Co., Milwaukee, Wis. 25.00
L. C. Mayhew, Mayhew Co., Milwaukee, Wis. 50.00
March 9, 1920:
Leonard A. Jenkins, Kolynos Co., New Haven, Conn. 100.00
E. V. Shuster, treasurer, F. B. Shuster Co., New Haven, Conn. 40.50
George H. Friesel, United Engineering & Foundry Co., Pittsburgh, Pa. 500.00
March 11, 1920:
Harry B. Kennedy, The Hoggson & Pettis Manufacturing Co., New Haven, Conn. 150.00
March 15, 1920:
L. E. Whiton, D. E. Whiton Machine Co., New London, Conn. 225.00
T. W. Carman, Baker Extract Co., Springfield, Mass. 50.00
J. W. Harris, Duckworth Chain & Manufacturing Co., Springfield, Mass. 75.00
Henry Wehr, Wehr Steel Co., West Allis, Wis. 50.00
F. W. Manegold, Briggs & Stratton Co., Milwaukee, Wis. 50.00

March 15, 1920—Continued
William O. Goodrich, William O. Goodrich Co., Milwaukee, Wis. $50.00
J. A. Sharp, Milwaukee Reliance Boiler Co., Milwaukee, Wis. 25.00
E. F. Andres, Andres Stone & Marble Co., Milwaukee, Wis. 25.00
J. B. Kalvelage, Hoffman & Billings Manufacturing Co., Milwaukee, Wis. 50.00
Harry Smith, R. P. Smith & Sons Co., Chicago, Ill. 25.00
C. G. Barth, Rehm Hardware Co., Chicago, Ill. 25.00
A. Pergande, Northwestern Bridge & Iron Co., Milwaukee, Wis. 25.00
E. D. Thorne, Geneva Preserving Co., Geneva, N. Y. 71.00
W. L. Fay, Fay & Bowen Engine Co., Geneva, N. Y. 50.00
Geneva Cutlery Co., Geneva, N. Y. 360.00
March 16, 1920:
B. C. Nicholson, Nicholson File Co., Providence, R. I. 200.00
W. A. Viall, Brown & Sharpe Manufacturing Co., Providence, R. I. 250.00
Henry Walcott, Walcott Manufacturing Co., Providence, R. I. 50.00
E. B. Evans, Walte-Evans Co., Providence, R. I. 50.00
March 17, 1920:
Republican National Committee (on account for extra copies of 1 wk. issue) 1,000.00
March 18, 1920:
P. Koehring, Koehring Machine Co., Milwaukee, Wis. 100.00
March 19, 1920:
Oswego Candy Co., Oswego, N. Y. 150.00
S. S. Smith, Phillips & Clark Stove Co. (Inc.), Geneva, N. Y. 185.00
March 20, 1920:
W. S. Phillips, Window Glass Manufacturing Co., Brownsville, Pa. 50.00
W. C. Hubbard, Ashtabula Hide & Leather Co., Ashtabula, Ohio 147.00
Abbott F. Lawrence, Winthrop Cotton Yarn Co., Taunton, Mass. 72.00
Robert M. Leach, Weir Stove Co., Taunton, Mass. 37.50
March 22, 1920:
H. J. Rademacher, Cream City Casket Co., Milwaukee, Wis. 25.00
A. J. Ricker, Badger Malleable & Manufacturing Co., South Milwaukee, Wis. 25.00
W. E. Gerlinger, Gerlinger Electrical Steel Foundry Co., West Allis, Wis. 25.00
James Trottman, Rosenthal Corn Husker Co., West Allis, Wis. 25.00
Frank J. Weyenberg, Weyenberg Shoe Manufacturing Co., Milwaukee, Wis. 100.00
R. E. Walker, White-Warner Co., Taunton, Mass. 150.00
Charles R. Doges, Taunton Knitting Co., Taunton, Mass. 39.00
Charles S. McCall, Standard Stove Lining Co., Taunton, Mass. 50.00
General Fire Extinguisher Co., Providence, R. I. 150.00
Robert L. Knight, B. B. & R. Knight Co., Providence, R. I. 200.00
E. L. Spencer, E. L. Spencer Co., Providence, R. I. 50.00
March 23, 1920:
George B. Champlin, S. B. Champlin Co., Providence, R. I. 50.00
March 24, 1920:
Republican National Committee (for subscriptions from Illinois) 1,652.50
George H. Cahoone, George H. Cahoone Co., Providence, R. I. 50.00
March 24, 1920:
William P. Chapin, Chapin & Hollister Co., Providence, R. I. 50.00
Sidney D. Humphreys, Martin-Copeland Co., Providence, R. I. 100.00
E. B. Hough, Wightman & Hough Co., Providence, R. I. 160.00
F. D. Cumming, Jones & Laughlin Steel Co., Pittsburgh, Pa. 317.00
March 26, 1920:
R. A. Badger, Curtice Bros. Co., Rochester, N. Y. 341.00
Frank H. Viele, Holden Woolen Co., Worcester, Mass. 75.00
H. J. Collis, H. J. Collis Manufacturing Co., Taunton, Mass. 25.00
March 27, 1920:
E. H. Palmer, Empire Gas & Electric Co., Geneva, N. Y. $24.00
Charles W. Swift, Smith Lubricator Co., Elmira, N. Y. 42.00
Henry Simpson, A. Wyckoff & Sons Co., Elmira, N. Y. 41.00
March 29, 1920:
Mansfield Bleachery Co., Providence, R. I. 75.00
J. P. Hummel, Hummel & Downing Co., Milwaukee, Wis. 100.00
W. W. Coleman, Bucyrus Co., South Milwaukee, Wis. 100.00
W. F. Schleiter, Dilworth, Porter & Co. (Inc.), Pittsburgh, Pa. 102.00
Bay State Thread Co., Springfield, Mass. 25.00
March 31, 1920:
E. O. Dava, president Campbells Creek Coal Co., Cincinnati, Ohio 66.00
April 1, 1920:
I. H. Page, Page Needle Co., Chicopee Falls, Mass. 55.50
F. W. Lee, Nonotuck Silk Co., Northampton, Mass. 500.00
Walter C. Watson, L. S. Watson Manufacturing Co., Leicester, Mass. 25.00
April 2, 1920:
John R. Kennedy, English & Merrick Co., New Haven, Conn. 150.00
Frederick H. Stevens, O. B. North & Co., New Haven, Conn. 135.00
April 3, 1920:
F. H. Chappell, F. H. & A. H. Chappell Co., New London, Conn. 34.50
April 5, 1920:
Hugh Blythe, Harris Winthrop & Co., Chicago, Ill. $25.00
H. H. Schwartzg, J. H. Rice & Friedmann Co., Milwaukee, Wis. 25.00
R. H. Smith, American Natural Gas Co., Pittsburgh, Pa. 200.00
William Cordes, Florence Manufacturing Co., Florence, Mass. 100.00
April 6, 1920:
J. M. Townsend, Townsend Co., New Brighton, Pa. 300.00
C. L. McHenry, H. K. Porter Co., Pittsburgh, Pa. 200.00
H. S. Snyder, H. S. & M. W. Snyder (Inc.), Peabody, Mass. 25.00
April 8, 1920:
Republican National Committee (for extra copies of one week's issue) 2,000.00
April 12, 1920:
S. G. Patterson, Pittsburgh Valve, Foundry and Construction Co., Pittsburgh, Pa. 136.00
Toledo Scale Co., Toledo, Ohio 34.00
April 14, 1920:
R. H. Coe, Jefferson Manufacturing Co., Jefferson, Mass. 150.00
April 15, 1920:
Joseph W. Marsh, Standard Underground Cable Co., Pittsburgh, Pa. 148.00
Republican National Committee (for extra copies of one week's issue) 1,000.00
April 16, 1920:
E. D. Clapp, the Clapp Manufacturing Co., Auburn, N. Y. 40.00
April 17, 1920:
Republican National Committee (for extra copies of one week's issue) 1,000.00
April 19, 1920:
J. P. O'Neil, Western Foundry Co., Chicago, Ill. 50.00
Theodore Regenstein, Regenstein Colortype Co., Chicago, Ill. 25.00
Edwin B. Bartlett, Milwaukee Stamping Co., West Allis, Wis. 25.00
J. E. Russell, Interstate Iron Steel Co., Chicago, Ill. 50.00
Rathborne, Hair & Ridgway Co., Chicago, Ill. 25.00
Republican National Committee (for extra copies of one week's issue) 1,000.00
Boye & Emmes Machine Co., Cincinnati, Ohio 50.00
April 21, 1920:
L. E. Armentrout, president Borderland Coal Sales Co., Cincinnati, Ohio 25.00
T. E. Houston, president Houston Coal Co., Cincinnati, Ohio 134.00
April 23, 1920:
J. E. Moss, J. E. Moss Iron Works, Wheeling, W. Va. 105.00
Alex Glass, Whitaker-Glessner Co., Wheeling, W. Va. 450.00
April 24, 1920:
R. S. Woodruff, C. I. Morrick Co., New Haven, Conn. 100.00
April 26, 1920:
C. W. Pendock, LeRoi Co., West Allis, Wis. 25.00
C. L. Blanchard, Standard Paper Co., Milwaukee, Wis. 50.00
J. M. Taft, Federal Rubber Co., Cudahy, Wis. 50.00
C. A. Channell, Channel Chemical Co., Chicago, Ill. 25.00
H. S. Crawford, Wheeling Mold & Foundry Co., Wheeling, W. Va. 200.00
E. T. Hetchman Coal & Coke Co., Wheeling, W. Va. 150.00
W. A. Dalzell, Fostoria Glass Co., Moundsville, W. Va. 75.00
April 26, 1920:
Republican State Committee of Kansas 194.00
April 27, 1920:
D. A. Taylor, H. Northwood Co., Wheeling, W. Va. 75.00
J. M. Sanders, United States Stamping Co., Moundsville, W. Va. 150.00
J. Cecil Pee, Central Glass Works, Wheeling, W. Va. 150.00
April 28, 1920:
J. B. Donn, president American Tool Works Co., Cincinnati, Ohio 50.00
April 29, 1920:
Edward Learned, jr., James & E. H. Wilson, Pittsfield, Mass. 100.00
Harry L. Heinsteiman, Monongah Glass Co., Fairmont, W. Va. 150.00
April 30, 1920:
Alex R. Watson, Diamont Operating Co., Fairmont, W. Va. 150.00
Fred Helmick, Helmick Foundry & Machine Co., Fairmont, W. Va. 60.00
E. R. Mellott, the Buckeye Traction Ditcher Co., Findlay, Ohio 100.00
W. E. Hitchcock, the Atlantic Wire Co., Branford, Conn. 108.00
May 3, 1920:
Delaware State Committee, subscriptions on account 86.67
Brunswick-Balke-Collander Co., 629 South Wabash Avenue, Chicago, Ill. 50.00
Fred R. Miller Dresser Manufacturing Co., Bradford, Pa. 38.00
May 4, 1920:
Jacob Sperber (Inc.), 20-28 West Thirty-fifth Street, New York, N. Y. 100.00
Mr. Russell W. Wright, New England Butt Co., Providence, R. I. 100.00
E. A. Beaman, Beaman & Smith Co., Providence, R. I. 50.00
May 5, 1920:
Mr. R. C. Kirk, La Belle Iron Works, Steubenville, Ohio 500.00
May 6, 1920:
American Glue Co., Boston, Mass. 139.00
William Grosvenor, Grosvenor-Dale Co., Providence, R. I. 100.00
George W. Thornton, American Screw Co., Providence, R. I. 150.00
Waite, Thresher Co., Henry C. Thresher, Pawtucket, R. I. 100.00

May 7, 1920:
Col. Lyman Goff, Union Wadding Co., Pawtucket, R. I. $150.00
D. Goff, Goff & Son Co., Pawtucket, R. I. 100.00
William B. McCall, Lorraine Manufacturing Co., Pawtucket, R. I. 150.00
W. E. Hitchcock, Atlantic Wire Co., Branford, Conn. 25.00
May 8, 1920:
C. T. Keller, Walworth Manufacturing Co., Boston, Mass. 300.00
J. A. Block, Block Bros. Tobacco Co., Wheeling, W. Va. 75.00
May 10, 1920:
Otto Schenk, F. Schenk & Sons, 30 Market Street, Wheeling, W. Va. 50.00
I. M. Scott, Wheeling Steel & Iron Co., Wheeling, W. Va. 150.00
James S. Brody, Hazel-Atlas Glass Co., Wheeling, W. Va. 466.50
A. M. Weir, Weirton Steel Co., Weirton, W. Va. 150.00
William D. Reid, Pollansby Bros. Co., Pittsburgh, Pa. 100.00
Louis Allis, Mechanical Appliance Co., 133 Stewart Avenue, Milwaukee 50.00
Cyclone Fence Co., Waukegan, Ill. 25.00
J. H. Valentine, the Warren Woolen Co., Stafford Springs, Conn. 46.00
E. M. Pullingham, Republican State Committee of Ohio 430.00
May 11, 1920:
United Wire & Supply Co., Auburn, R. I. 50.00
F. W. Bowers, Bowers Pottery Co., Mannington, W. Va. 225.00
May 12, 1920:
H. C. Hoffman, West Park Glass Co., Clarksburg, W. Va. 50.00
May 13, 1920:
John Cavedon, Falls Yarn Co., Woonsocket, R. I. 60.00
Theo Guevin, Montrose Worsted Co., Woonsocket, R. I. 150.00
W. C. Harding, Tuna Glass Co., Clarksburg, W. Va. 100.00
F. W. Bell, Wooster Sanitary Co., Clarksburg, W. Va. 50.00
H. M. Greist, Breist Manufacturing Co., New Haven, Conn. 60.00
May 15, 1920:
W. G. Hammond, Royal Window Glass Co., Grafton, W. Va. 75.00
May 17, 1920:
D. E. McNicol, D. E. McNicol Co., Clarksburg, W. Va. 150.00
G. E. Jones, Thatcher Manufacturing Co., Clarksburg, W. Va. 75.00
May 18, 1920:
Joseph Grant, Crescent Window Glass Co., Weston, W. Va. 150.00
Republican National Committee, on account 129.59
May 19, 1920:
Lincoln League of Indiana 346.00
May 20, 1920:
C. E. Hutchinson, Hutchinson Coal Co., Fairmont, W. Va. 300.00
May 21, 1920:
Charles R. Purvear, Royal Weaving Co., Pawtucket, R. I. 100.00
Ida L. Maxey, George H. Fuller & Son Co., Pawtucket, R. I. 100.00
George T. Greenhalgh, Burgess Mills, Pawtucket, R. I. 100.00
Ralph C. Lunch, Lumb Knitting Co., Pawtucket, R. I. 42.00
M. Bauman, The Bauman Lumber Co., New Haven, Conn. 35.00
May 22, 1920:
Hazel-Atlas Glass Co., Wheeling, W. Va. 223.00
Daniel Howard, Central Fairmont Coal Co., Clarksburg, W. Va. 100.00
May 25, 1920:
J. M. Casell, Whitin Machine Works, Whitensville, Mass. 200.00
F. A. Weiman, Weiman Bros. Manufacturing Co., Derby, Conn. 25.00
May 26, 1920:
H. J. Zlackun, Goodyear Tire & Rubber Co., Akron, Ohio 150.00
H. A. Zeller, West Virginia Rail Co., Huntington, W. Va. 300.00
Republican State Central Committee, Raymond Benjamen (chairman), San Francisco, Calif. 561.00
May 27, 1920:
H. R. Wyllie, H. R. Wyllie China Co., Huntington, W. Va. 150.00
May 28, 1920:
Wade Gardner, American Rubber & Tire Co., Akron, Ohio 37.00
May 29, 1920:
William J. Pfeiffer, Miller Rubber Co., Akron, Ohio 150.00
Thomas F. Bailey, Banks Supply Co., Huntington, W. Va. 50.00
June 1, 1920:
H. E. Thatcher, Malleable Iron Fittings Co., Branford, Conn. 363.00
George E. Barber, Star Pin Co., Darby, Conn. 105.00
Lincoln League of Indiana 173.50
C. B. Allen, Philadelphia Rubber Works Co., Akron, Ohio 150.00
June 3, 1920:
William O'Neil, General Tire & Rubber Co., Akron, Ohio 300.00
F. H. Firey, Star Rubber Co., Akron, Ohio 75.00
C. P. Baughman, Swinehart Tire & Rubber Co., Akron, Ohio 75.00
Thomas H. Morris, Charles Boldt Glass Co., Huntington, W. Va. 150.00
June 7, 1920:
Jacob D. Cox, Cleveland Twist Drill Co., Cleveland, Ohio 25.00
Lee Phillips, Pacific Mutual Life Insurance Co., Los Angeles, Calif. 50.00
June 8, 1920:
E. P. Root, New Haven Clock Co., New Haven, Conn. 100.00
W. D. Wells, Babcock Printing Press Manufacturing Co., New London, Conn. 193.00
June 11, 1920:
H. R. Junling, Bridgeport National Bank, Bridgeport, Ohio $30.00
W. E. Thomas, Bridgeport National Bank, Bridgeport, Ohio 50.00
June 18, 1920:
D. E. Herbington, Globe Malleable & Steel Co., Syracuse, N. Y. 151.50
June 19, 1920:
George C. Laub, George Laub's Sons, Buffalo, N. Y., 1051 Clinton Street 25.00
June 21, 1920:
M. J. O'Donnell, Falls Rubber Co., Cuyahoga Falls, Ohio 225.00
W. H. Jenks, Marathon Tire & Rubber Co., Cuyahoga Falls, Ohio 150.00
C. W. Vaughn, Turner, Vaughn & Taylor, Cuyahoga Falls, Ohio 150.00
H. H. Barnwell, Whyel Coke Co., Uniontown, Pa. 50.00
June 23, 1920:
Charles H. Bliss, L. Hardy Co., Worcester, Mass. 100.00
P. J. McDonough, L. W. Pond Machine & Foundry Co., Worcester, Mass. 100.00
June 24, 1920:
George H. Coates, Coates Clipper Manufacturing Co., Worcester, Mass. 100.00
H. M. Naugle, National Pressed Steel Co., Massillon, Ohio 375.00
H. E. Zuber, Enterprise Aluminum Co., Massillon, Ohio 75.00
N. M. Scales, Chairman Republican State Committee, Guilford, Me. 172.00
June 25, 1920:
Harry C. Coley, Howard Bros. Manufacturing Co., Worcester, Mass. 75.00
Mr. Alden Reed, Reed & Prince Manufacturing Co., Worcester, Mass. 100.00
E. E. Russell, Transue & Williams Steel Forging Co., Alliance, Ohio 100.00
Axtell J. Byles, Tide Water Oil Co., New York, N. Y., 11 Broadway 25.00
June 26, 1920:
John L. Thomas, Corning Glass Works, Corning, N. Y. 1,761.50
E. N. Woodward, Woodward & Powell Planer Co., Worcester, Mass. 50.00
C. J. Sherer, Dayton Wright, General Motor Co., Dayton, Ohio 50.00
Robert S. Snevily, Oil Seed Co., New York, N. Y. 40.50
June 29, 1920:
H. P. Coppus, Coppus Engineering Co., Worcester, Mass. 150.00
June 28, 1920:
A. W. Calkins, Kansas City Pump Co., Kansas City, Mo. 50.00
June 30, 1920:
G. A. Bridges, Williams & Bridges Co., Worcester, Mass. 150.00
Albert J. Heywood, Heywood Boot & Shoe Co., Worcester, Mass. 75.00
R. C. Phillips, American Rolling Mill Co., Middletown, Ohio 250.00
E. R. Bailey, Grasselli Chemical Co., Cleveland, Ohio 150.00
July 1, 1920:
T. P. Braun, Simplex Player Action Co., Worcester, Mass. 100.00
A. H. Tuechter, Cincinnati Bickford Tool Co., Cincinnati, Ohio 25.00
H. K. McCauley, 1301 Sixth Avenue, Altoona, Pa. 25.00
July 2, 1920:
Charles Baker, Baker Box Co., Worcester, Mass. 105.00
Robert C. Olson, Olson Manufacturing Co., Worcester, Mass. 33.00
J. D. Phillips, No. 4 Park Street, Boston, Mass. 25.00
Charles Briggs, Calumet, Mich. 50.00
Francis H. Gates, Chittenango, N. Y. 50.00
July 3, 1920:
D. O'Connell, Sterling Worcester Mills, Worcester, Mass. 50.00
Ella W. Foye, Thomas Smith Co., Worcester, Mass. 35.00
E. C. Damor, Hudson Belting Co., Worcester, Mass. 36.00
Louis A. Wheeler, Galbert Last Co., Worcester, Mass. 25.00
Henry A. Wisc, 15 William Street, New York City 25.00
M. P. Snevily, 35 South William Street, New York City 50.00
R. C. Caples, the Willys-Overland Co., Toledo, Ohio 25.00
July 6, 1920:
Stanley A. Easton, Bunker Hill & Sullivan Mining & Concentrating Co., Kellogg, Idaho 150.00
Leonard C. Hanna, Jr., Leader News Building, Cleveland, Ohio 25.00
Samuel M. Green, Samuel M. Green Co., Springfield, Mass. 25.00
F. A. Russ, Robert N. Bassett Co., New York 25.00
Frank J. Hogan, Colorado Building, Washington, D. C. 25.00
O. S. Bergman, D. Bergman & Co., St. Paul, Minn. 25.00
A. G. Hubbard, Redlands, Calif. 25.00
James E. Brown, 310 Fourth Avenue, Pittsburgh, Pa. 25.00
H. K. Portner, Briarcliff Manor, N. Y. 25.00
July 7, 1920:
Miss Emma E. Miller, Goodbody & Co., 115 Broadway, N. Y. 25.00
July 8, 1920:
Fred G. Munson, W. M. Steel Co., Worcester, Mass. 50.00
M. H. Brown, Ivy Corset Co., Worcester, Mass. 100.00
Andrew G. Hildreth, Worcester, Mass. 50.00
John H. Dodge, Commercial Street, Lowell Wrench Co., Worcester, Mass. 25.00
Lewis C. Warner, Naugatuck, Conn. 30.00
Leonard S. Smith, American Laundry Machinery Co., Cincinnati, Ohio 61.10
George F. Lee, 509 Wyoming Avenue, Kingston, Pa. 25.00
George C. Howe, Short Mills, N. J. 25.00
July 9, 1920:
George T. Blake, jr., Co., Worcester, Mass., E. Dodge 35.00
Worcester Lawn Mower Co., Worcester, Mass. 25.00
H. A. Moody, 1102 Dean Street, New York 25.00
Charles I. Thayer, 206 Equitable Building, Boston, Mass. 25.00

July 9, 1920—Continued
John M. Woolsey, 27 William Street, New York $50.00
A. C. Hough, Hough Shade Corporation, Janesville, Wis. 25.00
F. L. Fay, Greenville Steel Car Co., Greenville, Pa. 100.00
July 10, 1920:
M. S. Wright, M. S. Wright Co., Worcester, Mass. 150.00
Lloyd Booth, Falcon Steel Co., Niles, Ohio 100.00
E. J. McClain, Greenfield, Ohio 50.00
B. B. Quillen, Cincinnati Planer Co., Oakley, Cincinnati, Ohio 25.00
July 13, 1920:
Dayton Malleable Iron Co., Dayton, Ohio 204.00
W. H. B. Ward, Trumbell Steel Co., Warren, Ohio 300.00
Dr. E. E. Smith, the Smith Yarn Co. 50.00
W. T. Barbour, Detroit Stove Works, Detroit 25.00
L. G. Litchfield, Wilcox Comb Co., Keene, N. H. 50.00
George I. Alden, Norton Co., Worcester, Mass. 50.00
Adolphe De Bary, 55 Liberty Street, New York 200.00
W. C. Eustis, Oatlands, Va. 200.00
T. W. Phillips, jr., T. W. Phillips Gas & Oil Co., Butler, Pa. 25.00
Alex Whiteside, 30 State Street, Boston, Mass. 25.00
H. C. N. Mosher, box 905, New Bedford, Mass. 25.00
Frank T. Hulswit, 600 Crescent Street, Grand Rapids, Mich. 25.00
Richard Wilhelm, Eastern Tanners Glue Co., Gowanda, N. Y. 25.00
Fred. E. Lee, Dowagiac, Mich. 25.00
Charles H. Koopelman, Maryland Casualty Tower, Baltimore, Md. 25.00
S. J. Herman, Diamond Power Specialty Co., Detroit, Mich. 25.00
July 12, 1920:
William H. Avant, North Meridian Street, Indianapolis, Ind. 25.00
W. B. Allbright, Southwestern Building, Chicago, Ill. 25.00
George M. Mills, West Ontario Avenue, Philadelphia 25.00
W. E. Green, Denver & Rio Grande Railroad, Denver, Colo. 25.00
G. W. Mudd, box 309, Norton, Va. 25.00
July 14, 1920:
C. B. Loveless, Warren Iron & Steel Co., Warren, Ohio 150.00
W. A. Beckdll, the Borden Co., Warren, Ohio 150.00
George F. Konold, Warren Tool & Forge Co., Warren, Ohio 150.00
National Association of Window Glass Manufacturers, of Pittsburgh, Pa. 95.00
William C. Marble, Curtis & Marble Machinery Co., Worcester, Mass. 75.00
Lem. W. Bowen, D. M. Ferry & Co., Detroit, Mich. 25.00
July 15:
James P. McGrady, Worcester Steel & Manufacturing Co., Worcester, Mass. 45.00
John Jackson, the Simonds Manufacturing Co., Pittsburgh 25.00
F. F. Rigall, the Camp Glass Co., Hutington, W. Va. 25.00
Larz Anderson, Bason Building, Boston, Mass. 250.00
P. E. Thomas, Kempsmith Manufacturing Co., Milwaukee, Wis. 25.00
F. D. McKay, 17 Adams Street, Brooklyn, N. Y. 25.00
H. E. Folsom, Lyndonville, Vt. 25.00
E. C. Roberts, U. N. Roberts Co., Davenport, Iowa 50.00
J. C. Hobart, Triumph Electric Co., Cincinnati, Ohio 25.00
July 16: Nothing.
July 17:
J. B. Estabrook, Warren, Ohio, the Sunlight Electric Manufacturing Co. 150.00
Edw. L. Buckwalter, Springfield, Ohio 100.00
L. B. Miller, the Ansted & Buck Co., Springfield, Ohio 50.00
J. S. W. Holton, Chestnut Street, Philadelphia, Pa. 25.00
Thomas Chatard, the Greenbrier, White Sulphur Springs, W. Va. 25.00
William L. Hartman, Pueblo, Colo. 25.00
July 19: J. Kirby, Dayton Manufacturing Co. 225.00
July 20: Nothing.
July 21, 1920:
L. P. Walker, Stephenson Manufacturing Co., South Bend, Ind. 50.00
R. G. Carter, Sibley Machine Co., South Bend, Ind. 60.00
B. G. Williams, Mishawake Woolen Manufacturing Co., Mishawaka, Ind. 100.00
E. A. Anderson, South Bend, Ind. 25.00
Stephano Bros., 1014 Walnut Street, Philadelphia 50.00
J. W. Donnelly, Hotel Athenaeum, Chautauqua, N. Y. 25.00
F & N Lawn Mower Co., Richmond, Ind. (H. L. Loutz) 25.00
George D. Crabbs, Philip Carey Manufacturing Co., Lockland, Ohio 150.00
July 22, 1920:
J. E. Keresey, 210 Mercer Street, Trenton, N. J. 37.00
Lexington Motor Co., Connersville, Ind. 25.00
Joseph A. Goodard Co., Muncie, Ind. 25.00
Robert H. Ballou, Manhasset Manufacturing Co., Providence, R. I. 25.00
A. L. Stetson, 117 Santa Fe Avenue, Los Angeles, Calif. 25.00
July 23, 1920:
Edward H. Tekan Home Store, Springfield, Ohio 75.00
A. N. Shidler, Shidler Bros. Co., South Bend, Ind. 50.00
Mr. B. Fox, Laporte Woolen Mills, Laporte, Ind. 350.00
J. P. Marley, Bastain-Morley Co., Laporte, Ind. 80.00
T. S. Chapman, 111 Monroe Street, Chicago 25.00
D. J. Haff, 906 Commerce Building, Kansas City, Mo. 25.00
July 24, 1920:
H. B. Forennes, the Hobart N. Cable Co., Chicago 145.00
George H. Goodall, United States Slicing Machine Co., Laporte, Ind. 225.00
William B. Maddock, John Maddock & Sons, Trenton, N. J. 172.50
F. P. Hixon, Lacrosse, Wis. 25.00
July 26, 1920:
B. K. Bowman, J. L. Mott Co., Trenton, N. J. 225.00
John T. Manson, box 1685, New Haven, Conn. 50.00
J. W. Bettendorf, Bettendorf Co., Bettendorf, Iowa 50.00
July 27, 1920:
W. H. Leonard, the Denver Rock Drill Manufacturing Co., Denver, Colo. $100.00
J. V. Lambert, Acme Rubber Manufacturing Co., Trenton, N. J. 150.00
J. P. Peterson, Cairo, Ill. 25.00
July 28, 1920:
Charles L. Taylor, Hartford, Conn. 37.50
Arthur Schwartz, Princeton Worsted Mills Co., Trenton, N. J. 150.00
J. Greene, Bergougnan Rubber Co., Trenton, N. J. 75.00
B. K. Wilbur, H. O. Wilbur & Sons, Philadelphia 25.00
Charles Ray, 88 Prospect Avenue, Milwaukee, Wis. 25.00
July 29, 1920:
Thomas P. Woodhouse, Woodhouse Chain Works, Trenton, N. J. 150.00
C. S. Joy, the New Departure Manufacturing Co., Bristol, Conn. 500.00
D. M. Brown, the Rocky Mountain Fuel Co., Denver, Colo. 100.00
Charles Fenn, Prince George Hotel, New York City 37.50
Mrs. Raymond Robins, 1437 West Ohio Street, Chicago, Ill. 25.00
July 30, 1920:
William B. Swan, the James Swann Co., Seymour, Conn. 63.00
J. W. White, Webster Springs, W. Va. 100.00
July 31, 1920:
A. Karpen, S. Karpen & Bros., Chicago, Ill. 150.00
August 2, 1920:
J. R. Mitchell, Mitchell-Bissell Co., Trenton, N. J. 78.00
J. H. Reed, Pittsburgh, Pa. 100.00
M. D. Thatcher, the Great Western Sugar Co., Pueblo, Colo. 200.00
August 3, 1920:
J. Wallace Carrel, Lodge & Shipley Machine Tool Co., Cincinnati, Ohio 26.00
August 4, 1920:
C. R. Riley, the Norton Mfg. Co., Bristol, Conn. 75.00
John T. Chidsey, J. C. Root Co., Bristol, Conn. 52.50
J. A. Campbell, the Trenton Potteries Co., Trenton, N. J. 225.00
J. R. Colvin, Jackson Foundry, Worcester, Mass. 50.00
August 5, 1920:
A. B. Comeee, Hamilton Rubber Mfg. Co., Trenton, N. J. 150.00
H. D. Leavitt, Crossley Machine Co., Trenton, N. J. 67.50
Louis A. Biddle, 85 Avenue Henri-Martin, Paris, France 250.00
Henry W. Banks, jr., 14 Wall Street, New York City 50.00
August 6, 1920:
Annie Norton Battelle, Columbus, Ohio 75.00
Arthur L. Beardsley, Dr. Mills Medical Co., Elkhart, Ind. 50.00
August 7, 1920:
Republican State Committee of Delaware 45.35
Chas. Foults, Lambertville Pottery Co., Lambertville, N. J. 75.00
P. C. Kendall, Sedway Mercantile Co., Elkhart, Ind. 50.00
August 9, 1920:
C. C. Bradley, C. C. Bradley & Sons Co., Syracuse, N. Y. 62.00
G. A. Fletcher, Gossard Corset Co., Chicago, Ill. 25.00
W. H. Sanders, Greensboro, N. C. 28.05
August 10, 1920:
Geo. C. Clark, Pequabuck, Conn. 30.00
F. N. & A. N. Mourass, Forrestville, Conn. 25.00
H. B. Tobin, Woven Steel Hose & Rubber Co., Trenton, N. J. 30.00
August 11, 1920:
Geo. L. Leonhard, the Paterson Parchment Paper Co., Passaic, N. J. 337.00
Robt. Patterson, Dayton Trust & Savings Co., Dayton, Ohio 25.00
August 12, 1920:
Mr. Drescher, Bausch & Lomb Optical Co., Rochester, N. Y. 500.00
Ambrose G. Dale, International Pottery Co., Trenton, N. J. 37.50
Albion E. Lang, Windsor, Vt. 90.00
A. W. Katterman, Katterman & Mitchell Co., Paterson, N. J. 150.00
August 13, 1920:
F. F. Barnes, the Wallace Barnes Co., Bristol, Conn. 345.00
August 14, 1920:
Thos. Maddox, Thos. Maddox Co., Trenton, N. J. 150.00
Chas. E. Lotte, Colt Building, Paterson, N. J. 225.00
Wm. Park, Wm. Park & Sons, Stafford Springs, Conn. 30.00
August 16, 1920:
J. H. Cooledge, jr., the Telling-Belle Vernon Co., Cleveland, Ohio 500.00
Wm. H. Hayward, Industrial Trust Co., Providence, R. I. 25.00
A. H. Evans, Choctaw Lumber Co., Silas, Ala. 50.00
August 20, 1920:
George W. Oatley, Utica Knitting Co., Utica, N. Y. 500.00
Raymond Doherty, Henry Doherty Silk Co., Paterson, N. J. 112.50
G. S. Dunbar Federal Glass Co., Columbus, Ohio 50.00
August 23, 1920:
James Eastwood, Benjamin Eastwood Co., Paterson, N. J. 40.00
E. G. Katterman, E. G. Katterman & Co., Dover, N. J. 75.00
John Mulligan, Ulster Iron Co., Dover, N. J. 75.00
August 24, 1920:
Paul Gunther, Dover, N. J. 100.00
August 25, 1920:
John M. Claxton, Torrington, Conn. 30.00
W. W. Merts, W. W. Merts & Co., Torrington, Conn. 50.00
Howard Castle, The Torrington Building Co., Torrington, Conn. 162.00
A. H. Bullard, Bullard Machine Tool Co., Bridgeport, Conn. 600.00
A. B. Harper, American Silver Co., Bristol, Conn. 56.25
P. J. Mamber, The Mamber Brick Co., Benton Harbor, Mich. 25.00
Robert Barbour, Barbour Flax Spinning Co., Paterson, N. J. 235.00
Lewis A. Howell, The Howell Lumber Co., New Brunswick, N. J. 30.00
D. H. Moore, Athens, Ohio 25.00

August 26, 1920:	
George A. Schacht, G. A. Schacht Motor Truck Co., Cincinnati	$25.00
August 27, 1920:	
Vernon Rayle, John Rayle & Sons, Paterson, N. J.	50.00
J. H. Whiting, The Franklin Moore Co., Winsted, Conn	50.00
George F. Drake, New England Pin Co., Winsted, Conn	35.00
August 28, 1920:	
J. C. Whitcher, The Dry Kold Refrigerator Co., Niles, Mich	37.50
M. Park, The National Standard Co., Niles, Mich	150.00
August 30, 1920:	
L. F. Roentz, 335 West Ontario Street, Chicago	25.00
Al Berkenstein, S. Berkenstein & Sons Co., Chicago	25.00
Isaac M. Bernstein, Monarch Leather Co., Chicago	25.00
P. E. Madden, International Tag Co., Chicago	25.00
E. E. White, Globe Casket Co., Kalamazoo, Mich	90.00
August 31, 1920:	
G. E. Matthier, The Seymour Manufacturing Co., Seymour, Conn	800.00
H. P. Carter, The H. C. Cook Co., Ansonia, Conn	37.50
September 1, 1920:	
L. A. Anschutz, the Ansonia Electrical Co., Ansonia, Conn	75.00
B. W. Doyle, treasurer the Viscolord Co., Fitchburg, Mass	250.00
R. W. Smith, Richardson Piano Case Co., Leominster, Mass	100.00
Maury C. Danion, the Danion Co., Leominster, Mass	25.00
Whitney & Co., Leominster, Mass	75.00
September 2, 1920:	
L. M. Crittsinger, Churbilll-Morgan-Crittsinger, Worcester, Mass	35.00
W. H. Goodall, Goodale Comb Co., Leominster, Mass	25.00
William H. Cropper, F. H. Whitney Carriage Co., Leominster, Mass	100.00
J. Broughton, United Globe Rubber Co., Trenton, N. J.	45.00
Fred E. Lee, the Bechwith Co., Dowagiac, Mich	697.50
September 3, 1920:	
C. A. Fox, secretary and treasurer Bryant Paper Co., Kalamazoo, Mich	750.00
John Metler, Interwoven Stocking Co., New Brunswick, N. J.	102.00
Howard H. Chase, Leominster Worsted Co., Leominster, Mass	150.00
A. C. Rockwell, Rockwell Woolen Co., Leominster, Mass	85.00
A. A. Tisdale, the Horn & Supply Co., Leominster, Mass	25.00
Wilmot Castle, Wilmot Castle Co., Rochester, N. Y.	52.00
September 4, 1920:	
A. Lichtman, A. Lichtman & Sons Co., Newark, N. J.	25.00
H. P. Walters, Consolidated Window Glass Co., Bradford, Pa	100.00
E. F. Green, Crompton & Knowles Loom Co., Worcester, Mass	375.00
Republican Headquarters, Clay, W. Va	67.00
September 7, 1920:	
Andrew Bennett, jr., secretary Republican State central committee, Phoenix, Ariz	100.00
H. Gail Davis, Oliver Chilled Plow Works, South Bend, Ind	70.00
September 8, 1920:	
A. C. Grimmel, Sneath Glass Co., Hartford City, Ind	25.00
September 9, 1920:	
K. B. Kenfield, Brown Bag Filling Machine Co., Fitchburg, Mass	50.00
W. B. Earl, treasurer W. B. Earl & Co. (Inc.), Leominster, Mass	112.50
C. G. Conn, C. G. Conn (Ltd.), Elkhart, Ind	150.00
E. G. Follansbee, Follansbee Bros. Co., Pittsburgh, Pa	50.00
D. C. Keller, president Dow Drug Co., Cincinnati, Ohio	100.00
September 10, 1920:	
John W. Ferguson, J. W. Ferguson & Co., Paterson, N. J.	75.00
V. B. Clarkman, chairman Lane County Republican committee, Parker, S. Dak	37.50
September 13, 1920:	
Sanford F. Harris, Harris Mills & Co., Chicago, Ill	25.00
Otto Ellerman, chairman Republican central committee, Lead, N. Dak	25.00
September 16, 1920:	
Maurice Pushker, Cook County Paper Stock Co., Chicago, Ill	25.00
E. E. Carey, E. Lowitz & Co., Chicago, Ill	25.00
W. S. Barnes, Marine Iron Works, Chicago, Ill	25.00
C. F. Williams, Hobbs Manufacturing Co., Worcester, Mass	25.00
September 17, 1920:	
F. H. Belding, Belding Bros. & Co., Rockwell, Conn	60.00
Adolph C. Weiss, secretary and treasurer Mabley & Carew Co., Cincinnati, Ohio	100.00
Edw. H. Haefner, treasurer Alms & Doepke Co., Cincinnati, Ohio	100.00
September 18, 1920:	
Edwin J. Seward, Royal Worcester Corset Co., Worcester, Mass	108.00
H. B. Lindberg, Michigan Screw Co., Lansing, Mich	300.00
September 20, 1920:	
W. G. Sanders, W. G. Sanders & Co., Chicago, Ill	100.00
F. E. Chandman, C. H. Werner & Co., Chicago, Ill	25.00
September 23, 1920:	
W. R. Smith, Great Western Manufacturing Co., La Porte, Ind	200.00
H. N. Otto, Kaltenbach & Stephens (Inc.), Newark, N. J.	250.00
J. J. Rhodes, J. J. Rhodes Lumber Co., Council Grove, Kans	40.00

Stockholders	Preferred shares held	Common shares held
George B. Lockwood, of Muncie, Ind., and Washington, D. C.	225	617
Adam L. Beck, of Greencastle, Ind	30	15
John W. Weeks, of West Newton, Mass	30	25
James T. Carr, of Dubuque, Iowa	20	10
Alvah H. Martin (deceased), of Norfolk, Va	10	5
William B. McKinley, of Champaign, Ill	23	13
James A. Hemenway, of Boonville, Ind	40	20
William G. Irwin, of Columbus, Ind	15	7½
Charles D. Hillis, of New York City, N. Y	25	12½
John T. Adams, of Dubuque, Iowa	70	34
Wm. B. Thompson, of New York City, N. Y	190	95
A. T. Hert, of Louisville, Ky	10	5
Geo. W. Fairchild, of Oneonta, N. Y	10	5
J. Earl Fouts, of Muncie, Ind		1
Carl W. Riddick, of Lewistown, Mont		1
Total	730	867

The capital stock of the National Republican Publishing Co. is $200,000—1,000 shares of preferred stock, at $100 par value, and 1,000 shares of common stock, at $100 par value. There are still held in the treasury 270 shares of preferred and 133 shares of common stock. The above is a list of the stockholders, together with their addresses and the amount of individual holdings. The common stock was issued as a bonus.

This statement is made to supplement, and in some respects to correct, testimony of Mr. George B. Lockwood, given from memory as to stockholders, and is taken from the records of the company.

R. H. FULLER,
For the National Republican Publishing Co.

Mr. KING. Has the Senator any information as to whether the circulation of the paper is larger now than it was at that time?

Mr. NORRIS. No; I do not know.

Mr. KING. My information is that it has increased in circulation very considerably, and I was wondering if the Senator had any information as to who paid for the increased circulation or for the ordinary circulation?

Mr. NORRIS. I have not at the present time any information beyond the last date which I have mentioned, September, 1920.

Mr. KING. I suppose the Senator is one of the able Republicans who have been read out of the party by this Republican organ?

Mr. NORRIS. Oh, I suppose so; I have been told that is the case. I have not read it myself and do not care enough about it to read it.

Mr. WALSH of Montana. Is the Senator able to advise us whether, upon subscriptions of that character, 1,096 names sent in by one individual accompanied by a payment of $1,096, they should be legitimately counted as subscriptions for the purpose of entitling the paper to reduced postal rates?

Mr. NORRIS. I assume the various amounts contributed by the various corporations and companies and individuals and committees named in the list I have sent to the desk were contributions made for subscriptions. I understand the subscription price is $1 a year, and that for every dollar contributed a name was sent to the paper and the paper was sent to that name for a year. However, I may be in error in regard to it.

Mr. WALSH of Montana. That is a matter upon which I desired to get information. It has been represented to me that subscriptions of that character do not form a proper basis under the law for according to a paper the favored postal rates, and that this paper is enjoying those postal rates notwithstanding that method of securing subscriptions. I wonder if it would not be appropriate to refer the matter to the Committee on Post Offices and Post Roads for consideration?

Mr. NORRIS. I have no objection to referring it to the Committee on Post Offices and Post Roads, and, if the practice is contrary to the law and the Post Office Department has never before had any notice of it or found it out, I hope it will take notice of what has happened here to-day and will do its duty.

The PRESIDENT pro tempore. The papers presented by the Senator from Nebraska will be referred to the Committee on Post Offices and Post Roads.

REPORTS OF COMMITTEES

Mr. CUMMINS (Mr. WADSWORTH in the chair), from the Committee on the Judiciary, to which was referred the bill (H. R. 1869) for the incorporation of the Grand Army of the Republic, reported it without amendment.

Mr. SHORTRIDGE, from the Committee on the Judiciary, to which was referred the bill (S. 1042) to provide for the establishment of a probation system in the United States courts, except in the District of Columbia, reported it without amendment.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization, reported it without amendment.

Mr. PEPPER, from the Committee on Foreign Relations, to which was referred the bill (S. 2172) to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same, reported it without amendment and submitted a report (No. 564) thereon.

Mr. LADD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrence in the United States and improved methods of recovering potash therefrom, reported it without amendment.

He also, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 697) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes, reported it with amendments and submitted a report (No. 563) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (H. R. 3236) to regulate the practice of optometry in the District of Columbia, reported it without amendment.

Mr. HARRELD, from the Committee on Indian Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 2799) to provide for quarters, fuel, and light for employees of the Indian field service (Rept. No. 565); and

A bill (H. R. 5416) to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes (Rept. No. 566).

Mr. HARRELD also, from the Committee on Indian Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

A bill (S. 3111) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes (Rept. No. 567); and

A bill (H. R. 4835) to pay tuition of Indian children in public schools (Rept. No. 568).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FERRIS:

A bill (S. 3329) granting an increase of pension to Mary Edna Peirce; to the Committee on Pensions.

By Mr. DALE:

A bill (S. 3330) granting a pension to May H. Colby;

A bill (S. 3331) granting an increase of pension to Emma M. Bowman; and

A bill (S. 3332) granting an increase of pension to Melissa S. Lee; to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 3333) for the relief of Thomas W. Morgan (with accompanying papers); to the Committee on Claims.

A bill (S. 3334) granting a pension to Lizzie C. J. Cluett (with accompanying papers);

A bill (S. 3335) granting a pension to Ray D. Ingersoll (with accompanying papers);

A bill (S. 3336) granting a pension to Nettie J. Davis (with accompanying papers);

A bill (S. 3337) granting a pension to Lucresia Burley (with accompanying papers);

A bill (S. 3338) granting a pension to Harriett P. Trudell (with accompanying papers); and

A bill (S. 3339) granting a pension to Katherine Stapleton (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 3340) for the relief of George B. Todd; to the Committee on Military Affairs.

A bill (S. 3341) granting an increase of pension to James A. Chalfant; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 3342) for the relief of Robert M. Foster; to the Committee on Claims.

By Mr. NORBECK:

A joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. HOWELL:

A joint resolution (S. J. Res. 128) to limit the compensation that may be paid under the Federal farm loan act; ordered to lie on the table.

LEE BROCK

Mr. McKELLAR submitted the following resolution (S. Res. 228), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and is hereby, authorized and directed to pay, out of the appropriations for the contingent fund of the Senate, to Lee Brock, of Nashville, Tenn., the sum of $142.80 for expenses incurred in examination of witnesses in contested nomination of postmaster at Dickson, Tenn.

INVESTIGATION OF FEDERAL FARM LOAN SYSTEM

Mr. HOWELL submitted the following resolution (S. Res. 229), which was ordered to lie on the table:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books and documents; to administer oaths; and to take testimony.

The expenses of the committee shall be paid from the contingent fund of the Senate.

URGENT DEFICIENCY APPROPRIATIONS

Mr. STERLING obtained the floor.

Mr. WARREN. Mr. President, I ask the Senator from South Dakota if he will yield until I may have considered a very short appropriation bill? I wish to say in this connection that unpaid bills are accumulating in the office of the financial clerk of the Senate on account of witness fees and other expenses.

Mr. STERLING. If the Senator from Wyoming is sure that the bill for which he desires consideration will not lead to any debate, I shall yield to him in order that he may secure its consideration.

Mr. WARREN. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON. Mr. President, I do not object to the consideration of the bill, but I think the Senator from Wyoming should briefly explain its provisions, and particularly some of the amendments which I understand he intends to propose to the bill. I think in all probability it is necessary to consider the bill as soon as practicable.

Mr. WARREN. I shall endeavor to give a very brief explanation of the necessity for the passage of the bill and of the amendments which are proposed to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with an amendment.

Mr. WARREN. Mr. President, the first item of $100,000 which is carried in the bill is for the contingent fund of the Senate, which not only is exhausted, but there are unpaid bills now in the office of the financial clerk of the Senate awaiting adjustment.

The bill also carries an appropriation for the United States courts. It is usual toward the close of the fiscal year for Congress to provide for certain expenses of the various courts of the United States.

There is also an amendment, which is reported to the bill by the Committee on Appropriations, providing for the settlement of an account. It will take no money out of the Treasury, but it relates to the assessment of the inheritance tax on a bequest to the Government through the Smithsonian Institution by Mr. Freer, deceased.

There is another amendment which I shall submit, made necessary by a supplemental estimate, providing for an appropriation of $16,000, seemingly very necessary for the Supreme Court of the District of Columbia which is in session with its different juries at work and the money is to be devoted to their payment. The whole amount carried by the bill is something over $2,000,000.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and is open to amendment. The Secretary will state the amendment of the committee.

The READING CLERK. On page 2, after line 2, it is proposed to insert:

THE SMITHSONIAN INSTITUTION

That additional taxes amounting to $74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate.

The PRESIDENT pro tempore. Without objection the amendment is agreed to.

Mr. WARREN. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Wyoming offers an amendment which will be stated.

The READING CLERK. On page 2, after line 2, it is proposed to insert:

DISTRICT OF COLUMBIA COURTS

Supreme Court, District of Columbia: For fees of jurors, $16,000, 60 per cent of said sum to be paid out of the revenues of the District of Columbia and 40 per cent out of the Treasury of the United States.

The PRESIDENT pro tempore. Without objection the amendment is agreed to.

Mr. KING. Mr. President, I ask the Senator in charge of the bill to explain the item of $200,000, which is appropriated for in the bill for the Department of Justice. In a bill recently passed we appropriated $500,000 for the prosecution of war frauds, and a year ago, for the current year, we appropriated $500,000 for the prosecution of war-fraud cases. I believe that those who have made investigations are not satisfied with the results which have been achieved by the Department of Justice in the expenditure of these funds. I desire to ask the Senator from Wyoming whether the $500,000 appropriated for the current year has been exhausted?

Mr. WARREN. It will be exhausted before the 1st of July. The fact is, if I am correctly informed, its expenditure is already exhausted under the arrangements which have been made.

Mr. KING. Mr. President, is that the only explanation the Senator from Wyoming cares to give or can give in regard to this item?

Mr. WARREN. I have permission of the Senator from South Dakota to proceed with this bill only so long as it does not lead to any debate, and so I can not consider it necessary at this time to go back into the estimates for the $500,000 carried in the regular appropriation bills. We have the hearings, and I can send for them and have them read at some other time. The item, however, constitutes a real deficiency, and I know of no way to provide for it except by an appropriation.

As to the theory upon which the Department of Justice is operated, it is hardly the place, I think, on an appropriation bill, which is to meet necessary expenses, to go into the year's business of that department; but if the Senator desires it, of course, it may be done later on, as we are to have another deficiency appropriation bill before the session terminates.

Mr. KING. I do not think we should dispose of appropriation bills and deficiencies in this perfunctory way. I am not complaining of the attitude of the Senator from Wyoming, but the Senator knows that there has been dissatisfaction with the administration of the Department of Justice and with the results or lack of results in the prosecution of so-called war-fraud cases.

Mr. WARREN. The Senator also knows that there have been collected by the United States from prosecutions of fraudulent war contracts many times more than that amount expended for such purposes.

Mr. KING. No; I do not know that, Mr. President. I am advised that some recoveries were the result of an auditing of unsettled claims and accounts, and the Department of Justice was of no service in the matter.

Mr. WARREN. Those who have examined the matter do know it.

Mr. KING. I have examined the matter and I have some knowledge upon the subject. Of course, some suits have been instituted upon which recoveries have been made, but I repeat the results thus far have been disappointing.

Mr. STERLING. Mr. President, I yielded the floor on the condition that the bill would not lead to debate.

Mr. KING. I do not know what condition the Senator from South Dakota annexed to the consideration of the bill, but it is before the Senate now.

Mr. STERLNG. That is true; but I yielded only to that extent.

Mr. KING. If the Senator claims the floor to discuss the bill, I will be happy to yield to him.

Mr. STERLING. No; I do not wish to discuss the bill; but I had the floor for the purpose of presenting a report, and I yielded to the Senator from Wyoming on the condition that the bill would not involve debate.

Mr. WARREN. If the Senator from Utah desires to have the bill go over it will have to go over. I have stated what the deficiencies are and it does not seem necessary for me further to state the reasons, and I am not permitted the time. The investigation of the Department of Justice to which in a way the Senator from Utah refers is one reason why the contingent fund is out of money. In order to cover the expenses incurred it is necessary to appropriate more money. The bills are due and should be paid.

Mr. KING. I am making no comment now upon the item of $100,000 to meet the demands made upon the contingent expense account of the Senate; that may be the subject of comment at a later time.

I am now making an inquiry concerning the additional appropriation for the Department of Justice. I repeat, Mr. President, that a year ago we gave $500,000 for the prosecution of war-fraud cases and we gave $500,000, as I recall, to the War Department for additional auditors in order to examine the same accounts.

Mr. STERLING. Mr. President, I must object to further interruption.

Mr. KING. I have the floor.

The PRESIDENT pro tempore. The Senator from South Dakota yielded to the Senator from Wyoming to ask unanimous consent to bring forward the appropriation bill.

Mr. STERLING. I yielded on condition that the consideration of the bill would not provoke debate. That was the condition upon which I yielded. The bill seems to be provoking extended debate. Therefore, I am relying on my rights. I have been recognized by the Chair, and I yielded for that one purpose.

Mr. WARREN. I will say that that is true, and I will not ask the Senator's forbearance any longer. If it is the wish of the Senator from Utah to put the bill over, he has the power to do so.

Mr. KING. I will surrender the floor, then, to the Senator from South Dakota.

The PRESIDENT pro tempore. If there be no further amendment to be offered——

Mr. KING. Oh, no, Mr. President; the Chair does not understand my attitude. The Senator from Wyoming consented to withdraw the bill, and, upon that understanding, I resumed my seat and surrendered the floor to the Senator from South Dakota.

Mr. WARREN. I did not consent to withdraw the bill except to fulfill my promise to the Senator from South Dakota that I would not take the time if the bill involved debate.

Mr. KING. I do not care to enter into the reasons which prompted the Senator. He did withdraw the bill. With that understanding, I surrendered the floor to the Senator from South Dakota.

Mr. STERLING. Mr. President——

The PRESIDENT pro tempore. The Chair is in some doubt with regard to the proper procedure. The Senate has given unanimous consent to proceed to the consideration of this bill. The Chair, however, will solve the uncertainty by sending the bill to the calendar. The Senator from South Dakota is recognized.

Mr. BALL. Mr. President, will the Senator yield to me to present an amendment?

Mr. STERLING. I yield.

Mr. BALL. I send to the desk an amendment which I desire to propose to the urgent deficiency appropriation bill.

The PRESIDENT pro tempore. The amendment will be received and lie on the table.

SENATOR BURTON K. WHEELER

Mr. STERLING (reading):

As a member of the select committee appointed under Senate Resolution 206, I respectfully submit the following minority views.

The resolution is as follows:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

The view here expressed is limited to the first of these propositions, namely, as to whether the indictment was justified by the evidence before the grand jury. The second proposition, as to whether Senator WHEELER is in fact guilty of the crime, is not, in my opinion, a proper subject of inquiry by the committee, that being solely a matter for determination by the court in which the indictment is pending.

A grand jury is one of our time-honored institutions, and has special recognition in our Federal Constitution. Neither the Senate nor the President has any power to control the action of grand juries or in any way to overturn indictments returned by grand juries. When a valid indictment has been found, the party indicted must be put upon trial, unless the district attorney concludes, and the court concurs, that for some legitimate reason the indictment should be withdrawn. The legislative branch of the Government nor either House of Congress should attempt to exercise the power to determine, in advance of such trial, whether the defendant is in fact guilty, and its right or power so to determine is seriously questioned. Such determination not only encroaches upon the legal functions of the court but is likely so to prejudice public sentiment at the proper place of trial as to make it difficult and perhaps impossible for either the Government or the defendant to obtain a fair and impartial jury. Furthermore, when a committee of the Senate calls before it, in open session, all the witnesses of the prosecution and examines them before trial, the defendant Senator is accorded an advantage to which no other defendant is entitled under the law, an advantage to which he, merely because he is a Senator, is not entitled.

The complaint is here made that the indictment by the grand jury was obtained and found through improper motives and upon evidence insufficient in law to show probable cause for belief in the guilt of the accused. For the purposes of this case it may be conceded that the occasion is such as to justify an investigation by a committee of the Senate as to the motives which prompted the prosecution in its beginning, and the sufficiency of the evidence before the grand jury to sustain it. And yet, it is a matter of grave doubt whether the proceeding thus limited is not contrary to both law and a sound public policy.

At the outset of the committee's proceedings, the chairman indicated that "it might be well to read into the record the statute under which this charge is made." He then read into the record section 1782 of the Revised Statutes. It did not occur to the chairman, nor I think to the other members of the committee at the time, that section 1782 was repealed by the act of Congress of March 4, 1909, and by the same act, section 118 of the Criminal Code was enacted. Section 118 differs materially from the old statute and is considerably enlarged so as to include Senators from the time of their election and either before or after they have actually qualified. Section 118 is hereinafter set forth.

In the presentation of evidence before the committee, the customary order was reversed, and eight witnesses were heard who supposedly had been summoned at the instance of Senator WHEELER, with the view of refuting the charges laid in the indictment and of proving that Senator WHEELER was not guilty thereof. This was not in accord with my conception of the proper function of the committee, as above stated, but tended to extend the inquiry far beyond any legitimate scope. Indeed, from my viewpoint, the hearing might very properly have been entirely ex parte, to determine alone the question of probable cause. It may be granted, however, the course of procedure which was followed was perhaps justified by the emphatic assertions made by Senator WHEELER in his remarks on the floor of the Senate, that the indictment in Montana was the result of a "frame up" by his political enemies and that there was not "one scintilla of truth in the things with which" he was charged.

None of the witnesses thus called at the instance of Senator WHEELER had appeared before the grand jury, and obviously their testimony can serve no useful purpose in determining the question of probable cause. In the testimony of these witnesses, there is an utter lack of evidence in any manner substantiating the statement of Senator WHEELER that improper motives actuated the Government officers who either made the investigation or presented the evidence to the grand jury which returned the indictment. In other words, the charge of "frame up" failed entirely of proof. It may be stated further that several other witnesses were brought from Montana, at the instance of Senator WHEELER, but as none of them were called to testify, it is fair to assume that they had no information bearing upon the question.

In considering the question of probable cause—in other words, whether there was sufficient evidence before the grand jury reasonably to warrant the returning of an indictment against Senator WHEELER—a brief discussion of the evidence is necessary, and attention is invited first to the testimony of the witnesses who appeared before that body, together with the documentary evidence which the Attorney General supplied to the committee, with brief reference to the testimony on behalf of Senator WHEELER. Before entering into such a discussion of the evidence, however, it is important to give a brief outline of the indictment.

THE INDICTMENT

The indictment returned against Senator WHEELER by the Federal grand jury at Great Falls, Mont., early in April, recites that Gordon Campbell and his associates were engaged in Montana in the business of procuring, by application and by assignment and otherwise, permits to prospect for oil and gas in and upon the public lands of the United States situate in the State of Montana under the laws of the United States relating thereto, and that there were pending before the Department of the Interior and before the General Land Office various proceedings, in which the United States was interested, to determine the validity and priority of certain assignments of a number of such permits in which said Campbell and his associates had or claimed an interest, and that they were directly interested and concerned in the final decision, and in any decision, thereafter to be made by the Department of the Interior and the General Land Office in relation to such permits. The permits involved are described in the indictments and include, among others, the so-called Philip MacGowan and Lewis B. Lincoln permits.

The indictment then alleges that in January and February, 1923, after he had been elected to the Senate, Senator WHEELER entered into an agreement with Campbell and his associates to receive compensation in a large amount for services to be rendered by him in relation to the proceedings above mentioned before the Department of the Interior and the General Land Office. It is further charged in the two succeeding counts of the indictment that the defendant actually received from Campbell two payments of $2,000 each as compensation for such services.

The statute which it is claimed is violated by the facts alleged in the indictment is section 113 of the Criminal Code, which reads in part as follows:

SEC. 113. Whoever, being elected or appointed a Senator, Member of, or Delegate to Congress, or a resident commissioner, shall, after his election or appointment and either before or after he has qualified, and during his continuance in office, * * * directly or indirectly receive or agree to receive any compensation whatever for any services rendered or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party or directly or indirectly interested, before any department, * * * shall be fined not more than $10,000 and imprisoned not more than two years; and shall, moreover, thereafter be incapable of holding any office of honor, trust, or profit under the Government of the United States.

THE GOVERNMENT'S CASE

No question is made in the record before the committee regarding the fact as alleged in the indictment that there were pending in the Department of the Interior certain proceedings relating to permits in which Campbell and his associates claimed an interest. The ones particularly mentioned in the record are the so-called MacGowan permit and the Lincoln permit. The only question for consideration, therefore, is whether there was sufficient evidence of an agreement made between Campbell and

Senator WHEELER whereby the latter was employed for a compensation to be paid him to represent Campbell in connection with these matters in the Interior Department, to warrant the grand jury in finding that the statute had been violated.

The testimony of the witness, H. C. Glosser, is to the following effect:

He testified that he had been employed by Campbell as private secretary during the period of one year from November, 1922, to November, 1923; that about January 13, 1923, he was advised that Gordon Campbell was en route from his home in Seattle to Shelby, Mont., and that he was expected to drive to Shelby and meet Mr. Campbell and drive him by automobile into Great Falls, Mont. That Senator WHEELER was to be there to meet Campbell. He took Campbell to his own residence where Campbell advised him that he wanted him to telephone to W. W. Rhea, the field superintendent of the Campbell properties, to come into Great Falls for the purpose of having a conference with Senator WHEELER, whom Campbell said he had employed as his attorney. That on the 15th of January, he went to the Rainbow Hotel at Great Falls, at the suggestion of Campbell, and registered for room 212; went to the Park Hotel where Senator WHEELER was stopping, and brought him to the room of the Rainbow Hotel; then made another trip to the Park Hotel where Rhea had registered, and brought Rhea to the room to which he had taken Senator WHEELER. He then drove to his own home, got Campbell and brought him to this room, where all four engaged in a conference lasting an hour or two, during the evening of the day mentioned. At this conference, he testified, the principal subject of discussion was the condition of the Government permits held by Gordon Campbell and his associates. He mentioned particularly the Phil MacGowan permit which had been transferred by Campbell to Rhea, and which permit at that time was supposed to cover the most valuable acreage in the Kevin oil field. He further testified that Senator WHEELER advised Campbell and Rhea that they need not worry over the possibility of the annulment of these permits or of securing the approval of the Department of the Interior to the assignment to Rhea, for the reason that he had been elected United States Senator and had sufficient influence when he reached Washington to see that these matters were disposed of to the entire satisfaction of Mr. Rhea and Mr. Campbell. He further stated that Campbell had said at this conference that if Senator WHEELER was successful in getting Rhea's assignment allowed, he and Rhea could afford to give Senator WHEELER a big slice. He further stated in his testimony and in his affidavits, which are a part of the record, that Senator WHEELER made no particular reply to the suggestion made by Campbell that he (WHEELER) should receive a portion of the proceeds, but that Senator WHEELER repeatedly said that there was nothing to worry about, that the permits could be fixed up in Washington very easily by him, and that it was merely a matter of getting the details worked out through the department.

In these affidavits Glosser further asserted that Campbell had previously told him that he had employed Senator WHEELER to "put across" his contested permits before the Interior Department at Washington, and this was the reason for his agreeing to such a large sum as $10,000 for Senator WHEELER's services.

The testimony of the witness, W. W. Rhea, is to the following effect:

He corroborates Glosser's testimony in all its details relating to the meeting of January 15 in room 212 in the Rainbow Hotel, and specifically states that the conversation related principally to the matter of the permits and assignments of permits pending before the Department of the Interior at Washington, and that it was frequently said by Senator WHEELER that as soon as he arrived at Washington he would be able to straighten out all questions relating to the validity of the permits, and in particular would be able to secure approval for the assignment to Rhea of the Phil MacGowan permit. He further testified that when it was suggested by Campbell at this conference that in case the assignment to him was allowed by the department, they could afford to give Senator WHEELER a generous slice of the proceeds, he emphatically declined for the reason that he had employed his own attorney to look after his interests in the Interior Department. He further stated in an affidavit, which is part of the record before the committee, that a few days later Campbell informed him that as he was paying Senator WHEELER $10,000 to fix these permits, Campbell thought that he, Rhea, should pay a small part of the fee inasmuch as he was interested in one of the permits. He further states in this affidavit that after a settlement had been arrived at Campbell said to him that he thought he, Rhea, should give him some of the money to pay part of Senator WHEELER's fee, but this was refused.

THE DOCUMENTARY EVIDENCE

With the concurrence of all the members of the committee, the chairman requested the Attorney General to submit copies of the documentary evidence in his possession bearing upon the matter under inquiry, and in response to this request the Attorney General sent photostatic copies of a large number of documents which corroborated the testimony of the witnesses Glosser and Rhea. It is unnecessary to encumber this statement with the full text of these documents, but all of them are significant; in particular, attention is directed to the letter of Senator WHEELER to Gordon Campbell, dated March 8, 1923. This letter is on stationery of the United States Senate and contains the following paragraph:

> I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

It is perfectly apparent from this letter that Senator WHEELER was interested in securing for Campbell some action, the character of which is not disclosed, in regard to the permit mentioned in the letter. The explanation made by Senator WHEELER in his testimony is, in my opinion, somewhat vague and unconvincing, particularly in view of the subsequent telegrams and correspondence.

A few days following the writing of this letter Senator WHEELER called at the office of Mr. Edwin S. Booth, then Solicitor of the Interior Department. Now, was it a legitimate inference by the grand jury that this visit was in furtherance of the plan of procedure outlined at the conference in the Rainbow Hotel at Great Falls and in pursuance of his employment by Campbell? It is obvious from Booth's testimony and from that of Senator WHEELER himself that he went to Booth's office for the purpose of discussing Campbell's affairs. This was on March 13, 1923, and there were exchanged between Senator WHEELER and Campbell's office at Great Falls six telegrams on the 13th and 14th which can bear but one construction, namely, that Senator WHEELER was interesting himself actively in securing favorable action upon the several permits which were in controversy. The first of these telegrams from Senator WHEELER requested Campbell to mail at once a complete list of his holdings, giving separate legal description and character of title. On the same day Campbell replied by wire, acknowledging receipt of Senator WHEELER's telegram, saying that the requested information was being sent, saying that Campbell would himself come to Washington to see Senator WHEELER personally, and also asking how long Senator WHEELER was expecting to be there. On the 14th Senator WHEELER answered this telegram, saying:

> Leaving Saturday for Europe; have taken your matter up with parties, writing Baldwin; suggest see him.

It is apparent that when Senator WHEELER made the statement that he had taken the matter up "with parties" he meant that he had taken it up with Solicitor Booth, of the Interior Department. It is noted that this telegram was sent and paid for at ordinary commercial rates, as indicated on the face of the message. If Senator WHEELER had sent it in his official capacity as United States Senator, it would have gone at Government rates and been paid for as such.

In response to this telegram and on the same day, namely, March 14, Campbell replied as follows:

> Please advise when you expect to return; believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor, and I can come to Washington and discuss matter with him with view to satisfactory settlement even during your absence. Feel this permit should have prompt attention. Choteau well looking best.

This telegram again and more emphatically corroborates the testimony of Glosser and Rhea, and would indicate to the grand jury that Senator WHEELER's services in Washington in connection with these permits were within the scope of his employment.

Then follows Senator WHEELER's reply of the same date, as follows:

> Have already discussed permit with solicitor, but did not have number. Wire that to me and I will arrange to have you see him in person if you come here.

Again, on the same day, Campbell replies to this last telegram, giving number of the permit requested, and concluding—

> will be glad to see solicitor, Washington, any time convenient.

The purpose and effect of these telegrams is so clear that comment is unnecessary. It is important, however, to bear in mind that by means of these telegrams it was arranged that while Senator WHEELER should be in Europe, Campbell was to come to Washington and personally handle the matters directly with Solicitor Booth, and it is obvious that Senator WHEELER had arranged with Booth to meet Campbell and to give him more than ordinary consideration.

It next appears from the documentary evidence that Campbell came to Washington and on April 7 was in the office of Solicitor Booth discussing the various permits in which Campbell claimed an interest. On that date Booth wrote a letter, making several copies. The letter was addressed to Mr. L. V. Beaulieu, Helena, Mont., and Mr. James T. Baldwin, Butte, Mont., and copies were sent both to Mr. Beaulieu and to Mr. Baldwin, and another copy was sent to Senator WHEELER at his Washington office. Beaulieu was one of Campbell's attorneys, and Baldwin was Senator WHEELER's law partner at Butte. This letter mentions the fact that it was dictated in the presence of Mr. Campbell and gives in great detail all the steps necessary to be followed in order to perfect the titles to the permits mentioned, which are six in number, including both the Phil MacGowan permit and the Lincoln permit.

It is strange, indeed, that a high official of the Interior Department should write a letter of this character and then at the end of it add the clause, "This is only my unofficial view." But a fair inference from the whole letter and the mailing of copies to the persons named, is that Booth regarded the firm of Wheeler & Baldwin and Senator WHEELER personally as interested in all the steps taken and to be taken in perfecting the titles to these permits. It was Senator WHEELER who first enlisted Booth's interest in the matter.

Following this letter to Booth, the record contains a number of letters between Baldwin at Butte and Beaulieu at Great Falls, in regard to Booth's letter and also specific acknowledgment by Baldwin to Booth of the receipt of the letter of April 7. The inference is unescapable that the matters in Washington relating to these permits were being handled in Senator WHEELER's absence by his partner Baldwin and his friend Booth.

Following this exchange of correspondence, the record contains a number of letters dated May 2, from Beaulieu to Booth, each of which inclosed certain documents relating to the various permits, in compliance with specific suggestions made by Booth in his letter of April 7, for the purpose of clearing the titles to them.

Meanwhile, however, and on April 14, Booth again enters the picture with a letter to Campbell inclosing copies of a protest made by one Stevenson against the assignment to Rhea of the Phil MacGowan permit, which shows the interest manifested by Booth in Gordon Campbell's affairs, and the conclusion may well be drawn that Senator WHEELER had left behind him an able representative during his absence in Europe.

On May 4 Campbell sent to Booth a telegram and a letter of confirmation in which, in the plainest terms, he refers to a previous conversation in which he had offered a bribe to Booth, and specifically repeating the offer. This not only gives a fair indication of Campbell's character and his business methods, but again confirms and corroborates the testimony of Glosser and Rhea, to the effect that the MacGowan permit, which was the subject of the May 4 letter, as well as of the conference in the Rainbow Hotel, was a matter of grave concern. Campbell showed his willingness, notwithstanding any agreement to pay Senator WHEELER $10,000 for these or for these and other services, to pay to Booth and to any other official of the Department of the Interior whom he might be able to corrupt an additional premium to secure results. It is further to be observed that both Booth and Senator WHEELER testified to the long acquaintance and friendship each with the other, and that the evidence indicates that for the purpose of perfecting these dubious titles Mr. Booth was the man who had been selected for the purpose by Senator WHEELER.

That Booth listened with interest and sympathy to Campbell's corrupt offer is evidenced by his telegram to Campbell of May 5, and by his letter of May 19, at which times Booth had left the Department of the Interior and was with the Department of Justice, but apparently having so recently severed his connection with the Interior Department that his influence still obtained.

There are a number of other letters in the record between Campbell on the one hand and both Baldwin and Senator WHEELER on the other which are perhaps significant in illuminating the relationship between them. It seems unnecessary, however, to make further comment regarding the documentary evidence, with the exception of the affidavit of E. M. Harvey, who testified at an early stage of the proceedings before the committee. His oral testimony was of no particular significance because of the limited range of the questions asked him.

The affidavit in question was taken at Great Falls, Mont., on April 6, 1924, and sets forth in considerable detail the circumstances surrounding the employment of Senator WHEELER by Gordon Campbell. Harvey was one of the trustees of the Gordon Campbell Kevin Syndicate, and in that capacity attended a meeting in Great Falls in January, 1923, of the unit holders of that organization. He states that the matter of the defects in the titles to the syndicate properties was discussed at this meeting, and that he was assured by Campbell that immediate steps would be taken to perfect them. He was further informed at that time by Campbell that the firm of Wheeler & Baldwin, of Butte, had been employed to defend a suit for receivership, and that that firm would also attend to the perfecting of these defective titles and would do any and all things necessary for the protection of the unit holders in the syndicate. Harvey states that it was stipulated at this meeting that the firm of Wheeler & Baldwin should receive an annual salary or retainer of $10,000, divided equally between the syndicate and Gordon Campbell individually. He states that he objected to the amount of the salary because he considerd it excessive, but was influenced by the fact that Mr. WHEELER had just been elected United States Senator, and was further influenced by remarks made by Senator WHEELER himself. He says he protested to Senator WHEELER personally, and that the latter replied, in substance, "You people have a great amount of valuable acreage, and if we can save just one 40 acres of that for you, we have paid our salary."

It is apparent from the entire record of this case that the difficulty regarding titles related to the permits and the fair inference from Harvey's statement is that Senator WHEELER in the statement quoted was referring to that subject. This is a further and emphatic corroboration of Rhea and Glosser taken from the statement of an official of Gordon Campbell's company who is obviously an impartial witness.

From the foregoing testimony of Rhea and Glosser, together with the documentary evidence, it would seem clear that the grand jury at Great Falls was justified in returning the indictment against Senator WHEELER; and from the view which has heretofore been expressed in this statement as to the proper functions of the committee it is unnecessary to discuss the testimony of the other witnesses further than to say that this testimony is all contradicted if not refuted by the documentary evidence herein referred to. The testimony of Senator WHEELER himself consists largely of a categorical denial of the charges made in the indictment and a denial of the statements of witnesses, qualified in some important instances by the statement that to the best of his recollection certain statements had not been made or certain things had not occurred.

It is with no sense of pleasure that I have felt impelled to make this minority report. Consulting my own inclinations, I would rather be in a position to exonerate than to charge with wrongdoing. It is only from a sense of duty under the facts as I view them, under the law and under a sound public policy as I interpret them, that I am obliged to dissent from the views of the majority and am persuaded that I would be derelict in the performance of that duty if I did not as a member of the committee give expression to this different view.

In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority have encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government? The action of the majority of the committee in assuming to act as a petit jury to determine the guilt or innocence of the person accused, without the necessary orderly proceedings and restraints of a court of justice to safeguard the rights of the Government on the one hand and of the defendant on the other is altogether repugnant to our ideas of

justice. "Equality before the law" is one of the cherished principles of our free institutions; it must not be violated by recourse to a proceeding which gives to a United States Senator, when charged with an offense, a privilege not enjoyed by the humblest citizen of the land.

Senator WHEELER, having been charged by a Federal grand jury with the violation of a Federal statute, should be remitted to the proper forum where he will have full opportunity to explain, deny, or refute the charges made against him and where the Government likewise, through its counsel, will be accorded the right to present its case in a lawful and orderly way. That forum is the Federal District Court for the State of Montana; and before a jury duly impaneled and sworn to try the case according to the law and the evidence.

Mr. BORAH. Mr. President, I had intended, prior to the coming in of the veto message on the bonus bill, to discuss this matter in full to-day, but as it is understood that we are to take up the other matter at 2 o'clock I shall confine the few remarks I have to make to one particular phase of the question, and the necessity of that is emphasized by the peculiar view which the Senator from South Dakota [Mr. STERLING] takes with reference to the authority of the committee. The committee was acting under this resolution:

> That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

The resolution defining the duties and prescribing the jurisdiction of the committee was brief and specific and it authorized us to report to the Senate the facts in relation to the charges made concerning the indictment. It might have been interesting to the Senate and might have been interesting to all parties who are concerned with reference to the matter had the Senator from South Dakota either undertaken to limit the authority of the committee or to have opposed the resolution entirely upon the grounds which he has stated to-day.

The committee was not authorized to find whether there was probable cause for the returning of an indictment. The committee was not authorized to delay action until the courts of Montana should have acted. The committee was specifically directed to find the facts and report them to the Senate touching the subject covered by the indictment. Indeed, Mr. President, if we had desired to encroach upon the authority of the court or if we had in any way ever sought to interfere with judicial proceedings, we would have accomplished that more perfectly and completely by following the course suggested by the Senator from South Dakota than in any other way.

I would not have sat upon a committee which was authorized to inquire as to whether a grand jury had probable cause for its action. That, in my judgment, is wholly beyond any authority which the Senate could confer upon any committee. That does not concern us at all as we sit here. But whether the facts which are the basis of that charge are sufficient to justify us in saying that the junior Senator from Montana shall or shall not hold his seat in the Senate is a matter the jurisdiction of which is given to this body and to this body alone. Even if a jury in Montana should proceed to the trial of Senator WHEELER and convict him, this body would still have devolving upon it the duty of determining whether or not Senator WHEELER should retain his seat in this body. If a jury in Montana should proceed to acquit him, this body would still have devolved upon it the duty of determining whether or not he should sit as a Senator in this body. But to send a committee of the Senate out to inquire whether or not a grand jury had probable cause for performing its function is a duty which no one who understands the obligations and duties of the Senate would ever think of conferring upon a special committee coming from this body.

The Senator from South Dakota has referred to the fact that some seven or eight witnesses were subpœnaed, as he supposes, at the suggestion of Senator WHEELER, and that we began at the wrong end of the controversy. Instead of inquiring whether or not the grand jury was justified or had probable cause for its action, he complains that we proceeded at once to inquire as to the facts. Now, as a matter of fact, the first thing which the chairman did after he was appointed was to send a telegram to the presiding judge of the court in Montana asking for the minutes of the grand jury proceedings, the names of the witnesses, and the documentary evidence which had gone before the grand jury. Some of the witnesses were suggested by Senator WHEELER, some of their names came from other sources, and from the reply to the telegram to which I have referred, and the names of some of the witnesses subpœnaed came from those with whose views the Senator from South Dakota is more in sympathy, from those who were interested in securing all the evidence possible against SENATOR WHEELER.

As chairman of the committee, I subpœnaed every witness, except one, to whom I will refer in a moment, and called for every piece of documentary evidence that was suggested by friend or foe of Senator WHEELER or that was suggested by the Senator from South Dakota. No evidence has been left out of the hearings, and anyone who intimates that there was any partiality anywhere in the proceeding did not follow the proceedings of the committee with any degree of fairness.

We called them all. How did we start? We began with the witness who initiated the making of the contract with Senator WHEELER. Where should we begin to get the facts? Hearsay testimony? That in my judgment was the fault of the grand jury or those who had charge of the proceedings. The men who made the contract, the men who knew the facts, the men who were in a position to know what was said and done when the contract was completed, never were called before the grand jury. As to why I leave to those who had charge of it to say, but it was certainly the duty of the committee to begin at the source of information, with those who knew the primary evidence, and we began with the witness who made the contract and called every witness who was in a position to know any facts concerning it.

So far as Senator WHEELER is concerned, permit me to say here that he did not undertake for a moment by suggestion or otherwise to limit the investigation in any respect whatever. When a piece of testimony was suggested from any source which might be or was supposed to be against him, Senator WHEELER was just as anxious to give the chairman of the committee the means of securing it and the witnesses as he was those whom he first suggested. If he has any consciousness of guilt, he certainly did not disclose it in the methods which he pursued in enabling the committee to get all the facts from whatever source, prejudiced or otherwise, that might come, and so we did.

Upon to-morrow, if we are through with the bonus bill, I shall take up the witnesses, beginning with the man who made the contract, those who were next in the contract, those who were interested in it, and follow it down to the end. In my opinion I shall be able to show, not by my interpretation of the evidence, not by a construction placed upon it by reading it as in the third person, but by reading the evidence itself to the Senate, that Senator WHEELER never at any time violated either the law or the spirit of the statute.

Now, I want to call attention to just one witness to show how utterly unfounded, as it seems to me, are the conclusions drawn by the Senator from South Dakota. But I digress for a moment. There was one witness, a man by the name of Paul, whose name was given to me. I called him over the telephone. He is a clerk at a hotel here. He told me that he had absolutely no knowledge concerning the matter in any way, shape, or form; that he did not know Gordon Campbell, did not know Senator WHEELER, did not know anybody else.

Mr. STERLING. Mr. President——

Mr. BORAH. Just wait a moment. I concluded that he was being called because somebody had approached him and asked permission to get a room next to the room where Blair Coan and his coterie of witnesses were staying, for the purpose, presumably, of spying upon them and listening to them. That kind of a transaction did not concern me in the least.

Mr. STERLING. Mr. President, just one word. Mr. Paul, or whatever his name was, was not called to the stand. I never saw him, never had a word with him in my life, and as to what he would have testified to I do not know.

Mr. BORAH. I only know what he said to me.

Mr. STERLING. His name was given to me. It was known that the committee might soon adjourn and the investigation be ended, and it was suggested to me that that name might be put down as one of the witnesses whom we might want to call. I never called him.

Mr. FLETCHER. I desire to make an inquiry of the Senator regarding the statement which is published in the National Republican of May 10. George B. Lockwood, secretary of the Republican National Committee, on last Monday issued the following statement:

> The convincing documentary evidence in the possession of the Department of Justice, within a short distance of the Capitol, has never even been looked at by the Senate committee engaged in investigating the case, and little of the oral evidence has reached the public. Witnesses who admit they know nothing of the facts have been heard in behalf of the defense, while those who do know have been heard in part only, under hostile questioning.

Mr. BORAH. My answer to that, Mr. President, is that, as I said a moment ago, when I was appointed chairman of the committee I telegraphed immediately to the judge and asked him for this documentary evidence. I think we were appointed on the 10th day of April, and if that is so the telegram was sent the next day. I received an answer from the judge stating that the documentary evidence had been impounded. I did not ask for the original evidence, but asked for a copy of it. I myself do not know of any reason why we should not have had a copy of the impounded evidence. Had I asked for the original there might have been a just reason for refusing it, but I asked for a copy, and I did not get the copy. The judge simply stated that it had been impounded, and he thought he could not go any further.

I came to the conclusion, however, that we would be able to get practically all the testimony that was in the documents from other sources, because we had copies of some of the telegrams and some of the letters. Then, later, on the motion of the Senator from Virginia [Mr. SWANSON], I addressed a letter to the Attorney General, asking him if he could secure us this documentary evidence. The Attorney General came to see me and stated that he did not have the original evidence, that he did not feel like interfering with the authority of the court, but that he had photostatic copies, which he would be glad to furnish, and he did so. They are all in the record, every one of them; there is nothing left out.

There is a great deal in the record in that documentary evidence, which, in my opinion, is pure hearsay, so far as Senator WHEELER is concerned; but it was permitted to be put in, because I thought, under all the circumstances, it had better, perhaps, be in the record for discussion.

So, Mr. President, all the witnesses have been called, and all the documentary evidence has been secured. It is all here; it is all printed; and it can be had by Senators whenever they want it.

I want to read the testimony of Mr. Rhea, because he has been relied upon as the star witness, and seems to be the witness upon whose testimony the Senator from South Dakota [Mr. STERLING] bases his argument that there was quite enough to show probable cause for the grand jury's action. Mr. Rhea testified as follows:

> The CHAIRMAN. Do you know Senator BURTON K. WHEELER?
>
> Mr. RHEA. I met him once.
>
> The CHAIRMAN. When was that, Mr. Rhea?
>
> Mr. RHEA. About January 15, 1923.
>
> The CHAIRMAN. Where was the place of meeting?
>
> Mr. RHEA. In the Rainbow Hotel, Great Falls, Mont.
>
> The CHAIRMAN. Who were present?
>
> Mr. RHEA. Senator WHEELER, Gordon Campbell, H. C. Glosser, and myself—

Upon the morrow I shall compare the testimony of Mr. Glosser and Mr. Rhea, who both narrated the same conversation. I have not time to do it to-day—

> and there was another gentleman came to the room, but only stayed just a minute, and I am not sure but there were two—L. P. Jackson and John Cooper. I might be mistaken. There might have been only one of them.
>
> The CHAIRMAN. Did they take part in the conversation, or stay during the conversation?
>
> Mr. RHEA. They did not.
>
> The CHAIRMAN. Who were present, then, as you say, and took part in the conversation?
>
> Mr. RHEA. Mr. Campbell, Mr. Glosser, Senator WHEELER, and myself.
>
> The CHAIRMAN. This was on the 15th day of January, 1923?
>
> Mr. RHEA. 1923; about that date. I am not positive as to that date.
>
> The CHAIRMAN. Did you hear Mr. Glosser testify?
>
> Mr. RHEA. Well, part of it. I could not hear much. I was in the back of the room.
>
> The CHAIRMAN. Is that the date to which he referred, the same date to which you are now referring?
>
> Mr. RHEA. Yes, sir.
>
> The CHAIRMAN. And the same conversation?
>
> Mr. RHEA. Yes, sir.
>
> The CHAIRMAN. You may state what, if anything, was said in this conversation with reference to any employment of Mr. WHEELER with reference to the business matters of Mr. Campbell.
>
> Mr. RHEA. At this particular meeting?
>
> The CHAIRMAN. Yes; we are just disposing of this meeting now, at this time.
>
> Mr. RHEA. I can not just state the exact conversation, although it was understood that——
>
> The CHAIRMAN. Now, state what he said. Of course, your understanding and somebody else's understanding might be different, you know, so that we would like to have the statement of facts.
>
> Mr. RHEA. I can not say that Mr. Campbell said at that particular time that Senator WHEELER was employed, in that much language.
>
> The CHAIRMAN. Can you recall, so as to be definite as to the conversation, what was said in regard to the matter of his employment at that time? Do you recall the conversation?
>
> Mr. RHEA. Yes, sir.
>
> The CHAIRMAN. Now, state what was said in the presence of Mr. WHEELER?
>
> Mr. RHEA. The main conversation between Mr. Campbell and Mr. WHEELER and myself was in regard to the Phil MacGowan permit. Mr. Campbell said that Senator WHEELER, on his arrival in Washington, would be able to put this permit through—get it approved.
>
> The CHAIRMAN. What did Mr. WHEELER say?
>
> Mr. RHEA. He did not reply anything, except he said that we did not need to worry, that this would all be taken care of when he got back here.
>
> The CHAIRMAN. Now, this is the same conversation which you say Mr. Glosser was present at?
>
> Mr. RHEA. Yes, sir.
>
> The CHAIRMAN. State any further conversation that was had between Mr. WHEELER and Mr. Campbell and yourself and Mr. WHEELER and Mr. Campbell.
>
> Mr. RHEA. Mr. Campbell and Mr. WHEELER talked in regard to some other permits that he had in the Kevin field, but I did not pay a great sight of attention to those, because I was not interested.
>
> The CHAIRMAN. Were you interested in the MacGowan permit?
>
> Mr. RHEA. I was, sir.
>
> The CHAIRMAN. To what extent, and how?
>
> Mr. RHEA. It belonged to me.
>
> The CHAIRMAN. It did belong to you?
>
> Mr. RHEA. Yes, sir.
>
> The CHAIRMAN. Did you have any talk with WHEELER yourself?
>
> Mr. RHEA. Not any more than in the presence of Mr. Campbell and Mr. Glosser, as I have stated.
>
> The CHAIRMAN. You have not stated, yet, anything that you said, at all. Did you say anything?
>
> Mr. RHEA. Yes.
>
> The CHAIRMAN. What did you say?
>
> Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it. I believe that was the exact language.
>
> The CHAIRMAN. Was that in the presence of WHEELER?
>
> Mr. RHEA. Yes, sir.
>
> The CHAIRMAN. What did WHEELER say to that?
>
> Mr. RHEA. He did not reply, that I remember.
>
> The CHAIRMAN. Was he taking part in the conversation?
>
> Mr. RHEA. He had been, right along.
>
> The CHAIRMAN. Did he not make any reply when the question of slicing the matter was discussed?
>
> Mr. RHEA. I do not think he said a word.
>
> The CHAIRMAN. Now, have you stated all that you said in this conversation with Mr. WHEELER?
>
> Mr. RHEA. Not exactly.
>
> The CHAIRMAN. State it all, Mr. Rhea.
>
> Mr. RHEA. Gordon Campbell in this talk—I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.
>
> The CHAIRMAN. Go ahead.
>
> Mr. RHEA. I believe that was all of it.
>
> The CHAIRMAN. What I am trying to find out, Mr. Rhea is what you said, if anything, to WHEELER.
>
> Mr. RHEA. I did not say anything to Senator WHEELER in regard to taking any part.
>
> The CHAIRMAN. Did he say anything to you?
>
> Mr. RHEA. Yes; he says, "You don't need to worry. On my arrival in Washington this will all be taken care of."
>
> The CHAIRMAN. He said that to you instead of to Campbell, did he?
>
> Mr. RHEA. He said it to both of us.
>
> The CHAIRMAN. Was it said in response to anything that you said to him?
>
> Mr. RHEA. Well, I can't say. That is a long time ago, you know. A man can't remember just the exact words.
>
> The CHAIRMAN. I am trying to get your best recollection, that is all.
>
> Mr. RHEA. You have got it.

The CHAIRMAN. It seems so. The next conversation that you had with Mr. WHEELER was where?

Mr. RHEA. I have never had any.

The CHAIRMAN. That was the last?

Mr. RHEA. Yes.

The CHAIRMAN. Did you ever write to Mr. WHEELER?

Mr. RHEA. I did not.

The CHAIRMAN. Or telegraph him?

Mr. RHEA. No, sir.

The CHAIRMAN. Have you any communication from him?

Mr. RHEA. I have not.

The CHAIRMAN. Did he ever appear for you as an attorney in any way?

Mr. RHEA. He did not.

The CHAIRMAN. Did you ever employ him in any way?

Mr. RHEA. No, sir.

The CHAIRMAN. Did you ever pay him any compensation for any services rendered?

Mr. RHEA. I did not; no, sir.

The CHAIRMAN. Did you ever promise to pay him any?

Mr. RHEA. I did not.

The CHAIRMAN. Do you know of your own knowledge that Mr. WHEELER appeared before the land office in Montana in regard to this matter?

Mr. RHEA. I do not.

The CHAIRMAN. Do you have any knowledge of his appearing here in Washington in regard to it?

Mr. RHEA. I was not in Washington.

The CHAIRMAN. All you know in regard to this, then, so far as Mr. WHEELER's relationship to it is concerned, is what you have stated as having taken place there in the Rainbow Hotel on the 15th day of January, 1923?

Mr. RHEA. Well, no.

The CHAIRMAN. Did you have a conversation with WHEELER as to that?

Mr. RHEA. I did not.

The CHAIRMAN. I am speaking now with reference to the knowledge that you have of Mr. WHEELER.

Mr. RHEA. All I have is what I talked to Gordon Campbell.

That relates, I presume, to what the Senator from South Dakota states that Campbell told him.

Again, on page 115, the Senator from South Dakota [Mr. STERLING] interrogating Rhea, asked:

Senator STERLING. Now, with reference to the contest against your claim, the Rhea claim, just what was said, as nearly as you remember?

Mr. RHEA. Well, Mr. Campbell told me that Senator WHEELER just being elected to the United States Senate, that with his influence he figured he could get most anything done through the Land Office that he wanted.

Senator STERLING. Was that, now, said during this conversation?

Mr. RHEA. Yes.

Senator STERLING. And in the presence of Mr. WHEELER?

Mr. RHEA. Yes.

Senator STERLING. And what reply, if any, did Mr. WHEELER make to that?

Mr. RHEA. Not any, that I heard.

Senator STERLING. Was anything said there about any compensation to be paid Mr. WHEELER for attending to the matter of this contest, or in the event of his success?

Mr. RHEA. Yes.

Senator STERLING. What?

Mr. RHEA. Mr. Campbell said to me that if this permit was put through, and if we got through with the deal which was then pending, we could afford to give Senator WHEELER quite a good slice out of it.

Senator STERLING. And Mr. WHEELER heard that statement?

Mr. RHEA. He must have. He was sitting within 2 or 3 feet of us.

Senator STERLING. And what reply, if any, did he make?

Mr. RHEA. Not any.

I quote further from page 119:

The CHAIRMAN. Do you know whether Mr. Beaulieu took this matter of the MacGowan permit up with a man by the name of Feely here in Washington?

That is the permit which they were discussing—

Mr. RHEA. Well, after Mr.—let me see. He took it up with some one. He had some one here that he was corresponding with in regard to them.

Senator CARAWAY. What was the name of your permit, Mr. Rhea?

Mr. RHEA. The Philip MacGowan permit.

The CHAIRMAN. The Philip MacGowan permit?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Do you recall the number of that permit?

Mr. RHEA. I do not; no, sir.

I quote further from page 120:

The CHAIRMAN. Very well. Do you know the name of the attorney with whom Mr. Beaulieu corresponded here in Washington, or the firm name?

Mr. RHEA. I can not tell you. Mr. Beaulieu told me he was corresponding with some one here, and he may have told me at that time. That name "Feely" sounds familiar. It might not have been him, although it might have been him.

The CHAIRMAN. At any rate, you continued to do business through your attorney, Beaulieu?

Mr. RHEA. Absolutely. It was Mr. Beaulieu all the way.

The CHAIRMAN. And whatever Mr. Beaulieu did with reference to that MacGowan permit, he was acting as your attorney?

Mr. RHEA. Yes, sir; and I paid him for doing the work.

The CHAIRMAN. That is all.

Mr. President, construing the Rhea testimony in the most disadvantageous light possible to Mr. WHEELER, what happened? Mr. Rhea owned a permit known as the Philip MacGowan permit, which was not Mr. Campbell's permit at all. One day in the office of Mr. Campbell, Mr. Campbell made the statement in the presence of WHEELER that Mr. WHEELER had been elected Senator, and if he could get this thing straightened out we could afford to give him a good slice of it. Mr. WHEELER made no reply. Mr. Rhea immediately said, "I do not want Mr. WHEELER; I have an attorney of my own"; in other words, "I am not employing Mr. WHEELER." Mr. WHEELER made no statement in regard to it at all, but simply, apparently, if he heard it, listened to a conversation between Campbell and Rhea, in which Campbell seemingly wanted him to employ Mr. WHEELER and Mr. Rhea says, "I do not want him."

There the matter ended. He had his own attorney. The evidence shows that Mr. Beaulieu took up the matter through a Washington attorney; that the MacGowan permit was straightened out through a Washington attorney, and that Mr. Rhea paid his attorney, Beaulieu, for performing the services; and there we have the evidence, Mr. President, upon which it is claimed that WHEELER practiced before the Land Office at Washington.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. BORAH. I yield.

Mr. STERLING. It is not understood, and the claim never has been made, that Mr. WHEELER was a registered attorney there, an attorney of record, in the matter of any of these permits at all; but the contention is made that he used his influence, without appearing to be as of record an attorney for anybody. That was not necessary.

Mr. BORAH. Mr. President, every western Senator, particularly, goes to the Land Office and to the Interior Department almost every day of every week of the year. We go there for the purpose of having matters straightened out, if we can, for our constituents. When I came here, 79 per cent of my State was under the domination of the Federal Government. We were practically a colony; and every citizen who comes in contact with the Federal Government telegraphs to his Senator or Representative. There is no law upon the statute books which prevents any man from doing that. The only crime that is defined in the statute is the agreement to accept payment for it, or the acceptance of payment for it. This testimony of Mr. Rhea shows that Mr. WHEELER never had any agreement to accept payment, never accepted payment, never was employed, and never asked to go before the Land Office; and that is the testimony upon which they propose to convict Mr. WHEELER of practicing before the department.

Mr. STERLING. I just wish to say, Mr. President, if the Senator will permit an interruption, that that is not all of the testimony by any means. Reliance is not had, so far as that is concerned, upon the testimony of Mr. Rhea alone upon that particular point.

Mr. BORAH. I call attention to Mr. Rhea because he is altogether the most direct witness, and apparently the one upon whom they rely. To-morrow I shall discuss Mr. Glosser's testimony, which is even more flimsy than that of Mr. Rhea.

Now, Mr. President, just a word more, and I am not going to detain the Senate to-day. I only read that to show what a difference it makes when you read the testimony yourself and when you hear a construction placed upon it by some one else.

I read, Mr. President, the testimony of Governor Spry, at page 71 of the record. Governor Spry is the Commissioner of the Land Office, and I pause to say, Mr. President, that

Governor Spry is a pretty strong partisan, but all who know him know that neither partisanship nor anything else would induce him to color his testimony in the slightest. He has been twice governor of his State, and is a man of commanding character and unquestioned integrity. To-morrow, when I come to discuss this question, if I reach it to-morrow, I shall ask the Senate to consider the fact that the disinterested witnesses, the witnesses who can have no interest in this matter, the men who stand separate and apart either from prejudice or bias for one reason or another, may be taken of themselves and alone, and Mr. WHEELER could rest his case absolutely upon their testimony.

Mr. Spry testified as follows:

The CHAIRMAN. When did you first meet Senator WHEELER?

Commissioner SPRY. It was in the spring, as I remember it, of 1923.

The CHAIRMAN. Where?

Commissioner SPRY. In my office.

The CHAIRMAN. In whose company?

Commissioner SPRY. Solicitor Booth, of the Interior Department.

The CHAIRMAN. Did you have any conversation at that time with Senator WHEELER?

Commissioner SPRY. Just a brief conversation.

The CHAIRMAN. Did it relate to any business matters before the department?

Commissioner SPRY. Only in this way, Senator: After some pleasantry that we exchanged, as I remember it, Mr. Booth said—or, after I had tendered the services of the bureau to Senator WHEELER, as I would to any other Senator, Mr. Booth made the remark—that Senator WHEELER was interested in a certain case of one Gordon Campbell. The Senator replied and said that his interest was only to the extent of seeing that Gordon Campbell got proper treatment and a fair deal. I assured him that that would be accorded him, as we accorded to everybody else. That is the extent of the conversation. I do not think either one of the gentlemen stayed long enough to be seated.

The CHAIRMAN. Did you afterwards meet Senator WHEELER?

Commissioner SPRY. I have met him incidentally once or twice since then.

The CHAIRMAN. Is that the only appearance that Senator WHEELER has ever made in your department?

Commissioner SPRY. No; the Senator has been there once or twice since, in the Land Office. I do not know about the department.

I have had some correspondence, of course, with the Senator, as I do with all Senators and Representatives.

The CHAIRMAN. Has the Senator ever appeared in the department before you or in your office with reference to any of these controversies with reference to these permits that have been referred to, that you know of?

Commissioner SPRY. I do not remember any controversy that the Senator has interested himself in.

The CHAIRMAN. Is there anything further, Commissioner Spry, that you could state that would throw any light upon the relationship, of your knowledge, of Senator WHEELER to any business matters before your department?

Commissioner SPRY. No, sir; so far as I know the Senator has interested himself only as to his constituents.

Senator CARAWAY. That is common with all the Senators, is it not?

Commissioner SPRY. Yes, sir.

Senator CARAWAY. His appearance has been nothing different from that of any other Senator?

Commissioner SPRY. Simply in the interests of their constituents.

The Senator from South Dakota [Mr. STERLING] then asked some questions:

Senator STERLING. Did you have any correspondence with him relative to any of these permits at all that are referred to?

Commissioner SPRY. Not that I recall.

Senator STERLING. You say that the Gordon Campbell business was mentioned when you first saw Mr. Wheeler?

Commissioner SPRY. Yes.

Senator STERLING. When he was introduced to you?

Commissioner SPRY. Yes.

Senator STERLING. And that he expressed himself as interested in Mr. Campbell, and expressed the hope that he would have fair treatment?

Commissioner SPRY. Yes, sir.

Senator STERLING. And you assured him that he would have fair treatment?

Commissioner SPRY. Yes.

Senator CARAWAY. Let me ask you this: He would have gotten the same treatment if Mr. WHEELER had not made that statement?

Commissioner SPRY. Oh, yes; those things come in the natural course of business.

Senator CARAWAY. Certainly; it is just like saying at the close of a letter, "Sincerely yours"?

Commissioner SPRY. Yes, sir.

Upon page 74, I read the following testimony:

The CHAIRMAN. Governor, will your records disclose in all instances in which parties appeared before your department, in regard to any controverted matter, as attorneys?

Commissioner SPRY. Yes; every attorney notes his appearance, or his appearance is noted upon the record—the individual record.

The CHAIRMAN. If a party should appear in the capacity of an attorney before your department with reference to any matter, either he would cause himself to be recorded or you would make a note of it?

Commissioner SPRY. He would cause it himself to be recorded and it would be recorded upon the case, so that as to any future action that might be taken the attorney could be notified direct from the office.

The CHAIRMAN. Have you caused your records to be searched or surveyed to see whether or not Mr. WHEELER had ever appeared as attorney in any way before your department?

Commissioner SPRY. I do not know that we have gone into the matter specifically on Mr. WHEELER's account. I think not.

The CHAIRMAN. If you, before these hearings close—which I trust will not be long—can have that matter ascertained and if you find there is any communication on the record at any place with reference to his appearing at any time, will inform us, we will be obliged.

Commissioner SPRY. Certainly.

Later, Governor Spry sent in this letter, a single paragraph of which I will read:

DEPARTMENT OF THE INTERIOR,
COMMISSIONER OF THE GENERAL LAND OFFICE,
Washington, April 30, 1924.

Hon. WILLIAM E. BORAH,
United States Senate.

MY DEAR SENATOR: Pursuant to my promise to you a few days ago, I have to advise you that a search of the records of this office fails to disclose any appearance as attorney in public-land cases in the name of Hon. BURTON K. WHEELER.

Then the letter proceeds to discuss other subjects.

Mr. President, without taking too much of the time to-day, I will state that in the first part of January and February, 1923, Mr. WHEELER was employed by Gordon Campbell to look after a large amount of litigation in the State of Montana, some 19 or 20 lawsuits. At one time, I believe they stated, he had as high as 40 lawsuits. He was developing an oil field, and every western Senator knows that when a mining region or an oil field is discovered, it never amounts to anything until it gets thoroughly into litigation. They had some 30 or 40 lawsuits at one time, 19 or 20 of importance. Mr. Campbell desired to employ Mr. WHEELER. We will disclose by testimony, which in my judgment is not interested, that when they went to employ Mr. WHEELER he told them that he would attend to no matters except those which related to the litigation in Montana; that Mr. Gordon Campbell had another attorney, his regular attorney—he might be called his office attorney—by the name of Beaulieu; that Mr. Beaulieu attended to the permit titles, and to the questions which related to the titles; that that was particularly, apparently, his business as his attorney, although he took part in other matters; and that Mr. WHEELER did appear in this State litigation.

When Mr. WHEELER came on here to Washington it is true that he called upon Mr. Booth, the details of which I will go into to-morrow; but Mr. Beaulieu took up all these permits with a Mr. Feely, a Washington land attorney, and the entire matter was straightened out and dealt with between Mr. Beaulieu and Mr. Feely, and both Mr. Beaulieu and Mr. Feely—certainly men who would have no occasion to warp their testimony—testified that Mr. WHEELER never was consulted in regard to the land titles here in Washington, or before the Land Office, and that he was not advised with, and had nothing whatever to do with them.

Mr. President, to my mind this record is perfectly clear and unimpeachable upon the proposition that Mr. WHEELER was employed in good faith to attend to matters of litigation in the State of Montana; that he with care and caution pursued that course, and that matters which he could not properly attend to by reason of the statute were from the first eschewed, disregarded, and denied; that they were turned over to land attorneys; that the land attorneys attended to them; and, as we said in our report, that he observed not only the letter but the spirit of the law.

Mr. STERLING. Mr. President, just one word.

I shall perhaps have something to say after the Senator from Idaho has presented the case more at length, as he proposes to do, but I want to read just a little bit further from the

testimony of Governor Spry, because it is significant; and the Senator from Idaho, having put into the RECORD much of Governor Spry's testimony, I think it is fitting that this excerpt also should go into the RECORD.

Immediately following the last question asked Governor Spry by the chairman of the committee I asked him as follows:

Senator STERLING. Governor, there might be correspondence with others in the land office, in the bureau there, between heads of divisions of the bureau and some one outside, that you would not know about?

Commissioner SPRY. Of course, the heads of divisions are not allowed to receive any correspondence relating to the work of the office. All communications are addressed to the commissioner and referred by the commissioner to the division where the work is undertaken.

I hardly know how Governor Spry could say that all these communications are addressed to the commissioner. He knows that certain ones are addressed to the commissioner, of course, and referred to the proper heads of divisions, and so forth.

I read a little further:

Senator STERLING. What was Mr. Booth's position at the time that he introduced Mr. WHEELER to you?

Commissioner SPRY. Mr. Booth at that time, as I remember it, was Solicitor of the Interior Department.

Senator STERLING. Just what were his duties as solicitor?

Commissioner SPRY. To pass upon the legal questions of the department, which includes all of the bureaus connected with the department; not necessarily the Land Office.

Senator STERLING. Could there have been correspondence between Mr. WHEELER or Mr. Campbell and Mr. Booth, and which was not brought to your attention or knowledge?

Commissioner SPRY. Oh, yes.

Senator STERLING. That is all.

The CHAIRMAN. That is all.

Mr. CARAWAY. Mr. President, without discussing the so-called Wheeler case at any length, I want to make one observation: I am a member of the committee appointed to investigate the Wheeler case, as is the Senator from South Dakota [Mr. STERLING]. We were appointed under the resolution which was read a moment ago, in which we were empowered and directed to inquire into but one question, and that was as to the facts with reference to Mr. WHEELER's relation to a transaction in Montana that led to an indictment. I shall read the resolution again, because I want to comment upon it:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana.

Everyone, whether he is lawyer or layman, knows that the only question under that resolution was whether Mr. WHEELER was guilty of an offense, not whether the grand jury in Montana had been imposed upon by the Republican National Committee. No man could go on that committee with any other idea in view than of passing upon that question, and I want to say—and the record will bear me out—that from beginning to end that was the only question inquired into. For the Senator from South Dakota now to contend that that was not a proper question, and was not a question upon which the committee was to report, is going outside of the record for a statement, because, whatever he may say to the contrary, he knew that was the only question he was empowered to inquire into; and if he did not mean to do it, he should have then said, "I will not accept an appointment as a member of that committee," because that was the only question he had been directed to investigate.

To show that he knew it, and that this other is an afterthought, every page of the record shows that the evidence was directed to that one purpose and that one purpose only, and the Senator from South Dakota never undertook to propose the theory which he now presents to the Senate, that we were inquiring into whether the grand jury had probable cause for indicting Senator WHEELER.

Mr. STERLING. Mr. President——

Mr. CARAWAY. I yield.

Mr. STERLING. Did I not state at the executive meeting of the committee that that was the theory on which I thought the committee should consider this case before making its report?

Mr. CARAWAY. Oh, yes; after the evidence was all in, after the case was concluded, for the first time the Senator from South Dakota said, "I do not want to report on that question." If the Senator wants to go into what occurred in the executive meetings, I hope he will do it, and when he does it I purpose to do it also. There was no evidence as to that, no evidence was offered, none was asked for, and the Senator knew he had not directed his inquiry to that question. He knew there was not a line of evidence along that line. He knew that the committee had no power to make such an inquiry, and that was the first time he ever suggested that he was going to discuss that theory.

Mr. STERLING. Did not the question of ascertaining whether the grand jury had reasonable cause to believe the defendant guilty of the matter charged involve an inquiry into at least some of the facts?

Mr. CARAWAY. No; there is not a line of it. The only time it was offered to inquire into what was before the grand jury the Senator from South Dakota objected to it—would not hear it.

Mr. STERLING. No; the Senator from South Dakota objected to what was palpably a wrong thing to do——

Mr. CARAWAY. Of course! The question was as to what the grand jury acted upon, and the Senator objected to it.

Mr. STERLING. The proposition was made, Mr. President, that we find out from members of the grand jury who were here as to how many ballots the grand jury took.

Mr. CARAWAY. Yes; and the Senator's language is in the record, that we had nothing to do with it.

Mr. STERLING. Yes——

Mr. CARAWAY. And he never suggested that we have anything to do with it.

Mr. STERLING. Of course, I would object to that in any proceeding.

Mr. CARAWAY. Of course the Senator would, because the idea of making this alibi had not then been suggested to the Senator.

Incidentally, since we are going to discuss that sort of thing—and we are going to do it at length—the Senator sat there in the committee with records handed to him by somebody, and would not even reveal the source from which he got his information.

Mr. STERLING. Will the Senator name one?

Mr. CARAWAY. I will read the Senator's exact language.

Mr. STERLING. The affidavits of Rhea and Glosser? Does the Senator refer to them?

Mr. CARAWAY. I will read the Senator's own statement. He evidently does not know anything about what he did.

Mr. STERLING. I wish the Senator would.

Mr. CARAWAY. I will read from page 55 of the second volume of the printed hearings. Beaulieu was before the committee and was testifying, and the Senator from South Dakota, who acted as if he thought he was employed on the other side—I do not say he was, but I say he acted as if he were—was heckling him as you would heckle a witness in a police court, and reading from a document.

Mr. STERLING. From what page is the Senator reading?

Mr. CARAWAY. I am going to read on page 55. Of course, I presume after a while the Senator will state that the record does not recite the facts. We were talking about Rhea:

Senator STERLING. He got that assignment from Mr. Campbell, did he not?

Mr. BEAULIEU. I do not remember that he did.

Senator STERLING. Do you know whether there was more than one assignment of that MacGowan lease?

Mr. BEAULIEU. I do not know.

Senator STERLING. By Mr. Campbell?

Mr. BEAULIEU. I do not know whether Mr. Campbell ever made an assignment of it or not.

Senator STERLING. You do not know whether he made an assignment?

Mr. BEAULIEU. I do not know. I do not remember.

Senator STERLING. Might there have been an assignment and you not know of it?

Incidentally, that "might there not have been something you did not hear" was the way the Senator was trying to convict some one, in the testimony, of doing something—that some one might have written a letter to the department which Governor Spry did not know about.

Who ever heard, in a civilized country, of putting on the defendant the burden of proving a negative, to prove that he did not write a letter, that somebody might have gotten a letter that nobody ever heard of? Yet that is as fair as he was from the beginning to the end of this whole controversy.

Mr. BEAULIEU. I do not know. I do not remember.

Senator STERLING. Might there have been an assignment, and you not know of it?

Why should you ask a witness that? Of course, if he did not know about it, he could not testify about it. Everybody knows that but the Senator from South Dakota, and he evidently never suspected it.

Mr. BEAULIEU. There might have been.

Of course, everybody knows there might have been something. Maybe the Senator knows, but he has not told; I do not know.

Senator STERLING. Do you know anything about a letter written by Mr. Booth of the land office to WHEELER and Baldwin, giving a list of nine claims of Gordon Campbell Kevin Syndicate No. 1, and giving a description of each permit, and what should be done to straighten matters out at the land office?

The CHAIRMAN. Mr. STERLING, if you have that letter, we think it ought to be produced.

Everybody knows that except the Senator from South Dakota. The Senator from South Dakota said:

I am asking him if he knows anything about it.

The CHAIRMAN. I know; but you are asking for the contents of a letter. Now, we want the letter.

Who is trying suppress evidence?

Senator STERLING. I think perhaps you can have it.

Perhaps we may. Perhaps we can have it if he decides later on that we may.

The CHAIRMAN. That is just what we want.

Senator STERLING. I can not produce it right now, but during the course of these proceedings.

Mr. BEAULIEU. Now, there was some letter written by some one, I am not sure whether Mr. Feely or Mr. Booth or who wrote it, I remember, naming some permits; but I would not say, without seeing it, whether it was addressed to them, or to whom it was addressed. It is possible it was. I do not remember.

Senator CARAWAY. You did not receive it?

Mr. BEAULIEU. I may have received a copy of it.

Senator CARAWAY. It was not addressed to you?

Mr. BEAULIEU. I do not think it was. Now, I might be wrong on that. I do not think it was.

Senator STERLING. But you remember having heard something about such a letter?

"Heard about it"; not that he saw it, not that he knows what its contents are, but "You remember hearing some whisper somewhere on the street about such a letter?"

Mr. BEAULIEU. Yes; I do.

Senator STERLING. Do you know anything of a letter written by Mr. Campbell in which he suggested that he would give the lease rights to 40 acres of the land, worth $26,000—

That from a man who loves competent evidence—

The CHAIRMAN. Wait a moment. You are asking for the contents of a letter.

Senator STERLING. I am describing the letter. I am characterizing the letter.

When a man at one time reads law and is examined and has a license to practice law he knows that if he has a letter he ought to produce it. You would not try a nigger for selling whisky and hold a letter and ask him if he had not written such a letter or had not heard about such a letter. The Senator said, "I am characterizing the letter." He was characterizing more than a letter. I continue reading:

The CHAIRMAN. You are asking for the contents of a letter, and I insist that that letter be produced, if you have it; and so far as I am concerned as a member of this committee, I am not going to permit primary evidence to be produced in this way. You ask for the contents of a letter. You evidently have the letter, or you would not know what the contents of it are.

Senator CARAWAY. I would suggest that when any member of this committee is furnished anything, it ought to be furnished to the whole committee. If any information is furnished to any member of the committee, the whole committee must have it.

Senator STERLING. I have not seen any such letter.

Senator CARAWAY. The Senator has a memorandum. Would he mind producing that?

As the Senate will see, he was there reading from some paper furnished by somebody, of which he got possession somehow. I read further:

Senator STERLING. I have a memorandum of such a letter.

Senator CARAWAY. Would you mind furnishing it to us?

Senator STERLING. No. I shall mind saying who furnished it to me, of course. That is not material to this inquiry—as to who furnished me this memorandum.

Now, then, I hope the Senator has read it. That is what occurred. He sat there with the information furnished by somebody interested in this case, withheld it from the committee, and asked questions about it.

Of course, I am not the keeper of the Senator's course of conduct. He can disclose his own character by his own acts, and whatever pleases him pleases nobody else but him.

There are a lot of interesting things in this record, Mr. President, which I never expected to discuss, but since now it has become a matter of more or less public information and public curiosity, I am going to discuss it in full, and if the Senator wants to go into the question of probable cause, and who furnished the probable cause, and the conspiracy, and who were the conspirators, and who were the helpers and aiders and abettors of it, I am going to gratify his desire to his heart's content.

TARIFF ON BUTTER

Mr. JOHNSON of Minnesota. Mr. President, I wish at this time to call up the resolution submitted by me last Saturday, and I ask for its adoption.

The PRESIDING OFFICER. The Secretary will read the resolution.

The resolution (S. Res. 226) was read and agreed to, as follows:

Whereas in the general depression from which agriculture has been suffering, particularly in the grain-growing sections of the Nation, some agreeable relief has been experienced from the gradual but marked expansion of the dairy industry; and

Whereas the future of the region hereinabove specifically referred to depends in no small degree upon the growth of that industry to which the soil and climate thereof is peculiarly adapted; and

Whereas, with the sanction and approval of the President of the United States, an effort is being made to finance and promote therein the further development of the dairy industry; and

Whereas during the months of January and February, 1924, butter was imported into the United States amounting to 9,500,000 pounds, almost one-half of the total importations for the year 1923, and the highest monthly average ever recorded, resulting in a rapid decline of the price of that commodity on the New York market until it now commands a price little if any above the cost of production; Therefore be it

Resolved, That the United States Tariff Commission be, and it hereby is, requested forthwith to institute an inquiry under the provisions of section 315 of the act approved September 21, 1922, concerning the cost of the production of butter in the United States and in those countries from which our importations thereof come, and to report its findings to the President of the United States with a view to the increase in the duty on imports of butter should such increase be warranted by the facts found.

AMENDMENT OF INTERSTATE COMMERCE ACT

The PRESIDING OFFICER. The hour of 2 o'clock having arrived the Chair lays before the Senate the unfinished business, Senate bill 2327.

The Senate as in Committee of the Whole resumed the consideration of the bill (S. 2327) to amend section 4 of the interstate commerce act.

The PRESIDING OFFICER. The pending question is on the amendment submitted by the Senator from Idaho [Mr. GOODING] to the amendment reported by the Committee on Interstate Commerce.

ADJUSTED COMPENSATION—VETO MESSAGE

Mr. CURTIS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside. I will state that I make this request for the purpose of calling up the veto message of the President of the United States on the adjusted compensation bill. I do not think the request is necessary, and if it is not granted I shall then ask for the consideration of the bill and veto message under the rule.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. REED of Pennsylvania. Mr. President, I ask the Senator to withhold his request for a moment because I would like to submit a request for unanimous consent that the disposition of the veto message on the bonus bill go over until Saturday of this week. The matter was suggested on last Saturday and two Senators objected, but both of them tell me now that they can arrange it and that that date will be satisfactory to them.

Mr. ASHURST. Mr. President, to save debate I will object to that request. I object to any day other than to-day.

The PRESIDING OFFICER. Objection is made to the request of the Senator from Pennsylvania. Is there objection to temporarily laying aside the unfinished business for the

purpose stated by the Senator from Kansas? The Chair hears none. The Chair lays before the Senate the message from the President of the United States which will be read.

The reading clerk read the message as follows:

To the House of Representatives:

Herewith is returned, without approval, H. R. 7959, a bill "to provide adjusted compensation for veterans of the World War, and for other purposes."

The bill provides a bonus for the veterans of the World War and dependents of those who fell. To certain of its beneficiaries, whose maximum benefits do not exceed $50, this bonus is to be paid immediately in cash. To each of its beneficiaries who are not to receive such immediate cash payments there is to be provided free insurance under a 20-year endowment plan. The face value of each policy will be based upon the military service, the average amount being at least $962, payable at the expiration of 20 years or at death prior thereto. After the lapse of two years the holder of a policy may borrow thereon from banks at reasonable rates of interest. If amounts so borrowed are not repaid by the veteran, the Government is obligated to pay to the banks this indebtedness, which ultimately reduces the maturity value of the policy.

An appropriation of $146,000,000 for the fiscal year 1925 will be required to provide the prorated annual cost of the insurance and to meet cash payments to those not receiving such insurance. This does not include administrative costs, which will amount to approximately $6,500,000 the first year. For the fiscal year 1926 an appropriation of $155,500,000 will be required, and the annual appropriations for the 20-year period will aggregate, according to the lowest estimate, $2,280,758,542. These and the other figures herein are from the Veterans' Bureau, but the Treasury estimates are materially more.

That part of the annual appropriation not required to meet the cash bonus or to pay policies maturing on account of death will be invested in Government bonds. The face value of the bonds thus acquired plus the interest thereon reinvested will equal during the 20-year period the maturity value of the insurance policies, aggregating at the lowest estimate $3,145,000,000.

The money spent for the acquisition of these bonds manifestly can not be spent for any other purpose, no matter how urgent our other requirements may be. In other words, we will be committing this Nation for a period of 20 years to an additional average annual appropriation of $114,000,000. This of itself should require most serious reflection, but if we are to have such commitment it should be in some form which would be in harmony with recognized principles of Government finance. The provisions of this bill are not so in harmony. Under it the Government will not have in the fund in 1945 two and a half billions of dollars. All it will have will be its own obligations, and it will owe two and a half billions of dollars cash. It will then be necessary to sell to the public this two and a half billions of bonds—a major operation in finance which may be disastrous at that time and may jeopardize the value of Federal securities then outstanding.

We have no money to bestow upon a class of people that is not taken from the whole people. Our first concern must be the Nation as a whole. This outweighs in its importance the consideration of a class, and the latter must yield to the former. The one compelling desire and demand of the people to-day, irrespective of party or class, is for tax relief. The people have labored during the last six years under a heavy tax burden. This was necessary to meet the extraordinary costs of the war. This heavy assessment has been met willingly and without complaint. We have now reached a financial condition which permits us to lighten this tax burden. If this bill becomes law, we wipe out at once almost all the progress five hard years have accomplished in reducing the national debt. If we now confer upon a class a gratuity such as is contemplated by this bill, we diminish to the extent of the expenditures involved the benefits of reduced taxes which will flow not only to this class but to the entire people. When it is considered that less than $40 a year would pay for the average policy provided by this bill, there is strong ground to assume that the veterans themselves would be better off to make that small payment and be relieved of the attendant high taxes and high living costs which such legislation would impose on them. Certainly the country would. We have hardly an economic ill to-day which can not be attributed directly or indirectly to high taxes.

The prosperity of the Nation, which is the prosperity of the people, rests primarily on reducing the existing tax burden. No other action would so encourage business. No other legislative enactment would do so much to relieve agriculture. The drastic executive campaign for economy in Government expenditure has but one purpose—that its benefits may accrue to the whole people in the form of reduction in taxes. I can not recede from this purpose. I am for the interests of the whole people. The expenditures proposed in this bill are against the interests of the whole people. I do not believe they are for the benefit of the veterans.

The running expenses of the Government for services and supplies must be met. Certain other obligations in the nature of investments for improvements and buildings are necessary and often result in a saving. The debts of the Nation must be paid. The sum of all these is a tremendous amount. At the present rate it is nearly $35 for each resident of our country, or $175 for each average family every year, and must be for some time. This bill calls for a further expenditure in the aggregate of nearly $35 for each inhabitant and lays nearly $175 more on each family, to be spread over a period of 20 years. No one supposes the effort will stop here. Already suggestions are made for a cash bonus in addition, to be paid at once. Such action logically would be encouraged if this bill becomes law. Neither the rich nor the profiteers will meet this expense. All of this enormous sum has to be earned by the people of this country through their toil. It is taken from the returns of their production. They must earn it; they must pay it. The people of this country ought not to be required by their Government to bear any such additional burden. They are not deserving of any such treatment. Our business is not to impose upon them but to protect them.

If this bill be considered as insurance, the opportunity for such a provision has already been provided. Nearly $3,000,000,000 of war risk and Government life insurance is now outstanding, and over $500,000,000 has been paid on such policies. When this provision was made in 1917 it was on the explicit understanding of the Congress that such insurance was to relieve the Government of subsequent contributions. The then Secretary of the Treasury said in relation to the proposed insurance act: "It ought to check any further attempts at service pension legislation by enabling a man now to provide against impairment through old age, total disability, or death resulting from other causes, and to give all this protection to those kindred who may be dependent upon him and who do not share in the Government compensation." This opportunity was afforded all those who entered the service. It was distinctly understood that it covered every obligation on the part of the Government. The intent of this bill now to provide free insurance lacks both a legal or moral requirement and falls into the position of a plain gratuity.

Considering this bill from the standpoint of its intrinsic merit, I see no justification for its enactment into law. We owe no bonus to able-bodied veterans of the World War. The first duty of every citizen is to the Nation. The veterans of the World War performed this first duty. To confer upon them a cash consideration or its equivalent for performing this first duty is unjustified. It is not justified when considered in the interests of the whole people; it is not justified when considered alone on its own merits. The gratitude of the Nation to these veterans can not be expressed in dollars and cents. No way exists by which we can either equalize the burdens or give adequate financial reward to those who served the Nation in both civil and military capacities in time of war. The respect and honor of their country will rightfully be theirs forevermore. But patriotism can neither be bought nor sold. It is not hire and salary. It is not material, but spiritual. It is one of the finest and highest of human virtues. To attempt to pay money for it is to offer it an unworthy indignity which cheapens, debases, and destroys it. Those who would really honor patriotism should strive to match it with an equal courage, with an equal fidelity to the welfare of their country, and an equal faith in the cause of righteousness.

I am not unmindful that this bill also embraces within its provisions the disabled of our veterans and the dependents of those who fell. To state that the disabled veterans and these dependents are entitled to this additional gratuity is to state that the Nation is not meeting its obligation to them. Such a statement can not truthfully be made. The Nation has spent more than $2,000,000,000 in behalf of disabled veterans and dependents of those who died. It is now spending for compensation, training, insurance, and hospitalization more than $400,000,000 annually. Solicitude for the disabled veterans and the dependents of those who lost their lives is the Nation's solicitude. To minister to their every need is a sacred obligation, which will be generously and gratefully met. The Nation stands ready to expend any amount needed for their proper care. But that is not the object of this bill.

America entered the World War with a higher purpose than to secure material gain. Not greed but duty was the impelling

motive. Our veterans as a whole responded to that motive. They are not asking as a whole, they do not want as a whole, any money recompense. Those who do seek a money recompense for the most part, of course, prefer an immediate cash payment. We must either abandon our theory of patriotism or abandon this bill. Patriotism which is bought and paid for is not patriotism. Our country has maintained the principle that our Government is established for something higher and finer than to permit those who are charged with the responsibility of office, or any class whose favor they might seek, to get what they can out of it. Service to our country in time of war means sacrifice. It is for that reason alone that we honor and revere it. To attempt to make a money payment out of the earnings of the people to those who are physically well and financially able is to abandon one of our most cherished American ideals. The property of the people belongs to the people. To take it from them by taxation can not be justified except by urgent public necessity. Unless this principle be recognized our country is no longer secure, our people no longer free. This bill would condemn those who are weak to turn over a part of their earnings to those who are strong. Our country can not afford it. The veterans as a whole do not want it. All our American principles are opposed to it. There is no moral justification for it.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 15, 1924.*

Mr. CURTIS. Mr. President, I think Senators have their minds made up as to how they intend to vote on this question, and, so far as I am concerned, I do not intend to take up any time in discussing the veto message, and am ready for a vote.

Mr. ROBINSON. Mr. President, I know of no reason why the vote should not be immediately taken.

Mr. NEELY. Mr. President, I arise to submit a question of privilege. I wish to read for the information of the Senate an article of extraordinary prominence which appears in this morning's Washington Herald, and which constitutes an outrageous attack upon the intelligence, the independence, and the very manhood of 10 Republican Members of this body.

The article in question is as follows:

BONUS ADVOCATES KEEP YOUR EYE ON THESE 10 SENATORS

Propagandists for rejection of the soldier bonus bill are concentrating their efforts on 10 Republican Senators who voted for the measure and were reported yesterday to be wavering. Friends of the bonus keep your eye on these Senators to see how they vote on the final roll call: FESS, Ohio; WARREN, Wyoming; CAMERON, Arizona; COLT, Rhode Island; ELKINS, West Virginia; KEYES, New Hampshire; McLEAN, Connecticut; PHIPPS, Colorado; SPENCER, Missouri; WILLIS, Ohio.

Mr. President, could Sapphira have imagined or Ananias have uttered a more pernicious libel against these distinguished Senators?

Of course, every Democratic Member knows that not one of these Republican Senators could be induced by the flattery of plutocracy, or coerced by the great political power of the President, in this crisis to sacrifice his manhood, outrage his conscience, and desert the World War veterans by changing his vote on the soldiers' adjusted compensation bill.

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. NEELY. I gladly yield to the distinguished Senator from Ohio.

Mr. FESS. The most conclusive answer to that slander will be to vote right away, and see how those Senators will vote.

Mr. NEELY. I know how my honorable and courageous friend from Ohio, with whom I served eight years in the other House, will vote. I know that no Wall Street subsidized newspaper or even powerful presidential propaganda can prevent the Senator from Ohio from voting for this bill, just as he voted for it when it was first passed by the Senate. I know that every one of these 10 Senators will prove, when his name is called, that he is "not a pipe for" even the President's "finger to sound what stop he please," but, on the contrary, that he is as—

> Constant as the northern star,
> Of whose true-fixed and resting quality
> There is no fellow in the firmament.

Mr. President, we shall soon have additional cause to be proud of the Senate; we are about to furnish the country conclusive proof that the Members of this body are unterrified, and that they stand for the right as steadfastly as Casibianca stood upon the burning deck.

We all know that these 10 Senators whom the Herald has so basely libeled will, when their names are called, again vote for the adjusted compensation bill, and thus prove not only to the vast and intelligent audience in the galleries but to all the world that they are not spineless creatures, that they are not pliant tools in the President's hands, but that every one of them is "every inch a man."

The PRESIDENT pro tempore. The question is, Shall the bill pass, the objections of the President to the contrary notwithstanding? Upon that question the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). I was requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of illness. If he were present, on this question he would vote "yea." I have not been able to secure a pair for him.

The roll call was concluded.

Mr. REED of Pennsylvania. I have been asked to announce that the Senator from Indiana [Mr. WATSON] is unavoidably absent, but that if present, he would vote "yea."

Mr. ROBINSON. The Senator from Missouri [Mr. REED] and the Senator from Kentucky [Mr. STANLEY] are necessarily absent. If they were present, they would vote "yea."

I also desire to announce that the Senator from Oklahoma [Mr. OWEN], if present, would vote "yea."

I desire further to announce that the senior Senator from Mississippi [Mr. HARRISON] and the junior Senator from Mississippi [Mr. STEPHENS] are necessarily absent. They are paired with the Senator from Louisiana [Mr. RANSDELL]. If they were present, the Senator from Louisiana [Mr. RANSDELL] would vote "nay" and the two Senators from Mississippi would vote "yea."

Mr. GERRY. I wish to announce that the Senator from Massachusetts [Mr. WALSH], if present, would vote "yea." I wish further to announce that he is on a train returning from keeping an engagement in his home State yesterday. He expected the debate would lead to a vote not being reached until a later hour in the day.

Mr. CURTIS. I desire to announce that the Senator from Illinois [Mr. MCCORMICK] and the Senator from Michigan [Mr. COUZENS], if present, on this question would vote "yea."

The roll call resulted—yeas 59, nays 26, as follows:

YEAS—59

Adams	Ferris	Jones, Wash.	Ralston
Ashurst	Fess	Kendrick	Robinson
Brandegee	Fletcher	Ladd	Sheppard
Brookhart	Frazier	Lenroot	Shipstead
Bruessard	George	Lodge	Shortridge
Bursum	Gerry	McKellar	Simmons
Cameron	Gooding	McLean	Smith
Capper	Hale	McNary	Spencer
Caraway	Harreld	Mayfield	Stanfield
Copeland	Harris	Neely	Townsend
Cummins	Heflin	Norbeck	Walsh, Mont.
Curtis	Howell	Norris	Warren
Dale	Johnson, Calif.	Oddie	Wheeler
Dill	Johnson, Minn.	Overman	Willis
Elkins	Jones, N. Mex.	Pittman	

NAYS—26

Ball	Edwards	McKinley	Sterling
Bayard	Ernst	Moses	Swanson
Borah	Fernald	Pepper	Underwood
Bruce	Glass	Phipps	Wadsworth
Colt	Greene	Reed, Pa.	Weller
Dial	Keyes	Shields	
Edge	King	Smoot	

NOT VOTING—11

Couzens	McCormick	Reed, Mo.	Walsh, Mass.
Harrison	Owen	Stanley	Watson
La Follette	Ransdell	Stephens	

The PRESIDENT pro tempore. Upon this question the yeas are 59, the nays 26; so the bill is passed the objections of the President to the contrary notwithstanding. [Applause in the galleries.]

The PRESIDENT pro tempore. The Sergeant at Arms will clear the galleries—if there be further manifestations of pleasure or displeasure.

Mr. HARRISON subsequently said: Mr. President, I merely wish to make an explanation. I understood that the veto message of the President would be called up at 2 o'clock to-day, and I was led to believe that there would be some discussion of the message, which might be prolonged several hours. I had a very dear friend who passed away and was buried in Arlington Cemetery this afternoon at 2 o'clock. In company with my colleague, the junior Senator from Mississippi [Mr. STEPHENS] and the senior Senator from Louisiana [Mr. RANSDELL], I left to attend the funeral. During our absence of about 45 minutes, the vote on the veto message was taken. I am very sorry that I was not here to cast a vote. I was paired with the Senator from Louisiana [Mr. RANSDELL] and my colleague [Mr. STEPHENS] was also paired with him. If my colleague and I had been present, we would have voted to override the President's veto and the Senator from Louisiana would have voted to sustain the veto.

Mr. WALSH of Massachusetts subsequently said: Mr. President, I desire to make a brief explanation because of my absence when the vote was taken this afternoon on the question of overriding the President's veto.

An engagement, long ago made, necessitated my presence in Massachusetts yesterday. It was physically impossible for me to return before 3 o'clock this afternoon. When I returned at 3 o'clock the vote had been taken, though it was generally believed when I left on Saturday that a vote would not be reached till late to-day. Had I been present, I should have voted "yea," sustaining the position I have taken on all other occasions, favoring the adjustment of our war veterans' compensation.

INTERNATIONAL RELATIONS—PERSONAL EXPLANATION

Mr. SHIELDS. Mr. President, the League of Women Voters in convention at Knoxville on the 9th of May invited me to address them on our "International relations," and not being able to do so on account of the revenue bill being before the Senate that day, I sent them a telegram briefly stating my views upon the live questions concerning our relations with foreign countries.

This telegram has been so misunderstood and in some respects garbled that I desire to place it in the RECORD, so that my views upon these important questions may not be misunderstood. I ask unanimous consent for that purpose.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WORLD COURT FAVORED BY DEMOCRATS AND REPUBLICANS

WASHINGTON, D. C., *May 9.*

MRS. JOHN M. KENNY,

President of the League of Women Voters, Knoxville, Tenn.:

Will you express to the convention of the League of Women Voters of Tennessee my great appreciation of their kind invitation to address them upon our international relations and my sincere regrets that at the last hour I am detained in Washington? The final vote upon the Federal tax reduction bill is imminent, and it is believed that it will be had to-day or to-morrow. I felt that I should forego my inclination, personal pleasure, and interests and remain here to vote upon this important measure, the division of the Senate being very close. Our international relations are nonpartisan, and the subject is one singularly suitable for consideration for your organization.

It is a pleasant subject of discussion. The United States is at peace with all the world. We have no controversies with any nation likely to lead to war. We have treaties of peace, amity, and commerce with all civilized nations and entangling alliances that would likely embroil us in war with none. We have treaties with 50 sovereign nations, including the great powers, providing for conciliation and peaceful arbitration of all differences that may arise between the signatories of such treaties.

PERMANENT COURT OF ARBITRATION

The Permanent Court of Arbitration, with its seat at The Hague, Holland, was organized with ample procedure and jurisdiction for the peaceful adjustment of all international disputes and the promotion of peace and prevention of war and has settled many controversies threatening war and is now successfully functioning. The United States was chiefly instrumental in creating this court and is obligated by numerous treaties to submit differences with other nations to it.

We therefore have almost unlimited facilities for peaceful settlement of all disputes with other nations which can be arbitrated and adjudicated. We have no cause to fear a foreign enemy. There is no foreign nation that can conquer and subdue America. The whole world was astonished when in the recent war we raised and placed in the field, armed and equipped for battle with ample supplies, 4,000,000 men, and provided a formidable Navy, all within a limited time. We so demonstrated our great resources of men and wealth and the splendid efficiency, fortitude, and courage of our soldiers that no nation will ever dare to attempt to invade our country or conquer our people.

The Permanent Court of International Justice, also sitting at The Hague, established by the League of Nations in 1921, now functioning, has heard and determined one controversy and given eight advisory opinions to the league. The Permanent Court of Arbitration and the Permanent Court of International Justice are both courts of arbitration and have little or no resemblance to courts of judicature.

They have no compulsory jurisdiction over nations or subject matter and can only hear cases voluntarily submitted to them. There is no sanction for their decrees but public opinion. They are practically of equal dignity and power and functioning in the same city concurrently and harmoniously. The Permanent Court of Arbitration is open to all nations and the Permanent Court of International Justice to the members of the League of Nations and three other nations, including the United States, assenting to its jurisdiction. The chief difference between the courts is the method of election of the arbitrators or judges, the parties to controversies in the Permanent Court of Arbitration having a larger per cent of the selection than the parties to the controversies submitted to the Permanent Court of International Justice.

President Harding, when in life, favored the United States adhering to the Permanent Court of International Justice, and President Coolidge concurs with him, both asking the advice and consent of the Senate to do so, with reservations withholding and excluding legal relations to the League of Nations. Senator CLAUDE A. SWANSON, ranking Democratic member of the Committee on Foreign Relations, after a conference with other Democratic Senators, some time since offered a resolution in the Senate providing that the Senate advise and consent to the United States adhering to this court with reservations absolutely excluding the United States from all legal relations and connections with the League of Nations. Senator W. H. KING, Democrat, has offered a similar resolution.

Senator THOMAS J. WALSH, also a Democratic member of the Committee on Foreign Relations, in a speech made at the recent convention of women voters at Buffalo, advocated the United States adhering to the permanent court for the moral support it would give to Europe, stating that the majority of the Democratic Senators favored it, and at the same time saying:

> "This is not a plea for the entrance of the United States into the League of Nations. Events transpiring since 1920 affect quite materially the view one must take of the problem of our relations with that organization we have so often been assured is dead, but which somehow refuses to stay dead and which is in fact very much alive and is considered by the nations of Europe as a most valuable agency for the adjustment of constantly recurring matters of difference among them.
>
> "I do not plead for a reversal of the verdict through which the United States declined membership in the league. I plead for the active participation by our Government in any effort which may be made through it or any other channel to bring about a restoration of normal industrial activity to Europe and to establish a state of actual peace among them in every case in which it is reasonably safe to do so without entangling ourselves in their quarrels."

This statement of conditions and facts demonstrates that the American people and the majority of the members of the two great political parties, recovering from the emotions caused by the horrors of war and regaining their national soul, are now uniting in the policies of our Government in international matters and considering them from an American and nonpartisan standpoint, as Americans have done in the past from the foundation of our Government.

There should be no prejudice against the Permanent Court of International Justice because it was organized by the league, provided the United States continues absolutely unobligated and free from the political provisions of the covenant of the league likely to embroil it in the feuds and wars of other nations. While the Permanent Court of Arbitration and arbitration treaties seem ample to settle all international disputes, yet if adherence to the World Court by the United States will give it moral support and contribute to the peace and tranquillity of Europe, it should do so. The United States has always advocated peace at home and abroad, and by a policy of nonentangling alliances and nonintervention in foreign affairs held itself in a neutral position to offer its good offices to all countries involved in disputes, and by arbitration and settlement has prevented many wars.

FAVORS SWANSON'S RESOLUTION

In the cause of humanity and in the advancement of the material interest and commerce of its citizens, it should continue this policy where it can do so without prejudice to the interest of our people. The resolution of Senator SWANSON with the reservations proposed by him with those which the United States made in becoming signatory to the convention creating the Permanent Court of Arbitration, preserving our traditional policies in dealing with the other nations and withholding all questions involving vital interest, independence, and honor, which have never been the subject of arbitration or adjudication, should be adopted at the present session of the Congress, and I hope that it will be promptly done. The common understanding is that both of the great national conventions to be held next month will so express the will of the party which they respectively represent, and favor our adherence to the Court of International Justice under conditions hereinabove stated.

This will happily end the only great political dissensions among the American people concerning our foreign relations and the President and the Congress can give their undivided attention to legislation for the relief of the industrial and agricultural interests and other domestic matters so long suffering and neglected. I favored peaceful settlement and arbitration of all international disputes in my speeches in the discussion of the League of Nations as appear in the CONGRESSIONAL RECORD, and the probable policies of both parties are in full accord with the views I entertain.

JOHN K. SHIELDS.

Mr. SHIELDS. Mr. President, I announced my views concerning the foreign policies of the United States relating to international courts and conferences in an address I made in the

Senate on November 19, 1919, when the League of Nations was under discussion, and they appear in the record of the proceedings of that day.

I then said that I believed in peace and hated war and the horrible suffering that it brings to mankind; that I would favor great conferences of free, sovereign, and independent nations where all differences and grievances could be discussed and, if possible, compromised and amicably settled upon just principles and inherent rights of men. I also said I would favor a great international court of justice of voluntary jurisdiction, where justiciable controversies of nations could be heard and determined and impartial justice administered without delay and without price upon the principles of righteousness and international law to be enforced by enlightened public opinion; and that I thought such arrangements were feasible without surrendering the sovereign rights of any government and without obligating any people to sacrifice themselves for the exclusive benefit of others. These are still my views concerning our international relations.

The United States should continue its interest in world affairs. We should with proper regard for the interest of our people, by economic conferences and arrangements with other nations, do what we can to restore tranquillity to the peoples of all countries. This will contribute alike to the cause of humanity and the economic interests and prosperity of all peoples.

While doing these things we must guard our country against internationalism. We must maintain our sovereign independence. We must not lose our love of country, our pride in our institutions, and our patriotism. Nationalism will preserve all these, but internationalism will destroy them.

The Permanent Court of Arbitration is ample in its jurisdiction and availability to settle all controversies likely to lead to war, and through our membership of it and our arbitration treaties we have every facility for peaceful settlement of our disputes with other nations, and membership in another court will contribute little, if anything, to our peace and security.

But it is believed and earnestly insisted by some of our people that the adherence of the United States to the Court of International Justice would give it moral support and enable it to exercise greater influence in the preservation of peace in Europe. Our adherence to this court with the reservations proposed can do us no harm.

I will support the resolution of Senator SWANSON authorizing that the President adhere to the protocol and consent to the voluntary jurisdiction of the court with the reservations proposed and others if deemed advisable when the resolution comes before the Senate for adoption.

This committal is made with the understanding that the resolution is acted on before the Democratic National Convention in New York in June next, for I will be governed by the platform adopted by the Democratic Party. I have always supported the candidates nominated by the Democratic Party and have followed and abided by the platforms adopted, with the exception of the State election in 1910, when the party was divided. When matters have come before the United States Senate since I have been a Member I have been governed by and followed the platform pronouncements of the Democratic Party and by the conferences of the Democratic Senators. When there was no such platform pledge or caucus action, I have been governed by the fundamental principles, policies, and traditions of my party and my conscientious judgment of what was my duty as a Senator and the interests of the great people whom I represent in this body. Continuing this course, I will support and be governed by the pronouncements of the next National Democratic Convention upon our international relations, which I hope will be as I have above indicated.

Mr. President, the Senator from Massachusetts [Mr. LODGE] has recently introduced into the Senate a joint resolution requesting the President of the United States to call a conference of nations at The Hague for the establishment of a third court, styled the "world court of international justice," and it is pending before the Committee on Foreign Relations.

I have examined the statute incorporated in this resolution creating this new world court and find nothing in it, with the exception of the manner of choosing the arbitrators or judges, which is not to be found in the constitutions of the Permanent Court of Arbitration or the Permanent Court of International Justice, unless it be mere matter of procedure and practice, for which ordinarily the court should by proper rules provide. The jurisdiction of nations and of subject matter and the provisions for enforcing the decrees and judgments of the court are about the same as those courts. The Permanent Court of Arbitration is expressly recognized and part of its machinery used in organizing the World Court. The provisions for the election of judges contemplate two bodies, organized like the council and assembly of the League of Nations, the majority of both of which is necessary for an election. The five great powers are given control of the smaller body, as in the council, and there is the same objection of imperialism in their control of the court. I will not support the joint resolution providing for it.

This would be the third court with the same jurisdiction sitting at The Hague. There is no national or international demand for it, and it seems to me that the only possible effect it can have is of unnecessary delay and expense. It could not be organized, if at all, in less than two years, and perhaps a greater time.

The Permanent Court of Arbitration and the Permanent Court of International Justice are both functioning. I can see no reason for creating a third court with practically the same jurisdiction. It would have a tendency to confuse and complicate international relations and subserve no good purpose.

AMENDMENT OF INTERSTATE COMMERCE ACT

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2327) to amend section 4 of the interstate commerce act.

Mr. GOODING. Mr. President, the amendment offered by me to Senate bill 2327 is the same as the amendment that was before the Senate all of last week. It has been thoroughly discussed, and as far as the friends of the measure are concerned I do not know of anyone who cares to discuss it and delay the Senate any longer in the matter.

This amendment was drawn up after consulting with members of the Interstate Commerce Commission and is proposed for the purpose of clarifying the language so as to make certain that time will be given to the Interstate Commerce Commission to readjust any violations of the fourth section that may be in effect that will not be permitted by the bill if it becomes a law.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole. The Secretary will state the amendment proposed by the committee.

The READING CLERK. On page 3 the committee proposes, in line 2, to strike out the proviso down to and including the word "competition" in line 15, and to insert certain words. The junior Senator from Idaho [Mr. GOODING] proposes to insert in lieu of the matter proposed by the committee the following words:

> Where any common carrier has, or common carriers have, in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application was filed with the commission on or before February 17, 1911, and not yet acted upon by it, such rate, fare, or charge shall not become unlawful (except by order of the commission) until after 12 months following the passage of this amendatory act; nor shall such rate, fare, or charge in effect via a circuitous rail carrier or rail carriers become unlawful if it shall have been authorized by order of the commission, after public hearing, based on no less a showing than that upon which the commission is herein authorized to grant relief: *And provided further*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates, including rates applicable to traffic coming from or destined to a possession or dependency of the United States or to a block system of express rates established by order or with the approval of the commission or permitted by it to be filed.

It is also proposed to repeal paragraph 2 of section 4.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Idaho to the amendment of the committee.

Mr. FLETCHER. Mr. President, I do not feel that I quite understand this amendment just offered and read. It may be that this is a wise measure to adopt. I have some very grave doubts about it. I think, in the first place, it would be a mistake to undertake to change section 4 as provided in this amendment so far as the Atlantic ports are concerned and perhaps so far as the Gulf ports are concerned; but that would not influence me to vote against the bill if it were a good measure for the whole country. I should be inclined to support it, notwithstanding its adverse effect on Atlantic ports, if such effect were not too serious.

I am not impressed, in the first place, as to the great need for this legislation. We have had some inquiry made of the Interstate Commerce Commission regarding the long and short distance hauls, and that commission on February 13, 1924, reported to Congress, as shown by a document, No. 50, in which they went quite fully into the situation regarding the enforcement

of section 4, the applications for departure from it, their action on those applications, and the reasons therefor.

We are all familiar, of course, with the original section 4, prohibiting a greater charge for a shorter than for a longer distance over the same line, qualified as it was by the words "under substantially similar circumstances and conditions." The Supreme Court in construing this language practically nullified the interpretation which had been placed on section 4. Then in the act of June 18, 1910, these words were eliminated. The amendatory act of June 29, 1906, made no change in section 4 as originally enacted, but in June, 1910, these words were eliminated. Since then a number of applications were made to the Interstate Commerce Commission for relief from the operation of section 4. That report, Senate Document No. 50, without discussing it further than simply to call attention to it, deals with the subject quite fully.

So far as the application of the existing section is concerned, there has not been any real observance of it, as I understand. I hold in my hand a communication dated October 23, 1923, from the Jacksonville traffic bureau, Jacksonville, Fla., in which they state:

By freight tariffs which became effective on the 17th instant the all-rail class rates from a large number of important southeastern points, Ohio and Mississippi River crossings, Gulf ports, and points north of the Ohio River were greatly increased to Jacksonville and other south Atlantic ports. These increases were allowed to become effective by the Interstate Commerce Commission over the protests of this bureau and a large number of other civic bodies, shippers' organizations, and individual shippers throughout the origin and destination territories affected by the increases.

They had at Jacksonville water competition. They were entitled to all the advantages and benefits of that competition. They had a reduced rate under section 4; but it seems that the Interstate Commerce Commission has disregarded the matter, so far as any preferential in favor of the port of Jacksonville is concerned.

Mr. PITTMAN. Mr. President, I will state that that is customary. Whenever the railroads ask to lower the rates, they lower them. Whenever the railroads ask to put them up, they put them up; so the Senator need not worry about that.

Mr. FLETCHER. They say:

As previously announced, this bureau, upon receipt of tariffs publishing the increased rates, filed a formal petition with the Interstate Commerce Commission for suspension and investigation of the objectionable schedules, but, as above stated, the commission refused to exercise its authority to suspend the publications, and the increased rates are now being applied by the railroads on freight tendered for transportation subsequent to October 16.

So that there does not seem to be any real need for any change of the law. They are actually disregarding the old section 4, and section 4 as amended they are construing so as to deny preferential rates where water competition exists.

Mr. PITTMAN. They do that in Jacksonville, and then they will turn around the next day——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Florida yield to the Senator from Nevada?

Mr. FLETCHER. I yield to the Senator.

Mr. PITTMAN. I did not want to interrupt the Chair; that was the reason why I did not address the Chair.

They do that, as I was saying. They will lower the rates in Florida, and then they will raise the rates somewhere else. The proposition is this: It is not so much what they do to-day or to-morrow; it is the constant threat that water competition has when we know what they have done, the applications that are pending, and what they probably will do.

Mr. FLETCHER. Of course, if by legislation we can make the thing certain and definite, I think that will be an improvement; but I am simply showing that at present the commission seems to construe the law as if there is ample authority for denying any preferential rate where water competition exists.

This statement says:

It should be remembered that while the railroads have effected huge increases in all of Jacksonville's class rates from the territory described, no changes have been made in the rates to the majority of Florida points located south of the line of the Seaboard Air Line Railway, Jacksonville to River Junction. As through rates to the down-State points have heretofore been made on the full Jacksonville combination, our jobbers could bring their goods into Jacksonville by rail and later reship to the down-State points at the same total rates as would have obtained had the goods moved direct from the original point of origin to the final destination. The situation is changed very materially under the October 17 revision by reason of the railroads having continued as proportional rates to Jacksonville, for constructing through rates to down-State points, the former rates which applied to both Jacksonville proper and for beyond, but established much higher rates to apply on Jacksonville proper traffic.

* * * * * * *

The Jacksonville jobber competing for down-State business moving at all-rail-class rates is, therefore, at a disadvantage in the all-rail rates with the shipper making direct shipments to down-State points to the extent of the full increases which have been made in the rates to Jacksonville proper.

They say:

Our jobbers can overcome this disadvantage on the all-rail adjustment by taking advantage, wherever possible, of the much lower rate available by rail and water routes.

What I am impressed with is this, if this bill passes it will enable the railroads to increase their rates to the competitive water points and not lower them to the intermediate points.

Let us consider the situation in the West. The transcontinental lines may be forced, under the provisions of this bill, either to lower their intermediate-territory rates or raise the Pacific coast rates, and what they will do will be to continue the rates as they exist at present on the short distances and raise the rates on the long distances.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Nevada?

Mr. FLETCHER. I yield.

Mr. PITTMAN. That might be very possible providing we admit that the Interstate Commerce Commission is not doing its duty. I called attention to one or two instances where they were not. This might be another. As a matter of fact, this bill is an endeavor to equalize the rates so far as they can.

Another thing the act provides is that in a sense the railroads shall be assured a fair return on their entire property by a freight rate which shall reach everywhere. Of course, if the rate is only paying cost of transportation at one point it must be higher at another point, because they must be assured a fair return. If they equalize and raise the rate somewhat at the point where it is too low, it will enable the Interstate Commerce Commission to reduce at another point where it is too high. Whether they will do their duty or not, I will say to the Senator from Florida, I am not prepared to say, but they have to-day all the power necessary to do it.

The only objection to this one proviso which the commission has stated is that it has taken out of their hands the discretion in the matter. They have said, "You propose that we shall give railroad competition with water, and the only way we can do it is to let them ship to competitive points at cost." If they had properly interpreted the act to mean that we had given them authority to have railroads compete with water, that would be true; but Congress never did that.

Mr. FLETCHER. Of course we are necessarily obliged to leave this tremendous question of rates and rate adjustments with the Interstate Commerce Commission. I do not claim to understand the subject of rates at all. I doubt if there is any Member of the Senate who would be classed as an expert on that subject. It is a vast question. Entering into it are many matters challenging consideration, not merely distance. You can not make a rate based upon mileage alone. You have to take into consideration other matters, and I believe that those points which enjoy water competition will have to receive the recognition of their natural advantages, because otherwise the railroads can not do business at those points successfully. They must lower the rate at competing points or be in position to do so as conditions may require, in order that they may be able to carry any traffic at all. For that reason I do not think we should deny by legislation the enjoyment of the natural advantages which exist under natural law and which can not be destroyed by a mere act of Congress. I believe interior points should have fair and just treatment, also free from discrimination.

Mr. PITTMAN. That is exactly what we are all fighting for. The railroads will carry certain kinds of freight always, because carriage by railroad is more expeditious, is faster, and safer. That kind of freight no boats can take away from them. There are other kinds of freight, such as lumber, which goes slowly, where time is not the essence of the matter, where safety is not considered, where it is natural the freight should move by water. What we want is to keep the two things separate. Let the boat have what naturally belongs to it, and let the railroad have what naturally belongs to it.

There is no law that will help water transportation get anything from the railroads, but there is a construction put upon the law by the Interstate Commerce Commission which attempts by rule to allow railroads to compete with water where they could not compete naturally with if it were not for that rule. We are

trying simply to do nothing on earth except to remove that artificial power, nothing else.

Mr. FLETCHER. I favor, generally, the development, the growth, the promotion, of all means of transportation that we can devise in this country. I think it is a most important thing. Adequate, economical transportation enters into all our affairs. It relates directly to trade and commerce and has a vital bearing on production and distribution and industry as well.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Idaho?

Mr. FLETCHER. I yield.

Mr. GOODING. I would ask the Senator if he thinks it is possible to encourage any one to invest money in any kind of water craft as long as a railroad is permitted to make rates that would destroy the business which such craft might enjoy or get? Capital will not invest in any town where there is discrimination in freight rates. We can not even start to develop our rivers unless we can first assure capital that their investments in river boats will not be destroyed by the Interstate Commerce Commission permitting the railroads to make lower rates for the longer haul than for the shorter haul.

Mr. FLETCHER. I understand that.

Mr. GOODING. I would like to say to the Senator, too, that we are not objecting to paying the same rates to the coast points, although the haul in some cases is from 1,000 to 2,000 miles longer; what we are fighting against is a discrimination against the interior, where our rate is higher than theirs.

Mr. FLETCHER. I quite understand the Senator's position. I am in favor of competition between rail and water, and of competition being maintained. I am utterly opposed to railroads having the power to drive off the boats from the waterways, as far as that is concerned. Each of those means of transportation has its place and function. Both are needed. In full vigor, efficiently and energetically, both should operate in order that the public may be served properly.

Mr. GOODING. The railroads have already driven the boats from the rivers. They can not come back unless we protect them so that the railroads can not again destroy them. They will not come back, because capital will not invest in a river boat with even a danger of discrimination against the freight they would carry.

Mr. FLETCHER. I would like to proceed long enough to make just a statement in a sort of a connected way, if I can, with regard to this matter.

My recollection is, and I think the Senator will find, on the particular point to which he refers, that by an amendment to the Panama Canal act we undertook to cure that trouble which he mentions by providing that when a railroad company competing with a waterway reduced its rates it would not be allowed to raise those rates again without the consent of the Interstate Commerce Commission. That was intended to prevent railroad companies from stifling water competition, or destroying shipping on the waterways, because they can not, if they once reduce their rates, raise them again, under the law, without the consent of the Interstate Commerce Commission.

We provided another thing, that the railroad companies could not own ships passing through the Panama Canal in connection with their transcontinental lines. That was done so that there might be competition. If a transcontinental line owned its own boats on the Pacific that line would be in position to carry the freight by rail or water, just as might be determined, at its own rates. If it could not carry the freight by rail, according to the rate fixed for the railroad, it could put its boats into operation and carry the freight by water. So that eventually there would be no competition between rail and water if the same concern which owned the railroad also owned the ships.

Mr. SMITH. Mr. President, the old law provided that where a railroad reduced its rate to where it was destructive of water competition it might not raise it, but under the present transportation act we specifically charged the commission with the duty of creating rate groups, and so adjusting fares and tariffs that each group might earn, as near as may be, 5¾ per cent. If a railroad ran parallel to a coast and took a rate that was equal to the water rate, then the earning capacity of the road was reduced to such a point that it would reflect almost an intolerable burden on the shippers inland, because their rates on other roads would have to be raised so very high. Therefore that provision of the law does not obtain in the present transportation act. It is for that reason that we have attempted to differentiate in this proposal between the water transportation and the rail.

I want to call the Senator's attention to another point. I think we get our definitions mixed up. The Senator has been speaking, as all of us have, about the competition between water and rail. Giving each one its free, untrammeled domain, there can not be any such competition. Railroads can not compete with water, and freight can be moved so much cheaper by water that unless the railroads are allowed to recoup in other places than in the competition with water, they can not live at all. There can be no competition between water and railroads unless we artificially create a condition by which the railroads can recoup themselves in the helpless communities that have no water facilities.

Mr. FLETCHER. I can not agree with the Senator that there can be no competition between water and rail lines, because I contend that there is a certain class of freight, the bulky, heavy freight, which water can move and should move cheaper than it can be moved by rail, freight which it therefore naturally ought to move; whereas there are other classes of freight, the higher classes of freight, that it pays more for the railroad companies to handle and that kind of quick-moving freight ought to be handled by the railroad companies.

I see no reason why we can not keep both our means of transportation, both the waterways and the railroads, busy in this country, both having practically all that they can do to handle the business that is growing and increasing all the while.

Mr. SMITH. The Senator has spoken of the advantage of transportation by railroad on account of the quickness and safety of such service, but it costs more, and therefore a shipper ought to be allowed to determine whether he is willing to pay more and use the railroad or pay less and use the water. Under our present system, without this amendment, he is denied any chance to carry his freight by water, for there is no such means. The railroads have lowered their rates to such a point that the shipper gets all the advantage of expedition and safety, and pays no more than by the water routes.

Mr. FLETCHER. As I stated previously, I want to see every possible means of transportation developed in the country. There are some advantages which the railroads have over the water lines. They have terminals; they have connections with the warehouses; they can haul a trainload of freight right up against the warehouse and unload it into the warehouse, whereas if the freight moves by water it must be unloaded and reloaded, and all at more or less additional expense. There are disadvantages on one side, and there are advantages on the other side in the way of less cost of operation, less cost for the service by way of water. Depending on the different classes of freight, the business ought to be reasonably adjusted, so that both the waterways and the railways would be able to take care of the business offered by the public.

There are two things always to be kept in mind. One is that the transportation line is a public utility and has the right to earn a fair return on its property. The other rule obtains also that the rate must be reasonable. Both rules must be kept in view. With reference to the great western area, we know perfectly well that if the railroads that pass through those States were dependent on the business of those States they could not live. They live on the business that runs through those States.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Connecticut?

Mr. FLETCHER. I yield.

Mr. McLEAN. The rate must not only be reasonable, but it must be compensatory and must be nondiscriminatory.

Mr. FLETCHER. Precisely.

Mr. McLEAN. How we could establish a fairer rule than that I can not see. The trouble with the situation is that some of the rulings of the Interstate Commerce Commission are considered to be discriminatory. That affects the administration of the law only.

Mr. FLETCHER. That is true. As I said, I really do not see any need for the legislation, because I think under the law as it exists the Interstate Commerce Commission, which is a great rate-making, rate-fixing body, has the authority and the power to base it upon the known principles connected with the operation of transportation.

Mr. McLEAN. I will say to the Senator that I was not able to attend all the hearings that were held upon the bill before the Interstate Commerce Committee, but I know that the Interstate Commerce Commission sent a statement to the committee, which was approved by 10 out of the 11 members of the commission, in opposition to the measure. It is simply finding fault with the courts. The law is mandatory. As often happens in such cases, interests that lose their case in court find fault with the judge and try to get an amendment of the law. The law is mandatory and covers every possible contingency.

Mr. FLETCHER. I am not a member of the Committee on Interstate Commerce. I have, however, introduced one or

two proposed amendments to the interstate commerce act, to one of which I propose to refer in a moment, which I think would accomplish more helpful results than the pending bill. I do not want to delay action on the bill. We have discussed it nearly a week and have thrashed it out thoroughly. I am not seeking to delay action. In fact, except for the interruptions, I would have finished long ago what I have to say. I find no fault with the interruptions, but they simply took time that I did not intend to consume.

My idea was to suggest that in amending the law as is provided for in the pending bill, the friends of the measure might defeat the very purpose they have in mind, and that is to give better and more favorable rates to the intermediate region between the Pacific coast and the Mississippi River, for instance.

The transcontinental lines are thoroughly well equipped and splendidly managed so far as I can see. I had some opportunity last summer to travel on one of them. I noticed that we might travel a whole day on that passenger train without picking up a passenger or without observing that a pound of freight had been offered on the line, and the freight trains which we did pass were solid trains of sealed cars usually bearing the label "California Fruit Co. refrigerator cars," showing that the freight originated on the coast and merely passed through those States. We do not want to strangle those great lines, because they mean everything to the States across which they operate, and at the same time there is no good to be accomplished for those States by forcing the lines to increase their rates at the seacoast; for instance, at San Francisco, Portland, and Seattle.

It may be that the railroad companies are earning sufficient to warrant lowering the rates for the shorter distances. If so, I would like to have that done. I have a statement called "Business conditions weekly," New York, May 17, 1924, from which I quote as follows:

> Last year Southern Pacific earned nearly $13 per share, more than twice the $6 dividend. It could very well have paid a dividend of $8 per share. The total dividends disbursed were slightly over $20,000,000, as against $44,000,000 of net income. Usually it is safe for a railroad to pay out about two-thirds of its net income in dividends. On this basis Southern Pacific, with over $44,000,000 of net income, could very well have paid $28,000,000 in dividends, which would have been around 8 per cent. In 1922, however, the net income was only $32,600,000, so that the 6 per cent dividend was just about right, as it absorbed nearly two-thirds of the net income.
>
> These figures indicate that the 6 per cent dividend is well protected. In fact, they suggest that Southern Pacific could manage comfortably to pay 7 per cent. However, it is not likely that the dividend will be increased unless earnings for 1924 and prospects for 1925 indicate that the average earning will equal 12 per cent or more.

I take it that the Southern Pacific Railroad is one of the roads affected by this proposed legislation. It certainly does seem to be in a very good condition financially at this time. That raises the point suggested by the Senator from South Carolina, about which principally I arose to offer some views.

Mr. President, I never favored section 15a, for reasons which appealed to me when the bill was pending, and I have had no occasion to change the opinion then formed. Therefore I introduced an amendment to the act providing for its repeal, and would, as now advised, still favor its repeal. I will as briefly as possible state my reasons therefor.

Section 15a consists of 18 paragraphs, covering many important features. Among the more important ones are the following:

1. Giving power to the commission to—

initiate, modify, establish, or adjust—

Rates so—

that carriers as a whole (or as a whole in each of such rate groups or territories as the commission may from time to time designate) * * * will earn an aggregate annual net railway operating income equal as nearly as may be to a fair return upon the aggregate value of the railway property of such carriers held for and used in the service of transportation. * * *

2. Giving the commission power to determine what percentage of such aggregate property value constitutes a fair return thereon, which percentage shall be uniform for all rate groups or territories which may be designated by the commission.

In Reduced Rates, 1922 (68 I. C. C. 676), at page 734, the commission fixed 5¾ per cent of such value as constituting such fair return on and after March 1, 1922.

3. It is provided that any carrier earning an income in excess of the fair return thus fixed holds it as trustee for, and shall pay it to, the United States. Any net earnings in excess of 6 per cent are to be paid one-half into the reserve fund of the carrier and the remainder into a general railroad contingent fund.

Then follows provisions as to the reserve fund, the determination and recovery of excess income, and so forth.

4. The railroad contingent fund is to be a revolving fund to be administered by the commission and to be used by it in the furtherance of the public interest in railway transportation; either in making loans or refunding maturing securities, and so forth.

In connection with what I have to say, the other provisions of this section need not be referred to.

A criticism is frequently urged by shippers against the provisions of this section generally termed the guaranty, fixing the return the roads are entitled to. While in law it is not a guaranty, it is generally referred to as such.

However, to many minds it has some of the characteristics of a guaranty in this, that the commission is directed to prescribe just and reasonable rates so that the carrier will earn an annual net railway operating income that will amount to the percentage fixed by the commission as a reasonable return not only on a road whose earnings are already on this basis but for all roads in a group, without regard to whether such roads are weak or strong. The test most commonly used both in debate and otherwise is whether the road is a so-called "weak one," without much regard as to the cause of the weakness. Under this section the return and not the reasonableness of the rates seems to be of primary importance, and the decisions of the commission seem to justify this conclusion. In the case of Reduced Rates from New York Piers (81 I. C. C. 312, 331) the commission says:

> We are required by section 15a of the act to initiate rates which will yield as nearly as may be a fair return to the carriers as a whole or as a whole by such rate groups as may be fixed.

In the case of Adriatic Mining Co. v. Chicago & North Western Railway Co. (78 I. C. C. 611, 632) the commission said:

> It may also be pointed out that Congress in enacting section 15a of the interstate commerce act, directing that rules should be so fixed as to give the carriers as a whole a fair return on the aggregate value of their railway property, recognized the right of individual carriers to earnings in excess of that return in permitting them to retain one-half of their excess income above 6 per cent.

In the Transcontinental Cases of 1922 (74 I. C. C. 48, p. 71) the commission inter alia said:

> Moreover, it must be borne in mind that where the out-of-pocket theory is used for a rate basis there is evidently thrown upon the rest of the traffic the task of providing the bulk of the net return contemplated in section 15a.

And again, at page 81:

> Should they concede the probability of a net loss in revenue to the carriers as a whole, we should have to consider whether such a shrinkage would adversely affect the return at which we are required to aim under section 15a.

It is sometimes said that these provisions but express the decided rule of law that a public service corporation is entitled to a fair return upon its property devoted to public use. This is a generalization which does not fully state the rule; for coupled with it is another principle that is quite as important—that a rate must be reasonable and just. In other words, while the return must be fair, the rate must be just and reasonable.

Keeping in mind that the railroads are now private property and the object is to continue them as such; that it is desired that private investments keep pace with the country's transportation requirements; that their rates are subject to complete control; that the public is entitled to be charged just and reasonable rates and such as do not meet those tests are condemned, I can not see reasons for some of the provisions of this section. As illustrative, I can not see the justification in taxing the public through rates to maintain and pay returns on unwise, improvident, or unnecessary investments simply because through speculation, commercial rivalry, jealousy, or otherwise such an investment turns out to be a losing one. In no other business of which I have knowledge does the Government make such provision or guaranty. The rest of us have to take our chances and have the extravagant or unwise expenditure trimmed down or squeezed out through a receivership or otherwise. While I certainly do not want losses to come to anyone, the rule has always been that the public did not guarantee investments in railroads. This is not to say that the railroads should not be permitted to earn a fair return. In my experience I have known of but a few instances where anyone felt otherwise. Indeed, I am quite sure that the records will disclose the fact that the regulative authorities

generally have always kept this purpose in mind. It also has been my observation that most of the so-called adverse legislation reflects the reaction of the public to railroad policies and administration. I think this could be demonstrated from the history of the evolution of the act to regulate commerce. I am very certain that in fixing rates the commission always has in mind and considers expenses of every kind in arriving at a conclusion, and I certainly have no objection to a congressional declaration of a national railroad policy.

This question is closely allied to the treatment of the so-called "weak" roads, which may be "weak" from many causes. They may be "weak as a result of mistakes in policy, unsound financing, or bad management, and many because building in the first instance never was justified by the traffic obtainable." Yet "all weak roads are put in the same category * * * regardless of the cause of their condition or the public necessity for more service than they are now performing."

The establishing of rates and the return are directly connected with the recapture clause. Laying aside the right of the public to reasonable rates over the road on which it ships, waiving the fact that through development and growth over a series of years a business has been built up that will justify lower rates than a competing road, and that the public should be entitled to the fruit of its labor in rates as well as in other economies or improvements, let us look the question squarely in the face from the standpoint of the investor.

I think anyone would admit, with the element of gain or profit resulting from one's labors eliminated, with individual effort unrecognized, with one deprived of the benefit of his foresight, his judgment, and his labor, one would not expect much in the way of investment.

No particular reward is offered for new railroad investments. If one through his efforts, his intelligence, his energy, and his judgment succeed under reasonable rates in earning more than 6 per cent, one-half of the excess must be surrendered to the Government to be used in maintaining other railroads which, on account of location, management, or financing or for other reasons do not succeed. How will a law of this kind encourage investments? How long will it be before, with all incentive gone, the "weak" road will pull down the "strong" road and both be on a dead level of mediocrity? Certainly the credit of the "strong" road will not be maintained for long if it is to be used to support the "weak" road which has no credit. In a word investors will not take all the risks and forego the profits. Where is the justice—not considering the law—in taking earnings from stockholders which in many cases represent years of toil and waiting? In what way will this course serve to encourage investment? If a railroad, on a reasonable rate, earns a return of 7 per cent, why should it not keep it? Who is to judge the economies practiced, the efficiency developed, the excellence of the operation to bring about the result? Take away the incentive of gathering the fruits of one's labors and it will not be long until all the roads are "poor" with high expenses and operating results that will demand and continue to demand higher and higher rates.

I really do not see if private ownership is to continue why the road which secures its income under reasonable rates should not keep it. If not, the net result may be that the road which earns the revenue can not keep it, the man who pays the freight will not receive rates to which he is entitled and the law says he shall have, and the weak road which does not earn it will get the revenue. How this can encourage private investment or meet with the approval of the public, I can not see.

For these reasons, Mr. President, I think that section 15-A ought to be repealed, and I think that such action would mean more to the Intermountain States and to the other States and to the country at large than legislation of the character which is now proposed.

Mr. McLEAN. Mr. President, the pending measure has been discussed for several days, and I can not add anything to the able presentation of those who are opposed to it. The Senator from Maryland [Mr. BRUCE] presented an argument which, it seems to me, is unanswerable, and I heartily agree with everything that the Senator from Florida [Mr. FLETCHER] has said.

If I lived in one of the Intermountain States, I should vote against this amendment, and I should vote against it because I believe conditions which would arise because of it would necessitate an increase in the existing rates to the intermountain sections of the country.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. McLEAN. I should like to finish one sentence.

Mr. KING. Does the Senator mean an increase in existing rates from coast to coast——

Mr. McLEAN. I mean just what I said.

Mr. KING. Or to intermediate points?

Mr. McLEAN. I mean to the intermountain section.

Mr. KING. But not from coast to coast?

Mr. McLEAN. That would depend upon circumstances.

Mr. President, this amendment is nothing more nor less than an attack, or at least a reflection, upon the integrity of the members of the Interstate Commerce Commission or their competency. The existing law is mandatory. All rates must be reasonable; they shall be compensatory, and they shall be nondiscriminatory. It so happens that Senators living in the intermountain section believe that existing rates are discriminatory. In other words, they are finding fault with the decision of the court. As I suggested a few moments ago when I interrupted the Senator from Florida [Mr. FLETCHER], the Interstate Commerce Commission have given serious consideration to this question, and 10 out of 11 of them are opposed to this amendment.

This situation arises frequently whenever an important matter goes to court and is tried. The unsuccessful party immediately finds fault, and in many instances he comes to the lawmaking body and wants the law amended. Precisely the same question is involved in this controversy as would be involved and has been involved many times in the interpretation of the antitrust act as to what constitutes restraint of trade.

The same question arose when we created the Federal Trade Commission and prohibited unfair competition. I remember that when we were debating that bill a good many Senators insisted that the expression "unfair competition" should be interpreted by the Congress; but every lawyer knows that when you lay down a general principle of law it is as far as you can safely go. If you undertake to establish a state of fact which will in every case violate the principle, you immediately find that it is impossible.

The Senator from Utah [Mr. KING], in his discussion of the question the other day, in his very opening sentence admitted that there were two sides to this question. The fact is, there are thousands of sides. Every time there is a question as to whether or not the rate is reasonable or discriminatory that question goes to the Interstate Commerce Commission. There are thousands of these cases that come to their attention, and it is for this court to say whether the rate is reasonable or not. It is for this tribunal to say whether it comes within the provisions of the law or not. I do not understand that any of the proponents of the measure find fault with the law, and yet they are urging Congress to set up a condition of fact under which no departure can be allowed, no matter whether that departure is compensatory or not. My opinion is that if they succeed in doing this they will be the first to suffer.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Utah?

Mr. McLEAN. Yes.

Mr. KING. I do not want to disturb the continuity of the Senator's splendid argument; but does the Senator think that the proponents of this measure are seeking to have rates adopted that are noncompensatory? We are complaining because the proposition is to haul freight from coast to coast, or from intermediate points between the Pacific and the Atlantic to the Pacific, at out-of-pocket cost, or perhaps less than cost, in order to compete with water rates. We want the railroads to have a compensatory rate from ocean to ocean, or from interior points to the ocean.

Mr. McLEAN. That is the law. That is precisely my point. The law is mandatory. Rates should be compensatory. If the Senator were in the railroad business, he would know that an out-of-pocket cost may in many instances be compensatory. If the operation of this law should deprive that road of freight which it otherwise would carry and thus diminish its net income, that would have to be made up by an increase in rates to the intermediate points. There is no question about that.

Mr. KING. Mr. President, may I suggest to the Senator, without concurring in the last observation, that with the facilities which the railroads now have and the facilities which they will be permitted to create in addition to those they now have in the next four or five years they will have more freight

from ocean to ocean than they can properly carry without the adoption of the policy for which the Senator is contending and against which we are inveighing.

Mr. McLEAN. On the contrary, it is my judgment that if this amendment passes, with the restrictions that are now placed upon the earnings of the carriers, it will be exceedingly difficult to secure the additional railroad facilities which the intermountain section need and which they will get if they will allow the transcontinental roads to add to their income every dollar that they can get in the long-distance haul.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Idaho?

Mr. McLEAN. I yield to the Senator.

Mr. GOODING. Does the Senator think that his beautiful city of Bridgeport would have developed and grown if it had had discrimination in freight rates such as the transcontinental railroads are now asking against the interior of the West?

I want to say to the Senator that if you will let me fix the freight rates, I will destroy any town or any industry in America in one short year. The bats will be flying through your institutions; and what we are fighting for is that we shall not have discrimination against the interior and our institutions—nothing more. You have not any discriminations; you never had any; but you want to force them on the interior of the West and the interior of the Southern States.

Mr. McLEAN. The trouble with the Senator—and I have been trying to make it clear to the Senate—is that he insists that the Interstate Commerce Commission are violating the law; otherwise there would be no ground whatever for his position. The law says that the rates shall not be discriminatory. If there is discrimination, it is not the fault of the law; it is the fault of the court; and he is, as I have said is frequently the case when a man is unfortunate in losing his cause, finding fault with the court.

Mr. GOODING. When the court continually permits these violations in which there is a discrimination, then I ask to have the law amended so that it is absolute, so that they can not make that discrimination; that is all.

Mr. McLEAN. That is just the trouble. When you do that, conditions will arise in which you will regret the fact that you have undertaken to lay down a principle and then set up a condition of fact which shall violate that principle.

When we come to administer this law it must be interpreted by a judicial body which will inquire into the facts. Whenever Congress undertakes to do that in advance, to anticipate conditions of fact which may violate that principle, as I have said, it is utterly impossible.

Mr. GOODING. Mr. President, if the Senator will yield again——

The PRESIDING OFFICER. Does the Senator from Connecticut further yield to the Senator from Idaho?

Mr. McLEAN. I do.

Mr. GOODING. I will ask the Senator if he will accept discriminations against the cities in his State, or his institutions of any kind, even for as much as one penny a hundred, while in the West they are asking for discrimination that is equal to 48 cents a hundred?

Mr. McLEAN. Mr. President——

Mr. GOODING. Will the Senator answer that question? Will he accept discriminations as against his own people and his own State and his own institutions?

Mr. McLEAN. The trouble with the Senator from Idaho is that he argues himself out of court. He insists every time that there is a discrimination. If there is, it is unlawful and the fault is with the commission.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. McLEAN. I do.

Mr. ADAMS. I desire to ask, really, two questions, if I may. One is as to whether or not these through rates which the railroads seek to put into effect are the character of rates which the Interstate Commerce Commission could compel the railroads to put into effect? In other words, my doubt is this: Are not those rates so low that if the railroads ordered to put them into effect by the Interstate Commerce Commission should object, the court would say that they do not return a reasonable income upon the investment? That is, I am really inquiring as to whether we are not permitting the railroads to establish a rate which the courts and the Interstate Commerce Commission could not compel to be established?

Mr. McLEAN. I think the assumption that the carriers of the country are philanthropists is a very violent assumption. My impression is that the railroads usually charge all that the traffic will bear, all that the Interstate Commerce Commission will approve; and I can not conceive that a transcontinental railroad would take freight from Chicago to the Pacific seaboard at a loss when the Interstate Commerce Commission will permit them to charge enough to return a profit.

Mr. ADAMS. Then if in fact the rates are compensatory, within the meaning of our Supreme Court decisions, the rates from the interior points must exceed that point. In other words, if you start your through train running from New York, and you carry it on to Denver, and at that point you put on an additional freight car, the situation is that you are charging more to carry a freight car from Denver to San Francisco than you are to carry the same freight car from New York through Denver to San Francisco, and that is the type of operation. Now, it may not be discrimination in the sense in which the term is used, but the suggestion that I have is that if that is a practice to which the Congress objects it is entirely proper that they should say to the Interstate Commerce Commission: "We object to that particular practice; we wish it stopped, regardless of whether it is technically a discrimination or not."

I am entirely willing to concede that the Interstate Commerce Commission has been acting entirely in good faith, has been correct in its interpretation. If Congress, the law making body, wishes to change the rule of law, it is entirely appropriate that they should do so. It appeals to those of us in the West that there should be an additional regulation to prevent what we call discriminations, though the Interstate Commerce Commission does not so designate them.

Mr. McLEAN. If I understand the Senator's point, I can answer it by calling his attention to the fact that there is a great variety of commodities. It might be desirable to ship to the Pacific seaboard a great many things which would not be wanted at the present time in Montana or Idaho or some other State. I can imagine that special machinery or many other articles that might be very desirable on the Pacific coast could not at the present time, and would not, be of any use in the intermountain section. Nevertheless, there might be an instance where somebody would want a very small order of a similar commodity, but 99 per cent of it might be entirely through freight.

If you prevent the carrier from putting his rate low enough to meet water competition, assuming, of course, that it must always remain compensatory, you deprive him of a certain portion of his income, which must be made up by increased charges upon transportation to the intermediate section. I can take no other view of it. That is the view that has been maintained with regard to this subject ever since the transportation act was passed, and it seems to me that it would be much better to let the law remain as it is, because my impression is, and I think the facts will show, that departures which cause any discrimination upon which any complaint can be well founded are exceedingly rare.

The Senator understands, as well as I do, that the railroad-rate structure is exceedingly intricate. It is a paramount problem. It is the result of years of growth, and the Senator himself says that he thinks the Interstate Commerce Commission is acting in good faith. The Senator from Idaho does not agree with him. He says they are deliberately discriminating and trying to ruin the intermountain country. I say the position of the Senator from Idaho is not tenable. The very life of railroads, as the Senator from Colorado knows, depends upon their building up their patronage at intermediate points.

So, I say, in many instances it might be wise to let this through freight from the East go to the coast at a lower rate.

Mr. ADAMS. If the Senator will recall, the other day one of the Senators in discussing the matter stated that the western Senators were complaining against God and against nature. Our situation is rather this, that as a part of the taxpayers of the Nation we helped to build the Panama Canal. We put the eastern seaboard 10,000 miles nearer the western seaboard than God and nature had put it. We were entirely willing to do that; but the point to which we object is that, we have put the eastern seaboard 10,000 miles nearer than it was by nature, now they wish, from the standpoint of railroad rates, to put the eastern seaboard nearer to the Pacific by land as well as by water; in other words, practically, from a rate standpoint, to set New York and the other eastern cities to the west of Kansas City and of Denver when they come to making up rates. That is, it seems to me, we have gone a long way to give a beneficial water-route rate, and it ought not to be inverted and applied to our disadvantage.

Prior to the construction of the Panama Canal we did not meet that problem. Then it was purely a question of competition between railroad points—that is, except the extreme traffic that went around the Horn.

Mr. McLEAN. Of course, the Senator knows that there is no economic distinction between competition furnished by water and that furnished by rail. The other day the Senator from South Carolina very entertainingly described the two great systems of transportation, one natural and the other artificial. My impression is that if there is anything natural about the land, the water is also natural, and if a mogul engine is artificial, I think a steamboat is artificial. The Senator from South Carolina elaborated his argument by calling our attention to the great Mississippi River. He called it "Nature's highway." I think that depends upon whether a man wants to swim or walk. If he has no boat—no artificial assistance—he will find that the natural highway which will be to his advantage will be the one that he can use with his legs.

The Senator will remember that years ago we created a Waterways Commission, and I think ex-Senator BURTON was chairman of that commission, one of the ablest men who ever occupied a seat in this Chamber. He gave years of study to this question, and my recollection is that he came to the conclusion that what the American people want is the cheapest and the most efficient method of transportation they can get, regardless of the fact that it might develop that the railroads could carry freight from New York to San Francisco cheaper than it could go by boat. The American people want the lowest rate they can get, and that is precisely what the railroads are giving them. But that rate must be compensatory, it must be nondiscriminatory, and if that law is complied with, no harm can result to the interior points.

Mr. ADAMS. May I make this one suggestion, and I will not interrupt the Senator further: I am thinking, in part, in terms not of transportation companies but in terms of the manufacturer and the man shipping the commodities. For instance, in the community in which I live we have a steel works manufacturing steel rails and other steel products, constituting heavy traffic upon the railroads. We are apparently confronted with the condition that under the present regulation of railroad rates steel rails may be shipped from the seaboard by rail through our community to the Pacific for substantially less than the rate at which we can ship them.

The quantity of the shipments does not vary between the two. Under the rates adopted by the railroads we have been put to a disadvantage which did not exist prior to the opening of the Panama Canal, so that we are wondering how we are to receive the benefits the Senator thinks will be secured by permitting this lower-than-cost rate on the long haul and the more than compensatory rate for the short haul.

Mr. McLEAN. If they can not fix a rate that will compete with the water competition they lose so much business, and that loss of revenue must be made up by raising the rate to intermediate points. I can not see any other conclusion.

Mr. ADAMS. Our situation is this, that under normal rates we can compete from our State to the Pacific coast. They prevent us from competing by substantially raising our rates in order that the man who has 2,000 miles farther to go may compete. That is the thing of which we are complaining.

Mr. McLEAN. Mr. President, I did not intend to occupy the time of the Senate five minutes in discussing this question. Years ago, when it was under discussion, I took pains to investigate it with some care.

Mr. WALSH of Montana. Mr. President, the statement made by the Senator in opening his remarks challenged my attention, namely, that were he a resident of one of the intermountain States he would take the position he does. I merely want to inquire of the Senator whether he recalls any Senator from the intermountain section of the country, in the course of his service in this body, who ever took that position?

Mr. McLEAN. I think there are a good many influences out there——

Mr. WALSH of Montana. What is that?

Mr. McLEAN. I think there are a great many important issues in the intermountain States that are pending all the time, and, as the Senator from Utah said, we are influenced largely by our environment, and properly so. I do not question the good faith of the Senators who represent those States, but if I lived in one of those States I should disagree with them on this question.

Mr. WALSH of Montana. I am simply asking the Senator whether he knows of any Senator from that part of the country who ever did take that position?

Mr. McLEAN. No.

Mr. WALSH of Montana. Does the Senator know of any public man from that section of the country who ever took that position, whether he was in the Senate or out of the Senate?

Mr. McLEAN. I was about to call the attention of the Senate to the views of Professor Johnson on this subject.

Mr. WALSH of Montana. From where?

Mr. McLEAN. Professor Johnson is——

Mr. WALSH of Montana. Of Philadelphia?

Mr. McLEAN. Professor of transportation and commerce in the University of Pennsylvania.

Mr. WALSH of Montana. I was inquiring of the Senator about the public men who speak the views of the people of that section.

Mr. McLEAN. I say to the Senator from Montana that he will not find in this country—I have not been able to find—the opinion of an unprejudiced, impartial student of the subject who does not agree with me.

Mr. WALSH of Montana. Of course, the Senator will make his own case, but I was endeavoring to bring out, if I could, the attitude of the people of that part of the country who have studied the question with reference to their own individual interest. I take it that the Senator does not know of anyone, or he would have made it clear. Then I want to inquire of the Senator, under those circumstances, what conclusion we must arrive at—that those people out there do not know their own business, do not know their own interests.

Mr. McLEAN. I will say to the Senator that with regard to most of these important questions, as far as I am concerned, I always try to ascertain the views of men who are not candidates for the United States Senate; men who are interested solely in ascertaining the soundness or the unsoundness of the question at issue.

I have a great many times in my own experience had very strong prejudices. As I said the other day, when this question was up in the Connecticut Legislature 40 years ago, I was enthusiastically in favor of it, but we tried it, and it did not work as we expected.

Mr. WALSH of Montana. The long-and-short-haul proposition?

Mr. McLEAN. Yes. It did not work as we expected. For that reason and fortified as I am by the almost unanimous opinion of the Interstate Commerce Commission and by the writers upon the subject who have no interest to serve except the integrity of their views, I can not vote for the bill. I am not criticizing any Senator who disagrees with me. It is my way generally, when I have one of these important questions before me, to find out what the experts think about it.

Mr. WALSH of Montana. I understand perfectly well the Senator's views on the subject. For 30 years this matter has been a subject of debate all through our section of the country. Up to the present time, so far as my present information goes, no public man has ever taken any other position upon the question——

Mr. McLEAN. Mr. President——

Mr. WALSH of Montana. I mean from that part of the country—and yet, the Senator tells us if he lived in that section of the country he would take a different view.

Mr. McLEAN. Yes; and I repeat the statement. It is true the attempt has been made again and again to repeal the departure provision in the fourth section of the interstate commerce act, but up to date, for some reason, Congress has declined to accept the views of the gentlemen who come from the intermountain section. My opinion is that the reason why Congress has declined to accede to those views is because they would prove to be disappointing if they were ever enacted into law. My impression that the enactment of this bill—I expect the bill will pass—is largely due to its continual coming, and so forth. If gentlemen in the West want the experience, let them have it. Some people learn from the experience of others. Some people learn from their own experience. I have always tried, as far as I could, to take advantage of the experience of others.

I want to quote from Mr. Johnson's work on "American Railway Transportation" an opinion which seems to me to be sound:

> Section 4 of the statute makes it "unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers or of like kinds of property, under substantially similar circumstances and conditions, for a shorter than for a longer distance over the same line in the same direction, the shorter being included within the longer distance." This "long-and-short-haul clause" of the act was inserted in the law because of the prominence in this country of the particular form of discrimination against which it was directed. The large volume of long-distance traffic competed for by rival railroads brought about such reductions in the charges for through traffic as to make the local rates for shorter distances much higher than those on competitive

business. There was much difference of opinion regarding the advisability of including this section in the law. The House of Representatives favored its inclusion in the law and its enforcement under all circumstances, but the Senate foresaw that unless the provisions of the law were made less rigid, carriers might frequently lose their traffic at competitive points and be obliged because of the law to depend even more largely for their income upon the receipts from the local traffic. The enforcement of a long-and-short-haul clause under these conditions would injure both the local shipper and the carrier. For this reason the Interstate Commerce Commission established by the act was given power to suspend the operation of section 4 for certain carriers in special cases after an investigation of the conditions of competition. The commission has exercised this power in several instances.

The Interstate Commerce Commission submitted to the Committee on Interstate Commerce a communication in relation to this bill. It seems to me that the views of the commission are well founded, but they cover many pages, and I realize that reading them would have no effect upon the vote which is about to be taken. The question is more or less complicated, as is the bill, but in view of the fact that the bill must go to the House and meet with the approval of the Interstate Commerce Committee of the House, I ask to have the statement printed in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, March 19, 1924.

Hon. ELLISON D. SMITH,
Chairman Committee on Interstate Commerce,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Pursuant to your request the Interstate Commerce Commission has considered S. 2327, a bill to amend section 4 of the interstate commerce act, on which hearings have been held recently by your committee, and now transmits its following report thereon. The references in this report are to the printed text of that bill as introduced by Senator GOODING in the Senate on February 1, 1924, and for convenience a print of that bill is attached on which the changes thereby proposed from the text of the present law are indicated in red ink.

These changes will be discussed in their order.

Sheet 1, line 8: The bill inserts the word "a" before "like kind of property." This perhaps is through inadvertence No need appears for the insertion.

Sheet 2, lines 4, 5, and 6: The bill proposes to substitute the words—

"*Provided,* That upon application to the commission a common carrier by rail may, after public hearing, be authorized by the commission to charge less for"—

In place of the words in the existing act reading—

"*Provided,* That upon application to the commission such common carrier may in special cases, after investigation, be authorized by the commission to charge less for"—

The word "such" in the existing law refers back to the words "any common carrier subject to the provisions of this act" (sheet 1, lines 5 and 6) and the words "any common carrier within the terms of this act" (sheet 2, line 3). The original act to regulate commerce of February 4, 1887, provided in its first section that its provisions should apply to—

"any common carrier or carriers engaged in the transportation of passengers or property wholly by railroad, or partly by railroad and partly by water when both are used, under a common control, management, or arrangement for a continuous carriage or shipment from one State or Territory of the United States, or the District of Columbia, to any other State or Territory of the United States." * * *

The amendments made to section 4 in 1910 to 1920 have retained the original words "such common carrier," thus referring to common carriers partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment, as well as common carriers wholly by railroad. The scope of the words "such common carrier," in the existing fourth section, was enlarged by the inclusion in section 1 under the Hepburn Act of June 29, 1906, of pipe lines, express companies, and sleeping-car companies, as carriers subject to the provisions of the act.

It follows that the effect of the proposed substitution on sheet 2, line 5, of the words "a common carrier by rail" in place of the words "such common carrier" now in the law, is to exclude from the operation of the proviso carriers of passengers or property partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment, a type of carrier which has always been subject to the proviso, and to also exclude pipe lines, express companies, and sleeping car companies, which have been subject to the proviso since June 29, 1906. These other types of carriers will, if this bill is enacted, remain subject to the prohibition which precedes this proviso making it unlawful for them to charge or receive any greater compensation in the aggregate for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through rate than the aggregate of the intermediate rates subject to the provisions of the act, but all carriers except common carriers by rail will be excluded from any relief under the proviso. In other words, as to all common carriers except common carriers by rail the prohibition of the fourth section will become inflexible and absolute.

The warrant for so fundamental a change in what has been for 37 years the policy of Congress as declared in the fourth section is not apparent. The hardship which it will work in case of the so-called differential water and rail lines which are so much used by New England, to use but one illustration, is obvious. Another illustration will be found in the similar water and rail routes from New York and other North Atlantic ports to Baltimore or South Atlantic ports and thence by rail to interior destinations. Still another illustration is the ocean and rail route of the Southern Pacific, New York to Galveston, ocean, Galveston to San Francisco, rail.

Pipe lines and sleeping-car companies have not sought or obtained fourth-section relief. Express companies have, and since the zone and block system of making express rates was prescribed by the commission express companies are more than ever in need of such relief, since the express rate from one block or subblock to another is the same by whatever route moved, and one or more out of several routes from the same origin to the same destination may be so located that a train carrying the express matter will move through a higher-rated block or subblock on its way to the common destination. Over these rail routes the express company has no control. It did not locate them, does not maintain them, and could only obviate such seeming fourth-section departures by restricting the routing of express matter to a rail line so located as not to pass through any higher-rated block or subblock.

Indeed, there are many instances where no route would be available unless either the rates should be reduced at intermediate points below the block basis or, at the more distant point, increased to a basis higher than that prescribed by us, for in many instances the only routes reaching certain points pass through higher-rated blocks in reaching lower-rated blocks. The direct route might have only 1 passenger train a day each way and the circuitous route 5 or 10 passenger trains each way daily. The conveniences for handling express matter in the passenger stations at origin or destination of the circuitous route might greatly exceed corresponding facilities by the direct route. The rigidity of the rule which will become operative under this bill would deprive shippers of conveniences in expedited service, to which they are accustomed and of which they should not be deprived, and, indeed, might make it necessary to largely discard the block system of express rates throughout the country, a system devised only after long and painstaking investigation by us, generally adopted by State commissions, and proven by experience to be highly satisfactory to shippers as well as to the express companies. As the act now reads, express companies are subject to the fourth section, and under the bill they will be denied any relief from the prohibition of that section, including existing relief after six months following the passage of this bill.

The words "in special cases," which are omitted by the bill, have been in the act since its original enactment.

The reason for this change does not appear.

The substitution of "public hearing" for "investigation" will carry with it consequences which can hardly have been foreseen in the drafting of this bill.

Neither section 4 nor any other section of the original act or of any supplemental act has made the holding of a public hearing a prerequisite of the exercise by the commission of the powers and duties conferred upon it in the administration of section 4.

The commission has never denied a hearing on a fourth-section application when hearing was sought by any party interested. During the six months' period expiring February 17, 1911, over 5,000 applications for fourth-section relief were filed with the commission. These covered practically every mile of rail in the United States and embraced transportation of passengers as well as property. The departures covered by such applications were by the 1910 amendment of the fourth section protected by this proviso:

"*Provided further,* That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions in this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission in accordance with the provisions of this section until a determination of such application by the commission."

The applications for relief as to passenger service were promptly disposed of, most of them within one year. It has long been our custom to set down portions of original fourth-section applications for hearing in connection with cases on complaint as well as in all cases where violation of the fourth section was expressly alleged by the complainants. In decision of these cases it is believed that, except in southern territory, most of the hurtful departures from the rule of the fourth section have been disposed of in one way or another. In the excepted territory all the remaining applications as to class rates have been heard and are soon to be decided. For more than 13 years rates reflecting such departures have been subject to attack by anyone believing himself to be injured thereby.

The original applications only covered the rates then existing. Any change in those rates necessitated further application and the granting or denial by the commission of the relief sought in respect of such change. So also change in packing requirements, such as the use of paper board cartons where wooden containers had previously been designated in the tariffs or the use of sacks instead of barrels as containers for flour. In brief, any change in the description or the rate covered by the original application necessitated fresh application for relief, but the making of such new application did not and does not protect the departure. There has thus grown up a usage of according without hearing what is termed temporary relief in situations analogous and closely allied to those covered by the original applications, this relief to continue until the original application, or that portion of it to which the new application is allied, should be ultimately disposed of in one way or another.

The rate adjustment in this country is not and never has been static. To have arrested all change in rate or description or charge for services incidental or accessorial to transportation service until hearing could be had on the formal docket and reports and orders could be made based on the record in such hearings would have been of immeasurable detriment to the producers and shippers throughout the United States, and would have restricted and obstructed that free flow of commerce which it was the object of the act to promote. Moreover, the requirement of hearing as a prerequisite would have delayed our according fourth-section relief in so far as necessary to comply with our decisions in the Five Per Cent case and the Fifteen Per Cent case, with general order No. 28 of the Director General of Railroads, and with our decisions in Increased Rates, 1920, and Reduced Rates, 1922, and would have further postponed the general readjustment of rates authorized or required in these cases, to say nothing of the reduction of rates on farm and ranch products in the West which became effective January 1, 1922, or the compliance with our order in rates on grain, grain products, and hay or with our decision that rates on long hauls of livestock in the West should be reduced, but not below 50 cents per 100 pounds.

No permanent relief has ever been granted by us upon the original application except after hearing, for the reason that those applications did not so fully supply the needed information as subsequent applications have done under our more specific detailed requirements. During the first 10 months of 1923 hearings were had on 209 original applications. There were only 31 appearances by persons other than carriers, only 8 witnesses appeared on behalf of shipping interests or localities, and of these only 2 opposed the relief. In considering applications filed since February 17, 1911, permanent relief has generally been granted or denied without a hearing where circuitous lines seek authority to meet short-line competition and all the facts as to the degree of circuity, the rates involved, and other essential matters were presented in or with the application. To require a hearing on each of these applications would greatly delay their disposition, as well as interfere with other matters requiring our attention. Most of such applications can now be disposed of in a few days, whereas if hearings were required much time must elapse before final action could be taken on them. In addition, the expense to the commission and to the interested carriers would be materially increased, and it has been our experience that little or no interest is taken in such hearings by anyone except the applicant. In orders granting relief the following clause is always inserted:

"The commission does not hereby approve any rates that may be filed under this authority, all such rates being subject to complaint, investigation, and correction if in conflict with any provision of the act."

As illustrative of our consistent interpretation of our duty under the statute "to investigate in such manner and by such means" as we shall deem proper, attention is invited to fourth-section circular No. 6, issued by division 2 under date of October 27, 1922, a copy of which is hereto attached marked "Appendix A."

It may be added that no fourth-section relief has ever been granted in respect to transcontinental rates, and the rate relation of intermountain points to Pacific coast terminals, except upon hearing.

In brief, the commission has exercised and, if the act be left unchanged in this particular, will continue to exercise its judgment in such way as to discharge its duty under section 13 to "investigate the matters complained of in such manner and by such means as it shall deem proper" and appropriate to the case before it.

The rigid and inflexible requirement of a public hearing in every case before relief can be granted, in our opinion, is not in the public interest.

Sheet 2, lines 8–11. The bill proposes to strike out from the existing act the words—

"and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section"—

And to substitute therefor the words—

"only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points."

The words thus omitted were the subject of consideration in the Intermountain cases (21 I. C. C. 329 and 21 I. C. C. 400). In the former of these cases the commission, speaking through Commissioner Lane, said, among other things:

"If now we have apprehended aright the intent of Congress there comes before us upon an application for permission to deviate from the prohibitive clause of the fourth section the inclusive question whether by such deviation any provision of the act will be violated, and the burden rests upon the carrier to satisfy our minds that no such result would be effected by the granting of such permission—that no injustice will be done to the intermediate point with relation to the more distant point, * * * and when Congress says that this commission 'may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section,' it means to lodge with this body, if it means anything at all, the power to pass in judgment upon the effect of a railroad policy which departs from the intendment of the law. A community is entitled to something more than a reasonable rate; it is entitled to a nondiscriminatory rate. A carrier may not say, 'We will give to this community a reasonable rate' and meet the full requirement of the law. It must view its rates as a whole and see to it that they effect no advantage or preference to one community over another which does not arise necessarily out of the transportation advantages which the one has over the other."

Based on these and other considerations the commission found that the transcontinental carriers serving Reno and other main-line points on the Central Pacific should make no higher charge upon any article carrying a commodity rate than was contemporaneously in effect from Missouri River points, such as Omaha and Kansas City, to coast terminal points; that traffic originating at Chicago and in Chicago territory moving under commodity rates might have a rate 7 per cent higher to Reno, etc., than to the coast terminals; that from Buffalo-Pittsburgh territory the rates to intermediate points might exceed those to the coast terminals by 15 per cent, and from New York and trunk-line territory by 25 per cent. In the other case, brought by the city of Spokane et al., the report was written by Commissioner Prouty, and similar conclusions were reached. The following is quoted from the headnote:

"6. In determining whether the carrier shall be permitted to make the higher intermediate charge the commission can not act arbitrarily, but must apply the principles which control it in the administration of the other portions of the act. It must inquire whether the maintenance of the higher intermediate rate will result in unreasonable charges or unjust discriminations. If so, the permission must be refused; otherwise it must be granted.

"7. The commission may prescribe in any way that is definite and certain the extent to which the intermediate rate may exceed the long-distance rate in cases where this is necessary to prevent unreasonable rates or unjust discriminations."

These cases were both decided June 22, 1911, after full hearings held in Washington.

In our twenty-fifth annual report to the Congress, being for the year 1911, beginning at page 27, we developed at some length the situation leading up to our fourth-section transcontinental orders in these two cases, reported that these orders had been enjoined by the Commerce Court, and explained the difference in the views of that court and of the commission. Thus, at page 31 we said:

"It is our duty to inquire with respect to each application whether, if the carrier is allowed to make the higher charge at the intermediate point, it will result in rates which are unreasonable or unduly discriminatory.

"The section also authorizes the commission to prescribe the extent to which the carrier may be relieved from the rule of the section. We understand this to mean that if the commission reaches the conclusion that some higher charge might properly be imposed at the intermediate point, but that the present discrimination is too great, then it may fix the extent to which the rate at the short-distance point may exceed that at the long-distance point.

"The Commerce Court agrees that it is the duty of the commission to examine each application, but only, apparently, for the purpose of ascertaining whether there are competitive conditions at the more distant point which do not exist at the intermediate point. If such conditions exist, then it is the duty of the

will, if this bill is enacted, remain subject to the prohibition which pre-

cases where violation of the fourth section was expressly alleged by the complainants. In decision of these cases it is believed that, ex-

commission to permit the charging of the lower rate at the more distant point, without reference to the intermediate rate, except in so far as that rate may be found to be unreasonable in and of itself.

"In the opinion of the Commerce Court, if we find competitive conditions at the more distant point which do not obtain at the intermediate point we must grant relief, and can only inquire whether the intermediate rate is reasonable. In the opinion of the commission we must go further, and must inquire, not only whether competitive conditions do exist at the more distant point, but also whether those conditions justify the discrimination against the intermediate point evidenced by the rates in force. If we find that those competitive conditions do exist, but do not justify a discrimination of the degree now in force, then it is our duty to prescribe the extent to which the discrimination may go, if at all.

In 1914 the Supreme Court reversed the decrees of the Commerce Court and sustained the validity of the commission's orders from a fourfold viewpoint, namely, (1) meaning of section 4 as amended, (2) its constitutionality, (3) the jurisdiction of the court, and (4) the validity of our orders in the light of the statute as interpreted. These decisions are reported in United States et al. v. Atchison, Topeka & Santa Fe Railway Co. et al. (234 U. S. 476), and United States et al. v. Union Pacific Railroad Co. et al. (234 U. S. 495), opinion by Mr. Chief Justice White, the court stating the carriers' objections to the validity of our orders and answering them in this language:

* * * "The main insistence is that there was no power after recognizing the existence of competition and the right to charge a lesser rate to the competitive point than to intermediate points to do more than fix a reasonable rate to the intermediate points; that is to say, that under the power transferred to it by the section as amended the commission was limited to ascertaining the existence of competition and to authorizing the carrier to meet it without any authority to do more than exercise its general powers concerning the reasonableness of rates at all points. But this proposition is directly in conflict with the statute as we have construed it and with the plain purpose and intent manifested by its enactment. * * * As the prime object of the transfer was to vest the commission within the scope of the discretion imposed and subject in the nature of things to the limitations arising from the character of the duty exacted and flowing from the other provisions of the act with authority to consider competitive conditions and their relation to persons and places, necessarily there went with the power the right to do that by which alone it could be exerted, and therefore a consideration of the one and the other and the establishment of the basis by percentages was within the power granted."

It thus appears that the bill proposes to wipe out of the statute provisions which have been sustained by the Supreme Court as not only constitutional but within the powers delegated to this commission, in harmony with the other provisions of the act, and apt for the purpose of carrying that act into effect. It does not appear why it is thought to be in the public interest that power be withdrawn from the commission to prescribe the extent of relief from operation of the section or to do so from time to time as occasion arises under the existing provisions of the law.

Under fourth-section applications and after investigation relief heretofore has been granted carriers in appropriate cases, within the following general situations, to charge lower rates for longer than for shorter distances over the same line or route in the same direction, the shorter being included within the longer distance:

(1) Where a circuitous line or route is in competition with a shorter line or route.

(2) Where rail lines are in competition with water carriers. For example, relief has been granted the rail line operating between San Francisco, Calif., and Portland, Oreg., points between which there is actual water competition, to charge lower rates than those maintained to and from intermediate points north of San Francisco.

(3) To meet commercial or market competition, as where a carrier serving a section whose products are in competition with those of other sections desires to establish rates to a common market which will enable producers on its line to compete in that market with producers in the other sections. Relief in these cases is granted only where the line or route seeking relief is at a substantial disadvantage as compared with the lines or routes serving competitive points or sections of production.

The adequacy of market competition to support fourth-section relief under the amendment of 1910 has been recognized by the Supreme Court.

In United States v. A. T. & S. F. Ry. Co. et al., 234 U. S. 476, Mr. Chief Justice White said, among other things:

"Almost immediately after the adoption of the act to regulate commerce in 1887 * * * the Interstate Commerce Commission, in considering the meaning of the law and the scope of the duties imposed on the commission in enforcing it, reached the conclusion * * * that competition which materially affected the rate of carriage to a particular point was a dissimilar circumstance and condition within the meaning of the act. * * * In considering the act comprehensively it was pointed out that the generic provisions against preference and discrimination expressed in the second and third sections of the act were all embracing and were therefore operative upon the fourth section as well as upon all other provisions of the act. But it was pointed out that where within the purview of the fourth section it had lawfully resulted that the lesser rate was charged for a longer than was exacted for a shorter haul such exaction being authorized could not be a preference or discrimination and therefore illegal.

* * * "These comprehensive views announced at the inception as a matter of administrative construction were subsequently sustained by many decisions of this court, and to the leading of such cases we refer in the margin. We observe, moreover, that in addition it came to be settled that where competitive conditions authorized carriers to lower their rates to a particular place the right to meet the competition by lowering rates to such place was not confined to shipments made from the point of origin of the competition, but empowered all carriers in the interest of freedom of commerce and to afford enlarged opportunity to shippers to accept, if they chose to do so, shipments to such competitive points at lower rates than their general tariff rates: A right which came aptly to be described as 'market competition' because the practice served to enlarge markets and develop the freedom of traffic and intercourse. * * * As the statute as thus construed imposed no obligation to carry to the competitive point at a rate which was less than a reasonable one, it is obvious that the statute regarded the rights of private ownership and sought to impose no duty conflicting therewith. It is also equally clear that * * * the statute lodged in the carrier the right to exercise a primary judgment concerning a matter of public concern broader than the mere question of the duty of a carrier to carry for a reasonable rate on the one hand and of the right of the shipper on the other to compel carriage at such rate, since the power of primary judgment which the statute conferred concerned in a broad sense the general public interest with reference to both persons and places, considerations all of which therefore in their ultimate aspects came within the competency of legislative regulations. It was apparent that the power thus conferred was primary, not absolute, since its exertion by the carrier was made by the statute the subject both of administrative control and ultimate judicial review. * * *

"With the light afforded by the statements just made we come to consider the amendment (of 1910). * * * From the failure to insert any word in the amendment tending to exclude the operation of competition as adequate under proper circumstances to justify the awarding of relief from the long-and-short-haul clause and there being nothing which minimizes or changes the application of the preference and discrimination clauses of the second and third sections, it follows that in substance the amendment intrinsically states no new rule or principle, but simply shifts the powers conferred by the section as it originally stood; that is, it takes from the carriers the deposit of public power previously lodged in them and vests it in the commission as a primary instead of a reviewing function."

(4) To carriers in poor financial condition whose cost of operation due to conditions over which they have no control are unusually high, to meet the competition of stronger lines whose traffic, operating, and financial conditions are more favorable and who, therefore, are able to maintain a lower basis of rates. For example, the Tennessee Central Railroad runs through a sparsely settled and mountainous territory. Its costs of operation are unusually high on account of these conditions, and it has been granted relief to maintain the same rates to and from Nashville, Tenn., as the stronger line of the Louisville & Nashville Railroad, although such rates are lower than the rates charged at intermediate points.

It is hard enough at best for such carriers to continue in operation at all. If fourth-section relief can be granted to enable them to meet the rates of standard lines between competitive points and maintain higher rates to and from points on their own lines, they will lose such competitive traffic as they now have, and many of them will no doubt be forced to suspend operation, with consequent great loss to towns and farming communities served by them.

The case of the Tennessee Central is not an isolated case. Others like it exist in almost every State in the Union, particularly throughout the South, as, for instance, the Georgia, Florida & Alabama, the Gulf & Ship Island, the Kansas City, Mexico & Orient, and the Missouri & North Arkansas. In all probability the two lines last named would not be in operation now if we had not been able to grant them fourth-section relief, so that they might obtain traffic to competitive points without reducing rates to and from points on their own lines. Both of these roads serve extensive agricultural regions and many important communities.

Dozens of similar instances might be cited. In many States the State authorities, recognizing the situation, have permitted such lines to charge higher intrastate rates to their local stations than to competitive points. The results to many short lines in various sections of the country will probably be disastrous if they are prohibited from applying higher rates to intermediate points than to more distant points except where their routes are circuitous.

(5) To carriers operating under disadvantage due to conditions other than circuity, as for example, where carriers forming a joint route are in competition with a carrier having a single-line haul between competitive points. In such cases there is frequently an extra expense incurred by the joint-line route in transferring traffic from one to another which is not incurred by a single-line route and the joint-line route has been granted relief on account of this condition. Thus, in Memphis-Southwestern investigation, 77 I. C. C. 473, distance rates were prescribed for general application in southern Missouri, Arkansas, and western Louisiana over single lines with differentials to be added where joint-line hauls were involved.

In many instances the rate over the single line between competitive points is less than the rate established over the joint line for its distance with a joint line differential added. In such cases the joint lines have been accorded relief to meet the rates of a single line and to maintain higher rates at intermediate points provided that such rates do not exceed rates based on the distance mileage scale plus the joint line differentials found to be reasonable.

There may also be included in this group certain differential rail and water routes in competition with all-rail routes which make rates between competitive points somewhat lower than those established by the all-rail lines.

(6) To meet emergency situations due to drought, flood, and other abnormal conditions. For example, during the summer and fall of 1922, there was a serious drought in New Mexico and other southwestern States which resulted in such a widespread destruction of the crops that livestock in that section was threatened with starvation. The carriers agreed to establish rates on food products shipped into these States on a basis generally not in excess of 50 per cent of the normal rates provided that they were not required to reduce their normal rates to intermediate points unaffected by the drought conditions. Upon application relief to establish the reduced rates under the conditions mentioned was granted for a temporary period.

Similar relief has also been granted temporarily to relieve congestion. For example, during the fall and winter of 1922–23 a serious condition of this kind existed on the lines of many of the eastern carriers and in New England, and there was delay and difficulty in handling traffic over these routes. One of the commodities especially affected by this condition was cotton, large quantities of which were on hand at some of the larger southern points. This was badly needed in New England but could not be handled by the all-rail lines without much delay and over some routes could not be handled at all. At this time there were several hundred thousand bales of cotton at Memphis, Tenn., which merchants at that point were anxious to dispose of and mills in New England to secure, but which the all-rail lines were unable to handle with any degree of certainty or regularity. Upon application of the interested carriers the necessary fourth-section relief was granted to permit movement through the port of New Orleans and thus relieve the emergency. The cotton was promptly forwarded to the New England mills.

(7) Applications are now pending before us for relief from the fourth section to permit carriers to meet port competition. Temporary relief has been granted pending the hearings and determination of such applications. The carriers operating between central freight association territory and the south Atlantic and Gulf ports now have in effect rates applicable on export traffic from central territory to the south Atlantic and Gulf ports established to equalize those in effect on like traffic from the same territory to New York. Similar rates are in effect from south Atlantic and Gulf ports to central territory applicable on import traffic. Many of these rates were established during the period of Federal control, and the carriers serving the south Atlantic and Gulf ports are asking for relief to continue them in order that the southern ports may be kept on a parity with the north Atlantic ports. The rates from the northern and eastern portions of central territory to New York are lower than the rates from points on the Ohio River to New York. The application of the New York rates from points in this territory on export traffic to southern ports therefore results in lower rates from northern and eastern points in central territory, such as Cleveland, Ohio, than from Ohio River cities, such as Cincinnati, and routes from Cleveland to southern ports are operated through Cincinnati, the higher-rated point.

Prohibition of relief to enable south Atlantic and Gulf ports to meet competition of north Atlantic ports will, no doubt, seriously hamper the former and lessen their export and import traffic. If the bill is to be enacted, we think that an additional proviso substantially to the following effect should be inserted at an appropriate place, as, for instance, on sheet 2, after the word "points," in line 21:

"*Provided further*, That upon application to the commission common carriers subject to the provisions of this act may in special cases, after investigation, be authorized by the commission to charge less for longer than for shorter distances over the same line or route in the same direction, the shorter being included within the longer distance, for the transportation of passengers or property moving to or from a foreign country or a dependency of the United States."

Except in certain cases of emergency referred to hereafter the elimination from the existing act of the words:

"And the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section"—

And the substitution therefor of the words—

"only in a case where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or rail carriers between the same points"—

would confine the granting of relief to one case, and one case only; that is, where the route via the applicant rail carrier or rail carriers is longer than via the route of some other rail carrier or carriers between the same points. So far as this provision goes, no relief can be granted except to rail carriers competing between the same points and then only on the ground of circuity.

Distance is but one of the transportation obstacles which must be overcome in serving the public. Relief is confined here to a consideration of distance by rail between the same points. It seems to be assumed that the applicant rail carrier or carriers will have only one route, and that some other rail carrier or rail carriers will have only another route. The applicant rail carrier or rail carriers may have several of these routes and participate in many of them under an agency tariff. Some of these routes may be longer and others shorter than some of the other routes. The provision here substituted in the bill gives us no clear guide as to how to deal with applications in case of such multiplicity of routes, except upon the basis of distances alone, and does not indicate as to whether we may grant such relief to a single carrier which has alternative routes of varying distances.

It has long been a general practice throughout the United States to establish rates on a group or zone system; that is to say, by making the same rate or rates from and to all points within a certain group or zone, which usually apply over all routes. This is the system which is now employed in publishing rates between eastern points and the Pacific coast. The territory lying generally east of the Rocky Mountains is divided into a number of large groups, and the rates from all points in each of such groups are generally the same to all points in California.

A similar plan is followed in publishing rates between points in central territory and points in trunk-line and New England territory. This method of stating rates is simple and convenient, and in some cases is of great advantage to the public at large where it is desirable to maintain the producers of the same territory on a substantial equality in marketing their products. Thus mines in coal fields covering a considerable area and served by different lines, or shipping points in a lumber or wheat producing section, also served by different lines, are accorded the same rate to a common consuming territory. This is true of large industrial centers, such as Chicago, Pittsburgh, St. Louis, and others, which in many cases are grouped with the territory immediately surrounding them for rate-making purposes. Often the rates to and from points within the sweep of a long radius from these centers are the same, generally speaking, over all routes. Many of these groups can not be maintained without fourth-section relief.

This bill disregards the commercial and industrial conditions which have led to the establishment of these groups. It makes circuity or distance by rail lines the sole ground upon which relief may be granted from the absolute provisions of the fourth section, and then only upon condition that the relief shall not apply at "intermediate points as to which the haul of the petitioning line or route is not longer than that of the direct line or route between the competitive points." Under this bill it will be impossible to maintain many of these groups and at the same time preserve the equality of rates over all reasonable routes which now prevails. There can be no doubt that the general practice of extending the blanket rate to and from all points in a given group, as in the case of Chicago, has been instrumental in spreading the zone of industrial and commercial activity in these groups. It is also undoubtedly the truth that if these groups are required to be split up and rates made solely with relation to distance there will result a greater centralization of industries at points having the most favorable location. If the effect of splitting up these groups and making rates solely with relation to distance is a greater concentration of industry at points having the most favorable location, this will add to the congestion at these points, which already is a matter of serious concern.

In practice the effect of denying relief under the fourth section is often to transfer the discrimination or prejudice to the intermediate

imposed on the commission in enforcing it, reached the conclusion

portant communities.

territory. For example, for years carriers have maintained lower rates from Chicago, St. Louis, and other northern points to Texas Gulf ports than to intermediate points in northern Texas and in Oklahoma and Arkansas in order to meet the competition of traffic coming by rail and water from North Atlantic States. Assume a rate of 50 cents from Chicago to Galveston when the rate to Oklahoma City is 55 cents and to Dallas 60 cents. If relief is denied, the carriers will be forced either to cease meeting the rail and water competition at Galveston or to reduce rates on the direct lines from Chicago to a basis not exceeding 50 cents. If the latter, a 50-cent rate will apply at points in Oklahoma and north Texas on direct lines from Chicago, but probably the carriers would not reduce the rates below the present basis to points not on direct lines. Dallas and Fort Worth, on the direct line, would obtain a 50-cent rate. Wichita Falls, Tex., in close proximity to both, is not on any direct line from Chicago and would continue to pay 60 cents. Similar situations are likely to exist in numerous parts of the country, with lower rates projected through territories on direct lines leading to other territories beyond, thus creating even worse prejudice and discrimination between contiguous points than would result from fourth-section departures.

As already observed, carriers by rail and water and express companies are entirely excluded from this provision. The competition encountered at destination from all-water routes, as, for example, through the Panama Canal, and market competition, which has been recognized by the Supreme Court in the cases above cited as a valid ground for relief, are also excluded.

Sheet 2, line 15: The bill omits the words "because of such circuity," which appear in the existing law before the words "granted authority," etc., manifestly for the reason that under the bill no relief could be granted except because of circuity.

Sheet 2, line 16: The bill inserts "rail" before "line" and "rail" before "route" in the words of the statute now reading "a more direct line or route." This is to accord with the restriction to rail lines already noted, as created by the bill.

Sheet 2, line 21: The bill omits the following words, which form part of the existing act:

> "and no such authorization shall be granted on account of merely potential water competition not actually in existence: *And provided further*, That rates, fares, or charges existing at the time of the passage of this amendatory act by virtue of orders of the commission or as to which application has theretofore been filed with the commission and not yet acted upon shall not be required to be changed by reason of the provisions of this section until the further order of or a determination by the commission."

The words so omitted were inserted by the amendment of 1920, and the provision as to merely potential water competition put in statutory form what had become the practice of the commission in dealing with the fourth section. The proviso constituting the remainder of the portion now omitted was necessary to preserve the status of adjustments which had been passed upon by the commission under preexisting law or were still protected by the original applications and was and is a necessary interim provision.

Sheet 2, line 21: In place of the words thus omitted the bill substitutes a new proviso, reading:

> "*Provided further*, That the commission may, with or without hearing, upon its own motion or upon application of carriers or shippers, in cases of emergency such as drought or disaster, authorize during the continuance of said emergency any common carrier or carriers to charge or receive a greater compensation for a shorter than for a longer distance."

This provision, it will be observed, embraces all common carriers, irrespective of whether they are rail carriers or not. In so far as emergencies are concerned, it adds nothing to what is already within the power of the commission, a power which has been exercised repeatedly in recent years, but the bill limits the cases of emergency to "such as drought or disaster" and leaves out cases of traffic congestion and the many and varied other kinds of emergency which may properly call for the exercise of remedial power by an administrative tribunal in the interest of producers, shippers, and consumers quite as much as in the interest of the carriers. Without pausing to develop this further, attention is next directed to another new proviso.

Sheet 3, lines 2 to 8: The bill introduces into the fourth section the following new proviso:

> "*Provided further*, That after six months following the passage of this amendatory act, no common carrier shall charge less for longer than for shorter distances for the transportation of passengers or property, except by authority of an order of the commission entered in compliance with the provisions of this amended act."

Of this it may be said that, however construed, it is absolutely unworkable. Assuming that when this proviso says "shall charge less for longer than for shorter distances" there is meant a shorter within a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, it is manifest at a glance that after six months from the passage of this bill all relief which has been granted by us since 1910 in the thousands of situations already investigated will be rescinded, and that the departures in such situations, and in other situations protected by original applications filed pursuant to the 1910 amendment which have not yet been investigated and passed on by us, must be removed except where new orders shall be entered after hearing as provided in the bill and under the conditions thereof. Humanly speaking, it is manifest that we would not have men enough, or money enough, to hold the required public hearings within the six months. Nor could we ourselves consider and pass upon all of these situations within the six months. The result would be that every carrier in the United States, whether by rail or otherwise, must bring its rate structure into strict conformity with the fourth section at peril of incurring prosecution and the penalties provided by section 10 of the interstate commerce act. If it attempted to do this by increasing all rates to more distant points so as to clear the intermediate rates, numberless protests from shippers must be anticipated, with the inevitable result that many of the tariffs would have to be suspended by us under the provisions of section 15 of the act. This would place on our docket hundreds of suspension cases, which it would be impossible to dispose of within the 6-months' period following the passage of this act, even under the most favorable circumstances. But during the same period we must pass upon the innumerable situations where fourth-section departures now exist which, under this bill, carriers may upon application and after hearing be authorized to continue.

Our present work, moreover, demands our full time and attention. Any serious effort to dispose of the tremendous amount of extra work which would be thrust upon us by the passage of this bill could be made only by discontinuing work on complaints and other matters involving adjustments of rates now pending before us. It is manifest that the additional work placed upon us by this bill would greatly increase the expense of administering the act and call for additional appropriation, even though a longer period than six months be allowed for the removal of fourth-section departures. Again, our power to suspend rates is limited to a period of 150 days, or approximately five months, and as it would be utterly impossible for us within that period to dispose of the enormous number of suspension cases which must inevitably result from the passage of this bill, many increased rates would necessarily become effective.

Incidentally there are serious tariff difficulties and complexities to be taken into consideration. It is more than doubtful whether the carriers could make even a recheck and revision of their rates within the six months' period, to say nothing of the compilation of such rates in suitable form for printing; and a considerable time would be required to print and post and file the thousands of schedules to be reprinted after the work has progressed to the point where the printing may be commenced.

The effect of such a wholesale revision upon the business of the country would undoubtedly be disturbing and cause general unsettlement. Every industry in the country would be caught in the turmoil and the relationship of rates, so important a consideration to all producers, manufacturers, and other shippers, would be thrown into such confusion and uncertainty as to arrest the commerce of the United States, both domestic and foreign. There is nothing in the situation of any particular section of the country which could possibly warrant such profound disturbance of the commerce of this country. During the year 1923 it aggregated nearly 50,000,000 carloads.

If it still be the purpose of Congress, in considering this bill, to promote, foster, and develop the free flow of commerce among the States and with foreign nations, and to provide the people of the United States with adequate transportation, then it must be recognized that this proviso, taken by itself, and in connection with the other new provisions of the bill, is incompatible with that purpose and must defeat it.

In what precedes an interpretation has been placed on the words "no common carrier shall charge less for longer than for shorter distances" more favorable than can be accorded to the words themselves. If this bill is enacted it certainly will be contended that the principle of the Cashman Act in Minnesota has become the law of the land and that under this proviso no common carrier, of whatever type, shall charge less for a longer distance, wherever that may be, or in whatever direction, than for shorter distances, wherever they may be and in whatever direction, for the transportation of passengers or property. This would make the lowest existing charge maintained or participated in by any carrier, under any conditions, on any route or any line of rails, the maximum charge which could be made by it, or by it and its participants in any joint rates, for a corresponding distance, in any direction, at any place on that route or those rails. The only relief from that situation, after the six months shall have expired, would be by authority of an order of this commission, entered after public hearing, in compliance with and subject to the limitations of the provisions of this bill, and then only to a rail carrier or carriers having a circuitous route as compared with another rail carrier, or other rail carriers. The effect of such a provision upon commerce, industry, and agriculture would be revolutionary and in many cases disastrous to carriers, shippers, and communities.

Sheet 3, line 9: The only change here made is one already referred to, the substitution by the bill of the word "whenever" for the word "wherever" now in the act.

For the reasons above outlined we are unable to express approval of the bill.

HENRY C. HALL, *Chairman.*

Commissioner Campbell dissents.

Mr. McLEAN. I will say that this statement was sent to the committee before the committee made certain modifications and removed or eliminated some of the objectionable features which were contained in the original measure. I wrote to the chairman of the Interstate Commerce Commission, and asked his opinion, or criticisms if he had such to offer, upon the bill as finally reported to the Senate.

I have a reply, signed by the chairman of the commission, which calls attention to the bill which is now pending, suggesting certain complications that would arise, and I shall ask to have it printed in the RECORD in order that the House committee may have an opportunity to read it when they come to consider the bill. There are appended to the communication some very interesting statistics, which are in the nature of a reply to some of the claims made by the Senator from Idaho [Mr. GOODING] as to the effect of the discriminations upon the growth of the intermountain section. I think they indicate very positively that the Intermountain States have grown, and grown rapidly, notwithstanding the fact that the transcontinental lines have been permitted to charge less for the longer haul than for the shorter when the rate was compensatory. I ask that these may be printed in the RECORD at the conclusion of my remarks.

Mr. WALSH of Montana. Is that an official communication from the Interstate Commerce Commission?

Mr. McLEAN. Yes; signed by the chairman of the Interstate Commerce Commission, Mr. Hall.

Mr. WALSH of Montana. Is the Interstate Commerce Commission authorized to give its views concerning the wisdom of legislation pending before Congress?

Mr. McLEAN. They have not hesitated to express their views to the Interstate Commerce Committee as to the effect of legislation, and I should hope the time would never come when that committee would hesitate to call upon the Interstate Commerce Commission for their views.

Mr. WALSH of Montana. Who is the present chairman of the Interstate Commerce Commission?

Mr. McLEAN. Mr. Hall.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Connecticut is granted.

The letter and statistics are as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, April 14, 1924.

Hon. GEORGE P. McLEAN,
United States Senate.

MY DEAR SENATOR: Under date of March 27 you addressed to me as chairman of the Interstate Commerce Commission a letter, acknowledged March 28, requesting expression of views as to the amendment, approved March 19 by the Senate Committee on Interstate Commerce of which you are a member, to the original bill, S. 2327, introduced by Senator GOODING, on which we had reported to that committee on March 19. You also invited expression of views on statements contained in the committee report, No. 302, which accompanied the amended bill as reported to the Senate on March 24.

Compliance with your request has necessitated a study of this amendment by the legislative committee of this commission, and I am authorized by it to transmit the following reply, supplementing as it does the report to your committee, which was made by the commission on March 19, Commissioner Campbell dissenting. The time available has not permitted consideration of this reply by the commission, but we believe it to be consonant with the commission's view, Commissioner Campbell excepted.

On pp. 28 et seq. of our report of March 19, 1924, to Chairman Smith of the Senate Committee on Interstate Commerce, we discussed a new proviso, which would be inserted in paragraph (1) of the fourth section by S. 2327 as introduced by Senator GOODING on February 1, 1924, reading:

> "*Provided further*, That after six months following the passage of this amendatory act, no common carrier shall charge less for longer than for shorter distances for the transportation of passengers or property, except by authority of an order of the commission entered in compliance with the provisions of this amended act."

By amendment approved by the committee on March 19, 1924, this proviso was replaced by two new provisos, and paragraph (2) which followed the replaced proviso in the original bill was omitted, doubtless because that bill purports to amend only paragraph (1) of section 4.

For convenience in reference the text of the two provisos thus substituted by amendment for the proviso above quoted will be reproduced as they appear in the amended bill reported March 24 (calendar day, March 25), 1924, beginning on sheet 3 of that print at line 16 and ending on sheet 4 at line 12. They thus follow in direct sequence the proviso of the original bill relating to cases of emergency, such as drought or disaster, upon which we made brief comment on p. 26 of our report to the committee dated March 19. All of our report down to and including the comment last referred to still stands as the view of the commission and is applicable to the amended bill except as the two new provisos about to be considered may change the effect of that part of the bill which precedes them, and such change will be discussed in considering the two new provisos.

The first of these provisos, beginning at sheet 3, line 16, of the amended bill, reads:

> "*Provided further*, Where a carrier by rail now has in effect any rate, fare, or charge which is less for the longer than for the shorter distance between two points (the shorter being included within the longer distance), and which has been authorized by the commission or as to which application has been filed with the commission and not yet acted upon, it shall not be required to change such rate, fare, or charge within 12 months after the passage of this amendatory act, nor thereafter if either before the commencement of or within the said 12 months' period such rate, fare, or charge shall have been authorized by order of the commission, after hearing, and entered in compliance with the provision of this act as hereby amended, and such order shall not be temporary in character for the purpose of allowing such carrier by rail to meet the competition of another carrier by rail whose route is shorter between said points."

By the amendment this proviso becomes the third which qualifies the opening prohibition of section 4 in the existing law, as well as in the original and amended bills. The first in both bills provides for cases of circuity as between rail lines, excluding other carriers subject to the act and to the prohibition; the second in both bills provides for temporary relief in such cases of emergency as are there designated, "with or without hearing," and embraces "any common carrier or carriers," whether by rail or not.

The new proviso, which becomes the third in sequence, deals only with carriers by rail, and consequently leaves unaffected carriers "engaged in transportation partly by railroad and partly by water when both are used under a common control, management, or arrangement for a continuous carriage or shipment," to quote from paragraph (1) (a) of section 1 of the interstate commerce act. Such rail and water carriers are now protected in some instances by original applications made prior to February 17, 1911, not yet fully disposed of, and in other instances by outstanding orders, temporary or final, of this commission. The bill does not continue the protection, either under original applications or under our orders, now afforded by the proviso in the existing act, omitted at sheet 2, line 21, of the Gooding bill as it was before amendment, and referred to on page 27 of our report as being a "necessary interim provision" of the existing law. The state of such rail and water carriers is thus left in uncertainty, to say the least. The new proviso provides that where a carrier by rail now has in effect (lines 16–17) any rate, fare, or charge which is less for the longer than for the shorter included distance between two points, and which has been authorized by the commission, or as to which—

> "application has been filed with the commission and not yet acted upon, it shall not be required to change such rate, fare, or charge within 12 months after the passage of this amendatory act," (lines 20–24).

Under existing law applications filed with the commission since February 17, 1911, do not protect any departure from the fourth section. Under this amendment they would do so for 12 months after passage of the bill, a result which is probably not intended. Moreover, the effect of this amendment would seem to be that no rail carrier can be required by us, or by any other tribunal, to change any rate, fare, or charge "now in effect and covered by such application or order," whether attacked for unreasonableness, unjust discrimination, undue prejudice, fourth-section departure, or any other violation of the act, in proceedings already decided, now pending or hereafter brought, until the 12 months shall have expired. This result also can hardly have been intended. But assuming, if we may, that a legislative intent can be deduced to confine this exemption from required change to rates, etc., as affected by the fourth section, the result will still be to arrest and hold in abeyance all action by us in pending or future fourth-section applications, or in proceedings on complaint where fourth-section departures are attacked by complainants as unlawful, unless such action would be to sanction the rates now in existence. Put in another way, we could grant relief, but we could not deny it if that denial involved change in existing rates.

The new proviso then proceeds—

> "nor thereafter if either before the commencement of or within the said 12 months' period such rate, fare, or charge shall have

been authorized by order of the commission, after hearing, and entered in compliance with the provision of this act as hereby amended, and such order shall not be temporary in character."

(Sheet 3, line 24, to sheet 4, line 4.)

This reference to "such rate, fare, or charge, is to the rate, fare, or charge "now" in effect. Under this provision the rate now in effect can not be changed by us at any time after the 12 months if before or during the 12 months such existing rate shall have been authorized by our order. That rate would thus become immutable so far as we are concerned and beyond our power to change with changing conditions.

This order must have been made "after hearing." We have discussed in our report the practical objections to that requirement and the sufficiency of the existing statutory requirement that we act "after investigation." This order must have been entered in compliance with the act as amended by this amended bill. Orders entered prior to passage of that bill could hardly satisfy this requirement, and yet the provision last above quoted contemplates orders entered prior to such passage. Furthermore, the order must not have been temporary in character. The propriety of temporary relief was touched upon in pages 7 and 8 of our report of March 19 to the committee.

The new proviso then qualifies the provisions last above quoted by adding:

"for the purpose of allowing such carrier by rail to meet the competition of another carrier by rail whose route is shorter between said points."

This reiterates the limitations that relief shall only be accorded to rail carriers and further limits that relief to cases where competition is encountered from another rail carrier whose route is shorter. It excludes from consideration the compelling force, recognized by the Supreme Court, of other forms of composition. It further assumes that the other rail carrier will have only one route. That carrier may have several routs and may participate in hundreds, some longer and some shorter than one or more routes of the applicant rail carrier, or the many routes in which the applicant participates. Such a statutory limitation imposes use of a criterion which, in practical application, would in many cases be found more perplexing than helpful.

It will be observed from this analysis of the first new proviso that nothing in it calls for modification of what was said in our report to the Senate committee except, beginning on page 28, as to the proviso in the original bill which is in part replaced by this first new proviso.

The second of the new provisos, beginning at sheet 4, line 7, of the amended bill reads:

"*And provided further*, That nothing in this section contained shall prevent the commission from authorizing or approving departures from the provisions of this section in so far as applicable to import or export rates or to a block system of express rates established by order or with the approval of the commission, or permitted by it to be filed."

The words "nothing in this section" will embrace the two paragraphs which compose it, viz, paragraph (1), here under amendment, and paragraph (2), left unchanged by this bill. They include the prohibitions as well as the requirements contained in both paragraphs. The effect of this second new proviso will be to cure the exclusion of express rates by the original bill, commented upon at pages 4 and 5 of our report of March 19, 1924. It will also provide for such situations as those discussed on pages 21 and 22 of our report with reference to export rates, maintained for the purpose of equalizing ports. It does not cover rates to or from possessions or dependencies beyond seas of the United States. That traffic is important but does not ordinarily come within the definition of foreign commerce. No reason appears why such traffic should not fare as well as export or import traffic with foreign countries. No mention is made in this second new proviso of fares for the transportation of passengers, which remain covered by the prohibitions and requirements of the section, or of charges, such as demurrage, storage, and other, incident to the movement of export and import traffic, which seemingly also remain covered by the other provisions of the section.

With these exceptions, the matters laid before the Senate committee in our report appear to be still pertinent and appropriate for consideration.

Passing from this somewhat detailed analysis of the amendment made on March 19, some observations more general in character may next merit your attention.

The number of published rates now in existence will never be known. They almost surpass computation and would certainly not repay it. They cover almost without exception the movement of every article from any station to any other station on the railroad system of the United States. The system embraces some 250,000 miles of road, and the number of railroad stations named or designated in the tariffs may range anywhere from 50,000 to 100,000. The latter figure was recently mentioned in argument before us. It follows that the number of railroad rates available for use by the shipping public must run into the billions. No one will ever count them. But if only one in a thousand presents some fourth-section departure, the number of such rates would necessarily run into the millions. These exceptional rates are in use all over the United States, probably on some line or lines of every important carrier. Many of them are used on important and extensive traffic and are in effect under the statutory relief afforded by applications filed prior to February 17, 1911, or by order made by this commission. Under the wording of the first new proviso substituted by the amendment of March 19, 1924, apparently the commission will not only be prevented for a year from requiring the removal of any such fourth-section departures but will also be prevented from requiring reductions in any of such rates, from dealing with their reasonableness or unreasonableness, and from removing any undue or unreasonable preference or advantage in any respect whatsoever, which may exist with respect to any of such rates. There are no doubt now pending before us a number of formal proceedings involving many such rates which can not, under the amendment, be disposed of for a year, thus depriving complainants of the relief to which they may be entitled under the provisions of the act. The 12-month period now substituted for the 6-month period in the original bill is not open to all the criticism of the latter in our report, but still affords inadequate time, under any construction, for the many important adjustments which would become necessary if the amended bill should be enacted.

You also invite an expression of views with regard to statements contained in the committee report (No. 302) as to the hardships suffered under existing law and the attendant arguments in favor of the proposed change.

Our report of March 19 to the committee is so wholly at variance with the committee report to the Senate that analysis in detail of the latter would seem unprofitable if indeed it be appropriate under the circumstances. To what extent the committee report reflects the whole record made at the hearings before it can better be determined by the members of that committee. It portrays a situation of hardship and oppression in the interior of the South and West which, in the judgment of the commission, does not exist.

Two fundamentals seem to have been overlooked in that report.

1. At least 85 to 90 per cent of all relief granted by the commission and still in force covers solely the meeting by circuitous lines or routes of the competition of direct lines or routes. If the indirect routes are not so circuitous as to result in wasteful transportation, no shipper, community, or section of the country is adversely affected to any material extent by relief granted on account of circuity. Certainly no undue prejudice or undue preference as between shippers results from such relief, and certainly the growth or development of no community or section of the country has been appreciably affected by such relief. That this is so is evidenced by the fact that for many years shippers have had the right to file formal complaints with the commission seeking correction of their grievances against carriers, and I know of no single one of the more than 15,000 complaints filed which attacked rates solely or primarily upon the ground that fourth-section relief on account of circuity existed with respect to such rates, whether that relief had been granted by the commission or by the statute itself.

2. The only form of relief which in all fairness could be said to affect the growth or development of communities or sections of the country is relief over the direct or "rate-making" lines. Practically only two forms of such relief exist, (a) to meet water competition, and (b) to meet the competition of carriers leading to or from other markets or sources of supply. Little relief of either kind, particularly the latter, has been granted since 1920, but, as explained in our report of March 19, in some instances seriously detrimental effects upon certain carriers will undoubtedly result if relief can not under any circumstances be granted on these grounds. Such detriment to the carriers will in most instances be reflected in detriment to the communities and shippers served by those carriers. If the railroads are not prosperous their condition is apt to be reflected in the territory served by them.

I may be pardoned if I refer to one sweeping affirmative statement in the committee report. This reads:

"The West and South are treated differently than the East in the matter of fourth-section applications; in the East no fourth-section relief is granted on account of water competition, notwithstanding in the East there are great waterways and intense water competition. In the West there are practically no inland waterways and the railroads of the West always have been permitted to charge more for the short than for the long haul to meet water competition."

It is true that practically no fourth-section relief to meet water competition is now extant in the eastern territory, but this is because of two important factors, (1) the volume of traffic is so much greater there than in the West or South that it is not a matter of so much moment to rail carriers whether water lines deflect traffic from them, (2) the level of the rail rates, because of greater density of traffic and consequent lower operating expense per unit of traffic, is lower in the East than in the West or South, particularly the West, and there

is little necessity for reducing the standard rail rates to meet the competition of water carriers. In other words, the rail carriers obtain without relief a fair share of the traffic as against the water carriers, and accordingly little or no such relief is in force. It should further be said that, with respect to fourth-section relief on account of water competition, the commission has not pursued a different policy in the East from that which it has followed in other sections of the country.

There is in fact little relief on account of water competition in the West. The only important instances are between ports on the Pacific coast, as between Portland and San Francisco, or between northern points on the one hand and the Gulf coast country on the other, to meet the competition of water lines from the Atlantic seaboard or from foreign countries. Since the early part of 1918, or during a period of about six years, there has been absolutely no water-competition relief or any relief other than that based on circuity as described above and similar to that prevalent throughout the country, including the East, on westbound traffic which involves the intermountain country. There is practically no relief on eastbound transcontinental traffic through the intermountain country. Wool is the only important commodity on which such relief exists, and the existence of that relief at this time is directly due to the suspension, at the request of the intermountain people themselves, of tariffs which the carriers filed when we denied relief and which would have corrected the existing departures.

Throughout the committee's report in this matter there is frequent reference to the "interior" as a territory against which unjust discrimination and undue prejudice have been created by the manner in which we have administered the fourth section. This term in its broadest meaning would apply to all of the interior of the United States, but it probably refers to the territory intermediate to the Pacific coast, or the so-called intermountain territory, and the interior of the South. I have already called attention to the fact that for the past six years there has been practically no fourth-section relief to and from the intermountain territory except to circuitous lines in order to enable them to meet the rates on direct lines, and whatever conditions may exist at present in that region can not be said to be due to fourth-section relief.

In the South there are important situations where all of the rates have not yet been adjusted so as to conform to the provisions of the fourth section. These are being corrected as rapidly as possible. The commission has for a number of months past been actively investigating the entire class-rate structure in the South with a view to a general revision which will remove all existing fourth-section departures therein except upon the ground of circuity and will dispose of all pending applications in so far as they involve class rates, the class-rate readjustment to be followed as promptly as possible by a similar readjustment of all commodity rates, thus disposing of all applications in the South.

It has not come to our attention that any portion of the population of any particular community has been constrained to migrate to other sections where lower freight rates prevail because of fourth-section relief either granted or existing by reason of applications not passed upon. On the contrary, as is well known, there has been a steady movement of the population from the rural sections and towns to the larger cities for a number of years past. This phenomena, nationwide, has probably been as marked in the East and Middle West, where there are comparatively few fourth-section departures, as in the South and far West. What, if any, part fourth-section relief has played in this general tendency toward centralization of population in larger cities is problematical, to say the least. I am unable to perceive that it has been a factor to any appreciable extent. I attach two tables, marked "Appendix A" and "Appendix B," showing growth in population of representative cities in the intermountain States beginning with 1890 and growth in value of manufactured products for five-year periods beginning with 1889. The statistics are taken from reports of the United States Bureau of the Census and need no comment.

For the reasons above outlined, supplementing those set forth in our report to the committee, we are unable to express approval of the bill as amended.

H. C. HALL, *Chairman.*

APPENDIX A

POPULATION

Representative cities of Intermountain States

	1920	1910	1900	1890
ARIZONA				
Bisbee	9,205	9,019	6,030	1,[illegible]
Phoenix	29,053	11,134	5,544	2,152
Tucson	30,208	13,193	7,531	5,150
COLORADO				
Colorado Springs	30,105	29,078	21,085	11,140
Grand Junction	8,665	7,754	3,503	2,020
Pueblo	43,050	41,747	28,157	25,558
IDAHO				
Boise	21,392	17,358	5,958	2,311
Moscow	3,956	3,670	2,464	2,261
Wallace	2,816	5,009	2,955	878
MONTANA				
Anaconda	11,668	10,134	9,453	3,975
Billings	15,100	10,031	3,221	530
Bozeman	6,183	5,107	3,419	2,103
Butte	41,611	39,165	30,470	10,723
Kalispell	5,147	5,549	2,526	.....
NEW MEXICO				
Albuquerque	15,157	11,020	6,232	3,785
Santa Fe	7,236	5,072	5,603	6,185
UTAH				
Ogden	22,604	25,580	14,313	14,889
Provo	10,303	8,925	6,185	5,159
Salt Lake City	118,110	92,777	53,531	44,843
WYOMING				
Cheyenne	13,829	11,320	14,087	11,[illegible]
Laramie	6,301	8,237	3,207	6,388
Sheridan	9,175	3,468	1,559	231
WASHINGTON				
Spokane	104,437	104,402	36,848	19,922

APPENDIX B

VALUE OF MANUFACTURED PRODUCTS

Intermountain States

[Comparative summary: 1919, 1914, 1909, 1904, and 1899]

	1919	1914	1909	1904	1899	Per cent of increase			
						1914-1919	1909-1914	1904-1909	1899-1904
Arizona	$120,769,112	$64,089,510	$50,298,604	$28,663,192	$20,436,987	88.4	27.5	79.9	37.4
Colorado	276,622,393	126,890,321	100,143,099	89,057,579	72,[illegible]	101.4	5.2	12.0	72.4
Idaho	80,230,749	26,428,797	8,788,743	3,091,442	[illegible]	183.0	27.0	185.5	172.2
Montana	166,904,518	84,446,136	73,271,793	66,415,432	52,744,997	97.4	15.3	10.3	25.9
New Mexico	17,356,502	9,320,067	7,897,756	3,985,880	4,080,924	91.6	18.0	98.4	2.5
Utah	156,963,071	87,112,360	61,989,277	38,926,464	17,981,648	80.2	40.5	59.2	116.6
Wyoming	81,445,394	11,223,415	6,249,078	3,523,280	2,268,565	625.7	79.6	77.4	7.8

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Idaho [Mr. GOODING] in the nature of a substitute for the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. PITTMAN. For the purpose of having the bill conform to the amendment that was disposed of on Saturday, I offer the following amendments: On page 2, line 5, after the word "carrier," I move to strike out the words "by rail"; in line 9, after the word "applicant," to strike out the word "rail," and after the word "or" strike out the word "rail"; and in line 10, after the word "some," strike out the word "other."

The PRESIDENT pro tempore. The amendments will be stated.

The READING CLERK. On page 2, line 5, after the word "carrier," strike out the words "by rail"; in line 9, after the word "applicant," strike out the word "rail"; in line 9, before the

word "carriers," strike out the word "rail"; and in line 10, after the word "some," strike out the word "other," so as to read:

That upon application of the commission a common carrier may, after public hearing, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property only in a case where the route via the applicant carrier or carriers is longer than via the route of some rail carrier or rail carriers between the same points, etc.

The PRESIDENT pro tempore. The question is on agreeing to the amendments proposed by the Senator from Nevada.

Mr. McLEAN. I think the Senator ought to explain briefly the purpose of the amendments. I do not know that it will make any difference in the vote, but sometimes it is advisable when we are amending the transportation act to know what the author of the amendment considers will be the effect.

Mr. PITTMAN. The proposition is simply this: The act itself defines what is a common carrier under the act. A common carrier under the act is a rail carrier or a joint rail-and-water carrier under the same management or control, or acting together with joint rates. The term "common carrier" covers the definition.

The PRESIDENT pro tempore. The question is on agreeing to the amendments submitted by the Senator from Nevada.

The amendments were agreed to.

Mr. KING. What is before the Senate?

The PRESIDENT pro tempore. There is nothing before the Senate except reporting the bill from the Committee of the Whole.

Mr. KING. I shall wait until the bill is passed, and then shall ask the Chair to recognize me.

The PRESIDENT pro tempore. If there be no further amendment to be proposed to the bill as in Committee of the Whole, it will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. BRUCE. I call for the yeas and nays.

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Jones, Wash.	Ransdell
Ashurst	Edwards	Kendrick	Reed, Pa.
Ball	Elkins	Keyes	Robinson
Bayard	Ernst	King	Sheppard
Borah	Fernald	Ladd	Shipstead
Brookhart	Ferris	Lodge	Simmons
Broussard	Fess	McKellar	Smith
Bruce	Fletcher	McKinley	Smoot
Bursum	Frazier	McLean	Spencer
Cameron	George	McNary	Stanfield
Capper	Glass	Moses	Sterling
Caraway	Gooding	Neely	Swanson
Colt	Hale	Norbeck	Trammell
Copeland	Harreld	Norris	Walsh, Mass.
Cummins	Harris	Oddie	Walsh, Mont.
Curtis	Harrison	Overman	Warren
Dale	Heflin	Pepper	Weller
Dial	Howell	Phipps	Willis
Dill	Johnson, Minn.	Pittman	
	Jones, N. Mex.	Ralston	

The PRESIDENT pro tempore. Seventy-eight Senators have answered to their names. There is a quorum present. The question is, Shall the bill pass? On that question, the yeas and nays have been demanded.

The yeas and nays were ordered, and the roll was called.

Mr. LODGE. I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. Not knowing how that Senator would vote, I withhold my vote. If allowed to vote, I should vote "nay."

Mr. WILLIS. My colleague [Mr. FESS] is unavoidably absent on this roll call. I am informed, however, that if he were present he would vote "nay."

Mr. ELKINS. I have a pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the Senator from Ohio [Mr. FESS], and vote "nay."

Mr. EDGE. Mr. President, I wish to get the floor at the conclusion of this business. I have already voted.

The PRESIDENT pro tempore. The result has not as yet been announced.

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. WHEELER] is necessarily absent on business of the Senate. If present, he would vote "yea."

The result was announced—yeas 54, nays 23, as follows:

YEAS—54

Adams	Dill	King	Reed, Pa.
Ashurst	Edwards	Ladd	Robinson
Bayard	Ernst	McKellar	Sheppard
Borah	Ferris	McNary	Shipstead
Brookhart	Frazier	Neely	Simmons
Broussard	Gooding	Norbeck	Smith
Bursum	Harreld	Norris	Smoot
Cameron	Harrison	Oddie	Spencer
Capper	Heflin	Overman	Stanfield
Caraway	Howell	Pepper	Sterling
Copeland	Johnson, Minn.	Phipps	Wadsworth
Cummins	Jones, N. Mex.	Pittman	Walsh, Mont.
Curtis	Jones, Wash.	Ralston	
Dial	Kendrick	Ransdell	

NAYS—23

Ball	Elkins	Harris	Trammell
Brandegee	Fernald	Keyes	Walsh, Mass.
Bruce	Fletcher	McKinley	Warren
Colt	George	McLean	Weller
Dale	Glass	Moses	Willis
Edge	Hale	Swanson	

NOT VOTING—19

Couzens	La Follette	Owen	Stephens
Fess	Lenroot	Reed, Mo.	Underwood
Gerry	Lodge	Shields	Watson
Greene	McCormick	Shortridge	Wheeler
Johnson, Calif.	Mayfield	Stanley	

So the bill was passed.

EXECUTIVE SESSION

Mr. EDGE, Mr. WARREN, Mr. KING, and Mr. LODGE addressed the Chair.

Mr. KING. I had the floor a moment ago, Mr. President, as I understood.

Mr. EDGE. Mr. President, I think the Presiding Officer recognized the Senator from New Jersey. I so understood.

Mr. LODGE. Mr. President——

Mr. WARREN. I claim the floor.

Mr. LODGE. Mr. President, I rise to a question of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LODGE. There is a unanimous-consent agreement to go into executive session to-day, I think.

The PRESIDENT pro tempore. There is a unanimous-consent agreement to hold an executive session before the day is over.

Mr. LODGE. I thought it was for 4 o'clock.

Mr. KING. I think it was.

Mr. LODGE. I thought the hour was fixed.

The PRESIDENT pro tempore. The hour was not fixed in the unanimous-consent agreement.

Mr. EDGE. Mr. President, if I may——

Mr. LODGE. Then, Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. EDGE. Mr. President, I move, as an amendment to that motion, that the Senate now proceed to the consideration——

Mr. LODGE. The Senator can not offer an amendment to that motion. In the first place, it is a privileged motion.

Mr. EDGE. I will withhold my motion, then.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Massachusetts that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 1 hour and 50 minutes spent in executive session the doors were reopened.

EXTRADITION WITH LITHUANIA

In executive session this day, the following treaty was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate of the United States:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a treaty for the extradition of fugitives from justice, signed between the United States and Lithuania at Kovno on April 9, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 7, 1924.*

The PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, a treaty for the extradition of fugitives from justice, signed by the plenipotentiaries of the United States and Lithuania, at Kovno, on April 9, 1924.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 5, 1924.

The United States of America and Lithuania, desiring to promote the cause of justice, have resolved to conclude a treaty for the extradition of fugitives from justice between the two countries and have appointed for that purpose the following plenipotentiaries:

The President of the United States of America:

Frederick W. B. Coleman, envoy extraordinary and minister plenipotentiary of the United States of America;

The President of the Republic of Lithuania:

Ernestas Galvanauskas, Prime Minister and Minister of Foreign Affairs;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed upon and concluded the following articles:

ARTICLE I

It is agreed that the Government of the United States and the Government of Lithuania shall, upon requisition duly made as herein provided, deliver up to justice any person, who may be charged with, or may have been convicted of, any of the crimes specified in Article II of the present treaty committed within the jurisdiction of one of the high contracting parties, and who shall seek an asylum or shall be found within the territories of the other; provided that such surrender shall take place only upon such evidence of criminalty, as according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.

ARTICLE II

Persons shall be delivered up according to the provisions of the present treaty, who shall have been charged with or convicted of any of the following crimes:

1. Murder, comprehending the crimes designated by the terms parricide, assassination, manslaughter when voluntary, poisoning, or infanticide.

2. The attempt to commit murder.

3. Rape, abortion, carnal knowledge of children under the age of 12 years.

4. Abduction or detention of women or girls for immoral purposes.

5. Bigamy.

6. Arson.

7. Willful and unlawful destruction or obstruction of railroads, which endangers human life.

8. Crimes committed at sea:

(a) Piracy, as commonly known and defined by the law of nations, or by statute;

(b) Wrongfully sinking or destroying a vessel at sea or attempting to do so;

(c) Mutiny or conspiracy by two or more members of the crew or other persons on board of a vessel on the high seas, for the purpose of rebelling against the authority of the captain or commander of such vessel, or by fraud or violence taking possession of such vessel;

(d) Assault on board ship upon the high seas with intent to do bodily harm.

9. Burglary, defined to be the act of breaking into and entering the house of another in the nighttime with intent to commit a felony therein.

10. The act of breaking into and entering the offices of the Government and public authorities, or the offices of banks, banking houses, savings banks, trust companies, insurance and other companies, or other buildings not dwellings with intent to commit a felony therein.

11. Robbery, defined to be the act of feloniously and forcibly taking from the person of another goods or money by violence or by putting him in fear.

12. Forgery or the utterance of forged papers.

13. The forgery or falsification of the official acts of the Government or public authority, including courts of justice, or the uttering or fraudulent use of any of the same.

14. The fabrication of counterfeit money, whether coin or paper, counterfeit titles or coupons of public debt, created by national, State, provincial, territorial, local, or municipal governments, bank notes or other instruments of public credit, counterfeit seals, stamps, dies, and marks of State or public administrations, and the utterance, circulation, or fraudulent use of the above-mentioned objects.

15. Embezzlement or criminal malversation committed within the jurisdiction of one or the other party by public officers or depositaries where the amount embezzled exceeds $200 or Lithuanian equivalent.

16. Embezzlement by any person or persons hired, salaried, or employed, to the detriment of their employers or principals, when the crime or offense is punishable by imprisonment or other corporal punishment by the laws of both countries, and where the amount embezzled exceeds $200 or Lithuanian equivalent.

17. Kidnaping of minors or adults, defined to be the abduction or detention of a person or persons, in order to exact money from them, their families, or any other person or persons, or for any other unlawful end.

18. Larceny, defined to be the theft of effects, personal property, or money, of the value of $25 or more, or Lithuanian equivalent.

19. Obtaining money, valuable securities, or other property by false pretenses or receiving any money, valuable securities, or other property knowing the same to have been unlawfully obtained where the amount of money or the value of the property so obtained or received exceeds $200 or Lithuanian equivalent.

20. Perjury or subornation of perjury.

21. Fraud or breach of trust by a bailee, banker, agent, factor, trustee, executor, administrator, guardian, director, or officer of any company or corporation, or by anyone in any fiduciary position where the amount of money or the value of the property misappropriated exceeds $200 or Lithuanian equivalent.

22. Crimes and offenses against the laws of both countries for the suppression of slavery and slave trading.

23. Willful desertion or willful nonsupport of minor or dependent children.

24. Extradition shall also take place for participation in any of the crimes before mentioned as an accessory before or after the fact, provided such participation be punishable by imprisonment by the laws of both the high contracting parties.

ARTICLE III

The provision of the present treaty shall not import a claim of extradition for any crime or offense of a political character, nor for acts connected with such crimes or offenses; and no person surrendered by or to either of the high contracting parties in virtue of this treaty shall be tried or punished for a political crime or offense. When the offense charged comprises the act either of murder or assassination or of poisoning, either consummated or attempted, the fact that the offense was committed or attempted against the life of any sovereign or head of a foreign state or against the life of any member of his family shall not be deemed sufficient to sustain that such crime or offense was of a political character, or was an act connected with crimes or offenses of a political character.

ARTICLE IV

No person shall be tried for any crime or offense other than that for which he was surrendered.

ARTICLE V

A fugitive criminal shall not be surrendered under the provisions hereof when from lapse of time or other lawful cause, according to the laws of the place within the jurisdiction of which the crime was committed, the criminal is exempt from prosecution or punishment for the offense for which the surrender is asked.

ARTICLE VI

If a fugitive criminal whose surrender may be claimed pursuant to the stipulations hereof be actually under prosecution, out on bail, or in custody for a crime or offense committed in the country where he has sought asylum, or shall have been convicted thereof, his extradition may be deferred until such proceedings be determined and until he shall have been set at liberty in due course of law.

ARTICLE VII

If a fugitive criminal claimed by one of the parties hereto shall be also claimed by one or more powers pursuant to treaty provisions on account of crimes committed within their jurisdiction, such criminal shall be delivered to that State whose demand is first received.

ARTICLE VIII

Under the stipulations of this treaty neither of the high contracting parties shall be bound to deliver up its own citizens.

ARTICLE IX

The expense of arrest, detention, examination, and transportation of the accused shall be paid by the government which has preferred the demand for extradition.

ARTICLE X

Everything found in the possession of the fugitive criminal at the time of his arrest, whether being the proceeds of the crime or offense, or which may be material as evidence in making proof of the crime, shall so far as practicable, according to the laws of either of the high contracting parties, be delivered

up with his person at the time of surrender. Nevertheless, the rights of a third party with regard to the articles referred to shall be duly respected.

ARTICLE XI

The stipulations of the present treaty shall be applicable to all territory wherever situated, belonging to either of the high contracting parties or in the occupancy and under the control of either of them, during such occupancy or control.

Requisitions for the surrender of fugitives from justice shall be made by the respective diplomatic agents of the high contracting parties. In the event of the absence of such agents from the country or its seat of government, or where extradition is sought from territory included in the preceding paragraphs, other than the United States or Lithuania, requisitions may be made by superior consular officers. It shall be competent for such diplomatic or superior consular officers to ask and obtain a mandate or preliminary warrant of arrest for the person whose surrender is sought, whereupon the judges and magistrates of the two governments shall respectively have power and authority, upon complaint made under oath or in any other judicially prescribed form, to issue a warrant for the apprehension of the person charged, in order that he or she may be brought before such judge or magistrate, that the evidence of criminality may be heard and considered, and if on such hearing the evidence be deemed sufficient to sustain the charge, it shall be the duty of the examining judge or magistrate to certify it to the proper executive authority, that a warrant may issue for the surrender of the fugitive.

In case of urgency, the application for arrest and detention may be addressed directly to the competent magistrate in conformity to the statutes in force.

The person provisionally arrested shall be released, unless within two months from the date of arrest in Lithuania, or from the date of commitment in the United States, the formal requisition for surrender with the documentary proofs hereinafter prescribed may be made as aforesaid by the diplomatic agent of the demanding government or, in his absence, by a consulate officer thereof.

If the fugitive criminal shall have been convicted of the crime for which his surrender is asked, a copy of the sentences of the court before which such conviction took place, duly authenticated, shall be produced. If, however, the fugitive is merely charged with crime, a duly authenticated copy of the warrant of arrest in the country where the crime was committed, and of the depositions upon which such warrant may have been issued, shall be produced, with such other evidence or proof as may be deemed competent in the case. In either case a duly authenticated text of the law under which the charge is made shall be attached.

ARTICLE XII

In every case of a request made by either of the high contracting parties for the arrest, detention, or extradition of fugitive criminals, the appropriate legal officers of the country where the proceedings of extradition are had shall assist the officers of the government demanding the extradition before the respective judges and magistrates by every legal means within their power; and no claim whatever for compensation for any of the services so rendered shall be made against the government demanding the extradition: *Provided, however,* That any officer or officers of the surrendering government so giving assistance who shall, in the usual course of their duty, receive no salary or compensation other than specific fees for services performed, shall be entitled to receive from the government demanding the extradition the customary fees for the acts or services performed by them, in the same manner and to the same amount as though such acts or services had been performed in ordinary criminal proceedings under the laws of the country of which they are officers.

ARTICLE XIII

The present treaty shall be ratified by the high contracting parties in accordance with their respective constitutional methods and shall take effect on the date of the exchange of ratifications, which shall take place at Kaunas as soon as possible.

ARTICLE XIV

The present treaty shall remain in force for a period of 10 years, and in case neither of the high contracting parties shall have given notice one year before the expiration of that period of its intention to terminate the treaty, it shall continue in force until the expiration of one year from the date on which such notice of termination shall be given by either of the high contracting parties.

In witness whereof the above-named plenipotentiaries have signed the present treaty and have hereunto affixed their seals.

Done in duplicate at Kaunas this 9th day of April, 1924.

[SEAL.] F. W. B. COLEMAN.
[SEAL.] GALVANAUSKAS.

TRAVELING SALESMEN IN COSTA RICA

In executive session this day, the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a convention to facilitate the work of traveling salesmen, and a protocol supplementary thereto, both signed by the plenipotentiaries of the United States and Costa Rica at San Jose on March 31, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 14, 1924.*

The PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President, with a view to their transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention to facilitate the work of traveling salesmen, signed between the United States and Costa Rica at San Jose on March 31, 1924, and a supplementary protocol, signed on the same day.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 14, 1924.

CONVENTION CONCERNING COMMERCIAL TRAVELERS

The United States of America and the Republic of Costa Rica, being desirous to foster the development of commerce between them and to increase the exchange of commodities by facilitating the work of traveling salesmen, have agreed to conclude a convention for that purpose and have to that end appointed as their plenipotentiaries:

The President of the United States of America, Mr. Roy T. Davis, envoy extraordinary and minister plenipotentiary of the United States in Costa Rica, and the President of Costa Rica, Prof. don Miguel Obregon Lizano, Minister of Public Education, in charge of the Portfolio of Foreign Relations of Costa Rica, who, having communicated to each other their full powers, which were found to be in due form, have agreed upon the following articles:

ARTICLE I

Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the high contracting parties may operate as commercial travelers either personally or by means of agents or employees within the jurisdiction of the other high contracting party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territorial jurisdiction.

In case either of the high contracting parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this convention, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

ARTICLE II

In order to secure the license above mentioned the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be visaed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon the presentation of such certificate, issue to the applicant the national license as provided in Article I.

ARTICLE III

A commercial traveler may sell his samples without obtaining a special license as an importer.

ARTICLE IV

Samples without commercial value shall be admitted to entry free of duty.

Samples marked, stamped, or defaced in such manner that they can not be put to other uses shall be considered as objects without commercial value.

ARTICLE V

Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six (6) months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

ARTICLE VI

All customs formalities shall be simplified as much as possible with a view to avoid delay in the dispatch of samples.

ARTICLE VII

Peddlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

ARTICLE VIII

No license shall be required of:

(a) Persons traveling only to study trade and its needs, even though they initiate commercial relations, provided they do not make sales of merchandise.

(b) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.

(c) Travelers who are exclusively buyers.

ARTICLE IX

Any concessions affecting any of the provisions of the present convention that may hereafter be granted by either high contracting party, either by law or by treaty or convention, shall immediately be extended to the other party.

ARTICLE X

This convention shall be ratified, and the ratifications shall be exchanged at Washington or San José within two years, or sooner if possible.

The present convention shall remain in force until the end of six months after either of the high contracting parties shall have given notice to the other of its intention to terminate the same, each of them reserving to itself the right of giving such notice to the other at any time. And it is hereby agreed between the parties that, on the expiration of six months after such notice shall have been received by either of them from the other party as above mentioned, this convention shall altogether cease and terminate.

It testimony whereof the respective plenipotentiaries have signed these articles and have thereunder affixed their seals.

Done in duplicate, at San José, Costa Rica, this 31st day of March, 1924.

[SEAL.] ROY T. DAVIS.
[SEAL.] M. OBREGON L.

PROTOCOL

For the better fulfillment of the provisions of the convention concerning commercial travelers, signed to-day, the undersigned, Mr. Roy T. Davis, envoy extraordinary and minister plenipotentiary of the United States of America, and Prof. don Miguel Obregon Lizano, Minister of Public Education, in charge of the Portfolio of Foreign Relations of Costa Rica, representing their respective countries, have agreed as follows:

ARTICLE I

Regulations governing the renewal and transfer of licenses and the imposition of fines and other penalties for any misuse of licenses may be made by either of the high contracting parties whenever advisable within the terms of the present convention and without prejudice to the rights defined therein.

If such regulations should permit the renewal of licenses the corresponding fee will not be greater than that charged for the original license.

If such regulations should permit the transfer of licenses upon satisfactory proof that transferee or assignee is in every sense the true successor of the original licensee and can furnish a certificate of identification similar to that furnished by the said original licensee, he will be allowed to operate as a commercial traveler pending the arrival of the new certificate of identification, but the cancellation of the bond for the samples shall not be effected before the arrival of the said certificate.

ARTICLE II

It is the citizenship of the firm that the commercial traveler represents, and not his own, that governs the issuance to him of a certificate of identification.

In order to obtain practical results the high contracting parties agree to empower the local customs officials to issue the said licenses upon surrender of the certificate of identification and authenticated list of samples, acting as deputies of the central office constituted for the issuance and regulation of licenses. The said customs officials shall immediately transmit the appropriate documentation to the said central office, to which the licensee shall thereafter give due notice of his intention to ask for the renewal or transfer of his license, if these acts be allowable, or cancellation of his bond, upon his departure from the country. Due notice in this connection will be regarded as the time required for the exchange of correspondence in the normal mail schedule, plus five business days for purposes of official verification and registration.

ARTICLE III

It is understood that the traveler will not engage in the sale of other articles than those embraced by his lines of business; that is to say, he may sell his samples, thus incurring an obligation to pay the customs duties thereupon, but he may not sell other articles brought with him or sent to him, which are not reasonably and clearly representative of the kind of business he purports to represent.

ARTICLE IV

Advertising matter brought by commercial travelers in appropriate quantities shall be treated as samples without commercial value. Objects having a depreciated commercial value because of adaptation for purposes of advertisement, and intended for gratuitous distribution, shall, when introduced in reasonable quantities, also be treated as samples without commercial value. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

ARTICLE V

If the original license were issued for a period longer than six months, or if the license be renewed, the bond for the samples will be correspondingly extended. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

ARTICLE VI

Samples accompanying the commercial traveler will be dispatched as a portion of his personal baggage; and those arriving after him will be given precedence over ordinary freight.

In witness whereof the respective plenipotentiaries have signed this protocol and have affixed their seals.

Done in duplicate, in English and Spanish, at San José, Costa Rica, this 31st day of March, 1924.

[SEAL.] ROY T. DAVIS.
[SEAL.] M. OBREGON L.

ADJOURNMENT

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 20, 1924, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 19, 1924

GENERAL APPRAISER OF MERCHANDISE

George M. Young, of North Dakota, to be general appraiser of merchandise, vice Eugene C. Hay, retired.

MEMBERS OF RENT COMMISSION OF THE DISTRICT OF COLUMBIA

The following-named persons to be members of the Rent Commission of the District of Columbia for a term beginning May 23, 1924, and ending May 22, 1925:

William F. Gude, of the District of Columbia.
Richard S. Whaley, of the District of Columbia.
Mrs. Clara Sears Taylor, of the District of Columbia.
Oliver Metzerott, of the District of Columbia.
Thomas R. Peeney, of Delaware.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 19, 1924

PRINCIPAL DELEGATES ON THE PART OF THE UNITED STATES TO THE MEETING OF THE INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS TO BE HELD IN MEXICO CITY, MEXICO

Charles Beecher Warren.
Wallace H. White, jr.
Allen H. Babcock.

COAST AND GEODETIC SURVEY

To be aid

Roger Cushing Rowse.

To be junior hydrographic and geodetic engineers

Frederick Gurnee Outcalt.
Edwin Jay Brown.
Henry Arnold Karo.
Jack Chester Sammons.
George Livingston Anderson.
Isidor Rittenburg.

PROMOTIONS IN THE ARMY

Frank McIntyre to be Chief, Bureau of Insular Affairs.
William Henry Waldron to be colonel, Infantry.
Walter Campbell Baker to be lieutenant colonel, Chemical Warfare Service.
Resolve Potter Palmer to be major, Adjutant General's Department.
Charles Hart Danforth to be lieutenant colonel, Air Service.
George Jefferson McMurry to be chaplain.

POSTMASTERS

ALABAMA

Minnie W. O'Hara, Hurstboro.

ALASKA

William J. Shepard, Cordova.

COLORADO

Irving P. Beckett, Craig.
George Haver, Eckley.
James L. Allison, Woodmen.

CONNECTICUT

Edward S. Coulter, Essex.
James F. Holden, Forestville.
William T. Crumb, Jewett City.
Clarence L. Clark, Lyme.
John A. Ayer, Saybrook.

IDAHO

Frank Dvorak, Aberdeen.
Hugh D. Stanton, Kendrick.
Robert N. Molloy, Orofino.
Albert R. White, Payette.
Amando O. Holmes, Plummer.
Floyd E. Reynolds, Richfield.
Charles J. Shoemaker, Sandpoint.
Lester J. Holland, Shelley.

ILLINOIS

Stephen C. Galeener, Eldorado.
Samuel A. McCullough, Irvington.
Mark Simpson, Waterman.

IOWA

Patience Felger, Afton.
Charles G. Wiley, Bonaparte.
William W. Jamison, Brighton.
Lloyd S. Meyers, Columbus Junction.
John F. Dieus, Griswold.
Charles E. L. See, Laurens.
Frank E. Moravec, Oxford Junction.
William H. Ward, Ryan.
Hazel A. Coltrane, Stockport.
Clair A. Sodergren, Wayland.
Jesse A. Stump, Wellman.

KANSAS

Herbert L. Fryback, Colby.
Merton M. Fletcher, Glasco.
James L. Reeves, Gridley.
Sherman F. Lull, Linn.
George F. Gibson, Lyons.
Eldon C. Newby, Randolph.

LOUISIANA

Edward S. Rogers, Berwick.
John A. Marchand, Gonzales.
Mattie B. Peyton, Keatchie.
Lillian P. Witherow, Lake Providence.
Ector R. Gammage, Westlake.

MAINE

Gustavus A. Young, Island Falls.
Lawrence H. Allen, South Windham.
Carleton E. Young, Winterport.

MASSACHUSETTS

Charles H. Sawyer, Northampton.
Joseph L. McGrath, Sharon.
Herbert E. Buxton, Shrewsbury.
Walter B. Currier, South Acton.
Nancy S. Harley, South Hanson.
Wendell F. Gurney, Whitman.
Charles W. Swift, Yarmouth.

MISSOURI

Sullivan Brigman, East Prairie.
Isaac P. Hopkins, Edgerton.
Ruby M. Ratcliff, Matthews.

NEBRASKA

Edward F. Farley, jr., Bancroft.
Harry B. Clayton, Central City.
Orin J. Schwieger, Chadron.
May Roberts, Nemaha.

NEVADA

Lillie A. Wist, Manhattan.

NEW HAMPSHIRE

Thomas H. Dearborn, Dover.
Leston F. Eldredge, Durham.
William T. Lance, Meredith.

NEW JERSEY

George Coleman, Delanco.
Lyle W. Morehouse, Little Falls.
William A. Reeves, New Lisbon.
Ida H. Collom, Pemberton.
Harry B. Mason, Pompton Lakes.
Charles Herrmann, South River.
Belle H. Smith, Springfield.

NEW YORK

Margaret M. Senecal, Champlain.
Daniel T. Evans, Chittenango.
Berton G. Johnson, Cooperstown.
Walter N. Durland, Hurleyville.
Lulu B. Morehouse, Marathon.
William P. McConnell, Marlboro.
William W. Carpenter, Monticello.
Perry Deyo, New Paltz.
Copeland E. Smith, Olean.

NORTH CAROLINA

Perry T. Roane, Kelford.

OHIO

Hosea A. Spaulding, Delaware.
Olive G. Randall, Hubbard.
John W. Kramer, Maumee.
Charles R. Finnical, Newton Falls.
Frank J. Eckstein, Salem.

OKLAHOMA

Clifton J. Owens, Mill Creek.
Howard E. Sowle, Vici.
Henry C. Cashon, Webbers Falls.
Fred Godard, Wellston.

PENNSYLVANIA

Laura C. Ehler, Shippensville.

PORTO RICO

Carlos F. Torregrosa, Aguadilla.
Jose M. Alcover, Arecibo.
Moises Jordan, Utuado.

UTAH

William S. Anderson, Moroni.

VERMONT

Reginald W. Buzzell, Newport.

VIRGINIA

Ray L. Barlow, Buckner.
Thomas T. Weddle, Floyd.
Thaddeus Y. Price, Green Bay.
Nannie L. Curtis, Leehall.
McClung Patton, Lexington.
Frank G. Jones, Montvale.
John J. Ward, Nassawadox.

REJECTION

Executive nomination rejected by the Senate May 19, 1924

POSTMASTER

William O. Harbach to be postmaster at Des Moines, Iowa.

HOUSE OF REPRESENTATIVES

MONDAY, *May 19, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, who art in heaven, hallowed be Thy name. Give us a grateful and happy sense of all our blessings and help us to look on the bright side of all situations. May we remember all Thy benefits by yielding our hearts to Thee. In all our ways help us to acknowledge Thee and to be deeply conscious of the truth that unto the upright there ariseth a light in the darkness, and the path of the just is as a shining light that shineth more and more unto the perfect day. Amen.

The Journal of the proceedings of Saturday was read and approved.

CONFERENCE REPORT

Mr. SHREVE. Mr Speaker, I present a conference report on the bill H. R. 8350 for printing under the rules.

The SPEAKER. The gentleman from Pennsylvania presents a conference report on the bill H. R. 8350, which the Clerk will report by title.

The Clerk read as follows:

Conference report to accompany H. R. 8350, a bill making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. Ordered printed under the rules.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes; in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed without amendments the bill (H. R. 8005) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America.

The message also announced that the Senate had passed bill of the following title; in which the concurrence of the House of Representatives was requested.

S. 3272. An act granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

The message also announced that the Senate had passed with amendments bills of the following titles; in which the concurrence of the House of Representatives was requested:

H. R. 5325. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes;

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians;

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia; and

H. R. 3104. An act granting 160 acres of land to the Western State College of Colorado at Gunnison, Colo., for the use of the Rocky Mountain biological station of said college.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased; had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CAPPER, Mr. SPENCER, and Mr. CARAWAY as the conferees on the part of the Senate.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 365) for the relief of Ellen B. Walker; had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CAPPER, Mr. SPENCER, and Mr. TRAMMELL as the conferees on the part of the Senate.

SENATE BILLS REFERRED

Under clause 2 Rule XXIV Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated:

S. 1834. An act for the relief of the legal representative of Robert Dillon, deceased; to the Committee on War Claims.

S. 1013. An act for the relief of Gordon G. MacDonald; to the Committee on Naval Affairs.

S. 953. An act for the relief of William Kaup; to the Committee on the Public Lands.

S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds; to the Committee on Claims.

S. 819. An act prescribing certain qualifications of postmasters of offices of the first, second, and third class; to the Committee on the Post Office and Post Roads.

S. 608. An act for the relief of the Great Lakes Engineering Works; to the Committee on Claims.

S. 1174. An act authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses; to the Committee on Indian Affairs.

S. 1975. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire and Marine Insurance Co.; to the Committee on Claims.

S. 2052. An act to carry out the decree of the United States District Court for the Eastern District of Pennsylvania in the case of United States of America, owner of the steam dredge *Delaware*, against the steamship *A. A. Raven*, American Transportation Co., claimant, and to pay the amount decreed to be due said company; to the Committee on Claims.

S. 2138. An act for the relief of First Lieut. Harry L. Rogers, jr.; to the Committee on Claims.

S. 2397. An act to provide refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects; to the Committee on Irrigation and Reclamation.

S. 2455. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Buitrago Diaz by United States marines on February 6, 1921; to the Committee on Foreign Affairs.

S. 2526. An act providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe; to the Committee on Indian Affairs.

S. 2457. An act to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with the United States marines; to the Committee on Foreign Affairs.

S. 2593. An act for the extension of Rittenhouse Street in the District of Columbia; to the Committee on the District of Columbia.

S. 2669. An act for the relief of J. R. King; to the Committee on Claims.

S. 2975. An act validating certain applications for and entries of public lands, and for other purposes; to the Committee on the Public Lands.

S. 2693. An act in reference to writs of error; to the Committee on the Judiciary.

S. 2826. An act for the relief of the Italian Government; to the Committee on Foreign Affairs.

S. 2905. An act to amend section 25 (a) of the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

S. 2919. An act to extend the provisions of the national bank act to the Virgin Islands of the United States; to the Committee on Banking and Currency.

S. 3025. An act to authorize the construction of a bridge across the Oostanaula River in Gordon County, Ga.; to the Committee on Interstate and Foreign Commerce.

S. 3211. An act authorizing the sale of Gasparilla Island Military Reservation; to the Committee on Military Affairs.

S. 1699. An act authorizing Dominic I. Murphy, consul general of the United States of America, to accept a silver fruit bowl presented to him by the British Government; to the Committee on Foreign Affairs.

S. 116. An act to amend section 196 of the Code of Laws for the District of Columbia; to the Committee on the District of Columbia.

S. J. Res. 90. Providing an extension of time for payment by entrymen of lands on the Fort Assiniboine Abandoned Military

Reservation in the State of Montana; to the Committee on the Public Lands.

S. 3272. An act granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River; to the Committee on Interstate and Foreign Commerce.

LEAVE OF ABSENCE

The SPEAKER. The gentleman from Michigan [Mr. CRAMTON], who presided over the Committee of the Whole two weeks ago, requests leave of absence on account of illness. Is there objection?

There was no objection.

ARBITRATION OF RAILROAD DISPUTES

Mr. BARKLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 7358.

Mr. JOHNSON of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Will the gentleman from Kentucky suspend a moment so the gentleman from South Dakota may state his parliamentary inquiry?

Mr. JOHNSON of South Dakota. Mr. Speaker, I assume that this morning a motion would be made to go into Committee of the Whole on the Howell-Barkley bill. If that motion should be voted down, would it be in order to-day to move to suspend the rules to bring up S. 2255 or H. R. 8869, a bill providing legislation for disabled ex-service men?

The SPEAKER. That raises a question which the House may be called upon some day to decide and perhaps the Chair had better state his views.

Mr. BLANTON. Mr. Speaker, I make the point of order that the views should be heard by a larger membership than is present, and therefore I make the point of no quorum.

The SPEAKER. The gentleman from Texas makes the point of order that no quorum is present.

Mr. BARKLEY. Mr. Speaker, would a roll call revert on my motion which has been made to go into the Committee of the Whole?

The SPEAKER. No; it would not. It is clear there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll; when the following Members failed to answer to their names:

Anderson	Drane	Luce	Sites
Bacharach	Dyer	Madden	Stengle
Beck	Fish	Moore, Ill.	Sullivan
Boies	Fleetwood	Morin	Ward, N. Y.
Buckley	Garber	Mudd	Ward, N. C.
Burdick	Howard, Okla.	O'Brien	Wason
Cable	Hudson	Park, Ga.	Weller
Clark, Fla.	Hull, Tenn.	Peavey	White, Me.
Collins	Kahn	Perlman	Williams, Tex.
Cramton	Langley	Quayle	Wilson, Miss.
Curry	Larson, Minn.	Reed, W. Va.	Winter
Deal	Leavitt	Rogers, N. H.	Zihlman.
Doyle	Little	Sanders, Ind.	

The SPEAKER. Three hundred and eighty-two Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

The SPEAKER. When the point of no quorum was made the Chair was answering a parliamentary inquiry which was made by the gentleman from South Dakota [Mr. JOHNSON], to know whether, if the motion to go into Committee of the Whole House on the state of the Union to consider the Barkley bill was voted down, it would be in order for him to move to suspend the rules and pass the disabled veterans' bill.

This may not be important at present, but it raises a question in the construction of this rule which may some day be important, and the Chair will state just how it lies in his mind.

The rule provides that when a bill is brought up the first day, if the question of consideration is voted down—and the Chair stated two weeks ago he thought that the question of consideration in a bill on the Union Calendar like this could be raised by moving to go into Committee of the Whole House on the state of the Union—if that was voted down the rule provides that the bill goes onto the ordinary calendar; but if it is not voted down it becomes a privileged question. The Chair is inclined to think now, subject to suggestions by Members, and, of course, subject always to the decision of the House, that after the day when a bill first comes up, if the House has decided to consider it, after that when it is called up, either as at present to go into the Committee of the Whole or if the question of consideration should be raised in the case of a bill that was not on the Union Calendar, the Chair is disposed to think if that motion should be voted down that the bill would not lose its privilege; that it has attained its privilege the first day by consideration being given, and that instead of going to the calendar it would still be privileged business on the days provided in the rule—the first and third Mondays; and reverting to the exact question to-day, if the motion to go into committee should be voted down, then this bill would be in order again two weeks from to-day, just as it is to-day, and would not lose its privilege and go to the calendar, and therefore the Chair will answer the question in the affirmative.

Mr. BARKLEY. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. The Chair is not passing definitely on that?

The SPEAKER. No.

Mr. BARKLEY. I gather from the Chair's remarks that, if a motion to go into Committee of the Whole to-day is voted down, that disposes of the matter for this day.

The SPEAKER. The Chair would think so, and that the suspension of the rules and Consent Calendar would then come up.

Mr. BARKLEY. The provision in the rules with relation to the exception of the last six days would exempt it from consideration two weeks from to-day, if in the meantime adjournment had been decided on for June 7.

The SPEAKER. The Chair would say offhand, no; that it would be privileged two weeks from to-day. The Chair had not thought of adjournment.

Mr. BARKLEY. The rule excepts the last six days of the session.

The SPEAKER. The last six days of the session are never determined on in the long session until near the close of the session. We never know when the last six days are until the concurrent resolution is passed providing for the adjournment. Unless that has been passed before two weeks from to-day, the Chair thinks it would still be privileged.

Mr. BARKLEY. I do not care to enter into an argument with the Chair on that now, but I reserve all rights when that question is raised.

Mr. JOHNSON of South Dakota. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of South Dakota. Then I understand that, if the motion to go into Committee of the Whole House on the state of the Union to consider the Barkley bill is voted down, it will be in order for me to move to suspend the rules and pass the bill with reference to the disabled veterans' legislation.

The SPEAKER. Yes.

Mr. BARKLEY. It would not be any more in order for that bill than it would for any other Member of the House to make a motion with reference to some other bill.

The SPEAKER. No.

Mr. JOHNSON of South Dakota. Mr. Speaker, I now prefer a unanimous-consent request. I ask unanimous consent that the privileged business before the House, which is in order, the Barkley bill, be postponed temporarily so that I may ask to be recognized to suspend the rules and pass the disabled veterans' legislation.

Mr. NELSON of Wisconsin. Reserving the right to object, the gentleman from South Dakota has brought the disabled soldiers before us every day, and it is clearly for the purpose of filibustering, and I object.

Mr. JOHNSON of South Dakota. They should be ahead of you.

Mr. BARKLEY. Mr. Speaker, I renew my motion that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7358.

The SPEAKER. The gentleman from Kentucky renews his motion to go into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7358.

The question was taken; and on a division (demanded by Mr. BARKLEY) there were 138 ayes and 146 noes.

Mr. BARKLEY. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 203, nays 180, answered "present" 4, not voting 46, as follows:

YEAS—203

Abernethy	Aswell	Beck	Box
Allen	Ayres	Berger	Boylan
Allgood	Bankhead	Black, N. Y.	Brand, Ga.
Almon	Barbour	Bloom	Briggs
Arnold	Barkley	Bowling	Browne, Wis.

Browning	Gasque	McSalty	Sanders, Tex.
Buchanan	Gerar	McReynolds	Sandlin
Bulwinkle	Gilbert	McSwain	Schafer
Bushy	Gleffeiter	McSweeney	Schall
Byrnes, S. C.	Greenwood	Major, Ill.	Schneider
Byrns, Tenn.	Griffin	Major, Mo.	Sears
Campbell	Hammer	Martin	Shallenberger
Canfield	Hastings	Mead	Sherwood
Cannon	Hayden	Michaelson	Sinclair
Carew	Hill, Ala.	Miller, Wash.	Sites
Carter	Hill, Wash.	Minahan	Smithwick
Casey	Holaday	Montague	Spearing
Celler	Hooker	Mooney	Steagall
Clancy	Howard, Nebr.	Moore, Ga.	Stedman
Collier	Huddleston	Moore, Va.	Sumners, Tex.
Connally, Tex.	Hudspeth	Morehead	Summers, Wash.
Connery	Hull, Iowa	Morgan	Swank
Cook	Hull, Tenn.	Morrow	Swing
Cooper, Ohio	Jacobstein	Nelson, Wis.	Tague
Cooper, Wis.	James	Nolan	Taylor, Colo.
Crisp	Jeffers	O'Connell, N. Y.	Taylor, Tenn.
Croll	Johnson, Tex.	O'Connell, R. I.	Taylor, W. Va.
Crosser	Johnson, W. Va.	O'Connor, La.	Thomas, Ky
Cullen	Jones	O'Connor, N. Y.	Thomas, Okla.
Cummings	Keller	O'Sullivan	Thompson
Davey	Kelly	Oldfield	Tillman
Davis, Minn.	Kent	Oliver, Ala.	Tucker
Denison	Kindred	Oliver, N. Y.	Underwood
Dickinson	King	Parks, Ark.	Upshaw
Dickstein	Kopp	Peery	Vinson, Ga.
Doughton	Kvale	Porter	Vinson, Ky.
Dowell	LaGuardia	Pou	Volgt
Eagan	Lampert	Prall	Watkins
Evans, Mont.	Lanham	Quin	Weaver
Favrot	Lankford	Ragon	Wefald
Fisher	Lazaro	Rainey	Williams, Ill.
Foster	Lilly	Raker	Wilson, Ind.
Frear	Lindsay	Rankin	Wilson, La.
Fulbright	Lineberger	Rathbone	Wilson, Miss.
Fuller	Logan	Reed, Ark.	Wingo
Funk	Lowrey	Reid, Ill.	Welff
Gallivan	Lozier	Richards	Woodruff
Garber	Lyon	Robsion, Ky.	Woodrum
Gardner, Ind.	McClintic	Romjue	Wright
Garner, Tex.	McKeown	Rosenbloom	Wurzbach
Garrett, Tex.	McLeod	Rubey	

NAYS—180

Ackerman	Faust	Lehlbach	Sanders, N. Y.
Aldrich	Fenn	Linthicum	Scott
Andrew	Fitzgerald	Little	Sears, Fla.
Anthony	Fredericks	Longworth	Sears, Nebr.
Bacon	Free	Luce	Shreve
Beedy	Freeman	McDuffie	Simmons
Beers	French	McFadden	Sinnott
Begg	Frothingham	McKenzie	Smith
Bell	Fuller	McLaughlin, Mich.	Snell
Bixler	Garrett, Tenn.	McLaughlin, Nebr.	Snyder
Black, Tex.	Gifford	MacGregor	Speaks
Bland	Goldsborough	MacLafferty	Sproul, Ill.
Blanton	Graham, Ill.	Madden	Sproul, Kans.
Boyce	Graham, Pa.	Magee, N. Y.	Stalker
Brand, Ohio	Green, Iowa	Magee, Pa.	Stephens
Britten	Greene, Mass.	Manlove	Strong, Kans.
Browne, N. J.	Griest	Mapes	Strong, Pa.
Bruckner	Hadley	Merritt	Sweet
Burtness	Hardy	Michener	Swoope
Burton	Harrison	Miller, Ill.	Taber
Butler	Haugen	Milligan	Thatcher
Chindblom	Hawes	Mills	Tinkon
Clague	Hawley	Moore, Ill.	Timberlake
Clarke, N. Y.	Hersey	Moore, Ohio	Tincher
Cleary	Hickey	Moores, Ind.	Tinkham
Cole, Iowa	Hill, Md.	Murphy	Treadway
Cole, Ohio	Hoch	Nelson, Me.	Tydings
Colton	Hull, Morton D.	Newton, Minn.	Underhill
Connolly, Pa.	Hull, William E.	Newton, Mo.	Valle
Corning	Humphreys	Paige	Vare
Crowther	Johnson, Ky.	Parker	Vestal
Dallinger	Johnson, S. Dak.	Patterson	Vincent, Mich.
Darrow	Johnson, Wash.	Perkins	Wainwright
Davis, Tenn.	Jost	Phillips	Watres
Deal	Kearns	Purnell	Watson
Dempsey	Kendall	Ramseyer	Welsh
Dickinson, Iowa	Kerr	Ransley	Wertz
Dominick	Ketcham	Rayburn	White, Kans.
Drewry	Kiess	Reece	Williams, Mich.
Driver	Kincheloe	Reed, N. Y.	Williamson
Edmonds	Knutson	Roach	Winslow
Elliott	Kunz	Robinson, Iowa	Wood
Evans, Iowa	Kurtz	Rogers, Mass.	Wyant
Fairchild	Lea, Calif.	Rouse	Yates
Fairfield	Leatherwood	Sanders, Ind.	Young

ANSWERED "PRESENT"—4

Christopherson	Larsen, Ga.	Lee, Ga.	Salmon

NOT VOTING—46

Anderson	Dyer	Morris	Sullivan
Bacharach	Fish	Mudd	Tengle
Boies	Fleetwood	O'Brien	Ward, N. Y.
Buckley	Gibson	Park, Ga.	Ward, N. C.
Burdick	Howard, Okla.	Peavey	Wason
Cable	Hudson	Perlman	Weller
Clark, Fla.	Kahn	Quayle	White, Me.
Collins	Langley	Reed, W. Va.	Williams, Tex.
Cramton	Larson, Minn.	Rogers, N. H.	Winter
Curry	Leavitt	Sabath	Zihlman
Doyle	Mansfield	Stengle	
Drane	Morin	Stevenson	

So the motion was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. Boies (for) with Mr. Christopherson (against).
Mr. Salmon (for) with Mr. Gibson (against).
Mr. Lee of Georgia (for) with Mr. Fleetwood (against).
Mr. Peavey (for) with Mr. Hudson (against).
Mr. Howard of Oklahoma (for) with Mr. Burdick (against).
Mr. Clark of Florida (for) with Mr. Temple (against).
Mr. Rogers of New Hampshire (for) with Mr. Wason (against).
Mr. Park of Georgia (for) with Mr. Kahn (against).
Mr. Larsen of Georgia (for) with Mr. Cable (against).
Mr. Stengle (for) with Mr. Cramton (against).
Mr. Ward of North Carolina (for) with Mr. Drane (against).
Mr. Curry (for) with Mr. Mudd (against).
Mr. Sullivan (for) with Mr. Morris (against).
Mr. Quayle (for) with Mr. Leavitt (against).
Mr. Doyle (for) with Mr. Bacharach (against).
Mr. Fish (for) with Mr. Winter (against).
Mr. Sabath (for) with Mr. Ward of New York (against).

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Anderson with Mr. Buckley.
Mr. White of Maine with Mr. Collins.
Mr. Larson of Minnesota with Mr. O'Brien.
Mr. Morin with Mr. Mansfield.
Mr. Elliman with Mr. Stevenson.
Mr. Perlman with Mr. Williams of Texas.

Mr. CHRISTOPHERSON. Mr. Speaker, having paired with the gentleman from Iowa, Mr. BOIES, who would have voted "aye" if he were present, I desire to withdraw my vote of "no," and vote "present."

Mr. LEE of Georgia. Mr. Speaker, I am paired with the gentleman from Vermont, Mr. FLEETWOOD. I voted "aye." I withdraw my vote of "aye" and vote "present."

Mr. LARSEN of Georgia. Mr. Speaker, the gentleman from Ohio, Mr. CABLE, was called out of the city on account of the death of his father. I am paired with him, and withdraw my vote of "aye" and vote "present."

Mr. SABATH. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. SABATH. I had just stepped out.

The SPEAKER. The gentleman must take the responsibility of answering affirmatively, whether he was listening when his name was called.

Mr. SABATH. I am obliged to admit that I did not listen.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, with Mr. TRESCOT in the chair.

The Clerk reported the title of the bill.

Mr. WINSLOW and Mr. BARKLEY rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. BARKLEY. Mr. Chairman, I desire to propound a request for unanimous consent.

The CHAIRMAN. The Chair will recognize the gentleman for that purpose.

Mr. BARKLEY. Mr. Chairman, I ask unanimous consent that the time which has been fixed for debate, three hours, be divided equally, one-half for and one-half against the bill.

Mr. LONGWORTH. Mr. Chairman, I am sorry the gentleman did not make that request before we went into the committee, because it is too late now.

Mr. BARKLEY. Oh, no; it is not.

Mr. LONGWORTH. It can not be done in Committee of the Whole.

Mr. BARKLEY. It can be done either in the House or in the Committee of the Whole.

Mr. SANDERS of Indiana. Mr. Chairman, the time can not be divided. The control of the time can be determined in the committee if the division is made as a part of the action of the House, but when the House has fixed the time and done nothing else, you can not divide the time in the committee, because it is controlled by the rules of the House.

Mr. BLANTON. You could by unanimous consent.

Mr. SANDERS of Indiana. Not in the committee.

Mr. BARKLEY. I am asking that the control of the time be fixed. It can be done either in the House or in the committee.

Mr. SANDERS of Indiana. Mr. Chairman, the motion that was made did not divide the time equally for and against, and the time is not equally divided for and against. The time is controlled under the general rules of debate in the Committee

as at present to go into the Committee of the Whole or if the

Arnold Barkley Bowling Browne, Wis.

of the Whole House on the state of the Union, and while it is true that ordinarily before we go into the committee we have either in a rule or by unanimous consent divided the time, in the absence of such action when there is a direct motion to close debate, the rule then is that recognition must first be accorded alternately hour by hour to those for and against; when there has been debate on the one side the other side is next entitled to recognition. It is not equally divided at all.

Mr. GARRETT of Tennessee. Mr. Chairman, I call the attention of the Chair to the fact that when the Cape Cod Canal bill came up under the rule we provided three hours of general debate. The control of the time was not fixed in the House; and after the House had gone into the Committee of the Whole House on the state of the Union I suggested that it seemed quite desirable that there should be a control of the time. I was doubtful myself whether that could be agreed to in the Committee of the Whole, but it was suggested by a gentleman on the majority side of the Chamber, and I think the present Chairman was one of those who made the suggestion that the control could be arranged in the Committee of the Whole, and it was so arranged by unanimous consent.

Mr. SANDERS of Indiana. Mr. Chairman, the gentleman from Tennessee undertakes to state that accurately, but there is this difference, and I call attention to it: When we were considering the Cape Cod bill we had adopted a rule which divided the time equally for and against, which we had the right to do in the House. We fixed the division of the time, and it was only a question of who should control it. The gentleman from Tennessee suggested that perhaps that could not be done in the committee. I interrupted the gentleman from Tennessee and said that when the time was fixed in the House and divided in the House, that then it could be controlled by unanimous consent in the committee.

Mr. LONGWORTH. Mr. Chairman, will the gentleman from Kentucky yield?

Mr. BARKLEY. Yes.

Mr. LONGWORTH. So far as I am concerned, I am willing to make any arrangement with the gentleman, but it can not be done now; and, for one, I would not oppose a motion to rise and immediately go back into the committee.

Mr. BANKHEAD. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. The Chair recognized the gentleman from Kentucky for the purpose of submitting a request for unanimous consent. The gentleman from Kentucky up to this time has not had the opportunity to submit that request, so that properly he ought to be recognized for that purpose; and then if a point of order is made the Chair can decide the matter.

Mr. LONGWORTH. Oh, the gentleman went far enough with his request to allow me to ascertain that it was for a division or control of the time. Personally, I regret that the request was not made at the proper time, but it can not be arranged now.

Mr. BARKLEY. Two weeks ago, when I moved in the House to limit debate, all I could do was to move to limit. It was impossible to make a motion to divide the time, to control it, and I eliminated that part of my motion. It would have been in order for me to make this request in the House, and it is in order to make it in the Committee of the Whole, because it is a request for the control of the time, and the division of the time between the two sides is a part of the request for the control of the time.

The CHAIRMAN. That is not entirely accurate.

Mr. LONGWORTH. The only trouble about that is that under the agreement, under which we are now acting, there is no arrangement for a division of the time whatever, and none for the control of the time.

The CHAIRMAN. If the time had been divided by the rule, the Chair is clear that it would be in order for the committee to arrange as to the control of the time, but the division as well as the control of the time having been left under the general rules of the House by the House itself, the impression of the Chairman is that it would not be in order to now fix the control of that time in such a way that it would make a division of the time, which the House itself did not make.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Under the rules any gentleman who is recognized would be entitled to an hour.

The CHAIRMAN. That is correct.

Mr. BARKLEY. And he may yield any of that time he sees fit to other Members.

The CHAIRMAN. The Chair so understands.

Mr. WINSLOW. Mr. Chairman——

Mr. BARKLEY. Mr. Chairman, I ask recognition.

The CHAIRMAN. The Chair will recognize the gentleman from Massachusetts.

Mr. WINSLOW. Mr. Chairman, I ask recognition in opposition to the bill.

The CHAIRMAN. The gentleman from Kentucky has been recognized as the proponent of the bill, and has occupied an hour or such part as he saw fit to use.

Mr. BARKLEY. Of course, I reserve the rest of my time if I have been recognized for an hour.

The CHAIRMAN. The Chair thinks at this time the recognition should pass to the gentleman from Massachusetts and recognizes him.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Massachusetts yield for a parliamentary inquiry?

Mr. WINSLOW. I do not know that I have any authority to yield for a parliamentary inquiry.

The CHAIRMAN. Yes; the gentleman has.

Mr. BARKLEY. Does the Chair hold my recognition to make a unanimous-consent request is a recognition within the rule that entitles me to an hour?

The CHAIRMAN. No; the gentleman was recognized for a specific purpose and the Chair so stated at the time.

Mr. BARKLEY. The Chair does not hold that would bar me from recognition for the hour during the three hours' debate?

The CHAIRMAN. The Chair makes no ruling of that kind.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

Mr. GARRETT of Tennessee. Mr. Chairman, a parliamentary inquiry.

Mr. LONGWORTH. Will the gentleman yield to me for a parliamentary inquiry for information for myself and the committee in regard to the situation? The gentleman from Kentucky [Mr. BARKLEY] was recognized for an hour in general debate, and consumed, if I recall, 20 minutes. Now would the gentleman understand that these three hours of general debate are to the exclusion of the remainder of his former hour?

Mr. BARKLEY. Yes; that is my understanding.

Mr. LONGWORTH. Then would the gentleman think it was fair under those circumstances that this side be given the benefit of the extra 20 minutes?

Mr. BARKLEY. I have no objection to that.

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Under the rules of the House where general debate has been fixed and a portion of that time has been used on a certain day that portion is taken from the whole time. The 20 minutes used the other day is taken from the three hours. There is no question about that being chargeable to the three hours.

The CHAIRMAN. The Chair thinks there is a very serious question about that.

Mr. BLANTON. Of course that has been the rule of the House for a long time.

Mr. CHINDBLOM. I make the point of order that the question is not before the House, and I call for the regular order.

The CHAIRMAN. The point of order of the gentleman from Texas is overruled. The Chair recognizes the gentleman from Massachusetts [Mr. WINSLOW] for one hour. [Applause.]

Mr. WINSLOW. Mr. Chairman and gentlemen of the committee, the bill which we have before us for consideration was introduced and referred to the Committee on Interstate and Foreign Commerce comparatively late in the present session. The committee then undertook to get information as usual from the departments in interest and otherwise prepare itself for consideration of the bill. Before a reasonable time had elapsed with the other important legislation before the committee, there suddenly came a volcanic action designed to pull the bill from the committee and pass it upon the floor of this House. That action prevailed, and after more or less delay we have the bill before us to-day, and we are supposed in three hours, plus the time occupied under the five-minute debate, to settle the provisions of a bill than which no more intricate bill has ever been brought before this House for consideration.

We propose on sight to consider and act on a bill than which no more difficult bill to understand has ever been brought before Congress. We propose here by a vote of this body to run it through in 4, 5, 6, or 10 hours, no matter about enlightenment, no matter about information on the bill, no matter about hearings from which we might learn something, we propose with our eyes shut, possibly not with our ears shut, as we might wish, but with our eyes shut we are supposed to settle this bill here and now, and why are we doing it? Is it because Members in their great wisdom are incompetent to act? No one suggests that. Is it because the great masses of our people have asked our action to-day and now? No; nobody suggests

that. Is it asked that we do it in the interest of all the people after due deliberation? No; absolutely no. Then why are we doing it? Because organized labor represented by four great brotherhoods plus a lot of little labor organizations are saying, "We want it, that is enough; we will have it."

We ought to get in possession of a little knowledge on some of the methods by which it is proposed to rush through this bill. Those who favor the bill have urged in one way and another that a great propaganda of the great interests are flooding Congress with suggestions and statements that they do not want the bill passed. They say that opponents of this bill are putting forth their influence here and there. It is not denied, I assume, the right of a citizen or an organization to do such a thing, but we do not want people who are forcing this bill along to undertake to make the public believe that they are the fair-haired boys who would not exert legislative influence, and that the men who have the money involved are the wicked devils who are trying to postpone the consideration of the bill. I ask the Clerk to read this communication which came into the hands of at least one Member of this House.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

BROTHERHOOD OF LOCOMOTIVE ENGINEERS,
BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,
Cleveland, Ohio, May 9, 1924.

To all Grand Lodge Officers, General Chairmen, Chairmen of State Legislative Boards, Officers and Members of Divisions, and Subordinate Lodges.

SIRS AND BROTHERS: Senators and Congressmen are receiving scores of telegrams and letters daily protesting against enactment of the railway labor bill. The convention of the United States Chamber of Commerce at Cleveland, May 8, went on record as opposing enactment of the bill, which doubtless will result in many more protests by various interests.

This action can be counteracted only by the sending of additional telegrams by our officers and members to their Senators and Congressmen urging their full support of our railway labor bill and assuring them that the class of people most directly concerned and affected are heartily in favor of the enactment of this legislation. Where your Congressman is on record as having voted to discharge the House committee from further consideration of the bill, he should be complimented for such action, so that he will know that he is being supported by his constituency in the position thus taken.

While many of our officers and members have wired their Senators and Congressmen upon the subject, such telegrams have not been of sufficient quantity, as compared to the great number received from opposing interests, to properly indicate the extent to which railroad employees are demanding this legislation, and this fact is observed to the extent that it is being freely commented upon in Washington. This will indicate to you that a deluge of telegrams from now until May 19 will do much to strengthen our position and our opportunity for the enactment of this bill.

The sending of these telegrams should not be restricted to general and local officers, but individual members in large numbers should be prevailed upon to also assist us by sending similar telegrams. Copies of such telegrams and responses received should be filed with the grand chief and the international president.

Yours fraternally,

W. S. STONE,
Grand Chief Engineer, Brotherhood of Locomotive Engineers.
D. B. ROBERTSON,
President Brotherhood of Locomotive Firemen and Enginemen.

Mr. WINSLOW. It may be that the great interests, and the railroads, the executives, and the others have approached Members of Congress and have asked for some sort of support of their own views on this proposition, but it comes with bad grace for those who are trying to rush the bill through to complain of the activities of their opponents when they flood their own membership with appeals, if not orders, of that character of the general order as just read by the reading clerk.

To show that it is not all one-sided, in spite of the pronunciamento that you have just heard, here is a significant bunch of petitions [exhibiting] from independent orders of railway employees indicative of opposition to this legislation.

Mr. BLANTON. How large a bunch of protests is that?

Mr. WINSLOW. You mean by measure?

Mr. BLANTON. The RECORD does not show anything about what you exhibit.

Mr. WINSLOW. About 2 inches by 15 inches by 9 inches solid. [Laughter.]

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. NEWTON of Minnesota. The gentleman refers to "operatives." The gentleman refers to operating employees?

Mr. WINSLOW. Quite so; employees connected with the operating and clerical deparments of railroads.

We have also available unnumbered communications from little railroad employees' organizations which have been ignored by this proposed legislation put forward by the four great brotherhoods, and although we have the brotherhoods holding out in a pleasant kind of way that they will look after the chickens later on, the chickens distrust the old hen. They do not want to submit their lives and fortunes to the great brotherhoods, and they are opposed to this legislation for that reason. It is not my purpose to occupy all this time.

We have another letter, one which shows the friendly (?) attitude of those who are proponents of this bill, and gives evidence of the fact that they really want a careful consideration of this bill, and that they approve of the old Democratic-Republican Republic idea of things, that this is a Government of reason, and that we are supposed to know something of what we do. However, in spite of that, they send to us as Members a letter, which I ask to be read. I will withhold the name of the Member who received this letter, but if anybody objects and calls for the name of the Member I will give it. It is addressed to a Member of Congress.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

PENNSYLVANIA SYSTEM LINES,
SUPREME FEDERATION NO. 90,
Harrisburg, Pa., May 16, 1924.

* * * * * * *

HONORABLE SIR: Under date of May 5, by majority action, the Committee on Interstate and Foreign Commerce was discharged from further handling of the bill known as H. R. 7358, or commonly called the Barkley bill. We note in the CONGRESSIONAL RECORD that you were listed as voting against this motion or absent or not voting; for that reason we are communicating with you for the purpose of expressing our dissatisfaction in the action taken by you and sincerely hope that when H. R. 7358 comes up for action May 19, 1924, that you change your position from May 5 and be found on the list with those voting in favor of the measure as introduced.

The men this office represent are constituents of yours and have been on strike against the Pennsylvania Railroad since July 1, 1922. The main cause of this strike was and is the flagrant violation of the transportation act by the Pennsylvania Railroad Co., and through the action of said company it is clearly demonstrated that the labor provisions of said act have proven failure and mainly the United States Railroad Labor Board.

Your failure to comply with this request will make it necessary for this office to notify each voter that we represent in your district of your action and thereby point out to them just where you failed to represent them when you had an opportunity to do so.

Sincerely trusting that we will have the pleasure of informing our members that you are willing to give them a square deal, I am,

Sincerely yours,

A. J. BURGER, *President.*

Mr. WINSLOW. It would be a waste of time to undertake to suggest or even state the purpose of that letter. It is "Hands up!" That is all there is to it.

Now, a query in my mind is whether or not this Congress, regardless of the merits of the bill, is prepared on four or five hours of vocal utterance, with no deliberation, no investigation, no hearings, to say to the people of the United States, "We will pass this most complicated and intricate labor bill, and we will put all the affairs of the railroads in this country subject to our legislative conclusions" under such circumstances.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. FAIRCHILD. As I heard the reading of that last letter, it was signed "A. J. Burger, president." President of what?

Mr. WINSLOW. It is a labor organization. It appears at the head of the letter.

Mr. FAIRCHILD. If the gentleman will permit me, I for one think it is unfair to the members of the labor unions in my district to have a letter of that nature appear in the RECORD without its showing what State or district it appears from.

Mr. WINSLOW. I see the point. To relieve your mind, I will say it is headed from the Pennsylvania System Lines and represents—

Supreme Federation No. 90, Railroad Employees' Department, A. J. Burger, president.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BAKER. I think in all fairness to the House, somebody gave you that letter. If he had the courage to give it to you he ought to have the courage to give his name. He ought to have that courage.

Mr. WINSLOW. I can answer you without a speech. It was the gentleman from Michigan [Mr. MAPES].

Mr. MAPES rose.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. In just a moment. I will yield first to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. I think perhaps it would clear up this situation a little if I made this statement. This morning, in talking with the chairman about this legislation, I showed him this letter, and he suggested that he might like to have it read. I said that so far as I was concerned it was a matter of indifference to me whether he asked me to read it here or not. I suppose every Member of the House received one like it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BLANTON. I happen to know that the Members from a certain Southern State who saw fit to vote against taking this matter up received just such a letter; Members from one of the oldest Southern States of this Union. After all, is it not a fact that the American people are interested in this bill, because the railroads are not the only people at interest?

Mr. WINSLOW. Yes. I had the letter read so that the American people could know what was going on and not so much for the enlightenment of Members of the House. They all know of these things.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from Kentucky wish to claim an hour?

Mr. BARKLEY. Yes; I desire to be recognized for an hour.

The CHAIRMAN. The Chair will recognize the gentleman from Kentucky now.

Mr. BARKLEY. Mr. Chairman, I yield 30 minutes of that time to the gentleman from Wisconsin [Mr. NELSON].

The CHAIRMAN. The gentleman from Wisconsin is recognized for 30 minutes.

Mr. NELSON of Wisconsin. Mr. Chairman, the gentleman from Massachusetts [Mr. WINSLOW] has just told us about the activities of labor organizations. That is true, but they are appearing in the open, they are doing it directly, and they are presenting their case to Congress in a straightforward way. I wish to show what propaganda is being carried on by the railway interests under cover. We know, of course, that certain great railroads are opposed to the Howell-Barkley bill, but all do not know that they are directing the whole stupendous propaganda. We get letters from business men and chambers of commerce in a stereotyped way and without discussing the merits of this proposition, and all instigated by these gentlemen. We get all kinds of correspondence from labor unions, dummy unions, and the gentleman from Massachusetts [Mr. WINSLOW] referred to some of them, but the record shows that they are financed and directed by the railway interests and simply communicate that which they are told to communicate.

Mr. MILLS. Will the gentleman yield?

Mr. NELSON of Wisconsin. Yes.

Mr. MILLS. How many of the total number of railroad men are represented by the unions demanding this bill.

Mr. NELSON of Wisconsin. Oh, about 90 per cent, or 95 per cent.

Mr. MILLS. I will say to the gentleman it is nearer 50 per cent.

Mr. NELSON of Wisconsin. No; I differ from the gentleman. Supply concerns that fatten out of fat contracts with the railroads are organized and are pushing this thing. I am going to give you some of the proof. It is easily subject to proof, and I would like to have the North and South Dakota Members listen to some of the telegrams, and so on, as it may be interesting to them to find out where this propaganda comes from.

On April 23, Mr. M. L. Countryman, general counsel for the Great Northern Railway, sent the following telegram to Mr. H. E. Judge, of Sioux Falls, S. Dak.:

Hollee bill introduced by Barkley abolishes Labor Board and puts national labor unions in very powerful position as against railroads. Under new rules bill has been called out of committee for consideration by House and comes up on or about May 5. Please confer with other railroad counsel in your State and see whether through cooly plaster and mattings in your stroll abide by leech craft cars drunk time rebuke chide * * *. At conference of railroad counsel to-day all agreed if any useful results are possible they will be obtained through remit stoles thinly by sex filch.

It may be well not to attempt to translate this secret message, but to wait and see what translation the railroad will offer of these mysterious instructions for influencing the Congress of the United States. By "cooly plaster and mattings" real results are evidently to be achieved. By "leach craft" and "cars drunk" it is apparently intended to "rebuke" and "chide" the servants of the public. Eminent railroad lawyers meeting in counsel on the basis of their long experience in defeating legislation in the public interests have agreed that "useful results" are only possible through the "remit." Of course, we should not assume that this means through remitting money. The railroads, since the wicked days when Mr. Huntington spent millions of dollars in Washington and was exposed, have repeatedly assured the public that direct bribery of public servants is no longer their practice. Better and safer methods of obtaining votes have been found. It is an interesting speculation as to what is to be accomplished by "sex filch." To save misconstruction it should be pointed out that the words are not "sex filth" but "sex filch."

Of course, the railroads should not be judged too hastily by these peculiar instructions in secret code. We may be informed that they were only urging that the Interstate Commerce Committee should be asked to hold hearings so that they could talk the bill to death or that a filibuster should be staged by their dear friends in order to prevent the House from exercising its constitutional right to legislate.

It will be helpful, however, to follow the activities of Mr. Judge after he received this code message. In the Sioux Falls Press of April 30 we find the following item:

There was a meeting of the Sioux Falls Traffic Bureau at the chamber of commerce on April 29, and the Sioux Falls Press reports as follows:

"H. E. Judge in a brief talk before the bureau severely criticized the Howell-Barkley bill, now pending in Congress, which would abolish the present Labor Board and place in its stead commissions composed of members of union organizations with a lesser representation of employees of the railroads and employers. The cost of the proposed change would roughly be $1,000,000 a year, according to Mr. Judge, which burden would be added to the taxpayers' load. A resolution was made and unanimously approved to telegraph the South Dakota Congressmen urging that they vote against the measure, and that they seek other opposition to the bill. Individual members of the bureau voted to send personal telegrams to the Congressmen, stating their opposition to the proposed bill."

It appears that Mr. Judge discussed the merits of the bill with as little regard for its actual provisions as that shown by the Republican leader in the debate of May 5. Probably Mr. Judge did not bother to read the bill, but took his statements regarding it from Mr. Countryman, because we read in the Minneapolis Journal of April 29, on the authority of Mr. Countryman and other railroad attorneys, the following statement:

The bill provides for elimination of the Railroad Labor Board and the substitution of a series of so-called adjustment boards, to consist of members of nationally organized railroad unions and railroad officials. These boards would consider all disputes.

The article in the Minneapolis Journal continues as follows:

The bill eliminates public representation on the present Labor Board, and this public representation is something which the public and all the shippers should be interested in, M. L. Countryman, general counsel for the Great Northern Railroad, said.

The telegram and newspaper articles quoted show plainly that it is no accident that business associations and newspapers generally have flatly misrepresented the provisions of the Howell-Barkley bill and have protested against eliminating the public by a bill which substitutes a board of five public members for a present board of three public members and six partisans. It is also interesting to note that upon the first roll call of May 5 all three Members of Congress from South Dakota voted against consideration of the bill.

It does not seem unfair to translate the mysterious code telegram as including instructions that useful results can only be obtained by telling untruths about the Howell-Barkley bill and then getting misinformed business men to telegraph their ignorant opposition to Members of Congress, in the hope that they, being equally ignorant regarding the bill, will vote upon prejudice instead of upon facts.

Let us take up now an example of the activities of other gentlemen who are financially interested in influencing Members of Congress. Here is a telegram, dated May 6, from Mr. A. H. Mulliken, chairman legislative committee, Railway Business Association, to Mr. Charles A. Symington, chairman

membership committee of that association. It should be understood that the Railway Business Association is an organization of the principal railway supply companies in the country, all of whom are greatly interested in keeping rates up and wages down, so that the railroads can waste as much money as possible in giving contracts for supplies to supply companies in which the railroad officers themselves are financially interested. The relationship of these railway supply companies to the railroads has been fully exposed in the hearings before the Senate Committee on Interstate Commerce on Senate Resolution No. 23, in the second session of the Sixty-seventh Congress. Here is Mr. Mulliken's telegram:

Organized labor yesterday demanded of House, and by 194 to 181 obtained discharge of standing committee from consideration of Howell-Barkley bill, upon which no hearings had been held. With parties nearly equal and no caucus on either side, 27 Democrats voted "no," but 40 Republicans voted "yes" and 59 Members did not vote. In House or Senate or White House this bill must be beaten, if possible. In strongest fight of our 10 years as an association we were not strong enough. As proof to Congress that American industry approves policy urged by us, and as reinforcements in our intensive field campaign, earnestly recommend membership committee undertake to enroll at once 100 members. Time presses. Suggest eligible concerns be asked to authorize enrollment by wire for publication here, stating why they are joining.

Mr. Mulliken's telegram was inclosed in a letter of May 10, sent by Mr. Symington to railway supply concerns, which reads as follows:

See Mr. Mulliken's telegram. The Howell-Barkley bill is scheduled for a three-hour debate May 19, after which the parliamentary struggle to prevent its immediate passage by the House will be resumed. Will you be among the 100 concerns to respond with your enrollment and say that you do so to show approval of our course in resisting the exactions of the labor organizations? Telegraph authority to record your membership. Application and check can follow.

State delegations—in forming which our officers and members are everywhere active—are carrying directly to Members of Congress assurance of industrial need in their districts for a let-up in legislative experiment affecting railways. Busy men of large affairs are spending time and strength to protect you and all of us against class legislation forced upon Congress by a well-organized labor minority.

You believe, do you not, that the adjustment of railway wages is fair to labor already?

You believe, do you not, that the intention of organized labor in forcing a change in the law is to speed up wage advances?

You believe, do you not, that the purpose of this bill is to restore nation-wide strikes as a weapon of menace?

You believe, do you not, that under this bill, through unjustified wage increases and wasteful regulations, the tendency of railway operating cost would be turned upward again?

Have you any doubt that in consequence:

(1) Freight rates would be higher and service impaired?

(2) Net railway income would decline, with a consequent loss of confidence in railway securities and neglect to provide sufficient facilities for future traffic?

(3) Business recession would be intensified by keeping railway purchases below normal?

If you do believe all these things, we are sure you will help avert the calamity in the way suggested by Mr. Mulliken.

The application blank calls for check for $100, covering dues for 12 months from date of application.

It will be noted that this efficient organization kills two birds with one stone. In stirring up opposition to the Howell-Barkley bill the association seeks to drag in additional members at $100 a year by terrifying supply companies with a fear that if the railroads are annoyed by regulation in the public interest they will not be able to give as many fat contracts to their friends in the railway supply business. How these railway supply companies profit at public expense was clearly shown by the decisions of the Interstate Commerce Committee on March 7, 1922, when the commission reported that the Pennsylvania Railroad could have saved $3,000,000 in one year by making repairs in its own shops on some 200 locomotives which it sent to the Baldwin Locomotive Works, and that in the same year the New York Central could have saved some $3,000,000 on its contracts for locomotive repairs made through the American Locomotive Co. and the Baldwin Locomotive Works. It was shown that this work was sent out to favored contract shops when the railway employees, who are supporting the present bill, were being laid off by the hundreds in the railroad shops and denied a chance to earn a living.

The Baldwin and American locomotive companies pay $500 a year for five memberships each in the Railway Business Association, but when they are conducting what they call an "intensified field campaign" in the Halls of Congress they do not explain their real reason and their financial interest in opposing legislation to promote the continuity and efficiency of labor in the transportation industry. The membership roll of the Railway Business Association shows a very large membership all over the United States, including practically all the principal concerns engaged in furnishing railway supplies. It appears from this membership roll that they must have an income of something like $75,000 a year from memberships alone, and it is quite evident that they can put a very large amount of money into opposition to legislation, such as the present bill, and that they can bring enormous pressure to bear upon business associations and newspapers all over the country for the purpose of convincing Members of Congress that there is widespread opposition to any legislation which their railroad clients desire to oppose.

Here is another example of how supposed public sentiment is created by the railroads. On March 7, 1924, the following letter was sent by the Missouri Pacific Railroad Co. to surgeons along the line of the railroad dependent upon the railroad for professional employment:

ATCHISON, KANS., *March 7, 1924.*

To all local surgeons:

A meeting was held in the office of the general solicitor of the Atchison, Topeka & Santa Fe at Topeka with reference to the situation at Washington.

The situation at Washington indicates that there is danger of legislation in the Senate and House striking at the transportation act of 1920, and there is so much activity in the direction mentioned as to make it necessary to intensify our efforts to defeat the same without delay.

It was decided at the meeting to call on all local surgeons to proceed at once and secure letters from business men, farmers, and others, directed to the Congressmen of their districts, setting forth, briefly, why the transportation act should not be repealed or amended but given a fair trial.

I am sending you herewith the following documents:

Memorandum dated Chicago, January 21, prepared by S. T. Blodgee, Santa Fe general solicitor.

Letter from Earl H. Ellis, Santa Fe solicitor for Colorado, to Mr. Gardiner Lathrop, dated January 18, 1924.

Points to be used in the letters above referred to.

I am also inclosing a copy of an editorial article entitled "The transportation act," from the Kansas City Star, December, 1923, which argues against the amendment of the transportation act.

It is of supreme importance that we get as many letters as possible forwarded promptly to our Congressmen and Senators. We do not expect them all to be in the same form. This should be avoided. I am asking you, therefore, to give preferred attention to the subject matter of this letter and lose no time in getting as many letters as possible and having them sent to our Senators and Congressmen.

If you are put to any expense in this matter, such as automobile hire in going to other towns to secure these letters, let me know amounts thereof and I will make vouchers to cover. I shall thank you, within the next 10 days, to send me a list of persons who have written letters at your request. You can assist the writers of these letters in preparing the form, having them as different as possible, and not of a rubber-stamp, stereotyped character. Immediate attention to this matter is specially requested.

If you can get a few prominent farmers to send in such letters, it would be of much benefit.

Please regard this communication as confidential and not for publication.

Yours truly,

W. P. WAGGENER, *General Attorney.*

In connection with the employment of surgeons, it may be worth while to refer for a moment to the interest of the public and the employees in the maintenance of harmonious labor conditions on the railroads. The rules and working conditions which the employees seek to have established are, in many instances, designed to protect their lives and health, and in the protection against accidents in the transportation service the public itself has an immediate interest. In the year 1922, 32,434 employees were injured and 1,298 were killed on the steam railroads. Forty-seven thousand nine hundred and eighty-nine passengers and other nontrespassers were injured and 5,851 were killed. Bad working conditions in the shops are directly reflected in defective equipment or inefficient operation. Neither the railroad managements nor the general public has anything like the vital interests that railroad employees have in maintaining efficient and safe conditions, in

preventing overwork and unfair strains upon human beings that result in accidents. Payment of insufficient wages and the establishment of unfair working conditions are reflected directly in diminished efficiency and safety of transportation service.

Mr. MICHENER. Will the gentleman yield?

Mr. NELSON of Wisconsin. I am sorry I can not at this time.

Mr. MICHENER. Will not the gentleman please discuss the bill?

Mr. NELSON of Wisconsin. I want to finish this, and the gentleman should have this information.

Yet when the railroad employees come forward with a program to require conferences for the consideration of their interests, to require a settlement of technical disputes through competent boards of technicians, to require that the public shall have the right and power to mediate any disputes over wages and working conditions, and that unsettled disputes shall be submitted to impartial arbitration, they are met with a barrage of falsehood and misrepresentation proceeding apparently from the persons disassociated from the railroads, but in fact being merely secret agents of railroad managements. Perhaps the most unfair use of secret methods of opposition has been the employment by the railroads of the officers of so-called company unions to protest to Members of Congress against legislation for the benefit of all railroad employees. It is the grossest hypocrisy for these company union officers to pretend to represent the employees whom they are hired to betray. It was admitted on cross-examination before the Senate subcommittee in hearings on this bill by Mr. Anderson, of the Union Pacific Railroad, who claimed to represent 140,000 employees, that he had been assisted in his presentation by the management (p. 382), and was shown in Mr. Richberg's statement (p. 210) that on the Union Pacific and other railroads men are compelled to join the company unions, the expense being paid either by dues deducted from wages or by the company direct.

Mr. MILLS. Will the gentleman yield?

Mr. NELSON of Wisconsin. I would rather not yield at this time.

Mr. MILLS. Would the gentleman mind giving me that citation?

Mr. NELSON of Wisconsin. Page 382 and page 210.

Mr. MILLS. I do not find any such citation; 364 is the last page.

Mr. NELSON of Wisconsin. It was admitted by Mr. Peterman, claiming to represent the Pennsylvania shopmen, that the company union officers were paid for service and expenses by the company (p. 300); and Mr. McDonald, claiming to represent the clerks, insisted that "it is perfectly legitimate for the company to assume the expense of this work." In other words, it is well recognized that company union officials are paid agents of the managements. Probably few Members of Congress realize that almost all the company unions are mere paper organizations; that the employees do not have any local craft organizations or lodge meetings, or the form of organization whereby their so-called representatives are required to express the wishes of their membership. These company unions are simply set up so that the company can make the pretense of entering into agreements with the employees, when, as a matter of fact, the company is represented by its own agents on both sides of the table. The officers of the national labor organizations and some Members of Congress have received numerous letters from railway employees protesting against other misrepresentation by company union officers; protesting against being compelled to sign petitions of opposition to this bill in order that they might not be discharged. Any Member of Congress who assumes that the protest of a company union officer represents the sentiment of railway employees is simply ignorant of the facts in the case.

Time will not permit an indefinite exposure of all the devious means by which the railroads have sought to mislead Congress; but the day is not far distant when Members of Congress and the country at large will be more fully advised of the methods adopted to prevent the passage of this bill. Many Members are undoubtedly ignorant of the sources of pressure and influence that has been brought to bear upon them. They do not know why and how this bill has been misrepresented by a campaign of organized falsehood. They do not know the means that have been used to write fabrications into the editorial and news columns of the daily papers. But it is well to utter a word of warning here and now that the day is approaching when these things will be brought into the light. There were some Members of the House who resented the statement made on the floor that the vote made upon this measure would be a test vote. But it may be a more important test vote than many realize. It may turn out to be a test vote, not only of friendliness to the men who do the hard manual labor that moves interstate commerce, but it will be a test of the ability of many a new Member of Congress to withstand the pressure of powerful corrupting influences that are using falsehoods and appeals of self-interest to persuade Members of Congress to violate their duty to give legislation a careful and impartial consideration and then to vote as public servants, not as the deceived or willful agents of private interests.

The proponents of this legislation have worked in the open. They have sent their representatives here to give information, to furnish statistics, to persuade by all honorable means the representatives of the people that this bill is a measure in the public interest and is worthy of support. They have openly asked the men on the trains and in the shops to write their appeals to Members of Congress so that they may know that this legislation is really desired by the railway employees. The American Federation of Labor has joined vigorously in this effort to convince the Members of Congress that all organized labor regards the Howell-Barkley bill as a constructive measure to maintain peace and harmony in a most essential national industry.

The opponents of this bill have worked under cover, through secret agents. They have insinuated their false statements into the newspapers through secret channels of influence. They have operated through concealed agents, using unfair pressure and misrepresentation as the means for misleading and coercing Members of Congress to defeat this bill by any means, but particularly through parliamentary strategies and tricks, through suppression of discussion and filibuster, through any means except the honorable means of fair and open debate upon the merits. As a result, the issue on this bill has become even greater than that of the merits of the bill itself. It has grown to be an issue of the integrity and dignity of the exercise of legislative power by the Congress of the United States. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. BERGER and Mr. MICHENER rose.

The CHAIRMAN (Mr. GRAHAM of Pennsylvania). Does the gentleman yield; and if so, to whom?

Mr. NELSON of Wisconsin. There are so many crowding for time that I do not like to take more time.

Mr. BERGER. Just a short question.

Mr. MICHENER. I hope the gentleman will yield for a question. The gentleman has talked for 25 minutes and has not mentioned the bill. I would like to hear what the gentleman thinks about the provisions of this bill.

Mr. NELSON of Wisconsin. I shall discuss the bill on its merits subsequently this afternoon. I wanted the gentleman to know the sort of propaganda that is behind some of the letters you are receiving.

Mr. BERGER. Is not the gentleman also of the opinion that this propaganda will continue and must continue as long as the railroads are in private hands?

Mr. NELSON of Wisconsin. I rather think so.

Mr. SANDERS of Indiana. Then the gentleman is in favor of Government ownership?

Mr. NELSON of Wisconsin. No; I am not.

Mr. BERGER. The gentleman is not?

Mr. NELSON of Wisconsin. No; I am not. [Laughter.]

Mr. MAPES. Mr. Chairman, at the suggestion of the gentleman from Massachusetts [Mr. WINSLOW] I yield the gentleman from Illinois [Mr. MADDEN] 10 minutes out of his time.

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes. [Applause.]

Mr. MADDEN. Mr. Chairman and gentlemen, I am sure every Member of the House will join me in expressing thanks for the lucid explanation of the bill by the gentleman from Wisconsin [Mr. NELSON], who has just closed his speech. [Applause.] I was deeply interested from line to line to discover when he was going to talk about the bill, and I regretted exceedingly to see him yield the floor without mentioning it.

Now, I want to talk about what the gentleman from Kentucky [Mr. BARKLEY] said about the bill when he made his celebrated speech a few days ago.

Mr. BARKLEY said in his speech of the 5th of May that—

the bill makes no radical changes in existing law.

Well, does it? Does not it provide that four different boards consisting of about 40 men, equally divided among the railroads and the unions of the brotherhoods, shall be selected by them, named by the President, and paid for by the public? Is there any such provision as that in the existing law? I think no one will say there is.

These boards are authorized to employ such help as they may think proper and fix the pay of such help. There appears to be no restriction on the number who may be employed nor the pay they may receive, but the public is to pay the bill and I suppose nothing else matters. Yet my friend from Kentucky says there is no radical change from existing law. The poor public. It becomes the football of every plunderbund. How it survives I am at a loss to understand. It seems an unusual demand to make that the people shall be required to pay the expenses without limit of boards whose only functions are to adjust grievances between themselves under contracts between themselves in which the people have no voice whatever.

It is true that these boards have to deal only with grievances between the men and the railroad companies; that they have nothing to do with fixing wages or making contracts of employment. What they have to do is to adjust differences between a single individual employed by a railroad and the railroad, or between groups of individuals and the railroads. The purpose of the boards is to adjust working conditions; to settle disputes between superintendents and the men. The public is not represented on these boards, except as it is connected with them through the Treasury of the United States.

I would like to ask Mr. BARKLEY, or anybody else, why the Government should pay an unknown sum annually as compensation to such boards. They are not transacting any business for the Government. The business they are transacting is for the unions and for the railroads. Why should not the unions and the railroads pay them? Why should the general public be taxed to meet their expenses?

Mr. MILLS. May I suggest that that is in entire harmony with the general proposition of this bill, which legalizes the unions, gives them legal recognition, and, therefore, it is appropriate, under the circumstances, that the United States should pay the expenses of the unions.

Mr. MADDEN. Of course.

Mr. BARKLEY. Will the gentleman yield?

Mr. MADDEN. I decline to yield further.

The gentleman from Kentucky, Mr. BARKLEY, says that the appointment of these boards, if you pay them out of the public Treasury, will almost certainly insure against strikes. How does he know that? How does anybody know it? Who can say what will cause a strike, or when it will be caused, or what course it will take?

The gentleman from Kentucky says that the last railroad strike cost the Government, through the Department of Justice, about $2,000,000. It is true it did, and it cost the railroads and the public a very large sum; nobody knows what. All strikes do that, but this bill does not insure against strikes. The provisions he describes give no assurance against strikes. Mr. BARKLEY says the bill does provide for a public board of mediation and conciliation. True it does, but what is there that this board could do? When do they get into action; how do they get into action? Who puts them into action? They can not function except when the railroads and the men agree between themselves that a matter should be referred to the Board of Mediation and Conciliation. Mind you there must be an agreement between the other people first. There is no place anywhere in this bill that gives the Board of Mediation and Conciliation original jurisdiction to begin to function. It can do nothing until asked, and can not do anything until everybody agrees, and when everybody agrees, of course, there is nothing to adjust. It has already been adjusted or there would be no agreement.

The gentleman from Kentucky, Mr. BARKLEY, says that these boards are national boards. Well, what of it? What is the difference between being national or local? If they do not represent anybody but themselves they might just as well be international as national or local. The boards are organized to protect their own interests and not in any way to represent the public.

The gentleman says:

the objection that was made to the original bill providing that the expenses of these groups of men on each side should be paid for by the respective sides was that as long as their expenses and their salaries are paid for by private interests and out of private funds that they would still hold that they were representative to the last degree and they would never cross over and agree with the other side, and, as a result, making them Government officials makes it easier for these men, with equal representation on both sides, to agree.

So the gentleman thinks that although these men have no Government function to perform that they will be more complacent and less interested in the preservation of their own rights and less insistent upon the terms of their contracts than they would if they were merely railroad representatives or union representatives, as the case might be.

Of course there is no logic in such a statement, and there is no one who stops to consider the question who would be willing to agree with the conclusions drawn by the gentleman from Kentucky.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I wonder whether I could have three minutes more.

Mr. WINSLOW. Mr. Chairman, I yield the gentleman three additional minutes.

The CHAIRMAN. The gentleman from Illinois is recognized for three additional minutes.

Mr. MADDEN. The gentleman says that the objection to the boards that were proposed in the existing law, but which in fact were not incorporated into the law, was that by setting up these equipartisan boards and having their employees on respective sides it took away from them perhaps that degree of impartiality that might enable them, or at least some of them, to agree with those on the other side in arriving at a conclusion.

Well, if the matter was not so serious this would be a laughable reason for authorizing the unions and the railroads to appoint their own men and have the President name them after they appointed them and have the public pay them after all this detail had been gone through with.

Of course we know that the boards do not deal with the question of wages; that they have no jurisdiction over increases or decreases. That is a matter left entirely with the employers and the employees under this bill. I do not object to the matter of wages being left to the employer and the employee.

I think that is the way it should be. I was not for the Railroad Labor Board when it was provided for in the present law, and I would not care if it were abolished now, but I would not set up in its stead the boards that this bill provides. Whatever chance the public has with the existing Labor Board on which the public is represented it will have no chance at all with the proposed boards. The public is out if this bill passes. God help the public! If this bill passes nearly half of the men employed by the railroads will be out, because there are only a little more than half that have the selection of the men for these boards, and these men are human, and they will be appointed by their friends who are human, and their job will be to see that those who appointed them are protected against their fellow workmen who are not of the brotherhoods.

I think it might be just as well now to call attention to the insistent demand on the part of the agricultural sections of the country for reduced freight rates. I notice that some of the people from agricultural districts here are voting for all the provisions of this bill. If this bill passes and becomes law the door of opportunity is forever shut in the faces of those who are looking for lower freight rates. Their dreams of relief are ended. They might as well know it now as any other time.

If there is anybody anywhere in the agricultural regions of the United States who believes for a minute that there will ever come a time, if this bill becomes a law, when his agricultural constituents will ever have any chance whatever to get reduced freight rates, let him quit his pipe dream now. [Applause.]

Mr. LONGWORTH. Mr. Chairman, I ask for recognition in opposition.

The CHAIRMAN (Mr. TILSON). Does the gentleman from Massachusetts reserve the balance of his time?

Mr. WINSLOW. Yes.

The CHAIRMAN. The Chair will recognize the gentleman from Ohio.

Mr. LONGWORTH. Mr. Chairman, in order that the debate shall be equally balanced between the proponents and opponents of this measure I shall be glad to yield 20 minutes to the gentleman from Kentucky [Mr. BARKLEY] and I reserve the remainder of my time.

Mr. BARKLEY. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. RATHBONE].

Mr. RATHBONE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RATHBONE. Mr. Chairman, it is with regret that I find myself in opposition to the distinguished gentleman from Illinois [Mr. MADDEN], who has just addressed you, and to the majority of my colleagues on the Republican side of this House.

This is not a party question, but if it were I maintain that those who are supporting the Howell-Barkley bill are at the same time maintaining the true principles of the Republican Party. I deny that adherence to the discredited Railroad Labor Board is a test of Republicanism.

How shall we determine whether or not a measure should be regarded as true Republican doctrine? Undoubtedly by ascertaining if the principles embodied in such a bill have been approved in the national platforms of the party or by the utterances of its acknowledged leaders. Let us apply these tests to the present transportation act and to the Howell-Barkley bill now under consideration.

There are three essential elements in the bill before us. First, it provides for collective bargaining. In the national Republican platform of 1920 we find the following:

We recognize the justice of collective bargaining as a means of promoting good will, establishing a closer and more harmonious relation between employers and employees, and realizing the true ends of industrial justice.

What is the meaning to be given to these words? The word "collective" implies unity. On the one hand the stockholders united in their corporate organization and on the other hand the workers united in their labor unions are to be the parties to the transaction in question.

The word "bargaining" implies freedom of contract. No one can be said to bargain when under restraint.

This important feature, therefore, of the Howell-Barkley bill is supported by the distinct expression of the last Republican National Convention.

It has been well said that the progress of humanity is from status to contract. The creation of the Railroad Labor Board was reactionary because it was designed to make the employment of the workers dependent upon status. It sought arbitrarily to fix their wages and the working conditions of their employment. This was a step backward in the direction of involuntary servitude.

The bill before us is a progressive measure in that it accepts contract and not status as the true principle to be followed in such legislation. It gives to the railroads and the workers alike the right to determine wages and working conditions by mutual agreement.

Second, the bill provides for mediation and conciliation. The proponents of the Howell-Barkley bill contend that the Labor Board has been a failure and that the previously tried machinery of Federal mediation was a success, and that therefore the Labor Board should be abolished and the Board of Mediation restored. Let us examine the records of the past 4 years' operation of the Labor Board and then the records of the previous 20 years of mediation.

Perhaps it would be well first to explain the principles of mediation in order that it may be clearly understood why the Labor Board as an attempt at combination of mediation and arbitration failed, and will continue to fail, to preserve peace.

The development of the principle of mediation has been one of slowly and steadily improving efficiency. During the eight and a half years following the passage of the first mediation law, the Erdman Act in 1898, the law was used only once, when the trainmen requested mediation and the railroads refused to enter mediation proceedings. From 1907 to 1913 the use of mediation increased and 61 cases were settled under the Erdman Act, affecting over 250,000 employees.

It should be borne in mind that the Erdman and Newlands Acts only provided mediation for controversies involving the train-service men, and that labor disturbances on the railroads prior to the passage of the Transportation Act not affecting the train-service men can not be charged up as failures of mediation.

The technique developed by Federal mediators improved as their experience grew, and the result was an increasing disposition of both carriers and employees to invoke mediation. It is desirable to understand this technique in order to see clearly why the present Labor Board can not operate as a body of mediators.

The Federal mediators never called both of the parties before them for either public or private hearings. In fact, they learned very soon that they must keep the parties separated in order to mediate successfully. If one mediator were acting, he would vibrate between the opposing groups. If two mediators were acting, one might work with one group and the other with the opposing party. It was absolutely necessary for the mediators to enjoy confidential relations and for both parties to be assured that confidences would not be violated. Thus, a mediator could argue vigorously against unjust demands and obtain concessions which he would be very careful not to communicate to the other side. So by an adroit combination of pleading and pressure the mediators would be able to narrow the dispute down to a few issues, with perhaps slight differences between the parties in the end, and determine how far each party would be willing to go in making concessions to the other.

The majority of mediations under the Erdman and Newlands Acts resulted in settlements by the mediators. Where arbitration was necessary, the mediators had been able to narrow the issues and also to force the parties into a position where neither could afford to reject the arbitration proposal. Then the mediators were able to exercise their final function of naming neutral arbitrators where the parties were unable to agree upon such neutrals, which was usually the case.

The success of arbitration always lay in the fact that the parties agreed to abide by the award, and provision was made, as in the proposed law, for entering a judgment upon the award, if necessary for its enforcement.

The Labor Board was constituted as a board of arbitration, being composed of three partisans of each side and three neutrals. But its composition violated two fundamental principles of successful arbitration. In the first place, as parties were compelled to submit disputes to the board, its decisions could not be made enforceable without the result being compulsory arbitration. The principal value of arbitration lies in the voluntary agreement of the parties to submit their controversy and to abide by the award.

In the second place, the board, being a permanent board, was unsuited for arbitration. Inevitably a permanent board of arbitration will become in fact partisan to one side or will be forced by the logic of events to render so many decisions offensive to one or both parties that one or both parties will lose confidence in it.

This is one reason why trial by jury has obtained such public confidence, particularly among English-speaking people. A man has always the opportunity to have an issue of fact tried by a newly formed tribunal, against which he has acquired no prejudice and which has no prejudices against him. The permanent officers of court, the judges, are supposed to be limited to determining issues of law; but issues of fact, upon which a man may be deprived of liberty or property, are to be submitted in each instance to a new tribunal chosen for that purpose.

This analogy to trial by jury may show clearly why a board for the arbitration of industrial disputes to determine the property rights, the working conditions, and other matters of grave importance to thousands of men and to the owners of vast properties should be constituted anew for each controversy. And again it may be pointed out that the very fact that a dispute must ultimately be decided by such an unknown board, which must be especially created, will exercise a powerful influence upon the parties under pressure of Government mediators to adjust their disputes in conference between themselves, if possible.

The transportation act offended against all these sound principles for the mediation and arbitration of industrial disputes. Since the Labor Board could not make enforceable awards, its function must be essentially that of a body of mediators. But to put three partisans of each side upon a mediation board was a manifest absurdity. For the board then to appear to be a court—and with even more formal procedure than that of an arbitration board—was to insure its failure as a mediating body. Perhaps the most tragic example of the inevitable failure of the Labor Board is found in its utter failure to cope with the shopmen's strike.

The record of governmental mediation as a means for the peaceful adjustment of disputes affecting the train service employees is one of exceptional success. Two sentences from the official report of the Government mediators of December 8, 1917, are significant:

In no instance has a strike followed the intervention of the board, some plan of adjustment having always been agreed to by the contending parties. When account is taken of the numerous and distressful strikes that have occurred in the industrial field and on street railroads it is a noteworthy fact that the interruption of interstate railway service caused by labor disputes has been almost negligible during the entire period mentioned.

The board concluded that the law seemed to be the—

best plan yet devised for bringing to a peaceful settlement the disputes which most frequently occur, and which otherwise would be likely to result in serious consequences to the public.

The person who studies without bias the records of the development and success of Federal mediation and conciliation and arbitration for the settlement of railway labor controversies, and reviews with similar lack of bias the failure of the provisions of Title III of the transportation act to promote

the continuity and efficiency of transportation service, must come to this conclusion: The organized railway employees have presented to this Congress not a new and radical proposal but, on the contrary, urge that the radical experiment of the creation of the Railroad Labor Board was a legislative blunder and that conservative counsel should approve of the abandonment of a machinery of proven failure and the return to a machinery of proven success.

Every advantage has been taken in the proposed bill of the lessons of experience. Improvement has been made in the old machinery of mediation and arbitration. Revisions of former legislation have been made to remedy defects which developed in the use of the former mechanism of mediation and arbitration, but the essential principles that have been tried and found true are the underlying principles of the Howell-Barkley bill.

The value and importance of mediation were long ago recognized by the Republican Party. In its platform of 1908 we find the following:

The successful exercise of the power of mediation and of arbitration between the officials of railroads and their employees * * * were the most commendable accomplishments of the present administration.

Third, the most important principle of arbitration is clearly recognized in the Howell-Barkley bill as the one which should finally govern in cases of industrial disputes. This is also sound Republican doctrine, for in that party's platform of 1920 we read:

The Government should take the initiative in inviting the establishment of tribunals or commissions for the purpose of voluntary arbitration and of investigation of disputed issues.

Compulsory arbitration is a failure. Wherever it has been tried this fact has been demonstrated. Over 20 years ago its adoption by the Government was heralded as a wonderful step forward in New Zealand, but in his latest work "Modern Democracies" James Bryce practically condemns it as a failure.

Liberty of contract, including contract of employment, is essential to the maintenance of civilization. Employers must be free to employ or not to employ and employees must be free to work or not to work. Coercion is un-American and is repugnant to all the fundamental principles of our institutions.

This bill leaves both parties free until they have submitted to arbitration. After that they are morally and legally bound to abide by the award. This is in line with all experience and enlightened progress.

If the intention of the framers of the transportation act was to coerce the workers, then it was not only abortive but wrong. The Transportation Act was apparently intended to compel the railroad workers to submit to the jurisdiction of the Labor Board but not to its decisions, whereas the proposed bill makes their submission to arbitration voluntary, but their abiding by the award compulsory.

The Transportation Act has been severely criticized by the leaders of the Republican Party. The late President Harding on December 8, 1922, in his address to Congress, said:

In a previous address to the Congress I called to your attention the insufficiency of power to enforce the decisions of the Railroad Labor Board. Carriers have ignored its decisions, on the one hand; railway workmen have challenged its decisions by a strike on the other hand. * * * It is now impossible to safeguard public interest, because the decrees of the board are unenforceable against either employer or employees.

The labor board itself is not so constituted as best to serve the public interest. With six partisan members on a board of nine, three partisans nominated by the employees and three by the railway managers, it is inevitable that the partisan viewpoint is maintained throughout hearings and in decisions handed down.

* * * * * * *

It need not be surprising that there is dissatisfaction over delayed hearings and decisions by the present board when every trivial dispute is carried to that tribunal. The law should require the railroads and their employees to institute means and methods to negotiate between themselves their constantly arising differences, limiting appeals to the Government tribunal to disputes of such character as are likely to affect the public welfare.

Secretary Herbert Hoover, addressing the National Transportation Conference, composed of representatives from all the groups directly interested in the railroads, held in Washington, January 9, 1924, said in part:

The present set-up of labor adjustment has not given entire satisfaction and in considerable degree this is due to inherent faults in the construction of the board and in its authorities.

We have in this board confused four different functions in labor relationship. The board has in parts the machinery for collective bargaining, for arbitration, for conciliation, and judicial determination.

Secretary James J. Davis, in his annual report for 1923 to the President, as head of the Department of Labor, said, in part:

Apparently the differences between the management of the railroads and their employees have been increased and complicated rather than diminished by the operation of the machinery provided by section 300 of the law—transportation act. The practical operation of that plan brings about unreasonable delays in the adjustment of minor disputes and accentuates to the dignity of a contest petty differences with reference to wages and conditions of labor.

The machinery has proved unwieldy. It seems to me that some machinery less complicated and less cumbersome should be set up to provide for the equitable and expeditious settlement of these disputes through well-known and oft-used channels in order that our transportation system may function at its highest rate of efficiency in the interest of the country.

The fatal defect in the conception and construction of the Railroad Labor Board was and is that it sought to combine things essentially incompatible, force and persuasion. It could not employ either to good advantage. It turned its back on persuasion and yet stopped short of compulsion.

The representation of the public on the board is of no advantage, for it constitutes a minority of the membership, it controls nothing, and it is swept aside by partisanship or soon becomes partisan itself. It is an innovation, a misfit tribunal without power, a court without authority, an alleged board of conciliation that does not conciliate.

It was condemned to failure from the beginning. It was hatched in eight days in a conference room behind closed doors. It was never debated in public. It was never held up to inspection in the light of day. It was not in the original Esch bill nor the original Cummins bill. It was the result of hasty compromise. It is an ill-considered experiment without historic background, without proper evolution; a futility, as has been clearly proven by four years of continuous friction and failure. It has not brought industrial peace, but resentment, resistance, industrial strife, and a great nation-wide strike, resulting in enormous loss to the railroads and the public. It can not bring peace in the future, because its basic conception is essentially unsound. Emerson was right when he said, "Nothing can bring you peace but the triumph of principles."

It must cause humiliation to every true American to see any agency of this great Government, such as the Railroad Labor Board, flouted, scorned, and repudiated, as it has been. For 30 years before the Transportation Act there was no nation-wide railroad strike. Let us return to the methods and principles of the Newlands and Erdman Acts, under which the Nation enjoyed industrial peace in transportation service. Let us return to the paths of our fathers, where we can neither stumble nor wander, and march steadily forward to peace and prosperity.

Mr. BARKLEY. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman has remaining 43 minutes.

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. WILLIAMS].

Mr. WILLIAMS of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMS of Michigan. Mr. Chairman, I was very much interested in what the preceding speaker had to say upon this subject. He quoted Warren G. Harding, for whose memory, of course, all of us have the greatest respect, but when Warren G. Harding pointed out a possible deficiency in the present railway act, that did not in any way mean that if he were alive to-day, he would favor the proposition which is now before this House.

I want to say to the gentleman from Illinois [Mr. RATHBONE] that I would a good deal rather take the handiwork of men who sat upon the committees of the two Houses of Congress, who heard all of the testimony and the evidence that was produced there, and then, finally, after debates in each House and the whole matter had been thoroughly gone over in conference, decided upon the present Railway Labor Board feature, than I would to take the results of the work of attorneys of the railway labor brotherhoods, who worked in secret to produce something that they were willing to present to Congress. Naturally, when they did that work, they were looking at these matters largely from a prejudiced and partisan standpoint.

It would be too much to expect these attorneys representing the brotherhoods and doing their work in secret without consulting the railroad executives, without referring to the thought of

obtain concessions which he would be very careful not to communicate to the other side. So by an adroit combination of

versies, and reviews with similar lack of bias the failure of the provisions of Title III of the transportation act to promote

construction of the board and in its authorities.

ing the railroad executives, without referring to the thought of

the country on this subject, to produce a bill which would protect the public in every respect in which the public should be protected.

Mr. RATHBONE. Will the gentleman yield?

Mr. WILLIAMS of Michigan. I can not yield, I have not the time. The time has passed when it should be made possible for executives of the railroads and men working upon the railroads to get together and arrange without scrutiny a schedule of pay and the other things which mean expense and must necessarily be passed on to the public and be borne by them. So I say to my friend from Illinois that rather than tear to pieces the Railroad Labor Board, would it not be better at this time to amend the act where necessary? [Applause.]

It is needless to say that the subject of railroad legislation in all its aspects is one with reference to which I have a great deal of concern. I am well aware of the fact that the transportation act of 1920 is not fully satisfactory in every respect, either to the management of the railroads or to the men who are employed by the roads. This is not surprising in view of the fact that the legislation was necessary to meet the many complicated situations growing out of Government operation and in connection with the return of the roads to the former owners, and the fact that the legislation was along new lines. Even assuming that it was well based fundamentally, it would take a considerable number of years to correct features that experience under it would indicate should be changed.

The questions touched upon in the law dealing with railroads are of the most vital importance not only to the investors in railroad securities and the men who are employed on the roads, but to the general public as well, which is compelled to pay the bill through transportation charges. We should not approach the consideration of these questions from a prejudiced or narrow viewpoint.

The Howell-Barkley bill proposes to repeal the entire labor section of the present transportation act, do away with the United States Railroad Labor Board, and substitute therefor a number of so-called adjustment boards and a board of mediation and conciliation.

The unfortunate part of the present situation is that this bill was introduced in the House on the 28th of February, and in about six weeks proceedings were started to withdraw it from the committee, which could not previously take it up because of precedence having first been given to other measures. It is now being brought up for consideration by the House as a whole without any opportunity for hearings at which could be voiced the various and conflicting views that would necessarily exist with reference to such an important and far-reaching subject. I feel that those who are sponsoring this legislation are acting ill-advisedly in attempting to force it through Congress without a full opportunity not only for hearings and the expression of views by those who have studied and have had actual experience with the subject, but without a full reaction upon the part of the public generally. I believe that if this legislation should be forced through Congress at this time it would create a very adverse public opinion and would be viewed as was the Adamson law at the time it was adopted. It seems to me that every real friend of the railroad workers must now feel that it was a mistake to have given the Adamson proposal the appearance of having been forced through Congress so abruptly and without an opportunity for full discussion and consideration, even though the Adamson law may have been proper in itself.

Fortunately the present proposal is not being advanced by any threat of strike, but when all is said and done it is rather distasteful to be forced to consider and vote upon a matter which has not been thoroughly thrashed out, as can only be done in the regular way before a committee of Congress. With a large membership such as we have in this House, it is impossible to consider thoroughly and properly or rewrite on this floor a bill as comprehensive as the one now before us. It took the attorneys for the railroad brotherhoods 18 months to write this bill in the first instance. No one is so brilliant as to be able to produce a bill of this importance that would not be subject to many proper suggestions and changes, which can only be brought out by committee hearings and discussions. Neither can it be presumed that attorneys representing the railroad men's organizations alone could or would write the bill in such form as to protect other interests, including that of the public.

In this, as in all other matters, I propose to do the best I can under the circumstances and try to reach a fair and just conclusion and understanding of the subject without prejudice and without fear or favor, keeping in mind the best interests of our entire population.

As one who has gone through life only by the route that has involved constant struggle and effort, I have the greatest sympathy for workers in every line of activity.

While I regret that we are compelled to pass upon this matter with so little real definite information bearing upon it pro and con, yet in the light of present information on the subject I am compelled to say that I do not approve in several vital respects the measure which is now before us, and it will be impossible therefore to give it my support in its present form.

I would not so seriously object to the entire elimination of the Railroad Labor Board so as to leave the matter in such shape that through a board of mediation and conciliation, or otherwise, opportunity would be given for the employees of each road to adjust with the management of such road their difficulties and problems as they arise, either by direct negotiation or by arbitration. I believe, however, that it would be better not even to take that step at this time, but to retain the present Labor Board and add two members representing the public, so that the board would stand with five instead of three public representatives, two representing the railroads and two representing the employees. This would leave the matter of decision in the hands of the public representatives on the board, and I think that such an arrangement would give the decisions of the board greater weight with the country as a whole and with the railroads and their employees in particular.

In passing, permit me to say that I have not approved of the action of certain of the railroads in disregarding the decisions of the Labor Board as it is now constituted. I think such conduct is ill advised and should be severely condemned. My notion about these matters is that when we have a law, it does not make any difference what it is, everyone should live up to it and do his very best under it so long as it stands upon our statute books.

I can not approve the number or nature of the adjustment boards which are provided for under the Howell-Barkley bill. Forty board members, each with a salary of $7,000 per year, together with many attendant expenses, all to be paid out of the Public Treasury, seem to be entirely unnecessary. The work that these adjustment boards are supposed to do, in my opinion, can be better done by representatives of the men and management on each road, who can look after and attend to such matters as might come up on any given road at a nominal expense and without any charge upon the Government. That is the way that these matters are being handled at the present time, as I understand it, and I can see no reason for changing to the method proposed under this bill. The adjustment boards provided for by the bill would find it exceedingly difficult to arrive at decisions, because each party to a controversy would be equally represented on such boards. They are made up of an equal number of representatives of certain crafts from all of the railroads of the country and of the railroad managers generally. Two of these boards have 14 members each and two of them 6 members each. I do not believe that the plan proposed under the Howell-Barkley bill will do other than to accentuate in a nation-wide way controversies that may arise between the workers and railroad managers. It must be remembered that in addition to these boards there is also a proposed board of mediation and conciliation of five members, each with a salary of $12,000 per year. This board has no power to make decisions, and the only way that a controversy can be finally worked out, except by mutual agreement, is by arbitration boards chosen from time to time. The decisive factors on such arbitration boards would not have familiarity with railroad matters as would a permanent board. Furthermore, the adjustment boards provided for under the bill are named in effect by certain railway labor unions. These unions do not represent much, if any, more than one-half of the railway employees of the country. I can not approve of the idea of taking such steps as will obviously tend to force all railway employees either to have no representation upon these boards or to become affiliated, whether they desire to do so or not, with the unions that have the right to make such appointments.

The present transportation act does not apply to interurban or suburban electric railways not operating as a part of the general steam railroad system of transportation. The Howell-Barkley bill, on the other hand, is made expressly to apply to interurban and suburban electric railways operating as independent units or as a part of the general railroad system of transportation, and the bill under discussion also includes boats, barges, tugs, bridges, ferries, and other transportation facilities owned and operated by electric, gas, or steam railways. What is the purpose of including these instruments of

transportation which were excluded by the act of 1920? As I view it, this has been done by the authors of the Howell-Barkley bill for the purpose of drawing into the railway labor unions all of the workers engaged in any way in transportation in this country, so that when in the future any controversy may arise the entire transportation system of every kind may be subject to be tied up by a general strike. Such a plan as this can not meet with my approval or support, although I have the most kindly feeling for the workers upon the railroads and wish to see them given full justice in every respect.

There are a number of other features of this bill which should not escape our attention. It is impossible for me to refer to all of the objections that should be made to this proposal. I do, however, wish to refer to the very disastrous effect upon the short-line railroads of the country if this proposal should be enacted into law. These small railroads, as a rule, are having a very difficult time to avoid bankruptcy. Anything that will add to their burdens or cause them greater financial difficulties will force many of them to cease operations entirely, to the detriment of the people they are now serving.

The nature and scope of this bill is such that it will unquestionably bring all of the employees upon these short-line roads to a standard of wage and activity which will apply to the larger roads of the country. As it is now, on these smaller roads most of the employees do anything that they may be called upon to do in connection with the operation of the road. Their work is light, as a usual thing, and they are glad to do this. To force upon these weaker roads the practices with reference to employees that are made to apply to the stronger roads can only result in a great and serious detriment to the sections of the country through which they run.

This proposal is one which should not have been brought before Congress in its present form, in my judgment, and, being here, should not receive the sanction of a majority of the Members of this House.

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman and gentlemen, the gentleman from Illinois [Mr. RATHBONE], in sponsoring the bill that is before us, quoted the late President Harding to sustain him in his position on this question. I was reminded as he quoted from his speech of some of the testimony that has been given before the committee of another body in reference to the attitude of men who have passed on.

Of course, there can be no question but what the views of President Harding on a question of this importance should carry considerable weight, although it would not be controlling. It would seem to me that the proponents of this bill before bringing in their character witnesses should at least prove their main facts by discussing the detailed provisions of the bill. So far in this debate this has not been done. But, Mr. Chairman, if the proponents choose to rely only on quoting the opinion of others they at least ought to be careful whom they quote and quote them correctly. I deny that President Harding ever advocated the passage of this bill or the general principles upon which it was drawn.

The President appeared before Congress on December 8, 1922, and called the attention of the people of this country to transportation conditions in general and the labor conditions in particular. He reminded us that the Railroad Labor Board, after hearing from the carriers, employees, and the general public and following a thorough investigation, had made a decision; that that decision had not been complied with and that the board was powerless to enforce it. The burden of his message to Congress, as any man reading it, reading it in its entirety, could tell, was the necessity for amending the law, not for the purpose of striking it out, not for the purpose of going back to the provisions that we had before, but by inserting some sort of a provision which would make their decisions effective.

Let me quote also from the same page given by the gentleman from Illinois:

> Only the public group of three is free to function in unbiased decisions. Therefore the partisan membership may well be abolished, and decisions should be made by an impartial tribunal. [Applause.]

He still speaks of the decision. There is nothing in the Barkley bill for a decision excepting through a mutual agreement arrived at through voluntary conference, voluntary adjustment, or voluntary arbitration. Then, even if both parties have agreed to submit the matter to arbitration, the decision only binds the carriers. It does not bind the individual workmen to abide by the award nor prevent them from conspiring or agreeing with others to break the award.

Let me read further:

> The substitution of a labor division in the Interstate Commerce Commission, made up from its membership, to hear and decide disputes relating to wages and working conditions which have failed of adjustment by proper committees created by the railways and their employees offers a more definite plan. [Applause.]

Mr. NELSON of Wisconsin. Will the gentleman yield?

Mr. NEWTON of Minnesota. No; I can not. The gentleman took 25 minutes and did not discuss one single provision of the bill. [Applause.] I do not want to be discourteous, but I want to try and have this bill here considered as if we were in a deliberative assembly and not doing business at the instance of any group, whether it is the propaganda the gentleman from Wisconsin referred to or at the instance of the propaganda to which the gentleman from Massachusetts referred to. [Applause.] I think it is time that the House of Representatives was doing business as a deliberative body free from the influence of propaganda from either of two selfish interests. [Applause.]

I would like to inquire why the gentleman from Illinois [Mr. RATHBONE] did not read this paragraph to the Members when he quoted President Harding as approving the principles of the Barkley-Howell bill?

Mr. RATHBONE. All right; I presume the gentleman yields, then; does he not? He has asked me a question. Does the gentleman want me to answer it?

Mr. NEWTON of Minnesota. Yes.

Mr. RATHBONE. Very well. It is because what I read was sufficient condemnation for any fair-minded man, and stamped the bill with the approval of the President, and it was not necessary to read volumes to know where he stood.

Mr. NEWTON of Minnesota. We will let the Members decide as to that question. Let me read further for the benefit of the gentleman and the House:

> Public interest demands that ample power shall be conferred upon the labor tribunal, whether it is the present board or the suggested substitute, to require its rulings to be accepted by both parties to a disputed question.

He wanted something that would require a compliance with the rulings of the board. There is not one single provision in this Barkley bill admitting of any such construction, nor is it contended by its advocates that there is any such provision. I read further:

> Let there be no confusion about the purpose of the suggested conferment of power to make decisions effective. There can be no denial of the constitutional rights of either railway workmen or railway managers. No man can be denied his right to labor when and how he chooses, or cease to labor when he so elects; but, since the Government assumes to safeguard his interests while employed in an essential public service, the security of society itself demands his retirement from the service shall not be so timed and related as to effect the destruction of that service.

Further:

> We have assumed so great a responsibility in necessary regulations that we unconsciously have assumed the responsibility for maintained service; therefore, the lawful power for the enforcement of decisions is necessary to sustain the majesty of government and to administer to the public welfare.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. No. Mr. Chairman, here was the President of the United States calling for a tribunal which would have the power to enforce its decisions. Yet the gentleman from Illinois [Mr. RATHBONE] cited this speech to the House as an example of his approving the provisions of a bill which has no enforcement power back of it excepting that it is enforceable as against the carrier.

I have referred to this not that I am in accord with all of the views expressed, but for the purpose of refuting the claim made by the gentleman from Illinois [Mr. RATHBONE], that President Harding approved the provisions of this bill.

Mr. Chairman, I have been of the opinion for some time that the labor provisions were in need of substantial amendment. I doubted the wisdom of some of the provisions when they were under consideration here. A great many railway employees have been of like opinion. Their experienced representatives and able lawyers, after 18 months' deliberation, have finally agreed upon the provisions of this bill. Any bill so introduced in good faith should have the careful consideration of this House. In this connection it must be borne in mind that there are substantial groups of employees who are not included in these nationally organized crafts who have

protested against the passage of this bill. The bill has the opposition of practically all the railway managements. Then there is the general public, interested incidentally in the employees, interested incidentally in the carrier, but interested primarily in obtaining transportation at a reasonable cost. Neither these groups of employees, the railway managements, nor the general public in any way participated in the 18 months' deliberations of those who drafted this measure.

This bill should first have been heard by a committee where all parties concerned could be heard. The public especially should have been given this opportunity, and it is the great mass of the public generally whom we in the House of Representatives primarily represent. [Applause.]

Mr. RATHBONE. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. I can not yield, I am sorry to say. An opportunity ought to be given to hear from each and every one of these parties. As a member of the Committee on Interstate and Foreign Commerce, no representative of any carrier or employee ever came to me and even intimated a desire to have a hearing upon this bill. Mr. Chairman, we can not have representative government without deliberation, and we can not have deliberation without information coming from a congressional committee. [Applause.]

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I was one of those who voted to put teeth in the decisions of the present Railway Labor Board I fought against and voted against the passage of the Esch-Cummins bill, but in the end when it became clearly apparent that there were but two alternatives, namely, to vote either for the conference report or to accept the unthinkable, vicious Plumb plan, I accepted the lesser evil.

When that bill was being considered, I then called attention to its worthless, expensive board members, and I predicted it would be condemned just as it is now by everybody, because it had no teeth. I voted for the Webster amendment which would have made it worth while, but in a mood the House created such a board as we have now, and you are preparing by this bill to create not one but five boards just as worthless, and each one far more extravagant, four of them with 40 members drawing $7,000 a year each, with the public having no representation upon them at all. The only board on which the public is represented is a little fifth board which has no jurisdiction at all, unless all of the parties agree to come before it. It can not function unless they all agree to come before it, and I know and you know they will never agree to come before it. Let us analyze this bill just for a moment.

We are reliably informed that this bill of 35 pages of printed matter was prepared by one class of people in the United States. We are reliably informed that it was specially prepared by representatives of the railroad employees. We may presume, therefore, if we knew nothing more about it, that it specially represents their interest; that it represents their views as they may be antagonistic to the views of all other classes of people that live in this country.

When the able and distinguished gentleman from Kentucky [Mr. BARKLEY] first discussed this bill for an hour before it was taken from the committee, he said that to prevent the bill from being a partisan measure, on the same day he introduced it in the House it was also introduced in the Senate by a Republican. He being a Democrat and it being introduced in the Senate by a Republican was to keep it from being partisan. His idea of a partisan measure therefore seemed to be confined to a political standpoint. He thought if a Republican could introduce it in the Senate and a Democrat in the House there would be no partisanship about it. Well, there are several kinds of partisanship. Partisanship is not confined merely to politics. There could be a partisanship that would favor one class over another. And there is such partisanship in this bill to a superlative degree. While the distinguished gentleman from Kentucky was speaking he kindly yielded to me. I then said to him that he had intimated that the ideal situation on the settlement of disputes between railroad employers and employees was for them to sit across the table, the railroad employers on one side and the railroad employees on the other, with no other parties present, and for them to settle it in that way. I then asked him what about the other very important and very vitally affected third party to the transaction, the public, the 110,000,000 people of the United States, who had a just right to be at that settlement table, and what was going to be done in respect to them? I asked him why they, too, should not be at that council table, when their interests above all others are mostly involved, because they are the ones for whose benefit all railroads are operated and who pay the traffic tolls that are inaugurated and fixed by the Interstate Commerce Commission. They are the ones who pay the bills. The gentleman from Kentucky said, "I will discuss that a little later." But he devoted only one short sentence to a discussion of the public's rights. I want to show you what his discussion was. I have looked through his entire speech for a reference to the public, and find just one line, and here is what he says:

> There are some here who may think that the public only has an interest.

He stopped there and said nothing else. That is as far as he went in his argument concerning the rights and interests of the American people, and that is just as far as the 35 printed pages of his Barkley bill go with reference to the interests and rights of the 110,000,000 American people.

Let me show you just what this Barkley bill does, which 154 of you colleagues have taken from a committee of Congress, and which you are going to force on the floor of this House for passage without due consideration by any committee. Do you remember that petition which a member of the Republican steering committee, Mr. DARROW, brought in here, which covered that stand there, from 350,000 actual dirt farmers scattered all over the United States, telling you that they did not want you to create any more boards; telling you that they did not want you to create any more commissions; telling you that they did not want you to raise any more salaries or expenses of Government; telling you that they demanded that the expenses of the Government should be reduced? Do you remember that petition? It will pay us to remember it. Keep that in mind when you consider what this Barkley bill does, which was specially drawn up by the representatives of only one class of employees in the United States—certain employees of railroads, and for their especial benefit. It creates an adjustment board No. 1, to consist of 14 members, 7 railroad employers and 7 railroad employees. There is no public interest represented, no place whatever is made for the public, although it is most concerned; there is no looking after and providing for the interests of the general public at that round-table session. It is only a two-sided table, with the railroad employees on one side and the railroad employers on the other, and both willing to let the general public pay the bill. Each one of those 14 members of that adjustment board No. 1 is to receive a salary of $7,000, aggregating $98,000 alone for that one board. They are given a secretary at $4,000 a year, and they are given the right to employ just as many employees, including private secretaries, clerks, stenographers, and janitors, and messengers for each, as they want, and they are further given the authority to fix their salaries at whatever sum they deem expedient.

The bill also provides that these 14 members of this adjustment board No. 1 shall have a central office at Chicago, but that they may sit anywhere in the United States they desire. They may junket into every one of the 48 States. They can divide themselves up and sit anywhere over this big Nation at your expense and at mine.

Then there is also provided an adjustment board No. 2, likewise with 14 members, 7 from the railroad employers and 7 from the railroad employees. The public has been given no representation at all; the public has no representation whatever at this second two-sided counsel table or in its settlements. Each one of these 14 members of adjustment board No. 2 is to receive a salary of $7,000 a year, or an aggregate of $98,000. A secretary is provided for them also, at $4,000, and they, too, can employ just as many employees, including secretaries, clerks, stenographers, janitors, and messengers as they want and fix their salaries at will without any limitation whatever as to salary or number. They, too, can sit anywhere in the United States that they want to and junket regularly into every one of the 48 States at will.

Then we have provided in this bill an adjustment board No. 3, composed of six members, three railroad employers and three railroad employees. Again the public has no representation. The public has no look in; the public has not a right to say a word about their deliberations or settlements, although it will pay the bill. Each one of these members of adjustment board No. 3 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are also supplied with a secretary, at $4,000 a year, and may employ all the private secretaries, clerks, stenographers, janitors, and messengers they want at salaries they fix, and they can sit anywhere in the United States and junket regularly into all of the 48 States of the Union at public expense. We have to pay the bill out of the tax money in the Treasury

that we levy upon the already tax-burdened people of our country.

Then there is provided in this Barkley bill an adjustment board No. 4, to be composed of six members, three railroad employers and three railroad employees, with the American public again given no representation whatever. The public is given no voice in the settlements, yet it will pay the bill. Each one of these members of adjustment board No. 4 is to receive a salary of $7,000 per year, or an aggregate of $42,000. They are given a secretary at $4,000 a year and they, too, are given all of the employees, including private secretaries, clerks, stenographers, janitors, and messengers, they want at salaries fixed by them. There is no limitation as to salary and no limitation as to kind or class or number of employees. It is within their discretion alone, and they, too, can sit anywhere in the United States that they desire and junket regularly into all of the 48 States at will, at the expense of the taxpayers of the country.

Do they stop there? Do you know how many members of boards that already makes? That already makes 40 high-salaried members of these various boards, and their salaries alone amount to $280,000 per annum, not counting the salaries of the army of their employees and their expenses. Do you not know that every one of these 40 commissioners will have to have a private secretary? That means 40 private secretaries; and don't you know that when they are not restricted as to fixing salaries they will pay them at least $5,000 a year each, which will amount to $200,000 more?

Then each one of these 40 commissioners of these four adjustment boards will have to have a clerk or two, and a stenographer or two, and a messenger or two, and a janitor or two to sit outside of their front door. I say to you that before you get through, under the provisions of this bill, you will be putting at least 500 new, high-salaried employees on the pay roll of this Government, with a pay roll ranging up to several million dollars.

That is not all. The Barkley bill then provides for a board of mediation and conciliation to consist of five members. Their salary is fixed at $12,000 a year each, or $4,500 more than a United States Senator receives, which is $60,000 per year for this board, and ultimately to hold office for seven years. It is provided that this board shall have authority "to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees" as they deem necessary, without any limitation whatever by Congress either as to number of employees or the amounts of their salaries. You will have another Shipping Board situation, with an army of high-salaried, worthless employees. You will have another Department of Justice situation, with an army of high-priced attorneys and worthless employees on the pay roll that even they themselves can not count and keep up with.

After you appoint them all, what has been accomplished? Absolutely nothing! I was rather interested in the speech of the gentleman from Kentucky [Mr. BARKLEY]. He is a very distinguished Member of this House. He is an able man, and when he speaks on this floor he speaks with authority; but I say to him concerning this bill he has introduced for one class of employees only, that if he would carefully study this bill he would not force it to be passed here without due consideration, no matter how many railroad employees there are demanding its passage. I gathered from what he said that we were going to have a workable means of adjustment that would force a final settlement; that would force a settlement upon all these men, employers and employees, with the public safeguarded; but when I looked through this bill and gave it careful study I found it was simply a makeshift, a sham, something that is as useless and worthless and decisionless, far more so than even the present board which we have. There is no improvement whatever.

It does not prevent strikes. On the contrary, just as many strikes as ever are possible under it. And in providing them these five boards, 40 of whom draw $7,000 and 5 of whom draw $12,000 each per year, we are granting to these railroad employees about ten times as many ways and means of forcing their will upon the railroads, which means forcing their will upon the public, for the public eventually and ultimately pays the full bill every time. When there is a raise in salary it is always passed on to the public. When there is an added expense put on the railroads it is always passed on to the public. It is the public, the 110,000,000 American people, who have to pay the bill.

FOUR ADJUSTMENT BOARDS ABSOLUTELY WORTHLESS

When controversies are submitted to any of these four adjustment boards, and they decide the issue, there is no way whatever to enforce the decision against the employees. It is possible that it could be enforced against the railroads. But it is very clear that the employees are given the privilege of disregarding and disobeying it at will. So what is the use of having these four boards of 40 members, each drawing $7,000 per year and each having a horde of high-salaried employees, and each authorized to incur huge expenses against the Government each year, when a decision made by any of them is absolutely worthless in that it is not enforceable against any employee? It is buncombe, pure and simple.

But when any of these four boards fail to decide a controversy submitted to them, which in ninety-nine cases out of every hundred they would do, as no board composed equally of railroad employees and railroad employers would ever agree, unless they could pass the burden of the agreement on to the public, the bill provides that in such cases such board would so notify the parties. And that is an end of action by such four boards of 40 members. A notice is sent to the parties that the board has failed to decide the issue.

AND THEN THE FIFTH BOARD FUNCTIONS

When the notice is given that the adjustment board has failed to decide the controversy, then the parties submit the matter to the Board of Mediation and Conciliation, and through all of its gyrations provided for in the bill, in the end there is no way whatever to force any employee to abide by any decision. He is allowed to disregard and disobey any decision at will. No penalty whatever is placed on him.

AMPLE MEANS OF ESCAPE PROVIDED

And throughout the bill, where means of arbitration are provided, whenever the employees become dissatisfied with the deciding arbiter they are given many ways to have him sidetracked before final decision is made.

COURT APPEALS PROVIDED ARE FARCICAL

And the provisions in the bill providing for appeals to courts are futile and worthless, as the only thing the court decides is whether a decree is upheld or not, and when upheld the decree is not worth anything, as it can not compel any employee to abide by it, and employees will disregard and disobey it at will, as there is no penalty provided.

ATTEMPT TO CONTROL INTRASTATE AFFAIRS

In line 24, on page 2, and line 1, on page 3, the expression "or between points in the same State" is used in defining what "commerce" as controlled by this bill means, and such term clearly embraces intrastate railroads. And this would specially affect practically every short-line railroad in the United States.

WOULD MAKE RAILROADS HELPLESS UNDER STRIKE

In subdivision (2) on page 3 the following language is used:

> It shall be deemed a violation of the obligations herein imposed upon carriers for any carrier or its officers or agents to interfere with or attempt to influence or control, directly or indirectly, the organization of employees, or participate in the functioning thereof, or the designation of employees.

And so forth.

The above could be construed to prevent railroads from attempting to run their trains with other employees during strikes, and would make railroads absolutely helpless whenever a strike occurred. This would allow employees to force their will upon railroads, and thus force the public in the end to bear the burden and expenses of all forced settlements.

EACH AND ALL OF THE 40 MEMBERS GIVEN UNUSUAL POWERS

Subdivision (f) on page 12 has the following provisions:

> (f) When necessary to the efficient administration of the functions vested in any adjustment board created by this act, the board or any member thereof shall at any time, for the purpose of examination, require the production of, or have access to and the right to copy any book, account, record, paper, correspondence, or memoranda relating to any matter which the board is authorized to consider or investigate. Any person who upon demand refuses any member of any adjustment board such right of access or copying, or hinders, obstructs, or resists him in the exercise of such right, shall upon conviction thereof be liable to a penalty of $500 for such offense. Each day during any part of which such offense continues shall constitute a separate offense.

There will be 20 representatives of railroad employees on these four adjustment boards, and any one of them, and every one of them, is given the right to force every railroad and every railroad officer to turn over to them upon demand every book, account, record, paper, correspondence, or memoranda that any one of said 20 members might be seized with some insane desire to see, and would provoke endless worry, expense, dissatisfaction, annoyance, and trouble, all of which ultimately is visited upon the suffering public, which has to pay the bill and all expenses.

PRESENT PAY FIXED AS MINIMUM

Under section 6 the present pay to employees is fixed as the minimum, and can not be changed except by decision of the board provided for in this bill. And note that subdivision (B) of section 6 provides the following:

(B) Any attempted change of rates of pay, rules, or working conditions by the carrier without notice, or prior to final action as heretofore provided, shall be void, and the offender shall be liable in damages to each and every party aggrieved to the amount of double any loss occasioned by such unlawful action. Such damages shall be recoverable by appropriate proceedings in the United States district court for the district wherein the offense was committed, which proceeding may be brought by individuals or by representatives of classes of individuals aggrieved.

You will note that a penalty is fixed by the bill, should the carrier attempt to change the rates of pay, rules, or working conditions, but no such penalty is fixed on the employees, who may attempt any changes they desire, when, where, and how they desire, with no penalty against them whatever. We did not have to be told that this bill was specially drawn by representatives of certain railroad employees. Even a casual reading of it would reveal who drew it.

ARBITRATION ONLY BY AGREEMENT

Section 7 provides that there shall be arbitration only by agreement. As stated the other day by the distinguished gentleman from Maine [Mr. HERSEY], parties now can arbitrate by agreement without all these expensive 45 commissioners drawing salaries from $7,000 to $12,000 each. We do not have to have these expensive boards to make parties arbitrate "by agreement." They can do that now. What we need is a board to make them arbitrate, whether they want to or not, when the rights and interests of 110,000,000 people are vitally involved. And note the following proviso in section 7:

Provided, however, That the failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon such party by the terms of this act or otherwise.

The above clause alone ought to condemn this bill as a makeshift, a sham, and absolutely worthless.

MORE ADDITIONAL EMPLOYEES

In addition to the army of employees already mentioned as provided for in this bill, note that the following subdivision (7) of section 7 provides more employees and lets the board fix the salaries:

(7) The board may employ such assistants as it deems necessary and proper in carrying on the arbitration proceedings and fix the compensation of such employees. Whenever practicable, the board shall be supplied with suitable quarters in any Federal building located at its place of meeting or at any place where the board may conduct its proceedings or deliberations.

INDICATION OF WHAT THIS BILL WILL COST

In violation of the rules of the House, this bill attempts to make an appropriation. That is subject to a point of order. Just to cover the time between when the bill becomes a law and June 30, 1924, this bill appropriates $500,000 as an initial appropriation, which indicates what it is to cost hereafter.

In the first place, you can not force these men to arbitrate unless they want to. It is a voluntary matter with them. It is a matter that they can do or not do, according to their own preference. And then, after they submit to arbitration, and a decision is rendered, and all the appeals are gone through that they are given a right to resort to at great expense to the public, before the decision becomes final, the decision is not worth anything after it is rendered, as it carries with it no penalty.

Listen to this last paragraph. Let me read to you the last paragraph, which absolutely makes it a nullity. It says:

Nothing in this act shall be construed to require an individual employee or subordinate official to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by an individual employee or subordinate official an illegal act, nor shall any court of the United States or of any State issue any process to compel the performance by any employee or subordinate official of such labor or service without his consent.

And that is the kind of a measure now offered the country, when it effects nothing but added expense. We are to provide five boards of 45 members, drawing salaries from $7,000 to $12,000 each, and given unlimited authority to employ all the employees they want and pay them all the salaries they want and go to all the expense they want, and have their vouchers paid on their own signatures, without acts of Congress; and then it is all worthless after we provide it. The decision is absolutely worthless.

I know that the public is not fairly represented here. The 110,000,000 people of the United States are not organized. They have not any newspaper that comes to us telling us what we shall do.

Mr. SCHAFER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret that I can not yield, as I have only a few minutes. They have no organization to send us letters telling us that if we do not do so and so what will be done to us. They have no organized representatives to come and sit in the galleries to watch us on this momentous occasion. They are at home depending upon us, their Representatives in Congress, to do their voting and in their interests. Many of you who voted against taking this bill from the committee got just such a letter as was placed in the RECORD this morning by the gentleman from Massachusetts [Mr. WINSLOW]. Ask your colleagues from Virginia who voted against taking this bill up and they will tell you that they received one. Ask your colleagues from Kentucky who voted against taking it up and they will tell you that they received one. What does that letter say? "If you do not come in here and vote to take this bill up and pass it to-day, they are going to put the matter before every voter in your district." I know how that appeals to you. I know that it is lots safer politically for us to take the path of least resistance, the easy path. The people back at home may not know anything about it, but these organized boys in the gallery do know about it. Their editors know about it, their newspapers and their officers know about it, and they are going to send them to our districts against us if we oppose them.

Three weeks ago I spoke against this bill. Three weeks ago my speech went into the RECORD. Two weeks ago to-day, I voted against taking this bill from its proper committee. What has happened? They are operating on me already. The last 10 days my opponent has spent here in Washington, not coming near me, but going from organization to organization in Washington, and from colleague to colleague seeking adverse statements against me to take to my district, to try to put me out of office. That is what happens to you when you oppose them.

I can hardly blame you. They can make it awfully unpleasant for you. They can influence newspapers against you, and cause them to place you in a bad light before the country. They can send delegates all over your district like they have done in mine in the years past. My district is as closely organized right now as any district in the United States. If I do not get 40 per cent of the labor vote of my district, I could not come to Congress. I want to say this to you—and I want to say this to the 1,200,000 railroad men who are pushing this bill through the Congress—I want to say to the numerous railroad representatives now in the gallery watching us, if everyone of you go to my district and work against me from now until the primary election, you can not put me out of Congress [applause], because my loyal people, many of whom are worthy members of union labor, know me better than you do, better than they know you, and you could not make them believe I am an improper person to send here to represent them. You could not do it. [Applause.] Let me tell you, colleagues, something. If you, colleagues, stood upon this floor and talked to them like I do, you would feel better. [Applause.]

I know that your union railroad constituents have wired you. They have wired me, too. Let me quote just a few of their telegrams:

SWEETWATER, TEX.

THOMAS L. BLANTON, *Washington, D. C.:*

Speaking for 2,000 members maintenance of way employees on the Texas & Pacific Railway, we urge you to work, vote, and do everything possible to bring about the passage of the Howell-Barkley railway bill.

R. A. FERRIS, *General Chairman.*

SWEETWATER, TEX.

T. L. BLANTON, *Washington, D. C.:*

Sweetwater Lodge 675, maintenance of way, composed of 100 members, earnestly urge that you get right and work and vote for passage of Howell-Barkley bill.

J. D. WEBSTER, *President.*

SWEETWATER, TEX.

THOMAS L. BLANTON,
Washington, D. C.:

Texas & Pacific bridge gang No. 2, foreman and eight men urge you to work, vote, and do everything possible to bring about the passage of the Howell-Barkley railway bill."

W. A. SMITH.

BROWNWOOD, TEX.

Congressman THOMAS L. BLANTON,
Washington, D. C.:

The Maintenance of Way Lodge desires you to support the Howell-Barkley bill, S. 2640.

Yours truly,

W. D. ARNETT, *Secretary.*

BALLINGER, TEX.

THOMAS L. BLANTON,
Washington, D. C.:

This is to advise that we ask you to support the Howell-Barkley bill, S. 2640.

Yours truly,

W. R. WHITWORTH,
Secretary Local 1861, Ballinger, Tex.

The foregoing is a fair sample of them. But I am thinking more of the interests of the 315,000 people living in my district. Let me quote you one telegram from their organization. The West Texas Chamber of Commerce is composed of farmers, stockmen, merchants, laborers, lawyers, doctors, dentists, judges, preachers, teachers, bankers, clerks, editors, and every other class of persons living west of Fort Worth, Tex.:

BROWNWOOD, TEX., *May 15, 1924.*

T. L. BLANTON, M. C.,
Washington, D. C.:

West Texas Chamber of Commerce, which is being attended by 20,000 people, from all sections in annual convention assembled, Brownwood, May 13 to 15, by unanimous vote passed resolutions condemning Barkley labor bill and urge defeat of this measure. West Texas in dire need of more railroad facilities and feel that legislation of this nature will be detrimental, and besides organization expressed sentiments that public has rights that should remain inviolate. Hope to have your opposition to such a measure.

PORTER A. WHALEY, *Manager.*

I am thinking of the farmers who work all the year and make only $500 to $1,000 for their year's work. I am thinking of the worthy women and little girls who plow all day in the hot sun in Texas, Mississippi, and many other States, to make crops to feed city people, and then have to pay more in freight rates to get their crops to market than their products are worth.

Let railroad employees compare earnings with farmers, preachers, teachers, and clerks in stores and banks, and they will see how very favored they now are. I am for the really poor people of the country first. I am no better than you colleagues are; I am no braver than you colleagues are; it is just because I believe that I know the pulse of the people of my district a little better than you know the pulse of the people of your district that I am willing to disobey these unions. Why, some of the strongest union-labor men in my district will back me up when I get home, because I am going to take this bill home and explain it to them. I am going to tell them about these five extravagant boards of 45 members being placed on the pay roll.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. Forty-five men to be paid from $7,000 to $12,000 a year out of the Treasury. I am going to tell them what that means to them in taxation. I am going to show them that in opposing this bill that I am representing the 110,000,000, and not the little 1,200,000 that are interested in this bill. Oh, they say, it is going to prevent strikes.

What is in the bill to prevent strikes? What is in the bill to make a man work if he says, "I am not going to work"? Not a thing. On the contrary, there is a provision in this bill which says that not a decision that could be rendered by any one of these boards could make any man work unless he says, "I am willing to work." That is the condition of this bill. Now, if you will substitute a proper bill here, if you will help the distinguished gentleman from Ohio [Mr. COOPER]—and there is not a better friend of organized labor in the world than COOPER of Ohio—pass his substitute bill, H. R. 9298, it would be far better. He has fought their troubles here on this floor; he knows what is good for them; he has got the bravery to stand up here and fight for what he believes is right, and he is a very able and worthy citizen of the United States who has good judgment; he has spent 17 years in an engine cab, and if you help him pass his bill that he has here for an alternative for these worthless boards, a bill that will protect the railroad men and at the same time protect the public, I will vote for his bill, I will vote with you to help pass it.

Mr. WEFALD. He voted to get this bill before the House.

Mr. BLANTON. Yes; do you blame him? So did you.

Mr. WEFALD. I did.

Mr. BLANTON. He has the same kind of constituents at home you have, probably——

Mr. WEFALD. And I am proud of it.

Mr. BLANTON. Except they are a little different. [Laughter.] What are you going to do about this bill? Are you going to let this organization, strong that it is—I know it is strong—force the passage of this bill? In its weekly paper it has already sent our names to our districts. Those who did not vote to take this bill up have been put on a blacklist. Those of you who have voted to take it up have been put on the white list. Your constituents have been told about it. They have been told to reward you and to punish us, and there is a slogan here in Washington that organized union labor stands by and reelects its friends and it fights and defeats its enemies. That is the slogan.

Mr. WEFALD. Will the gentleman yield?

Mr. BLANTON. If they will give me more time.

Mr. WEFALD. What about organized capital?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. I have not any more use for it than I have for organized anything else. I am for the 110,000,000 people of the United States and not for any class. [Applause.]

Mr. BARKLEY. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. QUIN]. [Applause.]

Mr. QUIN. I do not know, Mr. Chairman, of any bill that has been before this House since the gentleman from Texas [Mr. BLANTON] arrived that was for the benefit of the men and women who toil but what the gentleman did not oppose it. He has been against the poor woman, the poor child, and the poor man of this country from the first speech he has made until this hour. [Applause.] Of course, we can not have a bill introduced here for any employees in any department of the service of the Government or on the farms or in the industries of this country that would suit the gentleman from Texas. Whom he represents I do not know; but I do know that he appeals to the great, wealthy manufacturing classes of this country to contribute to his campaign in order that he may be here to misrepresent the toiling people of the United States. [Applause.] He complains now of this bill and every other one that helps laboring people. He says the public is not represented. What portion of the public does he represent? According to the statistics, 85 per cent of the people of the United States are laboring people, and he fights them all the time in their legislation. This bill is in many respects a good measure. The Labor Board ought to be abolished and this measure substituted in its place. It has in it the Board of Mediation and Conciliation, which represents the public. Where is the public represented in the iniquitous Esch-Cummins bill?

You know that 2,000 cases have been absolutely ignored which the Labor Board passed on. You know that that very bill was framed by the owners of railway securities, represented by their attorney, Mr. Thom. It was framed at the instance of the railroad owners in the United States, and the public was not considered at all. I want to say to the gentleman from Illinois [Mr. MADDEN] that of course the agricultural people of this country—the farmers and the workers who get their freight on the railroads—are not represented in the Esch-Cummins measure. They are overcharged from one end of the United States to the other. They are overcharged on the fertilizer that they must have, the freight rate in the South being 116 per cent higher than it was in 1914; and in some portions of the North and West it rises some 200 per cent more. Yet the gentleman says here that that is a fine measure.

Yes; gentlemen from the agricultural districts are going to get some help for the farmers. We are asking you now to help us pass this bill and sign up the petition to secure the consideration of a bill to repeal section 15a, to allow the farmers to get decent freight rates. That is all we ask. We can not get one piece of legislation through by itself. We are bound to work together as farmers and laboring friends. These laboring people are entitled to relief and the farmers of the country are entitled to relief, and it can not come from the gentleman who heads the important Committee on Interstate and Foreign Commerce or from the gentleman who heads the important Committee on Appropriations. It must come from that part of the House which represents the farmers and laboring people.

The great Chamber of Commerce of the United States, with its magnificent marble-front building here on Pennsylvania Avenue, had propaganda sent all over the United States not to molest the transportation act. The Chamber of Commerce of the United States claims that the operation of that act is so fine that it must not be interfered with. They started that propaganda back in December. What for? They wanted to impress upon every Member of Congress that that act was working finely.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. QUIN. May I have three minutes more?

Mr. BARKLEY. I yield the gentleman one minute more.

Mr. QUIN. They said the transportation act was working so finely for the railroads and for the holders of railroad securities that it must not be molested or interfered with. Not one of that group ever said that the freight rates were too high. None of them ever said, "We will stand by your farmer friends to get freight rates lowered." They never intended that amendments to the railroad bill should be brought up, and none could be considered by the House if it were not for a revision of the rules. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. WINSLOW. Mr. Chairman, will the Chair kindly advise me how many minutes remain on this side?

The CHAIRMAN. The gentleman from Massachusetts has 26 minutes remaining, and the gentleman from Ohio 20 minutes, and the gentleman from Kentucky 40 minutes.

Mr. WINSLOW. Mr. Chairman, I yield one minute to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I can not get the time properly to present this matter to the House here, and I would like to ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HERSEY. Mr. Chairman, in the few moments given me I shall attempt to call the attention of the House to a few plain facts that it seems to me should guide us in our vote upon this bill entitled:

A bill to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes.

This title sounds good, but I shall attempt to show that this is a bill to fool the people, to deceive the farmers, to injure the laboring man, to burden the taxpayers, and to inevitably bring upon this country the waste and destruction of Government ownership of railroads.

It has been said by the proponents of this bill that it is not a party measure, and yet we find lined up in this House in support of the measure the solid Democratic Party together with its allies, the so-called Farm-Labor Republican radicals.

Three weeks before the national election in 1916 it was understood and believed all over the country that Hon. Charles E. Hughes, now Secretary of State, would be elected President. The Democratic Party was in desperate straits. They had no issues and no record to which they could successfully appeal to the people.

In this crisis organized labor, more particularly railroad-organized labor, induced Representative Adamson, then Democratic chairman of the Interstate Commerce Committee, to introduce a bill, drawn by organized union-railroad labor, that would raise the wages of the employees all along the line; and they insisted as a price for their votes that the Democratic Party should be delivered to them in the passage of that bill, or they would strike on the eve of the election. President Wilson and his party joined hands with the great railroad organizations throughout the country, passed the bill, and Hughes was defeated.

We did not understand it at that time as anything more than a political move on the part of certain politicians which was successful, but we now know it was the first step in this railroad-labor program to obtain Government ownership of railroads. That Adamson Act forced upon this country the 8-hour day upon railroads and the increase in the railroad-labor bill by $271,000,000 in 1917 over the previous year.

Then came the great World War when the railroad employees, whose forces had been doubled and whose wages had been greatly increased, united with the administration to force Government control during the war. And then during the period of four years they raised wages from $271,000,000 in 1917 to more than eight times, or $2,230,000,000 in 1920.

Further, the Government operation of railroads during the war was conducted by labor with the intent and purpose to force this Government, under the Plumb plan, to take over the railroads and put them under Government ownership for the future. Under Government control there was combined against the railroads, war-time wages, war-time taxes, increased employees, increased taxes, until in 1920 the taxes alone for that year against the railroads amounted to $279,000,000, whereas the return to the railroads on the capital invested in that year amounted to only $62,000,000.

In 1920 the railroads were returned to their owners in accordance with the contract we made with them when they were placed under Government control. In that year the wages paid by the railroads in this country exceeded in amount the total gross earnings of the railroads in 1916. In other words their gross earnings in 1916 were $3,596,865,766, while the wages they paid in 1920 were $3,698,216,351, an excess of $101,350,585.

Director General James C. Davis of the United States Railroad Administration during the war said that when the books were finally closed they showed that Government operation cost the taxpayers of the Nation practically $2,000,000,000.

In 1920, the war having come to an end, the Congress in carrying out its agreement in its contract with the railroads returned them to their owners under the transportation act of 1920, and under the act, which has since been in operation, a Labor Board was provided.

The provisions of that Labor Board were as extensive and their authority as unlimited as the bill before us. Section 301 laid down this injunction upon the carriers and their employees:

It shall be the duty of all carriers and their officers, employees, and agents to exert every reasonable effort and adopt every available means to avoid any interruption to the operation of any carrier growing out of any dispute between the carrier and the employee or subordinate officials thereof. All such disputes shall be considered and, if possible, decided in conference between representatives designated and authorized so to confer by the carriers, or the employees or subordinate officials thereof, directly interested in the dispute. If any dispute is not decided in such conference, it shall be referred by the parties thereto to the board which, under the provisions of this title, is authorized to hear and decide such dispute.

This Railroad Labor Board is composed of nine members, three constituting the labor group representing the employees and subordinate officials of the carriers, three constituting the management group representing the carriers, and three members constituting the public group representing the public, all appointed by the President. No fairer court for the settlement of disputes could be devised by the human mind.

Of course, it is well known that there is no such thing in law as compulsory arbitration. In other words, by all the decisions of the courts Congress could not provide by law that the railroads and their employees should be compelled to submit their disputes to any tribunal, and even the bill before us does not attempt to provide for such court or board of arbitration.

The present Labor Board has been functioning from 1920 to the present time. It has not been wholly satisfactory to the public. Its decisions have not always been approved by the railroad owners nor agreed to by the railroad employees. It could not be expected to satisfy everybody, having no power to enforce its judgments and decrees. And yet everything that can be done under this bill could be done under the present Labor Board in the settlement of disputes between the carriers and their employees.

A multitude of decisions have been rendered by the present Labor Board, both for and against the railroads and for and against the employees, of minor matters, grievances, and conditions growing out of the work. The only real, serious disputes coming before the board have been the matter of wages, which this bill can not settle any more than the present Labor Board.

Immediately after the passage of the Esch-Cummins law returning the railroads to their owners and organizing this Labor Board union labor accepted the law at once and made application for a wage increase in addition to the amount allowed them during Government control, upon the ground that the cost of living had risen to a point where it was necessary to receive more wages.

In July, 1920, the board gave a hearing to both parties and then decided that the railroad employees and railroad union workers should be granted an increase of more than 20 per cent—in the whole aggregating $600,000,000 per year. This was under a decision of the nine members—three representing the railroads, three the railroad workers, and three the public—and no one questioned the increase to the workmen; the railroads accepted it, and every interest abided by that decision.

This increase of wages continued until 1921, when the railroads proposed a decrease in wages by reason of the decrease in the cost of living, and the board, after full hearing of both sides, ordered a 12 per cent reduction effective July 1, 1921. This would be an annual saving to the railroads of four hundred millions per year.

This continued until 1922, when the Interstate Commerce Commission ordered a cut in the railroad freight rates of about $400,000,000 per year, thus wiping out the savings of the

railroads in July, 1921. The railroads then applied to the Railroad Labor Board for a further reduction of wages that they might meet the reduction in freights, and the board after full hearings rendered a decision announcing a cut of forty-eight millions per year from the pay of the 400,000 maintenance-of-way workers. On June 6 it ordered a reduction of about sixty millions in wages of the 400,000 shopmen. On June 16 it ruled that there should be a decrease of $26,500,000 annually in the pay of clerical and station forces. This would then leave to the men sixty-five millions of the six hundred millions increase in 1920.

These decisions of the Railroad Labor Board were not accepted by the railroad employees, and they at once ordered a strike of the 400,000 shopmen.

I have not time to review that terrible strike of 1922, which was a deliberate attempt on the part of union railroad labor to tie up the transportation systems of this entire country, and for a time they succeeded.

Under Federal laws locomotives could not be used without daily inspection and examination as to their safety and repair. Repairs could only be efficiently made by the shopmen, and they had refused to work. The striking shopmen went further than this. They used force to prevent workers outside of their organizations taking the place of the strikers. They went further than this, and all over the country set about to injure and make defective every locomotive and endanger the lives of the public when traveling as passengers and thus bringing transportation to a standstill in the Nation.

The Attorney General of the United States, in behalf of the Government, quickly obtained evidence of over 50,000 violations of law by the strikers who had attempted by force to put out of commission and destroy the rolling stock of the railroads. With this evidence he appeared before the Federal courts and obtained a temporary injunction preventing further violations and criminal acts of the strikers against the transportation of the country.

On a hearing to make the injunction permanent the railroad strikers appeared by their attorneys and a full hearing was had. The court decided against the strikers and made the injunction permanent. This, of course, destroyed the strike, for without the weapon of violence the strike is always ineffective.

This rail strike cost our Government over one and one-half million dollars. The loss of wages during the strike has been estimated at over $2,000,000, while the cost to the public, both the consumer and the producer, reached a much higher figure.

This action of the Government made it almost impossible to make effective any strike in the future. This defeat of the unions in their attempt to hold up the Government and to challenge the authority and decisions of the Labor Board greatly incensed organized railroad labor, and they at once set about to obtain Government ownership of railroads.

The first move was to organize a propaganda against the Railroad Labor Board and to prejudice its work and decisions for the future and to seek its repeal.

In the congressional elections of 1922 organized labor made an issue before the people of the injunction obtained under the Republican administration against strikes. They formed a combination with certain radical farm organizations, socialists, and discontented, defeated politicians, claiming that the Harding administration was opposed to labor and the farmer and that these two should join in a Farm-Labor bloc to obtain their own Representatives in the next Congress.

The Democratic Party, then in a hopeless minority in Congress, readily formed a combination and fusion with these Farm-Labor organizations and railroad unions and sent to this Congress a large number of so-called independent Farm-Labor bloc Representatives and many Socialists.

So effective has been the work of the Labor Board and this injunction against the strike that for the last two years there has been no strike upon any railroad. The employees and the railroad executives have made their agreements between themselves, settled their differences by mutual understandings, until 75 per cent of all the railroads in the country to-day have no need of any Labor Board of any kind to settle their disputes.

This has not, however, satisfied certain groups of organized railroad labor leaders, who, recognizing the fact that a national election is near at hand and the Members of the Sixty-eighth Congress are soon to go home for reelection, have cunningly and craftily entered upon a political move to secure Government ownership of railroads at this time.

At the opening of the Sixty-eighth Congress it was very apparent to all that the Democrats in Congress had formed a fusion and coalition with leaders of radical railroad unions and these independent Farm-Labor bloc Members of Congress for the purpose of putting over the program of the so-called radicals, to wit, this Barkley bill and the McNary-Haugen price-fixing agricultural bill, and at the same time preventing the Republican administration from carrying out successfully its policy of legislation.

In the organization of the House of Representatives this Farm-Labor bloc, so called, brought about a deadlock for Speaker, and it became evident that the Democrats were willing to prevent the organization of the House by voting for their own candidate and encouraging the radicals to have a candidate of their own. The only way to prevent a deadlock and to elect a Republican Speaker was to make a compromise with the 17 so-called Farm-Labor bloc Members, who were voting and acting with the Democrats on every occasion. The price of this compromise was an agreement on the part of the Republicans to immediately bring before the House a revision of the rules of the House. This broke the deadlock and a Republican Speaker was elected by a few votes.

When the question of rules came before the House the Democrats and these radical Republicans or Farm-Labor Members again formed a majority against the regular Republicans in the revision of the rules. Their first act was the repeal of the rule adopted by the Democrats in the first Wilson administration that prevented the putting of amendments on revenue bills in the House, which rule was made necessary to pass revenue legislation. The result of this legislation was to open the late tax bill to disastrous amendments that defeated the Republican administration in the House.

The next move of this Democratic Farm-Labor combination was to adopt a rule that on application of 150 Members any bill in any committee might be immediately brought to the floor of the House and without debate put upon its passage. At that time no intimation was made that this combination on the part of the Democrats and the radical Republicans was formed for the purpose of bringing into the House and passing the radical railroad legislation contained in this bill; but that was no doubt the object of the rule.

Immediately after the adoption of this new rule to take bills from the committee without consideration and to pass them without consideration, the gentleman from Kentucky [Mr. BARKLEY], Democrat, took the floor and announced that railroad union labor had prepared a bill that would abolish the Railroad Labor Board and would form five new railroad labor boards, and that bill had been sent by him to the Committee on Interstate and Foreign Commerce and had not been considered by that committee, and that he intended to immediately file at the Clerk's desk a petition signed by 150 Members under this new rule, for the purpose of at once bringing this bill out of the committee without a hearing and to force it through the House without consideration.

In presenting this bill to the House the gentleman from Kentucky [Mr. BARKLEY] attempted to explain it as a great measure that would settle forever all railroad labor disputes on wages and every other matter arising between carriers and their employees and subordinate officials, and in the course of his remarks—RECORD of April 15—he said:

If Congress shall enact this bill into law it will do more to restore the confidence of the great body of the public and of the working people of the United States in the agencies of government to adjust their disputes than any other legislation which has been proposed since I have been a Member of Congress. * * * When this motion has been submitted, I trust if the committee to which it has been referred does not take action upon it the House will, and having taken that action it will pass the bill and send it to the Senate, so that the Senate may enact it into law and we may complete what I believe to be one of the most constructive pieces of legislation that has ever been submitted to the Congress of the United States for the settlement of the problems of labor and those who employ labor.

Immediately on the filing of this motion to take this bill from the committee without hearing and pass it under this new rule, Members of Congress were flooded with labor propaganda to pass this bill without hearings, with the threat that if the bill was defeated the Members of Congress voting against this measure would also be defeated in the coming election.

An examination of this bill (H. R. 7358) discloses at once its serious and revolutionary nature. It repeals the present Railroad Labor Board of 9 members, composed of 3 members representing the carriers, 3 representing the employees, and 3 representing the public, and then substitutes for this board two adjustment boards of 14 members each and two of 6 members each, 40 members in all, at salaries of $7,000 per year; also 4 secretaries at $4,000 per year, and many other employees to be paid by the Government, their compensation to be fixed by the boards.

Then there would be a separate board of five members at $12,000 per year each with assistants and attorneys, and so forth, making in all an estimated cost of about $1,000,000 per year.

These four boards of adjustment are to be made up of an equal number from the railroads and from the railroad employees. The public or the Government is not mentioned or represented except in the paying of the bills.

By the provisions of the bill more than half of the railroad employees of the country are shut out from its provisions, and in its final decisions the railroads are bound but the railroad unions are not bound.

The main purpose of the bill is to put the arbitration of all disputes into the hands of the organized unions and to bring about Government ownership of railroads. Unless the parties agreed to arbitrate their differences under these adjustment boards these several boards have no authority or power to force the parties to arbitration, and without this agreement they have no authority to enforce their judgments and awards.

The true purpose of the Barkley bill was disclosed by an item in the last Sunday papers, which reads as follows:

THIRD PARTY SUPPORTED—KANSAS FARMER-LABORITES BACK UNITED STATES RAIL OWNERSHIP

SALINA, KANS., May 17.—The Kansas Farmer-Labor Party, at its convention here to-day, voted approval of the national third-party movement. A resolution was adopted which recommends affiliation with the national Farmer-Labor Party. Other resolutions favored the repeal of the Esch-Cummins Transportation Act and advocated Government operation of railroads.

Shortly before his death President Harding discussed at Kansas City the railroad-transportation question, the burden of high rates upon the farmer, and many other factors in the transportation problem. He spoke of the demand in some quarters for Government ownership and operation, and as to the former he said:

I believe it would be a colossal blunder, which would destroy initiative, infect us with political corruption, create regional jealousies, and impose incalculable loss upon the Public Treasury.

This complicated, ill-considered, revolutionary Barkley bill before us has been held out to the laboring man and the farmer as a great relief from financial troubles and a great benefit to the public in general. Why fool ourselves or attempt to fool the people? This bill is here for election purposes only. This combination between Democrats and radical Republicans is, first, for the purpose of obtaining new Members of Congress in the House and Senate at the next election that will fight the present administration, consolidate labor within the Democratic Party, bring about Government ownership of railroads, and destroy the great transportation systems of this country.

Do not let us further attempt to fool the public. Railroad rates could not be fixed or adjusted by this bill. That is done by the Interstate Commerce Commission. This bill is to give the railroad employees higher wages and shorter hours than that given in any other employment. There can be no natural or business alliance for the benefit of the public between railroad unions and farm blocs.

The farmer wants lower freight rates, but he can not receive lower freight rates when the million or more railroad employees are to receive higher wages. A raise in the present wages of the railroad employees—which are higher to-day than that of any other industry—must of necessity raise the freight rates upon the railroads.

An adjustment of the wages of railroad employees on an equality with wages received in other employments would mean lower freight rates for the farmer. The only way to obtain Government ownership of railroads and give them over to the railroad unions to operate is to wreck the railroads, raise the wages of the employees, burden the roads with new regulations, and handicap them by the methods proposed in this bill.

I represent a farming constituency, but I realize that my constituents receive no benefits but only higher taxes and freight rates from the passage of this bill. My farmers are interested in receiving regular and good service upon the railroads, and especially reasonable freight rates. They can not obtain these under Government ownership, which has been a failure in every country in this world where it has been tried, and which ruined almost beyond redemption the wonderful railroad system we built up in this country prior to the war.

Increased railroad wages must come out of the farmers as well as the great public outside of the railroad employees. No railroad company has a dollar with which to pay wages except it has to collect it from the public. Under the present Railroad Board and the injunction, strikes upon the railroads have become impossible.

My farmers do not believe that the same men who forced upon this country the Adamson law of 1920, who ordered the shopmen strike in 1922, have now framed a bill for the public and the farmers' interests.

As one who has always stood for the best interest of organized labor, as one who is not influenced by any organization or combination of capital or labor, as one who represents no interest but that of the people of the whole country and their welfare, I protest against the passage of this bill, which can only bring disputes, grievances, labor wars, and disaster upon this peaceful industrious Nation.

The CHAIRMAN. The gentleman from Maine yields back half a minute.

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. SPROUL].

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes.

Mr. SPROUL of Kansas. Mr. Chairman and gentlemen of the committee, it seems to me we get very much wrought up over the question of propaganda; to my way of looking at it, unnecessarily so. Under the Constitution I believe that we all have the right, wherever we may be in this United States, to petition Congress, to memorialize Congress. Hence why get so wrought up, as some of us do, over this question of propaganda? It not only is not wrong for us to receive the views of the public, but I think it is perfectly right, both for and against these bills; and why throw one fit after another over this propaganda? [Applause.]

Now it seems to me that in this committee we should consider the bill before us thoughtfully and considerately, in connection with the ideals and principles of our Government. It has been said that this bill is undemocratic; that it is unrepublican. Whether it is or not, in my candid judgment it is un-American.

We find in this country about 1,500 or more lines of railroad, and we find that the employees engaged in the operation of these lines of railroad number about 1,200,000—in other words, about 1 per cent, perhaps, of the total population of our country. And we find that the gross receipts of these great transportation arteries of our country, without which the Nation could not live, are about six and a quarter billion dollars a year. Think of it! Six and one-quarter billion dollars a year are paid to the railroad companies, to be paid out very much in wages. Now this six and one-quarter billion dollars is exacted from the 109,000,000 of people without their consent, without their representation on the boards provided for by this bill. I have reference to the four boards. The bill provides for the payment, by the 110,000,000 of people in the United States, of three or four hundred thousand dollars per year without representation.

Now if I remember correctly, about the years 1774–1776 the people of this country were very much opposed to the idea of taxation without representation. It was plain then, as I think it is now, that it is unfair and unjust and wrong to tax the people without representation. So we find to-day involved in this bill the policies of King George that were used against the people of this country in 1776. We said then that we would revolt against it; that we would not stand for taxation without representation. And so we revolted, as I think we should revolt against this bill. It calls for taxing the people of this country three or four hundred thousand dollars per year without their representation. Before railroads can be operated there must be contracts made between the employees and the railroad companies. There must be at least two parties to every legal contract. The contract made in this instance between the employees and the roads ignores a proper party that should be a party to the contract.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SPROUL of Kansas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. WILLIAMSON].

The CHAIRMAN. The gentleman from South Dakota is recognized for 10 minutes.

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent to revise and extend his remarks in the

RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMSON. Mr. Chairman and gentlemen of the House, the gentleman from Wisconsin [Mr. NELSON] a little while ago went out of his way to call attention to the manner in which the North and South Dakota delegations voted when the motion was made in this House to discharge the Committee on Interstate and Foreign Commerce from further consideration of the bill now before us. Then he spent a great deal of time telling us all about the propaganda originating in South Dakota and intimated that the South Dakota delegation had been influenced by that propaganda in its vote here in this House. I want to say to the gentleman that I have not received a single communication from any responsible official of the railways in my State since I came to Congress asking me to vote upon any proposition in favor of the railways. Those gentlemen know my record too well, during the 10 years I served upon the bench, to seek any favors from me as a Member of Congress outside of what I believe they are justly entitled to. [Applause.]

Mr. Chairman, they are not swamping me with propaganda; they are not asking me to support this, that, or any other kind of legislation. But, Mr. Chairman, there is another class in my district that has written me in regard to this bill. That class is made up of some of the boys I know personally who are working upon the railways in various capacities. I have a whole stack of letters and telegrams from those fellows, and if it were not for cluttering up the RECORD I would ask leave to insert them here to show you that not everybody in the railway service is in favor of this kind of a bill.

Mr. Chairman, I am one of those who believe that on any kind of board of adjustment to settle railway disputes there should be representation on the part of all the employees and not simply representation on the part of the nationally organized crafts. [Applause.]

As soon as it became evident that an effort was to be made to force the Howell-Barkley bill out of the Interstate and Foreign Commerce Committee without a hearing and without a report upon the measure having been submitted for the information of the Congress by any committee of either body, I at once procured a copy of the bill and made a study of its provisions. By the time this study was completed I had become convinced that the House ought not to undertake its consideration without a full hearing upon its merits and without the assistance of a report by the committee in charge of the bill. The chairman of the committee, during the discussion had in connection with the discharge motion, assured the House that hearings upon the bill would be proceeded with at an early date. The same assurance was given by other members of the committee. In view of the situation as it then stood, I refused to join in signing the discharge motion. The required signatures, however, were obtained, and on a close vote it was decided to discharge the committee and take the bill up for immediate consideration under the general rules of the House. Since then a tremendous propaganda has been conducted by the nationally organized crafts representing the various railroad brotherhoods, and a large number of paid lobbyists of such brotherhoods have personally visited practically every Congressman in this House in an endeavor to stampede and browbeat them into the support of this bill. Regardless of the merits of the measure, the methods adopted by the paid representatives of organized labor are wholly without justification and are of a character not designed to appeal to the judgment and conscience of the Members of Congress, but are calculated and intended to scare them into the support of the measure regardless of its merits and in total disregard of how the public might be affected by its provisions.

SAMPLES OF LETTERS RECEIVED

Let me give you a few samples of the character of communications sent to Members of Congress. The first ones received, while couched in respectful language, generally contained veiled threats. Of these the following is a fair sample:

[System Federation No. 76. Jurisdiction, Chicago, Milwaukee & St. Paul Railway. Leased and operated lines. Affiliated with the railway department, American Federation of Labor]

MILWAUKEE, WIS., *May 1, 1924.*

To the Hon. W. WILLIAMSON,
Care House Office, Capitol Building,
Washington, D. C.

DEAR SIR: We have just received a record of those Representatives in Congress who signed the motion to discharge the House of Representatives' Committee on Interstate and Foreign Commerce from further consideration of House bill No. 7538, which is more commonly known as the Howell-Barkley bill.

We are very sorry to note the absence of your name from the record of those who supported the motion to discharge the committee, and as your constituency in the State you represent contains many voters who are associated with the organizations we represent, who are vitally interested in the enactment of the above-mentioned Howell-Barkley bill, the undersigned, speaking as their representatives, sincerely hope that you will give this bill your whole support when it comes up for consideration, because it must be obvious, beyond question or doubt, that the labor portion of the transportation act of 1920 is entirely incompetent to function as it was intended, as was evidenced by the utter incompetency of the United States Railroad Labor Board to adequately deal with the disputes between the railroad managements and their employees in 1922 and subsequently.

* * * * * * *

We trust that you may be disposed to explain your attitude toward the proposed legislation in such a manner as to restore the dissolving confidence of the members of your constituency who depend upon the undersigned for advice and counsel.

* * * * * * *

Yours very truly,

JOHN JOHNSON.
JOHN PELKOFER.
JAS. H. GUTRIDGE.
JOHN KOLANDA.
GEO. H. PEDERSEN.
W. C. SCHRODER.

All of the above signers are members of the executive board of Federation No. 76.

Note the language in the concluding paragraph:

We trust that you may be disposed to explain your attitude toward the proposed legislation in such a manner as to restore the dissolving confidence of the members of your constituency who depend upon the undersigned for advice and counsel.

Clearly the purpose of this is to put Members of Congress on notice that unless they fall in line and pass the bill their reelection will be contested by the organizations represented by those who have joined in signing the communication.

Another one, under date of May 13, written on the letterhead of the Joint Federation of Shop Craft Employees, Northwest Railroads, and sent to Members of Congress from the Northwestern States, reads in part as follows:

ST. PAUL, *May 13, 1924.*

To the Senators and Congressmen, Northwest States.

GENTLEMEN:

* * * * * * *

If you are one of those who heard the call of special privilege and big business and voted against the bill [Howell-Barkley], when you return home tell your constituents the truth; say, "I represented you when big business told me that I could." In view of this, can you consistently ask for their suffrage again, or will you be satisfied to be placed in the discard or assigned to the lame-duck division?

However, it is not too late to mend your ways. Perhaps you made an error in not voting for the bill; if so, make the correction when it comes up for a vote and thereby place yourself in the position of a true representative of the people.

To the progressives who have carried the fight for proper legislation over the opposition of the reactionaries, much credit is due, and rest assured, honorable sirs, the folks back home are mighty proud of you and will show their appreciation at the ballot box by a decisive majority in favor of the true representatives of the people, such as yourselves.

With best wishes for your success in putting into effect legislation in the interest of humanity, we are,

Very truly yours,

John Williams, secretary-treasurer Federated Shop Crafts, Northwest Railways (general chairman carmen); Arthur Corrigan, general chairman Sheet Metal Workers' District Council; Albert Brown, general chairman Firemen and Oilers; F. H. Wibel, general chairman Blacksmiths, district 25; R. A. Henning, chairman Federated Shop Crafts, Northwest Railways; W. A. Parranto, general chairman Boilermakers, No. 25; C. J. McGiojan, general chairman Electrical Workers, regional council; S. L. Gipple, general chairman Railway Carmen, district 1.

The grotesque assumption that all Members of Congress who voted against the discharge rule are aligned with big business and special privilege is so patently false and unfair that no answer is required. The further charge that such Congressmen are reactionaries is equally unfounded. According to these

men, who, in my judgment, misrepresent labor as a whole, any man who does not abjectly bow to their every command and who has the courage to stand up for his convictions and the rights of the people is a reactionary. On the one hand, we who represent the great Northwest are charged by big business as being radicals, and on the other we are denounced by the votaries of labor as reactionaries. Verily, he who comes here imbued with the idea that he is to represent the whole people must be a most skilful pilot if he is to keep the ship of his constituents from being wrecked by the Scylla of big business on the one hand or the Charybdis of militant labor leaders on the other.

On Saturday I received the following pungent communication from a man who claims to represent a good many constituents of mine:

BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,
SOUTH DAKOTA STATE LEGISLATIVE BOARD,
Marmarth, N. Dak., May 13, 1924.

Hon. C. A. CHRISTOPHERSON,
Hon. ROYAL C. JOHNSON,
Hon. WILLIAM WILLIAMSON (South Dakota),
House of Representatives, Washington, D. C.

GENTLEMEN: This board technically represents not only about 350 members of the Brotherhood of Locomotive Firemen and Enginemen in South Dakota but voices the sentiment of every railroad worker in the State.

I have before me a record of your vote on the motion to discharge the committee on the Howell-Barkley bill. You are all running true to form; you have been on the wrong side on every issue that concerned us all the time. We take this occasion to tell you just what we think of you.

It occurs to us that each of you must aspire to become eligible for a Cabinet appointment in the near future. Be advised that the members of this board and this organization will spare no effort to make a "lame duck" out of each of you next fall if you do not see fit to change your "religion" when the Howell-Barkley bill is finally presented for passage in the House.

Yours very sincerely, HAROLD W. SCOTT,
Secretary-Treasurer.

P. S.: The writer is a resident of Mobridge, S. Dak.; is registered as a Republican voter in Walworth County; located temporarily at the above address account occupation.

H. W. S.

This last communication was intended as a knockout blow to the entire South Dakota delegation in this body. After recovery from this all but fatal shock, it is expected that we will execute a somersault on the double quick, yell "The farmers and general public be damned," and swallow the bill at one gulp.

Now, this is not the only letter of this character I have received. Gentlemen, if they think, or if anybody thinks, that the delegation from our young State can be browbeaten in that manner, they have their dog barking up the wrong tree. [Applause.]

COMMUNICATIONS DO NOT REPRESENT VIEWS OF LABOR AS A WHOLE

Other communications warn us that the bill must be adopted without an amendment and threaten us with political extinction if we dare change it. We are told that the representatives of the nationally organized crafts, in conjunction with skilful attorneys, spent 18 months in drafting this extraordinary measure. In whose interest were these people working during these long, weary months? Can anyone doubt in whose interest they were laboring so assiduously after reading the communications received and listening to their paid lobbyists? Were any representatives of the shippers and the fellows who pay the freight consulted? What officers of our farm organizations were called in to assist? Did anyone representing the consuming public get his head in under the tent? No; certainly not. It was not intended that the public interest should be consulted.

Judging from the letters I have received from many of the railroad workers themselves in my State, they neither subscribe to the methods being used by the so-called nationally organized crafts nor to the bill which they are trying to ram down the throat of Congress without either proper opportunity for study or adequate discussion upon this floor.

LABOR ENTITLED TO A SQUARE DEAL

I do not believe anyone can honestly say, after a study of my record here, that I have shown a disposition to favor big business or the special interests as against organized or any other kind of labor. On the contrary, the entire South Dakota delegation in this chamber has consistently fought and voted against every grab by such interests in whatever guise or form they have presented themselves, as is well known to every member of this body. My environment, training, and disposition have led me in every contest to espouse the cause of the ordinary man as against the powerful and rich.

Labor must and shall have a square deal, but in the end the interests of labor are wrapped up in the general welfare. That state of society is the best and happiest where industry and thrift are adequately rewarded no matter in what field they may be employed. The man who labors with his hands and who is willing to do a day's work for a day's pay is entitled to a fair and just compensation. This is not only in his own best interest and that of his family, but in the interest of society as a whole. Any man who would deny him this is unworthy to sit in this body or to serve in any other place of responsibility.

Mr. BLANTON. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. BLANTON. But this is the fact: That any man who gives less than 100 per cent obedience to labor's orders is their enemy. You have got to give 100 per cent obedience.

Mr. WILLIAMSON. Well, regardless of its attitude, I am going to give labor a square deal as long as I serve in this body, but I propose at the same time to protect the interests of the public. [Applause.]

NOT CONTEST BETWEEN EMPLOYEES AND CARRIERS

This is not a contest, as I view it, between the railways on the one hand and labor on the other. It matters little to the railways what may be the hours of labor or its wages so long as they can successfully pass on the operating cost to the public.

The questions of policy and procedure involved in the pending measure are too important to be decided by the snap judgment of Congress, and certainly too important to be made the football of politics on the eve of a national election. The bill is so manifestly unfair to the public and railway workers outside of the nationally organized crafts that if enacted at all it must be largely rewritten. The place to do this is in committee after full hearings, and not upon this floor after three hours of debate.

BOARDS OF ADJUSTMENT

In brief, the bill proposes to repeal Title III of the transportation act of 1920, which, among other things, creates the railway labor board. In lieu of this it proposes to establish four adjustment boards, each representing particular divisions of railway employees. The first two of these are composed of 14 members each, and the last two of 6 members each.

Board numbered 1 is composed of 14 members, 7 members constituting the labor group, representing the employees, and 7 members constituting the management group, representing the carriers. The labor group of 7 is to be appointed by the President from not less than 14 nominees, whose nominations shall be made by the employees and subordinate officials from among the membership of the nationally organized crafts entitled to representation on this board. The 7 representing the carriers are to be chosen in the same manner from a list of not less than 14 selected by the railways.

The other three boards are made up in the same manner. In other words, each of these four boards is made up of members representing only the employees and carriers, and, for all practical purposes, of men of their own choosing. Notwithstanding that the public has no representation whatever upon any of these boards, the bill provides that their salaries, at the rate of $7,000 each per annum, shall be paid out of the Public Treasury. In addition to this, each board is allowed to select a secretary at an annual salary of $4,000, and it is further provided that each board "shall employ and fix the salaries of such employees as may be necessary." Wide powers are given to each board, and provision is made that it may sit anywhere in the United States for the purpose of making any investigation it may deem proper, all at public expense.

BOARD OF MEDIATION AND CONCILIATION

In addition to these boards the bill provides for a board of "mediation and conciliation," consisting of five members at a salary of $12,000 each annually. Not only are these men to enjoy a fat salary, but this board—

shall have authority to employ and fix the compensation of such attorneys, assistants, special experts, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties.

The above provision takes the lid off. No restraint from any source upon the expenditures the board may make exists, the sky and contents of the Federal Treasury alone excepted. And what are the functions of this board?

If any dispute arising only out of grievances or out of the application of any agreement concerning rates of pay, rules, or working conditions is not decided by the appropriate adjustment board, or if any proposed change in rates of pay, rules, or working conditions is not decided in conference between the parties, either party may invoke the services of the board of mediation and conciliation created by this act for bringing about an amicable adjustment of the controversy.

BOARD CAN ONLY CONSIDER CONTROVERSIES VOLUNTARILY SUBMITTED

It will be noted that this board can only consider such disputes as may be voluntarily submitted to it. It has no power to intervene and dispose of a controversy on its own initiative. Even when such a controversy is submitted and disposed of by it, it is left powerless to enforce its decisions.

ARBITRATORS HAVE LIKE LIMITATIONS

Finally, arbitrators are provided for in certain contingencies, but only such questions can be considered by the arbitrators as are voluntarily submitted by the employees or carriers. So far from making arbitration of controveries compulsory the bill expressly provides—

That a failure or refusal of either party to submit a controversy to arbitration shall not be construed as a violation of any legal obligation imposed upon any party by the terms of this act or otherwise.

No authority is provided for anywhere to enforce any award that may finally be entered. On the contrary, it is expressly provided "that nothing in this act shall be construed to make the quitting of labor or service by an employee or subordinate official an illegal act." The power of the courts to compel performance is denied. Even the salutary provision of the present law providing for enforcement by an appeal to the forum of public opinion is repealed.

AUTHORITY TO ENFORCE FINDINGS OF BOARDS OR ARBITRATORS DENIED

While the carriers are made subject to heavy penalties for any attempt to change rates of pay, rules, or working conditions without complying with the provisions of the bill, no reciprocal penalties are provided for against strike leaders or employees for failure on their part to carry out agreements. On the contrary, such penalties are prohibited.

After the establishment of all this vast and complicated machinery, the public in the end is left absolutely helpless either in the matter of the enforcement of agreements or in compelling the continuance of traffic upon the railways. The whole bill is a carefully worked out plan, not only to exclude the public from any voice in the fixing of wages and working conditions, but to exclude from representation in the settlement of these matters all railway employees who are not affiliated with the nationally organized crafts referred to in the bill. Instead of putting an end to strikes, it legalizes them. In place of discouraging controversies, it encourages them by making settlements impossible by creating boards upon which the employees and carriers have equal representation. Arbitration is voluntary only, and even where decisions are reached are not susceptible of enforcement. What conceivable purpose can be served in the public interest by the passage of such a bill?

To pay for the expense of this vast organization an appropriation of $500,000 annually is provided for. In all probability this will be insufficient to pay the salaries of the numerous officials and the expenses incident to providing quarters, secretaries, attorneys, experts, and other employees, to say nothing of the cost of elaborate hearings and for traveling expenses.

Mr. Chairman, we are not here to create endless jobs for useless officeholders. Neither are we here to set up new private bureaus and boards at public expense to settle private controversies, and more especially are we not called upon to create the machinery called for by this bill when it appears conclusively that such machinery is not in the public interest.

When the bill is fully understood by the people of the country, it will receive the condemnation it deserves. So far from denouncing those who to-day have the courage to stand up for their convictions and who are fighting the battle of the people back home, I have every confidence that the vast majority of the American people will give them their unqualified support. Regardless, however, of what may be the political aspect of this or any other question, it is our most solemn duty to stand like flint against all legislation that does not have as its basis justice and a sound public policy. It is infinitely more important that we shall have preserved the rights of the whole people than that we shall be returned here.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. WINSLOW. Has the gentleman from Kentucky more than one speaker?

Mr. BARKLEY. Yes.

Mr. WINSLOW. I have but one more, and it seems to me the gentleman should use some time.

Mr. BARKLEY. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, the solicitude of the railroad people of this country for the public has become pathetic. When the Esch-Cummins bill was jammed through here with a provision that an earning should be provided for in the rates prescribed of 5¾ per cent of the total investment of all the railroads, watered stock and all, and the authority to levy taxes was thereby assigned to the railroads to make up an earning of 5¾ per cent upon all the investment of the railroad people in their property, I did not hear any of these gentlemen who are now weeping around here about the people not being represented raising their voices in the wilderness. [Applause.]

This was the only time that the right of taxation has ever been assigned to anybody except the protected manufacturers, and they wrote it into the law, and I said so at the time, and it has been cried out against by the constituents of the gentleman out in South Dakota ever since that the right of taxation has been assigned to the railroads and the commission has been ordered to fix rates so as to give them a certain return. The commission is compelled to do that under the law, and they are thereby given the right of taxation without even coming to Congress at all. Then they come here and weep about the people not being represented in this bill. Let us look at it for a moment. That is the only propaganda I have seen, and I do not care anything about propaganda anyway. But they have got it circulated in the newspapers of my State that the people have no representation on these boards. Let us see about that for a moment.

The boards of adjustment are boards to which are submitted controversies as to whether agreements as to pay or as to working conditions are being carried out. If a dispute arises about those matters, adjustment boards are created for the purpose of settling those disputes, and they are composed only of railroad laboring men and railroad men because they are peculiarly cognizant of all the details and can settle such matters without taking a year to hear testimony in order to become educated on the subject. So much for that phase of it. If they do not settle these disputes, then they go to the Board of Mediation and Conciliation, and that board has some considerable influence in settling those questions, and in addition to that, in determining the question of the recasting of contracts whereby rates of pay and working conditions are revised and rehabilitated.

This board is made up of people who can not be either of the laboring class or of the railroad ownership class. They are made automatically to go off of that board at the moment they get into either one of those classes. Therefore the public absolutely controls it, and in the law we are repealing the public has only 3 out of 9 members—being 3 laborers, 3 railroad owners, and 3 representing the public.

Then there is another feature in which they are represented. If the boards of adjustment do not agree and the craft and the railroad company go into an arbitration, the railroad company selects one, the craft selects one, and the board of conciliation selects the third, who is the umpire in the controversy, and is selected by people who are exclusively from the public, and he can not be taken from either the railroad people or from the railroad employees.

Therefore I stand for this bill. I am not like the gentleman from Texas. I am not always having to get up here and tell people how my opponents down in my district are after me about this, that, or the other. I have never had an opponent since I have been here. I have tried to conduct myself so that my people send me here regardless of whether I am for the railroads or for labor or anything of the kind.

For 18 years I represented one of the great systems in my State as State counsel. I have tried hundreds of cases for them. I know the inside of both the fights, and of all the men with whom I have been associated in a lifetime of work, one of the highest class men, without any exception, have been the engineers and the conductors who run the great trunk-line trains of this country, upon whom you can rely to tell the truth, and who are the most loyal, straightforward, and truthful body of men with whom I have ever associated, and I am not afraid of their misusing any power that they may be given in this bill. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. BARKLEY. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. Mr. Chairman and gentlemen, I do not feel the effect of all this labor propaganda complained of by

various gentlemen to-day. In fact, I do not believe I have a single railroad man living in my congressional district. But why all this talk about propaganda on one side or propaganda on the other side? Certainly that is nothing new. It seems to me that the complaint from the opposition to this bill is directed toward the source of the propaganda rather than from the propaganda itself. It is amusing that after all we have been through in the last two or three Congresses that most of us are not yet propaganda proof. I do not object to getting information on any bill from both sides of any question. I do not object to people writing me that they will seek to defeat me if I do not agree with them. That is their privilege, and it is just that it should be so. We are approaching the day, however, gentlemen, where the people will really decide what kind of Representatives they desire to have here to speak for them; and the trouble is, permit me to say frankly, that the money powers and great interests who in the past could put thumbs down on any Member are fast losing their power, and know that we are inevitably approaching the time when Members of Congress will vote according to their best judgment and conscience, regardless of what may happen. Personally, I am responsible to my constituents and to them alone. In this instance, as I have stated, I have no railroad men in my district. Surely I can not be charged with giving way to pressure or to the covered threats suggested on the floor to-day. I believe in this bill because I feel that it will do a great good. Some of the gentlemen have talked about the drastic provisions of the bill. I venture the suggestion that it is the most conservative bill ever backed by organized labor. It is constructively conservative and conservatively constructive. If the same provisions, gentlemen, had been brought before this House in a bill sponsored and approved by the railroad magnates of the country, I am inclined to believe we would not have the organized opposition with which we are confronted to-day. In fact, the various provisions of this bill were approved by a committee of railroad executives. The great railroad brotherhoods saw that it would provide the machinery for the settlement of trade disputes, and, let it be said to their credit, got back of it and are now sponsoring it. I see no wrong in that.

It was intimated on the floor to-day and in previous debate that some of us had not yet seen the bill and have been only recently converted to it. I do not think that is a fair charge. Most Members of this House do their work conscientiously. There has been considerable publicity about this bill. It is the first bill brought before us under the new rule for which many of us fought hard. I have read the bill, I have studied the bill, and I am willing to credit my colleagues with having done likewise. I might say that over 30 years ago I made up my mind to vote for a bill of this kind if I ever had an opportunity.

I recall distinctly as a small boy out in Arizona when my father's regiment was ordered out in heavy marching order with ball cartridges to protect the railroads in the great Pullman strike. This made a profound impression upon my mind as a boy—that disputes of employees of the railroads had to be settled by ball and cartridges. Perhaps there are people who would want to see machine guns and bullets used to crush labor. I do not believe that there are many so wrong-minded as to believe that men can be forced to work, regardless of conditions, without a protest. We have made great progress since that great railroad strike that tied up communications in the entire country. But why should we not make progress for the benefit of labor as speedily as progress is made for the protection of capital? This bill is a step in the right direction.

There seems to be unanimous agreement that the present Railroad Labor Board is ineffective and should be abolished.

President Coolidge, in his annual message to this Congress on December 6, 1923, said:

> The settlement of railroad labor disputes is a matter of grave public concern. The Labor Board was established to protect the public in the enjoyment of continuous service by attempting to insure justice between the companies and their employees. It has been a great help, but is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested, there should be no hesitation in enacting such agreement into law.

That is all that this bill does. It provides an agreement among the groups interested. It does so simply, directly, and effectively. The Labor Board has not been a success. The Labor Board has been a complete failure. Therefore let us proceed to abolish it. The chief opposition to the proposed boards of the Barkley bill is the cost of the boards. Why, you appropriate millions of dollars every year for the courts and the Department of Justice for the adjustment of lawsuits between private parties. Here we provide the means of adjustment of labor disputes. A great deal has been said that the decisions of these boards are not enforcible. Why the decisions of your present board are not enforcible. What happens now if the decision is against the railroads; they simply ignore the decision. If it happens to be against the employees, and they refuse to obey it, the railroad orders a lockout. I do not believe there is a man on the floor of this House who would advocate compelling any man to work against his will. Labor of a human being is not a commodity or an article of commerce; it can never be treated as such. It should be permanently established in National and in State laws that human labor can not be treated like merchandise or chattels. It is quite true that no one can be compelled to labor. It is quite true, and no one will argue to the contrary, that if an individual leaves an employment anyone willing to take that individual's place has a right to do so. But when all of the labor of an industry find that conditions become intolerable and exhaust every remedy for proper adjustment with the capital side of the industry and are compelled to go on strike, then a different situation is created and must be differently considered. After all, labor constitutes the greater part of any industry.

The labor side of the industry acquires rights just as the capital side of an industry acquires rights. The law should, therefore, protect the rights of labor as fully as the property rights. It is often said, and perhaps properly, that capital and labor form a partnership and the two together are necessary to any industry or production. Suppose two partners own a business and disagree and one partner is compelled to leave. He may go to court and the court will protect his interest in the business, using the entire force of the State, if necessary, to protect his share of property in that business. Neither the law nor the court says to him "Well, you disagreed with your partner and you have walked out, now you must not interfere with anyone else going in and using your property." The law gives full protection to the money investment of any industry, yet when the "labor partner" is compelled to strike to protect his rights, their investment of a life devoted to work is in no way protected. The law instead of protecting labor investment is at present inclined to protect others compelled under the stress of need and poverty to usurp their rights. For example, if the railroad employees should go on strike their interests should be protected. These men have devoted their entire lives to the railroad industry of the country; collectively they have a vested interest in the railroads; without them there could be no railroads. Is it right to say that if they go on strike anyone desiring to take their place can do so, and as employees they have no more rights in the matter? If one of the stockholders of a railroad living in London or Paris or New York should feel that the company is not treating his interests fairly and impartially, he could go in the court and have his rights protected. Surely laws which will protect property and money should be sufficiently broad to protect human lives and human labor invested in an industry.

I will say frankly, I would not take the right of striking away from any man. That is labors' legitimate weapon. That right has been permanently established in this country. The great immortal Lincoln, the greatest and truest Republican of them all, in his speech at New Haven, Conn., on May 6, 1860, said:

> I am glad to see that a system of labor prevails in New England under which laborers can strike when they want to, where they are not obliged to work under all circumstances, and are not tied down and obliged to labor whether you pay them or not.

Lincoln was a great economist, he saw the economic troubles of his time, he predicted the economic issues of the future. Gentlemen, almost every question upon which there is difference in this House is an economic question, and in voting for this bill whereby we provide the machinery for the settlement of technical trade disputes, where we provide a board of mediation and conciliation, where we provide for arbitration, I say that we are doing the right thing in the right way. Why we do it for the benefit not only of the employees and the railroad, but for the benefit of the public. If we can prevent a strike we benefit the public. If we can adjust these matters amicably and speedily the public is benefited. Yes, and if we look out for the welfare of the million railroad employees—partners in the railroads, if you please—I say that we legislate for the benefit of the railroads, employees, and the public.

Mr. MAPES. Will the gentleman yield?

Mr. LaGUARDIA. Not now; I have only a few minutes.

I say the employees of the railroads who have contributed their lives to the great railroad systems of this country have an equal vested interest in the property of the railroads with the bondholders and the stockholders.

Mr. MAPES. Will the gentleman yield now?

Mr. LaGUARDIA. Not now.

Objection is made that certain unorganized employees or independent organizations are not specifically mentioned in the bill, and I will say to the unorganized employees of the railroad and to the independent organizations that whatever progress has been made in better wages and in better conditions for the employees of the railroads has been due entirely to the splendid organizations of the four big brotherhoods of railroad employees. Unless labor in this country is well organized to protect its own interests nobody else is going to protect them.

The railroad brotherhoods are splendid labor organizations. They have rendered great service to the labor movement in this country. I hope all the independent organizations will soon join with these great organizations.

I hope there will be no more filibustering on this bill. I am ready to vote for it now. A majority of this House have signified their intention of voting for it in no less than 20 roll calls. Let us get down to business and bring this bill to a final vote without further delay.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BARKLEY. Mr. Chairman, I yield four minutes to the gentleman from Wisconsin [Mr. BROWNE].

Mr. BROWNE of Wisconsin. Mr. Chairman, the Barkley bill, H. R. 7358, proposing to amend the Esch-Cummins law, was introduced in the House of Representatives on the 28th day of February, 1924.

A Senate bill similar to the Barkley bill was introduced in the Senate by Senator HOWELL.

In the Senate extensive hearings were had before the Senate Committee on Interstate Commerce from March 18 to April 7, 1924. Witnesses representing the railroads, the labor organizations, Labor Board, and many business associations testified at great length. These hearings were given great publicity by the press. They were printed and make a book of 364 pages. Every Representative could procure as many of these hearings as he desired and all those who have been interested in the subject have undoubtedly made themselves familiar with the evidence before the Senate committee.

When Representative BARKLEY, a Member of the Interstate and Foreign Commerce Committee, was unable to get a hearing on his bill, it was evident to every fair-minded person that the only way to get a hearing on this bill was to get the matter before the House of Representatives by discharging the committee. A petition was filed with the Clerk of the House in compliance with the rule on the 15th day of April, and soon received more than the 150 signatures required by the rule. If there was ever a case where there was justification for the rule, this was such a case. The rule providing the discharge of committees was passed in this Congress by a vote of 253 yeas to 114 nays—more than a two to one vote. It is a fair rule and so considered by the House.

PROCEDURE

It was not necessary to duplicate the hearing held by the Senate committee.

When the Esch-Cummins bill passed the House and went to the Senate, it was practically rewritten by the Senate and was then sent into conference and so changed that when the bill again appeared in the House its authors would not have recognized it. The bill was in conference eight days, no one knowing anything about the changes that were made in conference, as reported by the conference committee, except the conferees.

The bill contained 190 pages and the House was compelled to vote upon the bill after a comparatively short discussion.

The Barkley bill, which seeks to amend one provision in the Esch-Cummins law, a provision which President Harding stated in his Kansas City speech on June 26, 1923, should be amended, and which the President of the United States, Mr. Coolidge, in his first message to Congress, admitted should be amended, has had a great deal more consideration already than the Esch-Cummins bill that became a law. The bill has been before the House of Representatives for consideration 14 days since it was voted out, and very few bills have been studied and considered as much.

I do not care about going into the question as to whether the Interstate and Foreign Commerce Commitee have had time to consider this bill or not. The fact is they did not consider it and, according to the statement of the chairman, Mr. WINSLOW, of Massachusetts, as to the amount of business before the committee and the chairman opposed to the bill, there would, of course, be a very small chance of getting a consideration of the bill. The committee, during the pendency of this bill, has considered a great many other bills of very much less importance. It has considered and reported favorably on the bill appropriating money out of the United States Treasury to purchase the Cape Cod Canal in Massachusetts. It has not, however, seemed to have the time or inclination to consider the Barkley bill affecting over 1,000,000 laboring people. Neither has it had the time or inclination to consider the Treadway bill, which deals with the important anthracite-coal situation that affects millions of people.

LABOR BOARD

The Railroad Labor Board was a failure from the beginning. After 30 years of practically uninterrupted transportation, with not a single nation-wide strike, we have witnessed more discord and strife in the four years under the Esch-Cummins law than in the entire history of our country.

The Erdman Act, under which the railroad employees and the officers of the railroads sat around the table at conferences and settled their grievances, gave excellent satisfaction for over 20 years. Under this act all differences between the railroads and the employees of the railroads were settled amicably and the best of feeling prevailed between employer and employee.

The Newlands amendment to the Erdman Act provided for a conciliation or adjustment board when the railroads and their employees could not agree. It provided for grievance committees that took up the grievances arising between employer and employee in all parts of the country. In case their grievances could not be adjusted, the matter was taken up by the adjustment board, composed of the railroads and their employees, and settled. Both the railroads and their employees carried out the agreements, and there were no strikes or lockouts. This form of adjustment and settlement between the railroads and their employees went on for nearly 30 years without a strike or lockout of any consequence during that time. The Barkley bill under consideration is patterned after these laws.

FAILURE OF LABOR BOARD

The first decision of any importance that was made against the railroad company was questioned. The Pennsylvania Railroad Co. refused to obey the decision and obtained an injunction, and was successful in overruling the decision of the Labor Board. Judge Page ruled that the decision of the Labor Board in regard to wages or rules was only advisory. After that the railroads violated the decisions of the board at will. In a statement by Chairman Hooper, of the United States Railroad Labor Board, he stated that between April 15, 1920, and December 15, 1922, the first two years of the law, 58 of the 201 class 1 railroads and 56 of the 882 short-line railroads had violated the decisions of the board. These violations of the decisions of the Railroad Labor Board by the Pennsylvania Railroad, involving over 200,000 workers, and the New York Central violations, affecting agreements with all classes of employees on that railroad (except the train and engine service organizations) were instrumental in bringing on the strike of 1922.

On July 31, 1922, during the strike, President Harding sent to the railroad executives and their employees, among other things, a proposal—

> that both sides should agree to recognize the validity of all decisions of the Railroad Labor Board and to faithfully carry out such decisions as contemplated by law.

The railroad employees agreed to do this, but the railroad executives refused. President Harding, in a speech at Kansas City on the 26th day of June, 1923, argued in favor of amending the law regarding the Railroad Labor Board. President Coolidge, December 6, 1923, advocated the amendment of the provision of the Esch-Cummins Act creating the Railroad Labor Board, and said it was a matter of great public concern "the Labor Board is not altogether satisfactory to the public, the employees, or the companies."

Secretary of Labor James L. Davis, as head of the Department of Labor, in his annual report for 1923 to the President of the United States said, in part:

> Apparently the difference between the management of the railroads and their employees has been increased and complicated rather than diminished by the operation of the machinery provided by section 300 of the transportation act.

Judge George W. Anderson, judge of the circuit court of appeals, formerly a member of the Massachusetts Public Service

Commission and Interstate Commerce Commission, testified December 20, 1922, at the hearings of the committee on the railroad consolidation in Boston as follows:

Turning to the labor provisions of the transportation act, the situation is still blacker. A large part of the dominant managerial forces did not accept in good faith the labor provisions of the act, etc. How the scheme would have worked if it had been accepted in good faith by practically all the railroad management, no one can say. It was not so accepted. The shopmen's strike of last July was the result. The general result is that the mass of railroad employees were, in my opinion, never so embittered and so distrustful of the railroad management as now * * *. The labor provisions of the transportation act are effectually discredited; so is the Labor Board.

LABOR BOARD NOT FUNCTIONING

Further failure of the Labor Board to function is shown by its inability to decide many cases and the delay in deciding others at the present time. The four organizations—Locomotive Engineers, Locomotive Firemen, Order of Railway Conductors, and Railroad Trainmen—have 845 undecided cases before the Labor Board which have been pending from three months to three years.

It was thought by those who voted for the Esch-Cummins Act that the board of adjustments, which was voluntary and whose creation depended upon the railroads and their employees in agreeing to it, would relieve the Labor Board and would decide many of the smaller disputes. The railroads refused to join with the employees in creating boards of adjustment, except in a very limited number of cases, and nothing was settled in conference, and every petty grievance was referred to the one national board, the Railroad Labor Board, which was overwhelmed with work, which was just what the railroad companies desired.

The record of the Labor Board's hearings on January 31, 1921, reveals a statement by Mr. Atterbury that the railroads would flood the board with cases; and they did so.

THE RAILROAD EXECUTIVES BULLIED THE RAILROAD LABOR BOARD

They first obtained injunctions restraining them from enforcing their decisions. They also carried on an extensive propaganda criticizing their decisions and attempted in every possible way to bring public opinion against their decisions which in any way favored the employees.

An exceptionally frank statement of this purpose of the railroads was made to the Labor Board by the Buffalo & Susquehanna Railroad in demanding that wage reductions be put into effect. The representatives of this railroad said:

The Buffalo & Susquehanna Railroad really expects your board to put into effect the rates proposed by it, and your failure to do so can have only one of two results—the sending away of the work to other shops where cheaper labor is employed, or in leasing the shops to outside parties, with the requirement that the total cost, including overhead, will not be more than the wages as proposed by the railroad. Therefore an adverse decision of the United States Railroad Labor Board can have one of two effects—that of either throwing these employees totally out of work, or reducing their wages from 10 per cent to 30 per cent more than is proposed by the railroad in order to absorb the overhead.

This policy was adopted by an increasing number of railways, including some of the most important systems, and bid fair to spread throughout the entire transportation industry, until a vigorous protest by the employees to the Labor Board resulted after 15 months' delay in decision No. 982. This case involved the Indiana Harbor Belt Railroad Co., a subsidiary of the New York Central. The importance of the question is well presented in the following quotation from the decision of the Labor Board, from which I quote the following:

No more important dispute has ever come before the Labor Board for adjudication. It goes to the vitals of the transportation act. If the carrier can legally do the thing which has been done under these contracts, then the entire transportation act can be nullified and the will of the Congress of the United States set at naught. If one class of employees can thus be taken from under the application of the act, there is no sound reason why each and every railroad employee in the United States can not be given like treatment.

HUMAN ELEMENT IN RAILROADING

President A. H. Smith, of the New York Central, stated before the Senate Interstate Commerce Committee, May 20, 1921, that—

95 per cent of this railroading is human. The other 5 per cent is merely coal and steel, and it is not worth anything if you do not get good men with it.

The railway employees are insisting that the 95 per cent human element of the transportation industry shall be made up of properly nourished, competent, energetic workers. Such workers can only be obtained through adequate wages and reasonable working conditions. Such workers are necessary for efficient and safe transportation service, which is essential to the general welfare and to national prosperity. [Applause.]

Mr. BARKLEY. Mr. Chairman, I yield eight minutes to the gentleman from Pennsylvania [Mr. CASEY].

Mr. CASEY. Mr. Chairman and members of the committee, I had not intended to speak on this bill to-day and would not have done so were it not for the fact that there have been so many misstatements made with reference to it. I shall support the Barkley bill because I believe it is workable. I believe it will do more, if enacted into law, to prevent strikes on the railroads of the country than any law that has ever been passed by the Congress. When the Esch-Cummins bill was before the House for consideration I did all I could to have stricken from the bill the paragraph providing for the continuation of the Board of Mediation and Conciliation, believing as I did that its retention in the bill if it became a law would provide the means of "passing the buck," so to speak, between the Railway Labor Board and the Board of Mediation and Conciliation. I predicted at that time that the Railway Labor Board provided in the Esch bill would not solve the problem nor would it prevent strikes on the railroads. I wanted at that time to centralize all authority with reference to railroad disputes in the Railway Labor Board, believing as I did that the board was not properly constituted; therefore it could not be expected to function in such a way as to prevent strikes on the railroads of the country. We never had a nation-wide strike on the railroads in the United States until the Railway Labor Board was created by the Esch-Cummins law.

The Railroad Labor Board as at present constituted can not, in my judgment, prevent strikes but will tend to bring on strikes on the railroads in the country more than anything I know of.

Now, what are the facts in connection with the Barkley bill? We are told that by the creation of the bipartisan boards provided for in this bill, upon which the employees and the companies are represented, there is opportunity for conspiracy against the public. The fallacy of this contention is immediately met when we take into consideration how the present Railway Labor Board is constituted. The railroads and the employees have 6 votes to the public's 3, and at any time they could enter into a conspiracy against the public if they so desired. But there is no danger of any such thing taking place. Statements of this kind are made to misrepresent the bill and mislead and frighten the public.

Now, let us examine into the question of the adjustment boards provided for in this bill. They say the public is not represented on these boards. In my judgment the public has no business being represented on these adjustment boards. The adjustment boards have nothing to do with the question of wages or working conditions. The adjustment boards have only to do with the interpretation and administration of contracts voluntarily entered into by the employees and the railroad companies, or awards resulting from the arbitration of disputes submitted to arbitration as provided for in the bill. Let me illustrate if I may. Board No. 1: The grievances pertaining to engineers, firemen, conductors, and so forth, shall go to that board for investigation and settlement. Experts representing both employees and the carriers are appointed on this board to settle the particular difficulties that are peculiar to this particular occupation. We find that on Board No. 2 experts are appointed as representatives of the machinists, boiler makers, and so forth. These experts on this board handle questions submitted to them similar to Board No. 1. Board No. 3 handles the grievances of clerks and other miscellaneous crafts similar to Board No. 1 and Board No. 2. Board No. 4 in a like manner handles the grievances of the water-transportation workers. Instead of taking the grievances of locomotive engineers and firemen to the water-transportation board composed of captains, marine engineers, and longshoremen, the bill provides that grievances of this character shall go to a board upon which there are locomotive engineers and firemen who know something about this particular grievance. These boards are created solely for the interpretation and administration of contracts voluntarily entered into by the railroads and the employees or awards made by boards of arbitration to which has been submitted disputes between the employees and the carriers.

Let me impress upon the members of the committee, if I may, that the purpose of this bill is to get back to conditions where the railroads and their employees shall by negotiation

and voluntary contract settle their difficulties without outside interference. Those opposing this bill say the public is not represented on any of these boards.

The Board of Mediation and Conciliation, which is the important board of the whole machinery intended to be set up by this bill, represents only the public. There are no representatives of the railroad companies or the employees on this board, the members of which are appointed by the President of the United States and confirmed by the Senate. They represent the public in all efforts to mediate and conciliate any differences that may exist between the employees and the railroads in their efforts to negotiate a contract.

If the parties interested do not agree, then this board acts. Anybody who has had anything to do with mediation and conciliation knows that it is their function to use every means within their power; every governmental activity is brought into use to bring both parties together in an effort to prevent a strike. I have had some experience in this work. During the war I devoted the greater part of my time to the question of mediation and conciliation, both for the United States Department of Labor and the Emergency Fleet Corporation. I was a commissioner of mediation and conciliation for the Department of Labor. I was also the director of labor for the Emergency Fleet Corporation, United States Shipping Board. It was my duty to keep the industrial plants, with which the Emergency Fleet Corporation had contracts, and the shipyards going by preventing strikes. I believe I know something about the question of mediation and conciliation, and I am trying to give you gentlemen the benefit of my views. When I say I believe this bill is workable I say to you in all sincerity that I believe it will do more to prevent strikes on the railroads of this country than any bill ever enacted into law by the Congress of the United States. Oh, but some say, there is no compulsion in this bill; we can not compel the railroad employees to work against their will. I would like to see any Member of this House who claims to be a red-blooded American that will stand up in his place and say that Congress should pass any law to compel any person to work against their will in violation of the Constitution of the United States. [Applause.] Some gentlemen talk about doing this, and others talk all around it. But that is what is in the back of the heads of some of those opposed to this bill: They want to get a law through Congress to force the railroad employees, in violation of the Constitution of the United States, to work for the railroad companies.

Let us examine more carefully into the provisions of the railway labor bill (H. R. 7358) and see what we find.

Most of the arguments produced on the floor of the House against the Barkley bill have been composed of allegations, couched in general terms, and in not one single instance have the opponents of this bill undertaken to point out in detail a legal or practical defect in the machinery intended to be created by the provisions of the bill. General allegations as to the probable effect upon the railroad industry by the enactment of the railway labor bill (H. R. 7358) and the abolition of the Railroad Labor Board only serve to befog the issue and to prevent the facts concerning the real intent and purpose of the bill from being understood by the Members of Congress who are expected to give it consideration and to intelligently vote for or against its adoption.

I shall undertake to further explain, as best I can in simple terms, the practical operation of the machinery intended to be created by this bill, but, before taking up the matter in detail, it is, perhaps, appropriate to say that for many years I have been closely associated with the workers and have had considerable experience, and, consequently, have acquired knowledge of their working conditions and, as already stated, I have had the experience of serving as a Government mediator under a law, the general provisions of which were almost identical with the mediation provisions of the Barkley bill now under consideration by the House of Representatives. In my experience as a mediator and as a student of economics and the general problems confronting the workers of this country, I have long since learned that the railroad industry differs materially in many respects from other industries of the country, consequently the conditions under which both management and men are required to work also differ proportionately as compared with the duties imposed upon employers and employees of other industries. The public has long since recognized that the railroad industry of this country is a public-service industry, and for many years Congress has recognized the public interest in the railroads by providing for certain regulation of the railroads by law.

Since 1888 Congress has legislated for the settlement of railway labor disputes, although such legislation has never heretofore been generally supported by labor; in fact, the railway workers have in the past been generally opposed to legislation which restricted their right to negotiate terms of employment and to utilize their economic power to protect themselves against injustice at the hands of their employers. In this respect the railway workers have always felt that they should be permitted to exercise the same unrestricted rights and privileges for their protection as are exercised by the employees in other industries. However, in recent years the general trend of thought has been in favor of some kind of legislation which would provide for the settlement of railway labor disputes and thus prevent interruption of interstate commerce. The railway workers have themselves gradually yielded to public opinion in the matter of railway labor legislation, and after four years' experience under the labor provisions of the transportation act of 1920 they have come to Congress with a program which may not be perfect but is, without question, the most constructive piece of legislation upon this subject that has ever been presented to Congress, for the reason that it is a practical plan.

Statements have been made by Members of Congress and others concerning the probable effect upon the railroad industry if Congress were to substitute the provisions of the Barkley bill for the labor provisions—Title III—of the transportation act, 1920. Some of the statements that have been made clearly indicate that they have been made either through an attempt to deliberately misrepresent or because of a misunderstanding of the bill.

It should be understood that the bill simply provides for the repeal of the labor provisions—Title III—of the transportation act and thus abolishes the Railroad Labor Board. It creates a separate railroad labor act without interfering with any other provision of the transportation act.

Some of the Members of Congress seem to have gained a wrong impression in the matter of the public's representation on a board which primarily takes the place of the Railroad Labor Board and which will have jurisdiction over all disputes involving changes in wages and working conditions, which, by the way, are the major disputes the settlement of which are likely to affect operating expenses. In this connection it may be well to point out that disputes of this character will be handled by a board of mediation composed of five public members appointed by the President. Neither the railroads nor the employees have representation on this board, and should it subsequently develop that a member of this board is in any way connected with either the railroads or the organizations representing the employees he shall at once become ineligible for further membership upon the board of mediation. Before the board of mediation takes jurisdiction over any dispute the law makes it a duty of all carriers and their employees to meet in conference and exert every reasonable effort to adjust their difference. If a dispute involves an increase or a decrease in the wages of the employees or a change in the working rules which would increase operating expenses, and such dispute is not settled in conference between representatives of the carrier and the employees involved, the services of the Board of Mediation may be invoked by either party or the board may proffer its services. For example:

Should the employees on any railroad initiate a request upon the management for an increase in wages or a change in their working conditions, the provisions of the Barkley bill would require that representatives of both parties meet and, across the conference table, undertake to reach an adjustment. There is no limit fixed as to the length of time that may be consumed in conference. Days or weeks or even months may be consumed, according to the magnitude of the question, in discussing its various angles and attempting to reach a settlement satisfactory to both sides. As indicated above, should the parties be unable to reach a settlement in conference they may, separately or jointly, invoke the services of the board of mediation which, under the Barkley bill, is substituted for the present Railroad Labor Board. Should neither party invoke the services of the board, then the board is empowered to proffer its services, in which event the mediators would immediately go to the point where the controversy exists and would confer and arrange to meet with the parties separately for the purpose of investigating the dispute and learning from each side their respective views as to the merits of such controversy.

The records of the United States Board of Mediation and Conciliation, under the Erdman and Newlands Acts, in effect 1898 to 1920, show that the length of time consumed in mediating railroad controversies varied from a few days to several weeks, and the same records show that a solution of all controversies was always found when the services of the Board of Mediation and Conciliation were utilized. That both the railroads and the employees appreciate the responsibility that

attaches to them in controversies which threaten the interruption of interstate commerce is evidenced by the records of the United States Board of Mediation and Conciliation, 1913 to 1919, which show that out of a total of 148 cases recorded the services of the board were requested and accepted as follows:

By the railroads, 29 cases; employees, 74 cases; jointly by railroads and employees, 27 cases; and by the public, 2 cases. The services of the board were tendered to railroads and employees jointly in 16 cases. In the total of 148 cases handled by the board during the period mentioned there were involved 586 railroads and 620,810 employees.

In the case of request for increases in wages, cited above, should the Board of Mediation—which, it should be kept in mind, is composed entirely of representatives of the public—fail to effect a settlement by bringing the parties together in agreement, as its final action it is required to propose that the parties arbitrate the controversy. In this connection statement has been made that there is no compulsion in the matter of arbitration. But let us see what has happened in the past when a Government board of mediation has taken jurisdiction over disputes which threaten the interruption of interstate commerce, with the possible exception of one case—the details with which the Members of Congress are evidently not familiar—arbitration proposed by a Government board of mediation has always been accepted by both parties.

In the exceptional case referred to, the President of the United States, himself finally acting as the sole mediator in the eight-hour controversy, proposed that the eight-hour day be granted, and that the controversy involving the payment of time and one-half for overtime be made the subject of investigation. To this the employees agreed, but the railroads declined to accept the proposal and the President requested Congress to legislate upon the subject, resulting in the enactment of the Adamson eight hour law. The records concerning this dispute show that the railroads themselves were the first parties to propose carrying the controversy to Congress, although they have since attempted to place this responsibility upon the employees.

Having accepted arbitration, the provisions of the Barkley bill would require that the carrier and the employees each name one arbitrator. Should the two arbitrators thus chosen fail to agree upon the third arbitrator within five days, such third arbitrator would be named by the Board of Mediation, and the provisions of the bill would require that such third or "neutral" arbitrator, who is the representative of the public, be entirely free from interest in or connection with any carrier or organization of employees. However, the carriers and employees may agree upon an arbitration board of six members, similarly chosen, on which the public, the carrier, and the employees have equal representation. The board of arbitration thus chosen would meet and arrange for hearing, giving the parties to the controversy a full and fair hearing, including an opportunity to present evidence in support of their claims, and the opportunity to argue their case in person or by counsel. The agreement to arbitrate would contain a provision fixing a period from the beginning of the hearings within which the board of arbitration should make and file its award, although a provision is made for an extension of this period if the parties so agree. The agreement to arbitrate would also provide that both parties accept the award as final and binding.

The agreement to arbitrate would further provide for the date from which the award would become effective and fix the period during which the award would continue in force. Having reached an award, same would be filed in the clerk's office of the district court of the United States in the district where the controversy arose or the arbitration was entered into, and when so filed such award would constitute the full and complete record of the arbitration. The award when filed would be conclusive as to the merits and facts of the controversy submitted to arbitration, and the court would enter judgment on the award, which judgment would be final and conclusive on the parties and be enforcible in the same manner as other judgments, contracts, and agreements.

If a controversy subsequently arose as to the meaning of the award, the bill provides that the same arbitrators would interpret the award and thus definitely dispose of any controversy that arose in connection therewith. What has been said herein concerning the method of handling a dispute involving a request for increases in wages would apply on any railroad, whether it be a "Class I" railroad or a "short-line" railroad. There is no difference in the application of the provisions of the Barkley bill to railroads coming within the scope of the interstate commerce law. The same machinery available to deal with disputes involving increases in wages is also available and applies in exactly the same manner in the treatment of cases involving decreases in wages. Although it is fair to assume that controversies involving increases in wages are initiated by employees, it is also fair to assume that controversies involving decreases in wages are initiated by the carriers. But in either event neither party is given any advantage under the terms of the Barkley bill, and in both instances the public is the only party represented on the Board of Mediation and it has equal representation in all questions of arbitration, which finally decides the controversy.

The statement has been made that on some railroads where certain classes of employees have been organized into what is known as "company unions" the provisions of the railway labor bill would discriminate against employees holding membership in such "company unions." In other words, an attempt has been made to create the impression that unless railway employees take membership in one of the 20 generally recognized standard railway labor organizations which have indorsed the railway labor bill their interests would not be protected in the same manner and to the same degree as would the interests of employees who hold membership in the standard railway labor organizations.

The railway labor bill does not discriminate, but, on the contrary, specifically provides that both the carriers and the employees shall each choose their own representatives without interference, influence, or coercion being exercised by either party over the other. There is an absolute guaranty to the employee, whether members of a "company union" or a so-called "standard railway labor organization," that they will be represented by men of their own choosing.

Should members of a "company union" initiate a request for an increase in wages it would be the duty of the representatives of the carrier and representatives of the employees interested to meet in conference for the purpose of considering and attempting to adjust the matter. Failing to reach a settlement in conference the representatives of the "company unions" or the carrier could invoke the services of the Board of Mediation or the Board of Mediation could proffer its services and the controversy would be handled in exactly the same manner as though the employees interested were members of one of the so-called standard railway labor organizations. Arbitration could be adopted if mediation failed and the representatives of the "company union" would be privileged to name one of the arbitrators, the carrier would also name one arbitrator, and the third or "neutral" abitrator would be named by the Board of Mediation if the two arbitrators chosen by the representatives of the "company union" and representatives of the carrier failed to agree upon the selection of the third or "neutral" man. The award of the board of arbitration would be binding on the carrier and employees—members of the "company union"—in the same manner and to the same extent that any arbitration award under the act would be binding on the employees, members of any other union.

I will now take up a more detailed discussion of the boards of adjustment, as created by the railway labor act, the purpose of which seems to be entirely misunderstood and in connection with which gross misrepresentation has been made by opponents of the bill with regard to representation of the public thereon. Members of Congress who oppose the creation of adjustment boards and who seem to be desirous of creating the impression that adjustment boards are something new and entirely experimental, appear to have overlooked the fact that adjustment boards, although voluntary, are provided for in the present transportation act, section 302, as follows:

> Railroad boards of labor adjustment may be established by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or subordinate officials of carriers or organization or group of organizations thereof.

It will be noted that section 302 of the transportation act provides for the creation of adjustment boards through voluntary agreement. The very fact that the creation of adjustment boards was made voluntary under the transportation act has alone prevented the establishment of such boards, except in the specific case involving but four of the organizations, a very limited number of employees, and only a portion of the roads in the eastern, western, and southeastern territories. Failure on the part of the railroads to voluntarily agree to the establishment of adjustment boards resulted in the Railroad Labor Board being swamped with grievances, resulting in the time of the board being consumed in considering and adjusting grievances of a minor nature, and making it impossible for the board to give immediate consideration to controversies of major importance.

It will also be noted that in the creation of adjustment boards under section 302 of the transportation act no provision

is made for representation of the public on such boards. That many, including Members of Congress, have gained a wrong impression concerning these adjustment boards, and that the importance of representatives of the public on such adjustment boards is being exaggerated by opponents of the bill is evidenced by some of the speeches made on the floor of the House and in much of the propaganda with which Congress is being deluged by opponents of the bill. Perhaps a word or two concerning adjustment boards and the character of disputes that would ordinarily be referred to these boards for consideration and decision would be helpful.

For example, take the case of men engaged in engine service. When a man enters the service of a carrier in the capacity of a locomotive fireman he is immediately required to exert considerable mental and physical effort in order to qualify to assume the responsible duties of a locomotive engineer when there is need for additional engineers on the division where he is employed. A vast majority of the public perhaps do not know that the records of master mechanics' conventions and conventions of other railroad officials bear record of admissions by railroad officials that the work of a locomotive fireman on the great, modern locomotives of to-day has passed almost beyond the limit of human endurance. However, in addition to discharging the duties imposed upon him as a fireman, he is required to spend most of his leisure time, and frequently is required to lose time, in order to prepare for the most exacting and extensive examination on mechanics, combustion, locomotive running repairs, the air brake, train-operating rules, the electric-signal system, and the physical characteristics of the railroad over which he will be required to operate as an engineer when promoted.

The perfectness with which the machine of this great moving industry—the railroads—operates is evidence of the time and study that has been devoted to it by the men directly interested in and responsible for its operation. The operating rules governing train movements and railroad operation generally, and with which the employees in the transportation service must be familiar, have been formulated and are revised from time to time by an authoritative committee appointed by the American Railway Association. Likewise, rules governing the train-signal system, the operation of the automatic air brake, and so forth, are the result of years of study and preparation by men whose lives have been devoted to this work. Several days, and in many cases weeks, are required in conducting examinations of a locomotive fireman for promotion to the position of engineer, and the same is true to a greater or lesser degree in so far as promotions are concerned in other classes of railroad service. Upon entering the service of the railroad an employee must be in perfect physical condition, including normal vision. In qualifying for promotion he is also required to undergo another severe physical examination in order to assure the public, the carrier, and the employees that the highest possible degree of efficiency shall be maintained in the transportation industry. To this end periodical examinations are also conducted.

I have mentioned a few of the technical phases of the railroad situation for the purpose of showing the probabilities for controversies of the most highly technical character arising with regard to the operation of trains. The slightest violation of one of the many hundreds of rules would be sufficient cause for investigation and perhaps the administration of discipline, with the possible dismissal from service, of an employee. It sometimes happens that an honest difference of opinion arising with regard to the execution of a highly technical rule may give rise to a dispute. Occasionally a dispute arises because of the method adopted by a locomotive engineer in hurriedly repairing his engine, which may have broken down en route, thus delaying the train.

Working under severe strain and pressure in an effort to open the main track and thus prevent the congestion of traffic, a question may arise as to whether some particular, technical rule had been complied with. All such disputes growing out of train operation must necessarily be decided in conference or by some tribunal qualified to consider and decide same if we are to have peace upon the railroads of this country. It is for the purpose of deciding such disputes and also minor disputes which may arise in connection with the application of agreements entered into in conference between the railroads and the employees that boards of adjustment have been found necessary and are to be created under the provisions of the Barkley bill, H. R. 7358. In this connection it may be appropriate to say that many of the rules contained in agreements governing rates of pay and working conditions of railway employees do not involve expense to the railroads, but are designed to protect against hardship or injustice. In many instances certain local conditions are covered in agreements which involve the comfort and convenience of the employees and protection of the interests of the railroads.

As stated above, the boards of ajustment are created under the Barkley bill to deal with these technical problems that, although of vital importance to the railroads, the employees, and to the railroad industry itself, are of little direct interest to the public. Surely no one will contend that a representative of the public unfamiliar with the technical phases of railroad operation could assist in an intelligent and just determination of such questions. No such contention has ever heretofore been made by the public, the railroads, or the employees. In fact, there appears to have been unanimity of opinion as between these three interests in the matter of adjustment boards being composed only of men technically qualified to deal with the technical operating questions. It is for these reasons that the proponents of the Barkley bill have not provided for representation of the public on the boards of adjustment contemplated under the provisions of the bill.

Chairman Ben W. Hooper, a public representative on the United States Railroad Labor Board, in his testimony before the Senate subcommittee of the Committee on Interstate Commerce—page 256—advocated the creation of boards of adjustment, and, although he has had three years' experience in dealing with these technical railroad problems, he did not recommend that the public be represented on such boards of adjustment.

It has been stated by opponents of the Barkley bill that the creation of adjustment boards as contemplated therein will interfere with certain methods for adjustment of grievances which have been adopted as a result of mutual understanding between representatives of the shopcraft "company unions" and the managements of certain railroads. Such statement is entirely erroneous, as there is nothing in the bill that will interfere with local arrangements, as a result of mutual agreement, which have been adopted for the purpose of adjusting grievances. In fact, such arrangements are merely a continuation of conference and confine the consideration of the problems to the specific property on which same originate.

In order to create prejudice against the Barkley bill it has been alleged by the opponents of the bill that, for example, members of the shopcraft "company unions" employed on the Pennsylvania Railroad could not be expected to appeal a grievance to an adjustment board created under the Barkley bill for the reason that the "company unions" would have no direct representative thereon. The Barkley bill permits any nationally organized craft to submit nominations to the President for appointments on adjustment boards.

If any "company union" becomes a nationally organized craft the members thereof will have the right, under the provisions of the Barkley bill, to submit nominations to the President for appointment on these boards. The facts are, however, the theory upon which the "company unions" are organized in itself is opposed to rational organization, because when nationally organized they are no longer system or "company unions." What has been said with regard to the effect that nationalization would have upon "company unions" would also apply if the members of these so-called unions were to assert their independence and take advantage of their right under the law to appeal a dispute to the present Railroad Labor Board. That these "company unions" are absolutely controlled by the management is admitted by the representatives of these "unions" themselves. On page 282, hearings before a subcommittee of the Committee on Interstate Commerce of the United States Senate, will be found the following colloquy between Senator HOWELL and Mr. Anderson, the latter representing a "company union," opposing the bill:

> Senator HOWELL. Who were the other gentlemen who cooperated with you in preparing this report?
>
> Mr. ANDERSON. Mr. Fleck is one of them; Mr. Gibbons is another, that I see here to-day; Mr. Reynolds is still another; and suggestions came from different ones on the management side as well, where we were seeking information.

From the statement of Theodore H. Davis, representing the shopcraft "company unions" on the Pennsylvania Railroad (p. 287, Senate subcommittee hearings), speaking of the representatives of the "company unions," Mr. Davis said:

> They will be provided with the necessary transportation, and the company will reimburse them for time lost and for reasonable expenses while on this service.

Other statements made by representatives of "company unions" before the Senate subcommittee in hearings on the Howell-Barkley bill are quoted as follows:

We maintain that it is perfectly legitimate for the company to assume the expense of this work * * *. (Mr. MacDonald, p. 298.)

The council of the proponents of this bill designated the representatives as paid agents of the company, and we wish to say that the Pennsylvania Railroad system representatives to-day are not paid agents of said company but an elected representative body of men who have voluntarily consented to act as representatives of the various crafts and are simply made whole for time lost and the return of expenses as traveling, hotel, and any other regular expense incurred. (Mr. Peterman, p. 300.)

That the representatives of "company unions" are merely acting as paid agents of the railroads is clearly proven by the above statements of the representatives themselves. Surely no Member of Congress would contend that any real bona fide labor union exists where the management absolutely controls the actions of the representatives of these so-called unions and pays all expense incurred for time lost and hotel expenses, and so forth, of the representatives. Furthermore, is it not a fair assumption that so long as the railroads meet all of the expenses connected with the maintenance of a "company union" and pay the expenses of the representatives that there will be no grievances appealed to any tribunal not created by and connected with the railroad itself? The facts are, if the members of a "company union" would to-day appeal grievances to the Railroad Labor Board, and thereby assert their right under the law, their "company union" would soon be abolished by the railroad management.

This assertion is justified for the reasons already stated, and is supported by the fact that representatives of the so-called "company unions" have never appealed a dispute to the Railroad Labor Board, nor has any dispute affecting members of a "company union" ever been appealed to any tribunal not created by or connected with the railroad. So long as the employees, members of "company unions," are satisfied to restrict the handling of disputes, if any arise, to their respective railroads, there is nothing in the railroad labor bill that will require a change in the method adopted by the so-called "company unions" for the handling of disputes on their respective systems. Their method of adjustment is simply adjustment by conference, which method is provided for in the railway labor bill.

There is therefore no grounds upon which the opponents of this bill are justified in attempting to create a wrong impression in the minds of the public concerning the underlying intent and purpose of the railway labor bill. A careful reading of the bill should be all that is necessary to eliminate any misunderstanding as to its real purpose, and to show that, beyond any question of doubt, it is the most constructive measure that has ever been introduced in Congress as a means for the promotion of peace on the railroads of this country. Ignorance as to the provisions of the bill or a direct attempt to misrepresent the facts must be responsible for some of the misstatements that have been made by its opponents. One of the most deliberate misrepresentations of the facts concerning the Howell-Barkley bill will be found on page 23 of a "Summary of the Twelfth Annual Meeting of the Chambers of Commerce of the United States," held at Cleveland, Ohio, May 6-8, 1924, wherein it is contended that—

This bill would eliminate representation of the public as a party in interest in the determination of controversies between the railroads and their employees, threatening interruption of traffic; would do away with the requirements for public investigation of such controversies; would tend to force railroad employees, regardless of their individual wishes, into particular labor organizations and establish closed-shop conditions on railroads by law.

It does not seem necessary to dwell further upon the question of the extent to which the public is represented under the provisions of the Barkley bill. As already stated, the Board of Mediation is composed entirely of public representatives, appointed by the President of the United States and confirmed by the Senate, without nomination being made by either the employees or the carriers. On every board of arbitration the public has equal representation with the carriers and employees to the same proportion as the public is now represented on the present Railroad Labor Board.

There is not one line in the railway labor bill which tends to force any railroad employee into any particular labor organization, neither is an employee required to join any labor organization. In fact, section 3a of the bill makes it possible for the employees to select their own representatives without interference, influence, or coercion being exercised over them by anyone. There is not a line in the bill that even refers to the matter of employees taking membership in any labor organization. Neither are there any organizations named in the bill.

As to the establishment of "closed-shop conditions on railroads by law," the railway labor bill neither establishes a "closed shop" nor an "open shop." That the chamber of commerce, itself a bitter opponent of the bill, has adopted the "open-shop" program is evidenced by the following excerpt from page 23 of its twelfth annual report, under the caption "Industrial relations":

The chamber's position, taken through referendum in 1920, is in favor of the "open shop."

It may be of interest to the Members of the House and to the public to know that the railway labor organizations themselves do not maintain a so-called "closed shop." It is not unusual to find a nonunion brakeman working on the same train with a union brakeman. Neither is it unusual to find a nonunion fireman working with a union engineer, and the same is true all through the various occupational classes. Of course, it is safe to say that most of the classes are fairly well, even completely, organized; but this complete organization is not due to the adoption of a "closed-shop" policy. It is largely due to the fact that the railway labor organizations for many years have protected the interests and improved the working conditions of railway employees. They also have established extensive insurance organizations for the purpose of furnishing insurance at cost to this vast army of employees who are engaged in the most hazardous occupation in the world. Extensive provisions for payment of disability claims for injuries received in the service have also been adopted. In fact, these railway labor organizations have become vast benevolent institutions through which great burdens of expense and responsibility have been lifted from society and are now being borne exclusively by the membership of these organizations.

Hundreds of thousands of dollars yearly are being paid to the widows and orphans of the employees killed in railroad service and almost an equal amount is being paid out in disability claims on account of injuries received by employees engaged in this great, moving industry of the country. There is now no compulsion upon a railway employee to join an organization representing his craft, nor is there any such compulsion contained in the Barkley bill. The hazards of employment, the necessity for collective bargaining, and the protection of himself and his loved ones against misfortune are the great, impelling forces which prompt railroad men to seek membership in the organization which represents their respective crafts.

Although the Chamber of Commerce of the United States attempts to pose as the "protector" of the public interest, nothing could be more detrimental to the public welfare and contribute more toward the creation of discord and general dissatisfaction on the railroads of this country than to deluge Members of Congress with absolute misrepresentations of facts concerning the underlying purposes of the railway labor bill.

That the present situation on the railroads of this country requires sober and deliberate thought, with a view to applying a remedy that will accord justice and fair treatment to all parties interested, is quite evident, and it ill becomes the National Chamber of Commerce or any other organization purporting to represent the public viewpoint to deluge Congress with statements containing deliberate misrepresentations of facts concerning a matter of such vital importance to the people. That the railroads and employees have lost faith in the Railroad Labor Board as a tribunal to be utilized in the adjustment of railroad labor disputes is evidenced by the fact that only recently an agreement was reached between representatives of railroads and train-service employees, involving 85 per cent of the mileage in the western territory, whereby it was provided that disputes arising in connection with a settlement, which was at that time negotiated, would be considered and decided by a committee composed of two representatives of the employees and two representatives of the railroads, thus providing a means for settling their disputes without going to the Railroad Labor Board. Furthermore, in a recent conference between representatives of 90 railroads in the western territory and engine-service employees, negotiations extended over a period from April 23 to May 13, inclusive, during which time an effort was made to adjust a number of changes involving wages and working conditions of those employees. Failing to reach a settlement the employees returned to their respective railroads, electing to depend upon their ability to further negotiate with their respective managements in preference to appealing to the United States Railroad Labor Board, in which they have absolutely no faith, and the decisions of which are openly flouted by the railroads.

The railway labor bill is the first constructive measure for the promotion of peace on the railroads that has gained the unanimous support of the employees of the 20 standard railroad labor organizations directly interested. It has taken years of study and consideration of the railroad problem to convince railway employees that legislation such as contemplated in the railway labor bill should be enacted in the interests of the public and for the promotion of peace on the railroads. These railway workers have come to Congress with such a program and are ready to join in the adopting of a program, the successful operation of which will largely depend upon the sincerity and cooperation of the railroads, the employees, and the public representatives. The integrity and honor of these railway labor organizations are on trial to see that the underlying purpose of the railway labor bill is not defeated.

Is the judgment of Congress to be influenced by misrepresentations that are without foundation in fact and which can not be supported either directly or by inference in the language of the railway labor bill? Shall Congress take advantage of this first opportunity offered by the railway employees of this country to insure the promotion of peace on the railroads, or shall a minority in Congress be permitted to deliberately prevent the consideration of such a program on its merits, thus closing the door of Congress in the face of this vast army of employees and allow the present admittedly unsatisfactory and chaotic condition to continue?

A favorite inquiry from critics of this bill is: Why should the public pay the expense of these boards if the public is not represented on them? The answers to this inquiry are many.

First. The public is represented by every one of the appointees of the President who constitutes these boards. It is the duty of each member to act to protect the public interest by seeing that the disputes presented are decided.

Second. The public has the same interest in providing tribunals to administer justice in interpreting railroad labor contracts that it has in providing courts to administer justice in interpreting commercial contracts.

Third. On account of the refusal of the railroads to establish these boards by agreement it has become necessary in the public interest to establish them by law.

Fourth. These adjustment boards can not be established by law except by making them public bodies supported by the Government. Unless they are made public bodies the railroads can continue to refuse to establish them. If they are made public bodies, their members, as public officers, must be paid by the Government.

Fifth. A law which ordered these boards to be created and attempted to compel the parties to pay salaries and expenses would be held unconstitutional, as the Government can only compel the payment of money under the power of taxation, and such a payment has been held not to be a tax.

Therefore the public is asked to pay for the cost of these boards because only in this way can they be created by law, and it is in the public interest to see that justice is done to 2,000,000 railroad employees and that peace prevails in the transportation industry.

1. This bill does not eliminate the public from representation in the settlement of railway labor disputes.

It does increase the public representation from three out of nine members of the present Railroad Labor Board to all five members of the proposed board of mediation.

2. This bill does not set up a new machinery of adjustment boards from which the public are excluded.

It does establish the same sort of adjustment boards which are provided for in the transportation act, wherein there is no provision for public representation on these boards which settle minor and technical disputes.

3. This bill does not standardize wages and rules or require national agreements.

It does require each railroad and its employees to exert every reasonable effort to make and maintain agreements for wages and rules governing employment on that road.

4. This bill does not grant special privileges to certain national labor unions.

It does permit all national craft unions to make nominations to the President for appointments to national boards of adjustment, and permits local unions to establish local boards, thus granting all labor organizations equal opportunity to participate in organizing the machinery which they desire for settlement of disputes.

5. This bill does not prevent any change in present rates of pay or working conditions, unless the parties agree to a change.

It does prevent an arbitrary change of wages or rules without notice or opportunity for conference, after which, if an agreement can not be reached, the parties are free to act independently.

6. This bill does not require any increase in transportation rates or make rate reductions impossible.

It does provide a machinery to insure harmonious industrial relations, which should decrease present operating charges and increase net revenues, thereby making possible rate reductions.

7. This bill does not increase the cost of operation of either short-line railroads or the great trunk-line railroads.

It does provide for all railroads a less expensive machinery for adjustment of labor disputes, which should reduce operating expenses.

8. This bill does not leave disputes undecided unless the parties agree.

It does make all decisions of adjustment boards binding on the parties and enforceable just as arbitration awards are enforceable, whereas no decisions of the present Labor Board are enforceable.

9. This bill does not increase indefinitely the public cost of the present law.

It does decrease the total cost of the establishment of the complete machinery of adjustment boards and the Labor Board provided for in the present law and limits the total public cost to only $100,000 more than the present cost of the Labor Board alone.

10. This bill does not legalize strikes or encourage strikes.

It does make agreements resulting from conference, mediation, or arbitration enforceable equally against the railroads and organizations of employees, and binds both parties to comply with the law and so exert every reasonable effort to make and maintain agreements and to settle disputes arising out of the application or interpretation of such agreements.

This bill gives ample protection to all public and private interests involved in the transportation industry. It preserves freedom of contract and insures enforcement of all obligations of contract—contract is the sure and just basis for maintaining peace and insuring cooperation in industry under a democratic organization of society.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BARKLEY. Mr. Chairman, I yield three minutes to the gentleman from New Jersey [Mr. McNULTY].

Mr. McNULTY. Mr. Chairman and colleagues, there seems to be a misrepresentation floating about this chamber to the effect that there are only four organizations involved in this question. For the edification of all I desire to say that there are 17. Every time a colleague gets up to speak in the interest of organized labor, opposition comes from those who do not understand what labor stands for. Some have expressed themselves as though organized labor were a bunch of bandits. Organized labor tries to keep the peace. There is not a labor institution in this country that does not try to maintain peace. Why do the lawyers organize? Why do the doctors organize? Why do the dentists organize? Why do the manufacturers organize? Why do the farmers organize? And so forth. It is to protect their own interests; and were it not for the organization of labor, God would have to help the workingman and his family, for the average employer would not do so in the way of paying fair wages. Through organized labor it has come to pass that conditions have been created that have made it possible for a workingman and his family to live nearly as God intended that men and women and children should live. I am saddened at times to hear men get up and oppose labor organizations when they have no sound reasons for doing so. I am sure if they would study what labor aims to do in the interest of humanity they would become labor's friends instead of remaining its enemies.

The whole structure of this law is based on the foundation of voluntary service and agreement, the whole intent being to eliminate the present condition that makes of the parties litigants before a tribunal, each clinging tenaciously to the grounds of their maximum demands always with the view of getting the most possible out of any compromise decision that might be rendered by that tribunal.

This law will remove the political complexion from the agency for adjustment of disputes, thus creating a greater degree of confidence by the parties most directly affected.

American workmen will always resent compulsory or coercive methods. Their heritage of freedom is their most pre-

cious possession, and they will hold that possession to the limit of their endurance.

In this case the workmen, through their accredited representatives, protested to the last minute the enactment of the present railroad labor bill. When they found their strength insufficient to prevent its enactment, they, as good Americans, said: "This is the law; we do not like it, have no reason to believe that we can secure justice under it; but it is the law, and we propose to comply fully with it." This was their expression individually and collectively. Now they say to the lawmaking body of our Nation: "Years of operation have proved that this law is an abject failure. As good American citizens, we come to you for relief from the intolerable conditions that lopsided enforcement possible under this law has imposed." They are entitled to this relief. In the name of common decency, let us grant it.

The industrial life of the Nation has been beset time and again with ills that might well have been avoided and would not have been imposed had not pernicious legislation given hope of advantage to those who feel themselves strong enough to impose their will, regardless of the equity or justice of their position.

It is the time now for this body to say: "This seems equitable. This seems just. This should bring a condition where the greatest possible degree of harmony will be engendered by direct contact of the parties directly interested. Let us sit down and reason together. Let us have peace." [Applause.]

Mr. BARKLEY. Mr. Chairman, I yield three minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SCHAFER. Mr. Chairman, I note with a great deal of interest some statements by my colleague, Mr. BLANTON, of Texas. He struts forth to-day as the champion of labor. From all his activities since I have been a Member of Congress and all his activities which I read about before I was a Member I fail to see where in one instance he championed the cause of the workingman. He asked one of the speakers if it was not a fact that if a man did not get behind labor organizations' legislative programs 100 per cent they would mark him unfavorably. I do not believe that my colleague [Mr. BLANTON] ever got behind the program of a labor organization even one-half of 1 per cent. Perhaps he may have thought he was getting behind them one-half of 1 per cent when he supported the Volstead law.

I wish to call attention to the RECORD. On May 14, on page 8784, in the remarks by the distinguished gentleman from Kansas [Mr. TINCHER], who is one of the steering committee of the majority party, there are some things which I wish to direct your attention to, because I believe he has by a rather careless handling of the facts or inadvertently put us under a false impression. He pictures a block in his district. There is a widow who lives upon it and a fireman and a pharmacist and a bank cashier, and so forth. The pharmacist is making $120 a month and the fireman is making $11.25 per day, so he says. The fireman that he claims is receiving $11.25 a day for eight hours' work is defined in the decision of the Railroad Labor Board as an outside hostler for the railroads. If the railroad is paying that outside hostler $11.25 a day for eight hours' work, that should be one reason why the present labor section of the transportation act should be repealed, because under the recent decision of the Labor Board that railroad corporation could pay that man only $5.60 a day. I suppose these remarks were inserted in the RECORD so that he could send some of these statements to his farmer constituents to justify his stand as voting against the Howell-Barkley bill.

I insert the following table showing the wages of the railroad employees in the engine service. The facts will show that the railroad employees are underpaid:

Comparative statement of daily wage rates of engineers, firemen, and hostlers (western roads), 1915 to 1923

Classification of locomotives (weight on drivers)	1915 Western arbitration award, May 11, 1915				1918 General Order No. 27, United States Railroad Administration, Jan. 1, 1918				1919 Supplement No. 15 to General Order No. 27, United States Railroad Administration, Jan. 1, 1919			
	Engineer	Fireman		Electric helper[1]	Engineer	Fireman		Electric helper[1]	Engineer	Fireman		Electric helper
		Coal	Oil			Coal	Oil			Coal	Oil	
Passenger service:												
Less than 80,000 pounds	$4.30	$2.50	$2.50	$2.50	$4.78	$3.22	$3.22	$3.22	$5.60	$4.00	$4.00	$4.00
80,000 and less than 100,000 pounds	4.30	2.55	2.60	------	4.78	3.28	3.22	------	5.60	4.06	4.00	4.00
100,000 and less than 140,000 pounds	4.40	2.60	2.50	------	4.90	3.35	3.22	------	5.68	4.16	4.00	4.00
140,000 and less than 170,000 pounds	4.40	2.70	2.55	------	4.90	3.48	3.28	------	5.76	4.32	4.16	4.00
170,000 and less than 200,000 pounds	4.45	2.85	2.70	------	4.95	3.67	3.48	------	5.84	4.40	4.24	4.00
200,000 and less than 250,000 pounds	4.45	3.00	2.85	------	4.95	3.86	3.67	------	5.92	4.48	4.32	4.16
250,000 and less than 300,000 pounds	4.65	3.20	3.05	(1)	5.17	4.12	3.93	(1)	6.00	4.48	4.32	4.16
300,000 and less than 350,000 pounds	4.80	3.40	3.25	------	5.34	4.38	4.18	------	6.08	4.56	4.40	4.16
350,000 and less than 400,000 pounds	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.16	4.64	4.48	4.16
400,000 and less than 450,000 pounds	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.24	4.72	4.56	4.32
450,000 and less than 500,000 pounds	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.32	4.80	4.64	4.32
500,000 pounds and over	4.80	3.60	3.45	------	5.34	4.64	4.44	------	6.40	4.88	4.72	4.32
Mallets regardless of weight	5.00	4.00	3.85	------	5.56	5.15	4.96	------	6.60	5.20	5.00	------
Freight service:												
Through and irregular freight; pusher; helper; mine-run or roustabout; belt-line or transfer; work; wreck; construction; snow-plow; circus; milk trains (exclusive); other unclassified service—												
Less than 80,000 pounds	4.75	2.75	2.75	2.75	5.40	3.69	3.69	3.69	6.08	4.24	4.24	4.24
80,000 and less than 100,000 pounds	4.80	2.85	2.75	------	5.54	3.83	3.69	------	6.16	4.32	4.24	4.24
100,000 and less than 140,000 pounds	4.85	3.00	2.85	------	5.60	4.03	3.83	------	6.24	4.48	4.32	4.24
140,000 and less than 170,000 pounds	5.10	3.20	3.05	------	5.89	4.30	4.09	------	6.48	4.64	4.48	4.24
170,000 and less than 200,000 pounds	5.30	3.45	3.30	------	6.12	4.63	4.43	------	6.64	4.80	4.64	4.24
200,000 and less than 250,000 pounds	5.45	3.70	[2]3.55	(1)	6.30	4.97	[2]4.77	(1)	6.80	4.97	[2]4.80	4.40
250,000 and less than 300,000 pounds	5.60	3.80	3.80	------	6.47	5.10	5.10	------	6.94	5.12	5.12	4.40
300,000 and less than 350,000 pounds	5.75	4.00	4.00	------	6.64	5.37	5.37	------	7.08	5.37	5.37	4.40
350,000 pounds and over	5.75	4.00	4.00	------	6.64	5.37	5.37	------	7.28	5.44	5.44	4.40
Mallets, less than 275,000 pounds	6.00	4.00	4.00	------	6.93	5.37	5.37	------	7.78	5.44	5.44	------
Mallets, 275,000 pounds and over	6.50	4.25	4.25	------	7.51	5.71	5.71	------	8.00	5.75	5.75	------
Yard service:												
Less than 140,000 pounds	4.25	2.70	2.70	------	5.40	3.81	3.81	------	5.60	4.16	4.16	4.16
140,000 and less than 200,000 pounds	4.40	2.75	2.75	------	5.53	3.88	3.88	------	5.76	4.28	4.28	4.16
200,000 and less than 300,000 pounds	4.40	2.75	2.75	(1)	5.53	3.88	3.88	(1)	5.92	4.40	4.40	4.16
300,000 pounds and over	4.40	2.75	2.75	------	5.53	3.88	3.88	------	6.08	4.56	4.56	4.32
Mallets, less than 275,000 pounds	5.15	4.00	4.00	------	6.17	5.20	5.20	------	6.68	5.28	5.28	------
Mallets, 275,000 pounds and over	5.40	4.00	4.00	------	6.46	5.20	5.20	------	6.82	5.52	5.52	------
Hostling service:												
Outside or main-line hostlers	4.20				5.36				5.36			
Inside hostler	3.60				4.23				4.23			
Hostler helper	(3)				(3)				3.60			

[1] No rates provided for helpers in electric service except minimum rate as shown.
[2] Oil differential does not apply on engines over 215,000 pounds on drivers.
[3] No rate provided for hostler helper.

Comparative statement of daily wage rates of engineers, firemen, and hostlers (western roads), 1915 to 1923—Continued

Classification of locomotives (weight on drivers)	1920 Decision No. 2, United States Railroad Labor Board, May 1, 1920				1921–1923 Decision No. 147, United States Railroad Labor Board, July 1, 1921				Increase, 1923 over 1915			
	Engineer	Fireman		Electric helper	Engineer	Fireman		Electric helper	Engineer	Fireman		Electric helper
		Coal	Oil			Coal	Oil			Coal	Oil	
Passenger service:												
Less than 80,000 pounds	------	$3.40	$4.80	$4.80	$4.80	$5.92	$4.32	$4.32	$4.32	$1.62	$1.82	$1.62
80,000 and less than 100,000 pounds	------	3.40	4.88	4.80	4.80	5.92	4.40	4.32	4.32	1.62	1.77	1.82
100,000 and less than 140,000 pounds	------	3.48	4.96	4.80	4.80	6.00	4.48	4.32	4.32	1.60	1.88	1.82
140,000 and less than 170,000 pounds	------	3.56	5.12	4.96	4.80	6.08	4.64	4.48	4.32	1.66	1.94	1.93
170,000 and less than 200,000 pounds	------	3.64	5.20	5.04	4.80	6.16	4.72	4.56	4.32	1.71	1.87	1.86
200,000 and less than 250,000 pounds	------	3.72	5.28	5.12	4.96	6.24	4.80	4.64	4.48	1.79	1.80	1.79
250,000 and less than 300,000 pounds	------	3.80	5.28	5.12	4.96	6.32	4.80	4.64	4.48	1.67	1.69	1.69
300,000 and less than 350,000 pounds	------	3.88	5.36	5.20	4.96	6.40	4.88	4.72	4.48	1.60	1.68	1.67
350,000 and less than 400,000 pounds	------	3.96	5.44	5.28	4.96	6.48	4.96	4.80	4.48	1.68	1.36	1.35
400,000 and less than 450,000 pounds	------	4.04	5.52	5.36	5.12	6.56	5.04	4.88	4.64	1.76	1.44	1.63
450,000 and less than 500,000 pounds	------	4.12	5.60	5.44	5.12	6.64	5.12	4.96	4.64	1.84	1.52	1.51
500,000 pounds and over	------	4.20	5.68	5.52	5.12	6.72	5.20	5.04	4.64	1.92	1.60	1.49
Mallets regardless of weight	------	4.40	6.00	5.80	------	6.92	5.54	5.32	------	1.92	1.54	1.47
Freight service:												
Through and irregular freight; pusher; helper; mine run or roustabout; belt-line or transfer; work; wreck; construction; snow-plow; circus; milk trains (exclusive); other unclassified service—												
Less than 80,000 pounds	$7.12	5.28	5.28	5.28	6.48	4.64	4.64	4.64	1.73	1.89	1.89	------
80,000 and less than 100,000 pounds	7.20	5.36	5.28	5.28	6.56	4.72	4.64	4.64	1.76	1.87	1.89	------
100,000 and less than 140,000 pounds	7.28	5.52	5.36	5.28	6.64	4.88	4.72	4.64	1.79	1.88	1.87	------
140,000 and less than 170,000 pounds	7.52	5.68	5.52	5.28	6.88	5.04	4.88	4.64	1.78	1.84	1.83	------
170,000 and less than 200,000 pounds	7.68	5.84	5.68	5.28	7.04	5.20	5.04	4.64	1.74	1.75	1.74	------
200,000 and less than 250,000 pounds	7.84	6.01	[1]5.84	5.44	7.20	5.37	[1]5.20	4.80	1.75	1.67	1.25	------
250,000 and less than 300,000 pounds	7.98	6.16	6.16	5.44	7.34	5.52	5.52	4.80	1.74	1.72	1.00	------
300,000 and less than 350,000 pounds	8.12	6.41	6.41	5.44	7.48	5.77	5.77	4.80	1.73	1.77	1.77	------
350,000 pounds and over	8.32	6.48	6.48	5.44	7.68	5.84	5.84	4.80	1.93	1.84	1.84	------
Mallets, less than 275,000 pounds	8.82	6.48	6.48	------	8.18	5.84	5.84	------	2.18	1.84	1.84	------
Mallets, 275,000 pounds and over	9.04	6.79	6.79	------	8.40	6.15	6.15	------	1.90	1.90	1.90	------
Yard service:												
Less than 140,000 pounds	7.04	5.60	5.60	5.60	6.40	4.96	4.96	4.96	2.15	2.26	2.26	------
140,000 and less than 200,000 pounds	7.20	5.72	5.72	5.60	6.56	5.08	5.08	4.96	2.16	2.33	2.33	------
200,000 and less than 300,000 pounds	7.36	5.84	5.84	5.60	6.72	5.20	5.20	4.96	2.32	2.45	2.45	------
300,000 pounds and over	7.52	6.00	6.00	5.76	6.88	5.36	5.36	5.12	2.48	2.61	2.61	------
Mallets, less than 275,000 pounds	8.12	6.72	6.72	------	7.48	6.08	6.08	------	2.33	2.08	2.08	------
Mallets, 275,000 pounds and over	8.36	6.96	6.96	------	7.72	6.32	6.32	------	2.22	2.22	2.22	------
Hostling service:												
Outside or main-line hostlers	6.24				5.60				1.40			
Inside hostler	5.60				4.96				1.36			
Hostler helper	5.04				4.40				----			

[1] Oil differential does not apply on engines over 215,000 pounds on drivers.

My friend from Texas [Mr. BLANTON] speaks about the paper of the workers. He does not say anything about 90 per cent of the newspapers and magazines which are opposed to labor.

Mr. BLANTON. Oh, I am cursing them all of the time.

Mr. SCHAFER. Thank God, the man who toils for a living has a national paper, properly called "Labor," published in Washington and which is not prostituted to the big business advertisers and owners. Labor is a paper which fearlessly prints the truth and is a bulwark of strength to this Republic and the principles of representative government. Labor brings to the light of day the record of public officials.

Give the people light and they will find the way to make our Government of the people, for the people, and by the people in fact as well as in name. I sincerely hope that everyone who labors in this great Nation will in the near future have an opportunity to read each issue of Labor, so that they will be able to obtain true information on men and measures.

The Barkley bill is a measure in the interest of labor, the railroads, and the general public. [Applause.]

The CHAIRMAN. The time of the gentlemn from Wisconsin has expired.

Mr. WINSLOW. Mr. Chairman, I yield 30 minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Chairman and Members of the House, the declared purpose of the bill which is before us to-day, known as the Howell-Barkley bill, is to insure peaceful settlement of railroad labor disputes. I believe that any such proposition is worthy of the consideration of Congress, because it is vital to the Nation that the operation of our railroads be uninterrupted and that the pay and working conditions of their employees be adequate and just. In order to avoid disputes interfering with efficient operation of our transportation systems and the safe and competent handling of freight and passenger service on the great arteries of commerce in the United States.

But after weeks of careful study and investigation I have been forced to the conclusion that I can not support some of the provisions in the Barkley bill, and a little later I shall give my reasons for taking this position.

I believe it would have been preferable to have considered the Barkley bill in the Committee on Interstate and Foreign Commerce, of which I am a member, and to which the bill was referred when it was first introduced. When the question came before the committee as to whether or not we would take up the Barkley bill I voted for its consideration. But because of circumsances into which it is not necessary to go at this time it was not possible to secure committee consideration, and I have voted to take the bill up for consideration by the House. I am ready to meet the issue and dispose of it here and now.

SHOULD ABOLISH RAILROAD LABOR BOARD

I have for some time believed that the Railroad Labor Board has not stood the test of experience and should be abolished. When the Labor Board was first established by the transportation act of 1920 I told Congress that I doubted if it would prove satisfactory, and that it would create friction between managers and men rather than prevent trouble. It is generally admitted that under the Railroad Labor Board both sides to disputes have been "passing the buck," and for a time it was only a storm center of trouble and dissension between the operators and workers on the railroads.

Recently the board has been ignored and the railroad companies and their employees have in many instances settled their own differences locally and across the table, which is as it should be.

At its best the Railroad Labor Board is an unnecessary and expensive ornament to the Federal Government, and at its worst it has been a serious trouble maker in the industrial relations of the country.

In the last Congress I introduced a bill to abolish the Railroad Labor Board and to reestablish the provision for the settlement of railway labor disputes by mediation, conciliation, and arbitration, as provided for in the Newlands Act.

WOULD AMEND BARKLEY BILL

The provisions of the Barkley bill which I can not subscribe to and will not support are those in section 8 of the bill, which establishes four national boards of adjustment to which would

be referred disputes arising between carriers and the railroad employees.

I have prepared an amendment which I shall offer at the proper time as a substitute for the Barkley bill.

I offer the amendment as a substitute for the entire bill for the reason that the Barkley bill is drafted in such a way as to make it impossible to strike out the four national boards of adjustment without rewriting the entire bill.

WORSE THAN LABOR BOARD

In the speech which the gentleman from Kentucky [Mr. BARKLEY] delivered in the House April 15 in support of his bill he referred to certain persons and organizations outside of the railroad labor organizations who were in favor of abolishing the Railroad Labor Board.

In answer to that statement I want to say that not one of the persons or organizations thus referred to as being in favor of abolishing the Railroad Labor Board has indorsed or approved the Barkley bill. As a matter of fact, the most powerful organization to which he referred, the National Industrial Traffic League, representing several hundred thousand shippers, appeared before the Senate committee during its hearings and opposed the Howell-Barkley bill on the ground that the proposed national adjustment boards provided for in the bill would create conditions far worse than those existing at the present time.

Let me quote what Mr. J. H. Beck, executive secretary of the National Industrial Traffic League, said when he appeared before the Senate committee in opposition to the Howell-Barkley bill. On page 192 of the printed hearings he said:

> We believe it impracticable for a central governmental agency to determine the needs and conditions on every division of railroad in the country without doing an injustice to one side or the other.

He made it plain that this statement applied especially to the proposed national adjustment boards to be established under the provisions of the Howell-Barkley bill.

PRESIDENT COOLIDGE'S POSITION

In this same speech Mr. BARKLEY quoted from the address of President Coolidge in his message, which he delivered to a joint session of Congress December 6 last, in which the President said:

> The settlement of railroad labor disputes is a matter of grave concern. The Labor Board is not altogether satisfactory to the public, the employees, or the companies. If a substantial agreement can be reached among the groups interested there should be no hesitation in enacting such agreement into law.

You will note that the President stated that an agreement should be reached before we attempted to change the present law. But what do we have before us in the Barkley bill? Is it a plan that has been worked out and agreed upon by representatives of the public, the railroad employees, and the operators? Not at all. On the contrary, we find one group composed of railway labor organizations fighting with all the power at their command for the passage of the bill, and another group composed of the railway operators vigorously protesting against it. The representatives of the labor organizations say that if we make the Barkley bill law it will provide the means for the friendly settlement of railroad labor disputes.

But there can be no friendly settlement of a dispute unless the parties to the dispute agree amicably to settle.

The representatives of the railroad operators have appeared before the Senate committee during hearings on the Howell-Barkley bill, and protested against this measure on the ground that it would not settle anything.

MR. DANIEL WILLARD'S VIEWS

Among the railway operators who opposed the bill before the Senate committee was Mr. Daniel Willard, president of the Baltimore & Ohio Railroad. Mr. Willard is one of the most respected and best loved railway operators in the country. Railroad employees respect and honor him for his fairness and interest in their welfare. On page 57 of the printed hearings of the Senate committee Mr. Willard, in speaking in opposition to the Howell-Barkley bill, said:

> If, however, Congress should determine to change the present act, I am convinced that the plan proposed in the bill—

The Howell-Barkley bill—

> under consideration by this committee would not only not work better than the existing provisions but would fall short of obtaining the results which the public at least has a right to expect from legislation of this character. The provisions in the Howell bill for four national boards of adjustment * * * as proposed, in my opinion, would offer a cumbersome and inflexible agency far less likely to get satisfactory results either for the companies or the workers than could be expected from the adjustment boards already provided for.

So, Mr. Chairman, the position that Congress finds itself in to-day, so far as the Barkley bill is concerned, is between the devil and the deep blue sea. We are asked to pass a bill carrying an appropriation of $500,000, which is strongly supported on the one side by certain railroad labor officials and bitterly opposed by the railway operators and managers on the other hand, while the general public stands on the side lines watching the battle powerless to take any part in the game.

RIGHTS OF PUBLIC FIRST

It is high time that Congress considered the rights of the public in matters of such great importance. [Applause.] The transportation systems of our country are the arteries through which flow the lifeblood of our Nation. Whatever legislation is enacted on this great subject, it should first of all take into consideration the welfare of all of the 110,000,000 people in the United States. [Applause.]

Mr. SCHAFER. Will the gentleman yield?

Mr. COOPER of Ohio. I can not yield. The chief criticism of the Barkley bill concerns the proposed national boards of adjustment. Section 3 of the bill provides for the establishment of four such boards, consisting of 40 members, who will receive from the Federal Government salaries of $7,000 apiece annually.

OBJECTIONS TO NATIONAL ADJUSTMENT BOARDS

The supporters of the bill point to the work of the national adjustment boards during Federal control of the railroads as an argument why the proposed boards would work satisfactorily. During Government control there existed three national boards of adjustment, and I want to say that these boards did splendid work and settled many disputes.

But an altogether different condition existed at that time. The railroads were nationalized into one big system. They were under the control of one man, William G. McAdoo, the director general. The salaries of the members of the adjustment boards were paid by the railway operators and the labor organizations. It was easy to do things on a national scale during the war. It made no difference to the operators what it cost to run the railroads, because the Government was guaranteeing the roads a fixed return provided for by an act of Congress.

The setting up of four national boards of adjustment as provided for in the Barkley bill would nationalize certain functions in the operation of the railroads of the country, which are now under separate private control and management. The provisions in the bill for the national boards of adjustment will create two powerful national organizations, the carriers on the one hand and the employees on the other. Such a policy is bound to establish more firmly national organizations of employees and in a like manner will consolidate the railway executives. National organizations mean national agreements.

Now, I would have no objection to such a principle if the railroads were under Government control and operation. But so long as the railroads are under private operation and management, I believe Congress should consider the question carefully before passing any law creating national boards of adjustment as is provided for in the Barkley bill. [Applause.]

THE SHOPMEN'S STRIKE

At the time of the shopmen's strike, two years ago, there were two powerful organizations in the fight, the national organization of the shop employees and a like organization composed of railway executives. During the shop strike both the organizations of employees and the railway executives took the position that there would be no settlement of the strike unless all the railroads settled on the same basis.

There were many railroad systems and their employees that were ready to get together and settle the strike as far as it concerned those particular systems of railroads. But both sides were determined to stand as a unit, and the result was that there was great suffering and the loss of hundreds of millions of dollars before the strike ended; and when settlement was made it was with individual railroads and their employees. The president of one of the largest and best railroad systems in our country, in conversation with me during the shop strike, stated that he was ready to make a settlement with the shopmen on his lines, and that the employees were ready to make a settlement with him, but both parties could not do so by reason of the national agreement made by the railway executive and the shop employees. Of course, I think it only fair to say that in the first instance the shop strike was brought about by the decision of the Railroad Labor Board in reducing the wages of the shopmen all over the country. The reduction in wages by the board was national in its scope, affecting all the railway shopmen in the country. The decision of the Railroad Labor Board in reducing the wages of the shopmen on all the railroads in the country again shows the danger of national boards undertaking to interfere with

or settle disputes which might arise between carriers and the railway employees. [Applause.]

It will be said that there is nothing in the Barkley bill that compels the carriers and their employees to submit disputes to the national boards of adjustment. There is nothing in the present law that compels them to submit disputes to the Railroad Labor Board, and yet there are hundreds of cases of disputes pending for settlement before that tribunal to-day. The very existence of the national boards of adjustment will be a standing invitation for the railway employees and operators to submit every kind of grievance to the boards for settlement, just as they were to the Railroad Labor Board when it was first created.

BARKLEY BILL EXPENSIVE

The Barkley bill abolishes the present Railroad Labor Board of nine members, with a total salary expense to the Federal Government of $95,000 per year, and sets up five boards at a total salary expense for its members of $360,000 per annum.

The gentleman from Kentucky [Mr. BARKLEY] has referred to the adjustment boards provided for in the Esch bill as it was reported from the committee in 1920. Now, the gentleman from Kentucky [Mr. BARKLEY] knows that coupled with the national boards in the Esch bill was a provision for compulsory arbitration. The railroad labor organizations fought the labor provisions of the Esch bill and were bitterly opposed to the same. It is true the Anderson amendment, which was adopted by the House, provided for boards of adjustment. I supported the Anderson amendment for the reason that I had to take my choice between that, compulsory arbitration or the Webster antistrike amendment.

The record will show that when the Esch bill was reported out of our committee I reserved the right to oppose the labor provisions of the bill on the floor of the House. The boards of adjustment established by the Anderson amendment were much different from the boards proposed in the Barkley bill. For instance, in the Anderson amendment the salaries of the members of the boards would have been paid by the railroad companies and the employees whom they would represent, and under the Barkley bill the Federal Government would pay the board members. The adjustment boards which I would establish in my substitute bill are much more like the boards proposed in the Anderson amendment than are the boards proposed in the Howell-Barkley bill.

ADJUSTMENT BOARDS NOW IN EFFECT

Title 3 of the transportation act provides for the creation of adjustment boards. Section 302 of title 3 reads:

> Railroad boards of labor adjustment may be established by agreement between any carrier or group of carriers, or the carriers as a whole, and any employees or subordinate of carriers or organization or groups of organizations thereof.

A great deal has been said by the proponents of the Barkley bill about the railroads refusing to agree with the employees to establish adjustment boards as provided for in title 3 of the transportation act. And they have used that as an argument why they want the national boards of adjustment as provided for in the bill which we are now considering.

I say that many railroad boards of adjustment have been established under the present law by agreement between carriers and employees, notwithstanding what has been said to the contrary. Boards of adjustment have been established and are now functioning successfully in the eastern, southeastern, and western sections of our country.

I have had prepared an analysis of the work of the adjustment boards now in operation throughout the country and actually handling disputes arising between railroad employers and employees. This analysis indicates conclusively that agreements have been reached satisfactorily, without any national adjustment boards, on 90 per cent of the class 1 roads, representing approximately 219,000 miles of railroads.

HUNDREDS OF SETTLEMENTS MADE

From January 1, 1923, to May 1, 1924, no less than 539 settlements were made on the important railroads of the country between the representatives of the managers and the men without resort to the Railroad Labor Board. This does not include settlements reached with representatives of the small or miscellaneous groups of employees, such as stationary firemen and oilers and marine-department employees. Agreements to continue existing rates of pay for a definite period were considered as wage settlement, and therefore such agreements are included in this statement.

The agreements include those made with engineers, firemen and hostlers, conductors, trainmen and switchmen, telegraph employees, show employees, clerical and station employees, maintenance-of-way employees, and signalmen. During the period there were 217 settlements in the eastern territory, 201 on the railroads in the western territory, and 121 in the southeastern territory. Last April an agreement was reached between the railroads in the western territory and the conductors and trainmen providing for regional agreements involving more than 90 roads. At the present time a concerted movement involving a majority of the roads in the western territory is under way with the locomotive engineers and firemen.

During the latter part of 1922 agreements were reached with train and engine service employees to continue the then existing rates for definite periods, usually one year, on practically every large class 1 road. These settlements are not included in the figures given above, because they were made prior to January 1, 1923.

NATIONAL BOARDS NOT NEEDED

Surely these figures show that it is not necessary for Congress to establish national boards of adjustment to insure peaceful settlement of railroad labor disputes. Peaceful relations exist now between the railroads and their employees without national boards and by both sides ignoring the existence of the Railroad Labor Board.

A further analysis of the existing method of settling railroad labor disputes by local and regional boards of adjustment set up voluntarily by the railroads and their employees show that from January 1, 1923, to May 1, 1924, a grand total of 1,400 decisions were rendered by train-service boards of adjustment for the eastern, western, and southeastern sections and by similar boards on the Pennsylvania and Philadelphia & Reading Railroads. These decisions invoked matters of pay, discipline, seniority, and other miscellaneous questions which arose. Of this total number 606 were settled in favor of the railroads, 427 in favor of the employees, 139 were remanded, 50 were compromised, 80 withdrawn, and there were only 8 deadlocks, all in the southeastern section.

Why, in view of the conditions at present existing, should Congress establish more Government boards, paid by the taxpayers, to complicate matters?

Such railroads as the Baltimore & Ohio, the Boston & Albany, the Boston & Maine, the Cleveland, Cincinnati, Chicago & St. Louis, the Cincinnati Northern, the Lake Erie & Western, the Michigan Central, New York Central, Pittsburgh & Lake Erie, Toledo & Ohio Central, Zanesville & Western, Pennsylvania, Philadelphia & Reading in the east, and the important western and southeastern roads all have existing boards of adjustment or similar machinery established by mutual agreement between the managements and employees, the decisions of which are final and binding on both parties.

Let me cite to the House some other authorities which show that adjustment boards have been set up and are now functioning successfully at this time.

ROBERTSON SAYS PRESENT PLAN WORKS WELL

On pages 15 and 16 of the printed hearings before the Senate committee on the Howell-Barkley bill you will find the statement of Mr. David Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen, who said:

> It requires boards of adjustment to decide disputes not settled in conference. All the railroads during the war and most of the great systems to-day utilize such boards or similar machinery.

Further on he says:

> At the present time equipartisan adjustment boards are functioning successfully in the eastern, western, and southeastern regions.

On page 18 of the printed hearings appears the statement of Mr. Donald Richberg, counsel for the organized railway employees. In speaking of the adjustment boards, he said:

> Such boards have been established by individual roads and by groups of carriers.

It should be remembered that Mr. Robertson and Mr. Richberg are the chief supporters and sponsors of the Howell-Barkley bill who appeared before the Senate committee. They agree that local boards of adjustment are working successfully to-day throughout the country.

SHOULD CONGRESS INTERFERE?

So, Mr. Chairman, on 90 per cent of the class I railroads to-day the managers and employees are making contracts on wage agreements and settling their differences without Government interference. They have established adjustment boards to decide disputes. Is it a wise thing for Congress to interfere with the friendly and successful relation that are existing between the railroad operators and employees to-day? I want you to consider this important matter carefully before you take any action on this question. Will it be good statesmanship

on the part of Congress to pass a law at this time establishing four national boards of adjustment at a great cost to the taxpayers, which I believe would interfere with the boards which are now functioning, at least to some degree of success?

Now, Mr. Chairman, in closing I desire to say that in a way I regret that I am compelled to take the position I have taken to-day. No one knows better than I that the Barkley bill has the indorsement and support of many of the labor organizations in our country.

I had hoped that some way could be found whereby the Barkley bill could be changed so that it would receive the support of many Members of Congress who desire to abolish the Railroad Labor Board. The supporters of the bill whom I conferred with insisted they would not agree to any change, especially in regard to the national boards of adjustment.

I reluctantly informed them that I could not support the bill with this provision in it.

I regret exceedingly that I can not support the representatives of the railroad employees in this matter. They have been my friends for many years. I have tried to be their friend.

The gentleman from Alabama [Mr. HUDDLESTON] stated on the floor a few days ago that your vote on this bill would be the test as to whether or not you were for or against labor.

Mr. Chairman, as far as I am concerned I am ready to meet the test. I meet it with malice toward none and with a clear conscience and deep conviction that I have done my duty as I see it. [Applause.]

Mr. BARKLEY. Mr. Chairman, how much time have I remaining? [Applause.]

The CHAIRMAN. The gentleman has 10 minutes remaining.

Mr. BARKLEY. Mr. Chairman and gentlemen of the committee, I would not undertake in 10 minutes to discuss in any degree of detail the provisions of the bill nor the remarks which have been made by those who have opposed it. I have the highest personal regard for the gentleman from Ohio [Mr. COOPER], with whom I have served on the Committee on Interstate and Foreign Commerce ever since he has been a Member, and, I think, ever since I have been a Member of the House, and I am unable to understand the vicious opposition which he seems to harbor against this measure, peculiarly because he objects to the national adjustment boards to which he refers. As I said a few days ago when the Esch bill was reported originally from the committee of which we are both members, it provided for these very national boards, and the gentleman from Ohio voted to report that bill out to the House. During the consideration of that bill on the floor of the House the gentleman from Minnesota [Mr. ANDERSON] offered an amendment to Title III of the bill which provided for three national boards of the same character and type as provided in this bill, and even though he had voted for the original provision of the bill as reported by the committee, the gentleman from Ohio voted for the Anderson amendment, which provided for national boards as created in this bill. Of course, the gentleman from Ohio has the right to change his mind upon the question of national boards, but it does offer some curiosity to me, at least, why, after having voted twice on this before the present Esch-Cummins law was passed for the creation of national boards of adjustment, now he finds it so impossible to support the very same thing which he twice voted on in former Congresses. The gentleman referred to Daniel E. Willard, for whom I have the greatest respect and who has been before our committee a number of times. When the present transportation act was passed it became a question of whether the voluntary provisions of the law should be carried into effect by the creation of these voluntary adjustment boards, and the question arose as to whether they should be regional adjustment boards or national adjustment boards, and the association of railway executives, composed of 101, I believe, of the railway presidents, appointed a labor committee of nine, of which Daniel E. Willard was a member. He helped to write and sign the report of that committee of nine in favor of the creation of national adjustment boards like those in the bill which has been under consideration, and the only man who voted against it was Mr. Atterbury, of the Pennsylvania Railroad, and his purpose was deliberately to break down every railroad organization in the United States, and there was no secret about it at the time.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. BARKLEY. I can not, I have only a few minutes. Now, the gentleman from Illinois [Mr. MADDEN] and the gentleman from Ohio [Mr. COOPER] and other alleged friends of labor say that they are in favor of abolishing the present Railroad Labor Board. In other words, they are in favor of abolishing the machinery that is now already in existence, but they are unwilling to set up any other machinery that may be resorted to in order to settle disputes that may arise on the railroads of the country. Criticism has been offered by certain gentlemen against the so-called standard railroad organizations because of their activity in behalf of this proposition. Neither the standard organizations nor the independent organizations, if there were any at the time, nor unorganized employees nor anybody else representing any employees asked for the Railroad Labor Board. Everybody knows, and especially those on the conference committee know, the present provision for a railroad labor board as incorporated in the transportation act was never considered by any committee. It was not even deliberately considered by the committee on conference. It came there one day out of a clear sky because the railroads were to be turned back in a few days to private ownership, and it was accepted by many as the best thing that could be obtained.

Mr. BECK. Will the gentleman yield?

Mr. BARKLEY. I can not yield.

Mr. BECK. I wondered if the public was represented?

Mr. BARKLEY. The public was not represented in the conference committee, except in so far as the conference committee itself represented the public. Now, the gentleman from Illinois [Mr. MADDEN] said that he was in favor of the abolishment of the Railroad Labor Board, but he does not want anything put in its place. Are you going to leave the railroad men without recourse to any tribunal when they find they can not adjust their disputes by private conference? There is nothing that prevents the adjustment of disputes by private conference. Every railroad, big and little, long and short, has the right and power to confer together with their employees, to use every possible means to settle their own disputes, and in doing that they can establish their own system of local adjustment boards if they desire to do so. They can enter into any kind of a contract and set up any kind of machinery that they and their employees desire to set up to settle disputes without reference to the machinery of this bill. Suppose they can not do that. Suppose, having exhausted all other resources, now that they have created a system, have conferred across the table, and they are still unable to settle their disputes. Are you going to say that there shall be no tribunal, no machinery, no force that can be brought to bear bringing those two contending parties together?

It is unthinkable that any man who is really pretending to be a friend of the public and does not want strikes to come would say that he is in favor of abolishing the machinery that now exists, but is unwilling to create anything in its place.

Objection has been made to the provision that these boards are to be paid by the public. In the report by Mr. Willard, and other members of the committee of nine, his reason was that the creation of national boards would get the disputants away from the local atmosphere and away from the local prejudice, and make it easier to enter into settlements. So far as I am concerned, I am not very much concerned whether these adjustment boards are paid by the Government or by private interests. But I would like to know how you can create a public officer and provide that he shall be paid by private interests. If you are to have national boards, as I believe you ought to have, they should be Government employees, and paid out of the Treasury, and not depend upon any private interests for the stipend they will draw, which would make them simply partisans of the two sides and prevent that impartiality which is necessary in enabling both sides to reach agreements.

The gentleman has referred to the independent and unorganized railroad employees. If there were any way by which the unorganized employees of the railroads could get together in the way of submitting names to the President of the United States, it might be considered. But their unorganized condition precludes the possibility of their submitting names, because otherwise every community, every voting district, might submit names for the President's appointment, and when submitted they would not be representatives of the employees as a whole, but representatives of community or local interests, and they can not divest themselves of that community interest or local interest.

I intend to offer an amendment at the proper place in connection with the creation of board No. 4, which it is proposed to divide, so as not only to allow national organizations provided for in the bill—and that does not mean merely the standard national organizations that now exist; they may go out of business next year; they may all cease to exist at any time—but any organization that covers sufficient territory to make it fairly representative, so that they may have the right to submit names to the President, in order that the interests of those organizations, through these appointees on the adjustment boards that do not deal with wages or conditions of

labor, but grievances, may be preserved. During the years of the Government Railroad Administration over 6,000 of these disputes were settled by these adjustment boards, and only 12 of them ever reached the Director General. I will offer an amendment to allow any representative organization to submit names to the President for appointment on board No. 4, so that they will not be able to claim that they have no representation. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.,

PRELIMINARY

SECTION 1.

(A) DEFINITIONS

When used in this act—(1) The term "carrier" includes any express company, sleeping-car company, private car company, and any carrier by railroad subject to the interstate commerce act, including interurban and suburban electric railways operating as independent units or as a part of the general railroad system of transportation, including all bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers, and including all floating equipment, such as boats, barges, tugs, bridges, ferries, and other transportation facilities owned and operated by electric, gas, or steam operated railways, and any receiver or any other individual or body, judicial or otherwise, when in the possession of the business of employers or carriers covered by this act.

Mr. NEWTON of Minnesota. Mr. Chairman, will it be in order to offer an amendment to this particular subdivision, or must the whole section be read before an amendment is in order?

The CHAIRMAN. The entire section must be read for amendment unless it is determined otherwise by the committee.

Mr. BLANTON. I ask unanimous consent, Mr. Chairman, that the bill may be read by paragraphs.

Mr. NEWTON of Minnesota. I ask unanimous consent that, in view of the length of the bill and the novel features of it, which are entirely new and have not had the consideration of the committee, the bill be subject to amendment paragraph by paragraph. I make that request.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the bill be subject to amendment paragraph by paragraph. Is there objection?

Mr. NELSON of Wisconsin. I object.

The CHAIRMAN. The Clerk will proceed with the reading of the bill for amendment.

The Clerk read as follows:

(2) The term "adjustment board" means one of the boards of adjustment created by this act;

(3) The term "board of mediation and conciliation" means the board of mediation and conciliation created by this act;

(4) The term "commerce" means commerce among the several States or between any State, Territory, or the District of Columbia and any foreign nation, or between any Territory or the District of Columbia and any State, or between any Territory and any other Territory, or between any Territory and the District of Columbia, or within any Territory or the District of Columbia, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign nation;

(5) The term "officer" means all persons engaged in the service of carriers included in the "executive officer group," "general officer group," "division officer group," and "official staff assistant group," as these groups are established in the order of the Interstate Commerce Commission dated April 18, anno Domini 1921, effective July 1, anno Domini 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation";

(6) The terms "employees" and "employees and (or) subordinate officials" mean all persons engaged in the service of carriers not included in the "executive officer group," "general officer group," "division officer group," and "official staff assistant group" as those are established in the order of the Interstate Commerce Commission dated April 18, anno Domini 1921, effective July 1, anno Domini 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation," including all persons in the employ of bureaus, associations, committees, and institutions of whatsoever kind or character maintained or supported by or existing in furtherance of the interest of carriers;

(7) For the purposes of this act the occupational classification established by the Interstate Commerce Commission in its order dated April 18, anno Domini 1921, effective July 1, anno Domini 1921, and entitled "Rules governing the classification of steam railway employees and reports of their service and compensation," is hereby amended to include, and adopted as the legal classification of, all persons engaged in any capacity in the service of carriers, including all those persons included within the terms "employees" and "subordinate officials": *Provided*, That the occupational classification of any position shall not be changed from that established by the aforesaid occupational classification until such change of classification shall have been first approved by the Interstate Commerce Commission, after due notice and hearing to the carriers, the employees and subordinate officials of carriers, and organizations thereof directly to be affected by such change of classification: *And provided further*, That such occupational classification shall not be construed to define the crafts according to which railway employees are organized by their voluntary action nor shall the jurisdiction of such national craft organizations be regarded as in any way limited or defined by the provision of this act.

(8) This act may be cited as the railway labor act.

(B) CONSTRUCTION

(1) If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgments shall have been rendered.

(2) The definitions of terms made in this act shall not be construed as limitations on the nature of the meaning of the terms herein defined.

(C) REPEAL

All acts and parts of acts in conflict with the provisions of this act are hereby repealed; and particularly Title III of the transportation act, 1920, which is sections 300 to 316, inclusive, of the act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and the acts approved July 15, 1913, providing for mediation, conciliation, and arbitration.

Mr. SANDERS of Indiana rose.

Mr. BLANTON. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman from Indiana is recognized.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Indiana yield for that purpose?

Mr. SANDERS of Indiana. No; I refuse to yield for that purpose.

I move, Mr. Chairman, to strike out the enacting clause.

The CHAIRMAN. The gentleman from Indiana moves to strike out the enacting clause. The gentleman from Indiana is recognized.

Mr. SANDERS of Indiana. Mr. Chairman, after listening to the able argument of the gentleman from Ohio [Mr. COOPER], I can not help but believe that the membership of this House who have followed the question of the national boards of adjustment are convinced that the Barkley bill will not solve the railroad troubles, and that the national boards of adjustment set up by the Barkley bill would bring the country back to a strike-inviting situation.

It is true that there were national boards of adjustment during the war, but they were not governmental tribunals, as provided here. It is true that there have been adjustment boards before which have been by agreement of the parties. But that does not mean these national boards of adjustment which are proposed to be created by this measure, which would set the country back, so far as the settlement of railroad disputes is concerned, to the point where we used to have strikes every year.

Mr. Chairman, if we could give the proper study to the Cooper bill this committee might be willing to substitute it for the pending bill. But I think the thing to do is to strike out the enacting clause of this specious measure and then give consideration to the Cooper measure as a separate and independent act. And therefore, Mr. Chairman, I think this is the time to kill this bill and settle the whole thing. [Applause.]

Mr. NELSON of Wisconsin rose.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin in opposition to the amendment.

Mr. NELSON of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. NELSON of Wisconsin. Mr. Chairman, I hope this motion will not prevail.

There are four features of the Esch-Cummins Act that are very unsatisfactory. These are: Section 15a, regulating freight rates; the taking away so largely of intrastate power from State railway commissions; the book-value basis of valuation; and Title III, setting up a Labor Board.

The Barkley bill deals with Title III. This part of the Esch-Cummins Act has failed to insure or even promote industrial peace. It was the result of hasty compromise. It has satisfied neither the employers, the employees, nor the public.

Under the Erdman Act, the Newlands Act, and Federal control there were 30 years practically without interruption of transportation service. Under Title III we have seen four years of discord, strife, and the only national strike in our history.

This fruitage was inevitable. The present law is faulty in principle and weak in administration. It is in the nature of things that all compromises on principle work out badly. The present law attempts to reconcile the irreconcilable—compulsion and persuasion.

The administration is weak because a tribunal is set up without power either to end disputes or to enforce decisions. It pretends to set up mediators who are soon compelled to decide disputes, and so quickly lose their standing as mediators and the confidence of contending parties, without which mediation is impossible.

The Esch-Cummins law gives the Labor Board no power to impose its decisions upon the parties. Such power would not be conducive of peace. Therefore force in any form should be eliminated entirely from the law. Everything should be done to bring about agreement by persuasion.

The result of four years' experience with Title III is therefore that the Labor Board has been roundly condemned by carriers, employees, shippers, and Government. President Harding suggested its abolishment to Congress.

The purpose of the Barkley bill is industrial peace. This purpose is stated clearly in the beginning, where it is made the general duty of railways and employees—

to exert every reasonable effort to make and maintain agreements concerning rates of pay, rules, and working conditions and to settle all disputes arising out of the application of said agreements.

Clearly the object is right, and because it is right, making for industrial peace, progressives support it irrespective of party.

Moreover, it is sound in principle. This fact runs through it from first to last, that railway employees ask for no one thing that is not fully accorded also to the railway employers. Equity is the test of justice and a guaranty of fairness.

The working machinery set up is as simple as it is scientific. In every detail this machinery reflects the simplicity of wisdom and the wisdom of simplicity. Between the original grievance or cause for complaint on the part of either party and the final adjustment of the grievance and removal of the cause of complaint there are four stages, each based on the principle of equity, justice, and fairness, where the parties are brought together face to face.

The first stage is conference. The law enjoins and affords every practical means to encourage and bring about conferences between the employer and employee. It makes it a legal duty for them to confer in the first instance with the view of a peaceful settlement of any controversy.

The next stage is adjustment before an adjustment board. Here grievances arising out of the interpretation of agreements only or out of disciplinary punishments will be considered by the chosen representatives of both parties. These grievances will be discussed pro and con across the table, in the light of past interpretations of practices. I can conceive of no wiser or simpler method that can be devised.

Then comes the stage of mediation and conciliation. Five mediators, who are also conciliators, selected without favoritism and without prejudice toward either party from the public, are in duty bound under the law to do everything possible to persuade railways and workers to come to an agreement. I know of no more simple, no more wise method that can be brought to bear by law to accomplish the purpose of industrial peace.

And, finally, we come to the last stage—a reference of a contested question of wages, working conditions, or interpretation of agreements to arbitration. Each party is to choose a representative arbitrator, they to choose a third, and if they can not agree on anyone, the Board of Mediation and Conciliation is to name the third impartial arbitrator from the public. And before arbitration, the parties are to specify the subject matter, the methods, and to agree to be bound by the award. Again, I say, I can think of no more simple nor wise method of eliminating causes for strife, discord, bitterness, and war, for strikes are nothing but warfare machinery carefully designed to secure the inestimable benefits of industrial peace to capital, to labor, and to the public.

Our confidence that the Barkley bill when enacted will prove more effective for purposes of industrial peace than the present Title III of the Esch-Cummins Act is grounded fundamentally on the basis of common sense.

LASTING PEACE CAN NOT BE COMPELLED

It must be brought about peacefully by bringing the contending parties face to face. Such machinery was a part of the Esch-Cummins Act, but was so badly constructed that it failed to operate. The railways refused to set up adjustment boards. This bill corrects that weakness. Adjustment boards are set up by it, around which common table day after day these contending parties—railway employer and the railway employee—will discuss grievances, interpretations, and penalties. There is no better way that can be suggested than bringing parties face to face to discuss with each other the causes of dispute. Moral suasion is the sister of common sense.

We have confidence in this machinery, because it aims to bring knowledge, light, to the contending parties sitting around the adjustment table. Both sides will select experts having detailed experience with the subject matter in all its technical details, men chosen who are level-headed, trained, and experienced railway men. Such persons will quickly be able in the light of the knowledge they have of the practical conditions of railroading to determine readily the merits or demerits of any grievance or penalty.

Our confidence is further based on the knowledge of the compelling power of self-interest. The carrier is interested in avoiding conflict, litigation, strife. So are the organizations of labor, both standng to lose thousands or hundreds of thousands, millions or hundreds of millions. Self-interest, when the parties are face to face with each other, will impel them to adjust grievances rather than let them run on and result in strife and strikes with the loss of both wages and dividends.

We have confidence in the machinery of this bill, because it eliminates the main source of trouble, the intermeddling third party. It is humanly impossible for the third party to eliminate preference either for the railway corporations or for the railway employees. This is remarkably noticeable in the case of the present Labor Board. These so-called public representatives were not impartial and soon indicated their leaning toward the railway side of questions in dispute. And even if they tried to be fair, it is inevitable that they will be suspected, and therefore confidence will be lost. Of course, whether they are suspected or they are in fact biased, they lose the confidence of at least one of the contending parties and their usefulness for purposes of mediation and conciliation is at an end.

This is perfectly apparent in the present Labor Board, where, as a result of this introduction of the third party, the board has worked at cross purposes. Neither the railway employer nor the employee has any confidence in it. Both sides ignored or defied it, and this is especially true of the carriers.

The same disturbing influence would result if third parties were put upon the adjustment boards. Besides the natural tendency to lean to one side or the other, and the consequent effect of suspicion or lack of confidence on the part of one or the other of the parties at interest, the public representatives have not the knowledge of the technicalities of railway operation; and the self-interest of the public representative is usually merely political.

In the light of these fundamental facts, so clearly evidenced if one will but read the bill without prejudice, let us consider the stock objections.

These really come from one source, the railroad lawyers, but make their appearance publicly in various forms in the hearings, where first the railway lawyers give them utterance.

Next they are urged upon us by the so-called short lines, who are really under coercion of the larger systems.

Then we have the dummy railroad unions who present them.

And finally, the public special-interest agencies—the chambers of commerce, the biased press, the influenced business men, or the railroad representatives in Congress.

Consider first the objections made by these public agencies of the railroads.

CLASS 1. CHAMBERS OF COMMERCE, SHIPPERS, ETC.

OBJECTION A. PUBLIC LEFT OUT

Answer. The Barkley bill gives the public entire membership of Board of Mediation and Conciliation. Also third member in every dispute referred to arbitration. The President, representing the public, selects members of the adjustment boards

out of recommendations made. The power of the Interstate Commerce Commission to protect the public against increased freight rates remains unaffected.

Finally, the whole scheme is so arranged as to bring the full force of public opinion and public sentiment to bear on disputes between contending parties. Under present law the public representation of the Labor Board is only one-third of the membership. It is therefore not sufficient to be effective, but just enough to be a disturbing factor and therefore harmful.

OBJECTION B. EXPENSE ITEM. A FAVORITE MISREPRESENTATION IS THAT IT WILL BE A MILLION DOLLARS A YEAR

Answer. The truth is that the bill itself limits the expense to $500,000. All the proposed law contemplates is $80,000 for the Board of Mediation, $30,000 for arbitration, $366,000 for boards of adjustment, or a total of $476,000.

Contrast this with the present law. The Labor Board alone costs $380,000. The machinery of adjustment boards contemplated by that law were not set up. Had they been, this would have added $366,000, a total of $746,000.

In other words, had the machinery of the present law been fully set up, it would have cost at least $300,000 more than the machinery of the proposed law.

But even without that machinery, the cost is $380,000; or, in other words, the proposed law would cost less than $100,000 more.

Now, what a pitiful argument. In one strike the railroad employers and the railroad employees each lost over one hundred millions, and the damage suffered by the public was incalculable.

Money spent on the present Labor Board is a waste of funds. If we are not to have an efficient board, let us do away with the Labor Board entirely and save at least $380,000.

OBJECTION C. HIGH RAILWAY WAGES WILL BE MAINTAINED OR BOOSTED

Answer. There is absolutely nothing in the Barkley bill to justify this objection. Adjustment boards do not change wages. When wage changes are proposed 30 days' notice must be given and opportunity for conference and conciliation. If this fails, there is no bar to railroads reducing wages. The Board of Mediation and Conciliation has the function of representing the public when change of wage is involved. The Interstate Commerce Commission must pass on any effort to increase rates as a result of any wage change. Therefore the public is amply protected.

SHORT LINES

OBJECTION A. SHORT-LINE EMPLOYEE CAN NOT GET HIS GRIEVANCE HEARD

Answer. There is nothing in the proposed measure to prevent local adjustments whenever they wish. They can not suffer, because craft representative on adjustment board will not make precedent that will prove injurious to any employee. Adjustment boards are to interpret standard agreements generally.

OBJECTION B. EMPLOYEE ON SHORT LINE CAN NOT BE APPOINTED ON ADJUSTMENT BOARD

Answer. There is no prohibition upon appointment of any employee who represents nationally organized craft. If employees will organize nationally, they may make recommendations to the President.

The President is to make the rules and regulations determining nominations. Obviously it would be unfair that some employee representing a group of, say, 500 should be selected and another group of employees representing 75,000 or 100,000 should be ignored.

Common sense must determine this matter. It would be impracticable for the President to select from a large number of small groups, and, moreover, the danger would be that these small groups would be merely dummies for the railroads, which would introduce discord and strife, the very thing that should be avoided.

OBJECTION C. BARKLEY BILL TENDS TO STANDARDIZE WAGES OR AGREEMENTS

Answer. This is impossible, because there is no power to do this under the proposed machinery. Every case will be decided upon its own merit, based on specific contract on any individual road. The Board of Mediation has no power to change agreements. The mediators try to bring the parties together who make the changes, and therefore they can not standardize anything. Nor will the arbitrators standardize anything, because they, too, deal with a specific case on its merits. These decisions are not permanent. They change constantly.

Present Labor Board does change agreements and wages, and the tendency is constantly to standardize wages and working agreements according to needs of the trunk lines and their employees. Therefore precedent made for trunk line will be made to apply to short line. The short lines are therefore protesting, contrary to their best interests, and are acting under pressure of the big roads.

OBJECTION D. SHORT LINES WILL BE COMPELLED TO DEAL WITH NATIONAL ORGANIZATIONS

Answer. This complaint means nothing more than that these short lines refuse to deal with national unions and, furthermore, that they desire to keep their employees in subjection, giving them no redress.

OBJECTION E. COST OF ADJUSTING GRIEVANCES WILL BE INCREASED

Answer. Under the Barkley bill the short lines deal directly with their employees in conference, and only bring in public mediator for their local problems. The mediator will come to the short-line road, and it will be relieved of expense of going to Chicago to Labor Board, as at present.

OBJECTION F. THE BILL INVOLVES UNNECESSARY EXPENSE

Answer. The answer is that they ought not to be objecting to this proposed law which permits them to deal with their own employees without interference. They ought to object then to the Labor Board of the present law when it is required to settle wage disputes. This Labor Board fixes wages which are standard. The Labor Board can not decide one thing in one case and one thing in another, but makes uniform decisions, and they are standard conditions, preventing the very thing that these short-line roads say they would like to have the power to do.

Under the Barkley bill the short lines deal with their employees directly, and only bring in a public mediator for their local problems. They can be more readily relieved of burdens than if they are required to go to the present Labor Board which would be bound by its precedents.

OBJECTION G. SHORT LINES AND THEIR EMPLOYEES ON A HAPPY, PEACEFUL BASIS

Answer. The proposed law makes it a duty for employer and employees to maintain such friendly relations. There is nothing in the proposed measure to prevent the short lines from making agreements with their employees. If they get along without trouble, there is no occasion for going before any of the boards, but if there is real complaint on the part of the employees of the short-line roads, this law gives them redress, and that is in the interest of the public as well as of justice.

DUMMY ORGANIZATIONS

OBJECTION A. BARKLEY BILL WILL BENEFIT AND PROTECT NATIONAL ORGANIZATIONS, BUT WILL BE UNFAIR TO INDEPENDENT ORGANIZATIONS

Answer. If independent organization is really an employees' organization, this bill protects its members just as it protects members of national organizations, because boards of adjustment can not and will not establish precedents injurious to any member of a craft.

OBJECTION B. BARKLEY BILL MEANS COMPLETE EXTERMINATION OF INDEPENDENT ORGANIZATIONS

Answer. There is nothing in the bill compelling independent organizations to identify themselves with national unions.

OBJECTION C. REPRESENTATIVES OF ADJUSTMENT BOARDS HAVE POWER TO EXAMINE ANY PAPERS OR RECORDS

Answer. This objection is proof that these independent organizations of employees are fostered by the carriers and members join under compulsion, their dues being deducted from wages. They merely reflect the views of their masters, the railroads.

OBJECTION D. THESE BOARDS WILL ENTAIL HEAVY EXPENSE

Answer. There is no expense to members of these independent organizations. This is really an objection made by the railroads themselves through these organizations. Even though slightly more expensive than present Labor Board, the results attained by having the proper machinery will justify the small additional expense.

OBJECTION E. SMALL ORGANIZATIONS HAD NO PART IN PREPARING BARKLEY BILL

Answer. The bill was drafted by the representatives of 16 standard railway organizations with the aid of the American Federation of Labor. The object of the bill is the welfare of all employees wherever employed.

OBJECTION F. BARKLEY BILL WILL RESULT IN REPUDIATION OF EMPLOYEES WHO REMAINED LOYAL DURING THE STRIKE OF 1922

Answer. There is nothing whatever in the bill to justify this objection.

ADVANCED BY RAILROAD ATTORNEYS

OBJECTION A. CLASSIFICATION OF EMPLOYEES BY THE INTERSTATE COMMERCE COMMISSION BEING MADE OFFICIAL

Answer. This is made necessary because the railroads would change classifications to evade decisions of adjustment boards

just as they have shifted employees under the present labor board. It is necessary to avoid confusion. Official classification does not prevent a man being employed and doing more than one job. He will simply get another classification.

OBJECTION B. THAT 20 DAYS' NOTICE REQUIRED IS TOO SHORT

Answer. This notice only applies to beginning the conference. It is intended to prevent the present practice of the railroads in delaying conference two or three months, sometimes indefinitely, resulting in bad feeling. There is no limitation whatever as to the time the conference may consume.

OBJECTION C. CARRIERS ARE NOT PERMITTED TO PASS ON CHARACTER OF EMPLOYEES APPOINTED TO ADJUSTMENT BOARDS

Answer. Why should they? Each group should select its own representatives without interference or dictation from the contending party. The trouble is that the railroads have in the past tried to control even the representatives of the railroad employees. This, and this only, is prohibited by this bill. The railroad employees have never had the privilege to thus dictate who the railroad representatives should be.

OBJECTION D. THAT THESE PARTISAN BOARDS WILL NEVER COME TO AGREEMENT

Answer. These boards are not intended even to make or change contracts. The adjustment boards merely interpret agreements. Being made up of technical experts, they will soon convince the contending parties to agree by pointing out the correct procedure.

OBJECTION E. WITHOUT COMPULSORY ARBITRATION NOTHING WILL COME OF THIS LAW

Answer. Compulsory arbitration would not be conducive of peace. Industrial peace can only be had through agreement, without resort to force, but upon the foundation of justice and good will.

In conclusion, the progressives are for the Howell-Barkley bill because they know that these words embody the spirit of truth, justice, and patriotism. I quote from a pamphlet submitted to Congress by the railway brotherhoods:

It has been found necessary to establish a public machinery to compel the railroads to treat the public fairly in furnishing service and in making charges. Likewise, it has been found to be necessary to establish a public machinery to compel the railroads to treat their employees fairly in fixing working conditions and rates of pay. This proposed machinery is required for the public interest as urgently as the machinery of rates and service regulation. It is opposed by selfish private interests in the railroads just as they have always opposed every exercise of public authority to protect public interests. It is sponsored by the genuine representatives of "the overwhelming majority of the railroad employees and subordinate officials, stated by those who are in a position to speak with confidence and authority to be more than 90 per cent."

The organized railway employees bring forward a tried and successful program for industrial cooperation with the encouragement and support of governmental authority. It is submitted as the most effective measure ever presented to Congress to eliminate strikes from the American railroads. It will be absolutely effective, if railroad managements cooperate, particularly because the employees will be pledged to the public and to each other to prove that their constructive program to solve labor problems in the transportation industry is in truth a program of peace.

We are for this measure because it is right. It stands for industrial peace. It embodies the principle of justice, fairness, and equity. It has in it the virtue of the simplicity of wisdom and the wisdom of simplicity and will prove to be effective because it is founded on common sense, knowledge of conditions and details, the best self-interests of contending parties, and is justified by experience. Industrial peace can only be had through agreement, whether effected by personal conference, by adjustment, by mediation and conciliation, or by arbitration, without resort to force, but upon the foundation of justice and good will.

The following correspondence will abundantly demonstrate the need of the Burkley bill in setting up adjustment boards to adjust grievances:

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., June 21, 1921.

Mr. J. A. COCHRANE,
Assistant to Vice President, Great Northern Railway,
St. Paul, Minn.

DEAR SIR: Following is statement of grievances now pending in addition to several others upon which individual letters have been written to you recently requesting a conference for the purpose of closing them up one way or the other.

Some of these cases have been under consideration by you for over six months and we have been promised a conference to dispose of them for over three months.

It is such apparently unwarranted delays which cause much dissatisfaction among the employees whom we represent and is bound to reflect in the services rendered. Will therefore thank you to set a date for conference as quickly as possible, and oblige,

Yours very truly,

E. W. ANDERSON, *General Chairman.*

1. Claim in favor of Mr. Owen Cunningham, employed at Clearwater Junction yard, filed with you December 17, 1920. You advised under date of March 23: "I would be glad to discuss this case with you and will fix a date for doing so at my earliest opportunity."

2. Bulletining position of assistant chief clerk in the general superintendent's office at Great Falls, filed with you on January 6, 1921. You advised under date of March 25: "I am agreeable to submitting this to the Labor Board and will arrange to meet you at my earliest opportunity for the purpose of agreeing upon a statement of facts."

3. Claim in favor of Mr. C. J. Ruttkie, employed at Grand Forks, N. Dak., and filed with you on December 16, 1920. You advised under date of April 6: "I will be pleased to discuss this case with you and will set a date at my earliest opportunity."

4. Claim in favor of Mr. J. W. McConville, employed at Minneapolis Junction, filed with you on January 31, 1921. You advised under date of April 16: "I will arrange to meet you at my earliest opportunity for the purpose of discussing this case."

5. Rates of pay of janitors at Minot and Rugby, filed under date of March 8, 1921. Our request was declined in your letter of April 18, and will therefore thank you to set a date for conference to dispose of the case.

6. Rates of pay for train and engine crew callers at Minot and Williston, filed with you on February 3, 1921. Our request declined, and therefore requested a conference for disposing of the case in my letters of April 14 and May 12, 1921.

7. Application of Decision No. 2 for the station helpers at Towner and Granville, filed with you on January 13, 1921. You advised under date of April 20, 1921: "I will set a date to meet you for the purpose of discussing this case at my earliest opportunity."

8. Claim in favor of E. Theo. Olson, employed in the office of the auditor capital expenditures, St. Paul, filed with you under date of March 29, 1921. You advised under date of April 21: "There are quite a number of cases on which you have requested conference and this case can be discussed along with the others."

9. Claim in favor of Mr. J. E. Healey, employed at Great Falls, filed with you under date of February 24, 1921. You advised under date of April 22: "There are a number of other cases which I will arrange to go over with you at my earliest opportunity, and we can discuss this case at that time."

10. Claim in favor of Mr. Adolph Anderson, employed at Superior yard, filed with you under date of December 18, 1920. You advised under date of April 22: "There are a number of other cases which I will arrange to go over with you at my earliest opportunity, and we can discuss this case at that time."

11. Proper rate of pay for train and engine crew callers at the terminals division, filed with you under date of November 15, 1920. To date you have failed to acknowledge receipt or render a decision. Will therefore thank you to set a date for conference to definitely dispose of the case.

12. Claim in favor of baggageman, janitors, etc., employed at the Minneapolis passenger station, filed with you under date of November 11, 1920. We requested date for conference on April 7. To date you have not acknowledged receipt or complied with our request.

13. Claim in favor of extra gang timekeepers employed at the terminals division and other points on the system, filed with you under date of November 15, 1920. Under date of April 7 we requested you to consider the case further, and if you could not see fit to comply with our request that you set a date for conference for the purpose of disposing of it. You advised under date of April 25 as follows: "Effective as of May 1, 1921, the railway will discontinue the application of this rule to extra gang timekeepers and apply the daily rates to these positions." And on June 15 you advised: "Your request to make this retroactive is respectfully declined." As you have complied with only part of our original request, will you kindly set a date for conference as requested in my letter of April 7?

14. Claim in favor of perishable freight inspectors, icing foremen, and heater men throughout the system, filed with you under date of December 27, 1920. Under date of March 17 we furnished you "statement of facts" for signature to submit case to Labor Board and requested date for conference in case you took any exceptions to our "statement." You have failed to return signed "statements" with your letter of April 6, wherein you advise this is a matter of schedule revision. Our request is not a matter of schedule revision but a proposition of complying with agreement reached during negotiations on our present schedule. Will therefore thank you to set a date for conference as previously requested.

15. Claim in favor of Mr. E. A. Douglas, employed in the office of the superintendent motive power, St. Paul, filed with you under date of February 24, 1921. Under date of May 9 we requested a date for conference be set for the purpose of disposing of this case.

16. Claim in favor of train and engine crew callers at Hillyard, filed with you under date of April 16, 1921. Have received no acknowledgement or decision and will thank you to set a date for conference to definitely dispose of the case.

17. Claim in favor of George Haase, employed at Raymond, filed with you under date of March 17, 1921. In my letter of May 9 I requested favorable decision, or date for conference to dispose of it. You advised on June 13 our claim is again declined. Will you kindly set a date for conference as requested?

18. Claim in favor of Mr. Ed. Gehrmann, employed at the Dale Street store, filed with you under date of May 6, 1921. In my letter of May 27 I requested a favorable decision, or a date for conference to dispose of the case. You advised on June 13 our claim is again declined. Will you kindly set a date for conference as requested?

19. Claim in favor of train and engine crew callers employed on Kalispell division, filed with you under date of April 15, 1921. Our request for compensation on the daily basis is declined in your letter of June 13. Will therefore thank you to set a date for conference to dispose of the case.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., August 30, 1921.

Mr. G. R. MARTIN,
Vice President, Executive Department, Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Inclosed herewith is copy of letter written to Mr. J. A. Cochrane, assistant to vice president, under date of June 21, 1921, in connection with grievances pending at that time. Mr. Cochrane replied to this letter on July 6, 1921, advising as follows:

"With reference to yours of June 20 regarding conference in connection with the 19 cases listed:

"My time for several months has been fully taken up in connection with revision of agreements pursuant to decision No. 119, and with wage-rate adjustment matters, but I expect to be able to confer with you within a short time and will advise you definitely as soon as it is possible for me to do so."

Since that time the following additions should be made:

20. Claim of Walter Bruning, at Great Falls, for compensation for time lost from January 2, 1921, account being deprived of the right to exercise his seniority as provided in our schedule. On July 6 Mr. Cochrane advised as follows: "I think it would be well to add this case to the others listed in your letter of that date in connection with which you ask for conference."

21. Claim in favor of storehouse and material yard employee at St. Cloud store for proper increases under decision No. 2, which was effective May 1, 1920. On July 6 Mr. Cochrane advised as follows: "I think it would be well to add this case to the 19 others listed in your letter of the same date, on which you ask for conference."

22. Claim for proper seniority date of J. H. Carpenter, employed in the superintendent's office at Wolf Point, Mont. Mr. Cochrane, on July 27, advised as follows: "I have added this case to the list of those for discussion received with your June 28 letter."

23. Claim for time off account vacation in December, 1920, in favor of C. F. Burns, employed in the superintendent's office at Breckenridge. On August 10 Mr. Cochrane advised as follows: "I have added this case to the list of cases on which we are expecting to confer."

24. Claim in favor of A. W. McCarthy, formerly employed as chief clerk in the general agent's office at Seattle, Wash., for the 13 cents per hour increase as provided under decision 2 instead of the flat $25 per month increase as granted. This case was referred to Mr. Cochrane on March 10, 1921. We traced for replies on April 21, May 9, and June 20, and to date have received no acknowledgment from Mr. Cochrane.

25. Claim in favor of certain freight checkers at Great Falls for proper rate of pay, which was referred to Mr. Cochrane on April 23, 1921, and no acknowledgment to date.

26. Claim in favor of freight checkers at Great Falls and Havre for an additional 1 cent per hour account increased only 12 cents under decision No. 2. This case was referred to Mr. Cochrane on April 23, 1921, and no decision rendered to date.

27. Claim in favor of elevator operators in the general office building at St. Paul account required to work eight hours in a spread of ten instead of eight hours, exclusive of the meal period, as provided in our schedule. On April 15, 1921, we requested Mr. Cochrane to set a date for conference in order that this matter may be discussed, and, if necessary, a joint submission made to the Labor Board for decision. We traced Mr. Cochrane for a reply on May 12, which has not been received to date.

28. Claim in favor of H. L. Braun, employed in office of auditor passenger receipts, for refund of cash fare paid by him from St. Paul, Minn., to La Crosse, Wis., and return account serious illness of his sister. This case was referred to Mr. Cochrane on May 16, 1921, and to date he has failed to render a decision.

29. Claim in favor of W. E. Wentzel, employed in the Minneapolis freight office, for proper rate of pay on the position of rate clerk account rates having been shifted. On March 16, 1921, we requested Mr. Cochrane to either allow the claims on our statement of facts or hold an investigation to fully determine all the facts. We traced Mr. Cochrane for a reply on May 9, which he has failed to render to date.

30. Claim in favor of Miss E. L. Rausch, employed nine and one-half years in office of general superintendent of transportation, for free foreign transportation for her dependent mother. This case was discussed quite thoroughly with Mr. A. L. Berryfield, general superintendent of transportation, and no legitimate reason was given for declining to grant the transportation. The case was referred to Mr. Cochrane, who, on July 14, 1921, advised as follows: "The granting of transportation to employees by the railway is purely complimentary, and not subject to handling as a grievance, for which reason I can not comply with your request." Mr. Cochrane's statements were true prior to the time the employees of our craft were organized and negotiated a schedule; but our schedule fully provides for just such cases, so I called at Mr. Cochrane's office the morning of July 19 for the purpose of adjusting the matter. I was advised that Mr. Cochrane was out of town, and shortly afterwards I passed Mr. Cochrane on the street. It was necessary for Miss Rausch to pay railroad fare for her mother, and we now have request in for refund.

You will undoubtedly recollect our exchange of correspondence during February and March, 1921, with reference to the unwarranted delay in obtaining a decision from Mr. Cochrane on the case of the 69 employees in the Minneapolis passenger station who were being improperly paid under the "intermittent service" rule, your file 4299. Mr. Cochrane rendered a decision on March 18 denying our claim; and, as you will note, this is one of the cases upon which we are still waiting a conference.

We also desire that you refer to our exchange of correspondence during November, 1920, your file 8497, in connection with designating the highest official to whom appeals may be made as provided in our schedule, and particularly to my letter of November 19, 1920, reading in part as follows: "In my opinion it would be presumptuous on my part to designate who we do or do not desire designated as the company's representative. We will endeavor to transact our business with whoever may be designated, but of course we do desire that whoever is designated give these matters the prompt consideration they merit."

We dislike very much to trouble you with such matters and do so only as a last resort, as it is absolutely impossible for us to continue on the present basis. Not only have final settlements on these cases been delayed beyond any reasonable period, but it apparently has been done deliberately. The employees whom we represent can not understand such an attitude otherwise than of being very antagonistic, and you can appreciate what the natural result of such an attitude will be.

We feel that Mr. Cochrane's attitude does not represent that of the management of the Great Northern Railway Co., neither do we believe the management expects those delegated to represent them to misrepresent the facts, and we therefore request that Mr. Cochrane be instructed to immediately arrange a conference to dispose of all unsettled grievances or that some one else be designated to represent the railway company who will do so—preferably the latter. Will you please advise what we may expect, and oblige,

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., August 27, 1921.

Mr. E. W. ANDERSON,
General Chairman—Clerks, St. Paul, Minn.

DEAR SIR: Answering yours of the 20th instant in regard to grievance claims which have been presented to Mr. Cochrane for consideration.

The past few months have been very busy ones for those who have had to do with labor matters. Mr. Cochrane thinks now that he can give attention to the clerks' claims about October 1. Will this not be satisfactory to you?

Yours truly,

G. R. MARTIN,
Vice President.

to you recently requesting a conference for the purpose of closing them up one way or the other.

on our present schedule. Will therefore thank you to set a date for conference as previously requested.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., September 3, 1921.

Mr. G. R. MARTIN,
Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Replying to yours of August 27 with reference to grievances presented to Mr. J. A. Cochrane for consideration:

While it undoubtedly is true that those who have had to do with labor matters have been very busy the past few months, I am sure you will agree that no other business of the railway company would be delayed or neglected as badly as this particular part has been without some very definite action taken with those responsible for such delays or neglect and a remedy applied.

It is not our intention to say how these matters should be handled or who is to handle them, but there is absolutely no question in my mind that a conference on these cases has been delayed beyond any reasonable period, and it would seem if Mr. Cochrane really has not had sufficient time to properly handle these cases, some other arrangements would have been made so they would have been handled within a reasonable period.

You can undoubtedly appreciate that the date (about October 1) designated for a conference is rather indefinite, and especially so in view of receiving the same kind of information from Mr. Cochrane since about January, 1921, and we would therefore prefer a definite date be set, and it also appears a conference could be held before the proposed date of October 1, as that is approximately a whole month from now, and I certainly can not conceive of any legitimate reason for such a long delay in disposing of these cases, and especially so in view of many of them being considered by Mr. Cochrane for from six to ten months already.

After giving this matter further consideration, I am confident you will agree we are not unreasonable in requesting a conference be held on or before September 15, 1921, for the purpose of disposing of these many cases, either with Mr. Cochrane or such other representative of the railway company as may be designated.

Will you kindly advise if this will be arranged, and oblige,

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., September 15, 1921.

Mr. E. W. ANDERSON,
General Chairman—Clerks, St. Paul, Minn.

DEAR SIR: Answering yours of the 3d instant about arrangement for conference with reference to grievances:

Mr. Cochrane is away on his vacation, and I do not see that anything better can be arranged for than about October 1, as per my letter of August 27 to you.

Yours truly,

G. R. MARTIN, *Vice President.*

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS, AND STATION EMPLOYES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., October 14, 1921.

Mr. G. R. MARTIN,
Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Referring to your letter of September 15, file 8497, with reference to arranging a conference covering various grievances which have been pending with Mr. J. A. Cochrane for several months, wherein you advise that Mr. Cochrane was away on his vacation and therefore nothing better could be arranged for a conference than about October 1.

Wish to advise that to date I have received no information from Mr. Cochrane as to setting a date for conference.

I believe that you will agree that we have been very patient in this matter and have endeavored to adjust these cases with our local management. However, if it is impossible to obtain a conference on these cases, it will necessitate submitting them to the United States Railroad Labor Board and arguing our cases before that board rather than adjusting them with the management of the Great Northern Railway Co., which I think you will agree is much preferable.

Will you kindly advise further, and oblige,

Yours very truly,

E. W. ANDERSON,
General Chairman.

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., October 19, 1921.

Mr. E. W. ANDERSON,
General Chairman—Clerks, St. Paul, Minn.

DEAR SIR: Referring to yours of the 14th instant about conference with Mr. Cochrane covering various grievances.

Have you taken up with him the question of a date for a conference? If not, I would suggest that you do so.

Yours truly,

(Signed) G. R. MARTIN,
Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., October 25, 1921.

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: As per your telephone request, I am inclosing herewith copy of my letter of June 21 addressed to you and my letter of August 20 addressed to Mr. G. R. Martin, vice president, listing 30 grievances which were pending, awaiting a conference with you for final disposition.

In addition to the 30 cases listed, the following cases are still unsettled, awaiting conference.

31. Claim in favor of John Ekblad for compensation for eight hours per day from January 31 to February 14, 1921.

32. Claim in favor of John Ekblad, account making application for position of oil-house foreman at Jackson Street.

33. Claim in favor of John Ekblad, account making application for position of section stockman at Dale Street.

34. Claim in favor of Frank Trupka for the rate of store attendant at Breckenridge Store.

35. Claim in favor of Harry Clemens, to be assigned to the position of freight checker at Vancouver, British Columbia.

36. Claim in favor of George Batson for time lost as trucker at Tacoma, Wash.

37. Claim account changing the assigned hours of service of Hamline Transfer.

38. Claim in favor of material handlers at Whitefish Store and other points for proper rate of pay.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
OPERATING DEPARTMENT,
St. Paul, Minn., January 14, 1922.

Mr. E. W. ANDERSON,
General Chairman—Clerks,
366 Jackson Street, St. Paul, Minn.

DEAR SIR: I am inclosing herewith two copies, proposed statements of fact in the cases listed by you and discussed in our conferences November 15, 16, 17, and 18, except cases 13, 24, 26, and 36.

Case 26 is not included for the reason that there is no definite information as to who the employees are in whose behalf the claim is made, which information you agreed to furnish. Case 13 is the subject of my letter of the 12th instant to you. Claim in case 24 has been paid, and the claim in case 36 will be paid.

I have no file regarding case 11 listed by you, but it covers the application of Rule 50 to call boys on the terminals division, and the decision in cases 6, 16, and 19 would apply to the same facts in case 11.

If you will kindly indicate your O. K. on one of the copies and return it to me, I will make enough copies for submission to the board.

Yours very truly,

J. A. COCHRANE,
Assistant to Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., January 16, 1922.

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: This will acknowledge receipt of your letter of January 14, 1921, with which you inclose your version of "statement of facts" in the many claims we have pending.

You will recollect our understanding at the conference on January 12, at which time I informed you I would advise you on Monday, January 16, 1922, as to whether or not the "statement of facts" as pre-

sented by you would be acceptable or not, and those which I could not subscribe to I would rewrite, furnishing you our proposal, and we would then have a conference on Monday the 16th to dispose of any differences.

I therefore wish to advise you I can not subscribe to any of the "statements of facts" as proposed by you, and am inclosing herewith "statements of facts" in each case, except cases Nos. 11, 12, 13, 19, 21, 25, 26, and 38, which I will forward to you as quickly as possible, which I trust will meet with your approval.

If they meet with your approval, I shall be pleased if you will have sufficient copies made for submission to the Labor Board, or, if you will approve them and return to me, I will have the required number of copies made. We require 21 copies for our files and the Labor Board.

If you can not subscribe to these "statements of facts," I will thank you to telephone me immediately, so we can dispose of any differences.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY COMPANY,
OPERATING DEPARTMENT,
St. Paul, Minn., January 23, 1922.

Mr. E. ANDERSON,
General Chairman Clerks, 366 Jackson Street, St. Paul, Minn.

DEAR SIR: With reference to yours of 16th instant advising that you decline to agree to statements of fact I submitted, and inclosing statements which you ask me to approve covering your cases 1 to 40, inclusive, except 11, 12, 13, 19, 21, 25, 26, and 38, all of which were subject of our conference, and, in addition, a case you have numbered 41:

Your statements contain no facts as to conditions and circumstances surrounding the cases and convey no information as to what the facts are. Except where a misleading effort is made, they are merely a recital that you have a grievance and that the railway has refused to concede it. I will not sign any statement purporting to be one of facts covering a case which does not set forth the facts or which is in any way misleading; for that reason I can not approve your statements.

In accordance with understanding reached in conference, I submitted to you statements covering the relevant facts which you have declined to subscribe to, and until or unless you are willing to join in statements correctly and properly covering the cases, it is futile for me to make any further effort in that direction.

Yours very truly,

(Signed) J. A. COCHRANE,
Assistant to Vice President.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., January 26, 1922.

Mr. J. A. COCHRANE,
Assistant to Vice President, Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: This will acknowledge receipt of your letter of January 23, 1922, with reference to the many grievances which have been pending for months, wherein you take exception to our proposed "statement of facts."

On June 21, 1921, I wrote you listing 19 grievances, many of which had then been pending with you for over six months waiting for a conference. On August 20, 1921, it was necessary to write Mr. G. R. Martin, executive vice president, advising him of the delays we were experiencing and listing 11 more grievances. On October 25, 1921, I wrote you, inclosing copy of my letter of June 21 and August 20, as per telephone request from your office, and listed 8 additional grievances which had been pending for months.

During the period from January 1, 1921, to October 25, 1921, we made many requests for conferences to dispose of these grievances, but were invariably presented with only a promise for a conference some time in the future. On October 31, 1921, you set a date for conference for 9.30 a. m., Monday, November 7. On November 5 we were advised you could not meet with us until Tuesday or Wednesday. On Wednesday, November 9, we were advised you were out of town and would not be back before the end of the week, and finally on November 14, 1921, a conference was arranged for Tuesday morning the 15th.

We were in conference on November 15, 16, 17, 18, 21, 22, and 23, discussing these many grievances and failed to agree on any of them. At the beginning of the conference on these cases it was agreed we would go through them all first and any we could not agree on would be set aside and a couple of days or whatever time was necessary would be devoted to preparing joint "statement of facts" for submission to the United States Railroad Labor Board.

You failed to grant us another conference on these cases until January 12, 1922, at which time you proposed to again go through all these cases and set aside those we could not agree on, which, you will recollect, we declined to do, as it had been previously agreed at the November conference to prepare joint statements of facts on any cases we could not agree on at that time, and that was the purpose of the conference of January 12, and the plan you proposed would only result in further delay. We were agreeable to discussing these cases further, but insisted we could close up each case individually, either by reaching an agreement or preparing a statement of facts for submission to the Labor Board, which you declined to do. It was finally agreed you would submit your proposal for joint statement of facts on those cases and any we could not agree to; we would prepare our proposals and submit them to you with the understanding further conference would be held on Monday, the 16th, to dispose of any differences as to the facts in these cases.

We could not subscribe to any of the "statements of facts" as prepared by you, as they are very misleading and do not represent the actual facts, though you do state in your letter of January 23 that "I will not sign any statement purporting to be one of facts covering a case which does not set forth the facts or which is in any way misleading." The statements above referred to carry your personal signature.

On January 16 I wrote you, inclosing our proposals on these grievances, reminding you of our understanding of the 12th, that a conference would be held to dispose of any differences as to the facts, and requested in my letter that "If you can not subscribe to these 'statements of facts' I will thank you to telephone me immediately so we can dispose of any differences."

Instead of complying with the procedure agreed upon you still continue your dilatory tactics, which you have been very consistently for many months in your dealings with us.

It is very apparent you are not sincere in your stated desire to expedite the final disposition of these cases nor comply with agreements reached as to methods of procedure for their disposition. It is quite evident any further effort on our part to dispose of these cases with you is wasted time and effort, and I am therefore preparing ex parte submissions to the United States Railroad Labor Board on the cases referred to in my letter of January 16, 1922.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT GREAT NORTHERN RAILROAD,
St. Paul, Minn., June 16, 1923.

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Wish to advise Mr. J. C. Rankine, superintendent of telegraph, was requested to allow back pay in favor of Mr. Emil Johnson, amount $254.75, which request has been declined.

Mr. Rankine has declined this claim on the grounds that Mr. Johnson gained no railroad experience while employed as a check clerk.

It will be noted from the statement of Mr. Johnson's experience that he was employed as messenger and clerk from September 8, 1919, to July 15, 1920; as senior check clerk from July 16, 1920, to May 16, 1921; and from May 16, 1921, to August 8, 1921, as labor and pay-roll clerk; and August 8, 1921, to November 1, 1921, as senior check clerk; and has been employed as clerk continuously since November 1, 1921.

We disagree with Mr. Rankine's statement that the experience gained by Mr. Johnson during the period he was employed as check clerk and messenger did not in any way qualify him for a clerical position. It is very apparent that he was qualified for the position in view of the fact that he was twice promoted to labor and pay-roll clerk, once on May 16, 1921, and again on November 1, 1921, which in itself is evidence of the fact that he was qualified for the position.

In view of the fact that Mr. Johnson had had over two years' experience when he was promoted to the position of clerk the second time on November 1, 1921, we contend he is entitled to the maximum rate of pay from that time on, and will be pleased if you will instruct accordingly.

Yours very truly,

E. W. ANDERSON,
General Chairman.

Care of Mr. W. W. RICKARD, *Division Chairman.*

Mr. J. C. RANKINE:

This will serve as notice of appeal.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., February 26, 1924.

Mr. C. O. JENKS,
Vice President Great Northern Railway Co.,
St. Paul, Minn.

DEAR SIR: Wish to advise I wrote Mr. J. A. Cochrane in connection with the claim of Mr. Emil Johnson under date of June 18, 1923,

and have traced for replies to this communication on June 28, September 6, September 29, and February 4, 1924, and up to the present time I have received no reply from Mr. Cochrane.

It will be appreciated if you will issue such instructions as will assure us receiving replies to our communications within a reasonable period. Will you please advise what we may expect in this connection and oblige.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

Care of Mr. J. A. COCHRANE,
Assistant to Vice President.

(On carbon copy to: Mr. Joseph Staehell, division chairman, Spokane, Wash.; Mr. Emil Johnson, 1206 West Augusta Avenue, Spokane, Wash.)

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., March 28, 1924.

Mr. RALPH BUDD,
President Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Wish to advise I wrote Mr. C. O. Jenks, vice president, in charge of operation, on February 28, 1924, as follows:

"Wish to advise I wrote Mr. J. A. Cochrane in connection with the claim of Mr. Emil Johnson under date of June 18, 1923, and have traced for replies to this communication on June 28, September 6, September 29, and February 4, 1924, and up to the present time I have received no reply from Mr. Cochrane.

"It will be appreciated if you will issue such instructions as will assure us receiving replies to our communications within a reasonable period. Will you please advise what we may expect in this connection, and oblige."

Up to the present time I have not received a reply to this letter from Mr. Jenks, nor have I received a decision from Mr. Cochrane on this case. It will be noted that this matter has been pending with Mr. Cochrane for over 10 months without a reply, and I think you will agree that there can not possibly be any justification for such delay.

I am confident that this manner of handling these matters reacts very unfavorably with the management and can be avoided. I sincerely trust that you will take such action as may be deemed necessary or advisable to remedy this condition in so far as it applies to the employees whom we represent, and oblige.

Yours very truly,

E. W. ANDERSON,
General Chairman.

Mr. C. O. Jenks, vice president; Mr. J. Cochrane, assistant to vice president; Mr. Joseph Staehell, division chairman; Mr. Emil Johnson; all division chairman.

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., April 2, 1924.

E. W. ANDERSON, Esq.,
General Chairman Brotherhood of Railway and Steamship Clerks, 366 Jackson Street, St. Paul, Minn.

DEAR SIR: Replying to your letter of March 28 about the claim of Mr. Emil Johnson:

I am advised by Mr. Cochrane's office, that this was one of the matters that was left for consideration in conference; that conferences are now being held with you, and that this case will be reached very soon.

Yours truly,

RALPH BUDD.

BROTHERHOOD OF RAILWAY AND STEAMSHIP CLERKS,
FREIGHT HANDLERS, EXPRESS AND STATION EMPLOYEES,
SYSTEM BOARD OF ADJUSTMENT, GREAT NORTHERN RAILROAD,
St. Paul, Minn., April 7, 1924.

Mr. RALPH BUDD,
President Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Referring to your letter of April 2 in reply to mine of March 28 with reference to claim of Mr. Emil Johnson:

Wish to advise we discussed the matter of conferring with Mr. Cochrane on a number of claims which have been pending for several months which Mr. Cochrane has advised that he would not allow.

If it is not intended to allow this claim, then it would seem proper that we be advised to that effect, and the claim could then be included along with the others; but if it is intended to allow the claim, then there would be no need for us to confer about it.

You perhaps have been informed of the proposed revision of the labor sections of the transportation act, 1920, which would make it compulsory upon the railway management to handle matters of this kind within certain time limits, and it is such delays as this which we have experienced a number of times that undoubtedly causes such changes in the law to be advocated.

I sincerely trust that the necessity for bringing such matters to your attention will be eliminated in the future.

Yours very truly,

E. W. ANDERSON, *General Chairman.*

GREAT NORTHERN RAILWAY CO.,
EXECUTIVE DEPARTMENT,
St. Paul, Minn., April 8, 1924.

E. W. ANDERSON, Esq.,
General Chairman Brotherhood of Railway and Steamship Clerks, 366 Jackson Street, St. Paul, Minn.

DEAR SIR: Your letter of April 7 is received in Mr. Budd's absence. I assume you are following the matter along with Mr. Cochrane.

Yours truly,

J. A. LENGEY.

ST. PAUL, MINN., *April 14, 1924.*

Mr. J. A. COCHRANE,
Assistant to Vice President Great Northern Railway Co., St. Paul, Minn.

DEAR SIR: Referring to my letter of June 18, 1923, and various tracers with reference to the claim of Mr. Emil Johnson, employed in the office of assistant superintendent telegraph at Spokane, Wash., for proper compensation under interpretation 2 to decision 147 while employed as clerk in that office.

I trust you are now in a position to advise me of your decision in this case.

Yours very truly,

E. W. ANDERSON,
General Chairman.

(Mr. Ralph Budd, president; Mr. C. O. Jenks, vice president.)

NOTE: We have received no decision on this case to date.

E. W. ANDERSON.

CONDENSED ANALYSIS AND STATEMENT OF RAILWAY ACT

"The railway labor act" repeals Title III of the Esch-Cummins law and thereby abolishes the Railroad Labor Board.

This bill establishes a machinery for settling disputes as follows:

1. It is made a duty for employers and employees to "exert every reasonable effort to make and maintain agreements" concerning wages and working conditions.

2. It is made a duty to confer when disputes arise. Representatives are to be chosen by each party without any interference by the other party. If disputes are not decided in conference they are carried forward according to their classification as

(a) Grievances covering the application of existing agreements.

(b) Changes of existing agreements, establishing new wages or working conditions.

GRIEVANCES

3. If grievance disputes are not decided in conference, they must be referred to a board of adjustment for decision.

4. There are four boards of adjustment on which employers and employees have equal representation to adjust disputes covering—

(1) Train service men.
(2) Shopmen.
(3) Clerks, stationary firemen, and maintenance-of-way men.
(4) Marine workers.

The members are nominated by the carriers and employees and appointed by the President.

5. If the board of adjustment does not decide a dispute, it may be referred to the Board of Mediation and Conciliation, or the board may proffer its services.

6. The Board of Mediation and Conciliation is composed of five impartial men appointed by the President.

7. If mediation is unsuccessful, the board shall propose arbitration.

8. If the arbitration proposal is accepted, boards of arbitration are to be created as under the Newlands Act, and the agreement to arbitrate requires acceptance of the award.

CHANGES

9. If changes are not agreed upon in conference, either party may call upon the board of mediation or the board may offer its services and in the event of failure of mediation arbitration shall be proposed.

10. The compulsory features of the bill are mainly—

(a) That grievance disputes must be considered in conference and submitted to a board of adjustment if they are not decided in conference.

(b) That changes in wages and working conditions can not be put in effect until the machinery provided has been employed to bring about agreement.

THE RAILWAY LABOR ACT

The purpose of the proposed railway labor act is to insure continuity and efficiency in the transportation system of the country by providing means whereby the management and the employees, through representatives of their own choosing, shall confer on the problems of the "human side" of railroading and through such conferences, first, enter into collective agreements respecting wages and working conditions, and, second, adjust differences of all kinds. To carry out this purpose a duty is imposed on both parties "to exert every reasonable effort to make and to maintain agreements concerning rates of pay, rules, and working conditions." Disputes over proposed changes of rules or rates of pay or over the application of agreements are to be settled in conference, if possible, and the machinery of boards of adjustment and a board of mediation and conciliation or reference to arbitration is to be resorted to only when a conference can not produce an agreement.

The proposed legislation utilizes the successful provisions of former acts (the act of 1886, the Erdman law, the Newlands law, and Title III of the transportation act) and seeks to avoid the weaknesses that developed in the practical operation of those laws.

MACHINERY PROVIDED

The proposed act provides four ways in which differences between the men and the management can be adjusted:

(1) CONFERENCES

The primary emphasis is laid on conferences. Sections 3 (A) (1) imposes a mandatory duty upon the parties involved in a dispute to confer. Such conferences must be held whether a dispute is one "arising out of grievances or the application of agreements concerning rates of pay, rules, or working conditions or proposed changes in rates of pay, rules, or working conditions." While there is no duty upon the parties to decide such disputes in such conferences, the parties, through their representatives, must meet and endeavor to agree.

The framers of this bill, which has been drafted by practical railroad men, have provided that in these all-important conferences the workers shall have genuine representation; otherwise such conferences are useless. If a management is permitted to exert pressure to influence the choice of conferees or to refuse to meet conferees whom it does not select or approve, the satisfactory results of conferences are impossible, and autocratic dictation is made doubly offensive by the pretense of democratic cooperation. The much-censured conduct of certain railroads in seeking to control the choice of representatives of its shop and clerical forces shows that the effectiveness of the conference system depends entirely on this principle of independence.

The bill therefore provides (sec. 3 (A) (2)) that the representatives shall be designated by the parties in such manner as their own organization shall decide, "without interference, influence, or coercion exercised by either party over the self-organization or designation of representatives by the other, and it shall be deemed a violation of the obligation herein imposed upon carriers for any carrier * * * to interfere with or attempt to influence or control, directly or indirectly, the organization of employees or subordinate officials, or participate in the functioning thereof or the designation of employee or subordinate official representatives." It is because voluntary agreements between the parties immediately concerned is the foundation of the entire bill that so much emphasis is placed upon this matter of noninterference by one party in the selection of the representatives of the other. Moral and legal obligations to fulfill a contract arise only when the parties are bound by their self-chosen representatives.

(2) BOARDS OF ADJUSTMENT

If a dispute—except disputes involving changes of rules or wages—can not be disposed of to the satisfaction of the parties in a conference, the act imposes upon the parties the duty to refer such disputes to the appropriate board of adjustment, where the controversy will, if possible, be decided.

(The boards of adjustment have nothing to do with changes of rules or working conditions. Controversies over such questions may be settled (1) in conference; (2) through mediation, or (3) by arbitration. The boards of adjustment are, therefore, concerned solely with questions of operation under existing agreements. It is hence appropriate and desirable that they should be composed exclusively of practical railroad operators.)

The members of the boards of adjustment are Government officers, appointed by the President by and with the advice and consent of the Senate. However, these boards are not third-party tribunals, but are an extension of the conference plan on a national scale, where men skilled in railroading, representing both managements and the employees, can try to adjust the human problems of their common business.

There are four such boards, divided roughly as follows:

Board No. I. Train service men.

Board No. II. Shop and mechanical workers.

Board No. III. Clerical and station workers and maintenance-of-way men.

Board No. IV. Marine workers.

The organization of board No. I is typical. This board is composed of 14 members. Seven are representatives of management, appointed by the President from not less than 14 names presented by the carriers. Seven are representatives of labor, appointed by the President likewise from a list of not less than 14 nominees, each of the "nationally organized crafts" within the classifications embraced by board No. I being authorized to nominate two men.

Again it should be emphasized that these are not third-party tribunals or boards of arbitration. The members are not expected to stand "impartially" between those who bring controversies before them for adjustment. There is no "public member" or "neutral" or "umpire." Long experience has convinced railroad men—employers as well as employees—that the continuity of railroad service can most often be secured not through referring technical problems to individuals enjoying so-called "impartiality" (individuals unfamiliar with the problem of the engine cab, the yard, and the machine shop) but rather through providing disputants with a full and fair opportunity to present their claims before an equi partisan board. The successful operation of just such boards for years on various railroads and covering all railroads during Federal control and some of the gratifying results of similar machinery in Canada in recent years have demonstrated the effectiveness of this method of settling controversies.

The bill provides in addition for the exceptional situation where the parties may be unable to adjust their differences within the industry itself either in conference or before the appropriate equi partisan board of adjustment. In that event (a) the board of mediation and conciliation may be invoked or may intervene; or (b) there may be submission of the dispute to arbitration.

(3) BOARD OF MEDIATION AND CONCILIATION

The composition and the function of this board is quite different from the intraindustry machineries heretofore discussed. This board is made up of five commissioners, appointed by the President. They are all to be impartial and not associated in interest with either the carriers or the unions. Unlike the present Railroad Labor Board, this board is not an impotent court, authorized to "decide" cases, but without power to make its decisions effective. The creation of this board would inaugurate a return to the successful mediation provisions of the Erdman and Newlands Acts.

The functions of the commissioners are threefold:

(a) The board may try by mediation to induce the parties to settle all disputes as to the application of agreements which can not be adjusted either in conference or before the proper board of adjustment. The board may act either on the request of either party or on its own initiative.

(b) The board may take similar action in the case of proposed changes of rules or wages which have not been agreed upon in conference between the parties.

(c) If conferences, adjustment, mediation, and conciliation have all failed to result in an agreement, the board shall endeavor to induce the parties to submit their differences to arbitration, under the conditions provided in the bill; and if this effort succeeds the board shall help to organize the arbitration proceedings.

(4) ARBITRATION

The bill provides for voluntary arbitration of either class of disputes which have not been settled in conference, (1) of disputes regarding the application of agreements which have not been settled in conference or by a board of adjustment or after mediation, or (2) of disputes regarding changes of rules or wages which have not been settled directly in conference or after mediation. In either event, if the board of mediation has failed to bring about an amicable adjustment "the said board shall at once endeavor, as its final required action, to induce the parties to submit their controversies to arbitration" (sec. 5–A). The board of arbitration may consist of three or six persons, as may be stipulated in the arbitration agreement. If a board of three is provided, each party shall choose one; if a board of six, each party shall choose two. If the parties fail to agree upon the third arbitrator or upon the fifth and sixth arbitrators for a board of six, it is the duty of the board of mediation to choose the one or two disinterested arbitrators (sec. 5–D). The form and contents of the agreement to arbitrate are set forth in section 7–C and comprise a restatement of the best provisions of arbitration agreements under previous laws. In this agreement it is provided that the parties shall agree to faithfully execute the award and that it shall be filed with the clerk of the appropriate district court and judgment shall be entered upon it: *Provided, however,* That the court shall have power to set aside the award only upon the three grounds:

(a) That the award or the proceedings were not in conformity with the act; or

(b) That the award does not conform to the agreement to arbitrate; or

(c) That there was fraud or corruption which affected the result of the arbitration.

These provisions of the agreement to arbitrate whereby the parties expressly limit the power of judicial interference are for the purpose

of preventing the delays or harassments of litigation whereby the purposes of arbitration are defeated. This marks an important advance over previous legislation.

(3) GENERAL PROVISIONS

There are certain provisions of considerable importance not covered in the previous description of the machinery provided in the act, which should be briefly described.

(a) Section 6 requires 30 days' written notice of any changes of rules or wages and an opportunity for consideration of such changes in conference and for the use of the services of the board of mediation before such changes may be made effective, imposing a penalty that in cases of changes without notice or prior to fulfilling the requirements of the act such changes shall be void and the offender liable in damages to double the amount of the loss occasioned by such unlawful action. Section 4-B provides for an interpretation by a board of adjustment of any decision concerning the application of which a controversy may arise, and section 5-C makes a similar provision regarding interpretations by the board of mediation of any agreements reached through mediation. These provisions are intended to prevent the reopening of controversies which have been presumably settled and to prevent either party from destroying the value of a settlement through an unfair interpretation of the agreement of settlement.

Section 7-A (2) specifically provides that the refusal of a party to submit to arbitration shall not be considered as a violation of a legal obligation in order to prevent attempts to force parties into arbitration by judicial action. It is the underlying principle of the entire act that if opportunity is provided for ample hearing and fair consideration of matters in disagreement the representatives of employers and employees can be relied upon to adjust amicably their differences, as they are more vitally interested than any other persons can be. The use of coercive methods to force agreements or to compel men to serve under unacceptable conditions is not only opposed to American principles but has been shown to be destructive of, and not productive of, harmonious industrial relations.

In like manner, although arbitration awards are binding upon the parties thereto, it is especially provided in section 7-D (8) that nothing in the act shall be construed to require an individual employee to render compulsory service. It should be obvious that although organizations properly may be bound by their contracts and the members equally bound while rendering voluntary service no individual can be compelled to render service so long as the Constitution of the United States forbids involuntary servitude.

The railway labor act is presented as a constructive measure for the adjustment of industrial controversies that affect the transportation service in such a manner as to promote the cooperative efforts of employers and employees, to insure harmony in and to improve the efficient operation of the American railroads.

Mr. BURTNESS rose.

The CHAIRMAN. For what purpose does the gentleman from North Dakota rise?

Mr. BURTNESS. For the purpose of striking out the last word.

The CHAIRMAN. That motion is not in order.

Mr. BLACK of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. As the Chair has already stated, that motion is not in order. [Cries of "Vote!" "Vote!"]

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed out of order.

Mr. BLANTON. Mr. Chairman, I make the point of order that debate is exhausted.

The CHAIRMAN. The Chair has already stated that fact.

Mr. NEWTON of Minnesota. Mr. Chairman, I make a point of order. The gentleman from North Dakota [Mr. BURTNESS] preferred a unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota [Mr. BURTNESS]?

Mr. KENT. I object.

Mr. NEWTON of Minnesota. Who made the objection?

Mr. KENT. I made it and will make it again if necessary.

Mr. NEWTON of Minnesota. It seems to me we ought to have some debate on this measure.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is the question of agreeing——

Mr. LONGWORTH rose.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. LONGWORTH. I ask unanimous consent to proceed for one minute in order to ask the gentleman from Kentucky [Mr. BARKLEY] a question.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for one minute in order to ask the gentleman from Kentucky a question. Is there objection?

Mr. RAKER. Reserving the right to object, on what subject does the gentleman want to talk?

Mr. LONGWORTH. I did not ask the gentleman's permission to make a speech. I desire to ask the gentleman from Kentucky a question.

Mr. RAKER. The gentleman need not fly off if I object. The gentleman did the same thing Saturday night.

Mr. MAPES. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. KELLER. I object.

Mr. NELSON of Wisconsin. Mr. Chairman, I would like to prefer a unanimous-consent request.

Mr. BLANTON. Mr. Chairman, I demand the regular order.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for five minutes upon this motion.

Mr. LILLY. I object.

Mr. NELSON of Wisconsin. I would like to ask unanimous consent that the floor leader be permitted to ask that question of the gentleman from Kentucky. Surely that should be granted.

Mr. RAKER. Reserving the right to object——

[Cries of "Regular order!"]

Mr. BARKLEY rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. BARKLEY. I ask unanimous consent that the gentleman from Ohio [Mr. LONGWORTH] have a minute in order to ask me a question.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the gentleman from Ohio [Mr. LONGWORTH] have a minute in order to ask him a question. Is there objection? [After a pause.] The Chair hears none. [Applause.]

Mr. LONGWORTH. Objection having come from that side of the House to what I regard as a reasonable time to discuss this amendment, I desire to ask the gentleman if it is his disposition to prevent reasonable discussion of amendments from now on?

Mr. BARKLEY. No; indeed. I will say to the gentleman from Ohio it is not my disposition to prevent reasonable discussion of amendments.

Mr. LONGWORTH. I am quite sure the gentleman himself would not and I hope the gentleman has sufficient control over other Members on his side to enable proper discussion.

Mr. BARKLEY. I can not prevent objections being offered by any Member. Objection has been made on both sides of the aisle.

Mr. LONGWORTH. The objection to the request of the gentleman from North Dakota came from that side of the House. I desire to know in advance what the gentleman's disposition is.

Mr. BARKLEY. It is not my disposition to cut off reasonable debate, but I do hope the House will not seek to interminably debate irrelevant amendments.

Mr. LONGWORTH. I wil say to the gentleman that so far as I am concerned I will offer no opposition to the orderly procedure of this bill, but we do demand, and we shall insist on having, reasonable time to discuss amendments.

Mr. BARKLEY. I will say that is what I desire. I desire that shall prevail and that the House may have reasonable time to debate legitimate amendments offered in good faith, but I do not think it ought to waste time on this motion to strike out the enacting clause.

Mr. LONGWORTH. It seems to me we ought to be permitted more than 10 minutes on that question. The gentleman himself does not think it is fair to limit debate to 10 minutes upon so important an amendment as that, does he?

Mr. BARKLEY. I think that would not be unreasonable if unanimous consent can be granted for it, and I would have no objection myself to 10 minutes, but I have not any control over other Members. [Cries of "Vote!" "Vote!"]

Mr. NEWTON of Minnesota. Mr. Chairman, I renew my request.

Mr. LONGWORTH. Will the gentleman yield?

Mr. NEWTON of Minnesota. I yield.

Mr. LONGWORTH. Mr. Chairman, I ask unanimous consent that there may be 20 minutes' debate upon this motion—one-half to be controlled by the gentleman from Kentucky [Mr. BARKLEY] and one-half by the gentleman from Massachusetts [Mr. WINSLOW].

Mr. KELLER. Reserving the right to object, two weeks ago——

Mr. NEWTON of Minnesota. Regular order, Mr. Chairman.

Mr. KELLER. I object, then.

Mr. WOLFF. I object.

Mr. BANKHEAD. Mr. Chairman, the gentleman over there objected.

The CHAIRMAN. The gentleman from Minnesota [Mr. KELLER] objects.

Mr. MAPES. Mr. Chairman, in order that the record may be complete, the gentleman from Alabama [Mr. HUDDLESTON] also objected.

Mr. HUDDLESTON. I did not object, Mr. Chairman. The gentleman ought not to presume to make such a statement.

Mr. MAPES. If the gentleman says he did not object, I, of course, accept his statement.

Mr. HUDDLESTON. I can speak for myself and make my own objections.

Mr. MAPES. The gentleman is perfectly right about that.

Mr. HUDDLESTON. The gentleman should attend to his own matters and I will attend to mine.

Mr. RAYBURN. Mr. Chairman, I call for the regular order.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Indiana to strike out the enacting clause.

The question was taken; and the Chair being in doubt, the committee divided, and there were—ayes 104, noes 97.

Mr. BARKLEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SANDERS of Indiana and Mr. BARKLEY as tellers.

The committee again divided; and the tellers reported—ayes 144, noes 134.

So the motion to strike out the enacting clause was agreed to.

The committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes, and had directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

Mr. LONGWORTH. Mr. Speaker, I move to refer the bill to the Committee on Interstate and Foreign Commerce, upon which I demand the previous question, and, pending that, I move that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 170, nays 211, answered "present" 2, not voting 50, as follows:

YEAS—170

Ackerman	Fenn	Longworth	Sears, Nebr.
Aldrich	Fitzgerald	Luce	Simmons
Andrew	Fredericks	McDuffie	Sinnott
Anthony	Free	McFadden	Smith
Bacon	Freeman	McKenzie	Snell
Beedy	French	McLaughlin, Mich.	Snyder
Beers	Frothingham	McLaughlin, Nebr.	Sproul, Ill.
Bell	Fuller	MacGregor	Sproul, Kans.
Bixler	Garner, Tex.	MacLafferty	Stalker
Bland	Gifford	Madden	Stephens
Blanton	Goldsborough	Magee, N. Y.	Strong, Kans.
Brand, Ohio	Graham, Pa.	Magee, Pa.	Strong, Pa.
Britten	Graham, Ill.	Manlove	Sweet
Browne, N. J.	Green, Iowa	Mansfield	Taber
Brumm	Greene, Mass.	Mapes	Thatcher
Buchanan	Hadley	Merritt	Thompson
Burtness	Hardy	Michener	Tilson
Burton	Haugen	Mills	Timberlake
Butler	Hawes	Moore, Ill.	Tincher
Chindblom	Hawley	Moore, Ohio	Tinkham
Christopherson	Hersey	Moores, Ind.	Treadway
Clague	Hickey	Morris	Tydings
Clarke, N. Y.	Hill, Md.	Murphy	Underhill
Cleary	Hoch	Nelson, Me.	Valle
Cole, Iowa	Hull, Morton D.	Newton, Minn.	Vare
Cole, Ohio	Hull, William E.	Newton, Mo.	Vestal
Colton	Humphreys	Paige	Vincent, Mich.
Connolly, Pa.	Johnson, Ky.	Parker	Wainwright
Corning	Johnson, Wash.	Patterson	Ward, N. Y.
Crowther	Kearns	Perkins	Watres
Dallinger	Kendall	Phillips	Watson
Darrow	Kerr	Purnell	Welsh
Dempsey	Ketcham	Ramseyer	Werts
Dickinson, Iowa	Kiess	Ransley	White, Kans.
Dominick	Kincheloe	Reece	Williams, Mich.
Drewry	Knutson	Reed, N. Y.	Williamson
Driver	Kunz	Roach	Wilson, La.
Edmonds	Larsen, Ga.	Robinson, Iowa	Winslow
Elliott	Larson, Minn.	Rogers, Mass.	Wood
Evans, Iowa	Leatherwood	Rouse	Wyant
Fairchild	Lehlbach	Sanders, Ind.	Young
Fairfield	Linthicum	Sanders, N. Y.	
Faust	Little	Scott	

NAYS—211

Abernethy	Aswell	Beck	Bowling
Allen	Ayres	Berger	Box
Allgood	Bankhead	Black, N. Y.	Boyce
Almon	Barbour	Black, Tex.	Boylan
Arnold	Barkley	Bloom	Brand, Ga.
Briggs	Gilbert	McSweeney	Salmon
Browne, Wis.	Glatfelter	Major, Ill.	Sanders, Tex.
Browning	Greenwood	Major, Mo.	Sandlin
Bulwinkle	Griffin	Martin	Schafer
Busby	Hammer	Mead	Schall
Byrnes, S. C.	Harrison	Michaelson	Schneider
Byrns, Tenn.	Hastings	Miller, Wash.	Sears, Fla.
Campbell	Hayden	Milligan	Seger
Canfield	Hill, Ala.	Minahan	Shallenberger
Cannon	Hill, Wash.	Montague	Sherwood
Carew	Holaday	Mooney	Sinclair
Carter	Hooker	Moore, Ga.	Sites
Casey	Howard, Nebr.	Moore, Va.	Smithwick
Celler	Huddleston	Morehead	Speaks
Chaney	Hudspeth	Morgan	Spearing
Collier	Hull, Iowa	Morrow	Steagall
Collins	Hull, Tenn.	Nelson, Wis.	Stedman
Connally, Tex.	Jacobstein	Nolan	Stevenson
Cook	James	O'Connell, N. Y.	Summers, Wash.
Cooper, Ohio	Jeffers	O'Connell, R. I.	Sumners, Tex.
Cooper, Wis.	Johnson, Tex.	O'Connor, La.	Swank
Crisp	Johnson, W. Va.	O'Connor, N. Y.	Swing
Croll	Jones	O'Sullivan	Tague
Crosser	Keller	Oldfield	Taylor, Colo.
Cullen	Kelly	Oliver, Ala.	Taylor, Tenn.
Cummings	Kent	Oliver, N. Y.	Taylor, W. Va.
Davey	Kindred	Parks, Ark.	Thomas, Ky.
Davis, Minn.	King	Peery	Thomas, Okla.
Davis, Tenn.	Kopp	Perlman	Tillman
Denison	Kvale	Porter	Tucker
Dickinson, Mo.	LaGuardia	Pou	Underwood
Dickstein	Lampert	Prall	Upshaw
Doughton	Lanham	Quayle	Vinson, Ga.
Dowell	Lankford	Quin	Vinson, Ky.
Eagan	Lazaro	Ragon	Volpt
Evans, Mont.	Lea, Calif.	Rainey	Watkins
Favrot	Lilly	Raker	Weaver
Fisher	Lindsay	Rankin	Wefald
Frear	Lineberger	Rathbone	Williams, Ill.
Fulbright	Logan	Rayburn	Wilson, Ind.
Fulmer	Lowrey	Reed, Ark.	Wilson, Miss.
Funk	Lozier	Reid, Ill.	Wingo
Gallivan	Lyon	Richards	Wolff
Gardner, Ind.	McClintic	Robslon, Ky.	Woodruff
Garrett, Tenn.	McKeown	Romjue	Woodrum
Garrett, Tex.	McLeod	Rosenbloom	Wright
Gasque	McNulty	Rubey	Wursbach
Geran	McReynolds	Sabath	

ANSWERED "PRESENT"—2

Connery Lee, Ga.

NOT VOTING—50

Anderson	Dyer	Langley	Sullivan
Bacharach	Fish	Leavitt	Swoope
Begg	Fleetwood	McSwain	Temple
Boies	Foster	Miller, Ill.	Ward, N. C.
Buckley	Garber	Morin	Wason
Burdick	Gibson	Mudd	Weller
Cable	Grieet	O'Brien	White, Me.
Clark, Fla.	Howard, Okla.	Park, Ga.	Williams, Tex.
Cramton	Hudson	Peavey	Winter
Curry	Johnson, S. Dak.	Reed, W. Va.	Yates
Deal	Jost	Rogers, N. H.	Zihlman
Doyle	Kahn	Shreve	
Drane	Kurtz	Stengle	

So the motion to adjourn was defeated.

The Clerk announced the following additional pairs:

On the vote:

Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Doyle (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Grieet (for) with Mr. Fish (against).
Mr. Leavitt (for) with Mr. Boies (against).
Mr. Begg (for) with Mr. Connery (against).

General pairs:

Mr. Dyer with Mr. Weller.
Mr. Anderson with Mr. Buckley.
Mr. White of Maine with Mr. McSwain.
Mr. Morin with Mr. Deal.
Mr. Swoope with Mr. O'Brien.
Mr. Johnson of South Dakota with Mr. Williams of Texas.

Mr. CONNERY. Mr. Speaker, I voted "no." I have a pair with the gentleman from Ohio, Mr. BEGG. I wish to withdraw my vote and answer "present."

Mr. LEE of Georgia. Mr. Speaker, I am recorded as voting "no," and paired with the gentleman from Vermont, Mr. FLEETWOOD. If he were here he would vote "aye" and I therefore withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion of the gentleman from Ohio that the bill be referred to the Committee on Interstate and Foreign Commerce, and on which he moves the previous question.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Ohio to refer the bill to the Committee on Interstate and Foreign Commerce.

The question was being taken, when Mr. BARKLEY demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 201, answered "present" 4, not voting 47, as follows:

YEAS—181

Ackerman	Faust	Lehlbach	Scott
Aldrich	Fenn	Linthicum	Sears, Fla.
Andrew	Fitzgerald	Little	Sears, Nebr.
Anthony	Fredericks	Longworth	Simmons
Aswell	Free	Lowrey	Sinnott
Bacon	Freeman	Luce	Smith
Beedy	French	McDuffie	Snell
Beers	Frothingham	McFadden	Snyder
Bell	Fuller	McKenzie	Speaks
Bixler	Garrett, Tenn.	McLaughlin, Mich.	Sproul, Ill.
Black, Tex.	Gifford	McLaughlin, Nebr.	Sproul, Kans.
Bland	Goldsborough	MacGregor	Stalker
Blanton	Graham, Ill.	MacLafferty	Stephens
Boyce	Graham, Pa.	Madden	Strong, Kans.
Brand, Ohio	Green, Iowa	Magee, N. Y.	Strong, Pa.
Britten	Greene, Mass.	Magee, Pa.	Sweet
Browne, N. J.	Hadley	Manlove	Taber
Brumm	Hardy	Mapes	Thatcher
Buchanan	Harrison	Merritt	Thompson
Burtness	Haugen	Michener	Tilson
Burton	Hawes	Mills	Timberlake
Butler	Hawley	Moore, Ill.	Tincher
Chindblom	Hersey	Moore, Ohio	Tinkham
Christopherson	Hickey	Moores, Ind.	Treadway
Clague	Hill, Md.	Morris	Tydings
Clarke, N. Y.	Hoch	Murphy	Vaile
Cleary	Hull, Morton D.	Nelson, Me.	Vare
Cole, Iowa	Hull, William R.	Newton, Minn.	Vestal
Cole, Ohio	Humphreys	Newton, Mo.	Vincent, Mich.
Colton	Johnson, Ky.	Paige	Wainwright
Connolly, Pa.	Johnson, S. Dak.	Parker	Ward, N. Y.
Corning	Johnson, Wash.	Patterson	Watson
Crowther	Jost	Perkins	Welsh
Dallinger	Kearns	Phillips	Wertz
Darrow	Kendall	Purnell	White, Kans.
Davis, Tenn.	Kerr	Ramseyer	Williams, Mich.
Deal	Ketcham	Rauseley	Williamson
Dempsey	Kiess	Rayburn	Wilson, La.
Dickinson, Iowa	Kincheloe	Reece	Winslow
Drewry	Knutson	Reed, N. Y.	Wood
Driver	Kunz	Roach	Wyant
Edmonds	Kurtz	Robinson, Iowa	Yates
Elliott	Larson, Ga.	Rogers, Mass.	Young
Evans, Iowa	Larson, Minn.	Rouse	
Fairchild	Lea, Calif.	Sanders, Ind.	
Fairfield	Leatherwood	Sanders, N. Y.	

NAYS—201

Abernethy	Fisher	Lozier	Romjue
Allen	Foster	Lyon	Rosenbloom
Allgood	Frear	McClintic	Rubey
Almon	Fulbright	McKeown	Sabath
Arnold	Fulmer	McLeod	Sanders, Tex.
Ayres	Funk	McNulty	Sandlin
Bankhead	Gallivan	McReynolds	Schafer
Barbour	Garber	McSwain	Schall
Barkley	Gardner, Ind.	McSweeney	Schneider
Beck	Garner, Tex.	Major, Ill.	Seger
Berger	Garrett, Tex.	Major, Mo.	Shallenberger
Black, N. Y.	Gasque	Mansfield	Sherwood
Bloom	Gern	Martin	Sinclair
Bowling	Gilbert	Mead	Sites
Box	Glatfelter	Michaelson	Smithwick
Boylan	Greenwood	Miller, Wash.	Spearing
Brand, Ga.	Griffin	Milligan	Steagall
Briggs	Hammer	Minahan	Stedman
Browne, Wis.	Hastings	Montague	Stevenson
Browning	Hayden	Mooney	Summers, Wash.
Bulwinkle	Hill, Ala.	Moore, Ga.	Sumners, Tex.
Busby	Hill, Wash.	Moore, Va.	Swank
Byrns, Tenn.	Holaday	Morehead	Swing
Campbell	Hooker	Morgan	Tague
Canfield	Howard, Nebr.	Morrow	Taylor, Colo.
Cannon	Huddleston	Nelson, Wis.	Taylor, Tenn.
Carew	Hudspeth	Nolan	Taylor, W. Va.
Carter	Hull, Iowa	O'Connell, N. Y.	Thomas, Ky.
Casey	Hull, Tenn.	O'Connell, R. I.	Thomas, Okla.
Celler	Jacobstein	O'Connor, La.	Tillman
Clancy	James	O'Connor, N. Y.	Tucker
Collier	Jeffers	O'Sullivan	Underwood
Collins	Johnson, Tex.	Oldfield	Upshaw
Connally, Tex.	Johnson, W. Va.	Oliver, Ala.	Vinson, Ga.
Cook	Jones	Oliver, N. Y.	Vinson, Ky.
Cooper, Ohio	Keller	Parks, Ark.	Volpe
Cooper, Wis.	Kelly	Peery	Watkins
Crisp	Kent	Perlman	Weaver
Croll	Kindred	Pou	Wefald
Crosser	King	Prall	Williams, Ill.
Cullen	Kopp	Quayle	Wilson, Ind.
Cummings	Kvale	Quin	Wilson, Miss.
Davis, Minn.	LaGuardia	Ragon	Wingo
Denison	Lampert	Rainey	Wolff
Dickinson, Mo.	Lanham	Raker	Woodruff
Dickstein	Lankford	Rankin	Woodrum
Doughton	Lazaro	Rathbone	Wright
Dowell	Lilly	Reed, Ark.	Wurzbach
Eagan	Lindsay	Reid, Ill.	
Evans, Mont.	Lineberger	Richards	
Favrot	Logan	Robsion, Ky.	

ANSWERED "PRESENT"—4

Connery	Lee, Ga.	Salmon	Underhill

NOT VOTING—47

Anderson	Dominick	Leavitt	Sullivan
Bacharach	Doyle	Miller, Ill.	Swoope
Begg	Drane	Morin	Temple
Boles	Dyer	Mudd	Ward, N. C.
Buckley	Fish	O'Brien	Wason
Burdick	Fleetwood	Park, Ga.	Waters
Byrnes, S. C.	Gibson	Peavey	Weller
Cable	Griest	Porter	White, Me.
Clark, Fla.	Howard, Okla.	Reed, W. Va.	Williams, Tex.
Cramton	Hudson	Rogers, N. H.	Winter
Curry	Kahn	Shreve	Zihlman
Davey	Langley	Stengle	

So the motion to refer the bill to the Committee on Interstate and Foreign Commerce was rejected.

The following additional pairs were announced:

On the vote:

Mr. Dominick (for) with Mr. O'Brien (against).
Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Doyle (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Griest (for) with Mr. Fish (against).
Mr. Leavitt (for) with Mr. Boyce (against).
Mr. Underhill (for) with Mr. Byrnes of South Carolina (against).
Mr. Begg (for) with Mr. Connery (against).

General pairs:

Mr. Dyer with Mr. Weller.
Mr. White of Maine with Mr. Buckley.
Mr. Morin with Mr. Davey.
Mr. Bacharach with Mr. Williams of Texas.

Mr. UNDERHILL. Mr. Speaker, I am paired with the gentleman from South Carolina, Mr. BYRNES, on this and subsequent votes. I voted "aye." I wish to withdraw that vote and answer present.

The result of the vote was announced as above recorded.

Mr. MAPES. Mr. Speaker, I ask for recognition.

Mr. BARKLEY. The previous question having been ordered——

The SPEAKER. The Chair thinks he should state the question before the House. The question is, Will the House concur in the recommendation of the Committee of the Whole House on the state of the Union to strike out the enacting clause.

Mr. BARKLEY. On that, Mr. Speaker, I move the previous question.

Mr. MAPES. I ask to be recognized, Mr. Speaker.

The SPEAKER. Of course, the motion for the previous question is a preferential motion.

Mr. MAPES. But the gentleman from Kentucky can not take me off my feet.

The SPEAKER. The Chair will ask the gentleman from Kentucky for his views on the point of order as to whether he or the gentleman from Michigan is entitled to recognition.

Mr. BARKLEY. I consider a fair interpretation of the rule under which we are operating is that I am entitled to recognition to make the motion I have made. I think under a fair interpretation of the rule I stand in the attitude of the chairman of a committee who would have reported out the bill, and as such, being in charge of the bill, I am entitled to the same recognition that I would be if I were chairman of a reporting committee.

The SPEAKER. That is undoubtedly true until the House in Committee of the Whole has stricken out the enacting clause. The question in the Chair's mind is whether the House having done that it does not transfer the right from the gentleman from Kentucky to the Committee on Interstate and Foreign Commerce.

Mr. BARKLEY. I do not think it does, because so far as the House is concerned that committee has no rights whatever. The House has discharged that committee from the consideration of this bill, and it has no more to do with it than it would have had if it had never been referred to it, so that from a parliamentary and a legislative standpoint the Committee on Interstate and Foreign Commerce has no more rights in the consideration of this bill than has the Committee on Appropriations or the Committee on Public Buildings and Grounds, because that committee has been discharged. The House in succession has voted down a motion to adjourn and a motion to refer the bill back to the Committee on Interstate and Foreign Commerce, so that the committee as such has no rights whatever, and that motion was made, not by the friends of the bill, but by the enemies of the bill. When the gentleman from Michigan [Mr. MAPES] rose, the Chair asked for what purpose he rose,

and he said he rose to ask recognition, but he was never recognized, and has not been recognized until this moment for any purpose.

The SPEAKER. That is just the question. Whom should the Chair recognize as being entitled to recognition?

Mr. BARKLEY. Of course this is an unusual situation.

The SPEAKER. The Chair is in doubt.

Mr. BARKLEY. I think the Chair is desirous of doing the fair thing, and I think the Chair wants to rule fairly on the point, and that is why I am appealing to him. If this bill had been reported by a committee and that committee had been in charge of the bill in Committee of the Whole, and on a motion made by an enemy of the bill the enacting clause had been stricken out, and we had gotten back into the House, the chairman of that committee would have been entitled to recognition, because of his position on the committee.

The SPEAKER. That is just the issue, whether he would or not.

Mr. BARKLEY. On a proposition of this kind, Mr. Speaker, the control of the House goes to the side that wins in a contest like this. On two votes we have won, and therefore are entitled to have charge of the House at this time in the disposition of this bill, and for that reason I think I am entitled to recognition to move the previous question as against any other Member, an enemy of the bill, whose side has been consistently voted down on a roll call in the House. Although the gentleman from Michigan [Mr. MAPES] is a member of the committee on Interstate and Foreign Commerce, that committee having no jurisdiction and no rights and no status now with reference to this bill, no right attaches to him by reason of his membership on that committee.

The SPEAKER. The Chair thinks that as to that point the Chair was in error, probably. If the gentleman from Michigan is to be recognized, it is not particularly as a member of the committee, but as a representative of the side that struck out the enacting clause.

Mr. WINGO. Mr. Speaker, if the proposition laid down by the Chair is correct, then the gentleman from Indiana [Mr. SANDERS], who made the motion, would be entitled to preference. I want to remind the Speaker of a situation that arose once before. I think it is conceded that the gentleman from Kentucky [Mr. BARKLEY] is in the attitude of a man in charge of a bill. He is in the same attitude as the chairman of the committee of conference or the chairman of any committee that has charge of a bill on the floor. The Speaker will recall that in the Sixty-sixth Congress the gentleman from New York, Mr. Platt, brought in a conference report on a bill amending the Federal farm loan act. I opposed the adoption of the conference report, and the House sustained my opposition and voted down the report. Then I demanded recognition for the purpose of making a preferential motion. The point was raised that the favorable vote did not transfer the control of the measure from the gentleman from New York to myself, and that proposition was very ably supported by the ex-Speaker of the House, who was then on the floor, Mr. Champ Clark, as the Chair will recall. The Speaker at that time—and I think there were some precedents cited—held that the precedents were against any such contention, and even though the House had voted with me and had voted adversely against the conferees, led by the gentleman from New York, yet I was not entitled to the floor and that the gentleman from New York still had the right to make whatever preferential motion he desired. I think that is a case in point. In any event I call it to the attention of the Speaker.

The SPEAKER. The Chair does not remember, but it has been suggested to the Chair that the question at issue at that time was whether the gentleman from Arkansas should be appointed chairman of the committee of conference.

Mr. WINGO. Oh, no; I wanted to be recognized to make a motion that the House insist on its disagreement to amendments of the Senate.

The SPEAKER. The Chair does not remember.

Mr. WINGO. I am clear on that. I asked for recognition to make the motion, and the point was made that the gentleman from New York, who was on his feet, had a right to be recognized. I argued that in view of the fact that the House had just voted with me, the control of the bill had passed to me as leading the opposition. Mr. Clark supported that contention, but, as I now recall, the present Speaker was able to cite a precedent to the effect that the rejection of a conference report leaves the matter in the position it occupied before the conference was asked, and that the minority had no special privilege as to conferences. That decision was on March 2, 1920. I submit it for what it is worth in the consideration of the pending point of order.

Mr. LONGWORTH. Mr. Speaker, the question of control in this case depends not, as the gentleman from Kentucky [Mr. BARKLEY] has suggested, upon the success of the motion to adjourn or the motion to recommit. It depends upon the success of the motion to strike out the enacting clause. The gentleman from Indiana [Mr. SANDERS] offered that motion. It prevailed in the committee, and the control passed from the gentleman from Kentucky [Mr. BARKLEY] to the gentleman from Indiana [Mr. SANDERS] or any other man who wanted to support the motion.

Now, let me call the attention of the Chair to paragraph 739, bottom of page 323 of the Manual:

> When an essential motion made by the Member in charge of the bill is decided adversely the right to prior recognition passes to the Member leading the opposition to the motion. The control of the measure passes under this principle when the House disagrees to the recommendation of the committee reporting the bill, when the Committee of the Whole reports a bill adversely, and in most cases when the House disagrees to a conference report.

This is a case adversely reported; therefore it seems clear to me that the control of the measure, so far as the motion to strike out the enacting clause, has passed from the gentleman from Kentucky, and that the Chair, if it was insisted upon, should recognize the gentleman from Indiana or any other gentleman similarly situated.

Mr. NELSON of Wisconsin. Mr. Speaker, I desire to be heard on the point of order.

Mr. MAPES. Mr. Speaker, I think what the gentleman from Ohio [Mr. LONGWORTH] has said is strictly correct. I submit this to the further consideration of the Speaker. I submit that the matter of recognition is entirely within the discretion of the Speaker. The Speaker asked me as I rose for what purpose I rose, and I said that I asked for recognition. Mr. Speaker, I was on my feet; I was recognized by the Speaker. I am on the prevailing side of this motion. I think no one need call the attention of the Speaker to the fact that when a motion to strike out the enacting clause prevails in the Committee of the Whole that the man representing the prevailing side is invariably recognized by the Speaker when the committee gets back into the House.

The SPEAKER. There is no question about that.

Mr. MAPES. I recall, Mr. Speaker, very distinctly during my first term in Congress, when the committee rose after consideration of a piece of legislation, the gentleman from South Dakota, Mr. Burke, asked for recognition from the Speaker before the previous question was ordered, and Speaker Clark recognized the gentleman from South Dakota, Mr. Burke, for an hour, and he proceeded to discuss the legislation. In this case it is, I think, entirely within the discretion of the Speaker as to whether he recognizes the gentleman from Kentucky or myself, but I submit as a matter of proper procedure that I, being on the prevailing side, being on my feet first, and having been recognized by the Speaker, that I should be recognized now to debate the motion. It was not at all necessary for the Speaker to ask for what purpose I rose, but he could have recognized me if he had seen fit to do so, and I could have taken the floor and proceeded to debate the question for an hour, and I desire to renew my request now for the purpose of debating the motion.

Mr. NELSON of Wisconsin. Mr. Speaker, I desire to be heard on the point of order. The gentleman from Michigan asked for recognition out of order. The Speaker had not declared the question, had not declared the matter before the House——

Mr. MAPES. Will the gentleman yield?

Mr. NELSON of Wisconsin. No; let me state my case. Now, then, the Speaker is the organ that causes the will of the House to function. The Speaker has been present two days when an organized filibuster has been conducted——

The SPEAKER. The Chair is not aware of that fact. The gentleman says two days. Does the gentleman refer to two weeks ago?

Mr. NELSON of Wisconsin. Yes. The Chair is aware of the fact that Monday two weeks ago there were something like 16 roll calls——

The SPEAKER. But the gentleman said two days.

Mr. NELSON of Wisconsin. The Chair is aware that we did not go into the committee until we had another roll call. The Chair is aware the leader of the House made a motion to adjourn and recommit the bill, and the Chair knows the House has twice voted down the proposition. The Chair knows that Mr. BARKLEY is in charge of this bill, that the House is with

him trying to legislate, and here comes the gentleman from Michigan making another effort at delay——

Mr. MAPES. Will the gentleman yield?

Mr. NELSON of Wisconsin. Now, the previous question is intended as a means to stop this very thing, and so we are asking that the Speaker assist us in enforcing the rules of the House and getting the business done.

The SPEAKER. The Chair wishes the gentleman would confine himself to the point of order.

Mr. CRISP. Mr. Speaker, I shall only take a moment. I know the Speaker is absolutely fair and wants to rule as he sees the right of the proposition. Now, in my judgment, when the House votes on a measure the control passes to the side that wins that vote. Now, the Committee of the Whole decided to strike out the enacting clause of this bill. The chairman of the committee reported that to the Speaker. The gentleman from Kentucky [Mr. BARKLEY] was on his feet demanding recognition, and gentlemen opposed to the bill were on their feet demanding recognition, and the Speaker probably recognized the gentlemen of the opposition because the vote in the Committee of the Whole had been favorable to them and against the bill, and there had been no vote taken which showed the sentiment of the House against the gentlemen recognized who moved to adjourn and to recommit the bill to the Committee on Interstate and Foreign Commerce.

The Chair, as I stated, properly recognized those gentlemen, and the opposition made two motions, one to adjourn and one to refer the bill to the Committee on Interstate and Foreign Commerce. The House has just voted on both of those motions, urged and advocated and proposed by the opponents of the bill, which showed clearly that the majority of the House was not with that side, but against it. Then the gentleman from Kentucky [Mr. BARKLEY], who is the proponent of the bill and in charge of it, was asking recognition at the hands of the Speaker for the purpose of making a motion which tended to expedite the consideration of the bill, to wit, demanding the previous question. The gentlemen of the opposition were seeking recognition at the hands of the Speaker. It seems to me under these conditions, in view of the two votes just had, where the House had rejected the motion of the opposition, that the gentleman from Kentucky [Mr. BARKLEY], who was in charge of the bill and who by the two votes of the House is shown to be the representative of the majority will of the House, is entitled to recognition.

Mr. SANDERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. CRISP. Yes.

Mr. SANDERS of Indiana. The gentleman has suggested that the motion to adjourn and the motion to refer being defeated, therefore the right of recognition passes to the gentleman from Kentucky. Is there anything in these two votes to indicate that the people who now want to end this thing by rejecting the bill would not have voted down those motions upon rejecting the bill?

Mr. CRISP. I think this House is a very intellectual House, and I know that every man who voted to recommit was opposed to the bill, and I know the Speaker wishes to rule fairly.

The SPEAKER. The Chair is aware of one gentleman whom he knows was against the bill who voted against the motion to adjourn. There may be others.

Mr. CRISP. Well, there are exceptions to all rules. That does not change the rule.

Mr. GRAHAM of Illinois rose.

The SPEAKER. The Chair will hear the gentleman.

Mr. GRAHAM of Illinois. Mr. Speaker, the only question here is on the merits of the proposition. The Committee of the Whole House made an adverse finding on this bill, and adopted a motion to strike out the enacting clause. There has been nothing since that time that expressed the views of the House in any different way. The first motion that was made was a motion to adjourn, and that was decided adversely. Now, in what way did that show that the will of the House had changed on the matter of striking out the enacting clause? It might well be that a Member would vote against adjourning who would be in favor of striking out the enacting clause.

The next motion was to recommit the bill to the committee. That did not decide the question which is now before the House, namely, whether the enacting clause of the bill should be stricken out, because it might well be that there are those here who do not desire to recommit this bill to the committee and at the same time might be in favor of striking out the enacting clause.

Mr. SANDERS of Indiana. Is it not true that, so far as the House is concerned, this motion has not had one single sentence of debate, and would it not be a hardship to deprive anybody in the House of an opportunity to discuss that?

Mr. GRAHAM of Illinois. Yes. I am speaking on the question of which side should be recognized, those favoring the striking out of the enacting clause or the friends of the bill. The proponents of the motion to strike out the enacting clause have not been heard. The last expression of the House was in favor of that motion, and until the House expresses itself otherwise on that question the proponents of that motion are entitled to recognition. When two gentlemen rise, one who was in favor of that motion and the other against it, the one in favor of it ought to be recognized.

Mr. CHINDBLOM. The very motion to refer to the committee would give the bill further life, would keep it still further before the House for consideration.

Mr. GRAHAM of Illinois. Yes. I think the gentleman from Michigan [Mr. MAPES] ought to be recognized.

Mr. BLANTON. Mr. Speaker, I desire to be heard for a moment.

The SPEAKER. The Chair will hear the gentleman.

Mr. BLANTON. Mr. Speaker, may I cite a precedent to the Chair?

The SPEAKER. Yes.

Mr. BLANTON. A bill in the last Congress coming from the Committee on the District of Columbia, to make Lincoln's birthday a legal holiday in the District of Columbia was pending in the Committee of the Whole House on the state of the Union. Mr. Mann, of Illinois, moved to strike out the enacting clause, and when we came back into the House Mr. Mann demanded recognition to make the same motion. There was an attempt on the part of Mr. Focht, then chairman of the Committee on the District of Columbia, to take recognition away from Mr. Mann, and the Speaker then held in favor of Mr. Mann, and recognized him, he having succeeded in striking out the enacting clause in committee.

The SPEAKER. There is no question about that.

Mr. MAPES. Mr. Speaker, I am asking for recognition.

Mr. COOPER of Wisconsin. Mr. Speaker, may I say a word, and only a word?

The SPEAKER. The Chair will hear the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. Mr. Speaker, the House two weeks ago voted to take the bill away from the Committee on Interstate and Foreign Commerce. By that vote, under rule 27, the House voted immediately to consider the bill. The House then took charge of the bill, and the Chair recognized the gentleman from Kentucky [Mr. BARKLEY], representing the House, to have control of the measure. Only a few moments ago the House voted down the motion to send that bill back to the Committee on Interstate and Foreign Commerce. The motion was to send the bill back to the Committee on Interstate and Foreign Commerce, and the House refused to do it.

Now, having twice refused to leave the bill in the control of the Committee on Interstate and Foreign Commerce, what motion has been passed to send it to any committee? None whatever. It is still in the House, under the rule. How, then, does any member of the Interstate and Foreign Commerce Committee have a preferential right to make a motion concerning this bill? The opposition control was in Committee of the Whole. But we are now in the House, and the House having by those two votes shown its determination to keep the bill in the House that would seem to decide who has the right to have charge of it.

Mr. SINNOTT. Mr. Speaker, when the Speaker took the chair and the Chairman of the Committee of the Whole House reported to the House, the proposition before the House was the motion to strike out the enacting clause. Now, the friends of that motion were certainly entitled to take charge, but their right was deferred by a preferential motion under the rules, to wit, the preferential motion to refer the bill to the committee, a right given under the rules. That motion has been disposed of and put out of the way, so, necessarily, the House recurs to the proposition that was before the House and which was delayed by the preferential motion, to wit, the motion to strike out the enacting clause, and therefore we are back to the motion to strike out, and the friends of that motion are certainly entitled to take control of the motion.

The motions which were defeated—the motion to adjourn and the motion to recommit—were not such essential motions under the rule pertaining to the motion to strike out as would

cause the friends of the motion to strike out to lose control of the proposition to strike out.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. NEWTON of Minnesota. It might very well happen that some one voting against the motion to adjourn and some one voting against the motion to refer might like an opportunity to vote now on the question of striking out the enacting clause.

Mr. SINNOTT. Certainly.

The SPEAKER. The Chair is ready to rule. There are certain questions about which there can be no doubt. When the enacting clause of a bill has been stricken out by the committee, there is no question but that when the bill comes back into the House the side which favored the striking out of the enacting clause is entitled to control and to take it away from the proponents of the bill, who before had control. It does not always follow that when a motion is defeated the parliamentary control changes. A great many times a committee is beaten or a side is beaten, and the control does not pass, but there is no question that in this case—as the Chair thinks everyone will admit—control does pass.

Now, what has happened since? And, by the way, adverting to the remarks one gentleman has made, as if filibustering affected this question. To the Chair's knowledge there has not thus far been the slightest indication of filibustering. Filibustering would have been very easy on the original motion to go into Committee of the Whole and before that; time could have been consumed indefinitely, but none has been up to date, and the Chair feels he ought to state he has not seen any evidence of it. Just now on the motion for the previous question no roll call was demanded. The rule of the House provides that—

> Whenever a bill is reported from a Committee of the Whole with an adverse recommendation, and such recommendation is disagreed to by the House, the bill shall stand recommitted to the said committee without further action by the House, but before the question of concurrence is submitted, it is in order to entertain a motion to refer the bill to any committee, with or without instructions.

Now, when the committee came back with the recommendation to strike out the enacting clause, the gentleman from Ohio [Mr. LONGWORTH] moved that the House adjourn. That was defeated. It does not seem to the Chair that it could ever be held that the decision of a motion to adjourn could have any effect upon the passing of the control of the bill. Moreover, the Chair in this instance is ruling not for this particular case, because the Chair in this particular case has a decided opinion as to who are the friends and who are the opponents of this bill, and if he took that into consideration exclusively his ruling might be different; but it is important that this ruling should be made for the future, because the Chair finds no direct decisions upon the question as to whether this motion to refer, which the rule allows, is such a motion as transfers control from one side to the other, according to the result of the vote, and the Chair thinks that question is important.

When a motion to strike out the enacting clause prevails, it unquestionably changes control. Now, just consider the rule: There shall be allowed before the House acts on that recommendation of the committee one motion to refer with or without instructions. Now, it might very well be in the future—the Chair does not think it was so in this case—that the motion to recommit is made not by the persons who favored the striking out of the enacting clause but by their opponents. The presumption would be that, having succeeded in the committee, they would also succeed in the House and would wish to come to an immediate decision; and apparently the provision for a motion to refer was inserted so that the friends of the original bill might avert its permanent death by referring it again to the committee, where it could again be considered in the light of the action of the House. In such a case, which would seem to be the natural and normal one, it would be most unreasonable to hold that when the motion to refer was defeated the contest should go back to the sponsors of the bill. And even if the Chair should be of opinion that in this case those who moved to refer were hostile to the bill, put the question whether the defeat of the motion to refer changes the parliamentary control ought not to depend upon the opinion which the Chair holds of the motives of gentlemen but should be a definite, settled rule. The Chair, therefore, thinks, which is contrary to his original inclination, that the gentleman from Michigan [Mr. MAPES] is entitled to recognition.

Mr. MAPES. Mr. Speaker——

Mr. WINGO. Mr. Speaker, if the gentleman will permit a parliamentary inquiry, a good many of the Members, as a matter of convenience, whichever side they are on, would like to know what to expect, and if the Chair would not object, I would like to raise an inquiry which will facilitate the comfort and convenience of the Members. As I understand it, the gentleman who now has the floor has one hour——

The SPEAKER. The gentleman is entitled to an hour.

Mr. WINGO. Yes. The gentleman can hold the floor for an hour——

The SPEAKER. If he wishes to.

Mr. WINGO. The gentleman can do either one of two things, as I understand. He can either use all of that hour himself or yield part of the hour to others who may want to speak. Will the Speaker hold that he can speak for five minutes, as an illustration, and then yield five minutes to some one else and prevent the gentleman from Kentucky from being recognized in the interim?

The SPEAKER. The Chair thinks so. Of course, if he should make a motion, that would end it. If he simply debates the matter, the Chair thinks the gentleman could either use his time or yield it.

Mr. WINGO. The contention will be made, I might state to the Chair, that if the gentleman speaks for five minutes and then seeks to yield to some one else, that the gentleman from Kentucky would then be entitled to recognition or some one else opposed to the motion.

The SPEAKER. Certainly.

Mr. WINGO. That question is bound to come up and it would facilitate the convenience of Members to know what the situation will be.

The SPEAKER. The Chair has already told the gentleman from Kentucky that he would recognize him whenever the gentleman from Michigan yields the floor, and at the end of an hour at any rate.

Mr. WINGO. The gentleman from Michigan may proceed for five minutes, for instance, and then say, "Mr. Speaker, I yield five minutes to the gentleman from Ohio and reserve the balance of my time," and the gentleman from Kentucky will contend that the debate should alternate.

The SPEAKER. Oh, no; the Chair thinks the gentleman from Michigan is entitled to one hour, to be used either by himself or to yield.

Mr. WINGO. Well, there are some mighty good Republicans who want to go to dinner.

The SPEAKER. Perhaps the gentleman from Michigan could notify the House how much time he expects to use.

Mr. WINGO. I think it would be for the convenience of Members on both sides if the gentleman would state whether he is going to use the one hour.

Mr. MAPES. Mr. Speaker, I had intended to submit the same parliamentary inquiry that the gentleman from Arkansas [Mr. WINGO] has submitted as soon as quiet was restored. Personally, I shall take but a few minutes, but there are some Members opposed to this bill who did not have a chance to debate it, to whom I would like to yield the balance of my hour.

The SPEAKER. The Chair thinks the gentleman would be entitled to do that.

Mr. MAPES. I imagine we will consume the major part of the hour.

Mr. BLANTON. Mr. Speaker, I make the point of order we have not a quorum. We ought to have a quorum here.

The SPEAKER. Does the gentleman insist on his point?

Mr. BLANTON. I insist on it. We ought to have a quorum here. The Constitution requires it.

The SPEAKER. It is clear there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Aldrich	Connery	Howard, Okla.	Madden
Anderson	Cramton	Hudson	Magee, Pa.
Bacharach	Crowther	Hull, Morton D.	Michaelson
Bankhead	Curry	Hull, William E.	Miller, Ill.
Barbour	Dickinson, Mo.	Humphreys	Miller, Wash.
Begg	Dominick	Johnson, S. Dak.	Moore, Ill.
Bland	Doyle	Jones	Morin
Boies	Drane	Kahn	Morris
Britten	Dyer	Kent	Mudd
Buchanan	Fairfield	Kerr	Nelson, Me.
Buckley	Fish	Kincheloe	Nelson, Wis.
Bulwinkle	Fitzgerald	Knutson	Nolan
Burdick	Fleetwood	Lampert	O'Brien
Burton	Frear	Langley	Park, Ga.
Butler	Fredericks	Larson, Minn.	Parks, Ark.
Byrnes, S. C.	Garber	Leatherwood	Peavey
Cable	Gibson	Leavitt	Ramseyer
Clague	Gifford	Logan	Rayburn
Clark, Fla.	Hersey	McClintic	Reed, Ark.
Clarke, N. Y.	Hill, Md.	McDuffie	Reed, W. Va.
Cleary	Holaday	McKenzie	Robinson, Iowa
Connally, Tex.	Howard, Nebr.	McKeown	Rogers, N. H.

Rouse	Stengle	Timberlake	White, Me.
Rubey	Strong, Kans.	Treadway	Williams, Tex.
Sabath	Strong, Pa.	Underhill	Wilson, La.
Schall	Sullivan	Ward, N. Y.	Winter
Sherwood	Sweet	Ward, N. C.	Wood
Shreve	Swoope	Wason	Wurzbach
Snell	Taylor, Colo.	Watson	Zihlman
Snyder	Temple	Weller	
Spearing	Thomas, Okla.	Welsh	

The SPEAKER. Three hundred and eleven Members have answered to their names; a quorum.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. MAPES. Mr. Speaker, so far as I am concerned, I recognize the hour, and I also recognize the fact we are likely to be here for some time this evening, and I am satisfied to proceed with the number who are here. I have no desire to have anyone, so far as I am concerned, make a point of no quorum while I am occupying the time that I will occupy. I hope that no one will.

I had no idea when I asked the Speaker for recognition to debate this motion that any point of order would be made or that anything further would happen than that I would be permitted to discuss this bill for a few minutes and put into the RECORD a few things going to the merits of the legislation which I think ought to be considered by the Members of the House.

I think this procedure this afternoon has disclosed the folly of attempting to consider a piece of legislation of this importance on the floor of the House of Representatives without any consideration by a committee. This is a bill going to the very vitals of the railroad-labor section of the transportation act.

Mr. FREE. Mr. Speaker, I think it is quite evident there is not a quorum present, and I make the point of no quorum.

Mr. MAPES. I hope the gentleman will not do that.

Mr. FREE. Then I move we adjourn.

Mr. MAPES. Mr. Speaker, I do not yield the floor for that purpose.

The SPEAKER. The gentleman from California [Mr. FREE] can not make that motion.

Mr. BLANTON. Mr. Speaker, I make the point of order there is not a quorum present, and there ought to be one here. The Constitution says so.

Mr. BARKLEY. Mr. Speaker, I make the point that the roll call has just demonstrated that a quorum is present.

Mr. BLANTON. It is very evident there is not a quorum here now.

Mr. MAPES. I hope the gentleman from Texas will not insist on that point.

Mr. BLANTON. It is a constitutional right.

Mr. MAPES. The gentlemen who have left the Chamber have evidently gone to their dinner.

Mr. BLANTON. I insist on the constitutional right of the House to have a quorum here.

Mr. MAPES. I would like to make a brief statement and then I will yield part of my time to other gentlemen who want to discuss this question.

Mr. BLANTON. That is not going to do any good unless there are more on the floor of the House than the small crowd that is here at this time and I insist on the point of order.

Mr. FREE. I am going to insist on the point of order. If some of us are going to be punished, let us all be punished.

The SPEAKER. The gentleman from Texas makes a point of order there is not a quorum present. As to the point made by the gentleman from Kentucky [Mr. BARKLEY] there have been rulings that points of order of no quorum can not be made one after another, but the Chair thinks those rulings always apply to cases where, in the opinion of the Chair, a quorum is present. Everybody knows that there is no quorum present, and if the gentleman from Texas insists——

Mr. BLANTON. I insist, Mr. Speaker. It is a constitutional right.

The SPEAKER. The Chair will have to decide there is no quorum present.

Mr. MAPES. Mr. Speaker, I move a call of the House.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aldrich	Beedy	Bowling	Bushy
Anderson	Beers	Britten	Byrnes, S. C.
Anthony	Begg	Browne, N. J.	Cable
Bacharach	Black, N. Y.	Buckley	Clague
Bankhead	Boles	Burdick	Clark, Fla.
Collins	Hawley	Michaelson	Snyder
Colton	Hersey	Miller, Ill.	Spearing
Connally, Tex.	Hill, Md.	Mills	Stengle
Connery	Hoch	Moore, Ill.	Strong, Kans.
Corning	Holaday	Morin	Sullivan
Cramton	Howard, Okla.	Mudd	Sweet
Curry	Hudson	Murphy	Swing
Deal	Hull, Iowa	Nelson, Wis.	Swoope
Dominick	Hull, William E.	Newton, Minn.	Taylor, Colo.
Drane	Humphreys	Nolan	Temple
Doyle	Johnson, Ky.	O'Brien	Thomas, Okla.
Driver	Johnson, W. Va.	O'Connor, La.	Treadway
Dyer	Johnson, S. Dak.	Oliver, N. Y.	Underhill
Edmonds	Jost	Paige	Upshaw
Fairchild	Kahn	Park, Ga.	Ward, N. C.
Fairfield	Knutson	Peavey	Ward, N. Y.
Fish	Langley	Perkins	Wason
Fitzgerald	Larson, Minn.	Porter	Watres
Fleetwood	Lea, Calif.	Quayle	Watson
Frear	Leavitt	Rainey	Wefald
Fredericks	Lehlbach	Raker	Weller
Freeman	Lilly	Ramseyer	White, Kans.
French	Lindsay	Reed, W. Va.	White, Me.
Frothingham	Lyon	Richards	Williams, Mich.
Fulmer	McDuffie	Rogers, N. H.	Williams, Tex.
Gibson	McKenzie	Sabath	Wilson, La.
Graham, Pa.	McSwain	Sanders, Ind.	Winslow
Green, Iowa	MacLafferty	Schall	Wright
Greene, Mass.	Madden	Shreve	Zihlman
Griffin	Magee, Pa.	Snell	

The SPEAKER. Two hundred and ninety-six Members have answered to their names. A quorum is present.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. MAPES. Mr. Speaker, as I was saying before the point of no quorum was raised, I asked for recognition for the purpose of bringing out a few points in regard to the bill which I think have not been clearly brought out before. I submit that it is not an unreasonable request to ask to discuss an important measure of this kind for a few moments on a motion to strike out the enacting clause. That was my only purpose in asking for recognition.

It seems to me it is folly to attempt to compare the board of mediation and conciliation proposed to be set up in the Barkley bill with the present Railroad Labor Board. The present Railroad Labor Board has power to arbitrate labor disputes. The board of mediation and conciliation provided for by the Barkley bill has no power except to extend its good offices and to coax the employees and employers to arbitrate if they will. We know from experience how difficult that is. Different Presidents of the United States, with all the prestige of their high office back of them, have failed whenever a critical labor dispute has arisen to get the two sides to arbitrate. What more reason have we to expect the board of mediation and conciliation will be able to succeed than has the President in other cases?

I think a good deal of the criticism of the present Railroad Labor Board, or a good deal of the reason for that criticism, was brought out by the brief statement of the chairman of the board before the subcommittee of the Senate. He called attention to the fact that the representatives of these brotherhoods never were in sympathy with the legislation and have never given their moral influence to make it a success. To quote the language of Mr. Hooper, he said:

> The whole truth of the matter is that most of the leaders of the organizations are so strongly opposed to the theory upon which the labor section of the transportation act of 1920 is predicated that they have never been able to assume a fair attitude toward the board, and neither the board as constituted at present, nor any board that may hereafter be constituted. * * *
>
> They opposed the enactment of this provision and have fought it unceasingly ever since. If they had been contented to go along with the law and the board, and occasionally to say a good word for the board to their membership when it had rendered decisions of great importance and benefit to the men, the sentiment among the employees would have been vastly different. But from the hour the law went into effect no opportunity has ever been lost by these leaders to belabor the board and the law to their membership.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. JACOBSTEIN. In that same testimony does not Mr. Hooper say that the railroads were guilty in violating the decision and the union had only violated the decision once?

Mr. MAPES. No; I do not think that he says that the union had only violated the decision once, but he does say that the railroads have violated it. He says the Pennsylvania and the Erie railroads violated it, and, I think, all unbiased students must admit that the Pennsylvania and the Erie companies were subject to severe condemnation for not abiding by the decisions of the board, but they have exercised their

right to go into the court and determine whether the board was within its jurisdiction or not. President Hooper says that the Railroad Labor Board itself has issued stronger condemnation of the railroads for their violation of the decisions of the board than it has of the employees.

Mr. JOCOBSTEIN. Is it not a fact——

Mr. MAPES. I do not yield any further.

Mr. BLANTON. I would like to ask the gentleman a question.

Mr. MAPES. I yield.

Mr. BLANTON. When the Committee of the Whole by a majority of 10 votes has voted to strike out the enacting clause in this bill, and it is very evident that the Congress can not pass it over the veto of the President, it being such a bad bill that the President would veto it, what is the use of wasting the time of the Congress on it?

Mr. MAPES. The bill is before Congress, and those of us who think it ought to be considered have not had any choice to determine whether the time of Congress would be wasted or not.

Mr. BLANTON. Because they have not given us a chance to consider it.

Mr. MAPES. They will not give us a chance to consider it. In further answer to the question of the gentleman from New York, the president of the Railroad Labor Board suggested some amendments to the present transportation act which might eliminate some of the objections which have been made against it.

Mr. JACOBSTEIN. Has the gentleman a copy of the hearings there?

Mr. MAPES. I have.

Mr. JACOBSTEIN. Look at page 257 and the gentleman will find that Mr. Hooper says in one instance only the employees of one railroad ignored this imperative requirement of law and went on strike.

Mr. MAPES. I do not recall his testimony on that point, but if the gentleman makes the positive statement I will not——

Mr. JACOBSTEIN. There it is.

Mr. MAPES. If the gentleman will pardon me, I do not care to yield further.

Mr. BLANTON. If the gentleman is not going to yield further, I am going to make a point of no quorum present.

Mr. MAPES. I am not advocating all the provisions in this law——

Mr. BLANTON. The Constitution says there shall be a quorum here all the time, and I am asking that the Constitution be enforced.

Mr. LONGWORTH. I hope the gentleman will not insist on it.

Mr. BLANTON. I make the point of order there is no quorum present, and evidently there is not.

Mr. HOWARD of Nebraska. Will the gentleman yield for a unanimous-consent request?

Mr. BLANTON. We have to get a quorum first.

The SPEAKER. The Chair will count. Does the gentleman insist on his point of order?

Mr. BLANTON. I insist on the point of order, it is constitutional.

The SPEAKER. But the gentleman is not obliged——

Mr. BLANTON. I insist on it.

The SPEAKER. Ninety-four gentlemen are present, not a quorum.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Kentucky moves a call of the House.

Mr. TYDINGS. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Maryland moves that the House do now adjourn.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. Can that motion be made after the motion is carried?

The SPEAKER. Oh, no; not after it is carried, but the gentleman made it before the Chair had taken one side. It is a preferential motion. The Chair thinks the gentleman was in time to make it.

Mr. BARKLEY. I make the point of order on the motion that the gentleman from Michigan [Mr. MAPES] had the floor and can not be taken off his feet.

The SPEAKER. The misfortune is that he could not be taken off his feet by a motion to adjourn, but the gentleman from Texas made a point of order that there was no quorum present. That took the gentleman from Michigan off the floor, and when the point of no quorum is made there are only two motions, one is to adjourn and the other is a call of the House, and the motion to adjourn has precedence.

Mr. BARKLEY. I make the point of order the motion to adjourn is dilatory.

Mr. TYDINGS. No, sir; it is not dilatory with me, I want to go home. [Laughter.]

Mr. BLANTON. There has not been a motion to adjourn for two hours.

The SPEAKER. The Chair does not know which side the gentleman who made the motion is on.

Mr. BARKLEY. If the Chair wants roll calls——

The SPEAKER. The Chair desires to escape roll calls. The Chair does not think a motion to adjourn made at this hour of the evening, half past 7, is dilatory.

Mr. BARKLEY. It has not been a half hour, Mr. Speaker, since the motion was made and defeated.

The SPEAKER. It must have been two hours.

Mr. JOHNSON of Kentucky. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of Kentucky. Has the Chair found that there was no quorum present?

The SPEAKER. The Chair announced that 94 Members were present.

Mr. JOHNSON of Kentucky. Inasmuch as no business can be transacted without a quorum, can a motion to adjourn under those circumstances be considered to be dilatory?

The SPEAKER. Only two motions can be made; one for a call of the House and the other to adjourn. The Chair thinks the motion to adjourn can not be dilatory. The Chair does not think he can be justified in calling it dilatory.

Mr. BARKLEY. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. Obviously a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 132, nays 160, answered "present" 6, not voting 126, as follows:

YEAS—132

Ackerman	Fairfield	McFadden	Simmons
Andrew	Faust	McLaughlin, Mich.	Smith
Aswell	Fenn	McLaughlin, Nebr.	Snell
Bacon	Fisher	MacLafferty	Speaks
Beers	Free	Magee, N. Y.	Sproul, Ill.
Bell	French	Magee, Pa.	Sproul, Kans.
Black, Tex.	Fuller	Manlove	Stalker
Bland	Garner, Tex.	Mapes	Stephens
Blanton	Goldsborough	Merritt	Strong, Pa.
Brand, Ohio	Graham, Ill.	Mills	Sweet
Brumm	Graham, Pa.	Moores, Ind.	Taber
Buchanan	Green, Iowa	Morris	Thatcher
Burtness	Hadley	Murphy	Tilson
Butler	Hardy	Nelson, Me.	Timberlake
Chindblom	Hawes	Newton, Minn.	Tincher
Christopherson	Hawley	Newton, Mo.	Tinkham
Clague	Hickey	Parker	Tydings
Cleary	Hill, Md.	Patterson	Vare
Cole, Iowa	Hoch	Purnell	Vestal
Cole, Ohio	Humphreys	Ramseyer	Walnwright
Colton	Johnson, Ky.	Ransley	Watres
Connolly, Pa.	Johnson, Wash.	Rayburn	Watson
Crowther	Kearns	Reece	Welsh
Dallinger	Ketcham	Reed, N. Y.	Werts
Darrow	Kiess	Roach	White, Kans.
Deal	Knutson	Robinson, Iowa	Williams, Mich.
Dempsey	Larsen, Ga.	Rogers, Mass.	Williamson
Dickinson, Iowa	Larson, Minn.	Rouse	Winslow
Dowrry	Leatherwood	Sanders, Ind.	Winter
Driver	Linthicum	Sanders, N. Y.	Wood
Edmonds	Longworth	Scott	Wyant
Elliott	Luce	Sears, Nebr.	Yates
Evans, Iowa	McDuffie	Seger	Young

NAYS—160

Abernethy	Celler	Gardner, Ind.	Keller
Allen	Clancy	Garrett, Tenn.	Kelly
Almon	Collier	Garrett, Tex.	Kent
Arnold	Collins	Gasque	Kindred
Ayres	Cook	Gilbert	Kopp
Barbour	Cooper, Wis.	Glatfelter	Kurtz
Barkley	Croll	Greenwood	Kvale
Beck	Crosser	Griffin	LaGuardia
Berger	Cullen	Hammer	Lampert
Black, N. Y.	Cummings	Hastings	Lanham
Box	Davey	Hayden	Lankford
Boyce	Davis, Minn.	Hill, Ala.	Lazaro
Boylan	Dickinson, Mo.	Hill, Wash.	Lea, Calif.
Brand, Ga.	Dickstein	Holaday	Lilly
Briggs	Doughton	Hooker	Lineberger
Browne, Wis.	Dowell	Howard, Nebr.	Logan
Browning	Evans, Mont.	Huddleston	Lowrey
Bulwinkle	Favrot	Hudspeth	Lozier
Busby	Foster	Hull, Tenn.	Lyon
Byrns, Tenn.	Fulbright	Jacobstein	McClintic
Canfield	Fulmer	James	McKeown
Cannon	Funk	Jeffers	McLeod
Carter	Gallivan	Johnson, Tex.	McSwain
Casey	Garber	Jones	McReynolds

McSweeney	O'Connor, N. Y.	Rubey	Taylor, Tenn.
Major, Ill.	O'Sullivan	Sanders, Tex.	Taylor, W. Va.
Major, Mo.	Oldfield	Sandlin	Thompson
Martin	Oliver, Ala.	Schafer	Tillman
Mead	Oliver, N. Y.	Schall	Tucker
Michaelson	Parks, Ark.	Schneider	Underwood
Miller, Wash.	Peery	Sears, Fla.	Vinson, Ga.
Milligan	Perlman	Shallenberger	Vinson, Ky.
Montague	Pou	Sherwood	Watkins
Mooney	Quin	Sinclair	Weaver
Moore, Ga.	Rainey	Sites	Wefald
Moore, Va.	Raker	Smithwick	Wilson, Ind.
Morehead	Rankin	Steagall	Wilson, Miss.
Morgan	Rathbone	Stedman	Wingo
Morrow	Reed, Ark.	Stevenson	Woodrum
Nolan	Reid, Ill.	Summers, Wash.	Wurzbach
O'Connell, N. Y.	Richards	Sumners, Tex.	
O'Connell, R. I.	Romjue	Swank	
O'Connor, La.	Rosenbloom	Swing	

ANSWERED "PRESENT"—6

Carew	Salmon	Treadway	Woodruff
Ragon	Tague		

NOT VOTING—126

Aldrich	Doyle	King	Rogers, N. H.
Allgood	Drane	Kunz	Sabath
Anderson	Dyer	Langley	Shreve
Anthony	Eagan	Leavitt	Sinnott
Bacharach	Fairchild	Lee, Ga.	Snyder
Bankhead	Fish	Lehlbach	Spearing
Beedy	Fitzgerald	Lindsay	Stengle
Begg	Fleetwood	Little	Strong, Kans.
Bixler	Frear	McKenzie	Sullivan
Bloom	Fredericks	McSwain	Swoope
Boies	Freeman	MacGregor	Taylor, Colo.
Bowling	Frothingham	Madden	Temple
Britten	Geran	Mansfield	Thomas, Ky.
Browne, N. J.	Gibson	Michener	Thomas, Okla.
Buckley	Gifford	Miller, Ill.	Underhill
Burdick	Greene, Mass.	Minahan	Upshaw
Burton	Griest	Moore, Ill.	Vaile
Byrnes, S. C.	Harrison	Moore, Ohio	Vincent, Mich.
Cable	Haugen	Morin	Volgt
Campbell	Hersey	Mudd	Ward, N. Y.
Clark, Fla.	Howard, Okla.	Nelson, Wis.	Ward, N. C.
Clarke, N. Y.	Hudson	O'Brien	Wason
Connally, Tex.	Hull, Morton D.	Paige	Weller
Connery	Hull, William E.	Park, Ga.	White, Me.
Cooper, Ohio	Hull, Iowa	Peavey	Williams, Ill.
Corning	Johnson, S. Dak.	Perkins	Williams, Tex.
Cramton	Johnson, W. Va.	Phillips	Wilson, La.
Crisp	Jost	Porter	Wolff
Curry	Kahn	Prall	Wright
Davis, Tenn.	Kendall	Quayle	Zihlman
Denison	Kerr	Reed, W. Va.	
Dominick	Kincheloe	Robsion, Ky.	

So the motion was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Upshaw (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Griest (for) with Mr. Fish (against).
Mr. Greene of Massachusetts (for) with Mr. Doyle (against).
Mr. Leavitt (for) with Mr. Boies (against).
Mr. Dominick (for) with Mr. O'Brien (against).
Mr. Begg (for) with Mr. Connery (against).
Mr. Underhill (for) with Mr. Byrnes of South Carolina (against).
Mr. Strong of Kansas (for) with Mr. Frear (against).
Mr. Treadway (for) with Mr. Tague (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Corning (for) with Mr. Thomas of Kentucky (against).
Mr. Burton (for) with Mr. Woodruff (against).
Mr. Jost (for) with Mr. Johnson of West Virginia (against).
Mr. Little (for) with Mr. Stevenson (against).
Mr. Kerr (for) with Mr. Ragon (against).
Mr. Britten (for) with Mr. Connally of Texas (against).
Mr. McKenzie (for) with Mr. Prall (against).
Mr. Bixler (for) with Mr. Campbell (against).
Mr. Frothingham (for) with Mr. McSwain (against).

Until further notice:

Mr. Swoope with Mr. Bloom.
Mr. Aldrich with Mr. Eagan.
Mr. Denison with Mr. Allgood.
Mr. Bacharach with Mr. Sabath.
Mr. Fredericks with Mr. Browne, of New Jersey.
Mr. Kendall with Mr. Taylor of Colorado.
Mr. Michener with Mr. Wilson of Louisiana.
Mr. Paige with Mr. Davis of Tennessee.
Mr. Williams of Illinois with Mr. Crisp.
Mr. Phillips with Mr. Geran.
Mr. Anthony with Mr. Minahan.
Mr. Perkins with Mr. Kincheloe.
Mr. Clarke of New York with Mr. Buckley.
Mr. Johnson of South Dakota with Mr. Bankhead.
Mr. Freeman with Mr. Spearing.
Mr. Beedy with Mr. Williams of Texas.
Mr. Cooper of Ohio with Mr. Kunz.
Mr. Gifford with Mr. Thomas of Oklahoma.
Mr. Dyer with Mr. Weller.
Mr. Porter with Mr. Wright.
Mr. Sinnott with Mr. Harrison.
Mr. Morin with Mr. Lindsay.
Mr. Lehlbach with Mr. Wolff.
Mr. Moore of Illinois with Mr. Mansfield.
Mr. William E. Hull with Mr. Quayle.
Mr. Moore of Ohio with Mr. Bowling.

Mr. WOODRUFF. Mr. Speaker, did the gentleman from Ohio, Mr. BURTON, vote? If he did not, I withdraw my vote of "no" and answer "present."

Mr. BANKHEAD. Mr. Speaker, I was not in the Hall listening, but I would like the privilege of being recorded as "present."

The SPEAKER pro tempore. The gentleman is not entitled to be recorded.

Mr. NELSON of Wisconsin. Mr. Speaker, I desire to be recorded.

The SPEAKER pro tempore. Was the gentleman in the Hall listening?

Mr. NELSON of Wisconsin. I was on the first call, but some one was talking to me on the second call and I was out.

Mr. THATCHER. Mr. Speaker, I wish to vote "aye."

The SPEAKER pro tempore. Was the gentleman in the Hall listening?

Mr. THATCHER. I was at the door.

The SPEAKER pro tempore. Was the gentleman in the Hall listening?

Mr. THATCHER. I can not say that I was. I was in the room, but did not hear my name.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. Does the gentleman from Michigan desire to insist upon his motion for a call of the House?

Mr. MAPES. No; I withdraw the motion.

The SPEAKER pro tempore. The gentleman from Michigan is recognized.

Mr. MAPES. Mr. Speaker, the Committee on Interstate and Foreign Commerce, as we all know, has not had an opportunity to consider this bill and hear the different sides of this question. I have some statements here which are highly contradictory to some that have been made on the floor of the House. I am not sure which side is correct, but I call the attention of Members of the House to some of the statements that have come to me. For example, I have a letter here which I received from the shop employees' association of the Union Pacific system. I suppose every Member of the House received a similar one. This letter states that there are 700,000 employees of railroads that are not represented by the national organizations which sponsor this bill. Seven hundred thousand is over a third of the total of the employees of the railroads of the United States, as I am informed.

Mr. BROWNE of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. BROWNE of Wisconsin. In the Esch-Cummins law which passed the House we did not provide for any representation of any organized labor.

Mr. MAPES. I am willing to take the gentleman's statement for that. I am not arguing the merits of the Esch-Cummins law nor the merits of this statement or its correctness, but I say that the House of Representatives ought to have an opportunity to find out for itself the truth of the conflicting statements which have come to us. I am not arguing the merits. I am simply saying that the House of Representatives has not had an opportunity of its own to make any investigation to enable it to form any intelligent judgment on the question.

Mr. BROWNE of Wisconsin. It is a fact that the Esch-Cummins law did not have, and that point was not raised by the gentleman or anyone else, and yet the gentleman voted for that bill.

Mr. MAPES. I voted for the Anderson amendment, but the Esch-Cummins law was put through this House after months of consideration by the committee and by the House and after months of discussion by the country of the railroad labor provisions in it, whether it was advisable to have compulsory arbitration or not. Nobody can say that any particular group forced through this House the Esch-Cummins law. I can not yield any further.

Mr. BLANTON. I would like to ask the gentleman one question.

Mr. MAPES. I can not yield.

Mr. BLANTON. If the gentleman will not yield, then I make the point of order that there is no quorum present.

Mr. MAPES. Oh, I hope the gentleman will not do that.

Mr. BLANTON. We want to find out something about this bill, and I make the point of order that there is no quorum present, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-eight Members present, not a quorum.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Fish	Little	Sites
Anthony	Fitzgerald	McLaughlin, Nebr.	Snyder
Bacharach	Fleetwood	McLeod	Spearing
Begg	Frear	McSwain	Stengle
Boies	Fredericks	Madden	Strong, Kans.
Britten	Geran	Mansfield	Sullivan
Browne, N. J.	Gibson	Michaelson	Swoope
Buckley	Greene, Mass.	Miller, Ill.	Taylor, Colo.
Burdick	Griest	Minahan	Temple
Burton	Howard, Okla.	Morin	Thomas, Ky.
Byrnes, S. C.	Hudson	Mudd	Thomas, Okla.
Cable	Hull, Iowa	Nolan	Underhill
Clark, Fla.	Hull, Morton D.	O'Brien	Upshaw
Connally, Tex.	Hull, William E.	Paige	Vinson, Ga.
Connery	Johnson, S. Dak.	Park, Ga.	Ward, N. Y.
Corning	Johnson, W. Va.	Peavey	Ward, N. C.
Cramton	Jost	Peery	Wason
Curry	Kahn	Perkins	Weller
Dominick	Kerr	Phillips	White, Me.
Doyle	Kincheloe	Porter	Williams, Ill.
Drane	Kunz	Reed, W. Va.	Williams, Tex.
Dyer	Langley	Rogers, N. H.	Wilson, La.
Eagan	Leavitt	Sears, Nebr.	Zihlman
Edmonds	Lehlbach	Shreve	

The SPEAKER pro tempore. Three hundred and twenty-nine Members have answered to their names, a quorum.

Mr. VESTAL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. MAPES. Mr. Speaker, among the other statements contained in this letter from the shop employees' association of the Union Pacific system is one which says:

> The bill proposes adjustment boards which are made up of an equal number of men, respectively, from the managements of railroads and from the nationally organized crafts. In this connection I would beg to draw your attention to the fact that there are, as far as the crafts mentioned in boards No. 2 and No. 3 are concerned, a greater number of men that are not members of the nationally organized crafts than those that are.

If that statement is correct, a minority of the employees is going to make up the membership of these two boards, Nos. 2 and 3, and the majority will be deprived of representation altogether. In the existing law the employees of railroads who are on the Railroad Labor Board are chosen from all of the employees, regardless of whether they are members of the nationally organized crafts or not, in accordance with rules and regulations laid down by the Interstate Commerce Commission.

A great deal has been said about the work of the present Railroad Labor Board, and I want to say that I do not think the work of that board has been perfect, but no one here has come to its defense, and I wish to put in a statement made about its work by the chairman of the board, Mr. Hooper. He said:

> The board's calendar was not a matter of gradual growth; it commenced business with an extremely congested docket.
>
> From April 15, 1920, to April 1, 1924, 12,543 disputed questions were referred to the Railroad Labor Board. Of these, 11,228 have been disposed of. Of the total number of disputes, 865 did not reach the status of regular docketed cases. The cases regularly docketed, as in a court, number 11,678. Of these, 10,430 have been disposed of. In some instances cases involving the same general question of wages or rules were consolidated under one docket and decision number.

You hear it stated by some that the Railroad Labor Board has decided only 1,000 cases. It is true it has rendered only a little over 1,000 decisions, but those decisions in some instances have involved a number of docketed cases, so that altogether it has decided over 11,000 of the cases out of 12,000 that have been brought before it. As President Hooper said, the work done certainly does not show that the board has been slothful in the disposition of the questions submitted to it.

Now, what does this Barkley bill propose to do? It proposes to take off the arbitration board entirely all the public representatives.

Mr. MILLS. Mr. Speaker, will the gentleman yield there?

Mr. MAPES. I dislike to yield, because every time I have yielded somebody makes the point of no quorum; but I yield to the gentleman.

Mr. MILLS. Before the gentleman leaves the question of the failure of the present labor board and the disregard of its decisions by the carriers, is it not a fact that Mr. Hooper testified that only four class 1 roads had violated the decisions of the board and only three short lines had violated them in 1924?

Mr. MAPES. Yes.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes; I yield.

Mr. BLANTON. I was wondering whether the distinguished gentleman from Michigan had not read carefully the splendid substitute prepared and introduced in the House day before yesterday by our colleague from Ohio [Mr. COOPER], known as the bill H. R. 9298? Has the gentleman read that substitute?

Mr. MAPES. I have read it, but I can not say I have read it very carefully.

Mr. BLANTON. If the gentleman from Kentucky [Mr. BARKLEY] would accept that substitute, I believe he could pass that bill to-night, because it is a splendid bill. It provides a means of mediation and conciliation. Hoping that somebody will discuss that bill to-night and have an audience, Mr. Speaker, I now make the point of order that there is no quorum present.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman withhold that?

Mr. BLANTON. No. I insist on the point of order. Evidently there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventy-nine are present—not a quorum.

Mr. BARKLEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Edmonds	Leavitt	Stengle
Bacharach	Fish	Little	Strong, Kans.
Begg	Fitzgerald	McSwain	Sullivan
Black, Tex.	Fleetwood	MacGregor	Sweet
Boies	Funk	Madden	Swoope
Britten	Gibson	Moore, Ill.	Taber
Buckley	Griest	Morin	Taylor, Colo.
Burdick	Hammer	Mudd	Temple
Burton	Hickey	Newton, Minn.	Thomas, Ky.
Byrnes, S. C.	Howard, Okla.	Newton, Mo.	Thomas, Okla.
Cable	Hudson	O'Brien	Underhill
Clark, Fla.	Hull, Iowa	Park, Ga.	Upshaw
Connally, Tex.	Hull, Tenn.	Peavey	Ward, N. C.
Connery	Hull, William E.	Phillips	Wason
Corning	Humphreys	Porter	Weller
Cramton	Johnson, S. Dak.	Quayle	White, Me.
Curry	Johnson, W. Va.	Reed, W. Va.	Williams, Tex.
Deal	Jost	Rogers, N. H.	Wilson, La.
Dominick	Kahn	Shreve	Zihlman
Doyle	Klug	Sinclair	
Drane	LaGuardia	Spearing	
Dyer	Langley	Sproul, Kans.	

The SPEAKER. Three hundred and forty-eight Members have answered to their names—a quorum.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The doors were opened.

Mr. MAPES. Mr. Speaker, we have been notified that there will be one amendment made to this Barkley bill before the consideration of the bill is completed, and it affords an illustration of who is doing the legislating on the bill. Some one referred here this afternoon to the fact that, so far as this bill is concerned, this body was not a deliberative, legislative body. In the May number of the American Federationist, the official magazine of the American Federation of Labor, which comes to the desks of all of us, we have been notified that the bill was introduced prematurely, at least before it was acceptable to all the members of the national crafts. However, they have reached an agreement, and the dissenting organizations are now satisfied. But the Congress of the United States, which must take the responsibility for the legislation, was not consulted, and no concession has been made to the Congress of the United States.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I am sorry, but I can not yield.

On page 420 of the American Federationist for May, in the discussion of the railroad labor problem, there is this statement:

> After the introduction of the bill it was discovered that certain provisions did not meet with the approval of the Amalgamated Association of Street and Electric Railway Employees and the International Brotherhood of Teamsters, and after conferences this was rectified.

I am not going to take any further of the time of the House, except to read from a statement from the president of the Railroad Labor Board. I read:

The labor article of the transportation act, 1920, is predicated upon the sound theory that the American people have too much at stake in efficient and uninterrupted railway transportation to allow railroad managements and men unobstructed freedom to fight out their labor controversies at the expense of the lives and property of innocent people. The act does not, however, undertake to prohibit strikes. It merely provides that a tribunal equally representing the carriers, the employees, and the public shall openly hear the full contentions of both parties, render a public decision, and then, if that decision is disobeyed by either party, publish the fact of such disobedience to the people. The only penalty is that of the condemnation of public opinion. And yet the power of an enlightened public sentiment to prevent strikes and to quell the few that do occur has proven so efficacious that Congress is now being asked to enact a bill that carefully excludes the public from all participation in or supervision over railroad labor controversies and sets up an elaborate and expensive system of five boards, without jurisdiction or power and without the possibility of bringing to bear a potent public sentiment. Under the proposed legislation the public would be required to pay enormous sums of money from the Federal Treasury for the privilege of having its eyes bandaged, its ears stuffed, its voice stifled, and its hands bound whenever a strike is threatened, so that it might never see, hear, understand, speak, or act.

Those who hold the view that the public has no right to try to prevent transportation tie-ups resulting from strikes can not be reconciled to the transportation act, because it does assert such a right in a moderate and conservative way. No board could so function under this law as to please those who condemn the law itself because it throws obstacles in the way of railroad strikes.

Although the principles underlying the present law are based upon sound public policy, it is not surprising that its execution has disclosed certain weaknesses. None of the defects, however, are inherent in the law itself or in the policy upon which it is predicated. Most of them have been developed by efforts of a small number of carriers to evade certain requirements that seem to have been plainly intended by Congress. In one instance a similar evasion has been practiced by two labor organizations. The Railroad Labor Board has frequently declared in official orders and decisions its disapproval of such evasion. The representatives of certain of the labor organizations have emphasized these matters before the Senate Subcommittee on Interstate Commerce. It would be a comparatively simple undertaking to meet every meritorious criticism along these lines by amendments to the present law that would compel the few delinquent carriers and labor organizations to adopt the orderly procedure that has been pursued by all others. If this were done, I am sure that the employees in general would be much better satisfied with the law, that very few carriers would complain, and that the interests of the public would be correspondingly subserved.

But this Congress has had no opportunity to consider the amendments offered by President Hooper and the members of the Railway Labor Board, and it seems to me that in self-defense the only thing this Congress can do is to vote to sustain the recommendation of the Committee of the Whole and strike out all after the enacting clause of this bill.

Mr. Speaker, I yield 15 minutes of my time to the gentleman from North Dakota [Mr. BURTNESS].

The SPEAKER. The gentleman from North Dakota is recognized for 15 minutes. [Applause.]

Mr. BURTNESS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, a point of order. Before the gentleman begins, I make the point of order that there is no quorum present.

Mr. SHALLENBERGER. Mr. Speaker, I make the point of order that that motion is dilatory.

The SPEAKER. The only time when a point of no quorum is dilatory is when it is clear that there is not a quorum present. The Chair is uncertain whether there is a quorum present or not, and the Chair will count.

Mr. SHALLENBERGER. I would like to read the Chair some precedents upon the question of dilatoriness. This is from page 365 of Volume V of Hinds' Precedents. The first case was upon a motion made by Mr. UNDERWOOD that no quorum was present when a division had been had and the division showed there was no quorum present. Later, Mr. Sereno E. Payne of New York, moved a recess. A division being taken on ordering the previous question, there were—ayes 169, noes 5. Mr. UNDERWOOD made the point of order that no quorum was present, and the Speaker said:

The Chair is obliged to overrule the point of order, for the reason that a recent call of the House shows that there was a quorum present, and it is well settled by the rules that the point of no quorum can not be made when a recent call of the House shows the presence of a quorum.

Now, we have had six roll calls during the 45 minutes the gentleman has been speaking; that is, he has been speaking 45 minutes, and we have had six roll calls during that time. A little later, on the 28th of February, a division showed 173 ayes and 4 noes. Mr. UNDERWOOD made the point of no quorum, and Mr. Payne made the point of order that the point was dilatory, stating:

Every roll call we have had to-day has shown that there was a quorum present.

Now, later Mr. John Sharp Williams, of Mississippi, made the point of order that a quorum was not present. The Speaker ruled:

Under the practice, a vote having just been taken by the yeas and nays, the most accurate way of taking it, has disclosed a quorum. * * * The Chair overrules the point of order.

Three times on one page the Chair declared that it was a dilatory motion when the roll calls just preceding had shown a quorum present. Although a division taken had shown that there was apparently not a quorum present, the Speaker held the motion was dilatory.

Mr. BLANTON. Mr. Speaker, I ask to be heard a moment.

The SPEAKER. The Chair does not care to hear the gentleman from Texas. This is a question to which the Chair has given considerable consideration at various times. The mere fact that a division shows that there is no quorum voting does not establish the fact that a quorum is not present. The question is whether there is a quorum present in the House.

Now, any Member has a constitutional right to insist that a quorum shall be present. Of course that is not obligatory upon any gentleman, but upon the insistence of any Member it is necessary that a quorum be present for the conduct of the business of the House. Now, the fact that a count had just been made and showed a quorum present, in the opinion of the Chair, would prevent a point of no quorum being made immediately afterwards. Nobody can keep raising the point of no quorum when it is manifest to the Chair and to the House that a quorum is really present, and that is the only occasion, it seems to the Chair, when a point of no quorum can be dilatory. It often happens, as we know, that a roll call is had, and when the roll call is over there is, in fact, no quorum present, and the Chair feels that the only time when a point of no quorum is dilatory is when it is obvious that a quorum is present. Just now the Chair is uncertain as to whether there is a quorum present or not. The Chair thinks it is pretty close, but the Chair can not hold it dilatory.

Mr. SHALLENBERGER. At that time, Mr. Speaker, Mr. John Sharp Williams, of Mississippi, was evidently carrying on a filibuster, which was well known in the House.

So the ruling of the Speaker had to do not with the question of his judgment as to whether or not a quorum was present but whether the motion was purely dilatory, and I think under the situation confronting us now, with no intervening time of more than 5 or 10 minutes between these motions, we have a right to a ruling that this is dilatory.

The SPEAKER. The Chair thinks that very often it is perfectly obvious that the motion is dilatory in the sense that it is made to consume time, but any Member has a right to insist that a quorum shall be present, whether it is to consume time or whether it is to procure an audience, and the Chair does not think he has any discretion in deciding that.

Mr. BLANTON. Mr. Speaker, at the request of the minority leader, I withhold the point a moment, as he desires to interrogate the gentleman from Ohio.

Mr. GARRETT of Tennessee. Mr. Speaker, may I have the attention of the gentleman from Ohio? Why should we not vote now on the motion to strike out the enacting clause? That brings the matter to an issue. The issue is perfectly clear here. The bill can not be amended to meet the approval of those who drew it.

Mr. CHINDBLOM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Unless the gentleman yields, the gentleman can not interrupt with a parliamentary inquiry.

Mr. CHINDBLOM. I simply wanted to ask whether the gentleman from North Dakota has yielded the floor or is losing it.

The SPEAKER. No; the gentleman from North Dakota is not losing the floor. The gentleman from Texas made the point of

no quorum and temporarily withdrew it to allow the gentleman from Tennessee to ask a question. Nobody will lose his rights.

Mr. GARRETT of Tennessee. I do not see any reason why the matter should not be brought to an issue on a vote to strike out the enacting clause.

Mr. LONGWORTH. I will say to the gentleman that so far as I am concerned I am ready at any time to vote upon the question of striking out the enacting clause. However, there are some gentlemen who desire to debate it, and for the time being debate should be had. The gentleman from North Dakota [Mr. BURTNESS] has been attempting to get the floor on this subject for some time. I will be very glad a little later to ask some of the gentlemen on this side if they are not willing to dispense with further debate, I will say to the gentleman. The gentleman from Tennessee will recall that I asked unanimous consent for only 20 minutes to debate the motion to strike out the enacting clause. It was objected to. The gentleman from North Dakota at that time was ready to speak. He is ready now. He is a member of the committee, and was unable to get time in general debate. I think the gentleman from North Dakota ought to be heard. I will say I have no personal objection to having a vote as soon as possible on that question, and I will confer with gentlemen on this side and will be glad to take the matter up later with the gentleman.

Mr. BLANTON. Mr. Speaker, I renew my point of order.

The SPEAKER. The gentleman from Texas makes the point of order that no quorum is present. The Chair will count. [After counting.] Two hundred and seven members present; not a quorum.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair can not entertain a parliamentary inquiry after a point of no quorum.

Mr. BARKLEY. I was just wondering if the 36 Members out in the lobby can be counted.

The SPEAKER. The Chair can not entertain any inquiry after a point of no quorum.

Mr. MAPES. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Aldrich	Doyle	Lilly	Sweet
Anderson	Drane	Little	Swoope
Bacharach	Dyer	McLaughlin, Nebr.	Taylor, Colo.
Begg	Edmonds	McLeod	Temple
Black, Tex.	Fish	Madden	Thomas, Ky.
Boies	Fleetwood	Morin	Thomas, Okla.
Buckley	Free	O'Brien	Underhill
Burdick	Gibson	Park, Ga.	Upshaw
Burton	Greene, Mass.	Peavey	Ward, N. C.
Byrnes, S. C.	Griest	Porter	Wason
Cable	Hangen	Reed, W. Va.	Weller
Clark, Fla.	Howard, Okla.	Rogers, N. H.	White, Me.
Connally, Tex.	Hudson	Shreve	Williams, Tex.
Connery	Hull, Tenn.	Spearing	Wilson, La.
Corning	Johnson, W. Va.	Steagall	Young
Cramton	Jost	Stengle	Zihlman
Curry	Kahn	Stevenson	
Deal	Langley	Strong, Kans.	
Dominick	Leavitt	Sullivan	

The SPEAKER. On this call 359 Members have answered to their names. A quorum is present.

Mr. MAPES. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. BURTNESS. Mr. Speaker, there is probably no question upon which there is a greater divergence of views among thoughtful people than the one as to what means can be used to settle disputes which continually arise between railroad operatives and their employees, with the end in view that not only the railroads and their employees but particularly the public may have a square deal and the enormous economic waste of strikes avoided.

Prior to the passage of the transportation act in 1920 the only governmental agencies which had been provided by law were, practically speaking, boards of mediation and conciliation. The most important of such laws were the Erdman Act and the Newlands Act. True, arbitration was also provided for, but it was purely voluntary. Arbitrators, when used, were selected for each specific case, and men were usually obtained unfamiliar with the subject involved.

When the railroads were returned to their owners following the war, provision was made for the present Railroad Labor Board consisting of nine members, three from the labor group, three from the management group, and three from the public. The intent of the law was that there would be voluntary adjustment boards established by agreement between the carriers, or a group of carriers, and the employees of such carriers, which would iron out most of the difficulties as they arise, such adjustment boards to be conducted without expense to the public.

If a decision could not be reached by such adjustment boards on any question, then it was the intent that the matter should be referred to the Labor Board. Other questions can also be submitted direct to the Labor Board upon the application of the carriers or the employees, or hearings can be ordered by the board on its own motion. Concurrence of at least five of the nine members is required to constitute a decision. Wide publicity is given to the decisions, and the force of public opinion is expected to compel compliance therewith when fair and reasonable.

Undoubtedly this board assumed its duties at a most difficult time. Many important and controversial questions were pending. Its decisions were naturally severely criticized, sometimes by the carriers, sometimes by the employees. There may be considerable doubt as to whether a board, the component parts of which constitute the three elements referred to, is a practical proposition. Some contend that all agencies of this nature should be eliminated, others that the agency should have greater powers than the present Labor Board has, and particularly the power to enforce its decisions both against carriers and employees.

The Howell-Barkley bill now being considered consists of 35 pages, and has been prepared by the representatives of the four big railroad brotherhoods. Other employees' organizations have been wholly disregarded. It was introduced in Congress on February 28, and the House Committee on Interstate and Foreign Commerce, of which I am a member, refused to grant hearings on the bill until it had disposed of some other business which had been pending for a longer time, including the so-called truth in fabrics bill. The result was that Mr. BARKLEY and others working with him took steps to discharge the committee from consideration of the bill with a view of bringing it up in the House immediately. In this they were successful.

I have tried to give careful study to the bill, have read the hearings held before a Senate subcommittee, have ascertained the viewpoint of the operatives, of organized labor, and of members of the Labor Board. Somewhat to my surprise I have found that the bill really offers no new constructive suggestions. On the whole it simply provides for four boards of adjustment to be appointed at public expense to perform the present functions of voluntary boards of adjustment. Two of the proposed boards would have a membership of 14, two others a membership of 6, making a total of 40 at salaries of $7,000 each. Of course, offices, secretaries, clerks, and so forth, would also have to be provided, all at great public expense. Operatives and employees would have equal representation on such boards, the public none. The bill, however, provides further for a board of conciliation and mediation consisting of five men, all representing the public, to take the place of the present Labor Board, such members to receive annual salaries of $12,000. Without attempting to detail the powers of this board I might say that they would more nearly conform to the powers held by the board under the Newlands Act. At any rate the big difference between it and the present law is that it would not have the power to render decisions and make such decisions public. It could attempt to get the parties together, or to get them to agree on arbitration. The decisions of the present Labor Board made with the view of bringing the force of public opinion to bear upon operatives and labor to accept them, if regarded as just by the public, would be done away with.

Mr. Speaker, the immediate issue on the pending motion is whether or not the House is going to approve the action of the Committee of the Whole, which by a substantial majority carried the motion to strike out the enacting clause of the bill. I rather regret that an issue is forced on that motion just at this time, for it involves in reality passing upon the merits of the bill without the bill having received the consideration that one of such great importance merits. It seems to me that the proponents of the measure might have rendered a far greater service and would have taken a more consistent attitude if they had voted for the motion just defeated to recommit the bill to the Committee on Interstate and Foreign Commerce, where it could have received the thorough consideration that is required on such a highly controversial measure as this is.

I am not one of those who believe that there is no merit whatsoever for the suggestions in the bill or that the question involved is entirely one-sided. I regard it as important, and in my feeble way I have tried to arrive at definite conclusions thereon. I have not simply considered it as to how it may affect

the 2,000,000 railroad employees in this country, or the couple of million people who may be owners of railroad securities or who may be the owners of the railroad stock in this country. The test that I have tried to bear in mind throughout is whether it would or would not be for the best interest of the general public. I am one of those who believe that the owners of railroad securities, that the owners of railroad stock, and that organized railroad labor are pretty well able to take care of themselves. It even appears that they may have some representatives on the floor of the House specifically pleading their case and fighting their battles from time to time; but it seems to me that most of us, at least those who represent the ordinary kind of districts throughout this country, ought to have in mind the best interests of the entire public rather than of special groups. [Applause.]

There are two particular features that I want to stress further, and they are the two which, to my mind, are conclusive of what we should do on this bill. One of them is the proposition of setting up four national boards of the Government with 40 members on them with a salary of $7,000 apiece, but representing primarily, if not solely, the two interested parties to the controversy. [Applause.]

Mr. HOWARD of Nebraska. Mr. Speaker, I have a constitutional right to hear anything good that may happen. [Laughter.]

Mr. BURTNESS. I will be glad to assist my good friend from Nebraska in his desire for the light.

The gentleman from Pennsylvania [Mr. CASEY] this afternoon made this statement, as I recall it: That the public had absolutely no business to be represented upon the boards of adjustment. I am inclined to agree with him on that proposition. They deal with grievances between the carriers and the employees, and have nothing to do with wages or working conditions. But if the public has no right to be represented on the boards of adjustment, if the members of the boards of adjustment are to constitute solely the special advocates of the two parties to the controversy, I ask you in all fairness what business has the Public Treasury, the individual taxpayers, to pay the salaries and other enormous expenses of these members? [Applause.]

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. BURTNESS. I yield.

Mr. NEWTON of Minnesota. The gentleman from North Dakota will recall that the public was not represented on the adjustment boards that adjusted the wages in the anthracite coal situation a few months ago, and by reason of that fact there was loaded on the public the additional expense growing out of that increase, and that is what would result from this sort of legislation.

Mr. BURTNESS. The gentleman is undoubtedly right. Even the gentleman from Pennsylvania [Mr. CASEY], a representative of organized labor, made the argument this afternoon in supporting this bill that the present Labor Board, consisting of three representatives of labor, three representatives of the managers, and three of the public, furnishes an opportunity for collusion between representatives of the carriers and its employees, but he forgot to tell the membership that the present provision in the transportation act relating to the Labor Board provides that these men can not render any decision on important questions unless at least one of the members representing the public on the board joins in the decision.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. BURTNESS. Not at present, but a little later. Let us see what the present law is with reference to boards of adjustment. The gentleman from Wisconsin [Mr. NELSON] told us in glowing terms this afternoon as to the good that would result from the provisions in this bill urging the two sides to get together and make up their differences, but everything he said in that regard could just as well be said in support of the provisions of the present law, section 302 of which reads as follows:

SEC. 302. Railroad boards of labor adjustment may be established by agreement between any carrier, group of carriers, or the carriers as a whole, and any employees or subordinate officials of carriers, or organization or group of organizations thereof.

Those of you who listened to the splendid address made this afternoon by the gentleman from Ohio [Mr. COOPER], who himself came to Congress from a locomotive cab, years ago, and who has so ably represented the interests of labor here, but who refuses to follow the dictates of labor leaders on this bill; those of you who heard Mr. COOPER know that a large number of such boards have been established all over this country, on most of the railroads of the country, not only here in the East, but in the South and in the West as well. Shall we undo the splendid work now being done by these boards?

While I think it would be absolutely improper for the Public Treasury to pay the salaries of special pleaders for any cause in a controversy of this sort, I for one do not regard that as the most important reason for opposing this bill.

I come now to the second main feature I desire to emphasize, and that is the fact that if you adopt this bill you are taking a step backward from the step that was taken in the transportation act, when Congress tried to make public opinion a moving force in the settlement of industrial disputes between labor and capital engaged in railway transportation. I think in the short discussion here on the floor of this House upon the merits of the bill not sufficient attention has been paid to just what the present act is, so let me quote just a very few of the provisions from it, so as to refresh your minds with reference to it. Section 304 provides for the personnel of the board. Section 307 provides the duties of the board:

SEC. 307. (a) The Labor Board shall hear, and as soon as practicable and with due diligence decide, any dispute involving grievances, rules, or working conditions, in respect to which any adjustment board certifies to the Labor Board that in its opinion the adjustment board has failed or will fail to reach a decision within a reasonable time, or in respect to which the Labor Board determines that any adjustment board has so failed or is not using due diligence in its consideration thereof.

To decide the dispute is the primary and fundamental duty of the board. What happens when this board makes its decision? Is it enforced or not?

In answering that question I want to quote now one of the most important provisions in the entire act, as I view it. I believe this provision fully justifies the establishment of the present Railroad Labor Board, and that we should hesitate in setting up any new tribunal without some such similar power.

All decisions of the Labor Board shall be entered upon the records of the board; and copies thereof, together with such statements of facts bearing thereon as the board may deem proper, shall be immediately communicated to the parties to the dispute, the President, each adjustment board, and the commission, and shall be given further publicity in such manner as the Labor Board may determine.

Mr. JACOBSTEIN. Mr. Speaker, will the gentleman yield?

Mr. BURTNESS. In just a moment. This provision just quoted is not a case of a tribunal being given the power to say to any man that he must work or that he must not work. It was an attempt to give to a tribunal upon which the public has representation, a tribunal before which also special representatives may present the viewpoints of the two parties to the controversy as well as possessing membership thereon, a tribunal whose decision must be made by a majority vote, including at least one vote of the public representatives, and it does give to such tribunal and to its decision when found just and reasonable the backing of the force of public opinion. Is not that advisable? Is it not fair to railroad labor? I for one can not for the life of me believe that the great railroad employees of this country have any need to fear the opinion of the public with reference to their rights in dealing with the owners of the railroads.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. McKEOWN. The gentleman is aware of the decision of the Supreme Court that the decision of the Labor Board is not binding on either party. The gentleman says that he believes that the public should have the benefit of the decision of the Labor Board. That Labor Board decided that the striking employees had outlawed themselves, whereas the railroads which failed to obey or consider the decision of the Labor Board were all right.

Mr. BURTNESS. That is not a fair statement of the facts; but let us see just what has happened in that regard. Let us ascertain the facts as shown by the testimony submitted before the Senate committee.

Mr. McKEOWN. Does the gentleman agree with that decision of the Labor Board?

Mr. BURTNESS. I agree that there is now no tribunal, no power, no court that can enforce the decisions of the Labor Board, that can, for instance, make an employee work against his will, or a railroad employ a certain set of men at a given wage, but I do not believe that the gentleman from Oklahoma contends that such power should be given under the law. I do contend, however, that whenever any decision of the Labor Board has been regarded as fair by the public, it has shortly been accepted as such by the interested parties with very rare exceptions. The gentleman will remember that in the fall of 1921, after the reduction in railroad wages had been made by the order of the Labor Board, several at least of the great railroad organizations of the country voted to strike.

And you will remember, if you think back that far, that hour by hour you were waiting to find out whether the strike order would actually go into effect. In fact that very hour and minute had been set on the great transportation systems of the country. I am not talking about the shopmen's strike of 1922 but the strike that in the fall of 1921 would have tied up every wheel of rolling stock on every railroad of the Nation. As I said, you were wondering hour by hour whether that strike would actually become a reality, and out in the Northwest, where we were dependent on coal, when we realized that fall and cold winter weather were soon at hand there was many an anxious home which wondered whether there would be enough coal coming over the transportation systems to that great country to keep the people from freezing to death during the winter. You will recall, if you are fair, that it was the force of public opinion crystallized around the decisions of the Labor Board which prevented that strike. Not a single one of the organizations went upon the strike they had voted, and is there anyone here to-night who will say that on the whole the railroad employees have not been dealt with fairly or that they are not to-day enjoying reasonable success and prosperity, at least on a par with the average trained individual throughout this country? [Applause.]

Mr. HUDSPETH. Will the gentleman yield?

Mr. BURTNESS. I want to say this: I wish it were a fact that the clerk in the store, the clerk in the bank or office, the man in the ordinary white-collar job, the small business man, and particularly the thousands, yes, millions, of farmers scattered throughout this Nation were earning to-day as comfortable a living and getting as many of the necessaries and comforts of life as are the railroad employees generally. If they were, gentlemen, you would not be asked here in the next two or three days to pass such a bill as the agricultural interests are asking you to pass, the McNary-Haugen bill, to which we hope you will give your earnest support.

Mr. SCHAFER. Will the gentleman yield?

Mr. BURTNESS. I do not yield.

Mr. SCHAFER. I would deny that statement.

Mr. BURTNESS. Oh, does the gentleman deny my statement regarding the wages now received by railway labor?

Mr. SCHAFER. I deny the gentleman's statement.

Mr. BURTNESS. The gentleman's contention about railroad labor to-day is, then, that they are entitled to higher wages than they are now receiving?

Mr. SCHAFER. Yes; I do.

Mr. BURTNESS. All right. But I ask the gentleman from Wisconsin and a prominent representative of organized labor what are you going to do besides yielding to the demand for higher wages for railroad employees of the country? If you yield to that, what are you going to do for the rest of the people who are not getting anything like what the railroad men are getting? I yield for you to answer that. [Applause.]

Under the general leave to extend my remarks I insert herewith several extracts from the testimony of Mr. Ben W. Hooper, chairman of the Railroad Labor Board and one of the representatives of the public, which I believe Members will find of general interest and of importance. I submit that this testimony should be carefully considered before a final vote is had on the bill:

Title III of the transportation act, 1920, was the result of much thought and discussion in Congress. It received the bipartisan support of both Republicans and Democrats and the approval of President Wilson. In a sense it was a compromise measure, too weak to please some and too strong to suit others. It was not perfect, and its administration during a period of four years has served to bring out and emphasize both its good and bad points. Upon the whole, however, it was the greatest forward step that has ever been taken in our country, and perhaps in all countries, for the protection of the public against railway strikes and at the same time the conservation of the rights of both carriers and employees.

In appraising this law and the work of the board which has functioned under it the abnormality of times and conditions must be weighed.

* * * * * * *

From April 15, 1920, to April 1, 1924, 12,543 disputed questions were referred to the Railroad Labor Board. Of these 11,228 have been disposed of. Of the total number of disputes, 865 did not reach the status of regularly docketed cases. The cases regularly docketed, as in court, number 11,678. Of these, 10,430 have been disposed of. In some instances cases involving the same general question of wages or rules were consolidated under one docket and decision number.

The foregoing certainly does not show that the board has been slothful in its disposal of the questions submitted to it.

It is, of course, true, as shown by Mr. Robertson, the spokesman of the labor organizations, that many cases are still pending before the board and that some of them were submitted quite awhile ago; this situation is due to several causes:

First. The enormous number of cases presented to the board.

Second. The fact that cases of major importance, such as wage and rules disputes, have been given precedence, and these involved hundreds of millions of dollars and could not hastily be dispatched. A great majority of the cases remaining are grievance cases, each affecting the rights of a small number of employees, usually one. Right now the board is enjoying the first period it has ever had when no big, general questions of rules and wages were pending before it. As an evidence that this will enable it to expedite the cases on the calendar and remove the complaint, the fact is pointed to that during the month of March the board has closed by decisions 179 dockets.

* * * * * * *

Fifth. That this country would have been filled with successive strikes, some of them of great magnitude and destructiveness, had it not been for the work of the board, no well-informed man can question. Both sides were determined to fight, and they did fight, but as a rule they thrashed out their respective contentions before the board like good American citizens, and stood loyally by the decisions.

* * * * * * *

The great majority of the 201 class I carriers have scrupulously obeyed the board's decisions. The wages and rules fixed by the board are almost universally effective throughout the country to-day.

* * * * * * *

The only fair criterion by which this matter can be judged is the action of the board under section 312 of the transportation act, which empowers the board to investigate an alleged violation and to formally declare it to be such.

Up to April 1, 1924, four different class I carriers and three short lines had been formally and officially declared by the board to have violated its decisions. These roads are as follows:

Class I carriers: Erie Railroad Co., 14 violations; Pennsylvania Railroad system, 8 violations; Chicago & Alton Railroad Co., 1 violation; Fort Smith & Western Railway Co., 1 violation.

Short-line railroads: Duluth, Missabe & Northern Railway Co., 1 violation; Interstate Railroad Co., 1 violation; and Butler County Railroad Co., 1 violation.

The carriers which have violated the decisions of the board in the most persistent and hurtful way are the Pennsylvania and the Erie. The course adopted by these two carriers is not approved by other railroad managements and has not been followed by the management of any other railroad in the United States.

Commenting upon the contention that the voluntary arbitration provisions of the Howell-Barkley bill would be used effectively, Mr. Hooper testified as follows:

It is true that it provides for arbitration boards to pass upon questions of wages and working conditions, but the submission of a dispute to an arbitration board is purely voluntary on both sides, and the bill leaves the implication that no odium would attach to either party for refusing to arbitrate.

Now, it was said this morning in discussion of this very point that odium would adhere to the party refusing to arbitrate. That I think can hardly be said, in view of what happened in connection with the dispute that resulted in the enactment of the Adamson law when mediation and conciliation was then in effect, and when even the mediation and conciliation urgently and persistently interposed by the President of the United States himself failed to settle the difficulty, and when all offers of arbitration under existing laws were absolutely rejected.

It sets up a board of mediation and conciliation, composed of five members, without any power to pass upon disputes, but with the power to mediate and conciliate, if that can be termed a power.

This board of mediation is also empowered to appoint the "balance-of-power" member or members on arbitration boards.

Even the proponents of this bill can not very well claim that the board has been of no value. I quote the following expressions of the Railway Clerks' Magazine, which represents one of the organizations supporting this bill:

Some good has undoubtedly been accomplished by the Labor Board functioning under the provisions of the transportation act. During the readjustment period following the return of the railroads to private operation there perhaps would have been more trouble between the carriers and employees had there been no board. It is probable that some of the carriers that have been so diligent in breaking up unions would have been more successful had it not been for the intervention of the Labor Board. It is not with the thought of destroying whatever good has resulted to both carriers and employees from existing legislation that the change is proposed, but to substitute something better.

The following editorial from the same magazine deserves serious consideration. Does it mean that the right to tie up the country's transportation system at any time regardless of the rights of the public must be retained and without giving the public any right to attempt to prevent it?

The board has become a deterrent to the natural economic power of an organized group of workers.

It has also at times acted as a deterrent against hard-boiled managers to the advantage of the workers, especially among the groups not well organized, preventing wage reductions and the imposition of unfair working conditions. But granting that the board has established rates for certain groups of unorganized or poorly organized employees that are higher in some instances than might have obtained otherwise, that kind of a paternalistic policy will not benefit the wage earners in the long run. The same group of workers solidly organized could have secured more than they received at the hands of the Labor Board.

The SPEAKER. The time of the gentleman has expired.

Mr. MAPES. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 16 minutes remaining.

Mr. MAPES. I yield two minutes to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I would like to have the attention of the gentleman from Kentucky [Mr. BARKLEY]. I agree with the suggestion made to me not long ago by my friend from Kentucky that it would be desirable to have a vote shortly upon the motion now pending, to strike out the enacting clause, with the understanding that after that vote we shall ask an adjournment, there being evidently no further object to be attained by being in session longer, and I would be prepared to ask the gentleman from Michigan to yield to the gentleman from Kentucky to make just a brief statement, if he desires, and to move the previous question in order that we might have a vote and then the House shall stand adjourned.

Mr. BARKLEY. Does the gentleman from Michigan yield to me?

Mr. MAPES. I will yield to the gentleman, but I think the gentleman can answer the gentleman's question in the time of the gentleman from Ohio.

Mr. BARKLEY. How much time?

Mr. MAPES. I yielded the gentleman from Ohio two minutes and that time has not yet expired.

Mr. BARKLEY. I want to make a statement. We understand each other about this matter and if the gentleman is willing to yield me five minutes in which to make an explanation it may facilitate the consideration of this matter.

Mr. LONGWORTH. Of course I have absolute confidence in any word the gentleman from Kentucky gives me, but I simply wanted the House at large to know what the understanding was.

Mr. BARKLEY. I will undertake to make that perfectly plain if the gentleman will yield to me. If he is not willing to yield under those conditions I am not willing to accept time.

Mr. MAPES. I yield the gentleman from Kentucky five minutes.

Mr. BARKLEY. Mr. Speaker, I heard a story of a good woman who lost her husband, and the doctor said to her, "What were your husband's last words?" She said, "He had none, I was with him until the end." [Laughter.]

Whatever else may happen to-night, I hope to have the last word. [Laughter.]

Mr. Speaker, when I introduced this bill I introduced it in good faith, believing that its enactment would bring industrial peace upon the great transportation systems of our country. When I asked the Committee on Interstate and Foreign Commerce to give consideration and hearings to that bill I did that in good faith, in the hope that the committee might give it such consideration as it would be expected to give an important measure of that kind. Failing to secure any consideration on the part of the committee, I took advantage of the rule which permitted me to move that the committee be discharged.

That action on my part evidently met the approval of this House, because it discharged the committee; and on every roll call since that time, two weeks ago, those who are in favor of this bill have been in a majority. Every effort that has been made by those who sought to hinder the consideration of the bill in the House has been made by those who pretended to be offended because the committee refused to consider it. But, Mr. Speaker, every effort on the part of the enemies of this bill, who pretend to be offended because the committee refused to consider the bill, in resorting to every parliamentary device to prevent consideration here, has belied their professions, because they have done everything possible to prevent this House from considering it. [Applause.] And it is nothing but the sheerest and rankest hypocrisy to pretend to be outraged because we took the bill from the committee, to lend every effort that parliamentary skill can lend itself to to prevent the House from considering the bill on its merits.

I want to thank every Member who has stood solidly for the consideration of this bill. I do not know how much longer Members would be willing to remain here. But I do not desire to punish Members by asking them to stay here all night. It has been manifest that the intention of the opponents of this bill is not only that it shall not pass, if they can prevent it, but that it shall not be given decent consideration on the part of this House if they can prevent it.

Now, Mr. Speaker, I do not intend to punish Members of the House by asking them to stay here all night. It is apparent that the consideration of the bill can not be completed to-night. I intend to move the previous question and allow the record to stand as it is, each individual Member being answerable to his constituents, and let him answer to them when the time comes. [Applause.]

Mr. Speaker, I move the previous question on the pending motion.

The SPEAKER. The gentleman from Kentucky moves the previous question on the motion, which is, Shall the House approve the recommendation of the committee? The gentleman from Michigan [Mr. MAPES] yielded for that purpose?

Mr. MAPES. Yes.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Indiana [Mr. SANDERS] to concur in the recommendation of the committee.

Mr. BARKLEY. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. As many as are in favor of the motion to concur in the recommendation of the committee to strike out the enacting clause of the bill will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 160, nays 188, answered "present" 9, not voting 76, as follows:

YEAS—160

Ackerman	Fairfield	Leatherwood	Sanders, N. Y.
Aldrich	Faust	Lehlbach	Scott
Aswell	Fenn	Linthicum	Sears, Fla.
Bacon	Fitzgerald	Longworth	Sears, Nebr.
Beedy	Fredericks	Luce	Simmons
Beers	Freeman	McFadden	Sinnott
Bell	French	McLaughlin, Mich.	Smith
Bixler	Frothingham	MacGregor	Snell
Black, Tex.	Fuller	MacLafferty	Snyder
Bland	Garrett, Tenn.	Magee, N. Y.	Speaks
Blanton	Gifford	Magee, Pa.	Sproul, Ill.
Boyce	Goldsborough	Manlove	Sproul, Kans.
Brand, Ohio	Graham, Ill.	Mapes	Stephens
Britten	Graham, Pa.	Merritt	Strong, Pa.
Browne, N. J.	Green, Iowa	Michener	Thatcher
Brumm	Hadley	Miller, Ill.	Tilson
Buchanan	Hardy	Mills	Timberlake
Burtness	Harrison	Moore, Ill.	Tincher
Butler	Haugen	Moore, Ohio	Tinkham
Chindblom	Hawes	Moores, Ind.	Treadway
Christopherson	Hawley	Morris	Tydings
Clague	Hersey	Murphy	Vaile
Clarke, N. Y.	Hickey	Nelson, Me.	Vare
Cleary	Hill, Md.	Newton, Minn.	Vestal
Cole, Iowa	Hoch	Newton, Mo.	Vincent, Mich.
Cole, Ohio	Hull, Morton D.	Paige	Wainwright
Colton	Hull, William E.	Parker	Ward, N. Y.
Connolly, Pa.	Humphreys	Patterson	Watres
Crowther	Johnson, Ky.	Perkins	Watson
Dallinger	Johnson, Wash.	Phillips	Welsh
Darrow	Kearns	Purnell	Wertz
Deal	Kendall	Ramseyer	White, Kans.
Dempsey	Ketcham	Ransley	Williams, Mich.
Dickinson, Iowa	Kiess	Rayburn	Williamson
Drewry	Kincheloe	Reece	Windrow
Driver	Knutson	Reed, N. Y.	Winter
Edmonds	Kunz	Roach	Wood
Elliott	Larsen, Ga.	Robinson, Iowa	Wyant
Evans, Iowa	Larson, Minn.	Rogers, Mass.	Yates
Fairchild	Lea, Calif.	Sanders, Ind.	Young

NAYS—188

Abernethy	Browning	Crosser	Funk
Allen	Bulwinkle	Cullen	Gallivan
Allgood	Busby	Cummings	Garber
Almon	Byrns, Tenn.	Davey	Gardner, Ind.
Arnold	Campbell	Davis, Minn.	Garrett, Tex.
Ayres	Canfield	Davis, Tenn.	Gasque
Bankhead	Cannon	Denison	Geran
Barbour	Carter	Dickinson, Mo.	Gilbert
Barkley	Casey	Dickstein	Glatfelter
Beck	Celler	Doughton	Greenwood
Berger	Clancy	Dowell	Griffin
Black, N. Y.	Collier	Eagan	Hammer
Bloom	Collins	Evans, Mont.	Hastings
Bowling	Cook	Favrot	Hayden
Box	Cooper, Ohio	Fisher	Hill, Ala.
Boylan	Cooper, Wis.	Foster	Hill, Wash.
Briggs	Crisp	Fulbright	Holaday
Browne, Wis.	Croll	Fulmer	Hooker

Howard, Nebr.	McLeod	Parks, Ark.	Sites
Huddleston	McNulty	Peery	Smithwick
Hudspeth	McReynolds	Perlman	Steagall
Hull, Iowa	McSweeney	Pou	Steiman
Hull, Tenn.	Major, Ill.	Prall	Summers, Wash.
Jacobstein	Major, Mo.	Quayle	Sumners, Tex.
James	Martin	Quin	Swank
Jeffers	Mead	Rainey	Swing
Johnson, Tex.	Michaelson	Raker	Tague
Keller	Miller, Wash.	Rankin	Taylor, Tenn.
Kelly	Milligan	Rathbone	Taylor, W. Va.
Kent	Minahan	Reed, Ark.	Thomas, Okla.
Kindred	Montague	Reid, Ill.	Thompson
Kopp	Mooney	Richards	Tillman
Kurtz	Moore, Ga.	Robsion, Ky.	Underwood
Kvale	Moore, Va.	Romjue	Vinson, Ga.
LaGuardia	Morehead	Rosenbloom	Vinson, Ky.
Lampert	Morgan	Rouse	Volpt
Lanham	Morrow	Rubey	Watkins
Lankford	Nelson, Wis.	Sabath	Weaver
Lazaro	Nolan	Sanders, Tex.	Wefald
Lindsay	O'Connell, N. Y.	Sandlin	Williams, Ill.
Lineberger	O'Connell, R. I.	Schafer	Wilson, Ind.
Logan	O'Connor, La.	Schall	Wilson, Miss.
Lowrey	O'Connor, N. Y.	Schneider	Wingo
Lozier	O'Sullivan	Seger	Wolff
Lyon	Oldfield	Shallenberger	Woodrum
McClintic	Oliver, Ala.	Shetwood	Wright
McKeown	Oliver, N. Y.	Sinclair	Wurzbach

ANSWERED "PRESENT"—9

Carew	Johnson, W. Va.	Ragon	Upshaw
Connery	Lee, Ga.	Salmon	Woodruff
Frear			

NOT VOTING—76

Anderson	Drane	Lilly	Stengle
Andrew	Dyer	Little	Stevenson
Anthony	Fish	McDuffie	Strong, Kans.
Bacharach	Fleetwood	McKenzie	Sullivan
Begg	Free	McLaughlin, Nebr.	Sweet
Boies	Garner, Tex.	McSwain	Swoope
Brand, Ga.	Gibson	Madden	Taber
Buckley	Greene, Mass.	Mansfield	Taylor, Colo.
Burdick	Griest	Morin	Temple
Burton	Howard, Okla.	Mudd	Thomas, Ky.
Byrnes, S. C.	Hudson	O'Brien	Tucker
Cable	Johnson, S. Dak.	Park, Ga.	Underhill
Clark, Fla.	Jones	Peavey	Ward, N. C.
Connally, Tex.	Jost	Porter	Wason
Corning	Kahn	Reed, W. Va.	Weller
Cramton	Kerr	Rogers, N. H.	White, Me.
Curry	King	Shreve	Williams, Tex.
Dominick	Langley	Spearing	Wilson, La.
Doyle	Leavitt	Stalker	Zihlman

So the recommendation of the Committee of the Whole was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Gibson (for) with Mr. Salmon (against).
Mr. Fleetwood (for) with Mr. Lee of Georgia (against).
Mr. Hudson (for) with Mr. Peavey (against).
Mr. Burdick (for) with Mr. Howard of Oklahoma (against).
Mr. Temple (for) with Mr. Clark of Florida (against).
Mr. Wason (for) with Mr. Rogers of New Hampshire (against).
Mr. Kahn (for) with Mr. Park of Georgia (against).
Mr. Cable (for) with Mr. Upshaw (against).
Mr. Cramton (for) with Mr. Stengle (against).
Mr. Drane (for) with Mr. Ward of North Carolina (against).
Mr. Mudd (for) with Mr. Curry (against).
Mr. Shreve (for) with Mr. Sullivan (against).
Mr. Andrew (for) with Mr. Tucker (against).
Mr. Greene of Massachusetts (for) with Mr. Doyle (against).
Mr. Leavitt (for) with Mr. Boies (against).
Mr. Dominick (for) with Mr. O'Brien (against).
Mr. Begg (for) with Mr. Connery (against).
Mr. Underhill (for) with Mr. Byrnes of South Carolina (against).
Mr. Strong of Kansas (for) with Mr. Frear (against).
Mr. Madden (for) with Mr. Carew (against).
Mr. Corning (for) with Mr. Thomas of Kentucky (against).
Mr. Griest (for) with Mr. King (against).
Mr. Burton (for) with Mr. Woodruff (against).
Mr. Jost (for) with Mr. Johnson of West Virginia (against).
Mr. Little (for) with Mr. Stevenson (against).
Mr. Free (for) with Mr. Connally of Texas (against).
Mr. Kerr (for) with Mr. Ragon (against).
Mr. McDuffie (for) with Mr. Fish (against).
Mr. McKenzie (for) with Mr. McSwain (against).
Mr. Bacharach (for) with Mr. Lilly (against).

Until further notice:

Mr. Swoope with Mr. Brand of Georgia.
Mr. Johnson of South Dakota with Mr. Garner of Texas.
Mr. White of Maine with Mr. Williams of Texas.
Mr. Anthony with Mr. Taylor of Colorado.
Mr. McLaughlin of Nebraska with Mr. Mansfield.
Mr. Morin with Mr. Spearing.
Mr. Stalker with Mr. Buckley.
Mr. Dyer with Mr. Weller.
Mr. Sweet with Mr. Wilson of Louisiana.
Mr. Taber with Mr. Jones.

Mr. FREAR. Mr. Speaker, I wish to withdraw my vote of "nay" and vote "present." I understand my pair is not voting.

Mr. JOHNSON of West Virginia. Mr. Speaker, I desire to withdraw my vote of "nay" and be recorded as "present." I am paired with the gentleman from Missouri, Mr. JOST.

Mr. WOODRUFF. Mr. Speaker, I wish to withdraw my vote of "nay" and vote "present," inasmuch as I am paired with the gentleman from Ohio, Mr. BURTON.

Mr. CONNERY. Mr. Speaker, I desire to withdraw my vote of "nay" and be recorded as "present," because I am paired with the gentleman from Ohio, Mr. BEGG. If he were present he would vote "yea."

Mr. RAGON. Mr. Speaker, I am paired with the gentleman from North Carolina, Mr. KERR. Since he is not present, I wish to withdraw my vote of "nay" and be recorded as voting "present."

The result of the vote was announced as above recorded.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MORIN, indefinitely, on account of illness in family.

To Mr. CABLE, indefinitely, on account of death of his father.

To Mr. PATTERSON, indefinitely, on account of illness.

To Mr. COLLINS (at the request of Mr. RANKIN), indefinitely, on account of attending lawsuit in which he is defendant.

EXTENSION OF REMARKS

Mr. SCHALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Teapot Dome situation.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD on the Teapot Dome situation. Is there objection? [After a pause.] The Chair hears none.

Mr. SCHALL. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD on the post-office employees' salary bill.

The SPEAKER. The gentleman from Minnesota also asks unanimous consent to extend his remarks in the RECORD on the post-office employees' salary bill. Is there objection? [After a pause.] The Chair hears none.

A TEAPOT DOME SITUATION

Mr. SCHALL. Mr. Speaker, I secured unanimous consent to extend my remarks that the Minnesota "Teapot Dome" situation might be exposed, and the people of my State made aware of the plot to wrest from them and transfer to private interest the patronage, prerogatives, and perquisites of United States Senator by the election as Republican national committeeman of William F. Brooks, junior partner of Backus-Brooks Co.

I know that I shall avail but little against the tremendous din of paid claquers, subsidized press, and carefully manipulated but misguided campaign organizations.

I realize that it is a futile battle between the weak and the strong—that it is a battle of the humble cobbler, carpenter, mechanic, and laborer in general against the minions of Midas; that it is the tiller of the soil against the speculator, gambler, and seeker for riches and glory unearned by the sweat of the brow; that it is the small banker, business man, clerk, salesman, and merchant against monopolistic trust; that it is the scheme of the old selfish political plunder gang, headed by Backus-Brooks & Co., with their hands in almost every business of the State, holding in contempt assessors, county commissioners, State tax commissions, as well as income-tax officers, with a well-known trend of ruthlessness in their operations well greased with their millions of ill-gotten gain, filched from the Commonwealth, against a humble, blind representative of the people.

The people have trusted me in ever-increasing, overwhelming majorities for 10 years, and I would fail in respect to myself and to my people and to my God, if I shirked this disagreeable, dangerous, unwelcome, imminent, and imperative duty of exposing to the people of Minnesota the long, grisly fingers that are reaching in to control their national politics.

A Congressman holds the power of attorney to represent his State and country, and it is not only his province to transact the legislative business of his State but it is also his duty to warn the voters of impending dangers and to do what he can to thwart the ulterior motives of selfish interests who seek to turn the ends of government to their private profit.

Neither party nor locality should warp his judgment when the great principles or safety of his country and its Constitution are at stake.

The problem of the endurance of our Republic is the problem not only of having all the people understand the questions upon which legislation is proposed but of the underground wires that lead to the election of men that must decide these questions, and in order that all the people might have the fullest opportunity to know what was going on in their Gov-

ernment or what schemes were being concocted to thwart good government Congress has very wisely provided what is known as the franking privilege, by which system any public document, letter, or information pertaining in any way to the business of the Government or to the exposure of plots against its security or unhampered functioning can be mailed free to any citizen throughout the country.

Congress has also gone to the extreme, and rightly, in minimum rates to the newspapers that the fullest privilege of free speech and free press may be preserved. The safety of our Republic rests upon our free institutions, unhampered information, and our public schools, from whose towers the Stars and Stripes tell in what a spirit are reared our coming men.

The franking privilege is one of the bulwarks of the people's liberties, upon which the foundation of our Republic must stand, for it is upon the education and understanding of our people that our republican institutions must rely for their perpetuation.

Every citizen has a right to know what laws are proposed, what are enacted, what are defeated, the attitude of the Congressmen or public officials upon each of these, and their reasons for or against them, and they also have a right to the vision and experience of their paid public servants. A Congressman who fails to call a warning to the aggregate of citizens in danger is as negligent as one who would fail to warn an individual in immediate peril. The franking privilege is expressly given the people, and it is the Congressman's duty, through his frank, to see that the people are informed as to the public business, and the closer he keeps in touch with them the more efficient and democratic will be his vote.

Newspapers can not and do not give full and definite information, and it can not be expected of them, for they are run for gain, and often the policy of a paper is a considerable source of income.

Often the apparent information is a plain matter of business, and there is no animosity intended to be conveyed by this statement.

No doubt the mailing privilege given to the newspapers is often abused. But the evil is so far outweighed by its necessity and benefit that the privilege should remain a lasting institution.

Too often one privilege in the interests of the people tries to get rid of another. The franking privilege is a thorn in the side of false molders of public opinion, and their attempt to drag it down should be met by understanding on the part of the people.

Without the franking privilege there will be no chance to counteract the contagion of misinformation, and public representatives would dwindle to trembling weaklings, shrinking and subservient to the swish of the whip of the interest-owned press. I hope the day may never come that honest public officials will thus be driven from the country's council, deprived by the destruction of this institution of self-defense for their public acts, and denied the opportunity of exposing to the public plots and schemes and plans of unpatriotic, selfish cliques and gangs, to control or mislead public opinion, to destroy the people's champions, and place the power of government in the hands of their tools.

The common people are the Government; the Office of Congressman is their gift and they have a right to any information their public servants possess. The frank is meant to be used as an avenue to get to the people the truth, for truth will make them free and enable them to distinguish between friend and foe.

How often in the interest-owned newspapers, whose mailing privilege amounts almost to a frank, do we read, "Petty graft, which indicates the user is not the type of man the people want at Washington. Size him up. Recall that you as a taxpayer are paying the postage on the letter. A good way to show your contempt * * * is at the polls." "Cheap economy, if a man's conscience will allow him to use it." "Hundreds of thousands of dollars extorted annually from the taxpayers for paper and printing of the belchings of our Congressmen."

The writers of such as the above are either ignorant or malicious, for the Congressman must pay for paper, printing, and addressing, exactly as must the newspapers; and the postal organization and carrying facilities are permanent institutions. The expense per month is the same, whether or not a frank is included, and hence no extra cost comes on the taxpayers. The law is that—

The CONGRESSIONAL RECORD or any part thereof or speeches therein may be carried free.

Citizens have the right to secure their information concerning their Government straight from the men they send to represent them. The office of Congressman ought to reap as much public confidence as the bought-and-paid-for opinions of hireling editors of a newspaper.

If the occasional franking of a public document "extorts hundreds of thousands of dollars annually from the taxpayers," what must be the toll on the taxpayers for the mailing privilege given the newspapers?

Because of these unwarranted and vicious attacks some Congressmen are intimidated, and the people are thereby deprived of information concerning their Government.

The Backus-Brooks crowd not only hold a strangling grip upon Minnesota's financial resources but their ramifications extend into Canada, and are therefore international. A few years since, as a short cut to control of the Ontario government they put over the Farmer-Labor ticket for the purpose of securing great concessions in timber and water power. They have not been negligent in seeking to grab control of such a movement in Minnesota. They are vitally interested in the international-boundary-waters treaty between Canada and the United States. They have for years, regardless of anyone's rights, been pursuing a ruthless course in the construction of water-power dams. This high-handed policy has caused overflow damages for which they are absolutely liable under the law. The State of Minnesota alone has a claim of over a million dollars against them and the claims for destruction of private property will amount to far over another million. So besides being interested in water power they are interested in saving the millions of dollars damages from which there is no avenue of escape unless they can get into the pending treaty between the United States and Canada the proper water levels which will throw the liability for such damages upon the Government of the United States, and the United States Senate must confirm all treaties.

Then too, there is a little matter of several millions of dollars of income taxes due to the Government of the United States, which the Backus-Brooks Co. are vitally interested in escaping. I have introduced House Resolution 301 to investigate this tax steal, and in case I am the Republican candidate for the United States Senate I want it understood that I am in no way connected with this hoodling reactionary gang, and if I am elected to the United States Senate I shall be as free as I have been during my 10 years' service in the House. No clique, gang, corporation, organization, or person has a 5-cent piece invested in the office I hold, and if elected to the leadership of the National Republican ticket in Minnesota I shall guide it so that the citizens of my State will not have to hold their noses when they vote the Republican ticket.

The natural inclination of the voters of Minnesota is Republican and it is only because individual Republicans have failed to measure up that it is not in the Republican ranks to-day.

The Democratic Party on account of its traditions and sectionalism is not serviceable to the people of the Northwest. The Republican Party is the best instrument through which the people of my State can arrive at much-needed results. In the State of Minnesota, where we have wide-open primaries, the people can make of any party what they will; if they will only get out in the primaries and nominate the right individuals for upon the nomination depends the control, for wrong men will make a wrong party.

The Government has filed liens for the years 1917 and 1918 upon the Backus-Brooks property for back taxes due to the amount of $1,353,372.15. The Government does not file such liens unless there is good reason to believe that statement and affidavits in reference thereto have, to say the least, not been frank. The Government action covers only 1917 and 1918, leaving the taxes for the last five years unpaid. The figures for these years are unavailable but probably increase the sum by $4,000,000. The taxes for which the Government has filed liens should have been paid six years ago. During these six years the company has saved the interest on $1,353,372.15 or about $80,000 each year. This makes approximately half a million interest saved on 1917 and 1918 taxes alone. If the Backus-Brooks Co. should finally pay the full amount claimed by the Government the delay which they have engineered would save it at least a million in interest alone.

It is of vital importance to the people of Minnesota to know how these large concerns manipulate to delay payment and how very important to such business interests it is to have influence at Washington and makes it entirely clear that they are prejudiced against men who regard the peoples' rights

as sacred. I would like to go into how they have for years manipulated our State politics, but it is a long story and I think I had better confine myself to their devious trail in the national end of it. State Senator William F. Brooks is junior partner of the firm of Backus-Brooks & Co. He is the author of the Brooks bill in the State of Minnesota which made two classes of dollars, the one belonging to the special interests which could do no wrong and which could not fail to draw its profit, and the dollar of the ordinary fellow, which must take its chance in commerce.

Bill Brooks is now on his way to be Republican national committeeman of the State of Minnesota, and unless public opinion stops him he will be so elected at the Cleveland convention, for he already has in his pocket 16 votes of the 27 delegates from Minnesota. Why is he so anxious to be national committeeman? Because if things go as this old reactionary gang has planned them he will practically be the United States Senator, for the Farmer-Labor candidate will be without the pale of the Republican administration and can "but peep to what he would," and the national patronage of the State, together with other tremendous influences, will be solely within the hands of the national committeeman. This is a condition that would exactly suit these selfish interests. And this is the condition for which they have set the political stage in Minnesota.

Ever since the special election last July this outfit has been studiously circulating, by mouth and through the press, that it was impossible to elect a Republican Senator; that it was a forlorn hope and that they better nominate some good old stand-pat reactionary and go down with colors flying; that, anyway, whoever received the nomination would only be a sacrifice. That they better have things as they are and bear the ills they have than flee to others that they wot not of, and to this end a campaign of publicity, the most extensive the State has ever seen, a continuous stream of special articles, accompanied by large photographic display, was pulled off in the hopes that it would scare away anyone of dimensions, or well known enough to win, or with sagacity enough to understand their game. But looking over the senatorial situation in the last few weeks, despite all this extensive and expensive propaganda, they decided that the Republican field contained men who might win, and one of them, at least, understood their sinister plans.

It was high time to trot out somebody with whom they could secure the nomination, for once their man was nominated they could go home and go to sleep, and this would evidently be the cheapest and best finesse to play absolutely safe. So they cast about for somebody who would best serve their purpose. They finally settled upon a man named Ole. They did not like the name of Oscar or Tom. They knew about Ole, for they observed him while he was in the State senate and saw that his record was thoroughly inconsistent and that he constantly voted in opposite directions upon the same questions presented at different times, so that he would be perfectly available to be anything to anybody, for they could use the vote that fit the case. They saw, however, that his record for prohibition was constant, and, they said, with that record they could by proper influence get the Anti-Saloon League out with hammer and tongs for him. It would not matter that both of his opponents were right on this question, for right has no prestige in their lexicon. They knew with plenty of grease it could be put over. They also saw that he had voted and spoken to memorialize Congress to pass the nineteenth amendment for woman suffrage. It did not matter if one of his opponents had voted for that amendment in Congress, for with plenty of dust they could make the shadow outshine the substance, and, they calculated, with his record and plenty of money, they could organize women's clubs throughout the State in his behalf and put thousands of innocent workers to pulling their chestnuts out of the fire.

They have women already on their pay roll whom they have purposely made prominent through persistent advertising. These they are sending throughout the State to organize the women. Then, too, he is a farmer, "and," they reason, "we can work that on the farmer end of the Republican vote."

"But," said one of the less zealous, "this man Ole is the fellow that we got to sign that pamphlet we circulated against the Nonpartisan League four years ago, when we were so afraid of them that we spent one-half million dollars to lick them." "Well, that will only be an asset so far as the Republican nomination is concerned, and that's all we are interested in, and it will insure his defeat for the election and thus leave Bill in reality our Senator. Yes, everything considered, he is absolutely the best man for the Republican nomination, and we can well afford to raise $100,000 for his campaign," which amount was pledged a few days ago at a Minneapolis gathering of big financial interests.

"But," one of the cautious suggests, "this blind guy is onto us and is exposing us in his speeches." "He can not get very far. We can block all avenues for his getting over anything. We have kept him pretty well corked up during his 10 years' service. No one outside his own district knows anything about him. He has no organization; no money with which to make a State-wide campaign. We will see to it that he does not get any. We will destroy the confidence of his friends by propaganda that he is going to run a poor third. If we can beat him now we are through with him forever."

"But," the cautious one ventures, "out of a field of nine State-wide prominent men, his mere name, without even getting a statement of his candidacy in the papers at last special election, brought him within a few hundred votes of second place against a well-known State official who spent over $100,000 and who was completely organized throughout the State."

"Well, that was a fluke, because there were so many strong candidates in the field. He's little known. We must see to it that he remains unknown. Besides, this nomination comes off June 16, and he'll have to remain in Washington, so he won't be able to reach the people of the State."

"But," the wary one suggests, "he may use the privilege of the frank to get his speeches out and thus become enough known to secure that nomination; and if he does he'll be elected, because between June 16 and November he'll have plenty of time to cover the State, and he's a regular hog for speech making. He'll have over 130 days in which to make speeches. We can't with profit attack his record in any spot. He's offering $1,000 reward, sufficient amount to warrant anyone looking it up, to anyone who can point out one place in his record where he has ever voted against labor or the farmer, or has failed to champion the cause of the common folks in his entire 10 years' service. That sort of 100 per cent labor record, if it becomes known, compared with one who voted 23 times against labor, will get him the labor vote, and without the labor vote we can't hope to win. Then, too, when you place this 100 per cent farm record against a man who claims to specially represent and champion the farmer, yet who twice voted against reducing the maximum rate of interest from 10 per cent to 8 per cent, and let this record become known to the farmer, and you can see where we'll come out.

"You let this man get out to the State and show up the negligible record in the interest of the farmer of the highly advertised champion of the farm interests, and I tell you there's nothing to it but defeat, and our Bill will lose his senatorial prerogatives and we'll be out of luck."

"Well, we must leave no stone unturned to defeat him for the nomination, and Ole is our best bet, and we must do for him everything we can. We mustn't overlook spiking the blind boy's guns on the franking proposition. We must see to it at once that our newspaper fraternity come out stronger on the well-known old chorus of antifranking stuff. We've already had our newspapers do some work along the line of attempting to connect him with the Shevlin Lumber Co. and advertise him as their man Friday."

"But," suggested cautious, "you know that the Shevlin Co. were opposed to him and dumped thousands of dollars into campaigns against him, and there's not one place in his record where we could by any stretch of the imagination connect him up."

"That doesn't make any difference. His small trickle of truth can't compare with our Niagara of accusations. Besides, he won't deny that Andy Rahn is his friend, and you know and everybody knows that Andy is connected with the Shevlin outfit. We might catch him on that, for he never denies a friend, and I have heard him in speeches state that Andy Rahn was his friend and that he and Andy were kids together and shined shoes on the streets of Minneapolis. That Andy had gone his way, devoting his tremendous energies to business, while he had chosen the profession of law."

"But the people don't know it. We'll connect him up all right, and show this holier than thou people's man that the crowd who has for years controlled Minnesota's politics can not be outdone by an insignificant blind upstart."

"But what are we going to do about his soldier record? He's not only voted five times for soldiers' adjusted compensation, but is one of the foremost in Congress in advocacy of soldier legislation and the ex-service men know him as their friend." "We'll counteract that by organization, for I tell you its organization, not records, that counts at election. We'll instruct our clever writers to lambast him as a radical, a progressive, an independent, and a Democrat, for he seems to stand well with the leading Democrats of the Nation. Late Speaker

Champ Clark said, 'SCHALL is able, fearless, and a cracking good speaker,' and former Democratic Floor Leader Claude Kitchin said, 'TOM SCHALL has made good. He enjoys the esteem and confidence of the entire membership, regardless of party. He is one of the most eloquent and attractive speakers in the House.'

"You know it was SCHALL's vote at the beginning of the war Congress, which was so evenly divided, that organized the House for the Democrats, and even though it was the only thing for a courageous man to do, for if he hadn't done it the House might have been held up for weeks or months, as it had been on other occasions when the vote was so equally divided, and yet we can turn it against him. Yes; it's true, the Senate and the President were Democratic and the President should have at such times full control. Yet the people will have forgotten all about that and it will be a proof in our claim that he is no Republican.

"But," says the wary one, "how are you going to get away with that no-Republican stuff, since he has been a member of the Rules Committee of the House for four terms, and elected to that most powerful committee of the House by the Republican Members? And this is the only political committee in the House, for it's the nozzle through which legislation gets before the House, and must be in close touch with the administration, for it's through this committee its policies must be worked into legislation. That he is one of eight Republican members, elected by the Republicans of the Nation, is indisputable evidence that he is considered a good Republican by the Nation's Republicans, and I don't see how we're going to make it stick that he's no Republican if the truth is put over to the people."

"Well, my dear man, that's just what we're not going to let go over to the people. We've got him stamped as a wild man, an opportunist, and a dangerous radical, and we're going to see to it that this reputation sticks and it ought to stick, for he's the man, as a member of the Rules Committee, that had so much to do with defeating our sedition bill after we'd taken so much trouble to get it passed in the Senate. For if he hadn't made such a stand before the Rules Committee it would have come before the House, and the House in its war fever would have passed it, and we'd have had to-day a sedition bill that would have absolutely protected us in our business enterprises, for it would have hung such radicals as dare advocate a change in our Government or criticise our public officials. He's one of those crazy fools who insist that property should stand its share of war taxes and attempts to prove it by such silly rot as this: 'The man who has a billion has had the protection of that billion, and he should pay a just tax in proportion. He draws for the protection of his property against the combined efforts of the entire Army and Navy, and in proportion to such protection it is just that he pay.'

"It's fellows like him that give us all our trouble in Washington and they must be rooted out. We don't want investigations. We don't like investigations. It's such investigations that have kicked up all this trouble in the Nation. Anyone who starts investigations is surely a radical. We can't afford to have hounds like that around, setting their teeth into us. We need men to protect our interests, not expose us. We're the backbone of the country. The natural resources of the country belong to us. We ought to have them, nor be hampered in our great work of development by fool conservationists and their tiresome investigations." "Yes; that's all very true, but how are you going to substantiate your newspaper charge of radicalism and unfitness when a patriot like ex-President Roosevelt says he believes in TOM SCHALL with all his heart?" "Oh, that demagogue. He never was right." "Well, here's Jim Mann, late leader of the House, whom no one will question as a good Republican, who said, 'Masterful, sincere, very eloquent speaker, always listened to with great interest in the House,' and Mondell, a Republican floor leader, who says, 'We of the House owe a debt of gratitude to our colleague SCHALL for the example he has set us of cheerful, helpful, efficient service. If Mr. SCHALL had two good eyes he could not be more efficient in the discharge of his duties'; and here's Congressman MADDEN, a good Republican, chairman of the great Appropriations Committee, who said, 'I have watched his activities with deep interest. I have been charmed with the force with which he has presented questions to the House. I have listened with interest to his speeches from time to time and unquestionably pronounce him one of the most forceful speakers it has been my privilege to know. I congratulate the district that sent him here on the wisdom of its choice.' And here is a good Republican, United States Senator S. D. FESS, who served with him for years on the Rules Committee when he was in the House, 'Mr. SCHALL's high recognition among his colleagues is not due to a sense of pity, but because his ability, his industry, his devotion to his cause in public service, his constancy on the job, have impressed his personality upon each Member'; and here's Senator HIRAM JOHNSON, who says, 'SCHALL is a fighter, fearless, honest, able, eloquent.'

"And here's Rev. James Montgomery, formerly pastor of Wesley Methodist Church in Minneapolis, known throughout our State as a good Republican, now Chaplain of the House of Representatives, who says, 'A careful, painstaking, and conscientious representative of the people.' And here's a railroad man, W. N. Doak, vice president of the Brotherhood of Railroad Trainmen, who says, 'SCHALL's record is 100 per cent for labor.' And here's Frank Morrison, secretary of the American Federation of Labor, who says, 'He has always championed by voice and vote the interests of labor.'" "Well, that's a strong array of witnesses to go up against, but he can not get that over to the State, for the State's a mighty big place, and we know he has no money, and we'll see to it that he doesn't get newspaper space." "But he might use his frank." "Well, he can't get very far, even if he does. It's a mighty expensive job to get the addresses of the voters of the State and the few he would reach wouldn't be a patch. Besides, our newspapers will in any locality he might impress so damn the frank that it will destroy its effect, and we must see to it that he is thoroughly advertised as totally blind. He can't deny this. And that fact alone should, in the minds of the people, make him unfit for the job, and we can by proper advertisement make him ridiculous through the claim that he is working the sympathy racket." "But you can't get that over. SCHALL for years made his living, and a good living, practicing law though totally blind, and has for 10 years, among the best ability and best brains in the country, held an enviable place in Congress; those 10 years, most strenuous years in our country's history, have given rise to many great international problems as well as domestic ones which must be settled in the next few years and the experience he has gleaned during this time fits him as no other candidate running for that great office. I fear we should have chosen some one, if we expect to beat him, who has had national experience, for his national experience will be his greatest appeal for that greatest office in the gift of the people."

In exposing this public wrong, I wish to point out that the private injury to me of unjust, high-handed, unsportsmanlike, little, petty, unfair, lying propaganda is only incidental to the removal of obstacles in the path of their plot. And in the service of the people it becomes my official duty to point out, much against my personal inclinations, the falsity of such accusations. I have only used such means as the law permits to uncover their selfishness, show them forth in the nakedness of their ugly truth, to the end that the people of Minnesota might know their enemies and thus be armed with information they can easily verify and by the simple process of adding two and two together draw their own conclusions.

POSTAL EMPLOYEES

Mr. SCHALL. Mr. Speaker, the railway mail clerk, the custodian service, the third and fourth class postmaster, the city and rural carrier, the postal employees in general, all good and faithful servants, are scandalously underpaid. At a time when all other labor wage was on the upgrade theirs stood at a standstill, though the need for the increase was proven.

I heard a postal employee in Minnesota say, "It isn't a question any more of saving but of which bills to pay and which to let go another month." The movement to grant the postal employee salary adequate to the trust reposed in him has almost unanimous backing of the people of the United States who feel that our Government is not indigent. We are more absolutely solvent than any other country on the globe. The people who are back of this Government do not want, do not ask, faithful service that is insufficiently recompensed. Men in the Postal Service merit the recognition this bill gives. Their responsibility is great. The least inefficiency is visited with dismissal. Only gilt-edged service is accepted. The man who delivers in city and country, the man who sorts on railroad trains, the night and day clerks in post-office stations represent skilled labor, trained in speed and accuracy, in memory and in judgment, in courtesy and efficiency. They must be employees capable of a high grade of work. They deserve and must have adequate compensation for the invaluable service they render so uncomplainingly. They need this helping hand and need it badly.

It will be impossible for the service to be maintained at its present degree of excellence if these men are not at least granted a living wage. They can not continue to sacrifice their lives in toil which does not receive sufficient remuneration

for them to live decently and maintain their families like Americans. It will drive out these well-trained veterans. It will drain the service, built up through long years of training, of its best men. All classes, business, farmers, homes, recognize their dependence upon this service, and realize the importance of keeping it up to high efficiency. It takes time to develop a system, and it is the height of inefficiency to destroy by thoughtless improvidence. Their small salaries will not expand to meet the continued upcurve of the cost of living. This very increase only failed to pass four years ago because it was urged the cost of living was sure to decrease. It did not do so, and it is a question of raise their wages or lose them. They can not be blamed if they try to do for themselves what their Government is too indifferent or too penurious to do for them; $26.25 to $33.75 a week as a maximum is pretty shameful in comparison with other lines of industry. These increases are recommended by the House Post Office Committee experts.

In my State there are three months of every year when motors can not be used on the rural-delivery routes. This necessitates the carrier having both motor and horse equipment. There is no extra allowance for upkeep and this extra burden has to be borne by the carrier. Gas and oil and feed have gone up and parts have increased in cost until the cost of maintaining the necessary vehicles runs around eight to nine hundred a year, according to a questionnaire conducted by the R. F. D. News. In other parts of the country where one style of vehicle does for the year, the cost does not run so high, but the vehicle allowance is desperately needed by all. Even where the cost falls to the average of $638 a year, this leaves the average net salary $1,192. This is a meager sum on which to take care of a family. There you have the reason why so many postal employees try to get part-time work. They are forced to it.

The postmaster in Boston, after investigation, found that the average cost of living of a family of four was $46.86 a week. Not a lavish allowance, either. The present weekly wage of the post-office employee, after he pays into the retiring fund, runs to $33.75. So that is why there are so many postal employees leaving a service which rewards them with a deficit after each pay day.

Adjustments are necessary in wage scale of men and women in custodian service, such as janitors, firemen, watchmen, elevator men, and engineers in the employment of the United States Government.

These Federal employees feel that they are being discriminated against. Their basic pay is only $65 per month plus the $20 bonus, making a total of $85 a month. City and county employees average $100 to $125 per month, with better conditions than in the Federal service.

The custodian service employees work eight hours a day and all day Saturday, excepting from June 15 to September 15, while city, county, and State employees work but seven hours a day and have Saturday afternoons off the year around.

The custodian service is allowed but 10 days sick leave a year; other departments of the Government under civil service are allowed from 15 to 30 days sick leave. Custodian service is allowed 15 days annual leave with pay; other departments, 30 days annual leave with pay.

There is no question but what this branch of Federal employees under civil service is discriminated against, and the Federal employees' unions all over the country are to-day crying for the adjustment of conditions which will permit them to meet the standard of living that is to-day demanded by the ordinary folk. This discrimination is well known to the authorities, and for a number of years they have been promised relief and adjustment of their pay which would permit them to meet the conditions that now exist.

It is all very fine to make compliments and call them high-sounding epithets, but the thing that counts in this world is the reward you are willing to give, the real cash you will devote to making good your fine phrases.

If you have noted the growth of the Postal Service, you will see that it has even been the effort of all, from top to bottom, to better the service, to increase its speed and efficiency, to make it more prompt. Every energy has been bent to improve it. The men are constantly trying out new methods. The business has been increasing all the time; the pay should increase with the quality of the service. It is incumbent upon us to relieve the pinch of distress, correct the injustice, and grant the long-deserved increase of salary to the hard-worked and faithful, honest, loyal postal employees.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by the United States submarine *K-4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3183. An act for the relief of Rush O. Fellows;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane, or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes";

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation; and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River;

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet

River at or near One hundredth Street, in the city of Chicago, County of Cook, State of Illinois;

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan, and others;

S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that on May 17, 1924, they had presented to the President of the United States, for his approval, the following bills:

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes;

H. R. 7995. An act to limit the immigration of aliens into the United States, and for other purposes; and

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rent act, approved October 22, 1919, as amended.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. If the House adjourns now, will the bill which has been under consideration to-day remain the unfinished business on the 2d of June, as it was to-day?

The SPEAKER. It will, in the opinion of the Chair.

PUBLIC OWNERSHIP—A PUBLIC BENEFIT

Mr. BERGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the railroad bill.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD on the railroad bill. Is there objection? [After a pause.] The Chair hears none.

Mr. BERGER. Mr. Speaker and gentlemen, the argument for public ownership of all railroads, canals, and other highways as the ultimate solution of the railroad problem is so strong that it has won over nearly the whole world—outside of the United States.

Railroads and all public highways are performing a public service. Public service necessarily must be for public benefit.

It is in the nature of private ownership and private operation to obtain private profit, however, and to subordinate the benefit to private profit whenever the two conflict.

PRIVATE OWNERSHIP OF PUBLIC UTILITIES A DANGER

Therefore, it is an economic blunder and an abuse of governmental power to put into the hands of a small portion of the people the highways of the country.

It is also unnecessary to prove the great danger that the nation is subjected to by the struggles between the owners of the railroads and their employees as long as the railroads remain in private hands. So long as it is a question of private profits on one hand and better wages on the other we are bound to have trouble.

Private ownership is so inefficient that the Government had to take control of the railroads during the war in order to be able to make any use of them at all.

WE HAD PRIVATE OWNERSHIP DURING THE WAR

The claim that during the war we had Government ownership of railroads is nonsense. We did not have Government ownership during the war. We had private ownership under Government control. The railroads were so run down in every respect—especially as to roadbeds and rolling stock—that the war would have been lost had the Government not stepped in.

The Government was compelled to put in a lot of money to repair the railroads. This cost the Government about a billion and a half dollars.

And on top of this the Government guaranteed the private owners of the railroads their profits. This in the case of some of the companies ran up as high as 647 per cent—at least, in the case of one railroad. However, even the larger railroads got profits that ran as high as 45 per cent annually during Federal control.

The New York Central gathered in only 12.96 per cent, while the Chicago & Lake Erie Railroad Co. received a profit of 70.45 per cent.

Not much Government ownership about this.

RAILROADS OWNED THE GOVERNMENT

And when the time came for turning back the roads the Government agreed to continue the payment of these unprecedented profits for six months after they were back in the hands of the private owners.

Instead of Government ownership of the railroads during the war we had really private ownership of the Government by the railroads.

DISCREDITED NATIONAL OWNERSHIP

But what did the railroad managers do?

While they were undoubtedly glad enough that the Government did all this for them, they did not intend to lose their graft. Therefore they instructed their conductors and railroad employees to blame all the troubles and shortcomings—which, of course, were many, because they were inherited from the past—on Government control. They got busy in advance to discredit any possible demand for national ownership.

COMPETITION ABSOLUTE FAILURE

Besides being inefficient, however, private ownership of public utilities is one of the worst corrupting influences in our public life. The railroad corporations have always tried to influence Congress and State legislatures by all means, fair and foul.

And as to competition being the life of trade, surely competition among the railroads has failed to protect the public interest and even the interests of the railroads.

While competition may have enabled a few big shippers occasionally to play one road against another where more than one road entered the same locality, competition has also wasted a great amount of capital. Result? Consolidation under one control has gone a long way to remove the waste of competition. The original 5,000 companies have dwindled to about 500. And even these are greatly massed in six great systems with many interlocking directorates.

REGULATION LEADS TO CORRUPTION

Regulation has failed also. Rate regulation has made railroad rates in America higher instead of lower. It is simply impossible to regulate other people's property.

Regulation also leads to more corruption. The public-utility company which is to be regulated will either deceive the "regulators" or buy them up. That is the experience of every State that tried regulation.

What is said about the railroads holds good in every particular for the public ownership of the telegraph, cable, and telephone lines, and every other public utility.

The experience of other countries shows, practically without exception, that the rates in all branches of public service are lower and the service infinitely better under national ownership than they were there, and are here, under private ownership.

WASTING RESOURCES OF OUR NATION

This is the reason why I have also proposed the national ownership of all the natural resources—forests, mineral, coal and oil lands, and water powers—and reacquisition of such as were sold or turned over to private interests for private exploitation.

Of the many crimes of omission and commission with which the capitalist parties can be charged, the one involved in giving away and wasting the Nation's natural resources is the most flagrant and the most indefensible. It was a crime to permit that which was intended to belong to all the people to pass into the hands of a few, who have wasted it without the slightest concern for the well-being of the Nation in the future. They use the Nation's resources only to satisfy their own greed for profits.

MUST BE MANAGED BY NATION

The abolition of the private ownership of the natural resources will restore to the people what is left of them, and it will also do away with one of the most prolific sources of corruption and graft known to American political life.

The Ballinger scandal of some years ago and the Teapot Dome and Doheny affairs of to-day are only a few of the known instances of what private interests will do to obtain control of the natural resources.

The Federal Government must own and manage the Nation's resources. The question is too important to be solved by each of the 48 individual States, and it would be impracticable to leave it to the States for the additional reason that these resources often run across boundary lines.

Moreover, the Government could manage them more efficiently and economically by controlling both extension, exploitation, and output, according to the needs of the whole Nation.

SOME RESULTS OF PRIVATE ENTERPRISE

The blessings of private ownership of public utilities we have witnessed not only in the days of the great land grants to the railroads—and later when our immense and wonderful forests were practically despoiled and denuded for the private profits of some lumber kings—but more so recently in the oil scandals.

Some years ago our Government, in a lucid moment, tried to reserve some oil lands for the use of the American Navy. This was not to the liking of our oil magnates, of course. They would not have the Nation own anything if they could have their way. They prefer to have all natural wealth and all the natural resources in the hands of a few big financial pirates and trustocrats.

These Government oil lands had been protected by legislation, and were under the control of the Navy Department.

THE "OHIO GANG"

In 1920 the Democratic Party was overthrown by an unprecedented majority, because it had gotten our country into the war and had inaugurated an era of unparalleled profiteering.

The Republican Party that came into power was dominated by a small but very powerful reactionary clique of standpatters from the Middle West. This group of corrupt politicians later on got the name of the "Ohio gang," and succeeded in nominating President Harding.

Even before the Republicans got into power the oil magnates, with the help of the Democrats, passed a law which made possible the transfer of these oil reserves to private parties under permanent lease.

PAID TO FUNDS OF BOTH PARTIES

And since the oil magnate, Doheny, paid $75,000 to the Democratic campaign fund, and the oil magnate, Sinclair, a similar sum to the Republican fund—and both of them contributed smaller amounts to the opposite parties—they insisted upon their reward after Harding had been elected.

This was easily accomplished by Mr. Harding signing an Executive order based upon the law that had been passed by the Democratic Party in 1920. The oil reserves were transferred from the Navy Department to the Interior Department. A contract was signed with these "big business men" by which the Government was to get six barrels out of every hundred yielded by the Government reserves.

It is unnecessary to go into the details.

BOUGHT UP CABINET MEMBERS OF TWO PRESIDENTS

We all know that Mr. Fall, the Secretary of the Interior, received from Mr. Doheny "a suitcase full of cash"—containing $100,000—as his share for transferring oil lands. One of these leases was worth, according to the testimony offered by Mr. Sinclair, more than $100,000,000. Mr. Sinclair paid $25,000 to Mr. Fall for the right of grabbing oil lands.

The beauties of private ownership are furthermore illustrated by the fact that the oil interests engaged the "services" of no less than five members of the Wilson Cabinet at immense salaries. Mr. McAdoo, for instance, received $50,000 annually, and the others similar sums as their "attorneys" while Woodrow Wilson was President.

No wonder Mr. McAdoo was accused in the Senate of "practicing son-in-law" instead of practicing law.

THEY SIMPLY WANT THEIR SHARE

Corruption of that kind will always be rampant in our Government, however, and can not be avoided so long as private graft can be gotten out of the public domain.

It is simply the application of the business principle to politics. Our big politicians are usually shrewd lawyers or "big business men" themselves. And realizing the immense profit that can be made by speculators and profiteers, the politicians insist on getting their share.

Is it surprising when Sinclair himself admitted on the witness stand that he expected to make $100,000,000 out of the oil lease for which Albert Fall wanted $25,000 as a tip? Fall's modesty is rather astonishing. The Doheny lease was supposed to be worth $500,000,000—Mr. Fall got only $100,000 as his share, as far as we know.

PUTTING THE "PAY" INTO "PAYTRIOTISM"

Not only does the transfer of the oil leases vividly illustrate the corruption to which private exploitation of the Nation's resources inevitably leads, but it also reveals the readiness with which "big business" and old party "patriots" will weaken the national defense whenever they can make some graft.

These oil reserves were considered essential if the Navy was to be properly equipped and prepared for an emergency. In giving them away the Navy was endangered, but that did not seem to make any difference to those who put the "pay" in "paytriotism."

PUBLIC OWNERSHIP FREE FROM SCANDALS

Had the oil lands been kept as a naval reserve, as they were intended to be kept, there would have been no bribery and no scandal.

Under public ownership there is occasionally a case of small graft or nepotism in the appointment of officeholders.

But, on the whole, public ownership, whether it be the Post Office Department—a national affair—or a public-school system or a waterworks, which are municipal institutions, is free from any scandal or graft on any large scale.

Even the prohibition bureau and our Department of Justice is only corrupt and full of graft whenever it comes in conflict with private profit and private gain.

PALMER AND DAUGHERTY

Thus the Department of Justice, both under Palmer and Daugherty, was linked with all kinds of graft on account of private profiteering.

During the war, under Palmer's administration, our Government confiscated many valuable German patents; for instance, the Bosch magneto patents and also patents pertaining to the manufacture of dyes. "Patriotic" profiteers saw a good chance there to grab millions, and they did so with the connivance of some of the highest officials of both parties.

THAT "SECRET SERVICE"

The same thing happened under Daugherty, who proved to be a very prominent and influential member of the Ohio gang. Daugherty seemed to be in close connection with "bootleggers," especially through his friend Jesse Smith, and with "Remus, the bootleg king."

According to the testimony given by his friend and associate, William J. Burns, he even used the so-called Bureau of Investigation and the "secret service" with cool effrontery to raid offices of the Senators investigating him. He tried to "frame-up" stories on these Senators for the purpose "of getting something on them" in order that the inquiry might be stayed.

Incidentally, let me remark that the so-called secret service department has grown during the war and under A. Mitchell Palmer from a few special agents to a bureau requiring $2,500,000 a year, and manned with all kinds of shady characters, some of whom ought to be in prison.

THE PRESS AND THE GRAFT INVESTIGATION

But the most deplorable fact about the entire situation is the state of our "public opinion," so called.

When the revelations were made nobody seemed to get excited about the methods of "big business"—about the bribery of the highest officials—or about the steals of both groups.

On the contrary, the capitalist news agencies and the big papers all over the country managed to tell the stories in such a manner that, if one was to judge from the newspapers, the sympathies of the people would be with the crooks. The tenor of most articles was decidedly hostile to those who tried to expose the thieves.

One got the impression that the big crooks were heroes, who were pounced upon by low-down common rascals, men and women who would have no standing in any court, but that riff-raff was taken seriously and believed by those "peanut politicians" and muckrakers in the Senate.

ALL THE NEWS THAT IS FIT TO PRINT

Of course, the news agencies, and the big newspapers as well, are owned by big business and need not be told what to print and how to print it. They know by instinct "all the news that is fit to print."

But, alas, the city worker, the farmer, and the small business man have read these papers so long and have had their conscience so deadened by the war and by the era of profiteering that followed the war that they are also apt to pass over these thieveries with a shrug of their shoulders or with a cynical smile.

To judge from the capitalist press, it almost seemed to be a crime to uncover the criminals.

GRAFT INVESTIGATIONS INTERFERE WITH BUSINESS

We have all over the country the Rotarians, the Kiwanis, the Lions, and the other "go getters." Did a single one of these business organizations denounce Doheny or Sinclair or Fall or Daugherty or McAdoo?

Not one of them.

Several associations passed resolutions condemning the investigations as interfering with business; and Mr. Denby was even lionized in Detroit, Mich., the center of the automobile business.

And I am sorry to say that I did not see any labor union condemning these gentlemen—which shows that the psychology of the masses has become affected to no small degree.

MERCURY AND MAMMON

Truly Mercury—the god of commerce, and of the thieves in ancient Greece—is next to Mammon, the ruling deity to-day. I say is the ruling deity to-day—but do these people think of to-morrow? Are these big thieves and thievish-minded people realizing the fact that they are sowing dragon's teeth?

So far they do not seem to worry.

WOULD WELCOME A MUSSOLINI

And as a result of the revelations that have occurred during the present session of Congress, we only find that the big capitalists now are doing all they can to deprecate and ignore the legislative branch of the Government and to boost the executive and judicial branches.

Capitalist papers are telling continually of the low level to which Congress has fallen.

Why?

Because a few of the Senators have refused to stop the investigation which has disclosed such corruption.

Big business would just as soon do away with Congress entirely.

"High finance" now prefers the dictatorial method of government a la Mussolini—and would probably like to arrange for something of that kind with the help of the American Legion or the Ku-Klux Klan, if it could be done in our country.

GOVERNMENT BY BLACKMAIL

In short, private ownership of natural resources, while conducive to creating multimillionaires, undoubtedly leads to "government by blackmail."

And that is what we have had to no small extent in Washington during the last few years.

What is there to be done?

THERE IS ONLY ONE SOLUTION

Well, public ownership of public utilities and the removal of the temptations which lead to corruption is the only solution.

And therefore the only way to assure and secure the efficient management not only of the railroads but of all public utilities, and also to eradicate and avoid a great deal of corruption, is to make all public utilities (including the railroads) public property, and the managers the servants of the Nation.

ADJOURNMENT

Mr. BARKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 20, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

495. A letter from the Public Printer, transmitting schedule of useless files of papers and records of the office of the Superintendent of Documents that are no longer of any value or use to that office in the transaction of public business, and requesting that authority be granted the Public Printer to dispose of accumulated waste paper and similar accumulations at regular periods in the future; to the Committee on Disposition of Useless Executive Papers.

496. A letter from the chairman of the Interstate Commerce Commission, transmitting report for the month of April, 1924, showing the condition of railroad equipment and the related information indicated in Senate Resolution 438 in so far as such information is available; to the Committee on Interstate and Foreign Commerce.

497. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1925, for general expenses, Bureau of Agricultural Economics (crop and livestock estimates), $50,000 (H. Doc. No. 295); to the Committee on Appropriations and ordered to be printed.

498. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year 1924, and to remain available during the fiscal year 1925, in the sum of $38,000, for improving Capitol power plant (H. Doc. No. 296); to the Committee on Appropriations and ordered to be printed.

499. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Commerce for the fiscal year ending June 30, 1925, for collecting statistics, Bureau of Census, $30,000 (H. Doc. No. 297); to the Committee on Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on Indian Affairs. S. J. Res. 103. A joint resolution authorizing expenditure of the Fort Peck 4 per cent fund now standing to the credit of the Fort Peck Indians of Montana in the Treasury of the United States; without amendment (Rept. No. 785). Referred to the Committee of the Whole House on the state of the Union.

Mr. MORROW: Committee on Indian Affairs. S. 2159. An act authorizing annual appropriations for the maintenance of that portion of the Gallup-Durango Highway across the Navajo Indian Reservation and providing reimbursement therefor; without amendment (Rept. No. 786). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. 2932. An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes; without amendment (Rept. No. 787). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Nebraska: Committee on Indian Affairs. H. R. 6541. A bill to amend an act entitled "An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation, in the State of Nebraska"; with amendments (Rept. No. 788). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. BULWINKLE: Committee on Claims. S. 2510. An act for the relief of William Henry Boyce, sr.; without amendment (Rept. No. 782). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. H. R. 2309. A bill for the relief of Robert Laird, sr.; without amendment (Rept. No. 783). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. H. R. 6660. A bill for the relief of Picton Steamship Co.; without amendment (Rept. No. 784). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Indian Affairs was discharged from the consideration of the bill (H. R. 4738) to entitle Edward C. Scovel and Mary C. Scovel to receive the benefits of the act entitled "An act for the retirement of employees in the classified service, and for other purposes," approved May 22, 1920, and the same was referred to the Committee on Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LYON: A bill (H. R. 9314) to amend section 98 of the Judicial Code; to the Committee on the Judiciary.

By Mr. ANDREW: A bill (H. R. 9315) to provide for the equalization of promotion of officers of the staff corps of the Navy with officers of the line; to the Committee on Naval Affairs.

By Mr. JAMES: A bill (H. R. 9316) to amend the tariff act of 1922 entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes"; to the Committee on Ways and Means.

By Mr. WOLFF: A bill (H. R. 9317) to permit a rural letter carrier to engage in any business or other occupation; to the Committee on the Post Office and Post Roads.

By Mr. KNUTSON: A bill (H. R. 9318) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Chippewa Indians of

Minnesota may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. RAINEY: A bill (H. R. 9319) declaring an emergency to exist in the matter of certain agricultural commodities and to promote equality between agricultural commodities and other commodities, and for other purposes; to the Committee on Agriculture.

By Mr. KNUTSON: A bill (H. R. 9341) to amend an act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922; to the Committee on Ways and Means.

By Mr. BERGER: Concurrent resolution (H. Con. Res. 24) requesting the President of the United States and the Secretary of State to take steps to enforce the payment of the debt the French Government owes the United States; to the Committee on Ways and Means.

By Mr. SNYDER: Resolution (H. Res. 321) providing for the consideration of S. 966, an act for the continuance of construction work on the San Carlos irrigation project, etc.; to the Committee on Rules.

By Mr. WINTER: Resolution (H. Res. 322) to pay Edith B. Barrow, widow of Frank H. Barrow, late legislative clerk of the House of Representatives, a sum equal to six months' salary and $250 for funeral expenses; to the Committee on Accounts.

By Mr. JOHNSON of Washington: Resolution (H. Res. 323) for the immediate removal of the voice amplifying devices now installed in the Hall of the House; to the Committee on Accounts.

By Mr. CULLEN: Memorial of the Legislature of the State of New York, recommending and requesting that Congress make liberal appropriations for carrying out the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9320) granting an increase of pension to Diana M. Oakley; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 9321) granting a pension to Priscilla Boyer; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 9322) granting a pension to Thomas C. Ellington; to the Committee on Invalid Pensions.

By Mr. COLE of Iowa: A bill (H. R. 9323) granting a pension to Laura I. Kissell; to the Committee on Invalid Pensions.

By Mr. CONNOLLY of Pennsylvania: A bill (H. R. 9324) granting an increase of pension to Jennie Allen; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 9325) granting a pension to Julia A. Cameron; to the Committee on Invalid Pensions.

By Mr. GARBER: A bill (H. R. 9326) granting an increase of pension to Sarah M. Boyle; to the Committee on Invalid Pensions.

By Mr. HERSEY: A bill (H. R. 9327) granting a pension to Susan E. Darrough; to the Committee on Invalid Pensions.

By Mr. HOCH: A bill (H. R. 9328) granting an increase of pension to Martha Farmer; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 9329) for the relief of George Charles Walthers; to the Committee on Claims.

By Mr. MOORE of Ohio: A bill (H. R. 9330) granting a pension to Laura Banker; to the Committee on Invalid Pensions.

By Mr. MUDD: A bill (H. R. 9331) granting a pension to William H. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9332) for the relief of Joseph Y. Dreisonstok; to the Committee on Naval Affairs.

Also, a bill (H. R. 9333) for the relief of W. J. Cook; to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 9334) granting a pension to Annie L. Webber; to the Committee on Pensions.

Also, a bill (H. R. 9335) granting a pension to Theodate S. Black; to the Committee on Invalid Pensions.

By Mr. OLIVER of New York: A bill (H. R. 9336) granting an increase of pension to Mary D. Fisk; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 9337) granting a pension to Cynthia Smallwood; to the Committee on Invalid Pensions.

By Mr. RUBEY: A bill (H. R. 9338) granting an increase of pension to Almira E. McArron; to the Committee on Invalid Pensions.

By Mr. SMITH: A bill (H. R. 9339) granting an increase of pension to Fred Stanley; to the Committee on Pensions.

By Mr. SNYDER: A bill (H. R. 9340) granting a pension to Theodore A. K. Gessler; to the Committee on Indian Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2806. By the SPEAKER (by request): Petition of employees of the Electrician's Craft, their helpers and apprentices, of the eleventh congressional district of Indiana, protesting against any favorable action on passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2807. Also (by request), petition of Parent Webb Cleveland, Staten Island, N. Y., favoring bonus bill; to the Committee on Ways and Means.

2808. By Mr. ARNOLD: Petition of the Chamber of Commerce, Effingham, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2809. By Mr. CORNING: Petition of Albany County Bar Association, Albany, N. Y., in opposition to the passage of the Caraway bill to amend the practice and procedure in Federal courts, and for other purposes; to the Committee on the Judiciary.

2810. By Mr. GALLIVAN: Petition of William F. Stecher, Dorchester, Mass., recommending early and favorable consideration of H. R. 6484, to retire disabled emergency officers of the Army; to the Committee on Military Affairs.

2811. Also, petition of American Train Dispatchers Association, Boston, Mass., recommending favorable consideration of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2812. By Mr. JOHNSON of Washington: Petition of officers and employees of the Pacific Box Co., Tacoma, Wash., urging immediate reduction of income taxes along the lines of the Mellon plan; to the Committee on Ways and Means.

2813. By Mr. MILLIGAN: Petition of State Board of Agriculture, Jefferson City, Mo., in re potash production in the United States; to the Committee on Agriculture.

2814. By Mr. YOUNG: Petition of 33 citizens of Dickinson, N. Dak., protesting against tax on radio receiving sets; to the Committee on Ways and Means.

2815. Also, petition of Bottineau Post, No. 42, of the American Legion, Bottineau, N. Dak., urging extension to five years of presumptive period for tubercular veterans; to the Committee on World War Veterans' Legislation.

2816. Also, petition of the Sorosis Club of Harvey, N. Dak., urging legislation for the creation of a membership in the International World Court; to the Committee on Foreign Affairs.

SENATE

TUESDAY, *May 20, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father who art in heaven, hallowed be Thy name. Thy kingdom come; Thy will be done in earth as it is in heaven. We would ask therefore that this morning this may be the desire of our hearts, not simply the utterance of our lips, but that Thy will may be regnant in our lives, directing every thought and action and enabling us to understand that when Thy will is regnant the blessedness of life shall be realized and the high intent of Thy purposes with Thy children shall be fully attained. We ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore.

S. 105. An act for the relief of Arthur Frost;
S. 129. An act for the relief of the William D. Mullen Co.;
S. 130. An act for the relief of George T. Tobin & Son;
S. 210. An act for the relief of Peter C. Keegan and others;
S. 589. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.;

S. 1608. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain;

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner; A. Picard & Co., owner of cargo; and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by the United States submarine *K-4*;

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3183. An act for the relief of Rush O. Fellows;

H. R. 3300. An act to cancel an allotment of land made to Mary Crane, or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes";

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 6050. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6810. An act granting the consent of Congress to the Millersburg and Liverpool Bridge Corporation, and its successors, to construct a bridge across the Susquehanna River, at Millersburg, Pa.;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7346. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; and

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, county of Cook, State of Illinois.

AMENDMENT OF NATIONAL DEFENSE ACT

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 6 and 11.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 7, 8, 9, 10, and 12, and agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the House and in lieu thereof insert the following:

"Sec. 2. Add at the end of section 4c of the national defense act of June 3, 1916, as amended, the following: 'When in his judgment efficiency demands such action, the President is authorized to except officers of the Medical Corps, Ordnance Department, and Chemical Warfare Service from the provisions of this section requiring duty with troops of one or more of the combatant arms. The President is further authorized to except from the provisions of this section requiring duty with troops of one or more of the combatant arms such officers of the Judge Advocate General's Department as are now engaged in patent litigation in which the Government is involved.'"

And the House agree to the same.

J. W. WADSWORTH, Jr.,
RALPH H. CAMMON,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

JOHN C. MCKENZIE,
HARRY E. HULL,
PERCY E. QUIN,
Managers on the part of the House.

Mr. ROBINSON. Is the report signed by all the conferees?

Mr. WADSWORTH. It is.

Mr. ROBINSON. It is a unanimous agreement?

Mr. WADSWORTH. It is.

Mr. ROBINSON. I have no objection to the report.

The report was agreed to.

PETITIONS AND MEMORIALS

Mr. WARREN presented resolutions adopted by the Sheridan (Wyo.) Commercial Club, favoring an amendment of section 4 of the interstate commerce act, which were ordered to lie on the table.

He also presented memorials of sundry citizens of Green River, Wyo., remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. BRANDEGEE, from the Committee on the Judiciary, to which was referred the bill (H. R. 169) to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes, reported it without amendment.

Mr. SMITH, from the Committee on Interstate Commerce, to which was referred the bill (S. 862) amending section 1 of the interstate commerce act, reported it without amendment.

HEARINGS BEFORE COMMITTEE ON PATENTS

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 224, submitted by Mr. ERNST on the 15th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Patents, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

RELIEF OF INJURED GOVERNMENT EMPLOYEES

Mr. SHORTRIDGE. From the Committee on the Judiciary I report back favorably, with an amendment, the bill (S. 2508) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916. Inasmuch as it is an emergency measure I ask unanimous consent that the bill may be immediately considered.

Mr. KING. Let it be reported.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate.

The reading clerk read the bill.

Mr. KING. This is a very important measure and affects a matter that has received consideration heretofore. I think it had better go to the calendar and be considered in due order.

The PRESIDENT pro tempore. Objection is made, and the bill will be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 3343) granting an increase of pension to Fannie H. Davis; to the Committee on Pensions.

By Mr. GEORGE:

A bill (S. 3344) to provide for the establishment of a dairying and livestock experiment station at Tifton, Ga.; to the Committee on Agriculture and Forestry.

By Mr. EDWARDS (by request):

A bill (S. 3345) to renew and extend certain letters patent to John V. Rice, jr.; to the Committee on Patents.

By Mr. FRAZIER:

A bill (S. 3346) to provide that jurisdiction shall be conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and certain bands of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. STERLING:

A bill (S. 3347) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Theodore B. Warner; to the Committee on Claims.

By Mr. HALE:

A bill (S. 3348) granting a pension to Alice E. Alden (with accompanying papers); to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 3349) granting an increase of pension to Samuel P. Howland; to the Committee on Pensions.

By Mr. GOODING (for Mr. WATSON):

A bill (S. 3350) granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.; to the Committee on Commerce.

By Mr. BORAH:

A bill (S. 3351) granting a pension to Rose G. Bingham; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 3352) to provide for the appointment of an appraiser of merchandise at Portland, Oreg; to the Committee on Commerce.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 129) to provide for venue of suits against the United States Grain Corporation; to the Committee on Agriculture and Forestry.

NATURALIZATION PETITIONS

Mr. ERNST submitted an amendment intended to be proposed by him to the bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization, which was ordered to lie on the table and to be printed.

REIMBURSEMENT TO SENATOR FRANK L. GREENE

Mr. LODGE submitted the following resolution (S. Res. 230), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, out of the contingent fund of the Senate, to Hon. FRANK L. GREENE, a Senator from the State of Vermont, the sum of $7,500, as reimbursement for actual and necessary expenses incurred by him in the treatment and care of injuries resulting from an accidental bullet wound received while walking on the street in the city of Washington, D. C., February 15, 1924.

POSTHUMOUS MILITARY PROMOTIONS

Mr. HARRIS. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers. I am sure there will be no objection. I hope the Senator from New York [Mr. WADSWORTH], chairman of the Military Affairs Committee, will give me his attention.

During the World War a soldier whose appointment to a higher office was made, if not received by him and accepted before he died, was then denied his proper place on the rolls at the higher rank. If he was killed in battle, and his commission had been issued but not accepted in writing, under a decision of the Supreme Court he was denied the promotion which he earned on the field of battle. The joint resolution which I have introduced provides specifically that there is no increase of pay in any particular and no expense involved to the Government, but it simply allows the boy who died in service or was killed in service after the promotion had been made but before it had been formally accepted to be placed on the rolls in the grade and at the rank to which he had been appointed. I ask the Senator from New York if he will kindly state anything I may have overlooked in regard to the joint resolution?

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia?

Mr. WADSWORTH. I do not object to the passage of the joint resolution.

Mr. WARREN. Mr. President, I shall have to object. We are waiting to call up some matters in the regular way, and I think it is time to stop the granting of unanimous consent to consider measures out of order until we can get something up in the regular order.

The PRESIDENT pro tempore. The Senator from Wyoming objects to the request of the Senator from Georgia, and the joint resolution remains on the calendar.

RELIEF OF INJURED GOVERNMENT EMPLOYEES

Mr. SHORTRIDGE. I ask leave to return to the order of reports of committees.

The PRESIDENT pro tempore. We are now in the order of the introduction of bills and joint resolutions.

Mr. SHORTRIDGE. I ask unanimous consent to return to the order of reports of committees; and on behalf of the Committee on the Judiciary I report back with an amendment the bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The bill bears upon the same matter as that referred to a few minutes ago.

The PRESIDENT pro tempore. Without objection——

Mr. ROBINSON. I inquire of the Senator from California if the bill he has just reported relates to an amendment of the employees compensation act?

Mr. SHORTRIDGE. I answer, yes; as agreed upon.

Mr. ROBINSON. Is the bill similar or substantially similar to the Senate bill which he has already reported?

Mr. SHORTRIDGE. It is not only substantially similar, but is in exactly the same words, I will say to the Senator from Arkansas. We propose to amend the House bill in the manner in which we propose to amend the Senate bill.

The PRESIDENT pro tempore. The Senator from California has asked unanimous consent to submit a report from the Committee on the Judiciary.

Mr. ROBINSON. The Senator from Arkansas understands that, but he wants to understand what the Senator from California is reporting.

Mr. SHORTRIDGE. I am reporting the House bill, I may answer the Senator, with the amendment agreed upon by the Committee on the Judiciary.

Mr. ROBINSON. Does it embrace the so-called Caraway amendment?

Mr. SHORTRIDGE. Yes.

The PRESIDENT pro tempore. Without objection the report will be received.

ADJUSTED COMPENSATION OF WORLD WAR VETERANS

Mr. McKELLAR. Mr. President, I wish to occupy about three minutes of the time of the Senate.

Mr. President, in my judgment, the President made a mistake in declaring the attitude of the soldiers as immoral in asking for a readjusted compensation. When the railroads asked for a readjustment of their war pay immediately after the war and received in the neighborhood of $2,000,000,000, Mr. Coolidge did not then declare their claim immoral, and should not have done so. Afterwards when the war contractors, commonly known as war profiteers, demanded and received $700,000,000 in readjusted pay, he did not declare their action immoral, and perhaps should not have done so, though there was more room for such a declaration in that particular case. Nor, when the civilian employees of the Government asked for and received hundreds of millions of dollars in readjusted pay or bonus, he did not declare their action immoral, and should not have done so. In some way he has, in my judgment, the mistaken view of limiting his charge of immorality of action in asking readjusted pay solely to the ex-service men.

Harsh criticism of a considerable portion of the citizens of this country may catch the public eye for a short time, but it is never lasting. When we consider the difference in pay that the soldiers received during the war and the enormous profits and pay that were earned by those who remained at home, I should think anyone would see that there were two sides to the question and that it was unnecessary to abuse either side.

Nor is the President's theory that the passage of the bonus bill will prevent tax reduction correct. The $100,000,000 a year it will take to pay the bonus is a large sum, but not governmentally speaking. For instance, the President has just recommended, through his Navy Department, an increase in the Navy which, if carried out, will cost probably more than the soldiers' bonus. The Republican administration last year recommended a ship subsidy bill that would have cost quite as much as the bonus. The enormous sums spent by the Government on airplanes during this administration that have since been declared useless will amount to very nearly as much as the bonus. The sums spent on submarines, which sums have been thrown away according to the reports, would almost rival the expenditures of the soldiers' bonus.

In addition, the extravagant tax refunds and tax abatements inaugurated by this administration costs the Government several times as much as the bonus. The Gulf Refining Co., in which Mr. Mellon is personally interested, drew from the Treasury Department in less than 30 days after Mr. Mellon became Secretary of the Treasury the enormous sum of $3,300,000 in tax refunds. Last year he paid over $2,300,000 to one of the five big Chicago packers. These are types of refunds. During the Wilson administration there were practically few refunds, and these resulting from accidental mistakes made in the assessment and collection of taxes. Since Mr. Mellon has been in office the rise in tax refunds has been continuous and tremendous—$24,000,000 in 1921, $48,000,000 in 1922, and $229,000,000 in 1923. As enormous as these figures are, however, we are advised that in the way of abatements much more has been granted to the wealthy taxpayers, but Mr. Mellon, under the law, keeps these matters secret as much as possible.

We are spending this year $330,000,000 on an army. We had about as good a one just before the war that cost us about $100,000,000 per year. We are spending more than twice as much on our Navy as we did just before the war, and it is claimed that our present Navy is not as good as it was then.

None of these extravagances has even been attempted to be checked by the President. He becomes economical only where the soldiers are concerned.

A most substantial tax reduction bill has already been passed by the Congress, and if it does not become the law it will be because of the fault of the President in vetoing it and not the fault of the Congress.

EMPLOYEES OF LEGISLATIVE BRANCH OF THE GOVERNMENT

The PRESIDENT pro tempore. Morning business is closed.

Mr. WARREN. I move that the Senate proceed to the consideration of House bill 8262, being a bill relating to the salaries of the 2,000 or more employees of the Capitol.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Wyoming that the Senate proceed to the consideration of the bill named by him.

The motion was agreed to; and the Senate as in Committee of the Whole proceeded to consider the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government, which had been reported from the Joint Special Committee on Readjustment of Compensation of Officers and Employees of Congress without amendment.

Mr. ODDIE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Ernst	Keyes	Sheppard
Ashurst	Fernald	King	Shipstead
Bayard	Ferris	Ladd	Shortridge
Brandegee	Fletcher	Lodge	Simmons
Brookhart	Frazier	McKellar	Smith
Broussard	George	McKinley	Smoot
Bruce	Gerry	McLean	Spencer
Bursum	Glass	McNary	Stanfield
Cameron	Gooding	Mayfield	Stephens
Capper	Hale	Moses	Sterling
Caraway	Harreld	Neely	Swanson
Colt	Harris	Norris	Trammell
Copeland	Hedin	Oddie	Underwood
Cummins	Howell	Overman	Wadsworth
Curtis	Johnson, Calif.	Phipps	Walsh, Mass.
Dale	Johnson, Minn.	Pittman	Walsh, Mont.
Dial	Jones, N. Mex.	Ralston	Warren
Edge	Jones, Wash.	Ransdell	Wheeler
Edwards	Kendrick	Robinson	

The PRESIDENT pro tempore. Seventy-five Senators have answered to the roll call. There is a quorum present. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. KING. Let the bill be read.

The reading clerk read the bill as follows:

Be it enacted, etc.

SECTION 1. The following positions and annual (except where specified otherwise) rates of compensation are hereby established:

SENATE

OFFICE OF THE VICE PRESIDENT

Secretary to the Vice President, $4,200; clerk, $1,940; assistant clerk, $2,080; messenger, $1,310.

CHAPLAIN

Chaplain of the Senate, $1,520.

OFFICE OF THE SECRETARY

Secretary of the Senate, including compensation as disbursing officer of salaries of Senators, and of contingent fund of the Senate, $6,500; assistant secretary, Henry M. Rose, $5,500; reading clerk, $4,500; financial clerk, $4,500; chief clerk, $3,420; assistant financial clerk, $3,600; minute and Journal clerk, $3,600; principal clerk, $3,150; librarian, $3,000; enrolling clerk, $3,150; printing clerk, $3,000; executive clerk, $2,880; file clerk, chief bookkeeper, and assistant Journal clerk, at $2,880 each; first assistant librarian, and keeper of stationery, $2,780 each; assistant librarian, $2,150; skilled laborer, $1,520; clerks—three at $2,880 each, two at $2,590 each, one $2,460, one $2,160, one $1,770; assistant keeper of stationery, $2,360; assistant in stationery room, $1,520; messenger in library, $1,310; special officer, $2,150; assistant messenger, $1,520; laborers—three at $1,140 each, three at $1,010 each, one in stationery room, $1,440.

DOCUMENT ROOM

Superintendent, $3,500; first assistant, $2,880; two clerks, at $1,770 each; skilled laborer, $1,520.

COMMITTEE EMPLOYEES

Clerks and messengers to the following committees: Agriculture and Forestry—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Appropriations—clerk, $6,000; assistant clerk, $3,300; assistant clerk, $3,000; three assistant clerks, at $2,700 each; two assistant clerks, at $2,100 each; messenger, $1,440. To Audit and Control the Contingent Expenses of the Senate—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Banking and Currency—clerk, $3,300; assistant clerk, $2,150; two assistant clerks, at $1,830 each. Civil Service—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Claims—clerk, $3,300; assistant clerk, $2,570; assistant clerk, $2,360; two assistant clerks, at $1,830 each. Commerce—clerk, $3,300; assistant clerk, $2,590; assistant clerk, $2,150; assistant clerk, $1,830. Confegence Minority of the Senate—clerk, $3,300; assistant clerk, $2,150; two assistant clerks, at $1,830 each. District of Columbia—clerk, $3,300; assistant clerk, $2,480; assistant clerk, $1,830; additional clerk, $1,520. Education and Labor—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830;

additional clerk, $1,520. Enrolled Bills—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Expenditures in the Executive Departments—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Finance—clerk, $3,600; special assistant to the committee, $3,150; assistant clerk, $2,590; assistant clerk, $2,460; assistant clerk, $1,940; two assistant clerks, at $1,830 each; two experts (one for the majority and one for the minority), at $2,360 each; messenger, $1,520. Foreign Relations—clerk, $3,300; assistant clerk, $2,590; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Immigration—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Indian Affairs—clerk, $3,300; assistant clerk, $2,570; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Interoceanic Canals—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Interstate Commerce—clerk, $3,300; two assistant clerks, at $2,150 each; assistant clerk, $1,830. Irrigation and Reclamation—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Judiciary—clerk, $3,300; assistant clerk, $2,590; two assistant clerks, at $2,150 each; assistant clerk, $1,830. Library—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Manufactures—clerk, $3,300; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Military Affairs—clerk, $3,300; assistant clerk, $2,590; additional clerk, $1,940; three assistant clerks, at $1,830 each. Mines and Mining—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Naval Affairs—clerk, $3,300; assistant clerk, $2,590; two assistant clerks, at $1,830 each. Patents—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Pensions—clerk, $3,300; assistant clerk, $2,150; four assistant clerks, at $1,830 each. Post Offices and Post Roads—clerk, $3,300; assistant clerk, $2,460; three assistant clerks, at $1,830 each. Printing—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; additional clerk, $1,520. Privileges and Elections—clerk, $3,300; assistant clerk, $2,040; assistant clerk, $1,830; additional clerk, $1,520. Public Buildings and Grounds—clerk, $3,300; assistant clerk, $1,840; assistant clerk, $1,830; additional clerk, $1,520. Public Lands and Surveys—clerk, $3,300; assistant clerk, $2,360; assistant clerk, $2,150; two assistant clerks, at $1,830 each. Revision of the Laws—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,830; additional clerk, $1,520. Rules—clerk, $3,300, to include full compensation for the preparation biennially of the Senate Manual under the direction of the Committee on Rules; two assistant clerks, at $2,150 each; assistant clerk, $1,830; additional clerk, $1,520. Territories and Insular Possessions—clerk, $3,300; assistant clerk, $1,940; assistant clerk, $1,880; additional clerk, $1,520.

CLERICAL ASSISTANCE TO SENATORS

Clerical assistance to Senators who are not chairmen of the committees specifically provided for herein, as follows: Seventy clerks, at $3,300 each; 70 assistant clerks, at $1,940 each, and 70 assistant clerks at $1,830 each. Such clerks and assistant clerks shall be ex officio clerks and assistant clerks of any committee of which their Senator is chairman.

Seventy-one additional clerks at $1,520 each, one for each Senator having no more than one clerk and two assistant clerks for himself or for the committee of which he is chairman.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Sergeant at Arms and Doorkeeper, $6,500; Assistant Doorkeeper, $4,200; Acting Assistant Doorkeeper, $4,200; two floor assistants, at $3,600 each; messengers—five (acting as assistant doorkeepers, including one for minority), at $2,150 each; 38 (including one for minority), at $1,770 each; one, $1,310; one at card door, $1,940; clerk on Journal work for CONGRESSIONAL RECORD, to be selected by the official reporters, $2,800; storekeeper, $2,740; stenographer in charge of furniture accounts and records, $1,520; upholsterer and locksmith, $1,770; cabinetmaker, $1,520; three carpenters, at $1,390 each; janitor, $1,520; five skilled laborers, at $1,310 each; laborer in charge of private passage, $1,340; three female attendants in charge of ladies' retiring rooms, at $1,240 each; three attendants to women's toilet rooms, Senate Office Building, at $1,010 each; telephone operators—chief, $2,040; four, at $1,200 each; night operator, $1,010; telephone page, $1,010; laborer in charge of Senate toilet rooms in old library space, $950; press gallery—superintendent, $2,740; assistant superintendent, $1,840; messenger for service to press correspondents, $1,240; laborers—three, at $1,100 each; 34 at $1,010 each; 21 pages for the Senate Chamber, at the rate of $3.30 per day each, during the session.

Police force for Senate Office Building under the Sergeant at Arms: Sixteen privates, $1,360 each; special officer, $1,520.

POST OFFICE

Postmaster, $2,740; chief clerk, $2,150; 8 mail carriers and 1 wagon master, at $1,520 each; 3 riding pages, at $1,220 each.

FOLDING ROOM

Superintendent, $1,940; foreman, $1,840; assistant, $1,730; clerk, $1,520; folders—7 at $1,310 each, 7 at $1,140 each.

CAPITOL POLICE

Captain, $2,150; 3 lieutenants, at $1,520 each; 2 special officers, at $1,520 each; 3 sergeants, at $1,410 each; 44 privates, at $1,360 each.

JOINT COMMITTEE ON PRINTING

Clerk, $4,000; inspector, $2,490; stenographer, $1,740.

OFFICE OF ARCHITECT OF THE CAPITOL

Architect of the Capitol, $6,000; chief clerk and accountant, $3,150; civil engineer, $2,770; construction draftsman, $2,360; 2 clerks, at $1,520 each; laborers—2 at $1,010 each, 2 at $950 each; forewoman of charwomen, $760; 21 charwomen, at $410 each; 48 elevator conductors, at $1,520 each.

HOUSE OF REPRESENTATIVES

OFFICE OF THE SPEAKER

Secretary to the Speaker, $4,200; clerk to the Speaker's table, $3,600, and for preparing Digest of the Rules, $1,000 per annum; clerk to the Speaker, $1,940; messenger to the Speaker's table, $1,520; messenger to the Speaker, $1,440.

CHAPLAIN

Chaplain of the House of Representatives, $1,520.

OFFICE OF THE CLERK

Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, $6,500; journal clerk, and 2 reading clerks, at $4,200 each; disbursing clerk, $3,570; tally clerk, $3,470; file clerk, $3,420; enrolling clerk, $3,200 and $1,000 additional so long as the position is held by the present incumbent; property custodian and superintendent of furniture and repair shop, who shall be a skilled cabinetmaker or upholsterer and experienced in the construction and purchase of furniture, $3,000; 2 assistant custodians at $3,000 each; chief bill clerk, $3,150; assistant enrolling clerk, $2,880; assistant to disbursing clerk, $2,780; stationery clerk, $2,570; librarian, $2,460; assistant librarian, $2,240; assistant file clerk, $2,250; assistant librarian, and assistant journal clerk, at $2,150 each; clerks—1 $2,150, 3 at $2,020 each; bookkeeper, and assistant in disbursing office, at $1,940 each; 4 assistants to chief clerk, at $1,830 each; stenographer to the Clerk, $1,730; locksmith and typewriter repairer, $1,620; messenger and clock repairer, $1,520; assistant in stationery room, $1,520; 3 messengers, at $1,410 each; stenographer to Journal clerk, $1,310; 9 telephone operators, at $1,200 each; 3 session telephone operators, at $100 per month each; substitute telephone operator, when required, at $3.30 per day; laborers—3 at $1,200 each, 9 at $1,010 each.

COMMITTEE EMPLOYEES

Clerks, messengers, and janitors to the following committees: Accounts—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Agriculture—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Appropriations—clerk, $5,000, and $1,000 additional so long as the position is held by the present incumbent; assistant clerk, $4,000; 6 assistant clerks, at $3,000 each; assistant clerk, $2,440; janitor, $1,440. Banking and Currency—clerk, $2,360; assistant clerk, $1,520; janitor, $1,010. Census—clerk, $2,360; janitor, $1,010. Claims—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Coinage, Weights, and Measures—clerk, $2,360; janitor, $1,010. Disposition of Useless Executive Papers—clerk, $2,360. District of Columbia—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Education—clerk, $2,360. Election of President, Vice President, and Representatives in Congress—clerk, $2,360. Elections No. 1—clerk, $2,360; janitor, $1,010. Elections No. 2—clerk, $2,360; janitor, $1,010. Elections No. 3—clerk, $2,360; janitor, $1,010. Enrolled Bills—clerk, $2,360; janitor, $1,010. Flood Control—clerk, $2,360; janitor, $1,010. Foreign Affairs—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Immigration and Naturalization—clerk—$2,360; janitor, $1,010. Indian Affairs—clerk, $2,880; assistant clerk, $2,150; janitor, $1,010. Industrial Arts and Expositions—clerk, $2,360; janitor, $1,010. Insular Affairs—clerk, $2,360; janitor, $1,010. Interstate and Foreign Commerce—clerk, $2,880; additional clerk, $2,590; assistant clerk, $1,830; janitor, $1,010. Irrigation and Reclamation—clerk, $2,360; janitor, $1,010. Invalid Pensions—clerk, $2,880; stenographer, $2,560; assistant clerk, $2,360; janitor, $1,240. Judiciary—clerk, $2,880; assistant clerk, $1,940; janitor, $1,240. Labor—clerk, $2,360; janitor, $1,010. Library—clerk, $2,360; janitor, $1,010. Merchant Marine and Fisheries—clerk, $2,360; janitor, $1,010. Military Affairs—clerk, $2,880; assistant clerk, $1,830; janitor, $1,310. Mines and Mining—clerk, $2,360; janitor, $1,010. Naval Affairs—clerk, $2,880; assistant clerk, $1,830; janitor, $1,310. Patents—clerk, $2,360; janitor, $1,010. Pensions—clerk, $2,880; assistant clerk, $1,940; janitor, $1,010. Post Offices and Post Roads—clerk, $2,880; assistant clerk, $1,730; janitor, $1,310. Printing—clerk, $2,360; janitor, $1,310. Public Buildings and Grounds—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Public Lands—clerk, $2,360; assistant clerk, $1,520; janitor, $1,010. Civil Service—clerk, $2,360; janitor, $1,010. Revision of the Laws—clerk, $3,000; janitor, $1,010. Rivers and Harbors—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Roads—clerk, $2,360; janitor, $1,010. Rules—clerk, $2,360; assistant clerk, $1,830; janitor, $1,010. Terri-

sideration of House bill 8262, being a bill relating to the salaries of the 2,000 or more employees of the Capitol.

FOLDING ROOM

Superintendent, $1,940; foreman, $1,940; assistant, $1,730; clerk, $1,520; folders—7 at $1,310 each, 7 at $1,140 each.

assistant clerk, $1,830; additional clerk, $1,520. Education and Labor—clerk, $3,300; assistant clerk, $2,150; assistant clerk, $1,830; janitor, $1,020. Rivers and Harbors—clerk, $2,880; assistant clerk, $2,150; janitor, $1,310. Roads—clerk, $2,360; janitor, $1,040. Rules—clerk, $2,360; assistant clerk, $1,638; janitor, $1,066. Terri-

tories—clerk, $2,360; janitor, $1,010. War Claims—clerk, $2,880; assistant clerk, $1,520; janitor, $1,010. Ways and Means—clerk, $3,600; assistant clerk and stenographer, $2,360; assistant clerk, $2,250; janitors—1 $1,310, 1 $1,010. World War Veterans' Legislation—clerk, $2,880; assistant clerk, $2,150.

OFFICE OF SERGEANT AT ARMS

Sergeant at Arms, $6,500; Deputy Sergeant at Arms, $2,880; cashier, $4,000; 2 bookkeepers, at $2,640 each; Deputy Sergeant at Arms in charge of pairs, $2,150; pair clerk and messenger, $2,150; messenger, $1,730; stenographer and typewriter, $1,200; skilled laborer, $1,140.

Police Force, House Office Building, under the Sergeant at Arms: Lieutenant, $1,520; 19 privates, at $1,360 each.

OFFICE OF THE DOORKEEPER

Doorkeeper, $5,000; special employee, $2,040; superintendent of House press gallery, $2,240; assistant to the superintendent of the House press gallery, $1,520; janitor, $2,040; messengers—17 at $1,500 each, 14 on soldiers' roll at $1,520 each; laborers—17 at $1,010 each, 2 known as cloakroom men at $1,140 each, 8 known as cloakroom men, 1 at $1,010, and 7 at $890 each; 2 female attendants in ladies' retiring rooms at $1,440 each; superintendent of folding room, $2,880; foreman of folding room, $2,340; chief clerk to superintendent of folding room, $2,150; 3 clerks at $1,940 each; janitor, $1,010; laborer, $1,010; 31 folders, at $1,200 each; shipping clerk, $1,520; 2 drivers at $1,140 each; 2 chief pages at $1,740 each; 2 telephone pages at $1,440 each; 2 floor managers of telephones (one for minority) at $2,400 each; assistant messenger in charge of telephones, $1,830; 42 pages during the session at $3.30 per day each; laborer, $1,100; superintendent of document room, $3,050; assistant superintendent of document room, $2,460; clerk, $2,040; assistant clerk, $1,940; 8 assistants at $1,600 each; janitor, $1,220; messenger to pressroom, $1,310.

SPECIAL AND MINORITY EMPLOYEES

Special employee (Joel Grayson) in the document room, $2,740.

Six minority employees at $2,150 each, authorized and named in the resolution of December 5, 1923.

Assistant foreman of the folding room, authorized in the resolution of September 30, 1913, at $4.76 per day.

Laborer, authorized and named in the resolution of April 28, 1914, $1,140.

Laborer, authorized and named in the resolution of December 19, 1901, $1,140.

Clerk, under the direction of the Clerk of the House, named in the resolution of February 13, 1923, $2,740.

Successors to any of the employees provided for in the five preceding paragraphs may be named by the House of Representatives at any time.

Office of majority floor leader: Legislative clerk, $3,600; clerk, $2,880; assistant clerk, $1,830; janitor, $1,310.

Conference minority: Clerk, $2,880; assistant clerk, $1,740; janitor, $1,310. The foregoing employees to be appointed by the minority leader.

Two messengers, one in the majority caucus room and one in the minority caucus room, to be appointed by the majority and minority whips, respectively, at $1,520 each.

POST OFFICE

Postmaster, $4,200; assistant postmaster, $2,570; registry and money-order clerk, $1,830; 34 messengers (including one to superintend transportation of mails), at $1,520 each; substitute messengers and extra services of regular employees, when required, at the rate of not to exceed $105 per month each; laborer, $1,010.

OFFICIAL REPORTERS OF DEBATES

Six official reporters of the proceedings and debates of the House, at $6,000 each; assistant, $3,000; 6 expert transcribers, at $1,520 each; janitor, $1,220.

COMMITTEE STENOGRAPHERS

Four stenographers to committees, at $6,000 each; janitor, $1,220.

CLERK HIRE, MEMBERS, DELEGATES, AND RESIDENT COMMISSIONERS

The clerk hire for each Member, Delegate, and Resident Commissioner shall be at the rate of $4,000 per annum and shall be paid in accordance with the act of January 25, 1923 (42 Stat. chap. 43, p. 1217): *Provided*, That no person shall receive a salary from such clerk hire at a rate in excess of $3,300 per annum.

SEC. 2. This act shall take effect on July 1, 1924.

Mr. KING. Mr. President, may I inquire of the Senator who has the bill in charge what is the aggregate increase in the salaries allowed for all of the officers and employees covered by this bill?

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Wyoming?

Mr. KING. I yield. I have asked the Senator a question.

Mr. WARREN. The Senator from Utah inquires of me just what I was about to say anyway.

Mr. KING. I shall be happy to hear the Senator. There is no report accompanying the bill.

Mr. WARREN. Mr. President, there is a report—a very full report. If I remember rightly, there are 2,361 people provided for here. Starting at what is perhaps the most interesting subject for the moment, the employees here at the Senate, the percentage of raise for the first clerks, the senior clerks of Senators, is a little over 20 per cent above the salary that they are now receiving and the bonus, and that is the only increase of that proportion.

On the House side, opposite that, their increase is but 10 per cent—that is, each Member gets $4,000, from which he provides for all of his clerks. The minimum that a Senator's clerical force gets is $8,590. He gets $3,300 for his first clerk, $1,940 for the next, $1,830 for the next, and $1,520 for the fourth.

In the case of the committees, some of them, where there is not a great amount of work, have the same number of clerks. There are other committees, heavily worked, that have more assistants, and their assistants have higher pay.

The increase in the assistant clerks and in the employees in the Capitol is from 8 to 10 per cent more than the present pay and the bonus. The classification outside of the Capitol, as we understand from what has been done in the other bills, seeks to cover the old salaries and the bonus and from 3 to 5 per cent increase, except in the upper grades—as, for instance, Assistant Secretary of a department. That position has had a salary of $5,000 for the last 40 years without raise, and in that case the salary has been raised considerably more than that.

Mr. ROBINSON. Mr. President, I should like to ask the Senator in charge of the bill a question. On page 1 it is observed that under the office of the Vice President a clerk is paid $1,940 and an assistant clerk $2,080. Why is the subordinate paid more than his superior? Why does the clerk receive less than the assistant clerk?

Mr. WARREN. That arrangement is one where a resolution clerk followed the regular statutory clerk. It occurred in the old bill, and we did not change it. Of course, one proposition has been observed throughout—not to reduce any salary—and that has been carried into all of the reclassifications that are made outside of the Chamber, not to reduce any of the salaries or wages that are received, except in some of the lump sums, where they were running over the normal. The matter to which the Senator refers is one that I shall not be able to explain.

Mr. ROBINSON. Of course it seems anomalous to pay the clerk $1,940 and the assistant clerk $2,080.

Mr. WARREN. I will acknowledge that, Mr. President. That is a very just and reasonable complaint to make; but the former Vice President, who is now President of the United States, had arranged it that way, and we have not changed it.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WARREN. I was about to finish, but if the Senator wishes to ask me a question I yield.

Mr. COPELAND. I did want to ask a question, and perhaps the Senator can continue his remarks in answer to the Senator from Utah by answering my question.

I notice, under the office of Sergeant at Arms and Doorkeeper, that there seems to be a very marked inequality in the pay of the doorkeepers, and I wondered why that was. Then, when we come to the salaries recommended for the press gallery superintendent and assistant superintendent, why they are not paid at the same rate as the clerk and assistant clerk of a Senator?

Mr. WARREN. Their duties are entirely different, and the salaries have always been very different; so we saw no reason for changing the proportion of salary on account of what the Senator has said.

I was going to say, further, that this bill is the result of the consideration of a joint committee composed of three Members of the Senate and three Members of the House, who met and spent, perhaps, a month on the matter at our closing time a year ago, and again about a month before we assembled at this session. Those men should, and I think did, reflect the feeling and wishes of their respective bodies. In the consideration of this bill each side met the other, and naturally did the best they could. The House has laid its cards upon the table and passed the bill exactly as the committee recommended it.

There are questions that will occur, I think, to any man. I think it is human nature that one man thinks he does a little more work than another, or that he is worth a little more, and that he is worth at least as much as somebody who is graded higher than he is. It is pretty difficult to take a large lot of

employees and arrange matters satisfactorily to all of them, unless the matter is dealt with at the time of their employment, as in a case where a commercial concern has a line of employment and these matters are agreed upon when the men come in, on a basis of "take it or leave it."

Here are a large number of employees, many of whom have been here a great many years, while others are new. The general result of this arrangement is that the representatives of the House on the joint committee were willing to acknowledge—because they talked it over long beforehand—that we should make a further advancement in the case of the first clerks of Senators, who are given $3,300, on account of the increase of business; so they are increased, as I have said, at the rate of over 20 per cent. But every Senator gets as the minimum the amount I stated.

As to the employees who receive more than $2,500 no bonus, of course, reached them heretofore, and in their case there has been an increase similar to that made in the case of employees who had the bonus, because the bonus was to make up differences.

I shall be glad to give any further information that is desired, but that is about all there is to the measure. It stands in this way: The raises have been from 8 or 10 per cent up to 20, except where the salaries are $4,500, and salaries of that size were not raised at all. On the other hand, as I said, Members of the House received less for clerks than Senators receive. In other words, a Member of the House receives $4,000 for his clerks, while a Senator's force receives $8,590 as a minimum. In the House $4,000 is their maximum, because their minimum is $3,300 if a Member employs only one clerk and $4,000 if he employs two.

Mr. KING. Were any new positions or offices created by the bill?

Mr. WARREN. I think not. I do not remember one.

Mr. KING. Is this the bill which provides for automobiles and various other accessories for certain employees in the Capitol?

Mr. WARREN. It does not touch that at all. It has nothing to do with the contingencies. It is simply a straight matter of how much the secretaries and clerks shall receive for their services, and this bill does not appropriate. The appropriation bill will follow.

I am reminded of one or two alleged errors, and I am not contending that they are not errors. If such errors exist, when the appropriation bill comes along, as it will when we reach a point where the House can predicate an appropriation bill upon this measure, we can correct those errors, of course, because there is no intention of allowing the mistakes to go uncorrected. But as a general proposition, I think we will fare better and get through with better spirit all the way, and get better pay for our employees if we accept this bill as it comes to us from the committee and from the House.

Mr. WADSWORTH. Mr. President, I desire to call the attention of the Senate to a situation in the document room. For the document room, under the item on page 2, line 20, there are provided a superintendent, $3,500; first assistant, $2,880; two clerks, at $1,770 each; skilled laborer, $1,520.

For some reason or other this joint committee has failed to appreciate that a second assistant in the document room has been working there for years——

Mr. WARREN. I will say to the Senator that I have sent down for my clerk, who has the papers in regard to this matter, and I will be able to show the condition when those papers come up.

Mr. WADSWORTH. If the Senator does not mind, I have the entire history of it for 40 years back on my desk. I shall not read it all, but here is the situation: In the legislative act of 1906 the position of second assistant in the document room was created. In 1921, for some reason or other, the position was left out of the legislative act of that year, but it has been filled and paid for by annual appropriations since 1921.

Mr. SMITH. When was the position created?

Mr. WADSWORTH. In 1906.

Mr. SMITH. And was continued up to 1921?

Mr. WADSWORTH. To 1921, when, for some reason or other, it was dropped out of the legislative act of that year, but the man who did the work, and who is doing it now, has been paid by annual appropriations since then. There is no mention of him in this bill.

Mr. WARREN. Mr. President, if the Senator will allow me, I think it will develop that he has been paid out of the contingent fund, because some of those places years ago were taken care of in a resolution, which read "until otherwise provided by law," and I think that the clerk the Senator has mentioned is one of those. I think that resolution is still alive, and I think the pay is being drawn under it.

Mr. WADSWORTH. Mr. President, the situation there is exceedingly unjust. While this bill provides for five employees in the document room, and in former years we have had as many as six, and upon one or two occasions at least seven, literally there are only three men working there now, the superintendent, the first assistant, and this other man, who apparently holds no title whatsoever, and who, with the first assistant and the superintendent, does all the work.

I do not know what the appropriation bills are going to carry for him. He disappears in this shuffle. The Secretary of the Senate tells me he is absolutely essential to the good work in that office, but the joint committee has forgotten him, as far as I can find out. The efficiency of the place is dependent upon somebody remembering each year to slip an item into an appropriation bill to take care of this man.

Mr. WARREN. It has not been handled that way.

Mr. WADSWORTH. Then a resolution must be passed putting him upon some roll of the Senate, to be paid out of the contingent fund of the Senate.

Mr. WARREN. As I explained to the Senator, I think it is handled under an old resolution which takes care of it; but I shall be able to inform the Senate in a few moments.

Mr. MOSES. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. MOSES. I wish to inquire if the bill is in its amendment stage?

The PRESIDENT pro tempore. It is in the Committee of the Whole.

Mr. MOSES. Does the Senator intend to offer an amendment?

Mr. WADSWORTH. I do not intend to offer an amendment now, because I want to cooperate with the Senator from Wyoming, who tells me that perhaps the matter can be fixed when certain information comes before the Senate.

Mr. WARREN. There is no doubt that it can be fixed so that no man will be left out.

Mr. WADSWORTH. That is my idea. I want to say, however, further, that in 1921 the salary of the second assistant was $2,250. The work is still going on just as it was before. If this bill were put in logical form to carry out what is going on now, and what is right and proper in the matter of salaries, the second assistant, in my judgment, should be put in either here or taken care of in some other statutory way with a salary of $2,250, plus the bonus of $240, plus the 5 per cent proposed increase, which would give that man a salary of $2,602.50. What the functions of a skilled laborer are I am not entirely certain.

Mr. WARREN. Mr. President, I have ascertained that what I said in regard to this case is true. There is a resolution covering the matter which has been passed every year for several years past. There are two or three similar places. We tried once to repeal all those resolutions, and have each place taken care of by the session or by the Congress terms, but this is one of those which have been continued. This man has been paid continuously, as I suppose, because the resolution is alive, and he is drawing his pay now.

Mr. WADSWORTH. The injustice of it is that he is doing the work of the second assistant, and he is drawing the pay of a laborer.

Mr. WARREN. That is something I do not know anything about, of course.

Mr. WADSWORTH. That is the fact.

Mr. KING. Why should we not abolish the office of second assistant, if the first assistant is doing his work?

Mr. MOSES. And make them all skilled laborers?

Mr. WADSWORTH. Make them all laborers?

Mr. KING. No. If he is doing the work of the second assistant, the presumption is the second assistant is doing nothing.

Mr. WADSWORTH. There is no second assistant now by title under a statute. This man is doing the work that the second assistant did from 1906 to 1921.

Mr. KING. Is the office of second assistant, then, abolished by this act?

Mr. WADSWORTH. No. It was abolished in 1921, and it ought to be restored, because there is a man there doing all of that work. He is doing it as the result of a resolution of the Senate which authorizes the employment on a separate roll, not under this statutory roll, of this person, who, as far as I can find out, is drawing the pay of a skilled laborer.

I took this matter up with the Senator from Kansas [Mr. CURTIS], who is fairly familiar with it, and he expressed the

opinion that the second assistant should go in the bill. But if he is to be taken care of in some other way, I am not going to be particular about it, because the Senator from Wyoming tells me that if this bill is amended in any way its passage will be jeopardized.

Mr. KING. Will the Senator tell me, from his examination, whether it is necessary to have a superintendent, a first assistant, two clerks, and a skilled laborer?

Mr. WADSWORTH. From all I know, that office is undermanned now. It does an important, effective service for Senators. If there is anything a Senator wants, it is prompt service from the document room.

Mr. KING. In addition to those to whose positions I have just called attention, is the position now held by the person to whom the Senator is referring a necessary one?

Mr. WADSWORTH. Yes; it is an anomalous position. He is doing the work of a second assistant, and is not being paid enough. They had to get him in there to continue the office. He voluntarily took the position.

Mr. WARREN. May I ask the Senator whether, in his conversation with the Secretary of the Senate, the Secretary stated whether he has been detailing others to that office?

Mr. WADSWORTH. He has been detailing this man.

Mr. WARREN. Has he been detailing others?

Mr. WADSWORTH. I believe not, other than the number provided for here.

Mr. MOSES. Mr. President, I wish to offer the amendments which I send to the desk and ask to have reported.

The PRESIDENT pro tempore. The Senator from New Hampshire offers the following amendments, which the Secretary will report.

The READING CLERK. The Senator from New Hampshire offers the following amendments: On page 2, line 24, strike out "$3,300" and insert in lieu thereof "$4,200"; on page 3, lines 1 to 23, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$4,200"; on page 3, line 24, strike out "$3,600" and insert in lieu thereof "$4,500"; on page 4, lines 4 to 24, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$4,200"; on page 5, lines 1 to 22, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$4,200"; on page 6, line 4, strike out "$3,300" and insert in lieu thereof "$4,200."

The PRESIDENT pro tempore. The question is upon agreeing to the first amendment.

Mr. MOSES. All the amendments go to the same subject, and I ask unanimous consent that they may be considered en bloc.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and they will be considered together.

Mr. MOSES. Mr. President, this bill is a most imperfect response to a movement which took place in the Senate toward the close of the Sixty-seventh Congress, at which time a very determined effort was made upon the floor of the Senate to amend the legislative appropriation bill in order to provide greater compensation for the secretaries to Senators and clerks to committees. As a result of that agitation, after the failure of the amendment upon the floor, a joint committee was provided for, the result of whose labors is contained in the bill now before us.

I have described it as an imperfect response to an agitation, because, although the explanation given to the Senate by members of the committee is that the committee considered the result of the reclassification in the civil service in the city of Washington throughout the various departments and, finding the average increase there to be of a certain percentage, decided to make the same average percentage in these increases, that percentage totally loses sight of the principles of the classification bill, because every Senator who is familiar with the terms of the classification act applying to the civil service as a whole knows that in the higher positions, where the largest amount of work was required and where was required also the greatest of ability and the greatest variety of public services, there the increases were much more considerable, in some cases reaching to the extent of 50 per cent of the salary theretofore paid. Twenty per cent is the average increase given here.

I need not advert to the character of the service performed by secretaries of Senators and clerks of committees. Every Senator knows how varied, how continuous, how delicate, how important the services of his secretaries are to him; and I would wish—and the purpose of my amendment is to produce—an increase in salaries for secretaries to Senators which would be something commensurate to the service rendered to us, and something commensurate to the old-time relation between salaries of Senators and their clerks back in the days before any increase took place at all.

We have been told, we will be told again, I assume—the Senator from New York has just put the Senate upon notice—that any amendment made here to this bill will jeopardize its passage. We have been told, we probably will be told again, that the House will absolutely refuse to consider any change which we make in the text of this measure. We have been told, we will be told again, that we must take the bill as it stands or have nothing. To all of that I retort that nobody can tell what the result of an effort to amend the bill will be until the effort is made.

As I said to the Committee on Appropriations when appearing before them in behalf of the amendment which I have now presented, of course if the Senate conferees do not intend to stand for the rights of the Senate as written into an amendment in this bill or any other bill, naturally the Senate can not accomplish anything; and I added that which every Senator knows, namely, that it is always possible to recede if we come to a point such as we have been told will result. I further retort to all those assertions that this is a matter which concerns the Senate alone. If I may say so without being reproached from the other end of the Capitol, this is a matter with which the other end of the Capitol has no business at all to deal.

We do not undertake to interfere with the Members of the House in fixing the salaries of those who assist them. We have never undertaken, indeed, to say to them that the salaries should be paid in given sums to any person. We have given them full liberty of action within the limit of appropriations they saw fit to fix for themselves. Therefore I contend that this is a matter which we should determine. I suppose there are no Senators here who will not admit that a competent principal secretary is worth $4,200 a year, and if we conclude that is the salary which we should pay our principal secretaries, it is nobody else's business, and anybody who attempts to make it his business should be plainly told that he is going beyond his functions and outside of his jurisdiction.

This is a question which has been argued on the floor over and over again, and I wish to point out only one thing more, that the amendment which I have here presented, while carrying the increases named, maintains every differential now existing as among the clerks to the various committees and the secretaries to Senators.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MOSES. I yield to the Senator from Massachusetts.

Mr. LODGE. The Senator mentioned differentials. I should like to ask if his amendment maintains existing differentials?

Mr. MOSES. Wishing to create as little dislocation as possible in the salary scale of secretaries, wishing to produce as few heartburnings as might be in connection with the amendment that I have proposed, I have undertaken to carry on the scale of salaries exactly as it now exists. In a case where a secretary to a Senator or the principal clerk of a committee has been obtaining more salary than that paid to the average clerk of the committees or average principal secretary to Senators, I have maintained that differential.

I suppose I can discern what the Senator from Massachusetts has in mind. The Senator from Massachusetts—and he will correct me if I am not reading his mind correctly—of course, is thinking of the differential, in the first place, of $300 which is paid to the clerk of the Finance Committee. He is probably thinking also of the small differential which exists in some of the minor places in some of the other committees. But, for example, at one period in the Sixty-seventh Congress there were two committees of the Senate whose chairmen were influential enough to have the salaries of their clerks increased. Those increases have been taken into consideration, although they were made individually and without any relation to the classification of secretaries and clerks. Those increases were taken into consideration and made the basis of the increases proposed in the bill reported by the joint committee, and also in the amendment which I have offered.

I have made no attempt to change the situation as I found it. If the Senator from Massachusetts wishes to criticize the situation as I found it and as I have continued it in my amendment, I shall not attempt to make retort to any such criticism, because I well know that there are committees of the Senate, notably the 10 so-called major committees of the Senate and some of the minor committees of the Senate, where there is an infinite drudgery to be done by the committee, and that drudgery, of course, is loaded upon the capable shoulders of the clerk of the committee. Yet even in those cases there is a dead level of salary that has continued to exist. If I were to criticize in general terms the bill which has been presented by the joint committee, it would be that, unlike the reclassification of the civil service, no attempt has been made in any particular to grade the salaries in accordance with the measure of work going to a committee; that is to say, the work which the clerk of the committee has to do.

My opinion is that the salaries which I ask for in the amendment are none too high, considering the amount and character of services required and the difficulty which every Senator has to retain in his service competent clerks in whom he has ample confidence.

Mr. LODGE. Mr. President, if the Senator from New Hampshire will allow me——

Mr. MOSES. I yield the floor to the Senator.

Mr. LODGE. The matter of the arrangement of salaries can be based on two different systems. We can base it on the amount of public work of each committee. Notoriously there are some of the committees that have very heavy work, while others have much less. If we adopt that as the base we must make variations in the salaries. We can put all the salaries of the clerks on the basis of the work for the Senator who is chairman of the committee, and that personal work as well as public work would justify the system adopted here, though I think it is a poor system, but it would justify it in making the salaries all alike.

But what seems to me can not be justified is taking out of this long list one committee and making that one clerk an exception. No doubt there is a great deal of committee work to be done by that committee and no doubt a most competent man is doing the work, but he is no more heavily worked than the clerks of many other committees, and yet it is proposed to give him $300 more than any other committee clerk. They all ought to be on the same basis; that is, as to their value to the Senator who is chairman of the committee, or on the general basis of an equality of value to all Senators in the work of the clerk for him as chairman of the committee. But I do not think there is anything that can justify paying one committee clerk more than another if we adopt the uniform payment plan for all committees alike, as is proposed to be adopted here.

Now there is one other point which was suggested to my mind by what the Senator from New Hampshire said, and that is having the House fix the salaries for Senate employees. I do not think there is any defense whatever for that. We do not interfere and we never have interfered, of course, with the House appropriations for their own service and expense of administration, and we ought not to do it. When they send a bill here and tell us we can not make any amendments to it at all, the bill having been made in the House, I would much rather see the bill fail than to submit to that kind of a proposition. It seems to me intolerable that we can not be allowed to fix the pay, great or small, graded or ungraded, for our own employees, and that is what is proposed here, that we must not touch the bill because the House has already made it. To that I object as strongly as it is possible for words to do it.

Mr. OVERMAN. Mr. President——

Mr. LODGE. I yield to the Senator from North Carolina.

Mr. OVERMAN. We have to meet the situation as it is. We can amend the bill as much as we please, but what is going to become of it? What will become of it if we go to amending it? This matter was settled by a joint committee to which the matter was referred in recess. We had a meeting with members of the committee representing the House of Representatives, a committee appointed by that body to meet with us, and we did the best we could. We may have made some mistakes, but if we did they can be hereafter corrected by another bill. But so far as this bill is concerned it is the result of the joint action of a committee of the House of Representatives and the Senate. Let us amend it if we want to and let us send it back——

Mr. LODGE. That is all I ask.

Mr. OVERMAN. Let us send it back to the House of Representatives and let it die. That is the condition that confronts us. We can do as we please.

Mr. MOSES. Of course it would die if the Senate conferees do not vote for it in conference.

Mr. KING. It ought to die anyhow.

Mr. OVERMAN. We will fight for it. We are going to give each clerk $240 bonus in addition to the salary. We increase the salaries 5 per cent in that way. We must look at the facts as they confront us.

Mr. LODGE. I am not quarreling with the amount.

Mr. OVERMAN. The House of Representatives voted it down because the Senate was getting so much more money than the House that the Members of the House were jealous and voted it down.

Mr. LODGE. I believe I have the floor, but I am not sure.

Mr. OVERMAN. I thought the Senator had yielded the floor.

Mr. LODGE. I did not yield the floor.

Mr. OVERMAN. I beg the Senator's pardon.

Mr. LODGE. I only wanted to finish what I had undertaken to say. I know it was the work of a joint committee. The work of a joint committee does not bind the two Houses any more than the work of any other committee does. They are the creation of the two Houses. They bring in a report applying to salaries. The House makes its own salaries and we have not interfered with those salaries, but we are told that we must not amend the bill so far as our salaries are concerned, otherwise it will be lost.

Mr. WARREN. I beg the Senator's pardon—I have not said that.

Mr. LODGE. I did not say the Senator from Wyoming had said it.

Mr. WARREN. I do not know of anybody who has said it.

Mr. LODGE. It has been stated to me repeatedly, though not on the floor. That is the principle to which I object. If the House chooses to make changes in the report of the joint committee in the course of their own administration, nothing would induce me to vote against the bill for that reason. It is their right to say what their clerks and their officers shall have, and I think we have a like right. They do not undertake to fix salaries for us in the annual appropriation bills. They are just as anxious to pass the bill as we are. But I do not notice that they ever say a bill can not pass if we make a change. They expect us to make amendments. I think it is a wrong relation between the two Houses. I think we ought to have it understood that we do not interfere with their expenditures and we do not wish to have them interfere with ours. Let each House settle for itself its own expenditures. I yield the floor.

Mr. OVERMAN. Everybody knows that we can amend the bill and everybody appreciates the fact that if we do amend it the conferees, answering the Senator from New Hampshire [Mr. MOSES], will stand for the amendment so far as they can.

We, as Senators, get about $3,000 more than each Member of the House for clerk hire, and the Members of the House of course may demand that they get as much as Members of the Senate. Members of the House only get $4,000 for clerk hire and that is the reason why they voted down overwhelmingly the proposed increase. It was called up again and Mr. MADDEN got mad because they wanted to amend it. He said the bill had to pass as it was, and I did not blame him. The joint committee of the House and Senate got together and prepared the bill. We tried to do justice to everybody. We tried to increase everybody's salary, giving a bonus in addition to the 5 per cent.

Where are we going to end up with these great expenses? Are we going to give this clerk $4,300 and that clerk $3,500 and the other clerk $5,000 and some other clerk $6,000? Where will it all end if we undertake to do that?

We are going behind now by reason of the great expenditures incurred in conducting the Government. We ought to economize if we can. I think we have done very well by our clerks in the pending bill, and I hope it will pass just as it has been reported from the special committee. It is not that we can not amend the bill, for we can amend it and everybody knows it; there is no use to tell us that we can not do so. So if the Senate wishes to amend the bill, let us do it, and we shall try to retain the amendments in conference.

Mr. COPELAND. Mr. President, I can speak only for my own office, but I am very conscious of the fact that it would be very difficult for me to operate my office without the very efficient secretary who is there engaged. I received on yesterday 2,500 telegrams from people south of Fourteenth Street in New York City who did not want any bonus for the soldiers. My office has an enormous correspondence. I am here to say that my secretary, by reason of his business capacity, could earn $12,000 or $15,000 a year in private employ. I think that the amendment offered by the Senator from New Hampshire [Mr. MOSES] is a very reasonable one, and that we ought to provide for this increase in the salaries of our employees.

Mr. DIAL. Mr. President, we all realize that the work here is growing heavier and heavier as time goes on, but we also realize that it is necessary that we shall economize; that we shall stop spending so much money. There is no one here who has a higher regard for those who serve as our secretaries than have I. In order to fill such a position a person must have education, experience, and possess all-around, first-class ability. I do not know of any other place that is harder to fill than is the position of secretary to a Senator; that is, if it be filled efficiently, and as Senators have a right to expect it shall be filled.

I feel, however, Mr. President, that the amendment offered by the Senator from New Hampshire [Mr. MOSES] should not have been offered, and that it ought not to be adopted. We are doing by our force of clerks as well as the condition of the country will permit. I feel it would be a great mistake now favorably to consider the amendment offered by the Senator from New Hampshire. I am satisfied that too many clerks are employed in connection with some of our Senate committees, and those might be dispensed with. Under the conditions in which the people are now we should show to the country that we have their interest at heart, and also that we are not here to legislate for ourselves and for our own affairs alone, but that we are here to legislate for the people all over the country.

When we are reminded that many people are out of employment, that mills are being shut down daily, that people are walking the streets, it is no time to have the newspapers carry the information that we have legislated to increase salaries to any such extent as is proposed by the Senator from New Hampshire. I therefore trust, Mr. President, that the amendment may be defeated.

Mr. FERNALD. Mr. President, I have not the least interest in what has been said about the action of the Members of the House in regard to this bill; it does not concern me at all; but I have been deeply impressed by what the Senator from North Carolina [Mr. OVERMAN] has said, and I believe it is true. We have had a committee which has had this matter under consideration for weeks and weeks. It is a very delicate matter properly to arrange all of these different salaries and to make the proper discrimination, if there be discrimination, as to the pay of the clerks of the different committees.

I have employed office help for 40 years, and I think now I have as efficient office help as can be found in the city of Washington. I realize that what I now shall say will probably incur the enmity of every person who is engaged in office work in the Senate, in the House, and office buildings; but I am frank to say that every position occupied by our employees can be filled in 24 hours by somebody who is just as efficient as those we now have and on the present salary.

Most of the young ladies who are there engaged are taken from the different States; they have come from schools, commercial colleges, and from different occupations. They are here because they get higher salaries here than they could obtain elsewhere, and conditions are more favorable to their happiness here than they would be in any other place in the world. I believe we are paying our clerks amply, indeed highly, that we are paying them more wages than are paid in almost any commercial industry in the land.

It seems to me that, although we may not be interested in what the House may do, we ought to be interested in the taxpayers of this country and how they feel about this matter. Everybody comes to Congress except the taxpayers. We are increasing salaries; we are creating bureaus; we are building up departments; we are increasing the salary list all the time. When I came here there were about 60,000 persons in the employ of the Government; then the number went up to 128,000; and we have been trying to get it reduced, but with very little result.

I am in entire agreement with the Senator from North Carolina, who has had this matter under consideration. I believe that the salaries as decided upon in the report of the chairman of the committee are about what they ought to be; that they are sufficiently high; and I, too, am opposed to the amendment which has been offered by the Senator from New Hampshire.

Mr. WARREN. Mr. President, the Senator from Maine [Mr. FERNALD] has turned the attention of the Senate in the right direction so far as concerns what we as the servants of the people ought to do. The people are demanding that expenses be reduced, and we are being commanded to lower them.

Since the beginning of the World War we have raised the salaries of our employees several times, and now in this instance we propose to raise the salaries of the clerks of Senators twenty-odd per cent. There are no employees either in the House of Representatives or in the District of Columbia or out through the country at large who have received such a percentage of increase as a whole.

I agree with the Senator from Maine when he says that if these employees, men and women both, should vacate their places plenty of others could be found who would take them; in fact, most of us have requests from time to time to find employment for others here in Washington at rates of compensation which are lower than we are paying.

The Senator from New Hampshire in his eloquent endeavor to have the salaries raised seems to me has been a little gratuitous in his aspersions as to what is assured and what is going to be demanded. I do not know to whom he refers. Possibly he may have referred to me. I shall not state that the bill can not pass if amended, but I say that I believe it would be unfortunate if we should undertake to amend it, because I think we will find ourselves in a better position on the other side if we do not do so. I am but the creature of the Senate, and the Senate, of course, may do what it chooses; but to increase the salary of our first clerks some 75 or 80 per cent I think would be an outrage, so far as that is concerned, when we consider what is paid to junior clerks, also what is paid to department clerks.

I know how ungracious it is for me to stand here and speak about keeping salaries down or to be enlisted against a greater increase of salaries in the Senate for all of our employees. I know how popular it is for Senators to appeal in behalf of their clerks and others for greater compensation for them. Probably such action gives them great personal credit, but I assume that the responsibility of the chairman of the Appropriations Committee is to try to consider these questions coolly and do the best he can to help make what may be considered reasonable provision for the employees of Congress.

Now, as to the variations to which the Senator from New Hampshire and the Senator from Massachusetts have alluded. The Senator from New Hampshire says that he bases his amendment upon this bill, and yet he says this bill is absolutely wrong. If the Senate thinks it best to undertake to amend the bill by the various proposals which will be made by Senators on the floor, of course it will do so. I simply wish, as my own thought, to say that I think the best course to pursue would be to take the bill as a whole, and then later to increase any salaries which may be considered too low and to provide for any defects, if any there be, in the bill.

As to the clerks of the major committees, I have always been in favor of their having greater compensation, but I have not been able to convince others that that should be done. For instance, the last time we raised the salaries of our employees the increase was applied to the clerk of every Senator alike, barring, I think, the clerks of two committees.

With reference to the allusion to the higher-salaried clerks, I have nothing to say as to the clerk of the Committee on Appropriations, for that is a matter regarding which the Senate can do as it chooses.

As to the clerk of the Finance Committee, the salary in that case was adjusted as it was because on the House side similar compensation is provided for the clerk of the Committee on Ways and Means, and it seemed but natural that the compensation of the clerk of the Senate Committee on Finance should be the same as that of the clerk of the Committee on Ways and Means, for both committees consider the great tariff and revenue bills of all kinds. I may be wrong, but I myself think that I would rather increase the salaries of other clerks than to reduce the amount provided for the clerks of those two committees, respectively.

Mr. LODGE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Wyoming yield to the Senator from Massachusetts?

Mr. WARREN. I do.

Mr. LODGE. If the compensation of the clerk of the Finance Committee is based on the amount paid to the clerk of the Ways and Means Committee in the House, there is no such basis of comparison in connection with the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House. The Committee on Foreign Affairs of the House has not the same work to perform as that which comes to the Committee on Foreign Relations of the Senate. For instance, the House committee has no treaties to deal with.

Mr. WARREN. That is true.

Mr. LODGE. So it seems to me that to take the House committees as our standard would be more misleading than to take simply the work of each committee.

Mr. WARREN. As the Senator knows, the House committee has perhaps a little over half of the work which is imposed on the Senate committee; but that has nothing to do with it.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Florida?

Mr. WARREN. I yield.

Mr. FLETCHER. The same observation as that made by the Senator from Massachusetts would apply to the Commerce Committee, for instance, of the Senate. In the House there are committees on the Merchant Marine and Fisheries, Rivers and Harbors, and Flood Control, which have jurisdiction of subjects matter which in the Senate are dealt with by one committee, namely, the Commerce Committee. So that we can not very well gauge the work of the committees of the Senate by the work of the committees of the House.

Mr. WARREN. They have not been so gauged, and I spoke only of the one committee, because the clerks of the other committees on the House side are paid a less compensation than the clerks of the Senate committees.

Mr. FLETCHER. Mr. President——

Mr. WARREN. For instance, if the Senator from Florida will allow me, admittedly, the Foreign Affairs Committee of the House does not have any such amount of work as the Senate Committee on Foreign Relations, but the clerk of the House committee does not get as high a salary as is allowed to the clerk of the Senate committee.

Mr. LODGE. I used that example, not on account of existing salaries, but to indicate that to take the House committees for our standard and fix the salaries of Senate committee employees on that basis seems to me to be misleading.

Mr. WARREN. I have denied twice that we have taken such a standard, and I will deny it again.

Mr. LODGE. I beg the Senator's pardon. He said that the reason the clerk of the Finance Committee was given a higher salary than the clerk of any other committee of the Senate was because the clerk of the House Committee on Ways and Means was given such a salary.

Mr. WARREN. That is one committee.

Mr. LODGE. That is taking the House standard, is it not?

Mr. WARREN. It is not taking the standard of the House committees generally; no.

Mr. LODGE. It is taking the standard of the one House committee, and I merely wanted to point out that to do so is misleading.

Mr. WARREN. I do not care to indulge in further remarks now, and I am perfectly willing that the vote should be had on the amendment.

Mr. DIAL. Mr. President, I desire to submit a point of order against the amendment of the Senator from New Hampshire [Mr. MOSES] on the ground that it is not reported by a standing committee and is to increase an appropriation without an estimate. The point of order is made under Rule XVI, which, in part, is as follows:

> All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law or treaty stipulation or act or resolution—

And so forth.

The PRESIDING OFFICER. The Chair will suggest to the Senator from South Carolina that he does not think this is a general appropriation bill, and therefore overrules the point of order.

Mr. KING. Mr. President, I rise principally for the purpose of expressing my dissent from the proposition announced by the Senators from Massachusetts [Mr. LODGE] and New Hampshire [Mr. MOSES]. Both have challenged the right of the House to have anything to say concerning expenditures made by the Senate, or resulting from actions of the Senate, in so far as they relate to the salaries and employees of the Senate. In effect their position is that the Senate, in dealing with its own employees, is independent of the House; and that Congress, as defined by the Constitution, means only the Senate when legislation is sought affecting employees and officers of the Senate. Conversely, their position is that the Senate can have no voice in expenditures made by the House relating to its officers and employees. This position, Mr. President, I regard as unsound from every point of view.

Mr. WARREN. Mr. President, will the Senator yield to me for a moment?

Mr. KING. I yield.

Mr. WARREN. The Senator no doubt is about to say, and say very truthfully, that every appropriation bill, every dollar that is expended, has to be voted on by both House and Senate. It is true that we have a contingent fund, and we can use it as we please; but that fund has to come, in the first place, from the joint vote and support of both Houses.

Mr. KING. The Senator has anticipated me. I was about to observe that no money can be lawfully taken from the Treasury of the United States, except as a result of an appropriation made by Congress. Both the House and the Senate must concur, and their action must meet with the approval of the President of the United States. Both the House and the Senate are guardians, or should be, of the interests of the public. Each Member of the Senate and the House has a responsibility for every dollar taken from the Public Treasury. Both the House and the Senate are responsible for appropriations and neither branch can take refuge for an extravagant or illegal item carried in an appropriation bill, behind the proposition that the responsibility for it rests exclusively upon one branch of the legislative department. If the Senate arranges to pay its employees excessive or extravagant salaries or compensation, I submit the House may not escape condemnation by perfunctorily assenting to the same upon the pretext that the Senate alone is concerned in the matter; nor can the Senate escape criticism if it approves of unjust and improper items of expenditure incurred by the House in the payment of its employees and officials. I insist, Mr. President, that the House has a right to scrutinize items of appropriation which the Senate desires made for its contingent expenses or to meet the salaries of its employees, and I repeat that it is the duty of the Senate to examine the measures reported by the House which carry appropriations for House employees.

When the Senator from New Hampshire [Mr. MOSES] states that "it is no business" of the House what the Senate pays its employees, I respectfully submit that the position is not only unsound but it contravenes organic law and subjects the Senate to merited criticism. It seems to me that the position will be regarded as arrogant, and that it does not recognize the proper relations between the legislative branches of the Government.

May I say, Mr. President, that, in my opinion, too little attention is paid by Congress to appropriation bills, and the people are justly complaining of the extravagant appropriations which have characterized this as well as preceding Congresses, and which have added to the intolerable burdens of taxation from which the people are suffering. I have been amazed at the indifference of both branches of Congress to the increasing appropriations and the expanding powers of the Federal Government. Seldom is any appropriation challenged and our efforts seem to be to increase appropriations. The spirit of thrift and economy and retrenchment certainly does not rest upon the legislative branch of the Government, and Congress becomes a contributor to the tribulations and hardships which are visiting our country and carrying despair to the hearts of millions of the farmers of our land.

I have recently felt that the strength of Mr. Coolidge arises largely from the belief which the people have that he is an exponent of economy in government and is opposing extravagant appropriations emanating from the House and the Senate. May I add in parenthesis, that Mr. Coolidge does have great strength among the people, and if Democrats do not realize it now, they will be awakened from their dreams sooner or later. I have not time to analyze the facts to show whether there is foundation for the belief which the people entertain respecting Mr. Coolidge. In my opinion, his efforts in behalf of retrenchment and economy and efficiency in the public service have been greatly exaggerated by the press, and do not afford foundation for the belief of those to whom I have referred.

Mr. President, I regret that so few voices have been lifted upon either side of the aisle this session in favor of economy and in opposition to appropriation bills.

Mr. ASHURST. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Arizona?

Mr. KING. I yield.

Mr. ASHURST. I always appreciate the pungent and scholarly remarks of my friend from Utah, and he is usually correct. The only place, however, where President Coolidge has manifested any desire to economize is to shut off a few pensions of old Civil War veterans and Indian war veterans and to shut off insurance policies for the soldiers of the Great War. Name any other place where economy has been talked about and I surrender.

Mr. KING. Mr. President, I observed a moment ago that I would not stop to analyze the claims made for Mr. Coolidge or the basis for the belief of the people. That I shall do later. I was deploring that so little had been said or done in the Senate to lighten the burdens of taxation by reducing the expenses of the Government and excising from appropriation bills hundreds of millions of dollars which I feel the situation does not call for. My able friend from Arizona is a skilled legislator and one of the most valuable men in public life,

but I do not now recall hearing his eloquent voice at this session in opposition to appropriation bills. I know, of course, that he does stand for economy, and will, at the appropriate time, lift his voice against extravagant appropriations.

Mr. ASHURST. Mr. President, will the Senator permit me? I am going to vote against the amendment proposed by the Senator from New Hampshire [Mr. MOSES].

Mr. KING. I thought the Senator would.

Mr. ASHURST. I believe in fair pay to secretaries and to clerks, but I believe that the arrangement that the committee has brought in is equitable and fair, and I am going to vote against this proposed increase. So I hope that upon my first experience of this kind the Senator will not strike me in the face as I come into the temple of reform. I am proposing now to vote against the increase, and yet I am rather rebuked by the very able Senator. That is the welcome I get when I start out to vote for decreases of appropriations.

Mr. KING. Well, Mr. President, I would not now have the right to smite my friend from Arizona. My ineffective efforts do not warrant me in criticizing him. However, may I say to the Senator with some levity, "So long as the lamp holds out to burn" the handsomest and ablest sinner may return, and I welcome him into the ranks of those who are trying to reduce the expenses of the Government.

Mr. OVERMAN. Mr. President, I hope the Senator will not include me in his statement that no voice has been raised on this side of the Chamber for reform and economy. I tried here to save $4,000,000 to the taxpayers and the Senate voted it in overwhelmingly. It went to the House and, of course, was knocked out. I refer to the Customs Service and other things.

Mr. KING. Mr. President, I appreciate what the Senator from North Carolina has done as a member of the Appropriations Committee in keeping down appropriations, and regret that he has not received stronger support. But I was about to state that whatever efforts have been made by Mr. Coolidge to limit expenditures they have evoked but little, if any, support from Republicans. The Republican Party, true to its past record, now disregards, as it always has disregarded, the admonitions of wise and courageous men, whether within or outside of its ranks. It came to power more than three years ago upon the false plea that it stood for economy and would conduct the business of the Government along sane, rational, and economical lines. It has utterly failed to keep its promises. Extravagance and waste have attended its administration, and the evidences of maladministration and corruption have shocked the Nation.

If Mr. Coolidge were to cry aloud for retrenchment, few sympathetic voices would be heard upon the other side of the aisle. The Republican Party has control of Congress and all branches and departments of the Government. It could have projected wise and salutary legislation and inaugurated reform measures and policies which would have resulted in economies. It has been weighed in the balance and found wanting.

We will have another appropriation bill before us within the next day or two, which will add from sixty to eighty millions of dollars annually to the tax burdens of the people. This bill deals only with increases in salaries. Congress is more concerned in creating bureaus and departments and executive agencies and increasing salaries than it is in promoting the welfare of the people and dealing with vital problems relating to agriculture and domestic and foreign affairs.

Mr. President, if the Democrats desire to win the next election—and they can, and I believe will win—they could have no better slogan than economy, retrenchment, reform in governmental affairs, and a reduction in the tax burdens of the people. When the farmers of the United States are earning a mere pittance, perhaps averaging less than $500 per annum, and they behold what is paid to employees of the Federal, State, and municipal governments, and when they feel the grinding heel of poverty, they can not be other than resentful toward their Government and would be justified in demanding the adoption of such measures as would relieve them from the crushing burdens under which they rest.

Mr. President, the Democratic Party here should stand for economy and should fight the extravagant appropriations which daily pass this body. But little help will be received from Republicans. I hope there will be unanimity upon the part of the minority in opposing measures which add so greatly to the sufferings of the people.

Mr. HARRIS. Mr. President, I offer an amendment to the amendment of the Senator from New Hampshire, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The Senator from Georgia offers an amendment to the amendment, which will be stated.

The reading clerk read as follows:

On page 2, line 24, strike out "$3,300" and insert in lieu thereof "$3,600."

On page 3, lines 1 to 23, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$3,600."

On page 3, line 24, strike out "$3,600" and insert in lieu thereof "$3,900."

On page 4, lines 4 to 24, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$3,600."

On page 5, lines 1 to 22, both inclusive, strike out "$3,300" wherever appearing therein and insert in lieu thereof "$3,600."

On page 6, line 4, strike out "$3,300" and insert in lieu thereof "$3,600."

Mr. MOSES. Mr. President, may I ask the Senator from Georgia a question?

Mr. HARRIS. Certainly.

Mr. MOSES. This is a uniform change of $600, is it, in the amendment which I have offered?

Mr. HARRIS. Yes; it makes the compensation $3,600 for the first clerk instead of $3,300.

Mr. MOSES. And it is offered as a substitute for my amendment?

Mr. HARRIS. Yes.

Mr. MOSES. I accept it as such, Mr. President.

The PRESIDING OFFICER. The Senator from New Hampshire accepts the amendment of the Senator from Georgia.

Mr. HARRIS. Mr. President, I am not going into the question of what the House has to say about employees of the Senate, or what the conference committee will do. I believe that the Senators on the conference committee will do their very best to carry out what the Senate votes for. I am going to discuss only the merits of this question.

The private secretaries to Senators have more work to do than the secretaries to the governors of States. The average salary of the secretaries to governors of the States of the Union is more than $4,000. This amendment provides for a salary of $3,600. Senators' secretaries have to spend large sums in going to and returning from their homes with their families in the holidays and in the vacation—in my State from $250 to $300—and that is deducted from their salaries.

I know of no men in the Government employ in Washington who do the secretarial work they do and get less than $3,600. I think we ought to increase this salary to at least that amount. It is unjust to pay them less than others receiving this salary for similar work.

I am not so fortunate as some of the other Senators, who can better afford to pay for extra clerical help out of their own resources. I have to do that, and I am not able to do it. If we lose our efficient secretaries, valuable men that they are, or if the salaries are put at so low a point that we can not hold those men, it will make the work of Senators harder. It is utterly impossible for a Senator to do in person all the departmental work and the other work that is asked of him. I want this salary to be more, because I want my secretary to give service to the people of my State, help look after the many claims of soldiers, and do many other things that require ability, character, and loyalty which it is impossible for a Senator to do and keep up with his committee and other work of the Senate. If the salary is so low that we can not hire efficient men, the people of the States—the soldiers, farmers, laborers, and business people—are going to suffer, and not the Senators. For that reason I hope this amendment will be adopted.

Mr. ASHURST. Mr. President, I think I should cut a poor figure to stand up here and argue against an increase of salary for a secretary or clerk to a Senator. If I may be pardoned for a personal reference, my secretary is a man of family and four children, and the salary heretofore has been insufficient.

Mr. HARRIS. Mr. President, may I interrupt the Senator?

Mr. ASHURST. I yield gladly.

Mr. HARRIS. What does it cost the Senator's secretary to go home and come back here?

Mr. ASHURST. A vast amount.

Mr. HARRIS. It means several hundred dollars out of his salary.

Mr. ASHURST. The salary has been heretofore, and is now, I think, $2,740. Under the pending bill a moderate and yet, I think, a substantial increase is proposed.

Mr. OVERMAN. Mr. President, the present salary is $2,500. He gets $2,740 by reason of the bonus. The bonus is done away with now; and therefore, unless this bill is passed, he will get only $2,500.

Mr. ASHURST. Yes. Here is a substantial increase that I favor and for which I would vote; and I hope it will not be

construed that my voting against the amendment proposed by the Senator from New Hampshire means that I want to begin cheeseparing with the salary of a secretary or a clerk. In fact, Mr. President, they are the last upon whom I should want to apply the knife of retrenchment.

It so happens, however, that we are confronted with a practical difficulty. Here is an increase, and it is a substantial one and I think a just one. If we amend this bill, it is my opinion that we may lose the bill.

Mr. President, I had in mind the proposing of an amendment on page 6 of this bill. Take, for instance, the upholsterer and locksmith, the cabinetmaker, and the carpenters—they get, respectively, $147 a month, $126 a month, and $116 a month. They make these desks. They upholster these chairs. There is not one in the carpenter shop but that could go out and get his $10 a day in private employment. They are men of the highest type of efficiency, and I think their compensation ought to be increased; and I would take pleasure in proposing the amendment now, but I am of opinion that if we amend this bill we will run the risk of losing what it does contain.

Legislation is a compromise; legislation is subject to many exigencies which in a practical way we can not overcome. Therefore I will withhold the proposed amendment, which I intended to offer, which would give the upholsterers and the cabinetmakers and the carpenters increases. I call upon every Senator here to witness that these carpenters and these upholsterers who take care of these desks and who make a great amount of furniture for the Senate are underpaid. But rather than run the risk of losing this bill I withhold the amendment. That is the only thing that keeps me now from voting for the amendment proposed by the Senator from New Hampshire—the practical difficulty in the way.

I agree with the Senator from Georgia; the secretaries must go home; they must pay their own railroad fare; they get no mileage, and it is a hardship—a great hardship, especially if they have families. But I fear, I repeat, we will run a risk of losing the substantial increases the bill grants if we amend it.

Mr. STEPHENS. Mr. President, it frequently happens that a bill is passed without a roll call. Thinking perhaps that may be the case with this bill, I desire to say just a word.

I am not going to make a plea for economy. That would take some time, and serve no good purposes here. I realize quite well that the Senate talks economy, and yet at every opportunity increases the expenditures of the Government.

The people of the country are burdened with high taxes. Pleas are coming from every section for a reduction of taxes, for relief from heavy burdens. We answer the letters, the telegrams, the personal pleas, and pledge ourselves constantly to an effort to reduce taxes, and yet, as I said, we are constantly increasing those burdens. Hardly a day passes but that the tax burden grows heavier.

I realize quite well that there are some cases where an increase of salary should be granted, but I believe firmly that we are making a mistake with regard to most of these matters. As I said, I do not expect to make a speech on economy, but I simply rose to announce my position, and to put myself on record on this proposition.

I do not believe there is any justification for the amendment offered by the Senator from New Hampshire, nor do I believe there is any justification for many of the increases contained in this bill. For these reasons I expect to vote both against the amendment of the Senator from New Hampshire and against the bill itself.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Hampshire [Mr. MOSES] as modified by the proposal of the Senator from Georgia [Mr. HARRIS.]

Mr. WARREN. Which I hope, Mr. President, may not be agreed to.

The amendment was rejected.

The PRESIDING OFFICER. The bill is still as in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, a parliamentary inquiry. Does the vote just taken dispose of the amendment offered by the Senator from New Hampshire?

The PRESIDING OFFICER. It does. The Senator from New Hampshire accepted the modification.

Mr. WADSWORTH. Mr. President, I desire to ask the Senator in charge of the bill if he is thoroughly convinced that the adoption of one amendment having to do with the second assistant in the document room would actually threaten the life of this bill? Would the House be disposed to refuse to concur in an amendment of that sort, to take care of a situation which is notorious, and which affects our document room? I will accept the advice of the Senator from Wyoming or the Senator from Utah, but I want it given in public. Here is a situation which can not be defended. I want that man classified as he was formerly and as he should be to-day.

Mr. WARREN. I do not understand that the man's salary has been reduced.

Mr. WADSWORTH. The place was abolished in 1921. I think perhaps the Senator fails to understand some of the details of it. The place of assistant superintendent was established in 1906.

Mr. WARREN. None of these places were established by law.

Mr. WADSWORTH. Just as this bill establishes positions and salaries.

Mr. WARREN. For the time being.

Mr. WADSWORTH. Yes; for the time being. The next Congress can repeal this whole thing if it wants to, but it becomes the basic law regulating the salaries of the employees in the House and Senate.

In 1906 the position of assistant superintendent in our document room was established, a man was appointed, and he went to work. In 1921, in the drive for economy, the position was abolished by being unmentioned in the legislative act of 1921. Instantly the document room fell into such confusion and became so far behind in its work that the Secretary of the Senate had to secure authority to employ a man on the contingent roll and send him to the document room to do this work. His salary was only $1,200, and the same man who had been doing the work before volunteered to continue. Since that time the Secretary of the Senate has secured an increase of pay for that man of $300. He is now getting $1,500, plus the bonus.

Mr. KING. Why should they not just change him around and make him first assistant if he is so invaluable?

Mr. WADSWORTH. The place of first assistant is filled, and that man is working hard. This man is doing the work of a second assistant; has done it right along, and the Secretary of the Senate tells me that we can not get along without him. Why not have him classified as such, as he was formerly? I have not found a Senator but who says it ought to be done, except that the House of Representatives may defeat this measure because, forsooth, the Senate proceeds to name a second assistant in its own document room.

Mr. WARREN. Mr. President, that is going entirely too far.

Mr. WADSWORTH. That is the question I ask. That is why I have been deterred from offering the amendment. I have not offered it yet.

Mr. WARREN. I have said to the Senate, and I will say it again, that in five or six days we shall have the appropriation bill here, and this matter and any other thing of the kind can be fixed. If the Senator wishes to offer his amendment now, as I said before, it is with the Senate; it is not with me.

Mr. FLETCHER. May I call attention to the fact that the bill carries for the document room a superintendent at $3,500; first assistant, $2,880; two clerks, at $1,770 each; and a skilled laborer, at $1,520; total, $11,440. That is carried in this bill.

Mr. WADSWORTH. That is one less than was provided for years and years, prior to 1921. This provides for five employees altogether. Formerly there were six, and it is notorious that the document room does not serve Senators to-day as promptly as they should be served.

Mr. FLETCHER. This raises the present cost by $400. The present cost is $11,040, and this makes it $11,440.

Mr. WADSWORTH. The present cost?

Mr. FLETCHER. That is $11,040.

Mr. WADSWORTH. For the document room; yes. There are only four men actually working there, of whom one is this man, who is not carried in this bill. The two clerks do not work there. They are shifted off somewhere else at somebody's earnest request.

Mr. WARREN. The Senator should not hold us responsible for that. The Secretary has immediate charge of those. I do not know why he should detail them somewhere else, but if he does there is no reason why an authorization bill should be changed on that account.

Mr. WADSWORTH. I am not asking for it on that account, and the Senator knows that. The Senator leaves it to the Senate to decide whether this bill will be killed if an amendment is offered?

Mr. WARREN. I make no such assertion.

Mr. WADSWORTH. The Senator left it to the Senate to be decided. That was the assertion the Senator made.

Mr. OVERMAN. That is not justified, and I think it should be resented.

Mr. WADSWORTH. Is it the opinion of the Senator from North Carolina that the House would reject this whole thing?

Mr. OVERMAN. After considering the whole matter as it exists there, what was said by Mr. MADDEN on the floor, and what was done with the bill, I believe we can not get it up again in the House of Representatives if we amend it here.

Mr. WADSWORTH. Now I have a direct answer, and I shall not offer the amendment; but my efforts to cure this situation will not cease from now on.

Mr. OVERMAN. I will help the Senator.

Mr. WADSWORTH. They will be made when every appropriation comes up here containing items for the support of the legislative employees. They will be made whenever the contingent fund of the Senate is under discussion. This thing ought to be fixed. There is no defense for it in its present situation.

Mr. OVERMAN. I will help the Senator.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I desire to make a motion, but before doing so I want to make just a very brief statement. I am going to move that the Senate proceed to the consideration of Senate bill 1898, which is a bill prepared by the joint committee of the Senate and the House to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service. The bill affects 300,000 employees in the postal department in every State in the Union. I am very anxious that the Senate shall give it consideration. I understand, however, that the Senator from Idaho [Mr. BORAH] desires to speak at 2 o'clock on the results of the inquiry of the special committee of which he was chairman, so that I will not attempt to discuss the bill, giving way to him.

I move now that the Senate proceed to the consideration of Senate bill 1898, to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees of the Postal Service.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state his inquiry.

Mr. KING. Is it permissible under the rules to offer as a substitute for that bill some other bill?

The PRESIDING OFFICER. It is not. If the Senate votes down the motion to take up Senate bill 1898, of course a motion to take up another bill would be in order.

Mr. KING. It is debatable, I presume?

The PRESIDING OFFICER. Not until 2 o'clock. The question is on agreeing to the motion of the Senator from New Jersey.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The reading clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Edwards	Jones, Wash.	Robinson
Ashurst	Ernst	Kendrick	Sheppard
Ball	Fernald	King	Shipstead
Bayard	Ferris	Ladd	Smith
Borah	Fletcher	Lodge	Stanfield
Brandegee	Frazier	McNary	Stephens
Brookhart	George	Mayfield	Sterling
Broussard	Gerry	Moses	Swanson
Bruce	Glass	Neely	Trammell
Cameron	Gooding	Norbeck	Underwood
Capper	Hale	Norris	Wadsworth
Caraway	Harreld	Oddie	Walsh, Mass.
Colt	Harris	Overman	Walsh, Mont.
Copeland	Heflin	Phipps	Warren
Dale	Howell	Pittman	Weller
Dial	Johnson, Calif.	Ralston	Wheeler
Edge	Johnson, Minn.	Ransdell	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from New Jersey [Mr. EDGE] to proceed to the consideration of House bill 1898.

Mr. BORAH obtained the floor.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

CHILD LABOR CONSTITUTIONAL AMENDMENT

Mr. WALSH of Montana. Mr. President, just prior to the close of the business of the Senate on yesterday I indicated a purpose to bring before the Senate for consideration Senate Joint Resolution No. 1, providing for the submission of an amendment to the Constitution in relation to child labor, reported to the Senate on April 15 last. On April 28 there came to us from the House, House Joint Resolution 184, identical in language, dealing with the same subject. I am desirous of having speedy consideration by the Senate of one or the other of the joint resolutions, but some Senators who are opposed to the resolution have asked that its consideration be deferred. I ask unanimous consent that on Tuesday, May 27, one week from to-day, at the close of the routine morning business, the Senate proceed to the consideration of House Joint Resolution 184.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EDGE. If the bill which I am seeking to make the unfinished business shall be made the unfinished business, then if the request made by the Senator from Montana is granted, would that displace the unfinished business?

The PRESIDING OFFICER. Not until the time fixed in the Senator's request.

Mr. EDGE. After the time is reached, if the measure suggested by the Senator from Montana be taken up, would the unfinished business only be temporarily laid aside or would it lose its place permanently?

Mr. WALSH of Montana. The unfinished business would be temporarily laid aside.

Mr. LODGE. The time asked for by the Senator from Montana would not possibly interfere with the bill of the Senator from New Jersey that it is now proposed to have taken up.

Mr. WALSH of Montana. I should not think so.

Mr. LODGE. I think we shall finish the postmasters' bill before that time. I mean it is quite safe so far as the Senator is concerned.

Mr. KING. Mr. President, we may have appropriation bills of importance before us at that time, or we may have before us farm-relief legislation which is of great importance. I think we had better wait until a later period before we take up the child-labor question, and I am therefore constrained to object.

The PRESIDING OFFICER. The Senator from Utah objects.

Mr. WALSH of Montana. As objection is made, I shall seize the first opportunity that presents itself to move that the Senate proceed to the consideration of the House joint resolution to which I have referred. I fixed the day which I did for the accommodation of Senators who had some objections to urge to it.

Mr. ROBINSON. Let me state in connection with the request of the Senator from Montana that there are absent now two Senators who want to be present when the joint resolution is taken up and who will return before the date he has mentioned. I myself would be glad to see an arrangement perfected for the consideration of the joint resolution.

Mr. WALSH of Montana. In view of the objection made I give notice that, upon the conclusion of the consideration of the bill now about to be made the unfinished business, I shall move that the Senate proceed to the consideration of House Joint Resolution 184.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

Mr. NORRIS. Mr. President, I would like to call the attention of the Senator from Montana to the fact that I gave a similar notice as to one of the farm-relief measures pending here that ought to be taken up, in my judgment, before we keep on increasing a lot more salaries. When the time came and I sought recognition in competition with some one who wanted to take up a bill to increase salaries, I could not get recognition. The Senator from Montana is in the same predicament that I am in. I want to give notice that unless some arrangement is made by which the joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation" is taken up I shall move to take it up, and I shall take the time of the Senate to go into it while some other bill is pending. If those who want to consider some legislation of that kind are interested, they will have an opportunity to vote for it even if they do displace something else. We ought to be considering that measure now.

Mr. BORAH. If a vote can be taken upon the motion of the Senator from Montana without debate, I am willing to yield for that purpose.

Mr. KING. No; it can not.

Mr. BORAH. That is what I suspected.

Mr. EDGE. I understand the Senator from Montana has not made a motion?

Mr. BORAH. No; he merely gave notice that he would make it.

The PRESIDING OFFICER. The Senator from Idaho is entitled to the floor, and will proceed.

SENATOR BURTON K. WHEELER

Mr. BORAH. Mr. President, I ask that the Clerk may read the resolution which I send to the desk.

The PRESIDING OFFICER. Without objection, the Clerk will read as requested.

The reading clerk read as follows:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

Mr. BORAH. Mr. President, the unpleasant task which was assigned to the committee has been finished so far as the committee's work is concerned. Reports, both majority and minority, have been filed, and I now desire, preliminary to making a motion to accept the report of the committee and discharge the committee, to discuss more in detail than we did in the report the facts which we were authorized to investigate.

The statute under which the charges against Mr. WHEELER arise was known originally as section 1782 of the Revised Statutes of the United States and has later been carried into the Criminal Code under section 113. There is in my opinion no difference in legal import between the act as it originally appeared and as it appears in the Criminal Code so far as the charges against Senator WHEELER are concerned. There was a change in phraseology, some additional officers were included, and in some respects modification was had, but the statute as it originally existed and as it was construed by the Supreme Court of the United States in my judgment covers the entire work of the committee.

Mr. STERLING. It is agreed, on my part at any rate, that the import of the two statutes, so far as the Wheeler case is concerned, is the same. There is no dispute about it.

Mr. BORAH. Very well. I therefore direct particular attention to the statute as it originally appeared, because of the construction which has been placed upon it by the Supreme Court. There are two offenses designated and defined in the statute—one that of making an agreement upon the part of a Member of Congress to perform service before a department. That is one offense. The second offense is that of receiving compensation, regardless of whether any previous agreement had been made for the performance of services by a Member of Congress before a department. That was the original statute. That is the statute still.

The important feature, therefore, of the investigation appeared from the beginning to be whether Mr. WHEELER had made an agreement with anyone after his election to the Senate to perform any service before any of the departments at Washington; secondly, whether, regardless of any previous agreement, he had received any compensation for the performance of such service. I know of no way, the committee seemed to know of no way, to arrive at the facts which we were authorized and instructed to investigate other than to go directly to the question of whether or not such an agreement had been made or whether such compensation had been had.

The statute does not inhibit or prohibit a Member of Congress from performing services before a department provided he is not acting under an agreement for compensation or provided he does not receive compensation. As I stated upon yesterday, every western Senator particularly understands how almost daily he is called upon by his people at home to go before the departments, particularly the Department of the Interior, to render some service to some constituent. I take it in all probability that every western Senator would agree with me that that is a thing we are called upon to do almost every day and certainly every week that we are here. The statute does not prohibit that. It only prohibits the performing of a service under agreement or for compensation.

I digress to say that it would be a great convenience, to western Senators particularly, if the statute prohibited one from going before a department in those matters at all. It requires a vast amount of service which it is very difficult for us to decline to perform. We really owe it to our constituency to do it, and yet it is really a service outside of our duties as Senators. One who does not have the misfortune to represent a State largely, if not almost wholly, under control of the National Government can not realize the burden which it imposes upon a Senator. But daily we perform those services, and there is no inhibition, there is no impropriety in it, so far as any statute now obtaining defines our duties.

The most important figure perhaps in this controversy outside of Mr. WHEELER is Gordon Campbell. Mr. Campbell is a geologist; he has been for some time engaged in developing the oil fields in north Montana, which is known as the Kevin field. In January and February of 1923 he was engaged in a number of lawsuits in Montana, which lawsuits were in the State courts of Montana involving a large part of his property. The testimony discloses that at least 19 or 20 lawsuits were on the docket, and at one time I believe the number was as high as 40. Mr. Campbell became dissatisfied with the legal assistance which he had and concluded that he wanted to employ other attorneys. To that end he talked with a friend of his about whom he should employ. Among others whose names were suggested was that of Mr. WHEELER, of the firm of Wheeler & Baldwin, of Butte, Mont.

The first witness called by the investigating committee with reference to this matter was a Mr. Tom Stout. I call particular attention to his testimony. Mr. Stout has been for a number of years the owner and editor of a newspaper in Montana; he was twice a Member of Congress from that State, and is a citizen of prominence and standing in the State. He knew Mr. Campbell; he was somewhat interested in a friendly way in the work of Mr. Campbell or in his interests, and they talked over the question of the employment of attorneys. Mr. Campbell asked Mr. Stout if he would see Mr. WHEELER and talk with him about taking employment. Mr. Stout went to Butte and had a talk with Mr. WHEELER.

I am going to trespass upon the time of the Senate to-day to some extent by reading the testimony. I think it absolutely essential to a proper consideration of the matter that we take the time to do so. After reading the views of the Senator from South Dakota [Mr. STERLING] this morning and observing the construction which he placed upon some of the testimony I do not feel like trusting myself to place a construction upon the testimony as I see it. I think it better to read it as it was given. Mr. Stout testified as follows:

The CHAIRMAN. Are you interested in any way in the oil matters in which Mr. Campbell is interested?

Mr. STOUT. None whatever.

* * * * * * *

The CHAIRMAN. You may state the conversation which you had with him [Mr. WHEELER], as you recall it.

That was in December, 1922.

Mr. STOUT. Well, Mr. Campbell said that he desired, if possible, to employ Mr. WHEELER to represent him in some litigation that he had there in Montana, but that he did not know him. I told him that I was making a business trip to Butte in a few days and if he desired I would take the matter up with Mr. WHEELER, and he commissioned me to do so.

The CHAIRMAN. Did you have any interest in the matter other than that of being acquainted with the situation of the two parties?

Mr. STOUT. None at all; no, sir.

The CHAIRMAN. Did you afterwards take it up with Mr. WHEELER?

Mr. STOUT. Yes; I went to Butte, as I advised Mr. Campbell, arriving in Butte along about 8.30 or 9 o'clock, I think it was. I called up Mr. WHEELER. I do not remember whether I had previously telegraphed him or not, but at any rate he came down to his office that evening, and I met him there about 9 o'clock and we took this matter up. Do you desire me to just go ahead now, Senator?

The CHAIRMAN. Before you take that matter up, what was the business—the kind of business—law business, which you were delegated to speak to Mr. WHEELER about?

Mr. STOUT. About some litigation in the Montana courts.

The CHAIRMAN. Relative to what subject matter?

Mr. STOUT. Relative particularly to, I think, an application for a receivership which had been made by some parties to have one of Mr. Campbell's companies thrown into a receivership.

At the time Mr. Campbell concluded to employ additional counsel a suit for receivership covering a large portion of his property was pending, and the matter was coming up for hearing. This was a case in which Mr. Stevenson, a former associate in interest with Mr. Campbell, was seeking to have the property placed under the control of a receiver.

The CHAIRMAN. And in what court was this coming up?

Mr. STOUT. In the district court—the State court at Great Falls, Mont.

The CHAIRMAN. Now you may state the conversation that you had with Mr. WHEELER.

Mr. STOUT. Well, I advised him of Mr. Campbell's desire to retain him—his firm. We talked it over for some time. He stated finally the terms under which he would undertake the case. I told him that that was a matter that would have to be taken up with Mr. Campbell, and that I would telephone him; and during the course of that conversation Mr. WHEELER stated that, of course, he could not represent him except in the State courts there. In other words, assuming that Mr. Campbell might have some business in the public Land Department of the Government, he advised me at that time

to so advise Mr. Campbell—that he would not represent him in anything except the litigation local to Montana and in the State courts.

The CHAIRMAN. Did you afterwards communicate with Mr. Campbell?

Mr. STOUT. Yes, sir.

The CHAIRMAN. By phone?

Mr. STOUT. I think I phoned Mr. Campbell that night.

Senator STERLING. Where was he at that time?

Mr. STOUT. Mr. Campbell was in Great Falls at the time.

The CHAIRMAN. Did you have any further conversation with Mr. WHEELER in regard to this matter of the employment?

Mr. STOUT. I do not recall ever having talked with him again, Senator.

The CHAIRMAN. As I understand, Mr. WHEELER stated to you the terms under which he would be employed. I presume you mean——

Mr. STOUT. The retainer.

The CHAIRMAN. The retainer; the amount of the fee, etc.?

Mr. STOUT. Yes, sir.

The CHAIRMAN. Who brought up the subject with reference to his employment being confined to court matters, etc.?

Mr. STOUT. Senator WHEELER himself brought that up.

The CHAIRMAN. When you spoke to Mr. Campbell over the phone in regard to the matter, did you say anything to him in regard to the terms which Mr. WHEELER had suggested with reference to the fee and the scope of his employment, etc.?

Mr. STOUT. I do not recall, Senator, that I spoke any further than with reference to the fee. I do not think that I did.

The CHAIRMAN. After you reported to Mr. Campbell in regard to this employment, I understand you to say that you never talked with either Mr. WHEELER or Mr. Campbell further in regard to it?

Mr. STOUT. No, no, sir.

The CHAIRMAN. You had no further interest in it?

Mr. STOUT. None whatever.

The CHAIRMAN. Were there other attorneys talked of between Mr. Campbell and yourself?

Mr. STOUT. No; there were not.

The CHAIRMAN. Is there any fact connected with this matter in any way that my questions have not called out, that you think has any relevancy to this matter?

Mr. STOUT. I think not, Senator. Of course, there have been many reports, but it is all hearsay and would hardly be relevant.

At the bottom of page 5 this question is asked by Senator SWANSON:

Senator SWANSON. Did Senator WHEELER state the amount of compensation he would expect?

Mr. STOUT. Yes, sir.

Senator SWANSON. How much was it?

Mr. STOUT. It was $10,000 a year retainer.

Senator SWANSON. And what was he to do for that $10,000?

Mr. STOUT. His firm was to look after Mr. Campbell's litigation there in the State of Montana.

Senator SWANSON. You recall that he distinctly stated that it was to be confined to that litigation—his employment?

Mr. STOUT. It was so very distinctly stated, Senator.

* * * * * * *

The CHAIRMAN. Mr. Stout, the statement which you have made with reference to Mr. WHEELER's raising the question of his inability to represent Mr. Campbell other than in the State courts is a very important feature of this testimony. Can you recall anything like the substance of the language which was used by Mr. WHEELER?

Mr. STOUT. No; I can not, Senator. The matter came up rather casually. We were talking about the terms of the agreement, and WHEELER said, "Of course, I can not represent him except in the State courts here"; and not being an attorney myself, the significance of it did not appeal to me until it was later explained.

Mr. President, that testimony relates to the making of the contract with Mr. WHEELER. The testimony comes from a witness who, so far as I know or as the record discloses, would have no interest in the subject matter other than the fact that he might be personally friendly to Mr. WHEELER. I assume he is friendly to Mr. WHEELER, although they were opposing candidates in the senatorial election. However, outside of that there is no relationship other than that which I have indicated.

It seemed to me at the time of the hearing, and it seems to me now, that the testimony of Mr. Stout must be disposed of and utterly disregarded, or we have the inception and making of this contract wholly disengaged and divorced from any possible dereliction of duty or of wrongdoing upon the part of Mr. WHEELER. I shall undertake to show as we proceed that the services performed, the acts under the contract, and all matters in relation thereto not only failed to contradict or impeach Mr. Stout but sustained the contract as he states it.

I wish to digress here to say, but not necessarily by way of harsh criticism, though worthy of observation, that it is a little difficult for me to understand that in none of the criticisms lodged against Mr. WHEELER by those who have seen fit to charge him with a violation of the statute, not even in the report of the able Senator from South Dakota, is any reference whatever made to the testimony of Mr. Stout or to the testimony of any other witness who was present at any time during the making of the contract. If I understand the report of the Senator from South Dakota, he even complains that we placed Mr. Stout upon the witness stand at all.

The testimony of Mr. Glosser, who was not present when the contract was made and who states he knew nothing about it except from hearsay, and the testimony of Mr. Rhea, who was not present and knew nothing about it except from hearsay, are referred to, adverted to, and discussed; but the witnesses who had knowledge of the making of the contract and who were the only ones who could give legal or competent evidence concerning it are never referred to. It is a peculiar state of affairs that requires primary and competent evidence must be put aside and appeal made to hearsay.

The next witness to whom I shall call attention is Mr. Campbell. I shall not take much time in reading his testimony, but I shall ask leave to insert in the RECORD excerpts from it.

Of course, Mr. President, Mr. Campbell is an interested witness. His testimony must be viewed in the light of an interested witness. He is under indictment for using the mails for fraudulent purposes, and those matters must be taken into consideration in weighing his testimony. There is another feature to it, however, which has its compensation against that fact, and that is that while Mr. Campbell is interested, and while he is under indictment, he was an exceedingly frank witness. He willingly waived immunity. He made no claim that he might incriminate himself, but stated that he was there to give the facts and all the facts and supply any documentary evidence that was in his possession. This had some weight with me in these days when there seems to be a great familiarity upon the part of a large class of people with that provision of the Constitution of the United States which enables them to claim privilege from incriminating themselves.

Mr. Campbell testifies as to these lawsuits, as to the fact that he felt that his property was being gradually taken away from him; that every time he had litigation it seemed to him, as he said, that while he felt he was in the right, the litigation wound up by giving the other party a piece of his land; and he said to Mr. Stout: "I want somebody who will fight. I want some one who will fight for me"; and finally it resulted in what I have already disclosed, Mr. Stout talking with Mr. WHEELER.

Mr. Campbell says that Mr. WHEELER stated to him several times, in discussing these matters, that he must understand that he could not attend to these matters in the land department or before the Government; and let me pause here to say, Mr. President, something which seems to me rather exceptional—that in all the career of Mr. WHEELER as a lawyer in Montana it appears that he never at any time had any practice or business before the land department in Montana or the Interior Department in Washington. As an active practitioner in a State situated as Montana is with reference to her land titles and the Federal Government, undoubtedly he was many times called into a position where it would have been advantageous for him to do so; yet he eschewed the practice, as I take it from what apepars, because it was not to his professional taste. If it does appear now that he appeared in the land office or before the Interior Department, it is the only instance in all his professional career in which he undertook to attend to that kind of business. In other words, throughout his professional career, when he could have done so with perfect legitimacy and without any criticism from anyone, he preferred not to take that kind of practice and eschewed it; but when it became dangerous, prohibitory, and illegal to do so, it would seem, according to the claim that is made, that he was inclined to take a chance at it.

I think it is worth remembering that it was not only by reason of the statute but by reason of his professional taste that he preferred the actual trial of cases, and it was for that kind of service and that kind of legal, professional work that Mr. Campbell employed him. Having some twenty-odd lawsuits in the State of Montana, as he said, he employed Mr. WHEELER to give his time and ability and fighting qualifications to seeing if he could preserve his property.

As to the fee of $10,000, I do not know but some might consider that a large fee. I have heard that comment. In my opinion it was an exceedingly reasonable fee when you take into consideration the fact that all the property of Mr. Campbell was involved, more or less, that his entire holdings and his

entire work and the fruits of his years of effort were involved, and, the witnesses say, the values at that time were estimated in the millions. In view of the fact that he was to take care of all the litigation it was a reasonable compensation.

A line or two from Mr. Campbell's testimony, and I will insert the balance in the RECORD:

Senator CARAWAY. Mr. Campbell, I want to ask you a question. Did you have any understanding, either expressed or implied, for a consideration or without a consideration, under which Mr. WHEELER was to appear before any department of the Government to represent you?

Mr. CAMPBELL. No, sir.

Senator CARAWAY. Mr. WHEELER had no relation at all to any matter that was pending before any governmental agency?

Mr. CAMPBELL. Absolutely not, and that was understood between us, that he should not, and he was not employed for that. He was employed to handle my suits in Montana.

The testimony preceding that is quite in detail in regard to it, and I only read those few lines as the concluding sentences in regard to his testimony.

The CHAIRMAN. Did you have a conversation with anyone relative to employing Mr. WHEELER?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. With whom?

Mr. CAMPBELL. Mr. Tom Stout.

The CHAIRMAN. Do you recall about the date of this conversation?

Mr. CAMPBELL. Possibly about the middle of December.

The CHAIRMAN. 1922?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. This was after Mr. WHEELER had been elected Senator?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. State in a general way what the conversation was with Mr. Stout.

Mr. CAMPBELL. I think Mr. Stout came to Great Falls, and we were quite friendly, and I used to talk my matters over considerably with Mr. Stout, being a friend, and I had told him, or practically he knew, about my lawyers, and how some of them had not treated me right, as I called it; so I said: "It is funny that I can not get a lawyer that will stand pat with me and will work for me and make a fight." Most of the lawyers, when I would take them in, would want to compromise with somebody and give them a lot more of my land—compromise instead of making a fight.

The CHAIRMAN. This is what you said to Mr. Stout?

Mr. CAMPBELL. To Mr. Stout. I said: "I don't know Mr. WHEELER, but it seems to me that he is a fighter, and I should like to get a lawyer that has got some fighting qualities." We talked along that line, and Mr. Stout said: "Well, I am going to Butte, and I will take it up with Mr. WHEELER," which he did.

The CHAIRMAN. Did he report to you?

Mr. CAMPBELL. He reported to me by phone that night or the next night.

The CHAIRMAN. Did you have litigation pending in the State courts at that time?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. What was the nature of it?

Mr. CAMPBELL. My past associate had filed or had started a suit to call for a receiver on my company. He had instituted a suit a year before that in the Lewistown courts, and it was thrown out of court. Afterwards Mr. Wilson, my attorney, had settled with him and gave him a considerable portion of my field or part of my acreage for a complete settlement, simply to call off all litigation, so we could work.

Senator STERLING. Who was that past associate?

The CHAIRMAN. Did you, after talking over the phone with Mr. Stout, afterwards see Mr. WHEELER?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. Where?

Mr. CAMPBELL. Mr. WHEELER came down to Great Falls, in my office.

The CHAIRMAN. About what date?

Mr. CAMPBELL. About the 20th of December. I think—the latter part of December, 1922.

The CHAIRMAN. Did you have a conversation with him about employing him

Mr. CAMPBELL. Yes.

The CHAIRMAN. Where?

Mr. CAMPBELL. In my office.

The CHAIRMAN. Was this employment in writing? Did you reduce it to contract form?

Mr. CAMPBELL. I do not think so; no, sir; I do not recall any writing; I am quite sure it was not.

The CHAIRMAN. Well, then, you had a conversation with him about employment?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. State what it was—the terms.

Mr. CAMPBELL. Mr. WHEELER asked me the character of these suits, and, in fact, I think Mr. WHEELER had known in a general way what they were, and I told him about the suits that were coming up and what I wanted to do in starting some other suits, which we did, countersuits, and I wanted him to handle all of my litigation on these suits; and we talked the matter over from his standpoint, and he informed me that, of course, he could not do anything for me if any land matter came up. I told him that Mr. Beaulieu was attending to all our land matters; that he was employed for that purpose.

Senator STERLING. Exactly what did you mean by "land matters" there?

Mr. CAMPBELL. Well, I had a permit, and some of our leases were in bad shape. We had to clear the title of them. There were a great many mortgages against this land and liens in different ways that had to be cleaned up.

Now, Mr. President, I come to the testimony of Mr. Beaulieu. Mr. Beaulieu is an attorney, and was located in the home town of Mr. Campbell. He has been engaged in the practice of law for some time in Montana. He is now located in Los Angeles, Calif. So far as I can see, he has no possible interest in this controversy. He might have a sympathetic interest, knowing the facts, perhaps believing in the innocence of Mr. WHEELER, but no interest which would have any bearing upon a man of any sense of right or any intellectual integrity in the coloring of his testimony. Mr. Beaulieu was the regular attorney for Mr. Campbell. He was what might be called his office attorney. He attended to his land titles and practically to the details of all his litigation. He states that all these matters passed under his supervision, no only with reference to the land-title matters, but he was also, of course, as general counsel, familiar with the litigation.

I undertake to say that it would be practically impossible for any contract to have been made, and certainly impossible for it to have been carried out, in which Mr. WHEELER's professional services included the kind of practice of which he is now accused without the general counsel being familiar with it. It would seem that he would be quite as familiar with it as incidental employees were, men who were not connected with the legal department, men who were simply in the field service. Mr. Beaulieu tells us that Mr. WHEELER had nothing to do with this part of the work for Mr. Campbell.

I read a line or two from Mr. Beaulieu, on page 44:

The CHAIRMAN. Do you know anything about the employment of Mr. WHEELER by Mr. Campbell with reference to some matters in Montana?

Mr. BEAULIEU. Well, I was not present when they made their agreement, but I do know that Mr. WHEELER did some law work for Mr. Campbell.

The CHAIRMAN. What was the nature of the business which Mr. WHEELER transacted for Mr. Campbell?

Mr. BEAULIEU. Why, he appeared as one of the attorneys in what we called the receivership case. The firm of Wheeler & Baldwin appeared in several cases in which I was also counsel in the State courts of Montana.

The CHAIRMAN. What was the nature of those cases?

Mr. BEAULIEU. One was an attachment suit brought by L. C. Stevenson to recover some money, I believe $14,000 or $15,000, from Gordon Campbell Kevin Syndicate No. 1.

Another was a receivership case to have a receiver appointed for the Gordon Campbell Kevin Syndicate No. 1.

Then some of them involved private leases from landowners to the syndicate and to Mr. Campbell.

I call particular attention to that statement. The titles were not only involved to a certain extent, so far as the National Government was concerned, but there was a controversy with reference to titles as between individuals. There are two kinds of titles referred to—those in which the Government is involved and those in which there might be a conflict of interests between individuals.

Mr. STERLING. Mr. President, will the Senator give the page from which he is reading?

Mr. BORAH. Page 45.

I read further from Mr. Beaulieu:

The CHAIRMAN. What was your particular work, or what did your professional services cover, in your employment with Mr. Campbell and your work with Mr. Campbell as attorney?

Mr. BEAULIEU. I was chief counsel. I had control of all the litigation that was handed to me by him.

The CHAIRMAN. Did you have anything to do with titles?

Mr. BEAULIEU. Yes; I did. I examined probably all the titles he had, and drew the pleadings, and everything.

The CHAIRMAN. I believe you stated you were not present when the contract was made between Mr. WHEELER and Mr. Campbell?

Mr. BEAULIEU. Yes, sir; I was not.

The CHAIRMAN. Did you ever talk with Mr. WHEELER about the nature of that contract?

Mr. BEAULIEU. Yes; I think I did; on one occasion.

The CHAIRMAN. When was that; about the date of it?

Mr. BEAULIEU. Oh, I could not say. It was shortly after he was retained, and I believe before he went abroad.

The CHAIRMAN. Can you state that conversation? First, I will ask you, was there anyone else present besides you and Mr. WHEELER?

Mr. BEAULIEU. I believe not.

The CHAIRMAN. Can you state that conversation?

Mr. BEAULIEU. Why, in substance it was this: I asked Mr. WHEELER what he thought about a certain Government permit—some question of law; I forget just what it was; and, to use the exact words——

Senator STERLING. Now, Mr. Chairman, of course, it is understood, I suppose, that we go a little beyond the rule that would be applied in the trial of a case in court here.

And finally, after we settled that controversy, the following occurred:

The CHAIRMAN. You may state what this conversation you had with Mr. WHEELER was as fully as you can.

Mr. BEAULIEU. I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I don't know a —— —— thing about Government permits. I wouldn't know one of the —— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land." That was his answer.

Mr. President, it seems singular to talk about the impressions which Mr. Glosser said he got, because he says that all he had was impressions, or to talk about the hearsay testimony of Mr. Rhea and to wholly disregard the testimony of Stout and Beaulieu, men who were in a position to know, and the duty of one of whom it was to know, who states that in the very beginning of this transaction Mr. WHEELER was careful to say:

Besides, I told Campbell I would not have anything to do with his Government land.

I say here that there is no conflict of legal evidence, so far as the making of this contract is concerned. So far as legal or competent evidence goes, I challenge anyone to show a conflict of evidence with reference to what the nature of this contract was. Every witness, interested or disinterested, who was in a position to know the facts, who helped to make the contract, or who knew of its execution, states emphatically that Mr. WHEELER was careful to confine his employment to the State courts of Montana. In addition to that, Mr. President, Mr. Beaulieu took up these titles himself, and each permit, each lease, or other thing which brought them in contact with the National Government, Mr. Beaulieu states he attended to himself; that he took it up directly with an attorney in Washington, whose testimony I will come to in a few moments, and that Mr. WHEELER was neither counseled nor in any way consulted in regard to the matters in any way whatever. Mr. Beaulieu and Mr. WHEELER did consult and counsel with reference to all State litigation, but when Beaulieu called the permit matter to his attention Mr. WHEELER informed him he knew nothing about it, and besides he [WHEELER] had informed Campbell he would have nothing to do with such matters. If Mr. WHEELER had considered himself employed relative to these matters, he would naturally have consulted many times with Campbell's regular attorney, and Beaulieu would have consulted with WHEELER. Now, is Beaulieu a perjurer? For what reason? Why should a reputable attorney and now no longer Campbell's ally and far removed from the State come here and swear falsely? His evidence is to me most conclusive.

I will ask to have inserted in the RECORD part of page 47 and part of page 48 of the record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

The CHAIRMAN. You may state what this conversation you had with Mr. WHEELER was as fully as you can.

Mr. BEAULIEU. I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I don't know a —— —— thing about Government permits. I wouldn't know one of the —— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land." That was his answer.

The CHAIRMAN. I do not think that is self-serving.

Senator STERLING. No; his answer is not.

Senator CARAWAY. He speaks the language of the West, does he not?

The CHAIRMAN. I object; don't you, Senator MCNARY?

Senator MCNARY. Yes.

The CHAIRMAN. Now, did you have any other conversation in regard to his employment and the performance of his duty as attorney for Mr. Campbell?

Mr. BEAULIEU. Only in that same conversation he says:

"I told Campbell that I would appear for him in the State courts out here in Montana, and that is all I would do."

The CHAIRMAN. Did you ever after that assume to consult Mr. WHEELER about permits?

Mr. BEAULIEU. No, sir.

The CHAIRMAN. Did you ever, as an associate counsel or counsel for Mr. Campbell, have any professional relationship with Mr. WHEELER thereafter with reference to any matter which was pending or to be pending before the land office in Montana or before the Interior Department here?

Mr. BEAULIEU. No, sir; I did not.

The CHAIRMAN. Now, you were in close touch with Mr. Campbell's business all the time, were you not?

Mr. BEAULIEU. Yes; I was.

The CHAIRMAN. You were practically in his office, were you not; or did you have a separate office?

Mr. BEAULIEU. Well, he furnished the office. I practiced generally in addition to doing his work.

The CHAIRMAN. Were your offices together—in the same building?

Mr. BEAULIEU. Yes, sir.

The CHAIRMAN. You had supervision and charge and knowledge of all his legal business?

Mr. BEAULIEU. Well, I assume I did; that was, all he handed to me I took care of.

The CHAIRMAN. Did you ever know of Mr. WHEELER performing any legal services for Mr. Campbell in connection with any matters pending in the Land Office or in the Interior Department or before any of the departments here?

Mr. BEAULIEU. No, sir; I do not know of any matter at all.

The CHAIRMAN. Did Mr. Campbell employ, afterwards, an attorney here in Washington with reference to some matters—a Mr. Feely?

Mr. BEAULIEU. Yes; he did.

The CHAIRMAN. Did you communicate with Mr. Feely?

Mr. BEAULIEU. I did.

The CHAIRMAN. Did you communicate with Mr. Feely through letter or telegram?

Mr. BEAULIEU. I wrote him several letters and telegrams.

The CHAIRMAN. That was with reference to matters pending before the department?

Mr. BEAULIEU. Yes, sir.

The CHAIRMAN. Did Mr. WHEELER have anything to do with that?

Mr. BIEULEAU. No, sir; not that I ever heard of.

The CHAIRMAN. Did you consult him in regard to it in any way?

Mr. BIEULEAU. No, sir; not about that. In fact, I never saw Mr. WHEELER from before he went abroad until just the other day when I came to Washington.

The CHAIRMAN. Do you know of Mr. WHEELER ever performing any services for Mr. Campbell with reference to these public-land matters, or matters of any kind before the departments?

Mr. BEAULIEU. I have no knowledge of his performing any service with reference to these matters.

The CHAIRMAN. Have you any knowledge of any agreement on his part to perform such services?

Mr. BEAULIEU. I have not.

Mr. BORAH. Mr. President, I want to call attention to the testimony of Mr. Baldwin. Mr. Baldwin is the law partner of Mr. WHEELER, and to that extent an interested party. But perhaps, while I am discussing the testimony of Mr. Beaulieu, it will be more logical to take the testimony of Mr. Feely, the attorney in Washington.

As I have stated, Mr. Beaulieu had charge of this matter of titles and permits and took up these several matters coming before the department in Washington with Mr. Feely. Mr. Feely is a practicing attorney here in Washington. He belongs to the firm of Vogelsang, Brown, Cram & Feely. He is a man of ability, and testified with clarity and candor. Their principal business seems to be that of practicing before the departments, two of the members of the firm having been at one time or other connected with the Interior Department.

I ask particular attention to the fact that all these matters which relate to the land matter passed directly from Mr. Beaulieu to Mr. Feely.

I read the following from the testimony of Mr. Feely:

The CHAIRMAN. What were the circumstances and the place and time where you met him?

Mr. FEELY. I met Mr. Campbell in March, and he was introduced by Mr. Booth. Mr. Campbell stated to me that he had matters pending before the department with reference to clearing up certain titles, and that he had heard of our firm in Montana, and he arranged with our firm through me to take care of all the matters that he had pending and in connection with which he was interested in the Kevin Sunburst field.

The CHAIRMAN. Can you give the date, about?

Mr. FEELY. I can not, Senator. It was some time in March; I am quite certain about that.

The CHAIRMAN. Was the contract of employment in writing?

Mr. FEELY. No, sir.

The CHAIRMAN. The terms of the contract were, then, that you were to take charge of the matters concerning Mr. Campbell's interests before the department?

Mr. FEELY. That was it. Mr. Campbell told me he had several matters pending there respecting titles, and he had an attorney named Beaulieu in Great Falls who took care of matters there, and that he would refer all matters through Mr. Beaulieu to our firm, which he did.

The CHAIRMAN. With whom did you communicate in Montana as representative of Mr. Campbell?

Mr. FEELY. Mr. Beaulieu, of Great Falls, Mont., extensively.

The CHAIRMAN. By letter and by telegram?

Mr. FEELY. Oh, I imagine 50 or more telegrams passed between our firm and Mr. Beaulieu and more letters than that. We handled all those cases and were in constant correspondence with Mr. Beaulieu regarding all the matters that he referred to us.

The CHAIRMAN. Did you, then, take up the matters that Mr. Campbell had before the department?

Mr. FEELY. Yes; we took up all of the permits and all the applications for extensions and the various assignments of all those permits which were assigned to us by Mr. Beaulieu.

The CHAIRMAN. In your employment by Mr. Campbell, was your firm employed individually—or singly, I should say—or in connection or in association with somebody else?

Mr. FEELY. No, sir; our firm was employed as a firm here.

The CHAIRMAN. Yes.

Mr. FEELY. But we had no connection; that is, no financial connection or social connection with Mr. Beaulieu. Mr. Beaulieu, as I understood it, was Mr. Campbell's attorney in Montana, and Mr. Campbell sent everything in to us through Mr. Beaulieu.

The CHAIRMAN. Was there anyone else present when you were employed except Mr. Booth?

Mr. FEELY. No, sir.

The CHAIRMAN. Are you acquainted with Senator WHEELER?

Mr. FEELY. I met Senator WHEELER during the summer of 1923, and I think it was practically after we had carried out all the business that was intrusted to us by Mr. Campbell through Mr. Beaulieu. I never met Senator WHEELER until during the summer of 1923.

The CHAIRMAN. You had no acquaintance with Mr. WHEELER, no business connection with him, then, at the time that the contract was made with Mr. Campbell?

Mr. FEELY. No, sir; I never saw Senator WHEELER before, and the only thing I ever heard about Senator WHEELER was that he beat Mr. Riddick, of Montana; and that is all I ever knew about Senator WHEELER.

Senator CARAWAY. You never had any connection whatever with him in this matter of Mr. Campbell?

Mr. FEELY. No, sir; I never wrote to Senator WHEELER in connection with anything, only in the summer of 1923 after I met Senator WHEELER personally.

Senator CARAWAY. But you never consulted with him about these matters?

Mr. FEELY. No, sir.

Senator CARAWAY. He had nothing to do with them?

Mr. FEELY. No, sir; I never addressed a communication to Senator WHEELER in Montana or to Senator WHEELER's firm.

* * * * * * *

The CHAIRMAN. Just what interest did the United States have? Was there any controversy there with the United States in regard to that permit?

I ask some attention to this statement. In my opinion, if all the evidence in this case were taken against WHEELER, it would be very doubtful—I mean as construed by those who think it proves guilt—if Mr. WHEELER would be guilty under this statute at all. I read further:

Mr. FEELY. No; not in the Scott case, there was not a controversy. There was no controversy with the permittees or the assignees in any of those cases—that is, with the United States. Those permits were granted, as I stated, under the act of February 25, 1920, for compliance with the terms of the act; that is, within a certain length of time that they would place derricks, etc., upon the land, and within the first year they would go down 500 feet and the next succeeding year 2,000 feet. There was not any controversy between the United States and any of those permittees to whom I have referred. Of course, the United States, through the Commissioner of the General Land Office, decided all questions as to who was entitled to the assignments of those various permits; but I do not consider that as a controversy between the permittee and the United States.

The CHAIRMAN. What I was going to reach is, what financial interest or what interest would the United States have in the question of whether John Doe or Richard Roe held a particular permit?

Mr. FEELY. None whatsoever.

* * * * * * *

The CHAIRMAN. In connection with any of these permits to which I have called your specific attention and which are mentioned in the indictment, or any other permit, what, if anything, did Mr. WHEELER have to do with you or you with Mr. WHEELER or your firm with Mr. WHEELER with reference to these matters, whatever they may have been, in which you presented the question to the department?

Mr. FEELY. Absolutely nothing.

So we have not only the contract as made by Mr. Stout and as affirmed by Mr. Campbell and stated by Mr. Beaulieu but we have that which is much stronger proof, more conclusive evidence, that in carrying out this contract Mr. WHEELER observed the declaration which he made to Stout and made to Campbell that he would have nothing to do with the presentation of these matters before the department, and the result of it was that Beaulieu took the matter up with Feely, and Mr. Feely put every single one of those controverted matters through the department, without consultation in any way with Mr. WHEELER. Neither Mr. Beaulieu in Montana nor Feely in Washington consulted or knew Mr. WHEELER in these matters before the departments. The matters passed through a wholly different channel.

I do not know how legal evidence could more thoroughly establish the fact that this was a contract outside the inhibition of the statute, and that Mr. WHEELER observed in good faith the terms of the contract as he understood it. If there was no agreement to accept payment, if there was no compensation made for the services, Mr. WHEELER had a right to do what every western Senator does every day, to make any suggestion with reference to his constituents which he thought was in their interest. I venture to say that if you will open the files of any western Senator, you will find evidence of such transactions going on from day to day. This entire matter turns upon the question of whether there was an agreement behind what he was doing, or compensation to come, and all legal and competent evidence disproved it. The testimony of interested and disinterested witnesses alike declares that no such contract as inhibited by the statute was made. You must find that Mr. Stout deliberately falsified his entire testimony. You must find that Mr. Beaulieu, a disinterested and reputable attorney at the bar, colored his testimony. You must find that Mr. Feely, a practicing attorney here in Washington, wholly disinterested, must have colored his testimony, or else you must conclude that the contract was clean, and that the parties carrying it out were clean from the beginning to the close. All legal or competent testimony must be disregarded, and all disinterested witness put aside in order to avoid the conclusion that Senator WHEELER stands clear of any wrongdoing.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Virginia?

Mr. BORAH. I yield.

Mr. GLASS. I feel impelled to call attention to the fact that this is a matter gravely affecting the integrity of one of the great executive departments of this Government. Not only does it involve the integrity of a great executive department of this Government but it involves the question, as some of us think, of attempted blackmail by that department through the forms of law. Yet when the chairman of the committee investigating the facts of this matter appears here to present the facts and to argue them we have on the other side of the Chamber not exceeding four Members, including that member of the committee who acted as prosecutor of the Senator from Montana.

Mr. STERLING. Mr. President, will the Senator excuse me for calling his attention to a word which I hardly think he is justified in using? The Senator from South Dakota does not act as prosecutor of the Senator from Montana in these proceedings. All the Senator from South Dakota was interested in was the truth, so far as it affected what I deemed the proper question in this case, and that is as to whether the grand jury were justified in finding an indictment even if we should go that far, and I object to the use of the word "prosecutor" in characterizing my connection with this proceeding.

Mr. GLASS. Mr. President, I used the term as it has generally been used here to designate that member of the committee who has made himself especially active in seeking, apparently, to convict the Senator or person charged.

Mr. STERLING. Mr. President, again the Senator from Virginia misrepresents me. I am not seeking to convict the Senator from Montana. I should regret to see the Senator from Montana convicted.

Mr. GLASS. Well, I do not think you will see that. I meant the designation in no offensive sense whatsoever. I ventured to interrupt the distinguished Senator from Idaho in order to call the country's attention to the sort of proceeding we have here in a matter of this kind, as I said, gravely affecting the very integrity of one of the great executive departments of this Government, charged with undertaking to blackmail the Senate of the United States and to cause it to terminate its investigation of rascality by involving one of its own Members in a serious charge. There have been as many as four Senators on the other side of the Chamber to hear an exposition of the facts adduced by this investigation.

Mr. BORAH. Mr. President, I now call attention to the testimony of Mr. Baldwin. Mr. Baldwin is the law partner of Mr. WHEELER. Of course we must take into consideration in weighing his testimony that he is his law partner and perhaps feels an interest deeply in his welfare. But Mr. Baldwin came before the committee and brought with him all the books of the firm that had any relation to the matter under investigation. I do not want anyone who is interested in besmirching the character of Senator WHEELER to forget for a moment that Senator WHEELER and Mr. Baldwin brought everything in their possession for the purpose of uncovering it before our committee. The docket as they kept it from day to day, the registry of their transactions in the office, the record of their lawsuits, any correspondence that they had, was at the beck and call of the committee.

Mr. Baldwin appeared and no one could hear Mr. Baldwin testify without concluding that he was stating with care and caution the facts as he understood them. He stated, in corroboration of the testimony already given by other witnesses, that their firm's sole duty and obligation under the contract was to look after the litigation in Montana. They opened the records and disclosed the proceedings, the number of suits pending, what they did in the suits, the motions filed, the demurrers filed, the motions argued, the demurrers argued. It was all thrown open to the committee. I shall not take the time of the Senate to read Mr. Baldwin's testimony, but it is clear covering all points, and conclusive and in complete harmony with the facts as developed by the acts of the respective parties in carrying out the contract.

I now read from the testimony of Mr. Baldwin:

The CHAIRMAN. Now, coming back to this $2,000 payment and contract, did that have anything to do with any matter other than the matters to which you have referred and in connection with the litigation in the State courts?

Mr. BALDWIN. Absolutely nothing. That was our retainer to care for his business in Montana in the courts for a period of one year.

The CHAIRMAN. Now, disposing for the moment of the receivership, did you bring other suits for him?

Mr. BALDWIN. We brought a number of suits, and also defended a number of suits. This record shows 19 cases.

The CHAIRMAN. Nineteen cases in which you appeared as plaintiff or defendant?

Mr. BALDWIN. For the Campbell interests; yes, sir.

The CHAIRMAN. State generally, Mr. Baldwin, the nature of that litigation.

Mr. BALDWIN. Well, some of it was large litigation and some of it was not so large.

The CHAIRMAN. About what was the nature of the litigation? What did it have reference to?

Mr. BALDWIN. It had reference to—one case was a case for a libel involving $100,000. There were certain publications put in circulation for the purpose, as we thought, of damaging Mr. Campbell's company and ruining his reputation and the reputation of his concerns; and for the purpose of stopping further circulation of such matter we brought an action against L. E. Stevenson, as I recall it, for $100,000. There were suits brought against Mr. Campbell that would, if carried to a successful conclusion, put his companies out of business, and we defended in those.

There was a case brought by L. E. Stevenson against one of Mr. Campbell's companies for a number of thousand dollars—tens of thousands of dollars, I think—claimed to be due on account of percentages earned in financing one of the concerns.

There were smaller suits brought against others for the purpose of recovering amounts of money that we supposed they had abstracted improperly from the companies' funds.

There is an action pending in the district court at Shelby involving a transfer made by one of the Campbell companies to some one in Seattle. If you want the detailed information, I have the record here.

The CHAIRMAN. No; I do not think it is necessary to go into details.

Mr. CAMPBELL. But that is a general statement.

The CHAIRMAN. Was there anything pending in your office at any time relative to Mr. Campbell's affairs which required you to appear before the Interior Department or the local land offices in Montana?

Mr. BALDWIN. Absolutely nothing. I have never appeared before the Interior Department for anybody. So far as I know, the firm was never retained in any case to appear before that department.

The CHAIRMAN. Was there ever anything placed in your office to be looked after which would lead you to the land office either in Montana or in the Interior Department here?

Mr. BALDWIN. Absolutely nothing. Mr. Campbell and his companies had an attorney named Beaulieu who took care of all their records and titles. And when it did appear to be necessary—now, this again is hearsay with me; it was not placed before me—when it became necessary for Mr. Campbell to secure counsel before the Interior Department, he employed attorneys here in Washington, D. C. We were not consulted at all about that.

The CHAIRMAN. Did your firm ever communicate with the lawyer here in Washington with reference to these matters—with Mr. Feely?

Mr. BALDWIN. Certainly not. I do not think there was any correspondence ever had between Mr. Feely and our office. I have searched the files—or, rather, run through the files—and I never saw a letter of that kind.

Here I call attention to some letters which passed between Mr. WHEELER and Mr. Campbell. These letters are photostatic copies of documents which were impounded in Montana, part of the documents which, as has been stated in the public prints, were so damning to Mr. WHEELER. I shall only read some paragraphs, but in all references to the matter in this correspondence, where they were in controversy about the payment of the fee and the delay in paying the fees, there is not an intimation anywhere to the effect that the services of Mr. WHEELER covered anything other than the litigation in Montana. The letters refer to the fact that "You are employed to attend to the litigation in Montana." I pause to say also that there is not a piece of documentary evidence in the case that controverts that proposition.

Mr. Campbell said in one of these letters:

We are wondering what we are going to do about our lawsuits and cases. Mr. Beaulieu has left our organization and gone to California. We have not employed another attorney, and I do not want to do so at this time, but we wish to work through your office if we possibly can.

This was the time when they were having some controversy because the fees had not been paid. There had been $2,000 paid in January and $2,000 paid in February and the balance was unpaid. It was to be paid, as I understand it, $1,000 a month thereafter.

We do not know when these suits are set for trial, as this was all left to Mr. Beaulieu, and I did not get to see him before he left to get all the data.

Mr. WHEELER, in reply, said:

With reference to your litigation there is no reason why you should not handle it through our office. I am quite sure Mr. Baldwin would be glad to handle it, and, as I indicated to you before, if some of the litigation were of sufficient importance I might go to Montana myself and assist in the trial. But, Campbell, I can not handle this litigation without being paid.

Again, in a letter from Mr. Campbell:

We were under the impression that we were to pay you $10,000 a year for your services. I believe this was the understanding, that we were supposed to pay you originally $3,000. We have already paid you $4,000. We were under the impression that this would carry at least until our suits came to trial and something was done in regard to our litigation. But now, WHEELER, I want you to get me right. I am not trying to crawl out of any obligation or make anyone the goat except myself, but I really think enough money has been paid to our attorneys and that our cases should at least be taken care of.

Again he said in another paragraph:

I think Mr. Baldwin could well afford, on the money paid into your partnership, to carry on this litigation at least to the point where it comes to trial in the courts.

Mr. WHEELER, in reply, said:

The understanding that you speak of in your letter is not accurate. The understanding was that you were to pay $4,000 down, and that you were to pay each month until the sum of $10,000 was paid. However, I want to do everything I can to help you out, but you must in turn do something to try to raise the money also. I shall be glad to see you when you come East.

I think it more than significant—I think it convincing proof—that when they were discussing the matter with reference to the fees and where there was some impatience expressed upon the part of Mr. WHEELER that the fee was not being taken care of, that these parties in their correspondence, which must have been under circumstances in which they would not be supposed to be speaking other than that which they understood to be the fact, referred to the services as litigation in the State of Montana. It is much stronger to me, the almost unconscious expression of "litigation" as they had understood it from the beginning, than any oral testimony that could be given. So I repeat that the documentary evidence before the committee supports the contention of the oral testimony of those who made the contract. You must controvert, disregard, or disprove not only the oral testimony of those who made the contract but the written evidence of it as expressed between the parties from time to time when it was being carried out. Does not the direct testimony prove there was no illegal contract; does not the acts of the parties, such as Mr. WHEELER's statement to Beaulieu, prove there was no illegal contract; does not the letters referring to the litigation prove there were no illegal contract?

Now let us turn to another phase of the matter. I have already called attention to the services of Mr. Beaulieu and Mr. Feely. What do we find when we get to the land office? Particular stress is laid upon the fact by the Senator from South Dakota that when Mr. WHEELER came to Washington he called upon Mr. Edwin Booth, the presumption being apparently, as viewed by the Senator from South Dakota, that one acquaintance can not call upon another acquaintance from Montana without some sinister motive behind the transaction. Mr. Booth and Mr. WHEELER had been acquainted for 20 years. They had been in Montana politics on opposite sides of the fence. When Mr. WHEELER came to Washington he called upon Mr. Booth. If Mr. WHEELER had not called upon Mr. Booth until he was employed by Mr. Campbell, it might have been argued, and I presume would have been argued, and, indeed, is argued inferentially in the minority report, that he immediately sought him out for a sinister purpose. But Mr. WHEELER came down here in December, 1922, after his election and before he was employed by Mr. Campbell, and had no reason for calling upon Mr. Booth so far as Mr. Campbell was concerned, but it was then that he called upon Mr. Booth in the first instance. I think he went out to his home. If I remember correctly, their wives visited. They were acquaintances. He called upon Mr. Booth, and, as Mr. Booth said, no discussion whatever was had with reference to any matter touching business interests in Montana. So it is apparent that when Mr. WHEELER came here again in January he called upon Mr. Booth because of his acquaintanceship and friendship, which had caused him to call upon him in December prior to his employment by Mr. Campbell.

What happened when he called upon Mr. Booth? In the conversation, said Mr. Booth, who was a Republican appointee of the Department of the Interior, Mr. WHEELER stated that he had been engaged in some heavy litigation in Montana for Mr. Campbell, and that Mr. Campbell's business was in bad shape; that he was financially embarrassed; that some of his titles seemed to be involved, but that he thought he had helped to straighten him out some by winning his receivership case. He also said to Mr. Booth that if there was anyone Mr. Booth was acquainted with whom he thought might be interested in investing in oil properties in Montana he would like to get in touch with him, because he would be very glad to help Mr. Campbell in that respect. Mr. Booth spoke of a certain gentleman whom he thought might be interested in the proposition and the discussion proceeded along that line, such a general discussion as might very well take place between two gentlemen from Montana who were somewhat familiar, one of them entirely familiar and the other more or less familiar, with the situation.

When Mr. Booth is asked if Mr. WHEELER undertook to present any matter to him in which Mr. Campbell was interested in the way of asking his services as a solicitor of the department he states emphatically that he did not; that the most important feature of the discussion was with reference to finding some one to finance his situation.

I here read from the testimony of Booth:

Mr. BOOTH. Yes. I think, Senator, just to keep straight—my recollection is that the first day he came in and I was holding a conference. The boys from Montana were interested in the Crow Lake irrigation project, and that day he came in, and I think he went out, and I do not remember anything he said. I think he went away.

The following afternoon he returned and we had some conversation and we talked about some matters. He finally said to me—this is just my statement in a résumé, not the exact words—I am not trying to quote Senator WHEELER's exact language; I could not—the effect of his conversation was that he had very shortly before that been into quite a lawsuit in Great Falls in which Gordon Campbell's properties, or some portion of them, were involved. He talked with me about the lawsuit; told me that Campbell's properties were in very bad shape—that is, his condition—that the situation of his properties was bad; that it was rather complicated; that his financial condition was bad, and that he was desirous of assisting Mr. Campbell; that that lawsuit had in a measure, I think, done some adjusting, but Campbell had some difficulties with oil lands which he had, including some Government lands; and I asked the Senator if he knew what Government lands and he told me he did not. I asked him if he could give me the serial numbers of any of them and he said no; and I think I asked him if he knew anything about it, and he said he did not; that Campbell had that information and that he did not have it. I said that he would have to get it from Campbell in some way, and discussed the matter, and I think that the Senator said that it would probably be best if Campbell would come to Washington and take it up, and asked me if I would discuss it with Mr. Campbell if he did come here, and I told him I surely would, and would certainly help him in any way I could.

We discussed the matter of Mr. Campbell's finances, and during the conversation he asked me if I had met any men, or if I knew anyone who might likely be interested to the extent that Campbell might finance his property, and I told him of a gentleman in New York; and while we were talking my secretary may have been in there quite a portion of the time; but at any rate, if he was not, he came in and heard a part of this conversation, and he spoke up and said that Mr. Nyce was in the building, and that possibly some of the companies in which he was interested might be interested, and I said, "Step out and get him." He stepped out and got Mr. Nyce and brought him in, and I introduced him to Senator WHEELER. Peter Q. Nyce is his name.

He talked to Senator WHEELER and asked him about what properties Mr. Campbell had, if he had a plat or description or anything about them, and Mr. WHEELER said he did not; and he wanted to know what the condition was, whether Campbell had title to the lands; and WHEELER, as I recall, told him that he did not know about that. He asked him whether there was some school land, and the different kinds, and I do not know who suggested it, but probably Mr. Nyce, as I recall, suggested that if Senator WHEELER would get a description of the lands and let him have that he would submit it to such people as he was interested with, and there might be something done.

Senator CARAWAY. May I interrupt you for just one moment? Mr. Nyce has nothing to do with the Government?

Mr. BOOTH. No, no; purely outside the Government.

The CHAIRMAN. Yes; that was all outside of the Government.

Mr. BOOTH. That was just the social side, and my trying to assist. The brief of it was that Mr. Nyce and Senator WHEELER and myself—I guess all of us took a hand in it—dictated a telegram to my stenographer requesting Mr. Campbell to send in a list of the properties; and it did come, and I got hold of it and forwarded it to Mr. Nyce.

The CHAIRMAN. This list of properties you were sending for was sent for as the result of this conversation with reference to financing the land?

Mr. BOOTH. Yes.

The CHAIRMAN. That had nothing to do with departmental matters.

Mr. BOOTH. No, sir.

Senator CARAWAY. It was not for you at all; it was for Mr. Nyce?

Mr. BOOTH. Sure; for Mr. Nyce and this other gentleman in New York I spoke of. It was not anything to do with the department at all.

The CHAIRMAN. Was Mr. WHEELER ever at the Interior Department after that about this matter that you recall?

Mr. BOOTH. Not to my knowledge, ever. Let me say, Senator, that Senator WHEELER left my office that evening late; it was very nearly 5 o'clock when we left with Mr. Nyce, and that evening or the next morning he and his wife left, as I recall, for Florida, and he told me he expected to come back and then was going to Europe; and the next I heard my wife got a letter from his wife saying that they had changd their plans and gone to Europe, and I did not see Mr. WHEELER until during the Shrine convention, when he returned here to Washington.

The CHAIRMAN. Did Mr. WHEELER, to your knowledge, at any time appear before you in your department presenting the question of assignments of leases or anything of that kind?

Mr. BOOTH. He did not.

The CHAIRMAN. Did he solicit your aid or your help with reference to these assignments or anything connected with them?

Mr. BOOTH. Do you mean these cases?

The CHAIRMAN. Yes.

Mr. BOOTH. No, sir.

improperly from the companies' funds.

The understanding was that you were to pay $4,000 down, and that you were to pay each month until the sum of $10,000 was paid. How-

irrigation project, and that day he came in, and I think he went out, and I do not remember anything he said. I think he went away.

The CHAIRMAN. Yes.

Mr. BOOTH. No, sir.

It has been said that Mr. Booth afterwards entered into correspondence with Mr. Campbell. Certainly he did. It was entirely natural that he should, because Mr. Campbell wanted his affairs attended to. Mr. Booth was in the department. He wrote to him and it finally resulted in what—not in Mr. Booth going to Mr. WHEELER and consulting WHEELER and taking his advice or counseling with him as to what he should do, but it resulted in Mr. Booth suggesting the employment of an attorney here in Washington for the purpose of taking care of the business before the department. Upon the suggestion of Booth, Mr. Campbell went, not to his Senator for his influence or as his attorney, but, upon the suggestion of Mr. Booth, Mr. Feely, of the firm of Vogelsang, Brown, Cram & Feely, was employed. The entire business after that time was transacted between Mr. Feely and Mr. Beaulieu with reference to the matter.

I called attention yesterday to the testimony of Governor Spry. I shall not reread it to-day, but I undertake to say that if Mr. WHEELER had been seeking to exert his influence or in any way to control the action of those who had to pass upon these questions it would have been practically impossible for the Commissioner of the Land Office not to have known it. Certainly it would have been impracticable and practically impossible for anything to have been consummated without the officials of that office knowing it. Commissioner Spry states that Mr. WHEELER came into the office one day, and, after a few pleasantries, it was stated by Mr. Booth that Mr. WHEELER had a client in Montana who was in the oil business; and WHEELER immediately spoke up and said, "The only interest I have is that he gets a fair deal before the department." Commissioner Spry said, "That he will get, as does everybody else." Commissioner Spry states that Mr. WHEELER's conduct before the department was the same as that of other western Senators, that apparently of suggesting fair play for his clients.

Now, reflect, Mr. President, upon the exertion of influence upon the part of the United States Senator with the Land Office! The only two men he ever came in contact with testified definitely and positively that he at no time sought to present these matters to them or to ask their influence in regard to it.

There is only one theory upon which Mr. WHEELER can be held responsible; there is only one theory upon which he can be condemned; that is, in the first instance, that he is presumed to be guilty; in the second instance, that every disinterested witness who testifies directly to the contrary is a perjurer.

The Senator from South Dakota said yesterday that a United States Senator under charge was upon a level with the humblest citizen charged with crime, and that he must take his position upon a level with the most humble citizen. Certainly so; nobody contends otherwise. Mr. WHEELER, in my judgment, would be the last man to contend it. I certainly do not contend that because a man is elected to the Senate of the United States he shall be tried in a court of criminal justice upon any other theory or under any other rule than that which is applied even to the vagrant upon the street. All are equal, or should be, before the bar of public justice, and each man's guilt or innocence shall be tested by the same rules and adjudged under the same law. If, however, you were trying a vagrant from the street you would give him the benefit of the presumption of innocence until the evidence established his guilt. Not only that, but if you were trying a vagrant from the street you would not go to the man who was testifying on impression or from hearsay and take his testimony against that of a reputable citizen who was standing at the source of authority and testifying to direct facts. Try Mr. WHEELER upon the same basis that you would try anyone else; take the witnesses who are familiar with the facts, who testify and give legal and competent evidence; give him the presumption of innocence that accompanies every man charged; and there is not a scintilla of testimony here which shows that he ever entered into a contract for or received compensation for any services which he performed before the Land Office or the departments.

Now, Mr. President, let us take up some of the testimony upon which some persons seem to think, if nothing more, that there was probable cause for the grand jury finding this indictment. Of course, I am not going to discuss the question of whether or not there was probable cause. I think, Mr. President, that you could indict anybody if you would withhold from the grand jury all the evidence which was legal and competent and only introduce hearsay and impressions; and, while I am not interested in what the grand jury did, the fact stands out that not a single witness who knew of the making of the contract or who could give legal and competent evidence of it was called before the grand jury. There was probably not a member of the grand jury who had any knowledge whatever of this transaction as it is narrated before the committee by witnesses who are familiar with the facts. No one could criticize the grand jury, not being familiar with the rules of the competency of the evidence, for taking almost any view.

Now we come to the evidence upon which the grand jury is supposed to have acted. I first call attention to the testimony of Mr. Glosser. I read from page 79 of the hearings. The first time he saw Mr. WHEELER nothing took place of any moment. The chairman said:

Fix the date when you next saw him.

Mr. GLOSSER. I would have to refer to the records of lawsuits and things like that. I have not got them with me. Mr. WHEELER was interested in the lawsuits, and he was up at Great Falls at the time a lawsuit was tried there.

The CHAIRMAN. The next time that you saw him, if you can recall, was there anything said about his employment as an attorney?

Mr. GLOSSER. Oh, yes; he was there working on cases.

That is, the litigation in Montana.

The CHAIRMAN. Yes; he was there working on cases. But was there any conversation—did you have any conversation with Mr. WHEELER—about his employment?

Mr. GLOSSER. You mean with reference to his direct employment by Campbell?

The CHAIRMAN. Yes.

Mr. GLOSSER. Only in so far as Campbell's business was affected. I would never discuss with the Senator his deal with Campbell or anything like that. I talked of Campbell's business to the Senator.

The CHAIRMAN. What was the nature of the business you talked of to him?

Mr. GLOSSER. We had discussed at various times various lawsuits, all the land titles, and Campbell's business generally in the prospecting field, and the outcome there. All of Campbell's business was at various times discussed, or a good part of it.

Senator STERLING. With Mr. WHEELER?

The CHAIRMAN. With Mr. WHEELER?

Mr. GLOSSER. Yes; with Mr. WHEELER.

The CHAIRMAN. Was there anyone else present when you were discussing this business of Mr. Campbell with him?

Mr. GLOSSER. Yes.

The CHAIRMAN. Who was present?

Mr. GLOSSER. There were several at different times. Mr. Rhea was present several times and Mr. Campbell was present, and at other times I think Mr. Harvey was there.

The CHAIRMAN. What was the nature of the discussion? How did you come to discuss it with him? What was the nature of the discussion?

Mr. GLOSSER. We discussed the matters because WHEELER was representing Mr. Campbell and I was representing Mr. Campbell, too; and it was natural that we should discuss the business Campbell had. We had that common point in view, of arriving at the same thing; a lot of business—that is, all of Campbell's business.

The CHAIRMAN. I understand; but is there any specific subject matter in the business which Mr. WHEELER had charge of that you could now recall that you talked over with him?

Mr. GLOSSER. Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over.

The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

The CHAIRMAN. What was the nature of these lawsuits in which Mr. WHEELER was acting?

Mr. GLOSSER. The lawsuits?

The CHAIRMAN. Yes.

Mr. GLOSSER. They were suits that Mr. L. C. Stevenson and his associated companies had filed against Campbell individually and Campbell's companies.

The CHAIRMAN. They involved the question of having a receiver appointed over Mr. Campbell's property?

Mr. GLOSSER. Yes; that was one particular——

The CHAIRMAN. Did that include all of Mr. Campbell's property; did they ask for a receiver?

Mr. GLOSSER. No; they asked for a receiver of the Gordon Campbell Kevin Syndicate.

The CHAIRMAN. Was that valuable property?

Mr. GLOSSER. Some of his land was very valuable. It was thought so at that time.

The CHAIRMAN. It was very important litigation?

Mr. GLOSSER. Yes; it was.

The CHAIRMAN. Mr. WHEELER was brought into that litigation?

Mr. GLOSSER. I think he had more or less to do with handling the legal end of the suit; yes.

The CHAIRMAN. It had been begun before he was employed?

Mr. GLOSSER. You mean the suit had been filed?

The CHAIRMAN. Yes.

Mr. President, that is the distinguishing feature of Mr. Glosser's testimony. He says that he never talked over with WHEELER the terms of the employment; he did not discuss it with Mr. Campbell in the presence of Mr. WHEELER; but that he was under the impression that Mr. WHEELER was representing Mr. Campbell. Whatever he might say in regard to it would be pure hearsay.

He made two affidavits, one in Montana and the other in Colorado; and there is a wide difference in the affidavits. He testifies that he had an impression that Mr. WHEELER was representing Mr. Campbell in these land permits; but it was only an impression, only an understanding, and not arrived at by reason of anything that he ever heard WHEELER say or any agreement that he ever heard WHEELER discuss with Mr. Campbell. It would not make any difference what the testimony of Glosser was; it could not be anything but hearsay testimony. It would certainly not be considered against the testimony of those who made the contract.

Mr. Glosser's testimony is tied to Mr. Rhea's testimony. I read into the RECORD yesterday, Mr. President, Mr. Rhea's testimony; I shall not read it again to-day; but I will recount it in connection with Mr. Glosser's testimony. Rhea says that at the same time Glosser had his talk with Campbell and Mr. WHEELER or in their presence he also was present. Rhea was there for the purpose of discussing primarily the question of a new trustee. The property was controlled by a board of trustees. Mr. WHEELER had insisted that Mrs. Campbell retire as trustee, and Mr. Rhea had been called on to take the place of Mrs. Campbell. This conversation took place between Mr. Glosser, Mr. Rhea, Mr. Campbell, and Mr. WHEELER, Mr. Campbell and Mr. Rhea doing the principal part of the talking. What was this conversation? It was to this effect: Mr. Campbell said to Mr. Rhea, who owned the Philip McGowan permit:

I think Mr. WHEELER will be able to straighten that out in Washington, and if he is able to straighten it out, we ought to give him a pretty good slice.

When asked what Mr. WHEELER said, he replied that he said nothing. If Mr. WHEELER heard the conversation, he paid no attention to it. But how did it terminate? Mr. Rhea immediately said to Mr. Campbell that that permit belonged to him; that he had his own attorney; that he did not desire to employ Mr. WHEELER; that he did not employ Mr. WHEELER; that Mr. WHEELER did not attend to the matter for him; that Mr. Beaulieu did attend to it for him; that he paid Mr. Beaulieu for it; and that Mr. WHEELER had nothing whatever to do with it.

There is the testimony of Mr. Glosser, which is hearsay, and of Mr. Rhea, who wholly exonerates Mr. WHEELER, against the testimony of Stout, the letters between WHEELER and Campbell, the testimony of Beaulieu, the testimony of Feely, the testimony of Campbell, of all of those who testified directly. They are putting into this record against Mr. WHEELER the hearsay of one witness and the absolute exoneration of Mr. WHEELER by the other witnesses, and cry "Guilty."

I repeat, Mr. President, that so far as the making of the contract is concerned or the receiving of compensation, there is no conflict of testimony in the record. Upon the issue upon which guilt or innocence depends, to wit, the making of the contract or the receiving of compensation, there is no conflict of evidence. And we might stop right here. For if there was no agreement nor no compensation had, then any and all things which WHEELER might or might not have done before the department were proper, legal and in line with what every western Senator does year after year.

The Senator from Nebraska [Mr. NORRIS] asks me if Mr. WHEELER testified. Mr. WHEELER did testify. I am not going to discuss his testimony, because I hardly have time to go over it. He testified to all the facts and details with reference to his employment, stated what he did, and took up the several telegrams and letters and discussed them; and as his testimony is here, and doubtless will be read by all Senators who wish to know the facts, I have not planned in my line of discussion to go into it. I think the cause complete without the Senator's statement.

Now, Mr. President, I want to refer briefly to the documentary evidence. I have already taken up the letters which passed between these parties.

In the first place, I call the attention of the Senate to the documentary evidence in this respect: If you take the documentary evidence and look it over, upon its face there is no suggestion whatever of any improper conduct. Mr. WHEELER sent no telegrams and wrote no letters that he would not have a perfect right to send and write and with perfect propriety could send and write if we are correct in our construction of the evidence up to this point, that there was no agreement for compensation and no compensation paid for the services. This documentary evidence of itself does not disclose any agreement to receive compensation nor does it disclose the receipt of any compensation. Therefore, in order that the documentary evidence shall have any pertinency at all, or any condemnatory effect, you must relate it back to a contract or an agreement to receive compensation or the receipt of compensation. What I wish to impress upon the Senate is that the documentary evidence itself does not reveal a contract nor does it reveal compensation nor does it reveal any improper conduct upon the part of the Senator from Montana. They read these telegrams and letters which are in and of themselves proper and then assume or presume an illegal contract, although all who keep within the contract disclose it was not illegal.

I could undoubtedly find in my files plenty of correspondence—letters and telegrams to constituents—with reference to having looked after a matter before the Land Department, saying that "the matter has been closed up," or that "I will present the matter," or that "I have presented the case as best I could to the Land Department," and so forth; and that is far more than appears upon the face of these telegrams or the face of these documentary evidences, unless, as I say, you go back to the proposition of an illegal contract and base them upon that proposition, and that I think I have disposed of.

This documentary evidence should be read in the light of another outstanding and undisputed fact, and that is that Mr. WHEELER undertook to find some one who would help Mr. Campbell finance his undertaking; and that is particularly true with reference to the letter of March 8, to which reference is made by the Senator from South Dakota and to which much reference has been made in the public prints, found at page 134.

This is a letter written by Mr. WHEELER to Mr. Campbell under date of March 8, 1923. In this letter he says—I will come to another paragraph in a few moments—

On the train coming down I met Mr. Chisom, and he seemed quite taken up with your proposition, but stated that he felt that a million dollars should be raised, and I thoroughly agreed with him. Within the next day or two I will also take the matter up with some other parties here in the city, whom I think will be interested.

I call attention to that because that runs all through the telegrams and letters and documentary evidence—that one of the things that Mr. WHEELER was trying to do, a thing which he had a perfect right to do, in which the Government was in no wise interested, purely a matter between individuals, a private affair, was to help Mr. Campbell finance his undertaking, to find some one who would be interested in it.

Bear in mind that these telegrams referred to were called out by information desired with reference to financing the property. This is not only shown by oral evidence but is revealed by the telegrams and letters themselves, a portion of one I have just read. It is quite clear that they did not relate to matters before the department in which the Government was interested, because Mr. WHEELER never at any time—never at any time, I repeat—returned to the department or communicated with the department after he sent these telegrams or wrote any of the letters. All these matters passed through the department through Beaulieu and Feely.

I now read a paragraph from the letter of March 8:

I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

The letter refers to the conversation which Mr. WHEELER had with the attorney for the Standard Oil Co. It seems that some time previous to his coming to Washington, upon one occasion when he was in Mr. Campbell's office, Mr. Campbell introduced Mr. WHEELER to the attorney of the Standard Oil Co., and the attorney for the Standard Oil Co. was complaining, as the evidence discloses, that in some sale of land or some sale of interest of Mr. Campbell to the Standard Oil Co. there was a misunderstanding, a misapprehension, or a mistake with ref-

erence to certain property, the Standard Oil Co., as I understand, not getting the amount of property to which they thought they were entitled. So Mr. WHEELER, in discussing this matter with Mr. Campbell, calls his attention to the fact that he would like to have him send the information with reference to that, so that when he took it up before the Interior Department he would know how to discuss it intelligently.

This was a controversy between Mr. Campbell and the Standard Oil Co. It does not appear that the Government had any interest whatever in the matter. It had to be adjusted between these two parties; but, as a matter of fact, Mr. Campbell never replied to the telegram or the letter. The matter was not taken up by Mr. WHEELER. If it was ever adjusted, it was adjusted by other parties, and if it had come to Mr. WHEELER he could have very properly taken it up and adjusted it without being within the inhibition of the statute at all. It was, as I say, a matter between private individuals.

Certain telegrams were sent by Mr. WHEELER to Mr. Campbell, and other telegrams were returned by Mr. Campbell to Mr. WHEELER, calling for a description of the permits and the matters concerning which it was necessary for Mr. WHEELER to be informed, both with reference to the matter of financing the proposition and with reference to straightening out such matters as related to the Standard Oil controversy. As I said a moment ago, these telegrams do not disclose any improper conduct upon the part of Mr. WHEELER. They do not disclose any compensation expected or received, or any agreement; and if, as we contend, the contract related to the litigation in the State of Montana, there was not the slightest impropriety in anything that he did with reference to the presentation of these matters before the Land Department. There were also some letters passed between Mr. Booth and Campbell after WHEELER went to Europe, but they in no possible way involve Mr. WHEELER.

Now, Mr. President, unless some on desires to ask a question, I shall conclude very briefly.

I want to say, in conclusion, that all parties to this contract of employment place one construction upon it. All parties who were familiar with its making or its carrying out place one construction upon it. There is no discrepancy in the testimony upon that point, no differences of opinion or understanding as to what the contract was. Such men as Glosser got an impression that it covered the permit. It was only an impression. He did not hear the contract. Rhea got the same impression, perhaps. It was only an impression. He did not hear the contract. The parties who made the contract, who were familiar with its execution, who were in a position where they had to know what it was, are all agreed—and there is no difference of view—that it related alone to the litigation in the State of Montana.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BORAH. I yield to the Senator from Georgia.

Mr. GEORGE. The Senator has very clearly stated what the evidence did disclose when it came down to the question of what the contract was and what it was not, and before the Senator takes his seat I call his attention to this fact:

If the testimony of Mr. Glosser and the testimony of Mr. Rhea, with reference to the conversations that were had in the presence of Senator WHEELER should be given full value, they would be nothing more nor less than admissions in the nature of confessions; and that evidence, if given its full weight and full effect, never can establish an offense. When you go back to what the contract was, as the able Senator has so very clearly shown, it discloses the entire absence of any offense. I merely wish to direct the Senator's attention to that fact. It is relied upon in the minority report as the first premise upon which the action of the grand jury is justified. It is in the nature of a mere admission, however; and even if it is taken at its full face value and given full force and full effect this inquiry relates to what the contract was, but you never could establish it by that admission if it were made and undenied, and if it were made under circumstances that called for an answer by Senator WHEELER. I should like to direct the Senator's attention to the further fact that it is of the very nature of all confession evidence or admission evidence that no one is called upon to make a reply to a charge unless the circumstances demand it; and in this case Mr. Rhea himself relieved Mr. WHEELER of the slightest necessity of making any reply to the suggestion made by Mr. Campbell, because he repudiated the suggestion himself and said that he had an attorney and would not enter into any such agreement as that.

Mr. BORAH. So far as Mr. Rhea's testimony is concerned, I think it is a very conclusive piece of evidence in this case in favor of Mr. WHEELER. There was a contention, apparently, upon the part of those who were engaged in presenting this matter against Mr. WHEELER, that Mr. WHEELER was mixed up with the Philip MacGowan permit. Now the owner of the permit, the holder of the permit, comes in and says, in effect: "Mr. WHEELER was not mixed up in it at all"; that he declined to employ Mr. WHEELER; that Mr. WHEELER was not employed; that he had his own attorney; that his own attorney attended to it; that Mr. WHEELER never attended to it, and he never sought his help to attend to it. If there had been any question at all about the MacGowan contract or permit, the owner of the contract or the owner of the permit absolutely exonerates Mr. WHEELER from having anything whatever to do with it.

Mr. STERLING. Mr. President, not from having anything to do with it, I should say, but rather from having Mr. WHEELER as an attorney on his part to do anything in his behalf.

Mr. BORAH. Well, what did Mr. WHEELER have to do with the Philip MacGowan contract?

Mr. STERLING. I think that was one of the first permits that Mr. WHEELER gave his attention to after he came to Washington, if I remember correctly.

Mr. BORAH. Why, if the Senator from South Dakota will refresh his memory, there can not be any doubt at all about the proposition. Mr. Beaulieu says that he himself attended to it. Mr. Rhea says that Mr. Beaulieu as his attorney did attend to it. There is no evidence in this case that Mr. WHEELER ever touched the Philip MacGowan permit.

Mr. STERLING. There were two permits, the Philip MacGowan permit and the Lincoln permit, that were in controversy here before the department at Washington, to which attention was being given.

Mr. BORAH. Yes, exactly; and Mr. Rhea established beyond peradventure that Mr. WHEELER had nothing whatever to do with the Philip MacGowan contract.

Mr. BROOKHART. Mr. President, is the indictment based upon the dealings in reference to the Philip MacGowan permit?

Mr. BORAH. That is one of them, I believe. All you need to do is to take the testimony of Mr. Feely and Mr. Beaulieu. They take up these permits separately and individually, deal with them, and dispose of them, and say that Mr. WHEELER had nothing to do with them. Then comes Mr. Rhea, the owner of the permit, and says that while Mr. Campbell suggested that he might well secure the services of Mr. WHEELER that Mr. Rhea informed him that he did not want them, and he did not employ him.

So I say that all parties to the contract establish one fact, that Mr. WHEELER was to attend to the litigation in the State courts of Montana. In addition to that, all parties who had to do with passing these permits through the Land Office, every single one of them, disinterested absolutely, exonerates Mr. WHEELER from having anything to do with it.

First, we have the contract established by the witnesses who made it. Secondly, we have the people who put the permits through the department establishing the fact that Mr. WHEELER was not connected with it—Mr. Beaulieu, who took the permits up and passed them on to Washington; Mr. Feely, who put them before the Land Office; Mr. Booth, who says that Mr. WHEELER never presented them to him; Mr. Spry, who says he searched the records, and that Mr. WHEELER nowhere appears as the representative of these permits.

I repeat, Mr. President, there is not even a conflict of testimony here, and I have left out entirely the statement of Senator WHEELER. His statement adds conclusiveness, but leaving that aside, I submit the evidence seems conclusive.

I repeat, that upon the testimony of disinterested witnesses, Mr. WHEELER is perfectly clean of any condemnation under the statute.

I have felt that so far as this particular presentation is concerned, it was not incumbent upon me to go further and to call attention to the evidence. There is another feature of it about which I feel very deeply, but I do not think that relates to the duty of the chairman of the committee. After I feel that I have fully discharged my duty as chairman and brought the matter before the Senate as chairman of the committee and given the facts as they appeared to the committee, the views which I may entertain and thereafter express as a Senator disconnected with the obligations of the committee will be a matter for which no one will be responsible but myself, and that will come up for later consideration. I feel now I am speaking for the committee and should confine myself to the matters upon which the committee reported.

FARM LOAN BOARD

Mr. HOWELL. Mr. President, it might appear that I had upon my desk a long written speech, but such is not the case. However, as I wish to be accurate respecting certain charges

which I shall make, the first portion of my statement will be from written pages.

The names of four nominees for the Federal Farm Loan Board are now on the Executive Calendar awaiting action by the Senate.

The candidates were selected by President Harding, and hence have been in office as recess appointees. Two have served approximately 15 months and the other two about 12 months and 11 months, respectively.

In short, these nominees have been a majority of and in control of the Federal Farm Loan Board for nearly a year, and to all effects and purposes, considering the circumstances, since March 4, 1923.

In view of these facts, I desire to call the Senate's attention to this proposition: Whereas the record of any candidate in office may not constitute conclusive evidence as to his fitness to continue therein, yet when misconduct is alleged, as is the case in connection with these nominees, such record then becomes a most important factor in deciding upon further incumbency and hence should be scrutinized with the greatest of care and deliberation.

Therefore in passing upon these nominees it should be kept clearly in mind that the Senate is not dealing with recent appointments but with appointees who have records as members of the Farm Loan Board. As a consequence, the question to be decided in considering these nominations is not one of mere personality but as to whether the Senate is justified—yes; can the Senate afford to put its stamp of approval upon these records?

For several months past the Senate Committee on Banking and Currency has had under consideration the nominations in question. Various persons have appeared for and against confirmation, and evidence has been adduced.

From the facts developed at such hearings, Mr. President, the Farm Loan Board—and hence these nominees, constituting a majority of the membership thereof—stands convicted, in my judgment, of the following charges, namely:

(1) Violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency. Prior to July 1, 1923, Charles E. Lobdell was a member of the Farm Loan Board and served as farm loan commissioner or chairman of the board. In addition, he performed the duties of fiscal agent of the land-bank system, as had all farm loan commissioners preceding him. His salary was fixed by Congress at $10,000 per annum. On June 12, 1923, at a meeting of the members of the Farm Loan Board and the 12 land bank presidents, the farm loan commissioner was relieved of the duties of fiscal agent through the creation of a new office to be known as fiscal agent, at a salary of $25,000 per annum. Of course, this was done by and with the approval of the Farm Loan Board both as to the creation of the office and the fixing of the salary.

On the same day it was arranged that Mr. Lobdell should become the new fiscal agent, and he assumed his duties some 20 days later; that is, on the date that his resignation as member of the board and farm loan commissioner took effect. Thus a member of a quasi legislative board became the beneficiary of a new office, with an increase in salary of two and a half times, for the performance of but part of his previous duties—a result rendered possible only by the approval of the board in question, of which he happened to be the chairman—an act utterly against that recognized principle of public policy that no legislative officer may enjoy the emoluments of an office created during his incumbency.

The second charge is as follows:

(2) Unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent.

The Federal Farm Loan Bureau is the creature of Congress, and nowhere has Congress delegated authority to change the system or create additional officers. As a matter of fact, Congress has specifically named the list of officials and each year in the Treasury appropriation bill fixes the salaries of all officials of and within the bureau.

(3) Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency. As incredible as it may seem, during a period of about six years the board has received and disbursed $881,000,000 and yet has never provided itself with books of account, its records consisting merely of deposit slips, check stubs, and correspondence. It recently took the Treasury Department, employing 10 accountants and working double shift, from March 12 to about May 1, or nearly seven weeks, to compile a mere statement of receipts and expenditures from the Farm Board records. Moreover, the accountant in charge of this work testified that he would have been unable to make up the statement from the records afforded him without the aid of the memories of several of the employees of the board.

Mr. COPELAND. Will the Senator yield?

Mr. HOWELL. Certainly.

Mr. COPELAND. Does the Senator mean this year?

Mr. HOWELL. Yes; just recently made.

Mr. COPELAND. The Senator said recently.

Mr. HOWELL. It was finished on the 1st day of May.

Mr. COPELAND. 1924?

Mr. HOWELL. Yes. The fourth specification is as follows:

(4) The unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress. Between $65,000 and $70,000 have been drawn from the Treasury without authority and expended for various purposes. An unofficial opinion of the Comptroller General declares these funds to belong to miscellaneous receipts of the Treasury. Moreover, under date of May 13, 1923, the Undersecretary of the Treasury has called upon the farm loan commissioner for reimbursement of a part, if not all, of this money immediately.

(5) Looseness and neglect in the disbursement of funds. Public moneys have been expended without vouchers or receipts. Mr. Lobdell, the fiscal agent, admitted on the stand that he could not tell to whom money had been paid that had been secured by cashing certain checks. He also admitted that he had received certain sums of money for the expenditure of which he could account only in a general way.

(6) Misapplication of public funds. On September 22, 1922, Mr. Lobdell as farm loan commissioner opened an account with the Franklin National Bank by depositing $5,000 drawn from the Federal Treasury, part of the $65,000 to $70,000 referred to above. From that time down to February 16, 1924, further similar deposits in this bank had been made totaling more than $37,000. This account was drawn on from time to time by the farm loan commissioner, so that the balance remaining in the bank on the last day indicated—February 16, 1924—was $86.53. The deposit in this bank was treated as a sort of petty cash fund, except that the expenditures therefrom were made without vouchers or receipts. Presents to employees were made from this fund, likewise what must be considered either loans or advances to employees. In another case one of these nominees had succeeded in drawing some $2,000 from the Treasury on account of salary for which Congress had made no appropriation. As a consequence he was called upon to put it back—a simple matter—as Farm Loan Commissioner Lobdell gave him a check on this fund.

I have read these statements that I might be explicit, and each and every one of the statements is subject to proof.

I will now take up the first specification of the charges, "violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency."

It should be remembered that the farm loan commissioner from the time of the inception of the Farm Loan Bureau has acted as fiscal agent, and during that period has handled in the neighborhood of $800,000,000. Judge Lobdell for a number of years has been that fiscal agent. The testimony elicited before the Committee on Banking and Currency was to the effect that some time in the spring of 1922 it was rumored that Judge Lobdell had received a proposition of $25,000 a year, or such a matter, from some bank in the South. Subsequently in testimony by Judge Lobdell he stated that he did not receive any such proposition at that time. However, that rumor was abroad.

In August, 1922, there was a meeting of the 12 farm-loan presidents together with the Farm Loan Board here in Washington. At that meeting, at which Judge Lobdell was in attendance, a resolution was passed appointing a committee of three to wait upon Judge Lobdell and determine what arrangement might be made that he might be retained in the Farm Loan Bureau. It was testified that he talked with the committee at that time and agreed that he would take no steps toward separating himself from the bureau until he had again discussed the matter with that committee. Remember, this meeting took place in Washington. He was chairman of the board. He was present at that meeting. Therefore there is significance in his subsequent testimony respecting the matter:

Q. As far as the business conduct of the transaction is concerned, I have not questioned that.

Judge LOBDELL. I notice you did not.

Q. I did not refer to that.

Judge LOBDELL. Now, Senator, I think I should not be frank with you if I did not state that I did anticipate that if any proposition were to be made to me by these people—

Referring to this committee—

it would be along those lines. I have told you in perfect frankness all that took place, but I want to say more than that and tell you what I had in mind. It was in my own mind that if they had any proposition to make, if it was any service that I could render, it would be along the lines of general adviser and financial representative.

In other words, when the committee met with him that was the thought in his mind. He was en rapport with the committee. That was in their minds. The committee was continued. Congress met in December of 1922. Legislation was proposed by the Farm Loan Board, but nothing in that legislation concerned the creation of the office of fiscal agent at $25,000 a year, which, however, was evidently in the minds of the committee and of Judge Lobdell at the time that Congress was in session.

But what took place following that? On May 27 Judge Lobdell called a meeting of the presidents of the farm-loan banks to be held in Washington, at which he and the other members of the Farm Loan Board were present. On the 12th day of June the office of fiscal agent was created with the approval of the Farm Loan Board, at a salary of $25,000 a year, and on the same day that Judge Lobdell's board approved the creation of the office and the salary the arrangement was made that he should be the fiscal agent. As a consequence, when his resignation took effect 20 days later on the 1st day of July, he stepped out from the office of the farm-loan commissioner and fiscal agent of the farm-loan system at $10,000 a year and immediately became alone the fiscal agent at $25,000 a year, with an assistant, clerk, messenger, and an office of his own. These are the facts. They are substantiated by the testimony.

Now, as to the second specification, "unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent." The Farm Loan Bureau is a creature of Congress. Congress has fixed the number and has designated the officials of the Farm Loan Bureau. There is no authority on the part of the Farm Loan Board to create an office or approve the creation of an office. That is the duty and the privilege of Congress alone. Moreover, it will be recalled that every year Congress makes an appropriation or provides for the expenses through an appropriation, the money to be collected from the land banks in proportion to their resources, and fixes the salaries that are to be paid out of that appropriation. Neither the Farm Loan Board nor the presidents of the banks had authority to create an office of this kind. It is provided in the law that the land-bank presidents shall constitute a bond committee, provided consolidated bonds are issued, but consolidated bonds have never been issued. Therefore there was no authority for the creation of this office. The authority to create the office was alone in Congress, and no effort was made by the Farm Loan Board to secure the creation of such an office, because it must have known and did know that Congress would not approve a salary of $25,000 a year when the rates of salaries now paid to public officials are such as these: Fifteen thousand dollars a year to the Chief Justice of the United States; $12,000 a year to the chairman of the Federal Reserve Board, in control of all the great Federal reserve system of the country; $12,000 a year to the Secretary of the Treasury; $12,000 a year to the Comptroller of the Currency, who has 8,000 national banks under his supervision.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. I yield.

Mr. DIAL. May I ask the Senator where the salary of $25,000 comes from?

Mr. HOWELL. The salary has been paid out of the United States Treasury.

Mr. DIAL. Is it not paid by the separate banks? Does not each separate bank contribute $1,000 and does not each intermediate credit bank contribute $1,000 to the salary?

Mr. HOWELL. The 12 Federal banks up to the time of this accounting of which I speak have not contributed $1 to the payment of Judge Lobdell's salary. It has come from the United States Treasury through the misapplication of funds.

Mr. DIAL. I do not think that is a correct statement. However, I am not prepared to disprove it.

Mr. HOWELL. I will come to that shortly in the order in which I am proceeding.

Mr. DIAL. Very well.

Mr. HOWELL. The third specification is "looseness and gross carelessness in the conduct of the affairs of the board indicating incompetence." Hearings have taken place before the committee for some time. Finally my attention was challenged by certain statements made before the committee. I went to the office of the Federal Farm Loan Bureau and asked to see their books. I was informed that the Treasury Department kept the books. I then took the matter up with the Treasury Department, and the Treasury Department stated that they kept no books except the record of receipts and disbursements; that they were merely a bank for the Federal Farm Loan Board. Thereupon I discovered what to me was a most startling fact, the most remarkable thing of this character that has come to my attention—that this institution that had handled $881,000,000 had no books of account. When, in discussing the matter with the Treasury Department, I asked for the source of certain items, they informed me that the only way that the information could be obtained would be by an analysis of this account, which might take three weeks.

I waited a little while, and then I introduced a resolution asking the Secretary of the Treasury to forward the Senate a statement of the receipts and disbursements of the Farm Loan Board, including the source of the funds, and those to whom disbursements were made. Immediately a force was put to work upon the records of the Farm Loan Board, and I think it would be of much interest to the Senators here to consider some of the testimony. I am not going to read the testimony at length. I shall merely read excerpts from the testimony of Maj. Walter O. Woods, who is employed in the office of the Undersecretary of the Treasury, and who was placed in charge of the Treasury's analysis of the Federal Farm Loan Board's account as the result of Senate Resolution No. 190, of March 11, 1924:

Q. Were you directed to analyze some of the accounts of the Farm Loan Board?

Major WOODS. Yes, sir.

Q. What were those accounts?

Major WOODS. I assume the Senator refers to the resolution of the Senate. When the Senate resolution was passed the Undersecretary directed me to prepare a plan and submit to him for approval. * * *

Q. And you were directed to secure the information requested by that resolution?

Major WOODS. Yes, sir.

Q. What did you do in performing this service?

Major WOODS. I called on the Farm Loan Board and asked to see the data and consulted them as to what would be the proper procedure. * * *

Q. What was the total amount involved?

Major WOODS. About $881,000,000. I believe. * * *

Q. You visited the Farm Loan Board office, did you?

Major WOODS. Yes, sir.

Q. What records did you find in the Farm Loan Board office?

Major WOODS. I did not see any ledger account or register of those accounts. I got out their check books and their certificates of deposit. The first step was to get their file of certificates of deposits of money that had been spent in the Treasury, and to learn something of their procedure. * * *

Q. You were then afforded records of the Farm Loan Board as follows: Deposit slips?

Major WOODS. Yes, sir; I might say that I first received them from the Treasurer of the United States.

Q. This first form of record that you referred to is deposit slips?

Major WOODS. Yes.

Q. Then the check stubs?

Major WOODS. Yes, sir.

Q. And then correspondence?

Major WOODS. Yes, sir.

Q. Was there any other data afforded you?

Major WOODS. Well, it was from correspondence that I learned these things and not from books. None were laid before me—no ledgers or registers of account. There was a young lady who had a wide acquaintance with these things in the Farm Loan Board, and I requested that she be sent to my office to assist me by explaining these items. She did so, and worked continuously, and we first determined what the items were and the amount of money involved.

Mr. BORAH. May I ask from what is the Senator from Nebraska reading?

Mr. HOWELL. If the Senator will pardon me, this is the testimony that was taken before the Committee on Banking and Currency respecting the confirmation of these four nominees.

Q. Now, what you were furnished by the Farm Loan Board or secured through them were deposit slips, check stubs, correspondence, and a young woman?

Major WOODS. Yes, sir; and, of course, the various officials were there. I discussed the subject with them and requested that they

place the employees at our disposal in order to carry this out, and they responded to it.

Q. Suppose you had simply been afforded the deposit slips, the check stubs, and the correspondence, without any assistance, could you have analyzed those accounts?

Major WOODS. No, sir; I do not think I could.

Q. In other words, you had to have somebody with a memory who knew something about what had gone before?

Major WOODS. Oh, yes; I had to have somebody explain what those items were for. I could not have done it from data I had before me.

Q. In other words, they had no records from which you would have been able to make an analysis of this account without the aid of human memory?

Major WOODS. They did not provide me with books of account from which I could have audited the accounts; no. * * *

Q. In other words, then, the data that they used or you used were this correspondence?

Major WOODS. Yes, sir; I would say it was correspondence.

Q. Did you find any set of accounts with each individual bank?

Major WOODS. No, sir.

Q. No books of that kind were kept?

Major WOODS. I was not provided with them. If there were such, I did not know it. I was not informed of it, and did not see them.

Q. This statement that you have afforded is merely a cash statement, is it not?

Major WOODS. Yes, sir; it is not an audited account. * * *

Q. But it is merely a cash statement, is it not?

Major WOODS. Yes; that is what it is.

Q. How long did it take you to make this cash statement from these data?

Major WOODS. From the 12th of March until about the last of April; about six weeks.

Q. How many people did you have working at it?

Major WOODS. The same number were not working all the time. I should judge about 9 or 10.

Q. Did you work double shifts?

Major WOODS. Yes, sir.

Q. You did not inquire into the propriety of any of these payments, did you?

Major WOODS. No, sir; I did not.

Q. And that was not the nature of your audit?

Major WOODS. No, sir.

Q. Your work was simply to analyze and determine where the funds came from and where they went?

Major WOODS. Yes, sir; it was simply to comply with the Senate resolution. The Secretary of the Treasury was to provide the Senate with a statement of each item of receipt and disbursement of the Farm Loan Board from its inception down to the 1st of March.

I wish to say here, Mr. President, that in making up excerpts from this testimony I have omitted certain portions of the answers when they were deemed irrelevant.

Mr. ROBINSON. Mr. President, may I ask the Senator a question in that connection?

Mr. HOWELL. Certainly.

Mr. ROBINSON. Did the committee investigating the method of accounting of the Farm Loan Board inquire into it of the members of the board? Were the members of the board asked about that?

Mr. HOWELL. No, sir. I asked that they be put on the stand, but it was decided to close the hearings, and I was not given an opportunity.

Mr. ROBINSON. Was any explanation given of the method of accounting which has been adopted and pursued by the board? Was that developed during the hearings before the committee?

Mr. HOWELL. A remarkable position was taken, for instance, by Farm Loan Commissioner Cooper that he did not see why, if the 12 banks were satisfied with what they got, it was necessary for the board to keep any accounts other than correspondence, check slips, and check stubs.

Mr. ROBINSON. That was what I wanted to direct my inquiry to, namely, whether or not the method of accounting adopted by the board in respect to its dealings with the several banks is an improved system; and if not, the reason for the failure to adopt an approved system of accounting. I want to know the facts about that. It seems to me to be pertinent, particularly in view of the statement the Senator is making.

Mr. HOWELL. I regret very much that after two months of time spent in working up the data the Senate Committee on Banking and Currency only allowed me to interrogate Major Woods and Judge Lobdell; in other words, they closed the hearing in one day after all this work had been done.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. I will say in response to the inquiry of the Senator from Arkansas that the Banking and Currency Committee went fully, in detail, into these accounts, and satisfied itself thoroughly that there had not been a penny of misappropriation of public funds, and satisfied itself thoroughly that there had been full accounting for every penny. At the proper time, Mr. President——

Mr. HOWELL. Mr. President, I allowed an interruption, as I supposed, for a question.

Mr. GLASS. No; I did not care to question the Senator; but the Senator is now speaking in open session about a matter that ought to be discussed in executive session, because it relates to the confirmation of nominees to the Federal Farm Loan Board. I have not sought to make the point of order which clearly lies against this sort of procedure, and do not intend to do it now, but I do not think the Senator ought to be permitted, or ought to be willing, to state in open session for the RECORD circumstances that do not, in my view, properly represent the case; and I was about to say that in executive session when these nominations shall be considered members of the committee will discuss, I think to the entire satisfaction of the Senate itself, all of these transactions and show to the satisfaction of the Senate itself that they were satisfactorily explained to the committee, and that the committee was unanimous in acquitting the members of the board of any misappropriation of funds or any irregularity in the transaction of business.

Mr. HOWELL. Mr. President, I ask the Senator from Virginia if it is not a fact that after the analysis of this account, covering $881,000,000, I was allowed but five hours to examine witnesses; and is it not a further fact that although I wrote a letter to the chairman of the committee and asked that the members of the Farm Loan Board be present, and that I be allowed to put them on the stand, the committee closed its hearings without giving me an opportunity to examine one of them?

Mr. GLASS. Mr. President, as a matter of fact, I venture to say that no committee of any legislative body on the civilized globe ever exhibited the degree and amount of patience that the Banking and Currency Committee has exhibited with respect to this investigation. Since last January the committee has been called into session after session to consider the nominations of these members of the board, and I have sat there session after session and seen the time of the committee consumed in matters that had no earthly relation whatsoever to the fitness of the members of this board. It is true that after the time of the Farm Loan Board for six weeks had been occupied with a perfectly useless investigation of every item of expenditure of the system since its foundation in 1917 up to the present time, we declined to permit the Senator from Nebraska to repeat time after time item after item of identical nature. The committee declined to waste its time any further in that sort of childish transaction.

Mr. DIAL. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. I will yield in just a moment.

Mr. President, I wish to state that I was treated with great courtesy by the Committee on Banking and Currency. I had the feeling, however, during the whole period of the hearings that there was a reluctance to go into this matter. The hearings did begin in January, and they occupied 26 hours and 45 minutes—I think that was the period—down to the time when it was developed that the Farm Loan Board had no books and when I put in the Senate resolution. Furthermore, of that 26 hours and 45 minutes I occupied in questions 3 hours and 38 minutes, approximately. Finally certain facts were adduced that indicated that we should go to their records. I attended to the matter. The hearings ceased. For about two months we were investigating the records. The committee allowed one day for hearing afterwards, although involving $881,000,000 of items. They refused—I say "refused"—rather they did not, as I requested, call the members of the Farm Loan Board to the stand.

I will present for the RECORD a letter from me to the chairman of the committee, indicating the course that I believed this investigation should follow; but after this one day, when I developed the facts that I have read to you here, the committee closed the hearings, only allowing me to ask questions respecting less than 20 items, involving but $7,000; and I am surprised that the Senator should say that the committee went fully into this matter.

Mr. HOWELL. The third specification is "looseness and gross carelessness in the conduct of the affairs of the board

Major WOODS. Yes, sir; and, of course, the various officials were there. I discussed the subject with them and requested that they

Mr. GLASS. Oh, the Senator is not surprised, because the Senator knows that I, as well as other members of the committee there, avowed our judgment that we had gone fully into the matter, and said to the Senator from Nebraska that if he would ask any new questions, if he would present any evidence that had not time and time again already been traversed, we were willing to sit there and hear him; but it was the same old thing over and over and over again, and we claimed to be men of ordinary intelligence. We do not think our time should be consumed in that sort of fashion—at least, we did not—and the committee unanimously reported these nominees.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. Just a moment, Mr. President. It would seem that there is a difference between the judgment of the senior Senator from Virginia and also that of the committee and my judgment respecting this matter.

Mr. GLASS. Yes; I gather that.

Mr. HOWELL. But, if I may be allowed, I will proceed to present to the Senate further facts that I believe will make it very clear that there was reason to go into these matters—questions which I had asked for the first time and, moreover, that we should have gone further.

Mr. GLASS. Mr. President, if the Senator presents here reasons why we should go further, we will go further. It was his misfortune, and not our fault, that he failed to present to us any reasons why we should go further.

Mr. DIAL. Mr. President, will the Senator be kind enough to tell us what was the result of the audit? Did the account balance, or not?

Mr. HOWELL. There was no audit. There was merely an analysis of the account. A mere statement that they had paid out so much money and had received so much money.

Mr. DIAL. Did that balance?

Mr. HOWELL. Why, yes; you can make an account balance very easily. The question is, how did it balance?

Mr. DIAL. I hope the Senator does not mean that they forced a balance?

Mr. HOWELL. No. I should like to make it very plain, Mr. President, that I am not charging dishonesty here; but I want to state this fact:

In response to my first request the Farm Loan Board sent me a statement, and I have it. It would not balance. I sent it back and asked them to balance the statement. It took them two weeks before they could balance that statement. That is the kind of statement that was afforded me.

Mr. DIAL. Then they did balance it to a cent, did they not?

Mr. HOWELL. No. Why, you can balance any account. If you mean that they had a set of double-entry books, and they balanced; no—not in any sense. When a man merely states to you, "I have received so much money and I have spent so much money," it is easy for him to have a balance.

Mr. DIAL. I understand, but I was trying to get at the audit of the account. When the auditor got through with his investigation, did the account balance?

Mr. HOWELL. This was merely a statement of receipts and expenditures, and this statement of receipts and expenditures does balance, but you can not tell why it balanced unless you go into the account.

Mr. DIAL. I just wanted to know whether it balanced.

Mr. GOODING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. HOWELL. I do.

Mr. GOODING. I will ask the Senator from Nebraska if he thinks it would have been possible to make it balance and to give an intelligent report without the young lady who had such a remarkable memory?

Mr. HOWELL. In my opinion, absolutely not. It is one of the most remarkable state of affairs that I have ever encountered in a business institution. I was once appointed receiver for an institution, and that is what I found—check stubs, canceled checks, and correspondence. You know what that means in untangling a skein, and that is all this Farm Loan Board had.

Now, Mr. President, I will continue reading the Treasury accountant's testimony, because it goes right to the point:

Q. And that was not the nature of your audit?

As to the propriety of expenditures.

Major WOODS. No, sir.

Q. Your work was simply to analyze and determine where the funds came from and where they went?

Major WOODS. Yes, sir; it was simply to comply with the Senate resolution. The Secretary of the Treasury was to provide the Senate with a statement of each item of receipt and disbursement of the Farm Loan Board from its inception down to the 1st of March.

* * * * * * *

Q. In other words, if the Comptroller General had control over the disbursements of the Federal Farm Loan Board he would have compelled them to keep a set of books, would he not?

Major WOODS. Yes, sir; he would. He would compel them to state the account once a month or once a quarter, whichever would be the established rule, and the account would be kept on the so-called cash-book, which would be a statement of receipts and disbursements, and the transcript made from that would be submitted with the vouchers—canceled vouchers—to the Comptroller General for compensation.

* * * * * * *

That is the trouble with this institution—it has no auditor.

Q. Now, Major, as I understand it, it took about six weeks and 10 employees to prepare this analysis in the form of a statement.

Major WOODS. Yes, sir.

Q. Suppose that you were called upon to set up a set of books such as the Comptroller General required of a department subject to his audit; how long would it take to write up such a set of books, notwithstanding the work which you have done here?

Major WOODS. Well, that would involve an audit of the account looking into each item. To check it up, I should say it would take about two months. I do not know; somewhere about that, I should judge. It would depend somewhat upon the number of employees I had to assist me; but if I were to be told to do it I would take about three months. * * *

After all this work, covering nearly two months, it would take him three months more to set up a set of books so that you could find out the state of the account of one of these 12 banks during the time it has been dealing with this institution.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. Does not the Senator know perfectly well that it could be found out in three seconds from one letter from the farm loan commissioner to any given bank? Let me ask the Senator further, with his permission, while I am on my feet, if he is reading all the testimony—the interruptions of members of the committee and the answers of this expert—with respect to the fitness of these nominees whose names we were considering?

Mr. HOWELL. No, sir; I stated here that I was not reading all the testimony. As I have stated, I am reading excerpts from the testimony, but what I am reading is what was testified to.

Mr. GLASS. Yes; but not all that was testified to. I suggest to the Senator that he is proceeding now in open session, contrary to the rules, and inferentially aspersing the integrity and honesty of men high in public life, and he is not giving all of the testimony as he proceeds.

Mr. HOWELL. I am not misrepresenting this testimony in any way. I am reading what was stated.

Mr. GLASS. But not all that was stated.

Mr. HOWELL. Mr. President, more than half the time was taken up by the members of the committee interjecting their views respecting this matter.

Mr. GLASS. Mr. President, the Senator does not mean to exaggerate, but nine-tenths of the time was taken up by the Senator himself.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to his colleague?

Mr. HOWELL. I yield.

Mr. NORRIS. So that silence may not be taken as concurrence in the view expressed by the Senator from Virginia about this being taken up in public session, if the condition as disclosed is the actual condition existing in this governmental commission, legislation by Congress will be required by Congress to rectify it. I have been thinking of the legislative part of it, rather than of nominations pending, and I supposed that my colleague was addressing himself to a resolution now pending in the Senate asking for an investigation with a view of getting legislation that would remedy what is claimed, at least, to be a lack of efficiency in governmental service. It is proper to discuss that phase of the question in public session, and it ought to be dicussed.

Mr. HOWELL. I have a resolution lying on the table to that effect, which I propose to ask to have taken up as soon as I

finish this statement, and that is the reason why I am making the statement at this time.

Mr. GLASS. I understood the very premise of the Senator's remarks to be the statement that there are now pending these four nominations of members of the Federal Land Bank Board, and that what he is presenting he is presenting with the design of convincing the Senate that it should not confirm those nominees.

Mr. NORRIS. I did not hear that statement. I came in just after my colleague had begun, and as I knew that he had such a resolution, I have been going on the theory that he was discussing that resolution.

Mr. GLASS. I am not making any point, because at the proper time all of this matter will be discussed.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. HOWELL. I yield.

Mr. EDGE. I understood the Senator to remark a moment ago that it was his intention to call up a resolution which was on the table at the conclusion of his remarks. I might remind the Senator that there is now pending a motion, which is the business before the Senate, and I had hoped that we might dispose of that motion before taking a recess or adjourning to-night. Of course, in any event, it would not be possible, under parliamentary procedure, to consider the Senator's resolution while that motion is pending.

Mr. HOWELL. I propose to finish shortly, Mr. President. I continue the reading of Major Woods's testimony:

Senator HOWELL. Major, suppose a set of books had been provided in accord with the requirements in other departments by the Comptroller General—had been established at the outset by the Federal Land Bank Board, and this work had been done as he suggested, would it have required any additional help to what they now have?

Major WOODS. Let me see if I understand the question. Do you mean in response to the Senate resolution would it require anything additional?

Senator HOWELL. No; I mean suppose they had set up a set of books at the outset as is required by the Comptroller General where he has authority, and that the employees in that office had written up these books every day as each transaction occurred, would it have required any additional help in that office?

Major WOODS. I think not. I think they have the employees that are competent and capable to do it. Yes, sir; with what they have I think so.

Mr. DALE. Will the Senator from Nebraska yield?

Mr. HOWELL. I yield.

Mr. DALE. I am very much interested not only in what the Senator from Nebraska is discussing, but I am particularly interested in what the Senator from New Jersey has in mind, and I would like to make this suggestion, if the Senator from Nebraska will permit. Why would it not be convenient for the Senator from Nebraska to let the Senator from New Jersey dispose of this matter? It will not take two minutes. Then the coast will be clear for the matter the Senator from Nebraska is discussing.

Mr. HOWELL. I do not want to yield the floor.

Mr. DALE. I do not suggest that the Senator yield the floor, but that he simply yield for the disposition of this matter. There will be no discussion of it—simply a vote—and then it will be ended and out of the way. It seems to me this matter will impede the Senator when he comes to his resolution, because the motion will have the right of way over his resolution.

Mr. EDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. HOWELL. I yield.

Mr. EDGE. Supplementing what the Senator from Vermont has stated, I assure the Senator from Nebraska that a number of Senators wish to go to their offices, and if the motion can be put and settled by the Senate at this time, we will all appreciate it. Under the parliamentary procedure the Senator would be compelled to give up the floor pending action on the motion, but if I secure recognition by the Chair I will gladly yield, and will make no effort to press the bill to-night, so that the Senator can conclude his remarks.

Mr. HOWELL. What is the motion?

Mr. EDGE. The pending motion is that the Senate proceed to consider the Senate bill providing for a reclassification of the salaries of employees in the Postal Service, which has been pending for some time. It is the work of a joint committee of the two Houses after two months' rather laborious consideration. My object, as the chairman of the subcommittee, is simply to have it disposed of, and before the Senate, as the unfinished business.

Mr. STERLING. Then, if the motion prevails, the Senator from New Jersey will immediately ask to lay aside the bill?

Mr. EDGE. It will be laid aside, permitting the Senator to continue his debate. It is merely a matter of convenience.

Mr. HOWELL. Why could not this be taken up after I finish?

Mr. EDGE. Of course, the Senator has the floor, and it is entirely as the Senator elects. There are a number of Senators who are interested in having it disposed of who simply hope that it may be done at this time.

Mr. HOWELL. I do not wish to be discourteous, and if it would be of any advantage, I will yield. However, I do not wish to give up the floor and be deprived of the opportunity of going on this evening. If I can be assured that——

Mr. EDGE. I can only give the assurance of an individual Senator, that being the proponent of the motion, if I can be recognized, as I assume I will be, after the decision, I will yield the floor at once to the Senator from Nebraska.

Mr. HOWELL. I think probably I had better go on.

Mr. President, I wish to call attention to this fact, that these four nominees have been a majority of the Federal Farm Loan Board for nearly one year; that this condition of affairs has continued during this period; not only were three of these nominees involved in the creation of the office of fiscal agent and the elevation of Judge Lobdell to that office, but that the four members had been in control of the Federal Farm Loan Board for about one year, and this is the condition of affairs in which we find the accounts of that institution.

In my opinion, they have simply been riding. They have taken things as they found them. They have gone on in this loose manner, and they would have continued in this loose manner if this investigation had not taken place.

As a consequence, they are not men who can be said to be familiar with this sort of work, and that is one of the failures of our governmental institutions, the placing of men in positions of this character who are unfamiliar with that sort of activity, and as a consequence, when things are going at loose ends, they do not recognize the fact, and it goes on until the crash comes or a scandal is exposed.

If they did know, self-preservation alone would have dictated an immediate change in their method of handling the affairs of the Farm Loan Board, because anyone who has been concerned in public affairs realizes that whereas one may be careless about his own affairs and the expenditure of his own money, when he is careless in public affairs he takes his reputation and sometimes even his liberty in his hands and risks them.

So the Senate is to be confronted with this question, in view of these facts, of these conditions: Can it afford to put its stamp of approval upon the methods which have been in practice right up to the present time by approving and confirming these four nominees?

The fourth specification is, "Unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress." As a result of this analysis and the investigations of the committee it was developed that between $65,000 and $70,000 had accrued through the use of Government credit, and that the funds belong to the United States Treasury, and yet the Farm Loan Board drew out these funds and expended them for various purposes. As to the method by which these accruals took place: Suppose they sold $730,000 worth of Omaha land bank bonds to a customer in Chicago. They would send the bonds, with a draft attached, to Chicago with instructions to collect the face of the bonds, plus the accrued interest, up to, say, the 7th day of June. When the 7th day of June came the customer to whom the bonds had been sold would call for them and pay the face, plus the interest, to the 7th day of June. But, mark you, on the 5th day of June they would ask the Treasury to telegraph the Federal reserve bank in Omaha to pay to the Omaha land bank the face of the bonds, plus accrued interest, only to the 5th day of June. By this method, as the interest upon the bonds would amount to about $100 a day, the Treasury would collect through the Federal bank in Chicago $200 more than it was compelled to pay the Federal land bank in Omaha. Through these methods there accrued to the Treasury between $65,000 and $70,000 as determined by this analysis, and these funds have been drawn out of the Treasury by the farm loan commissioner and expended for various purposes. In an unofficial opinion from the Comptroller General we learned that he holds that those funds belong to the United States Treasury and should have been included in the miscellaneous receipts of the Treasury.

Mr. GLASS. May I ask the Senator if he does not know that in an official opinion by the Undersecretary of the Treasury, he contends that they do not belong to the United States Treasury?

Mr. HOWELL. Mr. President, I know that on the 13th day of May last the Undersecretary of the Treasury wrote a letter to the farm loan commissioner, and I want to read the closing paragraph of that letter. Speaking of an adjustment of the Treasury's claim for these funds, he said:

When I speak of a proper adjustment I appreciate that the argument can be made that all of the profits should inure to the Treasury, since its facilities made the profits possible. It is my understanding, therefore, that unless the adjustment is made promptly with the Treasury on the basis above outlined, my views shall not prejudice the Treasury's recovery of the full amount of the profits.

Mr. GLASS. Yes; but what are the views "above outlined"?

Mr. HOWELL. The views above outlined are that he is willing to compromise with them on a basis of 2 per cent for the use of the money.

Mr. GLASS. In other words, there is a controvery between the Treasury and the Farm Loan Board as to this particular fund, which the Senator should explain is merely constructive interest. It is what the bankers know as the "float," the constructive interest upon a certain sum of money for which credit is given at this end of the line and which is not collected at the other end of the line for several days. As a matter of fact, the Treasury was never out a dollar in the transaction.

Mr. HOWELL. I must take issue with the Senator from Virginia. Is it not a fact that the Treasury gets interest on its daily balances?

Mr. GLASS. Not altogether. It gets interest on its daily balances in recognized depositaries.

Mr. HOWELL. Is it not a fact that all these bonds were delivered through recognized depositaries?

Mr. GLASS. After all is said, the Senator is not charging any misappropriation of funds. He is pointing to the fact that the Treasury claims a part interest in the fund and that the Farm Loan Board denies that the Treasury has any interest in it, as I do not think it has, because the United States Government does not own these banks and the banks are not operated for the benefit of the United States Government. The Treasury puts its facilities at hand for the banks, and now it is proposing, through the Senator, to appropriate this constructive interest which accumulated through a system of that sort.

Mr. HOWELL. If I have the use of tremendous amounts of Government funds for two days, of course, I can make money. But consider, those bonds were sent to Chicago for delivery on the 7th day of June. On the 5th day of June the Farm Loan Board prevails upon the Government to pay the party who owns those bonds par value plus accrued interest. As a consequence the farm-loan bank in Omaha gets its money two days before the Government gets its money, and the Government money is used during the two days. Now, what was the situation? The Government had practically owned the bonds during that period of two days and was entitled to the interest accruing during those two days. It was the result of the Government paying that money two days before it is due, therefore the $200 interest belongs to the United States Treasury. There is no question about that.

Mr. GLASS. Oh, there is a very grave question about it. The Undersecretary himself says there is a question about it, and he wants to compromise it, so grave is the question about it.

Mr. HOWELL. But a few moments ago the Senator suggested that he had stated there was no claim for it.

Mr. GLASS. Was not that the testimony before the committee?

Mr. HOWELL. Absolutely, but I did not intend to bring it up. That letter was written the day before such testimony was given by Chairman Cooper of the board.

Mr. GLASS. I was speaking to the testimony and I have not yet seen the letter from which the Senator quotes.

Mr. HOWELL. I have it here and shall be glad to let the Senator have it. The letter was written on Tuesday, mailed to the Farm Loan Board on that day, and on Wednesday afternoon Governor Cooper made the statement that the Undersecretary of the Treasury had told him that this money did not belong to the United States Treasury. I was amazed at the statement and immediately called up the Treasury. I say immediately, but it was next morning. He said he had made no such statement—he had written Governor Cooper a letter. I said, "Will you send me a copy of that letter?" I have the copy here as a part of this evidence.

Mr. FLETCHER. Who wrote the letter?

Mr. HOWELL. The Undersecretary of the Treasury.

Mr. FLETCHER. What is his name?

Mr. HOWELL. His name is Winston.

Furthermore, I wish to state that the whole question came up last July. It was discussed and the Undersecretary informed the Farm Loan Board that they would no longer pay money in advance of the date of receipt, and there have been no such accruals since July last year. And yet, although these facts were known to the members of the Farm Loan Board, to the four nominees under consideration, they have continued to draw out that money and have spent in the neighborhood of $30,000 since that time. Their attention was challenged to what they were doing, but the trouble is that the Farm Loan Board has gotten in the habit of doing just exactly as it pleases. It has felt that it can run on as it sees fit. What it needs is control by some auditing authority.

Mr. President, I wonder, in view of these facts, inasmuch as the four nominees have been in control of the board for about one year, if the Senate of the United States can afford to put its stamp of approval upon these transactions by approving these nominations?

I come now to the fifth specification, "Looseness and neglect in the disbursement of funds." Public moneys having been expended without vouchers or receipts.

Take, for instance, Mr. President, the $65,000 or $70,000, heretofore referred to, that have been withdrawn from the Treasury without authority and expended without taking a voucher or a receipt. I have never before known of such a procedure in connection with a public enterprise.

Mr. DIAL. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. HOWELL. I yield.

Mr. DIAL. But the expenditure was a proper one, as I understand the Senator?

Mr. HOWELL. Indeed, I am going into that later. I will say to the Senator from South Carolina. First, I am calling attention to the fact that they have expended funds for which they have no vouchers; they can not tell for what the money was expended except as disclosed by stubs of check books and canceled checks; that is as far as they can go.

Take, for instance, Mr. President, the first question that I asked Judge Lobdell before the Committee on Banking and Currency last Wednesday:

Q. Judge Lobdell, who established that Franklin National Bank account?

I wish to state in this connection that for some time they drew on the Treasury for various amounts on the $65,000 or $70,000 of which I have spoken until in September, 1922, when they seemed to think it would be handier to have a private bank account in the name of the farm loan commissioner, and at that time they transferred to the Franklin National Bank $5,000, and from that time on and down until the 16th day of February, 1923, they had transferred some $37,000 to that account and expended it.

Q. Judge Lobdell, who established that Franklin National Bank account?

Judge LOBDELL. It was established pursuant to a conference of the board when I was farm loan commissioner in the name of the Farm Loan Board and subject to the check of the commissioner or the acting or deputy commissioner.

Q. That was while you were commissioner?

Judge LOBDELL. Yes, sir.

Q. Judge, is that a copy of the statement that was submitted to this committee as representing receipts and expenditures in connection with the Franklin National Bank account [handing paper to Judge Lobdell]?

Judge LOBDELL. Senator, I could not tell at a glance; but a copy of the Franklin account down to a given date was read into the record here, and that record is correct.

Q. That is a copy.

Judge LOBDELL. I assume so.

Q. I just want to identify it; that was all. Judge, I will ask you to refer to your vouchers respecting a check issued on that bank on the 6th day of October, 1922, amounting to $563.

I might interpolate here that this $563 was stated in one item in the account rendered, whereas it was represented by two checks, one for $545 and the other for $18.

Judge LOBDELL. That was for $545; Elsie Wilkinson.

Senator HOWELL. $563.

Senator PEPPER. $545.

Judge LOBDELL. There is $545 on the stub book.

Q. Very well. Who was that paid to, Judge?

Judge LOBDELL. The notation here would indicate that.

Senator HOWELL. Who was the check made payable to?

Judge LOBDELL. Elsie Wilkinson.

Q. Elsie Wilkinson. What was that for?

Judge LOBDELL. The notation here is, "Expenses incidental to bond sale." I could not give you the detailed items that enter into that. It would be some bonuses to employees for overtime, extra work, and other incidental expenditures of a sale that had just taken place.

Q. Who paid the expenses?

Judge LOBDELL. Miss Wilkinson disbursed them upon memoranda furnished by myself.

Q. Who were they disbursed to?

Judge LOBDELL. To employees.

Q. Will you give me the names, please?

Judge LOBDELL. I can not without—I do not know that I could at all. These memoranda were made at the time and were there until the account was audited by the auditing committee of the land bank presidents, which audited the accounts on the occasion of each meeting, and were not in the form of permanent vouchers.

Q. Do you mean to say that a check for $500, and how much have you got it there, $45?

Judge LOBDELL. $45.

Q. Do you mean to say that a check for $545 was drawn on this account payable to Miss Wilkinson and that you do not know what it was expended for?

Judge LOBDELL. All I can say is that I do not now know what it was expended for, but I did then, and it was properly expended.

Q. And you have no records whatever as to who got that money?

Judge LOBDELL. I would not say that. I could not say that I have had at any time. I can not tell you now, but I know that the record was only on memoranda to collect and disburse so much money to these various people.

Q. I asked you to bring over any data you had in reference to this matter?

Judge LOBDELL. You never asked me to bring anything.

Q. Can you give us something in reference to the expenditure of that money?

Judge LOBDELL. You did not ask me to bring anything.

Q. Well, I called you up over the telephone.

Judge LOBDELL. And I doubt very much if there could be found in the office of the Farm Loan Board now that memorandum which I then made.

Q. Very well. So you can not tell us who got that money?

Judge LOBDELL. No, sir; I can not.

This was the second Franklin National Bank item; $563 was the amount of these two checks. There is nothing, Judge Lobdell states, in the office of the Farm Loan Board that indicates who got that money; but the money was drawn and paid to a young woman in the office, and she expended it. Judge Lobdell says that he can not tell to whom she gave it. Mr. President, that is an example of the way they have been conducting the affairs of the Farm Loan Board.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. HOWELL. I do.

Mr. GLASS. I wonder if the Senator thinks that is exactly a fair statement of that item and that Judge Lobdell did not know, and the Farm Loan Board did not know, what that $563 was drawn for and what disposition was made of it. Is not this the explicit fact, as testified to there, that periodically the Farm Loan Board, without any statutory obligation upon it but as a matter of service to the system, undertook to sell for the 12 land banks a certain aggregate amount of bonds the proceeds of which would thereafter be distributed to the 12 banks; that periodically when that should happen it was necessary to require the regular force of the Farm Loan Board to work over hours, night and day, because the board had no other facilities for the transaction of this particular business; that these regular employees for a period of 10 days or more would work overtime, night and day; that the chief clerk would keep a memorandum of the persons that were working over hours, night and day, and of the amount of overtime to which they were entitled; and that at the end of the period of bond sales a check would issue to the chief clerk, in the aggregate, and that the chief clerk would pay to the various employees their overtime? So that there was no question and never has been and could not be as to what the money was drawn for and as to the disposition of the money. The fact that Judge Lobdell several years afterwards can not state the names of the persons and in detail the amount that each person received is not of any significance.

Mr. HOWELL. Mr. President, it may be that the distinguished Senator from Virginia thinks that it is perfectly proper to draw funds from the Public Treasury and disburse them and not take a receipt or a voucher and furthermore be utterly unable to tell who got the money.

Mr. GLASS. Well, the Senator from Virginia does not think that that is a fair statement of the case; that is all.

Mr. HOWELL. That is exactly what took place. Judge Lobdell says he can not tell to whom that money went. But, Mr. President, let me continue further with the testimony of Judge Lobdell respecting this item of $563:

Q. No, sir; I went there for this purpose, to go into this matter. Now, Judge Lobdell, will you kindly tell this committee how much of that money you got?

Judge LOBDELL. Personally not one cent. Now, it is very possible that in the course of the bond sales I had advanced money to pay for meals for somebody and was reimbursed. I can not answer for that. But for my own account, not one penny ever.

Q. Is it not a fact that you received $55 of that amount?

Judge LOBDELL. Very probably so, sir, as I have stated.

Q. Do you know what you used that money for?

Judge LOBDELL. If I received it, I had advanced it to Mr. Field, who has charge of the feeding operations, for the purpose of securing meals. Occasionally it became necessary when we had to ship bonds out after the Treasury closed or on Sunday to hire taxicabs and guards to take them to the down-town office. We paid those expenses. I know at different times I did advance money.

Q. Who would you advance it to?

Judge LOBDELL. Ordinarily to O. J. Field.

Q. I asked you to whom you advanced this $55.

Judge LOBDELL. I do not remember that I got money in that connection. It would be beyond peradventure to whom I did advance it.

Q. Didn't you state to me that you did receive that amount of money?

Judge LOBDELL. Probably so. When I wrote the memorandum it probably was included in the memorandum.

Q. And you can not state what it was used for?

Judge LOBDELL. I say it was advanced for somebody who was paying these expenses and that accrued.

Q. Is that as far as you can go in that explanation?

Judge LOBDELL. Yes, sir.

Mr. President, I think I have made it plain in what I have said before that I am not here charging dishonesty. I have only touched the edge of these affairs; but I am here to say that a public official who conducts in this manner the affairs under his trusteeship is subject to the severest criticism. I am not going to tire the Senate with other matters that I went into. There were hundreds of items, and the committee allowed me to go into less than 20, on just one afternoon. Why, the very next item that I had on my list was $1,000 paid to Judge Lobdell for personal expenses. I only had the opportunity, in these transactions involving $881,000,000, of asking him about $7,000 of items.

Mr. GLASS. The Senator has disclosed the fact that out of a total expenditure of $881,000,000, covering a period of nearly eight years, he wanted the committee to sit there and hear him discuss with Judge Lobdell questions as to whose meal ticket he paid when those bond transactions were in progress.

Mr. HOWELL. Mr. President, when a public official draws money from the Treasury he at least owes it to the public to secure a receipt or a voucher, and when you assume the position that it is unnecessary for him to do so you have taken a tremendously dangerous position in respect to public affairs.

I have been a public official for years. I would not think of expending a dollar without taking a receipt or a voucher. In fact, although I managed the gas, water, and ice plants in Omaha for years, and our income was three and a half million dollars, I would not expend a dollar in actual money. Everything had to be paid by check, with a requisition and voucher. It is the only safe way to proceed.

Mr. GLASS. Mr. President, the logic of the Senator's position is that because Judge Lobdell did not take a receipt for these meal tickets, therefore these four gentlemen are not fit to be confirmed as members of the Federal Land Bank Board.

Mr. HOWELL. Did he take receipts for any of these payments?

Mr. GLASS. I have stated to the Senate just exactly what the process was. The stubs of the checks showed just the aggregate amount that was paid on these occasions. Judge Lobdell stated to the entire satisfaction of the Banking and Currency Committee just exactly what these comparatively trivial amounts were used for—paying regular employees for overtime work, night work, at these occasional periods of excessive activity—and Judge Lobdell, as to his own account, testified to the committee that it frequently occurred that he would advance

have the copy here as a part of this evidence.

Q. Very well. Who was that paid to, Judge?

guished Senator from Virginia thinks that it is perfectly proper | the committee that it frequently occurred that he would advance

a trivial sum out of his own pocket to pay for the meals of these employees after bank hours. I think Judge Lobdell manifested extraordinary self-control and patience when a Senator was pounding the desk and asking him, "What did you do with that $4.66 three years ago?"

Mr. HOWELL. When I asked the judge such questions, he said: "I did not take a receipt for it and I can not tell you what I did with it, or whether it is in my pocket or not." That is the fact. Judge Lobdell admitted that there had been drawn from that account $37,000, and that they had no vouchers or receipts; and this $565 was the second item on the Franklin National Bank account, and the committee only allowed me to go into 20 items all told, and then said, at the close of the afternoon, "We do not think it is a good idea to go on," and closed the hearings.

Mr. GLASS. Were they not 19 repetitions of the first item? Were they not of the same nature exactly?

Mr. HOWELL. I wonder if the Senator thinks that because you find that one item has been treated improperly it is useless to go into other similar items that have been also treated improperly?

Mr. GLASS. Oh, no. What I did think—and the committee agreed with me—was that when we found that one item was treated properly, that there was no imputation whatsoever, implicitly or otherwise, of wrongdoing, we did not want to sit there all day long, day after day, listening to repetition of the same sort of testimony.

Mr. HOWELL. Mr. President, let me make it clear to the Senate again that after spending nearly two months going into these accounts this committee generously gave me one day to present the facts, and that I had the opportunity granted me of asking questions respecting not to exceed 20 items, involving not more than $7,000 of these tremendous transactions. Then the committee considered that they had had enough.

Mr. GLASS. Just let the Senate for a moment consider this aspect of the case: There we were, called together textually to pass upon the fitness of four nominees as members of the Federal Land Bank Board, and the Senator was traversing thousands upon thousands of cash items that were entered from five to seven years before these gentlemen were nominated to the Senate for positions on this board. If the Senator will tell me what a cash item entered as far back as 1917 had to do with the fitness for membership on this Land Bank Board of four men appointed in 1923, perhaps he may induce me to agree with him.

Mr. HOWELL. Mr. President, the trouble is this: These were not new appointees. These men had served for about a year, and these men promoted Judge Lobdell from a position of $10,000 a year to one of $25,000 a year.

Mr. GLASS. And the Senator thinks that because these four men who had served a year could not tell what became of a meal ticket seven years theretofore they are unfit to be members of that board.

Mr. HOWELL. Mr. President, I hold in my hand the statement of the Franklin Bank account. That account alone comprises 212 items. I was allowed to question Judge Lobdell alone—not the farm-loan commissioner or another member of the board—respecting these items. He was the only man; and when we got down to July 1, 1923, Judge Lobdell said: "Well, now, Senator, I can not tell you anything about what occurred after that time, because you know I was not then farm-loan commissioner." Did they put on the stand Governor Cooper, as I had asked? No; they went into executive session and then adjourned. They refused to go further. Did they put these nominees on the stand? No; the committee did not allow me to ask any one of them a question.

Mr. GLASS. I wonder if the Senator thinks he is just accurate there; that we would not go further. Read the record and see what it shows. It shows that I made the motion that unless the Senator had evidence of a new nature to present that we close the hearings. He did not ask that Governor Cooper or any member of the board be put on. He did not venture to say that he had anything of a different nature to prove than that which he had already presented. Had he done that the committee was perfectly willing to go on. That was the very prelude to the motion I made.

Mr. HOWELL. Mr. President, at the opening of this the last hearing, May 14, 1924, I presented a letter to the chairman of the Committee on Banking and Currency. That letter indicated just whom I wanted to call to the stand, but when the distinguished Senator from Virginia, a member of that committee, proposed to close the hearing, I called the committee's attention again to the letter, and I think you will find that included the last word I said; that I wanted to go on, yet the Senator from Virginia says I had nothing further to show.

Mr. GLASS. I do not say the Senator had nothing further to show.

Mr. HOWELL. That is true. I beg the Senator's pardon.

Mr. GLASS. What I distinctly did say was that if the Senator had anything of a different nature to show, I was willing to sit there and hear him.

Mr. HOWELL. But when I had asked that the other members of the Farm Loan Board he put on the stand, does not that indicate that I must have had something else to show?

Mr. GLASS. That letter had gone in at the first moments of the hearing.

Mr. HOWELL. No; I beg the Senator's pardon. I just offered it the other day when you started—May 14.

Mr. GLASS. As a matter of fact, you mailed it to us. I had a copy of it before the meeting was opened.

Mr. HOWELL. I sent it to the chairman, but as we proceeded I called the attention of the committee to that letter, and asked to have the witnesses there. When the committee decided not to allow me to go any further into the matter, I again called their attention to that letter and indicated my desire to proceed. They stopped me. They were reluctant to proceed. In fact, closed the hearings.

Mr. GLASS. That, Mr. President, I feel compelled to deny. The committee did not stop the Senator. The committee offered the Senator every opportunity in the world to present any new evidence, but the committee was not willing to sit there interminably and listen to a repetition of the meal-ticket proposition, and things of that description.

Mr. HOWELL. Mr. President, I regret very much that the testimony taken at these hearings has not yet been printed, but I think my memory is quite accurate with reference to the last thing I said at that hearing. I did insist that I should have the privilege of going on and calling these witnesses to the stand, and the committee refused—I state this now—to go on with that hearing.

Mr. GLASS. If the Senator will recall, his recollection during the hearing was not particularly accurate, because he expressed a willingness to go on the stand and testify under oath that the signature of a young man to a check was affixed within a few days theretofore, since he had originally seen that check, but the young man himself went on the stand and testified that he had indorsed that check months and months ago, perhaps years ago. The Senator will remember that, will he not?

Mr. HOWELL. The Senator is quite right, Mr. President——

Mr. GLASS. If I may intervene right here——

Mr. HOWELL. May I continue just a moment. I have given a great deal of attention to this matter. I could not get at all the records, but there were some few records that I examined. My memory was that certain checks were not in the condition in which they were when I had examined them before, I expressed my doubts at the time. Subsequently, however, I would not say positively, and if the Senator will remember, I said I would not then go any further respecting the checks, that "I will make no statement at this time." I became satisfied afterwards that I was mistaken.

Mr. GLASS. The Senator just said this, in terms; he took the check and examined it, and then he threw it down on the table and said, "I would go on the stand and take oath that that second signature was not on that check when I examined it several days ago."

I had no conception that these matters were to be discussed in the open Senate here. Evidently no other members of the committee had, because no other member of the committee is here. But I ask the Senator to let me insert in the RECORD, or if the Senator will, to insert in the RECORD, the letter of the Undersecretary of the Treasury from which he was willing to read only the last sentence a while ago with respect to this accumulated float.

Mr. HOWELL. Mr. President, I beg the Senator's pardon. I do not think the Senator wishes to place me in an improper light. I have had a great deal of territory to cover here, and I did not wish to read the entire letter. I read the latter portion of that letter.

Mr. GLASS. But that did not indicate the true import of the letter. The letter itself sustains my position absolutely, that the Treasury gave its facilities to the Federal Farm Loan Board for these bond transactions. There was no statute that compelled the Treasury to do it. There was nothing to authorize the Farm Loan Board to demand that the Treasury should do it, but the Treasury gave its facilities to the Farm Loan Board. And now, after this float has accumulated, there is a controversy as to the ownership of a part of that fund. I would not think the Senator could have any objection whatsoever to

printing in the RECORD at this point the letter of the Undersecretary of the Treasury.

Mr. HOWELL. Absolutely not.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE UNDERSECRETARY OF THE TREASURY,
Washington, May 13, 1924.

MY DEAR GOVERNOR COOPER: Major Woods, who made an analysis of the account of the farm-loan commissioner for the Treasury, which account has been submitted pursuant to a Senate resolution to the Banking and Currency Committee of the Senate, is now preparing for me a statement showing the actual amount of credit given by the Treasury from time to time to the farm-loan commissioner in connection with the sale of farm-loan bonds and intermediate-credit debentures. The original practice of the Treasury was to give the farm-loan commissioner immediate credit when he deposited with the Treasurer of the United States a draft drawn on a purchaser of farm-loan bonds. In the usual course the draft was presented a day or so later and carried with it necessarily the extra day or days' interest on the farm-loan bonds which were being sold. This additional interest increased the farm-loan commissioner's account and was received only because of the immediate credit given by the Treasury. Since July, 1923, this practice of giving immediate credit has been changed, and at present the Treasury's relations with the farm-loan commissioner provide that the credit shall be available only when the draft representing the sale of the bonds is paid, so that since July none of this accretion has come into the accounts of the farm-loan commissioner.

The farm-loan bonds sold carried interest at from 4¼ per cent to 4½ per cent per annum, and the accretions to the farm-loan commissioner's funds by reason of the credit given by the Treasury were, therefore, at this rate. The farm-loan bonds, however, at no time belonged to the Treasury, and, in my opinion, the rate of interest that these bonds bore is immaterial. Had the Treasury not given you the immediate credit you could probably have arranged similar credit with commercial banks. The question between the Treasury and you is therefore confined solely to the value of this immediate credit facility which could not exceed what you could have had a similar facility elsewhere for, and in my opinion should not be lower than what the Treasury would have received on bank balances on deposit with commercial banks. Since the Farm Loan Board is one of the Government facilities, the Treasury should make no profit out of transactions between the Treasury and the farm-loan commissioner.

I therefore feel that the proper adjustment between the Treasury and the farm-loan commissioner during the period that immediate credit was given should be interest on the amount of credit extended at the rate of 2 per cent, being the same rate paid on Government deposits by commercial banks, the relation in respect to this immediate credit between the farm-loan commissioner and the Treasury being considered that of banker and customer. When I speak of a proper adjustment I appreciate that the argument can be made that all of the profit should inure to the Treasury, since its facilities made the profit possible. It is my understanding, therefore, that unless the adjustment is made promptly with the Treasury on the basis above outlined, my views shall not prejudice the Treasury's recovery of the full amount of the profit.

Very truly yours,

GARRARD B. WINSTON,
Undersecretary of the Treasury.

Hon. R. A. COOPER,
Farm Loan Commissioner,
Federal Farm Loan Board, Washington, D. C.

Mr. HOWELL. I wish to call the Senator's attention to this fact, that whereas the distinguished Senator from Virginia suggests that this credit was given to the Farm Loan Board, yet the Treasury is now trying to get back part of it, at least.

Mr. GLASS. Oh, yes; but the Undersecretary states precisely there that the facility could have been gotten by the Farm Loan Board, very likely, from the banks of the country, and it was not doing it any very great service to tender the facilities of the Treasury to a newly established credit facility for the relief of the farmers of the country. Because a float has accumulated, somebody has suggested to somebody to put in a claim for a part of the money. I do not think they are entitled to a dollar of it.

During the delivery of Mr. HOWELL'S speech,

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SNYDER, Mr. DALLINGER, and Mr. HASTINGS were appointed managers on the part of the House at the conference.

The message also announced that the House had receded from its disagreement to the amendment of the Senate No. 21 to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes; receded from its disagreement to the amendments of the Senate Nos. 22 and 23 to the said bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

ORDER FOR THURSDAY EVENING ON THE CALENDAR

Mr. CURTIS. Mr. President, I ask the Senator from Nebraska to yield in order to allow me to present a request for unanimous consent and let whatever debate occurs under it be placed either before or after the Senator's remarks.

Mr. HOWELL. I yield for that purpose.

Mr. CURTIS. I ask unanimous consent that when the Senate concludes its business on Thursday afternoon next it shall take a recess until 8 o'clock in the evening and that at the evening session, between 8 and 11 o'clock, the calendar shall be taken up under Rule VIII, beginning where we left off at the last call of the calendar, which was, as I recall, Order of Business 464.

The PRESIDENT pro tempore. Is there objection?

Mr. MOSES. And unobjected bills only to be considered.

Mr. SMOOT. Just a moment. The Senator left out the reference to unobjected bills.

Mr. CURTIS. To consider only unobjected bills on the calendar.

Mr. NORRIS. I wish to say to the Senator that the Committee on Agriculture is meeting at night now, as well as during the day, and I want it understood that there will be no other business transacted.

Mr. CURTIS. I confine my request to the consideration of unobjected bills on the calendar.

Mr. JONES of Washington. Mr. President, I wish to ask the Senator whether we are likely to have an opportunity for the consideration of bills on the calendar to which there may be objection or which, probably, not being objected to, may require longer debate than can be had under the five-minute rule.

Mr. CURTIS. Mr. President, it was my intention, if we could get through the calendar of unobjected bills on next Thursday night—and I think we can do that—then to ask for an adjournment each evening for several days so that there may be two hours in the morning to take up bills on motion.

Mr. JONES of Washington. I wish to say to the Senator and to the Senate that there are two or three bills on the calendar that are quite important. I do not anticipate that there will be objection to them, or that it will be desired to discuss them to any considerable extent, although as to one of them a Senator, while not opposing the bill, wishes to take about a half hour to discuss it. Those bills are of considerable importance, however, and I want to say that I want them considered and acted upon before this session is over.

Mr. CURTIS. Mr. President, I will even add, further, that if these unobjected bills are completed I should be willing to ask for a night session to consider bills on the calendar when the committees get through holding their night sessions.

Mr. SMOOT. That does not apply, however, to Thursday?

Mr. CURTIS. No; Thursday night, unobjected bills under the five-minute rule.

The PRESIDENT pro tempore. Is there objection?

Mr. JONES of Washington. Mr. President, I want to say just a word further. I do not want to coerce anybody, or anything like that; but there are, as I say, two or three of these bills on the calendar that I am going to insist so far as I can on having disposed of before the Senate quits for the summer.

Mr. ROBINSON. Mr. President, I want to make this announcement: The Committee on Interstate Commerce has reported a bill which forbids the collection of what is known as the Pullman surcharge. There have been introduced in the body at the other end of the Capitol some 80 or 90 bills, and there have been introduced in this body some 10 or 15 bills to the same effect. I desire to move at the first opportunity that the Senate proceed to the consideration of this bill if objection is made when it is reached on the calendar under the order that the Senator from Kansas suggests. I have no objection to the request for Thursday evening submitted by the Senator from Kansas.

Mr. CURTIS. This is only unobjected bills.

Mr. ROBINSON. Only unobjected bills.

Mr. JONES of Washington. I will state frankly that one of the two bills I have in mind is the bill amending a couple of sections of the shipping act, to which I anticipate there will be really no objection, and which I have not had any time with yet. We have not reached it. The other bill is a very important measure relating to the fisheries in Alaska. That bill ought to be passed very, very soon. I shall not object to this request.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the agreement is entered into.

The agreement was reduced to writing, as follows:

It is agreed by unanimous consent that when the Senate concludes its business on Thursday afternoon, May 22, 1924, it take a recess until 8 p. m.; that at the evening session the Senate shall consider only unobjected bills on the calendar under Rule VIII, and at not later than 11 p. m. take a recess or adjourn until Friday.

ORDER FOR RECESS.

Mr. EDGE. Mr. President, I make the request that when the Senate concludes its business to-day it take a recess until 12 o'clock noon to-morrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

After Mr. HOWELL had yielded the floor for the day,

APPROPRIATIONS FOR THE STATE AND JUSTICE DEPARTMENTS, ETC.

Mr. JONES of Washington submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

MILTON W. SHREVE,
GEO. HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

Mr. ROBINSON. It is not a complete agreement?

Mr. JONES of Washington. It is a complete disagreement, and I am going to ask that the amendments made by the House to the two Senate amendments be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. JONES of Washington. I ask that the action of the House be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
May 20, 1924.

Resolved, That the House recedes from its disagreement to the amendment of the Senate No. 21 to the bill H. R. 8350, entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes," and concurs therein.

That the House recedes from its disagreement to the amendment of the Senate No. 22, and concurs therein with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "each, whose aggregate compensation shall not exceed $30,000."

That the House recedes from its disagreement to the amendment of the Senate No. 23, and concurs therein with an amendment as follows: In lieu of the language inserted by said amendment insert the following: "but the Attorney General may fix the compensation of not to exceed six persons at not to exceed $10,000 each."

Mr. JONES of Washington. I move that the Senate agree to the amendments of the House to the amendments of the Senate Nos. 22 and 23.

Mr. ROBINSON. Will the Senator explain briefly the effect of agreeing to his motion?

Mr. JONES of Washington. As the Senate passed the bill we provided for two attorneys, who might be paid only $10,000 a year. The House inserted an amendment so that the aggregate of the two should not exceed $30,000.

In the other case the Senate provided for eight; that the Attorney General might fix the salary up to $10,000. This limits it to six.

Mr. ROBINSON. I see no objection to the motion.

The motion was agreed to.

EXECUTIVE SESSION

Mr. OVERMAN. I move that the Senate proceed to the consideration of executive business.

Mr. EDGE. Will the Senator from North Carolina withhold that motion for a moment?

Mr. OVERMAN. I will withhold the motion for a moment.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. EDGE. Is it not entirely parliamentary now for the President to put the motion which is now pending to make Senate bill 1808 the unfinished business? Can not that be done?

The PRESIDENT pro tempore. The motion made by the Senator from North Carolina can be made at any time, and it does not disturb the motion of the Senator from New Jersey.

Mr. EDGE. I appreciate that my motion is still pending, but I am wondering if we can not call it up to-night, inasmuch as the Senator from North Carolina withholds his motion.

The PRESIDENT pro tempore. The Senate can dispose of the motion of the Senator from North Carolina by a vote. The question is on agreeing to the motion of the Senator from North Carolina that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 6 o'clock and 5 minutes p. m.), under the order previously made, took a recess until to-morrow, Wednesday, May 21, 1924, at 12 o'clock m.

NOMINATIONS

Executive nominations received by the Senate May 20, 1924.

PROMOTIONS IN THE NAVY

The following-named midshipmen to be ensigns in the Navy from the 5th day of June, 1924:

Everett W. Abdill.
Crutchfield Adair.
Reed M. B. Adams.
John L. Allen.
Howell Arnor.
Noble W. Abrahams.
Joseph W. Adams, jr.
John F. Addons.
Rae E. Arison.
Bernard L. Austin.
Leo A. Bachman.
William E. Bailey.
Hanson W. Baldwin.
Frank H. Ball.
Herbert R. Ballinger.
Arthur D. Barnes.
Arthur W. Bass.
Herbert P. Bearce.
Stephen R. Bedford.
Frederick J. Bell.
Donald B. Bennett.
Robert S. Bertschy.
Brainerd N. Bock.
Phillip M. Bolte.
Maurice M. Bradley.
Wilkie H. Brereton.
Laurance L. Browning.
Samuel M. Bailey.
Roland V. Baillie.
John A. Baldwin.
Thomas J. Ball.
Stephen G. Barchet.
Richard S. Baron.
Wallace M. Beakley.
Charles E. Beatty.
Adolph Bednar.
Russell J. Bellerby.
Elmer E. Berthold.
LeRoi B. Blaylock.
Alfred J. Bolton.
Richard J. Bourke, jr.
John W. C. Brand.
William D. Brown.
Paul K. Bryant.
Forrest R. Bunker.
Harry Burris.
Stone R. Bush.
George M. Brydon, jr.
Eugene C. Burchett.
Sherman E. Burroughs, jr.
John W. Buxton.
Joe M. Cabanillas.
Joseph A. Callaghan.
Allen P. Calvert.

Thomas S. Cameron.
Robert I. Campbell, jr.
Arthur G. Carney.
Chester E. Carroll.
Robley W. Clark.
Willis E. Cleaves.
Forrest Close.
William M. Cole.
Dewey H. Collins.
Stockton B. Colt, jr.
Edward P. Creehan.
Charles B. Cross, jr.
Carl E. Cullen.
Shirley Y. Cutler.
Allston D. Calhoun, Jr.
Charles H. Callaway.
Donald A. Cameron.
Lee F. Campbell.
Richard P. Carlson.
Robert S. Carr.
Ralph C. Carroll.
Albert J. Clausen.
Edward W. Clexton.
William P. Cochran, jr.
Lewis E. Coley.
Howard L. Collins.
John F. Cooke.
John P. Cromwell.
Edward F. Crowe.
Edmund A. Cunningham.
James R. Dancy.
John C. Daniel.
Frederick A. L. Dartsch.
Frank R. Davis.
Douglas T. Day, jr.
Harold R. Demarest.
Maurice M. De Wolf.
Arthur B. Dickie.
Edward V. Dockweiler.
Joseph F. Dahlgren.
Henry C. Daniel.
Tillman T. Dantzler.
Edmund B. Dascomb.
William V. Davis, jr.
Frank E. Dean.
William V. Deutermann.
Walter C. Dey.
Henry C. Doan.
Burton L. Doggett.
William S. Domer.
Hammond J. Dugan.
Peter H. H. Dunn.
Thomas H. Dyer.
Henry C. Drexler.
Irving T. Duke.
William H. Duvall.
Walter T. Eckberg.
Louis B. Edwards.
Arthur B. Elliott.
Norman W. Ellis.
William L. Erdmann.
Robert W. Esmond.
William A. Evans, jr.
Kenneth Earl.
Harold B. Edgar.
Clarence E. Ekstrom.
Ezra M. Ellis.
John T. Engeman, jr.
Hampton M. Ericsson.
George W. Evans, jr.
Joseph A. Farrell, jr.
Clifford A. Fines.
William G. Fisher.
James M. Flynn.
Joseph W. Fowler.
Dennis L. Francis.
Thomas E. Fraser.
Frederick R. Furth.
Donald W. Fairbairn.
Charles A. Ferriter.
Howell C. Fish.
Hickory C. Flood.
Clinton H. F. Folger.
William C. France.
Louis P. Frank.
Archie J. Freels.
Wayne N. Gamet.
Francis H. Gardner.
Herbert K. Gates.
Robert Goldthwaite.
Tom Gore, jr.
Walter M. Graesser.
George M. Granbery.
Orville F. Gregor.
Thomas R. Griffith, jr.
Edward F. Gallagher.
Richard G. Ganahl.
Joseph H. Garvin.
Edward E. Gminder.
Henry W. Goodall.
Marcel E. A. Gouin.
Paul Graf.
Francis J. Grandfield.
Arthur A. Griese.
Louis H. Gwinn.
Harrell W. Hall.
Alvin B. Harmon.
John C. Harris.
Albert Handly.
Dale Harris.
Henry H. Harrison.
Frederick C. Hartman, jr.
Warren W. Harvey.
Leslie H. Hawkinson.
John D. Hayes.
Hubert M. Hayter.
Truman J. Hedding.
Lee R. Herring.
William A. Hickey.
Charles M. E. Hoffman.
James B. Hogle.
John S. Holtzclaw.
Arthur N. Hooper.
Hallsted L. Hopping.
Henry P. Howard, jr.
Crichton N. Hubbard.
Edward N. W. Hunter.
John K. Hyatt.
Glenn R. Hartwig.
Robert S. Hatcher.
John A. Hayes.
William S. Hays.
Francis M. Heddens.
Minor C. Heine.
Lewis B. Herrington, jr.
Stuart W. Hill.
John T. Hogg.
John A. Holbrook.
Francis M. Hock.
Howard V. Hopkins.
Donald F. Horne.
Charles S. Hough.
George F. Howland.
Thomas A. Huckins.
Adrian M. Hurst.
Jere D. Hyde.
Frederick J. Ilsemann.
Elijah W. Irish.
Joseph F. Johnson.
Robert H. G. Johnson.
Howell A. Jones.
Richard F. Johnson, jr.
Michael I. Kearns.
Samuel G. Kelly.
Harry G. Kent.
George C. King.
Thomas J. Kirkland, jr.
Arnold R. Kline.
Alexander W. Kreiser, jr.
William A. Kanakanui.
Robert H. Keliher.
John M. Kennaday.
Robert A. Keyer, jr.
Sidney King.
Gordon D. Kissam.
Wendell E. Kraft.
Alfred T. Krock.
James S. Laidlaw.
James C. Landstreet.
Hugh R. Lamberth.
Wilfred E. Lankenau.
Samuel E. Latimer.
Edwin T. Layton.
Charles L. Lee.
Harold M. Leslie.
Joseph S. Lillard.
Theodoric C. Linthicum.
Robert G. Lockhart.
James D. Lovejoy.
Robert W. Larson.
Frank C. Layne.
Walter D. Leach, jr.
Charles A. Legg.
Arthur B. Leverett.
Albert R. Linholm.
Roy W. Lishness.
William J. Longfellow.
Sumner K. MacLean.
Frank W. MacDonald.
William R. McCaleb.
Ralph T. McDaniel.
Charles E. McDonald.
Archibald G. W. McFadden.
Ira C. McKee.
Donald F. McLean.
Hugh B. McLean.
Daniel J. McCallum.
Charles C. McDonald.
James F. McDonough.
James H. McIntosh.
Alonzo E. McLaughlin.
Ephraim R. McLean, jr.
Lawrence J. McPeake.
Wilbur L. Mellon.
William N. Mansfield.
Hugh J. Martin.
William G. Michelet.
Ralph E. Mills.
William J. Mitchell.
Elliott M. Moore.
John H. Morrill.
Elbert M. Murphy.
Austen V. Magly.
John A. Marsh.
Bob O. Mathews.
Preston V. Mercer.
Harold B. Miller.
Robert O. Minter.
George C. Montgomery.
Armand M. Morgan.
Richard S. Moss.
Edgar T. Neale.
Bromfield B. Nichol.
Thomas D. Napier.
Clyde J. Nesser.
Louis W. Nuesse.
Ira H. Nunn.
Charles W. Oexle.
John N. Ople, 3d.
Adolph H. Oswald.
Solomon F. Oden.
Gerald B. Ogle.
William R. Ostertag.
James R. Pahl.
Elton C. Parker.
Richard J. Penny.
Roger E. Perry.
George Edmund Peterson.
Woodward Phelps.
Roger D. Phillips.
Claiborne H. Price.
Herrmann G. Page.
Elbert A. Palmer, jr.
George W. Patterson, jr.
Albert N. Perkins.
Wallis F. Petersen.
George Edward Peterson.
Neill Phillips.
Richard E. Playter.
Bertrand D. Quinn.
Arthur M. Quale.
Donald J. Ramsey.
Edward W. Rawlins.
Claude B. Reese.
Fitzhugh L. Rhea.
William L. Richards.
James B. Ricketts, jr.
Virginius R. Roane.
George N. Robillard.
Louis Roedel.
John B. Rooney.
Milton H. Rothis.
John R. Ruhsenberger.
Thomas C. Ragan.
Andrew K. Randolph.
Henry T. Read.
George Reitli, jr.
Lester K. Rice.
Henry E. Richter.
Thomas C. Ritchie.
Norman K. Roberts.
Hunter R. Robinson.
Eugene C. Rook.
Rufus E. Rose, jr.
Colby G. Rucker.
Burnice L. Rutt.
Herman Sall.
Merle A. Sawyer.
John J. Scheibeler.
Max Schreiner.
Erskine A. Seay.
John T. Shannon.
John R. Sanford, jr.
Robert E. Sayre.
Charles A. Schenck, jr.
Eugene T. Seaward.
Elliott W. Shanklin.
Louis D. Sharp, jr.
Joshua C. Shively.
Theodore J. Shultz.
Walter W. Siegrist.
George A. Sinclair.
Thomas U. Sisson.
James W. Smith.
Harrison B. Southworth.
Emory W. Stephens.
William P. Stone.
George W. Stott.
Franklin A. Strohecker.
James E. Sullivan.
Robert L. Swart.
Harold M. Sylvester.
Herbert P. Sheldon.
Wallace B. Short.
Paul W. Siegrist.
William F. Simmons.
Samuel J. Singer.
Harold P. Smith.
Thomas C. Southerland.
John E. Spahn.
Gordon M. Stoddard.
Max C. Stormes.
Richard F. Stout.
Charles J. Stuart.
Robert C. Sutliff.
John M. Sweeney.
Edwin J. Taylor, jr.
Myron S. Teller.
Thomas H. Templeton.
Lloyd H. Thomas.
William B. Thompson.
Harold H. Tiemroth.
James R. Topper.
Arthur M. Townsend.
Thomas A. Turner, jr.
William P. Tammany.
Joseph I. Taylor, jr.
Harry B. Temple.
Joseph P. Thew.
Arthur L. Thompson.
Murray J. Tichenor.
Charles T. Tonkin, jr.
George C. Towner.
Osgood V. Tracy.
Walter V. R. Vieweg.
Aurelius B. Vosseller.
William E. Verge.
Robert A. Vos.
John C. Waldron.
Audley L. Warburton.

Ethelbert Watts.
Richard C. Webb, jr.
Alan Weir.
Edmund W. Whitehead.
Robert T. Wald.
Raymond R. Waller.
John T. Warren.
Paul L. F. Weaver.
William W. Weeden, jr.
Homer R. Wheeler.
David D. Wight.
Charles W. Wilkins.
Jack B. Williams.
Stanley A. Williams.
Clarence L. Winecoff.
Edgar L. Wittmer.
Arthur C. Wood.
Joseph J. Woodward.
Joseph M. Worthington.
Warren D. Wilkin.
Edwin R. Wilkinson.
Roy D. Williams.
Ralph E. Wilson.
Cameron M. Winslow, jr.
Joseph E. Wolowsky.
Chester C. Wood.
Edward L. Woodyard.
Joseph M. P. Wright.
Elmer E. Yeomans.
Edward W. Young.
Rufus C. Young, jr.
Berndard T. Zelenka.

The following-named midshipmen to be assistant paymasters in the Navy, with the rank of ensign, from the 5th day of June, 1924:

Joe T. Davies.
George E. Hake.
Joseph L. Herlihy.
Malcolm A. Norcross.
William L. Patten.
Alfred P. Randolph.
John E. Wymond.

MARINE CORPS

The following-named midshipmen at the United States Naval Academy to be second lieutenants in the Marine Corps from the 5th day of June, 1924:

Raymond A. Anderson.
Robert O. Bare.
Herbert P. Becker.
George H. Bellinger, jr.
Theodore Blanchard.
Arthur G. Bliesener.
Charles F. Cresswell.
Lawrence W. Dalton.
Charles L. Fike.
Floyd M. Fletcher.
Walter H. French.
James H. N. Hudnall.
Alan T. Hunt.
Ralph D. McAfee.
Charles G. Meints.
William C. Purple.
Charles F. Replinger.
John R. Rhamstine.
Frank E. Sessions, jr.
Prentice A. Shiebler.
Perry K. Smith.
Gerald H. Steenberg.
Henry P. Stevens, jr.
Walter J. Stuart.
Donald G. Willis.

APPOINTMENTS IN THE NAVY

The following-named citizens of the States indicated opposite their names to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 12th day of May, 1924:

Ora M. Holman of Indiana.
Clifton A. Young of Pennsylvania.

The following-named citizens of the States indicated opposite their names to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 10th day of June, 1924:

Walter B. Wolfe of Missouri.
John M. Bachulus of Connecticut.
David C. Elliott of Ohio.
Harry D. Templeton of Indiana.
Cleveland E. Branner of Virginia.
Charles Stewart of Pennsylvania.
William H. Turnley of Virginia.
William A. Strauss of Maryland.
Walter F. J. Karbach of Texas.
Charlie H. Allman of Virginia.
Elmer T. Cure of Indiana.
John F. Moriarty of Massachusetts.
John M. Barnes of District of Columbia.
Richard B. Talbott of West Virginia.
Leon D. Carson of Illinois.
Victor W. Hart of Ohio.
Arthur J. Hamilton of Michigan.
George C. Main of Illinois.
Harold B. Rae of South Dakota.
Donald E. Dement of California.
William E. Pinner of Virginia.
Dwight J. Wharton of Missouri.
Henry G. Backer of Indiana.
Merrill R. Fox of Pennsylvania.
John W. Parent of Maine.
Arthur P. Morton of Virginia.
Howard E. Hill of Indiana.
Oliver R. Nees of Indiana.
John L. Thornton of Virginia.
Claude L. Tayler of Pennsylvania.
Robert E. Baker of Ohio.
Horace E. Brown of Tennessee.
Harvey E. Robins of West Virginia.
Robert K. Y. Dusinberre of New York.
John L. Emenhiser of Indiana.
Carl D. Middlestadt of Indiana.
Beryl C. Shearer of Iowa.
Charles H. Bitner of Pennsylvania.
Charles C. Yanquell of Ohio.
John Q. Owsley, jr., of Tennessee.
John F. Luten of Tennessee.
Roy L. Mullins of Virginia.
Arra B. Chesser of Indiana.
Lloyd R. Newhouser of Indiana.
Joseph I. Porter of Utah.
Israel Levin of Pennsylvania.
Henry M. Weber of Maryland.
Harold E. List of Indiana.
Francis J. Vurpillat of Illinois.
Max E. Wonders of Nebraska.
John R. Smith of Ohio.
Henry J. Winkler of West Virginia.
Harold D. Fritz of Ohio.
Thomas F. Cooper of Missouri.
John M. Beall of Louisiana.
Walter A. Hornaday of Indiana.
George C. Thomas of Pennsylvania.
Leonard L. Wilson of North Carolina.
John M. Woodward of Tennessee.
David W. Truscott of Pennsylvania.
Fay H. Falconer of California.
Wilbur J. Cox of Indiana.
Harold W. Gillen of Indiana.
John R. Lymas of Indiana.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 20, 1924.

UNITED STATES MARSHAL

Arthur Rogers to be United States marshal, western district of Tennessee.

POSTMASTERS

ALABAMA

Hugh H. Dale, Camden.
Louie W. Vaughan, Cuba.
Griffin G. Guest, Fort Payne.
Howard F. Little, Linden.
William L. Jones, Parrish.
Annie L. Pittman, Shawmut.
Guy Walker, Somerville.
Samuel J. Tucker, Springville.
Andrew J. Bass, jr., Trussville.
Alden M. Walace, Tuskegee.

ILLINOIS

Lottie M. Jones, Antioch.
Francis W. Craig, Apple River.
Edwin C. O'Brien, Barry.
Frank G. Robinson, El Paso.
John H. Stolle, Evansville.
Andrew R. Tarbox, Gibson City.
Jessie A. Livingston, Livingston.
Anna J. Arthur, Lovejoy.
August Kalbitz, Red Bud.
Harry Hutchins, Rockton.
Henry H. Pierce, Royalton.
Christian Andres, Tinley Park.
Simon K. Lewis, Utica.
Laura A. Gregory, Willisville.
Harry L. Dean, Witt.

INDIANA

Clara A. Salla, Denham.
Walter C. Farrell, Middletown.
Iva D. Myers, Millersburg.
Warren B. Johnson, Owensville.

IOWA

Clyde C. Sheaffer, Alden.
William M. Young, Defiance.
Howard B. Gillespie, Guthrie Center.
Frank T. Best, Pomeroy.

KANSAS

Henry M. Highland, McCune.
Ulysses G. Stewart, Rossville.
Susie J. Gibbons, St. Paul.

MAINE

Fred E. Jones, Brownville.
Perley M. Hanson, East Millinocket.
Frank G. Thompson, Milo.

MASSACHUSETTS

William P. Lovejoy, Barnstable.
James E. Sullivan, Gilbertville.
John A. Bell, Leicester.

MINNESOTA

Henry O. Halverson, Genvick.
Egbert J. Hasbrouck, Graceville.
Hans P. Becken, Hanska.

MONTANA

Charles W. Allison, Bainville.
George C. Core, Choteau.
Avory W. Dehnert, Denton.
George W. Patterson, Havre.
Robert T. Richardson, Missoula.
Hugh C. Walker, Poplar.
Claude C. Alexander, Stanford.
Robert Parsons, Sweetgrass.
Thomas E. Devore, Whitehall.

NEBRASKA

Jesse R. Teagarden, Bethany.
Minnie L. Smith, Blue Springs.
Oscar M. Fenstermacher, Cedar Bluffs.
Henry V. Ingram, Exeter.
Frank W. Fuhlrodt, Fremont.
Archie L. Smith, Imperial.

NORTH CAROLINA

John E. Corbitt, Sunbury.
Thomas A. Kennedy, Troutmans.

NORTH DAKOTA

Benjamin L. Anderson, Grenora.

SOUTH DAKOTA

William R. Amoo, Morristown.

TENNESSEE

James M. Gresham, Smyrna.

WYOMING

Frank G. Brown, Fort Laramie.
Neletta P. Howard, Manville.

HOUSE OF REPRESENTATIVES

TUESDAY, *May 20, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of mercy and forgiveness, do Thou hear the unexpressed voices of our breasts and accept us again as Thy needful children. May we strive to become worthy, even in some little way, of Thy countless blessings. Imbue us thoroughly with a lasting devotion to all the essential needs of our country. Come from behind the clouds of uncertainty and unwisdom and be the beacon light on our pathways. If either stress, strain, or storm is our portion may we realize that God is good and blessed forevermore. In the name of Jesus our Savior we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2327. An act to amend section 4 of the interstate commerce act.

The message also announced that the Senate having proceeded in pursuance of the Constitution to reconsider the bill (H. R. 7959) entitled "An act to provide adjusted compensation for the veterans of the World War, and for other purposes," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was passed, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Under clause 2 of Rule XXIV Senate bills and and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2327. An act to amend section 4 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

S. 2928. An act authorizing the Secretary of the Navy to accept certain lands in the vicinity of Pensacola, Fla., to assure a suitable water supply for the United States Naval Air Station at Pensacola; to the Committee on Naval Affairs.

S. 933. An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia; to the Committee on the District of Columbia.

S. 588. An act for the relief of Daniel A. Speight and others; to the Committee on Claims.

S. J. Res. 95. A joint resolution to authorize the American National Red Cross to continue the use of temporary buildings now erected on square numbered 172, Washington, D. C.; to the Committee on the Library.

S. 830. An act for the relief of Elizabeth Wooten; to the Committee on War Claims.

LEAVE OF ABSENCE

Mr. CELLER. Mr. Speaker, I desire leave of absence for the day to undergo a slight medical operation.

The SPEAKER. Without objection, the request is granted. There was no objection.

DEPARTMENTS OF STATE, JUSTICE, ETC., APPROPRIATION BILLS

Mr. SHREVE. Mr. Speaker, I call up conference report on the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. The gentleman from Pennsylvania calls up a conference report which the Clerk will report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have been unable to agree.

MILTON W. SHREVE,
GEO. HOLDEN TINKHAM,
W. B. OLIVER,
Managers on the part of the House.

W. L. JONES,
CHARLES CURTIS,
H. C. LODGE,
LEE S. OVERMAN,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement:

Senate amendments Nos. 21, 22, and 23, upon which the two Houses have not agreed and upon which the committee of conference have not agreed, relate to the number and salaries of attorneys under the appropriation for the investigation and prosecution of war frauds.

MILTON W. SHREVE,
W. B. OLIVER,
GEO. HOLDEN TINKHAM,
Managers on the part of the House.

Mr. SHREVE. Mr. Speaker, I move that the House recede and concur on amendment No. 21.

The SPEAKER. The gentleman from Pennsylvania moves that the House recede and concur on amendment No. 21——

Mr. BLANTON. Mr. Speaker, let it be reported, please.

The Clerk read as follows:

Page 33, line 5, strike out the words "one person," and insert in lieu thereof "two persons."

Mr. HOWARD of Nebraska. Mr. Speaker, I make the point of no quorum.

Mr. SHREVE. Will the gentleman withhold that, please?

Mr. HOWARD of Nebraska. I can not withhold anything, brother, unless it is a personal matter. I will withhold anything that is personal.

Mr. SHREVE. We desire very much to get these conference reports out of the way, I will say to the gentleman.

Mr. HOWARD of Nebraska. I know; but we could have done that last night. Unless it is a personal request I will have to make the point.

Mr. SHREVE. Then I will make it personal, and I am sure the gentleman will grant me that courtesy.

Mr. HOWARD of Nebraska. I will if you make it personal.

Mr. SHREVE. I will make it a personal matter.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to recede and concur.

The motion was agreed to.

LEAVE OF ABSENCE

Mr. LAGUARDIA. Mr. Speaker, I ask indefinte leave of absence for my colleague, Mr. PERLMAN, on account of illness in his family.

The SPEAKER. Without objection, the request will be granted. The Chair would suggest that when gentlemen wish to request leave of absence, it is better to put it in writing.

There was no objection.

CONFERENCE REPORT

Mr. SHREVE. Mr. Speaker, I call up amendment No. 22.

The Clerk read as follows:

Page 33, line 7, after the word "annum," insert the word "each."

Mr. SHREVE. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Pennsylvania moves to recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to the amendment of the Senate No. 22 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "each, whose aggregate compensation will not exceed $30,000."

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER. The next amendment in disagreement is No. 23, which the Clerk will report.

The Clerk read as follows:

Page 33, line 7, amendment No. 23: Strike out *"Provided further,* That the compensation agreed to be paid to any person by the Department of Justice shall be definitely fixed at the time of employment" and insert "But the Attorney General may fix the compensation of not to exceed eight persons at not to exceed $10,000 each."

Mr. SHREVE. Mr. Speaker, I move to recede and concur with an amendemnt.

Mr. BLANTON. Will the gentleman grant me two minutes on that?

The SPEAKER. The clerk will first report the amendment.

The Clerk read as follows:

Mr. SHREVE moves that the House recede from its disagreement to the amendment of the Senate No. 23, and agree to the same with an amendment as follows: In lieu of the language inserted by said amendment, insert the following: "But the Attorney General may fix the compensation of not to exceed six persons at not to exceed $10,000 each."

Mr. SHREVE. Mr. Speaker, I yield to the gentleman from Texas two minutes.

Mr. BLANTON. Mr. Speaker, we have in the Department of Justice former colleagues who are some of the ablest lawyers in the United States. They served their country well here in the House at a salary of $7,500, but now you are arranging for this big army of lawyers in the Department of Justice to be continued on and permit salaries to be continued at outrageous sums. This ought not to be allowed. There is no necessity for the six at $10,000 a year. There is no chance to beat it; it is going to be passed. If there were any chance on earth to stop it I would do everything possible, but I realize there is no way to stop it. You are going to pass it, but I could not let it pass without my protest.

Mr. SHREVE. Mr. Speaker, I desire to say that the conference committee have worked along the line suggested by the gentleman from Texas. We have reduced the number from eight to six, and I hope another year we may be able to make another reduction.

Mr. OLIVER of Alabama. At the present time they are employing 10 and we have reduced the number to 6.

Mr. McKEOWN. Are these special assistants for the Attorney General?

Mr. OLIVER of Alabama. Yes; they are employed in the fraud cases.

Mr. McKEOWN. What salary do the regular assistants to the Attorney General get?

Mr. OLIVER of Alabama. Seven thousand five hundred dollars a year.

Mr. McKEOWN. Does not the gentleman think that the regular assistants do more hard work than any special assistants?

Mr. OLIVER of Alabama. Yes; but the special assistants are called in only for a short time and may not be occupied during the year.

Mr. McKEOWN. At the rate of $10,000 a year instead of a lump sum?

Mr. OLIVER of Alabama. Yes.

Mr. WATKINS. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. WATKINS. What has been done in respect to the assistant attorneys general and employees whose compensation is to be fixed?

Mr. SHREVE. They are to be paid not exceeding $10,000.

Mr. WATKINS. None of them to get over that?

Mr. SHREVE. No.

Mr. WATKINS. What has been done in respect to fixing the compensation at the time of employment?

Mr. SHREVE. It must be fixed on the date of the employment.

Mr. McCLINTIC. Mr. Speaker, I want to ask the gentleman in charge of the conference report if he will yield me five minutes to speak out of order. I will state to the gentleman what I have in mind. I have here a statement from an ex-service man——

Mr. SHREVE. I will yield to the gentleman five minutes.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to speak out of order. Is there objection?

There was no objection.

Mr. McCLINTIC. Mr. Speaker and gentlemen of the House, there is always a time in every man's life when he is called on to take stock or make a mental trial balance for the purpose of seeing whether or not his conscience approves his conduct in the past. I am told that in less than a stone's throw from the United States Capitol there is a great building which is used by our Government to house one of its departments, that was given back to our Nation by a man while on his deathbed because he had stolen the material from the Government and constructed this building therefrom. Realizing that he was soon to die, and fearing to meet old St. Peter with the knowledge that he had defrauded the Government, he decided that the time for him to take stock had arrived and he deeded the same back to the United States Government.

Out in western Oklahoma, in the district which I have the honor to represent, lives a country boy who, while traveling about in the Army waiting for his salary check, took advantage of the absence of the man in charge and yielded to the temptation of taking some of the canteen funds. He was broke; without some of the necessities of life; and did not feel that this act would wrong any person.

The war was concluded and he returned to his home. Later he got religion and then he wrote me a letter calling attention to the fact that he had wrongfully taken this money while in the Army. He stated that his conscience hurt him so badly that he could not sleep, and he wanted to know what to do in order to right the wrong. I hold in my hand a postal money order for $25. In his letter he asks that I take this and put it in the right place, so he can have peace of mind in the future.

I think any lad who is willing to voluntarily do that which is right, and more especially when no individual has been wronged, must have a case of real religion, and I am glad to pay tribute to this young farmer boy by calling his way of making amends

to the attention of the United States Congress, as I feel his attitude is commendable from every standpoint.

Now, Mr. Speaker, my attention was called this morning to a letter which came in the mail from some firm in New York, and especially the last paragraph, which is addressed to the President of the United States, as follows:

For Congress to pass this bonus bill on top of the Veterans' Bureau scandal, in my judgment, would be adding one scandal to another. I have no doubt the voters will make their sentiments known when the time comes, and you will profit at the expense of the Members of Congress. Many a man has paid the penalty of treason for a less offense against the country than this bonus bill constitutes.

The writer of this letter disguises his business and no one can tell by his stationery whether or not he follows an honorable occupation. The fact that his address is in the principal business part of New York City is sufficient to class him with the plutocrats, and I am not surprised that he is against doing anything for the men who fought for this Nation while there was a class of profiteers who systematically robbed the fathers and mothers of these same soldiers during the war. I want to say to this Congress, if the great horde of high financiers who profiteered, defrauded, and robbed the American people during the war would follow the example of this poor, honest, ex-service man who got religion, and pay back into the conscience fund of our Government the money that had been wrongfully taken from our people, it would not be necessary for anyone to complain of the cost of bonus legislation, for the reason there would be sufficient money to take care of the same without adding to the taxpayers of the Nation an extra burden. [Applause.]

Mr. SHREVE. Mr. Speaker, I ask for a vote.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

Mr. HOWARD of Nebraska. Mr. Speaker, before that vote is taken I desire to submit a request for unanimous consent.

The SPEAKER. The gentleman will state it.

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent that upon the return to the Hall of the chairman of the Committee on Appropriations [Mr. MADDEN], he be given five minutes in which to give me the name, which he promised to give me, of some one man in a penitentiary of the United States, sent there as the result of the $6,000,000 which we have appropriated for the prosecution of war grafters.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment the bill (H. R. 8262) to fix the compensation of officers and employees of the legislative branch of the Government.

REORGANIZATION OF THE FOREIGN SERVICE OF THE UNITED STATES

Mr. ROGERS of Massachusetts. Mr. Speaker, I call up the bill (H. R. 6357) for the reorganization and improvement of the foreign service of the United States, and for other purposes, with Senate amendments thereto. I ask unanimous consent that the Senate amendments be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Massachusetts calls up the bill providing for the reorganization of the foreign service, with Senate amendments thereto, and asks unanimous consent that the Senate amendments be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the first Senate amendment.

The Clerk read as follows:

Page 3, lines 8 and 9, strike out "as ambassador or minister" and insert "to some other position in the Government service."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 8, line 19, after the word "gathering" insert: *"Provided further,* That the Secretary of State is authorized to prescribe a per diem allowance not exceeding $6, in lieu of subsistence for foreign service officers on special duty or foreign service inspectors."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 14, line 22, strike out the figures "50" and insert the figures "75."

M. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Page 17, line 17, insert a new section as follows:

"SEC. 22. The titles 'Second Assistant Secretary of State' and 'Third Assistant Secretary of State' shall hereafter be known as 'Assistant Secretary of State' without numerical distinction of rank; but the change of title shall in no way impair the commissions, salaries, and duties of the present incumbents.

"There is hereby established in the Department of State an additional 'Assistant Secretary of State,' who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to compensation at the rate of $7,500 per annum.

"The position of Director of the Consular Service is abolished and the salary provided for that office is hereby made available for the salary of the additional Assistant Secretary of State herein authorized."

Mr. CONNALLY of Texas. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Massachusetts. Yes.

Mr. CONNALLY of Texas. I understand the gentleman's contention is that the effect of this amendment is to make the former chief of the Consular Service Assistant Secretary of State, and to raise his salary. I understand the gentleman contends that his salary has already been in effect raised by the reclassification act.

Mr. ROGERS of Massachusetts. The salary has already been raised, beginning July 1 next, in accordance with the method laid down by the classification act. The conference report on the State Department appropriation bill, which the House has just adopted, also has the effect of fixing Mr. Carr's salary at $7,500.

Mr. CONNALLY of Texas. And the only real effect of this amendment is to change the designation of his office?

Mr. ROGERS of Massachusetts. Yes. The change here proposed is necessary in order to comply with the other provisions of this act.

Mr. CONNALLY of Texas. From that of chief of the Consular Service to that of Assistant Secretary of State?

Mr. ROGERS of Massachusetts. Yes. That is the effect and the sole effect of this Senate amendment.

Mr. LINTHICUM. What does the wording mean that the salary provided heretofore for the Director of the Consular Service shall be available for the salary of the additional Assistant Secretary of State, after we have already provided a salary of $7,500?

Mr. ROGERS of Massachusetts. That is on the theory that this bill may become a law after the State Department appropriation bill becomes a law.

Mr. LINTHICUM. That will only necessitate the appropriation of an additional $3,000?

Mr. ROGERS of Massachusetts. Which appropriation the House and Senate have already provided. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 18, line 7, strike out the figures "22" and insert "23."

Mr. ROGERS of Massachusetts. Mr. Speaker, I move to concur in the Senate amendment.

The motion was agreed to.

AMENDING THE NATIONAL DEFENSE ACT

Mr. McKENZIE. Mr. Speaker, I submit a conference report for printing under the rules on the bill S. 2169, to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

CLAIMS OF CHOCTAW AND CHICKASAW INDIANS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5825) conferring jurisdiction upon the Court of Claims to hear, examine, adju-

dicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill H. R. 6825, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. SNYDER, Mr. DALLINGER, and Mr. HASTINGS.

FORT LEAVENWORTH MILITARY RESERVATION

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6207) authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the bill H. R. 6207, with a Senate amendment thereto, and concur in the same. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

ARMY APPROPRIATION ACT

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7877) making appropriations for the War Department for the fiscal year ending June 30, 1925, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the Army appropriation bill, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference. Is there objection?

Mr. JOHNSON of Kentucky. Mr. Speaker, reserving the right to object, I ask the gentleman from Kansas whether we can arrive at some understanding as to separate votes that we may be permitted to have when the conference report comes back here?

Mr. ANTHONY. I will say to the gentleman I do not know of any matter in the bill in which there is the desire on my part or the part of any of the conferees to foreclose the judgment of the House upon, and I would be willing to give the gentleman every reasonable opportunity.

Mr. JOHNSON of Kentucky. With that understanding I do not object.

Mr. CONNALLY of Texas. Mr. Speaker, reserving the right to object, may I inquire whether the Senate struck out the provision of the House bill relating to the enlistment of minors?

Mr. ANTHONY. They have stricken out that language and proposed new language which modifies it to some extent, but to what extent I am unable to say, as I have not given it careful study.

Mr. CONNALLY of Texas. Is the gentleman prepared to say that the House will have an opportunity to vote on the concrete question before the conferees agree to surrender the House provision in reference to that matter?

Mr. ANTHONY. It would be my idea to adhere to the language adopted by the House, and we will certainly give the House an opportunity to express itself.

Mr. CONNALLY of Texas. And vote on the same proposition in the bill as when it left the House before they agree in conference to the Senate amendment.

Mr. ANTHONY. I think so.

Mr. CONNALLY of Texas. I do not want any think so; I want to know.

Mr. ANTHONY. I told the gentleman——

Mr. CONNALLY of Texas. Unless the gentleman will do that, I shall object.

Mr. ANTHONY. I have told the gentleman there is nothing in the bill upon which I would want to foreclose judgment of the House and would give the gentleman from Kentucky or any Member of the House every reasonable opportunity to get the sentiment of the House.

Mr. CONNALLY of Texas. I know the gentleman said reasonable opportunities and reasonable so and so, but the concrete question is that I want to know if the gentleman will bring back that particular provision and give this House a chance to vote on it before the conferees agree to surrender entirely the position of the House on that matter. The gentleman knows whether he will do that, and if he does I think he ought to say so.

Mr. ANTHONY. I have told the gentleman in pretty broad language.

Mr. OLIVER of Alabama. If the gentleman will permit, the conferees on the naval bill were informed, the gentleman from Texas has been consulted, with regard to the amendment agreed upon, which we were informed was entirely satisfactory to the gentleman from Texas and in conformity with the amendment offered to the military bill.

Mr. ANTHONY. I will give the gentleman every reasonable opportunity to get the expression of the House on any language agreed upon in conference.

Mr. CONNALLY of Texas. Does not the gentleman think my request is reasonable?

Mr. ANTHONY. What does the gentleman want?

Mr. CONNALLY of Texas. Before the conferees agree to the Senate amendment, to come back and give the House a chance to vote on that matter.

Mr. ANTHONY. I do not think the conferees ought to come back and consult the House——

Mr. CONNALLY of Texas. I did not think the gentleman felt so, therefore I object.

The SPEAKER. The gentleman objects.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to call up the bill H. R. 6355 and concur in the Senate amendment.

The SPEAKER. The gentleman from New York calls up the bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6355) to authorize the Secretary of the Interior to issue certificate of citizenship to Indians.

The SPEAKER. The Clerk will report the Senate amendment.

Mr. GARRETT of Tennessee. Mr. Speaker, I would like to ask the gentleman from New York if he is not willing to let this go over for a day or two?

Mr. SNYDER. I am perfectly willing.

Mr. GARRETT of Tennessee. I do not know there will be any objection, but I would like to look into a phase of it.

Mr. SNYDER. On the request of the gentleman from Tennessee I am perfectly willing.

CONFERENCE REPORT—NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I call up the conference report on the bill H. R. 6820, the naval appropriation bill, and ask for its consideration. I would like to have the report read.

The conference report was read, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,409,826; for aviation material, equipment, fuel, and rental of hangars, $320,174; in all, $3,900,000, not more than $1,242,289 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: ": *Provided further*, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than four cargo ships, two transports, and one ammunition ship unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy Classification of Accounts'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ": *And provided further*, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "in all, $50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,911,800"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$8,911,800" and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES
(Not in agreement with action on amendment No. 64),
W. B. OLIVER
(Not in agreement with action on amendment No. 64),
Managers on the part of the House.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON
(Not in agreement with Senate amendment No. 64, which I insisted upon),
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report, as to each of said amendments, namely:

On Nos. 1 and 2, relating to the appropriation "Pay, miscellaneous": Increases the limitation on account of communication expenditures from $175,000, as proposed by the House, to $200,000, as proposed by the Senate, and appropriates $2,550,000, instead of $2,500,000, as proposed by the House, and $2,600,000, as proposed by the Senate.

On No. 3: Strikes out the provision proposed by the House prohibiting the payment of compensation to officers of the Navy attached to the office of Chief of Naval Operations and engaged upon work not specifically assigned by law to such office.

On Nos. 4 and 5, relating to naval training stations: Appropriates $250,000 for Newport, as proposed by the Senate, instead of $215,000, as proposed by the House, and appropriates $260,000 for Hampton Roads, as proposed by the Senate, instead of $215,000, as proposed by the House.

On Nos. 6 and 7, relating to the Naval Reserve Force: Appropriates $3,900,000 instead of $3,570,000, as proposed by the House, and $4,000,000, as proposed by the Senate; makes specific provision for reserve aviation and limits the amount which may be expended for maintenance, operation, and repair of vessels and aircraft.

On Nos. 9, 10, and 11, relating to the Naval War College: Appropriates $100,000, as proposed by the House, instead of $130,000, as proposed by the Senate, and fixes the limitation on expenditures for classified employees at $62,500, instead of $50,000, as proposed by the House, and $70,278.56, as proposed by the Senate.

On Nos. 12 to 17, inclusive, relating to the Naval Home: Appropriates $1,200 for the superintendent of grounds, as proposed by the Senate, instead of $1,080, as proposed by the House; strikes out, as proposed by the Senate, a store laborer at $660 and a matron and office assistant at $720; appropriates for a seamstress at $360, as proposed by the Senate; appropriates $600 and $540 for two assistant cooks, as proposed by the Senate, instead of $540 and $480, respectively, as proposed by the House, and appropriates $600 for head waitress, as proposed by the Senate, instead of $480, as proposed by the House.

On No. 18: Appropriates $300,000 for personal services in the Hydrographic Office, as proposed by the House, instead of $311,000, as proposed by the Senate.

On Nos. 19, 20, and 21, relating to the appropriation "Engineering": Appropriates $17,550,000 for "Engineering," instead of $18,012,300, as proposed by the House, and $16,550,000, as proposed by the Senate; makes available immediately $2,100,000, instead of $2,562,300, as proposed by the House, and $1,100,000, as proposed by the Senate, and makes $600,000 available for developing and testing submarine motive power, as proposed by the House.

On No. 22: Restores the limitation proposed by the House with respect to the number of cargo ships, transports, and ammunition ships which may be maintained in commission,

the sentiment of the House.

the same.

amended so as to permit the return of any greater number of such vessels to the port of decommissioning.

On No. 23: Appropriates $313,000 for personal services in the Bureau of Construction and Repair, as proposed by the Senate, instead of $305,000, as proposed by the House.

On No. 24: Makes the appropriation "Ordnance and ordnance stores" available specifically for the acquirement of plant appliances, as proposed by the Senate, amended to restrict such appliances to those at present defined by the "Navy classification of accounts."

On No. 26: Appropriates $850,000 for the purchase and manufacture of torpedoes and appliances, as proposed by the Senate, instead of $500,000, as proposed by the House.

On No. 27: Provides for an allowance of two midshipmen from Porto Rico appointed on nomination of the Resident Commissioner, as proposed by the Senate, instead of one midshipman, as proposed by the House.

On No. 29: Defiles counting time spent at the Naval or Military Academies after March 4, 1913, in computing for any purpose the length of service of any officer of the Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, or Public Health Service, in language as proposed by the Senate, instead of as proposed by the House.

On No. 32: Strikes out the amendment proposed by the Senate changing the punctuation of the appropriation "Care of the dead."

On Nos. 33 to 39, inclusive, relating to public works, Bureau of Yards and Docks: Appropriates $10,000 for circulating pumps for heating system, navy yard, Portsmouth, N. H., as proposed by the Senate; changes the designation of the foundry building to be reroofed at the navy yard, Boston, Mass., as proposed by the Senate; strikes out under the navy yard, Philadelphia, Pa., the appropriations proposed by the House and Senate, respectively, of $22,000 for acetylene gas plant, extension and remodeling, and $30,000 for continuing paving; appropriates $50,000 for replacing caisson, Dry Dock No. 1, navy yard, Norfolk, Va., as proposed by the Senate; appropriates $30,000, as proposed by the Senate, instead of $20,000, as proposed by the House, for dredging at the navy yard, Charleston, S. C.; and appropriates $57,500, as proposed by the Senate, for plant renewals, naval coal depot, Tiburon, Calif.

On No. 41: Strikes out the appropriation of $15,000, proposed by the Senate, for certain reroofing work at the Naval Academy.

On No. 42: Appropriates $14,000 for fresh-water tank at the naval station, Guantanamo, Cuba, as proposed by the Senate.

On No. 46: Strikes out the appropriation of $200,000, proposed by the Senate, on account of the submarine and destroyer base, Columbia River, Oreg.

On No. 47: Strikes out the appropriation of $100,000 proposed by the Senate for extending the distributing systems, submarine base, Pearl Harbor, Hawaii.

On No. 49: Strikes out the appropriation of $15,000 proposed by the Senate for paint and oil storehouse, naval base, San Diego, Calif.

On No. 56: Restores the provision proposed by the House denying pay or allowances to officers of the Navy or Marine Corps while on leave of absence in excess of accrued leave, amended so as to apply only where the absence is on account of the absentee being engaged in a service other than that of the Government of the United States.

On Nos. 57 and 58, relating to the Marine Corps: Appropriates $1,385,000 for clothing for enlisted men instead of $1,325,000, as proposed by the House, and $1,450,000, as proposed by the Senate.

On Nos. 61 and 62: Extends the provision with respect to another conference on the limitation of naval armament to include such other Governments besides Great Britain, France, Italy, and Japan, as the President may deem proper, as proposed by the Senate, and also to include within the scope of the conference the question of limiting the number of officers and men, instead of men only, as proposed by the Senate.

On No. 63: Retains the provision proposed by the House with respect to having work performed in navy yards instead of by private contractors, when a money saving would result, amended (1) so as to provide that Government arsenals, as well as navy yards, shall be taken into account, (2) by partly defining the work embraced by the provision, (3) by making the provision subject to the availability of time and facilities, and (4) by providing, in lieu of the condition that there should be a money saving, that an appreciable increase in cost to the Government, in the judgment of the Secretary of the Navy, would not be involved.

On No. 64: Strikes out the paragraph proposed by the Senate with respect to former officers of the Navy or Marine Corps who joined or left such services in order to join the Confederate forces.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 8: Relating to the Volunteer Naval Reserve and the Naval Militia.

On No. 25: Relating to the care and operation of schools built at ordnance stations.

On No. 28: Relating to enlistments under the age of 21 years.

On No. 30: Relating to the establishment of a special working fund to finance miscellaneous transactions.

On No. 31: Providing for reimbursement on account of issues made for relief of sufferers in Japan following the earthquake which occurred September 1, 1923.

On No. 40: Appropriating $400,000 for certain public works at the Puget Sound Navy Yard.

On No. 43: Appropriating $55,000 for certain public works at the naval station, Pearl Harbor, Hawaii.

On No. 44: Appropriating $77,000 for certain public works at the naval station, Tutuila, Samoa.

On No. 45: Appropriating $60,000 for storage for war heads at the naval fuel depot, San Diego, Calif.

On No. 48: Appropriating $175,000 for certain public works at the naval station, San Diego, Calif.

On No. 50: Appropriating $500,000 for constructing a building for use as a supply depot of the Marine Corps at San Francisco, Calif.

On No. 51: Appropriating $560,000 for public works at certain naval air stations.

On No. 52: Providing for the settlement of damage claims growing out of the operation of naval aircraft.

On No. 53: Providing for the acceptance, without cost to the United States, of lands required for providing a water supply for the naval air station, Pensacola, Fla.

On No. 54: Relating to civilian professors or instructors at the Naval Academy.

On No. 55: Relating to the transportation on foreign vessels of naval and civil personnel.

On Nos. 59 and 60: Relating to the construction of a submarine.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES,
W. B. OLIVER,
Managers on the part of the House.

Mr. FRENCH. Mr. Speaker, a very short statement I think will explain the effect of the Senate amendments to the naval appropriation bill and the effect of the conference report. Let me say that the Senate was very generous toward the action of the House on this bill, and, while numerous amendments were made, generally speaking, the bill was not markedly different in most respects when it passed the Senate from what it was when it passed the House. As the bill passed the House it carried $272,012,867, and as it passed the Senate it carried $274,941,067, a Senate increase of $2,928,200. The Senate placed 64 amendments on the bill, 29 of which affected the amounts of money carried in the bill. As to these money amendments the House conferees have receded either outright or for a reduced amount on 21, involving an increase over the bill as passed by the House of $535,200. The action which I shall propose with respect to the remaining eight amendments will add to the bill as passed by the House the further sum of $2,557,000, so that, if the proposals which I shall make are agreed to, the bill will carry $3,092,200 above what it carried as passed by the House, but, even with this increase, the bill will carry $19,351,461 less of direct appropriations than the appropriation act for the current fiscal year. It will be observed that the increases that the House conferees have agreed to, and those which I shall propose exceed, in the aggregate, the Senate increases by $164,000.

This is because the Senate actually added to the bill $4,412,500 and at the same time proposed reductions totaling $1,484,300, making a net increase of $2,928,200. Of the reductions proposed by the Senate, the House conferees insisted on and the Senate conferees agreed to the restoration of $1,000,000, so that, as a matter of fact, leaving out of consideration the reductions proposed by the Senate, the Senate conferees have agreed to yield back $836,000 of the increases which the Senate put into the bill.

The major items comprising the total increases over the House bill, as agreed to in conference including amendments brought back for disposition, are as follows:

Naval Reserve Force	$330,000
Purchase and manufacture of torpedoes	350,000
Repair and fitting out pier, Puget Sound	250,000
Storage for torpedoes, naval station, San Diego	140,000
Supply depot, Marine Corps, San Francisco, Calif	500,000
Public works, aviation	560,000
Increase of the Navy	950,000

If, then, the conference report and the proposals I shall make shall be agreed to, the naval bill for 1925 will carry $275,105,067 of direct appropriations, and indirect appropriations of $22,500,000, making a grand total of authorizations in the bill of $297,605,067.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. FRENCH. Yes.

Mr. SNELL. Is there any provision in this bill for money to repair the warships and cruisers which we are told are in such bad shape and needing necessary repairs at the present time?

Mr. FRENCH. Let me say to the gentleman that the current law provides appropriations under which three of the battleships will be put into better shape than they were when they left for Panama. There is pending in the House at this time a bill providing for radical changes in the engine power of these several battleships, and it was thought on the part of the committee that we ought not to provide for changes that would exceed in cost $300,000 each. That is the limit under which we have been operating. More than that the department has not during the last three years called for an amount from our committee for any ship in excess of $300,000.

Mr. SNELL. Is that the law or a rule of the Appropriations Committee?

Mr. FRENCH. The House has never construed it so, and the committee has never construed it; but on the other hand we did not feel we should bring in an item for a battleship in excess of that amount, except in pursuance of a specific estimate of appropriation. For the six battleships in most serious condition we have reported approximately $200,000 each. The estimates did not contemplate the provision of a larger sum. I think that we have carried in the bill an ample amount for the ordinary upkeep of the several ships to which the gentleman refers, barring only the rehabilitation of the ships to the extent of replacing coal burners by either new coal burners or oil burners if that shall be directed by the Congress. This authorization is embodied in a bill pending in the House from a naval legislative committee.

Mr. SNELL. You do not think we could make all the repairs necessary to put those ships in shape without special legislation at this time?

Mr. FRENCH. Not in the best shape. We could put them into workable shape, but not into the best shape, as the department would like to have them.

Mr. SNELL. Do you not think it is incumbent on the Navy to keep the ships in the very best shape possible?

Mr. FRENCH. That is my judgment, and that is the judgment of the members of our committee. When we reported the bill to the House we brought in an amount of $1,962,000 for general improvements of the ships of the Navy in excess of the amount recommended by the Budget; and the full committee, as well as this House, looked upon that item as a very wise expenditure of money, and in the light of developments during the last several weeks my judgment in the matter is confirmed.

Mr. HOWARD of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOWARD of Nebraska. Will the Speaker be kind enough to inform me whether the proceeding now in the hands of the House is superior to the proceeding ordered by the Rules Committee to consider the Agricultural bill at this hour?

The SPEAKER. This report is of the highest privilege.

Mr. HOWARD of Nebraska. It is of the highest privilege?

The SPEAKER. Yes.

Mr. FRENCH. In my judgment it will not take us long to dispose of the several items in the bill.

Mr. HOWARD of Nebraska. Agriculture can wait. That is all right.

Mr. WATKINS. Mr. Speaker, will the gentleman permit an inquiry? On the Pacific coast 900 miles are unprotected, especially the mouth of the Columbia River. I want to ask the gentleman whether any appropriation or anything at all has been done to take care of Tongue Point base, or is it left to float alone for another year? Or did the House agree to the Senate amendment providing for an appropriation? What was done with that?

Mr. FRENCH. The Senate added an amendment to the bill providing $200,000 for further improvements and development work at Tongue Point, to which the House conferees were not able to agree, and the Senate conferees receded.

Mr. WATKINS. So that this Tongue Point base will not have any appropriation or anything to maintain it for another year?

Mr. FRENCH. There is no specific appropriation.

Mr. WATKINS. No specific appropriations; none at all. There is none at all, is there?

Mr. FRENCH. The general appropriation for maintenance of yards and docks would have regard for the station at Tongue Point as well as other stations, and therefore there would be to some extent moneys expended at that point.

Mr. HOWARD of Nebraska. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. HOWARD of Nebraska. In order to protect the cause of agriculture I make the point of no quorum.

Mr. FRENCH. Will not the gentleman withhold that point of order until we dispose of this bill? I think this House can dispose of it very shortly.

Mr. HOWARD of Nebraska. The gentleman from Nebraska will always yield on personal request, but you have got to give me specifications. I make the point of no quorum, Mr. Speaker.

Mr. FRENCH. Will not the gentleman withhold it until we get through with this bill?

Mr. MACLAFFERTY. The gentleman is not helping agriculture by his action.

Mr. HOWARD of Nebraska. I want agriculture to have a run for its white alley, and it is not getting any.

Mr. FRENCH. Will not my friend from Nebraska withhold his point of order until we dispose of this bill?

Mr. HOWARD of Nebraska. I yield, Mr. Speaker, at the request of a gentleman; but I serve notice that I did not come here to be bulldozed or browbeaten by anybody on any side of the House, and I refrain from taking personal action now, but I make no promises for the future.

Mr. BLANTON. Will the gentleman from Nebraska yield?

Mr. HOWARD of Nebraska. I have already yielded. I withdraw the point of order that no quorum is present.

Mr. CONNALLY of Texas. Will the gentleman from Idaho yield?

Mr. FRENCH. I shall be glad to yield to the gentleman from Texas.

Mr. CONNALLY of Texas. I have endeavored to listen to the colloquy that went on between the gentleman from Idaho [Mr. FRENCH] and the gentleman from New York [Mr. SNELL] about appropriations to put the fleet in good condition. If I mistake not, I saw a statement in the press a few days ago from the Assistant Secretary of the Navy, in which he said that under the arms limitation treaty and under the present condition of the Navy the navies of the world ranked 5-4-3—Great Britain 5, the United States 4, and Japan 3. Now, if that is true—and it comes from the Navy Department—I want to know why the Naval Committee or the Appropriations Committee does not appropriate sufficient funds to bring our fleet up to an equality with that of Great Britain and recondition any of the battleships that need reconditioning in order to make the fleet effective. Can the gentleman answer that question?

Mr. FRENCH. Mr. Speaker and gentlemen, in my judgment the Congress has appropriated constantly money adequate to maintain the Navy of the United States in the ratio which was assigned to it by the Limitation of Armaments Conference. The Assistant Secretary of the Navy a few days ago issued a statement in response to a general criticism by Mr. W. B. Shearer, in the New York Times, wherein Mr. Shearer stated that the ratio had been reduced from 5-5-3, with the United States one of the major factors, to 5-3-1, with the United States the 1. The statement of the Assistant Secretary of the Navy characterizes the estimate of Mr. Shearer as "greatly exaggerated." Without attempting to read the Assistant Secretary's whole statement, let me call your attention to about four lines in which Assistant Secretary Roosevelt referred to battleships. Secretary Roosevelt says this:

> The battleships *Florida*, *Utah*, *Wyoming*, and *Arkansas* required boiler repairs in order to maintain their speed. Until this could be done the speed of these four ships was reduced and they had to drop out of the battle line. This reduced the ratio to 5-4-3.

The Assistant Secretary referred to the breaking down of machinery in four of our battleships some four months ago, which temporarily has taken them to the navy yards for repairs.

Mr. LONGWORTH. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. LONGWORTH. Who was this Mr. Shearer?

Mr. FRENCH. Well, Mr. Shearer is a man who is represented as an engineering expert, an inventor, and a torpedo expert.

Mr. LONGWORTH. Represented by whom? Represented by himself?

Mr. FRENCH. Probably so.

Mr. LONGWORTH. On what authority does he speak?

Mr. FRENCH. He speaks, as I understand, with no other authority than his own judgment. He is not connected with the Navy.

Mr. LONGWORTH. He admits he is an expert and he is the only person who does.

Mr. FRENCH. Well, I do not like to be critical. The statements of Mr. Shearer are so exaggerated that they fall of their own weight in large degree. I understand Mr. Shearer to be a designer and inventor of mechanical devices having to do with appliances of the Navy—particularly torpedoes.

Mr. LONGWORTH. Does the gentleman mean the selling of appliances to the Navy?

Mr. MADDEN. Will the gentleman yield for a question?

Mr. FRENCH. In just a moment. In response to the query of the gentleman from Ohio [Mr. LONGWORTH] let me say I understand that Mr. Shearer is an inventor. I do not care to say anything that would reflect upon him; but he seems to speak for those who are engaged at this time in propaganda to inflate the size of the Navy, the direct result of which would mean the purchase of more equipment, the expenditure of incalculable millions of dollars, the building of multiplied types of machinery, of ships, and of munitions of all kinds in another wild race for competition in world armaments. I want to say this, further, with regard to Mr. Shearer: His statement that the United States occupies the ratio of 1 to 5 with respect to Great Britain and 1 to 3 with respect to Japan is thoroughly unfounded, thoroughly unsound, and has just as much to substantiate it as though he had said that we occupy the ratio of 1 to 5 with France upon the sea, because it happens that from the standpoint of airplanes alone the French Government has to-day five times as many airplanes as has the United States.

The fact is Mr. Shearer has limited himself to a few factors. You have got to take into consideration a multitude of factors to arrive at the ratio. That is precisely what was done by the gentlemen at the Limitation of Armament Conference. They did not count on battleships alone, they did not count on cruisers alone, they did not count on oil supply alone, they did not count on bases alone, they did not count alone on submarines or upon destroyers, but they took into consideration the entire establishment, ships and guns, bases and supplies, munitions and facility to mobilize—in fact, all the facilities of the United States in comparison with those of Great Britain and those of Japan, in some of which we are outranked by Great Britain, in some of which we are outranked by Japan, but in all of which we measure up to what we ought to measure up—the ratio of 5-5-3. [Applause.]

I yield now to the gentleman from Illinois.

Mr. MADDEN. Mr. Speaker, I just want to say, in addition to what my colleague on the Committee on Appropriations has said, that after Shearer made the statement that the United States has one unit in some things connected with the Navy against five units of other nations, when you go to check that up you find that we have five of those units and the other nations have one. Is not that true, for example, in storage space for oils and fuel?

Mr. FRENCH. You find the comparisons adverse to them in some cases. For instance, take it in submarines; we have the strength of the combined submarine forces of both Great Britain and Japan, and the same is true of destroyers.

Mr. MADDEN. And in the matter of storage space for the fuel supply we have five times the storage space of any other nation, have we not?

Mr. FRENCH. No; I would not put it that strong. I do not think that is quite an accurate statement when applied to storage owned by the Government; but, on the other hand, private interests own vast storage facilities which in event of war would be at the command of the United States. Let me say that the United States is a compact, great Nation. The heart of the British nation is in the British Isles. Great Britain needs storage there. If the home storage should be cut off or if the Isles should be cut off from the outlying possessions, Great Britain would be on her back, and the same is true of Japan. The United States, however, compact as she is, with her immense resources of fuel and fuel oil at home, with the storage capacity of private institutions along both our coasts and in the interior, is incomparably rich from the standpoint of fuel oil in comparison with either Great Britain or Japan.

Mr. MADDEN. And the statement which Shearer made was absolutely untrue in respect of all those things.

Mr. FRENCH. It is untrue and it is misleading.

Mr. LAZARO and Mr. LAGUARDIA rose.

Mr. FRENCH. I yield first to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Does the gentleman know that upon the recommendation of the Navy Department we appropriated $6,500,000 to raise the elevation of the guns on certain battleships of our fleet? Why was this money returned to the Treasury and why was not the range of these guns increased to meet the range of other ships of other nations?

Mr. FRENCH. I made a statement on that point during the general consideration of the bill and I will repeat it briefly. When the representations were made by the department to the committee, upon which the Congress a year ago appropriated $6,500,000, it was with the understanding on the part of the Navy Department that the guns of the British Navy would outshoot our guns 5 or 6 miles, and further it was understood that the British had made changes in gun elevations following the armament conference. After the appropriation had been made the Navy Department discovered that the statements just referred to and upon which it thought it had the right to reply were not accurate; that no alterations in gun elevations had been made subsequent to the conference, and that although some of the guns could outshoot some of our guns to the extent of 2 or 3 miles, the situation was not as extreme as it had been represented. The Navy Department did not expend the money, and the Secretary said that he did not propose to expend it without coming to the Congress and receiving a fresh authorization upon the basis of the best information they had before them.

Mr. LAZARO. Then you admit they have a range of between 2 and 3 miles more than our guns, do you not?

Mr. FRENCH. Some of their guns; yes. Five of our ships have a superior range to the British ships, while, on the other hand, they outrange us on 13.

Mr. LAZARO. Why should that be the case?

Mr. FRENCH. Were that the only factor, it should not be. They had that range prior to the Limitation of Armament Conference. That was one of the factors that we must assume was not overlooked by those who were members of the conference commission that drafted the treaty.

Mr. LAZARO. Is it not true that some of the battleships are coal burners and lack the speed that the other ships have?

Mr. FRENCH. Yes; we have six coal burners; but let me also remind the gentleman that from the standpoint of battleships a few of the British ships probably outclass ours, but the bulk of ours outclass the British battleships; and the Assistant Secretary of the Navy, Colonel Roosevelt, when he was before our committee made the statement to us that on the whole he regarded the battleships of the United States as superior to the battleships of Great Britain.

Mr. LAZARO. What about plane carriers? How many have we?

Mr. FRENCH. We have one plane carrier completed. We have two others in course of construction.

Mr. LAZARO. Suppose we should divide the fleet between the Atlantic and the Pacific. You would only have one plane carrier.

Mr. FRENCH. We have two that are being built.

Mr. LAZARO. They are being built; yes.

Mr. FRENCH. Let me refer further, if the gentleman will permit, to a statement quoted by Colonel Roosevelt to our committee referring to the state of our battleships in comparison with the battleships of Great Britain. I asked Colonel Roosevelt this question:

> Mr. FRENCH. Is it true that on an average our capital ships are more modern and are a better ship in every way than the British ship?
>
> Colonel ROOSEVELT. Yes; on an average.

Quoting Colonel Roosevelt further:

> I remember the expression used by Admiral Chatfield (British officer) at the time we were talking about that. He said: "The tail of your column is not as good as the tail of our column, but the body of your column and the head of your column are very much better than any of the rest of our column.

And if the gentleman will go further and if he will read the judgment of experts on the British side, those experts will insist that we got the better of the bargain in the arrangement that was made. Gentlemen must remember that there are those

in Great Britain who are urging larger and still larger naval budgets. British critics contend that on an equal parity with the United States as to ships and munitions and fuel the United States would be twice as strong as Great Britain, because she is far flung and we are compact.

Mr. LAZARO. I will be frank; I will say that we got the little end of it in the Conference on the Limitation of Armament.

Mr. FRENCH. Now I yield to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. I ask this question not in any sense of criticism of Colonel Roosevelt. I do not believe this man Shearer—I do not know him and do not care anything about him. My statement is directed to the fact that the Assistant Secretary of the Navy had given a public statement that the ratio of the navies at the present time were 5 for Great Britain, 4 for the United States, and 3 for Japan. Now, I want to know whether that fact is attributable to the fault of the Navy Department or to the fault of the Appropriations Committee of this House in not making appropriations. I, for one, took some little part in urging the disarmament conference being called. Now that we have a treaty, I want to see the United States Navy maintained at the highest possible efficiency under that treaty. I want to know why it is—whether through the Department of the Navy, the Appropriations Committee, or Congress—we have permitted the Navy to deteriorate until it occupies a place of 4 to Great Britain's 5.

The gentleman from Idaho said a moment ago that the Assistant Secretary said it was true as to battleships. Well, we all know that Japan and Great Britain both excel us in the number and quality of cruisers, so that if we are deficient in fast cruisers and only occupy a place of 5-4-3 in battleships our Navy can not be equal to that of Great Britain. That is my only interest. I am not trying to make capital out of this matter. I think we should keep the Navy up to the highest point of efficiency, and Great Britain or Japan or no other country ought to be permitted to maintain a Navy superior to ours, because that is the whole theory of the disarmament conference. [Applause.]

Mr. FRENCH. The gentleman from Texas does not differ from the members of the Appropriations Committee in that regard.

The fact is that Congress has appropriated money to maintain the ratio as provided. I quoted Colonel Roosevelt awhile ago when he referred to the breakdown of the four battleships, and after he had discussed that he said "this reduces the ratio to 5-4," or, in other words, by taking the four battleships out of the line.

Mr. CONNALLY of Texas. Does that mean that it is going to be corrected?

Mr. FRENCH. Surely; and it is being corrected. The money is in the Treasury for the repair of three battleships which will be in line by the 1st of July. As to the other one, the *Florida*, the repairs are being postponed until we can see whether or not the Congress will pass the bill reported from the legislative committee, in order that we may not spend money in bringing the ship back into condition when within six months we may have to tear out the machinery and replace it again with oil burners or coal burners, as the case may be. Now I will yield to the gentleman from Alabama.

Mr. OLIVER of Alabama. Mr. Speaker, in reply to the question of the gentleman from Texas [Mr. CONNALLY], I wish to make a brief statement in reference to the bill now under consideration, and to read some excerpts from the hearings which the committee held on the 1924 naval appropriation bill. As to the bill before us the subcommittee went out of its way in search of information as to what money was needed to put the fleet in condition over and above the amount recommended by the Bureau of the Budget. Inquiry of Admiral Robinson discloses that additional funds were necessary, and you will recall that the House approved the action of the committee in recommending an appropriation in excess of the amount allowed by the Bureau of the Budget for ship repairs. In preparing the appropriation bill for 1924—the present year—the committee likewise were very careful to inquire of the Secretary of the Navy, when he appeared before the committee with the heads of the different department bureaus, whether any additional funds were needed to put the fleet in condition, and I invite your careful attention to some questions which I asked the Secretary at that time, and which you will find on pages 10 to 14, inclusive, as reported in the printed hearings on the 1924 bill. Let me here read some of the questions asked the Secretary at that time and the substance of his replies:

Mr. OLIVER. Mr. Secretary, in your general statement you referred to the fact that while you acquiesced in the Budget estimates, yet perhaps you had reluctantly acquiesced, and I recall that press reports indicated that your reluctance might have been interpreted as being somewhat of a protest at the time you had the discussion. Now, I am interested to know what special items in the estimates you feel are really too small in order for the Navy to be maintained on an efficient basis.

Secretary DENBY. Well, I should hate to endeavor to give that, because there would be a considerable number of items. There were certain items involving policy which, while reluctant to see go, I acquiesced in eliminating. I do not want to have you understand that my reluctance went to the extent of actual failure to meet the mind of the Director of the Budget. I did meet his mind and acquiesced in this bill because of the very great pressure from all sides to economize to the utmost extent possible, otherwise I certainly should not have acquiesced in the report of the Director of the Bureau of the Budget. I did acquiesce in it for the reason that the country seemed to be so very, very deficient in money, and from this committee and from other sources there has come the stern demand that the Navy, as well as other departments of the Government, should cut down.

Mr. OLIVER. I think that, of course, is entirely commendable and proper; but I was interested to know if, in your judgment, there were any items on which you did finally yield about which you entertained very grave doubts as to the propriety of your having yielded from the standpoint of naval efficiency during the coming year.

To this question his reply was "no," and he made some objection to the word "propriety" included in the question.

In using the word "propriety" in my question I intended to have it carry the significance of wisdom, whether or not it was wise to acquiesce in that, and I was led to ask you these questions simply because of repeated statements in the press. I do not know to what extent they were authorized or justified, but they said there was a disposition on the part of the Secretary, as well as the heads of the bureaus, to indicate that acquiescence in some of the cuts made by the Budget officer would really work serious hurt to the Navy, in all probability, and if that is correct and grave doubts are entertained as to the wisdom of acquiescence in some of the insistencies on the part of the Director of the Bureau of the Budget, I felt the committee would like to know it.

He replied there was not. I then asked him this question:

So far as you now feel, there were no reservations to the acquiescence you gave to the Budget estimates that were sufficiently potent and strong as to make it necessary to reopen matters in the Senate after we pass the bill in the House?

His reply was in the negative.

Then the following further questions were asked:

Mr. OLIVER. I had no desire by my questions to reopen any matters that had been agreed on between you and the Director of the Budget unless you or the officers who are your coadvisers feel that some matters should be brought directly to the attention of the committee. As I said a few minutes ago, I was led to make my inquiries because of repeated assertions that there had been some unwise yielding, and that is why I want the committee at least to have the benefit of any information you feel should be communicated to it.

Now, I want to ask this pointed question: Is there anything known to the Navy Department as to the new construction program of any of the other powers that would now suggest the wisdom of appropriating for new construction in our Navy, for any particular devices on the ships, or for any particular service?

Secretary DENBY. Personally, I do not know that there is; but remember, Mr. OLIVER, that the statement applies only to this year.

Mr. OLIVER. So far as you now feel, there were no reservations to the acquiescence you gave to the Budget estimate that were sufficiently potent and strong as to make it necessary to reopen certain matters in the Senate after we pass the bill in the House?

Secretary DENBY. No.

Mr. WATKINS. I have not yet heard an answer to the question of the gentleman from Texas, and that is whether the purport of the interview of the Assistant Secretary of the Navy was true, that the ratio now is 5-4-3 instead of 5-5-3. Is that true or not?

The question of the relative strength of our fleet with that of England and Japan will be fully discussed when the legislative bill which seeks to authorize further construction of vessels is taken up in the House. I understand that the bill will probably come before the House next week. You will find that many misleading and inaccurate statements have been made as to the size and strength of our own Navy. You will also find a wide divergence of opinion among both experts and nonexperts as to what our Navy now most urgently needs. It is not a well-rounded Navy, and there is sharp difference

of opinion in and out of the service as to the relative value of present-day types of naval weapons. The need of the fleet for certain types of ships is admitted, and the legislative committee will probably urge that Congress authorize the building of modern cruisers within the limits of the treaty, and which, you will be pleased to find—though carrying only 8-inch guns with a 10,000-tonnage displacement—are very powerful vessels and superior to some of the battleships probably that we now have. If this claim be true, you will find it due largely to the rapid advance in marine engineering.

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. WINGO. I want the gentleman's judgment as to what is the ratio of the three navies measured by their cruiser strength.

Mr. OLIVER of Alabama. Unquestionably, both England and Japan are stronger. As the gentleman knows, when the peace treaty was agreed to, we had building six modern battle cruisers. No country in the world had ever designed such efficient and powerful weapons of that type. The cruisers would have had a speed of about 35 knots, would have carried 16-inch guns, and were conceded to be the most powerful battle cruisers ever designed for the navy of any country. The American conferees agreed to scrap all of these six cruisers.

Mr. WINGO. What conferees?

Mr. OLIVER of Alabama. The peace conferees.

Mr. WINGO. That was at the Limitation of Armaments Conference?

Mr. OLIVER of Alabama. Yes; and as you recall, we were authorized to convert two of the battle cruisers into airplane carriers, but were limited to small guns being placed thereon.

Mr. WINGO. Is this true, that from the viewpoint of those who hold that the modern battle cruiser is really the backbone of the fleet, the ratio maintained is such that we are third instead of equal?

Mr. OLIVER of Alabama. The legislative committee recognize that we need additional modern cruisers, with speed and wide radius of action, and for that reason are asking Congress to authorize the building of 10 cruisers of that type. It is to correct the deficiency which the gentleman calls attention to.

Mr. WINGO. I have asked about battle cruisers. Take the battleships, the submarines, and the air service. What is the ratio on each of those, in the gentleman's judgment?

Mr. OLIVER of Alabama. The gentleman from Idaho [Mr. FRENCH] has just made an interesting statement as to the relative strength of the battleships. As to destroyers and submarines, we are stronger than either England or Japan, and when the aircraft carriers are completed we will have added greatly to the strength of our fleet. Then you must remember that we are modernizing our battleships and some of our cruisers and destroyers by providing them with aircraft.

Mr. WINGO. We are not equal to Japan and England in aircraft, are we?

Mr. OLIVER of Alabama. I would say that we are stronger than Japan but not equal to Great Britain.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. VINSON of Georgia. The gentleman just stated that experts, some at least, take the position that the modern 10,000-ton scout cruiser will be equivalent to battleships with 12-inch guns. I wish the gentleman would enlighten the committee as to what experts, what naval officers, have testified that a 10,000-ton cruiser with 8-inch guns is as effective as a twenty or thirty thousand ton battleship with 12-inch guns.

Mr. OLIVER of Alabama. I refer the gentleman to a statement by the Secretary before the committee on December 19, 1923, in which he discusses the fighting efficiency of the modern 8-inch gun scout cruiser. Naval officers were present with the Secretary, and I assume acquiesced in the statement that he then made and which you will find on page 6 of the hearings.

Mr. VINSON of Georgia. The gentleman further knows that Great Britain has 35 scout cruisers and Japan 28 scout cruisers. The United States, including those that are building, has only 10 scout cruisers.

Mr. OLIVER of Alabama. Yes.

Mr. VINSON of Georgia. And, therefore, we are far below the other nations in regard to scout cruisers.

Mr. OLIVER of Alabama. I think the gentleman's statement is correct.

Mr. CONNALLY of Texas. Mr. Speaker, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. CONNALLY of Texas. The gentleman has read to us from the testimony of the Secretary of the Navy.

Mr. OLIVER of Alabama. Yes.

Mr. CONNALLY of Texas. Did not the Secretary admit in the hearing before the committee that he had not asked Congress for the appropriations that he thought were really necessary to maintain the fleet properly because the Budget Bureau, this expert in naval affairs, had asked him not to do it?

Mr. OLIVER of Alabama. He did not go so far as that.

Mr. CONNALLY of Texas. Did he not say that he yielded to the Budget Bureau?

Mr. OLIVER of Alabama. Yes; in the interest of economy, he stated, he had yielded some demands which otherwise he would have made.

Mr. CONNALLY of Texas. That is a matter of policy. It is a matter of policy whether you will maintain the fleet up to the 5-5-3 ratio, and the effect of the Secretary's testimony is that he permitted the Budget Bureau to override the Navy Department on a matter of policy.

Mr. OLIVER of Alabama. The House will probably be interested in knowing that our Navy is composed to-day of the following principal combatant units:

Battleships, first line	18
Cruisers, second line	11
Light cruisers, first line	10
Light cruisers, second line	10
Aircraft carrier, second line	1
Mine layer, second line	1
Destroyers, first line	281
Destroyers, second line	21
Light mine layers (formerly destroyers)	14
Submarines, first line	93
Submarines, second line	27
Fleet submarines, first line (building)	6

In addition there are numerous patrol vessels, destroyer tenders, submarine tenders, aircraft tenders, repair ships, store ships, colliers, oilers, ammunition ships, cargo ships, transports, hospital ships, tugs, mine sweepers, naval district and navy-yard craft, which I will not here enumerate, but which will be enumerated in the hearings by the Chief of Naval Operations.

The 10 light cruisers of the second line are obsolete vessels, and practically we consider them fit only for duty in time of peace, to serve as special service squadrons, for instance, for carrying the flag, policing, and so forth. Strictly speaking, they lack speed and they lack armor. They are not modern vessels and they are not really effective cruisers. They would not be effective in battle.

Mr. FRENCH. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. BUTLER].

Mr. BUTLER. Mr. Speaker, if the gentlemen here who are burning up with anxiety will possess themselves in patience until to-morrow, one week, we will give them a chance to show how much nerve they have and how much they care for the national defense.

Then we will ask you to vote an appropriation of $150,000,000 to bring our fleet up; we will ask you to vote eight ships of 10,000 tons each, costing when completed by 1930, $15,000,000 apiece, unless the price goes up, and then we will ask you to give $18,000,000 for the purpose of bringing up six of our big ships, and then we will have 5-5-3.

Mr. CONNALLY of Texas. Then we are not 5-5-3 now?

Mr. BUTLER. We are 5 and a fraction above 4.

Mr. CONNALLY of Texas. I am not opposing——

Mr. BUTLER. The gentleman never has been opposed to the national defense. He and I have had friendly discussion in this place; he has never been opposed to it; but I will tell the gentleman he can get a complete answer in detail if he will come to the committee room of the Committee on Naval Affairs. However, I desire to say that to-morrow week we will ask the House to bring our Navy up to 5-5-3, whereas we are now 5 and a fraction above 4-3.

Mr. FRENCH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The question was taken, and the conference report was adopted.

Mr. FRENCH. Mr. Speaker, there are several amendments that we have brought back to have voted on by the House which were agreed to in the conference committee.

The SPEAKER pro tempore (Mr. CHINDBLOM). The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 8, page 13, after line 25, insert: "*Provided further*, That members of the Volunteer Naval Reserve may, in the discretion of the Secretary of the Navy, be issued such articles of uniform as may

be required for their drills and training, the value thereof not to exceed that authorized to be issued to other classes of the Naval Reserve Force and to be charged against the clothing and small-stores fund: *Provided further*, That until June 30, 1925, of the Organized Militia as provided by law, such part as may be duly prescribed in any State, Territory, or for the District of Columbia shall constitute a Naval Militia; and until June 30, 1925, such of the Naval Militia as now is in existence, and as now organized and prescribed by the Secretary of the Navy under authority of the act of Congress approved February 16, 1914, shall be a part of the Naval Reserve Force, and the Secretary of the Navy is authorized to maintain and provide for said Naval Militia as provided in said act: *Provided further*, That upon their enrollment in the Naval Reserve Force, and not otherwise until June 30, 1925, the members of said Naval Militia shall have all the benefits, gratuities, privileges, and emoluments provided by law for other members of the Naval Reserve Force; and that, with the approval of the Secretary of the Navy, duty performed in the Naval Militia may be counted as active service for the maintenance of efficiency required by law for members of the Naval Reserve Force."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment which I have sent to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Mr. FRENCH moves to recede and concur with an amendment as follows: In line 1 of the matter inserted by said amendment, after the word "that," insert the following: "until June 30, 1925."

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 25, page 25, line 14, after the word "schools," strike out "built at ordnance stations pursuant to authority contained in the act entitled 'An act to authorize the President to provide housing facilities for war needs, approved May 16, 1918,'" and insert: "At ordnance stations at Indianhead, Md., Dahlgren, Va., and South Charleston, W. Va."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

At the beginning of the matter inserted by said amendment insert the following: "During the fiscal year 1925."

Mr. BLANTON. Mr. Speaker, will the gentleman yield? That does not change the $9,000,000?

Mr. FRENCH. No; it is limited to the coming fiscal year.

Mr. BLANTON. That is all that it could be limited to anyway. This is an appropriation bill.

The SPEAKER pro tempore. The Chair will state the amount is not in dispute. The Clerk inadvertently read the amount.

Mr. BLANTON. That amount was not put in by the conferees?

Mr. FRENCH. No; that amount is not in dispute at all.

Mr. BLANTON. That is a Senate amendment?

Mr. FRENCH. Yes. The Senate amendment limits the expenditure to the three places mentioned.

Mr. BLANTON. It was not put in by the House. In other words, the conferees agreed on it?

Mr. FRENCH. No; the House put in substantially that, but referred to it by referring to the act of May 16, 1918.

Mr. BLANTON. But did not authorize the expenditure of $9,000,000?

Mr. FRENCH. Yes. But let me say to the gentleman the effect of the Senate amendment is to limit it to these three places. If the Senate amendment had not been included, while members of the committee did not think the Navy Department would abuse the appropriation, the Senate felt that it should be tied down specifically to the three places.

Mr. BLANTON. I would like to ask the gentleman a very pertinent question: After the ideas of the House conferees are carried like they want them carried in respect to this conference, how much more will there have been added to this bill by the Senate?

Mr. FRENCH. One hundred and sixty-four thousand dollars.

Mr. BLANTON. One hundred and sixty-four thousand dollars?

Mr. FRENCH. Above the amount as passed by the Senate.

Mr. BLANTON. I am talking about the amount as passed by the House. How many million dollars have been added to this bill by the Senate in addition to the amount which it carried when it passed the House?

Mr. FRENCH. Three million ninety-two thousand two hundred dollars.

Mr. BLANTON. And that is about the case with respect to every bill that is sent from the Senate.

Mr. FRENCH. Well, let me say this: The Senate was very generous to the House naval appropriation bill and did not increase the items that some had feared the Senate might.

Mr. BLANTON. It increased it nearly three and a half million dollars.

Mr. FRENCH. That is true.

Mr. BLANTON. That is a small item, a mere bagatelle, and is not worthy of consideration.

Mr. FRENCH. It is not a mere bagatelle; but, on the other hand, the Senate is a coordinate branch of the machinery of our Government.

Mr. BLACK of New York. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BLACK of New York. The gentleman has repudiated the expert standing of Mr. Shearer, who was quoted on the floor here as a naval authority, and has accepted the authority of some foreign officer on the condition of our Navy. Has the conference added to the amount in this bill all it could to bring our Navy up to the condition which it should be in, based on the strictures made upon our own Navy by our own admiral, Admiral Coontz?

Mr. FRENCH. The conferees did not have legislative authority. What we had to do was to consider the bill with respect to the action of the two Houses.

Mr. BLACK of New York. Did you do all you could under your authority to meet the criticism of Admiral Coontz?

Mr. FRENCH. We could have allowed items to stay in that were put in by the Senate, and the Senate could have permitted items that we put in to remain, but which they struck out. That would have modified the sum total. But I have no doubt the conferees carried out substantially the ideas of both Houses. But as to discrediting the statement of Mr. Shearer, I did not discredit him; he discredited himself in making the wild and extravagant statements that he made.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment No. 28: Page 29, line 2, strike out "*Provided further*, That no part of the funds appropriated by this act shall be utilized for the pay of any officer or man who may recruit or enlist any boy under the age of 21 years without the written consent of the parent or guardian, if any, of such boy for such enlistment."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves to recede and concur with an amendment, which the Clerk will report.

The Clerk read as follows:

Restore the matter stricken out by said amendment, amended to read as follows: "*Provided further*, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of the Navy within 60 days after the date of his enlistment any man enlisted after July 2, 1924, in the naval service or Marine Corps under 21 years of age, who was enlisted without the written consent of his parent or guardian, if any, shall be discharged for his own convenience."

Mr. FRENCH. The effect of the amendment is to provide that hereafter, upon satisfactory evidence as to his age, upon application for discharge of a young man under 21 years of age, if made by his parent or guardian and presented to the Secretary of the Navy within 60 days of enlistment in either the Navy or Marine Corps, he shall be discharged by the Navy Department.

Let me say that this language is the language which the gentleman from Texas [Mr. CONNALLY], together with the ranking minority member of the committee [Mr. BYRNS], and myself worked out, with the exception of the words "July 1, 1924," and also the words "the Marine Corps." Those two minor provisions of the bill I submitted at a later date to the gentleman from Texas, as I think he will recall, and I understood they met his approval.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BLANTON. Why put in those words "July 1, 1924"?

Mr. FRENCH. There are some 65 different enlistment stations of the Navy throughout the country and a number of Marine Corps enlistment stations, and some 600 or 700 officers and men engaged in recruiting work. The time between now and July 1 is very short, and the Navy felt that from the standpoint of the service the time would be inadequate within which to prepare forms and instructions for the government of the service, and that a definite date to begin would be more satisfactory.

Mr. OLIVER of Alabama. And this bill, of course, applies to the fiscal year 1925, and the fiscal year begins on July 1, 1924.

Mr. BLANTON. I move to strike out the words "July 1, 1924."

The SPEAKER pro tempore. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON to the amendment offered by Mr. FRENCH——

Mr. FRENCH. Mr. Speaker, I did not yield to the gentleman to offer an amendment. I yielded to him for a remark that I thought he wanted to make.

Mr. BLANTON. There are 435 Members here. Does the gentleman intend to preclude us from offering amendments? We have a right to be heard as well as the gentleman. We have as much responsibility as he has as a Member of Congress. I presumed when he yielded to me he yielded to me for all purposes. I do not believe in filibustering, and I am not going to waste any time. If the gentleman does not want this amendment all right.

Mr. FRENCH. I am glad to have it voted on, but I am anxious to hurry on with the bill. That is all.

Mr. BLANTON. Mr. Speaker, I withdraw my motion.

The SPEAKER pro tempore. The gentleman from Texas withdraws his motion. The question is on agreeing to the motion of the gentleman from Idaho.

Mr. FRENCH. Mr. Speaker, I yield three minutes to the gentleman from Texas, the author of the amendment.

Mr. CONNALLY of Texas. Mr. Speaker, you will recall when this bill was originally before the House I offered an amendment which was adopted, providing that no part of these funds should be used to enlist boys under 21 years of age. The effect of that amendment was to continue simply for one year. It was only given as a limitation on the appropriation. It would expire on July 1, 1925, and then we would have to go through that process each year to put on that limitation.

Mr. OLIVER of Alabama. And it would apply only after July 1 this year.

Mr. CONNALLY of Texas. Yes; it would apply only after July 1 of this year, because this bill is only effective after July 1. The bill went into conference, and the conferees came back and talked to me, I suppose, because I had offered the amendment. I know of no other reason. They asked if we could get together on the proposition. We agreed among ourselves that if we could adopt an amendment making this permanent law, so that we would not have to make a fight each year, we would be willing to concede something to the Senate. So the result of that conference was that this amendment was proposed, which provides that any boy under 21 years of age who enlists without his parents' consent can be discharged upon the application of his parents and furnishing evidence in proof of his age, providing the application for discharge was made within 60 days.

Now, that is a very short time, it is true, but these recruits, after they have spent about 60 days in training, are sent to their ships and may be sent to sea, and it would hardly be practicable for the Government to enlist a boy, train him, and then send him over to Europe, have him discharged in Europe and sent back home at the Government's expense. So I rather reluctantly agreed to the 60-day policy. But on the whole I believe this is a good amendment, and since it makes it permanent law, I think the House should agree to it.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. LAGUARDIA. I understand the gentleman's interest in it, but the trouble is that a lot of these youngsters run away from home at 17 and 18, and I have had cases where the families did not know about their being in the Navy in 60 days.

Mr. CONNALLY of Texas. That is the difficulty, and I realize it, but on account of having to get an agreement with the Senate, I thought it would be better to accept it and amend it sometime later.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 30, page 33, after line 15, insert: "The Secretary of the Treasury is authorized and directed to transfer from the naval supply account fund an amount not exceeding $100,000 for the establishment of a permanent special working fund, which shall be charged with the net proceeds of all sales of surplus and condemned stores, with refunds to bidders at sales and to special depositors, and with all labor, overhead, material, and services incident to work done not chargeable to naval appropriations, and which shall be credited with all funds received as payment or advances for surplus stores, for condemned stores, and for all expenses incident to work not chargeable to naval appropriations."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 31, page 34 of the bill: "The Paymaster General of the Navy is hereby authorized and directed to expend from the naval supply account, without reimbursement to the naval supply account fund, issues made by order of the Secretary of the Navy pursuant to the directions of the President for the relief of sufferers in Japan following the earthquake which occurred September 1, 1923."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 40, page 39 of the bill, after line 23, insert: "Quay wall extension (limit of cost, $360,000), $150,000; repair and fitting out pier (limit of cost, $1,190,000), $250,000."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "Repair and fitting out pier (limit of cost $1,190,000), $250,000; in all, $350,000."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 43, page 40, line 11: Marine railway accessories house, $20,000; roads and walks, extension, $35,000; in all, $233,000.

Mr. FRENCH. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"Marine railway accesories house, $20,000; in all, $198,000."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 44, page 40, after line 14: Rebuilding power and refrigerating plant, $65,000; rebuilding station wharf, $12,000; in all, $87,000.

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 45, page 41, after line 12, insert: Naval fuel depot, San Diego, Calif.: Storage for war heads, $60,000.

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 48, page 41, line 25: Dock gear and paint shop, $35,000; storage for torpedoes, $140,000; in all, $190,000.

Mr. FRENCH. Mr. Speaker, I move the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "Storage for torpedoes, $140,000; in all, $155,000."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 50, page 42, after line 4, insert: "Supply depot, Marine Corps, San Francisco, Calif.: Construction of building, including grading of site, $500,000: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following:

"Supply depot, Marine Corps, San Francisco, Calif.: Construction of extensible building, including grading of site, $500,000, no part of such sum to be obligated until the Secretary of the Navy shall have determined that it is adequate completely to construct, equip, and otherwise make said building ready for occupancy and use, including the preparation and final conditioning of site: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 51, page 43, strike out "in all, $14,590,000" and insert: "For new construction, buildings, and improvements at air stations at a total cost not to exceed $410,000, as follows: Pearl Harbor, Hawaii, $173,000; Coco Solo, Canal Zone, $237,000; Pensacola, Fla., $150,000; in all, $15,150,000."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The gentleman from Idaho moves that the House recede and concur in the Senate amendment with an amendment, which the Clerk will report.

The Clerk read as follows:

In line 2 of the matter inserted by said amendment strike out "$410,000" and insert in lieu thereof "$560,000."

Mr. RAKER. Mr. Speaker, I did not catch the purport of that amendment.

Mr. FRENCH. The purport of the amendment is to provide for a water-supply system at Pensacola.

It includes the item of $150,000 in the total of $560,000; it corrects an error, that is all.

Mr. RAKER. The gentleman leaves the item as to the air station at Pearl Harbor the same as it is.

Mr. FRENCH. Yes; and at Coco Solo.

Mr. RAKER. That is not changed.

Mr. FRENCH. No; and I would say that as to Pensacola a little later on, either in the next amendment or the subsequent one, we shall offer certain limitations that we feel ought to be attached to the expenditure.

Mr. RAKER. I did not understand that last statement. The Pearl Harbor improvement, as I understand it, is left as it is.

Mr. FRENCH. Yes; and the same thing is true at Coco Solo.

Mr. WINGO. As I understand the change, you merge the principal item into another item.

Mr. FRENCH. Yes; to correct the total and to include in the total the Pensacola item.

Mr. WINGO. The substance of it is the same as the Senate amendment.

Mr. FRENCH. Yes; as a matter of fact, it is the correction of an error.

Mr. WINGO. Yes. In other words, the proposal is agreed to and you perfect the language and put on restrictions and limitations that are thought necessary.

Mr. FRENCH. That is correct.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. BUTLER. Has the gentleman been informed that this House will be asked to authorize the appointment of a select committee to consider a joint air service? Does the gentleman know where he is drifting? Does the gentleman know it is thought desirable to have the question of a joint air service between the Army and the Navy inquired into? How much money does the amendment appropriate for Coco Solo?

Mr. FRENCH. For Coco Solo, $237,000.

Mr. BUTLER. What are they going to do with that there? I think they could get along with less money there. We heard a lot of testimony on it and upon the development of these air fields.

Mr. RAKER. Will the gentleman yield for a question there?

Mr. BUTLER. I have not any time. The time belongs to others.

The gentleman is always very careful, but a good many of us have it in our heads that there might be a very, very great saving if we could have a joint operating service between the Army and the Navy at several of these points, and this is one of them, and now if you are going to spend a lot of money down there, we might as well abandon the whole thing. Therefore it is desirable always, I would suggest, for us to keep in touch with each other. I sat for three or four or five days and listened to a discussion of this matter and now it comes in and is to be disposed of in a few minutes. I am through with the whole business.

Mr. FRENCH. Let me say to the gentleman——

Mr. BUTLER. We have been trying to save some money so we can get some ships and get this Navy off of the land, and now the gentleman's committee comes in here with these great big appropriations to put the Navy on the land. If we listen to them and concede to them all they ask, we will have this whole Navy on the land and they will put the ships on the land before they get through with it. I want ships that will float and not these big naval stations. We have been listening and listening for 45 days to a discussion upon one station. I want the money for the ships.

Mr. RAKER. Will the gentleman yield?

Mr. FRENCH. Let me first refer to the remarks of the gentleman from Pennsylvania, the chairman of the naval legislative committee. The conferees did not have authority to consider the matter to which the gentleman directed attention. The question is raised at this point and projected into the problem by reason of the fact that both the Army and the Navy have air stations that are adjacent.

Mr. BUTLER. Yes; and we are endeavoring to learn whether we can not join them. The Army wants four or five

or six million dollars there, and we want to know whether it is not possible to have a select committee appointed to sit perhaps during the vacation period to determine how we can save money by having joint operation, not joint control; we are not having anything to do with that. I only want to suggest to my friend that there is no use having these naval officials coming here and detaining us for days listening to testimony and then going to the gentleman's subcommittee and detaining them for days and then going over to the Senate and having these things put into the bill. They can go to the Senate first hereafter, so far as I am concerned.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. FRENCH. In just a moment. I want to say to the gentleman from Pennsylvania that the conferees on the part of the House proposed that this money should not be expended either at Coco Solo or at Pearl Harbor unless and upon an arrangement agreeable to the President of the United States.

Mr. BUTLER. I understand that.

Mr. FRENCH. We did that in the absence of the very arrangement to which the gentleman refers and which he would like to see worked out. I am with him. I think we ought to have a working understanding so that we can expend whatever money is to be expended most economically, most efficiently, and so there will not be duplication or overlapping of services.

Mr. BUTLER. Mr. Speaker, I want to say to the gentleman, who works very, very hard and is just as economical as I would like to be, in my judgment, the time has come when we should make an examination of these different places. The Navy now has more than 700 pieces of ground that they either own or rent, and the time has come when we should select these fields in connection with the Army and have joint operation and save a lot of the expense that we are now subjected to for the Navy on the land when we need ships so badly. But I am not raising any question about it. Pearl Harbor will have to be built. It is our outward defense, but we spent days and days listening to the evidence, and now it is all wiped out by going to the Senate and getting the appropriation. I only want to repeat what I have already stated, that hereafter when anything is asked of the committee over which I now preside I shall direct them to go to the Senate and go at once.

Mr. FRENCH. The gentleman asked a moment ago how the money for Coco Solo and Pearl Harbor is to be expended. I have the itemization here. For Coco Solo the amount asked for is $237,000, allocated as follows: Seaplane hangar, $147,000; concrete runway, bulkhead, and beach improvements, $30,000; hydraulic fill, $50,000; and for water, sewage, and electric distribution system, $10,000.

For Pearl Harbor the total asked for is $173,000, allocated as follows: Seaplane hangar, $140,000; beach improvements and runway, $33,000.

Mr. LAGUARDIA. What the gentleman from Pennsylvania says is absolutely correct. The mistakes we have been making since the war is to appropriate funds for aviation for the Army and to appropriate for aviation for the Navy, and as long as we continue to appropriate for them we are getting nowhere. The trouble is that if we continue to appropriate for the Air Service in this way a great many officers seated in comfortable chairs in their office will not take the air. They do not want to do that. I suggest that we stop appropriating until they get together and develop an Air Service for the good of the country and not for the comfort of the present officers.

Mr. RAKER. Will the gentleman yield for a question?

Mr. FRENCH. I will though I am anxious to get through.

Mr. RAKER. Referring to the air situation at Pearl Harbor, it is on an island. The Navy and the Army are on the same island with only a dividing imaginary line between them. The discussion that they should be combined is a good deal of imagination; they use the entire equipment for the efficiency of the Army and for efficiency of the Navy, and the only question is whether we should keep both so that we can have a good Air Service.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will read the next amendment.

The Clerk read as follow:

Senate amendment 52, line 17, after the word "aeroplanes" insert: "*Provided*, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for damages which have occurred or may occur to private property growing out of the operations of naval aircraft, where such claim does not exceed the sum of $250: *Provided further*, That all claims adjusted under this authority during the fiscal year shall be reported in detail to the Congress by the Secretary of the Navy."

Mr. FRENCH. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Mr. FRENCH moves to recede and concur with an amendment as follows: After the word "*Provided*," in the first line of said amendment, insert "*further*."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment 53: On page 44, at the top of the page insert: "The Secretary of the Navy is authorized, when directed by the President, to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title to such lands as he may deem necessary or desirable in the vicinity of Pensacola, Fla., for use as a site and right of way for the construction and maintenance of a pumping station, wells, and pipe line to provide a suitable water supply for the United States naval air station, Pensacola, Fla."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. FRENCH moved to recede and concur with an amendment as follows: After the word "Florida," in the last line of said amendment, insert the following: a semicolon, "and such additional water supply is hereby authorized: *Provided*, That the sum of $150,000 hereinbefore appropriated for new construction buildings and improvements at the air station, Pensacola, Fla., shall not be available until the Secretary of the Navy shall determine that in his judgment a water system capable of furnishing an adequate supply of water for such station can be completed within the limit of the funds herein provided, and until the Secretary of the Navy, at the direction of the President, has accepted the conveyance of land and rights of way as herein authorized."

Mr. BUTLER. Mr. Speaker, I would like to ask the gentleman from Idaho: Can the gentleman determine how much in the end this is going to cost?

Mr. FRENCH. We have fixed the limit at $150,000.

Mr. BUTLER. I know, but the gentleman knows that we can raise the limit.

Mr. FRENCH. We have directed that none of it shall be expended until it is determined.

Mr. BUTLER. Did you learn how much they would like to have?

Mr. FRENCH. Yes; this was figured on the amount they asked for, and it was the judgment of the conferees that it was a very liberal figure. We figured it on the basis of material, of boring the wells, of putting in the power plant, and from the several angles we could not see how it could approach the amount asked for, and yet we thought we were justified in leaving it at the figures we have attached to the amendment.

Mr. BUTLER. I want to say to the House that you might as well abolish the legislative Naval Affairs Committee. This bill is packed full of limitations, and here comes another. I did not vote for the rule that took the authority away from the Naval Affairs Committee.

Mr. FRENCH. This is a limitation rather than legislation.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho to recede and concur with an amendment.

The question was taken, and the motion was agreed to.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. SMITHWICK] may proceed and speak on the amendment we have just adopted.

Mr. WINGO. I object.

The SPEAKER pro tempore. The Clerk will read the next amendment.

The Clerk read as follows:

Amendment 54: After line 18, on page 44, insert: "No part of any sum in this act appropriated shall be expended in the pay or allowances of any commissioned officer of the Navy detailed for duty as professor or instructor at the United States Naval Academy to perform the duties which were performed by civilian professors or instructors on January 1, 1922, whenever the number of civilian professors

or instructors employed in such duties shall be less than 65, exclusive of masters and instructors in swordsmanship and physical training: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment which I send to the desk.

The Clerk read as follows:

Mr. FRENCH moves to recede and concur with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "Until June 30, 1925, if for any cause the number of civilian professors or instructors employed in the United States Naval Academy, on January 1, 1924, shall be reduced, after such latter date no commissioned officers of the Navy shall be detailed or allowed to teach the subject or subjects theretofore taught by said civilian professors or instructors whose service in connection with the academy may have been so terminated: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho to recede and concur with an amendment.

Mr. DENISON. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. DENISON. Will the gentleman please explain the effect of the amendment?

Mr. FRENCH. In brief, the effect of the amendment is to modify the first paragraph of the language inserted by the Senate, which carries the requirement touching the employment of officer members of the faculty in lieu of civilian members of the faculty after January 1, 1922. We felt that that was incongruous. We felt that the date ought to be brought up to January 1, 1924; and I think the language employed is perhaps a little happier than the language in the current law, used by the Senate. In substance, I have indicated the only change which was made in the amendment.

Mr. DENISON. As I heard it read, there is no limitation at all upon the number that can be dismissed up to January, 1925.

Mr. FRENCH. Oh, yes. We did not fix the number in the amendment for this reason: The academy will need to operate on a smaller basis—a less number of midshipmen during the year 1925. There will be probably 400 less midshipmen next year than this. That adjudication can not be made satisfactorily unless the faculty may be reduced, and we have provided in this amendment that no officer shall be placed on the faculty to take the place of a civilian in work done on January 1, 1924. The gentleman would not want to keep civilians or officer members of the faculty there when their services were not needed.

Mr. DENISON. Certainly not.

Mr. FRENCH. Therefore we felt that we ought not to fix in the bill a limit as to number of faculty members such as was in the bill last year.

Mr. DENISON. The effect of the amendment proposed by the gentleman is that no naval officer shall be detailed to take the place of any civilian professor who is discharged or let out at any time?

Mr. FRENCH. Yes; that states the proposition.

Mr. DENISON. Then, taking the number of civilian professors that were there on the 1st of January this year, they can not be replaced by any naval officer?

Mr. FRENCH. They may be reduced if their work is not needed, but they may not be replaced.

Mr. HILL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. HILL of Maryland. I want to ask the chairman of the subcommittee the same question that I asked him when the bill was originally before the House for consideration, and to which he gave a very definite and clear answer. At that time the chairman of the subcommittee stated that there was nothing in this bill to indicate any intention to remove the graduate school from the Naval Academy to any other place. Does that same situation exist to-day, or does the Senate attempt some change in that regard?

Mr. FRENCH. No; the Senate has not modified the bill in that respect.

Mr. HILL of Maryland. As far as the chairman of the subcommittee knows, from this bill, there is no intention to remove the graduate school from the Naval Academy to any place else?

Mr. FRENCH. No; and the Navy Department assured me that I, as chairman of the subcommittee, would be notified of any report of the commission studying the situation before any action is taken.

Mr. HILL of Maryland. I am very glad to hear that. That is entirely in the interest of efficiency and economy. If this school were removed, it would be against efficiency and economy.

Mr. LINTHICUM. As I understand the report of the commission appointed with reference to this postgraduate school, it has already been made to the Secretary of the Navy.

Mr. FRENCH. It may have been made to the Secretary, but it has not come up in any definite way where action is contemplated, else they would have notified our subcommittee.

Mr. LINTHICUM. I understand that the report has already been made.

Mr. FRENCH. It may have been submitted to the Secretary.

Mr. LINTHICUM. I note that the bill provides that no civilian professor shall be replaced by an officer after January 1, 1924, for work being performed by a civilian officer on January 1, 1924. Have any civilian professors been replaced by officers since January 1, 1924?

Mr. FRENCH. I think not. I have not heard that statement made, and the law under which the Navy is operating the Naval Academy limits the replacement to the work that was done by those other than civilians on January 1, 1922.

Mr. LINTHICUM. The point I am trying to make is that it might have been possible that a certain number of civilian professors had been dropped since January 1, 1924, and officers appointed in their places, which would continue under this bill.

Mr. FRENCH. It has not been brought to our attention, and I think we would have heard of it if such had taken place.

Mr. OLIVER of Alabama. And if any condition such as the gentleman suggests is true this would correct it.

Mr. FRENCH. Yes.

Mr. DENISON. Is this postgraduate school established by authority of law at Annapolis?

Mr. FRENCH. There is general authority in law for carrying forward this type of postgraduate work. The law itself does not fix the work at Annapolis or any other particular place. As the gentleman will probably recall, there are those who are experts or interested in certain lines who are sent to various technical schools for training. Even a limited number are sent abroad for training, but wherever work can be done efficiently at places like the graduate school at Annapolis the department endeavors to administer the funds available so that training can be had there instead of through paying for tuition for these men in professional or technical schools elsewhere.

Mr. DENISON. My question was preliminary to this one: Can the Navy Department move this school from Annapolis without an act of Congress authorizing it?

Mr. FRENCH. My judgment——

Mr. LINTHICUM. I will answer the gentleman that that is in the power of the Secretary of the Navy.

Mr. FRENCH. I have no doubt that is true, but let me say that is the point I had in mind when I asked the department to notify our subcommittee in the event any such action was contemplated and we were assured that that would be done.

Mr. OLIVER of Alabama. The committee by the appropriations which they have made for that purpose have in effect indicated it is not the purpose or the desire of Congress that it shall be removed.

Mr. FRENCH. The appropriation is made, of course, on that understanding. We can not write into law every understanding or you would have in this bill a volume that would be an inch thick, so we have these understandings with the department and I am sure that, generally speaking, they are respected.

Mr. RAKER. Have the civilian professors and inspectors been increased or diminished by this provision?

Mr. FRENCH. Not by this provision. The amount carried in the bill is less than for the current year for the reason that we are decreasing for next year the number of midshipmen by about 400.

Mr. RAKER. Does the effect of this provision increase them or decrease them?

Mr. FRENCH. The effect of the limitation?

Mr. RAKER. Yes.

Mr. FRENCH. The effect of the limitation is not either to increase or decrease, but prevents the ratio from being changed. You might say it is to prevent the substituting of official instructors or teachers for civilian instructors and teachers.

Mr. RAKER. Is that the purpose to keep out as many official instructors or commissioned officers as possible?

Mr. FRENCH. Oh, no; but the thought for years has been that there should be a limited number of civilian instructors and professors there, and a few years ago it was felt that probably it was swinging too much toward the officers, and the House put in a limitation. The committee in reporting the bill to the House struck out the limitation, and it was reinstated on the Senate side. Now, we have brought in an amendment which is a compromise and much more workable than the Senate amendment but carrying out the general thought.

Mr. RAKER. Equalizing the situation now between the commissioned officers and civilian professors and instructors. Is that about right?

Mr. FRENCH. Yes; that would be a way of expressing it. It prevents substituting officers for civilian instructors.

Mr. RAKER. Has the gentleman at his fingers' end the number of civilian professors and instructors at the academy now?

Mr. FRENCH. Approximately 87. That includes certain athletic instructors, 15.

Mr. RAKER. How many commissioned officers?

Mr. FRENCH. Approximately 120.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Idaho.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 55: On page 50 of the bill, after line 23, insert: "No money appropriated by this act shall be expended for tranportation on foreign vessels of officers, enlisted men, or employees under the jurisdiction of the Navy Department without a certificate from the Secretary of the Navy or other official authority designated by him that there are no American vessels then available for the transportation of such officers, enlisted men, or employees."

Mr. FRENCH. Mr. Speaker, I move to recede and concur.

Mr. BRITTEN. I would like to know if the committee had before it the figures indicating the amount of money expended on this kind of travel on foreign ships by officers or employees of the Navy Department?

Mr. FRENCH. This was a Senate amendment, and the House committee did not have those figures.

Mr. BRITTEN. I will say to the gentleman, I am very glad this limitation is being carried on an appropriation bill. It should have been in effect a long time ago, because it has been the custom not only of naval officers but of ambassadors and ministers and commercial attachés to travel on first-line foreign ships for reasons best known to themselves when on the same day or in a day or two they could have taken American ships. It might not have been as sporty a one or as classy as the French or British ships, but they were not paying their own fare, the Government was paying it; and I think a limitation of this kind should be carried on every appropriation affecting travel, and I am very glad to see it on this bill.

Mr. BUTLER. Mr. Speaker, I will ask the members of the committee to be patient for a minute. I want to ask the gentleman, because he is well informed—let us turn back to amendment No. 51. I am thinking pretty keenly of what has been done there. Will the gentleman please tell this committee what kind of buildings you have provided for $410,000, and how much these buildings are going to cost? I would like to know the character of these buildings. We have had a little experience——

Mr. YOUNG. Does the gentleman think it is too much or too little?

Mr. BUTLER. Fierce! What kind of buildings are they—officers' houses and quarters?

Mr. FRENCH. No; most of the money will be expended for hangars.

Mr. BUTLER. If for hangars, all right; but if they are going to start officers' houses costing $40,000 for a captain of the Navy, you leave it here and I am going to make some fuss. We have been up against that frequently over here, and we have endeavored to limit it house by house.

Mr. FRENCH. I have the data right at hand here.

Mr. BUTLER. When the gentleman revises his statement let him add the buildings, so that we may know hereafter how the appropriations are made.

Mr. FRENCH. I will put it in. [See p. 9010.]

Mr. BUTLER. Very well.

Mr. OLIVER of Alabama. If the gentleman will permit me, it might be due to Admiral Wilson that I make this statement, that this will be in line with what he stated to the committee would be his policy. There were Members of the Senate who called attention to the fact that he might not be there longer than February next year, and they wanted to be assured that his policy would be strictly adhered to, and they wished that what they were given to understand would be the policy should be inserted in the bill.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Idaho.

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 59: Page 54, line 19, strike out "$7,500,000" and insert "$8,450,000."

Mr. FRENCH. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The gentleman from Idaho moves that the House recede and concur. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment No. 60: Page 55, line 2, after the word "treaty" insert "toward the construction of one submarine authorized by the naval act of August 29, 1916."

Mr. FRENCH. Mr. Speaker, I move to recede and concur with an amendment.

The SPEAKER. The gentleman from Idaho moves to recede and concur with an amendment. The Clerk will report the amendment.

The Clerk read as follows:

In lieu of the matter inserted by said amendment, insert the following: "toward the construction of one fleet submarine (mine-laying type) heretofore authorized, to have the highest practicable speed and greatest desirable radius of action, and to cost not to exceed $5,300,000 for construction and machinery and $850,000 for armor, armament, and ammunition, and the Secretary of the Navy shall have prepared plans and estimates of cost of a scouting submarine and a submarine capable of accompanying the fleet, each to have the highest practicable speed and greatest desirable radius of action, such plans and estimates to be in readiness for submission to Congress on the first day of the next regular session."

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. I will be glad to yield.

Mr. BLANTON. Was this recommended by the legislative committee?

Mr. BUTLER. Yes; in 1916.

Mr. FRENCH. This is part of the 1916 program, and the submarine that the Senate provided for is to be a submarine of the mine-laying type, that does not require propulsion necessary for the wider-ranged fleet submarine. We are providing for the construction of one mine-laying submarine under the provisions of the Senate amendment, together with the experimentation looking to the development of an engine adequate for a cruiser type of fleet submarine as provided for by the House.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. BLACK of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OLIVER of Alabama. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

FOSTER DWIGHT COBURN

Mr. LOZIER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to the death of a great Kansan, Foster Dwight Coburn.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LOZIER. Mr. Speaker, a few days ago the Associated Press announced the death of Foster Dwight Coburn, in Topeka, Kans. Inasmuch as none of the distinguished Representatives from Kansas has called attention to the home-going of this outstanding citizen, I desire here and now to speak

into the records of this House a few words in recognition and appreciation of this man, who was really great, according to all the standards by which true merit and real greatness are measured. He was not of my State nor of my political faith. But for 20 years he has been an outstanding figure in the realm of American agriculture. I and thousands of others have learned from him wholesome facts in relation to agriculture and animal industry.

Perchance he did not achieve greatness as the world understands that term, but no one who is familiar with his long and useful life will deny that he made a valuable and lasting contribution to those forces that promote the public good and spell the betterment of mankind. As the head of the Kansas State Department of Agriculture, as a dirt farmer, as a writer on argicultural subjects, as a farseeing agricultural expert and seer, and as a militant crusader in commendable agricultural activities and to establish agriculture on a sound economic basis, F. D. Coburn has earned the gratitude of millions to whose welfare his life was dedicated and to whose betterment he has so materially contributed.

In seasons of calamity and distress he gave wise counsel and sympathetic encouragement. In times of prosperity he advised moderation and conservatism, and cautioned against impulsive speculation and ill-considered activities.

His unfailing storehouse of wisdom and common sense was available at all times to the people of Kansas and the great West. He was the great agricultural emancipator of Kansas. His crusade for diversified farming, for alfalfa culture, for increased dairying and poultry production, for better livestock, for simple and sensible marketing systems, not only transformed and rehabilitated the agriculture of Kansas, but overstepped State lines and wholesomely altered and influenced the agricultural activities of the Nation.

F. D. Coburn was the one great outstanding apostle of alfalfa, by the ever-increasing culture of which millions have been added to the wealth of our Nation. This valuable forage plant, a native of Asia, was cultivated in Europe long before the song of the angels echoed over the Judean hills. Alfalfa was introduced into South America by the Spaniards. Its first cultivation in the United States was in California prior to the Civil War. Probably Mr. Coburn did more than any dozen other men to demonstrate the usefulness and value of this plant to the American farmer.

Though born in Wisconsin and residing for a brief season in Missouri, his active life was largely spent in Kansas, to the upbuilding of which State he materially contributed. Kansas did not and could not monopolize the valuable services he rendered to the age in which he lived. Measured by real achievements and enduring accomplishments, Foster Dwight Coburn was the outstanding Kansan of the present generation.

WORK OF COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to extend my remarks by having printed the speech made by the gentleman from Pennsylvania [Mr. EDMONDS] before the American Merchant Marine Association as to the work of the Committee on the Merchant Marine and Fisheries in the last 12 years—his own remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, under the leave granted I insert the following speech by Hon. GEORGE W. EDMONDS, of Pennsylvania, before the American Merchant Marine Association, at New York, May 15, 1924, on the work of the Merchant Marine Committee of the House during the past 12 years, and suggestions for the future operation of the Shipping Board and the Emergency Fleet Corporation:

BANQUET OF AMERICAN MARINE ASSOCIATION, MAY 15, NEW YORK

As this is probably the last opportunity I shall have for addressing a body of shipping men as a Member of Congress, I am constrained to trespass upon your time a little to review the past 12 or 13 years' work of the Congress along the lines of interest to you and to ask your indulgence while I give my views of what should be done in the future to retain the hold we have on our export and import trade, thrown into our hands through the exigencies of the World War.

It was in 1911 to 1913 that the Merchant Marine Committee of the House made what is probably one of the most complete investigations of the shipping business ever made by Congress. An investigation directed more at the basic and underlying reasons for the decadence of the American merchant marine than at the actual physical cost of operations. The outstanding result of this investigation was the recognition of conferences and agreements between lines as a necessity in order to control destructive competition, give good service, and to prevent monopoly.

Soon after the war started in Europe, spurred by necessity for shipping facilities, the Merchant Marine Committee prepared and brought into the law the shipping act of 1916, the principal features of which were:

1. Creation of the Shipping Board.

2. Creation of a corporation or corporations to operate merchant vessels.

3. Defined the investigating powers of the Shipping Board, and directed investigation in all lines of endeavor connected with shipping.

4. Recognized conferences and agreements between shipping operations, but arranged for such publicity and restrictions as were deemed necessary to protect the shipping public from discriminations.

5. Prohibited what were termed fighting ships.

6. Provided conditions to govern shipping during war and other emergencies.

7. Provided penalties for foreign shipping who, by agreement or by other methods, discriminated against American shipping.

Following the passage of this act, owing to the peculiar conditions prevailing during the war, Congress through its Merchant Marine Committee in the House and the Commerce Committee of the Senate took upon itself the task of assisting in investigating and legislating upon some of the subjects delegated to the Shipping Board by the shipping act of 1916. There were quite a few subjects touched upon, one of the most important being the marine insurance. This investigation led to the arrangement between all the marine insurance companies in the United States to prepare syndicated policies covering the hull risks, and which I hope some day to see extended to cargo risks. Conditions prevailing, with the London Salvage Co. in practical control of repairs and Lloyd's Bureau in the same position regarding surveys, lend to the committee encouragement of the American bureau of shipping and the American bureau of salvage, both of which institutions now occupy a commanding position among the world's institutions of their kind.

The creation of a secured mortgage which would attract investment also had the attention of the committee, also the advisability of load-line legislation. All of this work was carried on by the committee, besides the numerous questions raised by the war necessities, and many minor subjects which were demanding continual attention.

In 1920 the Merchant Marine Committee of the House prepared the basis of what is now known as the "Jones Act," which was intended to clean up the chaotic condition created by the war and to declare our policy as to the many merchant marine ships now in possession of the Government. The constructive features of this bill were as follows:

1. Declaration of intent to build up a privately owned merchant marine.

2. Port facilities and development investigation ordered.

3. Provided a construction fund to be used to build up such ships as were necessary to balance the fleet for either commercial or war purposes.

4. Placed the Philippine Islands under the coastwise laws when proper facilities were adequate to handle the business.

5. Arranged for tax deductions to meet changed conditions.

6. Arranged for the use of the mail service to build up American-flag shipping.

7. Allowed cargo vessels to carry a limited number of passengers under certain conditions.

8. Recognized the syndicate form of marine insurance.

9. Arranged for a new type of ship mortgages known as "preferred mortgages."

10. Arranged when proper facilities existed that special import and export rates of American railroads should apply to American-flag vessels only.

11. Arranged for the abolishing of treaties which prevented the use of discriminating duties in favor of American vessels.

During this same session of Congress the important suits in admiralty act was prepared and passed, and since that time many different subjects have occupied the attention of the committee, many of which were included in the subsidy bill which, unfortunately, failed, carrying down with it the other proposed aids which would have been so valuable as assistance even without the subsidy.

Recently the attention of the committee has been brought to the pilferage evil, and the necessity of Federal attention to this subject, and also to the world's movement for a uniform and simplified bill of lading, both of which subjects are of great importance to successful ship operation. The destruction of American cargo owing to improper packing and lack of knowledge of this subject, lead at the request of the Merchant Marine Committee to an appropriation to the Department of Commerce for a full investigation of this subject, the results of which will be made public in a few weeks by a very complete book of instructions covering commodities and facilities. Recently, and as a result of investigation, there was passed by the House, and is now before the Senate, the bill which when made a law should provide for our having from 60 to 100 motor ships, the last word in economical operation.

called attention to the fact that he might not be there longer | of this outstanding citizen, I desire here and now to speak

During this period the committee has also made three separate investigations of the subject of radio communication, a general bill now being before Congress which carefully protects all the different interests affected.

It has been a source of great disappointment to us all that the material aids contained in the Jones bill and looked forward to so hopefully by us, of the discriminating duties, expansion of coastwise law to the Philippines, and the application of the import and export rates of railroads to American ships have not been placed in operation, and yet when we consider the disturbed conditions in the world and the impossibility of securing the abrogation of 22 or 24 treaties, containing many different subjects, many of which would lead to disturbing consequences if abrogated without being replaced immediately, we can readily realize that the matter needs careful handling and much consideration by our diplomatic authorities, and diplomatic work of this character is very slow in its consummation.

As to the application of the coastwise laws to the Philippines, owing to the present demand of the Filipinos for independence, it would be exceedingly unwise and possibly costly to press a subject which of necessity would imply to them sovereignty.

The real available aid to our American shipping contained in the Jones Act is the application of important export railroad rates to American bottoms; there could be no question of its application almost immediately had the sections in the subsidy bill for the coordination of rail and water shipping been passed. As it is to-day, section 28 stands without the machinery prepared to put it into operation. Let us hope that this defect will be cured and this substantial benefit to American shipping will be given to it.

This subject of preferential railroad rates applied to shipping was considered at the Geneva conference by a convention held for the regulation of maritime ports throughout the world, and was condemned by them as unjustly discriminating, which view was vigorously upheld by the Italian and Japanese delegations and strongly supported by Sir H. L. Smith, head of the British delegation. So strongly did they believe in this doctrine that they signed up at once for their respective countries. But we have yet to hear that the discriminatory customs duties levied against American goods shipped in American ships from American ports in favor of American goods shipped in Canadian ships and railroads by Australia have been removed; and as for the Japanese, we have yet to hear that the preferential rates on Japanese railroads for Japanese ships have been abrogated. Here is a cablegram just received from Manila, dated April 30: "Now here for conference, brings information from reliable source, Dairen, that Japanese vessels are given flat rate of 55 sen per ton for inward and outward cargo, whereas foreign vessels are charged 65 sen inward and 70 sen outward."

Nor, again, do we hear that the Italian Government has in any way modified her regulations regarding emigration or immigration. So I feel that those gentlemen who so deeply fear discriminations had better look into the many small and devious methods used by them and clean up their own house before criticizing their neighbors.

Britain boasts of her championship of the freedom of commerce between nations, of her desire to see the ships of all nations treated equally in all ports, of her freedom of limiting her coastwise trade to her own nationals, and yet uses discriminatory export duties in her colonies to keep the trade well in hand for herself; even the mandatories she received as an outcome of the Great War have acquired this habit under her guidance.

Leaving the past, what should Congress do in the future to benefit and place this great industry and national necessity upon a stable basis? Passing over the legislation which common business sense should dictate, like the uniform bill of lading proposition, there are three great legislative measures, separate and distinct from each other, which should have its attention. The first is to pass a bill—which should need but little discussion—containing the aids outside of the subsidy but contained in the subsidy bill. It would include such subjects as 50 per cent of the immigration in American vessels, Army and Navy transport of both officials and freight to be done in private vessels, Federal supervision of pilferage, load lines for vessels in the foreign trade, necessary changes in the preferred mortgage bill, a definition of the home port of a vessel, the necessary legislation to make section 28 of the Jones Act effective, and a union of all of the departments having to do with shipping, now scattered through the various governmental agencies, under one head in the Department of Commerce.

Second, urge the completion of the revision of the navigation laws now under way in the Shipping Board, and investigate the proposed changes carefully and as rapidly as possible, and then pass them into permanent law as quickly as possible.

Third, divorce as nearly as practicable the Shipping Board from the Emergency Fleet Corporation; leave the Shipping Board all the powers necessary under the various acts to supervise and advance the interests of the American merchant marine—and, believe me, there is much constructive work for them to do and many good reasons why, when acting for the advancement of the whole merchant marine, they should not have their opinions biased because of their participation in ship operations. I have never felt that the Shipping Board's position was good from a business standpoint when they were endeavoring to both supervise shipping and they themselves operators.

I am not in favor of abolishing the Shipping Board. They have just as much place in our national business as the Interstate Commerce Commission, and when properly functioning will have mostly semi-judicial work to do which can not fairly be delegated to one man or a department, nor would the decisions of one man be favorably received by contestants in shipping matters. As for the Emergency Fleet Corporation, it should be organized as a separate corporation entirely from the board under a proper name. It should be given the power to form subsidiary corporations; to invite into those corporations the participation of outside capital, as minority holdings, with a view of ultimate purchase of the lines; to make up the deficit in the operations of such lines, as long as the line is desirable; and to dispose of the line, if successful, to the minority holders, or to others, upon favorable terms. While under Government control they should be subject to fair and equitable treatment, giving the utmost freedom of management to these subsidiary companies consistent with good business. This should lead to a considerable reduction in the expense which Government operation, with its cumbersome system, entails, and should lead to the disposal of these companies at an earlier date, with considerable saving to the taxpayers.

Mr. SNELL. Mr. Speaker, I call up a privileged report from the Committee on Rules.

NO QUORUM—CALL OF THE HOUSE

Mr. NEWTON of Minnesota. Mr. Chairman, I think we ought to have a quorum present. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Minnesota makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Dominick	Kurtz	Quayle
Anthony	Drane	Langley	Reed, W. Va.
Bacharach	Dyer	Larson, Minn.	Salmon
Begg	Edmonds	Lea, Calif.	Sanders, N. Y.
Bixler	Fish	Lilly	Stengall
Bloom	Fitzgerald	Lindsay	Stengle
Boies	Fleetwood	Little	Sullivan
Bowling	Fredericks	McFadden	Summers, Tex.
Browne, Wis.	Freeman	MacGregor	Swoope
Buckley	Garrett, Tenn.	Magee, Pa.	Taylor, Colo.
Burdick	Geran	Manlove	Temple
Byrnes, S. C.	Gibson	Martin	Upshaw
Cable	Gifford	Miller, Ill.	Vare
Campbell	Graham, Pa.	Mills	Ward, N. C.
Casey	Graham, Ill.	Mooney	Wason
Celler	Green, Iowa	Moore, Ill.	Watres
Clark, Fla.	Griffin	Moore, Va.	Watson
Collier	Hawley	Morin	Weller
Collins	Hayden	Mudd	White, Me.
Connolly, Pa.	Howard, Okla.	O'Brien	Williams, Tex.
Cramton	Hull, Tenn.	O'Connor, N. Y.	Wurzbach
Crowther	Hull, William E.	Oliver, N. Y.	Wyant
Cummings	Jeffers	Park, Ga.	Yates
Curry	Kahn	Patterson	Zihlman
Davey	Keller	Peavey	
Davis, Tenn.	Kiess	Perlman	
Dickstein	Kunz	Phillips	

The SPEAKER. Three hundred and twenty-eight Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The doors were reopened.

HOUR OF MEETING

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. HOWARD of Nebraska. I object.

HAUGEN-M'NARY BILL

The SPEAKER. The gentleman from New York [Mr. SNELL] calls up a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 317

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 9033, entitled "A bill declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes."

That after general debate, which shall be confined to the bill and shall continue not to exceed 15 hours, and during the general debate the House shall recess each day from 6 o'clock p. m. until 8 o'clock p. m., the time to be equally divided and controlled by those favoring and opposing, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, this resolution provides for the consideration of H. R. 9033, entitled "A bill declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes," or what is generally known as the McNary-Haugen bill. The rule also provides for 15 hours of general debate, and it provides that the House shall recess each night during the general debate from 6 o'clock to 8 o'clock. It is expected to run to-night until 11 o'clock and run again on Thursday night until the final conclusion of general debate, in order that we may take up the bill for amendment under the five-minute rule on Friday morning.

Mr. ASWELL. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. ASWELL. It is now 3 o'clock. If the rule were passed and we were required to meet Thursday at 8 o'clock p. m. and complete the debate we would have to run until about 1 or 2 o'clock Friday morning.

Mr. SNELL. The final completion of general debate is not absolutely provided for. We expected to get in to-day a little after 12 o'clock, and if we had done so, general debate could easily have been completed Thursday night, but it may be that we shall not quite finish general debate Thursday night. We tried to get unanimous consent to begin at 11 o'clock Thursday morning in order to permit the passage of the bill, and perhaps we may be able to accomplish that yet.

I will say for the benefit of the House that this rule comes without any objection from the members of the Rules Committee, although it may not necessarily meet the individual views of all the members of that committee. However, we fully appreciate the fact that this is important legislation and that it affects a large part of the citizenship of this country. Anything that is for the benefit of the farming communities we feel should have careful and considerate attention by the Members of this House. We know that the prosperity of the whole country depends very largely on the prosperity of our people, and a proposition in which nearly 30 per cent of the people are engaged is very important to the people of the country, and for that reason we feel this bill should be considered at this time and that the House should have ample and full time to take it up, discuss it, and bring all of its provisions before the House and before the people of the whole country.

Mr. Speaker, I reserve the balance of my time, and I yield 25 minutes to the gentleman from North Carolina [Mr. POU].

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SNELL. I yield for a question.

Mr. NEWTON of Minnesota. Some two or three days ago, in answer to an inquiry, the gentleman from New York said that the disabled service men's hospitalization bill, authorizing additional appropriations of $6,500,000, would be brought up under a special rule within a day or two. Those days have passed, and in the meantime the committee comes in with this rule, which will bring up for consideration a bill that will take about one week's time. I would like to ask the gentleman from New York when the House may expect the bringing in of a rule which will make that important hospitalization bill in order? We have in Minnesota wholly inadequate facilities for both neuropsychiatric cases and tubercular cases, and we are anxious to get to work upon that program.

Mr. SNELL. I will say in answer to the gentleman from Minnesota that unfortunately the "gentleman from New York" can not always control the actions of the House. As far as the "gentleman from New York" is concerned, he intended to bring up that bill last Friday or Saturday, but other business intervened so that it was impossible to do so. This was fixed by agreement as the order of business to-day, and I think we should follow that agreement.

Mr. NEWTON of Minnesota. The situation is this: That bill is on the Consent Calendar and we can not consider consent business because of the Barkley-Howell bill, and now it seems to be tied up by putting ahead of it rules making other legislation in order.

Mr. SNELL. It was not intended to have this rule considered ahead of the other one, but we got into a situation we could not control.

Mr. NEWTON of Minnesota. May I ask the gentleman this question? Can we expect reasonably to follow the consideration of this bill with a rule for the hospitalization bill?

Mr. SNELL. I think that probably will be the next rule considered. I am not absolutely certain of it, but I can assure the gentleman it will be brought up in the very near future, but I can not tell definitely when we can do it.

Mr. LAGUARDIA. There is a rule for that bill now.

Mr. SNELL. Yes; there is a rule for it.

HOUR OF MEETING ON THURSDAY

Mr. LONGWORTH. Will the gentleman from North Carolina pardon me, and will the gentleman yield just a moment?

Mr. SNELL. I yield a moment.

Mr. LONGWORTH. By inadvertence, Mr. Speaker, when I preferred my request for unanimous consent, I said to-morrow when I meant Thursday. I ask unanimous consent that when the House adjourns to-morrow it adjourn to meet Thursday at 11 o'clock.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-morrow it adjourn to meet at 11 o'clock on Thursday. Is there objection? [After a pause.] The Chair hears none.

HAUGEN-M'NARY BILL

Mr. LONGWORTH. Mr. Speaker, may I say just this word in addition, with the consent of the gentleman from North Carolina: This rule provides 15 hours of general debate. Of course that argues that if we attempt to close general debate in two days it will be necessary for the House to sit pretty late. I think it is very advisable that we should have Friday and Saturday for the consideration of the bill itself. I merely want to express the hope that gentlemen will be willing to remain later than usual to-night and Thursday night in order to conclude the general debate.

Mr. ASWELL. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. ASWELL. In case of several roll calls, what then?

Mr. LONGWORTH. I would anticipate there would be no roll calls on the adoption of the rule.

Mr. ASWELL. I mean during the next two days.

Mr. LONGWORTH. And I assume no gentleman, under the circumstances, would raise the point of no quorum.

Mr. SNELL. It does not seem that that should be necessary.

Mr. ASWELL. That assumption would not be guaranteed.

Mr. SNELL. I do not know of anybody who is going to filibuster against the consideration of this bill.

Mr. LONGWORTH. I merely express the hope that gentlemen will not raise the point of no quorum and there will be no roll calls necessary.

Mr. ASWELL. I did not refer to the gentleman from Louisiana, but it is not unlikely that may happen.

Mr. POU. Mr. Speaker, I am glad there is a disposition to consider legislation having for its purpose the relief of the agricultural depression in the great Northwest and West. I regret that under the rule only the so-called McNary-Haugen bill can be considered. There is at least one other measure which might well have consideration at this time. I have talked with quite a number of gentlemen, and my belief is the minority is willing to stay here until October, if necessary, in order to give farm-relief legislation a fair chance to be enacted into law. For one I do not think Congress ought to adjourn without making an honest effort to solve this problem. You can not read a paper without seeing accounts of bank failures caused by the disaster to agriculture, yet the talk is we must adjourn by the 7th of June. Of course, it is perfectly futile to talk about dealing with any great subject within that length of time. And I say this Congress has no moral right to adjourn until a sincere, honest effort has been put forth to give some measure of relief to agricultural producers who are forced to accept a market price admittedly less than the cost of production.

The Democratic minority is willing to stay in session until some sane and adequate measure becomes a law. Without any effort to play politics, without any effort to gain any advantage, we are willing to stay here as long as it is necessary in order to deal with this nation-wide subject.

Mr. WOODRUM. Mr. Speaker, I want to say that a large part of my district in Virginia is agricultural. My farmers, like your farmers, need help, and I would welcome an opportunity—in fact, I would embrace an opportunity—to really vote for some sensible, economically sound legislation that might help the farmers. But I have read this bill, Mr.

ship operations. I have never felt that the Shipping Board's position

other legislation in order.

Speaker, and I have tried to study the report of the majority of the committee, and I have read the minority report, and I do say, frankly and candidly, that I would not vote for this bill if it was a question of retaining my seat in Congress, and I should like to retain it for a while longer.

I regard it as the most revolutionizing piece of legislation I have ever undertaken to read and tried to comprehend. [Applause.] I believe it would be a national calamity if by any possible chance it could ever become a law. I am confident there is not a farmer in my district or in my State who would favor the enactment of this bill if he understood it.

NEED FOR FARM RELIEF

That there is urgent need for farm-relief legislation none will deny. One has but to go out among the farms and their owners and to survey the conditions as he finds them to realize the acute distress existing in certain lines of agriculture. This condition is brought about from a number of concurring causes—inequalities in prices between agricultural products and other commodities, overproduction in certain lines of agriculture, labor conditions, lack of uniform and cooperative systems of marketing, and so forth.

Many and varied proposals have been made in the form of bills introduced which seek to bring relief to the farmer. A score or more of such bills have been considered by the Committee on Agriculture, many of them proposals of real merit. However, by a divided committee, we are called upon to pass upon this bill and given to understand that it is to take this or nothing. Personally I should heartily welcome an opportunity to vote for some sensible and economically sound bill that would help the farmer, but I can not swallow this one.

The Republican Party in its platform in 1920 declared for farm relief. Some of its eloquent utterances are interesting when considered in the light of the present legislation they have brought here for our consideration. In bombastic tones they called for—

an end of unnecessary price fixing and ill-considered efforts.

The President in his recent message to the present Congress had something to say upon the subject:

No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture.

A statesmanlike utterance which was generously applauded by both sides of the Chamber. But, lo, things have changed! The Republican Party is smarting under the blows delivered one after another by the insurgent group from the West; election time is nearing; third-party talk is disturbing; ominous sounds are drifting in from the great West; Minnesota, North Dakota, and Wisconsin must be pacified and pleased, so what is a few platform pledges and presidential utterances in such serious circumstances? Or do they plan to play the game both ways by having Congress pass this monstrosity and thus please the farmer, and then have the President veto it and thus please the opponents? And all the while the farmer is the goat.

OBJECTIONS TO THE BILL

I am firmly convinced that it would be little short of a great national calamity if this measure should become a law.

It is the most gigantic, the most stupendous, and far-reaching legislation offered to Congress in a decade. Its revolutionizing influences upon agriculture, as well as industry, are almost beyond conception.

The bill proposes a great governmental agency in the form of a corporation financed by the Government to the extent of $200,000,000, and power to borrow more, which shall undertake to establish and maintain the prices of certain products, namely, wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and so forth.

It is a price-fixing measure pure and simple.

While the purpose of the bill is to bring relief to the farmer, yet let us look at others it would benefit, and see if therein does not lie the secret of its presentation. I quote from the report of the minority of the Committee on Agriculture (p. 4):

A COLOSSAL GIFT TO NONPRODUCERS

When this bill takes effect, as to wheat, the price of dollar wheat will instantly rise to over $1.50. The elevator man, merchants, millers, and speculators who have wheat on hand will suddenly be made richer by operation of law. If the emergency is declared, as it probably will be, before the wheat season, nearly all the wheat available for market will be in the hands of these men, and not in the hands of the farmers. The same applies to rice and corn, the profit, of course, being smaller. It may be that on some of this an equalization fee can be collected, but if sold for feed or seed there is no fee. If the fee on $1.50 wheat is 20 cents per bushel, the law has increased the value to the holders 30 cents per bushel, which must be paid for by the farmers and consumers. Every merchant or wholesaler who has flour on hand will find himself enriched overnight, and under the terms of the bill no equalization fee can be collected. If an emergency is declared on cattle, hogs, and sheep, every head will instantly rise in value, whether in the hands of farmers or others. The hundreds of millions of dollars' worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value. On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000 to be paid for by the consumers of the country. The packers would have to pay an equalization fee providing an emergency were declared on their products, but that would only be a fraction of their gain.

All meat stocks in the hands of meat dealers who had bought them from packers would likewise rise, and from them no equalization fee could be collected. The millers of the country holding wheat or flour would make millions overnight, to be paid for by the consumers. If an emergency should ever be declared on wool, every clothing manufacturer, clothing dealer, etc., would be enriched, and no fee could be collected from them. When the packer legislation and grain futures act were before the committee there were swarms of packers and millers and high-priced attorneys making all manner of objections. These gentlemen did not put in an appearance when this bill was being considered and no doubt they are praying for its passage. The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

WAYSIDE MARKETING OR TRUCKING DESTROYED

Fancy, for instance, a farmer in my district favoring such a proposition as the following minority report of committee (p. 11):

A system of wayside marketing is developing in the country wherever good roads are being built. It is often pointed out as a partial solution of the farmer's difficulties. Let us assume it is the roasting-ear season, and the farmer starts out on his "wayside marketing" expedition with a supply of this commodity to be sold to his customers. An emergency has been declared in corn. It will be necessary for him to make a report of every sale he makes, and in all probability a separate report, no matter whether he sells a half dozen ears at a time or more or less than that. In order that there may be a proper system of checks and balances, the purchaser in all probability will also be required to make a report. Both reports, of course, ought to be verified by oath, in order to safeguard the Government. Before the farmer makes a sale, he will be compelled to ascertain what the equalization fee is for that month, and by some sort of rules the corporation will regulate each of these sales of corn by prescribing some method of weight or measurement which will fit in with the plan of this bill. When the farmer has ascertained the equalization fee, he is in a position to deliver. After his customer has paid for the corn he will have something to do himself. He must at his peril ascertain what the equalization fee is and he will have to procure a receipt from the corporation for the fee and turn the receipt over to the farmer. The purchaser might also be compelled to make a "return," and this return must in all probability be verified by oath. This will, of course, necessitate fees for officers who administer oaths. In certain cases it may be necessary for the buyer and seller to keep books for inspection by Government inspectors. Buyer and seller must conduct their transactions correctly. If the purchaser fails to furnish the receipt, or fails to pay, or attempts to evade the collection of the fee, he is liable to be fined in the Federal court not more than $5,000, or imprisonment not more than a year, or both, and, of course, if the producer is a party to any failure of this character, he is liable to the same penalties. There are other penalties in the bill.

What about the expense of operating this great corporation? It has been estimated that it will require an army of 50,000 employees added to the already overburdened pay rolls of the Government.

Therefore, Mr. Speaker, I oppose the bill. It is a subsidy for the wheat growers of the West. It is not claimed that it would be of the slightest benefit to the farmers of the South. It is class legislation of the rankest sort. It is a colossal raid upon the Treasury of the Government for a favored few. It, however, is in keeping with other measures jammed through this Congress. I recall a few of them: Ten million dollars for Germany; rebate of six million to China; a million dollars for the farmers of New Mexico; eleven and a half million for the Cape Cod Canal to reimburse the stockholders of a defunct private enterprise. And on and on, always raiding the Treasury for some chosen few. I have consistently opposed all such legislation and shall vote against the pending bill.

The SPEAKER. The gentleman from Virginia asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

9033, entitled "A bill declaring an emergency in respect of certain agri-

might help the farmers. But I have read this bill, Mr.

Mr. POU. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. SHERWOOD]. [Applause.]

Mr. SHERWOOD. Mr. Speaker, President Coolidge in his veto message of the soldiers' bonus bill states that this humane measure is class legislation. The old soldier pension bill is of the same class. This is the first time since George Washington was President of the United States that any President has classed pension legislation for the benefit of soldiers of the Republic as "class legislation."

When George Washington was awarded 15,000 acres of land by Virginia in the Kenahwah Valley on account of his services during the Revolutionary War, it was not regarded as class legislation. Why, because General Washington's services in the seven years' war was not for a class or a clan, but for all the people of the 13 colonies. When North Carolina gave to each brigadier general of the Revolutionary War 12,000 acres of land; 7,200 acres to every colonel, and 3,200 acres to every captain, it was not regarded as "class legislation."

Why, because the patriots of North Carolina held that the soldiers of North Carolina did not suffer the perils and hardships and tragedies of the seven years' war for North Carolina alone, but for all the immortal principles in the Declaration of Independence. Hence this generous donation of land was not "class legislation."

When North Carolina gave to General Greene 25,000 acres of land, worth at the time $500,000, it was not regarded as "class legislation." When Georgia, after the war gave General Greene $22,500 in money it was regarded as real patriotism, and when South Carolina gave General Greene $45,000 for his services it was regarded as a patriotic gift and there is no record that even a Tory claimed that this money gift was "class legislation"; or that the grateful officials of South Carolina had commercialized patriotism.

According to the veto message of President Coolidge, patriotism has no commendable attributes but lip service. The Congress of the United States has always, up to recent date, thought differently. And every President from George Washington down to Calvin Coolidge—a good ways down—have never proclaimed such atrocious sentiments.

When General LaFayette returned from France, after the war, Congress voted him over $100,000 in money and a whole township of land in Louisiana. This gift was never mentioned as "class legislation."

Let me remind President Coolidge that patriotism or love of country may have a practical element of value, even in this utilitarian age. On the 4th of March, 1865, I stood within 10 feet of Abraham Lincoln and heard him deliver his last inaugural address—his last official message to the American people. I believe I am the only person in official life to-day who heard that address. I heard him say:

With malice towards none and with charity for all, let us strive to finish the work we are in, to bind up the Nation's wounds, to care for him who shall have borne the battle and for his widow and his orphans.

[Applause.]

Not a man or woman in the Republic at that time ever thought for one moment that Lincoln only meant "lip service" for the soldiers or for the soldiers' widows or his orphans. Neither did the party of Abraham Lincoln so regard it. The Republican National convention of 1868 (the first after the war), which met in Chicago May 20, passed a resolution unanimously that "to the brave soldiers who imperiled their lives in the service of their country the bounties and pensions provided for these brave defenders are obligations never to be forgotten." The Republican National convention of 1872, which met in Philadelphia June 5, unanimously adopted a resolution that—

No act of ours shall ever detract from their justly earned fame or their reward.

All down the years since the war the party of Lincoln has never until President Coolidge ever claimed that patriotism consists only of "lip service" and that humane legislation for the soldiers of the Republic is class legislation.

Evidently the benign spirit of Lincoln dwells no longer in the White House.

President Coolidge claims his veto message is based upon economic consideration. Let us see:

Let us remind the President that his Secretary of the Navy and his Secretary of War and all his Cabinet with his approval have indorsed an Army and Navy appropriation this year which calls for about $285,000,000 more money than the entire appropriations in 1916, when we were getting ready for the World War.

Lest we forget, I will give the figures:

In 1916 we appropriated for the Army $119,530,829; we appropriated for the Navy $150,526,634; a total of $270,057,464. This year Congress has appropriated for the Army $300,000,000 and for the Navy almost $255,000,000, approximating $555,000,000.

Let us remind the President that his Secretary of the Navy and his Secretary of War and all his Cabinet, with his approval, have indorsed an Army and Navy appropriation of $285,000,000 more money than the entire appropriations in 1916, when we were getting ready for the World War.

In view of this damning record of extravagance and waste in the Army and Navy appropriations, the President's claim that he vetoed the old soldiers' pension bill on the ground of economy is a false pretense and a cruel deceit.

Only a few days ago we had a petty illustration of class legislation and the kind of economy we are now realizing. The Cape Cod Canal, of Buzzards Bay, Mass., a project that has been in debate in Congress for lo, these many years, was put through the House of Representatives on a record vote of yeas 149 and nays 131, not voting 146. This project, as estimated, will eventually cost the taxpayers of the United States over $20,000,000.

The project was an administration scheme, recommended by a Massachusetts Secretary of War, approved, apparently, by a Massachusetts President, put through the House of Representatives by a Massachusetts committee chairman, and presided over with great dignity and ability by a Massachusetts Speaker of the House, and for the benefit of an originally organized Massachusetts corporation. [Laughter and applause.] This looks more like class legislation than the old soldiers' pension bill.

The President vetoed the old soldiers' pension bill on the grounds of economy. In the meantime he evidently indorses the Cape Cod Canal project, to cost some $20,000,000. He recommends the construction of a memorial bridge across the Potomac River, and is carrying forward a project that will cost the taxpayers of the United States over $20,000,000 building a fleet of war vessels to chase the rancorous rum runners on the Atlantic Ocean. These three projects, all either ornamental or useless, will cost the taxpayers a million dollars more than the old soldiers' pension bill which the President vetoed.

A number of friends I know back home are anxious to know how President Coolidge can claim to be an economist when he is making so large a drain on the Federal Treasury for his own pleasure and delectation. I am reminded of the fact that in 1873, when General Grant was President, the total appropriation for the President, including his salary and the upkeep of the White House, was $43,000. This year the President and his executive clerks and the upkeep of the White House and his recreation factors are costing the taxpayers over $500,000. Let me mention some of the items: President's salary, $75,000; traveling expenses, $25,000; President's secretary, $7,500; personal services, clerks, and so forth, $89,520; contingent expenses—who knows what that is—$37,000; printing and binding, $2,900; ordinary care and repair of White House, $48,240; for heating the greenhouses, $11,000; for care of greenhouses, $9,000; for repair of President's greenhouses, $9,860; for improvement of White House grounds, $10,000; for lighting grounds and back yard, $8,600; White House police, including 30 privates and several sergeants, $55,540; for uniforms for White House police, $3,350; total, $375,630; the *Mayflower*, fun boat, exclusively for the President's pleasure, $125,000; grand total, $500,630. Sad to tell, the President takes his cruel pen in hand and vetoes a pension for the old soldiers of the Republic now tottering to near-by graves.

By this act the last survivors of the war for the Union, now over 81 years old, are denied the solace of a Nation's gratitude and compelled to spend the last days of their weary, worn-out lives in biting want and cold neglect.

Gettysburg, Vicksburg, Atlanta, Franklin, and Nashville can speak to us no more with tongues of lurid flame. They are silent for all the coming ages; but their silence is more eloquent of national destiny than all the hoggish oracles of monopoly and greed between the Atlantic and Pacific Oceans.

We should keep the air of the National Capitol wholesome and pure and seek to aid by our official conduct that all-absorbing patriotism that characterized the great masters of national destiny who set this Republic on its career.

We can not recall the valiant dead who sleep in 70 national cemeteries and in Flanders fields, but we can make a heroic effort to revive the patriotic spirit and show by official acts of generosity and gratitude that this Nation has not forgotten her vows. [Applause.]

Mr. POU. Mr. Speaker, I yield four minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. RUBEY. Mr. Speaker and gentlemen of the House, I want first to indorse the opening remarks of the chairman of the Rules Committee, who called your attention to the fact that we have before us to-day a bill that affects the agricultural interests throughout the length and breadth of the country. The importance of this legislation is apparent to everybody within the sound of my voice. I am not going at this time to take up the discussion of the bill. I want to say to you, however, that I have in my hand a document of 750 pages that represents the hearings held on this bill. We began its consideration about the middle of January. We have kept it up daily until two weeks ago, when the bill was reported. Men came before that committee from every part of this country—North, South, East, and West. This bill which we present to you to-day has been given the most careful and painstaking consideration of any measure that has to my knowledge ever come before our Agricultural Committee. We have done something with this bill that I do not think has ever been done before. We went over it again and again, and four confidential prints of the bill were made before it was finally reported. The gentleman from Virginia—and I am not going to talk about what he says except to say that his characterization of the measure—but I will not even discuss that at this time.

It seems to me, however, that it would have been well if the gentleman from Virginia had withheld his remarks and his opinion on the bill until he had had opportunity to hear the 15 hours of discussion that he might have been informed of some things in the bill, and some provisions which are not in the bill, and which he probably thinks are provided for in the measure.

I have read editorials in the great daily press; I have read pamphlets sent out by the boards of trade; I have read arguments made by Members of this House, sent out to their districts, that contain statements and arguments that are not warranted by anything that is in the measure. I am for this bill. I want the membership of this House to listen to this debate, and give to it very careful consideration and then make up their minds. If it is their opinion that it is a bad bill, then of course they will vote against it. But if they think it is a good bill, that it will help the American farmer and put him on his feet again, we want you to help us put it into law. I am for it; I believe it is the most important measure that has come before Congress during this present session. We want your help.

To-day as I stand here probably somewhere in this great Nation a bank is closing its doors on account of agricultural conditions. Within the last six months more banks have failed in agricultural districts than ever before in a like period in this country. [Applause.]

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. POU. Mr. Speaker, I yield four minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Speaker and gentlemen of the House, I am satisfied that every true and conscientious friend of the American farmer wants to do something in the way of legislation that will help him most. I know that there is no Member of this House who is more sincere in wanting to vote for legislation that will really be for the benefit of the American farmer than I am. I am not going to discuss the merits of the bill now, because I hope to later, but after three months' hearings on this bill I am thoroughly convinced that it is going to hurt the farmer more than it will help him, and I want to do something for the American farmer and not something to the American farmer.

I believe you will agree with me when you shall have heard all the arguments in the case that this bill is fraught with more possible complexities, both national and international, for the safety, welfare, and happiness and prosperity of our country than any bill that has been before the House for a century. Knowing the importance of it, knowing the honest disagreement of members of the agricultural committee, regardless of politics, it seems to me that we are making a great mistake, and that the Rules Committee has made a great mistake, in only allowing 15 hours' general debate on the bill. If we had the 15 hours' general debate on the bill with nights excluded, then if necessary we could at least have the nights in addition, it would be all right, but you and I know what effect debate on a bill has at night with a small attendance here, and I hope that the chairman of the Rules Committee can yet see his way clear to strike out the night provision.

There are other important bills intended to assist agriculture pending before the great Agricultural Committee. The gentleman from Louisiana [Mr. ASWELL] has a bill known as the Curtis-Aswell bill. He went before the Rules Committee and made an earnest appeal to make that bill in order for consideration at the same time this bill is.

That is a great cooperative marketing bill the principles of which in my judgment will do something permanently for the farmer. Why should not this House have an opportunity to consider that bill along with this bill? Why should we be in the attitude of saying that this is the only panacea for the American farmer, and why should we say to this House that it has to take this bill or nothing? Yet the Rules Committee comes here and says that we have either to take this bill or none, when we could have had the consideration of the Curtis-Aswell bill before the House.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. SNELL. Does the gentleman think that is quite a fair statement?

Mr. KINCHELOE. I am talking about the action, and I do not know anything about the intention.

Mr. SNELL. The Rules Committee, so far as I have known, and during the time that I have been a member of it, has never reported a measure to this floor that did not have the backing of a committee which had had consideration of the legislation. This request for the consideration of the Aswell bill did not come as a request from the committee, but it came as a request from an individual, and the Rules Committee has never violated that rule since I have been a member of the Rules Committee.

Mr. KINCHELOE. I say that this McNary-Haugen bill is not the sense of the entire Committee on Agriculture.

Mr. SNELL. As far as I know, it came from that committee.

Mr. KINCHELOE. There are other members of the Committee on Agriculture who are just as anxious to do something for the American farmer as those who signed the majority report. I am not talking about the intention, but I am talking about the effect of the action of the gentleman's committee, that this House is barred from the consideration of that bill, and the only alternative that we have is to swallow this bill or take nothing. That is the point I make, and it is not fair to the membership of this House. I hope that we will be able to vote down the previous question in order that we may amend this rule so that we may have 15 hours of debate and have the night sessions included.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. POU. Mr. Speaker, I yield the remainder of my time to the gentleman from Louisiana [Mr. ASWELL].

The SPEAKER. The gentleman from Louisiana is recognized for five minutes.

Mr. ASWELL. Mr. Speaker, the chairman of the Committee on Rules, the gentleman from New York [Mr. SNELL], stated that this legislation concerned a large percentage of the population of the United States. That is true and much more. This legislation concerns every individual in the United States. It concerns the people in the cities as much as those in the country. Every member of the Committee on Agriculture is vitally concerned, eagerly concerned, to bring legislation to the House that will be effectively helpful to the American farmer. I went before the Committee on Rules and urged that four other bills in addition to the McNary-Haugen bill might be considered by this House. The McNary-Haugen bill I shall discuss later in the day. It has the name of our distinguished chairman attached to it. It was not proper for other gentlemen on that committee to force action upon their individual bills by the committee until the Haugen bill was out of the way.

That is the truth of the situation, and for four months all of us who had bills pending in that committee have stood back out of the chairman's way. I am not criticizing, but that is the fact of the case. So now the plan is to bring to this House the McNary-Haugen bill only in an effort to make gentlemen fear that if they do not vote for this bill they will have no other chance to vote for any agricultural bill. That is the policy, that is the strategy, that is the scheme. This proposal to have part of this debate through the nighttime is absurd, as the gentleman from New York, the chairman of the Committee on Rules, knows. If he and the other gentlemen on the Committee on Rules will agree to give 15 hours of general debate and say nothing with reference to night sessions, then we will give justice to this body of men. Under the agreement I am to control one-fourth of the time, and I have had over 30 requests for time. I have had requests in opposition to this bill that would cover the whole 15 hours, if I had them at my control. There are 21 members of the committee, and 20 of them will likely speak on the bill. It is a bill of such vast intricacy, it is a bill of such wild-eyed theories, of such intricate and interminable phraseology, with such statistical contradictions as will confound and confuse and lead men who try to explain it into a maze of mystery and despair, that it

is impossible to discuss the bill in a short time. You can not discuss this bill properly without having one hour in which to make a statement and another hour in which to answer questions. It is utterly impossible if you want to study the bill with effect and intelligence, and so, Mr. Speaker, I pause here to ask the chairman of the Committee on Rules this simple question: Will he agree that I may have unanimous consent rather than to fight the rule in an effort to vote down the previous question, and strike out any reference to night sessions?

Mr. SNELL. Mr. Speaker, I will say in answer to the gentleman that I have had more fault found with me on account of giving so much time to the consideration of this bill than on any other rule that we have ever brought in this session.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. ASWELL. Mr. Speaker, may I ask unanimous consent that it be so amended?

Mr. SNELL. I do not yield for that purpose.

Mr. ASWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ASWELL. If we vote down the motion for the previous question, can we not amend the rule, change it?

The SPEAKER. Certainly.

Mr. SNELL. Mr. Speaker, I yield three minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Speaker, this bill that the Rules Committee provides for the consideration of is an emergency measure. It is introduced at any rate and reported by the committee as an emergency measure. I agree with the gentleman from Missouri [Mr. RUBEY] that the Committee on Agriculture has never been known to give more serious consideration to any measure before it than it has to this measure. It is not fair to criticize the Committee on Rules for not bringing in a rule making the bill of the gentleman from Louisiana germane to this bill, because the gentleman from Louisiana himself has stated in my presence and in the presence of the committee that his bill is not an emergency measure, and while it is calculated to help agriculture in the future it bears no relation whatever to this measure. Besides, the Committee on Agriculture decided during our hearings that we would not be bound by any rule, and that the public might have the benefit of everything that happened in that committee room. The gentleman's bill was offered as a substitute in an effort to defeat the McNary-Haugen bill being reported out, and by an overwhelming majority the Committee on Agriculture refused to adopt it as a substitute.

Mr. ASWELL. Is it not a fact that that was at the end of the session, and without any consideration of the bill, because it has never been read by the committee and no attention has been paid to it?

Mr. TINCHER. Certainly. The gentleman himself stated it was not an emergency measure, and it was voted down almost unanimously. The Rules Committee could have done nothing that would have been more outrageous than to have brought in a rule making that bill in order at this time. Now we propose——

Mr. ASWELL. May I ask——

Mr. TINCHER. The friends of agriculture on that committee propose that we have 15 hours' debate and the McNary-Haugen bill will be debated and amended. If any man has in mind an emergency proposition better than that, let him offer it as an amendment. There never was a more systematic propaganda or a better lobby against a measure than has been in Washington this winter against this farm legislation, and sometimes when men announce their opposition to this measure now we recognize the language. How can a Member of Congress who says he is a friend to the farmer when he knows he is going to have a chance to offer an amendment that will make good if it is not, how can he announce that he is going to vote against the measure? We are not thin-skinned about this measure. A good many members of the committee realize it is a hard proposition to work out anything that is economically sound and will accomplish the result, but it is a subject that ought to be debated and the——

The SPEAKER. The time of the gentleman has expired.

Mr. TINCHER. Two more minutes.

Mr. SNELL. I yield the gentleman two additional minutes.

Mr. TINCHER. Another proposition I want to mention is that it was heralded through the press of this country and a member of the Agricultural Committee was quoted as having said to the Rules Committee that this bill was bolshevik, socialistic, and soviet. Now, that is a question of fact as to whether it is true or not. It is not true. There is not anything socialistic or bolshevik about it. There is only one answer to that argument against the bill, and that is that the argument is false. As to the man who differs with me on this bill as to its being economically sound and economically a governmental proposition I have regard. That is a matter of opinion concerning which we may differ and debate, but the other statement is propaganda furnished by the people who want to keep the farmers of America with their noses to the grindstone, and is false. [Applause.] There is no room for argument about it. I yield back what time may remain. [Applause.]

Mr. SNELL. I yield five minutes to the gentleman from Minnesota [Mr. SCHALL].

FARM RELIEF

Mr. SCHALL. Mr. Speaker, there has been a systematic effort on the part of a certain class in this country, exemplified by the Wall Street Journal, to build up and foster the impression that the farmer is a faultfinder who exaggerates his troubles, "a malcontent who loafed into bankruptcy with one-crop farming." This is a heartless, willful misjudgment of the class who work hardest with most hours of labor and least return. Wall Street should not begrudge the farmer a chance to pay his debts. It is enough to make him "see red." All over the country receipts from the farms have not been enough to pay the taxes. The farmer's confidence has been destroyed with false gestures of help. His suspicions have been aroused. He has been so numbed by a series of knockout blows that he has almost ceased to hope. He asks for a chance to break even, and we give him more credit. Extension of credit is no help. He has too many mortgages now. The farmer can hardly trust anything that comes to him in the guise of relief, he has been gold-bricked so many times. Judging by its enemies and their howl this ought to be a good measure. It is of vital concern to the farmer of the Northwest.

In August, 1923, a bushel of wheat brought 84 cents. Let us compare the prices of 10 years ago. In 1913 a suit of clothes cost 21 bushels of wheat; in 1923, 31 bushels of wheat bought a suit of clothes. In 1913 a wagon cost 103 bushels of wheat; in 1923 it took 166 bushels. In 1923 he sells a hide for 80 cents and buys back a pair of shoes for $4.50. All commodities except agricultural have gone up 60 per cent on an average, while agricultural commodities, left to the mercy of demoralized, war-ruined world conditions, have gone up 17 per cent. To neglect the farmer any longer, to attack this bill as vicious and class legislation is cloudy thinking and stupid prejudice. Six million farmers make a fair proportion of our population, almost too many to label legislation in their behalf as "class." It is not special privilege. It is justice. Industry has been given the highest protection. Transportation has been given aid and comfort.

The reason for the depression is that the farmer buys in a highly protected market, rising all the time, and sells in an open market in competition with lower-paid workers. Take, for example, the dairy industry in Minnesota. This industry has sprung up in response to the propaganda for diversified farming. Our State has by intensive effort brought cooperation to a higher point of efficiency than anywhere else in the United States. We make the finest quality of butter, command the highest prices, and haul down the highest awards and medals. But Minnesota has to compete with the labor of Denmark, where the dairyman pays his hired man $14 to $16 a month. In Minnesota the wage is $50 to $70 a month and board. Our men are in competition with 23 foreign nations to-day, in none of which are the wages and labor conditions on a par with the United States. The result is that it takes the life right out of the cooperative idea. When in an effort to control markets a surplus is shifted away from an overglutted market like New York and distributed around to less oversupplied markets in order to avoid a disastrous drop in price, what does New York do? It buys a shipload or two of Danish butter where, in addition to their advantage over our farmer on the labor end of it, they can make 40 cents on each dollar of American money, due to the difference in exchange, and butter drops 20 cents in price and threatens to go still lower. In January the farmer got a creamery check for $120. In April $100, and in May it will be $80. The matter of the drop in creamery checks is of vital moment to every farmer in the State. They all get their creamery check, and they all feel the pinch. It is the last line of defense for the farmer. If his dairying enterprise fails, he is ruined.

The farmer does not expect protection from internal competition. He is willing to breast the struggle for existence and let the fittest survive. What he can not understand is why foreign industries should fatten at his expense, why he should suffer the competition of foreign markets. It will ruin the Nation. Already if you look over the keyboards at the leading

hotels you will note that travel is way below normal. Traveling men are not being sent out through the rural districts. Little shops are not stocking up. The farmer has no money to buy. The small bankers are failing. We are right up to our necks in panic for the grim, tragic condition of the farmer; the ravaging effects of his economic distress has a direct bearing on all business. Industry must not consider agriculture as its hated rival, nor view with jealous eye measures looking to its stability, for they are interwoven; and when the farmer, through no fault of his own, sees the work of a lifetime swept away, no matter how frugal and efficient he may have been, it is not a condition for business to look upon with an indifferent eye. Agriculture is the source of our wealth. This is axiomatic. Eastern prosperity can not continue without it. It is to their interest to cooperate and avert a complete panic—to at least make it possible that the farmer can lift his mortgages, pay his bills, and keep up his purchasing power.

During the war Congress set a price for the farmers' wheat, of $2.26, I think it was, then organized a Grain Corporation, wherein they bought wheat and resold it to foreign markets at $3 and $4 and $5 a bushel. After all expenses were paid—and they were enormous, the chairman, Julius Barnes, putting his brother-in-law and other business associates in at a salary from $30,000 to $50,000 a year—there was still left over $70,000,000. This money came directly out of the pockets of the farmers.

This bill only asks that the Government be sponsor for its credit with which to buy grain. This grain when resold will take care of itself and take care of the cost of the proposition. While the Government will have to guarantee it, in the end it will cost the Government nothing; and if it did, the $70,000,000 the farmers have been robbed of will more than take care of any deficiency. It is our duty.

People say we can not set the price. Trusts and combinations of the country have, by using the protection of the tariff, been setting prices right and left. It would be a strange thing if farmers can not even get the protection of tariff they are entitled to in comparison with other basic industries. By taking up the exportable surplus the price of grain would range accordingly.

The bill would operate like this: The wheat crop is, roughly, 800,000,000 bushels, of which our consumption is 600,000,000. The surplus, 200,000,000 bushels, we export. If the farmer is to get $1.50 for his wheat and the exportable surplus is worth about $1, the loss on the exportable 200,000,000 would be $100,000,000. If the farmers were paid $1.50 for the 600,000,000 bushels consumed at home and this 600,000,000 were sold to consumers here for $1.75, a profit of $150,000,000 would pile up, enough to take care of the $100,000,000 loss on the exportable surplus and leave $50,000,000 for expenses.

This bill gives power to place such duty as will prohibit the foreign competition, which will be, in effect, an embargo on farm products that come in competition. [Applause.]

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. SCHALL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SNELL. Mr. Speaker, in reply to the criticisms leveled against the Committee on Rules for not granting more time for debate on this proposition, I am sure we appreciate that this is an important measure, and for that reason we have granted 15 hours for debate, which is the longest time granted for general debate in a special rule, I think, in the last two Congresses. The reason why we provided for night sessions is that some of us are trying to clean up legislation so that this Congress can adjourn early in June, and also give fair and decent consideration to the important measures that should be considered by this House at this time.

Now, in reply to the other question asked by the gentleman from Louisiana [Mr. ASWELL], why his measure was not made in order, I will say this: Personally I am more in favor of his measure than of the measure before the House; but the Rules Committee is not a legislative committee. We try as far as possible to help, so as to make out a program; and so far as I know in the history of the Committee on Rules never have we taken up legislation and put it on the program unless it had the backing of some committee which had jurisdiction over that legislation and asked us to do it. That is the only reason why we did not make the bill of the gentleman from Louisiana [Mr. ASWELL] in order in the consideration of the Haugen-McNary bill. That would complicate the matter and cause trouble, and we have plenty of troubles at the present time without looking for any new ones.

Mr. Speaker, I move the previous question on the rule.

The SPEAKER. The gentleman from New York moves the previous question on the rule.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. ASWELL. Mr. Speaker, I demand a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 114, noes 26.

Mr. LINTHICUM. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Maryland makes the point of order that there is no quorum present. It is evident that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll. Those in favor of ordering the previous question will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 271, nays 47, answered "present" 2, not voting 113, as follows:

YEAS—271

Abernethy	Fredericks	McKeown	Schall
Ackerman	Free	McLaughlin, Mich.	Schneider
Aldrich	French	McLaughlin, Nebr.	Scott
Allen	Fulbright	McNulty	Sears, Fla.
Allgood	Fuller	McReynolds	Sears, Nebr.
Almon	Fulmer	McSwain	Seger
Andrew	Funk	McSweeney	Shallenberger
Arnold	Garber	MacGregor	Sherwood
Ayres	Gardner, Ind.	MacLafferty	Shreve
Bacharach	Gasque	Magee, N. Y.	Simmons
Bacon	Gilbert	Major, Ill.	Sinclair
Bankhead	Glatfelter	Major, Mo.	Sinnott
Barbour	Greene, Mass.	Maulove	Sites
Barkley	Greenwood	Mansfield	Smithwick
Beck	Hadley	Mapes	Snell
Beers	Hammer	Mead	Speaks
Berger	Hardy	Merritt	Sproul, Ill.
Black, N. Y.	Harrison	Michaelson	Sproul, Kans.
Black, Tex.	Hastings	Michener	Stalker
Bloom	Haugen	Miller, Wash.	Stengall
Brand, Ga.	Hayden	Milligan	Stedman
Brand, Ohio	Hersey	Minahan	Stephens
Britten	Hickey	Montague	Strong, Kans.
Browne, Wis.	Hill, Md.	Moore, Ga.	Summers, Wash.
Browning	Hill, Wash.	Moore, Ohio	Summers, Tex.
Burtness	Hoch	Moores, Ind.	Swank
Burton	Holaday	Morehead	Swoope
Butler	Howard, Nebr.	Morgan	Taber
Canfield	Huddleston	Morris	Taylor, Colo.
Cannon	Hudson	Morrow	Taylor, Tenn.
Carter	Hudspeth	Murphy	Taylor, W. Va.
Casey	Hull, Iowa	Nelson, Me.	Thatcher
Chindblom	Jacobstein	Nelson, Wis.	Thomas, Ky.
Christopherson	James	Newton, Minn.	Thomas, Okla.
Clague	Jeffers	Newton, Mo.	Thompson
Clarke, N. Y.	Johnson, Ky.	Nolan	Tilman
Cleary	Johnson, S. Dak.	O'Connell, R. I.	Tilson
Cole, Iowa	Johnson, Tex.	O'Sullivan	Timberlake
Cole, Ohio	Johnson, Wash.	Oldfield	Tincher
Colton	Johnson, W. Va.	Oliver, Ala.	Tinkham
Connally, Tex.	Jones	Paige	Treadway
Connery	Kearns	Parker	Tucker
Cook	Kelly	Parks, Ark.	Underhill
Cooper, Ohio	Kent	Peery	Underwood
Cooper, Wis.	Kerr	Phillips	Upshaw
Crisp	Ketcham	Pou	Vaile
Croll	King	Prall	Vestal
Crowther	Knutson	Purnell	Vincent, Mich.
Cullen	Kopp	Quin	Vinson, Ga.
Cummings	Kvale	Ragon	Vinson, Ky.
Dallinger	LaGuardia	Rainey	Voigt
Davey	Lampert	Raker	Ward, N. Y.
Davis, Minn.	Lankford	Ramseyer	Watkins
Davis, Tenn.	Larsen, Ga.	Rankin	Wefald
Denison	Leatherwood	Ransley	Welsh
Dickinson, Iowa	Leavitt	Rathbone	White, Kans.
Dickinson, Mo.	Lee, Ga.	Richards	Williams, Ill.
Dowell	Lehlbach	Roach	Williams, Mich.
Eagan	Lilly	Robinson, Iowa	Williamson
Elliott	Lineberger	Robsion, Ky.	Wilson, Ind.
Evans, Iowa	Logan	Rogers, Mass.	Winslow
Fairchild	Longworth	Rogers, N. H.	Winter
Fairfield	Lowrey	Romjue	Wood
Faust	Lozier	Rouse	Wright
Favrot	Luce	Rubey	Wurzbach
Fenn	Lyon	Sanders, Ind.	Yates
Foster	McClintic	Sanders, N. Y.	Young
Frear	McKenzie	Sandlin	

NAYS—47

Aswell	Collins	Humphreys	Sanders, Tex.
Bell	Crosser	Jost	Schafer
Bland	Deal	Kincheloe	Spearing
Blanton	Doughton	Kindred	Stevenson
Bowling	Doyle	Lanham	Tague
Box	Drewry	Lazaro	Tydings
Boyce	Gallivan	Linthicum	Weaver
Briggs	Garrett, Tex.	McDuffie	Wilson, La.
Buchanan	Goldsborough	Martin	Wilson, Miss.
Bulwinkle	Griffin	O'Connor, La.	Wingo
Busby	Hill, Ala.	Rayburn	Woodrum
Byrns, Tenn.	Hooker	Reed, Ark.	

ANSWERED "PRESENT"—2

Carew	O'Connell, N. Y.

NOT VOTING—113

Anderson	Edmonds	Langley	Reid, Ill.
Anthony	Evans, Mont.	Larson, Minn.	Rosenbloom
Beedy	Fish	Lea, Calif.	Sabath
Begg	Fisher	Lindsay	Salmon
Bixler	Fitzgerald	Little	Smith
Boles	Fleetwood	McFadden	Snyder
Boylan	Freeman	McLeod	Stengle
Browne, N. J.	Frothingham	Madden	Strong, Pa.
Brumm	Garner, Tex.	Magee, Pa.	Sullivan
Buckley	Garrett, Tenn.	Miller, Ill.	Sweet
Burdick	Geran	Mills	Swing
Byrnes, S. C.	Gibson	Mooney	Temple
Cable	Gifford	Moore, Ill.	Vare
Campbell	Graham, Ill.	Moore, Va.	Wainwright
Celler	Graham, Pa.	Morin	Ward, N. C.
Clancy	Green, Iowa	Mudd	Wason
Clark, Fla.	Griest	O'Brien	Watres
Collier	Hawes	O'Connor, N. Y.	Watson
Connolly, Pa.	Hawley	Oliver, N. Y.	Weller
Corning	Howard, Okla.	Park, Ga.	Wertz
Cramton	Hull, Morton D.	Patterson	White, Me.
Curry	Hull, William E.	Peavey	Williams, Tex.
Darrow	Hull, Tenn.	Perkins	Wolff
Dempsey	Kahn	Perlman	Woodruff
Dickstein	Keller	Porter	Wyant
Dominick	Kendall	Quayle	Zihlman
Drane	Kiess	Reece	
Driver	Kunz	Reed, N. Y.	
Dyer	Kurtz	Reed, W. Va.	

So the previous question was ordered.

The Clerk announced the following pairs:

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Kahn with Mr. Clark of Florida.
Mr. Wyant with Mr. Howard of Oklahoma.
Mr. Vare with Mr. Dominick.
Mr. Patterson with Mr. Drane.
Mr. White of Maine with Mr. Byrns of South Carolina.
Mr. Sweet with Mr. Garner of Texas.
Mr. Begg with Mr. Park of Georgia.
Mr. Connolly of Pennsylvania with Mr. Sullivan.
Mr. Fleetwood with Mr. Collier.
Mr. Gibson with Mr. Ward of North Carolina.
Mr. Griest with Mr. Boylan.
Mr. Madden with Mr. Fisher.
Mr. Graham of Pennsylvania with Mr. Browne of New Jersey.
Mr. Reid of Illinois with Mr. Clancy.
Mr. Graham of Illinois with Mr. Stengle.
Mr. Cable with Mr. Quayle.
Mr. Temple with Mr. Corning.
Mr. Woodruff with Mr. Geran.
Mr. Perkins with Mr. Buckley.
Mr. Strong of Pennsylvania with Mr. Sabath.
Mr. Watres with Mr. Dickstein.
Mr. Kendall with Mr. Hawes.
Mr. Cramton with Mr. Lindsay.
Mr. Bixler with Mr. Celler.
Mr. Darrow with Mr. O'Brien.
Mr. Fish with Mr. Driver.
Mr. Magee of Pennsylvania with Mr. Williams of Texas.
Mr. McFadden with Mr. Garrett of Tennessee.
Mr. Curry with Mr. Kunz.
Mr. Burdick with Mr. Hull of Tennessee.
Mr. Little with Mr. Evans of Montana.
Mr. Morin with Mr. Wolff.
Mr. Mudd with Mr. Salmon.
Mr. Boles with Mr. Oliver of New York.
Mr. Kurtz with Mr. Lea of California.
Mr. Mills with Mr. Moore of Virginia.
Mr. Brumm with Mr. O'Connor of New York.
Mr. Kiess with Mr. Mooney.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that all Members be allowed to extend their remarks in the RECORD on this bill for five legislative days.

The SPEAKER. The gentleman from Iowa asks unanimous consent that all Members be allowed to extend their remarks in the RECORD on this bill for five legislative days. Is there objection?

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, will that be five legislative days after the passage of the bill?

Mr. SNELL. Mr. Speaker, reserving the right to object, that means their own remarks.

Mr. CHINDBLOM. And after the passage of the bill?

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, the same request was made with reference to the adjusted compensation bill and the objection on this side was systematically made every time. So it seems to me the gentleman ought to postpone this request until a little later, at least, and give us time to see what is in this bill.

The SPEAKER. Does the gentleman object?

Mr. RANKIN. No.

Mr. CHINDBLOM. Mr. Speaker, the modification should be made that Members will be allowed to insert their remarks in the RECORD on this bill for five legislative days after final action on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that the time be equally divided between the gentleman from Louisiana [Mr. ASWELL], the gentleman from Missouri [Mr. RUBEY], the gentleman from Wisconsin [Mr. VOIGT], and myself, three and three-quarters hours each.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the time be divided into four parts. Is there objection?

Mr. ASWELL. Mr. Speaker, reserving the right to object, there was an agreement that the chairman control one-fourth of the time in favor of the bill on that side of the Chamber, the gentleman from Wisconsin [Mr. VOIGT] one-fourth of the time on that side against the bill, that I would control one-fourth of the time on this side against the bill, and that the gentleman from Missouri [Mr. RUBEY] would control one-fourth of the time for the bill on this side of the Chamber.

Mr. HAUGEN. That is embodied in my request.

Mr. KINCHELOE. Mr. Speaker, reserving the right to object, I understand, then, that if this request is granted, the time will be controlled as outlined by the gentleman from Louisiana [Mr. ASWELL]?

The SPEAKER. Yes.

Mr. ASWELL. Mr. Speaker, the Chair inadvertently, perhaps, stated that the Members would have five legislative days in which to extend their remarks in the RECORD on this bill after the passage of the bill. Should not that be after the vote on the bill?

The SPEAKER. That was the final request.

Mr. LINTHICUM. I would like to know whether I can get 10 minutes of any of this time?

Mr. ASWELL. I will yield the gentleman some time during the course of debate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. HAUGEN] as to the division of time? [After a pause.] The Chair hears none.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none. The gentleman from Iowa is recognized. [Applause.]

Mr. HAUGEN. Mr. Chairman, the unanimous consent just agreed to divides the 15 hours given to general debate on this bill in four parts, so that I shall have 3¾ hours at my disposal. I have had some 20 or 30 requests for time, so the time allotted to me will not permit me to discuss at this time all the details of the bill. In order to cover as many points as possible I ask that I may be allowed to conclude my statement without interruption.

I have frequently been asked what the McNary-Haugen bill proposes to do and how it will relieve the depressed agricultural situation. Briefly, the bill establishes a corporation with a capital stock of $200,000,000 subscribed by the Federal Treasury to purchase certain basic agricultural commodities at a ratio price in such amounts as to make the ratio price the prevailing market price. The ratio price at which the corporation shall purchase the commodities will be the pre-war price, increased proportionately with the increase in 404 other commodities; in other words, the corporation will buy certain basic agricultural commodities on the open market at the ratio price thus bringing the market price up to the same exchange value compared with other commodities that obtained for a normally representative period prior to the war, and the farmer's dollar will have a buying power equal to that which it had before the war. The surplus thus purchased or pooled by the corporation will be sold on the world market at the best obtainable price and

the discount on such exportable surplus and the cost of operation of the corporation will be collected from the producers of the total crop of that commodity; thus the $200,000,000 advanced by the Government should not be impaired and the producers as a whole, who are materially benefited by the enhanced price brought about by the legislation, will stand the cost of operation.

I am also asked, why this emergency legislation? Why the continued depression in agriculture? It is not due to crop failures, nor to lack of industry, or intelligent management on the part of the farmers, but to various other causes, especially to the low prices on agricultural products as compared with the increased prices of other commodities. The prices of the two are out of line, as indicated in President Coolidge's speech of February 13, in which he stated:

> But the great food staples do not sell on a parity with the products of industry. Their average price is little above the pre-war level, while manufactures are about 50 per cent higher. The farmer is not receiving his share.

I believe I am safe in saying that, generally speaking, the agricultural depression is largely due to this inequality in prices between agricultural commodities and other commodities, referred to by the President, which has resulted in an inadequate return to the farmer for his labor and capital invested; and due also to the exportable surplus of these agricultural commodities, upon which their price is made dependent and lowered by reason of the unsettled world conditions and lower cost of production in the foreign countries.

It is generally conceded that in the absence of a monopoly, combination, or organization to pool and boost prices, where there is a surplus of any product for export, due to intense competition, the price obtained for the surplus determines the price of the whole product.

Organized industry in the United States, under a highly protective policy, is able to sell its products in the domestic market at a price equal to the cost of foreign production plus the tariff, cost of transportation, and other charges incident thereto. In other words, organized industry sells for domestic consumption on the American price level—cost of foreign production plus tariff, transportation, and other charges incident thereto—and sells its surplus on the world price level in competition with the surplus products of other countries without affecting the domestic price. Thus the average price of the whole product is materially advanced, the average price being the domestic price less the discount occasioned by the lower price of the surplus.

On the one hand, the six and a half million farmers are unable to organize so as to pool their products and restrict production, and thus control their price, because of their large number and the fact that they are scattered throughout this vast country. It has been tried out, but without success, except when done on a small scale and in a limited area, in which case it has been fairly successful, as, for instance, the citrus fruit growers and tobacco growers have organized with some success. Experience in the past has clearly demonstrated that organization among farmers can not be accomplished on a large scale or on a scale that will cover the entire country. As a result of the farmers' inability to organize and pool, and thus determine the price of their products for domestic consumption, they sell their whole product at a price dependent upon the price obtained for their surplus, which is sold in competition with the surplus products of other countries. The American farmer sells his eggs and butter in competition with the surplus products of the world.

The American wheat grower sells his wheat, grown on high-priced land, yielding on an average of about 14 bushels to the acre, in competition with the wheat grown on the productive soil of Canada, selling at $5 to $20 an acre, and yielding from 40 to 60 bushels an acre. The farmer in the Corn Belt of Iowa, Illinois, Missouri, Nebraska, and Minnesota, tilling $200 an acre land, sells corn and cattle in competition with the surplus cattle and corn of Argentina, produced by underpaid labor on its low-priced and rich soil. The farmer buys on the highest market in the world and sells his products on the lowest market in the world, which has resulted in the inequality in prices and depressed conditions in agriculture.

The object sought in the proposed bill, then, is to establish a fairer relation between the basic agricultural commodities and other commodities, to equalize prices, to overcome the disparity in prices, to raise the purchasing power of agricultural commodities to the price level of other commodities, to put the farmer in the same position as organized industry, to establish a domestic price for the product sold for domestic consumption, to sell the exportable surplus at the world price, and in the end bring up the average price of the farmers' whole product, so that the farmer may do as organized industry is doing—in other words, to make the purchasing power of basic agricultural commodities equal to the purchasing power of the products of organized industry and labor.

A proposition not to fix prices, but to furnish a ready buyer to buy at a price commensurate with the price paid for other commodities. To give the farmer an even break, so that if organized industry continues to put up and maintain prices, the price of agricultural commodities may also be raised proportionately, to make the rate of duty applicable to agricultural commodities in the same manner as it applies to the products of organized industry. So if the protective policy is to be continued, it shall also apply with equal force to the farmers' products. Thus it will make it possible for the farmer to do what organized industry is doing.

All will agree that it is unfair to continue a policy which protects one and not the other. What is good for the goose is good for the gander. Such a discriminating policy can not long continue. If protection is to be denied the one the alternative is to deny it to the other also.

How is the equalization of prices to be accomplished? First, it is proposed to create a corporation to be directed by a board consisting of four directors appointed by the President, with the advice and consent of the Senate, and the Secretary of Agriculture, who shall be chairman, the salary of the four directors to be $10,000, and one of the four to be selected as managing director.

The capital of $200,000,000 is to be subscribed by the Federal Government. The board is given authority to borrow not to exceed five times the amount of the authorized capital. The United States assumes no liability for any obligation of the corporation.

Notes and bonds are not exempt from taxation.

The corporation may sue and be sued; may make contracts, and may acquire, hold, and dispose of property.

It may appoint and fix the compensation of employees.

It may acquire the right of operation of storage warehouses and facilities for processing such commodities.

It may make contracts for processing of basic agricultural commodities.

It may make advances to any person not to exceed 75 per cent of the market value.

The corporation shall utilize as far as possible existing facilities and agencies.

It shall cooperate with and encourage formation of associations of producers.

The corporation shall purchase basic agricultural commodities produced in the United States in respect of which a special emergency has been declared of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine.

The ratio price of such basic agricultural commodities—computed by the Secretary of Labor and Secretary of Agriculture—for such period shall bear the same relation to the pre-war basic-commodity price thereof as the current all-commodities price in effect for such period bears to the pre-war all-commodities price.

The corporation shall purchase the basic agricultural commodity in any amount necessary to maintain at the level of the ratio price the domestic price of such commodity or any class or grade thereof in respect of which a ratio price is established, and may from time to time make allowances to cover storage and other holding costs.

The corporation shall sell in foreign markets at the highest prices obtainable, in the domestic market at not less than the purchase price, for its exportation—or for processing for exportation under such regulations as the corporation may prescribe—at the highest prices obtainable.

The corporation shall determine the probable export surplus, the probable domestic consumption, and the amount of basic agricultural commodities to be purchased. It shall notify the President of its findings. It is then the President's duty by proclamation to declare that a special emergency exists as to such agricultural commodities. The President is given authority to adjust the rates of duty and to prohibit the importation of basic agricultural commodities or any such derivative.

The Secretary of Labor shall compute the average of all commodities—404 in number—for the period 1905 to 1914, inclusive—referred to as the pre-war basic commodity price—as given in Bulletin No. 335, Bureau of Labor statistics.

The Secretary of Agriculture and Secretary of Labor shall after the issuance of a proclamation declaring a special emergency in respect of a basic agricultural commodity jointly prepare the average price for such commodity during the period 1905–1914, referred to in this bill as the pre-war basic commodity price.

The Secretary of Labor shall compute and publish the average price of all commodities for such month. The index numbers of wholesale prices for all commodities for such year shall be referred to as the current all-commodities price.

The current all-commodities price in effect for any period shall be the price computed for the month preceding the commencement of such period.

The corporation shall determine the amount to be paid or withheld from each producer to defray expenses and to make up the losses on the export surplus.

The corporation may require the purchaser to issue to such producer a receipt therefor, which shall be evidence of the participating interest of the producer.

It may by regulation require any purchaser or producer to file returns under oath any report in respect of his purchases or sales of the basic agricultural commodities, and so forth.

There shall be established in the treasury of the corporation for each basic agricultural commodity an equalization fund into which all equalization fees for such operating period shall be deposited, and from such funds there shall be disbursed all operating expenses and losses.

After the expiration of such operating period the corporation shall distribute ratably any balance remaining in such fund to the persons to whom such equalization fee has been paid.

For example, had the bill been in operation and the corporation functioning last December, according to the table prepared by the Bureau of Labor Statistics:

Market prices of commodities

Index of all commodities, 1905–1914	100.0
Index of all commodities, year 1923	162.8
Index of all commodities, December, 1923	159.8

Individual commodities	Average market price, 1905–1914	Average market price, year 1923	Average market price, December, 1923	Ratio price, year 1923	Ratio price, December, 1923
Cotton: Upland middling	0.120	0.293	0.358	0.194	0.191
Corn: Contract grades, cash, Chicago	.602	.821	.730	.977	.962
Wheat: Range of No. 1 northern spring and No. 2 red winter, Chicago	1.002	1.163	1.097	1.624	1.598
Cattle: Good to choice, steers, Chicago	6.893	9.952	9.745	11.123	10.949
Hogs: Heavy, Chicago	7.099	7.690	7.0[illegible]	11.522	11.342
Sheep: Wethers, Chicago	5.379	7.648	8.000	8.731	8.594
Flour: Patents	5.127	6.305	6.100	8.322	8.192
Wool: One-fourth and three-eighths grades, scoured basis	.492	.979	.964	.799	.787

The indexed number of all commodities—1905–1914—is 100. Index number for all commodities December, 1923, was 159.8. According to it, prices of all commodities increased 59.8. The average market price of wheat in Chicago for 1905–1914 was $1. The ratio price for December, 1.598. The average market price for December was 1.097. The price of wheat would have advanced 50.1. In other words, eliminating the decimals, the farmer would have received 1.59 for his wheat instead of 1.09, an increase in price of 50 cents a bushel. If the corporation had estimated the number of bushels required for domestic consumption at 600,000,000 bushels and the surplus for export at 150,000,000 bushels and the loss on the exportable surplus at 50 cents a bushel, or $75,000,000, it would have found it necessary to withhold or collect $75,000,000 from all purchases, or 10 cents a bushel on the whole crop. If so, the farmer would have received $1.49 in cash and a receipt for 10 cents, instead of $1.09, the amount which he received.

The bill has been characterized as a vicious circle of price raising, pyramiding, and one increase upon another. It is stated that for these reasons the bill is unworkable, impracticable, and undesirable. Let us see about that. If the bill had been in effect the 1st of last December, according to the table furnished by the Department of Labor just referred to, the indexed number of all commodities of December, 1923, was 159.8. The current price of hogs in December was $7.05; the ratio price would have been $11.34, and the price of hogs would have been increased $4.29, or about 60 per cent. Assuming that the corporation had been functioning and a special emergency had been declared effective on the 1st day of December, 1923, the price of hogs would have advanced to the ratio price $11.34, instead of selling for the current price, $7.05, an increase of about 60 per cent in the price of hogs.

According to Bulletin 335, United States Department of Labor, hogs in weight are reported at 4.07 per cent, or, say 5 per cent; and assuming that all other commodities had remained the same, say at 1.60, what would have been the result? If the advance in price of hogs would have advanced the index number of all commodities, say, 8 points, added to 160 equals 163. Suppose building material had decreased in price in an amount affecting the all-commodities index number in a like amount. The result would be: First, add 3 to 160; second, deducting 3 from 163; the index number would be just where we started.

Suppose there had been declared a special emergency on butter the 1st of May. The current price in New York, 35½ cents to 36½ cents, say 36 cents, extra creamery, score 92, would have advanced to 45 cents, or 9 cents a pound, which is 25 per cent increase over 36 cents.

Objection to the bill is made on the ground that it will increase the cost of living. I believe the Wall Street Journal was the first to raise this objection. Yes; it will increase the cost of living. The increase of cost of flour in an 8-ounce loaf of bread would be less than a half cent; in a 16-ounce loaf less than 1 cent. It requires about 4.6 bushels of wheat to make a barrel of flour. A 50-cent increase in the price of wheat would make an increase of $2.30 a barrel. One barrel of flour makes five hundred and eighty-five 8-ounce loaves of bread, or from two hundred and seventy-five to three hundred 16-ounce loaves. The additional burden of a half cent a loaf will, of course, be felt by the Wall Street Journal, but I trust that Mr. Morgan and his associates will be able to stand the burden. If not, when the farmers get back on their feet they will help out. While it may work a hardship on Wall Street, the increased cost of living apparently is satisfactory to the wage earner. Representatives of practically every labor organization appeared before the committee. I quote from hearings before my committee:

STATEMENT OF MR. EDGAR WALLACE, REPRESENTING THE AMERICAN FEDERATION OF LABOR

Mr. WALLACE. Mr. Chairman, when I appeared here about a year or a little over a year ago there were some 5,000,000 workingmen walking the streets. We considered then that the reason for the depression in the industries was the fact that the farmers were not getting prices for their products and consequently were unable to buy.

* * * * * * *

We fear that this condition of comparative steady employment is only temporary, that just as long as that great group of the people of our country, the producing people of our country, are underpaid for their labor (for that is what it amounts to), when they are not getting a fair price for their products, prosperity is just for a time and can not last.

We believe it is only enlightened selfishness to say that this great, big portion of the citizenry be placed in the position where they can feel safe. * * *

Mr. WALLACE. Yes; we recognize that if the farmer gets a better price we will have to pay it; that is, we will have to pay our share of it.

* * * * * * *

When they determined to deflate, they hit the farmers hard, and the farmer found himself helpless, because he had no economic organization. When it came to the miners, the miners said, "Maybe you will; we will give you a scrap," and they did.

* * * * * * *

Mr. WALLACE. A cause probably of raising the price of things that we have to buy; yet we are for that, recognizing the farmers as our best customers. What does it profit us if we can get meat for 10 cents a pound if we haven't the 10 cents?

* * * * * * *

The farmers are our customers; when they have no money we can not work. We are the farmers' customers; when we can not buy, their foodstuffs pile up and lose in value. Hence, I think it is to the interest of all the workers—and I want to say that the condition of the workers is not improving.

* * * * * * *

I can not see any hope for improvement, except the farmers can buy. Those are the people on whom we depend.

* * * * * * *

Now, Mr. Chairman, I do not see any difference in confiscating a farmer's product by force, or forcing upon him confiscatory prices that will have the same effect. The danger is, and I know that in certain places it is now taking effect, that the farmer here may also let his fields lie fallow and not raise the foodstuffs that are needed by the entire country.

* * * * * * *

STATEMENT OF MR. ROBERT FECHNER, REPRESENTING THE INTERNATIONAL ASSOCIATION OF MACHINISTS

Mr. FECHNER. Our general executive board is in session here in Washington, which is the headquarters of our organization at the present time, and President William H. Johnston called the attention of the board members to the reports which have been recently received

on the subject, and the board felt that we were sufficiently concerned in the matter to take official recognition of the situation. We did so, and after giving due consideration to the entire matter we have officially recorded ourselves as supporting in principle at least the provisions of this pending legislation.

* * * * * * *

We feel that the farmer is entitled to a sufficient price to justify him in continuing the operation of his farm, just as well as transportation or any other industry is entitled to a fair return on their investment or the activity of those who are engaged in these other lines, and we are convinced that if anything can be done by the Congress to help bring about that condition it will be reflected in all other lines.

* * * * * * *

No; I certainly hope Congress will not stand still. That is what I am here for, to urge that something be done, and I am sure that the committee can formulate some plan.

* * * * * * *

We believe that if we can get some relief for the farmers and get things started on the farms, it is going to be reflected along all lines and that the mechanics will benefit just as well as the farmers. We are very anxious that at least an effort be made to afford that relief.

* * * * * * *

We do believe that the workers must have a living wage and that the farmers must also get a price for their product that will enable them to live and to continue to operate their farms; and it is that principle that we want to see preserved.

STATEMENT OF MR. ARTHUR J. LOVELL, VICE PRESIDENT AND LEGISLATIVE REPRESENTATIVE, BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN, WASHINGTON, D. C.

Mr. LOVELL. Mr. Chairman and gentlemen of the committee, I have the honor to represent the Brotherhood of Locomotive Firemen and Enginemen, one of the railroad transportation organizations, in support of this measure, which is the preferred measure of the farmers for marketing their crops. During the last Congress I appeared before your committee in support of a bill similar to the one introduced at this session.

Our organization is on record in favor of such legislation on behalf of the farmers.

* * * * * * *

Now, the farmer is entitled to some consideration, some help, and this bill in our opinion will give him some betterment of conditions. The farm is absolutely essential.

* * * * * * *

We are not in affiliation with any farm organization; we are not affiliated with the American Federation of Labor. These four railroad brotherhoods are independent. We are a fraternal insurance organization. We are very old. Our organization has been more than half a century in existence.

STATEMENT OF MR. W. M. CLARK, VICE PRESIDENT AND NATIONAL LEGISLATIVE REPRESENTATIVE, ORDER OF RAILWAY CONDUCTORS; ALSO REPRESENTING THE BROTHERHOOD OF RAILROAD TRAINMEN, WASHINGTON, D. C.

Mr. CLARK. I am vice president and national legislative representative of the Order of Railway Conductors, and also represent the Brotherhood of Railroad Trainmen. A year ago our organization and other organizations went on record as favoring a bill that would benefit the farmer and a bill with which the farmers were in accord. As far as we are concerned, we are not wedded to any particular bill or language, if it benefits the farmer, because that is what we are trying to do.

The testimony of these excellent gentlemen speaks for itself and should satisfy all as to the attitude of labor toward legislation along the line suggested in this bill.

STATEMENT OF MR. EDGAR WALLACE, WASHINGTON, D. C., REPRESENTING THE AMERICAN FEDERATION OF LABOR

Mr. WALLACE. Mr. Chairman and gentlemen, I come here with some hesitation to reiterate the statement that I presented before this committee when the Sinclair-Ladd bill was under discussion, the Little bill was under discussion, and the Sinclair-Norris bill was under discussion. Now, I am appearing in favor of the McNary-Haugen bill, with very little real knowledge as to what might be the effect, the detailed effect of this bill if enacted into law. The organization that I represent recognizes that this bill provides for unprecedented action on the part of Congress to aid the farmers of the country. It is our opinion that there is an unprecedented situation to be met. If in this country there was a pestilence in some sections that threatened the entire country, we would not hesitate to take some drastic action in order to meet the emergency. The workingman of the country realized that lopsided prosperity can not continue for any great length of time. With great numbers of our citizenry threatened with ruin, facing ruin, the rest of us can not continue prosperous for any great length of time.

The farmers were crushed, first by the economic power of the bankers, who sought to deflate the commodities of the country in order to inflate the value of the dollar. The pressure was brought to bear first upon the farmers, and effectively upon the farmers because they had no organization competent to meet the organization of the bankers.

* * * * * * *

Mr. RUBEY. I understand you are in favor of the McNary-Haugen bill?

Mr. WALLACE. I am in favor of any bill, including the McNary-Haugen bill, that will help the farmers out of their present trouble.

Mr. JOHNSON. Do you folks feel that this is one of the real, necessary measures that Congress should pass at this session?

Mr. WALLACE. We believe it should not only be passed at this session, but just as early as possible; we read every day of banks failing in the Northwest as a reflection of the condition of the farmers there, and that can not continue long until it is going to affect the whole economic organization of the country.

Mr. JOHNSON. What is your opinion about the rest of the labor organizations other than those you are now speaking for?

Mr. WALLACE. I represent possibly 5,000,000 workers. The rest of the labor organizations, the only ones that I know of that are not in the American Federation of Labor, are the railroad organizations, and I believe they are absolutely in sympathy. I can not speak for them directly.

Objections have been made to the word "shall."

That the President shall declare an emergency existing.

Why not "shall"? If an emergency exists, why not give the farmer the benefit? Why not equalize prices as contemplated? Why delay? The dairy people have spent a year in having the duty on butter and substitutes adjusted. Why not give immediate relief? Why not do away with the discrimination or desparity in tariff rates on butter and all basic agricultural commodities as quickly as possible?

Others say:

If it is going to work out, farmers will certainly raise four times the number of hogs.

Yes; it might glut the market if Uncle Sam's corncrib would hold out. Hogs can not be raised without corn or feed. Our supply of corn is limited. If hogs go up, corn is sure to follow, hence no incentive to increase the hog production.

Another objection:

This bill does not permit the corporation that is proposed to be created to buy a slaughtering plant.

The object is not to put packers nor any worthy and legitimate enterprise out of business, but to utilize existing facilities. It goes without saying that with the numerous idle packing plants and plants with sufficient capacity to take care of the business for the next 20 years there is no need of additional plants. Under such conditions there can be no question but that satisfactory arrangements may be made for processing, if found necessary to process livestock.

It has been stated:

The only people who are engaged in the export business are the Big Five packers.

Mr. Norman Draper, representing the Institute of American Meat Packers, of Chicago, stated:

The packers are now endeavoring to sell, and are selling every pound they can in every foreign market. The fact that they did not last year sell even more than 2,000,000,000 pounds abroad is due not so much to inability of people to purchase American meats in foreign countries, as so many people have been led to believe, but it is due quite as much to restrictions which foreign countries have thrown up against American meats. In France, for instance, we developed, after the war, an excellent market for American pork. To-day, and for a year, this market has been denied us, in spite of the fact that meat inspection in the United States is more efficient than that existing in any country in the world.

You are familiar with the Federal Trade Commission's report. Evidently some of the packers are continuing questionable practice. If so, it may be necessary to take over the export business to restore our foreign markets. What is true as to the meat industry is true as to the exportation of grain.

One contention is that the corporation would be absolutely at the mercy of the Big Five packers. If the Big Five are as unpatriotic and contemptible as the statements imply, we have some 700 or 800 independents. In 1923 a Federal inspection was conducted in 867 establishments in 261 cities and towns as compared with 899 in 1922. So if the Big Five can not be depended upon, there should be no difficulty in arranging with the 800 independent packers for processing.

One objection is raised:

If you are a farmer and I am a city fellow, and you slaughter a hog and sell him to me, I am obliged to pay the so-called equalization fee, which is estimated would run, on a 200-pound hog, anywhere from $2 to $5; that men are not going to pay that tax unless they are legally obliged to.

If all are dishonest and tax evaders, there would be no equalization fee; but all are not dishonest. The penalty clause would take care of the others. Just how the $2 and $5 equalization fee on 200-pound hogs was arrived at is beyond me. It requires no sharp-pointed pencil to calculate the exact fee. If the increase in the price of hogs is $4.29 a hundred, as it would have been last December, the increase on 200 pounds would be $8.58. The exportable surplus of hogs would run about 5 per cent to 8½ per cent—say, 10 per cent. If so, $4.29 a hundred loss to the corporation on 20 pounds would be 85.8 cents instead of $2 to $5 estimated. The net gain to the producer would be $4.29 a hundred on 200 pounds, or $8.58 minus 85.8 cents expense and loss on export, which would be $7.722 net gain to the producer on a 200-pound hog.

One contention is that if you declare an emergency on hogs you must immediately declare an emergency on cattle and sheep. Why not, if the current price is below the ratio price? If one is above, no emergency can be declared under the bill. If the ratio price on butter or wheat is above the current price, why deprive the wheat grower and the dairy producers of their just dues?

One objection raised is if you put up the price on pork 60 per cent people are going to eat less pork and more of other meat. No; cattle and mutton are high. Hogs are at a low price; consumption of cattle and mutton have not been affected.

Mr. LINTHICUM. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. LINTHICUM. What does the gentleman estimate is the amount that the millers have on hand?

Mr. HAUGEN. Yes. One contention is that it will make the packers and millers of this country an immediate present overnight of at least $200,000,000.

Some one has estimated the profit of the meat packers through the operation of the bill from $1,500,000,000 to $2,000,000,000.

According to the reports of food on hand in cold storage and warehouses, it is estimated that there is on hand at the present time:

Wheat	$52,000,000
Corn	4,362,000
Flour	3,759,000
Pork	54,316,000
Miscellaneous meats	4,475,000
Total	118,912,000
50 per cent increase in the price of flour would be	1,879,500
50 per cent increase in the price of pork and meat would be	29,395,500
Total	31,275,000

According to the testimony of Mr. Weld, of Swift & Co., whose testimony appears in the hearings on cold storage, the Bureau of Markets reported on hand July 1, 1919:

	Amount	Percentage of total production	Would last—
			Days
Eggs ... cases	7,508,530	7	22
Butter ... pounds	87,851,371	6	20
Poultry ... do	48,995,000	3	10
Frozen beef ... do	162,386,570	2	7
Pork products, including lard ... do	1,047,808,000	10	35

About two-thirds of this quantity is in process of being cured in pickle and salt and is not ready for market.

By it it will be seen the amount on hand is only from 2 to 10 per cent of the total annual production of the various commodities, which, according to the report, would last only from 7 to 35 days, and that two-thirds of pork products is in process of being cured and not ready for the market.

If the packers should have livestock on hand, raised on their farms or bought, section 206 provides that the term "sale" means—

(1) The first sale of cattle, sheep, or swine, after the declaration of a special emergency for slaughter for market.

If the miller has on hand wheat grown on his farm or bought, (2) provides that the miller pays the equalization fee when milling or processed for market. So whatever wheat or livestock purchased or raised on farms owned by the miller or packer, if not acquired in pursuance of a sale described in paragraph (1) of that subdivision, is subject to the equalization fee.

Even if the 4,800 millers should profit to the extent of 50 per cent on $3,759,000 worth of flour, their profits would be	$1,879,500
Then suppose the packers should profit 60 per cent on their $59,000,000 worth of pork and meat; their profit would be	35,400,000
Total (which is less than 2 per cent of the estimated profits and not several hundred million dollars, as claimed.)	37,279,500
On the other hand, if the price of wheat should be advanced 50 cents a bushel and 600,000,000 bushels sold by the farmer for domestic consumption, the profits to the producers would be	300,000,000
10 cents a pound on 1,500,000,000 pounds of butter would be	150,000,000
If the price of corn should advance 25 cents a bushel on, say, 2,000,000,000 bushels marketed, the profit to the producers would be	500,000,000
If the price of 65,000,000 hogs should advance 4 cents, $10 a head, the profit would be	650,000,000
A grand total annually of	1,650,000,000

So if we are a genuine friend of the farmer, we should not be alarmed about giving the 4,800 millers and 867 packing establishments $37,279,500, where the 6,500,000 farmers would gain $1,600,000,000 annually. In other words, if the passage of the McNary-Haugen bill will result in a profit of $37,000,000 to the millers and packers, it will also at the same time result in a profit to the farmers of $1,600,000,000.

One contention is that the bill could not apply to cotton because we export 65 per cent; that if the cotton should go down to 15 cents, or 5 per cent below the ratio price, it might result in a loss to the cotton grower. The percentage of cotton exported is less than 50 per cent. Exports in 1920 were only 43.41 per cent, now below that. But say 50 per cent; if cotton should drop 5 per cent below the ratio price and 50 per cent of it exported, and if the crop is ten million 500-pound bales and 50 per cent exported, the gain to the cotton grower would be 5 cents a pound, or $25 a bale, net $125,000,000, which amount is $20,000,000 in excess of the total production of gold and silver in the United States.

Production of gold in the United States in 1922 was only	$49,096,000
Production of silver in the United States in 1922 was only	55,510,859
Total	104,606,859

Mr. McKEOWN. What effect will this ratio price have on the product? For instance, when wheat is bringing $1.59 under this law; domestic wheat for domestic purposes, what effect does that have on the price of flour? Does it raise the price of flour or not?

Mr. HAUGEN. If the price of wheat advances, naturally the price of flour will increase.

Mr. McKEOWN. That is what a great many people want to know—what effect this will have on the price of the finished product.

Mr. HAUGEN. I am glad the gentleman brought that up.

The bill has been characterized as a price-fixing bill. No; it is not a price-fixing bill but a bill to furnish a ready buyer of basic agricultural commodities at a price commensurate with that of other commodities. No person or agency can forecast what the price will be under the proposed bill any more than he can under the present marketing system.

Under it the prices of basic agricultural commodities will be determined by the prices of 404 commodities referred to as all commodities. If the prices of all commodities go up, up goes the price of basic agricultural commodities. If down, down goes the price of basic agricultural commodities. Under the present system prices of agricultural commodities are determined by the exporters, speculators, and gamblers, the bulls and bears on our exchanges. If the bulls and bears put the price up, up goes the price to the producer. If the bulls and bears put the price down, down goes the price to the producer.

Whenever the manipulation of grades and crooked dealings on the exchanges and in the export business depress the price or rob the producer of his legitimate world market, prices to the producers go down. Under the proposed bill, if the prices of all commodities go down, down goes the price of basic agricultural commodities in proportion.

So, unless one has knowledge of what is in the minds of the producers of all commodities, no one can tell in advance what the future price will be under the proposed bill. No one can even estimate future prices with any degree of accuracy.

Under the present market system frequently the prices of grain fluctuate to the extent of 20 cents a bushel in a single

month. There will, of course, be fluctuations under the proposed act, but only in a small degree as compared with the fluctuation under the present policy. If you still insist that the measure is a price fixing bill, I ask you, Whom will you trust to fix prices? Shall it be by the exporters, speculators, and gamblers, or the manufacturer, laborer, and a Government agency? Have you more confidence in the gamblers and manipulators than you have in our Government? If so, I refer you to Federal Trade Commission report, June 18, 1923. You will find extracts from the report printed in the hearings, pages 689, 690, 694, 695, 696, and 697.

The bill has been characterized as socialistic, unworkable, bolshevistic, and by every other pet name. Well, there is nothing new about that. Every constructive act and remedial legislative bill suggested to correct wrongdoing or to relieve the public, especially to relieve agriculture, has been thus characterized. You will recall the pet names applied to the packer bill, the cotton futures and grain futures acts, the grain standards act, the Federal reserve act, the Federal land bank act, the War Finance Corporation act.

Many who are now opposed to this relief measure were even more pronounced in their denunciation of those bills, and I have no quarrel with any of them. Many opposing this measure, like all other measures, are sincere and actuated by the best motives. On the other hand, some interests may be more interested in how it concerns them personally than in the public welfare.

Objection has been raised to the Government financing the corporation and to the $50,000 expenditure to set the machinery of this bill in motion. After financing the War Finance Corporation, the Federal reserve system, the Federal land banks, and the railroads I am at a loss to know why six and one-half million farmers now in distress should be denied the paltry sum of $50,000 to set the machinery of this bill in operation and a loan of $200,000,000, or as much thereof as will be necessary. In my opinion the farmers should be given preference.

You recall that in time of need the farmers came to the rescue of Uncle Sam. During the war Congress fixed the minimum price of wheat at $2 and authorized the appointment of a commission to investigate and report on the price. It reported $2.20. Later transportation rates were advanced 6 cents, which brought the price of wheat up to $2.26. Instead of making it the minimum price, as contemplated by Congress, it was made the maximum price. The price of wheat at the time the bill fixing the price was under consideration was $3.38. Scandinavian countries were offering $1 premium, making the price $4.38. Mr. Hoover stated before the committee that he thought the price might go to $7 a bushel. A commission was appointed which ascertained and reported the ratio price between hogs and corn at 13 to 1. In other words, a hundred pounds of hog equals 13 bushels of corn. Corn was then selling at $2.05 in Chicago, but the price of hogs was fixed at $16.50, which was $10.15 below the ratio price fixed by the commission.

According to the Federal Trade Commission report, four packers increased their profits $121,000,000 above their pre-war profit. The packers' profit in 1917 was more than four times as great as their average yearly profit before the war, although their sales in dollars and cents, with even the inflated prices, had barely doubled. In the war years 1915, 1916, and 1917 four of the five packers made net profits of $178,000,000.

The millers made 175 per cent profit after the war. The millers asked that they be protected against loss and Congress promptly granted the request by section 5 of the act of March 4, 1919.

One contention is that packers and millers will profit by the bill. Do not worry about the packers and millers; they are capable of determining for themselves what is best for their interests. It is safe to say that if there were any profit to them in the bill they would be here supporting the bill and not fighting it. See statement by Mr. Draper, representing the Institute of American Meat Packers. See page 408:

Mr. CHAIRMAN. You are opposed to this bill?
Mr. DRAPER. The way it applies to the meat business.
Mr. CHAIRMAN. You are opposed to this bill?
Mr. DRAPER. Yes; in the way it applies to the meat business.

That should make it clear as to the attitude of the packers. Page 452, Mr. Draper stated:

To-day, and for a year, this market (France) has been denied us. In spite of the fact that meat inspection in the United States is more efficient than that existing in any country in the world.

The Federal Trade Commission report makes it clear, why? I am not going to discuss that phase of it. Years ago we had an agreement to let the report speak for itself.

If you will turn to page 685, statement by Mr. Husband, secretary of the Millers' National Federation:

The CHAIRMAN. Have you or any of your associates prepared or suggested any amendments to the bill?
Mr. HUSBAND. No, sir.
The CHAIRMAN. You are absolutely against it?
Mr. HUSBAND. Yes, sir.

Under regulations millers were allowed 25 cents a barrel profit instead of 13½ cents pre-war profit. They were not satisfied with that but took 45 cents. One made $283,000 in excess of the maximum price. The claim was settled by paying $8,000. Another, $19,000, who settled for $402. Both claims were settled without reauditing the accounts. This ought to make it clear as to millers' position and reasons for opposing the bill.

The following organizations have indorsed the bill:

American Federation of Labor.
American Farm Bureau Federation.
National Grange.
National Board of Farm Organizations—composed of the following organizations: Farmers' Educational & Cooperative Union of America, Farmers' National Congress, National Agricultural Organization Society, National Conference on Marketing and Farm Credits, Farmers' Society of Equity, Wisconsin State Union, American Society of Equity, Pennsylvania State Grange, National Milk Producers' Federation, American Association for Agricultural Legislation, Federation of Jewish Farmers of America, Intermountain Farmers' Association, Farmers' Equity Union, National Dairy Union, Pennsylvania Rural Progress Association, Florida Citrus Exchange, American Society of Equity.
Alabama Farm Bureau Federation, Montgomery, Ala.
State Department of Agriculture, Phoenix, Ariz.
Clearing House Association, Los Angeles, Calif.
Clearing House Association, San Francisco, Calif.
San Luis Obispo County Farm Bureau Exchange, California.
Colorado Farmers' Union, Denver, Colo.
American National Livestock Association, Denver, Colo.
Colorado Wheat Growers' Association.
Cotton Growers' Association, Miami, Fla.
Tobacco Growers' Association, Jacksonville, Fla.
Cotton Growers' Association, Savannah, Ga.
Idaho State Farmers' Union, Moscow, Idaho.
Local Progress Club, Weiser, Idaho.
Idaho Wheat Growers' Association, American Falls, Idaho.
Grangeville Chamber of Commerce, Idaho.
Chamber of Commerce, Moscow, Idaho.
Idaho Export Commission League, Moscow, Idaho.
Moscow Farmers' Union, Moscow, Idaho.
Illinois Agricultural Association (paid membership of 62,000), Chicago, Ill.
National Livestock Producers' Association, Chicago, Ill.
Farmers Grain Dealers' Association of Illinois, Bloomington, Ill.
Chicago Producers' Commission Association, Chicago, Ill.
Clinton Chamber of Commerce, De Witt County, Ill.
De Witt County Cooperative Grain Co., Clinton, Ill.
La Salle County Farm Bureau, Ottawa, Ill.
Boone County Farm Bureau, Belvidere, Ill.
Knox County Farm Bureau, Galesburg, Ill.
Henry County Farm Bureau, Ill.
Lawrence County Farm Bureau, Ill.
Three hundred and seventy-five stockholders of Mazon Farmers' Elevator Co., Illinois.
Indiana Farm Bureau Federation, Indianapolis, Ind.
Indiana Wheat Growers' Association, Indianapolis, Ind.
Iowa State Legislature.
Iowa State Farm Bureau Federation, Iowa.
Republican State Convention, Iowa.
Iowa Retail Merchants' Association, Des Moines, Iowa.
Des Moines Commercial Club, Des Moines, Iowa.
Corn Belt Meat Producers' Association, Des Moines, Iowa.
Farmers Grain Dealers' Association of Iowa, Fort Dodge, Iowa.
Greater Des Moines Committee, Des Moines, Iowa.
President Iowa State College and chairman of the executive committee Association of Land Grant Colleges, Ames, Iowa.
Farmers Grain Dealers' Association of Iowa, Fort Dodge, Iowa.
Iowa City Merchants' Retail Bureau, Iowa City, Iowa.
Cedar Falls Chamber of Commerce, Cedar Falls, Iowa.
Cedar Falls Commercial Club, Cedar Falls, Iowa.
Knoxville Chamber of Commerce, Knoxville, Iowa.
Pella Chamber of Commerce, Pella, Iowa.
Ninety-five members Polk County Wheat Growers' Association, Iowa.
Mason City Merchants' Association, Mason City, Iowa.
Kiwanis Club, Creston, Iowa.
Worth County Farm Bureau, Iowa.
Howard County Farm Bureau, Iowa.

Chickasaw County Farm Bureau, New Hampton, Iowa.
Polk County Farm Improvement Association, Des Moines, Iowa.
Plymouth County Bankers' Association, Lemars, Iowa.
Woodbury County Farm Bureau, Sioux City, Iowa.
Palo County Farm Bureau, Iowa.
Farmers' Incorporated Cooperative Society, Grafton, Iowa.
Dallas County Farm Bureau, Adel, Iowa.
Emmett County Farm Bureau, Iowa.
Adams County Farm Bureau, Iowa.
Johnson County Farm Bureau, Iowa.
West Pottawattamie County Farm Bureau, Council Bluffs, Iowa.
Lions Club, Osage, Iowa.
O. O. Wolf, member State board of agriculture, Topeka, Kans.
O. F. Whitney, secretary State Horticultural Society, Topeka, Kans.
Kansas Farm Bureau Federation, Manhattan, Kans.
Kansas State Farmers' Union, Salina, Kans.
Kansas Livestock Association, J. H. Mercer, secretary, Topeka, Kans.
J. M. Kessler, secretary Kansas Taxpayers' League, Topeka, Kans.
F. D. Merriam, president Central Trust Co., Topeka, Kans.
J. W. Greenleaf, chairman; C. E. Rugh, E. T. Hackney, members, public utilities commission, Topeka, Kans.
Franklin County Farmers' Union Local, Kansas.
Kentucky Farm Bureau Federation, Louisville, Ky.
Maryland Farm Bureau Federation, Baltimore, Md.
Republican State convention for Minnesota.
Minnesota Editors' Association, annual convention, Minnesota.
Minnesota Department of Agriculture, St. Paul, Minn.
Minnesota Farm Bureau Federation, St. Paul, Minn.
Minnesota School Board Association, annual meeting, Minnesota.
Minnesota Dairymen's Association, St. Paul, Minn.
Red River Valley Dairymen's Association, Halstead, Minn.
Red River Valley Livestock Association, Crookston, Minn.
American Wheat Growers Associated, Minneapolis, Minn.
Minnesota Wheat Growers' Cooperative Marketing Association, Thief River Falls, Minn.
Grain Growers' Council No. 5, Climax, Minn.
Winger Council Minnesota Wheat Growers' Association, Minnesota.
Minnesota Federation of Farm Loan Associations, St. Paul, Minn.
John Gustafson, president Farmers' National Grain Dealers' Association, Windom, Minn.
Minnesota Export Commission League, Crookston, Minn.
Minnesota seventh congressional district convention, Morris, Minn.
Minnesota Crop Improvement Association, Owatonna, Minn.
Minnesota Cooperative Improvement Association, Owatonna, Minn.
Minnesota Realty Dealers' Association, Minneapolis, Minn.
Greater St. Paul Committee, St. Paul, Minn.
St. Paul Association of Public and Business Affairs, Minnesota.
The Greater St. Paul Committee, St. Paul, Minn.
Minnesota Red River Valley Development Association, Red Lake Falls, Minn.
North Branch Commercial Club, North Branch, Minn.
East Grand Forks Commercial Club, East Grand Forks, Minn.
Angus Commercial and Community Club, Minnesota.
Lake Benton Community Club, Minnesota.
Town and Country Service Club, Slayton, Minn.
Fisher Community Club, Fisher, Minn.
Owatonna Chamber of Commerce, Owatonna, Minn.
Kittson County Export League, Kittson County, Minn.
Big Stone-Traverse County Bankers' Association, Minnesota.
Executive committee for the promotion of the McNary-Haugen bill, St. Paul, Minn.
Crookston Council United Commercial Travelers, Crookston, Minn.
Town of Lake Stay, Mina.
Bankers Association of Rock County, Minn.
Joe River Farmers Club, St. Vincent, Minn.
Sinnott and Augsburg Farm Bureau Units, Minnesota.
Martin County Farm Bureau, Fairmount, Minn.
Faribault County Farm Bureau Association, Faribault, Minn.
Kasota Farm Bureau Unit, Kasota, Minn.
Cottonwood County Farm Bureau, Minnesota.
Rock County Farm Bureau, Minnesota.
Grand Prairie Farm Bureau, Minnesota.
Michigan Federation of Farm Loan Associations, Mount Pleasant, Mich.
Missouri Farmers Association, Columbia, Mo.
Secretary of agriculture, Jefferson City, Mo.
Missouri Farm Bureau Federation, Jefferson City, Mo.
R. W. Hoffman, representing millers of Southwest, Columbia, Mo.
American Hereford Breeders' Association, Kansas City, Mo.
Dekalb County Farm Bureau, Maysville, Mo.
Montana State Department of Agriculture, Helena, Mont.
Montana Bankers' Association, Helena, Mont.
Montana State Farm Bureau Federation, Bozeman, Mont.
Montana Farmers' Union, Montana.
The Holstein Association, Livingsprings, Mont.
Montana Wheat Growers' Association, Lewistown, Mont.
Montana Export Commission League, Lewistown, Mont.
Montana Land Settlement Congress, Helena, Mont.
Southern Montana Joint Land Bank, Montana.
Farmers' Educational and Cooperative Union of Montana, Billings, Mont.
Montana Retail Merchants' Association, Lewistown, Mont.
Three Forks Chamber of Commerce, Montana.
Red Lodge Montana Club, Red Lodge, Mont.
Polson Farmers and Business Men's Club, Polson, Mont.
Retail Merchants' Association, Gallatin County, Bozeman, Mont.
Stillwater County Union, Billings, Mont.
Commercial Club and Farm Union, Belgrade, Mont.
Canton County Farmers' Union, Roberts, Mont.
Livingsprings County Farm Bureau, Livingsprings, Mont.
City of Polson, Mont.
Farmers' Educational Cooperative Union, Golden Valley County, Mont.
Nebraska Farm Bureau Federation, Lincoln, Nebr.
Nebraska Wheat Growers' Association, Hastings, Nebr.
Lincoln Chamber of Commerce, Lincoln, Nebr.
Updike Grain Co. (Inc.), Omaha, Nebr.
McCool Local Nebraska Wheat Growers, York, Nebr.
New Mexico Wheat Growers' Association.
National Cigar Leaf Tobacco Dealers' Association, New York City, N. Y.
North Carolina State Farm Bureau Federation, Statesboro, N. C.
North Dakota Bankers' Association, Fargo, N. Dak.
North Dakota Department of Agriculture, Bismarck, N. Dak.
North Dakota Farm Bureau Federation, Fargo, N. Dak.
North Dakota Livestock Association, Fargo, N. Dak.
North Dakota Live Stock Breeders, North Dakota.
North Dakota Wheat Growers' Association, Grand Forks, N. Dak.
Tri-State Grain Growers, Fargo, N. Dak.
North Dakota Federation of Farm Loan Associations, Grand Forks, N. Dak.
National Farm Loan Association, Fargo, N. Dak.
Grand Forks County Bankers' Association, Grand Forks, N. Dak.
Rotary Club, Fargo, N. Dak.
Anita Commercial Club, North Dakota.
Bergen Community Farmers' Club, Pekin, N. Dak.
Lansford Wheat Growers' Council, North Dakota.
Niagara Shawnee Agricultural Club, North Dakota.
Edgeley Community Club, Edgeley, N. Dak.
Grand Fork County Bankers' Association, North Dakota.
Nekoma Farmers' Club, Nekoma, N. Dak.
Washington Township Local Franklin County Farm Bureau, Columbus, Ohio.
Oklahoma State Board of Agriculture, Oklahoma City, Okla.
Oklahoma State Farmers' Union, Oklahoma City, Okla.
El Reno Local, Oklahoma Wheat Growers' Association, El Reno, Okla.
Kingfisher District Nomination Convention, Oklahoma Wheat Growers' Association, Kingfisher, Okla.
District Number Four, Oklahoma Wheat Growers' Association, Carmen, Okla.
District Nominating Convention, Oklahoma Wheat Growers' Association, Carmen, Okla.
District Delegate Convention, Oklahoma Wheat Growers' Association, Blackwell, Okla.
Ponca City Local, Oklahoma Wheat Growers' Association, Ponca City, Okla.
Okarche Local, Oklahoma Wheat Growers' Association, Oklahoma City, Okla.
Oklahoma Federation of Labor, Oklahoma City, Okla.
Oklahoma Farm Labor Economic, Oklahoma City, Okla.
Kiowa County Mass Meeting, Lone Wolf, Okla.
Okarche Local, membership 300, Oklahoma City, Okla.
Oregon State Bankers' Association, Portland, Oreg.
Oregon State Farm Bureau Federation, Portland, Oreg.
Oregon Cooperative Grain Growers, Portland, Oreg.
Oregon Export Commission League, Pendleton, Oreg.
Export Commission League, Milton, Oreg.
Oregon Wool Growers' Association, Portland, Oreg.
Northwest Wheat Growers' Associated, Portland, Oreg.
Oregon Hardware & Implement Dealers, Portland, Oreg.
Port of Portland Commission, Portland, Oreg.
Portland Chamber of Commerce, Portland, Oreg.
Pendleton Commericial Association, Pendleton, Oreg.
Astoria Chamber of Commerce, Astoria, Oreg.
Agricultural College Economic Conference, Corvallis, Oreg.
Pilot Rock Export Commission League, paid membership 200, Pilot Rock, Oreg.
Opal City Grange, Colver, Oreg.
Morrow County Export Commission League, Heppner, Oreg.
Morrow County Farm Bureau, Heppner, Oreg.

an agreement to let the report speak for itself.

Howard County Farm Bureau, Iowa.

Sherman County Teachers, Moro, Oreg.
Lane County Agricultural Economics Conference, Eugene, Oreg.
South Dakota Bankers' Association, Sioux Falls, S. Dak.
South Dakota Farm Bureau Federation, Brookings, S. Dak.
South Dakota Wheat Growers' Association, Aberdeen, S. Dak.
South Dakota Export Commission League, Aberdeen, S. Dak.
South Dakota Potato Growers' Association.
Mitchell Chamber of Commerce, Mitchell, S. Dak.
Commercial Club, Redfield, S. Dak.
Commercial Club, Aberdeen, S. Dak.
Commercial Club, Tyndall, S. Dak.
Gregory Commercial Club, Gregory, S. Dak.
Eureka Commercial Club, South Dakota.
Fall River County Farm Bureau, Hot Springs, S. Dak.
Marshall County Bankers' Association, Britton, S. Dak.
Marshall County Farm Bureau, Britton, S. Dak.
Roberts County Bankers' Association, Wilmot, S. Dak.
Texas Wheat Growers' Association.
Planters' Mutual Hail Insurance Co., Pampa, Tex.
Pampa Chamber of Commerce, Pampa, Tex.
Pampa Local, Texas Wheat Growers' Association, Pampa, Tex.
Cotton Growers' Association, El Paso, Tex.
Pampa Poultry Producers' Association, Pampa, Tex.
Fourth and fifth districts, Texas Wheat Growers' Association, Texas.
Highland Hereford Breeders' Association, Marfa, Tex. (Cooperative marketing association of Brewster, Jeff Davis County, annually branding 40,000 calves).
Panhandle Local, Texas Wheat Growers' Association, Panhandle, Tex.
Tobacco Growers' Association, El Paso, Tex.
Panhandle Chamber of Commerce, Panhandle, Tex.
Pampa National Farm Loan Association, Pampa, Tex.
Utah State Board of Agriculture, Salt Lake City, Utah.
Utah State Farm Bureau, Utah.
Nephi National Farm Loan Association, Nephi, Utah.
National Wool Growers' Association, Salt Lake City, Utah.
Farmers' Cash Union, Tremonton, Utah.
Utah Wheat Growers' League, Nephi, Utah.
Juab County Farm Bureau, Nephi, Utah.
Virginia Farm Bureau Federation, Roanoke, Va.
Rockingham County Farm Bureau, Harrisonburg, Va.
Washington State Bankers' Association, Cheney, Wash.
Washington State Farm Bureau Federation.
Washington State Farmers' Union, Spokane, Wash.
Northwest Livestock Association, Spokane, Wash.
Washington Wheat Growers' Association, Spokane, Wash.
Washington Federation of Farm Loan Associations, Spokane, Wash.
Washington Export Commission League, Rosalia, Wash.
Spokane Post, American Legion, Spokane, Wash.
Spokane Central Labor Council, Spokane, Wash.
Seattle Chamber of Commerce, Seattle, Wash.
Tri-State Hardware Dealers' Association, Spokane, Wash.
The Building Owners and Managers' Association, Spokane, Wash.
Spokane Realty Association, Spokane, Wash.
Associated Engineers, Spokane, Wash.
Export League Commission, Pullman, Wash.
Blind Local Washington Export League, Ritzville, Wash.
Oakesdale Farmers' Union, Oakesdale, Wash.
Goldendale Commercial Club, Goldendale, Wash.
Associated Bankers, Walla Walla, Wash.
Spokane Chamber of Commerce, Spokane, Wash.
Spokane Central Labor Council, Spokane, Wash.
Tri-State Hardware Dealers' Association, Pomeroy, Wash.
Walla Walla Chamber of Commerce, Walla Walla, Wash.
Waterville Chamber of Commerce, Waterville, Wash.
Spokane Building Owners and Manufacturers' Association, Spokane, Wash.
Waitsburg Commercial Club, Waitsburg, Wash.
Commercial Club, Endicott, Wash.
St. John Commercial Club, St. John, Wash.
Pacific Farmers' Union, Pullman, Wash.
Garfield Farmers' Union, Garfield, Wash.
Winona Branch, Washington Export Commission League, Winona, Wash.
Thornton Farm Bureau Federation, Thornton, Wash.
Pullman Chamber of Commerce, Pullman, Wash.
Pomeroy Commercial Club, Pomeroy, Wash.
Edwall Cooperative Club, Edwall, Wash.
Asotin Community Club, Asotin, Wash.
Colfax Chamber of Commerce, Colfax, Wash.
Coulee Commercial Club, Coulee, Wash.
Adams County Branch, Washington Export Commission League, Ritzville, Wash.
Klickitat County Pomona Grange, Goldendale, Wash.
Whitman County Farmers' Union, Garfield, Wash.
Walla Walla County Farm Bureau, Walla Walla, Wash.
Rosalie County Farm Bureau, Rosalie, Wash.
Whitman County Tax Payers' League, Washington.
Whitman County Farm Bureau, Colfax, Wash.
Whitman County Republican Convention, Whitman County, Wash.
West Virginia Farm Bureau, Charleston, W. Va.
Wisconsin Federation of Farm Loan Associations, Milwaukee, Wis.
Five hundred and two National Farm Loan Associations in Washington, Idaho, Montana, and Oregon.
Interstate Export League, Minnesota.

I shall also insert the following indorsements:

LOUIS W. HILL INDORSES M'NARY-HAUGEN BILL

The McNary-Haugen bill now before Congress was indorsed by Louis W. Hill, chairman of the Great Northern Railway, following conferences Thursday with St. Paul business men on the agricultural and general trade conditions of the Northwest.

"The operation of the principle developed in the bill should restore the purchasing power of the farmer and get him back on his feet," Mr. Hill said after hearing the bill explained by Frank W. Murphy, of Wheaton. "At the same time it should directly benefit industry, commerce, and transportation.

"I recognize that what the farmer needs and must have in order to get back on his feet is a better price for the things he is producing," Mr. Hill declared, "and I am heartily in favor of any sound and practical plan that will be of help to him. This bill seems to point the way clearly."

KUHN, LOEB & CO.,
New York.

S. K. STEVENSON, Esq.,
Johnson County Bank Building, Iowa City, Iowa.

DEAR MR. STEVENSON: I beg to acknowledge receipt of your letter of the 13th instant.

I realize with every sympathy the unfortunate plight of the farmer and shall be only too happy to do what may be within my modest capacity toward supporting any well-considered measure of redress.

As to the McNary-Haugen bill, I inclose herewith copy of a letter which I wrote on this subject to Secretary Wallace recently, and I remain, with best wishes,

Very faithfully yours,

OTTO H. KAHN.

KUHN, LOEB & CO.,
New York, March 8, 1924.

DEAR MR. SECRETARY: I have gone carefully through the papers which you sent me. Not being an expert in matters of agriculture, being indeed but little acquainted through personal observations with the methods and ways of that industry, I am without competence to express a definite opinion on the details of the McNary-Haugen bill and on the practical workability of its provisions. It does seem to me that certain of the functions and responsibilities assigned by it to the Government could, and had better, be left to the private or semiprivate initiative of the farming industry.

As to the principle, however, which the bill seeks to apply to the present emergency, it seems to me, under the conditions such as I understand them to be, a logical sequence to policies which in other respects have long been generically characteristic of the trend of economic legislation in America, whichever party was in power. If I am correctly informed as to the situation and prospects of the farming industry, I believe the application of that principle, on carefully considered lines and within prudent limitations, to be warranted by the circumstances which exist and for some time have existed in agriculture and which are likely to result in grave and lasting national damage unless they are dealt with promptly and comprehensively.

No doubt strong arguments based upon economic orthodoxy can and will be adduced in opposition to the proposed theory, and various complexities and novel points will have to be met in respect of its practical application, including the question of the attitude and the actions which other nations may see fit to take in the face of it.

No man, I believe, is wise enough to foretell with assurance the precise results and repercussions of the operation of the scheme. But, unless the plight of the farmer is a good deal less serious and ominous than many reports and symptoms have led us to believe and unless an effective plan of relief can be devised of a less drastic character, it would seem to me that the Government would be justified in giving its indorsement to a fair test of a measure along the lines of the principle on which the McNary-Haugen bill rests, though full discussion and deliberation will, no doubt, lead to certain modifications of its present form and substance.

The farmer, finding himself, as we are informed, in an intolerable situation, is gravely discontented and under a sense of grievance toward the existing order of things. His is a toilsome calling at best, involving inevitable hardships and hazards, and usually a poorly requited one, indeed one of the least adequately remunerated among those which make up the sum total of the Nation's activities. The farming

business is the largest in the country. The basic and vital necessity of the farming industry needs no emphasizing. The immense social value of the farming class to the State is beyond argument.

There can be no lasting prosperity in trade and industry, unless the farmer is reasonably prosperous. There can be no stable and propitious condition in the field of politics—using the term in its larger meaning—as long as the farmer harbors the resentful feeling that he is not accorded a square deal.

Not only is the farmer entitled in fairness to relief from conditions of maladjustment, which place him in a position of heavy disadvantage as compared to other callings, but the continuance of these conditions constitutes a serious social evil and a derangement of so grave a portent as to justify resort to an heroic remedy, if it must be admitted that the lesser measures heretofore applied or suggested are impotent to effect a cure.

It will be far less costly, I believe, to the country at large to bear the very slight addition to the cost of food which is involved in a reasonable trial of the theory embodied in the McNary-Haugen bill than to pay the penalty which would appear to be inescapable if the Nation countenanced or failed to redress a state of things that would leave agriculture languishing and declining and 12,000,000 farmers aggrieved, resentful, and deprived of a fair share of prosperity and well-being.

As to the fear of setting a precedent, I believe that, in a broad sense and in its underlying thought, the principle of the McNary-Haugen bill—granting the existence of the conditions which it aims to correct—rather follows than creates precedent. Moreover, aversion against or apprehension of establishing a precedent is never a valid reason for failure to do that which is justly called for. I feel assured that we may rely—and, indeed, under a popular system of government we must rely—upon the soundness and watchfulness of public opinion to see to it that precedents are not harmfully misapplied or abused.

I beg to remain, dear Mr. Secretary,

Very sincerely yours,

OTTO KAHN.

Hon. HENRY C. WALLACE,
Secretary of Agriculture, Washington, D. C.

STATEMENT BY BERNARD M. BARUCH, NEW YORK CAPITALIST

Equality for agriculture is what the farmer is striving for. What are the inequalities? Other industries are organized and farming is not. Therefore the farmer buys in a more or less restricted market and sells in a competitive market.

The price obtained for the surplus determines the price the farmer receives for his total product. The price of American surplus wheat is made in the Liverpool market, where it comes in competition with the wheat produced by the cheapest labor in the world. But the price of a manufactured article is not necessarily determined by the price the surplus brings, because on account of Government protection the manufacturer can sell here all the market will absorb and sell or dump the balance in the markets of the world.

Therefore it is only just to permit the farmer to do what is necessary to correct the inequalities. It should be unnecessary for him to sell competitively, and the fixing of the price of his total production by the surplus that comes in competition with the cheapest labor in the world should be prevented. How can that be done? The provisions of the McNary-Haugen bill will do that. In the beginning let me say that I am not in favor of all the bill contains, but I do favor the principle of it, which will accomplish the following:

It will make cooperative marketing mandatory where it is now permissible. The price is not to be arbitrarily fixed by the farmer, but there is a minimum price below which wheat can not be sold. This figure is determined by a proper relationship with all other things on the index list of prices of the Department of Labor creating a proper relation between the results of labor in agriculture and the results of labor in other industries. Surely there is nothing unfair about that.

When the necessity occurs, the President will declare a crisis, let us say, in wheat. Then by mandate all selling of wheat will be fixed at a minimum price, which will be arrived at according to a fair relationship established by scientific and well-known principles of price ratios between wheat and other things. A computation will be made of the probable surplus and of the amount of money necessary to take care of that surplus. From the price at which the wheat is sold will be subtracted a certain amount, which will be used for the purpose of buying the surplus wheat at the minimum price.

From each bushel that the farmer sells he must pay into the agency that is established a certain number of cents a bushel, for which he will receive a certificate of interest. All the surplus wheat will be placed in a surplus-carrying corporation which will sell the surplus in the markets of the world and return to the farmer his proportionate share of the price received. Thus it will be seen that the farmer himself bears any loss that may be entailed and that it is not a loss that can fall upon the Government.

There are some who may read stern economic lectures concerning this, but as soon as the principle of the tariff and of modern business organization is admitted, the correctness and propriety of this organization must also be acknowledged. There is no arbitrary fixing of prices, but only a price that will create a fair and proper relationship between the labor engaged in agriculture and labor employed in other industries. The farmer will take care of the surplus and pocket the loss; the consumer will meet only the same condition that he meets when paying for the other things necessary for his daily life, whether it be rent or clothing.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. COLE of Iowa. Is it not true that the price of the farm products bears a very small relation to the price of the food products, and while wheat may decline from 80 to 75 per cent, the price of bread will decline only 2 or 3 per cent?

Mr. HAUGEN. To give an illustration of that, potatoes in my section of the country are selling for about 25 to 30 cents a bushel. We have been paying 35 cents for one potato at the hotel all winter. That is a fair illustration.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. WEFALD. I remind the gentleman who asked the question of the fact that during the war when wheat was $3 a bushel or more, bread was only within 1 or 2 cents a loaf of what it is now.

Mr. McKEOWN. That is what I am trying to get at. What will be done to prevent them from going on and raising the price of the bread on the plea that we have raised the price of the products out of which bread is made, when the 5-cent loaf has not yet returned? There ought to be something in this bill to prevent that. Is there any way by which you can prevent those men from charging more than the bread is worth, in comparison with the price of wheat?

Mr. HAUGEN. There is nothing in this bill to do that, and this committee has no jurisdiction over that phase of it. We have a law on the statute books in respect to that, and all that is necessary is to put in force the laws that we have.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. ASWELL. The chairman will note that on page 42 of the majority report the thought is brought out that the increase of the cost of living per capita for bread alone will be $2.50 for the people of the United States, and that means $250,000,000 increase in the cost of living on account of the raising of your wheat price. That is in the majority report.

Mr. HAUGEN. That all depends upon the amount of bread a family consumes.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. McKEOWN. The farmer is not responsible for the high price of bread.

Mr. HAUGEN. No; he is not.

According to the testimony printed in the hearings on the Brand bread bill the value of the ingredients in a loaf of bread that sells generally over the United States for 8 to 9 cents in loaves from 14 to 16 ounces is the first consideration. There is about a cent and a half's worth of wheat in such a loaf of bread, when it is full weight, and when the wheat is converted into flour the cost of the flour is in the neighborhood of 2 cents when good grades of flour are used.

As evidence of this, the United States Government in baking bread for the Army and they report the cost of all ingredients in a pound loaf of bread as low as a cent and three-quarters. Such bread is now being sold by the Army at 3 cents at Army camps and hospitals.

The Shults Baking Co., of New York, claim bread is costing them $0.0311 per pound, including all ingredients. This gives you the cost of the Army bread and also the cost claimed by one of the largest bakers in the country.

In the city of Washington bread is being sold by the Corby Bakery to the Navy as low as $0.0600 per pound loaf of the same quality that they are selling wholesale the same bread at the same time to retail merchants at 8 cents for a pound loaf.

With the cost of the materials in a loaf of bread established by the above at from 2 to 3 cents for a pound loaf, and the wholesale selling price generally over the United States being from 8 to 9 cents a loaf, it seems perfectly clear that the consumers are entitled to full weight, and that is the purpose of the Federal bread act.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. BLACK of New York. I am anxious to be friendly to this bill, as are a great many city Members. The gentleman has stated that there is a surplus of certain commodities and he has not given any reason for the surplus. I hope the gentleman will as he goes along. It strikes me that with the

paternalistic effect that this bill will have on the commodities in which there is not a surplus there will be a tendency not to create a diversification of crops with this legislation, but rather a tendency to intensify production on those things of which you have no surplus.

Mr. HAUGEN. If there is an increase in production, they penalize themselves. The greater the surplus is the greater will be the discount, of course, from the ratio price.

Mr. BLACK of New York. What is done in this bill to stimulate the diversifying of crops?

Mr. HAUGEN. There is nothing here to stimulate the diversifying of crops. We had inflated prices during the war. That did not increase production to any great extent. When you bring the price of corn up, you bring up the price of oats with it. When you bring up the price of wheat, the price of rye rises with it, and one will be just as profitable as the other. Here is your dairy business. Everybody says that there is a great deal of money in the dairy business. It has been profitable. It is not profitable to-day. What has happened? The bottom has fallen out of it. About a month ago butter was selling above the ratio price, and the other day it was down to 35½ cents to 36½ cents, say 36 cents. The ratio price was 45 cents. The price of butter was 9 cents below the ratio price. What does that mean to the farmer, 9 cents a pound on a price of 36 cents? That is 25 per cent.

The farmer to-day would receive 25 per cent more for his butter had the bill been in operation. One suggestion is to take care of the wheat farmer and that that is all that is necessary. Oh, yes; they admit that all are sick; all of them are going into bankruptcy. They say to take care of the few of them, that if you do take care of a few of them we will let the others take care of themselves. I take it that it is a question of the survival of the fittest. What unpardonable sin has the hog grower or the dairyman committed in this country? Are they not entitled to the same consideration as the wheat growers? The ratio price of hogs to-day is 60 per cent above the current price, and it is only 50 per cent on wheat, and still some say it is in the interest of the packers. No; it is not for the packers, and the packers do not want to come in under this bill.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. NEWTON of Minnesota. The gentleman refers to dairy products.

Mr. HAUGEN. Yes.

Mr. NEWTON of Minnesota. The bill refers to food products of cattle, sheep, and swine. Is it the gentleman's contention that the words "food products" do not include milk, cream, and butter?

Mr. HAUGEN. We consider them food out in our country.

Mr. NEWTON of Minnesota. Yes; and pretty good food; but I want to get the the gentleman's idea as to whether or not this bill would permit the corporation to fix the ratio price on all dairy products.

Mr. HAUGEN. If milk and butter are food products, they are included in the bill. Some try to make out that they are not.

Mr. SHALLENBERGER. I want to get a little information as to what you are going to do for the farmers. I have heard what you are doing to the fellows in the city. I see on page 19 you have changed the original provisions of this bill from requiring the buyer either to provide the scrip or the equalization fee, and you require the producer or the seller to pay the equalization fee.

Mr. HAUGEN. That is all by regulation.

Mr. SHALLENBERGER. I would like to ask the gentleman if the ratio price on wheat, say, is $1.50, and I come on the market and sell it and the equalization fee is determined at what—say 25 cents?

Mr. HAUGEN. You would not determine it at 25 because it would scarcely exceed over 10 or 12 cents. It might go to 15.

Mr. SHALLENBERGER. When I sell the wheat for the ratio price do you deduct the fee from the ratio price, and I pay for it in that manner?

Mr. HAUGEN. If you sell the wheat under this bill—say they would most likely fix the equalization fee at 10 cents—the price advances from $1.09 to $1.59. The 10 cents paid in the equalization fee would leave you $1.49 in cash instead of $1.09, and at the end of the year if there is anything left of the equalization fee it would be proportioned out.

Mr. SHALLENBERGER. In fact, then, the seller does not pay anything into the corporation directly?

Mr. HAUGEN. The grain buyer would collect it from the producer.

Mr. SHALLENBERGER. You do not require——

Mr. HAUGEN. One moment. It may be paid into the equalization fund either by the producer or the purchaser of the grain may deduct from the price and remit the equalization fee to the corporation to be paid into the Treasury out of which the operating expenses and the losses will be paid.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. JACOBSTEIN. Has the gentleman any calculation as to the total value of the crops that are affected by the gentleman's bill?

Mr. HAUGEN. Much has been said about wheat. The yield of wheat runs about 700,000,000 bushels a year, up to a billion bushels. The average crop is about 750,000,000 bushels; for the current year, 781,000,000 bushels. Well, assuming the crop will be 750,000,000 and we will assume that there will be 150,000,000 bushels of surplus for export. Now, I know what the gentleman has in mind.

I will tell you what is the matter: They are shipping wheat through the United States in bond. And what are they doing? They are bringing in, in bond, Canadian wheat exported from our ports, or to be milled into flour and the flour to be exported from our ports, and what they are doing is substituting American rye and exporting that instead of the good Canadian wheat brought in; part is being exported as wheat and part as flour. Every time they bring in 1,000 pounds of wheat in bond, and while in this country substitute 1,000 pounds of rye, which they export either as wheat or flour, they rob our Government of the duty which should properly be collected on the wheat brought in, besides it adds to our surplus, and if this bill were in operation such a transaction would add to the loss of our surplus. Now——

Mr. JACOBSTEIN. On that question I will tell you what I have in mind. I know what the folks in the city I live in are going to ask me. They are going to ask me what is it going to cost us to help put the farmers on their feet, and I have been trying to make a rough calculation of what it is going to cost. If the total value of the products affected by this bill are, let us say, $2,000,000,000—$3,000,000,000, I do not know how much——

Mr. HAUGEN. The total value?

Mr. JACOBSTEIN. Say $5,000,000,000 affected by this bill.

Mr. HAUGEN. No.

Mr. JACOBSTEIN. Four billion dollars.

Mr. HAUGEN. Wheat, about 750,000,000 bushels at $1 a bushel, that would be $750,000,000. Corn, 3,000,000,000 bushels at 75 cents, would be $2,250,000,000.

Mr. JACOBSTEIN. But you have got cattle, flour, rice, and all those things. Suppose it only aggregates $3,000,000,000?

Mr. HAUGEN. Yes; more than that.

Mr. JACOBSTEIN. And to be conservative you are going to raise the price about 20 per cent. Is that right? All right, that means you are going to increase the value to almost—I am not saying it is wrong or is not right—you are going to increase the value of those crops $600,000,000.

So that we ought to tell the American people that we are going to take out of the pockets of the consumers—I am not saying that it should not be done—this $100,000,000 and turn it over to the farmers in order to equalize prices. Is that right? I want to be fair.

Mr. HAUGEN. I believe in being fair.

Mr. JACOBSTEIN. For every dollar of value of crops we buy we are going to take 20 cents out of the pockets of the consumer and turn it over to the farmer?

Mr. FREAR. That is argument simply. What is the increase for the clothing and shoes and all the manufactured articles that have a tariff to-day?

Mr. JACOBSTEIN. I am asking the gentleman a plain question.

Mr. HAUGEN. You are fair and right. I admit all you say. But how much do we give the organized industries? Here are the statistics. What is the purchasing power of the farmer? What is the price of commodities which the farmer must buy with his products? The value of his products is less than 50 per cent what it was a few years ago in its purchasing power.

Only a few years ago a thousand pounds of hogs would buy, for instance, two corn planters. To-day it would require 1,000 pounds to buy one. A few years ago a thousand pounds of hogs would buy a lumber wagon, and to-day it takes about 1,500 pounds to buy a lumber wagon. A thousand pounds of hogs would buy a wagon and a half a few years ago.

Now, as to farm labor, we used to pay $20 a month for labor. We pay $60 now. Where is the purchasing power of the farmer? You can tear down the tariff laws and you can open the gates now to immigration, and what will you accom-

plish? Your immigration laws and your tariff laws and your prices will be brought down to the level of competing countries abroad.

Now, I believe in the policy of a protective tariff. I believe in that great and cardinal principle of the party with which I am affiliated. I believe in encouraging and building up American industry that will benefit labor and result in the good of the common people.

Mr. JACOBSTEIN. Do you regard this bill as an outgrowth of the tariff?

Mr. HAUGEN. I believe in the great principles underlying the construction of our tariff laws. We may not agree on that or on any other subject, but this committee of which I am the chairman has no jurisdiction over the tariff. We did the best we could. The thought now is to equalize these prices, and, as Mr. Wallace, who represented the American Federation of Labor, stated before our committee, we appreciate that it is going to increase the price, but what is that to us? We are willing to pay it. It will increase the cost.

Mr. JACOBSTEIN. About a billion dollars a year?

Mr. VESTAL. Mr. Chairman, will the gentleman yield?

Mr. HAUGEN. Mr. Chairman, I would like to discuss this question without interruption.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield? Would the gentleman be willing to call this an internal tariff for the protection of the American farmer? Would you call it that?

Mr. HAUGEN. No. I would prefer to call it a bill for the equalization of prices. What I propose to do is to make the tariff absolute as to the farm products, as we do with other products.

Mr. JACOBSTEIN. Are you not going to tax the consumer? The protective tariff has worked for industry, and because it has not worked for agriculture you now hit upon a scheme of equalization, which will bring the prices of agriculture up?

Mr. HAUGEN. Exactly.

Mr. JACOBSTEIN. We have got to admit in that that we are taxing the consumer?

Mr. HAUGEN. Absolutely. But every time we pass a bill restricting immigration or a tariff bill we generally add to the cost.

Mr. JACOBSTEIN. How did it happen that the protective tariff which you fixed, which was wanted so much for the farmer, did not help the farmer?

Mr. HAUGEN. Generally it would protect the farmer, except in case of a surplus. In that case the farmer takes the price fixed on the surplus. There is no way of getting away from it. I have voted for restricted immigration and protective tariff consistently. While I believe in a protective tariff, I believe in one that will result to the common good of all the people of the Nation. Hence I have always contended that the farmers have never been given the full benefit of our tariff system. Tariff does not always raise the price. For instance, recently the duty on wheat was raised 12 cents a bushel; the price of wheat went down 10 cents. The object of the bill is to make the tariff applicable to the farmer as effectively as to organized industry, to sell for domestic consumption at one price and for export at the world price, and at the end of the operating period to proportionately equalize prices of the whole product. In other words, to make it possible for the farmer to do as organized industry does.

Mr. KINDRED. Going back to the question of how this bill will operate, as a concrete example and illustration of what the gentleman has already said, as I understood it, about increasing the price to the consumer of one-half a cent on a loaf of bread, is it not true that the retailer instead of charging the necessary half cent will make it to the ultimate consumer, the small consumer, 1 cent or 2 cents more for each loaf of bread?

Mr. HAUGEN. I will tell you this: You can double the price of wheat and sell bread at the same price that it is now sold for. There is another institution at the other end of the Avenue that may give attention to that.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman permit another short question?

Mr. HAUGEN. Yes; but then I must decline to yield further.

Mr. SHALLENBERGER. Under the bill as first introduced the 15 cents which was to be paid by way of equalization for possible loss was to be paid into the post office by the buyer?

Mr. HAUGEN. Yes.

Mr. SHALLENBERGER. When I sell my wheat I get $1.35, but I do not pay 15 cents into that fund, which is to equalize this loss. Who pays that 15 cents under this bill?

Mr. HAUGEN. That is deducted from the $1.00, and whatever is left of the 15 cents is returned proportionately at the end of the operating period.

Mr. SHALLENBERGER. But I do not see where you get that 15 cents that is in the equalization fund.

Mr. HAUGEN. You deduct 15 cents from every bushel.

Mr. SHALLENBERGER. But who pays the 15 cents?

Mr. HAUGEN. The producer pays it. He pays it into the treasury of the corporation, or the purchaser may deduct it from the ratio price and pay it into the treasury of the corporation. The regulations may require the producer to pay the equalization fee into the treasury of the corporation, or the amount may be deducted from the ratio price and be paid into the treasury by the purchaser.

Mr. SHALLENBERGER. Then it is not collected from the seller, but is collected when the product is sold?

Mr. HAUGEN. Yes, indeed; on the first sale. Now, my friends, as I told you, I have no desire to tell a hard-luck story. It is a sure thing, my friends, that we know very little about what is going on in the country, and that we do not know all about the real conditions. The metropolitan press is not saying anything about the bank failures, and it is probably proper that they do not.

According to the annual report of the Secretary of Agriculture for 1923—

In 15 corn and wheat producing States 24½ per cent of owners of farms were in fact bankrupt, practically one out of every four bankrupt.

One million two hundred thousand left the farm to better their financial conditions in 1922.

In New York alone, for the year ending February, 1923, 26,000 moved from the farms to the cities.

In Michigan, 10 per cent of the farms are vacant and 13 per cent more are only partly worked.

According to the annual report of the Attorney General on bankruptcy among farmers—

The number of Iowa farmers in bankruptcy increased from 60 in 1913 to 489 in 1923. Farmers' percentage of all cases in bankruptcy increased from 16.8 per cent in 1913 to 52.3 per cent in 1923. The number of farmers in all cases in bankruptcy in all the States increased from 942 in 1913 to 5,940 in 1923, an increase of 4,998 in 10 years.

Bank failures in the United States have increased by leaps and bounds.

Mr. McKEOWN. Will the gentleman yield?

Mr. HAUGEN. I can not yield, because I would be taking time from other gentlemen. I do not want to be discourteous, but I can not yield and take time away from other gentlemen.

I have no desire to sound a note of alarm. By nature I am an optimist. I prefer to look at the bright side of things rather than the dark side. I am aware that "knock and the world knocks with you," but, as we know, in recent years we have had an unusual flow of hard-luck talk about the depressed conditions in agriculture. Many well-meaning people have been most generous in their utterances along that line. Agitators along various lines, in their mad chase to further their interests and gratify their ambitions, have talked and talked, knocked and knocked, alleging that all their ills are the results of unjust and discriminatory law. While I do not subscribe to that, unfortunately as a result many have been led to believe that there is something radically wrong in our laws.

While bank failures, farm-mortgage foreclosures, and bankruptcy proceedings are very much in evidence everywhere, while conditions are far from what one would desire, I do not share in the contention that our troubles are due to legislation enacted, while practically every measure suggested having for its object to better conditions has been enacted, notwithstanding every effort should be made to further improve conditions, especially agriculture.

All practically agree that upon agriculture, our basic industry, rests the whole structure. Our experience in recent years seems to have demonstrated that with absolute finality—that the stability, growth, and greatness of our Nation, yes, the progress of prosperity and happiness of our people, depend upon the success of the tillers of the soil.

As a class the farmer is the great conservative force of our Nation. All wealth springs from Mother Earth. It is the farmer who produces new wealth. He furnishes about 50 per cent of our exports. Our gold reserves or balance of trade is dependent on the tillers of the soil. Without his industry and success our gold reserve and balance of trade would dwindle into insignificance.

About one-half of the American people live in rural districts; of that number six and one-half million farmers employ a like number of wage earners, which, together with the members of their families make up a total of more than thirty-one million tilling six and one-half million farms producing annually from seven hundred million to ten hundred million bushels of wheat, from six to seven billion bushels of cereals, or, in other words, about one-third of the world's production of wheat or cereals.

According to the figures furnished by the Department of Agriculture we have:

Head of cattle	66,801,000
Head of swine	65,000,000
Head of sheep	39,361,000

Twenty-four million six hundred and seventy-five thousand milk cows giving more than 12,000,000,000 gallons of milk annually, about 15,000,000 pounds of beef, veal, pork, and mutton. The livestock on the farms on the 1st of January and the 1918 crop was valued at $24,700,000,000, which in amount was more than three times the then stock of money in the United States, even after our paper mills and printing presses had been running overtime turning out all kinds of money. According to recent reports the estimated value of crops and livestock have shrunk to about one-third.

It goes without saying that our export trade is dependent upon the products of the farm. The farmer furnishes on an average about one-half of our total export. One year as high as 84 per cent. It is clear without his industry and success our balance of trade now in our favor would turn into an adverse balance to be paid in gold.

As a result our gold reserve would disappear. American exchange, now at premium, will go below par and thus deflate our currency and further deflate the purchasing power of agricultural products.

One suggestion is to repeal our tariff laws and to lower the American wage scale and high standard of living to a world level, so as to enable the American producer to compete with the products of the world; to increase the export of the products of our American mills and factories and exchange them for food. Yes; under such arrangement we might succeed in doing that for a while, but only for a short time.

Just as sure as the sun rises in the east and sets in the west, without prosperity in agriculture our factories and mills and our banks would crumble to pieces. Our railroads would rust from idleness, our beautiful towns, villages, and cities, including our schoolhouses in the valleys and churches on the hilltops, would to a large extent suffer. Our grand and glorious Government, its splendid and magnificent institutions, would materially suffer. Much of our productive farms, producing bread in quantities sufficient to satisfy not only 112,000,000 of our own people but millions in far lands, would return to unproductivity.

The product of the farm is food. Food supplies fuel and energy; yes, life! The recent war demonstrated the value of food. No matter how strong and courageous the young man may be he can not long fight or endure without food. What is true of a human is true of a nation. You recall that during the war the munition trains and passenger trains were sidetracked, and the trains carrying pork and flour and every train carrying food was given right of way. Why? Because it carried food, the most essential aid to the men and women at the front in winning the war! The war was not won because of our munition factories and automobile factories, but more because of our bread baskets, our supplies of food, which made it possible for our brave and heroic men and women to carry the war to a successful conclusion.

You recall that only a few years ago our factories and mills were running on part time with about 35 per cent production. As a result, 6,000,000 men were walking the streets, and that without creating a national disturbance; disturbances here and there, but not to the extent of a national calamity.

What would happen with a failure of crop, or only a 35 per cent production? It would create not only a national calamity but a condition of great alarm throughout the world. Millions and millions of our people would starve. Not only that, but the farmers' purchasing power, about 35 per cent of the total purchasing power, would naturally be cut in the same proportion. As a result, millions of wage earners would again be without a job, factories and mills would crumble.

Thus I might go on, but I believe this sufficient to indicate the importance of our basic industry—agriculture—its success and prosperity. If my contention is well taken, if the tiller of the soil is entitled to a consideration, they are entitled to more than flattery, to more than party-platform promises, to more than promises made by self-professed friends of the farmer who work in and out of season to defeat every measure having for its object the improvement of agricultural conditions. No, my friends, glittering generalities, unfulfilled promises, and legislation to extend credit, which will run him more into debt, to create a few soft berths in the public crib, or legislation to extract large sums of money from the Treasury afford no relief to the farmer. He is entitled to something more substantial in order that prosperity may again be restored to agriculture.

I thank you. [Applause.]

Mr. LOZIER. Mr. Chairman, will the gentleman yield just for a question?

Mr. HAUGEN. Certainly; I will be glad to yield.

Mr. LOZIER. I am sympathetic with your argument and commend you for its fairness. Is it not true that the agricultural distress which is prevailing throughout the United States is being reflected in the commercial and industrial centers to such an extent that in 1921 and 1922 the amount of new capital invested in corporations or chartered companies was $11,000,000,000 less than in 1919 and 1920, and the total bank clearings in 1921 and 1922 were $93,000,000,000 less than in 1919 and 1920, and is not this distress ultimately going to be felt more keenly in the industrial and commercial centers of the Nation?

Mr. HAUGEN. I believe it is felt right now. He is entitled to a square deal and equalization in prices, to restore the purchasing power of his products to a level with that of other products, so as to give him more money with which to pay his debts rather than to run him into debt. The purchasing power of the American farmer must be restored. This will be done if the Members from the East or the Members from the South will join with the Members from the Middle West and Northwest—who are unanimously for this bill—and pass this bill, frequently referred to as the "Merry-Haugen bill." [Applause.]

Mr. LINTHICUM. Mr. Chairman, I make the point there is no quorum present.

Mr. HAUGEN. Mr. Chairman, if I may, I would like to yield three minutes to the gentleman from Minnesota [Mr. CLAGUE]. Will the gentleman from Maryland withhold his point of order for three minutes?

Mr. LINTHICUM. Yes; I will.

Mr. CLAGUE. Mr. Chairman and members of the committee, persons whose self-interest is advertently affected by any legislative enactment or proposed enactment readily find the weaknesses in any bill proposed in Congress. Against no bill have more bitter objections been made than at the McNary-Haugen bill. The Committee on Agriculture of this body has devoted nearly four months of earnest study to the question of agricultural relief. It has heard dozens of reasons, both for and against the several measures which it has under consideration, and especially this one. Many hundreds of pages of testimony have been taken, thousands of petitions have been received, practically all in favor of the bill, and at the conclusion of all of this study of the problem our committee by a favorable vote of 14 to 6 has brought in the measure now before us.

In my judgment no measure has ever been considered of its character as to which more things can be said on the favorable side with full truth. Some of the opponents of the bill, particularly in the grain trade, have unfortunately stooped to vituperation and abuse instead of to argument. At the outset of this debate it is my desire to bring before Members of the House a brief discussion of some of the opposing assertions that are most frequently heard. Directly or in substance those who oppose the bill have reasons of self-interest, or who misunderstand it, or who honestly hold political and governmental views with which the bill conflicts have said that the bill is one or all of the following:

1. Unworkable.
2. Unsound.
3. Uneconomic.
4. Unconstitutional.
5. Un-American.
6. Unnatural.

I will briefly discuss the thought as I understand it and the argument answering these challenges.

(1) Opponents of the bill say it will increase production but is unworkable. How can it produce results and be unworkable at the same time?

(a) Can a man buy things if he has money to pay for them? Certainly.

(b) Can a man sell things that others want if he is willing to sell them at the market price? Of course he can.

(c) Can you hire someone to do a service for you, like milling wheat or slaughtering hogs, if you have the raw product

and are willing to buy the services, especially when both the millers and packers have ample capacity and would kill the same hogs and mill the same wheat if there were no McNary-Haugen law? Undoubtedly you can.

(d) Can the agencies that sell abroad now, sell abroad next year? Of course they can and the corporation will compensate them for their services. It does not put them out of business.

(e) Can the corporation with the powers given it collect fees? The other branches of the Government do this now in millions of cases. Undoubtedly this creature of government can do it, too.

(f) Can the Government refund moneys if it collects too much? It does it now by the millions of dollars. The cooperatives do it by distributing their patronage dividends. Private corporations do it.

(g) Can the Government regulate imports? Of course it can and does and has from the beginning of the Nation. Opponents speak of bootlegging in the case of hogs. Inasmuch as 275 firms kill 65 per cent of all American livestock, and these are already under Federal supervision, enforcement will not be so difficult as some would have you believe. The true reason for the opposition to the bill is not that it will not work—it is that it will.

(2) Is the bill unsound? I say it is sound public policy. It is always sound for government to do for the citizen things required by the public welfare that the citizen can not do for himself. We are confronted with a condition in our national life due to the farm crisis—and not a theory. Is it sound to restore farming to a sound basis? Is it sound to arrange a solution that will save our export trade in farm products? Agriculture contributed nearly $2,000,000,000 in 1923 to the exports of $4,000,000,000 from the United States. Is it sound to bring this new wealth into the United States? Of course it is. It is one of the factors, and a large one, that has made our Nation in less than 150 years the greatest Nation in the world. Starving out farmers will not be of service to the Nation. The bill in effect organizes American agriculture in the only way it can be done fully to handle its export surpluses. The Webb-Pomerene and Edge laws were passed to help industry and do the same things in principle.

(3) Is the proposal uneconomic? If saving the business well-being of 35,000,000 of our people—yes; otherwise—no. As stated above, agriculture contributes $2,000,000,000 to our $4,000,000,000 worth of yearly exports. It is good business to keep this market. Good business is sound economics. It takes the dear old law of supply and demand and make it work for us and not ruin us—just as we harness the mountain stream and control the law of gravity in its operation to do good instead of harm. The bill reduces available supply and this increases the price. It uses what we have for the greatest good of all the people. This is the soundest of economics.

(4) Is it unconstitutional? Only the Supreme Court can finally decide that question, but good constitutional lawyers passed on this, and they all say that it is not. The brief submitted with the report of the Committee on Agriculture to the House of Representatives sustains every constitutional point. The unconstitutionality smoke screen is a mere attempt to kill the bill by those who fear their self-interest may suffer.

(5) Is it un-American? Only if a square deal is. Industry, labor, transportation, and finance are all in many senses special beneficiaries of existing legislation. The farmer supplies the food and is entitled to a seat at the table.

(6) Is it unnatural? It is just as unnatural as the tariff that we have had over 100 years. It is no more unnatural than antitoxin for diphtheria or insulin for diabetes. The trouble is not a broken leg; it is a disordered system that is not functioning right. The remedy prescribed by the bill was not prepared by quacks and politicians but by those who for many years have been and now are the farmers' ablest advisers and his true friends.

It has been stated that the bill will—

1. Increase the cost of living.
2. Result in overproduction.
3. Produce a business panic.
4. Destroy the agricultural cooperative association.
5. Invite retaliation by foreign countries.
6. Necessitate helping other industries—for instance, like copper and straw hats.

There is not time to analyze more than a few of the alleged dire calamities (?) that will happen if Congress passes this bill.

IT WILL INCREASE THE COST OF LIVING

This is not a necessary corollary. Since 1918 wheat has dropped over 50 per cent in price in Minneapolis, but the Federal Trade Commission reports that bread there has come down only 2 per cent. If cutting the price of wheat from over two to about one dollar per bushel has reduced the bread price only 2 per cent, it is certain that adding 50 cents to the wheat price need not add much to the price of bread.

When pork was 8 cents a pound in 1913, ham was 27 cents per pound. Later pork went to the sky but did not stay long. When it got back to 8 cents, ham was still 48 cents.

There is plenty of slack to be taken up.

If 50 cents is added to the 600,000,000 bushels of wheat used at home, it means $300,000,000 to be provided from somewhere. Much of it can be gotten by taking up slack between producer and consumer. But if none of it can, it only adds about $2.60 per head per year to living costs of all the people, including the farmer. Aside from this there is no reason in justice or economics why consumers should get foodstuffs at less than the cost of production—to the ruin of American farming. Economic justice calls for an even sharing of the burdens as between all classes of the people.

An important fact commonly overlooked is that the usual solution of "let the situation cure itself" means elevating prices—that is, raising cost of living—by cutting down production until such a real scarcity occurs that prices will be forced up to a point that will encourage farmers to keep on producing. Why destroy hundreds of thousands of farm homes to get a result that can be had without such a cruel remedy? The American Federation of Labor recognized the situation and sent a representative before the House Committee on Agriculture to favor the McNary-Haugen bill.

IT WILL CAUSE GREAT OVERPRODUCTION

This again does not follow. To begin with, there has been no serious overproduction. Nor is there now. Our wheat price is above the world price, and our hog price about at pre-war level. The trouble is that it takes about one and one-half times as many bushels of wheat, and almost twice as many pounds of pork to buy things as it took before the war. What we seek is to restore reasonable price relations. The patient has not a broken leg; he has rheumatism due to toxemia from infected tonsils. He does not need his leg amputated; he needs to have his tonsils—the export surplus—removed. The farmer will not overproduce grossly, because—

1. The export losses are assessed back on him.
2. The ratio price will not be high enough to give him great encouragement. Wheat above $2 for over three years heretofore brought a peak production of only 968,000,000 bushels; why should $1.50 be so enormously stimulating?
3. Increasing yield per acre is expensive and the farmer has no money to apply to this purpose—i. e., for fertilizers, new machinery, and more work stock.
4. Farmers and farmers' sons have been driven to town so that farms are running shorthanded. Besides farm wages are 100 per cent above pre-war.
5. Fertility has been progressively depleted and there are no new lands of attractive quality left in the United States.
6. With hogs and wheat both put on a ratio basis there will be little or no motive to devote corn land to wheat or vice versa.
7. It will take a period of years to turn the tide that is now running away from the farm back toward it. Indications right now are for a wheat crop under 750,000,000 bushels. And finally,
8. Why should people get so "het up" if the farmer should try to get himself out of the hole he has been put in by trying to produce in order to pay his debts?

The United States Chamber of Commerce magazine, The Nation's Business, talks about farm "bunk." This is the stuff the chamber and others are handing to the farmer; not what he is demanding shall be created for him, namely, a business agency to put him on an equality with commerce, industry, and labor, which are cared for by existing laws.

IT WILL DESTROY COOPERATIVE ORGANIZATIONS

That is what the enemies of the bill say. Most of them are also enemies of cooperation. Some among the latter, however, see the situation more clearly. These are members of the old-line grain trade. They say it will effectuate nation-wide cooperation at one stroke. What hundreds of organizations and thousands of individual cooperators think is shown by the following quotation from a telegram to the President:

> On behalf of 16,000 members of the North Dakota Wheat Growers' Association we strongly urge the passage of the McNary-Haugen bill in preference to all other farm relief measures introduced in Congress. We are convinced that this is the only measure that will give immediate relief. * * * Farmers of the United States will not be satisfied with relief measures other than this.

This sounds almost like a group of industrialists or business or labor representatives demanding something they want, like tariff protection. The orthodox economists tell us how bad

the tariff is for them, but it beats all how they have thriven on over 100 years of it. The bill will not hurt the cooperatives. A special provision in the bill requires this.

IT WILL DESTROY OUR PRESENT WONDERFUL FUTURE TRADING AND GENERAL DISTRIBUTION

No one can tell fully what effect the bill will have on future trading. It will reduce hazards and fluctuations—effects agreed by almost all as desirable. It will probably reduce the volume of futures, but it will not destroy the system. As to the effect on the spot grain trade, note this quotation from a letter from a grain man of lifelong experience:

I believe the bill could operate practically to the great help of the grain and stock raiser and with no harm to the present dealers in the commodities affected. * * * When you brush aside all the foolish arguments the grain men and millers advance against the bill you expose the fact that they are afraid their business is going to be hurt, and while they profess an interest in the farmers' welfare that interest is lost sight of if they fear their own interests are threatened.

Prominent millers and grain men in many parts of the country share and have expressed similar views to those quoted above.

PASSAGE OF THE BILL WILL INVITE RETALIATION BY FOREIGN COUNTRIES

We sell our pork products to nations that are short of producing their own needs. The same is true of our wheat and flour. The corporation will sell at world prices. Just why will importing nations object to receiving things they need and want? The talk about dumping and reprisals is based on misrepresentation or on misunderstanding of the legislation. Our crops are now dumped. Under the McNary-Haugen bill they will be marketed in an orderly way through present channels under direction of a central supervisory organization. Now, the weight of our whole wheat crop bears on the world market; under the McNary-Haugen plan only the export surplus will so bear down on the world price.

As far as retaliation is concerned, look what has ever been said about our tariff laws and what in recent years has been said of our immigration laws. It is time, anyway, we considered our own interests as other nations do—trust them to look out for themselves.

Time forbids attempting to discuss more of the objections that are raised to the bill. One nationally known economist objects because successful operation of the plan will defer free trade 50 years more. Think of using the distressed and economically defenseless farmer as the fulcrum for the cruel lever that shall overturn protection of American industry and labor.

CONCLUSION

Genuine friends of the farmer should rather concern themselves with whether the bill will produce the results that are claimed for it. I have already indicated briefly the fundamental features as to its workability in my remarks. Subsequently I hope to develop this theme to show that the bill is absolutely workable and will produce the results. This the minority of the committee in its report said:

When this bill takes effect as to wheat, the price of $1 wheat will necessarily rise to over $1.50.

This will cure the officious price disparity between wheat and the commodities the farmer must buy; the same effect will be observed as to hogs and their products when they are brought under the effect of this bill. This bill is the only plan that seeks farm troubles where they exist and attempts to cure them where they are found. [Applause.]

Mr. LINTHICUM. Mr. Speaker, I make the point of no quorum.

Mr. ASWELL. Under the disposition of the time, Mr. Chairman, I ask that the gentleman from Wisconsin [Mr. VOIGT] be permitted to speak.

Mr. LONGWORTH. Will the gentleman from Maryland withhold his point a moment?

Mr. LINTHICUM. Yes.

Mr. LONGWORTH. May I suggest to the gentleman that, under the rule, there is required a recess at 6 o'clock. If the gentleman should persist in his point and a call of the House came, that would take until a quarter of six, which would leave 15 minutes. Does not the gentleman think, under those circumstances, nothing would be accomplished?

Mr. LINTHICUM. I will say to the gentleman from Ohio I think this is a very important bill and I think the Members ought to be here to listen to the discussion. I make the point of no quorum.

Mr. HAUGEN. Mr. Chairman, another roll call would consume time almost up to 6 o'clock and, under the rule, we recess at that time. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, and had come to no resolution thereon.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 8905. An act to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 2665. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River in the vicinity of One hundred and thirty-fourth Street, in the city of Chicago, county of Cook, State of Illinois;

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner; A. Picard & Co., owner of cargo; and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by United States submarine *K-4*;

H. R. 1629. An act authorizing the removal of the restrictions from 40 acres of the allotment of Isaac Jack, a Seneca Indian, and for other purposes;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 694. An act to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910;

H. R. 2881. An act to compensate three Comanche Indians of the Kiowa Reservation;

H. R. 2887. An act to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma;

H. R. 3183. An act for the relief of Rush O. Fellows;

H. R. 3800. An act to cancel an allotment of land made to Mary Crane or Ho-tah-kah-win-kaw, a deceased Indian, embracing land within the Winnebago Indian Reservation in Nebraska;

H. R. 3900. An act to cancel two allotments made to Richard Bell, deceased, embracing land within the Round Valley Indian Reservation in California;

H. R. 4122. An act to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended;

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio;

H. R. 4462. An act to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes";

H. R. 4494. An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.;

H. R. 4647. An act for the relief of the Underwood Typewriter Co. and Frank P. Trott;

H. R. 5808. An act for the relief of Edward T. Williams;

H. R. 6012. An act to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor, as herein provided;

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets;

H. R. 6298. An act to authorize the leasing for oil and gas mining purposes of unallotted lands on Indian reservations affected by the proviso to section 3 of the act of February 28, 1891;

H. R. 6810. An act granting the consent of Congress to the Millersburg & Liverpool Bridge Corporation and its successors to construct a bridge across the Susquehanna River at Millersburg, Pa.;

H. R. 7913. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes;

H. R. 7063. An act granting the consent of Congress to the State of Illinois and the State of Iowa, or either of them, to construct a bridge across the Mississippi River connecting the county of Carroll, Ill., and the county of Jackson, Iowa;

H. R. 7846. An act to extend the time for the construction of a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.;

H. R. 8229. An act granting the consent of Congress to the city of St. Paul, Minn., to construct a bridge across the Mississippi River; and

H. R. 8304. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundredth Street, in the city of Chicago, county of Cook, State of Illinois.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. GRAHAM of Illinois, indefinitely, on account of illness in his family.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair designates to preside this evening the gentleman from Iowa [Mr. DICKINSON].

EXTENSION OF REMARKS

Mr. JAMES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of a tariff on copper.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a statement compiled by Mr. F. N. Stacey, formerly a statistician in the Census Bureau, commenting upon the provisions of the McNary-Haugen bill.

Mr. TINCHER. I object.

Mr. OLIVER of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Federal Constitution, including two brief papers.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

THE M'NARY-HAUGEN BILL

Mr. LILLY. Mr. Speaker and gentlemen of the House, the McNary-Haugen bill is intended to, and will, in my opinion, benefit agricultural interests to a certain extent. While it will not give all the relief needed and deserved, yet it seems to me that the friend of the farmer could not refuse to support the bill. The farmer has suffered more severely during the past three years than he has ever suffered during the history of this Nation. He pays an enormous price for his necessities, and he is compelled to sell his products, when he can find a market at all, at a price far less than the cost of production. This bill is the only measure that has been introduced and sufficiently urged to bring about its consideration that tends in the least to give the farmer relief.

Mr. Speaker, the farmer has been unfairly treated. The Sixty-seventh and Sixty-eighth Congresses seemingly have tried to legislate to benefit every class of industry with the exception of the agricultural class, and unless we do something for this class the result will be that the agricultural interests will be reduced finally to such an extent that the Nation will be in danger. We all know that agriculture is the backbone of the entire Nation.

Who is to blame for the neglect and refusal to relieve the farmer? The answer is, the people and party who have had control of this Government since 1920. We are a productive Nation, and we produce and are capable of producing agricultural products far in excess of consumption. If agriculture is to prosper, we must have a market not only at home but abroad; we must have transportation rates that are not excessive; we must have commerce with other countries. You Republicans, who have been in control of this Government, by your actions have absolutely isolated us and deprived us of a foreign market. You have stood idly by and allowed transportation rates to be increased to such an extent that the shipment of farm produce is almost out of the question. You have refused to join the League of Nations or adopt any similar policy that will give us foreign trade; instead, you have enacted the iniquitous Fordney-McCumber tariff bill for the benefit of special interests, and other nations seeing these policies have retaliated by passing tariff laws which practically prevent the sale of our products in those countries.

I want to impress upon you that the farmer has had his eyes opened. He knows how he has been treated; he is holding us responsible for his losses and for the bank failures in the agricultural districts which have exceeded anything of the kind in the history of the country. It is time that we also wake up to a sense of our duty and give the interests of the farmers some consideration and progressive legislation; and this Nation had better adopt, and that just as soon as possible, some adequate foreign policy.

As I said in the beginning, this bill does not provide all the relief the farmer should have; it is not permanent, but since it is the only measure allowed to be reported we should vote for this bill without political prejudice.

Mr. RUBEY. Mr. Speaker, under the privilege of extending my remarks on the McNary-Haugen bill, I desire to insert the following letters, written by myself.

The first letter is to the editor of the St. Louis Globe-Democrat in reply to an article which appeared in that paper written by Hon. HENRY T. RAINEY.

The second letter is to the editor of the Boonville Advertiser, answering an article written by C. F. Kelley, a miller, which appeared in that paper in opposition to the McNary-Haugen bill. My reply was made at the suggestion of the editor, so that the farmers of that locality might have opportunity to hear both sides of the question.

To the EDITOR ST. LOUIS GLOBE DEMOCRAT,
St. Louis, Mo.:

The Hon. HENRY T. RAINEY, Member of Congress from the twentieth district of Illinois, is a very distinguished Member of that body. His service extends over a period of about 20 years. I have great regard for him personally and great admiration for his ability as a legislator. In a recent dispatch from Washington he is made to appear as answering a speech made by me on the McNary-Haugen bill. Having been placed in this attitude I feel that I should briefly make reply to Mr. RAINEY's statement. I am a member of the Committee on Agriculture, which prepared and reported this bill. We have had it under consideration for the past four months, during which time we have had almost daily meetings upon it. I have attended all of these sessions of the committee, and I therefore believe I can speak as one having knowledge in regard to the provisions and objects of this important piece of proposed legislation.

Mr. RAINEY is opposed to the enactment of the McNary-Haugen bill. He has made a number of speeches against it, and the article which appeared in the Globe Democrat of May 18 is similar to others made by him. If fact, Mr. RAINEY has, probably without his own knowledge, furnished a great deal of material which had been used by the grain exchanges and the grain speculators of Chicago in their fight against this measure. One of his speeches appears in full in a publication issued by the grain dealers of Chicago.

In the article which appears in the Globe Democrat Mr. RAINEY says:

> "If I could make myself believe that the McNary-Haugen bill would accomplish what its proponents claim for it, I would be shouting for it from the housetops."

It therefore behooves me to convert him if it is possible for me to do so. I want to call his attention to the primary object of this legislation. The corporation created by this act will first ascertain the amount of the export surplus of the basic agricultural product and then it will go into the market and purchase at the ratio price that amount. The amount so purchased will be exported, not necessarily all at once, but if it be wheat or other nonperishable products it may be stored and held awaiting such time as the corporation may obtain a satisfactory price for it abroad. Thus the corporation will diminish the available domestic supply. By this process the price of the remaining product will be raised, and if there were no other provisions in the bill the very fact that the surplus would be exported would have a very strong influence in bringing about an increase in the price of the product remaining in the domestic market. If Mr. RAINEY doubts the fact that a diminishing supply increases prices, he doubts the operation of the law of supply and demand. I want to illustrate how this operates, and herewith give you some figures:

	Head
Sheep:	
1910	52,500,000
1920	35,000,000
Reduction	17,500,000

Value:

1920	$325,000,000
1910	232,000,000
Difference	163,000,000

In other words, in spite of a reduction of 17,500,000 head, the flocks of the United States were worth $163,000,000 more.

Take cotton as another illustration of the fact that a reduced supply increases prices.

Cotton:	Bales
1924	16,000,000
1923	10,000,000
Difference	6,000,000

Value, December 1 basis:	
1923	$1,563,000,000
1924	549,000,000
Difference	1,014,000,000

Despite the fact that we had a crop of 6,000,000 bales more in 1924 than in 1923 the value of the crop in 1924 was more than a billion less. So that no matter how it may be brought about, if the supply is reduced prices will be increased. This same condition may be illustrated by taking other crops. Take potatoes, for instance.

Potatoes:	Bushels
1922	453,000,000
1923	412,000,000
Difference	41,000,000

But the crop, with 41,000,000 bushels less in 1923, was worth $70,000,000 more than the larger crop of 1922. Mr. RAINEY need have no doubt as to the efficiency of reduction of supply based upon exportation producing the desired result of placing farming on an equality with trade, industry, and labor. He says:

"A great many farm organizations are vigorously opposing the McNary-Haugen bill."

Scores and scores of farm organizations have petitioned our committee and the Senate committee to pass this legislation, and so far as I know only one or two have opposed it. One of these was the Oklahoma Wheat Growers' Association, which first opposed it and later advised the committee of the House that fully 90 per cent of its members had reversed their position, and that they had at first opposed it because of misrepresentation as to the purpose and effect of the measure. Not only have the farm organizations practically unanimously indorsed this bill, but it has also been indorsed by men who have had years of experience in the marketing of farm products. Managers and officers of marketing associations who have handled as high as $2,000,000 worth of livestock in a single year, and many million dollars' worth of wheat and other grain have come before our committee and indorsed the McNary-Haugen bill.

Mr. RAINEY says the directors of the corporation are given most unusual powers. As a matter of fact the powers conferred are almost identically the same as those conferred upon most any private corporation engaged in similar activities. In some respects the powers of the Agricultural Export Corporation are less than those of private corporations. The corporation created under this act is denied the right to construct, purchase, or to own processing facilities, such as packing houses, mills, elevators, warehouses, etc. We have endeavored in this act to give the corporation all the powers necessary in order that it may function properly; to do otherwise would be to make it inefficient and unsuccessful.

Mr. RAINEY'S statement—

"No man can hazard a guess as to how many employees will be needed"—

is an intimation that a very large number of employees will be necessary, whereas it is a fact that this bill will not require "an army of Government officials" to enforce it. The bill specifically requires that the corporation shall use the existing agencies, and gives it ample power to contract with the present agencies—millers, elevators, packing plants, etc. In these contracts provision will be made to compensate these agencies for services which they may render the corporation in helping to put this law into effect.

Mr. RAINEY says:

"May I suggest the following illustration: There is, let us say, a washerwoman who lives in the outskirts of a city, who has raised a pig." * * *

He uses over 700 words in describing what would happen to this woman if the McNary-Haugen bill is passed and she decides to sell her pig. I want to say frankly that if all the things set forth in Mr. RAINEY'S illustration of the washerwoman and her pig were true there is not a man on the Agriculture Committee who would be in favor of the enactment of this legislation. There is nothing in the proposed legislation that warrants the statements made in this illustration. I can tell you in a very few words what would happen to this woman if the McNary-Haugen bill were passed. If her pig weighed 200 pounds when the butcher came to buy it she would receive for it at least $8 more than she would receive for it under the existing conditions. The butcher would pay her the ratio price for the pig, less the equalization fee. She would not have to make any report of it, but, of course, the butcher would have to make a report of the transaction when he made his report to the corporation or its agent at the end of the month.

The ratio prices and the equalization fees upon basic agricultural products are required to be published in the terminal markets, and, of course, they will be published in every market paper, in the city press, in the local county papers, and will be known far and wide throughout the country. The ratio prices do not change oftener than once a month and may not change that often, while the equalization fees are fixed annually. Let me say right here that it is through the payment of the equalization fees that the farmers of the country will pay the losses and the expenses of this corporation, and when the five-year period of emergency ends the $200,000,000 furnished by the Government as the capital stock of the corporation will be returned to the Treasury of the United States without the loss of a single dollar.

In connection with this unwarranted illustration of the woman and her pig I want to call the attention of Mr. RAINEY to the fact that in the case of livestock there are 257 firms in the United States that kill 65 per cent of the meat annually consumed in the United States. These firms are already under Federal regulation of the meat-inspection law. I believe that so far as it relates to meat not less than 95 per cent of the total volume of business will be brought under the operation of this law. Small interfarm transactions between farmers will not come under the provisions of this act.

Mr. RAINEY objects to the Government going into business. I would like to avoid that, if possible. I would not for a moment be in favor of this legislation or in favor of putting the Government into business if there were any other means whereby immediate relief could be brought to the farmers of the country. Agricultural conditions are critical; relief must come, and come at once. But the Government has already gone into business. It went into business when the first tariff law was passed. It went into business when the first immigration law was passed, because it decreased the supply of labor. It went into business when the Adamson law and the Cummins-Esch law were passed. It took the first step to go into business the other day when the House passed, with only one or two votes against it, a bill creating a corporation with a capital stock of $5,000,000 to operate certain boats on certain streams. There is only one industry in the United States for whose benefit the Government has not yet gone into business, and that is our greatest industry—agriculture—constituting about one-third of the people of America. We propose by this bill to go into business in its behalf. Through legislative enactment we have helped every industry in America except this one great basic industry—agriculture. Now is our time to help it.

Mr. RAINEY says the packers are not fighting this bill. In this Mr. RAINEY is mistaken. The packers are fighting it, and so are those who handle the farmer's products after they leave the farm—the miller, the elevator man, the grain trade, the packer, and the exporter. I do not mean to say that all of these oppose this bill, but as a rule all of those who do oppose it belong to one or the other of these classes.

Mr. RAINEY says that a representative of the packers drew the bill. I do not agree with Mr. RAINEY in this statement. However, whoever may have prepared the bill as originally introduced, it was taken up and rewritten from beginning to end by the Committee on Agriculture. For weeks and weeks we worked upon this measure, meeting every day. We took it up not only by paragraphs but line by line. We went over it again and again. We had four different prints made of the bill, something very unusual, and something which has never before been done by one committee. The bill we reported to the House and asked it to pass is the work of our committee, and the statement of Mr. RAINEY that a representative of a packer drew the bill is without foundation.

Mr. RAINEY makes an attack upon Mr. Charles J. Brand. It is not my purpose to enter into this controversy—I am sure Mr. Brand can take care of himself. I do not think, however, it would be out of the way, inasmuch as Mr. RAINEY'S article has been read by the people of St. Louis and vicinity, to insert here copy of a letter given to Mr. Brand by Hon. D. F. Houston, then Secretary of Agriculture, when he resigned from public service some years ago. Mr. Houston was formerly a prominent and highly respected citizen of St. Louis. The letter is as follows:

"You have been in charge of the organized marketing work of the department since its beginning in 1913. Starting with a modest appropriation of $50,000, the Bureau of Markets this year has had a budget of approximately $4,500,000 aside from the appropriation of $10,000,000 for the purchase and sale of nitrate of soda. Its activities have been greatly extended in many directions and it has rendered increasingly valuable service to the Nation. It is charged with the administration of a number of important and difficult laws. When you assumed your duties you were faced with a pioneer task. There were then no marketing agencies either in the Federal or State services solely designed to assist the Nation in the marketing and distribution of farm products. These matters had received too little attention at the hands of

institutions training men for national service, as well as at the hands of legislative bodies. You were confronted with the duty not only of marking out in a definite way the paths of endeavor, but also of discovering and, in a measure, of training the men for the work.

"Throughout your period of service, both in peace and in war, you have discharged your task with remarkable ability and patriotic devotion. Wishing you the greatest success and happiness in your undertakings, I am

"Cordially yours,

"D. F. HOUSTON, *Secretary*."

It may not be out of place for me to say that the $50,000 for the Bureau of Markets referred to in Secretary Houston's letter was secured by me in 1913, by an amendment I made to the Agriculture appropriation bill.

These propositions, however, and others mentioned in Mr. RAINEY'S statement are beside the question so far as they relate to the provisions of the McNary-Haugen bill.

Mr. RAINEY calls attention to the fact of the difficulty that will confront the corporation in the handling of meat products. No one denies that so far as it relates to the meat the McNary-Haugen bill will be difficult to administer and yet these difficulties can be overcome. When the President appoints the members of the board of directors of the corporation, they will meet and organize, and prepare to put the act into effect. One of the first things they will do before any emergency is declared to exist, on either wheat or meat products, will be to arrive at a harmonious understanding with millers, packers, and the handlers of other commodities to the end that these agencies may conduct their operations with safety and outlive such contracts and agreements as will insure the hearty cooperation between them and the corporation in the administration of the law.

Mr. RAINEY criticizes the Committee on Agriculture by inference for giving careful consideration to this measure, to which it has devoted almost daily sessions for about three months. It was reported by the House committee by a vote of 14 to 6 and had been previously reported by the Senate committee by a vote of 10 to 2. He not only criticizes the bill itself, but he does not hesitate to criticize those who have given it profound study and care. Extensive hearings were held and men were invited from all parts of the country to come before our committee and were invited to criticize the bill and to offer suggestions in order to assist in perfecting it. As finally reported, this bill is workable, although like every other big undertaking it will have its difficulties. Mr. RAINEY, like one of the representatives of one of the packers, who appeared to oppose this bill, expresses great sympathy for the farmer, yet he criticizes everything that we propose and he has no constructive measure to offer in its place.

But, I must not prolong this discussion. Suffice is it for me to say that through legislative enactment we have helped every industry in America except the one great basic industry—agriculture. More than one-fourth of the people in America live upon the farms. They toil through all kinds of weather, both early and late. They seek no eight-hour law. They depend for their success more than any other industry known to man upon the elements. They plow, they plant, they cultivate, and if the sun shines and the rain comes in due proportion they harvest their crops. On the other hand, if perchance the rain does not come, or if it comes in too great abundance, the result of their labor is destroyed by a drought or by a flood. These are conditions that we can not regulate by legislation, but when the farmer reaps an abundant harvest, and takes his products to the market place, we want him to receive a just and fair price for those products. This is what we are trying to do by the passage of the McNary-Haugen bill.

THOS. L. RUBEY, M. C.,
Committee on Agriculture.

TO THE EDITOR OF THE BOONVILLE ADVERTISER

MAY 12, 1924.

Mr. EDGAR C. NELSON,
Editor the Boonville Advertiser, Boonville, Mo.

DEAR MR. NELSON: In a recent issue of the Advertiser there appeared a letter from Mr. O. F. Kelly, a miller of your city, criticizing the McNary-Haugen bill. I do not know Mr. Kelly personally, but I am sure he is one of your best and most conscientious citizens, and it is not my purpose to enter into any controversy with him. Your paper has a large circulation throughout central Missouri, and I would like for its readers to get the viewpoint of the proponents of this pending legislation, hence this letter.

Mr. Kelly is opposed to the passage of the McNary-Haugen bill. I am not surprised that he is if he bases his opinions upon the information which he has obtained through the reading of a statement recently given out by Julius S. Barnes, who is president of the Chamber of Commerce of the United States, and who is also one of the largest American grain exporters. I take it that Mr. Kelly has secured his information from this source, because some of his language is almost identical with the language set forth by Mr. Barnes in his statement.

Mr. Barnes has carried on an astonishing amount of misrepresentation of the McNary-Haugen bill. He is opposed to the passage of the bill, as all other exporters are, because he believes it will put them out of business. In advocating passage of the McNary-Haugen bill we are not seeking to help the exporter—he does not need any help. His profits run into millions and millions of dollars, and he needs no help from any source. But we are seeking to help the American farmer and to bring the price he receives for his basic agricultural products up to the point where those products will have their pre-war purchasing power.

The McNary-Haugen bill is advocated by farm organizations throughout the length and breadth of the country. It is opposed by those who handle the farmer's products after they leave the farm—for instance, the miller, the elevator man, the packer, the exporter, and the speculator. I do not mean to say by any means that all of these oppose this bill, but as a rule all of those who do oppose it belong to one of these classes.

These men have been sending out propaganda to the millers and elevator men and doing everything in their power to bring the McNary-Haugen bill into disrepute. They all say, as Mr. Kelly says, that they favor steps to help agriculture but they do not make any constructive suggestions as to how it may be done. Mr. Barnes, in his statement has gone further than that—he has recommended diversification, cooperative organizations; and he also says he believes in letting the situation cure itself. We all believe in diversification where conditions warrant it, and we are strongly in favor of cooperative organizations, but diversification will not restore the purchasing power of the farm crops. How can diversification or cooperation help the farmer to get 1,000 feet of lumber for $30, as he did in 1914? Now he has to pay $52 for it. How can they restore the purchasing power of the hog grower's dollar which is now only a little less than 60 cents of the pre-war value? Of course this can be done by destroying or putting out of business enough farmers of the country and reducing production. If one-half or one-third the farmers of America would cease production and could find other work to do, the price of the farm products would rise in value. At the same time we would increase the number of consumers, would put the country in a critical situation, and we would be confronted with the question as to where we would get sufficient to feed and clothe our own people.

The McNary-Haugen bill was prepared after careful study by some of the ablest men of the country. Mr. Kelly says that the bill is admittedly directed at wheat exclusively. This bill is intended to help the hog industry, which is in a worse condition than the wheat industry, although it is intended to help both. The hog grower now pays 2,973 pounds for a 22-7 grain drill that cost him only 1,471 pounds in 1913. The wheat grower gives 206 bushels of wheat now for the same drill which he bought for 132 bushels in 1913. In terms of hogs the price of drills has come up over 100 per cent; in terms of wheat it has gone up 56 per cent. This statement shows beyond any doubt that this measure is not and should not be intended as exclusively a wheat measure. Mr. Kelly evidently gets his figures from Mr. Barnes's statement, but the figures are wrong. Mr. Kelly's mention of Pennsylvania yield is certainly wrong, and this same statement was also made by Mr. Barnes. The average wheat yield for Pennsylvania is 17.4 bushels per acre instead of 25, based on five-year average 1918–1922. The Pennsylvania farmer gets along because he is near the market, in fact, the market is right under his nose. He does not have to pay large freight rates to get his products to market. However, many of the farmers of Pennsylvania came before our committee urging the passage of the McNary-Haugen bill. On the other hand, some of the western wheat-growing States have a relative high yield. The five-year average for the State of Washington is 22.6 bushels per acre, but the Washington farmer has more difficulty in getting his wheat to market.

Mr. Kelly states we should improve agricultural methods, and we all agree that farm methods should be improved, and we know that the farmers, through cooperative organizations, are doing much to improve their conditions, but there are some things over which the farmer has no control. How can he buy new machinery, fertilizers to make his soil more productive, hire the necessary labor when farm labor is 150 per cent higher than it was before the war, and everything he buys has advanced that much or more, and when the farmer's prices for his commodities have been going lower and lower all the time.

Of course the argument is made by those opposed to this legislation that it is unworkable. Mr. Kelly makes the statement that unscrupulous tactics and illegal evasions will bring unfair results to the honest farmer and the honest grain dealer, but the fact must not be overlooked that violations along the lines mentioned in his letter will result in fines, and if persisted in, in fines and imprisonment, or both. Some years ago when we passed the first income tax law the same argument was made that it would be unworkable, that it could not be carried into effect, and while we all know that there are violations of the income tax law, some men hide away their wealth, make false returns, and seek to evade payment of their income taxes, yet its administration has been fairly

successful and billions of dollars have been collected in recent years through the income tax law.

This bill does not require an army of Government officers. It specifically requires that the corporation shall use the existing agencies and facilities and gives ample power to contract so that the present agencies, millers, elevators, packing plants, etc., may be contracted with and in these contracts they will be compensated for services which they may render to the corporation in putting this law into effect.

I can not see why the miller should be opposed to this bill. If he is an exporter the law protects him against loss in his export trade. If he manufactures his flour and sells it in the domestic market he will sell it for a higher price by reason of the increased price of the grain which he uses. Just before the bill was reported to the House I offered an amendment which was agreed to, which gives the corporation authority, if it deems it advisable, to extend the ratio price over a period instead of from month to month. Under this amendment, during certain months of the year, the corporation may fix the ratio price for a period of several months, and this will be of great advantage to the miller, and many of them have already expressed their approval of this change. In fact in the preparation of this bill, while our main effort has been to help the farmer, we have sought in every way to throw about it every safeguard that would protect the miller, the elevator men, packers, etc., from losses by reason of this legislation.

Recent figures from the Department of Agriculture indicate a reduction in the wheat acreage of the country for the coming year. It is believed that the reduction in acreage in 1924 over 1923 will be at least 12 per cent, so that the estimate made by Mr. Barnes and others in regard to the enormous amount of wheat that will have to be exported is, beyond doubt, greatly exaggerated. In 1919, when our crop was 968,000,000 bushels and the world price twice what it is now, we exported only 214,000,000 bushels. At the very height of the war in Europe, when its production was reduced to a mere fraction of pre-war production, our greatest export in all time was 332,000,000 bushels. Those who assume that there will be a possible export of 320,000,000 bushels of wheat with Europe, in its present condition, and with its destroyed purchasing power, are, it seems to me, doing so for the sole purpose of endeavoring by such means to defeat this legislation.

Mr. Kelly assumes the world market price, Chicago basis, to be 90 cents. He also assumes a 60-cent loss per bushel on an export of 320,000,000 bushels. These are imaginative export figures. If he would divide that in half and assume 50 cents per bushel as the difference between the domestic and foreign values he would be more nearly correct.

Mr. Kelly also says that it is admitted that the expenses of the corporation will be 5 cents per bushel. Who admits it? Certainly not the proponents of the measure. It is believed that the cost of the administration of this law will be between 1 cent and 2 cents per bushel. It should be remembered and understood that this bill specifically provides that the corporation, in the administration of its affairs, shall utilize existing agencies. We do not want to put the miller out of business, or the elevator man, or any other agency. We want the corporation to earnestly cooperate with them, and when that is done the cost of the administration will be comparatively small, and when the period ends the miller and other agencies of the country will not be injured, but can continue right on with their business the same as if this period of Government aid and help had not existed. The trouble with Mr. Kelly is that his figures are not correct, and with these figures as a basis for conclusion that the operation will be so expensive as to eat up all the increased price brought about by reason of the ratio price is entirely erroneous. It is idle to discuss figures, assuming such mistaken premises. Some one has said of Mr. Barnes, that in his argument he is speaking for Julius Barnes, the grain exporter, and not for the American farmer.

I note what Mr. Kelly says in regard to the grain futures act, which curbs speculation. In this connection it will be interesting to note that in a single year, 1921, on the Chicago Board of Trade alone about 12,000,000,000 bushels of wheat were traded in when only 25,000,000 bushels were received in Chicago. In other words, in a single year between five or six times as much wheat were traded in in futures as were actually delivered in Chicago in over 60 years. Some of the very best observers are certain, in so far as the grain futures act has had any effect, it has headed off a short-selling campaign that the speculators were afraid to put on that would have driven the price even lower than it went.

The McNary-Haugen bill does not fix the price of wheat, but what it does is to require the corporation to buy wheat at the various terminal markets, or through agencies elsewhere, if necessary, at the ratio price. The ratio price, when ascertained, will be published in all the terminal markets. The farmer will know that there is an agency which will buy his wheat at that price, less, of course, the cost of transportation, loading, and other charges such as exist at the present time. When the farmer knows this he can figure out about what he ought to receive for his wheat at the local market. He will also know the equalization fee per bushel, which is the amount he must contribute to make up for the loss and the expense of the commission, so that he will know what his net price will be for every bushel of wheat he sells.

Many estimates have been made by the proponents of this measure as to the amount of losses of the corporation and the expenses of the corporation, and taking wheat as an illustration, the most conservative estimate is around 15 cents per bushel, so that if the ratio price of wheat is $1.62 per bushel at Chicago the farmer at Boonville will receive $1.47 per bushel, less, of course, the transportation charges between Boonville and Chicago, and these same charges he must now pay under present conditions.

Very truly yours,

THOS. L. RUBEY.

Mr. CANNON. Mr. Speaker, no subject before Congress in recent years has attracted such widespread attention and interest as the question of farm relief now under consideration. Few measures have affected so directly and so vitally the prosperity and well-being of the Nation, and certainly none have been so earnestly advocated and so bitterly criticized as the McNary-Haugen bill, formulated by the Committee on Agriculture and championed by the representatives of the farm organizations as the most practicable solution of this perplexing problem.

The bill has been the subject of exhaustive study and analysis. For weeks a steady stream of letters, pamphlets, newspaper articles, briefs, and monographs, from pen, typewriter, press, and mimeograph have alternately urged its merits and alleged its defects, and its critics and advocates include some of the most noted economists in the country.

But one of the most valuable and practical contributions on the subject yet submitted, one of those most frequently quoted, and perhaps the most influential in its effect on the actual drafting of the bill, is an open letter by Mr. William Hirth, editor of the Missouri Farmer. It is captioned "Agriculture is dying," and has been characterized on the floor of the House as "the best discussion of the situation of agriculture throughout the United States."

Mr. Hirth is high in the national councils of agriculture and is the founder of one of the foremost cooperative organizations in America. He has made an exhaustive and intimate study of farm economics and is recognized as an authority on the subject.

His letter has been so often quoted and there are so many requests for copies of it that I ask unanimous consent to reprint it in the RECORD as an extension of my remarks. The letter follows:

(An open letter to Congressman CANNON from the publisher of The Missouri Farmer)

HON. CLARENCE CANNON,

House Office Building, Washington, D. C.

DEAR MR. CANNON: As per my promise in Washington some days ago I herewith submit my views with reference to the McNary-Haugen bill and why I think this measure should be enacted into law. And first let me explain briefly what, as I understand it, this bill seeks to accomplish:

First. It proposes to create a commission to be known as the United States Agricultural Export Commission, composed of the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of Commerce, the chairman of the United States Tariff Commission, and three directors appointed by the President by and with the consent of the Senate. I believe a suggestion has also been made to provide an additional advisory committee composed of one member from each of the different Federal reserve districts, to serve without pay, except as to actual traveling expenses.

Second. The intention is that the commission shall establish a fair "ratio price" between the great surplus commodities of the farm (such as wheat, pork, beef, etc.) and the current all-commodities' price which is commonly referred to as the "cost of living." Or, to put it in a simpler way, the function of the commission shall be to bring the price of surplus farm products which during the last four years have been selling on the basis of destructive low world price levels in line with what the farmer has to pay for farm implements, building materials, clothing, dry goods, shoes, freight rates, etc. And in arriving at a fair "ratio price" pre-war conditions are to be used as a basis.

Third. To this end it is proposed that the commission shall have at its disposal a fund of $200,000,000 with which to buy up the surplus on such commodities as wheat, pork, and beef (and such other surplus commodities as the commission may decide to include in its operations) and, having removed such surplus as a factor in the home markets, to make the tariff 100 per cent effective with reference to the various "ratio prices" agreed upon.

Fourth. It is further intended that any loss sustained on the sale of the various surplus farm commodities shall be borne by the farmer and not by the Government, and to this end it is intended to issue "scrip," which shall be equalized at the end of the seasonal periods. Thus if the "ratio price" on No. 2 wheat is $1.50 per bushel, the farmer would perhaps be paid $1.30 per bushel in cash at the time of delivery and 20 cents in "scrip"; and then when the season's business on wheat is wound up and when the commission is in position to determine its expenses and loss on the surplus the farmer would receive such an additional dividend as may be due him. The same rule will apply to any other commodity included in the commission's operations, and thus the farmer will be assured of a fair price in the home markets less his share of the loss on the surplus and his part of the expense of conducting the commission.

Fifth. The act contemplates that the commission will arrive at a harmonious understanding with millers, packers, and the handlers of other commodities, to the end that such agencies may conduct their operations with safety and understanding.

Sixth. The act is regarded purely as an emergency measure, and is under no circumstances to continue for a period of more than five years. And in the meantime it is predicated upon the assumption that the farmers of the country shall immediately begin the perfection of cooperative marketing agencies so they will be able to exercise in a nation-wide sense the functions of the commission at the end of the emergency period.

Therefore, grouping the above provisions together, it may be said that the one and only purpose of the McNary-Haugen bill is to place the farmer on an even footing with organized industry and labor and to have the Government do for him in these premises what, in his present unorganized condition, he is not able to do for himself!

IS THIS LEGISLATION NECESSARY

No doubt the first question the average Member of Congress will ask himself is, "Is this legislation necessary—is the condition of agriculture so desperate that Congress will be justified in a time of peace in taking a step as far-reaching as the one contemplated in this act?" And as one who is, as you know, quite intimately acquainted with agricultural conditions not only in Missouri but in other of the great Corn Belt States, my unequivocal answer is that it is. In fact, I will go further and say that American agriculture is to-day facing the greatest crisis in its history; and even if the McNary-Haugen bill is passed, thousands of farmers will be sold out by the sheriff and hundreds of country banks that are considered solvent to-day will close their doors before aid can possibly come from legislation or from any other source.

And in saying this I need only point to the foreclosure sales on farms and the great number of banks that have gone upon the rocks in the great farming States during the last two years. Here in Missouri—one of the greatest agricultural States in the Union—we have thousands of farms that have been abandoned during the last three years because their owners could not rent them, and thus despairing of what they considered a hopeless and useless struggle they turned them over to the mortgage holders and moved to some town or city in the hope of getting hold of some of the "easy money" which has been so plentiful in these quarters since the time when the World War reached its crest.

"What is the trouble?" you ask. Fundamentally, it is very simple. When the World War came to an end, and when the frenzied demand for the surplus food products of this country ceased, the American farmer was suddenly thrown back completely upon the world markets; and thus for the last four years the price of American wheat, pork, beef, and other surplus farm products has been determined, not on the basis of the American farmer's production costs, not on the basis of our so-called American "living standards," but purely on the basis of the competitive value of these commodities in Liverpool and in other world clearing ports where the peasant and peon farmers of the four corners of the earth dump their yearly surplus. And these world price levels govern not only with reference to our surplus but they fix the price of these commodities in our home markets; and thus we have the remarkable situation where the daily wage of a bricklayer or plasterer during 1923 equaled the value of an average acre of wheat or of a 230-pound hog which it took seven months of the farmer's care and feed to produce. Mind you, I am not saying that the bricklayer or plasterer should accept less, for this precipitates a question which I do not care to discuss at this time. I am merely citing the cold facts as they are and why there is serious trouble out at the "crossroads."

On the other hand, while the conclusion of the World War suddenly threw the farmer back completely upon the world markets, both industry and labor, which are powerfully organized, were able for the most part to "hold their first-line trenches"; and thus to-day industry is fighting its battles from behind the great protecting walls of the Fordney-McCumber Act, while labor has not only held to most of the advantages it obtained during the war but in the aggregate I think I am safe in saying that the Nation's pay rolls have been increased to the extent of hundreds of millions of dollars since the armistice was signed, and this isn't taking into account the tightening up of our immigration laws. And thus the American farmer finds himself between two fires: On the one hand, the selling price of his commodities is determined by the peasant and peon farmers of the wide universe, while on the other hand his living and production costs are determined under the highest merchandise values, freight rates, and taxes ever known in this country and under the highest wage scales that obtain in any nation in the world. And thus, like a great ship, American agriculture is being pounded to pieces on the reefs of low world price levels; and in these premises one of two things must happen: Either industry and labor will have to reduce the cost of their wares and service to the level of the farmer's living and production costs or, as certain as the sun shines above, the destruction of agriculture will follow.

IS THIS MEASURE "WORKABLE"

Already, as was to be expected, the critics of this bill say it isn't "workable" for a thousand different reasons, more or less. But why is it necessarily not a practical proposal?

When a governmental agency takes the surplus wheat, pork, or beef out of the domestic markets and fixes a definite tariff which will protect these commodities against the importation of cheaper similar commodities from the outside, then why will not such a tariff fix the domestic price? From time out of mind our great manufacturing enterprises that enjoy protection have charged a price within the United States, up even with the tariff wall—and when the export price lost them money they curtailed their output. But the farmer has never been able to "collect the tariff," because, unlike our great manufacturers, he is not in position to concentrate his selling—he is not in position to separate those of his commodities which are consumed in the domestic markets as against those which are exported, and therefore a tariff on wheat or other surplus farm commodities is as meaningless to him under existing conditions as the number of spots on the sun. And under these circumstances the fixing of tariff duties on surplus farm commodities has been nothing less than a ghastly political joke. Nor is the farmer in position to abandon the production of a surplus, as are our great manufacturers, first, because droughts, floods, and insect pestilence may disastrously affect his acre yields, while disease may devastate his flocks and herds. Again, with no organization or central directing force, about all our 6,500,000 farmers can do is to use their own best individual judgment, whether with reference to the production of grain or livestock.

But that a tariff can be made 100 per cent effective when the surplus of a given farm commodity is taken out of the domestic market, of this there is not the slightest question; and therefore we come back to the proposition which I made before, namely, that under this bill the Government would assist the farmer in doing what he is not now in position to do for himself.

And, furthermore, the Government can do this without the loss of a single penny. To illustrate, let us assume that the world price level on No. 2 wheat will be $1 per bushel f. o. b. Chicago on July 15 of this year. Unless the McNary-Haugen bill or a similar measure is passed, this is all the wheat grower could hope to receive under any circumstances. But if the "ratio price" established by the proposed export commission should say that No. 2 wheat is worth $1.50 per bushel f. o. b. Chicago, then the farmer would receive this amount less his proportionate loss on the exportable surplus and the expense of the export corporation. To illustrate further, suppose we produce 800,000,000 bushels of wheat during 1924, and that 600,000,000 bushels of this is required for home consumption, leaving 200,000,000 bushels for export; next let us assume that the "ratio price" within the United States is $1.50 per bushel while the world price is only $1 per bushel, thus representing a loss of $100,000,000 on the surplus, and this loss charged up against the domestic price would mean a reduction of approximately 17 cents per bushel; next, in order to play perfectly safe, let us assume that it will cost 3 cents per bushel to operate the commission, or a total charge off of 20 cents per bushel, which would still leave the wheat grower 30 cents per bushel "ahead of the hounds" at the end of the equalization period as against existing conditions.

And now here occurs the most serious difference of opinion I entertain against the McNary-Haugen bill; instead of attempting the issuance of "scrip" as a means of finally clearing up the transaction I would simply require the elevators, mills, and grain buyers throughout the country to keep a record of the amount and grade of wheat purchased from each grower and then as soon as the loss on the surplus and the costs of operation had been ascertained I would pay the balance due in the form of a patronage dividend.

And while I am stating my opinion on this phase of the matter in very general terms, I have no doubt that it could be worked out—and thus the final windup of the whole matter would be that the farmer would receive a "ratio price" based on the all-commodity price, less his share of the loss on the surplus and costs of operation and the Government would not have lost a cent in the transaction.

Therefore why isn't the plan "workable"? And why can not the commission and the packers arrive at a similar arrangement on pork and beef? And why can not the millers and packers of the country adjust themselves to this kind of a program if they really have a desire to do so? In the meantime, our choice lies between trying to make the thing "workable," or sending agriculture to certain destruction. There is no other alternative!

Moreover, those who insist that this bill is not "workable" ought to get busy and bring forth some other measure that is, for certainly agriculture has a right to expect something more than a mere "dog in the manger" attitude from them. If they think the farmer's present cry for help is unwarranted—that actual conditions have been overdrawn—then let them have the courage to say so frankly. But if they do not desire to assume this attitude, if they do believe that something needs to be done, then let us remember the old saying that, "where there's a will, there's a way!"

The suggestion that the Government may under this bill invest "billions of dollars" in packing plants, warehouses, etc., is to me the purest claptrap. My personal view is that the commission should not invest a single dollar in such facilities and if there is any doubt on this score as the act now stands it should be amended and made "foolproof" in this respect—for why acquire such facilities when they are already in existence and when all that the owners have a right to expect, is fair compensation for their use?

AS TO "PRICE FIXING"

I am perfectly aware that this measure is being assaulted on the theory that it is "price fixing" and also that it seeks to "defy the law of supply and demand." But when a great manufacturing industry demands a tariff which shuts out foreign competition and when it then proceeds to collect a price in the home markets up even with the tariff wall which surrounds it—often selling for less in the foreign markets—in Heaven's name, what is this but "price fixing" and in such premises what becomes of the sacred law of supply and demand?

And likewise when the great labor unions through their organizations might demand and enforce the payment of stipulated wage scales, again what is this but "price fixing"—and what chance has the farmer who stands at the end of the line to escape these superimposed burdens which come down to him in the form of inflated prices for farm implements, building materials, clothing, dry goods, shoes, transportation rates, etc.? For he is the "Jones" who "pays the freight"—he is the fellow to whom everybody else "passes the buck" and who can not pass it on to anybody else.

Therefore what is the fairness of raising our hands in virtuous horror at the idea of "price fixing"? What is the fairness of delivering profound platitudes about the law of supply and demand—a sacred white ox that departed "to where the woodbine twineth" for lo, these many years? And when I say this I do not concede that the McNary-Haugen bill is a "price-fixing" measure as that term is generally understood. On the contrary, it merely seeks to establish a fair "price ratio" between certain great basic surplus farm commodities and the current cost of living which forms the inevitable basis of the farmer's production costs.

And again let me say that I am not pronouncing an indictment in these premises against the Fordney-McCumber Act nor against the wage scales of organized labor, regardless of what my views concerning them may be, were they under discussion on their merits. What I am trying to do is to show that through the exactions of these forces the farmer is confronted by a "condition and not a theory"—that while he himself is helplessly chained to the world-wide law of supply and demand, there is no such animal, so far as American industry and labor are concerned—and there isn't an intelligent or fair-minded student of economic conditions in this country who doesn't know that this is the simple truth.

As the sorely perplexed farmer realizes that the purchasing power of his dollar (as expressed in the fruits of his toil) has been knocked into a cocked hat, and when he thinks of the fact that it takes $2 of his money to pay off an old debt, while industry and labor can still retire their obligations on an even basis—in these circumstances when supercritical gentlemen prattle about the law of supply and demand, let them not believe that they are fooling the farmer who knows perfectly well that he is getting the "hot end of the poker" and who is pretty apt to demand an accounting from those who continue to make him do it.

"WORKING ITSELF OUT"

This chatter that we should not seek to "defy the law of supply and demand" comes chiefly from the boards of trade and certain big grain exporters who pose as "experts" in these premises. Of course, the boards of trade don't want dealing in futures interfered with, for this is one of their chief sources of income. And even so certain eminent grain exporters don't want a commission to step in and perform functions which, under existing conditions, are a source of great profit to them—but if the time has come when Congress must make a choice between these gentlemen and the preservation of American agriculture, should it find that choice very difficult?

These same critics who prattle about the inviolability of the law of supply and demand say that the farmer is the victim of "natural causes" and that "everything will come out all right if we will only be patient," etc. And if Congress takes them at their word, it will do so at the peril of the whole Nation. For where is there a sane man who believes that either industry or labor will or can submit to a deflation during the next two or three years that will bring them down to a level with agriculture? And remember this is the issue—to assume that "everything will come out all right for the farmer" is predicated upon the idea that just as the peon and peasant farmers of the wide universe are fixing the price of American farm products at home and abroad, that in a like manner the American manufacturer and the American workingman will consent to get down on an even basis of remuneration with the manufacturers and workingmen of Germany, France, and England. And I believe you will agree with me that if such a suggestion were seriously made it would produce a riot in industrial and labor circles within 24 hours.

LIVING IN A FOOLS' PARADISE

Since the armistice was signed our cities have been living in a sort of fools' paradise—in other words, we have been spending on the "gas" that we inherited from the World War period, during which time construction work of all kinds had largely ceased and also the rolling stock of our great railroad systems was so nearly shot to pieces that hundreds of millions of dollars had to be spent for its rehabilitation—and this isn't saying anything about the enormous amount of other repair work that had to be done. And thus things have been going along as merrily as a marriage bell, and we have paid little attention to the tragedy that is taking place out at the "crossroads" and which is becoming more serious with each passing day.

But during recent months there has been a perceptible slacking up in business circles, and there is every indication that we will soon "catch up with the hounds," if, in fact, we have not already done so—and the reason is that the American farmer is out of the game, as in truth he has been for the best part of the last four years. In other words, he is out on a "buyers' strike," not because he wants to be—not because he doesn't need billions of dollars' worth of new building materials, farm implements, fencing, etc., but because since the deflation following the war struck him his one thought has been to keep his farm from falling into the clutches of the sheriff, and therefore interest and taxes have had his first consideration.

Of course, the passage of the McNary-Haugen bill will somewhat increase the cost of the commodities it touches, such as bread, pork, beef, etc., and yet if the handlers of these commodities do not use this measure as a profiteering pretext, then that increase will not amount to enough to seriously affect a single family in the country, for our so-called "high cost of living" comes not from food costs but from the output of our mills and factories.

In the meantime the fact that the American Federation of Labor has sent some of its leading representatives to the Agricultural Committees to urge the passage of the McNary-Haugen bill should be a tremendous eye opener to every Member of Congress. And back of this action are three exceedingly pertinent reasons—first, having compelled the passage of the Adamson law during the war, labor knows that it has greatly benefited by specific congressional action, and this isn't saying anything about the favors it expects to continue to receive with reference to the matter of immigration; second, it knows that if it expects to continue to enforce its present exceedingly generous wage scales, that then the 40,000,000 people who reside on our farms must be placed in position to once more become aggressive buyers of merchandise; and, lastly, it realizes that if farmers continue to flock to our great industrial centers by the tens of thousands that the soup house will be the final answer and that this time is not far away.

EMBARRASSING TO A DEMOCRAT

And now I have no doubt that the average Democratic Member of Congress who is deeply grounded in the old idea of a "tariff for revenue only" will find some difficulty in reconciling himself to a measure which so strongly invokes the principle of protection—but, like the farmer, we are confronted by a "condition and not a theory" in these premises. In the past, or before the World War, no one believed more steadfastly in the historic position of our party on the tariff than I did—and in proof of this I wrote from beginning to end the last Democratic platform adopted in this State under the old delegate convention system (in the latter part of the Folk administration), and I doubt whether the party ever gave out an expression in Missouri that contained a more deliberate arraignment of the protective system.

But the World War has changed many things, and even if Democrats were in undisputed power in Congress to-day I doubt very much whether we would have the hardihood to place the country upon a purely "tariff for revenue only" basis—and I say this because with

our inflated wage scales I seriously question whether American industry is in position to hold its own against the low wage scales of Germany, France, England, and other foreign countries at this time. In other words, it is going to take time for both industry and labor to get down off the high horses they are riding, even should they honestly and earnestly strive to do so, and for the time being therefore it may be the part of practical wisdom to regard the Fordney-McCumber Act as more or less of a necessary evil. And by this I don't mean that it does not contain many iniquities which should be eliminated at the first opportunity.

And this makes the situation from the farmer's standpoint appear all the more alarming to me—the fact that if agriculture is to live the farmer must be provided with a dollar of as great purchasing power as the dollar of industry and labor (which is the basis of his production costs) and the deep-seated conviction that, considering the manufacturing profit margins and wage scales of Europe, American industry and labor will not and in fact can not place themselves on a level with our foreign competitors at this time. Therefore it brings us back to the starting point—namely, that if agriculture is to be preserved, then either the price of farm commodities must be raised or the wages and service of industry and labor must be brought down to a level with them—and the latter hope seems to me an idle dream for some years to come!

Therefore as a Democrat I would take the position that so long as industry and labor are beneficiaries of the protective system, that the farmer is entitled to his share of the spoils—and I would demand that if the Republicans think so, they make it more than an idle farce—that having given the farmer a tariff, they make it possible for him to collect it! And in these premises let me say that the McNary-Haugen bill is the "acid test," it is the greatest challenge to the sincerity of protectionists in the history of Congress!

AMERICAN AGRICULTURE IS DYING

Never, in my humble opinion, has Congress been confronted (in times of peace) with a question more profoundly grave than the one that is involved in the McNary-Haugen bill. If the measure is defeated, there will be no loud outcry at the "crossroads"—for the "crossroads" has long since grown accustomed to being told that its pleas are "impractical" for one reason or another, and therefore with stoical resignation it will accept its fate, whatever it may be. But in the meantime the sheriffs' sales will multiply, country banks by the hundreds during the next two or three years will close their doors, and the steady stream from the farms to the towns and cities will continue—make no mistake on this score, for the rising and setting of the sun is not more certain!

And if Congress believes that we can safely run the gantlet—if our great captains of industry and our eminent bankers think they can keep our mills and factories in full-time operation and that the buying power of the 40,000,000 people who reside upon our farms is no longer necessary to this end—if they believe that our railroads can pay the present price of fuel, steel, and labor without hauling merchandise out to the "crossroads," as well as grain and livestock away from it—in short, if they believe that agriculture has ceased to be the great "basic industry" of the Nation and that it is no longer necessary in compelling favorable international trade balances, why, then perhaps the fate of the McNary-Haugen bill is of no great consequence! But let gentlemen make sure of their ground—let them be willing to accept the consequences if they have guessed wrongly.

And then there is another side to it. During recent years the tendency toward socialism and radicalism in our great centers of population has grown apace, and it is from these realms whence comes evermore insistently the demand that the Government shall operate the railroads and the coal mines and that the decisions of the Supreme Court shall be subject to congressional review—and unless laughter and the joy of contentment is brought back to the "crossroads," unless the deadly decay which is eating its way deeper and deeper into the heart of American agriculture can be arrested in the not distant future, then instead of our myriad farm homes continuing to be the great bulwark against this ever-increasing tide of radicalism which they have been through all the years of the past, let no one be surprised if farmers shall be found in increasing numbers among those who are striving with might and main to destroy our venerable institutions of government which have made the history of the Republic as wonderful as an Arabian Night's dream. Under normal conditions the farmer is a wholesome conservative, intensely proud of his country, and a firm believer in individual effort and responsibility—in fact the latter tendency is chiefly responsible for his present condition of helplessness. But the farmer is also human, and as he contemplates the contentment and comparative luxury of those who fix his living and production costs and who seem to have no great difficulty in obtaining the ear of Congress, who will blame him if he voices the pitiful plea of Shylock. "If you tickle us, do we not laugh? If you prick us, do we not bleed?"

If the Republic of Washington and Lincoln is to remain anchored to its moorings in the years to come—if the sinister prophecy of Carlisle is not to be fulfilled—if in the future, as in the past, the farmer is to remain a wholesome "balance of power," who will say "Hands off" to those who would destroy the glorious handiwork of the fathers—then let Congress lose no time in directing its attention to the tragedy that is taking place out at the "crossroads," for, as certain as God reigns above, American agriculture is dying!

CONGRESSMAN RAINEY'S OBJECTIONS

The files of old Egypt were not more numerous than the objections raised against the McNary-Haugen bill by Congressman HENRY T. RAINEY, of Illinois, in a letter to S. H. Thompson, head of the Illinois Agriculture Association, and I shall therefore endeavor to answer only the more pertinent ones:

No. 1. "Will not the 'scrip' bring about an 'expansion in our currency' and increase our 'circulating medium without increasing our gold base'?"

Answer. The "scrip" should not affect our circulating medium in the slightest degree, for in substance it is nothing more than a "due bill" upon which a future dividend will be declared, and if there is any doubt on this score because of the present wording of the bill, it should be amended. Surely it is not intended that the "scrip" shall be "circulating medium."

No. 2. "Do you think farmers will be satisfied with 'scrip'?"

Answer. Well, in view of the fact that they will be just that much "ahead of the hounds"—that the "scrip" or whatever is decided on will pay them the difference between the "ratio price" and the world price, less the loss on the surplus and the commission's costs of operation—certainly they shouldn't raise any "kick" on this score.

No. 3. "Will it not make it necessary for the Government to slaughter food animals and to invest in packing plants, stockyards, etc., involving perhaps an "expenditure of billions of dollars in railroad switches, terminals, refrigerator cars, warehouses, etc., etc.'?"

Answer. No. Why should the commission invest a single dollar in these facilities which are already in existence? All on earth the bill seeks to do is to require existing agencies to operate under the "ratio price." If the intention was to have the Government finance such facilities and to build up an enormous pay roll, I would be against it unqualifiedly.

No. 4. "Is it not time to keep the Government out of business as much as possible?"

Answer. You bet your life; and whenever you take it "out of business" in such premises as the Fordney-McCumber Act and with reference to tightening up the immigration laws, then perhaps farmers will not ask for legislation like the McNary-Haugen bill. But since this would be a horse of decidedly different color—since, in fact, Congress could possibly not safely do this at this time—in these circumstances hasn't the farmer a right to expect the Government to "go into business" as much for him as it already has for the other fellows?

No. 5. "Do you not think that in the end the farmer will become the greatest sufferer from its imposition, should it become a law?"

Answer. With the peasant and peon farmers of the world fixing his prices at home and abroad, how can it make the farmer a worse "sufferer" than he already is? And if a fair "ratio price" is enforced in the home markets, as I have already said, won't he be just that much "ahead of the hounds"?

No. 6. As to Mr. RAINEY'S reference to wool and cotton and how to apply the "ratio price" to meat products and the charge that it is only intended to help the wheat grower, I have already covered these points in my answer to Congressman ANDERSON'S objections.

No. 7. "Isn't it time to ask what benefits farmers have received from the alleged remedial legislation demanded by the farm organizations, etc.?"

Answer. Well, the organizations have demanded very little specific legislation, and about all Congress has done is to expand credit facilities, and what the farmer wants and needs is not additional credit so much as prices that will enable him to pay debts and to buy sorely needed merchandise.

No. 8. "Has the farmer benefited by the protective tariff Congress has given him on practically everything he produces?"

Answer. Not so that you could notice it with an ordinary magnifying glass. On a commodity like wool, of which we only produce about half enough to supply our home needs, it "brings home the bacon," while on such surplus commodities as wheat it is a delusion and a snare; and all farmers, as well as most Members of Congress, know this.

No. 9. "I notice hogs are going up on the Chicago market. Is this due to the protective tariff, inasmuch as there is no protective tariff on hogs?"

Answer. No; the tariff has nothing to do with it. The heavy winter runs are over, and most likely the packers are "stiffening" the market so as to unload the hogs purchased at a low price and which are stored

away in their coolers, at a good profit. This is one way the big packer has of collecting a "ratio price" of his own.

No. 10. "Would it not be advisable (for farmers) to advocate a reduction in the tariff on all articles the farmer buys?"

Answer. Well, why not try it out on the dog? Why not put it up to the industries which only a few short moons ago insisted that the Fordney-McCumber Act was the only thing that could save them from destruction? Very likely they would say that to place them on the world price level, along with Germany, France, England, and other foreign countries, that this would put them out of business—and no doubt there would be much justice in this contention. But if this is true, then how can Congress expect the farmer to exist on the world-price level and carry protected industry and organized labor on his back to say nothing of enormously increased taxes?

No. 11. "How will the 'ratio price' be reflected back to the farmer through the local elevator?"

Answer. I would say that the local elevator would pay the farmer cash in hand such a part of the "ratio price" as would put the commission safe on the loss on the exportable surplus and its costs of operation, and then later on it could authorize the elevator to pay the remaining dividend when the season's business had been wound up.

No. 12. "Is there any authority in the bill by which the miller can be indemnified against possible loss?"

Answer. If the "ratio price" is applied to seasonal periods in the home markets, it will be a "lead-pipe cinch" for the miller, for then there will be no occasion to "hedge." As to export flour, this will have ot be equalized on the world-price basis, just as export wheat itself; and it won't make any difference to the commission or to the farmer as to the form in which the surplus is gotten out of the country.

No. 13. "How many employees will there be?"

Answer. There ought not to be very many, if the law is applied so that existing private agencies can perform its functions.

No. 14. "Can you point to any method so far adopted by this Government in the matter of controlling food prices which has been successful?"

Answer. You bet! During the World War the Government fixed the price of wheat at $2.26 f. o. b. Chicago, and it held it there, despite the fact that the price in Europe was as high as $4.50 per bushel.

No. 15. "Is it not true that the only way to maintain a price is to have a buyer willing and able to take everything offered at the price specified?"

Answer. Under existing conditions the American consumer is buying the farmer's food commodities on the basis of the world-price level, while in turn the farmer's living and production costs are determined by our so-called "American living standards," which were created and which are being maintained by organized industry and labor, and the farmer has no choice except to "dance to the music." And under the McNary-Haugen bill the consumer would have to "dance to the music" also; he would have to pay the "ratio price," while the surplus would continue to be dumped onto the world market. If the farmer has nothing to say about the cost of merchandise, freight rates, etc., then why should the consumer have any greater immunity with reference to the price of farm commodities? Why shouldn't he be fair, and who has any right to assume that he doesn't want to be fair?

No. 16. "What is a Member of Congress to do when two agricultural organizations—equally important and equally interested—reach absolutely different conclusions?"

Answer. Except for some of the smaller units of the wheat growers, there is no appreciable disagreement over this matter—the Farmers' Union and the American Farm Bureau Federation and other of the leading farm organizations are for it—in fact never before have the farm organizations been in as complete agreement as they are in demanding the passage of this bill or a similar one that will accomplish its purpose.

No. 17. "Would not the McNary-Haugen bill put the Federal Government actively into the grain business?"

Answer. The only difference between what the Government would do for the farmer under this bill and what it has been doing for industry for years under the protective system is that it would make the tariff mean something for agriculture—after having given the farmer a tariff it would help him to collect it and it would do this without the loss of a penny! Therefore it is just as fair to say that the Government goes into the steel business when it gives steel the benefit of a tariff as that it is going into the grain business when it gives the wheat growers the benefit of a tariff—except that under this act it will go one step further and help the wheat grower to do what, in his present unorganized condition, he is not able to do for himself. Hence the real question is not whether the Government should take this extra step but whether the producers of wheat, pork, and beef really need this assistance! If they do, then why should the Government hesitate to make this assistance effective?

No. 18. "Do you not think the Russian experiment with its dead numbering over 7,000,000 ought to dissuade our people from proceeding in that direction?"

Answer. Good Lord—if it is half as bad as this, by all means kill the bill!

OBJECTIONS OF MR. ROBERTS, VICE PRESIDENT NATIONAL CITY BANK, NEW YORK CITY

In an able address delivered at the University of Ohio on February 6, 1924, Mr. Roberts made certain observations which may come to the attention of Members of Congress, and therefore I offer the following comment:

No. 1. Speaking against governmental "price fixing," Mr. Roberts among other things said: "There is no remedy for the situation except by reducing the production of wheat. Any form of Government aid, such as price fixing above the market, which has the effect of inducing farmers to continue wheat growing on the present scale would be a mistake, because wheat growing on this scale is not needed."

Answer. The farmer isn't kicking on having to accept the world price on the yearly surplus of 150,000,000 or 200,000,000 bushels—what he is sore about and what he has a right to be sore about is having to accept the world price on the 600,000,000 bushels that are ordinarily required to supply bread for the consumers of the United States. And with the uncertainty of acre yields because of flood, drought, winter killing, and insect pestilence how is the farmer to plan a wheat crop that will exactly meet our national needs?

But remember that under the McNary-Haugen bill the "ratio price" will merely apply to domestic consumption and from this price will be deducted the loss on the surplus and the commission's costs of operation. Therefore the surplus is not an issue; the issue is, Is the American wheat grower entitled to a fair price for the bread he supplies to American consumers?

No. 2. "The remedy is simply for some of them to stop growing wheat and go into something else, or for them as a whole to scale down the production of wheat to such an extent as will bring the situation back into balance."

Answer. With 6,500,000 farmers scattered between the two oceans such teamwork would be extremely difficult, considering the farmer's present unorganized condition; for unlike the manufacturer the farmer can not regulate his production with exact precision. But for argument's sake, let us assume that such regulation had been practiced with reference to the 1924 crop and that we would produce a round 600,000,000 bushels, or just enough to supply our home demands; if this were true, let us suppose next that the spokesmen of the wheat growers would go to Congress and say, "You have extended protection to industry and labor with a generous hand, and turn about is fair play, therefore we ask that you give us a tariff that will make No. 2 wheat sell at $1.75 per bushel f. o. b. Chicago"—and could Congress consistently deny their plea and wouldn't this be "price fixing" with much greater vengeance than the McNary-Haugen bill has in view? The point I want to drive home is that if the wheat grower was in position to do what Mr. Roberts implies he should do, then he would ask Congress to "deliver"—to give him his "pound of flesh," and it could not consistently deny him!

But because the farmer is helpless; because he is forced to come to Congress with a plea rather than a demand; this is why he is told in substance, "We are sorry for you—we know you are in a mighty tight place—but we can't do anything for you."

Also it may be said if Mr. Roberts's advice is sound for the wheat grower, then it must be equally sound for the hog and cattle raiser, for the latter find themselves in an even worse position; and if these tens of thousands of farmers are to quit raising wheat, hogs, and cattle, then what are they to do? Would Mr. Roberts suggest that they take to raising peanuts, onions, and cauliflower? Well, these things don't grow very well in the Corn Belt, and anyway the country is already surfeited with them. Far be it from me to become facetious in these grave premises, and yet if out of sheer desperation these farmers go to raising h—— instead, let Mr. Roberts and certain gentlemen who dread the "ides of November" not be surprised! And in these premises I respectfully remind them on one MAGNUS JOHNSON!

No. 3. "If the Government is to guarantee a price for wheat, the natural question is—why not for copper, cotton goods, and everything else?"

Answer. Well, if Mr. Roberts doesn't think as the song had it some years back that "Everybody's doing it," let him get hold of the Fordney-McCumber Act and also take a squint at our immigration laws—and last but by no means least, let him contemplate the present wage scales of organized labor.

No. 4. "One might think from much that is written on the subject that there was danger of general desertion of the farms unless artificial means of some kind were adopted to improve the returns, etc."

Answer. And this is exactly what is taking place at this very moment. As I have said elsewhere, thousands of farms here in Missouri

have been deserted and thousands of others will be sold by the sheriff before aid can possibly come. Therefore if Mr. Roberts means that this fact might cause him to view matters in a more serious light, his change of front is in order.

No. 5. "The Government could not for long continue to buy and store such commodities upon terms that would encourage their production above the rate of consumption."

Answer. The farmer doesn't ask this. All the McNary-Haugen bill seeks to do is to maintain a "ratio price" in the home markets, letting the surplus bring what it will in the world markets, meanwhile charging the loss and costs of operation up against the said "ratio price"—and the only "buying and storing" the commission would have to do would be through the process of getting the surplus out of the country and in determining the amount of such surplus.

No. 6. "Finally, if the plan was workable at all, it would divide society into warring factions, emphasizing conflicting interests instead of mutual interests. It would be worse than socialism, for it would be syndicalism, the end of individual liberty and of reward for individual efficiency."

Answer. If it is as bad as all this, then why doesn't the protective system, which can not be applied with scientific precision or equity, "divide society into warring factions"? And even so when through organized action our bricklayers and plasterers demand and receive two or three times as much per day as tens of thousands of school-teachers, clerks, bookkeepers, etc., why doesn't this "divide society into warring factions"? What eminent business men like Mr. Roberts and the Members of Congress must do and do quickly is to get themselves "located" on agriculture. If it has ceased to be the Nation's great "basic industry"—if we can afford to let it shift for itself and still keep our mills and factories going and our railroads running, why, then all right. But let them make sure that they know what they are doing in these premises!

OBJECTIONS OF MR. ANDERSON

I now propose to briefly answer the criticisms of Congressman SYDNEY ANDERSON, which have been widely published:

First, Mr. ANDERSON says that the bill applies to flour, corn, cotton, wool, swine, cattle, sheep, or any of the food products of these commodities, and then he doubts its practicability in these premises.

As to flour that is exported, undoubtedly the world price of wheat will have to be taken into consideration in behalf of the miller—and there is no reason why the difference between the domestic and world price can not be practically applied to export flour for the miller's protection. As to wool, he is correct when he says that we are an importing rather than an exporting Nation and this item should therefore be stricken from the bill, for the present wool tariff is 100 per cent effective. As to cotton, the future alone can tell whether an emergency should be declared with reference to it and therefore why not let the future decide? In any event, why not leave the door open if the cotton grower should need assistance? Manifestly any bill of this kind must apply to all the great staples of agriculture, should they be menaced in the world markets. With reference to corn, I am again inclined to agree with Mr. ANDERSON not only because our corn exports are negligible but also the price of hogs and cattle very largely regulate the price of corn and would do so (in my opinion) almost absolutely under the operation of this measure. I do not, however, agree with him with reference to rye, oats, and barley, which are merely incidental and related crops.

Mr. ANDERSON next concludes that the bill is intended only to pull the wheat grower out of the hole and that the inclusion of hogs and cattle is for "political purposes only"—and if I thought so I would be against it. That its application to hogs and cattle will be more difficult than on wheat is undoubtedly true—and yet why should a commission made up of the Secretaries of Agriculture, Commerce, and of the Treasury, together with the other able gentlemen whom it is assumed the President will appoint—why should not such a commission be able to reach a workable understanding with the meat packers of the country that will preserve a "ratio price" in these premises? At least why not try? In any case, we can not make things worse than they already are—for the farmer can not continue to supply the Nation's meat at a tremendous loss to himself, and therefore the price must be raised by one means or another if the meat-producing industry is to live!

Next, Mr. ANDERSON concludes that to establish a "ratio price" between wheat (or any other farm commodity) and the all-commodity price is a "fundamental weakness"—that the "appropriate price for agricultural commodities depends upon economic factors, etc," and of course this is the well-known red herring about the law of supply and demand—and the simple answer which I have already given is that the farmer can not continue to pay tribute to organized industry and labor according to their standards of value and then permit the peasant and peon farmers of the world to fix a price on the products of his toil.

This is the foundation of this bill and it can not be waived aside by producing a smoke screen of mere technicalities!

As to the charge that the operation of this measure will make the all-commodities price go up, I do not think so to any appreciable extent—first, because a fair "ratio price" chiefly applied to wheat and meats will not perceptibly increase the "cost of living," and, second, the fact that prominent labor leaders are championing the McNary-Haugen bill without "saving their exceptions" would indicate that they are willing to "stand the raise"—that they prefer to see the farmer get back in the buying game, rather than to welcome the coming of soup houses.

As to his conclusion that a "ratio price" is "absolutely unsound" and "unworkable," why is this true? Has not the farmer the right to receive a dollar for his toil of as great purchasing power as the dollar of those who determine his production costs and whom he therefore helps to sustain, and is not this the equilibrium which the "ratio price" seeks to establish? As to Mr. ANDERSON'S suggestion that the "ratio price" must be determined by anchoring it to certain great terminal markets, in this he is, of course correct; but why not assume that the commission and the handlers of the commodities in question will be able to arrive at a "workable" understanding in this respect?

As to his statement that the commission would have to ascertain production "a year in advance," this would not be possible nor would it be necessary. With reference to wheat, once the crop is made we will know measurably where we stand, whether the exportable surplus will be around 200,000,000 or 150,000,000 bushels; therefore if the commission removes a safe quantity from the domestic markets through export channels, why should it not warehouse for the time being a sufficient additional quantity until it knows where it stands, and why should it not, through the aid of the great meat packers, pursue the same tactics with reference to pork and beef? I do not pose as an authority in these premises, but why assume in advance that practical problems of marketing are impossible of solution? The statement that we have different grades of wheat, hogs, and cattle is of course true, but why should not the "ratio price" be applied accordingly?

As to Mr. ANDERSON'S objections to the issuance of "scrip," this I have already covered elsewhere. As to his statement that the purpose of the McNary-Haugen bill is as "old as history itself," this also is partially true, and the reason it is true is because for many years under the protective system the great industries of this country have made the farmer stand for this principle whether he liked it or not, and even so our workingmen have been and are at this hour protected against the so-called "pauper labor of Europe." Therefore, can anybody blame the farmer for also hankering after a little of the "pie"?

And, finally, his suggestion that it will lead to "overproduction"; in the first place every intelligent farmer will realize that this would "kill the goose that laid the golden egg," and also the commission is empowered to withdraw its support whenever the menace of overproduction becomes manifest with reference to any given commodity. In the meantime, to oppose the bill on this score is a good deal like advising a starving man against eating on the theory that he might die of indigestion!

Trusting that you will consider these views for what they may be worth, I am, with best wishes,

Sincerely yours,

WILLIAM HIRTH,
Publisher The Missouri Farmer, Columbia, Mo.

RECESS

Mr. HAUGEN. Mr. Speaker, I move that the House do now recess until 8 o'clock.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House, in accordance with the order previously made, stood in recess until 8 o'clock p. m.

EVENING SESSION

The recess having expired at 8 o'clock p. m., the House was called to order by Mr. DICKINSON of Iowa, as Speaker pro tempore.

Mr. KINCHELOE. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Kentucky makes the point that there is no quorum present. Evidently there is no quorum present.

Mr. SHALLENBERGER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

but whether the producers of wheat, pork, and beef really need this assistance! If they do, then why should the Government hesitate to make this assistance effective?

means of some kind were adopted to improve the returns, etc.

Answer. And this is exactly what is taking place at this very moment. As I have said elsewhere, thousands of farms here in Missouri

The Doorkeeper closed the doors and the Sergeant at Arms was directed to bring in the absentees. The Clerk called the roll, and the following Members failed to answer to their names:

Aldrich	Fenn	Lineberger	Scott
Anderson	Fish	Little	Sears, Nebr.
Andrew	Fisher	McFadden	Shreve
Anthony	Fleetwood	McKenzie	Simmons
Bacharach	Frear	McLaughlin, Nebr.	Sites
Beedy	Fredericks	MacGregor	Smithwick
Begg	Freeman	MacLafferty	Snell
Bell	Frothingham	Madden	Snyder
Berger	Butler	Magee, Pa.	Spearing
Bixler	Gallivan	Mapes	Sproul, Ill.
Black, Tex.	Garrett, Tenn.	Martin	Stalker
Block, N. Y.	Garrett, Tex.	Mead	Steagall
Bland	Gasque	Merritt	Stedman
Blume	Geran	Michaelson	Stengle
Boles	Gibson	Miller, Ill.	Stevenson
Bowling	Gifford	Milligan	Strong, Kans.
Boylan	Glatfelter	Mills	Strong, Pa.
Brand, Ga.	Goldsborough	Mooney	Sullivan
Britten	Graham, Pa.	Moore, Ill.	Swoope
Browne, N. J.	Graham, Ill.	Morin	Tague
Browne, Wis.	Greene, Mass.	Mudd	Taylor, Colo.
Brumm	Griest	Nelson, Wis.	Temple
Buckley	Griffin	Newton, Mo.	Thomas, Okla.
Burdick	Hawes	Nolan	Thomas, Ky.
Butler	Hawley	O'Brien	Tillman
Byrnes, S. C.	Hayden	O'Connell, N. Y.	Tilson
Cable	Hoch	O'Connor, N. Y.	Tinkham
Campbell	Hooker	O'Sullivan	Tucker
Carew	Howard, Okla.	Oldfield	Tydings
Celler	Huddleston	Oliver, N. Y.	Underhill
Chindblom	Hudspeth	Paige	Upshaw
Clark, Fla.	Hull, Tenn.	Park, Ga.	Vare
Connery	Hull, William E.	Parker	Vinson, Ga.
Connolly, Pa.	Humphreys	Parks, Ark.	Ward, N. Y.
Cooper, Wis.	Jeffers	Patterson	Ward, N. C.
Cooper, Ohio	Jost	Peavey	Wason
Corning	Kahn	Perkins	Watson
Cramton	Keller	Perlman	Weller
Crisp	Kelly	Phillips	Welsh
Cummings	Kendall	Prall	White, Me.
Curry	Kerr	Quayle	Williams, Tex.
Darrow	Kiess	Quin	Williams, Ill.
Davey	Kopp	Rainey	Williamson
Dempsey	Kunz	Ransley	Wilson, Miss.
Dickstein	LaGuardia	Rayburn	Winslow
Dominick	Lampert	Reece	Winter
Drane	Langley	Reed, W. Va.	Wolff
Drewry	Larson, Minn.	Rogers, Mass.	Wood
Driver	Leatherwood	Rogers, N. H.	Wurzbach
Dyer	Lee, Ga.	Rosenbloom	Wyant
Edmonds	Lehlbach	Salmon	Yates
Evans, Mont.	Lilly	Sanders, N. Y.	Zihlman
Favrot	Lindsay	Schafer	

During the roll call the following occurred:

Mr. ASWELL. Mr. Speaker, a parliamentary inquiry.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman can not interrupt the roll call with a parliamentary inquiry.

The SPEAKER pro tempore. Does it relate to the roll call?

Mr. ASWELL. It does.

Mr. BLANTON. All the precedents are against the right to interrupt the roll call with a parliamentary inquiry.

Mr. LARSEN of Georgia. There is no roll being called now.

Mr. KINCHELOE. I move that the House do now adjourn.

Mr. SANDERS of Indiana. That motion is not now in order.

Mr. BLANTON. Not until the result of the call has been announced.

The SPEAKER pro tempore. The motion is not in order until it is ascertained whether there is a quorum present.

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent to make an announcement.

Mr. BLANTON. I make the point of order that until the result of the roll has been announced nothing is in order.

Mr. KINCHELOE. Does the Chair hold that a motion to adjourn is not always in order?

The SPEAKER pro tempore. There is no business in order until the roll call has been completed and the result is announced.

Mr. KINCHELOE. I think the Chair had better consult the parliamentarian on that proposition. If that be true, the House could never adjourn as long as the Clerk who is tallying the vote is busy.

The call was completed.

The SPEAKER pro tempore. One hundred and eighty-three Members have answered to their names—not a quorum.

[Subsequently 36 Members appeared and answered to their names.]

Mr. KINCHELOE. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Kentucky moves that the House do now adjourn.

Mr. SANDERS of Indiana. And on that, Mr. Speaker, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SANDERS of Indiana and Mr. KINCHELOE as tellers.

The House divided, and the tellers reported that there were 12 ayes and 115 noes.

Mr. BLANTON. I make the point of order that there is no quorum present and object to the vote.

Mr. SANDERS of Indiana. I demand the yeas and nays. The gentleman from Texas can not make the point of no quorum, because it does not take a quorum to adjourn.

The SPEAKER pro tempore. The gentleman from Indiana demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 2, nays 181, not voting 250, as follows:

YEAS—2

Doughton Kincheloe

NAYS—181

Abernethy	Elliott	Lozier	Rouse
Ackerman	Evans, Iowa	Luce	Rubey
Allen	Faust	Lyon	Sanders, Ind.
Allgood	Fitzgerald	McClintic	Sanders, Tex.
Almon	Foster	McDuffie	Sandlin
Arnold	French	McKeown	Schall
Aswell	Fullmer	McLaughlin, Mich.	Schneider
Ayres	Funk	McLeod	Sears, Fla.
Bankhead	Garber	McNulty	Seger
Barbour	Gardner, Ind.	McReynolds	Shallenberger
Beck	Garner, Tex.	McSweeney	Sherwood
Beers	Gilbert	Magee, N. Y.	Sinclair
Blanton	Green, Iowa	Major, Ill.	Sinnott
Bloom	Greenwood	Major, Mo.	Smith
Box	Hadley	Manlove	Speaks
Boyce	Hammer	Michener	Sproul, Kans.
Brand, Ohio	Hardy	Miller, Wash.	Summers, Wash.
Browning	Harrison	Minahan	Sumners, Tex.
Buchanan	Haugen	Moore, Ga.	Swank
Burtness	Hersey	Moore, Ohio	Sweet
Bushy	Hickey	Moore, Va.	Swing
Byrns, Tenn.	Hill, Ala.	Moores, Ind.	Taber
Canfield	Hill, Wash.	Morehead	Taylor, W. Va.
Cannon	Holaday	Morgan	Thatcher
Carter	Howard, Nebr.	Morris	Thompson
Casey	Hull, Iowa	Morrow	Timberlake
Christopherson	Hull, Morton D.	Nelson, Me.	Underwood
Clague	Jacobstein	Newton, Minn.	Vaile
Clancy	Johnson, S. Dak.	O'Connell, R. I.	Vincent, Mich.
Clarke, N. Y.	Johnson, Tex.	O'Connor, La.	Vinson, Ky.
Cleary	Johnson, Wash.	Oliver, Ala.	Voigt
Cole, Iowa	Johnson, W. Va.	Peery	Weinwright
Cole, Ohio	Jones	Pou	Watkins
Collier	Kearns	Ragon	Weaver
Colton	Kent	Rainey	Wefald
Croll	Ketcham	Raker	Werts
Crosser	Kindred	Ramseyer	White, Kans.
Cullen	King	Rankin	Williams, Mich.
Davis, Tenn.	Kvale	Reed, Ark.	Wilson, Ind.
Deal	Lankford	Reed, N. Y.	Wilson, La.
Denison	Larson, Ga.	Reid, Ill.	Wingo
Dickinson, Iowa	Lazaro	Richards	Woodrum
Dickinson, Mo.	Lea, Calif.	Roach	Wright
Dowell	Leavitt	Robinson, Iowa	
Doyle	Longworth	Robsion, Ky.	
Eagan	Lowrey	Romjue	

NOT VOTING—250

Aldrich	Crisp	Hastings	McSwain
Anderson	Crowther	Hawes	MacGregor
Andrew	Cummings	Hawley	MacLafferty
Anthony	Curry	Hayden	Madden
Bacharach	Dallinger	Hill, Md.	Magee, Pa.
Bacon	Darrow	Hoch	Mansfield
Barkley	Davey	Hooker	Mapes
Beedy	Davis, Minn.	Howard, Okla.	Martin
Begg	Dempsey	Huddleston	Mead
Bell	Dickstein	Hudson	Merritt
Berger	Dominick	Hudspeth	Michaelson
Bixler	Drane	Hull, William E.	Miller, Ill.
Black, N. Y.	Drewry	Hull, Tenn.	Milligan
Black, Tex.	Driver	Humphreys	Mills
Bland	Dyer	James	Montague
Boles	Edmonds	Jeffers	Mooney
Bowling	Evans, Mont.	Johnson, Ky.	Moore, Ill.
Boylan	Fairchild	Jost	Morin
Brand, Ga.	Fairfield	Kahn	Mudd
Briggs	Favrot	Keller	Murphy
Britten	Fenn	Kelly	Nelson, Wis.
Browne, N. J.	Fish	Kendall	Newton, Mo.
Browne, Wis.	Fisher	Kerr	Nolan
Brumm	Fleetwood	Kiess	O'Brien
Buckley	Frear	Knutson	O'Connell, N. Y.
Bulwinkle	Fredericks	Kopp	O'Connor, N. Y.
Burdick	Free	Kunz	O'Sullivan
Burton	Freeman	Kurtz	Oldfield
Butler	Frothingham	LaGuardia	Oliver, N. Y.
Byrnes, S. C.	Fulbright	Lampert	Paige
Cable	Fuller	Langley	Park, Ga.
Campbell	Gallivan	Lanham	Parker
Carew	Garrett, Tenn.	Larson, Minn.	Parks, Ark.
Celler	Garrett, Tex.	Leatherwood	Patterson
Chindblom	Gasque	Lee, Ga.	Peavey
Clark, Fla.	Geran	Lehlbach	Perkins
Collins	Gibson	Lilly	Perlman
Connally, Tex.	Gifford	Lindsay	Phillips
Connery	Glatfelter	Lineberger	Porter
Connolly, Pa.	Goldsborough	Linthicum	Prall
Cook	Graham, Ill.	Little	Purnell
Cooper, Ohio	Graham, Pa.	Logan	Quayle
Cooper, Wis.	Greene, Mass.	McFadden	Quin
Corning	Griest	McKenzie	Ransley
Cramton	Griffin	McLaughlin, Nebr.	Rathbone

Rayburn	Spearing	Tillman	Welsh
Reece	Sproul, Ill.	Tilson	White, Me.
Reed, W. Va.	Stalker	Tinkham	Williams, Ill.
Rogers, Mass.	Steagall	Tucker	Williams, Tex.
Rogers, N. H.	Stedman	Treadway	Williamson
Rosenbloom	Stengle	Tucker	Wilson, Miss.
Sabath	Stephens	Tydings	Winslow
Salmon	Stevenson	Underhill	Winter
Sanders, N. Y.	Strong, Kans.	Upshaw	Wolff
Schafer	Strong, Pa.	Vare	Wood
Scott	Sullivan	Vestal	Woodruff
Sears, Nebr.	Swoope	Vinson, Ga.	Wurzbach
Shreve	Tague	Ward, N. Y.	Wyant
Simmons	Taylor, Colo.	Ward, N. C.	Yates
Sites	Taylor, Tenn.	Wason	Young
Smithwick	Temple	Watres	Zihlman
Snell	Thomas, Ky.	Watson	
Snyder	Thomas, Okla.	Weller	

So the motion was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. McLaughlin of Nebraska with Mr. Howard of Oklahoma.
Mr. Paige with Mr. Jeffers.
Mr. Ransley with Mr. Logan.
Mr. Madden with Mr. McSwain.
Mr. Parker with Mr. Johnson of Kentucky.
Mr. Mapes with Mr. Mansfield.
Mr. Purnell with Mr. O'Connell of New York.
Mr. Magee of Pennsylvania with Mr. Jost.
Mr. Patterson with Mr. Mooney.
Mr. Reece with Mr. O'Brien.
Mr. Merritt with Mr. Kerr.
Mr. Perkins with Mr. Martin.
Mr. Newton of Missouri with Mr. O'Connor of New York.
Mr. Phillips with Mr. Kunz.
Mr. Michaelson with Mr. Mead.
Mr. Rogers of Massachusetts with Mr. Oldfield.
Mr. Scott with Mr. Lanham.
Mr. Mills with Mr. Milligan.
Mr. Shreve with Mr. O'Sullivan.
Mr. Morin with Mr. Lee of Georgia.
Mr. Snell with Mr. Montague.
Mr. Mudd with Mr. Lindsay.
Mr. Favrot with Mr. Dominick.
Mr. Dyer with Mr. Weller.
Mr. Gibson with Mr. Evans of Montana.
Mr. Fleetwood with Mr. Drane.
Mr. Graham of Pennsylvania with Mr. Hastings.
Mr. Hill of Maryland with Mr. Garrett of Tennessee.
Mr. Gilbert with Mr. Hull of Tennessee.
Mr. Frear with Mr. Drewry.
Mr. Kahn with Mr. Griffin.
Mr. Graham of Illinois with Mr. Fisher.
Mr. Free with Mr. Glatfelter.
Mr. Kendall with Mr. Driver.
Mr. Hoch with Mr. Gasque.
Mr. Lampert with Mr. Hawes.
Mr. Kiess with Mr. Fulbright.
Mr. Hudson with Mr. Hooker.
Mr. Lehlbach with Mr. Geran.
Mr. McFadden with Mr. Gallivan.
Mr. Little with Mr. Hayden.
Mr. MacGregor with Mr. Humphreys.
Mr. MacLafferty with Mr. Garrett of Texas.
Mr. Kurtz with Mr. Hudspeth.
Mr. Sears of Nebraska with Mr. Park of Georgia.
Mr. Taylor of Tennessee with Mr. Quayle.
Mr. Vare with Mr. Rogers of New Hampshire.
Mr. Stalker with Mr. Parks of Arkansas.
Mr. Ward of New York with Mr. Sabath.
Mr. Temple with Mr. Quin.
Mr. Williams of Illinois with Mr. Prall.
Mr. Stephens with Mr. Salmon.
Mr. Wason with Mr. Sites.
Mr. Winter with Mr. Rayburn.
Mr. Strong of Pennsylvania with Mr. Smithwick.
Mr. White of Maine with Mr. Tague.
Mr. Tilson with Mr. Williams of Texas.
Mr. Watres with Mr. Spearing.
Mr. Swoope with Mr. Ward of North Carolina.
Mr. Wood with Mr. Steagall.
Mr. Treadway with Mr. Vinson of Georgia.
Mr. Watson with Mr. Steadman.
Mr. Vestal with Mr. Wolff.
Mr. Welsh with Mr. Upshaw.
Mr. Wurzbach with Mr. Stengle.
Mr. Winslow with Mr. Tydings.
Mr. Cable with Mr. Bell.
Mr. Bacharach with Mr. Carew.
Mr. Aldrich with Mr. Byrnes of South Carolina.
Mr. Chindblom with Mr. Celler.
Mr. Dallinger with Mr. Black of Texas.
Mr. Andrew with Mr. Davey.
Mr. Connolly of Pennsylvania with Mr. Collins.
Mr. Bacon with Mr. Bowling.
Mr. Anthony with Mr. Connally of Texas.
Mr. Cramton with Mr. Black of New York.
Mr. Curry with Mr. Cook.
Mr. Begg with Mr. Browne of New Jersey.
Mr. Darrow with Mr. Crisp.
Mr. Burton with Mr. Bland.
Mr. Davis of Minnesota with Mr. Connery.
Mr. Bixler with Mr. Buckley.
Mr. Simmons with Mr. Cummings.
Mr. Fenn with Mr. Boylan.
Mr. Boles with Mr. Corning.
Mr. Gifford with Mr. Bulwinkle.
Mr. Fish with Mr. Dickstein.
Mr. Butler with Mr. Brand of Georgia.

Before the result was announced, the following occurred:

Mr. ASWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, I make the point of order that a parliamentary inquiry is out of order during a roll call.

Mr. ASWELL. The roll call is ended, as I understand it.

The SPEAKER pro tempore. The point of order is well taken until the summary is made and the result is announced.

The result of the vote was announced as above recorded.

Mr. SANDERS of Indiana. Mr. Speaker, I move to dispense with further proceedings under the call, and on that I demand tellers.

Mr. BLANTON. Mr. Speaker, I make the point of order that that motion of the gentleman from Indiana is out of order. You can not move to dispense with further proceedings under the call when the call develops the absence of a quorum.

Mr. SANDERS of Indiana. Oh, the gentleman is in error about that.

The SPEAKER pro tempore. Under the ruling just presented to the Chair the Chair finds that it is permissible to make that motion, and the point of order is overruled. The question is on the motion of the gentleman from Indiana to dispense with further proceedings under the call, and on that he demands tellers.

Tellers were ordered, and the Chair appointed Mr. SANDERS of Indiana and Mr. ASWELL to act as tellers.

Mr. ASWELL. Mr. Speaker, I am in favor of dispensing with further proceedings under the call, and I am not demanding a count.

The SPEAKER pro tempore. The Chair will then ask the gentleman from Kentucky [Mr. KINCHELOE] to act as teller.

Mr. SANDERS of Indiana and Mr. KINCHELOE took their places as tellers.

The committee divided; and there were—ayes 4, noes 73.

Mr. BLANTON. Mr. Speaker, I make the point of order that under the present situation, when the House has four different times found itself without a quorum and is still attempting to do business, there is just one of two things to do—we have either to get after the Members who are absent or adjourn, and that has been held by every Speaker who has sat in this House for 52 years.

The SPEAKER pro tempore. Under the rulings this is an incidental motion.

Mr. SHALLENBERGER. Mr. Speaker, I desire to read the construction of Rule XV:

The call of the House is ended by a motion "to dispense with further proceedings under the call," which may be agreed to by less than a quorum as well as by a quorum——

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. WINGO. Mr. Speaker——

Mr. LONGWORTH. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. The Chair overrules the point of order of the gentleman from Texas. The gentleman from Ohio demands the yeas and nays.

Mr. WINGO. Mr. Speaker, I rise to make a preferential motion. I move to send for the absent Members, it having developed there is no quorum.

Mr. SANDERS of Indiana. Mr. Speaker, I make the point of order that that is not in order. I make the point of order that the motion of the gentleman is not in order during a division.

Mr. LONGWORTH. Mr. Speaker, the division is not complete. I am asking to complete the division by calling for the yeas and nays.

Mr. WINGO. But I was demanding recognition at the time the gentleman made his motion and I was demanding recognition when the Chair recognized the gentleman from Nebraska.

Mr. HOWARD of Nebraska. Mr. Speaker, have I been recognized? [Laughter.]

The SPEAKER pro tempore. What is the point of order of the gentleman from Arkansas?

Mr. WINGO. Mr. Speaker, I demanded recognition for the purpose of making a privileged motion. I did that even before the gentleman from Ohio [Mr. LONGWORTH] demanded the yeas and nays, and my motion is plainly a privileged motion. The House has found itself without a quorum and we have exhausted every parliamentary expediency to get Members here except to send for the absent Members. There is no excuse for this House acting like children. We have important business. Why not bring the absentees in?

Mr. HOWARD of Nebraska. Why do not you tell them that the administration does not want any agricultural legislation?

Mr. SANDERS of Indiana. Mr. Speaker, the motion which the gentleman from Arkansas desires to make is a preferential motion as against the motion that was made to dispense with further proceedings under the call, but the motion was made to dispense with further proceedings under the call and the gentleman was not demanding recognition for the purpose of making the motion at that time. That motion having been made, and tellers having been demanded and ordered, the House having divided, and the yeas and nays being demanded, the gentleman from Arkansas can not now interrupt a division, and the vote on the motion to dispense with further proceedings under the call by saying that he has a preferential motion, even though it would have been preferential had he offered it at the same time that the motion to dispense was made.

Mr. WINGO. Oh, Mr. Speaker, my very point of order is that the Chair failed to recognize me when I was demanding recognition for something which was preferential over that of the motion of the gentleman who was recognized.

Mr. SANDERS of Indiana. That is after the motion was made.

Mr. WINGO. Oh, no; it was before the motion was made.

Mr. LAZARO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The Chair would like to inquire of the gentleman from Ohio if he still insists on the yeas and nays?

Mr. LONGWORTH. I ask for the yeas and nays in order to complete the division.

The SPEAKER pro tempore. The Chair overrules the point of order of the gentleman from Arkansas and sustains the point of order of the gentleman from Indiana. All those in favor of taking this vote by the yeas and nays will rise and stand until counted. Evidently a sufficient number, and the yeas and nays are ordered.

The question was taken; and there were—yeas 7, nays 181, not voting 245, as follows:

YEAS—7

Fulmer	Lowrey	Newton, Minn.	Wefald
Holaday	McSwain	Sanders, Ind.	

NAYS—181

Abernethy	Dowell	Lea, Calif.	Sanders, Tex.
Ackerman	Doyle	Leavitt	Sandlin
Allen	Eagan	Logan	Schall
Allgood	Elliott	Longworth	Schneider
Almon	Evans, Iowa	Lozier	Sears, Fla.
Arnold	Faust	Luce	Seger
Aswell	Fitzgerald	McClintic	Shallenberger
Ayres	Foster	McDuffie	Sherwood
Barbour	French	McKeown	Sinclair
Barkley	Funk	McLaughlin, Mich.	Sinnott
Beck	Garber	McLeod	Smith
Beers	Gardner, Ind.	McNulty	Speaks
Blanton	Garner, Tex.	McReynolds	Summers, Wash.
Bloom	Gilbert	McSweeney	Sumners, Tex.
Box	Green, Iowa	Major, Ill.	Swank
Boyce	Greenwood	Major, Mo.	Sweet
Brand, Ohio	Hadley	Manlove	Swing
Browning	Hammer	Mebener	Taber
Buchanan	Hardy	Miller, Wash.	Taylor, Tenn.
Bulwinkle	Harrison	Minahan	Taylor, W. Va.
Burtness	Hastings	Moore, Ga.	Thatcher
Busby	Haugen	Moore, Ohio	Thompson
Byrns, Tenn.	Hersey	Moore, Va.	Timberlake
Canfield	Hickey	Morehead	Treadway
Cannon	Hill, Ala.	Morgan	Underwood
Carter	Hill, Wash.	Morris	Valle
Casey	Howard, Nebr.	Morrow	Vestal
Christopherson	Hudson	Nelson, Me.	Vincent, Mich.
Clague	Hull, Iowa	O'Connell, R. I.	Vinson, Ky.
Clancy	Hull, Morton D.	O'Connor, La.	Volgt
Clarke, N. Y.	Jacobstein	Oliver, Ala.	Wainwright
Cleary	Johnson, Tex.	Peery	Watkins
Cole, Iowa	Johnson, Wash.	Pou	Watres
Cole, Ohio	Johnson, W. Va.	Ragon	Weaver
Collier	Jones	Raker	Wertz
Colton	Kent	Ramseyer	White, Kans.
Croll	Ketcham	Rankin	Wilson, Ind.
Crosser	Kincheloe	Reed, Ark.	Wilson, La.
Cullen	Kindred	Reed, N. Y.	Wingo
Dallinger	King	Reid, Ill.	Woodruff
Davis, Tenn.	Knutson	Roach	Woodrum
Deal	Kopp	Robinson, Iowa	Wright
Denison	Kvale	Robsion, Ky.	Young
Dickinson, Iowa	Lankford	Romjue	
Dickinson, Mo.	Larsen, Ga.	Rouse	
Doughton	Lazaro	Rubey	

NOT VOTING—245

Aldrich	Bland	Byrnes, S. C.	Corning
Anderson	Boles	Cable	Cramton
Andrew	Bowling	Campbell	Crisp
Anthony	Boylan	Carew	Crowther
Bacharach	Brand, Ga.	Celler	Cummings
Bacon	Briggs	Chindblom	Curry
Bankhead	Britten	Clark, Fla.	Darrow
Beedy	Browne, N. J.	Collins	Davey
Begg	Browne, Wis.	Connally, Tex.	Davis, Minn.
Bell	Brumm	Connery	Dempsey
Berger	Buckley	Connolly, Pa.	Dickstein
Bixler	Burdick	Cook	Dominick
Black, N. Y.	Burton	Cooper, Ohio	Drane
Black, Tex.	Butler	Cooper, Wis.	Drewry
Driver	Jest	Nelson, Wis.	Stalker
Dyer	Kahn	Newton, Mo.	Steagall
Edmonds	Kearns	Nolan	Stedman
Evans, Mont.	Keller	O'Brien	Stengle
Fairchild	Kelly	O'Connell, N. Y.	Stephens
Fairfield	Kendall	O'Connor, N. Y.	Stevenson
Favrot	Kerr	O'Sullivan	Strong, Kans.
Fenn	Kless	Oldfield	Strong, Pa.
Fish	Kunz	Oliver, N. Y.	Sullivan
Fisher	Kurtz	Paige	Swoope
Fleetwood	LaGuardia	Park, Ga.	Tague
Frear	Lampert	Parker	Taylor, Colo.
Fredericks	Langley	Parks, Ark.	Temple
Free	Lanham	Patterson	Thomas, Ky.
Freeman	Larson, Minn.	Peavey	Thomas, Okla.
Frothingham	Leatherwood	Perkins	Tillman
Fulbright	Lee, Ga.	Perlman	Tilson
Fuller	Lehlback	Phillips	Tincher
Gallivan	Lilly	Porter	Tinkham
Garrett, Tenn.	Lindsay	Prall	Tucker
Garrett, Tex.	Lineberger	Purnell	Tydings
Gasque	Linthicum	Quayle	Underhill
Gerau	Little	Quin	Upshaw
Gibson	Lyon	Rainey	Vare
Gifford	McFadden	Ransley	Vinson, Ga.
Glatfelter	McKenzie	Rathbone	Ward, N. Y.
Goldsborough	McLaughlin, Nebr.	Rayburn	Ward, N. C.
Graham, Ill.	MacGregor	Reece	Wason
Graham, Pa.	MacLafferty	Reed, W. Va.	Watson
Greene, Mass.	Madden	Richards	Weller
Grlest	Magee, N. Y.	Rogers, Mass.	Welsh
Griffin	Magee, Pa.	Rogers, N. H.	White, Me.
Hawes	Mansfield	Rosenbloom	Williams, Ill.
Hawley	Mapes	Sabath	Williams, Mich.
Hayden	Martin	Salmon	Williams, Tex.
Hill, Md.	Mead	Sanders, N. Y.	Williamson
Hoch	Merritt	Schafer	Wilson, Miss.
Hooker	Michaelson	Scott	Winslow
Howard, Okla.	Miller, Ill.	Sears, Nebr.	Winter
Huddleston	Milligan	Shreve	Wolff
Hudspeth	Mills	Simmons	Wood
Hull, William E.	Montague	Sites	Wurzbach
Hull, Tenn.	Mooney	Smithwick	Wyant
Humphreys	Moore, Ill.	Snell	Yates
James	Moores, Ind.	Snyder	Zihlman
Jeffers	Morin	Spearing	
Johnson, Ky.	Mudd	Sproul, Ill.	
Johnson, S. Dak.	Murphy	Sproul, Kans.	

The SPEAKER pro tempore. On this vote the yeas are 7 and the nays are 181, and the House refuses to dispense with further proceedings under the call.

Mr. LONGWORTH. Mr. Speaker, I move that the Sergeant at Arms be directed to notify and to send for and arrest absent Members in order to secure and retain their attendance, and that for that purpose the Speaker pro tempore issue his warrants, and that absent Members be arrested wherever they may be found by the officers appointed by the Sergeant at Arms for that purpose. [Applause.]

The SPEAKER pro tempore. The gentleman from Ohio moves that the absentees be arrested and that the Speaker pro tempore issue his warrants for the same, and that the Sergeant at Arms bring them to the Chamber.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. I think before proceedings should go any further the Chair should rule on the question. I think by now the Chair has discovered that he was in error in his ruling, so as not to appear as a precedent that the Chair——

The SPEAKER pro tempore. As soon as the motion is put.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. Now, if the House will listen for a moment, the Chair would like to make a statement in reference to his former ruling. The ruling to which reference was made a short time ago is to be found in Hinds' Precedents, volume 4, paragraph 3038, and is as follows:

On September 10, 1890, during a call of the House, a motion was made that the House adjourn. On this question there were 50 yeas and 92 nays. The Chair announced that there were 172 Members present, a quorum.

Then, a motion being made by Mr. Nils P. Haugen, of Wisconsin, that all further proceedings under the call be dispensed with, there were 122 yeas, 15 nays, and 188 not voting.

Mr. Charles T. O'Ferrall, of Virginia, made the point of order that no quorum was present.

The Speaker pro tempore overruled the point of order on the ground that the former proceedings had disclosed the presence of 172 Members—more than a quorum—and that a motion to dispense with all further proceedings under a call did not require a quorum for its adoption.

The distinction is that in this case the previous roll call developed there was no quorum. In the other case it developed that there was a quorum. Therefore, the Chair was in error on the point of order made by the gentleman from Arkansas.

Mr. WINGO. I think the Chair should also state this, that a motion to dispense with further proceedings under the call is never in order until a quorum is developed.

The SPEAKER pro tempore. That is the Chair's understanding.

Mr. BLANTON. The apology of the Chair is accepted. [Laughter.]

Mr. WINGO. Mr. Speaker, I make the further point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. My point of order is that the Speaker has heretofore ordered the Doorkeeper to close the doors. An order to arrest has been issued, but the doors have not actually been closed, and I fear this Republican filibuster may induce some of our brethren to escape if the doors are not closed again.

Mr. SANDERS of Indiana. Mr. Speaker, Members coming in have a right to report as they come in?

The SPEAKER pro tempore. That is the Chair's understanding.

During the foregoing roll call the following occurred:

Mr. HOWARD of Nebraska. Mr. Speaker, I am not largely versed in these parliamentary matters, and I would not ask a question facetiously or to interrupt the proceedings, but on behalf of several Members I would like to ask if the official roll call discloses the presence of one TINCHER, of Kansas? [Laughter.]

The SPEAKER pro tempore. In reply the Chair would state that the Chair has no information beyond what the roll call shows.

Mr. WINGO. A parliamentary inquiry, Mr. Speaker. A point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WINGO. The Sergeant of Arms has not yet reported the names of the persons who have been arrested and brought in. Now, the rule is very clear, and——

The SPEAKER pro tempore. The Sergeant at Arms has not returned anything.

Mr. LOWREY. Mr. Speaker, another point of order, please. The Constitution of the United States forbids the infliction of "cruel and unusual punishments." I think it is unconstitutional to require the gentleman from Kansas to come here under arrest and listen to that singing in the hall. [Laughter.]

Mr. WINGO. Mr. Speaker, I insist on the point of order. We should proceed in an orderly way. The precedents are very clear. The arrested Members are arraigned at the bar of the House and sometimes fined.

At the conclusion of the roll call.

The SPEAKER pro tempore. Two hundred and nineteen Members have answered to their names, a quorum.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

Mr. WINGO. Mr. Speaker, I make the point of order against that. The precedents and practice of the House are very clear. Those Members who appear voluntarily may be reported to the Clerk, but a Member who has been arrested by the Sergeant at Arms and brought in must be arraigned at the bar of the House. The House has to dispense with and dispose of that proceeding. The proper proceeding is for the Sergeant at Arms to make a return.

The SPEAKER pro tempore. The Chair has not been informed that any arrests have been made under the warrants.

Mr. WINGO. But the House is informed that Members have been brought in by the Sergeant at Arms. Before dispensing with further proceedings it is in order——

Mr. HILL of Maryland. Mr. Speaker, I was not arrested. I came voluntarily. [Applause.]

Mr. BLANTON. Mr. Speaker, a point of order. I make the point of order that the Speaker of the House having issued his warrants of arrest, the presumption is that the Sergeant at Arms has done his duty.

The SPEAKER pro tempore. The presumption is not well taken. The point of order is overruled.

Mr. WINGO. Mr. Speaker, while the House may, and in most cases does, dispose of the whole thing by dispensing with further proceedings under the call, I insist that the proper procedure is to vacate the order of arrest and release the arrested Members.

Here we have a great measure for the relief of the American farmer, and the House insisted on night sessions, and it is now 10 minutes after 10 o'clock before we could get a quorum for that night session. If we maintain a quorum during the remaining nights of this session, we have got to discipline the offending Members. I insist that the Sergeant at Arms make his return and that the offending Members be arraigned at the bar of the House.

The SPEAKER pro tempore. The point of order is overruled. The gentleman from Ohio [Mr. LONGWORTH] moves to dispense with further proceedings under the call.

Mr. WINGO. Mr. Speaker, I appeal from the decision of the Chair. Plainly, we have a right to follow the order of arrest.

The SPEAKER pro tempore. We will hear the gentleman from Ohio.

Mr. WINGO. I insist that the Chair can not entertain a point of order against an appeal from the decision of the Chair.

The SPEAKER pro tempore. It is not debatable now.

Mr. HOWARD of Nebraska. Oh, no; everything stops. [Laughter.]

The SPEAKER pro tempore. The Chair will hear from the gentleman from Ohio [Mr. LONGWORTH].

Mr. LINTHICUM. Mr. Speaker, I move that the House adjourn.

Mr. LONGWORTH. Mr. Speaker, the gentleman who has just moved to adjourn is responsible for all this delay.

Mr. WINGO. Mr. Speaker, I make a point of order and insist on its being considered.

The SPEAKER pro tempore. The Chair has already overruled the point of order.

Mr. RAMSEYER. Mr. Speaker, I make the point of order that the motion is dilatory.

Mr. WINGO. It is not competent for the gentleman to make a motion under the present status that he occupies before this House. The record shows that the gentleman from Maryland was not present. He was brought in only a moment ago.

The SPEAKER pro tempore. The question is on the motion to adjourn. All those in favor of adjourning will signify their assent by saying "aye"; those opposed, "no."

The question was taken, and the Speaker pro tempore announced that the noes had it.

Mr. WINGO. Mr. Speaker, I insist on my appeal from the decision of the Chair. It is unheard of.

The SPEAKER pro tempore. I withdraw the decision on the point of order until I can hear from the gentleman from Ohio.

Mr. WINGO. Oh, you do?

The SPEAKER pro tempore. The gentleman from Ohio is recognized.

Mr. LONGWORTH. Mr. Speaker, I call attention to paragraph 753 of the Manual. The Manual, in relation to the arrest of absent Members, says——

Mr. SHALLENBERGER. Mr. Speaker, I would like to be heard on the point of order.

The SPEAKER pro tempore. The gentleman from Ohio is recognized at the present time.

Mr. SHALLENBERGER. I can get through while the gentleman is looking through the book he has in his hands. The rule is very plain.

The SPEAKER pro tempore. The gentleman from Ohio is ready to resume.

Mr. SHALLENBERGER. All right.

Mr. LONGWORTH. I call the attention of the Chair to this paragraph, near the bottom of page 330 of the Manual:

The call of the House is ended by a motion "to dispense with further proceedings under the call," which may be agreed to by less than a quorum as well as by a quorum, and when so agreed to ends all proceedings of the call.

This motion is plainly in order, and permits the House to proceed with its business, which has been interrupted by gentlemen upon the other side of the House.

Mr. MOORE of Virginia. The gentleman himself was not present early in the evening.

Mr. LONGWORTH. Further, Mr. Speaker, I call the Speaker's attention to paragraph 3089 in Hinds' Precedents, Volume IV, page 130:

The motion to dispense with proceedings under a call is in order, although Members under arrest may not have had opportunity to make excuses.

That is plainly in point, Mr. Speaker, to the present situation.

On April 29, 1892, during proceedings under a call of the House, Mr. William W. Bowers, of California, presented his excuse for failure to attend part of the session of the previous day.

Mr. Richard P. Bland, of Missouri, moved that Mr. Bowers be excused, which motion was agreed to, 128 yeas to 53 nays. Then Mr. Charles J. Boatner, of Louisville, submitted the following resolution:

"Resolved, That all further proceedings against Members for non-attendance at the sessions of the House on yesterday are hereby dispensed with."

Mr. Bland made the point of order that each Member who is included in the warrant of the Sergeant at Arms and is under arrest has a right to give his excuse for his absence and to make such explanation as he thinks proper, and that the resolution submitted by Mr. Boatner was therefore not in order.

Black, N. Y. Burton Cooper, Ohio Drane
Black, Tex. Butler Cooper, Wis. Drewry

is never in order until a quorum is developed.

The Speaker overruled the point of order and decided that the resolution was in order.

I again call the attention of the Chair to section 3039:

The motion to dispense with proceedings under a call is in order, although Members under arrest may not have had opportunity to make excuses.

Which is precisely the case which is now before us. I insist, Mr. Speaker, on my motion. Gentlemen upon that side of the House have been delaying the passage of a bill for the relief of agriculture, and I insist that these gentlemen have been responsible for whatever delay there has been.

Mr. MOORE of Virginia. Mr. Speaker, I make the point of order that the gentleman is not speaking to his motion.

Mr. LONGWORTH. I have said all I wanted to say.

Mr. WINGO. Mr. Speaker, the gentleman from Ohio reads a decision and he relies solely upon the proposition that the motion is in order, notwithstanding the fact that the arrested Members have not been permitted to give their excuses. That is a different proposition from the rights of the House, and the rule is clear. Rule XV, paragraph 2, provides:

In the absence of a quorum, 15 Members, including the Speaker, if there is one, shall be authorized to compel the attendance of absent Members, and in all calls of the House the doors shall be closed, the names of the Members shall be called by the Clerk, and the absentees noted; and those for whom no sufficient excuse is made may, by order of a majority of those present, be sent for and arrested, wherever they may be found.

Now, the gentleman from Ohio was absent in the early part of the evening, but he got in early enough to make the motion after I had first made it and he found that he could not prevent it by dilatory tactics.

Mr. LONGWORTH. I am responsible for it and not the gentleman from Arkansas.

Mr. WINGO. The record shows the contrary. The rule further provides:

By officers to be appointed by the Sergeant at Arms for that purpose, and their attendance secured and retained; and the House shall determine upon what condition they shall be discharged. Members who voluntarily appear shall, unless the House otherwise direct, be immediately admitted to the Hall of the House, and they shall report their names to the Clerk to be entered upon the Journal as present.

The Members, if we insist upon the strict rule which is being followed here to-night, are not permitted to report their names to the Clerk unless the House permits it. We have acquiesced in their coming in, but we have issued, upon a proper motion, a warrant of arrest to the Sergeant at Arms. The presumption is that he has arrested and brought in Members, but we can not tell until he makes a return upon his warrant whether he has, and whenever that proceeding has been established I shall insist, and do insist, that the return of the Sergeant at Arms should be made and that we should dispose of the motion as to who are in contempt of the House and decide what punishment, if any, we shall administer to them.

Now, Mr. Speaker, how can I make a motion for punishment until I know who the absent Members are that have been arrested and brought in, and how can I tell about the punishment to be administered except upon the final return of the Sergeant at Arms?

All this talk about delay is mere bunk by the gentleman from Ohio. His party either is incompetent or can not or will not keep a quorum here, and we have had to send out and arrest them, very few Republicans being present. [Applause.]

Mr. BARKLEY. Will the gentleman yield?

Mr. WINGO. I yield to the gentleman.

Mr. SANDERS of Indiana. Mr. Speaker——

Mr. BARKLEY. The gentleman from Arkansas has yielded for a question. If the motion of the gentleman from Ohio to dispense with further proceedings under the call is adopted, will that discharge the Republican leader from the custody of the Sergeant at Arms?

Mr. WINGO. I want to be fair. The Republican leader, Mr. LONGWORTH, came in just before the order of arrest was issued.

Mr. LONGWORTH. I made the motion myself.

Mr. WINGO. Yes; I made a motion, and the gentleman tried to head it off by a dilatory motion which the Speaker has admitted was not in order, though the Republican leader wasted time by forcing a roll call.

Mr. LONGWORTH. And that was before the gentleman from Kentucky [Mr. BARKLEY] was present.

Mr. WINGO. I first made the motion, and then to save his face the gentleman from Ohio, seeing he could not prevent it, made the motion to bring in the absentees.

Mr. HILL of Maryland. Mr. Speaker, a parliamentary inquiry.

Mr. SANDERS of Indiana. Mr. Speaker, I want to make this suggestion with reference to the argument made by my friend from Arkansas. He suggests that the House having ordered the arrest of Members must proceed with it until arrest is disposed of, and that when a quorum appears a motion can not be made to dispense with further proceedings under the call. The motion made by the gentleman from Ohio is a motion to dispense with all of these proceedings. A quorum is present, and if the House desires to dispense with the proceedings and proceed with this important agricultural bill, it has the right to do that and does not have to spend two or three hours doing something else in a technical way.

Mr. WINGO. Will the gentleman yield for a question?

Mr. SANDERS of Indiana. Not just now.

Mr. ABERNETHY. How do you know a quorum is present?

Mr. SANDERS of Indiana. A quorum has developed on the roll call.

Mr. ABERNETHY. Let us ascertain and see if one is here.

Mr. HOWARD of Nebraska. He is a mind reader.

Mr. SANDERS of Indiana. The motion offered by the gentleman from Ohio gives the House complete freedom of action. The House has a right on that motion to dispense with further proceedings and immediately go on with the consideration of this agricultural bill; or if the House wants to follow the motion of the gentleman from Arkansas and spend two or three hours on some dilatory tactics, it can vote down the motion of the gentleman from Ohio; but I say that under the rules of the House, which are supposed to furnish liberty of action by the House, the House has the right now at once to dispense with any further proceedings and go right ahead with the agricultural bill.

Mr. WINGO. Will the gentleman yield for a question?

Mr. LONGWORTH. Mr. Speaker, one further suggestion——

Mr. WINGO. Will the gentleman from Indiana yield for a question before he yields the floor?

Mr. LONGWORTH. Mr. Speaker, there is no evidence whatever that any of the gentlemen who have arrived here in sufficient numbers to make a quorum have been arrested. We desire on this side of the House, at least, to proceed with the business of the House. We can proceed if my motion is carried, and I insist upon my motion.

Mr. ASWELL. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER pro tempore. The gentleman from Louisiana asks unanimous consent to proceed for one minute. Is there objection?

Mr. DOWELL. I object, Mr. Speaker.

Mr. ASWELL. Mr. Speaker, I would like to be heard then on the point of order.

Mr. WINGO. May I state to the Speaker that I have assurances from the Republican leaders who have at last arrived that they want to go on and consider the bill and stop their filibuster, and with that assurance I withdraw my point of order.

Mr. DOWELL. I think the gentleman had better proceed with this bill.

Mr. WINGO. I am glad to see my friend is now here.

The SPEAKER pro tempore. The gentleman from Ohio has moved to dispense with further proceedings under the call.

Mr. ASWELL. Mr. Speaker, I renew my request to proceed for one minute.

Mr. DOWELL. Mr. Speaker, I object.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Ohio to dispense with further proceedings under the call.

The motion was agreed to.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The Clerk read the title of the bill.

Mr. VOIGT and Mr. ASWELL rose.

The CHAIRMAN. The gentleman from Wisconsin [Mr. VOIGT] is entitled to recognition. For what purpose does the gentleman from Louisiana rise?

Mr. ASWELL. I rise to yield myself three minutes of my time.

Mr. DOWELL. Mr. Chairman, I did not understand the gentleman from Louisiana.

Mr. ASWELL. I am in control of one-fourth of the time, and I yield myself three minutes.

The CHAIRMAN. Is the gentleman for or opposed to the bill?

Mr. ASWELL. I am opposed to it, but I want to make a statement about this foolish, silly performance to-night brought about in this House by Members on the Republican side.

The CHAIRMAN. The gentleman from Louisiana is recognized for three minutes, and under the rule must confine himself to the bill.

Mr. WATKINS. Mr. Chairman, a parliamentary inquiry.

Mr. ASWELL. Am I recognized, Mr. Chairman?

The CHAIRMAN. Does the gentleman from Louisiana yield for a parliamentary inquiry?

Mr. ASWELL. No; I want to make a statement of three minutes.

The CHAIRMAN. The gentleman from Louisiana is recognized for debate on the bill.

Mr. ASWELL. For more than two hours I have appealed to the Speaker of the House——

Mr. DOWELL. I object to the gentleman stating——

Mr. BLANTON. He is speaking within his rights.

Mr. ASWELL. Mr. Chairman, I decline to yield to the gentleman for any question.

For more than two hours I have repeatedly appealed to the Speaker for recognition to make the earnest appeal I now want to make, to proceed with the business of this House, which is the discussion of this bill. I tried several times to get recognition to make that request.

The next speaker in this debate, the gentleman from Wisconsin [Mr. VOIGT], knows more about this bill than the father of the bill, or both of the two stepfathers of the bill, that are on the program. [Applause.]

Mr. Chairman, I insist that in spite of the fact that the Republican leader on that side insisted and forced the roll call and delayed this procedure for nearly an hour and filibustered in every way he could—I insist, Mr. Chairman, that the committee proceed now to hear from a man who knows the inside and the outside of this bill, the gentleman from Wisconsin [Mr. VOIGT]. [Applause.]

Mr. VOIGT was recognized.

Mr. WATKINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Oregon to make a parliamentary inquiry?

Mr. VOIGT. I do.

Mr. WATKINS. It is now 25 minutes past 10; does the rule fix 11 o'clock as the time for adjournment?

The CHAIRMAN. It does not.

Mr. VOIGT. Mr. Chairman and gentlemen of the committee, I do not believe that I can live up to the powerful recommendation given me by the gentleman from Louisiana [Mr. ASWELL], but I shall do the best I can to explain the fundamental features of the bill. I shall not take the time to recite to the committee the distress that exists in certain lines of the farming industry. Every member of the committee, and I believe every Member of this House, is satisfied that there is distress in certain lines of agriculture in the United States; and I am sure that every Member of this House wishes to relieve that distress by some fairly workable and reasonably sound measure from an economic standpoint.

I can not support this measure. [Applause.] My record in this House warrants me in stating that I am a genuine friend of the farmer. If I thought there was a reasonable probability of having this measure work out, I should vote for it.

Now, I want to discuss as briefly as I may some of the salient features of this bill, and then I want to take the time to apply the principles of the bill to the commodities mentioned in it and show to the committee why this bill can not do what its friends claim it will do.

First of all let me say that this is a price-fixing measure. I should not condemn this bill because it is a price-fixing measure if I thought that the bill was otherwise workable. The friends of the bill and the worthy chairman of the committee deny that this is a price-fixing measure. Let us see about that. There are three factors which determine prices under this bill, two of which are absolutely fixed. This bill takes the 10-year average of all commodities from 1905 to 1914 and calls that 100. Now, that is an absolutely fixed figure which the directors of the proposed corporation can not change. It fixes another factor, and that is the average price of the respective farm commodities that are mentioned in the bill respecting which it is proposed to declare an emergency. That is another 10-year average figure. So you have two absolutely fixed figures. The third factor is the so-called index number published by the Department of Labor. We all know that that factor fluctuates very little. It is composed of the average price of 400 and more commodities, and that figure is commonly known as the index number. That index number does not vary more than 1 or 2 per cent a month. So you have two absolutely determining factors and you have one practically nonfluctuating factor. From these three factors you determine the fourth factor by a process of arithmetic. How can anybody say that is not price-fixing? Let me read what the majority report says about that:

Thus the whole matter resolves itself into a few simple arithmetical elements.

As I say, I should vote for the bill although it is a price-fixing measure if I thought it would do the farmer any good. But I can not conceive of a greater calamity that might fall upon the farmers of this country than is contained in the provisions of this bill—to put him up anywhere from 20 to 50 per cent and then drop him into a hole.

Mr. KETCHAM. Where is he now? [Laughter.]

Mr. VOIGT. He is not as bad off now as he will be if you put him up 50 per cent and then drop him. If this bill works at all you might put the farmer up on stilts for 30 days and then give him lower prices than he has now. This would disorganize the farming industry in such a way that the distress you have now will not be a fraction of what it will be then. If you embark on this scheme, as the Secretary of Agriculture told the committee, you will have to renew it—that is, providing it works. Therefore there is nothing in the contention that this is emergency legislation. You can not put prices up artificially and then withdraw your prop without causing the greatest panic this country has ever seen. You will be like the issuers of marks and francs, and your day of reckoning must come.

Of course, this bill is open to all of the objections which may be raised against a price-fixing measure. Price fixing is uneconomic. This bill says that under it the price of live hogs shall be, say, $11 a hundred. It is just as logical to say that it shall be $10 or $12. This bill provides that the price of hogs shall be determined by the price of 400 other commodities that have no relation to hogs; but they say that you take the 400 commodities and average them, and by what that gives you you establish the price of hogs, and similarly you establish the price of corn and of cattle.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. SUMMERS of Washington. If the bill passes, what would the price of hogs be in August of this year?

Mr. VOIGT. August of 1924?

Mr. SUMMERS of Washington. Yes.

Mr. VOIGT. It would depend upon the index number of that time.

Mr. SUMMERS of Washington. I thought it was fixed.

Mr. VOIGT. It is fixed by that index number.

Mr. SUMMERS of Washington. Would it be the same in October as in August?

Mr. VOIGT. There would be a very slight fluctuation. The point I make is this: You can not claim that this is not a price-fixing measure simply because the price of hogs may in three months' time fluctuate 20 cents a hundred. The majority report says that if the bill had been in force for the last four months the price of hogs would have fluctuated something like 23 cents per hundred pounds. As I said, the price fluctuates with the fluctuation of the index number, but your other two factors are absolutely nonfluctuating, so that you have a fixed and determined price which any office boy can figure out, except that it may vary as the average price of four hundred and some odd commodities varies. That fluctuation is so small as not to be taken into account.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. TINCHER. Does the gentleman not think that the farmer ought to have the ratio price for his products?

Mr. VOIGT. I say to you that I should be very glad to vote for any measure that I think would work out so as to give him that price.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. I must decline to yield now any further. After I get through making my statement I shall be glad to answer any questions. The friends of the measure ought to come before this House and say that it is a price-fixing measure.

You can not say that the price of hogs or the price of corn ought to be determined by the price of some other commodity.

That is just as logical as if you said that the price of a suit of underwear should be the equivalent of the price of two hats. That is just as scientific as the plan adopted in this bill. All of you gentlemen who have received any literature or propaganda regarding this bill have seen the working of the bill illustrated on wheat only. I have never seen anybody argue for this bill but illustrated the working of the bill on wheat. The chairman of the committee in his talk here this afternoon did not go any further than to illustrate the operation of the bill on wheat.

Mr. HAUGEN. Oh, I beg the gentleman's pardon, but I referred to hogs.

Mr. VOIGT. Yes; the gentleman referred to hogs, but I did not understand him to show how this bill worked out on hogs, and I am going to do that. The bill provides that the price of hogs shall be $11, and to satisfy some of my friends who say this is not a price-fixing measure I shall say that if the bill had been in operation there would have been a fluctuation in the past four months on account of the variation in the index number of about 23 cents on 100 pounds of hog, as I recall the figures. This bill provides that this export corporation which is created by the bill shall publish this price. The corporation has nothing to say about that price. This price is determined by the bill itself. When the corporation finds that the facts which call for the declaration of an emergency exist it certifies those facts to the President, and the bill provides that the President shall declare the emergency. It does not provide that he may, but it provides that he shall declare the emergency. So, then, if this bill is enacted into law, the directors of this corporation have no discretion whatever. They could not decline to declare the emergency because all the facts are present which authorize the declaration of the emergency. So, then, when you pass this bill in effect you are putting a price of 11 cents per hundred on hogs when the present market price is somewhere around 7 cents. It was down to 6½, I believe, last fall.

Let us see what that is going to do. According to the figures furnished by the Agricultural Department, we slaughtered in the United States, in 1923, 81,500,000 hogs, and in 1922 we slaughtered something like 67,000,000 hogs. In other words, in one year's time, from 1922 to 1923, we increased the slaughter of hogs in this country by 14,500,000, or about 20 per cent. If on a 7-cent market you increase the slaughter of hogs in one year 14,500,000 and you raise the price from 7 cents to 11 cents, what is going to be the production of hogs in the United States during the next year or two?

Mr. BURTNESS. Will the gentleman yield?

Mr. VOIGT. I shall yield later on. I have a small farm; and if this thing takes effect, and I see it is going to work out, and I find I was mistaken, I shall certainly raise about four times the number of hogs I raise on that farm now, and so would every other farm proprietor in this country. Now, you will not only raise 14,000,000 extra hogs when you raise the price 00 per cent, but probably raise thirty or forty million extra hogs. Now, what will take place when you do that? Your equalization fee, or tax, which is prescribed in the bill to meet the loss on the export, is going to be so high as to wipe out any profit to the farmer. Every extra hog you raise that goes for export, of course, increases the loss, and the loss has to be laid on somebody at home; and the more you export, the more you increase the production, the more the loss is going to be to the American farmer and consumer. To my mind this is just a Utopian dream on the part of some gentlemen advocating this bill. Now let us go into the operation of this bill on hogs.

This bill does not permit the corporation that is proposed to be created here to buy or build a slaughtering plant. When the emergency is declared, when hogs are selling under this bill at 11 cents a pound, live weight, the corporation is commanded by the terms of the bill to buy all hogs that are offered in the United States at that price. Just think of it, friends! How could any corporation carry out such a command as that? This corporation by law is commanded to buy all hogs offered at $11 per hundred in the principal markets in the United States, the difference in freight being allowed for.

Mr. VESTAL. Will the gentleman yield?

Mr. VOIGT. For a short question.

Mr. VESTAL. As I understand the gentleman's argument, this bill would prevent the making of any contract for the purchasing of hogs? There could be no individual contract to buy any number of hogs, but they would have to pay this certain price?

Mr. VOIGT. The bill says that when the emergency is declared the price is fixed by operation of law, and this corporation must buy all hogs that are offered at that price. Now, of course, that means that all hogs that are not needed for domestic consumption are going to be sold to this corporation. Anyone may sell privately, of course, but what this corporation will get is the exportable surplus, because, if the world buys hogs at, say, $7 a hundred no one is going to buy hogs at $11 a hundred for export. Consequently nobody will buy hogs for slaughtering in this country unless he knows he can get rid of the hog product in this country on an $11 basis. The surplus we are going to raise, the millions of hogs that will be raised by reason of this inducement of 60 per cent increase in the price, of course, have got to be exported, not in the live form but as hog products.

These hogs which will go for export will be forced upon the corporation, and it must maintain buyers in every hog market in the United States to stand ready every hour in the day to take these hogs at $11 per hundred, and the moment the corporation ceases to do that, then your scheme collapses. This corporation has no power under the bill to build a slaughtering plant. Now let us see what will happen. In the Chicago stockyards last year, 1923, there arrived over 10,000,000 hogs. There arrived in the Chicago stockyards in 1923 over 18,000,000 food animals—hogs, calves, sheep, and cattle.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. VOIGT. I will.

Mr. LARSEN of Georgia. Do those hogs bring the same price regardless of grade?

Mr. VOIGT. No; the hogs that would be below the standard grade would be somewhat cheaper, and vice versa. This would be the average run of hogs, I take it.

Mr. REECE. Will the gentleman yield?

Mr. VOIGT. For a short question.

Mr. REECE. What would be the effect of a situation like this: Suppose the packers and livestock dealers should in May contract for hogs at a certain price to be delivered in November and in the meantime an emergency was declared to exist and the price should be fixed by the Government?

Mr. MOORE of Virginia. Will the gentleman allow a suggestion?

Mr. VOIGT. Just allow me to answer this question. This bill exempts existing contracts, but if the price should be raised by operation of law after that contract was made, of course the court would declare the contract void because a law had intervened and injected a new element into the contract.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. MOORE of Virginia. I suggest to the gentleman that he say to the House that he does not yield to anybody, but proceed with his speech.

Mr. VOIGT. I thank the gentleman.

Now, let us see what will happen here. This corporation can not build a packing plant or a slaughterhouse. It is barred from that by the terms of the bill. The stockyards in Chicago—there are many other stockyards in the country, but those are the largest stockyards—are owned by the five big packers in Chicago. On one day last year 86,000 hogs arrived there. Over 100,000 food animals arrived in the Chicago yards in one day in July, 1923. This corporation, under the bill, can not even rent a packing plant, unless it first determines that it can not get facilities at reasonable rates. It can not commandeer a packing plant, nor has it the power of eminent domain.

What will be the consequence? Suppose a day arrives when there are 86,000 hogs in the yards. This corporation must have its buyers there ready to buy these 86,000 hogs at $11 a hundred.

Let us see. The big five Chicago packers that operate the yards say, "We can take 50,000 hogs for home consumption, but there are 36,000 that must go for export." Now, they will say to this corporation, "We will take those hogs at 4 cents a pound. We can not pay more on account of the condition of the export market." They cost the corporation 11 cents.

Now, what is this corporation going to do about that? They have got 36,000 hogs there in the yards of the packers. They must be taken away in the regular process of slaughter. You can not store them; you can not take them out of those yards; you can not ship them back. Consequently this corporation will take any price which the Chicago packers will pay for those hogs.

If there is any gentleman present—any gentleman on the committee—who can tell me a different solution, I should like to have him speak up.

Mr. HAUGEN. Oh, the only thing they would do would be to pass them on to the next town, to the next packer. [Laughter.] If further packers are found they would export the hogs.

Mr. VOIGT. All right. I will take your proposition.

Mr. RUBEY. Mr. Speaker, will the gentleman yield?

Mr. VOIGT. I will yield after a while.

Now, the chairman of the Committee on Agriculture say that the corporation, if they were not satisfied with the price offered by the packers there, would reload those hogs and ship them on to the next town. What town?

Mr. HAUGEN. Most of them go to Buffalo. The gentleman knows that all the hogs that go to Chicago are not all slaughtered in Chicago. They are in transit, many of them, and go right through.

Mr. VOIGT. The Chicago packers, according to the report of the Federal Trade Commission made some years ago, handle about 60 per cent of the entire hog slaughter in the United States. You could not reship those hogs. You could not find packers to take them, because they have no facilities for slaughtering them. The big packers, and possibly a few others, are the only people engaged at the present time in the export business. The small packer can not use them. He has no foreign market where he can send the surplus hog products.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. No.

I say, gentlemen, this corporation would be absolutely at the mercy of the big five packers of the country. I can not see any escape from that conclusion——

The CHAIRMAN. The gentleman from Wisconsin has used 30 minutes.

Mr. VOIGT. I yield myself five minutes more.

I am not willing to vote for a bill that will authorize transactions that will cost the farmers and consumers millions of dollars and put this corporation absolutely at the mercy of the big five packers.

A gentleman who has spoken on the bill says the big five packers are opposed to this bill. Let me tell what happened in the committee about that. A young man came before the committee from the American Institute of Meat Packers. He argued against this bill.

I never received any letter from any packer in the United States protesting against this legislation. When we had the packer legislation before our committee several years ago the packers came down here in droves. The head officials came here. Their high-priced attorneys came here. None of them appeared here and objected to this legislation. So, gentlemen, if I were a packer——

Mr. HAUGEN. I can supply the gentleman with the names of a number of packers who evidently do not think it necessary to correct the gentleman. Let me make just this one correction: The gentleman knows that the packing houses are now run on short time and at 60 per cent of their capacity. He knows the idle packing houses throughout the country. So that there is no trouble as far as the processing of hogs is concerned.

Mr. VOIGT. I want to say on that that we all know—those who are at all familiar with the slaughtering business—that the only people who are engaged in the export business are the big five packers, and they are the only people who can handle these millions of hogs. The only solution the gentleman has in case these packers ask an enormous profit is that they could ship the hogs to the next town, where you could not find adequate packing plants.

Mr. CARTER. Will the gentleman yield?

Mr. VOIGT. For a short question.

Mr. CARTER. Would the corporation be any more at the mercy of the packers than the farmers and stockmen are now?

Mr. VOIGT. There is not any use of going into that. I am just saying here that I am not willing to vote for any legislation like this, and I think this corporation would be a great deal more at the mercy of the packers.

Mr. FUNK. Tell us why. That is a fair question.

Mr. VOIGT. I have tried to tell the committee just why, because there is nobody in this country, except the big five, that can take these hogs for export, and consequently they are going to buy them on their own terms.

Let me show you where this corporation will go broke in less than 60 days, and how during that short time it would do incalculable harm to the farmers, to consumers, and business in general. The packers of this country have four or five hundred million dollars worth of products on hand, not to say anything about the grain dealers and millers. They have a profit overnight of a couple of hundred millions. The corporation must declare the emergency, and the law says it must buy all these products at the fixed ratio price. Now, what would a packer do? I don't say he will do it because he is a packer; any man would do it. He would unload at once on this corporation and take his profit, because he can duplicate his stock at the same ratio price. The packers would run a race to the office of this corporation, to see which one could get his hands first on the $200,000,000 of its capital, and the capital would be exhausted long before it could meet the obligations imposed on it by the law. The bill says the corporation may borrow a billion dollars, but it also says that the Government is not liable for anything it borrows. What banker would loan this corporation money? Under the scheme outlined in this bill, this corporation must die immediately after it is born, leaving a legacy of ruin and panic.

Mr. FAIRCHILD. Will the gentleman yield?

Mr. VOIGT. No; I decline to yield further. Let me show you another thing about this hog proposition. Under this bill any farmer can slaughter his own hogs for home consumption without paying the so-called equalization fee. Under this bill as it now stands a man has the right to buy a hog from a farmer, slaughter that hog himself, and escape the payment of the equalization fee. If you are a farmer and I am a city fellow and you slaughter a hog and sell him to me, I am obliged to pay the so-called equalization fee, which I estimate would run, on a 200-pound hog, anywhere from $2 to $5. Now, men are not going to pay that tax unless they are legally obliged to.

Here is the way the bill works out, according to the legal talent we have had before the committee: If I buy a dressed hog from a farmer, I am obliged to pay the so-called equalization fee. If I buy that hog from a farmer and slaughter the hog myself or have the hog slaughtered, I do not have to pay the fee. If I buy that hog from a farmer and pay the farmer 25 cents for slaughtering the hog for me as my property and have it delivered to me, I do not have to pay any equalization fee. Now, there are three cases where the net result of the operation is the same. In one case there is an equalization fee payable, and in two cases there is not.

Suppose that under this bill a farmer slaughters a half dozen hogs and turns them into sausage and smoked meat and ham, and figures he is going to use them for his own use. Then he finds he has too many hams on hand or he finds he has made too much sausage and he wants to take it to town and sell it.

Under this bill he would not have to pay any equalization fee on the products he sells, because when he slaughtered the hogs he did not slaughter them for market. Now, then, whether that equalization fee is payable or not, and whether the Government is going to collect a tax on that or not remains within the breast of the man who does the slaughtering. If he thinks he is slaughtering for market then there is an equalization fee payable, but if he thinks he is slaughtering for home use and uses his liberal judgment in his own favor there is no fee payable.

Mr. NELSON of Wisconsin. What will be the penalty if he practices fraud?

Mr. VOIGT. I can not take the time now to answer that. That same thing runs all through this bill. It applies to wheat, and it applies to all other products in the bill, so that there would be any quantity of the commodities mentioned in this bill which, by that simple operation, would escape the payment of the equalization fee.

Now, I say to you gentlemen, if by that easy process people can escape the payment of the equalization fee we are going to increase tremendously the local slaughter of hogs. People will not pay that tax if they can escape it, and they can escape it under the bill. Among those hogs which go to the packers you are going to have a very large percentage for export. On that portion which actually goes to the packers you have got to collect the equalization fee on this tremendous overproduction for export. That fee will be so large that there will be nothing left for the farmer and there will be no profit in the transaction for the farmer.

So I say to you gentlemen that to work this thing out on hogs simply can not be done, and the same applies to cattle, calves, and sheep, and all the argument I have made on hogs applies to all these animals.

Now, please bear this in mind: Some of the friends of this bill say that this corporation can start in by trying this thing out first on wheat. They say, "If it works on wheat, we will try it on hogs; if it works on hogs, we will take cattle; and then we will take corn," and so forth.

Now, that will not work for this reason: This corporation can not refuse, in my judgment, to declare an emergency on hogs, for instance, because the moment this bill becomes a law all the facts that call for the declaration of an emergency

exist, and the directors can not justly refuse to declare it. Now, if you declare an emergency on hogs, you must immediately declare an emergency on cattle and sheep.

If you put up the price of pork 60 per cent, people are going to eat more beef. You are going to find that if you raise the price of pork 60 per cent, people are going to eat more poultry, fish, and other food, because the relative price will be cheaper. This will increase the amount of hog products for export.

In order to prevent this, the corporation will immediately have to declare the emergency on beef and sheep, although we are not at the present time exporting any beef. We are on an importing basis as to beef.

This bill will create an exportable surplus.

If you declare the emergency on pork, you must immediately declare the emergency on pork products. If you do not, then you make the packers of this country an immediate present overnight of at least $200,000,000.

Let us see about that. If you raise the price of hogs 60 per cent to-morrow, and that is the absolute price, because this corporation is commanded by law to buy all the hogs that are offered at $11 a hundred, then, of course, all the pork products that are in the country are going up at least 60 per cent in price, are they not? If you are a butcher and you have 10,000 pounds of pork on hand and the price of live hogs is raised 60 per cent, your stock is going up at least 60 per cent, and probably more. According to the last report of the big five packers of Chicago—I looked it up in Moody's book the other day—they had stocks on hand of $252,000,000. Most of that was pork, and if you increase the hogs 60 per cent, you are going to at least increase that $250,000,000 by 50 or 60 per cent, are you not. That is a pure present to the big five packers, and we have 200 other packers in the United States. The big five are interested in a couple of hundred subsidiary corporations, which will also reap a harvest. Therefore, unless you do something by way of levying a tax on the stock which the packers have on hand, you are going to make them a present of several hundred million dollars. You must immediately declare the emergency on hog products and cattle products and sheep products in order to prevent that gigantic gift to those interests.

That is not all. All other food products are going to rise in price when you raise pork 60 per cent. When you raise beef and mutton, other food products are going to rise in price sympathetically.

I dare say that if you put this bill in effect to-morrow, you would make a gift, not to the farmer, not to the man you are trying to help with this bill, but to the nonproducer, to the business man and speculator, who has the stocks on hand—you will make the business interests of this country an immediate present overnight of $500,000,000 by the operation of this bill.

I want to say a word about some of the other products in this bill. Corn is mentioned in this bill. The original bill had cotton in it; and the gentlemen representing the cotton States here had a meeting, I understand, and they unanimously decided—and they acted wisely—that this bill could not apply to cotton, because we export 65 per cent of our cotton, and they asked us to take cotton out. The result would be that if you had a ratio price of 20 cents on cotton, exporting 60 or 65 per cent of the product, if the world price should go down to 15 cents, there would be an equalization fee of 5 cents a pound on cotton. In other words, the people of the United States would pay 25 cents a pound for cotton and we would supply the world with cotton at 15 cents, and we would immediately lose the export of $200,000,000 worth of cotton manufactures, because no manufacturer here could manufacture cotton goods out of 25-cent cotton when the man in England or in Germany or in France could make them out of 15-cent cotton. We would lose that $200,000,000 of exports. That is a phase of this bill I have not time to touch on, but it is a very interesting question—how far a man is affected who is in the exporting business in this country and who is obliged to buy some of these commodities on which a ratio price has been set, or who is obliged to use part of these goods in the composition of anything he exports. He will be out of business in the export world, and there is not a word in this bill to save him. There is no fund established to which he can go. The only people that are provided for explicitly in this bill are the packers and the millers, and those interests have not put up more than a formal objection to this bill. They could not very well urge its passage openly.

Mr. DOWELL. Will the gentleman yield?

Mr. VOIGT. No; I can not yield.

I have said I would vote for the principle of this bill applied to wheat. I would put an artificial price—not a ratio price—on wheat for say two years, and then decrease the price for, say two years. But I would tax every bushel of wheat except that used for seed. Such a bill would be open to the objections against price fixing and would bring about overproduction. My only reason for supporting such a measure would be to give to the wheat growers of the country what I am satisfied they were deprived of during the war period. We fixed the price of wheat by law, and we intended the price to be a minimum guaranty, but the grain corporation by a system of licensing made that price the maximum price, and by that unjust operation deprived the wheat farmers of many hundred millions of dollars. Some have estimated it as high as $2,000,000,000. Equal and exact justice requires that we make that loss to the wheat farmers good, and I am willing to be a party to any plan that will give them what they are entitled to, whether that plan be economic or not. I just want some plan that will work temporarily to accomplish this object but I would not recommend such a plan as permanent legislation.

Now, let us see whether the bill could apply to corn. You will find a very interesting table in the Department of Agriculture year book for 1921, page 165. This table analyzes the corn crop and tells us where it goes. I shall not read all the uses that corn is put to but I will say that all the corn according to this table except about 9 per cent is fed to stock and other animals. According to the Haugen bill all corn used for feed is not liable for any equalization fee. Now, you have the same situation in regard to corn that you have in the case of cotton. You would have 8 or 9 per cent of the entire corn crop of the United States, on which you could collect an equalization fee to meet the loss on the corn that you export. What is the use of holding forth such a camouflage to the farmers of the country? I am unwilling to do that. I am a friend of the farmer, but I will not advocate a scheme, I will not hold out any hope to them, that I know can not be fulfilled. [Applause.]

It might perhaps be better political strategy on my part to favor this bill, but I think it is about time that the truth were told about what the trouble is with the farmer, and how far we can go by way of remedy. I want to say this, that I have studied the matter of agricultural relief for the past three years, and it is a mighty difficult matter for anybody to prescribe for the farmers' ills. We have examined in our committee one plan after another, and there is no plan that is going to give to the farmer an increased price which is economical and sound. You can not take a farm commodity or any other commodity and put an artificial price on it and say that you have something that will hold water, something that is economically sound. The two things do not go together. [Applause.]

One great trouble with us is that we can not find a market for our surplus at a profitable price, because our customer—Europe—has no buying power. The people in Europe are not consuming normal quantities of food. Even in France the per capita consumption of wheat is 2 or 3 bushels less than it was before the war. In my judgment our Government injured the American farmer to the extent of several billion dollars by failing to use its full moral influence to bring about economic restoration in Europe. The United States Steel Corporation has profited many millions by disorganization over there, because its competitors were put out of business, and possibly a few other lines have benefited, but the American farmer surely has been the sufferer.

The farmer should be relieved from legislation which is oppressing him. Reduce the tariff on many things he buys. I am not a free trader, but believe with many friends of the tariff that the existing tariff is an undue burden on our people. Repeal the Esch-Cummins law, or those portions which produce exorbitant freight rates, or by reclassification give the farmer preferential freight rates. Break up the unlawful trusts and price-fixing combinations which have been and are robbing the farmer and the city man as well. Assist the farmer by creating for him a great national cooperative organization, with State and local branches. Pass the Norris-Sinclair bill, or the Aswell bill, or a combination of these bills. Give the farmer economic equality, and he will take care of himself.

In addition to this, and as strictly emergency legislation, I am willing to vote for a bill which will give export certificates for 10 or 15 per cent of the value of wheat, rye, barley, and rice, which shall be good for the payment of import duties. Such a plan can not be applied to animal products, in my judgment. Try this for two years; in the third year make it half the amount, then a quarter, and then stop it. This plan alone will do more good than can be hoped for with the Haugen bill, and it is worthy of serious consideration.

Now they put rice and sheep into this bill, and they want to declare an emergency on them. The fact of the matter is that we have been on an importing basis on mutton for the last 10 years. How in all the world can you operate an export corporation to export mutton and sheep when you have been importing mutton year after year for 10 years? I call that camouflage.

We have got beef in the bill. According to the report of the Tariff Commission we imported millions of dollars worth of beef last year more than we exported. We are on an importing basis. That is a good thing for the farmer, and I hope that it will remain so, so that the farmer will not be dependent on the world price for beef. You are actually going to create an exportable supply of beef, to create the very situation for the farmer that you are trying to avoid, and you are doing it with other commodities mentioned in this bill.

Mr. LONGWORTH. Will not the gentleman discuss his view of the tariff feature before he gets through?

Mr. VOIGT. Look at the bill. You have got sheep in there, and then to cap the climax the authors of the bill have put in wool. As a matter of fact, we import one-half of all the wool used in the United States. The ratio price of wool, if the bill should take effect, is almost 25 cents a pound below the present market price. I will leave it to you to guess why wool was put into the bill.

Mr. TINCHER. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. TINCHER. What was the ratio price of wool when President Harding was inaugurated on the 4th of March, 1921?

Mr. VOIGT. I do not care what it was.

Mr. TINCHER. Why can you not have a ratio price?

Mr. VOIGT. I shall answer the gentleman's question. When Mr. Harding was inaugurated we were not exporting any wool. We are not a wool-exporting Nation. How could the directors of this corporation sign a document and notify the President that we have an exportable surplus of wool? How could they have done it at any time in the past 25 years? So, then, it does not make any difference what the price of wool was. In 1922 we imported over 250,000,000 pounds of wool; and there is more camouflage in this bill.

I want now to go into the tariff feature. The men who framed this bill originally did not have the slightest idea, in my judgment, about the tariff complications incident to the bill. They provided in the original bill that a tariff or embargo could be levied on the commodities mentioned in it, but they did not seem to think that if we put up the price of lard 4 or 5 cents a pound probably some people would be importing oils from other countries. Cocoanut oil, for instance, is used as a substitute for lard. Consequently this bill will affect several hundred items that are now on the tariff list, or if they are not on the tariff list we shall have to put them on.

The CHAIRMAN. The gentleman has consumed 20 additional minutes.

Mr. VOIGT. I shall take 10 minutes more. If you raise the price of pork 60 per cent, of course you are immediately going to be flooded in this country by every conceivable article of food which may be used as a substitute for pork, and consequently all such articles will have to be guarded against so far as import is concerned. It is going to be an almost impossible job for this corporation or for the Tariff Commission to keep on adjusting these tariff rates on hundreds of articles so as to prevent those articles and substitutes and derivatives from coming into the country. But it will have to be done or the purpose of the bill will be defeated.

I have advanced some views of my own in addition to the minority report. I have said that I should vote for this bill if the bill with some modifications were applied to wheat only. Under the present bill I think that at least 200,000,000 bushels of wheat would escape the payment of the equalization fee. We use in this country something like seventy or eighty million bushels of wheat for animal feed. If you raise the price of wheat 50 per cent of course no one is going to feed it if he can find something else to feed to his animals. The moment this thing goes into effect, people will feed substitutes, which they can buy 50 per cent cheaper. What will happen? Under this bill that which is now used for feed will enhance the exportable surplus of wheat.

Under this bill the producer of wheat has a right to grind his own wheat into flour for his own use. The farming population, if you speak of it as one-third of our population, eats one-third of the flour which is made in the United States. That one-third will escape the payment of the equalization fee. If a farmer takes his wheat to a mill to have it ground for his own use and he finds that he has had too much flour ground, he has the legal right to sell anyone that flour, and the buyer need not pay the equalization fee, because when the wheat was milled it was not milled for sale. How many people are going to take advantage of that? How many people are going to honestly overestimate their requirements? Right there 150,000,000 bushels of wheat under this bill will escape the payment of the equalization fee.

I have said that if those things were guarded against I would be willing to vote for this bill applied to wheat only, but let us not fool ourselves about this. These other commodities are put in here for logrolling purposes. Can anybody tell me why rice was put into this bill? Why was rice put in, and why was rye left out, and why was barley left out? Last year we exported about $28,000,000 worth of rye and about $11,000,000 worth of rice. Why not put those things into the bill? Those farmers have a right to be recognized if you are going to frame a logrolling bill here. The majority report says that the operation of this bill will cause a well-balanced agriculture, and that for that reason there will be no overproduction. Let us see about that. If I am a farmer and I can get by operation of law 60 per cent more for hogs than I can get at the present time and have it guaranteed to me by the Government, am I going to raise potatoes?

Why, no; we are all going to raise more hogs and less potatoes. The potato farmer will turn to raising hogs and we will have a tremendous export of hogs, and by reason of the scarcity of potatoes we are going to have a fairly high price for potatoes.

Mr. MacLAFFERTY. If the gentleman will permit, will not that in consequence put the price of potatoes rather out of sight?

Mr. VOIGT. It will certainly raise the price of potatoes, but I can not say how high they would go. Now, the legal talent that we have in the committee informed us that the words in this bill, "cattle, sheep, or swine, or any food product, derived therefrom," did not cover milk from the cow.

The chairman this afternoon said it did cover milk from the cow. That is a very important matter. The dairy products in this country amount to something like $2,000,000,000 per year.

Mr. ASWELL. Does the gentleman recall that he himself offered an amendment to include milk?

Mr. VOIGT. Yes; I offered amendments to include the exportable surplus of practically all farm commodities, so as to bring forth some sort of a balanced bill here. If milk is a food product derived from cattle under the meaning of this bill, of course that would take in butter and cheese. If the emergency is declared on food products of cattle, and that should include milk from the cow, then every woman or housewife who buys a pint of milk will have to pay the equalization fee on that pint or quart of milk. The whole thing is unworkable.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. VOIGT. I will.

Mr. SUMNERS of Texas. I want to ask the gentleman if under this bill hogs are worth 11 cents a pound on the basic price of these 400 commodities, and if the number of hogs increase, say, double in two years, would the corporation still have to pay the 11 cents a pound?

Mr. VOIGT. The corporation would pay 11 cents, but when the price got above 11 cents there would be no emergency.

Mr. SUMNERS of Texas. Another question: If the average price of these 400 commodities goes up——

Mr. VOIGT. If the price goes up, of course your 11 cents will rise proportionately.

Mr. SUMNERS of Texas. And you would pay probably 12 cents by raising three times as many hogs?

Mr. VOIGT. Yes; it does not make any difference how many million additional hogs you raised, this corporation has to buy at 11 cents; if the index rises, your 11 cents will rise.

Mr. ASWELL. I do not know whether the gentleman is tired or not, but a great deal of interest has been manifested with reference to the increased cost of living, and the gentleman knows more about that than anybody. Will the gentleman discuss that phase?

Mr. VOIGT. I will take a few minutes.

The CHAIRMAN. The gentleman has consumed one hour.

Mr. VOIGT. I will take five minutes more. Of course no one can say what this scheme would cost the people of the United States. The chairman did not go any further this afternoon than to say that it might increase the price of a loaf of bread one-half a cent. Now, I look at it in this way, gentlemen: The total farm crop of the United States is worth about $8,000,000,000. The major portion of that $8,000,000,000, with the exception of cotton, consists of the food animals, dairy products, and grains. The corn crop of the United States and the hog crop are the two biggest sources of food supply we have in the country. Now, the annual value of the crop on which this bill will operate is probably between four and five billion dollars. Now, pork is increased 60 per cent, corn increased about 20 per cent, and it is proposed to increase wheat 50

say two years. But I would tax every bushel of wheat except | 10 years. How in all the world can you operate an export cor-

per cent. Now, suppose we strike an average, and say it is on an average 40 per cent. That would be 40 per cent of, say, four or five billion dollars. I am satisfied that if this scheme were even put in practice—and I have no fear it will be, gentlemen—it would cost the consumers of this country an additional $2,000,000,000 per annum. Of course the farmer will pay more for wages and everything he buys. We consumed in the United States last year between nine and ten billion pounds of pork. The rest was exported.

Now, if you figure 4 cents a pound live weight—and, of course, when the hog is slaughtered it amounts to more than 5—you get the sum of $490,000,000 which it will cost the people of the United States, exclusive of those who raise the pork. Of course there is not much use talking about this increased cost, because this bill will never get that far. No President could sign this bill, and everything President Coolidge has said indicates that he would not sign it if passed up to him. It is a pity that we could not have devoted our efforts in framing a workable bill which at least would have given some relief. I am in favor of staying here all summer if necessary and do it.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. TINCHER. Does the gentleman advance as an argument against this bill the idea that the consuming public could not afford to pay to the American farmer the ratio price?

Mr. VOIGT. I have not made any such argument. Somebody asked me to state what in my judgment the cost of this operation would be to the American consumer. I have not made that statement as an argument against this bill. Somebody has asked me what I thought the cost would be and I have stated it.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. BURTNESS. The gentleman has stated as one of the dangers that he sees in the enactment of this bill the possibility of increase in production all along the line. The only purpose of the bill is simply to give the producer, as I understand it, the same actual price as the producer received on the average during the period from 1905 to 1914, inclusive. What, then, will be the actual incentive to increase the production above what it was during that period?

Mr. VOIGT. I will say to the gentleman, take the case of hogs: If the farmers in this country produced for slaughter 81,000,000 hogs in 1923 at 7 cents per pound, how many hogs will they produce if you guarantee them 11 cents a pound? I think that answers the gentleman's question. [Applause.]

Mr. BURTNESS. Does the gentleman not overlook the fact that a good many of those produced last year were produced at a loss?

Mr. VOIGT. Yes. Let us assume that. How much more pork will they raise if you increase the price and guarantee an advance of 60 per cent by law?

Mr. BURTNESS. Does the gentleman think it would give the farmer an unusual profit?

Mr. VOIGT. No. I am not here to complain that this would give the farmer too much money. I am just stating what the bill would do.

This bill in no way cures the farmer's real troubles. If this thing should work temporarily it will do away with cooperative associations among farmers. The object of cooperation is to secure a better price, but if the Government fixes one price, and no one can get any more or any less, what is the use of cooperation? This bill would do more damage than the farmers could repair in years, and the farmer's great hope lies in the field of cooperation.

Dante M. Pierce, publisher of the Wisconsin Farmer and Iowa Homestead, who enjoys the absolute confidence of farmers, condemns the bill. Edward Nordman, commissioner of agriculture of Wisconsin, writes me that this bill "will simply fool the farmers into believing that something is being done for them, whereas the effect of such a bill will be to do agriculture infinitely more harm than good."

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. VOIGT. I will grant myself five minutes more.

Mr. JACOBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. VOIGT. Yes.

Mr. JACOBSTEIN. I wonder if the condition we find ourselves in is not due to this fact, which the friends of the farmer will not face, namely, we want to restore to the farmer, first, the power of his dollar, and we have taken from the farmer that purchasing power by virtue of the fact that we have increased the price of other articles that the farmer buys, and because of that we now want to give him increased prices for the commodities which he produces to the extent, as the gentleman says, of $1,500,000,000. Why do not these friends of the farmers advocate some scheme such as was suggested in the question of the leader on this side, which will reduce the prices on the articles which the farmer buys? [Applause.]

Mr. VOIGT. There is a great deal in what the gentleman says. I want to say this: I am satisfied that the present high tariff is a detriment to the American farmer. There is no question about that. [Applause.]

Now then the real remedy for this trouble is not your loading up the farmer and consumer here with this exorbitant tariff and then put on top of that what you might call an internal tariff. The people who advocate this bill propose, in order to right this wrong which they say exists against the farmer, which is a wrong against the consumer as well, to pile another wrong on both of them. They propose to cure one wrong by inflicting another.

Mr. JACOBSTEIN. Another question: Is it not a fact that, according to all the laws of economics, if you add two billion or a billion and a half of value—I think your figures are right; I think two billions or a billion and a half would be right—is it not a fact that if you increase values by two billions or a billion and a half you would increase the prices of these 400 articles so that your index number would change with the value of the article? You are going around a vicious circle all the time.

Mr. VOIGT. If you increase the price of these farm products a couple of billion dollars the general index number will rise; and when that number rises, of course, the price of these farm products will go up, and in each case your index number will go up, so that they will all be chasing each other around a circle.

Mr. JACOBSTEIN. In other words, you will be going around a vicious circle all the time.

Mr. VOIGT. Yes.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. SHALLENBERGER. The gentleman referred to the probability that the increased price of hogs of 11 cents a pound would greatly increase the number of hogs produced by the farmers. How does the gentleman explain the fact that during the war, when hogs were 15 to 19 cents a pound, we did not produce as many hogs as are now being produced at 7 cents a pound? Are there not other factors entering into that proposition? For instance, does not the price on corn determine the number of hogs that are produced?

Mr. VOIGT. Yes. Surely the price of corn determines whether it is profitable to produce hogs, and there is a very close relationship between the price of corn and the price of hogs.

Mr. SHALLENBERGER. So that many other factors enter into the price of hogs?

Mr. VOIGT. Certainly. Of course during the war all other commodities were relatively high and transportation facilities were disturbed and we could not get the meat out of the country, but with an open market conditions have changed.

Mr. KETCHAM. Will the gentleman yield?

Mr. VOIGT. Yes.

Mr. KETCHAM. May I say that I agree with the very fine compliments which have been paid the gentleman with reference to his knowledge of this bill, and that is the reason I am asking this question. Very early in the gentleman's discussion he said that later on he would tell about this proposition of price fixing in response to the suggestion of the gentleman from Indiana [Mr. VESTAL]. May I supplement his inquiry by this one: Did not the gentleman confuse the idea of price fixing with the idea of the ratio price, which everybody admits is a fixed price? This ratio price is not the price the producer would receive for his product, nor is it the price that the purchaser would pay. Either of these prices is a matter of individual contract between purchaser and seller.

Mr. VOIGT. I am very glad the gentleman asked that question. The majority of the committee say this is not a price-fixing measure, because anyone is at liberty to sell for any price and anyone is at liberty to buy for any price. Let us examine into that.

The price of hogs is fixed by the law at $11. Now, theoretically, of course, the farmer has the right to sell those hogs for $10, but no one will say that if the Government corporation stands ready to pay him $11 that he is going to sell for $10, and who is going to pay $12 for hogs when the established

market price is $11? Now, $11, or whatever it may be, is going to be the absolute price of that article. [Applause.]

Mr. VESTAL. I do not know whether the gentleman understood my question or not. The proposition I want to get in my mind is this: Let me put a concrete proposition. Suppose the ratio price of corn, for instance, was 80 cents, and on my little farm I want to feed some stock. I want to buy some corn from my neighbor, who has 1,000 bushels of corn to sell. I want to know whether under this bill I can contract with my neighbor at a cash price for less than 80 cents, which is the ratio price.

Mr. VOIGT. Oh, yes.

Mr. VESTAL. Can I go in there and buy this corn from him and pay him cash for it at 70 cents, if he wants to make that contract?

Mr. VOIGT. Oh, yes; you have this situation. The Government stands ready to buy that man's corn at 80 cents. If he is willing to sell to you at 70 cents, he has a right to do that, of course.

Mr. VESTAL. But if the Government buys it at 80 cents, is there not an equalization fee of some kind to be paid?

Mr. VOIGT. Yes.

Mr. VESTAL. Suppose he wants to contract with me, can I buy it without any equalization fee?

Mr. VOIGT. If you are going to use that corn for animal feed then there is no equalization fee. As I said before, there is only 5 or 6 per cent of all the corn raised in the country on which you could collect that fee.

Mr. VESTAL. All I wanted to find out was whether I could make such a contract.

Mr. MORGAN. The gentleman referred to the tariff and its relation to the farmer. The gentleman must know that nearly all of the products on the farm or that the farmer purchases, including steel products, footwear, and the implements he uses are all on the free list, even the fertilizer. [Applause.]

Mr. VOIGT. I will say to the gentleman that I understand there is a tariff on steel.

Mr. MORGAN. There is no tariff on steel.

Mr. VOIGT. There is a tariff on certain steel products.

Mr. MORGAN. Only on certain products that enter into steel production, which is a very small per cent.

Mr. VOIGT. That may be, but that enters into the price of the wagons and the other implements that the farmer buys.

Mr. MORGAN. It is a very small per cent and does not amount to much.

Mr. CHINDBLOM. The gentleman does not want to ruin the farmers' home market.

Mr. VOIGT. There is not much danger of ruining the home market. People must eat, and the farmer feeds us all. Mr. H. E. Miles, director of the Fair Tariff League, says that the steel and wire industries under the Fordney tariff law were given the privilege of adding $350,000,000 to their prices, to cost consumers twice this sum at retail, or $702,000,000. He says the tariff costs Kansas farmers over $41,000,000 and Texas farmers over $86,000,000 a year. In fact, all farm organizations who argue for the Haugen bill claim the tariff discriminates against them, and I voted against the Fordney tariff bill because I believed that to be true.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly, the committee rose and the Speaker pro tempore having resumed the chair, Mr. Sanders, of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, and had come to no resolution thereon.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum.

Mr. CHINDBLOM. Mr. Speaker, was the hour of meeting fixed at 11 o'clock for to-morrow or Thursday?

The SPEAKER pro tempore. Thursday.

TO PROVIDE FOR SCIENTIFIC AND SKILLFUL FARMING

Mr. GRIEST. Mr. Speaker, in these times of agricultural depression I am impressed with the importance of enacting into law H. R. 357, reported favorably by the Agricultural Committee, to authorize the more complete endowment of agricultural experiment stations.

A State or nation advances with the development of its natural resources. To use only part of these resources limits the prosperity, opportunity, and progress of any country.

Timber, minerals, water power, coal, oil, and gas have all been considered as valuable capital, yet there is no greater resources than the soil. Particularly suited to the oldest occupation of man, this Nation has recognized the value of the soil and has applied science to the promotion of better agriculture. The development of high-yielding grains, the improvement of livestock, the clearing of cut-over lands, the drainage of marsh soils, the development of rural sanitation, and the fostering of a better rural social life have all made up a part of the Nation's program of advancement.

We must constantly look ahead. Through the application of science to the everyday efforts of country life, new opportunities for progress are constantly open to the farmers of the United States.

True, since 1921 the farming industry suffered the most severe depression which has occurred in a generation. The situation in which the farmer now finds himself, in common with all other producers of raw materials, whether of food, fuel, shelter, or clothing, is that the commodities which he has to sell have gone down in price more than the finished products which he has to buy.

It is to be hoped that the relative price of farm products has reached its lowest level; but whether that is so or not, this outstanding fact remains—the agriculture of to-morrow must more than ever utilize the findings of science in conducting our farming operations. When the margins between costs of production and crop returns are wide, less care is likely to be exercised in applying all of those methods which cut out waste, eliminate leaks and losses, and consequently lower costs of production. Profitable farming in the future must utilize to the fullest all practicable measures to cut not only costs of production but costs of distribution as well. For unless farming can be made profitable and can insure a reasonable living standard the Nation can neither hope to hold its best farmers on the land nor can it expect to attract our best young men and women into farming as a vocation.

Progress in agriculture is possible only through the use of better methods, and these methods can come only by finding and trying out new ideas. The individual farmer has neither the time nor the money to work out many new ideas. Realizing this, our Federal Government, in conjunction with the several States, founded and has supported in the past the State experiment stations. The Purnell bill, under discussion now, calls for an increase in the funds to support experimental work in these stations, for the existing funds are proving entirely inadequate for their needs. And why? First of all, the development of the extension services of these States has multiplied the demands on the institutions for information and service. It must also be remembered that the purchasing power of money has so greatly diminished that the funds now available to each State will do vastly less work than when the early laws were passed. Then, too, new problems in agriculture, such as the distribution and marketing of farm products and the improvement of the rural social life, have arisen and are demanding exhaustive research.

Let us take the typical farm, go the rounds, and see wherein that farm has felt the results of research. A silo stands at one end of the barn. Whence came the silo? Research established the fact that corn preserved in an air-tight, circular container made a nutritious and palatable food for livestock during the winter. A uniform type herd of dairy cattle is grazing in a field of clover. The basis of selection of those animals for high milk production traces back to work in breeding for dairy type at experiment stations. The mouthfuls of clover they are consuming are very likely the result of combining the use of pure seed bred at a college station, good cultural methods established by experimental trials, proper fertilization (founded on experiments) evidence, and systematic rotation of crops based on experiment station teachings.

Look at the lengthy, upstanding, arch-back "porkers" over in the feed lot helping themselves to a balanced ration from a self-feeder. Where is the clunky, short pig of our forefathers' day? Experiments in feeding and breeding of swine at our experiment stations have shown that economical pork production demands the "1924 model" hog. Why the balanced ration and self-feeder? Feeding trials proved that the old method of raising hogs on corn and water in a dark, dingy pen was obsolete. A potato sprayer is operating in the near-by field. Grandfather would have sneered at the practice of sprinkling the

potato field, but plant pathologists have proven that the yield per acre can be increased at least one-third by proper spraying to control plant diseases. And remember an increased yield means a lowered cost of production and a greater margin of profit to the producer. And so on down the line of farm practices we find the touch of the experiment station's hand, often unknown to the farmer himself. You might ask the farmer where he gained his information for improved practices. His answer might be, "From my neighbor or from my farm paper." But trace these improved practices to their true source and you will find that they emanated from an experiment station in some section of the country.

Thus far, I have been speaking largely in terms of generalities. Now, I am going to give you a few concrete examples of just how our own experiment station in Pennsylvania has been of service to the people of our State.

Take for instance the fertilizer experiments on the college farm that have been running for 40 consecutive years. Incidentally, they are the oldest in America. I am told that the lessons on crop rotations, manure and commercial fertilizers brought out by these experiments have been worth far more to Pennsylvania farmers than the entire cost of experimental work at the college.

The development of one variety of wheat, "Pennsylvania 44," has meant an increased yield per acre of over 5 bushels wherever it was sown. Last year over 100,000 acres were sown to this variety, which was bred by a plant-breeding expert on the experimental staff. Figures show that if this seed was used over the entire State, the value of the wheat crop would be increased $10,000,000 annually over the annual income derived from wheat before this variety was developed. And remember, it does not take any more labor to raise "Pennsylvania 44" wheat than it did to produce the old common varieties.

Experiments in plant breeding at our college have resulted in three other noteworthy contributions to the agricultural prosperity of the country. One strain and two new varieties of tomatoes and a superior strain of cabbage have been of great value to the truck growers and consumers of Pennsylvania. The Penn State Earliana tomato, developed at the college, has given an increased yield of more than 2¾ tons per acre in many instances. Recent tests conducted with Penn State ballhead cabbage, which originated on the station farm, show that it produced 20 tons per acre where supposedly good commercial strains under similar conditions yielded only 17 tons.

Nearly three-fourths of Pennsylvania apple orchards are in permanent sod, and the investigations carried on by the station have proven conclusively the value of nitrogenous fertilizers in sod orchards. As a result, hundreds of fruit growers in the State are using nitrate of soda and are finding it profitable.

Result of research work in animal husbandry have revolutionized the steer-feeding industry in Pennsylvania by proving the value and economy of feeding silage with a proper protein supplement. The value of forage crops for swine and the types best suited for this purpose were also determined and the majority of the hog men of the State have followed the recommendations with great success.

Southwestern Pennsylvania is the most important sheep-producing center in the State. Practically all the sheep grown are fine wools, so that the major portion of the income from these flocks is wool. To find another source of income for these farmers an experiment was started in 1915 to study the value of grade Merino ewes as a farm flock when bred to high-class mutton rams for the purpose of producing "hothouse lambs." I understand that this experiment resulted in these farmers securing a maximum amount of wool and at the same time marketing a high-class lamb at an early age.

Investigations in plant-disease control, carried on for several years, have led to campaigns of disease control out in the State that have saved thousands of dollars to the tillers of the soil. Potato spraying alone has reduced the cost of production per bushel to such an extent that the industry has been practically saved from ruin. Diseases of truck crops have been investigated at our branch station at Bustleton, Pa., and the results have led to the control of lettuce and rhubarb diseases that threatened the industry.

Lancaster, the county which I have the honor to represent, has been, as many of you know, the richest and most productive agricultural county in the United States for more than half a century, as the tabulated statement at the conclusion of these remarks indicates. For more than 200 years, these soils have been pouring forth bountiful crops and to-day most of the land is in a high state of fertility. The 10,000 or more farms in Lancaster County, with their neat, well-kept buildings, their trim fence rows, their bounteous crops, and improved herds, reflect the industry, the intelligence, and the foresight of the pioneers who settled the county more than two centuries ago. Probably in no other part of the world have the abundant gifts of nature been so well preserved for future generations.

And yet Lancaster County, with its naturally fertile fields and its intelligent, industrious class of farmers, will have to credit part of its success to the application of scientific principles in farming. Furthermore, farmers of Lancaster County realize that now, more than ever before, they must depend on science to enable them to maintain the leadership they have held so long and the prosperity that has been theirs.

We have an immense steer-feeding industry within the county turning out from 60,000 to 80,000 choice beeves in a year. For years the practice was to feed corn, bran, and hay as a fattening ration. It remained for science to prove the economy of feeding silage and cottonseed meal, and my constituents tell me that this substitution has really saved the industry in our present economic depression. Truly, it can be said that the many silos dotting the farmsteads stand as monuments to science. The open-shed method of cattle feeding, proven sound and economical by the experiment station, has replaced the old method in Lancaster County and in the leading beef sections of the country.

This county ranks among the leaders in the United States in tobacco production. Where most districts have shown a marked decrease in the yield per acre since 1890, a comparison of these early figures with the United States Government annual report of 1922 shows that the Lancaster County yield has shown a marked increase. And why? Tobacco growers tell me it has been due partly to the farming system practiced and partly to an improved strain developed by the experiment station. More than 50 per cent of the acreage at the present time is planted to this improved strain, which not only yields better but is also of high curing quality. Right in this connection I might say that the steam sterilization of tobacco beds in Lancaster County was originated by an experiment station staff member. This practice has now been adopted in every tobacco-growing district in the country.

Wheat is a part of the crop rotation on many of the farms in our county. For years we raised a score or more of different varieties, some of them ill adapted to our conditions. Then came the development of "Pennsylvania 44" at the station farm, and to-day Lancaster is headed toward a standardization of wheat that will mean not only a better yield but also a uniform, marketable product. Already 2,500 acres of this improved variety is being grown in the county, and the acreage is doubling each year.

Although only a small part of the experimental work has been cited, it is sufficient to prove the immense value this work has been to the producers and consumers. And yet, with all this work, the farmers are ever presenting unsolved problems to the experiment station. Most of the examples I have related have been along the line of production. There are those who argue that too much work has been performed on this side which has resulted in our present depression. I want to say that the main object and ultimate results of this work have not been greater production but more economic production.

Right along this trend of thought are the problems of distribution and marketing of farm products, which are demanding solution in our State and which are the subject of so much discussion all over the country. At the present time our station has a comprehensive research program planned on problems of distribution, marketing, and rural social life, which can not be carried out because of a lack of funds. Would it not be well for us to vote reasonable amounts of money, as carried in the pending bill, to support careful, sane, accurate studies on these problems?

Gentlemen, the future prosperity of the agricultural industry and the maintenance of the present standard of living of our ever-increasing urban population depend primarily on more economical production and proper distribution of our farm products. Just when there is a crying need for research in agriculture, when the very lifeblood and backbone of our farming population are despondent and migrating to cities, we can not afford to refuse to give our support to experiment stations that can do much to place agriculture back on its feet.

Agricultural statistics of the 10 leading counties in the United States, Census of 1920

Counties	Total land area	All land in farms	Value of farm property	Value of crops	Value of livestock products	Value of animals sold or slaughtered	Aggregate value of farm products	Value of products per acre	Rank
Lancaster, Pa	602,240	564,776	$119,842,167	$32,803,002	$8,885,613	$6,739,527	$48,148,142	$86.78	1
Los Angeles, Calif	2,602,880	893,333	396,915,164	62,212,843	9,837,685	1,601,615	73,352,143	83.13	2
San Bernardino, Calif	12,900,480	415,729	99,648,710	36,681,925	1,324,443	391,540	28,397,908	68.31	3
Aroostook, Me	4,129,920	850,309	77,750,326	52,541,205	1,713,022	1,245,143	55,499,370	65.27	4
San Joaquin, Calif	926,720	706,308	140,600,079	30,748,032	3,098,576	1,482,206	44,329,814	62.76	5
McLean, Ill	726,240	714,400	267,332,051	26,887,618	2,186,278	5,802,034	34,965,930	48.94	6
Champaign, Ill	667,520	604,827	233,673,411	23,686,925	1,782,850	2,354,726	27,826,591	46.07	7
La Salle, Ill	733,440	668,500	213,717,738	24,191,350	2,178,056	2,924,537	29,292,962	43.81	8
Tulare, Calif	3,107,840	1,084,234	198,312,506	33,320,607	3,414,764	2,893,918	39,638,289	36.55	9
Whitman, Wash	1,349,120	1,252,485	135,765,506	30,824,407	989,568	1,632,412	53,446,357	26.10	10

HAUGEN-M'NARY BILL

Mr. WILSON of Indiana. Mr. Speaker, under leave granted to extend my remarks, I insert the following:

We have now reached a stage where agriculture has been taxed so long to support other industries that it has become almost useless to try to produce a profit on the farm.

I believe, however, that the great majority of the farmers of the country will refuse to be deceived any longer and will turn their attention to the real opportunities of relief that lie before them of cheaper transportation, and especially water transportation, and to cheaper fertilizers; to cooperation in marketing, to reduction of taxes, and to other feasible plans of relief whereby all the people will be afforded a distinct advantage over present conditions.

The farmer never has and never will ask for charity, for he is not a beggar. All he wants is an equal opportunity with other classes and not to be discriminated against to the advantage of other industries and to his detriment. He is tired of selling his product in the open market and being required to buy his necessities in a protected market, thereby selling at a low price and buying at a high price. The situation of the farmer is worse to-day than at any period in the history of the farming business in this country. It is a gloomy picture that is presented by everyone who has traveled through the Western States and is familiar with the agricultural situation. The wheat farmer is not the only one in trouble. Virtually every farmer is in a bad predicament and facing ruin. They find themselves unable not only to pay their taxes and debts, but they can not even pay their interest.

According to the annual report of the Secretary of Agriculture for 1923:

In 15 corn and wheat producing States 24½ per cent of owners of farms were, in fact, bankrupt; practically one out of every four bankrupt.

One million two hundred thousand left the farm to better their financial conditions in 1922.

In New York alone for the year ending February, 1923, 26,000 moved from the farms to the cities.

In Michigan 10 per cent of the Michigan farms are vacant, and 13 per cent more are only partly worked.

According to the annual report of the Attorney General on bankruptcy among farmers:

The number of Iowa farmers in bankruptcy increased from 60 in 1913 to 489 in 1923.

Farmers' percentage of all cases in bankruptcy increased from 16.8 per cent in 1913 to 52.3 per cent in 1923. In other words, 52 farmers to 48 of all other classes in bankruptcy. The number of farmers in all cases in bankruptcy in all the States increased from 942 in 1913 to 5,940 in 1923, an increase of 4,998 in 10 years.

Bank failures in the United States have increased by leaps and bounds. More State and National banks were closed in the last seven months than in the previous five-year period.

Many suggestions as to what ought to be done to relieve the distressing situation and insure a profit to the farmer for his wheat have been offered by men who assume a knowledge of conditions.

The great need of the farmer to-day is a steady market for his product and a relief from the burdens of the high protective tariff. The great underlying principle that governs the value of wheat in this country is the law that operates in supply and demand. I intend to vote for the McNary-Haugen bill, because it seems to be the only farmers' measure for which I will have an opportunity to vote. However, I am accepting this just as the farmer is accepting it. In their desperation and dire extremity they are like the drowning man grasping at a straw, their plight can be made no worse by this legislation. It is patent that they are not going to get much consideration from this session, so if there is any virtue in this bill let us have it.

I believe a study of the following statistical tables compiled by the Department of Agriculture will convince anyone that we have many customers in the world's markets who are large buyers of our wheat and flour and have been and are now buying in large quantities of these commodities:

Wheat exports from the United States, year ending June 30

Country to which exported	1910	1911	1912	1913	1914	Average 1910-1914
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	5,976,110	2,470,787	4,054,171	10,601,248	12,873,372	7,195,138
Denmark	839,499	198,229	483,319	415,479	870,433	561,390
France	855,668	3,648,407	35,977	4,931,798	8,536,731	3,001,098
Germany	5,307,325	721,240	1,588,666	12,112,225	10,983,000	6,144,603
Greece	11,987	36		298,937		62,192
Italy	1,960,044	286,171	533,009	7,217,479	1,839,830	2,367,507
Netherlands	2,695,362	890,221	3,386,444	14,832,000	19,949,519	8,350,709
Norway	147,000				71,893	43,791
Portugal	7,963	100,000	184,900	710,329	1,753,801	551,359
Spain					127,871	25,574
Sweden					272,500	54,500
Switzerland						
United Kingdom	22,393,361	11,298,030	15,765,454	31,548,507	28,025,206	21,806,112
Canada	2,111,370	1,256,783	537,246	851,139	4,124,701	1,776,247
Mexico	3,179,096	273,313	1,491,156	644,377	306,376	1,178,864
Cuba	10,172	11,915	23,200	45,886	52,315	28,623
Brazil	17	21	11	81	4,203	867
Chile	7			8		3
Peru	329,736	79,745	189,656	190,305	21,433	162,185
Venezuela			37	37	121	39
Hongkong		30,145				7,539
Japan	127,498	2,048,382	707,962	4,179,296	4,627,600	2,338,152
Australia	4					1
Philippine Islands		45				9
British South Africa	39,919		4,000	191,362	89,836	65,021
Other countries	627,728	406,793	1,175,092	2,832,570	862,962	1,181,030
Total	46,679,876	23,729,302	30,160,212	91,602,974	92,393,775	56,913,228

Country to which exported	1915	1916	1917	1918	1919	Average 1915-1919
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	3,320,685	2,682,919	2,698,044	6,007,986	23,972,439	8,536,415
Denmark	2,734,746	1,655,391	1,187,321			1,119,492
France	49,878,655	21,802,818	16,253,262	3,837,927	13,297,243	21,013,981
Germany	2,632,128					630,428
Greece	8,768,549	11,686,691	4,811,158		96,225	5,072,325
Italy	47,122,740	31,441,667	13,746,412	6,756,191	32,689,843	26,351,391
Netherlands	31,551,992	21,070,335	19,127,673	155,550	3,904,617	15,162,034
Norway	2,604,031	1,836,380	3,156,279	1,014,320		1,702,602
Portugal	859,237	1,863,212	660,960	27,505	1,448,493	859,955
Spain	7,155,971	7,041,608	851,550		248,693	3,059,952
Sweden	4,093,080	4,786,497	5,385,480			2,853,011
Switzerland	520,720	182,613	6,045,799	496,709	5,447,881	2,338,744
United Kingdom	65,911,501	53,550,376	67,976,129	15,120,801	66,147,422	53,743,044
Canada	19,664,674	6,244,732	4,714,836	252,540	26,484,027	11,472,162
Mexico	296,581	17,624	54,597	2,126	1,609	74,507
Cuba	53,604	250,600	50,308	26,014	2,101	76,525
Brazil	1,511,361	1,154,715	166	16,575	10	536,566
Chile	2,560	526,942	48			106,114
Peru	1,016,645	1,326,040	246,034	69,270		531,598
Venezuela	199	480	219			179
Hongkong	118	162				56
Japan	758,517	14,828				154,069
Australia	1,087,824	1,507,690				519,102
Philippine Islands		60				12
British South Africa	1,951,017	382,978	5,058	24	23	469,221
Other countries	4,204,353	2,237,767	2,949,892	326,303	2,842,050	2,512,073
Total	259,642,533	173,274,015	149,831,427	34,118,853	178,582,673	159,080,999

Wheat exports from the United States, year ending June 30—Con.

Country to which exported	1920	1921	1922	1923
	Bushels	*Bushels*	*Bushels*	*Bushels*
Belgium	13,459,601	26,287,508	17,526,947	11,345,230
Denmark		96,000	354,778	52,171
France	27,118,375	24,394,485	5,694,238	14,780,670
Germany	302,849	25,526,904	21,782,679	5,492,567
Greece	706,184	4,825,243	8,024	894,671
Italy	27,235,629	57,123,068	35,454,291	32,771,891
Netherlands	196,577	21,379,092	19,257,794	12,246,730
Norway	186,833	1,054,288	282,671	1,241,986
Portugal		1,537,565	808,666	
Spain	52,266	9,164,153	2,448,905	23,997
Sweden		1,487,800	519,168	472,696
Switzerland	2,154,398	225,363	60,364	
United Kingdom	39,788,117	88,784,515	48,808,181	28,237,471
Canada	8,356,252	10,746,857	29,341,265	31,902,628
Mexico	244,986	1,145,733	3,000,646	1,260,531
Cuba	33,761	27,000		22,231
Brazil	199	2,977,639	1,517,396	135
Chile	4	2,000	600	
Peru		637,948	1,141,991	59,350
Venezuela	82	1	23	2,525
Hongkong				16,667
Japan	10,141	1,206,791	11,002,363	5,353,422
Philippine Islands		3,267		
British South Africa	18,667	521,220	18,700	333
Other countries	2,575,303	14,003,137	9,129,328	4,708,959
Total	122,430,724	293,267,637	208,321,091	154,950,971

SOURCE: Official reports of the Bureau of Foreign and Domestic Commerce.

Wheat flour exports from the United States, year ending June 30

Country to which exported	1910	1911	1912	1913	1914	Average 1910-1914
	Barrels	*Barrels*	*Barrels*	*Barrels*	*Barrels*	*Barrels*
Belgium	13,451	10,991	5,108	20,850	12,721	12,624
Denmark	192,344	242,849	255,045	243,549	298,299	244,417
France	714	4,335	6,738	4,440	13,349	6,918
Germany	233,899	226,227	136,328	178,345	176,485	187,457
Greece	336	218	2,273	2,418	170	1,053
Italy	9,080	13,288	2,599	11,418	18,914	11,259
Netherlands	739,146	860,580	675,429	839,987	958,093	818,637
Norway	130,431	168,968	176,484	205,287	301,397	212,713
Portugal	2,274	2,122	3,057	1,844	2,135	2,294
Spain	589	1,078	1,931	1,376	2,777	1,550
Sweden	62,314	34,864	16,326	50,886	62,939	43,406
Switzerland	3				100	21
United Kingdom	3,161,435	2,790,998	2,372,797	2,428,167	2,809,800	2,712,639
Canada	49,981	42,947	99,760	98,665	122,752	82,821
Mexico	28,469	32,165	22,958	25,738	47,241	31,314
Cuba	791,650	846,636	842,148	907,784	892,705	855,239
Brazil	338,708	320,054	625,369	588,418	748,612	567,444
Chile	4,271	18,034	35,352	26,781	152,324	47,753
Peru	109,196	199,435	88,586	94,343	118,159	120,144
Venezuela	120,617	140,869	174,572	208,517	158,780	160,671
Hongkong	668,692	1,003,529	1,491,973	1,501,308	1,141,085	1,121,139
Japan	217,738	488,397	794,347	878,623	793,269	812,879
Australia			503			101
Philippine Islands	270,442	228,620	308,671	370,909	236,902	278,717
British South Africa	8,492	9,999	8,781	14,608	5,576	9,491
Other countries	1,865,545	2,293,146	2,943,204	2,815,817	2,756,904	2,534,923
Total	9,040,987	10,129,435	11,006,487	11,394,803	11,821,461	10,678,635

Country to which reported	1915	1916	1917	1918	1919	Average, 1915-1919
	Barrels	*Barrels*	*Barrels*	*Barrels*	*Barrels*	*Barrels*
Belgium	724,116	98,559		524,017	792,199	427,778
Denmark	497,477	288,205	169,466	28,331	160,767	224,637
France	2,149,031	2,886,757	1,429,128	4,845,358	3,881,365	3,058,928
Germany	8,240					4,649
Greece	330,986	453,397	388,796	47,937	129,841	275,974
Italy	111,891	1,074,319	987,686	3,386,771	2,393,974	1,590,728
Netherlands	1,735,897	219,644	591,122	69,233	1,117,018	744,581
Norway	967,488	942,749	714,071	214,810	185,345	600,173
Portugal	2,187	5,765	4,586	89,540	42,867	28,977
Spain	23,024	40,744	5,615	78,309		29,549
Sweden	114,411	95,043	21,888	40	18	46,319
Switzerland	1,173		55	182,058	691,301	166,917
United Kingdom	4,154,997	3,145,030	3,018,525	10,055,827	10,898,719	6,253,840
Canada	110,939	50,494	77,118	83,334	33,701	71,922
Mexico	198,985	728,142	960,564	388,550	384,040	521,876
Cuba	934,988	1,124,562	1,014,675	679,659	1,088,025	980,782
Brazil	707,705	734,726	301,614	101,927	31,639	375,520
Chile	254,953	403,469	79,987	2,589	200	168,238
Peru	49,347	98,594	181,023	54,765	3,658	77,477
Venezuela	134,097	171,758	146,812	28,403	74,535	114,423
Hongkong	636,978	358,263	61,500	1,279	1,506	209,559
Japan	68,542	54,475	4,083	66	27	26,439
Australia	366	161	15	15		111
Philippine Islands	383,792	385,371	76,089	549	6,039	154,368
British South Africa	45,493	23,944	19,955	10	86	16,098
Other countries	1,905,432	2,080,709	1,728,187	1,649,500	2,284,104	1,809,586
Total	16,182,765	15,520,669	11,942,778	21,879,951	24,181,979	17,941,627

Wheat flour exports from the United States, years ending June 30—Continued

Country to which exported	1920	1921	1922	1923
	Barrels	*Barrels*	*Barrels*	*Barrels*
Belgium	1,201,191	965,191	123,479	42,072
Denmark	18,576	87,173	359,403	104,889
France	2,852,952	11,385	10,174	11,529
Germany	273,135	1,988,070	1,516,353	1,002,684
Greece	155,001	419,917	63,819	317,738
Italy	2,484,523	315,277	50,668	54,360
Netherlands	117,224	1,263,405	917,560	982,730
Norway	11,428	242,134	408,410	216,585
Portugal	57,968	805	3,270	3,821
Spain	96,407	174,665	803	1,274
Sweden	102,102	223,482	137,734	105,507
Switzerland	11,577	2	1,125	564
United Kingdom	4,743,341	3,090,158	3,190,762	1,913,833
Canada	16,313	35,501	68,216	66,935
Mexico	281,054	350,803	245,665	365,664
Cuba	1,408,144	986,341	1,098,721	1,088,882
Brazil	381,451	622,066	327,018	477,568
Chile	530	2,067	10,504	6,612
Peru	15,654	92,109	65,367	111,374
Venezuela	136,276	148,855	77,308	83,061
Hongkong	188,180	142,495	973,285	825,197
Japan	106,933	18,598	629,012	244,560
Australia	85		5	2,681
Philippine Islands	98,659	197,704	333,045	469,838
British South Africa	647	44,288	1,785	11,395
Other countries	6,767,310	5,148,445	5,213,855	6,189,754
Total	21,651,961	16,179,956	15,796,819	14,882,714

SOURCE: Official reports of the Bureau of Foreign and Domestic Commerce.

Wheat, including flour, in bushels, exported from the United States, year ending June 30

Country to which exported	1910	1911	1912	1913	1914	Average 1910-1914
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	6,036,640	2,520,247	4,077,148	10,686,073	12,930,690	7,251,948
Denmark	1,785,047	1,291,040	1,631,031	1,511,440	2,167,779	1,661,267
France	558,261	3,467,395	64,275	4,974,188	5,595,501	3,852,998
Germany	6,419,871	1,739,262	2,175,142	12,878,775	11,777,242	6,998,058
Greece	13,499	1,017	10,228	309,815	765	67,065
Italy	2,000,679	345,967	549,205	7,208,810	1,924,943	2,417,931
Netherlands	6,021,549	4,762,741	4,435,676	18,701,942	24,260,803	12,634,576
Norway	524,005	260,356	794,178	1,198,202	1,438,181	1,001,031
Portugal	18,096	109,549	198,556	718,627	1,763,363	561,038
Spain	2,695	4,851	8,603	4,192	149,367	33,650
Sweden	280,413	111,888	73,467	225,637	555,726	249,826
Switzerland	14				150	93
United Kingdom	36,619,849	23,857,521	26,443,040	42,475,259	40,649,304	34,012,999
Canada	2,334,284	1,450,645	966,169	1,298,131	4,677,065	2,148,941
Mexico	3,307,206	418,055	1,594,467	760,198	518,960	1,319,777
Cuba	3,573,407	3,621,997	3,812,836	4,130,923	4,062,857	3,881,773
Brazil	1,618,703	2,340,399	2,814,307	2,625,462	3,372,957	2,554,366
Chile	19,227	81,152	189,105	129,522	653,458	214,893
Peru	821,168	936,703	388,293	614,849	853,149	702,832
Venezuela	542,779	633,910	785,695	838,303	774,631	721,058
Hongkong	3,676,314	4,355,671	6,799,885	5,305,577	5,124,928	5,052,951
Japan	1,107,409	4,111,168	8,931,544	8,132,100	8,197,310	5,006,106
Australia	4		2,264			454
Philippine Islands	1,126,986	1,018,873	1,389,026	1,069,226	1,066,069	1,254,234
British South Africa	78,133	44,996	43,514	257,084	114,918	107,729
Other countries	9,022,680	10,725,952	14,419,512	18,608,746	13,369,052	12,586,188
Total	87,364,318	69,311,760	79,680,404	142,879,506	145,590,340	104,967,665

Country to which exported	1915	1916	1917	1918	1919	Average 1915-1919
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	8,579,207	3,126,435	2,098,044	8,366,062	29,537,334	10,461,417
Denmark	4,948,398	2,943,313	1,945,143	91,480	725,451	2,124,358
France	32,549,226	34,793,224	22,684,338	25,642,033	38,226,885	34,779,156
Germany	2,659,208					537,842
Greece	10,386,331	13,736,863	6,580,344	215,716	660,506	6,314,497
Italy	47,626,290	36,276,169	18,191,699	21,992,101	43,462,728	33,509,668
Netherlands	39,318,124	22,058,733	21,787,994	467,186	8,981,198	18,512,647
Norway	6,859,547	5,945,724	6,374,125	1,980,974	834,052	4,398,884
Portugal	869,679	1,885,864	621,612	430,435	1,641,993	1,090,241
Spain	7,259,579	7,224,956	876,818	352,620	248,933	3,192,531
Sweden	4,808,830	5,214,191	5,483,954	189	81	3,081,447
Switzerland	525,996	182,613	6,046,247	1,315,970	8,153,735	3,214,873
United Kingdom	84,613,957	67,702,011	81,545,962	70,361,029	115,182,678	81,885,321
Canada	20,163,895	6,471,640	5,061,854	627,543	26,635,482	11,792,123
Mexico	1,187,963	3,294,208	4,242,135	1,660,607	1,722,789	2,422,951
Cuba	4,216,064	8,311,629	4,625,436	3,048,614	4,769,227	4,400,072
Brazil	4,766,623	4,468,963	1,337,429	478,348	142,397	2,236,416
Chile	1,150,865	2,747,256	360,654	11,646	900	854,141
Peru	1,236,707	1,769,713	1,070,638	315,712	16,461	880,246
Venezuela	883,931	773,391	660,872	166,816	335,400	515,083
Hongkong	2,821,619	1,603,346	278,104	5,625	6,777	943,678
Japan	1,096,989	289,966	18,374	210	122	350,146
Australia	1,689,476	1,508,401	68	68		319,603

Wheat, including flour, in bushels, exported from the United States, year ending June 30—Continued

Country to which exported	1915	1916	1917	1918	1919	Average 1915-1919
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Philippine Islands	1,367,064	1,734,230	342,400	2,470	27,176	694,668
British South Africa	2,155,738	497,726	54,386	60	424	541,662
Other countries	12,778,797	11,600,955	10,726,732	5,049,052	13,120,518	10,655,211
Total	332,464,975	243,117,026	203,573,928	132,578,632	287,401,579	239,827,227

Country to which exported	1920	1921	1922	1923	1924	Average, 1920-1924
	Bushels	*Bushels*	*Bushels*	*Bushels*	*Bushels*	*Bushels*
Belgium	18,864,960	28,830,988	18,062,603	11,594,554		
Denmark	83,592	488,278	1,972,602	929,216		
France	39,805,659	24,445,717	5,740,121	14,802,750		
Germany	1,884,461	34,473,309	28,606,267	13,274,645		
Greece	1,403,688	6,714,870	295,169	2,328,492		
Italy	38,417,332	58,541,814	35,881,652	34,916,061		
Netherlands	714,385	27,064,384	23,386,784	16,669,042		
Norway	238,259	2,143,891	2,100,516	2,216,484		
Portugal	260,856	1,541,188	823,381	17,194		
Spain	486,098	9,950,146	2,452,676	29,720		
Sweden	459,459	2,499,469	1,138,971	947,478		
Switzerland	2,206,694	335,372	45,426	2,583		
United Kingdom	61,133,151	102,690,226	43,196,610	36,849,729		
Canada	8,429,609	10,906,611	29,648,237	32,293,840		
Mexico	1,419,729	2,765,201	4,106,138	2,906,019		
Cuba	7,225,409	4,465,534	4,809,244	4,920,850		
Brazil	1,716,729	5,776,935	2,988,979	2,149,191		
Chile	2,344	11,032	48,156	128,754		
Peru	70,443	1,052,438	1,436,143	560,533		
Venezuela	613,324	669,849	347,909	376,300		
Hongkong	711,810	641,228	4,379,648	3,730,054		
Japan	491,340	1,290,482	13,532,917	6,432,942		
Australia	382		23	12,064		
Philippine Island	443,996	892,935	1,498,707	2,114,271		
British South Africa	21,579	720,381	26,732	51,610		
Other countries	33,028,239	37,171,230	32,591,676	32,607,852		
Total	219,864,548	356,077,439	279,406,777	221,923,184		

Wheat, wheat flour, and wheat, including flour: Domestic exports from the United States, year ending June 30, 1910-1923

Year ending June 30—	Wheat	Wheat flour	Wheat, including flour
	Bushels	*Barrels*	*Bushels*
1910	46,679,876	9,040,987	87,364,318
1911	23,729,302	10,129,435	69,311,760
1912	30,160,212	11,006,487	79,680,404
1913	91,602,974	11,394,803	142,879,506
1914	92,393,775	11,821,461	145,590,340
Average 1910-14	56,913,228	10,678,635	104,967,065
1915	259,642,533	16,182,765	332,464,975
1916	173,274,015	15,520,669	243,117,026
1917	149,831,427	11,942,778	203,573,928
1918	34,118,853	21,879,951	132,578,632
1919	178,582,673	24,181,979	287,401,579
Average 1915-19	159,089,900	17,941,627	239,827,227
1920	122,430,724	21,651,961	219,864,548
1921	293,267,637	16,179,956	356,077,439
1922	208,321,091	15,796,819	279,406,777
1923	154,950,971	14,882,714	221,923,184

Compiled from Commerce and Navigation of the United States, 1914-1918, and Monthly Summaries of Foreign Commerce of the United States, June, 1919-1923.

We should endeavor to increase this list of buyers by every legitimate means. The disposal of our surplus products in foreign markets at a fair price is the one vital thing necessary for prosperous times among the farmers. Temporary advantages may be gained by placing fictitious values on grain or by storing great quantities of it, but eventually this surplus must be disposed of or it will come back upon the home market if stored in this country or upon the foreign market if allowed to accumulate there. As soon as this condition arises the price of the farmer's product will fall or the markets both foreign and domestic will be glutted. So it is the duty of this Nation to see to it that the surplus is not only exported but consumed. The farmer is not greatly impressed with the idea that the Government can fix the price on his wheat by simply placing a fictitious and arbitrary price thereon, then relieve his anxiety by buying up his wheat and his troubles at fancy prices and dumping the surplus on a foreign market at whatever price can be obtained and without regard as to whether that particular country needs it or not.

What the farmer wants is to get down to the only real practical solution of the difficulty and that is to so cut down the cost of production and delivery to a market that is able and ready to eat and pay for what he produces so that there will be left to him a profit.

We must have an honest demand from foreign countries for our wheat as it comes upon the market. It must be kept moving toward the point of consumption in order to avoid congestion of both our home and foreign markets because congestion would cause a depression and lower prices. It is obvious the more active the demand for our wheat from outside buyers the stronger the markets here at home.

First, it is necessary for us to do all that can be done through our Government to broaden and expand a foreign demand for our wheat. Teach these people to eat more wheat bread. If there is no other way, I would favor an active, intensive advertising campaign throughout foreign countries to instruct and enlighten the people concerning the benefits to be derived from eating the derivatives of American wheat. This would stimulate the markets here at home and make for higher prices to the producer.

Second, we must lessen the cost of production and reduce the taxes, both Federal and State. Let Congress repeal the Fordney-McCumber tariff law, which is one of the greatest evils that was ever foisted upon the American farmer. This law levies a tax upon him every minute in the day by adding to the cost of everything he buys from his hat upon his head down to the shoes upon his feet. It decreases the demand for the farmer's wheat abroad, which is evinced by the falling off in our exports for the years 1922 and 1923 as against 1921, as follows: Wheat: Exports, 1921, 293,267,637 bushels; 1922, 208,321,091 bushels; 1923, 154,950,971 bushels; a difference of 138,316,666 bushels, or nearly one-half. Wheat flour: Exports in 1921 were 16,179,956 barrels; in 1922, 15,796,819 barrels; and in 1923, 14,882,714 barrels; a difference of 1,297,242 barrels. Wheat, including flour: Exports in 1921 were 366,077,439 bushels; 1922, 279,408,777 bushels; 1923, 221,923,184 bushels; a difference of 144,154,255 bushels.

It increases the cost of production. This is shown by the following table, which gives the cost of farm machinery for the year 1923 as far in excess of that for the year 1914, when the farmer's wheat was sold at practically the same price.

STATEMENTS SHOWING THE COST OF PRODUCING AND DELIVERING TO MARKET FOR THE DIFFERENT YEARS MENTIONED A BUSHEL OF WHEAT IN SOUTHERN INDIANA ON LAND OF A HIGH AVERAGE PRODUCING QUALITY

These statements are based upon the cash value of the land for the year mentioned, taking 15 acres of land with an average yield of 18 bushels per acre as a basis.

For the crop harvested in 1914 on land valued at $100 per acre; assessed at $66 per acre

Interest at 6 per cent, on $1,500	$90.00
Taxes at $2, on $990	19.80
Plowing at $1.25 per acre	18.75
Harrowing and rolling four times	9.00
Drilling at 26⅔ cents per acre	4.00
Cutting at 50 cents per acre	7.50
Twine, 2 pounds per acre at 10 cents	3.00
Putting in shock—two men, one day each	4.00
1¼ bushels of seed per acre at $1.10 per bushel	20.625
Total cost of production	176.675
Threshing 270 bushels at 8 cents per bushel	21.60
Use of 135 bags two days at one-half cent per day	1.35
Hauling to market, 3 miles, at 3 cents per bushel	8.10
Total cost of production and delivering to market 270 bushels of wheat	207.725
Average cost per bushel	0.7693
October, 1914, selling price of wheat	1.00
Cost of production and delivering to market	0.769
Profit to the farmer	0.23

For the crop harvested in 1917 on land valued at $100 per acre; assessed at $66 per acre

Interest, at 6 per cent on $1,500	$90.00
Taxes, at $2 on $990	19.80
Plowing, at $1.50 per acre	22.50
Harrowing and rolling four times	12.00
Drilling, at 33⅓ cents per acre	5.00
Cutting, at 66 cents per acre	10.00
Twine, 2 pounds per acre, at 25 cents	7.50
Putting in shock, two men one day each	6.00
1¼ bushels seed per acre, at $2.20	41.25
Total cost of production	214.05
Threshing 270 bushels, at 10 cents per bushel	27.00
Use of 135 bags two days, at one-half cent per day	1.35
Hauling to market, 3 miles, at 3 cents per bushel	8.10
Total cost of production and delivering to market 270 bushels of wheat	250.50
Average cost per bushel	0.927
October, 1917, selling price of wheat	2.00
Cost of production and delivering to market	0.927
Profit to the farmer	1.073

For the crop harvested in 1923 on land valued at $120 per acre; assessed at $100 per acre

Interest, at 6 per cent on $1,800	$108.00
Taxes, at $2.20 per acre	33.00
Plowing, at $1.75 per acre	26.25
Harrowing and rolling four days, at $4 per day	16.00
Drilling, at 40 cents per acre	6.00
Cutting, at 80 cents per acre	12.00
Twine, 2 pounds per acre, at 25 cents	7.50
Putting in shock, two men one day each	10.00
1½ bushels seed per acre, at $1.20 per bushel	22.50
Total cost of production	241.25
Threshing 270 bushels, at 10 cents per bushel	27.00
Use of 135 bags two days, at one-half cent per day	1.35
Hauling to market, 3 miles, at 3 cents per bushel	8.10
Total cost of production and delivering to market 270 bushels of wheat	278.70
Average cost per bushel	1.032
Average selling price for crop	1.00
Loss to farmer	0.032

Comparative cost of machinery for producing wheat for the above-named crops and the equivalent in bushels of wheat

FOR THE CROP HARVESTED IN 1914

	Cost	Number of bushels of wheat
Sulky plow	$35.00	35 bushels at $1.
Harrow	18.00	18 bushels at $1.
Drill	75.00	75 bushels at $1.
Roller	25.00	25 bushels at $1.
Binder	125.00	125 bushels at $1.
Wagon	80.00	80 bushels at $1.
Labor, common	1.00	1 bushel at $1.
Labor, harvesting	2.00	2 bushels at $1

FOR THE CROP HARVESTED IN 1917

	Cost	Number of bushels of wheat
Sulky plow	$65.00	32½ bushels at $2.
Drill	135.00	67½ bushels at $2.
Harrow	35.00	17½ bushels at $2.
Roller	38.00	19 bushels at $2.
Binder	165.00	82½ bushels at $2.
Wagon	90.00	45 bushels at $2.
Labor, common	1.50	¾ bushel at $2.
Labor, harvesting	3.00	1½ bushels at $2.

FOR THE CROP HARVESTED IN 1923

	Cost	Number of bushels of wheat
Sulky plow	$54.00	54 bushels at $1.
Drill	126.00	126 bushels at $1.
Harrow	27.00	27 bushels at $1.
Roller	36.00	36 bushels at $1.
Binder	225.00	225 bushels at $1.
Wagon	135.00	135 bushels at $1.
Labor, common	1.35	1.35 bushels at $1.
Labor, harvesting	5.00	5 bushels at $1.

It increases the cost of living in every way, not only of farm machinery but of everything else that the farmer has to use in the manufactured line. This all goes to make up a high cost of living, which prevents the farmer from enjoying a profit for his labor on the farm.

The farmer's dollar—The purchasing power of the farmer's dollar since 1890

(Includes food and farm products with all other products)

	Cents
1890	83
1891	89
1892	87
1893	87
1894	85
1895	86
1896	81
1897	88
1898	88
1899	83
1900	86
1901	92
1902	95
1903	88
1904	93
1905	90
1906	88
1907	90
1908	93
1909	100
1910	96
1911	97
1912	101
1913	100
1914	105
1915	103
1916	97
1917	107
1918	112
1919	112
1920	96
1921	84
1922	89
1923	

1913–1922, REVISED

Source: The Agricultural Crisis and Its Causes. Report of the Joint Commission on Agricultural Inquiry, Part 1.

Third: The transportation rates from the country elevator, where the farmer's wheat is marketed, to the great seaboard shipping points are too high. No matter how high or how low these rates may be the farmer pays the freight; so if these rates can be reduced, the farmer is benefited to the extent of the amount of that reduction. Reduce transportation by completing the inland waterway system which will give an outlet from the great wheat-producing States of the central, west, and northwestern part of our country directly to the Gulf and to foreign markets at a great saving to the shipper. We must have cheap transportation to meet the competition of the wheat-producing countries of the world. This competition is enormous, as shown by the following tables.

Production of wheat in undermentioned countries

Country	1914	1915	1916	1917	1918	1919
NORTHERN HEMISPHERE						
North America	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Canada	161,280	393,543	262,781	233,743	199,075	193,303
United States	891,017	1,025,801	636,318	636,655	921,438	967,979
Mexico						14,239
Europe						
United Kingdom:						
England and Wales	58,456	67,720	54,080	57,330	84,240	63,508
Scotland	2,561	2,999	2,261	2,432	3,216	3,064
Ireland	1,415	3,232	2,827	4,573	5,690	2,452
Norway	209	264	316	430	1,057	1,071
Sweden	4,906	9,660	9,658	6,920	8,888	9,351
Denmark	5,788	7,982	6,044	4,206	6,330	5,923
Netherlands	5,770	7,050	4,785	3,049	5,431	5,856
Belgium	13,972	7,916	6,487	5,014	4,019	10,565
Luxembourg	530	532	433	345	509	466
France	282,689	222,776	204,908	137,096	228,685	187,091
Spain	116,089	139,208	152,320	142,674	135,709	129,250
Portugal	7,016	6,622	7,419	7,429	9,584	8,178
Italy	199,562	170,541	175,530	139,999	163,204	166,798
Switzerland	3,276	3,957	4,082	3,031	3,273	3,891
Germany	145,944	141,676	113,393	81,791	85,865	79,701
Austria	38,024	32,391	27,811	5,963	5,159	5,114
Czechoslovakia						
Hungary	117,777	157,647				
Yugoslavia						
Serbia	9,553	8,451	9,186	8,818		
Greece	13,111	9,050	8,106	11,505	13,722	9,898
Bulgaria	23,206	35,577	29,601	29,067	23,233	29,775
Rumania	49,270	89,241	78,521		21,450	66,020
Poland						
Lithuania						2,646
Latvia						
Esthonia						472
Finland	196	260	247	223	218	262
Russia, including Ukraine and Northern Caucasia	573,384	829,981				
Africa						
Morocco		17,882	18,382	15,656	22,697	16,391
Algeria	33,241	33,849	29,151	28,979	49,236	21,003
Tunis	2,205	8,267	5,511	7,312	11,944	6,981
Egypt	32,850	39,144	36,543	29,834	32,140	30,137
Asia						
Turkey						
Cyprus				1,776	2,598	1,779
Persia						
India	312,305	376,992	323,045	382,144	370,421	280,251
Russia (Asiatic)	254,372	173,479				
Japanese Empire:						
Japan	22,975	26,778	30,137	34,745	32,923	32,561
Chosen	8,343	8,655	9,065	9,153	9,807	8,553
Formosa	181	161	138	125	152	160
Kwantung	33	35	39	27	52	31
SOUTHERN HEMISPHERE						
Peru				2,621	2,282	2,357
Chile	19,000	20,214	22,498	22,120	20,230	19,920
Uruguay	3,066	9,867	5,390	13,061	6,880	5,946
Argentina	169,174	169,019	89,115	223,636	180,162	216,934
Union of South Africa				9,790	7,979	5,129
Java and Madura						
Australia	24,882	179,066	182,420	114,734	75,638	45,975
New Zealand	6,664	7,108	5,051	6,808	6,568	4,460

Production of wheat in undermentioned countries—Continued

Country	Production			
	1920	1921	1922	1923
NORTHERN HEMISPHERE				
North America	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*
Canada	263,189	300,858	399,786	474,199
United States	833,027	814,905	867,595	785,741
Mexico	[1] 14,951		13,628	
Guatemala				
Total comparable with 1923	1,096,216	1,115,763	1,267,384	1,259,940
Europe				
United Kingdom:				
England and Wales	53,252	69,776	61,312	54,816
Scotland	2,080	2,568	2,520	[2] 2,320
Ireland	1,403	1,451	1,417	1,269
Norway	999	972	643	587
Sweden	10,322	12,335	19,981	11,082
Denmark	7,290	11,145	9,249	8,655
Netherlands	5,993	8,562	6,161	6,678
Belgium	10,274	14,495	10,615	12,590
Luxemburg	451	621	173	540
France	236,920	328,467	243,315	290,474
Spain	138,605	145,150	125,469	157,110
Portugal	10,376	9,418	9,782	12,964
Italy	[3] 141,337	196,071	161,641	224,634
Switzerland	3,586	3,574	2,348	3,693
Germany	52,585	107,798	71,933	106,439
Austria	5,434	6,530	7,422	8,826
Czechoslovakia	26,262	38,682	33,621	36,226
Hungary	28,294	42,715	54,729	67,677
Yugoslavia	43,011	51,879	44,472	61,893
Greece	11,188	11,170	9,553	15,356
Bulgaria	30,043	29,280	37,704	38,223
Rumania	61,309	78,563	62,008	102,311
Poland	22,741	37,409	42,278	53,351
Lithuania	2,159	2,840	3,274	2,965
Latvia	389	764	938	1,641
Esthonia		427	761	737
Finland	267	230	296	472
Russia, including Ukraine and Northern Caucasia			158,416	[4] 192,000
Total comparable with 1923		1,215,251	1,043,125	1,279,631
Africa				
Morocco	17,947	23,241	12,984	20,050
Algeria	8,433	34,906	18,233	25,616
Tunis	5,229	10,619	3,674	9,921
Egypt	31,710	37,010	36,548	40,654
Total comparable with 1923	63,319	105,776	71,449	109,734
Asia				
Cyprus	2,296	2,425	2,496	2,611
India	377,986	259,257	366,987	369,152
Russia (Asiatic)			45,359	
Japanese Empire:				
Japan	30,155	28,575	27,617	28,408
Chosen	10,084	10,705	9,522	8,101
Formosa	141	110		
Kwantung	30	62		
Total comparable with 1923	421,293	292,062	467,023	408,267
SOUTHERN HEMISPHERE	1920–21	1921–22	1922–23	1923–24
Peru	3,001	2,800		
Chile	23,190	23,436	23,815	25,001
Uruguay	7,768	9,944	5,152	(5,000)
Argentina	166,133	191,012	195,842	259,336
Union of South Africa [1]	7,323	8,419	6,697	6,027
Australia	145,874	128,099	106,291	127,359
New Zealand	6,872	10,565	8,395	4,250
Total comparable with 1923	277,096	347,160	349,162	426,961
Grand total		3,102,117	3,138,162	3,481,234

[1] Commercial estimate.
[2] Old boundaries.
[3] All Russia, including Ukraine.
[4] Exclusive of native districts which produced 350,000 bushels in 1918 and 200,000 bushels in 1921.

SUMMARY

Therefore, reduce taxes; lower transportation rates; repeal the Fordney-McCumber tariff law; broaden our marketing conditions; stimulate more consumption of wheat abroad.

The farmer is no fool, he is not asking for advice or special favor, he has been as patient as Job. Too much agitation keeps his mind disturbed; too many measures introduced or talked about build up hope for relief in his mind only to be followed by disappointment at failure of realization. For three years Congress has held out "farm-relief measures" to the farmer and with no results.

We are within 10 days of adjournment and still no downright whole-hearted action on the part of the administration to solve the farmer's problem. The farmer is tired of "sop" for political prestige. He knows better how to handle the problems out on the farm than the man in the office or on the street. He is tired of being told that he ought to diversify his crops, or that he ought to produce less of this or more of that—all he wants or expects from this Government, that he so nobly supports, is just an equal chance with his fellowman. He wants a square deal. I am sure if he gets that he will be able to take care of himself.

This agricultural bill for the relief of the farmer has met with only lukewarm assistance from the leaders of the majority side of this Chamber. I have a 100 per cent roll-call average and have been on the floor of the House every day during this session. Anyone sitting here in Congress can very easily see that the majority party, which is responsible for legislation, is not afire with that unbounded enthusiasm about the farmer's dire distress, even at this eleventh hour of the session, that characterized their every ingenuity and resourcefulness to come to the aid of the wealth of this country in the early days of this session.

The farmer, by his experience during the last two years or more has learned this fact, which is now deep-seated in his mind—that in so far as any kind of special legislation in his behalf is concerned, there is none to be expected.

There has been nothing, so far, of a practical nature submitted to Congress for the relief of the farmer, nor is there likely to be until the political complexion of the two branches change, for the measures that are necessary to bring such relief to the farmer are in themselves political.

It is of great importance to the welfare of the Nation that the farmer gets some real relief from the situation that is not only facing him but is now upon his back like a ferocious wild animal crushing the very life out of him.

I appeal to the Members of this House to place the farmer upon an equal basis with the rest of the business world. Legislate for him as you do for other lines of business, so he, too, may enjoy some of the blessings of prosperity. If you will do this you will soon find this Nation happy and prosperous.

Mr. SUMMERS of Washington. Mr. Speaker, the question is asked, Why not include fruit, alfalfa, and truck crops in this bill? The McNary-Haugen bill in its direct application is limited to major farm products that dominate farm prices that enter largely into foreign trade and the prices of which are fixed in foreign markets. But the very evident fact should not be overlooked that when you give a fair price to two and a quarter million wheat farmers and millions of corn, hog, and cattle growers you increase the purchasing power of many millions of people who become better customers for other farm commodities.

Again, the application of this bill can not be localized. In many States the farmer can with about equal financial returns devote his acreage to producing the things named in this bill or he can turn his attention to dairying, fruit growing, trucking, and so forth. Evidently a fair price for corn, livestock, and wheat will prevent undue encroachment upon other specialized farming.

My friends, let us not forget that our interests are all interrelated. For many years I worked on a diversified farm—grew corn and wheat, oats and hay, milked the cows, suckled the calves, fed the hogs, and gathered the eggs. Later I carved a cotton plantation out of the jungles of Mississippi where cane and timber stood thicker than the hair on my head and mosquitoes were more numerous than the locusts of Egypt; later I grew barley and spuds, and developed from raw land an irrigated ranch on which we grew apples and berries and alfalfa; on another ranch we grew nothing but wheat. Naturally I am for the farmer. However, the observation I wish to make is this—that when the big branches of agriculture are prosperous their prices are generally reflected to other farm crops and we all prosper. Forty million people connected directly with agriculture in the United States form the best market in the world for our factories and wholesalers and retailers.

No class, no industry can long prosper alone. Labor and capital, farmer and manufacturer, city and country are each dependent upon the other; in justice we should and economically we shall move up and down together.

Mr. SMITH. Mr. Speaker, anyone who has given thoughtful consideration to the economic system under which the farmers of the country are laboring must realize that the farmer is greatly handicapped under present conditions and is entitled to

any relief and encouragement that can be afforded by Congress. I believe that the bill under consideration will bring relief and hope to the farmer, where dismay and discouragement now prevail.

Having been born and reared on a farm, familiar with the implements of tillage, conversant with the conditions that enter into the life of the great army of producers on the soil and fortified by a degree of practical knowledge gained by experience and study, I feel that I am speaking advisedly.

It was declared by the late James J. Hill, the "empire builder," that we solve problems not by side-stepping but by grappling with them, by arousing public interest, forming public opinion, and engaging the thoughtful consideration of all who may be interested in the public welfare.

There must be something economically wrong, in the light of present-day conditions, when the consumer is required to pay more than he should pay in a market of abundant commodities, while producers—the farmers—are facing bankruptcy.

The prosperity of the manufacturers and lack of it in the farming section is proof that a disarrangement of our economic system exists. What logical or satisfactory answer can be made to the farmer who asks why he should pay greatly increased prices for agricultural implements, harness, shoes, and, in fact, everything that he and his family must buy, while his wheat has steadily declined from $2 a bushel to 70 cents, and during this time he must face a substantial increase of his taxes?

There must be found an adjustment of this unfair discrimination, and, in my opinion, the provisions of this bill, if honestly and faithfully carried out, will solve the problem.

This measure creates an agricultural export corporation, with an authorized capitalization of $200,000,000, which is under the management of a board of directors and an administrative director appointed by the President.

It is proposed that this corporation shall purchase and export surplus wheat and other commodities of the farm in the world markets, which will have the effect of increasing the price of those commodities in the domestic market.

A CRUCIAL TEST

Opposition to this bill has been expressed in some quarters on the ground that it is paternalistic and is a price-fixing proposition: that it will encourage the overproduction of wheat and other products in disregard of the normal demand.

Much of this opposition comes from grain speculators and exporters. They predict that the bill, if enacted into law, will interfere with their prosperity; that by artificial methods which will interfere with the law of supply and demand business will be completely demoralized.

It is argued by some well-informed authorities that exporting of surplus farm products under the provisions of the proposed law is impracticable and unprofitable. They assert that unprofitable production rights itself by driving the surplus producers out of business.

On the other hand, it is contended by those thoroughly familiar with the workable basis of the measure that it is practicable, and that once in operation would add $2,000,000,000 to the buying power of the farmers. After an analytical study of the bill, I share this latter opinion.

The corporation would fix ratio prices, make purchases and sell abroad. To guard against loss a certain percentage would be deducted from the ratio price when purchases are made. The amount returned would depend upon the sales abroad.

There is a further strengthening of the system by giving to the President the power to impose embargoes on importations of foreign commodities when foreign competition threatens to reduce domestic prices below the ratio figure.

There is strong sentiment for this bill, not only among individual farmers of the West, but from nearly all the large farm associations such as the Farm Bureau Federation, the Farmers' Union, and the grange.

The argument is advanced, and justly so, that the Government has helped the railroads and the wage earners, and it is high time that the farmers should now be helped; that the farmer should get American prices for his products when sold in America.

The farmer is surfeited with advice about the kinds of crops he should plant. He is told to diversify his products. He is urged to align himself with cooperative marketing associations. I dare say there is no one who has greater faith in the efficacy of cooperative commodity marketing than I have; but the very first step necessary to put the farmer on his feet is the enactment of this measure and the speedy application of its provisions.

DESERTING THE FARMS

According to the statistics compiled by the Sears-Roebuck Agricultural Foundation, since last year another million people left the farms for the cities. This, too, in the face of an increase in population of 1,400,000. This means that there were 2,400,000 more persons to feed and a million less producers to do the feeding.

The report states that—

> this condition warrants industrial and commercial leaders doing something definite to help the farmer get on his feet.

What is the significance of this desertion of the farm for the city? What is causing the farmers to leave the homes and flock to the industries where good wages enable him and his family to live in comfort? It is not so much overproduction as the need of cheaper distribution.

In 1922, 1,120,000 persons left the farm, and 7.3 per cent of the habitable farmhouses were standing vacant, while the cities are having a building boom for needed homes.

Bank failures in agricultural regions have been greater in the first seven months of this fiscal year than the combined failures for the five previous years.

As a result of this great exodus to the cities, what will be the inevitable outcome? Underproduction. Unless relief, such as this bill provides, is extended to the farming industry, we are liable to awaken to find ourselves in the throes of economic disaster.

RAILROAD FREIGHT RATES

One of the greatest handicaps under which the farmers of the West have been placed in the matter of getting their products to market is excessive freight rates.

A joint resolution (S. J. Res. 107) passed the Senate on May 12, 1924, directing the Interstate Commerce Commission to adjust freight rates to relieve depression in any basic industry, particularly agriculture. It was reported to the House on the 27th instant.

On the 19th instant the Senate passed Senator GOODING's bill (S. 2327) to amend section 4 of the interstate commerce act, which will be considered by the House at the next session.

The readjustment of freight rates, as proposed in these measures, will enable western farmers to transport their products on a fair and equitable basis, thereby rendering great aid to the farmer.

With reduced freight rates and the proper functioning of the pending bill when enacted, a foreign market will be opened up for the farmers who are producing more than our market will consume, and through the application of the provisions of this measure the foreign market can be reached.

A BASIS OF PERMANENT SUCCESS

Mr. Speaker, while I earnestly hope the enactment of this bill will afford immediate temporary relief to the farming industry, I am mindful of the fact that permanent rehabilitation of agriculture, so essential to the farmers' success, can be accomplished only through the establishment of a system of cooperative commodity marketing.

By means of the organization of a cooperative marketing system, the great spread between the farmer and the consumer must necessarily be eliminated. Not counting cotton or tobacco, the consumer paid the farmer in 1922 for his crop $22,500,000,000. Out of this stupendous sum the producer, or the agriculturist, received only $7,500,000,000. The middlemen, railroads, commission merchants, and so forth, pocketed the rest.

Turning to a serious consideration of the system of cooperative commodity marketing, we are forced to a realization that we are living in the midst of a thoroughly organized and highly trained business world. In the industrial world, labor is holding a commanding position by reason of its perfect organization. Every line of worth-while business and industry is organized. The farmer must be educated to the advantages of cooperation, accept the principle and put it in practice.

Efforts to organize from the standpoint of production have not been satisfactory, but organized from the standpoint of marketing is quite a different proposition and can be and is being made a success.

Cooperatives in California dispose of their products every year in excess of $250,000,000. Why is it not just as practicable to organize the potato growers as it has been to organize the tobacco growers?

The farmer is receiving about $1 for potatoes for which the consumer pays $3. Does it not stand to reason that the farmer should receive more of the price the consumer pays?

A few weeks ago I saw an article in the Evening Star of this city giving the results of an experiment of cooperative

commodity marketing tried out by the growers and canners of tomatoes of eastern Maryland. One of the outstanding features of the experiment showed that it did not result in higher prices to the ultimate consumer. Success was due to the fact that the plan eliminated waste, allowing canned tomatoes to be sold at prevailing market prices, but with a large profit to the producers.

Both growers and canners were allowed cost of production, and profits were then divided on a basis of 60 per cent to the grower and 40 per cent to the canner. The canner paid one-half of the cost of hauling the tomatoes to the cannery. Heretofore the farmers had to bear the entire cost of hauling.

After full settlement was made the farmer found that he had received 27 cents a basket for his tomatoes. This price was 2 cents above the highest contract price and considerably more than 2 cents above the average contract price.

Judging from popular opinion it is very evident that the plan will be tried elsewhere in Maryland during the coming summer. It means higher return to the grower through elimination of waste. That is efficiency—the same thing that every manufacturer is striving for.

Mr. Speaker, the time, study, and consideration given to the system of cooperative commodity marketing as a means of solving many of the difficulties under which the farming industry is now laboring convinces me that the farmers would be benefited by its adoption.

I am so thoroughly convinced of its practicability that I shall ask the indulgence of the House while I present an analysis of the more important phases that enter into a discussion of the question.

A VERY EFFECTIVE MEASURE

Among the deluge of agricultural bills introduced in the present Congress in my opinion one of the outstanding bills is that introduced and sponsored by Representative ARTHUR B. WILLIAMS of Michigan.

Application of the provisions of this bill would result in eliminating waste in the marketing of farm products. Prices would be stabilized to the benefit of the farmer and the consumer. Distribution would be so regulated that community needs will be satisfactorily met. Gluts and famines would be avoided.

As a basis for carrying out President Coolidge's recommendations as to cooperative marketing I regard this bill as a practical application of principles involving the very best interests of the farming industry.

A practical farmer, successful manufacturer, and financier, Representative WILLIAMS of Michigan has embodied in his bill the result of years of study from every angle of the agricultural problem. If enacted, it would enable the administration to fulfill the desired permanent relief of the farmer.

Individuals and associations that have considered measures of relief so far introduced are loud in their praise of the Williams bill as a solution of the marketing problems of the farmer, and especially cooperative marketing. This method is presented in a simple yet comprehensive manner. The fundamental basis of success is the establishment of a marketing agency. This agency functions in carrying products from local cooperatives to the consuming public.

In general the farming industry is divided into production districts. The marketing agencies gather up produce from the cooperatives within these districts and ship the same to the big terminal markets, such as Chicago, New York, and other established centers. The district marketing agencies are in league with the terminal marketing associations handling agricultural products.

This enables the district cooperative agencies to keep closely in touch with prices, and eliminates the hazards that have surrounded such shipments when the farmers, ignorant of marketing conditions, ship their products without a sale in advance.

There is a provision for inspection as to grading, quality, and condition at points of origin, and, if necessary, in transit and at terminal marketing destinations.

All of these associations are under charter; that is, a certificate of approval is issued by the Federal Marketing Bureau upon condition that the associations will agree to the provisions set out in the act. Each association agrees to arbitrate rules prescribed by the Federal Marketing Board as regards disputes that may arise as to inspection or condition of products shipped. In such case the shipper is protected at terminal markets, even without a sale in advance. The buyer is likewise protected in purchasing at long distance, because he knows what he is to receive.

Commodity organization, which experience has shown is the only kind of organization that can best serve in the cooperative movement, is the basic theory of the bill.

Administration of this act is vested in a Federal Marketing Board of seven members. Five of these members are appointed by the President. The Secretary of Commerce and the Secretary of Agriculture are ex officio members.

Commodity boards of one or three members may be appointed by the Federal Marketing Bureau. These boards may be discontinued as Federal boards if the commodity is sufficiently well organized to establish and maintain its own board.

Members constituting the Federal Marketing Board shall be men known to be interested and friendly to the cooperative marketing idea. In cases of vacancies nominations are to be submitted to the President by cooperative marketing associations as to three of the members and by the terminal marketing associations as to the other two members. In this way the board will be made up of men familiar with the problems involved within the scope of the act.

There are many other splendid features of the Williams bill having for their object the stimulation, encouragement, and development of these various organizations.

An appropriation of $7,500,000 is authorized under the act for each of the two following years, and any unexpended balance may be used by the Federal Marketing Board as a revolving fund from which to make loans payable within a limited period to cooperative marketing and clearing house associations for the purpose of extending their membership.

It is well understood that great waste is now going on due to oversupply in some markets and undersupply in other markets. Such conditions result in deterioration of products and price fluctuations leading to speculation. This must be paid for either by the consumer or the farmer.

The Williams bill would provide for orderly distribution and marketing of farm products and bring the farmer into intimate contact with marketing problems. This will enable the farmer to gain greater knowledge bearing upon diversification and adaptation of products to demand. The handling of products will be reduced to a minimum. Cross hauls, where products are looking for a market, will be eliminated. The great spread between the producer and the consumer will be greatly curtailed.

If for any reason it should be determined that the McNary-Haugen bill can not reach enactment, I am strongly in favor of substituting the Williams-Capper bill as the most feasible solution of the farmer problem. I believe, too, that it would not be necessary to set up any new Federal agency. This could be handled very efficiently by the Department of Agriculture in cooperation with the Department of Commerce.

The Williams-Capper bill is a sound, practical measure, designed to meet conditions as they now exist, have been existing, and are likely to continue to exist if steps are not taken to adopt remedial provisions.

COOPERATIVE MARKETING IN DENMARK

Cooperative marketing is not a new and untried innovation. Not only in this country but in other countries of the world ample proof of its success is a matter of record.

In this connection I wish to quote briefly from "Cooperative marketing in Denmark," by Mr. Chris L. Christensen, investigator, Division of Cooperative Marketing, United States Department of Agriculture:

> In less than 50 years Denmark has changed from a nation of peasant agriculture to the most highly organized agricultural nation in the world. More than 92 per cent of the farmers in Denmark own the land they cultivate.
>
> On his farm, ranging from 5 to 60 acres in size, organized on an efficient business basis for the production and marketing of butter, bacon, and eggs, the Danish farmer is not only self-sustaining but is financially independent. Through cooperative marketing he places on the market a highly standardized product that finds ready demand. His marketing organization costs have been cut to a minimum, so that he receives the largest possible share of the consumer's dollar.
>
> More than 86 per cent of the 205,000 Danish farmers are members of local cooperative marketing organizations which assemble and process the farmers' products.

The major portion of Denmark's surplus production of butter, bacon, and eggs is consumed by the English market. The consumer knows that any product with the Danish stamp is of high quality, and that a regular supply may be depended upon.

The present position of Denmark in the agricultural world is remarkable, by reason of the apparently short time in which it has been attained. With similar cooperative marketing methods this country is capable of attaining the same degree of success.

There was a time when the disorganized efforts of individual Danish farmers to meet the English consumer's demand for a high quality of butter resulted in the shipping of quantities of

mediocre products which affected the prices of the higher grades. In other words, there was not a sufficient quantity of uniform standardized grade to make proper merchandizing possible.

After several years the farmers realized that concerted action to meet the demand was needed. An organized effort to produce and market a uniform product regularly throughout the year met with large success, and by 1890 there were 600 cooperative creameries. The secret of the project was that every effort was devoted toward furnishing the consumer with the high grade of product that he demanded, and for which he was willing to pay high price. There are now 1,335 cooperative creamery associations in Denmark.

Compare 250 cooperative organizations of various kinds in 1885 with more than 5,000 at the present time, and we have food for thought in the farming industry of Denmark. In my opinion, only through such methodical, businesslike cooperative marketing organization will the greatest amount of benefit result to the agricultural interests of the United States.

We are all familiar with the high standard of the Danish bacon. Before they set up a cooperative organization the Danes were forced to market their pigs in Hamburg, Germany, where they were slaughtered and the bacon shipped to England. To shorten the market lane and to receive more of the prices paid by the consumers the hog raisers decided to assemble their products locally, combine the process of killing the pigs and curing the bacon in their own cooperatively owned plants, sending the finished product direct to the English market.

The first cooperative bacon factory was organized in 1887. To-day there are 46 such factories distributed throughout Denmark.

Similar marketing problems confronted the egg producers. A standard quality product was demanded in the foreign markets. There are now 550 egg-collecting associations federated into one central selling agency, which annually markets 300,000 cases of eggs on the basis of 360 eggs to the case.

There are agricultural societies organized to promote the technical and educational side of agriculture and which do not engage in marketing. Fully 90 per cent of the Danish farmers have membership in these societies, which have been an important influence in the production of standardized products.

COOPERATIVE MARKETING AS A BUSINESS PROPOSITION

For years cooperative marketing has engaged the attention and study of men deeply interested in the subject. They are familiar with it as a business organization; they understand it from an economic point of view; they know its scope and limitations.

If a business enterprise formed and organized by groups or associations of farmers for the purpose of marketing their commodities can attain a higher degree of success than could be obtained by individuals working independently, it is inevitable that the system of organization will ultimately be adopted. All that is needed is leadership in the movement. These leaders, however, must be men versed in every detail of cooperative marketing.

In this connection I am taking the liberty of quoting from an address delivered at Cornell University February 12 of this year by Mr. Lloyd S. Tenny, one of the foremost authorities in this country on the all-absorbing subject of cooperative commodity marketing. In part he says:

In the United States Department of Agriculture we have collected information regarding 9,000 active cooperative organizations. These organizations did approximately $1,700,000,000 worth of business for the farmers in 1923. As far as form of organization is concerned, there is no single fundamental plan that runs through these 9,000 organizations.

Too much emphasis has been placed on forms of organization. The impression that the building of a cooperative machine is the primary essential is too widespread. The first essential is getting farm people ready to work together. Then comes the organization, and then the more important problems of guiding and directing this machine in such a way that you will reach the goal you are seeking.

The first cooperative associations developed around local shipping points. This was a logical starting point. Ten or fifty people with common problems cooperating—working together—to meet these problems. Cooperation could not begin between a dozen men here and a dozen somewhere else, or between a thousand men scattered over a large territory. Cooperation comes from contact. It develops from problems that you can not solve as individuals, but may hope to solve collectively.

It is further stated by Mr. Tenny that cooperative commodity marketing is a recent development in cooperation. It represents in many respects an ideal development.

Through centralization of authority certain things can be accomplished that are fundamental to ultimate success in marketing. For example, a group of farmers in the dairy business combine to build and operate a factory for the manufacture of butter. Collectively they are able to standardize their product, and do many other things that they could not do individually.

These farmers are able to secure better prices for butter, because their product is standardized, and because it can be sold in large uniform blocks. They have improved conditions, but this can not generally affect the market for that commodity.

A small group can not control the distribution of the commodity, and is unable to attain the commanding position in the market that the farmer should have. Only when industry is organized and a large volume of business secured and controlled will the farmers be able to secure the full benefit of collective activity.

The commodity marketing organization, therefore, represents from a business standpoint the highest development of cooperation and is in the main the kind of organization best adapted to meet the larger problems of marketing.

In his very able address Mr. Tenny makes plain so many important points along the line of cooperative commodity marketing that I should like to incorporate, if space would permit, many of his splendid practical observations.

He has such an excellent grasp of the subject as to impress me with the fact that it is not essential to success to set up a separate, expensive agency to handle work that is now being so efficiently performed by the Division of Agricultural Cooperation of the Department of Agriculture.

By enlarging the scope of this important division and making more liberal appropriations of money for the carrying on of its vast and highly useful activities, a great and lasting benefit to the farming industry would be the inevitable result.

THE LARGEST INDUSTRY IN AMERICA

Agriculture is the biggest industry in this country. The development of big commodity organizations, representing large farm interests, is proper and encouraging. When the farmers can say that they are members of an organization that has banking facilities, that has agents all over the world, a new life comes into agriculture. It takes on a new dignity and importance.

At a recent conference in New York 16 of the largest bankers in the city were present. They were there to discuss marketing credit. They said their resources were at the disposal of farmers' cooperative organizations that could furnish as collateral the receipts of warehouses licensed under the Federal warehouse act. The large cooperative commodity marketing organizations have given cooperative marketing standing in the business world. This is an important step forward.

Large commodity marketing organizations are able to secure the economies that come from large-scale organization and operation. Many of these larger cooperative organizations, it is true, have not demonstrated their ability to secure the saving they might have. When these organizations are efficiently directed and managed they will get the advantages and savings of large-scale operation.

It is further stated by Mr. Tenny, and we who are familiar with the subject of marketing will subscribe to his premises, that one of the most important problems in marketing a commodity is distribution. Standardization is even more important, because a product can not be distributed and sold successfully if it is not standardized.

The consumers are educated by manufacturers of every product, from automobiles to breakfast foods, to buy by brand. These brands have been standardized; each represents a product of a certain quality. Consumers have come to depend on these standardized products, and it would be impossible to get them to experiment with miscellaneous products of uncertain quality. They are developing the same attitude toward farm products, and the larger cooperatives are taking steps to cater to this demand.

As a result we have oranges, raisins, butter, eggs, and so forth, represented by brands, products that have been brought to a high degree of standardization. The large cooperative marketing associations can standardize farm products not only by communities but on a larger scale by commodities. The farmer, the dealer, and the consumer are all benefited.

Another advantage of a big organization is that it is possible to secure good business management and good sales management. Such things are specialties. It takes different types of men to manufacture and to sell. Not many farmers are good salesmen. This is not a criticism of the farmer, because salesmanship represents specialized knowledge.

Big organizations, if properly conducted and managed, can get good salesmen. They can employ men who are trained to interpret crop and marketing information, who can look outside the community and determine what effect the activities of other

farmers in the United States and in foreign countries may have on marketing conditions.

These large organizations can establish brands for farm products. These brands have a definite value. The values of our farms are not determined entirely by the number of dairy cows or fruit trees on them. There are other things that go to make value. For instance, brands and trade-marks that represent the products produced. A large cooperative organization makes it possible to establish brands and to make these brands assets of the farmer.

Large cooperative marketing organizations can produce economic advantages through the distribution of the product in respect to time and place. Take eggs for example. Consumption goes on regularly throughout the year; not so production. Eggs are produced in the largest quantity during certain months and consumed in fairly uniform quantities every month of the year.

How can the farmer expect to get the full market value for eggs when he sells them at the time they are produced without regard to supply or demand? An organization that distributes the product uniformly throughout the year is able to overcome, to the extent that its shipments affect the total supply, the alternating periods of oversupply and shortage which the individual farmer can not influence.

This is distribution with respect to time. Distribution with respect to place means putting the products where people are, with all the complex factors of transportation, financing, and wholesale and retail distribution that enter into it. The advantages a large organization enjoys in dealing with the agencies that transport and handle farm products are apparent.

In big cooperative marketing associations there is an overemphasis of the question of control and price. Control, if properly developed as to time and place, is splendid.

But there is always danger in beginning these new movements for the idea to get abroad that it is possible to control price; that during this control in some mysterious way the farmers will obtain larger returns for their commodities. Control of the product from an economic standpoint must be classed among the outstanding advantages of commodity cooperative marketing.

There is danger, however, of spreading broadcast the impression that arbitrary price fixing is feasible. Prices are always relative and not absolute. If the producers feel that through large organizations these prices may be made absolute without regard to the law of supply and demand; if they go beyond the price control that may be obtained through orderly distribution, irreparable damage will be done to the cause of cooperative marketing.

Those of us who have studied the subject know, as Mr. Tenny well exresses it, that—

there are great possibilities in cooperative marketing. It must be directed intelligently, however, and strong leaders are needed. We can raise our whole industry, our standard of living, our vision and outlook on life by doing our part to establish and maintain our cooperative marketing organizations.

PROGRESS OF THE COOPERATIVE MOVEMENT

A casual review of statistics collected and disseminated by the Division of Agricultural Cooperation, United States Department of Agriculture, should convince those skeptical of the success of cooperative marketing that since 1918 progress in this great field of human endeavor has been phenomenal.

On page 124 of Agricultural Cooperation of April 7, 1924, the number of selling and buying associations reported as active in 1924 is 10,160. This is an increase of nearly 2,000 organizations in less than three years.

Progress has been so rapid that the number of cooperators, the number of commodities handled, and the volume of business done are now enormous. Just how much can not be definitely determined, even after careful study, because of the size and rapid expansion of the movement.

Farmers are turning to cooperation as a solution of their marketing problems. The great amount of energy now being expended in cooperative efforts presages a further expansion of the amount of business done by cooperative organizations. The high type of men in leadership in the various phases of agricultural cooperation is an absolute guaranty of the permanent success of the cooperative movement.

In an address delivered February 8, 1924, before the National Council of Farmers' Cooperative Marketing Associations in this city, Secretary of Agriculture H. C. Wallace gave such pertinent facts relating to cooperative marketing that I earnestly commend his observations to those seeking enlightenment on this very absorbing subject.

Among other things Secretary Wallace says:

There are limits beyond which the department can not properly pass in the field of organization of cooperative associations. It can not take part in the work of organization of business activities, cooperative or otherwise. We can properly seek out and make available sound principles upon which successful cooperation depends. We can point out conditions which make for success and those which make for failure. We can present historical facts which ought to help those who are interested in the organization and conduct of cooperative enterprises to profit from the experience of similar efforts in the past, both in this country and abroad.

Secretary Wallace states that the department believes in the cooperative marketing of farm products, desires to be helpful to the largest possible degree in giving information as to the sound organization of cooperatives, and proposes to be of the largest possible service to them when organized.

Again the able Secretary of Agriculture says:

Success in cooperation, as in everything else, depends mainly upon the skill, energy, and efficiency of the management. Therefore, we think that one of the most important services we can render is to help establish and maintain operation.

Among the services we are rendering to cooperatives of various kinds are—

Estimates, forecasts of crop and livestock production, an absolutely essential service to the business administration of cooperative enterprise.

Prompt publication of volume of crops harvested, with comparisons with different years.

A comprehensive marketing news service, reporting shipments, receipts, prices, condition of commodities, etc., distributed by telegraph, by leased wire, by radio, by mail, and through press releases.

The establishment of well-defined and generally accepted standards for farm products. The standards already established are now being used for many of the most important fruits and vegetables.

The Secretary refers to the licensing of public warehousemen under the United States warehouse act, administered by the department, as being of great assistance to cooperative marketing associations, not only in securing improved credit facilities but in contributing toward more orderly marketing.

Mr. Speaker, the bill under consideration is designed to relieve a condition in the farming industry that unfortunately for several years has been exceedingly distressing.

There is no question before the Congress of greater importance to the prosperity and welfare of the country than that of farm relief legislation. It is highly essential to place the farmer on his feet and get him going. In order to enable him to get the start he needs all the aid the Government can give along sound and practical lines, and now is the accepted time to render that assistance.

Apples of the Delicious variety grown in my orchard in Idaho last fall would not command more than a cent apiece, boxed ready for shipment. On the menu in a café in Chicago, where I ate breakfast on my way to Washington, the price of a baked apple was 35 cents. And this unwarranted spread in price between producer and consumer prevails in all lines of commodities, except, perhaps, in the case of producers who are members of cooperative marketing associations.

I have gone somewhat into detail on the great advantages to be derived from a system of cooperative commodity marketing in the hope that after the present emergency has been met there will be an impetus to follow out this line of endeavor as a means of protecting the products of the farm against sudden slumps and price fluctuations. The only thing needed to make farming one of the most profitable industries of the country is a well-organized system of marketing.

Mr. Speaker, we of the West have been patient and forbearing. We have looked on with a complacency that at times belied our feeling at the assistance given other industries since the signing of the armistice.

We have felt that the depression in the great agricultural industry would appeal to all fair-minded men that some measure of speedy relief should be our due. So far we have waited in vain. The propitious moment has arrived when temporary relief afforded by this measure will give to the membership of this great body an opportunity to demonstrate that the farming industry of America is no longer to be ignored.

I trust that by your votes, emphatically expressed in support of this bill, a new era of prosperity, happiness, and contentment will be vouchsafed to that industry that is the sustaining force of our physical life—our very existence.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 41 minutes p. m.) the House adjourned until to-morrow, Wednesday, May 21, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. BEERS: Committee on the District of Columbia. S. 703. An act making an adjustment of certain accounts between the United States and the District of Columbia; without amendment (Rept. No. 790). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 7757. A bill for the abandonment of a portion of the present channel of the south branch of the Chicago River; with an amendment (Rept. No. 791). Referred to the House Calendar.

Mr. LINEBERGER: Committee on Rivers and Harbors. S. 1942. An act to protect navigation from obstruction and injury by preventing the discharge of oil into the coastal navigable waters of the United States; with an amendment (Rept. No. 794). Referred to the Committee of the Whole House on the state of the Union.

Mr. McSWAIN: Committee on Military Affairs. S. 3211. An act authorizing the sale of Gasparilla Island Military Reservation; without amendment (Rept. No. 795). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. S. 2704. An act to amend paragraph (3), section 16, of the interstate commerce act; without amendment (Rept. No. 796). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 3556. A bill for the relief of Herman R. Weltman; with an amendment (Rept. No. 792). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 8192. A bill for the relief of Frank Rector; without amendment (Rept. No. 793). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 5257. A bill for the relief of Alonzo C. Shekell; without amendment (Rept. No. 797). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 6775. A bill for the relief of Francis Forbes; without amendment (Rept. No. 798). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7631) for the relief of Charles T. Clayton and others; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 9088) granting an increase of pension to Ruth M. E. Standage; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 9274) granting a pension to Henry F. C. Toedt; Committee on Invalid Pensions discharged; and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KETCHAM: A bill (H. R. 9342) for the purchase of a site for public building at Sturgis, Mich.; to the Committee on Public Buildings and Grounds.

By Mr. KNUTSON: A bill (H. R. 9343) authorizing the adjudication of claims of the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

By Mr. McFADDEN: A bill (H. R. 9344) to amend section 8 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended; to the Committee on Banking and Currency.

By Mr. WILSON of Indiana: A bill (H. R. 9345) granting the consent of Congress for the construction of a bridge across the Ohio River between Vanderburgh County, Ind., and Henderson County, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLFF: A bill (H. R. 9346) to permit a rural letter carrier to engage in any business or other occupation; to the Committee on the Post Office and Post Roads.

By Mr. ELLIOTT: Joint resolution (H. J. Res. 267) to amend section 2 of an act to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War and the war with Mexico, to certain widows, including widows of the War of 1812, former widows, dependent parents, and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increase of pensions in cases approved May 1, 1920; to the Committee on Invalid Pensions.

By Mr. REED of New York: Joint resolution (H. J. Res. 268) for the participation of the United States in an international exposition to be held at Seville, Spain, in 1927; to the Committee on Industrial Arts and Expositions.

By Mr. MEAD: Memorial of the Legislature of the State of New York, requesting that Congress make liberal appropriations for the carrying out of the spirit of the national defense act; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 9347) for the relief of the United States Portable Building Co.; to the Committee on Claims.

By Mr. COLE of Ohio: A bill (H. R. 9348) granting a pension to Joe S. Castor; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 9349) granting an increase of pension to Martha Shoemaker; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 9350) granting an increase of pension to Margaret A. Foose; to the Committee on Invalid Pensions.

By Mr. JACOBSTEIN: A bill (H. R. 9351) granting an increase of pension to Adeline Ringelstein; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9352) granting a pension to Sarah Morley Gillette; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9353) for the relief of the Rochester Merchandise Co.; to the Committee on Claims.

By Mr. McREYNOLDS: A bill (H. R. 9354) for the relief of William P. Quarles, known as Qualls; to the Committee on Military Affairs.

Also, a bill (H. R. 9355) granting an increase of pension to George W. Pinion; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 9356) granting an increase of pension to Mary Bershig; to the Committee on Invalid Pensions.

By Mr. RANKIN: A bill (H. R. 9357) for the relief of the estate of R. C. Bumpass, deceased; to the Committee on War Claims.

By Mr. ROBINSON of Iowa: A bill (H. R. 9358) granting a pension to Adah I. Tomlinson; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 9359) granting insurance to Lydia C. Spry; to the Committee on World War Veterans' Legislation.

By Mr. TAYLOR of Tennessee: A bill (H. R. 9360) granting an increase of pension to Mary Collins; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2817. By the SPEAKER (by request): Petition of employees of the Maintenance of Equipment Department, Pennsylvania Railroad system, southwestern region, protesting against the Barkley bill; to the Committee on Interstate and Foreign Commerce.

2818. By Mr. ARNOLD: Petition of the executive committee of the Marion County (Ill.) Farm Bureau, in favor of the McNary-Haugen bill; to the Committee on Agriculture.

2819. Also, petition of the Richland County Farm Bureau, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2820. Also, petition of the Crawford County Farm Bureau of Illinois, indorsing the McNary-Haugen bill; to the Committee on Agriculture.

2821. Also, petition of the executive committee of the Clinton County Farm Bureau, Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2822. By Mr. CRAMTON: Petition of the Romeo Monday Club, protesting against the drainage of the Winneshiek bottom lands along the upper Mississippi; to the Committee on Agriculture.

2823. By Mr. GARBER: Petition of Chamber of Commerce, Fairview, Okla., urging that sufficient appropriations will be made by Congress to carry out the provisions of the national defense act of 1920; to the Committee on Ways and Means.

2824. By Mr. KIESS: Petition of citizens of Tioga, Pa., opposing any bill proposing a modification of the existing prohibition law; to the Committee on the Judiciary.

2825. By Mr. KINDRED: Petition of board of aldermen, city of New York, N. Y., indorsing congressional bill for increase in salaries of postal employees; to the Committee on the Post Office and Post Roads.

2826. By Mr. KVALE: Petition of S. R. Simonson and 222 other residents of Benson, Swift County, Minn., urging Congress to protect eggs as a source of farm income by an adequate tariff; to the Committee on Ways and Means.

2827. By Mr. MOORE of Illinois: Petition of the La Grange Chapter of the Izaak Walton League of America, indorsing bill for the conservation of the upper Mississippi known as the game refuge bill; to the Committee on Agriculture.

2828. By Mr. MORROW: Petition of Dona Ana County Federation of Women's Clubs, Mrs. Thomas Branigan, president, Las Cruces, N. Mex., favoring results obtained by the special commission on narcotics, recommending that conference be held in England; to the Committee on Foreign Affairs.

2829. By Mr. RAKER: Petition of W. D. Allen Manufacturing Co., Chicago, Ill., opposing passage of Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2830. Also, petition of L. D. Pike, commander Glendale Camp, No. 67, United States War Veterans, indorsing passage of Bursum pension bill over President's veto; to the Committee on Invalid Pensions.

2831. Also, five letters from residents of Tacoma, Wash., in re bill to change the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2832. Also, petitions of A. Goodman, secretary Golden Gate Brass Manufacturing Co., Los Angeles, Calif., and Hans Barkan, M. D., San Francisco, Calif., indorsing San Carlos Dam bill (S. 966); and Wm. A. Brunnette, president White Earth Reservation, Mahnomen, Minn., opposing passage of bill giving $50 per capita payment to the Red Lake Indians only; to the Committee on Indian Affairs.

2833. Also, petition of Robert D. McCrimmon, Tacoma, Wash., and Fred L. Arndt, Groveland, Calif., in re bill to change name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2834. Also, 35 letters and telegrams in regard to the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, *May 21, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. HOWELL. Mr. President, it has been suggested to me that it might be well to have a quorum.

Mr. EDGE. Will the Senator withhold that just a moment?

Mr. HOWELL. Certainly.

Mr. EDGE. The pending question is the motion made by myself that Senate bill 1898 shall be made the unfinished business. If the Senator will yield for the purpose, I shall appreciate it very much, that the motion may be put so the matter can be settled; and I shall then yield to the Senator from Nebraska, of course.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield for that purpose?

Mr. HOWELL. I yield.

Mr. FLETCHER. I think we had better have a quorum. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fernald	Ladd	Shields
Ashurst	Ferris	Lenroot	Shipstead
Ball	Fletcher	Lodge	Shortridge
Bayard	Frazier	McKinley	Simmons
Borah	George	McLean	Smith
Brandegee	Gerry	McNary	Smoot
Broussard	Glass	Mayfield	Spencer
Bruce	Gooding	Moses	Stanfield
Bursum	Hale	Neely	Stephens
Cameron	Harreld	Norbeck	Sterling
Capper	Harris	Norris	Swanson
Caraway	Harrison	Oddie	Trammell
Colt	Heflin	Overman	Underwood
Copeland	Howell	Pepper	Wadsworth
Cummins	Johnson, Calif.	Pittman	Walsh, Mass.
Curtis	Johnson, Minn.	Ralston	Walsh, Mont.
Dale	Jones, N. Mex.	Ransdell	Warren
Dial	Kendrick	Reed, Pa.	
Edge	Keyes	Robinson	
Edwards	King	Sheppard	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 30, 31, 44, 45, 55, and 59 to the aforesaid bill; and that the House receded from its disagreement to the amendments of the Senate numbered 8, 25, 28, 40, 43, 48, 50, 51, 52, 53, 54, and 60, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 8905) to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America, and it was thereupon signed by the President pro tempore.

POSTMASTERS AND POSTAL EMPLOYEES

The PRESIDENT pro tempore. The question is on the motion made by the Senator from New Jersey [Mr. EDGE] that the Senate shall proceed to the consideration of Senate bill 1898.

Mr. HOWELL. Mr. President, I have the floor, have I not?

The PRESIDENT pro tempore. But the Senator from Nebraska yielded to the Senator from New Jersey to allow the Chair to put the motion that has just been stated by the Chair.

Mr. HOWELL. Very well; let the motion be put.

Mr. UNDERWOOD. Mr. President, will the Senator from New Jersey yield to enable me to introduce a bill?

Mr. EDGE. I hardly feel, under the arrangement entered into with the Senator from Nebraska, that I really have a right to yield. It is through his courtesy that I have been able to ask for a vote on my motion, which will only take a moment. Then I am quite sure the Senator from Nebraska will yield to the Senator from Alabama.

Mr. UNDERWOOD. Very well.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New Jersey.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which had been reported from the Committee on Post Office and Post Roads with an amendment in the nature of a substitute.

THE FARMERS' PROBLEMS—ADDRESS BY SENATOR LADD

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered on the 3d instant by my colleague, the senior Senator from North Dakota [Mr. LADD], on "The Farmers' Problems," before the Political Study Club, in the city of Washington.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the address will be printed accordingly.

of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," Ill., favoring the passage of the McNary-Haugen bill; to the Committee on Agriculture.

roll.

Chair hears none, and the address will be printed accordingly.

The address is as follows:

Ladies of the Political Study Club: Any complete understanding of the farmers' problems or of the farmers' place in modern society involves a far more comprehensive study than is possible in the hour at our disposal. Only a few of the most important angles of the subject can be more than briefly indicated.

Organized society originated in the more or less permanent settlement of nomadic pastoral families at places where soil and climate, with volunteer and rudely cultivated crops, offered abundant pasture for cattle and ample food for man. Civilization began when the solitary human animal abandoned the venatic or hunting stage for the nomadic, pastoral stage. Families and tribes were nomadic, wandering groups, which moved with the seasons and according to the need and supply of pasturage for flocks and herds, which furnished their food and clothing.

It was a great step in advance when these wandering people became sedentary—forming permanent settlements and increasing the supply and variety of food even by a primitive cultivation of the soil.

As population increased and flocks and herds enlarged these settlements became the objects of plunder by predatory and unsettled tribes. This made every member of the settled tribes a warrier, subject to call at any moment for the defense of his tribe and its property.

At this stage of social development came the first great division of labor. Special aptitudes indicated those individuals best qualified to be the fighting members. These, the warriors of the tribe, or groups of tribes, called clans, enjoyed certain privileges and special advantages. They were largely exempt from other than warrior services; their families were supported by the labor of the group; their privileges became hereditary. From among them chiefs, kings, and aristocracy developed. With further increase in populations a fiercer competition for locations led to larger apportionment of tribal wealth to the support of its warrior establishment and the fortification of towns and cities.

Increasing demands for greater variety of goods led to further division of labor, still further enlarging the burden of social support on the food-producing farmer; that is, leaving the farmer a still smaller share of the products of his labor, but with no increase of his facilities, while adding to his labors.

As we follow the course of agriculture down to Homeric and Mosaic times we find firmly established a system of agricultural production in which, in the most highly civilized countries—Egypt, Mesopotamia, Greece, and India—the land belonged to an aristocracy of overlords, while farm labor was performed by slaves. A rigid caste system prevailed—an arrogant priesthood shared with monarch and military overlord all the wealth produced by agriculture except a bare subsistence.

ROME'S RISE AND FALL

About the middle of the fifth century B. C. the Romans occupied a territory about 20 miles square. There were not more than 150,000 people who lived on this land. Most of the families had small holdings, where father and sons lived and worked together, growing wheat, for the most part, with a patch of vines or olive trees. Most of their tools and clothing were made at home. Even the patricians were peasants, farming and working with pick and plow. These families were free. They owned their land, and the noblest families were farmers. Roman history relates the account of Cincinnatus and the plow. The proprietor worked his own fields and tended his land and stock as faithfully as any of his less wealthy neighbors.

Yet with the growth of Roman power and the extension of Roman dominion the status of the free farmer was changed from freedom to serfdom.

Roman wars were essentially slave-hunting expeditions, with land grants to a corrupt senatorial oligarchy and slaves selling at from $3 to $50 a head. The free farmer soon vanished. He became a slave himself with his family, or drifted into the city to become submerged in the cloaca-gentium that was Rome. From the second century A. D. to the beginning of the twelfth there was a transformation of social order in Europe that is without parallel in history. The entire framework of society broke down. Population dwindled, commerce, arts, wealth, and freedom vanished. The people were reduced by poverty and misery to the most degraded conditions of slavery and serfdom. Regardless of various explanations that have been given of this phenomenon, it marks the lowest ebb in the tides of social progress. In all the recessions from social well-being to social degradation it is the farmer who first feels the shock of approaching depression, and he is the last to feel impulse of a revival of activity and progress.

FROM CHARLEMAGNE TO NAPOLEON

The status of the farmer, the food producer of the state, was fixed for centuries by the feudalism established by Charlemagne in the eighth century. Feudalism lasted in Continental Europe until destroyed by the armies of Napoleon. Chattel slavery existed in France at the time of the revolution, and the church was the last slave owner to emancipate its slaves.

History repeats itself. Agricultural development, as related to the industry as a whole and as to individual farmers in America, is following the course outlined from the beginning in other lands and other times. First a freeman, a citizen, economically independent; the pioneer, the adventurer who enters upon and tames the outlying lands, subdues the continent, and breeds the men who fight the battles of his country and direct its early policies. By whatever means the result is brought about, under any form of government the same tendencies are found in operation to reduce the farmer to an inferior economic and social position. The Sudra in India is the Helot in Greece, the peon in Spanish America, the serf in Russia, the tenant farmer in our own country. Even our small capitalistic farmer feels the effect of forces operating in the social body to fulfill the predictions of our early statesmen.

On August 7, 1787, Mr. Madison, speaking to the suffrage provision of the proposed Constitution, in the Constitutional Convention, said:

> "In future times a great majority of the people will not only be without land but any other sort of property."—

And he goes on to say what may be the result—

> "These will either combine under the influence of their common situation—in which case the rights of property and the public liberty will not be secure in their hands—or what is more probable, they will become the tools of opulence and ambition, in which case there will be an equal danger on another side."

On the same day Gouverneur Morris said:

> "The time is not distant when the country will abound with mechanics and manufacturers who will receive their bread from their employers. * * * Nine-tenths of the people are at present freeholders."

The time predicted by Madison and Morris has come, much sooner, probably, than was believed possible by these far-sighted statesmen; the time predicted by Macaulay when the free land of America has been exhausted or absorbed and the real test of democracy in America be applied. As always, the acceptance of the régime of civil society by the farmer and laborer is not the result of any free choice on his part, but the effect of his condition of practical peonage, brought about by the absorption of opportunity—i. e., free land—which forces him to accept the economic and political domination of the proprietor class. The first, then the primary, factor in the farmers' problem is the question of access to land. Even under existing conditions when the farmer buys land he only buys a job, pays for the opportunity to work, pays for the right to produce wealth for other people to use. Before, however, enlarging upon this feature, I want to call attention to the contributions made by American farmers to the American people in other ways than by following his avocation.

FREEDOM AND THE FARMER

Emerson has recorded in imperishable verse how "the embattled farmers stood by the rude arch that spanned the flood, to fire the shot heard round the world." In the rush and clamor of a materialistic age we lose sight of the moral consistency of the farmers who gave life and being to the Republic, for without them the Republic could not have been. The warrior service of the farmer of those far-off colonial days must not be forgotten when we reckon up his account. Again, fourscore years later, it was the American farmer, then, as now, the largest single group in industry, who led the agitation to abolish chattel slavery in America. Think for a moment of the position of free men engaged in agriculture with half the country operating farms by slave labor! Neither capital nor labor devoted to agriculture could possibly compete with a system operated by unpaid labor. Either unpaid labor must be raised to the economic level of paid labor or paid free labor must sink to the level of unpaid slave labor.

Again the issue came at a time before there were continental railways. The only economic outlet for the products of agriculture from the vast areas of the Northwest was by way of the great rivers, the Ohio, Mississippi, and the Missouri. All these streams found their way to the ocean highways of the world through the heart of slave labor territory, and would thereby be subject to the exactions and impositions of a foreign state. It was Lincoln's happy phrase, "the Mississippi flows unvexed to the sea." It was no purely philanthropic spirit that led the farmers of the Nation to take up the sword when all compromise had failed to free themselves from the economic tyranny of a slave oligarchy; to free themselves they were obliged to make others free as well. And this has always been the spirit of the farmer at every stage of his development; from the time when the first mechanic murdered the first farmer in the Garden of Eden.

LAND, OPPORTUNITY, FOOD

Reverting to the first factor of the farmers' problems—access to land—we realize that land is opportunity. All wealth is the product of labor as applied to opportunity. If opportunity is free, the cost of wealth to the consumer is the cost of the farmer's labor only—the consumer pays only the wages of the farmer. If, however, the farmer must pay for the privilege of producing wealth, the cost of his opportunity must be added to the price the consumer pays for the farmer's

products. That is one reason, although not the only one, for the high cost of living. A glance at the records will show the steady advance in the market price of lands during our life as a Nation, namely, the farmer's opportunity.

Another factor of the farmer's problem lies in the discrimination against the farmer in the distribution of the burdens and benefits of civil government.

SPECIAL PRIVILEGE FOR WHOM?

From an early period in our history as a Nation, even before, while we still were 13 ununited States, we adopted a policy of granting special privileges to manufacturers of commodities necessary to a civilized life. Massachusetts erected tariff walls against other States. Connecticut, Rhode Island, New Jersey, New York—others did the same.

The theory was that with abundant national resources and intelligent labor it would be unwise to permit other nations, particularly Great Britain, to possess the American market, sending raw materials and coin to England as payment. Also, that by giving American manufacturers power to monopolize our market domestic competition would bring about such reduced prices that imports would be unprofitable and therefore impossible, when our infant industries would be able to stand alone. It is a cardinal principle of the political party with which I affiliate that protection, wisely gauged so as to avoid creating monopolies and to develop all the Nation's resources, is undoubtedly a great advantage in preventing the leveling of labor the world over. Unfortunately, for the success of this theory, the laws of competition were set aside by the selfish, avaricious beneficiaries of the tariff system through combinations, price fixing between them, market zones, division of market territory, pools; numerous effective devices were adopted to the same end.

THE FARMER PENALIZED

The tariff system has operated at the expense of the farmer. While he was being told that the system was building up the home market for his produce, the price for his produce in his home market was fixed in a foreign market where he has to sell all his surplus in competition with all the world. The price for the bulk of all produce is always fixed by the price of the surplus. Everything the farmer buys he buys in a protected market and pays, as a rule, all the traffic will bear. If the drawback provision of the present tariff law which was inserted at the instance of the large milling combinations of the country were repealed, the farmers of the spring wheat region would no doubt reap the benefit of the tariff on wheat, for the reason that there is usually a shortage of the hard spring wheat which the millers must have to mix with the softer grades in order to meet the market requirements as to flour.

Another factor to be considered is trans-Atlantic shipping. We have spent 60 years trying to recover the supremacy we had in world merchant marine that was destroyed by British influence during the Civil War. We have given tariffs to ship makers at the expense of ship users. It has cost about twice as much to build ships in America, or, it is so claimed on rather doubtful evidence—as it costs to build the same ships in other countries. That is—half the cost of American ships is dead capital and can only be supported by excess rates for service. When we recall that the freight is taken out of the farmers' selling price; that his wheat and other products sell at a price that pays the freight, all of which is taken off the price he would otherwise receive, it is seen at once as a serious loss. But that is only the index of the farmer's loss. Only 5 per cent of all American commerce ever sees salt water. Of this 5 per cent, one-half consists in farmers' produce. (We are speaking here of normal times.) So that 2½ per cent of all American commerce fixes the price of 97.5 per cent of all the commerce of the Nation in the products of agriculture.

THE RAILROADS DEVELOP

Another factor in the farmer's problems is that of transportation. On the 4th day of July, 1828, Charles Carroll of Carrollton, the last surviving signer of the Declaration of Independence, laid the first rail of the Baltimore & Ohio Railroad. Mr. Carroll said he considered that event second only to that of signing the Declaration of Independence, if even second to that. In a few weeks it will be 96 years ago. The story of the American railroad is an epic with all the elements of cosmic drama. Within a century the American people have developed the greatest system of railroad transportation the world has ever known, or is likely to know, under the existing dispensation.

Without noting in detail the steps by which results were obtained, it is sufficient to say that with the physical expansion of the system there was a progressive development of political and economic power that practically dictated the life of industry by railroad authorities and of courts and legislatures.

They discriminated between cities building up on the one hand and destroying on the other, to further the private interests of those in control. Every device to evade responsibility to local control was made use of to continue their abuses, until in 1887 the interstate commerce law was enacted for the express purpose of erecting a "buffer state" between the railroads and an outraged public opinion. Pending its adoption, the combined railroad interests set to work to change the provisions of the bill, and it received the signature of the President in such form as to be practically worthless. Unjust discrimination still continues, reckless combinations are entered into, passes are issued to officials, and where it is deemed necessary, blocks of railroad stocks are bestowed in liberal quantities. In nearly every State when railroad commissions have been established they have proven to be failures. When a determined stand has been taken against encroachments of railroads by commissions, the courts have set aside the verdict of the commissions. In the leading cases decided by the Supreme Court of the Republic, the court, usually by a divided court, undertook to determine the reasonableness of legislation and assumed, under a thin disguise, the functions of an upper legislative body, which, while it could not originate legislation, could absolutely veto laws touching the use or protection of property.

It assumes that the fixing of rates is a judicial question, against the time-honored principle of all Anglo-Saxon courts; that the determination of questions of public policy is a function of the legislature and not the courts, whose only duty is to lay down a rule and not to vote on the wisdom of a policy. Not only so, but in order to decide, as in the Minnesota Rate case, the court had in effect to reverse itself and overrule the decision it had handed down in previous cases when the same issue, practically, had been presented, as in Munn v. Illinois.

The effect of these decisions filters down through all the Federal and State courts and becomes the law of the land.

TAKING ALL THE TRAFFIC WILL BEAR

While imposing rates for service, delicately adjusted to "all the traffic will bear," these monopolies exert their powerful influence on public officials to shift their fair share of the expenses of government. In a near-by county in Maryland, it is said, a railroad earning 8 per cent on a capitalization of $200,000 per mile of double track has been assessed at $7,500 per mile, while the farms it runs through are assessed at more than they would sell for, or cost their owners, at the same time that splendid crops of peaches, cantelouples, melons, tomatoes, potatoes, cucumbers are rotting in the fields or being fed to swine because the railroads want more than these fruits would bring to haul them to market in near-by cities.

It is probable that abuses of the sovereign power delegated to the railroads of the country have done more to arouse popular resentments than any other one influence. Consolidations, discriminations, and extortions by railroads started the granger movement in 1867. By 1877 the Supreme Court sustained the constitutionality of granger laws, only to see them repealed through the political power exerted by railroads. But the necessity for relief kept the farmers in action to curb the excesses of their principal oppressors, at that time the railroads.

FARMERS BEGIN TO ORGANIZE

This is neither the time or the place to follow the historic development of the different methods or organizations through which the farmers endeavored to protect themselves against their abuses by monopoly. Yet the grange movement was only one and the earliest expression of the farmers' awakening consciousness of his position. He found himself like the Hindoo, Sudra—at the bottom of the economic scale; there was no one below him to whom he could pass the burden. Through every economic stratum of organized society the higher was always able to shift its burden to the one next below, while the farmer stood on the ground and had to dig his living out of the earth with his own hands. He had to support with his labor the many-storied economic structure, the foundation of which rested in his own fields while its towering pinnacles glittered in the palatial stock exchange, board of trade, and the bankers' temples of Mammon.

It was as evident to the farmers of 1867 as it is to them in 1924, that the only remedy for his troubles must come through political action; therefore, organization must be developed to that end. With granger laws repealed, nullified, further organization was necessary. Independent farmers' organizations sprang up in 1873–74 in many States of the Middle West, all having the same general purpose. There were independent parties, reform, antimonopoly, farmers' parties; all the result of an ardent will to remove the causes of the injustice felt by this great group and to do this by constitutional and lawful political means.

THE FARMERS' FIGHT

Continuously since the late "sixties" there have sprung up sporadic groups of farmers animated by these principles, Farmers' Alliance, Farmers' Union, Farmers' Cooperative Unions, Equity Societies, Agricultural Wheel, Farmers and Laborers Union, Southern Alliance, Northwestern Alliance, Populist Party, People's Party, Nonpartisan League. The backbone of all these movements consisted of actual farmers, although there were large numbers of citizens of rural towns and villages in full sympathy who felt the farmers' troubles as their own. These movements are now history, yet their inspiration survives and the experiences they developed has helped the farmers in dealing with the later forms of oppression. While the farmers' present problems still include the problems of the past, there are new problems

that are but slightly and indirectly felt by those who are not farmers; these grow out of conditions and legislation of recent origin.

SOME FARMERS' REAL PROBLEMS

Consider there are 15,232,658 automobiles and gasoline trucks in operation in the United States as shown by a recent report by the Government. Accurate estimate is impossible, but if we can assume each of these vehicles displaces two horses, 30,000,000 horses furnished a market for the agricultural produce of not less than 60,000,000 acres of good farm land. At the modest figure of $10 an acre of profit the farmer has an income less by $600,000,000 than he would if there were no automotive vehicles in the country. I am aware that some, possibly many, automobiles now in use would be wanting if the owners had to use horse-drawn vehicles; yet you will appreciate the fact that the farmer is met with a condition that seriously affects the value of his land and the market for his produce. It is not a question of the value of the automobile to society as an improved mechanical device, it is purely a problem and a condition to which the farmer must adjust himself.

Again, recent legislation has abolished the farmers' market for 108,000,000 bushels of grain, 2.3 per cent of the total grain crop of the country that formerly was consumed in making alcohol and malt, spirituous, and fermented beverages; that is, 2.3 per cent of the total grain acreage of rich land must be converted to other crops or lie idle. Here, again, it is not a problem in ethics as related to the farmer. It is a condition to which he must adjust himself as the facts of a changing order overtake him in the flowing stream of social history, and the farmers' readjustment makes readjustment necessary for all other groups and industries.

THE MERCHANT MARINE DESTROYED

We have helped to destroy the merchant marine that had cut the cost of ocean transport down to half or less than half it was prior to the World War, and I sometimes wonder if that was not one factor in making the war. Yet the fact remains we have helped to ruin the market for the American farmer, both at home and abroad. And this also, is not to be discussed here; as a problem of ethics it is purely considered in this connection as a serious factor in the farmers' problems. So serious is it that since these laws—Esch-Cummins law, immigration law, and Federal reserve law—have been operative not less than 3,000,000 farmers have forsaken their profession, abandoned their farms, and added their families to the number of consumers rather than producers of food. This is not a situation peculiar to the West and Northwest. In New York and Pennsylvania alone more than 4,300 farms have been literally abandoned, thrown away, in the last three years. So serious is it, I am advised, that in this year of 1924 more than 1,500,000 more farmers will also forsake their farms and flock to the cities, just as they did in the same circumstances in old Rome, when bread and circuses were provided by the state to keep them from rebellious outbreak.

LAND PRICES AND PROPERTY

These contributing causes of the farmers' problems are reflected in the market prices of farm lands, which are only from 25 to 50 per cent of 1920 inflated prices. When the significance of the situation and the methods employed to bring about present conditions are considered, we approach the central factor of the farmers' problems.

I wish to quote the conclusions of a distinguished American, scion of a distinguished family, a family intimately associated with generations of American history, the son and grandson of Presidents, whose name he bears—Brooks Adams. In his historic contribution to modern scholarship, The Law of Civilization and Decay, he outlines a philosophy based on the experience of thousands of years. It is as follows:

"Throughout the ages it has been the practice of the moneyed class first to create a period of high prices, to encourage investment, enterprise, speculation, during which they sell property and commodities of all kinds, lands especially, and then to cause a deflation period of swift panic, during which prices of all properties fall rapidly, and at the lowest level of prices they proceed to buy in, at panic prices, the properties they had previously sold; on which they again proceed to elevate prices to former levels, only to repeat the process. The means by which the process is conducted vary from time to time, yet the result is always the same, the mortgage engulfs the pledge."

This process has been demonstrated by 16 such periodic panics in less than a century and a half of our national life. With us, as in practically every case since the panic in Rome under Tiberius, the means was by creating an immense expansion of the amount of money or in modern days by enlarging the volume of bank credit (concentrated or controlled) by virtue of the power granted under the Federal reserve bank act. We should not forget, however, the administrative abuses which have been made possible under private control and monopoly.

Without undertaking to discuss this act itself, it is enough to say that on a basis of less than five billions of actual money there was issued a volume of credit of more than $60,000,000,000. As a result the price level of all commodities was raised correspondingly.

HOW PANICS ARE MADE

On May 18, 1920, without a word of warning or notice, the balloon credit structure was punctured, discounts were raised, loans were withdrawn, cut down, refused, and the entire fabric of American commerce, exchange, manufacture, transportation, plunged into chaos, and threw 6,000,000 workers on the streets, by the most heartless, vicious, cruel, and unconscionable stroke of avaricious depravity known in the business history of the civilized world. The Federal reserve bank act was represented as intended to stabilize prices, to make panics impossible, to give a flexible, adjustable monetary device that would assure security to business ventures. Yet it was deliberately used to rip over $60,000,000,000 from the possessors of property and commodities and hand it over to the interests which secured the enactment of the law.

Can those who see the situation as does the farmer marvel that he feels that he has a problem?

Several problems? That he feels that he has a duty to perform?

Market bulletins in the summer of 1920 showed that the price of fat lambs, carload lots, dropped from 22 cents to 8 cents a pound within a few days. This precipitous fall in prices was general. It cut the market price of all commodities and services in the same way and to the same extent. It was observed at all primary markets and affected all forms of farm products. Nor was it a transient matter; it continued and now prevails.

It is important to note that under governmental control and by monopoly manipulation that same year, while the price received by the farmer for his wheat dropped nearly 50 per cent the price of mill feed—bran and shorts—increased in retail price nearly 100 per cent. I have seen the farmers bring in a load of wheat and sell this wheat for less than another farmer paid for the same weight of wheat byproducts, mill feed, being delivered at the rear of the same elevator as feed for the farmers' dairy animals. In other words, it would have been more economical for the farmer to have fed the wheat itself.

As to wheat growing in the United States, the future is not reassuring. This is a problem not only for the wheat farmer but for all other farmers and business men and all men engaged in industry. There are opening up vast areas of wheat-producing lands in Canada, in the Argentine, Brazil, Manchuria—virgin soils, cheap labor. There are no artificial tariff barriers that prevent consumers of wheat produced in these parts of the world from paying for the things they buy in things they produce.

Advances in the agricultural arts have made it possible for one man adequately equipped with apparatus and understanding to handle more acres of land than a dozen men could properly cover half a century ago. The fitness of certain soils for certain crops, intensive culture, a knowledge developed by experiment of chemical relations in plant foods, foreknowledge of weather conditions, food values for livestock at different stages of growth and preparation for market, the "farm factory" principle that "finishes the farm product most nearly for consumption"—all these and others have tended to reduce the cost of production of farm products. The most important of these is the great advance in machinery. In place of the forked stick that still is the Hindoo Sudra's plow, or the wooden spade of the Peruvian husbandman, we have the giant tractor-drawn gang plows that turn six furrows at once, cultivating machines operated by gasoline engines, harvesting machines, threshing machines that practically abolish human and animal labor on the great farms of the country. Yet with every advance in technique, every multiplication of power, not a single hour of toil has been lifted from the back of labor.

The economy of effort, the advantage from all these improvements has been absorbed largely by the cost of the machines to the farmer, who must use them or fall behind in the fierce competition he must meet; and partly also by the increase in the market price of land. Competition does not affect the price of the implements and machinery the farmer must use, for the reason that the great bulk of all the farmer's machinery is made by a combination of manufacturers—Harvester Trusts—that have grown to international proportions. It is no solace to the farmer's troubles, no solution of his problems to tell him there is no tariff on farm machinery, for the simple reason that the trust controls the production of all such commodities.

Again, the reflection of higher technique in higher land values, merely adds to the farmer's burden. If he is to have a return of 6 per cent on investment, he must work more than twice as hard on $100 land as he would have to work on $50 land. Therefore, while with better roads, telephones, rural free-delivery mail, superior technique and apparatus, some farmers may have made money as land speculators, only an insignificant few have made financial successes as cultivators of the soil.

FERTILITY DEPLETED

Meanwhile, as an offset to any advance in land values there has been a constant decrease in fertility, soil exhaustion, owing to unintelligent cropping. The average production of corn, wheat, and other staple crops has suffered a steady and progressive decline. Lands that once produced from 30 to 40 bushels of wheat or 60 to 75 bushels of

corn per acre now produce only 12 to 20 bushels of wheat and 25 to 40 bushels of corn, notwithstanding all improvements in farm methods.

This condition has given rise to the fertilizer problem and the fertilizer combination. The World War concentrated official attention to this problem, which was not only a farmer's problem but a national problem and one which has not yet been placed in satisfactory course of solution. As a result of acute shortage of the important element of nitrogen in commercial fertilizers the Government, under the Department of Agriculture, has been conducting experiments through the Bureau of Nitrogen Research in order to develop methods of extracting nitrogen from the atmosphere, in quantities and at a cost making it available for agriculture.

It is encouraging to be able to say that these experiments have demonstrated the possibility of producing atmospheric nitrogen at a cost of less than half of that shown by other processes. But the fertilizer combination or monopoly still operates to levy all the traffic will bear for this vital necessity for successful agriculture. When it is necessary to use 1 ton of highly nitrogenous fertilizer on each acre of land in order to raise potatoes economically, it becomes important to know whether it will cost $35 or only $20 a ton, and also whether potatoes will bring 15 cents or 75 cents a bushel on the markets.

THE FARMERS HAVE A GAMBLER'S CHANCE

As a matter of fact, the farmer is the greatest gambler on earth. He gambles on the seasons and the weather; he gambles on the labor market and on grasshoppers, army worm, chinch bugs, the boll weevil, and other vermin. He takes a chance on accident and disease for himself and all his creatures. His horses and cattle, his sheep and swine, his poultry, and his orchards sicken and die. He contends with the blackleg in his pastures and with other blacklegs at every step of the way from the farm to the bank, where he has often had to overdraw in order to pay freight and commission after selling for less than the cost of raising his crop.

The barest outline of the market problems of agriculture fully explain the sense of resentment universally felt by farmers against conditions and influences responsible therefor. It has, quite by accident, of course, come about that "after harvest" the farmer is expected to be in funds and most anxious to discharge all his obligations. Therefore his fixed obligations—interest on his mortgage (if he has been fortunate enough to borrow money), store bill, taxes, fertilizer bill, machinery account, blacksmith and doctor's bills, and all and sundry accounts payable—are presented for payment. Now, it has, quite by chance, of course, usually happened that from July to late November there has been a money stringency; money has been "tight," absorbed in "moving the crops." This naturally presses the farmer to take lower prices for his crop in order to meet his bills with ready money. Then, too, owing to the same cause, cars are scarce, hard to get, "moving the crops," which also tends to force down the price. Last December there were thousands, hundreds of thousands, of tons of wheat lying on the ground at shipping points in Montana and North Dakota for want of cars; wheat hauled in from 30 or 40 miles to shipping station, only to be piled out in the weather till the railroads could (?) take care of it. Elevator space gorged with wheat, private houses commandeered to store wheat.

In Michigan and Minnesota hundreds of acres of potatoes were left to freeze and rot in the ground because they would not pay the labor cost of digging them. Millions of tons of alfalfa, the finest stock feed on earth, rotted down in the stack in Colorado, Wyoming, and other States because it would not pay for hauling to the shipping point.

It is an economic truth demonstrated by all commercial history that the flow of manufactured goods must be balanced by the flow of farm products, foodstuffs, and clothing materials. Otherwise manufacturing would stop. All trade, all commerce, is essentially exchange of the products of different industries. Quite apart from questions of theory, political or social, voluntary trade can not exist on any other basis. Under an imperialism such as Rome developed, enforced trade—i. e., tribute—was enforced upon her colonies—Sicily, Spain, Gaul, Egypt—and paid very largely in wheat, while from the Balkans immense quantities of pork were constantly flowing to the capital city. The lack of adequate or equivalent return in goods resulted in the impoverishment of the colonies and insurrection and rebellion only held in check by military force that only added to the burdens of the colonial population. So long as Rome was able to pay her frontier armies, Rome and the Empire was secure. When, however, the gold and silver money of the government was exhausted, when the mines of Spain were worked out and Rome could no longer pay her soldiers, the armies evaporated, defenses broke down, and the eager northern hordes broke through. The initial blunder lay in the idea that the natural laws of economics could be ignored and defied, even by the mistress of the world, the Empire of Rome. It might be an advantage if modern states could profit by the blunders of ancient times.

WHERE THE FARMERS' PROFITS GO

There are three general groups who share in the division of the wealth produced in America. These may be roughly described as, 1, the capitalist group; 2, the municipal labor group; 3, the farmer group. The income and excess profits tax reports indicate the composition of the first group with sufficient clearness. The second group may be considered as represented by organized labor, although organized labor strictly construed consists of only a minor number. The third group embraces all farm labor or farmers.

The share of our annual wealth enjoyed by these groups, respectively, may fairly be estimated by the individual income received by the average member of each group. The Bureau of Economic Research in the Department of Agriculture has issued a report on farm incomes for the year 1922, showing the average daily earnings of American farmers, including as cash at market prices the home-raised commodities required for subsistence, with the cash returns for produce sold, and reckoning the average number of actual farm workers at two and one-half persons per farm, it shows the average daily income per farm to be within a fraction of 78 cents per day.

In contrast, consider the cash income of the workers in the building trades of our cities. At this time, here in our Capital City, the bricklayers are demanding an advance from $12 to $14 per 8-hour day for a 5-day week. In the Pittsburgh district, plate rollers have been receiving cash incomes of from $460 to $650 per month, while their employers, specially protected manufacturers, pay dividends running toward 100 per cent on stock that is a watery capitalization of the privilege of private taxation.

PRODUCERS—FARMERS—MUST ORGANIZE FOR POLITICAL ACTION

The principle of "organization" has been urged upon the farmers as their only means of self-protection. The Hon. SIDNEY ANDERSON, chairman of the Agricultural Commission and also chairman of the agricultural conference here, after many months of investigation said to the assembled representatives of agricultural organizations, in effect:

"There is no fairy wand of legislation that can afford relief to American farmers. Your oppressors are organized; you must adopt their tactics—organize!"

To organize farmers means the organization of all the people not included in the two first groups; that means the coordination of interests as divergent as the potato farmers of Maine and the sheep herders of New Mexico, the apple men of Oregon and the cotton men of Alabama, the dairy men of Wisconsin and the beef raisers of Texas, the tobacco men of Connecticut and the citrus men of Florida and California.

It must be evident to all that this kind of organization is impractical. In cases where groups of farmers engaged in similar production, as wheat growers, have undertaken to organize, and as organizations took action to prevent unlawful acts to their injury, as in the case of the Chamber of Commerce of Minneapolis, in 1917, seven years ago this month—no final result has as yet been obtained while the unlawful practice complained of is still in operation; and it would appear that the way is being paved to reject the findings and justify the Minneapolis Chamber of Commerce in continuing the practices so well known to all grain growers in the Northwest. As in the granger laws previously mentioned, when the Supreme Court sustained these laws, the only escape for monopoly was to amend or repeal them, and that was what happened.

There is a method of organization, however, that will bring relief to farmers and so help to solve the farmers' problems. If they are denied the opportunity and benefits of economic organization, they are driven to the only alternative of political organization.

The weary years of hope deferred, the disillusionment, the loss of faith in parties has been a bitter experience; but even so, they have had their value. They have been a training school, severe and relentless, yet out of it they are coming, as the children of Israel came out of the wilderness, disciplined, hardened, fused into a compact mass with a common skin.

THE FARMER AND SOCIETY

While the farmer may become unduly self-conscious under the concentrated gaze of the society in which he suddenly has become so conspicuous and important a part because of "problems" that seem peculiarly his own, the fact is that these so-called farmers' problems are social problems and are equally important to all the groups making up society. Society, the social body, is organic not mechanistic. It has a vitality, a consciousness, even though this consciousness be as yet unconscious of itself—dormant. Society is the more or less truthful embodiment of the principle of cooperation, and its political organization, method of social expression, must be either cooperative or coercive in form and function. Even a casual study of history embracing the field now available for purposes of comparison shows that the earliest method of subjugation of men was through physical force. Can we visualize a society in which scholars, philosophers, artists, physicians, poets were chattel slaves? Yet Plato was a slave in the quarries of Syracuse until redeemed by a wealthy Athenian. Seneca and Epictetus were slaves. Horace was the son of a redeemed slave.

FEUDALISM AND THE LASH

The next step in the emancipation of the masses of mankind came with the establishment of military feudalism under Charlemagne, by which the masters enforced unrequited labor through overlordship of land. Economic domination was even more complete under feudalism

1, the capitalist group; 2, the municipal labor group; 3, the farmer land. Economic domination was even more complete under feudalism

than under the chattel slavery. The lash of hunger entwined with the lash of ambition sufficed to compel a surplus production that glutted the avarice of overlords and built the cathedrals that are the wonderful monuments of a credulous people's faith and of a religion that was the chief instrument of their enslavement.

THE MONEY OR CREDIT EVIL AND MODERN SLAVERY

In our time the means of subjugation is the monetary system, the confiscation of the people's credit power through a law-made power to manufacture substitutes for money. The principal business of those to whom this power is delegated by government is the manufacture of debts. And if people will not willingly submerge themselves in debts, so great has this power grown that debts are forced upon them through the agency of war. International "financiers" are this very day working out a program that, if it succeeds, will chain the world into lock step for centuries, as they have chained the peoples and the industries of all nations.

There is, however, and most fortunately, a simple and effective way of escape from these conditions, one that assures future immunity, only waiting for the intelligence and patriotism of the people to awake to their power and opportunity—that is, for the Nation to reassume the exercise of its sovereign power to issue and regulate the value of the money of the people.

PETITIONS AND MEMORIALS

Mr. ROBINSON presented memorials of sundry citizens of the third congressional district of Arkansas, remonstrating against the passage of the so-called Howell-Barkley railway labor bill, which were referred to the Committee on Interstate Commerce.

Mr. JOHNSON of Minnesota presented numerous petitions of sundry citizens in the State of Minnesota, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

Mr. FERNALD presented a resolution adopted by the National Canners' Association, favoring the appropriation of an additional $75,000 for a plant disease survey, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the National Canners' Association, favoring a substantial reduction in taxes, which was referred to the Committee on Finance.

He also presented a resolution adopted by the National Canners' Association, favoring an amendment to the Constitution relative to the regulation of child labor, which was referred to the Committee on the Judiciary.

Mr. WILLIS presented petitions of sundry citizens of Wilmington, Lebanon, and Oregonia, all in the State of Ohio, praying an amendment to the Constitution granting equal rights to women, which were referred to the Committee on the Judiciary.

He also presented numerous petitions of sundry citizens in the State of Ohio, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted at the annual meeting of the Congregational Conference of Ohio, representing 225 churches, favoring a reconsideration of the action of Congress relative to Japanese immigration on the immigration bill, and the founding of measures hereafter upon friendly diplomatic negotiations consistent with the historic friendship of the two nations, which was referred to the Committee on Immigration.

He also presented a resolution of the Bellevue (Ohio) Chapter No. 15, Izaak Walton League of America, favoring the passage of House bill 4088, to establish the Upper Mississippi River Wild Life and Fish Refuge, which was referred to the Committee on Commerce.

He also presented a resolution of the Lakewood (Ohio) City Council, protesting against the passage of legislation authorizing the Sanitary District of Chicago to increase the amount of water diverted from Lake Michigan, so as to further lower the level of Lake Erie, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. KEYES, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 7113) to establish a dairy bureau in the Department of Agriculture, and for other purposes, reported it without amendment.

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3093) granting certain public lands to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public convenience purposes, reported it with amendments and submitted a report (No. 569) thereon.

Mr. BURSUM, from the Committee on Pensions, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

A bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and certain soldiers and sailors of wars other than the Civil War and to widows of such soldiers and sailors (Rept. No. 570); and

A bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war (Rept. No. 571).

Mr. LADD, from the Committee on Agriculture and Forestry, submitted a report (No. 572) to accompany the bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom, heretofore reported by him without amendment.

Mr. NORBECK, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture, reported it without amendment and submitted a report (No. 573) thereon.

Mr. SMOOT, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon;

A bill (H. R. 2882) to provide for the reservation of certain land in Utah as a school site for Ute Indians (Rept. No. 574); and

A bill (H. R. 2884) providing for the reservation of certain lands in Utah for certain bands of Paiute Indians (Rept. No. 575).

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 498) providing for a recreational area within the Crook National Forest, Ariz., reported it without amendment and submitted a report (No. 576) thereon.

Mr. LADD, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them severally without amendment and submitted reports thereon;

A bill (H. R. 656) to add certain lands to the Plumas and to the Lassen National Forests in California (Rept. No. 577);

A bill (H. R. 1442) authorizing issuance of patent to Charles Swanson (Rept. No. 578);

A bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity (Rept. No. 579); and

A bill (H. R. 7109) to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes (Rept. No. 580).

Mr. BURSUM, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3024) providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber within the exterior boundaries of any national forest situated within the State of New Mexico, reported it without amendment and submitted a report (No. 581) thereon.

He also, from the same committee, to which was referred the bill (S. 2979) to extend the provisions of the homestead laws so as to allow certain credit in lieu of permanent improvements for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States, reported it with amendments and submitted a report (No. 582) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. UNDERWOOD:

A bill (S. 3353) authorizing the Secretary of the Treasury to remove the quarantine station now located at Fort Morgan, Ala., to Sand Island, near the entrance of the port of Mobile, Ala., and to construct thereon a new quarantine station; to the Committee on Commerce.

By Mr. WALSH of Massachusetts:

A bill (S. 3354) to authorize the appointment of Machinist Henry F. Mulloy, United States Navy, as an ensign in the regular Navy; to the Committee on Naval Affairs.

By Mr. SMITH:

A bill (S. 3355) granting the consent of Congress to the counties of Marion and Florence, in the State of South Carolina, to construct a bridge across the Peedee River at or near Savage Landing, S. C.; to the Committee on Commerce.

By Mr. EDGE:

A bill (S. 3356) for the relief of Joy Bright Little; to the Committee on Naval Affairs.

A bill (S. 3357) to amend sections 2 and 5 of the act entitled "An act to provide the necessary organization of the customs service for an adequate administration and enforcement of the tariff act of 1922 and all other customs revenue laws," approved March 4, 1923; to the Committee on Finance.

By Mr. FERRIS:

A bill (S. 3358) for the relief of Morgan Miller; to the Committee on Claims.

By Mr. LODGE:

A joint resolution (S. J. Res. 130) for the participation of the United States in an international exposition to be held at Seville, Spain, in 1927; to the Committee on Foreign Relations.

AMENDMENT OF TRANSPORTATION ACT OF 1920

Mr. RANSDELL submitted an amendment intended to be proposed by him to the bill (S. 3315) to amend section 206 of the transportation act, 1920, approved February 28, 1920, which was referred to the Committee on Interstate Commerce and ordered to be printed.

THE PERIL OF NARCOTICS

Mr. CAPPER submitted the following concurrent resolution (S. Con. Res. 10), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document an eight-page article entitled "The peril of narcotics—A warning to the people of America," by the International Narcotics Education Association, and that 50,000,000 additional copies shall be printed, of which one-half shall be for the use of the Senate and one-half for the use of the House of Representatives.

IMPROVEMENT OF THE SENATE CHAMBER

Mr. COPELAND submitted the following resolution (S. Res. 231), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Architect of the Capitol be authorized and directed, under the supervision of the Senate Committee on Rules, to consult with architects of repute and expert in ventilation and acoustics with a view to improving the living conditions of the Senate Chamber, and giving attention to rearrangement and reconstruction, including a plan to place the Chamber in direct contact with the outer wall or walls of the building, and to report with plans to the President pro tempore of the Senate on the first Monday of December, 1924. The expenses hereunder, not to exceed the sum of $10,000, shall be paid out of the contingent fund of the Senate.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HARRELD. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. HARRELD, Mr. CURTIS, and Mr. KENDRICK conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANTHONY, Mr. DICKINSON of Iowa, and Mr. JOHNSON of Kentucky were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker of the House had signed the enrolled bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army, and it was thereupon signed by the President pro tempore.

FARM LOAN BOARD

Mr. HOWELL. Mr. President, as stated at the outset of my remarks on yesterday, the names of four nominees for membership on the Federal Farm Loan Board are now on the Executive Calendar awaiting action by the Senate. The candidates were selected by President Harding and hence have been in office as recess appointees. Two have served approximately 15 months and the other two about 12 and 11 months, respectively. In short, these nominees have been a majority of and in control of the Federal Farm Loan Board for nearly one year, and to all effects and purposes, considering the circumstances, since March 4, 1923. Therefore, in passing upon these nominees it should be kept clearly in mind that the Senate is not dealing with recent appointees, but with those who have records as members of the Farm Loan Board. As a consequence the question to be decided in considering these nominations is not one of mere personality, but whether the Senate can afford to place its stamp of approval upon the records of these recess appointees.

For several months past the Senate Committee on Banking and Currency has had under consideration the nominations in question. Various persons have appeared for and against confirmation and evidence has been adduced and facts developed at such hearings, which I presented yesterday.

The Federal Farm Loan Board, and hence its nominees, constituting a majority of the membership thereof, in my opinion stand convicted of the following charges, which I discussed yesterday.

1. Violation of a cardinal principle of public policy, enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency.

2. Unlawful procedure in approving of the creation of a new official for the Federal farm-loan system to be known as fiscal agent.

3. Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency.

4. The unlawful withdrawal of funds from the Treasury of the United States and the disbursement of such funds without the authority of Congress.

5. Looseness and neglect in the disbursement of funds.

On yesterday I discussed these charges, so far as I have read them here at this time. I will not attempt at this period in my remarks to recapitulate, but will proceed with the next specification, which is——

6. Misapplication of funds.

As pointed out yesterday, some $37,000 were transferred from the Treasury to an account in the Franklin National Bank in the name of the farm-loan commissioner, Mr. Lobdell, and this account was checked upon from time to time until on February 16 of last year there remained in the account but eighty-six dollars and some cents. This account was established in September of 1922. So during that period of about 16 months this $37,000 was expended by checks drawn by the farm-loan commissioner.

I have pointed out here that checks were drawn payable to employees. Those checks were cashed; the money was used; and the board has no record as to whom that money was paid. Now, I propose to show that checks were also drawn on this account as loans to employees and as presents to employees. I further propose to show that loans were made to members of the board.

In the testimony elicited in the examination before the Banking and Currency Committee of the Senate the following questions were asked of Mr. Lobdell, who was then farm-loan commissioner and in whose name this account was carried:

Q. In the case of Henry I. Raley he was on the Treasury pay roll, was he not?

Judge LOBDELL. Prior to that time?

Q. No. He went on the pay roll on the 1st day of February when his wife quit.

Judge LOBDELL. That is my impression—yes; the same date.

Q. Now, then, he was on the Treasury pay roll, and yet you paid him $160 out of this fund. Do you hold that this fund did not belong to the Government?

Judge LOBDELL. Yes, sir.

Q. Then, if that is true and you paid this money, you violated the law of March 3, 1917, which is to this effect:

"On and after July 1, 1919, no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality; and no person, association, or corporation shall make any contribution to or in any way supplement the salary of any Government official or employee for the services performed by him for the Government of the United States.

Q. He was working for the Government of the United States, was he not? And yet out of this fund that you say does not belong to the Government you paid him $160?

Judge LOBDELL. That is correct.

Q. * * * Now, then, I should like to ask you about Millie V. Raley. On February 1, 1923, she ceased to be employed by the Farm Loan Bureau.

Millie V. Raley, I might add, Mr. President, was the wife of Mr. Raley.

Judge LOBDELL. Yes; that is right.

Q. The moment she ceased to be employed Henry I. Raley became employed?

Judge LOBDELL. That is right.

Q. You advanced him $160, as stated?

Judge LOBDELL. Yes, sir.

Q. And then you gave Mrs. Raley on that day a present of $133.65?

Judge LOBDELL. Whatever the amount states; yes, sir. The expression is hardly a fair one, though, Senator. The Senator is aware of the established usage of the Treasury. Where an employee has been in the service for three years or more, and is separated from the service, he may receive one month's absence with pay—may be paid for an additional month. * * * In that instance it became necessary to deprive her of the month's leave to which she was entitled with pay as a clerk and pay this from this fund.

Q. But she was working for the Government of the United States, was she not, when she drew that?

Judge LOBDELL. Yes, sir.

Q. And you took from this fund, that you have said had nothing to do with the Government of the United States, and made her a present of $133.65?

Judge LOBDELL. I have stated the facts; yes, sir.

Mr. President, I do not wish to be offensive, and, as I have said here, I have not charged the members of the board with dishonesty; but as we know, in an engine room they have, or used to have in the old days, what was called a "slush bucket." It contained grease, and that grease was put upon the bearings to make them run smoothly. From that expression the term "slush fund" has been developed. It means a fund that is drawn upon to make things run smoothly and to be applied where it is desired to be generous at the expense of somebody else. That is what this fund was used for in many cases. Any such transaction in connection with Government or public funds should be deprecated in the severest terms. Government affairs, public affairs, can not be run in that way.

Here was a young woman who resigned as an employee of the Government of the United States. They took $133.65 out of a fund which they held had no relation to the United States and paid it to her. It was a gift, according to their statement.

There was no appropriation made by Congress from which they could have made that gift. The day she resigned what took place? They put her husband on the pay roll of the United States at $1,640 a year, and then on the day that he assumed his duties they took from this fund and gave him $100, and at the end of six months they gave him another $60 out of the same fund. They stated that his salary was to be $1,800 a year, but the Treasury pay roll would allow him only $1,640, so they resorted to this fund and drew out $160 and gave it to him, and they gave him $100 before he had earned a cent. How did they explain it? Well, they said he was to travel for the Farm Loan Board, and that really this was an advance of traveling expenses. I said: "I thought you said this was salary." "Well, yes; we did consider it salary afterwards." I said: "Then he did traveling for you, did he?" "Yes." "Then I should like to see his statement of expenses for the next month." They said they could not produce it at that time, nor did they produce it. I insisted that the best evidence that this money was used for traveling expenses was his rendered account for traveling expenses, and in my opinion they can not show any vouchers; at least, they have not furnished a voucher.

It may be urged that this is a small matter; but I have been unable, and this committee has been unable, to go into but the mere edge of the accounts of the Federal Farm Loan Board. They allowed me to make inquiries into less than some 20 items, covering $7,000. Then the committee went into executive session and reported these nominees to the Senate. After months had been spent in preparing this statement, covering $881,000,000, it must be apparent to anyone that no Senator here could, in a few days, analyze that statement that took 10 accountants six or seven weeks to prepare. It is a mere cash statement without giving a description of items. It must be evident that in order to know what has been going on in the Farm Loan Board that these items must be scanned with the greatest care, and the little things would indicate how the big things were handled. That you may know how the big things were handled, let me tell you that they have paid some $8,000,000 for the sale of bonds, yet they have no written contract with any bond house.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Florida?

Mr. HOWELL. I do.

Mr. FLETCHER. The Senator refers to the decision of the committee in discontinuing any further inquiry into these accounts and the other matters that the Senator brought to the attention of the committee, and proceeding to report out the nominations.

The Senator will remember that there were several bills introduced—I introduced a bill early in December—to place this board back on its original basis of five instead of seven members, with the Secretary of the Treasury as chairman of the board, making four members to be confirmed by the Senate instead of six members to be confirmed by the Senate as provided in the intermediate credits act, which amended the original farm loan act in several respects. Those bills the committee never has acted upon. If the bill which I presented to the Senate, and which has been under some consideration by the committee, although the main consideration has been devoted to the question of confirmation of these nominees, had been reported out by the Senate and become law, then the names of members of this board to be submitted to the Senate would have been only two instead of four. So that was one question to be determined, whether this membership should not be reduced, in which event there would be only two names submitted instead of four. The committee has never passed on that question; and the reply, when I urge consideration of those bills, is that the session has so far progressed, and the adjournment is so nearly in sight, that the committee has not had time to report out those bills, and neither House of Congress has time to consider them, and therefore the legislation can not be changed, and there is nothing to do but accept the situation as it is.

That is the response the committee makes to that suggestion. Whether or not that is a good reason for voting to confirm these nominees is a matter to be considered; but that is the reason given now why we can not have action upon the proposition that this board as now constituted is larger than it ought to be, and ought to be put back where the original act placed it, namely, five members instead of seven. If that were done, then there would be no occasion for four nominations. The occasion then would be for only two names to be sent in; but the answer is that that can not be done, because we are too near to the close of the session, and it is impossible to obtain legislation, and therefore there is nothing to do but to accept the situation as it is and act upon the nominations before the committee. The result was that the nominations were reported out.

Mr. MOSES. Mr. President, let me interject, if the Senator from Nebraska will permit me, that I am very much interested in what the Senator from Florida says, that we are near the close of the session. I hope he has some real foundation for that belief.

Mr. FLETCHER. I am simply giving the response of the committee, and I only know, so far as that committee is concerned, that it seems to be impossible ever to get a quorum of the committee, and the reason assigned is because, if we should pass the legislation in the Senate, it can not be acted on in the other body, and therefore there is no use of holding any further meetings. That is the situation of the public business. You can scarcely get a quorum of a standing committee.

Mr. HOWELL. Mr. President, the Senator from Florida has made it very clear that he has urged a bill for the reduction of the number of the members of the Farm Loan Board from six to four, the number of members prior to March 4, 1923. That bill was introduced early in this session. It was supplemented by a similar bill introduced by the senior Senator from Idaho [Mr. BORAH], but the committee has not considered those

bills, although the distinguished Senator from Virginia [Mr. GLASS] during the hearings interposed the following:

Senator GLASS. Governor [Norris], after all, are not the functions of the farm-loan boards distinctly administrative and supervisory, and are they not authorized under the law to employ agencies to do the detail work of the system, and if one man, to wit, the Comptroller of the Currency, can supervise the entire national banking system, comprising nearly 8,000 commercial banks, why may not five men administer and supervise this system that is not nearly so varied in its operations as the commercial bank system of the country?

Mr. NORRIS. I do not quite catch your question, Senator.

Senator GLASS. I say, if one man, the Comptroller of the Currency, for instance, may effectively supervise and administer the whole national banking system of the country, with its great variety of business and interests, why may not a board of five members administer and supervise this other system?

Mr. NORRIS. Of course they may. I think there is quite a distinct difference, though, between the functions of the comptroller with regard to the national banks and the functions of this board with regard to these Federal land banks. If the national banks of the country were issuing obligations every day secured by the notes that they had taken from their customers, and the comptroller was required to put a certificate on each one of these obligations, then you would have a situation that would be parallel to the situation of the Farm Loan Board with regard to these land banks.

Senator GLASS. Well, the comptroller has to do more than that. He has to watch the detail business of every national bank. He has to watch every loan that the bank makes, the character of the collateral securities, etc. He has to supervise the issuance of notes; in other words, the Comptroller of the Currency is a czar of the whole national banking system, and he is charged with the duty of knowing intimately every detailed operation of every bank. It is true he does not do it himself; he appoints his bank examiners and his agents; he has his various departments there; and would it not be just as easy for five men to create these departments and appoint these examiners and to intimately supervise the business of this system as seven men?

Mr. NORRIS. I think it would be if they relied, as the comptroller necessarily does, on his examiners and chief examiners.

Senator GLASS. But, Governor, if five men supervise the operations of the great Federal reserve banking system, whose business is so infinitely greater than the business of the farm loan banks that it is not comparable—if five men could do that, why could not five men do this?

Such is the opinion, evidently, of the Senator from Virginia, and these bills are before the committee. Why has not the committee acted on them? The measures are simple. Well, Mr. President, there are four appointees involved, and I am afraid that is largely the reason why this action has not been taken.

But, to proceed, Mr. President, it has been urged, as I have stated before, that the items to which I have referred are comparatively small items. Mr. President, it is the small details about a business that indicate how the big details are taken care of. It is the small details about a business that can be easily gone into; but when you come to the big matters it takes much investigation, and it must be admitted by any Member here that merely to understand that cash statement—Treasury's record of analysis—without going into the items is a task, and yet the committee allowed me to ask questions respecting 20 items only.

Mr. President, it has taken six weeks of work to produce this statement—from what? From deposit slips, check stubs, correspondence. That is all the Treasury employees had to work with. Oh, yes; they had the memories of a young woman and one or two other employees. After working with these they finally produced this statement, which is nothing but a mere statement of receipts and expenditures.

I was asked yesterday if it was not a fact that this statement balanced. Mr. President, if you consider the case of any bank defaulter you will find that his accounts balanced right along. It was only when they went in and found how they balanced that they found the defalcation.

I am not charging here a defalcation, but I am simply using this as an illustration. It is very easy to make an account balance. I can hand out $100 and authorize its expenditure, and those to whom I give it may come back and hand me $20 and say they have expended the other $80, and the account balances; but that does not indicate to me for what they have expended it; and that is what the Farm Loan Board does not do. After weeks were spent in providing this statement—in fact, it was nearly two months—after my attention was called to the fact that the statement was completed I began to analyze it. It was a task. I could go into only parts of it. Senators know the various duties of a Senator. I had not the time. I could go into parts of it only. I could but sit up nights and study these accounts, and then, when I had gone into certain items, I was up against a stone wall, because I had no documents to examine so as to determine what they meant.

So, when the chairman of the Committee on Banking and Currency said they were ready to proceed, I wrote the following letter to the chairman of the Committee on Banking and Currency:

MY DEAR SENATOR: I would suggest in connection with the continuance of the hearings respecting the Farm Loan Board matters that the following procedure be adopted:

(1) That Maj. Walter O. Woods, of the Treasury Department, who was in charge of the recent analysis of the fiscal agent's accounts, be first called before the committee for examination.

(2) That Judge Lobdell follow Major Woods and submit all vouchers in connection with payments made by checks upon the Treasury Department whose numbers I will submit in another letter.

(3) That the Farm Loan Board shall submit all books, vouchers, and memoranda in connection with the Franklin National Bank account.

(4) That certain employees of the Federal Farm Loan Board, whose names will be subsequently afforded, be called for testimony.

(5) That Governor Cooper, of the Farm Loan Board, together with Board Members Landes, Corey, and Jones, be also asked to appear before the committee for further examination.

This is a letter which I addressed to the chairman of the Committee on Banking and Currency when this analysis had been completed, and the letter is dated May 12, 1924.

The committee proceeded with hearings on last Wednesday. The first hearing began in the morning about 10 o'clock and lasted until noon. Major Woods was on the stand that morning. He had not finished his testimony when the recess was taken. At 2 o'clock the committee assembled again, and it proceeded with an examination of just one other witness besides Major Woods—Judge Lobdell. I think there was a third witness brought in, one called at the last moment for just a few words respecting a signature, but outside of Judge Lobdell not another witness was called, although I had asked that other witnesses be present, and that I have the privilege of examination.

Finally, after a number of objections had been made, the following took place:

Senator GLASS. I move we go into executive session.

The ACTING CHAIRMAN. It has been moved that we go into executive session. If there is no objection, that will be in order.

Senator HOWELL. I would call the committee's attention to my letter of the 12th instant to Senator MCLEAN—you have a copy of it here—in which I request a certain course to be followed, and that I be allowed to present and have the privilege of examining certain witnesses. I just want to call it to the attention of the committee again.

The ACTING CHAIRMAN. Very well. The committee will now proceed to executive session.

They did so, and these appointees were reported out for confirmation.

So I wish it to be distinctly understood, Mr. President, that I had not finished the examination. The examination would take a considerable time, and the Banking and Currency Committee is not the proper committee before whom this matter should be presented, because there are 15 members of the Banking and Currency Committee, and it must be recognized that they can not all be present at prolonged hearings. This investigation is something that ought to be conducted by a special committee.

Mr. President, during nearly half of the sessions there were but five or less members in attendance on the Banking and Currency Committee meetings—that is, up to the time this analysis report was made. During that period some 26 hours were consumed. I occupied, in questions and answers, some 3¼ hours of that time, and then my attention was challenged to the state of the board's accounts and the unlawful expenditure of money. It was then that I introduced a resolution in the Senate calling upon the Secretary of the Treasury for an analysis of the Farm Loan Board account, including the sources of their various receipts. As I have stated, it took nearly two months to furnish that report, and during that period there was no hearing by the Committee on Banking and Currency.

After the report had been made one hearing was granted, the hearing I have described, at which I was allowed to investigate less than 20 items out of hundreds of thousands of items, covering expenditures of $881,000,000, and those 20 items amounted to less than $7,000.

It may be urged that this is a small matter; but I have been unable, and this committee has been unable, to go into but the mere edge of the accounts of the Federal Farm Loan

That bill was introduced early in this session. It was supplemented by a similar bill introduced by the senior Senator from Idaho [Mr. BORAH], but the committee has not considered those

lyze it. It was a task. I could go into only parts of it. Senators know the various duties of a Senator. I had not the time.

items, covering expenditures of $881,000,000, and those 20 items amounted to less than $7,000.

Naturally, I feel that no adequate investigation of the affairs of the Farm Loan Board has taken place. I feel that such an investigation is absolutely necessary. I do not say this as an enemy of the farm-loan system. I am one of its most ardent friends; but a great public enterprise like the Farm Loan Bureau, conducted by the public, can not persist unless it is handled in a manner beyond suspicion.

I am jealous of the conduct of the affairs of this institution. It has been of tremendous value to the farmers of this country, and it ought to be guarded in the most careful manner. Therefore, as this enterprise has been in existence some six years, and shortcomings have begun to develop, I think a friendly investigation into its affairs should be provided for by the Senate, so that we may know all the facts and provide for the future.

I call attention to a fact that suggests that there should be an investigation, at least in a friendly way. It cost about $4,000,000 for the expenses of the Farm Loan Board for the three years 1917, 1918, and 1919. For 1920, 1921, and 1922—I think I am stating the years correctly—these expenses and salaries amounted to about $6,000,000. Although the total of loans over those six years had aggregated in the neighborhood of $800,000,000, during the latter three-year period only $75,000,000 more was loaned than in the preceding three years.

Why this increase in expenses? It may have been entirely proper, but when you investigate the methods that have developed in the conduct of the small affairs of this institution, and when you remember the board created the office of fiscal agent and promoted one of their own number to that office at a salary of $25,000 a year, when he had been getting but $10,000, performing all duties of both fiscal agent and farm loan commissioner, it suggests that the reins have been loosened and that something should be done in the interest of the farmers, who must pay the bill.

Mr. KING. Will the Senator yield?

Mr. HOWELL. I yield.

Mr. KING. In the examination which was made before the committee, and from the information obtained by the Senator, does he justify the increases in salaries and compensation and expenditures, or does he think from that information that the reins have been too much loosened, and that there ought to be a tightening up of the reins and more of economy and retrenchment in the administration of the affairs of that important department?

Mr. HOWELL. Mr. President, I will answer that question in this way: It challenges my attention, but I have been in executive work, and I know how expenses may increase, and properly increase; but in view of the fact that but $75,000,000 more business was done during the latter period, and the expenses were in the neighborhood of $2,000,000 more, in the interest of the farm loan system I think it ought to be looked into by Congress.

Congress is becoming more and more a board of directors of these great institutions, and when we make an investigation of this kind it should not be looked upon as a hostile investigation, but merely as a check up to let officials know that Congress has its eye on them and proposes to determine what ought to be done; as a matter of fact, recommendations for such legislation as may be necessary should come after a careful investigation of what has been going on.

Mr. President, in my opinion, as stated before, the Farm Loan Board, and hence these nominees who have constituted a majority of that board for practically one year, are guilty of the following acts:

(1) Violation of a cardinal principle of public policy enunciated in section 6 of Article I of the Constitution of the United States, prohibiting a legislative officer from enjoying the emoluments of any office created during his incumbency. Prior to July 1, 1923, Charles E. Lobdell was a member of the Farm Loan Board and served as farm loan commissioner or chairman of the board. In addition he performed the duties of fiscal agent of the land bank system, as had all farm loan commissioners preceding him. His salary was fixed by Congress at $10,000 per annum. On June 12, 1923, at a meeting of the members of the Farm Loan Board and the 12 land bank presidents, the farm loan commissioner was relieved of the duties of fiscal agent through the creation of a new office to be known as fiscal agent, at a salary of $25,000 per annum. Of course, this was done by and with the approval of the Farm Loan Board, both as to the creation of the office and the fixing of the salary.

On the same day it was arranged that Mr. Lobdell should become the new fiscal agent, and he assumed his duties some 20 days later; that is, on the date that his resignation as member of the board and farm-loan commissioner took effect. Thus a member of a quasi-legislative board became the beneficiary of a new office with an increase in salary of two and a half times, for the performance of but part of his previous duties, a result rendered possible only by the approval of the board in question, of which he happened to be the chairman.

(2) Unlawful procedure in approving of the creation of a new official for the farm-loan system to be known as fiscal agent.

The Federal Farm Loan Bureau is the creature of Congress, and nowhere has Congress delegated authority to change the system or create additional officers. As a matter of fact, Congress has specifically named the list of officials, and each year in the Treasury appropriation bill fixes the salaries of all officials of and within the bureau.

(3) Looseness and gross carelessness in the conduct of the affairs of the board, indicating incompetency. As incredible as it may seem, during a period of about six years, the board has received and disbursed $881,000,000 and yet has never provided itself with books of account, its records consisting merely of deposit slips, check stubs, and correspondence. It recently took the Treasury Department, employing 10 accountants and working double shift, from March 12 to about May 1, or nearly seven weeks, to compile a mere statement of receipts and expenditures from the farm-board records. Moreover, the accountant in charge of this work testified that he would have been unable to make up the statement from the records afforded him without the aid of the memories of several of the employees of the board.

(4) The unlawful withdrawal of funds from the United States Treasury and the disbursement of such funds without the authority of Congress. Between $65,000 and $70,000 have been drawn from the Treasury without authority and expended for various purposes. An unofficial opinion of the Comptroller General declares these funds to belong to miscellaneous receipts of the Treasury. Moreover, under date of May 13, 1923, the Undersecretary of the Treasury has called upon the farm-loan commissioner for reinbursement of a part, if not all, of this money immediately.

(5) Looseness and neglect in the disbursement of funds. Public moneys have been expended without vouchers or receipts. Mr. Lobdell, the fiscal agent, admitted on the stand that he could not tell to whom money had been paid that had been secured by cashing certain checks. He also admitted that he had received certain sums of money for the expenditure of which he could account only in a general way.

(6) Misapplication of public funds. On September 22, 1922, Mr. Lobdell, as farm loan commissioner, opened an account with the Franklin National Bank by depositing $5,000 drawn from the Federal Treasury, part of the $65,000 to $70,000 referred to above. From that time down to February 16, 1924, further similar deposits in this bank had been made, totaling more than $37,000. This account was drawn on from time to time by the farm loan commissioner, so that the balance remaining in the bank on the last day indicated—February 16, 1924—was $86.53. The deposit in this bank was treated as a sort of petty cash fund, except that the expenditures therefrom were made without vouchers or receipts. Presents to employees were made from this fund, likewise what must be considered either loans or advances to employees. In another case one of these nominees had succeeded in drawing some $2,000 from the Treasury on account of salary for which Congress had made no appropriation. As a consequence he was called upon to put it back, a simple matter, as Farm Loan Commissioner Lobdell gave him a check on this fund, so that he could put it back in the Treasury without taking it out of his own pocket.

Mr. President, as I have indicated, I think there ought to be an investigation of the Farm Loan Board, a thorough investigation, in fact, of the whole farm loan system. Therefore I have introduced and ask consideration of the following resolution:

Resolved, That the President of the Senate pro tempore is authorized to appoint a special committee of three Members, which shall investigate the Federal farm loan system and the Federal Farm Loan Board and report its findings, together with recommendations for corrective legislation. The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress, and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers, to require by subpœna the attendance of witnesses, the production of books and documents, to administer oaths, and to take testimony.

The expenses of the committee shall be paid from the contingent fund of the Senate.

I move that the Senate now take up the resolution (S. Res. 229) and act thereon.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). Does the Senator from Nebraska yield to the Senator from New Jersey?

Mr. EDGE. I understood the Senator had yielded the floor with the making of his motion.

Mr. HOWELL. I make the motion that the resolution be now taken up for consideration.

The PRESIDING OFFICER. The Chair desires to state that inasmuch as the resolution provides that the expenses shall be paid out of the contingent fund of the Senate, under the statute relating to that subject the resolution must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. HEFLIN. I suggest to the Senator that that might be done, and the committee could report it back in the morning.

Mr. HOWELL. I inquire which Senator is chairman of that committee?

The PRESIDING OFFICER. The junior Senator from New Hampshire [Mr. KEYES] is chairman of the committee.

Mr. HEFLIN. I see the junior Senator from New Hampshire on the floor.

Mr. HOWELL. Of course, I think this is a matter of tremendous importance.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New Jersey will state it.

Mr. EDGE. As I understand the parliamentary situation, the unfinished business is Senate bill 1898. The motion made by the Senator from Nebraska is therefore not in order.

The PRESIDING OFFICER. The Chair will further state that even the introduction of the resolution will have to be by unanimous consent.

Mr. EDGE. I was just going to raise the point that the unfinished business is before the Senate; that the introduction of the resolution at this time would require unanimous consent; and that it will be necessary under the circumstances to obtain that consent.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. KING. May I have the attention of the Senator from New Hampshire [Mr. KEYES], chairman of the Committee to Audit and Control the Contingent Expenses of the Senate? My information is that a resolution similar to the one which is now offered by the Senator from Nebraska has been pending for some time before the committee of which the Senator from New Hampshire is chairman. May I inquire of the Senator whether there is any probability that the resolution will be reported out by the committee?

Mr. KEYES. I understand, though I am simply speaking from memory, that the Senator from Nebraska introduced a resolution five or six days ago, and that it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I was advised a day or two later that the Senator from Nebraska had introduced another resolution in exactly the same words and requested that it lie on the table. That is the resolution to which the Senator from Nebraska has now referred, I suppose. The committee therefore has done nothing whatever about the resolution referred to it and had not been asked to do anything about it.

Mr. KING. If the Senator still permits the resolution to which he has now addressed himself to lie upon the table, will the Committee to Audit and Control the Contingent Expenses of the Senate, at as early a date as possible, act upon the one which is now before the committee, understanding that the Senator from Nebraska permits the other resolution to lie upon the table, expecting some prompt action upon the part of the committee?

Mr. KEYES. Of course, the committee will consider fairly and as promptly as possible any resolution that is referred to it.

Mr. KING. If the Senator from Nebraska will pardon me, of course he knows better what he ought to do than do I, but in view of the statement just made by the Senator from New Hampshire [Mr. KEYES] I think he can rely upon prompt action by the committee on his resolution. I therefore suggest that he allow the resolution for which he has just asked consideration to lie on the table. If the Committee to Audit and Control the Contingent Expenses of the Senate does not promptly report the resolution, he can move to discharge it from the further consideration of the resolution and bring the resolution to the attention of the Senate, when I am sure action will be taken, one way or the other.

Mr. NORRIS. Mr. President, will the Senator from Nebraska yield to me?

Mr. HOWELL. I yield.

Mr. NORRIS. I should like to suggest to the Senator that if the other resolution, which is now in the hands of the committee, is not the same as this resolution——

Mr. HOWELL. It is identical with it.

Mr. NORRIS. The resolution is identical? Oh, well——

Mr. KING. I had in mind the fact that the resolutions were identical.

Mr. DIAL. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Nebraska [Mr. HOWELL] has the floor. However, a parliamentary inquiry has been made, and the Chair will listen to it.

Mr. DIAL. I understand that the Senator from Nebraska has asked unanimous consent to introduce a resolution, and I object.

Mr. HEFLIN. No; the resolution has been already introduced.

The PRESIDING OFFICER. The resolution has already been introduced by the Senator from Nebraska, and he now moves that it be taken up for consideration. The Chair has ruled that the resolution can not be considered at this time, because it provides for the payment of expenses out of the contingent fund of the Senate and under the statute would, therefore, have to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The Chair further understands that a similar resolution has heretofore been introduced by the Senator from Nebraska and been referred to that committee. Inasmuch as this resolution would necessarily be similarly referred, the Chair suggests that a simplification of the procedure would be for the Senator from Nebraska to withdraw this resolution and await the report of the Committee to Audit and Control the Contingent Expenses of the Senate on the other resolution when it would be in order for consideration.

Mr. HOWELL. Well, Mr. President——

The PRESIDING OFFICER. If the Senator from Nebraska will withdraw his motion and then permit the resolution to lie on the table, that would be the proper procedure, and the Senator would thereby get the matter in proper form from the parliamentary point of view.

Mr. HOWELL. I withdraw my motion.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. DIAL. I do not ask the Senator to yield to me. I thought he had yielded the floor.

Mr. HOWELL. I wish to call the attention of the Senate to Senate Joint Resolution 128, which is lying on the table, and which reads as follows:

Resolved, etc., That no person shall be employed under the Federal farm loan act, approved July 17, 1916, or any amendment or amendments thereof, at a rate of compensation exceeding $10,000 per annum, on and after the passage of this resolution.

Mr. President, I wish to give notice that at the conclusion of the consideration of the unfinished business I shall seek to bring this joint resolution before the Senate.

Mr. EDGE. Mr. President, several Senators wish to discuss the question which has been before the Senate during the last few hours, so I shall not attempt to speak at length upon the unfinished business at this time, but as I have the floor I wish to make a request.

I ask unanimous consent that the formal reading of Senate bill No. 1898 be dispensed with and that the bill be read for action on the committee amendment.

The PRESIDING OFFICER. The Senator from New Jersey asks unanimous consent that the formal reading of the bill be dispensed with and that the committee amendment be first acted upon. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIAL. Mr. President, we have just listened for several hours to the arraignment by the Senator from Nebraska [Mr. HOWELL] of the Farm Loan Board. It was suggested to him on yesterday by the able Senator from Virginia [Mr. GLASS] that this matter ought to be discussed, if discussed at all, in executive session. However, the Senator from Nebraska, who has stated that he is a friend of the Farm Loan Board, has seen proper to go on and to arraign that board here before the public. The Senator from Nebraska, I repeat, has stated that he is a friend of the system; but, Mr. President, I hope the

come the new fiscal agent, and he assumed his duties some 20 days later; that is, on the date that his resignation as member of the board and farm-loan commissioner took ef-

The expenses of the committee shall be paid from the contingent fund of the Senate.

system has not many more such friends. It seems to me that if he had had the good of that board at heart, if he had heard of anything wrong going on in connection with its operation or that there were any corrections which ought to have been made, he would have gone to the board and pointed them out. Instead of that, however, he has had that board investigated by the Banking and Currency Committee of the Senate. The investigation required the assistance of 10 employees of the Government for six weeks, and I think it has been stated that they even had to have relays of employees engaged in the investigation. After that long investigation of the system from its inception eight years ago, covering an examination of the receipts and expenditures aggregating over $800,000,000, the final result is that a report is made which shows that their accounts balance to a cent; yet the Senator from Nebraska wishes to go on now and to have a resolution adopted providing for a further investigation.

The Senator from Nebraska complains of harsh treatment at the hands of the Banking and Currency Committee of the Senate. He has laid the facts before the Senate; but the conclusion that some of us have come to is that the Banking and Currency Committee extended to him every courtesy and gave him every opportunity to bring out any facts that he had against the farm-loan system. It seems to me, after putting the Government to all this expense and harassing the system for all this time, when he is unable to prove wrongdoing in a single instance, he ought now to be satisfied. I hope that no other resolution on this subject that he may offer will be adopted by the Senate.

I firmly believe, Mr. President, in investigating anything that is wrong, in exposing any fraud, and in going to the bottom of any corruption; but when it comes to the point that a committee of the Senate shall be appointed to investigate any and all departments of the Government, I am satisfied that, if we follow such procedure, we will be in session here all the time and no good will ensue, and that, on the contrary, great harm will follow, as it will follow in this instance.

There is no charge, the Senator said, of any fraud or any moral wrong, but it is a mere question of bookkeeping. Mr. President, we all know that even expert bookkeepers differ. If we were to employ one set of accountants they might say that a certain system ought to be adopted, whereas if we employed another set they might claim that the system recommended by the first set was all wrong, and that an entirely different system should be adopted. So there is nothing, as it seems to me, in this instance to investigate. I am satisfied that the board has nothing to conceal from any Senator or from anyone in authority who wants information for legitimate purposes.

Mr. HEFLIN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. DIAL. I yield.

Mr. HEFLIN. If I heard the Senator from Nebraska correctly when he was reciting the amounts paid out by Mr. Lobdell, in one instance there was paid out $500 in one week, and, I believe, $1,000 in another week, and $1,500 in another week or two. Does not the Senator think that there ought to be an accounting for those large expenditures and that Mr. Lobdell ought to be required to tell the Senate just what he did with that money and all about it?

Mr. DIAL. There was an accounting, Mr. President.

Mr. GLASS. Mr. President, there was a complete accounting. The Senator from Alabama evidently was not in the Chamber yesterday when the statement was made.

Mr. HEFLIN. I did not hear all the discussion yesterday for I was not here during a portion of the debate.

Mr. GLASS. There has been a complete accounting for every cent that was expended to the satisfaction of every member of the Banking and Currency Committee.

Mr. DIAL. Mr. President, there ought to be an accounting at all times; but where would we ever stop if we should undertake to investigate all the departments of the Government all the time? If there is anything wrong and any charge is to be made against any department of the Government it ought to be specified, but no one ought to come here in a muckraking effort to have an investigation because he imagines there is something wrong somewhere or other.

Mr. HEFLIN. I think the departments ought to be so conducted that they would not fear an investigation and that they ought to be ready and willing to have an investigation at any and all times.

Mr. GLASS. That is true of the Farm Loan Board.

Mr. DIAL. The Farm Loan Board has nothing to hide so far as I know; it has nothing to conceal. I am not against an investigation where an investigation should be had and where it would accomplish good.

Mr. HOWELL and Mr. GLASS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; and if so, to whom?

Mr. DIAL. I yield to the Senator from Nebraska.

Mr. HOWELL. I wish to call attention to the fact that a $1,000 item was one of the next items that I was coming to, but the committee would not allow me to go on with the hearing. There were 212 items in connection with the Franklin National Bank account alone, and just before I got to item 76 I was stopped and was not allowed to go into that item.

Mr. GLASS. Mr. President, will the Senator from South Carolina yield?

Mr. DIAL. I yield.

Mr. GLASS. Mr. President, I assert that the Senator from Nebraska was not stopped at any point in the proceeding. The Senator knows perfectly well that he was told by me and by other members of the committee that if he had any single item at all different in its nature to the items which he had theretofore repeatedly presented, the committee would be very glad to hear him further; but the Senator could not say, or at least did not say, that any item that he contemplated presenting was any different from the items that he had already presented. A member of the committee from Pennsylvania repeated my suggestion that the committee did not care to hear an accumulation of testimony of exactly the same sort. So the Senator from Nebraska was at liberty at any time and at all times to proceed with the inquiry if he had anything beyond mere opinions and inferences to present.

Mr. HOWELL. Mr. President——

Mr. GLASS. He never presented, Mr. President, a specific charge; he never did anything but draw deductions and inferences from his own suspicions.

Now, I wish to present to the Senate a sample of the sort of inquiry that the Senator from Nebraska was presenting to the committee.

The PRESIDING OFFICER. The Chair will state that the Senator from South Carolina has the floor. If he yields to some other Senator for a speech that would be equivalent to yielding the floor. Does the Senator from South Carolina desire to yield the floor?

Mr. GLASS. I suggest to the Presiding Officer that the Chair is totally in error in assuming that I am going to make a speech.

Mr. DIAL. It is perfectly agreeable to me to yield to the Senator for an explanation.

The PRESIDING OFFICER. If the Senator from South Carolina yields for that purpose the Chair withdraws the observation.

Mr. GLASS. What I purposed doing was answering a statement made by the Senator from Nebraska that he was shut off as he was about to present some item of tremendous importance, different from any other item that he had presented theretofore. I want to indicate to the Senate, just in a word, with the permission of the Senator from South Carolina, the character of this inquiry as it was being conducted.

For example, a check was presented covering in the aggregate the items of expenditures, as explained to the committee, of one of these periodical bond issues. That check was made in total to the chief clerk of the board, and this chief clerk would take the sum thus drawn regularly from the bank and expend it among those employees who on this emergency work had worked overtime, night and day. This particular check bore two indorsements—the indorsement of the clerk in whose name it was made and the indorsement of a Mr. Thornberry also. Now, note what happened, and just get a picture of the sort of suspicions and inferences and mere opinions that the committee was expected to sit interminably and listen to:

Senator HOWELL (holding the check in his hand). Mr. Chairman, I examined this check, and there was no Thornberry's signature on it. I examined it. You can see that it is new ink on this check. I want you gentlemen of this committee to look at that check. I examined it personally myself.

A little later on another check was presented at one of these periodical bond-sale activities of the board which also was indorsed by this chief clerk and by Mr. Thornberry. Again the Senator from Nebraska projected a mere inference and a suspicion before the committee, implying—yes, and charging—that the indorsement to this check was a forgery, and that the ink on this check was new.

Senator HOWELL. I want to state again I examined these checks and I examined the check book. I went into this field account and

made notes, and my stenographer sat by me. I would swear that that second name was not on the check.

He again appealed to us to look at the ink, and stated that it was new. Now, what subsequently happened?

Mr. Thornberry was put on the witness stand, and testified that he had indorsed those checks 14 months theretofore with this chief clerk, and stated why he had indorsed them—that the check was drawn on the bank where he kept his account, the officials of which knew him personally well, and did not know this chief clerk, and that he went there with the chief clerk to identify her, and indorsed those checks then.

Mr. President, that is a fair sample of the sort of testimony and the kind of inferences that the Senator from Nebraska presented to the Banking and Currency Committee, apparently with the expectation that we were to sit there interminably and listen to that sort of thing.

Now, just one word more, with the indulgence of the Senator from South Carolina.

For what was the Banking and Currency Committee meeting? It was not meeting for the purpose of investigating the Farm Loan Board, either its receipts or its expenditures or any of its activities. No resolution of the Senate authorized it to meet for any such purpose. The Banking and Currency Committee was in session to determine the personal qualifications and fitness of four nominees to membership on the Farm Loan Board, and yet we were confronted there from day to day with testimony that had no more relevancy to the very purpose for which we were convened than if there were not a Banking and Currency Committee in existence; and the Senator from Nebraska confronted us with every cash entry that had been made by the Farm Loan Board from its institution seven years ago up to the day of the inquiry.

If there is anybody on earth who can tell me that which the Senator from Nebraska never did tell any of us—what relation to the fitness and qualifications of these four gentlemen these cash entries seven years ago had—I should like him to rise here now and tell me. They had no relation whatsoever to the matter with which the Banking and Currency Committee was immediately and directly charged.

Mr. HOWELL. Mr. President——

Mr. GLASS. Yet we were supposed to sit there from day to day and permit the Senator from Nebraska to present—charges? Why, no; he has never yet presented a charge. He has said, time and time again, that he did not want to be understood as impeaching the character or the integrity of one of these men. Present what? Present his mere suspicions and inferences, in which not one of the members of the committee participated.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield for a short question—not for a speech. I want to get through. I will yield for a question.

Mr. HOWELL. Very well. I should like to reply to the statement of the Senator from Virginia.

Mr. DIAL. If the Senator will be brief, I shall be glad to yield to him. I do not want to yield the floor. I want to get through.

Mr. HOWELL. Mr. President, the Senator from Virginia [Mr. GLASS] has called attention to an incident that occurred during this examination in which I questioned the signature on the back of a check. The idea of the Senator evidently is to lead the Senate to believe that I am so prejudiced in this matter that I am unduly suspicious.

What could this check incident have to do with the fact that the Farm Loan Board kept no books, and they kept no books for the last year while these four nominees were in office? How could the question of a name on a check have anything to do with the fact that from the Franklin National Bank about $30,000 has been expended, while these nominees were in office, without any vouchers? How can it have anything to do with the fact that this committee refused to allow me to go into this $30,000 of expenditures that have taken place while these four nominees were in office?

Mr. GLASS. Mr. President, as a matter of fact, it has nothing to do with any of these imaginary things which the Senator has stated, because they are purely imaginary. They are not facts.

Mr. DIAL. Mr. President, I was not in the Senate all the time yesterday while the Senator from Nebraska [Mr. HOWELL] was making his speech; neither have I been able to be here all the time to-day; and I therefore do not undertake to answer all of his charges. In fact, I think it would be unnecessary to undertake to do so. I want to conclude, and I shall take up only a few minutes longer.

The Senator has arraigned Judge Lobdell here in various aspects. I want to say that, so far as I know, Judge Lobdell is a man of the very highest character, the highest standing, and one of the best-known business men in the United States. It is not my duty to defend Judge Lobdell. He does not come from my section of the country; he does not belong to my political party, but I should be a very poor kind of Senator if I were not to state my views of this distinguished man.

Early after taking my seat I had business dealings with Judge Lobdell, and have been brought in contact with him often ever since I have been in Washington, some five years. I want to say that I have met no representative of any department of the Government who stands higher in the estimation of the people who know him than does Judge Lobdell. He impressed me as a man of sincerity, of ability, of conscientiousness, and who desired to do the very best that could be done for the institutions under his charge. He is well posted in the financial world. He disposed of some $200,000,000 of bonds of these various banks per annum, and many hundreds of millions have been disposed of on advantageous terms to the banks, and the farmers of the country get the benefit of that.

My friend from Nebraska [Mr. HOWELL] made the statement yesterday that Judge Lobdell's salary was paid out of the Treasury. Mr. President, that statement is incorrect. It shows that he is not posted about what he is talking about. Judge Lobdell's salary is paid by the individual banks of the country, and does not come out of the Treasury; but that is not very material.

Mr. HOWELL. Mr. President, may I ask the Senator a question?

Mr. DIAL. I yield; yes.

Mr. HOWELL. Have the farm-loan banks contributed one dollar to the payment of Judge Lobdell's salary?

Mr. DIAL. Every dollar since he has occupied this new position.

Mr. HOWELL. Not one dollar.

Mr. DIAL. I beg the Senator's pardon, then.

Mr. HOWELL. Not an assessment has been made on the banks to pay Judge Lobdell. The money has come out of the Treasury fund entirely.

Mr. DIAL. My information, then, is in error. I still maintain that the Senator's information is wrong. My information is that these 12 banks contribute their pro rata share toward Judge Lobdell's salary and not a dollar of it is paid out of the Treasury.

That brings up a point regarding the Secretary of the Treasury. I am not a defender of the Secretary of the Treasury, but this is the first time I have ever heard of him being accused of needing a guardian.

The Senator accuses the board of carelessness and of loose conduct and all kinds of unbusinesslike methods. As a matter of fact, when a bond issue is disposed of some money is held until the expenses have been liquidated; then the transaction is closed. The member banks are satisfied. They investigate the vouchers, they audit the vouchers, they approve of the payments, and the matter is closed, and nobody cares to go back behind it, so far as I know, except some one who is instigating the Senator from Nebraska—some disgruntled employee, perhaps, around here taking up the time of the Senate and causing expense to the taxpayers of the United States in our going back to investigate something where there is nothing to investigate.

Mr. HOWELL. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield.

Mr. HOWELL. I would like to ask the Senator if he has ever seen an audit of any of the accounts of the Farm Loan Board by the presidents of the banks?

Mr. DIAL. No; I have not had any occasion to see any.

Mr. HOWELL. I will state for the Senator's information that there is no such audit extant.

Mr. DIAL. Mr. President, the Senator from Nebraska speaks in great suspicion of a little account down here at some bank in the city of Washington. I would like to know where this board would keep its accounts except in some bank. I confess that my experience with the Treasury is limited, but I do not presume the Treasury of the United States is prepared to carry a meal account for the Farm Loan Board or any other institution, to pay checks for meal tickets or automobile hire or something like that.

Mr. HOWELL. Mr. President——

Mr. DIAL. I will not yield now. My understanding is that the Secretary of the Treasury is not prepared and would not

want to handle these accounts, and has no way of turning the vouchers back. Therefore, instead of this board being condemned for having an account in some bank in Washington, I do not see how they could carry on their business without having an account in Washington.

Mr. HOWELL. Mr. President——

Mr. DIAL. I yield now.

Mr. HOWELL. Is the Senator aware of the fact that all of these expenses were drawn from the Treasury formerly on Treasury checks, until September 22, 1922; that the total amount that has been drawn amounts to between $65,000 and $70,000, and that only $37,000 has been drawn from outside banks? In other words, they could have continued to deal with the Treasury just as they always had dealt with the Treasury, but they wanted this account because it was handier.

Mr. DIAL. I presume they did, and they should have credit for that. I presume that is satisfactory to everybody in the United States except the Senator from Nebraska.

Mr. President, that shows the folly of the Senate trying to go into the details of every department of the Government. We would be here until the year 2000 if we should allow propositions similar to this to obtain. They had a little account payable for current expenses. Any bank could return the checks, and the accounts would balance. What criticism could be made of that? I presume if the Treasury discontinued the custom, it was because they got tired.

There has also been a great fuss made here about some little accumulated interest between the Treasury and the bank. It seems to me they are competent to settle that matter, instead of bringing it here for the attention of the Senate. It is a question we are not able to solve.

Mr. President, as the Senator from Virginia said, the account balanced to the cent, and satisfied every member of the Banking and Currency Committee that everything was all right, and it does seem to me that it ought to satisfy everybody else. If my distinguished friend from Nebraska was dissatisfied with that committee, he could have moved in the Senate to have the committee discharged, and could have brought the matter up before another committee or before the Senate, or could have had some other disposition made of the matter.

Mr friend referred yesterday to my distinguished fellow citizen and fellow townsman, ex-Governor Cooper, of South Carolina, who is president of the board at this time. I could not hear the reading of all the letter, and I did not get the exact gist of some little difference of opinion between the Undersecretary of the Treasury and Governor Cooper, but I do not know that that was in any way important.

I do want to say this in behalf of Governor Cooper, that he was raised in my county on a farm. I knew him when he was a little boy, and I have known him ever since. The people of South Carolina honored him by giving him the highest position in the State at their disposal, to wit, the governorship, and I have yet to hear anyone breathe a breath of suspicion against Governor Cooper. He is simply incapable of doing anything wrong or crooked, or anything that would cause any just criticism at the hands of any well-posted man in the United States.

I know the other members of this board pleasantly, not intimately, however; but I have made some investigations, and I am glad that even the Senator from Nebraska has nothing so say against their honesty, against their integrity, and against their standing. He only criticizes some little irregularities in bookkeeping.

This matter should not have been discussed here in public, to go out and injure this great system which we have been trying to build up, a new system, a system that has enemies from without, and which should have no enemies from within.

I am satisfied that my good friend from Nebraska has been misled by some disgruntled person who has some grouch against the board, or against some member of the board, or against the system, and when the Senator fully posts himself he will see that there is nothing to investigate, he will know there is nothing wrong, and we may hope this great system may go on to the great prosperity to which it is entitled.

SENATOR BURTON K. WHEELER

Mr. STERLING obtained the floor.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNARY in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Bayard	Brookhart	Bursum
Ashurst	Borah	Broussard	Cameron
Ball	Brandegee	Bruce	Caraway
Copeland	Harreld	Moses	Spencer
Curtis	Harris	Neely	Stephens
Dale	Heflin	Norbeck	Sterling
Dial	Howell	Norris	Swanson
Edge	Johnson, Calif.	Oddie	Trammell
Edwards	Johnson, Minn.	Overman	Underwood
Elkins	Jones, Wash.	Pepper	Wadsworth
Ferris	Kendrick	Ralston	Walsh, Mass.
Fletcher	Keyes	Ransdell	Walsh, Mont.
Frazier	King	Reed, Pa.	Warren
George	Ladd	Robinson	Wheeler
Gerry	Lodge	Sheppard	Willis
Glass	McKinley	Simmons	
Gooding	McNary	Smith	
Hale	Mayfield	Smoot	

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Arizona?

Mr. STERLING. I yield.

Mr. ASHURST. I ask unanimous consent to have printed in the RECORD an article published in the New Republic of May 21, 1924, entitled "Hands off the investigations." I also ask to have printed in the RECORD an editorial published in the Christian Science Monitor of May 15, 1924, entitled "Senator WHEELER's vindication."

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the New Republic]

HANDS OFF THE INVESTIGATIONS

So grave were the first disclosures made by the WALSH and WHEELER investigations that the immediate response of the country was profound humiliation. Only the recently disavowed organ of the Republican National Committee ventured brazenly to attack the exposers and minimize the exposure. But as the effect of the impact of these disclosures wore off, partly because of the very extent of the revelations, public preoccupation with private worries and bewilderment over the variety of complicated issues were exploited by various powerful forces, from a variety of motives ranging from the lowest to moral confusion, all with a view to discrediting investigation and arresting its further progress. The gathering forces against the investigations and the investigators reached their culminating reinforcement in the support of a President who, while professing a desire to vindicate the law, assumes that law and order are bounded by the Penal Code, and helped to create an atmosphere in which necessary investigation could not thrive. The President's lead was promptly followed by such guardians of the public interest as Judge Gary. The most disheartening experience of the Ballinger investigation repeats itself; the condemnation of the most powerful is reserved for the exposers and not for the exposed.

Emboldened by the successful offensive against the pending investigations in Washington, various suggestions are afloat with a view to curbing future WALSH and WHEELER investigations. Professing, of course, that wrongdoing, impropriety, and unwholesome standards in public life should be exposed, critics, who have nothing to say for the astounding corruption and corrupting soil which have been brought to light, seek to divert attention and shackle the future by suggesting restrictions in the procedure of future congressional investigations. Not only do members of the bar thus propose to hamper a power which has been exercised since 1789, but even one of our financiers, who is a self-appointed mentor for all our national ills, urges curbs upon Congress drawn from his deep study of comparative parliamentary procedure.

A proper judgment of the WALSH and WHEELER investigations involves a consideration of (1) the situation which confronted them, (2) their accomplishments, (3) their alleged abuses. Only after such consideration can we properly assess (4) the pertinence of any formal change in the procedure of congressional investigation.

(1) Situation confronting WALSH and WHEELER: When the Harding administration began—in fact preceding it—the air was full of indications of the sinister influences that were to prevail and were prevailing in the conduct of some of the vital departments of the Government. Around Fall and Daugherty suspicions steadily clustered. Washington was thick with talk, and not the talk of irresponsibles. As time went on the intimations became more and more outspoken; but every influence of authority, of powerful social connections, of the press, the whole milieu of officialdom in Washington was on the side of those in power and against disclosure and truth telling. More than that, when things could no longer be stemmed and an investigation of Daugherty's administration was entered upon by a House committee, the forces of wrongdoing rendered such an investigation abortive and futile, and thereby served to discredit further accusations and their investigation.

For nearly two years the efforts to uncover wrongdoing in the disposal of our public domain were hampered by every conceivable obstruction on the part of those in office and those influential out of

office; involving members of the President's official entourage and including perjury before a Senate committee on the part of one of the closest friends of the late President and one on close terms with the present Executive. The vast investigatorial agencies of the Government not only failed to cooperate with the efforts to unearth wrongdoing; they positively sought to frustrate congressional activity.

Governmental machinery, prestige, wealth, agencies of publicity—all were for covering up things. No one who has not had some experience of the power the Government can exert is able to realize the tremendous pressure against which WALSH and WHEELER were contending. Both the hostile resources and the inertia which they had to overcome were incredible. The odds which they thus encountered must be felt, and not merely intellectually admitted and lightly dismissed.

(2) Accomplishments of WALSH and WHEELER: These are beyond question. The bills filed by the Government against the Sinclair and Doheny leases are based upon the findings of the Walsh committee, namely, corruption and conspiracy rendered possible through Secretary Fall's corruption and Secretary Denby's guileless incompetence; the disgrace of, and pending grand jury inquiry into, a recent member of the Cabinet—Fall; the resignation of another member through incompetence—Denby; the dismissal of a third member—the Attorney General—because of an enveloping, malodorous atmosphere.

It is safe to say that never in the history of this country have congressional investigations had to contend with such powerful odds, never have they so quickly revealed wrongdoing, incompetence, and low public standards on such a wide scale, and never have such investigations resulted so effectively in compelling correction through the dismissal of derelict officials. All this, it must be remembered again and again, was done by Congress against obstructing executive departments and, to put it mildly, unassisted by a President who, unlike Roosevelt, is not a crusader against wrongdoing.

(3) Alleged abuses: One would like to have a bill of particulars of these alleged abuses. Objection is frequently taken against irrelevant, unfair, and unsubstantial charges and to the character of some of the witnesses. It is not easy to be patient with such an attitude. What were the irrelevant charges before the Walsh committee, and what were the improprieties in pursuing those charges? Certainly Senator WALSH has established all the charges surrounding the oil leases up to the hilt. Objections are made to the testimony centering around alleged prenomination and preelection affairs in 1920. Surely it was relevant to ascertain whether interests were on the lookout to put into the Department of the Interior a man who, honestly or dishonestly, held one attitude rather than another toward our natural resources. Necessarily much of this was hearsay and gossip. Nevertheless there emerged definitely the fact that Hamon spent a huge sum of money for campaign purposes. If these aren't "leads" properly to be pursued, then we had better frankly admit that the power of congressional investigation is a sham and not an effective instrument for ventilating issues for the information of Congress and of the public.

What are the specific objections to be made against the hearings conducted by Senator WHEELER? Of course the character of the witnesses in many instances was disreputable. It is of the essence of the whole Daugherty affair that the Attorney General of the United States was involved in questionable association with disreputable characters. It is naively suggested as to these individuals that "they are not competent witnesses. But they are exhibits." But in order to be exhibits they had to be witnesses. This is the kind of hairsplitting that has for decades been attacked as a disgrace to American criminal procedure. In suggesting that WHEELER's witnesses were not competent witnesses but merely "exhibits," perhaps all that was intended was that Senator WHEELER should have preceded the calling of each one of his disreputable witnesses by a speech stating that they were disreputable. Surely this is a naïve suggestion. It is difficult at best to get witnesses to talk. This criticism is familiar to everyone who has ever had anything to do with criminal prosecutions, namely, an attempt to divert attention from the misconduct of the defendant to the character of the witnesses against him. Of course the character of a witness is a relevant item.

As to Daugherty, it was a damning item. But the testimony of such people is not at all incompetent, and their character, as the New York World pointed out in an editorial on April 24, may be conclusive testimony on the issue of the fitness of a man to be Attorney General of the United States. If by the witnesses which Senator WHEELER produced he was able to furnish a "living demonstration of the atmosphere which prevailed in and around the Attorney General of the United States," how possibly could that conclusion have been demonstrated except in the way in which Senator WHEELER demonstrated it? Eminent lawyers might have done it a little differently, but the chances are very strong that they wouldn't have done it at all. It requires pertinacity and high indifference to the winds that blow to drive through the obstacles which faced Senator WHEELER. The performance of such a man in such a situation can not be finely weighed by a distant onlooker, after the event, on an apothecary's scale. We have clear indications as to how a "better lawyer than Senator WHEELER" would have dealt with the situation. The indications are furnished by the attitude of Senator PEPPER; they are furnished by the supine silence of the bar before Senator WHEELER began, for from the time of his appointment as Attorney General lawyers widely knew Daugherty's unfitness for the post; they are revealed in the criticisms by the bar, not of Daugherty but of his exposer, after the first flicker of indignation over the disclosures had subsided.

(4) Revision of procedure of congressional investigations: Nothing in the experience of the Walsh and Wheeler investigations reveals the need of changing the process or confining the limits of congressional investigations. The proper scope and methods of procedure appropriate to congressional investigations depend on the conception of the part they play in enabling Congress to discharge its basic duties. This has been nowhere better expressed than by Woodrow Wilson in his Congressional Government:

> "It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice and to embody the wisdom and will of its constituents. Unless Congress has and uses every means of acquainting itself with the acts and the disposition of the administrative agents of the Government, the country must be helpless to learn how it is being served; and unless Congress both scrutinizes these things and sifts them by every form of discussion, the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct. The informing function of Congress should be preferred even to its legislative function."

Undoubtedly the names of people who have done nothing criminal or wrong, or nothing even offending taste, perhaps, have been mentioned in connection with these investigations.

A number of such instances appeared in connection with "Ned" McLean's name. All those references are pertinent in showing the ramifications of McLean's influence in official Washington. Also the names of counsel were mentioned who have had dealings with the Department of Justice which were wholly proper. But where so much that the Department of Justice was doing under Daugherty was not innocent it is highly important that even innocent transactions in the general field of fraud and suspicion be explained in order to separate the sheep from the goats. The question is not whether people's feelings here and there may be hurt or names "dragged through the mud," as it is called. The real issue is whether the danger of abuses and the actual harm done are so clear and substantial that the grave risks of fettering free congressional inquiry are to be incurred by artificial and technical limitations upon inquiry. Any quantitative and qualitative judgment of what WALSH and WHEELER were up against, what they produced and how they produced it, leaves the experienced and disinterested mind, duly regardful of the investigating duties of Congress, wholly without justification for changing congressional procedure.

It must be remembered that our rules of evidence are but tools for ascertaining the truth, and that these tools vary with the nature of the issues and the nature of the tribunal seeking facts. Specifically, the system of rules of evidence used in trials before juries "are mainly aimed at guarding the jury from the overweening effect of certain kinds of evidence." That system, as pointed out by Wigmore, "is not applicable by historical precedent or by sound practical policy" to "inquiries of fact determinable by administrative tribunals." Still less is it applicable to inquiries by congressional committees. Of course, the essential decencies must be observed, namely opportunity for cross-examination must be afforded to those who are investigated or to those representing issues under investigation. Despite Daugherty's statement to the contrary, that opportunity has been scrupulously given by the Brookhart committee.

It must be remembered that in various fields there is no legal protection against harm due to unfettered speech. The only safeguards are those secured by social and moral pressure. Thus the immunities enjoyed by judges and legislators for anything said by them as judges and as legislators are founded on deep experience. So also the abuses of the printing press are not sought to be corrected by legal restriction or censorship in advance, because the remedy is worse than the disease. For the same reason congressional inquiry ought not to be fettered by advance rigidities, because in the light of experience there can be no reasonable doubt that such curtailment would make effective investigation almost impossible.

Our criminal procedure has been constantly under fire by the legal profession, from Chief Justice Taft down, because of its self-defeating technicalities. In a report to the American Bar Association vigorous demand has recently been made for the liberalization of rules of evidence and procedure in criminal cases. Taken in connection with the proposal to curb the investigating powers of Congress, what is urged, in effect, is that we abandon the technical limitations which have been established to protect men from being sent to jail too readily, but introduce them into a field where they have never been resorted to and where they are wholly out of place, namely, in the exercise of the informing function of Congress.

A good deal must be left to the standards which Congress imposes upon itself and its committees; a good deal must be left to the duty of

Ashurst	Borah	Broussard	Cameron
Ball	Brandegee	Bruce	Caraway

WHEELER" would have dealt with the situation. The indications are | upon itself and its committees; a good deal must be left to the duty of

newspapers to report fairly and not sensationally, and to interpret wisely; a good deal must be left to the good sense of people.

In conclusion, there is no substantial basis for criticism of the investigations conducted by Senator WALSH and Senator WHEELER. Whatever inconveniences may have resulted are inseparable incidents of an essential exertion of governmental power, and to talk about these incidents is to deflect attention from wrongdoing and its sources.

The procedure of congressional investigation should remain as it is. No limitations should be imposed by congressional legislation or standing rules. The power of investigation should be left untrammeled, and the methods and forms of each investigation should be left for determination of Congress and its committees as each situation arises. The safeguards against abuse and folly are to be looked for in the forces of responsibility which are operating from within Congress and are generated from without.

FELIX FRANKFURTER.

[From the Christian Science Monitor, May 15, 1924]

SENATOR WHEELER'S VINDICATION

The report of the senatorial committee which has been inquiring into the circumstances attendant upon the indictment of Senator WHEELER, of Montana, constitutes a complete vindication of the accused Senator. It does not, however, deal sufficiently with the phase of that attack upon the Montana Senator which is of the utmost importance. Mr. WHEELER was conducting an investigation into alleged irregularities and corruption existing in certain executive departments of the Government. The committee of which he was the head was bringing to light, in a way that was convincing, evidence which affected very materially men of eminence under this administration and prominent figures in the Republican Party organization. Suddenly he was indicted in his home State on charges which a Senate committee now declare to be wholly without foundation. Evidence was presented to the committee which investigated the circumstances of this indictment, that witnesses before the grand jury in Montana were employees of the Republican National Committee and of the Department of Justice. It was shown, to the satisfaction of the unprejudiced mind at any rate, that the attack upon Senator WHEELER at his home was made through political agencies, by the active agents of the Republican Party organization and with the aid of employees of two executive departments.

In brief, it was shown to this committee that there was more than a reasonable suspicion that the agencies of the great Federal Government of the United States had been freely employed to "frame up" this United States Senator, to block him in the discharge of his duties, and to render nugatory all that he had been doing in the way of uncovering corruption in executive departments.

The committee, apparently, is content with reporting a vindication of Senator WHEELER, but who is to vindicate the politicians who used the agencies of two executive departments for his injury? It is to be hoped that Senator BORAH in presenting the committee report will address himself somewhat to this question.

Mr. STERLING. Mr. President, I desire to speak upon the majority report and upon the views of the minority in the matter of the investigation of the charges against Senator WHEELER. Let me begin with an excerpt from the minority report. The report reads in part as follows:

In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority has encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government?

Mr. President, I am inclined to make that statement from the minority report as a kind of text for what I may say to-day. Of course, I shall make some reference to the evidence, from which the Senator from Idaho [Mr. BORAH] read at considerable length in his address on yesterday.

I can find no warrant in law or under the Constitution of the United States for this proceeding. Senator WHEELER had, so far as the record shows, been duly indicted for an offense against the United States by a Federal grand jury in Montana. That indictment is pending. So far as the record is concerned, no effort has been made and no proceedings have been taken for the purpose of setting aside that indictment.

A word as to the authority of the Senate in regard to its membership. It is provided in section 5 of Article I as follows:

Each House shall be the judge of the election, returns, and qualifications of its own Members, and a majority of each shall constitute a quorum to do business, but a smaller number may adjourn from day to day and may be authorized to compel the attendance of absent Members in such manner and under such penalties as each House may provide.

The pertinent part of this, of course, is the very first clause, that "each House shall be the judge of the election, returns, and qualifications of its own members." What are the constitutionally prescribed qualifications of a Member of the Senate? They refer to age, they refer to citizenship, they refer to inhabitancy. Is he 30 years of age? Has he been nine years a citizen of the United States? Has he been a resident or an inhabitant of the State from which he is chosen for a period of one year before he was chosen? Those are the three qualifications upon which the Senate undoubtedly has a right to pass.

One further qualification may be involved in the word "election" and in the right of the Senate to be the judge of the election and returns of elections of its Members. The election of its Members, it may be said, or of any Member, may have been accomplished through fraud and corruption. The Senate, of course, would refer a charge of that kind to its Committee on Privileges and Elections, and it would be determined from the report of that committee or by the action of the Senate upon the report of the committee as to whether the Member was disqualified because of the use of fraud and corruption in securing his election.

So, Mr. President, I see no constitutional authority for this proceeding, a proceeding upon the part of the Senate to determine the guilt or innocence of a Senator who has been lawfully charged with having violated a statute of the United States by a grand jury and whose case is pending in the court where the indictment was found. True, here is another clause of the Constitution that might possibly be invoked by those who entertain another view:

Each House may determine the rules of its proceedings, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expel a Member.

I do not believe that it will be contended for a moment that this provision of the Constitution applies to this case or to any like case. The behavior here involved can not be such as is contemplated by the term "disorderly behavior" in the Constitution. An act committed by the Senator, this or any other Senator, outside of the Senate of the United States, and involving other conduct quite apart and distinct from his conduct here in the Senate, can not be disorderly behavior within the meaning of the Constitution.

It is said that with the concurrence of two-thirds the Senate may expel a Member. But what principle would be infringed if, after an indictment has been returned by a grand jury, the Senate of the United States should proceed to act upon that, determine the guilt or innocence of the Member, and expel him before trial by the petit jury having jurisdiction in the case? I contend that such a course would be violative of the principle which recognizes the three several departments of the Government—the executive, the judicial, and the legislative. Already the judicial department of the Government, through the finding of the indictment, has jurisdiction in this case and of the alleged offense upon the part of Senator WHEELER.

As I have tried to show in a brief allusion to that matter in the minority report, to now summon before a committee of the Senate, appointed to investigate this case, the witnesses for the prosecution in advance of the trial by the petit jury in Montana would be to give the Senator from Montana an advantage which no other person, no other citizen of the United States, would have. The effect of publishing the report of the majority in this case, circulated, as it will be, throughout the State of Montana, read by every qualified juryman probably within that State, can be nothing else than to prejudice in advance of trial public sentiment against the Government and in favor of the defendant who is charged.

Mr. President, I think this case is absolutely without parallel in our legislative history. There is nothing like it. It is hoped that there will be nothing like it in the future. I hope now that Senators will rid themselves, if they have any feeling of that kind in advance, of all partisan and all personal feeling and be just as impersonal as they possibly can be in the consideration of this question and the fundamental principles involved.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Georgia?

Mr. STERLING. I yield.

Mr. GEORGE. I would like to inquire of the Senator if, in his judgment, the Senate exceeded its authority in investigating the truth or authorizing the investigation of the truth of the charge made in the indictment? Where does the Senator find his authority for investigating the grand jury and determining whether it acted on probable or improbable cause?

Mr. STERLING. I have expressed myself before on that, I will say to the Senator. I expressed doubt of our right to go to that extent; but I conceded that much that we might go to that extent; that since it had been charged by Senator WHEELER so vigorously that this was a frame-up and that the Government officials and prosecuting officers had been influenced by improper motives, I said we will go at least that far to determine whether such are the facts.

Mr. GEORGE. I fail wholly to see how the Senate of the United States could investigate any grand jury sitting in any State to determine whether or not that grand jury acted on probable or improbable cause.

Mr. STERLING. The charge was specifically made by the Senator from Montana that this was a "frame-up" and that the Government officers instituting the prosecution were governed by improper motives.

Mr. GEORGE. Yes; I understand that.

Mr. STERLING. I thought the evidence taken before the committee might develop the fact as to whether or not that was true.

Mr. GEORGE. I am curious to know how the Senator could determine whether or not it was a "frame-up" if he were not going into an investigation as to the facts in the case.

Mr. STERLING. The facts to that extent I was willing to have presented and discussed and considered.

Mr. GEORGE. The Senator certainly knows that even perjured testimony, if the grand jury were acting in good faith, might afford probable cause for its action.

Mr. STERLING. That may be true; and I think, perhaps, the way would have been left open before the committee to show that the testimony that was given before the grand jury was perjured testimony. I do not know that I should have objected to that.

Mr. GEORGE. That seems to me Mr. President, to be going into the merits of the charge; and I do not see how the Senator can escape that conclusion.

Mr. STERLING. No; it is not going into the merits of the charge exactly to show that some witness had perjured himself in giving testimony.

Mr. President, there is a case from which I want to read and read liberally. It is the case of Burton against The United States, which is found in Two hundred and second United States Supreme Court Reports. There is more of a parallelism between that case and the case at bar, if I may use that expression, than we are apt to think on first blush, both in regard to the law and in regard to the evidence in the case. First, I wish to read from the opinion of the court with reference to the law involved. The statute under which Mr. Burton, who was then a Senator from Kansas, was indicted is substantially the same as the statute here. It was section 1782 modified by the later section 113 of the Criminal Code, to which attention is called in the report.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield to the Senator.

Mr. GLASS. May I inquire of the Senator—and I make the inquiry because I am not familiar with the facts—whether or not at the time of his indictment Senator Burton was engaged in any investigation of the Department of Justice?

Mr. STERLING. No; I do not think so. He was indicted, I will say to the Senator from Virginia, for doing some work before the Post Office Department.

Mr. GLASS. But he was not engaged at the time in an investigation involving the integrity of the Department of Justice?

Mr. STERLING. Oh, no. I think I understand what the Senator means now.

Mr. GLASS. I hope so. I try to make myself understood.

Mr. STERLING. Yes; and I understand the insinuation there is in it, I will say to the Senator from Virginia.

Mr. GLASS. There is no insinuation about it at all.

Mr. STERLING. I recall the Senator's intimation yesterday in a colloquy with the Senator from Idaho [Mr. BORAH], and what was then said about my acting the part of a prosecutor in this case, and his charge that the Department of Justice—he did not say the Department of Justice but he meant it; he said "one of the executive departments of the Government"—was engaged, as I understood the Senator from Virginia, in practically a blackmailing proceeding.

Mr. GLASS. Yes; but what has that to do with my simple and courteous inquiry of the Senator from South Dakota as to the facts in this case? I do not recall the exact circumstances of the indictment of Mr. Burton, and I wanted to know of the Senator from South Dakota if Mr. Burton was at the time of his indictment engaged in an investigation of the Department of Justice.

Mr. STERLING. On the face of it the Senator's question is fair, and I say, no.

Mr. GLASS. My question is intended to be fair.

Mr. STERLING. I say, in answer to the Senator's question, no.

Mr. GLASS. I merely want to develop the fact.

Mr. STERLING. The court says:

A statute like the one before us has direct relation to those objects and can be executed without in any degree impinging upon the rightful authority of the Senate over its Members or interfering with the discharge of the legitimate duties of a Senator.

The court refers to the statute, the object of which is apparent, although the court discusses it at some length.

The proper discharge of those duties does not require a Senator to appear before an executive department in order to enforce his particular views, or the views of others, in respect of matters committed to that department for determination. He may often do so without impropriety, and so far as existing law is concerned may do so whenever he chooses, provided he neither agrees to receive nor receives compensation for such services. Congress, when passing the statute, knew, as indeed everybody may know, that executive officers are apt, and not unnaturally, to attach great, sometimes, perhaps, undue, weight to the wishes of Senators and Representatives. Evidently the statute has for its main object to secure the integrity of executive action against undue influence upon the part of members of that branch of the Government whose favor may have much to do with the appointment to, or retention in, public position of those whose official action it is sought to control or direct.

The evils attending such a situation are apparent and are increased when those seeking to influence executive officers are spurred to action by hopes of pecuniary reward. There can be no reason why the Government may not, by legislation, protect each department against such evils; indeed, against everything, from whatever source it proceeds, that tends or may tend to corruption or inefficiency in the management of public affairs. A Senator can not claim immunity from legislation directed to that end simply because he is a member of a body which does not owe its existence to Congress and with whose constitutional functions there can be no interference. If that which is enacted in the form of a statute is within the general sphere of legitimate legislative, as distinguished from executive and judicial action, and not forbidden by the Constitution, it is the supreme law of the land—supreme over all in public stations as well as over all the people. "No man in this country," this court has said, "is so high that he is above the law. All the officers of the Government, from the highest to the lowest, are creatures of the law, and are bound to obey it. Nothing in the relations existing between a Senator, Representative, or Delegate in Congress and the public matters with which, under the Constitution, they are respectively connected from time to time can exempt them from the rule of conduct prescribed by section 1782. The enforcement of that rule will not impair or disturb those relations or cripple the power of Senators, Representatives, or Delegates to meet all rightful or appropriate demands made upon them as public servants.

I pass over much of the opinion because I desire to call the attention of the Senate to the language of the court concerning the instructions or the failure to give certain instructions to the jury. I read from page 373.

It is insisted, however, that the court below erred in not directing the jury to acquit the defendant; in other words, that the evidence in support of the indictment was so meager that the jury could not properly have found him guilty of any offense. We can not assent to this view—

There was a great conflict of testimony in this case, but there was enough to send the case, in the opinion of the court, to the jury for decision—

We can not assent to this view. There was beyond question evidence tending to establish on one side the defendant's guilt of the charges preferred against him; on the other side, his innocence of those charges. It will serve no useful purpose to set out all the testimony. It is sufficient to say that the whole evidence has been subjected to

most careful scrutiny, and our conclusion is that the trial court was not authorized to take the case from the jury and direct a verdict of not guilty. That course could not have been pursued consistently with the principles that underlie the system of trial by jury. It was for the jury to pass upon the facts, and, as there was sufficient evidence to go to the jury, this court will not weigh the facts and determine the guilt or innocence of the accused by the mere preponderance of evidence, but will limit its decision to questions of law.

In its charge to the jury the circuit court held the scales of justice in even balance, saying all that was necessary to guard the rights of the accused. Nothing seems to have been omitted that ought to have been said nor anything said that was not entirely appropriate. Upon the general question of guilt or innocence, and as to the rules by which the jury should be guided in their consideration of the case, the circuit court, in substance, said that the indictment was not evidence in any sense, but only an accusation which it was incumbent upon the Government to sustain by proof establishing guilt beyond a reasonable doubt; that the presumption of law was that he was innocent of the accusation as a whole and as to every material element of it, and that such presumption abided with him from the beginning to the end of the trial, and required, at the hands of the jury, an acquittal, unless a careful, intelligent, fair consideration of the whole evidence, attended by the presumption of innocence, produced in the mind, beyond a reasonable doubt, the conviction that the defendant was guilty; and that they, the jury, were the sole judges of the credibility of the witnesses and of the weight to be attached to their testimony.

So, Mr. President, the benefit of every presumption that is in favor of the defendant in a criminal case will be accorded to Senator WHEELER when he appears for trial before the petit jury in the State of Montana—every one of them. What more can he ask than that?

Mr. President, let me submit another view for a moment. We understand how this case stands before the Senate here to-day; but suppose it were the case of a man who was in the minority and that minority was a small minority in the Senate of the United States. He has been indicted in his own home State; he protests his absolute innocence; he says he is not guilty, and he wants to appear before a petit jury in that State and show that he is not guilty; and yet the Senate of the United States, under the influence of cabal or faction or party prejudice, should say to that man, "We are going to try you here; we are going to determine your guilt or innocence here in this forum." That is the situation here; a parallel case, with the shoe, in a sense, upon the other foot.

Mr. HEFLIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. I yield.

Mr. HEFLIN. Does not the Senator think that a United States Senator is entitled, as early as possible, to have the body in which he sits as a Member express its opinion as to whether or not he has been slandered in being charged with a criminal offense?

Mr. STERLING. No, sir; not, under the circumstances, to express its opinion as to his guilt or innocence. Let me say to the Senator from Alabama that I shall not object to the Senator from Montana sitting here. I shall not object to his keeping his place in the Senate, having his vote, having his place on committees, doing his work here; but I should expect that he would appear before the trial court, whenever it meets, to defend his case there. I am raising no question as to his right to sit here.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield to the Senator from Montana.

Mr. WALSH of Montana. Does not the Senator remember that just exactly the case he speaks of was heard and determined in this body, namely, the case of a Member who was indicted and was insisting, before the Senate acted, that he should be tried by a petit jury?

Mr. STERLING. When? Where?

Mr. WALSH of Montana. Right in this body.

Mr. STERLING. When?

Mr. WALSH of Montana. Away back in 1807.

Mr. STERLING. No; I do not remember it.

Mr. WALSH of Montana. I shall be glad to call the attention of the Senator to it.

Mr. STERLING. If the Senator will call it to my attention later, I may have something to say about it.

Mr. HEFLIN. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Alabama?

Mr. STERLING. Yes; I yield.

Mr. HEFLIN. In view of the fact that the main witness on whose testimony this flimsy charge against Mr. WHEELER was founded——

Mr. STERLING. Yes; another prejudgment of the case.

Mr. HEFLIN (continuing). Mr. Coan admitted or stated before the committee that he went up to see what he could find on WHEELER at the instance of the Republican National Committee, and when the question was asked, "Why did you do that?" he said, "Well, WHEELER was attacking the administration, and nobody would get up and reply," and he criticized Republican Senators for not saying something in reply to Senator WHEELER, and he at the instance of the Republican National Committee goes up to see if he can not get something against a Senator who has led a fight to oust a crooked Republican Attorney General——

Mr. STERLING. I do not think that is a fair inference, by any means, to draw from the testimony of Mr. Coan, if the Senator will read that testimony.

Mr. HEFLIN. I read it yesterday.

Mr. STERLING. Let me proceed:

The circuit court was equally direct and impartial in what it said in relation to the particular issues of fact raised by the indictment and evidence. After explaining the nature of the proceeding before the Post Office Department, in respect of which, the indictment alleged, the defendant acted as counsel for the Rialto Co., for compensation received and to be received, and after referring, with some fullness, to the specific charges in the several counts, the court called attention to the questions that were common to all the counts.

And I read this because it is so pertinent and appropriate here:

It said to the jury: "Was the defendant a Senator of the United States for the State of Kansas during the times covered by the transactions under investigation? It is admitted that he was, and therefore you will have no difficulty in determining that. Was the Rialto Grain & Securities Co. an existing corporation carrying on business of the character described during the times covered by the transactions under investigation? There was proof that it was, and no proof to the contrary, so you will have no difficulty with that. Was a proceeding pending before the Post Office Department from November 18, 1902, to March 26, 1903, to determine whether or not a fraud order should be issued against that company?"

That was the matter in which it was charged that Senator Burton had appeared in behalf of the Rialto Co. The question was as to whether a fraud order should be issued by the Post Office Department or not.

If the evidence shows that the officers of the Post Office Department, at the instance of private individuals or otherwise, had before that time set on foot an inquiry to determine whether or not satisfactory evidence existed that the Rialto Grain & Securities Co. was engaged in conducting a scheme or device for obtaining money through the mails by means of false or fraudulent pretenses, representations, or promises, as charged in the indictment; and if the evidence further shows that that inquiry had not been concluded, and was, during the period named, in the charge of any of the officers of the Post Office Department then charged with the performance of any duty in respect of such inquiry—then I charge you that there was such a pending proceeding before the Post Office Department, as described in the indictment, and as referred to in the statutes before mentioned; and also that it was a proceeding in which the United States was both directly and indirectly interested.

Mr. President, it is not necessary now, in the first place, that Senator WHEELER should have appeared before the Commissioner of the General Land Office, Mr. Spry. According to this authority—and I think it is in accord with other authorities—if he appears before any official of that department having charge of or connected with the business about which he wishes to interview the department it is sufficient, and comes within the plain terms of the statute.

In this connection I want to call attention to one thing so frequently alluded to by the Senator from Idaho [Mr. BORAH] in his speech, and I think by the Senator from Arkansas [Mr. CARAWAY] the other day, to the effect that he was not an attorney of record.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I do.

Mr. BORAH. I did call attention to the fact that he was not an attorney of record, but I did not assert that it was necessary for him to be an attorney of record in order to be guilty. That was one of the incidents of the proof. Mr. Spry testified that anyone who appeared there to urge a cause or

to represent a cause was noted upon the docket and noted in the record. I called attention to that fact as an evidenciary fact of the fact that he was not there.

Mr. STERLING. I think the Senator from Idaho knows full well that to make a man liable under this indictment or under this charge he would not need to be an attorney who was registered in the Land Department or in the General Land Office at all.

Mr. BORAH. Oh, no; that was just one of the evidenciary facts in the case—that is all.

Mr. STERLING. I read a little further from this opinion.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I yield.

Mr. WALSH of Montana. I have been endeavoring to follow the discussion of the Burton case by the Senator. I have not been able, however, to apprehend exactly what the point is that the Senator is seeking to establish.

Mr. STERLING. The point is simply this—that in order that Senator WHEELER or anybody else might be liable under the charge made, he would not have to be a registered attorney in the Land Department or registered as counsel at all. That was not necessary.

Mr. WALSH of Montana and Mr. ROBINSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Dakota yield, and, if so, to whom?

Mr. STERLING. I yield first to the Senator from Montana.

Mr. WALSH of Montana. I was going to remark that I rather think everybody will concede that.

Mr. STERLING. Well, it ought to be conceded.

Mr. ROBINSON. Mr. President, I want to ask the Senator from South Dakota whether anyone has contended that it is necessary for Mr. WHEELER to have been registered in order to have violated the statute against practicing in the department?

Mr. STERLING. No; I do not think anyone has.

Mr. ROBINSON. Then may I inquire of the Senator why he addresses himself in such detail to that proposition?

Mr. STERLING. I am not addressing myself in great detail to it. I will say to the Senator from Arkansas that I mentioned it rather incidentally than otherwise, because it was very appropriate to my remarks here.

Mr. ROBINSON. Of course, I have no objection to the Senator addressing himself in detail to any feature of the subject that he thinks necessary, relevant, and material; but since no issue is made upon the point I wondered just why it is that the Senator finds it necessary.

Mr. STERLING. I think Governor Spry was asked, when on the stand, as to whether Mr. WHEELER was a registered attorney or not, and the Senator from Idaho made mention of the fact, and quoted from Governor Spry's testimony in that regard.

Mr. BORAH. Mr. President, of course I asked Governor Spry if he had been registered as an attorney; and if Governor Spry had answered "Yes; he was registered as an attorney, and appeared as an attorney," I have an idea that the Senator from South Dakota would have gone into great detail on that feature of it.

Mr. STERLING. I probably would. Yes, sir; I probably would have gone into detail about it.

It [the court] then called the attention of the jury to the particular counts charging the defendant with having agreed with the Rialto Co. to receive a stated compensation for services to be rendered in the proceeding before named. Touching those counts, the court said: "Did he make such an agreement?" That he made an agreement of some character to act as counsel for that company for a stated compensation is conceded. The real question is—

I should like to have Senators have this particular proposition in mind with reference to certain features of this case—

The real question is whether that agreement included, among other matters in relation to which he was to serve the company, the proceeding in the Post Office Department before named.

And the question arises in this case—I will say so now—whether an agreement for a retainer of $10,000 a year included other services than that of attending to certain cases out in the State of Montana and before the State courts of Montana. That is the question.

Mr. ROBINSON. No; if the Senator pleases; that is not the question. The question, according to the rule the Senator has just read, is whether the retainer, the contract of employment, contemplated services in the matter of the permits referred to in the charge against Mr. WHEELER.

Mr. STERLING. I do not see any particular difference between the statement made by the Senator from Arkansas and my own statement in that regard.

Mr. ROBINSON. If the Senator knows what he said, he is bound to recognize a very material difference. The Senator from South Dakota stated that the real question was whether the employment contemplated other services than representation of Mr. Campbell in the courts of Montana. I say, that according to the rule he has just read the real question is not respecting other services, but whether it contemplated the service referred to in the indictment, namely, in connection with the oil permits.

Mr. STERLING. Let me read this statement again:

The real question is whether that agreement included, among other matters in relation to which he was to serve the company, the proceeding in the Post Office Department before named. Upon that question the evidence is conflicting, and it is your duty to weigh the evidence and determine the truth.

We may concede that it is conflicting in this case.

If, among other things, it was intended by the defendant and the Rialto Grain & Securities Co. in making the agreement that he would, in part consideration for the compensation he was to receive, appear as agent or attorney of such company before the Post Office Department, or any of its officers charged with any duty or having any authority over such fraud order proceedings, for the purpose or with the intent of influencing or obtaining action on their part favorable to such company in said proceeding, whether by way of stopping the investigation or ultimately preventing the issuance of a fraud order, then I charge you that the agreement of the defendant was violative of the statute; otherwise it was not. The offense prescribed in the statute consists in the agreement to receive compensation for the rendition of such services. The mere agreement to render the services is not an offense. It is the agreement to receive compensation for the rendering of them which constitutes the offense.

It should be carefully observed that the actual rendition of services is not a necessary element of this offense. The offense is complete and the defendant's guilt is established if the evidence shows that he made an agreement to render such services for compensation.

I further charge you—

Said the trial court in its charge—

that if he appeared as agent or attorney of such company before the Post Office Department, or any of its officers charged with any duty or having any authority over such fraud order proceeding, for the purpose or with the intent of influencing them in respect of their action in said proceeding, and did then arrange with the department, or any of its officers, that a hearing should be had in respect of such matter, and then also assured the department, or any of its officers, that it was the purpose of said company to comply strictly with the law, and then also arranged that no action should be taken against said company in said proceeding without his first being notified thereof, that that would constitute services within the meaning of the statute.

Mr. President, I have read at length from this case in order that our minds in a way might be prepared for what I believe to be a just and proper consideration of the present case.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. I yield.

Mr. HEFLIN. The Senator a moment ago stated that I had not correctly quoted Mr. Coan's testimony. With his permission, I would like to read just a few lines. I read now from the record:

The CHAIRMAN. Who employed you to go to Montana?

Mr. COAN. Mr. Lockwood—George B. Lockwood—of the Republican National Committee.

Senator SWANSON. Is he a member of the Republican National Committee?

Mr. COAN. Yes, sir.

Senator SWANSON. And he is also interested in the National Republican?

Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.

Senator SWANSON. At that time were they interwoven?

Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.

The CHAIRMAN. You may take the witness.

Senator SWANSON. Did he tell you the purpose for which he employed you?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Alabama?

guilty. That was one of the incidents of the proof. Mr. Spry testified that anyone who appeared there to urge a cause or

Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.

Senator SWANSON. Who thought so?

Mr. COAN. The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes.

And so forth.

That is what I stated awhile ago more briefly than I have stated it now, and I did so from memory. I ask the Senator now if he does not think I quoted Mr. Coan correctly?

Mr. STERLING. My attention was diverted, and I could not say whether the Senator quoted him correctly or not. I am going to assume that he did for the purpose of the case.

Mr. HEFLIN. I have read it now. It is correct in the hearing, is it not?

Mr. STERLING. I think it is not material to the real inquiry before the Senate, I want to say to the Senator from Alabama, with all due respect.

Mr. HEFLIN. I submit to the Senator that if a Republican National Committee or a Democratic National Committee seeks to get something on a Senator who is leading a fight as a Senator in the interest of good government, and the purpose of getting that something is to cripple him and to smear him, as it has been suggested, if the Senator does not think that is a material thing for the Senate to consider? If committees can do things like that, the time will come when Senators will be afraid to attack crooked officials, backed by big, crooked interests of the country.

Mr. STERLING. Mr. President, after referring to this authority, and at the length I have, I want to give now a little attention to the testimony, and I hope to be reasonably brief in that. I can not help, in reading some of this testimony, from recalling an old quotation from Shakespeare, I think it is, and I think it occurs in Hamlet, to this effect, if not the exact language:

The lady doth protest too much, methinks.

I call attention to the testimony of Mr. Stout, briefly, to two or three things he said. Mr. Stout was not a witness before the grand jury. He is an acquaintance of Mr. WHEELER and of Mr. Campbell, and in the course of the inquiry this occurred:

The CHAIRMAN. Now, you may state the conversation that you had with Mr. WHEELER.

Mr. STOUT. Well, I advised him of Mr. Campbell's desire to retain him—his firm. We talked it over for some time. He stated finally the terms under which he would undertake the case. I told him that that was a matter that would have to be taken up with Mr. Campbell, and that I would telephone him; and during the course of that conversation Mr. WHEELER stated that, of course, he could not represent him except in the State courts there. In other words, assuming that Mr. Campbell might have some business in the public-land department of the Government, he advised me at that time to so advise Mr. Campbell that he would not represent him in anything except the litigation local to Montana and in the State courts.

Mr. President, the one thought I have in mind in hearing testimony of that kind—and there is more like it in the course of the investigation—is this, that the grand jury, with the evidence before it as it was, might have looked upon a statement like that, had Mr. Stout himself been before the grand jury, as a statement somewhat akin to a self-serving declaration, or a statement that was so obviously refuted by other testimony that it should not be regarded.

Again and again throughout this testimony in this very apparent attempt to show that Mr. WHEELER, when spoken to in the first instance in regard to it, said that he could not do anything outside of business in the courts of the State of Montana; and yet, hardly does he reach Washington before he appears in the office of Mr. Booth, the Solicitor of the Interior Department, and is by Mr. Booth introduced to the Commissioner of the General Land Office. Governor Spry, and in the first conversation on that mere introduction he refers to the constituent of his, Mr. Campbell, for whom he desires just and fair treatment. It shows that he was at least interested in Mr. Gordon Campbell's affairs from the time he went there. I will show a little later on the relationship of Mr. Booth to this whole transaction.

Let it be remembered that this evidence shows that there are two indictments now pending in the State of Montana against Mr. Gordon Campbell, indictments for using the mail for fraudulent purposes, and it was in his interest that Mr. WHEELER spoke to Governor Spry, and spoke to Edwin Booth, the solicitor of the department; and, mind you, the evidence further shows the intimate friendly relations between Mr. Booth and Mr. WHEELER for years past. I think the testimony shows that their families visited each other soon after Mr. WHEELER's arrival here in Washington.

Turning over a little further, I quote from Mr. Campbell's testimony:

The CHAIRMAN. What was the value of the property covered by these lawsuits? To what extent were your entire holdings involved?

Mr. CAMPBELL. That is a pretty hard matter, Senator. We have quite a large oil field, and it is quite valuable. The area is about four times larger than the Teapot Dome.

Reference is made to Mr. Beaulieu, and the statement is that "Mr. Beaulieu was our title lawyer." If I remember the testimony correctly, Mr. Beaulieu was in the office occupied by Mr. Campbell at Great Falls, Mont.

Further on the chairman called the attention of Mr. Campbell to the conversation that Mr. Stout had had with Mr. WHEELER, and Mr. Campbell said:

I think Mr. Stout came to Great Falls, and we were quite friendly, and I used to talk my matters over considerably with Mr. Stout, being a friend, and I had told him, or practically he knew, about my lawyers, and how some of them had not treated me right, as I called it; so I said: "It is funny that I can not get a lawyer that will stand pat with me and will work for me and make a fight." Most of the lawyers, when I would take them in, would want to compromise with somebody and give them a lot more of my land—compromise instead of making a fight.

No particular point is made in regard to that testimony of Mr. Campbell. Then the following occurred:

The CHAIRMAN. State what it was—the terms.

Mr. CAMPBELL. Mr. WHEELER asked me the character of these suits, and, in fact, I think Mr. WHEELER had known in a general way what they were, and I told him about the suits that were coming up and what I wanted to do in starting some other suits, which we did, countersuits, and I wanted him to handle all of my litigation on these suits, and we talked the matter over from his standpoint, and he informed me—

Here comes a repetition again of the statement made by Mr. Stout, although it does not appear that Mr. Campbell had asked him as to whether or not he would be in a position to take the matters at the land office here and try to adjust the matter of permits. He said:

And he informed me that, of course, he could not do anything for me if any land matter came up. I told him that Mr. Beaulieu was attending to all our land matters; that he was employed for that purpose.

Senator STERLING. Exactly what did you mean by "land matters" there?

Mr. CAMPBELL. Well, I had a permit, and some of our leases were in bad shape. We had to clear the title of them. There were a great many mortgages against this land and liens in different ways that had to be cleaned up.

Where in the the name of common sense would the title be cleared except before the Land Department here in Washington, the department which had jurisdiction over these oil and gas land permits?

Unconsciously, I think, not realizing the effect of it, Mr. Campbell referred, when I asked him what was included in the land matters, at once to the fact that he had a permit.

Mr. HEFLIN. If the Senator will permit me, Mr. Stout and Mr. WHEELER and all testified that they could not represent him in matters——

Mr. STERLING. Oh, I have quoted their testimony, their statements, verbatim as they made them.

Mr. HEFLIN. But the Senator said that the titles would have to be cleared here. That would not make any difference in view of the fact that they stated they could not remain here.

Mr. STERLING. I will show the connection a little later between Mr. WHEELER's activities, if I may so term them, and the matter of permits.

Mr. BORAH. I have only one suggestion to make to the Senator. I hope it will not interfere with his argument. I am afraid the Senator arguing so earnestly here that Mr. WHEELER is guilty will have a bad effect upon the jury in Montana.

Mr. STERLING. I intended at the outset to say that if I seemed to get earnest in the course of the discussion it was perhaps habitual with me, and I did not mean thereby to be personal.

Mr. BORAH. I do not object to the Senator getting earnest. He is more interesting when he is earnest. But the Senator is complaining that we are arguing for Senator WHEELER's innocence, and therefore may prejudice the jury in Montana toward his innocence, while the Senator is arguing that he is guilty, and I am wondering what effect that may have in Montana.

Mr. STERLING. I was thinking about the argument of the Senator from Idaho yesterday, the forceful, able, strong argument which he made for the purpose of showing that Mr. WHEELER could not possibly be guilty. If there is anything to be said in that respect, consider them as in a way an offset.

Mr. BORAH. Very well.

Mr. GLASS. Mr. President——

Mr. STERLING. I yield to the Senator from Virginia.

Mr. GLASS. It just occurred to me that the Senator from Idaho has made no concealment of the fact that he does think that Senator WHEELER is innocent, and his argument confessedly was to convince the Senate of that fact, whereas the Senator now speaking has insisted that he is not after convicting Senator WHEELER and yet the tendency of his whole argument is in that direction.

Mr. STERLING. I hope the Senator from Virginia will take this view of it, that perhaps I am earnest in regard to the inferences which I think from the whole testimony the grand jury might draw, and not as expressing any conviction of mine that Mr. WHEELER is guilty.

Mr. BORAH. As I understand, the Senator is then addressing his argument to the fact that there was probable cause for action upon the part of the grand jury?

Mr. STERLING. Yes; that I think is apparent.

Mr. HEFLIN. In that connection, the Senator is aware of the fact that the district attorney leads in the investigation of cases before the Federal grand jury and that this district attorney was appointed by Mr. Daugherty.

Mr. STERLING. That has an awful significance, that he was appointed by Mr. Daugherty. He might for all that be the best United States district attorney in the whole country.

Mr. GEORGE. Mr. President, I would like to ask the Senator a question. I do not quite understand the Senator's position here, having filed a minority report and frankly saying that his object is to show that the grand jury had probable cause in returning the indictment. Now, the Senator is a very fair-minded man. I want to ask him if that is not raising a fictitious question——

Mr. STERLING. Oh, no.

Mr. GEORGE. And if in his judgment it is not purely a fictitious issue that is being raised? Whatever may have been the correct view of the matter, the Senate did appoint a committee to make an investigation and the committee made the investigation. There is a majority report exonerating Senator WHEELER. There is a minority report filed by the Senator from South Dakota, and that minority report confines itself to one proposition, to wit, that the grand jury acted on probable cause. Does that appeal to the Senator as being a fair way to dispose of a question that touches the honor of a Member of this body? If the minority report should receive the approval of the Senate, are we to vote to reject the majority report upon the ground that the grand jury in Montana had probable cause, shutting our eyes to the more pertinent inquiry dealt with entirely in the majority report that Senator WHEELER was entirely guiltless of any offense?

I want to ask the Senator candidly if he does not think that he is raising a fictitious question, and if he does not think that he is calling upon the Senate to vote on this important matter, involving as it does the honor of a fellow Senator as well as the honor of the Senate itself, upon a fictitious issue? It seems to me that is very vital. The Senator's argument may be ever so impressive as an argument why the Senate should never have appointed the committee to make the investigation; but the investigation has been made, the majority report is before us, and it exonerates Senator WHEELER. Are we to reject that majority report upon the purely fictitious issue [illegible] stated to us, to wit, that while that may be true, [illegible] the grand jury in Montana had probable cause for [illegible] is the question; that is the plain question; [illegible] if he thinks he is dealing fairly [illegible]

Mr. STERLING. [illegible] the better, the more reasonable view? Mr. [illegible] having been indicted by a grand jury, with the case yet to be tried before a petit jury, which is the better and more reasonable rule, to now pass upon the question of the guilt or innocence of Mr. WHEELER, or, in the face of the charge that this was a frame-up and that the Government officials acted improperly and with improper motives, determine the question as to whether or not there was probable cause?

Mr. GEORGE. I would say to the Senator that he seems to be confusing the two points. We are not trying Mr. WHEELER on the indictment for the purpose of imposing sentence.

Mr. STERLING. That is true.

Mr. GEORGE. We are not usurping the function of the court. We are acting as a Senate.

Mr. STERLING. But the point is that the matter will be before the petit jury to determine, and for us to determine in the Senate that he is innocent of the matter with which he is charged is sure to prejudice the jury that will be called to try the cause.

Mr. GEORGE. I understand; but I am putting the question to the Senator in this way. What he now says would have been pertinent in resistance to the motion to appoint a committee in the Senate or to hear that testimony, but the committee was appointed and the testimony was heard. There is before the Senate a majority report exonerating Mr. WHEELER, not dealing with the question of the propriety or impropriety of the grand jury action, and the Senator raises here, and I repeat it, a purely fictitious question. I ask him if he believes it is fair to raise a fictitious issue when a serious question touching the honor of a Member of this body, involving a crime against the laws of the country, a question that goes to the very honor of the body itself that undertakes the investigation—is that fair, is it just, and how can the Senator justify the raising of an issue that he himself must concede to be purely fictitious?

Mr. STERLING. I justified the minority report, and upon the ground that we at least have no right, no authority, to try the question of the guilt or innocence of Mr. WHEELER.

Mr. WALSH of Montana. But the Senator from Georgia calls attention to the fact that the Senate directed the committee to do so, and the Senator from South Dakota accepted the appointment.

Mr. STERLING. True, and I admit all that. That is what the Senate directed the committee to do, to investigate the charges. The resolution read:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER, etc.

Mr. WALSH of Montana. If the Senator believed that the Senate had no power to do that, how can he reconcile his acceptance of an appointment on the committee?

Mr. STERLING. I did not think there was any Senator who perhaps at first blush thought that the Senate was without power to determine this thing. I did not. It was not clear in my own mind as to what the Senate could or should do in the premises under the charge made by Senator WHEELER to the effect that this was a frame-up and that the Government officers acted under improper influence or from bad motives. It was somewhat confusing to me.

Mr. WALSH of Montana. Let me call the attention of the Senator to the fact that the resolution does not direct the committee to inquire whether there was a frame-up or not. The committee was not asked to determine that question.

Mr. STERLING. But that was the charge.

Mr. WALSH of Montana. The committee was asked to determine what the facts were.

Mr. HEFLIN. Before the Senator from South Dakota leaves that point I want to suggest that the Senator himself voted for the resolution asking for the investigation.

Mr. STERLING. Did I?

Mr. HEFLIN. Yes, sir.

Mr. STERLING. I am not sure. Can the Senator show that by the RECORD?

Mr. HEFLIN. Everybody here voted for it.

Mr. STERLING. Did I vote for it?

Mr. HEFLIN. There was not a dissenting vote.

Mr. STERLING. Is the Senator sure I voted for it?

Mr. HEFLIN. It was unanimous.

Mr. STERLING. Was I here?

Mr. HEFLIN. It was a viva voce vote.

Mr. STERLING. I am not sure that I was here at the time the resolution was voted for.

Mr. CARAWAY. May I ask the Senator a question?

Mr. STERLING. I yield to the Senator from Arkansas.

Mr. CARAWAY. The Senator just now made the statement that when he accepted appointment as a member of the committee he was not clear as to the right of the Senate. When the conviction came to the Senator that the resolution conferred no authority upon the committee to investigate, why did not the Senator raise that question and not report upon the evidence at all, and come back and ask that the committee should be discharged, because it was instructed to inquire into a matter about which the Senate had no authority to inquire?

Mr. STERLING. The Senator from South Dakota appreciated the charges made by the junior Senator from Montana that this was a frame-up and that the officers acted through improper motives. I knew that that involved some inquiry into the facts, a production of facts before the committee. Just how far the committee would go I did not know, and I did not care particularly about limiting the inquiry of that one particular thing. The investigation went on. The witnesses were heard. The case was closed, and in executive session I said that the conclusions of the committee should be at least limited to that one thing as to whether there was probable cause for returning the indictment.

Mr. CARAWAY. I, of course, should not have mentioned what went on in the executive session of the committee, except that the Senator sees fit to do it. Did not this occur, that the case was closed, no one wanted to hear another witness, the committee met and after discussion left to the chairman, by direction of the committee, the duty to make the report, and that until the report was prepared and ready to be signed the Senator did not even suggest that this theory should be discussed at all?

Mr. STERLING. I did not assent to any report the chairman of the committee might make.

Mr. CARAWAY. But the Senator did agree that the chairman should prepare the report.

Mr. STERLING. He was to prepare a report for the committee to examine, certainly.

Mr. CARAWAY. And the Senator never suggested that this theory should be considered in preparing the report, did he?

Mr. STERLING. Oh, no; I did not suggest it openly, nor did any other member of the committee suggest a theory on which the report should be based.

Mr. President, I want to go on with the testimony of two witnesses who were before the grand jury. That testimony has been liberally quoted from by the Senator from Idaho [Mr. BORAH] in his remarks. First, I will quote from the testimony of Mr. Glosser. I wish to say with reference to the testimony of those two men, Rhea and Glosser, that they were not swift witnesses by any means, with apparent anxiety to testify in a way that might injuriously affect Senator WHEELER. On the contrary, they were very slow and deliberate witnesses; they only responded to questions that were asked them on the witness stand; but they impressed me as being thoroughly reliable and honest in their testimony. They testified as to what they actually saw and heard or believed that they saw and heard.

Mr. Glosser was connected with different aspects of the oil busines for many years. He has now the western territory for the Continental Supply Co.; has known Gordon Campbell three or four years, was associated with him as his private secretary from November, 1922, to the first part of November, or the last part of October, 1923; he is not sure but he thinks Campbell introduced him to WHEELER somewhere between the 1st and 15th of January, 1923. He saw WHEELER several times in Campbell's office during January and February of 1923.

It will be remembered that the testimony of Glosser and Rhea was directed to what occurred in room 222 at the Rainbow Hotel at Great Falls, Mont. Glosser testified that he discussed all of Campbell's business with WHEELER.

I refer now to the testimony beginning on page 79, as follows:

The CHAIRMAN. Yes; he was there working on cases. But was there any conversation—did you have any conversation with Mr. Wheeler—about his employment?

Mr. GLOSSER. You mean with reference to his direct employment by Campbell?

The CHAIRMAN. Yes.

Mr. GLOSSER. Only in so far as Campbell's business was affected. I would never discuss with the Senator his deal with Campbell or anything like that. I talked of Campbell's business to the Senator.

The CHAIRMAN. What was the nature of the business you talked of to him?

Mr. GLOSSER. We had discussed at various times various lawsuits, all the land titles, and Campbell's business generally in the prospecting field, and the outcome there. All of Campbell's business was at various times discussed, or a good part of it.

He discussed with Mr. WHEELER all of the land titles which were in question here in Washington in the Land Department of the Government. All of Campbell's business, or a good part of it, was at various times discussed. When we come to read the record we shall come to the conclusion that the great and the important part of all of Campbell's business was here in the General Land Office at Washington. The testimony continues:

Senator STERLING. With Mr. WHEELER?

The CHAIRMAN. With Mr. WHEELER?

Mr. GLOSSER. Yes; with Mr. WHEELER.

The CHAIRMAN. Was there anyone else present when you were discussing this business of Mr. Campbell with him?

Mr. GLOSSER. Yes.

The CHAIRMAN. Who was present?

Mr. GLOSSER. There were several at different times. Mr. Rhea was present several times and Mr. Campbell was present, and at other times I think Mr. Harvey was there.

The CHAIRMAN. What was the nature of the discussion? How did you come to discuss it with him? What was the nature of the matter discussed?

Mr. GLOSSER. We discussed the matters because WHEELER was representing Mr. Campbell and I was representing Mr. Campbell, too, and it was natural that we should discuss the business Campbell had—

And remember, Mr. President, that Mr. Glosser was Mr. Campbell's private secretary for a period of just about a year—

We had that common point in view, of arriving at the same thing; a lot of business—that is, all of Campbell's business.

The CHAIRMAN. I understand; but is there any specific subject matter in the business which Mr. WHEELER had charge of that you could now recall that you talked over with him?

Mr. GLOSSER. Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

There is no impeachment or refutation of that testimony.

Mr. CARAWAY. Mr. President, will the Senator from South Dakota pardon me a moment?

Mr. STERLING. Yes.

Mr. CARAWAY. Will the Senator from South Dakota just read the next part of that testimony?

Mr. STERLING. Does the Senator refer to the testimony following what I have just read?

Mr. CARAWAY. Yes, sir.

Mr. STERLING. It reads as follows:

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over.

The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

Remember, Mr. President, that the contract was for a compensation of $10,000 a year. It was called a retainer of $10,000 a year. It was not a written contract; it was oral. Just how we are to determine what services were to be included for which that compensation of $10,000 a year was to be paid I hardly know. I think it is a matter of inference, however, from all the testimony, an inference that the grand jury was warranted in drawing.

Mr. CARAWAY. May I ask the Senator a question?

Mr. STERLING. Yes.

Mr. CARAWAY. The Senator from South Dakota says that the scope of the employment of Mr. WHEELER was a matter of inference, but Stout and Campbell testified——

Mr. STERLING. Not exactly the scope of his employment was a matter of inference.

Mr. CARAWAY. Well, the service which Mr. WHEELER was to render.

Mr. STERLING. What he was to do for the $10,000?

Mr. CARAWAY. That was testified to by everybody who knew anything about it, was it not?

Mr. STERLING. Yes.

Mr. CARAWAY. Campbell testified about it, Stout testified about it, Beaulieu testified about it, and Mr. Harvey testified as to what was reported to the officers of the company; that when they were asked to ratify the contract they were told what WHEELER's employment was to consist of.

May I add that there is not a line of testimony from beginning to end by anybody who pretended to know that does not set forth exactly what WHEELER was to do for $10,000. If the Senator thinks there is, I wish he would put his finger on that testimony.

Mr. STERLING. The Senator from South Dakota will refer to the whole testimony.

Mr. CARAWAY. There was not a single witness who pretended to know who did not say that Mr. WHEELER's employment was confined exclusively to litigation in the State courts of the State of Montana.

Mr. STERLING. There were a good many witnesses who did not pretend to know——

Mr. CARAWAY. Of course.

Mr. STERLING. What he was doing, but the evidence shows what he was doing.

Mr. CARAWAY. Where does the evidence show what he was doing? I ask the Senator to refer me to a single witness who said WHEELER did anything except in the State courts.

Mr. STERLING. I will quote from the record and from the documentary evidence to show that.

Mr. CARAWAY. Of course if the Senator does not want to point it out, very well. I assert now that every man who knew or who had any right to know said that the scope of Mr. WHEELER's employment was confined to litigation in the State courts of Montana.

Every man connected with the Department of the Interior, all of them, I take it, men of character, one of them for 37 years a practicing attorney in the State of Montana, and by the Republican administration appointed Solicitor for the Department of the Interior, and the other twice Governor of the State of Utah and appointed Commissioner of the General Land Office, testified that Mr. WHEELER had not prosecuted cases before that office. Therefore I hope the Senator will not merely draw an inference and say there is some question about what Mr. WHEELER was to do or what he did do, because I assert—and I am willing to go over the testimony line by line with the Senator—that there is not a line of anybody's testimony anywhere that undertakes to say that Mr. WHEELER was to do anything except what he said he was to do, and that is to appear in the courts of Montana. There is not a scintilla of evidence by anybody, respectable or otherwise, to the effect that he ever appeared before the Land Office in the interest of Mr. Campbell.

Mr. STERLING. The Senator can say those things in his own time. I refer to the record, and will show from the record what might be a proper inference for a grand jury to draw in regard to the compensation and what it was to cover.

Mr. CARAWAY. May I say that when the Senator comes to quote the testimony I hope he will go on through it and will not stop like he did a few moments ago in the case of Glosser's testimony?

Mr. STERLING. The Senator may call my attention to any part of the testimony he chooses, and I will be glad to read it if the Senator so requests.

Mr. CARAWAY. What I was about to say was that it strikes me—and I want to be perfectly respectful to the Senator from South Dakota——

Mr. STERLING. Oh, yes; there is no question but that the Senator is. I have not intimated by any sign that I think otherwise.

Mr. CARAWAY. What I was about to say was that while I agree it must have been unintentional, yet it strikes me that it is hardly fair to read a general statement when if the specific question and answer following it are read it will appear that the witness specifically stated that he knew nothing about it.

Mr. STERLING. Will the Senator point out to what he refers that I have omitted?

Mr. CARAWAY. The Senator referred to the testimony where Mr. Glosser said he had talked over with Mr. WHEELER his employment, but the Senator stopped there. Then I asked him to read the questions and answers which followed, in which Mr. Glosser specifically said, "I never talked with WHEELER. I do not know what he was to do or what he did do." The Senator ought not to stop with a general statement when there is a specific statement.

Mr. STERLING. I think the Senator from Arkansas himself draws an improper inference from the testimony. Let me read it.

Mr. CARAWAY. Very well.

Mr. STERLING. Let me read again the statement which I have read and the answer to it. In answer to the chairman, Mr. Glosser said:

Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

Now, let us see if what follows refutes that statement. I will read it:

The CHAIRMAN. Were you ever present when Mr. Campbell and Mr. WHEELER talked over the terms of his employment?

Mr. GLOSSER. You mean his compensation?

The CHAIRMAN. Yes.

Mr. GLOSSER. No; I was never present when they talked that over.

The CHAIRMAN. Did you ever talk over with Mr. WHEELER the scope of his employment—what he was employed to do?

Mr. GLOSSER. No; I never discussed that point with Mr. WHEELER. I took it for granted; to represent Mr. Campbell.

Mr. CARAWAY. Yes.

Mr. STERLING. The chairman then asked:

What was the nature of these lawsuits in which Mr. WHEELER was acting?

Mr. GLOSSER. The lawsuits?

The CHAIRMAN. Yes.

Mr. GLOSSER. They were suits that Mr. L. C. Stevenson and his associated companies had filed against Campbell individually and Campbell's companies.

Is there anything in that that tends to contradict what Mr. Glosser has previously said? No; there is not one word.

Mr. CARAWAY. No; there is everything to contradict the inference that I drew from what the Senator said, that there was some doubt about what WHEELER was expected to do, because when you read that, the witness says that he did not know, except that he was looking after lawsuits in Montana; and may I just read on page 81, where the same question came up again? He was asked to go into particulars as to what Mr. Campbell's business was.

The CHAIRMAN. Do you know of his having anything to do with the other litigation, aside from the receivership?

The Senator read about the receivership.

Mr. GLOSSER. Yes. Mr. Campbell's lawyer was in touch with Mr. WHEELER's office. Mr. Baldwin prepared a good many papers for us; briefs, as I recall, they were—legal stuff. I did not understand it.

The CHAIRMAN. But with reference to these other suits?

Mr. GLOSSER. These other suits?

The CHAIRMAN. Then there was a libel suit brought, was there not?

Mr. GLOSSER. A libel suit? I think that was incorporated in the same suit. I am not sure. There were a whole lot of suits.

The CHAIRMAN. There was a libel suit for some $100,000?

Mr. GLOSSER. I do not recall that suit right now.

The CHAIRMAN. You do not?

Mr. GLOSSER. No, sir.

Now:

The CHAIRMAN. Did you ever talk over with Mr. WHEELER at any time the scope or extent of his employment, and what the different things were that he was to do as attorney?

Mr. GLOSSER. No; I do not think I did.

No inference could be drawn from his testimony, when it is all read, that Mr. WHEELER was presumed to have had something else to do.

Mr. STERLING. The inference is that they had talked the matter over, and talked about all of Mr. Campbell's business, the lawsuits as well as other business. He was his private secretary.

Mr. CARAWAY. Oh, but when he was asked what Mr. WHEELER did he commenced to talk about the State court suits in Montana, and then specifically and emphatically stated that if he had anything else to do he never heard of it. The inference ought not to be left. The Senate is entitled to have the testimony.

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. I do.

Mr. WALSH of Montana. The Senator is commenting upon the testimony appearing at page 80. I should like to ascertain just his view about that to which he has invited the attention of the Senate, and particularly this statement by Mr. Glosser, to which the Senator attaches some importance:

Yes; Mr. Campbell had a good many lawsuits, and they were discussed in a general way; and one lawsuit in particular that Mr. WHEELER was handling at that time was discussed a good bit. Other times the land titles were discussed, and Government permits, and everything that Mr. Campbell had anything to do with was discussed.

I see up above, again, the expression "the land titles" were discussed. Obviously, the witness makes a distinction between land titles and Government permits, and very properly so, because a great many of these oil wells are drilled upon property

that has passed into private ownership, as the Senator well knows, and these are usually spoken of as land titles.

The permits are something else. Apparently permits, Government permits, were one of the subjects of discussion. That discussion, as I understand, was participated in, the parties present being Mr. Campbell, Mr. WHEELER, Mr. Rhea, and Mr. Glosser. Am I correct?

Mr. STERLING. Oh, no; the Senator is wrong there. This is a conversation between Mr. WHEELER and Mr. Glosser. This is not an account of the conversation at the Rainbow Hotel. That is a different matter.

Mr. WALSH of Montana. Oh, very well; only Mr. Glosser and Mr. WHEELER.

Mr. STERLING. Mr. WHEELER and Mr. Glosser; yes.

Mr. WALSH of Montana. What I want to know is how the Senator draws the conclusion that Mr. WHEELER was employed in some way or other in connection with the permits just because the subject of permits was mentioned in the course of the conversation?

Mr. STERLING. I think that will appear a little more clearly to the Senator from Montana when I refer, a little later on——

Mr. WALSH of Montana. I dare say it may appear clearly somewhere else, but it obviously does not appear clearly or otherwise here. They talked about the land titles, they talked about the permits, they talked about the litigation. I suppose probably they talked also about the drilling, and possibly they talked about the geological structures; and they might have talked about a lot of things. They might have spent the evening talking about permits, and yet that would not indicate that Mr. WHEELER was hired in connection with those permits.

Mr. STERLING. It has this significance, that it brings home to Mr. WHEELER a general knowledge of Mr. Campbell's business, his land business, his permit business, and so forth, to show that through conversation with Mr. Glosser, who was Mr. Campbell's private secretary, he could not help but become familiar with the general business in which Mr. Campbell was engaged.

Mr. WALSH of Montana. Oh, yes; and I presume we may indulge the assumption that Mr. WHEELER knew that Mr. Campbell had some Government permits.

Mr. CARAWAY. Mr President, may I just call attention to one thing, though? On page 46 of part 2 of the hearings, Beaulieu testifies:

I asked Mr. WHEELER some question with reference to a law point concerning a certain permit, and Senator WHEELER had lived in Montana so long that he used pretty strong language sometimes—plain—and he said, "I do not know a ——— ——— thing about Government permits."

I remember what the language was. It seemed to be peculiar to the West, and I will not quote it.

I would not know one of the ——— things if I saw it. Besides, I told Campbell I would not have anything to do with his Government land.

That was his answer.

That is the only time he was ever asked, in all this record, anything about a Government permit, and he swore like a sailor, and said he did not know anything about one and would not know it if he should see it, and he had told Campbell that he would not have anything to do with it.

Mr. STERLING. On what page is that?

Mr. CARAWAY. That is at the bottom of page 46 and the top of page 47 of part 2 of the hearings.

Mr. STERLING. Oh, yes; I am glad the Senator called attention to that. I will refer to it later on.

Mr. WALSH of Montana. Mr. President, I rose a moment ago to ask the Senator in all seriousness whether he considers that the fact that permits were mentioned in the course of an evening's general discussion of Mr. Campbell's business is any proof that Mr. WHEELER was employed to get Government permits, or to have anything at all to do with the Department of the Interior?

Mr. STERLING. I call the attention of the Senator from Montana to the fact that he again seems to confuse what occurred here, when they were talking about permits, with what occurred at room 212, Rainbow Hotel, Montana. I will get to that, and I will read it.

Mr. WALSH of Montana. Yes; we will bear this in mind when we come to consider the other matter; but I took it, from what the Senator said, that he considered this as proof of his contention.

Mr. STERLING. Some proof to be taken in connection with all the evidence in the case.

Now, I go to page 87, if anyone is following, the meeting at the Rainbow Hotel, beginning on page 86:

Senator STERLING. Very well. Now, where was this conversation, or this meeting, rather, when you say WHEELER and Campbell and Mr. Rhea and yourself were present?

Mr. GLOSSER. In the Rainbow Hotel.

Senator STERLING. In the Rainbow Hotel?

Mr. GLOSSER. Yes.

Senator STERLING. How did you come to go to the Rainbow Hotel?

Mr. GLOSSER. Mr. Campbell told me to get a room there.

Senator STERLING. For what purpose?

Mr. GLOSSER. Well, for two purposes. He wanted to talk to Mr. WHEELER, and he wanted to get uptown. He had been staying at my house, and he wanted to get uptown. He lived at the hotel practically all the time when he was in town.

Senator STERLING. At what time in the day or evening did you meet?

Mr. GLOSSER. In the evening—early evening—as I recall it.

Senator STERLING. How long were you there together?

Mr. GLOSSER. Oh, possibly an hour or an hour and a half.

Senator STERLING. Did anybody else come into the room at all while you were there?

Mr. GLOSSER. I think Mr. Cooper, and Mr. Jackson came in, too, just for a second.

Senator STERLING. They did not remain?

Mr. GLOSSER. No, sir.

Senator STERLING. They did not participate in the conversation?

Mr. GLOSSER. No, sir.

Senator STERLING. Did you hear all the discussion there, Mr. Glosser?

Mr. GLOSSER. In that room that night?

Senator STERLING. Yes.

Mr. GLOSSER. Yes; I was there all the time.

Senator STERLING. Just what was said in your hearing there by Mr. Campbell or Mr. WHEELER in regard to oil permits?

Mr. CARAWAY. Will the Senator tell me where he is reading?

Mr. STERLING. On page 87 now.

Mr. CARAWAY. From which volume of the hearings?

Mr. STERLING. It is the same in all the copies. It begins with page 1 and runs through the successive numbers.

Mr. CARAWAY. I have just the first edition.

Mr. STERLING. I continue reading from page 87:

Mr. GLOSSER. There was a great deal said about oil permits that night. We talked in a general way about the number of permits Mr. Campbell had and the details of handling them through here, etc., like that; and Mr. Campbell was at that time—one permit in particular was referred to; the Phil MacGowan permit seemed very valuable. It was in Mr. Rhea's name, and he had just had an offer on it.

Senator STERLING. What was said, as near as you remember, about the Phil MacGowan permit?

Mr. GLOSSER. We talked about the Phil MacGowan permit, and Mr. Campbell said this: "If Mr. WHEELER can get this fixed up in Washington——

The CHAIRMAN. Was Mr. WHEELER present?

Mr. GLOSSER. Yes; Mr. WHEELER was present.

Senator STERLING. What did he say?

Mr. GLOSSER. He said, "If Mr. WHEELER can get this thing fixed up in Washington, we can afford to cut on the money"—slice, or something. That was the substance of it. The exact words I could not speak.

Senator STERLING. What did Mr. WHEELER say in regard to it?

Mr. GLOSSER. I do not recall that he said a word about it. I do not think he made any reply. Oh, yes, he did; but not at that particular time.

Senator STERLING. But during that evening?

Mr. GLOSSER. During the evening Mr. WHEELER left us under the impression there was nothing to worry about getting permits fixed up; that the matter could be fixed up in Washington very easily; it was merely a matter of getting the details worked out through the department.

Senator STERLING. What, if anything, did he say about the things he might have to do in order to get the matter adjusted?

Mr. GLOSSER. I do not recall exactly what he said, but he left us under the impression—or, at least, he left me under that impression—that with his connections down here he would have access to getting action on these permits.

Senator STERLING. Did Mr. WHEELER give Mr. Campbell any assurance at that time as to what he could do?

The CHAIRMAN. I think it might be well to let the witness state what he said.

Mr. GLOSSER. What is the question?

Senator STERLING. State all that was said.

Mr. GLOSSER. I think I have covered it pretty well.

Senator STERLING. Yes.

Mr. GLOSSER. We talked about these permits, and particularly this one that we thought was valuable, because we had been offered so much money for it—Mr. Rhea had had an offer on it—and Mr. Campbell turned to Mr. Rhea at one time, and he said, "Now, if WHEELER can get this stuff fixed up for us we can afford to cut the stuff up some way." That was the substance of it.

Then an objection was made to asking his interpretation.

Mr. GLOSSER. Mr. WHEELER said after that there was nothing to worry about about permits; that they could be fixed up in Washington; not to worry about it.

Senator STERLING. He said that to whom?

Mr. GLOSSER. I imagine to the people who were there.

Senator STERLING. Were you all sitting there?

Mr. GLOSSER. Yes; sitting there very close. It was a small room.

Senator STERLING. Did you have some conversation with Mr. Campbell in regard to the compensation to be paid Mr. WHEELER?

Mr. GLOSSER. Yes, sir.

Senator STERLING. Was this while you were acting as private secretary to Mr. Campbell?

Mr. GLOSSER. Yes, sir.

Senator STERLING. And you say your work as private secretary lasted until in November, 1923, if I remember?

Mr. GLOSSER. The latter part of October.

Senator STERLING. The latter part of October, 1923?

Mr. GLOSSER. Very near the 1st of November.

Senator STERLING. And then you were in his employ as his private secretary at the time of this conversation at the Rainbow Hotel?

Mr. GLOSSER. Oh, yes.

Senator STERLING. Was there any particular way in which you reached room 212 that evening?

That is perhaps immaterial. I shall want to call attention a little later to Mr. Glosser's testimony.

Turning now to page 92——

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield?

Mr. STERLING. I yield.

Mr. WALSH of Montana. Before the Senator passes that, I want to inquire of the Senator whether Mr. Glosser seemed to be a very unwilling witness?

Mr. STERLING. Not an unwilling witness, I might say, but a witness who had to be asked questions for everything that was stated. He did not volunteer anything.

Mr. WALSH of Montana. Had he made some affidavits prior to that?

Mr. STERLING. He made some, and I will have occasion to refer to the affidavits.

Mr. WALSH of Montana. I observe it took the Senator quite a long while to get this answer out of him.

Mr. STERLING. Yes.

Mr. WALSH of Montana. He was first asked:

Just what was said in your hearing there by Mr. Campbell or Mr. WHEELER in regard to oil permits?

That question would seem to bring out the entire conversation. Glosser answered:

There was a great deal said about oil permits that night. We talked in a general way about the number of permits Mr. Campbell had and the details of handling them through here, etc., like that; and Mr. Campbell was at that time—one permit in particular was referred to; the Phil MacGowan permit seemed very valuable. It was in Mr. Rhea's name, and he had just had an offer on it.

You will observe that he has not said anything there about what Mr. WHEELER said. Some further matter comes up, and he is again asked:

What was said, as near as you remember, about the Phil MacGowan permit?

Mr. GLOSSER. We talked about the Phil MacGowan permit, and Mr. Campbell said this: "If Mr. WHEELER can get this fixed—

He does not say anything about what Mr. WHEELER said, and the Senator from South Dakota comes at him again:

What did Mr. WHEELER say in regard to it?

Mr. GLOSSER. I do not recall that he said a word about it. I do not think he made any reply. Oh, yes; he did; but not at that particular time.

Senator STERLING. But during that evening?

Trying to get out of him what Mr. WHEELER said, but he does not give anything Mr. WHEELER said. Then he said:

Mr. GLOSSER. During the evening Mr. WHEELER left us under the impression there was nothing to worry about, getting permits fixed up; that the matter could be fixed up in Washington very easily; it was merely a matter of getting the details worked out through the department.

But that is not satisfactory. So the Senator from South Dakota comes at him again:

Senator STERLING. What, if anything, did he say about the things he might have to do in order to get the matter adjusted?

Mr. GLOSSER. I do not recall exactly what he said, but he left us under the impression—or at least he left me under that impression—that with his connections down here he would have access to getting action on these permits.

Up to this time the Senator from South Dakota has not been able to corkscrew out of him the statement that Mr. WHEELER said anything, but he comes at him again, and finally, on page 88, Senator CARAWAY interrupts:

Senator CARAWAY. Let us have the witness state what was said, and perhaps after a while we will arrive at the question whether he had any understanding of the thing. Let the witness state first what was said. I think that would be fair.

Senator STERLING. Very well.

Now, Mr. Glosser comes forward:

Mr. WHEELER said, after that there was nothing to worry about, about permits; that they could be fixed up in Washington; not to worry about it.

Mr. STERLING. The important thing about this whole conversation is that there was a small room at the Rainbow Hotel, these four men were in it, sitting close together, and one could not speak aloud without each of the others having heard it; the talk was largely about permits and the fixing up of permits, and the assurance on the part of Mr. WHEELER that when he came to Washington it would be an easy matter to have these permits fixed up, and they need not worry about it.

Mr. WALSH of Montana. But the point is that the witness, having at least four different times either expressly or impliedly declared that he did not know what Mr. WHEELER said, then finally says that Mr. WHEELER said so-and-so.

Mr. CARAWAY. Will the Senator from South Dakota yield?

Mr. STERLING. I do not think we can take all these statements together and say that they are without significance. We have, in addition, Mr. Rhea's testimony, who was one of the four who were there. I yield to the Senator from Arkansas.

Mr. CARAWAY. I want to call attention to the fact that this same man Glosser made two affidavits touching this very question before he was cross-examined, and substantially he did not say one thing in those affidavits that he said in his testimony. His affidavits appear on page 125. One was taken, and then after Rhea had given his statement they got Glosser to come back and give another, and in neither of them did he ever pretend to say that WHEELER said a thing. He said what Campbell said. That was all he testified about.

Mr. STERLING. At the top of page 92 I asked Mr. Glosser the following:

Senator STERLING. Do you know how many Government permits Gordon Campbell held?

Mr. GLOSSER. The number of them, do you mean?

Senator STERLING. Yes.

Mr. GLOSSER. There were about nine, I believe.

Senator STERLING. About nine. Have you been present here during the testimony?

Mr. GLOSSER. No, sir.

Senator STERLING. And have you heard these permits described by names and numbers?

Mr. GLOSSER. No, sir. I was here the other day, but there were no permits mentioned, I don't think.

Senator STERLING. Can you give the names and numbers of those permits?

Mr. GLOSSER. I could not give you the numbers. I could give you the names of them, I think.

Now I want to call the attention of the Senate to a very significant part of this testimony. Under the law, of course, a man can hold in his own name or by assignment permits covering land to the extent of 2,560 acres, and that only; but this witness testified to the effect that Mr. Campbell owned or controlled permits covering about, as I think he said, 10,000 acres of land, and he gives the names and gives the occupations of some of the men who hold these permits; and there is no question, I think, but that these permits were held by these men not for their own individual benefit and in good faith but that they were held for Mr. Gordon Campbell. I think it is significant that we should know what kind of a client Mr. WHEELER had in this transaction and these several transactions. I think it is worth while.

Mr. NORRIS. May I interrupt the Senator?

Mr. STERLING. Certainly.

Mr. NORRIS. The Senator has heard all the evidence in the case, and I want to ask him if after hearing all the evidence he believes that Senator WHEELER was guilty of a violation of the statute?

Mr. STERLING. I am not going to say that, not by any means. What I am going to say is this: That I think under the circumstances, under the evidence before us, the grand jury was warranted in its action in finding the indictment. Senator WHEELER in a trial before a petit jury may be able to explain and refute successfully all that is said here by these various witnesses; and I use the word "explain" advisedly.

Mr. NORRIS. Was it not the duty of the committee to ascertain whether in their judgment he had violated the law?

Mr. STERLING. I do not think so.

Mr. NORRIS. The Senator does not believe that?

Mr. STERLING. No; that is not my theory of what we should do.

Mr. NORRIS. Let me ask the Senator another question. Was the hearing full? I mean, was there any evidence the Senator knew anything about that should have been brought before the committee that was not produced?

Mr. STERLING. I will hardly say as to that. I do not now think of any particular piece of evidence that might have been brought before the committee that was not produced. There was a very important piece of evidence, which is in the RECORD, an affidavit by one E. M. Harvey. If E. M. Harvey were before a petit jury, his testimony——

Mr. NORRIS. If the Senator were trying anyone in a criminal case, either as judge or jury, would he consider an affidavit?

Mr. STERLING. Oh, no; but the affidavit is here. It is a part of this record.

Mr. NORRIS. Very well; let us take the affidavit. If the evidence is all produced here, and the Senator has heard it all, he must then have formed an opinion, it seems to me, as to whether the evidence establishes the guilt of the Senator or not. That is the question I am asking him—whether, after hearing all the evidence, which he says was complete, he believes Senator WHEELER to be guilty of the charge?

Mr. STERLING. I am not trying that question, and I do not think the Senate should try it. I do not think a committee of the Senate should try it, notwithstanding the broad scope of this resolution referring it to the committee.

Mr. NORRIS. Whether it should or not, it seems to me that is the question submitted to them. It seems to me that is what we have a right to know here from the judges who heard the evidence—whether it impresses them to the extent that they believe in the guilt of the man charged?

Mr. STERLING. Had there been aspersions upon the character of Mr. WHEELER, or upon any Member of this body, impugning his motives, charging him with misconduct involving no moral turpitude, or anything of that kind, and no indictment yet found by a grand jury, the Senate might then consider the question as to whether it should investigate the matter, and might investigate it; but when the courts have acted, and an indictment has been found, and then here in the Senate of the United States we try the question of the guilt or innocence of the party charged; though he is a Member of this body, we are doing two things: First, we are giving that Senator an advantage that the average citizen would not have in a trial before a petit jury, if we find him innocent of the charge.

Mr. NORRIS. That depends on whether we find him innocent or not.

Mr. STERLING. In the second place, we would be encroaching upon the functions and the duties of another department of the Government.

Mr. NORRIS. If the Senator will permit, if the guilt or the innocence of Senator WHEELER is not involved in this investigation, I do not know what is involved.

Mr. STERLING. We should not report. I am frank to say that.

Mr. NORRIS. What is the use of having a committee make an investigation if they do not report? I can see how the Senator's argument might have had some weight if it had been presented when the resolution as to whether we should take any steps was before us. Then it might have had some weight, and at that time it was not known whether a majority of the committee would report favorably or unfavorably. If the report had been unfavorable, and had gone before the petit jury, or in some way had gotten to them, then it would have had the opposite effect.

Mr. STERLING. Certainly it would. It would have unduly prejudiced the petit jury against Senator WHEELER.

Mr. NORRIS. But having acted as we did, there is no way now to take it back. Having started in and made the investigation, it seems to me that a Member of the Senate is entitled to know from members of the committee who heard the evidence, especially when they admit that they have heard all the evidence they could hear of or found out about, that we are entitled to know what the impressions of the members of the committee are as to the fact of guilt or innocence.

Mr. STERLING. Just in a word I would suggest to the Senator from Nebraska my solution of this case. Considering where we are now in the matter of the reports and in the matter of the discussion, my suggestion is that the Senate should take no action, leaving this matter in absolute abeyance, leaving Senator WHEELER to occupy his place in the Senate, to go on with the performance of his duties in the Senate, remitting him, however, for the determination as to whether he is guilty or innocent of the charge to the only competent body to determine that, the petit jury in the United States District Court for Montana?

Mr. CARAWAY. May I interrupt the Senator just at this time, and I will not interrupt him any more, because I know he wants to finish his remarks.

I want to read what the man who took much credit to himself for having worked up the case thought about it, if I may. I am reading from the testimony of Mr. Grorud.

Mr. STERLING. What page?

Mr. CARAWAY. It is in another hearing.

Mr. STERLING. Oh, in another hearing.

Mr. CARAWAY. Mr. Grorud is a Republican. Whether that is to his credit or not I will not argue. He was formerly an assistant attorney general in the State of Montana. Whether that is anything to his credit, we will let it pass. But Coan, who said he is an Irishman—and I certainly hope he was joking about that, as he did about everything else, because I am part Irish myself—went to Montana. The Senator from Alabama [Mr. HEFLIN] read the testimony a moment ago. He went out under the employment of certain people to get something on WHEELER and somebody else; and here is how he went about getting it, and here is what he thought when he knew all the facts. I shall skip all the things where he identified himself and where he met Mr. Coan. He said:

What did he say to you about that?

He is talking about his business out there.

Mr. GRORUD. Well, he first came to me and wanted to get something on Senator WALSH. In this connection I may state that while I was assistant attorney general I had occasion to make some investigations in Butte, Silver Bow County, in regard to some election frauds, illegal voting, and Mr. Coan came to me and wanted an affidavit from me, and he stated that he wanted me to make a strong affidavit. I told him that I would make an affidavit or testify as to the facts for him; and I also said to him that as far as Senator WALSH was concerned he had nothing to do with that, and he was not connected with that in any shape or form. Well, he said he knew that, but he wanted something on WALSH, so that he could smear him because he wanted to stop him in the oil investigations here at Washington.

The CHAIRMAN. Now, go ahead and state what was said about Senator WHEELER.

Mr. GRORUD. Well, in one of the conversations he said something about WHEELER—he knew, of course, that Mr. WHEELER and myself had been law partners, and he said something about having WHEELER smeared.

Senator MOSES. Was that WHEELER or WALSH?

Mr. GRORUD. WHEELER.

Senator MOSES. You testified a moment ago that he wanted to have Senator WALSH——

Mr. GRORUD. That he wanted to have Senator WALSH smeared.

The CHAIRMAN. This conversation occurred after Senator WHEELER's indictment out there?

Mr. GRORUD. Oh, yes. He had already smeared WHEELER in such a shape that he had him sewed up, he said, and I said to him, "How did you ever happen to put this over?" I said, "You can't get any place with that," because I thought I knew something about the case that he had for Mr. Campbell. "Well," he said, "we don't care anything about that. We just simply want to smear him." I said to him, "Supposing now that the case is set down for trial?" "Well," he said, we will see to that; that the case don't come up for trial immediately. We will simply hold it over him, because we had to do something to stop him." And he said, "Well"—he said—he just simply wanted to smear him; that is all. He knew that he couldn't get any place.

Now, then, does the Senator from South Dakota want to lend himself to carrying on the process that he talks about, that he said all he had in it was a desire to smear two Senators; that he knew the charge was false and wanted a man to make a false affidavit and help him smear them? I want to ask the Senator

if his report does not simply carry on the smearing process? I know, of course, the Senator does not intend to do it, but in effect is not that all it is doing?

Mr. STERLING. Oh, no; it does not, and the Senator knows it does not. He knows, too, that I am not engaging in a smearing process.

Mr. CARAWAY. I did not say the Senator was engaged in it.

Mr. STERLING. I decline to yield further to the Senator from Arkansas.

Mr. CARAWAY. I am sure I am perfectly willing, Mr. President, to refrain from interrupting the Senator further.

Mr. STERLING. I was about to refer to some very important testimony. I mentioned some permits. He had testified that there were about nine permits, and then continued:

Senator STERLING. Can you give the names and numbers of those permits?

Mr. GLOSSER. I could not give you the numbers. I could give you the names of them, I think.

Senator STERLING. I wish you would give the names.

Mr. GLOSSER. Jim MacGowan; Fred MacGowan; Dan MacGowan, and there was another MacGowan permit; the name I do not recall now; the Rasmussen permit, the Scott permit, the Lincoln permit, the Klinedinst-Clark permit, and the Campbell permit.

Senator STERLING. Do you remember anything about the Scott permit?

Mr. GLOSSER. Do I remember anything about it?

Senator STERLING. Yes.

Mr. GLOSSER. Yes; I remember some of the things about it. There was an assignment of it.

Senator STERLING. Was that one held by Mr. Campbell?

Mr. GLOSSER. Mr. Campbell held all these permits, I think, by assignment.

Senator STERLING. Do you know how many acres were involved in these various permits?

Mr. GLOSSER. They check up to about 10,000, as I recall it now.

Senator STERLING. Ten thousand?

Mr. GLOSSER. Acres.

Senator STERLING. How did he come to control all of this acreage under Government permits?

Mr. GLOSSER. He would have to have some one else take them up, and take assignments back.

Senator STERLING. Do you know any of the parties that he had take them up?

Mr. GLOSSER. Yes; I know most of them.

Senator STERLING. Who were they?

Mr. GLOSSER. I just got through naming them.

Senator STERLING. Those are the parties that Mr. Campbell had to take up these permits?

Mr. GLOSSER. The original applicants for the permits.

Senator STERLING. They are the original applicants?

Mr. GLOSSER. Yes.

Senator STERLING. And they were afterwards assigned to Mr. Campbell?

Mr. GLOSSER. Assigned in blank, most of them.

Senator STERLING. Do you know how much of such lands within any field a man is permitted to hold?

Mr. GLOSSER. Yes.

Senator STERLING. Were these all in the same field?

Mr. GLOSSER. Yes.

Senator STERLING. It all was in the one field?

Mr. GLOSSER. Yes.

Senator STERLING. And the limit is 2,560 acres, is it not?

Mr. GLOSSER. The limit is 2,560 acres that one man can hold in his name, as I understand the law. I am not familiar with the law. I know one man can not apply for more than that.

Senator STERLING. These permits, you say, were assigned in blank to Mr. Campbell?

Mr. GLOSSER. Assigned in blank. Campbell held a blank assignment from the original people that filed the applications.

Senator STERLING. Do you know in what capacities they had been acting; what their occupation was, and so forth, before they made these assignments to Mr. Campbell—these assignments in blank?

Mr. GLOSSER. Yes; Lincoln was working for Campbell. Lincoln, one of the men, was a clerk in Campbell's office. Jim MacGowan was the engineer working under Campbell. Fred was Jim's brother; Dan is his brother, and Phil MacGowan is his brother.

Scott and Rasmussen, I think, are local people up there; and of course Gordon Campbell had his own permit.

Senator STERLING. Do you know how much Gordon Campbell's permit covered?

Mr. GLOSSER. Possibly 2,500 acres, I believe. I know it comes pretty close to the 2,560 acres. It is a four-figure permit, I know; quite a tract of land.

So there we have it, acreage to the amount of 10,000 acres, or nearly so; with permission under the law to any one person to hold only 2,560 acres, and the men holding the permits under blank assignments either in his employ or the near relatives of those who were in his employ. No wonder that he had to have attorneys in Montana. No wonder that he wanted somebody to look after his business before the General Land Office at Washington.

I want to call attention briefly to the testimony of William W. Rhea. He had been in the oil business all his life. His testimony is found at page 108. He met Senator WHEELER once, and that was on January 15, 1923, at the Rainbow Hotel. At page 109 he testified that he was one of the four persons present at the meeting at the Rainbow Hotel:

The CHAIRMAN. Can you recall, so as to be definite as to the conversation, what was said in regard to the matter of his employment at that time? Do you recall the conversation?

Mr. RHEA. Yes, sir.

The CHAIRMAN. Now, state what was said in the presence of Mr. WHEELER.

Mr. RHEA. The main conversation between Mr. Campbell and Mr. WHEELER and myself was in regard to the Phil MacGowan permit. Mr. Campbell said that Senator WHEELER, on his arrival in Washington, would be able to put this permit through—get it approved.

The CHAIRMAN. What did Mr. WHEELER say?

Mr. RHEA. He did not reply anything, except he said that we did not need to worry, that this would all be taken care of when he got back here.

In this respect the testimony of Glosser and of Rhea is exactly the same. The language used was that he "would attend to it when he got to Washington" and they "need not worry about it."

Mr. WALSH of Montana. May I inquire of the Senator if Senator WHEELER did anything about it when he got to Washington?

Mr. STERLING. I think he did.

Mr. WALSH of Montana. What did he do?

Mr. STERLING. I will come to that a little later if the Senator from Montana will permit me. I think the record evidence will show that.

Mr. WALSH of Montana. I want to inquire about that because I thought the fact as to whether this conversation did take place was to be very largely determined by what Senator WHEELER did afterwards.

Mr. STERLING. There is evidence looking that way, anyhow.

The CHAIRMAN. Did you say anything?

Mr. RHEA. Yes.

The CHAIRMAN. What did you say?

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it. I believe that was the exact language.

The CHAIRMAN. Was that in the presence of WHEELER?

Mr. RHEA. Yes, sir.

The CHAIRMAN. What did WHEELER say to that?

Mr. RHEA. He did not reply, that I remember.

The CHAIRMAN. Was he taking part in the conversation?

Mr. RHEA. He had been, right along.

The CHAIRMAN. Did he not make any reply when the question of slicing the matter was discussed?

Mr. RHEA. I do not think he said a word.

The CHAIRMAN. Now, have you stated all that you said in this conversation with Mr. WHEELER?

Mr. RHEA. Not exactly.

The CHAIRMAN. State it all, Mr. Rhea.

Mr. RHEA. Gordon Campbell in this talk—I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

The CHAIRMAN. Go ahead.

Mr. RHEA. I believe that was all of it.

The CHAIRMAN. What I am trying to find out, Mr. Rhea, is what you said, if anything, to WHEELER.

Mr. RHEA. I did not say anything to Senator WHEELER in regard to taking any part.

The CHAIRMAN. Did he say anything to you?

Mr. RHEA. Yes; he says, "You don't need to worry. On my arrival in Washington this will all be taken care of."

The CHAIRMAN. He said that to you instead of to Campbell, did he?

Mr. RHEA. He said it to both of us.

The CHAIRMAN. Was it said in response to anything that you said to him?

Mr. RHEA. Well, I can't say. That is a long time ago, you know. A man can't remember just the exact words.

Mr. WALSH of Montana. I want to ask the Senator a question or two about this particular testimony at the top of the page.

Mr. STERLING. Page 110?

Mr. WALSH of Montana. Yes; as follows:

Mr. RHEA. Gordon Campbell suggested to me that in case Senator WHEELER—well, I am getting ahead of myself. I had an offer on this permit at that particular time, was dealing with some people in Colorado as to selling, and Mr. Campbell knew what I was to get for it—what I was figuring on getting for it. He told me that in case that this permit could be gotten through, we should be able to give Senator WHEELER quite a good slice of it.

I believe that was the exact language that appears several times here, Mr. President. I want to ask the Senator if it does not appear perfectly conclusively that so far as that was concerned it did not fall under the original employment for the $10,000?

Mr. STERLING. I do not think so.

Mr. WALSH of Montana. If it did fall under the original employment for $10,000, why should anybody propose that a "slice" be given to WHEELER? This is an entirely different transaction, is it not?

Mr. STERLING. Yes.

Mr. WALSH of Montana. Very well. Now, Mr. President, let me follow that. This proposition having been made, as has been repeatedly stated by the Senator from Idaho [Mr. BORAH] so forcefully and eloquently, it appears that Mr. Rhea rejected the proposition, for he said:

I told him that I had my attorney employed to take care of this permit, and that I did not feel that I was entitled to pay anyone anything more.

So there is not any contract there. Would the Senator from South Dakota call that a contract?

Mr. STERLING. I think the Senator from Montana can see that the question goes a little deeper than that. Suppose there had been a specific agreement for an annual retainer of $10,000; yet here in this conversation between the four of them when the suggestion was made in the presence of these two witnesses, Rhea and Glosser, that Mr. WHEELER should get a pretty "good slice" of it, he remained absolutely silent.

Mr. WALSH of Montana. Oh, yes; I understand all that; but I submit to the Senator whether the very testimony itself does not disclose that, whether a contract was made or not, it was not the contract that was originally made for the $10,000?

Mr. STERLING. It is not asserted or contended that there was any contract made to pay Mr. WHEELER anything additional or to give him any "slice."

Mr. WALSH of Montana. No; both parties regarded that it did not fall under the $10,000 agreement, because they were trying to make arrangements for paying Mr. WHEELER for something else.

In the second place, Mr. President, the original agreement, as I understood it, as contended by the Senator from South Dakota, was to look after Mr. Campbell's permits, not after Mr. Rhea's.

Mr. STERLING. Well, one inference that might be drawn from it, I will say to the Senator from Montana, is that, notwithstanding the agreement to pay compensation of $10,000 a year in the way of a retainer, they could afford to be generous and give a premium, something in addition to that, if this permit should be allowed or sustained.

Mr. WALSH of Montana. Of course, they might be able to afford to; but that is not the proposition. What I say is, Mr. President, that the testimony itself discloses that this transaction had no relation to the original agreement. How could it have? Of course, they might do this, but they did not do it. They are endeavoring to make a specific agreement with reference to this specific permit.

Mr. STERLING. Well, one version of the contract——

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield.

Mr. GLASS. If it is so tiresome to the Senator, he need not yield.

Mr. STERLING. I am beginning to feel a little tired, and perhaps I showed it, but I am glad to yield to the Senator from Virginia.

Mr. GLASS. I merely want to suggest to the Senator from Montana [Mr. WALSH] that in the course of his inquiries it seems to me he has lost sight of a more or less important matter. The Senator from South Dakota [Mr. STERLING] has laid stress upon the fact that Mr. WHEELER made no response to this suggestion. Of course, he made no response to the suggestion, because the man Rhea anticipated him by himself speaking up and saying that he did not propose to give anybody any "slice"; that he had employed his own attorney to conduct the case, and he did not propose to give anybody else any additional compensation. So the testimony, it seems to a layman, shows not only that WHEELER did not accept the proposition but that the man Rhea himself declined to accede to any such suggestion.

Mr. STERLING. Now, Mr. President, I am going to call attention to some of the documentary evidence, and I shall close with that.

Mr. Pratt, from the Department of Justice, brought before the committee, at the request of the chairman and with the concurrence of the other members of the committee, certain documentary evidence, which was largely read into the record, though some of it was put into the record without reading. Under date of March 8, 1923, Mr. WHEELER writes Mr. Campbell the following letter:

UNITED STATES SENATE,
Washington, D. C., March 8, 1923.

Mr. GORDON CAMPBELL,
Great Falls, Mont.

DEAR SIR: I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

This letter, being dated March 8, 1923, could not have been very long after Mr. WHEELER's arrival in Washington.

I have been extremely busy since arriving here trying to get located, and have an appointment this afternoon with some people from California, who have signified a desire to hear what I have to say with reference to your holdings and Kevin's.

* * * * * * * * * * * * * * * Within the next day or two I will also take the matter up with some other parties here in the city, whom I think will be interested.

With kindest personal regards, I am, your sincerely,

B. K. WHEELER.

Then, on March 13, from Washington, we have a telegram from Mr. WHEELER to L. V. Beaulieu, in care of Gordon Campbell, Great Falls, Mont. L. V. Beaulieu, it will be remembered, was described as the land title attorney whose office was with that of Mr. Gordon Campbell at Great Falls. Here is the telegram:

L. V. BEAULIEU,
Care Gordon Campbell, Great Falls, Mont.:

Secure and mail at once complete list Gordon Campbell syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes—that in which title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow. Do not wait for letter for this information.

B. K. WHEELER.

On March 13 Mr. Campbell wired Mr. WHEELER as follows:

Received wire. Am forwarding map and list of all acreage with explanation and condition of titles. Expect to leave for Washington latter part of week, making trip through field with Thompson, who remained here ever since Helena meeting trying to formulate deal along same lines as put to us in Helena. Will take matter up with you personally in Washington before anything is done or agreements made. How long do you expect to be in Washington? Regards.

GORDON CAMPBELL.

Then follows the original telegram of March 14, from Washington, sent by Senator WHEELER to Gordon Campbell at Great Falls, Mont., in which he says.

Leaving Saturday for Europe. Have taken your matter up with parties. Writing Baldwin. Suggest see him.

On the same date Mr. Campbell wired WHEELER as follows:

GREAT FALLS, MONT., *March 14, 1923.*

B. K. WHEELER,
United States Senate, Washington, D. C.:

Please advise when you expect to return. Believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor and I can come to Washington and discuss matter with

him with view to satisfactory settlement, even during your absence? Feel this permit should have prompt attention. Choteau well looking. Best.

GORDON CAMPBELL.

Then on the same day Mr. WHEELER wired Mr. Campbell, and it is evident from the telegram itself, short though it is, that he refers to the previous telegram received from Mr. Campbell. The telegram is as follows:

WASHINGTON, D. C., *March 14, 1923.*

GORDON CAMPBELL,
Great Falls, Mont.:

Have already discussed permit with solicitor, but did not have number. Wire that to me, and I will arrange to have you see him in person if you come here.

B. K. WHEELER.

Then comes a telegram from Campbell to WHEELER, dated March 14, as follows:

GREAT FALLS, MONT., *March 14, 1923.*

B. K. WHEELER,
Senate Chamber, Washington, D. C.:

Reply to your wire. Date permit referred to is No. 051978. Will be glad to see solicitor Washington any time convenient. Advise.

GORDON CAMPBELL OFFICE.

Then, on April 7, 1923, comes a most important letter from Edwin S. Booth. It is addressed to L. V. Beaulieu, Helena, Mont., and to James T. Baldwin, Butte, Mont. It will be remembered that Mr. Baldwin was Mr. WHEELER's law partner at Butte, and Beaulieu was the man who was the title lawyer, so it is stated, in Mr. Gordon Campbell's office at Great Falls. It is a long letter, and I am not going to read it, but in that letter are described the various permits about which there was question of title. I mention the following:

Great Falls 052142: Walter F. Scott.
Great Falls 052143: Darrel B. Rassmussen.
Great Falls 051978: Louis E. Lincoln.
Great Falls 051977: Daniel A. MacGowan.
Great Falls 052136: Phillip S. MacGowan.

It is to be observed from this that Mr. Glosser was not talking wildly when he was describing or giving the names of the different persons who held the permits.

I wish to call attention to one paragraph in that long letter from Mr. Booth to the gentleman I have mentioned:

I have personally placed Mr. Campbell in touch with Mr. Feely, of the firm of Vogelsang, Brown, Cram & Feely, whom I consider one of the best, if not the best, firms in Washington dealing in public-land matters, and I have assured Mr. Campbell that they will give him every consideration and will do his work absolutely properly. I suggest that when these papers are forwarded for filing in Washington that they be sent to the firm named, for the personal attention of Mr. William G. Feely, who will bring them over to the department and see that they are properly filed and will do anything further that may be necessary.

Just a word in regard to that and the mention of Mr. Feely's name. It was insisted by Mr. Edwin Booth, the writer of this letter, that Mr. Feely should be employed to do this work—a man who had worked with or under Mr. Booth as Solicitor of the Department of the Interior. Mr. Herrick had been formerly the attorney for Mr. Campbell here in Washington, or perhaps the attorney for Messrs. WHEELER and Baldwin, attending to any matters in which they were interested here before the department; but Mr. Booth insisted that Mr. Herrick should be dismissed and that Mr. Feely should be installed in his place as the attorney to look after the matter.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from South Dakota yield to the Senator from Idaho?

Mr. STERLING. I do.

Mr. BORAH. Do I understand the Senator to say that Mr. Herrick had been associated with WHEELER and Baldwin?

Mr. STERLING. I think I said that he was the attorney for Campbell or the attorney for WHEELER and Baldwin.

Mr. BORAH. That "or" should be left out.

Mr. STERLING. Does the Senator think so?

Mr. BORAH. Yes. There is not a particle of evidence nor an insinuation in the evidence to the effect that he was associated with WHEELER and Baldwin, or had anything to do with them, or represented anything that they represented, or was asked to represent them in any way. He had one permit.

Mr. STERLING. I said "Campbell or WHEELER and Baldwin." I did not think it made any great or particular difference so far as that was concerned, and I said, as I remember the testimony, that it was for either one or the other or perhaps both; but I will accept the Senator's statement in that regard, that he was only the attorney for Mr. Campbell, though I think I can refer to a letter here that will throw a little light on it.

The letter describes other permits—the Daniel A. MacGowan permit—and Mr. Booth then gives certain memoranda in this letter showing what ought to be done in regard to the various permits. There is an acknowledgment of the receipts of these letters by Beaulieu or by Baldwin, and on page 141 of the record there is this letter from Beaulieu to Booth:

DEAR MR. BOOTH: Re Walter T. Scott permit, Great Falls serial No. 052142. Further answering your letter of April 7 and in accordance with the suggestion therein contained with reference to this permit, I inclose herewith consent of surety to grant an application for extension of time to comply with permit.

And there are several other letters in regard to these permits.

Now, Mr. President, to show both the character of Mr. Campbell and in a sense that of Mr. Booth, I quote from a letter of May 4, 1923, written by Campbell to Booth. He says, among other things:

If you can arrange this with Mr. Goodwin——

Mr. Goodwin was an Assistant Secretary of the Department of the Interior.

If you can arrange this with Mr. Goodwin, as we talked in your office, and can get us the permit through by W. W. Rhea assigning to a mutual friend, or, as you spoke, to have some other party make application for the permit, and throw the whole thing out, arrangements can be made to take care of this and Mr. Goodwin. My idea would be, after title was obtained, to assign you and Mr. Goodwin 40 acres out of this lease.

Mr. Booth was solicitor of the Department of the Interior up until May 1, when he left that department; but this letter is dated May 4, and there is nothing to show that Mr. Campbell knew that Mr. Booth had at that time left the Department of the Interior. He says:

This is valuable ground and possibly the best half of section in the Kevin field, as the big wells that have come in since my return are only half a mile away, and this offset well is good and is a big well; they are drilling deeper in the Ellis sand, which will mean possibly a 1,000 or 1,500 barrel well—so you see how important it is that we get our hooks on this half section, to which we thoroughly believe we are entitled. The 40 acres would make you and Mr. Goodwin more money than you would otherwise make in some time.

We will appreciate it very much if this arrangement is satisfactory. We are all set to move in a rig and start a well immediately after we get the permit and guarantee from the Interior Department to protect this permit and offset well. This is strictly confidential.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Montana?

Mr. STERLING. Yes.

Mr. WALSH of Montana. I wish to inquire if there is any evidence that Senator WHEELER knew anything at all about that letter?

Mr. STERLING. I do not know that there is, about this particular letter.

Mr. WALSH of Montana. Then what importance has it?

Mr. STERLING. Taking it all in all, I think it has some importance. It is a letter written to Mr. Booth, with whom Mr. WHEELER conferred in regard to these various permits.

Mr. WALSH of Montana. Who said that he did?

Mr. STERLING. I think the evidence shows that he did. I think there is some admission on his own part that he did.

Mr. WALSH of Montana. What evidence?

Mr. STERLING. He talked with Mr. Goodwin. The evidence shows it. I can not take the time now to point it out to the Senator, but the Senator will find it. It is in the record, and I think he will find part of it from Mr. WHEELER's own testimony.

Mr. WALSH of Montana. The Senator from Montana searched for it, and learned that Mr. Booth and Mr. WHEELER were talking about financing Mr. Campbell.

Mr. STERLING. I suggest that the Senator renew his search, because he will find it there.

Mr. WALSH of Montana. I thought the Senator from South Dakota was so familiar with it that he could point me to it.

Mr. STERLING. No; not at once.

Mr. WALSH of Montana. I have not been able to find it.

Mr. STERLING. I may, a little later refer the Senator to it. The Senator will excuse me now. I want to go on.

He says, further:

If a company was formed in Spokane on this land, or part of it, if you would rather ride for an interest in the company, we can arrange that, also.

With very best wishes, I remain,

Sincerely yours,

GORDON CAMPBELL.

And this is at a time when he evidently thought Mr. Booth was still connected with the Department of the Interior.

Then, on May 19, 1923, is the following letter from Booth to Campbell——

Mr. WALSH of Montana. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Montana?

Mr. STERLING. I do.

Mr. WALSH of Montana. I notice the Senator from Idaho [Mr. BORAH] on the floor. A controversy seems to have arisen between the Senator from South Dakota and myself, the Senator from South Dakota referring to the letter from Campbell to Booth about 40 acres, and so on. I interrogated the Senator from South Dakota as to whether Mr. WHEELER knew anything about that letter. The Senator from South Dakota said that there was no evidence that he did, but that it was a letter from Mr. Campbell to Mr. Booth, with whom Mr. WHEELER had conferred in relation to these permits.

I said that my recollection of the testimony was to the effect that the talk that Mr. WHEELER had with Mr. Booth about the matter was not in relation to the permits at all, but was with relation to the financing of Mr. Campbell's operations; but the Senator from South Dakota insists that there is testimony here that Booth and WHEELER conferred about the permits.

Mr. BORAH. I do not know of any such testimony. I have overlooked it if there is. Mr. Booth testified positively, you will recall——

Mr. STERLING. I did not hear Mr. Booth's testimony, I will say; I was absent at the time.

Mr. BORAH. Mr. Booth, in answer to the specific question whether there was any discussion about these permits, about their standing in the department, or if he was asked by Mr. WHEELER in any way to take any action in regard to them, replied in the negative. He stated that the discussion and a telegram which was sent after Mr. WHEELER talked with Booth with reference to information and data concerning the permits were exclusively for the purpose of enabling him to talk to these parties with reference to financing the proposition. I read that yesterday.

Mr. STERLING. Mr. President, just one word in regard to this business, covering it all, without taking the time to look up the specific testimony.

The evidence shows that Mr. WHEELER when he came here saw Mr. Booth. Mr. Booth, as I remember the testimony, took him to the Commissioner of the General Land Office, Governor Spry, and there was then mention made of Gordon Campbell and his interests, and the wish was expressed by Senator WHEELER that Gordon Campbell should be accorded fair and just treatment; that he had some matters before the Land Department. There was that, and then I think the evidence further shows clearly that there was talk between Mr. Booth and Mr. WHEELER—not specifically, perhaps, but in a general way—about Mr. Gordon Campbell's business and the permits in which he was interested.

Mr. WALSH of Montana. Mr. President, will the Senator pardon a further interruption?

The PRESIDING OFFICER. Does the Senator from South Dakota further yield to the Senator from Montana?

Mr. STERLING. Yes.

Mr. WALSH of Montana. The Senator some time ago felt that some inference should be drawn from the fact that as soon as Mr. WHEELER came to Washington he called on Mr. Booth down at the Interior Department. I feel like saying in that connection that the first time I went to the Interior Department here, as my recollection now serves me, after Mr. Booth came here, I called on him, also. Mr. Booth did not live in my city; he lived in Butte, but he is a very delightful and agreeable gentleman, and a most accommodating gentleman, although politically we have never been allied at all, but I felt it my duty, and indeed a pleasant duty, to call on him. Why should any improper inference be drawn from the fact that Mr. WHEELER went to pay his respects to Mr. Booth when he came to Washington?

Mr. STERLING. I call the attention of the Senator to some correspondence that I have already read.

Mr. BORAH. Let me read this from Mr. Booth:

The CHAIRMAN. This list of properties you were sending for was sent for as the result of this conversation with reference to financing the land?

Mr. BOOTH. Yes.

The CHAIRMAN. That had nothing to do with departmental matter?

Mr. BOOTH. No, sir.

Mr. STERLING. Now, I again call attention to some of the documentary evidence:

Mr. WHEELER wires Mr. Beaulieu, the attorney in care of documentary evidence:

Secure and mail at once complete list Gordon Campbell Syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes, that in which the title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow. Do not wait for letter for this information.

Then Campbell wires WHEELER on the same date:

Received wire. Am forwarding map and list of all acreage, with explanation and condition of titles. Expect to leave for Washington latter part of week, making trip through field with Thompson, who remained here ever since Helena meeting trying to formulate deal along same lines as put to us in Helena. Will take matter up with you personally in Washington before anything is done or agreements made. How long do you expect to be in Washington? Regards.

Then WHEELER wires Gordon Campbell:

Leaving Saturday for Europe. Have taken your matter up with parties. Writing Baldwin. Suggest see him.

What is the proper inference from that? Who are the parties with whom he is taking it up? I think the plain inference is simply that Mr. Booth was the "parties" with whom he was taking it up, and the telegram following corroborates that.

Then follows Campbell's reply:

Please advise when you expect to return. Believe matter of Lincoln permit vitally important. Is it possible you can discuss matter with solicitor and I can come to Washington and discuss matter with him with view to satisfactory settlement even during your absence? Feel this permit should have prompt attention.

That is from Gordon Campbell to B. K. WHEELER. In reply, Mr. WHEELER wired Mr. Campbell:

Have already discussed permit with solicitor, but did not have number. Wire that to me, and I will arrange to have you see him in person if you come here.

Does that evidence show that Mr. WHEELER and Mr. Booth did not have some understanding in regard to the permits that were controlled by Campbell or in which Campbell was interested? We could not have any better proof; and, Mr. President, they sent that list, and that is the foundation of the long letter written by Mr. Booth to Beaulieu, to Baldwin, and a copy of which he sent to Mr. WHEELER himself, according to the evidence, showing that he knew, or at least thought he knew, of Mr. WHEELER's interest in it; else why send him a copy of this important letter that he had written to Beaulieu and Baldwin; Beaulieu, the attorney in Mr. Campbell's office, and Baldwin, Mr. WHEELER's partner? Not content with sending it to Mr. Baldwin, he sends a copy of it to Mr. WHEELER, as though he recognized his personal interest in it.

Mr. President, there are a number of letters here which I am not going to take the time to read. The letters show the utmost friendliness between Mr. Campbell and Mr. WHEELER, about their visiting together, going on trips together, and having reference to their families, and so forth. It is important, perhaps not very, but significant in showing the relationship between these parties, and one from which a grand jury might draw some inference.

Then there are some letters which refer to the compensation which is due on the original contract for $10,000. The correspondence shows that there were two checks drawn, each for $2,000, to apply on the retainer fee of $10,000, and a remonstrance on the part of Mr. WHEELER, in a couple of the letters, as I recall, against Mr. Campbell's long delay in paying the fee.

There is one affidavit, the affidavit of Mr. E. M. Harvey, which I am going to read in conclusion. It is as follows:

I, Edward M. Harvey, being first duly sworn, depose and say that—

I am a resident of Eugene, Oreg., where I have resided for the past 20 years.

January 2, 1922, I attended a meeting of the unit holders of Gordon Campbell-Kevin syndicate, at Lewistown, Mont., and was at that time elected to the board of trustees of the above-named syndicate, to hold office for a period of three years.

In December, 1922, I came to Great Falls, Mont., to attend a stockholders' meeting of the American Refinery Co., and remained in Great Falls until January of 1923, in order that I might attend the annual meeting of the unit holders of the Gordon Campbell-Kevin syndicate. At this same time Mr. Campbell and I, being the majority of the board of trustees of this syndicate, held a meeting in the offices of the syndicate in Great Falls, at which meeting there were present Mr. Campbell, Mr. Glosser, and myself. At this meeting I told Mr. Campbell that I was very much dissatisfied with the title the syndicate held to certain acreage and informed him that he would at some time be in trouble with the Government unless steps were taken to correct the defects existing in the titles. Mr. Campbell assured me that steps would be taken to perfect these titles, and suggested the advisability of getting drilling contracts from the persons in whose names the permits had been issued. He further assured me that he would immediately obtain such drilling contracts. He also informed me that he had employed the firm of Wheeler & Baldwin, of Butte, Mont., to defend a suit for receivership filed by one L. C. Stevenson, of Great Falls, former fiscal agent for the syndicate and trustee. He further informed he that the firm of Wheeler & Baldwin would attend to the perfecting of these defective titles, and would attend to such other litigation as might be necessary in connection therewith.

Where would they attend to the perfecting of the titles? Not in a State court of Montana but right here before the General Land Office. I continue reading:

It was further agreed that the firm of Wheeler & Baldwin should do any and all things necessary for the protection of the unit holders in Gordon Campbell-Kevin syndicate. It was stipulated at this meeting that the firm of Wheeler & Baldwin should receive an annual salary or retainer of $10,000, divided equally between the syndicate and Gordon Campbell individually. I objected to the amount of salary because I considered $10,000 excessive, but was influenced by the fact that Mr. WHEELER had just been elected United States Senator, and was further influenced by remarks made by Mr. Campbell and Senator WHEELER. In this connection I protested to Senator WHEELER personally, and he replied, in substance, "You people have a great amount of valuable acreage; and if we can save just one 40 acres of that for you, we have paid our salary." I therefore consented to the employment of Wheeler & Baldwin at the salary above stated.

Mr. BORAH. The Senator will recall that one of the reasons why Mr. Campbell employed Mr. WHEELER was that Mr. Campbell said that every time he had a lawsuit, whether he was right or wrong, they gave the other fellow 40 or 80 acres of land in order to compromise, and he was getting tired of giving away his land.

Mr. STERLING. I do not know whether he said they gave them 40 acres or not, but he was tired of the compromising spirit of some of his attorneys.

Mr. BORAH. And giving away part of the land every time he had a lawsuit.

Mr. STERLING. Yes; but that is not particularly relevant to this matter.

Mr. BORAH. I take it that he hired WHEELER to save his land.

Mr. STERLING. Yes; but what was the scope of the employment? This statement in this letter fairly indicates what the scope of the employment is.

Mr. BORAH. The Senator seems to think that he could not save any land unless he came to Washington. That was the object of all the lawsuits in Montana, to save his lands.

Mr. STERLING. It was not to perfect titles to the lands.

Mr. BORAH. But it was to save his land.

Mr. STERLING. Here is the other statement. The Senator did not hear this, evidently. He just came in:

He further informed me that the firm of Wheeler & Baldwin would attend to the perfecting of these defective titles, and would attend to such other litigation as might be necessary in connection therewith.

That is his statement.

Mr. BORAH. Is that the affidavit of Mr. Harvey?

Mr. STERLING. That is the affidavit of Mr. Harvey; yes.

Mr. BORAH. Does the Senator contend there was only one class of titles involved here, and that they were pending at Washington?

Mr. STERLING. Oh, no; there might have been titles to property on patented lands.

Mr. BORAH. And so there were, and the title to all this property was really involved. It was a question of perfecting titles with reference to all of it, but the titles did not have to be perfected here at Washington, and there were no titles perfected here at Washington. It was simply a question of adjusting the leases.

Mr. STERLING. What was all this correspondence about? Why did Mr. Booth make out the list of all the permits and send it, with instructions and suggestions as to what should be done in regard to perfecting them?

Mr. BORAH. Mr. Booth sent out this information, which was called for, that is true; but so far as perfecting titles with which Mr. WHEELER was connected is concerned the evidence shows very clearly the evidence related to the titles which were involved in the litigation in Montana.

Mr. STERLING. Not all of it. Some of the testimony may have shown that, that may have been contended, but I say the language of this affidavit of Mr. Harvey does not imply that, but it implies the perfecting of all titles, whether they were titles to property on patented lands or whether they were titles to property on Government lands, and the correspondence here shows—and it connects Mr. WHEELER with it, too—that it was with reference to permits.

Mr. BORAH. Was this indictment founded upon an affidavit before the grand jury?

Mr. STERLING. I do not think it was.

Mr. BORAH. The Senator is now appealing to pure hearsay testimony.

Mr. STERLING. I am appealing to the record that was made and to evidence that was admitted.

Mr. BORAH. Pure hearsay testimony, which was introduced, to which the attention of the witness was never called, which was never before the grand jury, which was not made in the presence of Mr. WHEELER, and by the statements in which he is in no sense bound. It is just the same kind of testimony as if somebody should stand outside of this Chamber and say that the Senator from South Dakota was guilty of misconduct as an officer.

Mr. STERLING. Mr. President, the affidavit of Mr. Harvey was admitted to the record under conditions something like these: It was stated by the chairman of the committee, the Senator from Idaho, that this was an affidavit; that the original of this affidavit he thought was on the way here at the time. I said the affidavit ought to go in the record. He said that if it was insisted that the affidavit should go into the record he thought we ought to subpœna Mr. Harvey, and I said that if Mr. Harvey had be to subpœnaed before this affidavit went into the record I should ask for a delay until Mr. Harvey could get here, because I wanted the affidavit to go into the record. Mr. Harvey was a trustee——

Mr. BORAH. Mr. President, if the Senator will refresh his recollection by reading the RECORD, he will find that the Senator from Idaho did not say that the original of the affidavit was on the way. I said the original of the letter of Colonel Williard was on the way. But the Senator should state further that when the Senator from South Dakota insisted upon putting in this hearsay testimony, I said that I would not object to it going into the RECORD, but the RECORD discloses that I stated at the time that it was pure hearsay, that Mr. WHEELER was not bound by it, and that if the Senator wanted to rely upon hearsay testimony, he could do so if he desired.

Mr. STERLING. I think the Senator said it was not relevant. That was one objection he made. But I say it is relevant.

There are a number of matters in the record and some documentary evidence to which I would like to call attention, but I confess to being a little weary. I am going to close with the statement I have made. I think I have made evident my position in regard to the matter. It seems to me an absurd proposition, if I may so characterize it, for the Senate, on the report of a committee, to come in and try the question of the guilt or innocence of any Member of this body, an indictment having been found by a grand jury against him. It is absolutely without precedent, without a parallel, and to what will it lead? I am quite satisfied that the question will come back to plague us again and again if we start out now upon a course of this kind.

I would like to have the Senate bear in mind the illustrations I gave near the beginning of my remarks. Of course, the present case is an illustration of one side of it. It would give to Senator WHEELER, if the majority report of the committee is agreed to, a privilege, a right, an advantage that no other citizen would have.

This finding, of course, and the report already have gone out, and every man in Montana qualified to sit on a jury probably will have heard of it. What will be the position of the Government in a case of that kind? Are you dealing fairly and justly by your Government? Are you pursuing a course that will create satisfaction and content among the people when they learn that by this course a jury impaneled and sworn to try the cause have been prejudiced and caused to prejudge the case by what has occurred here in the Senate of the United States? I hope we will think of the consequences of action of this kind. On the other hand, taking the other illustration, he

is a poor man belonging to the minority and the minority is a very small minority in the Senate, but it is an era of prejudice, party spirit runs high, and the majority say, "Here, this man has been indicted. Let us try him and see whether he is guilty or not."

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. STERLING. I yield.

Mr. WALSH of Montana. I remember that that possibility was the subject of consideration in the Constitutional Convention, but it was answered by saying, "We will make the requirement two-thirds of the Members of the Senate," and it is fairly to be assumed that party spirit will never run so high that two-thirds of the Senate will expel a Member without just cause.

Mr. STERLING. When it comes to the matter of expulsion, that is not exactly involved in this case. The question of expulsion might arise in this case should the Senate find otherwise.

Mr. WALSH of Montana. Suppose the committee had reported that Senator WHEELER was guilty; what would be the necessary consequence?

Mr. STERLING. Then the next question would have been the question of expulsion, I grant.

Mr. WALSH of Montana. Of course, it would have been the question of expulsion.

Mr. STERLING. I grant that; but that shows the evil of pursuing a course of this kind.

Mr. WALSH of Montana. The Senate has no power except with reference to expulsion.

Mr. STERLING. That is true; but the Senate's power extends to every part of the United States where the action of the Senate is known. Its influence so extends. What it does and what it says by its formal vote or action here is bound to have its influence on the people of the United States.

What have they done over in the House in the Langley case, just called to my attention a few moments ago? I had forgotten about it, but I understand that this is the situation: The committee there, of which former Senator BURTON, of Ohio, is at the head, refused to go ahead with the investigation until the matter has been determined by a jury.

Mr. WALSH of Montana. Mr. LANGLEY was not at the time engaged in prosecuting an inquiry vigorously against the Department of Justice that procured the indictment.

Mr. STERLING. That is aside. That does not go to the principle of the thing at all.

Mr. WALSH of Montana. I shall discuss the principle a little later.

Mr. STERLING. That does not go to the principle. I am not here going into the motives of men at all. I am talking now for the time and in a sense, Senators, I am pleading, not only talking, that we do not adopt this precedent in this case. As I suggested awhile ago, a solution of mine would be to let the matter remain in abeyance, stand where it is in the Senate now without asking for a vote until the matter has been tried by a jury. I shall hope that Senator WHEELER is acquitted; that he will be able to explain and refute everything that has been said; but I can not go over the evidence, as I have said before, examine it, having heard the greater part of it, without coming to the conclusion that there was at least enough to warrant the grand jury in returning the indictment against Mr. WHEELER.

He will have full opportunity now to explain everything. If he remains here with that indictment pending, he will do differently—and I shall not object—from what other Members of the House and of the Senate have done who, when an indictment had been lodged against them, retired and awaited trial without participating in the work of the Senate. But I shall not object or say one word against Mr. WHEELER performing every duty that devolves upon him as a Senator of the United States.

Mr. BROUSSARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Louisiana?

Mr. STERLING. I yield.

Mr. BROUSSARD. Was not the resolution to investigate this matter adopted by the Senate after the indictment had been returned?

Mr. STERLING. Oh, yes; it was.

Mr. BROUSSARD. Did the Senator object to that resolution?

Mr. STERLING. No; I interposed no objection.

Mr. BROUSSARD. The Senator served on the committee?

Mr. STERLING. I am sorry to say I did not interpose an objection.

Mr. BROUSSARD. The Senator has made a report to the Senate, and we must act upon it.

Mr. STERLING. Let the Senator from Louisiana bear with me while I say that I let it go partly out of sympathy with the idea that possibly there had been an intentional frame-up and misconduct upon the part of Government officials or those representing the Department of Justice, as charged by Senator WHEELER. That was the feeling I had, for if there is anything I despise from the bottom of my heart it is anything like that. The committee will remember that when a particular name was about to be mentioned by a witness I put a stop to his testimony at that instant. I would not have nor stand for it, because it involved—well, I will not say what or whom just now.

So, Mr. President, with what I have said I conclude my discussion of the case, the last thing to express being the hope that the action of the Senate will be to hold in abeyance both of the reports here made, and let the law and the orderly processes of the law take their course. I do not see how we can consistently, wisely, or constitutionally do otherwise.

Mr. BORAH. Mr. President, I want to put in the RECORD in connection with the speech of the Senator from South Dakota [Mr. STERLING] just a paragraph from the evidence. The Senator referred to the testimony of Mr. Harvey, but he did not go to the record where Mr. Harvey was sworn and testified and was cross-examined. He took an affidavit which had been made under the direction of certain influences and persons in Montana and read from that affidavit; but Mr. Harvey appeared here and testified; he was examined and cross-examined. He was one of the trustees of this institution. As trustee he was called upon to ratify the contract made with Mr. WHEELER, and he was specifically asked what the contract was, as he understood it. He made inquiry as trustee as to what it was, and this is what he testified to:

The CHAIRMAN. As I understand, it became your duty as trustee to approve of this contract?

Mr. HARVEY. To ratify it; yes, sir.

The CHAIRMAN. Now you may state, Mr. Harvey, what that contract of employment was and the scope of the employment which Mr. WHEELER was given.

Mr. HARVEY. You mean the entire thing he was employed for?

The CHAIRMAN. Yes.

Mr. HARVEY. So far as I know. Well, Mr. WHEELER's employment, as far as I knew, was only to appear in a suit for receivership filed by L. C. Stevenson against the syndicate; and also to appear, or bringing some other actions that we contemplated bringing, in behalf of the syndicate. That was everything that I knew anything about that he was employed for.

The CHAIRMAN. Was Mr. Glosser present when this ratification took place?

Mr. HARVEY. I think he was.

The CHAIRMAN. Was anything said to the effect that that contract covered any other matter than that which you have now stated?

Mr. HARVEY. No, sir; absolutely none.

The CHAIRMAN. Did you ever know, as trustee of this syndicate, of any other employment of Mr. WHEELER for any other purpose than that which you have designated?

Mr. HARVEY. Absolutely none.

Mr. NORRIS. Mr. President, the Senator from South Dakota [Mr. STERLING], with an eloquence often common to him, has beseeched his fellows here in the Senate that in the consideration of the Wheeler matter we should banish from our hearts and our souls all thought of partisanship. For the benefit of the Senator from South Dakota particularly, I want to read, commencing with the third verse of the seventh chapter of Matthew:

And why beholdest thou the mote that is in thy brother's eye, but considerest not the beam that is in thine own eye?

Then skipping three words of the fifth verse, I read again:

Cast out the beam out of thine own eye; and then shalt thou see clearly to cast out the mote out of thy brother's eye.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are

necessary for the use and benefit of the National Guard of the State of Arkansas, with an amendment, in which it requested the concurrence of the Senate.

WAR DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. OVERMAN in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WADSWORTH. I move that the Senate insist upon its amendments, consent to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS conferees on the part of the Senate.

FAMILY OF LIEUT. HENRY N. FALLON, RETIRED

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired, which were, on page 1, line 4, to strike out "the family" and to insert "Amy L. Fallon, mother"; on page 1, line 7, to strike out "them" and to insert "her"; page 1, line 8, strike out "their" and to insert "her," and to amend the title so as to read: "An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired."

Mr. WALSH of Massachusetts. I move that the Senate concur in the amendments of the House.

Mr. WADSWORTH. Will the Senator state the effect of the amendments?

Mr. WALSH of Massachusetts. The House amendments changes the payment from a payment to the family of the lieutenant to his mother who is really entitled to the reimbursement.

The amendments were concurred in.

NATIONAL GUARD BUILDINGS AT CAMP PIKE, ARK.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas, which was to strike out the preamble.

Mr. CARAWAY. I move that the Senate concur in the amendment of the House. It merely strikes out the whereas.

Mr. WADSWORTH. The House made no change in the body of the joint resolution?

Mr. CARAWAY. Absolutely none.

Mr. WADSWORTH. I have no objection to concurring in the amendment of the House.

The amendment was concurred in.

NORTHERN PACIFIC LAND GRANTS

Mr. LADD. Mr. President, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes. The joint resolution has been reported from the Committee on Public Lands and Surveys with amendments, and will, of course, have to go back to the House. The Department of Agriculture is very much interested in having it enacted into law during this session.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. ROBINSON. To what does the joint resolution refer?

Mr. LADD. It is a joint resolution which provides for the appointment of a committee to investigate the land holdings of the Northern Pacific Railroad, asked for by the Secretary of the Interior and the Secretary of Agriculture, and approved by the President.

Mr. EDGE. I do not wish to object, but in order that it may be clearly understood that the various matters which are receiving the consideration of the Senate do not interfere with the unfinished business, I have no objection, following the practice necessary under parliamentary usage, to having the unfinished business temporarily laid aside with the understanding that it will be restored to its present status as the unfinished business before the Senate.

The PRESIDING OFFICER. Without objection, the unfinished business is temporarily laid aside. Is there objection to the request of the Senator from North Dakota?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Public Lands and Surveys with amendments on page 1, in line 4, to strike out "1927" and insert "1925"; on page 2, in line 12, after the word "shall," insert the words "unless further extended"; in line 13, to strike out "1927" and insert "1925"; and in line 14, after the word "adjudicated," to insert the words "at the direction of Congress," so as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior is hereby directed to withhold until March 4, 1925, his approval of the adjustment of the Northern Pacific land grants under the act of July 2, 1864, and the joint resolution of May 31, 1870, and he is also hereby directed to withhold the issuance of any further patents and muniments of title under the said act and the said resolution or any legislative enactments supplemental thereto or connected therewith, until after Congress shall have made a full and complete inquiry into the said land grants and the acts supplemental thereto for the purpose of considering legislation to meet the respective rights of the Northern Pacific Railroad Co. and its successors and the United States in the premises: *Provided*, That this act shall not prevent the adjudication of any claims arising under the public land laws where the claimants are not seeking title through the grants to the Northern Pacific Railroad Co., or its successors, or any acts in modification thereof or supplemental thereto: *Provided further*, That the inhibition against the approval of said land grants and the issuance of patents and muniments of title thereunder shall, unless further extended, terminate on March 4, 1925, unless on said date said land grants and the proceedings thereunder are being adjudicated at the direction of Congress in the courts, in which event the approval of said land grants and the issuance of patents and muniments of title shall await the final adjudication thereof.

SEC. 2. The Secretary of the Interior is hereby directed to advise Congress of the status of the said Northern Pacific land grants, recommending such action as he believes right and proper for the further adjustment thereof.

SEC. 3. That a joint committee of both Houses of Congress is hereby created to be composed of five Members of the Senate to be appointed by the President thereof and five Members of the House of Representatives to be appointed by the Speaker of that body. Any vacancy occurring on the committee shall be filled in the same manner as the original appointment. The said committee is hereby empowered and directed to make a thorough and complete investigation of the land grants of the Northern Pacific Railroad Co., and its successor, the Northern Pacific Railway Co., under the act of July 2, 1864 (13 Stats. p. 365), and the joint resolution of May 31, 1870 (16 Stats. p. 378), and any other acts of Congress supplemental thereto or connected therewith, and the facts and the law pertaining thereto and arising therefrom, and to report to Congress its conclusions and recommendations based thereon. Said committee or any subcommittee thereof is hereby empowered to sit and act during the session or recess of Congress or of either House thereof in the District of Columbia or elsewhere in the United States; to require by subpœna or otherwise the attendance of witnesses and the production of books, documents, and papers; to take the testimony of witnesses under oath; to obtain documents, papers, and other information from the several departments of the Government or any bureau thereof; to employ stenographers to take and to make a record of all evidence taken and received by the committee and to keep a record of its proceedings; to have such evidence, record, and other matter required by the committee printed and suitably bound; and to employ such assistance as may be deemed necessary. The chairman of the committee or any member thereof may administer oaths to witnesses. Subpœnas for witnesses shall be issued under the signature of the chairman of the committee or the chairman of any subcommittee thereof. And in case of disobedience to a subpœna this committee may invoke the aid of any court of the United States or of the District of Columbia within the jurisdiction of which any inquiry may be carried on by said committee in requiring the attendance and testimony of witnesses, and the production of books, papers, and documents under the provisions of this resolution. And any such court within the jurisdiction of which the inquiry under this resolution is being carried on may in case of contumacy or refusal to obey a subpœna issued on any person under authority of this resolution issue an order requiring such person to appear before said committee and produce books and papers, if so ordered, and give evidence touching the matter in question, and any failure to obey such order of the court may be punished by such court as a contempt thereof. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who having appeared refuses to answer any question pertinent to the investigation herein authorized, shall be deemed guilty of a misdemeanor and upon conviction thereof be punished by a fine of not more than $1,000 and imprisonment for not more than one year.

The sum of $50,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treas-

ury not otherwise appropriated, to pay the necessary expenses of said joint committee, the sum to be disbursed by the secretary of the committee upon vouchers to be approved by the chairman of the committee.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the joint resolution read a third time.

The joint resolution was read the third time, and passed.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. HALE. I ask unanimous consent that the Senate proceed to the consideration of the conference report on the naval appropriation bill which is now upon the table. I ask that the unfinished business may be temporarily laid aside for that purpose.

The PRESIDENT pro tempore. In the absence of objection the unfinished business will be laid aside, and the Chair lays before the Senate the conference report on the naval appropriation bill, which has heretofore been read.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 18, 21, 32, 41, 46, 47, 49, and 64.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 12, 13, 14, 15, 16, 17, 23, 26, 27, 33, 34, 35, 37, 38, 39, 42, and 61, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,550,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$3,400,826; for aviation material, equipment, fuel, and rental of hangars, $320,174; in all, $3,900,000, not more than $1,242,280 of"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$62,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$17,550,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,100,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "*Provided further*, That no part of this or any other appropriation contained in this act shall be available for maintaining in commission, exclusive of vessels of other types, more than 4 cargo ships, 2 transports, and 1 ammunition ship, unless, in case of emergency, the President should otherwise direct. Nothing in this proviso shall be construed to hinder the return of any vessel to the port where it will be decommissioned"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "plant appliances as now defined by the 'Navy Classification of Accounts'"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "*And provided further*, That in computing for any purpose the length of service of any officer of the Navy, of the Marine Corps, of the Coast Guard, of the Coast and Geodetic Survey, or of the Public Health Service, who was appointed to the United States Naval Academy or to the United States Military Academy after March 4, 1913, the time spent at either academy shall not be counted"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "In all, $50,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "No officer of the Navy or Marine Corps, while on leave of absence engaged in a service other than that of the Government of the United States, shall be entitled to any pay or allowances for a period in excess of that for which he is entitled to full pay, unless the President otherwise directs"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$1,385,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$8,911,800"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and limiting the number of officers and enlisted men"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and that no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article or articles, that at the time of the proposed repair, purchase, or acquirement, can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production, would not involve an appreciable increase in cost to the Government"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 25, 28, 30, 31, 40, 43, 44, 45, 48, 50, 51, 52, 53, 54, 55, 59, and 60.

FREDERICK HALE,
LAWRENCE C. PHIPPS,
CLAUDE A. SWANSON
(With exception of Senate amendment No. 64, which I insist upon),
Managers on the part of the Senate.

BURTON L. FRENCH,
GUY U. HARDY,
JOHN TABER,
JAMES F. BYRNES
(Not in agreement on amendment No. 64),
W. B. OLIVER
(Not in agreement on amendment No. 64),
Managers on the part of the House.

The PRESIDENT pro tempore. The question is upon agreeing to the conference report.

Mr. NORRIS. Mr. President, I had hoped that the Senator from Tennessee [Mr. MCKELLAR] would be here when the conference report was taken up. I had my attention called to one item in the conference report, but since that has occurred I have conferred with quite a number of Senators on the particular change in the Senate amendment that has been made by the conference report. I was at first going to ask that we delay the consideration of the conference report until the Senator from Tennessee, who was the author of the amendment that has been modified, could be here, but after conferring with a number of Senators in regard to the modification I have reached the conclusion that it was not so important as I had been led to believe it was; and even regardless of that, as a result of

conference with Senators who were friendly to the attitude taken by the Senator from Tennessee and myself, I reached the conclusion that it would be useless to try to change the amendment, which would necessarily bring about the rejection of the conference report. So I myself am not going to make any further objection to the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDENT pro tempore. The Chair lays before the Senate the action of the House of Representatives on certain Senate amendments, which will be read.

The reading clerk read as follows:

Resolved, That the House recedes from its disagreement to the amendments of the Senate Nos. 30, 31, 44, 45, 55, and 59 to the bill (H. R. 6820) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes," and concurs therein.

That the House recede from its disagreement to the amendment of the Senate No. 8, and concur therein with an amendment, as follows: In line 1, of the matter inserted by said amendment, after the word "That," insert the following: "until June 30, 1925."

That the House recede from its disagreement to the amendment of the Senate No. 25, and concur therein with an amendment, as follows: At the beginning of the matter inserted by said amendment, insert the following: "during the fiscal year 1925."

That the House recede from its disagreement to the amendment of the Senate No. 28, and concur therein with an amendment, as follows: Restore the matter stricken out by said amendment to read as follows: "*Provided further*, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of the Navy within 60 days after the date of his enlistment, any man enlisted after July 1, 1924, in the naval service or Marine Corps, under 21 years of age who was enlisted without the written consent of his parent or guardian, if any, shall be discharged for his own convenience."

That the House recede from its disagreement to the amendment of the Senate No. 40, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "; repair and fitting out pier (limit of cost, $1,190,000), $250,000; in all, $350,000."

That the House recede from its disagreement to the amendment of the Senate No. 43, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "marine railway accessories house, $20,000; in all, $198,000."

That the House recede from its disagreement to the amendment of the Senate No. 48, and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: "; storage for torpedoes, $140,000; in all, $155,000."

That the House recede from its disagreement to the amendment of the Senate No. 50, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"Supply depot, Marine Corps, San Francisco, Calif.: Construction of extensible building, including grading of site, $500,000, no part of such sum to be obligated until the Secretary of the Navy shall have determined that it is adequate completely to construct, equip, and otherwise make said building ready for occupancy and use, including the preparation and final conditioning of site: *Provided*, That the Secretary of the Treasury is hereby authorized to transfer to the Navy Department a tract of land situated in the city of San Francisco, Calif., consisting of four 50-vara lots fronting 275 feet on the north side of Harrison Street, and extending back, bounded by Spear and Main Streets 275 feet, for use as a site for the building herein authorized."

That the House recede from its disagreement to the amendment of the Senate No. 51, and concur therein with an amendment, as follows: In line 2 of the matter inserted by said amendment, strike out "$410,000" and insert in lieu thereof "$560,000."

That the House recede from its disagreement to the amendment of the Senate No. 52, and concur therein with an amendment as follows: After the word "*Provided*" in the first line of said amendment insert "*further*."

That the House recede from its disagreement to the amendment of the Senate No. 53, and concur therein with an amendment as follows: After the word "Florida" in the last line of said amendment insert the following: "; and such additional water supply is hereby authorized: *Provided*, That the sum of $150,000 hereinbefore appropriated for new construction, buildings, and improvements at air station, Pensacola, Fla., shall not be available until the Secretary of the Navy shall determine that in his judgment a water system capable of furnishing an adequate supply of water for such station can be completed within the limits of the funds herein provided, and until the Secretary of the Navy, at the direction of the President, has accepted the conveyance of lands and rights of way as herein authorized."

That the House recede from its disagreement to the amendment of the Senate No. 54, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "Until June 30, 1925, if for any cause the number of civilian professors or instructors employed in the United States Naval Academy on January 1, 1924, shall be reduced after such latter date, no commissioned officer of the Navy shall be detailed or allowed to teach the subject or subjects theretofore taught by such civilian professors or instructors whose service connection with the academy may have been so terminated: *Provided*, That in reducing the number of civilian professors no existing contract shall be violated: *Provided further*, That no civilian professor, associate or assistant professor, or instructor shall be dismissed, except for sufficient cause, without six months' notice to him that his services will be no longer needed."

That the House recede from its disagreement to the amendment of the Senate No. 60, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: "toward the construction of one fleet submarine (mine-laying type) heretofore authorized, to have the highest practicable speed and greatest desirable radius of action and to cost not to exceed $5,500,000 for construction and machinery and $850,000 for armor, armament, and ammunition; and the Secretary of the Navy shall have prepared plans and estimates of cost of a scouting submarine and a submarine capable of accompanying the fleet, each to have the highest practicable speed and greatest desirable radius of action, such plans and estimates to be in readiness for submission to Congress on the first day of the next regular session."

Mr. HALE. I move that the Senate concur in the amendments of the House of Representatives to the amendments of the Senate.

The motion was agreed to.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDENT pro tempore. The question is on the amendment reported by the Committee on Post Offices and Post Roads in the nature of a substitute for the bill.

Mr. BORAH. Mr. President, what is the bill now before the Senate?

Mr. WADSWORTH. It is the Postal Service bill.

The PRESIDENT pro tempore. The unfinished business is before the Senate.

Mr. BORAH. But that is only technically before the Senate.

Mr. EDGE. I agree with the Senator from Idaho.

Mr. WALSH of Montana. Mr. President——

Mr. BORAH. I yield to the Senator from Montana.

Mr. WALSH of Montana. I do not know what the purpose of the Senate is with respect to discontinuing business at this time, but I desire to discuss the matter which has been before the Senate during the afternoon at some length.

Mr. BORAH. Mr. President, it is apparent that we can not conclude this matter to-night, and I do not suppose that we want to continue in session. It is now half past 5 o'clock. I am about to move that the Senate take a recess until to-morrow at 12 o'clock.

Mr. EDGE. Will the Senator withhold that motion for a moment? I should like to suggest that, inasmuch as the unfinished business is not a long bill and the amendment is in the nature of a substitute for the bill, I think it would be in order to have it read, and I had hoped that the Senate would remain in session long enough to have the amendment read. I shall not ask the Senate to act on the amendment, but after it shall have been read, then any amendment that any Senator may wish to submit will be in order, but we will at least have reached that stage. When that shall have been done, it was my intention to move a recess until 12 o'clock to-morrow.

Mr. BORAH. The Senator from Utah is not here, and he wants to be here.

Mr. EDGE. Not at this stage. I am quite sure, because there is nothing that he could do under the request already granted that the formal reading of the bill be dispensed with and that the bill be read for amendment, the committee amendment to be first considered. As I have explained, the amendment is in the nature of a substitute for the entire bill, but necessarily under the rules it must be read. When that shall have been done, I will not make any effort to-day to have the committee amendment adopted, but the bill will then be open to amendment offered by any Senator on the floor.

Mr. WALSH of Montana. I suggest to the Senator from New Jersey that in that case he make the request in a different form, namely, that the reading of the amendment proposed be dispensed with.

Mr. EDGE. I have already asked and received unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for the purpose of the committee amendment, which, as I understand, is the usual form.

Mr. WALSH of Montana. Then I suggest to the Senator that he make a further request that the reading of the amendment in the nature of a substitute be dispensed with.

Mr. EDGE. I am ready to do that; and I ask unanimous consent that the reading of the amendment in the nature of a substitute be dispensed with and that the bill when taken up be subject to amendment.

Mr. OVERMAN. I do not think, Mr. President, that is exactly fair. There may be some Senators who desire to amend the amendment.

Mr. WADSWORTH. They will have an opportunity to do so.

Mr. EDGE. Under the unanimous-consent agreement an opportunity will be afforded them to do that.

Mr. OVERMAN. But if the Senator secures unanimous consent to dispense with the reading of the amendment at this time, I think that would be unfair to absent Senators who may desire to offer amendments to it.

Mr. EDGE. My request for unanimous consent, if I may say so to the Senator from North Carolina, and which was made upon the suggestion of the Senator from Montana, is simply to waive the reading of the amendment, so that when the unfinished business shall be really before the Senate more than technically, any Senator may offer any amendment to any part of it.

Mr. OVERMAN. The reading could have been completed by this time; it will not take long to read it.

The PRESIDENT pro tempore. The Chair understands the Senator from New Jersey asks unanimous consent that the reading of the amendment reported by the committee may be dispensed with.

Mr. OVERMAN. I shall object to that, since I know some Senators are interested in having the amendment read.

The PRESIDENT pro tempore. Objection is made. The Secretary will read the amendment.

URGENT DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I was about to ask the Senator who is in charge of the unfinished business to yield to me for a moment in order to complete the consideration of an appropriation bill which was interrupted on day before yesterday by a Senator who has since told me that he has no objection to the bill being taken up and completed. There is only one more amendment to be offered to the bill, and then, so far as I know, it may be passed.

The PRESIDENT pro tempore. It will be necessary that the pending bill be laid aside before the Senate can take up the bill suggested by the Senator from Wyoming.

Mr. WARREN. I assumed that the Senator from New Jersey would take that course.

Mr. EDGE. Very well, Mr. President, for the purpose indicated I have no objection, and I ask unanimous consent that the unfinished business may be temporarily laid aside, in order that the Senate may consider the measure which the Senator from Wyoming desires to bring to its attention.

Mr. ROBINSON. Mr. President, I will inquire if the bill in charge of the Senator from Wyoming is the measure in which the Senator from Utah [Mr. KING] is interested?

Mr. WARREN. It is the bill the Senator from Utah objected to, but he has since told me that he had no objection to its consideration and passage.

Mr. ROBINSON. I merely wanted to make sure as to that. I observed that the Senator from Utah was absent from the Chamber and I felt in duty bound to give him an opportunity to be present.

Mr. WARREN. Of course, I would not take advantage of the absence of the Senator from Utah. I had an understanding with him.

Mr. ROBINSON. I know the Senator would not do that.

The PRESIDING OFFICER. Is there objection to laying aside temporarily the unfinished business? The Chair hears none, and it is so ordered.

Mr. WARREN. I will say that there was an amendment pending when the bill was laid aside. That amendment refers to a fund which I believe expires to-day. I have no objection to the amendment going on the bill, subject, of course, to its consideration in conference.

The PRESIDENT pro tempore. Does the Senator from Wyoming ask that the appropriation bill be taken up for consideration? The bill is not before the Senate as yet.

Mr. WARREN. I supposed that it was before the Senate. I ask that it may be considered at this time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The PRESIDENT pro tempore. The pending amendment, proposed by the Senator from Delaware [Mr. BALL], will be stated.

The READING CLERK. On page 2, after line 2, it is proposed to insert the following:

Any unexpended balances of appropriations made for the rent commission of the District are hereby reappropriated and made available during the life of said commission.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. EDGE. Mr. President, I request that the unfinished business be now placed before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees of the Postal Service.

ANNIVERSARY OF ENACTMENT OF HOMESTEAD LAW (S. DOC. NO. 113)

Mr. CAMERON. Mr. President, 62 years ago this day a new epoch occurred in this country. It was the dawn of a new era of national prosperity, and the settlement of the West, to come into its full being when the Civil War, which rocked the Nation at the time, should cease.

To-day is the sixty-second anniversary of the enactment of the homestead law. The part which this generous act has played in the upbuilding of the western portion of our country is unparalleled in the history of any government. The story of the United States homestead act, and its manifold benefits to the people and prosperity of the country is interestingly and authoritatively portrayed in an article written by Mr. George R. Wickham, Assistant Commissioner of the General Land Office.

I request that this article be printed as a Senate document, that the people of the United States may keep afresh in their minds the great heritage left them by Abraham Lincoln, when, on May 20, 1862, he affixed his signature to a law which stands out so conspicuously as a landmark to the wonderful prosperity of our country.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the article will be printed as a public document.

Mr. FLETCHER. Mr. President, what is the request? There is a rule about the printing of public documents. I do not know what this is. The rule and the law is—we can not get away from it—that in order to make a matter a public document we must have an estimate of cost submitted along with the application. I do not know what this is.

Mr. CAMERON. I will show it to the Senator.

Mr. FLETCHER. I observe that it is not very long, so I will simply call attention to that fact. I have no objection.

ADDRESS BY DR. NICHOLAS MURRAY BUTLER

Mr. WADSWORTH. Mr. President, I ask unanimous consent that there be printed in the RECORD a copy of an address delivered by Dr. Nicholas Murray Butler.

Mr. ROBINSON. Mr. President, we can not hear a word of the proceedings.

Mr. WADSWORTH. I am asking unanimous consent that there be printed in the RECORD a copy of an address delivered by Dr. Nicholas Murray Butler, the president of Columbia University, a few days ago on a matter of considerable interest to a great many citizens.

The PRESIDENT pro tempore. Is there objection?

Mr. DIAL. Mr. President, I question whether we ought to grant that permission or not. What is the subject? Will the Senator tell me?

Mr. WADSWORTH. The eighteenth amendment.

Mr. DIAL. I object, Mr. President. We had a speech the other day from that gentleman, and I feel that it ought not to be circulated throughout the United States in the CONGRESSIONAL RECORD. When we have presidents of institutions of learning teaching young men how to drink whisky we do not want to distribute their utterances through the columns of the RECORD.

The PRESIDENT pro tempore. Objection is made.

ALLEGED CORRUPT ELECTION PRACTICES

Mr. WALSH of Massachusetts. Mr. President, I desire to call the attention of the Senate for a brief time to a matter that has been called to my attention by the mayor of the city of Boston. It relates to corrupt practices in national elections.

I doubt if the Senate and the country is aware that there is probably no Federal corrupt practices law applicable to the election of United States Senators that is constitutional. The Federal corrupt practices law was passed before United States Senators were elected by popular vote as a result of a constitutional amendment. It also was passed before the Newberry case was decided by the Supreme Court. Part of the act was declared unconstitutional in the Newberry decision—that part of it which it was believed applied to primary elections. It is probable that the whole law is unconstitutional by reason of the fact that it was passed before the constitutional amendment providing for the election of Senators by direct vote of the people. The result is that we are facing a national election with practically no Federal corrupt practices of law to control or limit the expenditure of moneys or campaign funds by candidates or political parties.

On April 10 I submitted a resolution calling the attention of the Senate to the absence of law regarding the collection of contributions between elections and other irregularities. In that resolution I asked the Committee on Privileges and Elections to give some attention to this important subject and to report a bill for the Senate's consideration. In January the Senator from Oklahoma [Mr. OWEN] presented a very carefully drawn bill providing for a corrupt practices law that would be effective in regulating our elections. Up to the present time no action has been taken by this committee upon either of these measures.

Very recently the mayor of the city of Boston sent me a communication calling my attention to what he believed were abuses of the corrupt practices act or, at least, improper practices in collecting money for the approaching campaign.

The State of Massachusetts has a good corrupt practices law. If the allegations made by the mayor are taking place in Massachusetts and are illegal, they can be prosecuted under the act of that State. In my opinion they can not be prosecuted under any Federal law. In fact, there is, unfortunately, no Federal law which reaches the regulation of campaign funds and expenditures for the election of President or Vice President. It is doubtful if such a law would be constitutional because of the fact that the several States elect the electors who elect the President.

I have no personal knowledge of the methods being employed in Massachusetts to raise campaign funds, but the mayor's letter does disclose a situation there which indicates that an unusual effort is being made by unusual means to raise large sums of money for the Republican campaign. Since his first letter he has written me a second letter stating that attempts are being made to organize all the varied business interests of that State to raise systematically a very large campaign fund. One letter being circulated for funds by an industrial group alleged that in 1920 Massachusetts contributed $500,000 to the election of President Harding, and it makes an appeal that the funds to be raised for President Coolidge should be larger, by reason of the fact that he is a citizen of that State. It is possible that a million dollars may be raised in Massachusetts alone. It is easy to conceive the possibility of a fund being raised reaching into many millions throughout the Nation. It is evident from these letters that the industries of the country are to be solicited without any consideration of their being beneficiaries in tariff and other legislation. Will they contribute toward the cause of good government or in the hope of paying for special favors received or to be received in the future?

I have called attention to this matter because I am going to present Mayor Curley's letters in the nature of petitions and ask that they be referred to the Committee on Privileges and Elections, and I have myself drawn a resolution, which I shall present, calling attention to the chaotic and unsatisfactory state of our Federal law. In view of our experience with the Newberry case, in view of the fact that we practically have no Federal law that is enforceable, and even some States have no corrupt practic law, I urge that this committee take immediate action in order that we may go into the coming campaign with the Congress indicating a desire for an honest election. Let us not adjourn until some attempt to regulate and control the raising of campaign funds and teh expending of campaign contributions has been made. We should not place the Congress before the American people in the light of indifference to the importance of honest and pure elections.

The various States have corrupt practices acts. The State of Massachusetts limits to $1,000 the amount that any individual can contribute; but I note in this letter which the mayor has written that the solicitor makes a statement which, I believe, is in the very teeth of the law, to wit, that the contributors can give as much as they desire, and that the solicitor will see that the sum contributed is so distributed that it will be within the statutory provisions.

Mr. WALSH of Montana. Mr. President, will the Senator read that part of the letter?

Mr. WALSH of Massachusetts. In this letter, which has been circulated by a committee in the interest of the election of the President, this statement is made:

There is no limit to the amount an individual may give the committee.

Notwithstanding the fact that the law of Massachusetts limits to $1,000 the amount that may be given for all election purposes by an individual.

Large contributions will be so divided as to give full observance to the requirements of the statutes.

It seems to me that that expression is very clearly in the teeth of the law. Making that statement may not be a violation of law, but certainly the solicitor who receives a sum of money and does not report the exact sum that was paid to himself would be violating, as I understand it, the corrupt practices act of the State of Massachusetts and possibly the Federal law. If it is not illegal to state what is in that circular letter, it certainly would be illegal to do what was promised.

Mayor Curley, justifiably indignant over such methods, has asked me to inaugurate an investigation. He thought that I was serving on some committee that was engaged in some such work. Unfortunately we have no such committee. The only investigating committee with which I have been associated is the committee that has been investigating the Veterans' Bureau. It does not seem to me that an investigation, though helpful, is necessary, because if the law has been violated, prosecutions can be made in the State of Massachusetts; but the situation does require some Federal law upon this subject, and especially some Federal law controlling the amount of money that can be raised and expended in Federal elections.

I want to repeat that in my opinion, in view of the decision in the Newberry case and in view of the fact that the corrupt practices act that is on the statute books was passed before the constitutional amendment providing for the direct election of Senators by popular vote, there is practically no law that would be sustained by the courts affecting the election of United States Senators and possibly Members of the House.

Mr. President, I ask that these letters from his honor, the mayor of Boston, be inserted in the RECORD and be transmitted to the Committee on Privileges and Elections, and that a resolution presented by myself be read for the information of the Senate and referred to the same committee with the request that the Committee on Privileges and Elections, having had before it the Owen bill since January last and having had a resolution introduced by myself upon this subject in April, make some effort to indicate to the country that the Senate of the United States believes in corrupt practices laws and intends to enact a law which will control the abuses likely to result in election of Federal officers by reason of the raising of large campaign contributions without restriction as to amount or method of expenditure.

There being no objection, the letters were referred to the Committee on Privileges and Elections and ordered to be printed in the RECORD, as follows:

Hon. DAVID I. WALSH,

United States Senate, Washington, D. C.

MY DEAR SENATOR: The senatorial committee investigating the existence of certain corrupt transactions, activities, and persons, of which you are a member, would do a much-needed public good at this time by turning its attention to and its light on an organized plan for corruption, designed to "solicit" contributions from business firms, corporations, manufacturing concerns, and trade organizations, the

funds so collected to be spent to secure the nomination and election of Federal and State officers—Republicans—from the Presidency of the United States down. This organization is known as the Massachusetts Calvin Coolidge Finance Committee and its announced purpose, as can be seen by the inclosed copy of the original letter of solicitation, is that of "collecting funds to make sure of the nomination and election of Calvin Coolidge." I assume the Massachusetts organization is duplicated in every other State where tariff-protected interests can be reached; and without doubt the mind and man back of this nation-wide corruption campaign is the chairman of the Republican committee, William Butler, of New Bedford, mill owner and millionaire, and one of the notorious industrial group of Massachusetts, fat and growing fatter by the exploitation of child labor and underpaid, overworked mill operatives in certain Southern cotton factories.

The following paragraph has a sinister significance and indicates a cynical determination to evade the provisions of the corrupt practices laws and get around the limitations of expenditures for political purposes incorporated in Federal legislation:

> "There is no limit to the amount an individual may give the committee. Large contributions will be so divided as to give full observance to the requirements of the statutes."

An eminent American has said: "Public office should represent the result of the voluntary act of the people and not be the sequence of an auction." The intimate private and political relations of the Republican national chairman and the pseudoprophet of law and order, who dictated Mr. Butler's appointment as his own choice as campaign manager, leaves no doubt in the mind of any honest and self-respecting American that the President of the United States is not only the inspiration of this scandalous plan to corrupt the American constituencies but is fully cognizant of its purposes and aims and is aiding and abetting this audacious attempt to buy the national election of 1924. This document and the bold campaign of corruption it visualizes illustrate the sustained hypocrisy and manifest unfitness of their authors, organizers, and beneficiaries; and the exposure of the plot to make the 1924 election "the sequence of an auction" is a paramount duty that must not be delayed. The sooner the people of the United States learn something of the subterranean activities of the Republican Party, its candidates, and leaders, the better for the safety of the country. If the public offices of the United States can be bought and sold in 1924, the beneficiaries of the foul transaction will transfer the control of national legislation and administration to the industrial, commercial, and financial underwriters of this outrageous bargain.

You, my dear Senator, have a personal as well as a public interest in this treasonable scheme; you are one of the targets of the dirty dollars of the Massachusetts Calvin Coolidge finance committee; but I am certain your sense of public duty will outweigh any personal consideration and guide your action.

Coming as it does on the heels of the betrayal of New England's industrial interests—the preference shown by the Washington administration for convict prison labor over free labor, the transfer of the Army shoe industry from the factories of Massachusetts to the Federal Prison at Fort Leavenworth, the gift of contracts for Naval khaki cloth to British mills in Manchester, England, and the refusal to give contracts to the Amoskeag Mills of Manchester, N. H., where unemployed American workers walk the streets idle and hungry—it becomes evident that this conspiracy of corruption, to which the aid and sympathy of Calvin Coolidge and his friends are pledged, is a well-considered plot to crush and degrade the American worker. The constant stream of phrase and flummery, humbug, and hypocrisy that flows from the White House is intended to conceal the iniquity and baseness of this scheme to Europeanize American labor and cripple American democracy, and its stealthy progress can only be arrested by a swift and thorough senatorial investigation that the American people may know the peril they are in; for it is idle to expect that the engineers of this corrupt scheme will set the machinery of law in motion to embarrass themselves. You can do the work they will not, dare not, do.

The Walworth Manufacturing Co. of Boston, from which the corrupt correspondence emanated, is a highly protected concern, whose head is president of the Boston Chamber of Commerce; the signer of the circular letter, "G. F. Elliott, chairman pipe fittings and allied-material group," is some inconsequential figurehead behind whom the corruptionists work; and I believe an early descent on this group of conspirators will serve the public good. The sale of Massachusetts must not be permitted; its consummation would be a victory for the deadliest enemies of American liberty.

I earnestly ask early and effective investigation of this audacious scheme to destroy the good name of Massachusetts and the integrity of representative government in America.

With the assurance of my personal regard, I am,

Sincerely yours,

JAMES M. CURLEY, *Mayor.*

GENERAL OFFICE WALWORTH MANUFACTURING CO.,
Boston, Mass., April 24, 1924.

——— ———,
——— ———.

DEAR SIR: The Massachusetts Calvin Coolidge finance committee has delegated to me the chairmanship of the pipe fittings and allied material group in the matter of collecting funds to make sure of the nomination and election of Calvin Coolidge.

The money goes—first, to the national Coolidge preconvention fund for maintaining Calvin Coolge headquarters and organization work; secondly, to pay a proportion of the national committee expense; thirdly, to maintain the Masachusetts State committee's active work of registration and Americanization throughout all our districts, and to carry on the active campaign for all Federal and State offices as soon as nominations are over.

There is no limit to the amount an individual may give to this committee. Large contributions will be so divided as to give full observance to the requirements of the statutes. All contributions must be voluntary.

I assume that you will wish to have a share in making sure of the election of Calvin Coolidge, and I am inclosing a card furnished me by the finance committee.

Your check should be made to Louis K. Liggett, and if you will send it to me for forwarding to him I can keep correctly my records of our group. In any event, whether your response is a check or a signature of promise on the inclosed card, will you kindly make it promptly, so I may make my full report without much delay.

Yours truly,

G. F. ELLIOTT,
Chairman Pipe Fittings and Allied Material Group.

CITY OF BOSTON, OFFICE OF THE MAYOR,
City Hall, May 15, 1924.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Your telegram addressed to me this day in answer to communication forwarded you under date of May 13, relative to solicitation of campaign funds for the Republican Party, and in which communication was included a paragraph clearly indicating that it was the purpose of those in charge of the raising of funds to violate the statutes, both Federal and State, has resulted in the receipt by this office of additional requests for funds and would rather strengthen the opinion expressed in the original communication that it is the purpose to conduct an auction rather than an election, unless the Federal and State authorities intervene.

I have taken the liberty of forwarding copies of all communications to your colleague, Senator THOMAS J. WALSH of Montana, in addition to forwarding copies to you, and have likewise directed the attention of the attorney general of Massachusetts to a request for funds which has been circulated in the city of Newton in the name of Thomas W. White, supervisor of administration in the department of administration and finance of this State, a Republican officeholder, and which communication is clearly in violation of the corrupt practices act.

Respectfully yours,

JAMES M. CURLEY, *Mayor.*

NEWTON, MASS., *May 1, 1924.*

DEAR SIR OR MADAM: The Massachusetts Calvin Coolidge Finance Committee has been formed, with Mr. Louis K. Liggett as chairman. Committees are now working throughout the State to raise funds, and as members of the committee in the city of Newton we are writing you.

This is presidential year and money contributed will be used to finance the nomination of Mr. Coolidge, the National and State Republican Committees, and to provide for the further expenses of these committees throughout the year 1924.

Massachusetts should and will take the lead in financing the work that is necessary to elect Calvin Coolidge. State pride and our knowledge of the man, his character, his judgment, will give him our united support.

This is not an intensive campaign for funds. You are therefore asked to give liberally and promptly. You have the assurance that when you have made this contribution you will not be called upon again this year for additional funds.

All contributions must be voluntary. No corporation may contribute and no public-office holders are solicited.

Please make your check payable to the order of Louis K. Liggett, chairman, and send it to Leverett Saltonstall, 240 Chestnut Hill Road, Chestnut Hills, Mass.

Trusting for a generous and prompt response, we are,

Very truly yours,

THOMAS W. WHITE.

MAY 12, 1924.

A member of our committee will call on you within the next few days to accept your contribution to the Calvin Coolidge campaign fund.

Five hundred thousand dollars was raised in Massachusetts for the Harding campaign, and there are many reasons why we should raise more for Calvin Coolidge. The remarkable character and statesmanship of our candidate and State pride should make this task easy.

The fund represents the contribution of the Massachusetts business men to the national Coolidge fund for maintaining Calvin Coolidge headquarters and organization work, also our proportion of the national committee expenses, and for maintaining the Massachusetts State committee work of registration and Americanization throughout all our districts, and to carry on the active campaign for all Federal and State officers as soon as nominations are over.

Strong political opposition in Massachusetts is anticipated and an aggressive campaign must be conducted to secure a straight Republican ticket. We must all beware of overconfidence and do our utmost to achieve the desired result.

Your contribution to this fund will be the only one we will ask of you this year.

The satisfaction of giving and giving liberally to maintain a Massachusetts man in the highest office within the gift of the people of these United States, the assurance that a continuation of the present safe and sane administration will constitute the best possible business insurance for business in general and for the shoe and leather industry in Massachusetts in particular, should be sufficient incentive (all other considerations aside) to make your contribution as liberal as possible.

Very truly yours, E. J. BLISS, *Chairman.*

Mr. WALSH of Massachusetts. Mr. President, I ask that the resolution I submit be read for the information of the Senate.

Mr. SPENCER. Mr. President, may I ask the Senator a question?

Mr. WALSH of Massachusetts. I should like to have the resolution read. Then I shall be glad to answer the Senator's question.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 232) was read, as follows:

Whereas existing Federal laws relating to corrupt practices in the appointment or choosing of presidential electors and in the election of United States Senators and Representatives in Congress have been enacted in piecemeal fashion and consist of six separate acts of Congress, passed, respectively, in 1907, 1909, 1911, 1912, and 1918; and

Whereas parts of such laws have been rendered obsolete or inadequate by the adoption of amendments to the Constitution of the United States, and parts have been declared unconstitutional by the United States Supreme Court; and

Whereas such laws fail to require proper publicity in respect of contributions made between election dates, with the result that large unreported contributions have been made after elections, oftentimes in the hope of political reward or favor; and

Whereas there is no law regulating the methods of soliciting campaign contributions, and no record of the activities of persons making campaign solicitations is required; and

Whereas some of the States have no laws relating to corrupt practices in campaigns for nomination and election, and such laws in other States vary greatly as to their provisions: Therefore be it

Resolved, That the Committee on Privileges and Elections is authorized and directed to report to the Senate, as soon as practicable after investigation, upon the advisability of revising the Federal laws relating to corrupt practices in elections, with a view to (1) eliminating the ambiguous, obsolete, and unconstitutional portions thereof, (2) adding thereto provisions to remedy present defects and inadequacies, and (3) requiring the treasurer of each political committee which solicits or accepts contributions or makes expenditures for the purpose of influencing the appointment or choosing of presidential electors, or the election of United States Senators or Representatives in Congress, to file with the Clerk of the House of Representatives between the first and tenth days of each month in the calendar year in which a general election of United States Senators or Representatives in Congress is held, and at least quarterly during every other year, complete as of the day next preceding the date of filing, stating—

(a) The name, address, and amount of contribution of each contributor to the committee;

(b) The total amount of contributions from every source;

(c) The form of letter or petition used in soliciting contributions;

(d) The names and addresses of persons soliciting, in person or by mail, political contributions; and

(e) Detailed information as to all expenditures.

The committee is further authorized and directed to report to the Senate, as soon as practicable after investigation, (1) upon the advisability and probable cost of preparing for publication as a Senate document a compilation of the laws of the several States relating to corrupt practices in respect of the appointment or choosing of presidential electors and the election of United States Senators and Representatives in Congress, including primary elections and nominating conventions, and (2) upon the advisability of preparing a uniform State law in respect thereof, with a view to submitting such law to the several States for adoption.

Mr. WALSH of Massachusetts. I yield now to the Senator from Missouri.

Mr. SPENCER. I fully agree with the Senator from Massachusetts, both as to the desirability and as to the importance of some such consideration. But did not the Senator from Massachusetts refer to some bill that had been introduced by the Senator from Oklahoma?

Mr. WALSH of Massachusetts. Yes; the Senator from Oklahoma [Mr. OWEN] introduced a bill in January, which has been pending before the Senator's committee since that time. Otherwise I would have introduced a bill instead of offering a resolution. I thought that bill was very carefully drawn, and it seemed to me to meet all the requirements of a corrupt practices law.

Mr. SPENCER. That is the very point I was about to ask the Senator about. I read that bill with a great deal of interest, but neither the Senator from Oklahoma nor anybody else has ever even intimated to the committee that he wanted that bill considered. My impression is that that bill, immediately after its introduction, was referred to a subcommittee, who have had it ever since, doubtless waiting for the author of the bill to come before it, and it would be exceedingly helpful if the Senator from Massachusetts had the time for him to prepare such a bill, or, if he thinks the Owen bill answers the requirements, to let us know about that.

Mr. WALSH of Massachusetts. I do not think that on a matter of such importance as regulating the manner of conducting elections the Committee on Privileges and Elections ought to wait for the initial step to be taken by the Senator who introduced the bill. It seems to me that subject is of such importance that remedial legislation should be framed by the committee itself, especially in view of what the Senator's committee learned by reason of its investigation of the Newberry case, and by reason of the comments in the press of this country in regard to abuses in connection with the campaign contributions which appeared recently in testimony before one of the investigating committees, that campaign contributions after elections, of which no report was made, were made in large amounts by persons who later became beneficiaries of favors that the present administration was able to give them.

Mr. SPENCER. The initial difficulty in the way, I am free to say to the Senator from Massachusetts, is this, that the Committee on Privileges and Elections is now hearing the senatorial contest from Texas, which is taking all their time, and whether they will have any opportunity to frame a bill in the remaining days of this session, if the session shall conclude next month, I am free to say is somewhat doubtful.

Mr. WALSH of Massachusetts. Does not the Senator think that it is a very bad spectacle for the Senate to go before the country in the national election that is approaching without any satisfactory law affecting the election of United States Senators or other Federal officials?

Mr. SPENCER. I quite agree with the Senator that the matter ought to have consideration, and that there should be some law, and that is the reason I hope perhaps his mind is so clear upon the subject that he might put his thought in the form of proposed legislation.

Mr. WALSH of Massachusetts. I shall be very glad to do that; but, in my opinion, the Owen bill with some amendments is a very good bill.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Arkansas?

Mr. WALSH of Massachusetts. I yield to the Senator.

Mr. ROBINSON. I wanted to inquire whether the bill of the Senator from Oklahoma provided for periodical reports?

Mr. WALSH of Massachusetts. As I recall, it does not; but in the resolution which I introduced in April I suggested that the committee report a bill which would require periodical reports.

Mr. ROBINSON. The problem of preparing an effective corrupt practices act grows out of the ease with which such statutes are evaded. Usually they require a report prior to and immediately subsequent to an election, and by waiting until after the expiration of the time fixed in the statute to make the contribution a violation is avoided, and publicity is also avoided.

Mr. SPENCER. What does the Senator mean by "periodical reports"?

Mr. WALSH of Massachusetts. Between elections.

Mr. ROBINSON. I mean reports between elections.

Mr. SPENCER. By campaign committees?

Mr. ROBINSON. I mean that a committee considering such a resolution as that the Senator from Massachusetts has just offered might report a bill requiring the campaign committees to make periodical reports. I suppose the Senator knows what I mean by periodical reports?

Mr. SPENCER. I understand what that expression means; but I did not know who was to make the report.

Mr. ROBINSON. Weekly, or monthly, or every quarter. Of course, there still remains the probability of evasion. The same is true of limitations on amounts that may be contributed. We may provide in the statute that no one shall contribute more than $100 to a campaign fund, and that is evaded by some wealthy contributor simply handing out $100 to 100 different persons, and of having the contribution actually made by some one else. I do not know how that could be reached; but I am wondering why the Senate can not take up the bill referred to by the Senator from Massachusetts and consider it, either now or at an early date.

Mr. WALSH of Massachusetts. Since the Senator from Missouri addressed me a moment ago, my attention has been called to the fact that the Mayfield case is being heard by a subcommittee of the Committee on Privileges and Elections. Why could not a subcommittee be appointed to consider this resolution?

Mr. SPENCER. There has been a subcommittee in existence, as I remember it, since the bill of the Senator from Oklahoma was introduced considering it.

Mr. WALSH of Massachusetts. Who is on the subcommittee?

Mr. SPENCER. I think the senior Senator from New York [Mr. WADSWORTH] is the chairman of that subcommittee; but I do not want to trust entirely to my memory in the matter. It was brought up before the full committee at once on being introduced, and my recollection is that one of the questions that was raised at the time was that the bill of the Senator from Oklahoma covered contributions in regard to primary elections; and of course the Senator will realize the difficulty that might arise out of that, in view of the decision of the Supreme Court in regard to our power to legislate in regard to primary elections.

Mr. WALSH of Massachusetts. I think it will be a matter of serious criticism, and properly so, in the campaign if Congress adjourns finally without any attempt made to pass some Federal law regulating campaign contributions.

Mr. ROBINSON. Perhaps it would be just as well to deal with the regulation of the general elections, and not attempt to control expenditures in the primaries at present.

Mr. SPENCER. That is one of the reasons why the committee referred the matter to a subcommittee.

Mr. ROBINSON. In view of the decision of the Supreme Court and difficulties that grow out of it.

Mr. WALSH of Massachusetts. I ask that an editorial in the Baltimore Sun on this subject be printed in connection with my remarks.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun of May 15, 1924]

WHAT ABOUT IT, MR. PRESIDENT?

President Coolidge is fast becoming a man of poignant political sorrows. On the same day that the New England Republican Senators, save GREENE, of Vermont, who is ill, deserted him in a body in the fight over his veto of the Bursum pension grab, he was sorely wounded in Boston—in Boston itself, of all places in the world. For it was publicly revealed there that the devotees and beneficiaries of high protection are gathering a "bar'l" for Mr. Coolidge's campaign with a disregard of political morality so absolute and unashamed as to have won them high place in Republican affairs in the time when Aldrich, Hanna, and Quay were supreme.

There is a law in Massachusetts which limits the sums that may be contributed by one donor to campaign funds. George F. Elliott, one of the heads of a manufacturing concern and an official of the Massachusetts Coolidge finance committee, who is directly charged with raising funds from pipe fittings and allied material groups, thinks that law is nothing as between men who wish four years more of Coolidge and the Fordney-McCumber tariff law. So Mr. Elliott writes to prospective donors and explains that there is no limit to the amounts that may be given, the law to the contrary notwithstanding. Says he:

"Large contributions will be so divided as to give full observance to the requirements of the statutes."

That for the law when it gets in the way of campaign funds for Coolidge and the tariff wall. Now, as to political morality, Louis K. Liggett is chairman of the finance committee, a subdivision of which Mr. Elliott represented when he wrote that message. When the message becomes known it is necessary for Mr. Liggett, as the superior of Mr. Elliott in the committee's work, to approve or disapprove the action of his enthusiastic subordinate. He hesitates not a moment. With the statement public before all eyes that Mr. Elliott had proposed evasion of the law, Mr. Liggett gives his complete indorsement. More, he boldly maintains the evasion of the law is within the law. He says:

"I take full responsibility for Mr. Elliott's letter. Before that letter was mailed I showed it to a lawyer, who said it was within the law."

It is superfluous to argue the merits of the question that is projected by Mr. Elliott and Mr. Liggett. The facts speak for themselves. These men not only seek brazenly to evade the law, but they convey a suggestion of deliberate connivance to prospective donors that raises the whole panorama of bargaining between big politics and big business, in which governmental favors are one article of exchange and campaign contributions are another. That kind of bargaining is an old and familiar story, and as infamous as it is old and familiar. We have had glimpses of it for years. One of the latest glimpses was given in the oil investigation when the political contributions of Sinclair and Doheny were uncovered.

But while it is superfluous to argue the merits of the question projected so shamelessly by these two back-home champions of the President, it is not superfluous to ask what the President is going to do about it. If Mr. Liggett indorses whole-heartedly Mr. Elliott, does the President indorse whole-heartedly Mr. Liggett? This is not some campaign occurrence far away from the President's notice. It is an indecency that has been exposed in his own most intimate political household. The purse bearer for the President in the President's own home has said publicly that he will evade the law, and that he will evade it after consultation with a lawyer who has told him that the evasion will be within the law. This purse bearer of the President in the President's own home has put himself on the moral level of the smarter denizens of the underworld who use a certain class of lawyers preventively, rather than curatively. Will the President give that approval even the tacit approval of silence, or will he condemn it unsparingly?

Early in April Senator BORAH raised the question of how to control campaign contributions. On April 11 the President saw the Washington correspondents in one of his regular interviews with them, and the same day a dispatch was sent to the Sun in which this appeared:

"The White House has let it be known that the Executive agrees with Senator BORAH and others that great sums of money should not be accepted by party committees from selfish interests, and that neither great nor small sums should be accepted from men who expect a financial return from their investment."

In the case that has come to light in Massachusetts a concrete drive is being made in a specific industrial group for contributions larger than the law permits. Will the President be as moral in this concrete case as he was in his abstract meditations before the Washington reporters?

Mr. SPENCER. Mr. President, may I say, in addition, that we do not have any provision of law regulating an election contest in regard to a Senator of the United States. The law upon the statute books was enacted when Senators were elected by the legislatures, and therefore applied only to the members of the House. Now that Senators are elected by popular vote, the necessity of some provision of law regulating generally election contests is, of course, most important. The Committee on Privileges and Elections have practically agreed on such a law, and it will come before the Senate, I hope, in the next few days. It would obviate thousands of dollars of expense in the present Texas senatorial contest, because, there being no law covering the case, we have to do with the counting of the ballots, and have already expended over $35,000 in that contest alone, all of which is cured for in the law regulating contested elections of Members of the House, because when there are ballots to be counted, they are counted at the seat where the ballots are cast, by the contestant and contestee, under provisions of law. We having no such law, we bring the ballots here and count them ourselves.

Mr. ROBINSON. From press reports I have read lately I suppose the committee also labors under the embarrassment of having no rules of evidence applicable in the consideration and determination of such cases.

Mr. SPENCER. That is quite true.

Mr. ROBINSON. I suppose in all such cases, and probably in the case to which the Senator has referred, the committee has found many offers of evidence that proved to be wholly irrelevant and immaterial.

Mr. SPENCER. We may expect that. I do not think we have as yet had such, but we expect it.

Mr. ROBINSON. May I ask the Senator from Missouri whether he or his committee have given consideration to the adoption of a resolution or some other measure which will fix as applicable to such cases the rules of evidence applied in civil cases in United States courts?

Mr. SPENCER. Not directly, but indirectly. Much of the testimony which we are now considering would, under the bill providing for contested elections, if it became a law, never come before the Senate. All this testimony would be taken as it is in the case of the House of Representatives; merely the result of it would come to the Senate for their consideration. To that extent the character of the evidence and the amount of it would be cared for, but the committee has not considered any rules of evidence in connection with election contests.

Mr. LODGE. Mr. President, I do not propose to enter on a general discussion of election laws at this late hour. I only rise because the letter which my colleague has asked to have inserted in the RECORD refers to my own State, and to the capital city of the State, and is written by the mayor of the city.

The election laws of Massachusetts, I am sure my colleague will bear me out in saying, are very elaborate and very thorough, so elaborate and so thorough that I think some people fail to understand them occasionally; but they are very elaborate, and they put on the restrictions to which my colleague referred.

I should like to see the election laws of the United States, of which I think there is more than one, formulated and put in proper form, and also very much improved, as they can be; and I think that ought to be done now, when an election is coming on. The stronger we make them the better I shall like them. We can not make them too strong.

This is a letter from the mayor of Boston. It consists chiefly of a very violent and personal attack upon the coming chairman of the Republican National Committee, Mr. Butler, and on the President of the United States, who are not involved in this at all in any way. The text is taken from a circular sent out by a man named Elliott, whom I do not know, but who I think is an officer of the Walworth Manufacturing Co., a large manufacturing company.

It is in response to a personal call that was issued by two gentlemen well known to me, Mr. White and Mr. Liggett, to raise a fund for the coming presidential campaign. There is nothing secret about it. It is the kind of fund that is always raised, and it is perfectly legitimate to raise it. It all turns on the statement in a circular letter that Mr. Elliott sent out acting for the branch covering this one trade. He says:

There is no limit to the amount an individual may give the committee. Large contributions will be so divided as to give full observance to the requirements of the statute.

I have not had an opportunity to examine thoroughly or, indeed, really at all, the statutes of the State, but I am very sure that the limitation of $1,000 applies to all gifts to any political committee.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. ROBINSON. That would seem to relate to the matter that I discussed a moment ago in connection with the statement of the junior Senator from Massachusetts as to the practice of evading limitations on the amount of contributions that may be made by an individual or corporation by dividing them up and having the contributions actually come in the name of several individuals or corporations.

Mr. LODGE. There are all sorts of ways of evading those provisions of the law.

Mr. ROBINSON. It seems to me that a fair construction of the language the Senator has read indicates a purpose on the part of the writer to invite evasions of the Massachusetts statute. That is the point I wanted to bring to the attention of the Senator from Massachusetts. The natural import of the language which the writer employs is that the statute limiting contributions is easily evaded by splitting up large contributions and submitting them in the names of several persons.

Mr. LODGE. I do not know what method he proposes, but there are methods of giving a great deal more than a thousand dollars.

Mr. SWANSON. Will the Senator read that statement again? It seems to me he said he would do it.

Mr. LODGE. He said that "large contributions will be so divided as to give full observance to the requirements of the statute."

Mr. SWANSON. As I understand from that language, it means that if a large contribution comes in the law will be evaded because he himself will divide it up.

Mr. LODGE. That is the possible inference, but I do not think he is so stupid as that. That inference may be drawn, but I do not believe that is intended. That would require an almost superhuman stupidity.

Mr. ROBINSON. What is the construction that the Senator himself places on it?

Mr. LODGE. It never occurred to me that he was going to divide it himself.

Mr. ROBINSON. That is what he said.

Mr. LODGE. No; he said that "large contributions will be so divided."

Mr. ROBINSON. What does it mean if it does not mean that?

Mr. LODGE. I should think it means they would be divided by his committee.

Mr. ROBINSON. What does it mean if it does not mean that in order to evade a provision of the statute which limits the contribution, if one makes a contribution in excess of the limitation it will be divided up so there will be no apparent violation of the statute? I say that is a willful evasion of the statute if it means what the language seems to imply.

Mr. LODGE. I think it does not mean to imply it.

Mr. SWANSON. He gives assurance that it will be divided.

Mr. LODGE. That may be the inference. There are many other ways in which it can be done.

Mr. SWANSON. But he says it will be divided.

Mr. LODGE. But it does not follow that he will divide it with his own hand.

Mr. SWANSON. In other words, he will let his committee do what he will not do himself.

Mr. LODGE. Not necessarily. The money may come in to him in small contributions. The Senator is more familiar with those matters than I am.

Mr. SWANSON. Oh, no. This is in Massachusetts.

Mr. LODGE. The Senator's general information surpasses mine on that question.

Mr. SWANSON. I want to get the Massachusetts method. It seems to me to be a very expert method.

Mr. LODGE. However, I did not start in to discuss the law. I admit that there ought to be, as my colleague suggested, a complete revision of the Federal law. I did want to make a protest against the language used in regard to men in high position and of unblemished character against whom there is not one scintilla of evidence to show that they have anything to do with it. This is a perfectly independent committee. My colleague knows both of the men, Mr. White and Mr. Liggett, who signed the circular.

Mr. WALSH of Massachusetts. I know they are very good Republicans.

Mr. LODGE. Oh, yes; they are Republicans undoubtedly. There is no question about that.

Mr. WALSH of Massachusetts. And incidentally good citizens.

Mr. LODGE. I do not know Mr. Elliott, who signed the circular, and who is evidently connected with the Walworth Co., but there is not a scintilla of evidence against either of the other men.

Mr. WALSH of Montana. I have another letter from Mayor Curley to which was attached what purported to be copies of similar appeals being sent out by other industrial groups.

Mr. LODGE. I think those letters were sent out by Mr. Liggett and his committee, which is the committee that is doing all the work, to all the trades and industries in Boston. I take it from his letter that that is what has been done.

Mr. WALSH of Montana. I had an idea that the letters, copies of which I received, were letters which were sent out by the various trades to the corporations and companies pursuing that trade.

Mr. WALSH of Massachusetts. I think that is true, but my colleague has not seen those letters. There are subsequent letters which the mayor sent to the Senator from Montana and myself.

Mr. LODGE. I got the impression from the Liggett letter that they have this voluntary committee. These men hold no party position, but they constitute a voluntary committee to raise money for the presidential campaign. The money is being raised by a very common method of obtaining subscriptions of any kind, by one man taking a specific trade and going through that trade and collecting money from the members of that trade.

Mr. WALSH of Montana. That is the impression I got, and that from some central authority form letters were being sent to the various trades to send to their members.

Mr. WALSH of Massachusetts. The Senator has stated the facts as I understand them.

Mr. LODGE. This is being sent out as a circular letter in the name of the Calvin Coolidge Finance Committee, which has been formed with Mr. Louis K. Liggett as chairman. Mr. Liggett's name is well known. He is the head of the great organization bearing his name. He is a very able and energetic man, of high standing in a business way. Mr. White, whom I have known for many years, holds an important office at the statehouse.

Mr. WALSH of Massachusetts. He was chairman of the commission on economy and efficiency.

Mr. COPELAND. Mr. President, will the Senator yield for a question?

Mr. LODGE. Certainly.

Mr. COPELAND. What is the purpose of raising this enormous sum of money?

Mr. LODGE. I am sorry the Senator from New York is so innocent as that. They are very apt to raise funds in a campaign. I have known them to be raised even in New York for the ordinary and legitimate expenses of a campaign. The expenses are stated in one of the letters as follows:

The money goes first to the national Coolidge preconvention fund for maintaining Calvin Coolidge headquarters and organization work; secondly, to pay a proportion of national committee expenses; thirdly, to maintain the Massachusetts State committee's active work of registration and Americanization through all our districts and to carry on an active campaign for all Federal and State officers as soon as the nominations are over.

All, I believe, legitimate election expenses.

Those are the usual purposes. What I wish to say and all I desire to say is that the language of the mayor in regard to Mr. Butler, and still more in regard to the President, is violent and abusive and wholly unjustifiable. They have no connection, either of them, with this committee that I am aware of, and none appears.

Mr. WALSH of Massachusetts. I think my colleague will agree that the mayor usually speaks forcibly and without fear.

Mr. LODGE. He does. Of course, he is a man who, as my colleague knows, has been twice mayor of Boston and would be extremely sensitive about the expenditure of money for political purposes. But there was no need of giving rein to his feelings in that violent manner.

Mr. WALSH of Massachusetts. He has an added interest in having the corrupt practices act obeyed, as he is likely to be the candidate of his party for governor. Therefore he would naturally want to limit the amount of money his opponent could raise illegally and improperly to help defeat him and the other candidates of his party.

Mr. LODGE. Certainly. He is a candidate for governor; that is true. I do not know whether this letter has been printed in the RECORD. I hope it has not.

I wish to say about Mr. Butler that I have known him for a great many years. As a young man he was in the State legislature, and more than 30 years ago was president of the State senate. Then he went out of politics entirely. He has not been in active politics at all since. He has taken no more interest than any man ought to take who tries to do his duty to his party and to his State and country. He was an able lawyer and held a high position at the bar. He then was drawn into manufacturing owing to the growth of the cotton industry in the city of New Bedford, where there has been a very great growth of textile industries. He was a very warm personal friend of former Senator Crane, and he has been a personal friend of Governor Coolidge. He is a man of high character and perfectly incapable of doing anything dishonest or that would break the law. He certainly never would think of having anything done that could by any possibility be distorted into a breach of the law. He is a man of property and a business man entirely. On the withdrawal of former Senators Weeks from the national committee he was elected in his place, and has been a member of the national committee for less than a year, which is the only political office I have known of his holding for 30 years. He is a man who deserves and has the respect of everyone who knows him, both at the bar and in business.

As to what is said about the President——

Mr. SWANSON. Will the Senator permit me, before he leaves Mr. Butler, to make an observation? He has given some very interesting information, but with reference to the vital question he has given no information as yet. Has he disapproved of the circular letter and stated that he would not receive any contributions in excess of $1,000? That seems to be the vital point.

Mr. LODGE. I do not think that it is the vital point at all. He has nothing to do with receiving money.

Mr. SWANSON. He is chairman of the committee.

Mr. LODGE. He is not chairman of the committee.

Mr. SWANSON. He will be chairman of the national committee.

Mr. LODGE. He will not raise any money improperly, and the Senator can rest assured of that.

Mr. SWANSON. Has he expressly disapproved of the letter?

Mr. LODGE. Of course he has nothing to do with it whatever. He has no more to do with it than I have.

Mr. SWANSON. The Senator expresses disapproval of it, does he not?

Mr. LODGE. Certainly, if it is a breach of the law of Massachusetts, as I am afraid it is.

Mr. WALSH of Montana. I should like to inquire of the Senator if he has any information as to who the party is that is responsible for that letter?

Mr. LODGE. I do not know him personally. The letter is from the Walworth Manufacturing Co., which is a very large and long-established company, and is signed by Mr. Elliott as chairman of the "Pipe Fittings and Allied Material Group."

Mr. WALSH of Montana. They solicit those engaged in that business, but I call the attention of the Senator to the fact that it seems likely these form letters were sent out to the different trades and lines of business from some central authority. What I want to know from the Senator, if he can tell us, is who the central authority is with which the idea originated?

Mr. LODGE. This is a voluntary committee; it is not a part of the State committee of Massachusetts at all, and has nothing to do with it.

Mr. WALSH of Montana. Are we to understand that Mr. Liggett is the head of the committee from which the communication emanates?

Mr. LODGE. It is a voluntary committee; but it is a political committee, and under our law it is obliged to make returns.

Mr. ROBINSON. It must have some head. It would not just form itself without suggestion from somebody. What the Senator from Montana [Mr. WALSH] is trying to find out is who is responsible.

Mr. LODGE. I am afraid the Senator has not followed my remarks. I stated all that. The Massachusetts Calvin Coolidge Finance Committee has been formed with Mr. Louis K. Liggett as chairman. A moment ago I stated who he was, and I mentioned that the letter was signed by Mr. Thomas W. White, secretary of the committee, I believe, who is a well-known man in my State. He lives at Newton, which is the date mark on this communication.

Mr. WALSH of Montana. It would seem, then, that responsibility for it must be laid at the door of Mr. Liggett.

Mr. LODGE. The man who made the request about the funds, as I said, is Mr. G. F. Elliott, of the Walworth Co., who acts for the particular group of manufacturers from whom they are trying to raise money. As I said, I will not read what is said about the President; it is mere unworthy abuse without a shred of proof. I do not suppose the President knows that the committee exists. But the President needs no defense either here or in Massachusetts or in the country. His character and high public services are a complete answer to such wanton abuse. This, as I have said, is a voluntary committee and not one of the regular committees.

Mr. ROBINSON. Mr. President, can the Senator from Massachusetts give us any information as to the success of these efforts and the result?

Mr. LODGE. No; I have not the faintest idea as to that. I do not have anything to do with money, so far as politics is concerned, on either side. I occasionally hear about Democratic expenditures, but I hear very little of those of my own party.

Mr. WALSH of Massachusetts. I ask unanimous consent that the resolution be received and that it be referred to the Committee on Privileges and Elections.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent to submit the resolution which has been read. Is there objection? The Chair hears none, and the resolution will be received and referred to the Committee on Privileges and Elections.

Mr. WALSH of Massachusetts. Mr. President, I merely wish to add this thought. The real abuse in the raising of funds and the expenditure of money in campaigns is that there is no limit at all upon the amount that may be collected and expended by political committees. Individual candidates may be limited in some States, but not political committees. Some laws define for

what purposes money may be employed to promote a campaign—advertising, distributing circulars, printing, postage, and conveying voters back and forth from the polls; but almost unlimited amounts can be spent in advertising and in distributing circulars and in carrying voters to the polls. The only way to cure the evil of possible advantage to parties and candidates making large expenditures of money in our elections, in my opinion, is to limit the amount that may be so expended by political committees as well as by candidates.

Mr. ROBINSON. Mr. President, if the enterprise illustrated by this letter is State-wide, the indications are that very large sums of money will be raised as the result of this movement.

The senior Senator from Massachusetts [Mr. LODGE] made a very modest and, I will say, mild defense of that procedure, but he can not escape the natural effect of the language employed in those campaign letters soliciting contributions. It indicates a deliberate, organized purpose to evade the statutes of Massachusetts. The senior Senator from Massachusetts finally expressed the opinion somewhat hesitatingly, mildly, and in no sense censoriously, that the letter constitutes the indication of a purpose to violate the election laws of Massachusetts.

It is a very singular thing that an organization should be effected for the purpose of reaching out to the great business interests of the State of Massachusetts and of soliciting contributions from them at a time when there can be no legitimate occasion for the expenditure of large sums.

Mr. WALSH of Massachusetts, Mr. LODGE, and Mr. COPELAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Arkansas yield; and if so, to whom?

Mr. ROBINSON. I yield first to the junior Senator from Massachusetts.

Mr. WALSH of Massachusetts. I think a significant thing about the information conveyed by the mayor is that the industries are being grouped and a distinct campaign for funds from each particular industry is being made, showing that an enormous sum of money possibly may be raised.

Mr. ROBINSON. It is a systematic effort to reach all of the business interests of the State and to have them contribute. Now I yield to the senior Senator from Massachusetts.

Mr. LODGE. The Senator said I spoke mildly. I did not think it was worth while to storm about it. I have been sitting here and hearing these outbreaks of virtue about matters of this kind, but there is not a Member of the Senate who does not know that money is raised for campaigns in every State in the United States.

Mr. ROBINSON. Yes.

Mr. LODGE. If the Senator will allow me a moment more, I do not say it is raised improperly; I make no charge of that kind, but to sit here and to talk as if we did not know that money for legitimate purposes was raised in every State is ridiculous, and I am not going to storm about something as to the existence of which we are all aware.

Mr. ROBINSON. Mr. President, the righteous indignation of my good friend, the Senator from Massachusetts, is not justified. We all know that campaign contributions are solicited by political committees, and we all know that campaign contributions are made, but here in the home State of the Senator from Massachusetts persons affiliated with the political organization of which he is the head in the Senate of the United States adopt a procedure which enables them to solicit from all the organized industries of the State of Massachusetts campaign contributions, with the declaration that if they see fit to make large contributions the statute forbidding them will be evaded by the very simple process of dividing them up so as to make them appear to be in conformity to law when, in fact, they are in violation of the law.

Mr. LODGE. Mr. President——

Mr. ROBINSON. I yield to the Senator from Massachusetts.

Mr. LODGE. I was not defending violations of law; I am as much opposed to such violations as is the Senator.

Mr. ROBINSON. The significance of this——

Mr. LODGE. If the Senator will allow me, I should like to say——

Mr. ROBINSON. Just a moment. The significance of this subject and of this discussion is that in the Senator's State persons affiliated with the political organizations to which he belongs are conducting a comprehensive campaign for the express purpose of procuring contributions in violation of the law of the State that binds the Senator from Massachusetts and that binds those who are seeking the contributions, and they are raising money that will be expended not only in Massachusetts but in influencing and controlling the elections in other States.

Mr. LODGE. Undoubtedly, Mr. President, and if there is any illegality there it ought to be punished; but as to money being spent in other States, I think I am putting it moderately when I say that nine-tenths of the money expended on behalf of the party of the Senator from Arkansas, as well as for mine, is raised in the city of New York.

Mr. ROBINSON. Mr. President, I seem to be unable to bring to the comprehension of the senior Senator from Massachusetts the relevancy of this matter. Here is an organization which calls itself the Calvin Coolidge Finance Committee sending letters to business men in Massachusetts asking them to contribute liberally to campaign purposes and telling them, in effect, that if they make large contributions they need not fear prosecution for violation of the law, because the committee will arbitrarily divide the contributions so that no violation will appear.

Mr. President, it is not relevant for the Senator to answer, as he has attempted to do, that contributions made in New York are expended in various States of the United States.

Mr. LODGE. No; but if the Senator will allow me——

Mr. ROBINSON. The point of this discussion is that the Republicans in Massachusetts are deliberately violating, at this early stage in the campaign, the election laws of Massachusetts, and the Senator from Massachusetts does not seem to feel any very great indignation about it.

Mr. LODGE. I understand that perfectly. If the Senator will allow me——

Mr. ROBINSON. He has not even made up his mind yet whether the language employed by the political committee constitutes an expression of purpose to violate the law.

Mr. LODGE. The only reason I referred to other States was because the Senator berated me because this money was to go into other States.

Mr. ROBINSON. The Senator is mistaken; I have not berated him; I could not do so.

Mr. LODGE. That is not illegal; it is not illegal to raise the money by groups, but it is illegal, under the laws of Massachusetts, to raise money in subscriptions of more than a thousand dollars each, as it proposes in the communication, if it is correctly copied.

Mr. SWANSON. Mr. President, will the Senator permit me to read something that has not been read?

Mr. ROBINSON. With pleasure.

Mr. SWANSON. First, I read the following statement:

There is no limit to the amount any individual may give to this committee.

Mr. LODGE. I have already read that.

Mr. SWANSON. That is in violation of the law.

Then, there is another statement which I will read.

A member of our committee will call to see you within the next few days to accept your contribution to the Calvin Coolidge campaign fund. Five hundred thousand dollars was raised in Massachusetts for the Harding campaign, and there are many reasons why we should raise more for Calvin Coolidge.

Mr. ROBINSON. Mr. President, that has an added significance when it is remembered that there was not an iota of opposition to Mr. Coolidge in Massachusetts. There could not have been any justification for raising locally a fund in Massachusetts to secure the indorsement of the President. The object of it manifestly was to secure an enormous fund for the purpose of influencing the election.

Mr. HEFLIN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Alabama?

Mr. ROBINSON. I have concluded all I wish to say.

Mr. HEFLIN. Mr. President, right in line with what the Senator from Virginia read, I wish to state that the Republican Party is seeking to do in this instance just what it did in 1920. The Republican Party relies on money, money, money, all the time. In a bulletin issued by that party in 1920, it is stated:

Harding and Coolidge have the confidence of the people, but, boys, get the money.

That is from an official bulletin issued by the treasurer's office of the Republican National Committee.

Mr. President, this matter ought to be gone into very thoroughly, because an effort is going to be made to buy the approaching election. There is not any doubt of that. The men who made millions of dollars out of the Government in time of war are going to contribute largely to the Republican cam-

be the vital point.

some States, but not political committees. Some laws define for

paign fund. The profiteers, those to whom Mr. Mellon has refunded $300,000,000, are going to give to the Republican campaign fund, and those who have opposed so bitterly adjusted compensation for the ex-service men are going to contribute largely to the Republican campaign fund, and they are going out now and starting thus early to raise an enormous fund to help control the election and to purchase the electorate where it may be done. There is not any doubt about that. The Senate ought to do something, as well as the House, to prevent the corrupt use of money in a campaign. The very life of the Nation is at stake, and it is high time that the people were waking up to what is going on.

We have seen enough here to convince us that the Republican Party do not intend to appeal to the sober judgment of the American people, but they intend to use money—enormous sums of money—to control the election in 1924, and we owe it to the people we represent here and to the people who shall come after us to see that the money bags of America do not control the election of 1924, flaunting at the head of their list, "The Calvin Coolidge Campaign Finance Committee," and telling the people that "You can contribute, through us, all that you want to contribute. There is no limit to it. This is the way to evade the law. We want the money." It is in keeping with the conduct of that party in 1920, when Governor Cox charged, and charged truthfully, that they raised the biggest campaign fund ever raised in the history of the Government.

I want to say this before I sit down: The Senator from Massachusetts is mistaken so far as the Democratic Party is concerned when he says that nine-tenths of its campaign funds are raised in New York. That is true of the Republican Party, it may be, but not true of the Democratic Party. Over half the funds raised by the Democratic Party come from subscriptions throughout the country, from $1 to $2.50 and $5 and $10, some $25 and some $50, rarely over $100. That is the way the Democratic Party gets its money—from the rank and file of the party who believe in that party. It does not take much money for the Democrats, because we have so much right and principle and justice on our side that we do not have to have so much money.

I want this election determined as free as possible from the use of money. We must do something to protect the interests of the United States.

CONDITION OF RAILROAD EQUIPMENT

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Interstate Commerce Commission, which was read and, with the accompanying report, referred to the Committee on Interstate Commerce:

INTERSTATE COMMERCE COMMISSION,
Washington, May 17, 1924.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES.

SIR: In compliance with the provisions of Senate Resolution 438, dated February 26, 1923, the Interstate Commerce Commission has the honor to transmit herewith a report for the month of April, 1924, showing the condition of railroad equipment and the related information indicated in the resolution in so far as such information is available.

Respectfully submitted.

H. C. HALL, *Chairman.*

INSTALLATION OF RADIO DEVICES IN SENATE CHAMBER

The PRESIDENT pro tempore laid before the Senate the following communication from the Secretary of War, which was read and ordered to lie on the table:

WAR DEPARTMENT,
Washington, May 17, 1924.

The PRESIDENT PRO TEMPORE,
United States Senate.

SIR: The receipt is acknowledged of the communication dated May 3, 1924, of the Secretary of the United States Senate transmitting Senate Resolution 197, Sixty-eighth Congress, first session, passed April 24 (calendar day, May 2), 1924, requesting the Secretary of War and the Secretary of the Navy to cooperate in the appointment of a joint commission of radio experts to investigate and report to the Senate upon the problems relative to the installation and maintenance of certain electrical transmission and receiving apparatus and radio equipment for broadcasting the proceedings of the Senate throughout the country.

In reply I am pleased to advise you that I have designated Maj. Joseph O. Mauborgne, Signal Corps, on the part of the War Department. Major Mauborgne will cooperate with the representative of the Navy Department in investigating and reporting to you the estimated cost of installation, maintenance, and operation of the proposed systems suggested in paragraphs 1 and 2 of the Senate resolution referred to.

Sincerely yours,

JOHN W. WEEKS,
Secretary of War.

RECESS

Mr. EDGE. Mr. President, the Senate has made such wonderful progress to-day in disposing of the unfinished business that I think it is hardly necessary to ask the Senate to remain in session this evening; but I do want to give notice, seriously, that I shall ask the Senate to remain in session Friday evening if it is impossible to dispose of the bill during the day sessions to-morrow and Friday.

I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Thursday, May 22, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *May 21, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

How great and marvelous are Thy works, O Lord, and how bountiful is Thy mercy. Give us this day the token of Thy presence. So conscious are we of our limitations that we wonder how Thou canst love us so and care for us so tenderly. Surely Thou hast planned for us a great destiny and in the ages to come we shall know and understand Thy amazing redemption. In the meantime enable us to go forward from strength to strength with an abiding faith in God as our Father and in Jesus Christ as our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

TAXATION

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a resolution introduced by me some days ago.

Mr. LONGWORTH. Reserving the right to object, is it the gentleman's own remarks?

Mr. ROMJUE. It is.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ROMJUE. Mr. Speaker and gentlemen of the House of Representatives, the question of taxation is always an important one, and in fact it is usually one of the most important public questions our people are required to deal with. I hope the time may come when it may be the habit of mankind to consider all public questions thoughtfully, and free from prejudice and passion, and that the human mind may take its course and reach its final decision on any public matter, unfettered by any false premise and guided only with a purpose to be right and just, as the light and information is given to us on any matter of public concern. Therefore it is, in my judgment, necessary in the solution or proper adjustment of any question of public welfare to get at the tap root of the question if we are to intelligently understand it.

If no wrong exists, no remedy is needed. If any wrong or injustice or inequality exists, it should be balanced and a remedy sought out and applied, and even when sought out and applied we must still know that perfection or exact equality is not one of the ministrations of humanity, but surely it should be the common purpose to approach as closely as possible to a state and condition of exact justice and equality for all, within the promised protection of our Government, whether National, State, or local.

Sometimes confusion exists as to taxes and taxation, because many are apt to think of the subject as a whole and do not stop and take time to separate and classify the different kinds of taxes and the sources from which they come and the purposes to which they are devoted. These are all vital matters, and in order to have a more interesting and intelligent view of the theory and practice pertaining to taxes and taxation we should at least direct our attention to the fact that there are different kinds of taxes.

First, there are national taxes.

Second, there are State taxes.

Third, there are the more local taxes, such as—

(a) County and municipal taxes.

(b) School taxes.

I think we have a more interesting view of the taxation question when we realize that national taxes are separate and distinct from our State or other local taxes and that the national taxes are levied alone by our national law.

they are raising money that will be expended not only in

will are going to contribute largely to the Republican cam-

These national taxes may be and are of different kinds and character.

First, there is the national revenue law, which involves and includes the income-tax feature as one of its principal items.

Most everyone understands and knows of the existence of the national income law.

Then, secondly, there is another national tax, or that which amounts to it, which is much more deceptive and misleading to the public.

THAT IS WHAT IS KNOWN AS THE TARIFF

The present tariff law as a species of taxation forces a large number of people to pay tribute to the few, or by it the great mass of our people are paying tribute to the class, and the high-tariff law or tax is imposed for the benefit of a few special industries, and this law or tariff tax ought to be repealed, and, in my opinion, will be repealed or modified when the management of the Government is intrusted to those who oppose the high protective tariff law or tax.

This law is deceptive and injurious, particularly to the farmer of our country, and at this particular time of depression and low prices weighs heavily upon him. When he buys the manufactured article he frequently uses on the farm in the price paid he contributes or pays part of it, as the tariff law demands, but the tariff he pays being included in the purchase price paid, the purchaser or farmer does not always think of it as a tax yet it is exactly that, and he pays it.

Now, for a moment let us look at the income tax. Of course, everyone knows that the income-tax feature of our national law provides a tax upon the incomes of persons above a certain amount of income. For instance, you are not required to pay any national income tax at all unless you have made at least a certain sum during the year. That is in case you are a married man, no national income tax is assessable against you unless your income was over $2,500 during the year, and the higher your income goes above $2,500 per year the higher goes the tax in grades.

There is a certain exemption of a small amount of this sum from taxation for dependents, such, for instance, as a child or children of the taxpayer. In case the taxpayer is not married the national income tax is not collected from him on any sum until his profits exceed $1,000 per year, then the tax is to be paid, and the higher his income goes above that amount the greater is the tax by grades. It is no longer disputed that a fairly framed income tax is a just method of taxation. The more wealth made or accumulated, the greater the ability and obligation to pay taxes for the legitimate support of the Government and its institutions.

For a moment, now, let us turn our attention to the matter of taxation, which is levied by the local or State government. Each State levies taxes which are separate and distinct from the national income tax and the national tariff tax. For instance, take the State of Missouri, in which I live. The State government in Missouri levies a tax upon all farm land in the State. No part of this tax collected from the tax on farm land goes to the Federal Government; none whatever; but the tax on the farm lands of the people of the State of Missouri goes to the State, county, and local governments for State and local purposes. No part of the tax on the farmers' land can be used to pay the national public debt; in other words, the bonds issued by the National Government to defray the expenses of the recent World War can not be paid by taxes on the farm lands of various States under the present existing laws; no part of such taxes can be used to pay the expenses incurred by the late or any other war of our country under existing laws.

In order to maintain the State government, of course, it is necessary to impose and collect some tax, but the amount of tax levied and assessed and collected should never be excessive, and should at all times be limited to the reasonable necessities of the time, and the necessity to collect and the ability to pay any tax should be given most thoughtful consideration when any such tax is imposed or levied. The levy, assessment, and collection of taxes on the farm lands, for instance, in Missouri are all matters of State administration, and the amount of these taxes are to be determined by the State and local authorities. For instance, in Missouri within the last three and one-half years taxes, especially on the farm lands, have been greatly increased, while the State rate has been cut from 15 to 7 cents, which is about one-half of the old rate, yet at the same time the present State administration in Missouri has increased the valuation for taxation purposes on the farm land, and in many instances three times as high and sometimes even more than that, as was the valuation for taxation purposes when the State rate was 15 cents. In other words, there are at least two important factors in determining the amount of tax paid on the farm lands in Missouri—first, the rate; and, secondly, the valuation. As stated before, the rate has been cut within the last three and one-half years almost in the middle; in other words, the rate has come down about one-half, but at the same time the valuation placed upon the farm lands for taxation purposes has been advanced or fixed by the present State administration approximately three times as high as the original valuation under the old rate and often even higher than that.

This, of course, makes the taxation on farm lands considerably more than they were prior to the present State administration. Moreover, the valuation for taxation purposes made on the farm lands of Missouri by the present State administration were fixed at a time when the actual value of the land was higher than at the present time; in other words, a valuation was employed at a time when there was a general upward swing of land values, and when they were really at their peak, not only in Missouri but all over the United States. Since that time everybody knows that farm land values have depreciated, not only in Missouri, but elsewhere in the United States, occasioned in large part by the low and depressed prices of the farmers' products during the past three years.

Now, with the present low prices of the farm products which have fallen to the farmer in the last three years, and with an advanced and increased tax which is imposed upon his land, he finds himself under a considerable burden. Now, if any class of citizens are in a very prosperous condition financially, the expense burden they have to meet is not so injurious as is the case where the prosperity is not existent.

On April 8, 1924, I introduced the following joint resolution, which is as follows:

Joint resolution providing for the calling of a conference of the governors of the various States for the purpose of furnishing relief to the masses of the taxpayers of the country, and particularly to furnish relief by lessening the burdens of taxation to a more reasonable status on the agricultural lands of the various States

Whereas in many States in the United States the prices of agricultural products have suffered a depression during the past two or three years and the prices of such products still remain in many respects at a figure unprofitable to the producer of such farm products; and

Whereas some of the separate States of the United States have imposed excessive and burdensome taxes on farm lands and agricultural interests of such respective States to such an extent that said land taxes imposed by said States have become oppressive and unreasonably and unnecessarily burdensome to the landowners; and

Whereas said State and county taxes ought to be regulated and altered so as to become less burdensome to the agricultural sections of the various States of the United States: Therefore, for the good of the state of the Union, be it

Resolved, etc., That the President of the United States call a conference of the governors of the various and several States of the United States for the purpose of advising and conferring with said governors, with the object in view of having the governors of said various States take the proper procedure necessary for the reduction of the State and county taxes on the farm lands and agricultural interests of the various States.

Resolved further, That, in view of the gravity of the situation, the President shall call said conference as speedily and early as is possible compatible with the general public interests.

Resolved further, That on and at the assembling of said conference any tax-paying citizen or group of citizens who are burdened by the excessive local State and county taxes on their land or agricultural interests have the right to and are requested to appear at said conference and be given an opportunity of expressing their views and relating to the various governors and the President all the facts pertaining to the unreasonable taxes, State and county, now existing on the farm lands and agricultural interests of the country.

Now, relief ought to be given by a reduction of the taxes on farm lands in the State of Missouri, and any other State where the farmers are similarly situated; and a conference along the lines suggested in the resolution ought to be called before the election, instead of afterwards, for the reason that there is considerable distress existing among the agricultural sections of our country, and any possible relief in any way at all legitimate ought to be given as early as possible. In the first place, the taxes never should have been increased on the farm lands in the State of Missouri, especially under the existing conditions of the last few years; but now that they have been increased as stated heretofore, a reduction ought to follow under the existing conditions, and the farmer ought to have the benefit of that reduction this year; and if a conference of this kind as suggested in the resolution is postponed until November, or

afterwards, there will not be time to give the relief to the farmers at their next tax-paying date, and, as said before, the reduction ought to come before the election.

Now, there has been considerable said and, in my opinion, a great deal of false impression created through the metropolitan press, or big newspapers of our country, regarding the tax problem. Much has been said about the Mellon tax plan. The truth is, that if the plan outlined in the above resolution calling for a reduction of the taxes on the farm land is carried out and made effective, and that before the election and not afterwards, it will bring some measure of relief to five hundred times more farmers than would the original Mellon plan. Now, if it is the policy to relieve, where relief is needed, then any administration in charge of governmental affairs ought to pursue the course that will bring the greatest needed relief. While we are discussing the tax question and the resolution above referred to, I desire to say that the proposed Mellon plan as it was originally offered would have meant a benefit to only 106 people in the State of Missouri among all income-tax payers of that State, whereas under what is known as the "Democratic, or Garner-Simmons tax plan," which was the tax bill finally passed and which is now a law, 172,413 income-tax payers of the State of Missouri will be benefited. In other words, the original Mellon plan would hardly be of any relief from taxation purposes to a single farmer in the State, because his income is not sufficient to be affected thereby, but the Mellon plan was calculated to and, in my opinion, it would have meant the relieving of the very large incomes made by the large business interests of the country of taxation, and of them only, without giving any reduction to the mass of citizens of our country in the way of reduced taxes. Now tax reduction ought to mean, and be, tax reduction, and the whole mass of the people of the United States ought to be the ones benefited by a tax reduction, and not a special few, while the great mass do not receive any tax reduction whatever; therefore, in my opinion, the purpose set forth in the resolution which I introduced and which is hereinbefore set out ought to be followed, so that the agricultural interests, which are more depressed now than any other class of business or industry, ought to have the benefit of the tax reduction from the various State administrations where the taxes on farm lands are excessive. The Mellon plan would not bring a single penny's reduction on the present taxes against farm lands. If any State administration where there is an excessive tax now existing on land will follow the provisions and requirements and purpose of the resolution introduced by myself and heretofore referred to there will be some benefit come in the matter of tax reduction for the agricultural interests.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, had agreed to a conference with the House thereon, and had appointed Mr. HARRELD, Mr. CURTIS, and Mr. KENDRICK as the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolution and bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 102. Joint Resolution authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal;

S. 825. An act for the relief of Archibald L. Macnair; and

S. 106. An act for the relief of Robert F. Hamilton.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 21, 22, and 23, to the bill (H. R. 8350) making appropriations for the Departments of State and Justice and for the judiciary and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes, had agreed to the amendments of the House of Representatives to the amendments of the Senate Nos. 22 and 23 to the foregoing bill.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Under clause 2 of Rule XXIV, Senate bills and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. J. Res. 102. Joint resolution authorizing the Secretary of War to modify certain contracts entered into for the sale of boats, barges, tugs, and other transportation facilities intended for operation upon the New York State Barge Canal; to the Committee on Interstate and Foreign Commerce.

S. 825. An act for the relief of Archibald L. Macnair; to the Committee on Claims.

S. 106. An act for the relief of Robert F. Hamilton; to the Committee on Military Affairs.

EXTENSION OF REMARKS

Mr. TREADWAY. Mr. Speaker, on page 8836 of the RECORD appears extension of remarks made by the gentleman from New York [Mr. CELLER]. He asked unanimous consent to extend his own remarks. I will quote the exact language of the gentleman. "I ask unanimous consent to extend my remarks in the RECORD." Under that leave he publishes four and a half pages from a New York newspaper. I maintain that that is beyond the privilege of extending his own remarks and it ought not to appear in the permanent RECORD.

Mr. BLANTON. Mr. Speaker, following the remarks that are to be made by the gentleman from New York [Mr. BOYLAN] this morning, I ask unanimous consent to proceed for five minutes. I have consulted the majority and minority leaders, and they have no objection.

Mr. TREADWAY. Mr. Speaker, I intended to move to strike the matter placed in the RECORD by the gentleman from New York [Mr. CELLER] out of the RECORD.

The SPEAKER. The Chair suggests to the gentleman that that ought not to be taken up in the absence of the gentleman from New York [Mr. CELLER].

Mr. CULLEN. I was about to suggest, Mr. Speaker, that the gentleman from New York [Mr. CELLER] has gone to New York for a slight operation, and I hope the gentleman from Massachusetts will refrain from bringing this matter up until he returns.

Mr. TREADWAY. I was not aware that the gentleman was absent. I am glad to withdraw my motion.

Mr. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a speech that I made in Philadelphia last Friday.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

WHAT ELSE COULD FRANCE HAVE DONE?

Mr. ROGERS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a speech I made before the American Academy of Political and Social Science, Philadelphia, Friday afternoon, May 16, 1924, which is as follows:

During the last year or two criticism has, both in Europe and in America, been leveled at France because of her international program and policy. Much of this—I believe nearly all of it—is based upon either the misunderstanding or the overlooking of essential facts. Throughout my paper I ask you to keep in the background of your minds two questions: First, what else could France have done? Second, what would the United States have done in France's place?

Let us picture France at the moment of the armistice. The geography of Europe was unchanged. France by victory had not acquired the protective oceans of the United States or the defensive channels of England. Germany, an unrepentant and virtually unscathed enemy, was still next door. Upon the standards of France perched victory; but only after four years of unexampled horror, during which her soil had without intermission been the battle ground and the graveyard of the world. Her public debt had increased thirteenfold. In respect to finances, as well as to man power, she was shattered almost unto death. She had the memory that twice within a half century had she been invaded and almost wiped off the earth by the same relentless enemy. Mr. Pierrepont Noyes has this afternoon accurately phrased her natural—even, indeed, her inevitable—emotions when he said:

> "After the war France felt herself in greater danger than ever. Germany was still Germany, with a population of more than 60,000,000 very effective people—effective from a military standpoint and even more so as regards economic ability to produce the mechanical requirements for modern warfare. Furthermore, it was a Germany likely to nurse during many years a desire for revenge."

President Wilson remarked to me in the spring of 1919: "France feels an almost superstitious awe of Germany." Was that emotion strange? Was any other emotion possible? If we keep always in our minds the thought of that "superstitious awe," much of the confused history of the past five years becomes clarified.

In 1918 and 1919 France had two dominant emotions. The one was a yearning for complete security; the other was the insistence that she be repaid by the vanquished for at least part of the damage which she, innocent of wrong, had sustained. Security and reparation. These were the objectives in 1918. I believe they have been the objectives ever since.

During the negotiations of the first six months of 1919, which culminated in the treaty of Versailles, France never faltered. She pursued single mindedly the path to her goal. Was there anything in her conduct during those months which was strange or unnatural? She sought to draw the fangs of her enemy. Should we have done anything different in her place? Is there the slightest evidence either of imperialism or of militarism in her program or action during that period? She sought merely safety—the right to be let alone. It is always difficult to dogmatize concerning the state of mind of a nation or of an individual. But to my mind it is clear beyond argument that the France of 1919 was seeking only what any patriotic nation in her place would have insistently sought.

Has the state of mind of France become fundamentally altered in the intervening five years? That is the charge against her made by many. It is worth while to examine the basis for this charge. It may be subdivided into four specifications:

(1) That her maintenance of a considerable army and particularly her expansion of aircraft evidence a militaristic and imperialistic aspiration.

But is this reasonable? Was there any encouragement in the events at the Paris conference, or elsewhere in the world, to a policy of demobilization? Would we have whittled our Army to impotence if we had been in the situation and plight of France?

Take the matter of aircraft. It can not be questioned that French airplanes are more numerous to-day than at the time of the armistice. This is the one element in the French policy that more than any other has alarmed Britain.

Yet is it not entirely consistent with a reasonable defense policy to assume that France has always intended her aircraft for use to defend herself against further attack by Germany? Even if she were mistaken in fearing such an attack, was not, after all, her fear a most reasonable one? Certainly there can be no certainty that France even thought of conflict with Britain in her aviation policy and development.

We must ascertain as best we can the purpose of France in expanding her aircraft. To me the preponderance of the evidence is strongly to the effect that the French policy in this regard was and is wholly defensive. Again I say the United States would have done the same or more if we had been in the place of France. France could not afford the construction of an adequate fleet of capital ships. Aircraft was the cheapest defense. Hence her aviation policy. It should be noted that the French budget for national defense is to-day but 41 per cent of our own and but 37 per cent of England's. We are only in remote danger of a transoceanic attack by another great power. Yet the mere suggestion that we are falling below the 5-5-3 ratio of naval strength arouses this country to alarm and to action. The critics of France choose to forget that her naval ratio, voluntarily assumed, is: United States, 5; Great Britain, 5; France, 1.75. I believe it to be the fact that France's use of her military and naval strength has been moderate and free from truculence. Italy is sometimes said to have become a swashbuckling nation. I do not believe that indictment can fairly be laid, on the facts, to the door of France. Bear in mind, too, that France has constantly been reducing the size of her army. Does that policy point to a hidden aspiration to wage offensive warfare or to annex territories beyond her present boundaries?

(2) It is alleged that the Rhineland and Bavarian separatist movements had the strong though secret espousal and assistance of the French Government. In my opinion there is not a scintilla of evidence that the French Government, as such, at any stage has lent its support to the separatists in Germany.

Of course, very many Frenchmen have favored an independent Rhineland region as the best method of permanently securing the safety of France. To my mind there is much force in the arguments from a French standpoint in favor of the desirability of the movement. But I repeat that there is no evidence that the responsible Government of France has at any time lent aid or comfort thereto. It would even have been natural if such aid and comfort had been extended. A buffer state is a time-honored defensive against an adjacent foe. Yet France withstood the temptation. Still less did she desire to annex the Rhineland region. She knew, from her own bitter experience, the danger to peace of a reversed Alsace-Lorraine arrangement.

But assuming she had gone as far as her enemies assert. Are we in the United States in a position to cast the first stone? Let us think over the story of Mexico in 1847 and in 1914; of Panama; of Hawaii; and of the Philippines, before we condemn our sister Republic.

(3) It is alleged by the critics of France that in her dealings with the smaller powers of Europe she has shown a militaristic or imperialistic policy. But here again is it not natural that she should seek as a measure of defense to effect alliances and to promote the strength of the smaller powers of Europe which border upon Germany or which may hinder the spread westward of bolshevism? The formation of alliances is certainly consistent with sound protective measures. A cordon of states imbued with the French viewpoint and adjacent to Germany may unquestionably be regarded as a safeguard against trouble from Germany. Should not we have done the same if we had been in the position of France? Remember always, too, the "superstitious awe" phrase of Wilson.

In my deliberate judgment every phase of France's program as she has dealt with the smaller powers of Europe is consistent with a determined effort on her part to maintain the status quo in Europe as established by the treaty of Versailles. Nothing sinister or offensive need be predicated upon her program in this regard.

(4) And now we come to the apex of the indictment hurled against France by her critics—her policy relative to occupying the Ruhr.

As to this a United States Senator, a member of the Senate Committee on Foreign Relations, said within a fortnight:

> "The invasion of the Ruhr is as immoral as the invasion of Belgium."

It is difficult to argue against so extreme and, as I believe, so utterly unfounded a charge as this. Let us first ask ourselves if the occupation of the Ruhr was necessarily either militaristic or imperialistic. Clearly the answer must be in the negative. There was no inherent impropriety in the action, as I shall undertake to prove. Was not the program of the Ruhr consistent with the pursuance of the policy of obtaining reparation? Why should not the responsible head of the French Government be believed when he said publicly within a year:

> "We have no intention of annexing any portion of German territory and we dismiss with the contempt they deserve the accusations of imperialism brought against France. We have, therefore, no mad idea of confiscating the Ruhr, but we shall hold it until we are paid our due."

I repeat with emphasis that it certainly can be plausibly maintained that the occupation might promote the pursuit of reparation. Further, I remind you that when France entered the Ruhr a little over a year ago she was desperate, and that the occupation seemed the only available method of securing reparations, without which she faced national bankruptcy and disaster.

These things being so, there remains the inquiry as to the legality of the operations in the Ruhr. Unless their illegality can be established, is there any just cause to condemn France out of hand for doing what she did?

At this point I desire to quote the clause of the treaty of Versailles on the strength of which she embarked upon her great experiment:

> "The measures which the allied and associated powers shall have the right to take in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals and, in general, such other measures as the respective Governments may determine to be necessary in the circumstances."

To establish the legality of the so-called invasion it is necessary to prove:

(a) The fact that Germany was in default.

(b) The fact that it was proper to occupy the Ruhr, assuming the fact of default by Germany.

(c) The fact that single-handed action by France was permissible if the first two elements became established.

Was Germany in default between 1919 and 1923? The answer is so obviously in the affirmative that perhaps it seems superfluous to establish the point by citations.

Five different times were the defaults declared by the responsible spokesmen for the allied powers:

(a) In April, 1920, at San Remo, the Allies stated that—

> "Germany had not carried out her undertakings as regards either the destruction of war material, or the reduction of the army, or the coal deliveries, or reparations, or the cost of armies of occupation. She does not even seem to have considered the means of fulfilling her obligations. The Allies unanimously declare that they can not tolerate any longer breaches of the treaty of Versailles, that the treaty must be carried out."

(b) On June 30, 1920, the Reparation Commission notified to the allied governments the default of Germany as regards coal deliveries.

(c) On March 3, 1921, Mr. Lloyd-George, speaking as president of the supreme council and officially for the allied powers, said to the German delegation:

> "We are convinced that the German Government is not merely in default but deliberately in default."

(d) On May 5, 1921, the supreme council resolved that—

> "The German Government is still in default in the fulfillment of the obligations incumbent upon it under the terms of the treaty of Versailles."

(e) And finally, in January, 1923, the Reparations Commission, by a majority vote, declared the German Reich was in general default as regards all her obligations contracted under the treaty of Versailles.

Default being thus inescapably established, was occupation of the Ruhr by France an appropriate and lawful consequence? Certainly the language of the treaty is very broad. Certainly the Allies through-

out the post-war period unanimously regarded occupation of German soil as a possible and even probable remedy for German defaults. Even Great Britain, which was so opposed to the occupation of the Ruhr when it came, had, in several instances, joined in the threat to occupy a part of German soil. In one instance she joined in the actual occupation. Let us examine these instances:

(a) In April, 1920, at San Remo, the Allies stated that they were "resolved to take all steps, even including, if it be necessary, the occupation of a further part of German territory."

(b) On July 9, 1920, at Spa, the Allies threatened to proceed to the further occupation of German territory, whether it be the region of the Ruhr or some other.

(c) In January, 1921, in Paris, the Allies announced their intention, if Germany did not alter her position, to impose "sanctions," including "occupation of the Ruhr or any other territory."

(d) At the London meeting of the Supreme Council held in February and March, 1921, of which mention has already been made, a distinct threat was made to "occupy the towns of Duisbourg, Ruhrort, and Dusseldorf on the right bank of the Rhine." The occupation of the three towns followed, British troops joining the French troops for that purpose.

(e) At a conference of the allied governments held in London in May, 1921, the Supreme Council passed resolutions—

> "To proceed forthwith with such preliminary measures as may be required for the occupation of the Ruhr Valley by the allied forces on the Rhine * * * failing fulfillment by the German Government * * * to proceed to the occupation of the valley of the Ruhr and to take all other military and naval measures that may be required."

Such occupation was to continue so long as Germany was in default.

In the light of the foregoing extracts from the records of the Allies there can be no dissent from the proposition that all the Allies, including Great Britain, regarded, and I believe rightly regarded, Germany as in default and occupation of the Ruhr as an appropriate consequence of that default. Was joint action by the Allies nevertheless necessary? Bonar Law, later Prime Minister of England and one of the fairest of allied statesmen, thought not. On October 28, 1920, he stated in the House of Commons that—

> "the terms of paragraph 18 clearly left to each of the respective Governments to determine upon the action that it may seem necessary to take under the said paragraph."

The British for domestic reasons were bitterly opposed to the Ruhr occupation. Early in January, 1923, Bonar Law was in Paris making a last effort to avert the French action. On January 5, 1923, he became convinced that his mission was hopeless. He prepared to return to London. On that day he said to Poincare—

> "If I believed that we could get the money out of Germany by applying the French plan, I should support it."

In effect, then, he bade the French Godspeed in their great undertaking. He did not question the right, but the practicability, of the plan. The legality was not, and in my judgment could not, be questioned by the British.

So we come back to the observation of the distinguished United States Senator who was unable to differentiate between the occupation of the Ruhr and the invasion of Belgium. Two differences seem fairly obvious. The one was in direct furtherance of a treaty; the other was in direct violation of a treaty. The one was the first step in an aggressive war of conquest; the other was an effort to secure the payments to which a peace-loving country believed it had an inalienable right.

I assert, then, that the occupation of the Ruhr was a natural step to take. It is said by some Americans that the invasion of the Ruhr provoked a German resentment which makes a new war inevitable. On the other hand, countless occurrences since the armistice have given the French ample ground for the conviction that German resentment was inevitable and unquenchable from the moment the Versailles signatures were affixed and that the occupation of the Ruhr neither added thereto nor subtracted therefrom.

To my way of thinking, the extraordinary thing about the French Ruhr policy is not the fact that they occupied but that they waited four years before they occupied. I doubt if such an example of national patience under equal provocation can be found in the history of the world. Certaluy it can not be found in the history of the United States. Take the case of Venezuela; take the case of the destruction of the *Maine;* was the attitude of the United States in either instance notable for calmness or protracted patience? In neither instance do I criticize the United States policy or viewpoint. But I do assert that if the United States had been in the place of France we should have occupied the Ruhr not later than 1920.

France took the only step, in my judgment, which a patriotic nation could take. There wasn't anything else for her to do. Her action was a legal action and the results to France have justified the gravity of the step which she took 16 months ago.

It may safely be said that without the Ruhr there would have been no possibility of such a frame of mind in Germany as would have led to the formulation of the Dawes report and its probable acceptance by Germany.

Weighing the German state of mind a year and a half ago and the inconvenience to the world which in the minds of many has resulted from the French policy, history may regard the Ruhr occupation as a worth-while means to a highly desirable end. But whether the world was inconvenienced or not, France took the step which she had the right to take and which, in my judgment, she was abundantly justified from every national standpoint in taking.

I suppose there will be some who will say, even though they admit all the facts as I have recited them, that nevertheless France's motive throughout has been an aggressive or destructive one. My own view is that this conception is not tenable. I believe the French to be a peace-loving people. As I have said before, it is difficult to be dogmatic concerning another's state of mind. We can certainly assert, at least, that the foregoing facts are consistent with a sincere desire on the part of France for peace at home and abroad.

Let me set forth some of the elements that seem to make this viewpoint the more probable, and, indeed, the only probable, one.

The French are a thrifty race and hate taxation. This state of mind resists appropriations beyond the bare necessities of national defense. We all know that these have been large enough in all conscience in the last 10 years, not only in France but in countries as remote from Europe as the United States. Expenditures for offense are anathema to the French. The elections of last Sunday seem to indicate that even the program of Poincaré, which I do not regard as one of offense, may be deemed by the majority of the French people to involve excessive burdens upon them.

Indeed, is it probable that a modern republic, a truly representative government, would ever be militaristic? The peasant class of France is, and always has been, a peace-loving population.

Let me quote the words of a skilled observer on his return within two or three weeks from a careful survey of France:

> "Is France militaristic, imperialistic? That, again, is a familiar American question. As to this, I can only say that during many weeks in Paris, in which I met men of every rank and station in life—soldiers, statesmen, simple citizens—I never heard a single word spoken which suggested anything beyond the profoundest desire for peace."

Of course in any country one can always find extremists in any view. In the United States you can find both jingoes and extreme pacifists in large number. In saying what I say of the French people, I am dealing with what I believe to be the majority—the warp and woof of the nation. Is any other attitude conceivable after what France endured from 1914 to 1918—to say nothing of the succeeding years? Self-preservation and nothing more must be the national policy. Self-aggrandizement can have no room in the breasts of the French people.

We saw the general restlessness of France when the three German towns were occupied in 1921. We see renewed evidences of restlessness now in the elections of Sunday. While these elections are not to be interpreted as likely to result in a withdrawal from the Ruhr, yet the swing to the left is certainly not a swing toward additional military demonstration. If anything, the reverse is the fact.

The French as a people have been believers in the League of Nations. If they had been actuated by hopes of aggression would they have been likely to espouse the "cause of the covenant"?

But most of all they showed what underlay their whole thought and even existence in their intense yearning for the guaranty treaty with the United States and Great Britain. In the failure to ratify that treaty, in my judgment, the United States took the gravest possible step in its effect upon the remainder of the world. That treaty was in 1919 the greatest contribution to peace which America could have made. Our ratification would have meant a complete change of the streams of history. The fact that France so eagerly wished the guaranty treaty—a defensive treaty solely—is the best refutation of a militaristic state of mind.

You remember the small boy who, with awe-stricken wonder, listened to his father's comments after he had pounded his finger with a hammer. He said, "Mother, the words were the same as the minister used last Sunday, but they were arranged differently." The facts which Mr. Noyes and I rely upon are substantially the same, but to me the evidence seems clearly to overthrow his conclusions as to French objectives.

Of course, it is true that for the immediate recovery of Europe a policy of cancellation all around—a policy of letting bygones be bygones—had in 1919 much to commend it. It might well have hastened Europe's recovery. But would you and I have acted differently from France? Had not she a right to seek security and repayment? Was it reasonable to ask her to give up either one? Does the evidence of the past five years give us in the United States a plausible ground for criticizing bitterly our great ally?

I repeat, perhaps to weariness, that I regard the conduct of France since the armistice as marked by rare toleration and moderation—and by a patience which is almost unexampled in history. I believe that all the evidence negatives the existence in France of any considerable or controlling body of thought which can fairly be termed aggressive.

I think of France always as a nation shattered by war, fearful of a new attack when the enemy at her gates again sees the opportunity to strike. I think of how France since America was in her cradle has been a true friend of the Western Republic. I think of how we fought side by side in the years of trial, making common cause for the preservation of civilization. And as I ponder these things and many others, it is in my heart to resolve every presumption in favor of our lifelong friend and brave ally. Common understanding, common sympathy, and a common purpose between the United States and France! These should be our aspiration, for from them will come the abiding peace for which the world passionately longs.

PERMISSION TO ADDRESS THE HOUSE

Mr. BLANTON. Mr. Speaker, I renew my request that I may be allowed to address the House for five minutes after the gentleman from New York [Mr. BOYLAN] has concluded.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House for five minutes after the gentleman from New York has concluded. Is there objection?

Mr. LaGUARDIA. Reserving the right to object, I made a similar request of the majority leader a short time ago.

Mr. BLANTON. I have consulted the majority leader and the leader on this side and they have no objection.

Mr. LaGUARDIA. I understood that there would be no other requests made. I couple with the request that I may be allowed to proceed for five minutes following the gentleman from Texas.

Mr. GARRETT of Texas. Mr. Speaker, I would like to ask the gentleman from Illinois, acting chairman of the Committee on Military Affairs, if he proposes on the last day that the committee has to allow all this talk to be made when we have bills on the calendar?

Mr. McKENZIE. I will say that it is not my purpose to permit the day to be used by Members in making speeches. However, the gentleman from Texas has asked for five minutes and the gentleman from New York for five minutes, and I shall not object to these two requests, but if there are any further requests to be made I shall have to object.

The SPEAKER. Is there objection?

Mr. HOWARD of Nebraska. Reserving the right to object, I was going to ask a question. Will this time be taken out of the time for the consideration of the agricultural legislation?

The SPEAKER. The agricultural bill does not come up to-day.

Mr. HOWARD of Nebraska. Very well; I wanted to know about it. It is all right.

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas and the gentleman from New York?

There was no objection.

WAR DEPARTMENT APPROPRIATION BILL.

Mr. ANTHONY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7877, making appropriations for the War Department, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table the bill H. R. 7877, making appropriations for the War Department, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. GARRETT of Tennessee. Let me ask the gentleman if that is agreeable to the ranking minority member of the committee.

Mr. ANTHONY. I think it is satisfactory to the gentleman from Kentucky and the gentleman from Texas.

Mr. HULL of Iowa. Reserving the right to object, there was an appropriation of $30,000, as I understand, for the repairs of the bridge over the Mississippi River at Rock Island.

Mr. ANTHONY. For the maintenance.

Mr. HULL of Iowa. For repairs, and it is absolutely essential to the bridge. This is an important and essential bridge to the commerce of the country. I understand that appropriation has been cut to $20,000, which would make it dangerous. I want to know if the House conferees will kindly watch that appropriation and try to see it restored?

Mr. ANTHONY. I think all of the conferees are of the opinion that $30,000 is necessary.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. ANTHONY, Mr. DICKINSON of Iowa, and Mr. JOHNSON of Kentucky.

CALL OF THE HOUSE

Mr. CULLEN. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point that no quorum is present. Evidently there is no quorum present.

Mr. ROGERS of Massachusetts. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Dominick	Manlove	Salmon
Ayres	Drane	Mansfield	Schafer
Begg	Dyer	Mead	Scott
Berger	Edmonds	Merritt	Snell
Bixler	Fairchild	Michaelson	Sproul, Kans.
Boies	Fish	Mooney	Stalker
Bowling	Fleetwood	Morin	Steagall
Brand, Ga.	Geran	Mudd	Stengle
Browne, N. J.	Gibson	Nelson, Wis.	Sullivan
Buckley	Gifford	Newton, Minn.	Sweet
Burdick	Goldsborough	O'Brien	Swing
Butler	Graham, Ill.	O'Connor, La.	Swoope
Byrnes, S. C.	Greenwood	O'Connor, N. Y.	Taylor, Colo.
Cable	Howard, Okla.	Oliver, N. Y.	Temple
Celler	Kahn	Park, Ga.	Thomas, Ky.
Clark, Fla.	Kent	Patterson	Yare
Cole, Iowa	Kindred	Peavey	Ward, N. Y.
Collins	Lampert	Perkins	Ward, N. C.
Connolly, Pa.	Langley	Perlman	Wason
Cramton	Larson, Minn.	Phillips	Weller
Curry	Lilly	Porter	White, Me.
Davey	Lindsay	Prall	Williams, Tex.
Deal	Little	Quayle	Wilson, Miss.
Dempsey	McFadden	Reed, W. Va.	Winslow
Dickstein	Magee, Pa.	Rosenbloom	Yates

The SPEAKER. Three hundred and thirty-three Members have answered to their names, a quorum.

Mr. RAMSEYER. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

SALARIES OF POSTAL EMPLOYEES

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter from the Postmaster General giving the department estimates of the increased cost involved in the bill (H. R. 9035) to increase the salaries of the postal employees, and giving also the views of the department on the proposed legislation.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. LaGUARDIA. Mr. Speaker, in the absence of my chairman, I shall object.

Mr. RAMSEYER. Oh, I am sure that the chairman would have no objection to it.

Mr. LaGUARDIA. I object.

The SPEAKER. Objection is heard.

THE ROLL CALL

Mr. KINCHELOE. Mr. Speaker, I rise to a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KINCHELOE. Mr. Speaker, I make this parliamentary inquiry for the purpose of maintaining the integrity of the RECORD, and I am asking for information because I do not know how to correct it under the circumstances, which I shall state in a moment. This first roll call last evening, gives the names of those who failed to answer to their names. Therefore all those whose names do not appear in this list are recorded as being present. I know, and everyone else knows, for instance, that the gentleman from Kansas, Mr. TINCHER; the gentleman from Ohio, Mr. LONGWORTH; the gentleman from Ohio, Mr. BURTON, were not here, and that fact was commented upon facetiously here. Yet the RECORD shows that they were here and voting, when everybody knows they were not. I make the parliamentary inquiry for the purpose of asking if there is any way to correct the RECORD.

The SPEAKER. The Chair thinks the gentleman does not exactly state the facts.

Mr. KINCHELOE. I hate to differ with the Speaker, but I think I am stating the facts.

The SPEAKER. This is what is stated in the RECORD, as the Chair understands it. Directly below the first roll call you read:

During the roll call the following occurred:

Then the RECORD goes on for three or four pages with proceedings which occurred, all which are intended to appear as happening during this first roll call, which was not completed until after other roll calls.

Mr. KINCHELOE. If the Speaker will permit, it shows that immediately following what happened there, there was another roll call.

The SPEAKER. Exactly.

Mr. KINCHELOE. And the point I am making is that on the first roll call it shows that these gentlemen were present when, as a matter of fact, they were not present.

The SPEAKER. The gentleman does not catch the Chair's meaning. The Chair says that during the first call, according to the RECORD, "the following occurred," and the Chair assumes that that means that the other roll calls were part of the incidental proceedings, and that the first call shows really the Members who were present at the very end of the proceedings, after all of these other proceedings had transpired.

Mr. KINCHELOE. Mr. Speaker, everyone knows that these gentlemen mentioned, the gentleman from Ohio [Mr. LONGWORTH], the gentleman from Kansas [Mr. TINCHER], were not here on the second roll call, and yet that shows that they were here.

The second roll call was on a vote to dispense with further proceedings under the call, and it shows those who voted nay, and among those are to be found the names of the gentleman from Kansas and the gentleman from Ohio, when, as a matter of fact, they were not here.

The SPEAKER. They were here before the roll call was completed.

Mr. KINCHELOE. But that is another roll call altogether.

The SPEAKER. Perhaps the Chair does not understand the gentleman. Let the Chair state his understanding of the matter. The first roll call which appears is a roll call that was pending during the whole evening. A quorum appeared finally on that roll call. That roll call was pending while the other roll calls, subsequently appearing in the RECORD, were taken, and while the other proceedings were going on, so that when those other proceedings were finished, this roll call, which is printed first, was completed, and it shows the names of the Members who were there at the end—in a negative way, of course—because it records only the names of those who failed to answer to their names.

Mr. KINCHELOE. The first call was on a point of no quorum.

The SPEAKER. Yes.

Mr. KINCHELOE. And on page 9044 of the RECORD it shows that "the following Members failed to answer to their names," and then those whose names are absent from that list are the three gentlemen to whom I have referred. Then comes next another roll call on the motion to dispense with further proceedings under the call, which was a yea-and-nay vote, and among those answering nay are to be found the names of the gentleman from Kansas [Mr. TINCHER] and the gentleman from Ohio [Mr. LONGWORTH]. As a matter of fact, they were not here, and they will not say that they were here and voted.

The SPEAKER. The Chair did not at first understand the gentleman. The gentleman thinks that the RECORD of some of the subsequent roll calls shows that some gentlemen are recorded as present who were not present?

Mr. KINCHELOE. Absolutely; on the second roll call.

The SPEAKER. The Chair did not at first understand the gentleman to mean that.

Mr. KINCHELOE. The point I am making, and I am asking it in good faith, because it is not a personal matter, is, How is the integrity of the RECORD to be preserved if it is misrepresented like that was?

The SPEAKER. The Chair did not understand the gentleman. Of course, if the RECORD is incorrect, it ought to be corrected. Will the gentleman state some specific person who was here and let us see in regard to it?

Mr. KINCHELOE. I will state that the gentleman from Ohio [Mr. LONGWORTH] was not here on the second roll call, and I will say that the gentleman from Kansas [Mr. TINCHER] was not here on the second roll call, and they will not say they were here, and the RECORD shows they were here and voted "no."

Mr. LONGWORTH. So far as I am concerned, I have not looked at the RECORD and do not know——

The SPEAKER. The Clerk at the desk says that the gentleman from Ohio came in during the roll call.

Mr. KINCHELOE. Then the Clerk at the desk is mistaken about it. The parliamentary inquiry I propound is, What is the procedure to correct the RECORD when we know it needs correction?

The SPEAKER. It ought to be corrected, the Chair thinks, and the procedure would be to ask unanimous consent to correct the RECORD as is done every morning when mistakes are made.

Mr. RANKIN. Mr. Speaker, may I be heard?

Mr. McKENZIE. A parliamentary inquiry.

The SPEAKER. The Chair recognizes the gentleman from Mississippi.

Mr. RANKIN. Mr. Speaker, I beg to differ from the gentleman from Kentucky [Mr. KINCHELOE] about this RECORD. At first glance I thought the RECORD was wrong; but I will call the attention of the Chair to just what happened. In the first place there was a point of no quorum made by the gentleman from Kentucky [Mr. KINCHELOE]. On the roll call it developed that there was no quorum; therefore that roll call could not be completed, and the House was at a standstill. Then, later, the gentleman from Kentucky made a motion that the House adjourn; and on that roll call we failed to develop a quorum. Then the motion was made—whether it was in order or not, it was made and no point of order made against it—to dispense with further proceedings under that call, and that motion was lost. We stayed here for some time waiting for a quorum; and when enough Members finally came in to develop a quorum under the last call the gentlemen whose names were mentioned were among them.

The proceedings under the second call had not been dispensed with, and, in my opinion, they had a right to vote and also they had a right to be recorded as constituting a quorum under the unfinished call, or, at least, the clerk was justified under the situation as it then existed in recording them as he did.

The first roll call had not developed a quorum and could not be closed. It was open until we developed a quorum or the House adjourned. We had refused to dispense with further proceedings under the second call, which left it still open.

Under this situation I submit the clerk was justified in recording those Members who appeared and asked to be recorded on those unfinished roll calls.

Mr. KINCHELOE. Mr. Speaker, I want to say this in conclusion, that every one of these roll calls showed there was not a quorum at any time here, and they voted no on a proposition when they were not here.

The SPEAKER. The first roll call, as the Chair stated, was pending during the whole evening so the men who came in could be recorded on that, although they were not here when their names were called. Of course, on the other roll calls men could not be recorded who were not here, and in that respect the RECORD, if errors were made, should be corrected.

Mr. MAPES. Mr. Speaker, I want to correct the RECORD.

The SPEAKER. The gentleman from Michigan is recognized.

Mr. MAPES. Mr. Speaker, first I would like to call the attention of the gentleman from Kentucky and the House to the fact that further on in the record of the proceedings, after the first roll call, giving the names of those who did not answer to their names, is the statement that subsequently 36 Members appeared and answered to their names. The men whom the gentleman from Kentucky had in mind may have been included in that 36. In looking over the roll call I notice that my name does not appear among those who failed to answer to their names, and I at no time answered to my name on a roll call last night, and I would like to have the RECORD corrected accordingly.

The SPEAKER. Without objection the correction will be made.

There was no objection.

Mr. TINCHER. Mr. Speaker, I had not noticed but one roll call showing I was absent and not voting until my attention was called to it by the statement of the gentleman across the aisle. I was not here when the roll call was ordered last night and I do not have any notion as to how much the RECORD is wrong. One thing I want to call to the attention of the Speaker and the House is the gentleman from Kentucky [Mr. KINCHELOE] named three Republicans whose names do not appear on this first list as being absent and complained it should show. I had the good fortune to come in with two Democratic Members, very good gentlemen, and we came in together and our names appear exactly alike throughout the roll call. [Laughter.]

Mr. BARKLEY. Mr. Speaker, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BARKLEY. During this melee last night I came in at least half an hour earlier than did the gentleman from Kansas [Mr. TINCHER], which I think can be demonstrated by many Members on the floor, and answered to my name, and was here when the gentleman from Kansas and his colleagues came in. Yet his name appears as answering on the roll call and mine appears as not answering.

Mr. TINCHER. I am sure I was not to blame for that. I came in with the distinguished gentleman from Texas [Mr. CONNALLY] instead of with the distinguished gentleman from Kentucky [Mr. BARKLEY]. [Laughter.]

Mr. BARKLEY. Mr. Speaker, I may be a little bit confused about this——

The SPEAKER. Would it not be wise to let this go over until to-morrow and let the gentleman ascertain where the mistakes were?

Mr. BARKLEY. I ask unanimous consent that wherever the gentleman from Kansas is recorded as present I be recorded as present. [Laughter.]

Mr. ASWELL rose.

Mr. GALLIVAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GALLIVAN. I would like to ask what is the regular order?

The SPEAKER. The regular order has been these requests to correct the RECORD. The gentleman from Louisiana [Mr. ASWELL] is recognized.

Mr. ASWELL. Mr. Speaker, the gentleman from Kansas named another gentleman on this side of the Chamber as being with him last night. That gentleman is reported as being absent on the roll call and TINCHER present. Entirely impersonally I want to state the fact that can be verified by a dozen gentlemen who stood with me at this door last night after the House had unanimously decided to issue warrants to arrest the gentleman from Kansas [Mr. TINCHER] and other absent Members who were away on this important occasion in the discussion of farm legislation. After the House had sent a warrant to arrest the gentleman from Kansas [Mr. TINCHER] and these along with him came panting into that door, and six of us came and looked at the clock as he walked into this House exactly as the clock struck 10; after two roll calls and a delay of two hours the self-styled friend of the farmer appeared ahead of the arresting officers. [Laughter and applause.]

Mr. LONGWORTH. Mr. Speaker, I desire to prefer a request for unanimous consent. It is evident that this slight misunderstanding arose from the fact of the peculiar wording of the rule under which we were acting, which provided that the House should stand in recess between the hours of 6 and 8. I am quite certain that there is nobody on either side of the House who desires to prevent the orderly transaction of this business, and of course it is much more difficult to have a quorum always present in the House than it is in Committee of the Whole. I therefore ask unanimous consent that the rule be amended by striking out the provision as to the recess and permit the House to go into Committee of the Whole and act as in the Committee of the Whole.

Mr. ASWELL. I object.

ORDER OF BUSINESS

Mr. MOORE of Virginia rose.

The SPEAKER. The gentleman from Virginia will be recognized.

Mr. MOORE of Virginia. I am only going to take a minute. I want to make an inquiry of the gentleman from Ohio [Mr. LONGWORTH]. It is apparent that we can not have a large attendance at night sessions. I will ask the gentleman if he will not move to amend the rule, and request unanimous consent for that purpose, to dispense with a night session to-morrow night?

Mr. LONGWORTH. That was what I intended to do. My purpose was merely to cut out that part of the rule which provides for the recess. In other words, the committee can then go on until it is tired of the discussion. That will prevent what occurred last night in consequence of the House meeting at 8 o'clock, when almost certainly there could not be a quorum. If the House will consent to amend the rule and simply strike out that portion of it pertaining to recess we can save time and dispense with night sessions.

Mr. MOORE of Virginia. I assume that the gentleman would be willing to dispense with the night session.

Mr. LONGWORTH. I hope we can finish with the debate to-morrow, and by staying until perhaps 7 or 8 o'clock, staying as late as possible, we can make substantial progress.

Mr. MOORE of Virginia. I hope the gentleman will ask for unanimous consent.

Mr. ASWELL. Mr. Speaker, reserving the right to object, I made an appeal as earnestly as I could yesterday to the gentleman from Ohio [Mr. LONGWORTH] and to the chairman of the Committee on Rules [Mr. SNELL] to omit from the rule any reference to night sessions.

The SPEAKER. The Chair understands that is the request.

Mr. ASWELL. I insisted then, as I do now, that that was a fatal mistake, and unless the gentleman from Ohio [Mr. LONGWORTH], or the gentleman from Virginia [Mr. MOORE], will state in this unanimous-consent request that the night session is eliminated from the rule, I shall object.

Mr. LONGWORTH. Will the gentleman consent to this, that I prefer the request in this way: That the Committee of the Whole continue in session until 7 o'clock?

Mr. ASWELL. That is all right.

Mr. LONGWORTH. Then I will modify my request to that extent.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the arrangement made yesterday for an evening session be modified, and that instead it be agreed that the Committee of the Whole stay in session to-morrow evening until 7 o'clock, and not later. Is there objection?

Mr. SUMMERS of Washington. Mr. Speaker, I object to that request. We have before us a bill that every man in this Congress should want to understand. We have had an explanation of some features of it, an explanation from some angles, and I believe we should have an opportunity to fairly present the bill to all of the Members. Now, I know this request is made in the best of good faith, but I do not believe gentlemen on the other side [Democratic] ought to interfere with the debate. If we remain in Committee of the Whole, then it only requires 100 for a quorum; and if some Members, who are not particularly interested, do not want to remain they will not have to do so, but business will not be interfered with.

Mr. LONGWORTH. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. LONGWORTH. Under this arrangement—and I think it is fair, although I would personally like to take up more time in general debate—if we meet at 11 o'clock and keep a quorum here we can debate this bill for eight hours. It seems to me this is the most satisfactory arrangement we can expect, and I think it is in the interest of the consideration of this bill. So I hope the gentleman will not object.

Mr. MOORE of Virginia. Will the gentleman yield to me for a minute?

Mr. SUMMERS of Washington. Yes.

Mr. MOORE of Virginia. The gentleman, I hope, will not assume that there is any effort being made on this side of the House to block debate, because this side of the House is just as willing to proceed with the matter——

Mr. CHINDBLOM. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Illinois demands the regular order. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

IMPRISONMENT OF EAMON DE VALERA

The gentleman from New York [Mr. BOYLAN] is recognized for 10 minutes.

Mr. BOYLAN. Mr. Speaker and gentlemen of the House, while we are sitting here calmly to-day, having liberty of person and enjoying peace and the pursuit of happiness, an American citizen is languishing in a foreign jail, and despite the fact that the gentleman from New York [Mr. LAGUARDIA] and I introduced resolutions, which were referred to the Committee on Foreign Affairs, requesting that the Congress of the United States demand the release of this American citizen and his colleagues, nothing whatever has been done by this House. And a subsequent resolution which I introduced, calling upon the Secretary of State for any information he might have relative to this man's status, was answered by him stating that he had no information whatever.

The Hon. Eamon de Valera is now and has been for eight months imprisoned, held without charge or trial, in solitary confinement in the prison at Arbor Hill, Dublin. He was arrested four months after he had persuaded the most militant group of the republican army to lay down their arms and inaugurate the constitutional campaign for the republic.

In our country we have criticized those who would endeavor to change the form of government by revolution or by anarchy, and we have justly criticized them, but we have never denied to any man or any group of men the right to seek changes in government by constitutional means, and these are the constitutional means adopted by the patriots in Ireland who are now in prison.

De Valera was seized while publicly addressing his constituents. He is an Irish patriot leader. He was elected President of the Irish Republic in 1919 following the last general elections of all Ireland, with over 80 per cent of the Irish electorate voting for the Irish Republic.

He is to-day the elected leader of the party supporting the Irish Republic, which won 44 seats out of 153 in the Irish Congress at the elections in last August.

He was arrested under the abrogation of habeas corpus rights, which abrogation has been condemned as constituting a fraud under the constitution of the Irish Free State.

Mr. DENISON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. DENISON. Did I understand the gentleman to say that Mr. de Valera is an American citizen?

Mr. BOYLAN. He is; yes.

Mr. DENISON. How can an American citizen be elected President of the Irish Republic?

Mr. BOYLAN. Well, the Irish Republic was not recognized, and de Valera is but actuated by the same motives that actuated Lafayette to come to America, that actuated Steuben and that actuated Pulaski, Kosclusko, and all the other famous patriots, liberty loving as they were, to come and help a country achieve a liberty, a liberty which you, sir, now enjoy and of which you are the accredited Representative of a constituency.

Mr. DENISON. But we could not have elected Lafayette President of this Republic.

Mr. BOYLAN. I decline to yield further, as I have only a few minutes.

No charge of any kind has been made against Eamon de Valera or his colleagues. Their only crime, in the eyes of their captors, is their steadfast defense of the republican ideals of government.

The interest of liberty-loving Americans in his cause is best evidenced by the numerous indignation meetings and resolutions passed throughout the country. To-day millions of our countrymen are desiring and praying for the release of Hon. Eamon de Valera and his fellow prisoners. These Americans love and sympathize with de Valera and the Irish Republic cause because they maintain that they are in consonance with the American traditions and ideals since Jefferson's day, which would accord to men and nations struggling for liberty America's full sympathy and early recognition. They believe that they are only actuated by American ideals of human liberty as defined in the Declaration of Independence and upon which the governmental institutions of America are established.

Our Government has intervened in many cases with foreign countries in behalf of men and women unjustly imprisoned. When the ministers of state were tried in Greece in a procedure that was a mockery of justice, with their so-called judges, their accusers, and condemned on trumped-up charges that might be made against anyone on the losing side of armed conflict; when an archbishop, his vicar general, and a host of their clergy were persecuted by the Soviet Government of Russia, our Government not only deplored but protested these acts of Greece and Russia, and has steadfastly declined to recognize the Soviet Government; and it will be to its eternal credit for our Government to refuse ever to recognize that Government until those in office and their successors renounce or make reparation for such atrocities before God and civilization.

But if these were enormities, what must be said of the reign by which those occupying the seats of government in Ireland have endeavored to save their failing fortunes by illegal proceedings? Greece and Russia, at least, went through a form of trial. What hearings were ever given to Childers, Mellowes, O'Connor, Barrett, and McKelvey or Daly, to say nothing of scores of others who went to death? De Valera and his colleagues are State prisoners. They have been confined nearly a year in prison without any charge being lodged against them. They are not criminals. They are patriots seeking to establish a republican government in their native land. They look to our great Republic with its splendid ideals to intervene and help them in their hour of necessity.

I believe, therefore, that it is a proper matter in which the Congress should intervene and request the discharge of these liberty-loving patriots from prison.

What is going to be the action of this House, seated as we are here to-day, in the very temple of liberty, under the Dome of the great Capitol, basking in the power of this Government of ours whose influence radiates throughout the entire world? Those seeking liberty of conscience or liberty of thought or action have ever looked to America. What would those illustrious descendants of the Pilgrim Fathers say, what would those descendants of the first families of Virginia say, what would the other illustrious Americans sitting here to-day, whose forbears have taken part in the struggle for American liberty—what would they say if they heard that the Sixty-eighth Congress sat quietly and sat supinely without endeavoring to raise a finger in defense of the liberty and rights of an American citizen incarcerated in a foreign jail?

Mr. BLANTON. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. BLANTON. Suppose we should demand their release and the demand should be ignored, then what?

Mr. BOYLAN. My colleague, you know that the demand of the Republic of the United States could not be ignored. I know you, sir, as a student of government, as a student of the history and the traditions of America know and realize the power of America, and you know the power and the influence of the American Congress, and you know, sir, that if a demand of that kind were made it would not be refused.

Mr. BLANTON. Would our distinguished colleague yield further?

Mr. BOYLAN. Certainly.

Mr. BLANTON. I do not think our good friend from New York would ever want our Government to make a demand unless it made that demand good and unless it required the obedience of that demand, and the gentleman ought to think along that line.

Mr. BOYLAN. I am thinking along those lines, and I know that a request of our Government would not and could not be ignored. I believe we all follow the traditions of the futhers, I believe we are loyal to the institutions of our country, and I believe that we believe in upholding the rights of our fellow citizens, no matter in what country or in what clime they may be. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

By order of the House, the gentleman from Texas is recognized for five minutes.

VOTING ON BARKLEY BILL

Mr. BLANTON. Mr. Speaker, our distinguished colleague from Mississippi [Mr. QUIN] is one of the most lovable men in this House. He is such a valuable Member that we could hardly hold a session successfully without his presence. When he appears on the floor there is always such a spontaneity of applause that in his zeal sometimes he says things he would hardly say if he was not under such strain.

Because I saw fit day before yesterday to vote against the Barkley bill, which creates 45 commissioners drawing salaries from $7,000 to $12,000 a year each, he claimed that I was voting against the interests of the poor women and poor children and poor men of the country, while, in fact, my vote was in their interest specifically.

I notice in the RECORD for that day, May 19, 1924, that he and I did not vote together on that matter. One of the main votes is found on page 8894 of day before yesterday's RECORD, where the proposition was to go into the Committee of the Whole House on the state of the Union for the consideration of that Barkley bill. I find that I voted with our minority leader, the Democratic leader of this House, FINIS GARRETT, of Tennessee, while the gentleman from Mississippi [Mr. QUIN] voted the other way.

Our friend, Mr. QUIN, helped to elect FINIS GARRETT his Democratic leader. He was elected unanimously by the Democrats of this House, and on the Barkley bill I followed my leader and I voted with him against that motion, but our friend from Mississippi voted for it.

Then the next important vote that came up that day is on page 8940. The motion was to refer the Barkley bill back to the committee for proper consideration. I voted again with the Democratic leader of this House, the gentleman from Tennessee [Mr. GARRETT], for the motion, and our friend PERCY, from Mississippi, voted against him and against the motion.

Then I find the last important vote that came up that day on the Barkley bill was to strike out the enacting clause. There was a vital question for Democrats to decide. On it and this Barkley bill the RECORD shows that I looked to the great Democratic leader of this House, FINIS GARRETT, and I followed him, and the great Democratic leader and myself voted together for that motion to strike out the enacting clause, and our distinguished friend from Mississippi [Mr. QUIN] voted against him. [Applause.]

So I find that our friend from Mississippi was voting against his own Democratic leader on that measure, but I will forgive him and I hope the Democrats of Mississippi will forgive him. He is so valuable here we will have to forgive him. Every man every once in a while errs. We must give our friend from Mississippi the right to err once in a while. He gets off the reservation once in a while, and I know the provocation.

Mr. KUNZ. Will the gentleman yield?

Mr. BLANTON. I regret I can not.

Mr. KUNZ. For just one simple question?

Mr. BLANTON. I regret I can not yield, as I have only a few moments left. I know the provocation that influenced him, and I forgive him. If it were necessary, all of us would do anything we could to get the Democrats of Mississipi to forgive him, and they will. He is otherwise such a valuable legislator they will give him the right to be wrong once in a while. [Laughter and applause.]

IMPRISONMENT OF EAMON DE VALERA

The SPEAKER. The gentleman from New York [Mr. LAGUARDIA] is recognized.

Mr. LAGUARDIA. Mr. Speaker, now that the House is again in a good humor, my task is easier than it would have been a few moments ago.

I listened with a great deal of interest to the remarks made by my distinguished colleague from my State [Mr. BOYLAN], who has given the subject a great deal of thought and study.

On March 5, 1924, I introduced a resolution (H. Res. 208), which was referred to the Committee on Foreign Affairs, the same committee to which my colleague's resolution was referred. Since that time we have been seeking to get a hearing. Permit me to read my resolution:

House Resolution 208

Whereas it has been the policy of people of the United States to give their moral and material support to any people endeavoring to obtain freedom and independence; and

Whereas the people of the United States admire leaders who make sacrifices for the cause of liberty, and the Government of the United States has always offered an asylum to such leaders; and

Whereas Eamon de Valera, formerly provisional president of Ireland, has been languishing in prison for several months, and it being impossible to ascertain the cause of his imprisonment other than that he was one of the leaders in the recent struggle for Irish freedom; and

Whereas the said Eamon de Valera is a native of the United States and an honorary citizen of many cities of the United States, and his mother a resident of the State of New York: Be it

Resolved, That it is the sense of the House of Representatives of the United States that in the absence of any specific charge of crime committed by the said Eamon de Valera his continued imprisonment without a trial is against the morals, custom, and policy of liberty loving people in this advanced age; and be it

Resolved further, That the Secretary of State be, and he is hereby, directed to transmit this resolution to the Government of Great Britain as a protest against the continued imprisonment of Eamon de Valera under the conditions hereinbefore set forth.

Before introducing this resolution, gentlemen, I looked up the precedents, and I found that there is nothing unusual in a resolution of this kind. I think that this great Republic of ours has established a record in the history of the world as being ready at all times to assist any people who are striving to attain independence. It is as natural for an American to sympathize with the cause of liberty as it is for a mother to love her own child.

In 1848, when the Hungarian rebellion against the Hapsburg dynasty took place, this country not only openly expressed its sympathy with the Hungarian rebellion but sent an observer to Budapest, right on the spot, to report the progress of that revolution. After the fall of the Hungarian independence the Austrian Government called upon this Government for an explanation.

The Hungarian revolution of 1848 failed. As I have just stated, the Austrian Government protested to this Government for having received representatives and leaders of the Hungarian independence movement and protested very vigorously against our attitude toward Hungary and our sympathy with their leaders.

We were perfectly frank about it. We did not hesitate a moment then to tell Austria that we were interested in the freedom of Hungary as we are sympathetic with any movement of any people seeking their independence. Let me read the frank, bold, courageous, and real American statement of President Taylor in a special message on the subject dated March 28, 1850:

My purpose, as freely avowed in this correspondence, was to have acknowledged the independence of Hungary had she succeeded in establishing a government de facto on a basis sufficiently permanent in its character to have justified me in doing so, according to the usages and settled principles of this Government; and although she is now fallen and many of her gallant patriots are in exile or in chains, I am free still to declare that had she been successful in the maintenance of such a government as we could have recognized we should have been the first to welcome her into the family of nations.

I believe we are quite justified in taking a keen interest in the movement for Irish freedom. Eamon de Valera, former provisional president of the Irish Republic, typifies the spirit of Irish liberty. I know of no better expression of the attitude of this Government in such questions than to read the message of Daniel Webster, Secretary of State, to Mr. Hulsemann, Austrian chargé d'affaires, dated December 21, 1850:

In the course of the year 1848 and the early part of 1849 a considerable number of Hungarians came to the United States. Among them were individuals representing themselves to be in the confidence of the revolutionary government, and by those persons the President was strongly urged to recognize the existence of that government. In these applications, and in the manner in which they were viewed by the President, there was nothing unusual; still less was there anything unauthorized by the law of nations. It is the right of every independent state to enter into friendly relations with every other independent state. Of course, questions of prudence naturally arise in reference to new states brought by successful revolutions into the family of nations; but it is not to be required of neutral powers that they should await the recognition of the new government by the parent state. No principle of public law has been more frequently acted upon within the last 30 years by the great powers of the world than this. Within that period 8 to 10 new states have established independent governments within the limits of the colonial dominions of Spain on this continent; and in Europe the same thing has been done by Belgium and Greece. The existence of all these governments was recognized by some of the leading powers of Europe, as well as by the United States, before it was acknowledged by the states from which they had separated themselves.

If, therefore, the United States had gone so far as formally to acknowledge the independence of Hungary, although, as the event has proved, it would have been a precipitate step, and one from which no benefit would have resulted to either party, it would not, nevertheless, have been an act against the law of nations, provided they took no part in her contest with Austria.

I have heard it suggested by Members that my resolution is improper or, at least, unseeming, in that it seeks to interfere in a purely local matter of a foreign government. That is not so. I would not think of bringing in a resolution of any kind that could by any possible fair construction embarrass my colleagues or the American Government. I have simply followed precedent, and there are several instances where this Government not only took a sympathetic interest in the cause of freedom but also in the individuals who inspired and fought the battles of liberty.

A similar case was that of Louis Kossuth, the great Hungarian liberator. The policy of the American Government was laid down in a letter of instructions written by John M. Clayton, Secretary of State, to Mr. Marsh, our representative in Turkey, on January 12, 1850:

You are well aware that the deepest interest is felt among the people of the United States in the fate of Kossuth and his compatriots of Hungary, who have hitherto escaped the vengeance of Austria and Russia by seeking an asylum within the boundaries of the Ottoman Empire. The accounts respecting them have been so conflicting—sometimes representing them as having escaped and at others as being captive—that we have not known what to credit, and have therefore declined to interfere in their behalf; nor do we now desire to interfere by entangling ourselves in any serious controversy with Russia or Austria. But we can not suppose that a compliance with the dictates of humanity, now that the contest with Hungary is over, would involve our friendly relations with any other power. Should you be of the opinion that our good offices would avail anything to secure their safety and their escape from the hands of those who still pursue them, it is desired by your Government that you should intercede with the Sultan in their behalf. The President would be gratified if they could find a retreat under the American flag and their safe conveyance to this country by any one of our national ships which may be about to return home would be hailed with lively satisfaction by the American people.

The attitude of the American Government could not be stated in clearer and more concise language. If it was proper in 1850 to protest against the action of two foreign Governments and courageously go to the protection of a champion of liberty, as expressed in the letter of instruction of Secretary of State Clayton, surely my resolution simply expressing a desire, if you please, on the part of the Representatives of the American people is within the confines of propriety and international comity.

The case of Eamon de Valera stands on all fours on the facts and the law as laid down in the case of the liberator, Louis Kossuth.

Mr. WAINWRIGHT. What did he do that his own people put him in jail?

Mr. LaGUARDIA. That is the subject of inquiry. There is not a human being that is in a position to state whether Eamon de Valera violated any law. I say that this great leader, Eamon de Valera, will have a glorious place in history as a champion of liberty. He has been incarcerated, no charge lodged against him, no indictment, and they have refused to release him on a habeas corpus, refused to place him on trial; and I say that is an outrage for any civilized country to commit against any of its own subjects or a citizen of another country.

Mr. VAILE. Is he a subject or citizen of this country? That seems to be in doubt.

Mr. LaGUARDIA. He was born in New York State; his mother is a resident of the city of Rochester. I am sure that Eamon de Valera's gallantry, courage, and noble purpose in fighting for the freedom of the people of Ireland is a guaranty that he never took an oath of allegiance to the King of England.

Mr. HOLADAY. Will the gentleman yield?

Mr. LaGUARDIA. Yes.

Mr. HOLADAY. Does the gentleman believe that if an American citizen leaves this country and goes to another country, encourages an insurrection or a civil war, becomes a candidate for President of that country, and is elected or defeated, gets in trouble, is entitled to claim the protection of the American Government?

Mr. LaGUARDIA. I claim we have here sufficient precedents in this country to establish the fact that it is proper for this House to give its moral support to any people any place in the world who are seeking to govern themselves and seeking to overthrow any foreign sovereign oppression. [Applause.]

Is it not a common occurrence for diplomatic representatives to seek to intervene and seek clemency on behalf of their nationals who have come in conflict with the law? Surely, if it is proper for a foreign government to ask its representative to use his good offices on behalf of a national who violated the criminal laws of another country, how much more proper and more lofty is it for a government to ask a friendly government of another country for information concerning the status of a man who, it will be admitted, has not violated any criminal laws but has only espoused the sacred cause of liberty. At this point let me read a letter from the Attorney General bearing on this subject:

In response to your letter of the 2d instant, requesting to be advised whether it is customary for an ambassador, minister, or consul accredited to this country to ask for clemency, and if such requests are frequently made, you are advised that the pardon attorney informs me that a limited number of requests have been made by ambassadors and ministers through the State Department concerning nationals of their representative governments during the past four or five years, and a few requests for status of certain prisoners' cases have been made direct to this department by consuls accredited to this country.

It is not understood, however, that the ambassadors or ministers have in any instance asked for executive clemency in the sense of making a recommendation that presidential relief be extended.

I do not believe that we are in the slightest overstepping the bounds of propriety or in the slightest impairing the dignity of this House when as Representatives of the free people of America we bail Eamon de Valera as the champion of a great cause for human liberty and ask our Department of State to use its good offices in seeking the liberation of this liberty's champion and to protest against his continued unlawful, unjustifiable imprisonment. [Applause.]

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the roll.

The Clerk called the roll of committees.

Mr. McKENZIE (when the Committee on Military Affairs was reached). Mr. Speaker, I call up the bill (H. R. 4820) to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922. The bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois calls up the bill H. R. 4820 and asks that it be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922, be, and the same is hereby, amended by inserting immediately after the first sentence thereof the following sentence:

"Such officers whenever entitled to Federal pay, except armory drill and administrative function pay, shall receive as longevity pay, in addition to base pay provided but not exceeding the maximum pay prescribed by law, an increase thereof at the per cent and time rates up to 30 years provided in the ninth paragraph of section 1."

Mr. McKENZIE. Mr. Speaker, in line 6, page 2, I move to strike out the word "ninth" and insert the word "tenth."

The SPEAKER pro tempore (Mr. TILSON). The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 6, strike out the word "ninth" and insert the word "tenth."

The amendment was agreed to.

The Clerk read as follows:

What constitutes field duty, sea duty, an assignment as quarters, or a permanent station, within the meaning of this section, shall be determined for each of the services, including adjunct forces thereof, mentioned in the title of this act under such regulations as the President may prescribe from time to time, and such determination shall be conclusive for all purposes.

The following committee amendment was read:

Page 4, line 4, strike out the paragraph and insert in lieu thereof the following: "Regulations in execution of the provisions of this section in peace and in war shall be made by the President and shall, whenever practicable in his judgment, be uniform for all of the services concerned, including adjunct forces thereof."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. That section 10 of said act be, and the same is hereby, amended by adding thereto the following paragraphs:

"The retainer pay of all men who were on that day transferred members of the Fleet Naval Reserve or the Fleet Marine Corps Reserve shall be computed on the rates of pay authorized for enlisted men of the naval service by the act approved June 10, 1922: *Provided*, That the retainer pay of said reservists shall be not less than that to which they were entitled on June 30, 1922, under decisions of the Comptroller of the Treasury in force on that date.

"That all enlisted men of all the services mentioned in the title of this act who served as warrant or commissioned officers in any of said services, including adjunct forces thereof, shall be credited with all active service so performed during the period from April 6, 1917, to December 31, 1921, in the computation of their enlisted service for longevity pay purposes, and shall be paid accordingly."

With the following committee amendment:

Page 5, line 1, correct the spelling of the word "enlisted."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. That section 20 of said act be, and the same is hereby, amended by inserting the words "and flight surgeons" after the words "qualified aircraft pilots," and by adding thereto a penultimate sentence and amending the final sentence thereof to read as follows:

"Officers, warrant officers, and enlisted men of the National Guard participating in exercises or performing duties provided for by sections 92, 94, 97, and 99 of the national defense act, as amended, and of the reserves of the services mentioned in the title of this act called to active duty shall receive an increase of 50 per cent of their pay while on duty requiring them to participate regularly and frequently in aerial flights, and when such flying duty involves travel they shall also receive the same allowances for traveling expenses as are or hereafter may be authorized for the Regular Army. Regulations in execution of the provisions of this section shall be made by the President and shall, whenever practicable in his judgment, be uniform for all the services concerned."

With the following committee amendment:

Page 5, line 8, strike out all of lines 8 to 12, inclusive, and insert the following:

"SEC. 4. That section 20 of said act be, and the same is hereby, amended by striking out the last sentence of said section 20 and inserting in lieu thereof the following:"

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. LaGUARDIA. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. LaGUARDIA: Page 6, line 4, add the following as a new section: "The discrimination now existing in the method of computing service of officers of the Army is hereby removed and hereafter service and what shall be counted for all purposes in computing length of service for all officers shall be the same as now provided by law for officers who were first commissioned as lieutenants in the Army in 1916."

Mr. McKENZIE. Mr. Speaker, I make the point of order against that amendment: As I understand it, first, it is an amendment to the national defense act, while the bill under consideration is a bill simply amending the service pay act of Congress.

Mr. LaGUARDIA. Mr. Speaker, the bill that we have before us amends the national defense act, and this is just one additional amendment to the bill. The whole bill is amendatory of the national defense act.

The SPEAKER pro tempore. That question alone would not be decisive. Is it germane to the paragraph? The Chair has not had an opportunity to examine the amendment.

Mr. McKENZIE. I make the point of order that it is not germane to the paragraph or to the bill.

The SPEAKER pro tempore. Will the gentleman from New York address himself to the feature of whether his amendment is germane to the subject matter of the paragraph?

Mr. HILL of Maryland. Mr. Speaker, can we have the amendment again reported?

The SPEAKER pro tempore. Without objection the Clerk will again report the LaGuardia amendment.

There was no objection, and the Clerk again reported the amendment.

Mr. McKENZIE. Mr. Speaker, I gather from the reading of this amendment that it is a proposition that involves some 1,300 or 1,400 officers of the Army, and it goes back and involves the question of longevity pay for West Point service, and it is a proposition to give constructive service to every man who came into the Army from civil life prior to 1916. That is what I gather from the amendment; and if that is true, then that is an amendment to the national defense act and not to the pay act. It is an amendment that is so far-reaching that I am frank to say from just simply hearing it read that I would not be able to pass upon it, but I think I can scent what the object is. It is a matter that ought to be given serious consideration.

Mr. LaGUARDIA. Mr. Speaker, I respectfully submit that the gentleman is not arguing the point of order, but is arguing the merits of it.

Mr. McKENZIE. Mr. Speaker, I make the point of order that it is an amendment to the national defense act.

The SPEAKER pro tempore. The Chair calls the attention of the gentleman from New York to the fact that his amendment seems to be the computing of pay and would inquire whether that is germane to the subject matter of this bill. Regardless of what actually is meant, but simply going to the subject matter of the bill, is the subject matter presented by the gentleman the same subject matter as that considered in the bill. That determines the question of germaneness. Will the gentleman address himself to that subject?

Mr. LaGUARDIA. Mr. Speaker, this is an act according to the title of the bill to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, the Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service.

Mr. McKENZIE. Mr. Speaker, let me call the attention of the Chair to the fact that the very first sentence of the amendment seeks to remove existing discrimination between officers now in the Army, as to their commissions and their length of service. The pay act has nothing whatever to do with discrimination.

Mr. LaGUARDIA. Mr. Speaker, the very title of this act and its first provision in the enactment clause refers to section 3 of an act to readjust, and so forth, and it is provided, and it is hereby amended by inserting, and so forth. Then it proceeds to make changes, and the very purpose of this bill is to amend existing law. What my amendment does is to take the personnel mentioned in the enacting clause and amend existing law pertaining to longevity allowance and their retirement. It is clearly within the bill, and is germane to the subject.

The SPEAKER pro tempore. Upon such hasty examination as the Chair is able to make of this long bill and the subject matter contained in it, and so far as he is able to apply the amendment of the gentleman from New York to it, it seems to the Chair to deal with the same general subject matter, and while not called upon to pass upon the merits or the demerits of the amendment, the chair is inclined to rule that it is germane to the subject matter under consideration, and, therefore, overrules the point of order.

Mr. McKENZIE. Mr. Speaker, I ask for a vote.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 5. That section 21 of said act be, and the same is hereby, amended by substituting a colon for the period and adding the following proviso at the end thereof:

"*Provided*, That the pay and allowances of the members of the Naval Academy Band shall be not less than that which was authorized for the various ranks and ratings in said bands on June 30, 1922, under decisions of the Comptroller of the Treasury in force on that date."

Mr. WRIGHT. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

At the end of section 5 insert a new section as follows:

"SEC. 6. That section 17 of said act be, and the same is hereby, amended by adding to the first sentence thereof: *Provided*, That the pay saved to an officer by section 15 of this act or by the act of September 14, 1922, shall be construed as the pay provided by this act for the purpose of computing retired pay. Further, by striking out the figure '6' in line 13, page 6, and inserting in lieu thereof the figure '7.'"

Mr. WRIGHT. Mr. Speaker, this is a committee amendment, and was unanimously agreed upon.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 6. That the provisions of this act shall be effective from and after July 1, 1922.

Mr. McKENZIE. Mr. Speaker, that should be numbered section 7.

The SPEAKER pro tempore. Without objection, the numbering will be changed.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

TRANSFER OF CERTAIN MATERIALS, MACHINERY, ETC., FROM WAR DEPARTMENT TO THE DEPARTMENT OF AGRICULTURE

Mr. McKENZIE. Mr. Speaker, I call up the bill H. R. 7269. This bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 7269) to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that this bill be considered in the House as in Committee of the Whole House on the state of the Union. Is there objection. [After a pause.] The Chair hears none. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to transfer to the Department of Agriculture, under the provisions of section 7 of the act approved February 28, 1919, entitled "An act making appropriations for the service of the

Post Office Department for the fiscal year 1920, and for other purposes," and acts amendatory thereto, for use in the improvement of highways and roads as therein provided, the following war materials, machinery, and equipment pertaining to the Military Establishment, out of the reserve stocks of the said Military Establishment, to wit: 2,000 5-ton caterpillar tractors complete with tools and spare parts; 500 ordnance mobile machine-shop units complete with tools and spare parts; and 5,000 motor trucks, 1 to 5 ton capacity. The freight charges incurred in the transfer of the property provided for in this provision shall be defrayed by the Department of Agriculture, and if the War Department shall load any of the said property for shipment, the expense of said loading shall be reimbursed to the War Department by the Department of Agriculture by an adjustment of the appropriations of the two departments. The title of said materials, machinery, and equipment shall be and remain vested in the State for use in the improvement of the public highways, and no such materials, machinery, and equipment in serviceable condition shall be sold or the title to the same transferred to any individual, company, or corporation.

The committee amendments were read as follows:

Page 2, line 3, strike out "two thousand," and insert "one thousand five hundred."

Page 2, line 4, after the word "parts" strike out "500 ordnance mobile machine-shop units complete with tools and spare parts."

Page 2, line 6, after the word "and" strike out "five," and insert in lieu thereof "four."

Page 2, line 7, strike out the word "one," and insert in lieu thereof "three-quarters."

The question was taken, and the amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

SALE OF REAL PROPERTY NO LONGER REQUIRED FOR MILITARY PURPOSES

Mr. McKENZIE. Mr. Speaker, I call up the bill H. R. 9124. This bill is on the Union Calendar, and I ask unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes.

Mr. BLANTON. Mr. Speaker, reserving the right to object, this bill should be considered in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that it may be considered in the House as in Committee of the Whole House on the state of the Union.

Mr. BLANTON. I am just reserving the right to object to find out exactly what the provisions of this bill mean. Under the terms of this bill could the Secretary of War dispose of any piece of this property to any municipality for less than the appraised price after it has been appraised?

Mr. McKENZIE. No; he could not. That is my understanding. We have a provision in the bill——

Mr. BLANTON. There is going to be no giving back of this property to municipalities?

Mr. McKENZIE. I will say very frankly to the gentleman that I expect to offer an amendment. The gentleman from Texas knows there are a number of bills on the calendar reported from the committee.

Mr. BLANTON. That is what I want to have an understanding about. There are a number of such bills on the calendar where municipalities, Mr. Speaker, in order to get the Government to establish these cantonments and camps in their district, have bought land from a commercial standpoint and given it to the Government, thereby causing the Government to establish cantonments and build even street-car tracks and water systems and paved streets and roads and spend millions of dollars in the community, all of which benefited them, and now when the war is over they want to get the land back.

Mr. McKENZIE. To all of which I was opposed.

Mr. BLANTON. And if the gentleman is going to offer that kind of an amendment—why, it is almost impossible to oppose an amendment offered by a committee chairman, and especially such a distinguished gentleman as the gentleman from Illinois—we ought to stop it now when we can do so. We have no chance whatever to defeat any amendment he offers unless we have a chance to discuss it to some extent.

Mr. McKENZIE. Mr. Speaker, I will say——

Mr. BLANTON. So far as this bill is drawn now, there is no objection whatever to it; it is a good bill and ought to pass; but the gentleman ought not to put an amendment of that kind on this bill without thrashing out that proposition in the Committee of the Whole House on the state of the Union.

Mr. McKENZIE. Let me say to the gentleman from Texas my only purpose in doing as I am doing now in getting these bills along is to expedite the legislation——

Mr. BLANTON. The gentleman knows that amendment is subject to the point of order, does he not?

Mr. McKENZIE. No; I do not think so. I want to say this to the gentleman from Texas, because he is fair enough to state his position, and I will be fair enough to the gentleman from Texas to say when these amendments are offered that he shall have his opportunity to move to strike out any particular item.

Mr. BLANTON. Will the gentleman give us as much as 30 minutes against that amendment?

Mr. McKENZIE. I will give the opposition as much as 30 minutes to any and all parts.

Mr. BLANTON. There ought to be some time given Members to oppose such amendments.

Mr. McKENZIE. I will agree to give not exceeding 30 minutes.

Mr. LaGUARDIA. Mr. Speaker, reserving the right to object, I do not understand that in the House, when we are considering a bill of this kind, the time is controlled——

The SPEAKER pro tempore. It is not controlled in any way whatever, but the bill is considered just as it would be in committee. The Clerk will report the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, either in whole or in two or more parts as he may deem best for the interests of the United States, the several tracts or parcels of real property hereinafter designated, or any interest therein or appurtenant thereto, which said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

FIRST CORPS AREA

Maine: Narrows Island Reservation, Boothbay, Lincoln County.

Massachusetts: Fort Phoenix, near Fair Haven, Bristol County; Springfield Armory, two small tracts.

Rhode Island: Fort Greene, Newport.

SECOND CORPS AREA

New York: Fort Montgomery, Rouses Point, Clinton County; Sag Harbor Reservation, Sag Harbor, Long Island, Suffolk County.

FOURTH CORPS AREA

South Carolina: Ray Point Reservation on Phillips Island, Beaufort County; Hilton Head Reservation at south entrance to Port Royal Sound, Beaufort County.

Alabama: Fort Gaines, on east end of Dauphin Island, Mobile County.

Tennessee: Park Field, Millington.

SEVENTH CORPS AREA

Arkansas: Camp Pike Booster Pumping Station, near Little Rock.

SEC. 2. In the disposal of the aforesaid properties the Secretary of War shall in each and every case cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. After such appraisal shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract of land is located, and such State, or the county, or municipality in which such land is located shall in the order named have the option at any time within six months after the approval of such appraisal to acquire the same, or any part thereof which shall have been separately appraised, upon payment within said period of six months of the appraisal value: *Provided, however*, That the conveyance of said tract of land to such State, county, or municipality shall be upon the condition and limitation that said property shall be limited to use for public park purposes and upon cessation of such use shall revert to the United States without notice, demand, or action brought.

SEC. 4. Six months after the date of approval of said appraisal, if the option given in section 3 hereof shall not have been completely exercised, the Secretary of War shall sell, or cause to be sold, each of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

SEC. 5. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 6. The expense of appraisal, survey, advertising, and sale shall in each case be paid from the proceeds of the sale, whether made in accordance with section 3 or section 4 of this act, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

Mr. McKENZIE. Mr. Speaker, I desire to offer an amendment.

The SPEAKER pro tempore. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: Insert the following as a new section, following section 6:

"SEC. 7. That the transfer from the Department of the Interior to the War Department of the control and jurisdiction over the parcels known as farm No. 1, farm No. 2, and the Sanno tract, now constituting a part of the Government reservation at Carlisle Barracks, Pa., is ratified and confirmed.

"SEC. 8. The Secretary of War is authorized to sell at either public or private sale, upon terms and conditions deemed advisable by him, the land lying north of the Carlisle-Harrisburg highway, being part of the tract of land known as farm No. 2, constituting a part of the Carlisle Barracks reservation, the land to be sold as a whole or in parcels as the Secretary of War may determine, and to execute and deliver in the name of the United States and in its behalf any and all deeds or other instruments necessary to effect such sale.

"SEC. 9. The Secretary of War is authorized to acquire by negotiation or appropriate condemnation proceedings additional land needed at the post of Carlisle Barracks for the use of the Medical Field Service School, to wit."

Mr. BLANTON. Mr. Speaker, as far as the Clerk has read, it is shown very clearly that the amendment is subject to a point of order. I now make the point of order, so that it will save the reading of that amendment further.

This is a bill to authorize the Secretary of War to dispose of certain property at its appraised market value. The Chair will note that in the bill. This amendment that is now offered shows that it authorizes the Secretary of War, first, to give back property and to sell it for less than its appraised value; and, secondly, to acquire new property for a new, specific purpose not within the contemplation of the purpose of the bill. It is not germane to the bill, and it is not germane to the paragraph to which it is offered, and it is clearly subject to a point of order.

Mr. McKENZIE. I will say this, Mr. Speaker, that the bill just read, under consideration, is a bill dealing with real estate, authorizing the Secretary of War to sell and dispose of a certain tract of real estate no longer necessary for military purposes; and as the gentleman from Texas [Mr. BLANTON] says, it is to be sold at not less than the appraised value. But it does not seem to me that a point of order should prevent an amendment authorizing the Secretary of War to dispose of other real estate belonging to the Military Establishment in any other manner than sale for cash. I do not think the words "sale for a consideration and cash value not less than the appraised value" should control. It seems to me it is in the general subject matter.

The SPEAKER pro tempore. The Chair is ready to rule. This is a bill for the sale of real property no longer required for military purposes. It provides for the disposition of a number of pieces of property, and it appears to the Chair that a provision providing for the disposition of other property of the same character would be in order.

The question of acquiring additional property, however, is quite a different proposition. This bill makes no reference in any of its provisions or in its title to the acquiring of new property anywhere. It seems to the Chair that the portion of the amendment providing for the acquisition of new property is not germane to this bill; and therefore, on that ground alone, the Chair sustains the point of order.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. ROMJUE. I would like to ask the gentleman from Illinois a question. As I read the bill, it gives authority to the Secretary of War to sell this property. It also gives him the power to cause an appraisal. It authorizes the Secretary of War to sell this property, first having had it appraised. It authorizes the Secretary of War to appoint appraisers, which is equivalent to the Secretary of War appraising the property himself. It also authorizes the Secretary of War, before a sale, to advertise the property in any way that he sees fit.

Now, I desire to ask the gentleman from Illinois whether or not, having the power to appoint the appraisers himself, and to sell the property himself, and to advertise it in any manner he sees fit, he does not think that it gives the Secretary of War almost absolute power to dispose of the property in any manner he sees fit?

Mr. McKENZIE. I will say to the gentleman that we went over the matter very carefully in the committee, and we finally arrived at the conclusion that the language in the bill safeguards the Government just as much as it would be possible to safeguard the Government in any other way. The truth about it is simply this, that we must assume that the Secretary of War has the best interests of the Government at heart.

Mr. ROMJUE. I grant that.

Mr. McKENZIE. Now, if you take it out of his hands and put it into the hands of some one else, you must assume that that other party has at heart the best interests of the Government. In other words, I do not think it is quite fair to presume that the officer filling such a position as the Secretary of War will not fill that office faithfully, so far as the interests of the Government are concerned. I appreciate the fact that if men conspire to rob the Government, they can do it under this bill.

They can do it under any bill we might write. As a matter of fact, we thrashed that out and came to the conclusion that in the interest of efficiency, and enabling the Secretary of War to do business and get rid of this property, we had to trust something to him.

Mr. ROMJUE. I think that is the only fair presumption, of course, that the officer will be honest in the administration of these duties. But suppose the power to appoint appraisers were placed in the hands of the governor of the State where the land is located. Does not the gentleman think that might safeguard it a little more?

Mr. McKENZIE. Well, it might and it might not. The governor might be interested in the property or have some friends who were interested in it, and he might see that they made a low appraisement. However, I should think the governor would do his duty as I assume the Secretary of War will do his duty. But if the governor had some friend living out in that locality who helped him get his nomination he might make it possible to have a low appraisement and he could come in and buy the property at a low figure. I can very easily see how they could get around that. I am willing to agree with the gentleman from Missouri that if we are going to assume that men will be dishonest they can carry out their dishonesty under this bill, and I can not conceive of any law they can not defeat if they so desire.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. OLIVER of Alabama. Some weeks ago it was disclosed that perhaps there had been some contracts made, which the House did not approve, providing for the payment of large commissions to auctioneers for making sales, and it occurs to me that the gentleman could very properly consider an amendment which would protect against that kind of a commission being paid for the sale of land.

Mr. McKENZIE. Well, I agree with the gentleman from Alabama that that would be possible, but the greater part of this property will not bring any very large amount of money to the Government, and it would seem to me that if we fixed a per diem for auctioneers that they would probably get more money out of it than they would otherwise, and the committee felt it was unwise to go into that on a bill of this character.

Mr. OLIVER of Alabama. The gentleman does not think that a percentage should be paid to an auctioneer if he were only engaged in selling that property for one or two days, does he?

Mr. McKENZIE. Well, I assume that some local auctioneer will probably handle these matters.

Mr. OLIVER of Alabama. I think that is, perhaps, a correct assumption, but at the same time Congress should protect against abusing a privilege like that.

Mr. McKENZIE. I am against robbery in any form, as far as I am personally concerned.

Mr. OLIVER of Alabama. I fully realize that.

Mr. McKENZIE. But I realize that there are some things which must be provided in order to get business of this kind performed.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. BLANTON. Mr. Speaker, I ask that the gentleman have a minute more so that I may ask a question.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

from Illinois—we ought to stop it now when we can do so. We have no chance whatever to defeat any amendment he offers unless we have a chance to discuss it to some extent.

of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

himself. It also authorizes the Secretary of War, before a sale, to advertise the property in any way that he sees fit.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. I want to ask the gentleman from Alabama whether he thinks we ought to take up any matter affecting auctioneers' fees in the absence of our expert auctioneer colleague from Ohio [Mr. BEGG].

Mr. LAGUARDIA. Mr. Speaker, I move to strike out the last word. Mr. Speaker and gentlemen, when a bill of this kind comes before us it seems to me we should pause for a moment and give some thought to the cost of the Military Establishment and the way in which that cost is increased yearly by the constant purchase and sale of land.

The members of the Military Committee and the Naval Affairs Committee have had the experience of hearing officials of the department come before them and plead the urgency of the immediate acquisition of land here and there. And when the Government goes out to buy land in any locality it always pays top-notch prices, and then in a few years we find that the urgency was exaggerated, that the need of the land was mistaken, and that there is no longer any use for it. Then they come in and ask to be permitted to dispose of the land. Now, that happens every year. We are buying land all over this vast country at high prices and selling it in a few years at a sacrifice, and when we pay the legal expenses and the expenses of the sale there is nothing left.

Why, gentlemen, you now have a bill pending appropriating $6,500,000 for new hospitals, and this added appropriation is necessary only because the millions of dollars heretofore appropriated were injudiciously expended.

You purchased a hospital in my city a few years ago, in the Bronx, and now we find that hospital does not answer the purpose for which it was purchased, and it is intended to sell it at a loss of $1,500,000.

You purchased a hospital at Dawsonsprings about five years ago. Now there are vacant beds there, and we find that hospital is not suitable for tubercular patients and that we must go elsewhere and build another hospital.

We should give more consideration to these appropriation bills for the purchase of sites, for the purchase of land, and for the purchase of new buildings for the Army and Navy. Unless you do that you are going to have a constantly increasing military budget. The money spent will be of no use to the national defense, but it will simply go to real-estate speculators, contractors, favorite sons, and the like. That is the situation now as to the hospital program for our veterans. I do not believe there is a single hospital which has been purchased that is adequate or fitted for the purpose originally intended. They came here on the plea of helping the disabled veterans, when, as a matter of fact, the real purpose would seem to be to promote some land scheme. [Applause.]

As to this bill, I would like to know—and I am sure the chairman of the committee can give us the information—the amount involved in the original purchase of this property.

Mr. McKENZIE. I will say to the gentleman from New York that if he had read the report he would know. It is all in the record.

Mr. LAGUARDIA. Can not the chairman give us the lump sum?

Mr. McKENZIE. No, sir; I can not.

Mr. FREAR. I will state to the gentleman that on page 5 of the report it appears that the value of the improvements at Park Field, Tenn., is $2,128,700 for that one item.

Mr. LAGUARDIA. And that is only one item in the bill. It will be interesting to find out how much the Government realizes on that.

Mr. FREAR. That is just what occurred to me.

Mr. LAGUARDIA. We have such property all over the country, and yet if a Member simply shows an interest in a matter of this kind, involving millions of dollars, he is treated by the acting chairman rather flippantly. I think we have a right to inquire, and I think we have a duty to protect the Public Treasury.

Mr. McKENZIE. Mr. Speaker, will the gentleman yield to me just a moment?

Mr. LAGUARDIA. Yes; certainly.

Mr. McKENZIE. I want to say to the gentleman from New York that before he ever came to Congress some of us were interested in finding out how much real estate was held by the War Department and how much of it was absolutely unnecessary and a needless expense for the Government to carry. There were a number of us on a subcommittee who worked for about a year with some of the officers of the Army in getting up an inventory of all the real estate in the United States and in the insular possessions belonging to or under the supervision of the War Department. After we had that inventory made, we made a report, and in that report we recommended that the War Department dispose of all the unnecessary property which was a needless expense to the Government. Since that time the Secretary of War from time to time has been sending to Congress a number of items representing such real estate.

The SPEAKER. The time of the gentleman has expired.

Mr. McKENZIE. I ask unanimous consent that the gentleman may have two minutes more.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. McKENZIE. This is simply following out that policy, and I think it is a good policy.

Mr. LAGUARDIA. I submit to the distinguished chairman, would it not be proper at this time that the list of property designated in this bill in Massachusetts and Rhode Island and New York and South Carolina and Alabama and various other States be submitted to the Veterans' Bureau? The Veterans' Bureau is in the market now to purchase lands for hospitals, and they are spending money for that purpose. An appropriation will be before us in a few days of $6,500,000. Some of those hospitals are to be placed in the very localities where we are now authorizing the Secretary of War to sell lands. Would it not be prudent and would it not be economical to place this list in the hands of the Veterans' Bureau and see if they could not use some of this land for that purpose? Otherwise these tracts of land will be sacrificed at great loss to the Government, while the Government is buying other land at exorbitant prices.

Mr. McKENZIE. The gentleman is well aware of the fact that if the Veterans' Bureau wants real estate that belongs to the Government all they have to do is to petition and ask the Congress to have it transferred, and I am sure there would be no objection.

Mr. LAGUARDIA. Then why in the name of common sense do they not do it instead of going out and buying new land? That is why the expense of the Government is heaping up all the time, and that is why the disabled veteran is not getting the assistance and care that he should be getting.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. HULL of Iowa. Does the gentleman know of any real estate herein laid out for sale that the Veterans' Bureau wants?

Mr. LAGUARDIA. It seems to me that if they are going to build a hospital in Massachusetts or in New York, in all likelihood some of this land would be available.

Mr. HULL of Iowa. Do you know of any case in which they want the real estate?

Mr. LAGUARDIA. If I had been a member of the Committee on Military Affairs, I certainly would have inquired.

Mr. HULL of Iowa. You would have gone into that?

Mr. LAGUARDIA. I certainly would.

Mr. HULL of Iowa. You did not when you were a member.

Mr. LAGUARDIA. Oh, but I did, and if the gentleman will recall, I knew enough about it to reduce the Army by 200,000 men and to cut down the appropriation $170,000,000.

Mr. YOUNG. Mr. Speaker, I move to strike out the last three words.

I think the chairman of this committee and the other members of the committee are to be commended for trying to turn some real estate which is not now needed into ready cash, because I expect there will be greater need for it in the Treasury during the next fiscal year than perhaps for many years to come on account of the unusual demands now being made on the Treasury.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. YOUNG. Certainly.

Mr. DEMPSEY. It was suggested that the amount expended on the real estate at Park Field, Tenn., was something over $2,000,000. While that is true, the real estate itself only cost $88,000 and the improvements or the greater part of them, including all the substantial improvements of steel, have been removed, so that what is involved here is simply the land costing $88,000 and some improvements not of any particular value.

Mr. YOUNG. It is an unimproved-land proposition.

While there will be differences of opinion upon other items in the conference report covering the tax-reduction measure, there ought not to be any regarding the decision of the conferees to eliminate the Senate amendment providing for a tax upon undistributed profits, increasing the tax in proportion to the amount of net profits left undistributed.

To my mind, such a tax would encourage unwise and unsound business methods, which in turn would weaken the credit of business concerns, seriously affect the volume of business done, and be accompanied with all the unfortunate results to all kinds of producers on farms or in factories which attend a slump in business.

The commercial structure of this country or any other country that amounts to anything commercially is built upon confidence. Any corporation manager who distributes all net profits to stockholders and goes to his banker for a loan is met with a stony stare. Banks want nothing to do with such corporations. Other concerns which extend credit have the same convictions, and properly so. The proposal to tax undistributed profits would encourage loose business methods and put a heavy penalty upon following business rules which have made our country great and prosperous. Our forefathers have left for us examples of thrift. They formed the habit of spending less than they earned. This good old policy is still followed by many of our people. President Coolidge is and has been a conspicuous example of it. He has never been ashamed of economy in his personal affairs and has set a splendid example for all his countrymen. He also believes there is nothing shabby about economy in public expenditures.

Mr. Speaker, the most unfortunate thing which could happen would be to have our Government adopt a tax policy which would encourage extravagance upon the part of the Nation's citizenship.

This novel tax proposal defies all experience. It is the exception when any business runs along from year to year with the same volume of business. They go ahead or behind. If the volume increases more capital is required to handle it, and business managers ought not to be tempted by national laws to try to do business without adequate capital. When bad years come they should be fortified with a surplus. Otherwise they will face bankruptcy.

Mr. Stuart W. Cramer, chairman American Cotton Manufacturers Association, tells how the cotton industry would be affected. He says:

In the first place, the southern cotton mill industry has almost entirely been built up out of earnings reinvested into more income producing property with more employment of labor to the benefit of merchants, truck farmers, farmers' wives (who sell them chickens, eggs, and the like), and to the general prosperity of their communities—with all of which you are familiar. Senator JONES says in his amendment that he will let the past be bygones, but that he will cripple that sort of thing in the future.

In the second place, even granting, for the sake of argument, that further increase of southern industry should be restricted, this amendment does not take into account the plight of existing mills, who have retained sufficient earnings from working capital on a basis of 10-cent cotton and lower labor costs, but who are now trying to save part of their incomes to build up working capital enough to carry cotton and inventories based on 30-cent cotton and higher labor costs—and, while doing it, practically all are borrowing huge sums of money with heavy interest charges. Frankly, the banks who advance that money do so with the understanding that they will be conservative and pay small dividends, if any, until they get themselves into a safe financial situation. If the banks find that mills will no longer be permitted to do that without heavy restraining taxes, what will be the outcome? Why, obviously, southern mill securities will weaken, many thousands of stockholders will find themselves with questionable investments, the mills themselves will be restricted in what they can do, not only in the extension of their plants but in the way of better homes and welfare work for their communities, and not least, the mills will not be able to buy cotton as freely as in the past, not only on account of the money question, but at such a high price for cotton the price fluctuations are so violent that only mills allowed to accumulate adequate surplus dare take the risk.

The amazing part of this bill (amendment) is that there is no longer any pretense of taxing those most able of all to pay; but in a blind effort to reach some large corporations, who perhaps are doing the very things complained of, it is now proposed to cripple others, who no doubt form a large majority of the whole. If there ever was a time to give business a chance, this would seem to be it. If there ever was a time when struggling corporations should be helped instead of hindred, this should be it. Many corporations are now unable to pay dividends even equalling the legal rates of interest, and many are paying no dividends at all, who are making earnings of less than a fair return on their investments and who simply must keep some of their earnings in the business—yet, they are to be taxed just the same percentage as the largest and most prosperous ones. Why, this amendment makes no pretense of letting a corporation earn a fair return on its investment before it begins the butchery of its income; even an excess-profits tax allows a fair return on the investment before it begins to assess a surtax.

Nor is it to be lost sight of that there are thousands of wholesale and retail merchandising corporations and miscellaneous industries trying to adjust themselves to the post-war scale of higher inventories, due to higher prices of materials and labor, who will feel the blighting effect of this antipathy to corporate business.

The taxation of undistributed property is also very unjust to those of small means who own stock in corporations. The corporation which retains, say 60 per cent of its profits would pay a total of 33 per cent of its net taxable income, if I understand it correctly. For example a company with a net taxable income of $100,000, which would retain 60 per cent, would pay 40 per cent thereof, or $24,000. This, plus the flat tax of 9 per cent, or $9,000, would make a total of $33,000, or 33 per cent. Now, if a stockholder happens to have an income small enough to call for a normal rate of only 2 or 3 per cent, and no surtax, if invested in, say, a mortgage, he will be stuck for 33 per cent if he is a stockholder in a corporation which retains 60 per cent of its profits such as I have just referred to, and in addition if he sells his stock for a profit in the future he will be caught for 12½ per cent additional upon such profit under the capital gains and losses provision. That is hitting a man with an income of a few thousands pretty hard.

The effect of this proposal upon small business men is discussed by Mr. W. H. Pouch, vice president of New York Credit Men's Association. In a telegram to me he says:

NEW YORK, N. Y., *May 21, 1924.*

Hon. GEORGE M. YOUNG, M. C.,
Washington, D. C.:

Will you be good enough to lay the following recommendation of New York Credit Men's Association before the House conferees? This Jones amendment will injure credit of smaller business houses more than it will larger corporations, because smaller companies need to conserve their surplus more than large corporations who can finance their requirements through the public:

"Whereas credit men constantly urge upon their merchant debtors a building up of surplus to provide for fluctuations in business, they may well be apprehensive when they note the serious discussion in Congress of modifications in the Government's taxation policy which would seem to encourage the undue distribution of profits and force the reduction of surpluses of business. Such taxation of undistributed earnings, if it is effected, will exhaust surpluses and leave business in a perilous condition whenever an emergency occurs and is an attack upon that stability in business toward which every credit man is forever striving: Therefore be it

"*Resolved*, That the New York Credit Men's Association wishes to be recorded as being opposed to the enactment of the Jones amendment to the tax law now under consideration by Congress, and furthermore that a copy of this resolution be forwarded to the conferees of the House of Representatives and Senate of the Congress."

W. H. POUCH.

Mr. HILL of Alabama. Mr. Speaker, I offer an amendment.

The SPEAKER. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HILL of Alabama: On page 3, line 24, after the period insert: "*Provided*, That no auctioneer or person acting in said capacity shall be paid a fee for the sale of said properties in excess of the sum of $100 a day."

Mr. McKENZIE. Mr. Speaker, let me ask the gentleman, does the gentleman want to pay some auctioneer $100 a day?

Mr. HILL of Alabama. I say the fee shall not exceed that much. The amendment does not require that they shall pay him that amount, but they can not pay him over that amount.

The SPEAKER. The Chair would suggest to the gentleman that we have passed page 3.

Mr. HILL of Alabama. I ask unanimous consent, then, Mr. Speaker, to return to page 3, section 4.

The SPEAKER. The gentleman from Alabama asks unanimous consent to return to page 3, section 4. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Alabama. Mr. Speaker and gentlemen of the House, my amendment provides that the Secretary of War shall not pay an auctioneer or a person acting in that capacity over $100 a day for services rendered in the sale of any of this property. Evidence has been submitted to the House on several occasions showing that very excessive and extravagant fees have been paid auctioneers for selling United States property. Some fees have run from $5,000 to $50,000 or $60,000. Some of the pieces of property in this bill may sell for as much as $75,000 or $100,000. We do not want any auctioneer making $1,000 or $5,000 or $10,000 for the sale of a piece of property that will bring in $75,000 or $100,000 to the Treasury. All this amendment does is to limit the Secretary of War so

we made a report, and in that report we recommended that the War Department dispose of all the unnecessary property which

results to all kinds of producers on farms or in factories which attend a slump in business.

and retail merchandising corporations and miscellaneous industries

All this amendment does is to limit the Secretary of War so

that he can not pay any auctioneer over $100 a day for selling the property.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. HILL of Alabama. Yes.

Mr. HULL of Iowa. Does not the gentleman think it would be better, if he is going to adopt an amendment of that kind, to put it in the form of a percentage?

Mr. HILL of Alabama. No; I do not think so, because if a piece of property sell for, say, $100,000, if you put the percentage as low as 1 per cent it might give the auctioneer $1,000 for five minutes' work.

Mr. HULL of Iowa. I do not know how it is in the gentleman's country, but I presume that in most parts of the United States there is no self-respecting officer near that place that would auction off a piece of real estate involving a value, say, of $100,000 for $100. If you put that amendment on the bill you would estop the Government from getting an auctioneer that might be necessary to get $10,000 or $15,000 more for the property than could be obtained if you hired a cheap auctioneer.

Mr. HILL of Alabama. It is my judgment that it is not necessary to get an auctioneer to sell the property. Some one in the Quartermaster's Department could sell it just as well as an auctioneer and we could save thousands of dollars to the Federal Treasury.

Mr. HULL of Iowa. I disagree wholly with the gentleman, and I think the experience of gentlemen in the House will bring this to the gentleman's mind that when you are selling anything at auction a cheap auctioneer is the most expensive auctioneer you can hire.

Mr. HILL of Alabama. If you had some complicated proposition where you were selling off a number of lots, where you needed a man with a lot of experience, or if you were down here in a crockery shop trying to get rid of a lot of junk, you might need an expert official who had had experience along those lines. But here you have a piece of property that you are not going to sell in subdivision, that you are going to sell in whole, and I do not doubt but that the Secretary of War can get a man to sell the property for $100 a day. I do not think we should burden the taxpayers of the country by allowing the Secretary of War to pay over $100 a day. As the representatives of the taxpayers it is time for us to protect them by stopping enormous fees being paid auctioneers.

The SPEAKER. The question is on the amendment offered by the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. HILL of Alabama) there were 23 ayes and 29 noes.

Mr. HILL of Alabama. Mr. Speaker, I ask for tellers.

The SPEAKER. The gentleman from Alabama demands tellers. All those in favor of tellers will rise. [After counting.] Thirty-one Members have arisen, not a sufficient number, and tellers are refused.

Mr. HILL of Alabama. Mr. Speaker, I make the point that no quorum is present. I object to the vote on the ground that no quorum is present.

The SPEAKER. The gentleman from Alabama makes the point that no quorum is present. The Chair will count. [After counting.] There is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 194, nays 128, not voting 111, as follows:

YEAS—194

McSweeney	Pou	Sherwood	Underwood
Major, Ill.	Quin	Simmons	Upshaw
Major, Mo.	Ragon	Sinclair	Vincent, Mich.
Manlove	Rainey	Sites	Vinson, Ga.
Mapes	Raker	Smith	Vinson, Ky.
Martin	Rankin	Smithwick	Volgt
Milligan	Rayburn	Speaks	Watkins
Minahan	Reece	Spearing	Weaver
Moore, Ga.	Reed, Ark.	Stedman	Wefald
Moore, Va.	Reid, Ill.	Stevenson	Williams, Mich.
Morehead	Richards	Strong, Kans.	Wilson, Ind.
Morris	Rogers, N. H.	Sumners, Tex.	Wilson, La.
Morrow	Romjue	Swank	Wilson, Miss.
Nelson, Wis.	Rouse	Tague	Wingo
O'Connell, R. I.	Ruhey	Taylor, W. Va.	Winter
O'Connor, La.	Sabath	Thatcher	Wolff
O'Sullivan	Sanders, Tex.	Thomas, Okla.	Woodruff
Oldfield	Sandlin	Tillman	Woodrum
Oliver, Ala.	Schafer	Tincher	Wright
Parks, Ark.	Sears, Fla.	Tucker	
Peery	Shallenberger	Underhill	

NAYS—128

Ackerman	Fenn	Lineberger	Scott
Aldrich	Foster	Longworth	Sears, Nebr.
Andrew	Fredericks	Luce	Seger
Anthony	Free	McKenzie	Shreve
Bacharach	French	McLaughlin, Mich.	Sinnott
Bacon	Frothingham	McLaughlin, Nebr.	Snyder
Barbour	Fuller	MacGregor	Sproul, Ill.
Beers	Gilbert	MacLafferty	Stephens
Bloom	Graham, Pa.	Magee, N. Y.	Strong, Pa.
Boylan	Green, Iowa	Merritt	Summers, Wash.
Brumm	Greene, Mass.	Michaelson	Swing
Burton	Griest	Michener	Taber
Campbell	Hadley	Miller, Wash.	Taylor, Tenn.
Chindblom	Hardy	Mills	Thompson
Christopherson	Haugen	Moore, Ill.	Tilson
Clarke, N. Y.	Hawes	Moore, Ohio	Timberlake
Cole, Iowa	Hawley	Moores, Ind.	Tinkham
Cole, Ohio	Hersey	Morgan	Treadway
Colton	Hickey	Murphy	Vaile
Connery	Hill, Md.	Nelson, Me.	Vestal
Crowther	Hudson	Paige	Wainwright
Dallinger	Hull, Iowa	Parker	Watres
Darrow	Hull, Morton D.	Purnell	Watson
Dempsey	Hull, William E.	Ramseyer	Welsh
Denison	James	Ransley	Wertz
Dickinson, Iowa	Kearns	Rathbone	White, Kans.
Dowell	Kelly	Reed, N. Y.	Williams, Ill.
Doyle	Kendall	Roach	Williamson
Elliott	Kiess	Robsion, Ky.	Wood
Evans, Iowa	LaGuardia	Rogers, Mass.	Wurzbach
Fairchild	Leatherwood	Sanders, N. Y.	Wyant
Faust	Leavitt	Schall	Young

NOT VOTING—111

Anderson	Dyer	Little	Robinson, Iowa
Aswell	Edmonds	McFadden	Rosenbloom
Begg	Fairfield	Madden	Salmon
Bixler	Fish	Magee, Pa.	Sanders, Ind.
Black, Tex.	Fisher	Mansfield	Schneider
Boies	Fitzgerald	Mead	Snell
Bowling	Fleetwood	Miller, Ill.	Sproul, Kans.
Brand, Ohio	Freeman	Montague	Stalker
Britten	Geran	Mooney	Steagall
Browne, N. J.	Gibson	Morin	Stengle
Buckley	Gifford	Mudd	Sullivan
Burdick	Goldsborough	Newton, Minn.	Sweet
Butler	Graham, Ill.	Newton, Mo.	Swoope
Byrnes, S. C.	Harrison	Nolan	Taylor, Colo.
Cable	Howard, Okla.	O'Brien	Temple
Carew	Huddleston	O'Connell, N. Y.	Thomas, Ky.
Celler	Hull, Tenn.	O'Connor, N. Y.	Tydings
Clark, Fla.	Johnson, Ky.	Oliver, N. Y.	Vare
Collins	Johnson, Wash.	Park, Ga.	Ward, N. Y.
Connolly, Pa.	Johnson, W. Va.	Patterson	Ward, N. C.
Cooper, Ohio.	Kahn	Peavey	Wason
Corning	Kindred	Perkins	Weller
Cramton	Lampert	Perlman	White, Me.
Curry	Langley	Phillips	Williams, Tex.
Davey	Larson, Minn.	Porter	Winslow
Dickstein	Lehlbach	Prall	Yates
Dominick	Lilly	Quayle	Zihlman
Drane	Lindsay	Reed, W. Va.	

The Clerk announced the following pairs:

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Kahn with Mr. Clark of Florida.
Mr. Madden with Mr. Fisher.
Mr. Cramton with Mr. Sullivan.
Mr. Morin with Mr. Dickstein.
Mr. Boies with Mr. Lindsay.
Mr. Lampert with Mr. Park of Georgia.
Mr. Lehlbach with Mr. Bowling.
Mr. White of Maine with Mr. Johnson of West Virginia.
Mr. Newton of Missouri with Mr. Montague.
Mr. Phillips with Mr. Corning.
Mr. Vare with Mr. Prall.
Mr. Snell with Mr. Harrison.
Mr. Begg with Mr. Tydings.
Mr. Little with Mr. O'Connell of New York.
Mr. McFadden with Mr. Buckley.
Mr. Stalker with Mr. Aswell.
Mr. Temple with Mr. Williams of Texas.
Mr. Winslow with Mr. Kindred.
Mr. Brand of Ohio with Mr. Carew.
Mr. Cable with Mr. Mooney.
Mr. Magee of Pennsylvania with Mr. Steagall.
Mr. Patterson with Mr. Geran.
Mr. Fish with Mr. Dominick.
Mr. Burdick with Mr. Black of Texas.

Mr. Mudd with Mr. Byrnes of South Carolina.
Mr. Gifford with Mr. Collins.
Mr. Fleetwood with Mr. O'Connor of New York.
Mr. Connolly of Pennsylvania with Mr. Drane.
Mr. Sweet with Mr. Taylor of Colorado.
Mr. Curry with Mr. Johnson of Kentucky.
Mr. Butler with Mr. Browne of New Jersey.
Mr. Johnson of Washington with Mr. Celler.
Mr. Sanders of Indiana with Mr. Mead.
Mr. Yates with Mr. Goldsborough.
Mr. Bixler with Mr. Stengle.
Mr. Freeman with Mr. Salmon.
Mr. Gibson with Mr. Howard of Oklahoma.
Mr. Perlman with Mr. Quayle.
Mr. Graham of Illinois with Mr. Huddleston.
Mr. Perkins with Mr. Thomas of Kentucky.
Mr. Swoope with Mr. Hull of Tennessee.
Mr. Cooper of Ohio with Mr. Ward of North Carolina.
Mr. Fitzgerald with Mr. Oliver of New York.
Mr. Porter with Mr. Davey.
Mr. Fairfield with Mr. O'Brien.
Mr. Larson of Minnesota with Mr. Mansfield.
Mr. Ward of New York with Mr. Lilly.

The result of the vote was announced as above recorded.

The Clerk read as follows:

SEC. 7. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

Mr. GARRETT of Texas. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. GARRETT of Texas: Page 4, line 13, after the words "United States," add a new section as follows:

"That the Secretary of War be, and he is hereby, authorized to reconvey to Elizabeth Moore, guardian of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful or legal representatives or assigns, the camp site of Camp Robert E. L. Michie, containing 400 acres, more or less, as described in the deed of conveyance to the United States dated April 26, 1919, in consideration of the payment by Elizabeth Moore, guardian of the estate of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful heirs or legal representatives or assigns, to the Chamber of Commerce of Del Rio, of the county of Val Verde and State of Texas, of the sum of $8,000."

Mr. GARRETT of Texas. Mr. Speaker, this is in line with the other amendments. It is a bill heretofore considered by the Committee on Military Affairs. The land is located in the district of my colleague from Texas [Mr. HUDSPETH]. It is reconveying land for the same amount of money originally paid for it by the Government. There are no improvements upon it.

Mr. HUDSPETH. Mr. Speaker, this is agreeable to the committee and to the chairman of the committee, and I shall not take up the time of the House by making any further explanation.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ANDREW. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. ANDREW: Add a new section as follows:

"SEC. 8. That the Secretary of War be, and he hereby is, authorized and directed to convey by quitclaim deed to the city of Gloucester, in the State of Massachusetts, all the proprietary rights, title and interest of the United States to and in that certain tract of land now known as Old Fort Defiance, which was ceded by gift to the United States Government by vote of a town meeting in Gloucester in 1794 for the purpose of erecting a fortification, and which is now no longer needed for such purposes."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to return to the Fourth Corps Area section of the bill for the purpose of offering an amendment at that place.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to return to the Fourth Corps Area. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 2, after line 17, insert:

"That the Secretary of War be, and he is hereby, authorized to convey by appropriate quitclaim deed to nine trustees and their successors, to be selected by the Chamber of Commerce of Columbia, S. C., and known as 'trustees of Columbia cantonment lands,' approximately 1,192 acres of land within the United States Military Reservation at Camp Jackson, S. C., to wit:

"The following two tracts of land:

"Tract No. 1: Beginning at a stone corner of the Powell, Hampton, and United States Government lands; thence along Hampton lands north 61° 45' west 3,024 feet to a stone; thence north 47° 5' west 1,956 feet to a stone; thence north 61° 40' west 740 feet to a stone; thence north 27° 20' east across Government lands 2,000 feet to a stone; thence south 87° 40' east 385 feet to a stone near southeast corner of Camp Jackson incinerator; thence north 6° 20' east 975.5 feet to a stone; thence north 42° 20' east 815 feet to a stone; thence north 82° 20' east 828 feet to a stone; thence north 61° 35' east 1,430 feet to a stone at intersection of old roads; thence south 72° 40' east 1,355 feet to a stone; thence south 85° 40' east 2,798.5 feet to a stone; thence south 27° 50' west 2,654 feet to a stone; corner of Powell's lands, thence along Powell's lands south 79° 35' west 1,290 feet to a stone; thence south 11° 40' west 4,102 feet to a stone, point of beginning, containing in all 705.12 acres.

"Tract No. 2: Beginning at a stone on the eastern side of the Camden public road near the 6-mile post, thence along Camden public road south 89° 45' west 800 feet to a stone; thence along the Camden public road south 87° 35' west 985 feet to a stone; thence along the Camden public road south 78° 45' west 184 feet to a stone; thence south 12° 50' east 985 feet to a stone; thence north 85° 45' east 1,240 feet to a stone; thence south 63° 5' east 1,984 feet to a stone 6 feet from paved road; thence in an easterly and northerly direction 922 feet along paved road to a stone 6 feet from paving; thence south 82° 20' east 1,050 feet to a stone; thence north 73° 50' east 1,325 feet to a stone; thence north 8° 20' east 270 feet to a stone; thence south 86° east 498 feet to a stone; thence south 7° 30' west 217 feet to a stone; thence south 64° 25' west 570 feet to a stone; thence south 53° 25' west 1,460 feet to a stone; thence south 50° 25' east 323 feet to a stone; thence north 71° 55' east 1,300 feet to a stone; thence north 52° 15' east 2,131 feet to a stone on the north side of the Aucrum Ferry Road; thence north 3° 40' east 4,315 feet to a stone on the eastern side of the Camden public road; thence along said Camden public road south 38° 30' west 211 feet to a stone; thence south 36° 55' west 1,039 feet to a stone; thence south 55° 50' west 620 feet to a stone near the 7-mile post; thence south 87° 55' west 779 feet to a stone; thence south 69° 40' west 498 feet to a stone; thence south 55° 55' west 1,330 feet to a stone on the southerly side of the Aucrum Ferry Road; thence south 75° 20' west 811 feet to a stone near branch; thence south 70° 15' west 1,265 feet to a stone; thence south 68° 25' west 890 feet to a stone near branch; thence north 80° 20' west 166 feet to a stone, the point of beginning, containing in all 486.88 acres; the land so conveyed being approximately equal in area to the lands donated to the United States by the said chamber of commerce as a part of the site on the said reservation by deeds executed by J. Erwin Belser, trustee, dated July 20, 1917, and November 16, 1917: *Provided*, That prior to such conveyance by the Secretary of War there shall be conveyed to the United States by appropriate deed all the rights of way and other rights reserved in the aforementioned deeds of donation to the United States to the extent that the Secretary of War may require.

"That the Secretary of War is hereby further authorized, in his discretion, to grant by revocable license to the said trustees, their successors or assigns, subject to such conditions and restrictions as he may deem necessary to protect the interests of the United States and to such regulations as he may from time to time prescribe, the right to use, in common with the United States, the existing roadways and railway lines of the United States, steam or electric, now located upon and extending over and across the reservation, and also the right to occupy and use such other lands within the said reservation as he may designate for the construction and operation thereon of steam or electric railway lines to extend to the lands to be conveyed to the said trustees as hereinabove described, the United States to have the right to use without charge any railway lines or tracks so constructed on the reservation: *Provided*, That the said existing roadways and railway lines on the reservation so occupied and used and the railway lines so constructed and operated thereon shall be maintained and kept in a good state of repair, to the satisfaction of the Secretary of War, at the sole expense of the said trustees, their successors or assigns.

"That the said trustees shall hold, use, manage, lease, sell, and convey, or otherwise dispose of said lands, or any portion thereof, and of the proceeds and revenues of the same, for one or more of the following purposes as they may deem best, to wit: Agricultural, industrial, charitable, and educational purposes: *Provided, however*, That no sale or conveyance shall be made by the said trustees of the lands conveyed by the Secretary of War under this act until the Secretary of War shall have given his consent in each instance to such sale or conveyance.

"That a majority of the said trustees shall constitute a quorum competent to transact business, and that the said trustees shall make such by-laws, rules, and regulations for their own government and for the management and control of the said property and the proceeds thereof as they may deem necessary and proper, and that in the event

Canneld	Fulmer	Jost	McReynolds
Cannon	Funk	Keller	McSwain

Mr. Fish with Mr. Dominick.
Mr. Burdick with Mr. Black of Texas.

to be selected by the Chamber of Commerce of Columbia, S. C., and known as 'trustees of Columbia cantonment lands,' approximately

such by-laws, rules, and regulations for their own government and for the management and control of the said property and the proceeds thereof as they may deem necessary and proper, and that in the event

of any vacancy occurring among the said trustees by death, resignation, removal of residence from Richland County, S. C., or other cause, such vacancy shall be filled from residents of Richland County by selection by a majority of the remaining trustees, such selection to be approved by the chamber of commerce of the city of Columbia, S. C., or its successors; and if there be no successors, then such selection shall be approved by a majority vote of a committee composed of the president of the University of South Carolina, the mayor of the city of Columbia, the senator in the General Assembly of South Carolina from Richland County, the probate judge of Richland County, and the resident judge of the judicial circuit of South Carolina embracing Richland County, or their respective successors."

Mr. GRIFFIN. Mr. Speaker, I reserve the point of order on this amendment for the purpose of asking the gentleman if this is not the same bill that was on the Private Calendar on last Friday night, to which objection was made by the gentleman from Michigan [Mr. CRAMTON]?

Mr. McSWAIN. Yes; that is the same bill that was under consideration at that time. The gentleman from Michigan [Mr. CRAMTON] stated that he wanted more information in respect to it. I am informed by the gentleman from South Carolina [Mr. FULMER] that he has talked the matter over with the gentleman from Michigan and that he is satisfied.

Mr. FULMER. It is in line with the same bill that passed a few moments ago, having in mind identically the same purpose.

Mr. GRIFFIN. Mr. Speaker, I withdraw the point of order.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GARRETT of Texas. Mr. Speaker, in offering the amendment I did a moment ago, I thought I offered the bill as it was reported by the committee, but I find on examination that I offered the original bill. At the end of the bill is the following language which should be added to the amendment that I offered:

To be distributed by said chamber of commerce to the original donors.

I ask unanimous consent that that language may be added to the amendment that I offered a moment ago, and which was adopted by the House.

The SPEAKER. The gentleman from Texas asks unanimous consent to vacate the action of the House by which the amendment to which he referred to was agreed to. Is there objection?

There was no objection.

Mr. GARRETT of Texas. Mr. Speaker, I ask unanimous consent to amend the amendment by adding thereto the words:

To be distributed by said chamber of commerce to the original donors.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question now is on agreeing to the amendment as modified.

The question was taken, and the amendment was agreed to.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to again revert for a moment to the Fourth Corps Area for the purpose of offering an amendment in respect to a piece of property in North Carolina.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to revert to the Fourth Corps Area section of the bill. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. McSWAIN: Page 2, after line 17, insert: That there is hereby granted to the State of North Carolina, without cost to the State, for public uses, all lands belonging to Fort Macon Military Reservation, and now the property of the United States, together with all the improvements thereon, and that the Secretary of War be, and he is hereby, authorized and directed to convey to the said State all right, title, and interest of the United States in said lands and improvements, to be held and used by said State for public purposes: *Provided*, That the following-described land is reserved and granted to the Treasury Department for Coast Guard purposes: Beginning at a concrete monument at the southwest corner of the present Coast Guard property; thence north 299$\frac{1}{10}$ feet to a concrete monument at the northwest corner of the present Coast Guard property; thence north 9° 58″ west 1,320 feet, more or less, to Bogue Sound; thence eastwardly about 600 feet along Bogue Sound; thence south 1,340 feet, more or less, to a concrete monument at the northeast corner of the present Coast Guard property, which said monument beare north 134 feet from the center of the top of curb of the old hospital well, also it bears north 84° 22′ 30″ west 145 feet from the old gun pivot at the northwest corner of the outside wall of old Fort Macon; thence south 299$\frac{1}{10}$ feet to a concrete monument at the southeast corner of the present Coast Guard property; thence south 1,400 feet, more or less, to the Atlantic Ocean; thence westwardly about 200 feet along said Atlantic Ocean; thence north 1,400 feet, more or less, to the south line of the present Coast Guard property; thence west 147$\frac{1}{10}$ feet to the place of beginning, containing 22$\frac{1}{10}$ acres, more or less: *Provided further*, That the Government at all times has the right and privilege of preserving, erecting, and maintaining on said reservation such buildings as Coast Guard stations, signal stations for pilots, lighthouses, etc., as may be incident to the purposes of the Treasury, War, Navy, and Commerce Departments.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LAGUARDIA. Mr. Speaker, I have an amendment, which I desire to offer. There has been so much confusion that I ask unanimous consent to recur back to the last page after the last section.

The SPEAKER. The gentleman from New York asks unanimous consent to revert back to page 4. Is there objection? [After a pause.] The Chair hears none.

Mr. LAGUARDIA. I offer the following amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 4, line 13, after the period, add the following new section.

The SPEAKER. This should follow the sections already inserted.

The Clerk read as follows:

After the sections already inserted add the following new section: "SEC. 8. The Secretary of War shall submit a description of the several tracts or parcels of real property herein above designated to the Director of the Veterans' Bureau, who shall certify if any such parcel or tract of real property is suitable for hospital purposes, and the Secretary of War shall transfer to the Veterans' Bureau any tract or percel of land so certified."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced the noes seemed to have it.

On a division (demanded by Mr. LAGUARDIA) there were—ayes 13, noes 62.

So the amendment was rejected.

Mr. RAKER. Mr. Speaker, I offer the following amendment to follow the one just passed.

The SPEAKER. The Clerk will report the amendment.

Mr. McKENZIE. I think the gentleman ought to ask unanimous consent. I think it proper—if he should have submitted his amendment to some member of the committee we might know what is going on. I have no objection to its being reported, bnt I will not give consent until I hear it reported. I reserve the right to object until after the amendment is reported.

The SPEAKER. The Chair suggests that if the gentleman is going to object, as the amendment is four or five pages, he should object now.

Mr. RAKER. I am offering that at the end of the bill as a new section.

Mr. McKENZIE. The bill has been completed.

Mr. RAKER. No; it is before the House. It has not been completed.

Mr. McKENZIE. I beg the gentleman's pardon.

The SPEAKER (after examining). The Chair does not see how this amendment is in order.

Mr. RAKER. I was going to submit that to the Chair, but I did not have time.

The SPEAKER. The Chair thinks the gentleman will save time by raising the point now.

Mr. McKENZIE. I do.

The SPEAKER. It is not in order.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that the bills H. R. 7805, H. R. 490, and H. R. 7145 be laid on the table.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bills referred to be laid upon the table. Is there objection? [After a pause.] The Chair hears none.

BUILDINGS, ETC., AT CAMP PIKE, ARK.

Mr. McKENZIE. Mr. Speaker, I now call up House Joint Resolution 254.

The SPEAKER. The gentleman from Illinois calls up the joint resolution, which the Clerk will report by title.

The Clerk read as follows:

House joint resolution (H. J. Res. 254) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to substitute Senate Joint Resolution 89, which is on the Speaker's table, for the House resolution.

The SPEAKER. Is there objection?

Mr. RAKER. Mr. Speaker, just reserving the right to object, the amendment I just offered were the provisions of the bill (H. R. 3675) to provide for the equitable distribution of captured war devices and trophies. Do I understand the gentleman is going to call that bill up to-day?

Mr. McKENZIE. No, sir; but I will say to the gentleman from California, I expect, however, on the first unanimous-consent day to move to suspend the rules and pass that bill.

Mr. RAKER. Mr. Speaker, further reserving the right to object for a little time, could it not be disposed of to-day?

Mr. McKENZIE. I think not. We had one cannon fight here and I have a very clear recollection of what happened.

The SPEAKER. Is there objection to the request to substitute the Senate joint resolution for the House joint resolution?

Mr. WINGO. I suggest that what the gentleman wants really is to consider the Senate bill in lieu of the House bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. This is on the Union Calendar.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that this joint resolution be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the Senate joint resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas

Whereas on the 22d day of December, 1922, a lease was executed by the United States by the Assistant Secretary of War, Hon. J. M. Wainwright, and the State of Arkansas, by Hon. Thomas C. McRae, governor, conveying to the State of Arkansas certain portions of Camp Pike, Ark., including buildings, roads, walks, and utilities, for the use and benefit of the National Guard of Arkansas; and

Whereas under said lease no permanent construction work can be placed on the reservation without specific authority of Congress; and

Whereas it has become necessary for the proper conduct and training of the National Guard of the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities on said reservation: Therefore be it

Resolved, etc., That the State of Arkansas be, and is hereby, authorized and permitted to erect, maintain, and use such permament buildings, rifle ranges, and utilities at Camp Pike, Ark., within the areas most suitable, as are necessary for the use and benefit of the National Guard of the State of Arkansas: *Provided*, That no expense shall accrue to the United States by reason of this authorization.

Mr. McKENZIE. Mr. Speaker, I move to strike out the whereases.

The SPEAKER. The preamble?

Mr. WINGO. That is, the preamble; I suppose you can call it that.

The SPEAKER. The gentleman from Illinois moves to strike out the preamble.

Mr. RAKER. On that I desire to be heard. I rise in opposition to the amendment. The whereases are a good many; and whereas there is now pending on the Union Calendar No. 7 the bill H. R. 3675; and whereas the American Legion all over the United States in various towns and cities are desirous of obtaining these trophies and captured war devices; and whereas, according to the report of the Secretary of War, there are many of them outside in the open air and are being rapidly deteriorated; and whereas they are becoming of less value all the time, why can we not have those distributed to where the people are ready and willing to take care of them? Why not distribute them before they are destroyed?

Mr. McKENZIE. I will say, in answer to the gentleman from California, that whereas the gentleman from California is so deeply interested in this subject; and whereas I have long known, without being informed by the gentleman from California, of that situation; and whereas the American Legion boys all over the country are anxious to have those trophies distributed; and whereas it has been impossible heretofore to get action; and whereas I now intend to get action at the very earliest moment [laughter]——

Mr. RAKER. And whereas the Committee on Military Affairs has the call to-day; and whereas they have full power to call up the bill: Therefore be it resolved, That the Committee on Military Affairs call up that bill, the next one on the calendar, so that we may dispose of it within the next 15 minutes. [Applause.]

The SPEAKER. The question is on the motion to strike out the preamble.

The motion was agreed to.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the Senate joint resolution was passed was laid on the table.

The SPEAKER. Without objection, the House joint resolution of similar purport will be laid on the table.

There was no objection.

DIRECTOR OF THE BUREAU OF ENGRAVING AND PRINTING

Mr. McKENZIE. Mr. Speaker, I call up Senate Joint Resolution 105, authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes. This resolution, Mr. Speaker, is on the Union Calendar. I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois calls up the resolution, which the Clerk will report.

The Clerk read as follows:

A resolution (S. J. Res. 105) authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving, and for other purposes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the resolution be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the President is hereby authorized to detail an officer of the Corps of Engineers, United States Army, possessing a thorough knowledge of engraving, plate printing, and reproduction printing processes, to duty as Director of the Bureau of Engraving and Printing. The President may also detail from time to time not to exceed two officers of the Corps of Engineers, United States Army, to the Bureau of Engraving and Printing to receive instruction in processes and methods which may be beneficial and useful in the reproduction work of the Corps of Engineers: *Provided*, That the provisions of the national defense act, as amended, referring to duty with troops, shall not apply to any officer detailed under authority of this joint resolution: *Provided further*, That the authority herein conferred upon the President and any detail made pursuant thereto shall cease to exist and become null and void two years after the date of its approval.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Strike out all after the resolving clause and insert the following: "That the President be, and he is hereby, authorized, in his discretion to direct the said Maj. Wallace W. Kirby to report to the Secretary of the Treasury for duty for a period of six months, and that said Maj. Wallace W. Kirby may, under the direction of the Secretary of the Treasury, perform the duties of Director of the Bureau of Engraving and Printing for a period not to exceed six months, notwithstanding the provisions of section 1222, Revised Statutes, and section 1224, Revised Statutes, as amended by the act of February 28, 1877: *Provided*, That the said Maj. Wallace W. Kirby shall receive no emoluments by reason of the performance of said duties, but shall receive the same pay and allowances from appropriations made for the support of the Army as he would receive if he were performing military duty at the War Department."

Mr. ROGERS of Massachusetts. Mr. Speaker, I suggest to the gentleman from Illinois that it would be well to strike out the words "the said" in line 13 of the resolution reported.

Major Kirby has not been mentioned, so far as I can see, prior to that point.

Mr. McKENZIE. I accept the gentleman's suggestion. Mr. Speaker, I move the amendment suggested.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. McKENZIE: Page 2, line 13, after the word "direct," strike out the words "the said."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KING. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from Illinois moves to strike our the last word.

Mr. KING. Mr. Speaker, Senate Joint Resolution 105, now under consideration and passed by that body, authorizes the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing.

The Military Affairs Committee reports the same back with an amendment in lieu thereof, authorizing the President to direct Maj. W. W. Kirby to report for duty for a period of six months to perform the duties of the director of said bureau, and all this notwithstanding section 1222 of the Revised Statutes of the United States by the act of February 28, 1877, which provides that—

no officer of the Army on the active list shall hold any civil office, whether by election or appointment, and every such officer who accepts or exercises the functions of a civil office shall thereby cease to be an officer of the Army and his commission shall be thereby vacated.

It seems to me that this bill should be defeated for two reasons:

First. Because the principle of detailing Army officers to civil positions is detrimental to public policy and the best interests of the Government.

Second. Because it will seriously interrupt and delay the work of the special committee authorized and directed to investigate the duplication of Government bonds and securities.

Men who have spent all their lives in accumulating money must have necessarily excluded the expenditure of any time which might have been devoted to a study of the principles of the fathers, an examination of their accomplishments, or a glance at their words of wisdom. Unhampered by any such advice, free from all scruples that a man of caution should have in governmental matters, where the rights of millions may be involved in his act, an ultra big business man, imbued with the idea of immediate results—always the important thing in his private business—will, without knowledge, experience, study, or advice, rush into the making of bald, crude, and unheard-of suggestions, which, erroneous in themselves, yet because the utterer has made a million or two, will be acquiesced in by the multitude because he is rich. So, in this case, here is a suggestion which, if advocated in the days of the founders, would have been indignantly received; that is, the intermingling of military and civil affairs. The policy of the Government from its infancy has been against such a course, yet now suggested to us in the most casual and callousted way. And because of such attitudes of the richly endowed the moment they become Government officials there is furnished the people an impelling reason for removing from office as quickly as possible the uneducated, the uninformed, the unstatesmanlike, and willful rich.

From 1870 it has been unlawful to do what the Secretary of the Treasury, Andrew W. Mellon, is now asking us to do. While it is proposed to confine the Senate bill to a single case, yet it is the opening wedge.

Furthermore, such a law would be directly in opposition to the economical administration of the Government, for the reason that the average pay of Army officers is greatly above the average pay of civil-service employees now holding executive positions.

Demoralization must result, while a Director of the Bureau of Engraving and Printing would naturally be influenced by a higher loyalty to the Secretary of War than to the Secretary of the Treasury.

This policy followed to its logical conclusion means that with the important key positions throughout held and controlled by Army officers the Secretary of War would possess power and influence far beyond anything intended by Congress and result in great detriment to the wise administration of our republican form of government.

No measure before this House in years has so threatened to overthrow our highly organized merit system of civil service and the restoration of the spoils system, and, what is far worse, under military control.

The Secretary of the Treasury, who enjoys as a pastime riding like a colossus over the statutes of the country, and, in this case, contrary to the ruling of Comptroller McCarl—who, by the way, maintains in law and in precedent one of the real functioning arms of the Government—who ruled that Kirby could not be so detailed, has maintained this Army officer as Director of the Bureau of Engraving and Printing, in spite of the law, in spite of Congress, in spite of decency and honor for nearly three months. Where is the governmental conscience of Andrew W. Mellon?

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. KING. Mr. Speaker, I ask unanimous consent to conclude my remarks in not exceeding 15 minutes.

The SPEAKER. The gentleman asks unanimous consent to proceed for 15 minutes. Is there objection?

There was no objection.

Mr. RAKER. Mr. Speaker, will the gentleman yield right there?

Mr. KING. Certainly.

Mr. RAKER. What is the necessity of appointing an Army officer instead of a civilian as director?

Mr. KING. That is what I am coming to. I am going to show why this particular Army officer has been selected in this case.

Mr. RAKER. Is it contended that they can not find a civilian competent and qualified to do the work?

Mr. KING. There are many civilians right down there in the department who are competent and qualified to fill this position at any time.

Mr. RAKER. Then the purpose is to appoint an Army officer and set aside civilians qualified to do the work?

Mr. KING. Yes; for six months, and then for another six months.

Such a proceeding and the passage of this bill recognizing the Mellon action means the open door to militarism and the eventual undermining of this Republic, for what observer can truthfully declare that signs are not apparent clearly showing that certain interests in this country have in mind the overthrow of the Republic? I do not refer to bolshevism, used as a scarehead, or used as a lullaby by the nurses on Fifth Avenue, when they sing to naughty babies:

Hark, hark, the dogs do bark,
The Bolsheviki are coming to town,
Some in rags, some in shags,
And some in velvet gowns.

It is well, however, to direct our attention to those in velvet gowns. Before you can safely destroy representative government it is necessary to discredit it in the eyes of our people, to decry it and hold it up to ridicule and detestation.

That the public having this view of its representatives will then tolerate the forcible seizure of the Congress and Government by an American Fascisti is apparent to those who heretofore have controlled the public against its own interest and found them as President Wilson said, "a most docile people," which group we may most truthfully refer to as the "American house of overlords," by means of its paid itinerant authors, publicists, orators, professors, lecturers, astrologers, and medicine men, together with its Otto Kahns, its propaganda organizations, its international bank group, its Institute of Politics at Williamstown, Mass., and which in one grand diapason resounds in speech, print, pictures, and radio.

This mass attack for thought control is now being directed in an attempt to break down the faith of the people in those whom they have by their votes elected to the House and Senate.

Secretary of War Weeks, exponent of the house of overlords, tells a graduating class at Western Reserve University that "the legislative branch probably has never been at a lower ebb than it is to-day," and "that to say disparaging things of Congress is a habit."

And now comes on General Dawes, the only man who insists on being called by his military title, more than six years after the war, the "shave tails," the first lieutenants, the captains, majors, colonels, and generals, especially those whose commissions were in the service of supplies, and who, like General Dawes, "smelleth the battle afar off," only, have long since dropped their titles.

The "general," a member in good standing in the American house of overlords, in a tantrum against the bonus at the Hotel Sherman in Chicago before the Illinois Manufacturing Association in banquet assembled, said:

We have to have backbone with the bonus business and less of this miserable demagogic attitude which leads men to go into the Senate and House to represent organized and aggressive minorities—

And yet when Dawes was a candidate for the Senate he called upon every politician in the State of Illinois to help him—

And at the present time—

He said—

it is time to throw them out. These quarreling politicians who run to their rat holes at the very shadow of an organization or a collection of men advocating something or other, or women advocating something in regard to maternity, these miserable, dirty, demagogical rats do just what they want.

Mr. RAKER. Mr. Speaker, will the gentleman yield again right there?

Mr. KING. Yes.

Mr. RAKER. Is it the purpose now to put the gentleman in as director who maintains these views that the gentleman is just speaking about, and then come before Congress to get an act passed so that he might go in and overlord all the civil officers of the Government?

Mr. KING. I would say he is "horse shedding" our witnesses, to use a common phrase.

Mr. RAKER. I do not get that. [Laughter.]

Mr. BLANTON. That is Illinois.

Mr. KING. I take it that the gentlemen of the South understand that term.

Mr. BLANTON. The gentleman's vernacular is all right.

Mr. BOYLAN. Will the gentleman yield?

Mr. KING. Yes.

Mr. BOYLAN. For the edification of those who do not come from the South, will the gentleman kindly give us a more detailed explanation of the term used?

Mr. KING. I expect to have a special paragraph on that in just a moment.

Again Lord Dawes backed Pershing before the Association of Commerce in Chicago December 7, 1922, in his plea for the suppression of the radicals and a "strong army." Sentiments accepted by 1,500 at the association's banquet. Referring to Congress, he said:

There are a lot of demagogues in Congress who have given men, little by little, the chance to undermine the Constitution. We must get a new breed of men in place of those cowards in Congress, who would murder their country for a few votes.

Mr. LaGUARDIA. Who made that statement?

Mr. KING. Charlie Dawes; Brig. Gen. Charles G. Dawes.

Mr. LaGUARDIA. Where did he make that statement?

Mr. QUIN. It is "Hell-and-Maria" Dawes. The gentleman knows who he is.

Mr. KING. And Mrs. O. H. P. Belmont, who, with her money, keeps the women, so far as she can, in line for the policies of the American house of overlords, just stepping off the *Majestic* from hobnobbing with the decadent royalty of Europe, the moment her dainty foot feels American soil, and following the policy of injuring the people's representatives, jauntily says:

I wish we had American men in politics who deserve to be there. We want men in our Government who will not only be respected at home but by European nations. American womanhood can do a whole lot toward putting these men into our Government. Some of the Senators we have are a disgrace, and I say this after having listened to many of them on the Senate floor——

Mr. BLANTON. Will the gentleman yield?

Mr. KING. I shall be pleased to yield.

Mr. BLANTON. Is it not a fact, after all, that the people at home in each district are responsible for who is representing them in Congress, both in the House and in the Senate.

Mr. KING. It is. And the people are sending some good men to the Senate and the House, and the gentleman from Texas is one of them.

Mr. BLANTON. I did not seek that.

Mr. KING (continuing):

We want the right sort of men in politics, but we haven't them now. We will in time.

And so the diabolical work goes on.

And, to cap the climax, along comes Judge Gary, who occupies the "wool sack" in the American house of overlords, at whose dinner talks the hosts of eager, grasping greed rise and sing in unison and "en masse" Lead, Kindly Light, and he leads.

And Overlord Gary says in a recent speech:

Congress is the most inimical thing in this country so far as its welfare is concerned.

He will add, and in his own good time, "Why not abolish it?"

Contrary to these misrepresentations on the part of the agents of the American house of overlords, there never was a time when Congress was as close to the people; when the common people had greater consideration of their rights; and when there was greater honesty and fidelity to duty than in the present Congress. Those who take and advocate opposite views for the purpose of rendering Congress impotent for want of a friendly public sentiment, when the time comes to defend themselves on the hill against the American Fascisti, are enemies of the people.

Further evidence of the Fascisti purposes in this Nation as presented by the American house of overlords is apparent in the unity of thought and action on its part with Mussolini in Italy.

Mr. BLACK of New York. Will the gentleman yield?

Mr. KING. Yes.

Mr. BLACK of New York. Does not the gentleman think he is a little wrong in calling these folks Fascisti? You know the Fascisti want to work, while they do not want to work.

Mr. KING. Well, that may be true, but, still, for the purposes of my present presentation, I prefer to retain that name.

Mussolini is the true interpreter of the Fascisti movement. He says:

The Fascisti government is for liberty, but there must be no foolishness in it.

He says:

Men nowadays are tired of liberty. Liberty must be controlled and dominated. Liberty is no longer a chaste and severe maiden, for whom generations in the first half of the last century fought and died. For the intrepid and restless youth, who are now in the dawn of a new history, other words exercise a greater fascination, namely, order, hierarchy, and discipline.

The Fascisti movement is not afraid to declare itself illiberal or antiliberal. It has already passed, and, if necessary, will again pass without the slightest hesitation, over the body, more or less decomposed, of the Goddess of Liberty.

Gary has approved the Fascisti method of nonelected government in Italy. He summoned his cohorts and runners—the International Chamber of Commerce, which connects with the United States Chamber of Commerce, which in turn distributes the commands into the various chambers of commerce throughout the country for their individual members—to meet in Rome, Italy, the home of organized money's Italian emperor, where they might see, hear, and fraternize with the Fascisti as the Russians were "fraternized" by German soldiers during the war, in order that they might return to America and quietly peddle their poisonous dope among its citizens.

If you do not believe that this liberty-destroying movement has already been started in America, I will give you the name of the man who is permitted to be at the head of it. His name is James C. Dahlman, and he is, or was, the mayor of Omaha. He is known as the grand lictor of the Fascisti in America. Lord Gary has pronounced in favor of it, and said that we Americans can learn something from this movement which has taken place in Italy. General Dawes saw Mussolini and ratified the Fascisti idea for America. We fought to make this world safe for democracy, yet since then the spirit of Garibaldi in Italy is dead. There, free speech and free press has been obliterated. Spain has its dictator, Austria its admiral, and the disheartening policy of Mussolini has permeated the confines of Poland and Rumania, and brought new life to monarchy in Germany.

Mr. RAKER. Will the gentleman yield?

Mr. KING. Yes.

Mr. RAKER. Where does this American house of overlords hold forth, and who are they?

Mr. KING. Well, at some future date, not to be set aside by the House, I shall be very glad to enlighten the gentleman upon that subject. The exact location is not hard to find.

Mr. RAKER. They do not advertise their presence and the place of holding their meetings very often, do they?

Mr. KING. No; I think not. They do have meetings, however.

Mr. QUIN. Will the gentleman yield?

Mr. KING. Yes.

Mr. QUIN. This General Dawes is mentioned as the nominee of the Republican Party for Vice President. Who is responsible for that?

Mr. KING. Well, the rank and file of the Republican Party just now is not having very much to say about it.

Mr. BLACK of New York. Will the gentleman yield?

Mr. KING. Yes.

Mr. BLACK of New York. I, perhaps, can give the gentleman some information as to the whereabouts of these overlords. I think if the gentleman will drop in at the White House some morning he may see some of them at breakfast.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois may have five minutes more.

Mr. KING. I would like additional time, because I have some real arguments which I have not yet made.

Mr. MILLS. Reserving the right to object, how much longer does the gentleman desire to proceed?

Mr. KING. Not to exceed six or seven minutes.

Mr. QUIN. Let him have it.

Mr. MILLS. But we have some legislation here which we would like to enact, and the gentleman has already had 20 minutes.

The SPEAKER pro tempore. The gentleman from New York [Mr. LAGUARDIA] asks unanimous consent that the gentleman from Illinois be permitted to proceed for five additional minutes. Is there objection?

Mr. KING. Mr. Speaker, I would like to have seven minutes.

Mr. LAGUARDIA. Then, Mr. Speaker, I modify my request and ask that the gentleman from Illinois have seven minutes.

The SPEAKER pro tempore. The gentleman from New York modifies his request and asks unanimous consent that the gentleman from Illinois may proceed for seven additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. KING. When the American house of overlords has been defeated in some of its fondest hopes—the overthrow of the primary system, the return of the ring system in choosing committees, the abolishment of the seniority rule, the reduction of representation—and, in fact, has failed to cut the words "by the people" entirely out of our governmental policy, then will they be prepared to make the attempt to overthrow our representative Republic and set up a Mussolini hierarchy in America.

For this reason no door should be even slightly opened where the military, which Mussolini says in his country is an ally of the Fascisti, can gain control of our civilian activities. There should be no point of contact where our Army can become an ally of the American Fascisti.

My second reason for opposing this bill is, as I have indicated, it will put the witnesses in the bond-investigation matter under military control.

Now, the second reason for opposing this bill, and perhaps the most important reason, is the fact that it will simply be putting charge of the witnesses who are expected to be called before the committee for the investigation of duplicate bonds in the hands of a military officer.

Now, then, I will not have the time within the limit which has been fixed to explain to you how this man Kirby first got into this department as he did. Why should they take this Army officer? He is not a West Point man; he is not a man educated in military affairs; he is not a Napoleon Bonaparte; nor is he such a wonderful printer. He was a mere photographer over here in the Coast and Geodetic Survey, a maker of maps, and he knows nothing about printing money, engraving money, or anything of that kind. He was put into this department solely because he had practically agreed to take care of these witnesses as against this committee.

Mr. MILLS. Will the gentleman yield?

Mr. KING. Yes.

Mr. MILLS. Does the gentleman know his record abroad during the war?

Mr. KING. I certainly do. He never got anywhere near the smell of powder, as did the gentleman from New York [Mr. MILLS].

Mr. MILLS. Does the gentleman know what he did?

Mr. KING. I know what he did; yes.

Mr. MILLS. Will the gentleman be fair enough to tell the House what he did?

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KING. Yes. I will tell the House what he did, but you have got to give me time to do it. I have a lot of information as to what he has done and what he has not done.

Mr. MILLS. The gentleman has talked for 25 minutes without objection.

Mr. KING. But the gentleman has interrupted considerably.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KING. Yes.

Mr. LAGUARDIA. Does the fact that a man has a brilliant military record fit him for service in any civil department?

Mr. KING. He never had any military record, any more than Dawes had a military record.

Mr. RAKER. Will the gentleman yield?

Mr. KING. Yes.

Mr. RAKER. What does the gentleman mean by saying this officer is to be put in charge for the purpose of handling witnesses? That is a very suggestive remark.

Mr. KING. The gentleman knows that there has been a committee of this House appointed to investigate duplicate bonds, and he knows that prior to that time there had been considerable talk in the papers and around Congress with reference to that matter.

Mr. RAKER. Yes; that is right.

Mr. KING. Now, at about that time the director down there was required to resign, and for some time they failed to get anybody; but finally along came Mr. Kirby, a military officer, a friend of the former director, and they were looking at that time for somebody who would take charge of these witnesses and increase the morale. Men down there had been charged with bootlegging. They had been charged with selling Government supplies and putting the money into their pockets. They had been charged with bribing a Mexican official. Those men, a number of whom were discharged by President Harding, had been restored by some order, and this man was put down there to take charge.

Mr. RAKER. He was to marshal the witnesses on the subject.

Mr. KING. Yes, sir; and he has. The first day he was in there he called everybody he could find that had ever seen President Harding's special investigator, Mr. Brewer, and examined them and said:

> I want to know what you have told Brewer. Have you made any affidavits to Brewer, and what have you done, and what is your connection with this matter?

Since then everything has been as silent as a tomb in that department. That is the kind of efficiency he is rendering. He is rendering efficiency there for the Treasury Department in covering up their shortcomings.

Mr. RAKER. I thought we had police and marshals in the district attorney's office to handle matters of that kind.

Mr. KING. The gentleman is engaging in very deep humor now.

Mr. RAKER. And that they would not appoint a director to do that kind of work.

Mr. KING. I am not here defending the former Department of Justice by any means.

This is simply a block that is put in this bill for the purpose of interfering with the work of this special committee, and if you pass this bill, you will be doing just that. We have already innocently done one thing here. We have cut out an appropriation of $400,000 which was devoted in the Division of Loans and Currency to the payment of the clerks who were counting these coupon bonds, and it is absolutely necessary for this committee to have that information. These clerks were counting and assorting and arranging the bonds. Unless the House passes a bill to restore that, you are going to have a pile of bonds down there as big as a haystack, all in promiscuous order, for the gentleman from South Carolina [Mr. STEVENSON] and myself, and the gentleman from Kansas [Mr. STRONG] and the gentleman from Pennsylvania [Mr. McFADDEN] and the gentleman from Alabama [Mr. STEAGALL] to go through this summer and assort.

Now, this was done with a purpose. The Treasury never came down here for any other purpose than to put a stop to this committee's work.

Not only that, but I will tell you another thing——

Mr. RAKER. Will the gentleman yield?

Mr. KING. Not just now, because the gentleman from New York may object at any moment.

Here is another thing that happened right here in this House. When they were destroying these bonds, or when they were trying to destroy them, and when they had it up with their attorneys to ascertain whether or not they had the right to destroy them, they came to the committee of this House on the destruction of useless executive papers and tried to get them to take these coupon bonds or these duplicate bonds with duplicate numbers on them and destroy them.

Mr. RAKER. Will the gentleman yield now?

Mr. KING. I yield.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. BLANTON. Mr. Speaker, I rise in opposition——

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois may have five additional minutes to conclude his statement. The gentleman ought to have that time. He is one of the members of this special committee.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the time of the gentleman from Illinois be extended five minutes. Is there objection?

Mr. MILLS. Mr. Speaker, reserving the right to object——

Mr. KING. I make the point of no quorum.

Mr. MILLS. Reserving the right to object, may I ask the gentleman whether he expects to conclude in five minutes?

Mr. KING. Of course, I have attempted to answer the questions on the part of the Members, and if any of them desire to ask questions and I have the time, I will answer them. This is the most important bill we will have before us, and is far more important than the New York bill you have in your hand.

Mr. McKENZIE. Could not the gentleman extend his remarks in the RECORD without taking up further time?

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Will the gentleman yield?

Mr. KING. I yield.

Mr. RAKER. The statement of the gentleman now divulges the fact that the gentleman is a member of this committee to do this investigating which was appointed by the House, and as a member of that committee the gentleman who is now speaking as a member of the committee feels that to carry out his full, sworn duty he will be embarrassed by having Mr. Kirby as the director of that bureau.

Mr. KING. The entire committee of five takes that position, and we would ask the House, if the House would agree to it, not to pass this legislation.

Mr. CHINDBLOM. If the gentleman will permit, may I suggest that the gentleman finish his statement, and not feel under obligation to yield to anyone just because he did not object.

Mr. RAKER. The gentleman from Illinois [Mr. KING] can take care of himself and does not have to be instructed not to answer questions, and I hope the gentleman will not make that suggestion.

Mr. SWEET. Will the gentleman yield?

Mr. KING. I will be very glad to yield.

Mr. SWEET. May I inquire if this is a preliminary report of your committee on investigation?

Mr. KING. No; far be it. I really have an open mind on the subject. I am praying to the Almighty that they can clear this thing up, and I will be glad if they can. I will be glad to give them a clear bill. I think if it should go out that we had to condemn the Treasury Department for a conspiracy in issuing duplicate bonds, it would be a terrible thing.

Mr. SWEET. Will the gentleman yield further?

Mr. KING. I will.

Mr. SWEET. Does it not appear to the gentleman that remarks of this kind would tend to send broadcast the impression that the committee is somewhat prejudiced?

Mr. KING. That is the very argument of Mr. Winston down there, who is doing his utmost to keep everything under cover for fear that the people might begin counterfeiting out in the country, and it would be a terrible thing.

Mr. SWEET. This seems a pretty prejudiced opinion for a committeeman.

Mr. KING. The gentleman says it is a prejudiced opinion, but I assure the gentleman I have no prejudice in the matter. I am trying to present these facts as to why this bill ought not to be passed.

Mr. MOORE of Virginia. Does my friend desire the former superintendent, this man Hill, who has been discussed here on the floor of the House, to be reinstated in place of this Army officer?

Mr. KING. No, sir. The gentleman has an interest in the employees down there in the Bureau of Engraving and Printing——

Mr. MOORE of Virginia. Very much so.

Mr. KING. Mr. Brewer never made any charges against them. This committee has nothing against them, and only so far as it pertains to the duplication of securities are they to be investigated.

Mr. MOORE of Virginia. I will say to my friend that Mr. Winston is not a member of my party, but I do not think you can find a higher-class man in the service than he.

Mr. KING. I agree with the gentleman that he is a high-class man and a good lawyer. He has represented Standard Oil.

Mr. MOORE of Virginia. I do not know whom he represents, but he is a man of splendid character and splendid ability.

Mr. KING. I admit that, but nevertheless he is trying to cover up the duplication of these bonds. Now, gentlemen, I have nothing further to say because I have so much to say on these various propositions and various blocks that have been put in the way of the committee and which confronted President Harding—destruction of bonds, some of them destroyed where we will never find them. There are a number of things that I could mention. I think it is a bad plan in this House when we are just starting out in our inquiry concerning duplicate bonds to put us in such shape by the passage of this bill that we can not get at the true facts in the case.

Mr. GRIFFIN. Will the gentleman yield?

Mr. KING. I will.

Mr. GRIFFIN. Will the gentleman try and tell us why it was necessary to pass a special bill or resolution in order to enable the President to appoint an Army officer to take charge of the bureau? Is it possible that there is only one man in the Nation whom he must appoint to that position.

Mr. KING. No, sir; I know nothing about him personally. But it is plain that the Treasury claims that he is the man that is superior over every other man in God's world for that position.

Mr. BLANTON. Mr. Speaker, I rise in opposition to the resolution.

Mr. GARRETT of Texas. Mr. Speaker, I rise to receive recognition as a member of the Committee on Military Affairs on this resolution.

The SPEAKER pro tempore. Is the gentleman from Texas opposed to the resolution?

Mr. GARRETT of Texas. I am.

Mr. BLANTON. Mr. Speaker, I yield to the gentleman.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GARRETT] is recognized.

Mr. GARRETT of Texas. Mr. Speaker and Members of the House, I am not going to detain you but a minute and a half, and in that time I want to read to you the reasons found in the report of the Committee on Military Affairs for the adoption of this resolution. It is in this language:

> The Secretary of the Treasury advised your committee that the Bureau of Engraving and Printing has been functioning very unsatisfactorily because of disputes between factions within the bureau. As no satisfactory administrative head was available the Secretary of the Treasury believed the only solution was to borrow from the Army Major Kirby, who seems ideally fitted from experience and ability to reorganize the bureau and reestablish confidence and harmony among its 5,000 employees.

I can not give my consent to the passage of this resolution upon that ground. The committee reported further that this resolution must be passed because of the fact that for about 50 years or longer we have had a statute on the books of this Government prohibiting the doing of this identical thing. We have had a law for years and years denying to the President or to the Secretary of War the right to detail an officer of the Army to perform civilian duty.

Now, think of the situation we are in. I raise no question as to the ability or capability of Major Kirby. I have no criticism to make of him as a soldier or as a major in the Army. My criticism of this resolution is that it is legislation that is dangerous and a precedent that this House ought not to establish. Can it be possible that out of the 110,000,000 people in the United States, out of the multiplied thousands of men in civil life that are competent and qualified to transact business in every walk of life that we find ourselves here at the Capital of the United States in a position that, as far as the great Bureau of Printing and Engraving is concerned, that there is only one man, just one, in all the country, and that man is an officer in the Army of the United States, and that he must be taken from the Army and put in this responsible position until they can look about for six months and find some civilian that may take his place. My God, suppose Major Kirby had died 30 days ago. Suppose he should be called hence to-morrow. What would happen? Would we have to close up the Bureau of Printing and Engraving and allow it to stand idle for six months until we could hunt the country over to find some man in private life to perform the duties and discharge the responsibilities of that important position?

Now, gentlemen, that is my objection; I do not believe the House ought to do it. I do not believe that we ought to establish the precedent of setting aside the statutes of the United States by resolution to permit men to be called out of the Army and put into these civilian places by virtue of the fact that they have the peculiar qualifications to do this work.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. GARRETT of Texas. I ask for one minute more.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LAGUARDIA. Does the fact that a man has a brilliant military record fit him for service in any civil department?

to conclude his statement. The gentleman ought to have that time. He is one of the members of this special committee.

Mr. KING. I admit that, but nevertheless he is trying to cover up the duplication of these bonds. Now, gentlemen, I have nothing further to say because I have so much to say on

Mr. GARRETT of Texas. I ask for one minute more.
The SPEAKER pro tempore. Is there objection?
There was no objection.

Mr. GARRETT of Texas. I believe that the proper thing for Major Kirby to do, if he is the man this report indicates that he is and which I do not question, that this place of importance would demand of him that he resign from the Army, put on the plain clothes of a private citizen, go in and do this most responsible work for the Government as a civilian. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has again expired.

Mr. BLANTON. Mr. Speaker, if you gentlemen want to know who selected Maj. Wallace Kirby for this important position, you will not have to go very far to find him. Major Kirby is the protégé of a very distinguished colleague of ours, one of the oldest Members of this House, one of the most loyal Members of the House, a man who sits here in his seat all day long attending to his business, our distinguished colleague from Massachusetts [Mr. GREENE]. [Applause.] He picked him. He told the President to appoint him and put him in charge of this bureau. When he was first put there I was prejudiced against him. I was the most prejudiced man in this House against him, and I will tell you why. There had come to me all sorts of reports that he had been fired from the Coast and Geodetic Survey, and there had come to me reports that he had a bad Army record in France.

I am in favor of the investigation now being carried on by the distinguished gentleman from Illinois [Mr. KING], and I am backing him up 100 per cent in it; but I am also for Maj. Wallace Kirby, because I traced back to their source every one of those adverse reports against him, and I found there was not a single report which was true. I went personally to the Coast and Geodetic Survey and I got his record during every month's stay that he was working in that department, and I found that it was as clean as it could be; there was not a black mark against him. They said that he had as good a record as there was in the Government service and recommended him highly. Then I went to the War Department and searched his record from the time that he went in until the time he came out, and there was not a black mark against it there. His record in France was good.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. There was nothing but high encomiums said of him in all departments. Likewise I found his record in the War College first class, and he was highly recommended there. In addition I found that he is the superintendent of one of the largest Sunday-school classes in the District of Columbia, and that is some recommendation worth while for any man. Everyone who attends his class is a friend of his, and I found out something else about Major Kirby.

I was specially interested in the matter because of one fact. I was interested in the Bureau of Engraving and Printing because of some reforms that we have been seeking there ever since I have been in Congress, and I was wanting to know whether Major Kirby was going to carry out those reforms or whether he was going to let them stop, because there were men there who were clamoring to stop them. I found that in every particular Major Kirby was standing foursquare for the reforms in the interest of this Government. I now yield to the gentleman from Illinois.

Mr. KING. I wanted to ask the gentleman if, when he was down at the Coast and Geodetic Survey, they gave him his record on the Rock Creek Park photograph matter?

Mr. BLANTON. No. I found this: There is not a black mark against his record there in that department or anywhere else, and I have it over the signatures of the chiefs of all departments. There was not one criticism there against him. There has not been a more efficient man in the employment of the Government than Maj. Wallace W. Kirby, according to all reports given me by departments. It was by a slow process of investigation that the prejudice that I had at first against this man was absolutely obliterated.

Mr. KING. Did they tell the gentleman anything about his bringing students in there and teaching them in that department and charging tuition fees for it?

Mr. BLANTON. No. I think if the gentleman will spend half as much time as I have spent in investigating Maj. Wallace Kirby's record he will find that there is nothing against it. The gentleman had these reports brought to him, as I had them brought to me, but I did not stop when they were brought. I went to the source and found out what facts existed, and I have the files in my office now, and when I submit them to the gentleman from Illinois and he sees the signatures of the gentlemen who have signed these reports favorable to Major Kirby I know that he will withdraw these insinuations that he is making against him.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. McKENZIE. Mr. Speaker, I have always indorsed the law which opposed the detailing of Army officers into civilian activities of the Government. I think it is a wise law, and when this legislation was first proposed that a general bill should be passed authorizing the detailing of two or three officers to this department I gave out an interview in which I stated that I would be opposed to any such legislation. I am opposed to the principle of this, but after hearing something about this particular case, after consultation with the Secretary of the Treasury who pointed out the great emergency that is existing and his inability to find a man who could fill the position, after having visited Chicago and other large cities and finding that the men who were capable of handling this position will not accept it at the salary paid by the Government, I said to those in authority who were asking for this legislation, "Gentlemen, if you will admit that it is an emergency, if you will permit the Congress of the United States to name the officer specifically, if you will concede that we have the right and ought to limit the period of his detail to not to exceed six months, I shall have no objection to the legislation." All there is to this is that there is an emergency. Major Kirby seems to be able to fill the bill. It is demanded by the people down there and by the men at the head of the Treasury Department and by officials. I think we have not set a precedent in this legislation, but that we have once again declared in this bill that the policy of the Congress of the United States is against the plan of detailing Army officers in civilian pursuits, and there is one thing that makes me rejoice. Being a member of the Committee on Military Affairs, remembering some of the harsh criticisms I have heard made against Army officers, it is somewhat gratifying to know that at least in one of the great bureaus of this Government it seems that at the present time it is necessary to call upon one of our Army officers to fill the place until they search the country over to find some one who has the qualifications to take his place. Mr. Speaker, I ask for a vote.

Mr. BUSBY. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BUSBY: Page 2, line 22, after the word "emoluments," strike out the remainder of line 22, lines 23 and 24, and lines 1 and 2 on page 3, and insert in lieu thereof the following: "Except those provided by law for the Director of the Bureau of Engraving and Printing: *And further provided*, That said Maj. Wallace W. Kirby surrender immediately his commission in the Army."

Mr. BUSBY. Mr. Speaker, I do not know——

Mr. McKENZIE. Mr. Speaker, I make a point of order against the amendment. I do not think it is germane to the purpose of this provision at all. This bill simply provides that he shall draw his Army pay, and certainly we are not in favor of his drawing any more than that, and this amendment would call upon him to surrender his commission, which he should do if he draws civilian pay, but he is not under this bill permitted to draw anything but his Army pay.

Mr. LAGUARDIA. Mr. Speaker, may we have the amendment again reported?

The SPEAKER pro tempore. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. BLANTON. Mr. Speaker, the amendment is clearly subject to the point of order and I want to be heard a moment on the point of order.

The SPEAKER pro tempore. The Chair will hear the gentleman from Mississippi on the point of order.

Mr. BUSBY. Mr. Speaker, the point of order just made against this amendment it seems to me will not lie, because the amendment provides for the emoluments or compensation for this same officer. It is a different figure; it is a less amount than is provided for a major in the Army.

Mr. McKENZIE. If the gentleman will yield, I would like to ask him this question: If his amendment is adopted, is it not wholly unnecessary for us to pass this bill?

Mr. BUSBY. That is not to the point of order. The other proposition that is raised is a limitation on the power to serve, and for that reason it seems to me clearly the point of order will not lie.

Mr. BLANTON. If the gentleman will yield, why if we do not pass this bill at all he has got the right, he can surrender his commission and be appointed. We do not have to pass the

bill to give him that right, so therefore the gentleman's amendment is subject to the point of order.

Mr. BUSBY. This is a question for the House to pass upon and not for me to decide. Now, I have nothing further to say on the point of order but I do not see how it would lie against the amendment proposed which deals with the same subject matter as the words in the original bill.

The SPEAKER pro tempore (Mr. ROGERS of Massachusetts). The Chair is ready to rule. The amendment offered by the gentleman from Mississippi provides in part that the person mentioned in this legislation shall surrender immediately his commission in the Army. It seems to the Chair that that is a departure from the subject matter of the bill itself and that it introduces entirely new and irrelevant matter into the joint resolution. Therefore the Chair sustains the point of order.

Mr. STEVENSON. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. STEVENSON: On page 3, lines 17 and 18, after the word "printing," in line 17, strike out the words "for a period not to exceed six months" and insert the words "until March 5, 1925."

Mr. STEVENSON. Mr. Speaker, I am opposed to this whole proposition. I do not know Mr. Kirby or anything about him but what I have heard and seen in the prints. I am opposed to the principle, and if you are going to put him in by statute, fix the term of office and fix it so that the next administration, if it is Mr. Coolidge, will have an opportunity to appoint his successor, and if it is somebody else, why that administration will have an opportunity to appoint his successor. After all the barrenness which has been displayed in finding a successor by the present administration I take it is unnecessary for us to direct this administration to search this country to find a man to attend to this outside of Major Kirby——

Mr. LAGUARDIA. If the gentleman will permit, for our tranquillity and peace of mind, will the gentleman give us an idea of who the somebody else will be?

Mr. STEVENSON. We will tell you about it in November, and I think it may be satisfactory to us but not to you. [Laughter and applause.] Now, the gentleman from Illinois [Mr. McKENZIE] says that he is opposed to this principle. Then why embark on it? It is all foolishness to say that the Secretary of the Treasury can not find a man for the salary he is authorized to pay who can run this bureau down there. This statute of 1870 was enacted because right after the Civil War there grew up a practice of every big Army officer coming back here, with his epaulets and his rank and all that, drifting into civil office, and they filled them from one end of the land to the other, and this statute absolutely prohibiting it was passed because they did not propose to militarize the United States Government in so far as the civil government was concerned. [Applause.] Now, then, this is just simply another manifestation of the same spirit, and I am opposed to it on principle. I do not believe that the Congress was mistaken in 1870 when it said that should not be done. In 1838, as far back as that, under section 1224, they limited it to a certain extent, and in 1870, having seen the evils of the Army officers back from the wars and seen the power they exercised, having seen the evil of Prussianizing the Government, they took away that power, and I think we should be very slow to strike down that safeguard which was placed on it in the past. [Applause.]

Mr. McKENZIE. Mr. Speaker, I move that all debate——

Mr. BUSBY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Mississippi makes the point of order of no quorum present. Evidently there is no quorum present.

Mr. McKENZIE. Mr. Speaker, I move a call of the House.

The question was taken; and the Speaker pro tempore announced that the ayes seemed to have it.

On a division (demanded by Mr. STEVENSON) there were—ayes 46, noes 28.

So a call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Bowling	Celler	Dickstein
Anthony	Britten	Clague	Dominick
Ayres	Browne, N. J.	Clark, Fla.	Drane
Bacharach	Buckley	Clarke, N. Y.	Drewry
Barkley	Burdick	Connolly, Pa.	Edmonds
Begg	Butler	Corning	Fairfield
Berger	Byrnes, S. C.	Cramton	Fenn
Bixler	Cable	Curry	Fish
Bloom	Carew	Davey	Fisher
Boies	Carter	Deal	Fleetwood
Frear	Kent	O'Connell, N. Y.	Smithwick
Fredericks	Kunz	O'Connor, N. Y.	Snell
Freeman	Langley	O'Sullivan	Snyder
Geran	Larson, Minn.	Oliver, N. Y.	Stalker
Gibson	Lehlbach	Park, Ga.	Steagall
Gifford	Lilly	Patterson	Stengle
Goldsborough	Lindsay	Peavey	Sullivan
Graham, Pa.	Lineberger	Perkins	Taylor, Colo.
Graham, Ill.	Little	Perlman	Temple
Haugen	McFadden	Phillips	Tincher
Hersey	Madden	Porter	Vare
Hill, Md.	Magee, Pa.	Prall	Ward, N. C.
Holaday	Martin	Quayle	Ward, N. Y.
Howard, Okla.	Mead	Reed, W. Va.	Wason
Hudson	Miller, Ill.	Robsion, Ky.	Weller
Hull, Tenn.	Mooney	Rosenbloom	White, Me.
Johnson, Wash.	Moore, Ill.	Sabath	Williams, Tex.
Johnson, Tex.	Morin	Salmon	Winslow
Kahn	Mudd	Schneider	Yates
Keller	Nolan	Scott	Zihlman
Kelly	O'Brien	Shreve	

The SPEAKER pro tempore. On this call 310 Members have answered to their names. A quorum is present.

Mr. McKENZIE. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will open the doors.

The doors were reopened.

Mr. QUIN. Mr. Speaker, I believe I had the floor when the point of no quorum was made.

The SPEAKER pro tempore. Yes. The gentleman from Mississippi is recognized.

Mr. McKENZIE. Mr. Speaker, I move that all debate on this resolution and all amendments thereto close in 10 minutes, 5 minutes to be used by the gentleman from Mississippi [Mr. QUIN] and 5 minutes by the other gentleman from Mississippi [Mr. BUSBY].

The SPEAKER pro tempore. The gentleman from Illinois moves that all debate on the pending bill and all amendments thereto close in 10 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. QUIN. Mr. Speaker, I have listened with some amazement to the assaults that have been made on this bill. There seems to be some misapprehension as to the purposes and objects of the measure. The Secretary of the Treasury did not himself select Major Kirby. The President did not select him. After they had all the trouble in the Bureau of Engraving and Printing it became necessary for a competent and capable man to be placed in charge there immediately. According to the evidence before our committee the gentleman from Massachusetts [Mr. GREENE] brought this man to the attention of the Secretary of the Treasury.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. QUIN. I can not yield.

We declined to consider his request because we would not accept the idea of the President appointing a military officer to that position. The Secretary of the Treasury came back with the additional request that we might grant him the period of six months in which to look the country over and select a man to take that place. On that plea we saw that there was really a necessity for the Secretary to look about and get a capable man. That position is a strictly technical position and one of high responsibility.

I do not know this Major Kirby. Personally, I do not know the Secretary of the Treasury. But the Secretary of the Treasury of the United States, according to my conception, is entitled to a square deal from this House. [Applause.]

I am a Democrat, and I do not care whether he is a Republican or a Democrat; if he holds the position of Secretary of the Treasury of the United States, he is responsible to all the people, and when he asks us in fairness to give him an opportunity to get a capable and competent man to occupy the position down there in lieu of this man, Major Kirby, I for one am willing to give him the opportunity.

I do not see what the gentleman from South Carolina [Mr. STEVENSON] thinks his motion amounts to, because the purpose of the Secretary of the Treasury under his amendment could not be changed at all. He may select a man in two months. He may get him in 30 days. We limit the entire time to six months. The Secretary of the Treasury, at the expiration of those six months, will be compelled to let Major Kirby go if he has not chosen a man to take his place. It is evident that Secretary Mellon would not ask us now to give him that authority if he could go out and immediately lay his hand on the man qualified to take the place. There may have been rascality in the Bureau of Engraving and Printing, and the Secretary of the Treasury, who is at the head of them all, asks us, as well as the members of his party, to loan him this man, who, as

everybody knows, is ably administering affairs down there. The Secretary should have a sufficient length of time to enable him to go out and select a suitable and capable man in whose hands the interests of the Government in that institution will be safe. There has been talk about bonds being issued in duplicate and about erroneous securities being issued by the department, and the Secretary of the Treasury is vitally interested, as is the humblest man in this Republic, in the soundness of the administration of the Bureau of Engraving and Printing, which prints all the currency money and bonds of the United States Government. We ought to pass this bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. BUSBY rose.

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. BUSBY. I rise for the purpose of offering an amendment.

The SPEAKER pro tempore. An amendment is already pending, but the gentleman can have his amendment at the desk for information. Does the gentleman desire his amendment to be read to the House for information?

Mr. BUSBY. Yes.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment.

Mr. BUSBY. And I will discuss it as soon as it is in order.

The Clerk read as follows:

Amendment offered by Mr. BUSBY: Page 2, line 23, after the word "duties," strike out the remainder of lines 23 and 24 and lines 1 and 2 on page 3 and insert in lieu thereof the following: "except those provided by law for the Director of the Bureau of Engraving and Printing."

The SPEAKER pro tempore. If the gentleman will withhold his discussion a moment, the Chair will put the question on the Stevenson amendment, which, without objection, the Clerk will again report.

There was no objection.

The Clerk again read the amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from South Carolina [Mr. STEVENSON].

The question was taken, and the amendment was rejected.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. BUSBY] offers an amendment, which has just been read, and is recognized for five minutes.

Mr. BUSBY. Mr. Speaker and gentlemen of the House, I offered an amendment just a moment ago which embodied the amendment that is before the House now and another proposition. The two propositions embodied in the amendment held out of order by the Chair were, first, that this individual, to whom we are looking for salvation for six months and who must step down and out at the end of six months, should be put in the same class with every other individual in the United States who should occupy the place he now occupies. That was the first proposition. As to salary, he was to receive not the salary of a major in the Army but the salary of the director of this bureau. The next proposition was—and that goes to the vital thing that is before the House—to have him, as a condition to his serving in that capacity, surrender his commission in the Army.

Now, for 47 years, since the enactment of section 1222 of the Revised Statutes of the United States, so far as I am able to learn, there has never been an exception where an Army officer was put into civilian employment.

You say this is an emergency; you treat it as a light proposition, and you say it is a proposition of no consequence. But it is a proposition of consequence, and, to my mind, this is one of the things which has created discord in this bureau, namely, this man being put at the head of 5,000 people, and they are going to be marshaled into right order by him as a military man.

Mr. McKENZIE. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. McKENZIE. If I understood the gentleman's amendment when it was read—I could not hear very well—it provides that he shall retain his grade as a major but shall receive the pay and emoluments of the director of the bureau.

Mr. BUSBY. That is it.

Mr. McKENZIE. In other words, you would increase his pay but permit him to still hold his rank in the Army?

Mr. BUSBY. I offered that amendment for this purpose: To show lack of good faith in objecting to it, because it does increase his pay and would not have been in order.

Mr. McKENZIE. I want to say to the gentleman from Mississippi that I am trying to act in all good faith.

Mr. BUSBY. I withdraw that suggestion.

Mr. McKENZIE. And I am opposed to increasing this gentleman's salary.

Mr. BUSBY. I withdraw that suggestion. But the point of order, that being the case, would have been sustained against it.

Mr. McKENZIE. I want to know whether the gentleman is acting in good faith in offering his amendment?

Mr. BUSBY. I have tried to act in good faith, and I mean to see that this thing gets full and fair consideration by all Members of the House. I intend to have a yea-and-nay vote on it or ask for the reading of the enrolled bill.

Mr. BLANTON. This would increase his pay to $7,500 a year and still give him his emoluments?

Mr. BUSBY. That is right. However, I was not so much concerned about this matter as I was the fact that an Army man should be placed at the head of this bureau. I do not care how good he is; there is a principle involved, and I would rather stand by the principle and uphold it than to have him put into this particular place.

Mr. BLACK of New York. Will the gentleman yield?

Mr. BUSBY. Yes.

Mr. BLACK of New York. Does not the gentleman think it is rather desirable that the Army should guard the Treasury for the next six months?

Mr. BUSBY. Well, it should have started about two years ago. It is too late now.

Gentlemen, this proposition is up to you as individuals. It is a question which you individually must settle as to whether or not you are going to depart from this long-established rule of law enacted into statute, and put an Army man into this position, which will mean an opening for an Army man in some other place, and there is no telling how soon we will have all these things that get mixed up straightened out by Army men. That is the situation I wanted to call your attention to. I have no interest in the matter. I do not know any of them, but I do know a principle when I see it, and I am going to try to stand by a principle on this proposition in opposing this bill. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired. All time has expired, and the question is on the amendment offered by the gentleman from Mississippi [Mr. BUSBY].

Mr. KING. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KING. Is it possible to talk five minutes at this time against the amendment of the gentleman?

The SPEAKER pro tempore. The time has been limited by vote of the House, and all time has expired. The question is on the amendment of the gentleman from Mississippi.

The amendment was rejected.

The SPEAKER pro tempore. The question now comes on the committee amendment as amended.

The committee amendment as amended was agreed to.

The SPEAKER pro tempore. The question now is on ordering the Senate joint resolution to be read the third time.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate joint resolution.

The question was taken; and on a division (demanded by Mr. BUSBY) there were—ayes 124, noes 74.

Mr. BUSBY. I ask for the yeas and nays, Mr. Speaker.

Mr. BROWNE of Wisconsin. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. Those in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Forty-seven gentlemen have risen; a sufficient number.

The yeas and nays were ordered.

The question was taken; and there were—yeas 180, nays 121, answered "present" 1, not voting 131, as follows:

YEAS—180

Abernethy	Bland	Christopherson	Davis, Tenn.
Ackerman	Blanton	Clancy	Deal
Aldrich	Boyce	Cole, Iowa	Dempsey
Allen	Brand, Ohio	Cole, Ohio	Denison
Allgood	Browning	Colton	Dickinson, Iowa
Andrew	Buchanan	Connally, Tex.	Elliott
Bacon	Bulwinkle	Cook	Evans, Iowa
Barbour	Burtness	Cooper, Ohio	Fairchild
Beedy	Byrns, Tenn.	Crowther	Faust
Beers	Campbell	Dallinger	Foster
Black, Tex.	Chindblom	Darrow	Free
Boles	Carter	Deal	Fleetwood

French	Lee, Calif.	Newton, Minn.	Strong, Pa.
Frothingham	Leatherwood	Newton, Mo.	Summers, Wash.
Fuller	Leavitt	Oldfield	Sweet
Garrett, Tenn.	Longworth	Paige	Swing
Graham, Pa.	Lozier	Parker	Taber
Green, Iowa	Luce	Peery	Taylor, Tenn.
Greene, Mass.	Lyon	Pou	Taylor, W. Va.
Griest	McLaughlin	Purnell	Thatcher
Hadley	McKenzie	Quin	Thompson
Hardy	McKeown	Ramseyer	Tilson
Harrison	McLaughlin, Mich.	Reece	Timberlake
Hastings	McReynolds	Reed, N. Y.	Treadway
Hawley	McSwain	Richards	Underhill
Hayden	MacGregor	Roach	Underwood
Hersey	MacLafferty	Robinson, Iowa	Upshaw
Hickey	Magee, N. Y.	Robsion, Ky.	Vaile
Hoch	Major, Mo.	Rogers, Mass.	Vestal
Hudspeth	Manlove	Rogers, N. H.	Vincent, Mich.
Hull, Iowa	Mansfield	Sanders, Ind.	Vinson, Ga.
Hull, Morton D.	Mapes	Sanders, N. Y.	Wainwright
Hull, William E.	Martin	Schall	Watres
Humphreys	Merritt	Sears, Nebr.	Watson
James	Michener	Seger	Wertz
Johnson, Ky.	Miller, Wash.	Shallenberger	White, Kans.
Jost	Mills	Sherwood	Williams, Mich.
Kearns	Montague	Simmons	Williamson
Kerr	Moore, Ohio	Sinnott	Wilson, La.
Ketcham	Moore, Va.	Sites	Wilson, Miss.
Kiess	Moores, Ind.	Smith	Woodruff
Kindred	Morgan	Smithwick	Woodrum
Knutson	Morris	Spearing	Wright
Kopp	Morrow	Sproul, Kans.	Wurzbach
Kurtz	Murphy	Stedman	Wyant
Larsen, Ga.	Nelson, Me.	Strong, Kans.	Young

NAYS—121

Almon	Doughton	King	Reed, Ark.
Arnold	Driver	Kvale	Reid, Ill.
Aswell	Eagan	LaGuardia	Romjue
Ayres	Evans, Mont.	Lampert	Rouse
Bankhead	Favrot	Lanham	Ruber
Beck	Fitzgerald	Lankford	Sanders, Tex.
Bell	Frear	Lazaro	Sandlin
Berger	Fulbright	Linthicum	Schafer
Black, N. Y.	Fulmer	Logan	Schneider
Bloom	Gallivan	Lowrey	Sinclair
Box	Gardner, Ind.	McClintic	Speaks
Boylan	Garner, Tex.	McNulty	Stevenson
Brand, Ga.	Garrett, Tex.	McSweeney	Sumners, Tex.
Briggs	Gasque	Major, Ill.	Swank
Browne, Wis.	Gilbert	Michaelson	Tague
Brumm	Glatfelter	Milligan	Thomas, Ky.
Busby	Greenwood	Minahan	Thomas, Okla.
Candler	Griffin	Moore, Ga.	Tillman
Cannon	Hammer	Morehead	Tinkham
Casey	Hawes	Nelson, Wis.	Tucker
Cleary	Hill, Ala.	O'Connell, R. I.	Vinson, Ky.
Collier	Hill, Wash.	O'Connor, La.	Watkins
Connery	Hooker	O'Sullivan	Weaver
Cooper, Wis.	Howard, Nebr.	Oliver, Ala.	Wefald
Crisp	Huddleston	Parks, Ark.	Williams, Ill.
Croll	Jacobstein	Ragon	Wilson, Ind.
Crosser	Jeffers	Raker	Wingo
Cullen	Johnson, Tex.	Rankin	Wolff
Cummings	Johnson, W. Va.	Ransley	
Davis, Minn.	Jones	Rathbone	
Dickinson, Mo.	Kincheloe	Rayburn	

ANSWERED "PRESENT"—1

Dyer

NOT VOTING—131

Anderson	Drewry	Lehlbach	Sabath
Anthony	Edmonds	Lilly	Salmon
Bacharach	Fairfield	Lindsay	Scott
Barkley	Fenn	Lineberger	Sears, Fla.
Begg	Fish	Little	Shreve
Bixler	Fisher	McFadden	Snell
Boies	Fleetwood	McLaughlin, Nebr.	Snyder
Bowling	Fredericks	McLeod	Sproul, Ill.
Britten	Freeman	Madden	Stalker
Browne, N. J.	Funk	Magee, Pa.	Steagall
Buckley	Garber	Mead	Stengle
Burdick	Geran	Miller, Ill.	Stephens
Burton	Gibson	Mooney	Sullivan
Butler	Gifford	Moore, Ill.	Swoope
Byrnes, S. C.	Goldsborough	Morin	Taylor, Colo.
Cable	Graham, Ill.	Mudd	Temple
Carew	Haugen	Nolan	Tincher
Carter	Hill, Md.	O'Brien	Tydings
Celler	Holaday	O'Connell, N. Y.	Vare
Clague	Howard, Okla.	O'Connor, N. Y.	Volgt
Clark, Fla.	Hudson	Oliver, N. Y.	Ward, N. Y.
Clarke, N. Y.	Hull, Tenn.	Park, Ga.	Ward, N. C.
Collins	Johnson, S. Dak.	Patterson	Wason
Connolly, Pa.	Johnson, Wash.	Peavey	Weller
Corning	Kahn	Perkins	Welsh
Cramton	Keller	Perlman	White, Me.
Curry	Kelly	Phillips	Williams, Tex.
Davey	Kendall	Porter	Winslow
Dickstein	Kent	Prall	Winter
Dominick	Kunz	Quayle	Wood
Dowell	Langley	Rainey	Yates
Doyle	Larson, Minn.	Reed, W. Va.	Zihlman
Drane	Lee, Ga.	Rosenbloom	

So the bill was passed.

The following additional pairs were announced:

Until further notice:

Mr. Dyer with Mr. Weller.
Mr. Sproul of Illinois with Mr. Barkley.
Mr. Burton with Mr. Drewry.
Mr. Dowell with Mr. Mead.
Mr. Hill of Maryland with Mr. Rainey.
Mr. Kendall with Mr. Ward of North Carolina.
Mr. Winslow with Mr. Carew.
Mr. Stephens with Mr. Kunz.
Mr. Shreve with Mr. Carter.
Mr. Wood with Mr. Lee of Georgia.
Mr. Bacharach with Mr. Doyle.
Mr. White of Maine with Mr. Oliver of New York.
Mr. Graham of Illinois with Mr. Kent.
Mr. Hudson with Mr. Sabath.
Mr. Fenn with Mr. Taylor of Colorado.

Mr. HILL of Maryland. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. HILL of Maryland. I was not; but if I had been here, I would have voted "no."

Mr. CARTER. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. CARTER. No; I was not in the Hall.

The SPEAKER pro tempore. The gentleman can not vote.

Mr. McLEOD. I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. McLEOD. I was not.

The SPEAKER pro tempore. The gentleman does not qualify.

Mr. BARKLEY. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name should have been called?

Mr. BARKLEY. I was present a part of the time.

The SPEAKER pro tempore. The gentleman does not qualify.

The result of the vote was announced as above recorded.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

RETIRED ENLISTED MEN OF THE ARMY, NAVY, MARINE CORPS, OR COAST GUARD

Mr. McKENZIE. Mr. Speaker, I call up the bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894.

Mr. McKEOWN. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Oklahoma makes the point no quorum is present. The Chair will count.

Mr. McKEOWN. Mr. Speaker, I understand the bill called up by the gentleman is S. 2450. In that case, I withdraw the point of no quorum.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894.

The SPEAKER. The bill is on the Union Calendar.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894, is amended by adding at the end thereof a new sentence to read as follows: "Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard shall not be construed to hold an office within the meaning of this section."

Mr. STEPHENS. Mr. Speaker, I desire to offer the following amendment.

The Clerk read as follows:

Amendment by Mr. STEPHENS: Strike out all of the printed bill after the word "follows," in line 6, and insert in lieu thereof the following: "Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONVEYANCE OF CERTAIN LAND TO THE STATE OF DELAWARE

Mr. McKENZIE. Mr. Speaker, I call up the bill S. 2431, conveying to the State of Delaware certain land in the county of Sussex, in that State.

The SPEAKER. This bill is on the Union Calendar.

Mr. McKENZIE. I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the United States hereby grants, quitclaims, and reconveys to the State of Delaware all that certain piece or parcel of land situate in Lewes and Broadkill Hundred, Sussex County, and State of Delaware, bounded and described as follows: Beginning at a stone, marked "U. S. 1," on the beach opposite the town of Lewes, Del., and located as follows: Bearing to Henlopen Light south 80° 40' east; angle between Henlopen Light and St. Peter's spire 114° 23' 15"; angle between St. Peter's spire and Greenhill Light 80° 33' 55"; angle between Greenhill Light and Upper Breakwater Light 122° 32' 13"; angle between Upper and Lower Breakwater Lights 9° 28' 17"; angle between Lower Breakwater Light and Henlopen Light 33° 2' 20"; thence southerly 1,630 feet, more or less, along the arc of a circle of 1,872.41 feet radius to the north side of South Street, the center of said circle, bearing south 59° 13' east from said stone; thence south 45° west 230 feet, more or less, along said north side of South Street to lands of the United States of America; thence with said lands in a northwesterly direction 180 feet, more or less, to a point; thence leaving said lands, northerly along the arc of a circle of 2,172.41 feet radius having the aforementioned center, 1,838 feet, more or less, to a point which is 300 feet distant from the place of beginning; thence north 30° 47' east 575 feet, more or less, to the low-water line of the Delaware Breakwater Harbor; thence easterly along said low-water line 320 feet, more or less; thence south 30° 47' west 650 feet, more or less, to the place of beginning, containing 16.7 acres, more or less.

Mr. LAGUARDIA. Mr. Speaker, I desire to ask the gentleman from Delaware where this land is. There seems to be no copies of the bill available.

Mr. BOYCE. I hand you a copy of the bill. The land in question was conveyed by the State of Delaware to the United States for canal purposes. It is no longer required, and it is desired to reconvey it to the State of Delaware.

Mr. LAGUARDIA. Conveyed recently to the Government?

Mr. BOYCE. No; years ago. The bill authorizes the Government to reconvey it to the State.

Mr. LAGUARDIA. Did the deed provide that the land would revert to the State if it was no longer needed for canal purposes?

Mr. BOYCE. I can not answer that question.

Mr. COOPER of Wisconsin. I could not hear the gentleman as to where this land was or what it is used for.

Mr. BOYCE. It is land situated in Sussex County, State of Delaware, and was conveyed by the State to the Government without cost to the Government. It is not now needed for canal purposes; and the Secretary of War recommends favorable consideration.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. McKENZIE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED BILL SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

SALARIES OF POSTAL EMPLOYEES

Mr. RAMSEYER. Mr. Speaker, I renew my request made this morning to print in the RECORD, in 8-point type, the letter from the Postmaster General on the bill (H. R. 9035) to increase the salaries of postal employees.

The SPEAKER. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. RAMSEYER. Mr. Speaker, on the 10th of this month I filed a minority report on H. R. 9035, a bill to increase the salaries of postal employees. On the same day I addressed a letter to the Postmaster General for the Post Office Department's estimate of the increased expenditures carried in said bill, and also for that department's views on the proposed legislation. In response to my letter I received the following letter from the Postmaster General, which I submit for printing in the RECORD for the information of Members of Congress:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., May 13, 1924.

Hon. C. WILLIAM RAMSEYER,
House of Representatives.

MY DEAR MR. RAMSEYER: I have your letter of the 10th instant, inclosing bill H. R. 9035, reclassifying the salaries of postmasters and employees of the Postal Service, etc., with the majority report of the committee, with request to be furnished with the department's estimate of the increased expenditures carried by the bill; and, further, that the department point out any inequities and to make any recommendations concerning any of its provisions which the department desires to submit.

The following is a summary of the approximate amounts of increased expenditures which will be made necessary should the bill become law:

Postmasters:		
First-class offices		
Second-class offices, 691, at $100 each	$69,100	
Third-class offices, 10,930, at $100 each	1,093,000	
Fourth-class offices, 36,639	2,753,720	
Total		$3,915,820
Assistant postmasters:		
First-class offices, 874, at $300 and $400	432,000	
Second-class offices, 1,841, at $300 and $350	1,001,150	
Total		1,433,150
Clerks, automatic grades, 49,560, at $300		14,868,000
Special clerks, 7,879, at $300		2,363,700
Supervisors, 5,105		1,711,500
City letter carriers, 43,714, at $300		13,114,200
Watchmen, messengers, and laborers, 3,908, at $150		586,200
Printers, mechanics, and skilled laborers, 56, at $300		16,800
Auxiliary service—clerks, 65 cents per hour		892,500
Auxiliary service—carriers, 65 cents per hour		799,000
Clerk hire and assistant postmasters, third-class offices		3,997,360
Salaries, motor-vehicle service		731,135
Village delivery service, 1,174, at $200		234,800
Additional overtime on basis of 306 days		443,810
Additional pay for night work		5,609,296
Inspectors		179,200
Clerks at division headquarters		35,088
Railway Mail Service:		
Salaries, including differential for night work		12,592,971
Travel allowances		1,910,021
Rural delivery service		15,000,000
Grand total		80,425,551

Upon the general subject of salary revision I am in favor of such equitable readjustment of salaries as shall properly meet the conditions existing in the service. However, the extent to which such proposed readjustment is carried in the bill referred to does not appear to the department as being justified by such conditions in the service and the evidence submitted to the joint subcommittee by the department with respect to salaries. As you are aware, there was submitted to the joint subcommittee a proposed revision, the cost of which would approximate $43,000,000. This was also accompanied at the request of the subcommittee by suggestions with respect to the raising of sufficient revenue to meet these expenses by increases in certain postage rates and fees for special services.

The revision noted would, in the view of the department, correct any existing inequalities and provide as much revenue as the department feels can be raised through increased postage rates without danger of impairment of the service. The department further renews its original suggestion that the whole matter of a revision of wages and salaries should be deferred until the result of the cost ascertainment, now in progress, is made known.

If, however, the bill to which your letter refers is to be considered, the department would make certain recommendations with respect to special features which vary from existing laws and which should be changed in the interest of consistency.

The bill provides in lines 13 to 16, page 19, that for the purpose of promotion and compensation printers, mechanics, and skilled laborers and employees of the United States stamped-envelope agency at Dayton, Ohio, shall be deemed a part of the clerical force. As the service of such employees may properly be required in excess of the regular working hours or on Sundays or holidays the provision should be changed to read as follows:

"*Provided further*, That printers, mechanics, and skilled laborers, and employees of the United States stamped-envelope agency at Dayton, Ohio, shall, for the purposes of employment, promotion, compensation, and the granting of compensatory time for Sunday and holiday service, be deemed a part of the clerical force."

The bill provides, in lines 12 to 15, page 34, that whenever an employee shall have been reduced in salary for any cause he may be restored to his former grade or advanced to an intermediate grade at the beginning of any quarter following his reduction, whereas lines 20 to 23 provide that whenever the promotion of an employee is withheld because of unsatisfactory service, such employee may be promoted at the beginning of the second quarter thereafter.

The effect of this would be to penalize the employee whose salary was withheld a loss of salary for a minimum of six months, whereas the employee who was reduced might be penalized a maximum of less than three months.

As ordinarily the offense calling for reduction is greater than that calling for the withholding of a promotion, it is felt that the provision for the withholding of a promotion for a period of six months is unjust and inequitable. It is therefore believed that lines 20 to 23 should be changed to read as follows:

"Whenever the promotion of an employee herein provided for is withheld because of unsatisfactory service, such employee may be promoted at the beginning of any quarter thereafter."

The words "or of any subsequent quarter" should be striken out.

As promotions are made only at the beginning of the quarter, this would provide for the withholding of a promotion for a minimum of three months in each instance.

The bill provides, in lines 11 to 22, on page 27, for the appointment of substitutes to the grade to which they would have progressed had they been appointed to grade 1. The present law provides for promotion of substitutes to grade 2 after one year, at which grade they are appointed to regular positions, and then begin to progress to higher grades. The department believes that the present law is equitable and should be continued.

The bill provides, in line 23, on page 27, to line 2, on page 28, for promotion of substitutes each year, same as regular clerks. This apparently conflicts with the preceding paragraph in the bill.

The bill provides, in line 10, on page 28, to line 2, on page 29, for travel allowance after 8 hours from time of beginning initial run instead of after 10 hours. In the opinion of the department, travel allowance should begin 10 hours after starting initial run, as the present law provides.

The bill provides, in lines 17 to 19, on page 29, for continuing in present classes of all railway post-office lines, no authority being given to department to reclassify them as conditions change, nor is any provision made for classification of new lines. The department should have authority to reclassify lines as conditions change, otherwise an anomalous situation would soon arise whereby more important lines would be in class A and less important ones in class B.

The bill provides, in line 20, on page 29, to line 9, on page 30, for terminal railway post offices and transfer clerks' offices to be divided into classes A and B. They are now all in class A. Also provides for progressive promotions to grade 5 instead of grade 4 in class B, and eliminates nondistributer positions in both classes, which are now in grade 3. The elimination of nondistributer positions is not believed to be warranted. In our opinion, the pay of clerks occupying nondistributer positions should be less than the pay of those doing distributing work.

The bill provides, in lines 10 to 15, on page 30, for double the number of grade 6 places in superintendents' and chief clerks' offices. The increase of grade 6 places in superintendents' and chief clerks' offices is not favored. The present law provides for a grade 6 clerk in the more important positions, and the number of such important positions is now provided for.

The bill provides, in lines 10 to 13, on page 31, for crediting clerks with full time for delay to trains equal to the period of time between the scheduled arrival and actual arrival of the train at destination of run. This would be undesirable legislation, as a large increase in payment for salaries would result, and that increase in pay would be for time in which no work was performed by the clerks.

Very sincerely yours,

HARRY S. NEW,
Postmaster General.

PERSONAL EXPLANATION

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to proceed for half a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Speaker, I was out of the Chamber this morning when the House met, attending the sessions of the Select Committee on the Shipping Board, of which I am a member. Therefore, I did not hear the colloquy that took place in the House in respect to the proceedings of last night. I want to say that during yesterday forenoon, as well as yesterday afternoon, I was in attendance upon the Select Committee on the Shipping Board, except that I attended the House session from 12 o'clock until 2 o'clock. I remained at my office until about 7 o'clock last evening, after the House adjourned, and I understood that there would be nothing last night except general debate and that no votes would be had. After leaving the House I was unable to return to the House until after supper—something after 9 o'clock last evening. I came into the lobby with the gentleman from Kansas [Mr. TINCHER], as was stated in the RECORD this morning. I want the RECORD to show that I was here and heard the general debate and was present when the House adjourned.

CAPE COD CANAL

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to consume the other half minute not consumed by the gentleman from Texas [Mr. CONNALLY].

The SPEAKER. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker, I recently visited the Cape Cod Canal and became thoroughly convinced that the Government ought to own and operate it. I asked the superintendent to write me a letter showing how life has been saved by its operation, and I ask unanimous consent to extend my remarks in the RECORD by incorporating that letter.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. UPSHAW. Mr. Speaker and gentlemen of the House, being called to my home city of Atlanta on an important engagement of one year's standing, I was prevented from taking part in the debate on the Cape Cod Canal, and I am therefore taking advantage of the leave granted me to print in the RECORD a remarkable letter from the present manager of the canal. This letter was written at my request through the good offices of Mr. Frank J. Batcheller, one of the leading citizens of New England and one of the most unselfishly patriotic men I have ever known.

I am delighted to learn that the House acted favorably on this measure, and I am sending this information for the Senate, where action is pending.

Before giving this stirring letter from Mr. H. L. Colbeth, "a son of the sea" and a high-class Christian gentleman, I wish to say that while the great consideration of humanity and governmental economy of this matter appealed to me, from all I had heard of the dangers of the Cape Cod shore before I ever saw the situation, my visit and personal inspection by a trip through the canal has made me a thorough and enthusiastic convert on the basis of that axiom in the field of both religion and philosophy that "seeing is believing."

I frankly feel that no Member of Congress could vote against the proposition to have the Government take over and maintain this canal if he could visit the spot, as I have done, and see the great need for himself.

Certainly, if it is right to maintain lighthouses and the Coast Guard to save human lives, then surely every law of humanity, of human and divine economy, should have caused this Government to dig and take charge of the Cape Cod Canal a full century ago.

If this had been done hundreds of lives and millions of dollars in property would have been saved.

We appropriate millions of dollars every year to prevent death and alleviate suffering; we appropriate millions to prevent blight on plant and animal life; we are in the act now of appropriating millions for the commercial development of Muscle Shoals. I believe in all these wise investments, but if they are governmentally considerate and sound, surely an investment like this speaks forth the spirit of humanitarian America. Every lighthouse on the shore beams a welcome of sanity and safety to strangers and our own returning citizens; but in this Cape Cod enterprise is found not only every consideration of humanity but the soundest sort of commercial economy. I urge the support of this measure upon the honored Senators who have not been on the scene, for the Cape Cod Canal governmentally perfected and maintained will be a great national asset. Let us give humanity the benefit of the doubt.

A REMARKABLE, CONVINCING LETTER

CAPE COD CANAL,
Buzzards Bay, Mass., April 15, 1924.

Hon. WILLIAM D. UPSHAW,
House of Representatives, Washington, D. C.

DEAR MR. UPSHAW: At the request of our mutual friend, Mr. Batcheller, of Boston and Duxbury, I shall attempt to briefly bring to your attention in a more or less personal way the dangers attending navigation on the so-called outside route around Cape Cod and through the Nantucket and Vineyard Sounds as compared with the shorter and safer route via the Cape Cod Canal.

My personal experience on the waters above mentioned covers a period of 25 years of active service in all capacities from a sailor

filed a minority report on H. R. 9035, a bill to increase the | ployee shall have been reduced in salary for any cause he may be re-

nothing last night except general debate and that no votes | period of 25 years of active service in all capacities from a sailor

before the mast on the smaller sailing vessels to command of the largest, fastest, and most valuable steamships engaged in coastwise service; and, in addition to the above, my father, my father's and mother's brothers, and my two grandfathers were all shipmasters, making frequent voyages along the New England coast, and among my earliest recollections are the stories of storm, fog, shipwreck, and loss of life on that part of the coast known as "The Graveyard of the Atlantic," between Block Island, R. I., and the northeast extremity of Cape Cod, Mass. In the little town of Machiasport, on the coast of Maine, where I was born and reared, there have been many occasions when the community has mourned the loss of several of its citizens, and sometimes two, three, and four men of one family have been lost in one storm; and, while these mariners sailed all over the world, casualties were more frequent in the vicinity of Cape Cod and Nantucket than elsewhere, and great relief was experienced when ships were reported as having passed these dangerous points in safety.

I was 4 years of age when I made my first voyage around Cape Cod with my father in a sailing schooner which he commanded, he being then engaged in the trade of carrying building material, lumber, stone, and lime from Maine and provincial ports to New York, Philadelphia, Baltimore, and the West Indies, and on the return voyage from New York and Philadelphia cargoes were almost invariably coal, as is the custom to-day, although a large proportion of the coal is moved in barges under motive power furnished by an attending tug. On my first voyage as a seaman, when about 14 years of age, I sailed from my home town to New York and returned to Portland, Me., on a three-masted sailing schooner carrying about 500 tons of cargo.

The outward voyage was without event, other than considerable delay caused by foggy weather and head winds, but on the return trip, deeply loaded with a cargo of coal in the early winter, we experienced severe weather and considerable delay. We lay at anchor in Vineyard Haven, Marthas Vineyard, in a severe easterly gale, during which one vessel broke from her mooring and was driven on the shore, Vineyard Haven being an open and exposed harbor in northeast gales, as a glance at the map will show. Leaving Vineyard Haven after the weather had cleared and the wind had come out from the westward, we proceeded as far as Highland Light, Cape Cod, a distance of about 60 miles, when the wind veered to the northwest and increased to a gale which made it necessary to reduce canvas, tack ship, and sail back for a distance of about 20 miles to an anchorage under the shore of Cape Cod near the town of Chatham. This anchorage, while comparatively safe in westerly gales, was absolutely unsafe when the wind changed toward the northeast. It was then necessary to watch the weather very carefully, and at the slightest indication of the gale blowing itself out to get under way and either return to Vineyard Haven or make another attempt to get around Cape Cod.

Our captain chose the latter alternative, and we stood out by Cape Cod into a rough sea with the wind blowing half a gale from the westward, close-hauled on the port tack with all light sails carefully furled, with double gaskets, and I will never forget the difficulty attending the stowing of the topsails. I am quite sure my grip on the shrouds was sufficient to leave my finger marks on the topmast rigging, some 85 feet above the deck. The distance from Cape Cod to Portland, Me., is about 100 miles, and when we had covered 70 miles the wind suddenly changed to northeast, blowing with almost hurricane force, which made it impossible to do other than run before the wind under reefed canvas, and we squared away, in nautical parlance, for the harbor of Salem, Mass., which was about 45 miles away. Rough seas broke over the vessel's deck continually, and while it was necessary to man the hand pumps frequently we had to watch out very carefully and jump into the rigging when the big combers came over the rail, otherwise nothing could have prevented our being washed overboard. After two or three more delays we reached Portland Harbor in safety and delivered our cargo of anthracite coal.

There is no harbor of refuge between Vineyard Haven, Mass., and Provincetown, a distance of about 70 miles; and as Provincetown is not much frequented by sailing vessels, it is necessary to make a circuitous course at least halfway around the compass; therefore for sailing vessels there is no feasible harbor between Vineyard Haven and Salem or Boston, a distance of approximately 125 miles, or 24 hours' sailing for a small schooner even under favorable circumstances of wind and weather, and the weather on the New England coast during the winter months is not often continuously fair with no change of wind during a period of this length. More often the sailing vessel reaches a point halfway between Vineyard Haven and Cape Cod, when the weather either becomes thick with fog, rain, or snow and southerly gales or suddenly veers to the north and northeast, which compels a return to Vineyard Haven.

I have often heard my father relate an experience of steering a vessel which he commanded from a point off Cape Cod to Boston Harbor, a distance of 60 miles, in a blinding snowstorm with a southeast gale, he never leaving the helm for 10 hours, and his ship being one of three out of a fleet of 20 that reached port with safety, while the others were totally or partially wrecked or delayed for a period of several days. The above is far from an unusual instance; and, without tiring you with too much detail, I can assure you that the Cape Cod Canal is nothing short of a godsend to the smaller coasting vessels and to the seamen and their families, and I might add that most of these men are of the old, hardy New England stock and who are now carrying on the same business established several generations ago by their ancestors—that is, the building, loading, and operating of sailing ships—and if only one life a year could be saved by the Cape Cod Canal—which, by the way, is a ridiculously low estimate—who shall say that the price of $11,500,000 is too much for the Government to pay for a waterway that will save the life of one of our fellow men, and, more especially, if it should be the life of a son, brother, or intimate acquaintance?

DANGEROUS FOGS AND TORTUOUS CHANNELS

Greater even than the dangers incident to storms, tortuous channels, submerged shoals, and swift cross currents is the menace of fog on this section of the New England coast, and Government records show there is 150 per cent in excess of that experienced at the Cape Cod Canal. During thick or foggy weather vessels are navigated almost wholly by sound signals, and if no wind prevails these signals are reasonably safe guides; but on Nantucket Shoals the acoustic conditions are such that sound signals do not carry for more than short distances and are sometimes deflected by varying density of the air, so that the direction from which they originate is extremely difficult to locate; and while in some localities fog will frequently clear when a strong breeze obtains, it is noticeable in the vicinity of Cape Cod and Nantucket that thick fog is prevalent even with a strong gale blowing, which obviously renders sound signals of minimum value.

PASSENGER SHIPS SUNK BY COLLISION

It was my experience on one occasion when chief officer of a steamship to collide with and sink a large passenger steamer, and after rescuing the passengers and crew it was necessary in consideration of the damaged condition of our own vessel to run her ashore on Cape Cod at a point near the Nausett Light station, where the passengers and all except a skeleton crew were taken ashore by the life-savers. Both steamers were equipped with large steam fog whistles which were frequently sounded, but were inaudible for any appreciable distance, which was the primary cause of the collision. On another occasion while groping our way through the tortuous channels over Nantucket Shoals we collided with a steamer which had not heard our signals, fortunately receiving only minor damage, and about two hours later, at a point 20 miles eastward, we ran into a sailing schooner which was quite seriously damaged and eventually towed into port by our ship. The above instances are typical of what is constantly recurring; and within the last few days one of the Savannah & Boston Line steamers carrying passengers and cargo was in collision with a large collier at a point near the Cross Rip Lightship, the accident having resulted in no loss of life, although both steamers were considerably damaged. On March 12, 1924, just one month ago, the six-masted schooner *Wyoming*, one of the largest sailing vessels in the world, was totally wrecked about 4 miles off Chatham, Cape Cod, with the loss of every man on board. This vessel carried over 5,000 tons of coal and loaded to a depth of 29 feet, and was obviously beyond the present capacity of the Cape Cod Canal, but undoubtedly this vessel would have availed herself of this shorter and safer route had such course been practical. It is superfluous to state that total loss of the vessel and crew would not have occurred had this shorter route been available. There have been numerous instances during the past winter, which has been far from severe, speaking comparatively, when vessels have attempted to use the outside route and been forced to change their course and retrace considerable distance to one of the entrances of the canal. This is especially true of vessels bound north.

FREEZE TO DEATH WAITING FOR RESCUE

It was my experience to witness an accident to a tow of coal barges owned by the Philadelphia & Reading Railroad, which stranded on the dreaded shoals known as Peaked Hill Bar off the north point of Cape Cod, when several lives were lost, although the crew of a Coast Guard station were at the scene and did everything humanly possible to assist the distressed vessels. I was in command of a steamer at the time and passed this point a few hours after the heart-rending accident occurred, where human lives were lost within sight of and, in fact, within a short half mile of the land. It was also my experience to see a large five-masted ship totally destroyed by fire near the same point, and while no lives were lost it was a sad sight to see a fine, large ship consumed in flames which lighted the horizon for miles. One menace which can not be overlooked is that men are in danger of freezing to death while awaiting rescue on stranded vessels anywhere on the New England coast, which danger does not obtain in parallel cases farther south where the temperature is much higher. Thirteen Life Saving or Coast Guard stations are maintained by the Government along the seaward side of Cape Cod.

These stations are only 3 miles apart, ample testimony of the danger to life and property. A Coast Guard cutter is maintained at Woods Hole with a regular cruising distance of only 40 miles, although the vessel frequently makes longer trips to aid and assist vessels in dis-

tress. The cruising radius of Coast Guard vessels stationed farther south is sometimes as great as 600 miles, and a personal letter recently received from Commander P. W. Lauriat, in command of the Coast Guard cutter *Yamacraw*, stationed at Charleston, S. C., states that with a much larger cruising radius his present position is a sinecure in comparison with his past experience at the Woods Hole station, in command of the U. S. S. *Acushnet*.

My acquaintance with the waters of the New England coast and my intimate knowledge of the dangers of Cape Cod and Nantucket Shoals are such that I could continue almost indefinitely relating accidents and instances similar to the foregoing, but knowing my communication is already of unpardonable length, I commit the above to you for such consideration as it may receive.

With the assurance that no statements are overdrawn, but to quote from one of the songs in the old Baptist hymnal, "The half has never yet been told." With kindest personal regards, I have the honor to remain,

Yours very truly, H. L. COLBETH,
General Manager.

EXTENSION OF REMARKS

Mr. LaGUARDIA. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks made on the floor of the House to-day.

The SPEAKER. Is there objection?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks that I made this afternoon.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT

Mr. McKENZIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 38 minutes p. m.), in accordance with the order heretofore made, the House adjourned until to-morrow, Thursday, May 22, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

500. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior, pertaining to the Reclamation Service, for the fiscal year 1925, amounting to $1,146,500 (H. Doc. No. 298); to the Committee on Appropriations and ordered to be printed.

501. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Interstate Commerce Commission for the fiscal year ending June 30, 1925, for valuation of property of carriers, $350,000 (H. Doc. No. 299); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. KELLER: Committee on the District of Columbia. S. 1641. An act to declare Lincoln's birthday a legal holiday; without amendment (Rept. No. 799). Referred to the Committee of the Whole House on the state of the Union.

Mr. WYANT: Committee on Interstate and Foreign Commerce. H. R. 9245. A bill granting the consent of Congress to the Commissioners of Fayette and Greene Counties, Pa., to construct a bridge across the Monongahela River, near Masontown, Fayette County, Pa.; without amendment (Rept. No. 802). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. REECE: Committee on Military Affairs. H. R. 2419. A bill for the relief of Michael Curran; without amendment (Rept. No. 800). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1415. A bill for the relief of Josiah Frederick Dose; without amendment (Rept. No. 801). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on Claims. S. 225. An act to extend the benefits of the employees' compensation act of September 7, 1916, to Edward N. McCarty; with amendments (Rept. No. 803). Referred to the Committee of the Whole House.

Mr. FREDERICKS: Committee on Claims. S. 335. An act for the relief of John T. Eaton; without amendment (Rept. No. 804). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. S. 648. An act for the relief of Janie Beasley Glisson; without amendment (Rept. No. 805). Referred to the Committee of the Whole House.

Mr. VINCENT of Michigan: Committee on Claims. S. 1573. An act for the relief of Samuel S. Weaver; without amendment (Rept. No. 806). Referred to the Committee of the Whole House.

Mr. BECK: Committee on Claims. H. R. 917. A bill for the relief of Ernest F. Church, boatswain, United States Naval Reserve Force; with amendments (Rept. No. 807). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 4294. A bill for the relief of Casimira Mendoza; with an amendment (Rept. No. 808). Referred to the Committee of the Whole House.

Mr. THOMAS of Oklahoma: Committee on Claims. H. R. 1889. A bill for the relief of Nelly McCanna, residuary legatee and devisee under the last will and testament of P. F. McCanna, deceased; with an amendment (Rept. No. 809). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims S. 2187. An act authorizing the Comptroller General of the United States to consider and settle the claim of Mrs. John D. Hall, widow of the late Col. John D. Hall, United States Army, retired, for personal property destroyed in the earthquake at San Francisco, Calif.; with an amendment (Rept. No. 810). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Indian Affairs was discharged from the consideration of the bill (H. R. 9340) granting a pension to Theodore A. K. Gessler, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HUDSPETH: A bill (H. R. 9361) granting the consent of Congress to the construction of a bridge across the Rio Grande; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES: A bill (H. R. 9362) to provide for the establishment of a dairying and livestock experiment station at Dalhart, Tex.; to the Committee on Agriculture.

By Mr. CARTER: A bill (H. R. 9363) to establish a fish hatchery in the third congressional district of the State of Oklahoma; to the Committee on the Merchant Marine and Fisheries.

By Mr. TILLMAN: A bill (H. R. 9364) granting a pension to deputy United States marshals of the United States District Court of the Western District of Arkansas who rendered special service prior to the admission of the State of Oklahoma into the Union; to the Committee on the Judiciary.

By Mr. THOMPSON: A bill (R. R. 9365) to extend the limitations of time upon the issuance of medals of honor, distinguished-service crosses, and distinguished-service medals, to persons who served in the Army, Navy, or Marine Corps of the United States during the World War; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally refered as follows:

By Mr. ANTHONY: A bill (H. R. 9366) granting a pension to Samuel Thompson; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 9367) granting a pension to Alice M. Walrath; to the Committee on Invalid Pensions.

By Mr. MORTON D. HULL: A bill (H. R. 9368) for the relief of Henrietta Barnard; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 9369) granting a pension to William F. Murray; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 9370) granting a pension to Lulu Alice Weimer; to the Committee on Invalid Pensions.

By Mr. LOGAN: A bill (H. R. 9371) for the relief of the legal representative of Sylvester Jancovich, deceased; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9372) granting a pension to Thomas M. Frazier; to the Committee on Pensions.

By Mr. MAJOR of Illinois: A bill (H. R. 9373) granting a pension to Mary E. R. Simmennaker; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9374) granting an increase of pension to Crawford Blair; to the Committee on Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 9375) granting permission to Fred F. Rogers, commander, United States Navy, to accept certain decorations bestowed upon him by the Venezuelan Government; to the Committee on Naval Affairs.

By Mr. STRONG of Pennsylvania: A bill (H. R. 9376) granting an increase of pension to Hannah J. Kerr; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9377) granting a pension to Lines P. Wasson; to the Committee on Pensions.

By Mr. TILLMAN: A bill (H. R. 9378) to pay $2,821.16 to Perry Lee, C. A. Boen, and C. A. Monroe Meadows, of Newton County, Ark.; to the Committee on Claims.

Also, a bill (H. R. 9379) granting a pension to Mary Jane Carter; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2835. By the SPEAKER (by request): Petition of Ardmore (Okla.) Chapter of Izaak Walton League, favoring upper Mississippi River bill; to the Committee on Rivers and Harbors.

2836. By Mr. GALLIVAN: Petition of Boston Spaghetti Manufacturing Co., Boston, Mass., protesting against McNary-Haugen bill; to the Committee on Agriculture.

2837. Also, petition of Associated Industries of Massachusetts, Boston, Mass., protesting against enactment of the McNary-Haugen bill; to the Committee on Agriculture.

2838. By Mr. KING: Petition of the Polly Sumner Chapter of the Daughters of the American Revolution, in favor of changing the name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2839. By Mr. RAKER: Thirty-six letters from employees of the custodian service at port of San Francisco, Calif., indorsing support of House bill 8352, for the purpose of reclassifying salaries of employees of the custodian service; to the Committee on the Civil Service.

2840. Also, four letters in re Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2841. By Mr. YOUNG: Petition of Bismarck Association of Commerce, Bismarck, N. Dak., protesting against the passage of the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

SENATE

THURSDAY, *May 22, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	Ladd	Shipstead
Ball	Fess	Lenroot	Shortridge
Bayard	Fletcher	Lodge	Simmons
Borah	Frazier	McKinley	Smith
Brandegee	George	McLean	Smoot
Broussard	Gerry	McNary	Spencer
Bruce	Glass	Mayfield	Stanfield
Bursum	Gooding	Neely	Stephens
Cameron	Hale	Norbeck	Sterling
Capper	Harreld	Norris	Swanson
Caraway	Harris	Oddie	Trammell
Copeland	Harrison	Overman	Underwood
Cummins	Heflin	Pepper	Wadsworth
Curtis	Howell	Phipps	Walsh, Mass.
Dale	Johnson, Calif.	Pittman	Walsh, Mont.
Dial	Johnson, Minn.	Ralston	Warren
Dill	Jones, N. Mex.	Ransdell	Weller
Edge	Kendrick	Reed, Pa.	Wheeler
Edwards	Keyes	Robinson	Willis
Fernald	King	Sheppard	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART] and the Senator from Washington [Mr. JONES] are engaged in a hearing before a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-nine Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (S. 2431) conveying to the State of Delaware certain land in the county of Sussex, in that State.

The message also announced that the House had passed the following bill and joint resolution of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 2450. An act to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; and

S. J. Res. 105. Joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4820. An act to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and

H. R. 7269. An act to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

PETITIONS AND MEMORIALS

Mr. CAPPER presented the petitions of sundry members of the congregation of the Methodist Episcopal Church, of Miltonvale, and of sundry citizens of Hutchinson, both in the State of Kansas, praying an amendment to the Constitution relative to the regulation of child labor, which were referred to the Committee on the Judiciary.

Mr. PEPPER presented the memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of the Senate bill (S. 2327) to amend section 4 of the Interstate commerce act, which was referred to the Committee on Interstate Commerce.

He also presented the petition of the Philadelphia (Pa.) Board of Trade, praying for the passage of the bill (H. R. 8887) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 2842) to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes, reported it without amendment and submitted a report (No. 583) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1179. An act to authorize the Commissioners of the District of Columbia to close certain streets, roads, or highways in the District of Columbia rendered useless or unnecessary by reason of the opening, extension, widening, or straightening, in accordance with the highway plan of other streets, roads, or highways in the District of Columbia, and for other purposes (Rept. No. 584);

S. 1340. An act to make the necessary survey and to prepare a plan of a proposed parkway to connect the old Civil War forts in the District of Columbia (Rept. No. 585); and

S. 1935. An act to amend, revise, and reenact subchapter 3, sections 546 and 547 of the Code of Law of the District of Columbia relating to the recording of deeds of chattels (Rept. No. 586).

Mr. BALL also, from the Committee on the District of Columbia, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1934. An act to amend, revise, and reenact section 549 of subchapter 4 of the Code of the District of Columbia relating to the appointment of deputy recorder of deeds and fixing the compensation therefor (Rept. No. 587); and

S. 2694. An act to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes (Rept. No. 588).

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 3053) to quiet title to original

lot 4, square 116, in the city of Washington, D. C., reported it without amendment and submitted a report (No. 590) thereon.

Mr. COPELAND, from the Committee on the District of Columbia, to which was referred the bill (S. 3280) to regulate in the District of Columbia the traffic in, sale, and use of milk bottles, cans, crates, and other containers of milk and cream, to prevent fraud and deception, and for other purposes, reported it with amendments and submitted a report (No. 589) thereon.

Mr. LADD, from the Committee on Commerce, to which was referred the bill (S. 3292) granting the consent of Congress to the city of Hannibal, Mo., to construct a bridge across the Mississippi River at or near the city of Hannibal, Marion County, Mo., reported it without amendment and submitted a report (No. 591) thereon.

ENROLLED BILLS PRESENTED

Mr. BALL, from the Committee on Enrolled Bills, reported that on the 20th instant that committee presented to the President of the United States enrolled bills of the following titles:

S. 105. An act for the relief of Arthur Frost;

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act of the relief of Peter C. Keegan and others;

S. 569. An act for the relief of James Moran;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

A bill (S. 3359) to establish a bureau for children's aid in and for the District of Columbia, to determine its functions, and for other purposes; to the Committee on the District of Columbia.

By Mr. BURSUM:

A bill (S. 3360) granting a pension to John F. Walker; to the Committee on Pensions.

By Mr. FERRIS:

A bill (S. 3361) to correct the military record of Charles T. Hollis, deceased; to the Committee on Military Affairs.

By Mr. WARREN:

A bill (S. 3362) permitting Leo Sheep Co., of Rawlins, Wyo., to convey certain lands to the United States and to select other lands in lieu thereof, in Carbon County, Wyo., for the improvement of the Medicine Bow National Forest; to the Committee on Public Lands and Surveys.

By Mr. REED of Pennsylvania:

A bill (S. 3363) to fix the salaries of certain judges of the United States; to the Committee on the Judiciary.

By Mr. FLETCHER:

A bill (S. 3364) granting an increase of pension to Harriet F. Leonard; to the Committee on Pensions.

By Mr. FERNALD:

A bill (S. 3365) granting an increase of pension to Inzetta A. Small; to the Committee on Pensions.

By Mr. McKINLEY:

A bill (S. 3366) to provide for an examination and survey of the Mississippi and Ohio Rivers at or near Cairo, Ill., for the purpose of determining the practicability and estimating the cost of a tri-State highway bridge over said rivers; to the Committee on Commerce.

MILITARY TELEGRAPH CORPS OF THE ARMY

On motion of Mr. REED of Pennsylvania the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War was referred to the Committee on Pensions.

AMENDMENT TO GENERAL DEFICIENCY APPROPRIATION BILL

Mr. ODDIE submitted an amendment proposing to appropriate $800,000 from the reclamation fund, special fund, for continued investigations, commencement of construction, and incidental operations of the Spanish Springs irrigation project, Nevada, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

Mr. JONES of Washington submitted an amendment proposing to appropriate $1,500,000 for continued investigations and commencement of construction of the Kittitas unit of the Yakima irrigation project, Washington, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

FORT GREEN, NEWPORT, R. I.

Mr. COLT submitted an amendment intended to be proposed by him to the bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

CHANGE OF REFERENCE

On motion of Mr. BURSUM, the Committee on Pensions was discharged from the further consideration of the bill (S. 1943) for the relief of Isaac J. Reese, and it was referred to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Military Affairs:

H. R. 4820. An act to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and

H. R. 7269. An act to authorize and direct the Secretary of War to transfer certain materials, machinery, and equipment to the Department of Agriculture.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. WALSH of Montana obtained the floor.

Mr. EDGE. Will the Senator yield?

Mr. WALSH of Montana. I yield.

Mr. EDGE. In view of the fact that the unfinished business before the Senate is the postmasters and postal employees' compensation bill, I ask unanimous consent that a short editorial from the Pittsburgh Press be read at the desk.

The PRESIDENT pro tempore. Without objection the Clerk will read as requested.

The reading clerk read as follows:

[From the Pittsburgh Press, Friday evening, May 9, 1924]

POSTAL EMPLOYEES' BILL IN DANGER

It will be a surprise, probably, to most readers to learn there is a real threat against the passage of the bill to increase the pay of postal employees.

Such a situation hardly could have been anticipated in view of the cordial public support given the bill.

It is doubtful if there is a more underpaid class of employees in the country, in view of the present costs of living, than the postal employees.

There was no hesitancy on the part of the people in demanding the passage of the bill when they learned it would add only $300 a year to the pay of the various classes of mail carriers and postal employees, bringing their salaries to $1,700, $1,800, $1,900, and $2,100.

The salary bill is in such a position on the calendar of both the Senate and the House that it can not be reached before the adjournment of Congress unless some heroic measure is adopted.

The rescuer is a resolution presented in both Houses to advance the bill on the calendar so that it can come to a vote before the adjournment.

This resolution should be passed without hesitancy by both branches of Congress.

No toleration should be given to the evident plan of opponents of the bill to let it die in the midst of the jam immediately prefacing adjournment, in order that they may accomplish their object without going on record in a vote.

Just why there is opposition to the bill has not been made clear to the public.

Its passage will only be a belated acknowledgment of the richest Government in the world that it has been paying salaries to an army of faithful employees, of which it should have been ashamed.

PERMANENT INTERNATIONAL COURT

Mr. KING. Will the Senator from Montana yield to me?

Mr. WALSH of Montana. I yield.

Mr. KING. Mr. President, President Harding, in a message to Congress, recommended the adherence of the United States to the protocol of December 16, 1920, accepting the statute providing for the Permanent Court of International Justice. In his message he recommended that such adherence by the United States should not be taken to involve any legal relation on the part of our Government to the League of Nations or the assumption of any obligations under the covenant of the League of Nations. He also recommended that the United States should accept the protocol, with a reservation that it be permitted to participate through representatives designated for the purpose and upon an equality with the other States, members, respectively, of the council and assembly of the league, in all proceedings for the election of

judges or deputy judges of the Permanent Court of International Justice or for the filling of vacancies; also that no amendment to the statute providing for the court should be made without the consent of the United States.

Mr. President, I have believed that the United States should take the lead in any movement looking to the establishment of a Permanent International Court to settle disputes and controversies arising between nations. Indeed, I believed that we should have entered the League of Nations and taken part in the organization of the court and other tribunals for which the league makes provision. The recommendation of President Harding did not go as far as I should have liked, but I believed it to be a forward movement, and therefore gave it cordial approval. Accordingly, I offered a resolution immediately after President Harding's message, in which he dealt with this matter, and before the adjournment of Congress secured a vote upon its adoption. I regret that the Republican Senate repudiated their President and refused assent to his recommendation. There was a rather full attendance of the Senate when the vote was taken, and every Republican Senator present voted against my resolution. And may I add that every Democratic Senator present, except three, voted for it.

President Coolidge followed in the footsteps of President Harding and recommended the adhesion of this Republic to the protocol to which I have referred. On the 10th day of December, 1923, when Congress convened, I offered a resolution containing the same provisions as found in the resolution offered in the preceding Congress, and which, as I have stated, was defeated. I have spoken upon a number of occasions to the chairman of the Committee on Foreign Relations [Mr. LODGE], who is the majority leader in the Senate. I have asked him as well as other Senators for a favorable report by that committee upon my resolution. No action, as I am advised, has been taken, and it would appear as though the Republicans in this Congress proposed to rebuke President Coolidge, as they rebuked President Harding at the last Congress.

A few days ago the Senator from Massachusetts [Mr. LODGE] presented a resolution dealing with the subject of a world court and had it referred to the committee of which he is chairman. His resolution is unacceptable to those who believe in a vital and living international court, one which measures up to the demands of those who believe that the world should be brought into closer relation and should be bound by stronger bonds of fellowship and good will. It looks to me as though his resolution was offered for the purpose of torpedoing the resolution which I offered or any other rational and practical scheme which might be suggested to bring about the establishment of an effective world court.

Mr. President, when I offered the resolution which I have referred to following the message of President Harding I suggested that perhaps the statute should be amended as a condition precedent to our entrance into the World Court. I was advised, however, that the matter had been fully considered and that it was the view of the able Secretary of State that the reservations suggested in the President's message would sufficiently meet the situation. Further reflection has convinced me that it might be wise to provide that the adhesion of the United States to the protocol of December 16, 1920, shall be conditioned upon the amendment of the statute creating the Permanent Court of International Justice in such a manner as to cover the points contained in the reservations set forth in the resolution which I have offered in two Congresses. Accordingly I have prepared a resolution which I think meets the situation in a satisfactory manner. I shall not take the time of the Senate to read it, but ask that it be printed in the RECORD and referred to the Committee on Foreign Relations.

The resolution (S. Res. 233) was referred to the Committee on Foreign Relations, as follows:

The President of the United States having on the 24th day of February, 1923, transmitted to the Senate a protocol, dated December 16, 1920, of adhesion to the statute of the Permanent Court of International Justice adopted by the assembly of the League of Nations on December 13, 1920, and adjoined to the said protocol; and the President having asked the advice and consent of the Senate to the adhesion by the United States to the said protocol accepting the adjoined statute of the Permanent Court of International Justice, excepting the optional clause for compulsory jurisdiction: Now, therefore, be it

Resolved, That the Senate, two-thirds of Senators concurring, advise and consent to the adhesion by the United States to the protocol of December 16, 1920, accepting the adjoined statute of the Permanent Court of International Justice, excepting therefrom the optional clause for compulsory jurisdiction; such adhesion to be upon the condition that the statute of the Permanent Court of International Justice be first amended to empower the United States to participate through representatives designated for the purpose and upon an equality with the other States, members respectively of the Council and Assembly of the League of Nations, in any and all proceedings for the election of members of the Permanent Court of International Justice, or for the filling of vacancies, and to provide that the statute of the Permanent Court of International Justice shall not be amended without the consent of the United States.

The Senate declares that the adhesion by the United States to said protocol and the adjoined statute does not constitute an assumption by the United States of any of the obligations of Part I of the treaty of Versailles.

SENATOR BURTON K. WHEELER

Mr. WALSH of Montana. Mr. President, it would be a work of supererogation on the part of any Senator to attempt to supplement the splendid presentation of the testimony taken on the hearings conducted by the special committee inquiring into charges against my colleague, Senator WHEELER, made by the senior Senator from Idaho [Mr. BORAH] on yesterday. Were it not for the extraordinary report submitted by the Senator from South Dakota [Mr. STERLING], and the even more extraordinary speech made by him in support of it, I should have nothing to say about this matter.

If I understand the Senator from South Dakota aright, he takes the position that the Senate of the United States has no power to inquire into the facts charged in the indictment against the junior Senator from Montana [Mr. WHEELER] or to make any report to the Senate as to whether or not the facts charged are true; and further, that, if the Senate of the United States has any such power, it is against public policy that it should exercise that power. The contention is made that if we undertake to pass upon the facts so charged in the indictment prior to a determination of that question by a petit jury, we are invading the province of the judiciary.

So much has been said recently, Mr. President, about usurpation upon the part of the Senate of the United States that I feel impelled to meet the issue thus raised by the Senator from South Dakota, who, I regret to say, is absent from the Chamber this morning. Some time ago the power of the Senate of the United States respectfully to represent to the President that a high official of the Government was not, in its judgment, a fit person for the place was questioned, and the Senate was charged with usurpation in that matter. Later on the power of the Senate to call witnesses before it or before one of its committees to give information, upon which the Senate might properly discharge its legislative functions, was questioned. The Senate was charged with invading the functions of the judiciary; and the courts are called upon now to pass upon the right of the Senate in that regard, a right which it has exercised without serious question for something over 130 years, namely, since it came into existence.

Now it is charged that the Senate has no power to inquire into the truth of charges of criminality against one of its own Members in order to determine whether or not he is a fit person to sit here; at least, until the question of his criminality is determined by a petit jury.

Pause for one moment, fellow Senators, to reflect upon what that means. A Senator is charged publicly, through the press or otherwise, or through an indictment against him in the courts of some State with some grave offense, possibly treason. The evidence is such as is generally accepted by the community; practically every Member of the Senate believes that he is guilty; indeed, he may even, as has occurred in the history of the United States Senate, proclaim his want of fidelity to the Government of the United States; and yet we must tolerate his presence here among us; we must permit him to vote upon matters that may affect the very existence of the Nation; we can not get rid of him; we can not expel him; we can not inquire into the facts of his guilt at all until, forsooth, by the slow process of criminal procedure, with all of the incidents of delay that ordinarily attend proceedings of that character; his presence must be tolerated here until a jury shall determine whether or not he is guilty. The proposition, Mr. President, is too absurd for serious contemplation; and I propose to demonstrate its falsity and its shallowness so clearly that no Senator shall be able to take refuge, as I do not imagine any Senator will undertake to take refuge, behind the idea advanced—I might say the pretext proposed—by the Senator from South Dakota, to escape a straight vote upon the question of the exoneration of my colleague from these charges.

The Senator from South Dakota told us on yesterday that this procedure was without precedent. Lest I should misstate what he said, I have before me his language. He said:

Mr. President, I say that this case is absolutely without parallel in our legislative history; there is nothing like it, and it is hoped there will be nothing like it in the future.

I shall presently recur to this reference to history.

The committee proceeded under the following resolution adopted on April 9, 1924:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana.

In the report of the Senator from South Dakota is the following statement:

The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

Bear in mind that the Senator from South Dakota himself declared that the language of the resolution is broad enough to empower the committee to inquire into these facts, but he asserts that there is no constitutional warrant for doing so.

Mr. President, if the committee had reported as they were directed to report, should the facts justify them in so doing, that the Senator from the State of Montana is guilty of the acts charged in the indictment, what would follow? A resolution of expulsion as a matter of course. Before the Senate can expel a Member it must make investigation as to whether he is guilty of conduct warranting his expulsion. The Senator from South Dakota read from the Constitution, as follows:

Each House may determine the rules of its proceedings, punish its Members for disorderly behavior—

And he commented upon the fact that the charges were not of disorderly behavior, which in all probability contemplated disorderly behavior within the Senate. Quite true; but the Constitution continues:

and, with the concurrence of two-thirds, expel a Member.

The resolution had particular reference as a matter of course to the expulsion of Senator WHEELER from the Senate, provided the facts charged in the indictment were established. The offense alleged is of very grave character, it not only subjects the official guilty of it to fine and imprisonment but the statute itself provides that the culprit shall be disqualified from ever holding any office of honor or profit under the United States; and, although a judgment of guilty would not include expulsion from the Senate, it would justify and, indeed, all but require the Senate to expel. Although the Constitution does not specify the grounds upon which a Senator may be expelled it has never been controverted that if it is established that he is guilty of an offense defined in a statute, particularly one involving moral turpitude, he should be expelled. So the constitutional warrant for inquiring into the matter needs no exposition from anyone, and I am astonished that any Senator should rise in his place and question the power of the Senate to make an inquiry of that character.

Mr. President, when charges of this character are made, such as those in the indictment against Senator WHEELER, the Senate has a duty to perform, a duty which it owes to itself, and a duty which it owes to the Member whose conduct has been challenged. It must perform that duty; it can not escape it. If the Member charged is guilty, he ought to be expelled; if he is innocent, it ought to be so declared in order that he might not be embarrassed in the further discharge of his duties.

The Senator from South Dakota generously suggests that he is quite willing that Senator WHEELER should remain in his seat until the matter shall be determined by a petit jury, but any Senator thus accused is under a cloud meanwhile; his services here are affected to a very considerable extent; the influence that he ought to exercise and would otherwise exercise in this body and outside of this body, under such circumstances, would be seriously affected.

But I say, Mr. President, that the Senate of the United States has a duty to perform no matter what may happen before a petit jury. The United States district attorney for the district of Montana conceives that he has a duty to perform, and he has to proceed with the prosecution of the person charged. The Senate has its duty to perform, to see that a Member tainted, as it is charged my colleague is tainted in this matter, shall not longer remain in the Senate.

It has frequently happened in the history of the Senate that a Senator charged with an offense has preferred to ask the Senate to defer an investigation until the matter shall be tried by a petit jury, where he believes, with all the rules applicable to the trial of a criminal offense, he would be better situated in order to establish his innocence, or, at least, meet the accusation of guilt, than he would be before a committee of the Senate. That, however, is a mere matter of comity between this Senate and the judiciary department.

Neither one can claim precedence over the other. But, Mr. President, this question is not a new one. Quite contrary to the statement made on yesterday by the Senator from South Dakota, the very idea he advances was repudiated by the Senate at an early period in its history in a case in every particular identical with the case under consideration so far as the principle to which the Senator appeals is concerned. The whole matter was discussed and determined, and the views expressed by the Senator from South Dakota were entirely repudiated, and the Senate proceeded to consider the expulsion of a Member while an indictment was pending against him. The proceedings grew out of the celebrated Burr conspiracy.

It will be borne in mind that Aaron Burr, after he retired from the office of Vice President of the United States, was charged with having engaged in a conspiracy to set up an empire in the West, and it is generally believed that he was so engaged. One John Smith, a Senator from the State of Ohio, was charged with complicity with Burr in that conspiracy, and it will be borne in mind that Smith was indicted for participation in that conspiracy, and, being so indicted, a resolution was introduced to expel him from the Senate.

I read from the second volume of Hinds' Precedents, at page 816, as follows:

On November 27, 1807, the Senate, after debate, adopted after amendment the following resolution proposed by Mr. Samuel Maclay, of Pennsylvania.

"*Resolved*, That a committee be appointed to inquire whether it be compatible with the honor and privileges of this House that John Smith, a Senator from the State of Ohio, against whom bills of indictment were found at the circuit court of Virginia, held at Richmond in August last, for treason and misdemeanor, should be permitted any longer to have a seat therein; and that the committee do inquire into all the facts regarding the conduct of Mr. Smith as an alleged associate of Aaron Burr, and report the same to the Senate."

A special committee was appointed to inquire into that matter, the indictment thus pending against Smith. That committee was constituted of the following Members:

John Quincy Adams, of Massachusetts; Samuel Maclay, of Pennsylvania; Jesse Franklin, of North Carolina; Samuel Smith, of Maryland; John Pope and Buckner Thurston, of Kentucky; and Joseph Anderson, of Tennessee.

On December 31 Mr. Adams announced that the committee was ready to report, and made the following motion, which was read and agreed to:

Ordered, That John Smith, a Senator from the State of Ohio, be notified by the Vice President to attend in his place.

The Vice President accordingly notified Mr. Smith in the words following:

JOHN SMITH, Esq.,
Senator from the State of Ohio.

SIR: You are hereby required to attend the Senate in your place without delay.

By order of the Senate. GEO. CLINTON,
President of the Senate.

And Mr. Smith attended.

The committee then submitted its report.

After reciting the facts, the committee of which Mr. John Quincy Adams, afterwards President of the United States, was the chairman, attending to contentions identical with those now advanced by the Senator from South Dakota, among other things in its report said as follows:

The committee have never conceived themselves invested with authority to try Mr. Smith. Their charge was to report an opinion relating to the honor and privileges of the Senate and the facts relating to the conduct of Mr. Smith. Their opinion, indeed, can not be expressed in relation to the privilege of the Senate without relating, at the same time, to Mr. Smith's right of holding a seat in this body; but, in that respect, the authority of the committee extends only to proposal, and not to decision.

I omit, then, and continue:

In examining the question whether these forms of judicial proceedings, or the rules of judicial evidence, ought to be applied to the exercise of that censorial authority which the Senate of the United

States possesses over the conduct of its Members, let us assume, as the test of their application, either the dictates of unfettered reason, the letter and spirit of the Constitution, or precedents, domestic or foreign, and your committee believe that the result will be the same; that the power of expelling a Member must, in its nature, be discretionary, and in its exercise always more summary than the tardy process of judicial tribunals.

Mr. STERLING. Mr. President, I just wish to ask the Senator for the reference; that is all.

Mr. WALSH of Montana. The second volume of Hinds.

Mr. STERLING. From what page is the Senator reading?

Mr. WALSH of Montana. Page 816.

Mr. STERLING. I thank the Senator.

Mr. WALSH of Montana. The committee continues:

The power of expelling a member for misconduct results, on the principles of common sense, from the interest of the Nation, that the high trust of legislation should be invested in pure hands. When the trust is elective, it is not to be presumed that the constituent body will commit the deposit to the keeping of worthless characters. But when a man, whom his fellow-citizens have honored with their confidence, on the pledge of a spotless reputation, has degraded himself by the commission of infamous crimes, which become suddenly and unexpectedly revealed to the world, defective indeed would be that institution which should be impotent to discard from its bosom the contagion of such a member; which should have no remedy of amputation to apply until the poison had reached the heart.

The question upon the trial of a criminal cause before the courts of common law is not between guilt and innocence, but between guilt and the possibility of innocence. If a doubt can possibly be raised, either by the ingenuity of the party or of his counsel or by the operation of general rules in their unforeseen application to particular cases, that doubt must be decisive for acquittal, and the verdict of not guilty, perhaps, in nine cases out of ten, means no more than that the guilt of the party has not been demonstrated in the precise, specific, and narrow forms prescribed by law. The humane spirit of the laws multiplies the barriers for the protection of innocence and freely admits that these barriers may be abused for the shelter of guilt. It avows a strong partiality favorable to the person upon trial and acknowledges the preference that ten guilty should escape rather than that one innocent should suffer. The interest of the public that a particular crime should be punished is but one to ten compared with the interest of the party that innocence should be spared. Acquittal only restores the party to the common rights of every other citizen; it restores him to no public trust; it invests him with no public confidence; it substitutes the sentence of mercy for the doom of justice; and in the eyes of impartial reason, in the great majority of cases, must be considered rather as a pardon than a justification.

But when a member of a legislative body lies under the imputation of aggravated offenses and the determination upon his cause can operate only to remove him from a station of extensive powers and important trust, this disproportion between the interest of the public and the interest of the individual disappears; if any disproportion exist it is of an opposite kind. It is not better that ten traitors should be Members of this Senate than that one innocent man should suffer expulsion. In either case, no doubt, the evil would be great. But in the former it would strike at the vitals of the Nation; in the latter it might, though deeply to be lamented, only be the calamity of an individual.

By the letter of the Constitution the power of expelling a Member is given to each of the two Houses of Congress without any limitation other than that which requires a concurrence of two-thirds of the votes to give it effect.

The spirit of the Constitution is perhaps in no respect more remarkable than in the solicitude which it has manifested to secure the purity of the legislature by that of the elements of its composition. A qualification of age is made necessary for the Members to insure the maturity of their judgment; a qualification of long citizenship to insure a community of interests and affections between them and their country; a qualification of residence to provide a sympathy between every Member and the portion of the Union from which he is delegated; and to guard, as far as regulation can guard, against every bias of personal interest and every hazard of interfering duties, it has made every Member of Congress ineligible to office which be contributed to create and every officer of the Union incapable of holding a seat in Congress. Yet in the midst of all this anxious providence of legislative virtue it has not authorized the constituent body to recall in any case its representative. It has not subjected him to removal by impeachment, and when the darling of the people's choice has become their deadliest foe can it enter the imagination of a reasonable man that the sanctuary of their legislation must remain polluted with his presence until a court of common law, with its pace of snail, can ascertain whether his crime was committed on the right or on the left bank of the river; whether a puncture of difference can be found between the words of the charge and the words of the proof; whether the witnesses of his guilt should or should not be heard by his jury; and whether he was punishable, because present at an overt act, or intangible to public justice, because he only contrived and prepared it? Is it conceivable that a traitor to that country which has loaded him with favors, guilty to the common understanding of all mankind, should be suffered to return unquestioned to that post of honor and confidence where in the zenith of his good fame he had been placed by the esteem of his countrymen, and in defiance of their wishes, in mockery of their fears, surrounded by the public indignation, but inaccessible to its bolt, pursue the purposes of treason in the heart of the national councils? Must the assembled rulers of the land listen with calmness and indifference session after session to the voice of notorious infamy, until the sluggard step of municipal justice can overtake his enormities? Must they tamely see the lives and fortune of millions, the safety of present and future ages, depending upon his vote, recorded with theirs, merely because the abused benignity of general maxims may have remitted to him the forefeiture of his life?

Such, in very supposable cases, would be the unavoidable consequences of a principle which should offer the crutches of judicial tribunals as an apology for crippling the congressional power of expulsion. Far different, in the opinion of your committee, is the spirit of our Constitution. They believe that the very purpose for which this power was given was to preserve the legislature from the first approaches of infection. That it was made discretionary, because it could not exist under the procrastination of general rules; that its process must be summary, because it would be rendered nugatory by delay.

The Senate of the United States was not deterred considering or from voting upon the motion to expel John Smith, a Senator from the State of Ohio, notwithstanding an indictment was pending against him.

Mr. President, how can we escape this reasoning? Why, if we are going to delay action in the Senate in every instance, if we have no power in the premises, as asserted by the Senator from South Dakota in his report here, until an accused Senator shall have been tried by a petit jury, as a matter of course if he appeals, we must wait until the determination of his appeal; and then if there should be found, perchance, some error in the introduction of evidence possibly of no very material character, or some error in the instructions of the court to the jury, or some other irregularity should appear, and a new trial should be ordered, we must allow the Senator to remain a Member of this body until the litigation is eventually determined, and his term possibly brought to an end by the lapse of time. As I said, the proposition is too absurd for serious consideration.

Comity ought to exist in this matter, and I do not undertake to say that under ordinary circumstances, where the offense charged against the Senator is not of a grave character, or the proof in regard to the matter is not entirely clear, and the Senator himself desires that he should not be prejudiced in his trial before the petit jury by any proceedings had in the Senate in anticipation of the trial, the Senate might very properly stay its hand until a determination by that tribunal; but whether it shall do so or shall not do so in the particular case is a matter which addresses itself to the good judgment of the Senate.

It is a fact that in the case of Burton, the Senator, my recollection is, chose to take his chances before a jury, which had to be satisfied beyond a reasonable doubt of his guilt before it could convict him, and so he asked no investigation by the Senate, which deferred action to await the result of the trial. I believe the same proceeding was observed in the case of Mitchell, of Oregon; and, as we were advised, that procedure has been observed in the case of Congressman LANGLEY in the House. But it is a matter for the Senate to determine as to whether it shall or shall not go on.

We all know the circumstances here. At the time this indictment was returned Senator WHEELER was engaged in prosecuting in a most vigorous and commendable way charges against the Department of Justice that it was teeming with fraud and corruption; and so well did he discharge that duty, whatever may be said concerning the character of the witnesses and the nature of the testimony that was adduced; so well did he discharge that duty that public opinion drove the Attorney General from his place, even before a report of the committee was filed, and the President of the United States himself called upon the Attorney General to send in his resignation. The country owes a debt of gratitude to my colleague for his excellent services in that connection.

Bear in mind that while he was engaged in that work the Department of Justice sent some one out to the State of Montana to get something on him for the perfectly obvious purpose of hampering and if possible destroying his work upon

the committee of which he was a member. The direct evidence is to that effect and the circumstances attending the return of the indictment points unmistakably to that conclusion.

The Senator from South Dakota says in his report:

In other words the charge of a frame-up failed entirely of proof.

I do not know what view the Senator from South Dakota may take about this matter; but if he does not believe that the indictment against Senator WHEELER was returned for the express purpose of hamstringing him in the prosecution of his work he stands almost alone among the people of the United States.

Under those circumstances the Senate believed that it would be in the interest of the public to have an immediate inquiry; so that should the charges prove to be unfounded, as most Members believed they would be, Senator WHEELER might not be harassed and embarrassed in the prosecution of his work. The Senate chose rather to proceed than to await the determination of the trial jury, particularly as Senator WHEELER himself asked that the investigation go on, and the resolution was introduced by myself, as I stated at the time, at his request.

So much for the power.

Having in mind the views expressed by that great statesman who in later years was very appropriately called "the Old Man Eloquent," I want to call attention to the views expressed in this minority report. The Senator from South Dakota says:

The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

He says further:

A grand jury is one of our time-honored institutions, and has special recognition in our Federal Constitution. Neither the Senate nor the President has any power to control the action of grand juries or in any way to overturn indictments returned by grand juries. When a valid indictment has been found the party indicted must be put upon trial, unless the district attorney concludes, and the court concurs, that for some legitimate reason the indictment should be withdrawn. The legislative branch of the Government nor either House of Congress should attempt to exercise the power to determine, in advance of such trial, whether the defendant is in fact guilty, and its right or power so to determine is seriously questioned. Such determination not only encroaches upon the legal functions of the court but is likely so to prejudice public sentiment at the proper place of trial as to make it difficult and perhaps impossible for either the Government or the defendant to obtain a fair and impartial jury. Furthermore, when a committee of the Senate calls before it, in open session, all the witnesses of the prosecution and examines them before trial, the defendant Senator is accorded an advantage to which no other defendant is entitled under the law, an advantage to which he, merely because he is a Senator, is not entitled.

I will refer to that again directly. I want to read first the further argument along the same line toward the close of this rather remarkable report:

In the face of and contrary to what is believed to be sufficient evidence at least to warrant the action of the grand jury, the majority has specifically and definitely found that Senator WHEELER has not committed any act in violation of law. In doing this the majority have encroached upon the functions of the judicial branch of our Government. Their conclusions prejudice the issue made by the pending indictment and a plea of "not guilty" which it is assumed will be entered; and to this extent the majority report obstructs and interferes with the due administration of justice. In the face of the majority report, which will doubtless be given wide publicity in Montana, how can the Government hope to secure an unprejudiced jury to try the case? How can respect for the courts be maintained if their hands are to be tied and their freedom of action embarrassed by the unwarranted interference of a coordinate branch of the Government? The action of the majority of the committee in assuming to act as a petit jury to determine the guilt or innocence of the person accused, without the necessary orderly proceedings and restraints of a court of justice to safeguard the rights of the Government on the one hand and of the defendant on the other is altogether repugnant to our ideas of justice. "Equality before the law" is one of the cherished principles of our free institutions; it must not be violated by recourse to a proceeding which gives to a United States Senator, when charged with an offense, a privilege not enjoyed by the humblest citizen of the land.

Senator WHEELER, having been charged by a Federal grand jury with the violation of a Federal statute, should be remitted to the proper forum where he will have full opportunity to explain, deny, or refute the charges made against him and where the Government likewise, through its counsel, will be accorded the right to present its case in a lawful and orderly way. That forum is the Federal District Court for the State of Montana; and before a jury duly impaneled and sworn to try the case according to the law and the evidence.

The idea in the mind of the Senator apparently is that in some way or other we are going to try Senator WHEELER in the place of his being tried by a petit jury. The use of the language "remitted to the proper tribunal" conveys that idea. When a person is charged with an offense of which he claims the court has no jurisdiction, he sues out a writ of habeas corpus, and if the judge hearing the writ determines that his contention is not sound, he remits him to the court from which he came in order that the case may be tried. We do not remit Senator WHEELER anywhere. We determine simply whether he ought to be expelled from this body or not. We interfere in no way with the proceeding before the court.

Touching the assertion that a privilege is accorded Senator WHEELER not enjoyed by the ordinary person accused of crime, a word may be said.

The difficulty is that every citizen is not a member of this body. There are only 96 Senators who are subject to expulsion from this body. Every citizen of this country is not subject to expulsion from the United States Senate, and that is why the same matter may be heard in this tribunal and heard in another tribunal without either of them encroaching upon the powers or the functions of the other.

It may be true that a hearing here may indirectly ease the situation of a defendant Senator before a jury trying him, but it may as well be an embarrassment to him. But the duty of the Senate is clear whatever may be such indirect influence.

As pointed out, no matter what we do here, the proceedings in Montana will go on. An acquittal of Senator WHEELER in the courts of Montana would not compel us to retain him as a Member of this body. We would still have the power to go on and expel him. It might be a question whether he was not acquitted by reason of some technical failure of the proof, or some frailty in the indictment. We might prosecute an entirely independent inquiry with respect to the facts whatever the adjudication there might be.

The Senator read at some considerable length from the opinion in the Burton case, for the purpose, as he told us, of establishing that it was not necessary that the Senator should actually be entered as an attorney of record in some proceeding before the department before which he is charged with practicing. Some pages were read for that purpose. That kind of thing perhaps impresses some people, but inasmuch as no one ever even intimated in any wise that that was an essential requirement in order to establish a case against a Senator, it seemed to have little if any purpose.

There was a matter that was determined in the Burton case, however, that is exceedingly important in this connection. I read what the court said about the matter to which I have just adverted:

But the final judgment of conviction did not operate, ipso facto, to vacate the seat of the convicted Senator nor compel the Senate to expel him or to regard him as expelled by force alone of the judgment. The seat into which he was originally inducted as a Senator from Kansas could only become vacant by his death or by expiration of his term of office or by some direct action on the part of the Senate in the exercise of its constitutional powers. This must be so for the further reason that the declaration in section 1782 that anyone convicted under its provisions shall be incapable of holding any office of honor, trust, or profit "under the Government of the United States" refers only to offices created by or existing under the direct authority of the National Government as organized under the Constitution, and not to offices the appointments to which are made by the States acting separately, albeit proceeding, in respect of such appointments, under the sanction of that instrument.

The conviction in Montana would have no effect whatever in the Senate. The Senate might accept its judgment, or might proceed entirely independent of it if it so desired.

But I want to follow this matter a little further in the hope that even the Senator from South Dakota, for whom I have abundant reason for entertaining feelings of regard and esteem, may be induced to change his views.

I have read the language of the resolution under which the committee acted. The Senator said, in language which I have heretofore quoted:

The language of the resolution is broad enough to include an inquiry, not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER, but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

For myself, I can find no room for such division in the resolution. I can find nothing whatever in the resolution which authorized the committee to go into the question as to whether there was probable cause to find the indictment. I can think of no provision of the Constitution which would authorize the committee to engage in any such inquiry unless, indeed, it be prosecuted as a part of an inquiry into the conduct of the Department of Justice.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. PITTMAN in the chair). Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH of Montana. I yield.

Mr. BORAH. The committee was very careful not to go into the proposition as to whether the grand jury had probable cause or not.

I did not think that we had any authority to inquire into it. We were authorized to investigate and report upon the facts touching the charge, and that is what we did, and that is the proceeding of the committee. When the question was suggested at one time the Senator from South Dakota seemed to think we had no authority to go into it.

Mr. WALSH of Montana. That was my understanding about the matter—that the committee did not go into that question at all and that there was no room whatever for inquiring into the charge made by the Senator from Montana that he was the victim of a frame-up. I did not understand that the Senate authorized any committee to go into the question as to whether he was the victim of a frame-up.

Mr. STERLING. No; not in terms——

Mr. WALSH of Montana. Certainly the resolution under which the committee acted did not authorize them to do so.

Mr. STERLING. But the Senator from South Dakota very early took the view that the committee had not the power to determine the guilt or innocence of Senator WHEELER but that the facts might assist in determining whether or not the grand jury had probable cause to find him guilty. That is as far as I thought the committee could go, and that belief was induced by the charge made by Senator WHEELER that this was a frame-up and that the prosecuting officers of the Government had been governed by improper motives. I was willing to go into the facts to that extent, but it was difficult to determine, in the investigation by the committee and in the statement of facts or purported facts by various witnesses, as to how far that would reach. I grant that, in the disclosure of facts other than those that were necessary in order to determine whether the grand jury was warranted in finding an indictment or not, it was difficult to draw the line in the examination of the witnesses or in taking their testimony. So without much reference to whether the inquiry was for the purpose of ascertaining whether he was guilty or innocent or not I allowed the testimony to go in.

Mr. WALSH of Montana. But that is a wholly different question. I am not discussing now the question of testimony at all. I am discussing the question of the resolution under which the committee acted. I want to inquire of the Senator from South Dakota where he finds in the resolution any direction to inquire whether the grand jury acted upon sufficient evidence or not?

Mr. STERLING. There is no explicit reference to it in the resolution. I grant that; that is very plain; but I have said that the resolution was broad enough, according to my interpretation of the resolution, to permit the committee to inquire into the question as to whether the grand jury was justified or not, or to go into the whole question of the guilt or innocence of Senator WHEELER.

Mr. WALSH of Montana. I inquire of the Senator, suppose the resolution did expressly direct, and directed nothing else, that the committee inquire into whether there was probable cause for the grand jury to find the indictment, where would the Senator find any justification in the Constitution for that kind of inquiry?

Mr. GEORGE. Why would we want to know it? What interest would it be to the Senate of the United States to know that fact?

Mr. STERLING. This was our interest, and mine as a member of the committee, in finding whether or not the evidence would show any of it or all of it together as to whether there was a frame-up against Senator WHEELER. That was my interest in it.

Mr. WALSH of Montana. I am inquiring of the Senator where he finds in the resolution any direction of the Senate to inquire into either of those questions?

Mr. STERLING. There is no specific direction in the resolution to that effect.

Mr. WALSH of Montana. Very well.

Mr. STERLING. I am free to admit that, but we were to investigate facts, and under my theory of the case the investigation might have been limited to the facts before the grand jury and any facts showing improper conduct or motives on the part of the prosecution.

Mr. WALSH of Montana. I now inquire of the Senator, suppose there were an express direction to the committee to inquire into that subject, where would he find the power in the Constitution to do it?

Mr. STERLING. We would not find the express power in the Constitution to do it no more than we find power in the Constitution to go into the other question.

Mr. WALSH of Montana. Why not? Why is it not involved in the power to expel? The committee in 1807 said that it was.

Mr. STERLING. I have not examined the case decided away back in 1807. There has been no case since that time, practically 120 years ago, in which that proposition was laid down, and that was a case of treason against the United States.

Mr. WALSH of Montana. But the Senator told us yesterday there was no case being a precedent for the present proceeding.

Mr. STERLING. I did; and I was distinctly under the impression that there was no case. The Senator has found a case, decided in 1807.

Mr. GLASS. Does not the Senator think that is a well-seasoned precedent, being 120 years old?

Mr. WALSH of Montana. Moreover, it will be borne in mind that less than 20 years had elapsed since the Constitution was written, and that in all probability not a few of those who contributed to framing it were still in public life.

Mr. STERLING. I will say to the Senator from Virginia that the precedent has never been followed from that time to this, and I do not think there will be another case found where an indictment had been returned when the Senate proceeded to try the guilt or innocence of the defendant.

Mr. GLASS. Perhaps there never was a case—I hope not—just similar to this since that precedent was established.

Mr. STERLING. There is a case pending now in the other House that involves this very principle, and where the committee refused to go on with the investigation until the matter had been decided by the trial court.

Mr. BORAH. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Idaho.

Mr. BORAH. Of course, we could refuse to go on, just as the House refused to go on; but the House did not refuse to go on because it did not have the power to go on. It had the power to do it if it wanted to.

Mr. WALSH of Montana. The Senate did, as a matter of fact, direct an investigation into the facts charged against Senator WHEELER in the indictment. The language is perfectly explicit. It did not direct any inquiry as to whether the grand jury had probable cause to believe that Senator WHEELER was guilty or could be convicted. It did not direct the committee to inquire whether he was the victim of a frame-up or not. It directed the committee to inquire whether he was guilty of the facts charged against him, with a view to his expulsion if he was or his exonemation if he was not.

The Senator from South Dakota made no objection at the time the resolution was offered in the Senate to the effect that to do so was beyond the power of the Senate under the Constitution. He made no objection to the effect, when the resolution was offered in the Senate, that it would be unwise public policy to pursue that course because we would prejudice the administration of justice in the State of Montana. No; he was perfectly silent about it. No one in the Senate at the time, I dare say, doubted what it was the committee was directed to do. The Senator from South Dakota apparently admits that he recognized the full meaning and significance of the language of the resolution and expected that the committee would go into the question of the facts of guilt or innocence. Not only that, Mr. President, but when the committee proceeded to inquire into the facts the Senator from South Dakota made no objection to the introduction of testimony concerning the truth of the charge upon the ground that the committee had no jurisdiction to inquire into them or that it would be unwise upon the ground of public policy to do so. All of the testimony went in.

The Senator complains that the order of the presentation of the testimony was reversed, but upon an examination of the record I find that he made no objection about it at the time at all. He said in that connection as follows:

> In the presentation of evidence before the committee the customary order was reversed, and eight witnesses were heard who, supposedly, had been summoned at the instance of Senator WHEELER with the view of refuting the charges laid in the indictment and of proving Senator WHEELER was not guilty thereof. This was not in accord with my conception of the proper function of the committee, as above stated, but tended to extend the inquiry far beyond any legitimate scope.

But it was within the scope of the resolution, as admitted by the Senator from South Dakota, and no objection was made either about the order of the presentation of the testimony or against the testimony itself. The Senator, having accepted a position upon the committee which was charged with the duty of going into the matter, said this in his report:

> The view here expressed is limited to the first of these propositions—

That is, whether there was probable cause—

> namely, as to whether the indictment was justified by the evidence before the grand jury. The second proposition, as to whether Senator WHEELER is in fact guilty of the crime, is not, in my opinion, a proper subject of inquiry by the committee, that being solely a matter for determination by the court in which the indictment is pending.

I inquire, as suggested by the Senator from Georgia, to which end should the committee inquire into the question as to whether there was probable cause for the indictment, as to whether the evidence which came before the grand jury was sufficient or not? Suppose it was sufficient but there was other evidence which wholly overcame that; what should the Senate do? To what end, I inquire, should the Senate prosecute an investigation as to whether the evidence was or was not sufficient? If there was other evidence that overcame that, Senator WHEELER would not be expelled from this body. If evidence other than that heard by the grand jury should be adduced inculpating him he might stand in danger of exculpation. What could the Senate do upon a report either that the grand jury did or that it did not hear evidence sufficient to warrant its action?

Not only then was an inquiry of that kind never authorized by the Senate but the Senate probably never could authorize an inquiry of that kind, and, finally, there was no object in prosecuting an inquiry of that character.

There are a couple of other extraordinary passages in the report to which I invite attention, as follows:

> The complaint is here made that the indictment by the grand jury was obtained and found through improper motives and upon evidence insufficient in law to show probable cause for belief in the guilt of the accused.

Who makes the complaint? Where is it made? Something was said in the newspapers to that effect. A great many of us believe that is the case, but what was the committee called upon to inquire into?

> For the purposes of this case it may be conceded that the occasion is such as to justify an investigation by a committee of the Senate as to the motives which prompted the prosecution in its beginning and the sufficiency of the evidence before the grand jury to sustain it.

Why, Mr. President, that is just exactly the subject that another committee of the Senate, the Brookhart committee, is going into. They are going into the question as to whether the Department of Justice is not reprehensible in this matter and as to whether it did not prosecute this proceeding without any just foundation for it. That was not within the scope of the inquiry which this committee was directed to make at all.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Idaho?

Mr. WALSH of Montana. I yield to the Senator.

Mr. BORAH. The language in the report of the Senator from South Dakota where he says "The complaint is here made," and so forth, would indicate that there was some complaint of that kind in a formal manner before the committee. Of course, no such thing as that was before the committee at all.

Mr. STERLING. I grant that there was no formal complaint of that kind, but I assumed that that complaint was made in the speech delivered by the junior Senator from Montana [Mr. WHEELER] immediately following the publication of the news that an indictment had been found. Here on the floor of the Senate he made a speech charging the indictment with being a frame-up, and I think charging Government officials with being prompted by unworthy or improper motives, holding out the idea that it was his political enemies who were instigating the prosecution. Hence the words in the report, "The complaint is here made." They refer to the complaint as I understood it to be made by the junior Senator from Montana.

Mr. WALSH of Montana. But I remind the Senator that the committee was not charged with the duty of inquiring into the truth of the statements made by the junior Senator from Montana upon the floor here; it was charged with the duty of inquiring into the facts charged against him in the indictment; and the Senator from South Dakota endeavors to shift it from the charges in the indictment to the statements made by the junior Senator from Montana on the floor here as to the truth or falsity of the statements made by him or the soundness or unsoundness of the conclusions that he drew.

Mr. BROOKHART. Mr. President——

Mr. WALSH of Montana. I yield to the junior Senator from Iowa.

Mr. BROOKHART. At the time this resolution was passed I here, on the floor of the Senate, referred specifically to this question and requested that the investigation as to a frame-up be left to my committee. That committee has taken testimony in reference to the matter, which has indicated that it was a frame-up; that the claim of the junior Senator from Montana was true; and we shall take more testimony, and we shall investigate the charge to a conclusion. That is a question apart from the guilt or innocence of the junior Senator from Montana.

Mr. WALSH of Montana. Yes; I dare say that the committee of which the distinguished Senator from Iowa is chairman will in due course inquire into the question of whether this was a frame-up or not or whether the evidence submitted to the grand jury was sufficient to warrant an indictment or not, but I again remind the Senator from South Dakota that that was not the duty imposed upon the committee of which he is a member.

Mr. STERLING. It was a duty that I was willing to concede the committee might perform.

Mr. WALSH of Montana. The committee might perform how? Under the resolution?

Mr. STERLING. Under the resolution.

Mr. WALSH of Montana. The Senator from South Dakota continues:

> None of the witnesses thus called at the instance of Senator WHEELER had appeared before the grand jury, and obviously their testimony can serve no useful purpose in determining the question of probable cause. In the testimony of these witnesses there is an utter lack of evidence in any manner substantiating the statement of Senator WHEELER that improper motives actuated the Government officers who either made the investigation or presented the evidence to the grand jury which returned the indictment. In other words, the charge of frame-up failed entirely of proof.

But the Senator was not called upon, as I have said, to inquire into that question at all; neither was the committee of which he was a member.

Mr. CARAWAY. There was not a line of testimony elicited by the Senator from South Dakota or anyone else directed to the point that there was or was not a frame-up.

Mr. OVERMAN. Do I understand that the Senator from South Dakota in his report finds that there was no frame-up?

Mr. CARAWAY. Yes.

Mr. OVERMAN. I am surprised at that.

Mr. WALSH of Montana. I have asserted that if the Senator from South Dakota so believes—and I assume that he does, as he has so stated in his report—he stands practically alone among the people of the United States.

Mr. STERLING. Mr. President, I have abundant evidence to show that I do not stand practically alone in my view of this matter. I think it will be found that there is very good authority in support of the view that I have taken. I have fine legal authority, if the Senator will allow me to say so; I have evidence as to that; and so I do not stand alone by any means.

I want to say now to the Senator, once for all—and I do not think from what I said yesterday and from what I say now there can be any misunderstanding of my position—that I state in the minority report that the right of the committee to go into the question of whether the grand jury was warranted in finding an indictment or not is open to serious question; but in view of the statement made here by the Senator's colleague on the floor of the Senate, I thought we might well go into that question. The junior Senator from Montana gravely and

seriously charged that the indictment was a frame-up and that the officers were governed by improper motives. I was attracted at the time by that statement on the part of the junior Senator from Montana, which he made here on the floor of the Senate, and I thought that the committee might well investigate the question as to whether there was evidence going to show that frame-up.

Mr. OVERMAN. But the question is, Did the Senate committee investigate that question?

Mr. STERLING. Yes; they investigated it in a way; some of the testimony must have gone to that, necessarily.

Mr. OVERMAN. Does the Senator from South Dakota think he is justified in finding that there was no frame-up when his committee did not go into that question and refused to go into it?

Mr. STERLING. The Senator from North Carolina is wrong in that respect.

Mr. OVERMAN. I have taken what the Senator himself has stated.

Mr. STERLING. We did not refuse to go into the question. I did not have control of the introduction of witnesses, so far as that is concerned. Witnesses were called, persons of whom I had never heard and did not know. I once suggested to the Senator from Idaho [Mr. BORAH] as to whether it would not be a good idea, in view of the charge by the junior Senator from Montana, to have the district attorney brought here from Montana. At first blush he seemed to think it would be; but later on, after consideration, he said he did not think it would be a good idea, and I rather agreed with him that it would hardly be proper, perhaps, for the United States district attorney to come here and testify before a committee of the Senate.

It is my position that we had no right to go into the question as to whether there was guilt or innocence, but we might have had a right, under the very serious charge made by the junior Senator from Montana, to go into the question of a frame-up and ascertain whether the evidence showed it or not. If it did show it, no one would be quicker to condemn it than myself and no one would have been more receptive to testimony of that kind than myself; but it was not introduced.

Mr. WALSH of Montana. I want to inquire of the Senator whether he had at any time ever insisted that that subject be gone into?

Mr. STERLING. I did not personally and specifically insist upon it; no.

Mr. WALSH of Montana. Exactly.

Mr. STERLING. I did not think it was necessary.

Mr. WALSH of Montana. Exactly.

Mr. STERLING. That committee being constituted as it was and Senator WHEELER having made the statement that he made, I did not think it necessary to remind the other members of the committee that the committee might inquire into the question as to whether or not there was a frame-up.

Mr. WALSH of Montana. I want to make another inquiry of the Senator.

Mr. STERLING. I thought then, let me say to the Senator from Montana, that if there had been evidence apparent to the other members of the committee to the effect that there was a frame-up they would have been quick enough to have brought it to the attention of the committee.

Mr. WALSH of Montana. I want to ask the Senator another question. If he concedes that the only legitimate inquiry that the committee could make was as to the sufficiency of the evidence before the grand jury to indict, did he object when witnesses were called who were not before the grand jury?

Mr. STERLING. I did not.

Mr. WALSH of Montana. Then, if that is the theory of the Senator, why did he not object?

Mr. STERLING. I began to see the situation so far as that committee was concerned, and that they were going on and trying the question of guilt or innocence, and I did not object to that.

Mr. WALSH of Montana. Exactly.

Mr. STERLING. But I said that in its findings the committee should be limited to the question as to whether there was sufficient evidence to warrant the finding of an indictment.

Mr. WALSH of Montana. I understand that now.

I merely want to say in conclusion, Mr. President, that I wish I might take a more charitable view of this report, but I can not help but feel that this is an afterthought of the Senator from South Dakota; that it never occurred to him——

Mr. STERLING. An afterthought since when?

Mr. WALSH of Montana. Since the testimony was all in, because up to that time the Senator had never advanced the idea; and an afterthought, Mr. President, in order to afford some one an opportunity to evade a direct vote upon the question of the exoneration of my colleague.

Mr. STERLING. The distinguished Senator from Montana may entertain such view as he cares to in regard to its being an afterthought, but it was not an afterthought. Furthermore, when it came to the meeting of the committee in executive session, after hearing the report of the majority read, I submitted the opinion that I could not agree to that report; that I considered our proper function was to make the inquiry only as to whether there was evidence showing a frame-up, and that the indictment was the result of that kind of procedure.

Mr. WALSH of Montana. The Senator must appreciate, as a matter of course, as everybody else will, that his minority report simply gives an excuse to some persons to entertain some suspicion against my colleague; and for other people to scatter slander about him over the United States, notwithstanding the Senate may exculpate and exonerate him.

Mr. STERLING. That minority report——

Mr. WALSH of Montana. I appeal to my fellow Senators upon this floor to be bold enough to vote either for the exoneration of my colleague or for his condemnation, and not seek to hide and get away from that issue by any suggestion that, although he is not guilty, the grand jury had sufficient reason for returning an indictment against him, as proposed by the Senator from South Dakota.

Mr. STERLING. Mr. President, if the Senator will allow me, the minority report contains much more than mere conclusions. It refers to the evidence, including the evidence taken before the grand jury, to the oral evidence and documentary evidence, and I submit that that evidence, without explanation, without denial, would warrant the grand jury in finding as it did. That evidence, as I have stated in the report, may be explained, it may be refuted by the Senator from Montana in the proper place.

Mr. CARAWAY. Mr. President, I realize that no useful purpose can be subserved by continuing to discuss the minority report submitted by the Senator from South Dakota. I hope he does not go away, for I wish to call attention to one statement in that report. In the second paragraph he says:

> The language of the resolution is broad enough to include an inquiry not only as to whether there was probable cause upon which the Federal grand jury for the district of Montana might properly return an indictment against Senator WHEELER but also whether Senator WHEELER was in fact guilty of the charges laid in the indictment.

If that is true, if the views that he was to present were to be confined exclusively to the question of whether there was probably ground to warrant the grand jury in returning an indictment, everybody knows that the Senator from South Dakota should have discussed no testimony except that which the grand jury had before it, because if the whole inquiry was as to whether the grand jury had probable ground for believing Senator WHEELER guilty, then no evidence except that which the grand jury had should have been considered by the committee or should have been discussed by the Senator from South Dakota. That is evident; and yet in his report he discusses matters that the grand jury never had an opportunity to consider, and in his speech on yesterday he sought to bolster up the contention that he was justified in his position by reading an affidavit that was never before the grand jury. I can not understand how the Senator from South Dakota, who is a lawyer, can find any excuse for dragging into this discussion evidence that the grand jury never saw and never heard of in order to uphold his contention that the only thing that the committee had a right to inquire into was whether the grand jury had probable cause for believing Senator WHEELER guilty. That is only one of the inconsistent statements that the Senator from South Dakota has made.

I repeat, because I do not want anybody to vote without having at least an opportunity to know it, that skillfully led as some of the witnesses were by the Senator from South Dakota, there is not a line in the testimony, no witness testified to it, that Senator WHEELER ever at any time undertook, for a consideration or without a consideration, to represent Campbell or any other interest before the Department of the Interior, or that he did so represent anyone. If there is anyone who thinks that statement is inaccurate, I shall be glad to yield for him to point out the testimony by which that fact is established.

If, as the Senator said in the conclusion of his minority report, he was actuated only by a sense of duty, and it was abhorrent to his feelings to have to bring in this minority report, I ask him, then, in fairness to the Senator from Montana

[Mr. WHEELER], to withdraw his report, or else put his finger on some line of testimony that would justify it.

Let us take the Rhea case. I shall not read the testimony, because it has been in the RECORD twice. Rhea made an affidavit. Before that, Coan went to Montana in the pay of the Republican National Committee, according to his own sworn testimony, to "get something on" two Senators. He wanted to "smear" them, as he said, in order that they might be compelled to desist from prosecutions before committees of charges against the Department of Justice. I want to read Coan's testimony, because it is of a very remarkable character. On page 127 of the testimony Coan said:

> The CHAIRMAN. Who employed you to go to Montana?
>
> Mr. COAN. Mr. Lockwood—George B. Lockwood—of the Republican National Committee.
>
> Senator SWANSON. Is he a member of the Republican National Committee?
>
> Mr. COAN. Yes, sir.
>
> Senator SWANSON. And he is also interested in the National Republican?
>
> Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.
>
> Senator SWANSON. At that time were they interwoven?
>
> Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.
>
> The CHAIRMAN. You may take the witness.
>
> Senator SWANSON. Did he tell you the purpose for which he employed you?
>
> Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was, and what he had been doing.
>
> Senator SWANSON. Who thought so?
>
> Mr. COAN. The Republican National Committee.
>
> Senator SWANSON. And they sent you there for that purpose?
>
> Mr. COAN. Yes.

Coan went to Montana and got two affidavits. First, he got an affidavit from a man by the name of Glosser, upon whom the Senator from South Dakota relies. In that affidavit Glosser never pretended to say what he had been employed to do, but he did say that Campbell had told him about WHEELER's contract. Coan then took Glosser to Denver, Colo., at his expense or at the expense of the Republican National Committee, I presume—because, I take it, that he was furnished expense money—and found a man by the name of Rhea, the only other witness that the Senator from South Dakota quotes with approval; and from Rhea he had an affidavit. In that affidavit there is not a word that Senator WHEELER ever agreed to do anything touching any matter that Mr. Campbell had, so far as witnesses by competent evidence knew. There was, however, a statement said to have been made by Campbell. When these two witnesses are put upon the witness stand and are pressed for the exact language of WHEELER, both of them said they never heard him at any time say what the scope of his employment was to be, much less that they, or either of them, knew he was to appear before any department of government.

Take the case of the Rhea permit, the James MacGowan permit: That is the one that the Senator discusses. Rhea said this. I shall not read his testimony. If anyone is interested in it, I shall be glad to do it. Rhea said that he and Campbell and Glosser and WHEELER were in room 212 in the Rainbow Hotel in Great Falls, and that in the course of the conversation Campbell said:

> If Senator WHEELER can get this MacGowan permit fixed up, you—

Referring to Rhea—

> can afford to give him a good slice of it.

It is perfectly obvious—the Senator from South Dakota knows it—that if the MacGowan permit had been within the things that WHEELER had been employed to do, and for which he had been paid, there would have been no occasion then to dicker for a new deal with WHEELER. There would have been no occasion for Campbell to say: "If WHEELER can do something for the MacGowan permit, you can afford to pay him for it," because the answer is obvious that if the MacGowan permit had been within the things that Campbell had employed WHEELER to do and for which WHEELER had been paid, there would have been no occasion to offer to pay him further for those services; and, in addition to that, the answer of Rhea is obviously to the same effect, because if you concede that the thing happened at all—and I will do that much, though I presume there is nobody on earth that believes it except the Senator from South Dakota—Rhea would have said, "Why, that is what we are paying WHEELER to do"; but, instead, he said: "I have got me a lawyer. That is my permit, and I have got me a lawyer to do that, and I have already paid him, and I am not going to pay anybody else." Therefore that ended it; and the Senator from South Dakota knows that under either theory of that testimony WHEELER had nothing to do with the MacGowan permit for a consideration or without one, because, in the first place, as I say again, and I want to repeat here, if that had been within the purview of the first employment of WHEELER by Campbell there would have been no offer upon his part to pay WHEELER additional for this, and there would have been no occasion for Rhea to have said: "I have got a lawyer to look after this meeting."

So, therefore, the only people that testify about that at all make it absolutely impossible for anybody, however anxious he may be to follow out the policy that brought about this indictment of smearing WHEELER, not to know that that permit had nothing to do with WHEELER's employment. It is denied by the very people that are put on the witness stand to prove it.

There is something that I might refer to here if we wanted to talk about frame-ups. I read this testimony yesterday, but I want to read it again in this connection, because here is the origin of this matter. It comes from people who at least are not in sympathy with Senator WHEELER politically. It comes from a Republican of the State of Montana, who was formerly the assistant attorney general of that State, and it shows this, and I will read it largely for this reason:

Here is Coan, under the employ of the Republican National Committee, who went out and framed up these indictments with somebody to help him here in the department; Coan, who admitted that there was nothing in the case, and we find Coan walking the streets to-day, confessed as a man who had entered into a conspiracy to frame up a Senator and to do it by perjured testimony, enjoying his liberty, with no effort to indict him, no desire to prosecute him, no suggestion that he ought to be prosecuted, and the man against whom he hatched up the conspiracy is to be tried upon what is known to be perjured testimony!

I want to look at the statement of this man. I shall skip the parts that merely show who he was.

> Did you have any conversation with him about his business out there?
>
> That is, with Coan.
>
> I did; yes.
>
> What did he say to you about that?
>
> Well, he first came to me and wanted to get something on Senator WALSH. In this connection I may state that while I was assistant attorney general I had occasion to make some investigation in Butte, Silver Bow County, in regard to some election frauds.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from South Dakota?

Mr. CARAWAY. I yield.

Mr. STERLING. I would like to know from what the Senator is reading; that is all.

Mr. CARAWAY. I shall be glad to tell the Senator. I am going to be so much nicer to him than he was to me. He said he would not yield to me, but I am going to yield to the Senator all the time. I was reading from the sworn testimony of a Republican lawyer who was formerly the assistant attorney general of the State of Montana. His name is Grorud, and he testified before the committee investigating the Department of Justice.

Mr. STERLING. Is the Senator reading from the printed testimony?

Mr. CARAWAY. No, sir; it is not in the printed testimony. I have the stenographer's copy.

Mr. BORAH. Transcribed.

Mr. CARAWAY. Oh, yes; taken here under oath before the committee of which the Senator from Iowa [Mr. BROOKHART] is chairman.

I want to read something else that occurred. When Coan was on the witness stand, among other things he testified under the examination first of the Senator from South Dakota:

> Senator STERLING. Let me refresh your recollection a little. Do you know the clerk of the hotel at which you were stopping?
>
> Mr. COAN. Oh, yes; Walter Paul.
>
> Senator STERLING. Walter Paul?
>
> Mr. COAN. Yes.
>
> Senator STERLING. Would you like to include Walter Paul?
>
> Mr. COAN. Yes. I would like to have him subpenaed, Mr. Chairman, Washington, D. C., the Arlington Hotel.

I read that for two reasons. The Senator from South Dakota left me under the impression a minute ago that he was not suggesting witnesses. He was not only suggesting them, but he was asking other witnesses, the men who did the framing, if there was anybody else that they would like to call to help bolster up this case against the Senator from Montana [Mr. WHEELER].

Mr. STERLING. Will the Senator tell us just what he is reading from now?

Mr. CARAWAY. I will do that. I am reading on page 130 of part 3 of the hearings as they appear in the printed copy. Let us go a little further:

Senator STERLING. I think that is all.

The CHAIRMAN. Was there anyone else on your list when you went to Montana aside from WHEELER?

Mr. COAN. What do you mean—anyone else on my list?

The CHAIRMAN. That you were looking after—that you were investigating.

Mr. COAN. Well, yes; I was looking up another Senator. Do you want me to tell you about it?

What happened?

Senator STERLING. No; we submit, Mr. Chairman, that we do not want anything about that.

Of course, that is just one of the coincidences in this case. I want to finish reading this man's testimony. I had never up to that time heard of his having two Senators on the list, but there was a quick objection made by the Senator from South Dakota. I read further.

Now, to Grorud's testimony again:

In this connection I may state that while I was assistant attorney general I had occasion to make some investigation in Butte, Silver Bow County, in regard to some election frauds, illegal voting, and Mr. Coan came to me and wanted an affidavit from me.

Here is the important part of it:

He wanted me to make a strong affidavit.

There is nobody so unsophisticated who does not know that that was an invitation to swear a lie, because if he had wanted only the facts he could have said, "I want you to tell the truth about this," but it shows the great confidence Coan had that if he had the backing of the Republican National Committee he could safely go the limit.

I want you to make it a strong affidavit.

For what purpose? He tells us. I want to show now that he intended the case to be a frame-up.

I told him that I would make an affidavit or testify as to the facts for him, and I also said to him that as far as Senator WALSH was concerned he had nothing to do with that and he was not connected with that in any shape or form.

This is Coan's answer to that statement:

Well, he said he knew that, but he wanted something on WALSH so that he could smear him.

Mr. STERLING. I would like to have the Senator designate just what he is reading from. He is not reading from the hearings here. He is reading the testimony before the Brookhart committee?

Mr. CARAWAY. Yes; and here is a man who admits that he went to a man in this "frame-up," about which the Senator wants to talk, and asked a reputable lawyer—a Republican—a former assistant attorney general of the State of Montana, to make a "strong affidavit," and in the very conversation said, "I know the Senator against whom I want to use it is guilty of no wrongdoing, but I want you to lie about it so that I can smear him." Yet that man is walking the streets of Washington to-day, I presume, unwhipped of justice. Nobody—not even the Senator from South Dakota, who declaimed against frame-ups so eloquently a minute ago—has ever suggested that he ought to be prosecuted for subornation of perjury; oh, no; he is entirely a "reputable" citizen. He is one of the tools of this frame-up.

That is not all.

Well, he said he knew that, but he wanted something on WALSH so that he could smear him because he wanted to stop him in the oil investigations here at Washington.

I am not saying the Senator from South Dakota is consciously aiding in that, but if he were he could not be any more helpful than he is to-day, or was when he proposed the minority report. There is not a thing on God's earth Coan could have suggested had he been permitted to suggest to the Senator from South Dakota that the Senator from South Dakota has not done. I do not say that he would intentionally do it, but it looks to me as if he might pause and see if he is not being used unconsciously by the very crowd that was perfectly willing to commit perjury that they might smear a Senator to make him stop the investigation. That is not all.

The CHAIRMAN. Now go ahead and state what was said about Senator WHEELER.

Mr. GRORUD. Well, in one of the conversations he said something about WHEELER.

I am now quoting what Grorud said:

He knew, of course, that Mr. WHEELER and myself had been law partners, and he said something about having WHEELER smeared.

Senator MOSES. Was that WHEELER or WALSH?

Mr. GRORUD. WHEELER.

Senator MOSES. You testified a moment ago that he wanted to have Senator WALSH——

Mr. GRORUD. That he wanted to have Senator WALSH smeared.

The CHAIRMAN. This conversation occurred after Senator WHEELER's indictment out there?

Mr. GRORUD. Oh, yes. He has already smeared WHEELER in such a shape that he had him sewed up, he said, and I said to him, "How did you ever happen to put this over?" I said, "You can't get any place with that," because I thought I knew something about the case that he had for Mr. Campbell. "Well," he said, "we don't care anything about that."

That is, "We do not care anything about what we are going to do with it"—meaning the case against WHEELER:

"We do not care anything about that. We just simply want to smear him." I said to him, "Supposing now that the case is set down for trial?" "Well," he said, "we will see to that, that the case don't come up for trial immediately. We will simply hold it over him, because we had to do something to stop him." And he said, "Well"—he said—he just simply wanted to smear him; that is all. He knew that he couldn't get any place.

What is significant is that that is exactly what has happened. WHEELER can not get an immediate trial of this case, but they are holding it over him and they are smearing him, and I want to repeat, the Senator from South Dakota unconsciously is lending his most valuable aid in "smearing" WHEELER, because here is a report that is not sustained by the testimony of any man, living or dead; it is not within the purview of the resolution; it never was suggested by anybody when the testimony was being offered and when the report was being considered; it never found anybody to give it breath of life in the committee until after there had been agreement and the Senator from Idaho [Mr. BORAH] had prepared and was ready to have reported the opinion of the committee, and then for the first time the Senator from South Dakota said, "Oh, well; I do not think that is what we ought to have considered," and then brought this minority report on the floor.

I proceed with the testimony:

Well—

He said—

he just simply wanted to smear him; that is all. He knew he couldn't get any place.

If that means anything—I do not think it needs interpretation—it means that he knew that the testimony against WHEELER was an infamous lie. "We know it will not stand up, but we had to smear him, because we simply had to stop him."

Mr. Crim, of the Department of Justice, or who was formerly of the Department of Justice, an ex-Assistant Attorney General, testified to-day before the Brookhart committee investigating Daugherty that one of the great evils in this country at this time is failure to provide stenographers for grand jury proceedings in many of the Federal courts. He said:

Failure to have stenographic reports of these grand jury proceedings often leads to perjury, fixing, and breaking down of justice.

What is suggestive about that is this—and I presume other people have found it out—in this particular case against WHEELER the grand jury kept no notes. For the first time, so far as I ever knew, a grand jury kept no notes of what took place before it. It would not have been so remarkable, possibly, if that had been the rule; but we had one of the jurors before us and he said:

We kept notes in the Butte case, but we kept no minutes in the Wheeler case.

Mr. STERLING. Mr. President, I think in no other case than the first case.

Mr. CARAWAY. There is no record that the grand jury had any other case before it, and whenever the Senator says "the rest of it," he is drawing on his imagination.

Mr. STERLING. I refer the Senator to the testimony.

Mr. CARAWAY. I have it before me, and we would have gotten more except for the fact that the very next question was objected to by the Senator from South Dakota. He shut off testimony, for the reason that he did not want the witness to answer the question as asked.

Mr. STERLING. Will the Senator give me the page?

Mr. CARAWAY. I will be delighted to do it. It is page 101. It strikes me now as showing such poor taste—I will say that and no more—for the Senator from South Dakota to have been so active and earnest in wanting to shut out testimony and then so insistent that his report shall rest upon testimony that was not produced but might have been. In other words, he objected to having certain testimony introduced and then comes into the Senate and says, "If I had had my witnesses, we could have proved that."

When I am talking about "my witnesses," that reminds me that I want to read the Senator's own language to show that he recognized that he had one side of the controversy and the Senate the other. I read from page 139. When there was some question about closing the hearings, or some suggestion by Senator STERLING that he wanted to call a lawyer here by the name of Nyce, the chairman said:

All right; call him up and get him. We are going to close this this afternoon.

Senator STERLING. I do not know whether we will be prepared to close or not, Mr. Chairman.

The CHAIRMAN. You will have to get ready. I am not going to postpone this any longer.

Senator STERLING. Let me suggest right here that as far as that is concerned, the witnesses have all been called by the chairman in this case, every one of them. Not one has been called at our instance.

Who is "our"? Was it Coan, who had framed this case, who had procured perjured testimony, who sought other perjured testimony? Who was "our"? I asked him that question. I said, "Who is 'our?'"

Senator STERLING. Well, to be frank, I will say——

Senator CARAWAY. That is what I want to know.

Senator STERLING. At the instance of those who would like to get at the facts in this case, and that is not assuming that the rest are not anxious to get the facts, but there are different methods of which we are conscious more or less in the procuring of those witnesses.

Senator SWANSON. Have you asked for any witness that has not been summoned?

Senator STERLING. I have not as yet, but it depends somewhat on the course of the testimony as to whether I want to have some particular witness called, and I might, after the conclusion of the testimony, have some other witness.

He never had another witness.

If the Senator thought this resolution was not a proper one, he ought to have objected to it. If he thought, after he got to be a member of the committee, that the committee was not pursuing the proper line of testimony and in the proper way, he ought to have said something about it. If, when all the testimony was in and before the case was closed, there was any suggestion in his mind that there was any further testimony that had not been adduced, he ought to have said so. He should not have waited until the committee had closed its hearings, until the executive meeting had been had in which he had assented that the report should be prepared by the chairman of the committee. He still said nothing. He never intimated to anybody we know anything about that he had any other view until the report was ready to be signed.

Then he did not ask that we reopen the case, and did not say that he had testimony to support his theory, but he for the first time announced this report; and I do not care to repeat his exact language, although I would be delighted if he would tell what he said about the testimony then in the committee. We all remember that distinctly. This Senator from South Dakota then for the first time suggested this remarkable theory that he has brought in. I say, and I take the privilege of saying it and repeating it, that if he did not intend to find the facts according to the resolution he ought not to have sat upon the committee. If he did not intend to vote yes or no, he ought to have made that fact known before the testimony was closed. He ought, and I suggested it then and I think so yet, and I think the people who read the testimony will think so, to say yes or no to this question. "Did Senator WHEELER violate the law?" If he did, he ought to be condemned, and if he did not, no man ought to lend himself to a cowardly conspiracy to smear and besmirch his reputation. He ought to say yes or no. He ought to say he is guilty or he is not guilty.

Mr. STERLING. I almost think the language the Senator has used is objectionable under the rules.

Mr. CARAWAY. I am not talking about the Senator. However, I am willing to let the Senator state his objection.

Mr. STERLING. The objection is this, and the inference is very plain, that the Senator from South Dakota was lending himself to a conspiracy.

Mr. CARAWAY. Here is what I said about the Senator from South Dakota, and I have tried to make it perfectly clear. I said I did not think he had consciously lent himself to it, but if he had there was not a thing on God's earth he had not done, there is not anybody who could have more effectively lent himself to a conspiracy to blacken the reputation of Senator WHEELER than the Senator from South Dakota has lent himself, though I say again that I do not say that the Senator was conscious of that fact. It simply so happens that his report runs in line with the statement that Coan made to the effect that "We know we can not do anything to WHEELER, but we can smear him until his activities shall be stopped, and then when he demands a trial we will put it off." That is what he said was their purpose. That stands undisputed as the purpose of the indictment against Senator WHEELER. I want to disclaim, because I do not want to be offensive to the Senator from South Dakota, that I say he is lending himself to that. I am not intimating that. I am just saying that it so happens that his report does lend itself to the general scheme—unintentionally, of course.

Let me say this in conclusion. I started to read some more of the testimony, but I will not do it. Every Senator must be the keeper of his own conscience, but I do not see how—it does not appeal to me at least—when a fellow Senator is charged with an offense and here is the testimony that covers the case, and every Senator present can read it, and no Senator ought to vote upon it until he does know what the testimony is, because he is now sitting as a court. He has no more right to vote upon this case until he has read the brief than a juror has to shut his ears to the testimony and then vote guilty or not guilty. If a Senator wants to preserve his honor and self-respect he has to know what the facts are and vote upon them accordingly. I say—and I am willing to stop and go to the record—that when he reads the record he will find there is not a witness anywhere who said that Senator WHEELER was guilty of any offense or detailed facts that would lend a suspicion to that conclusion. Now, let Senators read the evidence and, as they would like to be dealt with themselves, let them have the courage to say that under the testimony he is guilty or innocent. Do not try to bring in a Scotch verdict of not proved as to the question "Did WHEELER violate law?" Let us be frank and say either yes or no.

I can not conceive of a Senator—aside from the attitude of the Senator from South Dakota, and I have not been able to fathom his mental processes, but that is my limitation, I know—when he is face to face with the question and must answer it under his oath as a Senator, "Do the facts show that the Senator from Montana is guilty or innocent," wishing to dodge that question. Every man has the right to have his reputation protected. It is the most valuable thing he has. But to avoid answering that question must lead to the conclusion—and I am acquitting the Senator from attempting to do it—that it is playing into the hands of those who framed this case. It is the most effective way of destroying Senator WHEELER's reputation. It is the process by which Coan boldly admitted that he set out to "smear" him in order that he might stop him from disclosing the corruption in the Department of Justice. It is the process, he said, "we have to adopt, and we are not going to try the case because we know we have no evidence to sustain our charge."

I hope, therefore, that the Senator from South Dakota upon reconsideration will lay aside his minority report and let us be frank and say Senator WHEELER is guilty or he is not guilty. If he is guilty, God knows you owe it to your country to say so, and you can not afford to avoid that responsibility. If he is not guilty, you certainly owe it to Senator WHEELER to say so by your vote. A man can do no less and keep his self-respect.

Mr. STERLING. Mr. President, I wish to say just a few words. I shall not detain the Senate long. I do not want my vote on the question of the adoption of the majority report

could have suggested had he been permitted to suggest to the | than the first case.

to be taken as a vote of "guilty" so far as Senator WHEELER is concerned. It can not and should not be so construed. I want to be understood as voting against the majority report which presumes to pass upon the guilt or innocence of Senator WHEELER here, and no more than that. I hope other Senators in the Chamber will take that same view of their duty and their obligation when the matter comes up for a vote. I had hoped that in what I said yesterday I would disabuse the minds of my colleagues in the Senate of the idea that I wanted to vote to the effect that Mr. WHEELER was guilty of those charges. I tried to make that plain to the committee.

Mr. BAYARD. Mr. President, will the Senator yield?

Mr. STERLING. I yield to the Senator for a question.

Mr. BAYARD. Just for a question?

Mr. STERLING. Yes.

Mr. BAYARD. As I understand it, the Senator stated that he interprets the resolution under which the committee was appointed to warrant the majority report and to warrant the minority report. Is that right?

Mr. STERLING. That might be, and still that is hardly a proper construction of it. The majority report, of course, passes upon the guilt or innocence of Senator WHEELER. In making the majority report the committee, of course, took for their foundation the evidence in the case, I suppose. My idea is that we have no right to go further than to find whether the grand jury was justified, whether this was a frame-up or not. The grand jury having found its indictment, in the absence of evidence of a frame-up and without any proof of a frame-up, I think the Senate should await the decision of the petit jury that tries the case.

Mr. BAYARD. I think the Senator misunderstood the purport of my question. I would like him to answer, if he will, categorically, yes or no, whether or not his statements heretofore made on the floor of the Senate in regard to this matter have not been in substance that the resolution appointing the committee was broad enough to admit of the majority report and the minority report?

Mr. STERLING. Not to admit of the majority report, but perhaps to admit of an investigation of the facts and all the facts connected with the case. That is what I have said, and that is what I say in my minority report. A full investigation of all the facts connected with the case or that were admissible in evidence on a trial of the case might have been warranted under the terms of the resolution.

Mr. BAYARD. May I ask the Senator one more question?

Mr. STERLING. Yes.

Mr. BAYARD. Assuming that the answer to my question has been "yes" may I ask the Senator whether, in his opinion, any or every Senator on the floor would be warranted in voting on both of these reports, voting to sustain both of those reports—first, the report of the majority that Senator WHEELER is not guilty of the facts as charged in the indictment, and, second, having voted that way, then voting in accordance with the report of the Senator from South Dakota that the facts disclose that the evidence warranted the indictment?

Mr. STERLING. No; I can not concede that that is the correct view of it at all, that a Senator would be warranted in voting for both of these reports.

Mr. BAYARD. They must adopt one or the other.

Mr. STERLING. Yes; the minority report refers the matter without finding whether Senator WHEELER is guilty or not, and takes the position that the case should go to the jury for trial, without our passing upon his guilt or innocence.

Mr. BAYARD. May I ask the Senator another question? Assuming when the matter comes up for vote that a Senator should vote in the affirmative on the majority report, would he, in the opinion of the Senator from South Dakota, be precluded from voting for the minority report?

Mr. STERLING. I am inclined to think he would be precluded from voting for the minority report.

Mr. BAYARD. Will the Senator state why?

Mr. STERLING. Because, having voted for the majority report, he has voted that Senator WHEELER is innocent of the charges contained in the indictment, and therefore is not in a position by voting for the minority report to refer the matter to the jury for trial. He has already passed upon it. That is what the minority report does; without finding Senator WHEELER guilty of the charges, it would refer the matter to the trial jury.

Mr. BAYARD. Does the Senator maintain that, while thus it may be found that Senator WHEELER is not guilty on the facts found, they can still admit the grand jury of Montana had the right to indict him?

Mr. STERLING. They might possibly agree to it, but it seems to me there is an inconsistency in voting for the majority report and then voting for the minority report.

Mr. BAYARD. Does the Senator think such action would be proper action?

Mr. STERLING. That is the way it occurs to me now. It seems to me that would be the correct position, either to vote for the majority report or to vote for the minority report. There would be no mistake as to position then.

Mr. BAYARD. Does the Senator really think it would be consistent?

Mr. STERLING. Rather inconsistent, I say, to vote for the majority report and then for the minority report. That is the way it appeals to me, I will say to the Senator from Delaware.

Mr. BORAH. Mr. President, I wish to ask the Senator a question.

Mr. STERLING. I yield.

Mr. BORAH. Suppose we had gone into the question of whether the grand jury had probable cause to find the indictment, and suppose we had concluded that the grand jury did not have probable cause for finding the indictment, what then would have been the report and what should the action of the Senate have been?

Mr. STERLING. The report would have been, I think, in accordance with the facts, and with that as the report, I hardly think there would have been necessity then for any further consideration of the case by the Senate. If they had reported according to the facts that they believed the finding of the indictment was not warranted, was, in other words, a frame-up, they could have so reported.

Mr. BORAH. After finding the indictment was unwarranted, the Senator would not have felt the necessity of going so far, in justice to a Member of the Senate, as to exonerate him?

Mr. STERLING. There is some question about that. I am not prepared to say positively whether I would or not, but I am inclined to think, I will say to the Senator from Idaho, had the committee found that here was a frame-up and the facts did not warrant the finding of an indictment, that the Senate would have been justified in passing a resolution exonerating Senator WHEELER.

Mr. UNDERWOOD. Mr. President, will the Senator allow me to ask him a question?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. Yes.

Mr. UNDERWOOD. I have listened to what the Senator has said. He has heard all of the testimony in this case while I have not.

Mr. STERLING. I did not hear quite all of the testimony; there were some witnesses whose testimony I did not hear.

Mr. UNDERWOOD. Do I understand the Senator to say that if he had been a member of the grand jury investigating the case and the evidence that came before the grand jury was the evidence that came before his committee, he would not find an indictment upon that evidence?

Mr. STERLING. Oh, no; the Senator from Alabama misunderstood me if he thought that I so stated; I did not say that. My position has been, and I so state in my report, that I thought the grand jury was warranted in finding an indictment with the evidence, and the inferences that might have been plainly drawn from the evidence which was before it. That is my position.

Mr. UNDERWOOD. The reason I asked the Senator that question was that I understood him to say that he did not report that the junior Senator from Montana was guilty of the charge, and, of course, I assumed from that that he meant that the evidence would not sustain the indictment.

Mr. STERLING. Oh, no; that is not the position; but that, having been indicted by the grand jury, it was Senator WHEELER's business, and without our trial of the case in advance, to appear and stand trial before the petit jury.

Mr. UNDERWOOD. I am not considering that part of the question: I agree with what the other Senators here have stated; that this case can be, and would properly be, tried in the United States Senate; and I am trying to find out the attitude of the Senator from South Dakota. We are proposing to try the case ourselves.

Mr. STERLING. Yes.

Mr. UNDERWOOD. I am one of the judges. I have got to find a verdict. I want to know whether sitting as judges—and the Senator is one of the judges—he thinks the testimony before his committee justifies him in finding a verdict of guilty?

Mr. STERLING. No; I will not say that it does justify me in finding a verdict of guilty.

Now, Mr. President, I wish to call attention to a very few more phases of the evidence in this case.

Much has been made of the testimony of Mr. Coan, testimony taken largely in another proceeding, being the proceedings conducted by the so-called Brookhart investigating committee, which is investigating the activities or nonactivities of the Department of Justice. Mr. Coan testified before the select committee investigating the Wheeler case. Whatever his testimony may have been elsewhere, there is nothing in his testimony before the select committee that warrants any unfavorable opinion of Mr. Coan. In order that I may point out to the Senate his real attitude, why he went to Montana, and so forth, I wish to read from his testimony.

Senator SWANSON. Is he a member of the Republican National Committee?

The Senator from Virginia was referring to Mr. Lockwood. I wish to say here to Senators that I would not know Mr. Lockwood to-day if I should meet him.

Mr. SWANSON. Mr. Lockwood was the person who employed Mr. Coan to go to Montana.

Mr. STERLING. Yes; he was the person who sent him there.

I saw Mr. Lockwood, as I remember, some years ago and have not seen him since. I have had no conversation with him and do not now recall his features. I never knew Mr. Coan or that there was such a person as Mr. Coan until he appeared here in connection with the work of this committee. Senator SWANSON asked:

Is he a member of the Republican National Committee?

Mr. COAN. Yes, sir.

Senator SWANSON. And he is also interested in the National Republican?

Mr. COAN. Yes, sir; he is secretary of the Republican National Committee.

Senator SWANSON. At that time were they interwoven?

Mr. COAN. I do not know the connection exactly. I did not ask him when he gave me the job whether they were interwoven or not.

The CHAIRMAN. You may take the witness.

Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. COAN. Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER.

According to this testimony, Mr. Coan did not go out there to make a story to begin with, but to investigate stories that were afloat concerning Senator WHEELER. I do not know what those stories were; I never heard any of them as against Mr. WHEELER. I never interested myself in his campaign or to learn what his prospects for election were, and I had no feeling one way or the other in regard to it. Mr. Coan says:

Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.

If it were true that Mr. WHEELER was attacking the administration—and I did not know of it; I had not heard about it—then there was nothing particularly reprehensible in sending somebody out there to investigate the stories that were in circulation regarding Senator WHEELER.

Mr. SWANSON. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. Yes.

Mr. SWANSON. Do I understand the Senator from South Dakota to occupy the position that if a Senator of this body inaugurates an investigation of the Department of Justice, the proper response is to send somebody to investigate him instead of meeting the question?

Mr. STERLING. As I have said, Mr. Coan went out there to investigate certain stories, as he says, in regard to Mr. WHEELER, and I do not know but what it was proper, if the stories were in circulation, that he should go out and investigate them.

Mr. SWANSON. But that is not the reason he gave. The reason he gave was that WHEELER was attacking the administration——

Mr. STERLING. And everybody in public life here.

Mr. SWANSON. Of course, "everybody in public life" was merely an expression that he put in, but Mr. WHEELER's main activity was against the Department of Justice.

Mr. STERLING. Exactly; this is the version of the Senator from Virginia.

Mr. SWANSON. Do I understand that the Senator approves of the suggestion that when any Senator undertakes to inaugurate an investigation of any department the counter reply should be an investigation by that department of that Senator?

Mr. STERLING. If this were a Democratic administration and a Republican had been elected Senator and there were stories about that Republican Senator elect and he had been attacking everybody in the Democratic administration, I would not blame the administration or the national committee of the Democratic Party for sending somebody out to investigate the stories that had been circulated in regard to that Republican Senator elect.

Mr. SWANSON. It is all right for a Senator to be investigated on account of rumors and reports, but that is not the reason he gave; the reason he gave was Mr. WHEELER's activities and attacks against the Department of Justice. Does the Senator approve the action that was taken?

Mr. STERLING. I suggest that the Senator read the statement. I have read it, and I do not think there can be any question about it.

Mr. SWANSON. Very well. Let the Senator read it again.

Mr. STERLING. Then the Senator from Virginia asked:

Who thought so?

Mr. Coan replied:

The Republican National Committee.

Senator SWANSON. And they sent you there for that purpose?

Mr. COAN. Yes; I went out there, and of course I did not want any stories of dead men or train robbers, and I took affidavits where I got the stories.

What affidavits did he take? He took the affidavits of two men, of Glosser and Rhea. Those affidavits were produced, and they are in the Record. Aside from that, however, the two witnesses, Glosser and Rhea, appeared before the committee and testified and were subjected to cross-examination by members of the committee, but in no instance that I recall was that testimony on the stand before the committee different from the statements in the affidavit which they had already made.

Mr. President, as a basis for the minority report, and the position in the report as to the functions of the committee or what the committee should do, whatever the broad terms of the resolution might permit it to do, there comes in addition to the testimony of Glosser and Rhea, who were witnesses before the grand jury—and I am confining my statement now to evidence before the grand jury—the documentary evidence showing what transpired here and before the Interior Department at Washington after Mr. WHEELER came here. Take Glosser's testimony and Rhea's testimony as to what happened in room 212 at the Rainbow Hotel in Great Falls, Mont., together with the documentary evidence that has been produced in this case with regard to permits, in regard to Senator WHEELER's interest in the permits, in regard to his connection with the solicitor of the Interior Department, Mr. Booth, as shown by telegram after telegram and by letter after letter, and I can not help but think that these things, unexplained and undenied by Mr. WHEELER, furnished evidence enough to warrant the grand jury in acting as it did.

I call attention to another piece of testimony about which comment has been made by the Senator from Arkansas [Mr. CARAWAY].

He refers to the testimony of Mr. Sparling. Mr. Sparling was one of the grand jurors that found this indictment. Mr. President, it is an unusual if not an unallowed proceeding for a grand juror to testify as to what happened before the grand jury, or as to the testimony given before the grand jury, in advance of the final trial before the petit jury in a case. The proceedings of the grand jury are secret.

He testifies:

The CHAIRMAN. What is your business?

Mr. SPARLING. I am in the hotel business, or rooming-house business.

The CHAIRMAN. You were a member of the grand jury which returned the indictment against WHEELER?

Mr. SPARLING. I was.

The CHAIRMAN. Were there any minutes kept of the proceedings of your grand jury?

Mr. SPARLING. Not on this case.

The CHAIRMAN. Nothing at all?

Mr. SPARLING. Nothing.

Senator SWANSON. Did you keep minutes of other cases?

Mr. SPARLING. Well, when the grand jury was first called we kept the minutes of the first case that was called, the Butte case, and after that there were no minutes kept of any cases.

Then he goes on and says:

For information I might say that this case was a sort of a—

jority report and then voting for the minority report.

Much has been made of the testimony of Mr. Coan, testimony taken largely in another proceeding, being the proceed-

of the suggestion that when any Senator undertakes to in-

For information I might say that this case was a sort of a—

Then comes the blank, and I interposed with an objection:

Senator STERLING. Now, I think we will object to any statement as to the case. The question, as I understood the chairman, was simply whether minutes were kept or not?

The CHAIRMAN. Yes.

Senator STERLING. That was all.

The CHAIRMAN. Are there any questions?

Senator WHEELER. I would like to request the committee to ask him as to the number of ballots that were taken.

Senator STERLING. I object to that. I do not think that is proper at all. They might in any given case have a dozen or 20 ballots and it would not be material to any question at issue in the case.

Neither would it have been material. Think of its being testified by a member of the grand jury, in advance of the trial by the petit jury, as to how many ballots the grand jury took, probably for the purpose of prejudicing the petit jury in the trial of that case!

Mr. HEFLIN. Mr. President, will the Senator yield just a moment?

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from South Dakota yield to the Senator from Alabama?

Mr. STERLING. Yes.

Mr. HEFLIN. Does the Senator know whether or not two or three members of the grand jury have stated that they balloted seven or eight times and never returned an indictment against Mr. WHEELER, and that they then were permitted to separate and they were taken out to dine by Republican politicians and told that it was necessary to indict WHEELER, and after that they did indict him?

Mr. STERLING. Let me say that the Senator from South Dakota does not know anything of the kind. I know that it would have been improper to inquire as to the number of ballots taken, and the Senator from Alabama knows that it would have been improper to have given out how many ballots had been taken by that grand jury.

Mr. HEFLIN. Well, it is a fact that members of that grand jury have conveyed that information to Senator WHEELER.

Mr. STERLING. That is aside from the record, and I am confining myself to the record made in the testimony before the committee.

Mr. HEFLIN. But I understand that the Senator objected to having the testimony come out before the committee.

Mr. STERLING. I did object to this testimony. It would not have been proper in any case.

Mr. HEFLIN. It could not get in if the Senator objected to it.

Mr. SWANSON. Mr. President, if the Senator will permit me——

Mr. STERLING. Yes.

Mr. SWANSON. The Senator now says the charge is whether or not this was a frame-up and whether the grand jury were parties to a frame-up. The evidence as to whether or not there was a frame-up involved the conduct of the grand jury and whether the district attorney appeared before them repeatedly and insisted on an indictment. The Senator from South Dakota objected to that being investigated. It seems to me the best proof he could have had of a frame-up would have been the issue made by him of the conduct of the grand jury. Was the grand jury a party to it? Was the district attorney a party to it? We wanted to investigate. The suggestion was made by Senator WHEELER, but we did not think it was pertinent, in which the Senator from South Dakota concurred with us. It was held that we were not discussing the conduct of the grand jury or the conduct of the district attorney; and yet after suppressing this evidence the Senator comes here and says that is the issue.

Mr. STERLING. If the Senator will bear with me, I for the first time here and now have heard that the United States district attorney appeared before the grand jury several times and urged the finding of an indictment. There was no evidence offered before the committee to that effect—not one scintilla of evidence.

Mr. SWANSON. No; and the Senator objected to going into anything in connection with the grand jury to see whether or not it was a frame-up, and now he comes in and makes a report on that line.

Mr. STERLING. Oh, no; the specific question was not submitted to the committee, and the Senator knows that it was not suggested that the United States district attorney might be subpœnaed or that evidence as to his proceedings and conduct before that grand jury might be presented. Not one suggestion of that kind was made.

Mr. SWANSON. I do not know whether it was true or not, but I had heard that the district attorney did appear before the grand jury and that they adjourned without finding the indictment. I did not think we were trying the grand jury, however, nor did the Senator think at that time that we were trying the grand jury. I did not go into it; I did not ask any questions about it, because at that time the Senator's mind and mine were concurring that we had nothing to do with the grand jury. It was as a result of later developments that the Senator and I parted company.

Mr. STERLING. Mr. President, I will read the statement of the chairman. I said:

I object to that. I do not think that is proper at all. They might in any given case have a dozen or 20 ballots, and it would not be material to any question at issue in the case.

And it would not, either from the majority or from the minority standpoint, be material how many ballots were taken.

The CHAIRMAN. I am not so certain about that, but I am not certain enough of it to approve of it at this time. I shall want to look into the law before I make up my mind whether we ought to do that or not. If the effect of taking more than one ballot is what some very able lawyers think, why, we would like to hear it. But I have not made up my mind about it. That is all for the present, Mr. Sparling.

Mr. Sparling, a member of the grand jury, was the witness. No effort was made, following that, by the chairman or any other member of the committee, to prove how many ballots were taken by the grand jury.

Mr. SWANSON. Mr. President, I should like to ask the Senator a question. If he thought the issue was whether or not there was a frame up in the indictment, or whether there was probable cause, why did he not pursue the investigation at that time to ascertain that fact?

Mr. STERLING. That matter was largely in the hands of the other members of the committee.

Mr. SWANSON. It was not a bit more in our hands than in the hands of the Senator from South Dakota. None of us had an idea that that was an issue, except the Senator.

Mr. STERLING. I supposed that the committee were bringing out all the evidence that would affect the case, and in doing so of course we would necessarily bring out the evidence that was before the grand jury.

Mr. SWANSON. But it has been disclosed—the Senator was a member of the committee—that nobody had an idea, except the Senator, that we were passing on the conduct of the grand jury; and he did not conduct the investigation or have any witnesses summoned.

Mr. STERLING. I want to refer briefly to other evidence which has been spoken of here.

I said that the testimony of Glosser and Rhea, unimpeached—their oral testimony before the committee being the same as their testimony by affidavit given to Mr. Coan—together with the documentary evidence before the grand jury, would have warranted the finding of this indictment.

Mr. WHEELER writes on March 8, soon after he came to Washington, to Mr. Gordon Campbell, whose attorney he was:

I wish that you would have your office send me a detailed report of the condition of your permit that we discussed with the Standard Oil Co. of California, in order that when I take it up with the Department of the Interior that I will be able to intelligently discuss the matter.

And then to Mr. Beaulieu, the land-title attorney, he wires on March 13:

Secure and mail at once complete list Gordon Campbell Syndicate and individual holdings, giving each separate legal description and character of title, dividing acreage into two classes, that in which title is absolute and unquestionable and that in which title may be in doubt. Am writing letter in full to-morrow.

That does not refer to this or that one particular permit, Mr. President, but it refers to all the permits—those with undoubted titles and those with questionable titles.

Then Mr. Campbell wires Mr. WHEELER:

Received wire. Am forwarding map and list of all acreage with explanation and condition of titles—

And so forth.

Later Mr. WHEELER wires Mr. Campbell as follows: This is on March 14:

Leaving Saturday for Europe. Have taken your matter up with parties writing Baldwin. Suggest see him.

And the "parties" evidently meant, as the whole testimony would clearly show, I think, Mr. Booth, the Solicitor of the Interior Department.

Mr. President, I think I have nothing more to say, except to call attention to just one phase of the report of the committee in the old case alluded to by the Senator from Montana [Mr. WALSH], with a view to the construction we would at this day put upon certain language of this report.

The report was made by Mr. Adams, apparently the chairman of the committee. It was an investigation of the facts concerning an indictment of Mr. Smith, a Senator from Ohio, for complicity in the Aaron Burr conspiracy, and treason against the Government was involved, the most serious of crimes involving capital punishment. He said, in his report:

The question upon the trial of a criminal cause before the courts of common law is not between guilt and innocence but between guilt and the possibility of innocence.

I disagree with that interpretation of the law by Mr. Adams, and I say that it is not the interpretation we put upon it to-day.

If a doubt can possibly be raised, either by the ingenuity of the party or of his counsel or by the operation of general rules in their unforeseen application to particular cases, that doubt must be decisive for acquittal.

Nor is that quite right, Mr. President. It must be a reasonable doubt entertained by the jury under all the evidence in the case and under proper instructions from the court as to what a reasonable doubt is before they can acquit.

Viewed as we now view jury trials in criminal cases under modern rules of procedure, without the extreme technicalities of the common law to govern as at the time of the report in the Smith case, persons charged with offenses are not apt to be acquitted from a mere possible doubt; hence, one important reason for the action of the Senate at that time does not now exist. It is assumed, it is presumed, that there will be a fair and impartial trial by the petit jury without unreasonable delay, and that a defendant may not be acquitted on the possibility of a doubt instead of a reasonable doubt.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate Nos. 1 and 2, and had disagreed to the amendment of the Senate No. 3 to the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

PERMANENT COURT OF INTERNATIONAL JUSTICE

Mr. PEPPER. Mr. President, I ask unanimous consent, out of order, to introduce a Senate resolution, and request its reference to the Committee on Foreign Relations.

There being no objection, the resolution (S. Res. 234) was read and referred to the Committee on Foreign Relations, as follows:

Whereas the Senate has had under consideration the message from the President of the United States dated February 24, 1923, in which the Senate is asked to consent to the signature by the United States of the protocol of December 16, 1920, establishing the Permanent Court of International Justice, and has likewise had under consideration the message from the President of the United States dated December 6, 1923, in which this proposal is again commended to the favorable consideration of the Senate; and

Whereas the proposal thus submitted and commended contemplates the signature of the protocol by the United States upon such conditions as will enable the United States to give its adherence to the court while remaining wholly free from any legal relationship to the League of Nations; and

Whereas it is desirable to express with greater precision the safeguards suggested in general terms in the message of President Harding: Now, be it therefore

Resolved by the Senate of the United States—

First. That the Senate approves the pending proposal and advises the adherence of the United States to the Permanent Court of International Justice upon the terms hereinafter specified.

Second. That permission to the United States to participate in the election of future judges should, in the opinion of the Senate, take the form of an amendment to those portions of the statute of the court which prescribe that the election shall be by the assembly and Council of the League of Nations.

Third. That the Senate advises the President to communicate with the States which have adhered to the court for the purpose of securing assent to such amendments to the protocol and the statute as will accomplish the disassociation of the court from the League of Nations.

Fourth. That the Senate advises and consents to the signature by the United States of the protocol of December 16, 1920, when the same shall have been amended as specified in the first annex to this resolution and when amendments shall have been made to the adjoined statute as specified in the second annex hereto.

Fifth. That the signature of the United States of America shall be understood to be affixed subject to the declaration that the United States disclaims all responsibility for the exercise by the court of the jurisdiction to render advisory opinions, and subject to the further declaration that the United States intends to adhere to the Monroe doctrine as a national policy and assumes no obligations inconsistent therewith.

Sixth. That the signature by the United States herein referred to is a signature to the protocol as set forth in this resolution but not to the so-called optional clause referred to in article 36, paragraph 2, of the statute of the court.

Seventh. That the Senate advises the President that a third international conference similar to The Hague conferences of 1899 and 1907 be called not later than the year 1926 for purposes which shall include the giving of effect to the recommendation of the committee of jurists upon the basis of whose report the court was established, regarding the clarification and further development of international law, and the codification thereof.

FIRST ANNEX TO THE RESOLUTION

PROTOCOL OF SIGNATURE

The signatories of this protocol, through the undersigned, duly authorized, declare their acceptance of the adjoined statute of the Permanent Court of International Justice, and hereby declare that they accept the jurisdiction of the court in accordance with the terms and subject to the conditions of the above-mentioned statute.

The present protocol shall be deposited, after ratification, with the secretary general of the permanent court of arbitration at The Hague. The said protocol shall remain open for signature by all nations generally recognized by treaty or diplomatic relations with the signatories.

The adjoined statute shall come into force as an amendment of or substitute for the existing statute as soon as all the signatories of the protocol of 16th December, 1920, shall have deposited their assent thereto with the secretary general of the permanent court of arbitration at The Hague in a single copy, the French and English texts of which shall both be authentic.

SECOND ANNEX TO THE RESOLUTION

A. Substantive amendments to the adjoined statute

(1) Strike out article 4 and substitute a new article, as follows:

"ARTICLE 4

"The present judges and deputy judges constituting the Permanent Court of International Justice shall retain their offices under the statute of the court."

(2) Strike out the first paragraph of article 5 and substitute the following:

"ARTICLE 5

"Vacancies which occur either by expiration of term or otherwise shall be filled by the States which at that time are signatories to the protocol. At least three months before the date of an election to fill any such vacancy the secretary general of the Permanent Court of Arbitration shall address a written request to the members of the Permanent Court of Arbitration inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the court."

(3) Strike out article 8 and substitute a new article, as follows:

"ARTICLE 8

"Representatives of all the signatories to this protocol shall meet at such time and place as may be designated by the said secretary general and shall proceed to an election. The representatives of all signatories shall ballot as an electoral assembly. The States named in the Versailles treaty as the principal allied and associated powers, together with such five of the other signatory States as shall be selected by the signatories, shall ballot as a separate electoral council. The assembly of signatories and the council of signatories shall proceed independently of one another to elect, first, the judges, then the deputy judges. In each electoral body each signatory State shall have one

vote; but not more than one vote shall be cast in either assembly or council by the British Empire and the States included therein."

(4) Strike out article 10 and substitute a new article, as follows:

"ARTICLE 10

"Such nominee as shall receive a majority of votes in the electoral assembly and a majority of votes in the electoral council shall be elected a judge or deputy judge, as the case may be. In the event of more than one national of the same signatory State being elected by the votes of both the assembly and the council, the eldest of these only shall be considered as elected."

(5) Strike out article 34 and substitute a new article, as follows:

"ARTICLE 34

"Only States can be parties in cases before the court."

(6) Strike out article 35 and substitute a new article, as follows:

"ARTICLE 35

"The court shall be open to all States generally recognized by treaty or diplomatic relations with the signatories.

"When a State which is not a signatory is a party to a dispute, the court will fix the amount which that party is to contribute toward the expenses of the court."

B. Formal amendments to carry the foregoing into effect

(1) In the following articles strike out "assembly (or "assembly of the League of Nations") and "council" (or "council of the League of Nations") and substitute "assembly of signatories" or "council of signatories," as the case may be:

Articles 3, 12, 32, and 41.

(2) In the following articles strike out "member of the League of Nations" and substitute "signatory State":

Articles 26 and 27.

(3) In the following articles strike out "the Secretary General of the League of Nations" and substitute "the Secretary General of the Permanent Court of Arbitration," articles 7 and 18.

(4) In article 1, after "established," substitute a period for a comma and strike out "in accordance with article 14 of the covenant of the League of Nations."

(5) In article 7 strike out the last six words and substitute "each of the signatories."

(6) Transfer the last two paragraphs of article 12 to a new article to be numbered article 13.

(7) Strike out in articles 12 and 31 "articles 4 and 5" and substitute "article 5."

(8) Strike out the first sentence of article 14 and transfer the residue of the article so that it shall become the last sentence in article 5 as amended.

(9) In article 36 strike out the first 17 words of paragraph 2 and substitute "a State," and for the words "they recognize," in the same paragraph, substitute "it recognizes."

(10) In article 40 strike out the last paragraph.

Mr. PEPPER. I ask leave also to submit a memorandum explanatory of the resolution, which I move be printed as a Senate document with the resolution and referred to the Committee on Foreign Relations.

The motion was agreed to.

URGENT DEFICIENCY APPROPRIATIONS

Mr. WARREN. Mr. President, I ask that the action of the House of Representatives relative to the amendments of the Senate to House bill 9192, being the urgent deficiency appropriation bill, be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives, agreeing to the amendments of the Senate Nos. 1 and 2 to the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes, and disagreeing to the amendment of the Senate No. 3.

Mr. WARREN. I move that the Senate recede from its amendment No. 3.

Mr. ROBINSON. Mr. President, I ask the Senator from Wyoming to state the substance of the amendment.

Mr. WARREN. Amendment No. 3 embodies the legislation proposing to correct the account against the Freer estate. We shall have to consider that matter at a later time, for the House of Representatives will not now agree to the Senate amendment.

Mr. ROBINSON. The result of the motion which the Senator has made, if agreed to, will be that the Senate amendment will go out of the bill?

Mr. WARREN. Yes; and that will leave the matter stand for the present in the same position it now occupies.

Mr. ROBINSON. No action is taken upon it?

Mr. WARREN. No action is taken upon it, so far as this bill is concerned.

Mr. ROBINSON. Very well.

The PRESIDENT pro tempore. The Senator from Wyoming moves that the Senate recede from its amendment No. 3.

The motion was agreed to.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS (S. DOC. NO. 114)

Mr. HARRELD submitted the following conference report, which was ordered to lie on the table and to be printed:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to the same.

That the Senate recede from its amendment numbered 7.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the Senate and in lieu thereof insert the following: "*Provided, however*, That the attorney or attorneys employed as herein provided may be assisted by the regular tribal attorney or attorneys employed under existing law under direction of the Secretary of the Interior"; and the Senate agree to the same.

J. W. HARRELD,
CHARLES CURTIS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

AFFAIRS OF THE EASTERN BAND OF CHEROKEE INDIANS OF NORTH CAROLINA (S. DOC. NO. 115)

Mr. HARRELD submitted the following report, which was ordered to lie on the table and to be printed:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3852) providing for the final disposition of the affairs of the Eastern Band of Cherokee Indians of North Carolina, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, and 4; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the Senate and in lieu thereof insert the following: "That in the preparation of said roll the act of the State of North Carolina of March 8, 1895, chapter 166, entitled 'An act to amend chapter 211, laws of 1889, relating to the charter of the Eastern Band of Cherokee Indians' shall be disregarded"; and the Senate agree to the same.

J. W. HARRELD,
CHARLES CURTIS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The principal clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Fernald	Keyes	Shortridge
Ball	Ferris	King	Simmons
Bayard	Fess	Ladd	Smith
Borah	Fletcher	Lodge	Smoot
Brandegee	Frazier	McKinley	Spencer
Brookhart	George	McLean	Stanfield
Broussard	Gerry	McNary	Stanley
Bruce	Glass	Neely	Stephens
Bursum	Gooding	Norbeck	Sterling
Cameron	Hale	Norris	Swanson
Capper	Harreld	Oddie	Trammell
Caraway	Harris	Overman	Underwood
Colt	Harrison	Pepper	Wadsworth
Copeland	Heflin	Pittman	Walsh, Mass.
Cummins	Howell	Ralston	Walsh, Mont.
Curtis	Johnson, Calif.	Ransdell	Warren
Dale	Johnson, Minn.	Reed, Pa.	Weller
Dial	Jones, N. Mex.	Robinson	Wheeler
Edge	Jones, Wash.	Sheppard	Willis
Edwards	Kendrick	Shipstead	

The PRESIDENT pro tempore. Seventy-nine having answered to the roll call, there is a quorum present.

ORDER OF BUSINESS

Mr. EDGE. Mr. President, I understand that under the unanimous-consent agreement the Senate will go into executive session in about five minutes. Inasmuch as under another unanimous-consent agreement we are to meet at 8 o'clock to-night to consider unobjected bills on the calendar, I am going to ask that at the conclusion of the executive business we continue in regular session until 8 o'clock in order to give us an opportunity to go forward with the unfinished business. Likewise I have been asked by the chairman of the Committee on Appropriations——

Mr. ROBINSON. Mr. President, I am sympathetic with the purpose of the Senator to make progress with the bill he has in charge, but there has been a tacit arrangement for some days that the Senate would recess until 8 o'clock to-night at the conclusion of our proceedings to-day, and a number of Senators have made arrangements with that procedure in view. I do not think the Senate can remain in session continuously. I believe we ought to take a recess. I suggest that the Senator ask that his bill be temporarily laid aside and that the consideration of it be resumed to-morrow. I myself would make no objection to an earlier meeting to-morrow, if the Senator thinks it desirable.

Mr. EDGE. I was just about to conclude my statement by saying that I have been requested by the chairman of the Committee on Appropriations to lay the unfinished business aside temporarily in order that the Agricultural appropriation bill may be considered. I had intended to do that at the conclusion of the executive session. So I am meeting the request of the Senator from Arkansas as well as the request of the Senator from Wyoming.

Mr. ROBINSON. The Senator's proposal contemplated a continuous session.

Mr. EDGE. My proposal in addition contemplated a continuous session for the dual purpose of aiding in having the consideration of the Agricultural appropriation bill concluded, if possible, and that I might go on with the bill I have in charge.

Mr. ROBINSON. We all want to expedite the Agricultural appropriation bill, but it will be impracticable to remain in session until 8 o'clock and then proceed with the calendar after that hour.

Mr. EDGE. I am very glad indeed to try to meet the request of the Senator from Arkansas. May I make the suggestion, that at the conclusion of business this evening, at 11 o'clock, we take a recess until 12 o'clock to-morrow, and that the unfinished business then be proceeded with, with the understanding that if the consideration of the Agricultural appropriation bill shall not have been concluded it will, of course, take precedence. I am extremely anxious to get some action on the bill I have in charge, and in that I believe I have the sympathy of a large majority of the Members of the Senate. I appreciate thoroughly that under the rules any subject can be taken up, and I also appreciate the importance of various subjects being taken up, but at the same time legislation is important, and I sincerely hope, without asking for unanimous consent, that on the convening of the Senate to-morrow we will be enabled to proceed with the unfinished business.

Mr. HEFLIN. Mr. President, I am very anxious that we shall take up the bill in charge of the Senator from New Jersey, to which he has just referred. I think it ought to be considered speedily and passed at the earliest moment possible. I was about to suggest to him that if he finds he can not get his arrangement for this afternoon, that we proceed with the bill to-morrow, and see if we can not get a night session to-morrow night and finish its consideration.

Mr. EDGE. I suggested yesterday that we have a night session to-morrow night, and I shall certainly suggest it again to-morrow, if we are not able to complete the consideration of the bill in the meantime.

Mr. WARREN. Mr. President, as far as possible I would like to have some agreement, or at least some understanding, for the consideration of appropriation bills. The Agricultural appropriation bill has been ready for more than a week, and if we can conclude our business in executive session in a short time, I would like to have the Senate go back into legislative session and proceed as far as we can with that appropriation bill, fulfilling the engagement for a recess from 6 to 8, after which we will consider the calendar.

Then, when we adjourn to-night, I would like to have an adjournment taken until 11 o'clock to-morrow morning, when, if we have not already finished the Agricultural appropriation bill, we could complete it. The point is that there are other appropriation bills ready for consideration, and we are very anxious to have them acted on at the earliest possible time. All I have to state now is that I shall ask, in executive session, if there be any time left this afternoon, that the Senate shall return to legislative session for the purpose of considering the Agricultural appropriation bill.

EXECUTIVE SESSION

The PRESIDENT pro tempore. The hour of 3 o'clock having arrived, under the unanimous-consent agreement entered into the Senate will now proceed to the consideration of executive business. The Sergeant at Arms will clear the galleries and close the doors.

The Senate thereupon proceeded to the consideration of executive business. After 3 hours and 35 minutes spent in executive session the doors were reopened and, on motion of Mr. CURTIS (at 6 o'clock and 35 minutes p. m.), the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

The PRESIDENT pro tempore. The Clerk will report Order of Business 464, the first order of business on the calendar.

SCHOONER "ITASCA"

The bill (S. 51) for the relief of the owner of the schooner *Itasca* and her master and crew was announced as first in order, and was considered as in Committee of the Whole, as follows:

Be it enacted, etc., That the claim of the owner of the schooner *Itasca* arising out of the collision between said schooner and the United States submarine R-8 off Brenton Reef lightship, Newport, R. I., on the 20th day of August, 1920, for and on account of the losses alleged to have been suffered in said collision by the owner of said schooner *Itasca* and by her master and crew, may be submitted to the United States court for the district of Massachusetts, under and in compliance with the rules of said court sitting as a court of admiralty; and that the said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the legal damages sustained by reason of said collision, if any shall be found to be due, either for or against the United States, upon the same principle and measure of liability, with costs and interest at the rate of 4 per cent per annum until said judgment or decree is satisfied, as in like cases in admiralty between private parties with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. OVERMAN. I think an explanation should be made of the bill.

Mr. ROBINSON. The Senator from Maryland [Mr. BRUCE] reported the bill and asked me to look after it in the event it was called this evening. The bill refers the claim to the Court of Claims for adjudication. It was called on a former occasion, and I myself objected to its consideration because it authorizes the court to render judgment, but I found that it is in the usual form in such cases, and I think there is no objection to it. A number of other bills following it on the calendar are in the same situation, Nos. 466, 467, 468, and 469. Those bills all merely provide for referring cases to the Court of Claims for hearing and determination, and I think they should be passed.

Mr. OVERMAN. I am not going to make any objection to them, but it has been against our rule to allow the Court of Claims to render judgment.

Mr. ROBINSON. In this class of cases I myself made that statement on a former occasion, but upon investigation found that I was in error. The bill conforms to the precedents.

Mr. OVERMAN. Is it not for tort?

Mr. ROBINSON. Yes.

Mr. OVERMAN. The Court of Claims has no jury to assess damages. If the Senator has examined it, however, I do not object.

Mr. ROBINSON. I have examined it and find that the bill conforms to precedents.

Mr. KING. Mr. President, may I inquire of the Senator from Arkansas whether it is usual to allow interest in favor of any claimants after judgment?

Mr. ROBINSON. After judgment is rendered, the judgment usually bears interest, but interest is not allowed on the claim prior to the judgment.

Mr. KING. Yes; I know that, but I do not have any recollection of a case in which provision was made that interest should be allowed after judgment.

Mr. ROBINSON. That is the uniform rule.

Mr. KING. It would seem to me that ought not to be the case until after final judgment. The bill would seem to indicate that interest would begin to run from the judgment rendered by the Court of Claims.

Mr. OVERMAN. We had a case like that before the Committee on Appropriations where interest was claimed from the time judgment was taken in the court below when there was an appeal, and we refused to allow interest until after the final adjudication.

Mr. ROBINSON. The bill provides only for interest after judgment and until judgment is satisfied, and I think that is proper. If an appeal should be erroneously made and the judgment of the lower court affirmed, every reason which would justify interest in case no appeal was taken would apply to justify interest where an appeal was taken.

Mr. KING. I agree with the Senator, if we allow interest at all, but I do not have any recollection of a case where interest was allowable even after judgment.

Mr. ROBINSON. I think that is the rule. All judgments bear interest.

Mr. KING. I shall rely upon the judgment of the Senator from Arkansas. I have no knowledge of it.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HARRY SIMPSON

The bill (S. 773) to extend the benefits of the employers' liability act of September 7, 1916, to Harry Simpson was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EASTERN TRANSPORTATION CO.

The bill (S. 785) for the relief of the Eastern Transportation Co. was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the claim of the Eastern Transportation Co., a corporation organized and existing under the laws of the State of Delaware and doing business in the city of Norfolk, Va., owner of the barge *Sweetser Linthicum*, against the United States for damages alleged to have been caused by collision between the said barge and the United States barge *Old Dominion* in tow of the United States tug *Sagamore* in Chesapeake Bay on the 25th day of August, 1918, may be sued for by the said Eastern Transportation Co. in the District Court of the United States for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and enter judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the Eastern Transportation Co. or against the Eastern Transportation Co. in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BROOKLYN EASTERN DISTRICT TERMINAL

The bill (S. 1038) for the relief of the Brooklyn Eastern District Terminal was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the claim of the Brooklyn Eastern District Terminal, a corporation organized and existing under the laws of the State of New York, with its principal place of business in the city of New York, in said State, owner of the tugboat *Integrity*, against the United States for damages alleged to have been caused by collision between the said tugboat and the United States hopper dredge *Raritan*, in New York Harbor, New York, on or about the 30th day of September, 1920, may be sued for by the said Brooklyn Eastern District Terminal in the United States District Court for the Southern District of New York, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found due against the United States in favor of the Brooklyn Eastern District Terminal, or against the Brooklyn Eastern District Terminal in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same right of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by the order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SCOW "W. T. C. NO. 35

The bill (S. 1039) for the relief of the owner of the scow *W. T. C. No. 35* was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the claim of William T. Charlesworth, a citizen of the State of New York, and owner of the scow *W. T. C. Numbered 35*, alleged to have been injured in Hell Gate, New York Harbor, N. Y., by reason of damages sustained in the collision with the United States ship *Lake Tahoe* on the 23d day of July, 1918, for and on account of the alleged damage to said *W. T. C. No. 35* by reason of said collision with the United States ship *Lake Tahoe*, may be submitted to the United States District Court for the Southern District of New York, under and in compliance with the rules of said court sitting as a court in admiralty, and said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the damages sustained by reason of said collision, and damage, if any, shall be found to be due said owner, on the same principles and measure of liability, with costs, as in like cases in admiralty between private parties, with the same rights of appeal: *Provided*, That the libel in the suit herein authorized shall be filed not later than six months after the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

NEW YORK SANITARY UTILIZATION CO., SCOW "NO. 14"

The bill (S. 1040) for the relief of the owners of the New York Sanitary Utilization Co., scow *No. 14*, was considered as in Committee of the Whole, and we read, as follows:

Be it enacted, etc., That the claim of the New York Sanitary Utilization Co., owner of the scow *No. 14*, alleged to have been injured in a collision with the United States dredge *Raritan* in the upper bay of New York, on the 9th day of March, 1916, for and on account of the alleged damage to said scow *No. 14*, by reason of said collision, may be submitted to the United States District Court for the Southern District of New York, under and in compliance with the rules of said court, sitting as a court of admiralty; and said court shall have jurisdiction to hear and determine the whole controversy and to enter a judgment or decree for the amount of the damages sustained by reason of said collision, if any, shall be found to be due said owner, on the same principles and measure of liability with costs, as in like cases in admiralty between private parties, with the same rights of appeal: *Provided*, That the libel in the suit herein authorized shall be filed not later than six months after the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MAINTENANCE OF RECLAMATION PROJECTS

The bill (S. 2836) relating to the deposit of funds available for maintenance of reclamation projects was considered as in Committee of the Whole.

The bill had been reported from the Committee on Irrigation and Reclamation with an amendment to strike out all after the enacting clause and insert:

Be it enacted, etc., That hereafter funds available for the operation and maintenance of Federal irrigation projects may, in the discretion of the Secretary of the Interior, be kept on deposit in banks within or near such projects, and the Secretary of the Interior shall require surety bonds in suitable amounts executed by acceptable surety companies to protect the United States against loss.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT MARINE ACT, 1920

The bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, was considered as in Committee of the Whole.

Mr. JONES of Washington. Mr. President, I desire to state just briefly that this is a House bill, and the purpose of it is simply to amend sections 11 and 12 of the merchant marine act of 1920 so that part of the funds set aside for construction purposes may be used for Dieselizing some of the ships, up to the amount of $25,000,000, but those ships are not to be Dieselized until some one is ready to purchase the ships or they can be leased for a period of five years. It is a House measure and the Dieselizing development is considered of very great importance. It is being put into effect in ships of foreign countries, and it is hoped that we can follow the same policy.

Mr. KING. Reserving the right to object, I understand that the bill calls for an authorization to expend $25,000,000.

Mr. JONES of Washington. No; it does this. Under the shipping act a ship construction loan fund was created out of the funds received from the sale of ships, and so forth, up to $125,000,000 that may be loaned under certain restrictions for the construction of new ships. I understand there is about $66,000,000 in that fund. The bill simply permits the use of a part of that fund up to $25,000,000, if it should be required, in Dieselizing the ships. That can not be done with the funds under the law as it is now. Under the law as it is now the fund can be used only for the construction of new ships. This would permit the use of a part of the fund for Dieselizing ships that we already have.

Mr. FLETCHER. It would help very greatly in the disposition of some of the ships which we can not otherwise sell.

Mr. JONES of Washington. We think so.

Mr. FLETCHER. The Government is entirely protected because under the terms of the bill we are bound to get back more than the amount we loan, and in addition to that we will get back the fair valuation of the ships.

Mr. JONES of Washington. Under the law as it is they can loan up to two-thirds of the value of the ships, but under the amendment proposed in the bill they can only loan up to 50 per cent unless additional security of a satisfactory character to the board is furnished.

Mr. ROBINSON. Is the report of the Senate committee unanimous?

Mr. JONES of Washington. It is.

Mr. KING. Mr. President, I confess that I do not like to object to a measure which two such distinguished Senators indorse, but I can not bring myself to support a bill until I know more about it. We know that the expenditures of the Shipping Board have been so unsatisfactory as to bring criticism if not condemnation from every quarter. Any recommendation by the Shipping Board I confess that I should look upon with—I will not say suspicion, but I should like to scrutinize it before I approve it. We have appropriated more than $3,000,000,000 to the Shipping Board, and all of its assets would not sell for $200,000,000. This is an authorization for an expenditure of $25,000,000 more, and will perhaps more quickly effectuate the complete liquidation of the entire concern. It will go into the hands of receivers, of course, and the sooner it is wiped off the map and charged to profit and loss the better for the Government.

Mr. JONES of Washington. Let me read one clause from the bill:

Provided further, That no part of such fund shall be expended upon the reconditioning of any vessel unless the board shall have first made a binding contract for a satisfactory sale of such vessel in accordance with the provisions of this act, or for the charter or lease of such vessel for a period of not less than five years.

This is not specially a recommendation of the Shipping Board. The Merchant Marine Committee of the House spent, I think, a couple of months working over the problem and considering the question and preparing the bill. I believe it is really for the very great interest of the merchant marine. It will help us out. We have our troubles, and there is no question about it. We are trying to work to get out of the matter as best we can and build up our merchant marine. I hope there will be no objection to it.

Mr. FLETCHER. The cost of operating a Dieselized ship would be much less than the operating cost of a coal burner.

Mr. JONES of Washington. From the investigations, which I have made quite fully, if we are going to keep up at all with the other shipping countries, we have to have many of our ships Dieselized to meet the situation.

Mr. KING. Let me ask just another question, and I shall not object. Does not the Senator think it is unwise to permit this organization to sell its resources, its assets, its ships, and make no accounting to Congress, but utilize the funds which it receives in further expenditures? It seems to me that the organization, as well as every other public agency, when it sells property ought to cover the proceeds derived therefrom into the Treasury, and then the Congress may make an appropriation, if it desires to do so, for purposes of this character or any other purpose; but to turn the funds back into the Treasury and permit their expenditure by these agencies without authorization of Congress, it seems to me to be a very unwise and a very fatuous policy.

Mr. JONES of Washington. We require that now, except as to this particular fund which they have to spend in a certain prescribed way. The Senator will remember that we appropriated $30,000,000, I think, in the last bill to help defray the expenses of the board, although we do allow them to use some of the proceeds in this way. It seems to me that it is absolutely essential in carrying on the business, which is really a commercial business. If we should require them to get out of the Treasury every dollar that they spend and to put every dollar of income they get from voyages, and so forth, into the Treasury, there would be a further handicap.

Mr. KING. I had reference more particularly to proceeds derived from the sale of property, from the sale of ships and accumulated stores and assets to the extent of hundreds of millions of dollars. They have not accounted to the Treasury for the proceeds derived from the sale of those properties.

Mr. JONES of Washington. I think the proceeds from the sale of their ships must go into the Treasury, except as they go into this fund, which must be accounted for.

The bill had been reported from the Committee on Commerce with amendments.

The first amendment was, on page 2, line 7, after the word "economical," to insert the word "engines," and in line 10, after the word "with," to insert the word "engines," so as to make the clause read:

That section 11 of the merchant marine act, 1920, be, and the same is hereby, amended to read as follows:

"SEC. 11. (a) That during a period of five years from the enactment of this act (merchant marine act of 1920) the board may annually set aside out of the revenues from sales and operations a sum not exceeding $25,000,000, to be known as its construction loan fund. The board may use such fund to the extent it thinks proper, upon such terms as the board may prescribe, in making loans to aid persons citizens of the United States in the construction by them in private shipyards or navy yards of the United States of vessels of the best and most efficient type for the establishment or maintenance of service on lines deemed desirable or necessary by the board, provided such vessels shall be equipped with the most modern, the most efficient, and the most economical engines, machinery, and commercial appliances or, in the equipment by them in private shipyards or navy yards of the United States of vessels already built, with engines, machinery, and commercial appliances of the type and kind mentioned."

The amendment was agreed to.

The next amendment was, on page 3, line 21, after the word "If," to insert the words "sufficient and satisfactory," and in line 24, after the word "but," to strike out the words "such additional amount shall not exceed one-half the market value of the additional security furnished, and," so as to make the clause read:

(e) No loan shall be for a greater sum than one-half the cost of the vessel or vessels to be constructed, or than one-half the cost of the equipment hereinbefore authorized for a vessel already built:

Provided, however, If sufficient and satisfactory security is furnished in addition to the mortgage on the vessel or vessels the board may increase the amount loaned, but in no case shall the total loan be for a greater sum than two-thirds of the cost of the vessel or vessels to be constructed, or than two-thirds of the cost of the equipment and its installation for vessels already built.

The amendment was agreed to.

Mr. JONES of Washington. On page 2, line 6, after the words "shall be," I move to insert the words "fitted and," so that it will read "shall be fitted and equipped."

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

Mr. JONES of Washington. On page 2, line 8, after the words "or in the," I move to insert the words "outfitting and," so that it will read "in the outfitting and equipment."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROTECTION OF ALASKAN FISHERIES

The bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes, was announced as next in order.

Mr. JONES of Washington. The Senator from Utah [Mr. KING] desires to speak probably 15 or 20 minutes on this bill, so that I will ask that it go over to-night in the hope that in the very near future we shall be able to take up the bill when he may have the time he desires.

The PRESIDENT pro tempore. The bill will go over.

BRIDGE ACROSS THE TUG FORK OF BIG SANDY RIVER, W. VA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 5218) granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1638) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.

Mr. OVERMAN. Let that bill go over.

Mr. SHEPPARD. This bill has passed the Senate on two or three former occasions. It proposes to authorize the Court of Claims to pass upon the claim of Captain Shearer.

Mr. OVERMAN. If Captain Shearer patented his inventions while he was an officer, the patents belong to the Government.

Mr. CURTIS. The senior Senator from Utah [Mr. SMOOT] asked me to object to the consideration of the bill.

Mr. OVERMAN. I object to the consideration of the bill. We can never get the bill passed. If Captain Shearer was an Army officer when his patent was granted, I repeat, it belongs to the Government.

Mr. SHEPPARD. Mr. President, allow me to say that Captain Shearer claims that he developed his patents not as a result of any direction or employment by the Government, and that the Government, under the decision of the Supreme Court, is not entitled to take these patents without compensation. He wants the court to pass upon the claim.

Mr. OVERMAN. Congress has always turned such bills down. It has done so time and again.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1740) to provide relief for the victims of the airplane accident at Langin Field was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, was announced as next in order.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The senior Senator from Utah [Mr. SMOOT] desires that this bill be passed over, and the bill will go over.

The bill (S. 1574) for the relief of John O'Neil was announced as next in order.

Mr. KING. Let that bill go over.

Mr. CAPPER. Mr. President, may I ask that the bill be temporarily passed over? The Senator from New Jersey [Mr. EDGE] who introduced the bill will be here shortly, and he is very much interested in it.

The PRESIDING OFFICER. The bill will be passed over.

BLACKFEET INDIAN ALLOTTEES, MONTANA

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2879) to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont. It provides that the allotments of Blackfeet Indians designated as homesteads under section 10 of the act of June 30, 1919 (41 Stat. L. p. 16), imposing restrictions on alienation, shall after the death of the original allottee be subject to partition, sale, issuance of patents in fee, or any other disposition authorized by existing law relating to Indian allotments.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 626) to prevent the sale of cotton and grain in future markets, was announced as next in order.

Mr. OVERMAN. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 147) for the relief of Albert Wood was announced as next in order.

Mr. DIAL. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1230) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1642) to provide for the purchase and sale of farm products was announced as next in order.

Mr. OVERMAN. I suppose that bill will have to go over, as the Senator from Nebraska [Mr. NORRIS], who reported it, is not present.

The PRESIDING OFFICER. The bill will be passed over.

SALE OF LANDS AT ADGER, IDAHO

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7500) to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes.

The bill was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized to sell and convey to the Oregon Short Line Railroad Co., a corporation organized under the laws of the State of Utah, and authorized to do business in the State of Idaho, its successors and assigns, for a sand and gravel pit for railroad purposes, and at a price to be fixed by appraisement at not less than $25 per acre, and under such terms, conditions, and regulations as the Secretary of the Interior may prescribe, the following-described lands, situated in Ada County, Idaho:

All that part of the south half of the northeast quarter, the north half of the southeast quarter, and the southeast quarter of the southeast quarter of section 25, township 1 north, range 2 east, Boise meridian, and lot 3 and lot 4 of section 30, township 1 north, range 3 east, Boise meridian, within the following-described area:

Beginning at the intersection of the present southwesterly right-of-way boundary of the main line of the Oregon Short Line Railroad Co., with the range line common to township 1 north, range 2 east, and township 1 north, range 3 east of the Boise meridian, 100 feet southwesterly, measured at right angles, from the center line of main track of said railroad, said intersection also bearing north, 1,619.63 feet from the section corner common to sections 25 and 36 of said township 1 north, range 2 east, and sections 30 and 31 of said township 1 north, range 3 east; thence north 51° 7' west, along said southwesterly right-of-way boundary, being 100 feet southwesterly from and parallel to said center line of main track for a distance of 2,660.22 feet; thence south 642.32 feet to a point in the east and west center line of said section 25, which is 600 feet southwesterly, measured at right angles, from the said center line of main track; thence south 51° 7' east along a line which is 600 feet southwesterly from and parallel to said center line of main track for a distance of 2,660.22 feet to a point in the said range line common to township 1 north, range 2 east, and township 1 north, range 3 east; thence north 89° 56' east, 795.36 feet, to a point in the said southwesterly right-of-way boundary; thence north 51° 7' west, along said southwesterly right-of-way boundary, being 100 feet southwesterly from and parallel

to said center line of main track, for a distance of 1,021.76 feet, to the point of beginning, and containing, in all, 36.39 acres, more or less: *Provided,* That there shall be reserved to the United States all gas, oil, coal, or other mineral deposits found at any time in the said lands and the right to prospect for, mine, and remove the same.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 2647) for the relief of Lena Garagnon Owens was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4012) to reimburse William H. Flagg and others for property destroyed by mail airplane No. 73, operated by the Post Office Department, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

EVA B. SHARON

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 5136) for the relief of Eva B. Sharon. It directs the Secretary of the Treasury to pay to Eva B. Sharon, for repairing damages to her dwelling caused by blasting of rock in connection with construction of Le Claire Lock in the Mississippi River at Le Claire, Iowa, in September, 1916, the sum of $267.25, in full settlement of all damages against the Government.

Mr. KING. I should like to inquire whether the work referred to in this bill was being done by contract or by the Government?

Mr. CUMMINS. As I understand, the work was done by the Government, and as the result of blasting, a poor woman's house which stood on the banks of the Mississippi River was damaged. The amount involved is only $267.25, and the claim is approved by the War Department and the engineers in charge.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2518) for the relief of Austin G. Talnter was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TRANSFER OF LANDS TO COLORADO NATIONAL FOREST

The bill (H. R. 2713) to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo., was considered as in Committee of the Whole. It proposes to transfer those portions of the following-described tracts now within the Rocky Mountain National Park to the Colorado National Forest, and that they shall hereafter be subject to all laws relating to the use and administration of the national forests: Section 10; northwest quarter of southeast quarter, southwest quarter of the northeast quarter, and the southwest quarter of section 11; northwest quarter of the northeast quarter, north half of the northwest quarter, and the southwest quarter of the northwest quarter of section 15; and the northeast quarter of section 16; township 6 north, range 75 west, sixth principal meridian.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LAND IN FLOMATON, ALA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4437) to quiet titles to land in the municipality of Flomaton, State of Alabama.

The bill was read as follows:

Be it enacted, etc., That all the right, title, and interest of the United States of America in and to the lands situated in the municipality of Flomaton, State of Alabama, being 40 acres of land described as southwest quarter of the southwest quarter of section 34, township 1 north, range 8 east, of St. Stephens meridian, be, and the same are hereby, granted, released, and relinquished by the United States to the equitable owners of the equitable titles thereto and to their respective heirs and assigns forever, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided,* That the confirmations granted hereby shall amount only to a relinquishment of any title that the United States has or is supposed to have in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, and interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to those persons, estates, firms, or corporations who would be the true and lawful owners of said lands under the laws of Alabama including the laws of prescriptions, in the absence of said interest, title, and estate of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EDGAR WILLIAM MILLER

The bill (S. 3170) for the relief of Edgar William Miller was announced as next in order.

Mr. KING. Mr. President, I shall object to the consideration of the bill unless I have an explanation of it.

Mr. WADSWORTH. Mr. President, this is a case which appealed very strongly to the members of the Committee on Military Affairs. This officer was court-martialed in 1914 for what I might describe as bad habits. He was reduced a large number of files eventually, but the first sentence of the court-martial was dismissal from the Army.

Mr. KING. Was he a West Pointer?

Mr. WADSWORTH. No. He is a medical officer; he is a Regular Army officer, however. As I have said, he was at first sentenced to dismissal from the Army. General Crowder, who was Judge Advocate General of the Army at that time, in consultation with the then Secretary of War persuaded the Secretary to lighten the sentence into a heavy reduction of files. A letter from General Crowder in the case indicates that he assured Secretary Baker that he would be personally responsible, if such a thing were possible, for this officer's future good behavior. The Secretary of War modified the sentence in that way. Two years later he went into the World War.

This officer became the commander of the ambulance companies of the Second Division and finally chief surgeon of the Second Division and was with that division through its entire active service in France. He received, as I recollect, three citations for bravery and excellent administrative ability and came out of the war with splendid credit to himself.

We are now in the year 1924. His dereliction took place 10 years ago. His habits have been perfect since then, and in the meantime he has distinguished himself. The present Judge Advocate General of the Army and the Secretary of War join in a recommendation to Congress to the effect that this officer has been punished enough. He has lost six years of promotion, being now six years in the matter of promotion behind the place which he would have occupied on the promotion list of the Medical Corps had he not been court-martialed back in 1914.

This bill is to restore to that splendid officer the place that he would have occupied to-day in the Medical Corps list were it not for that old court-martial. The officer has earned it, and the Military Affairs Committee begs the Senate to do justice to him.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It authorizes the President of the United States, in his discretion, to appoint, by and with the advice and consent of the Senate, Edgar William Miller, now a major in the Medical Corps, Regular Army, a lieutenant colonel of the Medical Corps, Regular Army, to take rank at the foot of the list of lieutenant colonels, Medical Corps; but no back pay or allowance shall accure as a result of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF WATER AND SEWER MAINS, CORINTH, MISS.

The bill (S. 3026) authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery, was considered as in Committee of the Whole. It authorizes the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery, on such terms and conditions as he deems advisable, and without expense to the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMERICAN ACADEMY IN ROME

The bill (S. 2834) relating to the American Academy in Rome was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That the act entitled "An act to permit the American Academy in Rome to enlarge its purposes, and for other purposes," approved June 6, 1912, is amended by striking out "$3,000,000" and inserting in lieu thereof "$10,000,000."

SEC. 2. That section 3 of the act entitled "An act to incorporate the American Academy in Rome," approved March 3, 1905, as amended, is hereby repealed.

Mr. FLETCHER. Mr. President, will the Senator from Pennsylvania explain what this bill means? Does it involve simply an increase in the capital stock of this corporation?

Mr. PEPPER. Mr. President, the American Academy in Rome was organized by artists, sculptors, and painters at the time of the Chicago World Fair in order to establish and maintain in Rome a center for the artistic education of American students studying abroad. At that time the Congress granted a charter to the academy, but, because it was supposed the academy might become a suppliant for appropriations of public money, a very low limitation was placed upon the value of the property which it was to be permitted to acquire and a provision was inserted in the charter to the effect that nobody who was an officeholder of the Federal Government should be a trustee in the institution.

Time has passed on, and the academy has always been self-sustaining; it has never made and never will make an application for appropriations, but it has acquired valuable real estate, and endowments have been given to it by will and deed. It is one of the greatest institutions now maintained by Americans in the Old World.

The two amendments which if this bill passes will be perfected are, first, to raise the limit of the total value of property which the institution may acquire, and, in the second place, to remove the provision to the effect that the office of trustee is incompatible with the holding of office under the Government.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. PEPPER. I yield to the Senator from Arkansas.

Mr. ROBINSON. Does the bill impose any liability or obligation on the Government of the United States?

Mr. PEPPER. None whatever.

Mr. ROBINSON. Will any appropriation or expenditure of public funds be necessary to effectuate its purposes?

Mr. PEPPER. None at all, sir. The institution is abundantly self-supporting, and it is because it is so prosperous that it has become necessary to ask for an amendment raising the limit of the value of the property which the institution is permitted to hold. The bill has been reported by unanimous vote of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HAINES STREET, PHILADELPHIA, PA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4981) to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa. It authorizes the Secretary of War, in his discretion, to permit the city of Philadelphia, Pa., to use and occupy for street purposes all or any part of a strip of land, 8 feet 6 inches in width, off the south side of the Philadelphia National Cemetery, in that city, and along the Haines Street frontage of the cemetery, but the city shall remove the present stone wall marking the boundary line between the cemetery and the street, and grade, build, and maintain a sidewalk and curb along the frontage of the cemetery and care for and maintain the street the same as other public streets of the city.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2570) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes, was announced as next in order.

Mr. JONES of Washington. I do not think we can consider that bill under the unanimous-consent rule. The bill was incorporated as an amendment in the tariff law that was passed in the preceding Congress, but went out in conference. Under the circumstances I ask that the bill may go over.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF ANTELOPE AND OTHER GAME ANIMALS AND BIRDS

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2761) to authorize the withdrawal of lands for the protection of antelope and other game animals and birds.

The bill was read as follows:

Be it enacted, etc., That, subject to valid existing rights and entries heretofore initiated under the public land laws, any or all of the following-described lands in Government ownership may be withdrawn from entry and disposition by proclamation of the President for the purpose of protecting and propagating antelope and other game animals and birds: National forest lands—Township 18 north, range 7 east, Black Hills meridian, section 24, south half, and south half north half; section 25, all; township 18 north, range 8 east, sections 17 to 20, inclusive; section 21, west half; sections 29 to 32, inclusive. Public lands—Township 18 north, range 7 east, section 5 to 9 inclusive; sections 13 to 23, inclusive; section 24, north half north half; sections 26 to 36, inclusive; and those parts of sections 3, 4, 10, and 11 lying south and west of the Riva Road: *Provided*, That the withdrawal of the lands herein authorized shall not affect existing withdrawals for national forest purposes.

SEC. 2. That the State of South Dakota is hereby authorized and permitted to erect and maintain a good, substantial fence inclosing in whole or in part such areas as may be designated and set aside by the President under the authority of section 1 hereof. The State shall erect and maintain such gates in this fence as may be required by the authorized agents of the Federal Government in the administration of the national forest lands embraced therein, or to provide ingress and egress to persons occupying lands within said inclosure. The right of the State to maintain said fence shall continue so long as the area designated by the President shall be given protection by the laws of the State of South Dakota as a game refuge.

Mr. KING. Mr. President, I should be glad to have an explanation of the bill, particularly the second section which grants to the State of South Dakota permission to fence certain lands. I am not quite clear as to what is involved.

Mr. NORBECK. Mr. President, complying with the request of the Senator from Utah, I wish to state that the purpose of this bill is to give the State permission to include some Government lands in a game preserve that we are about to provide for the protection of a remaining band of antelope, that species being nearly extinct. The State owns a great deal of land right next to the forest reserve, and this bill will permit them to include 6,000 acres in the United States forest reserve. There is no obligation on the part of the Government and there will be no appropriation asked for. The State will maintain it. It is merely a question of providing grazing grounds for the animals.

Mr. KING. I was about to inquire of the Senator whether there was any possibility of the State applying to the Federal Government for a part of the maintenance charge or the cost of upkeep?

Mr. NORBECK. No; I can assure the Senator they will not even ask for any.

Mr. KING. Does the Senator think that the language of the bill would exculpate the Government from any liability?

Mr. NORBECK. Absolutely. The State government has no such thought. They have all the funds ready with which to do the work. It will be maintained by the game department of the State, which has a good annual revenue.

Mr. KING. It may not always be so prosperous.

Mr. NORBECK. Of course, that is a possibility.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTIONS PASSED OVER.

The joint resolution (S. J. Res. 47) establishing a congressional committee to consider ways and means through legislation to lighten the responsibilities of the President was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The joint resolution (H. J. Res. 184) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

CUSTER STATE PARK GAME SANCTUARY

The bill (S. 2699) to amend an act creating the Custer State Park Game Sanctuary in the State of South Dakota was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That upon recommendation of the Secretary of Agriculture the area designated as the Custer State Park Game Sanctuary under the provisions of the act of June 5, 1920 (41 Stat. L. p. 986), may by proclamation of the President be enlarged to embrace a total of not to exceed 46,000 acres, and the act of June 5, 1920, shall otherwise apply with equal force to the additional area authorized by this act.

Mr. KING. Mr. President, does this bill purpose to create another national park?

Mr. NORBECK. No; it does not. The State now has a game sanctuary in South Dakota adjoining the State park. The State has a State park 8 miles by 12 in the forest. It already has 40 miles of game-tight fence inclosing herds of elk, deer, buffalo, and so forth; and in the State sanctuary itself the State has spent several thousand dollars for highways. The purpose of this bill is to enlarge the boundary so as to get the fence out of the rocky ridges and down on more level ground. It proposes no transfer of any property to the State. No money will be asked for. The Government retains the timber. The State has the right to fence the area for the protection of the animals, but is not allowed to kill them.

Mr. KING. Mr. President, I should like to inquire what reservations or restrictions there are by which the control of the property may be assumed by the Government later on if it should desire to do so?

Mr. NORBECK. This is not a new bill. This is an amendment to an act passed about four years ago increasing the acreage. That is the only change that is made. They will have the same powers that they have under the present law.

Mr. KING. Mr. President, this may be all right, but it does seem to me that where the Government transfers land to the State by proclamation or otherwise, giving the State control over it, there ought to be some restrictive provisions in the bill, some conditions under which the Government may reassert its title and resume control over the territory.

Mr. NORBECK. May I explain? I am afraid the Senator misunderstood me. There is no transfer of title. The title remains in the Government of the United States. The State of South Dakota will be permitted to fence this land and have the control of the grazing as long as it is used for that purpose. The Government retains all other control of it.

Mr. KING. Is there a unanimous report from the committee?

Mr. NORBECK. Yes, sir; there is a unanimous report. A similar bill has also been reported from the House committee.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALASKA GAME COMMISSION

The bill (S. 2559) to establish an Alaska game commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. KING. Let the bill be read.

The reading clerk proceeded to read the bill.

Mr. ROBINSON. Mr. President, I inquire of the Senator reporting the bill what expense is contemplated to the Government or to Alaska?

Mr. NORBECK. None whatever. This is a measure in the interest of efficiency and economy. There are two or three reasons for passing it, but the main one is that at the present time there are two departments enforcing the game laws of Alaska. The Agricultural Department has game wardens looking after the fur-bearing animals and certain other things; the Interior Department has game wardens looking after the elk and moose, and so forth; and frequently two game wardens will be in the same territory, one under the Interior Department and the other under the Agricultural Department.

Mr. ROBINSON. This bill concentrates them in which department?

Mr. NORBECK. It makes the money that has been appropriated for the two departments available to be used under one of them.

Mr. ROBINSON. Which department?

Mr. NORBECK. Under the Agricultural Department.

Mr. ROBINSON. The members of the commission receive no compensation?

Mr. NORBECK. The members of the commission will receive compensation. I said there were two or three reasons for the passage of the bill. One reason is that the people of Alaska complain bitterly about the rigidity of the present law and the lack of any chance to express themselves on it; so the purpose of the bill is to provide for a commission of five members, four of whom will be residents of Alaska, one from each of the judicial districts. Only one of them will be salaried. The others will have per diem and expenses, but the intention is to have a commission of five.

We must keep in mind the fact that Alaska is about half the size of the United States proper, that some of these wardens may be 2,000 miles apart and at places more, and this bill places more responsibility and authority on the people up there, hoping to get their cooperation. This is the one bill that has met with the approval of the people of Alaska and the two departments affected and all the animal lovers and the outdoor people, men like Hornaday, of New York City, and the Boone and Crockett Club, and other people who are trying to preserve our native game animals from extinction.

One of the troubles with the present law is that hunters may exterminate some species, whereas if we can get a regulation that is elastic they can set aside certain areas and protect them, and make the hunters go perhaps a little farther, in order to save certain species that are threatened with extinction.

Mr. ROBINSON. Of course, I think the object of conserving the game in Alaska is a meritorious one. I have had no opportunity of studying the provisions of this bill. I inquire of the Senator from North Dakota if the committee is unanimous?

Mr. NORBECK. Yes; it is. We had hearings.

Mr. FLETCHER. May I inquire of the Senator whether it meets with the approval of the Delegate from Alaska?

Mr. NORBECK. It does. Mr. SUTHERLAND is here, and interested in the bill.

Mr. COPELAND. Mr. President, I should like to say that a number of my constituents seem to be very much interested in this bill. They seem to be urging strongly that the bill be put through in the interest of conservation.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment of the Committee on Agriculture and Forestry was, on page 13, line 1, after the word "sold," to strike out "for use within the Territory but not for export" and to insert "under such restrictions as the Secretary may deem to be appropriate"; in line 9, after the word "serving," to strike out "and" and to insert "or"; and in line 11, after the word "cannery," to insert "or other commercial," so as to make the section read:

SEC. 10. Regulations: That the Secretary of Agriculture, upon consultation with or recommendation from the commission, is hereby authorized and directed from time to time to determine when, to what extent, if at all, and by what means game animals, land fur-bearing animals, game birds, nongame birds, and nests or eggs of birds may be taken, possessed, transported, bought, or sold, and to adopt suitable regulations permitting and governing the same in accordance with such determinations, which regulations shall become effective 90 days after the date of publication thereof by the Secretary of Agriculture; but no such regulation shall permit any person to take any female yearling or calf moose, any doe yearling or fawn deer, or any female or lamb mountain sheep except under permit for scientific, propagation, or educational purposes; or to use any dog in taking game animals; or to sell the heads, hides, or horns of any game animals, except the hides of moose, caribou, deer, and mountain goat which the regulations may permit to be sold under such restrictions as the Secretary may deem to be appropriate; or to use any shotgun larger than a No. 10 gauge; or to use any airplane, steam or power launch, or any boat other than one propelled by paddle, oars, or pole in taking game animals or game birds; or to sell any game animals, game birds, or parts thereof, to the owner, master, or employee of any coastal or river steamer or commercial power or sail boat, or to procure for serving or to serve any such game animals, game birds, or parts thereof, in any cannery or other commercial mess house, or to the employees on any such steamer or boat; nor, except as herein provided, shall prohibit any Indian or Eskimo, prospector, or traveler to take animals or birds during the close season when he is in absolute need of food and other food is not available; but the shipment or sale of any animals or birds or parts thereof so taken shall not be permitted, except that the hides of animals so taken may be sold within the Territory; but the Sec-

retary, by regulation, may prohibit such native Indians or Eskimos, prospectors, or travelers from taking any species of animals or birds for food during the close season in any section of the Territory within which he shall determine that the supply of such species of animals or birds is in danger of extermination; nor shall any such regulation contravene any of the provisions of the migratory bird treaty act and regulations.

The amendment was agreed to.

The next amendment was, on page 14, line 6, before the word "license," to insert "and trapping," so as to make the paragraph read:

SEC. 11. License: Subdivision A. Nonresident hunting license.—That, except as otherwise permitted by this act, or by regulation made pursuant thereto, no nonresident shall take or possess any of the animals or birds protected by this act without first having procured a nonresident hunting and trapping license as herein provided.

The amendment was agreed to.

The next amendment was, on page 14, line 17, after the word "legally," to strike out the word "taken" and to insert "acquired," and at the end of line 17, after the word "him," to strike out "not to exceed the number he could legally have taken during the two years immediately preceding his removal from the Territory," so as to make the paragraph read:

Subdivision B. Resident shipping license.—That no resident of the Territory shall export any game animal or part thereof, except that he may export for mounting and return to the Territory in any one year but not for sale, not to exceed two heads or trophies of each species of game animal legally killed by him, upon first procuring a resident shipping license as herein provided, but the Secretary may by regulation permit a citizen of the United States who has been a resident of the Territory for at least two years and who is removing his residence from the Territory to export trophies of game animals legally acquired by him, upon first procuring a resident shipping license as herein provided.

The amendment was agreed to.

The next amendment was, on page 15, line 5, after the word "half-breeds," to insert "who have not severed their tribal relations by adopting a civilized mode of living or by exercising the right of franchise," so as to make the paragraph read:

Subdivision C. Resident hunting and trapping licenses: That the commission, whenever it shall deem expedient, may by regulation require residents of the Territory to procure resident hunting and trapping licenses authorizing them to take animals and birds protected by this act, and when such licenses shall have been required of residents the fee therefor shall be as follows: For each hunting license the sum of $2 and for each trapping license the sum of $2, but no such license shall be required of native-born Indians, Eskimos, or half-breeds who have not severed their tribal relations by adopting a civilized mode of living or by exercising the right of franchise. After the expiration of 60 days from the adoption of such regulation no resident shall take any animal or bird protected by this act without having first procured resident hunting and trapping licenses as herein provided.

The amendment was agreed to.

The next amendment was, on page 16, line 25, after the word "half-breed," to insert "who has not severed his tribal relations by adopting a civilized mode of living or by exercising the right of franchise," so as to make the paragraph read:

Subdivision H. Fur dealers, licenses, fees: No person shall buy or sell the skins of fur-bearing animals, or engage in, carry on, or be concerned in the business of buying, selling, or trading in the skins of fur-bearing animals protected by this act without first having procured a license as herein provided, but no license shall be required of a native-born resident Indian, Eskimo, or half-breed who has not severed his tribal relations by adopting a civilized mode of living or by exercising the right of franchise, or of a hunter or trapper selling the skins of such animals which he has lawfully taken, or of a person not engaged or employed in the business of trading in such skins to purchase them for his own use but not for sale.

The amendment was agreed to.

The next amendment was, on page 18, line 5, after the word "the," to strike out "executive officer" and to insert "members of the commission"; in line 6, after the word "issued," to insert "by members of the commission and"; after line 17, to strike out "Nonresident big game hunting license, $50," and to insert "Nonresident big game, small game, and fur-bearing animal hunting and trapping license, $50"; after line 20, to strike out "Nonresident trapping license, $50"; after line 21, to strike out "Nonresident small game license, $10" and to insert "Nonresident small game hunting license, $10"; on page 19, line 1, before the word "for," to strike out "$20" and to insert "$5"; at the end of line 1, after the word "each," to strike out "moose"; in line 2, after the word "trophy," to strike out the comma and the words "and for each other trophy of big game, $10" and to insert "of big game"; and at the end of line 6, to strike out "$5" and to insert "$2," so as to make the subdivision read:

Subdivision I. Fees and applications for, and issuance of licenses: Licenses, with the exception of alien special licenses and resident shipping licenses, shall be issued by the commission through its members, game wardens, and other persons authorized by it in writing to sell licenses. Alien special licenses shall be issued only by the members of the commission, and resident shipping licenses shall be issued by members of the commission and by the collector of customs at the port of shipment. Application blanks for licenses shall be furnished by the commission and shall be in such form as the commission may by regulation determine; and each application shall be subscribed and sworn to by the applicant before an officer authorized to administer oaths in the Territory; and the members of the commission, and its game wardens and other persons authorized in writing by it to issue licenses are hereby authorized to administer oaths to applicants for such licenses. The applicant for a license shall accompany his application with a license fee as follows:

Nonresident big game, small game, and fur-bearing animal hunting and trapping license, $50.
Nonresident small game hunting license, $10.
Resident shipping and return license, $1 for each trophy.
Resident removing from Territory, $5 for each trophy of big game.
Registered guide license, $10.
Alien special license, $100.
Fur farm license, $2.

The amendment was agreed to.

The next amendment was, on page 23, after line 6, to insert the following additional section:

SEC. 17. That nothing in this act contained shall be construed as repealing or modifying in any manner section 6 of the act of Congress approved February 26, 1917 (39 Stat. L. p. 938), entitled "An act to establish the Mount McKinley National Park in the Territory of Alaska."

The amendment was agreed to.

The next amendment was, on page 23, line 13, to change the section number from "17" to "18."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF JUDICIAL CODE

The bill (H. R. 714) to amend section 101 of the Judicial Code was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2155) to amend and modify the war risk insurance act was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ROCK CREEK AND POTOMAC PARKWAY COMMISSION

The bill (S. 3016) to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the authority of the Rock Creek and Potomac Parkway Commission, as created in section 22 of the public buildings act, approved March 4, 1913 (37 Stat. p. 885), is hereby extended so as to enable them to acquire, by purchase, condemnation, or otherwise, under the same procedure as authorized in the above-mentioned act, that portion of the piece or parcel of land now described on the records of the assessor of the District of Columbia as parcel 66/2, which lies between Waterside Drive and Adams Mill Road and the southern boundary of the National Zoological Park and the street laid down to the north and west of square No. 2547 on the present plan of the permanent system of highways for the District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT

The bill (S. 3077) to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, I see the Senator from Delaware here. I should like him to explain this bill.

Mr. BALL. Mr. President, this bill increases the Public Utilities Commission from three to five. At present the Commissioners of the District are the Public Utilities Commission for Washington. Their time is so thoroughly taken up with other matters concerning the District that they do not have time to go thoroughly into the public utility valuations so that they can properly fix rates. This bill provides that one attorney shall be president of the board and shall devote his entire time to the work, and that one Army officer above the grade of captain shall be added.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Delaware whether the Senator from Tennessee [Mr. McKELLAR] would not be very much interested in this bill?

Mr. BALL. Very much.

Mr. COPELAND. Is he in favor of it?

Mr. BALL. The hearings that have been conducted on the street railway fare question gave rise to the necessity for this amendment.

Mr. COPELAND. Does the Senator from Tennessee favor this amendment?

Mr. BALL. I am very sure he would. He discussed it with me one day, and I explained to him that we were so amending the law.

Mr. COPELAND. Mr. President, I should like to be very sure that the Senator from Tennessee is satisfied, because he has given a great deal of study to this problem. I hate to interfere in the matter, but I think the bill ought to go over unless the Senator from Delaware is very certain that the Senator from Tennessee is satisfied with it.

Mr. BALL. Mr. President, I hope the Senator from New York will not object, because unless this bill passes to-night there will be no chance for it to become a law at this session, as it has to go over to the House; and in my judgment it is very important, in settling the controversy in which the Senator from Tennessee is interested, that this bill be passed.

Mr. WALSH of Massachusetts. Mr. President, will the Senator state what salaries are paid the members of this commission?

Mr. BALL. The Army officer, of course, receives no additional salary except an amount sufficient to bring his compensation up to that of the other commissioners. The attorney is paid the same salary as the present commissioners, which now, I think, is fixed at $6,000. Formerly it was $5,000.

Mr. WALSH of Massachusetts. What salary is to be paid the permanent commissioner?

Mr. BALL. The same salary, I think, as the other commissioners.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913, section 8 of which creates the Public Utilities Commission of the District of Columbia, be, and the same is hereby, amended by striking out paragraph 97 of said section 8 and inserting in lieu thereof the following paragraph:

"PAR. 97. That all the powers created by this section and the duty of carrying this section into effect and enforcing the provisions thereof are hereby vested in a public utilities commission of the District of Columbia, to be composed of a citizen of the District of Columbia learned in the law, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, who shall be chairman of said commission, the Commissioners of the District of Columbia, and an officer of the Corps of Engineers of the United States Army, whose lineal rank shall be above that of captain. The Commissioners of the District of Columbia shall be members of said public utilities commission by virtue of their office and shall exercise the duties of public utilities commissioners as additional and superadded powers to their powers and duties as Commissioners of the District of Columbia. The member of the commission to be appointed by the President and confirmed by the Senate and the officer of the Corps of Engineers who shall be detailed by the President of the United States as a member of said commission shall hold said office for the term of four years. The Commissioners of the District of Columbia shall not receive any additional compensation for their added duties as members of said public utilities commission. The chairman of said commission shall receive a compensation equivalent to that of a Commissioner of the District of Columbia. The officer of the Corps of Engineers detailed as a member of said commission shall be paid such amount in addition to his Army pay and allowances as is necessary to make his salary equivalent to that of a Commissioner of the District of Columbia. The powers, authority, and duties heretofore imposed upon and granted the Commissioners of the District of Columbia as members of the public utilities commission shall be permanent and are hereby imposed on and granted to the present Commissioners of the District of Columbia and their successors in office. The chairman of said commission shall, in addition to his duties as chairman, act as the legal officer of said commission in any action pending before said commission or before any of the courts in which under the provisions of said section the commission is authorized to be represented by counsel, and shall be assisted in said duties by the general counsel of said commission now authorized by law. A majority of said commissioners shall constitute a quorum to do business, and any vacancy shall not impair the right of the remaining commissioners to exercise all the powers of the commission. Any investigation, inquiry, or hearing within the powers of the commission may be made or held by any commission, whose acts and orders when approved by the commission shall be deemed to be the order of the commission. The commission shall have power to adopt and publish rules to govern its proceedings and to regulate the mode and manner of all investigations and hearings pertaining to public utilities.

"No commissioner shall be interested directly or indirectly in any public utility or in any stock, bond, mortgage, or contract of any such public utility; and if any such commissioner shall voluntarily become so interested, his office shall ipso facto become vacant; and if any such commissioner shall become so interested otherwise than voluntarily, he shall within a reasonable time divest himself of such interest, and if he fails so to do his office shall become vacant. Before entering upon the duties of his office each commissioner, the secretary of the commission, the counsel of the commission, and every employee of said commission shall take and subscribe the constitutional oath of office and shall in addition thereto make oath or affirmation before and file with the clerk of the Supreme Court of the District of Columbia that he is not pecuniarily interested, voluntarily or involuntarily, in any public utility in the District of Columbia or elsewhere."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CHANGE OF NAME OF JEWETT STREET

The bill (H. R. 6628) to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 893) for the relief of John H. Rheinlander was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MEMORIAL TO DISTRICT OF COLUMBIA SERVICE MEN

The joint resolution (S. J. Res. 73) providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on the Library, with an amendment, on page 1, line 6, after the word "Stephan," to insert "J. R. McDonald, Gist Blair," so as to make the joint resolution read:

Resolved, etc., That a commission to be composed of Charles A. Baker, Edward F. Colladay, John Joy Edson, Mrs. William Corcoran Eustis, Isaac Gans, E. Lester Jones, Arthur D. Marks, Frank B. Noyes, Anton Stephen, J. R. McDonald, Gist Blair, and any other person who with the approval of a majority of the commission is added thereto or substituted for any member thereof, is hereby created to be known as the District of Columbia Memorial Commission for the purpose of erecting in Potomac Park in the District of Columbia a memorial to those members of the military and naval forces of the United States from the District of Columbia who served their country in the Great War. Such memorial shall be of artistic design suitable for military music and shall take the place of the present wooden band stand in Potomac Park.

SEC. 2. That the Chief of Engineers of the United States Army is hereby authorized and directed to select the site for the memorial and to grant permission for the erection of said memorial thereon: *Provided*, That the site, design, and plans for the memorial shall have been approved by the Joint Committee on the Library acting with the advice of the Commission of Fine Arts: *Provided further*, That the

Insert $3 ; at the end of line 1, after the word "each," to

and for other purposes, was announced as next in order.

memorial shall be erected under the supervision of the said Chief of Engineers and that no part of the cost of erection shall be borne by the United States.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 87) authorizing the erection of a flagstaff at Fort Sumter, and for other purposes, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ALMEDA LUCAS

The bill (S. 149) for the relief of Almeda Lucas was announced as next in order.

Mr. DIAL. Mr. President, I should like to have the Senator make an explanation of that bill.

Mr. BAYARD. Mr. President, I report the bill out from the committee.

Lucas obtained a grant of land in Tillamook County, Oreg., which was surveyed by the Government surveyors, and he located upon it and cleared about 10 or 14 acres and built some buildings on it. The testimony shows, under oath, that the buildings cost him upward of nine or ten thousand dollars. A neighbor located another survey, and when the neighbor's survey was put on the ground plan of the county by the Government surveyor it was found that there had been a mistake in Lucas's survey, and that this particular portion of land which he had cleared and built upon did not belong to him. Therefore it was taken away from him, so that he lost his labor and time of clearing 12 or 14 acres and the expense to which he had been put in erecting these buildings.

Mr. KING. Mr. President, it seems to me that if we allow this it will be a very dangerous precedent. Frequently in the West, where we have public surveys and where we know that most of the original surveys were erroneous, we know of very great hardships which resulted from them, and I want to state now that if we adopt this precedent we will be opening the door to subject the Government to claims for very large sums.

Mr. OVERMAN. Let the bill go over, then, Mr. President.

Mr. BAYARD. May I not finish?

Mr. McNARY. I feel that I should say in reply to the statement made by the Senator from Utah that frequently since I have been in the Senate, during my short service, we have had similar legislation passed. Here is the case of a widow with nine children, whose husband died on the land. The land was surveyed by the Government, and this man went on it and put up improvements costing $10,000. The Government subsequently found that the survey was erroneous, and this bill will award the widow one-half of the money her husband expended there during a period of 20 years. The Government's error was so apparent and so obvious to all those who looked into it, from the department and the committee, that the committee reported unanimously in favor of the relief for this widow and her children.

Mr. KING. Let me ask the Senator if he does not know that many of the surveys, both upon agricultural as well as mining land, because of errors, errors oftentimes of the surveyors, and sometimes without their fault, sometimes because the datum line which had been established by the Government had been destroyed, resulted in duplicate entries, and in duplicate patents, in many instances, and that if we adopted this precedent, we would subject the Government to claims for compensation for all who have suffered by reason of any erroneous survey which was made. I ask the Senator if he does not regard it as a dangerous precedent?

Mr. BAYARD. May I interrupt the Senator for a moment? I will state to the Senator from Utah that this claim passed the Senate last year.

Mr. KING. Mr. President, that would not influence me at all.

Mr. BAYARD. I would further state to the Senator that he was present when it was passed. I sat beside him.

Mr. KING. There is no sanctity in our decisions, no certainty that they are right.

Mr. McNARY. Mr. President, it does not establish a precedent at all. There have been literally thousands of claims less meritorious, involving the same principle, that have passed Congress. Here is an instance where the Government told a pioneer he could go on certain land and establish certain improvements; and taking upon that land a large family, he cleared of stumps 13 acres and constructed a home and substantial outbuildings to the extent of $10,000. He died, and his widow, after a resurvey was made, found that the Government had placed him on land on which the Government was not entitled to place him. The Government gets the land back, and all she is asking is to return her 50 per cent of the construction charges put upon the land by her husband.

Mr. KING. If the Government owns the land, and if, as the Senator says, the Government would get it back——

Mr. McNARY. The Government has it back.

Mr. KING. Then why does not the Government convey it to her?

Mr. McNARY. The Government has no opportunity so to do. If the Senator from Utah knew the history of public lands in the West, he would not propound such an inquiry.

Mr. KING. I object to the bill.

The PRESIDING OFFICER. It will go over.

ALICE E. O'NEIL

Mr. EDGE. I ask unanimous consent that we return to order of business 480, Senate bill 1574, for the relief of John O'Neil, which was reached before I arrived in the Chamber and was passed over until I could be present. I would like to have the bill brought before the Senate.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with amendments, on page 1, line 5, to strike out "$10,000" and insert in lieu thereof "$2,500"; in the same line to strike out "John O'Neil" and insert "Alice E. O'Neil"; and in line 7 to strike out "his" and insert "her," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Alice E. O'Neil, of Newark, N. J., as compensation for the death of her son, Edward L. O'Neil, seaman, first class, U. S. S. *Wyoming*, who was drowned in Guantanamo Bay, Cuba, when obeying an order of a superior officer.

The amendments were agreed to.

The bill was reported to the Senate, as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read, "A bill for the relief of Alice E. O'Neil."

JAMES W. LAXSON

The bill (S. 367) for the relief of James W. Laxson, was announced as next in order.

Mr. DIAL. Let that go over.

Mr. BAYARD. Will the Senator withhold his objection a moment until I explain the bill?

Mr. DIAL. Very well.

Mr. BAYARD. This bill is to pay the sum of $182 to the claimant, James W. Laxson. Laxson made an entry on a homestead and started to cut the timber off the land before the entry was completed. That was forbidden under the Government rules, unless he would use the timber himself; so the Government took the timber which was cut and sold it for $182, and paid the money by mistake into the Public Treasury instead of into a fund in the Interior Department.

At the end of five years, under the act, Laxson made good his entry. After he completed his entry the land was granted to him, but when he made his demand for the sum of $182, for which the timber had been sold, it was found that the money had been improperly turned into the General Treasury and not into the special fund provided, into which the money should have been paid.

Mr. DIAL. Very well; I do not object.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $182 to James W. Laxson for a refund covering timber taken from his homestead entry.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HANGARS IN FLYING FIELDS FOR THE AIR MAIL SERVICE

The bill (S. 1051) to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. ODDIE. Mr. President, I will ask the Senator to listen a moment before the objection is insisted on.

Four States are very much interested in this bill, the States of Nevada, Utah, Wyoming, and Nebraska. This question has been studied at length by the department and by the subcommittee, of which I am chairman, of the Committee on Post Offices and Post Roads, and the department has recommended that the bill be passed. I hope the Senator will withdraw his objection, and that the bill will be allowed to pass.

Mr. DIAL. I am on the same committee, and I would like to accommodate my friend, but I shall have to insist on the bill going over.

Mr. WARREN. Mr. President, I hardly think the Senator would want to have the bill go over if he understood the circumstances. I happen to know something of this matter personally, because at my home, and in my private office, Otto Praeger, Assistant Postmaster General some four years ago, called on me in the interest of locating the through mail service. He made a very frank statement that the appropriation they had was not large enough, that on the North Platte they were going to arrange to build the hangars, and while he was not authorized to and could not make a contract, he stated to me that in the next estimate he would certainly cover these expenses.

He besought me to go out and try to raise the money, which I did. The city and county of Cheyenne put up $5,000 apiece, and the Commercial Club put up the balance, a matter of ten or twelve thousand dollars, to build a hangar. Then the citizens clubbed with me to clean up a tract of 200 acres, perfectly level, making it clean, and the Government is using it every day and every night, and has since that time, and has not paid a nickel. The Government has the use of the land and the use of the hangar.

I presume the other locations are much the same. Certainly it was an investment made with the expectation of receiving payment, and nothing prevented payment by the Government but the failure of the department in not sending in an estimate. It has been thoroughly investigated by the Post Office Department, and the Postmaster General has asked that we secure this legislation to cover these four places.

Mr. PHIPPS. Mr. President, I want to ask the Senator from Wyoming if it is not a fact that every one of the stations named in this bill is now being used in the air mail service?

Mr. WARREN. Every day and every night.

Mr. PHIPPS. Every one of them is covered in the bill?

Mr. WARREN. Every one of them. They are the only ones in that thousand miles or more.

Mr. DIAL. Mr. President, there are claims for hangars at different places over the West, and some of those routes have been abandoned. They were merely put in as experimental routes; the cities were anxious for the mail service, and they offered these inducements in order to get the Post Office Department to come out there.

Mr. PHIPPS. Mr. President, if the Senator from South Carolina will allow me, I wish to say that we conferred in the committee at one time over the bill, and that it was the opinion of the Committee on Post Offices and Post Roads that it would not be proper to make allowance for those stations where the Government was not deriving any benefit and was not continuing to use the stations.

The bill in its modified form as it now appears is strictly limited to those stations which are in actual daily, and I will also say nightly, use by the air mail service of the Post Office Department, and I hope the Senator will not insist upon his objection. This matter has had very long and careful consideration.

Mr. DIAL. My recollection is that some of these sites were offered without any contract having been made. The people were anxious to get the mail, and there was no contract made, and perhaps no expectation of any money being paid.

Mr. WARREN. The Senator is very much mistaken in that.

Mr. DIAL. Afterwards they would come in with a bill, not only for these, but for other stations in different parts of the West.

Mr. WARREN. There are none others similar to these.

Mr. DIAL. If the Government takes people's property and uses it, it ought to pay for it. If it needs it in transporting the mail, it ought to pay for it. This air mail business is an experiment, anyway. Of course, the Government ought to pay for the stations if it uses them, but I am not willing to have the Government pay for some place where the people offer some location temporarily for the Government to experiment with it, to get the mail quickly in order to advertise the town.

Mr. ODDIE and Mr. PHIPPS addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. DIAL. I prefer not to yield. Let the bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over.

HOSPITAL FACILITIES FOR WORLD WAR VETERANS

The bill (S. 3181) to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Director of the United States Veterans' Bureau, subject to the approval of the President, is hereby authorized to provide additional hospital and out-patient dispensary facilities for patients of the United States Veterans' Bureau, by purchase and remodeling or extension of existing plants, and by construction on sites now owned by the Government or on sites to be acquired by purchase, condemnation, gift, or otherwise, such hospitals and out-patient dispensary facilities to include the necessary buildings and auxiliary structures, mechanical equipment, approach work, roads, and trackage facilities leading thereto; and also to provide accommodations for officers, nurses, and attending personnel; and also to provide proper and suitable recreational centers; and the Director of the United States Veterans' Bureau is authorized to accept gifts or donations for any of the purposes named herein. Such hospital plants to be constructed shall be of fireproof construction and existing plants purchased shall be remodeled to be fireproof, and the location and nature thereof, whether for the treatment of tuberculous, neuropsychiatric, or general medical and surgical cases, shall be in the discretion of the Director of the United States Veterans' Bureau, subject to the approval of the President: *Provided, however*, That the director, with the approval of the President, may utilize such suitable buildings, structures, and grounds now owned by the United States as may be available for the purposes aforesaid, and the President is hereby authorized, by Executive order, to transfer any such buildings, structures, and grounds to the United States Veterans' Bureau upon the request of the director thereof.

SEC. 2. That for carrying into effect the preceding paragraph relating to additional hospital and out-patient dispensary facilities there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $6,500,000, to be immediately available and to remain available until expended. That not to exceed 3 per cent of this sum shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants at the customary rates of compensation, exclusively to aid in the preparation of the plans and specifications for the projects authorized herein and for the supervision of the execution thereof, and for traveling expenses and field-office equipment and supplies in connection therewith.

Mr. REED of Pennsylvania. Mr. President, I offer the following amendments.

The PRESIDING OFFICER. The Secretary will report the first amendment.

The READING CLERK. On page 1, line 6, after the word "Bureau," the Senator from Pennsylvania moves to insert the words "and facilities for a permanent national training school, at a cost not exceeding $350,000, for the blind who are beneficiaries of the United States Veterans' Bureau."

Mr. REED of Pennsylvania. Mr. President——

Mr. FERNALD. I am very glad to accept the amendment.

Mr. ROBINSON. Mr. President, I think a brief statement should be made explaining the amendment.

Mr. REED of Pennsylvania. I would be very glad to have the speech dispensed with, but I really feel that perhaps I should not ask an appropriation of this size without explaining it.

The Government now maintains in the suburbs of Baltimore precisely such a training school as is intended to be erected out of this additional appropriation. The trouble is that the present school is built on leased ground; it is not at all fireproof, and the Government is housing in framed buildings, lined with beaver board, a large group of the most pathetic of all disabled veterans, men who are absolutely blind and absolutely helpless. Those buildings must be made fireproof, or fireproof buildings must be erected. I have been over them myself carefully, and I have always come away heartsick at the thought of the awful consequence of any possible fire there.

Mr. ROBINSON. I think the Senator has well justified the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment offered by the Senator from Pennsylvania.

The READING CLERK. On page 2, line 7, after the word "plant," insert the words "and training schools."

The amendment was agreed to.

The READING CLERK. On page 2, line 23, strike out "$6,500,000" and insert in lieu thereof "$6,850,000."

Mr. REED of Pennsylvania. In justice to the amendment I ought to say that this has been submitted to the Director of the Veterans' Bureau and approved by him, to the Director of the Budget and approved by him, and to President Coolidge himself, and approved by him.

The amendment was agreed to.

Mr. FLETCHER. I offer the amendment which I send to the desk, to add a new section.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. Add a new section to read as follows:

SEC. 3. That the following sums be, and the same are hereby, appropriated for the objects hereinafter expressed, namely:

(a) For increase in the limit of cost of construction of those certain public buildings, heretofore authorized by Congress to be constructed and for which appropriations were made, referred to in Senate Document No. 28, Sixty-eighth Congress, first session, $15,130,780, or so much thereof as may be necessary.

(b) For the construction of public buildings on those certain sites, heretofore acquired, for the construction of which buildings no appropriations were made, referred to in Senate Document No. 28, Sixty-eighth Congress, first session, $23,557,500, or so much thereof as may be necessary.

Mr. JONES of Washington. Is that a general public-building proposition? If it is, I am afraid I shall have to object to the consideration of the bill and I do not like to do that.

Mr. FLETCHER. It provides for completing buildings where appropriations have already been made, but not in sufficient amount to complete the building. It is to complete buildings on sites that have already been purchased.

Mr. JONES of Washington. I do not think that it should go on this bill, and if the Senator insists upon it I shall have to object to the consideration of the bill.

The PRESIDING OFFICER. Does the Senator from Florida insist upon his amendment?

Mr. FLETCHER. I do not want to jeopardize the veterans' hospital bill. I thought the Senator would let us have a vote on the amendment.

Mr. JONES of Washington. I do not think so.

Mr. FERNALD. I could hardly permit that myself.

Mr. FLETCHER. If the Senator insists on objecting to the consideration of the whole bill, I will withdraw the amendment.

The PRESIDING OFFICER. The Senator from Florida withdraws his amendment.

Mr. WALSH of Montana. Mr. President, I would like to inquire of the Senator from Pennsylvania if I understood aright that the bill provides for the construction of a single hospital building?

Mr. REED of Pennsylvania. No; it contemplates the erection of six buildings, a school building with rooms for instruction work in music and trades the blind can be taught, a dormitory building, including an infirmary, a recreation building, superintendent's quarters, houses for educational director and chief engineer, and eight double houses for married blinded veterans.

Mr. WALSH of Montana. Is it a single group of buildings?

Mr. REED of Pennsylvania. Yes; it is a single group of buildings.

Mr. WALSH of Montana. How many patients is it expected to accommodate?

Mr. REED of Pennsylvania. At present there are something less than 100, but there are nearly 700 blinded veterans of the last war and it is desired to accommodate more than are now in readiness. It contemplates about 200. It will be capable of some expansion at a comparatively small cost.

Mr. WALSH of Montana. It seems to me to be an enormous amount.

Mr. REED of Pennsylvania. Three hundred and thirty-three thousand dollars is the preliminary estimate.

Mr. WALSH of Montana. But the bill appropriates $6,500,000.

Mr. REED of Pennsylvania. Oh, $6,500,000 includes a great number of hospitals all over the United States. I did not catch the Senator's question. The details of the program are shown in full in the committee's report.

Mr. COPELAND. Mr. President, I am sure that the bill ought to have the unanimous indorsement not alone of Congress, but of the United States, because my mail has been filled for the last two weeks with letters from people who say, "Millions and millions for those who were injured, but nothing for those who are able-bodied." We who were in favor of the bonus have voted for the able-bodied, and certainly all of us are going to vote those who need help such as we have heard described to-night.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OLDROYD COLLECTION OF LINCOLN RELICS

The bill (S. 2434) for the purchase of the Oldroyd collection of Lincoln relics was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. WILLIS. I hope the Senator will withhold his objection to the bill for a moment, until I can explain what it is.

Mr. DIAL. Very well.

Mr. WILLIS. Senators understand of course to what the bill applies. In this city is the house in which Abraham Lincoln died. In that house is the greatest collection of Lincoln mementos and Lincoln relics in the world. It has been collected by an old gentleman, Mr. Oldroyd, who commenced the collection early in the sixties, perhaps in 1861 or 1862. A public-spirited citizen of this country has already made the offer to the old gentleman that is embodied in the bill. Within a few days another offer has been made larger than the amount contemplated in the bill.

It seems to me, Mr. President, it would be a mistake to permit that great collection of relics of the greatest American to pass into private hands. Mr. Oldroyd is a gentleman with practically no income.

At his advanced age he has got to the place where some disposition must be made of the collection. It seems to me a matter of patriotic duty almost that the Government of the United States should take such action as to prevent the collection going into private hands which, if it did, in all probability would mean that it would be taken out of the city. At any rate the Lincoln relics ought to belong to the people. I trust the Senator from South Carolina will not insist upon his objection.

Mr. DIAL. Mr. President, I have a very high regard for the memory of President Lincoln. It possibly might be well for these relics to belong to the Government, but this is a pretty sorry bill to my mind. It simply undertakes to appropriate $50,000 out of any money in the United States Treasury not otherwise appropriated for the purchase of the entire Oldroyd collection of Lincoln relics, and so forth. There is no competent official designated to pass upon the value of the relics. The Government would not know what it was getting, but would just take the word of some one about it. I submit it has been a long time since Mr. Lincoln's death for anyone to come here now and talk about buying his relics. If we are going to pass a bill at all it ought to be so framed as to put the matter in charge of some responsible person to see what we are buying and to know something as to the value.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Ohio?

Mr. DIAL. Not right now. I know nothing about Mr. Oldroyd and say nothing against him. I never heard of him before so far as I know. This is a loose way to legislate and I am going to object to the bill in its present shape. If it is put in the right shape and provision is made to have somebody investigate who knows something about it, that might be different, but under the bill as now worded the public would not know whether we were buying relics of Mr. Lincoln or relics of some other statesman.

Mr. WILLIS. Mr. President, will the Senator permit the bill to go over without prejudice?

Mr. DIAL. I shall be glad to hear from the Senator, but I will not change my mind until he changes the bill.

The PRESIDING OFFICER. The bill will be temporarily passed over.

BICENTENNIAL OF THE BIRTHDAY OF GEORGE WASHINGTON

The joint resolution (S. J. Res. 85) authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington, was considered as in Committee of the Whole, and was read, as follows:

Whereas on February 22, 1932, will occur the two hundredth anniversary of the birth of George Washington, the father and founder of the American Republic; and

Whereas the significance of this event transcends in importance any other historic event of a similar kind that has ever before been commemorated by the Nation; and

Whereas past experience has taught that it takes from 5 to 10 years to complete fitting and adequate plans for the commemoration of outstanding historic events; and

Whereas heretofore the celebration of epochal events has always been marred by the incompletion of preparations, monuments, etc., necessitating delays in the inauguration of commemorations; and

Whereas if any commemoration of the bicentennial of the birth of George Washington that is commensurate with its importance and significance to the American people be held, then the time between the present day and the year 1932 is by no means too long for the completion and carrying out of plans: Therefore be it

Resolved, etc., That there is hereby established a commission to be known as the United States commission for the celebration of the two hundredth anniversary of the birth of George Washington (hereinafter referred to as the commission) and to be composed of 19 commissioners, as follows:

The President of the United States; the President pro tempore of the Senate and the Speaker of the House of Representatives, ex officio; eight persons to be appointed by the President of the United States; four Senators by the President pro tempore of the Senate; and four Representatives by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of ——— to be expended by the commission in accordance with the provisions of this resolution.

SEC. 3. That it shall be the duty of the commissioners, after promulgating to the American people an address relative to the reason of its creation and of its purpose, to prepare a plan or plans and a program for the signalizing of the event, to commemorate which they are brought into being; and to give due and proper consideration to any plan or plans which may be submitted to them; and to take such steps as may be necessary in the coordination and correlation of plans prepared by State commissions, or by bodies created under appointment by the governors of the respective States and by representative civic bodies; and if the participation of other nations in the commemoration be deemed advisable, to invite foreign governments to send representatives to engage in such participation.

SEC. 4. That when the commission shall have approved of a plan of celebration, then it shall submit for their consideration and approval such plan or plans, in so far as it or they may relate to the fine arts, to the Commissioner of Fine Arts, in Washington, for their approval, and in accordance with statutory requirements.

SEC. 5. That the commission, after selecting a chairman and a vice chairman from among their members, may employ a secretary and such other assistants as may be needed for clerical work connected with the duties of the commission and may also engage the services of expert advisors; and may fix their respective compensations within the amount appropriated for such purposes.

SEC. 6. The commissioners shall receive no compensation for their services, but shall be paid their actual and necessary traveling, hotel, and other expenses incurred in the discharge of their duties.

SEC. 7. The commission shall on or before the 4th of March, 1925, make a report to the Congress, in order that enabling legislation may be enacted in the carrying out of the plan or plans finally approved.

SEC. 8. That the commission hereby created shall expire within (one) (two) year after the expiration of the celebration, December 31, 1932.

SEC. 9. This joint resolution shall take effect immediately.

Mr. FESS. Mr. President, I desire to offer an amendment. On page 3, in line 1, in the blank space, I move to insert the numerals "$10,000."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 3, line 1, after the words "sum of," insert "$10,000."

Mr. KING. Mr. President, I would like to inquire of the Senator whether this is to pay for the celebration or merely for the formulation of the program?

Mr. FESS. This is merely for the use of the commission of 19, or so much of it as may be necessary to plan the celebration.

Mr. KING. I do not see the necessity of any appropriation for merely planning the celebration. Of course, when we come to execute the plan we will require a very much larger sum than $10,000.

Mr. FESS. Very much larger; but there will have to be some clerical force to do the preliminary work. We have never yet had a celebration of this kind when time enough was given to put it into execution by the date it was to conducted. This is eight years hence, and that is not too much time, I think. This is merely to create the commission of 19, headed by the President, to make the recommendations. There will be some clerical assistance that we shall have to provide.

Mr. SPENCER. Do the members of the commission receive any compensation?

Mr. FESS. They do not.

Mr. KING. Does the Senator think he is anticipating if the joint resolution provides, as I understand him, eight years in advance?

Mr. FESS. That is not too long. We have never yet had a celebration that was carried out at the time it was intended to be carried out, as the Senator knows.

Mr. KING. We celebrate the birthday of President Washington every year in a dignified way throughout the country, and very properly. I shall not object.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. FESS. On page 4, in line 14, the committee desires to have it provide for two years. I therefore move to amend by striking out "one year" and inserting "two years," so as to read:

That the commission hereby created shall expire within two years after the expiration of the celebration, December 31, 1932.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

The bill (S. 2284) to provide for the construction of certain public buildings in the District of Columbia was announced as next in order.

Mr. KING. Let the bill go over.

Mr. FERNALD. May I make just a brief statement to the Senator? He is a very shrewd, candid, careful, conservative business man, and he and I as a rule agree on many of these propositions. The matter involved in the bill is a cold proposition. The Government of the United States is paying rentals in this city to the amount of nearly $800,000 annually for public buildings. The rentals are increased all the time, from year to year, in a tremendous way. I shall be very brief. I realize that the bill involves apparently a large appropriation. But recalling that $700,000 to $800,000 in rental is being paid every year, and we are asking in the bill an appropriation of $10,000,000 for the erection of these buildings, Senators will readily appreciate the saving that will be made to the Government.

The rental is but a part of the expense to the Government. For instance, in the Agricultural Department there are 45 different units, and there are 28 of them in buildings rented by the Government. Every Senator knows, if he starts out for any one of those bureaus, that he has to go to a dozen or fifteen different places before he is liable to locate the man he wants to find.

The Director of the Internal Revenue Bureau has stated that there would be a saving in that particular bureau of more than $250,000 a year in his help. The same thing is true as to one or two of the other departments.

It seems to me it is time for the Government to begin erecting its own buildings. Since I have been chairman of the Committee on Public Buildings and Grounds we have expended little or no money for the past six years. I believe that as a business proposition the bill ought to be passed.

Further, I desire to say that in some of the departments they are working the men and women under such conditions that if they were in the employ of a private company or corporation that company or corporation would be dragged into the courts. For instance, 125 young women working in one of the buildings last winter had to be dismissed day after day on account of the cold, it being impossible to keep the building properly heated. It is unwise to continue such conditions.

Now, we are about to add to our employees 4,000 more persons to administer the bonus law which has recently passed. I expect to bear the burdens imposed upon me with Christian fortitude, but I do believe that the Government ought to make provision for those employees now the bill has become a law. We ought to begin to provide for the administration of that act. I made the statement on the floor of the Senate in debating the bill that it would require about 2,000 additional employees, but I find that it will require more than 4,000.

ought to have the unanimous indorsement not alone of Con-

versary of the birth of George Washington, the father and founder of the American Republic; and

is eight years hence, and that is not too much time, I think.

ployees, but I find that it will require more than 4,000.

Mr. KING. Mr. President, will the Senator from Maine yield to me?

Mr. FERNALD. I yield.

Mr. KING. The statement was made before the Finance Committee that the number would not exceed 2,000. Of course, everybody knew that when the bill should be passed 4,600 would be required, and very soon 8,000 will be needed.

Mr. FERNALD. That doubtless will be true. The best estimate that we now have is 4,135, to be accurate. Those employees must be housed somewhere; they must have facilities for handling that business. It seems to me we ought to begin the erection of these public buildings now.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Arkansas?

Mr. FERNALD. I yield.

Mr. ROBINSON. The bill for which the Senator from Maine [Mr. FERNALD] asks consideration authorizes the appropriation in the aggregate of the sum of $50,000,000. I inquire of the Senator whether that is the estimated amount which the buildings will cost, or whether it is expected that additional authorizations will be required in order to carry out the program which is contemplated in the bill?

Mr. FERNALD. It is expected that that sum will complete the buildings. I wish to say further that this bill has the approval of the President, and also of the Director of the Bureau of the Budget. I repeat, it is simply a business proposition.

Mr. KING. Mr. President, will the Senator from Maine yield to me?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Utah?

Mr. FERNALD. Yes; I yield.

Mr. KING. Does not the Senator think that a bill of such importance as this ought not to be discussed under the five-minute rule? If the Senator will answer that affirmatively, I think I can assure him that some of us will be glad to join with him in asking its consideration immediately at the conclusion of the bill that is now before the Senate. I have some amendments that I should like to offer to the bill, but we can not consider them under the five-minute rule.

Mr. FERNALD. I realize that.

Mr. KING. I appreciate the necessity of the construction of some of the buildings provided for in this bill, and we, it seems to me, ought to have embarked upon their construction several years ago.

Mr. OVERMAN. Mr. President, I think that an amendment should be added to the bill providing that these buildings shall be erected wherever it is possible to do so on Pennsylvania Avenue. We have a beautiful city here, but the main artery is the commonest street in the town. Under the present system magnificent buildings have been erected in places where they are out of sight. The Interior Department Building, for instance, is in an out-of-the-way place, some distance from other Government buildings where it is inconvenient to go to transact business. We ought to erect all these buildings on the south side of Pennsylvania Avenue, which was the original design of the architects who laid out the city of Washington.

The PRESIDING OFFICER. The time of the Senator from Maine has expired.

Mr. OVERMAN. I merely wish to suggest that I will offer such an amendment to the pending bill if the Senator from Maine does not do so.

Mr. KING. Mr. President, will the Senator from North Carolina yield to me?

Mr. OVERMAN. I yield.

Mr. KING. I will now propound to the Senator from Maine, with the permission of the Senator from North Carolina, a question. I ask the Senator from Maine to let the bill go over to-night, and some of us will join with him in having it called up at an early date.

Mr. FERNALD. I will allow the bill to go over, but will call it up at the first opportunity.

The PRESIDING OFFICER. The bill will go over.

Mr. DIAL. Mr. President, I should like to ask the Senator from Utah [Mr. KING] to allow this bill to go through. I am on the committee from which it has been reported. I am accused of being a little economical, but I desire to say that this bill has had the most careful consideration. As has been stated by our able chairman, of course, we need the buildings; otherwise we are throwing money away by reason of the very high rentals which we have to pay for buildings entirely out of proportion of their worth. The only reason I dislike to advocate the passage of the bill is on account of the high cost of building, but it is a question either of the Government owning its buildings or giving away an equal amount and possibly more money in a short space of time for rent. The committee have discussed the bill most carefully, and it has been thoroughly considered. I think it ought to pass. The session is drawing to a close, and if we do not get the bill through now we shall not get the buildings for some time.

Mr. KING. The "king," the chairman of the committee, having spoken, the "premier" ought to accede to his request.

Mr. DIAL. I think the passage of the bill would be in the interest of real economy—that is the point—and I am glad to have some additional help from the "king."

The PRESIDING OFFICER. The bill will be passed over.

MARINE HOSPITAL SERVICE

The bill (S. 2232) to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," was announced as next in order.

Mr. KING. Let that bill go over, Mr. President.

Mr. JONES of Washington. I hope the Senator will withhold his objection to the bill for a moment.

Mr. KING. I withhold the objection.

Mr. JONES of Washington. I desire to read a couple of sentences from a report on the bill which will explain its purpose. What I shall now read is from a letter of the Secretary of the Treasury. He says:

In reply I beg to state that the effect of the passage of this bill will be to expedite the business of certain American steamship lines engaged in the coastwise commerce which have found it advantageous to touch at foreign ports, such as Victoria and Vancouver, British Columbia, near the northern frontiers of the United States. Under existing law and regulations, vessels engaged in this commerce are required to obtain bills of health and await quarantine inspection if their itinerary includes ports beyond those that may be classed as adjacent to the border. Inasmuch as the proposed law will not jeopardize in any way the public health of the United States, it is recommended that the same be enacted.

I hope the Senator from Utah will not object to the consideration of the bill.

Mr. KING. I have no objection to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," as amended February 27, 1921, is hereby amended by inserting at the end of the first paragraph thereof a new paragraph, as follows:

"The provisions of the preceding paragraph shall not apply to vessels operating exclusively in trade between foreign ports on or near the northern frontier of the United States and ports in the United States; but the Secretary of the Treasury is hereby authorized, when, in his discretion, it is expedient for the preservation of the public health, to establish regulations governing such vessels."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PERLEY MORSE & CO.

Mr. COPELAND. Mr. President, I ask unanimous consent to return to Order of Business No. 439. I was unavoidably absent in the earlier part of the session this evening.

Mr. CURTIS. Mr. President, the unanimous-consent agreement provided that we should begin the consideration of the calendar at Order of Business No. 464. Therefore, it will be impossible under the unanimous-consent agreement to go back to the point suggested by the Senator from New York.

LUKE RATIGAN

The bill (H. R. 1475) for the relief of Luke Ratigan was considered as in Committee of the Whole. It directs the Secretary of the Treasury to place the name of Luke Ratigan on the retired list of the Coast Guard as an oiler, first class, retired, at the rate of pay he would be entitled to receive had he held the rating of oiler, first class, when retired.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

VESSEL FOR COAST GUARD DUTY IN ALASKA

The bill (H. R. 6817) to provide for the construction of a vessel for the Coast Guard was announced as next in order.

Mr. KING. Let that bill go over.

Mr. JONES of Washington. Mrs. President, I do not know whether the Senator has had an opportunity to read the report or not, but I should like to read just a sentence or two from it. The bill does not involve an actual appropriation, but it

authorizes one, so that we can prepare to have a ship to take the place of the cutter *Bear*, that is now about 47 years old. Here is what is said in a letter from the Secretary of the Treasury, which is printed in the report:

The Coast Guard cutter *Bear*, a wooden vessel built in 1874, has for many years made an annual cruise into the Arctic Ocean for Coast Guard purposes and to extend medical and other aid to the inhabitants along the Arctic shores of Alaska. Her work in that section is too well and favorably known to need comment and too important to permit of interruption. The vessel has performed valiant service, but the duty has been strenuous and the craft has become worn out. It would not be economy to repair her further to keep her in condition for cruising in the Arctic Ocean, and there is no other Coast Guard vessel to take her place. A vessel to replace her must be specially constructed for working in the ice. There is an urgent necessity that a replacement of the *Bear* be provided for at the earliest practicable date.

If we should authorize this vessel, it would probably be a couple of years before it would be constructed. I merely suggest that for the consideration of the Senator.

Mr. KING. I suggest to the Senator that persons have stated to me that the Government now owns vessels which, with but light repairs, could be made suitable for service in this particular kind of work.

Mr. JONES of Washington. Of course, if that is true I would not ask for another vessel, but I think it will be found that there are no vessels now constructed that could be changed at any reasonable cost to perform that service. However, I am willing to let it go over for the present, and I will make inquiry concerning the matter from those who are in a position to know the facts.

Mr. KING. Very well.

The PRESIDING OFFICER. The bill will be passed over.

PRELIMINARY EXAMINATION OF SUNDRY STREAMS

The bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. ROBINSON. I hope the Senator will not do that.

Mr. JONES of Washington. I hope the Senator will not object to the bill. Let me say to the Senator that after preliminary examinations have been made, before anything can be done toward the adoption of a project a survey must be made and a report made to Congress. All that this bill does is to provide for certain preliminary examinations and surveys with a view to controlling floods. The preliminary examinations that must be made entail only the expenditure of about $4,700. There are only two surveys provided for, one for the North Branch of the Susquehanna River, where a preliminary examination has been made at a cost of $8,000, and the other for the Allegheny and Monongahela Rivers, where $25,000 is authorized to make the survey on the condition that the Commonwealth of Pennsylvania shall contribute $25,000 more. I hope the Senator will not object.

Mr. KING. Let me ask the Senator whether he believes that it is a wise and prudent and proper thing for the Government under the guise of furnishing navigable streams to appropriate further for the Trinity River—we know what the record of appropriation is with respect to that river—and the Brazos River and the Canadian River in New Mexico?

Mr. JONES of Washington. It is not proposed to improve them with a view to navigation at all.

Mr. KING. But it is with a view to making surveys in order to authorize the expenditure of money upon them.

Mr. JONES of Washington. It is for the purpose of flood control and not for navigation at all.

Mr. ROBINSON. It is for the purpose of flood control, under the act of March, 1917. I join with the Senator from Washington in expressing the hope that the Senator from Utah will not object to the consideration of the bill?

Mr. KING. Has the Senator any idea as to the ultimate cost that may be involved?

Mr. ROBINSON. That will depend entirely upon the result of the surveys. The flood control act requires before any existing project shall be modified or changed or a new project adopted that a survey shall be made and a report submitted to Congress and accepted by Congress. The object of a survey is to ascertain the cost, what Federal interest is involved, and the share of expense, if any, which the Federal Government should bear in making the necessary improvements.

Mr. JONES of Washington. Let me say that much more care is exercised than with reference to river and harbor matters. In the case of river and harbor improvements the survey, both preliminary and final, is authorized at one time, but in this instance a preliminary examination must be made and a report submitted to Congress, and then we must provide for a survey, and the report on that survey must be submitted to Congress before an appropriation is made.

Mr. FLETCHER. In addition to that the cost of each one of these undertakings is estimated for before the bill is prepared and the cost is specified in the bill. Each item is known in advance; so that we know exactly what its cost will be because it is set out in the bill.

Mr. JONES of Washington. I hope the Senator from Utah will not object.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Washington yield to me merely to make a short statement?

Mr. JONES of Washington. Certainly.

Mr. REED of Pennsylvania. The State of Pennsylvania has already appropriated the $25,000 which is stated in the second section of the bill to be its share. It is a matter of vital importance to the people of the Allegheny and Monongahela and Ohio Valleys, and I hope very much that the Senate will pass the bill.

Mr. KING. I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause preliminary examinations to be made of the following streams with a view to the control of their floods in accordance with the provisions of section 3 of "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917:

Trinity River, Tex.; Brazos River, Tex.; Canadian River, N. Mex., Tex., and Okla.; North Fork Canadian, Tex. and Okla.; Deep Fork, Virdigris, and Little River, Okla.; Cimarron River, N. Mex. and Okla.; Wolf and Fox Rivers, Wis.; West Fork of White River, Ind.; Guadalupe River, Tex.; Columbia River, between Martins Bluff and mouth of Lewis River, Wash.; Skagit River, Wash.; Pond River, Ky.; Colorado River, Tex.; Red River, Ark.

The sum of $4,700, or so much thereof as may be necessary, is hereby authorized to be expended, out of any funds heretofore appropriated for examinations, surveys, and contingencies of rivers and harbors, to carry out the provisions of this section.

SEC. 2. That the Secretary of War is hereby authorized and directed to cause surveys to be made of the following streams with a view to the control of their floods, in accordance with the provisions of section 3 of "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917:

North Branch of the Susquehanna River, Pa. and N. Y., and the sum of $8,000 is hereby authorized to be appropriated for this purpose.

Allegheny and Monongahela Rivers, and the sum of $25,000 is hereby authorized to be appropriated for this purpose: *Provided*, That no money hereby authorized to be appropriated shall be expended unless and until assurances have been given satisfactory to the Secretary of War that the Commonwealth of Pennsylvania will contribute a like sum of $25,000 for the purpose of making the survey hereby authorized; and the Secretary of War is hereby authorized to receive from the Commonwealth of Pennsylvania such sum of $25,000 and to expend the same as the $25,000 hereby authorized to be appropriated may be expended.

Mr. ROBINSON. I propose the following amendment: At the end of line 6 of page 2, strike out the period and insert a semicolon and the words "and Arkansas River in Kansas, Oklahoma, and Arkansas."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. JONES of Washington. Mr. President, since this bill passed the House a preliminary survey has been made and has come to Congress on the Puyallup River, Wash., recommending a final survey. So I propose the following amendment.

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The READING CLERK. After the word "purpose," on line 21, page 2, it is proposed to insert the following:

Puyallup River, Wash.; and the sum of $5,000 is hereby authorized to be appropriated for this purpose.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, to effectuate the amendment already agreed to, which I proposed a few minutes ago, I sug-

gest the following amendment: In line 7, page 2, strike out "$4,700" and insert "$6,000."

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 2, line 7, it is proposed to strike out "$4,700" and insert "$6,000."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

CAROL E. REEVES

The bill (S. 2519) to extend the benefits of the employees' compensation act of September 7, 1916, to Carol E. Reeves was announced as next in order.

Mr. KING. Let that go over.

Mr. JOHNSON of Minnesota. Mr. President, I sincerely hope the Senator from Utah will not object to the consideration of this bill, but will let it go through.

Mr. WILLIS. Mr. President——

Mr. JOHNSON of Minnesota. Does the Senator from Utah withdraw his objection?

Mr. KING. I will withhold my objection in order to have an explanation from the Senator.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Carol E. Reeves, on account of the death in 1919 of her husband, Harry L. Reeves, from disease incurred in the performance of his duty as a civilian employee of the War Department in Porto Rico during 1918, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the benefits of the United States employees' compensation act of September 7, 1916, to Carol E. Reeves."

BILL PASSED OVER

The bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service was announced as next in order.

The PRESIDENT pro tempore. This bill is the unfinished business.

Mr. CURTIS. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

OLDROYD COLLECTION OF LINCOLN RELICS

Mr. WILLIS. Mr. President, a few moments ago Senate bill 2434 was temporarily passed over. I ask unanimous consent to return to that bill, having conferred with the Senator from South Carolina [Mr. DIAL].

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. WILLIS. Mr. President, I have conferred with the Senator from South Carolina and also with the Senator from North Carolina. I move to strike out all after the enacting clause and to insert the matter which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. It is proposed to strike out all after the enacting clause and to insert:

That the Secretary of State, the Secretary of War, and the Attorney General are hereby designated as a commission with authority, in their discretion, to purchase the Oldroyd collection of Lincoln relics, and that the sum of $50,000, if so much is by the commission deemed necessary, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, to enable the commission to consummate such purchase.

Mr. ROBINSON. Mr. President, I suggest to the Senator from Ohio that the language is somewhat ambiguous. It authorizes the appropriation of $50,000 if the commission finds that amount is necessary. Why does it not use the usual language—"or so much thereof as may be necessary"?

Mr. WILLIS. I accept that amendment if the Senator will suggest where he desires it to come in. That is what I had in mind.

Mr. ROBINSON. I suggest, too, in connection with the remarks made by the Senator from South Carolina, that this collection should be deposited in the Smithsonian Institution or in the National Museum in Washington.

Mr. WILLIS. I thought of that, and it seemed to me quite as well to let that go over until after it had been determined whether or not the purchase should be made. I accept the amendment suggested.

The PRESIDENT pro tempore. The modification proposed by the Senator from Arkansas, and accepted by the Senator from Ohio, will be stated.

The READING CLERK. It is proposed to strike out "if so much is by the commission deemed necessary" and insert "or so much thereof as may be necessary."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Ohio, as modified.

The amendment, as modified, was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HANGARS AND FLYING FIELDS FOR AIR MAIL SERVICE

Mr. PHIPPS. Mr. President, I ask unanimous consent to return to Senate bill 1051, Order of Business 518. The Senator from South Carolina objected under a misunderstanding, and has now been assured that the amendments he desires have been incorporated in the bill by the committee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Post Offices and Post Roads, with amendments.

The amendments were, on page 1, line 4, after the words "directed to," to insert "investigate"; in line 5, after the word "citizens," to insert "found to be"; on page 2, line 1, after the word "Nebraska," to insert "and"; in the same line, after the word "Nebraska" where it occurs the second time, to strike out "or elsewhere"; in line 5, after the words "understanding with," to strike out "an" and insert "a duly authorized"; and in line 8, after the word "hereby," to insert "authorized to be," so as to make the bill read:

Be it enacted, etc., That the Postmaster General is hereby authorized and directed to investigate, adjust, reimburse, and pay to municipalities and citizens found to be entitled thereto the proper and just amounts heretofore expended in the construction of hangars and the maintenance of flying fields, including the lease and clearing of fields therefor, insurance, and other necessary expenses incurred in connection therewith, at Reno, Nev.; Salt Lake City, Utah; Cheyenne, Wyo.; North Platte, Nebr.; and Omaha, Nebr., for the use of the Air Mail Service of the Post Office Department, where such hangars were constructed and such flying fields maintained under an understanding with a duly authorized officer or agent of the Post Office Department that reimbursement therefor would be made.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $175,000, or so much thereof as may be necessary to carry out the provisions of this act.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OGDEN CHAMBER OF COMMERCE

The bill (S. 660) for the relief of the Ogden Chamber of Commerce, was announced as next in order.

Mr. McNARY. Let that go over.

Mr. SPENCER. Mr. President, I should like the Senate to know the facts of that bill.

Mr. ROBINSON. May I ask why no printed report or other report accompanies the bill?

Mr. SPENCER. There is a report. The Senator merely does not happen to have it.

Mr. ROBINSON. It does not appear in my file.

Mr. SPENCER. There is a report.

Mr. ROBINSON. I thank the Senator.

Mr. SPENCER. Mr. President, in 1922 the Government requested the Chamber of Commerce of Ogden, Utah, to buy a tract of land which they needed for a water-supply station. The Ogden Chamber of Commerce bought it for $21,000, and held it for the Government for a number of months; and then the Government exercised their option, and bought it for the very same price for which the Chamber of Commerce had originally purchased it. During that time the Chamber of Commerce

had to spend $630 in interest on the money which they had borrowed in order to buy this land, and this bill is to repay that interest money. Nobody made a cent of profit out of it. It is recommended by the Department of War as a bill in common honesty.

Mr. McNARY. Mr. President, I am very much afraid it will create a precedent, and therefore I object to it.

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

BILLS PASSED OVER

The bill (S. 2586) for the relief of Robert June was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 1438) for the relief of D. H. MacAdam was announced as next in order.

Mr. FLETCHER. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PROTECTION OF PERSONS EMPLOYED ON RAILWAY BAGGAGE AND EXPRESS CARS

The bill (S. 863) for the protection of persons employed on railway baggage cars and railway express cars was considered as in Committee of the Whole.

The bill had been reported from the Committee on Interstate Commerce with an amendment to strike out all after the enacting clause and to insert:

That when used in this act—

(a) The term "carrier" means any carrier by railroad or partly by railroad and partly by water subject to the interstate commerce act, including express companies, car-ferry companies, interurban and suburban railway companies, irrespective of whether steam, electricity, or other kind of motive power is used.

(b) The term "commission" means the Interstate Commerce Commission.

(c) The term "express car" means any railway car used for the transportation of money, freight, or other substance by express; the term "baggage car" means any railway car used for the transportation of baggage; the term "express-baggage car" means any railway car used for the transportation of both express and baggage.

SEC. 2. That from and after July 1, 1927—

(a) All express cars, baggage cars, and express-baggage cars, and all parts of such cars used in interstate commerce, shall be of such construction, style, and strength and furnished in such manner as shall be required by the commission and shall be constructed, fitted up, maintained, heated, lighted, and cleaned by and at the expense of the carriers in whose service used.

(b) No express car, baggage car, or express-baggage car shall be used by or in the service of any carrier which is not sound in material and construction and which is not equipped with safety-appliance devices approved by the commission, and with sanitary drinking-water containers and toilet facilities, nor unless such car is regularly and thoroughly cleaned.

(c) The commission shall not allow to be used by any carrier any express car, baggage car, or express-baggage car not constructed of steel or steel underframe or of equally indestructible material, except as hereafter provided, and all such cars accepted for service or contracted for by carriers shall, from and after July 1, 1927, be constructed of steel, and the material used in the construction of such cars or in underframing shall be of such strength, dimensions, weight, and gauge as the commission shall, by regulation and order, prescribe: *Provided, however*, That in the exercise of the power conferred upon the commission by this act the commission may, upon application of a common carrier, after public hearing, and upon final determination on such application, grant such common carrier relief from the provisions of this act, upon a showing, in such cases as where a common carrier operates short trains or operates trains only short distances at a low rate of speed where safety and convenience are not impaired: *Provided further*, That common carriers are relieved from the operation of this act in so far as applicable to cars locked or sealed, when not carrying any person or persons while such cars are in motion.

SEC. 3. The commission shall have power to enforce this act and to make reasonable rules and regulations for that purpose: *Provided*, That any person a citizen of the United States may file with the commission a complaint or an information, supported by affidavit and oath or affirmation, of a violation of this act, and in such case the commission shall take cognisance and proceed to investigate and act as the circumstances warrant.

SEC. 4. Any person, persons, corporation, or any agent or officer of a corporation violating or permitting the violation of any of the provisions of this act shall be guilty of a misdemeanor and shall be fined in any sum not less than $250 nor more than $1,000.

Mr. KING. Mr. President, I should like some explanation about this bill. Is it unanimously reported by the committee?

Mr. ROBINSON. It is unanimously reported by the committee. The committee considered the bill very carefully and amended it by striking out all after the enacting clause and inserting new provisions.

Mr. HARRIS. Mr. President, day before yesterday, near Raleigh, N. C., six people were killed. If this bill had become a law, they would have been alive to-day.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the protection of persons employed on railway baggage cars and railway express and baggage cars, and for other purposes."

BILL PASSED OVER

The bill (S. 412) authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list was announced as next in order.

Mr. WADSWORTH. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT ON TRADING WITH THE ENEMY ACT

The bill (S. 1548) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved March 4, 1923, as amended, was announced as next in order.

Mr. KING. Let that go over.

Mr. SHORTRIDGE. Mr. President, I ask the Senator to listen for a moment and, if he will, withdraw his objection.

Mr. KING. Mr. President, let me say to the Senator that I have had some complaints about this bill. Hearings were had, as I was told, before the House committee, and they refused to assent to the provisions of the bill. It seems to me, from the information I possess, that it lacks merit, and I think we ought to have more time to discuss it than we would have under the five-minute rule. I have several amendments to the bill. I shall be glad to join with the Senator in getting it taken up at a time when they can be discussed.

Mr. SHORTRIDGE. Mr. President, the purpose of this bill is to permit some 300 or more——

Mr. ROBINSON. Objection is made, Mr. President.

Mr. SHORTRIDGE. I want to appeal to the equitable sense of the distinguished Senator from Utah.

The purpose of the bill is to permit some 300 and more claimants to commence and maintain in one proceeding an action to set aside probably 350 contracts. The purpose of the bill, stated in somewhat different words, is, first, to permit a joinder of plaintiffs in one action, it being thought that under the present law of procedure in the Federal courts that may not be done; and, second, to provide that this action which is to be brought shall be tried upon its merits; in other words, that the prospective defendants shall not be permitted to interpose the statute of limitations.

Mr. ROBINSON. Has the statute already run?

Mr. SHORTRIDGE. I think it has.

Mr. ROBINSON. And the bar already operates?

Mr. SHORTRIDGE. I think so.

Mr. ROBINSON. It is a rather remarkable suggestion, after the statute of limitations has already run against a claim, to revive it by congressional legislation.

Mr. SHORTRIDGE. If the Senator will permit me, it is not a vested right; and it is perfectly constitutional, as decided by the Supreme Court in many cases, to provide that the statute may not be interposed.

This bill grows out of the catastrophe in San Francisco. There were a great many losses incurred. There were certain contracts entered into, and it is claimed, it will be alleged, that those contracts were entered into through such misrepresentations as amounted to fraud, and that if the fraud be established a court of equity would set aside such contracts. The property which it is sought to recover is in the custody of the Alien Property Custodian. There it is held, and the only purpose of this bill is to permit a joinder of plaintiffs, to the end that the action may be tried upon its merits. I think the case is just. I think the bill should pass. It involves no more than one action, and the truth will be ascertained, and I assume that justice will be done.

I hope the Senator will permit the matter to be considered on its merits to-night.

Mr. KING. Mr. President, I listen always with delight to the able Senator from California. I have made some little ex-

amination of this matter. It came before the House committee, who gave careful consideration to all of the claims made to arguments perhaps not as able as those which may be made by the Senator from California, and the committee refused to accept the view of the Senator. I think they were right. It is a dangerous thing for the Federal Government to go into a State, set aside a statute of limitations, and by Federal statute revive actions that are already dead. We could debate the matter here, and I think I could convince the Senator himself that he is wrong; but it would take more time than we have under the 5-minute rule. Therefore, I object.

Mr. SHORTRIDGE. Finally, I never heard of this matter being considered by the House committee. When was it heard?

The PRESIDENT pro tempore. The Chair is constrained to say that the time of the Senator from California has expired. The bill will be passed over on objection.

AMENDMENT OF CLASSIFICATION ACT OF 1923

The bill (S. 3010) to amend the classification act of 1923, approved March 4, 1923, was announced as next in order.

Mr. CURTIS. The senior Senator from Utah [Mr. SMOOT] desires that this bill shall go over.

The PRESIDENT pro tempore. The bill will be passed over.

SALE OF MILK IN THE DISTRICT OF COLUMBIA

The bill (S. 2803) to regulate within the District of Columbia the sale of milk, cream, and certain milk products, and for other purposes, was announced as next in order.

Mr. JOHNSON of Minnesota. Mr. President, I object to the bill. My attention has just been called to it to-night. I have not had time to look it over, and I would like to have it go over to-night.

Mr. COPELAND. Mr. President, I hope the Senator from Minnesota will not object to the passage of this bill. It is a progressive bill. It makes for the safety of this community, for the safety of the children and of everybody. It is a well worked out bill, which has been thoroughly studied not only by the author but by the committee, and it would be a calamity to have it go over with the possibility that it might not be enacted.

Mr. JOHNSON of Minnesota. I would like to say to the Senator that I have been told to-night by some parties from Wisconsin that they would like to look into the bill. I think a bill of that nature ought to have gone to the Committee on Agriculture and Forestry instead of to the Committee on the District of Columbia, because there are a lot of dairy products shipped here from Minnesota. I know lots of dairy products are shipped also from the State of Wisconsin.

Mr. GLASS. Mr. President, of course, if there is going to be a specific objection to the bill, it would be a waste of time to discuss it. I simply want to say, in a moment, that this bill was unanimously indorsed by the Commissioners of the District of Columbia; it was considered by a subcommittee of the District Committee, of which the distinguished Senator from New York [Mr. COPELAND], who is a physician, familiar with all such matters, was a member; it was unanimously reported by the subcommittee and unanimously reported by the District Committee, and a similar bill has been reported by the District Committee at the other end of the Capitol, and is now on the House Calendar.

I trust that Senators who have received inspired objections from ice-cream dealers in Washington to this bill will speedily make examination into the merits of these objections, so that when we go on with the calendar again we may have objections, if there are to be objections, which may be defended.

Mr. COPELAND. Mr. President, I would like to make one more appeal to the Senator from Minnesota. The objection that is raised is that under the terms of this bill milk can not be shipped in from an outside State unless it has been passed upon by the health officer of the District. That is the law of every city in the country; and by reciprocity this city will permit milk to come in from Wisconsin which has been passed upon by the health commissioner of Chicago or of Milwaukee. The objection presented to Senators is only a subterfuge on the part of persons who wish to break down the high standard of milk in the District, and I sincerely hope that the bill may be passed to-night.

Mr. JOHNSON of Minnesota. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. WILLIS. I yield.

Mr. JOHNSON of Minnesota. Mr. President, I would not stand in the way of any bill that was an effort to better conditions for the people in the District. I know that I have been for all the legislation in my own home State which had for its object the making of sanitary conditions better among the farmers and also among the dairymen in the cities, but I have not had time to study this bill, and, as I told the Senator from New York, I had not heard anything about the bill before. Therefore I object. Some letters have come to the Senator from Ohio [Mr. WILLIS] in regard to the bill, which he was about to read.

Mr. WILLIS. Mr. President, I did not desire to object. If I may have the attention of the Senator from Virginia——

The PRESIDENT pro tempore. Objection is made, and the bill goes over.

Mr. WILLIS. Very well.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

The joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation," was announced as next in order.

Mr. KING. Let the joint resolution go over.

Mr. HARRISON. Mr. President, does the Senator from Utah object to it?

Mr. KING. I do.

Mr. HARRISON. This is about the only way we can get some farm relief, I may say to the Senator.

The PRESIDENT pro tempore. The joint resolution will be passed over.

FOREIGN DECORATIONS FOR OFFICERS AND MEN OF THE ARMY

The bill (S. 3187) granting permission to certain officers and men of the United States Army to accept various decorations bestowed in recognition of services to the allied cause was announced as next in order.

Mr. OVERMAN. Let that go over.

Mr. REED of Pennsylvania. I hope the Senator will withhold his objection for a moment.

Mr. OVERMAN. I have talked with the Senator at some time about such bills. This thing of giving wholesale decorations does not appeal to me.

Mr. REED of Pennsylvania. It does not give any decorations. It affects decorations which have been given by foreign governments, and which have been sent to this country but have been held up by the Secretary of State.

Mr. OVERMAN. Of course, there have been thousands of them. What is a decoration worth if there are going to be thousands of them coming to this country?

Mr. REED of Pennsylvania. There are not thousands. The total list is only about 25 that have come in in the last two years, and this cleans them up.

Mr. OVERMAN. How many men have been decorated?

Mr. REED of Pennsylvania. Nobody has been decorated by the United States, and there is no proposition that any shall be.

Mr. OVERMAN. How many bills have we passed authorizing people to receive decorations? The policy of this country is not to have our men receive decorations from foreign governments.

Mr. REED of Pennsylvania. I know, but these are all for services in the last war. We have passed a number of special bills, and it does not seem fair to the men without pull that they should not have been taken care of in the same way with people who had acquaintances here working to take care of them.

Mr. OVERMAN. How many bills have been passed authorizing people to receive decorations?

Mr. REED of Pennsylvania. There have been three at this session that I have known of.

Mr. OVERMAN. I know there have been several.

Mr. REED of Pennsylvania. It did not seem fair to me that people who had influence enough to get a special bill put through should profit by it while others should not have the same treatment.

Mr. OVERMAN. Does this bill clean up the matter of such decorations?

Mr. REED of Pennsylvania. It cleans it up.

Mr. OVERMAN. I do not much favor it, but I withdraw my objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs, with amendments, on page 1, line 3, after the words "of the," to insert the words "military forces of the"; on line 4, after the word "States," to strike out the word "Army"; on line 8, to strike out the words "Marine Corps"; on page 2, line 24, to strike out the word "major" and insert the words "lieutenant colonel," so as to make the bill read:

Be it enacted, etc., That the following officers and men of the military forces of the United States be, and they are hereby, authorized to accept the decorations which have been conferred upon them by the countries with which the United States was associated in the World War, namely:

Willis P. Baker, major, cross of officer of the Order of the Regeneration of Poland.

Alfred Barton, captain, Officers' Reserve Corps, chevalier of the Order of the Star of Rumania.

J. E. Barzynski, major, cross of officer of the Order of the Regeneration of Poland.

Charles W. Berry, major general, Belgian croix de guerre.

James E. Chaney, major, Air Service, Italian croce di guerra.

Edward Donnelly, lieutenant colonel, Field Artillery, Italian croce di guerra.

Lee Roy Dunbar, major, cross of officer of the Order of the Regeneration of Poland.

John M. Eager, major, Field Artillery, Italian croce di guerra.

Henry Fritz, private, Company H, Belgian croix de guerre.

William F. H. Godson, lieutenant colonel, cross of officer of the Order of the Regeneration of Poland.

Bertram S. Griffith, corporal, Belgian croix de guerre.

J. G. Harbord, major general, retired, cross with star of commander of the Order of the Regeneration of Poland.

Nelson M. Holderman, captain, chevalier of the French Legion of Honor.

William McFarland, captain, chevalier of the French Legion of Honor.

Charles G. Mortimer, lieutenant colonel, Quartermaster Corps, officer of the French Legion of Honor.

Arthur Poillon, lieutenant colonel, commander of the Order of the Star of Rumania, grand officer of the Order of the Crown of Rumania.

T. Upham, lieutenant colonel, Officers' Reserve Corps, cross of officer of the Order of the Regeneration of Poland.

Frank C. Vincent, major, Belgian croix de guerre.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting permission to certain officers and men of the military forces of the United States to accept various decorations bestowed in recognition of service to the allied cause."

REMOVAL OF REMAINS OF GEORGE MAUGER BURKLIN AND ANTON LERCH BURKLIN

The bill (S. 3220) authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md., was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments, on page 1, line 8, after the word "Maryland," to insert the words "but such permit shall not be issued until there has been filed in the health department of the District of Columbia a permit from the proper State authorities at the place where said cemetery is located authorizing the interment there of said remains," so as to make the bill read:

Be it enacted, etc., That the health officer of the District of Columbia be, and he is hereby, authorized to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md. But such permit shall not be issued until there has been filed in the Health Department of the District of Columbia a permit from the proper State authorities at the place where said cemetery is located authorizing the interment there of said remains.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HONORABLE DISCHARGES FROM MILITARY SERVICE

The bill (S. 3241) for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers of the United States Army, their widows and dependent children, a soldier who was discharged between April 6, 1917, and November 11, 1918, both dates inclusive, for fraudulent enlistment on account of misrepresentation of his age, shall hereafter be held and considered to have been discharged honorably from the military service on the date of his actual separation therefrom, if his service otherwise was such as would have entitled him to an honorable discharge: *Provided*, That no back pay or allowances shall accrue by reason of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF EARTHQUAKE SUFFERERS IN JAPAN

The bill (S. 3171) for the relief of sufferers from earthquake in Japan was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the action of the Executive in directing the issue, and the issuance of Army supplies out of the current and reserve stock for use of the Army, and in directing payment for supplies and for services rendered in connection with the shipment and transfer of such supplies, including all other extra expenditures, of a value not exceeding $6,017,069.03 for the relief of sufferers from the earthquake in Japan on September 1, 1923, is approved. Credit for all such supplies so issued and funds so disbursed in connection therewith and with relief tendered by the Army shall be allowed in the settlement of the accounts of the officers of the Army.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL DEFENSE ACT

The bill (S. 3248) providing for sundry matters affecting the Military Establishment was considered as in Committee of the Whole.

Mr. WADSWORTH. Mr. President, this, it will be noted, is a Senate bill. There is on the calendar House bill 8886, Order of Business No. 575. That was passed by the House. It is a bill identical with this one, and I ask that we proceed to the consideration of the House bill.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the Senate proceed to the consideration of House bill 8886. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That section 87 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended by adding thereto the following proviso:

"*And provided further*, That property issued to the National Guard, and which has become unserviceable through fair wear and tear in service, may, after inspection thereof and finding to that effect made by an officer of the Regular Army designated by the Secretary of War, be sold or otherwise disposed of, and the State, Territory, or District of Columbia, accountable, shall be relieved from further accountability therefor; such inspection and sale or other disposition to be made under regulations prescribed by the Secretary of War, and to constitute as to such property a discretional substitute for the examination, report, and disposition provided for elsewhere in this section."

SEC. 2. That section 92 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 92. Training of the National Guard: Under such regulations as the Secretary of War shall prescribe, each company, troop, battery, and detachment in the National Guard shall assemble for drill and instruction, including indoor target practice, not less than 48 times each year, and shall, in addition thereto, participate in encampments, maneuvers, or other exercises, including outdoor target practice, at least 15 days in training each year, including target practice, unless such company, troop, battery, or detachment shall have been excused from participation in any part thereof by the Secretary of War: *Provided*, That an assembly for drill and instruction may consist of a single duly ordered formation of a company, troop, battery, or detachment, or of a series of duly ordered formations of subdivisions or parts thereof, but in the latter case the series of formations of subdivisions or groups must comprehend and include the entire organization, and must be included within the time limit of seven consecutive days within a calendar month. The sum total of the attendance at all the separate consecutive formations announced as constituting that assembly shall be counted as the attendance at the actual military assembly for the required period of time; but no officer, warrant officer, or enlisted man shall be counted more than once, nor receive credit for more than one required period of actual military attendance, even though he may have attended more than one of the formations which constitute the assembly for the required period of time: *Provided further*, That credit for an assembly for drill or for indoor target practice shall not be given unless the number of officers and enlisted men present for duty at such assembly shall equal or exceed a minimum to be prescribed by the President, nor unless the period of actual military duty and instruction participated in by each officer and enlisted man at each such assembly at which he shall be credited as having been present shall be of at

and also among the dairymen in the cities, but I have not had time to study this bill, and, as I told the Senator from New

countries with which the United States was associated in the World War, namely:

charged honorably from the military service on the date of his actual

at which he shall be credited as having been present shall be of at

least one and one-half hours' duration and the character of training such as may be prescribed by the Secretary of War."

SEC. 3. That section 109 of the national defense act of June 3, 1916, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 109. Pay for the National Guard officers: Under such regulations as the Secretary of War may prescribe, captains, lieutenants, and warrant officers belonging to organizations of the National Guard shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for them in sections 3 and 9 of the pay readjustment act of June 10, 1922, for each regular drill or other period of instruction authorized by the Secretary of War, not exceeding 8 in any one calendar month and not exceeding 60 in one year, at which they shall have been officially present for the entire required period of not less than one and one-half hours. Officers above the grade of captain shall receive not more than $500 a year, and officers below the grade of major, not belonging to organizations, shall receive not more than four-thirtieths of the monthly base pay prescribed for them in section 3 of said pay readjustment act for satisfactory performance of their appropriate duties under such regulations as the Secretary of War may prescribe. In addition to pay hereinbefore provided, officers commanding organizations less than a brigade and having administrative functions connected therewith, shall, whether or not such officers belong to such organizations, receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary of War may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions, the Secretary of War may, from time to time, divide them into classes and fix the amount payable to the officers in each class. Pay under the provisions of this section shall not accrue to any officer during a period when he shall be entitled under any provision of law to the full rate of his base pay prescribed in section 3 or section 9, as the case may be, of the pay readjustment act of June 10, 1922: *Provided*, That section 9 of an act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, approved August 31, 1918, shall also apply to the purchase of uniforms, accouterments, and equipment for cash by officers of the National Guard and National Guard Reserve, whether in State or Federal service, on proper identification and under such rules and regulations as the Secretary of War may prescribe."

SEC. 4. That section 6 of the act of March 4, 1923, be, and the same is hereby, amended to read as follows:

"SEC. 6. That officers, warrant officers, and enlisted men of the National Guard injured in line of duty while at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the national defense act of June 3, 1916, as amended; members of the officers' reserve corps and of the enlisted reserve corps of the Army injured in line of duty while on active duty under proper orders; persons hereinbefore described who may now be undergoing hospital treatment for injuries so sustained shall be entitled, under such regulations as the President may prescribe, to medical and hospital treatment at Government expense, and to a continuation of the pay and allowances, whether in money or in kind, they were receiving at the time of such injuries, until they are fit for transportation to their homes, and upon termination of such medical and hospital treatment shall be entitled to transportation to their homes at Government expense. Officers, warrant officers, and enlisted men of the National Guard injured in line of duty when participating in aerial flights prescribed under the provisions of section 92 of said national defense act as amended shall, under regulations prescribed as aforesaid, be entitled from the date such injury was sustained to the same medical and hospital treatment at Government expense, pay and allowances, and transportation to their homes, as if such injury had occurred while in line of duty at encampments, maneuvers, or other exercises under aforementioned section 94 of the national defense act. And members of the officers' reserve corps and enlisted reserve corps injured while voluntarily participating in aerial flights in Government-owned aircraft by proper authority as an incident to their military training, shall, under regulations prescribed as aforesaid, be entitled, from the date such injury was sustained, to the same medical and hospital treatment at Government expense, pay and allowances, and transportation to their homes, as if such injury had occurred while on active duty under proper orders. Any person hereinbefore described, injured as aforesaid, who shall remain disabled for more than six months, shall, during the period of disability in excess of six months and until fit for transportation to his home, be entitled to medical and hospital treatment and to subsistence at Government expense, and when fit for transportation shall be entitled to transportation to his home at Government expense, but shall not during such period in excess of six months be entitled to other compensation. Any expenditures heretofore made by the Government in caring for persons injured under the conditions specified herein are hereby validated. Members of the reserve officers' training corps and members of the civilian military training camps injured in line of duty while at camps of instruction under the provisions of sections 47a and 47d of said national defense act, as amended, shall be entitled to medical and hospital treatment and transportation to their homes as in the case of persons hereinbefore described, and subsistence at Government expense until furnished such transportation, under such regulations as the President may prescribe. If the death of any person mentioned herein occurs while he is undergoing the training or medical and hospital treatment contemplated in this section, the United States shall pay for burial expenses and the return of the body to his home a sum not to exceed $100, as may be fixed in regulations prescribed by the President."

SEC. 5. Under such regulations as may be prescribed by the Secretary of War, property and disbursing officers of the National Guard accountable for public moneys may intrust money to other officers of the National Guard for the purpose of having them make disbursement as their agents, and the officers to whom the money is intrusted, as well as the officer intrusting the same to him, shall be held pecuniarily responsible therefor to the United States, and the agent officer shall be subject for his official misconduct to all the liabilities and penalties prescribed by law in like cases for the officer for whom he acts as agent.

SEC. 6. Enlisted men of the sixth and seventh grades of the National Guard holding specialists' ratings under the provisions of the national defense act, as amended, shall, in addition to the pay provided in section 14 of the pay readjustment act of June 10, 1922, be entitled to one-thirtieth of the specialists' pay provided in section 9 of said pay readjustment act for each day of participation in exercises provided for by sections 94, 97, and 99, national defense act, as amended: *Provided*, That payments heretofore made to enlisted men of the sixth and seventh grades of the National Guard holding specialists' ratings of one-thirtieth of the specialists' pay provided in section 9 of said pay readjustment act for each day spent in participating in exercises or performing the duties provided for by sections 94, 97, 99, and 110 of the national defense act of June 3, 1916, as amended, be, and the same are hereby, validated.

SEC. 7. That payments made to warrant officers of the National Guard, under the provisions of section 14 of the pay readjustment act of June 10, 1922, for the performance of their duties during the period beginning with the 1st day of July, 1922, and ending with the 29th day of October, 1923, be, and the same are hereby, validated, notwithstanding the nonexistence during said period of regulations authorized to be prescribed by said section, and warrant officers who during said period performed the duties prescribed by the Secretary of War in paragraph 928 (b) of National Guard Regulations, 1922, as amended by changes No. 9 to such regulations, dated October 30, 1923, and who have not been paid therefor, shall be paid in accordance with the provisions of said regulations.

SEC. 8. That payments heretofore made to captains, lieutenants, and enlisted men belonging to organizations of the National Guard for attendance at drills regularly ordered for only a subdivision or part of an organization, under the authority of any provision of the National Guard regulations prescribed by the Secretary of War and in effect at the time said drills were held, be, and the same are hereby, validated.

Mr. ROBINSON. I think the Senator from New York should explain the purpose of the provisions of the bill. It seems to be quite an important measure.

Mr. WADSWORTH. This is a bill which might be termed an omnibus bill, containing features unrelated one with the other. It refers almost entirely to those sections of the national defense act affecting the National Guard.

The first provision is one to simplify the method of condemning property now in the hands of the National Guard—Federal property—so that expense and time may be saved.

The second provision, found on page 2, permits what is known as split drills in National Guard units. That provision has already passed the Senate in a different bill during this session of the Congress.

The next one, on page 4, "Pay for National Guard officers," puts the officers of the National Guard on the same basis as the enlisted men as to the number of drills which they may attend per week or per month or per year, and receive pay for the same, and that provision has already passed the Senate this session in another bill.

The next one, on the bottom of page 5, section 4 of the bill, provides that when a National Guard soldier or officer is injured at a maneuver camp, he may be taken care of in a United States Government Army hospital. That has passed at this session, too, in a Senate bill.

Mr. ROBINSON. May I ask the Senator from New York whether these provisions affecting the National Guard have the approval of the National Guard organizations or their representatives?

Mr. WADSWORTH. They were drawn by the National Guard legislative committee, together with the War Department authorities, and have the approval of both military committees of the Congress.

This provision I have just referred to has passed the Senate at this session in another bill.

I want to offer two small amendments, perfecting in their nature. On line 23, page 2, before the word "or" and after the word "detachment," I move to insert the words "when so authorized by the Secretary of War."

The amendment was agreed to.

Mr. WADSWORTH. At the end of the bill, after line 10, on page 10, I move to strike out the period and insert a semicolon, and add the following:

And said captains, lieutenants, and enlisted men who have heretofore participated in drills held under the conditions described in this section, and who have not been paid therefor, shall be paid in accordance with the provisions of the said National Guard regulations in effect at the time such drills were held.

The amendment was agreed to.

Mr. FLETCHER. The Senator is proposing to amend the House bill?

Mr. WADSWORTH. The House bill.

Mr. FLETCHER. And the page and line correspond to the House bill?

Mr. WADSWORTH. They do.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3248 will be indefinitely postponed.

BILLS PASSED OVER

The bill (S. 1232) for the relief of Stephen A. Winchell was announced as next in order.

Mr. DIAL. Let that go over.

AMENDMENT OF CLASSIFICATION ACT OF 1923

The bill (H. R. 6896) to amend an act entitled "The classification act of 1923," approved March 4, 1923, was announced as next in order.

Mr. CURTIS. At the request of the senior Senator from Utah [Mr. SMOOT] I ask that the bill may go over.

Mr. STANFIELD. Mr. President, if the Senator from Kansas wants to object, of course we will have to let it go over. I do not know why he should object for a Senator who is not here.

Mr. CURTIS. The Senator from Utah could not be here, and in order to get this unanimous-consent agreement for to-night I agreed with him that we would put over the four bills he objected to. I will object in my own name if the Senator insists.

Mr. STANFIELD. I insist.

Mr. CURTIS. I am for the Senator's bill, but I ask that it go over.

Mr. STANFIELD. I wish to give notice that I shall move to take it up at the first opportunity.

The PRESIDENT pro tempore. The bill will be passed over.

HENRY MARTIN

The bill (S. 2525) for the relief of Henry Martin was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

FREE MAIL PRIVILEGES FOR PUBLICATIONS FOR THE BLIND

The joint resolution (S. J. Res. 115) to provide for the free transmission through the mails of certain publications for the blind was considered as in Committee of the Whole, and was read as follows:

Resolved, etc., That volumes of the Holy Scriptures, or any part thereof, in raised characters for the use of the blind, whether prepared by hand or printed, which do not contain advertisements, (a) when furnished by an organization, institution, or assocation not conducted for private profit, to a blind person without charge, shall be transmitted in the United States mails free of postage; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FOREST LANDS IN FLORIDA

The bill (S. 823) to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes, was considered as in Committee of the Whole and was read.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STATUS OF CERTAIN NAVAL OFFICERS

The bill (S. 483) to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920, was announced as next in order.

Mr. KING. Let that go over.

Mr. JONES of Washington. If the Senator will just withhold his objection for a moment, I would like to read the following from the report on this bill:

The purpose of this bill is to correct the status of certain officers who were examined and found qualified for appointment in the regular Navy along with a group of several other officers. All of the officers who took the examination at the time mentioned were appointed before June 30, 1922, with the exception of three officers for whom relief is sought through this bill. These three officers did not receive their commissions from the department until after June 30, 1922, through no fault of their own, either because they were traveling from one assignment to another or were officially away from their home stations, so that their commission did not reach them until after June 30, 1922.

I think the Senator should withdraw his objection.

Mr. KING. I withdraw the objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill which had been reported from the Committee on Naval Affairs with an amendment, on line 6, after the comma following the parenthesis, to insert the words "who were examined and found qualified in all respects for such appointment prior to June 30, 1922, but whose appointments were delayed subsequent to that date through no fault of their own," so as to make the bill read:

Be it enacted, etc., That all officers of the regular Navy appointed subsequent to June 30, 1922, in accordance with the provisions of the act of Congress approved June 4, 1920 (41 Stat. L. pp. 834 and 835), who were examined and found qualified in all respects for such appointment prior to June 30, 1922, but whose appointments were delayed subsequent to that date through no fault of their own, shall be entitled to count, in the computation of their pay, all service which would have been credited to them had they been so appointed on or before June 30, 1922.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALARIES OF DISTRICT OF COLUMBIA TEACHERS

The bill (H. R. 6721) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, on page 7, line 15, to strike out "the superintendent of schools shall receive a salary of $7,500 per annum" and to insert in lieu thereof:

A basic salary of $8,000 per year, with an annual increase of salary of $1,000 for two years, or until a maximum salary of $10,000 per year is reached.

The amendment was agreed to.

The next amendment was, on page 7, line 21, after the word "act," to insert the words "during the first year of service," so as to make the paragraph read:

The school officers provided for in Article II of this act during the first year of service shall receive compensation at the basic salary fixed herein and not receive credit for services prior to the passage of this act.

The amendment was agreed to.

The next amendment of the committee was, on page 16, to strike out lines 3 to 8, inclusive, in the following words:

And provided further, That nothing in this or any other section of this bill will authorize service rendered prior to July 1, 1924, to be credited to any employee other than teachers and all accredited service shall be confined to service rendered in and to the schools of the District of Columbia.

The amendment was agreed to.

Mr. KING. Mr. President, I want to call attention briefly to the fact that the bill increases the compensation of teachers more han $400,000 the first year, and the maximum increase in the bill over the existing maximum is more than $3,000,000. There are a number of provisions in the bill which are very objectionable to me. There is no doubt in my mind that the bill creates overhead expenses which are entirely too great and tends to a superfluity of employees particularly in the higher grades. The compensation of the teachers, particularly in the primary and elementary and junior high school grades, is quite fair and reasonable. The compensation in some of the higher grades in my opinion is too high, but I am making no objection.

Assurances have been given that legislation which is being formulated will make a correction of some of the evils of which I have spoken. If not, then this bill in my opinion will contain some provisions which will be unfair. I suggest to the Senator in charge of the bill, the Senator from Kansas [Mr. CAPPER], that he ought to limit the operation of the bill to two years, so that if they do not make the reforms suggested we will have at the end of two years a chance to revise the salaries.

Mr. CAPPER. I think that would be unwise. There is no doubt in my mind now that we are going to have the legislation to which the Senator has referred. I know the bill is being prepared with very great care, and I think there will be a plan submitted for the reorganization of the schools of the city of Washington that will meet not only with the approval of the Senator from Utah but of Congress in general.

Mr. KING. If I can have the assurance of the Senator that when the bill comes before the committee—and he and I are members of it—the committee will deal with those features to which I have referred very imperfectly, I shall not press the suggestion which I made.

Mr. CAPPER. I am quite certain the legislation will include the matters spoken of.

Mr. COPELAND. I am glad to join in the statement made by the Senator from Kansas, because those matters can be dealt with in the committee. I hope the bill will pass as it is now before us.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

PALESTINE TROUP

The bill (S. 3090) for the relief of Palestine Troup was announced as next in order.

Mr. DIAL. Let the bill go over.

Mr. McKINLEY. I hope the Senator will withhold his objection for a moment. This old gentleman is a man some 77 years old, who has no desire for a pension. He has raised a family of six sons, and stands very high in Illinois. I do not think the old gentleman is particularly disturbed as to the condition, but this matter has stood as a cloud against his record. He was a boy 16 years old at the time and was wounded and sent home and was not ordered back again. I trust the Senator will not insist on his objection.

Mr. DIAL. I have objected to similar bills, and I shall have to object to this one.

The PRESIDENT pro tempore. The bill will be passed over.

RETIREMENT OF EMPLOYEES IN CLASSIFIED CIVIL SERVICE

Mr. STANFIELD. Mr. President, a little while ago we passed over Order of Business No. 479, the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof. I ask unanimous consent that we return to that bill for the purpose of considering it.

Mr. CURTIS. Mr. President, I asked that the bill go over at the request of the Senator from Utah [Mr. SMOOT], as I explained before.

Mr. STANFIELD. Does the Senator from Kansas understand that this is not the same bill?

Mr. CURTIS. The Senator from Kansas understands. The Senator from Utah [Mr. SMOOT] stated to me that there were four bills of this character which he wanted to have go over, and I told him that I would ask that they go over when they were reached on the calendar.

Mr. STANFIELD. Does the Senator from Utah object to the consideration of the civil service pension retirement bill as well as the reclassification bill?

Mr. CURTIS. Yes; he does.

The PRESIDENT pro tempore. Objection is made to the request of the Senator from Oregon.

AUSTIN G. TAINTER

Mr. JOHNSON of Minnesota. Mr. President, I ask unanimous consent to have the Senate return to calendar No. 490, the bill (S. 2518) for the relief of Austin G. Tainter. That is a companion bill to a bill just passed. I understand the junior Senator from Utah [Mr. KING] withdraws his objection, and I hope no one else will object to the bill. It is to give the man the benefit of the employees' compensation act, and that is all.

Mr. KING. I have no objection.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Austin G. Tainter, a former employee of the United States Railway Mail Service, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, compensation hereunder to commence from and after the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

POTOMAC RIVER MEMORIAL BRIDGE

The bill (S. 3173) to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial, in the city of Washington, to an appropriate point in the State of Virginia, and for other purposes, was announced as next in order.

Mr. FERNALD. Mr. President, before any objection is made to the bill, I want to say that I am not going to press it for action to-night, because it is a matter of great importance. This particular bill, I think, has had, perhaps, as much attention from the country as any bill on the calendar. Almost every State, west and south, has been interested in the matter, and governors have written to me about it. I realize that it carries a large appropriation, and I shall hope to call it up later in the session for consideration and passage. I do not want any objection made to it to-night.

The PRESIDENT pro tempore. At the request of the Senator from Maine the bill will be passed over.

COURT REPORTERS IN DISTRICT COURTS

Mr. JOHNSON of Minnesota. Mr. President, while the Senator from Utah [Mr. KING] is in a good humor, I would like to have the Senate refer back to calendar number 350, Senate bill 1639.

Mr. ROBINSON. Mr. President, I think we should proceed, and go through the calendar without recurring to numbers that precede those with which we began this evening.

Mr. JOHNSON of Minnesota. Does the Senator from Arkansas object?

Mr. ROBINSON. It is a violation of the unanimous-consent agreement.

The PRESIDENT pro tempore. The unanimous-consent agreement provided for beginning at a later point in the calendar than that to which the Senator from Minnesota refers.

Mr. JOHNSON of Minnesota. Very well.

JUDICIAL DISTRICTS IN TEXAS

The bill (H. R. 8050) to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That Reagan County, in the State of Texas, be, and the same is hereby, detached from the El Paso division of the western judicial district of Texas and attached to and made a part of the San Angelo division of the northern judicial district of said State.

SEC. 2. That all process against persons resident in said county of Reagan and cognizable before the United States district court shall be issued out of and made returnable to said court at San Angelo, and that all prosecutions against persons for offenses committed in said county of Reagan shall be tried in said court at San Angelo: *Provided*, That no civil or criminal cause begun and pending prior to the passage of this act shall be in any way affected by it.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HOT SPRINGS NATIONAL PARK

The bill (S. 1523) authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., donated to the United States of America for use in connection with Hot Springs National Park, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., described as being the west half of the southwest quarter of the southwest quarter of section 27, township 2 south, range 19 west, fifth principal meridian, containing sixteen acres, more or less, situated in Garland County, State of Arkansas, donated to the United States of America for use in connection with Hot Springs National Park: *Provided*, That such land when accepted by the Secretary of the Interior shall be and remain a part of the Hot Springs National Park.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN MEDFORD, JACKSON COUNTY, OREG.

The bill (S. 1987) accepting certain tracts of land in the city of Medford, Jackson County, Oreg., was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to accept certain tracts of land in the city of Medford, Jackson County, Oreg., described as lots Nos. 15 and 16, block 9, amended plat to Queen Ann Addition to the city of Medford; and lot 3, block 2, central subdivision to the city of Medford, which have been tendered to the United States of America in fee simple by the city of Medford, Oreg., as sites for buildings to be used in connection with the administration of Crater Lake National Park, Oreg.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

GRANT OF LAND TO SHREVEPORT, LA., FOR RESERVOIR PURPOSES

The bill (H. R. 5573) granting certain public lands to the city of Shreveport, La., for reservoir purposes was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 13, after the word "same," to insert the words "upon filing its application by the city, notice thereof shall be published at least once each week for 30 days in some newspaper in general circulation in the parish in which the land is situated"; and on page 2, in line 20, after the word "recognize," to insert the words "notice being given as hereinbefore provided," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to issue patent or patents to the city of Shreveport, La., for use in the establishment of a reservoir for the water supply of said city, for all those tracts of land within what is known as the Cross Lake area, in townships 17 and 18 north, range 15 west, Louisiana meridian, which may be found by the Secretary of the Interior to have been islands in said Cross Lake at the date the State of Louisiana was admitted to the Union, and to which tracts no legal claims have been initiated and duly maintained under the provisions of the public land laws, and shall be timely asserted as provided herein: *Provided*, That the said city of Shreveport shall pay for said lands at the rate of $1.25 per acre, and shall tender its application for patent, accompanied by the purchase price of the land, within six months after the approval of this act, or within a similar period after the acceptance of the official plat or plats or survey if accepted after the date of this act: *Provided further*, That there shall be reserved to the United States all gas, oil, coal, or other mineral deposits found at any time in the said lands and the right to prospect for, mine, and remove the same upon filing its application by the city, notice thereof shall be published at least once each week for 30 days in some newspaper in general circulation in the parish in which the land is situated.

SEC. 2. That no claim alleged to have been initiated and maintained under the public land laws adverse to the disposition of said lands as provided for by this act shall be recognized, notice being given as hereinbefore provided, unless regularly presented to the Secretary of the Interior within the period allowed the city of Shreveport to file its application for patent, and no tract to which an adverse claim is asserted shall be patented to the city unless and until such claim is finally rejected by the Secretary of the Interior.

SEC. 3. That the lands hereby granted shall be used by the city of Shreveport, La., only for the purpose expressed in the grant, and if said land, or any part thereof, shall be abandoned for such use it shall revert to the United States; and the Secretary of the Interior is hereby authorized and empowered to determine the facts and declare such forfeiture and restore said land to the public domain, and such order of the Secretary shall be final and conclusive.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. WALSH of Montana. Mr. President, may I inquire what disposition was made of Calendar No. 560, House bill 5573?

The PRESIDENT pro tempore. It was just passed.

Mr. WALSH of Montana. I ask unanimous consent that the votes by which the bill was ordered to a third reading and passed may be reconsidered by reason of the fact that the amendments as printed do not comply with the amendments recommended by the committee.

The PRESIDENT pro tempore. The Senator from Montana asks unanimous consent for the reconsideration of the vote by which the bill was ordered to a third reading and passed. Without objection, it is so ordered.

Mr. WALSH of Montana. I offer the following amendment to the committee amendment: After the word "same," on page 2, line 13, insert a period and begin a new sentence with the words following.

The PRESIDENT pro tempore. Without objection the vote by which the amendment on page 2, line 13, was agreed to will be reconsidered, and the clerk will state the amendment now proposed by the Senator from Montana.

The READING CLERK. On page 2, line 13, after the word "same" insert a period; and after line 13 insert a new paragraph to read as follows:

Upon filing its application by the city, notice thereof shall be published at least once each week for 30 days in some newspaper in general circulation in the parish in which the land is situated.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

JOHANN JACOB LUTSCH

The bill (H. R. 5169) authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch, was considered as in Committee of the Whole, and was read as follows:

Be it enacted etc., That the Secretary of the Interior is authorized and directed to grant to Johann Jacob Lutsch, of St. Anthony, Idaho, a patent to the west half of section 15, township 11 north, range 41 east, Boise meridian, Idaho, such land having been entered by Johann Jacob Lutsch under homestead entry No. 063715, Blackfoot series.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HARRIMAN GEOGRAPHIC CODE SYSTEM

The joint resolution (S. J. Res. 41) authorizing a joint committee of both Houses to investigate the Harriman geographic code system, now in use by the War Department, with a view to ascertaining the adaptability and application of said system in the several executive departments and administrative branches of the Government and to rendering a just compensation to the owner thereof, was announced as next in order.

Mr. ROBINSON. Mr. President, from a casual examination of the joint resolution I do not understand it. Unless some Senator is prepared to explain it I shall ask that it go over.

Mr. WILLIS. The Senator from New Hampshire [Mr. MOSES] is interested in the measure, and I can tell the Senator a little about it. It refers to a system of accounting which, I understand, is in use in the War Department. The Senator from New Hampshire was desirous to have the system of accounting investigated by a joint committee, with a view to its

adoption. It involves no expenditure. I am making this statement for the Senator from New Hampshire.

Mr. ROBINSON. I think the joint resolution had better go over Mr. President.

The PRESIDENT pro tempore. The joint resolution will go over.

NELLIE KILDEE

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1607) for the relief of Nellie Kildee. The bill was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patent for the east half of the southwest quarter, and the west half of the southeast quarter of section 15, in township 44 north, and range 3 east, Boise meridian, in the State of Idaho, to Nellie Kildee, who settled and established residence thereon in 1901, when unsurveyed, upon which she put valuable improvements and fully complied with the homestead law prior to its withdrawal in 1906 for forestry purposes, and whose entry was canceled by the Department of the Interior and motion for the exercise of supervisory authority denied.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BENNING NATIONAL FOREST, GA.

The bill (S. 1033) to establish the Benning National Forest in the State of Georgia was announced as next in order.

Mr. KING. Mr. President, I should be glad to be advised by the chairman of the Committee on Public Lands or some member of that committee if it is to be the policy of the Government from time to time to receive these large tracts of land from the States, obviously for the purpose of having the Government take charge of them, which means considerable expense at the hands of the Federal Government. The report as to this bill shows that Mr. Wallace, the Secretary of Agriculture, states that if this land be taken over then a number of foresters will be put to work, and, of course, that will mean a larger appropriation from the Federal Treasury to look after the forests. It seems to me there ought to be some policy respecting these matters. I do not know whether or not it is wise for the Government to take over these forests or these lands. Many of the Western States have complained because the Federal Government has too much land, and we are trying to get it out of the hands of the Government and get it into the hands of the State. On the other hand, many of the States, it seems, are trying to get their lands out of the control of the States and transfer them to the Federal Government.

Mr. FLETCHER. The Government already owns 96,000 acres of this land.

Mr. KING. But it was acquired during the World War for military purposes and it is not now needed.

Mr. FLETCHER. The object of the bill is merely to have the Forest Service produce timber on the land.

Mr. KING. There will, of course, be a divided responsibility. If it is needed for war purposes, it ought to be controlled by the War Department. I want some information before I shall be ready to vote for the bill.

Mr. HARRIS. Mr. President, the bill will have to go over for certain reasons, but I wish first to say that the Secretary of War has approved it, and that the Secretary of Agriculture has also approved it. I do not understand that there will be any additional expense. The Government, as the Senator from Florida has stated, owns 96,000 acres there. They are now used for military purposes; but the Agricultural Department has control of the forests, and that is the reason why it is proposed to place this tract under the Agricultural Department. There is timber there which the department could sell. The War Department does not have the same authority in the matter of the sale of timber which the Agricultural Department has. However, Mr. President, I will consent that the bill go over without prejudice.

Mr. WALSH of Montana. I think if the Senator from Utah [Mr. KING] will reflect for a moment, he will see the propriety of turning the administration of this tract over to the Department of Agriculture. It is heavily timbered, or at least there is considerable timber on it. It is now in the control of the War Department, which has not any immediate use for it. Of course, the timber ought to be taken care of, and the matured timber ought to be cut and disposed of. This is obviously a task for the Forestry Service.

Mr. KING. Mr. President, will the Senator from Montana yield to me?

Mr. WALSH of Montana. I yield.

Mr. KING. The point that I was raising was not so much as to the control of the land—although I did suggest that there would be a divided control and a divided responsibility—but as to the question of policy. How far are we going in accepting these tracts of forest land? I was advised in regard to this tract of land that the War Department had no use for it and did not intend to retain jurisdiction over it.

Mr. WALSH of Montana. A bill such as the Senator has in mind was passed a short while ago; that was a case where we accepted a gift of private lands; but this is not that kind of a case. The Government of the United States now owns the land.

Mr. KING. I understand that.

Mr. WALSH of Montana. It is a military reservation which is under the control of the War Department, which, of course, is not now equipped to take care of forests.

Mr. KING. I understood, if the Senator will pardon me, that the Government did not need the land for military purposes; that the War Department would be willing to have it disposed of, but that the Department of Agriculture was very anxious to have the Federal Government take it over and signified its desire to assume control over it.

Mr. FLETCHER. The Senator is mistaken when he states that the Government does not need the tract for military purposes. It is one of the finest training camps in the whole country. The War Department does need it absolutely.

Mr. WALSH of Montana. Section 2 of the bill provides:

That such national forest shall remain subject to the unhampered use of the War Department for military purposes——

Mr. KING. If the Government owns the land, and it is needed for military purposes, I have no objection, but I thought that the Government desired to make a disposition of it.

Mr. FLETCHER. No.

Mr. KING. If the War Department needs the land, and we shall not merely be projecting the Government into this matter, though the land is not needed, that is a different matter.

Mr. FLETCHER. The Senator would be entirely right if his premise were sound, but the War Department does need the land.

Mr. PHIPPS. Mr. President, the consideration of the bill has been objected to.

Mr. NORBECK. I wish to state that I am in favor of the passage of the bill, or I should not have reported it favorably from the committee; but the War Department has asked for a little time, and I, therefore, ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF VOCATIONAL REHABILITATION ACT

The bill (H. R. 5478) to amend sections 1, 3, and 6 of an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," was announced as next in order.

Mr. KING. A number of suggestions have been made to me that certain amendments are being prepared to that bill, and it will take some little time to consider them. We can not do so under the five-minute rule.

The PRESIDING OFFICER. The bill will be passed over.

STEPHEN A. WINCHELL

Mr. HALE. Mr. President, I was out of the Chamber when Order of Business 548, being the bill (S. 1232) for the relief of Stephen A. Winchell, was reached and was objected to. I ask unanimous consent that the Senate return to the consideration of the bill.

The PRESIDENT pro tempore. The Senator from Maine asks unanimous consent to return to the bill named by him for consideration. Is there objection?

Mr. DIAL. I ask that the bill go over, Mr. President.

Mr. HALE. I hope the Senator from South Carolina will not object to the bill. The bill was passed at the last session of Congress. I think there is merit in it. It is to straighten out the record of Stephen A. Winchell. The facts in the case are these: Winchell entered the service in 1862 and served for three years. He was wounded while in the service. At the expiration of three years, on or about August 3, 1865, three of Winchell's comrades left camp without permission. Their absence was detected, and, thinking that he might be able to assist them if they could be induced to return to camp before being placed under arrest, Winchell went in search of them. He made the admitted mistake of failing to secure leave. He found his comrades on the streets of a town near camp, all of them in an intoxicated condition. Winchell urged them to return to camp, but before they could do so the party was met by an officer, taken back to camp, and placed in confinement.

Mr. ROBINSON. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator from Arkansas will state his point of order.

Mr. ROBINSON. I myself do not object to the consideration of the bill, but an objection was made some minutes ago.

Mr. HALE. I asked the Senator from South Carolina to withhold his objection.

Mr. ROBINSON. The Senator announced that he would persist in his objection, and I think, in fairness to the bills on the calendar that have not been reached, and probably will not be reached, that the Senate should not proceed to discuss bills to which objection has been made.

Mr. HALE. I do not understand that the Senator insisted upon his objection. I asked him to withdraw it.

Mr. ROBINSON. Yes; he has stated repeatedly that he objected.

Mr. DIAL. I objected twice. I have no objection to the Senator talking, if he wants to, but I am not going to let the bill pass.

Mr. ROBINSON. That is the point I make; there is no use talking if objection is going to be made.

Mr. HALE. Of course, under the circumstances it is useless to proceed further.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

LYN LUNDQUIST

The bill (S. 976) for the relief of Lyn Lundquist was announced as next in order.

Mr. DIAL. Let that bill go over.

Mr. NORBECK. Mr. President, that is a bill reported from the Committee on Public Lands. It is for the relief of a homestead settler. It is not a pension bill.

Mr. DIAL. I am glad to hear it is not a pension bill, and I withdraw the objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, directed to permit Lyn Lundquist, notwithstanding he has heretofore exhausted his homestead right, to make homestead entry of the west half of the northeast quarter and the east half of the northwest quarter of section 15, in township 44 north, and range 3 east, Boise meridian, in the State of Idaho, and to give him credit upon his making final proof showing residence and cultivation as required by law for any improvement he may heretofore have made thereon.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1005) to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations, was announced as next in order.

Mr. OVERMAN. That bill ought to go over.

The PRESIDENT pro tempore. The bill will be passed over.

MAIL MESSENGER SERVICE

The bill (H. R. 6482) authorizing the Postmaster General to contract for mail messenger service was considered as in Committee of the Whole.

The bill had been reported from the Committee on Post Offices and Post Roads with an amendment on page 1, line 7, after the words "Postmaster General," to insert "postmasters," so as to make the bill read:

Be it enacted, etc., That hereafter postmasters may be designated by the Postmaster General as disbursing officers for the payment of mail messengers and others engaged under their supervision in transporting the mails: *Provided*, That in the discretion of the Postmaster General, postmasters, assistant postmasters, and clerks at post offices of the third class, and postmasters, assistant postmasters, and clerks at post offices of the fourth class may enter into contracts for the performance of mail messenger service, and allowance may be made therefor from the appropriations for mail messenger service: *Provided further*, That the total amount payable under such contract to any postmaster, assistant postmaster, or clerk shall not exceed $300 in any one year: *Provided further*, That hereafter special delivery messengers at post offices of all classes may enter into contracts for mail messenger service.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WILLIAM F. BROCKSCHMIDT

The bill (S. 1650) for the relief of William F. Brockschmidt was considered as in Committee of the Whole.

The bill had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 2, line 6, after the word "check," to strike out "was held by officials of said Reclamation Service and," so as to make the bill read:

Be it enacted, etc., That there is hereby appropriated to and for the benefit of William F. Brockschmidt, of Ballantine, Mont., out of any moneys in the Treasury of the United States otherwise unappropriated, the sum of $916.38, to reimburse said William F. Brockschmidt for loss sustained by him on account of a check for said amount of money issued by him November 25, 1922, on the Ballantine State Bank, of Ballantine, Mont., in which he then had on deposit to his credit money to that amount, to the special fiscal agent of the United States Reclamation Service in payment of water charges, water renewal, and construction charges of said Reclamation Service to that amount, assessed to and a lien in that amount on land within the Huntley reclamation project of the United States Reclamation Service, entered and owned or held then and now, in part by said William F. Brockschmidt and in part by his wife, which said check was held by officials of said Reclamation Service and had not been cashed when said bank closed its doors and suspended payments and discontinued business December 4, 1922; and the Treasurer of the United States is hereby authorized and directed to issue to said William F. Brockschmidt or his heirs a voucher or warrant on the Treasury of the United States for said sum of money, hereby appropriated, worded in such manner that such voucher or warrant must be countersigned or indorsed by the special fiscal agent of the United States Reclamation Service and must be used to pay the aforesaid indebtedness of said William F. Brockschmidt and his wife to said Reclamation Service now unpaid and existing: *Provided*, That whatever may be realized or paid (not to exceed the aforesaid amount) on account of said check of said William F. Brockschmidt on said bank, in the settlement of the affairs and indebtedness of said bank or on account of the deposit therein of money of said William F. Brockschmidt, shall accrue to and shall be paid to the Treasurer of the United States and shall be turned into the Treasury of the United States and shall be the money of the United States.

Sec. 2. This act shall be in full force and effect from and after its passage and approval.

Mr. DIAL. Mr. President, I should like to have the Senator from Montana explain that bill. I have not had time to read the report.

Mr. WALSH of Montana. The bill is a very meritorious one. The beneficiary of the bill was a homesteader claiming under an irrigation district. He turned in a check in payment for his land to the proper officer of the Reclamation Service, who held the check for an inordinate time; in the meantime the bank upon which the check was drawn failed, and the settler will have to lose his money by reason of the negligence of the reclamation officer in not cashing the check.

Mr. DIAL. For how long a time was the check held?

Mr. WALSH of Montana. I do not remember the exact time.

Mr. DIAL. Is the bill recommended by the Secretary of the Interior?

Mr. WALSH of Montana. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAURA C. PETERSON AND OTHERS

The bill (S. 2087) for the relief of Laura C., Ida E., Lulu P., and Esther P. Peterson was considered as in Committee of the Whole. It directs the Secretary of the Interior to issue a patent to Laura C. Peterson, Ida E. Peterson, Lulu P. Peterson, and Esther B. Peterson, children of Peder I. Peterson, conveying to them the west half of section 28, township 37 north, range 29 east principal meridian, being embraced in the homestead entry of said Peder I. Peterson, Glasgow, Mont., serial No. 051413, allowed September 25, 1917.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

INLAND WATERWAYS CORPORATION

The bill (S. 3161) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the transportation act, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, the Senator from Tennessee [Mr. McKELLAR] is interested in that bill. He is necessarily absent from the city, and I said that when it was called up for consideration I would ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

PEARL RIVER BRIDGE, MISSISSIPPI

The bill (S. 3244) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across Pearl River, in the State of Mississippi, was considered as in Committee of the Whole. It proposes to grant the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River, at a point suitable to the interests of navigation, at the city of Jackson, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and expressly reserves the right to alter, amend, or repeal the act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FINAL ROLL OF FLATHEAD INDIANS, MONTANA

The bill (H. R. 2875) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to add to the final roll of the Indians of the (Jocko) Flathead Indian Reservation, Mont., approved January 22, 1920, under the act of May 25, 1918 (40 Stat. p. 591), and the act of June 30, 1919 (41 Stat. p. 9), the names of the following persons, descendants of the Confederated Flathead Tribes of Indians: Lucy Contesto, Mary Sophie Contesto, Clifford Gendron, Adolph Squeque, Peter Joseph Chalwain, Dennis McLeod, Margaret Louise Ashley, Veona Carlson, Lois May Honie, Norbert Marage, Eva Matilda Matt, Eneas Isadore Woodcock, Wilton Sidney Worley, Harry Leon Beauchaine, Henry Louxeau, and Louise Isaac.

The Secretary of the Interior is also authorized to pay to each of the persons named a sum equal to that heretofore paid per capita to those whose names were on the approved roll, such payments to be made from any tribal funds in the Treasury to the credit of the Flathead Indians.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WICHITA AND AFFILIATED INDIANS IN OKLAHOMA

The bill (H. R. 731) authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims was considered as in Committee of the Whole.

The bill had been reported from the Committte on Indian Affairs with an amendment in section 3, page 3, line 22, after the word "than," to strike out "$15,000" and insert "$25,000," so as to make the bill read:

Be it enacted, etc., That all claims of whatsoever nature which the Wichita and affiliated bands of Indians in Oklahoma may have against the United States may be submitted to the Court of Claims for determination of the amount, if any, due said tribes or bands of Indians from the United States under any treaties, agreements, or laws of Congress, or for the misappropriation of any of the funds of said tribes or bands, or for the failure of the United States to pay said tribes or bands any moneys or other property due; and jurisdiction is hereby conferred on the Court of Claims, with the right of either party to appeal to the Supreme Court of the United States, to hear and determine as right and justice may require and upon a full and fair arbitration all legal and equitable claims, if any, of said tribes or bands against the United States, and to enter judgment thereon.

SEC. 2. That if any claim or claims be submitted to said court, it shall settle the rights therein, both legal and equitable, of each and all the parties thereto, notwithstanding lapse of time or statutes of limitation, and any payment which may have been made upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as an offset in such suits or actions, and the United States shall be allowed credit for all sums, including gratuities heretofore paid or expended for the benefit of said tribes or any band thereof.

The claim or claims of the Wichita and affiliated bands may be presented separately or jointly by petition, subject, however, to amendment, suit to be filed within five years after the date of the passage of this act; and such action shall make the petitioner or petitioners party plaintiff or plaintiffs and the United States party defendant, and any band or bands of the said Wichita and affiliated bands or any other tribe or band of Indians the court may deem necessary to a final determination of such suit or suits may be joined therein as the court may order. Such petition or petitions shall be verified by the attorney or attorneys employed by the Wichita and affiliated bands or any tribe or band thereof under contract approved in accordance with existing law, and no other verification shall be necessary. Official letters, papers, documents, and public records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said tribes or bands thereof to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys for said tribes of Indians.

SEC. 3. That upon the final determination of such suit or cause of action the Court of Claims shall decree such fees as it shall find reasonable to be paid to the attorney or attorneys employed therein by said tribes under contracts negotiated and approved as provided by existing law, but in no case shall the fees decreed by said court amount to more than 10 per cent of the amount of the judgment recovered in such cause, and in no event shall such fee amount in the aggregate under one attorneyship for each tribe to more than $25,000, and shall be paid out of any judgment that may be recovered; and the balance of such judgment shall be placed in the United States Treasury to the credit of the Indians entitled thereto, where it shall draw interest at the rate of 4 per cent per annum.

The bill was reported to the Senate as amended and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

FINAL ROLL OF THE CHEYENNE AND ARAPAHO INDIANS, OKLAHOMA

The bill (H. R. 6857) to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma, was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to add to the final roll of the Cheyenne and Arapaho Indians of the Seger jurisdiction, Oklahoma, approved May 18, 1921, the names of Chester Calf and Crooked Nose Woman, which names were inadvertently omitted from the said roll, and to pay to each of these persons a sum equal to that heretofore paid per capita to those whose names appear on the approved roll, such payment to be made from any tribal funds to the credit of the Cheyenne and Arapaho Indians.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RED LAKE INDIANS

The bill (H. R. 4460) authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use was considered as in Committee of the Whole. The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States not to exceed $1,000, out of moneys on deposit to the credit of the Red Lake Indians in Minnesota, and to use the same, or as much thereof as may be necessary, in reimbursing certain Red Lake Indians whom he may find to have suffered loss through the taking of their individual garden plats, without remuneration to them, for Indian school-farm purposes.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3084) to enlarge the fish-cultural station at Orangeburg, S. C., was announced as next in order.

SEVERAL SENATORS. Over!

Mr. DIAL. Mr. President, that bill is in the nature——

SEVERAL SENATORS. Over!

Mr. DIAL. It is in the nature of economy; it is to help the farmer.

The PRESIDENT pro tempore. The bill will be passed over.

NIAGARA RIVER AND BLACK ROCK CANAL BRIDGE

The bill (S. 3249) granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Buffalo & Fort Erie Public Bridge Co., a corporation organized under the laws of the State of New York, and its successors and

assigns, to construct, maintain, and operate a bridge and approaches thereto across the Niagara River and the Black Rock Canal, at a point suitable to the interests of navigation, within or near the city limits of Buffalo, in the county of Erie and State of New York, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That, subject to the provisions of this act, the Secretary of War may permit the corporation herein named, its successors and assigns, to construct a tunnel or tunnels under said river and canal in lieu of the bridge herein authorized, in accordance with the foregoing act approved March 23, 1906, so far as the same may be applicable: *Provided further*, That before the construction of said bridge or tunnel shall be begun all proper and requisite authority therefor shall be obtained from the Government of the Dominion of Canada.

SEC. 2. That this act shall be null and void unless the construction of said bridge or tunnel is commenced within two years and completed within five years from the date of approval hereof.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOHN W. DILKS

The bill (H. R. 7296) for the relief of John W. Dilks was announced as next in order.

Mr. DIAL. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CIVIL WAR MILITARY TELEGRAPH CORPS

Mr. KING. Mr. President, I inquire what disposition was made of order of business No. 584, being the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War?

Mr. REED of Pennsylvania. That bill was this afternoon recommitted to the Committee on Pensions.

LA PLATA RIVER COMPACT

The bill (S. 1656) granting the consent and approval of Congress to the La Plata River compact was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to the compact signed by the commissioners of the States of Colorado and New Mexico at the city of Santa Fe, on the 27th day of November, 1922, and approved by the Legislature of the State of Colorado by an act entitled "An act to approve the La Plata River compact," April 13, 1923, and by the Legislature of the State of New Mexico by an act entitled "An act ratifying and approving the La Plata compact," approved February 7, 1923, which compact is as follows:

"The State of Colorado and the State of New Mexico, desiring to provide for the equitable distribution of the waters of the La Plata River and to remove all causes of present and future controversy between them with respect thereto, and being moved by considerations of interstate comity, pursuant to acts of their respective legislatures, have resolved to conclude a compact for these purposes and have named as their commissioners Delph E. Carpenter, for the State of Colorado, and Stephen B. Davis, jr., for the State of New Mexico, who have agreed upon the following articles:

"ARTICLE I

"The State of Colorado, at its own expense, shall establish and maintain two permanent stream-gauging stations upon the La Plata River for the purpose of measuring and recording its flow, which shall be known as the Hesperus station and the interstate station, respectively.

"The Hesperus station shall be located at some convenient place near the village of Hesperus, Colo. Suitable devices for ascertaining and recording the volume of all diversions from the river above Hesperus station shall be established and maintained (without expense to the State of New Mexico), and whenever in this compact reference is made to the flow of the river at Hesperus station it shall be construed to include the amount of the concurrent diversions above said station.

"The interstate station shall be located at some convenient place within 1 mile of and above or below the interstate line. Suitable devices for ascertaining and recording the volume of water diverted by the Enterprise and Pioneer Canals, now serving approximately equal areas in both States, shall be established and maintained (without expense to the State of New Mexico), and whenever in this compact reference is made to the flow of the river at the interstate station it shall be construed to include one-half the volume of the concurrent diversions by such canals, and also the volume of any other water which may hereafter be diverted from said river in Colorado for use in New Mexico.

"Each of said stations shall be equipped with suitable devices for recording the flow of water in said river at all times between the 15th day of February and the 1st day of December of each year. The State engineers of the signatory States shall make provision for cooperative gauging at two stations, for the details of the operation, exchange of records and data, and publication of the facts.

"ARTICLE II

"The waters of the La Plata River are hereby equitably apportioned between the signatory States, including the citizens thereof, as follows:

"1. At all times between the 1st day of December and the 15th day of the succeeding February each State shall have the unrestricted right to the use of all water which may flow within its boundaries.

"2. By reason of the usual annual rise and fall, the flow of said river between the 15th day of February and the 1st day of December of each year shall be apportioned between the States in the following manner:

"(a) Each State shall have the unrestricted right to use all the waters within its boundaries on each day when the mean daily flow at the interstate station is 100 cubic feet per second, or more.

"(b) On all other days the State of Colorado shall deliver at the interstate station a quantity of water equivalent to one-half of the mean flow at the Hesperus station for the preceding day, but not to exceed 100 cubic feet per second.

"3. Whenever the flow of the river is so low that in the judgment of the State engineers of the States the greatest beneficial use of its waters may be secured by distributing all of its waters successively to the lands in each State in alternating periods, in lieu of delivery of water as provided in the second paragraph of this article, the use of the waters may be so rotated between the two States in such manner, for such periods, and to continue for such time as the State engineers may jointly determine.

"4. The State of New Mexico shall not at any time be entitled to receive nor shall the State of Colorado be required to deliver any water not then necessary for beneficial use in the State of New Mexico.

"5. A substantial delivery of water under the terms of this article shall be deemed a compliance with its provisions and compensating irregularities in flow or delivery shall be disregarded.

"ARTICLE III

"The State engineers of the States, by agreements from time to time, may formulate rules and regulations for carrying out the provisions of this compact, which, when signed and promulgated by them, shall be binding until amended by agreement between them or until terminated by written notice from one to the other.

"ARTICLE IV

"Whenever any official of either State is designated to perform any duty under this contract, such designation shall be interpreted to include the State official or officials upon whom the duties now performed by such official may hereafter devolve.

"ARTICLE V

"The physical and other conditions peculiar to the La Plata River and the territory drained and served thereby constitute the basis for this compact, and neither of the signatory States concedes the establishment of any general principle or precedent by the concluding of this compact.

"ARTICLE VI

"This compact may be modified or terminated at any time by mutual consent of the signatory States, and upon such termination all rights then established hereunder shall continue unimpaired.

"ARTICLE VII

"This compact shall become operative when approved by the legislature of each of the signatory States and by the Congress of the United States. Notice of approval by the legislatures shall be given by the governor of each State to the governor of the other State, and the President of the United States is requested to give notice to the governors of the signatory States of approval by the Congress of the United States.

"In witness whereof, the commissioners have signed this compact in duplicate originals, one of which shall be deposited with the secretary of state of each of the signatory States.

"Done at the city of Santa Fe, in the State of New Mexico, this 27th day of November, in the year of our Lord 1922.

"DELPH E. CARPENTER.
"STEPHEN B. DAVIS, JR."

Mr. KING. Is the Federal Government interested in that in any way or is there any obligation incurred under it?

Mr. BURSUM. There is no obligation, Mr. President; but a compact was authorized by the Congress to be entered into between Colorado and New Mexico as to the waters of the La Plata. That compact has been agreed upon between the two States, and under the resolution it was required that the Congress should consent to the compact. There is no

other obligation whatever. It is a matter which involves no interest to anyone except Colorado and New Mexico, which are using the water of the La Plata River, which flows through the two States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BATTLE FIELDS AROUND FREDERICKSBURG AND SPOTSYLVANIA COURT-HOUSE, VA.

The bill (S. 3263) to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court-house, Va., was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That a commission is hereby created, to be composed of the following members, who shall be appointed by the Secretary of War:

(1) A commissioned officer of the Corps of Engineers, United States Army;

(2) A veteran of the Civil War who served honorably in the military forces of the United States; and

(3) A veteran of the Civil War who served honorably in the military forces of the Confederate States of America.

SEC. 2. In appointing the members of the commission created by section 1 of this act the Secretary of War shall, as far as practicable, select persons familiar with the terrain of the battle fields in and around Fredericksburg and Spotsylvania Courthouse, Va., and the historical events associated therewith.

SEC. 3. It shall be the duty of the commission, acting under the direction of the Secretary of War, to inspect the battle fields in and around Fredericksburg and Spotsylvania Courthouse, Va., in order to ascertain the feasibility of preserving and marking for historical and professional military study such fields. The commission shall submit a report of its findings to the Secretary of War not later than December 1, 1924.

SEC. 4. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 in order to carry out the provisions of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF REAL ESTATE NOT REQUIRED FOR MILITARY PURPOSES

The bill (S. 3276) authorizing the sale of real property no longer required for military purposes was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs with an amendment, on page 1, line 8, after the word "longer," to strike out "needed for," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, either in whole or in two or more parts, as he may deem best for the interests of the United States, the several tracts or parcels of real property hereinafter designated, or any interest therein or appurtenant thereto, which said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

FIRST CORPS AREA

Maine: Narrows Island Reservation, Boothbay, Lincoln County.

Massachusetts: Fort Phoenix, near Fair Haven, Bristol County; Springfield Armory, two small tracts.

Rhode Island: Fort Greene, Newport.

SECOND CORPS AREA

New York: Fort Montgomery, Rouses Point, Clinton County; Sag Harbor Reservation, Sag Harbor, Long Island, Suffolk County.

FOURTH CORPS AREA

South Carolina: Bay Point Reservation on Phillips Island, Beaufort County; Hilton Head Reservation at south entrance to Port Royal Sound, Beaufort County.

Alabama: Fort Gaines, on east end of Dauphin Island, Mobile County.

Tennessee: Park Field, Millington.

SEVENTH CORPS AREA

Arkansas: Camp Pike Booster Pumping Station, near Little Rock.

SEC. 2. In the disposal of the aforesaid properties the Secretary of War shall in each and every case cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. After such appraisal shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract of land is located, and such State, or the county, or municipality in which such land is located shall in the order named have the option at any time within six months after the approval of such appraisal to acquire the same, or any part thereof which shall have been separately appraised, upon payment within said period of six months of the appraisal value: *Provided*, That the conveyance of said tract of land to such State, county, or municipality shall be upon the condition and limitation that said property shall be limited to use for public park purposes and upon cessation of such use shall revert to the United States without notice, demand, or action brought.

SEC. 4. Six months after the date of approval of said appraisal, if the option given in section 3 hereof shall not have been completely exercised, the Secretary of War shall sell or cause to be sold each of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary.

SEC. 5. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 6. The expense of appraisal, survey, advertising, and sale shall in each case be paid from the proceeds of the sale, whether made in accordance with section 3 or section 4 of this act, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

SEC. 7. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossd for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3285) to provide retirement for the Nurse Corps of the Army and Navy was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

POSTHUMOUS APPOINTMENT AND PROMOTION OF ENLISTED MEN AND OFFICERS

The joint resolution (S. J. Res. 124) to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on Military Affairs with amendments, on page 2, line 25, after the word "any," to strike out "former," and in the same line, after the words "officer of the," to strike out "Regular," so as to make the joint resolution read:

Resolved, etc., That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, had been duly appointed to a commissioned grade, and, through no fault of his own, was unable to accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such appointment, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission, from the date of such appointment to the date of his death.

SEC. 2. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, may have been officially recommended for promotion to a commissioned grade, which recommendation shall have been duly approved by the Secretary of War, or by the commanding general American Expeditionary Forces, as the case may be, and who shall have been unable to receive and accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such approval, and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission, from the date of such approval to the date of his death.

SEC. 3. That the President be, and he is hereby, authorized to issue, or cause to be issued, an appropriate commission in the name of any officer of the Army of the United States who, after having been examined and found duly qualified for promotion, died since April 6, 1917, or shall die, in line of duty after the occurrence of the vacancy entitling him, by virtue of seniority, to such promotion and before the issue or acceptance of a commission therefor; and any such commission shall issue with rank as of the date of said vacancy, and any

such officer's name shall be carried upon the records of the War Department as of the grade and branch of the service shown in such commission, from the date of such vacancy to the date of his death.

SEC. 4. That no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any provision of this resolution.

The amendments were agreed to.

Mr. JONES of Washington. Mr. President, I should like just a brief explanation as to what this joint resolution does.

Mr. HARRIS. Mr. President, the purpose of Senate Joint Resolution 124 is briefly explained in the committee report, No. 558, and in detail in my remarks before the Senate on May 15.

My resolution in effect simply corrects the records of the War Department to show appointments and promotions that were actually made, but were not legally perfected because the officers and soldiers were killed in action or died in line of duty before the commissions reached them through the mails.

The War Department has on at least three separate occasions formally recommended that Congress authorize these corrections of the records.

The first two sections apply to officers and men who were killed in action or died in line of duty during the World War after their appointments or promotions had been duly approved, but before the commissions actually reached them.

The Senate on two occasions, once during the Sixty-sixth and once during the Sixty-seventh Congress, passed resolutions embodying provisions substantially identical with these two sections of my resolution, but they were never reported out from the House committee, due, I am informed, to objections to other provisions of the old resolutions which I have omitted from my resolution.

So far as I am aware, no exception was taken to the two sections incorporated in my resolution, the sole purpose of which is to do justice to the memory of a few brave officers and soldiers who sacrificed their lives in defense of their country and humanity.

The third section of my resolution covers similar cases of officers of the Regular Army, National Guard, and Officers' Reserve Corps that have occurred since the beginning of the World War or that may occur in the future. This section will render unnecessary special acts such as were passed in the cases of Major Haines, Lieutenant Colonel Butler, and Brigadier General Sigerfoos.

The last section of my resolution specifically provides that no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any provision of the resolution. The passage of the resolution, therefore, entails no expense to the Government. It will, however, afford some measure of comfort to the parents, widows, and children of these brave officers and soldiers who made the supreme sacrifice.

Mr. SMITH. Mr. President, I should like to call attention to the case of an officer whose only son came of military age and was killed last month just the day before his commission was to be handed to him. I was up at the department this morning to see the Secretary of War, and, being unable to see him, I saw The Adjutant General, and he called attention to the pendency of this very bill.

Mr. KING. Mr. President, will the Senator permit a question?

Mr. SMITH. Yes.

Mr. KING. Suppose the commission has not issued at the time of the decease of the soldier; does it then issue?

Mr. HARRIS. This joint resolution allows the Government to issue the commission. It has passed the Senate twice, and passed the last Congress before that unanimously. There was not an objection to it. The committee recommended it unanimously.

Mr. KING. I think the commission ought to be delivered if it has been made out; but if action has not been taken culminating in the issuing of the commission, that is another matter.

Mr. SMITH. My understanding of the joint resolution is that all the conditions requisite for the issuing of the commission would be fulfilled. In the case to which I refer, the boy had stood his examination, and the commission was ready to issue, and on account of his death it could not issue because the law stipulates that he must receive it in person.

This was a very peculiar situation. This young man was the only son of an officer, and he served under his father during the war, and he took up aviation; and on the aviation field in Texas the day after his final examination, while they were making out the papers, he went up at night, and he and one of the best pilots were up, and the plane fell, and both bodies were consumed. The father wrote and asked if some exception could not be made in that case, and I took up the matter with The Adjutant General this morning, and my attention was called to the pendency of this very bill.

Mr. FLETCHER. Mr. President, I call the attention of the Senator from Utah to the fact that the joint resolution provides that commissions shall issue where the recommendations for promotion have been made and where the recommendations shall have been approved by the Secretary of War or by the Commanding General of the American Expeditionary Forces. All those things must have taken place before the death.

Mr. HARRIS. Congress has passed special bills just exactly like this. This joint resolution simply makes the law general and protects a man who has not a "pull" and can not get his bill through.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

RUBIE M. MOSLEY

The bill (S. 1725) for the relief of Rubie M. Mosley was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$20,000" and insert "$5,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Rubie M. Mosley, of San Antonio, Tex., out of any money in the Treasury not otherwise appropriated, the sum of $5,000 in full settlement of her claim against the Government of the United States for injuries received by her by being run over and seriously injured by an automobile driven by an enlisted man of the United States Army, the automobile being in the use of Colonel Morton, the commander of the Government arsenal at San Antonio, Tex., on November 17, 1917.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2458) to authorize the payment of an indemnity to the Swedish Government for the losses sustained by its nationals in the sinking of the Swedish fishing boat *Lilly* was announced as next in order.

Mr. DIAL. Mr. President, I see two or three bills here for a purpose similar to that of this bill. I wonder whether those Governments owe us any money or not. If so, it seems to me this amount ought to be credited on any claim we have against them. I know nothing about the matter myself, and if no other Senator knows about it I will ask that this bill go over, and all bills similar to this.

Mr. WILLIS. Mr. President, what bill is the Senator objecting to?

Mr. DIAL. I am not objecting; I am asking for information, if I can get any.

Mr. WILLIS. I can explain Senate bill 2719, Order of Business 595, to the Senator.

Mr. DIAL. I do not say that this bill ought to be rejected, but I do not know, and there does not seem to be anyone else here who knows. In that state of affairs, therefore, I will ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over; and, at the request of the Senator from South Carolina, Senate bill 2718 and Senate bill 2719 also will be passed over.

Mr. DIAL. They are in the same situation.

Mr. WILLIS. Mr. President, all of those bills were carefully considered by the Foreign Relations Committee. I remember that very distinctly. I think there is no objection to them. I know specifically about Senate bill 2719. If the Senator desires, I can undertake to explain Senate bill 2718.

Mr. DIAL. I do not want to object to the passage of the bills, but I am trying to find out whether those countries owe us anything or not. If so, the amount ought to be credited and not paid.

Mr. WILLIS. That question was not brought up in the committee. These claims were considered upon their merits.

Mr. DIAL. Then let them all go over.

Mr. WILLIS. Does the Senator object to Senate bill 2719?

The PRESIDENT pro tempore. The Senator from South Carolina has objected to that bill, and it has been passed over.

The bill (H. R. 8209) to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the trans-

by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State

the issue or acceptance of a commission therefor; and any such commission shall issue with rank as of the date of said vacancy, and any

were consumed. The father wrote and asked if some exception could not be made in that case, and I took up the matter with

of Congress as expressed in sections 201 and 500 of the trans-

portation act, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PROBATION SYSTEM IN UNITED STATES COURTS

The bill (S. 1042) to provide for the establishment of a probation system in the United States courts, except in the District of Columbia, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the courts of the United States having original jurisdiction of criminal actions, except in the District of Columbia, when it shall appear to the satisfaction of the court that the ends of justice and the best interests of the public, as well as the defendant, will be subserved thereby, shall have power, after conviction or after a plea of guilty or nolo contendere for any crime or offense not punishable by death or life imprisonment, to suspend the imposition or execution of sentence and to place the defendant upon probation for such period and upon such terms and conditions as they may deem best; or the court may impose a fine and may also place the defendant upon probation in the manner aforesaid. The court may revoke or modify any condition of probation, or may change the period of probation: *Provided*, That the period of probation, together with any extension thereof, shall not exceed five years.

While on probation the defendant may be required to pay in one or several sums a fine imposed at the time of being placed on probation and may also be required to make restitution or reparation to the aggrieved party or parties for actual damages or loss caused by the offense for which conviction was had, and may also be required to provide for the support of any person or persons for whose support he is legally responsible.

SEC. 2. That when directed by the court, the probation officer shall report to the court, with a statement of the conduct of the probationer while on probation. The court may thereupon discharge the probationer from further supervision and may terminate the proceedings against him, or may extend the probation, as shall seem advisable.

At any time within the probation period the probation officer may arrest the probationer without a warrant, or the court may issue a warrant for his arrest. Thereupon such probationer shall forthwith be taken before the court. At any time after the probation period, but within the maximum period for which the defendant might originally have been sentenced, the court may issue a warrant and cause the defendant to be arrested and brought before the court. Thereupon the court may revoke the probation or the suspension of sentence, and may impose any sentence which might originally have been imposed.

SEC. 3. That the judge of any United States court having original jurisdiction of criminal actions, except in the District of Columbia, may appoint one or more suitable persons to serve as probation officers within the jurisdiction and under the discretion of the judge making such appointment or of his successor. All such probation officers shall serve without compensation, except that in case it shall appear to any such judge that the needs of the service require that there should be a salaried probation officer such judge may appoint one such officer and shall fix the salary of such officer, subject to the approval of the Attorney General, in each case: *Provided*, That probation officers who are to receive salaries shall be appointed after competitive examination held in accordance with the laws and regulations of the civil service of the United States. Such judge may in his discretion remove any probation officer serving in his court. The appointment of probation officers shall be in writing and shall be entered on the records of the court of the judge making such appointment, and a copy of the order of appointment shall be delivered to the officer so appointed. Such court may allow any probation officer his actual expenses necessarily incurred in the performance of his duties. Such salary and expenses when duly approved shall be paid from the appropriations for the courts in which such officer serves.

SEC. 4. That it shall be the duty of a probation officer to investigate any case referred to him for investigation by the court in which he is serving and to report thereon to the court. The probation officer shall furnish to each person released on probation under his supervision a written statement of the conditions of probation and shall instruct him regarding the same. Such officer shall keep informed concerning the conduct and condition of each person on probation under his supervision and shall report thereon to the court placing such person on probation. Such officer shall use all suitable methods, not inconsistent with the conditions imposed by the court, to aid persons on probation and to bring about improvement in their conduct and condition. Each officer shall keep records of his work; shall keep accurate and complete accounts of all moneys collected from persons under his supervision; shall give receipts therefor and shall make at least monthly returns thereof; shall make such reports to the Attorney General as he may at any time require; and shall perform such other duties as the court may direct. A probation officer shall have the power of arrest that is now exercised by a deputy marshal.

SEC. 5. That this act shall take effect immediately.

Mr. COPELAND. Mr. President, before anybody objects to the consideration of this bill, let me say what it is.

The purpose of the bill is to provide for the establishment of a probation system in the Federal courts. Prior to the Killetts case, which was decided in December, 1916, it was customary to suspend sentence in the Federal courts; but under the decision rendered in that case that power was set aside. Chief Justice White at the time called attention to the importance of legislation on the subject, and the purpose of the bill is to make it possible to exercise this power in the Federal courts.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

INLAND WATERWAYS CORPORATION

Mr. JONES of Washington. Mr. President, I was going to ask that House bill 8209, Order of Business 596, take the place of Senate bill 3161, Order of Business 573, a Senate bill of the same kind, but probably they had both better be on the calendar until one of them is disposed of. I do not know what the practice is about that.

Mr. FLETCHER. I think we had better carry them on the calendar until we act on one or the other.

Mr. JONES of Washington. I suppose we had better carry them on the calendar until we act on one of them.

GRAND ARMY OF THE REPUBLIC

The bill (H. R. 1869) for the incorporation of the Grand Army of the Republic, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PETITIONS FOR NATURALIZATION

The bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That section 9 of the act of June 29, 1906 (34 Stat. L. p. 596), as amended be, and the same hereby is, amended to the extent that the entry upon the court journal or the minutes of the court of any district court of the United States of the names of the petitioners and numbers of the petitions for naturalization granted, denied, or dismissed each day shall be deemed a compliance with the provisions of such section and of said act which requires that "every final order which may be made upon such petition shall be under the hand of the court and entered in full upon a record kept for that purpose," and the clerk of said court shall enter upon the back of each original petition for naturalization, the date and the volume and page of the record in which such order granting, denying, or dismissing the petition is so recorded.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SPENCER. Mr. President, in regard to that bill, the Senator from Kentucky [Mr. ERNST] has offered an amendment which has been printed and which carries out the purposes of the bill. It is satisfactory to the Senator from Pennsylvania [Mr. PEPPER], who introduced it, and to the committee, which reported it. I ask that the amendment of the Senator from Kentucky be acted upon. It virtually substitutes the amendment for the bill and puts it in better language, but the purpose is the same. It extends it to the State courts.

The PRESIDENT pro tempore. The Senator from Missouri asks unanimous consent that the votes by which the bill was passed through the regular parliamentary stages and finally passed be reconsidered. Is there objection? The Chair hears none, and the various votes are reconsidered.

The Senator from Missouri now offers, on behalf of the Senator from Kentucky, an amendment which will be stated.

The READING CLERK. On page 1, line 5, it is proposed to strike out all after the word "amended" and to insert the following:

so that it shall read as follows:

"SEC. 9. That every final hearing upon a petition for naturalization shall be had in open court before a judge or judges thereof, and every final order which may be made upon a petition for naturalization shall be under the hand of the court and may be entered upon a record containing the names of the petitioners admitted, or denied, or continued, as the case may be, made by the clerk of the court upon a form furnished by the Bureau of Naturalization and verified by the signature of the representative of the Government from the Bureau of Naturalization attending the naturalization hearing, such record to be signed in duplicate by the presiding judge, one copy to be forwarded to the Bureau of Naturalization, the other copy to be filed by the clerk of the

court as a part of the records of the court. Upon the final hearing of any petitioner for naturalization, the applicant and witnesses shall be examined under oath before the court and in the presence of the court."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SPENCER. Mr. President, I desire to offer an amendment to the title of the bill, striking from the title the words "United States."

The PRESIDENT pro tempore. The amendment to the title will be stated.

The READING CLERK. It is proposed to amend the title so as to read: "A bill to relieve district judges from signing an order admitting, denying, or dismissing each petition for naturalization."

The amendment was agreed to.

BRITISH STEAMSHIP "BARON BERWICK"

Mr. WILLIS. Mr. President, I understand that the Senator from South Carolina [Mr. DIAL] has withdrawn his objection to the consideration of Senate bill 2719, Order of Business 595, and I ask that that be returned to.

The PRESIDENT pro tempore. The Senator from Ohio asks that the Senate return to the consideration of Senate bill 2719, Order of Business 595.

Mr. COPELAND. I object.

The PRESIDENT pro tempore. The Senator from New York objects.

PASSPORT APPLICATIONS

The bill (S. 2172) to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), be, and the same hereby is, amended to read as follows:

"SECTION 1. Hereafter there shall be collected and paid into the Treasury of the United States quarterly a fee of $3 for executing each application for a passport and $7 for each passport issued to a citizen or person owing allegiance to or entitled to the protection of the United States: *Provided*, That nothing herein contained shall be construed to limit the right of the Secretary of State by regulation to authorize the retention by State officials of the fee of $3 for executing an application for a passport: *And provided further*, That no fee shall be collected for passports issued to officers or employees of the United States proceeding abroad in the discharge of their official duties, or to members of their immediate families, or to seamen, or to widows, children, parents, brothers, and sisters of American soldiers, sailors, or marines buried abroad, whose journey is undertaken for the purpose and with the intent of visiting the graves of such soldiers, sailors, or marines, which facts shall be made a part of the application for the passport."

Mr. KING. Mr. President, does this bill increase the fees that are now required?

Mr. PEPPER. No; Mr. President, if I may answer the Senator's inquiry, it does not change the amounts of the fees. All fees received are returned, as now, into the Treasury. It merely changes the allocation of the portions of the fees, which at present is $1 to the Department of Justice and $9 to the State Department, and proposes an allotment of $3 to the Department of Justice and $7 to the State Department, as more nearly representing the pro rata of the work done by the different branches.

Mr. KING. I have no objection to the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN MICHIGAN

The bill (S. 697) providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys, with amendments.

The amendments were, on page 1, line 3, after the word "that," to strike out "in" and to insert "upon"; in the same line, after the word "lands," to insert "erroneously omitted from the original survey"; in line 5, after the word "surveyed," to strike out "upon" and to insert "and represented upon the official plat of township 35 north, range 4 west, Michigan meridian, Michigan, approved February 9, 1841, on file in the General Land Office as a meandered lake, and said lake now appearing as two lakes, locally known as"; at the end of line 9, to strike out the comma and to insert the word "and"; in line 10, after the name "Pickerel Lake," to strike out "and the channel connecting such lakes"; in line 11, after the word "sections," to insert the numerals "20"; in the same line, after the numerals "29," to strike out "township 35 north, range 4 west, Michigan meridian, in the State of Michigan"; on page 2, line 4, after the words "filing of the," to strike out "official" and to insert "approved"; at the end of line 4, after the word "survey," to insert "in the United States land office at Marquette, Mich., to be appraised"; in line 6, after the word "at," to insert "not less than"; in the same line, after the word "acre," to insert a comma and the words "and that the State of Michigan be allowed to select such of the lands as may have inured to the State under the act of September 28, 1850 (9 Stats. L. p. 519)"; and in line 11, after the word "person," to insert "or the State of Michigan," so as to make the bill read:

Be it enacted, etc., That upon the survey of any public lands erroneously omitted from the original survey found to exist within the area heretofore surveyed and represented upon the official plat of township 35 north, range 4 west, Michigan meridian, Michigan, approved February 9, 1841, on file in the General Land Office as a meandered lake, and said lake now appearing as two lakes, locally know as Crooked Lake and Pickerel Lake, in sections 20, 21, 22, 27, 28, and 29, the owners of adjacent lands shall have a preference right to purchase such lands so surveyed for a period of 90 days after the filing of the approved plat of such survey in the United States land office at Marquette, Mich., to be appraised at not less than $1.25 per acre, and that the State of Michigan be allowed to select such of the lands as may have inured to the State under the act of September 28, 1850 (9 Stat. L. p. 519): *Provided*, That nothing herein contained shall have the effect of defeating the rights of any person or the State of Michigan which may have attached to such lands or any part thereof.

SEC. 2. That the Secretary of the Interior is authorized to make all necessary regulations to carry out the provisions of this act.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

POTASH DEPOSITS

The bill (S. 3047) authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom, was considered as in Committee of the Whole, and was read.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PRACTICE OF OPTOMETRY

The bill (H. R. 3236) to regulate the practice of optometry in the District of Columbia was considered as in Committee of the Whole, and was read.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. BALL. I move that Senate bill 1027 be indefinitely postponed. It is similar to the bill just passed.

The motion was agreed to.

BRITISH STEAMSHIP "BARON BERWICK."

Mr. COPELAND. Mr. President, I ask unanimous consent that we return to Order of Business 595, Senate bill 2719, to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the United States steamship *Iroquois*—now *Freedom*—and a further collision with the United States destroyer *Truxtun*. I objected under a misapprehension.

There being no objection, the Senate as in Committee of the Whole, proceeded to consider the bill, which had been reported by the Committee on Foreign Relations with an amendment, on page 2, line 1, after the words "*Baron Berwick*," to insert the words "or any other parties pecuniarily interested," so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be paid to the British Government, out of any money in the Treasury not otherwise appropriated, as a matter of grace and without reference to the question of liability therefor, as full indemnity for the losses sustained by the owners of the British steamship *Baron Berwick*, or any other parties pecuniarily interested, on account of a collision on August 22, 1918, between that vessel and the United States steamship *Iroquois* (now

Freedom) and on account of a further collision on October 5, 1918, with the United States destroyer *Truxtun*, an amount equivalent to £6,200 on the date of the passage of this act, as recommended by the President in his message to Congress of February 28, 1924, printed as Senate Document No. 56, Sixty-eighth Congress, first session.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUARTERS FOR EMPLOYEES IN THE INDIAN FIELD SERVICE

The bill (S. 2799) to provide for quarters, fuel, and light for employees of the Indian field service, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, may allow quarters, fuel, and light to employees of the Indian Service whose compensation is not prescribed by law, the salaries of such employees to be fixed on this basis and the cost of providing quarters, fuel, and light to be paid from any funds which are applicable and available therefor: *Provided*, that this authorization shall be retroactive to the extent of approving any expenditures for such purposes heretofore authorized by the Secretary of the Interior.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF STOCKBRIDGE INDIANS

The bill (S. 3111) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment, on page 3, line 2, after the word "payment," to insert the words "including gratuities," so as to make the bill read:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Stockbridge Tribe of Indians, or arising under or growing out of any act of Congress in relation to Indian affairs, which said Stockbridge Tribe may have against the United States, which claims have not heretofore been determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act, and such suit shall make the Stockbridge Tribe party plaintiff and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract with the Stockbridges approved by the Commissioner of Indian Affairs and the Secretary of the Interior; and said contract shall be executed in their behalf by a committee chosen by them under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said Indian nation to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nation.

SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nation, but any payment including gratuities which may have been made by the United States upon any claim against the United States shall not operate as an estoppel, but may be pleaded as an offset in such suit.

SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act an appeal may be taken by either party as in other cases to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid the attorney or attorneys so employed by said Indian nation for the services and expenses of said attorneys rendered or incurred prior or subsequent to the date of approval of this act: *Provided*, That in no case shall the aggregate amounts decreed by said Court of Claims for fees be in excess of $5,000, or in excess of a sum equal to 10 per cent of the amount of recovery against the United States.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interest of the United States in such case.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TUITION OF INDIAN CHILDREN IN PUBLIC SCHOOLS

The bill (H. R. 4835) to pay tuition of Indian children in public schools was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs with an amendment, on page 1, to strike out lines 6 to 12, in the following words, "pupils in State public schools during the fiscal years 1922 and 1923, and to expend for such purpose out of balances remaining from the appropriations for support of Indian day and industrial schools for such fiscal years, not to exceed a total of $30,000, without regard to the limitations heretofore placed by law upon the use of such appropriations for tuition of Indian pupils in public schools," and to insert "pupils in State public schools during the fiscal years 1921, 1922, and 1923, and to expend for such purpose whatever balances may remain from the appropriations for support of Indian day and industrial schools for such fiscal years, respectively, without regard to the limitations heretofore placed by law upon the use of such appropriations for tuition of Indian pupils in public schools: *Provided*, That so much as may be necessary of the unexpended balance of the appropriation for the fiscal year 1921 as may be required for the foregoing purpose is hereby appropriated," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to pay any claims which are ascertained to be proper and just, whether covered by contracts or not, for tuition of Indian pupils in State public schools during the fiscal years 1921, 1922, and 1923, etc.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

QUINAIELT INDIAN RESERVATION

The bill (H. R. 5416) to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to set aside for lighthouse purposes, lot 5 in section 13 and lot 1, section 24, township 21 north, range 13 west of Willamette meridian, with the Quinaielt Indian Reservation, in Washington, containing a total of 43.20 acres: *Provided*, That the Secretary of Commerce shall pay the Indians therefor, from the appropriation for the general expenses of the Lighthouse Service for the fiscal year in which this reservation is made, such price for the lands set aside hereunder as may be agreed upon by the Secretary of the Interior and the Secretary of Commerce: *Provided further*, That the funds thus derived shall be deposited in the Treasury of the United States to the credit of the Indians of the Quinaielt Reservation, and shall be subject to expenditure for their benefit in such manner as the Secretary of the Interior may deem for their best interests.

SEC. 2. That there is hereby reserved for the use and benefit of the Indians of the Quinaielt Reservation in common all oil, gas, coal, or other minerals in the lands set aside hereunder for lighthouse purposes, and the right to prospect for and mine these commodities under such rules and regulations as may be agreed upon by the Secretary of the Interior and the Secretary of Commerce.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMPENSATION TO INJURED EMPLOYEES

The bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and

for other purposes," approved September 7, 1916, was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment, on page 2, line 8, after the word "act," to insert the words "if supported by competent evidence," so as to make the bill read:

Be it enacted, etc., That the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, be amended as follows:

"SEC. 37. That if the original claim for compensation has been made within the time specified in section 20, the commission may, at any time, on its own motion or on application, review the award, and, in accordance with the facts found on such review, may end, diminish, or increase the compensation previously awarded, or, if compensation has been refused or discontinued, award compensation. In the absence of fraud or mistake in mathematical calculation, the finding of facts in, and the decision of the commission upon, the merits of any claim presented under or authorized by this act if supported by competent evidence shall not be subject to review by any other administrative or accounting officer, employee, or agent of the United States. Any award heretofore made by the Compensation Commission under the act of September 7, 1916, for disability or death resulting from a personal injury sustained prior to the passage of this act, shall be valid, if such award would be valid if made in respect to an injury sustained after the passage of this act."

SEC. 2. That section 40 of said act is amended to read as follows:

"SEC. 40. That wherever used in this act—

"The singular includes the plural and the masculine includes the feminine.

"The term 'employee' includes all civil employees of the United States and of the Panama Railroad Co.

"The term 'commission' shall be taken to refer to the United States Employees' Compensation Commission provided for in section 28.

"The term 'physician' includes surgeons.

"The term 'monthly pay' shall be taken to refer to the monthly pay at the time of the injury.

"The term 'injury' includes, in addition to injury by accident, any disease proximately caused by the employment.

"The term 'compensation' includes the money allowance payable to an employee or his dependents and any other benefits paid for out of the compensation fund: *Provided, however*, That this shall not in any way reduce the amount of the monthly compensation payable in case of disability or death."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF LAWS RELATING TO THE JUDICIARY

The bill (H. R. 169) to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 73 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved June 12, 1916, be, and the same is hereby, amended to read as follows:

"SEC. 73. That the State of Colorado shall constitute one judicial district, to be known as the district of Colorado. Terms of the district court shall be held at Denver on the first Tuesday in May and November, at Pueblo on the first Tuesday in April, at Grand Junction on the second Tuesday in September, at Montrose on the third Tuesday in September, at Durango on the fourth Tuesday in September, and at Sterling on the second Tuesday in June: *Provided*, That if at the time of the holding of a term of said court in any year in either of said cities of Grand Junction, Durango, and Sterling, Colo., there is no business to be transacted by said court, the term may be adjourned or continued by order of the judge of said court in chambers at Denver, Colo.: *Provided further*, That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside at and who shall maintain an office at each of the five said places where said court is to be held by the terms of this act: *Provided further*, That suitable rooms and accommodations for holding court at Sterling are furnished free of expense to the United States."

Mr. KING. Before House bill 169 is passed——

Mr. PHIPPS. It merely provides for terms of the United States district court to be held at Sterling, Colo., in the northeastern section of the State. There are four places aside from the capital city where court may now be held, but they are all in the southern or western sections, across the Rocky Mountain Range. There is only one provided for in the northeastern section of the State.

Mr. KING. I was attracted by this language, which caught my eye:

Provided further, That the marshal and clerk of said court shall each, respectively, appoint at least one deputy to reside and who shall maintain an office at each of the said five places where said court is to be held by the terms of this act.

Mr. PHIPPS. There are four at the present time.

Mr. KING. Does that create new positions?

Mr. PHIPPS. One position, an assistant deputy marshal for Sterling, Colo. The other four are located at Pueblo, Montrose, Gunnison, and one other place on the western slope. This will be the only one in the northeastern section of the State. It is the only one provided for in this bill, and it is necessary, particularly with the number of liquor cases that have to be cared for at the present time.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COMPENSATION TO INJURED EMPLOYEES

The bill (S. 2508) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, was announced as next in order.

Mr. SHORTRIDGE. Senate bill 2508 is the same as House bill 7041, which we have just passed. Therefore I ask that Senate bill 2508 be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KING. May I inquire of the Senator whether he understands that the bill which was passed a moment ago, to which Senate bill 2508 is related, changes the general scope and purpose of the employees' compensation act?

Mr. SHORTRIDGE. Yes; it does to some extent. Yes.

Mr. KING. Does it enlarge the character of the injuries or increase the number of injuries for which compensation may be made?

Mr. SHORTRIDGE. I think it does.

Mr. ROBINSON. It merely embraces what are known as occupational diseases.

Mr. KING. I shall move to have the vote by which the bill was passed reconsidered.

Mr. ROBINSON. I hope the Senator will not insist upon his motion now or hereafter.

AMENDMENT OF INTERSTATE COMMERCE ACT

The bill (S. 862) amending section 1 of the interstate commerce act was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That paragraph (4) of section 1 of the interstate commerce act, as amended, is hereby amended by adding at the end thereof a new sentence to read as follows:

"It shall be unlawful for any such carrier to demand, charge, or collect from any person for transportation, subject to the provisions of this act, in any parlor car or sleeping car, any fare in addition to that demanded, charged, or collected for transportation in a day coach, but this shall not prevent just and reasonable charges for the use of accommodations in parlor cars or sleeping cars by companies owning such cars."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DAIRY BUREAU IN THE DEPARTMENT OF AGRICULTURE

The bill (H. R. 7113) to establish a dairy bureau in the Department of Agriculture, and for other purposes, was announced as next in order, and was read, as follows:

Be it enacted, etc., That there is hereby established in the Department of Agriculture a bureau to be known as the bureau of dairying.

SEC. 2. That a chief of the bureau of dairying shall be appointed by the Secretary of Agriculture, who shall be subject to the general direction of the Secretary of Agriculture. He shall devote his time to the investigation of the dairy industry and the dissemination of information for the promotion of the dairy industry.

SEC. 3. For the purpose of enabling the Secretary of Agriculture and the chief of the bureau of dairying to carry out the purposes of this act the Secretary of Agriculture is hereby authorized to transfer to the bureau of dairying such activities of the Department of Agriculture as he may designate which relate primarily to the dairy industry and to employ such additional persons in the city of Washington and elsewhere as may be necessary.

SEC. 4. For the purpose of carrying out the provisions of this act and the activities of the bureau of dairying such sums of money as Congress may deem necessary are hereby authorized to be appropriated, in addition to such sums provided for in the agricultural appropriation act for the fiscal year ending June 30, 1925.

SEC. 5. That this act shall be in full force and effect on and after July 1, 1924.

Mr. KING. Let the bill go over.

Mr. McNARY. The bill has been favorably reported by the Senate Committee on Agriculture and Forestry unanimously and has been passed by the House. It does not require an appropriation, and is a bill which has been recommended by all the dairy interests of the country.

Mr. KING. I withdraw the objection.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

GRANT OF LANDS TO PHOENIX, ARIZ.

The bill (S. 3093) grating certain public lands to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public-convenience purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 10, before the word "sections" to insert the word "of"; and on page 2, line 22, to strike out "easements, on said lands" and insert new language, so as to make the bill read:

Be it enacted, etc., That the south half of the north half and all the south half of section 13, the southwest quarter, the west half of the southeast quarter, the southeast quarter of the southeast quarter, section 14, the southeast quarter, section 21, the east half of the northwest quarter, the southwest quarter of the northwest quarter, the east half of the northeast quarter, the southwest quarter of the northeast quarter, and all of south half, section 22, all of sections 23, 24, 25, 26, and 27, township 1 south, range 2 east, Gila and Salt River meridian, Arizona. The south half, section 1, the south half, section 2, the south half, section 7, the south half, section 8, the south half section 9, the south half, the northeast quarter, section 10, all of sections 11, 12, northwest quarter section 13, all of sections 14, 15, 16, 17, 18, 19, 20, 21, 22, and 30, township 1 south, range 3 east, Gila and Salt River meridian, Arizona. The west half of the southwest quarter, section 5, the south half and the south half of the northwest quarter, section 6, township 1 south, range 4 east, Gila and Salt River meridian, Arizona, be, and the same are hereby, granted to the city of Phoenix, Ariz., for municipal, park, recreation, playground, or public convenience purposes, upon the condition that the city shall make payment for such land at the rate of $1.25 per acre to the receiver of the United States land office, Phoenix, Ariz., within six months after the approval of this act: *Provided*, That there shall be reserved to the United States all oil, coal, or other mineral deposits found at any time in the land, and the right to prospect for, mine, and remove the same: *Provided further*, That the grant herein is made subject to any valid existing claim or easements, and that the lands hereby granted shall be used by the city of Phoenix, Ariz., only for the purposes herein indicated, and if the said land, or any part thereof, shall be abandoned for such use, said land or such part shall revert to the United States; and the Secretary of the Interior is hereby authorized and empowered to declare such a forfeiture of the grant and to restore said premises to the public domain, if at any time he shall determine that the city has abandoned the land for the uses herein indicated, and such order of the Secretary shall be final and conclusive, and thereupon and thereby said premises shall be restored to the public domain and freed from the operation of this grant.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes."

PENSIONS AND INCREASE OF PENSIONS

The bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

SCHOOL SITE FOR UTE INDIANS

The bill (H. R. 2882) to provide for the reservation of certain land in Utah as a school site for Ute Indians was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That there is hereby withdrawn from settlement, occupancy, or disposal under the laws of the United States, and set apart and reserved for and as a school site for the benefit of the Ute Indians, an unsurveyed tract of land in San Juan County, Utah, located in township 36 south, range 21 east, Salt Lake meridian, approximately the northeast quarter of the southwest quarter of section 7.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PAIUTE INDIANS

The bill (H. R. 2884) providing for the reservation of certain lands in Utah for certain bands of Paiute Indians was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That there is hereby withdrawn from settlement, occupancy, or disposal under the laws of the United States, and set apart and reserved for the use, benefit, and occupancy of certain bands of Paiute Indians, and such other Indians of this tribe as the Secretary of the Interior may see fit to settle thereon, subject, however, to any valid existing rights of any persons thereto, the tracts of land in the State of Utah, particularly described as follows: Sections 21, 22, 23, and 24, township 29 south, range 18 west, Salt Lake meridian.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PROTECTION OF WILD GAME ANIMALS AND WILD BIRDS IN ALASKA

The joint resolution (S. J. Res. 127) to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture was considered as in Committee of the Whole, and was read, as follows:

Resolved, etc., That on and after July 1, 1924, the powers and duties heretofore conferred upon the governor of Alaska by existing law for the protection of wild game animals and wild birds in Alaska are hereby conferred upon and shall be exercised by the Secretary of Agriculture; and all money available or appropriated in any act for the fiscal year ending June 30, 1925, for carrying into effect the act approved May 11, 1908, entitled "An act for the protection of game in Alaska, and for other purposes," including salaries, traveling expenses of game wardens, and all other necessary expenses, is hereby transferred to the credit of the Department of Agriculture to be expended by the Secretary of Agriculture for such purposes.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PLUMAS AND LASSEN NATIONAL FORESTS, CALIFORNIA

The bill (H. R. 656) to add certain lands to the Plumas and Lassen National Forests in California was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the following-described lands are hereby added to the national forest indicated and made subject to all laws applicable to that national forest: To the Plumas National Forest—township 26 north, range 7 east, section 6, southeast quarter; township 27 north, range 7 east, section 22, south half northeast quarter; section 23, south half northwest quarter; township 27 north, range 6 east, section 4, northeast quarter northwest quarter; township 28 north, range 6 east, section 33, west half southwest quarter, southeast quarter southwest quarter, all of Mount Diablo base and meridian. To the Lassen National Forest— township 29 north, range 7 east, section 21, northwest quarter northeast quarter, north half northwest quarter, southeast quarter northwest quarter; section 29, northeast quarter northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter; section 34, northeast quarter southeast quarter, southeast quarter northeast quarter, northeast quarter northwest quarter, west half northeast quarter, northeast quarter northeast quarter, all of Mount Diablo base and meridian.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHARLES SWANSON

The bill (H. R. 1442) authorizing issuance of patent to Charles Swanson was considered as in Committee of the Whole, and read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to Charles Swanson, of Gig Harbor, Wash., patent to lots 3 and 4, section 5, township 20 north, range 2 east, Willamette meridian, the same comprising 9.57 acres, and being part of Gig Harbor abandoned military reservation, Nos. 23 and 24, in the State of Washington, upon presentation by the said Charles Swanson of proof that he has resided upon the land for a period of eight years, and upon payment by him of a sum of money equal to the appraised value thereof as fixed under authority

of the act entitled "An act providing for the sale of certain lands in the State of Washington, and for other purposes," approved July 3, 1916 (39 Stat. L. p. 342), but not less than $10 per acre.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

POINT OF WOODS RANGE LIGHTS, MICHIGAN

The bill (H. R. 4481) authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Michigan, for other lands in the vicinity, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of Commerce be, and he is hereby, authorized and directed to grant and convey to Robert P. Hudson, of Sault Ste. Marie, Mich., all of that certain lot or piece of land acquired by the United States through condemnation proceedings by an order dated January 18, 1909, of the Circuit Court of the United States for the Western District of Michigan, Northern Division, described as follows:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point marked by a stone monument bearing south 40 degrees, 52 minutes, 50.07 feet distant from the center of the front range light mast, and running north 46 degrees, 47 minutes, 22.13 seconds west, 408.77 feet; thence north 43 degrees, twelve minutes, 37.87 seconds east, 100 feet; thence south 46 degrees, 47 minutes, 22.13 seconds east, 453 feet, more or less, to the shore of the St. Marys River; thence along said shore in a southwesterly direction to the point of intersection of said shore with a line bearing south 46 degrees, 47 minutes, 22.13 seconds east from the point of beginning; thence along said last line north 46 degrees, 47 minutes, 22.13 seconds west, 54 feet, more or less, to the point of beginning; for and in consideration of the said Robert P. Hudson granting and conveying to the United States in fee simple, free and clear of all mortgages, liens, encumbrances, taxes, or claims of any kind whatsoever, the following-described premises:

That part of lot 1, section 25, township 45 north, range 2 east, beginning at a point 20 feet south 44° 16' west from the center of the cast-iron mast supporting the Point of Woods Range Front Light, center of said mast being 206 feet north 38° 50' east from the location of the old front light of the Point of Woods Range; thence north 45° 44' west 350 feet; thence north 44° 16' east 60 feet more or less, to the St. Marys River; thence southeasterly along the shore of the St. Marys River to its intersection with a line through the point of beginning and bearing south 45° 44' east; thence north 45° 44' west along the above line 100 feet, more or less to the point of beginning, all bearings given being from the true north.

Provided, That the Attorney General shall first examine the title of the said Robert P. Hudson to premises to be conveyed to the United States as aforesaid and shall furnish his written opinion in favor of the validity thereof: *Provided further*, That the said Robert P. Hudson, within such reasonable time after the passage of this bill as may be determined by the Secretary of Commerce shall deed to the United States the premises herein described to be conveyed by him: *And provided further*, That the said Robert P. Hudson shall furnish, free of expense to the United States, requisite abstracts, official certifications, and evidences of title that the Attorney General may deem necessary, and that any expense necessary to be incurred by the United States in effecting this exchange shall be payable from the appropriation "General expenses, Lighthouse Service" for the fiscal years in which such expenses are incurred.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PUBLIC LANDS IN THE COLUMBIA OR MOSES RESERVATION, WASH.

The bill (H. R. 7109) to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That from and after the passage of this act all unreserved public lands within the former Columbia or Moses Reserve, in the State of Washington, made subject to acquisition under the homestead laws by the act of Congress approved July 4, 1884 (23 Stat., p. 76), be, and they are hereby, made subject to acquisition under the isolated tract (act of March 28, 1912), desert land (act of March 3, 1877), and other acts applicable generally to the public domain.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CROOK NATIONAL FOREST, RECREATIONAL AREA, ARIZ.

The bill (H. R. 498) providing for a recreational area within the Crook National Forest, Ariz., was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, in his discretion, upon application by the Board of Supervisors of Gila County, Ariz., to designate and segregate for recreational development any lands, not to exceed 640 acres, within the Crook National Forest, Ariz., which in his opinion, are available for such purpose, and he is hereby authorized to enter into such form of cooperation with said board of supervisors as in his opinion will permit the fullest use of the lands for recreational purposes without interfering with the objects for which the national forest was established. Lands so designated and segregated, under the provisions of this act, shall not be subject to the mining laws of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER FOR RECESS

The PRESIDENT pro tempore. The Chair desires to state that there has been no order made yet as to whether a recess or an adjournment will be taken at 11 o'clock.

Mr. CURTIS. I intended to ask unanimous consent that when the business of the Senate is concluded to-day a recess shall be taken until 11 o'clock to-morrow morning.

Mr. KING. Will not the Senator make it 12 o'clock? We have some committee meetings to attend.

Mr. CURTIS. It is desired that the Agricultural appropriation bill shall be brought before the Senate in the morning at 11.

Mr. WARREN. I hope there will be no objection to the request of the Senator from Kansas. Otherwise we shall have to hold a session to-morrow night.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent that when the Senate concludes its business to-night it take a recess until 11 o'clock to-morrow. Is there objection? The Chair hears none, and it is so ordered.

EXCHANGE OF LANDS IN RIO ARRIBA AND TAOS COUNTIES, N. MEX.

The bill (S. 3024) providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber, within the exterior boundaries of any national forest situated within the State of New Mexico, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized in his discretion to accept on behalf of the United States title to all or any part of privately owned lands, situated within the Las Trampas grant, located within the counties of Rio Arriba and Taos, State of New Mexico, if in the opinion of the Secretary of Agriculture public interests will be benefited thereby, and the lands are chiefly valuable for national forest purposes, and in exchange therefor the Secretary of Agriculture may authorize the grantor to cut and remove an equal value of timber within the national forests of the same State; the values in each case to be determined by the Secretary of Agriculture and acceptable to the grantor as a fair compensation. Timber given in exchange shall be cut and removed under the laws and regulations relating to the national forests, and under the direction and supervision and in accordance with the requirements of the Secretary of Agriculture.

SEC. 2. That lands offered for exchange hereunder and not covered by public land surveys shall be identified by metes and bounds surveys and that such surveys and the plats and field notes thereof shall be made by employees of the United States Forest Service and approved by the United States Surveyor General.

SEC. 3. That any lands conveyed to the United States under the provisions of this act shall, upon acceptance of the conveyance thereof, become and be a part of Carson National Forest.

SEC. 4. That before any exchange of lands for timber as above provided is effected, notice of such exchange proposal, describing the lands involved therein, shall be published once each week for four consecutive weeks in some newspaper of general circulation in the county in which such lands so to be conveyed to the United States are situated.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF HOMESTEAD LAWS

The bill (S. 2979) to extend the provisions of the homestead laws so as to allow certain credit in lieu of permanent improvements for the period of enlistment to soldiers, nurses, and officers of the Army and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States was considered as in Committee of the Whole.

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 7, to strike out "$1.25" and to insert "60 cents," and in lines 7 and 8 to strike out the words "acre, less 4 cents per acre for each month of military service for which he is allowed credit for residence on the land," and to insert the words "acre: *Provided*, That in no case shall the aggregate value of improvements be less than $200," so as to make the bill read:

Be it enacted, etc., That any person who is or may be entitled to credit on the residence required of homesteaders under sections 2304 and 2305, Revised Statutes of the United States, and under the terms of the act of Congress approved February 25, 1919, and all acts amendatory thereof or supplementary thereto, by reason of military service, and who has made or shall make entry of a homestead under the stock raising homestead act of December 29, 1916, shall be entitled to perfect final proof and receive patent to such homestead when he shall have resided on the land and erected a habitable house thereon as now required by law, and has made permanent improvements on the land, having aggregate value of 60 cents per acre: *Provided*, That in no case shall the aggregate value of improvements be less than $200.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDENT pro tempore. This completes the calendar.

PERLEY MORSE & CO.

Mr. COPELAND. I ask unanimous consent that we return to Order of Business 439, Senate bill 2124, for the relief of Perley Morse & Co.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the Senate return to Senate bill 2124. Is there objection?

Mr. CURTIS. Let the bill be reported.

The bill was read and considered as in Committee of the Whole.

It had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike of "$882.50" and to insert in lieu thereof "$859.39," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Perley Morse & Co., out of any money in the Treasury not otherwise appropriated, the sum of $859.39 in settlement of the claim of said company for overtime work performed in connection with services rendered the Federal Trade Commission in its investigation of the newsprint paper industry during the month of May, 1918, in order to complete the work in time to be of practical use to the commission.

Mr. COPELAND. These people were the expert accountants employed by the Federal Trade Commission during the war to investigate the newsprint paper industry. We have letters here from the commission saying that this sum is clearly due these people. I think the bill should be paid. It amounts to $859.39 under the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECESS

The PRESIDENT pro tempore. The hour of 11 o'clock having arrived, the Senate, pursuant to its order, stands in recess until 11 o'clock a. m. to-morrow.

NOMINATIONS

Executive nominations received by the Senate May 22 (legislative day of May 20), 1924

EXAMINER IN CHIEF IN THE PATENT OFFICE

Webster S. Ruckman, of Michigan, to be an examiner in chief in the Patent Office, vice Richard E. Marine, resigned, effective at the close of May 26, 1924.

POSTMASTERS

ARIZONA

Robert B. Anderson to be postmaster at Clifton, Ariz., in place of W. B. Kelly, resigned.

COLORADO

Charles V. Engert to be postmaster at Lyons, Colo., in place C. V. Engert. Incumbent's commission expires June 4, 1924.

Oscar L. Morris to be postmaster at La Salle, Colo., in place of O. L. Morris. Incumbent's commission expired February 18, 1924.

HAWAII

William K. Kelli to be postmaster at Wahiawa, Hawaii, in place of Elizabeth Perkins, resigned.

IDAHO

Elmer C. Hull to be postmaster at Wilder, Idaho, in place of C. E. Mitchell. Incumbent's commission expires June 5, 1924.

Ned Jenness to be postmaster at Nampa, Idaho, in place of G. C. Jacobsen. Incumbent's commission expires June 5, 1924.

ILLINOIS

Arthur Justus to be postmaster at Warren, Ill., in place of Arthur Justus. Incumbent's commission expires June 4, 1924.

Le Roy Gammon to be postmaster at Thebes, Ill., in place of H. S. Rolwing. Incumbent's commission expires June 5, 1924.

Minor S. Miller to be postmaster at Pearl City, Ill., in place of J. L. Mishler. Incumbent's commission expires June 5, 1924.

Guy A. Meyers to be postmaster at Milledgeville, Ill., in place of C. D. Miller. Incumbent's commission expires June 5, 1924.

Joseph D. Robertson to be postmaster at Barrington, Ill., in place of J. D. Robertson. Incumbent's commission expires May 28, 1924.

IOWA

Letha Doughten to be postmaster at Woolstock, Iowa, in place of Letha Doughten. Office became third class January 1, 1923.

Solomon T. Grove to be postmaster at Plover, Iowa, in place of S. T. Grove. Office became third class April 1, 1924.

KANSAS

Charles F. Schafer to be postmaster at Jewell, Kans., in place of B. M. Palmer. Incumbent's commission expires June 4, 1924.

KENTUCKY

Thoughty Y. Oliver to be postmaster at Scottsville, Ky., in place of B. L. Stamps. Incumbent's commission expired September 30, 1923.

Henry O. Hausgen to be postmaster at Anchorage, Ky., in place of T. C. Hobbs. Incumbent's commission expires June 4, 1924.

LOUISIANA

Walter C. Miller to be postmaster at Logansport, La., in place of G. D. Nash, resigned.

Harriet R. Rice to be postmaster at Madisonville, La., in place of H. R. Rice. Incumbent's commission expired March 2, 1924.

Mildred P. Prescott to be postmaster at Lutcher, La., in place of A. L. Woods. Incumbent's commission expires June 3, 1924.

MAINE

John W. Knapp to be postmaster at Stratton, Me., in place of R. L. Lisherness. Incumbent's commission expires June 5, 1924.

Vernon H. Lowell to be postmaster at Bowdoinham, Me., in place of F. K. Jack. Incumbent's commission expires June 5, 1924.

MASSACHUSETTS

Albert S. Hopkins to be postmaster at Norton, Mass., in place of W. W. McLehose. Incumbent's commission expires June 4, 1924.

MICHIGAN

James R. Flood to be postmaster at Crystal Falls, Mich., in place of W. J. Kelly. Incumbent's commission expired July 28, 1923.

MONTANA

Lee Jellison to be postmaster at Hobson, Mont., in place of M. J. Keenan. Incumbent's commission expires June 4, 1924.

NEBRASKA

Otto J. Znelow to be postmaster at Schuyler, Nebr., in place of F. J. Kovar. Incumbent's commission expired April 9, 1924.

Anton B. Helms to be postmaster at Randolph, Nebr., in place of A. B. Helms. Incumbent's commission expires June 4, 1924.

Robert L. Hart to be postmaster at Cozad, Nebr., in place of Hans Jensen. Incumbent's commission expired April 9, 1924.

Stanley E. Hemenway to be postmaster at Clearwater, Nebr., in place of C. A. Payne. Incumbent's commission expires June 4, 1924.

Guy W. Green to be postmaster at Bloomington, Nebr., in place of T. J. Lane. Incumbent's commission expires June 4, 1924.

Elmer H. Doering to be postmaster at Battle Creek, Nebr., in place of M. G. Doering. Incumbent's commission expires June 4, 1924.

Harry C. McClellan to be postmaster at Arlington, Nebr., in place of J. C. Badger. Incumbent's commission expires June 4, 1924.

NEW HAMPSHIRE

Maurice R. Wright to be postmaster at North Hampton, N. H., in place of M. R. Wright. Office became third class July 1, 1923.

NEW YORK

Ettie M. Babcock to be postmaster at Canaan, N. Y., in place of R. A. Weir, resigned.

NORTH DAKOTA

Michael Coyne to be postmaster at Starkweather, N. Dak., in place of Michael Coyne. Incumbent's commission expired April 23, 1924.

Myron B. Fallgatter to be postmaster at Kintyre, N. Dak., in place of M. B. Fallgatter. Office became third class April 1, 1924.

OHIO

Jerome Goodhart to be postmaster at Brewster, Ohio, in place of J. H. C. Goodhart. Incumbent's commission expired May 10, 1924.

OKLAHOMA

John H. Durnil to be postmaster at Picher, Okla., in place of E. H. Barrett. Incumbent's commission expired November 19, 1923.

PENNSYLVANIA

Martin T. Weaver to be postmaster at Strasburg, Pa., in place of J. F. Johnston. Incumbent's commission expired August 5, 1923.

Paul L. Boyd to be postmaster at Mars, Pa., in place of M. M. Little. Incumbent's commission expired May 18, 1924.

SOUTH CAROLINA

Wallace H. Meng to be postmaster at Johnsonville, S. C., in place of Chivas Prosser, resigned.

Andrew R. Barrett to be postmaster at Rock Hill, S. C., in place of E. E. Poag. Incumbent's commission expired February 20, 1924.

SOUTH DAKOTA

Sidney H. Dains to be postmaster at Marion, S. Dak., in place of S. H. Dains. Incumbent's commission expired April 13, 1924.

TENNESSEE

Samuel W. Ingersoll to be postmaster at Decherd, Tenn., in place of J. L. Haynes. Incumbent's commission expired September 5, 1923.

TEXAS

Hal M. Knight to be postmaster at Sterling City, Tex., in place of H. M. Knight. Incumbent's commission expired May 6, 1924.

VIRGINIA

Hugh H. Slemp to be postmaster at Big Stone Gap, Va., in place of G. E. Gilly. Incumbent's commission expired August 15, 1923.

WASHINGTON

Trygve Lien to be postmaster at Stanwood, Wash., in place of William Rouse. Incumbent's commission expired August 29, 1923.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22 (legislative day of May 20), 1924

MEMBERS OF THE FEDERAL FARM LOAN BOARD

Lewis J. Pettijohn. Merton L. Corey.
Elmer S. Landes. Edward E. Jones.

CHIEF JUSTICE OF COURT OF APPEALS OF THE DISTRICT OF COLUMBIA

George E. Martin to be chief justice of the court of appeals, District of Columbia.

MEMBERS OF RENT COMMISSION OF THE DISTRICT OF COLUMBIA

William F. Gude. Oliver Metzerott.
Richard S. Whaley. Thomas E. Peeney.
Mrs. Clara Sears Taylor.

POSTMASTERS

MAINE

Alvin H. Perley, Charleston.
Arthur Donkus, Lisbon.

MASSACHUSETTS

Fred W. Trasher, Marblehead.

VIRGINIA

Emmitt A. Collins, Appalachia.
James O. Fant, Brandy (late Brandy Station).
Sam P. Bowen, Duffield.
Charles C. Peery, North Tazewell.
Herbert C. Bolton, St. Paul.

HOUSE OF REPRESENTATIVES

THURSDAY, *May 22, 1924*

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, as we wait at the threshold of duty, impress us with a solemn sense of our most sacred obligations. May it be a most serious thought with us that only through righteous and conscientious service to our country can our Republic live in honor and power and be a blessing to all men. Make it appear unto us, O Lord, that it is divinely wonderful to work and toil for others and thus influence and direct human destiny. We bless and praise Thee with unmurmuring faith for all Thy condescending mercies and for all Thy gracious providences. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments joint resolution (H. J. Res. 237) directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6820) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes, had agreed to the amendments of the House of Representatives to the amendments of the Senate Nos. 8, 25, 28, 40, 43, 48, 50, 51, 52, 53, 54, and 60 to the foregoing bill.

The message also announced that the Senate had passed with amendments the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes; in which the concurrence of the House of Representatives was requested.

DEFICIENCY BILL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9192, just messaged over from the Senate, to agree to amendments Nos. 1 and 2 and disagree to No. 3.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the deficiency appropriation bill. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill by title.

The Clerk read as follows:

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The Clerk will report the first amendment.

The Clerk read as follows:

Senate amendments: Page 1, line 2, insert: "District courts. Supreme Court, District of Columbia: For fees of jurors, $16,000; 60 per cent of said sum shall be paid out of the revenues of the District of Columbia and 40 per cent out of the Treasury of the United States."

Mr. MADDEN. Mr. Speaker, I move to concur in the Senate amendment, and I wish to say in that connection we have already had hearings before the Committee on Appropriations in connection with this, and it is a very essential amendment, because it is required to pay jurors' fees that are already assembled, and there are seven courts in session in the District now, including two grand juries.

The SPEAKER. The gentleman from Illinois moves to concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Senate amendment: Page 2, after line 2, insert: "Rent Commission: Any unexpended balance of appropriation for rent commissioners of the District are hereby reappropriated and made available during the life of said commission."

Mr. BLANTON. Mr. Speaker, I would ask the gentleman from Illinois to yield me five minutes.

Mr. MADDEN. I move to concur in the Senate amendment. I yield the gentleman from Texas five minutes.

Mr. BLANTON. Mr. Speaker, I am surprised that the distinguished gentleman from Illinois [Mr. MADDEN] would make such a motion. If it were not for having this distinguished gentleman at the head of our Committee on Appropriations I would have little hope of the Government effecting any economy whatever this year, but when he moves to pay a bunch of men and employees money when they can not render any service of value whatever to the Government, I am surprised.

Mr. MADDEN. Will the gentleman yield?

Mr. BLANTON. In just a moment. The Supreme Court of the United States of America has spoken on this question, and they have held that they would judicially declare no emergency existing and they have held this Rent Commission to be unconstitutional, and yet we have gone on and passed an unconstitutional act and attempted to extend it another year. And an official of the Government of the United States has sought to take part through action of an Assistant Attorney General before the courts, asking that the courts not interfere; yet the courts, the bulwark of the liberty of the people, have spoken, for just day before yesterday Justice Stafford, of the Supreme Court of the District of Columbia, enjoined these rent commissioners from performing their duties, and yet in a deficiency bill we are now appropriating money to pay their salaries and the salaries of their employees when they can not move a peg. What is the use of it? Why this waste? Why this extravagance of the people's money when the taxpayers now are overburdened? They are putting one over on the gentleman from Illinois in this instance. He is sleeping on his rights, for I would have expected him to have gotten up here and protested against it and stopped it.

The President of the United States ought to stop it. I will tell you what you are going to see for the next 12 months. You are going to see these five rent commissioners and their attorneys and employees down there drawing their big salaries every month from the Public Treasury and doing absolutely nothing, because the courts are not going to let them do anything. The courts have spoken. The courts say they shall not act, the courts have restrained them, and every time they attempt to act you will see an injunction, and who is going to pay all these enormous injunction expenses?

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. BLANTON. Who are to pay the cost of these injunction cases that are rendered against the Government of the United States? The tax-burdened people are to pay for it, and I am not going to sit here quietly in my seat in this House and let this travesty on justice be perpetrated here upon the floor and not raise my voice in protest. It ought to stop.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. BLANTON. I will.

Mr. McKEOWN. Does not the gentleman think that these courts are going a long way in recent days, especially in view of the fact that judges have tried to set aside the pardoning power of the President of the United States and——

Mr. BLANTON. I want to say to the distinguished jurist who presided over the Oklahoma court with distinction that I am glad that the courts will not permit even the President of the United States to set aside the laws. I want to say to him that if it were not for the courts of the country the rights of the poor people would not be protected. It is the courts of the country that protect the poor people. The rich people can hire the best legal talent in the world. It is the courts, at last, which protect the poor man, and I hope the gentleman will never say anything against the courts of the country.

Mr. MADDEN. Mr. Speaker, I was with the gentleman from Texas [Mr. BLANTON] in opposition to the enactment of the law, but the law has been enacted, and we have that mandate now to make the appropriation. I move the previous question on the amendment.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The SPEAKER. A division is asked for.

The House divided; and there were—ayes 49, noes 3.

So the amendment was agreed to.

Mr. MADDEN. Mr. Speaker, I move that the House disagree to Senate amendment No. 3.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment No. 3: Page 2, after line 2, insert:

"SMITHSONIAN INSTITUTION

"That additional taxes amounting to $74,657.70, together with all penalties and other charges thereon, assessed by the Treasury Department against the estate of Charles L. Freer, deceased, late of Detroit, Mich., which estate has been closed, the executors discharged, and the residue paid over to the Smithsonian Institution as an endowment for the Freer Gallery of Art, presented to the Nation by the said Charles L. Freer, are hereby canceled and the Treasury Department is hereby authorized and directed to remit any further taxes, penalties, or charges which may hereafter be found due from the said estate."

Mr. MADDEN. Mr. Speaker, I move that the House disagree to the Senate amendment.

The SPEAKER. The gentleman from Illinois moves that the House disagree to the Senate amendment.

The motion was agreed to.

HAUGEN-M'NARY BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Indiana [Mr. SANDERS] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

Mr. HAUGEN. Mr. Chairman, will the gentleman from Missouri [Mr. RUBEY] use some of his time?

Mr. ASWELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASWELL. How much time has been consumed?

The CHAIRMAN. The gentleman from Iowa [Mr. HAUGEN] has consumed 59 minutes, the gentleman from Louisiana [Mr. ASWELL] 3 minutes, and the gentleman from Wisconsin [Mr. VOIGT] has consumed an hour and 12 minutes. That is a total of 2 hours and 14 minutes.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. Under the unanimous consent adopted the committee remains in session until 7 o'clock. Is that the situation?

The CHAIRMAN. Yes.

Mr. SUMMERS of Washington. Mr. Chairman, the gentleman from Missouri [Mr. RUBEY] is a member of the committee and has given very careful consideration to the bill. He ought to have more Members here to hear him. I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Washington makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-four Members are present—not a quorum.

Mr. HAUGEN. Mr. Chairman, I move that the committee rise; and on that I demand tellers.

The CHAIRMAN. The gentleman from Iowa moves that the committee rise, and on that motion he demands tellers.

Tellers were ordered; and the chairman appointed Mr. HAUGEN and Mr. ASWELL to act as tellers.

The CHAIRMAN. Those in favor of the committee rising will pass between the tellers and be counted.

The committee divided; and the tellers reported—ayes 2, noes 99.

The CHAIRMAN. One hundred and one Members are present—a quorum. The gentleman from Missouri [Mr. RUBEY] is recognized.

Mr. RUBEY. Mr. Chairman and gentlemen of the House, we are meeting to-day for the further consideration of the McNary-Haugen bill.

You know as a rule I am glad to hear from home. Every week as the papers come in from my district I sit down and read them. It is like getting a letter from the folks back in my district. But in recent months I have not found so much news in those papers; I did not find so much that made me happy, but I have found a great many things that have made me sad. I have found that page after page of the newspapers, not only in my district but in other districts throughout the Middle West, are filled with legal notices of sheriff's sales. Those sheriff's sales are because of mortgages that have become due and the farmer is unable to pay. In a great many cases those notices are in there because the tax collector has been unable to collect his taxes, and those farms are being sold for taxes.

Those are the conditions that confront the American people to-day in that country which I have described. Throughout the Central West, the Northwest—practically three-fourths of this Union—the farmers are in bad condition. The years have gone by, one by one, since I have come into the membership of this House, and in those years you have always found me ready to vote for and support any proposition that came before this body for the purpose of helping agriculture in any particular part of this Union.

I like to look into your faces. I have friends here. I have friends here who do not agree with me upon this measure in which I am so deeply interested. From down yonder in the sunny South I have friends in this House who do not agree with me and who are not supporting this bill for agriculture. Let me say to them and to all the Members of this House that in the years I have been with you I have always stood for every proposition before us to develop that great southern country. I have been with you in your fight against the boll weevil, and in your fight against the citrus canker, and in your fight against the pink boll weevil on the Texas border, and in the fight in behalf of diversified agriculture in that great country. I have been with you on all those great propositions. Now we have before us a measure that affects agriculture, and it is needed in our section of the country, and if relief is not obtained our farmers will go down to distress and ruin. Will you not come over and help our Government to do something for agriculture and especially when you are not directly affected in your crop, although you are indirectly affected by reason of the fact that whenever we increase the purchasing power of the farmers of this land we are helping the cotton factory, we are helping the cotton industry, we are helping every industry throughout the length and breadth of the country?

Mr. Chairman, it is not my purpose to take any great length of your time; it is not my purpose to make a long speech, because I say to you that I have demands for time upon our side of the House in favor of this bill, and it would be unjust to them for me to consume a great amount of your time.

I want to speak briefly, if you please, and especially shall I talk with reference to the speech made by the gentleman from Wisconsin [Mr. VOIGT], who delivered his address here night before last. One of his first declarations was that this is a price-fixing bill, and he argued at some length against it upon that ground. The proponents of this measure do not admit that it is a price-fixing bill, and yet, if for argument's sake we were to waive that and were to admit that it is a price-fixing bill, what of it? This is not the first time, by any means, that bills have been passed through the Congress of the United States fixing prices. When you pass a bill through Congress on the subject of the tariff you are fixing prices. By the passage of this act we expect to give to the tiller of the soil a ratio price, which is an increased price for his basic agricultural products. The gentleman from Wisconsin [Mr. VOIGT], who argues against this bill because it is a price-fixing bill, on the 21st of April introduced a bill of his own in which he seeks to fix the price of No. 1 northern spring wheat at Minneapolis at $1.65 per bushel. But I am not going to take up your time on questions of this kind, because there are other things far more important.

The gentleman from Wisconsin [Mr. VOIGT] makes a strong argument on the proposition of overproduction by taking the position that if we pass the McNary-Haugen bill and guarantee to the American farmers a ratio price for their various basic agricultural products that they will immediately begin to increase their production of the commodities upon which they receive this ratio price. But I want to call the attention of this House to the real provisions of this measure. It is a farm-making measure; it is a measure which will be kept up by the farmers themselves, and any large increase in production will reflect back upon the farmer himself. If we were by increased production to increase the amount of wheat in this country until we would have 100,000,000 bushels more of wheat exported, the farmer of this country would be the sufferer by reason of that fact, because the equalization fee which he must pay under this bill would be increased. If we now had an equalization fee of 15 cents, an additional surplus export of 100,000,000 bushels would increase that amount to at least 30 cents; and when the farmer does that he himself is the sufferer by reason of that fact.

It must be borne in mind by the Members of the House throughout the consideration of this measure that the farmer himself pays the losses of the corporation from exports, and he pays also the expenses of the corporation. He does this by the payment of the equalization fee, and the greater the loss entailed through exports and the greater the expenses of the corporation the larger will be this fee, hence the less will be the farmer's net return in the transaction. The whole bill is based on the theory that the Government must supply the capital stock upon which the corporation will do business and that the farmers of the country will protect the Government in its investment, so that at the end of the period the $200,000,000 may be returned to the Treasury without the loss of a single dollar.

In this connection let me say that Mr. VOIGT, in the bill which he offered in the committee as a substitute for the McNary-Haugen bill, applies the same provisions as in the McNary-Haugen bill and makes the bill applicable to wheat only. He fixes in his bill a charge of 15 per cent, which shall be collected from the wheat producers under such rules, regulations, and contracts as the corporation may prescribe.

He has almost the identical language that is found in the McNary-Haugen bill for the collection of the equalization fee, and yet further on in his speech he calls your attention to the evasions that would be made under the McNary-Haugen bill, and yet those same evasions, if they can be made under the McNary-Haugen bill, can be made and will be made under the bill introduced by the gentleman from Wisconsin [Mr. VOIGT], with the exception, of course, that his bill applies only to wheat, while the other bill applies to other commodities.

Mr. VOIGT. Will the gentleman yield?

Mr. RUBEY. I would like to yield, but I must make my speech, and I must set this thing out at length. When I get through with that, I will be glad to yield if I have the time. When the gentleman from Wisconsin made his speech the other evening we all wanted him to proceed without interruption, and the gentleman from Virginia [Mr. MOORE] made the request that he should proceed without interruption. I would like to have, if it is your wish, the same privilege.

The same argument about overproduction can be made against Mr. VOIGT's bill, which he advocates, as he himself has made against the McNary-Haugen bill.

When the gentleman from Wisconsin came before the House to deliver his speech he was introduced by the distinguished gentleman from Louisiana [Mr. ASWELL], who is one of the four committee members who signed the minority report in opposition to this bill, as a gentleman who knew more about the bill than any other member of the committee. I admit that the gentleman from Wisconsin has been a very close student of the measure, and yet he made statements in his discussion on the floor of the House that, in my opinion, are not borne out by the provisions of the measure itself.

The gentleman insisted a number of times that the corporation would be compelled to declare an emergency upon every one of the commodities in this act, provided, of course, that there was a surplus export of the product, and that the domestic price of the commodity was less than the ratio price. I want

to call the gentleman's attention to section 2 of this bill, which

big packers gave their attention mostly to the export business,

farmers and the millers and the packers will be compelled,

in other countries. For years the Congress of the United States has helped almost every industry in the land. Through

reads as follows:

SEC. 2. (a) If the corporation finds (1) that there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and (2) that, according to estimates made by it, the ratio prices, as defined in section 4, in respect of the commodity would be in excess of the domestic price thereof, it shall immediately notify the President in writing of its findings. Upon such notification from the corporation, it shall be the duty of the President by proclamation to declare that a special emergency exists as to such agricultural commodity.

During the closing hours of the consideration of this bill by the committee, and just before the vote was taken on the question of reporting it, I called the attention of the committee to this section, and I offered the following amendment:

After the word "of," in line 22, on page 2 of the bill as it is now printed, insert the following words: "one or more of the following commodities."

If my amendment had been adopted by the committee the language would read:

If the corporation finds, first, that there is a surplus for export of one or more of the following commodities: Wheat, flour—

And so forth.

I called the attention of the committee to the fact that we wanted to give the corporation absolute authority; if in its opinion there should be declared an emergency upon only one of these products, it could do so; or if it wanted an emergency declared upon two products, it could do so; or upon three or four, it could do so. When I offered my amendment in the committee my attention was called to the language as set forth in the section, and it was the opinion of every member of the committee present that my amendment was unnecessary; that the language as written gave the corporation that authority, namely, that it could have an emergency declared upon only one product if it wanted so to do. I hold, Mr. Chairman, that this bill as written will give the corporation authority to have declared an emergency upon wheat alone, if in its opinion, after careful investigation, that should be done. This opinion is concurred in by Mr. Alford, of the House drafting service, who assisted the committee in the drafting of this bill. There can be no doubt but what that was the desire of every member of the committee, regardless of whether or not he was for or against the measure. If there should be any doubt that the corporation does not under the present language of the bill have that authority, an amendment such as I have indicated can be proposed when the bill is considered under the five-minute rule.

The gentleman spoke at great length upon the hog question. He called attention to the fact that upon a certain day at Chicago there were 80,000 hogs on the market. Under present conditions those heavy runs often occur, brought about by the unstable market. Men rush their cattle and hogs to market to get them there upon certain days in the hope that they may get a better market. If this bill is passed and goes into effect, there will be no unstable markets—markets which the packers have been able to manipulate, increasing it or lowering it at their own sweet will. We will have stable markets, and as a result there will be a steady and even flow of the farmer's livestock products to the market places. It will be no longer necessary for him to get his hogs and cattle there on a certain day in the hopes of getting a higher price. We shall no longer have the market glutted on certain days, as we have under existing conditions. I am glad to say that we have upon the floor Members who are experienced in the livestock business, the gentleman from Nebraska [Mr. SHALLENBERGER], and the gentleman from Texas [Mr. HUDSPETH], and they will discuss this livestock question.

I want you to give careful attention to what I am saying to you now, because I think it is possibly the most important thing I shall say to you to-day. After the corporation is appointed, organized, and ready for business, in my opinion, being men of experience, able, and thoroughly informed on market conditions, they would not think of having an emergency declared upon even one product—wheat, for example—without making their contract and agreement with those who process wheat, the millers of the country; and certainly they would not declare an emergency upon hogs or cattle, or the products of hogs or cattle, pork or beef, without first calling in the representatives of the packers.

There are only, as the gentleman from Wisconsin [Mr. VOIGT] has said, five great packers, but let me call your attention to this fact: We have 200 independent packers, and I want to say to you in that connection that during the war the five and as a result the independent packers went into the domestic market, got a hold on the domestic market, and they have a strong hold on it to-day, and these 200 independent packers are to-day doing a good business. The corporation, before it has ever declared an emergency in reference to these products, will make its agreements and contracts with these concerns; and if satisfactory agreements and contracts can not be made, certainly the emergency will not be declared. If the corporation can make satisfactory arrangements and if they will agree to give them a fair deal in the handling of the pork and other meat products, then the emergency will be declared, but otherwise it will not be declared.

In my opinion, when the board of directors of the corporation get around the table with these gentlemen who handle the meat products of America, the directors will get a square deal, because if they do not get a square deal the packers well know that an emergency will not and can not be declared. The packers can not afford to be put into the position before the American public of preventing the putting into effect of this legislation. We want to provide specifically in this bill that the present agencies shall carry on this business. We do not want to go into the packing business, into the milling business, or into any other business; but we want the present agencies to handle the business and, under the provisions of this bill, with the powers of the corporation, that can be and will be done.

The declaration of the gentleman from Wisconsin [Mr. VOIGT] that under this bill the corporation will be compelled to declare an emergency upon hogs and other products enumerated here, I most emphatically deny. Yet, as I have said before, if there is any doubt in the minds of the Members of this House, an amendment of two or three words will make it absolutely certain beyond any shadow of a doubt.

The gentleman from Wisconsin [Mr. VOIGT] calls attention to the fact we have enumerated in this measure wool and sheep. Of course, there is no Member of this House who knows wool conditions who expects or believes that within the next five years the conditions will come to a point where an emergency will be declared on wool.

If the corporation should, after its agreement with the packers, declare an emergency upon meat products, it would be necessary possibly to declare an emergency upon mutton and upon lambs and their products, because they are substitutes for pork and beef.

Mr. VOIGT says that the millers and the packers are in favor of this legislation and that they will be benefited by millions of dollars because of the hold over of stocks which they may have on hand when the bill goes into effect. Every member of the committee, and I expect every Member of the House, will testify to the fact that stronger opposition to this bill has come from the millers than from any other source. Hundreds of letters have come to me from millers all over the country protesting against the passage of the McNary-Haugen bill.

A representative of the packers came before our committee and opposed in strong and vigorous language the enactment of this legislation. Not only that, boards of trade, stockyards' commission men, and all of those concerns intimately associated with the packers are without exception opposed to this legislation, and every Member of Congress who comes from where these packing concerns are located or who comes from where the great milling industries are located is opposed to this legislation. Why is this true if the packers and the millers are in favor of the legislation? The statement that the millers and the packers are in favor of this legislation is absolutely without foundation, and if, as he says, they will receive hundreds of millions of dollars from their stocks on hand when the law goes into effect, why are they opposed to the passage of this bill?

I admit, and there is no way of getting around it, so far as I can see, that profits will come to the packers, and that profits will come to the millers when this law goes into effect because of their hold over, and yet I want to say to you in this connection that no tariff bill has been passed by Congress that did not bring immense profits to the holders of those things upon which the tariff was raised. Not only that, but while the packers and the millers are getting something by reason of their holdings when the declaration of an emergency goes into effect, remember, friends, that the farmers throughout this land on wheat alone have in their granaries millions and millions of bushels, and they will receive the increase that comes because of those holdings. They have in the feed lots, if you please, hogs almost ready to mature and go to market. They will get the increased price or the ratio price. The

of Agriculture came back to the committee and admitted

This bill would make the farmer the ward of the Nation, as

however, to pay their proportionate part of the cost in the equalization fee that is imposed upon all of them.

There is one other thing I want to call to your attention and that is, when the packers understand that this emergency is under the control of a corporation and they do not know whether it is going into effect or not, that it depends upon their investigation and their ability to make proper agreements and proper contracts, they are not going to hold over a great quantity of stuff or purchase it and put it in their warehouses with that uncertainty in view.

Mr. VOIGT discusses at some length the effect of the passage of this act upon the cost of living. During the discussion he was asked, I believe by the gentleman from Kansas [Mr. TINCHER], whether or not he favored the farmer receiving the prices provided in the ratio price, and he declared emphatically that he was in favor of their receiving this increase. Every bill that has been introduced in the Congress the object of which was to bring relief to the farmer provides in no uncertain language that the farmers receive an increased price for their farm products. There is not a man here to-day who believes that relief can be brought to the American farmer without increasing the prices of his farm products. If there is some plan whereby that can be done without increasing them, I would like to have the man who can devise that sort of a plan bring it into this House, because it would certainly be an economic monstrosity. You can not give the farmer prosperity, increased purchasing power, and the things he ought to have without increasing the prices of the products that he raises.

Ah, my friends, the prices of all other products in the land have been raised. They have gone up and up and up, and the farmers' prices have gone down and down and down. The purchasing power of the farmer to-day has been decreased almost 50 per cent. I had a letter yesterday from a farmer out in my country wherein he said, "I never see a new Springfield wagon on the road. Why? The price has been more than doubled. I find in the little shops around the country old wagons. They are taken in there to fix them up and repair them and use them over and over again."

Everything the farmer buys has been increased and his purchasing power has been depleted.

I want to call your attention specifically to this fact: Mr. Edgar Wallace, a representative of the American Federation of Labor, came before our committee. He made the statement that any bill which we could pass to bring relief to the farmer might result in some increase in the cost of living, but that the organization which he represented was there to urge the committee to give relief to the farmers, and stated that his organization to a man was willing to accept as a result of that relief any slight increase in the cost of living that might come about.

Do you believe that the increase in the price of the farmer's wheat 30 or 40 or 50 cents a bushel would materially increase the price of bread? When you know that during war times hogs were selling at $14 and $15 per hundred and the price of bacon was just a little more then than it is to-day, when hogs are selling at $7 a hundred? Do you think there will be much increase in the price of bacon?

I want now to refer to my friend from Illinois [Mr. RAINEY], and I have great respect for him. I have known him a long time. He has been a Member of this House for many years, and we all admire him. That gentleman has issued more words on this bill, possibly, than everybody else in the land. He has written article upon article and delivered speech upon speech; he has sent out letters upon letters. Let me give you an illustration. Just a few days ago I read in a St. Louis paper an article written by the distinguished gentleman from Illinois wherein he gave an illustration about a widow woman with a pig. I want to say to you, because I counted them, in that story about the widow woman and the pig he used 700 words describing what would happen if she wanted to sell her pig, and yet I want to say to him that if that story were true, then there is not a member of the Committee on Agriculture that would vote for the McNary-Haugen bill.

Misrepresentation has gone abroad all over the land in regard to this measure from the boards of trade, the packers, and the large financial institutions.

I read an article in an agricultural paper this morning, or a so-called agricultural paper, published here in Washington, about the McNary-Haugen bill. The man who wrote the article evidently had not read it since it was introduced in January last.

Those are the conditions which confront us. This is indeed a new kind of legislation. Nothing exactly like it has been attempted in this country, although it has been carried out

tariff legislation the manufacturing industries have been enabled to increase their prices for their products by millions of dollars. Through immigrant laws—and I voted for them all—we have kept out the undesirable farming element and have thereby reduced competition and kept up the price of labor. Through the Adamson law—and I voted for that—we further increased the price of wages. Through the enactment of the Esch-Cummins law—for which I did not vote—we gave the railroads of the country a guaranteed income and virtually instructed the Interstate Commerce Commission to increase the freight rates, and that has given an increase of price to all the products of the land. For years and years we have given to the great magazines of the country a low rate of postage. Every year, as the result, those publications are carried through the mails at a loss to the Government of fifty millions of dollars.

But I must not prolong this discussion. Suffice is it for me to say that through legislative enactment we have helped every industry in America except the one great basic industry—agriculture. More than one-quarter of the people of America live on the farms. They toil through all kinds of weather both early and late. They seek no eight hour law; they depend for their success more than any other industry known to man upon the elements. They plow, they plant, they cultivate, and if the sunshine and the rain come in due proportion, they harvest their crops. On the other hand, if perchance the rain does not come or if it comes in too great abundance, the result of their labor will be destroyed by drought or by flood. These are the conditions that we can not regulate by legislation. But when the farmer reaps an abundant harvest and takes his commodities to the market place we want him to receive a just and fair price for those commodities, and that, Mr. Chairman, is what we are going to do by the passage of the McNary-Haugen bill. [Applause.]

Mr. BLANTON. Mr. Chairman, will not the gentleman from Missouri take another five minutes in order to answer questions?

Mr. RUBEY. I should be glad to do so, but there are other gentlemen who want time.

Mr. BLANTON. The gentleman can help us by answering questions more than he can by generalities.

Mr. RUBEY. I have already used 45 or 50 minutes, and if I yield to one I must yield to another.

Mr. BLANTON. I think perhaps we would get along better with the bill if Members were enlightened by answering questions.

Mr. RUBEY. I know, and I want gentlemen to ask questions about the bill to enlighten them. I want every Member of the House to hear what is said, do not make up your minds against this measure, and if you are, so to speak, on the fence, stay on the fence until we get through with the debate. Stay on the fence until we get through with the discussion of the bill under the five-minute rule, and then you will be able to ask questions and we will be ready to answer them. I would like to answer the questions of the gentleman from Texas, but I have refused the gentleman from Wisconsin, and there are others who would like to ask questions. But let me say that there are many gentlemen who have asked me for time and I must not consume any further time. [Applause.]

Mr. ASWELL. Mr. Chairman and gentlemen, I regret to find myself in emphatic disagreement with our distinguished chairman, for whom I have the highest regard. I am also in disagreement with the gentleman from Missouri [Mr. RUBEY], who has preceded me, one of the most lovable Members in the House. He made an appeal to Members from other sections of the country to come and help him out in his country, as he stated it. I for one have supported every measure that I thought was for the benefit of the people of all sections. No worthy measure has had my opposition for sectional reasons. I have come now to help Mr. RUBEY's people by helping save them from the tragedy of the operations of this monstrous bill.

The bill has a peculiar history. When it appeared before the two Houses it was so curious in its theories and provisions that a lively interest was manifested as to its fatherhood. It was first called the Wallace bill. The Secretary of Agriculture came before the committee and disowned it. He said he was not for it especially, but that he was for any measure that would improve agriculture. Later there came forth from the multitude a gentleman named Charles J. Brand, whose friendship and services to the Big Five meat packers were exposed by the Federal Trade Commission and are matters of common knowledge and public discussion. Mr. Brand announced that he was the father of this bill and that he wrote it at the instance of the Secretary of Agriculture. Later the Secretary

the President of the United States has no authority to declare an emergency until the corporation notifies him. As far as the

If you attempt to evade the equalization fee or fail to give the receipt, what is the result? It will perhaps be a dime; but

fatherhood by proxy and that he had directed Brand to create it.

Later on another gentleman appeared before the committee, a Mr. Peek, of the Moline Plow Co., and he startled us by saying that he originated the idea and it was brought here in 1921. According to late reports Mr. Peek's business is in the hands of a receiver. I am not criticizing him, I sympathize with him, but having put his own business in the hands of a receiver I wonder if he is a competent man to tell the Congress how to legislate on economic questions.

When the word "scrip" grew into disrepute about the Capitol the S O S call went forth that "scrip" would kill this child of doubtful parentage, and there came rushing to the support of the proponents of the bill, among others, a gentleman from the Northwest, a Mr. Jewett, who is reputed to be a banker and the head of a grain pool or grain corporation in the Northwest with which he has made a failure. I am not criticizing him, but I can readily understand that he would like to have the taxpayers recoup him and enable him to reestablish himself in the confidence of the wheat growers whose money his management has lost. He helped change "scrip" to the euphonious "equalization certificate," meaning the same thing. So we have found the creators to be the Brand-Jewett-Peek combine. Our chairman [Mr. HAUGEN] is clearly not the father of this bill. He is the stepfather, three generations removed. [Laughter.]

Mr. RAKER. Does the Secretary now approve it?

Mr. ASWELL. He did the other day. I do not know what he would do now.

Mr. BLANTON. Where is the "Mary" part of it?

Mr. ASWELL. Oh, in the other end of the Capitol.

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. I can not yield; I shall have to follow the gentleman's example. The majority report is not a report, but an argument, an appeal. It reveals clearly the weakness of this bill. It contains 109 pages, 52 pages of which are devoted to a thesis trying to prove that the bill is constitutional, and then on page 79 the majority brief concedes that in certain transactions the bill would be unconstitutional.

The Solicitor of the Department of Agriculture says, "I am of the opinion that in all probability it would be finally sustained by the Supreme Court."

The impression has been deliberately given to Members of Congress that this is the only chance to vote for farm relief. I call the attention of Members to the fact of record that there are four other farm-relief bills on which we have had hearings before the Committee on Agriculture, and within 24 hours any one of these bills can be reported out. It is not true that you have to vote for this bill or none. I call attention to another fact, that if one of these other measures after the defeat of this bill should not be brought out immediately there are Members of Congress on both sides of the Chamber who believe in the proper kind of agricultural relief, and they will hold this Congress here, if need be, until proper farm legislation is enacted. [Applause.]

A lot has been said here this morning and at other times about the condition of the farmer. No man in this House or anywhere else is more deeply concerned in the welfare of the farmer than I. I represent a great agricultural district and I have no business in the world outside of my duties here except that of farming.

Every Member of Congress knows that agriculture in certain lines and in some sections of the country is in grave distress. You do not need a book the size of the majority report to convince you of that depressing fact. Everyone agrees that agriculture, suffering most heavily and unfairly from post-war deflation, deserves the earnest and sincere consideration, the active encouragement, and the fair-handed cooperation of the Government. I am eager to see the Congress go every step of the way in this direction consistent with sound principles of government, but I am not for this fantastic panacea, which if it did not fall of its own weight would disappoint and enslave the farmers and disrupt and destroy the financial and economic policies of our Government. [Applause.]

It would set the precedent of socializing and nationalizing the industry of agriculture, which would lead inevitably to the nationalization of all industry, including the railroads, overriding economic laws by statutory laws and thus place our Government squarely in the class of the bolshevistic Government of Russia, which has disappointed the Russian people and is now collapsing. I, for one, most solemnly protest against taking a single step toward such a calamity for the American people. [Applause.]

his own business and places him under the paternalistic care of the Government. It destroys individual initiative, socializes and communizes the agricultural industry, and places a Government corporation in full control of the farmer and his industry.

The value of the agricultural products of the country last year in the hands of the farmer is reported by the Department of Agriculture to have been seven and one-half billion dollars, while the consumers of the country paid twenty-two and one-half billion dollars for the same products. The producer is receiving only one-third of what the consumer is paying for his products. By enabling the cooperatives of the country to organize nationally and establish direct connection between the producer and the consumer the farmer will receive two-thirds of the amount the consumer pays and thus double the farmer's price of agricultural products without taking a penny from the Federal Government. It will actually reduce the price to the consumer by eliminating one-half of the two and a half million food dealers or middlemen. The spread between the price the producer receives and that the consumer pays will be reduced to the minimum. The difficulty with the present cooperatives is that they are too limited in scope and in finances to control the final markets in reaching the ultimate consumers.

A marketing bill national in character is pending before the Committees on Agriculture in both Houses. Senator CURTIS introduced it in the Senate and I introduced it in the House. Vote down the McNary-Haugen bill and you will have a chance to consider the marketing bill that enables the farmer himself to handle his own business for himself.

I call attention to another fact. The President of the United States, to be consistent, can not be for this bill. He is not a communist, he is not a socialist, he is not a Bolshevik. Let me read one sentence from his message to the Congress on December 6. Discussing agricultural relief, he says:

> No complicated scheme of relief, no plan of Government fixing of prices, and no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only ways to restore agriculture.

[Applause.]

That is the President's language to Congress. If his language means anything, he can not be for this measure. What does this bill do? It establishes a corporation, a Government corporation, and puts the Government squarely into business. To prove that I shall not give any secondhand evidence, but I shall read from the bill. Section 21 reads:

> For the purpose of relieving the emergency declared in section 1 by conducting the business of trading in basic agricultural commodities.

That is the object of the corporation. Further, on page 11 of the bill, it is provided that "the corporation shall have such powers as are necessary and proper to conduct the business of trading in basic agricultural products."

This bill puts the Government squarely into business, and it will be the biggest Government corporation that was ever proposed in the history of the world in any country. This bill proposes not a private corporation but governmental control strictly, nothing more. The corporation is to be created by the Congress. The President of the United States is to appoint the members of the corporation and they are to be confirmed by the Senate of the United States. The corporation is to be presided over by a member of the Cabinet. The certificates are to be printed at the direction of the Secretary of the Treasury and by a Government bureau, the Bureau of Printing and Engraving. It is from top to bottom governmental and the Government would be morally bound. Two hundred million dollars is to be appropriated from the Federal Treasury, from the taxpayers, and $1,000,000,000 is to be borrowed. There is not a gentleman in this Congress to-day, having voted for this bill, who would not later cast his vote in an emergency to appropriate another billion dollars to pay the losses of this corporation. The Government would be morally bound because it is a Government corporation. So it is—the Government involved from start to finish.

It has the most extraordinary powers ever granted any similar organization. This corporation would be bigger than any department of the Government, because it is specifically provided that any department of the Government shall act as the agent of the corporation.

It is bigger than all the executive departments of the Government because the bill provides that all departments act as its agents. It is bigger than the President himself. Why, because

Committee on Ways and Means in the House has to do with tariffs, it abolishes that committee entirely. It would abolish the Tariff Commission, too. Authority is given upon the recommendation of this corporation for the President to ignore all existing law and declare an embargo or raise the import duties on any article, any substitute, or derivative. The records show that the Big Five packers handle about 400 derivatives and substitutes contained in this bill, including fertilizer for the farmers of the country. It gives authority to declare an embargo and increase the price on all elements needed by the farmers for fertilizer.

It is a price-fixing scheme. I do not understand why the proponents of this bill try to hide that fact. The proponents of the measure ought to know somebody is liable to read this bill. [Laughter.] Why, turn with me to section 4 on page 3 in the bill:

> The corporation shall publish, after the issuance of a proclamation declaring the special emergency, the price for such commodity, or any class or grade thereof.

It must publish the price for that period, and that period can be 1 month or 3 months or 12 months. I wish to say to the gentlemen who try to argue that it does not fix prices that if anybody reads the bill, all the other things they say will be discredited.

Now, as to the ratio price. It will be discussed over and over again. But, in a word, the proposal is, for example, that when wheat, we will say, is selling in the world's market for a dollar, the ratio price will bring wheat in this country to $1.50. If 200,000,000 bushels are exported, it will produce a loss to the wheat farmers of $100,000,000, a loss of 50 cents a bushel. The wheat growers will have to pay that $100,000,000 plus the cost of the operation of the corporation. And I made it my business to ask every one of the fathers and stepfathers of this bill, experts, lobbyists, and specialists that we had before that committee—I asked every one of them this question: How much will it cost the farmers for this corporation to operate? And never have I heard an answer yet hazarded except once, when it was said that if corn and wheat were in the emergency, the corporation could operate probably for $15,000,000 per year. We know that about 50,000 Federal agents would be employed. It has been said to-day that the farmer would be protected by this bill as the railroads are protected and as the Steel Corporation and other industries are by the high protective tariff. I am opposed to the existing discriminatory protection of big business and to the railroad guaranty, but not a single one of these corporations or special interests is taxed to bear the cost of the increase of its own prices as the farmer is proposed to be handled in this case. The comparison is absurd.

Another point. Gentlemen, I want you to turn with me to section 305, on page 27 of the bill, and you will find that this corporation has the power to punish by putting the farmer into a Federal prison for not paying his debts. Here is section 305:

> Any person who, in violation of this act, willfully fails to pay, collect, or account for and pay over any equalization fee, etc., or attempts in any manner to evade the payment or the future collection of such fee, shall, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than one year, or both.

It authorizes a Federal corporation to drag men or women to a Federal court and put them in a Federal prison for even an attempt to evade the payment of the equalization fee. Now, let me illustrate that. You will understand when an emergency is declared on corn only a small portion of the corn will pay the equalization fee and the fee will be high. The corn used for feed and seed is exempt, and the corporation may exempt purchases between producers to the amount of $100 a year. A man, as it happens in all parts of the country, starts to market with a load of roasting ears. He gets to the town. You are a banker or a merchant or a professional man. You are not a producer and therefore you have to pay the equalization fee. The producer sells you a half dozen roasting ears. What is the situation? You both must know what the equalization fee is on corn. The producer sells the corn, say, for 50 cents. He is not allowed to take the full amount in cash. You who purchased the corn must deduct the equalization fee from the payment, and you must send it to the corporation. Now, that is literally the situation. But that is not all. You must give the producer a receipt printed in Washington by the Bureau of Printing and Engraving for the fee deducted, and if you do not have a receipt at hand you do not dare buy the roasting ears.

If you fail to get the receipt from a Federal ceipt, you are subject, both of you, to be hauled into a Federal court, perhaps 100 miles away, to be tried, and, if convicted, fined $5,000 or put in prison for a year, or both. That applies to butter, milk, and every other food product of cattle, hogs, or sheep when it is brought under the emergency. Do you need any further proof as to the monstrosity of this bill? I am trying to save my good friend RUBEY's people, who grow corn principally, from such a calamity as this bill would heap upon them. [Applause.] Gentlemen, this bill has been facetiously called Mary Haugen's bill. I do not know where that originates; it is not named properly——

Mr. BLANTON. Well, it had to have a mother, did it not?

Mr. ASWELL. Well, perhaps; yes.

Gentlemen, this bill should be called the "Big Five bonus bill." Why? I would like you to follow me accurately and read between some of the lines. The first announced father of this bill has reputed connections with the meat packers. The bill provides that when there is an established exportable surplus and the price falls below the ratio price, then that product is to come under the emergency.

Let us see. "When there is an established exportable surplus." There is no question but that the packers would wake the next morning richer by $500,000,000. They wanted certain of their food products named in the bill. It does not take any argument to prove that. See the letter of Secretary Wallace. I hold his letter in my hand.

> The value of meats in cold storage was $175,000,000 on the 1st of April.

There are other products in the hands of the packers, elevators, and terminals that reach into the hundreds of millions. This bill increases their value overnight from 60 to 70 per cent. In the cold-storage products to-day owned by the five big packers the increase overnight will be exactly $122,500,000.

I said it should be called a packers' bonus bill. There must be an exportable surplus. Yet the man who wrote this bill has put into it beef. Why? How could beef be included? The report of the United States Tariff Commission, April 11, 1924, on this bill states that last year we imported into this country $65,000,000 worth of cattle and cattle products, while we exported only $25,000,000. Yet beef is included. Where is your "established exportable surplus"? We imported last year 6,000,000 pounds of mutton and exported only 2,000,000. Last year we imported $130,000,000 worth of wool and exported none. Yet in the interest of the "Big Five," who are vitally concerned in their profits on beef, wool, and mutton, these food products to benefit the "Big Five" are included in the provisions of this bill. In the face of these facts of record how can you call this a farmers' bill?

No one knows the cost of operating the corporation. There is only one thing well known and established as a certainty, and that is, whatever the cost of operation, whether it be $15,000,000 or $150,000,000, it makes no difference; whatever the loss, whether it be $100,000,000 in wheat or by stimulating production and piling up the exportable surplus to the point where the wheat farmers lose $300,000,000, it makes no difference, the farmer pays the cost. Every time you increase production you reduce consumption. Increase the exportable surplus and you increase the equalization fee that the farmer has to pay. The only thing you know is that whatever happens the farmer pays the freight at every point in this bill.

Mr. BLACK of New York. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. Yes.

Mr. BLACK of New York. In the opinion of the gentleman, would it be within the powers of this corporation to destroy excess commodities in the hands of the millers and packers, paying for the same after condemnation?

Mr. ASWELL. Perhaps that might be done should this bill ever become a law.

Now, what will be some of the results? The first outstanding result is that it will destroy the existing cooperatives in this country. Why not? The object of the cooperatives is to increase prices to the producer through a marketing system. In this bill it is proposed that the Government do this very thing with the Federal Treasury back of it. What inducement would the cooperatives have to hold together? Why should each member of the cooperatives pay $10 or $15 a year and know at the same time that the Government is handling that business? The cooperatives would go out of business, and

what could prevent a calamitous collapse to the farmers at the end of five years when the law would suddenly expire?

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. No; I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. ASWELL. Another thing that we know about this bill is that it will increase the number of Government employees by at least 50,000, but what the ultimate limit will be no one knows. Take the case of the roasting ears. You have to have a detective to see that you do not cheat the Government out of that fee. The bill would send throughout this country an army of Federal agents, detectives, and Secret Service men beyond the comprehension of any man. They would be more numerous than the income-tax agents and the prohibition agents combined.

Why? Because you have got to watch every transaction; you have got to see that the Government is not swindled out of anything. I believe the American farmer properly resents the increasing intrusion of Federal agents. He will still more resent this new army of Federal agents.

Now, gentlemen, I want to say in all candor that for four months I have earnestly studied this bill. I wanted to support any measure that would bring relief to the agricultural interests of the country. I tried to help amend it so it would be workable, but I was forced to conclude that you can not build a good measure upon an unsound principle. I have been forced to the deliberate judgment that this bill is unsound, unworkable, full of Bolshevism, purely socialistic, indefensibly communistic. It would endanger the stability and the perpetuity of the institutions of this Republic. I have faith in my country, in her institutions, in her people. I am not afraid that the foundations of the Republic will be shattered by this bill, because I do not for one moment believe that it has a shadow of a chance of being enacted into law; but if you should pass it, the President of the United States, in conformity with his straightforward proceedure, could not help but veto it, and if he did not do that, I am perfectly convinced, as I stand in your presence, that within a few months, or as soon as it could be brought to the Supreme Court of the United States, it would be declared unconstitutional. But you say the elections will have been over, and the $200,000,000 will have been used as a campaign fund. What a tragedy, what a crime against the farmer, against the taxpayer, against the American people.

Gentlemen, I for one, am willing and anxious to go as far as humanly possible for farm relief legislation, but on this measure the institutions of our country are involved. Gentlemen, if you vote down this bill, so unsound and unworkable, you will have a chance before this Congress adjourns to consider and enact legislation for the farmers which will not only give relief but which will stand through the years to come.

The difference between conditions in Europe and conditions in the United States lies in the fact that the principles of our institutions and our Government are different from those of Europe.

Would you take a step toward those conditions in Europe that have become the tragedy of the world?

Consider the conditions in Europe for a moment and compare them with ours. Their economic conditions are chaotic, ours are good. Much of their currency is worthless, ours is normal. Their governments are tottering, ours is beneficent and strong. [Applause.] Their women are enslaved, ours are loved and exalted. They worship the god of war, we the God of peace. [Applause.] Their tongues speak hatred, ours good will. Their people are miserable and in turmoil, ours are happy, for the most part, and living in peace. Their millions are idle and wretched, ours, for the most part, busy and contented. Their millions are cast down and discouraged, ours stand erect with courage and purpose.

Reviewing this contrast I wonder how any American can fail to be thankful for such a Government as ours, for such a country, for such a people. [Applause.] I wonder how any Member of Congress could dare take the chance of voting for this bill, creating a sentiment and establishing a precedent in government which, if pursued to the end, would destroy the very foundation of the Republic. [Applause.]

If for political reasons you believe that you must aid the farmers in one section of the country directly and immediately from the Federal Treasury to get their vote in November, then it would be far better for the farmers themselves and for the country to appropriate the $200,000,000 and borrow the $1,000,000,000 as a gift to them, and not saddle upon the country this dangerously vicious form of paternalism. If this bill passes, it will be permanent law or agriculture will collapse and bring a national panic at the end of five years.

The remedy for the farmers is—

First. Nation-wide cooperative marketing authorized by law.

Second. The creation of foreign markets by aiding in establishing normal conditions in Europe, for which our Government has done nothing.

Third. The reduction of indefensibly high tariff duties on some of the things the farmer has to buy, which the Congress has failed to do.

Fourth. The restoration of normal freight rates on agricultural products, for which during six long years the Congress has refused to act.

Mr. RAKER. Will the gentleman yield?

Mr. ASWELL. Yes.

Mr. RAKER. Outside of the objections which the gentleman has presented, is the bill otherwise all right? [Laughter.]

Mr. ASWELL. Except that it is unconstitutional, unworkable, impracticable, socialistic, communistic, bolshevistic, and would enslave the farmers; otherwise it might be all right. [Applause.]

Mr. TINCHER. Gentlemen of the House, of course I do not believe it is a convincing argument on an important measure like this for me to call my opponent, who thinks there is no merit in the measure, a Bolshevist or to say that a man who believes as I do not believe is Bolshevistic. I am not surprised, however, that men who use figures as carelessly as some people do use them and get facts so distorted as some people do get them distorted are compelled to resort to the practice of calling the other fellow names in order to make an interesting speech. [Applause.] Instead of importing more meat products than we exported last year, we exported 280 per cent more meat products than we imported, a slight change from the figures just handed you, which said that we imported 65 per cent more than we exported.

Mr. ASWELL. The gentleman does not want to make a mistake.

The CHAIRMAN. Does the gentleman yield to the gentleman from Louisiana?

Mr. TINCHER. I do not.

I want to announce now that I will yield to any gentleman in this House, while I am talking, who controls time for the purpose of asking me questions if he will yield me such time as he uses, but I do not want to yield time for speeches. However, I want to be in this attitude if I can have the time: I want to be able to answer any question that is asked about this bill or tell the Members of this House whether I can answer it or not.

I propose to talk concerning the measure. I want to be fair with the House. I claim that the gentleman from Missouri [Mr. RUBEY], the gentleman from Iowa [Mr. HAUGEN], and the crowd of us who have reported this bill are not Bolshevists. I claim we believe in our country just as firmly as anyone else, and I claim that the 42 per cent of the population of this country who to-day are engaged in agriculture are entitled to the same treatment and the same consideration by the lawmaking bodies of this Nation as anyone else. [Applause.]

There are two arguments against this measure. One is that it will raise the cost of living and make it a burden on other people, and the other is that it will ruin the farmer. How consistent those two arguments are. You are going to raise labor's cost of living, so that all you boys who represent labor districts will vote against it; and it is not going to help the farmer, it is just going to ruin him, and in order to make that kind of argument you have to distort figures.

I am frank to say that had this bill come before Congress and had no emergency existed it would not have been sound as a governmental economic proposition. It is not a peace-time proposition, but we have an emergency. We have an emergency in agriculture, the basic industry of our Nation, and that emergency, whether it was caused by the fact of war or whether it was caused by laws pertaining to the emergency of war, is immaterial. The emergency is here. Talk about the $200,000,000 that this bill appropriates in an effort to do something for agriculture; why, by one fell stroke of the pen at the White House the President of the United States signed a bill during the war that took away from the American wheat owners, the farmers of America, overnight more money than this bill contemplates appropriating.

Mr. RAYBURN. Will the gentleman yield?

Mr. TINCHER. Yes; I yield.

Mr. RAYBURN. The gentleman speaks of the fixing of the price of wheat?

Mr. TINCHER. I do.

Mr. RAYBURN. Which was done at the instance of the wheat growers.

Mr. TINCHER. I do not care who it was done at the instance of, I was a wheat grower and did not ask for it; and it was done at a time when the farmers of America had in the process of harvesting an 800,000,000-bushel wheat crop, and it took from the cash price for wheat overnight $1.35 a bushel, and now say to that farmer who faces bankruptcy to-day, but who faced that emergency and took his part of the load without a whimper, that when he comes to the American Congress, when he is down and out by reason of the war and the emergency, that he must not ask for legislation or the proponents, the men who will speak for him, will be pronounced Bolsheviks.

Mr. RAYBURN. Will the gentleman yield further?

Mr. TINCHER. Yes.

Mr. RAYBURN. I was opposed to that and I tried to protect the wheat farmers at that time against their own representatives, and that experience with price fixing will justify me again in trying to protect them from their representatives.

Mr. TINCHER. That was a matter of fixing a price. I am not talking about politics. I am not reflecting on anyone and I am not even saying it was not justified. Our country was at war and our people needed food, and the American farmer had wheat and the Government confiscated that wheat to win the war, and took it at a fixed price, and it was the only confiscation of property that this great Government of ours indulged in during that great conflict.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. TINCHER. I yield.

Mr. SHALLENBERGER. I will say for the information of the gentleman that I was a member of the Committee on Military Affairs during the war, as the gentleman knows, and the question of fixing the price of the wheat and of the pork and of the meat products that the Government would require to carry on that war was considered there, and I heard a member from Texas state that the hearings before the Committee on Agriculture showed that the Government was bound and determined to take the wheat and the pork at prices satisfactory to them because the Army had to fight upon bread and upon pork, and the price was fixed not to take care of the farmer but to take care of the Government in waging the war. [Applause.]

Mr. TINCHER. I agree with the gentlemen thoroughly. I do not want to inject any other issue into this question, but I do say that this is an emergency.

Mr. RAYBURN. But the price that was set on wheat by the Congress was higher than the price at which wheat was selling at that time.

Mr. TINCHER. No; it was $1.35 a bushel less. The price went off that much in 12 hours. You can not tell me that. There is no use trying to get something like that in the RECORD here.

Mr. BURTNESS and Mr. WOODRUFF rose.

Mr. BURTNESS. Will the gentleman yield to me just to read a sentence touching that point from the report of the grain corporation?

Mr. TINCHER. I yield first to the gentleman from Michigan.

Mr. WOODRUFF. This bill contemplates an appropriation of $200,000,000 out of the Public Treasury.

Mr. TINCHER. Yes; as a revolving fund and as capital stock.

Mr. WOODRUFF. Everyone recognizes the fact that the farmers of this country have lost their buying power. Do you not believe that if we had, as a result of this bill, a prosperous and happy agriculture that an appropriation of $200,000,000 each year would be fully returned to the Treasury as a result of the ensuing prosperity in this country?

Mr. TINCHER. I think so, but that is not possible under this bill. This bill puts the burden of paying the losses on the farmers. The $200,000,000 is simply the amount of the capital stock, and my judgment is—and of course a whole lot in this bill, if it passes and becomes a law, depends on the administration of it—that with the borrowing power they will have they will never need to take out of the Treasury any money to speak of at all.

Mr. WOODRUFF. Will the gentleman yield for one further question on that point? I understand that perfectly, and I believe that is true, but I want to ask again, if, as a result of this measure, agriculture was made prosperous, would not the prosperity which would ensue to every other individual in this country result in such a condition that the increase in taxes would more than return to the Treasury the $200,000,000 carried in this bill?

Mr. TINCHER. It would. There is no question about that. Every great war has been followed by a panic. Eighteen hundred and seventy-three was nine years after 1864. Nineteen hundred and twenty-six or 1927 will see a panic in our industries in the United States as a natural result of this deflation unless the people of this great country have advanced since 1873 in the matter of government so that by man-made laws we may avert that. Do not any of you eastern men think that this load will be carried by the western farmer forever. Do not think that it must not be reflected back. Look at the conditions to-day. Then they call us Bolshevists because we ask for a corporation with a capital stock of less than one-quarter of the amount of money confiscated by the Government over night.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. GARRETT of Texas. Does the gentleman recall that in 1914 when cotton went down $25 a bale below cost that no provision was made by congressional action?

Mr. TINCHER. I do not know, I was not in Congress until after the war. As a member of the Committee on Agriculture for a short time after I came to Congress, I served with a distinguished gentleman from Texas, and you have a member now, and no member of the Committee on Agriculture will ever say that I as a western man ever split hairs with him on something he asked for because my district was not affected. I voted for every bill with reference to cotton that a man from the cotton States asked me to vote for.

Mr. BURTNESS. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BURTNESS. Does the gentleman know whether the depression of cotton existed for five or six years?

Mr. TINCHER. I do not know. Now look at the chart on page 9204.

Here we start at 100 and everybody starts together. We had a war. Agriculture has got back to where her prices are 118. It went up during the war, and look at this drop down here, so that prices have come down to 118. Wages of farm employees have dropped back some, but not down to 100 mark, but about 155 against the prices of farmers' products, 118. Wages of railroad employees, every one of them to be paid, and a large part by the 42 per cent that are engaged in agricultural production. That stands at 186. But look at this: New York factory workers, 230.

Now, that condition can not continue to exist. The products of every one of these articles produced by the workers of that wage must be sold to all the people. Forty-two per cent of our people are on their knees. Forty-two per cent can not buy your goods, so that that condition can not continue. Some man said yesterday that we were self-appointed, self-styled representatives of the farmer. Sometimes I feel when I am talking that I ought not to be so earnest. I am not a self-appointed representative. I was elected a Representative of the farmer, and every dollar I have in the world, every dollar any member of my family has a chance to inherit, is invested in agriculture. So I am not talking about the matter from pure sentiment, but cold facts.

Now, what do you want to do? What is your remedy? Are you going to bring this down [indicating on chart] to a prewar status? That can not be done. Some people advocate that. Some people advocate the passage of laws that would reduce our standard of living, our scale of wages to a place where we would have to adopt the standard of living of the world and the world's scale of wages. If you do that, then we will be in the same shape that the countries are the gentleman described a little while ago.

Mr. RAKER. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. RAKER. The gentleman is familiar with the subject and I am trying to get information. Will the gentleman take one staple farm product and tell us what would be the result of this bill under consideration if enacted?

Mr. TINCHER. Will the gentleman name the product?

Mr. AYRES. Take wheat.

Mr. RAKER. Take hogs.

Mr. TINCHER. I will take wheat first. Wheat to-day, based on the price of the 400 commodities which people have to buy, ought to be selling for a little less than $1.60. In other words, the wages of these men up here ought to strike an average, and in coming down to this level strike an average somewhere, and they ought to be willing to pay the farmers $1.59 for wheat consumed in America.

Now, you ask about hogs. The day the bill was introduced and we started to have hearings hogs were selling at $9.85, and the fair ratio that day was $10.55. That was not much difference. To-day hogs are selling for $7, and a fair ratio price would be a little higher.

Mr. RAKER. Now, I am like the gentleman from Kansas; what little extra surplus I have is invested in cattle. Our people are interested in cattle, and I know the gentleman has given a great deal of attention to it, and will he give us the benefit of his knowledge by showing how it will affect the price of cattle?

Mr. TINCHER. Let me finish on hogs first. The gentleman from Texas [Mr. HUDSPETH] will talk about cattle, and I will say something, too. I do not believe that there is a man within the sound of my voice that realizes any difference in the price of the pork products from last December to what it is now.

If that fair ratio price was declared by the corporation purchasing on any kind of meat, they would not have had to buy a pound, because that fair ratio price would prevail and that would apply to cattle as well as hogs, and, Mr. RAKER, the only man who has got cattle to-day who is not broke, is some fellow who has some other way of buying than getting them in the cattle business. There is not a cattle producer in America who is dependent on that entirely but is worth less to-day than before the war, and 90 per cent are bankrupt.

Mr. RAKER. That is absolutely true; but how are you going to relieve that by this legislation?

Mr. TINCHER. By giving him a ratio price for his products, and I say that any good business man or corporation can take that $200,000,000 and let the farmer pay his own losses because of the ratio price and there is not a man engaged in labor in the United States but who will be happy for it and will be contented with it, because when their boys and institutions feel this panic we have now in the West, then their wages will go crumbling, and instead of having full time they will have probably less than half time.

Mr. KINDRED. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. KINDRED. The gentleman has stated, and stated correctly, that the price of pork or hogs last fall was 9 cents

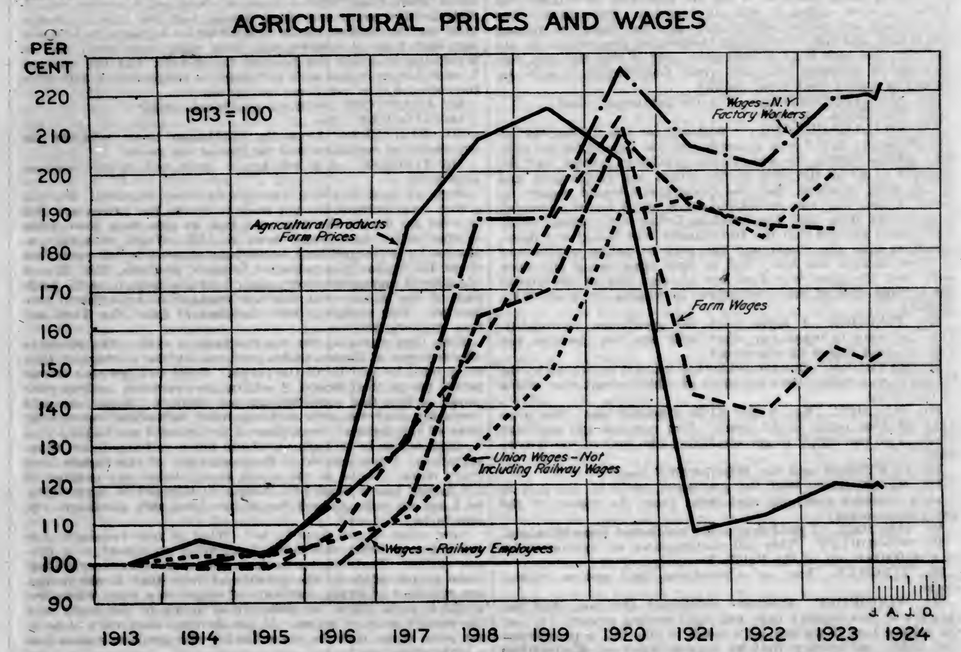

plus. And yet the consumer is not getting any relief in what he pays for his pork. Who is getting that difference?

Mr. TINCHER. That is a question clear outside, but my opinion is that there are nine or ten times as many retail men in Washington, perhaps, as the trade would bear, but that is quite a different proposition. I simply mention it to call attention to the fact that we want to be fair with the farmer and not hurt anyone. These boys working in the New York factories are getting good wages and they are happy, but they will not be happy if they are working on half time, and if 40 per cent of the people down here to-day are not given relief they will be laid off.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. LaGUARDIA. Glancing at the index chart, I find your agricultural products are down to 118. Now, is it not true that by the time those products reach the factory end in New York it will be necessary to fix the wage up to 230? Now, if you are going to bring your line up in accordance with the provisions of this bill, this line would necessarily have to go higher; and are not we going around in a circle?

Mr. TINCHER. Oh, no. These men up here to-day with that wage—the New York fellows—are prosperous. These men down here are bankrupt—are broke—and you have got to equalize the thing. If you vote against this bill on the theory your New York laboring man will profit by your defeating farm legislation, you will be doing him a great injustice.

Mr. LaGUARDIA. The trouble is this: There is no doubt about the condition of the farmer down here; but by the time his product reaches the New York factory worker his wage must be fixed in order to buy these products.

Mr. TINCHER. Has the gentleman got a bill to remedy that?

Mr. LaGUARDIA. Yes.

Mr. TINCHER. What bill is it?

Mr. LaGUARDIA. Take control of all transportation of the country, take all the elevators and storages, and eliminate entirely the middleman and banking industry. [Laughter.]

Mr. TINCHER. I was laboring under a little misapprehension. I thought Mr. BERGER had the sole honor of representing his party in Congress.

Mr. LaGUARDIA. That is not any more socialistic than this.

Mr. TINCHER. There is nothing socialistic about this. The farmer himself pays the equalization fee.

Mr. AYRES. Is it not a fact that bread now in New York City is about the same price as when wheat was at $3 a bushel?

Mr. TINCHER. Yes.

Mr. AYRES. And bread was not reduced when wheat went down?

Mr. TINCHER. Right in Washington it is the same price as when wheat was worth $2.35.

Mr. AYRES. And there is no reason why it should cost more if wheat was $1.60.

Mr. JACOBSTEIN. Will the gentleman yield?

Mr. TINCHER. I will.

Mr. JACOBSTEIN. According to the chart—I can not detect the color here, but I suppose it is the factory workers in New York—the wages have dropped about 30 points from 1920 to 1922.

Mr. TINCHER. I remember Congress met and we passed a law, not a socialistic law, but a law that opened your factories.

Mr. JACOBSTEIN. The question is——

Mr. TINCHER. I would like to get in part of my speech as I go along.

Mr. JACOBSTEIN. Wages came down. We know it came down because the manufacturers could not keep those factories going. There had been overproduction, but even in that time farm products were rising, were going up even when wages in the East were going down. I am wondering if that does not teach us a lesson, that overproduction will cause wages to fall in the factories, and whether that is not also the cause of the low purchasing price of the farm products, and that you are not attacking the problem from the right end?

Mr. TINCHER. You started there for the rocks because you did not have the price any more based on blood, and you started for the rocks because you had no protection, and the American Congress met and gave a protective tariff and said that you could have the American standard of wages and the American standard of living when you at that time were going on the rocks. But now, when we come here and ask for a law that will give us a little fair chance we are called Bolshevists. I do not believe in a foreign standard of living. I do not believe in any foreign level of wages. As one of the western Republicans I want to say that I want to hold people up and am not willing to kick anybody else down. [Applause.]

Mr. JACOBSTEIN. Did you not have at the same time a tariff protecting agriculture?

Mr. TINCHER. Oh, you can not protect agricultural products as you can manufactured products. We export agricultural products.

Mr. JACOBSTEIN. Did we not have an emergency tariff to protect agricultural products?

Mr. TINCHER. I will have a Democrat answer your emergency tariff questions.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. BURTNESS. The gentleman from New York [Mr. JACOBSTEIN] assumed plainly something that is not a fact, that the wages of manufacturing workingmen began to fall while agricultural prices were rising. Agricultural prices began to fall one year before the wages of industrial factories fell.

Mr. TINCHER. Yes.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. SIMMONS. I think it would be a benefit to all of us if the gentleman would take as an example hogs, and illustrate how this legislation will relieve the farmer on that particular product, and carry it on through.

Mr. TINCHER. We have passed a bill, and a corporation is organized, and we got Otto Kahn, the biggest financier in America, to come down from New York and manage it. He says this is not what is called sound economics, but it is modern economics. We are forced to resort to modern economics. He goes to Chicago and says to the five packers, "Are you going to pay the ratio price? The consumer will have to pay it. You will not buy a hoof. That ratio price will be fixed. They will pay it. It will not hurt anyone." They say, "We will not do it." You know what a surplus is of pork. We do not export 6 per cent of our pork. It will not take anything to handle that.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. In a moment.

I believe this bill should give the President all the power he wants, to use it as he wants to, and not to use it when it is not required. It should not be a permanent proposition. It should apply only when there is an emergency.

Why, my friends, who is it that would say that the Dawes report was sound economics a few years ago. The Dawes report is sound economics to-day because it is to clean up a thing brought about by the greatest emergency of the world. The Dawes report is sound economics.

This question may not be settled now, but it is a live American question. The question is whether by a man-made law we will harness this thing and avert the experience of 1873 or go on and treat the farmer lightly and not wake up to it until every industry in the country is down to where the farmer is to-day. I say we have progressed since the Civil War. I say there is a chance by a man-made law to manipulate the thing so that we will not suffer the natural consequences that always go with war.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. RAKER. This is an important matter. For the last two years our stockmen have got from 4 to 4½ cents per pound for cows and from 5 to 6½ cents per pound for prime steers. Hides are down to a dollar or even less.

Mr. TINCHER. Oh, I know these facts. You need not state them to me.

Mr. RAKER. Will the gentleman illustrate how he will help the stock-raising farmers so that they will get a fair price for their cattle under this project?

Mr. TINCHER. The corporation will fix a fair ratio price, and the fair ratio price will be the price they have to pay for the meat consumed there. They are to enforce that law. They have a right, if the people who handle the product will not do it, to do it themselves. But the packers, with 60 per cent of their factories empty to-day, will be glad when Uncle Sam goes down and says, "We have established a ratio price for the products."

That is not "TINCHER in Congress howling about the way things are going." That is somebody who has power, and the only justification for using that power is that an emergency exists by reason of a law act, and one class of people in this country are suffering from that emergency.

Mr. RAKER. If our cattle go to 4 and 5 cents a pound, how is that when we come to Washington we must pay 60 or 65 cents for beef per pound?

Mr. TINCHER. I have not been here as long as you have. Why have you not fixed it? You have been here a long time. [Laughter.]

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. TINCHER. Yes.

Mr. McKENZIE. The gentleman from Kansas is really making a good speech.

Mr. TINCHER. I thank you.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. TINCHER. May I have a little more time?

Mr. VOIGT. Mr. Chairman, I yield to the gentleman five minutes.

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes more.

Mr. McKENZIE. Of course, the condition of the country to-day is due to some cause. That is admitted. I want to ask the gentleman what he thinks about this legislation as a remedy for remedying the cause. Or is it simply emergency legislation for a time, and when the limitation expires the same old cause may be back again, and we may find ourselves in the same situation?

Mr. TINCHER. No; the same old cause will not be back. The condition was brought about by an emergency, either by the war itself, alone and uninterrupted, or by the war and the laws that we passed for running our country during the war. But the farmer's condition is an emergency, and we propose to relieve him from the emergency the same as we relieve everybody else. I do not believe the same conditions can come about again.

Of course, I think the emergency, perhaps, will have to be declared for this year and next. I think this bill runs three years, and I think it ought to.

Mr. LOZIER. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. LOZIER. Contrary to numerous expressions on the floor of this House, is it not true that by reason of the packing industries being concentrated in five great companies, that feature of the act will be more easily and more completely administered than any other feature of this bill?

Mr. TINCHER. Yes; I think it will be easy to administer it. Now, let me say this: I have been here only five years. I have been on the Agricultural Committee ever since I came, and I have worked with some of the most genial and high-class gentlemen any man ever had the privilege of working with. I never impugn the motives of any man who is on that committee, and I do not to-day. I understand how I could have a lot of fun

wage—the New York fellows—are prosperous. These men down

bushel?

here talking about the gentleman from New York [Mr. CLARKE] and the gentleman from Wisconsin [Mr. VOIGT]—both opposing this bill—and about as much fun as I could have in talking about Mr. ASWELL's roasting ears. They do not generally agree on matters of economics, and they are opposing this bill, I believe, for directly opposite reasons.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. CLARKE of New York. Is it not true that when the filled milk measure was before the House I supported that bill because I believed it would do something to aid the dairy interests of this country, so that when you are challenging other men's motives you are challenging mine.

Mr. TINCHER. I did not challenge the gentleman's motives.

Mr. CLARKE of New York. I thought you did.

Mr. TINCHER. All I said was that ordinarily you and Mr. VOIGT do not travel together on matters of economics. I did not impugn your motives at all and never had such a thought at all. I was criticizing another man for doing the same thing. But it is all wrong to draw a picture of some one selling roasting ears, and then, an emergency having been declared on roasting ears, say, "Who is going to administer this thing in order to give any weight and effect to it?" If you listen to such ridicule you must imagine that good men like Mr. RUBEY or Mr. CLARKE or some other Members of this House, men of good judgment, are not going to administer it, but you have got to imagine that they are going out to find the craziest man in the world to administer it, and that he will declare an emergency on roasting ears, and that suggestion is made in order to heap some ridicule upon the bill.

Mr. KETCHAM. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. KETCHAM. Will the gentleman please advise us whether there is any exportable surplus of roasting ears? [Laughter.]

Mr. TINCHER. There is no idea of exporting roasting ears. That illustration was simply used for the purpose of heaping ridicule on the bill, because the idea never would be to declare an emergency on them. As I say, that was just simply mentioned for the purpose of putting ridicule on the bill.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. TINCHER. Yes.

Mr. MACLAFFERTY. Is not the low price of farm commodities due to the fact that there is an overproduction?

Mr. TINCHER. No.

Mr. MACLAFFERTY. Then my second question is not necessary.

Mr. TINCHER. The low price of farm commodities is due to an emergency which arose during the war or due to the laws attendant upon the war, the disproportionate prices. However, the prices are not lower than they were before the war. The prices of farm commodities are now a little higher than at the time of the starting of the war, but the proportion or ratio to the other 400 articles is making a bankrupt out of every farmer in America.

Mr. MACLAFFERTY. I am not opposed to this bill, but does the gentleman understand that the law of supply and demand has nothing to do with prices?

Mr. TINCHER. Oh, yes.

Mr. MACLAFFERTY. If there was a scarcity of wheat in the country, would not the price of wheat go up?

Mr. TINCHER. The law of supply and demand applies except when an emergency exists, and we have an emergency to-day. You do not want your American wheat grower to produce 200,000,000 bushels less wheat than will be consumed in America, but I have heard that suggestion made—that the wheat growers produce less than enough and then charge a high price for it and starve a few. But that is not the kind of people we have in the American farmer. But we ought to do something along the lines proposed in this bill in order to avoid a repetition of the days of 1873.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MACLAFFERTY. Will not the gentleman get one more minute, in order to permit me to ask him a question?

Mr. TINCHER. I have used all the time I can.

Mr. MACLAFFERTY. I am a mourner at the bench seeking light, but the gentleman has not given it to me.

Mr. VOIGT. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. CLARKE].

Mr. CLARKE of New York. Mr. Chairman, venerating as I do, GILBERT N. HAUGEN, the chairman of the great Agriculture Committee, who for 26 years has faithfully represented an agricultural district from Iowa, and has rendered signal service everywhere to the general cause of agriculture, and fond as I am of the members of that great committee, individually and collectively, it has been a difficult matter for me, with a predisposition toward "going along," to differ with the majority of this committee on this bill, but after months of hearings, where all the facts regarding the present serious agricultural situation were carefully gone into and analyzed, I felt my greater duty was to oppose this proposed experiment, believing that it is not alone unworkable, but that even if it could be made to work it would ultimately bring disaster to agriculture, far greater than the present "slough of despond."

1. No session of Congress has gone so far as the Sixty-seventh Congress did in enacting legislation to give the farmers that equality of opportunity that is fundamentally the right of every great industry, as well as of the individual himself, under the Anglo-Saxon theory of government.

(a) The bill for allowing the farmers' cooperatives to engage in interstate business so as to orderly market their products was a vastly helpful law in its practical aspects, as well as in the encouragement it offered to those cooperative organizations trying to help themselves.

(b) The Voigt filled milk bill to prevent the interstate shipment of a nonnutritive, fraudulently marketed product, in competition with a wholesome, whole-milk product, met squarely the duty of the Congress to the dairy industry of the United States.

(c) The Capper-Tincher bill, compelling those speculating in our great national agriculture commodities, such as the grains, and so forth, to keep a record that would be available to the Government in case of alleged cornering of these necessities of the people, for personal enrichment.

(d) A splendid, fair, moderate tariff to properly protect the products of our farms.

(e) Appropriations for increasing in many ways and supplementing the service of the Agriculture Department to those engaged in agriculture.

(f) Extensions of the life of the War Finance Corporation that have been most helpful to agriculture, especially in assisting with the "frozen-credit" situation of many banks in particular, and in assisting other ways in the orderly marketing of agricultural products.

(g) The agricultural credits bill extending the Federal farm loan act and setting up—

(1) Federal intermediate credit banks.

(2) National agriculture credit associations.

While all these measures have been helpful, prevented, or made unlawful unfair competition and enabled us to more orderly market our products, at the same time giving that equality to agriculture that is its due, we have found that agriculture like many of our other great industries—farm machinery companies, copper and zinc mines, the great packing plants, and so forth—have not escaped hardships, bankruptcy, and trying situations following the World War; so, if none of these private, better-managed enterprises can finally escape the application of the law of supply and demand, how, I ask you, in all seriousness, can a law be a success that has for its objective trying to get around that law of supply and demand under Government auspices?

I feel, in common with every other member of our committee, that the Government has a moral obligation to aid the wheat farmer because the Government went into the price-fixing business in 1917. When it fixed the price of wheat at $2.20 per bushel at the primary markets this price then was unsatisfactory to the wheat growers, even though it was supposed to be the cost of production plus a reasonable profit for a bushel of wheat in 1917. When this price was fixed by the fair-price committee wheat was selling at $2.72 and had been up to $3.45 per bushel. September 1, 1917, President Wilson issued a proclamation fixing the maximum price of wheat at $2.20 per bushel, and wheat that day fell 52 cents per bushel in all the primary markets. It was and is my understanding that $2.20 was the minimum price that was to be charged; and this board arbitrarily fixed the minimum price as the maximum, which was eminently unfair—unfair because, after establishing that price wages on railroads were increased 146 per cent, freight rates 78 per cent, and the cost of producing that same bushel of wheat increased over 100 per cent. This was far from fair in comparison with the cost-plus shipbuilding program and other profiteering enterprises launched thereafter, and it is for that reason that I claim the Government has a moral obligation to meet; but this bill does not meet it. In addition to all this there was the patriotic slogan, under Government inspiration, "Feed the world," and the farmers of the Northwest heeded the call and increased their acreage in two years by over 18,000,000

acres in wheat alone. The farmers were loaned more money to buy seed wheat, to purchase modern farm machinery, tractors, and so forth; and then came deflation and all its consequent chain of hardships and failure. I was and am perfectly willing to meet that moral obligation, as I see it, in accordance with the plans so carefully worked out by Professor Coulter and his splendid organization that came here from the Northwest in the bill they backed that failed in the Senate, maybe because the McNary-Haugen bill was in the offing. I am willing to meet it in any fair, workable law; but I am unwilling to wish onto this Government, through law, this bill that may open the door for special privilege under the law; that makes great additions to our already enormously large bureaucracy, and the people taxed, then taxed some more, to support and keep up this great extravagance and added burden. I must enter my protest, as a Representative of the farmers on the hills from whence I sprung, against added taxes, for these farmers are also suffering a serious depression because of the surplus milk now flooding our markets, which prices down to less than cost of production, with labor inefficient and almost impossible to get on our farms and at prices that are prohibitive. We are trying to meet our problems, not by coming to Congress but by getting all the milk-producing organizations together and trying to work out our own salvation.

Let us analyze some of the features of the bill now under consideration.

1. Price fixing: The proponents claim the McNary-Haugen bill is not a price-fixing bill. Let me quote you from the language of the bill itself:

> The corporation (United States agriculture export corporation) shall designate a price for such commodities.

And the bill provides the mathematical formula for such price fixing. What further argument is necessary to prove that this is a price-fixing bill?

What does this United States agricultural export corporation intend to fix prices on? On whatever agricultural products there may be an emergency declared. To-day it is wheat; to-morrow it is corn; the next day it is cattle, "or any food product thereof"; next week it is hogs, "or any food product thereof"; and so on ad infinitum. Thus we will have foisted on this country by law not a temporary but a permanent price-fixing policy until the grand blow-up and the final calamity day arrives, when this perpetual-motion, price-fixing machine, made so by law, runs on its inglorious course to its inevitable end, and that old, never-failing, world-wide law of supply and demand goes into effect, "and the last days shall be worse than the former days," and the poor farmers again taking up a burden a hundred times worse because a Congress ever enacted such a short-sighted law.

Again the proponents of the bill propose that this United States agriculture export corporation is to take care of exports of a great number of agricultural products—wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine. Let us see what these profligate promisors promise. Sheep, for instance, are mentioned. What is the good of setting up the export machinery, holding out this rainbow of promise to the sheepmen, when, since 1914, the United States has been on an importing basis as to mutton and lamb. In 1920 to 1923, inclusive, the Bureau of Animal Industry reports that we exported but 17,000,000 pounds of mutton and imported 97,000,000 pounds. In 1923 we exported 2,000,000 pounds and imported 6,000,000 pounds. How ineffective, therefore, is such a gesture. Impure bunk to the sheepmen, and taxes to the people.

Again let us look at beef. In 1923 our total beef production was 6,916,000,000 pounds. Our home consumption was 6,918,000,000 pounds. It would therefore seem we are on an importing instead of an exporting basis. Why, therefore, indulge in these fruitless promises and set up an expensive export machinery when it is unnecessary and adds more taxes to the people. I could cite you other examples in the bill, if I had the time, of promises and bunk.

If the proponents of the bill, therefore, only intended it for the wheat grower, why do they not frankly state it and prepare a bill on that basis exclusively? They are looking for votes, and under the direct primary law the poor Congressman must feed up his people on promises, and they have been buncoed so much by political promises of laws to lead them into the promised land that you would think they would be fully awake by now. Some are, thank God; but the rest are berating and beseeching the Congress for something that, in its last analysis, is class legislation, which, even if it could become effective, would increase the cost of living to millions upon millions, taxed both directly and indirectly for vicious legislation.

Suppose this law goes into effect and an emergency is declared on only two or three of the commodities, so that it becomes operative only as to those commodities. The additions to the bureaucracy, already overly maimed, in Washington—although we have gotten rid of over 110,000 on the civil list alone since March 1, 1921—and the multitude of additional employees made necessary to attend to the details, both at home and abroad, will be something astounding. Taxes and more taxes put on the people, and I can hear the people exclaiming in the language of the Declaration of Independence, "He has elected a multitude of new offices and sent hither swarms of officers to harass our people and eat up our substance." I want to go back to my people to render my report as their representative that I have been no party to any scheme to bring a return to such conditions.

If an emergency is declared on cattle, it also includes "any food products of cattle." Take a community of 2,000 people, with at least 500 sales in these products each day. How many agents of the Government would have to be there to see to it that the Government's interests are protected, to pass the equalization fee or scrip, and what a multitude of employees would be necessary in the larger communities.

Let us take the animal, the hog, and see what is possible to happen to him under this bill, as well as to us. Millions of hogs will be offered that the export corporation will be compelled to buy at the ratio prices in the various stockyards of the country. It is unfortunate, but it is true that hogs can not be exported as hogs, therefore they must be slaughtered and processed. The export corporation can not build packing plants, they can not even lease a plant if the existing agencies are adequate for the handling and processing of the hog "on reasonable terms." This corporation can not compel anyone to lease his plant. Small packers, of course, can not handle the large volume, and hogs must be moved quickly. There is but one answer and that answer is, this export corporation if ever an emergency is declared on hogs will find itself at the mercy of the Big Five packers. What may happen to the animal, the hog, may also happen to cattle and sheep, at least on those that we export. Now, suppose the packers and the export corporation get into a disagreement regarding the terms, and so forth, of the contract and figure out the two horns of the dilemma, either, on the one hand, the export corporation loses and passes back to the producer millions upon millions in losses, or else the packers wax fat upon a contract drawn upon their own terms.

In this country to-day there are being built up great cooperative societies and organizations that have proven helpful in the marketing of agricultural products. The McNary-Haugen bill, if it becomes effective, would tend to weaken and ultimately break down these splendid organizations for there is no longer a necessity for such organizations. Uncle Sam is going to protect them, and when the final collapse comes we will have to start anew to build them up again. A tragedy, indeed, to our farmers.

COMPETITION OF THE WORLD

It is axiomatic that high yields tend to make low costs, and that low yields tend to make high costs. The Canadian farmer is now producing practically four times as much wheat as he produced before the war, and his yield averages about 23 bushels per acre. The land, because new and stronger, produces a better quality of wheat than much of our land produces; indeed, some of this Canadian wheat is now imported, even under our present tariff, in order to blend with the wheat produced in the Northwest. As against this, take the vast acreage of North Dakota, for example, with an average yield of about 12 bushels per acre. Take the added cost, therefore, of the production of each bushel of wheat here and how is it to compete or how are the farmers producing wheat in North Dakota to compete on an equality with their Canadian neighbor, who produces at less cost over twice as much per acre and of a better quality?

The McNary-Haugen bill says, "We will set up an embargo or a Chinese prohibitive-tariff wall or law. We will not let the Canadian wheat in." Under such a policy what can we expect Great Britain to do when we propose to dump our 200,000,000 bushels of surplus wheat, as against the Canadian, the Australian, and the Indian competitors, in the Liverpool market? These countries are all part and parcel of the United Kingdom, and you can rest assured Great Britain will protect her own. Do you expect these countries or other countries to sit idly by with folded arms if this dumping policy is put

through under Government sanction? The chain of involvements is endless. Canada will at once set up an embargo prohibiting the exportation of wood pulp, and so forth, from Canada into the United States, with authority already granted its Government so to do. Other countries will start in with their policies of retaliation, and our great markets for large surpluses in other lines of agriculture, already built up at great expense and through painstaking effort, will be utterly destroyed. If for no other reason, this bill should be defeated.

Agriculture is indeed in a great depression. The farmer is not only suffering from the relatively low price for what he sells, but he is also paying the penalty in the high price his farm machinery costs. Freight rates either on the machinery he brings to the farm or the products he ships from the farm are very high, owing largely to the increases in the cost of labor on the railroads.

Another burden that is becoming intolerable is the great increase in taxation, whether local, State, or National. There is no one answer to this very difficult situation, but it does mean there must be retrenchment in all governmental expenditures, whether they be local, State, or Federal, in order that taxes may be reduced. Reductions in the tariff in order to reduce the cost of what the farmer has to buy, and finally the restoration of Europe to its intensive manufacturing activity, are splendid, helpful steps. Taxation is breaking the backs of the people, and when this Congress or any other goes cheerfully along its care-free way, voting bonuses and other costly legislation, it is working directly against the farmer, whose land is always in sight and is always soaked by high taxes.

We need more diversified farming, and instead of added capital that flows easily toward the extension of loans in order to increase agriculture in its overly expanded state, we need capital that will only aid in a national diversification program. Private enterprise is trying to help meet the situation. Many of these little banks that spring up overnight in the inflation period in the overly extended and overly expanded Northwest should not have gone in there at all, and it will take time for them to liquidate without losses to depositors. The strong banks of the great cities, like New York, Chicago, Minneapolis, and so forth, have gone to the rescue, along with certain business interests and the railroads, and subscribed $10,000,000 toward the capitalization of a corporation which is authorized to borrow $40,000,000 toward helping to liquidate these frozen assets, and, as I said before, it is not alone the wheat producer, cattle, or hog growers that suffer, but our copper and zinc miners also. The fertilizer and agriculture-machinery interests and other great enterprises are hard pressed as well, but most of all, beloved colleagues, let us not be so foolish as to think through wishing we can add to our stature or that we can raise ourselves by our own boot straps.

The law of supply and demand has been running longer than any of us. Stimulants and artificial methods may temporarily overcome economics, but it is the aftermath I am thinking of, when our great cooperatives shall have become weakened or disappeared, when "the cold, gray dawn of the morning after" shall arrive after the Haugen-McNary bill shall have run its course and agriculture shall have to build again. I can wish no such prospect on the tillers of the soil of to-morrow and shall accordingly vote against this bill.

TARIFF

It is not my purpose to discuss the effects, directly or indirectly, of setting up this tariff or embargo. If you will read the evidence of Mr. T. O. Marvin, chairman of the United States Tariff Commission, testifying before the Ways and Means Committee regarding the tariff features of this bill, on April 2, 1924, you will find that the delegation of power in this bill means that, when it is in operation, a tariff adjustment in at least a hundred items, possibly a great many more, will be involved, as it is not alone the items themselves that are running into competition with our own that we have to protect ourselves against, but substitutes, derivatives, chemical combinations, and so forth.

CONSTITUTIONALITY

I do not intend to submit to you a single argument on the constitutionality, much as I might desire to, for if you can not be convinced upon the economic features alone that this bill is not a proper one to pass at this time. I for one shall not argue further, but leave the legal complications involved in this bill to the lawyers, the United States Supreme Court, and Father Time for answer. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from New York [Mr. CLARKE] yields back eight minutes.

Mr. RUBEY. Mr. Chairman, I yield 30 minutes to the gentleman from Oklahoma [Mr. SWANK].

Mr. SWANK. Mr. Chairman and gentlemen of the committee, many bills for the relief of the farmers are pending before the Committee on Agriculture. I am glad to be a member of that great committee, one of the most important in Congress, for it deals with the most important legislation. Agriculture is our basic industry and the one upon which all others depend. There can not be any general prosperity in this country unless agriculture is in a prosperous condition. When the farmer receives a fair price for the products of his toil and raises a good crop, all lines of business enjoy his prosperity. Therefore, when we deal with that great industry in a beneficial way we are assisting business in general.

The Committee on Agriculture has been holding hearings almost every day since its organization after the holidays last January, and most of this time has been on the bill now under consideration. The committee was patient and heard every person who expressed a desire to be heard, for we knew that this was an important bill, dealing with an important industry. No member of that committee would do anything that would injure or cripple any legitimate business. We want to see all lines of business prosper and succeed. In the Sixty-seventh Congress I introduced my farmers' warehouse bill, spoke on the floor of the House several times in support of the bill, and argued it before the Committee on Agriculture in that Congress. I also spoke before the committee during this Congress on the bill. It is a good bill and would undoubtedly benefit agriculture. Then there is the Norris-Sinclair bill, which is a good bill and the same in principle as the McNary-Haugen bill. I voted to report that bill from the committee as a substitute for this bill.

I believe every member of that committee would like to do something beneficial for agriculture. I think this bill will bring great relief. Some of my colleagues do not agree with me, but that is their business. This is not a political bill. Agricultural legislation should not be political, nor should any other legislation for the good of the people. What is good for one political party is good for all. Some opposed the Sinclair bill, for they feared it would entail a loss upon the Treasury of the United States. The McNary-Haugen bill eliminates that objection and places the expense of operation and any losses that may occur on the producer of the particular product or the person who benefits by the legislation.

Ah, but some say that it is socialistic. Well, I have often heard that cry used, and so have you, against certain legislation that will benefit the people. That charge does not frighten me, and I am as far from wanting to see the Government engage in business as any of you. This bill is to meet a great emergency. Farmers are leaving the country and drifting to the cities for the reason that they can not longer continue to produce the necessities of life at a loss. Something must be done and done now. If we are going to do anything for the farmers of America, now is the time to act. Harvest will soon be here, and a month's delay will not help the wheat grower this season. Why delay longer? To those who oppose this bill I will ask, What have you to offer? [Applause.] Have you appeared before the committee for any other bill? It is easy to object, but difficult to construct. This bill is not perfect, just as nothing is perfect devised by the hand or mind of man.

Mr. Chairman, all products of the farm could not be included, but the leading grain crops are provided for in the bill. When one leading crop brings a good price, it naturally helps all other crops. If wheat is at a fair price, it enables the wheat farmer to buy more cotton goods with which to clothe his family and thereby helps the cotton farmer. It causes a larger consumption of cotton. It is also a fact that when cotton is at a fair price it helps the price of wheat and all other farm products, for the cotton farmer has more money with which to buy wheat products. If you increase the price of hogs you likewise increase the price of corn. If this measure is as successful as we hope it will be, other leading crops of the country can be included later, for we all realize that the prosperity of this Nation depends upon the prosperity of the farmer. [Applause.]

In addition to the assistance this McNary-Haugen bill will give to cotton by stimulating the price of other products of the farm, Senate bill 2112, identical with House bill 5842, which I introduced, is now the law and discontinues acreage reports based upon farmers' intentions to plant cotton. These reports on intentions to plant cotton were first issued in 1923. That law provides for semimonthly reports on cotton by the Department of Agriculture instead of monthly reports, as heretofore, to be issued at the same time as the ginning reports by the

Bureau of the Census. That law also requires that a majority of the cotton-crop reporting board shall be familiar with the methods and practices of producing cotton. Weather and other conditions often make a great change in the cotton crop within a period of two weeks. For instance, the Department of Agriculture estimated July 2, 1923, that there would be 11,412,000 bales of cotton produced in the United States; the estimate December 12, 1923, was 10,081,000 bales and the actual production 10,159,498 bales. These reports greatly affected the price. The purpose of the law will prevent such a wide variance in estimate hereafter and will be a great help to the cotton farmer. It is all nonsense to say that there is great prosperity in this country with the depression in agriculture that we now have.

The McNary-Haugen bill is indorsed by most of the great farm organizations, such as the American Farm Bureau Federation, the National Grange, the Farmers' Union, and other great organizations. Under date of April 15, 1924, I received the following telegram:

Oklahoma economic conference, composed of Federation of Labor and all organized labor, farmers' unions, and all other farm class organizations in Oklahoma. Ten State organizations at their quarterly meetings to-day unanimously indorsed the McNary-Haugen bill pending and ask our delegation in Congress to support same.

C. H. HYDE,
Chairman Farm Labor Economic Conference.
IRA M. FINLEY,
Vice Chairman and President Oklahoma State Federation of Labor.
VICTOR S. PURDY,
Secretary and Treasurer Oklahoma State Federation of Labor.

On March 5, 1924, I received the following telegram:

Oklahoma Federation of Labor requests you to support McNary-Haugen bill as the best opportunity to give farmers relief sorely needed.

IRA M. FINLEY,
President.
VICTOR S. PURDY,
Secretary-Treasurer.

Under date of March 4, 1924, I received the following telegram:

I have read the McNary-Haugen bill and personally I am very strong for the measure. I believe I am expressing the sentiment of a large majority of the farmers when I say we hope this will pass at this session. John Simpson out of city. He wrote HARRELD, Oklahoma farmers were 100 per cent for this bill.

OKLAHOMA FARMERS' UNION.
Z. H. LAWTER.

On March 5, 1924, I received the following telegram:

The Oklahoma State Board of Agriculture in regular session to-day unanimously indorsed the McNary-Haugen bill and urge its immediate passage.

A. T. WHITWORTH,
Member of the Board.

Mr. Edgar Wallace, Washington, D. C., representing the American Federation of Labor, appeared before the Committee on Agriculture in favor of the McNary-Haugen bill and said that he represented possibly 5,000,000 workers. Mr. Wallace further said that he wished to go on record as representing the only articulate expression of the workers, to the effect that we are in favor of comprehensive action in order to help the farmers out of their present condition, and to place them on an equality with others.

Mr. J. P. Russell, president of the Farm-Labor Union of Oklahoma, appeared before the committee in behalf of the Sinclair bill, and, among other statements, said that he believed through the Norris-Sinclair bill, or something similar to it, they would be helped to a great extent in marketing their products, and that they were asking the Government to help them to do that through some kind of marketing organization.

Mr. Arthur J. Lovell, vice president and legislative representative, Brotherhood of Locomotive Firemen and Enginemen; Mr. W. M. Clark, vice president and national legislative representative, Order of Railway Conductors; also representing the Brotherhood of Railroad Trainmen, Mr. E. H. Kruse, assistant to the legislative representative, Brotherhood of Locomotive Engineers, and Mr. James C. Noonan, international president, International Brotherhood of Electrical Workers, appeared before the committee during the hearings on the Norris-Sinclair bill and in support of the bill. Mr. Lovell said that the organization which he represented was in favor of some measure to bring about better conditions for the farmer. Mr. Clark said that the organization which he represented is on record as favoring some bill, whether the Norris-Sinclair bill or some other bill that is satisfactory to the farmers of this country. Mr. Clark further said:

As far as we are concerned, we are not wedded to any particular bill or language, if it benefits the farmer, because that is what we are trying to do.

I wish to congratulate and compliment these great railway brotherhoods and the American Federation of Labor for exerting their energies in behalf of the farmers of this country. They want to see the farmer prosper and to receive a reasonable price for his products. I am glad that their honored representatives appeared before the committee in behalf of the farmers of this Nation.

The farmers need help now. This bill will help them, and unless a Member who is opposed to the bill can point out some way in which it will not help them or which will endanger the Government, then it seems to me that he should support the bill. The cost of these products to the consumer need not be increased, for the price of bread and flour now is out of all proportion to the price paid the farmer for his wheat, as the hearings on this bill will show.

Subdivision (c) of section 42, substantially the same as the amendment I offered, was adopted and is as follows:

Inasmuch as operations under this act will not continue for more than five years, the corporation shall cooperate with and encourage formation of associations of producers of agricultural commodities, so that during such period producers may perfect marketing associations for procuring the objects to be accomplished by operations under this act, and after the termination of the general emergency such associations of producers will be prepared to assist in producing orderly and efficient production, distribution, and marketing of agricultural commodities.

I also offered subdivisions (b), (c), and (d) of section 53, which provide that the books of the corporation shall be open to inspection to any person or governmental agency of the United States designated for the purpose by Executive order of the President, any governmental agency authorized by concurrent resolution of the Congress, and any committee of the Senate or the House of Representatives when authorized by resolution of the Senate or the House of Representatives, respectively.

The provisions of the bill relating to the cooperatives will be a great stimulus to their further organization, and the transactions of the corporation will naturally be through these associations, when possible, for the best interests of the producers of the agricultural commodities bought and sold under the provisions of this measure. These cooperative associations have done and are now doing a great work for agriculture, but, in the interest of the farmers of the country, need encouragement and assistance until they are able to handle their products effectively themselves.

Another good amendment adopted was the one offered by the gentleman from Missouri [Mr. RUBEY]. This is subdivision (b) of section 203, and eliminates scrip. This will be a great saving, as the handling of scrip would put an additional burden on the postmasters and would cause another heavy outlay in additional help in the post offices. The scrip would have caused a great deal of inconvenience to the producers. Under this bill as it is now written the purchaser of the agricultural commodity gives a receipt to the producer, who may keep this receipt, and if there is any balance in the treasury of the corporation after the payment of all expenses and losses may receive his pro rata part. I believe that the corporation will be able to figure out just about the expense of handling the business; but if there should be anything left from the equalization or expense fund, the farmer is entitled to his part of what is left.

The bill provides that if there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and that the ratio price in respect to such commodity would be in excess of the domestic price the board shall immediately notify the President, whose duty it shall be to declare that a special emergency exists as to such agricultural commodity. Further provision is made that as soon as practicable after the issuance of such proclamation declaring a special emergency in respect of a basic agricultural commodity the Secretary of Agriculture and the Secretary of Labor shall jointly prepare the average price for such commodity during the period 1905 to 1914, inclusive.

The corporation is composed of the Secretary of Agriculture and four persons appointed by the President, by and with the advice and consent of the Senate, from the States within each of the following groups of Federal land-bank districts: One from districts 1, 2, and 4; one from districts 3, 5, and 10; one from

The CHAIRMAN. The gentleman from New York [Mr. CLARKE] yields back eight minutes.

districts 6, 7, and 8; and one from districts 9, 11, and 12. These persons constitute the board of directors, and the President designates one of the directors as managing director. The bill further provides that not more than two of the appointed directors shall be members of the same political party.

Under the terms of the bill all purchasers of the basic agricultural commodity by the corporation must be at the ratio price, and when the producer sells such product he will receive therefor such ratio price. At the present time the market price of wheat is about $1 per bushel, and the ratio price is about $1.57 per bushel. If it should take 10 cents per bushel to handle the corporation in regard to wheat, the farmer would receive $1.47 per bushel and would receive a receipt for 10 cents per bushel. At the end of the year if it did not take 10 cents per bushel to handle his wheat, he would receive back his proportionate part of the 10 cents per bushel. Of course, the farmer would prefer the $1.47 per bushel and whatever part of the balance of the equalization fund to which he would be entitled. If he did not receive anything for his receipt, he would be 47 cents per bushel better off than without the operation of this bill. Why not do as much for him as for our other citizens? Many want to help the farmer if it will not cost anything. He pays all operation expenses of this measure; he wants to try it, and why not pass the bill? The Government can not lose anything. Objections have been made to other bills for his relief for the reason that it might cost the Government something. Here is a bill that costs the Government nothing. All costs are paid by the producer whose products are sold under the terms of the bill.

Wheat production costs, 1919 to 1923, inclusive

[Costs as given by the Agricultural College of North Dakota]

Year	Average yield per acre (bushels)	Average cost—	
		Per acre	Per bushel
1919	7.5	$18.48	$2.47
1920	11.2	20.37	1.83
1921	9.9	14.09	1.43
1922	13.5	13.84	1.03
1923	8.2	12.23	1.49

Corn production costs, 1921 and 1922

[Computed on average State yields for Kansas, Nebraska, Iowa, Illinois, and Indiana]

Year	Average yield per acre (bushels)	Average cost—	
		Per acre	Per bushel
1921	34	$21.76	$0.64
1922	34	20.83	.61

Mr. Chairman, these figures on cost of production of wheat and corn are for the Wheat and Corn Belts of the United States, and the cost of production will, of course, be greater where the production per acre is less. It will thus be seen that farmers can not continue to produce these indispensable products at less than cost. No business man can continue his business at that rate and the farmer can not much longer continue to produce these products unless something is done to help him. A man can not raise wheat that costs him from $1.03 to $2.47 per bushel to raise and sell it for less than a dollar per bushel. The same is also true of corn and other products of the farm.

The first products that will likely be handled by this bill if it becomes a law are wheat and pork and their products.

With the increased cost of everything the farmer is compelled to buy, caused largely by the outrageous Fordney-McCumber tariff law enacted by the last Congress, it is about time that something was done for the farmer who has to contribute under that tariff law to the pockets of the manufacturers for the necessities that he must buy to feed and clothe his family and make his crop. With our agricultural exports falling from the enormous sum of $3,408,619,819 in 1920 to $1,883,315,000 in 1922 and $1,820,000,000 in 1923 after the present tariff law began to work, it is evident that something must be done. There is no chance to repeal that unfair and unequal law in this Congress, and the only opportunity we have to put the farmer on an equal basis with these beneficiaries of that tariff law is by the passage of the McNary-Haugen bill now under consideration by this House. Our exports have fallen from $8,100,000,000 in 1920 to $4,000,000,000 in 1923. [Applause.]

Some have argued that the enactment of this bill will cause a greater production of wheat. In answer to that argument I state that the greatest production of wheat was in 1915, when we produced in the United States 1,025,801,000 bushels; in 1918 we produced 921,438,000 bushels; in 1919, 967,979,000 bushels; and in 1923, 786,000,000 bushels. Then the farmer knows that if the production of wheat is greatly increased that the price will decrease and with additional acreage to wheat, the price of his other crops will be increased. Those conditions will keep the production to about normal.

Mr. Chairman, if the farmer could exchange a part of his products in foreign markets for goods and articles needed on the farm, a long step would be taken for his assistance, and I supported the following amendment offered to the bill:

The corporation shall have power to an amount or amounts not exceeding its sales in foreign markets to purchase in such foreign markets any goods, except farm products, and to enter such goods into the United States free of tax or duty for sale or disposition in the domestic market at the best price obtainable, and shall give preference in the sale of such goods to cooperative marketing associations.

That is a good amendment and should be adopted, for it would be a great help to the farmers whom we propose to assist under the terms of this bill. However, just because the bill is not just as I would have it is no reason for my opposing the measure.

The bill authorizes, it is true, an appropriation of $200,000,000 from the Federal Treasury, and is empowered to issue its notes, bonds, and other evidence of indebtedness in the sum of five times its capital stock. This appropriation will be returned to the Government.

Mr. Chairman, under the guaranty provisions of the transportation act of 1920 the Government has paid to the railroads of the country the enormous sum of $551,000,000 cash, not including the large amounts paid the railroads for use, upkeep, and operation during the period of Federal control. The Interstate Commerce Commission sees that the railroads make a good profit, but nothing is done for the farmer. The net revenue from railway operations in 1921, as given by the Interstate Commerce Commission, was $969,346,226; in 1922, $1,162,779,249; and $1,412,962,592 in 1923.

The last Congress appropriated $20,000,000 for Russia, and the House in this Congress voted to give $10,000,000 to Germany. I voted against these appropriations. Congress is very generous with the people's money for these purposes, and then I ask, why turn a deaf ear to our own farmers and our own people, that they may enjoy a little prosperity? I want all legitimate business to prosper and receive a fair return on investment and work. I also want the farmer brought to this level.

Among opponents of the bill are such business institutions, great and powerful, as the National City Bank of New York, which is sending its "Analysis of the McNary-Haugen bill" to Members of Congress. This institution devotes more than one page of its booklet to the scrip provision of the bill, and this provision has been eliminated. It then devotes more than another page as to how the bill will injure the cotton farmers, and cotton is not in the bill. These seem to be its two principal objections. With these two provisions eliminated, what does this great banking institution have to say? I presume it will find other objections. It tries to show that "Metals and metal products" are more depressed than agriculture. Well, no doubt this bank knows more about "metal" than it does about agriculture and cares a great deal more. Note that this bank does not condemn the present protective tariff law, but says "A protective tariff has the merit of simplicity as compared with this measure." Such institutions as the Illinois Manufacturers' Association of Chicago, the Washington Post, the large exporters, and the New York and Chicago boards of trade oppose the bill, but these will not deter me from supporting the bill, for I am more interested in helping the farmer than in listening to these "Wall Street" arguments. It seems to worry the National City Bank of New York because the working people of the country are for a bill to assist the farmers. These workers know that agriculture needs some helpful legislation.

This bill provides that the ratio price of any basic agricultural commodity shall bear the same relation to the pre-war basic commodity price as the current all-commodities price bears to the pre-war all-commodity price. Below is a table prepared by the Bureau of Labor Statistics, showing how the bill will affect the prices of certain agricultural commodities:

Market prices of commodities

Index of all commodities, 1905–1914	100.0
Index of all commodities, year 1923	162.8
Index of all commodities, December, 1923	159.8

Individual commodities	Average market price			Ratio price	
	1905–1914	1923	December, 1923	1923	December, 1923
Corn: Contract grades, cash, Chicago	$0.602	$0.821	$0.730	$0.977	$0.962
Wheat: Range of No. 1 northern spring and No. 2 red winter, Chicago	1.000	1.163	1.097	1.624	1.598
Cattle: Good to choice, steers, Chicago	6.853	9.952	9.785	11.123	10.949
Hogs: Heavy, Chicago	7.069	7.690	7.050	11.522	11.342
Sheep: Wethers, Chicago	5.379	7.648	8.000	8.731	8.594
Flour: Patents	5.127	6.365	6.100	8.322	8.192
Wool: One-fourth and three-eighths grades, scoured basis	.492	.979	.964	.799	.787

Mr. TINCHER. Will the gentleman yield?

Mr. SWANK. I would like to finish my statement, and then I will yield if I have time.

Mr. TINCHER. I know the gentleman does not want to mislead the House. The gentleman does not say anything about the price of wheat when the Fordney-McCumber Act was passed.

Mr. SWANK. Mr. Chairman, I can not yield just now.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SWANK. Mr. Chairman, will the gentleman from Missouri give me five more minutes?

Mr. RUBEY. I yield the gentleman five more minutes.

The CHAIRMAN. The gentleman from Oklahoma is recognized for five minutes more.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SWANK. Yes.

Mr. BLANTON. Oklahoma is the fourth largest cotton State in the Union. The main crop in my State is cotton. The main crop in lots of other States is cotton. The farmers who need help more than anybody else are the cotton farmers. Yet this bill does not help them at all.

Mr. SWANK. Cotton was originally in this bill, and the gentleman from Louisiana [Mr. ASWELL] called all the Members together from the cotton-producing States; did you not, Mr. ASWELL?

Mr. ASWELL. Yes.

Mr. SWANK. And it was the unanimous opinion of that meeting that cotton should be eliminated. As I stated before, an increase in the price of the products covered by this bill will help the cotton farmer and all other farmers.

If this bill had been in operation last December, instead of receiving $1 per bushel for his wheat the farmer would have received $1.59 per bushel; instead of receiving 73 cents per bushel for his corn he would have received 96 cents per bushel. These are the prices he would have received at that time, less the expense of operation. The ratio price for wheat last January was $1.50 per bushel, the same for February, and $1.48 per bushel for March for No. 2 hard winter wheat. The average market price last December for good to choice steers in Chicago was $9.78, and the ratio price was $10.94, and the average market price for hogs, heavy, in Chicago was $7.05, and the ratio price was $11.34. The ratio price for hogs in this market for last January was $11.35; February, $11.37; and March, $11.25.

Mr. Chairman, some object to the tariff provision of the bill. I do not believe in the theory of a high protective tariff, and opposed the present Fordney-McCumber law, but everyone knows that if this bill is put into operation on wheat, for instance, that it is necessary to put an embargo on wheat and not permit any to be shipped into the United States, for if importations were permitted it would destroy the operations of the bill. But little wheat is now imported, yet much would, of course, be imported if the bill increased the price of wheat from $1 per bushel to from $1.50 to $1.60 per bushel, as it will do. To those who object to that provision, let me call your attention to the food control act, approved August 10, 1917, which contained a similar provision, and in fact the provision in this bill was taken from the food control act, which act gave the President at that time the power to fix the price of wheat. That power to fix the import duty was necessary then while the price of wheat was fixed, and it will be necessary under the provisions of this bill. A vote for this bill with that provision is no indication that a Member of Congress believes in a high tariff any more than it was an indication in 1917 under our Democratic administration.

Mr. Speaker and gentlemen of the House, arguments against this bill can not stand when confronted with the facts. The question before us now is this: Do you want to help the farmer, in whose behalf many talk and few act? This bill will greatly assist him in recovering from the depression of his prices during the past four years, and will show him that we are interested in his welfare and the welfare of his family. I hope the bill will become a law, and would like to see it pass this House without a dissenting vote. I am not so anxious to see a few pile up huge fortunes as I am to see the masses of the people reasonably prosperous. [Applause.]

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. CLARKE of New York. Mr. Chairman, I suggest the absence of a quorum at this time.

The CHAIRMAN (Mr. SANDERS of Indiana). The gentleman from New York suggests the absence of a quorum. The Chair will count. [After counting.] One hundred and eight gentlemen are present—a quorum.

Mr. RUBEY. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. JONES].

The CHAIRMAN. The gentleman from Texas is recognized for 30 minutes.

Mr. HAUGEN. Mr. Chairman, I yield 30 minutes to the gentleman from Indiana [Mr. PURNELL].

Mr. PURNELL. Mr. Chairman and gentlemen of the committee, my good friend the gentleman from Texas [Mr. JONES], who has just concluded, prefaced his remarks, as have many of those who oppose this bill, with the statement that he would be glad to be for it if he thought it would work. He would be glad to support it in the interest of the American farmer if he thought it a practical measure. Now, gentlemen, as you all well know, the work of the Congress, with which you are as familiar as I, has become so complex and so comprehensive that of necessity we conduct it very largely through committees. When this bill came to this House it bore the indorsement of 14 members of the Committee on Agriculture, without regard to politics. This bill not only has the indorsement of 14 members of the Committee on Agriculture who have given it unlimited study but it has the indorsement of the Secretary of Agriculture, the statement of my good friend from Louisiana [Mr. ASWELL] to the contrary notwithstanding. It has the indorsement of over 200 farm organizations, a list of which is set out in the printed report and which includes almost every farm organization in this country. I am not one of those Members who are stampeded by petitions, telegrams, or propaganda, because I have been here now just about long enough to recognize propaganda when it comes in, but I am impressed with the almost universal demand for this legislation coming from our farmers. I hold in my hand a petition from my own State of Indiana signed by from 60,000 to 70,000 farmers, bankers, doctors, lawyers, and business men, who believe that the McNary-Haugen bill will give some relief to the American farmer. I have not counted them all, however. This great Committee on Agriculture, of which I have the honor to be a member, has not reported this bill without due and careful consideration. For two long months we sat in session day after day listening to men from every part of the country, in every kind of business, both for and against this plan. For one month the Committee on Agriculture sat in executive session and considered line by line this proposed legislation. One month more was consumed in the consideration and discussion, informally, of the bill, so that it is not a hastily prepared bill. The Secretary of Agriculture, for whose ability, honesty, and fairness I have the highest regard, in a letter addressed to Senator NORRIS a short time ago, said, among other things, in discussing this bill:

As I have previously testified both before the Senate and House Committees on Agriculture, I believe that the principles embodied in this bill are fair and just to farmers and to other groups of citizens, and that this bill is the most practical measure yet suggested for the purpose of overcoming some of the economic injustices under which the farmers of this country have been working for three years.

I shall not read all of Secretary Wallace's letter, but this extract from it will clearly show the Secretary's attitude toward the bill. The Secretary of Agriculture is in favor of this bill as are 14 members of the Committee on Agriculture, who after careful deliberation and study, recognizing that perhaps it is not perfect, and that perhaps it lays itself open to some criticism, yet believe it to be the only constructive thing presented to this House that offers the American farmer im-

mediate relief, and God knows he needs relief and needs it now, as these lines on this chart clearly demonstrate.

Let me suggest to some of you gentlemen just what we were "up against" when we began the consideration of this bill. We had a choice between two courses. I am assuming that no Member of this House gainsays the proposition that the American farmer is at the lowest ebb in his existence. I am assuming that no Member of this House would undertake to refute the statement that the American farmer is passing through the most serious depression that has ever come upon him in the history of this Government. With that thought in mind, and with the thought in mind further that immediate relief, not relief in the distant future, is necessary to save not only the farmer but the banker and the business man who have extended him credit, we found ourselves confronted with a choice, as I say, between two courses. We could either seek through legislation to drag these lines [indicating on chart] downward until they meet this line [indicating] represented by the farmer's condition to-day or else seek to lift that line to meet the others. The latter seemed easier, and it was with that thought in mind that we drafted this bill.

And I want to impress upon the membership of this House, especially upon those who may have been affected by the statement that this is bolshevistic, that it is socialistic—I want to impress upon them that this is not a permanent policy of this Government if enacted into law, but that it is a temporary piece of emergency legislation. It is a pulmotor which this Congress is seeking to apply not only to the American farmer but to those who are dependent upon him.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. PURNELL. I will yield to my friend from Illinois.

Mr. McKENZIE. I understand from the statement of the gentleman from Indiana that the proposition was presented to the Committee on Agriculture to make a choice between a constructive policy and a destructive policy, and the committee took the constructive policy.

Mr. PURNELL. The gentleman has stated the fact exactly as it is. If we had chosen the former, the result would have been to drag down wages, to drag down the price of every other commodity in this country until it reached a level that would be on a parity with the price of the things that the farmer raised; and, as I said a moment ago, the latter course seemed easier.

This plane [indicating on chart] represents the things that the farmer has to buy, and this one [indicating] represents the things he has to sell. They are entirely too far apart. It was the duty of the Committee on Agriculture to present something constructive to this Congress that would tend to bring those two planes closer together. And so we went back to the 1905–1914 period of 10 years, during which time there was practically a normal, rational, and equitable parity between the price that the farmer receives for his products and the price of the things that he has to buy; and we are asking by this present emergency legislation to lift the farmer out of his present dilemma and to transplant and transport him back to that prewar normal 1905–1914 period, when he got a reasonable return upon his investment as well as a reasonable return upon his labor.

It is necessary to keep a few facts in mind when you consider this bill. One is that the farmer during the last four years has passed through the most disastrous panic agriculture has suffered in the history of the Nation. Although 40 per cent of our people, or to be exact 42,436,776, live in unincorporated places, mostly on the farms, and nearly half of our population is directly dependent upon agriculture, we find that the products of the farm are at such a wide variance with other commodities that farming has not only ceased to be a gainful occupation but it is actually being carried on at a loss.

Now, what is the reason for it? Consider wheat, for instance, because that is more easily understood. And I want to say that I am not one of those that think that wheat is the only thing that can be favorably affected by this bill. I think we all mention wheat because it is easier for everybody to understand. But if you can make it workable for wheat, you can in the same way make it workable for all other products.

Let us not flippantly deal with the situation that is so serious to the American farmer, when we might look profitably at the principle that is involved.

Mr. RAKER. Mr. Chairman, will the gentleman yield for a short question?

Mr. PURNELL. Yes; for a short question.

Mr. RAKER. Will the gentleman tell us how it will affect the farmer who raises stock and cattle? That is what I am directly interested in.

Mr. PURNELL. Yes; the gentleman has asked that question four or five times to-day.

Mr. RAKER. And I have not had an answer yet.

Mr. PURNELL. If you will take my friend from Kansas [Mr. TINCHER] out into the cloakroom, he will give you the information desired.

Mr. RAKER. He admitted that he could not.

Mr. PURNELL. No, sir; he never admitted that he could not answer anything. [Laughter.]

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. PURNELL. Yes.

Mr. KETCHAM. I think I can answer it. If the ratio price will increase the price of your beef animals 2.6 cents per pound that would be the solution.

Mr. WOODRUFF. I suggest to the gentleman from Indiana that he ask the gentleman from California [Mr. RAKER] to take his friend from Texas [Mr. HUDSPETH] into the cloakroom and have him answer.

Mr. PURNELL. I am sure the answer that would be given on the question by my good friend and Democratic colleague from Texas [Mr. HUDSPETH] would be worth more than anything that I could say.

The price of wheat is not controlled by the flow of wheat to the domestic market, but is and always has been controlled by the price at Liverpool, less the cost of transportation. The Liverpool price is fixed by competition from the Argentina, from India, Russia, Hungary, and other parts of the demoralized and stricken world. All of the commodities except agricultural commodities have advanced 60 per cent on the average, while crops and livestock have advanced only 17 per cent from 1913 to 1923.

Clothing has gone up 101 per cent, metals and metal products have gone up 41 per cent, building materials have gone up 81 per cent, house furnishings have gone up 76 per cent, while crops and livestock have gone up only 17 per cent. From the figures I have just given you it will be seen that if the farmer was getting his share—and by share I mean a reasonable return upon his investment and a reasonable price for his labor—he would be getting about 43 per cent more for his products than he now receives. But he is not getting his 43 per cent because his exportable surplus comes in contact and competition with other countries that are stricken and demoralized.

Now, some of our other industries are aided by our tariff and by our immigration policies. In reality this is a tariff measure. This bill seeks to give tariff protection to agriculture. If we are willing to pass a tariff law and an immigration law to protect American labor and the products of the American laborers from competition with the underpaid laborers and their products in the old countries, then we ought, in simple justice to the American farmer, to be willing to pass a bill that will apply the tariff principle to him and his products. [Applause.]

This bill is not complicated and unworkable, as some of its opponents have suggested. On the other hand, I regard it as fairly simple. The purpose of this bill is clear. This whole discussion can be stripped of 75 per cent of the extraneous matter that has been brought into it, and it can all be boiled down into this clear, succinct statement: The purpose of this bill is to segregate the exportable surplus from the domestic supply, to sell that surplus in the world market at the world price, and to sell the normal domestic supply on a reasonable parity with all other commodities.

The destroyed purchasing power of the farmer is the real basis of his present unfortunate condition. The restoration of the purchasing power of a few great farm products to an equality in purchasing power with the average enjoyed during the 10-year period, 1905–1914, is the remedy we are seeking to apply in this bill. And certainly, gentlemen, this is a very modest and a very reasonable demand.

Mr. RAKER. Will the gentleman yield?

Mr. PURNELL. For a brief question.

Mr. RAKER. I hope the gentleman will not quit me or claim the question has been answered. I will repeat it again, and I would like an answer from this gentleman because I know he knows.

Mr. PURNELL. You are going to ask about your steers?

Mr. RAKER. Yes.

Mr. PURNELL. I am going to get to that in a few minutes.

Mr. RAKER. One gentleman suggested to me that it did not apply to stags.

Mr. PURNELL. Steers, I said. The farmer sold his wheat in November, 1923, for 92 cents per bushel. With the aid of this bill he would have sold it at $1.52, and had he sold it at

$1.52 he would have gotten a reasonable return on his investment in land and upon his labor.

Nobody for or against this bill questions the right of the American farmer—and I use the word "right" advisedly—to have received last November $1.52 for his wheat rather than 92 cents; and this bill, had it been in operation then, would have given him just that amount. In other words, our farmers would have received something like $36,000,000 more for their wheat last November than they did receive.

Now, I want to call attention to a few of the suggestions which have been made here by some of the gentlemen who oppose this bill. One of the principal indictments that have been brought against it is that it is a price-fixing bill. If I had thought the gentleman from Louisiana [Mr. ASWELL] had seriously meant what he said this morning about this being Bolshevistic legislation and communistic, I should have resented it, because, if I know myself, I do not believe there is a drop of that sort of blood in my veins, and I am against the principle of price fixing as a permanent policy of this Government. I am against the Government's interference in private business, and I am against the Government going into business than can be done by private individuals. But I am saying to you gentlemen that which you already know, namely, that unusual conditions demand heroic remedies. I do not admit, in making that statement, that this is a price-fixing bill.

A price that fluctuates with all other commodities and that only protects the farmer in the same ratio that the manufacturer and laborer are protected by the tariff and restricted immigration can hardly be called "fixed." But if it be price fixing pure and simple, I undertake to say that as emergency legislation needed to save America's basic industry we had better indulge in price fixing rather than see it destroyed. [Applause.]

I do not agree with the gentlemen who say it will cause overproduction. If it does cause overproduction, and if it encourages it, then that is a matter of concern for the farmers themselves rather than for the opponents of this bill; because it must be borne in mind that the farmer is the man who pays this bill in the end anyway. [Applause.]

The farmers of the country want this legislation. If production is excessive, then the effect will be heavier assessments and lower prices for farm products. Assessments increase as production increases, hence this bill, in my judgment, will, after it has come into operation, guarantee against overproduction rather than encourage it. There may be a tendency in the beginning, before it is thoroughly understood and before it is working as well as we hope to have it work, that overproduction will be encouraged, but whenever the farmers of this country realize that overproduction penalizes them they will use the machinery of this Government that is provided in this bill and that is already in existence to avoid that overproduction.

Objection has been made to this bill because of the amount of surplus that will be in the dealers' hands in this country. The statement has been made that if this bill goes into effect there will be something like $252,000,000 worth of meat products in the hands of the packers that will be enhanced greatly in value overnight. That may be true, but I do not agree with the gentleman who preceded me that there will be anything like $100,000,000 profit, because that is not a fact.

On five or six of the commodities affected by this bill the total increase in the hands of the dealers on all of the products is but $121,000,000. On meat products alone $54,000,000, as I recall; but what of that? Suppose we do pass this bill and suppose to-morrow morning the men with wheat—and, by the way, 20 per cent of that wheat is in the hands of cooperative elevators and in the farmers' hands—suppose in the morning we do wake up and find that those who have the wheat and the wheat products, the meat and live cattle, have profited by the passage of this bill to the extent of $121,000,000? Is that anything unusual? Is not that exactly what happens when we pass a tariff law? Do not the ships of all countries rushing under full steam head for our ports, their ships loaded to the gunwales, in an effort to get inside of our borders before a new tariff bill goes into effect?

Is there anything unusual about that, and even though it is unusual, I undertake to say that it is worth ten times $121,000,000 if we can restore the purchasing power of the farmer's dollar. [Applause.]

This bill provides specifically for the utilization of existing agencies, and any suggestion that the packers will adopt any policies other than those which now control their operations is far-fetched and urged only for the purpose of discrediting the bill. Everybody knows that the packers can and will continue to do the meat-packing business better than the Government; and that they will readily and willingly cooperate with the Government.

It has been suggested that this bill may produce some foreign entanglements and that other countries may retaliate, because the American farmer gets an American price for that portion of his crop consumed in this country, and because foreign countries continue to buy our surplus at the world price as they have been doing in the past. The fact is, they would go on getting their wheat and other products at the same old price, and would have no cause or desire for retaliation.

If the bill is unworkable, it is a matter of concern to the farmers rather than any other class, because he pays the great bulk of the bill. It is true this proposed legislation may result in a slight increase in the cost of living, but the farmer, who represents about 40 per cent of the population of the country, bears his part of that increase. In my judgment this is the only legislation now pending before Congress which offers that immediate relief which is necessary to save our farmers from complete ruin. The farmers can no longer continue to operate their farms and produce the food for the Nation at a loss. Every man who tills the soil is entitled to a fair return upon his investment and a profit for his labor. He is not receiving such a return at this time. This bill may have some objectionable features, but it is the only constructive plan before us. I am willing to give it a trial in the hope that we may thus restore the purchasing power of the farmer's dollar. This Nation can not exist industrially free and agriculturally in bondage any more than it could exist half slave and half free during the days of the Civil War. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. PURNELL. May I have two or three minutes more, Mr. Chairman?

Mr. HOWARD of Nebraska. I ask that the gentleman be given additional time. Maybe he will yield to me then.

Mr. PURNELL. I thank the gentleman.

Mr. HAUGEN. I am sorry I can not yield further time.

Mr. VOIGT. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. It is manifestly impossible in the time at my command to analyze this complicated bill and discuss all its features. Perhaps most wisely I may address myself to that phase of it which particularly concerns the people whom I am supposed to represent. Not alone for the people of my own district would I speak, however, but for the consumers of all the United States.

Four years ago the President, diverting his attention from the League of Nations, besought us to stay here and attack the high cost of living. The chairman of the Committee on Agriculture will recall that sizzling August when we faced the problem of reducing the price of food. By the way, he will also recall that the remedy suggested was a bill relating to cold storage, of which we never heard more. I wish the chairman would tell me where is the grave of that bill that I may visit it and drop a tear and pray that its soul may rest in peace. [Laughter.]

Times change. Four years ago we roasted here during the summer that we might reduce the cost of food. This year the newspapers tell us we may be compelled to roast into another August that we may raise the price of food.

The way here proposed to do it is to compel the American consumer to pay higher prices for certain staple articles of food—for example, half as much again for wheat. A Government corporation, with $200,000,000 of the taxpayers' money as working capital and the right to borrow a billion more, is to buy all the staples that may be offered, at the price determined, which will automatically establish the price the American consumer will pay in turn. It is to sell in foreign markets the surplus, the excess not consumable here, at whatever price it will bring, a price surely far below the cost of production. This means that what the farmer and the foreign consumer gain the American consumer loses. What will be the result from the point of view of the American consumer, 80,000,000 of him, 80,000,000 of the people of the United States?

I wish my friends from the far West would consent for one minute to recognize that a man from New England no longer represents only half a dozen States when he speaks for the consumer. New England is now the tail of the industrial dog. It has, to be sure, 1,200,000 persons engaged in manufacture, but in Ohio, Indiana, Illinois, Michigan, and Wisconsin there are more than 2,000,000 persons engaged in manufacture. The value of the product in New England is about $5,000,000,000. The value of the product in these east North Central States,

as they are called, is more than $12,000,000,000. And this takes no account of the industries of the Middle and Southern States.

I am not speaking for a small section of the country nor a small fraction of the people. I am speaking for all those who toil in the factory, who work on the railroads or in the mines, for all those wherever they may be, other than on the farms, who earn a daily living in the sweat of their brow, 80,000,000 of them. What will this bill do to 80,000,000 of the people of the United States?

The weekly letter of the American Federation of Farm Bureaus, the body supposed to be the most powerful influence behind this measure, on the 28th of last February said the McNary-Haugen bill would mean $1,000,000,000 to the farmers of this country. The gentleman from Wisconsin [Mr. VOIGT], in that most remarkable and effective speech night before last, put the possible cost, direct and indirect, at $2,000,000,000 or possibly more; but let us take the figure put forward by the proponents of the bill, its dearest and warmest friends, $1,000,000,000, and see what it means to the 80,000,000 consumers of the United States.

Everybody agrees that this program will increase the price of a barrel of flour by $2.50. The average annual consumption of flour in this country is a little more than one barrel to each person. You have simply to multiply the number of people in your own city or town by the figure $2.50 to find out how much it will cost your neighbors on wheat flour alone. It will cost the city of New York $14,000,000 a year. It will cost the city of Boston $2,000,000 a year. I come from a small city, having but 32,000 people. It will cost my neighbors in that city $80,000 in one year on wheat flour alone.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. LUCE. Not as yet.

You tell me the West is in distress and we out of our abundance ought to make such sacrifices. There came to my desk this morning the bulletin for April as to activity in the cotton-spinning industry. By the official figures here it appears that almost 6,000,000 spindles in this country are idle. This does not take into account other millions of spindles running on part time. Two weeks ago one of the oldest mills in the land, within half a mile of my house, cut down its working time from six to four days in a week.

Mr. FULMER. Will the gentleman yield?

Mr. LUCE. No; not now.

Nonproduction and unemployment are found on every hand in my neighborhood. You are bringing to us this bill at a time when we have just as much ground for turning the proposal upon you. I know some gentlemen will say that we will have prosperity again for all these textile mills and shoe factories if we but restore the farmer to prosperity. Speed the day when prosperity comes to him, but do not bring him prosperity at a cost that may in the end ruin him and destroy us.

Go further into this matter of the cost. I have spoken to you only of wheat and told you it will cost the people of my city $80,000. According to the figures of the American Federation of Farm Bureaus, those who advocate this bill, that is only one-fifth of the cost. Multiply $80,000 by 5 and you have $400,000 that you ask my little city in this time of distress to turn over to one group of the people in one part of the country.

Why, the whole tax levied on the property in my city is only about a million dollars a year. You ask us by this sales tax, the most burdensome of all forms of taxation, to add $400,000 to the million dollars of property tax in my city. Is there a Representative of the farming district here who has not proclaimed loudly against a sales tax? Have you as Representatives of the agricultural interests not fought it first, last, and all the time, because you know that it is a tax on the consumer? Now, here you urge a tax that is the most iniquitous of all forms of the sales tax because it bears on bread, the staff of life.

Mr. TINCHER. Will the gentleman yield?

Mr. LUCE. Not now. You who have traveled, you who have seen the countries of the world, know that everywhere bread is the staff of life for the poor. The rich man eats little, if any, more bread than the poor man. Indeed, the diversity of his diet makes it probable that he eats less wheat than the poor man. So you are going to impose a tax that will be practically the same whether paid by those who are in the greatest distress or those who hardly feel the depression at all.

Mr. BURTNESS. Will the gentleman yield?

Mr. LUCE. Not now. Yesterday our conferees reached an agreement on a revenue bill in which we all hope we can take some measure of pride. One feature of it to which every Member will point with satisfaction is that we put a heavier tax on the rich man than we put on the poor man. You have graduated the tax. Gentlemen on one side rejoice because the conferees have put the maximum at 40 per cent; most gentlemen on the other side would have preferred the maximum to be lower, but all Members on both sides believe in a graduated tax, and that the greater burden should be on the stronger shoulders.

To-day you present a proposition under which you will put a level sales tax alike on the weakest shoulders, those of the unfortunates who are near the door of the poorhouse, and those of the wealthy man in his palace on the hill. How can you justify yourselves by making such a demand as this on the working people, the toiling masses of the land?

Ah, but you say that agriculture is necessary for the prosperity of the country; you say it is the basic industry, fundamentally important. Well, so it is. You remember somebody asked Andrew Carnegie which was the most important—labor, capital, or brains. He retorted: "Which is the most important leg of a three-legged stool?" Will you gentlemen tell me which is the most important leg of the three-legged stool on which the Nation rests—agriculture, manufacture, or commerce? [Applause.] Are not all three necessary to the prosperity of the land? We do want agriculture to prosper; we will help it in every reasonable way; but what we say is that its prosperity should be in the main left to the working of laws of economics, that are never defied without disaster.

What is the situation? Why, it is this: On one-fifth of the wheatlands of this country, lands the most remote or of the poorest quality, lands that can not produce wheat except at a loss, farmers persist in continuing to raise crops. You are distressed because the farmers operating the worst lands or those in the worst situation can no longer make a living. And you are asking us, 80,000,000 of the consumers of the country, to pay for the cost of cultivating the worst lands.

You say that about one-fifth of the crop, equal to that grown on the unprofitable lands, is surplus and you desire to sell it abroad. You want to tax the masses of the people of the United States in order that one-fifth of the wheat crop, grown at a loss, may be put into the mouths of our competitors in Leeds, Manchester, the Ruhr, Lyon, Milan, and all the other manufacturing cities of Europe. You are asking us to feed the people of Europe at a lower price to them than you will accept from the consumers in the United States.

You are asking that as an inevitable result of an increase in the cost of living our employers be forced to pay still higher wages, while employers in Europe, as an inevitable result of a lowered cost of living, can pay still smaller wages. As the sure sequence, you are asking that the prices of all American-made articles shall be raised, while the prices of all foreign-made articles are lowered. So you are asking us to help those against whom we raise the tariff wall.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. LUCE. Not just now. In order to feed the people of the rest of the world, you are asking us to put this enormous sales tax on the people of this country.

What is our remedy? Why, the natural remedy, the remedy of nature herself, the remedy of the competitive system, the remedy of the laws of economics. Cut down the products. You say that is cruel; you say it is hard. Well, it was hard on the manufacturers of this country to close down after the Great War some of the factories they had built. It is hard for them to-day to lay off the men and shut the doors. It is the cruel law of the competitive system, but it is the just law; it is the law under which we have become prosperous, and the only law under which we can survive.

Mr. SUMMERS of Washington. How about the tariff?

Mr. LUCE. I shall come to the tariff if the gentleman will wait until I reach it in the orderly course of my remarks.

Economic law says when agriculture is overproductive lessen its production.

Only the other day we passed an agricultural appropriation bill here. We brought the total of what we had spent to develop agriculture up to $600,000,000 since 1881—all expended in order that on the farms fewer men may do more work. By the invention of agricultural machinery we have made it possible for one man to do that which it took 15 men to do a century ago. Within a few years we have put upon the farms 450,000 tractors, between 350,000 and 400,000 trucks, and more than 4,000,000 automobiles—all presumed, and I think properly so, to lessen the labor of the farmer; to make it possible for fewer men to feed the rest of the country.

Now, having done this thing, why do you, the moment after you pass these huge appropriations for good roads and all the other things that help agriculture, come here and complain of

the very result that you meant to accomplish by those appropriations?

You have made it possible for many fewer people to live on the farm. Half a century ago it took the labor of one family in this country to feed itself and one other. Presently the man labor was brought down so that one family could feed two others. To-day you have reached the point where one family can feed three others, and only one-quarter of the people remain on the farms. The change goes on. Why, according to your own Department of Agriculture in 1922 more than a million people left the farms and went to the cities in excess of those who went the other way. According to the Sears-Roebuck Agricultural Foundation in 1923 another million left the farms and went to the cities. In two years more than 2,000,000 people were taken away from the farm, where almost every speaker here intimates it is not an attractive place to live. I doubt that. I would rather live on a farm than anywhere else, but every man who speaks for the farmer feels it necessary to deplore the lot of the farmer. Assuming that you gentlemen who speak for the farmer are telling the truth, assuming that it is an undesirable life, you have seen as a result of peace and of what has been done to make farm labor more productive 2,000,000 people in two years returning to the joys and comforts of city life. I say that with irony, because I hold life on the farm to be happier than anywhere else; but you evidently think it is desirable to have 2,000,000 people go from the farm to the city or else you would not continue to make appropriations and encourage invention that this very thing may result. The program is going to keep on if you will let economic laws work out their natural ends.

You want another remedy? Find it in diversifying your crops. Find it in other suggestions put before you by the Department of Agriculture. Do not, for Heaven's sake, look for it in legislation.

You suggest, however, that in the shape of the tariff there has been legislation to help some parts of the country. You want to know why you can not have a protection for agriculture of the same nature that you say manufacture has for itself.

The gentleman who preceded me declared that this is a tariff bill; that it is a proposal to apply the tariff principle. If that be true, it is applying the tariff by turning it upside down. The tariff was made to develop industry. You do not ask this to develop agriculture. Do you want more farms? Do you want more wheat produced? Why, this morning's paper has a cablegram from Paris where at the very moment there is in session the Academy of Agriculture. Let me read from this cablegram:

> Joseph Hitler, a member of the academy, pointed out that there were 140,000,000 quintals of wheat now available in the market, furnished by the United States, Canada, Australia, India, and Argentina. Of this quantity he assumed only 65,000,000 quintals would be absorbed by the world's consumption, leaving more than half left over at the time of the next harvest.

Right at the time when you have this cablegram before you, you are imploring us to add to the overproduction of wheat in the world.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Not now.

Mr. BURTNESS. If not now, eventually? [Laughter.]

Mr. LUCE. I hope so, if gentlemen are considerate enough to give me the opportunity.

We are asked to meet the situation with something that, in fact, is not a tariff at all. What is the right name for this thing? It is a bounty, a subsidy. You are asked to give a subsidy to the wheat industry in order that more wheat may be poured into the markets across the seas.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LUCE. May I have a little more time?

Mr. VOIGT. Mr. Chairman, I yield 10 minutes more to the gentleman.

Mr. LUCE. I thank the gentleman. You are asked to impose this tax in order that unprofitable land in the Northwest may produce wheat to be sent abroad, and you defend it upon the ground that it is a tariff. Why, great heavens, a tariff was meant to develop industry, and you will instantly deny a desire to develop or extend agriculture. A tariff was designed to keep for our own people our own markets. Was there ever any tariff advocate from my own neighborhood so crazy as to suggest that the protective tariff ought to be or could be designed to enable American manufacturers to protect themselves in foreign markets against foreign competition?

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Not just now. The protective tariff was devised to help the whole country. Its only justification is that it is of nation-wide value to have the industries and the occupations of our people so diversified that we may be self-sufficient in time of war, and that in time of peace we may produce the greater part of what fabricated articles we need. Now you say, call this new thing a tariff and set it to work producing more than we need. Oh, if time permitted I might go on, showing you the absurdity of suggesting that this is anything like a tariff proposition, but of what avail? It is in fact a bonus proposition—oh, I ought not to have used that word "bonus," because bonuses seem just now to be popular—it is a subsidy proposition; it is a grant to one part of the people at the expense of the rest. If it complied with any economic law, if it met the demands of the very A B C of economics, if it would in any way make it possible for us to accomplish the results you desire, without outraging all our instincts and principles, then you might have support from all over the land.

Somebody said not long ago that there was doubt as to whether this thing would work. I think I am justified in pausing for a moment to recall that I engaged our colleague, SYDNEY ANDERSON, in conversation on this subject early in the session. In view of his deep interest in the matter it may be permitted me to interpolate here an expression of my personal regret that he is not with us to take part in the debate, and I think I voice the hope of every man in the House that he may be speedily restored to health. [Applause.]

I remember the substance of his reply though not the words, because it was four months or more ago. He said that it would work for a time and then would come disaster. I grant you this will work. I grant you that for a time you may persuade the farmers to continue the dangerous and costly practice of wasting their energies in wrong directions. But when you have once brought them into the habit of defying the laws of supply and demand, you have invited catastrophe.

What do you do first in this direction? You set group against group and class against class and section against section. You come here and demand public alms because you are in distress, and so you invite every other group and every other section in the land to come here for the same purpose.

Mr. BURTNESS. What portion of the bill is that in?

Mr. LUCE. You demand in the bill that you shall at the expense of 80,000,000 fellow citizens be relieved from your distress. If that is not charity, what is it?

Mr. BURTNESS. Has the gentleman finished and eventually gotten to the point where he can yield——

Mr. LUCE. I would like to finish my speech.

Mr. BURTNESS. The gentleman has suggested a diversification of crops, for instance. Now, does the gentleman feel the Government is under any obligation——

Mr. LUCE. I decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. LUCE. If the gentleman had observed closely, he would have observed I was in the very beginning of a magnificent peroration that would have brought my speech to a fitting conclusion. [Applause.] I think I will now throw the peroration to the winds, as the force of it has been destroyed by the interruption of my friend. Perhaps, though, I can recall one or two fragments. I had meant to follow my deprecation of the class prejudice and sectional hostility aroused with expression of regret that you are trying to put the Government still further into business with the longest step that has ever been proposed seriously within the walls of this body. I meant to ask you to allow the situation to cure itself. The prices of manufactured commodities are falling, the prices of farm products are rising, and sooner or later you are going to see their lines cross once more. Let these things work themselves out naturally. Keep your hands off. If you do that, the people of every class and every group and every section of the land will save themselves. [Applause.]

Now, Mr. Chairman, if there is any part of my 10 minutes left, I shall be delighted to yield to anyone.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. LUCE. I will yield to the gentleman from Washington.

Mr. SUMMERS of Washington. The gentleman had a good deal to say about supply and demand and economic forces and all that sort of thing. Does that apply to this knife which cost me 75 cents, but which I believe could be made to sell at 30 cents, but it would have been manufactured in Japan or Germany instead of Pennsylvania or Connecticut?

Mr. LUCE. I am a Yankee, and it is said to be the prerogative of a Yankee to answer one question by asking another.

Did the gentleman vote for the tariff which produced that price? [Laughter and applause.] And if he voted for the tariff, why?

Mr. SUMMERS of Washington. It is the first time I have had the opportunity of saying I will never vote for a tariff that does not give its benefits to all classes and all parts of the country. [Applause.]

Mr. LUCE. My friend from Kansas, I think, now has the right of way.

Mr. TINCHER. I understand the gentleman from Massachusetts is opposed to the bill or opposed to the farmer adding the ratio price to his products?

Mr. LUCE. I meant to consent to yield to fair questions, and I think I should have put in the word "fair."

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. LUCE. I will.

Mr. CONNALLY of Texas. The gentleman from Massachusetts asked the gentleman from Washington if he voted for the tariff act that did that. The gentleman from Massachusetts voted for it, did he not?

Mr. LUCE. I voted against the tariff on food——

Mr. CONNALLY of Texas. I am talking about the general tariff law, the Fordney-McCumber bill. Did not the gentleman vote for that?

Mr. LUCE. I have the impression I did; yes.

Mr. CONNALLY of Texas. And is it not true and does not the gentleman know that the reason that agriculture can not be pulled up by its boot straps to an equality with manufactured goods and the prosperity of industry lies in that very tariff bill for which the gentleman voted?

Mr. LUCE. I do not know any such thing. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RUBEY. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. McSWEENEY].

Mr. McSWEENEY. Mr. Chairman and gentlemen of the committee, as one of the younger members of the Agricultural Committee, I brought my slender torch of knowledge on this subject to be lighted at the redundant light of those who had more experience in this great work.

If you will indulge me for a moment, I will mention some of the men who were there and the work they have done on this bill, and let me give some credit to the opposition of this piece of legislation.

There is no legislation before the House that has had the strong opposition that this bill has had. The gentleman from Wisconsin [Mr. VOIGT], I will say, has not been an iconoclast. Mr. VOIGT in voicing his opposition has been constructive, and if this bill were to pass the House, I will say, in a commendatory way of him, that the bill is in better form than it would have been without his opposition. But, nevertheless, he is the strongest opponent the bill has had.

But first of all, being the opponent he is, he made two acknowledgments. First of all, that agriculture was passing through a crisis, a crisis probably unprecedented in the history of the agriculture of the world. He also made another acknowledgment. That legislation would help. Now, these are the two precedents he has established: First, that there is a crisis, and then that legislation will help it.

We have had numbers of bills brought before us, and, as one of the younger Members, new in this work, I acknowledge frankly that the McNary-Haugen bill is the best bill that has been brought before us. If Mr. VOIGT acknowledges the two things that I have suggested, that an emergency exists and that legislation will help it, then it seems to me the obligation devolves upon the House of Representatives to accept the bill which the majority of the members of the Agricultural Committee have deemed to be the best legislation upon this subject. [Applause.]

The speaker who just preceded me spoke about the fact that great obligations would fall upon the great consuming public. This will probably be agreed with, but let me call the attention of the gentleman from Massachusetts [Mr. LUCE] to the fact that wheat, when it sold at 97 cents back in 1908, allowed a manure spreader and a binder to be respectively purchased at $97 and $142. That same wheat, which is now bringing 97 cents, must pay for a manure spreader $140 in the State of Ohio and $227.50 for a binder. The purchasing power of the wheat has remained the same, and yet the thing that the wheat has to purchase in many cases has more than doubled.

We have had the statement from a man who is very favorable toward this measure—Mr. Wallace—who represents that great body, the American Federation of Labor, that it would undoubtedly raise the cost of living. We realize the fact that it may, but you must all realize that the farmer has had to bear the burden of increased living; he has had to bear the burden of increased price of labor, and he has had to bear the burden of increased prices for all the commodities he has to buy, and it only seems reasonable that at this time we do something to protect him.

I was very glad as a Democrat to hear the gentleman from Iowa acknowledge that a tariff has never been beneficial to the farmer. I am probably the worst Democrat in the House with regard to tariffs, but I am willing at this time to vote, not a discriminatory tariff, not a tariff for revenue, not a tariff for protection, but an embargo in order that the men who are producing the agricultural products of America may be protected during this crisis. I do not want anyone to accuse me of giving up my democracy, because I feel that many of the great evils of the world will be rectified in 300 or 400 years, when the nations of the world are producing the things they are best fitted to produce. We see a movement in that direction when we find that the producers of the country are trying to fit men for the work they are best fitted to do. They are trying to get men who are best fitted for work at the lathes to work at the lathes; they are trying to get the men who are fitted for work at the forge to work at the forge; and it will not be long until the great will of the Almighty will be worked out, and each nation will produce that which it can most economically produce. Until that time I swear I will always vote, if I have the opportunity, against a merchants marine which can not exist in the face of a tariff, but at this time I will vote an embargo on wheat in order to help the great producing masses of America, who are now going through the greatest crisis that any group of people in America has ever gone through.

I only hope you will all realize it is temporary. We can go through the history of America for the past few years and we find that under the protective system we can go along for about eight years of production and then there has to be a depression. From 1873 we were able to jump to 1893 without depression; then from 1893 to 1907 without depression. But the overproduction must be taken care of, and always after those periods of overproduction we have a period of depression.

Now, if this bill were to call for a 10-year period of emergency, I would vote against it, because under the protective system we are now in there must be a depression. There must be a depression following this overproduction which may come, but we realize that with a five-year emergency period the farmer will be on his feet before the depression really comes upon us in other lines of work, and so I am in favor of it for that reason.

I only hope that in some way I can bring to you the spirit of the West. I feel that the farmers of Ohio are in pretty good condition now, and I feel that the gentleman from Ohio [Mr. THOMPSON] and myself, who are serving on the Committee on Agriculture, are in reality asking the farmers of Ohio to be missionaries and to be really charitable. They have diversified and they are in the midst of the finest markets in the country and are probably in the best condition of any farmers in the country, but, nevertheless, I shall go before them this fall and say that I, in behalf of them, have allowed them to be missionaries and to send their surpluses and to send their encouragement and to send their help to the stricken sections of our country in the West and the Northwest, and I am sure that the magnanimity of soul that has usually prompted the Ohio farmer will allow me to make that request of him, and he will grant it. I know he is in need in some respects, but is better off than most, and the gentleman from Ohio [Mr. THOMPSON] and I, I am sure, will have the indorsement of those men whom we are trying to represent.

I only ask that each of you go as did our Christ into Gethsemane and, considering the things that are confronting our country, let not your personal or your local prejudices guide you, but realize that the whole world depends upon food which we should produce as economically as possible. Go into your Gethsemane, consider the things that confront you, consider the struggling nations abroad, consider the farmer who to-night does not know the condition that confronts him to-morrow. He in reality is the greatest gambler that America has, not voluntarily, but from the nature of his occupation. As some of the speakers have said to-day, he has to depend upon the rain in its due season and upon the sun in its due season, and he depends upon the Almighty to send him the blessings his ground can produce. Therefore when he is passing through a very stringent crisis, it seems well for us to give him an opportunity to be placed on an equality with the great manufacturers, with the great bodies of laborers in other fields of endeavor, and allow him to again be that independent, splendid, intelligent citizen that has graced America from the very inception of her existence.

I thank you. [Applause.]

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio yields back 10 minutes.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, it is always popular to talk about the needs of the farmer and what we propose to do for him. I am a little given to that myself. Farming is my principal occupation at the present time because if I should lose my place in Congress—I have lost my law practice—I have nothing but farms left.

I want to call attention to the fact that we have been doing everything the farmer has asked us ever since 1920. What was the first thing that came about when the slump came in 1920? They came here and asked that the War Finance Corporation be rehabilitated and be directed to lend money to take care of the farmer; and what did we do? After a struggle in the Committee on Banking and Currency we reported the measure out here. We put it through Congress and put at the beck and call of the agricultural interests of this country the $500,000,000 of capital which the Government furnished and the power of floating bonds to the extent of $1,500,000,000, or three times the capital, making $2,000,000,000 of capital we put to the service of the agricultural interests of this country. We limited this for a certain length of time, and they came back here in 1923 and wanted the time extended, and we extended it another year; and they came back in 1924, and on February 20, 1924, we extended it for another year, and they have had access to the greatest source of credit this Government has ever established for any class of people anywhere, amounting to $2,000,000,000. How much have they borrowed? I am going to speak just for a minute as to those States that are embraced within the wheat territory that are in such dire distress. I will give you the States: Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming. They borrowed $144,614,000, which left the difference between that amount and $2,000,000,000 which could be loaned by the War Finance Corporation untouched. Therefore we should assume at least that in so far as they have credit they have had the capital and have had it at a rate below the rate they could get it anywhere else, and the bonds that have been issued are nontaxable and the notes which they gave did not even have to have revenue stamps because we took care of them to that extent.

Mr. AYRES. Will the gentleman yield?

Mr. STEVENSON. Yes; I yield.

Mr. AYRES. Do you not think that the farmers of the country at this time realize it was not credit they needed but a market?

Mr. STEVENSON. The farmers now realize it was not credit they needed, and they are not providing for a market now. What they are providing for is to get their hands into the Treasury and get the cash straight out, and out of the pockets of the consumers. That is what they are providing for, and they are providing to take it out of the Treasury and out of the pockets of those of us who buy flour and meat.

Let us see whether they are broke or not out there. Taking the bunch of States I have just named, that borrowed from the War Finance Corporation $144,000,000, how much do they owe to-day? Only $40,000,000. They have paid back $104,000,000, and they have paid that back when we have directed the War Finance Corporation, presided over by Mr. Meyer and directed by Mr. Mondell, who lives in the very heart of this country, and whose State has more of it than any other, $10,000,000——

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. STEVENSON. In just a moment. They have paid back $104,000,000 of it when we have directed them to continue to advance this money, and they are ready to advance it on anything that is reasonably sound. I have a table showing these figures, as follows:

State	Loaned	Outstanding
Idaho	$5,026,000	$1,244,000
Iowa	24,002,000	3,617,000
Kansas	4,768,000	1,125,000
Minnesota	12,551,000	4,804,000
Missouri	$7,918,000	$361,000
Montana	12,524,000	4,994,000
Nebraska	12,090,000	864,000
North Dakota	20,821,000	10,987,000
Oregon	6,437,000	1,231,000
South Dakota	14,648,000	7,028,000
Utah	12,921,000	231,000
Washington	1,054,000	395,000
Wyoming	10,054,000	3,610,000
Total	144,614,000	40,780,000

Mr. SHALLENBERGER. I simply desire to call attention to the fact that those figures simply show that while we are poor out there we are honest.

Mr. STEVENSON. Yes; I do not question that, and we are poor but honest down South, but I do not propose to have the right of taxation given to your people to tax my people because you happen to raise something that is not selling for a good price.

Now, what else did they do? The Farm Bureau Federation came here a little over a year ago and said that this was not enough, that they wanted something that was permanent, and what did we do? We labored day and night, and the gentleman from Massachusetts [Mr. LUCE] was one of the subcommittee, I believe, that finally recast the law that established the intermediate credit banks and put $60,000,000 of Government money at their control and provided for $60,000,000 more, making $120,000,000, and in addition to that we gave them the power of issuing additional bonds to ten times that amount, making $1,200,000,000, which makes a total of $1,320,000,000 of capital in the intermediate credit banks, put there for the purpose of discounting farm paper, and no other kind could be discounted at all.

We also increased from $10,000 to $25,000 the amount that one man could borrow from the farm land banks and increased the discount privilege for farm paper in the Federal reserve system. All of these measures I assisted in framing in the Banking and Currency Committee and in passing through the House.

So do not come here talking about Congress not doing anything for the farmers. What is the next proposition? They come around here, and if this bill means anything it means adding 30 or 40 per cent to the cost of flour and bread and 30 to 40 per cent on the price of meat. That is what it means. Go down to our country. I am a little different from the gentleman from Massachusetts. I am against his tariff, and I did not vote for it. I did not vote to make a 32-cent knife cost 75 cents. I am glad to see that the gentleman from Washington [Mr. SUMMERS] has got on the mourner's bench.

What do we find? We find that in the Fordney-McCumber tariff bill they have laid the hand of the manufacturer in the taxing power on every man in my country who raises cotton and has to buy manufactured goods; they have taxed him for the benefit of protecting the manufacturer; and there they get us once, and then under the Esch-Cummins law they give the taxing power to the railroads that manage your transportation business and say "put in all you need, take out all your expenses, no matter what they are, and levy a rate on these people who have to pay the freight on goods that come to them, pay the freight on cotton that goes out, then levy a rate that will give you 6 per cent, and you can get away with it." There is another tax on us for the benefit of a class.

Now, what is this proposition? This proposition is one that says here are the packers and the elevator men and the wheat farmers of the West who are not getting enough; they need more, and we are going to go down South and give them a law that will lay a tax on us, put a tax on the bread we eat, put a tax on the meat we eat, put a tax on everything else on earth that we buy that is covered by this bill, and then come here and talk to us about not being the friend of the farmer because we would not vote to take away the small profit that is now left under the present condition in the raising of cotton in our country.

Mr. FULMER. Will the gentleman yield?

Mr. STEVENSON. I will yield.

Mr. FULMER. I want to state to the gentleman that every witness that came from the Northwest, when we asked if we could not reduce the freight rates and the tariff, said, "No; we do not want to disturb that."

Mr. STEVENSON. No; of course not. They want to keep the tax for the benefit of the Massachusetts manufacturer, put a tax on that will pay the railroads, and put this tax on bread and meat, all for the benefit of the people out West. We may not be in the majority, but we can raise the devil from the time you start that, and I do not believe you can put it across. [Laughter.]

Now, Mr. Chairman, there is another thing about that proposition; we are asked to submit ourselves to another iniquitous form of taxation, a tax on the breakfast table, the dinner table, and every time we sit down to eat. It takes money from the consumers all over the country, especially when we can not raise wheat and do not raise hogs. We are asked to embark on this proposition, which has a direct tendency to destroy the market on which we depend. You can not put an embargo on goods from every other country while 60 per cent of the cotton goes abroad and is sold at a reasonable price and continue to sell our cotton to them. You are trying right now to destroy the export market, upon which the prosperity of our country depends; and if this bill becomes law, you will succeed; but you will never be able to get that across with the people who have heard it properly presented and understand it, because the pocket nerve is the "talking nerve," and they will never submit to that scheme of legal extortion from one class for the benefit of another class, as this bill provides. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr KETCHAM].

Mr. KETCHAM. Mr. Chairman and gentlemen of the committee, there have been many measures before the House in which I have been very greatly interested and to which I have tried to give very careful thought, but to none that have been presented since my membership has there been given so much thought and sympathetic consideration, so far as I am personally concerned, as to the one that we now have before us.

Before proceeding with the formal discussion which I had planned I want to take just a moment to pay my tribute to the distinguished gentleman from Massachusetts [Mr. LUCE]. I have waited nearly three years for a proper situation to develop to tell a New England story, and this is the chance. Whoever visits those splendid New England States comes away feeling that there resides a wonderful people. The reception I have received as I have visited them lacks nothing in the way of cordiality and all other like things that go along with the fine spirit they have in that country. The only wish I have for the people of New England is that they come to recognize what the United States really is. Their conception of what the country is, is well illustrated by a story that is an old one in New England, upon which I was checked up very sharply when I first told it. Coming to that section for the first time, I said that the story was current in our section to the effect that the school-teachers of New England when they were teaching the boys and girls of New England to bound the United States taught them that it was bounded on the north by the Dominion of Canada, on the east by the Atlantic Ocean, on the south by Long Island Sound, and on the west by the Hudson River. There were some smiles, but I noticed one splendid, good, old New Englander sitting down about halfway in the crowd, who kept smiling all the way through. I suspected that I had something coming to me at the end of my address, and it proved to be the fact. He came to the front and he said, "Mr. KETCHAM, I want only to check you up on one fact. You are a bit wrong in your geography." I said that I was sorry about that and asked him to tell me in what way. He said that in bounding the United States I said that it was bounded, according to the conception of the New Englander, upon the north by the Dominion of Canada, on the east by the Atlantic Ocean, on the south by Long Island Sound, and on the west by the Hudson River. He said, "You are wrong in your western boundary. It is the Connecticut instead of the Hudson River." [Laughter.]

With all due deference to the distinguished Representative from New England, who has so ably pleaded for that section of the country, as I listened to him I was moved to wish that they could see the need of such a bill as the one before us, which would give the same degree of protective benefits to the farmers as the protective tariff has given New England for many years. My best wish for the royal people of New England is that they may learn something by personal inspection and visits to this great country of ours about its true extent and resources. Did they know them and did they clearly comprehend them, then I think there would have been no such tearful pleading for a particular section of the country as we have listened to from their distinguished Representative. He has made an able presentation of a narrow and sectional viewpoint. But this is a time when I believe our viewpoint should be a national one. We are not here advocating legislation that has for its sole purpose the benefit of one group of our citizens at the expense of the rest, but we are here with conviction in our hearts that when we do something to benefit agriculture we do something that will do good for the whole people of the United States. The very statement that the gentleman made with reference to the 6,000,000 idle spindles is proof of the fact that already New England has some evidence of the very substantial results of the dreadful situation that has been brought upon the American farmer. [Applause.] When you turn your back deliberately upon the fact that the farmer of the country constitutes 35 per cent of the buying power, and you put him out of the market, then you have no good reason to complain about the 6,000,000 idle spindles. I am not a prophet nor the son of a prophet, but I do believe this from the bottom of my heart, and that is the reason that I am so heartily advocating this bill. If it becomes a law, not only will the psychological effect be immediately apparent upon the farmers and the whole of the rest of the country but something more substantial will happen. The farmers of the country will appear in the buying market, and you will find that some of your idle spindles will then begin to hum. On the other hand, you can not ruthlessly neglect and laugh aside this legislation, nor by opprobrium, calling it class legislation and other derogatory terms, can you belittle it. You must face it squarely, not as a localized measure, not as class legislation, but as a national problem.

Perhaps the best answer to the plea that is made for the laboring men of New England is to let the men speak for themselves. We have had here a very eloquent plea in their behalf. However, I think we ought to get back to those who are supposed to know about it, and therefore I desire to present to the committee now just a few statements from the official representatives of these groups of people for whom the gentleman claims to speak. First, I shall read from the statement of Edgar Wallace, representing before the Committee on Agriculture the millions of members of the American Federation of Labor, and I shall take time only to give you just one sentence. Speaking in commendation of the bill, I quote a very vital sentence, which goes directly to the point. He says:

> What does it profit us if we can get meat for 10 cents a pound if we do not have the 10 cents?

It seems to me that is a very striking answer. Further:

> The farmers are our customers, and when they have no money we can not work. We are the farmers' customers, and when we can not buy their foodstuffs pile up and lose in value.

That demonstrates the very intimate relationship that exists between those who labor in the great centers of population in the East and the men out upon the western farms.

I quote now from the statement of Mr. Robert Fechner, representing the International Association of Machinists. Giving his indorsement of the bill, he closed with these words:

> We did so, and after giving due consideration to the entire matter we have officially recorded ourselves as supporting, in principle at least, the provisions of this pending legislation.

He followed that up with this further sentence:

> I certainly hope Congress will not stand still. That is what I am here for—to urge that something be done; and I am sure that the committee can formulate some plan.

I call now as my next witness Mr. Lovell, vice president and legislative representative of the Brotherhood of Locomotive Firemen and Enginemen, who said:

> Mr. Chairman and gentlemen of the committee, I have the honor to represent the Brotherhood of Locomotive Firemen and Enginemen.
>
> You will find in your record that our organization, representing 118,000 railroad men throughout the United States, went on record in favor of some measure to better the condition of the farmer.

I might go on and quote the testimony of Mr. Clark, who is the vice president and national legislative representative Order of Railway Conductors, all to the same effect. I congratulate these men upon their statements before the committee. They recognize very clearly that their welfare is inseparably bound up with the welfare of the men and women upon the land. Mr. Chairman, I deem this a good and sufficient answer to the plea that has been made on behalf of these men who work in the factories of the East, and I shall now proceed directly to the formal discussion of the measure before us.

As a preface to the discussion of this bill I shall quote from some remarks I made when the agricultural bill was under consideration in the House. In those remarks I stated that the program for the rehabilitation of agriculture had five

parts: First, reducing production costs; second, orderly and economical marketing of farm crops; third, legislative enactments; fourth, better organization; and last, the personal qualities of the individual farmer.

Under legislation I made the following statement:

> The third step in a rehabilitation program for agriculture is a general Federal legislative one. Here two extremes must be avoided. One, the cry for Congress or State legislatures to "do something about it" in the way of legislation whenever a disagreeable situation arises; the other that classic of the conservative, "economic ills can not be cured by legislation." What is the plain truth? Many unhappy conditions can not be improved by legislation. Climate, seasons, soils, location, and management are outside the law. On the other hand, it is foolish to assert that legislation has not affected our economic situation. The echoes have scarcely ceased in this Chamber from the discussion of one such piece of legislation. No laboring man needs anyone to tell him the effects of millions of immigrants on his wage scale and his standard of living. No railroad man needs to be told of the economic effect of the Adamson or the Esch-Cummins laws. The tariff is possibly our oldest illustration. In short, these laws have affected our economic life. World conditions have made them necessary. We have built up a standard of living that leads the world. We are all for it and propose to maintain it. It costs more, but it is worth it. Because the farmer is not able to pass on the added costs which increased transportation rates impose on him and that higher wage scales demand of him, much of the new legislation has affected him unfavorably, however. The tariff is not fully effective in raising price levels on his export surplus. He produces a surplus of a number of the basic commodities which must find a market under world conditions from which much of our legislation has been designed to protect us. He buys by the American market and sells by the world market. If he is to survive he must be put on an American basis in his selling as well as his buying. To put him on such a basis is not doing him a favor. It is simply putting him on a par with the rest. It is plain justice. To acclaim the virtues of these higher standards of American life in one breath and in another to deny their practical application to all our people alike is a strange performance. It recalls some stirring references to "intellectual integrity" in other debates. The McNary-Haugen bill, so widely discussed, is directed straight at this price inequality which the farmer suffers under because of his production of a surplus which must be exported. The widespread demand for this legislation is based on our American gospel of the "square deal."
>
> The farmer in supporting it is simply asking that he be put on equal terms with the rest of the country who have been made the beneficiaries of Federal legislation. His attitude is well summed up in the words of Henry Van Dyke:
>
> "In the game of life, as we play it here in America, the rules must be the same for all; the penalties must be the same for all; the prizes of life, so far as we can make them so, must be the same for all—and may the best man win."
>
> In the historic language of this Chamber, the farmer wants to "go along" on equal terms with the rest and not trailing along in the rear. [Applause.]

Mr. Chairman, the McNary-Haugen bill is an emergency measure intended to make the farmers' commodity dollar equal to the industrial dollar and the labor dollar. It is grounded upon the theory that farm commodities are entitled to a fair exchange value with other commodities. It recognizes that American standards of living are higher than world standards. It acknowledges that the surplus of farm products over the needs of domestic consumption is sold in the world market and that this world price determines the price on the whole. It affirms that other Federal legislation has lifted price levels in industry and labor, and it proposes to give agriculture the same advantage.

Mr. PAIGE. Will the gentleman yield?

Mr. KETCHAM. In just a moment. I am sorry to say to my colleague from Massachusetts that I have only a limited time, and when I have finished my statement I shall be glad to yield. Now, we all recognize, Mr. Chairman and gentlemen, this bill covers a very broad field and that no one individual can begin to compass a discussion that should be given upon all the phases of it in the limited time. This idea was recognized by the committee, and so various sections of the bill were given to each Member for discussion. To me there was assigned the discussion in reference to the influence of this legislation upon the cooperative movements. Now, I would like to have this distinction very clearly kept in mind. The thought was presented in the very brilliant and able presentation of the distinguished leader of the minority on our Committee on Agriculture [Mr. ASWELL] when he indicated that it would be wise for us to substitute some legislation with reference to cooperative marketing in place of this bill.

So far as I am personally concerned, and I think that is the mind of the committee, we are agreed that cooperative marketing when it can finally be fully organized in a nation-wide manner will be a proper step to be taken, but the very best and the most hopeful view that can be taken of the situation is that cooperative marketing can not be brought into full operation within a considerable period of years. In the meantime the American farmer is in the situation which has been so well depicted before you this afternoon. As a friend of cooperation, I shall be glad to do everything I can to work out a plan for cooperative marketing, but I say again that this measure is not intended in any way to affect adversely the work of cooperation. I think I shall be able to show in the next few moments that it is not intended in any way to endanger, as has been held up before you this afternoon, the success of this great movement. The Curtis-Aswell bill and the Capper-Williams bill, two constructive efforts, have been worked out by distinguished Members of this House and the other body in order that a nation-wide system of cooperation may be considered. One has had no hearings, and one but a few hours, so that a substitution is absolutely out of the question. The great difficulty to-day in our marketing system, so far as the farmers are concerned, is this: That wide fluctuations in prices sometimes occur during the marketing seasons, and these wide fluctuations in price——

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield 10 additional minutes to the gentleman.

Mr. KETCHAM. These wide fluctuations in price are the things which particularly cause the difficulties in the agricultural situation. We must devise a plan that will provide for a seasonal flow, for a normal rate at which products shall be placed upon the market. We must avoid those great gluts at certain seasons when tremendous quantities of farm products are put upon the market. Some plan must be devised for accomplishing that particular thing. Now, I maintain the McNary-Haugen bill will contribute to that very end.

Why? Because the wide fluctuations in prices will not occur under the operation of the McNary-Haugen bill; and therefore the farmer will not need to worry, as he does to-day, about the uncertainty in price. He may give his time to the other proposition, namely, that of feeding his stock to the best advantage. He can then so arrange his feeding operations that his stock will come to proper maturity and will be marketed in an orderly fashion. The same may be said in reference to wheat. There will be no inducement to rush it in at certain times, particularly when there is a full market. This will be greatly to his advantage and will accomplish what we desire to accomplish ultimately by cooperative marketing.

Some opponents of the McNary-Haugen bill profess to see in it elements detrimental to the continuation and growth of cooperative marketing. In answer it can be said that the progress the McNary-Haugen bill has made before the people is largely through the activities of cooperative-marketing associations themselves, whose members have instructed their associations to use every legitimate effort possible to secure enactment of this legislation.

Let us analyze and study the cooperative-marketing situation and see just what there is to the argument that the McNary-Haugen bill endangers it. There are mainly three types of cooperative-marketing organizations now handling the commodities specified in the McNary-Haugen bill, namely: First, the cooperative-shipping associations, handling livestock; second, the cooperative elevators, acting as primary marketing agencies and handlers of grains for the farmers of their respective communities; third, the cooperative wheat-marketing associations, organized on the so-called commodity plan or pooling plan and acting solely in behalf of their members in marketing in an orderly way the wheat their membership produces.

Livestock-shipping associations would not come in contact with the operations of the McNary-Haugen bill until their activities reached the terminal market. At that time the only effect that would be apparent would be that they would find in that terminal market an additional and powerful buyer ready to buy their product at a price that would reestablish its pre-war purchasing power. They would not be compelled to sell to this new buyer unless it was found advantageous to do so; therefore it is quite obvious to the fair-thinking person that the bill provides a real and substantial benefit to this class of cooperative-marketing associations.

The second class, the local cooperative elevator and cooperative-marketing organizations of this type, have never done more, nor have ever attempted to do more, with but few exceptions, than purchase the grain of their community and deliver it to a commission house at the terminal market for sale to

the large terminal grain dealers or the millers themselves. Inasmuch as the activities of the McNary-Haugen bill do not propose to extend beyond a few basic markets, again it is quite obvious that their activities would only be the providing of an additional buyer at the rate price. This would assure the country elevator of a substantial market and obviate to a very high degree the necessity for hedging.

Under the McNary-Haugen bill the country elevator will be able to operate without the expensive and uncertain hedge, which will permit it to operate to a much better advantage than heretofore and on a very small margin of profit. By giving a large net return to members the cooperatives will be strengthened.

In my own State of Michigan I believe we have one of the most successful cooperative organizations that the United States knows, namely, our Michigan Potato Growers' Association. Before our committee there came officials of that organization who said that cooperative marketing was a fine system so far as it had to do with collecting, with standardizing, and with the grading of the products, possibly collecting them in as large an organization as a state-wide organization; but that when you went across State boundary lines, then you ran into difficulty. The McNary-Haugen bill would obviate that difficulty by making the market the same for all cooperative organizations the country over. It would obviate the jealousies which sometimes develop between cooperative organizations when their products get into interstate commerce and come into competition.

Mr. VOIGT. Will the gentleman yield? I will yield the gentleman some time if he will answer a few questions.

Mr. KETCHAM. I will be glad to do that if the gentleman will just allow me to finish these paragraphs.

The third type of cooperatives enumerated, the pooling associations, have been in operation four years, and they will handle from the 1923 crop less than 4 per cent of the total production. The purpose of a pool is orderly marketing that a better price level may be sustained. When the price is made in Liverpool, the impossibility to develop a pool sufficient in volume and cohesiveness materially to affect that price is readily apparent. This fact is well understood by the farmers themselves, and therefore they have been unable to see the full advantage of the pooling movement and have not joined in any considerable number.

It is the pooling organizations that have first realized this and have therefore interested themselves in legislation such as the McNary-Haugen bill provides, with the hope that there might be a segregation of the surplus from the domestic supply and thereby an opportunity provided for beneficial operation, which is the one thing that will bring about their required growth.

There are 14 State pooling associations handling wheat. Nine of these are members of the American Wheat Growers' Association, and these nine have devoted their attention for the past six months in a very material way to the enactment of the legislation the McNary-Haugen bill provides. Of the remaining five the officers of one and the farm organization that sponsors it, namely, the Kansas State Farmers' Union, are devoting their attention to the furtherance of this legislation. Two others, namely, the Kansas Wheat Growers' Association and the Oklahoma Wheat Growers' Association are favorable to the bill. It is further known that the present board of directors of the Oklahoma Wheat Growers' Association refused to acquiesce in the action of their predecessors in opposing the bill. It is further interesting to note that, at 20 meetings held in Oklahoma attended by farmers, many of whom were members of the Oklahoma Wheat Growers' Association, in 18 of the meetings the bill was indorsed and in 16 of the 18 without a dissenting vote. The two remaining associations, the Texas Wheat Growers' Association and the New Mexico Wheat Growers' Association, have to-day indorsed the bill.

Cooperative marketing operates in a field aside from that in which the corporation created by the McNary-Haugen bill would operate. The principal function for cooperative marketing, in its present state of organization and for the five-year period at least, is to provide more direct and more economical distribution from the farm to the terminal markets, and therefore, inasmuch as operation of the McNary-Haugen bill would extend beyond terminal markets, there is no conflict with cooperative marketing. The opportunities for beneficial service with the surplus taken care of through an export corporation would be much greater than at present, and it would cause cooperative marketing associations to prosper and grow in a way that they have never been able to heretofore.

It is unholy argument to say that distress must prevail to make the farmer interested in cooperation. It is unjust and highly erroneous to state that low prices must prevail to permit cooperative marketing to develop. The facts are the financially independent farmer is the only one who can develop the cooperative movement.

The cooperative marketing associations themselves handling the commodities specified in the bill are the ones who are largely responsible for the bill and the ones who are giving it the greatest support. They understand and fully realize that they can best succeed through the aid of this legislation, and therefore it seems foolish to give heed to those who would oppose it on the ground that it might retard the growth of cooperative marketing.

Another thing which cooperative marketing associations have discovered is that farmers who are in financial distress are poor cooperators, not because they do not want to cooperate, but because they find it impossible to do so. Their crops are mortgaged; therefore they must be sold in accordance with the requirements of the mortgage. Their creditors are pressing them for the payment of obligations, necessitating dumping of their product on the market for any price available. Farmers in this condition, which at present is the condition of the majority, find it impossible to support their cooperative marketing associations in the manner that they must be supported if their associations are to succeed and bring about beneficial results.

At this point I desire to call your attention to the report of the committee in reference to the effect of this bill upon cooperative marketing organizations: On pages 42 and 43 you will find the following:

EFFECT UPON COOPERATIVE MARKETING ORGANIZATIONS

Only two truly cooperative organizations have opposed the McNary-Haugen bill. Officers of those organizations are now taking steps toward rescinding their former action, which was based upon misunderstanding of the bill, both as to facts involved and as to the methods and character of operation.

This bill is a stimulant and complement for cooperative marketing and not by any means a deterrent. It reaches directly at the surplus difficulties of American farming, an undertaking which marketing associations are not now in a position to accomplish. Without such governmental assistance as is provided by this measure, cooperative marketing associations for export surplus crops must eventually fail to secure that which is vitally necessary for their membership—legitimate prices for these crops. With assistance such as is provided by the bill commodity organizations will develop and thrive. Their membership will be recruited from producers whose financial affairs are in a healthy condition and whose knowledge of the benefits of organization will have been broadened through participation in the results obtained by the export corporation.

The bill does not oppose cooperation in the least. It fosters, encourages, and makes cooperation genuinely possible. It enables it to produce the necessary results. It affords a machine around which marketing associations can be constructed and developed until, with greatly increased membership, they can carry on when the temporary emergency conditions, to be tided over by the bill, have ended. These facts are recognized by the leaders of the cooperative marketing movement. They are also recognized by that element of the grain trade that opposes cooperation both in season and out and are an important reason for its opposition to the McNary-Haugen bill. General farm organizations and marketing associations in large numbers are found listed among the supporters of the measure.

Now, may I conclude my statement with one observation which comes from my own personal experience? It was my privilege for a number of years to be very actively identified with one of the leading farm organizations of the country, and in that connection to have the responsibility of organizing cooperatives in the very early days of the movement in Michigan. The great problem which confronts all those organizations is the problem of the ultimate market. How anyone can picture any danger to these cooperative organizations by having a steady market at a better price as the ultimate end of their own cooperative movements is more than I am able to understand. It seems to me that it would in a very large measure encourage the men who have been rather negligent about joining these cooperative organizations. They will say, "When we get together and have our local associations attend to the local collecting, grading, and processing, thus saving one commission to be paid to somebody else and sharing the result of that among ourselves, then we know we have this ultimate market at a better price than we had before." It seems to me that every encouragement should be given to the men for a more complete understanding and a more widely extended organiza-

tion of cooperatives, and I believe this bill will do this very thing. To go back to the best answer of all, it is not what you may think about it, nor what I may think about it, but it is what the folks who are members of these organizations themselves think about it. So in conclusion I do want to present just this little statement. I have here in my hand—and I will not take time to read it—a statement signed by two men representing the two largest cooperative movements in the United States at this moment, both of whom give their hearty and enthusiastic indorsement to the McNary-Haugen bill, believing that it shows the way out. The first—and I am glad to present their names—is Mr. John G. Brown, president of the National Livestock Producers' Association, the largest cooperative livestock marketing organization in the country.

This organization, together with the other cooperative livestock marketing organizations that were represented before the Agricultural Committee in behalf of the McNary-Haugen bill, handled over $200,000,000 worth of livestock for their members during the year 1923. The other signature is that of a gentleman who has been referred to several times this afternoon, Mr. George C. Jewett, general manager of the American Wheat Growers, Associated, representing the Cooperative Wheat Marketing Association in the States of the Northwest. Their indorsement is substantial and enthusiastic, and speaks the last word, in my opinion, as to whether or not cooperative organizations will be harmed by the enactment of the McNary-Haugen bill. [Applause.]

Mr. VOIGT. I will yield the gentleman two minutes if he will consent to answer a few questions.

Mr. KETCHAM. I will be glad to have the opportunity to undertake to answer them. I will certainly answer them if I can, but if I can not I will frankly say so.

The CHAIRMAN. The gentleman from Michigan is recognized for two additional minutes.

Mr. VOIGT. The gentleman has made a very interesting argument as to how this bill will affect the cooperative movement. Will the gentleman concede that the ultimate purpose of cooperation among farmers is to secure a better price?

Mr. KETCHAM. I should say there are two aims, as I see it. The first, of course, and the most important, is the ultimate price. Second, the cutting down of the operations that start with the taking of the grain to the first man who handles it, doing away with every possible expense, and bringing back to those who participate a larger share of the net return. I should say that the aim is both to secure a higher price and to reduce expenses. The combined result will be more money coming back into the pockets of the men who unite in the cooperative organization.

Mr. VOIGT. The second purpose the gentleman speaks about, of narrowing the spread between the producer and the consumer, so far as the farmer is concerned is to get a better price, is it not?

Mr. KETCHAM. Will the gentleman say that again?

Mr. VOIGT. I say that the gentleman names two purposes for which cooperatives exist. Now, it seems to me that the second purpose which he names—he says the prime purpose is to get a better price, and the second purpose he says is to narrow the spread between the producer and the consumer. Now, the purpose of that is to get a better price for the producer, is it not?

Mr. KETCHAM. Well, if the gentleman will just pardon me, I may say to the Members of the House that the gentleman from Wisconsin is a very astute lawyer and direct answers to his questions sometimes lead one to admissions he did not intend to make, and so I am simply going to answer his question in my own way.

Mr. VOIGT. Of course, if the gentleman does not want to answer the question——

Mr. KETCHAM. I just want to answer your question in my own way.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. VOIGT. I yield the gentleman three minutes more.

The CHAIRMAN. The gentleman from Michigan is recognized for three additional minutes.

Mr. KETCHAM. I will simply say again that one object of cooperatives, as I see it, is to lessen the cost of gathering together in a local way and in the local communities all the products that are marketed by that association.

Mr. VOIGT. And the object of that, in turn, is to give the farmer a greater share of the spread.

Mr. KETCHAM. To get more money back into his pockets; yes, sir.

Mr. VOIGT. Now, then, are we not back at this point: The prime object of the farm cooperatives is to get the farmer a better price.

Mr. KETCHAM. Yes, sir.

Mr. VOIGT. That being true, what is the object of a farmer participating in the cooperative organization if there is only one Government price?

Mr. KETCHAM. For the simple reason that if he does not have his cooperative organization and it is handled by some other man than himself—inasmuch as the price is not fixed that the farmer shall receive—he will not have an opportunity to get the largest return possible. He still needs the cooperative to lessen the expense of local handling.

Mr. VOIGT. If the Government corporation fixes an absolute price, what would be the object of the farmer cooperating in an endeavor to get a better price?

Mr. KETCHAM. Simply to get the largest possible share of the ratio price back into his own pocket, just as he does now in his cooperative organizations.

Mr. VOIGT. He could not do it if there was only one Government price.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. KETCHAM. I will be glad to yield.

Mr. PURNELL. May I ask the gentleman a question?

Mr. KETCHAM. So far as I am concerned.

Mr. PURNELL. Let us assume there is just one Government price. Through cooperation, according to the gentleman's own theory and according to my own theory, you would get a greater portion of that Government price.

Mr. VOIGT. The gentleman has already said that the object of cooperation was to narrow the spread between the producer and consumer; but if you have a Government corporation which stands ready to pay a price, and there is only one price, how can the farmer cooperate to get a better price? [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. VOIGT. I yield the gentleman two minutes more. Does the gentleman know of any labor organization which has indorsed the McNary-Haugen bill?

Mr. KETCHAM. I have simply the statements and the indorsement which I read just a few moments ago. I do not know whether the gentleman heard them or not. They were from representatives of labor organizations.

Mr. VOIGT. Has any labor organization whatever taken any official action indorsing this bill that the gentleman knows of?

Mr. KETCHAM. I can only state that my recollection is that one of the representatives stated that by definite action of their executive committee——

Mr. VOIGT. Does the gentleman know whether the American Federation of Labor has indorsed this bill?

Mr. KETCHAM. I can not say whether in their national organization they have taken formal action, but they gave this measure their indorsement through their legislative representative.

Mr. VOIGT. Is it not a fact that some of these labor organizations, through their officers, came before the committee and made the statement that they would favor any bill which would give the farmer an additional price, but did not indorse any particular measure? Is not that true as to what transpired before the committee?

Mr. KETCHAM. Mr. Wallace, as I recall, gave his indorsement specifically to this measure, and the general statement was that they indorsed any principle that would bring to the farmer a larger return for his product, which is the aim and purpose of this bill.

Mr. HAUGEN. Will the gentleman yield? I will read from Mr. Wallace's statement.

Mr. VOIGT. No; I can not yield just now.

Mr. KETCHAM. Here is a definite statement by Mr. Edgar Wallace, after referring to another bill and being in support of that, "Now, I am appearing in favor of the McNary-Haugen bill." That is Mr. Edgar Wallace, representing the American Federation of Labor.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. VOIGT. I yield the gentleman another minute, Mr. Chairman. I want to say that I understand the secretary of the American Federation of Labor a few days ago wrote a letter in which he stated that that organization had not indorsed this bill. I do not want any misunderstanding on that score.

Mr. KETCHAM. I can only quote his own testimony given in the record as it was given before the committee. [Applause.]

Mr. VOIGT. Mr. Chairman, I yield 20 minutes to the gentleman from Minnesota [Mr. LARSON].

Mr. LARSON of Minnesota. Mr. Chairman, the first bill I voted for when I became a Member of this House was the agricultural emergency tariff bill. Since that time I have voted, without exception, for every agricultural relief measure. I come from the great agricultural State of Minnesota. This may have something to do with causing me to support these various farm measures. I have no apology to make for having supported them. In voting for them I thought I was promoting the general welfare of the whole Nation. I have never taken consciously a provincial view of my duties as a Congressman. I have been elected by the voters of the eighth congressional district of Minnesota, but I am here attempting, as best I can, to legislate for the entire country.

Agriculture is the Nation's basic industry. Upon it depends the prosperity of the Nation. That is so obvious that it is axiomatic. The farmer is the mainstay of the country. I am an individualist, but I believe that the Government should do what it legitimately can to promote the prosperity of the farmer. Such legislation is not, strictly speaking, class legislation for its benefits redound to the general well-being of the country at large. We all, more or less, share in the farmer's prosperity, and also, I may add, we all suffer economically when the farmer suffers. We are all, so to speak, a part of the same economic and business organism.

That is the attitude of mind with which I approach the consideration of the McNary-Haugen bill. The truth is I was more or less biased in favor of the measure because of its avowed purpose to benefit the farmer. But after I had studied it I had to come to the conclusion that it ought not to become a law. I shall not vote for it, although I come from a State that is said by the proponents of the bill to need the proposed legislation. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. LARSON of Minnesota. Not now. My judgment is that instead of benefiting the farmers of my State it would ultimately work great injury, not only to them but to the State and to the entire Nation. I know that there are many organizations in my State that have indorsed this bill. It may be that among them is a labor organization.

Mr. BURTNESS. Will the gentleman yield?

Mr. LARSON of Minnesota. Not just now. Some men who stand high in so-called big business have indicated that they favor this measure. That a bill is supported by large numbers does not always mean that it has great merit. These men may not have given the matter thorough consideration. It is not a difficult matter to secure the passage of a resolution by almost any organization of citizens for or against any legislative bill. It is easy to manufacture public sentiment by carrying on a well-directed propaganda. People are too busy, or perhaps intellectually too indolent to do their own thinking. They are glad to accept the conclusions of others on almost any subject however important. The criticism is not confined to the so-called hoi polloi. A brief explanation of the purposes of this very bill made by one of its most ardent supporters to the chief executive of one of the greatest railroads in this country, persuaded that executive to indorse this measure. Do you think it is possible for any railroad executive or any big business man or any college professor to be able in a brief period of an hour or two to grasp even the essentials of this measure so that he may be justified in recommending its passage by the Congress of the United States?

I will say that without long and deep study, thorough concentration, no man, however great as an intellectual giant he may be, can reach an intelligent judgment on the merits and demerits of this most important, most complicated, most intricate, most revolutionary legislative proposal. The proposed corporation may do a business involving a capital of hundreds of millions of dollars, and engage in the operation of complicated and world-wide business transactions.

Why, it took at least four months for the members of the Agricultural Committee of the House to come to some definite conclusion as to what kind of a measure should be presented to this House. This committee had before it a large number of witnesses, many of whom, no doubt, were competent by reason of their experience and study to give the committee valuable testimony in regard to the merits or demerits of the proposed legislation. Yet notwithstanding this committee had four months in which to consider this measure, the committee is divided as to the kind of a measure, if any, that should be presented for our consideration. I will make this statement without fear of successful contradiction that no member of this committee can stand up and honestly assert that he knows how this proposal would work in actual experience. It is a speculation; it is a wild venture that may result in a business depression from which it would take years to recover. The proponents of the McNary-Haugen bill are urging us to venture upon an uncertain and uncharted sea without rudder and without compass. Where it would land us after five years have passed God only knows. It looks to me like a shipwreck before we would get very far on the stormy and turbulent sea.

Why do I think so? Time does not permit me to enter into an exhaustive consideration of the reasons for my conclusion. I shall briefly give you some of the conclusions I have arrived at through thoughtful and unbiased consideration of the bill.

If there is a real agricultural emergency, it is not so serious as to justify the proposed revolutionary experiment. The agricultural depression is being solved by the operation of natural economic laws. There has been considerable talk about the failure of banks, and unless we read with discrimination we may reach the conclusion that nearly every bank in the Northwest is about to close its doors. If we take seriously the statements of the calamity howlers, we may think that no bank in Minnesota or the Dakotas or in Montana is safe; that the banking business in those States is shot to pieces; that a great financial collapse in the Northwest is imminent and certain. What are the facts? It is true that some banks have gone to the wall, but the fact is that they were mostly shoestring concerns that never ought to have existed at all. I say most of them were such, not all. Their banking methods were unsound. They probably tried to overreach during the period of inflation, and when the period of deflation came they could not weather the storm. The records show that before the collapse of 1920 came there were 3,875 banks in the ninth Federal reserve district, altogether too many for sound banking.

North Dakota, the State so ably represented in part by my friend, Mr. BURTNESS, who is so zealously advocating the passage of this bill, has five banks where one would have been sufficient, based on the ratio of the population per bank for the United States as a whole. South Dakota has four, Montana has three, and my own State of Minnesota has twice as many as the national average. The fact is that the region involved is overbanked. The newly established banks had to get business. That meant the offering of more liberal loans to the farmers and merchants. That in turn accelerated and increased the inflation. When the crash came in 1920 these banks had to go. That was inevitable. But the situation is becoming normal. Let me quote what Mr. John H. Rich, chairman and Federal reserve agent of the Federal reserve bank of Minneapolis, says in a very excellent and exhaustive statement on the economic position of agriculture in the northwestern grain-raising States. I ask you gentlemen to listen to this, and then say whether there is a real agricultural emergency, at least in Minnesota:

> So thoroughly has the process worked itself out that wheat acreage has already been brought back by elimination to nearly a normal basis, while in banking, in merchandising, and in the distribution of goods the volume of service has been brought in right relation to the necessities of the population.

That is the testimony of a man whose business it is to know the farming, and especially the banking, situation of the territory inhabited by those whose interests the McNary-Haugen bill advocates are pleading I am not impugning the veracity of those who are trying so hard to write the word "Failure" all over the Northwest, but personally I prefer to rely upon the testimony of Mr. Rich, because his means of acquiring accurate and reliable knowledge are more extensive and better than are the means of those who are constantly howling everywhere and on all occasions that the great Northwest is about to fail; that it is going to the demnition bow wows.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. VOIGT. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. LARSON of Minnesota. A little later. Mind you, Mr. Rich is not seeking political office from the masses. He is in a position to give us the unvarnished, the unbiased proof regarding conditions in the Northwest.

Much has been said in regard to the failure of the farmers. It has been stated that the farmers in great numbers are voluntarily or involuntarily abandoning their farms and seeking other means of livelihood. It is true that a great many men engaged in farming have failed to make good as farmers. The number of failures has been exaggerated, however. Many of them would have failed even if no deflation had come.

Everyone can not farm successfully. Farming requires intelligence, hard work, thrift, forethought, good health, and, most of all, business ability. All men do not possess these economic virtues. Some are ignorant, some are lazy, some are shiftless, some are unhealthy, some lack ordinary business experience and business sense, and such are bound to fail sooner or later. They can not make a success. They can not become successful farmers by congressional legislation or by presidential proclamation. When the Government assures us equality of opportunity, it has done all that it can do and all that it ought to do.

Another objection to this McNary-Haugen bill is that the plan proposed would aggravate the situation by stimulating overproduction. To my mind that is as simple as a, b, c. It is as certain as the day follows the night. When a price is fixed by the Government which is sufficient to guarantee to the farmer a profit in the sale of his agricultural products, is it not reasonable to suppose that the farmer is not going to take any chances on raising something about which there is an uncertainy as to whether he will get a profit, but will rather devote his energies and his time to raising something for which he will receive a guaranteed price sufficiently high to compensate him for the expenditure of his time and energy. Ah, you say that moral persuasion will be used to prevent him from increasing his wheat acreage.

When has that moral persuasion ever succeeded? Do you know of any price-fixing scheme in history where there was not an overproduction as a result of the price fixing? Such has been the case everywhere it has been tried. It would be so if this bill should become a law. Instead of solving the problem which is created by reason of the fact that there is overproduction, you are going to aggravate the difficulty of the problem. You are going to have even more overproduction than you have now.

If this bill should pass it would increase the already too high cost of living, and thereby cause popular discontent and bring about a vicious circle which would finally end in collapse.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LARSON of Minnesota. In a moment. It would retard, if not entirely destroy, the present agricultural cooperative movement. Did you gentlemen get the significance of the question that was propounded to the former speaker, Mr. KETCHAM, of Michigan, regarding the purpose of these cooperative societies? The ultimate purpose, of course, is to get the highest possible price, and in order to get such a price, of course, they have to eliminate the unnecessary waste caused by the intrusion of the unnecessary middleman. But if the Government gives the farmers the highest price possible, why indulge in any cooperative movement voluntarily? They would cease to exist.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. LARSON of Minnesota. No. That seems to me to be true beyond any question. Although I own a farm, I am not a farmer——

Mr. CLAGUE. The gentleman has proved that.

Mr. LARSON of Minnesota. Oh, you can not always tell what a man is by looking at him, and that reminds me of a little story which I must tell on myself. A couple of years ago when I was campaigning I stopped in a small town in my district for a little time, waiting for my tin lizzie to be repaired.

I was sitting down in front of the only hotel when I was introduced to a young man of about 22 years of age. I found out in talking with him that he had lived for some years in Constantinople and it was about the time when the Near East crisis was on. I began to talk with him about what was happening over there. I found out that he was a very intelligent fellow, who had been a student at Robert College and spoke Turkish, Greek, Russian, French, German, and what not, and after we had exhausted the subject he said casually, "I can tell by looking at a man just what he is." I said, "Is that so? Can you tell me what I am?" "Yes." Then I sort of spruced up and made myself appear as much as I could like a real statesman, and I said, "You take a good look at me and tell me what I am." He said, "It is not necessary, I have been talking with you for a half hour." "What am I?" He said, "You are a barber." [Laughter.] I may have demonstrated to the satisfaction of my friend from North Dakota [Mr. BURTNESS] that I am not a farmer nor an agricultural economist, but only a barber who has attempted to express some ideas on this complicated McNary-Haugen bill. Now, to return to my subject. It would not only utterly destroy the present agricultural cooperative movement, it would probably wreck the present machinery evolved as a result of years of experience for the economical and efficient distribution of marketing our agricultural products.

For a time it might destroy our foreign markets for our agricultural products, especially our market for wheat, by causing the European governments to invoke countervailing, antidumping laws. I know it has been denied, but it seems to me just as inevitable as night follows day that if we undertake to dump our surplus products on the European market, Canada is going to object, Australia is going to object, India is going to object, and England, which desires to be on friendly terms with her colonies, is going to invoke her antidumping law, and then we will be in a position with an enormous surplus of wheat that we can not dispose of. In addition to that it might lead to international strife and discord.

It is a price-fixing scheme; you can call it what you please. History shows——

The CHAIRMAN. The time of the gentleman has expired.

Mr. LARSON of Minnesota. May I have two additional minutes?

Mr. VOIGT. I yield the gentleman two additional minutes.

Mr. LARSON of Minnesota. History shows that never has a government price-fixing scheme worked successfully. You can appeal to ancient history or modern history, wherever government price fixing has been tried it has collapsed, to the serious detriment of the nation which undertook to try it. They have all ended that way. It never has been done, and it never will be done. The natural law of economics can not be long frustrated by government edict.

I do not, Mr. Chairman, impugn the motives of those who advocate the passage of this bill. They are sincere. I do not question their sincerity. For some of them I have a very high personal regard, but so were those who tried price fixing before. They, too, were sincere. So were the greenbackers who tried to cure the economic ills which followed the Civil War. They were sincere. So were the free silverites in 1896. So were Lenin and his disciples, who almost have ruined Russia economically by government intrusion in business. They were sincere. The proponents of the McNary-Haugen bill are sincere, but that fact, if it becomes a law, would not lessen one bit the damage that would result therefrom to American agriculture or American business generally. [Applause.] We have become the greatest and the richest and the most powerful nation in the world by encouraging individual initiative and private enterprise and by keeping wide open the door of equality and opportunity.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOIGT. I yield the gentleman two additional minutes.

Mr. LARSON of Minnesota. Now, Mr. Chairman, let Russia experiment with government intrusion in business, but let us follow the safe and tried course that has brought our Nation to its acknowledged position of preeminence among the nations of the world. [Applause.]

Mr. EVANS of Montana. Will the gentleman yield?

Mr. LARSON of Minnesota. I will.

Mr. EVANS of Montana. Does the gentleman think the door of equal opportunity is kept open in this country when we maintain a tariff bill such as we have now and decline to do anything for the agricultural interests?

Mr. LARSON of Minnesota. In the first place, we have not declined to do anything for the farmers. As I said in the opening of my remarks, the first bill I voted for was the agricultural emergency tariff bill. Since then I have voted for a dozen or more bills, the object——

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOIGT. I yield the gentleman two additional minutes.

Mr. LARSON of Minnesota. The object of which was to benefit agriculture, and all these measures, as I recall it, have been enacted. I do not claim and nobody claims that there is perfect equality of opportunity in this land. There can not be; our Government is human made; it is therefore not perfect; but we have more equality and opportunity in the United States of America and under the American flag than under any other government in the world. That is what I maintain.

Mr. EVANS of Montana. There is no question about that.

Mr. RUBEY. Mr. Chairman, I yield five minutes to the gentleman from Minnesota [Mr. WEFALD].

Mr. WEFALD. Mr. Chairman, I had not intended to take the floor at this time, but I feel that somebody from the State of Minnesota ought to say a few words right now. My good friend from Minnesota [Mr. LARSON], who has, during the last two sessions of Congress, so ably been representing the eighth district of Minnesota, in which is situated the city of Duluth, I am quite sure would not have delivered—I will say it was an able discussion from his standpoint—but I will say he would not have delivered that kind of a speech had he been a candidate for reelection. [Applause.]

Mr. LARSON of Minnesota. Will the gentleman yield?

Mr. WEFALD. The gentleman did not yield to me.

Mr. LARSON of Minnesota. But the gentleman made a personal observation.

Mr. WEFALD. I made it in all kindness and in all candor. In the city of Duluth I am sure there is no agricultural crisis. The city of Duluth is where most of the grain that is raised in the Dakotas and Montana passes through the terminal elevators. I remember the time that I was a member of the State Legislature of Minnesota, and some of these bolshevistic farmers that the gentleman from Minnesota has so ably and vividly pictured to you demanded an investigation of the grain business, and we found that out of the millions and millions of bushels of grain—wheat especially—that passed through the elevators at Duluth—and those elevators, I am quite confident in my own mind, are owned, controlled, and operated by the close, personal, and intimate friends of Mr. LARSON—we found that it was the most profitable place in the United States to raise wheat.

Mr. LARSON of Minnesota. Will the gentleman yield for a statement?

Mr. WEFALD. The gentleman did not yield to me.

Mr. LARSON of Minnesota. Well, I did not make any personal observations.

Mr. WEFALD. This is not personal; this is the truth. [Laughter.] We found that there were going through the elevators in Duluth——

Mr. LARSON of Minnesota rose.

The CHAIRMAN. For what purpose does the gentleman from Minnesota rise?

Mr. LARSON of Minnesota. I rise to ask that the gentleman now addressing the House permit me to make a statement.

Mr. WEFALD. I decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. WEFALD. There were twice as many bushels of No. 1 wheat passing out of the elevators, that was shipped out to Europe, as went into them. I do not wonder that the gentleman from Minnesota does not take the same view of this question that I and the other Representatives from the agricultural districts of Minnesota and the Dakotas and Montana take. The gentleman referred to some of the northwestern Representatives as calamity howlers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WEFALD. Give me five minutes more.

Mr. RUBEY. I yield the gentleman three additional minutes.

The CHAIRMAN. The gentleman from Minnesota is recognized for three additional minutes.

Mr. WEFALD. I want to ask—I will not ask the gentleman from Minnesota, because I did not yield to him—if, as I was told in a letter by some constituent of mine who wrote me lately in regard to a rural-mail route, that upon that mail route five years ago there were 150 names and there are now only 50 names, whether in that part of the country there is an agricultural crisis? Is there a man within the sound of my voice who will say there is not? Oh, I never dreamed that I should at this day and age and in this place hear the Bourbon spirit speak like it has spoken here when the gentleman from Minnesota told us that the trouble with bank failures in Minnesota was that there were three times as many banks as the State ought to have. Such speaks only the voice of Wall Street. He says they were shoestring banks and went bankrupt. The gentleman has not been out in the agricultural districts of Minnesota and I do not believe he is very well informed on what has happened there during this last year. I can tell him of some banks in Minnesota that had a capital stock of several hundred thousand dollars and deposits that ran up into the figures of millions that have gone bankrupt. They were not shoestring banks at all. The gentleman told us a very funny story about being once mistaken for a barber. Yes; I do not wonder that he was at one time mistaken for a barber. Ah, I wonder whether there is a person within the sound of my voice who, after listening to his speech, did not think that every farmer in Minnesota was such that at this time he needed a shave and a haircut. The gentleman from Minnesota can give them both. Ah, it reminds me of the glorious days of old Senator Nelson, when he came out and talked to the wild-eyed and woolly hayseed farmers. That is what he called them. That was all the sympathy the farmers got from him when they complained. There was agricultural distress at that time also. Yes; I have heard something about Russia. It has been the stock in trade of the new school of politician in Minnesota to talk about Russia.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. VOIGT. I agreed to yield the gentleman several minutes, I believe. I will yield the gentleman three or four minutes, if he wishes them.

Mr. WEFALD. I thank the gentleman.

The CHAIRMAN. The gentleman is recognized for four additional minutes.

Mr. WEFALD. Russia does not scare any man in Minnesota any more. We have a governor in our State who, in his first campaign for the governorship, went before the people, and there was agricultural unrest at that time. What did he say? He spoke about Russia; he said practically the same things that the gentleman said upon this floor to-day, and what did they do to him? He was elected in his first election by a majority of 140,000; in the next election that was cut down to 14,000; and last year, in the senatorial election, he was defeated by a plain dirt farmer to the tune of 95,000 votes. Ah, yes; there is an agricultural crisis in the State of Minnesota, my friends. Any Member of Congress from that State that does not know that will be told so in the next election.

Mr. BLANTON. Will the gentleman yield?

Mr. WEFALD. The gentleman always gets at least five minutes, and I suppose I have only a minute or so left.

Mr. BLANTON. I want to ask the gentleman a very pertinent question.

Mr. WEFALD. Well, go ahead.

Mr. BLANTON. The gentleman is a distinguished representative of the Farm-Labor Party?

Mr. WEFALD. Not very distinguished.

Mr. BLANTON. Does not the gentleman know that his party has denounced this bill?

Mr. WEFALD. My party?

Mr. BLANTON. Through the president of the Farm-Labor Party, Mr. Fitzpatrick?

Mr. WEFALD. Fitzpatrick lives in Texas, I think. [Laughter.]

Mr. BLANTON. Mr. Fitzwater?

Mr. WEFALD. He lives in Texas.

Mr. BLANTON. Is he not your president?

Mr. WEFALD. No. I will tell the gentleman that I am glad he asked that question. My party is a political party; it will reach Texas in time.

Mr. BLANTON. He is the president of the Farmer-Labor Party, is he not?

Mr. WEFALD. Just give me time to answer. I met the gentleman you speak of last winter in a meeting here at which we discussed these farm-relief questions, and he told me that the gentleman from Texas had not seen the light, but they were going to make him see the light by the next election. [Laughter.]

Mr. BLANTON. Somebody made me see the light, because I always see it.

Mr. WEFALD. I am glad the gentleman asked me the question. I have here in my pocket a prepared speech that it would take me nearly an hour to deliver and I can not get the time now, but if I can get the time to deliver it, I shall show the gentleman what the Democratic Party ought to do and what their pledges were in the last campaign, and what the Republican Party's pledges were in the last campaign, and I can prove to this House that the Republican majority in this House in their platform in the last campaign stands pledged to pass a bill of this kind and nature. I do not support the bill because it is proposed by my party. I am not a slave to party. I do what I think is right. I am not against the bill because the men I have been affiliated with here have not suggested it. I am proud of the fact that my insurgent friend from Wisconsin [Mr. VOIGT] has delivered the ablest argument against the bill, because that shows that in the insurgency in this House there are some brains attached to it. It shows that we insurgents differ at times and can not be driven like sheep. But I am for this bill in spite of the fact that it is a Republican measure proposed by Republicans, and I think that a Republican President ought to sign it.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I am opposed to this bill and for that reason will vote against it. I regret that I have to vote against a bill that is said to be in the interests of agriculturists—the farmers of the land. I have a sympathy for the men who till the soil, but in that respect I suppose I am no different from millions of city dwellers who realize that we in America who live in great towns and cities are at the longest period but a few generations removed from an ancestry that in all probability tilled the soil in European

countries and other lands for several thousands of years. I regret that I have to vote against the measure that is said to be in the interest of the yeomanry of our land who form the real foundation on which is constructed and built up all of our greatness and glory, or to phrase it in the language of our own immortal poet, a greatness and a glory that surpasses "the glory that was of Greece and the grandeur that was of Rome." Over the main archway of the Union Station, one of the Capital's architectural wonders, may be seen an inscription selected by President Eliot, of Harvard University, the first three lines of which should ever be in the minds of the statesmen, though the balance of that inscription is also worth remembering:

> The farm, best home of the family, main
> Source of national wealth, foundation of
> Civilized society, the natural Providence.
> The old mechanic arts, controlling new
> Forces, build new highways for goods
> And men, override the ocean, and make
> The very ether carry human thought.
> The desert shall rejoice and blossom
> As the rose.

Both in the legislature of my native State, where I served the people among whom I was born and reared for 12 years, and in this the Congress of the United States I have unfailingly and sympathetically supported every measure that I thought might afford some relief to the agriculturists of our country. I will continue to do so as long as I serve in a public capacity or live in private life. But I can not support this bill. I can not vote for it, because I am convinced from the annihilating analysis made of it by my colleague Doctor ASWELL, wherein he has demonstrated beyond all cavil and doubt that it will not do the farmer himself any good but will lead to his complete destruction after it has burdened his city wage-earning brethren to the point where their backs will be broken, benefiting only the packers and a few giant holders of agricultural commodities; that it is totally at variance with economic truth and is the last word in governmental fallacy and absurdity. I am convinced by his masterly, forceful, logical speech on this subject that this measure, if enacted into law, will ultimately lead to the unspeakable poverty of the tiller of the soil and the wage earner in the city, adding to the wealth only of those who are presently rich beyond the dreams of avarice. It is a measure that, without being offensive in my statement of the case, is the acme of folly in that it ignores completely the law of demand and supply, a law as ruthless in its operation and as unceasing, inexorable, and unsubduable and unpreventable as the tides of the sea or the seasons of the year. Things perhaps ought to be, but, however sad it may be to come to such a conclusion, things are; and we do not prevent the operation of law by closing our eyes to the situation or ignoring that law.

I would not, if it were not for the persuasion of my friend Doctor ASWELL, address the house on this bill. I am a city dweller, city born and city reared, and that fact might appear to make it impossible for me to understand and appreciate the condition of the poor countryman, farmer or agriculturist, as you will, who is striving to make his humble lot a little brighter and his country a little better for any effort that he may put forth; but my colleague knows that I possess, in common with all of my countrymen, an affection for the man with the hoe, who toils from sunrise to sunset, who earns a pittance, and whose only consolation is that he is still a free man except for his financial burdens, is a son of great nature, free from the artificial restraints that afflict his city brethren, has the open spaces for his breathing spots, and at night the broad canopy of the heavens, star studded, to suggest to him the wonders of the universe and the omnipotence of his God. I wish I could offer some remedy for the financial embarrassment that besets the path of the farmer. He was the first man on earth, and he will be the last man on earth. He was our first kinsman, and he will be the last one of our line when this old earth is speeding on to its final destruction. Altering the lines of a celebrated sentence in a great speech delivered in Congress years ago: If I could be instrumental in lifting his burdens and solving his problems, I would not exchange the proud satisfaction that I would enjoy for all the triumphs that ever decreed to the most successful conqueror.

Then, inasmuch as I know that no statute of any legislative assembly, no resolution of any lawmaker can alter or amend the immutable law of supply and demand, what have I to offer to my toiling countrymen in the fields of the land? Just a few observations from which he may draw a lesson that will in itself suggest a thought that may ripen into other thoughts and carry to other minds that which may result in something that will bring about the betterment of his unhappy financial lot. But before I reach my suggestion, let me repeat, reiterate that any attempt to control, subdue, or prevent the operation of the great law of exchange and trade will be as idle, as foolish, and as barren of results as the pose of Ajax in the fabulous story of his defying the lightning, as the command of Canute to the ocean to stay her proud waves on the shores of his dominion, as the order of Joshua to the sun to stand still, which was tantamount to the ordering of the earth to stop revolving on its axis. No artificial restraint imposed by man can even for a moment prevent the operation of any natural law, or the operation of a law springing into being as the result of conditions that were brought into existence by the operation of some other law. The universal scheme of things is dependent upon law, and that law is in operation unceasingly, though we see it not, understand it not, know it not. In the fullness of time we make the discovery and give its principle an application that works for our individual advancement and promotes the general welfare. Even our great transportation problem, subject to the immutable law that governs all things, will solve itself by a unification of waterways, highways, railways, and airways, inescapable, unavoidable, inevitable as the result of the general growth that will make unerringly and irresistibly for that unification. No; we can not make men rich by congressional resolution or legislative enactment, so far as they will affect the operation of economic laws.

Why, gentlemen, if we could solve the problems that afflict the agriculturalists of this country to-day with a price-fixing measure—and this is a price-fixing measure, soften the term as you will—the problems of the world would be settled for all time to come. I am absolutely convinced, I repeat, that it is utterly at variance with economic truth to think you can do so, and that you are attempting to accomplish the impossible—that is, by resolution of the lawmaker to undo that economic law which has been operating unceasingly night and day from the beginning of time, and like all law will continue to operate until time is no more. You can not do it, gentlemen, as much as I would like to see you do it, and the fact that some of the ablest proponents of this measure to-day have reluctantly conceded that it is not a perfect piece of legislative mechanism, that it is subject to criticism, means nothing more or less than if you were to attempt to put it into operation it would mean unthinkable poverty for nine-tenths of the agricultural masses and for the vast and overwhelming majority of the city dwellers.

The only people who would reap benefits from this bill, I repeat, and I can not repeat it too often, are the packers and the gigantic holders of commodities who would be subject to its provisions, or, rather, the beneficiaries of its provisions. The title has passed from the hands of the men whom you would aid and assist, and God knows I would like to see you in a position to aid and assist them. I know you are sincere; I know you are honest in your endeavor; but that does not render that effort the less susceptible to criticism or less erroneous.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. O'CONNOR of Louisiana. No; I can not yield now, I regret to say.

Mr. Chairman, I am not severely analytical in my attitude to human existence. The lesson of life has been learned by me by actual observation, and it is that experience that I usually bring to bear in trying to solve the problems that confront me.

Probably, in no other city in the United States of America are the inhabitants so closely related to the people of the surrounding country as we are in the city of New Orleans, where we are blood of their blood and bone of their bone and sinew of their sinew.

That romantic old city, situated at the foot of the river near the Gulf of Mexico, is dependent for her prosperity if not for her existence on cotton, sugar, and rice, so that the people of our city are really within the cousin degree of the people who live around us. In other words, we of New Orleans are of the country and for the country. Now, to the suggestion I referred a short while ago. Years ago when I was stenographer for a cotton house, I learned one of the great lessons, which I will endeavor to indicate to you in hopes that it will fall on fertile ground and bear some results, if not now, at some other day.

For years the South had been obsessed by the slogan or high-sounding expression "cotton is king." The humblest white man in the South swayed by that alluring and appealing announcement refused to make any other crop than a crop of cotton. In fact, he did not think of the matter from any other standpoint or in any other light.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. VOIGT. Mr. Chairman, I yield the gentleman from Louisiana 10 minutes from my time.

Mr. O'CONNOR of Louisiana. I learned in those days that there is more danger in a slogan than in a dynamite bomb. I learned that a blind attachment to a tradition, that worshipful reverence almost of the expression "cotton is king," prevented for years the progress of diversification and retarded the new development and prosperity of our section to an immeasurable extent. As a result of our failure to hearken to the cry of a few John the Baptists who were preaching in the wilderness, as it were, the necessity of diversification, cotton hit bottom in 1895, when middling sold for a little above 5 cents per pound. It was a fearful time. But we learned through the stress of that never-to-be-forgotten period the bitter lesson, though we have not learned it entirely. "God moves in mysterious ways His wonders to perform," and it is through saddening experiences that we learn the law and move to a higher and better knowledge of the things that control us, if we do not control them. During those clerkship days I was in a position to know first hand the trials, the tribulations, the disappointments, and the woes and burdens of the cotton planters, high and low, the merchants and the tenants of the country who raised and shipped their product to the city for sale—for the pittance that it brought in those unhappy days. Yes, I can and do sympathize with the afflictions of the northwestern farmer, for I witnessed the privations and the suffering that our farmers in the South underwent and endured while endeavoring to restore their section of our common country during and after the reconstruction period, when we felt that all was not lost as long as we had honor and the faith of our fathers left.

It was during those dark, terrifying days that there came among us to lift us in a measure from the slough of despond, as it were, a gallant soul from New England, a man who played out magnificently the grand part allotted to him in the drama of life. He was indeed a cloud by day and a pillar of fire by night to us of Louisiana. He preached day in and day out, week after week, year in and year out, in season and out of season, "Diversification, multiplication of products, diversify, diversify." He realized that such was the only way out of our deplorable situation and that a reasonable application of the doctrine he preached continuously was only the acknowledgment, the meeting, the acquiescence in the living up to the law of production and that economy which teaches that you can not spend more than you make, that you can not have your cake and eat it, too.

We are a very conservative people, Mr. Chairman and gentlemen of the House, as you who have observed and studied our dispositions, tendencies, and reactions know. We are extremely reluctant to break old habits or depart from established customs, violate precedents, or change an attitude that might even spell economic vassalage. Notwithstanding the zeal of a few, Peter the Hermit, leading a new crusade, the crusade for diversification, we made little progress in that direction. Our preachments, our sermons, fell to a large extent upon deaf ears, until a terrible day when we awakened to the fact that we were face to face with a calamity that whitened faces and stilled the beatings of our hearts, for a situation suddenly confronted us that had no parallel in history. The boll weevil, insignificantly small in size, but making up an army numbered by millions and millions, cut across the Mexican border and in the twinkling of an eye the prosperity of a vast section was changed to adversity little short of prostration.

I had often read of the desolation of India under the misrule of Warren Hastings and the misery of Oude as depicted by Burke and Sheridan, but never had a grasp of what agricultural ruin meant until I crossed the once fertile fields of north Louisiana, from the Mississippi to the Red River, during the first year of the destruction wrought by the weevil. I shall never forget that trip. Abandoned farms, deserted cabins, making for a solitude so vast that one felt as if he were under the influence of some evil wilderness spirit. The once inspiring slogan "cotton is king" was forgotten, and the boll weevil had apparently conquered. We had not diversified to any extent. We were still a "condensed-milk country with cows running wild." We are learning the great truths of human existence, of the orderly and the wise way, slowly but surely, my friends. That is the only consolation that disaster brings to us, Mr. Chairman, in its wake, and that is that it teaches us some valuable lessons through its chastening rod.

Our people had fled from their fertile fileds where they raised cotton only—because cotton was king—as if from a plague-stricken land, for that is what is was after all. Fields that whitened with cotton one day were a waste the next, the boll ravaged by the weevil, against whose advance and depredation we were powerless, which suggests the thought that the human race will be vanquished by an invisible germ against which our guns and high explosives will be useless.

But the longing for home is irrepressible and generally resistless. Our disheartened and discouraged but brave men and women returned to their old homes resolved to do and dare again, and to struggle to hold the old homesteads for their children. Slowly they journeyed back and began life anew and knowing they could not depend upon cotton learned the value of diversification. But I do not think that north Louisiana has yet risen from the position into which she fell then as a cotton-producing section of this country. However, they learned a great though severe lesson. They learned diversification, they learned to avoid the cost of goods bought in the cities and freight costs by making on their farms what they formerly bought. And by the way that is another factor that some day will enter into the calculations, the conversations, the discussions of able men in this country, the tremendous saving that can be effected by avoiding unnecessary freight charges. Economists will ascertain that transportation is overdone in our land. We can not go on shipping raw material practically across the continent to have it put into the finished product, and back again across the continent for consumption, as such a freight charge adds enormously to the sale price of every article sold and consumed. Transportation plays too important a part in the affairs of this country, to the extent that by location of factory near the raw material we can avoid considerable freightage. But only time and a logical development of our great resources can cure the ills that are afflicting us recently, industrially, commercially, and agriculturally.

Mr. Chairman and gentlemen, I wish to thank the gentleman from Wisconsin [Mr. VOIGT] and my good friend from Louisiana [Mr. ASWELL] for the time they have allowed me. I know that I have not contributed very much to the value of this discussion. Some one once said that some men can talk half a minute and keep the world guessing for half a century while others can talk for half a century and not keep the world guessing for half a minute. I know that I do not belong in the first class, and I hope that I do not belong in the latter. I have endeavored to carry to your minds the fact that you can not by resolution, by legislative enactment, alter the great laws that have been constantly working from time immemorial to use the solemnity of a legalist. Otherwise you would have the millenium or, more than that, you would have the law that governs all things subservient and controlled by the legislative fiat of mere man. [Applause.]

Let me conclude; but before I do so permit me to say that the majority Members have not labored in vain. They have labored long, earnestly, and industriously with a problem that has puzzled philosophers and students since the sunrise of civilization in hopes of bringing to us a solution. Inexhaustible zeal, indefatigable enterprise, untiring activity have marked their course in the consideration and the reporting of this bill to the House. They have not failed, though the measure do not pass. They have aroused discussion, and it is upon the anvil of discussion that the spark of truth will fly. Though they lack the victors, they shall not want the toiler's pay.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I represent an agricultural district. My constituents are principally farmers and stockmen. They are now suffering great distress due to deflation following the war. Many stock raisers who owned considerable properties before the war are now bankrupt. I am deeply concerned about their welfare. I am very anxious, indeed, to help them. They deserve help. All will admit that agriculture must be put back on its feet. Farm life and farm profits must be made so attractive that the boys who have left the farms will return to them and be satisfied there.

But what is it possible for a Congress through legislation to do that will help and assist agriculture? It would not be a sound policy to give money to farmers. And they do not want their Government to give them anything. All they want is a fair, square deal. They want the Government to stop discriminating against them. They want a fair show. They want a fair market. They want only one middleman, not a dozen, making profits between them and the consumers.

I would vote for any bill that offers any sure relief for agriculture. But I will not fool the farmers and stockmen. When they ask for bread I will not give them a stone. I will not help to appropriate $200,000,000 in their name out of the Public Treasury and then make it possible for this stupendous sum of money to be squandered by others, and then tax the farmers and stockmen to make it good. I will not hold out make-believes and then rob them. During the eight years I have been here I have seen the Congress appropriate about $70,000,000 each year in the name of the farmers and turn it over to the Department of Agriculture, and then watched the

most of it expended in salaries and traveling expenses for swivel-chair employees; and when the overhead is compared with the small benefit bestowed upon the farmers and stockmen, it reminds me of when the little boy said he would rather have the bite than the apple.

Calling this McNary-Haugen bill a "farmers' relief measure" does not make it so. I have found that titles to bills are very misleading. I have found that all of them deserve close scrutiny. This bill will cause to be appropriated $200,000,000 of money out of the Public Treasury, and to get it the people of the United States—farmers and stockmen—will have to be taxed. And this money will be turned over to a Government corporation presided over by five directors, the chairman of it drawing $12,000 and the other four $10,000 each per year, and from the minority report we glean that we will probably have about 50,000 extra employees put on the pay roll to administer this act. Is not that too many employees? Is not that going it pretty strong on increased expenses? Have the farmers asked that we thus spend their money? No! For in that petition, signed by 350,000 actual dirt farmers of the United States, which they sent to us Congressmen through one of the leaders of the Republican steering committee, published in the CONGRESSIONAL RECORD, they demanded of Congress that we must not create any more boards, that we must not create any more commissions, that we must not create any more high-salaried positions, but that we must stop waste and that we must stop extravagance. And Congress has not yet paid any attention to them.

When the distinguished gentleman from Kansas [Mr. TINCHER] was discussing this bill he was asked why the consumers now had to pay just as much for pork when farmers are getting only 7 cents per pound, as they did when the farmers received almost double that price, and why all this profit between the producer and consumer was permitted. His reply substantially was that there was no provision in this bill designed to remedy that situation. Why is there no provision in this bill to stop these unconscionable profits of middlemen between the producers and consumers? That is the only thing the producers are asking of Congress. Even if this bill were workable—which it is not—and even if it would cause farmers now to receive 11 cents per pound for their hogs instead of 7—which it will not—there is not one paragraph in the bill to prevent these same numerous middlemen collecting their profits over and over again above this 11 cents before the consumer is able to put the pork on his table.

It would be a very easy matter, indeed, for Congress to limit these intermediate profits if it wanted to do so, but seemingly it does not want to do so, for it does not. President Wilson recommended that Congress do so. But it did not. Why does it not do so? Is it a fact that these middlemen have so much influence that they are able to prevent Congress from passing such a law? If this is not so, then why is it that Congress does not pass a law that will stop it?

There are many cattle and sheep in my district. My constituents are vitally interested in the price of beef, mutton, and wool. But even the proponents of this measure must admit that this bill will not benefit these products one penny. Why? Simply because the bill does not operate on any product until there is declared an exportable surplus of that product in the United States. And every posted Member of this House knows that we import more beef, and more mutton, and more wool than we export, hence there could not be declared an exportable surplus on any of these three commodities, hence it is clearly apparent that this bill will not benefit any cattle raiser or sheep raiser one penny's worth.

Mr. Chairman, we are witnessing a most peculiar situation. We have here a bill before us called a farmers' relief bill. The initial appropriation to come out of the Treasury authorized by this bill and which is to help the farmers is the great sum of $200,000,000, and yet all of the cotton farmers all over the United States—and cotton is the main crop in my State—think so little of the bill, however much they want relief, that they have come in and demanded that they be left out of it, and they were left out. Hence no cotton farmer in the United States will get any relief whatever from this bill. Is not that a wonderful situation? We have a farmers' relief bill that is to take an initial appropriation of $200,000,000 out of the Treasury, with cotton farmers and cattle raisers and sheep raisers all needing relief, and we find that the bill offers none of them any relief whatever, and we see the Representative of a farmers' district, our friend from Louisiana [Mr. ASWELL] on the committee, yet fighting it. We have a farmers' relief bill to appropriate $200,000,000, and we find another strong Representative of a farmers' district, our friend from Kentucky [Mr. KINCHELOE] on the committee, yet fighting it. And we find fighting it another member of the Committee on Agriculture, our colleague from Texas [Mr. JONES], who represents a farming and stock-raising district. They are fighting to keep you from placing it as a shackle around the feet of the farmers of the country. Is not that a peculiar situation?

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I ask the gentleman to kindly excuse me as I have so little time. We see another peculiar situation. The distinguished gentleman from Minnesota, our friend and colleague, Mr. WEFALD, is the representative and the only representative in Congress of the Farm-Labor Party. I have the highest regard for our friend Mr. WEFALD. He is a splendid gentleman. But I have no regard whatever for his party.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield to my friend because he is always courteous, and he yields to everybody.

Mr. WEFALD. I thank the gentleman. I wish to be fair always. Does the gentleman know anything about my party? [Laughter.]

Mr. BLANTON. I am now going to tell the gentleman something about it, with respect to its attitude toward this bill which it condemns. I have a letter here that has just been sent to me within the last two hours. It is dated to-day, May 22, 1924, and is from the Farmers' National Council. On the letterhead it gives the names of the officials who compose this Farmers' National Council. Let me read some of them: "W. W. Fitzwater, president of Farm-Labor Union of America." He is the national president of the gentleman's great organization known as the Farm-Labor Union.

Mr. WEFALD. Where does he live?

Mr. BLANTON. It does not state here, but I happen to know that he lives at Bonham, Tex. Let me give you some others. Here is "A. M. Hilliard, president Farm-Labor Union of Texas." The other was the national president. Here is "S. P. Russell, president Oklahoma Farm-Labor Union." Here is "R. W. H. Stone, president North Carolina Farmers' Union." Here is "J. C. Thompson, president Arkansas Farm-Labor Union." Here is "J. E. Warren, president Mississippi Farm-Labor Union," and I could read a whole batch of the others, but I have not the time; but that is a sufficient recitation to show you that they are some of the leading representatives of the gentleman's party, the Farm-Labor Union, and while I do not indorse either them or their party, I want to read you their just condemnation of this vicious bill.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret that I have not the time; otherwise I would gladly yield. I must read to my distinguished friend from Minnesota [Mr. WEFALD], who represents this Farm-Labor Union in Congress, and is its only Representative here, just what this letter from this Farmers' National Council says about this bill. I want you to understand clearly, however, that I do not indorse any of these men who are members of this council and I do not indorse their council, but however misguided they have otherwise been on political, economical, and governmental questions, they seem to have a pretty good idea about the viciousness of this bill.

Mr. WEFALD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. From this letter, dated to-day, from this Farmers' National Council I quote the following excerpts:

To Members of the House of Representatives:

GENTLEMEN: The Haugen bill is worth many hundreds of millions of dollars a year to meat packers and millers, bakers, and other speculators by increasing the value of stocks of their products they have on hand as soon as it goes into effect and by enabling exporters to assess back upon the farmers losses which they claim with their padded accounts to have sustained on the exports of meat products, flour, etc.

The Haugen bill is admitted by its author to be so injurious to farmers that he incorporates (sec. 305, p. 27) a criminal penalty of one year in jail or a $5,000 fine, or both, on farmers who "willfully" fail to comply with its wicked and unworkable provisions.

The Haugen bill is dishonest and deceitful; it pretends that farmers are to be paid the pre-war ratio price, though they were going broke at that price, but its sponsors privately admit farmers won't get over three-fifths to four-fifths of the pre-war ratio price. That is true.

The Haugen bill, through the intermittent operation of the export corporation opens the way to such colossal fraud, waste, and loot as make Teapot Dome lease look sanctified.

The Haugen bill is sponsored by Charles J. Brand, long the meat packers' efficient tool in the Department of Agriculture, whose present job is endangered by revelations regarding the Haugen Packers' Act.

The Haugen bill has not been indorsed by a single real national general farm organization, and all clear-thinking farmers are opposed to it. * * *

The Haugen bill has not been indorsed by a single real labor organization * * *.

Chairman HAUGEN suppressed the testimony I gave before his committee against the Haugen bill in which I exposed its vicious origina and results.

The Haugen bill is indorsed by the big financiers and bankers, like Otto Kahn, who see a chance to save their speculations. Who has paid for the enormously expensive propaganda for the Haugen swindle on farmers?

The Haugen bill is indorsed by * * *. They also indorsed the Cummins-Esch robbery and the ship-subsidy steal, and are fast losing their members. The Haugen bill will increase the cost of living by at least $1,500,000,000 a year, or $64 per family, of which the farmers may not be prevented from getting $300,000,000 to $400,000,000 in cash, to have it taken away from them later in higher prices for what they buy. The profiteers will take the rest, about $1,100,000,000.

The Haugen bill is a scheme to fill the treasury of the Republican Party—the oil funds being dried up.

Chairman HAUGEN knows he is misrepresenting the position of the American Federation of Labor, whose representatives stated they are willing to pay a higher price for farm products if the farmer gets it. They certainly would not be a party, nor would any other labor organization, to any bill to rob producers and consumers for the benefit of the gamblers and bankers who, Mr. HAUGEN admits, favor his bill. (CONGRESSIONAL RECORD, May 20, pp. 9028–9029.)

The Haugen bill is part of the big meat packers' scheme to create a food monopoly. Mr. HAUGEN amended his bill to include rice. In the one year, 1917, Armour & Co. became the greatest rice merchant of the world. The Armour Grain Co., of which the Armour family owned 86.9 per cent in 1917, handled 23 per cent of all grain receipts at Chicago, the greatest market in the world. At this minute, while Mr. HAUGEN is pushing his packers' subsidy bill, Armour and Swift are fighting in the courts to have the packers' consent decree set aside so they can get Mr. HAUGEN'S subsidy on wheat and rice, as well as on all products of cattle, swine, and sheep. Not a single big packer appeared against this bill. They have their agent, Charles H. Brand, working with Mr. HAUGEN for it. Ask Mr. HAUGEN if he dares deny these facts.

The Haugen bill is a typical standpat perversion of the bounty system of embargo and bounty which pays the bounty out of the Public Treasury. The Haugen bill provides for an embargo, but instead of paying a bounty to the producers of controlled crops, it almost criminally soaks the farmers to pay a bonus to speculators in these farm products.

Mr. Dante M. Pierce, Republican, leading farm journal publisher, says in the Iowa Homestead:

"The McNary-Haugen bill, in my opinion, is a snare and a delusion created to befog the farmers' minds, becloud real farming issues, and make political capital for a little clique of men. * * *
It is an effort to devise a system which will not bother the grain gamblers, the brokers, the commission men, or the packers."

The Haugen bill is a sinister move to kill a real efficient marketing system for farm products and end real cooperation. Kill the Haugen bill, and the administration and the House and Senate majority leaders will pass a real measure for farmers instead of the fake McNary-Haugen swindle on farmers. They won't dare not to. They might as well not have an election if they do not. They know it.

Eugene Frey, formerly lecturer for the Illinois State Grange, writes:

"I can not support the McNary-Haugen bill. To me it simply spells the death knell for genuine cooperative effort. The McNary-Haugen bill is vicious."

The present administration has deceived, robbed, flimflammed, deflated, and buncoed and broke nearly a million farmers. The Haugen bill is a climax of iniquity to this record.

I want you gentlemen to understand that the above denunciation of this bill does not come from me but from this Farmers' National Council. And while I agree that this bill is bad and should be defeated, I am almost ashamed to quote this organization and its board of directors, some of whose names I have given you.

The foregoing, however, is what an organization that I do not approve of says. I have been reading its condemnation just to show that the distinguished gentleman from Minnesota does not seem to be in accord with his party; he seems to be out of accord with these officials. Now I will yield to the gentleman.

Mr. WEFALD. I am glad the gentleman yielded at this time so I may set him right.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Will those in charge of time kindly give me five minutes more?

Mr. VOIGT. I yield the gentleman five minutes.

Mr. BLANTON. I gladly yield to the gentleman from Minnesota.

Mr. WEFALD. I wish to say to the gentleman that I came to Congress pledged to the support of the Norris-Sinclair bill.

Mr. BLANTON. Why, then, did the gentleman not get behind that and help us kill the Haugen bill?

Mr. WEFALD. Just one second. At this time it seems to me that the Haugen bill is the only bill that we can have a chance to get action on. I think it is the next best to the Norris-Sinclair bill. The gentleman used names of men who indorsed the Norris-Sinclair bill. Will the gentleman from Texas support that bill if it comes before the House?

Mr. BLANTON. I have not had time yet to study it, but I am willing for the men on the committee who represent real farming districts close to me to look after that bill, and if they say it is good I would then study it to see whether I will support it.

Mr. WEFALD. That bears out what I told the gentleman, that the gentleman from Texas is going to see the light, and I think he is beginning to see the light.

Mr. BLANTON. Mr. Chairman, I find that this letter tells the truth when it mentions Otto H. Kahn, because in another circular here is what I received in the way of the Kahn propaganda [exhibiting it] which came in another envelope, coming from a different State and post office.

I also got this circular [exhibiting another], supposed to come from Kansas, and then in another envelope from another post office I got this circular that is supposed to be an indorsement from organized labor; but when you put all three of them together you will see they are printed on the same printing press, with the same printer's ink, and with the same paper and type, if you please, all coming from the same source. Some one master mind sent all of this propaganda to us.

Mr. TINCHER. Will the gentleman yield to me?

Mr. BLANTON. Not at the moment. I regret I have not the time.

Mr. TINCHER. I always yield to the gentleman.

Mr. BLANTON. If our friend from Kansas had additional time to yield me, I would gladly yield for questions. I wish I had the time, because I do think a great deal of my friend from Kansas. Let me call attention to some other serious——

Mr. BLACK of New York. Was the union label on that last union circular?

Mr. BLANTON. I do not think it is on it. Look at it. I do not think the union label is on it. Well, since the label is not there, throw it away, because without the union label on it we know it is not authentic. The other night when the distinguished gentleman from Wisconsin [Mr. VOIGT] was making the best speech I have heard here in many a day he turned to the chairman [Mr. HAUGEN] and he said, "When these 80,000 hogs come on the Chicago stockyards and the Chicago stockyards can not use but 50,000 of them, and there are 30,000 to be handled by this Government corporation," he said, Mr. Chairman, "tell me what this Government corporation is going to do with those 30,000 surplus hogs"; and the chairman said, "Just send them on to another market; pass them on; send them on." How are they going to do it?

Mr. PAIGE. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. PAIGE. I assume that the gentleman believes that the law of supply and demand will regulate this whole matter.

Mr. BLANTON. Of course, I agree with the gentleman.

Mr. PAIGE. You remember three or four years——

Mr. BLANTON. You can not beat the law of supply and demand, if you prevent combinations.

Mr. PAIGE. The gentleman remembers when the slogan was "Buy a bale of cotton at 10 cents." That cotton to-day is 25 cents. If the southern cotton growers had then made a move for a bill of this kind to put cotton to 25 cents, it would have closed down every textile mill that used cotton in this country.

Mr. BLANTON. The gentleman is right. Now I want to mention the hog proposition. Some of you gentlemen who raise hogs—I think our friend from Ohio [Mr. BING] ought to hear this, the hog expert on class A hogs; I think he ought to be present and hear this.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. VOIGT. I yield to the gentleman five additional minutes.

Mr. BLANTON. I want to use those five minutes myself, and I must decline to yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. If any of you have ever rounded up your hogs and put them in a wagon or two wagons and started to market with them, before you got there, maybe so, you would find two or three 300-pound hogs dead in the wagon. I have seen that happen. When you get a hog fat and ready for market it is a pretty risky business to handle him under certain conditions.

You are taking big chances on him; you have got to know how to handle him in order to have him reach market alive. Suppose you ship hogs from several other States to Chicago, and when they reached the stockyards the packers could not take them, and then the corporation had to rehandle them and ship them somewhere else. Do you not know that the Government is going to lose many in that bunch of hogs by reloading them on the cars and sending them elsewhere after the Government purchases them?

I want to refer to just one other matter in these five minutes in order to show you the ridiculous attitude our committee is in. Our friend from Missouri [Mr. RUBEY] virtually admitted this was a price-fixing proposition.

Mr. RUBEY. I did not admit that.

Mr. BLANTON. I am going to ask you to look at his remarks to-morrow and see what he did say.

Mr. RUBEY. I will tell the gentleman what I said.

Mr. BLANTON. Mr. Chairman, do not take this out of my time. I decline to yield.

Mr. RUBEY. I will tell the gentleman what I said.

Mr. BLANTON. Here are about the words the gentleman used. I paid close attention and the gentleman will not deny them when I say them. Here is what our friend said. He said, "We do not admit this is a price-fixing matter, but," he said, "for the sake of the argument, let us presume it is," and then he said, "What of it?"

Mr. RUBEY. Well, what of it? Tell us.

Mr. BLANTON. Mr. Chairman, I ask that this interruption be not taken out of my time.

The CHAIRMAN. The gentleman asks not to be interrupted.

Mr. BLANTON. I am going to tell him "what of it." I have seen this Government price-fixing machine operate. I was here during the war, and we had a southern man, if you please, as Secretary of Agriculture—Mr. David F. Houston. He had been president of my State University of Texas for several years, and he had been my professor in the State university when I was a young man attending college there in 1894 and 1895. He was supposed to have at heart the interests of the southern farmers, yet when cotton was worth 45 cents a pound we found this southern Secretary of Agriculture attempting to fix a price of only 25 cents a pound on cotton, which would have bankrupted every cotton farmer in the United States. That is an illustration of what may happen with Government price fixing.

I want to say this to you on this price-fixing proposition: It works both ways. It can be fixed up and it can be fixed down. I heard that distinguished orator from New York, the Hon. Bourke Cockran, stand on this floor and in one of the last speeches he made here say this. He said:

I represent 5,000,000 consumers in the city of New York, and I am here to stand and fight for them to get everything they eat and everything they wear at the very lowest price possible.

Those are the words of the former distinguished Bourke Cockran, of New York. That is what we find to be the attitude of those coming from the great metropolises of this Nation. We will find the Representatives of the 5,000,000 constituents of New York voting to get what they eat and what they wear at the very lowest minimum possible, and there could come a time when, by the vote of the Representatives on this floor, the producers of this country, the producers of food, clothing in the raw materials, if you please, could have their rights jeopardized by a price-fixing machine which would run them off the farms. You have already run the boys off. It is the men and the old men, women and little girls, children who do the work there now. The boys are going to the cities. But if you should ever start a price-fixing machine there will come a time when you will run them all off the farms, and you people who live in the big cities of this Nation, in New York, Chicago, and San Francisco, will starve to death for want of food.

I am going to vote with the farmers' representatives on this committee, men like the gentleman from Louisiana [Mr. ASWELL], men like the gentleman from Kentucky [Mr. KINCHELOE], men like my colleague from Texas, MARVIN JONES, who represents not only a farming district but a stock-raising district. He has the interests of the stockmen at heart. He knows what could happen to the stockmen if this price-fixing machine is once started and put into operation. I am going to vote with those men, and I hope I shall get a chance to vote to strike out the enacting clause of this bill so that we may stop it where it is.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. TINCHER. I am in a position to yield to the gentleman one minute in order that I may ask him a question.

The CHAIRMAN. The gentleman from Texas is recognized for one additional minute.

Mr. TINCHER. I want to know who signed the letter the gentleman has read.

Mr. BLANTON. A man for whom I have neither respect nor regard, a man named Benjamin C. Marsh, managing director of this Farmers' National Council.

Mr. TINCHER. I just wanted to know who the man was.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman and gentlemen: There have been more misstatements of fact in the discussion of the McNary-Haugen bill than I have ever listened to in the discussion of any bill during the five years I have been a Member of this House, a part of the time, perhaps, for specious argument and at other times, no doubt, for lack of information.

Many have had something to say in regard to price-fixing. I maintain that this is not a price-fixing bill and my statement can be substantiated by the figures. If the bill had been in operation during the past year the effect on wheat prices would have been as follows, month by month. Starting with January, 1923, the price would have been, central market, highest grade wheat, $1.65; the next month, $1.66; the next month, $1.68; $1.68; $1.65; $1.62; $1.59; $1.59; $1.63; $1.62; $1.61; $1.60; and the first three months of this year, $1.60, $1.61, and $1.59.

How can anybody say that this is a price-fixing bill with a price that fluctuates practically 12 times in the year and a different price each and every month?

Now, gentlemen from New England have been very much disturbed as to the effect the enactment of this bill into law is going to have on their constituents.

I want to read to you a telegram received to-day, which tells you the effect that the agricultural depression is already having on your constituents, on your cotton mills, and you, men, in your cotton fields:

ROSALIA, WASH., *May 19, 1924.*

Hon. JOHN W. SUMMERS,
House Office Building, Washington, D. C.:

Cotton growers and manufacturers and wholesalers in eastern trade centers have direct interest in passage McNary-Haugen bill to restore buying powers to farmers.

Merchants in typical farm centers show remarkable decrease in merchandise purchases from New England and eastern Central States.

Six merchants of Walla Walla, Wash., purchases in 1920 aggregated $1,530,000.

The same merchants in 1923 purchased only $873,000.

Five merchants, Pendleton, Oreg., same years, reduction from $954,000 to $421,000.

Six merchants, Colfax, Wash., same years, $421,000 to $245,000.

All showing farmers' reduced buying power, $2,904,000 to $1,539,000.

F. J. WILMER,
President Whitman County National Bank.

The figures show a decrease in eastern purchases of nearly exactly 50 per cent.

That is what is the matter with your cotton mills and that is what would be the matter with your cotton prices in the South if it had not been for the boll weevil, which destroyed your crop and brought your price up to where it is to-day. I can not understand how men can gather their righteous economic robes about themselves and draw themselves off into one little section of the country and think that they and theirs are living alone. It does not happen. It can not be. We are all interdependent, interrelated one with the other. [Applause.]

All these facts show that the purchasing power of the farmer has been enormously reduced. While these figures especially reflect conditions in 9,000 towns west of the Mississippi River, they apply with almost equal force in Illinois and Indiana and several of the other states of the Union.

Are you now going to say that this is a sectional measure, that this is a class proposition? There is not a problem before the American Congress that compares with it. The tax bill, the bonus question, or any of the measures that we have had before us do not compare in their effect on American commerce, on American citizens, on American labor, and on American industry with the bill we are considering now. If I had the time

I would like to show the effect on the banks. Our friend from Duluth, Minn., spoke about 1920. Why, there have been eight times as many bank failures in the last eight months as there were in 1920, the year he cited as the worst year.

I would like to show you the figures on tax payments. I will show you that farmers in a highly productive country are paying only 5 per cent of the income taxes they paid four years ago. Does not that affect you throughout the United States? [Applause.] Gentlemen of the Southland and of the industrial East, I want you to know conditions as they are.

THE MAN BEHIND THE PLOW

Mr. Chairman and gentlemen, a few days ago I received this telegram:

WALLA WALLA, WASH., *May 13, 1924.*

JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

Following are comparisons of purchasing power of bushel of wheat in 1913 with to-day:

Two-bottom plow cost then 80 bushel now 140.
Wagon then 80 bushel now 200.
Double harness then 40 bushel now 80.
Suit clothes then 40 bushel now 80.
Pair of shoes then 6 bushel now 12.
Machine operators per day then 8 bushel now 16.
Harvest labor per day then 3 bushel now 6½.
All other articles in same ratio.

F. O. HAGIE, *Secretary Chamber of Commerce.*

These cartoons, which Allen Sousa, our courteous keeper of the west door, has enlarged at my request, forcefully illustrate the condition of the American farmer.

This one shows farm products in one end of the balances and all commodities in the other end. You will note the striking disadvantage of the farmer. Note the surprise on Uncle Sam's face as he confesses he "did not know conditions were so bad."

Our second cartoon shows the evening up of the balances under the McNary-Haugen bill.

Uncle Sam's cup of joy is full; his face is one broad smile of surprise and happiness. He wants to treat all his people fairly. "That's more like it," says Uncle Sam. "A square deal is all I want," says Uncle Reuben.

THE FARMER

The American farmer is the greatest stabilizing force in American life, American institutions, and American government to-day. So he has been since the foundations of the Republic were laid. I will go further and remind you that he furnishes the chief market for American industries, and that without him they must crumble; and in the crash American labor suffers most of all.

THE GOOD OLD DAYS

Prior to the World War the price of farm products kept pretty even pace with the products of factories, with transportation, and with labor. During the very normal 10-year period just preceding the war the price of farm products and of 404 commodities on which statistics are kept were on about the same level. We all agree that this parity was just.

Since agriculture is our great basic industry, no doubt all who hear me will agree that in common fairness agriculture of right should move up and down with all commodities.

WHY FARM PRICES LAG 30 TO 50 PER CENT

However, since the war we find the all-commodity price about 154 as compared with 100 before the war, and agriculture dragging 30 to 50 points behind. Why is agriculture lagging? For two reasons: First. Transportation, manufactured articles, and labor are high—perhaps not too high—but these enter largely into the farmer's cost of producing, and he can not escape these costs. He may work longer hours; he may strive as he will, but he can not control these high cost factors.

Second. As conditions are to-day we see the farmer carrying his surplus product to Liverpool, there to barter against the products of cheap lands, cheap labor, and lower living standards of peasants and peons in the Argentine, Australia, and India, and the new, productive lands or northwest Canada. Not only does he sell his surplus in Liverpool, but there also from day to day under those conditions is fixed the price that controls the remainder of his product in America.

HOW FARM PRICES ARE FIXED

That Liverpool does control not only the prices of our export product but of our home-consumed products, is well illustrated by the sale of wheat in my home town of Walla Walla, Wash. I speak of wheat only because I am more familiar with it and because it is typical of all major farm products.

If I go down town and offer my wheat for sale before 10 o'clock on any morning in the year the grain buyer will say, "I have not heard from Portland this morning." A little later he hears from the exporter at Portland, whose price is the Liverpool price less handling and carrying charges. If I go around the corner and offer to sell to my miller, he invariably bases his price on what the exporter is paying. So, whether my wheat goes abroad or remains at home it sells on the basis of the Liverpool price. This condition prevails throughout the country.

ENGLISH AND FRENCH FIRMS WITH INTERLOCKING DIRECTORATES CONTROL IN AMERICA

As a matter of fact, the biggest exporter of American wheat is Samuel Sanday & Co., of London, England, an English partnership operating through a branch office in New York. The next largest export firm is Louis Dreyfus & Co., of Paris, France, with branch offices in London, New York, Buenos Aires, Antwerp, Bombay and Calcutta (India), Melbourne, Australia, and other points. Through these and other companies and their subsidiaries with interlocking directorates, operating at every important port on the map—shown by United States Federal Trade Commission—the grain trade of the world is absolutely controlled. Prices are moved up and down at will—but seldom up. The American farmer who produces under American standards is played against the peasants and peons of other countries. His production costs are on a stepladder; his sale price is on a footstool.

FARMERS BETWEEN TWO MILLSTONES—OTHERS ARE GROUND

American agriculture is between two great millstones: One, the 50 to 100 per cent increased cost of production since the war; the other, a manipulated world market which remains near the pre-war level.

Let us consider what these millstones are doing to the man behind the plow.

He sells for less than the cost of production. He fails to meet his obligations at the bank; he can not pay the implement dealer, the grocer, and the merchant who are also financed by the same bank.

What happens?

The Comptroller of the Currency answers the question. A statement just received from him shows as follows:

Failures of State and national banks by fiscal years

Year	State	National	Total
1920	44	5	49
1921	330	28	358
1922	363	33	396
1923	237	37	274
From June 30, 1923, to April 6, 1924, national			112
From June 30, 1923, to February 8, 1924, State (partial)			311
Incomplete returns bank failures during past eight months			423 423
Total			1,500

From 1870 to 1920 there were 3,050 bank failures in the United States.

The figures here quoted show approximately one-half as many bank failures during the past three and one-half years as during the preceding 50 years. Probably 250 failures since this Congress convened.

Millions have lost their savings. A bank failure brings general consternation to its community. These failures have occurred mostly in agricultural States, but the effects are felt in remote financial centers and by the jobbers and manufacturers throughout the country. Ten bank failures have occurred where normally there would have been but one failure. Wise observers say the crash has only begun.

Do you know there were more national-bank failures during 1923 than there were from 1863 to 1872?

Do you know there were three times as many national-bank failures in 1922 as there were in the panic of 1877?

Do you know there have been five times as many national-bank failures during the past nine months as during the panics of 1873 and 1877 combined?

THE CROSSROADS AND THE FEDERAL TREASURY

The millstones are not only grinding the man down at the crossroads, they are shifting the burdens of taxation to other shoulders. That the farmer has been almost eliminated as a Federal income-tax payer is proven by the following figures from the most productive wheat section in America and with the 1923 yield well above normal. The territory covered is 200 miles in extent and produced 100,000,000 bushels last year.

COLFAX, WASH., *March 25, 1924.*

Hon. JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

This county produced about 12,000,000 bushels of wheat last year. Decreasing incomes and losses of representative farmers show necessity for some constructive measure of relief.

Here are some cases taken at random that show Nation effect: One farmer in 1920 paid $1,900 income tax. He paid no income tax for 1922 and 1923.

Another paid $800 in 1920. No tax paid during past two years.

Another paid $1,100 in 1920, $400 for 1922, and nothing for 1923.

Another paid $1,700 in 1920 and nothing since.

Another paid $7,800 in 1920. Paid $1,900 in 1921 and no tax since.

These are not special cases, but reflect the condition and trend of the farming industry.

CHAMBER OF COMMERCE.

WALLA WALLA, WASH., *March 18, 1924.*

Congressman JOHN W. SUMMERS,
Washington, D. C.:

This is one of heaviest wheat-producing areas in United States. Unusually good crop last year.

Condition of agriculture shown by following figures: Nineteen farmers paid $9,031 Federal income tax in 1920. These same farmers paid $545 tax for 1923.

CHAMBER OF COMMERCE,
F. O. HAGIE, *Managing Secretary.*

PENDLETON, OREG., *March 25, 1924.*

Hon. JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

Income tax paid Government four years ago by six of our big farmers aggregated $26,205.30.

One of these farmers paid $284.29 in 1923; no interest earned on his paid-up investment of half million dollars. The other five farmers show losses for 1923 aggregating $35,000.

GEORGE C. BAER,
Secretary Commercial Club.

ROSALIA, WASH.

Hon. JOHN W. SUMMERS,
House of Representatives, Washington, D. C.:

One hundred and fifty farmers this community in 1920 paid $36,000 income tax. The same farmers paid $2,000 this year.

F. J. WILMER,
President Whitman County National Bank.

Taken collectively these figures show the farmer is only paying 5 per cent of the Federal income tax he was paying four years ago, while 95 per cent of his Federal tax has been shifted to the shoulders of his more prosperous industrial neighbors or perhaps it never reaches the Federal Treasury.

There are 6,500,000 farmers in the United States. If in normal times their Federal taxes average but $50, then fixing the price of American farm products in Liverpool is costing the industrial sections of the country in taxes, or else it is costing the Federal Treasury, more than $300,000,000 annually.

BUYING CAPACITY CUT IN TWO

Meanwhile the farmer has been living on his accumulated resources and buying, not what he wants, not what he needs, but only what he must have. Mortgages increase from year to year while cash and credit decrease. The effect must inevitably reach the industrial centers with increasing force with each succeeding month.

TWO MILLION FOUR HUNDRED THOUSAND STARVED FROM THEIR FARMS IN TWO YEARS

The farmer does not readily yield to difficulties. However, with broken spirits and resentful of the millstones, 100,000 have been starved from their farms monthly during the past two years. Department of Agriculture figures indicate that nearly 2,500,000 of our farm population has given up the struggle during that period.

Mr. Chairman and colleagues, I ask you seriously, What does it mean and when and where will it end?

I grant you the small farmer who employs little or no labor and lives within a stone's throw of the market suffers less severely. However, the cowman, the wheat rancher, the corn and hog grower are all deeply involved. The problem is nation-wide. It challenges the best thought of every serious-minded man in America, and especially does it challenge this Congress.

HOW THE EMERGENCY CAN NOT BE MET—LIMITING PRODUCTION

The suggestion is seriously made that the farmer "limit his production to home consumption." Well, the farmer never has done that, but as to wheat he is exporting but little more now than in 1913, and less than he exported in 1914, 1915, and 1916.

Again, agricultural exports constituted more than 40 per cent of our total export trade last year. It brought to America $1,800,000,000. Would you deprive the railroad and steamship lines of that tonnage? Would you limit the farmer's purchasing power that much? In brief, would you deprive America of $1,800,000,000 wealth annually?

Someone has said, "If farming is not profitable, better abandon it." I ask, What, then, would the farmer do with his livestock, his machinery, his debts, his investments, his home? Where would several millions find jobs and places to lay their heads? The farmer has his life's savings in his farm and equipment. Would you have him abandon them? It would be as reasonable to suggest to the manufacturer that he limit his endeavor and output to domestic requirements. Were the advice followed in both instances, then we would trade dollars among ourselves and rapidly exhaust our gold on imports.

DIVERSIFICATION

Diversification is advisable under certain conditions, but diversification on multiplied millions of acres is impossible, because the lands are only suited to growing wheat. Again, to stop growing one crop at a loss and start growing another crop at a loss profits nothing.

COOPERATION

"Cooperative marketing" will solve the farmer's problems, says another. The farmer believes in cooperation, but several years will be required to organize 6,000,000 widely scattered and isolated farmers. Everyone familiar with the present crisis knows that however much cooperation may do for the future it can not meet the present emergency. The farmer knows this best of all and will hold to strict account the administration, the political party, and the individual that brings him relief two or three or five years after the sheriff's sale. Cooperation can not at this time span the 45-cent gap between the cost of growing wheat in the United States and the cost of growing wheat in Canada. The Liverpool price will still stare him in the face regardless of cooperation.

AS TO LOANS

"Since deflation started all his troubles let us loan him more money" says some wise soothsayer. But the farmer down at the crossroads has thought the thing through to the end. He knows he can not sell his crops year after year below the actual cost of production and keep in the game. He also knows his is a legitimate industry and that he is entitled to some small return on his capital investment. The farmer knows he can not borrow himself out of debt. Not more credit but more price is his only way to relief.

THE SIMON-PURE ECONOMIST

Then comes the simon-pure economist who says, "the only proper solution is to bring everything else down to the farmer's price." The economist means, repeal the Adamson law of 1916, undo the crime of speedy deflation in 1920, repeal our tariff laws, repeal the transportation act and open wide our gates to unrestricted immigration. The economist knows that what he has suggested can not be done; and if it could be done then America would be living on the same plane as the peasants and cheap labor of other countries and would have to pay her $22,000,000,000 war debt with 50-cent dollars.

The economist insists that world supply and demand shall control the price of farm products. But supply and demand do not control the price of the knife I hold in my hand. If it did my knife would cost me 30 cents instead of 75 cents and would come from Germany or Japan instead of Pennsylvania.

Supply and demand do not control the price of the clothes I wear, otherwise this suit would cost me 25 bushels of wheat instead of 50 bushels. World supply and demand do not control labor costs, otherwise a day's labor would cost the farmer 1 bushel of wheat instead of 6 bushels. World supply and demand would bring the all-commodity price level in America from the step ladder to the footstool. As a matter of fact for half a century or more we have enacted legislation for the specific purpose of interfering with supply and demand and of establishing American standards.

PROFANITY NOT A SOLUTION

One other solution is frequently offered. The pseudostatesman gets red in the face and tries to solve the problem by cursing, damning, abusing, and calling the farmer names for

because it is typical of all major farm products.

miles in extent and produced 100,000,000 bushels last year.

seeking a solution of his problems. It can not be done that way, gentlemen.

The farmer's problem is not imaginary. It is the most real thing in America and before the American Congress to-day. It is immeasurably bigger than the tax bill, the bonus bill, or the immigration bill, and I voted for them all.

Time forbids my discussion of the bill now before us, but the question which you will answer soon is: Shall the biggest industry in America, touching the lives and fortunes of a hundred million people, survive or perish?

Farmers on the verge of bankruptcy by the millions are awaiting your answer. They will penetrate any gesture at relief, however well disguised.

The farmer's attention is focused on this Congress. He already is impatient. I warn you now, promises can not deceive and will not satisfy the man behind the plow. [Applause.]

Mr. HAUGEN. Mr. Chairman, I now yield 10 minutes to the gentleman from North Dakota [Mr. SINCLAIR].

Mr. SINCLAIR. Mr. Chairman and gentlemen of the committee, I have given a good deal of careful thought to the question of farm relief. I have considered this bill with the other members of the committee and we have given it, I believe, the most painstaking, industrious study and dissection that any bill could have.

I take a somewhat different position from some of the other members of the committee. I do not believe that this bill is the best bill that the Congress could enact, but I will say it is the judgment of the majority of the committee that it is the best we can pass, and consequently I am for the bill. [Applause.]

Mr. Chairman, the farmers of the United States are passing through the most serious financial crisis in the history of the country. The serious plight of the farmers is not confined to any one State but seems to affect agriculture everywhere. The worst conditions are to be found in the Great Plains region west of the Mississippi River, extending from Canada to the Gulf, heretofore one of the most prosperous sections of the Nation. There bankruptcy and failure run rampant. Over 430 bank failures have been reported out there in the past seven months. Innumerable business disasters have occurred, and practically one-fourth of the farmers have become insolvent and have lost their farms. This condition in perhaps a lesser degree prevails in all parts of the country where farming is the principal industry.

The gentleman from Minnesota [Mr. LARSON] has said that the disaster has been overstated. I wonder if any of you read in the newspapers a week ago that the Capital National Bank, of St. Paul, a $5,000,000 institution, had closed its doors. That did not seem like a shoestring institution.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. SINCLAIR. I yield.

Mr. NEWTON of Minnesota. The Capital Trust Co. closed its doors——

Mr. SINCLAIR. The Capital Trust Co.; yes.

Mr. NEWTON of Minnesota. And the bank sold out to another institution.

Mr. SINCLAIR. Yes; it was the Capital Trust Co. and not the Capital National Bank.

LAW OF SUPPLY AND DEMAND

We are told that this condition is brought about by the natural workings of economic law. If this be true, is it not strange that the farmers should be the ones most hurt? There has been no cessation on the part of the farmers in their production. They have been quite as industrious since the war as before. In fact, the volume of food crops raised the past four years has been up to the general average. Yet, notwithstanding the fact that the wealth of the Nation has increased, the producers are getting poorer and poorer in the process. Other industries have not suffered in a like manner with agriculture, and there is a reason for this.

Economic laws work naturally when left to their free play. Supply and demand rule prices if not interfered with by tariffs and other legislative devices. But in the highly complex condition of modern civilization the natural laws have been superseded by trade rules and agreements. Highly organized business units have changed the natural basis of trade and exchange to the advantage of those strong enough to control the means of barter. The organized unit or corporation always gains over the unorganized individual.

FIXED PRICE ON WHEAT DURING WAR

The condition complained of with reference to farmers is not due solely to natural causes. We find that during the war many legislative acts contributed to put the farmer at a disadvantage. In the first place, the farmer—especially the wheat farmer—was the only one asked to deliver his product at a fixed price, in many cases far below the natural market level. At a time when wheat was selling at $3.06 in Chicago, the Grain Corporation fixed a price of $2.20. It is true that at the time the price was fixed it was supposed to represent the minimum price that would be paid for the ensuing crop. Most farmers, and I might add dealers, did not expect that that price would be the maximum price, and in fact would prevail as the only price received for wheat during the full operation of the law creating the Grain Corporation. It proved to be the fixed price for almost three crop years. While wheat was selling abroad for $4 per bushel farmers of the United States were getting but $2.20 on the Chicago market. When freight rates were increased 6 cents a bushel the price was raised to $2.26. It is conservatively estimated that during the three crop years the farmers of this country were paid at least $2,000,000,000 less for their wheat crops than they would normally have brought in the markets of the world. Nor should we forget that the Grain Corporation, through which the wheat was handled, made a profit of some $60,000,000. At the very least, Congress owes consideration to wheat farmers to that extent.

In other words, in order to prosecute the war successfully, the Government commandeered the wheat crop of the United States, and put a price on it at a level of from 70 to 100 per cent below the natural market price of that time. In fact, the Government of the United States not only furnished large sums of money in loans to the Allies, but took from the American wheat grower his wheat and delivered it to the European allies at a price from one to two dollars cheaper than the governments of Europe were paying their own wheat growers, and to the wheat raisers of other parts of the world.

In support of this, I will quote the guaranteed prices fixed by the governments of Europe which were paid to the respective farmers of each nation allied with us during the war. At the time when our maximum guaranteed price for wheat was $2.20 the following-named countries paid:

France	$5.30
Switzerland	3.18
Holland	3.70
Norway	4.09
Italy	4.80

England did not fix a guaranteed price on wheat, but permitted her farmers to sell at the full price and in addition paid them a bonus amounting to approximately $15,000,000 annually on the average for the seven years during which it was continued. Canada organized a wheat pool by the Government and assisted her farmers to get the highest market price paid. This plan was continued for two years after the war. Other governments adopted similar helpful plans. The United States alone, of all the nations engaged in the conflict, played the part of philanthropist—with her farmers bearing the burden. We not only furnished food at less than cost to the Allies, but loaned them the money with which to buy it, no part of which has been repaid. Thus the burden of farm taxation has been made heavier and the farmers further handicapped in their efforts to meet world competition.

At the time the price was fixed on wheat, labor, machinery, and freight rates were much lower than they are now. Since the guaranteed price was put into effect there have been many legislative acts to promote the welfare of other lines of industry. For instance, the Adamson law was passed, increasing the wages of railroad men. We have also the immigration laws which have kept out competitive labor and permitted the organized workers of the entire country to maintain their high standard of wages. The price of farm labor has increased from 50 to 62 per cent; railroad labor about 75 per cent; machinery from 50 to 100 per cent; freight rates from 35 to 45 per cent. The tariff law has been passed, which in turn enables the manufacturer to shut out cheap foreign competition and maintain the domestic prices for his output far above the world price. Freight rates are now, under the transportation act, maintained at a rate, especially on agricultural products, of from 30 to 45 per cent above the pre-war level. And we are told from the reports of 1923 that never in the history of American railroading has there been such a large amount of earnings as in that year.

The Federal reserve act has been an important factor in stabilizing the banking industry. The Government lends its credit to the banks, but even this additional aid has not been sufficient to save many banks which are dependent on agriculture for their support.

All of this legislation to assist various industries has been beneficial, but it seems to me that it has been at the expense of the basic industry—agriculture—from which springs all

helpful commerce, and in which all new wealth of the Nation is created. It would seem, therefore, that there is ample precedent for legislation to benefit agriculture. Heretofore, the industry has flourished by reason of the great resources and the development of new fields. The time has arrived when Congress should determine whether or not our Nation will adopt a policy which will permit of a well-defined balance between industry and agriculture. The present trend will stifle agriculture and develop industry.

That will mean that in the future this great Nation will have to look to other lands for its food supply. We can not allow any such condition as that to come to pass. We must adopt a sound policy which will develop all industry, agriculture included, along equal lines. The Nation then becomes sufficient unto itself. By encouraging all lines of endeavor the greatest wealth and the greatest happiness for the people can be promoted.

SUGGESTED REMEDIES

There have been various remedies suggested in this Congress to restore normal conditions among farmers. Because of some of the practices that obtained during the war a very decided prejudice has been created against price fixing. Many Members of Congress and others who have studied the question are opposed to this. I am frank to say that under the present circumstances a definite profitable price for agricultural products is the only thing that will restore agriculture to its pre-war basis. However much we may be opposed to taking such action, in my opinion it is the only immediate means of getting the desired relief.

Several years ago I became convinced that farmers would have to have governmental aid to put them on their feet, and in 1921 I introduced a bill to give them a fair price on their products. I have had such a measure in Congress ever since that date. At that time the friends of agriculture were able to rally almost no support for the proposal that agricultural-relief legislation be enacted, as we were assured that there was no necessity for it, that conditions were improving and would soon right themselves. Since then, as we all know, they have grown steadily worse until they can no longer be ignored by the Congress. It is already too late to save thousands who could have been helped by prompt action on our part at the right time, but we can still by the enactment of legislation do much to check the course of agricultural disaster and restore national prosperity.

Some have suggested that the tariff on manufactured articles be reduced; others that there be a graduated decrease in freight rates. Reductions in the prices of farm machinery and a reduction in labor costs have been urged. Some advocate increased credits to farmers. No doubt all would be helpful, but to attempt to put them all into operation would be most disastrous to the economic welfare of the Nation. When farmers remember that 75 per cent of their market is found among our industrial workers they can readily understand that to curtail the purchasing power of city workers would reflect injury upon agriculture as well. It is very evident that the price of agricultural products must go up or all other prices must come down. Inasmuch as it is not practicable, at this time at least, to set in motion remedies which might injure the prosperity of the manufacturing industries, we must devise a means of raising agricultural prices to a plane of equal prosperity. I might add that it would not solve the problem to reduce transportation rates alone, as that would afford but a small measure of relief.

M'NARY-HAUGEN BILL

Of the various relief proposals before the Committee on Agriculture during a period of many months the McNary-Haugen bill was finally reported out by a majority of the committee. The committee has worked for four months on this bill, and has been in almost daily session since last December. We have rewritten all of the measure four times, and parts of it as many as seven times, in order to perfect it and to overcome the legitimate objections raised against it. I believe it is the most carefully prepared piece of legislation ever presented to this House, and if all economic criticism is not satisfactorily met it is because of the stupendous magnitude of the problem with which we have to deal. It is, however, generally conceded by the friends of this legislation that as a result of the work put upon it by the House Committee on Agriculture it is a much better bill than when originally introduced. As a matter of fact, its sponsor in the Senate, Senator MCNARY, recognized this, and asked that the Senate cease from further consideration of the original bill, substituting the improved House bill therefor.

The McNary-Haugen bill, now under consideration, contemplates no changes in the marketing machinery or agencies already set up. It merely attempts to raise the domestic price by withholding or withdrawing the surplus product which seeks its market on a world level of prices, and prorates the loss that may occur from the sale of that surplus upon the domestic output equally. I do not believe that it is the best remedy suggested. I do not think that it touches at the fundamentals in the problem of marketing. The agricultural inquiry commission, which held exhaustive hearings and published a report two years ago, found, among other things, that the cost of distribution was too expensive in the United States, and was one of the chief causes of low prices to the farmer. In its report, the commission stated that out of every dollar paid by the consumer the farmer received but 36 cents, the balance being charges and profits taken by the middlemen. That in itself is a serious indictment of our present distributing machinery. No other country in the world is so extravagant in its distribution. Consumers pay enough, and too much, but the middlemen reap the profit. Expressed in other terms, it can be said that in 1922 the consumers of the Nation paid $22,500,000,000 for their food products. The farmers received for these same products but $7,500,000,000, leaving $15,000,000,000, which represented the cost of distribution. In other words, it costs $2 to distribute $1 worth of food products. Manifestly, there is something wrong with such a system, and agriculture can not be placed on a permanent paying basis until it is corrected. To finally solve the question of marketing, which has always been the problem with agriculture, we must strike at this fundamental and try to shorten the spread between producer and consumer. Never, until that service can be performed at cost, will the farmer's marketing problem be solved.

The Norris-Sinclair bill, favorably reported in the last Congress by both Senate and House Agricultural Committees, and reintroduced in the present Congress, has for its avowed object the shortening of the spread between producers and consumers by the elimination of the enormous profits of middlemen. It is the only bill before Congress which aims at a better system of marketing and distribution, and if enacted into law it would make of cooperative marketing in this country the success that it has had in other lands. I am convinced that eventually we will have to pass some such measure as this to establish agriculture upon a permanently prosperous basis. However, it is the judgment of the committee that the McNary-Haugen bill offers the most immediate remedy in the present crisis.

The McNary-Haugen bill does not attempt to solve the marketing problem. Consequently, as I said before, it is not fundamental in its operation. It is but temporary in its relief. There are those who take the view that the bill would be unworkable and that its effect would be to pyramid the cost to the consumer. In some commodities covered by the bill I believe that is true. However, I am not concerned about all the commodities mentioned therein. I am here to speak for my constituents, who are wheat growers and who depend on that product as their chief crop.

EFFECT UPON WHEAT

So far as wheat is concerned, I think that the bill will be extremely helpful. I have no doubt but that it will result in a much better price for the wheat crop of the country. I am confident that the price of wheat can be greatly increased without necessarily increasing the price of bread. Our committee has had ample testimony to show that the average 10-cent loaf of bread which is sold throughout the country contains flour for which the wheat raiser received but 1½ cents. If 50 per cent were added to the price of wheat, the flour in the average 10-cent loaf of bread would not cost more than 2 cents. That increase can be fully absorbed by the middleman, and the price to the wheat grower raised to somewhere near the cost of production. If the legislation does only this one thing—increase the price of wheat to somewhere near the cost of production—it will be well worth enactment.

I realize that there are some who say that the hog grower and cattleman are in equally hard circumstances. However, the difficulties in handling or marketing meat and meat products are a hundred times greater than those of wheat. Marketing and handling wheat is a comparatively simple process. Much of the surplus can be and is exported in the raw state. This is not true of hogs and cattle. Practically all of our livestock is slaughtered, and none of the surplus is exported except in a manufactured state. I would suggest, therefore, that the operation of the law be confined to wheat at the start until the machinery can be set up and a sufficient knowledge gained to deal successfully with other commodities.

WILL AN INCREASED PRICE RESULT IN OVERPRODUCTION?

It has been contended that if the farmer gets a fair or increased price for his wheat the result will be a greatly stimulated production. This would have the effect to negative any advantage gained by this legislation. I can not agree that there would be overproduction. During the war, despite the great patriotic urge, and with every known agency of propaganda used, the total wheat production never equaled the 1915 crop, which was over 1,000,000,000 bushels. The average pre-war acreage of wheat was approximately 50,000,000 acres for the entire country. From 1914 to 1919 the acreage planted gradually increased each year until it reached the peak, in 1919, of 76,000,000 acres. In bushels of wheat the increase was from 690,000,000 bushels, the five-year pre-war average, to 945,000,000 in 1919. Since then, because of the reduced price, a gradually decreased acreage planted has resulted. Last year, 1923, only 58,000,000 acres of wheat were sown, and the production amounted to 786,000,000 bushels. It will be seen that the increased acreage during the war was due to the great public sentiment created by Government and private agencies working together in a patriotic cause. No such conditions will obtain during the life of this bill. There will be a substantial increase in price from 30 to 50 cents per bushel, but that, under existing conditions, will not be above the cost of production, and can not result in any great stimulation of the acreage planted.

In fact, it is more than probable that the decrease in planting, because of the deplorable condition in which farmers find themselves, can not be arrested for a period of at least five years, the time provided for the operation of the law. Farmers in large numbers have been driven off the land, and thousands of acres are left vacant. The movement from farm to city has precluded the possibility of immediate increased production. In addition, the marginal wheat areas of the Central States, which planted wheat during the war, have returned to other crops, and will not be induced to venture into the raising of that cereal again for many years to come.

The slow turnover in farming will also prevent any great increase in production. The forces set in motion resulting in any trend in farming are not quickly overcome. It will take years to arrest the present tendency to decrease wheat production. Unless higher prices prevail this will continue until the danger point is reached. Cheap wheat lands are no longer readily available to come under the plow. The chief factors in bringing about a normal production, we can only hope, are improved tillage and climatic conditions. No one would want to advocate such a crop reduction brought about by disastrous economic forces that would reduce the national food supply below the normal wants of the Nation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield to the gentleman two minutes more.

FARM-MORTGAGE INDEBTEDNESS AND HIGH TAXES

Mr. SINCLAIR. A further reason why farmers can not continue to operate on the pre-war level of prices is the fact that the farm-mortgage indebtedness has almost doubled since 1914. According to the United States census of January 1, 1920, the total farm-mortgage indebtedness of the Nation amounted to $7,857,700,000. Nearly one-half of this amount, or $3,190,000,000, is in the west north-central group of States—Minnesota, Iowa, Missouri, North and South Dakota, Nebraska, and Kansas—the great wheat, corn, and hog raising section of the country. There is no doubt but that this indebtedness has been augmented since 1920. Taxes upon farm lands have also increased over 100 per cent more than the pre-war period.

In 1914 the property tax of the United States amounted to about $344,000,000. In 1922 it was approximately $797,000,000. This places upon farmers a heavy additional burden of fixed charges of taxes and interest, at least 100 per cent more than they paid during the pre-war 10-year average.

The price of the wheat crop of last year is about equal in dollars to the pre-war wheat crop value. Yet the taxes and interest on the land which produced this crop have about doubled. It is absolutely unjust to expect farmers to pay off this load of debt and taxes on the basis of pre-war prices for wheat. Much of this debt, in fact all of the increased debt, has been contracted in the past five years when the dollar would not buy much more than half what it would before that time. In other words, the debts were contracted under an all-commodity index price of 100 per cent advance. The effect, under present prices, upon the farmer is that he received 50 cents for his $1 of debt, and must now pay it out at its full face value.

AGRICULTURAL RELIEF LEGISLATION WILL BENEFIT ALL INDUSTRY

It has been stated that this is purely class legislation. That is, it is for the relief of farmers and agriculture alone. Even if this were true, which it is not, farmers are as much entitled to legislative aid as are other lines of industry which have already had it, as previously stated. However, while the legislation will directly give first aid to farmers it will benefit all business. It is a fact that farmers consume about 40 per cent of the manufactured products of the United States. They are the best customers of all industry. If you cripple their purchasing power, which lessens their consumptive power, you have injured all business. The prosperity of agriculture affects all workers and business men. Consequently, it should be to the interests of every branch of industry to favor any legislation that will tend to restore agriculture to a normal basis.

The American farmer has not been organized to market his product as have all other industries. The steel business, the textile business, the coal business, as well as all lines of manufacture, are highly organized and unified. They have a sales agency which controls the output and to a large extent names the price at which their product shall be sold. Agriculture alone has to ask the consumer, "What will you pay?"

The price for the farmer is set by someone else, not by him. It is not surprising, therefore, that he has to accept a proportionately lower price than anyone else. The marketing corporation set up by this legislation will form a great unified sales agency for agricultural products. It can be used as the nucleus for future development of cooperative organizations of farmers. We all realize that cooperation of producers and consumers must eventually and permanently solve the evils of our present expensive marketing system. While the proposed bill is primarily an emergency measure, its powers are broad, and the corporation established will be able to name a price on farm products which will give the farmer cost of production and a profit. With this lift he can hope to get square with the world once more, work his way out of the mire of debt now engulfing him, and again become one of the best customers of manufacture. Thus, not only farmers but manufacturers, merchants, business men, bankers, and all others will benefit. I hold it to be the most important duty this Congress can perform for the whole Nation to enact agricultural relief legislation, and to do it now.

Unless something of this kind is done we are going to see the worst times that the United States has ever experienced. This is a problem that interests everybody, and it is a problem that is going to reach out and affect New England before very long and all of the manufacturing States. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. HILL].

Mr. HILL of Washington. Mr. Chairman, it ought not to require argument to induce Congress to grant the relief to agriculture proposed in the McNary-Haugen bill. It is difficult to demonstrate a proposition that is self-evident. But we are compelled to recognize the fact that there are those who oppose this measure, and not only do they oppose this measure; they are opposed to any legislation that will bring any substantial relief to agriculture. I regret that any Member of this House should take that attitude, but I am amazed to find that some of the opponents of this bill come from agricultural districts. I appreciate the fact that we are all more or less influenced by selfish interest and that we are frequently restricted in our views and activities to the things that affect us most intimately, and I fear that sometimes the solicitude for the purely local interest blinds us to the opportunity for larger service not only to our own localities but to the country as a whole.

Our people as a nation are so interrelated politically, socially, and economically that no class of our citizenship can be reduced to a state of abject poverty without a reaction therefrom to the detriment of the whole people. Such a condition is now being created and in a large measure already exists among the farming classes producing the staple food products of the country. It can not be possible that the membership of this House is not informed of the necessitous condition of our farmers. Shortly after the close of the war the financial powers decreed that the farmer should be deflated, and the result was that within a year and a half the value of farm products was reduced from $14,000,000,000 to $6,000,000,000. This deflation policy did not embrace the entire economic structure of the country, but the farmer was singled out as the arch victim of that economic crime. He was literally robbed of more than 50 per cent of the value of his crop productions. The scales of economic balance were tipped against him, and he has not been able to regain that balance. For all his crops carrying an exportable surplus his prices were suddenly reduced to the level of the demoralized European markets less the cost of transportation to those markets, and in addition to the high prices paid for labor in the production of his crops he was compelled to buy

his merchandise and equipment in the protected markets of the United States. The manufacturing industries were protected, labor was protected, and transportation was protected, but agriculture was left unprotected. What is the result? Manufacturing is prosperous, transportation is prosperous, labor is receiving good wages, and agriculture is bankrupt. Everyone knows and concedes these facts. To contend that the distress of agriculture is not due to discriminations against it through the protective legislation of this Government is to impeach either one's intelligence or his sincerity.

The soul and heart of the legislation offered in this bill is the proposition to give to the farmer a square deal. Is the temper of this House such as to listen to a plea of simple justice for him? You have set up a standard of artificial economics under the protective policy of this Government for every class of industry and enterprise except that of agriculture. This Government is committed to the policy of industrial protection, in one degree or another. Any tariff policy other than that of free trade is protective. I am not advocating and do not anticipate the establishment of a free-trade policy for this Government; but I insist that in the prosecution of the policy of protection it is not fair, it is not just, and it it not honest to confer that benefit upon certain classes of industry and persons to the discrimination and disadvantage of others. The people of this Nation did not establish our Government and invest it with legislative and administrative powers with the intent or any idea that the manufacturing industries, the railroad corporations, or any class of individuals should have a preferred right to governmental economic advantage. Such an advantage is perversive of the will of the people, the power of the Government, and the spirit of the Constitution.

The policy of protection must be based on the dead level of honesty and give to agriculture the same degree of protection that other industries enjoy. Protect everybody or protect nobody. [Applause.] Give every industry and every individual a square deal with special privileges to none.

The farmer is not asking any special favor; he is merely asking to be restored to his right to an equal opportunity, the right of which he was deprived when every industry except agriculture was placed under the economic protection of the Government. He is not asking that some one else be deprived of a right that he may be favored, but is simply demanding that his own right be restored to him.

The banker has facilities for privilege and protection through the Federal reserve system; the manufacturing industries have protection through the levy of duties on importations of manufactured products; the railroads have protection through the Esch-Cummins Act; labor has protection through the Adamson law, the restriction of immigration, and through the strength of its organizations. But the farmer has no protection through governmental intervention and has been unable to effect organizations of sufficient comprehensiveness and solidarity to emulate in his own behalf the accomplishments of labor through its organization. But labor has not through organization alone been able to secure and hold the advantages it has obtained. Protective laws have been enacted in its behalf to aid and make possible of attainment the purpose of organization of labor, and it may be well to remember also that such protective laws were enacted because, and only because, labor through organization was strong enough to force such action on the part of Congress. Nor can agriculture through organization and cooperation alone secure the relief necessary to its protection. It must have legislative assistance in the form of protection.

This protection can not be afforded solely by a tariff duty on importations of agricultural products of which we produce an exportable surplus. It would be a waste of time to set forth the reasons why this can not be done, when it is universally recognized that as to such products the export markets determine the price both at home and abroad. Agriculture must have a protected domestic market to place it on the same economic basis enjoyed by other protected industries. It has never had a square deal in the law-made economic scheme of this country.

In this great Nation, founded on and to secure principles of justice and equal opportunity to all men and all classes of legitimate enterprise, the hardest thing to accomplish and maintain is industrial and economic justice.

We are face to face with the plain proposition that to secure for any class of industry or any class of individuals its economic rights the demand therefor must be supported by sufficient political strength to enforce the demand.

A great advance was made in the progress of civilization when this Government was established. It was the crystallization of the thought and spirit of the American people at the time and it is the crystallization of the thought and spirit of the American people to-day. The fault is not in the Government, but in the perversion of its powers. The powers of our Government are only such as the people as a nation delegate to it. Both the Government and its powers belong to the people and constitute a political instrumentality designed and intended to serve impartially the highest interests of all the people. The national power is the life of the Government, and its only source of life. Without this power there can be no Government.

Government, concretely stated, is but the method or means through which the power of the people is harnessed, centralized, controlled, and applied. The only proper application of this power is to the service of the public good without discrimination in favor of one class of citizens as against another. If this power were so applied, we would not find the economic system of the country out of balance as it is to-day. The whole difficulty is the result of the perversion and exploitation of the power of the people for private gain and advantage by directing such power against the people as a whole and thereby using the people's power to destroy their rights instead of preserving them. We are not to lose sight of the fact that it is the power of the people that is being used and directed at all times in the administration of the Government, regardless of whether the Government is being rightly or wrongly administered. Whatever is done through the governmental agency is done through the strength of the power of the people. There is no other governmental force.

If governmental functions are being exercised to the prejudice or destruction of the people's rights, the power that is employed for so doing is the people's own power. There can be a perversion of this power but no substitution for it in governmental affairs. The people always furnish the power, but private interests can direct the control and application of the power, and that is what is being done to-day. The power of government has been controlled in the interest of private enterprise since the early history of our Government, as a result of which there has been established in this country an artificial system of national economics founded on the protective tariff policy, which in plain language is a system of legalized robbery enabling certain classes of persons to exploit and rob the whole people. It is immoral in principle, unjust in design, and destructive of the economic freedom of the individual.

This policy was inaugurated to build up the manufacturing industries on a cost-plus basis that levies tribute on every consumer of the country for the enrichment of such protected industries. The protective tariff policy was first demanded and sought to be justified on the ground that it was necessary to enable our infant industries to gain sufficient strength to compete in manufacturing and commerce with established institutions; but when in the course of time the plea of infancy could no longer find basis in fact, the protective system was continued and sought to be justified on the ground that it was necessary in order to insure a high wage scale which our standards of living required for labor. In other words, the argument for the protective tariff abandoned the infancy plea and took for its basis the necessity of the protection of labor. Labor, however, was given no guaranties in any tariff law ever written and has always been compelled, in order to receive a just and reasonable wage, to resort to demands backed by the force of organization. The protected industries after securing protective legislation seek to employ labor in the competitive markets of the world and to pay only such wages as shall be determined by the free operation of the law of supply and demand in the labor markets. With such purpose in view, these favored industries oppose restrictions of immigration and advocate the open shop.

But labor has organized and through its organized efforts is compelling a recognition of its rights in the matter of wages, hours of labor, and conditions under which to work. Labor is thus rendering a service to the great unorganized and unprotected masses of the people by interposing the only effective obstacle to the progress of capital in its designs to fasten the yoke of economic slavery upon the necks of the plain people. But in compelling recognition of its power organized labor has received protection in the restriction of immigration, has procured the enactment of the Adamson eight-hour law, and has forced great increases in wage scales.

Here, then, are two classes that have secured protective financial advantage through a system of artificial economics, namely, the manufacturing industries and organized labor. The former, through the prestige and influence of wealth;

the latter, through the sheer force of numbers and power of organization.

A third factor that has contributed to the economic disadvantage of the whole people is the governmental protection extended to transportation, whereby the railroads are placed in a favored class through the mandate of the Esch-Cummins Act directing the Interstate Commerce Commission to authorize such transportation charges as will produce revenue sufficient to pay cost of operation, interest on indebtedness, and, in addition thereto, a return of 5½ per cent on the value of the invested capital.

The wealth-producing industries of this country are agriculture, mining, and manufacturing. From these sources plus existing natural resources comes all the wealth of the Nation. Commerce begins where production ceases. The products of the farm, the mine, and the factory become the commodities of commerce. Commerce does not operate to produce wealth, but to distribute, exploit, and market it after it is produced. Industry creates wealth; commerce creates profits or losses. Transportation is an instrumentality of commerce. Labor is a factor, both in the production of wealth and in the commerce of wealth, but the wages of labor are fixed by commerce. Industry and commerce are dependent one upon the other. The various classes of industry and also the various characters or phases of the same class of industry have an interdependence that invokes the intervention of commerce.

The costs of production and the distribution and market values of the products of industry are controlled and determined by commerce and not by the producing industries.

Commerce controls the economics of the country, and commerce in turn is the institution of, and is directed by, the dominant financial powers that control the securities and credits of the country. These powerful financial interests, sometimes for convenience designated as "big business" and "Wall Street," through political subservience to their demands, have gained control of the administrative policies of the Federal reserve bank system and have perverted it to their service in their cold-blooded design to reap the profits of all industry and to bring under their economic control the producers of all wealth. These powerful financial interests either own or control, or both, the manufacturing industries and the transportation systems of the country. They are directly financially interested in the prosperity of these enterprises, and through their dominance and dictatorial powers in politics and economics they have forced the Government of the people to underwrite their financial investments and to secure them not merely against loss, but to insure them great profits through protective legislation at the expense of the whole people. They are using the people's Government to extort from the people a constant and generous flow of financial tribute into the coffers of the big interests.

These financial powers are not interested in the protection of labor and they are not interested in the protection of the agricultural industry. They are not concerned with the distress of the farmer except as to the political aspects that might develop from his desperation. They are in control of the Government policies now and are satisfied with those policies and the existing conditions. It brings no pain to their consciences or appeal to their hearts to be told of the ruin and wreck of the homes, the fortunes, and the hopes of the farmers whose progress has been blocked and whose profits have been turned into losses because of the unjust, heartless, and impossible economic conditions imposed upon them in order that the greatest possible portion of the wealth of the Nation may continue to flow unimpeded into the coffers of the masters of finance.

Is this Congress—is this administration—are the people of this Nation going to permit the farmer to be sacrificed on the altar of special privilege? If so, it will be the beginning of the end of agriculture as an industrial occupation of free men and will mark the beginning of the decadence of that great basic industry toward the depths of a servile subordination intolerable to contemplate. It will mean the reduction of landlords to tenants, or else the abandonment of farms to idleness and unproduction. It will mean that millions of homes of America's most sturdy, virile, and liberty-loving manhood will be converted into hovels of an agricultural peasantry and that the sovereigns of the soil will give place to the peons of poverty. The last vestige of economic freedom will pass from our agrarian population when the Molochs of avarice become the country's masters. It will mean the passing from reality to romance of the boasted ideals that constituted the fundamental social structure and political security upon which this Nation was established and which have sustained it to the present time.

This is the fate that impends as to agriculture and 40,000,000 of our people directly dependent upon it. Inaction on the part of Congress in this crisis will be inexcusable. The farmer can not solve his problem unaided by remedial legislation. He did not create and can not control the conditions under which he is helplessly struggling. They are, in the main, the direct results of protective legislation by Congress which left the farmer out of the protective scheme. He now appeals to the author of his undoing for a belated correction of the injustice done him. He can not continue without relief.

I speak advisedly. For 20 years I have lived in Douglas County, in the State of Washington, in the midst of rich agricultural lands and good farmers. During all that time I have been an interested observer in close contact with the agricultural industry. I know the conditions of agriculture and of the farmers generally not only in my own district but throughout the great Northwest. The conditions in my district are typical.

Nature dealt with a lavish hand in the formation of that country and endowed it with such combinations of soil, climate, and altitude as to adapt it to a wide range of agricultural pursuits, abundantly productive. But man-made economic laws are not operating to aid nature's beneficence. Wheat, apples, livestock, and hay are the principal productions in my district. A few years ago the farmers were prosperous and most of them paying income taxes to the Government. Within the past four years their prosperity has vanished; their surplus accumulations have been absorbed by deficits in operating costs; they have been forced deeper and deeper into debt in their efforts to stem the adverse conditions of high cost of transportation, of labor, of merchandise and equipment, and ruinously low prices for their products. Not only have their surpluses been exhausted, but their capital investments have been either dissipated entirely or deeply impaired and depleted. Instead of prosperity, bankruptcy now is the prevailing condition. This result has followed not because of short crops but solely because of inadequacy of prices to meet cost of production. Last year Lincoln County, which has the largest wheat-producing area of any county in my district, had a bountiful wheat crop and I think as large a yield as it can reasonably expect to produce in any single year, and yet I did not find one farmer in that whole county who exhibited the least enthusiasm over his abundant crop or that claimed he got cost of production out of it.

It is difficult for one who has not actually been on the ground and seen the situation himself to understand fully the exceedingly distressful condition of the wheat farmers. There is no inducement to exaggerate the seriousness of the situation prevailing among them, for the actual situation taxes one's faculties to adequately portray it. Farmers are daily throwing up their hands in despair and quitting their farms and mortgage-ridden personal property; many are being foreclosed, still more are making voluntary assignments and others are seeking relief from their burdens of debt through bankruptcy proceedings. Men are literally walking out and away from their farms, moneyless, scantily clad, the accumulations of a lifetime lost, with families to support and destitution to face. They are desperate; they are not in a good humor toward a Government that will permit such economic conditions to exist. Mortgage holders, the banks, and merchants who have extended credit are left the disheartening prospect of realizing little or nothing from a sale of the abandoned property or the alternative of taking it over and operating it at a loss.

This condition was distressfully acute last year. It was evident early in the year that, unless some relief that would insure a larger price for wheat than that prevailing were provided, increased losses to the wheat farmer would inevitably follow. Fully appreciating the seriousness of the situation, a number of Members of Congress and others wired and wrote and otherwise importuned the President to call an extra session of Congress to relieve temporarily the distress of the wheat farmer by legislation authorizing a guaranteed price that would cover cost of production plus a reasonable profit.

The President refused to call the extra session, and the farmer got no relief from losses on last year's crop. I thought then, and I still think, the President should have acted as he was requested and urged to do. I advocated last fall in my campaign for Congress a guaranteed fixed price of $1.75 a bushel for wheat as an emergency measure. The farmer was entitled to that relief to tide him over the emergency until Congress could work out a more satisfactory solution of his economic difficulty. This proposition of $1.75 for wheat was in line with the bill introduced by Senator GOODING, of Idaho, in the Sixty-seventh Congress and again at the present session of Congress. I did not propose such guaranty as a permanent

solution of the wheat farmer's difficulty and I invariably stated in my speeches during the campaign that it was not an economically sound proposition, but that it was just as economically sound as the protective tariff and guaranteed rates to the railroads, and it is. Senator GOODING, as I understand it, is not pressing his guaranteed price bill this year, but, as I am informed, is lending his support to the McNary-Haugen bill.

I think the McNary-Haugen bill is to be much preferred over a flat price-fixing measure. I sat in conference with the framers of the export corporation measure, afterwards known as the McNary-Haugen bill, before it was put into final form and introduced. I have kept in touch with it ever since; I believe it is in economic harmony with the protective system of this Government. I have worked for its advancement incessantly since its introduction. I sincerely trust that it may pass and become law. If it should fail to pass, I say to you frankly, I hate to contemplate the fate that awaits the wheat farmers of this Nation.

If it is impossible to pass the McNary-Haugen bill, I am ready to vote and work for the next best farm-relief measure whether it be a guaranteed price for wheat, the Norris-Sinclair bill, or some other measure. I am ready to work and vote for any measure that will offer substantial relief to the farmer in this emergency, and I will not quibble over or stand back on economic ethics, theories, or policies in so doing. The crisis is grave, the country's welfare is at stake; the happiness, prospects, and hopes of my neighbors, friends, and constituents are jeopardized. The people of the fifth district of Washington are my clients in the presentation of this plea to the House of Congress for the passage of this bill, and more than that, it is my responsibility and pleasure to place at their service my every faculty and power to promote their success and prosperity.

The great burden of my heart is the distress of the farmers throughout the wheat-growing sections of the country. I have received hundreds upon hundreds of letters, resolutions, and petitions setting forth the great and pressing need for relief and appealing for quick action on the part of Congress.

I shall not burden the RECORD unduly with these communications, but I want to read the following two letters I received, which set forth graphically the conditions prevailing in my home county and which are typical of the situation throughout my district:

WATERVILLE, WASH., *April 22, 1924.*

Hon. SAM B. HILL,
Washington, D. C.

DEAR SIR: For the past six years I have been acting as county agent for Douglas County, Wash., which comprises one of the very good wheat sections of the Big Bend region, and have had an opportunity to study farm practices, and have had an opportunity to study farm practices, and have been brought in close touch with the circumstances of farmers.

During the period extending from 1905 to 1916 farmers of eastern Washington were relatively prosperous and built up their homes and community interests; business during this period was sound and there was every indication that healthy development would continue as a reward to the industrious efforts of our agricultural people. Beginning with 1917 farmers began to go in debt, and each year since that time has brought the farmer into more unfavorable circumstances until we now face the position of absolute bankruptcy.

That you may more fully appreciate conditions which exist throughout the Washington wheat-growing sections, I am offering for your consideration the following data applying to Douglas County:

"Five banks out of six have failed in the last two and one-half years; three banks failed during 1922.

"Mortgage foreclosure sales, 1923, $676,000, involving 26,006 acres.

"Mortgage foreclosure sales, 1924, to April 1, $152,000, involving 10,000 acres.

"Voluntary assignments, 1923, approximately $300,000.

"Delinquent taxes to date, $450,000."

During the last three years farmers have generally attempted to diversify to the extent that climatic conditions warrant, and while this tendency has been beneficial to the extent of assisting farmers in securing a large share of their living on the farm, it has been altogether insufficient to meet indebtedness incurred on their major crop. As a result of the present deplorable conditions and apparent hopelessness of the future our farmers are very much unsettled and we are rapidly approaching a condition of complete disintegration throughout a large part of the wheat-growing area.

Farmers and business men in the affected area appear to be of one mind concerning the cause of the present difficulties, namely, the unsatisfactory ratio which has existed between the prices of farm products and industrial products which are abolutely essential in the farmers' business. There seems to be complete agreement that the proposed McNary-Haugen bill, which is now receiving the attention of Congress, offers a thoroughly sound, practical, and urgently essential solution of the surplus producers' difficulty. We sincerely hope that you will give this proposed bill your earnest consideration and, in view of the serious emergency now existing, lend your hearty support toward its passage.

Yours very truly,

F. H. ZEVEDER,
County Agricultural Agent.

WATERVILLE, WASH., *January 25, 1924.*

Hon. SAM B. HILL,
Washington, D. C.

MY DEAR SAM: Your recent letter received and was very glad to know there is some prospect of Government help for the agricultural industry. As I see it, help must come at once or this country is bankrupt.

Up in the St. Germain country I have just had three more ranches turned back to me. Two of these were leased ranches and one I had been carrying on a sale contract for several years.

These three men are broke and are leaving the country, going, only God knows whither, they do not.

I have eight ranches on my hands that I can not rent on any terms. The country is depopulating in droves.

Yesterday I talked with Doss Callaher, from the Buckingham country. He wants to quit and turn over everything he has as part payment on his debts, but the Seattle bank which holds most of his paper is begging him to stay.

They will throw off his interest and advance money for his taxes and living expenses, but Doss says, "What's the use?"

It will mean just more loss every year, and he is advising them to take their loss now and quit.

They are particularly urgent in his case because, as you know, he is a sort of bellwether in his section, and if he quits most of his neighbors will. He is a fair sample of this whole section.

The British at the siege of Lucknow had nothing on these poor devils. They have hung on until they can hang no longer.

Douglas County, once the banner wheat county of the State, is in a pitiable plight; farms deserted, banks broke, merchants broke, and no definite help in sight.

The price of labor is clear to the skies; sacks cost one-fifth of the price of the wheat; machinery so high no man can buy it; the old machinery about gone.

Taken up one side and down the other, it is a real pleasant prospect. Not the least serious side of the case is the fact that these conditions are breeding bitterness against the existing order and contempt for our Government and its laws. A short time ago I started after a man who had sold some of my mortgaged wheat. I told him such a report had reached me, but I could hardly credit it, and asked him if he had done so. His answer was "Yes, by God, I did. Neither my wife nor my children had any underclothes or any other clothes, nor had we proper food for winter. What are you going to do about it?"

I did just what you would have done. I told him to keep it.

Sam, a certain knowledge that wheat will bring a decent price here next fall will keep part of these men hanging on until that time; nothing else under God's heaven will.

If Congress can help us, they will be criminals if they do not.

With best regards to both of you, I am

Very truly,

M. B. HOWE.

Upon my intimate acquaintance with the men who wrote these letters, I vouch for every statement they contain.

What is the remedy to correct the troubles of agriculture? In order to prescribe a remedy, the trouble must first be diagnosed.

The difficulty under which the wheat farmer is laboring, together with the producers of livestock, is inadequacy of price to make his farming operations profitable. The cause of the inadequacy of such price lies in the fact that the principal factors which enter into the costs of farm production must be paid for at the high cost level to which they are inflated by the protection given them within the United States, and that such farm products must be sold both in the domestic and foreign markets on the basis of their export price. The export price is determined by an unprotected world market in which the surplus products of all countries are in competition.

The clear recognition of the fact that domestic price depends upon export price is one of the fundamental principles that must be faced in any attempt to give farm relief. (Report McNary-Haugen bill, p. 26.)

The remedy, then, is to place agriculture on the same basis of protection as that upon which the protected markets within the United States rest. This can only be accomplished by—

separating the export surplus from the total domestic crop and selling it in the world market at the world price and by disposing of the domestic part at a domestic price on a parity with other commodities.

The McNary-Haugen bill proposes such a remedy.

The tariff protects domestic products against competition with imported products within the United States. But it can not protect a domestic product when competing in world markets with other products. The protective tariff is directed toward one problem; the McNary-Haugen bill is directed toward the other. The farmers seek, and this legislation seeks to give them, an instrumentality that will effectuate tariff protection for them just as the general schedule of tariff duties protects manufactured articles. (Report McNary-Haugen bill, p. 30.)

The specific object and result to be attained by this bill is to separate or withdraw the domestic market of certain specified agricultural products from the controlling and determinative influences thereon of the export or world market and to stabilize such domestic market on a price level which will restore to such agricultural products an exchange value approximately equal to the average of the exchange values of other commodities of commerce in the domestic market.

By segregating the exportable surplus of such products from the quantity thereof required for domestic use and consumption and by selling such surplus as a segregated entity in the export market, the domestic market can be made protective for the benefit of the remainder of such products. Such a plan presents the only method, aside from a guaranteed fixed-price plan, of bringing agricultural products under the protective policy of the Government.

The method proposed in the McNary-Haugen bill to extend to agriculture the protective policy of the Government is, briefly stated, as follows:

(1) To create a governmental corporate marketing agency, designated as the United States agricultural export corporation, with a capital stock owned exclusively by the Government.

(2) To authorize such corporation to go into the domestic market and buy quantities of any basic farm commodity as to which an emergency has been officially declared to exist, at a price which will give to such commodity an exchange value compared with other commodities equal to that which it had during a representative period prior to the World War.

(3) To sell the quantity thus purchased by the corporation, which would constitute the exportable surplus, at the best price obtainable in the world market.

(4) To assess against the producers the administrative expenses of the corporation and the loss sustained by the corporation in selling the exportable surplus at the world-price level.

(5) To protect from foreign competition the domestic price for any such basic farm commodity by an adequate import duty.

(6) To return to the Federal Treasury all funds advanced by the Government for the purchase of the capital stock of the corporation.

This Nation can not exist without agriculture. Agriculture can not survive except on a self-sustaining basis. It is not on a self-sustaining basis now. If the consuming public is not willing to extend to the food-producing industry the protection it requires to enable it to operate at its present capacity on a basis of cost plus a reasonable profit, on the theory that such protection would advance the cost of food, the consumers deserve the fate that will await them when the cruel conditions of bankruptcy shall have driven the farmers to seek other means of livelihood and food production is thereby reduced below the level required to feed the people of this Nation. The shortsightedness of selfishness supplies the only explanation for opposing relief to the farmer. The truism that "the laborer is worthy of his hire" holds good for all time. The laborer in this instance is the farmer and he is not receiving his just hire, but is demanding it. He is asking the Government to supply the machinery for the protection of his industry and to operate it at his expense. He proposes to repay the Government the money to be advanced by it and to pay all costs and losses incurred in executing the plan proposed for his protection under this measure. No such burden is imposed on other protected industries.

The Government stands to lose nothing through this proposed legislation, but it is shown the way and opportunity to rescue its basic industry from the collapse of financial ruin.

Much hostility has been voiced against the McNary-Haugen bill. A little of this has come from sincere friends of the farmer, but in the main it has come through the channels of an organized propaganda, inspired and directed by those whose profitable business has been to prey upon the production of agriculture and who are not now, and never were, favorable to any plan that would aid the farmer to reap the harvest of his labor.

Many objections have been interposed against the bill, all under the pretense of friendly criticism in the interest of the farmer. It is urged that the plan proposed is communistic, unconstitutional, unworkable, uneconomic, and otherwise numerously objectionable. But while the objectors may have deceived themselves or been deceived, they have not misled the farmer. Never before in the history of the Government have the farming classes shown such unanimity in the advocacy of a measure for the relief of agriculture as exists toward the present bill. For years they have endured their economic ills with a patience born of hope that they might be able to work out their problems through voluntary cooperative organizations, but the conditions of agriculture have steadily grown worse and their burdens greater. Patience is exhausted through hope deferred. And now the farmer has turned to Congress in his straits of desperation and demands legislative aid for his relief.

The McNary-Haugen bill presents an appeal for justice—not favoritism—for the farmer. This appeal must be heeded and decided on its merits. There can be no dodging of the issue. The farmers have been victimized through unjust legislative discriminations, and they are now demanding the correction of this economic evil. They have been crushed to the point of desperation. They are pleading for, demanding, and expecting relief from this Congress at this session. Election day next November will be fruitful of disappointment to any political party or any Member of Congress that fails now to use its or his best efforts to secure the relief demanded in the interest of agriculture. It is not a partisan question from the standpoint of the farmer and it is not a partisan question from the standpoint of Congress. Any effort to make it such or to so regard it, and any circumstances which would tend to lend a partisan color thereto, will be readily sensed and resented by the farmer, as they should be. The farmer knows the difficulties that beset him and he knows the remedy for those difficulties, and that remedy lies in the enactment of the McNary-Haugen bill. Will you give it to him? That is what he wants to know and that is all he wants to know at this time. He wants an answer now in the form of legislation. Too long and in vain has he waited for Congress to find and initiate a basic remedy to correct the artificial economic disadvantages imposed upon him, which measured by every moral test constitute an economic crime against him. The farmer, through the strong incentive of self-preservation, has surveyed the broad field of political and industrial economics and has found his location and status therein. He found that agriculture, with a few exceptions, is still operating under the natural law of supply and demand, with the prices of its products controlled and determined by the open and unprotected world markets, while the costs of its products are artificially inflated, controlled, and determined by domestic legislative protection. In other words, the farmer buys and produces on the basis of a noncompetitive, protected domestic market, and sells his products on the basis of a competitive, unprotected world market. The economic discrimination against him is obvious. It is also artificial, having its origin and creation in discriminating protective legislation. The remedy the farmer seeks is the correction of this inequity, and the remedy is presented in the McNary-Haugen bill.

The farmer knows what he wants and the remedy that will meet his needs, and he will not be put off by any soporific substitutes, subterfuges, or alibis. He knows that the talk about further extensions of credit, diversification, tariff on products having an exportable surplus, and so forth, is meaningless and barren, except to confuse the issue and to discourage the legislation that will afford him relief. The remedy he seeks is in economic harmony with the protective policy of this Government.

It makes no difference whether the tariff rates are unjustifiably high as they are now, or whether they be fixed on a competitive basis, as they should be, the protective plan proposed in the McNary-Haugen bill will fit into the scheme with perfect harmony and also with justness. Moreover, this plan will automatically adjust itself to harmonize with any changed or modified rates of the tariff system which affect the level of commodity prices. This measure invokes the same principle of protection for agriculture as is applied to other industries and the same degree of protection.

Any tariff schedule, whether it be fixed on the basis for revenue only, a competitive basis, or whether it be primarily designed for protection or monopoly, operates pro tanto as a protection to the industry to which it applies. In one form or another, upon one theory or another, every political party of this country stands for and advocates a tariff policy that protects all domestic industries except the basic industry of

agriculture. It is true, then, that this Government is committed to a protective policy and that, too, without regard to the particular political party which may be in control of the Government. Is such a protective policy economically sound? It must be deemed either economically sound or economically necessary, else there can be no justification for the policy and all of our political parties should be condemned for incompetency or unfitness. In any event, we have the protective policy and it operates to the disadvantage and detriment of agriculture. The McNary-Haugen bill would correct this inequity and place agriculture on the same basis with other protected industries. Is there anything unfair, unjust, or unsound in such a scheme? There is not, if agriculture be entitled to the same consideration as other industries. Can anyone deny that it is entitled to such consideration?

It is doubtful whether in the history of our country the agricultural industry has been depressed to such dire straits as now, and that, too, in the midst of conditions of prosperity in all other lines of industry and commerce. We have had so-called panics that have been nation-wide in their paralysing effects on commerce and industry, affecting impartially all industries, but in such crises it may be said that all manufacturing, producing, financial, and commercial interests shared in the misfortunes of such depression, perhaps not equally or to the same extent, but all were seriously and detrimentally affected.

The equalizing principle of supply and demand artificially uncontrolled is the natural law of economics. Under the operation of this law the labor wage would tend toward and approximate a world level; manufactured commodities and agricultural products of every country would compete in the markets of all countries on a basis of parity considering, of course, differences in quality and costs of transportation, so that the world supply and the world demand would determine the domestic prices in each individual country and would work an equitable adjustment on such basis of the prices of all commodities, whether of manufacture or agriculture, relative to each other.

I am arguing neither for nor against such a free-trade world policy, but endeavoring simply to call attention to conditions that would prevail in the markets everywhere should the natural principle of supply and demand be permitted to operate universally. But if the natural law of supply and demand is to be supplanted by an artificial law of economics under a protective policy, such policy, to be just, must embrace all industries and confer upon all industries alike the benefits of protection.

There are two prime factors that interfere with and prevent the determination of prices by the natural law of supply and demand, namely, governmental protection and private commercial price-fixing combinations, commonly called trusts. We have in this country both governmental protection and price-fixing combinations, and one or both of these factors are operating in this country to increase the prices of practically all of the manufactured products of commerce in our domestic markets above that of the world markets thereof. But neither of these factors, except in a few instances, is operating to increase the price of farm products in our domestic markets above that of such products in the world markets.

Furthermore, the manufacturing plants of this country which have more than a local status in our Nation's commerce are operated under a centralized control of large aggregations of capital, and they can and do so regulate their output or the supply of their manufactured products as to keep them within the limits of the demands therefor. But not so with agriculture. It is an individualized industry, and every natural economic tendency is toward its decentralization, making it extremely difficult, if not impossible, to centralize its control through voluntary cooperation. The enactment of the McNary-Haugen bill will overcome this handicap and disadvantage inhering in the farming industry.

The well-being and perpetuity of a nation depends upon the preservation and maintenance of economic conditions that will secure to all its people the opportunity to reap the just rewards and fruits of their labor and industry. Every citizen and every class of citizens in this country has the God-given and constitutional right to have this Government so administered as to guarantee equal opportunity to all men. The great basic industry of agriculture must be preserved and must be given equal consideration with other industries in the economic policy of governmental protection. The 40,000,000 of our people employed in agriculture must be secured a living return for their labor and enterprise. This country must continue as the home of both political and economic freedom. Sovereignty must not descend to serfdom.

The CHAIRMAN. The hour of 7 o'clock having arrived, the committee will automatically rise.

The committee rose; and the Speaker having resumed the chair, Mr. RAKER of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9033, the McNary-Haugen bill, and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Iowa asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow. Is there objection?

Mr. BLANTON. Reserving the right to object, we have a lot of committee meetings going on, and we can not be in two places at the same time. We want to hear this debate.

Mr. HAUGEN. And we want to get through with the debate to-morrow, if possible.

Mr. BLANTON. Well, I will not object; I am the farmer's friend.

The SPEAKER. Is there objection?

There was no objection.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair may not be able to be here at 11 o'clock to-morrow; and in case he should not be present, he designates the gentleman from Connecticut, Mr. TILSON, to act as Speaker pro tempore.

WILLIAM E. BAKER

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I wish to present a privileged matter and ask for the adoption of the following resolution.

The Clerk read as follows:

House Resolution 325

Whereas certain charges against William E. Baker, United States district judge for the Northern District of West Virginia, have been transmitted by the Speaker of the House of Representatives to the Judiciary Committee: Be it

Resolved, That the Committee on the Judiciary be, and they hereby are, authorized and directed to inquire into the official conduct of William E. Baker, United States district judge for the Northern District of West Virginia, and to report to the House whether in their opinion the said William E. Baker has been guilty of any acts which in contemplation of the Constitution are high crimes or misdemeanors requiring the interposition of the constitutional powers of this House; and that the said committee have power to send for persons and papers, to administer the customary oaths to witnesses, and to sit during the sessions of the House until adjournment and thereafter until said inquiry is completed and report to the next session of the House.

The SPEAKER. The question is on agreeing to the resolution.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Certainly.

Mr. GARRETT of Tennessee. I understand that this is a unanimous report.

Mr. GRAHAM of Pennsylvania. Yes. We appointed a subcommittee to examine the papers referred to us. They were quite voluminous. Each one of the subcommittee read them through, and after a conference they thought that the committee ought to take action to further investigate. That is the unanimous action of the committee.

Mr. BLANTON. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. BLANTON. Why the necessity for carrying this matter over during the vacation?

Mr. GRAHAM of Pennsylvania. Because there will be no opportunity to get it consummated. The examination will go on. The House will not be in session to act upon it.

Mr. BLANTON. Under this resolution this committee can meet anywhere it wants to in the United States.

Mr. GRAHAM of Pennsylvania. It certainly could, but it is not likely that it will.

Mr. BLANTON. The gentleman knows how some such resolutions have been executed in the past during the vacation of six or seven months.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GARRETT of Tennessee. This involves the investigation of charges against a Federal judge that may or may not constitute the basis of impeachment. I have looked into the matter somewhat, and I think the resolution should pass.

Mr. BLANTON. Does not the gentleman think this investigation ought to be here in Washington?

Mr. GARRETT of Tennessee. Oh, I do not know.

Mr. BLANTON. That is the only thing I am thinking about.

Mr. GARRETT of Tennessee. I do not think that is necessarily true as a matter of economy, even.

Mr. BLANTON. It ought not to be in Seattle.

Mr. GRAHAM of Pennsylvania. There is no likelihood of that.

Mr. GARRETT of Tennessee. It is scarcely possible that the Committee on the Judiciary investigating the charges against a judge in West Virginia would go to Seattle.

Mr. BLANTON. For instance, this week—to-morrow, I understand, and the next day—there will be a committee sitting in New York City, the special committee investigating the Shipping Board.

Mr. GARRETT of Tennessee. It may be economy for them to do so. It may save money by doing that rather than by summoning witnesses here.

Mr. BLANTON. If the gentleman from Tennessee thinks it is necessary, I will withdraw any objection that I have.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. McSWAIN, for two days, May 23 and 24, on account of public business, the annual visitation to the United States Military Academy.

CAMP JACKSON MILITARY RESERVATION

Mr. McSWAIN. I ask unanimous consent to extend my remarks in the RECORD by inserting therein the following brief statement.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, yesterday when the House was considering H. R. 9124 and I proposed an amendment relating to the disposition of a part of the Camp Jackson reservation, at page 9128 of the RECORD, the following colloquy took place:

Mr. GRIFFIN. Mr. Speaker, I reserve the point of order on this amendment for the purpose of asking the gentleman if this is not the same bill that was on the Private Calendar on last Friday night, to which objection was made by the gentleman from Michigan [Mr. CRAMTON].

Mr. McSWAIN. Yes; that is the same bill that was under consideration at that time. The gentleman from Michigan [Mr. CRAMTON] stated that he wanted more information in respect to it. I am informed by the gentleman from South Carolina [Mr. FULMER] that he has talked the matter over with the gentleman from Michigan and that he is satisfied.

Mr. FULMER. It is in line with the same bill that passed a few moments ago, having in mind identically the same purpose.

Mr. GRIFFIN. Mr. Speaker, I withdraw the point of order.

I am now informed by the gentleman from Michigan [Mr. CRAMTON] that he had not become satisfied about the provisions of the proposed amendment and that I was in error in my statement. He feels, and justly so, that he has been misrepresented. He and the gentleman from South Carolina [Mr. FULMER] and myself have talked over the facts and I am now convinced that I drew a conclusion from my conversations with them at different times that now appears was not justified. I regret this exceedingly, and have so expressed myself to the gentleman from Michigan [Mr. CRAMTON] and to the gentleman from New York [Mr. GRIFFIN].

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 6357. An act for the reorganization and improvement of the foreign service of the United States, and for other purposes;

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes; and

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government.

HAUGEN-M'NARY BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a letter from representatives of farm organizations addressed to Members of the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON. Mr. Speaker, when one of the St. Louis newspapers came in this morning I was surprised to note in the most conspicuous position on the front page an open letter signed by the representatives of the various farm organizations here in Washington and issued last Monday.

As soon as I read it I called up one of the signers and asked why so important a letter had not been released to the Washington papers. He said it was not only sent to the Washington papers but that they were repeatedly importuned to publish it, and notwithstanding these personal appeals they declined to give it space or even, refer to it.

This letter is a statement signed by the official representatives of the farmers of America, a class comprising one-third of the people of the United States and operating our largest and most indispensable industry, and it outlines their views on one of the most important pieces of legislation which has come before this or any other Congress. They are entitled to be heard. They have the right to present their side of the question, and to have their day in court, and the action of the Washington newspapers in refusing to give them that opportunity is a violation of the ethics of journalism and a reflection on that high calling.

This policy of the Washington newspapers is not merely a matter of local concern. It assumes the proportion of a national menace when the Congress and the President must legislate in an atmosphere devitalized by the deliberate suppression of the news and poisoned by the insidious miasma of propaganda. And if the interests which control these newspapers will permit an observation, I would suggest that they are defeating their own purpose and militating against their own cause by such obtuse and unsportsmanlike partizanship.

This letter merits the careful consideration of the Members of the House. It is authoritative. The official representatives of the farming interests of the Nation announce that after long and exhaustive consideration of all pending and proposed farm legislation they consider the McNary-Haugen bill as best suited to promote the interests of the farmers and the interests of the country at large. They state in emphatic and unmistakable terms that they desire no substitutes; that so far as the farm organizations are concerned they desire the McNary-Haugen bill or nothing.

They speak not only from a technical knowledge of the bill and the conditions which prompt it but as the representatives of 30,000,000 people, those who are most at interest. And for the convenience of Members who desire to read their presentation of the case I ask unanimous consent to insert it as a part of my remarks.

The following letter has been sent to Members of the House and Senate by representatives of farm organizations who are in Washington supporting the McNary-Haugen export corporation bill. In addition to the men and organizations signatory to this letter over 300 other farm organizations, as well as many hundreds of commercial and professional associations, have indorsed the measure:

During the recent press comment on the McNary-Haugen bill, the statement has frequently been made that the present Congress will not adjourn without passing some kind of farm legislation, and the only inference which can be drawn from such statements is that if Congress can not see its way clear to give the farmer what he wants then it will give him something it thinks he ought to have. And we, the undersigned, who represent the largest and the most representative farm organizations of the country, believe that the time has come when we should make our position in these premises clear to Congress and to the whole Nation, and, therefore, without the slightest semblance of threat, but with an overwhelming conviction of the gravity of the situation which now confronts the farmer, we want to make it perfectly plain that no mere legislative palliative can save agriculture from the collapse which now impends, which has already forced tens of thousands of the best farmers in the land into bankruptcy and which at this hour menaces tens of thousands of other farmers with the same catastrophe.

The single and solitary purpose of the McNary-Haugen bill is to give to the farmer as big a dollar for the products of his toil during the next five years as the dollar that he is forced to pay to industry under the Fordney-McCumber Act and to labor under the existing generous wage scales, and in all candor we desire to ask of Congress and of the country, is there anything unfair about this proposal? Can the farmer be expected, on the one hand, to bear a large share of the burdens imposed by industry and labor who have created living conditions of their own liking, and then, on the other hand, accept a price for his wheat, hogs, cattle, and other surplus farm commodities, at home and abroad, established in competition with the peasant and peon farmers of the whole world? If the American

manufacturer is unwilling to meet the foreign manufacturer on an even footing, and if labor believes that the time for absolute exclusion, with reference to immigration, has come, then should they ask the six and a half million farmers of this country to do what they themselves refuse to do?

Through the McNary-Haugen bill we have approached this situation as best we knew how. For four long, weary months this measure has stood the fire of the opposition before the House and Senate committees and during this time we have sought to cure every fair and valid objection made against its various provisions. Therefore we have a firm conviction that the measure as it now stands is legally sound, practical, and workable. Nevertheless, if any Member of Congress can, in good faith, propose any further amendment that will make it more so and yet subserve the full purpose which the act has in view, then we shall most cordially welcome such assistance, for, certainly, we want it to be sound and workable, and, certainly, also, we do not want to take a penny out of the Federal Treasury that is not returned, for we are asking Congress to help us save agriculture from impending ruin. We are not asking for charity. But if, after placing ourselves in this friendly and conciliatory attitude, Congress should still see fit to deny our petitions, then we shall go back home and save as much out of the wreck as we can.

In the meantime let Congress and the whole country understand that the day of soft-soaping agriculture is past; that in this hour, when the average farmer is struggling for his very existence, it would be an insult to offer him a mere legislative nostrum that does not honestly and fairly seek to relieve him of the tremendous handicap under which he is laboring. In all kindness, but nevertheless with profound firmness, we therefore say, Give us the McNary-Haugen bill, for agriculture is unable to accept a substitute.

The above statement has the unqualified indorsement of the following organizations, whose representatives are on the ground in Washington:

T. C. Atkeson, Washington representative National Grange.

John G. Brown, president National Live Stock Producers' Association.

George G. Coale, Knox County, Ind., banker.

Thomas E. Cashman, president American Hereford Breeders' Association; director, Minnesota Farm Bureau Federation.

R. A. Cowles, treasurer Illinois Agricultural Association.

Carl Gunderson, director, South Dakota Wheat Growers' Association.

William Hirth, president Missouri Farmers' Association.

C. W. Hunt, secretary-treasurer Iowa Farm Bureau Federation.

George C. Jewett, general manager American Wheat Growers' Association.

F. W. Murphy, St. Paul Association and Northwest Campaign Committee for Promotion McNary-Haugen Bill.

J. F. Reed, vice president Minnesota Farm Bureau Federation.

J. R. Riggs, Producers' Commission Association of Indianapolis, Ind.

C. G. Selvig, president Minnesota Export Commission League.

Gray Silver, Washington representative American Farm Bureau Federation.

William H. Settle, president Indiana Farm Bureau Federation, Indiana Wheat Pool, Indiana Dairy and Produce Association.

L. J. Tabor, master National Grange.

John Tromble, president Kansas Farmers' Union.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 7 o'clock and 6 minutes p. m.), in accordance with the order heretofore made, the House adjourned until to-morrow, Friday, May 23, 1924, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

502. A letter from the Secretary of War, transmitting a draft of proposed legislation for the relief of Felix Davis; to the Committee on Claims.

503. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the District of Columbia for the fiscal year ending June 30, 1924, to pay salaries and expenses for the continuance of the Rent Commission from May 23, 1924, to May 22, 1925, $75,220 (H. Doc. No. 300); to the Committee on Appropriations and ordered to be printed.

504. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury, and require an appropriation for their payment, as follows: Under the Department of the Interior, $4,737.09; under the Navy Department, $10,178.51; under the Treasury Department, $0.69; and under the War Department, $80,098.85; in all, $95,015.04 (H. Doc. No. 301); to the Committee on Appropriations and ordered to be printed.

505. A communication from the President of the United States, transmitting record of judgment rendered against the Government by the United States District Court for the Eastern District of Virginia, sitting in admiralty, in the case of the Brovig v. The United States (steamship *Babcock*), $8,904.40 (H. Doc. No. 302); to the Committee on Appropriations and ordered to be printed.

506. A communication from the President of the United States, transmitting a list of judgments rendered against the Government by the district courts of the United States, as submitted by the Attorney General, through the Secretary of the Treasury, which require an appropriation for their payment, as follows: Under the Department of Labor, $328.75; under the Navy Department, $5,483.12; under the War Department, $412.25; in all, $6,224.12 (H. Doc. No. 303); to the Committee on Appropriations and ordered to be printed.

507. A communication from the President of the United States, transmitting schedules of claims amounting to $1,190,870.49 allowed by the various divisions of the General Accounting Office, as covered by certificates of settlement, the numbers of which are shown in the first column of said schedules (H. Doc. No. 304); to the Committee on Appropriations and ordered to be printed.

508. A communication from the President of the United States, transmitting judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury, under the War Department, $427,511.45 (H. Doc. No. 305); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. McSWAIN: Committee on Military Affairs. H. R. 9012. A bill to make available an officer of the Army of appropriate grade for service in charge of public buildings and grounds in the District of Columbia and for the exercise of certain other functions; without amendment (Rept. No. 814). Referred to the Committee of the Whole House on the state of the Union.

Mr. McKENZIE. Committee on Military Affairs. S. 1376. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia; without amendment (Rept. No. 815). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAJOR of Missouri: Committee on the Judiciary. S. 624. An act to amend the practice and procedure in Federal courts, and for other purposes; with an amendment (Rept. No. 816). Referred to the House Calendar.

Mr. JOHNSON of South Dakota: Committee on Indian Affairs. H. R. 3387. A bill authorizing repayment of excess amounts paid by purchasers of certain lots in the town site of Sanish, formerly Fort Berthold Indian Reservation, N. Dak.; without amendment (Rept. No. 824). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on the Public Lands. H. R. 7522. A bill to authorize and direct the issuance of patents to purchasers of lots in the town site of Bowdoin, Mont.; with an amendment (Rept. No. 825). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on Indian Affairs. H. R. 8083. A bill to designate the Croatan Indians of Robeson and adjoining counties in North Carolina as Cherokee Indians; without amendment (Rept. No. 826). Referred to the Committee of the Whole House on the state of the Union.

Mr. HICKEY: Committee on the Judiciary. H. R. 8906. A bill to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; without amendment (Rept. No. 827). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Nebraska: Committee on Indian Affairs. H. R. 8965. A bill for the relief of the Omaha Indians of Nebraska; without amendment (Rept. No. 828). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WURZBACH: Committee on Military Affairs. H. R. 1691. A bill for the relief of Charles F. Getchell; without

amendment (Rept. No. 811). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 2421. A bill to remove the charge of desertion from the military record of Matthew Thomas; with amendments (Rept. No. 812). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 9354. A bill for the relief of William P. Quarles, known as Qualls; without amendment (Rept. No. 813). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1958. A bill for the relief of Frederick Sparks; without amendment (Rept. No. 817). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 1962. A bill for the relief of Thomas J. Gardner; with an amendment (Rept. No. 818). Referred to the Committee of the Whole House.

Mr. HAYDEN: Committee on Indian Affairs. H. R. 2258. A bill for the relief of James J. McAllister; with an amendment (Rept. No. 819). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. H. R. 7631. A bill for the relief of Charles T. Clayton and others; with amendments (Rept. No. 820). Referred to the Committee of the Whole House.

Mr. HASTINGS: Committee on Indian Affairs. S. 2526. An act providing for an allotment of land from the Kiowa, Comanche, and Apache Indian Reservation, Okla., to James F. Rowell, an intermarried and enrolled member of the Kiowa Tribe; without amendment (Rept. No. 821). Referred to the Committee of the Whole House.

Mr. WRIGHT: Committee on Military Affairs. S. 2676. An act authorizing the Secretary of War to lease, or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla.; with an amendment (Rept. No. 822). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. S. 2764. An act authorizing the President to order Leo P. Quinn before a retiring board for a rehearing of his case and upon the findings of such board either confirm his discharge or place him on the retired list with the rank and pay held by him at the time of his discharge; without amendment (Rept. No. 823). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 5278. A bill for the relief of Edward N. Moore; without amendment (Rept. No. 829). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 7131. A bill for the relief of Pleasant P. W. Harris; with amendments (Rept. No. 830). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 7123. A bill for the relief of James Shook; with an amendment (Rept. No. 831). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9202) for the relief of Herman Lincoln Chatkoff; Committee on Military Affairs discharged, and referred to the Committee on World War Veterans' Legislation.

A bill (H. R. 9265) granting an increase of pension to Charles H. Black; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KNUTSON: A bill (H. R. 9380) granting the consent of Congress to the Board of County Commissioners of Aitkin County, Minn., to construct a bridge across the Mississippi River; to the Committee on Interstate and Foreign Commerce.

By Mr. ABERNETHY: A bill (H. R. 9381) to establish a national military park at the battle field of Moores Creek, N. C.; to the Committee on Military Affairs.

By Mr. RAINEY: A bill (H. R. 9382) declaring an emergency in respect of certain agricultural commodities, and for other purposes; to the Committee on Agriculture.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 324) for the consideration of S. 790, for the establishment of a Federal industrial institution for women, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Iowa: A bill (H. R. 9383) granting an increase of pension to Orrel Tucker; to the Committee on Invalid Pensions.

By Mr. COOK: A bill (H. R. 9384) granting a pension to Louisa W. Kohser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9385) granting a pension to Eliza J. Saxon; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 9386) granting an increase of pension to Sarah A. Nighswander; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 9387) for the relief of Rachel Parke; to the Committee on Claims.

By Mr. FISH: A bill (H. R. 9388) granting an increase of pension to Annie Fitzpatrick; to the Committee on Invalid Pensions.

By Mr. FULBRIGHT: A bill (H. R. 9389) granting an increase of pension to William Huskey; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 9390) granting a pension to Lydia Gault Read; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 9391) granting a pension to Jessie F. Loughridge; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 9392) granting an increase of pension to Mary C. Hale; to the Committee on Pensions.

By Mr. SIMMONS: A bill (H. R. 9393) granting an increase of pension to Marie Spencer; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9394) for the relief of John Milton Pew; to the Committee on Claims.

By Mr. TAGUE: A bill (H. R. 9395) granting a pension to Isadore J. Rogers; to the Committee on Invalid Pensions.

By Mr. VINSON of Georgia: A bill (H. R. 9396) authorizing the Secretary of War to deliver to the city of Augusta, Ga., two condemned bronze or brass cannons, with their carriages and a suitable outfit of cannon balls; to the Committee on Military Affairs.

By Mr. WINSLOW: A bill (H. R. 9397) granting an increase of pension to S. Angeline Wheeler; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2842. By the SPEAKER (by request): Petition of the board of directors of the Maritime Association of the Port of New York, favoring a carrying out of the plan of the Secretary of the Navy to modernize the Navy; to the Committee on Naval Affairs.

2843. Also (by request), petition of convention of Illinois mine workers, favoring increase of salaries to postal employees; to the Committee on the Post Office and Post Roads.

2844. Also (by request), petition of national executive committee of the American Legion, expressing appreciation of the action of the House of Representatives in passing the adjusted compensation bill; to the Committee on Ways and Means.

2845. Also (by request), petition of city parliament of the Community Councils of the City of New York, N. Y., favoring a congressional investigation of telephone rates and service throughout the United States; to the Committee on Rules.

2846. By Mr. BROWNE of Wisconsin: Petition of Soo Line Employees' Association, against Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2847. By Mr. FULLER: Petition of 900 citizens of Peru, La Salle County, Ill., favoring the enactment of the bill H. R. 4088, known as the Upper Mississippi River or Izaak Walton League bill; to the Committee on Agriculture.

2848. By Mr. GALLIVAN: Petition of Boston Central Labor Union, protesting against the bill which authorizes the authorities at the Federal penitentiary, Leavenworth, to equip a portion of its institution with shoe-manufacturing machinery, which will enable convict prison labor to compete with free labor in the boot and shoe industry; to the Committee on the Judiciary.

2849. Also, petition of Boston Central Labor Union, Boston, Mass., protesting against the awarding of a contract by the United States Government for 500,000 yards of khaki cloth to be manufactured by a firm in England while there are thousands of textile workers out of work or on short time in the United States; to the Committee on Military Affairs.

2850. By Mr. LEAVITT: Petitions of county officials of Fergus County, Mont.; city officials of Lewistown, Mont.; Fergus County (Mont.) Republican central committee; Fergus County (Mont.) Democratic central committee; Wright Land & Investment Co., Lewistown, Mont.; Power Mercantile Co., Lewistown, Mont.; Fergus Loan & Investment Co., Lewistown, Mont.; Carl Peterson, Fergus County agricultural agent; and Lewistown Democrat-News, Lewistown, Mont., urging passage of the McNary-Haugen bill; to the Committee on Agriculture.

2851. By Mr. RAKER: Letter from A. W. McKenzie, Bieber, Calif., protesting against increase of parcel-post rates; to the Committee on the Post Office and Post Roads.

2852. Also, petitions of C. G. Brainerd, Loomis, Calif.; Angelina M. Reidstreake, Johnsville, Calif.; Huron B. Brown, Denair, Calif.; and F. E. Moore, Copperopolis, Calif., indorsing House bill 9035, increasing salaries of fourth-class postmasters; to the Committee on the Post Office and Post Roads.

2853. Also, petitions of J. S. Hussey, Cromberg, Calif.; Belle Stevens, Igo, Calif.; F. B. Jones, Los Molinos, Calif., indorsing House bill 9035, increasing salaries of fourth-class postmasters; to the Committee on the Post Office and Post Roads.

2854. Also, petitions of Parker & Waterman Manufacturing Co., Los Angeles, Calif., and H. R. Williar, San Francisco, Calif., protesting against passage of House bill 4123 and Senate bill 1898, providing for increase in salary for postal employees; to the Committee on the Post Office and Post Roads.

2855. Also, petition of A. A. Berke, jr., counsel for the Pueblo Indians, 33 West Forty-second Street, New York City, urging passage of Senate bill 2932, in re lands of Pueblo Indians; to the Committee on Indian Affairs.

2856. Also, petition of Mr. Clarence B. Yates, secretary Gold Hill Grange, No. 326, Lincoln, Calif., resolution opposing creation of a department of education; to the Committee on Education.

2857. Also, petition of Joseph T. Watson, 824 LaJolla Avenue, Los Angeles, Calif., urging support of House bill 6484, providing for retirement of disabled emergency Army officers of the World War; to the Committee on Military Affairs.

2858. Also, petition of Miss Myrtle C. Robertson, Kirkland, Wash., protesting against change in the name of Mount Rainier; to the Committee on the Public Lands.

SENATE

FRIDAY, *May 23, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ball	Fess	Lenroot	Sheppard
Bayard	Fletcher	Lodge	Shipstead
Borah	Frazier	McKinley	Simmons
Brandegee	George	McNary	Smith
Broussard	Gerry	Mayfield	Smoot
Bruce	Glass	Moses	Spencer
Bursum	Hale	Neely	Stanley
Cameron	Harreld	Norbeck	Stephens
Capper	Harris	Norris	Sterling
Caraway	Harrison	Oddie	Swanson
Copeland	Heflin	Overman	Trammell
Couzens	Howell	Owen	Wadsworth
Cummins	Johnson, Calif.	Pepper	Walsh, Mass.
Curtis	Johnson, Minn.	Phipps	Walsh, Mont.
Dale	Jones, N. Mex.	Pittman	Warren
Dial	Jones, Wash.	Ralston	Weller
Dill	Kendrick	Ransdell	Willis
Edge	King	Reed, Pa.	
Ferris	Ladd	Robinson	

Mr. CURTIS. I was requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Arizona [Mr. ASHURST], and the Senator from Montana [Mr. WHEELER] are attending a meeting of a special investigating committee of the Senate.

The PRESIDENT pro tempore. Seventy-four Senators have answered to the roll call. There is a quorum present.

ADJUSTED COMPENSATION VETO—PERSONAL EXPLANATION

Mr. OWEN. Mr. President, I wish to have it appear in the RECORD that my failure to be present and vote on the soldiers' bonus bill on Monday last was due to a misapprehension on my part. As I believed that I was paired with the Senator from Vermont [Mr. GREENE] at that time, I was not present when the vote was taken. I merely wanted this statement to appear in the RECORD. Had I been present I would have voted to override the President's veto of the bill.

TAX REDUCTION—CONFERENCE REPORT

Mr. SMOOT. Mr. President, I submit a conference report on the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes. At this time I shall ask that it be printed in the RECORD without reading and I give notice that I shall call it up to-morrow morning.

Mr. SMITH. May I ask the Senator if the report is unanimous?

Mr. SMOOT. The report is unanimous. I have also had copies of the report printed and I shall have a copy placed on the desk of each Senator this afternoon, together with a copy of the bill containing the exact amendments that have been made to the House text, and also the amendments as they have been agreed to in conference. To-morrow morning I desire, if it is the will of the Senate, to make a statement as to just what the principal amendments agreed to in conference are, and also showing the revenue under the present law and the estimated revenue which the Mellon plan and the bill as agreed upon in conference would provide.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 13, 14, 15, 18, 19, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, 48, 53, 69, 71, 72, 76, 77, 80, 81, 82, 83, 89, 90, 92, 93, 96, 123, 127, 128, 129, 132, 136, 137, 140, 141, 143, 144, 145, 146, 147, 148, 149, 150, 153, 157, 158, 159, 161, 162, 163, 164, 166, 167, 168, 169, 171, 172, 174, 176, 181, 183, 184, 188, 189, 190, 191, 192, 195, 196, 197, 198, 199, 203, 205, 206, 207, 208, 209, 210, 211, 215, 222, 223, 224, 225, 229, 253, 254, and 260.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 16, 17, 20, 24, 29, 37, 38, 40, 42, 43, 45, 46, 49, 50, 52, 54, 55, 57, 58, 59, 60, 64, 65, 66, 67, 68, 70, 73, 74, 75, 78, 84, 85, 86, 87, 94, 97, 98, 99, 100, 102, 103, 104, 105, 106, 107, 108, 109, 112, 113, 115, 116, 118, 119, 120, 121, 124, 125, 126, 130, 131, 133, 134, 135, 138, 139, 142, 151, 156, 160, 165, 170, 173, 175, 177, 178, 180, 182, 185, 193, 200, 201, 202, 204, 213, 214, 217, 218, 219, 220, 221, 226, 227, 231, 232, 233, 234, 235, 236, 237, 238, 239, 241, 242, 243, 244, 245, 246, 247, 248, 249, 251, 252, 255, 256, 257, 258, and 259, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment and on page 16 of the House bill strike out all after "shall" in line 9 down to and including the comma in line 10; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) In the case of an individual the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable if his earned net income constituted his entire net income; but in no case shall the credit allowed under this subdivision exceed 25 per cent of his tax under section 210" and a period.

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: On page 5 of the Senate engrossed amendments, line 18, strike out "Two"

and insert "2"; and on page 5 of the Senate engrossed amendments, line 19, strike out "attributed" and insert "attributable"; and on page 6 of the Senate engrossed amendments, line 1, strike out "Four" and insert "4"; and on page 6 of the Senate engrossed amendments, line 6, strike out "Six" and insert "6"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(A) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia, (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year.

"(B) If by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title."

And on page 40 of the House bill, line 1, strike out the comma at the end of the line and insert a dash.

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: On page 12 of the Senate engrossed amendments strike out line 11 and down to and including "continued" in line 12; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 13 of the Senate engrossed amendments, line 3, strike out "or community chest" and the comma following such words; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: On page 15 of the Senate engrossed amendments, line 10, strike out all after "to" down to and including the comma in line 12, and insert "$2,500"; and on page 15 of the Senate engrossed amendments, line 13, strike out "had such status" and insert "was a married person living with husband or wife or was the head of a family"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or for the prevention of cruelty to children or animals or for the establishment, acquisition, maintenance, or operation of a public cemetery not operated for profit"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 11, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 19, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: On page 76 of the House bill, line 7, strike out "Farmers'" and insert "Benevolent life insurance associations of a purely local character, farmers'"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 103 of the House bill, line 16, after "Treasury," insert "for"; and on page 103 of the House bill, line 17, after "furnish," insert a comma; and on page 104 of the House bill, line 24, strike out all after "the," down to and including "district," in line 2, on page 105, and insert "name and the post-office address of each person making an income-tax return in such district, together with the amount of the income tax paid by such person"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment, and on page 113 of the House bill, line 16, strike out all after the period, down to and including the period in line 21, and insert "No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per centum per annum from the date prescribed for the payment of the tax to the date of the judgment" and a period; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment and on page 122 of the House bill, line 20, strike out "5 per centum" and insert "6 per centum"; and on page 123 of the House bill, line 5, strike out "5 per centum" and insert "6 per centum"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment as follows: On page 33 of the Senate engrossed amendments, line 21, after "claim" insert "or, if no claim was filed, then during the four years immediately preceding the allowance of the credit or refund"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 128

of the House bill strike out line 13 and insert the following heading in capitals: "Title III" and a period; and on page 128 of the House bill, after line 13, insert the following heading in small capitals: "Part I.—Estate Tax" and a period; and on page 128 of the House bill, line 14, after "in" insert "Part I of"; and on page 128 of the House bill, line 17, strike out "trator" and insert "trator appointed, qualified, and acting within the United States, then"; and on page 131 of the House bill, line 24, before "this" insert "Part I of"; and on page 132 of the House bill, line 10, strike out all after "held" down to and including "son" in line 12 and insert "as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse"; and on page 138 of the House bill strike out lines 2, 3, and 4 and line 5 through "thereof" and insert "by the entirety by the decedent and spouse, then to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants"; and on page 133 of the House bill, line 20, strike out "right" and insert "rights"; and on page 134 of the House bill strike out lines 21 to 25, inclusive, and lines 1 to 11, inclusive, on page 135, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under paragraph (1) or (3) of this subdivision" and a semicolon; and on page 135 of the House bill, line 24, strike out all after "trustee or" down to and including "and" in line 2 on page 136, and insert "trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes; and"; and on page 136 of the House bill strike out lines 14 to 25, inclusive, and lines 1 to 6, inclusive, on page 137, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in that part of the decedent's gross estate which at the time of his death is situated in the United States and not deducted under paragraph (1) or (3) of this subdivision; and"; and on page 137 of the House bill strike out line 20 and line 21 through "States" and insert "trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction, under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes"; and on page 138 of the House bill, line 3, after "of" insert "Part I of"; and on page 138 of the House bill, line 17, after "of" insert "Part I of"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "306"; and the Senate agree to the same.

Amendment numbered 154: That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: On page 59 of the Senate engrossed amendments, line 23, strike out "315" and insert "310"; and the Senate agree to the same.

Amendment numbered 179: That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PART II.—GIFT TAX

"SEC. 319. For the calendar year 1924 and each calendar year thereafter, a tax equal to the sum of the following is hereby imposed upon the transfer by a resident by gift during such calendar year of any property wherever situated, whether made directly or indirectly, and upon the transfer by a nonresident by gift during such calendar year of any property situated within the United States, whether made directly or indirectly:

"One per cent of the amount of the taxable gifts not in excess of $50,000;

"Two per cent of the amount by which the taxable gifts exceed $50,000 and do not exceed $100,000;

"Three per cent of the amount by which the taxable gifts exceed $100,000 and do not exceed $150,000;

"Four per cent of the amount by which the taxable gifts exceed $150,000 and do not exceed $250,000;

"Six per cent of the amount by which the taxable gifts exceed $250,000 and do not exceed $450,000;

"Nine per cent of the amount by which the taxable gifts exceed $450,000 and do not exceed $750,000;

"Twelve per cent of the amount by which the taxable gifts exceed $750,000 and do not exceed $1,000,000;

"Fifteen per cent of the amount by which the taxable gifts exceed $1,000,000 and do not exceed $1,500,000;

"Eighteen per cent of the amount by which the taxable gifts exceed $1,500,000 and do not exceed $2,000,000;

"Twenty-one per cent of the amount by which the taxable gifts exceed $2,000,000 and do not exceed $3,000,000;

"Twenty-four per cent of the amount by which the taxable gifts exceed $3,000,000 and do not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the taxable gifts exceed $4,000,000 and do not exceed $5,000,000;

"Thirty per cent of the amount by which the taxable gifts exceed $5,000,000 and do not exceed $8,000,000;

"Thirty-five per cent of the amount by which the taxable gifts exceed $8,000,000 and do not exceed $10,000,000;

"Forty per cent of the amount by which the taxable gifts exceed $10,000,000.

"SEC. 320. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift. Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property

exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

"SEC. 321. In computing the amount of the gifts subject to the tax imposed by section 319, there shall be allowed as deductions:

"(a) In the case of a resident—

"(1) An exemption of $50,000;

"(2) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association operating under the lodge system, but only if such gifts or contributions are to be used by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporations, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(3) Gifts the aggregate amount of which to any one person does not exceed $500;

"(4) An amount equal to the value of any property transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included in the total amount of gifts made within the calendar year and not deducted under paragraph (2) or (3) of this subdivision.

"(b) In the case of a nonresident—

"(1) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes or to or for the use of any domestic corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association, operating under the lodge system, but only if such gifts or contributions are to be used within the United States by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporation, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(2) Gifts the aggregate amount of which to any one person does not exceed $500;

"(3) An amount equal to the value of any property situated in the United States transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included within the total amount of gifts made within the calendar year of property situated in the United States and not deducted under paragraph (1) or (2) of this subdivision.

"SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor, the amount thereof is required by any provision of Part I of this title to be included in the gross estate of the decedent, then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears to the total amount of gifts in that year.

"SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts in excess of the deductions allowed by section 321 shall on or before the 15th day of March file with the collector a return, under oath, in duplicate, listing and setting forth therein all gifts and contributions made by him during such calendar year (other than the gifts specified in paragraph (3) of subdivision (a) and in paragraph (2) of subdivision (b) of section 321) and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

"SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of March and shall be assessed, collected, and paid in the same manner and subject in so far as applicable to the same provisions of law as the tax imposed by section 301" and a period.

And the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: On page 68 of the Senate engrossed amendments strike out lines 18 to 22, inclusive, and insert in lieu thereof a subdivision as follows: "(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 2½ per cent. This subdivision shall not apply to chassis or bodies for automobile trucks, automobile wagons, or other automobiles" and a semicolon; and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: On page 69 of the Senate engrossed amendments, line 1, strike out "10" and insert "5," and on page 69 of the Senate engrossed amendments, line 4, strike out "10" and insert "5"; and the Senate agree to the same.

Amendment numbered 194: That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "$30"; and the Senate agree to the same.

Amendment numbered 212: That the House recede from its disagreement to the amendment of the Senate numbered 212 and agree to the same with an amendment as follows: On page 72 of the Senate engrossed amendments, line 19, after "Board" insert "appointed for a term beginning after the expiration of two years after the enactment of this act"; and on page 73 of the Senate engrossed amendments, line 2, strike out "313, and 317" and insert "279, 308, and 312"; and the Senate agree to the same.

Amendment numbered 216: That the House recede from its disagreement to the amendment of the Senate numbered 216,

and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(h) Notice and an opportunity to be heard shall be given to the taxpayer and the commissioner and a decision shall be made as quickly as practicable. Hearings before the board and its divisions shall be open to the public. The proceedings of the board and its divisions shall be conducted in accordance with such rules of evidence and procedure as the board may prescribe. It shall be the duty of the board and of each division to make a report in writing of its findings of fact and decision in each case, and a copy of its report shall be entered of record and a copy furnished the taxpayer. If the amount of tax in controversy is more than $10,000 the oral testimony taken at the hearing shall be reduced to writing and the report shall contain an opinion in writing in addition to the findings of fact and decision. All reports of the board and its divisions and all evidence received by the board and its divisions (including, in cases where the oral testimony is reduced to writing, the transcript thereof) shall be public records open to the inspection of the public. The board shall provide for the publication of its reports at the Government Printing Office in such form and manner as may be best adapted for public information and use, and such authorized publication shall be competent evidence of the reports of the board therein contained in all courts of the United States and of the several States without any further proof or authentication thereof. Such reports shall be subject to sale in the same manner and upon the same terms as other public documents. The principal office of the board shall be in the District of Columbia, but the board or any of its divisions may sit at any place within the United States. The times and places of the meetings of the board, and of its divisions, shall be prescribed by the chairman with a view to securing reasonable opportunity to taxpayers to appear before the board or any of its divisions, with as little inconvenience and expense to taxpayers as is practicable" and a period; and the Senate agree to the same.

Amendment numbered 228: That the House recede from its disagreement to the amendment of the Senate numbered 228, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) No tax shall be levied, assessed, or collected under the provisions of Title VI of this act on any article sold or leased by the manufacturer, producer, or importer, if at the time of the sale or lease there was an existing ruling, regulation, or Treasury decision holding that the sale or lease of such article was not taxable, and the manufacturer, producer, or importer parted with possession or ownership of such article, relying upon the ruling, regulation, or Treasury decision" and a period; and the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) The exemption provided in paragraph (10) of subdivision (a) of section 11 of the revenue act of 1916, and in subdivision (10) of section 231 of the revenue act of 1918, and in subdivision (10) of section 231 of the revenue act of 1921, shall be granted to farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under such paragraphs), whether or not such organizations were of a purely local character. Any taxes assessed against such organizations shall, subject to the statutory period of limitations properly applicable thereto, be abated, credited, or refunded" and a period; and the Senate agree to the same.

Amendment numbered 250: That the House recede from its disagreement to the amendment of the Senate numbered 250, and agree to the same with an amendment as follows: On page 85 of the Senate engrossed amendments, after line 5, insert the following heading in small capitals: "Special deposits" and a period; and on page 85 of the Senate engrossed amendments, line 21, strike out all after "taxes" down to and including "law" in line 22, and insert "and revenues received under the provisions of this act, and collections of whatever nature received or collected by authority of any internal-revenue law"; and on page 86 of the Senate engrossed amendments, line 9, strike out "offered" and insert "offered"; and the Senate agree to the same.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

REED SMOOT,
GEO. P. MCLEAN,
CHARLES CURTIS,
F. M. SIMMONS,
A. A. JONES,
Managers on the part of the Senate.

Mr. WILLIS. Mr. President, I desire to make an inquiry of the Senator from Utah. I was not sure that I got the full import of his statement. Is it his purpose to press to a vote to-morrow the conference report which he has just submitted?

Mr. SMOOT. That is my purpose, I will say to the Senator.

Mr. WILLIS. Some of us will be unable to be here to-morrow and we would be very much pleased if the vote could be had on Monday or Tuesday next. Would not the Senator be willing to postpone it?

Mr. SMOOT. I would not like to have the report lie over so long.

Mr. ROBINSON. May I ask the Senator from Ohio a question?

Mr. WILLIS. Certainly.

Mr. ROBINSON. Does the Senator anticipate that there will be serious opposition to the conference report?

Mr. WILLIS. I do not think there will be serious opposition to it, but some of us who can not be here to-morrow would like to have an opportunity to vote upon it.

Mr. ROBINSON. May I suggest to the Senator that there are others who could not be here on Monday.

Mr. WILLIS. I quite understand that.

Mr. ROBINSON. Scarcely a day comes when every Senator is able to be in attendance.

Mr. WILLIS. I simply wanted to be certain about the position of the Senator from Utah in regard to the time when the report is to be considered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendments of the Senate to the following bills of the House:

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary";

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia; and

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

The message also announced that the House had passed a bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the President pro tempore:

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes;

H. R. 6357. An act for the reorganization and improvement of the foreign service of the United States, and for other purposes; and

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government.

PETITIONS AND MEMORIALS

Mr. SMITH presented a petition of sundry members of the Rotary Club of Union and the Izaak Walton League, all of Union, S. C., praying for the passage of the bill (H. R. 4088) to establish the upper Mississippi River wild life and fish refuge, which was referred to the Committee on Commerce.

Mr. HALE presented the memorial of the Penobscot County Woman's Christian Temperance Union, of Bangor, Me., remonstrating against the passage of legislation modifying the Vol-

stead Prohibition Act so as to legalize the manufacture and sale of beers and wines, which was referred to the Committee on the Judiciary.

Mr. LADD presented 144 petitions of sundry citizens in the State of North Dakota, praying for the passage of legislation providing an equipment maintenance allowance to rural mail carriers, which were referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented a resolution adopted by the executive committee of the Pike County Farm Bureau, at Waverly, Ohio, favoring the passage of the bill (H. R. 8373) to amend the Federal highway act, so as to provide that after November 9, 1926, the term "State funds" as used in the Federal highway act, approved November 9, 1921, and all acts amendatory thereof and supplementary thereto, shall be construed to mean funds derived from revenues of the State, and not from any political or other subdivision thereof, and made available for expenditure under the direct control of the State highway department, which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions of the Exchange Club of Bryan, Ohio, protesting against amendment of the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Natural Gas Association of America in annual convention assembled in the city of Cleveland, Ohio, remonstrating against the taxation of undistributed earnings of corporations, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. DALE, from the Committee on Pensions, to which was referred the bill (S. 1535) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War, reported it with an amendment and submitted a report (No. 592) thereon.

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (H. R. 4432) for the relief of Orville Paul, reported it without amendment and submitted a report (No. 593) thereon.

He also from the same committee to which was referred the bill (S. 3252) referring the claim of the State of Rhode Island for expenses during the war with Spain to the Court of Claims for adjudication, reported it without amendment and submitted a report (No. 605) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2223) for the relief of the estate of Robert M. Bryson, deceased (Rept. No. 595);

A bill (S. 2833) for the relief of Rinald Bros., of Philadelphia, Pa. (Rept. No. 596);

A bill (S. 3235) for the relief of Christina Conniff (Rept. No. 597);

A bill (H. R. 905) for the relief of Gerard E. Bess (Rept. No. 598);

A bill (H. R. 1860) for the relief of Fannie M. Higgins (Rept. No. 599);

A bill (H. R. 3009) for the relief of Robert J. Kirk (Rept. No. 600); and

A bill (H. R. 3537) for the relief of L. A. Scott (Rept. No. 601).

Mr. STANFIELD, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 1202) for the relief of the estate of Benjamin Braunell (Rept. No. 602);

A bill (S. 3066) for the relief of Albert E. Magoffin (Rept. No. 603); and

A bill (H. R. 3348) authorizing the Secretary of the Treasury to pay a certain claim as the result of damages sustained to the marine railway of the Greenport Basin & Construction Co. (Rept. No. 604).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 5967) for the relief of Grace Buxton, reported it without amendment and submitted a report (No. 606) thereon.

ENROLLED BILL PRESENTED

Mr. BALL, from the Committee on Enrolled Bills, reported that on May 22, 1924, that committee presented to the President of the United States the enrolled bill (S. 2922) to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

AMENDMENT OF WORLD WAR ADJUSTED COMPENSATION ACT

Mr. WALSH of Massachusetts. I introduce a bill to amend the World War adjusted compensation act, which I ask be referred to the Committee on Finance. It is accompanied by a brief statement which I ask may be printed in the RECORD.

The bill (S. 3367) to amend the World War adjusted compensation act, was read twice by its title and referred to the Committee on Finance.

The accompanying statement was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WALSH OF MASSACHUSETTS IN REFERENCE TO THE BILL INTRODUCED BY HIM TO AMEND THE WORLD WAR ADJUSTED COMPENSATION ACT

The adjusted compensation law recently enacted by Congress has settled the question of paying additional compensation to the military forces for their services during the war. It fixes the amount of the adjusted compensation to be paid at $1 per day for military services at home in excess of 60 days, and $1.25 per day for military service abroad in excess of 60 days.

During the debate on this measure only incidental consideration was given to the method of making payments to the veterans. The contest was centered chiefly upon the recognition of the principle of adjusting compensation for military services. In my opinion, before Congress adjourns it ought to consider seriously and without partisanship two other aspects of this question, namely, which plan of payment is preferred by the veterans and which is economically best for the country.

I believe that both from the standpoint of the soldiers' preference as well as that of sound financing, the cash-option plan is infinitely better. Therefore, I am presenting to Congress a bill amending the law to ths end.

The cash-opton plan will give each veteran a choice between receiving cash or accepting a 20-year service certificate, which represents the money due him with accrued interest. Under the law as it now stands there is no preference. A veteran who has $51 due him must wait 20 years to collect it. He must accept the 20-year certificate, unless the amount due is less than $50.

The cash-option plan proposed by me will save the National Government for the next 20 years more than $1,000,000,000 and possibly as much as $2,000,000,000. How can such a saving be ignored? The plan, now the law, would not be thought of for an instant were it not for the desire to please certain financial interests by refraining from issuing Government bonds at this time, which a cash plan would necessitate. Under the law enacted only about $142,000,000 will have to be raised next year by taxation or bond issue, but a like sum must be raised annually during all of the 20 years. Under the cash-option plan which I propose it will be necessary next year to raise about $600,000,000 by a bond issue, but thereafter the annual appropriations will be comparatively small, resulting at the end of 20 years in a total cost to the Government of nearly $2,000,000,000 less than the 20-year certificate plan. Because some financiers in this country do not desire the National Government to issue securities to the amount of half a billion dollars next year, lest it slightly affect their securities, the American people must pay this vast extra sum of money within the next 20 years and deny the veterans the privilege of choosing cash or a certificate. The veterans and financiers without political prejudice will not be deceived by the attempt to make a temporarily good financial showing at the expense of the general public interest. Now that the policy of paying the war veterans' compensation has been settled, let us do it at the least possible expense to the American people and not wantonly add $2,000,000,000 to the national debt.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3368) to cancel the additional taxes together with all penalties and other charges assessed against the estate of Charles L. Freer, deceased, and to remit any further taxes, penalties, or charges, which may hereafter be found due from the said estate; to the Committee on Appropriations.

By Mr. WILLIS:

A bill (S. 3369) granting an increase of pension to Elizabeth P. Aiken (with accompanying papers); to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 3370) for the relief of Mary T. Metcalfe; to the Committee on Public Lands and Surveys.

By Mr. FLETCHER:

A bill (S. 3371) to amend section 303 of the act of Congress approved March 4, 1923, known as the "Agricultural credits act of 1923"; to the Committee on Banking and Currency.

By Mr. GOODING:

A bill (S. 3372) to provide safeguards for future Federal irrigation development, and an equitable adjustment of existing accounts on Federal irrigation projects, and for other purposes; to the Committee on Irrigation and Reclamation.

Mr. JOHNSON of California. I introduce a bill by request. I say "by request" because the opportunity has not as yet been presented to me or to the committee to examine its provisions, and therefore I make this particular reservation. I ask that the bill may be referred to the Committee on Territories and Insular Possessions.

By Mr. JOHNSON of California (by request):

A bill (S. 3373) to enable the people of the Philippine Islands to adopt a constitution and form a government for the Philippine Islands and to provide for the future political status of the same; to the Committee on Territories and Insular Possessions.

By Mr. LADD:

A bill (S. 3374) to authorize the more complete endowment of agricultural experiment stations, and for other purposes; to the Committee on Agriculture and Forestry.

AMENDMENTS TO GENERAL DEFICIENCY APPROPRIATION BILL

Mr. McNARY submitted an amendment proposing to appropriate $250,000 for continued investigations and for first payment toward purchase of an interest in the Warm Springs Reservoir, Warm Springs (Vale) irrigation project, Oregon, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

He also submitted an amendment proposing to appropriate $1,250,000 for continued investigations, commencement of construction, and incidental operations of the Owyhee irrigation project, Oregon, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

Mr. SMOOT submitted an amendment proposing to appropriate $1,500,000 for continued investigations, continuation of construction, and incidental operations of the Strawberry Valley project, Utah, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on May 23, 1924, the President approved and signed the following acts:

S. 129. An act for the relief of the William D. Mullen Co.;

S. 130. An act for the relief of George T. Tobin & Son;

S. 210. An act for the relief of Peter C. Keegan and others;

S. 1572. An act for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J.; and

S. 1698. An act granting permission to Commander Dorr F. Tozier, United States Coast Guard, retired, to accept a gift from the King of Great Britain.

STATUS OF SWAINS ISLAND (S. DOC. NO. 117)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, ordered to be printed and referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith a report from the Secretary of State regarding the status of Swains Island, in the vicinity of American Samoa, in the Pacific Ocean.

I recommend that Congress take the necessary action to regularize the status of the island in accordance with the recommendations of the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 23, 1924.*

OPERATIONS OF FEDERAL LAND BANKS

Mr. FLETCHER. Mr. President, I rose to make some reference to the farm loan act and its administration, but I will not interfere now with the progress of the appropriation bill. I will merely mention that some reference was made in executive session yesterday, which I am not at liberty to go into even if I so desired, to the circumstances under which Title III of the intermediate credit act was adopted and put into the law. I think it has been the basis of practically all the trouble that we have encountered. Without that sort of legislation, and what took place in pursuance of it, we would probably not have had the difficulty which has been experienced with reference to the confirmation of the members of the Farm Loan Board.

Upon that subject last September I had occasion to submit an article to the New York Times, which was printed in the issue of Sunday, September 9, 1923. I ask to have that article inserted in the RECORD.

The PRESIDING OFFICER. Without objection, the request will be granted.

The article referred to is as follows:

[From the New York Times, Sunday, September 9, 1923]

CONGRESS BLAMED FOR TROUBLES OF THE FEDERAL LAND BANKS—SENATOR FLETCHER SEES TRAIL OF POLITICS AND LACK OF EXPERT KNOWLEDGE IN THEIR OPERATION—REAL OWNERS DEPRIVED OF CONTROL AND POWER VESTED IN GOVERNMENT

By DUNCAN U. FLETCHER, United States Senator from Florida

Despite the existence of a farm bloc of considerable influence, and despite the activities of several other combinations of varying degrees of advanced views, the last Congress did not have and certainly in the main did not deserve the reputation of being extremely radical. Yet that Congress actually in effect and to a degree confiscated a large block of private property.

This statement, plain and unadorned, is sufficient to disturb the peace of mind of those in control of certain great corporations and large combinations, who, even with little actual cause for alarm, habitually shiver and shimmy at the mere mention of Government ownership or operation. But a complete exposition of this consummated act of confiscation and the manner of its accomplishment discloses legislative tendencies and forecasts possibilities truly amazing and really alarming.

This consummated act of quasi confiscation is amazing because, despite the supposed alertness and boasted astuteness of the farm bloc, it was farmers' property which was confiscated. It is alarming because the value of the property thus confiscated represented a large amount and involved the control of a rapidly growing business, the volume of which already was approximately three-quarters of a billion dollars and gave promise of expansion to several billions within the next decade, thus indicating the possibility that Congress (a fair-sized precedent having been established) may go in for confiscation on a large scale.

It is both amazing and alarming because the property so confiscated was bank stock—not the stock of a single bank, but that of a whole line of banks, an entire system of finance; not the stock of a single individual, nor yet of a small group, but the stock holdings of 260,000 law-abiding citizens. Passing from the general to the particular, this act of quasi confiscation and the manner of its accomplishment may be described as follows:

In the closing hours of the session the last Congress amended the Federal farm loan act so as to deprive the stockholders of the 12 Federal land banks of majority representation on the boards of directors, and provided that the Government of the United States should name a majority of the directors of each of those institutions. This means, of course, that absolute control of these banks now rests with the Government; that the actual owners of the stock have no effective voice in the management; that in case of a dispute as to policy the stockholders are without the power to enforce their judgment.

One of the rights inherent in the ownership of property is the right to control that property, the right to determine its use. It has been held that the right to vote the stock of a corporation or stock company is a property right. For the Government to deprive the owners of property of its control, to curtail the voting right of stock to the point where the vote becomes ineffectual, constitutes in a measure confiscation. And it further has been held that any law which takes the property of a citizen without due process of law and just compensation is unconstitutional. This radical change in the law respecting the management of the Federal land banks raises the further constitutional question as to the violation of contracts within the meaning of the Dartmouth College case. Thus it is seen that by amending the Federal farm loan act the last Congress confiscated the voting power of a large amount of bank stock and violated the constitutional rights of 260,000 stockholders in the Federal land banks.

CONGRESSMEN NOT INFORMED

Nothing is more certain than that Congress never intended to do this enormous thing. In its final form the bill was not available to Congressmen in printed form and was not read in either House. And as most of the Members of that body do not know even yet that in voting for this amendment they in any way violated or even infringed upon the rights of the owners of these banks, it becomes important to inquire how such a thing came to pass.

The Sixty-seventh Congress not only boasted a farm bloc but it acknowledged its obligation to "do something for the farmer"; and on every possible occasion individual Members and groups and fac-

and to reappoint him a captain in the Regular Army.

act of 1923"; to the Committee on Banking and Currency.

that we have encountered. Without that sort of legislation,

tions and even the entire administration sought to capitalize their friendly attitude toward the farmer. Indeed, the bill containing this amendment was passed by use of the slogan, "We must do something for the farmer."

How, then, did Congress fall into this amazing blunder? Any sufficient answer must involve at least a brief recital of the history of the Federal farm-loan system.

The Federal farm loan act was passed in July, 1916. The amendment under discussion was adopted in March, 1923, seven years later. In a word, there had been three elections between the enactment of the original law and the adoption of this amendment. It is not surprising, therefore, that the personnel of Congress in 1923 included only a few individuals who were thoroughly familiar with the financial machinery of the farm-loan system.

Many Members of both Houses had but hazy ideas of the relation of the Government to the system. A large number, probably a majority, honestly believed that the Federal land banks were owned by the Government and that therefore Congress was under no obligation to consult either the wishes or the judgment of the farmers who were making use of this newly created system of finance.

The fact that in the beginning the Government had made a temporary subscription to the initial capital of these banks, amounting to $3,892,130, was especially confusing to those Members who had only a superficial knowledge of the situation. The farmers have repaid all but less than $2,500,000. Some Members seemed rather perverse in their failure to understand that this stock subscription by the Government was merely temporary and clung with amazing tenacity to the assumption that these were Government-owned institutions, even after reading that section of the law which provided for the repayment of this Government loan, and even after reading the published reports of the Farm Loan Board that about two-thirds of this loan already had been repaid.

Furthermore, the 12 Federal land banks, being organized on the cooperative principle, were looked upon by other legislators as constituting a large and important experiment. True, cooperative land banks had been in successful operation in the older countries of Europe for a century and a half; but notwithstanding this long, honorable, and successful record in foreign countries, cooperation was at that time a new and untried principle in the United States. Naturally, in its anxiety for the success of this new feature of the system, Congress provided that the Government should exercise a fostering care over and should have detailed supervision of the cooperative banks.

Thus a temporary ownership of part of the capital stock and a detailed supervision by a bureau of the United States Treasury, a degree of supervision amounting almost to management, caused many Senators and Representatives to think of the Federal land banks as Government institutions.

Congress had been very proud of this bit of legislation. Literally scores of Congressmen and other statesmen and publicists have proudly proclaimed themselves as fathers of the Federal farm loan act. Many profound students of land credits contributed constructive thought to and criticism of the more important provisions of the law. It has been referred to times without number as the most complete piece of legislation enacted by Congress within half a century, and as originally passed it was a remarkably comprehensive law. It was pointed to by Democrats as one of the greatest of the achievements of the Wilson administration. On the other hand, Republicans proudly asserted that the groundwork for the law was laid under the Taft administration. The roll call shows an almost unanimous vote for the passage of the bill, regardless of party lines.

EVERYBODY FARMER'S FRIEND

The evident political advantage to be derived from identification with the drafting and passage of the Federal farm loan act and from the fostering of the farm loan system which this act created, together with the readiness with which Congressmen's relations to and connections with such wholesale benefits to farmers would lend themselves to political advertising in rural districts, made a strong appeal to many individual Members. Possibly it was because of this strong political advantage that a keen sense of fatherhood on the part of Congress has been so fully developed.

And in many instances this attitude on the part of individual Members was fully warranted. Congress has done a really big and constructive work. The general public, the farmers in particular, will not deny any Member full credit for any service he may have rendered, either in creating or fostering the Federal farm loan system.

It was the cooperative banks (Federal land banks) of which Congress was especially proud. The joint-stock land banks, organized by private capital under the same law, were thought to be capable of making their own way without any special aid from the Government. But the cooperative banks, being operated on a principle new in this country, were deemed to be objects of special care and attention on the part of Congress.

The Congress of 1916, which created the system, was morally certain that the cooperative principle as applied to land banks would prove eminently practical in the United States. This was the judgment also of the commission sent to Europe to study this subject. The findings of that commission were made the basis upon which rests this legislation. The cooperative plan had been in successful operation in the older countries of Europe since 1769. It had long ago passed the experimental stages. Therefore if carefully fostered and safeguarded this plan, so Congress thought, should succeed admirably in the United States. This kind of bank, and the cooperative principle as applied to land banking, had become, through 150 years, a stable, accepted, and highly important part of the financial machinery of all the larger nations of the world. Many South American countries had borrowed this system from Europe a number of years ago (Chile in 1855, Argentina in 1886). Such a system was introduced in Japan in 1897, and in the Philippine Islands in 1908. The Congress of the United States, therefore, was warranted in predicating the success of a cooperative system in this country upon the experience throughout the civilized world.

Now, land-bank bonds issued by cooperative institutions had become, through 150 years, among the most stable of all securities in the money markets of the world. Apparently investors in every part of the globe understood these securities and appreciated their great safety, excepting alone the investors in the United States.

ANALYSIS OF BONDS

When it came to marketing in this country and selling to the American investor the bonds of a cooperative institution, some doubt was expressed by representatives of some leading bond houses. Evidently ignorant of the high standing of the bonds of European cooperative land banks, these representatives of bond houses expressed the fear that "it would be difficult to sell the bonds of a bank where the control of the bank rests with the borrowers." They shook their heads wisely and doubtless were entirely sincere in their expression of grave fears for the success of this system. As fear is contagious, it is not surprising that the Federal Farm Loan Board, a bureau of the United States Treasury charged with the administration of this law and the supervision of these banks, should recommend in its first report to Congress that the temporary control of these institutions, which at the outset was lodged in the Government until permanent organization could be effected, should be continued for "a lengthened period." In a word, the Farm Loan Board in its first report, and in other reports since, has expressed grave doubts as to whether the securities of cooperative institutions could be successfully sold.

Evidently the board also did not know how successful similar institutions in Europe had been, else it would not have expressed the fears and doubts it so often repeated in its various reports to Congress. Perhaps the board did not understand the principles of cooperation. Perhaps it thought that a cooperative bank was a mutual bank. Color is given to this last suggestion by the fact that in its last annual report the board refers to the Federal land banks as "mutual" instead of cooperative.

Whatever reasoning the board may have followed, the fact remains that the board caused to be prepared and introduced in the last session of Congress a bill depriving the stockholders of majority representation on the directorate of each of the cooperative banks and giving to the Government the right to appoint a majority of such directors.

Now, as to the real effect of all this. Evidently, if this amendment to the law is allowed to stand, then there is an end of the cooperative principle in connection with the farm-loan system. The stockholders may subscribe to the capital stock, but, having no effective voice, they can not say to what extent, or when, the land bank shall function. They can not say even that it shall function to any extent whatsoever. They can not say what expenses shall be incurred in operation. They can not order a distribution of profits. And they can no longer obtain money at the actual cost of hiring it in the money markets. Thus they are deprived of the chief cooperative benefits intended under the law.

Thus we see that every important advantage which farmer borrowers could derive from ownership of stock in the Federal land banks, and from the operation of these institutions on the cooperative principle, was lost to the farmers the moment they were deprived of majority control in the banks.

It was the purpose of Congress in creating the cooperative Federal land banks to guarantee to the farmer that he could surely and at all times obtain a loan if he could furnish acceptable security. It was intended to provide financial machinery which could respond unfailingly to the farmer's need. By the farmer subscribing to the capital stock of the bank in an amount equal to 5 per cent of the loan asked for the bank always would be able to grant the loan. That is, the bank never could say to an applicant: "Sorry, but we are loaned up"; or, "We would like to accommodate you, but we can not get the money." As a Federal land bank, under the law, is permitted to issue bonds up to twenty times its capital, the bank would be able to issue bonds for the amount of the loan asked for, provided its capital stock had been increased by an amount equal to 5 per cent

of the loan. Thus, the first step in obtaining a loan from a cooperative Federal land bank is that of subscribing to the stock of the bank. Once the stock is subscribed and paid for, the next step is for the bank to issue and sell bonds and turn the proceeds over to the applicant for the loan.

TECHNICAL SIDE OF CASE

To be sure, all this involves careful appraisal of the land, determination of the title, and obtaining of abstract and recording the mortgage. But these things are matters of routine incident to all loans on farm mortgages. The new thing, the big thing, the vital principle, was the assurance to the borrowing farmers that the bank never would deny them loans, no matter how hard the times or how tight money might be, provided the borrower could furnish satisfactory security and meet the legal requirements.

This advantage alone was sufficient to warrant the farmer's purchase of stock in the land bank. But this was not the only advantage. The law provided not only that the borrowers should own the bank but that they should control the bank, elect a majority of directors and through the directors choose the officers, select the management, and determine the policies of the institution. Such control would enable the stockholders to say to what extent the bank should function, when it should issue bonds, whether it should issue few or many bonds or no bonds whatsoever, and what rate of interest the bonds should bear, with the approval of the Farm Loan Board. Under such circumstances the farmer stockholder could control the expenses, and in so doing he could govern the earnings of the bank and require distribution of the surplus, thereby automatically reducing the cost of his loan.

In a word, when the farmer purchased stock in the Federal land bank system, he did so on the representation that he would be freed from the clutches of the mortgage shark, that he could obtain any amount (up to the bank's legal limit) that his security would warrant without unreasonable delay, that the interest charge would be reasonable, that there would be no commission paid to anyone, and that he would share in whatever profits the bank made.

It is pertinent to inquire if there is anything in the experience of these cooperative banks to indicate that the loss of control over these institutions would deprive the stockholders of any of the advantages named.

There was such an occasion in the year 1921. It was a sad experience, because not only were farmers deprived of the opportunity to borrow at these banks at a time when they were in great need and when all agriculture was prostrated, but the circumstances were such as to disclose how completely the frailty of human nature, how prejudice, how inexperience, how lack of understanding may defeat the purposes of the wisest legislation.

Well along in the year of 1921 the Federal land banks refused to receive applications for loans, assigning as the reason for this refusal the fact that they had no funds. What had happened was this: The Government, represented by the Federal Farm Loan Board, a bureau of the United States Treasury, was still in complete control of all the Federal land banks. Under the terms of the law as originally passed the permanent organization of each of these institutions should have been installed with a board of nine directors to choose the officers and select the management. But the Farm Loan Board had misgivings. In its first annual report it expressed the fear that the bonds of banks controlled by stockholders, who also were borrowers at these institutions, could not be sold in the investment market. Accordingly, the board took steps to extend the period of complete Government control. It caused to be introduced and passed through Congress an amendment to the Federal farm loan act to the effect that the temporary organizations (which were not elected but were appointed by the Federal Farm Loan Board) should be continued for a time. The exact provision was that the United States Treasury should buy $200,000,000 of Federal land bank bonds and the temporary organizations should be continued so long as the Treasury held any of these bonds.

Thus it happened that in 1921 the farmers had been deprived of the control of the institutions which they owned. It was unfortunate for the borrowing farmer that the then farm loan commissioner took the position that the Federal land banks should not issue bonds in excess of $150,000,000 a year, and maintained his position by the arbitrary statement that the market would not absorb more than that amount. It was unfortunate for the commissioner that at the very time he made this public announcement Federal land bank bonds were selling in the market at a premium.

Here, then, was the situation: Investors were clamoring for the bonds of the Federal land banks and offering a premium for them; the farmers were clamoring for money; the Federal land banks were turning down the farmers' applications because they had no money; the Federal Farm Loan Board, in a position of supreme control, refused to let the Federal land banks assemble funds by the issue of bonds.

Thus, though agriculture was prostrated by the deflation following the war and sorely in need of capital, though it owned a system of land banks designed to function in times of need, this magnificent financial machinery was stopped because the men who owned it and sought to use it could not control it and had to yield to the mistaken judgment of an inexperienced, ill-informed political board at Washington.

Now that the law has been amended so that the owners of these banks never can control them, such a situation easily may arise at any time, whenever the human frailties of the personnel of the Federal Farm Loan Board at Washington are again in evidence.

The owners of these banks are wholly without any means of preventing such a condition from becoming chronic. Responsibility for depriving the owners of these banks of the right to control them rests squarely upon the recommendations of the Federal Farm Loan Board.

It is difficult to account for the attitude of the Farm Loan Board. Evidently its fear of the cooperative principle was genuine. However, granting the genuineness of this alarm, it should have been dispelled by knowledge of what had been done by the cooperative banks of Europe through 150 years of successful operation. At one time some of the members of the Farm Loan Board, the former Farm Loan Commission in particular, held that it was not to be expected that the Federal farm loan system would do a large business, but that in doing a small volume of business it would act merely as a governor on interest rates and commissions charged by old-time mortgage concerns.

It was charged by some of the excited friends of cooperation that the board had taken its stand against full and free operation of the Federal land banks merely as a means of favoring the joint-stock land banks, which were organized by private capital and operated by private initiative. This charge, of course, was ridiculous, for, indeed, the board had placed more obstructions in way of joint-stock land banks than it had in the path of Federal land banks. Individual members of the board frequently have expressed their partiality for the Federal land banks by slightingly referring to joint-stock land banks as "stepchildren" of the system. In several of its annual reports to Congress the board recommended the elimination of joint-stock land banks from the system. In this, too, I think the board's position was ill considered.

Some have charged that the Farm Loan Board was endeavoring to limit the operations of both Federal land banks and joint-stock land banks in an effort to favor the old commission-charging mortgage brokers. This charge also is unconvincing, for evidence is not wanting that, despite appearances, the members of the Farm Loan Board, individually and collectively, were very jealous of the future of the farm-loan system.

Lack of knowledge, lack of comprehension, lack of vision—and, withal, lack of experience—seem to have been the major faults through which the Farm Loan Board worked itself into its unfortunate and untenable position.

Surely Congress at its next session will repeal this obnoxious amendment to the Federal farm loan act, which, if permitted to stand, would forever deprive the owners of the Federal land banks of control.

Such a system with such a record of success should not be despoiled by a careless and ill-informed Congress.

COMPENSATION TO INJURED EMPLOYEES

Mr. SPENCER. Mr. President, the Senate yesterday passed the bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916. The Senate adopted an amendment to the bill. I move that the Senate insist upon its amendment, ask for a conference with the House, and that the President pro tempore appoint the conferees on behalf of the Senate.

The motion was agreed to and the President pro tempore appointed as conferees on the part of the Senate Mr. SHORTRIDGE, Mr. SPENCER, and Mr. CARAWAY.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

Mr. HARRELD. Mr. President, on yesterday a conference report was submitted on the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Chocktaw and Chickasaw Indians may have against the United States, and for other purposes. There has been some mistake made inadvertently in the report and it will be necessary to refer the matter to the conference committee. I ask unanimous consent, therefore, to withdraw the report of the conference committee.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the report is withdrawn.

COTTON PRICES

Mr. CARAWAY. Mr. President, I ask unanimous consent to have printed in the RECORD and referred to the Committee on Agriculture and Forestry a letter from a constituent of mine dealing with some legislation now pending.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the request is granted,

The letter is as follows:

MAGNOLIA, ARK., *May 16, 1924.*

Hon. T. H. CARAWAY,
United States Senator, Washington, D. C.

DEAR SENATOR: I notice that a resolution was passed by the Senate a few days ago calling upon the United States Tariff Commission to determine the cause of unemployment and depression in the New England cotton mills. Also noticed in the papers a short time ago that the cotton factories, in a meeting at Boston, passed a resolution whereby they demanded a tariff on imported cotton goods upon the alleged ground that the foreign mills, because of cheap labor, can undersell cotton goods in America.

From my investigation and knowledge of the matter the trouble in part is, and has been, with the textile mills—their concerted attempt to depress the price of raw cotton. Last year the spinners of this country, and especially those of New England, concertedly fought the price of cotton to such an extent that they overstayed themselves. While they were fighting down the price in this country the European spinner was buying. He continued to buy cotton. The receipts of American cotton at Liverpool and their daily sales, which I noted, show conclusively that they were taking care of themselves. They bought cotton from 20 cents to 28 cents last year, while our spinners were enjoying themselves in a boycott against the price. They fought and lost.

The European spinners continued to buy cotton, while the American spinners, under the leadership of one of the greatest speculators this country has ever known, fought and depressed the price from 37½ cents to 26 cents. They sold their cotton, instead of buying it, for the purpose of depressing the price. They killed the goose that laid the golden eggs. They educated the public, by propaganda through that part of the press which is controlled by big business, that dry goods could not be sold; that the public refused to pay the price; and consequently the retail merchants of the country refused to buy upon a declining market in the face of such propaganda. They killed the trade, and, of course, the public can not be blamed, and much less can the merchants be blamed for their failure to buy, when they were drilled continuously that these factories were filled to overflowing with goods that could not be sold. The scarcity of the raw material, the depletion of stocks, conclusively convince, and did convince, anyone with any pretense to a knowledge of the facts that their propaganda was fictitious and false. It is now amusing to see them howl because of the disastrous results of their vicious propaganda.

The textile mills of this country, and especially those in New England, should learn, and the sooner the better, that a reasonable price for the raw material will be a boon to their business. They can prosper, and will prosper, if the cotton-producing world is paid a fair, reasonable price for the product. The cotton producer of this country, as all know, has never received the value of his cotton. He and his wife and children have toiled from early morn until late at night in order to produce the staple necessary to clothe the world.

It is impossible under present conditions for a man and a mule to make more, on an average, than three bales of cotton. This amount of cotton at an average of 30 cents per pound, including the seed, will bring him about $300. His farm has cost him at least $2,000. The interest on this at 8 per cent will be $160. His taxes are $30. The cost of his mule is $180, and the interest on that is $14.40. The depreciation in the value of the mule will be $20 per year. His plow gear, plows, and tools will cost him $60, and the interest on this will be $4.80. The depreciation of such gear and tools and implements will be $15. The seed for planting will cost him $20. His fertilizer will cost him $152. The depreciation in his fences and cotton houses will amount to $15 per year. At the present time he will need, in order to produce that three bales of cotton, arsenate of the value of $20. The taxes on his mule and implements will be $6. He will be compelled for ginning that cotton to pay $15. The feed for the mule will cost him $160. There will be other costs and incidental expenses, but without counting other costs we have here a total expense, reasonably calculated, of $622.50. This does not take into consideration the cost or interest thereon or depreciation of a wagon with which to haul his seed, his fertilizer, and his cotton. It does not take into consideration the clothing and food necessary to support the producers of the cotton. Anyone can see that in this present day of civilization that civilized men are going to rebel against any such slavery. The time has come for the textile mills of this country to cease fighting the cotton farmers of the United States.

I observed considerable propaganda in that same press to the fact that the whole country will be hurt unless the South raises more cotton; that other countries will proceed to raise the necessary cotton for the world. The mills are howling for fear that such a calamity will happen. In such a case these same mills will be paying to the foreigner the prices which Liverpool has been paying for American cotton, which runs on an average of about $30 per bale more than the American spinner pays for it. The only way in the world to remedy the condition will be for the American cotton farmer to receive a fair price for his cotton. The spinners of this country are enforcing an unnatural condition upon the producers of cotton. They are destroying themselves. They are not constructive, but are destructive. They have no sympathy for the cotton farmer. They grudge him every penny he receives from the sweat of his brow and that of his children. So long as this condition exists a tariff wall will not remedy the evil. Vicious propaganda will not cure the condition.

The textile mills last fall elected to fight the price of cotton; they refused to buy; they permitted the foreign spinners of the world, they permitted foreign countries, bankrupt so far as finances are concerned, to buy the choicest American cotton while they carried on their boycott. They have permitted the choicest American cotton to leave this country, and now they should be estopped from clamoring for a tariff wall. They should be estopped from howling about their present condition, due, as stated, to their concerted attempt to depress the price of cotton and to their claim of an enormous supply of cotton goods on hand which could not be sold. They have been caught, hoist by their own petard, and should stand up like a man and suffer the consequences until they reform and change their policy.

While on this matter, allow me to suggest that, among other evils, is that of the cotton exchanges. As now constituted, they serve no useful purpose to the farmer, but are detrimental to him. They serve no useful, legitimate purpose to the spinner or other user of raw cotton. The reason for this is that no spinner can buy on the exchange the cotton he wants, and therefore he does not buy. But the exchanges say they are useful for hedging cotton. Let us grant it, but the contract should specify the cotton hedged. Let the seller or buyer hedge his own cotton and not the other fellow's.

If the spinner or actual user of cotton buys on the exchange, he can not get the grade, quality, or staple he needs. The seller can deliver to him the lowest grade, quality, and staple he pleases, or any other kind within numerous classes, only one of which the user of cotton can use.

A spinner needs a certain grade, quality, and staple. Can he buy it on either of the exchanges? He can not. Of course, he may do as the exchanges say he may do, and that is as follows: If he desires 100 bales of a certain grade, quality, and staple, then let him buy 1,000 bales and pick out what he wants. If he can not get the 100 bales he needs out of the 1,000, let him buy 5,000 bales and from that pick out what he needs, if he can, or buy more, and then resell the balance which he can not use. This is the argument of the exchanges. Let him buy and buy until by chance he gets what he needs by selection.

The exchanges further try to justify such unilateral and uncertain contracts by saying that when the spinner buys in the country he buys different grades, staples, and colors from the low to the high. But the difference is that the cotton is first classed, and the buyer knows what he buys. The fact is, he generally buys uniform bales and what he has a place for.

The spinner does not say anything, because selling cotton on the exchanges helps him. He knows that there is no legitimate buying on the exchange. In other words, the spinner and actual users of cotton do not buy cotton on the exchange and then spin it. He can not afford to buy, because he does not know what he buys. A purchaser of 100 bales of cotton on the exchange can not guess in 10 miles as to what kind, grade, quality, or staple he will get. He may get strict low middling of 1 1/16-inch staple, or he may get good middling of ⅞ inch staple, or he may get 100 bales as different from each other as the colors of Joseph's coat and with as many different grades. It may be stained, gin cut, or of varying colors and of many different lengths. When sales like that fix the price, what is the result?

If a spinner or legitimate user of cotton could buy on the exchanges what he wants, then these institutions would serve a useful purpose. Gambling would be eliminated. But now it is worse than buying a "pig in a poke." What a fine thing it would be if the actual users of cotton could get what they want on the exchanges?

The Federal Trade Commission is investigating the advisability of permitting deliveries in southern warehouses of cotton sold on the exchanges. This will be disastrous unless the contract of sale permits the buyer to know what he is buying and where delivery is to be made. If the law will force the seller to designate the kind, grade, quality, and staple he sells, or reasonably so, or if the buyer can know what he is buying and where delivery is to be made, then it matters not where the warehouses are, whether in China, Texas, South Africa, or Magnolia, Ark.

Yours very truly,

WADE KITCHENS.

NAVY CONTRACT FOR COTTON KHAKI CLOTH

Mr. WALSH of Massachusetts. Mr. President, for some time there has been some criticism in the New England press in reference to a cotton khaki cloth contract made some time ago by the Secretary of the Navy for uniforms for marines. I have asked an official explanation from the Secretary of the Navy as to this matter and the future policy of the Navy, and I think the country ought to have this information, and I request it be

printed in the RECORD. I ask permission that with this letter there be printed in the RECORD resolutions which have been sent to me upon the subject, and that they be referred to the Committee on Naval Affairs.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The letter and resolutions are as follows:

THE SECRETARY OF THE NAVY,
Washington, May 19, 1924.

MY DEAR SENATOR: Replying to your letter of the 16th instant, I have to advise you that no contract has been made recently with a foreign concern for cotton khaki cloth; furthermore, there is none in contemplation. An order was placed about a year ago for some 500,000 yards of cotton khaki cloth for the Marine Corps with a concern in Manchester, England. The contract for this material, which was approved by the department, was made in July, 1923.

In brief, the history of the situation is as follows: At the time this purchase was under contemplation American mills were fully occupied on the production of staple goods. The department endeavored, by sending out specifications and invitations to bid to 55 manufacturers and dealers, by special letters to all concerns known to have fiber-dyeing apparatus, and by articles in trade papers, to obtain bids for this cloth. Bids were opened on April 9, 1923, and only one American manufacturer submitted a bid. This bid was submitted by the Amoskeag Manufacturing Co. at $0.642 per yard. This was approximately 100 per cent higher than the Marine Corps had previously paid for this khaki even during war time and was considered excessive. Upon the failure to obtain satisfactory bids under the opening of April 9, and in view of the fact that the stock of khaki on hand was very low and required replacement, it became necessary to make an immediate purchase in order to continue the manufacture of clothing for the marines. A quotation received from an English firm offered khaki suiting, delivered in New York, at $0.27 per yard. Adding duty to this would bring the cost to only $0.37 per yard. The Amoskeag Manufacturing Co.'s bid, therefore, was approximately 80 per cent higher, and the Government stood to lose about $0.27 per yard if the bid of that company was accepted, or, figuring it another way, the cost if purchased from the Amoskeag Manufacturing Co. would have been $321,000, whereas the cost purchased abroad, with duty, would amount to only about $185,000. However, no duty was paid, and the cost to the Marine Corps was therefore only $135,000.

The department naturally desires at all times to deal with American firms, and even at that time, with the wide differential in price, Secretary Denby did not authorize the award to the foreign firm until he had consulted with Government experts and had been advised that no hardship would result therefrom to American manufacturers and workingmen, because of the fact, as I have said before, that the American textile mills were fully occupied on the production of staple goods.

Sincerely yours,

CURTIS D. WILBUR.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

OFFICE OF BOSTON CENTRAL LABOR UNION,
Boston, Mass., May 21, 1924.

Hon. DAVID I. WALSH,
Washington, D. C.

DEAR SIR: The following resolutions were adopted at the meeting of the Boston Central Labor Union Sunday, May 18, 1924, and I have been instructed to send copies of the same to you.

Respectfully yours,

P. H. JENNINGS,
Secretary-Business Representative.

Whereas the press of the country has announced the giving of a contract by the United States Government for 500,000 yards of khaki cloth to be manufactured by a firm in England, while there are thousands of textile workers out of work or on short time in this country; and

Whereas we have always been of the opinion that the United States Government was a government of the people, by the people, and for the people; and we have also been under the impression that the chief functions of our Government are the protection of our country, its institutions, and its people; and

Whereas the sending out of the country of a big contract while thousands of textile workers are in needy and destitute circumstances gives the workers a shock which tends to the conclusion that the lives and welfare of our people are of a secondary consideration, while the making or the saving of the dollar is of paramount importance; and

Whereas the present depression of business which is bringing misery and unrest to thousands of workers is, in the minds of many, a combined attack by the captains of industry to so manipulate trade and are trying to starve the workers into subjection so that when the time is ripe to reopen the mills and factories they will be forced to accept work and attend to more looms than heretofore at greatly reduced wages; and

Whereas the action of the Government seems to be in direct line in this policy by the letting of contracts to foreign competitors, thereby increasing the amount of unemployment: Therefore be it

Resolved, That we, the delegates of the Boston Central Labor Union in meeting assembled, enter our most emphatic protest against the action of the United States Government in sending business out of the country while thousands of American citizens and their dependents are in sore need of the necessaries of life; and be it further

Resolved, That we call upon all New England Senators and Congressmen to make an effort to protect one of the basic productions of New England from being crushed out of existence; and be it further

Resolved, That a copy of these resolutions be sent to the President of the United States, to each New England Senator and Congressman, and to the chamber of commerce.

SENATOR BURTON K. WHEELER

Mr. SWANSON. Mr. President, I am not going to detain the Senate very long; but as a member of the committee which was directed to investigate the conduct of the junior Senator from Montana [Mr. WHEELER], I think I should make a short statement regarding my conclusions and the course pursued by the committee of which the distinguished Senator from Idaho [Mr. BORAH] is the chairman.

Mr. President, Senators will recall that some time ago the morning newspapers published the statement that there had been an indictment found against the junior Senator from Montana alleging that he had perverted his influence as a Senator in connection with the prosecution of certain land matters pending before the Interior Department, for which he had agreed to receive and had received compensation. On the morning following that publication the junior Senator from Montana appeared in the Senate and denounced it as containing statements which were not true and stated that the attack on him was unjustified; that it was for blackmailing purposes, to prevent him from conducting the investigation of the Department of Justice in which he was then engaged. After having made his statement to the Senate, which was frank, candid, manly, and full, as any high-minded man would have done, he demanded that his colleagues in the Senate should order and conduct an investigation in order to determine whether or not he was worthy to continue as a Member of the Senate. Had he done otherwise he would have been subject to severe criticism. He did the only thing which a high-minded, conscientious, innocent man could do in order to meet his accusers and the charges against him before Members of the Senate, through a committee of the Senate, so as to determine whether or not he should continue to exercise the rights of a Senator from Montana. I wish to commend the high spirit, the manly and courageous conduct, which was then pursued by the junior Senator from Montana.

In some instances when indictments have been found or charges have been made against Senators they have delayed a demand for an investigation, but an innocent man wants to meet his accusers at once. Consequently, the junior Senator from Montana demanded an investigation, in order to determine whether or not he should continue to exercise his functions as a Senator and whether or not he was worthy to remain a Member of this honorable body. I think that demand on the part of the junior Senator from Montana was proper, was high-spirited, and was courageous. In pursuance of his demand, his colleagues concurring in the demand, an investigation was ordered.

What was the purpose of that investigation? It was not, as the Senator from South Dakota [Mr. STERLING] seems to imagine, in order to determine whether or not the grand jury of Montana had probable cause to prefer the indictment. I am at a loss to understand why the Senator from South Dakota should arrive at such a conclusion in connection with the purposes of the investigation. Has the Senate a right to pass judgment on the action of grand juries? Under our system of government we have three coordinate branches of the Government—the judicial, the executive, and the legislative. Neither branch of Government has a right to infringe on the others. Under our Constitution the Senate is the judge of the elections, returns, and qualifications of its own Members. So the Senate alone can determine whether or not the junior Senator from Montana was worthy to continue a Member of this body. I repeat that when this indictment was found the junior Senator from Montana promptly asked the Senate to pass upon that question. I wish again to commend the

American spinner pays for it. The only way in the world to remedy the condition will be for the American cotton farmer to receive a fair

to this matter and the future policy of the Navy, and I think the country ought to have this information, and I request it be

courage, the manhood, and the high sense of honor which induced him to make that demand. His action has been vastly different from the action of others in reference to accusations which have been made against them within the last few years, both in the other House and in the Senate.

The committee was appointed to investigate the facts in the case, but not the conduct of the grand jury of Montana which returned an indictment against the junior Senator from Montana. I would not serve on a committee which intended to infringe on the rights of either a grand jury or a petit jury. I would serve only on a committee whose purpose was to determine whether or not the junior Senator from Montana by any misconduct had rendered himself unworthy of membership in this body. He asked for the investigation; his colleagues demanded it; and the Senate unanimously passed the resolution, at his suggestion, providing for the investigation.

The Senator from South Dakota was present and heard the resolution read and heard the speeches which were delivered; and unless he was willing to serve on the committee to ascertain the facts in accordance with the idea and purpose of the resolution, he should at that time have declined to serve or should have let the Senate know what, in his opinion, should be the object and scope of such an investigation. I am astonished that such an excellent lawyer as the Senator from South Dakota should have had a perverted idea as to the purpose of the investigation.

Mr. President, the committee was presided over by the senior Senator from Idaho [Mr. BORAH], and the committee was named by the President pro tempore of the Senate. There has been no criticism of the conduct of the committee; there has been no suggestion that there was any failure to examine any witnesses; but there has been sought to be created an impression that the chairman of the committee and the members of the committee who united with him in his report were disposed to deal leniently with the Senator from Montana. As a Senator, I spurn that suggestion as false.

I wish to say, furthermore, that there is no Senator in this body who in character, in capacity, and in courage can surpass the senior Senator from Idaho. He has served in this body for many years and his colleagues realize that for capacity, for courage, for character, and for honor none can excel him. That is the impression not only in this body but also in the country. I wish to say, as a member of that committee, that the investigation was for the most part conducted by its chairman.

Now, let us see whether the Senator from Idaho is disposed to deal leniently with Senators who are accused of wrongdoing in this body. If I recall, but a few years ago there was a case pending in the Senate against Mr. Newberry, a member of the party to which the Senator from Idaho belongs, a man of great influence in the Republican Party and of great wealth. All the efforts that could be made in this body and elsewhere were made to retain him in his seat. The Senator from Idaho, with that courage, with that character, with that high sense of justice and honor which have always characterized him, concurred with many Senators that, on account of fraud and corruption in his election, Newberry should not be permitted to continue as a Member of this body. Was there a disposition evidenced by the senior Senator from Idaho at that time to deal leniently with wrongdoing by any Member of this body?

Mr. President, years back there was a case pending known as the Lorimer case, in which fraud and corruption in connection with his election by the Legislature of Illinois were charged. Lorimer was an attractive personality, a man who by his own efforts and ability had pushed his way to the front from the humblest walks of life. He was a power in the Republican Party; the absolute political master almost of Illinois and certainly the political boss of Chicago. If the Senator from Idaho could have been swayed by personal considerations, if he could have been induced to do otherwise than what he thought was honest and in accordance with the highest traditions of this body, it would have been in that case, for it was a case in which the man involved was one of the most potential members of his own party. Yet with courage and with character the Senator from Idaho stood for the expulsion of Lorimer.

I wish to repeat that the chairman of the select committee in character, in capacity, and in courage is unexcelled by any Member of this body, and I wish to resent any imputation on him as chairman of the committee which conducted the investigation as being desirous to whitewash or deal leniently with anyone.

What witnesses who knew any facts in connection with this case were not summoned? I should like the senior Senator from South Dakota to name a witness that he asked to have summoned or that anybody suggested knew anything about this transaction that was not compelled to come and testify before the committee. When Mr. Coan appeared before the committee and suggested that there were documents in the Department of Justice which might shed light on this case, I made the motion at once to have those documents produced, and all the other members of the committee concurred in it, without knowing the contents of those documents, and they were brought before the committee.

All the evidence that anyone could secure, all the evidence that Mr. Coan, who was sent by the Republican National Committee to run down certain stories in Montana was brought out, and all the witnesses that anyone knew of were summoned and cross-examined. They were cross-examined by the senior Senator from South Dakota. Therefore the Senate has all the evidence possible in this case to enable it to render a judgment.

I was astonished that the Senator from South Dakota should attack the report presented by the chairman of the committee on the ground that it might be used and distributed in Montana for the purpose of creating an impression favorable to Senator WHEELER and to that extent obstruct the administration of justice. That is the gravamen of his complaint against the committee and the reason why he refuses to exercise the functions and perform the duties imposed upon him by the Senate. I should like to ask him what does he think of his minority report being circulated under frank as a public document and distributed in Montana to prejudice the people of Montana against Senator WHEELER? In other words, according to the Senator from South Dakota, the proper course to pursue was to simply determine whether the grand jury had probable cause to consider the evidence before the grand jury, with nothing contradictory to it, with no witnesses for Senator WHEELER, and let that be used as a basis for the circulation of documents prejudicial to him in Montana. Is that the way justice is to be administered? Is that the way public opinion is to be controlled? It seems to me that if the facts stated in the majority report are true the people of Montana and the people of the United States are entitled to have them. Shall truth be suppressed to help the Government in a prosecution against the citizen? Is truth to be suppressed and ex parte affidavits circulated in order to administer justice? Tell the truth, state the facts, and let the chips fall where they may. That is the honest way for the Senate and the honest way for people to do in the conduct of affairs.

The Senator from South Dakota [Mr. STERLING], on page 2 of his report, dismisses all the evidence of the witnesses introduced by Mr. WHEELER with a wave of the hand—

> None of the witnesses thus called at the instance of Senator WHEELER had appeared before the grand jury, and obviously their testimony can serve no useful purpose in determining the question of probable cause.

In other words, by his own statement he wanted this committee to make a report on the probable cause of the grand jury, include no consideration of the evidence introduced by Senator WHEELER, take a minority report filed by him that consists simply of ex parte evidence and affidavits, and let that be circulated in order to obtain justice in Montana.

I must say that that is wrong. The right way to do things is to tell the truth, regardless of who is hurt or who is helped. He has a misconceived idea of his Government who thinks that the Department of Justice can administer justice better by having the Senate suppress the facts and suppress the truth.

Mr. PITTMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Nevada?

Mr. SWANSON. I yield to the Senator.

Mr. PITTMAN. If I heard the Senator from South Dakota correctly upon yesterday, he contended that the evidence that was submitted to the grand jury would warrant the grand jury, under the practices of grand juries, in bringing in the indictment; but when asked by the Senator from Alabama [Mr. UNDERWOOD] whether all of the evidence submitted to the committee would in his opinion cause him to vote for the guilt of the Senator from Montana [Mr. WHEELER], the Senator from South Dakota said "No." So it seems to me that while he contends that he has proven his case, that the grand jury, from the evidence they had, could find the indictment, he admits the case of WHEELER, on the other hand, that the rest of the evidence proves his innocence.

Mr. STERLING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from South Dakota?

Mr. SWANSON. I do.

Mr. STERLING. I think the Senator from Nevada misinterprets what I said, and draws a wrong conclusion. I said that I would not, perhaps, be willing to vote that Mr. WHEELER was guilty of the charges preferred by the grand jury, but that on the evidence submitted to the grand jury the question is one of probable cause. The other question is one of belief—a reasonable doubt. That is just the distinction between the two.

Mr. SWANSON. Here is the position the Senator took.

Mr. PITTMAN. Let me answer the Senator.

Mr. SWANSON. I yield to the Senator.

Mr. PITTMAN. I shall have to read from the RECORD what was said a little later, when I find the place, because the Senator from Alabama [Mr. UNDERWOOD] did not ask with regard to the evidence before the grand jury. I will read it from the RECORD. He asked if all the evidence taken before the committee led the Senator to believe that Mr. WHEELER was guilty or not guilty, and the Senator said that the evidence did not convince him that he was guilty. I will read that.

Mr. STERLING. It may be true that I said that in response to a question from the Senator from Alabama [Mr. UNDERWOOD].

Mr. PITTMAN. That is what I say.

Mr. STERLING. Yes; but I still say that I think the evidence before the committee showed probable cause. It was sufficient to warrant the grand jury in finding the indictment. That is what I based my conclusion on—that the grand jury had sufficient evidence before it to warrant the returning of the indictment.

Mr. SWANSON. I will state the position of the Senator. The Senator states that if you will exclude every witness in this case that knew anything about the facts, exclude the testimony of Senator WHEELER introduced in his own behalf, and simply consider the ex parte affidavits and the ex parte evidence that was submitted to the grand jury, possibly they had probable cause; but if you will weigh all the evidence introduced before the committee, in the Senator's conscience he could not vote WHEELER guilty. That is his position, if I understand it.

Mr. STERLING. I might still be able to say that under the evidence submitted before the committee, and in the way in which the evidence was submitted before the committee, and all that——

Mr. SWANSON. What witness failed to appear that the Senator wanted, or failed to answer any question that the Senator wanted answered?

Mr. STERLING. I do not quite understand the Senator.

Mr. SWANSON. I say, what witness did the Senator desire to appear before the committee that the committee refused to send for?

Mr. STERLING. I have not charged that I desired any witness to appear before the committee that the committee refused to send for. I never have charged it for a moment.

Mr. SWANSON. Then what does the Senator mean by implying that there was a suppression of evidence?

Mr. STERLING. I have not implied that there was a suppression of evidence before the committee.

Mr. SWANSON. The Senator said "under the evidence submitted before the committee," and it carried the imputation that all the evidence was not before the committee. What evidence does the Senator know of that was not before the committee?

Mr. STERLING. Oh, Mr. President, the Senator need not be so fine-spun in his statements in regard to that. I have not intimated that there was a suppression of any evidence. Even if I thought there was, I have not so said in the Senate, nor have I so said to the committee, that there was any suppression of evidence.

Mr. SWANSON. The Senator made the statement that on the evidence before the committee he could not say that Senator WHEELER was guilty.

Mr. STERLING. Yes.

Mr. SWANSON. What evidence does the Senator know of that ought to have been before the committee that was not before it?

Mr. STERLING. Mr. President, I do not think I should be asked to go into that question at the present time. I know what evidence was before the committee, and what evidence was before the committee that was also before the grand jury; and my statement was that if the evidence before the committee was the same as that before the grand jury it was sufficient to warrant the grand jury in returning the indictment. As to the guilt or innocence of the defendant, that will depend upon the evidence produced at the trial.

Mr. SWANSON. The Senator thinks the right to occupy a seat in the Senate ought to be taken from the Senate, which is given by the Constitution the determination of that question, and decided by a petit jury?

Mr. STERLING. I do, most decidedly.

Mr. SWANSON. That is the Senator's position?

Mr. STERLING. And that has been my position from the very outset.

Mr. SWANSON. The Senator's position is, then, that anybody could frame a case against a Senator, and have a corrupt jury return an indictment for any purpose, and then the Senate is not the judge of the election and qualification and expulsion of its Members. That is the way the Senator wants to defend the Constitution, is it? That is the position of this great champion defending constitutional rights, is it?

Mr. STERLING. I am defending the Constitution.

Mr. SWANSON. How?

Mr. STERLING. I am recognizing the three departments of the Government—the legislative, the executive, and the judicial—and the judicial department has cognizance of this case now. It is before the district court for the State of Montana.

Mr. SWANSON. Let me get the Senator's position clearly. As a citizen, the State courts have jurisdiction. As a Senator, they have no jurisdiction. The Senate is investigating WHEELER's conduct, not as a citizen, but as a Senator, and the Senate is called on to report on his conduct as a Senator under the Constitution.

Mr. STERLING. Certainly.

Mr. SWANSON. Now the Senator, as a great defender of the Constitution, wants to leave to the grand jury and petit jury the qualification and expulsion of a Senator.

Mr. STERLING. It is not the province of the Senate, I say, to determine the guilt or innocence of a party who has been charged in a Federal court with an offense against a Federal statute.

Mr. SWANSON. But the Senator said a few minutes ago that it is the province of a grand jury and the province of a petit jury to pass on the qualification and expulsion of a Member of the Senate, and that the Senate must abide by that determination.

Mr. STERLING. I think the Senator understands my position.

Mr. SWANSON. I do, but I am astonished at any such position. I am astonished that the defender of the Constitution, the defender of the three coordinate branches of the Government, should come here and advocate on the floor of the Senate the doctrine that the election, qualification, and expulsion of Members of the Senate, given under the Constitution to the Senate alone, should be determined elsewhere. I agree that as a private citizen the grand jury and the petit jury have charge of the matter, and as a private citizen that verdict must stand or fall according to the courts; but the Senator comes in here and says that Senator WHEELER's qualification as a Senator must be determined by grand juries and petit juries. I say the Constitution does not give that right, and I am astonished that a Senator who has made a report and has spoken here so often in defense of the Constitution should surrender this right of the Senate anywhere when it is a coordinate branch of the Government.

If that were true, what would be the result? A Senator is indicted. It is a frame-up. There is no evidence to support the indictment. It is continued and delayed for years and years, as this case is being continued and delayed; and what must a Senator do? What must the Senate do? Must it allow a corrupt Member to vote here? Must it allow an improper Member to vote here? What is going to happen to the Senate? There is no chance then to get rid of a corrupt Member of the Senate, if the courts indict him, until the process of law has operated. That is the Senator's view of it. Corrupt men could stay here, with a delay of their cases and continuances, and serve their terms.

Mr. STERLING. Let me say——

Mr. SWANSON. Let me get through first with the other phase of this matter.

Mr. STERLING. A perfectly innocent man——

Mr. SWANSON. I do not yield now. I will yield later.

Now, let us take the other view of the matter. Here is the Department of Justice being investigated. Here is the Senate, which has selected—and the Senate made the selection—a man to conduct this investigation, and this investigation is very disagreeable to the Department of Justice.

The Department of Justice, unlike Senator WHEELER, does not want to be investigated. The minute charges were filed against Senator WHEELER he invited an investigation. As

soon as they started the investigation of the Deparment of Justice it tried to avoid an investigation. It had to be forced and compelled to submit to an investigation, and did not invite it. It was forced on the Department of Justice, with much opposition on the other side of the Chamber. Now the Department of Justice desires to suppress this investigation. It is in accord with the Republican National Committee. The Republican National Committee has been denouncing this investigation, and standing by Mr. Daugherty, and abusing Senators, and abusing Republican Senators for not standing up and defending Daugherty.

Now what is done? They send Mr. Coan out there; and I will say that Mr. Coan was frank, was candid, and, as far as I can see, told the truth. He candidly admitted that he was employed to go to Montana to see if he could not find something against WHEELER, and, he implied, against the other Senator from Montana also, who were conducting investigations against this administration. He said they wanted to investigate some rumors that they had heard, and they wanted to know who this man WHEELER was.

Mr. STERLING. Stories.

Mr. SWANSON. Stories or rumors; I do not know which they were. I reckon they were stories, and they were afterwards disclosed to be absolutely false stories. I thank the Senator for making the correction. They did not even attain the dignity of rumors. Mr. Coan was employed, paid a salary, and he seems to have served his employers very well. He goes there and gets affidavits, and what does he say? He says practically that he did that because Republican Senators would not stand up and fight for Daugherty.

Now, Mr. President, look at this situation. Here is the committee of a great party—and I say "a great party" intentionally, a party with a great tradition and history—here is the organization of a great party in this country that competes for high honors and influence and power in this country, and yet it has been so perverted in its executive officers and control that that great party allows itself to be used as a means of employing a man to go and get some evidence against Senator WHEELER, who was conducting an investigation against the Department of Justice.

If the Attorney General had been a high-spirited man with a high sense of honor and refinement; if he had obtained any evidence against WHEELER he would have kept it to himself and not have preferred an indictment while this investigation was pending.

I do not believe there is a sensible and honorable Senator on the other side who, if he had been Attorney General and was being investigated, would have made himself party to a scheme to employ someone to go to the State of the Senator who was conducting the investigation to get evidence to indict him, and thus hold him up to blackmail.

Why did he do it? Senator WHEELER stated he heard rumors long before that he was to be framed up, and he did not believe it. Yet while this investigation was at its height this indictment was found. I would like to ask the Senator from South Dakota if he approves the conduct of that Republican National Committee.

Mr. STERLING. I stated yesterday—I stated to the Senator from Virginia—my position in that regard. I said by way of illustration that if the Democratic Party were the party in power, and the administration were Democratic, and stories had been circulated against a Republican candidate, the Democratic Party or its national committee would have been justified——

Mr. ROBINSON. Then the Senator does approve the action in going——

Mr. STERLING. I do not yield until I make my statement and finish it. The Democratic Party, or the national committee of that party, would have been justified in sending someone to investigate the stories against this Republican candidate for Senator.

Mr. SWANSON. If he were a candidate; but Senator WHEELER was not a candidate. He was simply conducting an investigation.

Mr. STERLING. Very well——

Mr. SWANSON. It was five or six years before he could be up for election. I might see, if a man was offering for office, and his merit was to be passed upon at the polls, why a committee should go and get some evidence as to whether people should vote for him or not; but Senator WHEELER was not a candidate. Senator WHEELER was investigating the administration of the Department of Justice.

Mr. STERLING. A candidate, or even a Senator——

Mr. SWANSON. He was not a candidate.

Mr. STERLING. Just a moment.

Mr. ROBINSON. Will the Senator from Virginia yield to me to ask a question?

Mr. STERLING. Or perhaps even a Senator elect; Senator WHEELER had not yet taken his seat; no investigation of the Department of Justice had been begun at the instance of Senator WHEELER at that time. Nobody that I know of had ever anticipated for a moment that he would be active in the investigation of the Department of Justice.

Mr. SWANSON. I understand that the Senator takes this position: That when a man is not a candidate for the Senate, but is a Senator discharging his duties under his oath, and representing a great State, not being a candidate for office, a national committee is justified in employing somebody to go and get evidence to indict him, and then turn it over to the Department of Justice, and have an indictment against him, provided he is conducting an investigation against the Department of Justice; and that is justified in morals? That is what occurred in this case.

Mr. STERLING. The witness, Glosser, had stated that he heard these stories, or that these stories had been heard in regard to Senator WHEELER, and that Senator WHEELER had been attacking the administration, had been attacking everybody, as he put it, in public life, and that it was thought worth while to investigate these stories which had been circulated in regard to Senator WHEELER, and therefore he went out at the instance of the National Republican Committee——

Mr. ROBINSON. Mr. President, will the Senator from Virginia yield to me to ask a question of the Senator from South Dakota?

Mr. SWANSON. I yield.

Mr. ROBINSON. Does the Senator from South Dakota approve of the action of Mr Coan, prompted and inspired, as he said, by the Republican National Committee, when he sought to smear Mr. WHEELER and to stop him from the prosecution of the investigation of the Department of Justice?

Mr. STERLING. Well, he says that Senator——

Mr. ROBINSON. Mr. President, I have asked the Senator from South Dakota a question which ordinary procedure would prompt him to answer "yes" or "no." The evidence before the committee of which the Senator from Iowa [Mr. BROOKHART] is chairman and before the committee of which the Senator from Idaho [Mr. BORAH] is chairman discloses that Mr. Coan, at the instance of the Republican National Committee, went to a former assistant attorney general of the State of Montana and expressed a deliberate purpose to secure false testimony for the purpose of smearing Mr. WHEELER and for the purpose of stopping him in the prosecution of the investigation against the Department of Justice. I ask the Senator from South Dakota whether he approves of the action of Mr. Coan, so inspired by the Republican National Committee?

Mr. STERLING. I would not approve action of that kind——

Mr. ROBINSON. I do not ask the Senator from South Dakota what he would do; I ask him what he does.

Mr. STERLING. I am going to answer, Mr. President, in my own way, and the Senator from Arkansas can not put the words into my mouth.

Mr. ROBINSON. Mr. President, if the Senator will pardon me, when he fails to answer it "Yes" or "No"——

Mr. STERLING. If I have not yet answered the Senator, when I am through the Senate will know whether I have answered him.

Mr. ROBINSON. The Senate knows now that the Senator from South Dakota is declining to answer the question frankly.

Mr. STERLING. Mr. President, there was no such evidence before the Senate investigating committee.

Mr. ROBINSON. Oh, Mr. President, will the Senator yield?

Mr. STERLING. Wait until I get through——

Mr. ROBINSON. The statement of the Senator from South Dakota is so at variance with the record that I can not comprehend why he makes such a statement. The junior Senator from Arkansas [Mr. CARAWAY] yesterday read into the record the testimony to which I have referred, and called it to the attention of the Senator from South Dakota.

Mr. SWANSON. I will read it to the Senator from South Dakota.

Mr. STERLING. I want to read from the testimony taken before our investigating committee——

Mr. ROBINSON. What difference does it make which committee it was before?

Mr. STERLING. It is not the same, according to the statement made by the junior Senator from Arkansas yesterday. He quoted testimony of another party taken before the Brookhart committee. I am referring to the testimony taken before our investigating committee.

Mr. SWANSON. Mr. President, having gotten definitely what the views of the Senator from South Dakota are in reference to national committees——

Mr. STERLING. Oh, yes——

Mr. SWANSON. Investigating Senators when they are up for election, now I would like to ask him, if the Senator were Attorney General of the United States——

Mr. STERLING. Let me answer the other question first, that relating to Mr. Coan.

Mr. SWANSON. I will. I will read what Mr. Coan said.

Mr. STERLING. Attention was called——

Mr. SWANSON. I read:

> I was sent out to Montana to investigate some of these stories about Senator WHEELER.

I asked the question which brought forth that answer. He said the national committee employed him, paid him to go there and investigate some of the stories about Senator WHEELER.

> WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him—

Why did not the Senator answer him then, and possibly we would not have had any investigation?

> and they thought it was up to somebody to find out who this fellow was and what he had been doing.

He went there for that purpose because WHEELER dared to attack the administration. WHEELER was not a candidate for election. The election was five or six years off. He was discharging his duty as a Senator; no election was involved; and this national committee sent Coan out there to make an investigation, the result of which he reported to the Department of Justice, and the Department of Justice promptly finds an indictment against him.

Mr. STERLING. Will the Senator let me now refer to the testimony here?

Mr. SWANSON. I will.

Mr. STERLING. Mr. President, here is what Mr. Coan said in full in answer to a question by the Senator from Virginia:

> Senator SWANSON. Did he tell you the purpose for which he employed you?

Mr. ROBINSON. Will not the Senator speak a little louder? We can not hear a word he is reading.

Mr. STERLING. The answer of Mr. Coan is:

> Yes; I was sent out to Montana to investigate some of these stories about Senator WHEELER. WHEELER had been attacking the administration and everybody in public life here, and nobody seemed to be willing to get up and answer him, and they thought it was up to somebody to find out who this fellow was and what he had been doing.
>
> Senator SWANSON. Who thought so?
>
> Mr. COAN. The Republican National Committee.
>
> Senator SWANSON. And they sent you there for that purpose?
>
> Mr. COAN. Yes; I went out there, and, of course, I did not want any stories of dead men or train robbers, and I took affidavits where I got the stories.

And he did, and the Senator from Virginia knows to what affidavits he referred. He referred to two affidavits, the affidavits of Rhea and Glosser.

Mr. SWANSON. I will allude to those later.

Mr. STERLING. The Senator knows, further, that Rhea and Glosser were both before the investigating committee, and nothing in their oral testimony, though they were under examination and cross-examination for a long time, tended to contradict the story made in their affidavits.

Mr. SWANSON. I want to read——

Mr. STERLING. Allow me a little further. Reference was made by the junior Senator from Arkansas [Mr. CARAWAY], and I think by the Senator from Virginia this morning, to what occurred in regard to Mr. Coan before another committee of the Senate.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. STERLING. If the Senator will just permit me a moment.

Mr. SWANSON. I can not yield for the Senator to make a speech.

Mr. STERLING. I suppose the Senator from Virginia has the floor.

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Virginia yield further?

Mr. SWANSON. I can not yield any further. I heard the Senator on that phase of it, and his report was to the same effect. As I understand, the Senator approves of what occurred before our committee, but what was related before another investigating committee he did not approve. Does the Senator approve the national committee sending Coan to get something on WHEELER, because WHEELER was attacking the administration when there was no election pending?

Mr. STERLING. Will the Senator be kind enough to inform me when the testimony was taken before the Brookhart committee——

Mr. SWANSON. He says, himself, because he was attacking the administration. Does the Senator approve that or not approve it? From the very language that is before our committee, it is very easy to see.

Mr. STERLING. I see nothing, as I said yesterday, in terms very reprehensible or objectionable, if stories have been started against a candidate or a Senator elect, I do not care whether he is a Republican or a Democrat——

Mr. SWANSON. I understand, then, that the Senator approves it?

Mr. STERLING. The national committee taking that matter in hand and investigating those stories.

Mr. SWANSON. I understand the Senator approves it?

Mr. STERLING. I do not object to it.

Mr. SWANSON. If one does not object to it, he must approve it. Now, let us see the position the Senator occupies, what he thinks is an honest, fair, splendid, high, noble administration of a government; that whenever a Senator in opposition dares to attack an administration and they hear any kind of stories about them it is the duty of the Republican or Democratic committee to at once start an investigation of that Senator——

Mr. STERLING. Now, Mr. President——

Mr. SWANSON. I am not going to yield any further.

Mr. STERLING. I did not say it was a duty; I said I saw nothing particularly objectionable about it——

Mr. SWANSON. The Senator approves it?

Mr. STERLING. Or reprehensible in it.

Mr. SWANSON. The Senator approves it, practically. They will start an investigation of that Senator on any rumor and then ascertain by affidavits all they can, give it out to the papers, imply that they have more, coerce him, blackmail him, silence him, and the Senate will be subject to the coercive power of the Department of Justice or its committees.

Mr. STERLING. Now, the Senator——

Mr. SWANSON. I can not yield any more to the Senator.

Mr. STERLING. The Senator should not be a catechist if he does not want me to interrupt him.

The PRESIDING OFFICER. The Senator from Virginia declines to yield.

Mr. SWANSON. I am sorry to see the Senator wants to apologize for this conduct. He does not seem to indorse it, but is trying to apologize for it. I think of all the reprehensible things I have ever seen is, when a Senator dares to do his duty, dares to say that the administration is not honest, the departments are not honest, dares to attack them, that he should be so treated as has Senator WHEELER. The party of opposition is for investigation to keep the party in power on the right pathway. If the Democrats are in power, it is the duty of the Republicans to keep the party on the pathway of honesty and justice. When the Republicans are in power it is the duty of everybody, both Republican and Democrat, to see that the party in power is fair and honest. What do we witness here? The administration is attacked. They hear little rumors in connection with Senator WHEELER, and they employ and pay a man to go to Montana and investigate him and get affidavits, for what purpose? Either for the purpose of besmearing him so an investigation which he is conducting will be discredited, or for the purpose of blackmailing him, which is equally discreditable.

Mr. STERLING. Mr. President, will the Senator permit an interruption?

Mr. SWANSON. No; I can not yield any further now. I say that would destroy the influence of the Senate. Is the investigation against Senator WHEELER as an individual? No. The investigation has been directed against him as a Senator and not as a citizen. If he had been guilty as a citizen of any wrong, his position as Senator should not shield him, but this effort was made to besmirch him as a Senator so as to control his senatorial conduct. I do not believe there is a high-minded, honorable Republican in the United States who wants

to see party warfare conducted on high lines, who will approve of any such disreputable performance as that. That is in accord with the scheme of employing the detectives who went to the office of Senator LA FOLLETTE. Why? LA FOLLETTE dared to be courageous and honest and fearless in both Democratic and Republican administrations. Since the Republican administration has been in office he has dared to attack it. The same spirit that sent Coan to Montana sent this detective to go through the office of LA FOLLETTE to see if they could get some evidence there to besmirch him and destroy his influence or else to blackmail him. I say that is discreditable, and I regret that those in control of the national committee of a great party permitted such conduct to be done.

Now, let us see about these rumors upon which this conduct was based. What is the evidence of Glosser? All hearsay except one transaction. Glosser's evidence is that he heard Campbell had employed him about permits. In his ex parte affidavit Campbell denies it. Then he testified about a conversation that occurred when Rhea was present at a hotel in Montana, and Glosser and Rhea conferred in accord with this matter. This is all the evidence there is in the case. The Senator may search it to the fullest extent and here is all the evidence, that Glosser and Rhea testified that they had a conference and WHEELER was present in connection with a suit that was pending in the State court, and Campbell was trying to get Rhea to employ WHEELER in connection with a permit or a case that he had and told him he could be of service. WHEELER said nothing. Not a word did WHEELER say. It was the MacGowan contract that was owned by Rhea and not by Campbell, and Rhea was trying to get Campbell to employ him. Rhea himself, the chief witness, says he did not employ him, made no contract with him, and never paid him a cent, never agreed to pay him a cent, and that another lawyer represented him. Consequently by their own witness Rhea they are read out of court, and they can not contradict that. That is all the evidence in the case upon which they could base a rumor, even a suspicion, even a suggestion; and their own witness said he did not employ him and did not agree to employ him. WHEELER said nothing, and did nothing in connection with that permit.

The only other matter was a telegram of March 3, which WHEELER sent, telling him to send information in regard to the permits in connection with the Standard Oil property, so if he wanted to do so so he could present the matter intelligently to the Interior Department. Let us examine that. That is what I think the Senator from South Dakota has read a dozen times. That seems to be his rock of strength and pillar of support for the indictment. Without this, the whole fabric falls. What are the facts in that case as disclosed? The Standard Oil Co. had gotten a permit—mark me, now—from Campbell. They got a permit from Campbell and the Standard Oil Co. was interested in it, and not Campbell. WHEELER said they took him in office and talked with him about the permit the Standard Oil Co. had gotten, and the Standard Oil Co. were interested in it, and not Campbell. That is not denied. The Standard Oil Co. was interested in that permit, and they talked to WHEELER about it. The Standard Oil Co. never paid WHEELER a cent, and never promised to pay him a cent. They never agreed to pay him a cent. If he had appeared before the department he would have appeared as representing a constituent, a company that never paid him a cent, and never agreed to pay a cent, and under no circumstances could there be any violation of the statute. If we take the worst view of it, as advocated by the Senator from South Dakota, that is the situation. He knows the Standard Oil Co. never agreed to pay WHEELER a cent. He knows the Standard Oil Co. never paid him a cent.

Mr. STERLING. Has there been any contention, may I ask the Senator, that the Standard Oil Co. ever paid him a cent?

Mr. SWANSON. The Standard Oil Co. alone was interested in that permit, and if he appeared before the Interior Department when he sent the telegram it was for a company that had not paid him a cent, had not agreed to pay him a cent, and he was simply representing a constituent in doing the work, like hundreds of constituents are represented without pay or without compensation. That is all the evidence there is in the case. That is all the evidence offered, even in the form of a suggestion, taking the worst view of it.

Let us see what we have. To contradict that, the Senator from South Dakota waves it aside and says it must not be considered. I want to read his position again. In order to make any case whatever that could be used as a document to circulate in Montana to the prejudice of Senator WHEELER it was necessary to ignore all the evidence in the case and to simply get down to a little, simple proposition: Did the grand jury have probable cause? That is the only way they could get one little drop of mud to stick to WHEELER. That was the only pathway they could pursue. Where was that line of defense first suggested? Not by the Senator from South Dakota, but by Coan himself. Coan suggested that when he was before the committee. He came in after all the evidence had been disclosed and they seemed to abandon everything except was there a probable cause for the grand jury to find the indictment? Coan appeared before the committee, and the chairman of the committee asked him:

Mr. Coan, do you know of your own knowledge from having talked with Mr. Campbell in the presence of Mr. WHEELER, or talked with Mr. WHEELER, or in any other way, of first knowledge, with reference to the employment of Mr. WHEELER as attorney for Mr. Campbell?

Mr. COAN. I could not be expected to know that, Senator, because I was not there at the time.

Senator STERLING. Just answer the question, Mr. Witness.

The CHAIRMAN. That is true; but I thought, in view of the things being said around, that you had some knowledge that I did not know how you got.

Mr. COAN. No; mine is all through affidavits.

The CHAIRMAN. You have no knowledge, then, except what came to you through statements of other parties?

Mr. COAN. You mean in regard to his employment?

The CHAIRMAN. Yes.

Mr. COAN. No. I was not subpœnaed here to testify about his employment. Will you read me, does not the subpœna say "the circumstances surrounding the finding of an indictment against Senator WHEELER?" That is what my subpœna said.

The CHAIRMAN. I do not know what the subpœna said. I know what we are inquiring about.

That is the first time that anyone suggested before the committee that the inquiry was with reference to the circumstances surrounding the indictment and whether they had probable cause to return it.

The senior Senator from South Dakota had not suggested it up to that time. The first man that suggested it, the first man that had the acumen and the sense to change in this way, was Coan, a smart newspaper fellow who had been employed to besmear WHEELER, and he conceived the idea, "We will now change this investigation to the question of probable cause of the grand jury and put the grand jury on trial."

My friends, has the time come that the Senate is going to investigate grand juries? Senator WHEELER is entitled to no protection, no defense, no accusation so far as a grand jury or petit jury of the country is concerned. When a man comes before the grand juries and petit juries, he is neither Senator, governor, nor mechanic. All stand alike before the courts. We have no right to investigate whether the grand jury's finding was probable or improbable, just or unjust, or as to whether the verdict of a petit jury is just or unjust. The Constitution has given the power to the Senate to purge itself, to keep itself clean, to keep itself composed of honorable, worthy, and noble men, and when the Senate is deprived of that privilege it ceases to be one of the coordinate branches of the Government. A Member has rights in the Senate, and when he is assailed either by newspapers, indictment, or other source of attack, to rise to a question of personal privilege and have his honor either vindicated or destroyed by a committee report and vote of the Senate. All Senator WHEELER said was that his honor had been attacked, his integrity had been attacked, he had been assailed, and he came before the Senate as an honorable man, as a high-spirited and sensitive man, and said, "I do not wish to associate with Members of the Senate, I do not wish to be in this honorable body if I am guilty of this offense. I demand an immediate investigation, and that the members of the committee be named by the presiding officer of this Senate belonging to an opposite political party." I want to commend the honor, the feeling of pride that a Senator like that has.

What does the Senator from South Dakota want? Does he want the Senate to say, "We will not vindicate you. We will not have anything to do with this attack on you. You can be assaulted from all sources. You can sit here representing the great State of Montana and have your influence destroyed, your power destroyed, your reputation destroyed by whispers and rumors and by an indictment and the case continued until your term is up, and we will give you no protection." I am proud that Senators in these days feel a pride in their honor, their integrity, and their reputation. I am proud that Montana has a Senator who feels that way and who, the minute his

honor, his integrity, and character are challenged, says "I meet my accusers."

Now, let us see what the evidence in this case is. The evidence against Senator WHEELER was of the flimsiest character; that is the kind of evidence that was before the grand jury; that is all that could be scraped with a fine-tooth comb against the junior Senator from Montana.

It has been stated that Mr. WHEELER made a contract to represent Gordon Campbell before the Department of the Interior in order to get permits for him in violation of the statute; in other words, he is accused of selling his influence as a Senator for money. That is the substance of the accusation. He challenged that statement. We are called on to decide, Did he sell his influence as a Senator for money?

The Senator from South Dakota has stated that the evidence does not justify the contention that he did sell his influence for money, and that if he were called on to vote on the question he would vote not guilty; but he thinks that the case ought to be continued; he finds that the grand jury had a probable cause for returning the indictment, and he is willing to have that finding circulated all through Montana and to that extent prejudice the petit jury when they come to try the case, but he thinks that no report should be made here vindicating the Senator from Montana, if he is entitled to vindication, because it might be circulated in Montana, and, if true, it would put the Government at a disadvantage.

The Government at a disadvantage with truth being circulated! The Government at a disadvantage when a citizen is on trial and the facts are officially known! That government ought to be cursed, that government ought to be driven from power, which needs protection by a suppression of the truth and facts. Such action might embarrass the enemies of WHEELER; it might embarrass the district attorney of Montana, who has venom against him; it might embarrass the Department of Justice, which started out either to blackmail him or destroy his character, to have the truth and facts known; but God knows no temple of justice was ever yet desecrated by considering the facts and the truth. This is the first time I have ever known the position to be taken that justice could be perverted by a publication of the truth. Slander is always hurt by a propagation of truth; rumors are always destroyed by the circulation of truth. It is only those who wish to thrive and succeed with slander and by false accusations and by rumors who desire to suppress the truth.

The committee felt that the junior Senator from Montana was entitled either to acquittal or conviction. We determined to get all the facts and all the truth, and I wish to say that the Senator from Montana comported himself before the committee with that same sense of honor, that same sense of integrity and delicacy which have characterized him throughout this entire case. He felt a delicacy in approaching the members of the committee in reference to any facts and matters, and, as to the witnesses, he showed that he had that sensitive pride of honor and sensitive pride of propriety which I am glad to see illuminate public life in these days. I repeat that only flimsy excuses have been presented in opposition to the majority report.

Now, let us see what the evidence is. There are facts in this case that are not dependent upon testimony sufficient absolutely to acquit the junior Senator from Montana. What are the facts? The junior Senator from Montana appeared in case after case in the Montana courts, cases involving millions of dollars; he fought vigorously, actively, energetically, in the State courts. Then his enemies tried to create the impression that the fee was so high it must have included an obligation to appear before the Department of the Interior. In view of the amount involved, the briefs filed, and the efforts made, and successfully made in the conduct of the litigation, there is no lawyer with any reputation and standing who can say that the fee was an exorbitant one. It was a small fee in comparison with fees that are frequently paid.

There is no dispute that Mr. WHEELER appeared in the State courts of Montana; there is no dispute that he filed briefs there; there is no dispute that there were 19 or 20 cases pending in the State courts which justified his employment. Those facts can not be disputed.

Now, let us go further. Let us see what the contract was. Mr. WHEELER did not know Gordon Campbell. Mr. WHEELER is a vigorous, active, fighting man. That is the reason the Department of Justice has sought either to destroy or to blackmail him. He is a valiant knight, a fighter, and consequently he must either be destroyed or suppressed. Mr. Campbell said he employed him because he had lawyers who would not fight; that he had lawyers who every time they came into court would compromise the cases involving his property, resulting in giving away something instead of winning his suit. Campbell said: "I consulted about an attorney." Stout was the editor of a newspaper, and had served for four years in Congress. Mr. Campbell testified, "We talked about Mr. WHEELER, and Stout recommended that I should employ WHEELER." Campbell said, "I do not know WHEELER, but I know he is a fighting man. I want him and should like to have him." Stout himself went to see WHEELER and told him that Gordon Campbell wanted to employ him. What did he tell Stout? Stout has no interest in this case; he ran against WHEELER for the Senate, if I mistake not. Stout said that WHEELER asked him the character and nature of the litigation. Then he testified—and it can not be controverted, that WHEELER told him he would agree to represent Campbell in this litigation but would not—now, I desire Senators to listen to this—would not represent him in any matters before the Interior Department. That was the beginning of the employment of Mr. WHEELER by Mr. Campbell. That fact is testified to by a man who served four years in Congress, a man whom Members of the Senate know as a man of high character and standing, and who has no interest in this matter at all.

Campbell testified that WHEELER distinctly told him he would confine his activities to litigation in the State courts of Montana. The only witnesses who knew directly about the contract testified exactly to the same effect.

Then Mr. WHEELER's partner, Mr. Baldwin, was called to the stand. Mr. Baldwin impressed me as an able, splendid, fine lawyer. He could look you in the eye without a quiver. He is one of those men of whom, by looking in his face, it may be said he is a man of integrity and character and worthiness. He testified—and his testimony is not controverted—that the agreement was just as Campbell stated, and that nothing was done before the Interior Department by Mr. WHEELER.

Mr. Campbell had an attorney of his own to attend to all his land matters and permits, a lawyer by the name of Beaulieu. Mr. Beaulieu testified that the agreement was as has been indicated, and that Baldwin and WHEELER had nothing whatever to do with the permits or any matters before the Interior Department.

That, it would seem, ought to be conclusive evidence on that point, but there is evidence more conclusive than that. The contract, when made, affected property which was in the hands of trustees, and the contract could not be valid until it was ratified by those trustees. The contract, as the Senators know, was for a retainer of $10,000 a year, and there were three trustees who had to approve the contract before it could be valid and WHEELER could get the money. Mr. Harvey, one of the trustees, testified that at a meeting of the trustees the question of WHEELER's employment came up and they agreed to pay $10,000, but it was distinctly understood that the employment of WHEELER did not extend beyond the carrying on of litigation in the State courts. So Mr. Campbell, the active manager, one of the trustees, in fact, all of the men who knew anything about the contract, have testified explicitly as to the terms of the contract. What more evidence could be desired than that?

But suppose the contract did include more than has been proven and required Mr. WHEELER to appear before the Interior Department. Governor Spry, Commissioner of the General Land Office, in the Interior Department, testified that Mr. WHEELER did not appear before that office in the case of any permit; he did not try to secure any permit for Campbell, and that nothing whatever was done by Mr. WHEELER before the Interior Department contrary to the statute in the effort in any way to secure a permit for Campbell or his companies. I should like for some one with ingenuity to tell me how a case could be more completely and more thoroughly proven than this case has been. Where is there anything left on which rumor and suspicion may hang?

Mr. President, with this state of facts, is or is not the junior Senator from Montana entitled to vindication? He has asked the Senate to pass judgment on him. The minute that his integrity and honor as a Senator were challenged, he accepted the challenge and asked the Senate to pass on the question. The suggestion is now made that the Senate should not pass on it. Why was not the objection raised when the resolution was submitted, considered, and adopted? Senator WHEELER was attacked in the newspapers, and it was said, "A court will try him; he will not be tried by a committee of the Senate." However, he met the challenge, and he said, "I want the Senate to try me, and if I am not worthy to be a Member of the Senate, I

want my colleagues to say so. Let everyone come and testify against me as to anything that may be wrong; hear them; and then pass a verdict on me." I think that was the manly course to follow; that was the honest way to proceed; that was a high-spirited way for a Senator to act. When he confronts the Senate in this way there is but one thing for the Senate to do, and that is to face the issue squarely and fairly and not to dodge it and leave him subject to rumor and suspicion. All the junior Senator from Montana asks in this case is that the Senate pass upon the question whether he is guilty of the charges set forth in the indictment.

As I have already said, the investigation in this case was conducted almost entirely by the Senator from Idaho, and the Senator from South Dakota was there with all his acumen and activity. I wish to say that I have never known a man who tried to hold the scales of justice more fairly than did the Senator from Idaho. If anyone can find a single decision he made that was not just, both to the Senate and to the junior Senator from Montana, I should like to have it pointed out, and I will ask the Senator from South Dakota, who was present nearly all the time, to point it out. If there ever was a man who was impartial, who was fair and just and tried to ascertain the facts, it was the Senator from Idaho. He wrote the majority report. I felt a delicacy in obtruding myself too much into the matter, because it might be said that as a Democratic Senator I was trying to be easy with another Democratic Senator. But everybody who knows the Senator from Idaho knows his character, his courage, and his disposition to keep the Senate clean and pure whatever the result may be and without favoritism to anyone.

As for myself, after hearing the evidence and carefully examining it, I am satisfied that the junior Senator from Montana is entitled to a vote of confidence and to the adoption of the majority report.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

Mr. EDGE. Mr. President, if I may have my daily five minutes on the unfinished business, I should like to suggest a unanimous-consent agreement which I am hopeful will meet the approval of the Senate for a definite hour at which to vote upon the unfinished business, so that we can go on with other business.

I send the proposed agreement to the desk and ask to have it read.

The PRESIDING OFFICER. The Secretary will state the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 5 o'clock p. m. on the calendar day of Monday, May 26, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to readjust the compensation of postmasters, etc.

The PRESIDING OFFICER. Is there objection?

Mr. HEFLIN. Mr. President, I was interrupted and did not hear the day. What day is suggested?

Mr. EDGE. Monday at 5 p. m.

Mr. GERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair has just been reminded that a quorum must be called. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Fess	Ladd	Reed, Pa.
Bayard	Fletcher	Lodge	Robinson
Borah	Frazier	McKinley	Sheppard
Brandegee	George	McNary	Shipstead
Broussard	Gerry	Mayfield	Simmons
Bruce	Glass	Moses	Smith
Bursum	Hale	Neely	Spencer
Cameron	Harris	Norbeck	Stephens
Capper	Harrison	Norris	Sterling
Copeland	Heflin	Oddie	Swanson
Curtis	Howell	Overman	Trammell
Dale	Johnson, Calif.	Owen	Wadsworth
Dial	Johnson, Minn.	Pepper	Walsh, Mass.
Dill	Jones, N. Mex.	Phipps	Walsh, Mont.
Edge	Kendrick	Ralston	Warren
Ferris	King	Ransdell	Willis

The PRESIDING OFFICER. Sixty-four Senators have answered to their names. A quorum is present. The Secretary will read the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 5 o'clock p. m. on the calendar day of Monday, May 26, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to readjust the compensation of postmasters, etc.

Mr. BORAH. Mr. President, will not the Senator in charge of the bill be willing to move up the time an hour, and give us 10 minutes on amendments, or something like that?

Mr. ROBINSON. Mr. President, for the convenience of some Senators who can not be here Monday, who favor the bill and desire to vote for it, I want to suggest that the vote be fixed for an early hour on Tuesday, say 12.30 Tuesday; and I have no objection to a modification of the agreement so as to provide for a limitation on debate after a certain hour.

Mr. EDGE. I will try to meet the request of both Senators; and, if it meets the desire of the Senate, I will change the hour to 1 o'clock on Tuesday, adding the paragraph, if the clerk will do it, permitting debate on amendments from 11 to 1, if that is satisfactory to Senators.

Mr. BORAH. Say 10 minutes, without fixing a specific hour. I do not know that I shall want to occupy a single minute with regard to the matter; but the measure is an important one, and I do not want to vote on amendments without some opportunity of hearing them explained.

Mr. ROBINSON. May I suggest then, that after the hour of 5 o'clock on Monday all debate be so limited that no Senator shall speak oftener than once or longer than 10 minutes upon the bill or any amendment that may be pending or that may be offered, and that at the hour of 1 o'clock p. m. on Tuesday the Senate shall proceed to vote upon the bill and all pending amendments.

Mr. EDGE. That is satisfactory to me.

The PRESIDING OFFICER. The Secretary will state the modified proposal.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 1 o'clock p. m. on the calendar day of Tuesday, May 27, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to adjust compensation, etc., through the regular parliamentary stages to its final disposition; and that after the hour of 5 o'clock p. m. on Monday, May 26, no Senator shall speak more than once or longer than 10 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The PRESIDING OFFICER. Is there objection?

Mr. BORAH. Mr. President, I suggest making the hour 4 o'clock on Monday, so that the rule will not take effect just as we are adjourning.

Mr. ROBINSON. Very well; I have no objection.

The PRESIDING OFFICER. Is there objection to changing the hour to 4 o'clock?

Mr. EDGE. I have no objection.

The PRESIDING OFFICER. The Chair hears none. Is there objection to the request as modified? The Chair hears none, and the agreement is entered into.

The agreement, as entered into, is as follows:

Ordered, by unanimous consent, that not later than 1 o'clock p. m. on the calendar day of Tuesday, May 27, 1924, the Senate will proceed to vote without further debate on any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, through the regular parliamentary stages to its final disposition, and that after the hour of 4 o'clock p. m. on the calendar day of Monday next no Senator shall speak more than once or longer than 10 minutes upon the bill or upon any amendment offered thereto.

THE NAVY

Mr. HALE. Mr. President, I ask that Senators will please not interrupt me during the course of my remarks. When I have concluded I shall be glad to answer any questions that any Senator may see fit to ask.

The PRESIDING OFFICER. The Senator has control of his own time.

Mr. HALE. Mr. President, during the debate on the naval appropriation bill the junior Senator from Tennessee [Mr. McKELLAR] asked me to place in the RECORD tables showing the relative strength of the navies of the United States, Great Britain, and Japan. I have had tables prepared by the Navy Department showing the principal combatant ships of the first line of the three navies built, building, and projected. The statistics in regard to the British Navy and our own Navy are, I believe, accurate. The information in regard to the Japanese Navy is not as reliable. I ask that the tables be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

Statement showing combatant ships in the navies of the United States, British Empire, and Japan

CAPITAL SHIPS

United States					British Empire					Japan				
Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery
			Knots					Knots					Knots	
1. West Virginia	1923	32,600	21	8 16-inch 45-caliber guns.	1. Royal Sovereign	1916	25,750	23	8 18-inch 42-caliber guns.	1. Mutsu	1921	33,800	23	8 16-inch 45-caliber guns.
2. Colorado	1923	32,600	21	do	2. Royal Oak	1916	25,750	23	do	2. Nagato	1920	33,800	23	Do.
3. Maryland	1921	32,600	21.76	do	3. Revenge	1916	25,750	23	do	3. Huiga	1918	31,260	23	12 14-inch 45-caliber guns.
4. California	1921	32,300	21.48	12 14-inch 50-caliber guns.	4. Resolution	1916	25,750	23	do	4. Ise	1917	31,260	23	Do.
5. Tennessee	1920	32,300	21.01	do	5. Ramillies	1917	25,750	23	do	5. Yamashiro	1917	30,600	22.5	Do.
6. Idaho	1919	32,000	21.29	do	6. Malaya	1916	27,500	25	do	6. Fu-So	1915	30,600	22.5	Do.
7. New Mexico	1918	32,000	21.08	do	7. Valiant	1916	27,500	25	do	7. Kirishima [1]	1915	27,500	27.5	8 14-inch 45-caliber guns.
8. Mississippi	1917	32,000	21.09	do	8. Barham	1915	27,500	25	do	8. Haruna [1]	1915	27,500	27.5	Do.
9. Arizona	1916	31,400	21.00	12 14-inch 45-caliber guns.	9. Queen Elizabeth.	1915	27,500	25	do	9. Hiyei [1]	1914	27,500	27.5	Do.
10. Pennsylvania	1916	31,400	21.05	do	10. Warspite	1915	27,500	25	do	10. Kongo [1]	1913	27,500	27.5	Do.
11. Oklahoma	1916	27,500	20.58	10 14-inch 45-caliber guns.	11. Benbow	1914	25,000	21	10 13.5-inch 45-caliber guns.					
12. Nevada	1916	27,500	20.53	do	12. Emperor of India.	1914	25,000	21	do					
13. New York	1914	27,000	21.47	do	13. Iron Duke	1914	25,000	21	do					
14. Texas	1914	27,000	21.05	do	14. Marlborough	1914	25,000	21	do					
15. Arkansas	1912	26,000	21.05	12 12-inch 50-caliber guns.	15. Hood [1]	1920	41,200	31	8 15-inch 42-caliber guns.					
16. Wyoming	1912	26,000	21.22	do	16. Renown [1]	1916	26,500	31.5	6 15-inch 42-caliber guns.					
17. Florida	1911	21,825	22.06	10 12-inch 45-caliber guns.	17. Repulse [1]	1916	26,500	31.5	do					
18. Utah	1911	21,825	21.04	do	18. Tiger [1]	1914	28,500	30	8 13.5-inch 45-caliber guns.					
					19. Thunderer	1912	22,500	21	10 13.5-inch 45-caliber guns.					
					20. King George V.	1912	23,000	21	do					
					21. Ajax	1913	23,000	21	do					
					22. Centurion	1913	23,000	21	do					
		525,850					580,450					301,320		

NOTES.—The United States has no battle cruisers.

On the completion in 1925 or 1926 of the two new ships, namely, *Rodney* and *Nelson*, of 35,000 tons each, the *Thunderer*, *King George V*, *Ajax*, and *Centurion* will be scrapped as provided by the agreement reached at the Conference on the Limitation of Armament. The total tonnage to be retained by the British Empire will be 558,950 tons.

LIGHT CRUISERS COMPLETED SINCE 1912

[8,000–10,000 tons. Speed of 29 knots plus]

					1. Hawkins	1919	9,750	30	7-7.5-inch guns					
					2. Vindictive	1918	9,750	30	6-7.5-inch guns					
							19,500							

[7,000–8,000 tons. Speed of 29 knots plus]

1. Omaha	1923	7,500	33.7	12 6-inch guns.										
2. Milwaukee	1923	7,500	33.7	do										
3. Richmond	1923	7,500	33.7	do										
4. Detroit	1923	7,500	33.7	do										
5. Concord	1923	7,500	33.7	do										
6. Cincinnati	1923	7,500	33.7	do										
7. Raleigh	1924	7,500	33.7	do										
8. Trenton	1924	7,500	33.7	do										
		60,000												

[3,000–5,500 tons. Speed of 29 knots plus]

					1. Dispatch	1922	4,765	29	6 6-inch	1. Yubari	1923	3,100	33	6 5.5-inch.
					2. Diomede	1922	4,765	29	do	2. Isuzu	1923	5,570	34	7 5.5-inch.
					3. Delhi	1919	4,650	29	6 6.5-inch	3. Nagara	1922	5,570	34	Do.
					4. Dunedin	1919	4,650	29	do	4. Natori	1922	5,570	34	Do.
					5. Durban	1921	4,650	29	do	5. Yura	1923	5,570	34	Do.
					6. Danae	1918	4,650	29	do	6. Kinu	1923	5,570	34	Do.
					7. Dauntless	1918	4,650	29	do	7. Kuma	1920	5,500	[2] 33	Do.
					8. Dragon	1918	4,650	29	do	8. Tama	1921	5,500	[2] 33	Do.
					9. Cairo	1919	4,190	29	5 5-inch	9. Oi	1921	5,500	[2] 33	Do.
					10. Calcutta	1919	4,190	29	do	10. Kitakami	1921	5,500	[2] 33	Do.
					11. Carlisle	1918	4,190	29	do	11. Kiso	1921	5,500	[2] 33	Do.
					12. Capetown	1922	4,190	29	do	12. Tatsuta	1919	3,500	31	4-5.5 inch
					13. Colombo	1919	4,190	29	do	13. Tenryu	1919	3,500	31	Do.
					14. Cardiff	1917	4,190	29	do					
					15. Ceres	1917	4,190	29	do					
					16. Coventry	1918	4,190	29	do					
					17. Curacoa	1918	4,190	29	do					
					18. Curlew	1917	4,190	29	do					
					19. Caledon	1917	4,120	29	do					

[1] Battle cruisers.

[2] Reported to have made 36 to 36.5 on trials.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

LIGHT CRUISERS COMPLETED SINCE 1912—Continued

[3,000–5,600 tons. Speed of 29 knots plus]

United States					British Empire					Japan				
Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery
			Knots					*Knots*					*Knots*	
					20. Calypso	1917	4,120	29	do					
					21. Caradoc	1917	4,120	29	do					
					22. Centaur	1916	3,750	29	do					
					23. Concord	1916	3,750	29	do					
					24. Cambrian	1916	3,750	29	4 6-inch					
					25. Canterbury	1916	3,750	29	do					
					26. Castor	1915	3,750	29	do					
					27. Constance	1916	3,750	29	do					
					28. Calliope	1915	3,750	29	do					
					29. Champion	1915	3,750	29	do					
					30. Carysfort	1915	3,750	29	do					
					31. Cleopatra	1915	3,750	29	do					
					32. Comus	1915	3,750	29	do					
					33. Conquest	1915	3,750	29	do					
					34. Aurora	1914	3,500	29	2 6-inch					
							140,190					65,450		
[3,000–5,600 tons. Speed of 25–29 knots]														
					1. Birmingham	1914	5,440	25.5	9 6-inch guns	1. Hirado	1912	4,950	26	8 6-inch guns.
					2. Lowestoft	1914	5,440	25.5	do	2. Yahagi	1912	4,950	26	Do.
					3. South Hampton.	1912	5,400	25.5	8 6-inch guns	3. Chikuma	1912	4,950	26	Do.
					4. Dublin	1913	5,400	25.5	do					
					5. Yarmouth	1912	5,250	25	do					
					6. Adelaide	1922	5,550	25	9 6-inch guns					
					7. Melbourne	1913	5,400	25.5	8 6-inch guns					
					8. Sydney	1913	5,400	25.3	do					
					9. Brisbane	1916	5,400	25.5	do					
					10. Chatham	1912	5,400	25.5	do					
							54,000					14,850		

There are two other light cruisers on the effective list of the British Empire which are not included in the above table, the Dartmouth and Weymouth, completed in 1911, of 5,250 tons, 8 6-inch guns, speed 25 knots.

None of the above-mentioned vessels have a speed exceeding 26 knots.

There is one light cruiser, the Tone, of 4,100 tons, completed in 1910, still on Japanese effective list not included above.

LIGHT CRUISERS BUILDING

[8,000–10,000 tons. Speed of 29 knots plus]

United States					British Empire					Japan				
					1. Effingham		9,750	30.5	7 7.5-inch					
					2. Frobisher		9,750	30.5	do					
							19,500							
[7,000–8,000 tons. Speed of 29 knots plus]														
1. Marblehead [1]		7,500	33.7	12 6-inch	1. Emerald		7,550	33	7 6-inch	1. Furutaka		7,100	(2)	6 8-inch.
2. Memphis [4]		7,500	33.7	do	2. Enterprise		7,550	33	do	2. Kinugasa		7,100	(2)	Do.
										3. Aoba		7,100	(3)	Do.
										4. Kako		7,100	(3)	Do.
		15,000					15,100					28,400		
[5,600–7,000 tons Speed of 29 knots plus—None]														
[3,000–5,600 tons. Speed of 29 knots plus]														
										1. Abukuma		5,570	34	7 5.5-inch.
										2. Jintsu-U		5,570	34	Do.
										3. Sendai		5,570	34	Do.
										4. Naka [5]		5,570	34	Do.
												22,280		

LIGHT CRUISERS PROJECTED

[8,000–10,000 tons. Speed of 29 knots plus]

United States					British Empire					Japan				
					1. Kent		10,000		8-inch guns	1. Nachi		10,000	[7] 32	6 8-inch guns.[7]
					2. Suffolk		10,000		do	2. Myoko		10,000	[7] 32	Do.[7]
					3. Cornwall		10,000		do	3. Not named		10,000	[7] 32	Do.[7]
					4. Cumberland		10,000		do	4. Not named		10,000	[7] 32	Do.[7]
					5. Berwick		10,000							
							50,000					40,000		

[1] Probable date of completion, Aug. 30, 1924.
[2] Probable date of completion, December, 1924.
[3] Unknown.
[4] Damaged by earthquake while on the stocks.
[5] Estimated.
[6] Estimated.

Funds provided in British Navy estimates for fiscal year 1924–25. Shipbuilders now preparing bids.
It is understood that two of these Japanese ships will be laid down in October, 1924.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

DESTROYERS, 800 TONS PLUS, BUILT AND BUILDING OR PROJECTED

FLOTILLA LEADERS BUILT

[1,800 tons plus]

United States					British Empire					Japan				
Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery	Name	Date of completion	Displacement	Speed	Main battery
			Knots					*Knots*					*Knots*	
					1. Bruce	1916	1,800	36.5	6 4.7-inch guns, 5 torpedo tubes.					
					2. Campbell	1918	1,800	36.5	do					
					3. Douglass	1918	1,800	36.5	do					
					4. Mackay	1919	1,800	36.5	do					
					5. Malcolm	1919	1,800	36.5	do					
					6. Montrose	1918	1,800	36.5	do					
					7. Stewart	1918	1,800	36.5	do					
					8. Shakespeare	1917	1,750	36	do					
					9. Spenser	1917	1,750	36	do					
					10. Wallace	1919	1,750	36	do					
					11. Grenville	1916	1,670	34	4 4-inch guns, 4 torpedo tubes.					
					12. Saumarez	1916	1,670	34	do					
					13. Seymour [8]	1916	1,670	34	do					
					14. Anson	1917	1,670	34	do					
					15. Abdiel [9]	1916	1,670	34	3 4-inch guns, 4 torpedo tubes.					
					16. Nimrod	1915	1,610	34	4 4-inch guns, 4 torpedo tubes.					
							27,810							
FLOTILLA LEADERS BUILDING														
					1. Keppel		1,750	36	5 4.7-inch guns, 5 torpedo tubes.					
					2. Broke		1,750	36	do					
							3,500							

DESTROYERS 800 TONS PLUS (BUILT)

[800 to 1,500 tons]

United States						British Empire						Japan					
Number in class	Class	Displacement [10] (designed)	Speed (designed) knots	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes
8	Cassin, No. 43–50	1,010	29+	4 4-inch	8	14	V	1,325	34	4 4.7-inch	6	1	Urakase	955	28.00	{1 4.7-inch, 4 3-inch}	4
						5	V	1,325	34	4 4-inch	6	10	Momo	835	31.5	3 4.7-inch	6
						35	V	1,300	34	do	6	21	Momi	850	33.00	do	4
6	O'Brien, No. 51–56.	1,050	29+	do	8	4	V	1,300	34	do	5	6	Even numbered:	900	[7] 31.5	do	4
						2	Thornycroft V	1,350	35	4 4.7-inch	6	2	Umikaze	1,180	33.00	{2 4.7 inch, 3 3-inch}	4
5	Tucker, No. 57–62	1,090	29.5	do	8	4	do	1,325	35	4 4-inch	6	4	Amatsukaze	1,227	34.00	4 4.7-inch	6
						54	Admiralty V–S	1,075	36	3 4-inch	4	2	Tanikaze	1,308	34.00	3 4.7-inch	6
6	Sampson, No. 63–68.	1,110	29.5	do	12	3	Thornycroft S	1,075	36	do	4	15	Namikaze	1,345	34.00	4 4.7-inch	6
6	Caldwell, No. 69–74.	1,125	30	do	12	6	Yarrow S	980	36	do	4	4	Odd numbered	1,400	34.00	do	6
						8	Admiralty MR	1,065	36	do	4						
[11] 100	Wickes No. 75–185.	{1,185–1,215}	35	do	12	34	Admiralty R	1,065	36	do	4						
						6	Thornycroft R	{1,035–1,065}	35	do	4						
148	Clemson, No. 186–247.	1,215	35	do	12												
						6	do	900	36	do	4						
						2	Thornycroft M	1,000	35	do	4						
288		[9] 342,086				183		209,315				65		68,228			

[7] Estimated.
[8] Seymour can be equipped as a mine layer.
[9] Abdiel is a mine layer.
[10] Displacements shown is that of name ship of class. Displacements of individual vessels in a class vary slightly.
[11] Includes 14 light mine layers of destroyer type.

NOTE.—Dates of completion of the 288 ships for the United States is as follows: 4, 1913; 4, 1914; 7, 1915; 8, 1916; 5, 1917; 56, 1918; 106, 1919; 73, 1920; 26, 1921; 3, 1922.
Dates of completion of the 183 destroyers for the British Empire are as follows: 21, 1916; 52, 1917; 62, 1918; 39, 1919; 3, 1920; 2, 1922; 1, 1923; 3, 1924.
Dates of completion of the 65 destroyers for Japan are as follows: 2, 1911; 1, 1915; 1, 1916; 7, 1917; 7, 1918; 4, 1919; 12, 1920; 15, 1921; 9, 1922; 10, 1923; 1, 1924.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

DESTROYERS, 800 TONS PLUS, BUILDING AND PROJECTED

United States						British Empire						Japan					
Number in class	Class	Displacement (designed)	Speed (designed) knots	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes	Number in class	Class	Displacement	Speed	Guns	Torpedo tubes
							Two provided for in Navy estimates. Characteristics unknown. Displacement estimated at 1,350 tons each.					25 2	Odd numbered Even numbered.	1,400 900	34 31.5	4 4.7-inch 3 4.7-inch	6 4

SUBMARINES BUILT (485 TONS OR OVER)

[Fleet submarines, 2,000 tons plus]

United States							British Empire							Japan						
Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes
							1 1	K-26 X-1	1923 1924	2,140 2,780	23 [7] 20	3 4-inch 4 5.2-inch [7]	4 [7] 6							
							2			4,920										

[Fleet submarines, 1,000 tons plus]

3	T	1920-21	1,106	21			5	K	1917	1,880	24	(See note)	8	2	No. 44	1924	1,200	22	Either 1 4.7-in. or 1-5.2 in.	6
3			3,318				5			9,400				2			2,400			

NOTE.—K-2, K-6, and K-22 have 2 4-inch; K-12 has 2 4-inch and 1 3-inch; K-14 has 1 4-inch and 1 3-inch. One of the 44 class, namely, No. 51, may not have been completed.

MONITOR SUBMARINES (BUILT)

							3 3	M	1918-20	1,600 4,800	15.5	1 12-inch, 1 3-inch	4							

SUBMARINES (BUILT)

[800 to 1,000 tons]

1	S-2	1920	800	14	1 4-inch	4	8	L-1, L-8		890	17.5	1 4-inch	4	6	No. 25 to No. 30.	1920-22	900	18	1 3-pdr.	6
27	S-1, S-14 to S-41.	1920-24	854	14.5	do	4	5	L-9, 15, 19, 20, 33.		890	17.5	do	4	4	Nos. 46, 47, 57, 59.	1922-23	900	18	1 3-pdr., 1 3-in.	6
4	S-48, S-51.	1922-23	993	14.5	do	5	6	L-11, 12, 16, 18, 21, 22.		890	17.5	do	6	12	Nos. 22, 23, 24, 34, 35, 36, 37, 38, 39, 40, 41, 42.	1920-22	940	17	do	6
6	S-3, S-4, S-6, S-7, S-8, S-9.	1919-21	876	14.5	do	4	3	L-14, 17, 25.		890	17.5	do	[12] 4							
4	S-10, S-13.	1922-23	876	14.5	do	5	3	L-52		960	17.5	2 4-inch	6	5	Nos. 45, 58, 62, 68, 69.	1921-23	960	17	1 3-in. 25-cal. A.A.; 1 3-in. 40-cal.	
42			36,590				25			22,350				27			25,080			

NOTE.—L-14, L-17, and L-25 are mine-laying submarines.

[500 to 800 tons]

														2	No. 18 and No. 21.	1920	689	18	1 3-pdr.	5
														2	No. 19 and No. 20.	1919	720	17	do	6
														3	Nos. 31, 32, and 33.	1921	750	18	1 3-in. 25-cal. A.A., 1 3-pdr. L-3-in. 25-cal. AA.	6
														7			5,068			

[485 to 600 tons]

6	Lake O	1918	485	14	1 3-in. 23-cal.	4														
10	Holland O	1918	520	14	do	4														
7	R	1919	495	14	1 3-in. 50-cal.	4														
20	R	1918-19	569	13.5	do	4														
43			22,961																	

[7] Estimated.

[12] And 14 mines.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

SUBMARINES (485 TONS OR OVER) BUILDING OR PROJECTED

[Fleet submarines (2,000 tons plus) building or projected (classed as fleet submarines on account of size)]

United States							British Empire							Japan						
Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes	Number in class	Type	Date completed	Surface displacement	Surface speed	Guns	Torpedo tubes
3	V		2,125																	
3			6,375																	

[Fleet submarines (1,000 tons plus) (classed as fleet submarines on account of size)]

							1	O		1,480	[7] 20									

Twenty-three of 29,365 tons. This is an estimate based on Admiral Kato's statement in announcing post-treaty building program, to the effect that Japan would build 22 submarines of a total tonnage of 28,185 tons, the other one included is No. 52 reported to be of 1,200 tons displacement. The average displacement of the 22 submarines in the post-treaty program is 1,280 tons.

SUBMARINES (800-1,000 TONS) BUILDING OR PROJECTED

2	S-14		876		1 4-inch, 50-caliber.	4	3	L-23		890	17½	1 4-inch	4	Total number 10. Nos. 48, 49, 50, 60, 61, 63, 64, 65, 66, 67 estimated to be of 960 tons each, of a total tonnage of 9,600. Reported that work is suspended on some of these.						
6	S-42 to 47		906		do	4	2	L-52		960	17½	2 4-inch	6							
8			7,144				5			4,590										

SUBMARINES (600-800 TONS) BUILDING OR PROJECTED—NONE

SUBMARINES (485-600 TONS) BUILDING OR PROJECTED

Four, Nos. 53, 54, 55, and 56, of 580 tons each. Exact status of these boats indefinite. Work on them is reported to be suspended.

NOTE.—Data concerning Japanese submarines is difficult to obtain. The data shown above has been obtained from various sources, and its accuracy can not be vouched for, but it is the most reliable data available.

AIRCRAFT CARRIERS BUILT

1	Langley	1922	12,700	13	4 5-inch		1 1 1	Argus Hermes Eagle [14]	1918 1924 1924	14,450 10,850 22,790	20 25 24	2 4-inch; 4 4-inch A. A. 6 5.5-in.; 4 4-inch A. A. 9 6-inch; 5 4-inch A. A.		1	Hosho	1922	9,500	25	4 5.5-inch; 2 3-inch A. A.	
1			12,700				3			48,190				1			9,500			

AIRCRAFT CARRIERS BUILDING

1 1	Lexington. [11] Saratoga [16]		33,000 33,000				[15] 1 [15] 2	Furious Courageous and Glorious.		19,100 18,600 (each)	31 31	10 5.5-in.; 6 4-inch A. A. (18)		1 1	Amagi [17] Kaga [17]		27,000 26,900			
2			66,000				3			56,300				2			53,900			

The tonnage of aircraft carriers allowed by treaty is:

United States	135,000
British Empire	135,000
Japan	81,000

RECAPITULATION

LIGHT CRUISERS BUILT AND BUILDING OR PROJECTED, LESS THAN 12 YEARS OLD

	United States								British Empire								Japan							
	Built		Building		Projected		Total		Built		Building		Projected		Total		Built		Building		Projected		Total	
	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons
8,000-10,000 tons 29 knots plus									2	19,500	2	19,500	[10] 5	50,000	9	89,000					4	40,000	4	40,000
7,000-8,000 tons 29 knots plus	8	60,000	2	15,000			10	75,000			2	15,100			2	15,100			4	28,400			4	28,400
3,000-5,000 tons 29 knots plus									34	140,190					34	140,190	13	65,450	4	22,280			17	87,730
Total light cruisers 29 knots speed or greater	8	60,000	2	15,000			10	75,000	36	159,690	4	34,600	5	50,000	45	244,290	13	65,450	8	50,680	4	40,000	25	156,130
3,000-5,000 tons 25-29 knots									10	54,090					10	54,090	3	14,850					3	14,850
Total light cruisers less than 12 years old	8	60,000	2	15,000			10	75,000	46	213,780	4	34,600	[10] 5	50,000	55	298,380	16	80,300	8	50,680	4	40,000	28	170,980

[7] Estimated.

[11] Ex-battleship Almirante Cochrane.

[14] Ex-battle cruisers converting to aircraft carriers as allowed by treaty

[15] Ex-cruisers to be reconstructed as aircraft carriers.

[16] Present battery 4 15-inch, 18 4-inch, 2 3-inch A. A., 16 tubes. Battery when reconstructed unknown.

[17] Ex-battle cruiser to be completed as an aircraft carrier.

[18] Ex-battleship to be completed as an aircraft carrier.

[10] Provided for in Navy estimates for fiscal year 1924-25.

NOTE.—There are two other light cruisers on the effective list of the British Empire which are not included in above, the Dartmouth and Weymouth, completed in 1911, of 5,250 tons, 8 6-inch guns, speed 25 knots. There is one light cruiser, the Tone, of 4,100 tons, completed in 1910, still on Japanese effective list not included above. Above figures include the Naka, of 5,570 tons, which was damaged by the earthquake while on the stocks and which it is understood will be rebuilt.

Statement showing combatant ships in the navies of the United States, British Empire, and Japan—Continued

RECAPITULATION—Continued

DESTROYERS BUILT AND BUILDING OR PROJECTED

(Including all vessels of destroyer type)

	United States								British Empire								Japan							
	Built		Building		Projected		Total		Built		Building		Projected		Total		Built		Building		Projected		Total	
	No.	Tons	No	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons
Flotilla leaders, 1,500 tons plus									16	27,310	2	3,500			18	31,310								
Destroyers first line, 800-1,500 tons	288	342,086					288	342,086	183	209,315			2	2,700	185	212,015	65	68,228	27	36,800	(2)		92	105,028
Total first line	288	342,086					288	342,086	199	237,125	2	3,500	2	2,700	203	243,325	65	68,228	[1] 27	36,800			92	105,028
Destroyers second line, 600-800 tons	21	15,582					21	15,582	6	4,200					6	4,200							12	7,850
Total destroyers	309	357,668					309	357,668	205	241,325	2	3,500	2	2,700	209	247,525	65	68,228	[2] 27	36,800			104	112,878

SUBMARINES BUILT, BUILDING, AND PROJECTED (485 TONS OR OVER, SMALLER SUBMARINES EXCLUDED)

Fleet submarines, 2,000 tons plus			3	6,375			3	6,375	[3] 2	4,920					2	4,920								
Fleet submarines, 1,000 tons plus	3	3,318					3	3,318	[4] 5	9,400	1	1,480			6	10,880	2	2,400	23	29,365			25	31,765
Monitor submarines, 1,600 tons, 12-inch gun									3	4,800					3	4,800								
Submarines, 800-1,000 tons	42	36,590	8	7,144			50	43,734	[5] 25	22,350	5	4,590			30	27,120	27	25,080	10	9,600			37	34,680
Total of submarines over 800 tons	45	39,908	11	13,519			56	53,427	35	41,850	6	6,070			41	47,720	29	27,480	33	38,965			62	66,445
Submarines, 600-800 tons																	7	5,068					7	5,068
Submarines, 485-600 tons	43	22,961					43	22,961											4	2,200			4	2,200
Total first-line submarines	88	62,869	11	13,519			99	76,388	35	41,850	6	6,070			41	47,720	[6] 36	32,548	[6] 37	41,165			[6] 73	73,713

[1] Estimated displacement.
[2] Includes those projected. Exact data as to number actually laid down not available.
[3] K-26, of 2,140 tons, and X-1, of 2,750 tons. K-26 has a speed of about 26 knots, and the X-1 is reported to have a speed of below 20 knots. K-26, on account of speed, was classed as fleet submarine, first line, in Oct. 1 tables.
[4] Includes K-2, K-6, K-12, K-14, K-22, of 1,880 tons each and speed of 24 knots. Does not include the J-7, of 1,200 tons displacement, 19½ knots speed.
[5] Includes 3 mine-laying submarines, L-14, L-17, and L-25, of 890 tons each, 17½ knots speed.
[6] The Admiralty official return showing fleets of the British Empire, United States, Japan, etc., as of Feb. 1, 1924, shows 37 submarines over 485 tons, of 29,210 tons total tonnage, completed, and 33, tonnage not shown, building and projected—a total of 70. Since then No. 43 (of 740 tons, British figure, 940 tons United States figure) has been lost. The 37 completed submarines shown in the return are divided according to tonnage as follows: 3 of 750 tons each, 15 of 740 tons each, 10 of 900 tons each, 3 of 720 tons each, 5 of 700 tons each, and 1 of 1,500 tons submerged displacement, whose surface displacement is about 1,200 tons. Part of those shown as building have not been laid down. Exact data as to the number laid down is not available.

Of smaller submarines, United States retains 27 of 10,645 tons, British Empire 26 of 11,248 tons, Japan 7 of 2,160 tons.

AIRCRAFT CARRIERS, BUILT AND BUILDING

	United States								British Empire								Japan							
	Built		Building		Projected		Total		Built		Building		Projected		Total		Built		Building		Projected		Total	
	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons	No.	Tons
9,500-15,000 tons	1	12,700					1	12,700	2	25,400					2	25,400	1	9,500					1	9,500
15,000 plus			2	66,000			2	66,000	1	22,790	3	56,300			4	79,090			2	53,900			2	53,900
Total	1	12,700	2	66,000			3	78,700	3	48,190	3	56,300			6	104,490	1	9,500	2	53,900			3	63,400

Mr. HALE. Mr. President, during the last few weeks statements have appeared in the newspapers of the country, some of them editorially and some in the form of signed articles conveying the impression that our Navy is in a deplorable condition and that the ratio of 5-5-3 established at the Conference on the Limitation of Armament is not being lived up to by this country. Recently Admiral Coontz's report on the naval maneuvers at Culebra was published in part in the newspapers. This report has been used to lend color and to give support to the statements that had previously appeared.

As a matter of fact, Admiral Coontz's report was the report of the annual fleet maneuvers made by the admiral commanding the fleet to the Chief of Naval Operations. The object of the maneuvers is to try out the fleet under conditions approximating what would exist in time of war, with a view to finding out and correcting any weaknesses that may exist. A report that found no weaknesses in the 200 or more ships taking part in the maneuvers would indicate either a state of perfection which could hardly be hoped for or an attempt on the part of the officer making the report to win praise for the fleet under his command. No such report has ever been made at the close of any maneuvers that our fleet has ever held and no such report is ever expected.

Except for certain structural changes in existing ships and the building of certain new types of ship, both of which will require additional appropriations from the Congress, most of the weaknesses developed by the report may, and undoubtedly will be, remedied by the department itself under the appropriation for the current year and that for the coming year.

The Conference on the Limitation of Armament established, in so far as capital ships and aircraft carriers are concerned and capital ships and aircraft carriers alone, the ratio of 5-5-3 with Great Britain and Japan. The basis of tonnage of the capital ships was arranged along these lines, Great Britain to start with a slightly larger tonnage than ourselves. No country was to be allowed to replace any capital ships with ships of over 35,000 tons and the total tonnage was not to be increased by any replacements. At the time that the conference was held we had a number of ships partially completed, including 2 battleships already launched, 7 battleships and 6 battle cruisers on the ways and building. The 2 battleships that were already launched have been recently added to our Navy to take the place of 2 of the older ships which have since been scrapped. Two of the battle cruisers are being converted into aircraft carriers and are to be added to the fleet. The remaining ships under the terms of the treaty have been or are being scrapped.

Of the 18 capital ships which under the treaty we retain in our Navy, 6 are coal-burning vessels and 12 are oil burning vessels. The speed of all of our capital ships is approximately 21 knots per hour. When in good repair all capital ships of our fleet can maintain this speed.

The officials of the Navy Department have been hoping that Congress would appropriate a sufficient sum of money to change over the coal-burning vessels to oil-burning, so that the fleet would be uniform. Having in mind this change, the boilers of the six coal-burning vessels have not received the repairs that in the ordinary course of events they would receive, for the reason that such repairs would be wasted should Congress take the action that the department desires and has recommended. Recently during the maneuvers it was found that these old boilers would not stand the steam pressure requisite to maintain the full speed of the fleet, and an order was issued to keep the steam pressure on the four oldest vessels below 160 pounds instead of 220 pounds, which is the normal high pressure of these ships; later this limit was extended to 180 pounds. With the lower pressure these vessels can not reach a speed of over 14 knots per hour. The newer of the six coal-burning vessels, the *New York* and *Texas*, are still able to keep up the full steam pressure and can therefore keep up with the rest of the fleet. Their boilers, however, will soon have to be repaired or renewed. To repair temporarily the boilers of the four older

vessels will require an expenditure of $110,000. This work is now in progress on all the ships except the *Florida*. This will take care of them temporarily but eventually their boilers will have to be renewed. To replace the old coal-burning boilers with new coal-burning boilers would entail an expense of about $325,000 per ship. To convert these ships into oil burners would cost the Government about $850,000 per ship. In addition, the department wishes to put blisters on these ships for submarine protection and to put on additional deck armor protection against aircraft. The total cost of these changes for the four oldest battleships would be something less than $12,000,000, and to make the same changes on the *New York* and *Texas* and to install new fire control would cost $6,800,000 more. The House Committee on Naval Affairs has reported favorably to the House a bill embodying these changes, but the House has as yet taken no action on the bill.

Some question has arisen as to whether under the terms of the treaty we would have the right to change over our coal-burning vessels to oil burning. As far as I am personally concerned, I can see no reason why such a change would be in violation of the treaty, especially in view of the fact that all of our coal-burning vessels use oil to a certain extent for fuel and carry supplies of oil on board for that purpose, and I believe that the changes recommended should be made.

With the exception of the four oldest capital ships of the Navy, the reasons for the delay in the repair of which I have already explained, the capital ships of the Navy are substantially in as good condition now as they were at the time of the signing of the treaty.

Compared with the capital ships of England and Japan, we have 18 battleships of a tonnage of 525,850 to England's 18 battleships of a tonnage of 457,750 and 4 battle cruisers of a tonnage of 122,700, and to Japan's 6 battleships of a tonnage of 191,320 and 4 battle cruisers of a tonnage of 110,000. This country has no battle cruisers, and it is generally understood that the British plan is to give up battle cruisers as replacements go on and supplant them with battleships.

Under the terms of the treaty, Great Britain has two battleships now building which are expected to go into commission some time during the year 1926. They are to replace four of the older British battleships and are both vessels of 35,000 tons. They will undoubtedly be equal to if not superior to any battleships that we have in our Navy. When these ships are added to the British Navy, Great Britain will have 16 battleships and 4 battle cruisers.

Ship for ship, with the exception of our two oldest ships, our battleships are of greater tonnage, carry more or heavier guns, and are more heavily armored than the present British ships. Their speed, however, is somewhat less than that of the British ships, and the same is true to a lesser extent in comparison with the battleships of Japan. The battle cruisers of both England and Japan carry heavy guns and are much faster than our battleships; but, as they are not heavily armored, in actual battle with guns of an equal range this class of ship could not stand up against a battleship.

I ask leave to insert in the RECORD at this point tables showing the present elevation and range of guns of the American and British capital ships.

The tables are as follows:

Capital ships of the United States (size, elevation, and range of guns)

Ship	Turret guns		Maximum angle of elevation	Range in yards at elevation of—		
	Diameter of bore	Length in caliber		15°	20°	30°
	Inches		*Degrees*			
West Virginia	16	45	30	22,900	27,400	34,500
Colorado	16	45	30	22,900	27,400	34,500
Maryland	16	45	30	22,900	27,400	34,500
California	14	50	30	24,000	28,400	35,500
Tennessee	14	50	30	24,000	28,400	35,700
Idaho	14	50	15	24,000	28,400	35,500
New Mexico	14	50	15	24,000	28,400	35,500
Mississippi	14	50	15	24,000	28,400	35,500
Arizona	14	45	15	21,000	25,100	32,400
Pennsylvania	14	45	15	21,000	25,100	32,400
Oklahoma	14	45	15	21,000	25,100	32,400
Nevada	14	45	15	21,000	25,100	32,400
New York	14	45	15	21,000	25,100	32,400
Texas	14	45	15	21,000	25,100	32,400
Arkansas	12	50	15	24,350	29,400	35,500
Wyoming	12	50	15	23,500	29,400	35,500
Florida	12	45	15	22,000	26,000	32,000
Utah	12	45	15	21,600	26,000	32,000

Capital ships of the British Empire (size, elevation, and range of guns)

Ship	Turret guns		Maximum angle of elevation	Range in yards at elevation of—		
	Diameter of bore	Length in caliber		15° [1]	20° [1]	30° [1]
	Inches		*Degrees*			
Royal Sovereign	15	42	20	19,700	24,300	30,300
Royal Oak	15	42	20	19,700	24,300	30,300
Revenge	15	42	20	19,700	24,300	30,300
Resolution	15	42	20	19,700	24,300	30,300
Ramilies	15	42	20	19,700	24,300	30,300
Malaya	15	42	20	19,700	24,300	30,300
Valiant	15	42	20	19,700	24,300	30,300
Barham	15	42	20	19,700	24,300	30,300
Queen Elizabeth	15	42	20	19,700	24,300	30,300
Warspite	15	42	20	19,700	24,300	30,300
Benbow	13.5	45	20	19,600	23,800	30,000
Emperor of India	13.5	45	20	19,600	23,800	30,000
Iron Duke	13.5	45	20	19,600	23,800	30,000
Marlborough	13.5	45	20	19,600	23,800	30,000
Hood [2]	15	42	20	19,700	24,300	30,300
Renown [2]	15	42	20	19,700	24,300	30,300
Repulse [2]	15	42	20	19,700	24,300	30,300
Tiger [2]	13.5	45	20	19,600	23,800	30,000
Thunderer	13.5	45	20	19,600	23,800	30,000
King George V	13.5	45	20	19,600	23,800	30,000
Ajax	13.5	45	20	19,600	23,800	30,000
Centurion	13.5	45	20	19,600	23,800	30,000

[1] Approximately only.
[2] Battle cruisers.

The main armament of our battleships is as follows:

We have two ships carrying ten 12-inch guns, two carrying twelve 12-inch guns, four carrying ten 14-inch guns, seven carrying twelve 14-inch guns, and three carrying eight 16-inch guns.

Against this the British have: Eight carrying ten 13½-inch guns, and ten carrying eight 15-inch guns. The battleships *Rodney* and *Nelson* are expected to carry nine 16-inch guns in three superimposed turrets, located on the forward part of the ship.

Japan has four, carrying twelve 14-inch guns; two, carrying eight 16-inch guns.

Of the British battle cruisers one carries eight 13½-inch guns, two carry six 15-inch guns, and one carries eight 15-inch guns.

The Japanese battle cruisers each carry eight 14-inch guns.

The elevation of the guns of 13 of our ships is 15 degrees and of the remaining five, 30 degrees.

The elevation of the guns of all of the British battleships is 20 degrees, and likewise of all her battle cruisers except one, which is 30 degrees.

Six of our battleships, with an elevation of 15 degrees, have a range of 21,000 yards, and seven have a range of 21,600 to 24,000 yards. The remaining five, with an elevation of 30 degrees, have a range of from 34,500 yards to 35,700 yards.

With an elevation of 20 degrees, 8 of the British battleships have a range of 23,800 yards and 10 have a range of 24,300 yards. Two of their cruisers have a range of 24,300 yards and one has a range of 23,800 yards. The *Hood* has a range of 30,300 yards with a gun elevation of 30 degrees.

With the elevation of the guns left as it now is we therefore have five ships that will far outrange anything that the British have either in battleships or battle cruisers, and five others have about the same range as the British ships. The remaining eight battleships are, to the extent of several thousand yards, outranged by the British battleships and battle cruisers.

It has been impossible to get accurate figures on the elevation and range of the guns of the Japanese ships, but 30 degrees being the limit of elevation that may practically be used, there is no reason to suppose that Japan can outrange our five most modern ships with any ship that she may have, and as she has but two battleships carrying 16-inch guns and her most powerful 14-inch guns have not the length of the 14-inch guns on the *California* and *Tennessee*, the latter two vessels having 14-inch guns with an elevation of 30 degrees, we manifestly are able to outrange the rest of her fleet with our five best ships. Compared with our remaining 13 battleships she may or may not outrange us.

Last year Congress authorized an appropriation of $6,500,000 to change the elevation of the guns of the battleships of the fleet and raise them all to 30 degrees. Whether this change could be made under the provisions of the treaty on the limitation of armament has not yet been made clear. The question of the interpretation of the treaty rests with the State Department.

If, under the terms of the treaty, the change may properly be made, I am firmly of the opinion that it should be made. The American plan of building slower ships with heavier armament and heavier armor is based on the theory that has always prevailed in the American Navy that battleships are to fight and not to run away, and that powerful armament and heavy armor should not be sacrificed to obtain greater speed. But heavier guns and heavier armor will not suffice for a fighting ship if her guns have not the range of her opponent's guns. To compensate for her slower speed she must have a range at the very least equal to that of her opponents. Otherwise the faster vessel with a longer range may keep just out of gunshot and attack without any danger of reprisal. At the Battle of Jutland only 3 or 4 per cent of hits were made at a range of 18,000 yards. Improvements in fire control since made would probably increase this percentage somewhat. Necessarily at a greater range the percentage of hits would decrease. Nevertheless the possibility should be guarded against. Also unless the range is equal, the lightly armored battle cruisers of an enemy with a greater range of guns and faster speed can oppose the outranged battleships without any danger of reprisal. As both Great Britain and Japan have four battle cruisers each, this is a very important item to consider.

In carriers, the United States has at the present time the *Langley*, a vessel of 12,700 tons, and two carriers building of 33,000 tons each, namely, the *Lexington* and the *Saratoga*. These two ships were laid down as battle cruisers and are now being converted into aircraft carriers.

Great Britain has three carriers, one of 10,950 tons, one of 14,450 tons, and one of 22,790 tons; the latter is an ex-battleship converted into an aircraft carrier. She has building two of 18,600 tons each and one of 19,100 tons. These three vessels are cruisers that are being converted into carriers.

Japan has one carrier of 9,500 tons and two building, one of 26,900 tons and one of 27,000 tons displacement. One is an ex-battle cruiser which is being converted into a carrier and the other is an ex-battleship which is also being converted into a carrier.

Therefore, at the present time we are considerably weaker in aircraft carriers than Great Britain, and a little better off than Japan. With our building program completed we shall have two aircraft carriers that will be superior to anything that either country has, although our aggregate tonnage will be somewhat less than that of Great Britain and slightly more than that of Japan. The speed of our two new carriers, however, will be greater than that of the British ships and greater than anything that Japan may have, with the possible exception of the battle cruiser which is being converted.

The data as to the cruising range of our battleships and those of other countries, for military reasons, are kept secret. Suffice it to say that, from information that the department has, five of our battleships have a greater cruising radius than any of the British ships, and the average of the others with the exception of the coal-burning ships will compare favorably with the British ships.

We have no figures on the cruising radius of the Japanese ships. There is no reason to suppose that it is greater than ours. The policy of the Navy is to increase the cruising radius of our ships in every way possible by the installation of emergency storage and fuel economy improvements. The average date of completion of our battleships is much more recent than that of either Great Britain or Japan.

Under the terms of the treaty on the limitation of armament no limitation was put on any vessels other than capital ships, and aircraft carriers, except that no new ships of a tonnage of more than 10,000 tons could be constructed, and on these vessels no guns of a caliber larger than 8 inches could be mounted.

At the time of the signing of the treaty this country had no modern cruisers of any kind. Great Britain had built 51 cruisers of an aggregate tonnage of 236,250 tons with a speed of 25 knots per hour or more. Since then seven light cruisers have been removed from the effective list and two others are not included as they are over 12 years old.

Japan had built 11 light cruisers of an aggregate tonnage of 54,850 tons.

Since the signing of the treaty the United States has completed and put in commission eight new light cruisers of 7,500 tons each and a maximum speed of 33.7 knots. By the end of the year two additional cruisers of this class are expected to be put in commission, so that by January 1, 1925, we will have 10 of the most modern and up-to-date cruisers of this class of an aggregate tonnage of 75,000 tons.

Great Britain has not laid down any light cruisers, but has completed four additional light cruisers since the signing of the treaty and the only light cruisers of more than 5,550 tons that she has are two of 9,750 tons. She is, however, building at the present time two more of these cruisers of 9,750 tons and two of 7,550 tons. She has a further building plan authorized for five new cruisers of 10,000 tons each. The rest of the British light cruisers are vessels ranging from 4,500 tons to 5,550 tons.

Of this class of fast light cruisers we have none in our Navy, neither are these vessels to be compared in any way as to armament, cruising range, or fighting capacity with our new light cruisers.

Japan has five light cruisers of more than 25-knot speed, of a tonnage of 5,500 tons each, and five of a tonnage of 5,570 tons each. She has added five light cruisers to her force since the signing of the treaty, and is now building four cruisers of 7,100 tons each and four of 5,570 tons each. Her remaining light cruiser tonnage is made up of vessels of from 3,100 to 4,950 tons each. She has projected four cruisers of 10,000 tons each and it is understood that the keels of two of them will be laid down in the latter part of this year.

From these figures it would appear that in the larger type of light cruisers we can hold our own with Great Britain and more than hold our own with Japan, as far as ships that are already in commission or building are concerned. Both of these countries, however, have projected 10,000-ton ships and if the United States is to keep up with their navies in this respect it will be necessary for us to lay down some ships of this type.

As far as the smaller type of fast cruiser is concerned, we are very deficient in such vessels. Modern naval opinion, however, tends toward the eliminating of this class of light cruisers and the building of larger and more powerful ships.

We have a number of old cruisers of varying sizes in the second line of the Navy, including certain armored cruisers of large size and carrying guns of large caliber.

These cruisers all have a listed speed of more than 20 knots per hour. They are still of use to the Navy and would be of some, though probably not great use in time of war. However, as they are not carried in the first line, they have not been included in the tables. In slower ships of this class we are stronger than either Great Britain or Japan.

In destroyers, as the tables show, we are better equipped than either of the other two powers. Our aggregate tonnage in these vessels is greater than the tonnage of both Great Britain and Japan combined.

We are lacking in destroyer leaders and at some future time it may be found advisable to add vessels of this kind to the fleet. These vessels are in the nature of superdestroyers, and, while their armament in guns and torpedoes is little more powerful than that of destroyers, they can make better headway in rough weather than can the latter. They also give an opportunity to the flotilla commanders to carry an adequate staff, which can not be housed on the smaller destroyers.

The condition of our destroyers is very good and they are outclassed by no other destroyers in the world. There is nothing in any building program of England or Japan either under way or projected that threatens our supremacy in respect to these vessels.

In submarines our aggregate tonnage of vessels in commission is greater than that of Great Britain or Japan.

In coast-defense submarines, which includes the S boats, the R boats and the O and N boats, we are fairly well equipped. Some fault has been found with the engines and general construction of vessels of these types, but these faults, in so far as they have not been corrected, have developed principally when the submarines were used for purposes other than those for which they were constructed; that is to say, for fleet and cruising submarines.

We have at the present time in commission and in serviceable condition 85 coast-defense submarines of 485 tons or over. Great Britain has 28, including 3 of monitor type, and Japan has 34. Except in speed, our submarines of this type are in no way inferior to the same class of submarines of Great Britain and Japan. This is the class of boat that the Germans used during the World War and that proved so effective in destroying shipping. We have 8 more of this class of boats building. The Germans toward the end of the war further developed a much larger type of submarine, which they used for cruising purposes. These vessels had a wide cruising range and mounted guns running as high as 6 inches in caliber.

We have attempted to produce a faster type of submarine to accompany the fleet and several years ago brought out the three submarines of the T type, which proved on account of structure and lightness of their engines to be impracticable. These boats had a speed of somewhere around 20 knots per hour.

We have building at the present time three submarines of the V type, one of which is expected to be put in commission late in the present year. These three submarines are constructed to develop a speed of between 20 and 21 knots per hour, and it is expected that they will be used to accompany the fleet.

Great Britain has six fleet submarines of the K type, which are still in commission. These submarines are steam driven, whereas all of our submarines have Diesel oil engines.

Great Britain has further brought out a fleet submarine of the X type from which much was expected. In a recent trial of this ship, however, I am told that she has developed a speed of less than 20 knots per hour. The six K submarines and the one X submarine are the only fleet submarines which Great Britain has in commission. Up to date these vessels have not proved very successful.

Japan has two submarines of the fleet type in commission. They are, however, smaller submarines, being very little larger than our S boats, and no information is available as to their speed or their general characteristics. As a matter of fact, at the present time no country has successfully solved the problem of building fleet submarines.

We have no mine-laying submarines. Congress has just authorized the building of a mine-laying submarine of 2,700 tons.

Great Britain has three small mine-laying submarines with a speed of 17½ knots.

No information is available showing that Japan has any.

Great Britain has building six submarines, one a fleet submarine of 1,480 tons, and five coast defense submarines of under 1,000 tons.

Japan is reported to have building 23 fleet submarines of a tonnage of about 1,300 tons each, and 10 coast defense submarines of 960 tons each, and also four much smaller submarines.

To sum up the submarine situation, we are stronger than either Great Britain or Japan in coast defense submarines which are of the type to defend our own shores and that of our outlying possessions.

We have no mine-laying submarines, while Great Britain has three small ones and Japan, so far as is known, has none.

Our fleet submarines have up to date proved to be unsuccessful. The same may practically be said about the English and the Japanese fleet submarines. The Japanese building program, however, if successful, will give her a superiority in fleet submarines over both the British Navy and our own. We shall indoubtedly need to lay down more submarines in the future, especially mine-laying and fleet submarines.

In aviation it is difficult to make comparisons either with Great Britain or Japan. We have no accurate data as to the Japanese development of this branch of the service.

On account of her geographical situation, close to the Continent of Europe, for military purposes Great Britain is obliged to keep up a large aviation force. She has one air force covering both the army and the navy. The number of officers and men in the Royal Air Force having strictly to do with the navy is 319 officers and 1,907 men.

In this country, in naval aviation, we have 567 officers and 3,621 men. Three hundred and twenty-one of our officers are pilots. From these figures it would appear that in naval aviation we have a larger air force than Great Britain, although some of the work at shore stations done by our officers and men is done in Great Britain by officers and men of the Royal Air Force not strictly connected with the navy.

At the time of the armistice very little development had been made by either Great Britain, Japan, or this country in naval aviation as connected with the fleet. At that time we had no aircraft carrier in our Navy. Great Britain had several small carriers which had seen service during the war, and Japan like ourselves had no carrier. With the development of the aircraft carrier, however, the navies of the world are giving more attention to this branch of the service. At the present time we have 139 airplanes connected with the fleet. This includes planes attached to aircraft carriers, to battleships, cruisers, and tenders. For these airplanes we have a reserve of 50 per cent carried at the air stations on shore. The bulk of the planes attached to the fleet are modern, up-to-date planes and include fighting, scouting, observation, torpedo, and bombing planes. By the end of the next fiscal year we expect to have 183 planes with the fleet.

Great Britain has 84 planes allocated to the fleet. She keeps in reserve on shore 1 plane for every plane with the fleet, giving her in all 168 planes allocated to the fleet to our 207. Her program is to have 121 planes with the fleet by the end of next year.

From the best figures that can be obtained, Japan has 60 planes allocated to her fleet. The number of planes that she keeps in reserve is not known.

From these figures it will appear that the United States has more planes attached to the fleet than either Great Britain or Japan, and there is nothing to indicate that in efficiency or military characteristics her planes are in any way inferior to the planes of the other two countries.

In no class of combatant ships mentioned in the above tables, with the exception of the coal-burning battleships, has our Navy fallen off since the date of the signing of the treaty. On the contrary, we have replaced two old 20,000-ton battleships with two modern 32,600-ton battleships of the latest design. Upon the completion of the repairs recommended for the coal-burning ships, our battleship quota will be greatly stronger than it was at the time of the signing of the treaty.

In fast light cruisers, by the addition of the ten 7,500-ton ships, all of which are now in commission or about to be put in commission, we have increased greatly in strength.

In destroyers no changes have been made.

In submarines, beyond the ordinary wear and tear of the ships then in commission, we have kept up to the strength that we then had and in addition have added a number of submarines of the S type, and will shortly add the V boats and eight more S boats now under construction to our submarine force.

In carriers we have added the *Langley* and have the *Lexington* and *Saratoga* under construction.

In aviation we have more than double the number of planes attached to the fleet than we had at the time of the signing of the treaty.

Excepting as to battleships and aircraft carriers the 5-5-3 ratio with Great Britain and Japan was never in existence. In light cruisers we were far behind this ratio at the time of the treaty, and still are behind it though to a much less extent.

In destroyers we were ahead of the ratio at the time of the treaty and still are ahead of it.

In submarines, at least numerically, we are still ahead of the ratio. Whether we are actually ahead of the ratio can not be determined until the merits of the fleet and mine-laying submarines of Great Britain and Japan are more definitely determined.

In carriers we were not up to the ratio as far as Great Britain was concerned at the time of the signing of the treaty. We shall be nearly up to it when the *Lexington* and *Saratoga* go into commission, and we shall be well up to it as far as Japan is concerned.

In naval aviation in general, exclusive of the carriers, we are well above the ratio.

In general, with respect to the Navy, we are nearer the 5-5-3 ratio at the present time than we were at the time of the signing of the treaty. That we shall eventually reach that ratio throughout the Navy I believe should be our future policy.

SENATOR BURTON K. WHEELER

Mr. HEFLIN. Mr. President, I ask for the yeas and nays on the report in the Wheeler case.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The present occupant of the chair is advised that that matter is not now before the Senate.

Mr. HEFLIN. I think it is. I thought we were to have a vote on it. That was my understanding.

The PRESIDING OFFICER. It is not before the Senate.

Mr. STERLING. I did not know the motion had been made to take up the report. Has it been formally made?

Mr. BORAH. It has not yet been formally made. Does the Senator from South Dakota desire to speak further on the subject?

Mr. STERLING. Not any further, except I wish to offer a substitute for the motion when it is presented.

Mr. BORAH. Mr. President, I offer the following resolution (S. Res. 235):

Resolved, That the report submitted by the chairman of the special committee appointed to investigate the charges against Senator BURTON K. WHEELER be adopted and approved and the special committee be discharged.

Mr. HEFLIN. On that I ask for the yeas and nays.

Mr. STERLING. I offer the following substitute for the resolution just submitted by the Senator from Idaho.

The PRESIDING OFFICER. The substitute submitted by the Senator from South Dakota will be read.

The READING CLERK. In lieu of the resolution proposed by the Senator from Idaho, the Senator from South Dakota proposes the following:

Resolved, That it is the sense of the Senate that no action be taken upon the majority and minority reports presented to the Senate in the matter of the investigation of the charges made in the indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana, and that pending the trial on such charges no question shall be made or raised as to the qualifications of Senator WHEELER or as to his right to a seat in the Senate on account of such charges.

Mr. BORAH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Ferris	Ladd	Smith
Ball	Fess	Lodge	Smoot
Bayard	Fletcher	McKinley	Spencer
Borah	Frazier	McNary	Stanfield
Brandegee	George	Mayfield	Stanley
Brookhart	Gerry	Moses	Stephens
Broussard	Glass	Neely	Sterling
Bruce	Gooding	Norris	Swanson
Cameron	Hale	Oddie	Trammell
Capper	Harris	Overman	Wadsworth
Caraway	Harrison	Pepper	Walsh, Mass.
Copeland	Heflin	Phipps	Walsh, Mont.
Cummins	Howell	Pittman	Warren
Curtis	Johnson, Calif.	Ralston	Wheeler
Dale	Johnson, Minn.	Reed, Pa.	Willis
Dial	Jones, N. Mex.	Robinson	
Dill	Kendrick	Sheppard	
Edge	King	Simmons	

The PRESIDING OFFICER (Mr. FESS in the chair). Sixty-nine Senators having answered to their names, a quorum is present.

Mr. BORAH. Mr. President, I have no intention of discussing these resolutions, but in view of the fact that a quorum has just been called, I think it well to call the attention of the Senate to the resolution and to the substitute offered by the Senator from South Dakota [Mr. STERLING]. The first resolution reads:

Resolved, That the report submitted by the chairman of the special committee appointed to investigate the charges against Senator BURTON K. WHEELER be adopted and approved and the special committee be discharged.

To that the Senator from South Dakota has offered as a substitute the following:

Resolved, That it is the sense of the Senate that no action be taken upon the majority and minority reports presented to the Senate in the matter of the investigation of the charges made in the indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana, and that pending the trial on such charges no question shall be made or raised as to the qualifications of Senator WHEELER or as to his right to a seat in the Senate on account of such charges.

I think, Mr. President, the reading of the substitute resolution itself is, perhaps, a sufficient explanation and a sufficient comment on it. The resolution, aside from the question of refusing to deal with the work of the committee, either one way or the other, if adopted, would establish a precedent which, upon reflection, the Senate, in my opinion, would not for a moment consider establishing.

Here is a charge made against a Senator; a committee is appointed to make an investigation; the report is filed; and action upon that report is asked for. The substitute resolution is to the effect that the Senate of the United States waive, as it were, its right to pass upon the question of the fitness of a Senator until another department of the Government shall have passed upon the question, apparently, of his fitness to sit. The precedent itself would be to the effect that we are waiving the constitutional duty and the constitutional obligation of determining for ourselves who is qualified to sit in this body. As I have stated, I think that of itself is sufficient comment upon the substitute resolution.

Mr. STERLING. Mr. President, just a word in regard to the matter, and that is all. The substitute resolution offered by myself carries out the theory that I have entertained in this case ever since the matter came before the committee in executive session. I have expressed myself again and again during the course of the debate on the floor to the same effect, and I have expressed the same idea in regard to Senator WHEELER's retention of his seat in the Senate pending trial that is expressed in the substitute resolution.

Mr. HEFLIN. Mr. President, I ask for the yeas and nays.

Mr. SPENCER. Mr. President——

The PRESIDING OFFICER. The Senator from Missouri.

Mr. SPENCER. Mr. President, I assume that there can be no doubt about the full right of the Senate, as the Senator from Montana [Mr. WALSH] has so clearly outlined, to consider and act upon the matter which has been presented to the Senate by this resolution, but I find myself in the position of being unable to agree either with the majority report or with the minority report, and for this reason: What is the function of the Senate of the United States when a charge of any kind from any source is brought against one of its Members? We have but one function, and that is, under the constitutional provision, to determine whether we either ought to expel that Member, as we have the right to do, or whether there is any question in regard to his qualifications as a Member, into which we have the right to inquire if we so desire. Those are the only two constitutional foundations—section 5, Constitution—upon which the Senate either with propriety or with dignity may stand. We can not act as a petit jury to hear evidence and pass upon an indictment and determine whether in a given case in which a Member of the Senate has been indicted he is either innocent or guilty. That is the function of the judicial department of government.

My objection to the majority report is that, as I read it, it constitutes the Senate a petit jury and passes a verdict of absolute acquittal and exoneration. A jury can do that, but the jury alone can do it. The majority opinion, as I read, assumes to pass upon the evidence and render a verdict which only the courts of the land are equipped or entitled to do. Neither have we the right as a grand jury to determine whether the facts that are presented are sufficient to warrant an indictment. The minority report, as I read it, does precisely that thing and finds that there was sufficient evidence before the grand jury to warrant the indictment. We have no concern with the grand jury or whether the evidence before it was or was not sufficient, in their judgment, to warrant an indictment.

What have we to do? The junior Senator from Montana in a clear and moving statement announced the facts as he conceived them to be, and under those facts as he announced them, no man could have any doubt about his innocence. He was not guilty; there was not a trace of guilt from the beginning of his statement to the end of it. Then, as a result of that statement of the facts as he believed and announced them to be, the Senate appointed a committee to investigate a report the facts upon which the indictment was rendered.

The Senate adopted a resolution and appointed a committee to do—what? Not to make any finding, not to make any recommendations, but to do one thing only, and that is to investigate and report to the Senate the facts in relation to the charges of the indictment. There is nothing else in the resolution except to provide an investigating committee to gather what obviously the Senate could not gather, namely, the facts in the case, and report those facts to the Senate for such action as the Senate might see fit to take with reference to them. Those facts are here in the printed testimony which the committee has reported. What can we do on those facts?

Mr. ROBINSON. Mr. President, will the Senator yield to a question?

Mr. SPENCER. I will yield in a moment.

Mr. ROBINSON. Right in that connection I should like to answer the Senator's question.

Mr. SPENCER. Just a moment, if the Senator please.

Mr. ROBINSON. I desire to answer the Senator.

Mr. SPENCER. And I want to yield to the Senator in a moment, and I will do so.

Can the Senate do anything more under that state of facts than to say, "We have appointed our committee; we have received their report; the facts are before us; and from the facts that we have we see no reason why the right of membership in the Senate of the United States should be questioned with regard to the junior Senator from Montana." That is the fair thing to do. The senior Senator from Montana [Mr. WALSH] in eloquent and moving terms voiced what every one of us must respond to—that when a Senator of the United States is charged with anything anywhere, whether before a grand jury or in the public press, as he put it, or anywhere else, of course that Senator has the right to bring the charges to the notice of his colleagues and ask them whether in their judgment there is anything in the charges that affect his right to sit in the Senate of the United States.

It is our duty—a high duty, corresponding to the high privilege which belongs to the Senate—to examine into those facts and to voice our judgment as to whether or not, from those facts, there is anything which disqualifies him from membership in the Senate.

I yield now to the Senator from Arkansas.

Mr. ROBINSON. The Senator declined to yield when I asked him to yield. My question was pertinent to a matter that he was then discussing. He asked what the Senate had to do with the matter—what was the right of the Senate. May I ask the Senator from Missouri this question:

Assuming that the evidence shows that a Senator, in obedience to the direction of this body, is performing a public duty, and a conspiracy is formed to interfere with him in the performance of that duty, and an effort is made to injure his reputation and to stop him in the work that he is carrying on at the direction of the Senate, does the Senator from Missouri think that all the action which the Senate should take is that it should make an investigation, take evidence, report the evidence to the Senate, and leave the public without any finding or conclusion touching the matter, and leave the Senator whose conduct is the subject-matter of investigation without either a vindication or a condemnation?

Mr. SPENCER. I certainly do not; and, without now agreeing with the correctness of the premises of the Senator, but assuming them to be true, the duty of the Senate might well be to condemn the conspiracy, to praise the Senator——

Mr. ROBINSON. Very well.

Mr. SPENCER. Just a minute; let me finish the answer—to praise the Senator, and then, if any charges have been made against him, to continue in conclusion with our confidence in his right to membership in this body; but that does not reach what is before us in these reports.

Mr. ROBINSON. Will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Missouri further yield to the Senator from Arkansas?

Mr. SPENCER. Certainly.

Mr. ROBINSON. Does not the Senator know that the uncontradicted evidence shows that one Mr. Coan sought to injure the reputation of Senator WHEELER by causing him to be indicted upon evidence that he knew to be untrue, for the purpose of stopping him in his investigation of the Department of Justice? Does not the Senator know that that statement is supported by the testimony of the witness, Mr. Coan himself, which testimony establishes the facts in part, and by the testimony of Mr. Grorud, who was a former attorney general of the State of Montana, and that the evidence of Mr. Grorud is practically uncontradicted?

Mr. SPENCER. The Senator from Missouri does not know whether those facts are so or not.

Mr. ROBINSON. Will the Senator permit me to read the uncontradicted evidence——

Mr. SPENCER. No; the Senator from Missouri will not at this time yield further on that phase of the question.

Mr. ROBINSON. The Senator, then, does not want to know what the facts are as established by the evidence?

Mr. SPENCER. Not by way of interruption in an argument which has nothing to do with those facts.

Mr. ROBINSON. Mr. President, of course the Senator can decline to yield; but I submit to the Senator that my question is a fair one, pertinent to the issue now under consideration, and that, if he is unwilling to answer it, it would, anywhere else, and in the case of any other person than a Senator, impeach the integrity of his motives and the truthfulness of his statements.

Mr. SPENCER. The Senator from Arkansas is quite welcome to his opinion; and if the facts as the Senator from Arkansas outlines them were established——

Mr. ROBINSON. Mr. President, will the Senator——

Mr. SPENCER. Just let me finish, if you please.

Mr. ROBINSON. I offered to read to the Senate the uncontradicted testimony of the witness——

Mr. SPENCER. Will the Senator allow me, as I have the floor, to continue?

Mr. ROBINSON. Why, certainly.

Mr. SPENCER. At the proper time I shall be glad to go into the proof in regard to the statements of the Senator from Arkansas, but not now.

Mr. ROBINSON. Will the Senator yield?

Mr. SPENCER. I am now in the process of a simple and brief argument on a constitutional question.

Mr. ROBINSON. Very well. I agree with the Senator that it is very simple.

Mr. SPENCER. I shall be glad to, at any proper time, examine into the facts of which the Senator from Arkansas speaks, and if those facts were demonstrated, I concede in passing that it would be not only the right, but it might be the duty, of the Senate to condemn severely, in language as strong as any man might want to make it, such a conspiracy, exonerate the Member of the Senate, and praise him for what he has done. That, however, is not what is before the Senate now. The one thing before the Senate is as to what action the Senate of the United States ought to take with regard to an indictment which has been found in the courts against the junior Senator from Montana.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Idaho?

Mr. SPENCER. I do.

Mr. BORAH. I want to correct the Senator, because that seems to be the premise from which he is proceeding with satire and logic.

We are not dealing with an indictment at all, nor with what should be done with that indictment. They will proceed to trial upon the indictment. Our proceeding here does not seek to interfere with the indictment. The chairman of the committee was very careful not to permit that to be gone into. We inquired into the facts concerning the charge against Senator WHEELER, and brought the facts here; and the question is not what we will do with the indictment but what we will do with the facts which we have brought here.

Mr. SPENCER. The Senator from Idaho is quite right, except that the only facts which were submitted to the committee had to do with that indictment. Here is the resolution:

Mr. BORAH. Mr. President——

Mr. SPENCER. Let me read it first. Here is the resolution:

Resolved, That a committee consisting of five Members of the Senate be appointed by the President pro tempore——

To do what?

To investigate and to report to the Senate the facts——

What facts?

In relation to the charges——

What charges?

Made in a certain indictment returned against Senator BURTON K. WHEELER in the United States district court for the State of Montana.

Mr. BORAH. And that is precisely what we did. We investigated the facts concerning the charges which were evidenced by the indictment laid in the courts of Montana, but we secured all the facts relating to it. There are more facts in this report which were never known to the grand jury of Montana than those which were known to it. We went into all the facts, and have reported the facts here, and in our report we do not say a word about the indictment. We do not make any suggestion with regard to the indictment. We simply report the facts growing out of that charge, and those facts are here. Now, what are we going to do with them?

Mr. SPENCER. Mr. President, here is what I think we ought to do with them, and then I am through:

Certainly I have no desire, if I know my own heart, to attempt to interfere with the exoneration of a Senator who has been unjustly charged, within the full limits of such an exoneration as the Senate can give to him; but what does the majority report do? I submit that any man who reads it can come to no other conclusion than that the result of the majority report is precisely what a petit jury might find, and what, doubtless, we hope a petit jury will find—a verdict of not guilty and consequent exoneration. That is not the function of the Senate. We do not have the machinery of cross-examination or the judicial equipment that enable us to pass such a judgment.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield to the Senator.

Mr. WALSH of Montana. It has often happened in the course of the history of this body that charges of a grave character were made against a Senator, in the public press or otherwise. He rises in this body to a question of personal privilege, as of course he has the right to do, calls attention to the charges, and asks an investigation. There is no indictment at all in that case. A committee is appointed to inquire into all the facts, not charged in an indictment out in Montana, but charged in a newspaper published in the city of New York or the city of Chicago. It investigates those facts. The committee comes back and reports to the Senate that there is nothing to the charges; no truth at all in them. Does the Senator mean to say that there is nothing the Senate can do in the matter?

Mr. SPENCER. Undoubtedly the Senate can pass any resolution regarding the qualification of that Member, or any reso-

lution that even indirectly has to do with its other power of expulsion.

Mr. WALSH of Montana. Oh, yes.

Mr. SPENCER. But those are the only two things the Senate can do.

Mr. WALSH of Montana. But what can it do in that case? What kind of action could it take except to adopt the report of the majority finding that the facts are not as set forth in the indictment?

Mr. SPENCER. It would depend entirely upon how that report, in the hypothetical case of the Senator, was framed.

Mr. WALSH of Montana. Whatever it is, whether the committee finds that the facts are as charged or that they are not as charged, the Senate would either adopt or reject that report.

Mr. SPENCER. That might well be, but the Senator knows that is not the fact here.

Mr. WALSH of Montana. So that the only difference between that case and this case is that there is an indictment here, and there is not in the other case.

Mr. SPENCER. We are asked to usurp the functions of the trial jury in a pending case and pass the same kind of a verdict that it is hoped that jury will pass.

Mr. WALSH of Montana. Just one other question. In the case that I have cited no indictment has been returned, but an indictment was returned afterwards. Now, what is the difference between the two?

Mr. SPENCER. The Senate's action came after the indictment.

Mr. WALSH of Montana. Yes.

Mr. SPENCER. My judgment is that if the Senator involved requested an expression of opinion from the Senate as to whether there was anything in the charges that affected his right to sit as a Member of the Senate, we ought at once to respond, and in as full language as you like, but nothing more.

Mr. WALSH of Montana. Oh, no; in that case, when there is no indictment, the Senator tells the Senate now that the appropriate procedure upon the incoming of the report of the committee is either to adopt it or reject it.

Mr. SPENCER. I do not so understand it.

Mr. WALSH of Montana. Exactly; so that we can not either adopt or reject the report now, because there is an indictment pending. In other words, the power of the Senate depends upon whether an indictment has been or has not been returned.

Mr. SPENCER. That may be the conclusion of the Senator from Montana. It is not mine.

Mr. WALSH of Montana. That is why I rose. I wanted to know from the Senator what the difference is. As I understand him, if no indictment has been returned the Senate may properly adopt a motion either adopting or rejecting the report of the committee; but he is arguing now, as I understand, that because the indictment has been returned we have no such power.

Mr. SPENCER. That is not the argument I have tried to make or the position I take.

Mr. WALSH of Montana. I rose so that the Senator would clarify it.

Mr. GEORGE. Mr. President——

Mr. SPENCER. I yield to the Senator from Georgia.

Mr. GEORGE. As I understand the Senator's position, it is this: That he would suspend judgment in this case. I understand that to be the purport of the substitute resolution moved by the Senator from South Dakota, that the Senate should now stop and suspend judgment. Is that the Senator's view?

Mr. SPENCER. It is not. I am not supporting the minority report. I do not agree with the minority report. There might be a question of a difference of opinion regarding the propriety of the Senate interfering while a judicial case was pending. I recognize there might be some difference of opinion on that question; but I assume there can be no difference of opinion about the right of the Senate to proceed irrespective of an indictment. We would have a perfect right, upon the evening that the petit jury was about to receive the case, to pass our resolution of confidence in our fellow Member, and send it broadcast to the State where he was being tried, if we saw fit to do it. Our right is not limited by an indictment, or by a trial, or by anything else except our own will.

Mr. GEORGE. What would the Senator do with this majority report, then?

Mr. SPENCER. I can conclude by answering the Senator's question in submitting a resolution which is along the line of the only action the Senate can properly take, and I have talked longer than I intended.

All that I feel in regard to this question is as to what is the right and fair thing to the junior Senator from Montana, and the proper thing for the Senate to do, and I can sum it up in a resolution I have drawn, which can not now be placed before the Senate because there is a resolution and a substitute therefor now before the Senate, so that the parliamentary procedure would not allow my resolution to be presented; but I will read it to the Senator, and it at least explains what I think ought to be done.

Mr. WALSH of Montana. Mr. President——

Mr. SPENCER. Is the Senator from Georgia through?

Mr. GEORGE. I would like to hear the resolution. I understood the Senator was going to read the resolution, which would give me an answer to the question I asked.

Mr. SPENCER. It is as follows:

The Senate having before it the majority——

Mr. WALSH of Montana. Mr. President——

Mr. SPENCER. I yield to the Senator from Montana.

Mr. WALSH of Montana. The Senator from Georgia kindly consents that I may ask a question before the resolution of the Senator is read. I want to inquire of the Senator this, suppose this committee had reported that the facts charged in the indictment were true. Would we then be entitled to adopt the report of the committee?

Mr. SPENCER. I do not think so.

Mr. WALSH of Montana. Well——

Mr. SPENCER. I still think, if I may say so to the Senator from Montana, that our power rests alone in passing upon the qualification of our colleague, upon his right to continue membership, and no more.

Mr. WALSH of Montana. But suppose the committee did report that the facts are as stated in the indictment, that the charge is true, and some one moved to adopt the report of the committee. I understand the Senator to say now that the Senate would not have any power to do that.

Mr. SPENCER. I do not speak in limitation of their power. The Senate is supreme. It can do as it likes.

Mr. WALSH of Montana. As to the propriety?

Mr. SPENCER. I should say it would be improper, and for very obvious reasons. The facts in this case as in any case are changing, additional facts may appear, facts that now seem to be true may disappear. It needs no argument of mine to convince so able a lawyer as the senior Senator from Montana that only a court of law, with its machinery for examination and cross-examination, can finally pass a verdict.

Mr. WALSH of Montana. Very well.

Mr. SPENCER. Why should we assume this judicial function.

Mr. WALSH of Montana. Let us see. The committee reports that the charges are true; they have investigated the facts; they report the facts, and for the purpose of the case we will say that the report is unanimous, that my colleague is guilty of the act charged.

Mr. BORAH. Let us say, furthermore, that the Senator from Missouri has examined the evidence, and finds the report is true. What would he do about it?

Mr. WALSH of Montana. The Senator would not allow the Senator from Montana to retain his seat in this body, would he?

Mr. SPENCER. The hypothetical question is not difficult to answer. If the report of the committee showed facts as being true which warranted either the expulsion of the Member, or which warranted a finding of his disqualification to sit as a Member, the proper action of the Senate would be either to expel him or to deny his qualification to membership. It would be a useless thing merely to approve or disapprove an alleged statement of facts.

Mr. WALSH of Montana. We would adopt the report.

Mr. SPENCER. We would act upon the facts as they were reported before us.

Mr. WALSH of Montana. Exactly; we would adopt the report.

Mr. SPENCER. We should take such action as under our constitutional rights any established facts warranted. We can expel or refuse to expel. We can pass upon his qualification. We could do nothing more.

Mr. WALSH of Montana. So that the situation is this, as I understand the Senator: If a Senator is charged with an offense which, if established, would necessitate his expulsion from this body, if the committee investigating the matter finds that he is guilty, then the Senate can adopt the report and expel him; but if the committee reports that he is not guilty, and the facts are not established, the Senate then would not do anything at all?

Mr. SPENCER. Certainly. The Senate can express its confidence in its Member by refusing to expel him or by approving his qualifications and let the matter remain where it was before there were any charges.

Mr. GEORGE. I will be very glad to have the Senator read his resolution expressing his views.

Mr. SPENCER. It is as follows:

Resolved, That the Senate, having before it the majority and minority reports of its special committee empowered "to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana," and bearing in mind that the duty of the Senate in the matter has to do only with the "qualifications of its own Members" and its right to punish or expel a Member, declares that no reason has been presented to the Senate which questions the right of the junior Senator from Montana to membership in the Senate and discharges its committee from further investigation of the matter.

Mr. GEORGE. I understand the Senator merely wants to say in his own language precisely what the acceptance of this report would say.

Mr. SPENCER. If I thought that, may I say to the Senator from Georgia, I certainly would have no objection to the majority report. I conceive that that report goes far beyond our function. I conceive justice to our colleague and our own dignity does not allow us to go further than some such action as I have outlined, and that is the only reason I rose.

Mr. ROBINSON. Will the Senator yield to a question?

Mr. SPENCER. Certainly.

Mr. ROBINSON. The Senator proposes a resolution expressing the sense of the Senate that no reason exists why the Senator from Montana [Mr. WHEELER] is not entitled to retain his seat. Upon what does he base that conclusion and opinion?

Mr. SPENCER. Had the Senator heard the beginning of the resolution he would have remembered that I based it upon the fact that the Senate has before it the reports of the majority and minority members of the committee, and that the Senate bears in mind its own constitutional limitation. Of course, the facts are based upon those reports. That is the only evidence we have.

Mr. ROBINSON. Does not the Senator's resolution necessarily imply an approval of the majority report?

Mr. SPENCER. If it does, why not adopt the resolution?

Mr. ROBINSON. I have no objection to its adoption, not as a substitute for the resolution of the Senator from Idaho, but as an independent or additional proposition.

Mr. JOHNSON of California. Mr. President, the argument that has been made by the Senator from Missouri might have been an appropriate argument at the time of the introduction of the original resolution. It is not, in my opinion, now apt in any sense.

After the adoption of the resolution, by which a committee was appointed to investigate the facts, and an investigation by that committee, two reports have been presented to the Senate—the majority report, which in reality exonerates the Senator from Montana from wrongdoing, and the minority report, which in substance says there was a prima facie case made against him which justified the indictment in the Federal court in Montana.

At this particular stage, therefore, the question has gone far beyond the position suggested by the Senator from Missouri. We stand here to-day with a twofold duty, it seems to me; first, there is the duty that we owe to the Senator from Montana, the highest duty that colleagues can owe to one another; secondly, there is a duty even more solemn than that, which we owe to the Senate of the United States itself.

If the Senator from Montana is guilty of the offense charged, it would be, in my opinion, an intolerable thing for us to sit here supine and indifferent. If, on the other hand, the Senator from Montana is innocent of the charge laid against him, it would be worse than supine and indifferent, it would be cowardly, for the Senate of the United States not to go upon record in that regard.

I have read the testimony presented before the committee. I have listened with an intentness that few Senators have to the arguments that have been presented, and I am ready to vote. I say that upon the testimony that was adduced before the committee there is no reasonable man on earth who can say that the Senator from Montana was guilty of the crime, or that the indictment against him was justified. Believing in his innocence, therefore, acquitted as he is by four members of a special committee appointed by the Senate of the United States, it would be an outrageous thing, outrageous to him and outrageous for the Senate of the United States, if it believed in his innocence, not to say it and say it just as positively as it can say it at this time.

I am ready to vote, and I am ready to vote for the majority report, or even a stronger report, for there are collateral and cognate circumstances in connection with this case which arouse every bit of indignation that an individual can have, every bit of indignation and resentment that may repose in the breast of every public official. I believe the Senator from Montana to be innocent. I want to vote that way. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. The rules of the Senate forbid any demonstrations.

Mr. ROBINSON. Mr. President, I do not desire to detain the Senate. The vote should be promptly taken upon the pending resolution. It would be puerile, cowardly, for the Senate at this stage of the proceeding to content itself with an approval of the resolution proposed by the Senator from South Dakota [Mr. STERLING].

This issue transcends in its importance every political consideration that by any possible stretch of fancy can be associated with it or that can grow out of it. The undisputed evidence establishes some facts which it is pertinent for Senators to remember.

A Member of this body, executing the mandate of the Senate, was indicted by a grand jury in his home State. The Senate unanimously passed a resolution, at the request of that Senator, authorizing the creation of a special committee, to be appointed by the Presiding Officer of the Senate, to investigate the facts in connection with the indictment and report them to the Senate.

The committee performed its duty in complete detail. It sought and procured and brought before the Senate all the facts, or alleged facts, within the knowledge of any witness whose name was suggested to the committee. The evidence shows that while the Senator from Montana [Mr. WHEELER] was carrying out an order of the Senate a plan was formed to interfere with him as the agent of the Senate, to hamper him in the discharge of his duties, and stop him in the execution of his task, undertaken and carried forward by direction of the Senate.

The evidence supporting that statement of the facts was read into the RECORD yesterday by my colleague, the junior Senator from Arkansas [Mr. CARAWAY], who is a member of the committee, and by the senior Senator from Montana [Mr. WALSH]. Its credibility has in no respect been attacked, either by any witness who testified or by any Senator who has discussed the issues involved in the pending resolution. So that according to the rule of credibility in courts the truthfulness of the statement may be fairly accepted.

The testimony shows that a witness in the case went to the State of Montana for the purpose of procuring an indictment against the junior Senator from Montana because he was in the execution of a mandate of the Senate. It shows that he approached a former Assistant Attorney General of the State and frankly stated to him a purpose to injure the reputation of the junior Senator from Montana and to stop him in the discharge of the duties which the Senate had ordered him to perform. That is the undisputed record of the evidence. Agents of a conspiracy traveled almost across the continent of the United States and combined and collaborated with others, not alone for the purpose of injuring the fair name of a citizen of the United States but for the express purpose of preventing a Member of the United States Senate from fearlessly executing the order of the Senate.

Now, the committee have reported, and a division arises over the report. The majority, four members, say that the evidence discloses that the junior Senator from Montana has not committed an offense against his country, that he is not subject to indictment, that he has performed his duty and has violated no law. Upon that state of the record we are asked by a Member of this body who served upon the committee to take no action upon the subject, to pledge ourselves not to vindicate the junior Senator from Montana. Such a proposal, if it emanated from any other source or was presented anywhere else than in the Senate, the rules of the Senate forbidding such characterization, would be regarded as contemptible. The public are entitled to have the Senate take manly and decisive action.

What would the constituents of the Senator from South Dakota [Mr. STERLING] say if they could give expression to their views regarding the resolution which he has presented to the Senate to-day? What would they expect of their repre-

sentative in this great body? Not cowardice, not duplicity, not ambiguity, but straight-out expression. What do the men and women of the United States who have respect for honest public officers require of the Senate on this occasion? That the Senate shield no guilty Member and that the Senate protect its Members from treachery and dishonesty. How contemptible it would appear to the average citizen to be evasive on an issue that involves the honesty of a Senator.

What have the public and the Senator from Montana the right to expect? If the evidence shows that he was framed, if the testimony proves that while fearlessly discharging his duty and obeying your order, he became the victim of a conspiracy as cowardly and as damnable as ever marred the records of court or legislature, then what language can describe the perfidy of his associates whose order he is obeying if they permit his hand to be restrained, his tongue to be silenced, his courage to be intimidated? What right have you to order him to investigate the Department of Justice and make public its inefficiencies and corrupt transactions, and then, when he advances with a determination that inspires the guilty with dread, leave him without support, protection, or indorsement?

I have asked what would the people of South Dakota say to THOMAS STERLING, their Senator for a little while yet, if they knew he had asked his colleagues, under the circumstances shown to exist in Mr. WHEELER's case, to leave Mr. WHEELER to suffer the vengeance of conspirators against him who attempt to destroy him for performing a duty imposed upon him by his colleagues? What would your constituents say if you contented yourselves with taking no action, if you pledged yourselves to do nothing in such a case?

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. ROBINSON. I yield to my colleague.

Mr. CARAWAY. What objection can an honest man have to expressing an honest opinion about a question that is before him?

Mr. ROBINSON. The Senator will have to ask some one else that question. I can not comprehend the mental attitude or the moral character of the Senator who under the issues as presented here is unwilling either to approve WHEELER or to condemn him. It is cowardly in the extreme to order him to perform a duty and then when he is harassed and interfered with in the discharge of that duty to forsake him without defense and without vindication. There is not a human being from limit to limit of this continent, not a well-informed citizen of this Nation, who does not know that WHEELER was framed, and that the object of it was to conceal fraud and corruption in the Department of Justice. There is not an honest man in all the homes that adorn the hills and valleys of this Republic whose heart will not thrill with indignation when he knows that the Senate has seriously considered a proposal to penalize a man, whatever lack of diplomacy he may have shown, who has done his duty in such a way as to win the confidence even of his enemies.

He is entitled, as all who bear his name are entitled, to have you stand up on one side or the other; and I denounce you as a craven and a coward if you hide yourself behind the substitute resolution proposed by the Senator from South Dakota [Mr. STERLING]. Vote "yes" or "no," and when you vote you will register for all your life yet to come your attitude respecting honesty in public office and courage in the performance of public duty.

Mr. WALSH of Massachusetts. Mr. President, there seems to be a disposition to evade taking a direct position upon this question by resorting to technicalities. In my opinion there is a question now before us that transcends technicalities and politics. Occasionally an opportunity is given us here to rise above the strife and contentions of selfish and political interest. One such occasion is here now. Is the Senate of the United States capable of administering justice; is the Senate of the United States capable of rising above party advantage and doing justice—justice without which civilization is a mockery and political institutions temples of tyranny?

It has been said that the Senate owes it to itself to make a direct decision on the issue as to the guilt or innocence of this man; it has been said that it owes it to the Senator from Montana; but more than all else I believe it owes it to the American people.

Are we capable of deciding without bias whether or not this man is worthy or unworthy of a seat in this body? Are we capable, after an investigating committee led by one of the ablest and fairest men in this body completely exonerated Senator WHEELER, to reach a decision and to announce to the American people that this man is innocent, worthy of and entitled to enjoy the rights and privileges of a Senator?

No man who has heard or read the testimony before the committee suggests or even hints that he is guilty. Then, tell me if there is any other question here than that of simple, downright, straight, American justice?

Why do we hesitate? Are we to become persecutors of honorable Members of our own body? I am understand petty partisanship entering into many issues that arise here, but in the name of Christianity and our boasted civilization, when it comes to dealing with a fellow Senator, his reputation, when it comes to dealing with a young statesman with all his future before him, his family and his family's reputation, a sovereign State's right to have its Senator's qualifications fairly judged, let us shun party politics and give to the country evidence of our belief in the principles of justice.

The country will construe our action to-day only in one direction—our approval or disapproval of the charges made against Senator WHEELER. A postponement, a compromise, any action except a straight vote of confidence will be interpreted as against Senator WHEELER. If every scintilla of evidence points to his innocence, why deny—never mind him—your countrymen an immediate and a truthful verdict?

As one who has come from and represents in part the State where the junior Senator from Montana was born and received his early education I want to raise my voice and send back word to the people of his native State, his kin and friends in Massachusetts that Senator WHEELER has been found to be an innocent man; that he has been in the opinion of many of his associates the victim of the most damnable scheme to injure his reputation and influence that a public man ever experienced in America. Mr. President, if we fail to render justice, the spirit of the American people will not deny it to him. Is that American spirit of justice still in the hearts of the men elected to the United States Senate? That is the issue here. When this vote is cast let the Senate show to the country that it is a believer in and a giver of justice. If we are not capable of, or have not the courage to decide justly and without equivocation the qualifications of one of our own Members, how can we expect the American people to give us credit for the courage and capacity necessary to make laws for 110,000,000 people? It is clear, as clear as the light of day, that a vote for the resolution of the Senator from Idaho [Mr. BORAH] is a vote for justice.

Mr. STERLING. Mr. President, I had not expected to say another word in regard to this matter. I was ready to vote long ago, and I would say nothing now but for the personalities that have been indulged in by some Senators on the other side of the Chamber.

Reference has been made to a lack of courage; insinuations of cowardice have been made; duplicity in the matter of the presentation of the minority views and the substitute resolution now pending has been suggested. Mr. President, the Senator from South Dakota has never felt called upon to defend his record for courage in the Senate of the United States, and he does not believe he is required to defend it now. Not now referring to his constituency, the Senator from South Dakota by vote and voice always expressed on this floor his honest convictions, his best judgment, and acted according to the dictates of his conscience, even up to this hour, and is doing so now. I ask Senators, my colleagues, who have listened to the discussion and proceedings of the last three or four days here in the Senate to determine for themselves whether or not I have been lacking in the courage that a Senator of the United States should have in the expression of his convictions.

Mr. President, it has been asked what would my constituents say? Is it material to this case as to what my constituents in the State of South Dakota will say? That is between me and my constituents; it is not the business of the Senator from Arkansas to inquire; I am ready to answer to my constituents for all I do here. I have one view, however, as to what they will say, and that is that though a man be a Senator of the United States no different or higher right should be accorded to him than to the humblest citizen of the land, and that is what you are proposing to do by this majority report.

Mr. President, the junior Senator from Montana has been indicted. That indictment is pending in the Federal court in the State of Montana. His case is to be tried before a petit jury, and I have objected to proceedings here, the effect of which will inevitably be to prejudge and prejudice the case so that a fair trial before a jury will be well-nigh impossible.

Mr. President, I believe in the dignity, in the majesty, in the justice of the law, and I stand here in a feeble way to

appeal for a recognition of those attributes. We have the three great departments of the Government—the legislative, executive, and judicial. This case now should be considered as in the hands of the judicial department of the Government. That department has taken jurisdiction of it. The case is pending in the United States courts and there it should be tried as all cases are tried under the orderly processes, proceedings, and safeguards of an American court of justice.

What has been done in other cases and by other Senators and Members of the House? Consider the Mitchell case of years ago. Senator Mitchell appears before the Senate, recites the charges that have been made against him and says, because thereof, he will not intrude himself upon the presence of the Senate longer, and withdraws until after the trial of that charge, a charge which he at the time emphatically denied. What happened in the case of Senator Burton, of Kansas. He does not remain in the Senate of the United States after he is indicted, to participate in the proceedings of the body. So, in the Langley case now pending before the House of Representatives, Mr. LANGLEY undoubtedly has the grace to refrain from participation in the proceedings of that body while he is under indictment. Moreover, quite the opposite of what we have done here, the chairman of the House committee considering the Langley case says that no proceedings will be had before the committee until there has been a trial and a determination by the court of the guilt or innocence of Mr. LANGLEY. Mr. President, that has been my theory of this case all along. There has been no duplicity about it. Everybody has understood my position. I have never agreed to the proposition that it was the business of the committee or of the Senate to determine the guilt or innocence of Senator WHEELER. I have offered the substitute resolution to carry out my idea in regard to the matter.

I give expression to the same thought that other Senators have given expression to, for example, the Senator from Missouri [Mr. SPENCER]. I hope that Senator WHEELER when he goes before the jury in Montana will be able to explain and to refute every one of the charges which have been made against him; but, Mr. President, it is not for us to sit here and exercise the functions of a trial jury.

Waiving constitutional grounds, we are going outside what I deem to be our proper province in trying this case. Leave it to the jury. Suppose the jury on the evidence before it finds Senator WHEELER guilty of the charges. He has had, under our American system, a fair trial, of the result of which he can not complain. What will be our position under such circumstances? I have cited the case of Senator WHEELER, a Senator of the United States, having an advantage over the ordinary citizen in such a case as this. Suppose—and I have used the illustration before because it appeals to me strongly, and the supposition is not far removed from conditions as they exist in the Senate of the United States to-day—suppose, under like conditions as they now exist, some Senator on the minority side should be indicted in his State and should demand a trial, declaring "I am not guilty; I am anxious to go before the jury, confront the witnesses against me, tell them my story, and produce the witnesses in my behalf," and suppose he should be denied that opportunity by the Senate of the United States, which declares, "Notwithstanding your protestations of innocence, your wish to submit the question to a jury of your peers, we are going to try you here in the Senate of the United States, regardless of any feeling of personal or party prejudice that may exist against you." Mr. President, that seems a travesty to me; it does not comport with my idea of American justice and fair play. The Senator from Massachusetts [Mr. WALSH] appealed to our sense of American justice, but that is not justice. Equality before the law, as stated in the minority report, is the greatest principle upon which, it is said, our institutions rest, and it is not equality before the law to prejudge the case here when it is now before a court having full jurisdiction of it.

Mr. President, these are the reasons; these are the motives for what may be termed the interest I have shown in these proceedings. What will my constituents say? I have sufficient confidence, Mr. President, in the intelligence and reasonableness of my constituents to believe that when they understand the situation they will say, "You did right in standing for justice and fair play, and for the denial to even a Senator of the United States a privilege and a right not accorded to any other citizen of the land."

Mr. PEPPER obtained the floor.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just one moment?

Mr. PEPPER. I yield.

Mr. CARAWAY. I want to make this statement: The Senator from South Dakota [Mr. STERLING] a minute ago said that this had been his contention, speaking of his minority report, from the beginning. I want to read what he said on the 21st of this month, with reference to that, in answer to a question from the Senator from Montana [Mr. WALSH]. It appears upon page 9427 of the RECORD.

The question of the Senator from Montana was:

If the Senator believed that the Senate had no power to do that, how can he reconcile his acceptance of an appointment on the committee?

The answer of the Senator from South Dakota is:

I did not think there was any Senator who perhaps at first blush thought that the Senate was without power to determine this thing. I did not. It was not clear in my own mind as to what the Senate could or should do in the premises under the charge made by Senator WHEELER to the effect that this was a frame-up and that the Government officers acted under improper influence or from bad motives. It was somewhat confusing to me.

He said just a minute ago that that had been his contention all the time; and that was his statement this week.

Just one other thing. I asked the Senator this:

I, of course, should not have mentioned what went on in the executive session of the committee, except that the Senator sees fit to do it. Did not this occur, that the case was closed, no one wanted to hear another witness, the committee met and after discussion left to the chairman, by direction of the committee, the duty to make the report, and that until the report was prepared and ready to be signed the Senator did not even suggest that this theory should be discussed at all?

Mr. STERLING. I did not assent to any report the chairman of the committee might make.

Mr. CARAWAY. But the Senator did agree that the chairman should prepare the report.

Mr. STERLING. He was to prepare a report for the committee to examine; certainly.

Mr. CARAWAY. And the Senator never suggested that this theory should be considered in preparing the report, did he?

Mr. STERLING. Oh, no; I did not suggest it openly, nor did any other member of the committee suggest a theory on which the report should be based.

I shall be glad to have the Senator reconcile that statement on Wednesday last with the statement he has just made.

Mr. PEPPER. Mr. President, the debate seems to me to have confused a case which is in its essence simple. I am unable to perceive in this record the difficulties which some of the speakers have injected into it.

On a certain date a Senator rose in his place, and what he said was, in legal effect, this. He said to the Senate of the United States:

Gentlemen, you are the judges of the qualifications of membership in this body. I am under accusation. I ask you to exercise your constitutional prerogative in this regard, and to do it at my request.

The Senate might have decided that it was an inopportune time to institute an inquiry to determine the qualification of the Senator. The Senate might have decided that since a criminal proceeding was pending in the judicial department of the Government the legislature would await the decision of the judiciary before acting, in full consciousness, however, that it would not be bound one way or the other by the judicial determination of the pending question.

The Senate, however, chose to enter upon the discharge of a function which is unquestionably constitutional; namely, it proceeded in the orderly and regular way for the purpose of determining whether or not there was anything in the pending case which should lead to a declaration that the Senator was disqualified for membership in this body. The matter was proceeded with before a committee duly appointed, and we now have before us the majority and the minority reports.

If I correctly understand the majority report, it is to the effect that the Senator from Montana is not disqualified from holding his seat in this body, and that he is not disqualified for the reasons which are set forth in the conclusion of fact reached by the majority of the committee.

Mr. President, we can not straddle upon a proposition of qualification or disqualification. Either the Senator from Montana is qualified or he is disqualified; and he is not qualified unless the things said in the majority report are true. Therefore, I find no difficulty in deciding that I must vote one way

or the other on this issue. I can not adopt a middle course. I can not justify myself in suspending my judgment pending the proceedings of a correlative branch of the Government with which I have nothing to do. I must vote upon the issue that is before me, and the issue that is before me is whether the Senator from Montana is disclosed by this record as qualified or disqualified to sit in this body.

Having reached the conclusion that the majority of the committee are right in finding that he is qualified, and being of opinion, giving him the benefit of reasonable doubt on the issues that are doubtful, that the conclusions of fact reached by the majority are sound, I have no escape from the conclusion that I must vote for the resolution proposed by the majority, and I expect to do so.

Mr. HEFLIN. Mr. President, the Senator from Pennsylvania [Mr. PEPPER] is absolutely correct in his statement about what the committee has found. In its report—I mean the majority report—this language is used:

> In conclusion, the committee wholly exonerates Senator BURTON K. WHEELER from any and all violation of section 1782 of the Revised Statutes of the United States, and find that he neither received or accepted, or agreed to receive or accept, any compensation—

And so forth. The trumped-up charges against him have been found to be untrue.

Mr. President, I did not intend to say anything upon the question now before us, because the majority report had been so ably presented by Senator BORAH and his associates on the committee, Senators CARAWAY and SWANSON; but the last statement of the Senator from South Dakota [Mr. STERLING] makes me feel that some Senator ought to say just now what I am going to say.

If the position of the Senator from South Dakota should become the position of the Senate, district attorneys throughout the country and Federal grand juries under their direction could disqualify every man in this body upon the flimsiest pretext and mere rumor by railroading him and indicting him.

The Senator from South Dakota suggests that we should do nothing until the petit jury acts in Montana and determines whether or not Senator WHEELER is guilty. Why, Mr. President, suppose the district attorney should not want to push that case for trial. Suppose he should continue it from one term of the court to another and the Senator from Montana should follow the suggestion of the Senator from South Dakota, and retire from this Chamber, and await the action of the court under the direction of the district attorney in Montana. He would deprive him of his seat in this body, and he would deprive the people of his State of his service in this body, and he would deprive the people of the United States of his superb courage and great ability in prosecuting those who have disgraced and perverted the offices they held from the ends of their institution.

Mr. President, some things connected with this frame-up indictment of Senator WHEELER make this a very ugly situation to me. Mr. Daugherty, who escaped punishment somehow by a whitewash arrangement in the House more than a year ago, managed to keep certain testimony from getting to the House Committee on the Judiciary, but he did not escape here. The evidence obtained against him over here was strong and convincing. The Senate named to go after him a Member who had the courage to lead, and he did proceed in the investigation in such a competent and courageous fashion that he brought down the "game." He drove Daugherty from a place in the Cabinet into private life—a man shown to have accumulated thousands of dollars through the crooked deals of crooked agents under him—and think of it, Senators, that man appointed the district attorney who has secured the indictment of Senator WHEELER!

What was the atmosphere around that courthouse when Senator WHEELER was indicted? Did a grand jury of its own motion, and acting upon the testimony trying to get at the truth, proceed to indict him? No. They balloted once, and refused to indict him. They balloted twice, three times, four times, five times, six times, seven times, eight times, nine times, and each and every time refused to indict him and then adjourned for the day. They were now allowed to separate, and they went to dinner with certain Republican politicians, and while at dinner they were told that it was desirable and necessary that Senator WHEELER be indicted whether he could be convicted or not, and strange to say on their return they indicted him!

What has the Senate come to if it will permit trumped-up charges to be made against an honorable man in this body, led by a district attorney who was mad with WHEELER because his boss, Daugherty, was driven by WHEELER from the place that he had disgraced?

An able and honorable Senator and a brave and patriotic American citizen, the husband of a splendid and charming wife, and the father of fine and devoted children, is "framed" for the purpose of hampering him in the great work that he is doing here for the good of his country. Would the Senator from South Dakota leave him suspended in the air, with Coan's false charges hanging over him, charges trumped up at the instance of the Republican National Committee, who told Coan they wanted something on WHEELER? They hired Coan to get something on WHEELER. Coan says he was hired for that purpose by the Republican National Committee.

Then we see the district attorney appointed by Daugherty seeking to have a Federal grand jury indict WHEELER, and when they refuse political pressure is brought to bear on certain members of the grand jury and an indictment is finally obtained. The Senator from South Dakota objected to going into that phase of the case before the committee. That testimony was not permitted to go in; but I state to the Senate and to the country that three grand jurors told Senator WHEELER just what I have told you, and they would have told the committee if they had been permitted to do so. Talk about taking no action and suspending judgment. We owe it to common justice and decency to repudiate the suggestion. The position taken by the Senator from Missouri [Mr. SPENCER] is utterly ridiculous. He said if WHEELER was guilty and this committee found him guilty the report ought to be adopted and he ought to be expelled—that is his position—but that if he was not guilty and the committee reported that he was not guilty they should not take any action at all but should leave him suspended in the air with the false charges hanging over him.

Mr. President, I have been in the Congress, in the two Houses for nearly 20 years, and that position is the most absurd and ridiculous position that I have ever known any public man from justice of the peace to President to take. [Laughter.] If they should frame me as they have threatened to do I would hate to fall into the hands of men who feel like he does about this important matter. Senators, when a man wins his election at the hands of the voters of his State, and comes here with a commission to serve his people in this great law-making body and enters into the battle here as this young man from Montana has done, fighting for clean government, driving crooks from high place, daring to attack the mighty, corrupt political conditions that he found when he came, he ought to be praised, encouraged, and supported. Instead of that, Coan said, "Senator WHEELER was attacking the administration, and nobody would get up and say anything, and the National Republican Committee hired me to go out there and get something on him, and I have been paid to do it." That is the substance of his statement. So the National Republican Committee paid Coan to do what he did, and the district attorney holds his job by reason of Daugherty's favor, and the grand jury refused, when undisturbed and uninfluenced, to indict WHEELER, but after corrupt political influence was used, they found an indictment.

Mr. President, the Senate ought to go on record saying that Senator WHEELER is guilty or not guilty. There is no other way to decently and honorably settle this question. Let the crooks know now that self-respecting and honorable Senators will not knowingly permit corrupt court officials to abuse and misuse their positions to persecute and punish those who are trying to serve their country.

The PRESIDING OFFICER. The question is upon agreeing to the substitute offered by the Senator from South Dakota [Mr. STERLING].

Mr. BORAH. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I have a general pair with the Senator from Maine [Mr. FERNALD]. I am not advised as to how that Senator would vote if he were present, so I transfer my pair to the junior Senator from New Jersey [Mr. EDWARDS], who would vote as I intend to vote, and I vote "nay."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Senate on account of illness. If he were present, he would vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. Not knowing how that Senator would vote, in his absence I withhold my vote.

Mr. OWEN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the senior Senator from Missouri [Mr. REED], and vote "nay."

Mr. WILLIS (when his name was called). I am paired with the junior Senator from Tennessee [Mr. MCKELLAR]. I transfer that pair to the junior Senator from Illinois [Mr. MCKINLEY], and vote "yea."

The roll call was concluded.

Mr. SIMMONS (after having voted in the negative). I am paired with the junior Senator from Oklahoma [Mr. HARRELD], who is absent. I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS], and allow my vote to stand.

Mr. SWANSON (after having voted in the negative). I have a general pair with the senior Senator from Washington [Mr. JONES]. I have been unable to obtain a transfer, and not knowing how he would vote, I withdraw my vote.

Mr. GERRY. I desire to announce that the senior Senator from Alabama [Mr. UNDERWOOD], whose pair has already been announced, if present would vote "nay."

The senior Senator from Tennessee [Mr. SHIELDS] if present would also vote "nay."

The junior Senator from Tennessee [Mr. MCKELLAR] would vote "nay" if present, and the senior Senator from Missouri [Mr. REED] would also vote "nay."

I also wish to announce that the Senator from Colorado [Mr. ADAMS] is paired with the Senator from Indiana [Mr. WATSON], and that if present the Senator from Colorado would vote "nay," as would the Senator from New Jersey [Mr. EDWARDS].

Mr. STANLEY (after having voted in the negative). Has the junior Senator from Kentucky [Mr. ERNST] voted?

The PRESIDING OFFICER. He has not voted.

Mr. STANLEY. I am unable to obtain a transfer of my pair, and not knowing how that Senator would vote on this question, I withdraw my vote.

Mr. BRANDEGEE. I am paired with the senior Senator from Tennessee [Mr. SHIELDS], and it having been announced that if present he would vote "nay," as I intend to vote in the same way, I am at liberty to vote, and vote "nay."

Mr. GLASS (after having voted in the negative). I have a general pair with the junior Senator from Connecticut [Mr. MCLEAN], with the understanding that when either of us should be interested in a question he would notify the other. I have no notification from the Senator from Connecticut as to this particular question, and if the vote were close, I would hesitate to let my vote stand, but in the circumstances I do let it stand, and will settle it with him.

Mr. CURTIS. The Senator from Indiana [Mr. WATSON] has a general pair with the Senator from Colorado [Mr. ADAMS], but I do not know how the Senator from Indana would vote on this question if he were present and not paired.

The Senator from Rhode Island [Mr. COLT] has a general pair with the Senator from Florida [Mr. TRAMMELL], but I do not know how the Senator from Rhode Island would vote on this question.

The Senator from Illinois [Mr. MCKINLEY], if present, would vote "yea." He is necessarily absent.

The result was announced—yeas 5, nays 58, as follows:

YEAS—5

Curtis	Wadsworth	Warren	Willis
Sterling			

NAYS—58

Ashurst	Fletcher	King	Ransdell
Bayard	Frazier	Ladd	Reed, Pa.
Borah	George	McNary	Robinson
Brandegee	Gerry	Mayfield	Sheppard
Brookhart	Glass	Moses	Shipstead
Broussard	Gooding	Neely	Simmons
Bruce	Hale	Norbeck	Smith
Cameron	Harris	Norris	Spencer
Caraway	Harrison	Oddie	Stanfield
Copeland	Heflin	Overman	Stephens
Dale	Howell	Owen	Trammell
Dial	Johnson, Calif.	Pepper	Walsh, Mass.
Dill	Johnson, Minn.	Phipps	Walsh, Mont.
Ferris	Jones, N. Mex.	Pittman	
Fess	Kendrick	Ralston	

NOT VOTING—33

Adams	Elkins	Lodge	Stanley
Ball	Ernst	McCormick	Swanson
Burrum	Fernald	McKellar	Underwood
Capper	Greene	McKinley	Watson
Colt	Harreld	McLean	Weller
Couzens	Jones, Wash.	Reed, Mo.	Wheeler
Cummins	Keyes	Shields	
Edge	La Follette	Shortridge	
Edwards	Lenroot	Smoot	

So Mr. STERLING's substitute was rejected.

The PRESIDING OFFICER. The question now is upon agreeing to the resolution offered by the chairman of the committee, the Senator from Idaho [Mr. BORAH].

Mr. SPENCER. I offer the following substitute for the resolution now pending.

The PRESIDING OFFICER. The Senator from Missouri offers the following substitute, which the Secretary will report:

The reading clerk read as follows:

> *Resolved*, The Senate, having before it the majority and minority reports of its special committee empowered "to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana," and bearing in mind that the duty of the Senate in the matter has to do only with the "qualifications of its own Members" and its right to punish or expel a Member, declares that no reason has been presented to the Senate which questions the right of the junior Senator from Montana to membership in the Senate, and discharges its committee from further consideration of the matter.

Mr. BORAH. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a pair with the senior Senator from Delaware [Mr. BALL], who appears to be absent, but under my arrangement with him I feel that I am at liberty to vote. I vote "nay."

Mr. GLASS (when his name was called). Making the same announcement that I made on the previous vote, I vote "nay."

Mr. JONES of New Mexico (when his name was called). I make the same announcement as before regarding the transfer of my pair, and vote "nay."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). If the senior Senator from Wisconsin [Mr. LA FOLLETTE] were present, he would vote "nay."

Mr. LODGE (when his name was called). Making the same announcement as to my pair as before, I withhold my vote.

Mr. OWEN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the Senator from Missouri [Mr. REED], and vote "nay."

Mr. SIMMONS (when his name was called). Making the same announcement as to my pair and its transfer to the Senator from Tennessee [Mr. SHIELDS], I vote "nay."

Mr. STANLEY (when his name was called). I transfer my pair with the junior Senator from Kentucky [Mr. ERNST] to the senior Senator from Wisconsin [Mr. LA FOLLETTE], and vote "nay."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT], but I feel at liberty to vote on this question. I vote "nay."

Mr. WILLIS (when his name was called). Making the same announcement as to the transfer of my pair, I vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to announce that the Senator from Colorado [Mr. ADAMS], the Senator from Tennessee [Mr. MCKELLAR], the senior Senator from Tennessee [Mr. SHIELDS], the Senator from Alabama [Mr. UNDERWOOD], the Senator from New Jersey [Mr. EDWARDS], and the Senator from Missouri [Mr. REED], if present, would vote "nay."

Mr. BRANDEGEE (after having voted in the negative). I wish to say that I allow my vote to stand on the theory that the same transfer was made by the Senator from North Carolina [Mr. SIMMONS] to the Senator from Tennessee [Mr. SHIELDS] that was made on the last vote.

Mr. SWANSON (after having voted in the negative). I will state that, according to information I have in this case, it is not necessary for me to observe my pair with the Senator from Washington [Mr. JONES].

The result was announced—yeas 8, nays 56, as follows:

YEAS—8

Moses	Reed, Pa.	Stanfield	Warren
Phipps	Spencer	Wadsworth	Willis

NAYS—56

Ashurst	Ferris	Johnson, Minn.	Ralston
Bayard	Fess	Jones, N. Mex.	Ransdell
Borah	Fletcher	Kendrick	Robinson
Brandegee	Frazier	King	Sheppard
Brookhart	George	Ladd	Shipstead
Broussard	Gerry	McNary	Simmons
Bruce	Glass	Mayfield	Smith
Cameron	Gooding	Neely	Stanley
Caraway	Hale	Norris	Stephens
Copeland	Harris	Oddie	Sterling
Curtis	Harrison	Overman	Swanson
Dale	Heflin	Owen	Trammell
Dial	Howell	Pepper	Walsh, Mass.
Dill	Johnson, Calif.	Pittman	Walsh, Mont.

NOT VOTING—32

Adams	Edwards	La Follette	Reed, Mo.
Ball	Elkins	Lenroot	Shields
Bursum	Ernst	Lodge	Shortridge
Capper	Fernald	McCormick	Smoot
Colt	Greene	McKellar	Underwood
Couzens	Harreld	McKinley	Watson
Cummins	Jones, Wash.	McLean	Weller
Edge	Keyes	Norbeck	Wheeler

So Mr. SPENCER's substitute was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the resolution submitted by the Senator from Idaho [Mr. BORAH].

Mr. BORAH. On that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. PITTMAN. Mr. President, in order that the RECORD may disclose exactly what the vote is upon, I ask unanimous consent that the resolution of the Senator from Idaho, the chairman of the special committee, together with the majority report, may be published at this point in the RECORD.

The PRESIDING OFFICER. Without objection it is so ordered.

The resolution (S. Res. 235) and majority report are as follows:

Resolved, That the report submitted by the chairman of the special committee appointed to investigate the charges against Senator BURTON K. WHEELER be adopted and approved, and the special committee be discharged.

[Senate Report No. 537, Sixty-eighth Congress, first session]

SENATOR BURTON K. WHEELER

Mr. BORAH, from the special committee authorized to investigate charges against Senator BURTON K. WHEELER, submitted the following report, pursuant to Senate Resolution 206:

On April 9, 1924, the Senate passed the following resolution:

"*Resolved*, That a committee consisting of five Members of the Senate be appointed by the President pro tempore to investigate and report to the Senate the facts in relation to the charges made in a certain indictment returned against Senator BURTON K. WHEELER in the United States District Court for the State of Montana."

That thereafter the President pro tempore of the Senate appointed Senators WILLIAM E. BORAH, CLAUDE SWANSON, THOMAS STERLING, T. H. CARAWAY, and CHARLES L. MCNARY as a special committee to make the investigation authorized by the foregoing resolution.

The charge against Senator BURTON K. WHEELER, and which charge your committee was authorized to investigate, arises under and by virtue of section 1782 of the Revised Statutes of the United States. That statute reads as follows:

"No Senator, Representative, or Delegate, after his election and during his continuance in office, and no head of a department or other officer or clerk in the employ of the Government, shall receive or agree to receive any compensation whatever, directly or indirectly, for any services rendered, or to be rendered, to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever. Every person offending against this section shall be deemed guilty of a misdemeanor and shall be imprisoned not more than two years and fined not more than $10,000, and shall, moreover, by conviction therefor be rendered forever thereafter incapable of holding any office of honor, trust, or profit under the Government of the United States."

The Supreme Court has construed this statute particularly in the case of Burton v. The United States (202 U. S. 344).

Under this statute an agreement to receive compensation for services rendered, or to be rendered, before any department, court-martial, bureau, officer, or any civil, military, or naval commission is made an offense; the receiving of compensation in violation of the statute, whether pursuant to a previous agreement or not, is also made an offense. In other words, if a party agrees to receive compensation for such services, he is guilty under the statute; or if he receives compensation without any previous agreement, he is also guilty of an offense.

This statute in no way prohibits or interferes with a Member of Congress from appearing before any department, court-martial, bureau, officer, or any civil, military, or naval commission, provided he does so free from any agreement to receive compensation or without receiving compensation therefor. The sole question which your committee was authorized to investigate, therefore, was, Did Senator WHEELER agree to receive compensation, directly or indirectly, for services rendered, or to be rendered; or did he receive compensation for services rendered, or to be rendered, relative to his appearance or services before any department, court-martial, bureau, officer, or any civil, military, or naval commission?

Your committee finds:

First. That during the months of January and February, 1923, after his election to the Senate, Senator WHEELER entered the employ of Gordon Campbell as his attorney, the said contract of employment including the firm of lawyers under the name of Wheeler & Baldwin.

Second. That, according to the terms of employment by which he entered the service of Campbell as his attorney, the said firm of Wheeler & Baldwin was to receive a retainer's fee of $10,000 per annum; that $2,000 thereof was paid January 9, 1923, and $2,000 thereof on February 16, 1923, and that the balance is still unpaid.

Third. That it was fully understood and agreed between all parties to said contract of employment that the services of Senator WHEELER and his firm related alone to the litigation then pending, or to be brought, in the State courts of Montana, said Campbell being at that time interested in a number of lawsuits, some 19 or 20 at least in number.

Fourth. That said BURTON K. WHEELER did not at any time agree to receive compensation for services before any department, court-martial, bureau, officer, or any civil, military, or naval commission at Washington, and did not at any time receive compensation for such services before any department, court-martial, bureau, officer, or any civil, military, or naval commission.

Fifth. That, on the other hand, the sole contract of employment which he had with Campbell related to matters of litigation in the State courts of Montana; that Senator WHEELER did not at any time appear for said Campbell or his companies before any of the departments in Washington under agreement to receive compensation, and did not at any time receive compensation for any appearance or services rendered before said Government departments.

In conclusion, the committee wholly exonerates Senator BURTON K. WHEELER from any and all violation of section 1782 of the Revised Statutes of the United States, and find that he neither received or accepted, or agreed to receive or accept, any compensation whatever, directly or indirectly, for any services rendered, or to be rendered, to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States was a party, or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever.

The committee further states that in its opinion Senator WHEELER was careful to have it known and understood from the beginning that his services as an attorney for Gordon Campbell, or his interests, were to be confined exclusively to matters of litigation in the State courts of Montana, and that he observed at all times not only the letter but the spirit of the law.

WM. E. BORAH.
CHAS. L. MCNARY.
CLAUDE A. SWANSON.
T. H. CARAWAY.

The PRESIDING OFFICER. The yeas and nays have been ordered on agreeing to the resolution of the Senator from Idaho [Mr. BORAH], and the roll will be called.

The reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). Making the same announcement as to the transfer of my pair as on the previous vote, I vote "yea."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). The senior Senator from Wisconsin [Mr. LA FOLLETTE] is detained from the Chamber on account of illness. If he were present, on this question he would vote "yea."

Mr. LODGE (when his name was called). Making the same announcement as to my pair as before, I withhold my vote.

Mr. OWEN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. ELKINS] to the Senator from Missouri [Mr. REED] and vote "yea."

Mr. SIMMONS (when his name was called). Making the same statement as to my pair and transfer as on the previous vote, I vote "yea."

Mr. STANLEY (when his name was called). Making the same statement with reference to my pair and its transfer, I vote "yea."

Mr. WILLIS (when his name was called). I transfer my pair with the Senator from Tennessee [Mr. MCKELLAR] to the Senator from Illinois [Mr. MCKINLEY] and vote "nay."

The roll call was concluded.

Mr. GERRY. I desire to announce that the Senator from Colorado [Mr. ADAMS], the Senator from Tennessee [Mr. MCKELLAR], the senior Senator from Tennessee [Mr. SHIELDS], the Senator from Alabama [Mr. UNDERWOOD], the Senator from New Jersey [Mr. EDWARDS], and the Senator from Missouri [Mr. REED], if present, would vote "yea."

I also desire to announce that the Senator from Colorado [Mr. ADAMS] is paired with the Senator from Indiana [Mr. WATSON].

Mr. GLASS (after having voted in the affirmative). I make the same announcement that I made on the previous vote, and let my vote stand.

Mr. CURTIS. I wish to announce that the Senator from Indiana [Mr. WATSON] is necessarily absent. I do not know how he would vote on this question.

I was requested to announce that the Senator from Illinois [Mr. MCKINLEY] is necessarily absent. If present, he would vote "nay."

The result was announced—yeas 56, nays 5, as follows:

YEAS—56

Ashurst	Fess	Jones, N. Mex.	Ralston
Bayard	Fletcher	Kendrick	Ransdell
Borah	Frazier	King	Robinson
Brandegee	George	Ladd	Sheppard
Brookhart	Gerry	McNary	Shipstead
Broussard	Glass	Mayfield	Simmons
Bruce	Gooding	Neely	Smith
Cameron	Hale	Norbeck	Stanfield
Caraway	Harris	Norris	Stanley
Copeland	Harrison	Oddie	Stephens
Dale	Heflin	Overman	Swanson
Dial	Howell	Owen	Trammell
Dill	Johnson, Calif.	Pepper	Walsh, Mass.
Ferris	Johnson, Minn.	Pittman	Walsh, Mont.

NAYS—5

Curtis	Spencer	Sterling	Willis
Phipps			

NOT VOTING—35

Adams	Elkins	Lodge	Shortridge
Ball	Ernst	McCormick	Smoot
Bursum	Fernald	McKellar	Underwood
Capper	Greene	McKinley	Wadsworth
Colt	Harreld	McLean	Warren
Couzens	Jones, Wash.	Moses	Watson
Cummins	Keyes	Reed, Mo.	Weller
Edge	La Follette	Reed, Pa.	Wheeler
Edwards	Lenroot	Shields	

So Mr. BORAH's resolution was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 9124) authorizing the sale of real property no longer required for military purposes was read twice by its title and referred to the Committee on Military Affairs.

DIRECTOR OF BUREAU OF ENGRAVING AND PRINTING

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 105) authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes, which was to strike out all after the resolving clause and to insert in lieu thereof the following:

That the President be, and he is hereby, authorized, in his discretion, to direct Maj. Wallace W. Kirby to report to the Secretary of the Treasury for duty for a period of six months, and that said Maj. Wallace W. Kirby may, under the direction of the Secretary of the Treasury, perform the duties of Director of the Bureau of Engraving and Printing for a period not to exceed six months, notwithstanding the provisions of section 1222, Revised Statutes, and section 1224, Revised Statutes, as amended by the act of February 28, 1877: *Provided*, That the said Maj. Wallace W. Kirby shall receive no emoluments by reason of the performance of said duties, but shall receive the same pay and allowances from appropriations made for the support of the Army as he would receive if he were performing military duty at the War Department.

Mr. WADSWORTH. I move that the Senate concur in the House amendment. It limits the period of time during which an Army officer may serve as the head of the Bureau of Printing and Engraving to six months.

Mr. ROBINSON. Is it just the one amendment?

Mr. WADSWORTH. Just the one amendment.

Mr. ROBINSON. And what is its effect?

Mr. WADSWORTH. The Senate originally authorized the President to assign an Army officer from the Corps of Engineers to serve as Director of the Bureau of Engraving and Printing for not to exceed two years. The House cut that period down to six months and has named the officer in its amendment.

Mr. ROBINSON. And the Senator moves that the Senate concur in the House amendment.

Mr. WADSWORTH. With regret, I think it is necessary that the Senate concur in the amendment.

The PRESIDING OFFICER. The question is on concurring in the amendment of the House.

The amendment was concurred in.

RETIRED ENLISTED MEN OF THE ARMY

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act approved July 31, 1894, which was, on page 1, line 6, to strike out all after "follows:" down to and including "section," in line 8, and to insert in lieu thereof:

Retired enlisted men of the Army, Navy, Marine Corps, or Coast Guard retired for any cause, and retired officers of the Army, Navy, Marine Corps, or Coast Guard who have been retired for injuries received in battle or for injuries or incapacity incurred in line of duty shall not, within the meaning of this section, be construed to hold or to have held an office during such retirement.

Mr. WADSWORTH. I move that the Senate concur in the amendment of the House. It relates to the eligibility of persons in a retired status in the military service being employed in the civil service.

The amendment was concurred in.

LYN LUNDQUIST

Mr. BORAH. Mr. President, I ask unanimous consent that the votes whereby the bill (S. 976) for the relief of Lyn Lundquist was ordered to be engrossed for a third reading, read the third time, and passed last night may be reconsidered. I desire to offer slight amendments to the bill before it shall go to the House of Representatives.

The PRESIDING OFFICER. Without objection, the votes whereby the bill named by the Senator from Idaho was ordered to be engrossed for a third reading, read the third time, and passed will be reconsidered, and, without objection, the bill will be considered as being before the Senate and open to amendment.

Mr. BORAH. I move the amendments to the bill which I send to the desk.

The PRESIDING OFFICER. The amendments proposed by the Senator from Idaho will be stated.

The READING CLERK. On Page 1, line 4, after the words "directed to," it is proposed to strike out "permit" and to insert "issue patent to"; in line 5, after the word "to" to strike out "make homestead entry of"; and in line 9, after the name "Idaho" to strike out the comma and the words "and to give him credit upon his making final proof showing residence and cultivation as required by law for any improvement he may heretofore have made thereon," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, directed to issue a patent to Lyn Lundquist, notwithstanding he has heretofore exhausted his homestead right, to the west half of the northeast quarter and the east half of the northwest quarter of section 15, in township 44 north, and range 3 east, Boise meridian, in the State of Idaho.

The PRESIDING OFFICER. The question is on the amendments proposed by the Senator from Idaho.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

Mr. MOSES. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside, and that the Senate proceed to the consideration of House bill 7220, the Agricultural appropriation bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. MCNARY. Mr. President, I ask unanimous consent to dispense with the formal reading of the bill, and that the bill be read for amendment, committee amendments to be first considered.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent to dispense with the formal reading of the bill, that the bill be read for amendment, committee amendments to be first considered. Is there objection? The Chair hears none, and it is so ordered.

The reading clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the subhead "Miscellaneous expenses, Department of Agriculture," on page 3, line 3, after the word "advertising," to insert "press clippings," so as to make the paragraph read:

For stationery, blank books, twine, paper, gum, dry goods, soap, brushes, brooms, mats, oils, paints, glass, lumber, hardware, ice, fuel, water and gas pipes, heating apparatus, furniture, carpets, and mat-

be rendered, relative to his appearance or services before any depart-

WATSON].

2450) to amend section 2 of the legislative, executive, and

tings; for lights, freight, express charges, advertising, press clippings, telegraphing, telephoning, postage, washing towels, and necessary repairs and improvements to buildings and heating apparatus; for the purchase, subsistence, and care of horses and the purchase and repair of harness and vehicles, for official purposes only; including necessary expenses for the maintenance, repair, and operation of an automobile for the official use of the Secretary of Agriculture; for the payment of the Department of Agriculture's proportionate share of the expense of the dispatch agent in New York; for official traveling expenses; and for other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the department, $156,000.

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Animal Industry," on page 14, at the end of line 21, to strike out "$548,000: *Provided*, That of this sum $30,000 may be used for the manufacture, preparation, or distribution of blackleg vaccine," and to insert "$573,000: *Provided*, That of this sum $30,000 may be used as a revolving fund for the purchase, and for the distribution at approximate cost, of blackleg vaccine," so as to make the paragraph read:

For inspection and quarantine work, including all necessary expenses for the eradication of scabies in sheep and cattle, the inspection of southern cattle, the supervision of the transportation of livestock, and the inspection of vessels, the execution of the 28-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon; the inspection work relative to the existence of contagious diseases, and the mallein testing of animals, $573,000: *Provided*, That of this sum $30,000 may be used as a revolving fund for the purchase, and for the distribution at approximate cost, of blackleg vaccine.

The amendment was agreed to.

The next amendment was, on page 19, at the end of line 26, to increase the total appropriation for general expenses of the Bureau of Animal Industry from "$5,757,766" to "$5,782,766."

The amendment was agreed to.

The next amendment was, on page 20, at the end of line 10, to increase the total appropriation for the Bureau of Animal Industry from "$7,498,916" to "$7,523,916."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Plant Industry," on page 22, at the end of line 13, to strike out "$84,335" and to insert "$100,000," so as to make the paragraph read:

For the investigation of diseases of forest and ornamental trees and shrubs, including a study of the nature and habits of the parasitic fungi causing the chestnut-tree bark disease, the white-pine blister rust, and other epidemic tree diseases, for the purpose of discovering new methods of control and applying methods of eradication or control already discovered, $100,000.

The amendment was agreed to.

The next amendment was, on page 25, at the end of line 22, to increase the appropriation for the investigation and improvement of tobacco and the methods of tobacco production and handling from "$41,940" to "$46,300."

The amendment was agreed to.

The next amendment was, on page 27, at the end of line 11, to strike out "$134,793" and to insert "$139,125," so as to read:

For the investigation and improvement of fruits, and the methods of fruit growing, harvesting, handling, and studies of the physiological and related changes of fruits and vegetables during the processes of marketing and while in commercial storage, $139,125.

The amendment was agreed to.

The next amendment was, on page 27, at the end of line 25, to strike out "$81,808" and insert "$93,102," so as to read:

For horticultural investigations, including the study of producing and harvesting truck and related crops, including potatoes, and studies of the physiological and related changes of vegetables while in the processes of marketing and in commercial storage, and the study of landscape and vegetable gardening, floriculture, and related subjects, $93,102.

The amendment was agreed to.

The next amendment was, on page 29, line 11, to increase the total appropriation for general expenses, Bureau of Plant Industry, from "$3,048,738" to "$3,084,389."

The amendment was agreed to.

The next amendment was, on page 29, at the end of line 12, to increase the total appropriation for the Bureau of Plant Industry from "$3,638,658" to "$3,674,309."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Forest Service," on page 35, at the end of line 4, to strike out "$335,824" and to insert "$351,260," so as to read:

For investigations of methods for wood distillation and for the preservative treatment of timber, for timber testing, and the testing of such woods as may require test to ascertain if they be suitable for making paper, for investigations and tests within the United States of foreign woods of commercial importance to industries in the United States, and for other investigations and experiments to promote economy in the use of forest and fiber products, and for commercial demonstrations of improved methods or processes, in cooperation with individuals and companies, $351,260.

The amendment was agreed to.

The next amendment was, on page 36, at the end of line 2, to strike out "$137,420" and to insert "$187,420," so as to read:

For silvicultural, dendrological, and other experiments and investigations, independently or in cooperation with other branches of the Federal Government, with States, and with individuals, to determine the best methods for the conservative management of forest and forest lands, $187,420.

The amendment was agreed to.

The next amendment was, on page 36, line 25, to increase the total appropriation for general expenses of the Forest Service from "$4,230,606" to "$4,296,042."

The amendment was agreed to.

The next amendment was, on page 37, line 14, to increase the total appropriation for the Forest Service from "$6,731,489" to "$6,796,925."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Chemistry," on page 38, at the end of line 12, to strike out "$120,600" and to insert "$130,600," so as to read:

For conducting the investigations contemplated by the act of May 15, 1862, relating to the application of chemistry to agriculture; for the biological investigation of food and drug products and substances used in the manufacture thereof, including investigations of the physiological effects of such products on the human organism, $130,600.

The amendment was agreed to.

The next amendment was, on page 40, line 19, to increase the total appropriation for general expenses, Bureau of Chemistry, from "$1,047,230" to "$1,057,230."

The amendment was agreed to.

The next amendment was, on page 40, line 20, to increase the total appropriation for the Bureau of Chemistry from "$1,387,230" to "$1,397,230."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Entomology," on page 43, line 14, after the word "grasshopper," to insert "alfalfa weevil," and in the same line, after the words "chinch bug," to strike out "$176,400" and to insert "$186,400," so as to read:

For investigations of insects affecting cereal and forage crops, including a special investigation of the Hessian fly, grasshopper, alfalfa weevil, and the chinch bug, $186,400.

The amendment was agreed to.

The next amendment was, on page 43, line 19, after the words "Argentine ant," to strike out "$206,920" and to insert "$256,920, of which sum $25,000 shall be immediately available," so as to read:

For investigations of insects affecting southern field crops, including insects affecting cotton, tobacco, rice, sugar cane, etc., and the cigarette beetle and Argentine ant, $256,920, of which sum $25,000 shall be immediately available.

The amendment was agreed to.

The next amendment was, on page 44, line 2, after the word "insects," to insert "and wireworms," and at the end of line 4 to strike out "$145,000" and to insert "$157,000," so as to read:

For investigations of insects affecting truck crops, including insects and wireworms affecting the potato, sugar beet, cabbage, onion, tomato, beans, peas, etc., and insects affecting stored products, $157,000.

The amendment was agreed to.

The next amendment was, on page 44, line 19, to increase the total appropriation for general expenses, Bureau of Entomology, from "$1,074,305" to "$1,146,305."

The amendment was agreed to.

The next amendment was, on page 46, after line 20, to insert:

WESTERN PINE BEETLE AND ASSOCIATED FOREST INSECTS

To enable the Secretary of Agriculture to provide for a scientific investigation to advance and improve methods of preventing losses from western pine beetle and associated forest insects; and to assist departments of the Federal Government, State and private owners of timber in the inspection of insect-infested timber and the demonstration of the best known methods of control, $35,000.

The amendment was agreed to.

The next amendment was, on page 47, line 4, to increase the total appropriation for the Bureau of Entomology from "$2,028,848" to "$2,135,848."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Biological Survey," on page 48, line 19, to strike out "$26,480" and to insert "$28,475," so as to read:

For biological investigations, including the relations, habits, geographic distribution, and migrations of animals and plants, and the preparation of maps of the life zones, $28,475.

The amendment was agreed to.

The next amendment was, on page 49, line 22, to increase the total appropriation for general expenses, Bureau of Biological Survey, from "$784,155" to "$786,150."

The amendment was agreed to.

The next amendment was, on page 49, line 23, to increase the total appropriation for the Bureau of Biological Survey, from "$890,495" to "$892,490."

The amendment was agreed to.

The next amendment was, under the subhead "General expenses, Bureau of Agricultural Economics," on page 54, at the end of line 9, to increase the appropriation to investigate and encourage the adoption of improved methods of farm management and farm practice, from "$275,000" to "$286,538."

The amendment was agreed to.

The next amendment was, on page 54, line 24, after the word "products," to strike out "$524,628" and to insert "$549,628: *Provided*, That $25,000 of this sum shall be used for investigation of the economic costs of retail marketing of meat and meat products," so as to read:

For acquiring and diffusing among the people of the United States useful information on subjects connected with the marketing, handling, utilization, grading, transportation, and distributing of farm and nonmanufactured food products and the purchasing of farm supplies, including the demonstration and promotion of the use of uniform standards of classification of American farm products throughout the world, independently and in cooperation with other branches of the department, State agencies, purchasing and consuming organizations, and persons engaged in the marketing, handling, utilization, grading, transportation, and distributing of farm and food products, $549,628: *Provided*, That $25,000 of this sum shall be used for investigation of the economic costs of retail marketing of meat and meat products.

The amendment was agreed to.

The next amendment was, on page 56, line 3, before the word "condition" to strike out "and" and to insert "and/or," so as to read:

For enabling the Secretary of Agriculture to investigate and certify to shippers and other interested parties the class, quality, and/or condition of cotton and fruits, vegetables, poultry, butter, hay, and other perishable farm products when offered for interstate shipment or when received at such important central markets as the Secretary of Agriculture may from time to time designate, or at points which may be conveniently reached therefrom, under such rules and regulations as he may prescribe, including payment of such fees as will be reasonable and as nearly as may be to cover the cost for the service rendered.

The amendment was agreed to.

The next amendment was, on page 57, at the end of line 2, to strike out "632,480" and to insert $768,480," so as to read:

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of livestock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, $768,480.

The amendment was agreed to.

The next amendment was, on page 57, line 4, to increase the total appropriation for general expenses of the Bureau of Agricultural Economics from "$2,263,001" to "$2,385,539."

The amendment was agreed to.

The next amendment was, under the subhead "Enforcement of the United States grain standards act," on page 58, at the end of line 4, to strike out "$500,000" and to insert "$550,000," so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the United States grain standards act, including rent outside of the District of Columbia and the employment of such persons and means as the Secretary of Agriculture may deem necessary, in the city of Washington and elsewhere, $550,000.

The amendment was agreed to.

The next amendment was, under the subhead "Administration of the United States warehouse act," on page 58, at the end of line 11, to strike out "$163,000" and to insert "$186,500," so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the United States warehouse act, including the payment of such rent outside of the District of Columbia and the employment of such persons and means as the Secretary of Agriculture may deem necessary, in the city of Washington and elsewhere, $186,500.

The amendment was agreed to.

The next amendment was, on page 59, at the end of line 8, to increase the total appropriation for the Bureau of Agricultural Economics from "$4,227,364" to "$4,423,402."

The amendment was agreed to.

The next amendment was, under the subhead "Acquisition of additional forest lands," on page 63, at the end of line 16, to strike out "$600,000" and to insert "$1,000,000," so as to make the paragraph read:

ACQUISITION OF ADDITIONAL FOREST LANDS

For the acquisition of additional lands at headwaters of navigable streams, to be expended under the provisions of the act of March 1, 1911 (36 Stat. L. p. 961), as amended, $1,000,000.

The amendment was agreed to.

The next amendment was, on page 66, after line 3, to insert:

ERADICATION OF FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS

In case of an emergency arising out of the existence of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals which, in the opinion of the Secretary of Agriculture, threatens the livestock industry of the country, he may expend in the city of Washington or elsewhere, out of any money in the Treasury not otherwise appropriated, the sum of $4,000, which sum is hereby appropriated, or so much thereof as he determines to be necessary, in the arrest and eradication of any such disease, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations: *Provided*, That the payment for animals hereafter purchased may be made on appraisement based on the meat, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat or dairy value, and except in case of an extraordinary emergency to be determined by the Secretary of Agriculture, the payment by the United States Government for any animal shall not exceed one-half of any such appraisements.

The amendment was agreed to.

The next amendment was, under the subhead "Enforcement of packers and stockyards act," on page 70, line 22, after the numerals "1921," to strike out "$226,770: *Provided, however*, That the Secretary of Agriculture may make an estimate of the amount of funds necessary in addition to the sum herein named to enable him to carry into effect the provisions of the packers and stockyards act, and thereupon he may levy, as uniformly and equitably as in his judgment is possible from time to time, against the stockyard owners, market agencies, and dealers subject to said act, who shall promptly thereafter pay to the Secretary of Agriculture such fees as will be necessary to provide such additional funds. The Secretary may require reasonable bonds from them to secure the performance of their obligations, and may, after a hearing on not less than two days' notice, suspend any market agency or dealer for a reasonable specified time because of insolvency or violation of said act or any order or regulation thereunder," and to insert "$452,540," so as to make the paragraph read:

To enable the Secretary of Agriculture to carry into effect the provisions of the packers and stockyards act, approved August 15, 1921, $452,540.

The amendment was agreed to.

The next amendment was, under the subhead "Special items," on page 72, line 4, to strike out "$4,700,000" and to insert "$8,000,000," and at the end of line 15 to strike out "$5,300,000" and to insert "$2,000,000," so as to read:

Forest roads and trails: For carrying out the provisions of section 23 of the Federal highway act approved November 9, 1921, $8,000,000, to be available until expended, being the remainder of the sum of $6,500,000 authorized to be appropriated for the fiscal year ending June 30, 1924, and part of the sum authorized to be appropriated for the fiscal year ending June 30, 1925, by paragraph 2 of section 4 of the act making appropriations for the Post Office Department for the fiscal year 1923, approved June 19, 1922: *Provided*, That the Secretary of Agriculture is hereby authorized, immediately upon the approval of this act, also to apportion and pro rate among the several States, Alaska, and Porto Rico, as provided in section 23 of said Federal highway act, the sum of $2,000,000, constituting the remainder of the sum authorized to be appropriated for the fiscal year ending June 30, 1925, etc.

The amendment was agreed to.

The next amendment was, on page 74, at the end of line 9, to increase the total appropriation for the Department of Agriculture from "$56,583,743" to "$60,954,633."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. OVERMAN. Mr. President, I offer the amendment which I send to the desk, to be inserted by the Clerk at the proper place in the bill.

The PRESIDING OFFICER. The Senator from North Carolina offers an amendment, which will be stated.

The READING CLERK. On page 24, line 2, it is proposed to strike out "$155,450" and to insert in lieu thereof "$205,450."

Mr. OVERMAN. Mr. President, in the subcommittee of which I was a member I fought this appropriation, because it was testified before the subcommittee that this money was to be spent in other countries—in other words, for the exploitation of rubber in Brazil and other South American countries. The Secretary of Agriculture said to me the other night that that was not so; that his idea was to exploit the raising of rubber in this country, down in our southern country. He asked me if I would not agree to offer an amendment for the amount estimated by the Budget, and I agreed to do so. I am going to ask to have his letter read, so that we can see exactly what he wants. He favors this amendment, and the amendment only brings up the amount to the sum estimated by the Budget.

The PRESIDING OFFICER. Without objection, the letter will be read.

The reading clerk proceeded to read the letter.

Mr. OVERMAN. Mr. President, I will ask that the letter be printed in the RECORD. The Secretary goes on to say that he hopes that rubber trees can be grown in this country, and he thinks it is worth a trial, and I am willing to have him try it. I do not want to spend any money for exploitation in Brazil and Costa Rica and the countries below, and that is the reason why I voted to strike out the item; but in view of this letter I offer the amendment.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

THE SECRETARY OF AGRICULTURE,
Washington, May 20, 1924.

DEAR SENATOR: As suggested in our conversation the other evening, with regard to the crude-rubber investigations being carried on by this department, I give you in condensed form the high points.

The United States consumes annually more than 70 per cent of the world's supply of crude rubber.

More than 90 per cent of the total supply of crude rubber is produced in the British and Dutch colonial possessions in the Far East.

It would be greatly to the advantage of the United States if our source of rubber supply could be brought nearer, and especially to our advantage if it should be found possible to develop a rubber industry in the continental United States.

The Department of Agriculture during the past year has begun a systematic exploration of possible rubber-producing territory in Central and South America, and has studied methods of tapping the trees and collecting rubber in those sections where it is being produced. It is obvious that any contribution we can make toward increasing the supply of rubber near at home and improving methods of harvesting it will be greatly to the advantage of our own people. In connection with these explorations and studies in Central and South America, our people have gathered seed and propagating material from rubber plants which may be considered promising for planting in the Canal Zone, Haiti, Florida, and Southern California.

Systematic studies of potential rubber-producing plants which can be grown in continental United States are now well started. These studies are now being carried on at the Chapman Field Plant Introduction Garden in southern Florida, at the Torrey Pine Field Station near San Diego, Calif., and at Fallon, Nev. At the Florida station we have a dozen or more plants growing, at least three of which seem to be promising. At the California station we have several rubber-producing plants, both native and introduced species. At Fallon, Nev., we are working in cooperation with the Carnegie Institution, making studies of a native rubber-producing plant.

No one can forecast with certainty what may be the result of these studies and experiments, but in view of our large consumption of rubber and the remote source of supply, surely the United States can afford to spend much larger sums even than have been contemplated to determine what may be possible. The rubber situation at the present time may be compared to the situation which existed with regard to sugar at the time of the Napoleonic wars. Practically the entire sugar supply of the world was then derived from sugar cane, the production of which was almost entirely restricted to the Tropics. Scientific research and experimentation resulted in the development of the beet as a source of sugar supply, and it now furnishes a large part of the world supply of sugar. With this experience in mind, certainly we are justified in spending whatever money may be necessary to exhaust the possibilities of rubber production in continental United States.

The Bureau of the Budget after full hearing on the subject included an appropriation of $70,000 for these crude-rubber investigations for the coming year. For some reason, which I do not understand, this sum was reduced to twenty thousand in the House. If it should remain at twenty thousand, we will find it necessary to greatly reduce the present personnel engaged in rubber investigations, and confine our studies of potential rubber-producing plants to propagation experiments on a very small scale. I am very strongly of the opinion that the appropriation for this purpose allowed by the Bureau of the Budget will prove a wise expenditure of Government funds.

Very truly,

HENRY C. WALLACE.

Hon. LEE S. OVERMAN,
United States Senate.

Mr. CURTIS. Mr. President, will the Senator yield? I desire to ask him a question.

Mr. OVERMAN. Yes; I yield.

Mr. CURTIS. Does this include any investigation as to the growing of rubber trees in the Philippine Islands?

Mr. OVERMAN. Yes, sir.

Mr. SMITH. Mr. President, I should like to state that this means a survey of the possible growth of rubber trees wherever they may be found, looking toward the introduction into parts of our country of varieties of rubber trees that may be adapted to North American conditions.

Mr. FLETCHER. Mr. President, I think the amendment ought to be agreed to. I know of some studies and investigations that are being made in some parts of the country, and I know that in southern Florida, below the frost line, there are great possibilities for the development of this industry and for the production of our own rubber in our own country. I hope the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina.

The amendment was agreed to.

The READING CLERK. On the same page, on line 4, it is proposed to strike out "$20,000" and insert "$70,000."

The amendment was agreed to.

Mr. NORBECK. Mr. President, I wish to offer an amendment on page 48.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from South Dakota.

The READING CLERK. On page 48, line 15, it is proposed to strike out "$508,880" and to insert "$652,140."

Mr. NORBECK. Mr. President, this is for investigating the food habits of North American birds and other animals in relation to agriculture, horticulture, forestry, and so forth, and for the extermination of predatory animals. We are asking simply that the amount be brought up to the estimate of the department.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

Mr. NORBECK. Now I desire to offer another amendment. This amendment is on page 49, and is just in harmony with the bill that was passed last night regarding the expenditure of money in Alaska. If the amendment is agreed to it will consolidate the two funds, and do away with the duplicate game wardens, and do it as soon as the appropriation bill passes.

The PRESIDING OFFICER. The Senator from South Dakota offers a further amendment, which will be stated.

The READING CLERK. On page 49, at the end of line 17, it is proposed to insert:

On and after July 1, 1924, the powers and duties heretofore conferred upon the Governor of Alaska by existing law for the protection of wild game animals and wild birds in Alaska are hereby conferred upon and shall be exercised by the Secretary of Agriculture; and all money available or appropriated in this or any other act for the fiscal year ending June 30, 1925, for carrying into effect the act approved May 11, 1908, entitled "An act for the protection of game in Alaska, and for other purposes," including salaries, traveling expenses of game wardens, and all other necessary expenses, is hereby transferred to the credit of the Department of Agriculture to be expended by the Secretary of Agriculture for such purposes.

The amendment was agreed to.

Mr. HARRELD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oklahoma.

The READING CLERK. On page 64, line 6, after the word "made," it is proposed to insert:

including the erection of a herdsman's cottage.

Mr. HARRELD. Mr. President, this is in accordance with the recommendation of the Agricultural Department. They want this amendment made. It does not increase the appropriation at all.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

Mr. McNARY. I ask unanimous consent that the clerks be authorized to correct all totals.

The PRESIDING OFFICER. Without objection, that consent will be granted. The bill is still before the Senate as in Committee of the Whole, and open to amendment. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ORIGIN OF THE WORLD WAR

Mr. OWEN. Mr. President, I ask to have printed in the RECORD a statement by Harry Elmer Barnes, with regard to the origin of the World War in connection with a speech I made on the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ASSESSING THE BLAME FOR THE WORLD WAR—A REVISED JUDGMENT BASED ON ALL THE AVAILABLE DOCUMENTS [1]

(By Harry Elmer Barnes, Ph. D.)

I. THE NEW DOCUMENTS

Section VIII of the treaty of Versailles, signed on June 28, 1919, begins as follows:

"The allied and associated Governments affirm, and Germany accepts, the responsibility of herself and her allies for causing all the loss and damage to which the allied and associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Germany and her allies."

On the basis of this assertion the allied powers specifically and concretely erected their claim to reparations from Germany and by implication the general nature of the entire treaty. Some have supposed that Germany, by apparently acquiescing in this charge of full and complete guilt in regard to the outbreak of the war, finally and for all time clinched the argument of the allied powers in regard to her sole responsibility. Such a position could hardly be held, however, by anyone familiar with the methods of the Allies during the peace conference. Germany occupied the situation of a prisoner at the bar, where the prosecuting attorney is given full leeway as to time and presentation of evidence, while the defendant is denied counsel or the opportunity to produce either evidence or witnesses. It was, indeed, a case where the prosecution simply contented itself with the assumption of the guilt of the defendant and was not required to furnish proof. Germany was confronted with the alternative of signing the confession at once or having her territory invaded and occupied, with every probability that such an admission would be ultimately extorted from her in any event. In the light of these obvious facts it is plain that the question of the responsibility for the outbreak of the World War must rest for its solution upon the indisputable documentary evidence which is available in the premises.

Under the circumstances which ordinarily follow a great war we should still be as ignorant of the real causes of the World War as we were in 1914. It has been a general rule that the archives, or repositories of the public documents of the States involved, have been closed to nonofficial readers until from 40 to 80 years after the events and negotiations which these documents describe. Hence we should normally have been required to wait until about 1975 for as great a volume of documentary evidence as we now possess, and two generations of students would have passed away without progressing beyond dubious guesses and intuitive approximations to the truth. The explanation of our unprecedented good fortune in this regard is to be found in the revolutionary overturns in Germany, Austria, and Russia before the close of the World War. The new Governments were socialistic in character and hypothetically opposed to war and militarism, despite the fact that the socialists had for the most part remained loyal to their capitalistic or landlord governments in the World War. Desiring to make their tenure more secure by discrediting the acts and policies of the preceding régimes the leaders of the new governments perceived one method of achieving this end by throwing open the national archives in the hope that historical editors might discover therein evidence of responsibility on the part of the former governing groups for the inundation of blood, misery, and sorrow which swept over Europe after 1914. In addition to these voluntarily opened archives, the Germans seized the Belgian archives during the war and published collections of extracts. Then B. de Siebert, secretary to the Russian Embassy at London in the period before the war, secretly made copies of the important diplomatic exchanges between London and St. Petersburg from 1908 to 1914, and later gave or sold them to the Germans.

The nature of the European diplomatic and military alignments in 1914 accounts for the fact that these revelations are reasonably adequate to settle the problems concerning the declarations of war in 1914, despite the further fact that England, France, and Italy have refused to make their archives accessible to scholars. Inasmuch as Italy was technically allied with Germany and Austria in the Triple Alliance, the nature of much of her foreign policy and many of her diplomatic engagements may be gleaned from the German and Austrian archives. But she was at the same time secretly negotiating with France and, after 1914, with the members of the Triple Entente. This material is, in large part, available in the documents in the Russian archives. England and France having been the other members of the triple entente, the secret diplomacy of this group is reasonably covered in the Russian archives and the Siebert documents, which are now duplicated in part in the publications from the Russian archives, though it would be desirable to know more of any possible secret Franco-British exchanges not revealed to Russia. The French have, of course, published some of their documents in the various Livres Jaunes—the most important of which is that on the Balkan policy (1922), but they are officially edited and the incriminating documents are naturally suppressed. (See the New York Nation, October 11, 1922, p. 372. Document XXVII, for an example of the falsification of the French Yellow Book.)

Although a vast number of documents in the archives of Germany, Austria, and Russia have not yet been published, the collections thus far available are impressive. The diplomatic documents covering the broad historical background of the Austrian crisis of 1914 are presented in the admirable collection of Prof. A. F. Pribram. (The Secret Treaties of Austria-Hungary, 1879–1914. The American edition was supervised by Prof. A. C. Coolidge and published by the Harvard University Press, 1920. It should be pointed out that Pribram's work is not yet finished. He is waiting for the complete publication of the German documents.) The documents in the Austrian archives dealing with the month preceding the outbreak of the World War have been edited by the publicist and scholarly journalist, Roderich Goess, in the

[1] Not the slightest pretension is made in this article to any discovery of facts not already well known to all historians interested in the history of contemporary European diplomacy. The aim of the author is solely to set forth in a clear fashion the conclusions to which we are inevitably forced by the authentic documents which have been published since 1914 and mainly since 1919. Full and complete indebtedness is acknowledged to such experts in the field as S. B. Fay, G. P. Gooch, B. E. Schmitt, A. C. Coolidge, R. J. Kerner, C. A. Beard, W. L. Langer, A. F. Pribram, M. Montgelas and the authors of the special treatises which will be mentioned in the course of the article. In particular, I am indebted to Profs. Bernadotte E. Schmitt, William L. Langer, and two eminent experts who prefer not to be named for a critical reading of this article, which has added much to the general interpretation and saved me from many slips in matters of detail. Professor Schmitt has rendered the special courtesy of allowing me to read in manuscript his important article on "The Triple Alliance and the Triple Entente," to be published in the American Historical Review for April, 1924.

three volumes of the Austrian Red Book. (Diplomatische Aktenstuecke zur Vorgeschichte des Krieges, 1914, 3 volumes, Vienna, 1919. These are now available in English translation.)

In Germany an even more voluminous collection of the diplomacy of Germany and related countries from 1871 to 1914 is in process of publication under the editorship of J. Lepsius, A. M. Bartholdy, and F. Thimme.

This embraces all the important diplomatic documents in the German foreign office; some 12 bulky volumes have already appeared. It is the most extensive publication of this sort yet undertaken in any country. (Die Grosse Politik der Europaeischen Kabinette, 1871–1914. Berlin, 1922.)

The documents dealing with the antecedents of August, 1914, were extracted from the German archives by the German Socialist, Karl Kautsky, and published in four volumes under the editorship of the eminent scholars, W. Schücking, M. Montgelas, and A. M. Bartholdy. (Die Deutschen Dokumente zum Kriegsausbruch, 4 volumes, Charlottenburg, 1919.) A supplementary collection has been more recently published which embodies: (1) The testimony of leading Germans in military, diplomatic, and business life before a committee appointed by the German postwar Government to investigate the responsibility for the war; (2) the records of the reaction of Germany to Mr. Wilson's peace note of December, 1916; and (3) the negotiations between Germany and her allies, and Germany and the United States concerning submarine warfare, and the policies which produced the entry of the United States into the World War. (Official German documents relating to the World War. Carnegie Endowment for International Peace, 2 volumes, New York; Oxford University Press, 1923.)

No Russian documents have been made available as yet which cover so ample a historical background as the work of Pribram and the published volumes of the Lepsius-Bartholdy-Thimme collection. The Siebert documents (Entente Diplomacy and the World, 1909–1914, New York; Knickerbocker Press, 1922. Siebert has held out the documents most incriminating to the Entente and is still holding them for a higher price than has been offered. These documents deal with the exchanges between St. Petersburg, London, and Paris in July and August, 1914) deal only with the period from 1908–1914. The Livre Noir (Black Book) is the other important publication of the Russian documents. It was collected by René Marchand, a scholarly French Socialist and journalist thoroughly familiar with the Russian language and with Russian public life and politics. It presents in detail the Russian diplomatic documents of the years 1910–1914, particularly stressing Franco-Russian relations and policies. This is the most important published collection of Russian source material. (Un Livre Noir: Diplomatie d'Avant-Guerre d'apres les Documents Russes, Novembre, 1910; Juillet, 1914; 2 volumes, Paris, 1922–23. A brief collection of these Russian documents was published in Paris as early as 1919 under the editorship of Emile Laloy. It is important as containing the secret Russian conference in February, 1914, on the desirability of seizing the Straits (pp. 74–100).) The newly accessible archival material has enabled scholars to check up on the collections of apologetic or extenuating documents published by the great powers in the early days of the war. A step in this direction has been taken by G. von Romberg, who has brought out a publication of the actual exchanges between Paris and St. Petersburg following the submission of the Austrian ultimatum to Serbia on July 23, 1914. This lays bare the serious and important suppressions in the original Russian Orange Book, which eliminated all the damaging evidence regarding conciliatory German proposals or aggressive Franco-Russian aims and policies. (Falsifications of the Russian Orange Book, New York; Huebsch, 1923.) Also from the Russian archives has come the recently published collection revealing Italy's dickering with the Entente for territorial cessions from 1914 to the time of her entry into the World War in May, 1915. (L'Intervenzione dell' Italia nei Documenti Segreti dell' Intesa. Rome, 1923.)

The Belgian documents, published by Germany, embraced chiefly the dispatches and opinions of the Belgian ambassadors in the major European capitals following 1886, playing up especially those which express fear of Entente collusion and alliance. Highly selected and one-sided, the collection is of real value as proving that the Belgians were alarmed by the policies of States other than Germany and incidentally vindicating beyond any doubt the neutrality of official Belgian opinion as a whole before 1914. (Belgische Aktenstuecke, 1905–1914, Berlin, 1915. Zur Europaeischen Politik, 1886–1893, 1897–1914, 5 volumes, Berlin, 1919–1922. These collections are edited by B. H. Schwertfeger. Some of them (1905–1914) have appeared in English translation.)

Finally, we have the depressing secret treaties of the Entente, which eliminate once and for all any basis for the hypothesis of idealism underlying the military activities of either side in the World War, and convict the Allies of aggressive aims as thoroughly as Grumbach's "Das Annexionistische Deutschland" proves Germany and Austria guilty of similar ambitions. (These treaties were printed in the New York Evening Post early in 1918 as a result of their revelation by the Bolshevikí. They are analyzed by R. S. Baker in his work, "Woodrow Wilson and the World Settlement." Mr. Baker defends the almost unbelievable assertion that Mr. Wilson left for the Peace Conference nearly a year later with no knowledge of their nature or contents.)

These collections of documents have been supplemented by a vast number of apologetic and controversial memoirs, reminiscences, and autobiographies which possess highly varied value and relevance, and by infinitely more important scholarly monographs analyzing in detail one or another of the many diplomatic and political problems and situations lying back of the World War. (The best summary of this literature is contained in G. P. Gooch's "Recent Revelations on European Diplomacy," Journal of the British Institute of International Affairs, January, 1923.) It is upon such material as this that we are able to construct a relatively objective and definite estimate of the causes of and responsibility for the great calamity of 1914–1918 and its aftermath. It is quite evident that if any account written prior to 1919 possesses any validity whatever or any approximation to the true picture of events, this is due solely to superior guessing power or good luck on the part of the writer, and in no sense to the possession of reliable or pertinent documentary evidence.

II. THE PRE-WAR SITUATION

The causes of the World War involve the greatest multitude of factors ranging from the most general and cosmic to the most detailed and personal; from the persistence of the tribal hunting-pack ferocity in mankind and the pressure of growing populations upon limited habitats and natural resources to the foolhardy conduct of the Austrian archduke on the day of his assassination, the psychic state of the Kaiser on July 5, 1914, and the intimidation of the Czar by militaristic advisers late in July, 1914. Though no reputable historian would doubt that the World War grew out of the economic and nationalistic situation from 1870 to 1914, there seems little of the inevitable in the alignments or historic circumstances that produced the war. States which were allied in 1914 clashed seriously in the preceding generation—England with France and Russia with England. Russia was on fairly friendly terms with Germany until the retirement of Bismarck. Germany was cordial to England in the early nineties, alienated her after 1895, and then adjusted satisfactorily to both parties the outstanding diplomatic difficulties of two decades two weeks before the assassination of the archduke. Russia several times indicated a willingness to sacrifice other Slavic peoples to gain her own imperialistic and territorial ends. There were strong groups in both France and Germany that desired a rapprochement between these States.

The gradual shaping of European diplomatic behavior creating the crisis of 1914 seems to rest primarily upon three major elements or inciting factors. One was the imperialistic and Pan-Slavic ambitions of Russia, who desired to dominate the Near East, to control the straits leading from the Black Sea to the Ægean, and to draw under her diplomatic ægis the lesser Slavic peoples of Europe. These aspirations, however, cut directly across the major ambitions and policies of the polyglot dual monarchy of Austria-Hungary, whose very existence depended upon repressing or abating the Slavic nationalism of a large portion of her population. In these policies she was naturally encouraged by her ally, Germany, who desired to have as strong an associate as possible, and who had herself a definite reason for wishing to realize an Austro-German hegemony in the Balkans as the first link in the "Berlin-to-Bagdad" railroad scheme. (Important surveys of these diplomatic and political problems are to be found in R. W. Seton-Watson et al., The War and Democracy, Chs. IV–V; Seton-Watson, The Southern Slav Question and the Hapsburg Monarchy; F. Schevill, A History of the Balkan Peninsula; E. M. Earle, Turkey, the Great Powers and the Bagdad Railroad; H. Friedjung, Das Zeitalter des Imperialismus; E. Durham, Twenty Years of the Balkan Tangle; S. A. Korff, Russia's Foreign Relations in the Last Half Century; Pribram, op. cit.; Fischel, Der Panslawismus; Pliar, Die Suedslawische Frage und die Weltkrieg; L. Mandl, Oesterreich-Ungarn and Serbien; and Die Hapsburger und die Suedslawische Frage.) Then there was the underlying hatred of Germany cherished by the French military group and "Revanchards" (the group committed to the project of a war of revenge) growing out of the sting of the unexpected defeat in 1870–71. Not even Caillaux was able to overcome this. Nothing short of a voluntary cession of at least Lorraine would have satisfied France, and there were important historical and economic reasons why Germany would not consent to any such proposal. (See G. P. Gooch, Franco-German Relations, 1871–1914; H. A. L. Fisher, Studies in History and Politics, pp. 146–161, and E. R. G. Curtius, Maurice Barres und die Geistigen Grundlagen des Franzoesischen Nationalismus. This work is very critical.) To these three major factors in the background might be added the remarkable economic and commercial development of Germany, leading to the growth of the volume and scope of German commerce, the rise of German naval ambitions, and a resulting rivalry with Great Britain in trade and maritime armament. There might also be mentioned the diplomatic clashes of Germany and England over the Boer War and the

Bagdad railroad. (G. P. Gooch, Modern Europe, Ch. XIII; B. E. Schmitt, England and Germany, 1740–1914; and A. W. Ward and G. P. Gooch, Cambridge History of British Foreign Policy, Vol. III, pp. 263–280, 294–301, 385–394, 456–485.)

On these foundations the familiar alignments of 1914 began slowly to take form. Austria and Germany were gradually isolated, and France, Great Britain, Russia, and Italy began to draw together. Italy was ostensibly a member of the Triple Alliance until 1914, but we now know that she was not a loyal member at any time during the present century, and that by 1902 she had an understanding with France that she would not join any other State in a war upon the French Nation. (There are many important works on European diplomacy since 1870, but those written before 1921 were not based upon the new and indispensable documents and must therefore be disregarded by the general reader. The only thorough and reliable book utilizing the new evidence is G. P. Gooch's History of Modern Europe, 1878–1919, which is the unrivaled diplomatic history of the period since 1870 and supplants all earlier works. Other more special works based on the recently published documents and of high value and impartiality are A. F. Pribram, Austrian Foreign Policy, 1908–1918; J. V. Fuller, Bismarck's Diplomacy at its Zenith; and the already cited works, G. P. Gooch, Franco-German Relations, 1871–1914; E. M. Earle, Turkey, the Great Powers and the Bagdad Railroad; and F. Rachfahl, Deutschland und die Weltpolitik, 1871–1914.) As Professor Schmitt has pointed out, however, it is to be borne in mind that the Italian Foreign Minister from 1910 to 1914, the Marquis of San Giuliano, took a renewed interest in the part of Italy in the Triple Alliance, and that Italy was on better terms with her old allies than at any previous time after 1902. Moltke in 1914 counted definitely on Italian military aid in the World War.

Along with the diplomatic arrangements and entanglements went an ominous and expensive armament race. Americans have been accustomed to regard the increase of land and sea armament from 1890 onward as primarily a German phenomenon, initiated by her, and reluctantly, lamely, and ineffectively imitated as a defensive policy by Russia, France, and Great Britain. This has been due partly to the fact that the Kaiser's vocal exuberance on military matters made good newspaper copy and partly to the further fact that the great majority of our own news concerning Germany came to us through the Harmsworth and other English papers which were strongly anti-German in tone. If possible, there has been an even more mistaken impression on this point than with respect to the view that Germany was solely responsible for the World War. The sober facts indicate that Germany and Austria were together maintaining an armament establishment on land and sea only a little more than half as extensive or expensive as that of England, France, and Russia combined. France, usually represented as pacific, unprepared, and defenseless, was in 1913–14 planning an army two-thirds larger per capita than that contemplated by Germany in her latest military bill before the World War. (See A. J. Nock, The Myth of a Guilty Nation, pp. 23–26; M. Montgelas, Leitfaden zur Kriegsschuldfrage, pp. 81–85; and the judicious analysis of the whole problem in A. G. Enock, The Problem of Armaments.)

Stress has been laid upon the peculiar and unique danger of the linking of autocracy and militarism in Germany and Austria. Such a combination is doubtless dangerous and deplorable, but it was not more noticeable in Germany and Austria than in Russia. We shall probably have to go further, however, and admit that it is the military attitude and the war spirit which is a menace, and that this will exist, if unchecked, in a democracy as well as in an autocracy. The old notion that democracy and militarism and war are mutually irreconcilable must be put aside as groundless illusion. The war spirit in the British Navy and in the militaristic group in France was about as virulent and aggressive as that of Potsdam or Vienna from 1912 to 1914. If war is to be obstructed and ultimately eliminated, it is militarism and nationalism which must be directly attacked; little will be achieved by merely altering political institutions. (See the interesting article by Prof. George H. Blakeslee, "Will Democracy Alone Make the World Safe?" in Journal of Race Development, April, 1918.)

In addition to these menacing general alignments and diplomatic antagonisms, it is essential to understand that there was especially high tension in the spring of 1914. It has usually been believed by the average intelligent citizen in America that the World War broke like a storm out of a clear sky; that Europe had settled down rather peacefully after the last Morocco crisis and was calm and unperturbed until June 28, 1914. Nothing could be further from the facts in the case. The assassination of Franz Ferdinand was merely the culmination of a veritable fear-neurosis on the part of the European Governments. In 1913 Germany and France provided for great increases in their land armaments, and England began what almost might be called war measures in her navy organization and procedure. In the spring of 1914 Austria could scarcely restrain herself from attacking Serbia, in spite of German opposition in the previous year. Germany was frightened by the cumulative progress of the Franco-Russian rapprochement and the substitution of a more chauvinistic French ambassador at St. Petersburg, and even more by the Russo-British naval conversation of 1914. German soldiers, statesmen, and publicists openly declared that, though pacific in intent, Germany was prepared for a vigorous defense against a wanton attack. Russia was controlled by the militaristic group, who were encouraged by Poincaré and his followers in France. The Russians boasted that they, too, were ready for the test of arms, and contended that France should also be found thoroughly prepared. By the middle of June this feverish excitement and mutual suspicion had become alarmingly apparent alike to domestic observers and to foreign visitors. A crisis in such a state of affairs was likely to precipitate a panic and make it difficult to obstruct and control headstrong and arbitrary action. Such was the European situation when Franz Ferdinand, heir to the Austrian throne, was slain in Serajevo on June 28, 1914. (G. P. Gooch, History of Modern Europe, 1878–1919, Ch. XV; C. A. Beard, Cross Currents in Europe To-day, Chs. I–III; W. S. Churchill, The World Crisis, 1911–1914 (on war plans of British Navy from 1912 to 1914).)

The only light relieving the darkness of the situation was the successful culmination of the Anglo-German negotiations concerning the Near East, but before this could effect any readjustment of the European diplomatic situation, the continent was plunged into universal carnage. (Earle, op. cit., pp. 258–265.) It is believed by some that if sufficient publicity could have been given to the Anglo-German settlement, it would have had a sufficiently sobering effect upon the Franco-Russian imperialists to have postponed or avoided the World War, but it must be remembered that at the same time when England was negotiating successfully with Germany over the Near East she was negotiating secret naval agreements with France and Russia against Germany.

While this article is devoted chiefly to an analysis of the responsibility for the outbreak of hostilities, the writer is inclined to the view of Prof. B. E. Schmitt, expressed in the American Historical Review for April, 1924, that the real causes of the World War must be sought in this general diplomatic background which made the conflict inevitable, once an important and crucial issue arose between the Triple Alliance and the Triple Entente:

> "The causes of the Great War have been analyzed from many points of view. The explanation usually offered is the vaulting ambition of this or that great power, Germany being most often selected as the offender. Persons internationally minded insist that rabid nationalism was a universal disease and draw vivid pictures of the European anarchy. The pacifist points to the bloated armaments, and the Socialist can see only the conflict of rival imperialisms. Facts galore can be cited in support of each thesis. Yet no one of these explanations is entirely satisfactory, or the lot of them taken together. Why should the different kinds of dynamite explode simultaneously in August, 1914? Why, for instance, should a war break out between Great Britain and Germany at a moment when their disputes were seemingly on the verge of adjustment? There must have been some connecting link which acted as a chain of powder between the various accumulations of explosive material. And so there was; as one peruses the innumerable memoirs by politicians, soldiers, and sailors, from the German Emperor to obscure diplomatists, or tries to digest the thousands of documents published since 1918 from the German, Austrian, Serbian, Russian, French, Belgian, and British archives, the conviction grows that it was the schism of Europe in Triple Alliance and Triple Entente which fused the various quarrels and forces into one gigantic struggle for the balance of power; and the war came in 1914 because then, for the first time, the lines were sharply drawn between the two rival groups, and neither could yield on the Serbian issue without seeing the balance pass definitely to the other side."

III. DISTRIBUTION OF RESPONSIBILITY

Austria: Before discussing the policies and conduct of Austria, it is desirable to understand clearly the nature of the Austro-Serbian situation. Serbia, like the majority of the Balkan States, was a backward political society, in which intrigue, murder, and wholesale assassinations had not yet been transformed into orderly party government. It was also inflamed by an intense nationalism, fed by the sufferings and aspirations of centuries of repression. In June, 1903, the reigning royal family, their ministers, and over 50 prominent sympathizers and supporters were murdered and a new dynasty under King Peter established. The new dynasty was the rallying point of the Yugoslav nationalism, which looked to Russia for protection and encouragement. But the integrity of the Dual Monarchy depended upon holding in leash Slavic nationalism and the Pan-Slav program. The stage was thus set for continual and serious friction. (Schevill, op. cit., pp. 456–461; Seton-Watson, as above; A. Mousset, Le Royaume des Serbes, Croates et Slovenes. Mandl, op. cit. It is interesting to note that from 1903 to 1908 Edward VII was the most consistent of the European monarchs in boycotting the new Serb dynasty.)

This first came to a head in 1908 when Izvolsky, then the Russian Foreign Minister, proposed to the Austrian minister, Count Aehrenthal, that Austria annex Bosnia and Herzegovina, two Serb districts near the Adriatic then under the nominal control of Turkey. This had after 1903 been a secret Austrian ambition, but no Austrian statesman

had dared to think of it as a practical step, for it involved a violation of the treaty of Berlin of 1878, and it had been supposed by the Austrians that Russia would make a vigorous protest against any such proposal. Izvolsky intimated, however, that Russia would be placated by Austro-German pressure on Turkey to open the straits to the Russian Navy. (Gooch, Modern Europe, pp. 410–426. The great authority on the Bosnian crisis is Friedjung, op. cit., Vol. II.; see also E. Molden, Graf Aehrenthal; and Hoijer, Le Comte Aehrenthal et la Politique de Violence.)

Once Aehrenthal discovered that Russia would not be likely to object, he planned and carried through the annexation with a gusto that surprised and annoyed Izvolsky and led him to deny some of his earlier suggestions and assertions. The annexation was made feasible by the Young Turk revolution of 1908, which weakened Turkish resistance. Serbia protested sharply, but as she found herself deserted by Russia, in the end had to accede. We have entertained an altogether false notion as to the part of Germany in this transaction. The pressure which she applied to Russia was very slight. One of Izvolsky's assistants has gone so far as to hold that Germany's conduct in the circumstances was, in reality, a great favor to Russia. The "shining armor" statement of the Kaiser was merely a picturesque and bombastic mode of giving public notice of the firmness of the Austro-German understanding, not unlike Lloyd George's speech at the time of the second Morocco crisis. The annexation, however, created bitter feeling. Serbia never ceased from that time to plot against Austria, and Russian statesmen, not always fully informed as to how the annexation program was initiated, felt that Russia had been humiliated and discredited as the leader of the Pan-Slavic movement and "big brother" to the lesser Slavic States. (Gooch, Modern Europe, pp. 417–426; see list of authorities, p. 410, footnote 2.) Even more resentment was generated in official Russian circles over the failure to secure the opening of the straits, this proposal having actually been blocked by Great Britain. (Cambridge History of British Foreign Policy, Vol. III, pp. 404–405.)

Not even the treaty of 1910 with Germany over the Bagdad Railway was adequate to restore good relations. This Russian antipathy toward Germany was speedily recognized and eagerly exploited by the French nationalists and militarists, who were just then being united under the leadership of Poincaré. (The best presentation of the case against French militarism under Poincaré is contained in four one-sided books which need to be used cautiously, but have never been adequately refuted by Poincaré and his apologists. They are F. Gouttenoire de Toury, La Politique Russe de Poincaré; and by the same author, Jaurès et le Parti de la Guerre; F. Bausman, Let France Explain; and A. H. Pevet, Les Responsables de la Guerre. The documentary evidence on this point is assembled in Marchand, Un Livre Noir, particularly Vol. II; and the Siebert Documents (Entente Diplomacy).)

SERB INTRIGUE AGAINST AUSTRIA

Another crisis was precipitated in 1912–13 by the Balkan wars, and Austria was prevented from making war on Serbia only by the firm opposition of Germany. (This matter is most adequately analyzed in M. Montgelas's Leitfaden zur Kriegsschuldfrage, pp. 36–68, especially pp. 62–65.) As it was, Austria was able to block Serbia's attempt to gain access to the Adriatic by inducing the great powers to erect the abortive State of Albania. Serbia knew of the aggressive Austrian plans and was greatly incensed by the denial of a port on the Adriatic. Anti-Austrian plots increased in number with the growth of hatred for that State. In the spring of 1914 a plot for the murder of the heir to the Austrian throne was instigated and planned by one Col. Dragutin Dimitryevitch, chief of the intelligence bureau of the Serbian general staff, and a notorious plotter and assassin. He apparently lost courage at the last moment and tried to call off the execution of the plan when it was too late. (S. Stanojevic, Die Ermordung des Erzherzogs Franz Ferdinand. It appears that the plans for the assassination were due to the fact that the Russian general staff passed on to the Serbian general staff the incorrect information that in their visit of June, 1914, the Kaiser and Franz Ferdinand had agreed upon a joint Austro-German attack on Serbia.) This is a fact not known to Austria in 1914, though she suspected a Serbian plot and did her best to uncover it. She had no success, however, at the time. On July 13, 1914, Berchtold's private agent, Wiesner, reported after a thorough investigation at Serajevo that "There is nothing to prove, or even to cause suspicion of the Serbian Government's cognizance of steps leading to the crime or of its preparing it or of its supplying the weapons. On the contrary, there are indications that this is to be regarded as out of the question." Hence, our present knowledge of complicity on the part of certain Serbian military officials is in no sense a justification of the action of the Austrian Government in July, 1914. In fact, it was a knowledge of the apparent falsity of his specific charges against Serbia that made Berchtold determined to keep the matter from a European congress of investigation and mediation. On the other hand, there was ample evidence of dangerous and continuous Serbian intrigue against Austria, whatever Serbia's part may have been in the plot against Franz Ferdinand. The assassins of Franz Ferdinand were members of one of these anti-Austrian secret societies. (Sidney B. Fay, "New Light on the Origins of the World War," in American Historical Review, July and October, 1920, and January, 1921; July, 1920, pp. 634–635; Gooch, Modern Europe, p. 555; Friedjung, op. cit., Vol. III.)

In briefly summarizing the Austrian action and policy from June 28 to August 1, it is necessary to keep clearly in mind that though Berchtold, as foreign secretary, was formally responsible for the negotiations, he was but a figurehead. Szilassy, Kanner, and Hötzendorf have made it most evident that he was but a vain, lazy, weak-willed, vacillating tool, dominated entirely by the war party led by Hötzendorf, the chief of staff, aided and abetted by Forgách, Hoyos, Bilinski, Stürgkh, and by sympathetic or docile subordinate officials in the foreign office (J. von Szilassy, Der Untergang der Donau-Monarchie; H. Kanner, Kaiserliche Katastrophen-Politik; C. von Hötzendorf, Aus Meiner Dienstzeit, 1906–1918. Szilassy's book is much the most important as demonstrating Berchtold's nominal responsibility for Austria's policy in July, 1914, and the real responsibility of the Hötzendorf-Forgách crowd. Professor Fay, however, believes that the crisis of July, 1914, stiffened up Berchtold and made him more of an active and responsible person than was normally the case). It was at one time believed that Berchtold was urged on by Tschirschky (see the violent diatribe against Tschirschky by A. Dumaine, French ambassador at Vienna from 1912 to 1914, in his La Derniere Ambassade de France en Autriche. B. W. von Buelow, Die Krisis, pp. 55–56, gives ample evidence of Tschirschky's relative caution and timidity), the German ambassador at Vienna, but though Tschirschky was more belligerent, after July 5, than the Kaiser or Bethmann-Hollweg, he was so much more moderate than Hötzendorf and his group as to seem a pacifist by comparison (Fay, loc. cit. (July, 1920), passim, especially pp. 631–632 and p. 639, footnote 83).

Thoroughly at the mercy of the war party, and not reluctantly so, Berchtold drew up a letter to the Kaiser signed by the aged Austrian Emperor, Franz Josef, stressing the fact that unless vigorous action was taken against Serbia there was little hope that the Austrian Empire could be kept intact. This was delivered on July 5. The Kaiser expressed sympathy with and approval of the Austrian position as stated in the letter, gave assurance of German support, and declared it to be his opinion that it was improbable that Russia would take up arms in defense of Serbia. In the evening he talked over the matter with Dr. von Bethmann-Hollweg, the chancellor, and Dr. Zimmermann, the undersecretary for foreign affairs.

A FATEFUL DECISION

On July 6, as the Kaiser was leaving on his annual northern cruise, von Bethmann-Hollweg communicated to Szögyény, the Austrian ambassador at Berlin, the ominous decision as to Germany's position. It was as follows: "Austria may judge what is to be done to clear up her relation with Serbia; whatever Austria's decision may turn out to be, Austria can count with certainty upon it that Germany will stand behind her as an ally and friend" (ib., pp. 625–627; Gooch, Modern Europe, pp. 532–534). This crucial blank warrant was to prove the undoing of the dual monarchy and the German Empire. When it was too late, the Kaiser recognized the folly of such a commitment, and on July 30 exclaimed in desperation that he and Bethmann-Hollweg had been stupid enough to put their necks into a noose (Fay, ib., p. 628, and footnote 38), an expression of regret which was not duplicated by Poincaré or Grey when they found themselves involved by giving Russia a free hand in the Balkans.

These talks of the Kaiser with Szögyény, Bethmann-Hollweg, and Zimmermann and an unimportant brief conference with Falkenhayn, the Prussian minister of war, on July 5, constitute all there actually was of a "Potsdam conference," which, starting as a bit of wild gossip on the part of a waiter in a Berlin restaurant, developed into the luxuriant and voluptuous legend with which Ambassador Henry Morgenthau regaled the English-speaking world in 1918 (at least eight of the men specifically alleged to be present at Potsdam were not in that part of Germany on July 5, and some not in Germany at all). Before leaving, early on the morning of July 6, for his cruise, the Kaiser talked with army and navy officials to inform them of the possibility of war, but asserted that he did not think it sufficiently probable to warrant cutting short the furloughs of army and navy chiefs who were away on their vacations. Nor did he consider the situation serious enough to remain until the return of his Secretary of Foreign Affairs (Fay, ib., pp. 628–632; Kanner, Montgelas, and V. Valentin, Deutschlands Aussenpolitik, 1890–1918, demonstrate at even greater length the myth of the Potsdam conference).

AUSTRIAN MILITARISTS FOR WAR

The delay of the Austrians from July 6 to July 23 in sending the ultimatum to Serbia, originally attributed to the necessity, made clear at the "Potsdam conference," of having a couple of weeks to arrange the German financial and military situation for imminent and deliberate war, was actually due to the desire to get the report of Wiesner as to Serbian complicity in the assassination, the necessity of winning over Count Tisza, the Hungarian Prime Minister, to the war policy, and the decision to wait until President Poincaré of France had terminated

his visit to Russia. There can be no doubt, however, that the Hötzendorf group, with Berchtold as their mouthpiece, had determined upon war long before the delivery of the ultimatum of July 23 and irrespective of any reply which Serbia might make. The Austrian Army was promptly mobilized on the Serbian boundary on July 25, in the determination to forestall any attempt of intervention and arbitration. On July 28, in spite of the humble Serbian reply, which satisfied the Kaiser, von Bethmann-Hollweg, and von Jagow, Austria declared war on Serbia. There seems little probability, even if Germany and Russia had delayed their hostilities, that Austria could have been coerced into peace unless Germany had been willing to stand aside and let Russia make war upon her unaided ally. But there is no evidence that Russia was any more eager to make war upon Austria than upon Germany (Fay, loc. cit. (July and October, 1920), especially pp. 632–638. The most detailed and reliable treatment of Austrian diplomacy in July, 1914, is contained in the works of Szilassy, Kanner, and Valentin, and R. Goos, Das Wiener Kabinett und die Entstehung des Weltkrieges, the most voluminous analysis. Though German and Austrian writers, all four were noted critics of Macht-und-Realpolitik in their respective countries and their works are in no sense apologetic for those responsible for the Austro-German policy of 1914. No historian in any country has written more competently or objectively upon the origins of the war than Valentin, whose work is the best study we yet have of the diplomacy of Germany and Austria in 1914. He places the responsibility primarily upon Russia and Austria, in the order given). "The readiness of Austria," says Gooch, "for an eleventh-hour compromise, of which we heard so much at the beginning of the war, proves to be a legend" (Gooch, Recent Revelations on European Diplomacy, loc. cit., p. 18. For full details of Austrian duplicity see Fay, loc. cit. (October, 1920), pp. 45–49).

Though we must recognize the perverse, determined, and arbitrary action of Austria in this crisis, which unquestionably carries with it the ultimate responsibility for the outbreak of the European war, the historian must also point out that it was a life-or-death proposition on the part of Austria to crush the Serbian plots, however natural and just these may have seemed to Serbia. (Friedjung, op. cit., Vol. III; Hoijer, op. cit.). And, further, arbitrary and peremptory as the ultimatum to Serbia was, it certainly was not more so than our demands upon Mexico at the time of the invasion by the Pershing expedition, with no more justification. As Gooch has well put the matter:

> "It was natural that Austria should defend herself against the openly proclaimed ambition to rob her of Provinces which she had held for centuries. After the Bosnian crisis Serbia had promised to be a good neighbor; but she had not kept her word, and her intrigues with Russia were notorious. To stand with folded arms and wait till her enemies felt strong enough to carry out their program of dismemberment was to invite disaster, and the murder of Francis Ferdinand by Yugoslav assassins appeared to demand some striking vindication of the authority of the State. The ultimatum to Serbia was a gambler's throw; but to the statesmen of Vienna and Budapest it appeared to offer the best chance of escape from a terrible danger which was certain to increase and which challenged the existence of Austria as a great power." (Gooch, op. cit., p. 55.)

Germany: In regard to Germany, the first point to be kept in mind is the military tradition which she inherited from the Bismarckian era. The conventional notions in this matter are usually quite correct as to the absolute degree of German militarism, but they are, for the most part, grotesquely exaggerated as to its uniqueness and relative extent and aggressiveness. No doubt Bismarck did bully France somewhat during his chancellorship, but the French "Revenge" group was irreconcilable, and Paul Déroulède preached the crusade of revenge not only in France but throughout the Continent. There were as many in Germany who would have welcomed the conciliatory program of Caillaux as there were Frenchmen who gave him loyal support. Germany was well aware of the strength of the revenge motive in the Franco-Russian alliance. (A good description and criticism of militaristic Germany is contained in the book by the German pacifist, F. Foerster, Mes Combats a l'Assaut du Militarisme et de l'Imperialisme Allemand. On Franco-German relations see Gooch, Franco-German Relations, 1871–1914; J. Caillaux, Agadir: Ma Politique Exterieure; and P. Albin, L'Allemagne et la France. The most thorough study of German foreign policy is that by F. Rachfahl, Deutschland und die Weltpolitik, 1871–1914. For the pacific group in Germany see H. Wehberg, Die Fuehrer der Deutschen Friedensbewegung.) The Pan-German League, so much denounced during the war in fantastic books like those by André Chéradame and R. G. Usher, appears to have been little more than a small but noisy group of fanatical patriots and imperialists of little standing or influence in Germany. (For this statement I am indebted to the conclusions of the most thorough and scholarly study yet made of the Pan-German League in a doctoral dissertation about to be published by Miss Mildred S. Wertheimer at Columbia University.)

Germany's attitude toward Russia was determined primarily by the fact that she was the chief ally of Germany's inveterate enemy and the enemy of her main ally. There was some further mutual enmity based upon discriminatory tariffs and Russian opposition to German plans in the way of imperialism in the Near East. (Gooch, Modern Europe, pp. 501–525; Korff, op. cit.; A. Hedenstrom, Geschichte Russlands von 1878 bis 1918; R. Pohle, Russland und das Deutsche Reich.) Germany understood that her future security depended primarily upon maintaining the strength and integrity of the dual monarchy. Otherwise she would be wholly isolated and surrounded by hostile and powerful States. The ascendency of Austria in the Balkans was also essential to the plans of Germany for developing the Near East. Germany thus had a definite and direct interest in the suppression of so evident a menace to the permanence of Austria-Hungary as the rapid growth of Yugoslav nationalism. It should be pointed out, however, that up to 1914, in spite of opposition of interests, there was surprisingly little hostility on the part of Germany toward Serbia. As late as July 1, 1914, Tiesa complained of the Kaiser's partiality for Serbia. It was the horror at the assassination of a member of a royal family that turned the Kaiser against Serbia in 1914.

In order properly to understand the Kaiser's reaction to the murder of the archduke one has to combine with this general background his friendship with Franz Ferdinand, his recent visit with him, and, above all, the shock caused by the assassination of a member of a royal family, particularly one so close to the Hohenzollerns as the Hapsburgs. He had even been profoundly moved by the assassination of President Sadi Carnot, of France, in 1894, and of King Humbert, of Italy, in 1900. (The most detailed and accurate sketch of the Kaiser in relation to German foreign policy is contained in the five works by Otto Hammann, chief of the press bureau of the German Foreign Office: Der Neue Kurs; Zur Vorgeschichte des Weltkrieges; Um den Kaiser; Der Missverstandene Bismarck; and Bilder aus der Letzten Kaiserzeit.)

Whether he was right or wrong, it is therefore easy enough to see why the Kaiser should have been in a state of mind to regard the Sarajevo incident as a just basis for strong Austrian action against Serbia, even though it might lead to some possibility of a general European war. He had, however, the best of reasons for believing that the conflict might be localized to one between Austria and Serbia. He felt that the Czar should be as much startled and repelled as himself over the murder of Franz Ferdinand, and he had been assured by the Russian military attaché at Berlin that Russia had not been seriously disturbed over the aggressive attitude of Austria toward Serbia in 1913. In the face of these facts, it is not difficult to understand why the Kaiser should have been impressed with the letter of Franz Josef and, while still in a highly emotional state, should have given Austria a free hand with Serbia on July 5. It is equally clear, in the light of a full knowledge of the circumstances and consequences which we now possess, that it was a most foolhardy policy, which the Kaiser himself bitterly regretted before the month was over. (Fay, loc. cit. (July, 1920), pp. 626–629; Beard, op. cit., pp. 23–27. Valentin and Montgelas have explained in the most detail why the Kaiser did not continue his 1913 policy of restraining Austria. The most vigorous assault upon the Kaiser and his policy in 1914 has been made by K. Kautsky, Wie die Weltkrieg Entstand.) It must not be forgotten that in 1912 Poincaré deliberately, and with less justification in the way of a crisis, urged Russia to take a firm hand in the Balkans and assured her of French support to the full.

Though the general terms of the Austrian ultimatum to Serbia were agreed upon by the Austrian leaders on July 14, Berchtold deliberately withheld a copy from Bethmann-Hollweg and von Jagow, so that they did not obtain it until the evening of July 22, rather late to protest against its delivery. Both pronounced it too harsh and severe. Berchtold likewise held up the humble and conciliatory Serbian reply to the ultimatum, and the German Foreign Office first learned of its nature and contents through the Serbian minister in Berlin. The Kaiser, von Bethmann-Hollweg, and von Jagow were all satisfied with it and felt that it removed all cause for war between Austria and Serbia. (Fay, ibid., pp. 632–637. Tschirschky must have known of the contents of the ultimatum before July 23, and the responsibility for the ignorance of von Bethmann-Hollweg and Jagow may rest in part with him. See Gooch, Modern Europe, p. 542, note. There is little probability that Germany would have publicly protested in any event, because of the carte blanche to Austria. Bethmann-Hollweg might still have telegraphed a protest on the evening of the 22d.) The Kaiser commented upon the Serbian concessions as a great diplomatic victory for Austria: "A brilliant result for a time limit of only 48 hours. That is more than one might have expected. A great moral victory for Vienna; but with it every ground for war disappears and Gleichen ought to have remained quiet in Belgrade. In such circumstances I should never have ordered mobilization." (Fay, loc. cit. (July, 1920), p. 637, footnote.)

Bethmann-Hollweg and the Kaiser on July 27–29 endeavored to mediate between Russia and Austria, both on his own initiative and in cooperation with Sir Edward Grey, but the Austrian Government deliberately refused to answer their telegrams containing the sugge-

tion and offer of mediation. The real earnestness of von Bethmann-Hollweg in his effort to restrain Austria is well brought out in the following telegram sent to Vienna on the early morning of July 30 (Ibid. (October, 1920), p. 45):

"If Austria refuses all negotiations, we are face to face with a conflagration in which England will be against us, Rumania and Italy, according to all indications, will not be for us, and we shall stand two against four powers. Through England's opposition the main blow will fall on Germany. Austria's political prestige, the military honor of her army, as well as her just claims against Serbia, can be adequately satisfied by her occupation of Belgrade or other places. Through her humiliation of Serbia she will make her position in the Balkans as well as in her relation to Russia strong again. Under these circumstances we most urgently and emphatically urge upon the consideration of the Vienna cabinet the adoption of mediation in accordance with the above honorable conditions. The responsibility for the consequences which would otherwise follow would be for Austria and for us an uncommonly heavy one."

While Berchtold went through the form of laying this before Franz Josef, Forgách and Hoyos remarked to Tschirschky that any such proposal was a mere joke, in the light of the policy which Austria had determined upon and in which she was supported by the Austrian people.

As we have seen, the Austrian war party, this time determined not to be obstructed by Germany or any other outside power in their ambition to discipline Serbia, declared war on that country and then informed Germany that mediation or arbitration was out of the question, as war had already begun and the whole face of the diplomatic situation was changed thereby.

The Kaiser and Bethmann-Hollweg then devoted themselves to an effort to localize the conflict between Austria and Serbia, but they underestimated the Russian initiative and willingness for war, and their efforts failed. (Ibid., Gooch, Modern Europe, pp. 538–539, 544–545.) The victory of the military group at Berlin over the pacific chancellor was primarily due to the evasive conduct and duplicity of the Vienna authorities. Bethmann-Hollweg's program was discredited because he could report no progress on account of Berchtold's delays and deceit. The one real and complete test of the German desire to prevent a general European war was never allowed to come to a trial. If Russia had mobilized solely against Austria, and Germany, justified by Austria's duplicity and arbitrary action, had refused to join her ally, this would have been final proof of Germany's pacific intent.

Some have held that the German ultimatum to Russia demanding a cessation of mobilization was a rash and hasty move; counter-mobilization and a continuation of negotiations would have been a more moderate and judicious procedure. This is doubtless true from the standpoint of diplomatic negotiations, but from what we now know of Russian attitudes and Franco-Russian exchanges between July 29 and August 1, it seems perfectly clear that this would have had no significant results in avoiding the conflict, and from a military standpoint would have been a fatal strategic error. Russia was determined upon war, and Russian soldiers apparently invaded East Prussia before the expiration of the German ultimatum, though there is some evidence that Berlin was not fully informed of this fact. (Gooch, op. cit., pp. 547–549. Cf. B. E. Schmidt in American Historical Review, October, 1923, p. 137.) Once Germany was fully convinced that Russia meant war, her only sane procedure was to get into action as soon as possible against a much more powerful, but more ponderous enemy. At this point the control of the situation was taken out of the hands of the civil authorities and given over to the general staff.

It would, then, seem that the worst that can be said for the Kaiser and Bethmann-Hollweg is that they were both stupid, and, further, that the Kaiser was also far too hasty and impulsive in getting themselves into an inextricable hole by giving Austria a free hand in Serbia, but this is only what they have both admitted. That either had the slightest desire to bring on a general European war is not supported by a shred of evidence. Nothing could be more absurd than the old myth that Austria was about to give in on July 31 when Germany, alarmed at her signs of weakening, rushed in to prevent mediation and make war certain. (Fay, loc. cit., October, 1920, pp. 51–52; Gooch, op. cit., pp. 555–556. For the opinion of the English military attaché at Berlin as to the pacific nature of the Kaiser and his reluctance to sign the final mobilization order see the New York Times, March 30, 1924, Book Review section, p. 26. Two telegrams from von Moltke to Hötzendorf given in Volume IV of the latter's memoirs prove, however, the eagerness of the German general staff for war.)

It should further be indicated that it is obviously false to assert that 1914 was a peculiarly fortunate time for Germany to risk a World War, and that August 1, 1914, was "Der tag" long awaited. While further delay would have made France and Russia stronger in a military sense, Germany's Army and Navy increases were far from complete, and her finances were in a wretched state for war, as is shown by the many efforts in 1913–14 to sell foreign securities and get German gold back into Germany to guard against the emergency of a World War which the diplomats feared and the general staff hoped might be imminent.

Russia: Russian hostility to Germany actually goes back as far as the eighteenth century, though Bismarck did much to allay it. The Kaiser had turned away from Bismarck's Russian policy, and Russian hostility following 1910 was accentuated by the fact that Germany had all but conquered Russia economically. By 1913, 50 per cent of Russian imports were from Germany, and 35 per cent of her exports went to Germany. This amounted to four times England's trade with Russia and seven times the trade of France. Along with this went a tariff war, based on the discriminatory and differential tariff scheme common to European States before 1914.

Still further intensifying the Russo-German rivalry was the growing German domination of Turkey, which had become practically complete by 1912. The German grip upon Constantinople challenged the age-old Russian aspiration to control the Straits, and probably did more than anything else in the international situation to determine Sazonov's Balkan policy from 1912 to 1914, which was stiffened by the encouragement offered to it by Poincaré.

Russia had been disappointed and humiliated in 1908 as a result of the failure to secure the opening of the Straits as compensation for suggesting and acquiescing in the annexation of Bosnia and Herzegovina and because of her inability in the circumstances to stand forth in the rôle of the defender of Slavic nationalism which was more or less implied in her Pan-Slavic program. (Gooch, op. cit., chs. 12, 15. For a sympathetic study of Russian interests in Serbia and Yugoslav expansion see M. Boghitschewitsch: Kriegsursachen; cf., G. H. Trubetskoi, Russland als Grossmacht. It is worth while pointing out, however, that in the Three Emperors' Alliance of 1881 and 1884 Russia conceded to Austria the right to annex Bosnia and Herzegovina whenever she saw fit, but the Hungarians were opposed even to occupation at this time.) Her resentment was most opportunely exploited by President Poincaré of France. As Baron Korff points out in his judicious and moderate review of the second volume of Marchand's Livre Noir (American Historical Review, July, 1923, pp. 747–748.):

"We find new light thrown upon the pre-war attitude of France, strangely but constantly connected with one big name—Poincaré. Pichon, Barthou, and many other familiar names are frequently mentioned, but none seems to have played any such prominent rôle in the building up and strengthening of the Franco-Russian alliance as Poincaré; and besides, with a very evident object—steady preparation for the coming conflict with Germany. The reader will put aside this volume with the inevitable conviction that Poincaré long before 1914 had one idea on his mind, the war with Germany. * * * These documents give a most vivid picture of the French pressure exerted on Russia with that one object in view, a war with Germany. At times the Russians were even losing patience with the French, so little did the latter mind the Russian interests; they were willing to lend the Russians money, but only on condition that Russia would increase her army and build new strategic, but otherwise quite useless, railways."

Most significant is the fact that Poincaré in 1912, through Izvolsky, gave Russia a relatively free hand in the Balkans, promising unconditional French support if she was attacked by Austria or Germany. This was two years before the Kaiser's grant of similar freedom to Austria. It is quite apparent, however, from the recent French Yellow Book on Balkan affairs that Poincaré, in spite of his encouragement of a strong Russian policy in the Balkans, insisted upon knowing and approving all the Russian acts and policies, in order that France might not be drawn into any conflict which would not advance her general European interests. Among the more interesting of Izvolsky's communications on this point are the following (Beard, op. cit., pp. 24–27. Also Entente Diplomacy and the World, pp. 403–404, and New York Nation, October 11, 1922, pp. 363–365):

"The present Prime Minister and Minister for Foreign Affairs [Poincaré] is an exceedingly great personality and his cabinet shows itself as the strongest combination of power that has existed for a long period of years. * * *

"M. Poincaré told me that the French Government is first of all considering the question of possible international eventualities. It quite realizes that this or that event, as, for instance, the destruction of Bulgaria by Turkey or any attack upon Serbia by Austria, might force Russia to give up its passive attitude and take diplomatic steps, to be followed afterwards, by military measures against Turkey or Austria. According to assurances received by us from the French Government, we can in such a case count upon the most sincere and most energetic diplomatic support on the part of France. * * * If the conflict with Austria should result in an armed interference on the part of Germany, France would, as a matter of course, look upon this as a casus foederis and not hesitate a minute to fulfill its obligation toward Russia. * * * M. Poincaré further told me that, in view of the critical position in the Balkans, the highest authorities of the French military command are studying with increasing attention all possible military eventualities and it was known to him that expert and responsible personages held an extremely optimistic view of the Franco-Russian chances in case of a general collision. * * * It is for Russia, he remarked to me, to take the initiative in a question (the Austro-Serbian affair) in which she is interested above all others; while it is France's task to give her full and active support. All in all this means that if Russia makes war France will also make war, because we know that Germany will stand by Austria in this question."

That Poincaré, aided by Izvolsky's bribery of the French press, was successful in getting French opinion behind him is evident from the following telegram from Izvolsky to Sazonov (from the Livre Noir, Volume I, translated in the New York Nation, October 11, 1922, pp. 365–366):

"While not long ago the French Government and the press were inclined to accuse us of exciting Serbia and the dominant note was 'France does not wish to wage war for a Serbian port,' now, on the contrary, they look with astonishment and unconcealed apprehension upon our indifference to the fact of mobilization in Austria (against Serbia late in 1912). Not only are these apprehensions expressed by the French cabinet ministers; they penetrate also to the general public and into the newspapers of the most diverse political opinions; they are so lively in the French general staff that the minister of war felt it necessary to draw M. Poincaré's attention to the matter. * * * M. Georges Louis's telegram transmitting the reply of our general staff to General de la Guiche (of the French general staff) did not dissipate the astonishment of the French; they showed me the text of this telegram, according to which General de la Guiche was not only told that we considered Austria's arming only a measure of defense, but that in the improbable case that Austria should attack Serbia, Russia would not fight. This reply greatly astonished M. Poincaré and the other French ministers. * * *

"While attempting to maintain a favorable disposition among the members of the Government and in the political world I am also doing everything possible to influence the press. Thanks to careful steps taken in good time considerable results have been obtained.

"As you know, I do not intervene directly in the distribution of subsidies [to the French press], but this distribution, in which the French ministries of foreign affairs and of finance participate, seems to be effective and is attaining its goal. * * * In general, the Paris press of to-day is very different from that of 1908–9; I must call particular attention to the attitude of the Temps, which distinguished itself four years ago for its Austrophilism, but in the columns of which M. Tardieu is now energetically fighting against the Austrian policy. Count Berchtold and the Austrian ambassador at Paris have several times complained to M. Poincaré.

"In my discussions with French journalists I try particularly to persuade them that if Austria's arming and the demands of Austrian diplomacy bring on a general European conflict despite Russia's conciliatory moderation, war will be waged not for the private interests of Serbia or of Russia, but as a result of Austria's policy and Germany's support of it; these two powers seek to establish their hegemony in Europe and in the Balkan Peninsula. God be thanked, this idea is filtering more and more into political, military, and social circles, and lately I have not had to combat so much the idea that war might be imposed upon France for interests alien to hers as the fear that we might be too passive in a situation concerning the position and prestige of the Entente."

(See the New York Nation and the New Republic for February 6, 1924, for revelation of the details of the cooperation between Izvolsky and Poincaré in bribing the French press with Russian gold. Tardieu was prominent as a disbursing agent.)

How well Izvolsky, Poincaré, and the Russian militarists succeeded between 1912 and 1914 is obvious from the aggressive Russian attitude in the Serbian crisis in 1914. Poincaré was aided in 1913 by the substitution of the aggressive Théophile Delcassé for the pacific Georges Louis as French ambassador to Russia. Delcassé was replaced shortly before the war by Maurice Paléologue, an equally enthusiastic supporter of the Franco-Russian alliance.

An illuminating fact as bearing upon the Russian attitude in 1914, which has rarely been pointed out, is the meeting of the Russian Crown council late in February, 1914, to decide as to the best means of Russia's getting control of the straits. The conference came to the conclusion that it would not be wise to strike suddenly and unaided against Turkey, but that it would be the best judgment to await a general European war, when the British and French fleets could be relied upon to destroy or hold in port the fleets of Germany and Austria. Such a conflict was not deemed unlikely or undesirable. (Gooch, op. cit., pp. 520–521; E. Laloy, Les Documents Secrets des Archives du Ministere des Affaires Etrangeres de Russie, pp. 74–100; Montgelas, op. cit., pp. 72–74.)

We have already referred to the tense feeling in both Germany and Russia in the spring of 1914 as a result of this growing suspicion, fear, increase of armament, and tightening of encircling policies. The Austro-Serbian crisis in such a setting was extremely likely to prove fatal to the peace of Europe. The specific circumstances of Austria's conduct toward Serbia were, as we have noted above, peculiarly arbitrary, insulting, and atrocious, perfectly designed to provoke the Russian leaders like Sazonov to strong measures in the attempt to insure Serbia a fair chance to put her case before the great powers. It is difficult to understand how any fair-minded historian can fail to see why Russia felt justified in contemplating forcible intervention against Austria, even if the Kaiser had reasonable grounds for believing that she probably would not execute such action. Prior assurance of complete French support gave Russia courage in a determined stand. (Fay, loc. cit. (July, 1920), pp. 634–635; Gooch, op. cit., pp. 539–540, 546–547, 556–557. It could be held in 1920 that Sazonov, while thoroughly committed to the Russian ambitions in the Balkans and the Near East and to the France-Russian military alliance, was desirous of avoiding war and allowing Serbia to submit her case to the European powers. This view must be somewhat modified in the light of the suppressed telegrams in the Russian Orange Book, which reveal the fact that both Sazonov and Izvolsky were thoroughly aware as to what was going on in military circles in both France and Germany. Sazonov may have been more pacific than the army group, and at least went through the form of cooperation with Grey in the effort to submit the problems of the 1914 crisis to a European congress. See his unconvincing apology in the New York Times, May 11, 1924.)

RUSSIAN OPINION DIVIDED

Russian opinion and attitudes were apparently divided. The Czar was sincerely desirous of peace, but quite incapable mentally of envisaging the complex European situation and comprehending the full import of his own acts and orders. Sazonov, the foreign minister, though thoroughly committed to Russian imperialism in the Near East and the French military alliance, seems to have been willing to avoid war and secure the submission of the Serbian crisis to a congress of the great powers; he hoped for aid in this direction from Great Britain and was not disappointed. On the other hand, Grand Duke Nicholas, the minister of war, Sukhomlinov, and the chief of staff, Janushkevitch, with the militaristic and imperialistic group as a whole, were convinced that the Austrian ultimatum palpably and inevitably meant war, and believed that the sooner Russia recognized this and accepted the strategic implications and responsibilities the better. (Fay, ibid. (January, 1921), pp. 225–251; R. Honiger, Russlands Vorbereitungen zum Weltkriege. Sazonov's part in urging the Czar to order general mobilization may be explained on the ground that he believed that it would frighten Austria into a resumption of conversations.) "They felt," says Professor Fay, "that a war between Austria and Serbia was necessarily a war between Austria and Russia, and they had no doubt that Austria was about to begin an invasion of Serbia as soon as the time limit expired. * * * They were probably convinced that war was 'inevitable,' and that here was Russia's heaven-sent opportunity to have her final reckoning with Germany and to acquire Constantinople and the straits. Therefore the sooner full mobilization was declared the better." (Fay, ibid., p. 233. It is alleged by some writers that the Russian mobilization was planned from Paris by the French militarists in conjunction with Izvolsky, Sukhomlinov, and Janushkevitch. It seems that Paris and London knew of Russian mobilization long before the Czar was aware of it.) All important evidence which has come out since this was published in January, 1921, has tended to confirm Professor Fay's generalization. To the Russian military group the European war was really on from the moment of the delivery of the Austrian ultimatum to Serbia, and no amount of restraining and conciliatory efforts by Bethmann-Hollweg, Sazonov, or Grey would have been of any real avail. The Russian militarists, encouraged by the French, ran away with the situation in Russia in the same way that Hötzendorf and his followers were dominating the policy and producing the train of tragic consequences in the realm of the Central Powers. (Livre Noir, Vol. II, B. von Romberg (editor), Falsifications of the Russian Orange Book; also the references in the following footnote.) Izvolsky, the Russian ambassador at Paris, was thoroughly with the military group.

General preparatory military measures to aid Serbia were decided upon on the 25th, partial mobilization ordered on the 29th, and general mobilization on the 30th. It has been alleged that a false report of German mobilization published in the Berlin Lokal-Anzeiger on July 30, 1914, produced the Russian mobilization order, but this is palpably false. The Russians had determined upon and ordered general mobilization before they heard of this publication. (Montgelas, op. cit., pp. 178–180.) Much has been made of an alleged interception of an order of the Czar in answer to an appeal from the Kaiser directing a suspension of mobilization, but it now seems that the question is unimportant and that the Russian militarists were as determined to have

their way, regardless of the Czar, as the Austrian war party was to disregard the moderating and restraining influence of Germany after July 27. (Honiger, op. cit.; S. Dobrorolski, Die Mobilmachung der Russischen Armee, 1914, and Die Kriegsschuldfrage, January–February, 1924, pp. 18–21. I am indebted to Professors Shotwell and Fay for reports of conversations with Dobrorolski in the summer of 1923, in which he frankly stated that the Russian war office and general staff accepted the Austrian ultimatum as a declaration of war on Russia, and began steady preparations for war against both Germany and Austria. Nothing but a complete repudiation by Austria of her demands on Serbia could have held the Russians in check.)

Nor was there any effort of the French to curb Russia. The most that they did was to suggest to Izvolsky on July 30 that he telegraph his Government to be as secretive as possible in carrying on the mobilization, so that Germany could not publicly allege or prove Russian aggression. While the Russians were hypothetically mobilizing to prevent Austrian intervention in Serbia, the French were urging Russia to neglect Austria and concentrate her military activities against Germany. Proof of good faith in the Russian claim to be arming to protect Serbia would have been made if she had mobilized against Austria alone, but this was strategically impracticable. Knowing that Germany and Austria were closely allied, it would have been folly to move against Austria and leave her whole German flank exposed. Further, one must reckon with the fact that Russia was not aware or convinced of the actually serious efforts of Germany to check Austria, and with the further fact that Russia was being urged by the French to move primarily against Germany. (Falsifications of the Russian Orange Book (New York, Huebsch, 1923), pp. 45–61. This had always been a basic phase of French policy, going back as far as the 1892 negotiations preceding the Franco-Russian military convention.)

The German ultimatum and mobilization were inevitably produced by the mobilization of Russia.

As Fay says, "German mobilization was directly caused by that of Russia. In fact, it came rather surprisingly late. (Fay, loc. cit. (January, 1921), pp. 250–251.) On this ground Gooch holds that Russia must bear the responsibility for the actual outbreak of hostilities: "The World War was precipitated by the action of Russia at a moment when conversations between Vienna and Petrograd were being resumed, when Bethmann-Hollweg was at length endeavoring to restrain his ally, and when the Czar and the Kaiser were in telegraphic communication." (Gooch, op. cit., pp. 546–547. As a matter of fact, Austria had not been persuaded to resume conversations at the time of the Russian general mobilization.) This conclusion, to be significant, must rest upon the assumption that if Russia had undertaken only partial mobilization, and that against Austria alone, Germany would have exerted sufficient pressure on her ally to have led to an abandonment of the Serbian invasion and a submission of the dispute to a European congress. Whether or not she actually would have done so is one of the many interesting hypotheses connected with the outbreak of the conflict which can not be regarded as an assured fact. In a narrow and technical sense, however, it is entirely true that it was the Russian general mobilization which supplanted the state of diplomatic negotiations by the clash of arms. This is doubtless what Professor Gooch implies.

There has been much discussion as to whether the Russian general mobilization meant war, and whether Germany was justified in issuing her ultimatum ordering Russia to suspend mobilization. There seems no doubt on this point. The British ambassador to St. Petersburg warned Russia as early as July 25 that Russian general mobilization would mean war, and we know that both the French and the Russian military experts fully and frankly recognized this. This fact surely disposes of the allegation that from a military standpoint Germany should have contented herself with countermobilization. France and Russia both expected her to follow the Russian mobilization with a declaration of war. (Gooch, op. cit., pp. 546–547; Falsifications of the Russian Orange Book, pp. 50–76; Montgelas, op. cit., pp. 133–136.)

The one point in the whole situation here which has been most frequently ignored by historians is that Sazonov was certainly grotesquely exaggerating the actuality when he described the protection of Serbia as a life and death matter for Russia. No informed historian and political scientist could well deny that Austria had far more reason, from the standpoint of the realities in the defense of her national existence, in attacking Serbia than Russia had in the way of protecting her. In 1908 Russia had instigated Austrian aggression of a type nearly as serious as that contemplated in 1914; in 1912–13 she had not been seriously disturbed by Austrian threats against Serbia, and the fact that she directed a prominent part of her military action against Germany and not Austria indicates that she was not wholly absorbed in solicitude for Serbia. At most, it was only Russia's not wholly defensible or commendable aspiration for the hegemony of the Balkans which was at stake, while the very future cohesion of the dual monarchy depended upon a repression of Yugoslav nationalism. We are not, of course, necessarily arguing that Austria-Hungary should have continued to exist, but we can certainly forgive the Austrian and German authorities for believing that it should. One should keep in mind, however, Professor Schmitt's thesis that, even if the Serbian matter was not of crucial importance for Russia considered individually, it was of the greatest importance to the Triple Entente as a whole.

France: In regard to France, the analysis of the pre-war situation must begin with a recognition of the Franco-German psychology after 1871. France never forgave Germany for the humiliation of that period or for the annexation of Alsace-Lorraine. Germany recognized the intensity of French resentment and longing for revenge, and reciprocated by an overbearing attitude toward France. We must, however, free our minds of the illusion that France was in 1870 a terror-stricken victim of Prussian aggression. Even the two early French authorities on the diplomacy of the Franco-Prussian War, La Gorce and Sorel, frankly admit that Gramont precipitated the war and thereby played directly into the hands of Bismarck. (We must also free ourselves from the myth of the Ems telegram atrocity. In some ways it was even less insulting in the abridged than in the complete form. A more recent French account of the origins of the War of 1870 is P. Lehautcourt, Les Origines de la Guerre de 1870.) We should further dispel the mistaken notion that England and the United States were indignantly repelled by Prussian aggressiveness in 1870. The overwhelming majority of English and American opinion was unreservedly on the side of Prussia, which they believed was being wantonly assaulted by the most militaristic and warlike power in Europe. It is true, however, that the severity of Bismarck's terms alienated some of his British and American supporters. (C. B. Schieber, The Transformation of American Sentiment Toward Germany, 1870–1914; chap. 1; D. N. Raymond, British Policy and Opinion During the Franco-Prussian War.)

The spirit of revenge never died out in France, its chief apostles being Paul Déroulède, Maurice Barrès, and Léon Daudet, leaders of the League of Patriots and the Action Française. After the collapse of the Boulanger movement in 1889, and the discrediting of the militaristic clique in the Dreyfus case, however, the war and revanche fever abated for a decade, and certain French leaders, like Joseph Caillaux, endeavored to promote greater friendliness between France and Germany. This was made more difficult by the Morocco crises, and about 1909 the party represented by Caillaux began to lose its dominating position and was replaced by the advocates of a "strong France," prominent among them Poincaré, Delcassé, Millerand, Joffre, Jonnart, and Tardieu. Even Clemenceau, the original and veteran defeatist and antimilitarist, joined their group. In the words of the Abbé Dimnet, "France was herself again." This group was strengthened by the unquestionable increase of the power and vocal exuberance of the imperialistic and military party across the Rhine. (The works of Fisher, Gooch, Curtis, and Albin, as above. E. Dimnet, France Herself Again, is a sympathetic discussion of the nationalistic party after 1900. An extreme criticism is contained in Gouttenoire de Toury, Pevet, and Bausman as cited.)

FRENCH INCITEMENT OF RUSSIA

The point of concentration in diplomacy on the part of the Poincaré policy was Russia. (See above in the section on Russia.) The record of its nature is now available in the Livre Noir, and no reader of the documents can doubt that after 1912, at least, France was the moving and dominating spirit in the Franco-Russian alliance, and that she constantly worked to accustom Russia to the idea of a coming war with Germany and to its preparation. Russian sensitiveness concerning Austro-German policies in the Balkans and the Near East was ever stimulated by French warnings and suggestions. When the Russian Government, in 1912–13, seemed not to be greatly disturbed over Austria's menacing attitude toward Serbia, the French Government informed the Russian that it viewed this attitude with "astonishment and unconcealed apprehension." (New York Nation, October 11, 1922, pp. 365–366, Document XVI; Gooch, Modern Europe, pp. 515–520; Montgelas, Leitfaden zur Kriegsschuldfrage, pp. 72–74.) In 1913 France passed a bill providing for the largest standing army per head of population maintained by any major European State. From the documents now available it seems perfectly clear that by this time Poincaré, himself a Lorrainer, was willing to accept the first good opportunity for a European war as the means of restoring Alsace-Lorraine to France. (Marchand, Livre Noir, Vol. 1, pp. 35–39, 128–130, 148–150, 259, 345–347, 393, 419–437, 457–464, and Entente Diplomacy, Books II–III.) The allegation that he was eager to promote an occasion for such a conflict does not rest upon any such impressive documentary evidence, though informed persons will admit that the circumstantial evidence is impressive, and Poincaré has not attempted to clear himself by opening the French archives to historians. (The most serious accusation is that by Pevet, Les Responsables de la Guerre. Poincaré's defense is contained in his Origins of the War, which is rendered far less convincing by the subsequent publication of the Livre Noir and the Falsifications of the Russian Orange Book. The authoritative apology for the official French policy is contained in E. Bourgeois and G. Pages, Les Origines and Responsabilites de la Grande Guerre.) Probably the

most judicious and comprehensive summary of the primary importance of Poincaré in completing and stiffening the Franco-Russian alliance is the following by Professor Schmitt:

> "The credit belongs in the first instance to M. Raymond Poincaré, who became Premier of France in January, 1912. Under his masterly care Franco-Russian relations, which had become somewhat tenuous while one ally was absorbed in Morocco and the other in Persia and the Far East, were soon exhibiting the closest harmony. In the liquidation of the Tripolitan war and throughout the Balkan wars Paris and St. Petersburg devised and applied a common policy, carrying London with them, if possible. M. Poincaré repeatedly assured Izvolsky, now ambassador to France, that the Republic would fulfill all the obligations of the alliance; Izvolsky took the Paris press into pay to create a sentiment for Russia and to strengthen the position of the Premier, whom he recognized as most useful to Russia. The French statesman urged the Czar to proceed with the construction of strategic railways in Poland and sent Delcassé as his representative at the Russian court. The Russian ambassador, at least according to some persons, demanded that France revive the three years' military service. Then French and Russian general staffs in annual conferences perfected their plans for war, which were based on a joint offensive against Germany. A naval convention was concluded. Finally M. Poincaré went to Russia, and M. Sazonov, the Foreign Minister, expressed to the Czar his hope that "in the event of a crisis in international relations there would be at the helm in France, if not M. Poincaré, at least a personality of the same great power of decision and as free from the fear of taking responsibility." The elevation of M. Poincaré to the Presidency of the Republic in no way interrupted the newly developed intimancy. Indeed, from 1912 to the outbreak of the war the dual alliance presented a solid front at every turn to the rival diplomatic group."

FRANCE NOT AVERSE TO WAR

It is quite evident therefore that we must modify the view which was tenable before publication of the Siebert documents, the Livre Noir, and the Falsifications of the Russian Orange Book, namely, that the French Government was reluctant to contemplate the imminent approach of war in July, 1914. In 1920 Professor Fay could write:

> "As to France, however much she may have encouraged the Russian militarists in the months preceding the crisis by her adoption of the three-year term of military service, by her exchange of military and diplomatic visits, by her naval convention, by her jingo press, and by her close relations with England, and however much by these same measures she may have aroused the suspicions of Germany, there can be no doubt that when the crisis came she sincerely did her best to avert it. (Fay, loc. cit. (January, 1921), pp. 252–253.)

To-day we know that she did not do her best to avert it. If there was to be a world war which would lead to the recovery of Alsace-Lorraine and the humiliation of Germany, 1914 was a good year for France to risk it, for her leaders knew of the growing improvement of relations between England and Germany, and the loss of English aid would have been a far greater handicap to France than the incompleteness of her military increases in 1914. The French diplomats also feared lest England might grow more cautious after a crisis like that of 1914. The chief bulwark of the defense of pacific intent upon the part of France is the statement that on July 30 she ordered the withdrawal of her frontier troops to a point 10 kilometers (about 6 miles) back of the boundary in order to prove her lack of aggressive purposes and then awaited German attack. There are a number of considerations which make it necessary almost entirely to discredit this move as any proof whatever of a purely defensive attitude on the part of France. In the first place, the order was given on July 30, before Germany had taken any steps toward general mobilization and when she was doing her best to restrain Austria. By the 30th, however, France was fully aware of the fact of the Russian mobilization measures, and her "fear" of Germany must have been based upon her agreeable understanding that Russia proposed to continue her military preparations and that this would mean war with Germany. Further, this order, even if executed, meant no weakening of the French defenses. It was not uniformly obeyed and had no military importance whatever back of the Belgian and Luxemburg frontiers. Officers and soldiers were left in the border posts to watch and report the activities of the German patrols. Most important of all is the generally overlooked fact that while this withdrawal meant little or no military handicap to the French, even where actually executed, it was in many cases a real military advantage, as it allowed them to bring up to the 10-kilometer line many detachments that had been stationed farther back from the frontier and to carry out preparatory military measures back of this line with apparent innocence of any aggressive intent. (A complete refutation of this withdrawal order as a proof of French defensive humility is contained in Montgelas, op. cit., pp. 180–182, which on this point is absolutely conclusive.) On July 30 Izvolsky was telegraphing to Sazonov that the French Minister of War had suggested that Russia might verbally assure the other powers that she was willing to slow up her military preparations, but at the same time might well actually speed them up, provided that she kept her movements sufficiently secret so that the other powers, particularly Germany and Austria, would not discover her extensive preparatory measures. (Falsifications of the Russian Orange Book, pp. 50–64.)

In the light of this and other suppressed Franco-Russian telegrams during the last three days of July, 1914, the order for the withdrawal of the French troops fits in well with the general picture of the French policy as it emerges from the secret documents, namely, a firm determination on the part of the Poincaré clique to encourage and execute extensive military preparations on the part of Russia and France and a parallel effort to keep this decision as secret as possible so as to get military preparations far under way before their discovery by Germany, and also to avoid alienating the opinion of Grey and England. The one fact that stands out of the Franco-Russian exchange of late July and early August, 1914, more than anything else, is the ever-present fear of the French authorities that England would discover the aggressive attitude of France and Russia and become lukewarm or alienated from the Entente. As Izvolsky telegraphed to Sazonov, "It is very important for France on account of political considerations relative to Italy and most especially England that the French mobilization should not precede the German one but form the answer to the latter." (Ibid., pp. 64–65.)

The ordered withdrawal of the French frontier troops, then, would appear unquestionably to have served a dual purpose. It sufficed to dupe Grey and the English into accepting the fiction of a purely defensive attitude on the part of France and allowed extensive French military measures to be carried on secretly and effectively behind the 10-kilometer line. Instead of an obstacle to the French military preparations, then, it was a positive gain, while also serving as a diplomatic ruse. We have no means of knowing as yet the understanding reached by Poincaré and the Russians during the former's visit to St. Petersburg in July, 1914, a most crucial bit of information for assigning war guilt, but we have unanswerable documentary evidence that by July 30 France recognized that Russia had determined upon military measures which would lead to war, encouraged her in this decision, and gave assurance of complete French support as an ally while publicly approving Grey's honest attempts at mediation with Germany, Austria and Russia. (Ibid., pp. 50–76; Montgelas, op. cit., pp. 94–97, 125–132, 142–144. Though in some cases in this work Montgelas fails to consider evidence damaging to Germany, his presentation of the case for Franco-Russian duplicity in these pages is incontestable.)

MILITARISTS WELCOMED WAR

More damaging is the testimony as to the enthusiasm and fervor with which the French civil and military chiefs anticipated the approach of war. On July 29 Izvolsky telegraphed Sazonov that the army circles in France were in high spirits at the prospect of war, and that the French Government was suppressing antimilitaristic meetings. On July 30 he telegraphed that France had given full assurance that she would fulfill all her obligations as an ally of Russia, but suggested that Russian military preparations be sufficiently secretive so that Germany would not also be prematurely frightened into mobilization. On July 31 the German ambassador in Paris called on Premier Viviani to learn what attitude France would take in the event of war between Russia and Germany. Viviani refused to answer, telling the ambassador to come around the next day. Just after midnight, however, the French Minister of War told Izvolsky that the French Government had agreed upon war and hoped that the Russians would neglect the war with Austria and throw all their forces against Germany. "The French Minister of War disclosed to me with hearty, high spirits that the French Government has firmly decided upon war and begged me to confirm the hope of the French general staff that all our (Russian) efforts will be directed against Germany, and that Austria will be treated as a negligible quantity." (Ibid., pp. 44–61.) When to this is added the unbounded enthusiasm for war which the French ambassador at Petrograd, Paléologue, confesses in his diary we have to drop entirely the myth of a terrified and reluctant France, however much the pacific group in France may have been repelled by Poincaré, Viviani, Delcassé, and their policies. (M. Paléologue, La Russie des Tsars pendant la Grande Guerre.)

Of course, we must distinguish rather sharply between the attitude of the French people and that of Poincaré and his Government. There is no doubt that the French people were pacifically inclined and taken by surprise at the sudden outbreak of hostilities. The French people were happy in the middle of July, 1914, to see that the Serajevo incident had quieted down, but Russian gold still remained to induce the French press to stir the French citizens from their pacific complacency. In fact, it is necessary to go even further, and distinguish between Poincaré and his group and other members of the cabinet. Several members of the cabinet were Socialists or socialistically inclined and opposed to war. French foreign policy on crucial points in the critical period of July, 1914, was arbitrarily and

in some cases secretly handled by Poincaré, Viviani, and Messimy, in the Government, in cooperation with Paul Cambon, French ambassador to England (who made a semisecret trip to Paris late in July), and with Delcassé and Tardieu. Upon Poincaré himself must fall the major responsibility for the determination of French policy from June to August, 1914, as well as for the control of Franco-Russian relations from 1912 to 1914. In order to whip the citizenry of the Republic into line, the Government, by means of censorship and propaganda, carried on a vigorous campaign to convince the French people that they were being asked to support their Government in a purely defensive war in which the very existence of France was at stake. (G. Demartial, La Guerre de 1914. Comment on mobilisa les consciences.)

That France was not caught napping in the way of military preparations is proved by the fact that, though she officially took action toward mobilization on July 31, the five army corps on the frontier were announced as fully prepared for war on the next day. Further, Poincaré frankly admitted to Izvolsky that he hesitated to declare war on Germany because to do so would involve calling Parliament and a public debate, which he feared. He also delayed in order to complete French mobilization, and, quite obviously, not to alarm England and lose her support. Satisfaction was expressed when the Germans actually invaded France and eliminated the necessity for a debate on war. (Falsifications of the Russian Orange Book, pp. 58, 62–63, 68–76.)

Great Britain: England's foreign policy underwent notable changes between 1870 and 1914. Down to 1890 she had pursued a policy of isolation, except for a brief joint action with France in Egypt, and the Mediterranean agreement of 1887. The new German Kaiser turned toward England and away from Russia about 1890, and Germany and England were on good terms until the famous Kruger telegram of the Kaiser at the time of the Jameson raid. This, together with German commercial development and naval plans, and her Bagdad railway scheme, alienated England, and good feeling was not restored until June, 1914.

The failure of efforts to achieve amicable Anglo-German relations earlier than this, as Hammann and Valentin freely admit, was due chiefly to Germany, and particularly to Bülow and his anti-English bête noir, Baron von Holstein, whom even the Kaiser denounces in his memoirs. They discouraged the pacific English advances. Further, it was Bülow's and Tirpitz's foolhardy naval policy that did more than anything else to arouse English suspicion and throw Grey into relations of a more friendly sort with France and Russia. German sympathizers might, of course, point to the English rejection of German overtures at the time of the Haldane mission of 1912.

England had clashed with France in the Sudan in 1898, but astute French diplomacy had brought out of this impasse an understanding with England which ripened into an agreement in 1904 and was practically a defensive alliance by 1911. England and Russia had been traditional rivals over the Near East until they settled their differences by partitioning Persia in 1907, thereby paving the way for the consummation of the Triple Entente. (The latest authoritative history of British diplomacy after 1870, based on the new documents and relatively impartial, is contained in the Cambridge History of British Foreign Policy, Vol. III. It should be supplemented by such critical works as those by E. D. Morel and W. S. Blunt. The best book yet written in England on war origins is that by Lord Loreburn, How the War Came. It should be compared with the official apology in the work of H. H. Asquith, The Genesis of the War.) There is little doubt that Sir Edward Grey, in spite of his engagements with Russia and France, was really desirous of better relations with Germany. He was the only important European statesman who had a vision of a new European order. Loreburn's judgment is on some points too harsh.

BRITISH COMMITMENTS TO FRANCE

In dealing with the problem of England's position and procedure in the crisis of July, 1914, it should be pointed out that Sir Edward Grey occupied a position singularly like that of the Kaiser and Bethmann-Hollweg. Sincerely desirous of preserving the peace of Europe, he had, nevertheless, actually arranged to aid France in case of her being attacked by Germany, and had a less definite agreement with Russia concerning concerted naval action. There is no doubt that the Anglo-French agreement was less literally definite than Germany's carte blanche to Austria of July 5, 1914, but it was morally as definite and binding. It brought Grey into the same desperate situation as Germany, when he found himself, on August 1–2, 1914, unconsciously the victim of warlike aims and activities on the part of Russia and France. So firmly were the French convinced of the binding character of the English understanding that Joffre tells us that the French military details were based in detail upon the assumption of English aid. Professor Schmitt further points out that the language of the Anglo-French understanding is practically identical with the comparable clauses of the Franco-Russian alliance.

The Anglo-French agreement had never been revealed to Parliament or to some members of the cabinet. Its very existence had been denied by both Grey and Asquith in 1913–14. It was first confessed by Sir Edward Grey on August 3, 1914, when he was compelled to go before Parliament and plead for the support of France. (See the indictment of Grey on these points in Loreburn, op. cit., and E. D. Morel, The Secret History of a Great Betrayal.) Professor Beard thus describes the situation:

"When on August 3, 1914, the great decision had to be taken, Sir Edward Grey, in his memorable plea for the support of France, revealed for the first time the nature of the conversations and understandings that had been drawing the two countries together during the previous 10 years. He explained how the French Admiralty had concentrated its fleet in the Mediterranean and left the Atlantic coast of France undefended, and how, the day before, he had assured France that, if the German fleet came out, England would protect the defenseless ports across the Channel. He explained how naval conversations extending over many years had prepared for the immediate and effective cooperation of the two powers in case of war." (C. A. Beard, Cross Currents in Europe Today, pp. 30–31; Cambridge History of British Foreign Policy, Vol. III, pp. 466–470, 500–508.)

This announcement created considerable consternation in England, and led Charles P. Trevelyan, John Morley, and John Burns to resign from the ministry in protest.

England also gave Russia a favorable impression of her attitude in the event of a European war. Sazonov reported to the Czar in 1912 that on his visit to England Grey, the King, and Bonar Law assured him that cooperation with France and Russia in the event of war with Germany was the one point upon which all major parties in England were enthusiastically agreed. Of George V he said:

"With visible emotion His Majesty mentioned Germany's aspirations toward naval equality with Great Britain, and explained that in case of a conflict it would have dangerous consequences not only for the German fleet but also for German commerce, as the English 'would sink every single German merchant ship they got hold of.'" (Beard, ibid., pp. 41–43; Korff in American Historical Review, July, 1922, p. 797.)

Definite arrangements for a triangular naval cooperation in the event of war were secretly worked out between England, France, and Russia in May and June, 1914, a rumor of which greatly disturbed and alarmed German official circles. (Beard, ibid., pp. 45–50, 72–75; Cambridge History of British Foreign Policy, pp. 484–486; New York Nation, October 11, 1922, pp. 365–370, Documents XXI–XXV.) Not only had England thus prepared for naval participation against Germany; she had also worked out in minute detail the plans for sending troops to the Continent. Lord Haldane, who had been Secretary of State for War from 1905–1912, testified in 1919 that he had made every plan during those years for the transfer of troops across the Channel. Like the Prussians in 1870, when war was declared the English officials had but to sign orders prepared nearly a decade earlier.

Captured Belgian documents further reveal the fact that England had even discussed with Belgium the possibility of landing troops on Belgian soil in the event of a German invasion, but this proposal received little encouragement from Belgium. (Beard, ibid., pp. 50–55.) Finally, Winston Churchill, First Lord of the Admiralty, has told how, after 1912, when diplomatic relations between England and Germany were steadily improving, he became convinced that war with Germany was inevitable, and began in every way active preparations for it. The intellect of Churchill on the matter of war preparation seems fairly comparable to those of Hötzendorf, Janushkevitch, and Von Moltke. (W. S. Churchill, The World Crisis, 1911–1914.)

In spite of these preparations for war, no fair-minded student doubts Grey's sincere desire for peace in July, 1914, or the ardor with which he worked for mediation and delay of hostilities, within the limitations forced by his negative and vacillating character and his commitments to his allies. Probably the chief criticism which can be made of Grey's procedure after July 25 is his shiftiness and uncertainty and the fact that he did not warn Germany quickly and sharply enough as to what England's position would be in the event of an attack upon France. It would now seem that such a warning would have forced Germany into very strong measures against Austria and, perhaps, have averted the conflict. But we must remember that Grey would have faced a cabinet which might not have supported him in any such positive action. He was shamefully deceived by France and Russia, who had resolved upon war and were making military preparations at the very time when Grey was earnestly carrying on negotiations in good faith for delay and mediation. He was "double-crossed" by Grand Duke Nicholas, Sukhomlinov, and Poincaré in the same way that Bethmann-Hollweg and the Kaiser were by Hötzendorf, Forgách, and Berchtold. (Falsifications of the Russian Orange Book, pp. 44–76; Gooch, Modern Europe, pp. 545–546; Cambridge History of British Foreign Policy, pp. 486–504. For proof that Grey was not willing, however, to limit his ability to fulfill his obligations to the Triple Entente in the interest of peace, see p. 501. An acquaintance who has examined the unpublished Siebert documents assures me that my account above is too favorable to Sir Edward Grey, who should bear more of the burden of responsibility for the crisis of 1914 than I have indicated.) The telegrams in the Falsifications of the Russian Orange Book reveal Poincaré excessively fearful of offending England or allowing her to discover in any way the aggressive French and Russian decisions. He was equally eager to discover and play up any apparently aggressive German aims and acts. It is doubtful if Grey was thoroughly disillusioned about his deception until the publication of the secret Franco-Russian dispatches in 1922–23, and Mr. Asquith still seems to share the illusions of 1914 about the good faith of his allies. (H. H. Asquith, The Genesis of the War, 1923.)

Once Germany declared war on France, Grey was relieved from his embarrassment by the invasion of Belgium, but there is little doubt that England would have come into the conflict irrespective of this act, and there is equal reason to believe that Germany would not have invaded Belgium if England had given assurance of abstinence from hostilities on this condition. The millions of English and Dominion citizens who fell in the World War were the price paid for Grey's folly in allowing himself to be dragged into the service of Franco-Russian imperialism. (Recognition of Grey's pacific intent in 1914 does not carry with it, of course, a whitewash of British imperialism, but the problems of British rule in Egypt, India, South Africa, and Ireland are not a legitimate part of the chapter of history dealing with the war guilt of 1914.)

Italy: Much has been made by some of Italy's unwillingness to join with Germany and Austria in 1914 as a proof of her conviction of their perfidy, aggression, and war guilt. This argument possesses no validity whatever. Italy's joining of the Triple Alliance in 1882 had been an accident, due to temporary Italian pique over the French annexation of Tunis. (A. C. Coolidge, the Origins of the Triple Alliance; Pribram, op. cit.; Fuller, op. cit. It might also be pointed out that fear dominated Italian policy in 1882, as Italy actually expected a French attack at this time. Pribram suggests that an important factor was King Humbert's fear of socialism.) Austria was Italy's traditional enemy, and in due time the old enmity reasserted itself. Italian nationalism and imperialism embraced as a part of its program the recovery of Italia Irredenta from Austria, if not, indeed, the making of an "Italian Lake" out of the Adriatic. Such aspirations could, of course, only be realized as the result of a war with Austria. By this time the anti-French feeling had cooled considerably, and in November, 1902, Italy and France made an agreement not to make war upon each other, even if one took the initiative in declaring war upon a State allied with the other. This meant that the Triple Alliance was, unknown to Germany and Austria, but a hollow shell, so far as Italy was concerned, for a dozen years before the crisis of 1914. (Gooch, Modern Europe, pp. 68–69, 145–149, 346–347, 416–417; G. Gallavresi, Italia e Austria, 1859–1914; Mayr, Der Italienische Irredentismus.) Italy's participation in the war on the side of the Allies was purchased only by promising her the territorial cessions contemplated in the Italian nationalist program, and it was this dickering, more than anything else, which produced the notorious Secret Treaties of the Entente. (L'Intervenzione dell' Italia nei Document Segreti dell' Intesa.)

Belgium: Belgium comes out of the test of full documentary evidence as to her pre-war activities with a complete clean bill of health. The most that can be made out of her archives is that she feared an invasion by France as well as by Germany in the event of war, and that England had actually discussed the possibility of landing troops on Belgian soil, though she had not been able to secure Belgian consent to such a proposal. In 1912, however, Sazonov wrote the Czar that Poincaré told him very confidentially that England had agreed to send 100,000 men to protect the Belgian boundary against the German invasion of Belgium, which was anticipated by the French General Staff. As to whether France or England would have ultimately invaded Belgium as a mode of getting at Germany if Germany had not anticipated them is another fruitless hypothesis, but anyone who doubts that their morality was above such action should remember their willingness to sacrifice their ally, Serbia, to protect whom the war was originally started, in making Italy concessions in the secret treaties. If they had abstained, it would have been on grounds of expediency and the consequences of alienating neutral opinion, for which the Allies certainly had more fear, if not more respect, than the Central Powers. (This material is contained in the Schwertfeger collection.) The fact that there is no available evidence that France actually intended to invade Belgium in 1914 is no proof whatever that such plans did not exist in the secret files of the general staff. Indeed, we know that the French as well as the German general staff had considered the desirability of invading Belgium. The French authorities well recognized the opposition of England to the violation of the neutrality of Belgium, and the inevitable loss of a powerful ally by even suggesting such action clearly outweighed any strategic value in anticipating German occupation of Belgium. It is, of course, the merest nonsense to allege that the French and British officials and generals were paralyzed with horror and astonishment at the invasion of Belgium. They had expected it and had based their war plans for years on this assumption. The only thing which surprised them was the rapidity of the fall of Liege and Namur and the German advance.

IV. FINAL CONCLUSIONS

It should be apparent to anyone who has followed the analysis of the evidence of war guilt up to the present point that the scapegoat theory of complete, sole, and unique guilt on the part of Germany or any other single State can no longer be supported. Probably the majority of competent students would assign the relative responsibility for the outbreak of hostilities in about this order: Austria, Russia, France, Germany, and England. But who will say that any of the other States, if placed in Austria's position, would not have done much as she did? The United States took military measures against Spain and Mexico on infinitely slighter pretext, without any question of our national integrity being at stake. Our own diplomatic conduct with Spain in 1898 will as little bear close scrutiny as that of Austria with Serbia in 1914. And none of the Entente States can make too much capital out of the free hand given to Austria by Germany. This was exactly what France really extended to Russia in 1912 and what all members of the Entente insisted Russia should have in the Balkan and Serbian crisis of 1914. Neither France nor England made as vigorous efforts to restrain Russia in 1914 as Germany did to curb Austria. Deeper than any national guilt is the responsibility of the wrong-headed and savage European system of nationalism, imperialism, secret diplomacy, and militarism which sprang into full bloom from 1870 to 1914. And there can be no hope of permanent peace in Europe until it is freely and clearly recognized that it is this system which must be resolutely attacked through various forms of international cooperation and organization. The most judicious summary of the whole matter is the following from the pen of Prof. George Peabody Gooch, the most impartial and thorough chronicler who has brought together a comprehensive picture of the diplomatic history of the generation preceding the war:

"To explain the conduct of the different statesmen of Europe in July and August, 1914, is not necessarily to approve the policy pursued by them and their predecessors out of which the crisis arose. The root of the evil lay in the division of Europe into two armed camps, which dated from 1871; and the conflict was the offspring of fear no less than of ambition. The Old World had degenerated into a powder magazine, in which the dropping of a lighted match, whether by accident or design, was almost certain to produce a gigantic conflagration. No war, strictly speaking, is inevitable; but in a storehouse of high explosives it required rulers of exceptional foresight and self-control in every country to avoid a catastrophe. It is a mistake to imagine that the war took Europe unawares, for statesmen and soldiers alike had been expecting and preparing for it for many years. It is also a mistake to attribute exceptional wickedness to the governments who, in the words of Mr. Lloyd George, stumbled and staggered into war. Blind to danger and deaf to advice as were the statesmen of the three despotic empires, not one of them, when it came to the point, desired to set the world alight. But though they may be acquitted of the supreme offense of deliberately starting the avalanche, they must bear the reproach of having chosen the paths which led straight to the abyss. The outbreak of the Great War is the condemnation not only of the performers who strutted for a brief hour across the stage but of the international anarchy which they inherited and which they did nothing to abate." (Gooch, Recent Revelations on European Diplomacy, loc. cit., p. 29.)

Such, then, are the main results of the most recent research into the origins of the World War in the light of the documentary evidence made available in the past few years. The importance of the problem to-day is to be found in the undoubted fact that our attitudes with respect to desirable European policies are determined more than anything else by our views of the responsibility for the calamity of 1914.

PAY AND ALLOWANCES OF ARMY, NAVY, MARINE CORPS, ETC.

Mr. WADSWORTH. Out of order, I ask unanimous consent to report back favorably from the Committee on Military Affairs, without amendment, House bill 4820, to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and I submit a report (No. 594) thereon.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. WADSWORTH. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. The Senator from New York asks unanimous consent for the present consideration of the bill just reported by him. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ORDER FOR RECESS

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that when we conclude the business of the Senate to-day the Senate stand in recess until 12 o'clock to-morrow. Is there objection? The Chair hears none, and it is so ordered.

BEQUEST FOR SUMMER WHITE HOUSE SITE

Mr. BALL. Mr. President, I ask that the letter which I send to the desk may be read.

The PRESIDING OFFICER. If there is no objection, the Secretary will read as requested.

The principal clerk read as follows:

2905 GEORGIA AVENUE NW.,
Washington, D. C., April 21, 1924.

Hon. L. H. BALL,
United States Senate Office Building,
Washington, D. C.

DEAR SIR: Referring to your recent bill to create a National Capital park commission which, among other proposals contained therein, is one for the development of park boulevards on either side of the Potomac River, to extend, on the Virginia side to Mount Vernon, and, on the Maryland side along the bluffs to Fort Washington, I respectfully submit the following:

Within the past year there was bequeathed by the late J. Wilson Leakin, the sum of $200,000 for the purchase of a site for a summer White House to be erected in the State of Maryland.

The will provides that his offer be accepted by the United States Government within 18 months of his death, and that if this were not done, the money would revert to the Peabody Institute, which was made his residuary legatee.

No steps have been taken by the Federal Government to accept the money. Sites have been submitted but no final action has been taken and, unless this bequest is accepted by the coming June, the Peabody Institute will receive the $200,000.

I believe you will agree with me that the ideal location for this site should be on the Maryland shore of the Potomac River, directly opposite Mount Vernon, Va. It would be easy of access to the President via automobile or the U. S. S. *Mayflower*, the presidential yacht. It would always be a link, retrospectively, between the first and last Presidents of our country.

It would be within view of thousands of tourists who visit Mount Vernon annually, whereas the sites thus far proposed are devoid of sentiment or historical proximity; and, being near both Fort Washington, Md., and Quantico, Va., military guards from either of these stations could give it adequate protection.

Under any circumstances, it could be occupied from April until Thanksgiving.

If a summer White House can be located on the Maryland shore of the Potomac, directly opposite Mount Vernon, either by acceptance of the bequest herein quoted, applying it later for this purpose after the necessary land has been appraised, or by an independent appropriation therefor, your proposed riverside-park system will be splendidly balanced on each side.

May I ask your early consideration of this proposal on account of there remaining a trifle more than a month for the acceptance of the bequest herein mentioned?

I am inclosing copy of a letter sent to Senator FESS, referring to a bill by him to note the two-hundredth anniversary of the birth of George Washington. It is in harmony with your park plan and of interest to every citizen.

Very truly yours, PASCAL J. PLANT.

Mr. BALL. I ask that the letter be referred to the Committee on Public Buildings and Grounds.

The PRESIDING OFFICER. Without objection, it will be so referred.

Mr. BALL. I had the letter read merely to call the attention of the Senate to the fact that unless some action is taken by Congress between now and the middle of June, the bequest of $200,000 will go to the Peabody Institute.

ALIEN PROPERTY TRADE INVESTMENT CORPORATION

Mr. NORRIS. Mr. President, I ask unanimous consent for the present consideration of Senate Joint Resolution 121, Order of Business 541.

The PRESIDING OFFICER. The Senator from Nebraska makes a unanimous-consent request. Is there objection?

Mr. OVERMAN. What is the measure?

Mr. WADSWORTH. May the title be read?

The PRESIDING OFFICER. The Secretary will state the title of the joint resolution.

The READING CLERK. Joint resolution (S. J. Res. 121) to create a body corporate by the name of the "Alien Property Trade Investment Corporation."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. OVERMAN. Mr. President, I am not going to object to the present consideration of the joint resolution; I am inclined to support it; but it does seem to me that there is practically no one here, and that there ought to be a quorum present when the joint resolution is considered.

Mr. NORRIS. If the Senator desires it, I shall be glad to explain the joint resolution. I am not asking that it be passed informally. I am perfectly willing to take it up on its merits.

Mr. OVERMAN. I know that; but, as I have stated, there ought to be a quorum here. The joint resolution is a very important one. I do not object to its consideration, but I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Dill	Kendrick	Ransdell
Bayard	Edge	King	Reed, Pa.
Borah	Ferris	Ladd	Sheppard
Brandegee	Fess	Lodge	Shipstead
Brookhart	Fletcher	McNary	Smith
Broussard	Frazier	Moses	Smoot
Bruce	George	Neely	Stanfield
Bursum	Gerry	Norbeck	Stephens
Cameron	Harreld	Norris	Swanson
Capper	Harris	Oddie	Wadsworth
Caraway	Harrison	Overman	Warren
Copeland	Heflin	Owen	Willis
Curtis	Johnson, Calif.	Pittman	
Dial	Johnson, Minn.	Ralston	

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, a quorum is present.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. KING. I left the Chamber a moment ago, and the Agricultural appropriation bill was up for consideration. May I inquire now if that has been displaced; and if so, in what manner?

The PRESIDING OFFICER. It has been passed.

Mr. KING. I have no objection to its passage. May I inquire what measure is now before the Senate?

The PRESIDING OFFICER. We are acting under a unanimous-consent agreement, considering the joint resolution in charge of the Senator from Nebraska.

Mr. KING. Does the Senator ask unanimous consent?

Mr. NORRIS. Under a unanimous-consent request the Senate has before it now for consideration Senate Joint Resolution 121.

Mr. KING. Is that the joint resolution introduced by the Senator from South Carolina [Mr. DIAL]?

Mr. NORRIS. It is.

The PRESIDING OFFICER. And consent was given for its consideration.

Mr. KING. If I had been here, I should have objected to the consideration of the measure.

Mr. NORRIS. Mr. President, several Senators have asked, very naturally and properly, that the joint resolution now before the Senate be explained. Some Senators were of the opinion that an attempt was being made to have the joint resolution passed without due consideration. There is no such disposition whatever. We invite full consideration of the joint resolution. There is no disposition to pass it without proper consideration.

This is a joint resolution that has received the unanimous approval of the Committee on Agriculture and Forestry.

Mr. FLETCHER. Mr. President, I want to clear up this point——

Mr. NORRIS. If the Senator will let me explain the measure, perhaps I will clear up the point in the explanation.

Mr. FLETCHER. Perhaps the Senator's explanation will not touch the point I have in mind.

Mr. NORRIS. Perhaps it will not. Very well, I yield to the Senator.

Mr. FLETCHER. The question in my mind is whether this fund in the hands of the Alien Property Custodian will be

preserved so that it will protect the claims which American citizens have against the origin of the fund, against Germany, for instance. In other words, our people have certain claims, and we have always been told that they must look to this fund; and there was sufficient left in the fund after we had authorized the distribution of a certain portion of it, the Senator will recall, to protect those claims. Some of those claims have been filed, I presume, and are under consideration. The main point I want to be assured of is with reference to whether this fund will be available to protect the claims after it is used as may be provided in the pending joint resolution.

Mr. OVERMAN. I know the Senator from Nebraska is a brilliant lawyer, and has been a judge, and I would like to hear him on the question as to whether or not this is a trust fund which the United States is holding in trust, either to pay these claims or for the German nationals, as some people claim. That is a very interesting legal question, and I hope the Senator will give us his opinion upon it.

Mr. NORRIS. Mr. President, the Senator from Florida [Mr. FLETCHER] has anticipated me. Of course, what he asks is one of the things the measure must provide for, and one of the things that must be provided for before I would support any proposition such as involved in this measure. The Committee on Agriculture and Forestry were unanimous in that opinion. We have an amendment to this joint resolution which, in my judgment, completely protects the trust fund, as everybody, I think, feels it should be protected. I will refer to that just a little later.

There are some details to this joint resolution, and a corporation is to be organized under it, which will be able to carry out the objects of the measure, that there shall be taken from the Alien Property Custodian funds $150,000,000, with which money products in this country will be purchased and shipped to foreign countries whose nationals have title to the trust funds in the hands of the Alien Property Custodian.

Those products can be sold for cash or on time by the corporation, and provision is made for the taking of security, and so forth. All the money must be spent in this country, and it is contemplated that with this money agricultural products will be purchased, consisting of all kinds of grain and cotton and wool, perhaps. The sales must be made, however, in the country whose nationals own the property which the Government took during the war and now holds as trustee.

In order that there may be no question about the use of this trust fund, we have made no change in the law, because at the present time the Alien Property Custodian and other Government officials have invested parts of this fund in governmental securities. So they have been using the money to some extent.

We felt that the Government of the United States was bound in honor to hold this money for the benefit of whoever it might be later decided was entitled to it. So we amended the joint resolution so as to make it specific, and leave no question about it, that the Government of the United States guarantees that it will make up to the people entitled to the money, whether they be American citizens or foreigners, any money that may be lost by this operation I have briefly outlined.

Mr. BAYARD. Mr. President, is it not a fact that under the Alien Property Custodian law the Alien Property Custodian is bound to invest all the moneys resulting from the sale of properties in Federal securities?

Mr. NORRIS. Yes; I think it is.

Mr. BAYARD. So that he creates a trust fund under the law, and puts a trust upon those securities.

Mr. NORRIS. And the only guaranty that the cestui que trust has is that the Government of the United States will make good if there should be loss, and we do nothing more than that by this measure, except that we make a different kind of an investment.

Mr. BORAH. That is quite a different proposition, however, it seems to me, from investing this money in property which you are going to supply to people who will not be able to pay it back, in all probability, for the next 25 or 30 years. As I look at it, it does not make very much difference to the Government of the United States, if it is going to guarantee this fund, whether you take the property on hand that belongs to the alien property holders, or whether the Government supplies its own money. The Government goes into the business and takes the money out of its Treasury and sends this property over there. I do not know that it is a definite and final conclusion, but the fundamental objection I have to this measure is that this kind of a proposition means that if you are ever going to settle these claims of the alien property holders within any reasonable time at all, the Government of the United States will have to go down into its pocket to settle them, because the people to whom we are selling, if we ever collect it at all, will not pay it for the next 25 or 30 years. So what we are doing is to make it impossible to settle the proposition unless the Government of the United States takes the money out of its Treasury and settles it.

Mr. CURTIS. Mr. President, may I ask the Senator a question?

Mr. NORRIS. Let me answer one question at a time.

Mr. CURTIS. But my question would apply in the same connection and may save time.

Mr. NORRIS. Very well.

Mr. CURTIS. Is it not true that the Alien Property Custodian is settling these cases now every day?

Mr. OVERMAN. Only up to $10,000.

Mr. KING. And less than $50,000 in the aggregate.

Mr. BORAH. It is very unfortunate that he is not settling them every day.

Mr. NORRIS. If the Alien Property Custodian settles them, he has not any authority of law now to pay the money to anybody. Let me say first to the Senator from Idaho that if it be true that we throw this money away or make bad loans and lose it, we have to pay it, and if we are going to use it, we ought to be bound to pay it. The joint resolution provides that the products can be sold either for cash or on time, and that interest shall not exceed 6 per cent if sold on time, and the time shall not exceed one year. There is an international commission now sitting, provided for by the treaty with Germany, for the purpose of passing on the claims of our citizens and German citizens. They are liquidating them. They have proceeded to quite an extent. As to whether, when they get through, this money shall be used that we have taken from German nationals and Austrian and Hungarian nationals, and what it shall be used for, will require further legislation by Congress, even after that commission is through. One claim is—and as I understand it, the treaty with Germany provides that it can be done—that the money we have in the hands of the Alien Property Custodian shall be held as security to pay damages to American citizens brought about by Germany during the war, from submarine warfare, or, for that matter, any other kind of claim that an American citizen has against the German Government. These funds are held as security for that purpose.

Mr. BAYARD. Under the terms of the treaty?

Mr. NORRIS. As I understand it.

Mr. BAYARD. Is the Senator sure of that?

Mr. NORRIS. Yes; I think that is right. As I understand it, the treaty provides that Congress shall act on that matter. I may be mistaken about that, but it has not yet been determined. There are two classes of thought in the country, one whether we have an honorable right to hold the money that we have taken from German nationals to pay American citizens' claims against the Government of Germany. But we are holding it ostensibly for that purpose and until it is determined how much are the claims of American citizens against the German Government, nobody knows what the amount will be to pay. Of course, the German Government would be primarily liable, but ostensibly we are holding the money that we have taken from German nationals during the war by virtue of taking their property here, to protect American citizens who have claims allowed against the German Government by the international commission set up by the treaty, as I understand it, between our country and Germany.

Mr. OVERMAN. Not only the Versailles treaty, but the treaty with Germany provides that the fund shall go to pay those debts.

Mr. KING. No.

Mr. NORRIS. No; it will require the passage of an act by Congress before that can be done.

Mr. BORAH. It simply provides that the money or property shall be held.

Mr. NORRIS. To be held until Congress shall determine.

Mr. OVERMAN. That is right, but I am talking about the Versailles treaty.

Mr. NORRIS. There is a difference of opinion. Congress will have to decide when they get through with the work of the commission, which will take a little over a year yet to finish its work, and there will be a certain amount of claims allowed against the German Government then due to American citizens. Whether we should take the property of German citizens, which we took during the war, to pay the debts of the German Government to our citizens, is a question that must still be decided by the Congress, as I understand it.

Mr. OVERMAN. That is correct.

Mr. BORAH. Mr. President, I would like to ask the Senator a question, as I have to leave the Chamber. Does he propose to dispose of the joint resolution this evening?

Mr. NORRIS. I wish we could. It is in the hands of the Senate. I do not want to crowd anything or make any unnecessary speed in the matter.

Mr. BORAH. I do not want to interfere with the work of Congress because we have so little time left, but there is an exceedingly important question involved in the matter, and a question which, I think, goes to the very honor of the Government. Never, until we undertook to do so in this case, have we entered upon a policy in this country that would take the property of a people who came here and invested under American laws and under the American flag, and either squandered it, as we have a large portion of this fund, or used it to pay a portion of our debt. It is a vital proposition.

Mr. NORRIS. As I understand it, the question that the Senator from Idaho raises—and I think it is involved in the ideas of the Senator from Utah [Mr. KING], whose ideas in neither case am I trying to controvert now—is not raised in this situation. I do not believe that the question which he raises is involved in the pending joint resolution.

We do not in the joint resolution touch the question whether we shall use the money of German nationals to pay debts due from their Government to American citizens. That is not touched upon at all.

Mr. BORAH. But we are here by our process of legislation dealing with a trust fund in a way that no trustee ought ever to deal with the fund, in my opinion. It is dealing with it in a way that the very fact that we are taking their money instead of taking ours shows that we are not willing to take the risk with reference to our own money that we are taking with reference to theirs, but we are postponing the day of adjustment for those for whom we hold this fund.

Mr. NORRIS. I do not think we are doing either one of those things in the joint resolution. There is no postponement. They are not, as a question of law, using the money any differently from what we are using it now. We propose to invest it in a different kind of securities, and we now have on hand, from investments of this property in the Alien Property Custodian's hands, $27,000,000 of interest that has accrued since the Government of the United States got the property.

Mr. BAYARD. Mr. President, will the Senator yield?

Mr. NORRIS. Will the Senator pardon me just a moment? I want to make that point clear. We have already been using it, and the law under which we took it from those people provides that we shall, and we do it on the theory that the Government is liable for the money in any case as a matter of honor, is liable in any case to people who in the end it is determined own the money. If we were an individual and were going to use it, or the law provided we could use it, we would, of course, require a bond in order that it might not be lost; but nobody pretends and nobody believes that the Government of the United States is not good and that it needs to put up a bond when it handles this money. The joint resolution specifically guarantees all the money to all the claimants at the time they are entitled to it, and if we lose it by our investment we will pay it.

Suppose in the other investments we made that we invested in something and lost the money. Suppose somebody stole it out of the Treasury while we had it there, would anybody claim for a moment that the Government would not make it good when it was finally determined to whom it belonged?

But that question is undisposed of and is unsettled. It will require action by Congress to settle it. We do not anticipate that action, but we do know that before the commission is prepared to report a year will have elapsed, and we thought that with the products of the farm, cotton, wheat, corn, and tobacco, and without a market in this country, and with those people over there suffering for the very things that we have in abundance and which they are anxious to get, that we should carry out this plan. We believe that they are as anxious that we should do it as we are that it ought to be done.

I now yield to the Senator from Delaware.

Mr. BAYARD. I want to make this suggestion to the Senator. I do not think he has gone far enough back in tracing his history of the creation of the fund. We took the property, not under the law known as the Alien Property Custodian law but under international law, because we were at war with Germany. The Alien Property Custodian law was framed merely to have some one receive the property when we took it. Under international law we would hold the property, no matter whether the particular terms in the law were set up for the actual holding of it, until peace was declared and then would come the time for a distribution of the property to German nationals or any nationals, whoever they might be. Until that time arrives we handle the fund under international law and could not utilize it for our own nationals or for national operations. That has been the international law for many years.

The operation of the treaty with Germany made since the war has been to hold the distribution of that fund in abeyance, but not to apply it to any one object. The Senator's position undertakes to break two things; in the first place, international law as established and ratified in this particular proposition, and in the next place, the very terms of the act which took the property, and particularly the moneys arising from the sale of property, and invested them directly in a specific thing, and we can not do it by the present law. That could not happen under the terms of the law which was passed in contemplation of the existing situation. In other words, as I see it, the Senator is taking a trust created under international law and by Federal statute and tearing it into little pieces.

Mr. NORRIS. I would be the last man—and I think I speak for all those who have had anything to do with the contemplated legislation—to violate a pledge that I thought our Government owed, even though there was no law for it, to the amount of a penny. As I said a while ago, we are already using this fund for investment. We could not do it under the existing law in the manner proposed in the joint resolution.

Mr. BAYARD. But do we not account for the income?

Mr. NORRIS. That is the reason why we are trying to enact a law to broaden the scope of the investments.

Mr. BAYARD. But do we not account for the income and put it into this fund?

Mr. NORRIS. Surely we do, and we are going to account for all the income here. To show that we have been using this fund, we have not locked it up and kept it idle, and nobody would want us to do so. Those who will own the fund in the end would perhaps criticize us when they get the money, for they would say, "You have had it for 10 years and have not done anything with it. Our money has been idle. There were plenty of investments you could have made without loss. You ought to have done it and given us the benefit of it." We have been investing it and made a profit on the investment now of $27,000,000.

Mr. BAYARD. That is for the bnefit of the cestuis que trustent.

Mr. NORRIS. Surely. Of course there will arise another legal question as to who will be entitled to the interest, because it may be a question as to whether the Government of the United States is liable for interest. In my judgment every penny of profit that we make out of this money, either under existing law or under the pending joint resolution, must in honor go to those whose money and property we have taken. We must give them every cent of it, and must not in any way profit a single penny. There is no theory of making any profit in this contemplated legislation.

Mr. FLETCHER. Mr. President——

Mr. NORRIS. I yield to the Senator from Florida.

Mr. FLETCHER. I want to ask the Senator if he can state approximately the total amount of the fund now?

Mr. NORRIS. The amount is stated in the hearings, but I have forgotten exactly what it is.

Mr. DIAL. If the Senator will allow me, I will say that it is about $180,000,000.

Mr. NORRIS. I am told that it is about $189,000,000.

Mr. FLETCHER. I thought it was $400,000,000.

Mr. NORRIS. Some of the smaller funds have been returned.

Mr. FLETCHER. And the Senator proposes to use $150,000,000 of the $180,000,000?

Mr. NORRIS. Yes; we do not propose to take it all.

Mr. FLETCHER. I must dissent from the idea that this fund should not be used as a protection to American claimants. For instance, take the case of an American citizen who owned a vessel which he sent to Germany to procure a cargo of potash. The potash was loaded onto the vessel in Bremen before we became involved in the war, but the German Government seized the vessel and cargo and appropriated it. That claim ought to be paid by somebody—not by an insolvent, bankrupt concern—and if the United States Government has the money in its possession it ought to protect its citizens in a case of that kind.

With reference to the source of this money, take the case where the Kaiser himself and the Crown Prince owned real property, saw mills, and similar property, which was sold and constitutes a part of this fund.

Mr. NORRIS. I shall want to call the Senator's attention to that in due time when the question comes up properly before the Senate for decision. I expect to participate in the debate on it, but I should dislike to see the debate on this joint resolution go off on that question, because it is not involved in this proposed legislation. The particular joint resolution that we have now before us does not pretend to settle that question. The Senator has given his views on one side of the question, and the Senator from Utah [Mr. KING], who stands by his side, is very emphatic in his belief on the opposite side. The Senator from Idaho [Mr. BORAH] is with the Senator from Utah, but I want to call the attention of Senators to the fact that the question is not settled in this proposed legislation; there is no attempt to settle it; and the joint resolution, if passed, would not hinder its settlement. It may be made at any time; no, not any time; I ought not to say that, because the commission passing on these matters will take a year yet before they will get through. The only question now involved is whether or not the Government of the United States shall handle this money so as to help both its citizens and the citizens of Germany and Hungary and Austria. Most of it, of course, as we know, will go to Germany.

Mr. KING. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. I yield to the Senator from Utah.

Mr. KING. Before we leave the point which was suggested by way of illustration by the Senator from Florida [Mr. FLETCHER], I wish to make one observation, with the Senator's pardon, in reply. The Senator from Florida indicated that because the German Government had seized a boat containing potash which belonged to American citizens and had confiscated it, therefore the Government of the United States ought to seize the property of German nationals invested in the United States under the sacred guaranties of treaty, to say nothing of international law, and apply the property of German nationals invested here under the protection of a treaty to the liquidation of claims of American nationals against the German Government.

I suggest to the able Senator from Florida that Mexicans have killed 800 Americans during the past few years; they have destroyed the property of American citizens to the extent of more than $300,000,000. There are hundreds of Mexican citizens living in the United States—many of them in California, many of them in New Mexico, many of them in Texas. They have valuable property. Shall our Government lay its hands upon the property of Mexican nationals who have invested in the United States?

Mr. BROUSSARD. But we are not at war with them.

Mr. KING. I will answer that suggestion in a moment. Shall our Government lay its hands upon the property of those Mexican nationals for the purpose of liquidating the claims that American nationals may have against the Mexican Government? Such a doctrine is intolerable, Mr. President. Even in the Dark Ages they would scarcely have proceeded so far.

The Senator from Louisiana [Mr. BROUSSARD] has suggested that we are not at war with Mexico. However, I shall pretermit any argument upon that point, because I am now trespassing upon the time of the Senator from Nebraska [Mr. NORRIS].

Mr. FLETCHER. The cases are not parallel at all. The people who went down to Mexico took their chances in Mexico; but here there is a different situation. When the Kaiser of Germany himself and the crown prince own property in the United States as a part of this fund, the Senator can not tell me that it is not ethical and proper that all legitimate claims of citizens of the United States should be protected by it.

Mr. KING. Any property of the German Government, of course, may be taken; I have no objection to that; but I am speaking about German nationals, and the Senator from Florida certainly understood that I referred to them.

Mr. NORRIS. I think I understand the Senator's position clearly; but, Mr. President, I want to repeat that I hope we shall not enter into a debate on that question. I myself have decided opinions upon it, but it is not involved in this proposed legislation. We shall, however, have to settle that; the Senate has got to thrash out that question.

Let me say, Mr. President, that when this proposal was first suggested to me I turned it down flat, because I said, "Why, this is a sacred fund; we can not do it." When I commenced to look into it, and we commenced to have hearings and commenced to consult with the officials of the Government and the Alien Property Custodian, I came to the conclusion, as did the entire committee, that there is not involved any new principle but merely a different use of the money. We had before us attorneys and persons having claims against the German Government amounting to many millions of dollars; American citizens whose property had been destroyed, whose ships had been lost or cargoes sunk. They were all frightened. Word got out in some way or other that we were going to take this money, which they looked upon as the Senator from Florida does. They regarded this fund as belonging to them, to guarantee the damages which they may establish before the commission as to their losses occasioned by the German Government, and they were all frightened, as they thought we were going to take it away; but when we gave those people to understand that no measure would come out of the committee that did not afford a guaranty by the Government of the United States against any loss that might be sustained, and the payment of that loss to whomsoever might be found later to be entitled to it, their objections vanished like the wind.

Mr. BROUSSARD. Mr. President, may I ask the Senator a question?

Mr. NORRIS. I yield.

Mr. BROUSSARD. May I inquire of the Senator what security is provided for these loans or advances?

Mr. NORRIS. The corporation proposed to be set up can take any security that it deems sufficient. It is given powers in that respect similar to those of the War Finance Corporation, as the Senator from Mississippi [Mr. HARRISON] suggests. We expect that the corporation will sell these products, but not always, of course, on time.

If the Senator will pardon me, I will refer for just a moment to cotton, in which he is so deeply interested and upon which he has so much information. We were informed that in Germany there was a provision of law by which a lien attached to property purchased that would follow the property through to its manufactured stage. The joint resolution provides that, if there is such a law and the product is sold on time, as one of the methods of security, when cotton is shipped to Germany and made into cloth the corporation would have a lien on the cloth itself after it was manufactured. We have not tried to hamper the corporation. We want to give it the same freedom that an individual would have. We have imposed no limitation except that the time shall not be more than a year, and that the interest shall not exceed 6 per cent.

Mr. SMITH. Mr. President——

Mr. NORRIS. I yield to the Senator from South Carolina.

Mr. SMITH. My understanding, from the discussion of this question before the committee, was that it was not a question of settling any of the disputed points that were raised by the Senator from Utah and the Senator from Florida.

Mr. NORRIS. Oh, no.

Mr. SMITH. But it was simply proposed to use as an investment the fund that we have and that was likely to remain in our hands and secure that without any reference to what ultimate disposition our Government might make of it in the settlement with the other nations; that we would simply use it in the meantime, while the adjudication was going on, for the purposes set forth in the joint resolution.

I notice that the Senator from Utah takes one side of the question as to whether the acts of the Government of Germany should affect the property of German nationals in this country. That question does not enter into the measure that is before us at all. The questions involved are not likely to be settled within a given time, and within that given time we propose to use the money for the best interests of this country and the other countries. That is my understanding of the entire measure. It constitutes no attempt to settle or to prejudice any question that may arise under the final adjudication of the controversy.

Mr. BAYARD. Mr. President——

Mr. NORRIS. I yield to the Senator from Delaware.

Mr. BAYARD. The Senator from South Carolina suggested the use of the fund not for German nationals but for American nationals. What right have American nationals to this trust fund? It has been created purely for German nationals.

Mr. SMITH. But, if the Senator from Nebraska will allow me to answer that question, we have the fund here, and if we can use it as an investment and incidentally help our nationals why should we stay our hands in the meantime? If we thereby can render more service to those who ultimately will get the money, what objection can the Senator have to that?

Mr. BAYARD. Frankly, I have objection because I never understood it to be proper that a trustee should invest his ward's money in his own affairs, and that is what we would be doing in this instance.

Mr. SMITH. If the trustee in investing this money incidentally can help himself without any infringement of the law and thereby greatly enhance the funds he holds for the cestui qui trust, I think he would be justified in doing it.

Mr. BAYARD. Does not the Senator consider—he stated a moment ago—that this fund was created under international law to start with, but was segregated under a Federal statute?

Mr. SMITH. Under the law we invested it.

Mr. BAYARD. For whose benefit? Not for the benefit of ourselves.

Mr. SMITH. Suppose we invested it for the benefit of Germany and we found a method by which we could more advantageously use the fund for Germany and incidentally help ourselves; I should like to know what valid objection the Senator could have to that.

Mr. BAYARD. I think that the incidental purpose is the object of the entire proposal.

Mr. SMITH. That is an inference the Senator may draw.

Mr. BAYARD. I do not think it is an inference. I think it is a fact.

Mr. SMITH. But the parties in interest were the ones who suggested the use of the money in this way.

Mr. NORRIS. Mr. President, before I yield further I wish to say just a word in regard to what the Senator from Delaware has said in his colloquy with the Senator from South Carolina. I do not know whether the Senator from Delaware understood it, but I have tried to state before that the money that will be taken from this fund, if this joint resolution shall be passed, will be used for the purpose of buying products of this country and selling them to the nationals of the country whose property goes to make up the Alien Property Custodian's fund.

Mr. BAYARD. I understand that thoroughly, but that does not cast any cloud over my vision when I see the real purpose of it, which is to buy products of this country to help people out who have no other market for them and to utilize this fund to establish a trade with Germany. The point I have in mind is that it is not, as I see it, a proper use for trust funds, and I conceive these to be pure trust funds.

Mr. NORRIS. In the case of a trustee who had money belonging to a ward, for instance, he would not have any authority to use it for such a purpose unless he secured express authority from the court that had control of it. We can not see how anybody having claims against Germany, or any German nationals whose property we have taken and converted into this fund, can complain, because the only security any of those people have is the Government of the United States, and this measure does not take away that security. They do not object, as far as I know. Neither the German nationals in the German part of it object to this measure, nor do those who have claims against the German Government, and who expect to get their pay out of this fund, object to it.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Massachusetts?

Mr. NORRIS. I do.

Mr. LODGE. What I desire to ask the Senator has no reference to the merits of the claim at all, but is simply as to the fund.

The fund, as the Senator from Delaware [Mr. BAYARD] has pointed out, is a trust fund. It is recognized in the treaty of Versailles, and it is in our hands as trustees. Part of it, I suppose, will be returned to the Germans from whom it was taken in time of war. The bulk of it is mortgaged, we may say, so far as necessary, to pay American pre-war claims for damages; and all the fund is, therefore, covered.

We can take this money out of the Treasury, of course, and I think that is what we ought to do if we are going to pass the joint resolution; but it does not seem to me that we ought to take a trust fund which is assigned to certain uses; and we shall be liable for that fund, of course.

Mr. NORRIS. Of course. Nobody disputes that.

Mr. LODGE. Then why take it? It is going to be the obligation of the United States.

Mr. NORRIS. Because we do not increase our liability, and, as I said awhile ago, we are already doing it with the same fund, and we have already made $27,000,000 profit on our use of this fund.

Mr. BAYARD. That is very true; but we are utilizing that and holding it and rolling it over for the benefit of the German nationals from whom we took it.

Mr. NORRIS. Exactly; and we will get interest on this. The only difference is that it will be a larger rate of interest.

Mr. BAYARD. But we are not abusing our trust in so doing, and the point made by the Senator from Massachusetts a moment ago is that all the way through this thing is a trust fund. That is what we can not get away from.

Mr. NORRIS. I admit it; yes.

Mr. BAYARD. All right. Now, the minute we depart from that, the point I am trying to make to the Senator from Nebraska is this: That being a trust fund, and we happening to hold it, is no excuse to us, because we happen to hold it, for using it for other purposes than the trust.

Mr. KING. That is a conversion.

Mr. NORRIS. I admit that. We are liable for it. If we lose it, we shall have to make it good.

Mr. BAYARD. But the mere fact that we have it should not make us use it.

Mr. NORRIS. We invest it here in Treasury certificates. We invest it in other kinds of securities, I understand.

Mr. LODGE. Chiefly Government securities, absolutely safe.

Mr. NORRIS. Suppose we invest it here, and suppose somebody steals it. We are liable for it. It is in our hands as a trust fund, and we must make it good; but the difference here is between investing it in Treasury certificates and investing it in a security that this corporation shall take from the people who buy the products. That is the difference.

Mr. KING. Mr. President, the Senator has alluded several times to the fact that we have obtained $27,000,000 of interest as a result of investment of this trust fund. The implication from his remarks was that we were doing a favor to the German nationals whose property we had sequestrated and converted. The Senator remembers that much of that property was highly productive——

Mr. NORRIS. Oh, yes; I know that.

Mr. KING. And that it was sold under the hammer at disadvantageous prices——

Mr. NORRIS. I admit all that.

Mr. KING. And that German nationals sustained enormous losses by reason of our conversion.

Mr. NORRIS. I believe all that is true. I am not contradicting that at all.

Mr. KING. So we are doing them no service, because we are getting 4 per cent interest upon property which perhaps would have returned them 10 or 12 per cent or more, because much of it was invested in profitable business enterprises in the United States.

Mr. NORRIS. I am not claiming that if we had not taken the property they would not have made more money out of it than we have made. The Senator is making an argument here that applies to the beginning of this thing, when we took the property. I am not going into that question. That has two sides. That is not interfered with by this legislation; but if we had taken that property and never invested a dollar of it the amount in the hands of the custodian to-day would have been $27,000,000 less than he has; so that it is a favor to the people who are going to get this money, whoever they may be, that they are going to get more than we took of them. That may not compensate them for the loss sustained by our taking, which for the purpose of this measure we may admit was wrongful in many cases.

Mr. BAYARD. Then, following out the Senator's argument, we arrive at this conclusion: That a trustee who lets trust funds lie idle is an ordinary trustee and can do nothing more than administer the terms of the trust as originally created; but the trustee who would advance his ward's interests by investing the money and getting a high rate of interest and turning over the income, and so forth, then becomes a privileged person and can do what he pleases with the trust funds, as long as he guarantees to make good in the event of failure or loss of the trust funds.

Mr. NORRIS. Oh, yes; I say we are simply changing the form of the investment as far as the property involved here is concerned. The Senator from Utah, however, has intimated that because we have made $27,000,000 on this fund that was not to our credit. However much there may be to our discredit in taking it—I am not saying that there is anything; but however that may be, for the sake of the argument admit it—we have done some good to the people whose money we hold, whether we get it honorably or otherwise, by increasing it $27,000,000.

If we had invested it and lost it, we would have had to sustain the loss. We will have to do that here. There is only a difference in the kind of security, whether you invest the trust fund in a note secured by a mortgage on cotton or whether you invest it in a bond secured by a municipality.

Mr. BAYARD. Or secured by the credit of the United States of America, which is a very different thing.

Mr. NORRIS. In no case do we get away from the credit of the United States of America.

Mr. LODGE. Mr. President, I just want to call the Senator's attention to this, if he will allow me:

This is admittedly a trust fund. It is generally understood that the first duty of a trustee is to invest in very safe securities. If I am rightly informed about this fund, it is invested in the safest possible securities, chiefly in Treasury certificates or United States bonds. We are taking it out of that type of investment and putting it into a more or less speculative investment.

Mr. NORRIS. I would not call it speculative, but I admit, I will say to the Senator——

Mr. LODGE. It is an active business.

Mr. NORRIS. I admit that we are going to put it into a kind of investment that is not as good as the kind of investment it has been in before. I admit that; but this is what I want to make plain, and what it seemed to me the Senator from Delaware had not gotten right in his mind:

The difference in the kind of investment is only a difference in the degree of investment. The principle is just the same in one case as in the other. If the trustee was not financially able to make good in case he lost, then the person who would ultimately be entitled to this money ought to be heard to object; but nobody contends that.

Mr. BAYARD. Then may I answer that proposition of the Senator by repeating the same reply I made to the Senator from South Carolina a moment ago, and that is this: You can not deny that you have in mind a benefit for persons other than the beneficiaries of this trust.

Mr. SMITH. Only incidentally.

Mr. BAYARD. In other words, you have in mind the benefit of the people in this country who will sell their goods to the German nationals and get their just proportion of this trust fund after it is released for this purpose.

Mr. NORRIS. We would not be here with this joint resolution if we did not think that without injuring anybody and without the violation of any sacred trust we could, by a different use of this money, help our people and the German people as well. That is the object of this proposed legislation.

Mr. SMITH. Mr. President, will the Senator allow me to suggest to the Senator from Delaware that the nationals of the very countries to whom we ultimately will have to pay this money are asking for the very commodities that we propose to send. They suggested that this fund that was lying idle might be used for the purpose of relieving their wants, with the proper safeguards thrown around it; and it was primarily for the benefit of the very nations to whom we will ultimately have to make this payment that this legislation was suggested. I believe it was primarily suggested—my colleague may know more particularly than I do—by a representative of one of the countries to whom this payment will have ultimately to be made.

Mr. NORRIS. Mr. President, I will yield the floor now, unless there are some other questions that Senators desire to ask.

Mr. DIAL. Mr. President, I was just going to suggest that the passage of this joint resolution will serve a double purpose, as my colleague [Mr. SMITH] says. It will not only take care of the interest on this money but it will serve the very people who claim the property by giving them employment. In fact, it will serve a third purpose. It will aid the people of the United States to get rid of a surplus which is somewhat of a glut on the market.

I did not hear the Senator from Nebraska [Mr. NORRIS] when he started his speech. I do not know whether or not he explained to the Senate that a commission would be appointed, as provided for in the joint resolution, composed of the Secretary of the Treasury, the Alien Property Custodian, and three others, to be appointed by the President.

The Senator from Nebraska spoke of the safety of the use of this fund. We happen to know of an organization that has been operating in a manner similar to that provided in the joint resolution. This organization has used $50,000,000 worth of cotton in Germany, and I am informed that it has not lost one cent.

The bill provides that there shall not be excessive loans; that only a very small proportion of the whole amount shall be loaned to one individual or one concern. It is protected so that there can not be much loss in case there is any loss at all.

The Senator from Nebraska has shown us that we can follow the raw agricultural product through the processes of manufacture; and, of course, the product will be worth much more when it is in the finished stage than it was in the raw stage.

Those people over there—the Germans and some of these other people—have the mills; they have the machinery; they have the labor. The labor is seeking employment, and by this process we will put them to work and enable them to be independent people, and sell their labor in this manner. We could not accomplish a better purpose, Mr. President.

We have pending in the Senate now a joint resolution to donate $10,000,000 to the women and children of Germany. It has passed the House, so it must have some friends in this country. I do not think that is a proper thing to do; but when we can lend assistance to the people of the world and let them help themselves by using their labor and their idle machinery and the facilities that they have, we shall be accomplishing a good purpose.

We were told here the other day by the Senator from Idaho [Mr. BORAH] that when this $10,000,000 joint resolution was being considered by the Foreign Relations Committee of the Senate that committee was appealed to by representatives of three other nations for donations. I submit that that is a wrong principle to set up in the United States.

Mr. President, no man in the Senate is more opposed than I am to the Government going into business and taking undue risks; but we have been talking here, not only during this session but during former sessions, about trying to do something to help agriculture in this country, trying to do something to open up the markets of the world, whereby we can sell our surplus products and thereby not only put the people of other countries to work but aid and encourage the people of this country to go to work and produce a surplus.

In my section of the country there is some surplus cotton carried over from year to year. That depresses the price of the next crop. While I do not believe there is any great quantity on hand at this time, yet newspapers will send out false reports—I do not mean they intentionally do so—the figures will be garbled, and we can not get a correct statement even from the Department of Commerce. The figures are always disputed, they are padded, the crop is misrepresented, and it is claimed that we carry a greater crop of cotton than is really in existence. So what I am trying to do now is to get rid of any surplus, if surplus there be, of the past crop, so that we may start in new with the next crop and let the law of supply and demand function, and let our people get a fair price for what they produce, so that the mills of the world can operate and so that the employees of the mills can continue to find employment and not be turned out on the streets.

The dry-goods trade all over the world is demoralized by reason of the wild fluctuation in cotton, and if we can get rid of the surplus cotton that will be corrected in a great measure. I see the senior Senator from Massachusetts [Mr. LODGE] here. I believe some of the mills in his State are shut down and labor is thrown out of employment. To a great extent that is brought about by the buyers being misinformed as to the cost of production, and they are failing to buy at present. So if we can get rid of our surplus cotton in this country before the next crop comes in, I think we will have done a great thing to stabilize the price of cotton and the price of dry goods, and we will put the people to work. We want to encourage the people to be an independent people and not have to come to Congress or to go anywhere else and ask for help.

That is the object of this measure. There is nothing revolutionary about it. We create a trust. Nobody wants to put the funds beyond the reach of the proper claimants at the proper time. We do not undertake to discuss that. We do not, as the Senator from Nebraska has well said, undertake to change it at all. But we are using the funds for a triple purpose, and there is nothing immoral about it. These people come and beg for it. They send delegation after delegation who say they want this done. Consider even the tobacco interests. We are told that there are some $8,000,000 of one tobacco concern impounded in this fund, and they to-day want to buy $4,000,000 worth of tobacco. At this very hour the South has a committee on the other side of the ocean trying to sell the surplus of the last few years of the tobacco crop, as my colleague well knows.

All we are trying to do is to put people to work, and of course we will help to sell and ship something out of this country, and there is nothing immoral or wrong in that. It is to be encouraged. The people owning the mills over there have been here trying to get cotton and wheat. They say that if they could have gotten the quantity of wheat needed during the last 12 months they would have used 50,000,000 more bushels of wheat from the United States.

The wheat people in the last few months have been trying to get Congress to go into the pension business, to lend money directly to the farmers of the Northwest in order that they might diversify, and they have come here asking Congress to

donate. We donated $20,000,000 to Russia, and now we are asked to donate $10,000,000 to Germany, and to keep on donating the taxpayers' money. Certainly we have no constitutional right to take that kind of a loss.

Therefore I see nothing wrong about this. I am, I will not say conservative, because I believe that is a term used now to discredit a man, but I am a conservative progressive, I hope. I try to be safe with money and try to be sound in work, and I want to let every man help himself.

Under this measure no loan can extend over the period of a year. There will be a revolving fund. It has been tried by some of my neighbors in South Carolina. My colleague knows there was a concern in Anderson which shipped cotton right out of my county and the adjoining county to Czechoslovakia, I believe it was, where it was converted into goods and sold.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Massachusetts?

Mr. DIAL. I yield.

Mr. LODGE. There are two matters involved in the joint resolution. One is the general policy of the United States making large appropriations to help agriculture. The other question is the simple one of taking the money from a trust fund. If it is to be taken at all, it ought to be taken squarely out of the Treasury of the United States and we should not take it from a fund which is distinctly, by law, a trust fund. It may be made to appear that we are not spending the money, but we are spending the money, no doubt for a good purpose. However, let it be our money that we take without any question of a trust fund. If we go into spending the trust fund, then any losses which come, of course, we are responsible for, and nobody can tell what the loss may be, because it is all a speculation, every bit of it.

Mr. DIAL. The Senator and I do not differ very much except in this: I do not know who the owners of the fund are; that is undecided, as a matter of law, but the parties from whom it was taken want this very thing done. It would encourage them, open up their trade with the United States, and it would encourage them to go to work, thinking they were using their own money, making interest on their own money, and it would establish a good feeling.

Mr. LODGE. That is a question of the general policy. We can get the money out of the Treasury of the United States. My objection is to taking trust money. There are two classes of people for whom this trust is held. It is not held primarily for Germans. It is held as a security that Americans who have claims will have those claims satisfied by Germany. To me the first point here is the question of taking the money from a trust fund. The other is the question of general policy.

Mr. DIAL. It is not taking a trust fund. It is merely using it. I believe in safety in investments, and correctness in legal business, and all those things. But you can not apply old rules to conditions which obtain to-day.

Mr. LODGE. I do not think we have any right to take money from this trust fund to speculate with it.

Mr. DIAL. No——

Mr. LODGE. It is pure speculation. It may turn out very well, or it may turn out very ill; we can not tell.

Mr. DIAL. It would be commerce; it would not be speculation. There is more or less risk, I admit.

Mr. LODGE. I have heard of speculation in connection with commerce.

Mr. DIAL. There would be more or less risk, of course.

Mr. LODGE. Of course there is risk. The custodian of that fund would never dare, as a trustee, to invest money in that way.

Mr. SMITH. As my colleague has said, I do not think it would assume the nature of a speculation, as the Senator from Massachusetts indicates.

Mr. LODGE. All commerce is more or less speculation.

Mr. SMITH. I know, but this is purely a question of legitimate, orderly commerce, which has been blocked by lack of funds to carry it on, and here are funds that are static, or laying idle, in a way, which neither belong to us nor belong definitely and distinctly to any particular individual, but which ultimately will belong to some one for whom we are holding the fund in trust, looking toward the settlement of the question as to just where it should be paid. Pending that settlement, if we could find a legitimate, safe, conservative method by which we could meet the requests of those who have the primary claim on it, as well as relieve a situation here——

Mr. LODGE. Of course, the Germans have no primary claim. The primary claim is ours, of those who are the subjects of the trust, the beneficiaries.

Mr. SMITH. I realize that; but we are investing the money now.

Mr. LODGE. We are turning it into business. I heard one of the greatest and most successful mill owners in Massachusetts once say that the question of whether a mill succeeded or not was dependent on whether the cotton was bought well three years in five; that is, the man who succeeded in buying his cotton well and judging his market well three years in five would make a mill successful. There is an element of speculation, of course, in every business. It is not in cotton alone.

Mr. SMITH. On the other hand, it is claimed now that the lack of prosperity is not due to the manner in which the cotton has been bought, but to the manner in which the purchasing market is conducting itself.

Mr. LODGE. I did not mean to go off into that at all. It was only an illustration of the fact that it is more or less a speculative thing, as all commerce must be. I shall be glad to help, but if we are to take the money I do want to take it squarely from the Treasury of the United States and not meddle with a trust fund.

Mr. SMITH. I want to point out to the Senator that no doubt this money has been invested in United States bonds.

Mr. LODGE. Almost all of it.

Mr. SMITH. The Senator knows that even our bonds have fluctuated. They went from 85 to par.

Mr. LODGE. Everything is comparative; and investment in United States bonds is not a speculative investment compared with investment in cotton or sugar or any other commodity.

Mr. SMITH. Not to the same degree; but there is the principle of speculation even in that.

Mr. LODGE. United States bonds, the Senator knows, are taken by trustees as the utmost of safety they can obtain in an untrustworthy world.

Mr. SMITH. What I was trying to show was that it was not speculation in the ordinarily offensive sense in which we use the word "speculation." It is investment in the ordinary, legitimate lines of commerce with whatever speculation is incident thereto.

Mr. BAYARD. May I ask the junior Senator from South Carolina about what amount of money would be taken out of the Alien Property Custodian's hands for this purpose in the way of cash?

Mr. DIAL. That would depend on the demand for the use of it.

Mr. BAYARD. What amount is estimated?

Mr. DIAL. We authorize $150,000,000.

Mr. BAYARD. I want to make a suggestion to the Senator on that basis. We must assume, then, that the custodian has at least $150,000,000 of United States securities, bonds——

Mr. DIAL. Or money.

Mr. BAYARD. Which he has presumably bought at par. If we force him to sell those for the purpose of putting the money into this operation, the price will be forced down, and before he gets through he will sell below the price he paid for them, and to that extent his trust funds will be diminished. They are still trust funds, and that operation will be punitive to that extent, or, by the very law you are endeavoring to have enacted, you penalize these people with the beneficiaries.

Mr. DIAL. I do not think so. A great deal of this business could be handled on credit, and the money would soon begin to come back. It would be a revolving fund.

Mr. NORRIS. I would like to make a suggestion to the Senator from Delaware, if the Senator from South Carolina will permit me. It is not expected that all this money is to be gotten at once. It will be used gradually, so there will be no throwing of a lot of securities on the market. For instance, the Alien Property Custodian has somewhere in the neighborhood of seven or eight or ten million dollars in actual cash doing nothing.

Mr. BAYARD. That may not be to the credit of these particular individuals, or their particular trusts, so it could not be utilized for this purpose.

Mr. NORRIS. But the Senator indicated, I thought, in his question to the Senator from South Carolina, that if this money were invested in United States bonds, or something of that kind, and they were put on the market, it would drive the price down. If we did that all at once, I think perhaps it would have that effect.

Mr. BAYARD. Suppose he put out only $10,000,000, and it happened that the price of the bonds was 98, or 90, or 99 and a fraction; even so, he would diminish the trust fund to that extent.

Mr. NORRIS. He would not do anything of that kind unless he was perfectly reckless. He would not be called upon to do anything of that kind. There is no question but that he can sell the United States bonds he now has above what he paid for them, and make a profit on them, because they have been going up all the time.

Mr. BAYARD. Were all of the custodian's purchases made at prices below par?

Mr. NORRIS. Not that I know of, and I can not say how much of his money is invested in Liberty bonds. I can not tell the Senator how many Liberty bonds are in his possession, but it is safe to say, from general knowledge of the Liberty bond market, that the prices have been going up. Liberty bonds are above par right now. None of them are below par.

Mr. BAYARD. I wish that were true. Only one or two issues, I think, are above par or better at the present moment.

Mr. NORRIS. I have been looking in the paper every day—I do not think I looked to-day—and I know one that I looked at yesterday was up to 102.

Mr. BAYARD. Not of the war-loan issues.

Mr. NORRIS. Of the issues that were to take up some of the war issues.

Mr. BAYARD. The refunding issues.

Mr. NORRIS. Yes. Those funds are invested in Liberty bonds, I take it, and have been so invested prior to the present time, of course some of them quite a while before, and it is very safe to say that if they were sold now he would make quite a profit on the transaction.

Mr. BAYARD. That is assuming a different proposition, but when the property was converted into cash and invested by the custodian, it was invested at the then market price of bonds.

Mr. NORRIS. Yes.

Mr. BAYARD. But, as a matter of fact, most of that property was converted during the war, and when the bond issues came out they were all sold at par, and so I assume the investment was made at par.

Mr. NORRIS. The Senator may be right.

Mr. BAYARD. It is just as good an assumption as the Senator's, because I am taking the war-time operation. When the Government officials invested in those issues they paid par.

Mr. NORRIS. If they bought the bonds directly from the Government, of course they paid par, but there has never been a time, from the time of the issuing of the bonds or soon after, except perhaps on those 3½'s that were nontaxable for every purpose, when they have not been below par, and they have been gradually and slowly coming up. It is only recently that they have reached par, and I assume he has made no investments recently, although I may be wrong about it.

Mr. BAYARD. He invests the interest that the Senator is speaking about.

Mr. NORRIS. Yes; perhaps the interest.

Mr. LODGE. If the Senator from Nebraska has no objection, I would like to move that the Senate proceed to the consideration of executive business.

Mr. NORRIS. I will say to the Senator from Massachusetts that I am ready whenever he is to go into executive session.

Mr. SMITH. Mr. President, will the Senator withhold the motion for a moment?

Mr. LODGE. Certainly.

ROBERT J. KIRK

Mr. SMITH. I ask unanimous consent for the immediate consideration of the bill (H. R. 3009) for the relief of Robert J. Kirk. It involves a small claim by an appointee of our court who was appointed as referee in a case by the judge, and on account of having been a trial justice for some reason they held up the claim. The judge himself says that the claim ought to have been paid as the court ordered him to do the work, and the Attorney General says so. It only amounts to $332.50.

The PRESIDING OFFICER (Mr. SPENCER in the chair). Is there objection to the request of the Senator from South Carolina?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Robert J. Kirk, of Florence, S. C., the sum of $332.50 for service as United States commissioner for the Eastern District of South Carolina for the period beginning July 1, 1919, to November 15, 1919.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT TO SENATOR FRANK L. GREENE

Mr. FESS from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate Resolution 230, submitted by Mr. LODGE on the 20th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, out of the contingent fund of the Senate, to Hon. FRANK L. GREENE, a Senator from the State of Vermont, the sum of $7,500, as reimbursement for actual and necessary expenses incurred by him in the treatment and care of injuries resulting from an accidental bullet wound received while walking on the street in the city of Washington, D. C., February 15, 1924.

SALE OF REAL PROPERTY NOT NEEDED FOR MILITARY PURPOSES

Mr. WADSWORTH. From the Committee on Military Affairs I report back favorably, with amendments, House bill 9124, authorizing the sale of real property no longer required for military purposes, and I submit a report (No. 607) thereon. I intend to ask unanimous consent for its immediate consideration if permission is given to receive it.

The PRESIDING OFFICER. Is there objection to the receipt of the report? The Chair hears none.

Mr. WADSWORTH. I now ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments of the Committee on Military Affairs were, on page 2, after line 13, to insert: "North Carolina: Fort Caswell Military Reservation, near Southport on the Atlantic coast; less 57 acres, more or less, required by the Treasury Department for Coast Guard purposes"; and on page 2, after line 16, to insert: "Florida: Gasparilla Military Reservation, entrance to Charlotte Bay: *Provided*, That the appraisal and sale of this reservation shall cover only the right, title, and interest of the United States in the lands and public improvements thereon, without in any way altering or modifying any rights heretofore created therein," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, either in whole or in two or more parts as he may deem best for the interests of the United States, the several tracts or parcels of real property hereinafter designated, or any interest therein or appurtenant thereto, which said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale.

FIRST CORPS AREA

Maine: Narrows Island Reservation, Boothbay, Lincoln County.

Massachusetts: Fort Phoenix, near Fair Haven, Bristol County; Springfield Armory, two small tracts.

Rhode Island: Fort Greene, Newport.

SECOND CORPS AREA

New York: Fort Montgomery, Rouses Point, Clinton County; Sag Harbor Reservation, Sag Harbor, Long Island, Suffolk County.

North Carolina: Fort Caswell Military Reservation, near Southport on the Atlantic coast; less 57 acres, more or less, required by the Treasury Department for Coast Guard purposes.

FOURTH CORPS AREA

South Carolina: Bay Point Reservation on Phillips Island, Beaufort County; Hilton Head Reservation at south entrance to Port Royal Sound, Beaufort County.

Florida: Gasparilla Military Reservation, entrance to Charlotte Bay: *Provided*, That the appraisal and sale of this reservation shall cover only the right, title, and interest of the United States in the lands and public improvements thereon, without in any way altering or modifying any rights heretofore created therein.

Alabama: Fort Gaines, on east end of Dauphin Island, Mobile County.

Tennessee: Park Field, Millington.

That the Secretary of War be, and he is hereby, authorized to convey by appropriate quitclaim deed to nine trustees and their successors to be selected by the Chamber of Commerce of Columbia, S. C., and known as "Trustees of Columbia cantonment lands," approximately 1,192 acres of land within the United States Military Reservation at Camp Jackson, S. C., to wit:

The following two tracts of land:

Tract No. 1: Beginning at a stone corner of the Powell, Hampton, and United States Government lands, thence along the Hampton lands, north 61° 45' west 3,024 feet to a stone; thence north 47° 5' west 1,956 feet to a stone; thence north 61° 40' west 740 feet to a stone; thence north 27° 20' east across Government lands 2,000 feet to a stone; thence south 87° 40' east 385 feet to a stone; near southeast corner of Camp Jackson incinerator; thence north 6° 20' east 975.5

feet to a stone; thence north 42° 20′ east 815 feet to a stone; thence north 82° 20′ east 828 feet to a stone; thence north 61° 35′ east 1,430 feet to a stone at intersection of old roads; thence south 72° 40′ east 1,355 feet to a stone; thence south 85° 40′ east 2,798.5 feet to a stone; thence south 27° 50′ west 2,654 feet to a stone; corner of Powell's lands, thence along Powell's lands south 79° 35′ west 1,290 feet to a stone; thence south 11° 40′ west 4,102 feet to a stone, point of beginning, containing in all 705.12 acres.

Tract No. 2: Beginning at a stone on the eastern side of the Camden public road near the 6-mile post; thence along Camden public road south 89° 45′ west 800 feet to a stone; thence along the Camden public road south 87° 35′ west 985 feet to a stone; thence along the Camden public road south 78° 45′ west 184 feet to a stone; thence south 12° 50′ east 985 feet to a stone; thence north 85° 45′ east 1,240 feet to a stone; thence south 63° 5′ east 1,984 feet to a stone 6 feet from paved road; thence in an easterly and northerly direction 922 feet along paved road to a stone 6 feet from paving; thence south 82° 20′ east 1,050 feet to a stone; thence north 73° 50′ east 1,325 feet to a stone; thence north 8° 20′ east 270 feet to a stone; thence south 86° east 408 feet to a stone; thence south 7° 30′ west 217 feet to a stone; thence south 64° 25′ west 570 feet to a stone; thence south 53° 25′ west 1,460 feet to a stone; thence south 50° 25′ east 323 feet to a stone; thence north 71° 55′ east 1,300 feet to a stone; thence north 52° 15′ east 2,131 feet to a stone on the north side of the Ancrum Ferry Road; thence north 3° 40′ east 4,315 feet to a stone on the eastern side of the Camden public road; thence along said Camden public road south 38° 30′ west 211 feet to a stone; thence south 36° 55′ west 1,039 feet to a stone; thence south 55° 50′ west 620 feet to a stone near the 7-mile post; thence south 87° 55′ west 779 feet to a stone; thence south 69° 40′ west 498 feet to a stone; thence south 55° 55′ west 1,330 feet to a stone on the southerly side of the Ancrum Ferry Road; thence south 75° 20′ west 811 feet to a stone near branch; thence south 70° 15′ west 1,265 feet to a stone; thence south 68° 25′ west 890 feet to a stone near branch; thence north 89° 20′ west 160 feet to a stone, the point of beginning, containing in all 486.88 acres; the land so conveyed being approximately equal in area to the lands donated to the United States by the said chamber of commerce as a part of the site on the said reservation by deeds executed by J. Erwin Belser, trustee, dated July 20, 1917, and November 16, 1917: *Provided*, That prior to such conveyance by the Secretary of War there shall be conveyed to the United States by appropriate deed all the rights of way and other rights reserved in the aforementioned deeds of donation to the United States to the extent that the Secretary of War may require.

That the Secretary of War is hereby further authorized, in his discretion, to grant by revocable license to the said trustees, their successors or assigns, subject to such conditions and restrictions as he may deem necessary to protect the interests of the United States, and to such regulations as he may from time to time prescribe, the right to use, in common with the United States, the existing roadways and railway lines of the United States, steam or electric, now located upon and extending over and across the reservation, and also the right to occupy and use such other lands within the said reservation as he may designate for the construction and operation thereon of steam or electric railway lines to extend to the lands to be conveyed to the said trustees as hereinabove described, the United States to have the right to use without charge any railway lines or tracks so constructed on the reservation: *Provided*, That the said existing roadways and railway lines on the reservation so occupied and used and the railway lines so constructed and operated thereon shall be maintained and kept in a good state of repair, to the satisfaction of the Secretary of War, at the sole expense of the said trustees, their successors or assigns.

That the said trustees shall hold, use, manage, lease, sell, and convey, or otherwise dispose of said lands, or any portion thereof, and of the proceeds and revenues of the same, for one or more of the following purposes as they may deem best, to wit: Agricultural, industrial, charitable, and educational purposes: *Provided, however*, That no sale or conveyance shall be made by the said trustees of the lands conveyed by the Secretary of War under this act until the Secretary of War shall have given his consent in each instance to such sale or conveyance.

That a majority of the said trustees shall constitute a quorum competent to transact business, and that the said trustees shall make such by-laws, rules, and regulations for their own government and for the management and control of the said property and the proceeds thereof as they may deem necessary and proper, and that in the event of any vacancy occurring among the said trustees by death, resignation, removal of residence from Richland County, S. C., or other cause, such vacancy shall be filled from residents of Richland County by selection by a majority of the remaining trustees, such selection to be approved by the Chamber of Commerce of the city of Columbia, S. C., or its successors; and if there be no successors, then such selection shall be approved by a majority vote of a committee composed of the president of the University of South Carolina, the mayor of the city of Columbia, the senator in the General Assembly of South Carolina from Richland County, the probate judge of Richland County, and the resident judge of the judicial circuit of South Carolina embracing Richland County, or their respective successors.

That there is hereby granted to the State of North Carolina, without cost to the State, for public uses, all lands belonging to Fort Macon Military Reservation and now the property of the United States, together with all the improvements thereon; and that the Secretary of War be, and he is hereby, authorized and directed to convey to the said State all right, title, and interest of the United States in said lands and improvements, to be held and used by said State for public purposes: *Provided*, That the following-described land is reserved and granted to the Treasury Department for Coast Guard purposes: Beginning at a concrete monument at the southwest corner of the present Coast Guard property; thence north 299.5 feet to a concrete monument at the northwest corner of the present Coast Guard property; thence north 9° 58′ west 1,320 feet, more or less, to Bogue Sound; thence eastwardly about 600 feet along Bogue Sound; thence south 1,340 feet, more or less, to a concrete monument at the northeast corner of the present Coast Guard property, which said monument bears north 134 feet from the center of the top of curb of the old hospital well, also it bears north 84° 22′ 30″ west 145 feet from the old gun pivot at the northwest corner of the outside wall of old Fort Macon; thence south 299.5 feet to a concrete monument at the southeast corner of the present Coast Guard property; thence south 1,400 feet, more or less, to the Atlantic Ocean; thence westwardly about 200 feet along said Atlantic Ocean; thence north 1,400 feet, more or less, to the south line of the present Coast Guard property; thence west 147.5 feet to the place of beginning, containing 22.6 acres, more or less: *Provided further*, That the Government at all times has the right and privilege of preserving, erecting, and maintaining on said reservation such buildings as Coast Guard stations, signal stations for pilots, lighthouses, etc., as may be incident to the purposes of the Treasury, War, Navy, and Commerce Departments.

SEVENTH CORPS AREA

Arkansas: Camp Pike Booster Pumping Station, near Little Rock.

SEC. 2. In the disposal of the aforesaid properties the Secretary of War shall in each and every case cause the same to be appraised, either as a whole or in two or more parts, by an appraiser or appraisers to be chosen by him for each tract, and in the making of such appraisal due regard shall be given to the value of any improvements thereon and to the historic interest of any part of said land.

SEC. 3. After such appraisal shall have been made and approved by the Secretary of War, notification of the fact of such appraisal shall be given by the Secretary of War to the governor of the State in which each such tract of land is located, and such State, or the county or municipality in which such land is located, shall in the order named have the option at any time within six months after the approval of such appraisal to acquire the same, or any part thereof which shall have been separately appraised, upon payment within said period of six months of the appraisal value: *Provided, however*, That the conveyance of said tract of land to such State, county, or municipality shall be upon the condition and limitation that said property shall be limited to use for public park purposes and upon cessation of such use shall revert to the United States without notice, demand, or action brought.

SEC. 4. Six months after the date of approval of said appraisal, if the option given in section 3 hereof shall not have been completely exercised, the Secretary of War shall sell, or cause to be sold, each of said properties at public sale, at not less than the appraised value, after advertisement in such manner as may be directed by the Secretary: *Provided*, That no auctioneer or person acting in said capacity shall be paid a fee for the sale of said properties in excess of the sum of $100 a day.

SEC. 5. A full report of transfers and sales made under the provisions of this act shall be submitted to Congress by the Secretary of War.

SEC. 6. The expense of appraisal, survey, advertising, and sale shall in each case be paid from the proceeds of the sale, whether made in accordance with section 3 or section 4 of this act, and the net proceeds thereof shall be deposited in the Treasury of the United States to the credit of "Miscellaneous receipts."

SEC. 7. The authority granted by this act shall not repeal any prior legislative authority granted to the Secretary of War to sell or otherwise dispose of lands or property of the United States.

EIGHTH CORPS AREA

SEC. 8. That the Secretary of War be, and he is hereby, authorized to reconvey to Elizabeth Moore, guardian of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful or legal representatives or assigns, the camp site of Camp Robert E. L. Michie, containing 400 acres, more or less, as described in the deed of conveyance to the United States dated April 26, 1919, in consideration of the payment by Elizabeth Moore, guardian of the estate of G. Bedell Moore, a minor, her successors, or her said ward, or his lawful heirs or legal

representatives or assigns, to the Chamber of Commerce of Del Rio, of the county of Val Verde, and State of Texas, of the sum of $8,000 to be distributed by said chamber of commerce to the original donors.

SEC. 9. That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the city of Gloucester, in the State of Massachusetts, all the proprietary right, title, and interest of the United States to and in that certain tract of land now known as Old Fort Defiance, which was ceded by gift to the United States Government by vote of a town meeting in Gloucester in 1794 for the purpose of erecting a fortification, and which is now no longer needed for such purpose.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 10 minutes p. m.), under the order previously entered, took a recess until to-morrow, Saturday, May 24, 1924, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 23 (legislative day of May 20), 1924

PROMOTION IN THE NAVY

Rear Admiral William R. Shoemaker, United States Navy, to be Chief of the Bureau of Navigation, in the Department of the Navy, with the rank of rear admiral, for a term of four years from the 7th day of June, 1924.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 23 (legislative day of May 20), 1924

MEMBER FEDERAL RESERVE BOARD

A. C. Miller.

DIRECTOR WAR FINANCE CORPORATION

George R. Cooksey.

MEMBER UNITED STATES SHIPPING BOARD

Edward C. Plummer.

CUSTOMS SERVICE

George M. Young to be general appraiser of merchandise.

PUBLIC HEALTH SERVICE

Henry S. Mathewson to be senior surgeon.
Edward B. Faget to be passed assistant surgeon.
Leo W. Tucker to be passed assistant surgeon.
John D. Reichard to be surgeon.
Forrest N. Anderson to be assistant surgeon.
Marvin P. Moore to be assistant surgeon.
Erval R. Coffey to be assistant surgeon.
Wilhelm R. Schillhammer to be assistant surgeon.

POSTMASTERS

ALASKA

Charles A. Sheldon, Seward.

ILLINOIS

Elliott O. Andrews, Belvidere.
Olive G. Woods, Hennepin.
Herman C. Hoefer, Park Ridge.
John N. Taffee, Pinckneyville.
Elizabeth R. Grant, Shabbona.
Edward P. Devine, Somonauk.
Kate M. Weis, Teutopolis.
Fay L. Quilter, Walnut.

KENTUCKY

John G. Fisher, Berry.
William M. Jack, Cleaton
Mollie L. Alphin, Crittenden.
Agnes P. Simpson, Graham.
Edgar Renshaw, Hopkinsville.
Carley O. Wilmoth, Paris.
Minnie O. Tschiffely, Pewee Valley.

MICHIGAN

Edwin L. Groger, Concord.
Adrian J. Westveer, Holland.
Arthur G. Stone, Niles.
Frank N. Green, Olivet.

MISSOURI

Mary M. Wightman, Bethany.

HOUSE OF REPRESENTATIVES

FRIDAY, *May 23, 1924*

The House met at 11 o'clock a. m., and was called to order by the Speaker pro tempore [Mr. TILSON].

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Father of us all, again Thou hast declared how great is Thy love by bringing us to the light and promise of another day. Therefore it behooves us to offer Thee our tributes of thanksgiving. Hear us, Lord, and accept the offerings that we bring. Subdue any thoughts or feelings in our breasts that may not be right and just. Let Thy blessed spirit move over our homeland, blessing and directing every institution that helps our fellows to better living and to more thorough patriotic devotion. Be with our President these arduous days; be gracious unto him and restore him to health and strength. Help us all, dear Lord, to meet our obligations, bear our burdens, and to be good. Amen.

The Journal of the proceedings of yesterday was read and approved.

CERTIFICATES OF CITIZENSHIP TO INDIANS

Mr. SNYDER. Mr. Speaker, I ask to take from the Speaker's table the bill R. R. 6355, and to agree to the Senate amendments.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to call up the bill H. R. 6355, which the Clerk will report by title.

The Clerk read as follows:

An act (H. R. 6355) to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

The Senate amendments were read.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

Mr. GARRETT of Tennessee. Will the gentleman yield for a question?

Mr. SNYDER. I will be glad to do so.

Mr. GARRETT of Tennessee. I would like very much to have the gentleman's construction of the meaning of this matter as applied to State laws that will be affected by this act; that is, the question of suffrage.

Mr. SNYDER. I would be glad to tell the gentleman that, in the investigation of this matter, that question was thoroughly looked into and the laws were examined, and it is not the intention of this law to have any effect upon the suffrage qualifications in any State. In other words, in the State of New Mexico, my understanding is that in order to vote a person must be a taxpayer, and it is in no way intended to affect any Indian in that country who would be unable to vote unless qualified under the State suffrage act. That is the understanding. And also it goes to this extent, it does not in any way change the right of the Indian to any tribal relation or any property he now holds. It does not affect that in any way, but simply makes him an American citizen, subject to all restrictions to which any other American citizen is subject, in any State.

Mr. GARRETT of Tennessee. Of course the gentleman and his committee have looked into the legal questions involved as to what his property rights will be. As to the other matter I do not know, but it has occurred to me, if objectionable at all, it might be a somewhat anomalous situation in regard to property rights. However, the principal thing I wanted to ask about was with regard to suffrage rights. It is the construction, then, of the chairman of the committee, and speaking for the committee, that this in no way affects the suffrage rights under State laws.

the president of the University of South Carolina, the mayor of the

a minor, her successors, or her said ward, or his lawful heirs or legal

William M. Jack, Cleaton
Mollie L. Aliphin, Crittenden.

ing for the committee, that this in no way affects the suffrage rights under State laws.

Mr. SNYDER. That is the understanding of the chairman of the committee, and he is carrying to the House that understanding, after careful consideration on that particular question, by a unanimous vote of the committee.

Mr. HASTINGS. And if the gentleman will permit me to suggest that this meets with the unqualified approval of the Department of the Interior and representatives of that department, so expressed to the Committee on Indian Affairs with reference to this matter when it was being considered.

Mr. SNYDER. And the commissioner as well.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The question was taken, and the amendments were agreed to.

CLAIMS OF THE CHOCTAW AND CHICKASAW INDIANS

Mr. SNYDER. Mr. Speaker, I desire to present a conference report for printing on the bill H. R. 5325, and ask that it be printed under the rule.

The SPEAKER pro tempore. The gentleman from New York presents a conference report on the bill, which the Clerk will report by title.

The Clerk read as follows:

An act (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes.

The SPEAKER pro tempore. Ordered printed under the rule.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, and 6, and agree to same.

That the Senate recede from its amendment numbered 7.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to same with an amendment as follows: Strike out the language proposed to be inserted by the Senate and in lieu thereof insert the following: "*Provided, however*, That the attorney or attorneys employed as herein provided may be assisted by the regular tribal attorney or attorneys employed under existing law under direction of the Secretary of the Interior"; and the Senate agree to the same.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

J. W. HARRELD,
CHARLES CURTIS,
JOHN B. KENDRICK,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5325) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes, submit the following statement explaining the effect of the action agreed on:

On amendment No. 1, relating to the tribal attorneys: Strikes out the language which provides that the suit may be prosecuted by the regular tribal attorneys and provides that the regularly employed attorneys of the tribes may assist in the prosecuting of the suits.

On amendments Nos. 2, 3, 4, 5, and 6 are clerical changes made necessary by the adoption of amendment No. 1.

On amendment No. 7, the Senate recedes and accepts the language as passed by the House.

HOMER P. SNYDER,
FREDK. W. DALLINGER,
W. W. HASTINGS,
Managers on the part of the House.

EASTERN BAND OF CHEROKEE INDIANS

Mr. SNYDER. I desire to present a conference report for printing on the bill H. R. 3852, and ask that it be printed under the rule.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 3852) providing for the final disposition of the affairs of the Eastern Band of the Cherokee Indians of North Carolina.

The SPEAKER pro tempore. Ordered printed under the rule.

METROPOLITAN POLICE AND FIREMEN

Mr. ZIHLMAN. Mr. Speaker, I ask to take from the Speaker's table the bill (H. R. 5855) and concur in the amendments of the Senate.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

An act (H. R. 5855) to fix the salaries of the officers and the members of the Metropolitan police and firemen of the District of Columbia.

The SPEAKER pro tempore. The gentleman from Maryland asks unanimous consent to take this bill from the Speaker's table and agree to the Senate amendments.

Mr. GARNER of Texas. Mr. Speaker, the gentleman should not make that request. He should ask to take it from the Speaker's table and consider it and then vote on the question of whether to concur in the Senate amendments or not, but to ask unanimous consent to concur in the Senate amendments puts the House in entire agreement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland as modified? [After a pause.] The Chair hears none.

The Senate amendments were read.

The SPEAKER pro tempore. Without objection, the question on the amendments will be taken en bloc.

There was no objection.

Mr. BLANTON. Will the gentleman from Maryland yield me a minute?

Mr. ZIHLMAN. Yes.

Mr. BLANTON. Mr. Speaker, this ought to give us the best police force and the best fire department in the United States, and I believe it will do so.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

CODIFICATION OF LAWS RELATING TO THE JUDICIARY

Mr. DYER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 4445, an act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary," and agree to the Senate amendments.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to take from the Speaker's table H. R. 4445 and agree to the Senate amendments. Is there objection. [After a pause.] The Chair hears none.

The Senate amendments were read.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

PENSIONS

Mr. FULLER. Mr. Speaker, this is the day on which private pension bills are in order. I call up H. R. 9246.

The SPEAKER pro tempore. The gentleman from Illinois calls up a bill which the Clerk will report by title.

The Clerk read as follows:

A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the bill may be considered in the House as in Committee of the Whole. Is there objection?

Mr. HOWARD of Nebraska. Mr. Speaker, a question for information. I grant that the request is of superior privilege because of the character of the gentleman who lodges it, but as a matter of right is this request so superior as to supersede the consideration of the agricultural bill?

The SPEAKER pro tempore. This is the regular day for the consideration of private pension bills, and if no objection

is made to it, and no higher motion is made, this motion will be entertained.

Mr. HOWARD of Nebraska. Shall we have additional time for the consideration of the agricultural bill?

The SPEAKER pro tempore. The Chair can not answer that question.

Mr. HOWARD of Nebraska. If this sets aside the consideration of the agricultural bill I shall have to object to it.

Mr. FULLER. Mr. Speaker, it is too late to make objection, except to the request for unanimous consent, because the bill has been taken up under the rule and reported.

The SPEAKER pro tempore. The gentleman from Nebraska understands, I presume, that his objection would send the bill into Committee of the Whole with unlimited general debate, which will tend to retard the consideration of the agricultural bill.

Mr. HOWARD of Nebraska. Not because I am too late, but because a proper request has been made, I withdraw the objection.

The SPEAKER pro tempore. No objection is heard.

Mr. ASWELL. Mr. Speaker, may I inquire whether any idea can be given as to how long this will interfere with the consideration of the agricultural bill?

The SPEAKER pro tempore. The Clerk informs the Chair that it will take about nine minutes to read the bill.

Mr. FULLER. Mr. Speaker, I submit another unanimous-consent request, that the committee amendments may be offered en bloc after the reading of the bill has been completed.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that the committee amendments may be offered en bloc after the reading of the bill has been completed. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, I think at this juncture we ought to have a quorum, and I make the point of no quorum.

The SPEAKER pro tempore. The gentleman from Texas makes the point of no quorum. The Chair will count.

Mr. BLANTON. Well, I will withdraw the point of no quorum.

The SPEAKER pro tempore. The gentleman from Texas withdraws his point of no quorum, and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Maggie Riphenburgh, widow of William Riphenburgh, late of Company I, Fifteenth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $30 per month.

The name of Charles O. Rider, late of Captain McNulta's Company A, First Regiment Illinois Volunteer Cavalry, and Company C, Nineteenth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Ellen McGarry, widow of Patrick McGarry, late of Company G, First Battalion Twelfth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Sturtevant, widow of Benjamin A. Sturtevant, late of Company B, Twenty-third Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Urquhart, widow of David Urquhart, late of Battery B, Second Regiment Illinois Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Sallie M. Seaman, former widow of Patrick Fitzgerald, late of Eighteenth Independent Battery Indiana Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Anna Ganderup, helpless and dependent daughter of James Sweeney, late of Company B, Fourth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Stella B. Irwin, helpless and dependent daughter of John C. Irwin, late of Company K, One hundred and eighty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Matilda B. Henson, widow of John Henson, late of Company F, One hundred and fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline Day, widow of Leander J. Day, late of Company A, Thirty-fourth Regiment Ohio Volunteer Infantry, and Companies G, M, and I, Fifth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of John C. Herron, late of Companies E and D, Thirty-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Mary D. Bilbay, widow of Joseph Bilbay, late of Company E, Ninety-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Joseph Bilbay, helpless and dependent son of said Mary D. and Joseph Bilbay, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Mary D. Bilbay the name of said Joseph Bilbay shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary D. Bilbay.

The name of Levi Mott, late of Captain Nett's Company K, Fourteenth Regiment Missouri Home Guards, and Company A, Third Regiment Missouri State Militia Cavalry, and pay him a pension at the rate of $50 per month.

The name of Ellen Hanour, widow of Peter J. Hanour, late of Company A, Seventy-fourth Regiment New York Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Brown, widow of William Brown, late of Company E, Ninth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elisha M. Chilson, late of Company K, Sixth Regiment Michigan Volunteer Infantry, and Battery F, First Regiment United States Volunteer Artillery, and pay him a pension at the rate of $50 per month through a legally appointed guardian.

The name of Frances A. Thomas, widow of John Thomas, late of Company C, Sixteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline Murfitt, widow of William Murfitt, late of Companies F and C, One hundred and fifty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eleanor G. Tiffany, widow of Henry D. Tiffany, late of Company G, Seventh Regiment New York State Militia, and pay her a pension at the rate of $30 per month.

The name of Fannie M. Gardner, helpless and dependent daughter of Jacob D. Gardner, late of Company G, First Regiment United States Veteran Volunteer Engineers, and pay her a pension at the rate of $20 per month.

The name of Nettie Campbell, widow of Henry Campbell, late of Company G, Thirteenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret J. Gano, widow of John S. Gano, late of Company A, One hundred and fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah M. Lyon, widow of Andrew J. W. Lyon, late of Company H, Thirty-sixth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma J. Mooers, widow of Menander O. Mooers, late of Company E, Twenty-second Regiment Maine Volunteer Infantry, any pay her a pension at the rate of $30 per month.

The name of Sarah Beason, widow of John A. Beason, late of Company B, Fortieth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edith C. Oakley, widow of George W. Oakley, late of Company F, Ninetieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Sarah E. McKeever, widow of Alfred L. McKeever, late of Company A, Sixth Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy Centers, widow of Killis D. Centers, late of Company B, Forty-fourth Regiment Ohio Mounted Infantry, and Company B, Eighth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Hubbard, widow of Larkin Hubbard, late of Company A, Forty-ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julia Conger, widow of Harry Conger, alias Henry Stevens, late of Company K, Eighteenth Regiment, and Company A, One hundred and twenty-first Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary G. Russell, widow of Cashmere Russell, late of Company B, One hundred and ninety-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edith E. Doty, widow of James J. Doty, late of Company D, Ninety-eighth Regiment New York Volunteer Infantry, and Company A, First Regiment Vermont Volunteer Heavy Artillery, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Phanettie Ormsbee, widow of Charles W. Ormsbee, late of Company B, One hundred and eighteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Albert, widow of James H. Albert, late of Company A, Eleventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Drensing, widow of Simon H. Drensing, late of Captain Dougherty's company, One hundred and third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret C. Speelman, widow of David Speelman, late of Company H, Fourth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Pheby Houck, widow of Eli Houck, late of Company B, Eleventh Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Adaline Smith, former widow of David W. Brittson, late of Company F, Eleventh Battalion United States Volunteer Infantry, and Company B, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Esther M. Huffman, former widow of John Mann, late of Company C, Fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Cora I. Fisher, widow of John W. Fisher, late of Company H, Seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Medie M. Flanders, former widow of Charles C. Flanders, late of Company G, First Regiment New Hampshire Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Howe, widow of John M. Howe, late of Company B, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie M. Bass, widow of James Bass, late of Company K, Sixteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary B. Barnes, widow of William H. Barnes, late of Company H, Eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lovina Gilmore, widow of Ephraim C. Gilmore, late of Company B, One hundred and forty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Elsa Gilmore, helpless and dependent daughter of said Lovina and Ephraim C. Gilmore, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Lovina Gilmore, the name of said Elsa Gilmore shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Lovina Gilmore.

The name of Martha Comstock, widow of De Witt Comstock, late of Company G, One hundred and eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances E. Austeel, former widow of Francis M. Austeel, late of Company E, Forty-fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louisa Woods, widow of Nathaniel G. Woods, late of Company F, Sixth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Turner, widow of James H. Turner, late of Company B, Eleventh Regiment, and Company H, Ninth Regiment, Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Shelby, widow of Rufus Shelby, late of Company G, Second Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Nora V. McDaniel, widow of Orrin R. McDaniel, late of Company G, First Regiment United States Mounted Rifles, and Company H, Sixty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Philip Dieter, late of Company F, Third Regiment Potomac Home Brigade, Maryland Volunteer Infantry, and Troop D, Seventh Regiment United States Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Edward D. Henderson, helpless and dependent son of Jacob Henderson, late of Company B, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian in lieu of that he is now receiving.

The name of Laura A. Moore, widow of William T. Moore, late of Company D, Twenty-fourth Regiment Ohio Volunteer Infantry, and landsman United States Navy, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary L. Green, widow of James M. Green, late of Company D, Ninth Regiment United States Colored Heavy Artillery, and Company E, One hundredth Regiment United States Colored Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lizzie G. Chapman, widow of James C. Heater, known as Samuel H. Chapman, late of Company C, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah Loudermilk, widow of James Loudermilk, late of Company G, Eighteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna M. Craig, widow of John B. Craig, late of Company H, Fourteenth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of William C. Merritt, late of Company F, Second Regiment Illinois Volunteer Light Artillery, and pay him a pension at the rate of $50 per month.

The name of Carrie E. Doane, widow of James W. Doane, late of Company B, Fifty-second Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jacob Myers, late of Company K, Fifth Regiment Provisional Enrolled Missouri Militia, and Company G, Second Regiment Missouri Volunteer Light Artillery, and pay him a pension at the rate of $50 per month.

The name of Christina Forsythe, widow of John A. Forsythe, late of Companies K and B, Seventieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Wood Martin, widow of Charles Martin, late of Company B, Twenty-seventh Regiment Michigan Volunteer Infantry, and One Hundred and twenty-fifth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Shook, widow of Jacob Shook, late of Company I, Thirteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Albert C. Raymond, late of Company F, Fourth Regiment Connecticut Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Phoebe A. Chadsey, widow of George Chadsey, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Maria A. Carpenter, widow of Daniel Carpenter, late of Company C, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of George Hurtt, late of Company E, Seventy-ninth Regiment, and Company I, One hundred and ninety-fourth Regiment, Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of John Scott, late of Company K, Fifty-seventh Regiment Ohio Volunteer Cavalry, and Company F, Ninth Regiment Indiana Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Mary C. Thorp, widow of Thomas E. Thorp, late of Company H, Thirty-seventh Regiment Wisconsin Volunteer Infantry, and One hundred and forty-sixth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Mary D. Surber, widow of Augustus H. Surber, late of Company E, Fourth Regiment Iowa Volunteer Infantry, and One hundred and fifty-eighth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Ada Thorp, widow of Isaac W. Thorp, late of Company C, Fourth Regiment Wisconsin Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Tabitha S. Bennett, former widow of James O. Bennett, late of Company C, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Levi Barrett, helpless and dependent son of William Barrett, late of Company B, Seventh Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Isadore Amos, widow of Benjamin F. Amos, late of Seventh Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Newt Ford, helpless and dependent son of Patrick Ford, late of Company H, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Thomas J. French, helpless and dependent son of Edwin French, late of Company F, Third Regiment Delaware Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Eliza Peters, former widow of John Aday, late of Company G, Second Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lulia M. Bungard, former widow of James Mason, alias Jacob M. Young, late of Company A, Thirtieth Regiment Indiana Volunteer Infantry, and One hundred and fifty-fifth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Wellman, widow of Richard N. Wellman, late of Company F, Fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of John Wellman, helpless and dependent son of said Sarah A. and Richard N. Wellman, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Sarah A. Wellman, the name of said John Wellman shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Sarah A. Wellman.

The name of Sarah E. Harkleroad, widow of Lewis Harkleroad, late of Company B, Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Smith, widow of John S. Smith, late of Company E, Seventieth Regiment, and Company K, Thirty-third Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Allie W. Seeber, widow of Franklin Seeber, late of Company I, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Ella L. Kipp, widow of Otis A. Kipp, late of Company C, One hundred and eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Johanna Garvey, now Dowling, former widow of Owen Garvey, late of Company D, Seventy-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Lillie Beam, helpless and dependent daughter of Wesley Beam, late of Company G, One hundred and ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Alice Beam, helpless and dependent daughter of Wesley Beam, late of Company G, One hundred and ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Elizabeth Eddy, widow of Goin Eddy, late of Company D, Fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lilly Albaugh, helpless and dependent daughter of James M. Albaugh, late of Company B, One hundred and eighty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Francis H. P. Showalter, helpless and dependent son of John H. Showalter, late major, Sixth Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Cynthia M. Johnson, helpless and dependent daughter of William Johnson, late of Company I, Second Regiment Missouri Volunteer Light Artillery, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Lydia Rankin, widow of David Rankin, late of Company B, Eighth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of James H. Hoyt, alias James McCabe, late of Companies E and D, Fifty-first Regiment New York Volunteer Infantry, and Company C, Third Regiment Rhode Island Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Sarah M. Skinner, widow of Frederick D. Skinner, late of Fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John R. Garstang, late of Lieut. J. W. Groff's company (D), Fremont's bodyguard, and pay him a pension at the rate of $50 per month.

The name of Amelia Allen, widow of William Allen, late of Company C, Thirty-second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebecca C. Vanderhoof, widow of Richard H. Vanderhoof, late of Company I, One hundred and forty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie Clay, widow of Daniel W. Clay, late of Company H, Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of George P. Thomas, late of Company D, Ninth Regiment Missouri State Militia Volunteer Cavalry, and pay him a pension at the rate of $50 per month.

The name of Nellie Pratt, widow of James W. Pratt, late of Company F, Forty-ninth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna M. Pierce, widow of Thomas H. Pierce, late of Company E, Ninety-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Kelton, widow of W. Alvin Kelton, late of Company B, Sixteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sallie R. Van Landingham, now known as Sarah R. Van Landingham, former widow of Lewis J. Van Landingham, late of Company H, Sixty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jane E. Thorn, widow of George W. Thorn, late of Company G, Third Regiment, and Company L, Fifth Regiment, Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Angeline Stafford, widow of David W. Stafford, late of Company D, Eighty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida Naile, widow of George Washington Naile, late of Military Telegraph Corps, Civil War, and pay here a pension at the rate of $30 per month.

The name of Lucza A. Watson, widow of Samuel H. Watson, late of Company C, Fifth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy J. Herd, widow of Jessee Herd, late of Company I, Forty-sixth Regiment Missouri Vounteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Malinda Herd, helpless and dependent daughter of said Nancy J. and Jessee Herd, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Nancy J. Herd, the name of said Malinda Herd shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Nancy J. Herd.

The name of Joseph Edwards, late of Company F, One hundred and eighty-seventh Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Sophia M. West, widow of Lewis W. West, late of Company D, Twenty-seventh Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maude P. Brown, widow of Thomas B. Brown, late of Captain Ahl's independent battery, Delaware Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Jane Hoover, former widow of William S. Clark, late of Fifth Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lewis Berry, helpless and dependent son of John W. Berry, late of Company B, Ninety-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Nancy A. Vickery, widow of Cyrus J. Vickery, late of Company K, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Noland, widow of James F. Noland, late of Company I, Seventy-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John Gately, late of the United States Marine Corps, Civil War, and pay him a pension at the rate of $50 per month.

The name of Nancy Jones, widow of James A. Jones, late of Companies L and C, First Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julian A. Wheeler, helpless and dependent son of Edwin R. Wheeler, late of Company B, One hundred and fifty-first Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Henry F. Correll, helpless and dependent son of John D. Correll, late of Company F, Twelfth Regiment Missouri Volunteer Cavalry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Ellen N. Pearson, widow of Washington Pearson, late of Company G, Second Regiment Provisional Enrolled Missouri Militia, and Captain John H. Morgan's Company A, Forty-fifth Regiment Enlisted Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Fanny M. Hubbard, widow of Benjamin S. Hubbard, late of Company I, Sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Ellen McClaren, helpless and dependent daughter of James N. McClaren, late of Company K, Sixty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Belle Huey, helpless and dependent daughter of George W. Huey, late of Company D, Seventeenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary A. Smith, widow of Beddiek Smith, late of Company F, One hundred and thirty-first Regiment Illinois Volunteer Infantry, and Company G, Sixth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ella Orner, widow of George D. Orner, late of Company C, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catherine Fuller, helpless and dependent daughter of Christian Fuller, late of Company A, Third Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Frank Gentry, helpless and dependent son of James M. Gentry, late of Company A, Twenty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Anna McCombs, widow of John McCombs, late of Company A, One hundred and forty-fourth Regiment New York National Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of John Sims, helpless and dependent son of Jackson Sims, late of Company A, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of William Crawford, alias Thomas S. Carter, late of Company I, Second Regiment Connecticut Volunteer Heavy Artillery, and Company K, Fifth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Martha R. White, widow of Wilson White, late of Eleventh Battery Michigan Volunteer Light Artillery, and Company B, Ninth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Harrison, helpless and dependent daughter of Jared F. Harrison, late of Company I, Thirty-first Regiment Massachusetts Volunteer Infantry, and Company H, Twentieth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Anna E. Hemingway, widow of George R. Hemingway, late of Company B, One hundred and seventy-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. McKendry, widow of Elijah McKendry, late of Company A, Thirty-sixth Regiment Ohio Volunteer Infantry, and landsman, United States Navy, and pay her a pension at the rate of $30 per month.

The name of Harriet J. Cline, now known as Harrietta Dunlap, widow of John H. Cline, late of Company H, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month.

The name of Rhoda M. Stape, widow of George W. Stape, late of Company E, One hundred and seventh Regiment, and Company C, Two hundred and fifteenth Regiment, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Douzilla Ashton, widow of Frederick Ashton, late of Company C, Eighteenth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henry F. Dunn, helpless and dependent son of Patrick Dunn, late of Company C, Fifty-second Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Thomas Debuke, late of Company I, Sixtieth Regiment New York Volunteer Infantry and Veteran Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Emma C. Withers, widow of Daniel H. Withers, late of Company E, Two hundred and seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Carl Gilmore, helpless and dependent son of John Gilmore, late of Company D, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Pius Yingling, late of Company F, Third Regiment Potomac Home Brigade, Maryland Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Joanna Billman, widow of Alowis Billman, late of Company D, One hundred and sixty-fifth Regiment Pennsylvania Drafted Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan A. Bailey, widow of John F. Bailey, late of Company H, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Ethel Bailey, helpless and dependent daughter of said Susan A. and John F. Bailey, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Susan A. Bailey, the name of said Ethel Bailey shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Susan A. Bailey.

The name of George Cohen, helpless and dependent son of James Cohen, late of Company D, First Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Luella E. Felix, widow of William H. Felix, late of Company I, Second Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Naomi G. Wilson, helpless and dependent daughter of Joseph M. Wilson, late of Company D, One hundred and ninety-second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Margaret Murphy, widow of Boaz Murphy, late of Company K, One hundred and fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabell McLaughlin, widow of John H. McLaughlin, late of Company C, Thirty-fifth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rebecca E. Fowler, widow of Abraham Fowler, late of Capt. Hiram B. Foster's Provisional Company, Adair County, Eighty-sixth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Flanagan, widow of Christian J. Flanagan, late of Company H, Thirty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances J. Whitten, widow of Charles T. Whitten, late of Company H, Nineteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine F. Pequignot, widow of Charles Pequignot, late of Company C, One hundred and forty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia J. Lawson, widow of John P. Lawson, late of Company F, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ada May, widow of Alexander May, late of Company H, Two hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary E. Goudy, widow of John S. Goudy, late of Burdsall's Independent company Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Jane Allen, widow of Nathan Allen, late of Company I, Third Regiment North Carolina Mounted Infantry, and pay her a pension at the rate of $70 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Joseph Allen, helpless and dependent son of said Jane and Nathan Allen, $20 of the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Fannie J. Allen, helpless and dependent daughter of said Jane and Nathan Allen, $20 of the additional pension granted herein shall cease and determine: *And provided further*, That in the event of the death of said Jane Allen, the names of said Joseph Allen and said Fannie J. Allen shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month to each of them, from and after the date of the death of said Jane Allen.

The name of Levada Austin, widow of Andrew T. Austin, late of Company K, Third Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maude A. Norman, helpless and dependent daughter of John P. Norman, late surgeon Eighty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Rosa Boone, former widow of Joseph Blankhorn, late of Company C, Seventh Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ruth J. Sorrells, widow of George W. Sorrels, late of Captain Crandall's Company A, Reserve Corps Missouri National Guard, and pay her a pension at the rate of $30 per month.

The name of Alta Humphrey, widow of Robert Humphrey, late of Company, I, Thirteenth Regiment Vermont Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Hannah Doll, widow of Franklin A. Doll, late of Company K, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Yaple, widow of Giles Yaple, late of Company B, One hundred and sixty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catharine Jimason, widow of George Jimason, late unassigned, One hundred and forty-ninth Regiment Pennsylvania Volun-

teer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Skinner, widow of George Skinner, late of Company G, Third Regiment Minnesota Volunteer Infantry, and Company C, One hundred and eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret A. Pool, widow of Benjamin T. Pool, late of Company K, One hundred and forty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louise Martz, widow of Gottfried Martz, late of Company I, One hundred and thirty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clarie Hesley, widow of William H. H. Hesley, late unassigned, Twenty-eighth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Irvin E. Browning, helpless and dependent son of Wesley Browning, late of Company D, Eighty-ninth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Frank Nelson, helpless and dependent son of Richard C. Nelson, late of Company K, One hundred and fifty-second Regiment Ohio National Guard Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Katie Edds, helpless and dependent daughter of Fiais Edds, late of Company C, Fifty-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Annie Knappe, widow of Charles F. Knappe, late of Company E, Second Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy I. Ross, helpless and dependent daughter of Daniel Ross, late of Company I, Twenty-second Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Fannie I. Sanderson, widow of William Sanderson, late of Captain Larimer's company, One hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Bridgman, widow of Columbus Bridgman, late of Company G, Eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda Fuller, widow of William C. Fuller, alias William Martindale, late of Companies A and D, Ninety-third Regiment, and Company B, One hundred and twenty-third Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Issola L. Shipley, widow of William J. Shipley, late of Company A, Thirty-first Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rachel Smith, widow of John A. Smith, late of Company G, One hundred and thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Blanche Smith, helpless and dependent daughter of said Rachel and John A. Smith, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Rachel Smith, the name of said Blanche Smith shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Rachel Smith.

The name of Thersa J. Sunderland, former widow of Peter Sunderland, late of Company K, One hundred and fifty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura C. Rexroat, widow of William F. Rexroat, late of Company G, Third Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary Taylor, widow of Cephas P. Taylor, late of Company C, Eighty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie McCormick, widow of William McCormick, late of Company A, Twenty-ninth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma A. Jones, widow of Abram Jones, late of Companies A and C, Sixth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lucy Mitchner, widow of Morris Mitchner, late of Company B, One hundred and eighteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabella Knight, widow of Thomas L. Knight, unassigned, Fortieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Frances M. Reynolds, widow of John Reynolds, late of Company K, Third Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen N. Corbin, widow of George W. Corbin, late of Company D, Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Burg, widow of Charles H. Burg, late of Company A, Third Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Rebecca J. Klepper, widow of Jacob Klepper, late of Company G, One hundred and thirty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of M. Ellen Klepper, helpless and dependent daughter of said Rebecca J. and Jacob Klepper, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Rebecca J. Klepper, the name of said M. Ellen Klepper shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Rebecca J. Klepper.

The name of Mary E. Stinson, helpless and dependent daughter of Samuel Stinson, late of Company C, First Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lucy J. Coburn, widow of Benjamin F. Coburn, late of Company K, Seventh Regiment Vermont Volunteer Infantry, and Company C, First Regiment Vermont Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Kate E. Abbott, widow of Allen W. Abbott, late of Company B, Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha R. Collier, helpless and dependent daughter of John L. Collier, late of Company H, Tenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Augusta M. Moseley, widow of John L. Moseley, late of Company K, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Reka Butts, widow of Milon Butts, late of Company G, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Delnora Deuel, widow of James E. Deuel, late of Company H, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Huckabe, widow of John F. Huckabe, late of Company H, Second Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Adaline Wiseman, widow of George P. R. Wiseman, late of Company D, Thirteenth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Abbie D. Washburn, widow of Oscar E. Washburn, late of Company H, Third Regiment Massachusetts Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Dorcas A. Reed, widow of George F. Reed, late of Company F, Fourteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Amanda J. Smith, widow of Milton Smith, late of Company F, Twenty-sixth Regiment Illinois Volunteer Infantry, and Fifty-ninth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia A. Thornton, widow of Noah Thornton, late of Company E, Fiftieth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ruthe Roach, widow of Benjamin Roach, late of Company F, Sixth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Pheby E. Sliger, widow of William G. Sliger, late of Company D, Fifth Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances L. Row, widow of Michael Row, late of Company K, Two hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Brown, widow of Levi H. Brown, late of Company D, Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Zilpah I. Eaton, helpless and dependent daughter of Jeremiah L. Rice, late of Company K, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of George Grove, helpless and dependent son of Simon Grove, late of Company G, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $20 per month, through a legally appointed guardian, in lieu of that he is now receiving.

The name of Anna W. Jones, widow of Walter N. Jones, late of Company D, One hundred and twelfth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Malissa Sawyer, widow of Solomon Sawyer, late of Company G, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Strawn, widow of Thomas J. Strawn, late of Company H, Eleventh Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Adidamiah Reeves, widow of Laton D. Reeves, late of Company K, One hundred and fortieth Regiment, and Company H, One hundred and fiftieth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Laura C. Dupree, widow of John Dupree, late of Battery L, Fifth Regiment United States Volunteer Artillery, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Harper, widow of James M. Harper, late of Company A, One hundred and thirty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Adaline Laffolett, widow of John W. Laffolett, late of Company D, Thirty-third Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Bell L. Duncan, widow of Andrew M. Duncan, late of Company I, One hundred and thirty-fifth Regiment, and Company H, One hundred and third Regiment, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Elizabeth Tedrow, widow of Douglas E. Tedrow, late of Company D, Seventy-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ester C. King, widow of Martin A. King, late of Company C, Third Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret E. Farmer, widow of John N. Farmer, late of Companies H and C, Third Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline E. Johnson, widow of Henry M. Johnson, late of Company F, First Regiment Michigan Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie E. Stauch, widow of Jacob H. Stauch, late of Company M, First Regiment Potomac Home Brigade Maryland Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Louisa T. Goans, widow of Samuel S. Goans, late of Company K, Ninth Regiment Missouri State Militia Volunteer Cavalry, and Company M, Thirteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Schnarr, widow of Henry Schnarr, late of Company G, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria L. Johnson, widow of Daniel L. Johnson, late of Company C, Fifty-eighth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Theodore F. Cook, late of Company C, Second Regiment, and Company H, Forty-sixth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Elizabeth Wood, widow of Abner P. Wood, late of Company E, Eighteenth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Coppins, widow of Culmer Coppins, late of Company D, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $50 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Maggie A. McKinney, widow of James McKinney, late of Company I, Twelfth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Sagendorf, widow of Jonas Sagendorf, late of Company B, Ninety-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Amy E. Sagendorf, helpless and dependent daughter of said Anna and Jonas Sagendorf, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Anna Sagendorf the name of said Amy E. Sagendorf shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Anna Sagendorf.

The name of Wilhemina W. Dietrich, former widow of John Weiss, late of the First Independent Battery, Indiana Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Frances R. Swails, helpless and dependent daughter of Darius R. Swails, late of Company E, Twentieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Barbara Schlatter, widow of Henry Schlatter, late of Company I, Sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sopha Brown, widow of Edley Brown, late of Company K, Fourth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Richie A. Holmes, widow of Amos Holmes, late of Company E, One hundred and fifty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary M. Perago, widow of James S. Perago, late of Company A, Two hundredth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie A. McGuire, widow of George F. McGuire, late of Company I, Fifty-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Noah Rickard, late of Company D, Thirteenth Regiment Indiana Cavalry Volunteers, and pay him a pension at the rate of $50 per month.

The name of Avilla Hough, former widow of Andrew Swartz, late of Company I, Eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. Billig, widow of Charles V. Billig, late of Company G, One hundred and forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of Jane L. Hewitt, widow of Daniel C. Hewitt, late coal heaver, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy J. Fuller, widow of James W. Fuller, late of Company C, One hundredth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie Young, widow of George G. Young, late of Company I, One hundred and ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Gruver, widow of Isaac Gruver, late of Company D, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah L. Headington, widow of Emmet Headington, late of Company B, Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Alexander, widow of Robert Alexander, late of Company C, Fifty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Thomas A. Smith, helpless and dependent son of Thomas D. Smith, late of Company H, Seventh Regiment Pennsylvania Reserve Infantry, and Sixty-fourth Company, Second Battalion Veteran Reserve Corps, and pay him a pension at the rate of $20 per month.

The name of Mary Boylen, widow of Patrick Boylen, late of Company D, Sixth Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Nancy Leming, widow of Ephraim Leming, late of Company H, One hundred and sixteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Almira M. Mitchell, widow of James L. Mitchell, late of Company A, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Kauffman, widow of Joseph S. Kauffman, late of Company K, Two hundred and third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Blanche H. Simms, helpless and dependent daughter of John Simms, late of Company E, One hundred and ninety-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary J. Wilking, widow of Philip Wilking, late of Company G, Thirty-ninth Regiment Ohio Volunteer Infantry, and Company C, First Regiment Michigan Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Bridget M. Carpenter, widow of William F. Carpenter, late of Company G, One Hundred and eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy J. Bryant, widow of Martin V. Bryant, late of Company B, Third Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Kimbell, widow of Lorenzo A. Kimbell, late of Company K, Fourth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Lottie A. Bowhall, widow of Nathan Rowhall, late of Company B, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Louise E. Shull, widow of Frederick A. Shull, late of Company A, Eighty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Tanner, widow of Richard M. Tanner, late of Company I, Third Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Christena J. Carter, widow of Thomas J. Carter, late of Company B, Fourth Regiment Provisional Enrolled Missouri Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Lephe J. Barler, widow of Barnabas Barler, late of Company I, Fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Allen T. Boggs, late unassigned Maine Infantry Volunteers, Civil War, and pay him a pension at the rate of $50 per month, without deduction on account of former alleged erroneous payment of pension.

The name of Eliza A. Winters, widow of Jeremiah Winters, late of Company D, Twelfth Regiment Pennsylvania Reserve Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Remetha H. Means, widow of George W. Means, late of Company E, One hundred and nineteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of John Sanders, late of Company B, Sixty-second Regiment Illinois Volunteer Infantry, and Veteran Volunteer in same organization, and pay him a pension at the rate of $50 per month.

The name of Mable Farnham, widow of Fred L. Farnham, late of Company C, First Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Pearl Falkinburgh, widow of William A. Falkinburgh, late of Company M, Ninth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Kate Bantz, widow of William A. Bantz, late of Company B, Seventh Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie M. Althouse, widow of John W. Althouse, late of Company H, One hundred and fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura Murdick, widow of Allen Murdick, late of Company D, Second Regiment Massachusetts Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of Sadie L. Treadwell, widow of Orrin L. Treadwell, late of Company G, Thirtieth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Howell, widow of William H. Howell, late of Company H, Eighty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice Green, widow of Luther Green, late of Company F, Third Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Benton Abbott, helpless and dependent son of David Abbott, late of Company H, Twenty-second Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Sophia Albright, widow of John Albright, alias John Brown, late of Company H, Third Regiment Pennsylvania Reserve Corps Volunteers, and Battery C, Fifth Regiment United States Volunteer Artillery, and pay her a pension at the rate of $30 per month.

The name of Minerva Kenney, widow of Samuel Kenney, late of Company H, Seventy-fifth Regiment Illinois Volunteer Infantry, and One hundred and seventh Company, First Battalion, Invalid Corps, and pay her a pension at the rate of $30 per month.

The name of Carra B. Jacobs, widow of John W. Jacobs, late of Company H, Sixteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ellen J. Goodnoh, widow of Edward C. Goodnoh, late of Company A, Thirtieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elvina Spangler, widow of Israel Spangler, late of Company C, One hundred and sixty-sixth Regiment Pennsylvania Drafted Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennie S. McIlhenny, widow of Robert K. McIlhenny, late of Company B, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Prouty, widow of Frederick Prouty, late of Company K, Seventh Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Eva G. Klug, widow of John W. Klug, late of Company K, Second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maggie M. Finch, widow of Martin L. Finch, late of Company A, One hundred and thirty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Myers, widow of Gottlieb Myers, late of Company G, Eighth Regiment Pennsylvania Reserve Infantry, and Company G, One hundred and ninety-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan A. Main, widow of Charles H. Main, late of Company B, Third Regiment Rhode Island Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Esther A. Fero, widow of David Fero, late of Company C, One hundred and twenty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia E. Miller, widow of Joseph C. Miller, late of Company B, Battalion Engineers, United States Army, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Catharin Murphy, widow of James Murphy, late of Company G, Eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $70 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of James Murphy, helpless and dependent son of said Catharin and James Murphy, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Catharin Murphy, the name of said James Murphy shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Catharin Murphy.

The name of Emma L. Maynard, helpless and dependent daughter of Chauncey J. Maynard, late of Company C, Thirty-first Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary E. Main, widow of Lemuel Main, late of Company G, Second Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Joanna D. Potter, widow of Amos Potter, late of Company C, Ninety-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Verrelle S. Willard, widow of Manfred Willard, late of Company H, Sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Kundinger, widow of Theodore Kundinger, late of Company K, Fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Malissa Blair, widow of John W. P. Blair, late of Company A, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Morris, widow of Charles B. Morris, late of Companies B and D, Second Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

is now receiving.

of Company H, Twenty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

Abbott, late of Company H, Twenty-second Regiment Indiana Volun-

is now receiving.

The name of Mary Brittenham, widow of George W. Brittenham, late of Company K, Eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Palmer, helpless and dependent daughter of John Palmer, late of Company D, Seventeenth Regiment, and Company H, One hundred and fifty-first Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary A. Force, widow of Washington P. Force, late of Company G, Sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Olive J. Hurst, former widow of Abram H. Hurst, late of Company B, One hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Fuller, widow of Henry Fuller, alias James Butler, late of Company A, Seventh Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mahala Shaw, widow of Francis M. Shaw, late of Company I, Twenty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Roush, widow of Richard J. Roush, late of Company I, Fifty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maria L. Reed, widow of Edwin W. Reed, late of Company F, Seventy-fifth Regiment, and Company A, Eighty-fifth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret S. Higgins, widow of William H. Higgins, late of Company D, Fourth Independent Battalion Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of William A. Crampton, helpless and dependent son of Byron Crampton, late of Company I, Eighty-fourth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Jennie A. Davis, former widow of John L. Johnson, late of Company H, Thirty-eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva L. Wood, widow of Theodore Wood, late of Company F, One hundred and eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Yocum, widow of Henry N. Yocum, late of Company H, Third Regiment, and Company I, Ninth Regiment, Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary H. Templeton, widow of Dexter E. Templeton, late of Company A, Third Battalion, Twenty-ninth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy Adams, widow of Gillespie Adams, late of Company B, Fourth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza Ewing, former widow of Oliver Town, late of Company D, One hundred and ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Walter Town, helpless and dependent son of said Eliza Ewing and Oliver Town, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Eliza Ewing, the name of said Walter Town shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Eliza Ewing.

The name of Jane E. Hart, widow of Albert T. Hart, late of Company H, First Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel Morris, widow of Eli T. Morris, late of Company G, Tenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma L. Dugent, widow of William Dugent, late of Company B, Thirteenth Regiment Maryland Volunteer Infantry, and Company D, Fourth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Fannie Teeple, former widow of Benjamin Teeple, late of Company K, Second Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Josephine M. Downes, widow of Chauncey B. Downes, late of Company F, Seventeenth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Loriot, widow of Henry Loriot, late of Company B, Ninth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Steely, widow of Simon C. Steely, late of Company K, Twenty-sixth Regiment Kentucky Volunteer Infantry, and Company I, Twenty-second Regiment Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of George Robinson, late of Company A, One hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Grace F. Briggs, widow of Barron W. Briggs, late of Company K, Thirty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Carrie S. Pierce, widow of Henry H. Pierce, late of Company H, Eighth Regiment Kansas Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza Prody, widow of Max Prody, alias Max Prodi, late of Company D, Tenth Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary W. McGuire, widow of William McGuire, late of Company F, Third Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie K. Doherty, widow of John C. Doherty, late of Company G, Twenty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month through a legally appointed guardian.

The name of Rhoda Hart, widow of Hector S. Hart, late of Company D, One hundred and twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Orominah Bates, former widow of John R. Russell, late of Company A, Tenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Egolf, widow of Joseph Egolf, late of Company H, Seventh Regiment Pennsylvania Reserve Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida Hall, widow of Alexander Hall, late of Company I, Twenty-first Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Thornburg, widow of William Thornburg, late of Company B, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clifford Fiske, helpless and dependent son of William A. Fiske, late of Company I, Third Regiment New Hampshire Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary Gaffney, widow of Philip Gaffney, alias Philip Murphy, late of Company I, Sixth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Henry J. Robinson, helpless and dependent son of William L. Robinson, late of Company E, First Regiment New Hampshire Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Mary A. Enderle, widow of Joseph Enderle, late of Company K, Sixteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rosa E. Stephens, widow of Owen Stephens, late of Company B, Third Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melinda Suggs, widow of James Suggs, late of Company H, Fifty-ninth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Edward Zechman, helpless and dependent son of Joel Zechman, late of Company K, Two hundred and tenth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month through a legally appointed guardian.

The name of Margary Dotter, widow of Jeremiah Dotter, late of Company K, Sixty-third Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary E. Applegate, widow of Edwin R. Applegate, late of Company H, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Delphina E. Blackwood, widow of Birchem W. Blackwood, late of Company E, Fortieth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Arminda Morgan, widow of Jacob Morgan, late of Company E, Second Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Luren M. Carter, widow of Amos C. Carter, late of Company C, First Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary C. Triplett, widow of Joshua D. Triplett, late of unassigned Eleventh Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara Wirtz, widow of George Wirtz, late of Company F, Twenty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia A. Kresge, widow of Amos Kresge, late of Company G, Sixty-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Minnie E. Crow, widow of Mark E. Crow, late of Company I, One hundred and twenty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Martha Hammond, widow of Philip Hammond, late of Company B, One hundred and sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Ella F. Young, widow of George H. Young, late of Company F, Eighth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Cynthia Lillie, former widow of Lauriston Jones, late of Company B, Second Regiment, and Company D, One hundred and twenty-fifth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. Weber, widow of John Weber, late of Company I, Fifteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Vesta J. Hutsell, widow of Samuel Hutsell, late of Company H, Sixty-third Regiment Missouri Volunteer Infantry (Enrolled Militia), and pay her a pension at the rate of $30 per month.

The name of Betsy A. Burke, widow of Thomas D. Burke, late of Company H, Fifteenth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $30 per month.

The name of Sarah A. Elliott, widow of John B. Elliott, late of Company C, Fourth Regiment West Virginia Volunteer Infantry, and Company A, Second Regiment West Virginia Veteran Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elmira L. Stone, widow of Wells C. Stone, late of Company F, Fifty-second Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda E. Fortney, widow of Christopher Fortney, late of Company I, Two hundred and ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet Sadler, widow of James A. Sadler, late of Company K, One hundred and eighty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy A. Cox, widow of Augustus H. Cox, late of Company E, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha H. Raymond, widow of Gustavus Raymond, late of Company D, Forty-second Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Caroline M. Fleming, widow of George B. Fleming, late of Company G, One hundred and ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth M. Cook, widow of George P. Cook, late of Company E, One hundred and sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Olive Hull, widow of William E. Hull, late of Company B, Seventh Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Fannie F. Kennedy, widow of Daniel E. Kennedy, alias Samuel Cooper, late of Company D, Seventy-seventh Regiment Illinois Volunteer Infantry, and Company K, Ninth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Rebecca J. Raburn, widow of Francis M. Raburn, late of Company H, Seventy-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Frederick J. Dum, late teamster, Quartermaster Department, during Civil War, and pay him a pension at the rate of $30 per month.

The name of Louisa Jackson, widow of Hiram Jackson, late of Company I, Fifty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Plummer, widow of Zachary T. Plummer, late of Company C, Fifteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mandy Clapper, widow of William Clapper, late of Companies L and C, Nineteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Isaac Eads, late of Company F, Third Regiment Tennessee Mounted Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Mary D. Brown, widow of George A. Brown, late of Company C, Forty-seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Conklin, widow of Samuel S. Conklin, late coxswain, United States Navy, Civil War, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Polley Smith, widow of James C. Smith, late of Company M, Thirteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Waltman, widow of Charles A. Waltman, late of Company G, Seventh Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Katie Thompson, widow of Thomas Thompson, late of Company L, Second Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Matilda Tedlock, widow of Pyrt Tedlock, late of Company B, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ray D. Ingersoll, widow of Orton Ingersoll, late of Company A, Eleventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabel D. Mann, widow of George W. Mann, late of Company I, First Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Martha A. McNeer, widow of James H. McNeer, late of Company E, Second Battalion Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Della Elder, helpless and dependent daughter of William T. Elder, late of Company G, Eighty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of John S. Nixon, helpless and dependent son of William S. Nixon, late of Company I, One hundred and forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Elizabeth J. Stallings, widow of Henry C. Stallings, late of Company G, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah E. Bender, widow of Joseph C. Bender, late of Company D, Sixth Regiment Ohio Volunteer Infantry, and Companies H and K, Thirteenth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Carrie Thompson, widow of Sanford S. Thompson, late boatswain's mate, United States Navy, Civil War, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Metlin, widow of James C. Metlin, late of Company H, Sixty-third Regiment, and Company A, Eighth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Harriet E. Brothers, widow of Frank Brothers, late of Company B, One hundred and forty-second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Secrist, widow of Jesse Secrist, late of Company K, Third Regiment Pennsylvania Provisional Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Winn, widow of Joel T. Winn, late of Company A, Ninety-first Regiment New York Volunteer Infantry, and Bat-

tery L, First Regiment United States Volunteer Artillery, and pay her a pension at the rate of $30 per month.

The name of Alice Gormley, widow of Daniel Gormley, late of Company E, One hundred and seventy-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Ella L. Norwood, widow of Howard J. Norwood, late of Company H, Fifth Regiment Massachusetts Militia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emeline Harvey, widow of William Harvey, late of Company A, Fourteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Nellie Mae Harvey, helpless and dependent daughter of said Emeline and William Harvey, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Emeline Harvey, the name of said Nellie Mae Harvey shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Emeline Harvey.

The name of Adelaide M. Clark, widow of Newell B. Clark, late unassigned, Sixtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Doan, widow of Marmaduke R. Doan, late of Company F, One hundred and fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary V. Sprague, widow of Albert H. Sprague, late of Second Independent Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hester A. McLuen, widow of James F. McLuen, late of Company E, Thirty-ninth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Annie M. Marsh, widow of Augustus A. Marsh, late of Company H, One hundred and forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lewis Grignon, helpless and dependent son of Andrew Grignon, late of Company B, Twenty-first Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Elizabeth Hatch, widow of Charles Hatch, alias Charles H. Lord, late of Company B, First Regiment Maine Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Harriet E. Goodale, widow of Jude Goodale, late of Company B, Fifty-second Regiment Pennsylvania Volunteer Infantry, and Company C, Eleventh Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Susan M. Lambert, widow of James A. Lambert, late of Company I, Second Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emily Sanders, widow of Zacharish P. Sanders, late of Company E, Twenty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva L. Little, widow of William Little, late of Company H, One hundred and twenty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Wimbles, widow of Henry P. Wimbles, late of Company H, First Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth M. Humphreys, widow of John W. Humphreys, late of Company G, Fourth Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Susan K. Bentz, widow of Isaac E. Bentz, late of Company C, Seventeenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melissa Bigler, widow of John W. Bigler, late of Company C, Fifth Regiment Pennsylvania Reserve Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret E. Ulrich, helpless and dependent daughter of George Ulrich, late of Company L, Fifteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Sarah L. Shill, widow of Thomas J. Shill, late of Company G, Twenty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary O. Shaw, widow of John S. Shaw, late of Company D, One hundred and thirty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Erskine A. Cole, alias Charles Stickels, late of Company E, Tenth Regiment Vermont Volunteer Infantry, and Company B, Fifty-fourth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $50 per month without deduction for former erroneous payments.

The name of Nancy Jane Bush, widow of Albert R. Bush, late of Company G, Fifty-fourth Regiment Kentucky Volunteer Mounted Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Anna E. Ward, widow of James Ward, late of Company E, One hundred and twenty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Anna G. Murray, widow of Joseph Murray, alias John Townsend, late of Company K, Twenty-ninth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Bella M. Getty, widow of John F. Getty, late of Fourteenth Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary A. Mathewson, widow of George Mathewson, late of Company C, Tenth Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clarissa Stratton, widow of Samuel W. Stratton, late of Company E, Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Kate G. Caton, widow of Henry T. Caton, late of Companies G and E, One hundred and twenty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Effie F. Myers, widow of James A. Myers, late of Company G, Thirteenth Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Belle Boots, widow of Willard S. Boots, late of Company L, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Kitty A. Freeman, widow of Jesse K. Freeman, late of Company H, Eleventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jemima A. Taylor, widow of William L. Taylor, late of Company K, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jane F. Cochrane, widow of Russell Cochrane, late of Fifteenth Battery, Massachusetts Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Julia F. Veats, former widow of John Gannon, late of Company K, Fifth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julie Cowan, widow of Philo J. Cowan, late of Company F, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary Stewart, widow of William A. Stewart, late of Company H, Forty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month, through a legally appointed guardian, in lieu of that she is now receiving.

The name of Marion L. Tyler, widow of Elnathan B. Tyler, late of Company B, Fourteenth Regiment Connecticut Volunteer Infantry, and unassigned, First Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Goodsell, widow of Theodore W. Goodsell, late of Company C, Ninety-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Helen L. Huff, widow of William H. Huff, late of Company C, Seventeenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Bowman, widow of Peter A. Bowman, late of Company F, Two hundred and first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of William D. Bowman, helpless and dependent son of said Mary A. and Peter A. Bowman, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Mary A. Bowman the name of said William D. Bowman shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the death of said Mary A. Bowman.

The name of Emma Post, widow of Eldad Post, late of Company D, Forty-seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie C. Frazee, widow of Francis M. Frazee, late of Company C, Sixth Regiment West Virginia Volunteer Infantry, and

pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebecca Murray, former widow of Moses Keeny, late of Company F, Ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lurettie L. Morse, widow of Andrew J. Morse, late of Company E, Eighth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Rosaline E. Palmer, widow of William Palmer, late of Company B, Ninth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Kate Irwin, widow of Isaiah T. Irwin, late of Company D, Second Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Augusta Chapman, widow of Abram Chapman, late of Company K, Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Corkett, widow of John K. Corkett, late of Thirteenth Independent Battery Wisconsin Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary H. Von Brandis, widow of William Von Brandis, alias William Brandis, late of Company D, One hundred and thirty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth A. Harrington, widow of Al C. Harrington, late of Company D, Fifth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary L. Danforth, widow of Lyman Danforth, late of Company H, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Barbara Grant, widow of Henry N. Grant, late of Company F, Second Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Catharine B. Bittle, widow of John Bittle, late of Company A, One hundred and sixty-fifth Regiment Pennsylvania Drafted Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura B. Smith, widow of Rhoades Smith, late of Company D, One hundred and thirty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Theresa A. Hunter, widow of William M. Hunter, late of Company B, Fifteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet E. Gould, widow of Harvey W. Gould, late of Company I, Fifty-seventh Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Jeanette E. Ferris, widow of De Forest W. Ferris, late of Company E, Sixth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rohama Crosley, widow of Ross Crosley, jr., late of Company E, Nineteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catharine S. Wakefield, widow of Miles D. Wakefield, late of Company H, Forty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Almaria Hemstreet, widow of Alvin L. Hemstreet, late of Company K, Forty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Daniel Burket, helpless and dependent son of Joseph Burket, late of Company E, Second Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Elizabeth Thomas, former widow of Thoma Uts, late of Company F, One hundred and seventeenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of John Charleston, late of Company G, Twenty-first Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Sarah J. Burns, widow of James Burns, late of Company G, Thirteenth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ella Littlefield, widow of Darwin S. Littlefield, late of Company A, One hundred and fifty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Pfaff, widow of John Pfaff, late of Company K, Third Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary Smith, helpless and dependent daughter of Frederick Smith, late of Company C, Fifteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $20 per month through a legally appointed guardian.

The name of Sarah A. Bryan, widow of Walter P. Bryan, late of Company G, Fifteenth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Hall, widow of Ira D. Hall, late of Company H, Forty-seventh Regiment Kentucky Volunteer Infantry, and Company D, Fourth Regiment Kentucky Volunteer Mounted Infantry, and pay her a pension at the rate of $36 per month in lieu of that she is now receiving as the natural guardian of Mattie Hall, a minor daughter of said Sarah and Ira D. Hall, $6 of the amount to cease and determine when the said minor daughter, Mattie Hall, attains the age of 16 years, or in the event of her death.

The name of Clarenda Brown, widow of Thomas Brown, late of Company D, Thirtieth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eva D. Fuller, widow of Albert Fuller, late of Company C, Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Isabella Rickman, widow of Nelson W. Rickman, late of Company A, Phelp's regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan Smitten, former widow of Edwin Chesley, late of Company A, Two hundred and sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louesa Kontner, widow of Isaac D. Kontner, late of Company C, Thirty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia A. Gossett, widow of Newton J. Gossett, late of Company H, Twelfth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henry J. Andrews, late of Captain William H. Ferguson's company, Enrolled Missouri Militia, Civil War, and pay him a pension at the rate of $50 per month.

The name of Elizabeth Croft, widow of William M. Croft, late of Company A, Ninth Regiment Pennsylvania Reserve Infantry, and Company B, One hundred and ninetieth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Thomas, widow of Henry Thomas, late of Company E, Thirty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Mary E. Thomas, helpless and dependent daughter of said Martha and Henry Thomas, the additional pension herein granted shall cease and determine: *And provided further*, That in the event of the death of Martha Thomas, the name of said Mary E. Thomas shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Martha Thomas.

The name of Jane S. Gillingham, widow of James Gillingham, late of Company H, One hundred and fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida J. Black, widow of Hugh I. A. Black, late second class boy, United States Navy, Civil War, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ann C. Piatt, widow of James W. Piatt, late of Company K, One hundred and thirty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza A. O'Connor, widow of Robert O'Connor, late of Company D, One hundred and sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

This bill is a substitute for the following House bills referred to said committee:

H. R. 974. Maggie Riphenburgh.	H. R. 1722. Ellen Hanour.
H. R. 991. Charles O. Rider.	H. R. 1744. Sarah Brown.
H. R. 996. Ellen McGarry.	H. R. 1748. Elisha M. Chilson.
H. R. 1028. Mary A. Sturtevant.	H. R. 1771. Frances A. Thomas.
H. R. 1264. Emma Urquhart.	H. R. 1791. Caroline Murdtt.
H. R. 1430. Sallie M. Seaman.	H. R. 1801. Eleanor G. Tiffany.
H. R. 1436. Anna Ganderup.	H. R. 1838. Fannie M. Gardner.
H. R. 1492. Stella B. Irwin.	H. R. 1845. Nettie Campbell.
H. R. 1505. Matilda B. Henson.	H. R. 1968. Margaret J. Gano.
H. R. 1507. Caroline Day.	H. R. 1976. Sarah M. Lyon.
H. R. 1511. John C. Herron.	H. R. 2012. Emma J. Moores.
H. R. 1542. Mary D. Bilbay.	H. R. 2073. Sarah Beason.
H. R. 1667. Levi Mott.	H. R. 2109. Edith C. Oakley.

H. R. 2121. Sarah E. McKeever.
H. R. 2180. Lucy Centers.
H. R. 2187. Mary Hubbard.
H. R. 2270. Julia Conger.
H. R. 2275. Mary G. Russell.
H. R. 2278. Edith E. Doty.
H. R. 2279. Phanettie Ormsbee.
H. R. 2294. Josephine Albert.
H. R. 2296. Elizabeth Dreming.
H. R. 2304. Margaret C. Spealman.
H. R. 2544. Phebe Houck.
H. R. 2547. Adaline Smith.
H. R. 2552. Esther M. Huffman.
H. R. 2572. Cora I. Fisher.
H. R. 2589. Medie M. Flanders.
H. R. 2643. Sarah E. Howe.
H. R. 2730. Annie M. Base.
H. R. 3004. Mary H. Barnes.
H. R. 3020. Lovina Gilmore.
H. R. 3087. Martha Comstock.
H. R. 3090. Frances E. Austeed.
H. R. 3121. Louisa Woods.
H. R. 3128. Martha J. Turner.
H. R. 3154. Sarah J. Shelby.
H. R. 3325. Nora V. McDaniel.
H. R. 3462. Philip Dieter.
H. R. 3466. Edward D. Henderson.
H. R. 3481. Laura A. Moore.
H. R. 3565. Mary L. Green.
H. R. 3588. Lizzie G. Chapman.
H. R. 3596. Sarah Loudermilk.
H. R. 3654. Anna M. Craig.
H. R. 3760. William C. Merritt.
H. R. 3830. Carrie E. Doane.
H. R. 4016. Jacob Myers.
H. R. 4300. Christina Forsythe.
H. R. 4339. Josephine Wood Martin.
H. R. 4389. Elizabeth Shook.
H. R. 4415. Albert C. Raymond.
H. R. 4587. Phoebe A. Chadsey.
H. R. 4595. Maria A. Carpenter.
H. R. 4592. George Hurtt.
H. R. 4603. John Scott.
H. R. 4606. Mary C. Thorp.
H. R. 4648. Mary D. Surber.
H. R. 4686. Ada Thorp.
H. R. 4722. Tabitha S. Bennett.
H. R. 4723. Levi Barrett.
H. R. 4758. Isadora Amos.
H. R. 4781. Newt Ford.
H. R. 4788. Thomas J. French.
H. R. 4791. Eliza Peters.
H. R. 4872. Lulia M. Eungard.
H. R. 4885. Sarah A. Wellman.
H. R. 4922. Sarah E. Harkleroad.
H. R. 4940. Elizabeth Smith.
H. R. 4954. Allie W. Seeber.
H. R. 4956. Ella L. Kipp.
H. R. 5035. Johanna Garvey, now Dowling.
H. R. 5038. Lillie Bean.
H. R. 5041. Alice Bean.
H. R. 5042. Elizabeth Eddy.
H. R. 5044. Lilly Albaugh.
H. R. 5046. Francis H. P. Showalter.
H. R. 5069. Cynthia N. Johnson.
H. R. 5106. Lydia Rankin.
H. R. 5178. James H. Hoyt, alias James McCabe.
H. R. 5189. Sarah M. Skinner.
H. R. 5228. John E. Gauntang.
H. R. 5245. Amelia Allen.
H. R. 5275. Rebecca C. Vanderhoof.
H. R. 5286. Lizzie Clay.
H. R. 5295. George P. Thomas.
H. R. 5360. Nellie Pratt.
H. R. 5373. Anna M. Pierce.
H. R. 5400. Sarah J. Kelton.
H. R. 5436. Sallie R. Van Landingham, now known as Sarah R. Van Landingham.
H. R. 5461. Jane E. Thorn.
H. R. 5463. Angeline Stafford.
H. R. 5508. Ida Nalle.
H. R. 5547. Lucza A. Watson.
H. R. 5577. Nancy J. Herd.
H. R. 5757. Joseph Edwards.
H. R. 5768. Sophia M. West.
H. R. 5787. Maude P. Brown.
H. R. 5827. Mary Jane Hoover.
H. R. 5917. Lewis Berry.
H. R. 5969. Nancy A. Vickery.
H. R. 5972. Mary J. Noland.
H. R. 6063. John Gately.
H. R. 6040. Nancy Jones.
H. R. 6043. Julian A. Wheeler.
H. R. 6098. Henry F. Correll.
H. R. 6099. Ellen N. Pearson.
H. R. 6102. Fanny M. Hubbard.
H. R. 6108. Mary Ellen McClaren.
H. R. 6122. Belle Huey.
H. R. 6163. Mary A. Smith.
H. R. 6267. Ella Gerner.
H. R. 6282. Catherine Fuller.
H. R. 6417. Frank Gentry.
H. R. 6457. Anna McCombs.
H. R. 6465. John Sims.
H. R. 6497. William Crawford, alias Thomas S. Carter.
H. R. 6511. Martha R. White.
H. R. 6528. Sarah J. Harrison.
H. R. 6567. Anna B. Hemingway.
H. R. 6616. Margaret J. McKindry.
H. R. 6641. Harriet J. Cline, now known as Harrietta Dunlap.
H. R. 6667. Rhoda M. Stape.
H. R. 6689. Deuzilla Ashton.
H. R. 6693. Henry F. Dunn.
H. R. 6701. Thomas Debuke.
H. R. 6746. Emma C. Withers.
H. R. 6764. Carl Gilmore.
H. R. 6771. Pius Yingling.
H. R. 6797. Joanna Billman.
H. R. 6807. Susan A. Bailey.
H. R. 6840. George Cohen.
H. R. 6885. Luella B. Felix.
H. R. 6917. Naomi G. Wilson.
H. R. 6931. Margaret Murphy.
H. R. 6940. Isabell McLaughlin.
H. R. 6958. Rebecca E. Fowler.
H. R. 6968. Sarah J. Flanagan.
H. R. 6970. Frances J. Whitten.
H. R. 7020. Josephine F. Pequignot.
H. R. 7028. Lydia J. Lawson.
H. R. 7029. Ada May.
H. R. 7046. Mary E. Goudy.
H. R. 7049. Jane Allen.
H. R. 7050. Lovada Austin.
H. R. 7068. Maude A. Norman.
H. R. 7065. Rosa Boone.
H. R. 7090. Ruth J. Sorrels.
H. R. 7096. Alta Humphrey.
H. R. 7098. Hannah Doll.
H. R. 7116. Mary Yaple.
H. R. 7125. Catharine Jimason.
H. R. 7134. Catherine Skinner.
H. R. 7159. Margaret A. Pool.
H. R. 7168. Louise Marts.
H. R. 7170. Clarie Herley.
H. R. 7171. Ervin E. Browning.
H. R. 7197. Frank Nelson.
H. R. 7198. Katie Edds.
H. R. 7199. Annie Knappe.
H. R. 7200. Nancy I. Ross.
H. R. 7201. Fannie I. Sanderson.
H. R. 7205. Elizabeth Bridgman.
H. R. 7213. Amanda Fuller.
H. R. 7225. Issola L. Shipley.
H. R. 7236. Rachel Smith.
H. R. 7246. Thersa J. Sunderland.
H. R. 7234. Laura C. Rexroat.
H. R. 7241. Mary Taylor.
H. R. 7242. Lizzie McCormick.
H. R. 7251. Emma A. Jones.
H. R. 7252. Lucy Mitchner.
H. R. 7375. Isabella Knight.
H. R. 7277. Frances M. Reynolds.
H. R. 7278. Ellen N. Corbin.
H. R. 7279. Mary E. Burg.
H. R. 7282. Rebecca J. Klepper.
H. R. 7286. Mary E. Stinson.
H. R. 7292. Lucy J. Coburn.
H. R. 7294. Kate E. Abbott.
H. R. 7295. Martha E. Collier.
H. R. 7302. Augusta M. Moseley.
H. R. 7337. Reba Butts.
H. R. 7347. Delnora Deuel.
H. R. 7371. Mary A. Huckaba.
H. R. 7373. Adaline Wheeman.
H. R. 7374. Abbie D. Washburn.
H. R. 7386. Dorcas A. Reed.
H. R. 7387. Amanda J. Smith.
H. R. 7391. Julia A. Thornton.
H. R. 7392. Ruthe Rosch.
H. R. 7393. Phebe E. Stiger.
H. R. 7397. Frances L. Row.
H. R. 7427. Mary J. Brown.
H. R. 7426. Elpah I. Eaton.
H. R. 7428. George Grove.
H. R. 7429. Anna W. Jones.
H. R. 7434. Mallissa Sawyer.
H. R. 7473. Sarah A. Strawn.
H. R. 7474. Adldamiah Reeves.
H. R. 7475. Laura C. Dugree.
H. R. 7483. Sarah J. Harper.
H. R. 7482. Adaline Laffolett.
H. R. 7484. Bell L. Duncan.
H. R. 7486. Elizabeth Tedrow.
H. R. 7487. Ester C. King.
H. R. 7488. Margaret E. Farmer.
H. R. 7509. Caroline E. Johnson.
H. R. 7510. Annie E. Stanch.
H. R. 7513. Louisa T. Goans.
H. R. 7519. Elizabeth Schnarr.
H. R. 7522. Marie L. Johnson.
H. R. 7625. Theodore F. Cook.
H. R. 7634. Elizabeth Wood.
H. R. 7640. Mary J. Coppins.
H. R. 7660. Maggie A. McElaney.
H. R. 7706. Anna Sagendorf.
H. R. 7709. Wilhemina W. Dietrich.
H. R. 7716. Frances R. Swaim.
H. R. 7718. Barbara Schlatter.
H. R. 7722. Sophia Brown.
H. R. 7725. Richie A. Holmes.
H. R. 7739. Mary M. Parago.
H. R. 7765. Hattie A. McGuire.
H. R. 7768. Noah Richard.
H. R. 7797. Arilla Rough.
H. R. 7790. Margaret J. Billig.
H. R. 7801. Jane L. Hewitt.
H. R. 7803. Nancy J. Fuller.
H. R. 7808. Minnie Young.
H. R. 7811. Martha Gruver.
H. R. 7814. Sarah L. Headington.
H. R. 7815. Mary E. Alexander.
H. R. 7829. Thomas A. Smith.
H. R. 7837. Mary Boylen.
H. R. 7844. Nancy Leming.
H. R. 7857. Almira M. Mitchell.
H. R. 7861. Emma Kauffman.
H. R. 7864. Blanche H. Simms.
H. R. 7865. Mary J. Wilking.
H. R. 7866. Bridget M. Carpenter.
H. R. 7867. Nancy J. Bryant.
H. R. 7872. Mary J. Kimbell.
M. R. 7874. Lottie A. Bowhall.
H. R. 7876. Louise E. Shull.
H. R. 7890. Mary E. Tasner.
H. R. 7897. Christena J. Carter.
H. R. 7902. Lephe J. Barler.
H. R. 7904. Allen Y. Boggs.
H. R. 7932. Eliza A. Winters.
H. R. 7939. Remetha H. Means.
H. R. 7940. John Sanders.
H. R. 7942. Mable Farnham.
H. R. 7943. Pearl Falkinburgh.
H. R. 7950. Kate Banta.
H. R. 7958. Carrie M. Althouse.
H. R. 7970. Laura Murdick.
H. R. 7975. Sadie L. Treadwell.
H. R. 7979. Sarah J. Howell.
H. R. 7984. Alice Green.
H. R. 7993. Benton Abbott.
H. R. 8003. Sophia Albright.
H. R. 8004. Minerva Kenney.
H. R. 8008. Cara B. Jacobs.
H. R. 8010. Ellen J. Goodnoh.
H. R. 8015. Elvina Spangler.
H. R. 8030. Jennie S. McIlhenny.
H. R. 8033. Sarah J. Prouty.
H. R. 8038. Eva G. King.
H. R. 8041. Maggie M. Finch.
H. R. 8047. Mary Myers.
H. R. 8056. Susan A. Main.
H. R. 8061. Esther A. Fero.
H. R. 8062. Julia B. Miller.
H. R. 8071. Catharin Murphy.
H. R. 8073. Emma L. Maynard.
H. R. 8075. Mary E. Main.
H. R. 8077. Susana D. Potter.
H. R. 8098. Verrelle S. Willard.
H. R. 8099. Mary E. Kundinger.
H. R. 8104. Melissa Blair.
H. R. 8105. Sarah A. Morris.
H. R. 8106. Mary Brittenham.
H. R. 8107. Elizabeth Palmer.
H. R. 8122. Mary A. Force.
H. R. 8129. Olive J. Hurst.
H. R. 8130. Sarah J. Fuller.
H. R. 8131. Mahala Shaw.
H. R. 8132. Josephine Roush.
H. R. 8133. Maria L. Reed.
H. R. 8139. Margaret S. Higgins.
H. R. 8153. William A. Crampton.
H. R. 8156. Jennie A. Davis.
H. R. 8158. Ann Wood.
H. R. 8168. Elizabeth Yocum.
H. R. 8194. Mary H. Templeton.
H. R. 8198. Nancy Adams.
H. R. 8199. Eliza Ewing.
H. R. 8213. Jane E. Hart.
H. R. 8214. Rachel Morris.
H. R. 8219. Emma L. Dugeat.
H. R. 8225. Fannie Teeple.
H. R. 8245. Josephine M. Downes.
H. R. 8249. Catherine Loriot.
H. R. 8255. Mary E. Steely.
H. R. 8256. George Robinson.
H. R. 8257. Grace F. Briggs.
H. R. 8260. Carrie S. Pierce.
H. R. 8261. Eliza Prody.
H. R. 8271. Mary W. McGuire.
H. R. 8274. Annie K. Doherty.
H. R. 8275. Rhoda Hart.
H. R. 8281. Orominah Bates.
H. R. 8287. Mary A. Egolf.
H. R. 8288. Ida Hall.
H. R. 8290. Sarah A. Thornburg.
H. R. 8290. Clifford Fiske.
H. R. 8291. Mary Gaffney.
H. R. 8293. Henry J. Robinson.
H. R. 8296. Mary A. Ruderle.
H. R. 8299. Rosa E. Stephens.
H. R. 8302. Melinda Suggs.
H. R. 8310. Edward Zechman.
H. R. 8313. Margary Dotter.
H. R. 8317. Mary E. Applegate.
H. R. 8324. Delphina E. Blackwood.
H. R. 8327. Arminda Morgan.
H. R. 8338. Luren M. Carter.
H. R. 8342. Mary C. Triplett.
H. R. 8344. Clara Wirtz.
H. R. 8346. Julia A. Kresge.
H. R. 8347. Minnie E. Crow.
H. R. 8349. Martha Hammond.
H. R. 8358. Ella F. Young.
H. R. 8360. Cynthia Lillie.
H. R. 8362. Anna M. Weber.
H. R. 8363. Vesta J. Hutsell.
H. R. 8364. Betsy A. Burke.
H. R. 8365. Sarah A. Elliott.
H. R. 8383. Rhoda L. Stone.
H. R. 8384. Amanda E. Fortney.
H. R. 8387. Harriet Sadler.
H. R. 8400. Lucy A. Cox.
H. R. 8403. Martha H. Raymond.
H. R. 8426. Caroline M. Fleming.
H. R. 8429. Elizabeth M. Cook.
H. R. 8430. Olive Hull.
H. R. 8431. Fannie E. Kennedy.
H. R. 8434. Rebecca J. Raburn.
H. R. 8435. Frederick J. Dum.
H. R. 8440. Louisa Jackson.
H. R. 8447. Mary Plummer.
H. R. 8448. Mandy Cooper.
H. R. 8451. Isaac Eads.
H. R. 8470. Mary D. Brown.
H. R. 8472. Elizabeth Conklin.
H. R. 8473. Polley Smith.
H. R. 8474. Mary E. Waltman.
H. R. 8483. Katie Thompson.
H. R. 8484. Matilda Tedlock.
H. R. 8496. Ray D. Ingersoll.
H. R. 8497. Isabel D. Mann.
H. R. 8504. Martha A. McNeer.
H. R. 8515. Della Elder.
H. R. 8516. John S. Nixon.
H. R. 8517. Elizabeth J. Stallings.
H. R. 8527. Sarah R. Bender.
H. R. 8534. Carrie Thompson.
H. R. 8537. Mary E. Metlin.
H. R. 8543. Harriet E. Brothers.
H. R. 8553. Elizabeth Seerist.
H. R. 8564. Ella Ward.
H. R. 8567. Alice Gormley.
H. R. 8569. Ella L. Norwood.
H. R. 8571. Emeline Harvey.
H. R. 8574. Adelaide M. Clark.
H. R. 8577. Sarah B. Doan.
H. R. 8590. Mary V. Sprague.
H. R. 8594. Hester A. McLuen.
H. R. 8596. Annie M. Marsh.
H. R. 8600. Lewis Grignon.
H. R. 8609. Ella Hirsch.
H. R. 8610. Harriet E. Goodale.
H. R. 8611. Susan M. Lambert.
H. R. 8612. Emily Sanders.
H. R. 8613. Eva L. Little.
H. R. 8621. Mary J. Wimbles.
H. R. 8624. Elizabeth M. Humphreys.
H. R. 8626. Susan K. Bentz.
H. R. 8631. Melissa Bigler.
H. R. 8632. Margaret E. Ulrich.
H. R. 8633. Sarah L. Stall.
H. R. 8634. Mary O. Shaw.
H. R. 8642. Erskine A. Cole, alias Charles Stickels.
H. R. 8648. Nancy Jane Bush.
H. R. 8649. Anna E. Ward.
H. R. 8669. Anna G. Murray.
H. R. 8670. Bella M. Getty.
H. R. 8675. Mary A. Mathewson.
H. R. 8691. Clarissa Stratton.
H. R. 8698. Kate G. Caton.
H. R. 8700. Ella F. Myers.
H. R. 8703. Belle Roots.
H. R. 8705. Kitty A. Freeman.
H. R. 8706. Jemima A. Taylor.
H. R. 8714. Jane F. Cochrane.
H. R. 8724. Julia E. Yeats.
H. R. 8726. Julie Cowan.
H. R. 8729. Mary Stewart.
H. R. 8738. Marion L. Tyler.
H. R. 8739. Mary E. Goodsell.
H. R. 8742. Helen L. Huff.
H. R. 8750. Mary A. Bowman.
H. R. 8756. Emma Post.
H. R. 8760. Annie C. Frazee.
H. R. 8761. Rebecca Murray.
H. R. 8764. Lurettie L. Morse.
H. R. 8767. Rosaline E. Palmer.
H. R. 8772. Kate Irwin.
H. R. 8773. Augusta Chapman.
H. R. 8804. Elizabeth Corbett.
H. R. 8807. Mary H. Von Brandis.
H. R. 8808. Elizabeth A. Harrington.
H. R. 8821. Mary L. Danforth.
H. R. 8822. Barbara Grant.
H. R. 8824. Catharine B. Bittle.
H. R. 8827. Laura B. Smith.
H. R. 8829. Theresa A. Hunter.
H. R. 8830. Harriet E. Gould.
H. R. 8831. Jeanette E. Ferris.
H. R. 8833. Daniel Burket.
H. R. 8846. Rohama Crosley.
H. R. 8847. Catharine S. Wakefield.
H. R. 8849. Almaria Hemstreet.
H. R. 8871. Elizabeth Thomas.
H. R. 8874. John Charleston.
H. R. 8877. Sarah J. Burns.
H. R. 8878. Ella Littlefield.
H. R. 8888. Mary Pfaff.
H. R. 8892. Mary Smith.
H. R. 8897. Sarah A. Bryan.
H. R. 8899. Sarah Hall.
H. R. 8900. Clarenda Brown.
H. R. 8903. Eva D. Fuller.
H. R. 8921. Isabella Rickman.
H. R. 8926. Susan Smitten.
H. R. 8927. Louesa Kontner.
H. R. 8948. Lydia A. Gossett.
H. R. 8950. Henry J. Andrews.
H. R. 8953. Elizabeth Croft.
H. R. 8967. Martha Thomas.
H. R. 8976. Jane S. Gillingham.
H. R. 8995. Ida J. Black.
H. R. 8998. Ann C. Platt.
H. R. 9090. Eliza A. O'Connor.

Mr. FULLER. Mr. Speaker, I offer the following amendments.

The SPEAKER pro tempore. The gentleman from Illinois offers committee amendments, which the Clerk will report.

The Clerk read as follows:

Amendments offered by Mr. FULLER: On page 14, line 24, strike out the name "Isadore" and substitute in lieu thereof "Isadora."

On page 21, strike out lines 11 to 14, inclusive.

On page 28, strike out lines 6 to 9, inclusive.

On page 40, line 19, strike out the word "betery" and substitute in lieu thereof the word "Battery."

On page 49, strike out lines 5 to 8, inclusive.

On page 65, strike out lines 11 to 14, inclusive.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. BRAND of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. The gentleman from Georgia asks unanimous consent to address the House for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

RELIEF OF STARVING WOMEN AND CHILDREN OF GERMANY

Mr. BRAND of Georgia. Mr. Speaker, the purpose of this resolution is to authorize the Government of the United States to make a gift of $10,000,000 to Germany with which to purchase foodstuffs for the women and children of Germany, who are said to be suffering for the want of sufficient food for their support and maintenance. From my point of view this proposition, for many reasons, is inexcusable and indefensible. It is clearly unconstitutional.

Article I, section 8, of the Constitution declares:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay debts, and to provide for the common defense and general welfare of the United States.

It is very questionable whether any rights under the "general welfare" clause were ever intended or can be extended to embrace persons outside of these United States and its possessions who are not citizens of the United States. The question may also be asked how it would promote the general welfare of the United States to make a gift to the people of Germany of $10,000,000, when the German Government at this time owes the United States $255,000,000 for the occupation of the Rhine by the American soldiers, a debt it is amply able to pay but which it manifests no willingness to pay.

The proponents of the proposition probably know or care nothing about the Constitution, though the supporters of the same in the House base their support upon the ground that the "general welfare" clause of the Constitution includes authority to make this gift. For this reason I will not undertake a general discussion of this question. It is only necessary, as it seems to me, to quote Judge Story on the Constitution, who is one of the strongest defenders of the "welfare clause," to show that giving this money to Germany can not be included in it. To come under this "general welfare" clause such welfare must be that which affects the whole people, not a part, not a class, but all the people. It must be general, not partial or special. A law to assist the people of a state or a class of people would not be "general" but "special welfare." In his work on the Constitution he says:

> A power to lay taxes for the common defense and general welfare of the United States is not in common sense a general power. It is limited to those objects. It can not constitutionally transcend them. If the defense proposed by a tax be not the common defense of the United States, if the welfare be not general but special or local as contradistinguished from national, it is not within the scope of the Constitution. If the tax be not proposed for the common defense or general welfare, but for other objects wholly extraneous—as, for instance, for propagating Mohammedanism among the Turks or giving aids and subsidies to a foreign nation to build palaces for its kings or erect monuments to its heroes—it would be wholly indefensible upon constitutional principles.

Congress has no right to give away the people's money. The Government owns no money. It has not a dollar. The money which is in the Treasury belongs to the people. The only way it gets any money is by taxing the people. If $10,000,000 is given to Germany, it will be the people's money, and it is taking it away from them without their consent. It is not only a misappropriation of the people's money, but, being an exercise of assumed power, it is usurpation. Unless there is some stop to this sort of legislation there will be a revolution in this country which no power on earth can terminate until and unless Members of Congress observe the Constitution of this Republic which, with uplifted hand, they have sworn to support.

In 1914 when cotton was selling at 4 and 5 cents per pound, the farmers of Georgia and other cotton-growing States appealed to Congress for temporary assistance to enable them to tide over the financial storm which then confronted them. Agents from the cotton-growing States came to Washington to plead the cause of the people before the President and Congress. They were told to assist the farmers as requested was class legislation and that Congress had no authority to enact class legislation. These people did not ask the Government to give them anything, or to make them a present of any money. They only asked that some machinery be set up by Congress or put in motion by the President under existing laws by which they could borrow money to pay their debts and support their families until the storm passed by, and yet no help was given, no hope was held out, and nothing was done, but now a Republican Congress, supported by many Democrats, sees no class-legislation ghost to frighten them, and while unwilling to make a loan to our own people when in distress, are willing to give the people of Germany $10,000,000. Such inconsistency is repulsive to me.

The German people can take care of their suffering women and children without this gift. Mr. Philip A. Kauffman, a noted writer who has been to Germany, in an article in the Washington Star says:

> Germans are leading lives of luxury and extravagant ease and comfort, not in Germany alone but in every country of the European Continent.

A member of the American Consulate Service abroad estimates that Germans traveling abroad for pleasure have spent 10,000,000 American dollars.

The Dawes committee reports that millions and millions of dollars belonging to the German people have been removed from Germany. Reginald McKenna, formerly Chancellor of the Exchequer, states in the United States alone there is no less than $1,300,000,000 invested, outside of the German holdings in England, Switzerland, Italy, Holland, Spain, the Scandinavian countries, South America, and the Orient.

Hon. A. P. ANDREW, of Massachusetts, in a speech delivered in the House said:

> I was in Germany last October and spent some time in the Ruhr. I found food in variety and abundance everywhere in the restaurants. I talked with many Germans of different walks in life. And the conclusion that I came to was that Germany was suffering not from a lack of food or wealth, but from its maladministration or maldistribution. The country as a whole had more wealth than it ever had before.

Maximilian Harden, a great German editor, made this statement in an interview published in the American Hebrew:

> Germany is literally crammed with food. Half of last year's harvest is still untouched. If I were Mr. Hoover, I would not send a single bushel of grain until the stocks now in Germany were consumed.

A New York Republican Congressman is the author of this bill. It is generally believed that politics is behind the proposition and if this were not a presidential election year this bill would never have been introduced, the end to be accomplished being to capture the German vote not only in the State of New York, but in other States where the German vote is a factor. One of the issues of a Washington newspaper entitled "The Woman Patriot," which is "dedicated to the defense of the family and State," entertains this view. In the issue which is devoted to the proposed gift, this paper says:

> The appropriation of $10,000,000 of the American people's money in the Federal Treasury as a political gift to a foreign nation, and as a political bribe to voters of one nationality in the United States, is the most obvious outrage on the Constitution and the taxpayers of the United States, and if not killed in the Senate, or vetoed by the President, or stopped by the courts, this outrage will serve as precedent for any other misappropriation of funds the most unscrupulous political corruptionist may desire.

If in good faith this gift is to be made in the name of charity, then I contend the mothers and children who are suffering for the necessities of life and the poor of our own country should be the first objects of our compassion and should have the first call upon this Congress.

The mothers in this country whose sons were called to engage in the World War, many of whom fought and died to defend it, are entitled by every rule of fair play and justice

over the mothers of Germany whose sons fought and destroyed human lives in order to conquer it.

The mothers in this country gave their sons to engage in this war in order to keep the world free, while the people of Germany willingly sent their sons to the battle lines in order to enslave it.

While I am not unresponsive to human suffering, wherever it may exist and whatever may be the cause, yet I can not conscientiously reach the conclusion that the money of the people of the United States should be sent to a foreign nation and to an antagonistic people for any purpose whatsoever.

If the situation in Germany presents a real case of charity which their Government can not cope with, the people of this country can give out of their own pockets and of their own means, as they have heretofore frequently done, particularly when the earthquake broke upon Japan.

For Congress to give away the money of the people to a foreign country for any purpose is illegal.

To give the people's money away to a foreign country in the name of charity is likewise illegal.

To give the people's money to Germany in the name of charity to serve political purposes is not only illegal but infamous. [Applause.]

THE REVENUE BILL

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to address the House for three minutes on the condition of the Treasury under the new revenue bill. I think it is quite an important matter and a number of the Members of the House have asked me about it.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Mr. Speaker, I hope I may have the attention of the House, because I think the matter on which I am speaking so briefly is of sufficient importance that all the Members would like to hear it. This morning the Washington Post carried a statement of mine with reference to the effect of the new revenue bill upon the Treasury receipts and especially upon the question of whether the bill would create a deficit. One statement, however, is made in the newspaper article which is not entirely correct and which I did not make. I gave out a written statement to the reporters, part of which was published and part of which was not. The statement is contained in the newspaper reports that I said the Treasury would have a surplus of $138,000,000 for the next fiscal year, which is not correct. That was not my statement. It could, however, be reasonably inferred from my statement that we would have a surplus, but not the amount stated.

I ask unanimous consent, Mr. Speaker, that the statement which I gave to the papers may be read from the Clerk's desk.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

The gloomy predictions for a deficit under the revenue bill as agreed to in conference will not be realized. I have obtained recent figures based upon actual Treasury receipts and also an estimate made by the Actuary of the Treasury for the fiscal year of 1925.

The original estimate of the surplus for the fiscal year ending June 30, 1924, was $329,000,000. I am now advised by the Treasury Actuary that it will exceed that by more than $100,000,000. Deducting from that estimate the amount of the 25 per cent reduction of this year's taxes, which will be taken off in this fiscal year and which will be about $120,000,000, there will still be around $300,000,000 surplus carried over into the fiscal year of 1925, much more than sufficient to pay the amount of the annual bonus expenditures for the next two years, although those are much larger than the average annual bonus cost, the first year being the largest of all.

For the fiscal year 1925 the original estimates of the Treasury, made early last fall, are also far too small. In my judgment the customs receipts will only be a little less than those for this year, in which event they would be about $50,000,000 more than was originally estimated. But if they are only a little larger, I am advised by the actuary, that we may expect our receipts from taxes to show such increase that if our Budget estimates were followed the surplus for the fiscal year 1925 would be $138,000,000. This, of course, does not allow for a bonus payment, but I have already shown that the surplus of this fiscal year will be ample to take care of the first two years of the bonus. In this connection it should be remembered that the reduction of taxes in the fiscal year ending June 30, 1925, will not be as large as it will be in the next fiscal year. On the other hand, by that time we may expect a further increase in our receipts due to the natural increase of business and the stimulus afforded by a tax reduction which in the fiscal year 1925, although not as large as it will be in the fiscal year 1926, will amount to over $400,000,000.

While we can reasonably expect this increase, it is too early now to make any reliable estimates for 1926 beyond the fact, as I have already shown, that on the present basis we will carry over into that year a surplus after allowing for some increases over the expenditures as originally estimated, including the amount required for the bonus. On the whole, I do not anticipate any deficit for that year.

I note that some fear has been expressed as to the effect of the new estate taxes. The Treasury Actuary asserts that the increased payments caused by the change will only aggregate $10,000,000 per annum, which is scarcely any more than could be expected from the increase in the value of the estates subject to this tax as the wealth of the country increases.

Mr. GREEN of Iowa. This article is in accord with statements made to me over the phone by the Government actuary and a table of estimates for the fiscal year 1925 prepared by him.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent to also put in the RECORD, without reading, the statement for the fiscal year 1925 under the new law, as prepared by the Treasury Actuary.

Mr. AYRES. Mr. Chairman, I ask the gentleman's time be extended two minutes more so we may have it read. I would like to hear the statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas? [After a pause.] The Chair hears none.

The Clerk read as follows:

Estimated receipts, fiscal year 1925

Customs		$500,000,000
Internal revenue:		
Individual and corporation income tax	$1,650,000,000	
Miscellaneous taxes	814,000,000	
Total internal revenue taxes		2,464,000,000
Miscellaneous taxes		473,000,000
Total ordinary receipts		3,437,000,000
Expenditures chargeable against ordinary receipts (Budget estimate of Dec. 3, 1923, and not including additional expenditures authorized or to be authorized since that date)		3,298,100,000
Surplus		138,900,000

To this surplus should be added whatever taxes are collected by the department on account of income and profits taxes for previous years.

Mr. GREEN of Iowa. Mr. Spenker, the estimate of receipts under the tariff in the statement just read, in my judgment, is at least $50,000,000 too small and, as I have already stated, the surplus of $138,000,000, as the gentleman will see, does not provide for the bonus, but I showed in the previous statement that the first two years of the bonus could easily be taken care of out of the surplus for the fiscal year 1924, ending June 30 next. Nor does this provide for some additional appropriations that have been made, but it is sufficient to cover them.

Mr. GARNER of Texas. Not only that, but may I suggest to the gentleman that the taxes collected for back years, if they are in proportion to the estimate of the Treasury, will amount to at least $300,000,000.

Mr. GREEN of Iowa. I do not recall how much the Treasury originally estimated for such collection. I am informed by the actuary that the original estimates have been very much exceeded.

The SPEAKER pro tempore. The time of the gentleman from Iowa has again expired.

Mr. WATKINS. I ask unanimous consent that the gentleman's time be extended two minutes so that I may ask a question.

Mr. LaGUARDIA. I would like to ask the gentleman a question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon. [After a pause.] The Chair hears none.

Mr. WATKINS. From these figures, is it not indicated that there would have been sufficient revenue to take care of the Bursum bill if it had not been vetoed, which would have required a little over $50,000,000?

Mr. GREEN of Iowa. Oh, I could not say about that. I have not calculated to that extent, but I do not think that there would be.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LaGUARDIA. Has the gentleman estimated how much the figures would be increased if in aiding the farmers we would permit the manufacture of 2.75 beer? [Laughter.]

Mr. GREEN of Iowa. That is not a parliamentary question.

Mr. LaGUARDIA. No; it is a question for information.

M'NARY-HAUGEN BILL

Mr. RUBEY rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Missouri rise?

Mr. RUBEY. Mr. Speaker, I desire to submit a unanimous-consent request. When we adopted the rule the other day fixing the time of debate on the Haugen-McNary bill there were 15 hours given. This was divided among four Members, and we had 3 hours and 45 minutes apiece. I find it is absolutely impossible to accommodate the gentlemen who want to speak on this bill, and therefore I ask unanimous consent that the time for general debate on the Haugen-McNary bill be extended one hour, to be equally divided among the four gentlemen controlling the time.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent that the time originally fixed for debate on the Haugen-McNary bill be extended one hour, to be divided equally among the gentlemen controlling the time. Is there objection?

Mr. SUMMERS of Washington. Reserving the right to object, does the gentleman not think it would be better to get on to the reading of the bill?

Mr. RUBEY. There are gentlemen who are very much interested in this bill and who want to discuss it, and I think we ought to give them an opportunity to do so.

Mr. SPROUL. Mr. Speaker, I object.

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9063) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The SPEAKER pro tempore. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9063.

The question was being taken, and the committee was dividing, when,

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Iowa to go into Committee of the Whole House on the state of the Union.

The question was taken; and there were—yeas 330, nays 2, not voting 101, as follows:

YEAS—330

Ackerman	Cole, Iowa	Fulmer	Johnson, Wash.
Aldrich	Cole, Ohio	Funk	Johnson, W. Va.
Allen	Collier	Gallivan	Jones
Allgood	Collins	Garber	Jost
Almon	Colton	Gardner, Ind.	Kearns
Andrew	Connally, Tex.	Garner, Tex.	Keller
Arnold	Connery	Garrett, Tenn.	Kelly
Aswell	Cook	Garrett, Tex.	Kent
Ayres	Cooper, Ohio	Gasque	Ketcham
Bacon	Cooper, Wis.	Geran	Kincheloe
Bankhead	Corning	Gilbert	Kindred
Barbour	Cramton	Glatfelter	King
Beck	Crisp	Goldsborough	Knutson
Beedy	Croll	Graham, Pa.	Kopp
Beers	Crosser	Green, Iowa	Kurtz
Berger	Crowther	Greene, Mass.	Kvale
Black, N. Y.	Cullen	Greenwood	LaGuardia
Black, Tex.	Cummings	Grieat	Lampert
Blanton	Dallinger	Griffin	Lanham
Bloom	Darrow	Hadley	Lankford
Bowling	Davis, Minn.	Hammer	Larsen, Ga.
Box	Davis, Tenn	Hardy	Larson, Minn.
Boyce	Denison	Hastings	Lazaro
Boylan	Dickinson, Iowa	Haugen	Lea, Calif.
Brand, Ga.	Dickinson, Mo.	Hawes	Leatherwood
Brand, Ohio	Doughton	Hawley	Leavitt
Briggs	Dowell	Hayden	Lee, Ga.
Browne, N. J.	Doyle	Hersey	Lehlbach
Browne, Wis.	Driver	Hickey	Lineberger
Browning	Dyer	Hill, Ala.	Linthicum
Bruckner	Edmonds	Hill, Md.	Longworth
Buchanan	Elliott	Hill, Wash.	Lowrey
Bulwinkle	Evans, Iowa	Hoch	Luce
Burdick	Evans, Mont.	Holaday	Lyon
Burtness	Fairchild	Hooker	McClintic
Burton	Fairfield	Howard, Nebr.	McDuffie
Busby	Faust	Huddleston	McKenzie
Byrns, Tenn.	Favrot	Hudson	McKeown
Campbell	Fenn	Hudspeth	McLaughlin, Mich.
Canfield	Fitzgerald	Hull, Iowa	McLaughlin, Nebr.
Cannon	Foster	Hull, Morton D.	McLeod
Carter	Frear	Humphreys	McNulty
Casey	Free	Jacobstein	McReynolds
Chindblom	Freeman	James	McSweeney
Christopherson	French	Jeffers	MacGregor
Clague	Frothingham	Johnson, Ky.	MacLafferty
Clancy	Fulbright	Johnson, S. Dak.	Magee, N. Y.
Clarke, N. Y.	Fuller	Johnson, Tex.	Magee, Pa.
Major, Ill.	Porter	Shreve	Tinkham
Major, Mo.	Pou	Simmons	Treadway
Manlove	Prall	Sinclair	Tucker
Mansfield	Purnell	Sinnott	Underhill
Mapes	Quin	Sites	Underwood
Martin	Ragon	Smith	Upshaw
Merritt	Rainey	Smithwick	Vaile
Michener	Baker	Snell	Vestal
Miller, Wash.	Ramseyer	Snyder	Vincent, Mich.
Mills	Rankin	Speaks	Vinson, Ky.
Minahan	Rathbone	Spearing	Voigt
Montague	Rayburn	Sproul, Ill.	Wainwright
Moore, Ga.	Reece	Sproul, Kans.	Ward, N. C.
Moore, Ill	Reid, Ill.	Steagall	Watkins
Moore, Ohio	Richards	Stedman	Watres
Moore, Va.	Roach	Stephens	Watson
Morehead	Robinson, Iowa	Stevenson	Weaver
Morgan	Robsion, Ky.	Strong, Kans.	Wefald
Morris	Rogers, Mass.	Summers, Wash.	Wertz
Morrow	Romjue	Summers, Tex.	White, Kans.
Murphy	Rouse	Swank	Williams, Ill.
Nelson, Me.	Rubey	Swing	Williams, Mich.
Nelson, Wis.	Sabath	Swoope	Wilson, Ind.
Newton, Minn.	Sanders, Ind.	Taber	Wilson, La.
Newton, Mo.	Sanders, N. Y.	Tague	Wilson, Miss.
O'Connor, N. Y.	Sandlin	Taylor, Tenn.	Winslow
O'Sullivan	Schafer	Taylor, W. Va.	Wolff
Oldfield	Schall	Thatcher	Woodruff
Oliver, Ala.	Schneider	Thomas, Ky.	Woodrum
Palge	Scott	Thomas, Okla.	Wright
Parker	Sears, Fla.	Thompson	Wurzbach
Parks, Ark.	Sears, Nebr.	Tillman	Young
Peery	Seger	Tilson	Zihlman
Phillips	Shallenberger	Timberlake	
	Sherwood	Tincher	

NAYS—2

Bland Deal

NOT VOTING—101

Abernethy	Eagan	Michaelson	Sanders, Tex.
Anderson	Fish	Miller, Ill.	Stalker
Anthony	Fisher	Milligan	Stengle
Bacharach	Fleetwood	Mooney	Strong, Pa.
Barkley	Fredericks	Moores, Ind.	Sullivan
Begg	Gibson	Morin	Sweet
Bell	Gifford	Mudd	Taylor, Colo.
Bixler	Graham, Ill.	Nolan	Temple
Boles	Harrison	O'Brien	Tydings
Britten	Howard, Okla.	O'Connell, N. Y.	Vare
Buckley	Hull, Tenn.	O'Connell, R. I.	Vinson, Ga.
Butler	Hull, William E.	O'Connor, La.	Ward, N. Y.
Byrnes, S. C.	Kahn	Oliver, N. Y.	Wason
Cable	Kendall	Park, Ga.	Weller
Carew	Kerr	Patterson	Welsh
Celler	Kiess	Peavey	White, Me.
Clark, Fla.	Kons	Perkins	Williams, Tex.
Cleary	Langley	Perlman	Williamson
Connolly, Pa.	Lilly	Quayle	Winslow
Curry	Lindsay	Ransley	Winter
Davey	Little	Reed, Ark.	Wood
Dempsey	Logan	Reed, N. Y.	Wyant
Dickstein	McFadden	Reed, W. Va.	Yates
Dominick	McSwain	Rogers, N. H.	
Drane	Madden	Rosenbloom	
Drewry	Mead	Salmon	

So the motion was agreed to.

The following pairs were announced:

Until further notice:

Mr. White of Maine with Mr. Fisher.
Mr. Strong of Pennsylvania with Mr. Kunz.
Mr. Wood with Mr. Reed of Arkansas.
Mr. Cable with Mr. Dickstein.
Mr. Bacharach with Mr. Mooney.
Mr. Anthony with Mr. Salmon.
Mr. Welsh with Mr. McSwain.
Mr. Little with Mr. Williams of Texas.
Mr. Ward of New York with Mr. Byrnes of South Carolina.
Mr. Mudd with Mr. O'Connor of Louisiana.
Mr. Curry with Mr. Logan.
Mr. Madden with Mr. Bell.
Mr. Fredericks with Mr. Stengle.
Mr. Gifford with Mr. Vinson of Georgia.
Mr. Temple with Mr. Mead.
Mr. Perlman with Mr. Kerr.
Mr. Yates with Mr. Eagan.
Mr. Britten with Mr. Lilly.
Mr. Fairchild with Mr. Cleary.
Mr. Winter with Mr. Oliver of New York.
Mr. Moores of Indiana with Mr. Carew.
Mr. Graham of Illinois with Mr. Weller.
Mr. Kahn with Mr. Clark of Florida.
Mr. Butler with Mr. Park of Georgia.
Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Fish with Mr. Buckley.
Mr. Connolly of Pennsylvania with Mr. Celler.
Mr. Patterson with Mr. Drane.
Mr. Fleetwood with Mr. Barkley.
Mr. Kendall with Mr. Howard of Oklahoma.
Mr. Winslow with Mr. Harrison.
Mr. McFadden with Mr. Tydings.
Mr. Reed of New York with Mr. Dominick.
Mr. Boles with Mr. Abernethy.
Mr. Morin with Mr. Quayle.
Mr. Ransley with Mr. Taylor of Colorado.
Mr. Gibson with Mr. Drewry.
Mr. Vare with Mr. Milligan.
Mr. William E. Hull with Mr. Lindsay.
Mr. Wyant with Mr. Hull of Tennessee.
Mr. Kiess with Mr. Sullivan.
Mr. Stalker with Mr. O'Connell of Rhode Island.

Clarke, N. Y. Fuller Johnson, Tex. Magee, N. Y. Mr. Stalker with Mr. O'Connell of Rhode Island.

Mr. Begg with Mr. Davey.
Mr. Michaelson with Mr. O'Connell of New York.
Mr. Perkins with Mr. Sanders of Texas.
Mr. Bixler with Mr. O'Brien.
Mr. Sweet with Mr. Garrett of Texas.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. SANDERS of Indiana in the chair.

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Ohio [Mr. LONGWORTH].

CONSIDERATION OF CONFERENCE REPORT ON THE TAX BILL

Mr. LONGWORTH. Mr. Chairman, a number of gentlemen have asked me this morning when it is likely that the conference report on the tax bill will be taken up. I have just heard that the Senate intends to act on it on Saturday. Therefore, if that is done, the first business on Monday morning will be the consideration of the conference report on the tax bill. This being the last day which the District of Columbia will have under the rule, I intend to ask unanimous consent that the House meet at 11 o'clock on Monday morning.

M'NARY-HAUGEN BILL

Mr. ASWELL. Mr. Chairman, I yield 40 minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. VOIGT. I yield seven minutes to the gentleman from Kentucky [Mr. KINCHELOE].

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, the Agricultural Committee of the House, of which I am a member, has had under consideration this and other proposed farm legislation for two months, and was in executive session considering this bill for over two weeks. I entered upon this hearing with an open mind and with only one purpose in view, and that was to evolve a bill that might redound to the welfare, happiness, and prosperity of the American farmer in upbuilding the agricultural interests of this country. No one knows the precarious condition of agriculture better than I, and no Member of Congress is more anxious to vote for legislation that will serve this purpose any more than I.

I have the honor to represent in this House one of the greatest diversified districts in the United States, and I am anxious to see a bill passed that will do something for the farmer and not to the farmer. This bill, in my judgment, is the most complicated, far-reaching, uncertain piece of legislation that has been proposed to this House in 50 years. [Applause.] The complexities of it, both national and international, no human mind can grasp. In order to define my position toward this bill and other farm legislation I ask your indulgence in making a personal allusion.

I was born and reared on a farm in Kentucky and in the tobacco district. My boyhood days were somewhat uneventful, and can be summed up in one line of Gray's Elegy, "The short and simple annals of the poor." Most of my boyhood days were spent in the tobacco fields raising tobacco and selling it at such a low price that left me in debt at the end of the year. I had an ambition to obtain an education, so that I might place myself in a position to hold some office of honor and trust, and thereby render some service to my country and my fellow men. My greatest obstacle in obtaining an education was the question of finance, and I, together with other tobacco raisers of the "dark patch," was ground down by the iron heel of the American and Imperial Tobacco Cos. This sad experience not only makes every impulse of my being in sympathy with the farmer but almost makes me resentful when I contemplate those hardships which were so unjustly visited upon me. In view of this experience I could have no other purpose to serve but to vote for some legislation that would help the farmer. I realize that agricultural interests in almost every part of this country are in a precarious condition, and that this condition is brought about by no fault of the farmer, and I want to do something to alleviate his condition.

I have studied this bill more than any bill since I have been in Congress, and if you will indulge me for a while I will try to tell you what it is. It proposes to create a corporation consisting of five members, with the Secretary of Agriculture as chairman. The other members are to be appointed one from each of the three Federal land-bank districts, as numbered in the bill, by the President of the United States, with confirmation by the Senate. These four members are to receive a salary of $10,000 each per year, and to employ whatever force that is necessary to enforce the provisions of this bill and to fix the salaries of each. This corporation is organized for the purpose of stimulating the price of agricultural products, of which we produce a surplus in this country. The products mentioned in this bill consist of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any other food products of cattle, sheep, or swine, and under section 2 of the bill, when this corporation finds that there is an exportable surplus of any one of these products and that product is not bringing the ratio price, which I shall later discuss, in the domestic market, it is then the duty of the corporation to immediately certify this fact to the President of the United States, and when that is done the bill provides that the President shall by proclamation declare that a special emergency exists as to such agricultural product.

How does the corporation arrive at the ratio price? Let us take wheat, and the same process is used in arriving at the ratio price of every other commodity mentioned in the bill. The corporation first gets through the Agricultural and Labor Departments the average price of wheat during the years 1905 to 1914, inclusive. It then gets the average price of 404 other commodities from 1905 to 1914, and that is on the basis of 100. It then gets the current all-commodity price of these 404 commodities. Then the ratio price of wheat is to the average commodity price of wheat from 1905 to 1914 as the current all-commodity price of the 404 commodities is to the all-commodity price of the 404 commodities from 1905 to 1914 on the basis of 100. Wheat is now selling around $1 per bushel. The ratio price under these circumstances would be about $1.50 per bushel, but the farmer does not get all the $1.50, because all the loss in the sale of the export surplus and the cost of administration of this bill, with a horde of Federal officers invading, if necessary, every home in the country, comes out of the farmer first. Still the proponents say that this is a farmers' bill. It is a packers' bill, a millers' bill, and a bill for the big wheat dealer. They do not suffer any loss—not on your life! The five big packers of this country, with 200 other small packers, have to-day processed meat that is worth hundreds of billions of dollars in cold storage which they purchased at the present low price of livestock. When the ratio price is declared on hogs, for instance, it is proposed to increase the price from about 7 cents per pound to 11¼ cents per pound, and when this increase is established these packers are ready to deliver it to the corporation or sell it to the public at the rate of 11¼ cents per pound, which will make them a profit from $100,000,000 to $200,000,000 overnight.

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. I am sorry, but not now. The big flour mills of the country have hundreds of thousands of dollars' worth of flour on hand now made out of $1 wheat, and the large grain elevators have on hand over 50,000,000 bushels of wheat bought at $1. When the corporation establishes the ratio price raising the price of wheat from $1 to $1.50 per bushel, and flour in proportion, they will overnight unload on this corporation or the public their surplus products, making a net profit of hundreds of thousands of dollars, and you and I and the farmers, laboring people, and other consumers of the country will pay it.

Not a packer nor a packer's lawyer appeared before the Agricultural Committee in all these hearings protesting against the passage of this bill. When we had under consideration the packers' bill, which we passed at the last session of Congress, these packers and their attorneys, and they have the smartest ones in the world, were before our committee for weeks protesting against its passage. Even Mr. Wilson, of the Wilson Packing Co., was before our committee for about two days protesting. So you can see why the packers would not seriously oppose this bill. There is one fundamental proposition upon which all of us agree and which should be taken into consideration here. That is, when you increase the price of a product you not only stimulate its production but you curtail its consumption. You will remember that in 1922 hogs were bringing a good price. This stimulated the production to such an extent that there were 14,000,000 more head of hogs slaughtered in 1923 than in 1922. Of course, the more you stimulate the production of a commodity in this bill the greater will be the exportable surplus, and, therefore, the greater will be the equalization fee which the farmer has to pay and the less he will receive for that product.

In the year 1921 we exported over 309,000,000 bushels of wheat and flour. And the more you stimulate the price of wheat the greater will be our exportable surplus and the greater will be the loss to the producer. I have told you how the corporation will establish the ratio price. It will then establish the equalization fee, and here is where it gets the farmer. The corporation will make an estimate of what its loss is going to be on the exportable surplus which it will buy here at the ratio price and sell at the world's price. And I remind you that the corporation will have to buy all the products that are offered it. It will then make an estimate of what it will cost to administer this law, and when these estimates are made it will then establish what is called the equalization fee, every dollar of which must be paid by the

producer. Proponents say that this is not a price fixing bill. It is nothing but a price fixing bill, and price fixing has proved a failure not only in this country but in every country that has tried it.

The bill plainly provides that the corporation must buy at not less than the ratio price of each commodity and can not sell any of it in this country at less than the ratio price. Then all the loss that accrues on its investments, together with the expenses, is assessed against the farmer in the form of scrip. Of course, the bill uses a little softer word than scrip; it is now called a receipt. After the ratio price is fixed upon the various articles, then every transaction in an article upon which the ratio price is fixed the buyer of the article must retain the equalization fee and give to the seller a receipt for same. If the seller refuses to accept the receipt or the buyer refuses or fails to tender a receipt—and I ask the advocates of this bill to say whether I am wrong—then both the seller and the buyer are subject to arrest by a Federal officer and to be taken to the Federal court and fined not over $5,000 or imprisoned not exceeding one year, or both. I remember how the Republicans of Congress and throughout the country yelled and applauded President Harding when he said he wanted "more business in Government and less Government in business." What are you going to do with this bill? I believe there would be at least 50,000 extra officeholders appointed, running over the country, meddling in almost every transaction that the farmer makes, arresting farmers and purchasers and taking them to the Federal court because they refused to accept or offer the equalization receipt. And do not forget that the salaries and expenses of all these officers comes out of the farmers' products in the equalization fee he has to pay every time he sells a commodity upon which the corporation has levied a fee. No one before the committee could guess within a million dollars annually what it would cost to administer this law. I believe that the American people are getting tired of the Federal Government and Federal officeholders trying to run their business, and I believe the American farmers would resent the interference of Federal officeholders under this bill.

While this is a price-fixing measure, yet do not overlook the fact that the farmer is not guaranteed the ratio price. Not only the loss on the exportable surplus on his products sustained by the corporation and the cost of the administration of the law, including the salaries and expenses of the horde of Federal officeholders, must first be taken out, but the freight upon his products to the central market must also be deducted. You will understand that when the corporation establishes a ratio price upon these commodities that price will obtain only in the central markets of the country.

I believe that if the price of wheat should be stimulated as the proponents of this bill claim that within a year there could easily be an exportable surplus of wheat of from 350,000,000 to 400,000,000 bushels. I come from a tobacco district. As you all know, the great tobacco States of this Union are Kentucky, Tennessee, North Carolina, Virginia, and West Virginia. And the tobacco growers have to plant the best land they have in tobacco. Tobacco is not included in this bill, and therefore the tobacco raisers will not be benefited at all. So if wheat becomes more profitable to raise than tobacco, what is going to keep the tobacco farmers from planting their tobacco land in wheat, and wheat can be grown on practically every acre of land where tobacco has grown in these States. The potato and corn growers will do the same. You can thus see that there can be enough exportable surplus of wheat in this country to make the equalization fee so large that it will take all the profits the farmer might obtain from raising wheat to pay this fee.

Mr. BURTNESS. Will the gentleman yield?

Mr. KINCHELOE. I can not now. This corporation will sell its exportable surplus on the markets of the world in Europe, which will permit the laboring people of Europe to get the benefit of it at a low price and the costs of it will come out of the American farmer, whom you say you are going to help under this bill.

Everyone who has studied this bill knows that it is absolutely impossible for it to benefit the corn raisers of the country. Why do I say that? Every bushel of corn that is raised in this country, 94.5 per cent of it, is consumed on the farm and never goes into interstate commerce, so under the provisions of this bill not a cent of the equalization fee will be paid on the corn consumed on the farm.

The other 5½ per cent is practically all exported, which amounted in 1922 to over $117,000,000 worth. So where is the equalization fee coming from to pay the loss sustained by the corporation in buying the corn here at the ratio price and selling it at the world's price? There is only one source from which it can come, and that is out of the $200,000,000, which will be appropriated out of the Treasury of the United States under the provisions of this bill. So you see that within a short while, if the corporation should try to make this bill workable as to corn, it would soon go broke. I can imagine that the corn farmer will not be very enthusiastic about this bill when he learns the true facts about it so far as it pertains to his product.

Now, let us take meat. You can not export cattle, hogs, or sheep on foot. The packers know that. So what power under the bill has the corporation to process meat for export? If you will read section 42 of the bill, you will see that the only power the corporation has is to acquire the rights of operation facilities for processing and to make contracts for the processing of such agricultural commodities. So the corporation will have to have Federal employees in all the stockyards of the country to buy the thousands of head of hogs, cattle, and sheep when they come in. Then when the stock shall have been bought the corporation will go to the packers and ask how much they will charge to process this meat. Suppose they say 6 cents per pound. The corporation of course will say "We can not pay this." The packers will say, "You process it yourself, then." What facilities will the corporation have to process meat? None, of course. Do not you see that the corporation is at the mercy of the packers, and will have to pay them their price, all of which will come out of the equalization fee paid by the farmer? The corporation has one other alternative in the matter. Under section 44 (a) of the bill the corporation has the power to buy processed meat from the packers, but if it does buy the processed meat it is compelled to pay the packer the ratio price for it. Then the corporation, of course, will be compelled unless it can sell it here at not less than the ratio price, to export the processed meat to the countries in Europe and sell it at the world's price. However, as soon as the ship lands in any European country with this meat the five big packers will have their representatives there and will say to the corporation, "We are now ready to buy back our meat from you which you bought at the ratio price, but we will pay you only the world's price."

The loss of this transaction, as usual, comes out of the farmer. These five packers have in the European countries over 28 agencies with their cold storages and other facilities to take care of and sell the processed meat in the world's market. I can see the representatives of these five packers at every European seaport looking with longing eyes for the ships from the United States laden with processed meat which the packers sold to the corporation at the ratio price, and ready, willing, and anxious to buy it at the world's price so they can make another enormous profit on it. The pathos of it all is that the farmers which this bill is supposed to help will pay all the loss.

My opinion is that there will never be a ratio price declared upon beef, because the report of the Tariff Commission shows, under date of April 11, 1924, that we imported cattle and cattle products in the year 1923 to the value of over $65,000,000, and exported only to the value of a little over $25,000,000, so there will be no exportable surplus of beef and therefore no ratio price declared on it. This was put in the bill to fool the cattle raisers of the country. This same proposition applies to sheep also. For, in 1923, according to the report of the Bureau of Animal Industry, we exported 2,000,000 pounds of mutton and imported 6,000,000. It can not apply to wool, because there has never been a day since you and I were born but what two-thirds of the wool consumed in this country was imported. Oh, my friends, these articles were put in this bill for vote-getting purposes only.

However, I want to call your attention to a significant fact: Under section 301 of this bill the President of the United States has the power not only to fix a prohibitive tariff but to place an embargo upon any and all commodities mentioned in this bill, or any derivative thereof, or any competitive substitute therefor. America is a great shoe manufacturing country. And as outrageous and iniquitous as the Fordney-McCumber tariff bill is, yet it places no duty on hides. Yet, when this bill becomes a law, the President will not only have the power, but, in my judgment, he will be compelled to put a prohibitive tariff or embargo on hides. The direct result will be that the price of shoes of the American people will increase from 10 per cent to 25 per cent. I presume that seven-eighths of all the hides of this country are owned by the packers. Therefore they will receive another generous gift and benefit by reason of this law to the cost of the American public who wear shoes.

I want to give you a concrete illustration, and I want it to apply to the gentleman from Kansas [Mr. TINCHER], because he

says he is not only a wheat farmer but that he is very much for this bill and has spoken for it. Let us take his neighbor who lives across the fence from his farm. This neighbor has 20 fat hogs for sale. The local hog buyer comes to the neighbor and says, "I want to buy your hogs. What will you take for them?" This neighbor will say: "The ratio price, to wit, 11½ cents per pound." The buyer will say, "I can not pay this price for them." The neighbor will say, "That is the price that has been fixed by the corporation under the McNary-Haugen bill." "But," the buyer will say, "That price was fixed at the central market at Kansas City, and you are 300 miles, perhaps, from the central market. The freight rates on your hogs will have to come out of that. Also, the corporation has levied an equalization fee to pay for the operation of the law, including the loss on exportable surplus of meat, and it will have to come out of this price. Also, you can not ship these hogs yourself, because you do not have a carload of them." Remember the hog buyer does not have to pay the ratio price, but has a right under this bill to buy them from the farmer as cheap as he can. The buyer then buys the hogs at practically his own price, because the neighbor is not accessible to the central market. He will then retain from the neighbor the equalization fee and tenders the neighbor the scrip for the equalization fee. The neighbor will protest and say that he wants all of his selling price in cash. The buyer will say, "It is against the law for me to pay you the equalization fee in cash, and if I do not give you this scrip and if you refuse to take it, a Federal officer will come here and arrest you and me both and take us to Federal court and fine us not over $5,000 and not less than one year imprisonment, or both." The neighbor will say: "I saw two of these Federal officers in this neighborhood yesterday. Who is paying their salaries and expenses?" The buyer will say, "You and the rest of the farmers who are selling products upon which a ratio price has been fixed." The buyer finally pays him the agreed price, less the equalization fee, and gives him a receipt for it and takes the hogs.

The neighbor then goes to his town to buy shoes for himself and family for the winter. He begins to price the shoes and finds that they have increased from 10 to 20 per cent in price. He asks the merchant what is the cause of this increase; the merchant will tell him that there has been recently placed a tariff or embargo upon hides and that the packers of the country have increased, by reason of this tariff or embargo, the price of hides to such an extent that the shoe manufacturer had to increase the price of his shoes. He spends all the money he received for his hogs for shoes for himself and family and goes home. When he gets home he is informed by his wife that they are out of flour. The neighbor then goes over to the farm of the gentleman from Kansas [Mr. TINCHER], and tells Mr. TINCHER he wants to buy some of his wheat. Mr. TINCHER, of course, will be anxious to sell his wheat at the ratio price, but his neighbor will inform Mr. TINCHER that he has spent all the money he received for his hogs for shoes for his family and the only thing he has with which to pay for the wheat is the scrip he received from the hog buyer. "Oh," Mr. TINCHER will say, "I don't want the scrip; and, besides, it is nonnegotiable." The neighbor will say, "I didn't want the scrip for my hogs, but the hog buyer told me if I didn't take it I would be violating the law and subject to a fine and imprisonment." Mr. TINCHER will be bound to say, "That is true." The neighbor will then ask Mr. TINCHER if he did not vote for the McNary-Haugen bill which compelled him to take the scrip for his hogs. Mr. TINCHER will tell him, of course, that he did and that he spoke for the bill. The neighbor will then ask Mr. TINCHER what must he do with the scrip. Mr. TINCHER can only tell him, "You must hold it and perhaps after a while, if there is anything left after paying the cost of the administration of the law the corporation may pay you a little something for it." The neighbor will ask Mr. TINCHER what the scrip is worth. Mr. TINCHER will be bound to tell him, "I don't know. It may not be worth anything." The farmer sad and disheartened will then go home without his wheat and relate these facts to his good wife, and I am sure when he has told her the facts there will be one joyous chorus of the family go up and in one accord they will all say, "Glory to TINCHER in the highest, peace on earth and good will to the 'Merely-Hoggin' bill." [Applause.]

There will be authorized to be appropriated the sum of $200,000,000 out of the Treasury of the United States which will represent the entire capital of this corporation. This will be the only asset the corporation will have to buy anywhere from $800,000,000 to $850,000,000 worth of the exportable surplus commodities mentioned in this bill annually. I want you to understand that the corporation will be compelled to buy all the commodities that are offered it upon which a ratio price has been fixed. This means that the $200,000,000 will not be a drop in the bucket, and the proponents of this bill know it, with which to properly finance this corporation. But in order to hide their faces on that proposition there is a provision in the bill giving this corporation the right to sell bonds and notes to five times that amount, but it is specifically provided that the Government shall not assume any obligation for the payment of the notes or bonds, and that the notes and bonds and the income from them are subject to tax, both State and Federal. Now, figure this corporation that is in the losing business with only a $200,000,000 capital having the right to issue bonds or notes for five times that amount, $1,000,000,000, with the only thing behind these notes and bonds is the $200,000,000 capital that is likely to be wiped out at any time, when the world's price of the commodities drops after the corporation shall have bought these commodities at the ratio price. Yet the proponents of this bill would have you to believe that the corporation is going to be able to go out in the market and sell banks and other financiers these notes and bonds to the extent of $1,000,000,000 with no Government guaranty behind them, with the only asset of the corporation the $200,000,000 and with these notes and bonds and the income from them subject to State and Federal taxes. Can not you imagine this as a fertile field for the investment of the money lenders of this country? I will tell you what is going to happen if this bill ever becomes a law. About next December, and from time to time thereafter, this corporation will be coming back to Congress and asking for an appropriation of from $200,000,000 to $400,000,000 out of the Treasury, because the corporation will be broke and the farmer's market destroyed by that time.

When you increase the price of the commodities mentioned in this bill, then the all-commodity prices, to wit, the 404 commodities, are going to increase. You will then have a pyramid of prices which will affect all the people, including the farmers of this country. If it were possible for the farmers to receive the full ratio prices for the commodities enumerated in this bill, then they would not receive the cost plus the reasonable profit for them. I wrote the Tariff Commission, which recently made an investigation of wheat, and asked them to send me the cost prices of the production of wheat. This report shows that in the Wheat Belt area of this country, taking 16 places, that the average cost to produce a bushel of wheat is $1.47. The proponents of this bill will say, in effect, to the farmer, that you have been raising wheat at a loss of 50 cents per bushel, but we propose to fix it so you will only lose 25 cents per bushel. If the proponents think this bill will be of benefit to the farmer and can be successfully operated, why do they not provide in it the ratio price, plus a reasonable profit to the farmer? But they decline to do it. Hon. Gray Silver, of the American Farm Bureau Federation, stated before the committee that the ratio prices provided for in this bill are not high enough to give a farmer cost plus a reasonable profit. The farmer never received his proportionate price for his commodities between 1905 and 1914. Why? Because the Dingley tariff bill and the Payne-Aldrich bill were in operation during that time robbing the farmer the same as the Fordney-McCumber tariff bill is robbing him now. [Applause.] Nearly all of the gentlemen who appeared before the committee in behalf of this bill when I asked them if they did not think that the American farmer was paying too much for the manufactured products which he buys, would answer, "Yes"; but none of them wanted to disturb the sweet-scented tariff barons of the country by reducing the tariff upon the manufactured products which the farmer has to buy. This bill does not seek to reduce this tariff, but it intends to put a tariff all around the United States upon all the articles mentioned in this bill, together with their derivatives and substitutes. If this bill is ever put into operation, it will affect every tariff schedule in the present law, except metals and chemicals. It will increase the price of everything that the consuming public has to eat and wear. The chairman of the Ways and Means Committee stated that the estimated custom receipts for the next year will be $500,000,000. I serve notice on him now that if this bill becomes a law and an embargo is put on all these articles this country will not get $500,000,000 from the customs receipts, or any amount near it.

The proponents of this bill say, "If you are not for this bill, what is your remedy for the farmer?" I will give you several remedies; and this administration can enact these remedies into law, and I am willing to stay here until the frost falls if necessary in order to enact sound, economic legislation that will be of benefit to the farmer.

I would repeal the high tariff rates of this damnable Fordney-McCumber tariff bill and thereby increase the purchasing

power of the farmer's dollar instead of trying by an artificial stimulant to give him more dollars to buy at prohibitive prices. [Great applause.] You say that this would not be of immediate benefit to him. You lower the prices of the manufactured articles which he has to buy for himself, family, and the operation of his farm and you will find out very quickly that he will be benefited by it. I would reduce the freight rates on agricultural products of this country. [Applause.] The railroads are making more money than they ever made before. You talk about getting back to "normalcy" under these conditions! To-day you can ship a carload of wheat or corn from the Grain Belt of the Northwest to the Atlantic seaboard, and the freight on that carload is worth more than the wheat or corn. You can ship a ton of coal from my district to the cold regions of the Northwest, and the freight on that coal is worth more than the coal. What is the inevitable result? We have the anomalous economic situation that the coal operators and miners in my country are practically broke for the want of a market, and the wheat growers of the Northwest are burning corn and wheat to keep their families warm, and the teeming millions along the Atlantic seaboard are hungry for the flour.

A MEMBER. Wheat will not burn.

Mr. KINCHELOE. But corn does; and some of the Members of this House will if they persist in trying to fool the farmer by voting for this bill.

Congress should also pass the truth in fabrics bill now pending before the Committee on Interstate and Foreign Commerce. I would develop Muscle Shoals. [Applause.] Whether you give it to Henry Ford or some one else, it should be developed at once in order to afford the American farmer a cheaper fertilizer. Taxes, both Federal and State, should be reduced.

I would do another thing. I would pass a national cooperative marketing association bill in this country. [Great applause.] I give to you as my candid judgment that if this bill becomes a law the cooperative marketing associations of this country will have to go out of business. What is the purpose of the cooperative marketing associations? It is to improve the marketing facilities so the spread will be narrowed from the producer to the consumer, thereby helping the producer to get more for his products. This bill does not undertake to narrow the spread between the producer and the consumer. Why would a farmer remain in a cooperative marketing association, paying the cost of the operation of same, including salaries, storage, rent, and other necessary expenses, when the purpose of this bill is to do the same thing for the farmer as he hopes to obtain by maintaining the expense of a cooperative marketing association, to wit, to get a better price for his products? If the Federal Government would assist the various cooperative marketing associations of the country in narrowing the great spread in prices that exists between what the producer gets and the consumer pays it would help the producer and the consumer both. Do you know that last year the American farmers received seven and one-half billion dollars for the food products that they raised, while the American consumers paid twenty-two and a half billion dollars for the same products, and between those producers and the consumers there were 3,000,000 jobbers, retailers, and others that received the fifteen and a half billion dollars profit? I submit to you if it is not fair for the American farmers to have received at least a half of that fifteen and a half billion dollars profit which the middlemen got. In my judgment the only way we can narrow that spread is through a system of cooperative marketing, assisted by the Federal Government, on every product that the American farmer raises. This is fair, this will be beneficial, and will be constructive.

This law is supposed to continue in force five years. What will happen when this emergency terminates? With all commodities at the peak of prices and you strike the props from under this great temporary superstructure at that time, it will produce the greatest panic that the world ever saw in any country.

But the high-tariff advocates say that if we repeal the high protective tariff law we will lower the standard of American living, and that the wages of the laboring man will be reduced. You can not have in this country a permanent prosperity by stimulating by the way of a tariff, thereby eliminating the law of supply and demand for the benefit of a few people, without you do it to the detriment of the many.

This administration threw a sop at the American farmer by placing a tariff upon the agricultural products, and said at the time that this would solve all the ills of the farmer. Every agricultural product upon which a tariff was placed in the Fordney-McCumber tariff bill is selling at a less price to-day than it was the day the bill became a law, excepting wool. A tariff was placed upon wheat in the bill, which is nothing more nor less than a millers' tariff. The Fordney-McCumber tariff bill gave the President the power, after an investigation of the Tariff Commission, to increase the tariff upon wheat. A few weeks ago the President increased the tariff from 30 cents per bushel to 42 cents per bushel, and within a week after he announced the increase wheat decreased in price 7 cents per bushel.

To-day everything the American farmer sells he sells in an open market, and practically everything he has to buy for himself and family he buys in a protective market; and in my judgment prosperity will never be brought to him until the high tariff upon the things he buys has been reduced.

No one wants to lower the standard of American living or reduce the wages of American labor. Does the high protective tariff maintain the high wages of the American laborer? Let us see: The railroad men, the miners, the plasterers, the bricklayers, and the painters are getting decent wages to-day in spite of the tariff, but are paying most of their wages out for the high-priced commodities, made so under the protective tariff law, which they must have for themselves and families. The three highest protected industries of this country under the Fordney-McCumber tariff bill are cotton goods, woolen goods, and textiles; and the fact remains that the poorest and lowest paid laborers in the United States to-day are those who work in these highly-protected industries. England is a free-trade country, and yet she pays her laborers more than France does, and France has a tariff. She pays her laborers more than Germany does, and Germany is the highest protective country in Europe. We all know that there is not a chance for this bill to become a law, and that the President of the United States would veto it, unless he repudiates the utterances of his December message to Congress. In that message he said in part:

> No complicated scheme of relief, no plan for Government fixing of prices, and no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only real sources of restoration. The acreage of wheat is too large. Unless we can meet the world market at a profit, we must stop raising for export.

Everyone knows that the Fordney-McCumber tariff bill destroyed the foreign market for the farmers' product. The exchange of European countries has depreciated to such an extent as to be practically valueless. This tariff wall is so high that it prohibits European manufacturers shipping their products here and selling them in competition with the home manufacturers and procuring American money with which to buy the surplus products of the farmer. After this administration has killed and destroyed the foreign market for the farmers' products the Presideat comes and says that the only remedy he has is to raise less.

It has been stated on the floor of the House that labor is for this bill. Representatives of the various railroad organizations came before the committee and indorsed the Norris-Sinclair bill. No representative of labor came before our committee indorsing this bill, excepting Mr. Wallace, of the American Federation of Labor, who indorsed it only in principle and made the patriotic statement that labor wanted to assist the American farmer.

Who are the principal advocates of this bill? Mr. Brand, in the Agricultural Department, seems to have written this bill, and he is the same Mr. Brand that the Federal Trades Commission showed in its hearings represented the packers in an effort to defeat the Borland resolution, which would have prohibited the Federal Trade Commission to investigate the packers. Another good advocate of the bill is Mr. Peek, of the Moline Plow Co., who has been selling the farmers plows at a greatly increased price by reason of the tariff on steel. The latest and most enthusiastic advocate of the bill is Mr. Otto Kahn, the great international banker of New York. I am sure that the farmer will take courage when he receives the news that this "great agriculturist" is advocating a bill for his benefit.

Another great advocate of the bill is Mr. John R. Mitchell, banker and ex-member of the Federal Reserve Board, who admitted that he represented the business interests of St. Paul, a city in which the great packing plants are located, and the principal business of the city.

Another great friend of the farmer!

Who are some of the people opposing this bill, and opposing it on the ground that it is unworkable and will do more harm to the farmer than anything that could happen to him? Judge Robert W. Bingham, of Louisville, owner of the Courier-Journal and Times, a man who has spent more time and money to build up a cooperative system in this country than any man

of my acquaintance, and who is now chairman of the National Council of the Farmers' Cooperative Marketing Association, has this to say:

I hope the McNary-Haugen bill will not pass, because I think it is unworkable and would not only not help the farmers but would greatly injure them and the country at large. It is an attempt on a large scale to nationalize the agricultural industry of the United States and to substitute Government control for private initiative and Government price fixing for the law of supply and demand. Such projects have failed in the past and will fail in the future. It is a dangerous form of class legislation which should never be tolerated. The farmers have a right to equal privileges with other citizens, and the demands of justice for them must be met. Recent legislation providing cooperative marketing, broadening the Federal reserve system to meet the needs of farmers for long-time credits, and establishing intermediate credit banks is all in the right direction and has proven of the utmost value. In addition, the War Finance Corporation has rendered service of inestimable value in the agricultural crisis prevailing after the war. These measures were based upon sound economics and have justified themselves. However, the plan for dumping surplus products abroad will inevitably bring reprisals from foreign countries and will thus deprive us of the only market we have for our surplus. It involves an enormous expense, with increased taxation, the very things the farmers as well as the rest of the country want to escape. I believe the McNary-Haugen bill is unsound economically, is impractical, and will result in the gravest injury to the very people it is designed to help.

I received a letter from Hon. Goeffrey Morgan, who has just retired as secretary of the Kentucky Farm Bureau Federation, of Kentucky, who has a national reputation in this line of work and who has the following to say:

I notice from the papers that you voted against the McNary-Haugen bill. I want to congratulate you, as I have come to the conclusion that you did exactly the right thing. I was at first inclined to be favorable to it, but after studying it carefully I am convinced that it is a menace.

I have here a telegram the excerpt of which pertains to this bill. It is as follows:

PETALUMA, CALIF., *May 21, 1924.*

JULIUS H. BARNES,
President United States Chamber of Commerce,
Washington, D. C.:

California agricultural legislative committee, composed of 35 farm-commodity organizations having over 65,000 grower members at last directors' meeting, with presiding officers of State farm bureau, grange, and Farmers' Union present, unanimously disapproved the McNary-Haugen bill as fundamentally wrong in principle.

PETALUMA CHAMBER OF COMMERCE.
POULTRY KEEPERS' ASSOCIATION.

Mr. Chairman, you can not help the farmer by trying to raise him up by his own boot straps. You will have to repeal laws that are discriminatory against him in order that this great country of ours may get back to the place where it belongs. The Rules Committee refused to make in order the Curtis-Aswell cooperative marketing bill, but I am glad to say that every Democratic member of that committee voted to make it in order. Gentlemen, if you will vote down this bill, I believe that Congress will not adjourn until it passes some kind of farm legislation. [Applause.] You vote down this bill and in my judgment it will not be a week before the Agricultural Committee will bring in a bill that will help the farmer that will be sane and constructive.

This bill if passed, I believe, will destroy the present system of marketing the farmers' products in this country and the export business of the farmers' products upon which a ratio price is declared. This corporation will have to handle all the export business of these products or guarantee exporters against loss from handling.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Yes.

Mr. JOHNSON of Washington. Has the gentleman given any thought to the form that this certificate of equalization will take? Would it be marked legal tender?

Mr. KINCHELOE. Oh, no; it would not be legal tender, and it is also nonnegotiable.

Mr. JOHNSON of Washington. Would it bear the name of the United States of America?

Mr. KINCHELOE. I do not know anything about the form of it. That matter will have to be attended to by the corporation.

Mr. JOHNSON of Washington. There will be some expense incurred there.

Mr. KINCHELOE. Oh, yes; there will be a tremendous amount of expense, and the Government Printing Office will be printing the scrip which the farmer will be compelled to take, and this scrip will be worth about as much as a German mark. However, all the cost of the printing will come out of the farmer.

Mr. Chairman, if the House will indulge me, I would like to cite another concrete example as to the workings of this bill. Nearly all over this country the farmers have what is called wayside marketing, and we have a great deal of it in Kentucky. When this bill becomes a law, one of my farmers will kill a hog and start out to sell it to his neighbors and regular customers. Of course, the ratio price will have been established on every part of the dressed hog. He will meet his neighbor, and the neighbor will want to buy some of the dressed meat. The farmer will say he will be glad to sell him any part of it he wants provided the neighbor will issue him the regular receipt and retain the equalization fee, and he will ask his neighbor if he has a blank receipt. The neighbor will say, "What receipt?" He will then be told by the farmer that he must have a receipt printed by the Bureau of Engraving and Printing at Washington for the equalization fee. The neighbor will say he never heard of this character of receipt before, but will say to the farmer, "I will just write you an ordinary receipt for the equalization fee." The farmer will reply, "Oh, no; if we do that you and I will be arrested by a Federal officer and taken to the Federal court and will be subject to a fine or imprisonment, or both." So these two neighbors can not trade on account of this law. The neighbor will then ask the farmer, "How much is the equalization fee and the ratio price on your hog?" "Well," the farmer will say, "that depends upon what part of the hog you want to buy. The ratio price will be different on hams, ribs, shoulders, and chitlings." Therefore this farmer, in order to have customers for his wayside marketing, will have to see that each of them has beautiful blank receipts from the Bureau of Engraving and Printing at Washington, the cost of the same to be paid by the farmer himself. This illustration is not an exaggeration. There are millions of these transactions every year, and I cite it to show you how impracticable and impossible it would be for this bill to work.

Let us vote down this bill and have something constructive. [Applause.]

Mr. HAUGEN. Does the gentleman object now to anybody getting a receipt for the amount that he pays into the fund?

Mr. KINCHELOE. No; I am objecting to the whole bill, because it is not workable and will hurt the farmer more than it will help him.

Mr. HAUGEN. Why do you deny the farmer the receipt for the amount that he pays in?

Mr. KINCHELOE. I do not want to deny the farmer the receipt for the amount he pays in, but I want the packers and grain men, who are going to reap the benefits of this bill, to pay for the benefits they receive.

Mr. HAUGEN. Is not the farmer entitled to a receipt for the money he pays in?

Mr. KINCHELOE. Certainly. He can then use it as a rain check, because, in my judgment, it will never be worth a cent to him after all the expenses of the operation of this law are paid.

Mr. JOHNSON of Washington. Is that receipt negotiable in any way?

Mr. KINCHELOE. Oh, no; the Federal Government under this bill is going to say to the farmer that he must take the receipt and that he will have to keep it.

Mr. JOHNSON of Washington. Has it any value whatever?

Mr. KINCHELOE. After all of the costs of the administration of this law are paid, including the loss on the exportable surplus and expenses of the corporation, then if anything is left it will eventually trickle down to the farmer who holds the receipt.

Mr. JOHNSON of Washington. How long would a man have to keep the receipt before getting anything?

Mr. KINCHELOE. About a year, if he got anything at all.

Mr. JOHNSON of Washington. Can he take it to the bank and cash it?

Mr. KINCHELOE. Not on your life.

Mr. JOHNSON of Washington. Is it not negotiable?

Mr. KINCHELOE. It is not negotiable.

Mr. JOHNSON of Washington. What value?

Mr. KINCHELOE. As I have just stated, the farmer has to hold the receipt until the expenses are paid, and no one can tell what the value of the receipt will be, if anything.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. KINCHELOE. I will.

Mr. SHALLENBERGER. Is not that principle involved in every cooperative organization in the United States, and why should the gentleman object to the same principle being applied in this great national organization that is applied to every cooperative organization?

Mr. KINCHELOE. Because in a national cooperative-marketing system of farmers Mr. Packer does not come with the elevator man and the big miller and each get theirs and walks off with it, but the farmer gets whatever profit by way of increase of price for his products.

Mr. AYRES. I understood the gentleman to say that the millers and packers were for this legislation; if so, why are we receiving letters constantly from grain men and millers opposing this bill?

Mr. KINCHELOE. I do not know that I have received any against it, but let me say to the gentleman if he has he should not take their protest too seriously.

Mr. AYRES. I have received dozens.

Mr. KINCHELOE. Mr. Chairman, this bill proposes to make the European countries the dumping ground for the surplus agricultural products of this country and to prohibit, if necessary by embargo, any other country shipping any of its agricultural products into this country. What will happen? These European countries will enact retaliatory laws by placing an embargo upon our surplus agricultural products. If this is done, then this law falls of its own weight and with a great business catastrophe. The price of American wheat is now fixed in Liverpool, but England is not compelled to have American wheat. Every province she has raises wheat; besides, she can go to Russia and other European countries for the balance of her supply.

I am one who believes that in this great country of ours, where love and hope have combined and erected a family altar, the breadwinner of that family should have an equal chance with his fellow men in the race of life. This can not be in this country so long as we enact discriminatory laws. Let us repeal these discriminatory laws already on the Federal statutes instead of enacting more. The protective tariff laws of this country have always robbed the consumers of a great proportion of their earnings. They have fostered trusts and combines and are doing so to-day to the detriment of every man who toils. When I contemplate these discriminatory laws and how unfair they are to every laboring man in the country, I am reminded of Kipling's Cry of Toil, which represents the teeming millions of the toiling masses of this country, saying to the trusts and combines—by paraphrasing a little:

We have fed you all for a thousand years,
And you hale us still unfed;
Though there is not a dollar of all your wealth
But marks the maker's dead.
We have done our best to give you rest
And lie on crimson wool;
But if "tariff" be the price of all your wealth,
Great God! we have paid it in full.

There's not a mine blown skyward now
But we're buried alive for you;
There's not a ship blown shoreward now
But we're its ghastly crew;
Go reckon our dead by the forges red
And the factories where we spin;
For if "tariff" be the price of all your wealth,
Great God! we have paid it in full.

We have fed you all for a thousand years,
And that's our doom, you know;
Since first you chained us in the fields
To the strike of a week ago.
You have eaten our lives, our babes and wives,
And you say that's your lawful share;
But if "tariff" be the price of all your wealth,
Great God! we have bought it fair.

[Applause.]

Mr. Chairman and gentlemen of the House, I do not think that the above is an exaggeration.

In conclusion, and as one whose every heartbeat has always been and is now in sympathy with the American farmer, I want to appeal to you to defeat this legislation that would revolutionize the economic life of this country and be an indescribable detriment to the American farmer; and let us pass sound and economic legislation that will be to his benefit. It can and should be done before this Congress adjourns. Let us not try to fool the farmer by holding out a false hope, as this bill does, but let us take him into our confidence and be frank with him. Let us repeal the discriminatory laws which I have heretofore mentioned and enact a great cooperative marketing law which will redound to the happiness and prosperity of every American farmer and his family. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I know the gentleman wants to be fair and wants to correct his statements——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KINCHELOE. If the gentleman will yield me some time I will be glad to answer any question he may want to ask.

Mr. HAUGEN. I want the gentleman to speak the facts.

Mr. BLANTON. That is the trouble; he stated the facts.

Mr. KINCHELOE. Gentlemen of the House, I want to extend to you my sincere thanks for this great attendance here and for your patient attention, which you have so graciously given me. [Great and prolonged applause.]

Mr. VOIGT. Mr. Chairman, I would like to inquire in reference to how the time stands?

The CHAIRMAN. The gentleman from Iowa has 50 minutes remaining, the gentleman from Missouri has an hour and 55 minutes remaining, the gentleman from Louisiana has an hour and 11 minutes remaining, and the gentleman from Wisconsin has 27 minutes remaining.

Mr. VOIGT. I want to make a correction there. I was informed last night that I had 34 minutes remaining.

The CHAIRMAN. But the gentleman yielded seven minutes to the gentleman from Kentucky this morning.

Mr. VOIGT. But I got an additional 15 minutes of the additional hour.

The CHAIRMAN. There was no additional hour granted; that unanimous consent was not granted.

Mr. VOIGT. I was so informed by the gentleman from Iowa.

The CHAIRMAN. Objection was made in the House to that request, so no additional time was granted.

Mr. RUBEY. Mr. Chairman, I desire to extend 30 minutes to the gentleman from West Virginia [Mr. JOHNSON]. [Applause.]

Mr. JOHNSON of West Virginia. Mr. Chairman, unfortunately, our Government, like other Governments of the past and present, has given less consideration to the real interests and needs of agriculture than to any other factor which enters into our commercial life. The farmer is the last to have our helping hand, and the first to feel the effects of any catastrophe or depression.

Particularly may I refer to what happened to the farmer covering the period of our late war and just after it. He, as we know, was the last to receive any appreciable advance in what he produced, and when he was permitted to realize an advance in prices for his products, it was niggardly compared with the advance for the products and contributions of others. When peace was declared what happened? The price and value of the farmer's property and products at once, and immediately, began to fall—and these falling prices and values have so continued until this very hour.

The farmer's property and the products therefrom are now at or below the pre-war market prices, while, on the other hand, every commodity purchased to-day by the American farmer is priced to him at or near war prices. He is actually selling his products at pre-war prices and buying his needs on a war market.

The American farmer is a unique individual. He is a member and component part of the greatest single commercial factor in our commercial life. He does not buy a single necessity of life or perform a single act or deed requiring the expenditure of money that the other fellow does not fix the price. He sells nothing except what the other fellow will buy, and that at a price named for him in advance of sale. All the farmer is allowed to do is to produce, then sell, if he can, at a fixed price, and then buy what he needs at a price likewise fixed for him in advance.

Since the World War, compared with property values of 1919, agriculture has sustained a loss of over $22,000,000,000—a staggering loss—an average loss to the American farmers of over $3,000,000,000 each year. What other factor of our commercial life or what line of industry has been called upon to withstand such a staggering financial blow during this same period? Not a single one, as I shall show. Why has this great loss and burden been placed upon the shoulders of our farmers? This is not all; while he has sustained this enormous loss, his yearly basic products, his grains and his meats, have been going lower and lower until the dollar realized in the sale of these products have a purchasing power in the markets in payment for what he must buy of about 60 cents. His taxes are no less than in 1919, and in some instances higher; the machinery he has to buy is priced to him at the same high mark; his farm equipment and all other necessary commodities have

been maintained at the same high cost price to him; and his freight rates on the products he ships are war rates, with a small percentage decrease, and the passenger rates are substantially the same.

The average American farmer constitutes a class of our people different, perhaps, in many ways from any other. It is the largest single class; their daily problems are largely the same; their needs, their likes and dislikes are similar; and in almost every way they are the same wherever you find them. They live the same kind of life whether in the East, North, South, or West. There are reasons why this is so. As a rule they are the happiest and most contented. Their wants are simple. Their love for home and country should be envied. Their loyalty to the flag and to their country is not surpassed, and in few instances equaled. So far they have not conspired to be crooked and corrupt in business, big or little. So far they have asked little or no favors at the hands of our Government; they have never asked or received alms and they are not now doing so. I for one do not believe that the American farmer will ever ask favors of this Government unfair or unjust to others.

The American farmer is, as a rule, thrifty and saving. Prior to the World War he was moderately prosperous, and by economy he had accumulated something, and during the war he was permitted again to add a small stipend to his pre-war earnings, so that at the close of the war the average American farmer found himself with a small bank account. Then it was that the period of readjustment began, and then it was that the downfall of our farmers took root and began to grow.

Every other industry or factor in our commercial life in one way or another was permitted or enabled to hold its own. Most of them have not been called upon to contribute a penny on the road back to normal conditions, but, on the contrary, have been so situated, favored, and protected as to be able to earn handsome returns on their investments, while their property values since 1919 have not shrunk in value but increased.

The era of loss and falling prices, so far as the farmer was concerged, continued, and in order to meet this loss he began to draw upon his savings and continued to do so until his savings are gone.

His personal property and his farm were next. In order to stem the tide, as he thought, and in the hope that something would be done for him, he mortgaged these properties. Unable to redeem the mortgage when due, these properties were and are now being sold—sold on a market and to a public already loaded down with similar property. In most cases these properties are sold to the owners of these mortgages for even less than the amount of the mortgage. Banks which have dealt largely with the farmers are closing their doors, not only daily but hourly. Hundreds of them have failed and will fail. Farmers are borrowing money from our Government with which to buy seeds and pay the expense of planting. In some instances they have asked loans with which to buy the necessities of life. School children are kept from school because they do not have the necessary clothing and not sufficient food for the noonday meal. Suicides are not now uncommon among these farmers, a thing unheard of in years of prosperity. Well-to-do and respected farmers, with their wives and children, are daily forced from their natural habitations and compelled to take refuge in congested centers and there surrounded by entirely different conditions and influences of which they know little or nothing. God only can picture the final result.

The word "bankrupt" or "bankruptcy" is distasteful to the average American farmer. He is inherently honest, and somehow the word to him has a meaning and significance different from what it has to most of us. The judicial records under normal conditions show that the per cent of farmers who become bankrupt is far below that of any other class.

The storm and cyclone of the farmers' disasters began to be felt over a year and a half ago, and since that time it has spread rapidly and widely. It began in the Northwest. It is now felt everywhere and in every farming country.

I believe unless we, as Representatives of the people, deal with this situation and deal promptly and quickly a disaster will befall this country the like of which we have never experienced before. Not alone will the farmer feel it and suffer but every part of our commercial, industrial, financial, and social world will be affected and shaken to their foundation.

History reveals the fact that if you make and keep the farmer prosperous, or even let him get by, you have a prosperous condition in all lines of industry. Take away from him his share of prosperity and make of him a bankrupt, then you have pulled down upon your own heads the pillars upon which rest the success, prosperity, and happiness of all the world.

Already the present economic situation and the efforts of or results from readjustment since the World War have plunged into bankruptcy or forced to the very verge of bankruptcy over 600,000 American farmers, and unless this Congress shall wake up at once and do something for him and correct this situation you will find that this is a small beginning.

Labor without a happy and prosperous farmer can not live and prosper on the high plane it now rightfully enjoys. Wall Street and big interests will no longer control the finances of the world if it shall withhold its support from our farmers and stand in an attitude of indifference. Manufactures will reap its reward in the shutting down of its plants and the deterioration of its property and in the loss of a market for its finished products when the farmer shall have been deprived of his place in the commercial world on the same parity with it.

Transportation companies will have little need for their rails, boats, and motor power when the farmer fails to produce and offers no freight.

It is not for me at this moment to change the governmental policy or evolve some different economic plan whereby we shall be able to come back more quickly to normal conditions. So far as the American farmer is concerned at this moment he is forced to accept the policy and plan, and try to adjust his condition to the present situation. He neither has the time nor the power or influence to change this policy. I prefer to try to work in some sort of harmony with these policies and plans, though I do not mean to say I approve of all of them.

The commercial life of our country as now constituted is made up of four factors, and our present governmental policies are meant to and should apply to all alike, as follows: Agriculture, transportation, manufacturing, and labor.

The first and most important of these factors is that of agriculture. In and through this factor the basic products of life are produced.

The next, if I may designate, is that factor known as transportation, for without the means of transportation the farmer's products could not be delivered to points of consumption and for manufacturing purposes; and, again, the redistribution of the finished products throughout the consuming world could not be maintained without these arteries of distribution.

Then, next, the manufacturer, who receives the farmer's raw material and converts the same into the finished products ready and fit for consumption by the consuming public.

The last, labor. This enters alike into all three of the other factors, and they could not function without labor's contribution.

Whether right or wrong, there has gradually grown up in this country a policy which has to do with the enactment of laws beneficial to certain interests and to certain classes of our people. In the face of such legislation we find that the law of supply and demand is made inoperative. In other words, because of special or class legislation the law of supply and demand has been to a more or less degree set aside and made naught. While this policy is personified by the Republican Party, it is in a less degree to be found in the Democratic Party. One for protection, the other for revenue.

I do not want to be understood now and here as criticizing any party or any law. What I say is for the purpose of showing how certain interests and classes have been protected and benefited while others just as important, possible more so, have been ignored and excluded.

The peak of protection of one of our four commercial factors mentioned was reached in the passage of the Fordney-McCumber tariff law. This law, briefly and boiled down, enables the manufacturer to name and regulate the price at which he may sell his finished products, and thus return at least a reasonable profit on his investment. Often this same finished article is sold in the foreign markets in competition with the world at a less price than to the consuming public here.

This is simply a guaranty by law of a return to the manufacturer for his labor and upon his investment satisfactory to him. By this law he is protected in his business. That is not all. We have a "Tariff Commission," so called, appointed by the Federal Government, and the salaries of this commission and all expenses are paid by the Government. This commission has for its purpose the investigation and adjustment of tariff rates from time to time. Is this Government in business or not? What is the difference between a tariff commission to look after the interests of the manufacturers and a farmers' commission to look after the farmers' interests?

The property values of this protected factor in our commercial life have not shrunk one dollar, and the value to-day is more than the value in 1919, while during the same period

farm values have shrunk more than $32,000,000,000. This factor is calling upon the farmer to carry this enormous burden in this period of readjustment and at the same time protesting that it should still have a greater return than it now receives.

Under the Esch-Cummins law the transportation act and through the administration of the Interstate Commerce Commission this necessary factor is protected and given a guaranty of a reasonable return for labor expended, capital or property invested. Under this legislation this factor can have its rates fixed and established so as to yield a satisfactory return to its stockholders. This is done by law.

Only recently some of these companies have been so successful and prosperous that they granted a voluntary increase in wage to some of their employees. Indeed, so prosperous have they been since 1919 that they not only have experienced no loss in shrinkage in the value of their property but, on the contrary, have found their property in some instances more valuable than at the beginning of 1919, while at the same time, and since 1919, the American farmer has been called upon to shoulder and carry a loss of over $32,000,000,000.

The Interstate Commerce Commission is a governmental agency operating under a law passed by Congress, directing and controlling the operation of a business. The expense of this commission, like the Tariff Commission, is paid for out of the Treasury of the United States. They are governmental commissions, or agents, vested with power to enter into and direct private business.

Labor, still another of these factors, has not been overlooked by our Government. During this period of adjustment, since 1919, labor has not suffered on the whole to any serious degree, though at times it has had its struggles. It has not felt the shock nor the burden as has the farmer. It enjoys the Adamson eight-hour law passed by our Congress; it receives benefit from and is more or less protected by our immigration laws and, as others would have it, by our tariff law.

Of the four factors which go to make up our commercial life we find that three of them are protected and aided by Federal laws, and in two instances at least our Government is now and has been, by its commissions and agencies, entering into and aiding in the operation thereof; and if the Howell-Barkley bill passes every factor in the whole commercial life except the American farmer factor will have been by law put under the guidance and protecting wing of our Federal Government, and all of this at the expense of the Government.

Congress has not seen fit to pass a single constructive legislative measure which has for its object or would even tend to put the agricultural industry on the same footing or plane as the other factors to which I have referred. It has adopted a certain policy, but in adopting it—to our shame—Congress has limited its operation to certain commercial factors and denied it to the farmer.

The farmer and his friends are not to-day bearing arms against nor making war upon these protected factors because of this inequality and advantage. He and his friends do not desire to tear down, but rather build up. He is not for destruction but for construction.

His claim, demand, and fight is that the same consideration shall be accorded to him as is accorded to those who are so vitally concerned and closely associated with him.

THE BILL

In approaching a discussion of this bill and its merits I do so having in mind the words spoken, and the thought expressed, by Abraham Lincoln:

> The legitimate object of government is to do for a community of people whatever they need to have done but can not do at all, or can not so well do, for themselves in their separate and individual capacities.

Many weeks of hearings were held by the Agriculture Committee. Farmers, cooperative organizations, and men in all walks of life, and labor organizations from every section of the country appeared and gave testimony of the condition of the American farmers of to-day. Millers, packers, and brokers from different sections also appeared and gave testimony. Notwithstanding the many different viewpoints, everyone admitted the deplorable condition in which the farmer finds himself, and all agreed that unless something be done to relieve this depressed and bankrupt condition of the agriculture industry it will only be a short time until there will be a general disorganization, destruction, and disintegration of the whole agriculture fabric.

From what has heretofore been said it became necessary, in the judgment of the committee, to formulate some measure which would tend to relieve the situation, correct the evil, and thus save the farmer.

There were three different views advanced tending to correct this situation. One of these views was incorporated in a bill looking to making better and wider markets, and at the same time develop farm cooperative organizations and other agencies of sale for the farmer. It is apparent that no such measure would be of much relief to the farmer. Highly organized agencies for the handling of the farmers' products and additional markets will not avail him now. If to-day the farmers' products were sold in all the markets of the world under the most highly organized agencies, and no charges be made for these services, and no freight rates be charged for hauling the products to the markets, still the farmer would be getting less for his products than he could afford to take. He would still go into bankruptcy. He would still receive less than the ratio price. It is not this that the farmer needs. What he needs is higher prices. He wants his dollar of equal value in the commercial world with that of other dollars.

Then there was another view, and measures were introduced along this line. It was urged that the Government should form a corporation and purchase the farmers' products on behalf of the Government, at a price to be fixed which would return the farmer a reasonable profit for his products. The corporation was then on behalf of the Government to sell these products in the domestic and foreign markets at whatever price they could obtain and charge the loss to the Government. This temporarily would doubtless relieve the farmer, but in the end it would break the Government. This was Government head over heels in business.

Out of these various measures, and from the various viewpoints urged, the present bill now before Congress was agreed upon as the most feasible and practical solution.

The present bill does not ask that the Government shall take charge, through its corporation, of the business of the farmer. It does not call upon the Government to expend one single cent in the administration of this law or in any loss that might be sustained in its operation.

There are just three things that this bill asks of the Federal Government.

First. The Government, through the President, with the consent of the Senate, shall name four directors—no more than two directors shall come from the same political party. They are to receive a salary of $10,000 per year. Their duties are to handle and dispose of largely, if not entirely, the exportable surplus of the farmers' products mentioned in this bill after an emergency is declared. Of course, they stand ready to see that the ratio price established is maintained for the products of the farmer.

Second. A corporation is to be formed, which is fully described in the bill, and the stock in this corporation to the extent of $200,000,000 is to be subscribed and paid for as needed by the Government. This, in effect, is simply a loan to the corporation to enable it, through the directors, to be ready and able at all times to purchase at the ratio price the basic products of the farmer upon which an emergency has been declared. The $200,000,000 would be paid back at the end of five years.

Third. The Government, through the President, declares an embargo upon any of the farmers' products upon which there shall be declared an emergency, and which will come under the operation of this bill.

It is apparent that the bill would be inoperative without the declaration of an embargo upon these emergency products; for as soon as our domestic markets began to pay more for the farmers' products than realized in the world markets, then a great flow of the farm products produced in foreign countries would flood our shores and bankrupt the corporation. This embargo must be declared and maintained in order to keep out and prevent the foreign products from coming in competition with these products in the domestic market. This is not a new proposition and is not one concerning which my Democratic friends should very seriously question, for this same embargo was enacted into law by and used during a Democratic administration.

Let me illustrate: This country produced about 800,000,000 bushels of wheat last year. We consume about 600,000,000, leaving 200,000,000 bushels as an exportable surplus. The price at which this surplus is sold in the world market controls the price at which the 600,000,000 bushels are sold in the domestic markets. The world's market was around $1 per bushel and this establishes a price for wheat on our domestic markets. If you apply the ratio price under the bill—which I shall men-

tion later—wheat on the domestic market would bring $1.59 per bushel. Had the corporation been in operation the 200,000,000 bushels of wheat would have been sold in the markets of the world at $1 per bushel, while the domestic market would have been paying $1.59 per bushel. The corporation in the purchase and sale of the 200,000,000 bushels in the world markets would have lost $118,000,000. How is this loss to be met? The law provides that the corporation shall fix an equalization fee to be collected by the purchaser from the seller of, say, in the case 15 cents per bushel on the entire 800,000,000, realizing the sum of $120,000,000, and out of this the $118,000,000 is paid and $2,000,000 left for expenses of the corporation. The corporation can establish a less or greater fee to meet this loss and expense. It is conservatively estimated that 10 per cent of the ratio price on every product under the measure will be amply large to meet all loss and all expense.

If the farmer has 1,000 bushels of wheat for sale, he knows and is advised as to what the ratio price for this wheat is, and he sells this wheat to anyone desiring to purchase at the ratio price, or for more or for less. He makes his own sale and his own bargain. He is not compelled to take less than the ratio price, for the corporation will pay that price. The party to whom he makes this sale will pay him the price agreed upon and deduct therefrom the 15 cents per bushel. If there are 1,000 bushels, he would deduct $150 and pay him in cash for the balance. The farmer is given a receipt showing the payment of this $150—his contribution of the equalization. This fund and a receipt therefor is sent to the corporation and deposited by it in a special fund, known in this case as the "wheat account." At the close of the year the loss and cost of operating is ascertained and paid out of this equalization fund. The balance is then distributed back to the farmer in proportion to the amount he has paid on account thereof.

The operation of the bill and the handling and disposing by the corporation is practically the same and just as practical and feasible as to all other farm products under the bill.

This bill asks less assistance from Congress and excludes our Government from private business more than many other measures which have been passed for the purpose of keeping certain of our industries on a high plane of efficiency, productiveness, and profit. It simply extends the present governmental policy to the products of agriculture.

The framers of this bill, at the request of the farmers, have not asked that this policy be extended to them for an indefinite period. The farmer still thinks that if he is given some temporary relief for a limited time during this readjustment period that he can then take care of himself. Therefore, the farmer asks that you extend to him this policy, by this bill, for a period of five years. He has suffered for the past four years without this policy.

This bill does not become operative upon any of the farmer's products mentioned therein until there has been declared by the President that an emergency exists as to the particular product affected. There may be times during the five years of the life of this bill when there will be no emergency upon any article, and then the bill will be inoperative in its entirety; and there may be periods when it will operate only as to one or two of the products. My judgment is, that when it once becomes a law it will not operate upon more than two of the farmer's products, and perhaps only one.

The bill proceeds on the fundamental fact that the price of agricultural commodities should bear a proper relation to the prices of other commodities. In other words, farm products are to have a fair exchange value in terms of all commodities.

The ratio price, which I have previously referred to, is the price that gives the farmer's commodities the same percentage of increase in price, when compared with the pre-war period, 1905–1914, as is shown by the advance in price of "all commodities," about 400 in number (included in Bureau of Labor statistics index numbers). In other words it gives the purchasing power of a hundred cents to the farmer's dollar, whereas now it has relatively but a 60-cent purchasing power in the commercial world.

The constitutionality of this measure has been questioned. It has been urged by the departmental lawyers and other eminent attorneys that the law is constitutional; on the other hand we find lawyers of equal ability urging the unconstitutionality of the act. I see no reason why I should at this moment enter into a discussion of the constitutionality of this measure. My judgment or opinion might possibly influence some votes, but it would not make the bill constitutional. I shall be content in casting my vote in behalf of this measure in the thought that upon both sides of this question we have eminent lawyers differing, and in the end this question, if raised, must be settled by the courts. Upon a question of this character, when lawyers of ability differ, I feel that the lawmaking body in the passage or nonpassage of such a measure should give little heed and little consideration as to the ultimate constitutionality or unconstitutionality thereof. I should rather give my time and thought in pointing out the relief that this measure will bring to the farmer and the crumbling agriculture world.

If you apply the ratio price, as provided for under this bill, and if this bill had been and were in full operation to-day, the farmer would be receiving for his products the following prices, subject, however, to any loss and expense, which I have heretofore mentioned:

Chicago markets—Prices

WHEAT

Per bushel if bill in operation, 1923:	
January	$1.65
February	1.66
March	1.68
April	1.68
May	1.65
June	1.62
July	1.59
August	1.59
September	1.63
October	1.62
November	1.61
December	1.60
Per bushel if bill in operation, 1924:	
January	1.60
February	1.60
March	1.59
Actually received, 1923:	
January	1.23
February	1.30
March	1.27
April	1.29
May	1.24
June	1.15
July	1.01
August	1.04
September	1.10
October	1.15
November	1.08
December	1.10
Actually received, 1924:	
January	1.12
February	1.16
March	1.13

HOGS

Price if bill in operation, 1923:	
January	11.69
February	11.75
March	11.89
April	11.91
May	11.72
June	11.51
July	11.20
August	11.26
September	11.53
October	11.48
November	11.41
December	11.33
Price if bill in operation, 1924:	
January	11.35
February	11.37
March	11.25
Actually received, 1923:	
January	8.29
February	7.95
March	8.25
April	8.11
May	7.53
June	7.01
July	7.32
August	8.18
September	8.83
October	7.72
November	7.05
December	7.00
Actually received, 1924:	
January	7.20
February	7.08
March	7.36

CATTLE

Price if bill in operation, 1923:	
January	10.74
February	10.88
March	11.07
April	11.80
May	11.07
June	11.55
July	11.35
August	11.68
September	12.22
October	11.58
November	11.33
December	11.00
Actually received, 1923:	
January	9.17
February	8.86
March	8.83
April	9.01
May	9.41
June	9.94
July	10.05

Actually received, 1923—Continued	
August	$10.48
September	10.12
October	9.90
November	9.36
December	8.92

CORN

Price, if bill in operation, 1923:	
January	.99
February	1.00
March	1.01
April	1.01
May	.99
June	.98
July	.96
August	.95
September	.98
October	.97
November	.97
December	.96
Price, if bill in operation, 1924:	
January	.96
February	.96
March	.95
Actually received, 1923:	
January	.71
February	.74
March	.74
April	.79
May	.81
June	.84
July	.88
August	.88
September	.88
October	1.01
November	.84
December	.73
Actually received, 1924:	
January	.76
February	.80
March	.77

The farmer undoubtedly would be benefited very materially under the operation of this bill. Yet that benefit justly and rightfully belongs to him, and he has been denied this for a period of four years.

Without the farmer, and that is what will happen unless we help him, the rest of these classes will suffer—more than you or I can now anticipate. When you once break down the great agriculture industry, you strike at the very existence of our Government. When you disorganize the farmer and drive him out of his natural habitation, you have simply torn down the foundation upon which all other industries thrive and all the rest of our social, financial, and economic structures rest.

The present organizations, and I refer to the farm organizations, cooperative organizations, and so forth, will not suffer in any degree or to any extent through the operation of this act. On the contrary, the evidence conclusively shows that these organizations will not be injured, but much aided and benefited. They will function the same and be used by the corporation in its operation.

There have been before the Agricultural Committee, urging the passage of this bill, many men in various walks of life and individuals representing strong organizations. I am safe in saying that these representatives spoke for at least 75 per cent of our population, including the farmers; and not a single one protested against any possible increase to them in the cost of living. The transportation companies and the manufacturers have not appeared, and it is fair to assume that the people they represent have no serious objections to the enactment of this bill into law. The miller, the packer, and the broker—selfish and representing a very small percentage of people—were the real opposers to this measure. There were some few farm organizations represented by certain individuals who appeared in opposition to the bill, but this class consists largely of those who urge that the Government itself shall take charge of the farmer's products, be the purchaser and seller at the same time, and charge back whatever loss there may be against the Treasury of our Federal Government.

There are 6,500,000 farms in the United States. The farm values thereof, including personal property, has shrunk in value to the extent of $32,000,000,000 in the past four years. This amount is equivalent to that expended by us in the World War.

Already over 600,000 American farmers have failed during the past two years. Hundreds of banks in the agricultural sections have gone to the wall.

During the past four years the average total loss per farm, by reason of this shrinkage, has been $5,000, or at the rate of $1,250 per year. This condition can not remain much longer. It is getting worse instead of better, and the storm and cyclone of farm destruction is spreading so rapidly that it is felt in every agricultural section.

In conclusion, let me say that I realize that the farmers are the most depressed class of our citizenship; that unless immediate relief is afforded them there is but one end, and that is the crumbling and destruction of the agricultural industry.

I see no other relief in sight; I realize the plight and present situation of the farmer, and I know he must have relief. My judgment is that this bill will afford him relief. I must, therefore, regardless of consequences, support and vote for this measure.

Mr. LINTHICUM. Mr. Chairman, I make the point of order that no quorum is present.

The CHAIRMAN (Mr. PURNELL). The gentleman from Maryland makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and ten Members present, a quorum.

Mr. RUBEY. Mr. Chairman, I yield to the gentleman from Nebraska 30 minutes.

Mr. SHALLENBERGER. Mr. Chairman and gentlemen of the committee, I did not expect to take the time of the House in the consideration of this bill, but after listening to the discussion for two or three days concerning the application of this bill to the livestock industry, with which I have been identified more or less for a great many years, I concluded to discuss briefly the provisions of the bill as they apply to livestock.

Of course, I can not answer the imagination and the rhetoric of gentlemen in discussing this bill, but I attempted to make some notes of those statements that come down to the real facts concerning the bill.

The gentleman from Kentucky [Mr. KINCHELOE] who preceded me in an eloquent speech touched on three points that apply to the livestock industry. He said that the packer if this bill was put into effect would have an opportunity to reap a tremendous profit because of the advance in the price of hides. The gentleman has forgotten that there is no tariff on hides, that hides are on the free list, and if you put the tariff under this bill as high as Haman the packers would not receive a cent of profit upon hides because of the passage of this bill. Last year we imported $59,000,000 worth of hides, and they came in free. The bill would have no effect whatever on the price of hides.

He claimed a loss of revenue would occur if this bill became a law. The gentleman from Kentucky said that under an embargo, or if we raised the tariff on the products mentioned in the bill, there might be a loss to the Treasury of $500,000,000. Now, there is no revenue received by the Government from tariff on wheat, no revenue from the tariff on pork or pork products, and very little revenue collected by the Government because of the tariff on beef. So if the bill was put into operation it would have no effect upon the revenues of the Government. You take nothing from nothing and you have nothing left.

Of course, the packer is made the goat in all this discussion. He is not a popular individual, and so you try to prejudice members against the bill and deny the farmer help by pointing to the packer as one who is going to receive great benefits because of it. The gentleman from Kentucky talks about the great profit that the packers might make by buying up the exported surplus in Europe. Those products will be sold over there on the open markets of the world. The packer would have to pay the price when he bought that the foreigner would pay the corporation, and that is the highest European price obtainable. So the gentleman from Kentucky would have the packer buying the products of the exporting corporation and then selling them again to the foreign buyer at the same price they paid for them. While we do not admire the packer, we know that he is not an imbecile. The imagination of the gentleman from Kentucky conjured up an impossible conspiracy.

We all listened to the speech delivered by the able and distinguished gentleman from Wisconsin [Mr. VOIGT], which I think was the most effective speech delivered against the bill. I have heard others express the same opinion. We saw the leader of the opposition, the gentleman from Louisiana [Mr. ASWELL], rising in the House and saying that he knew that the gentleman from Wisconsin knew more about the bill than any other man in the House. Or did he say that gentleman knew more about the bill than any man in America, or was it more than any man now living. So that we have the right to assume that the gentleman from Wisconsin [Mr. VOIGT], so far as his remarks were addressed to this bill, speaks the wisdom and the last word of those who are in opposition to it. I want to touch briefly upon the fundamental feature of his speech. He spoke for over an hour, and the speech has not yet appeared in the RECORD. In that speech he particularly re-

ing, and in the end this question, if raised, must be settled by

June	9.94
July	10.05

ferred to three cardinal features of the bill. In the first place, he admitted that the bill would work as to wheat. We have them fairly whipped as to wheat. Even the gentleman from Texas [Mr. JONES] said that it would work as to wheat, and the gentleman from Wisconsin admits that, and he has introduced a bill here to apply the same principles to wheat. He objected to the other features of the bill for three reasons.

First, he said that it is a price-fixing bill.

Second, he said that it is a bill that would not work as to hogs.

Third, he stated that it will greatly raise the cost of living to the consumers of the Nation. I want to discuss those three points particularly.

First, as to price fixing. Of course this a a bill to adjust the prices of farm products in this country, so that they shall be fair and reasonable as compared to the prices of other basic products, but it is not a price-fixing bill such as the Government established during the war. As I said the other day, when the gentleman from Kansas [Mr. TINCHER] was discussing this bill, during the war the Government fixed the price on wheat and beef and pork because wheat products and pork products are the foods which the soldiers of our Nation and our allies needed. The Government fixed a price which the farmer had to accept for those food products without regard to the price of any other product. The Government wanted those products to feed our Army and the armies of the allies because we had to furnish our allies with food for their armies, and by the way, we have not gotten our pay for it yet. The Government took the farmers' wheat and pork and beef at a price that was fixed by the Government, and the Government made a tremendous profit upon the food products which it took from the farmers at its own price. All of the money that our Government gave to the people of Europe was part of the profit that the Government made upon the farmers' products which it took at its own prices during the war. The Haugen bill is not a price-fixing measure. It is a price-adjusting bill, just the same as was the so-called bonus bill, which we passed over the President's veto. That bill was not a bonus. A bonus is a gift. Adjusted compensation is to be paid the soldiers to adjust the losses that the men suffered who fought the Great War for the Nation. This bill is not a price-fixing bill; it does not grant a bonus to the farmer, but it is an attempt to adjust the price paid to the farmer for his food products, so that he will receive a fair return for his labor in comparison with that which others receive in other lines of industry. It is a price-adjusting bill. The principle in this bill is the principle that Theodore Roosevelt laid down as the fundamental principle of his ideas of social and political justice. That was the principle of the square deal, and that is what this bill provides for. I admit that the working of the bill is based upon the tariff. Democrats do not like the tariff, but, gentlemen, we have the tariff and we are dealing with a tremendous emergency. Some say that excessive freight rates is an evil to be eliminated. I am one of those who think that, but you are not going to change freight rates or tariffs this year; it may take several years before you will get rid of them. We have an emergency with us now, and this is emergency legislation.

I admit that this bill will give the farmer the benefit of the tariff, but you gentlemen who live in the East, you gentlemen who live in the great manufacturing centers, who are fighting this bill, have been eating pie for 20 years at the tariff table, and this bill simply proposes to give the farmer a chance to get a bite of that pie. I am a Democrat and against the tariff as a general principle, but I am for this bill because it is the only plan that will give immediate and necessary relief to the farmers of the Nation while the present tariff rates are in effect. The gentleman from Wisconsin said that the bill would not work as to hogs. He drew quite a vivid picture of 85,000 hogs arriving upon the market of Chicago on a certain day, and I think he told you of the tremendous number of hogs produced in America. The volume and number of hogs sold on our markets each week is tremendous. I shall put some figures in the RECORD showing this. The gentleman told you that the big packers might say on that day when 85,000 hogs had arrived at Chicago that they would take only 50,000 hogs at the ratio price of 11 cents a pound, but as to the other 35,000 hogs they might say that they did not want them, but that they would pay 4 cents a pound for them, and that the corporation could take it or leave it. Then the gentleman said that he challenged any man in this House to deny the proposition that they would have to take it. The gentleman dramatically called for an answer. The gentleman from Iowa [Mr. HAUGEN] rose modestly, as he always does, and said that he would answer the question of the gentleman, and told the gentleman from Wisconsin what the owners of the hogs would do. He said they would ship them to some other market, and at that Members of the House laughed. Mr. Chairman, they should not have laughed at the gentleman from Iowa, they should have laughed at the gentleman from Wisconsin, because the gentleman from Iowa told exactly what would happen. The five great packers do not buy half of the hogs of America. There are five big packers buying hogs in Chicago, and there are 10 other packers buying there and more than 30 order buyers buying hogs upon the open market every day and shipping them to other packing-house cities in the United States. Surplus hogs above local consumption are produced in only limited sections of the country, and the packing houses in Boston, Baltimore, Buffalo, Cincinnati, or in any other city in the country where packing is done, have their buyers on the market in Chicago, in Kansas City, in Omaha, or St. Joseph buying hogs in competition with the packers.

The big packer is always a bear on the market. He is trying to bear the price of hogs on foot, and these other buyers stand there ready to buy, if the packers will not pay the market price. If the packers refused to buy those 35,000 hogs, which the gentleman from Wisconsin was going to sell them at 4 cents a pound, there would be others to buy them. It happens over and over again on certain days on the market that the big packers will not buy. They declare the price is too high, and they leave the yards and refuse to buy. But business does not stop, and no one is permitted to steal the hogs at 4 cents per pound. Other buyers buy them, and after a while when the packers find that they can not bear down the price they come back on the market. If the big packers were to absolutely refuse to buy any more hogs, it would affect the price of hogs but a short time. Gentlemen, there are 200 other packing houses in the United States, and the American people are bound to eat those hogs. If the five big packers went out of business, the other packers would expand their establishments and in record time the American business men would adjust themselves to the situation, and the business would go on without the big five packers, and perhaps it will in any event. For the big packers have suffered big losses because of the fall in prices of meat products along with the farmer. And so the picture which the gentleman drew was a thing which could not happen, that does not happen, and that never did happen, and that never will happen.

Having disposed of that part of his picture, I want to take up the one of overproduction. That is the thing that is held up as a frightful prospect if this bill becomes a law. They try to show you that overproduction is bound to follow if you advance the price of hogs and other livestock. I am going to show you that price does not determine the number of livestock in the United States. That rule for causing overproduction can not apply to them, never has applied to them, and never will. It is easy to talk about multiplying the number of hogs in the United States. Of course, the gentleman from Wisconsin told you that if you put the price of hogs up to $11 a hundred, it would increase the number of hogs 200 or 300 per cent. He said that he had a farm, and that he would go into the hog business heavily if this bill became a law. Increase of hogs can not be brought about by increase of price alone. There are three things that are the determining factors as to the number of hogs in this country.

The first factor is the law of nature. A sow has but two litters a year and only a certain average of pigs are saved. The weather is the second factor. The weather is much more important than price. I do not know how many pigs will be produced this year, but I will wager there will not be as many pigs in America on the 1st of next January as there were on the 1st of last January. Why? Because we have had the worst weather this spring for saving the spring pigs that we have had in 20 years, so the pig crop will not be as big next year as last. The last and most determining factor is the price of feed. You feed a hog for profit; you do not keep him for fun; and as the price of corn goes up the profit in feeding the hog goes down. We produce a lot of hogs in Nebraska, but we will not have as many next year, because high-priced corn caused loss on every hog we fed. Hogs in Nebraska lost money to the farmers last year because the price of corn was out of line with the price of hogs. The price of corn was too high in relation to the price of pork. Would anybody believe if the price of hogs went up 3 or 4 cents farmers would increase the number of hogs in the United States by 200 per cent or 300 per cent. Yet that is what the sage from Wisconsin claimed. Let us take the Department of Agriculture figures. In 1919 there were 74,584,000 hogs in America, and they were worth the average price per hog $17.85 at Chicago. In 1920

the number had fallen to 59,344,000 and the price per hundred was $13.91. Do you know why the price went down? Well, I will tell you. In 1920 the greatest deflation in history was forced upon agriculture in America, and it suffered the greatest blow it has ever known. The Federal reserve banking system began refusing credit to the farmers and insisting that the banks loaning to these farmers should compel them to pay up their loans. They did so and so they were forced to sell, and to sell at once, and the result was that hogs, cattle, and sheep went down like a falling stone. The farmers were forced to liquidate. In such times you can not sell your land or your home to settle your debts, but you can put your cattle, your hogs, or your sheep on a railroad train and sell them in the open markets of the world. When the Federal bank began to put on the screws the farmers had to put their sheep, cattle, and hogs upon a flooded market, and the loss to the American farmer was greater than he had ever suffered before. Now, to return to the figures. Hogs dropped in numbers from 74,000,000 in 1919 down to 59,000,000 in 1920. In 1921 the number of hogs was 56,000,000 and the price was $8.51. In 1922 the number was 58,000,000 and the price was $9.22.

In 1923 the number was 68,000,000, and the price went down to $7.55. In other words, instead of the number of hogs going up as the price went up those figures show that as soon as the rush to market in 1920 and 1921 was over the number of hogs increased, with a falling price. In 1922 the price was $9.22 and the number of hogs 58,000,000; and in 1924 there was 65,000,000, and the price only $7.55. In six years the number of hogs of America never varied 10,000,000, but the price declined $10 per hundred. The claim that an advance in price of $3 or $4 per hundred would result in overproduction is absolutely absurd and has no foundation in fact. The same rule holds good as to sheep. The number of sheep in the United States in 1919 was 48,000,000; in 1920, 39,000,000; 1921, 37,000,000; 1922, 36,000,000; 1923, 37,000,000; 1924, 38,000,000. So the number did not vary a million in all those years after 1920, and yet during that time every sheepmen got so sick because of falling prices and bankruptcy that he could not look a sheep in the face; but now sheep have risen so high in price that the fleece is golden as well as the hoof. Yet the variation in number between 1919 and 1924 was only a million. There is nothing whatever in the scarecrow of overproduction; there is nothing in that claim whatever as applied to livestock.

Mr. SIMMONS. Will the gentleman yield?

Mr. SHALLENBERGER. I can not now. The cattle proposition is one that apparently bothers some gentlemen. The price has varied more than $7 a hundred in six years, yet the number remains constant. Some one said here that the cattlemen are all broke. Well, they may be all broke, but they still keep right on raising cattle to feed the Nation. The number has decreased only 3,000,000 head in six years.

Gentlemen, the number of cattle in America has not been materially affected by the price, any more than sheep or hogs. It is determined by the laws of nature, feed, and weather, the same as other animals. Now, in regard to the matter of exports of hog products. The gentleman from Missouri [Mr. LOZIER] called attention the other day to the fact that because the packers handle this export makes the bill more workable as to hogs than with other products.

Now, gentlemen, the five great packers sell practically all the export pork products that America furnishes to the rest of the world. Of all the hogs we produce in America, we exported only 10 per cent in 1922, and in 1923 we exported 14 per cent. Because all our pork products sold for export abroad are handled by the big packers this Government corporation will easily determine the amount of loss on hog products exported because of the ratio price paid the American farmer. And if the loss is 2 or 3 cents a pound upon the exported product, the corporation will reimburse the packer for loss. The equalization fee may be a cent a pound or it may be half a cent a pound, but whatever it is it will be charged back to the farmer who sold the hogs. [Applause.]

Ninety per cent of all the hogs produced in the United States are consumed by the American people. After all, the packer is only a business machine through which the hog is processed at the cheapest possible price to prepare him for public consumption. If the Big Five Packers attempt to dominate the market, they quickly lose it to the hundreds of competitors that would spring up in every stockyard center in the country.

The gentleman from Massachusetts made an eloquent and persuasive speech in opposition to the bill. He complained bitterly of the probable raise in food costs to his people while thousands of spindlers were standing idle in the mills of New England.

There is no market for products of the mills in New England because economic conditions have destroyed the best market they ever had; the agricultural people do not manufacture.

The best market for American goods is not to be found beyond the seas. The greatest market in all the world is in the 48 States of this Union. The purchasing power of one-third of our population has been destroyed because of the disaster that has come to agriculture.

I listened to the eloquent speech of the gentleman from Louisiana [Mr. ASWELL], in which he pictured in glowing terms that all was well in America. It may be all right in Louisiana, but it is all wrong in the great agricultural region of the United States that produces the food products of America and is in fact the granary and the meat market of the world. The gentleman from Kansas [Mr. TINCHER] told you of the bank failures and bankruptcies that have fallen upon the people of the West and Middle West and that are bound to spread throughout the country unless checked by some relief to the farmer as provided in this bill.

He spoke of the panics that always followed in the wake of war. I have seen four panics in my lifetime. I saw the panic of 1873. I saw the panic of 1893. I saw the panic of 1907. But none of them brought such disaster and distress to the farming industry as has the depression of 1924.

It is all very well for the gentleman from Louisiana to boast of the prosperity that has come to the sugar planters of Louisiana bulwarked behind the wall of a protective tariff and taking their profits from the pockets of the American people. This bill will give the farmers of America who produce the foodstuffs that feed the Nation the benefit of the protection and the price fixing that others now enjoy under the favor of the tariff.

Gentlemen tell us that the remedy is rather to repeal the tariff and reduce high freight rates than to pass this bill.

But we have the tariff and the freight rates remain far above war levels, and we are not going to get them changed for the next two or three years, and agriculture must have help now or it will perish.

The bill, if put into effect, will materially advance the prices of the basic farm commodities the corporation deals in. The corporation will have the funds and will control the public market. It can advance the price of farm products which it elects to buy.

It may advance them 20 per cent, as estimated by the gentleman from Iowa [Mr. HAUGEN] in his speech, or 40 per cent, as assumed by the gentleman from Wisconsin in the second section of his speech.

But no matter whether the advance totals one billion, two billions, or three billions, the farmer is going to get the benefit of it, and that is the exact purpose of the bill.

If this Congress is honest in its desire to help the farmer, the only way that he can be helped in the present situation that confronts him and the country is to see that he secures a better price for the products of his toil.

I agree with the gentleman from Wisconsin that we ought to greatly reduce the excessive tariff that now robs not only the farmer but all the rest of us that have to buy the necessities of life.

But this Congress is not going to repeal the present tariff law. So this bill by its provisions gives the farmer the benefit of the tariff, which now fails to benefit him in the slightest degree.

Mr. ASWELL. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, in the brief time allotted to me perhaps I can call attention to some features of this bill not yet discussed in detail upon this floor.

I assume that every Member of this body realizes that agriculture is in distress and that every Member of this body is anxious to do something for the relief of farmers.

Banks in the West are failing. They may have too many banks there, but that does not account entirely for the fact that so many of them are failing. Banks have commenced to fail in the Middle West, and they do not have too many banks there. Already factories in New England are commencing to slow down, and all this means that the buying power of the farmers is disappearing. Frozen assets in the banks of the agricultural sections bring about, from every quarter in those sections, the crash of falling banks. Less purchasing power for farmers brings about the slowing up of factories in the East. All are anxious to do whatever is possible for the relief of this situation.

I live in a farming section. I represent here a farming constituency. I am a farmer myself, live on my own farm, and

farm it myself. If I were able to look at this bill from the viewpoint of its proponents and could be led to believe that it would accomplish the wonders that are claimed for it, I would be most enthusiastic in my support of it. But I can not convince myself that this bill will accomplish the miraculous results claimed for it. There are other measures pending before the committee which will accomplish some measure of relief. I myself, within the last two days, have introduced a bill which I will explain to the committee if I have time now, but if not I will attempt to do so under the five-minute rule. My bill, I think, will bring immediate relief to the farmer, and it does not embrace within its provisions any of these objectionable provisions about which we hear so much.

Now, let me insist, first of all, that this bill will produce the very thing we want to avoid. It will produce an overproduction, a greater production, if it works, and I am making this impossible assumption that it is going to work and that the ratio prices are going to be established and sustained. If the farmers can be made to believe it is going to work it will have the same result, it will result in overproduction.

In 1917, we slaughtered over 57,000,000 hogs in the United States, but the price went up, and in 1923 we slaughtered 81,000,000 hogs. This increase in the production and slaughter of hogs was brought about by a price increase. The increase amounted to 24,000,000 or nearly 50 per cent.

The average production of corn from 1908 to 1914 was 2,500,000,000 bushels; in 1923 it was 3,000,000,000 bushels—an increase in production of nearly 25 per cent, all on account of the increase in the selling price of corn. From 1909 to 1913 we produced an average of 600,000,000 bushels of wheat; in 1922 we produced 886,000,000 bushels, all due to the increase in the price of wheat.

If you can make the farmers believe they are going to get a bigger price for these things they are going to produce more. You have a check in this bill which is almost ridiculous in its terms. The check you propose for over-production is that this corporation shall send out information to farmers telling them of the dangers of overproduction and of the increased amount of losses the corporation will sustain if there is an overproduction, to be charged back against them. What difference does that make to farmers? Advise them over the radio as much as you please, or by documents that you send out, not to produce so much; if at the same time you advise them you are going to pay them more, of course, they will produce more.

Now, you are going to export a surplus. You are going to buy it in this country at the ratio price and you are going to keep on exporting a surplus which, during the period of five years, will keep getting ever bigger and bigger, and you are going to sell it in the foreign market at the best price obtainable and the best price obtainable means the cheapest price. You are going to dump it on the foreign markets and charge back to the farmers, through the equalization receipts you give them, the amount of the losses, and you must estimate what they will be.

Many of you are supporting this bill because you say the farmers want this bill. Many of you are supporting it because you say nothing better has been proposed. I am opposing it because nothing worse than this could be proposed.

Let me tell you what is going to happen. We have in our tariff laws what we call a countervailing duty. You will find it in section 303 of the Fordney bill. We provide that if any foreign nation gives in any way a bounty for anything produced in that nation and they send it over here the Secretary of the Treasury takes notice of that fact and estimates how much that bounty is, and then our tariff duties immediately increase—and Congress does not have to be in session to do that—to the amount of the bounty. That is our tariff law. If any other nation should try to dump any surplus in this country that is what the law would require the officials of this Government to do. We enforced this provision once against Russia.

Would you be surprised to know that this theory of countervailing duties is not our theory at all but that we borrowed it from other nations? It has been in every tariff bill we have passed commencing with the bill of 1897 down to the present time. We borrowed this idea from France. They have it there. Japan has the same sort of a law containing exactly our provisions; Belgium has the same sort of a law; Portugal has the same sort of a law, and I do not know how many other nations of this world have that law, but many of them have.

I have mentioned four commercial nations which consume our foodstuffs when we send them abroad, and every one of these four commercial nations produces the exact foodstuffs we are sending abroad, except Japan, and Japan produces rice in large quantities. When they exercise their right, and it is obligatory on their officials to impose this countervailing duty against us, does not that limit our foreign market for the produce we are going to send out? As soon as you commence to dump this surplus in any of these countries I have mentioned, and I might mention others, at once they put up their tariff as against these identical articles by just as much as your bounty amounts to, and your bounty on wheat, you say, is going to amount to 50 cents a bushel. They increase, then, their tariff 50 cents a bushel. Our relations with Japan are strained enough now, and when you commence to give bounties to rice producers, or try to do it, Japan imposes that same sort of countervailing duty against us, and you can not export to Japan. In other words, the immediate effect of these dumping provisions in these bills will be to limit the possible markets of the world where we can dump these surplus products.

I do not know what the law is in Germany. I do not know what sort of a countervailing duty they have there, but I know they have a tariff commission composed of 50 or 60 members, professors of universities and State officials, and they can adjust their tariffs whenever they want to in order to meet this sort of condition. But they have not any money to pay for anything we might send over there, whether they have these countervailing duty provisions in their law or not.

Therefore, as soon as you put this law into effect, you have a very small part of the world in which you can sell this surplus. As soon as they interpose these tariff walls against us, and they can, you increase by an amount which it would be difficult to estimate the losses of this corporation. Your "emergency receipts" would not amount to anything, and in less than six months of time, or at any rate in less than one year of time, the entire capital stock of your corporation would be entirely wiped out and a financial crash would come—carrying down first of all the farmers.

I know of no great financier in the country, I know of no great economist who is not opposing this bill, who does not declare that it is unworkable in all its provisions and that it is economically unsound, that it will bring with it ruin and destruction. I received as a part of the propaganda in favor of this bill a day or two ago what purported to be an extract from a letter written by Otto Kahn, and they called attention to the fact that the statement is not true that financiers are generally opposing this bill "because here is what Otto Kahn of New York, one of the world's great bankers has said about it." I now want to read you what Otto Kahn has said about it in a letter to me dated April 22, 1924. Referring to this letter that is being circulated, he said:

I was not aware that my letter to Secretary Wallace was being circulated by farm bureau organizations, as I have given no authority to that effect to any such organization. That letter was not meant to be, and in fact is not, an indorsement of the McNary-Haugen bill as it stands. There are indeed several features in that bill in the shape in which I last saw it to which I take decided exception.

I will put the entire letter in the RECORD so that you may all read it.

The letter referred to follows:

KUHN, LOEB & CO.,
New York April 22, 1924.

Hon. HENRY T. RAINEY,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN RAINEY: I beg to acknowledge receipt of your letter of the 21st instant and thank you for sending me the inclosed copy of the CONGRESSIONAL RECORD, containing your correspondence with the Illinois Agricultural Association, which I shall peruse with great interest and from which I feel sure I shall derive valuable enlightenment.

I was not aware that my letter to Secretary Wallace was being circulated by farm bureau organizations, as I have given no authority to that effect to any such organization. I did inform Secretary Wallace, in reply to an inquiry from him, that he was perfectly at liberty to use my letter in any way he desired.

That letter was not meant to be, and, in fact, is not an indorsement of the McNary-Haugen bill as it stands. There are, indeed, several features in that bill in the shape in which I last saw it to which I take decided exception; but as to the justice of the theory upon which the proposed measure rests, I do not see, in the light of such knowledge as is available to me thus far, how I can conscientiously modify the views as stated in my communication to Secretary Wallace. Perhaps you may be interested in perusing the inclosed copy of a letter which I wrote recently to a gentleman who had criticized my attitude concerning the McNary-Haugen bill.

I can only hope and believe that full, free, and fair public discussion will finally lead to a solution reasonably satisfactory to all concerned.

I expect to be in Washington in the early future and shall not fail to endeavor, as you suggest, to further acquaint myself with the situation, and I hope particularly to have the pleasure of meeting you on that occasion.

Believe me,

Very faithfully yours, OTTO H. KAHN.

Mr. RAINEY. So the proponents of this legislation do not even have this banker to sustain them.

THE DAIRY INDUSTRY

Farm bureau organizations are attempting to obtain support of the dairy industry by representing to them that the bill now under consideration is the only relief for the wheat farmers of the Northwest, and that if it fails the wheat farmers of the Northwest will take up dairying, thus presenting increased competition in this field. In other words, they have resorted to a species of intimidation. As a matter of fact, if this bill goes into operation and can be made to work, as they say it will, the dairy industry in this country will receive a blow from which it will never recover. This industry depends largely upon the by-products of wheat, which can be obtained now at a very reasonable price. I am receiving letters from millers all over my district and in other States asking my opinion as to whether this bill will pass or not, and whether or not the plan can be operated. If the bill passes, and the plan can be put into operation, they expect, of course, to limit their production of flour to the home demand. At the present time, nearly every mill manufactures for export—both little and big. When flour is manufactured for export the by-products—bran and shorts—remain here and are available for the dairy industry. Without these by-products it would be exceedingly difficult to make dairying profitable. Whenever the mills are grinding for export these by-products are especially cheap. When the mills are not grinding for export these by-products are high. If the wheat which is now milled here for export goes to the port mills of Europe for grinding, as it will under this bill, the by-products will be disposed of there. The same ships which carry to the port mills of Europe wheat for milling can carry the by-products to Holland and Denmark. Holland and Denmark now provide the serious competition presented to the dairy industry of this country. They are producing dairy products there now cheaper than we can produce them here. Dumping wheat abroad as contemplated in this bill gives our dairy competitors in Denmark an opportunity to produce dairy products cheaper than there. In connection with my farm I operate a dairy with over 100 head of purebred Holstein-Fresian cattle. If this bill becomes a law my entire herd will be for immediate sale at a very low price, I assure you. Dairy prices depend on how much we can export. When we were exporting powdered milk and canned milk in large quantities we obtained our best prices. In these countries they have also by standardizing pork products developed the strongest competition our hog producers ever had. These by-products of wheat make excellent feed for hogs. The effect then of the operation of this bill would be to furnish our hog producers with a competition they have not had before. From almost any viewpoint this bill is bad.

HOT-AIR SPEECHES AND THE FARMERS' PROBLEMS

Promotion of measures to help the farmers commenced in the Sixty-sixth Congress with the emergency tariff bill and the organization of the farm bloc. In the Sixty-sixth Congress we had a Democratic President, and the farmers' emergency tariff bill was vetoed. It could not be passed over his head. I was a Member of the Sixty-sixth Congress and voted against this bunk measure. The Sixty-eighth Congress, however, was a Republican Congress. I was not a Member of that Congress. We had a Republican Executive and the farmers' emergency tariff measure became a law immediately. It was the first of the "gold bricks" handed to farmers, but other "gold bricks" were handed out in rapid succession, and there were more "hot-air speeches" made in the House in the interest of farmers during the Sixty-seventh Congress than had been made in all the prior years since the adoption of the Constitution. Courageous Members of Congress grandly went "over the top" for farmers. Mails were loaded down with speeches made for farmers. With disgusting frequency farmers all over the United States found these speeches in their mails. Six or seven of these alleged farm-relief bills were passed, the object of all of them being to enable the farmer to borrow more money to increase his overhead. Farmers know now how many of them were fooled by these measures. All of these received the hearty support of the American Farm Bureau Association, with its high-salaried officials—swivel-chair farmers, all of them. I wonder if any Member of Congress who perpetrated speeches of that character during the Sixty-sixth Congress and during the Sixty-seventh Congress is going to make a campaign for reelection on account of the record he made in supporting these bunk measures. The American Farm Bureau Association has abandoned them all and does not point with pride to its support of any of them, and the crowning "gold brick" proposition of all was embraced in the tariff protection features of the Fordney Act, which pretended to give protection to farmers. Before the election in 1920, I remember that Senator Nelson announced on the floor of the Senate: "You will sweat great drops of blood before you pass another tariff bill unless it contains also protection for farmers," and the Fordney bill contained this protection. All the protection afforded by the farmers' emergency tariff bill was carried over into the Fordney bill with its higher rates on the things the farmers are compelled to buy. The protection given to farmers, of course, did not work, because the farmer exports and can not limit his exportations as the manufacturers can. The higher rates given the manufacturers did work, and therefore the purchasing power of the farmers' commodities is not what it was before the Fordney bill went into effect. Now comes the bill we are considering—the biggest "gold brick" of all for farmers, the proposition which is to win for Members of Congress who support it the farmers' vote. Fortunately for those who vote for it, it can not pass. If it does pass, it can not be operated. But if it does pass and can be operated, a financial crash will come in the near future such as no nation has ever experienced, and will carry down, first of all, with it the farming industry.

FARMING THE FARMER

This bill was not drawn by the Committee on Agriculture. It was originally known as the Peek plan, and was the creation of John N. Peek. Later it became known as the Brand plan, for the reason that Charles J. Brand drafted the present bill and has superintended all of its amendments. I have had occasion before to tell who Charles J. Brand is and to discuss his questionable relations with the packers. In remarks I have extended in the RECORD, and which can be found in the CONGRESSIONAL RECORD of April 9, 1924, I had occasion to discuss him; and later on in my interview published in the St. Louis Globe-Democrat on May 13, 1924, which I will reprint in the Appendix to this speech, under the general leave to print which has been given. The connection of George N. Peek, however, with this bill is not quite so well known, and he has not been discussed as yet to any extent. George N. Peek was for a long time prominently connected with Deere & Co., manufacturers of farm implements. At the end of the war he accepted a very large salary tendered him by the Moline Plow Co. and became the president of the Moline Plow Co. at a very large salary, indeed, which I have heard estimated all the way from $50,000 to $100,000 a year. He withdrew all his investments in the Deere Co. and invested with the Moline Plow Co. and assumed the management of the Moline Plow Co. If the bill we are considering and for which he is to such a large degree responsible does not work any better than the Moline Plow Co. has been operating under his management, it will be a tremendous failure. The Moline Plow Co. has failed under his management and is now in the hands of its creditors. His salary has been greatly reduced, and I have heard that he is now receiving the very moderate salary of $10,000 or $12,000 a year. His authority, however, has been greatly restricted by the creditors' committee which now has charge of the Moline Plow Co. The investigation conducted by the Federal Trade Commission recently demonstrated conclusively a combination between all the manufacturers of farm implements to increase the price of those implements to farmers. From 1914 to 1918 the price of farm implements to farmers increased to 73 per cent. Among the men who have been actively engaged in farming the farmers George N. Peek has always been most prominent. Both Mr. Peek and Mr. Brand are swivel-chair farmers, helping always to devise and develop the methods and practices which have contributed so much toward bringing about the conditions from which farmers suffer to-day. If they can succeed in putting over this bill, all that they have done heretofore in the direction of bringing about conditions so destructive to farmers will fade into insignificance when compared with the injury this bill will do.

POSSIBLE MATERIAL FOR FUTURE INVESTIGATIONS

I have never seen as much evidence of propaganda, as much evidence of large expenditures of money in the promotion of any economic problem as is now in evidence in the efforts to pass the McNary-Haugen bill. I am wondering where it all comes from. Not long ago there was contributed through the Council of Grain Exchanges $100,000 toward farm bureau organizations. It will be interesting to know how much of this sum was contributed by those grain dealers who now have

large stocks of wheat on hand. It will be interesting to know how much was contributed by packers who now have large stocks of meat on hand. These grain dealers and packers will be handed at once and overnight $500,000,000 if this bill becomes a law; and if it operates at all, it will operate long enough to yield them this profit. After that the crash will come. It will be interesting to know how much the packers and the grain dealers are contributing now. In the appendix to this speech I will print a letter I have just received from B. F. Yoakum, an economist of national reputation, who is the originator of the Yoakum plan, which is embraced in the Curtis-Aswell bill. It will be noted that in this letter Mr. Yoakum discusses the benefits which a few people will reap to the extent of hundreds of millions of dollars during the brief period this bill may possibly operate, if it passes. Mr. Yoakum is a capitalist with large and varied interests and is in a position to know what he is talking about. There comes also in this connection rumors that two grain firms in Chicago, now practically bankrupt, one of them connected also with the packing interests, are to be revamped and reestablished to act as marketing agencies in connection with this bill, if it passes. There are also rumors of a great marketing company, even now in operation, which is to be used in connection with this bill, if it passes and can be operated, and connections are hinted at which will make it possible to utilize in connection with this company the inspection possibilities of the Department of Agriculture. When the crash comes, if this bill can be operated, there may be interesting investigations connecting up all the propaganda which is now being exercised for the bill with some, if not all, of the propositions I have mentioned. There are many Members of Congress who think they are now, in supporting the bill under consideration, "playing safe" who may be fortunate, indeed, if the bill fails. In a recent interview Doctor Jardine, president of the Kansas State Agricultural College, said:

> Were this measure to be enacted into law its practical working out would leave the men who fathered it without a shred of reputation. If I lured the farmers into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed, and I would be ruined utterly.

There is no Member of Congress who is supporting this measure to whom the slightest suspicion of wrongdoing can ever attach. I am simply calling attention to conditions which may arise and which will arise if this bill passes and can be operated for even a brief period of time, which will, I am afraid, make it difficult to defend a vote for this measure. [Applause.]

APPENDIX

Under the general permission to extend remarks in the RECORD, I print in connection with my speech my explanation of the farmers' bill for emergency relief, which I have introduced, but since printing and distributing this explanation among Members I have reintroduced and simplified it by leaving out the price-fixing features. The bill is numbered 9382.

Following that I print the letter I have just received from Hon. B. F. Yoakum, of New York City, dated May 23, 1916.

Following that I print my interview in the St. Louis Globe-Democrat to which I have referred in my speech:

A SIMPLE PLAN FOR IMMEDIATE FARM RELIEF

(By HENRY T. RAINEY)

Something must be done for the farmer. From the West and the Middle West there comes the crash of failing banks—farmers' notes, frozen assets. The mills of New England are no longer running in three shifts. Many of them are closed—the buying power of farmers is failing. The key industry, agriculture, is in distress. Something must be done at once. The McNary-Haugen bill will not furnish relief. It will only hasten and intensify the impending calamity.

A SIMPLE PLAN

I propose a simple, workable plan. It does not involve an initial charge on the Treasury of $200,000,000. It does not involve an issue of bonds and notes by a Government-created corporation of $1,000,000,000. It does not involve the creation of a new department of the Government with many thousand employees. There is in it no labored, perhaps impossible, plan to restore pre-war purchasing power of the farmer's basic products by artificially raising prices and attempting in a complicated, perhaps unworkable and impossible, way to relate those prices to the oil commodities of to-day. There are no penalties to be inflicted upon farmers in my plan; no emergency "scrip" or receipts. No attempt to charge back to farmers losses which will evidently be enormous and perhaps appalling. The plan I propose can be operated for a year for less than $50,000. My plan involves no suspension of economic laws. It will not destroy or injure existing primary markets.

THE PLAN

Commission: The bill I introduced last night provides for a commission to consist of the Secretary of Commerce, who shall be chairman; the Secretary of Agriculture, who shall be vice chairman; the chairman of the United States Tariff Commission; and an administrative commissioner to be appointed by the President from not less than three individuals recommended to the President by the Secretary of Agriculture, the administrative commissioner to receive a salary of $1,000 per month during the period he acts as such commissioner and to engage in no other employment actively during that time. The commission may appoint a secretary at a salary of $500 per month, and shall maintain its principal office in the District of Columbia in some room at the disposal of the Secretary of Commerce, to be designated by him. For the expenses of this commission the sum of $50,000 is authorized to be appropriated.

Emergency: Whenever the commission finds that there will be, during the period of one year after the passage of this act, at any time a surplus for export of wheat or flour or food products of swine, the commission may request the President to declare an emergency. When the emergency ends the commission may request the President to declare the emergency ended.

Customs scrip: The commission may prepare and issue customs scrip in convenient form and denominations, to be printed by the Bureau of Engraving and Printing, and to be accepted in payment of customs dues, and to be legal tender for no other purpose, the "scrip" to be canceled after its use.

Cost of production and selling price abroad: The commission is required to estimate the cost of production of wheat and swine, and to add a profit of 10 per cent for farmers. The commission also estimates the probable average price in world markets, outside of the United States, of said products, for a period of a year, and if the commission finds that the average selling price abroad will be less than the average cost of production in the United States plus 10 per cent, the commission shall thereupon declare the price difference, which shall be known as the export deficiency price. Thereupon, all purchasers of swine and wheat from farmers shall be required under such rules as the commission may prescribe to pay to the farmers the cost of production plus 10 per cent.

Rebate of export deficiency price: Whenever during said emergency period wheat, flour, or food products of swine are exported the exporters shall receive a rebate of the export deficiency price on each shipment in customs "scrip" in such manner as the commission may by its regulations determine.

Deficiency price not to apply to products on hand: The export deficiency price shall not in any manner attach to stocks of grain or flour, or food products of swine, in primary markets, or in the possession or ownership of grain dealers, millers, or packers, at the time of the passage of this act.

Publishing price: The export price and the deficiency price shall be published in such manner as the commission may determine on the first day of every month during the existence of the emergency, and the export deficiency price may be changed by the commission, if necessary, on the first day of any month during the period of any emergency.

Penalties: There are no penalties, except for counterfeiting or altering the "scrip." But any purchaser from a farmer who evades, and so forth, the payment of at least the emergency price for said products shall be fined not less than $100 and not more than the emergency price he should have paid.

This is all there is to the plan. I invite attention to my bill. If a parliamentary situation can develop during the consideration of the McNary-Haugen bill which will permit it I will attempt to substitute my plan.

WHAT MY PLAN DOES NOT APPLY TO

My plan does not apply to corn. Our exportations of corn are negligible, and corn goes up as the price of hogs goes up. It does not apply to wool. We import wool. It does not apply to beef products. Our exportation of beef products is not great, and the price is not now the subject of much complaint. The spread between feeders and the finished beef animals is not as great as it ought to be. There is a method of reaching this which I will discuss on the floor.

My plan will bring immediate relief to farmers. It will stop the bank panic which seems to impend in the West and in the Middle West. By restoring the buying power of farmers it will start again the mills of New England. Farmers will buy when they have money with which to buy.

EFFECT ON REVENUES

The effect on our revenues will be negligible. Last year we exported $116,000,000 of wheat. We will have less for export this year. In my section of Illinois half of the winter-wheat area has been plowed up. It was winterkilled. It will be planted to other crops. Assuming that the ratio price suggested in the hearings on the McNary-Haugen bill will also be the cost of production plus 10 per cent, the amount of customs scrip paid in at our custom houses will probably not exceed $30,000,000. In 1922 we exported

$209,000,000 worth of pork products. We exported more than that in 1923. We will export less than that this year. The breeding stock has decreased at least 12 per cent. The acceptance of the Dawes plan may restore the buying power of Germany within the next 12 months. Before the war Germany took enormous quantities of our pork products. She takes practically none now. The export price difference as to pork products will be less, on account of the possible increase in the price in world markets due to the demands Germany may make. Customs scrip accepted on account of pork products exported will probably not exceed $50,000,000 or $60,000,000. Perhaps it will amount to much less than that. By restoring the buying power of farmers and by adding some hundreds of millions of dollars to the income of farmers, we make possible larger customhouse receipts to offset a part, and perhaps a considerable part, of the loss occasioned by the cashing in of customs "scrip." By restoring to farmers the incomes they did have and the incomes they ought to have now, many thousands of them will again enter the income-tax paying class, and those that are now so fortunate as to be in that class will pay more taxes, and it may be that we will find the decrease in custom receipts entirely met by the increased revenues from these other sources.

TARIFF ADJUSTMENTS

My bill, of course, provides for such tariff adjustments by the President as will make possible the effective operation of the plan during the period of emergency.

DEFEAT OF THE M'NARY-HAUGEN BILL

In the event of the defeat of the McNary-Haugen bill, if I am not able to substitute my plan for it on the floor, I expect to present it immediately to the committee for consideration. It will require no extended hearings. The hearings already had have developed all the facts in the case. The majority report and the minority report are real encyclopedias on the subjects they cover. My bill was hurriedly drawn yesterday afternoon, but I believe it to be workable, and that it will need few changes. If the emergency is not over in a year from now, Congress can extend the operation of the plan over such periods as may be necessary, or apply it to other agricultural products, if it seems to be necessary.

DOES NOT INTERFERE WITH OTHER PERMANENT RELIEF PLANS

My plan attempts only to give emergency relief. It does not interfere with any of the very workable and excellent plans suggested for the permanent relief of agriculture. The Yoakum plan as embodied in the Curtis-Aswell bill can also be put into operation whenever Congress desires to do it. Under a permanent and orderly system of marketing agriculture ought always to be a profitable industry. It would not interfere with the operation of the Norris-Sinclair bill, if that should be determined upon as the ultimate method of permanent relief, with its proposed cheaper methods of distribution. It would not interfere with the plan which Senator SMITH of South Carolina has introduced, or expects to introduce in the Senate, which seems to combine the marketing system of the California Fruit Growers' Association with the restricted production plans of the tobacco growers of this country or the coffee producers of Brazil.

FARMERS SEEING "RED"

In some sections of the United States farmers are beginning to see "red." Can you blame them? The doors of hope to them appear to be closed. We must restore to them the opportunities they ought to have, and we must do it at once. My plan will do it. I ask the cooperation of Members of the House of Representatives.

Very truly yours,

HENRY T. RAINEY.

Dated May 20, 1924.

NEW YORK, *May 23, 1924.*

MY DEAR MR. RAINEY: I have received and read carefully your bill—H. R. 9382. It possesses much merit, and I wish Congress had more time to consider real important farm legislation. The enactment of your bill would fill a very important gap. It would go a long way toward taking care of the distressed farmers who need temporary relief. I trust that Congress can be impressed with the importance of its passage.

With many the impression prevails that the President of the United States is vested with the power to declare emergencies and carry out the provisions of the McNary-Haugen bill. This is an error, as under the operation of the bill it provides that under special emergencies, if the corporation—which is to be composed of the Secretary of Agriculture as chairman and four others to be appointed by the President—finds that there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or the products thereof, under estimates made by the corporation, it shall immediately notify the President in writing of its findings. Upon such notification from the corporation it shall be the duty of the President by proclamation to declare that such an emergency exists.

Whenever the corporation finds that the emergency no longer exists it shall notify the President in writing, and it shall be the duty of the President by proclamation to declare the emergency terminated.

After the declaration of an emergency in respect to any agricultural commodity coming under this bill the corporation may designate a price for such commodity under what is known as the "ratio price," thus fixing the price of that commodity. This process of price fixing is repeated monthly under computations made by the Secretary of Labor as soon as practical after the passage of this act, based upon "pre-war commodity prices" during the period 1905 to 1914, inclusive.

The bill does not contemplate any change in the board of directors, as their appointment extends during its corporate existence and the board exercises the exclusive and absolute control of $200,000,000, paid for its stock, in addition to which it is authorized to borrow money, issue bonds, notes, or other evidence of indebtedness to the extent of five times the amount of the original stock of $200,000,000, making the total authorization $1,200,000,000, or an amount $419,000,000 greater than the total farm value of the entire wheat crop, the entire rice crop, and the entire value of sheep for the year 1921. (Department of Agriculture.)

There has probably never been as much propaganda money expended on any economic problem to influence the passage of any legislation as has been expended on the McNary-Haugen bill. Therefore some people and some interests are far more interested than the farmers in the enactment of this bill, which under its operation makes it possible for others to reap benefits to the extent of hundreds of millions of dollars during any period of its operation.

The producers of wheat are being deceived through the belief, as stated in a newspaper report of this morning, that wheat now selling at $1.09 a bushel would bring to the producers under this bill $1.46 a bushel.

Section 202 of the McNary-Haugen bill provides that the corporation shall prepare estimates in respect to agricultural commodities as to the probable price obtainable for the exportable surplus, the probable losses of the corporation from its transaction, and the expenses of the corporation.

The corporation shall determine as nearly as may be the total amount of such expenses and losses which will be incurred or sustained attributable to the operation of the corporation in respect to each agricultural commodity during each operation period. Such amounts are to be known as equalization fees, and the equalization fees shall be paid under such regulations as the corporation may prescribe upon every sale of such agricultural commodity made for or on account of the producer. To avoid this charge against the producer being neglected, the corporation requires the purchaser of the product to collect such equalization fees from the producer, and it may require the purchaser to issue a receipt to the producer.

Furthermore, the corporation may require both the producer and the purchaser to file under oath the terms of their transactions that the corporation may determine the disposition of the equalization fees paid by one and collected by the other, in connection with any other facts which the corporation may deem necessary to properly check all transactions between the purchaser and the producer. Every producer or purchaser who violates these regulations or fails to pay or collect the equalization fees shall be liable to such fee and a penalty equal to one-half of the fee, such fee and penalty to be recovered in a civil suit brought by the corporation against the producer and purchaser.

The funds from the equalization fees are to be deposited to pay all operating expense of the corporation. If there is a surplus after taking care of all expenses, losses, etc., in connection with this "blind pool" that the farmers are invited to enter, the corporation shall pay the balance pro rata to the persons from whom the equalization fees have been collected and deposited in the pool.

Therefore the producer can not be certain of the amount that he will receive, either in cash or participating receipts. In other words, the producer is going into a partnership, known in a commercial sense as a syndicate issuing participating receipts, the cash value realized under the participating receipts depending largely upon the managers of the syndicate. In this copartnership between the Government and the producer the producer places the entire management under the control of the directors of the corporation as syndicate managers, and at some time during the process of marketing the producer's products, after paying all expenses and losses, the producer will be advised the result of the syndicate operation and the amount due each of the producers.

Section 201 provides that if the President of the United States finds that the importation into the United States of any commodity placed under the emergency clause is increasing materially or is likely to increase materially the losses of the corporation, he shall by proclamation declare such fact; and then it shall be unlawful, until otherwise ordered by the President or Congress, to import into the United States any such commodity, except under such regulations and subject to such limitations and exceptions as the President may prescribe.

After the President ascertains what rate of duty added to the then existing rate of duty on such commodity would be sufficient to prevent such losses, he shall in such proclamation declare such fact, and on and after the day following such proclamation and until the termination of such special emergency, or until otherwise ordered by the President or Congress, the rate of duty so ascertained shall be levied, collected, and paid upon such commodity, when imported, in addition to and in the same manner as the then existing rate of duty; but in no case shall any rate of duty under the then existing tariff law be reduced. This places in the hands of the corporation the power to change our established tariff practically without notice.

With my best regards, I am,

Very truly yours, B. F. YOAKUM.

Hon. HENRY T. RAINEY,
House of Representatives, Washington, D. C.

[Article appearing in the St. Louis Daily Globe-Democrat, Tuesday morning, May 13, 1924]

CONGRESSMAN RAINEY REPLIES TO RUBEY ON MCNARY-HAUGEN BILL—ILLINOISAN DECLARES MEASURE CAN NOT ACCOMPLISH WHAT IS CLAIMED FOR IT AND WILL NOT BE ENACTED

(By Charles P. Keyser, Globe-Democrat staff correspondent)

WASHINGTON, May 12.—Representative HENRY T. RAINEY, of Illinois (Democrat), differs widely from Representative THOMAS L. RUBEY, Missouri Democratic member of the House Committee on Agriculture, in his view on the McNary-Haugen bill, creating an export corporation capitalized by Uncle Sam, who furnishes all the money and fixes prices on agricultural commodities. RAINEY was inspired to write a statement by the summary of the bill, which appeared in last Sunday's Globe-Democrat from RUBEY. RAINEY declares it is impossible for the bill to pass either the House or Senate, and that if by any chance it should pass, the President would veto it. The bill is sure to occupy a conspicuous place in the public interest in the next few days. In RAINEY'S words, "something will happen which will give it for some days a front-page position in all newspapers."

RAINEY handed to the Globe-Democrat correspondent a detailed statement of his views on the McNary-Haugen bill, intended as a reply to RUBEY or to anyone else advocating the passage of the bill. It follows:

TEXT OF STATEMENT

"If I could make myself believe that the McNary-Haugen bill would accomplish what its proponents claim for it, I would be shouting for it from the housetops. All my investments are in the farming industry, and I therefore have a strong personal interest in legislation of this character. A great many farm organizations are vigorously opposing the McNary-Haugen bill. A great many farm newspapers are also opposing it. Every financier and economist in the United States whose opinion is worth anything regards it as impossible, unworkable, and dangerous—especially to the farmers. The Illinois Agricultural Association, however, is a vigorous supporter of this legislation. The American Farm Bureau Association is also supporting it, and many exceedingly important farm papers. Most wonderful things are claimed for it. It is the Aladdin's lamp which is to accomplish wonders, greater even than were ever dreamed of in old Bagdad.

"I am not on the committee which has this bill under consideration. Therefore I am not leading any movement for it or against it. However, I will attempt as briefly as I can to call attention to some features of the proposed legislation which really, it seems to me, should be eliminated from any farmers' relief bill. I have had some experience in bill drafting and in legislation during my long and somewhat strenuous service in Congress. Inasmuch as I had a fair degree of intelligence, I hope, when I entered Congress, I ought to be as well qualified to discuss this bill at least as those farm-bureau officials who claim so much for this bill and who have had no experience in matters of this kind at all.

AN ARMY OF OFFICEHOLDERS

"The bill creates a corporation with four directors, who are to receive salaries of $10,000 a year each. These directors are authorized to appoint as many officers, employees, and agents as they may deem necessary; to fix their compensation at any amount which may appeal to the directors; to fix their tenure of office and to remove them at any time. The corporation starts out with $200,000,000 in good money to be contributed by the Federal Government, and the corporation can then issue a billion dollars of its own notes and bonds and float them on the market in such way as the directors may deem proper. The principal office of the corporation is in Washington, but the directors can establish as many agencies or branch offices in various parts of the United States as they may think necessary.

"These directors are given most unusual powers. The bill, after specifically conferring upon the corporation many general and special powers, concludes by giving the corporation all the 'powers,' it may think it requires, 'not specifically denied by law'—a blanket clause most unusual. The bill clothes the corporation it creates with more drastic powers than has ever been given to any governmental agency since the days of the Stuart Kings. No man can hazard a guess as to how many employees will be needed, but when I describe the working of the bill a little those who read this article can imagine how many agents, officers, and employees there will be. What the farmer wants accomplished are the results claimed in this bill. But the time has come when he must think for himself and determine for himself whether this bill will accomplish these results, and he ought to understand how it will work.

HOW BILL WILL WORK

"May I suggest following illustration: There is, let us say, a washerwoman who lives in the outskirts of a city who has raised a pig. She concludes to sell the animal to a butcher. The pig belongs to her. Ordinarily she would have the right to make a sale at any price which might appeal to her, and at any time, and to any person. An emergency has been declared under the bill with reference to swine—and there always will be an emergency in all probability under this bill—and this is what she will be compelled to do in order to sell: After finding a purchaser she will be compelled to ascertain from a 'terminal market' what the price is at which she can sell. She can not sell for less than that, and I do not think she could sell for more. The purchaser will also be compelled at his peril to ascertain the exact selling price for that month. I do not know where the 'terminal market' will be. The bill does not disclose that, but the producer and the purchaser will be compelled to get this information also from the corporation. The purchaser then pays for the pig. But this is not all. Both the producer and the purchaser must find out from the terminal market what the 'equalization fee' is at that time, and after the purchaser has paid for the pig he is compelled to collect from the producer in cash an 'equalization fee.' Neither of them will know what this amount is until they make the trade. Then he gives the producer a receipt, which he is to obtain in some mysterious way from some source not disclosed in the House bill, but of which they will both be advised later on by the corporation.

"All we know about the 'equalization receipt' is that it is to be printed by the Bureau of Engraving and Printing. At some distant time in the future the washerwoman who has raised the pig may stand a chance to get some good money for this 'equalization receipt.' How much no one knows, but she has paid good money for it herself. The corporation may by the rules it adopts permit her to dispose of it, and the receipt can probably act as 'circulating media' until somebody redeems it at some indefinite time in the future, not less than one year from the date of its issue. This sounds complicated enough, does it not? But this is not all. Both the washerwoman and the purchaser will be compelled to make out a report as to the sale. The reports will be separate reports in all probability, and must in all probability be sworn to before some officer authorized to administer oaths. This will require the preparation of these reports, and the fee of the officer will require an expenditure of some money. But that is not all. They must then buy some postage stamps and mail these reports—'returns,' they are called—to some officer to be designated by the corporation, and they must find out who that officer is. If either of them fails to correctly transact this business—if they fail to furnish the receipt or to make the 'returns' or to collect and account for the 'equalization fee,' they are jointly and severally liable to a fine of not more than $5,000 or imprisonment of not more than one year, or both; and these are not the only penalties in this bill. It bristles with penalties. The penalties are all to be enforced in Federal courts.

WAYSIDE MARKETING

"In all States where good roads are being built there is being developed for farmers a system known as 'wayside marketing.' Imagine a farmer starting out to do some 'wayside marketing,' or anyone else, for that matter. It is, let us say, the roasting-ear season. An emergency has been declared in corn. Under this bill there will probably nearly always be—if not always—an 'emergency' in corn for reasons which I will hereafter endeavor to state. Every time he sells a half dozen roasting ears he is compelled to go through exactly the processes I have just described. He is compelled to go through the same processes if he sells more than that or less than that number. I do not know how he could accomplish sales of this character under the bill at all. In order to do it with safety he would be compelled to find out what units of weight or measurement the corporation would require. He has, perhaps, also slaughtered a lamb or a calf on the farm. He is selling it in small amounts to his customers. It is, of course, the first sale made of the animal. For every sale he makes he must go through the above processes, and separate 'returns,' etc., must be made for each sale. Tell me that farmers or anyone else are going to like a bill of this kind when it goes into operation! This will apply to every sale made of any of the many basic agricultural products mentioned in the bill, which comprise about everything a farmer can produce on a farm. In a rural community of, we will say, 2,000 people how many transactions will be made each day in the many basic agricultural products embraced in the bill, to wit, wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine? How many transactions will be made in flour alone? Even if there were no more than 100 transactions of this kind per day in a community of that size, this would require the services of at least one officer or agent to look after them and to protect the Government.

"The moonshine whisky regulations of a few years ago were simple and few as compared with the regulations which must surround all these transactions in farm products to safeguard the Government. Farmers, and all who deal with farmers, will be required to keep an elaborate system of books in order to protect themselves. These matters can be investigated at any time. Income tax revenue agents can go back five years, and are doing it; investigating farmers' returns, but agents, in enforcing the provisions of this law, can go back as far as they please after the law is in effect.

"With this explanation of the bill, can you imagine how many the bill will add to our increasing army of government employees? Could 5,000 agents do it? Could 50,000 agents do it? Would it take more than that or less than that to investigate all these transactions and see that the Government receives the proper amount on every sale made?

RESTORE PURCHASING POWER

"The object of the bill is to restore the pre-war purchasing power of the things the farmer raises, and this is to be accomplished in the following impossible way: Before the war these basic agricultural products would purchase a certain amount of commodities. The object is to make them buy the same amount now. This is accomplished with reference to any one of these commodities by establishing a ratio price, ascertaining first the average price of the commodity for the 10 years preceding 1914, and then raising that average price by referring it to an 'all commodities' price applied to present-day conditions, and fixed by reference to Bulletin No. 336 of the Bureau of Labor Statistics.

"An examination of that document will show that commodities are divided into nine groups. Three of these groups are composed largely of the basic farm products themselves, their derivatives, and substitutes therefor. These three groups comprise really much more than one-third of the 'all commodities.' The attempt now is to get the ratio price of the basic commodities high enough so it will purchase as much of the 'all commodities' as it would before the war. Inasmuch as the basic agricultural commodities are also a part of the 'all commodities,' and inasmuch as they and their derivatives and substitutes for them comprise a very considerable part of the 'all commodities,' then, whenever you raise the ratio price of the basic commodities, does it not of course follow that you raise the price of the 'all commodities,' their derivatives, and substitutes for them? In addition to that, you raise the wage cost for processing the 'all commodities,' and this must be added to the selling price of the 'all commodities.' When will the ratio price overtake the 'all commodities' price? Will it ever be able to do it? Are you not by this bill, then, in reality providing for the farmers the kind of punishment to which Tantalus was subjected—whenever he stretched out his hand to reach the fruit which hung from the branches just above his head the branches withdrew and the fruit was always out of his reach.

"These price increases are to be made possible by resorting to a tariff embargo. The basic farm products—the processed basic farm products—and all derivatives and substitutes for them, are to be kept out of our markets by tariffs, which are to be made ever higher and higher in order to accomplish this purpose. Of course, if it works, and prices are raised, our surplus will grow ever larger. We are producing too much now, but the surplus is to be sold at any price that can be obtained abroad, therefore at the lowest price. It is all to be bought, however, by the corporation at the ratio price, and what is lost, including the salaries of employees, are to be charged back to the farmers. I am not joking about it. This is what the bill provides. How long will it be before these losses exceed the amount of the emergency certificates—the amount the Government has donated to the corporation and all it has borrowed, and when the crash comes, where will farmers be? And where will business generally be; and what will happen to the country?

THE GOVERNMENT IN BUSINESS

"But I have not yet finished describing the objectionable things in this bill. The corporation is authorized to contract with processing agencies and with transportation facilities, and, failing to make suitable contracts, the corporation can resort to more strenuous methods and 'acquire' agencies of this kind. In the bill now pending in the Senate, the corporation can construct or build or purchase or 'acquire' these various agencies. The House bill has now eliminated that, but the corporation can still 'acquire' under the House bill and the House bill can still put the Government into business of all kinds, including the operation of textile mills, the operation of railroads, and steamship lines. The only exception is that they can not operate transportation systems as a common carrier, and this is not much of an exception. Can you imagine any rights the Soviet Government obtained in Russia as the result of the revolution that Congress is not asked to confer in this bill!

"I know that a Member of Congress is not expected to call attention to matters of this kind. He is expected to be quietly led along like Alice in Wonderland and simply marvel at a process so wonderful as this, and a great many Members of Congress are going to do this. It will make it easier for them in the next election, they think. But after that I do not know what is to become of them. Members of Congress who permit themselves to be led along in this way ought to commence to hear from their constituents.

"The packers are not fighting this bill. One of their representatives drew it and is superintending its various changes. Through one of their representatives here they made some 'pro forma' objections, but that was all. It would require hundreds of millions of dollars to purchase outright railroad terminals, packing plants, refrigerator cars, yards, and so forth, and the packers do not think the Government can do this. In 1918 the Federal Trade Commission discovered in the secret files of the packers a remarkable document. It was a report made to the big packers by certain of their representatives in Washington. The files also show that they have accepted the report. Charles J. Brand, at that time head of the Bureau of Markets and now a marketing expert in the Department of Agriculture, was to undertake to assemble data so as to show that under no circumstances did the packer make more than 25 cents on a steer and that the farmers would be better off if in reality they only had two purchasers for their food animals instead of many; and there was to be an official publication called Brand's Best Seller, which was to further this scheme.

"The packers' secret files show that Brand was quite ready to engage in this enterprise. The corporation may have on its hands in a week after it declares an emergency 400,000 or 500,000 food animals in Chicago alone. What will it do with them? It must process them, of course. Who can do it? The answer, of course is, the packers and no one else. The 'processing' must be done at once and, of course, it must be done at terms the packers themselves fix. Then there follows the refrigeration of the processed food animals, and the distribution here and abroad. Who can do that? Nobody but the packers. They must be paid for doing it, and of course the packers are not doing business for fun nor from patriotic motives. The payment must be quite liberal. This, of course, means a close combination between the corporation, with its $200,000,000 in capital and its $1,000,000,000 in notes and securities, and the packers. How long will the independents last? Whenever the crash comes, as it will, the independents will have been crushed and the dream of the packers will have been realized. They will be in undisputed control of markets.

"With these facts in view, will it surprise anybody to know this bill was drawn by Charles J. Brand? I know him. He told me he drew it. It is so understood here in Washington. Have I given enough facts to show the folly of it all?

"I note that at farm bureau meetings Otto Kahn, of Kuhn, Loeb & Co., was quoted at some length as being in favor of the McNary-Haugen bill. Since he wrote this letter, I have received a letter from Mr. Kahn advising me that he did not know such use was to be made of the letter he had addressed to the Secretary of Agriculture, and he also advised me, in effect, that the McNary-Haugen bill contained a number of exceedingly objectionable features to which he could not agree. He, however, agreed that agriculture was in a bad way and that something must be done for it. This letter to me from Otto Kahn indicates clearly that the McNary-Haugen bill has not even him to defend it among the world's financiers.

"The President has in no uncertain terms declared himself to be against price-fixing measures of this character. It does not appear that this measure could pass either the House or the Senate If it were possible for it to become a law I have not yet found any Members of Congress who do not think it will be declared unconstitutional. The idea that a man can be prohibited from selling his property at his own price at any time is certainly new in this country. There are pending some perfectly sane measures that will furnish relief, especially as to wheat, for the next year or two. They are measures which tend to bring about a more orderly marketing of this cereal, and which provide for storage and purchases by the Government in a perfectly sane manner. The real remedy, however, is to be found in retracing our steps, repealing a number of bunk farm relief measures and revising the

tariff downward in many particulars, so as to restore in that way the alignment between basic farm products and "all commodities" which existed before the recent tariff increases. It is hardly possible, however, that we can expect this latter remedy from the party now in control.

"Valuable time is being wasted by considering such an impossible measure as the McNary-Haugen bill. The trouble with many of our farm organizations is that their policies are controlled by swivel-chair farmers who draw large salaries and who know nothing about practical farming. Many of them are socialists. They are of the type of men who would have been college professors in small colleges if the salaries attached to those positions were attractive. They are trying to do something to justify the salaries they now receive. They stood enthusiastically for the high protective tariff as a remedy for the ills of farmers, and at the elections of four years ago many thousand farmers accepted this remedy and voted accordingly. They received this alleged relief, but, of course, it does not work. Farmers can not limit their exports as manufacturing industries can do. At the demands of the farm bloc in Congress—most of whom are not farmers and know nothing about farming—supplemented by the demands of many farm organizations, every remedial bill suggested by this bloc and these organizations has been crystallized into law. These proponents have now abandoned them all. Of course, none of them has furnished relief. They were 'gold bricks'—nearly all of them—and the bill which is now being urged is the biggest 'gold brick' they have attempted to hand out.

"I have only touched some of the high points in this matter. There are many other things that I can not discuss in the scope of this article."

Mr. CLARKE of New York. Mr. Chairman, I yield four minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, frequent references are made, particularly in conversation among the Members of this House, about the tariff for the benefit of the textile industries of New England and the fairness of the claim that the agricultural interests of the Middle West should have like treatment. It is to this phase of the McNary-Haugen bill that I desire to make brief reference.

The industrial situation in New England is reaching a point as serious as that of the agricultural section in the Middle West. The tariff is not protecting our industries in Massachusetts or throughout New England.

I was waited upon last evening by a man coming to Washington of his own volition in behalf of the textile workers in a certain section of Massachusetts, asking whether or not something could be done for the employees of the mills. Work is so slack that great suffering is in prospect. The reason for it is that woolen and cotton goods are being imported into this country under the existing tariff law in quantities never before known.

Let me give two illustrations of the effect of importations on industries in my immediate home vicinity. The paper industry of western Massachusetts is running on very short time. Our largest company is in the hands of a receiver. The reason is apparent the moment one enters a department store and finds boxed stationery for sale at less than cost prices in this country.

I received this morning, a letter from a personal friend, the head of a warp mill, inclosing an advertisement from the New York Herald-Tribune of May 19, featuring a ship arriving in New York with a load of 20,000 blankets. These blankets are offered for sale at $3.75. The same kind of blanket can not be produced in this country by the mills for less than $5.50.

I insert herewith statistical information provided me by the Acting Commissioner of Labor Statistics to-day, giving the comparisons of employment in March and April of this year and also in April, 1923 and 1924. These tables show the percentage of decrease of employment, carrying with them the natural decrease in pay rolls.

From information which reaches me I can truthfully add that the conditions of employment during May are much worse than they were during April. This is the answer to the argument of tariff benefits at the present time in New England:

Comparison of employment in identical establishments

	During 1 week each in March and April, 1924							During 1 week each in April, 1923, and April, 1924						
	Establishments	Number on pay roll		Per cent of change	Amount of pay roll		Per cent of change	Establishments	Number on pay roll		Per cent of change	Amount of pay roll		Per cent of change
		March, 1924	April, 1924		March, 1924	April, 1924			April, 1923	April, 1924		April, 1923	April, 1924	
Cotton goods:														
United States	305	184,993	177,280	−4.2	$3,040,565	$2,869,682	−5.6	246	165,812	141,500	−14.7	$2,917,738	$2,313,340	−20.7
New England States	109	83,231	83,041	−0.9	1,788,773	1,668,925	−6.7	88	82,282	64,605	−21.5	1,696,782	1,299,095	−23.4
Woolen and worsted goods:														
United States	179	71,754	67,976	−5.3	1,624,970	1,493,981	−8.1	146	60,198	53,218	−11.6	1,359,426	1,184,649	−12.9
New England States	103	40,762	39,047	−4.1	922,237	875,161	−5.1	71	29,213	25,816	−11.6	665,907	595,919	−10.5

Is it not a fact that when the Republican Party came into power we promptly passed an emergency tariff bill at the request of the western producers? In the tariff act of 1921 much prominence was given to the agricultural schedule. In addition to all this, the flexible tariff provision has been invoked in behalf of wheat and an increase of 50 per cent has been made by the authority that provision delegates to the President.

Have the wheat growers of the Middle West any greater complaint than the industrial workers of the East? If the tariff provisions of the McNary-Haugen bill are needed for wheat and hogs, why should not we also establish a ratio price of woolen, cotton, paper, and all other industries of New England?

In addition to the above factor, it is recognized that the whole purpose of the bill is to raise the price of wheat, meats, and other commodities. If employment to-day in New England is at a minimum, in what manner can the working people of our section secure the money necessary to buy wheat and derivatives even at the present prices? Are we to accept the burden of an artificial advance not established through supply and demand, when we have no opportunity through employment in our mills to obtain the price of the necessaries of life at even to-day's market prices?

Previously Congress has been the constitutional method under which revenue is secured, either by taxation or by the tariff. This bill proposes to take away that constitutional power from Congress and place it in the hands of the Chief Executive.

The new system of tariff writing, according to this bill, would be a declaration of an emergency by the directors of the corporation it establishes and the positive requirement that when an emergency has been declared the President shall establish such rates of duty as amount to an embargo. In my opinion, therefore, this bill should be defeated from the standpoint of the tariff and revenue features.

Another point: We are fast getting the reputation of being an unduly extravagant Congress. This bill authorizes a $200,000,000 corporation, with the United States as the only stockholder, and a further credit of five times that amount. In other words, the McNary-Haugen bill would ask this Congress to do just one thing, namely, arrange for the purchase of the agricultural products of the Middle West at an expense to the Government of $200,000,000. As soon as this amount is expended request for as much more would, of course, be asked. In addition it will be necessary to make the Government responsible for such loans as the corporation may secure. Otherwise the corporation would have no credit upon which to borrow. It is a gigantic and impractical scheme to put the Government into the biggest business proposition that can be conceived of.

The passage of this bill would rightly designate this as a Congress gone extravagantly crazy. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, I came from a district which stands for a tariff on wool and sugar beets; where hogs and hominy are a safe bet. I can go along with this measure and will proceed to give the reasons. Opponents of this measure of farm relief quite commonly assert that economic ills can not be cured by legislation. It is perhaps a

very conservative statement to say that 50 per cent of all legislation works itself out through producing economic effects. In fact, we may say flatly that all legislation affecting commerce, industry, finance is directly or indirectly economic legislation.

It is frequently said, particularly by those who are earnest advocates of free trade, that with respect to this measure of farm relief two wrongs will not make a right. In other words, to do for the farmer what other legislation has done for other American interests to their minds would be doing a second wrong and expecting right to grow therefrom.

I dissent from this view. I do not regard the protection that has been afforded other interests and occupations and the legislation that has been passed that is helpful to them as constituting a wrong. In fact, it is more nearly accurate to consider it an effort to do right and to create justice and equality.

Now we are confronted with undoubted evidence that one great part of our people, the farming public, is sharing so slightly in the benefits of previous legislation that it is necessary and desirable to legislate in a fashion that will give agriculture equality with industry, labor, commerce, and finance.

Let us consider briefly what has been done for others that creates conditions that may properly be considered artificial in which the farmer either is not sharing at all, is sharing very slightly, or from which he is actually suffering injury.

All modern life is artificial. It is artificial to wear clothing, live in houses, and so forth, but the extent to which we have been able by artificial means to bend natural laws, whether physical or economic, to the service of mankind is the measure of our progress toward civilization.

Without attempting to give complete details, but rather merely to give a broad picture of the situation, I will review briefly some of the legislation of State and Nation which every orthodox economist would insist as creating artificial conditions, but which, nevertheless, have brought into being an economic, social, and legislative fabric that calls for and justifies similar progressive legislation in behalf of American agriculture.

THE ADAMSON LAW

The effect of this law was to give to the railroad workers of the United States an 8-hour day with the same rate of pay that had previously been received for 10 hours' work. Necessarily this all shows up in the freight bill, and the farmer pays the freight, to an estimated increase in annual cost of $1,250,000,000.

THE IMMIGRATION LAW

We all agree that the needs for thorough assimilation and Americanization of foreign immigrants demanded a law controlling their entrance, both as to number and quality, into the United States. Nevertheless, it is undeniable that this artificial control of the labor supply of the United States has played a large part in the increase in wage levels from 100 per cent, based on 1913, to approximately 216 per cent in the union-scale industries that prevails to-day. It also is one of the factors necessarily in the high cost of farm labor, which stood at 162 on the average for 1923 compared with a five-year basis taken as 100 from 1910 to 1914.

The high cost of labor has merely forced the farmer to do his own work, drafting his wife and children to help him. With a purchasing power of 74 for all farm products, including those like cotton, which is above the pre-war level, it is easy to see that the farmer can ill afford to hire much labor when the index number for farm labor stands at 153.

THE TRANSPORTATION ACT

The transportation act helped the railroads by appropriating $300,000,000 to be used as a revolving fund for loans during a transition period of two years from public to private control. It also prescribed an aggregate annual net railway operating rate of income upon which just and reasonable rates shall be based. For the two years after March 1, 1920, this was placed at 6 per cent, and later reduced to 5½ per cent, of the aggregate value of all of the properties of each carrier. This rate is adhered to as a fair one to be striven toward under existing conditions since that time.

This law also created the Railway Labor Board, upon whose decisions many increases in railroad wages have been based. This board is authorized specifically in determining wage scales and salaries and standards of working conditions to consider (1) wages and conditions in other industries, (2) the relation between wages and the cost of living, (3) training and skill required, (4) inequalities in increases in wages in the past, and other factors. Not only does transportation labor receive a very high original wage for an eight-hour day, but it receives large additions to the rate for all overtime work.

MINIMUM WAGE LAWS

Both State and Nation have passed laws fixing a minimum wage that may lawfully be paid to certain classes of workers and certain occupations, and certainly no one can contend that such acts do not interfere with the normal operation of economic laws. If we are to have "normal operation," competition must be permitted to take its full course.

WORKMEN'S COMPENSATION AND INSURANCE LAWS

Numerous States have passed laws covering unemployment by reason of accident and from other causes, and they require industries to insure their workers against certain hazards, all of which, even though they may be ever so desirable, protect certain classes of the citizenship without affording similar protection to others. The cost of these forms of protection is added to the cost of the product, and the farmer, in common with others, must pay the added cost without personally receiving any benefits from similar enactments.

WAR CONTROLS

Wheat, the crop that is suffering so severely, at the present time in particular, was subjected on August 30, 1917, to a so-called fixed fair price of $2.20 a bushel at Chicago for the basis grade No. 1 northern spring or its equivalent. It should be noted that this price was fixed in the month of August, when the maximum weight of the wheat crop was resting upon the market.

Almost 50 per cent of the wheat crop of the United States is marketed in the months of July, August, and September. The price fixed at this time and under varying conditions and with some slight changes renewed for several periods that carried it up to June 30, 1920, ruled throughout each year in spite of the almost universal trend of prices upward after the harvest is finished.

In May, 1917, just after war was declared by the United States against Germany, the price of wheat went to $3.18. The future exchanges closed on May 10, remaining closed for the rest of the month. When they reopened No. 1 northern at Chicago ranged from a low of approximately $2.50 to a high of $3.09 in June. In July the range was from $2.25 low to $3 high.

Undoubtedly in the succeeding years with war demands and shortage of shipping facilities the price of wheat would have ruled on the average from $3 to $3.25, instead of around $2.20 due to governmental action.

We can make some rough approximations of what the wheat farmer lost through Government intervention to hold down the price of his product. It is probably true that no less than 2,500,000,000 bushels of wheat were marketed during the period of price control. If the loss were 50 cents per bushel, the aggregate amount of which the farmer was deprived was $1,250,000,000. If the loss were 75 cents a bushel, the farmer was deprived of $1,875,000,000.

Many people who have given attention to the matter believe that the wheat growers of the United States were deprived of anywhere from $1,500,000,000 to $2,500,000,000 through the operation of a fixed price on their product. That he certainly did lose can not be gainsaid, for under the wheat guaranty act of March 4, 1919, during its subsequent operation, never once did the open market price fall below the guaranteed price. However, we do not need to rely upon figures which must at best be mere approximations. We can rely upon the well-known fact that wheat was kept at a low price for the definite and declared purpose of reducing the cost of living to the consumer. The talk of encouraging the producer by the price fixed was a gesture outweighed by the actual fact that the fixed price was far below the price that would inevitably have existed had there been no control.

TARIFF LAWS

Protection to home industries has been one of the features of American public policy practically from the establishment of the Republic to the present day. With more than a hundred years of experience in passing tariff laws and administering them, they still present difficulties and produce effects different from what is desired and expected.

The primary purposes of tariffs are to (1) raise revenue and (2) protect home industries. That they raise the cost of living and wages no one thinks of doubting. That they help the protected industries is their very purpose. Likewise, that they are unable to afford protection to farm products, of which we produce an exportable surplus and whose price is therefore fixed in the foreign market, has long been well understood by the economist and is now becoming wholly clear to the farmer.

With protection as such we have no quarrel. It is undoubtedly one of the important cornerstones of the high standard of living of American labor. However, the effect of tariffs is to

give to American industries and American labor an American price. They are unable to afford the same fair play to the great staple American farm products. Forty million American farm people are now gradually rising in a demand that a device be created that will be efficient to do for the great export surplus crops what the tariff does for manufactured goods and nonexport farm products, namely, to afford them an American price.

The inefficiency of a general tariff schedule to protect wheat, an export product, and its efficiency in protecting wool, an import basic product, is shown by reference to a few very simple figures. There is a tariff of 31 cents on wool. The usual difference between London and Boston when there was no tariff was 3 cents. To-day, under the tariff, it is nearer to 25 cents. The relative purchasing power of wool in January, 1924, compared to all commodities was 145. The relative purchasing power of wheat the same month was 81, or 64 per cent less.

RENT CONTROL LAWS

Even in the matter of house rentals we have the rent control act. Here in the District of Columbia no one has shown a similar concern for the farmers of America. Their marketing costs are higher. Their freight rates are crushingly greater than pre-war. Their labor charges have far outrun the farmers' ability to pay, and the prices of things that the farmer must buy are from a few per cent to a hundred or more per cent above their pre-war normals.

Many other laws that interfere with the free operation of the law of supply and demand and with the freedom of operation of economic forces in general have been passed throughout the history of the Republic. The question has never been: Do they interfere? The question has been, rather: Does the purpose to be accomplished transcend in importance, permitting natural laws to take their unmitigated course? When the public good can best be served by interfering with natural law, that is the course that has been pursued.

It is a painful fact that the farmer has benefited far less than other classes of people from such interferences with the freedom of interplay of economic forces as has taken place. In some of these matters he has benefited with respect to some of his products, and he has also shared, at times at least, in a better standard of living. Conditions, however, that have prevailed during the past three or four years are gradually reducing him to economic beggary.

DOES THE SITUATION WARRANT GOVERNMENT HELP?

Everyone has agreed that American farming conditions are deplorable. This is true of those who oppose the McNary-Haugen bill, as well as those who favor it. The question then is: Do the circumstances warrant an emergency departure from our customary practice as to having the Government actually participate in the doing of business, even though this be through the medium of a corporation and not directly through an executive agency? It is perfectly apparent, I believe, to everyone that the conditions that exist are not of the farmers' own making. One hears constant suggestions as to things that have brought about the existing depression. Some contend that it is due to too little credit; others say that the real trouble is that there has been too much credit. Certainly under the circumstances the farmer has gone deeper in debt than he is able to pay. Others ascribe the trouble to lack of diversification, but during the past 12 months the diversified country has come to suffer much as the one-crop country suffered at the beginning of the agricultural panic in 1920.

It certainly is not clear how, even in one-crop territories, diversification can be carried far under the prevailing conditions of soil and climate and a financial situation that prevents the farmer from keeping his farm, to say nothing of launching upon new expenditures. Some, who are decidedly radical in their views, lay the whole trouble to the inadvertency of the middleman system in the United States. I hold no particular brief for our middleman, but many who claim to know state that our system is a very efficient one, and certainly in the case of the staple products it appears to me that the margin between the raw material and the manufactured material is usually so narrow that if the Government paid the whole expense the relief afforded to American farmers would not cure the distress that has prevailed for the last four years. Some state that the trouble is that our farmers have neglected cooperative organization too much. It is not clear to me how cooperative organization would be able to bring rough lumber that used to cost $36 a thousand and now costs $52 back to its pre-war level, or how such organizations could bring barbed wire from its 1923 price of about $4.75 per hundred pounds back to its 1909 price of $2.98, or single harness from $28 back to $13. In fact cooperative organization, while most thinking people agree as to the desirability of its development, is a long-time development and will not rescue us from the prospective panic. Others have somewhat roundly abused the farmer as being responsible for the trouble by his failure to reduce production and by overspeculation in land. As a matter of fact, the farmer has reduced production. There has been a reduction of nearly 700,000 head in the number of cattle on farms between January 1, 1923, and January 1, 1924. There has been a reduction of over 3,000,000 head of hogs between January 1, 1923, and January 1, 1924. Our 1923 wheat crop was 785,000,000 bushels, while in 1922 it was 876,000,000 bushels, and since 1919 we have reduced our wheat acreage from approximately 75,500,000 acres to approximately 58,000,000 acres in 1923. There has been a further reduction in the plantings for the 1924 harvest.

No one doubts that all of these questions are deserving of attention. The matter of speculation in land is quite outside of the mark on analysis, as in thousands upon thousands of cases men who homesteaded their farms and who inherited them and who have been successful for decades have gone under with the rest.

The real trouble is that farmers' prices are about the same as pre-war, but everything they buy is nearly double, due largely to laws of State and Nation. In a recent letter, a farmer in his own way pointed out what, in his views, constitutes the real difficulty. He says that business men, industrialists, and financiers have forgotten that the law of the cost of production is quite as important as the law of supply and demand. If the farmer goes to buy an automobile, and when he is told that the price is $875, he said that he thought it was too much, that the motor industry had slowed down and that the quantity of production warranted a lower price. The dealer reasoned with him that it cost so much to make a car and that it could not be sold for less than the cost of production plus a reasonable profit. He bought the car and a few days later hauled his grain to town to sell. He was told that his wheat was worth 80 cents a bushel. He said he could not raise it for that amount, that machinery was high, that labor was high, and that it cost him at least half as much again as 80 cents to raise it. The grain dealer replied that he should raise less wheat, that while the American crop was 82,000,000 bushels less than last year, other parts of the world had a plentiful supply. In the end, of course, the farmer had to take the 80 cents for his wheat just as the motor car builder did not have to accept less than $875 for his car. This illustrates what the trouble is. The farmer sells everything on a supply and demand basis and buys everything on a cost of production plus a profit basis. Under existing world conditions and with the necessity for keeping an equilibrium involving a surplus of the basic agricultural commodities, only continued disastrous deflation of agriculture can continue.

I believe the Government is warranted in helping American agriculture because the problem involves doing things for 40 per cent of the population that it can not do for itself. I believe this furthermore because of the fact that war measures are in part responsible, through inadvertence, for the situation in which the farmer finds himself. Wheat prices were fixed and other prices were not fixed. Students of the question have appeared before the Committee on Agriculture and expressed the belief that the fixed price deprived American wheat growers alone from a billion and a half to two and one-half billion dollars that they would have received had the law of supply and demand been given free course. Deflation, following close upon the heels of the greatest propaganda for increased production the world had ever seen, struck the farmer another severe blow, cutting down the value of his crop from fifteen and a half billion dollars in 1919 to $7,000,000,000 in 1921. Railroad freight rates were raised at the very time that the farmers' products were suffering their most disastrous decline and have taken another huge toll from the farmer at the time when he could least bear it. In view of all of these facts and many others that could be cited, I not only believe that the Government is warranted in helping the farmer to meet a national emergency due to world and other conditions beyond his control, but I think it is the Nation's duty. Unless the McNary-Haugen bill or other legislation that provides the relief proposed in this bill is passed, farmers will be driven to bankruptcy and a general industrial panic, in my opinion, will be inevitable.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. BRAND].

Mr. BRAND of Ohio. Mr. Chairman, I have listened to some of the speeches made in the House against the McNary-Haugen bill, and I have reverted more to the speech made by the gentleman from Wisconsin [Mr. VOIGT] than to any other, for the reason that it impressed me more than the others. It may be that it was the most forceful objection made to the bill, or it

may be in my mind because it was the first objection that I have heard voiced against the bill. Further than that, the gentleman had told me that he could not support the bill and that he could point out insurmountable obstacles to the practicable working of the bill, and I had also been advised that he was the best posted on the matter of any Member of the House.

At any rate, I listened very intently to what Mr. VOIGT had to say, and the first point that he made that took root with me was when he stated that he was a farmer, that he owned a farm, and that he raised hogs, and that in case this bill went through it would raise the price of hogs from 7 cents to 11, and that in that case he would raise four times as many hogs on his farm, and that others would do likewise, and that a surplus of hogs would result which would succeed in swamping the Government or the corporation formed by this bill and that a great failure would result.

This point, when first expressed, gave me pause, and I had to think to see whether he was right or not.

Now, I have been able to answer, to my own satisfaction, this point made by the gentleman from Wisconsin. I do not believe that he and the rest of the farmers in this country can multiply their swine by four or by two or by any other number except as they increase the amount of feed on their farms in like proportion. If the gentleman from Wisconsin multiplies the number of hogs on his place by four he will have to multiply the amount of feed on his farm by a like amount, and that is an absolute impossibility. You can not increase feed in this country in any measurable degree under the operation of this bill. The only way it could be done would be to switch from wheat to corn, and there will be no occasion to do that, because the price of wheat will be satisfactory under the operation of the bill, and this is admitted by the gentleman from Wisconsin.

The fact of the matter is that there are no sudden changes in the quantity of production of farm products in the United States. It takes years to make a measurable change even when conditions are favorable. There were years during the war when hogs were up around 20 cents, and in those years other farm products were not as profitable as hogs. And yet the increased production of hogs did not show in any measurable degree.

The production of hogs is absolutely limited to the amount of feed that is produced. You can not raise a hog without feed. They are absolutely interchangeable, and if Mr. VOIGT had more hogs on his place than he could feed, he had better kill or sell half of the hogs, or at least sell or kill down to the amount equal to the feed he has.

Now, here is another point about producing hogs. I have found that you have to fit a farm with the stock that belongs on the farm, and that you can not afford to go off on a tangent. The ordinary farm has but one man on it, and generally he can take care of about 10 sows. You might think you could give him 20 sows and double the production of pigs and pork, but that is not the case at all. He can do well with 10 sows and take care of them and produce the pork, but double the quantity and my own experience is that he will not measurably increase his production of pork. I believe the Members of this House who have had experience will agree with me.

Further along in the discussion the gentleman from Wisconsin said that one day in Chicago last summer there were 85,000 hogs received. This was quite an unusual quantity of hogs. Then he said under the operation of this bill he would like to make an imaginary illustration. Suppose the domestic demand would only use 50,000 of those hogs and that there would be therefore for export 35,000 hogs, which the corporation developed by this bill would have to pay 11 cents a pound for, and he said it might come about that the packers in Chicago would say to the corporation that they could not pay the corporation more than 4 cents a pound for those 35,000 hogs and that they would not pay any more. In that case what would the corporation do?

My first answer is that his case is entirely hypothetical and that what would happen would be that the packers would do just as they did that day last summer when the 85,000 hogs actually did arrive. They would buy them all. But in case they wanted to take advantage of the corporation and only pay 4 cents, then I say to you, first, that the farmers who had just sold the hogs for 11 cents would take them all back at 4 cents and take them back to the farm and possibly hold them 30 days. Any farmer would be glad to make such a deal.

In the next place I want to say to the gentleman from Wisconsin that there are not just five packers in the United States. There are 267 packers in the United States who put up 60 per cent of the product, and there are 1,700 other packers in the United States who put up the balance of the 40 per cent, and any one of these 2,000 packers can pack pork for export and any product of pork. I want to say to the gentleman from Wisconsin that I believe those 35,000 hogs in his hypothetical case can be taken care of by the packing houses in Ohio alone and be prepared for export if there were that many hogs needed for export; and there is not a member of the Big Five, as he called the packers, in Ohio.

As a matter of fact, only 10 per cent of the pork raised in this country is shipped out of the country. Ninety per cent of it is consumed here, and that 10 per cent can be taken care of by the present facilities in each of many of the States of the Union if the Big Five do not wish to deal with the corporation we are figuring on developing.

It seemed to me that the above points made by the gentleman from Wisconsin were the chief stumblingblocks which he offered against the bill. My mind is satisfied that they are not real difficulties that business men can not overcome with ease and satisfaction. Some of you, I think, here feel that there will be great difficulties in the corporation taking care of the hogs. You think the corporation will have to buy the live hogs and possibly ship them out in the ocean and dump them. But to my mind, what will really happen is this: That this corporation will make an allowance to everybody exporting hogs or hog products of an amount equal to the difference between the American price and the foreign price, and this loss which this corporation sustains will be paid by the equalization fee paid by all producers of pork in the United States. A loss will be sustained on 10 per cent of the hogs produced and an increased price will be received for 90 per cent.

I have had some experience with a Government that wrote the first Haugen-McNary bill about 20 years ago. I have been for 30 years importing from Greece—connected with a firm importing dried currants from Greece. In the old days before this measure was written by the Greek Government dried currants were selling around 2 cents a pound; cost and freight paid to New York, which meant only about 1 cent a pound to the grower. Those Congressmen from California acquainted with the raisin business can tell you all what 1 cent a pound means to the producer of raisins, and that applies also to the Greek producer who was producing currants for a cent a pound. This is about the only article that Greece produces for export. Her soil is the only soil that will produce this particular article in the world, and she ships currants to all the countries of the globe, and she devised a plan by which she would make these nations pay for the product. This plan was exactly the McNary-Haugen bill turned around backward. Currants were grown in Greece and used for two purposes—wine and for export as dried currants. The wine had to be cheap, and to sell currants for wine purposes they had to carry a low price. Currants for export would bring more money if a plan could be devised to separate the two, and the retention act of Greece retained the surplus of currants each year to the Government and the Government took that surplus and sold them to the wine makers and they were destroyed as currants, and this left on the market just what the world would absorb of dried currants each year.

I want to say to you that that law has been in force for 19 years, and the growers to-day are getting about 12 cents a pound for currants, cost and freight, to New York, and there has never been a time in the 19 years when the price has been less than 3 cents a pound for export currants. The law has been a success, and the producers of Greece have been protected.

During those years I have been a merchant handling these goods and I want to tell you here of that experience as a solace to these grain merchants who think they are about to be ruined. During most of that time I have been a broker selling the product in the United States for the business firms of Greece who handle currants.

I was in this work before the law was passed and after the law was passed, and I never could see a particle of difference in my connection with the work either before or after, and I never could see any difference in the operation of the business in Greece by the business men there, occasioned by the enactment of this law, and I will say further that I have never heard a complaint by anyone connected in Greece or in America against this law, to the effect that it interfered with business or with any business concern engaged in that enterprise.

I think the grain merchants of the United States will find that their fears are unfounded and that their business will go on without molestation and without any new difficulties to overcome, and I really think that their profits will be more secure, because the price of the articles under this plan will not fluctuate to the extent that they have in the past.

There are the consumers in the United States, who have a right to be considered. The prices of agricultural products under the operation of this bill will be higher. That is absolutely true, and that is the only way you are going to put agriculture on a balance with the rest of the products in other lines of business in the United States, and it would seem that if the price of agricultural products goes up that the consumer would naturally have more to pay. That seems to be a reasonable conclusion. But, gentlemen, I have very serious doubts in my mind as to whether the consumer will be called upon to pay the advance in the price of farm products.

I have been interested in the manufacture and sale of bread in the United States for a number of years, and I have had occasion to study the business, and I find that a loaf of bread sells to-day in Washington—a pound loaf—at 9 cents, and I find at the same time there is less than a cent and a half's worth of wheat in that loaf of bread, and that there is a little over a cent and a half's worth of flour when the wheat is converted into flour on account of the milling cost. To confirm this statement I will say that I can show you the records kept by the United States Government in her Army bakeries, showing that in this year of 1924, she is making bread at a total cost of 0.0174 cent per pound loaf for all the material in the bread, and that takes in more than the flour. I can also show you that in the city of Washington the same bread is being sold at two very dissimilar prices; the same bakery is selling pound loaves of bread to the Navy of the United States at $3.69 per 100 pounds and is selling that same bread to retailers in Washington at $8 per 100 pounds, a difference of more than 100 per cent in the two prices on the same bread at the same time.

Now, this proves, I think, that the cost of the ingredients has little to do, if anything, with the price of bread sold to the consumers at 9 cents in the city of Washington.

I will also say that I have investigated the price of bread during the war, and am informed that the average price of bread in the United States was about 9 cents per pound loaf when flour was selling at $12 to $15 a barrel, and to-day in Washington, with flour worth $6 a barrel, the bread is bringing 9 cents a loaf.

Now, I believe it is reasonable to conclude that if you change the cost of the wheat in a loaf of bread from 1½ cents to 2 cents, that you will not alter the price of bread sold to the consumer at all.

This takes care of the matter of the wheat—I am not so familiar with the hog products—and these are the two articles that are going to be affected first by this measure.

But I believe if there were somebody here on this floor that could discuss intelligently the price of the hog and the retail selling price of pork, they would probably be able to develop just the same kind of a set of circumstances as I have related to you about bread.

I am not afraid of this bill not being practical. I am not afraid that we will get the Government into a disastrous financial situation. I am not afraid there will be a burden on the consumer as a result of this bill that will be hard to bear. But I am afraid of the result in this country if something is not achieved by this Congress for the relief of agriculture. The farmer has used up his surplus, he has borrowed all he can borrow, he can not go on buying high-priced products of industry and paying for them with his low-priced products; his back is against the wall, and he has got to make a stand for his own self-preservation. And, gentlemen, what I fear is that the farmer of the Nation will see red if we do not give him relief, if we do not even make an attempt to give him relief; and that he will join in a movement which he could make successful of tearing down all the other classes of society, down, and down, and down to his own level.

So I appeal to you people from the cities, and tell you that for your own interest put the farmer on an equal basis with yourselves, and thereby protect yourselves from a disaster that may await you.

There is only one objection I have to this bill, that there is an expense contemplated in the bill that is not covered and paid by the producers of the products affected. I refer to the capital required for the conduct of the business which the Government is to furnish, and I believe it is fair that the producers should pay the Government at the rate of 4 per cent per annum interest on whatever there is invested in this business, and I expect, at the proper time, to offer an amendment to that effect.

Otherwise every cent of expense occasioned by this bill is borne by the producers of the products affected.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Illinois [Mr. RATHBONE].

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, it would be presumptuous for me to discuss in detail an agricultural bill in the presence of gentlemen of the committee now before me who have been making a study of the subject for months. Possibly I can add something of interest to the discussion, but I shall not attempt to thresh over the general subject which has been covered so well by different members of the committee. I do wish to address myself to one or two propositions that may not have occurred to members of the committee. I assume that everyone here is in favor of helping agriculture in any way that we properly can. It is useless to say that because we are divided in opinion as to methods we are not all interested in the subject. What is the most effective proposition in which we can reach agreement? I am in favor of any measure that will be recommended by this Committee of the Whole House after deliberation, without any fear that it is going to be disastrous to the country, because one of the provisions of the bill provides that the President of the United States has the power to determine when an emergency exists in any one product; he alone can put the act into operation with any specific product. So far as my own State is concerned, we have no especial interest in wheat, pork, or like products because Wisconsin is very largely a dairy State, producing over $100,000,000 annually in dairy products. We have no great particular interest in the bill so far as word comes, but when we are notified that over 400 banks have failed in the western part of the United States within a few months, that entire communities have been abandoned, that farms and stores, and, in fact, whole districts of the West have given up the fight, it calls for relief. It reaches far back, not only to your State and to mine, but into the Eastern States also, because I believe that is one of the troubles the East is having to-day. It has lost the great consuming West in the sale of eastern products. I feel that anything that we can do we should do. I am willing to vote for amendments to hold the operation of the bill down to wheat, if necessary, because if that one product is successfully benefited we should be satisfied before making the bill general in application. I shall vote for the bill as it comes from the Committee of the Whole.

I was interested in the discussion of the gentleman from Illinois [Mr. RAINEY], who has made a great study of this matter; but while he was speaking of Portugal and Belgium and other countries that have a sort of holdback, where a bonus is given in the respective countries, it occurred to me that that does not apply to England, and the wheat market is made in Liverpool. They have no protective tariff requiring any holdback against our foodstuffs.

The gentleman from Louisiana [Mr. ASWELL], partly in charge of the bill, made a strong argument against the bill, and I desire to address myself briefly to remarks made by him to the effect that this is a Bolshevistic proposal. He stated that this bill had in its terms become practically a Bolshevik movement, or something to that effect, and I assume it is no reflection on him to mention the fact, because we all know that he is interested as much as anyone in the relief of the farmers of the country. For the sake of argument, I am going to admit that that is partially so, that this bill may be of such general public benefit as to be called Bolshevistic. When I was over in Russia last summer I saw a gentleman there who represented an organization known as the Centrocyouse. A similar cooperative Russian organization is called the Centrocyalne. These organizations each number over 4,000,000 people. He represented 27,000 communities in his one cooperative company. It was financed by the Russian Government, that loans funds at reasonable rates of interest. The organizations buy and they sell to and from the peasants for the benefit of 85 per cent of the inhabitants. These are the peasants of Russia to-day. It is a great success there and the greatest cooperative organization in the world. In fact, both companies are larger than any others, so far as I have heard, and they are directly connecting the Government and the farmers of Russia.

Mr. Alex Gumberg, the representative of the textile industries of the Russian Government, stated to me that the Textile Syndicate of Russia, which combines over 400 Russian textile mills, has purchased since January of this year over 130,000 bales of cotton in the South, worth in round figures about $25,000,000, and of this amount $16,000,000 has been paid in cash, and he expects that the amount of purchases may be more than doubled before the end of the year.

The Russian Government is much in need of our cotton to supply the 400 mills in Russia, and they would prefer to buy direct rather than to pay commissions or handling charges to

German agents, as in the past. In these purchases the Russian Government finances the syndicate, and he is acting as one of the governmental agencies in the matter.

Mr. Victor P. Nogin, president of the syndicate, died on May 21 in Moscow. Mr. Nogin was in my office early in the year, and he then stated that he expected to make purchases of upward of $40,000,000 in cotton. When that statement was made by me in the House the facts were doubted by several incredulous, but the Russian Government is now engaged through the Textile Syndicate in buying American cotton from our farmers in the South, and in addition 20,000 bales of cotton have been purchased from New England mills that are now closed.

If normal trade relations were possible, thereby extending means of business credit through agencies in this country and direct dealings with the Russian people, the cotton purchases would be much larger and the purchases of agricultural machinery from the International Co. and other products of this country would be greatly increased. This trade is a life-saver at the present time for the cotton growers of the South, and it is a legitimate trade that comes direct from the Soviet Government, which finances these purchases.

As I have stated, we have much to learn in methods of cooperation, particularly for agricultural interests of the country, from the two great Russian cooperative organizations known as the Selskosoyus and Centrosoyus, the combined trade of which reached, as I understand, over $50,000,000 last year.

The bill before us contemplates far less than that amount in its application to wheat, and while all agricultural interests of the country have been hard hit by prices and living conditions due to deflation and other causes, we have been assured that the country generally will respond to better times if the wheat growers are given some assistance at this time.

With the right of the President to declare when an emergency exists so as to put the special rates in force, there would seem to be no danger of undue enlargement in its purposes. After trying out the provisions of the bill on wheat products, if successful, as I believe it would be, the emergency in dairy products affecting my own State or any other unusual condition could be properly met under the provisions of this bill.

Mr. ASWELL. Mr. Chairman, will the gentleman yield?

Mr. FREAR. I can not do that now. The people of the South have sold their cotton to Mr. Gumbert, representing the Russian people. The Russian Government is financing the proposal. So while the Bolshevik Government, as it is constituted, may have its weaknesses, it helps its own people in a way we may well imitate, and when buying cotton it is helping you and it is helping all of us. It is helping the people of the whole country, because whenever money is put in circulation in the South it soon gets into circulation here.

I have only a few minutes and I can not discuss this matter as I would like to do. The people of the West, more particularly the extreme West, are in dire distress to-day. They must have help. We all know that. We have to help each other, because the only way that we can help ourselves is by helping each other. I am not going to dilate on the subject that the farmer buys in a protective market, that he buys his labor and his transportation in a protective market, and practically everything else, and that he sells, we all know, in the markets of the world in competition with the cheapest labor and living conditions that exist in other countries. We have to help him, and the one thing to do is to vote for the bill as it comes out of the Committee of the Whole. That is what I shall do.

Mr. Chairman, one of the greatest financial authorities in the country, whose opinion I am frank to say would be held second to none by the average Member of the House, has expressed himself so forcefully and clearly on the bill before us that I am quoting briefly from a letter written by him on the subject.

Otto H. Kahn is internationally known as banker and economist. He is familiar with governmental activities, and his approval of the McNary-Haugen bill as an experiment if not as a cure-all for the existing agricultural depression is the best indorsement that could be offered at this time.

Anything that injures agriculture injures every other line of business, and this applies with equal force to the great financial interests of the country, because when 400 banks have their doors closed due to frozen credits, together with the abandonment of thousands of farms by families so as to depopulate entire sections of the country, the situation is one to excite apprehension on the part of every thinking man, and so I am attaching hereto the statement issued by Mr. Kahn, which speaks for itself. He says:

> The farmer, finding himself, as we are informed, in an intolerable situation, is gravely discontented and under a sense of grievance toward the existing order of things. * * * The farming business is the largest in the country. The basic and vital necessity of the farming industry needs no emphasizing. The immense social value of the farming class to the State is beyond argument. There can be no lasting prosperity in trade and industry unless the farmer is reasonably prosperous. * * *
>
> Not only is the farmer entitled in fairness to relief from conditions of maladjustment which place him in a position of heavy disadvantage as compared to other callings, but the continuance of these conditions constitutes a serious social evil and a derangement of so grave a portent as to justify resort to an heroic remedy, if it must be admitted that the lesser measures heretofore applied or suggested are impotent to effect a cure.
>
> It will be far less costly, I believe, to the country at large to bear the very slight addition to the cost of food which is involved in a reasonable trial of the theory embodied in the McNary-Haugen bill than to pay the penalty which would appear to be inescapable if the Nation countenanced or failed to redress a state of things that would leave agriculture languishing and declining and 12,000,000 farmers aggrieved, resentful, and deprived of a fair share of prosperity and well-being.
>
> As to the fear of setting a precedent, I believe that, in a broad sense and in its underlying thought, the McNary-Haugen bill—granting the existence of the conditions which it aims to correct—rather follows than creates precedent. Moreover, aversion against, or apprehension of, establishing a precedent is never a valid reason for failure to do that which is justly called for.

Mr. ASWELL. Mr. Chairman, I merely want to say that the gentleman from Wisconsin has conclusively proven my position that this is a Bolshevik bill.

Mr. FREAR. The gentleman has had the advantage of $25,000,000 in the South, paid his people by the Russian people, and I am delighted to think that this great aid is something to him, to his people, and also to the country.

Mr. RUBEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, it becomes apparent that the first test on this bill may come on a motion to strike out the enacting clause. It is rumored that the motion will be offered in the committee immediately after the reading of the first section and immediately after the conclusion of general debate. Of course an affirmative vote on the motion to strike out the enacting clause kills the bill on the spot. It would shut out all opportunity for substitution; it would shut out all opportunity for amendment, and if approved by the House it would summarily and arbitrarily dispose of the whole question for this session. As a matter of fact, it would preclude any possibility of farm legislation during the Sixty-eighth Congress, as the short session ends on March 4 and barely affords time for the disposition of the supply bills.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. CANNON. With pleasure.

Mr. GREEN of Iowa. I have forgotten whether a motion to strike out the enacting clause can be made at any stage.

Mr. CANNON. It may be offered at any time after the reading of the first section and before the reading of the last section.

Mr. GREEN of Iowa. I did not recall.

Mr. CANNON. Let us consider the significance of a vote in favor of the motion to strike out the enacting clause. It not only indicates opposition to this bill as written, not only opposition to any bill which might be substituted for the McNary-Haugen bill, and to any form of legislation which might be evolved through amendment of the pending bill, but it signifies objection to giving the subject any consideration whatever.

Mr. ASWELL. Well, now, the gentleman has no right to make an assertion of that kind.

Mr. CANNON. I am simply explaining the effect of an affirmative vote on the motion, a matter of common parliamentary procedure.

If the House agrees to a motion to strike out the enacting clause after the reading of the first section, there will be no opportunity to read the bill under the five-minute rule and, of course, no opportunity to offer amendments. That is a final disposition of the bill without opportunity for perfecting amendments of any kind.

One of the principal grievances charged against King John of England, during his regency for Richard, was that he refused to hear the common people. The wealthy and noble could always

secure an audience, but the peasant, the farmer, and the laborer, the bone and sinew of medieval England, were denied and refused redress. If this motion to strike out the enacting clause is agreed to, the Sixty-eighth Congress subjects itself to the same criticism. The rich and the powerful have never failed to receive a respectful hearing by this Congress. They have brought into this House every character of legislation in their own behalf, from the Mellon plan to the immigration bill, and have been accorded every consideration. Their bills have been debated at length, and every opportunity has been afforded for full consideration, but when the farmer, bankrupted by unfair discrimination and petitioning for relief from conditions the existence of which are universally conceded, comes in at the eleventh hour with a plea for restitution it is proposed that we throw the bill in his face and close the doors and go home.

Elemental justice demands that agriculture receive the same opportunity which has been accorded every other interest in the country since the session began, and if a motion is offered to strike out the enacting clause and deny further consideration it should be decisively defeated and the farmer given at least an opportunity to present his case. [Applause.]

Mr. Chairman, the United States as a whole has enjoyed a decade of unexampled prosperity. Production, movement of freight, corporate earnings, employment of labor, wages, bank clearings, and all visible criterions of national wealth and prosperity have in the last 10 years increased to totals and established records unequaled by any nation in any period of the world's history.

The year 1923 was incomparably the greatest year in industrial and financial growth and development since the discovery of America. Figures compiled by the New York Federal Reserve Bank indicate that during the year 200 representative corporations, manufacturing practically every commodity consumed by modern civilization, made profits of $834,000,000, as compared with profits of $634,000,000 made in 1919, previously the record year for volume of business and percentage of profits. The dividend of 300 per cent, aggregating $318,423,295.38, declared by the Standard Oil group; the surplus of more than $6,353,350 reported by the International Shoe Co.; the annual revenue of half a billion dollars flowing into the coffers of the United States Steel Corporation and its surplus of $54,259,993.64 are typical of the unprecedented earnings of practically every great business in the country.

Railroad profits were larger for 1923 than for any previous year. The freight traffic for the year was the heaviest ever recorded. For 23 successive weeks railroad-car loadings exceeded 1,000,000 cars weekly, and railroad earnings and dividends were in proportion. After paying taxes, interest, and "all other ascertainable charges" and expending vast sums in equipment and improvements, railroads reported incomes ranging from $11.45 to $26.80 a share on heavily watered capitalizations.

The Pennsylvania Railroad drew a revenue for 1923 in excess of $775,000,000, a new high-water mark, and the general passenger agent of the Baltimore & Ohio Railroad, in a circular letter to the Members of this House, announced that the year 1923 was the most prosperous in the history of the Baltimore & Ohio Railroad.

The remarkable prosperity of the country as a whole was also accurately reflected in the records of Federal income and profit taxes for 1923, which showed an increase of 21 per cent over those returned for 1922. During the year bank deposits and bank clearings, governed, of course, by business conditions in the great industrial and financial centers, surpassed all former records. Savings bank deposits increased $1,140,000,000. Savings averaged in excess of $30,000,000 a day for the entire year of 1923. And the increase continues. A nationwide survey by the Federal Reserve Board shows that savings deposits on April 1, 1924, totaled more than $7,000,000,000, an increase of over $53,000,000 above the figures for the preceding month and $560,000,000 over the amount on deposit a year ago.

Our national wealth when last estimated by the Department of Labor amounted to $320,803,862,000, an increase of 72.2 per cent over that of the previous census—so marked an increase that the wealth of the United States to-day is practically equal to the total wealth of all Europe. The combined wealth of the United Kingdom, Germany, France, Italy, and Russia in 1914, when these nations were in the high tide of their greatest prosperity, totaled but $289,000,000,000, as compared with the present wealth of the United States of more than $320,000,000,000.

As an appropriate summary of business conditions for the year 1923, the financial experts, in summing up in the metropolitan newspapers the situation on January 1, 1924, announced that Wall Street had enjoyed a great year and was "satisfied." Those conversant with Wall Street's voracious appetite and with what is required to gorge it can well understand what is meant when it is announced that Wall Street is "satisfied."

But in the midst of the unparalleled prosperity prevailing to-day in the cities and the great industrial centers, while business is declaring enormous dividends, while the railroads are carrying the largest and most profitable traffic since the locomotive was invented, and labor is receiving the highest wage for the shortest hours since man was ordained to earn his bread by the sweat of his brow, in the face of this remarkable affluence the farmers of the country, comprising its most important single industry both in numbers engaged and in service rendered, are receiving such meager returns from their investments and such inadequate wages for their labor as to bring agriculture and the agricultural districts to the brink of a business precipice.

While corporate dividends and wage schedules have been mounting steadily the farmer has been deflated $32,000,000 in three years—$18,000,000 in land values and $14,000,000 in crop values—and this is a conservative estimate. Statistics reported by the Secretary of Agriculture show that crops and livestock at the close of 1923 were worth about $7,000,000,000 less than in 1919. Although there was an increase of more than a million head of cattle, hogs, horses, and sheep between January 1, 1914, and January 1, 1923, and all other classes of property in the United States increased in value from 1912 to 1923, the value of livestock decreased from $6,238,389,000 to $5,807,104,000.

While industry is enjoying an era of prosperity never dreamed of and labor is receiving the highest wage since the dawn of civilization, the farmers of America are in direst distress. Farm products are selling at less than the cost of production; taxes remain unpaid; credit is exhausted; farms are being abandoned; country banks are failing; foreclosures are common; and standards of living have declined to a minimum. While the roar of traffic and the hum of prosperity fill the cities, out in the country only a few miles away are ruin and privation. In 15 wheat-growing States 108,000 farmers have lost their farms by legal process or bankruptcy since 1920. More than 122,000 have surrendered their property without legal proceedings, and nearly 375,000 retain possession of their farms only through the leniency of creditors. Secretary Wallace officially reports that practically one out of every five farmers is bankrupt if his loans were called, and practically all are in desperate financial straits.

The natural consequence is a decline in the value of farms, averaging something like 50 per cent, and carrying with it a drop in bank credits secured by depreciated land and crops that has thrown country banks into the hands of receivers and all but choked the avenues of rural credit. From 1918 to 1923, 1,448 banks suspended payment with total liabilities of more than half a billion dollars, the great majority of them located in rural districts and practically all dependent on agricultural patronage. The previous record for bank failures was made in 1893 when 326 banks closed; but in 1921 the record was again broken and 358 banks failed; in 1922 the number rose to 397; in 1923, to 274; and all previous records for bank disasters were broken during the period between July 1, 1923, and May 7, 1924, the last statistics available, when 511 banks went down carrying with them the little remaining credit assets of as many rural communities.

In the State of Missouri, comprising some of the richest farming lands in the world, cultivated by some of the most industrious and intelligent farmers to be found in the Union, a survey made by the Missouri Bankers' Association and reported at its convention held at St. Louis, May 1, 1924, disclosed a larger number of failures in the farming sections of the State in the preceding three years than in the whole period of more than 100 years since Missouri was admitted into the Union in 1821.

And Missouri is no exception. The entire farming industry is affected by a devastating financial blight. According to a survey by the Department of Agriculture the average gross annual income per farm in the United States is $712. This is not for each person but for each farm. Nor is this profit. It is gross receipts. Out of it must be paid the taxes, cost of operations, up-keep, interest on loans, and wages of farm labor. What is left of the $712 when these charges are taken out is the pay received by the farmer. It is the pitiful reward of those who work the longest hours, under the most adverse weather conditions, and at the most laborious profession known to man. It is the remuneration received not only for his own labor but for that of his wife and children, and it is the return not only on his labor but on his investments in land, stock, and equipment.

But the farmer's disadvantage does not end there. That is only the beginning. When he takes his few hard-won dollars to the market place he discovers they will buy only 50 cents' worth of the manufactured commodities required by his family. While the price of his products has been deflated to pre-war levels, the price of industry's products have not only refused to take a corresponding drop but have advanced even beyond war-time prices. As a result his dollar which before the war was worth 100 cents in the city markets has to-day only a fraction of its former purchasing power.

The following comparisons of the purchasing power of a bushel of wheat in 1913 and 1923 illustrate the gravity and extent of this discrimination against the farmer:

	Cost, 1913	Cost, 1923	Wheat needed—	
			1913	1923
			Bushels	*Bushels*
Plow	$9.50	$27.00	11.7	29.2
Double wagon	61.21	132.20	66.8	143.3
Single harness	11.00	26.00	13.7	28.3
100 pounds barbed wire	2.25	5.00	3	5.6
Suit of clothes	16.75	28.50	21	31
Two bottom plows	64.00	125.00	80	140
Double harness	32.00	73.50	40	80
Pair of shoes	4.75	11.00	6	12
Thresher operators	6.25	14.75	8	16
Harvest labor	2.00	6.00	3	6.5

Farm price of wheat per bushel:	
1913	$0.799
1923	.923

The same discrimination is shown in the purchasing power of hogs, a staple farm product, the returns from which largely fix the price of corn and other farm feeds:

	Cost, 1913	Cost 1913	Pork needed—		Increase
			1913	1923	
			Pounds	*Pounds*	*per cent*
Walking plow, 14-inch, general purpose	$11.75	$21.25	157	332	111
Gang plow, 14-inch	83.25	99.00	744	1,549	108
Disk harrow, 7-foot, 16-inch	22.40	47.50	321	743	131
Corn planter, 2-row	31.75	64.50	443	1,009	128
Grain drill, 22-7	106.00	190.00	1,481	2,973	101
Double wagon	61.21	132.20	----------	858	2,009
Ton of hard coal	8.59	19.17	----------	120	300

Farm price, hogs, per 100 pounds: 1913, $7.16; 1923, $6.39.

A corn cultivator which could have been bought for 500 pounds of live cattle in 1913 to-day requires 1,400 pounds of cattle in the same market. In other words, when the city man comes out in the country his dollar buys $1.30 worth of farm products, but when the farmer takes the same dollar back to the city it is worth only 50 cents in manufactured commodities. When we come to investigate this remarkable discrepancy between the buying power of the farm dollar and that of the industrial dollar we find it is directly due to methods and conditions of marketing. Manufactured products are fed into the market only as there is a demand for them and protected by a heavy tariff. Any surplus is kept off the domestic market and sold abroad. On the other hand, agricultural products are thrown on the open market as soon as produced, regardless of the demand, and, of course, greatly in excess of market requirements. The market is glutted, dealers are overstocked, and the oversupply inevitably beats down the price to a level far below the cost of production.

This is notably true of the wheat crop. We produce about 750,000,000 bushels of wheat every year, 600,000,000 bushels of which are consumed in the United States, leaving approximately 150,000,000 bushels to be exported to foreign countries. When exported it is passed through the Liverpool market, where it is sold in competition with the surplus of every other wheat-producing country in the world, and must therefore be sold at the world price. The world price thereupon becomes the American price, because exporters will pay shipping costs abroad only when they can no longer sell for a higher price at home, and in this way the price received for our surplus fixes the price of our entire crop.

The same conditions apply to hogs, and the 2,000,000,000 pounds of pork and pork products which we must annually export to Europe lowers the price of pork at home to the world price prevailing in foreign markets.

Not so with the products of America's industrial plants. Protected from outside competition by high tariff walls, they are fed into the home market in carefully measured quantities sufficient to supply the demand only, and at prices to which the tariff has been added to make a handsome profit. The surplus is dumped abroad in competition with foreign goods and, of course, at world prices, but can not affect the domestic price, as it does not reach the domestic market and is shipped abroad as soon as produced. As a result of these two widely differing methods of marketing, manufactured goods are sold in a protected domestic market at the American price and agricultural products are sold both at home and abroad in an open market at the world price.

Industry sells in the American market and buys in the world market. It sells its products at a high price and buys its necessities at a low price. Agriculture sells in the world market and buys in the American market. It sells its products cheap and buys its necessities dear.

Under this double system of short changing, the farmer is rapidly being reduced to a condition of peonage. The situation is becoming intolerable. The farmer, the most willing and indispensable producer in America, is entitled to a share of the wealth he produces. He is entitled to participate in the abounding prosperity which every other class in the country is enjoying. Either farm products must be raised to the level of nonagricultural goods or the price of the latter must be brought down to that of farm products. This is the great problem in the United States to-day. The latter course is not to be considered. It is neither practicable nor desirable. The only course open then is to bring agricultural prices to a par with the prices of other commodities—to make the farm dollar worth as much as the industrial dollar, to apply to agriculture the same principles already applied to other industries, and that is what the McNary-Haugen bill proposes to do.

It proposes to provide for the use of the farmer the same marketing advantages now utilized by the producers of manufactured goods. It proposes to relieve the domestic market of the surplus which depresses the price and sell it abroad under the jurisdiction of a centralized export agency similar to that employed by steel, textile, and other industries. It creates for this purpose a Government agency to be known as the United States Agricultural Export Corporation. This corporation would have power to go into the markets and buy agricultural products which were selling for less than their pre-war value and pay a price for them which would place them on a parity with the general average of all other commodities. Such a price is termed the "ratio price."

In determining this "ratio price" the wholesale prices of 404 staples, including every variety of commodity from machinery and clothing to fuels and building materials, for the 10 years beginning with 1905 and ending with 1914, inclusive, as compiled by the Department of Labor, is taken as a basis.

This decade has been selected as a period which represents fairly normal conditions throughout the United States. If prices prevailing during that period can be said to be unfair to either farm or factory, they probably favor the latter, for no one can claim that the farmer was unduly prosperous during those years. Few farmers made more than a living, and those who did made it through the inevitable increase in the price of land rather than through farming operations. Conditions may be considered as nearest to normal during those years, and the whole purpose of the bill is to restore to agricultural products the purchasing power they possessed during that period.

It would be the function of the corporation to maintain the price of any particular farm product at the same relation to the average price of that product during 1905–1914 that the average price of the 404 commodities at the time bears to the average price of the 404 commodities during the period from 1905 to 1914.

If, for example, the average price of hogs during the 1905–1914 period was approximately $7 per hundred pounds and the present price of hogs was $7, and the average price of the 404 commodities is to-day about 60 per cent higher than the average price of the 404 commodities during the 1905–1914 period, the ratio price of hogs would be 60 per cent higher than $7, or approximately $11.20.

Under the provisions of the bill the farmer would receive $11.20 instead of $7 per hundred pounds for his hogs. If the price of the 404 articles advanced the price of hogs would

advance; if the price of the 404 commodities declined the price of hogs would decline.

So the farmer could always be certain that the dollars which he received for his hogs would buy as much as they bought before the war. He could no longer be robbed, as under the present system, by having the manufacturer raise the price of the 404 necessities while the packer at the same time lowered the price of hogs.

During the year 1923 the State of Missouri produced 37,947,000 bushels of wheat, 196,000,000 bushels of corn, and approximately 1,111,000,000 pounds of pork.

The table below shows the additional revenue which would have been derived from these products had the ratio price been in effect:

Missouri, 1923

APPROXIMATE INCREASE IN WHEAT, CORN, AND HOG VALUES IF RATIO PRICES HAD BEEN IN EFFECT

Wheat	$19,352,970
Corn	31,497,600
Hogs	46,687,200
Total	97,537,770

In other words, under the McNary-Haugen bill the State of Missouri would have received in one year from these three commodities alone approximately $1,000,000,000 more than the prices actually paid the farmers who produced them.

It is a stock objection that the bill is a price-fixing proposition, but it is apparent at once that while the influence of world factors would be removed the effect of domestic influences would still obtain, and under the pressure of local supply and demand would fluctuate with the price of the 404 commodities. When these declined farm products would automatically decline with them and when they advanced in price farm products would automatically advance with them. The price of farm products would no more be fixed than that of the 404 commodities, and certainly no system could be more equitable.

The surplus bought to relieve the domestic market would, of course, be sold abroad, and the corporation would lose on all such transactions the difference between the American price at which it had been bought and the world price at which it must be sold.

To provide for this deficit the corporation would estimate in advance its probable losses on these sales and the season's operating expenses, and would collect from the producer at the time of marketing a small per cent of the ratio price to be used in meeting such charges and to be known as an equalization fee. A receipt would be given the producer at the time it was collected and after the season's operations were completed any part of the fund remaining on hand would be distributed back to the producer in the same proportions in which it was collected.

For illustration, let us assume that wheat is selling at $1.07 a bushel, as was the case in November, 1923. But the corporation finds that the ratio price is $1.58 a bushel, and establishes an equalization fee of 12 cents per bushel. The farmer receives $1.46 in cash and a receipt for 12 cents, a total of $1.58, the ratio price. Losses on surplus sold abroad and operating expenses would amount to about 9 cents per bushel, and at the end of the season the farmer presents his receipt and receives 3 cents per bushel, which, added to the $1.46 already received, gives him $1.49 a bushel for his wheat, or a margin of 42 cents over the price he would have received had the law not been in operation.

Had this bill been in force in 1923 the price would have, in fact, averaged $1.58 a bushel instead of $1.07. Twelve cents per bushel would have supplied an ample equalization fee, and the farmer would have received $1.46 in cash and a receipt for the 12-cent equalization fee. Our crop amounted to approximately 750,000,000 bushels, and 600,000,000 bushels were required for home consumption, leaving 150,000,000 bushels to be bought by the corporation for export. At the world price of $1.07 per bushel, the American farmer would have received $802,500,000 for his entire crop. But under the provisions of the McNary-Haugen bill he would have received for the 600,000,000 bushels sold at home $876,000,000 in cash and equalization receipts at the rate of 12 cents per bushel, amounting to $72,000,000. For the 150,000,000 bushels exported by the corporation and sold at $1.07, the world price, he would have received $160,500,000. The 150,000,000 bushels bought at the domestic price of $1.58 a bushel and sold at the world price of $1.07 per bushel would entail a loss of $76,500,000, and the operating expenses bring the total equalization charge up to $81,500,000. Subtracting this from the equalization fund of $90,000,000 collected on the entire crop of 750,000,000 bushels leaves $8,500,000 to be returned at the end of the year when the equalization receipts are presented for payment, and this added to the $876,000,000 received in the home market and the $160,500,000 received in the world market makes a total of $1,045,000,000 received for the year's crop under the McNary-Haugen bill, instead of the $802,500,000 actually received under the present system, which the gentlemen opposed to this bill desire to perpetuate.

The same procedure would apply to other agricultural commodities provided for in the bill. The ratio price of hogs, for example, would be maintained in the same manner. Recently hogs on the St. Louis market sold for $6.70 per hundred pounds, the lowest price for hogs recorded at the National Stock Yards since March 8, 1912. Upon a pre-war purchasing power basis the price would have been $10.85 per hundred pounds, the ratio price, which on a car weighing 16,000 pounds would have made a difference of $664 to the farmer who produced them.

It is to be noted that in these transactions no part of the expense of administering the law and enforcing the ratio price is to be charged against the United States Treasury. The adjustment is without cost to the taxpayer. The farmer, who receives the profit, pays the bill in full.

In fact, the farmer in urging this legislation is asking no favors and seeking no special consideration. The bill is not a measure proposing class legislation by depriving others of their rights as is so often and so unjustly charged, but proposes merely to restore to the farmer rights of which he has long been deprived by legislation already on the statute books. Through the enactment of legislation granting special favors to other groups a system of protection has been built up under which practically every other industry and every other class of labor has been protected against the competition of European products and cheap foreign labor, while the farmer has been left on the outside in a position similar to that of one of the early settlers against whom the door of the fort had been closed during an Indian attack.

There are three great factors in the business world: Capital, which owns the money, the factories, the mines, the transportation systems, and which runs Wall Street and handles the markets; labor, which operates all this vast mechanism owned by capital; and, third, agriculture, which provides the food supply to sustain both capital and labor, and is the most important of the three, for without it the world would starve in 90 days.

The first of these great agencies has already asked and obtained the right to combine for export trade, tariff protection, and other legislative favors and has for many years enjoyed many times the advantage which this bill now proposes to give to agriculture. The Webb-Pomerene bill and the Edge bill permitting combination for export trade, the Federal reserve act, the interstate commerce law, the Esch-Cummins act, and especially the Fordney-McCumber bill are as patently paternalistic and fix prices more certainly and more drastically than the most hostile interpretation of the McNary-Haugen bill could possibly effect them. The McNary-Haugen bill does not create precedent. It merely follows precedent. Industry is to-day charging prices and drawing revenues which would be impossible if these laws were wiped off the statute books.

We are told that the farmer's problem can not be solved by the enactment of laws; that we can not legislate prosperity. Apparently it is all right to legislate for the millionaire banker, the Wall Street capitalist, the industrial baron, and the railroad manipulator, but when the farmer presumes to ask for a living wage the proposition is branded as economically unsound and socialistic and he is given fatherly advice and told he must help himself.

Labor, the second of the three great agencies, has likewise received special consideration at the hands of Congress. Under the immigration laws, the eight-hour laws, the Adamson bill, and the Howell-Barkley bill, if passed, labor enjoys the same protection from the pauper labor of Europe, the coolie labor of the East, and the peon labor of the South asked by the farmer in this bill. Under this protection labor is to-day maintaining double the wage scale which would be either practicable or possible without favoring legislation.

The farmer believes in the right to organize, in the theory of collective bargaining and the doctrine of the living wage, and has cooperated with labor in the passage of laws which make them possible. And it is significant that organized labor favors the McNary-Haugen bill and is advocating its enactment. The workingman realizes that the decay of agriculture not only restricts his food supply and destroys a vast market for the products of his labor but drives into the city and into shop and

factory armies of farm workers to compete for work and depress wages, and he is willing to concede to others what he asks for himself and to pay the men who produce the food he eats a living wage for it.

As a matter of fact, the cost of living would not be appreciably affected by the passage of the bill, as the difference in price would be taken up by the reduction in cost of distribution. Bread sold in May, 1917, when wheat was bringing $3.45 a bushel, at the same price charged for it in September, 1923, when wheat was 92 cents, and there was little difference in the price of packer's bacon whether hogs sold for $11 per hundred pounds or for $7 per hundred or any price between the two.

Capital should be as generous as labor. Both are receiving an American price for their products while agriculture is receiving a world price. Both are enjoying protection while agriculture is competing with the starvation standards of the peasant and peon of war-stricken, poverty-cursed Europe and Asia. If American industry is unwilling to meet the competition of foreign industry, and American labor is unwilling to compete with foreign labor, how can they ask the American farmer to do what they themselves refuse to do?

Even in the McNary-Haugen bill agriculture is not asking the permanent legislative status so long enjoyed by industry and labor. The McNary-Haugen bill is an emergency measure only. It expires in five years; and the representatives of the farm organizations now in Washington give definite and emphatic assurance that when the date of its expiration arrives no continuance will be asked or expected.

The bill is merely designed to give the farmers an opportunity to organize and develop their own marketing machinery, a task accomplished by every other industry many years ago, but hitherto denied the farmer by conditions of environment and economic handicaps.

The development of farm organization is necessarily a slow and difficult process. There are six and a half million farmers, widely isolated and of vastly varying interests; and the welding of a representative majority of this vast constituency into a compact, effective distributing agency is an undertaking of the first magnitude.

But it is neither impossible nor impracticable. Already coordination is proceeding at a phenomenal rate in every branch of the industry. Cooperative associations are already to be found in the smallest villages, and national cooperative movements are now represented in every State in the Union.

From 4,000 to 5,000 organizations of producers are shipping livestock in a cooperative way, and the number is rapidly increasing. Thousands of cooperative elevators are owned by farmer organizations in the agricultural States, and central depots and plants are being established in every important city. The largest enterprise in my own town, both in volume of business and in capital invested, is the Farmers' Cooperative Elevator Co., owned and operated by the farmers of the community.

Surveys by the Department of Agriculture show 2,690 grain-marketing associations in the United States, and 753 associations for the handling of fruit and vegetables, and innumerable cooperative creameries and similar farm agencies.

Some of them manage vast enterprises and transact an annual business aggregating millions of dollars. The Montana Wheat Growers' Association handled 6,000,000 bushels of grain in 1923, in addition to other business, and its sales for 1924 already approximate 5,000,000 bushels.

The two greatest livestock commission companies in the Central West, if not in America, are the Farmers' Commission Co., organized by the Missouri Farmers' Association, and the Producers' Commission Co., organized by the Missouri Farm Bureau Federation. They handled 14,000 cars of livestock in 1923 and transacted a third of all the business passing through the great cattle-marketing centers of the State.

The Missouri Farmers' Association, organized in 1914, is today the largest dealer in poultry and eggs in the United States and handles a larger volume of business in those two commodities than either Armour or Swift. Three hundred thousand dollars were paid back to its members in patronage dividends last year from two of its four livestock commission companies. It has organized 377 livestock shipping associations and financed nearly 400 grain elevators and produce exchanges, and 9 central storage plants in Missouri in the last decade. It has saved hundreds of thousands of dollars for its members in commissions and profits and is controlled exclusively by dirt farmers who own and operate their own farms and who in the last seven years have contributed more than $5,000,000 in basic capital to finance its operations.

The American Farm Bureau Federation, engaged in similar enterprises, is perfecting township and county organizations in all the States and has materially improved production and marketing throughout the country.

With practical, successful, growing, cooperative organizations like these developing in all sections of the country, of their own initiative and on their own capital, it is evident that under the impetus of this bill a national cooperative organization would be formed which would be ready to take over the work of the Agricultural Export Corporation the instant it was relinquished.

In fact, leading representatives of the farm organizations announce that in event of the passage of the bill a conference of farm leaders will be convened at once and a statement issued notifying the farmers of America that they must immediately begin to perfect their own marketing machinery preparatory to taking over the business of the export corporation and continuing the benefits conferred by the McNary-Haugen bill at the expiration of the five-year period for which it is to be created.

Abraham Lincoln said:

> The legitimate object of government is to do for a community of people whatever they need to have done, but can not do at all, or can not so well do, for themselves in their separate and individual capacities.

He could not better or more accurately have expressed the theory of this bill had he been thinking of it at the time.

The farmers of America with all their handicaps can not do for themselves in their separate and individual capacities what every other class and industry in the land have long ago accomplished to their own profit and to the farmer's disadvantage.

This bill places agriculture on the same footing. It will make it possible for the farmers to help themselves, for them to enjoy the same opportunities and advantages already accorded labor and industry, and under the interpretation of Abraham Lincoln it is therefore a legitimate object of government.

It is a measure which will contribute not only to the needs and necessities of the farmer but to the welfare and prosperity of the Nation. The times demand a race of freemen in rural America and our form of government rests primarily on a powerful farming class—men prosperous and intelligent, fearless, and independent. The safety of the Nation and the perpetuity of democracy demand that the farmer receive his just share of the economic profits and the opportunities and comforts of life, and there can be no substantial and lasting prosperity if he is denied them.

There is an ancient document, now seldom quoted and too often forgotten, which opens with this preamble:

> We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution of the United States of America.

Mr. Chairman, there is not a single purpose among the many enumerated in this greatest of all constitutional enactments which would not be conserved and effectuated by the provisions of this measure to remancipate and revivify American agriculture.

The farmer deserves well at the hands of the Nation. He has produced unstintedly the most essential element of national wealth. He has fed to surfeit our armies in war and our citizens in peace. Suffering rankling inequalities, he has nevertheless generously and patriotically contributed his all with meager reward. We must not fail him in his hour of need. Let us pass this bill and restore to him and to rural America their rightful share of the Nation's prosperity. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. DICKINSON]. [Applause.]

Mr. DICKINSON of Missouri. Mr. Chairman, I represent an agricultural district, and I shall not take council of the fears of those who are opposed to this bill, but prefer to rely more upon the judgment of those who are friendly to it. This bill comes with the approval after full consideration from the great Committee on Agriculture, and I am disposed to support it. The details of the bill I will not discuss at this time during general debate.

The condition of the farmer is a tragedy brought about by a number of causes.

While other industries well organized sought to protect themselves by Government aid during the aftermath of the World War and succeeded by favored action in Congress, agriculture bore the brunt and stood a loss without a parallel, and no

wonder Congress is now flooded with bills seeking to remedy the situation for the farmer.

In the disaster that came to the farmer, the Federal Reserve Board played a part in its drastic and cruel deflation, which left a scar which will be long in evidence. Bankruptcy followed quickly and fast with falling prices while taxation increased.

Another factor to the detriment of the farmer was the Fordney-McCumber high-tariff law, believed by many to be the greatest wrong ever perpetrated against the farmer.

Let me here quote from the Atlantic Monthly of May, 1924:

The tariff is another important factor in the farmer's cost of living. I realize that I tread on highly controversial ground; but I can not honestly fail to state that in my judgment the Fordney-McCumber tariff was a colossal swindle perpetrated against the farmer. The farm Representatives in Congress were persuaded to vote for high tariffs on manufactured goods in exchange for high tariffs on farm products. But we do not import foodstuffs; we produce a surplus of them for export; and, in consequence, the tariff laid on the hypothetical inbound trade has no effect on the prices the farmer gets (except as regards a small amount of high-grade hard wheat). On the other hand, the prices of many things which he buys have been increased because of the tariff, either directly through duties imposed or indirectly because of the general upswing of all prices.

Finally, the farmer is struggling under a heavy load because his indebtedness was incurred in dollars of a certain value, and now must be discharged in dollars of far greater value—about 50 per cent greater, on the average.

The high cost of labor and the excessive increase in freight rates under the Esch-Cummins Transportation Act are additional factors. The big banks, the manufacturers, and the railroads secured the legislation they demanded. Agriculture was left without protection and bore the brunt of the disaster of falling prices, while everything they were compelled to purchase went to a high level, and as a result bankruptcy followed, and the effect was felt in other lines of business. Five hundred bank failures in two years resulted. It is estimated that 1,200,000 persons left the farms for good in 1922. They fled from the farms because conditions pertaining to this industry were no longer tolerable. No hope for relief was held out; thus they sought to better their condition elsewhere. A remedy is now sought by legislation. An intolerable situation exists and must be met. I will not be a party to defeat all measures of proposed relief, and say to the farmer that we have helped others, yet refuse to try to help him.

A high level of prices for money in the banks, for goods of the manufacturers, for transportation rates, and a low level for prices of farm products, and no market abroad for the surplus products of the farm. You reduce the purchasing power of the farmer's dollar. It reacts and helps to cripple those who have been favored by the law. Let us try this experiment for temporary relief until the wrongs committed against agriculture can be remedied by making changes in the laws enacted against their interest. This McNary-Haugen bill does not, as I see it, necessarily interfere with the Yoakum plan or the Norris plan or other plans for permanent relief. I am not unfriendly to the Yoakum plan, known as the Curtis-Aswell bill, or the Norris bill, as I understand them. Let us give the benefit of the doubt to the farmer. The farmer will not longer stand by those who have favored every interest while he has been neglected. His surplus products must reach the foreign markets. Commerce on the high seas and trade between the nations of the world must be restored. Transportation rates must be made more reasonable and more business, products of manufactures lowered, and more goods sold. You can not paralyze the great basic industry of agriculture without injury to all business and all sections. Lend a helping hand; try this proposed remedy. Its safety rests in its proper administration. Do not throw up your hands and admit your want of capacity to help the situation; if you do you will regret it. Besides high tariff duties, high interest rates, high priced goods, high labor costs, high transportation costs the farmer has been at the mercy of the gambler in farm products. A high level of prices for all, except a low level for farm products and no foreign markets. Lift the level of prices for farm products or lower the level for what they must purchase. Do something now to relieve this distressed condition, and let us trade again with all the world, and, with a revived commerce here and abroad, we will start toward prosperity that will be permanent. Live and let live and all the world will be better. Unshackle trade; break down private monopoly that feeds on the masses that suffer while greed enriches only a few.

By the revenue bill you are giving hundreds of millions of dollars to those enjoying large net incomes, none of which goes to the farmer for he has no net income, and you hesitate to loan him the use of a revolving fund of $200,000,000, fully protected under this bill, by which the prosperity of the whole country may be helped. Every organized class or business comes and gets from Congress millions without protest. Increased millions for the Army and for the Navy. You take over projects like the Cape Cod Canal, dumped on the Government because not sufficiently productive under private ownership. No cry for socialism there, no cry of communism or Government ownership protest. You denounce this bill as socialistic and yet you are driving Germany, England, and congested populations of Europe to purchase from Soviet Russia their surplus wheat, while you refuse to furnish the legislation and opportunity to sell to the hungry masses of Europe the surplus wheat of the United States.

You are willing to loan money to farmers at high rates of interest on farms of low valuation, but not to permit the Government to lend a helping hand by encouragement of this great basic industry. You refuse to give them cheaper fertilizer for their depleted lands. You delay operation of Muscle Shoals at the behest of the Fertilizer Trust. Big business asks and gets what it desires, and hides its surplus in newly created corporations to avoid income taxation. Farmers have no income to conceal. They feed the world at a loss, and struggle for existence while their loans increase. Let the surplus of the farm as well as of the factory be sent abroad to meet the needs of the world market and the farmers be given a fair deal in this country. [Applause.]

The opponents of this bill charge that it is a price fixing bill and therefore obnoxious. The proponents of the bill say it is rather a price adjusting bill.

If the charge made is true, are not prices fixed in other lines of industry? Are not rates for transportation both freight and passenger fixed and so authorized by law and by approval of the Interstate Commerce Commission both on land and sea in this country and abroad? Have not your high tariff laws enabled manufacturers to fix prices for their goods that you are compelled to buy or go without? Go into any store in the land and upon the shelves thereof the goods await customers at fixed prices—the products of the mines, of manufacturers, of transportation, of labor in every line.

The price is well known, but you must not fix or permit the fixing or adjustment of prices of farm products but let the gamble go on. It has seemed to me that the time approaches when the gamblers' control should be broken and that they should not longer be permitted to beat down the prices of farm products in the hands of the producer and raised thereafter to high price for the consumer. So that both the producer and the consumer are robbed by those who can corner the markets.

The time has come when something must be done or else by reaction the other great industries will fall of prosperity, for the country can not prosper if the farmer becomes bankrupt.

Lend a helping hand, else the farmer will either go broke or will organize everywhere and take control, where now he is willing to cooperate. All he asks is fair play and that he must and will have.

If in supporting this measure I am in error, I at least have given heed to the judgment of the Committee on Agriculture of the House that reported the bill favorably after months of exhaustive consideration.

This bill has the approval of the Secretary of Agriculture, of farm organizations throughout the country, including my own State of Missouri and my own district. I have heeded the appeal of the farmer, and I have listened to his complaint, hoping and believing that in seeking to help him I have wronged no legitimate interest. There can be no lasting prosperity in trade and industry unless the farmer is reasonably prosperous.

The farming industry is the largest in the country, and his discontent must be reckoned with. Let us have a remedy now, even if temporary, and let us later lower the high-tariff wall, reduce freight rates, and open up the markets of the world, so that the surplus products of the farm can be cashed. If agriculture is to have any relief by legislation at this session of Congress, apparently it must come from this bill, for while there are pending measures vital to agriculture none can be substituted for the McNary-Haugen bill. It is the only bill having a definite and specific method for lifting the markets in which farm products are sold to an index ratio comparable with other commodities.

Mr. ASWELL. I yield to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Chairman, the bill now before the House, known as the McNary-Haugen bill, would, by greatly increasing the cost of living, certainly cause great hardship to millions of the American people, who are already paying extortionate prices for all kinds of food. On the other hand it would not give the farmers of the country any real or lasting relief. Those who urge the passage of this bill tell us frankly that the purpose of the measure is to raise the price of all the products of the farmer, such as wheat, oats corn, cattle, sheep, hogs, and so forth, all of which are necessary as food for the American people. The supporters of the measure argue that by such a law they could raise the price of wheat, for example, from $1 to $1.50 per bushel, increase the price of hogs and other farm products, without doing any substantial harm to the people who must have them as food. They tell us that a 50 per cent increase in the price of wheat would probably not increase the price of flour very much, and that a like increase in the price of livestock would not to any great extent increase the price of meats. Their attempted explanation is that it would be a long while before the change in the price of the raw material would affect the price of the refined products used as food.

In support of this claim they point to the fact that shortly after the war wheat and other farm products dropped very greatly in price without a corresponding decrease in the price of the foodstuffs derived from these natural products. That is true and is explained by the fact that the big wheat dealers, for example, had control of practically all the wheat of the country, and could therefore compel the public to pay a price for the flour made from the wheat almost equal to the price the public paid when wheat was scarce. In other words, they were able to control the supply of wheat and demand the price they wanted. If, however, they were compelled by law to pay to the producer 50 per cent more for the wheat than they are now paying, they would, because of their control of the supply, instantly increase the price demanded from the public or the millers 50 per cent or more above the present price, and so the public will be compelled to pay it in the increased price of flour.

But it is said that even if it were to increase the cost of living to the American people, it is necessary for the protection of the farmer. There is no doubt that the wheat farmer in particular has suffered great hardship during the last year or two. This is largely due to the vicious Fordney-McCumber tariff law, which increases the cost of practically everything the farmer must buy, because the manufacturers who supply their goods to the farmer are given a monopoly of the market. This increase in the price of everything the farmer must buy, which is due to the evil provisions of the Fordney-McCumber tariff law, has the effect of reducing the value of the farm products, which have no market at present to speak of, except in the United States. But while we must admit that the farmer has suffered greatly in the last year or two, and many of them have become bankrupt, that does not justify the passage of an unsound law.

I contend that even the farmer would not be benefited by this proposed law but would be more seriously handicapped. This bill proposes to force an artificial price on practically all farm products for a period of five years. It is proposed to create a corporation to buy from the farmers all their products above that which is sufficient only to supply the American trade at the price fixed by the corporation. This corporation is then to sell in foreign markets this excess supply of farm products and hold the farmer responsible for the difference between what the corporation pays to the farmer for his produce and that for which the corporation sells this produce in the foreign markets. This difference in price is deducted by the corporation from the price paid for his produce in the form of what is called an equalization fee.

Now, let us see how this plan would work. The argument now is that the low price the farmer receives for his produce is due to the fact that there is an oversupply of wheat and other farm products. If he were guaranteed a price arbitrarily fixed by the corporation, the high price so guaranteed to him would certainly cause the farmer to grow more wheat or anything else upon which he was guaranteed an increased price. He would naturally produce what he might believe would bring him the highest profits. The result would be that, instead of curing the evil of so-called overproduction, the tendency would be to produce even more of the crop which had been guaranteed this increased price by the Government corporation, and so at the end the farmer would find himself worse off than if nothing had been done, because the equalization fees which would be charged against him at the end of the year would be increased constantly on account of the increase in the supply which the corporation would be compelled to buy and sell abroad at a constantly decreasing price, so that in the end the farmer would be more certain to become bankrupt than if nothing at all were done.

The bill, however, would have the effect of putting millions of dollars into the pockets of the great packers of the United States and into the treasuries of the wheat monopolies, because they now have great quantities of all kinds of meats and grains in their warehouses which would immediately go to the price fixed by the Government as soon as it were known what the price would be, for the stock that they have on hand would be immediately necessary to supply the American demand, and they would not suffer the fate of the farmer. They would have an immediate demand and an immediate market for this supply which they have cornered.

No, Mr. Speaker, neither the consumers, the people who live in the cities and who must buy food, nor the farmers who produce it should allow themselves to be fooled by this price fixing bill. Surely everyone knows that the American people pay now unreasonable prices for everything they must have in order to live, and yet this bill proposes to raise these prices far above even the present high prices. So far as the farmer is concerned, it would have only the effect of getting him more deeply into debt. The only class of people who would profit at all would be the big meat packers and those who control the grain market. Those who are to be blamed for the unjust laws which are now causing great hardships not only to the farmers but to the people of the cities can not now deceive the people by proposing to fix high prices on farm products by law. They may please the special-privilege seekers, who have helped to put them in office, but the people themselves will refuse to be fooled by such unjust measures.

Mr. ASWELL. Mr. Chairman, I yield nine minutes to the gentleman from New York [Mr. GRIFFIN]. [Applause.]

Mr. GRIFFIN. Mr. Chairman, Shakespeare said "All the world's a stage." This is not the full truth. The world has many stages and I have often thought that Congress is one of them.

Take the bills that are introduced—how like human characters they are. They run the whole gamut of human emotions—comedy, pathos, melodrama, and tragedy.

The committees of the House are the managers who pick the characters to fit the play. The bills introduced are like actors hanging around the stage door waiting for a job. If the committee reports them, they become like actors in the wings, awaiting their turn.

Sometimes the manager picks out an actor to play a serious part who might make a good comedian, and sometimes selects for a comedy part one who would fit better in a tragedy.

This bill was selected for a serious part. If it does not turn into comedy, it is surely destined to become a tragedy.

The tragical part of it is that it has been offered with such earnestness, hailed with such enthusiasm, and advertised with such vigor as a panacea for the farmers' plight that it is pathetic to contemplate the disappointment of its pretended beneficiaries when the true character of its insufficiency and impotency is revealed.

It is always rather awkward for an urbanite to take a position against any measure purporting to benefit the farmers.

There is already too much of prejudice and misunderstanding as to the relations of the farmer and the urbanite. Demagogues are prone to antagonize these two divisions of our population for their own self-aggrandizement.

I hold that the farmer and his city cousin are interdependent and tied together by the firmest bonds of mutual interest.

Without the farm cities would die. Without the cities the farmer would be isolated and would have no market or means of establishing contact with the world.

To oppose any measure purporting to be in the interest of the farmer therefore requires great caution, for it must not be assumed that every bill will fulfill the pretensions of its sponsors.

No bad measure has ever yet been passed without some pretense that it had a good purpose.

Because of the misconception, so often attached to the attitude and motives of urbanites who take sides in legislation affecting the agricultural interests, I have made a particular study of this bill.

ITS SHADY ORIGIN

Its shady, if not illegitimate, origin has been so thoroughly disclosed by the gentleman from Louisiana [Mr. ASWELL] as to put all hesitating minds on guard. The Secretary of Agriculture at first denied, then confessed his knowledge and interest in its creation. It appears that it emanated from three

men whose affiliation with the packing interests prompted my good colleague to call this measure: "The big five bonus bill."

If it is correct that this measure had its inception in the minds of men affiliated with the packing interests, known to be the natural enemies of the farmer, then all the true friends of the farmers have good ground to look at it askance and doubt its effectiveness.

A PRICE-FIXING MEASURE

Although faint attempts to deny it have been made, this measure is essentially a price-fixing proposal. Upon the excuse that an emergency exists with respect to the relatively low prices of agricultural commodities, the bill provides for the creation of a Government corporation to be called "The United States Agricultural Corporation," to consist of the Secretary of Agriculture, as chairman, and four members appointed by the President.

This corporation is to have a capital stock of $200,000,000, furnished it—please note—not by popular voluntary subscription, but directly handed to it out of the Treasury of the United States.

With this capital, it is empowered to buy the exportable surplus of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine produced in the United States.

This exportable surplus it is at liberty to dump into foreign markets at whatever it will fetch. By a complicated, elaborate, and wholly impracticable device provided in the bill the losses from foreign sales are supposed to be apportioned among the producers.

This puts the United States directly into the export business, and the question will be immediately asked if it is right for the Government to sell cattle and hogs and pickled pigs' feet, why should it not sell cotton clothing, steel rails, hardware, or any one or more of the thousand and one things produced in industrial marts of the country?

But that is not all. This corporation Frankenstein is empowered to fix the fair price of all the agricultural products in which it is authorized to deal, and, to utterly clinch the market and preclude any competition, it is practically empowered to adjust, alter, and readjust tariff rates monthly, or as often as may be necessary.

I suspect this will be a sore point with Congress; whether it will be willing to surrender to this socialistic mechanism the right to initiate tariff legislation and repeal or alter existing tariff laws at its own sweet will.

When Congress makes this abdication, I shall be ready to admit that representative government in this country is a failure. [Applause.]

But, assuming that all of these tremendous and unusual powers are surrendered, either now or hereafter, by a weak and spineless Congress, indifferent to its noble past, the pertinent question arises: "Will it work?"

The answer is "Just as well as the thousands of perpetual-motion devices now gathering dust in the junk room of the Patent Office."

ITS ECONOMIC FALSITY

My friends, the laws of physics have their counterpart in the science of economics. If they did not, we would have no science, but only blundering experimentation.

It is a maxim of physics which every schoolboy knows, that "water always seeks its own level." Let us apply that.

The prices of commodities are known to be fluid. Wherever there is traffic and mutual exchange, prices shift and interchange as swiftly as the molecules of water. Where there is this connection, no matter how ramified or distant, a change in the level, whether a rise or fall, at one point is immediately followed by a similar rise or fall in the remotest conduit.

Let us see how this works in economics.

Does anyone suppose that there can be a substantial rise in the price of cattle, swine, wheat, or corn without it being instantly reflected in the prices of all other products? If so, he has not learned the most elementary lesson in exchange. No, the moment the price of wheat goes up, bread will go up; when cattle go up, butchers' prices will go up. When food goes up, labor will demand its share in increased wages. When wages go up, the price of commodities will go up. This condition will be general in the mines, in transportation, and in all branches of industry.

Then our agricultural friend will find that his bright rainbow hopes have been a delusion and a snare. He will find that the disparity between the things he sells and the things he wishes to buy has once again become his nightmare. He will find himself in the same plight as before.

What will he do then? Why, of course he will have to come back to Congress for more price-fixing legislation—unless in the meantime he has learned the falsity and stupidity of the theory that prompted him to make his first appeal. Can he not see that when prices have adjusted themselves to new levels, in order to get relief by the devices embraced in this bill, he will have to come back and back again in endless repetition, each adventure ending in the same inexorable, futile, hopeless result?

No; this is no way to help the farmer. Even the attempt of President Coolidge, in availing himself of the flexible tariff feature of the Fordney-McCumber tariff, by raising the tariff on wheat, has proved to be a lamentable failure. Last year we exported 20 per cent of our wheat. What occasion have we for a tariff at all so long as we produce one-fifth more wheat than we need for domestic consumption? I can easily understand a proposal that would attempt to regulate production, but to let producers go as far as they like with production upon the understanding that the Government would buy their surplus is the rankest socialistic program ever presented to the American people. [Applause.]

Mr. CLARKE of New York. Mr. Chairman, I yield two minutes to the distinguished son of Minnesota [Mr. LARSON].

Mr. LARSON of Minnesota. Mr. Chairman, last Tuesday my colleague, Mr. SCHALL, of Minnesota, in discussing the McNary-Haugen bill, made a statement in which he attributed nepotism and graft to Mr. Julius H. Barnes while acting as the head of the Food Administration Grain Corporation. I was not present when Mr. SCHALL made that statement. Had I been present, I would have called him to account then and there. When I read it in the CONGRESSIONAL RECORD I was shocked at such flagrant and reckless abuse of congressional privilege and immunity. I could not imagine what motives prompted my colleague to utter such a false and slanderous charge against Mr. Barnes.

I have just received from Mr. Barnes the following telegram, which I shall read into the RECORD. It is a complete refutation and answer to the charge:

NEW YORK, N. Y., *May 23, 1924.*

Hon. O. J. LARSON,
House of Representatives, Washington, D. C.:

The CONGRESSIONAL RECORD, May 20, quotes Representative SCHALL, of Minnesota, stating, "After all expenses were paid—and they were enormous, the chairman, Julius Barnes, putting his son in at a salary of $30,000 a year—there was still left over $70,000,000. This money came directly out of the pockets of the farmers." In the interest of common fairness and decency will you please have the RECORD correct the manifest abuse of this congressional immunity, where the most casual inquiry would have ascertained that my only son was then 14 and at school. The similarly loose and inaccurate statements regarding the operations of the Grain Corporation as a war agency can be dismissed with the statement that every wheat grower for three years received the full pledged price of the Government guaranty; that the Grain Corporation, handling billions of dollars of commodities, including many others than wheat, aimed to make no profit, yet to avoid losing money contributed by taxpayers through the Treasury, and succeeded in closing these enormous operations with a profit of approximately 1 per cent on the turnover and a sum barely more than interest on national funds employed.

JULIUS H. BARNES.

My sense of justice is so outraged that if I were to express my condemnation of such unwarrantable and reckless abuse of congressional immunity I am fearful I would violate the amenities of parliamentary usage. I shall try to restrain myself.

A man's reputation is dearer far than life itself, yet who is there that is safe from congressional calumny? The more conspicuous he is as a public man the more apt is he to become the unfortunate target for our poisoned shafts of false and malicious accusation. The greater the man the more inviting the target. What matters it that there is no foundation in fact for the accusation? Will it not bring the accuser as well as the accused into the limelight of publicity? The charge of corruption must be made now. It must be gotten at once into the CONGRESSIONAL RECORD and into the public press. An investigation as to its truth or falsity may be had later, if at all.

Am I overstating the case? Is not the calumniation of public men almost a matter of common occurrence in the Congress of the United States? It has gotten to be so common that the American public is beginning to look upon it as a part of the regular procedure of Congress. Is it any wonder, I ask, that the American people are losing confidence in and even respect for their National Legislature? Who is to blame? It is true that only a few Members are guilty of the practice of making false and slanderous accusations, but those who refrain from so doing must share the shame and the public's condemnation.

The charge of nepotism and graft is absolutely without any basis. There was no possible excuse for making it. A little

investigation would have convinced my colleague that the charge is utterly and palpably false. Mr. Barnes has but one son. At the time he was in charge of the Grain Corporation his son was only 14 years old and was attending school. It did not require the services of a trained investigator to find out those facts. A brief letter to Mr. Barnes would have brought to my colleague the facts. But, no, the charge must be published in the CONGRESSIONAL RECORD for the world to read. Of course, the great damage has been done; it is irretrievable. The least my colleague should do is to expunge his false statements from the permanent RECORD.

Is it any wonder that capable business men are so reluctant to enter public office? They do not want to become the objects of public calumny. They do not wish to be crucified on the cross of slander.

It seems that no matter how upright and honest a person may be, he is not safe from congressional calumny. Where is there a more unselfish or a more honest business man than Mr. Barnes? I measure my words when I say there is not a better man living than the object of my colleague's calumny. He is America's ideal business man. The American business men know him. For the third time he was recently elected to the presidency of the United States Chamber of Commerce, which has a membership of 750,000 business men. They recognize the high qualities of his leadership.

The charge relates to Mr. Barnes's connection with the United States Grain Corporation. What are the facts? During the war wheat went soaring sky high. The Government organized the Grain Corporation to stabilize the price of wheat and flour and to prevent profiteering.

The country needed a man big enough to undertake the work of wheat control. That meant finding a man, as Secretary Hoover has said, "fit to organize the the most stupendous operation the world had ever seen." That man was Julius H. Barnes, the genius of American business.

He answered his country's call. He abandoned his lucrative business. He gave his services free to his country both during and after the war. He saved the American people from the greed and avarice of the wheat and flour profiteers and gamblers. Not one dollar did the the Government lose—so honestly and efficiently and ably did Mr. Barnes carry on the operations of the Government's wheat-control agency. Every dollar was returned with interest into the Public Treasury. What a record of public service!

When he announced his proposed retirement, a testimonial dinner by business men from all over the country was given in his honor "in recognition of the extraordinary service which he rendered to the country during the late war and since the armistice," as United States wheat director. About a thousand men were present. One hundred of them traveled from his home city of Duluth to New York to pay him their tribute of esteem.

Yet, Mr. Chairman, such a man has been falsely charged by a Member of this body with wrongful conduct while at the head of the public agency which he administered with such signal ability and integrity.

How long are the American people to endure such injustice?

Mr. CLARKE of New York. Mr. Chairman, I now yield four minutes to that great flyer and World War veteran of New York City [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman and gentlemen, each speaker as he has taken the floor on behalf of this bill has made it a point to describe the farming characteristics of his district. It is therefore proper for me to say in the beginning that I come from a district in a city where there is complete diversification of—appetites—and constant shortage of food, caused by the prohibitively high retail prices of the necessities of life.

This bill presents many interesting features. First, perhaps the timidity with which it is presented by its sponsors, and then the constant and repeated explanation, or I might say apology, that is not paternalistic. Gentlemen, the very fact that this bill is before us for consideration is in itself of great and transcending importance. There is no one on the floor of this House either for or against this bill but knows that the farmers of this country are in a sad plight, and that they are not getting enough for their products. Yet, on the other hand, the farmer knows that the prices which the consumer must pay for food are far greater and out of all proportions to that which the farmer receives. Something is wrong. This is admitted by the fact that this bill was drawn, reported from committee, and is now before us. Gentlemen, I am a progressive in every sense of the word. Some of my friends sometimes refer to me as a "radical." If by that they mean that I am seeking radical changes in the very conditions which brought about the disparity between the exorbitant retail prices of food and the starvation prices paid to the farmer, I am not at all shocked by being called a radical; at least, I am not afraid to urge needed reform. Something is radically wrong when a condition exists that permits the manipulation of prices, the creation of monopolies on food to the extent of driving the farmer off his farm by foreclosures and having thousands of underfed and ill-nourished children in the public schools of our cities. The fault is not with the farmer, the fault is not with the consumer; the fault is that we have a vicious, unfair, unbalanced economic system that has been permitted to exist. The very interests who are responsible for that condition—the packers, the bankers, the warehouses, the middlemen—have been able in the past to secure special legislation to protect their interests and have been able in the past to control legislatures, so that this condition has so grown and has become so inequitable as to put the farmer at their mercy. At this late hour Congress is asked to give the farmer relief without disturbing the real cause of his evils. But this bill will not give the farmer relief. I have the highest regard for the sponsors of this bill, who sincerely believe that it will bring permanent relief to the farmer.

I respect their opinion; but to those who advocate the passage of this bill with their tongue in their cheek, I say that I refuse to cast my vote to impose a "bread tax" on the American people for the sole purpose of creating a campaign issue or providing a political alibi to any person or group of persons. [Applause.]

Mr. BURTNESS. Will the gentleman yield?

Mr. LAGUARDIA. I can not. I only have a few minutes.

The time is inevitably approaching when we must have an economic readjustment. That simply means that the toiler and producer shall receive a fair proportion of what they produce. The trouble is that under the present system the first concern is to insure the return on capital. We therefore find that the toilless, unproductive end of industry receives the greatest consideration and take out of the income or fruits of industry an undue and disproportionate share to that which it contributes. Why, gentlemen, one of the principal causes of the present condition of the farmer is the high cost of transportation. And why? Because it is necessary to base rates not upon the actual cost of transportation but in addition to that, in addition to the cost of the labor and the real cost of transporting material, we must add a "fair return upon capital invested." If it were but a fair return on the capital really invested, perhaps this economic readjustment that I am talking about would be delayed for a few years, but it is not only a return upon the so-called capital invested, but it is a return upon financial manipulations of the worst kind, upon water in the stock, upon bad investments in connection with railroads, bad investments not the cause of mistaken judgment but the cause of deliberate, vicious maladministration for selfish gain and profits. So that the valuations of our railroads uniformly throughout this country are so pyramided, are so inflated, that to the cost of moving food from our farms to our cities, from the producers to the consumers, is added an unjust toll as the result of a system which has been protected, instead of destroyed. Then there is the credit system. The farmer must borrow, and under the present system the price for money is greater than the margin of profit allowed to him who tills the soil to raise food so that the world may live. The loaning of money requires no effort but gets the biggest return. Our warehouse and grain elevators, our system of marketing, the middlemen, fixing of prices, are all conducive to bringing large profits to those who toil the least at the expense and cost of those who produce and create. The smaller the contribution toward production the greater the return. Let us look at these economic problems intelligently and courageously. If you are ready to adjust returns to the farmer, let us do it. This bill will not do it. As I see it, this relief will not benefit the farmer in the long run, but after adding a burden by way of increased prices of food to the consumers, you will see that it will be so construed and so managed as to increase the profits to the wholesaler, to the jobber, to the middlemen, make certain high interest to the banks, increase the cost of farming machinery and implements, all at the expense of the farmer and the consumer.

What good will it be to increase the prices to the farmer if you are not going to protect him against monopolized commodities that he is compelled to buy? What good will it be to him if while we increase the price for his products the gas trusts, the farm-machine trusts, the leather trusts, and everything that he requires will simply add to their prices and take away the increased cost quicker than he can get it? Do you not see that you are only going half way?

back to Congress for more price-fixing legislation—unless in the basis. There was no possible excuse for making it. A little

that I am seeking radical changes in the very conditions which Do you not see that you are only going half way?

Gentlemen, you can not solve a serious economic condition by a political expedient. In my humble judgment this bill is simply a political expedient in order to go back to the exploited farmers and say to them, "Yes, we have passed the McNary-Haugen bill; it will bring you relief; everything will be all right," or, in the event that the bill is defeated, to say, "We had the relief; we had a good bill; we had the remedy, but it was defeated in the House. Give us another chance and we will pass it the next time." And continue on in the same old way. I do not hesitate to say that the tenement dwellers of my city would not complain one bit to an increased cost of living brought about by any measure that we may pass in this Congress if I could look them square in the eyes and guarantee to them that by so doing we have brought actual permanent relief to the farmers of this country. But I would never be able to explain to them how I am bringing relief to the farmer by adding increased profits to the packers, to the railroads, to the gas trust, to the farm-machine trust, and to money lenders.

Gentlemen, you all know that the great percentage of livestock must be sold to the five big packing concerns. What is the corporation created in this bill going to do if after having fixed the price of hogs and cattle the packers simply say they are not in the market that day? We would have to hold the cattle back, feed them—although no arrangements have been made for it in this bill—or take the price that the packers would offer and stand the loss. Do you suppose the packers are going to give the benefit of a low price which they may be able to force to the consumers? Not at all. When the day comes that the packers of this country will give the consumers the benefit of low prices which they may obtain that day I am sure we will hear the sound of Gabriels's trumpet announcing the day of judgment.

If we are to give relief to the farmer let us perform the major operation necessary to relieve the ill and let us bring in a comprehensive bill which will regulate transportation, marketing, the value of money, and thereby bring relief not only to the farmers but to all who toil, who produce, and who create.

The distinguished gentleman from Kansas [Mr. TINCHER] spoke earnestly on behalf of this measure. He stated that all he has is invested in land. He referred to his colleague from California [Mr. RAKER], who replied that all he has is invested in cattle, and I will say to my colleagues that the people of my district, owing to the high prices of food, have nothing to invest in anything. The gentleman from Kansas, a great authority on the agricultural situation of the country perhaps at a loss for better support, cited Mr. Otto Kahn, a well-known international banker, in support of this measure. Since when has Wall Street become an authority and an inspiration to those of us who seek to relieve the farmer? If we are to seek guidance and management from international bankers of Wall Street, I say, God help the American farmers. [Applause.]

Only yesterday the gentleman from Oklahoma referred to protests against this bill from various banking institutions of my city. Apparently the financial magnates are divided, but I venture the statement that any group of bankers in New York, if they will have the opportunity to manage this corporation, would be heartily in favor of it. Therefore, when the gentleman from Kansas [Mr. TINCHER] said that a prominent banker had offered to take the management of this corporation. I say that perhaps if we offer the management of this corporation to those banking institutions that are vigorously opposed to this bill we might also obtain their indorsement. Why, gentlemen, it is not financial advice that we need. We have had too much of that kind of advice. What we need is drastic changes in our law to meet changed economic conditions brought about by invention, science, machinery, and the growth of population. When you talk about the law of supply and demand you must bear in mind that principle was laid down at a time when food and the necessities of life were produced by hand, before we had machinery, before we had cold storage or warehouses, before there had developed the idea of monopolies, and the artificial fixing of prices.

How can the law of supply and demand be applied when you have gigantic warehouses to store food and the power of an individual or group of individuals to release it a little at a time? How can the law of supply and demand be applied when we have cold storage where meat can be kept for months and years and the power in an individual or group of individuals to hold back that food, although there may be a great demand and cry for it in other parts of the country? The truth is that legislation has not kept abreast with the times. As the warehouses were constructed and cold storage invented, as cities of millions of population have grown, as machinery has been invented to turn out articles under the production system by the millions you have continued to legislate as if there had been no changes and no progress in the world. You have protected the dollar and disregarded the producers. You have protected property and forgotten the human being, with the result that we have legalized a cruel system of exploitation. Now we are approaching the time when a real change is necessary. Gentlemen, the very fact that a bill of this kind is before us for consideration is in itself significant. It means that finally we have the admission and the confession from those who would seek to stand pat and retard progress, those who are the first to criticize and abuse us who believe in progress, that conditions can not long remain the same, and that a real, drastic, radical change is coming and is absolutely necessary.

I want to point out that the distinguished chairman of this committee, the gentleman from Iowa [Mr. HAUGEN], who has the respect and admiration of the entire membership of this House and whose name is given to this measure, came before us and pleaded for its passage. Yet I am sure that if we were to urge on the gentleman from Iowa to take both horns of the dilemma and to go into the question thoroughly, and by that I mean the transportation, marketing, and credit, he would be the first to call us radicals and perhaps oppose any such measure. Oh, the gentleman from Iowa perhaps has not yet felt the unbalanced economic condition. He stated to us the other day that the farmers in his State were in need of instant relief. Why, gentlemen, according to a full page advertisement that I hold in my hand from the New York Times of Wednesday, April 23, 1924, inserted by the Iowa Daily Press Association, of Council Bluffs, Iowa, and signed by every leading daily paper of that State, there is no State richer, more prosperous, more happy than the great State of Iowa. [Applause.] I rejoice in their wealth, I rejoice in their happiness, and I hope the prosperity so graphically described by the Daily Press Association of Iowa may not only continue, but may grow even greater to the happiness of all the people of the State of Iowa. [Laughter.] Let me read the full page advertisement; it will not take long:

IOWA—THAT'S WHERE THE TALL CORN GROWS

IOWA

That's where the wealth per person is greater than in New York or in any other State.

That's where there are two bank accounts for every five men, women, and children.

That's where the percentage of illiteracy is smaller than in New York or in any other State.

That's where they are spending an annual income of between one and one-half and two billion dollars.

That's where 97 per cent of all the families read some one of Iowa's 32 leading daily newspapers. Dealers, jobbers, and salesmen read them also.

That's where any Iowa family, from farm or city, can reach their favorite store more quickly and easier than the average New Yorker can get to Macy's. There is an automobile for each average family.

That's where there are more than 4,000 miles of roads paved or graveled or in process of being paved or graveled.

That's where, during the past five years there has been expended more than $47,000,000 on primary road improvement.

That's where these 32 leading daily newspapers of Iowa have joined in a practical, complete, comprehensive, and uniform advertising and marketing service that covers every move you want to make in the rich Iowa market:

Ames Tribune, Boone News-Republican, Burlington Gazette, Burlington Hawk-Eye, Cedar Rapids Gazette, Cedar Rapids Republican, Centerville Iowegian and Citizen, Clinton Advertiser, Clinton Herald, Council Bluffs Nonpareil, Creston Advertiser, Davenport Democrat, Davenport Times, Des Moines Capital, Des Moines Register and Tribune, Dubuque Telegraph-Herald, Dubuque Times-Journal, Fort Dodge Messenger and Chronicle, Fort Madison Democrat, Iowa City Press Citizen, Keokuk Gate City, Marshalltown Times-Republican, Mason City Globe-Gazette, Muscatine Journal, Newton News, Oskaloosa Herald, Ottumwa Courier, Sioux City Journal, Sioux City Tribune, Washington Journal, Waterloo Evening Courier, and Waterloo Tribune—The Iowa Daily Press Association, Council Bluffs, Iowa. [Applause.]

I wonder how many of these daily papers are now urging the passage of this bill.

Reference has been made by others to the arrangements for the financing of this corporation. Reference has already been made to the power granted to the corporation to create indebtedness to an amount five times its capitalization, which would mean indebtedness to the extent of a billion dollars. While the law specifically provides that the United States Government is not responsible for the corporation indebtedness

and that such limitation should be inserted on the face of the certificate of indebtedness, I do not believe anyone is fooled by that. I do not believe there is a man in this House but knows that the American Congress and the American Government would not permit a single purchaser to lose a cent on any loan made to an agency created by Congress and representing the United States Government. That phase of it, however, has been taken up in detail by other speakers and I need not amplify on it.

In closing I simply desire to submit that when you are ready, gentlemen, to do the right thing to all of the people of this country you will find the progressive group ready to cooperate. I am not speaking for the progressive group at this time, but as one progressive. I speak what I believe are the sentiments of the progressive-thinking people in my part of the country. Let the farmers of the West know that the consumers of the East will not complain at any time that any legislation is passed for real relief of the farmer, but that the consumers of the East have learned by long years of exploitation, owing to high prices on monopolized food, that before we pass legislation we should study it carefully and make certain that it is for the relief of the farmer and not of those who are responsible for the conditions now existing. Why, charts were brought before the House to show the difference between the wages paid in my city and what the farmer is getting.

For the purpose of argument, we will accept the accuracy of these charts, but a careful study of these very charts brought here in support of this measure will convince any impartial person that this bill is not economically sound in that it does not remove the real evil. It simply takes one phase of the now unbalanced economic system and seeks to bring artificial relief by an artificially created agency. The wages of employees in New York factories referred to by the gentleman from Kansas and others who have used the chart are high. Why? Not because their employers are philanthropists, but these wages are fixed on the lowest possible cost of living in that city. The chart tells the tale. The difference in what the farmer is getting and what the consumers are paying, as shown by the rate of wages, is what is being lost to the farmer under the present arrangement of transportation, marketing, banking, and retailing. If we should pass this measure by artificially fixing the prices only of the commodities provided for in this bill, permitting the present high rate of transportation and the present cost of money and the present system of marketing, the result will be that your line showing the rate of wages paid to factory hands in New York will not come down to meet the rates paid to the farmer, but that exactly the same distance between the two will remain. As your line for the farmer will go up, so will your line for the employees in the city go up, with the result that your purchasing power of the dollar will decrease and you are exactly at the same point from which you started. Unless we change the system, unless we improve conditions by a scientific change in the method of marketing, by regulation of transportation rates fixed on actual cost, by disregarding the past and fixing the price for the use of money in proportion to its contribution as compared with labor and actual production, by preventing private monopolies, we are simply going around in a circle in the same old way and the rich will become richer and the poor will become poorer.

If I thought this bill would bring relief, I would vote for it, but I fail to see how any good can come from it. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. CLARKE of New York. Mr. Chairman, I yield two minutes and seventy-five hundredths of a minute to the gentleman from Maryland [Mr. HILL]. [Applause.]

Mr. HILL of Maryland. Mr. Chairman, I want to thank the acting chairman of the committee for his gracious yielding of time to me on this question.

The wheat farmer to-day is admittedly in a serious difficulty, just as the cotton producer a few years ago was equally admitted to be in a serious difficulty, and just as the cattle or hog raiser may at any time be in a serious difficulty. I do not represent a farming community, but my district fundamentally depends upon the farmers just as every other great city district does. I am solicitous and anxious that the Federal Government do whatever can properly be done to stabilize the agricultural conditions. I can not, however, favor such an alleged remedy as that offered in H. R. 9033, known in the House of Representatives as the Haugen bill, and in the Senate as the McNary bill.

Holding the conception of the functions of the Federal Government that I do, interpreting the powers of the Federal Constitution even under the general welfare clause as I do, I can not do else than oppose as strongly as I can the provisions of the McNary-Haugen bill.

I am not an expert in agriculture. I am not an expert in farm economics. On these matters I need only recall to your attention the speech and the arguments of the gentleman from Wisconsin [Mr. VOIGT] made before this House Tuesday night. His views are fully set forth in the minority report from the Committee on Agriculture, and I think that his report, together with his speech, knocks the props from under the McNary-Haugen bill.

I desire to call, however, special attention to that portion of his report which shows that the passage of this bill would mean immediately a gift to nonproducers of $500,000,000. I think that this portion of his report is so important that I will take part of my time to read it to this Committee of the Whole House.

A COLOSSAL GIFT TO NONPRODUCERS

When this bill takes effect as to wheat the price of dollar wheat will instantly rise to over $1.50. The elevator man, merchants, millers, and speculators who have wheat on hand will suddenly be made richer by operation of law. If the emergency is declared, as it probably will be before the wheat season, nearly all the wheat available for market will be in the hands of these men and not in the hands of the farmers. The same applies to rice and corn, the profit, of course, being smaller. It may be that on some of this an equalization fee can be collected, but if sold for feed or seed there is no fee. If the fee on $1.50 wheat is 20 cents per bushel, the law has increased the value to the holders 30 cents per bushel, which must be paid for by the farmers and consumers. Every merchant or wholesaler who has flour on hand will find himself enriched overnight, and under the terms of the bill no equalization fee can be collected. If an emergency is declared on cattle, hogs, and sheep, every head will instantly rise in value, whether in the hands of farmers or others. The hundreds of millions of dollars' worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value. On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000, to be paid for by the consumers of the country. The packers would have to pay an equalization fee providing an emergency were declared on their products, but that would only be a fraction of their gain.

All meat stocks in the hands of meat dealers who had bought them from packers would likewise rise, and from them no equalization fee could be collected. The millers of the country holding wheat or flour would make millions overnight, to be paid for by the consumers. If an emergency should ever be declared on wool, every clothing manufacturer, clothing dealer, etc., would be enriched, and no fee could be collected from them. When the packer legislation and grain futures act were before the committee there were swarms of packers and millers and high-priced attorneys making all manner of objections. These gentlemen did not put in an appearance when this bill was being considered, and no doubt they are praying for its passage. The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

I desire to devote my time especially to the fundamental improprieties of this measure. It is proposed to create a Federal corporation with a capital stock of $200,000,000, all of which amount is to be subscribed and paid by the United States; paid by taxes of the cotton raisers, the tobacco raisers, the hog raisers, the rye raisers, the barley raisers, the poultry raisers, the cattle raisers, and all others for the immediate benefit of the wheat raisers and those specially favored classes who are mentioned in the bill. The corporation is further empowered to borrow money and to issue its notes, bonds, or other evidences of indebtedness to an extent of $1,000,000,000. In other words, it is proposed to create a Federal corporation with power to issue bonds up to one twenty-first of the whole public interest-bearing debt, which, the Commissioner of the Public Debt in the Treasury Department informs me, was on April 30, $21,353,000,000.

You are asked to create a $1,000,000,000 corporation, a governmental authority, with power to issue an amount equal to about 5 per cent of all debts accumulated by this Nation since its foundation over 137 years ago. You are asked to permit this for wheat and the other agricultural products enumerated in the bill. If you do this for these products, why should you not do it for cotton and for the other products of a similar sort? A cotton corporation and nine others with equal power could issue as much bonds as one-half the national debt.

The bill attempts to provide that the United States shall assume no liability for bonds issued by this corporation, but how

can the great Federal Government decently permit its own creature, the proposed "The United States Agricultural Export Corporation," to sell bonds to the American people which they naturally suppose have behind them the responsibility of the owner of the corporation, and then, in case of difficulty, deny such responsibility?

The bill is fundamentally wrong. The Constitution of the United States was not adopted to give the Federal Government any such power. This particular measure is merely one of the nostrums which are being offered to-day for current difficulties. The bill provides that the emergency for which the bill is proposed as a remedy shall in no event be held to exist later than five years from the June 30 next following the date of the passage of this act. Fundamentally, this bill proceeds on the theory of the existence of an emergency arising out of unsettled conditions following the war. If this sort of a bill is proper for five years, why is it not proper in perpetuity? It is fundamentally wrong. It commits the Government to active business in contraversion of the fundamental theory of the Constitution, and, furthermore, it would never accomplish the purpose for which its proponents have offered it.

I therefore shall vote against this bill and all such attempts to create governmental corporations in time of peace to handle matters which are in themselves essentially matters for private enterprises and not for governmental agencies. [Applause.]

Would any gentleman like to ask me a question on this subject?

Mr. BLANTON. I would like to ask the gentleman a question.

Mr. HILL of Maryland. I yield to the gentleman from Texas.

Mr. BLANTON. It has been stated, and the bill so states, that the Government is not behind this $1,000,000,000 worth of bonds that this corporation may issue. I want to ask the gentleman this question: Would not that be considered in the Congress, both in the House and the Senate, as a moral obligation on the part of the Government, and would not the Government, after all, be behind this $1,000,000,000 worth of debts which this corporation is authorized to create?

Mr. HILL of Maryland. I would like to say to the gentleman that he has put his finger on one of the most vital defects of this bill, a defect I just referred to briefly. Here is a corporation with its capital solely subscribed by the Federal Government operating as a United States corporation, with authority to issue $1,000,000,000 worth of bonds, and there is a clause in the bill providing that the Government shall not be responsible for any of the obligations of its offspring. I ask you whether there is any man in this House of Representatives who would not vote—if a question came up as to the payment of the bonds purchased by innocent purchasers, bonds issued by a corporation created by the Federal Government and operating as a Government agency—to make good to the innocent purchaser of one of its bursted bonds, if they did burst.

Mr. COLTON. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. COLTON. Is not that same thing true as to the joint-stock land banks and intermediate credit banks?

Mr. HILL of Maryland. Not to the same extent, however. I voted against all of them. I am against that theory of Government regulation.

Mr. COLTON. And yet the gentleman will not say they are not doing good work?

Mr. HILL of Maryland. But the life of a bank is a long life. Now, here you are asked to do this thing. The whole funded interest-bearing debt of the United States is $21,358,000,000 at this time, and you are asked to create an organization which has the power to issue in bonds one twenty-first of the indebtedness that it took the United States 137 years to create. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. KETCHAM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KETCHAM. Under the general permission to extend remarks, do I understand that the gentleman from Maryland intends to extend his own remarks?

Mr. HILL of Maryland. I will say to the gentleman that these are entirely my own remarks. I did not take up the question of 2.75 cider for the farmer, although I know he wants it. If I thought this bill would pass, I should insist on including cider in it. [Applause.]

Mr. BURTNESS. Mr. Chairman, I raise the point of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members present—a quorum.

Mr. ASWELL. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JACOBSTEIN]. [Applause.]

Mr. JACOBSTEIN. Mr. Chairman, no one will deny that there is distress in certain farming sections of the country. The price of wheat, corn, hogs, and cattle is so low that the farmer's dollar to-day is only worth about 72 cents. Foreclosures, bank failures in farming sections, abandonment of farms, furnish evidence of a critical situation in American agriculture. The Nation as a whole can not prosper if any large portion of its people are in distress. The farmer can not buy what the city folks produce unless he has the purchasing power. This purchasing power he lacks at the present time.

The agricultural distress prevails principally in the Northwestern States raising spring wheat, and, to a less extent, in the Middle Western States raising winter wheat. The distressed area also includes the Western States, depending primarily on the raising of corn, hogs, and cattle. Without minimizing in the slightest degree this agricultural calamity, in all fairness it should be said that the distress is not spread equally over the whole country nor among all crops.

It is to meet this emergency, such as it is and wherever it is, that the McNary-Haugen agricultural relief bill is now before Congress. The authors and proponents of this bill seek to invoke Federal aid as a means of raising and maintaining the prices of agricultural products which are now too low. These products, as specifically mentioned in the bill, are wheat, flour, corn, cattle, sheep, swine, wool, rice, and the food products of cattle, sheep, and swine.

The bill provides that an export corporation shall be organized with a capital of $200,000,000, the stock of which is bought by the Federal Government and paid for out of the Public Treasury. It is to be a private corporation, but organized with Government money and controlled and supervised by the Government. The semigovernmental corporation would also have the power to issue and sell to the public a billion dollars' worth of stock in order to get additional capital for effectively carrying on its work if conditions required it.

The whole idea back of the bill is simply this: That the prices of agricultural products are low because we have an exportable surplus; that is to say, we have an overproduction of wheat, flour, corn, cattle, sheep, swine, and the food products of cattle, sheep, and swine. "Therefore," the proponents of the bill say, "since it is this exportable surplus which is the cause of the low prices, we will get rid of the surplus by dumping it on the other side of the water." Through this export corporation the surplus would be disposed of in foreign markets at whatever price it would bring. But in so doing the domestic prices of these commodities would naturally rise. In fact, the very purpose of the bill is to establish arbitrary prices on these commodities at home, these arbitrary prices being such as would bring the prices of agricultural products up to a level with the prices of other nonagricultural commodities. Elaborate machinery is provided for by which the corporation created in the bill will ascertain and fix the prices of the various agricultural commodities whenever the emergency exists, such emergency being defined as a condition under which the farm-product price is low as compared with the average ratio price of 404 commodities.

Laying all technicalities aside, it is a price-fixing bill pure and simple. The Government is called upon to fix and maintain and to pay the farmers prices which are considered fair by the directors of this corporation.

Should the bill pass? Can the bill work? And if it can work, what will be its effect?

There is much to be said about the unworkability of the bill. It would require a bureaucracy of literally thousands upon thousands of Government agents and agencies to carry out the purposes of this bill. Take one commodity by way of illustration. It seems like a very simple thing to fix the price of wheat. But when you remember that there are some 20 different grades of wheat on the Chicago market and some 36 varieties of grades alone on the Minneapolis market, and that frequently the grade No. 2 sells on the market at a higher price than No. 1, it will be seen that the proposition is not so simple as it is made to appear by the advocates of this bill. Even assuming that there is an emergency on swine, how are you going to determine the fair price on all the derivative products of swine? There are literally hundreds of by-products of swine and cattle. It is not all as simple as it seems.

Or, look at the problem from another angle as to its unworkability. The prices of the commodities are shifting every month. Will the corporation shift the prices of farm products each month? And after the prices have been shifted and the cost of living goes up, then in turn will it not be necessary to again readjust the price of farm products to bring them in

line with the ratio price of all the other commodities, which it is the purpose of the bill to effectuate and maintain?

Assuming, however, that the bill becomes a law, and does work, what would be its effect?

Immediately, of course, any farmer or packer who has on hand products the prices of which are raised would derive a benefit from the price-raising and price-fixing process. Undoubtedly this would immediately enrich the packers, since they always hold on hand a vast amount of meat products.

In the general debate here it has been contended that the effect of this bill would be to make a gift to the packers outright of over $100,000,000.

If the bill worked, winter wheat, which is now selling for $1.10 a bushel, would be brought up to $1.50 a bushel; spring wheat, selling for $1.25, would be brought up to $1.00 a bushel; corn, selling for 73 cents a bushel on December 1, would be brought up to about 96 cents a bushel; hogs, selling for $7.25 per hundred, would be brought up to $11.25 per hundred; cattle would go up about 10 per cent in price; beef would go up about 2½ cents a pound (1 cent a pound increase on livestock); and rice would be increased about 13 per cent.

I have estimated that the result of all this would be an increased cost to the nonagricultural public of about $750,000,000 a year, or about $35 per family per annum.

We must not forget that two of the leading farm products in this country are milk and butter, the total annual value of which is about $2,000,000,000. If you raise the price of cattle and corn, you raise the price of milk and butter. The dairy industry is facing a crisis. They have already reached a point where they can not market what they have to sell at the present prices. They can not increase the price of butter and milk without curtailing the consumption. Therefore, the dairymen stand a good chance to pay a higher price for food for cattle and get no more for milk.

Mr. CLARKE of New York. Will the gentleman permit an interruption?

Mr. JACOBSTEIN. Yes.

Mr. CLARKE of New York. Is it not true now that there is a surplus of milk and the price has fallen off about 35 per cent?

Mr. JACOBSTEIN. I think that is true.

Mr. HAUGEN. Will the gentleman yield?

Mr. JACOBSTEIN. Yes; if you will yield me such time as you take up.

Mr. HAUGEN. I will yield the gentleman such time as I consume. Is it not a fact that the representatives of the dairy people have been doing everything possible to have the tariff adjusted so as to save the dairy industry, and to-day is not the price of butter 9 cents below the ratio price, and are you willing to deny them that 9 cents a pound? This bill will give them 9 cents a pound more. Now, then, tell your people what you are doing for them.

Mr. JACOBSTEIN. I want to be perfectly frank with you, just as I will be with my constituents at home.

Mr. SNYDER. Do not overlook the fact that the chairman says it will raise the price of butter 9 cents a pound.

Mr. JACOBSTEIN. I will also have to tell my industrial population back home that they will have to pay that 9 cents.

Mr. HAUGEN. They are willing to pay it.

Mr. JACOBSTEIN. I think they are. I think that the American people are good sports, and they would be willing to give the farmers that bonus.

Mr. HAUGEN. It is not a bonus. It is something that Congress does for the manufacturer and the rest of them.

Mr. JACOBSTEIN. I mean that if the American people saw a permanent solution of the agricultural problem in this bill they would be willing to pay a little more on a loaf of bread, to pay a little more for a pound of bacon, and to pay a little more for milk and butter, but they can not see it. That is the point. I think the American people want to be fair and they want to see the country's wealth fairly distributed among the population of this country.

Mr. ASWELL. Will the gentleman yield for a question?

Mr. JACOBSTEIN. I yield.

Mr. ASWELL. Does the gentleman recall that the producer of that butter does not receive the 9 cents? It goes to the equalization fee and the cost of production.

Mr. JACOBSTEIN. As I understand it, some one in the Department of Agriculture has figured that 15 cents out of the dollar will go to the cost of operating the machinery and to pay the losses through the operation of the machinery. At any rate, my proposition is that if it works it is going to seriously affect the dairy industry and the poultry industry in this country, and you must not forget that they are two very large industries in the United States.

Mr. BURTNESS. If the gentleman will yield, I would like to have his reaction on this proposition. In the event these other types of farming, such as raising cattle and corn, are not made profitable will not that in itself react upon dairying and other farming by forcing the people now engaged in raising wheat and stock and pork into dairying and poultry raising and things of that sort, and therefore do you not need protection against that diversification?

Mr. JACOBSTEIN. I wish I had time to discuss that. I have only a few minutes remaining, and that is a big problem. I would like to say to the gentleman from North Dakota that you can not escape the dilemma. Either it will raise the price of raw materials or it will not. Now, you admit it will raise the price of wheat and maybe of corn, and I contend that everybody who uses corn and wheat will have to pay the price. We who are going to use it, either directly as bread, or as eggs or as milk or as poultry, will have to pay that price, and I have figured out it is going to cost the average family in the United States $35 per head.

What I have said of milk and butter applies equally to poultry and eggs, the annual product of which is larger than that of wheat, approximating, as it does, $1,000,000 annually. If wheat and corn go up in price the poultry men would have to foot the bill. They can not pass the increase along to the consumer, because even as it is there is an oversupply of poultry and eggs. The egg market has broken. Prices are low. Eggs are selling in Washington at 30 cents a dozen. The poultry people can not afford to go on at that price. If you raise the price of the feed that the poultry and the cattle need, how are you going to sell more milk and more poultry and more eggs? It can not be done. So, even if the bill does work, it is bound to affect disadvantageously the dairy and the poultry businesses.

Therefore it would appear that the effect of the McNary-Haugen bill would be to injure, if not to ruin, the dairymen and the poultry and egg farmers. I have been told by a friend of mine that only recently some of the best dairy herds in Western New York have been dispersed because of the unprofitableness of maintaining them.

But if, as the proponents of the bill claim, the increased cost could be passed along to the consumer, then, as I said before, it is of no avail to the farmer, because it is only a vicious circle. The wheat farmer might get more for his wheat to-day than he did yesterday, but he and others would have to pay more for everything they buy, which in turn would send the price of wheat up again. This has been very well said by Mr. B. W. Snow, formerly chief statistician of the Department of Agriculture, who describes the probable results of the McNary-Haugen bill as follows:

> If living costs are artificially advanced, it will be necessary to put wages up. Then it will cost more to produce everything, and prices of everything will be higher. And so we will start around again in the old circle—higher cost of living, then higher wages, then higher prices for everything and higher wages to pay the higher prices for everything and still higher prices to pay the higher wages, until finally we come once more to the inevitable smash.

As the cost of living went up wages would rise, and among other things freight rates would rise, penalizing the farmer again, and of course everything the farmer buys or that he uses on his farm would be advanced in price as a result of this pyramiding process, so that the purchasing power of his wheat, though increased to $1.50 in terms of money, would to-morrow in reality shrink again to $1.10 in terms of commodities. It is a merry chase, with the farmer lagging behind.

What is the cause of the trouble? The authors and proponents of the bill recognize that the cause of the trouble is the surplus. The surplus is due, of course, to overproduction. The war overstimulated production. The average wheat acreage in the United States from 1909 to 1913 was 47,007,000, whereas in 1919 it rose to 75,694,000. From 1920 to 1923 there was a considerable shrinkage until in 1923 it reached 58,293,000, which is still 20 per cent above the normal acreage. But overproduction was even greater in foreign wheat-producing countries. Canada, which used to average 10,000,000 acres before the war, now has 22,000,000 acres under cultivation. We have a world overproduction in wheat, and notwithstanding our tariff, the price of wheat at home is fixed by the price of wheat in Liverpool, which must be so while we are on an exporting basis.

Where is that surplus wheat coming from? I will ask the gentleman from North Dakota if some of it is not coming from the wheat land there? I know a little about North Dakota, although I have not lived there all my life. I know that some of it is grown on land that produces only 5 bushels an acre, or

6 or 7 or possibly 8 bushels an acre. Is not that true, Mr. BURTNESS?

Mr. BURTNESS. That is true only in the event that we have rust or bad weather conditions; otherwise, it is not true.

Mr. JACOBSTEIN. The same thing is true of cattle and swine. We have more than the world can buy at prices that are profitable to the producer of meat and corn.

The remedy would seem to be not in getting rid of the surplus but in cutting down the production, so as to eliminate the surplus. The fallacy in the bill, therefore, is that it fails to take cognizance of the fact that as you increase your price you stimulate production and encounter a still larger surplus. The McNary-Haugen bill does not attack the trouble at its source. It seeks to alleviate the pain but does not eradicate the cause of the disease. There might be some sense in Government price fixing which at the same time attempted to effectively control production, which this bill does not propose to do.

The experience of agricultural cooperatives proves that artificially stimulating prices without effective control of production leads sooner or later to a crash. The experience of the raisin growers of California illustrates this. The raisin growers of California raised a crop in 1922 so heavy that the market broke, and the organization had to deflate and reorganize. The average production of raisins from 1914 to 1919 was somewhere in the neighborhood of 130,000 tons. Stimulated by the high prices which the cooperative had fixed, production had increased 225,000 tons. The crop of 1922 was so large that the raisin growers' association spent $1,500,000 on an advertising campaign in order to get rid of their surplus crop. Then the crash came in 1922 and 1923.

The experience of the California Prune Growers' Association is a repetition of the experience of the raisin growers. High prices led to heavy production. Then the smash came.

There is every reason to believe that the artificial stimulation of prices under the McNary-Haugen bill would in a similar manner stimulate overproduction. If the overproduction results in too large a surplus, the surplus has to sell at a great sacrifice abroad. It is easily conceivable that the loss on the exportable surplus would wipe out any gain that might come from the enhanced price on the domestic market.

In contrast with this method of solving the problem I would call your attention to the experience of the soft-coal industry. They, too, have been suffering from an overproduction. The mine owners as well as the workers agreed that the only solution lay in the closing up of a number of the unprofitable mines. Might not the wheat producers do the same thing?

After the war the copper industry suffered from overproduction. Prices fell to a no-profit basis. The owners found it necessary to curtail production, even to the extent of closing down some of the mines. In this instance, however, the producers were able to buy up the surplus and store it, in order to maintain the price. But in copper, as in coal, the remedy lay in cutting down production.

Another fallacy, of course, in the philosophy underlying the McNary-Haugen bill is this: Believing that the protective tariff has maintained prices on manufactured products, why not apply the same method to agricultural products? There are two answers, of course. To the extent that the protective tariff works it does so for the benefit of one portion of the community at the expense of another portion. If the tariff law works in favor of one industry, it does so only by imposing higher prices on other industries. But if everybody in the community seeks the same protection there is nobody left upon whom the burden can be placed and the futility of the tariff becomes apparent to anyone who is willing to think straight and honestly on the subject.

The fact is that the farmers are beginning to realize as never before that in the tariff they got a gold brick. To the extent that the tariff has helped to maintain prices at post-war levels the farmer as a consumer has had to pay the bill, while as a producer he is selling his commodity at the old pre-war level. The debate and the education that is coming from the McNary-Haugen bill is opening the eyes not only of the farmer but of the Representatives of the farmer in Congress.

There are millions of farmers in this country, including some that I have the honor to represent, who raise fruit and vegetables, oats and barley. These products are not touched by the McNary-Haugen bill. In fact, any farmer who does not produce any of the commodities mentioned in the bill—wheat, corn, cattle, sheep, swine, wool, rice—is in the same position as a worker in a city. He is a consumer, whose cost of living would go up, but as a producer he would get nothing from the bill.

I am not surprised that some of the leading agricultural economists of the country are opposed to the McNary-Haugen bill, including:

William H. Jardine, president of Kansas State Agricultural College—Kansas, by the way, is the largest wheat-growing State in the Union.

Henry Jackson Waters, former president of the Kansas State Agricultural College, now editor of the Kansas City Weekly Star.

Benjamin H. Hibbard, head of department of agricultural economics, Wisconsin Agricultural College, and author of works on agricultural subjects.

Edward G. Nourse, former chief of agricultural economics section, Iowa State College.

Thomas Nixon Carver, professor of political economy and economic adviser for economic department, Harvard University.

James E. Boyle, research professor of agricultural economics, New York State College of Agriculture, Cornell University.

I am driven to the conclusion that the thing will have to work itself out unaided by Government interference. In the meantime, however, the farmer ought to seek, and is entitled to receive, relief in two directions—a reduction in tariff rates and a reduction in freight rates.

As Prof. James E. Boyle, of Cornell University, has put it:

The farmer needs a major operation. The McNary-Haugen bill is a patent medicine.

Mr. LOWREY. Yesterday afternoon the gentleman from Nebraska [Mr. SHALLENBERGER] and the gentleman from South Carolina [Mr. STEVENSON] engaged in a rather interesting colloquy, in which they spoke of the poverty and honesty of the people they represent. Each insisted with great enthusiasm that his people were poor but honest. Back yonder in 1882, B. P.—before prohibition—[laughter] it is said that an old gentleman, a member of the legislature, declared with great enthusiasm, "Mr. Speaker, I represent a people that are poor but honest." An old gentleman who was sitting back at his desk who had been imbibing freely of light wine and beer, or something else, rose and said, "Mr. Speaker, will the gentleman allow a question?" The gentleman said, "Yes; let him state his question." He answered, "I understand you say your people are poor but honest?" "Yes," was the reply; "I am proud to state that I represent a people that are poor but honest." "Poor and honest both?" came the question. "Yes; poor and honest both," said the gentleman on the floor. "Well, I have only one thing to say about your people," was the reply, "they are in a h—— of a fix." [Laughter.] I might say that my people are in about the same fix as the people represented by these two gentlemen.

My district is a farming district and my people are decidedly poor just now, and I think most of them are honest—those that are not in politics, at least. [Laughter.]

I want to say, furthermore, that I believe that gentlemen on both sides of this question which we are discussing are honest. I am sure the gentlemen from the Northwest appealing to us so strongly in the interest of wheat in the presentation of this bill believe it is the right thing.

I take it that every man in the House recognizes the difficulties into which agriculture has fallen and is anxious to do something to relieve the situation. We all admit, I believe, that an emergency exists. Differences arise only as to the means to be employed.

For some weeks I have been studying the McNary-Haugen bill, not exhaustively, as I am not a member of the Committee on Agriculture, but as closely and as sympathetically as my other duties would permit. I have also listened attentively to the discussion which has been going on here for two or three days.

The more I have studied and listened the more I have been convinced of two things. First, this bill will not accomplish the relief of the farmers. The machinery which it seeks to establish would be unwieldy and uncertain and, without questioning the honesty and ability of the gentlemen who might be placed in charge of it, wasteful in administrative detail and uneconomic in general accomplishment. Nobody would be satisfied. The farmer would find himself subject to arbitrary price fixing that might or might not be fair to him and encumbered perhaps with "scrip," which he would not know what to do with and of uncertain value, in place of money. The miller would find himself unable to buy or to calculate beyond the end of a given crop month, and the public would find itself paying artificial prices at times for the most important necessities. The

Government, because it had undertaken the impossible, would find itself more and more discredited. And finally, because we would be attempting to deal on an unnatural basis in the world markets, where we do not have a monopoly, we would within a very few years, I fear, find ourselves cut off from our foreign trade, on which one-third of our wheat production has been dependent. And, worse still, we would have another big corporation in power with possibilities for tyranny and corruption worse than we have yet seen.

Just here let me quote from an editorial in the New Orleans Picayune.

Governor Davis, of Kansas, himself a "dirt farmer" in a wheat-growing State, declares that measures like this McNary-Haugen bill "are brought forward by politicians who believe that the farmers are easily fooled. The farmer," he adds, "does not want special privileges," but needs instead "fewer expensive stimulants of government and more common horse sense in the administration of government." Doctor Jardine, president of the Kansas State Agricultural College, asserts that "were this measure to be enacted into law its practical working out would leave the men who fathered it without a shred of reputation. If I lured the farmers into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed, and I would be ruined utterly. * * * If there is any demand among the Kansas farmers for the McNary-Haugen bill, I have yet to run across it."

The Nebraska Union Farmer expresses the belief that the McNary-Haugen plan "would break down of its own weight in a very short time. The whole scheme is on the bootstrap-lifting order, artificial, cumbersome, expensive, and bureaucratic, and offers no assurance that it would accomplish the purpose for which it is proposed."

Second, this measure is highly paternalistic. Even if it should succeed as its proponents hope, it would tend to take from the American farmer the sense of individuality and self-reliance that has made him great and make him the creature of a Government machine. That is the moral element; and though it is hard to assess, in its final effects it determines our economic as well as our national destiny.

Most of us look, I am sure, with real apprehension on any pronounced movement toward state socialism. Yet this bill is as socialistic as anything that was ever seriously proposed to the American people. It is a symptom of the reaction that is taking place against what we might call state capitalism. The problem of the friends of good government is to hold the balance between the two. The avowed purpose of the American Government is to protect its people in life, liberty, and the pursuit of happiness; to guarantee equal opportunity to all and special privilege to none.

The tragedy of the situation into which we have now drifted is that the ends of government have been so corrupted as to guarantee special privilege to some and equal opportunity to none. The gentlemen on the other side of the House, most of them, I take it, will not say it just that way; but they are admitting freely that two standards have been created in America largely by reason of our protective tariff laws. There is one plane on which the farmer buys the manufactured articles and products that are his daily necessity. This plane is determined on a purely American basis, behind American tariff and labor walls which shut out foreign competition. Fifty per cent below it is the plane on which the farmer sells his own raw products. This plane is determined on a world basis. There is no economic way of putting it on any other basis. More than half our cotton and one-third of our wheat are produced for the world market. Hence these prices are determined by world conditions. If the world buys heavily from us, prices go up; if the world is unable to buy or buys elsewhere, we have a surplus left at home above what we ourselves can consume and prices go down.

It is vain to hope that we can compel the world to buy from us by national legislation or by any other act of our own. All we can do is to encourage the world to buy from us. But this act does not encourage the world to buy from us. On the contrary, it sets up an export corporation whose business it will be to pool our surplus products and hold them against the world until it forces the world to pay the highest prices that at the time being can be obtained. Of course, it must do that. If it should do less, the officials at its head would promptly be "investigated."

But what would happen meanwhile? The world, seeking to buy at the lowest possible prices, would turn to other fields. We have no monopoly. Agriculture in Argentina, Brazil, South Africa, northern Africa, Mesopotamia, India, China, Australia, Canada, and eastern Europe, in all of which places farmers can buy and sell on the same plane, would be given a tremendous impetus. In a few years I fear we would find ourselves with an export corporation that was unable to export because it had killed its foreign markets. A third of our farm houses would be vacant, a third of our fields would be untilled, a third of the best portion of our population would be crashed and embittered. We would have built a Chinese wall about ourselves.

Gentlemen, I admit that we have created artificial conditions in this country which have placed the farmer at a disadvantage. And that is equivalent to admitting that our Government has not guaranteed equal opportunity to all and special privilege to none, but has protected some in special privilege and has placed others at a disadvantage. We have forced American agriculture to bear, in addition to its own burden, the burden of American industrialism.

Through a paternalistic system of the most vicious sort we have hampered and pandered to corporate business. The manufacturers, the transportation systems, and the labor unions, have all, in one way or another, had their special guaranties and special privileges. Of course there have been efforts to equalize things in favor of agriculture, but these efforts, because, as I have already said, we can not control world conditions by domestic measures, have without exception failed.

Things have gone from bad to worse until now, as the handwriting appears on the wall, gentlemen whose party is responsible for a monstrous condition have brought forth a monstrous palliative. They at least have the virtue of consistency. They remind me of the ranch boy from Montana, who, having grown up with wild horses and wild steers, came East and married a New York girl, whom he took back to his Montana ranch.

A few years later he showed up in the East again. Somebody asked him about his wife. "Oh," he said, with a certain wistfulness, "Mary was a good girl, and she made a fine wife. But, you know, she broke her leg and I had to shoot her!" Like our high-tariff friends he had conceived of only his established method of dealing with a crippled animal.

Mr. Speaker, if we are determined to maintain a Government that grants unequal privileges and unequal protection, we need not concern ourselves about the farm problem. The farm problem will take care of itself through the hard process of elimination, not of the unfittest but of the more unfortunate, and retrenchment from what in the past has been proper and legitimate investment. That process has already begun. In a few more years it will have run its course. We will produce and consume within ourselves, and let the rest of the world go hang. And everybody knows what happens to the individual or the nation that cuts loose from friendly association and from interchange and exchange with neighbors.

This bill, I am convinced, simply adds one wrong principle to another wrong principle; and it is hard to right one wrong with another wrong. If we really want to help the American farmer effectively and permanently we must put him back in position to compete on a world basis. It is not a question of giving him special privileges and protection; on a world basis we can not give these. It is a question of taking from others the special privileges and protection we have given to them and which have borne so hardly on the American farmer and on the whole national welfare. It is a question of restoring government for the whole people—not for the farm bloc, or for the labor bloc, or for the manufacturing bloc—of restoring government which will guarantee equal opportunity to all and special privilege to none.

Of course a program of that sort will take time. We can not expect this Congress to begin it; and we can not expect the Democratic Congress which is to come to finish it. We need evolution, not revolution. Revolution is usually the mark of people who lack proper balance and understanding; evolution is the mark of people who understand the fundamental principles under which they live and conduct their government.

If we can do anything meanwhile to help the farmer tide over the emergency which undoubtedly exists, by all means let us do it. If we can give him better diversification, better transportation, better information, and better exportation we will render him worth-while service. But none of those measures will give him full and permanent relief. We must follow them with something that reaches deeper into the economic verities. And I am afraid that this present measure will give neither temporary nor permanent relief, but will simply add to the confusion.

Along the lines of information and diversification we are getting some very helpful results through the Department of Agriculture. In fact, much has been done to enable farmers to select the crops that pay and to increase production.

By the improvement of waterways, the establishment of barge lines, the proper encouragement and proper supervision of railways, and the encouragement of good roads we can greatly help the farmer in the transportation of his products.

But at last the most vital question is that of markets. May I venture to suggest that the gentleman from Louisiana [Mr. ASWELL] has a bill that promises large things on home marketing, and the Dial joint resolution now pending before the Senate offers more in foreign marketing than any other measure brought before this Congress. As gentlemen know, I am especially interested in this latter measure.

We ought not to adjourn without considering both these measures thoroughly.

This Congress has been in session nearly six months. We all know that agriculture is our basal industry and yet is suffering almost to the point of collapse. The appeal for relief has been constant and urgent. We are now close upon adjournment and no farm legislation has been passed. We have no right to adjourn without giving time to consider these various measures thoroughly. If we adjourn without doing something for agriculture the farmers will resent it bitterly, and ought to. This Congress will suffer accordingly, and ought to. I am not surprised that we hear much talk of farmers deserting both old parties in the coming elections.

Mr. HAUGEN. Mr. Chairman, I yield eight minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I have been in the House during the whole 15 hours' discussion of this bill. I have heard all the speeches for and against this measure. I have read all the extension of remarks in the RECORD on this bill. I have read all of the hearings before the Agricultural Committee on this, the so-called McNary-Haugen bill.

I come from an agricultural State and from a district that is almost wholly agricultural. My home county is second in agricultural products according to the last census of the United States. We raised last year in that county over 25,000,000 bushels of marketable potatoes, and I have not been able to find potatoes mentioned in this bill.

I have to go back in a few days to my farmer constituents. They have not troubled me much. I have been here seven years and they have not dictated how they thought I ought to vote on any bill or any measure. I have voted on all measures that I thought would help the farmers. They trust me, knowing I was born and brought up on a farm, knowing that I stand always for the best interests of the farmers. I believe in the farm as the foundation of prosperity of the Nation, but not one of my farmers is in favor of this bill, as far as I can find out. They are against price fixing. They are against the Government interfering with them. They are against Government buying and selling of their products in the markets, and they are against Government ownership.

If this bill is not a price-fixing bill, if this bill is not for the purpose of making higher prices for farm products in the Northwest for five years, if this bill is not for inducing a surplus, if this bill is not for raising the high cost of living, then it does not mean anything. Unless you have a surplus under this bill you can not have your higher prices for the products. If there is no surplus your bill is no good and only fools the farmer.

Some one said yesterday:

I have a doubt about this bill working. I have a doubt about this bill being of any consequence to the farmers, but I am going to resolve the doubt in favor of the bill.

Mark Twain had a very much better motto than that. He said:

When in doubt, tell the truth.

I think we had better tell the truth to the farmers. We are going back in a few days to our constituencies, and what are you going to say to them about this bill, if you vote for it? Three-fourths of the States would not be benefited by it in the least, and yet they will be paying for the high cost of living caused by this great appropriation to make big profits and high prices to northwestern farmers in a matter of price fixing, which, to my mind as a lawyer, I think is wholly unconstitutional. Oh, you say, "We gave $10,000,000 to Germany the other day out of our abundance." That also was unconstitutional.

A MEMBER. Not in money.

Mr. HERSEY. Oh, no. I saw gentlemen here who were in favor of this bill stand up on this floor with moisture in their eyes weeping over the babies that needed milk in Germany, which they said that gift would supply, and then they ended up by adding an amendment to the bill to spend that $10,000,000 for wheat to benefit the western farmers, and to send wheat to Germany instead of "milk for the babies." Do you think you are fooling the farmers? The school marm said to the small boy, "Johnny, you will have to have an excuse for staying away from school. Go right home to your father and have him write you an excuse." Johnny said, "Ma'am, my father is not any good at writing excuses. Mother finds him out every time." [Laughter.] Some of you who will vote for this bill are going home with a lot of poor excuses, but the farmers will find you out before you get through.

Congress has been doing everything for the farmer that it could legally do. The farmers in my State are in just as bad condition financially as the farmers in the Northwest. We can not get any profits from our farm products, and have not for the last three years. We have borrowed money to the extent of our resources.

Mr. MICHENER. The gentleman does not grow anything in his district but potatoes.

Mr. HERSEY. Potatoes, hay, oats, sweet corn, and apples, and they are not mentioned in this bill. Men come here representing constituencies in the Northwest that are suffering from low prices of wheat, and you feel you must vote for this bill or not come back. The farmers of the Northwest are looking to Congress to help them get big prices for their farm products. They think they are going to get $1.50 for every bushel of wheat they have on hand, and also what they raise in the next five years. They believe that there is going to be price fixing by the Government for the next five years. They believe their surplus is going to be marketed abroad by the Government, and the loss to be borne by the Government. They believe above all things in the world that what they are going to do for the next five years is to grow all the wheat they can and get a big profit. There is nothing but wheat in this bill. It is admitted that everything else must go out of the bill, as we have not a surplus of any other farm product.

The last Congress did everything possible to benefit the farmer. My committee, the Judiciary, reported a bill which passed Congress authorizing the farmers to organize themselves into cooperative societies for cultivating their lands and marketing their products. We took them out from under the restrictions of the Clayton antitrust law and the Sherman antitrust law and gave them a privilege we gave no other class or industry in allowing them to organize, build warehouses, store and hold and market their products, and do all these things through organization of farmers to control the markets that was not allowed to any other industry in the land.

These cooperative associations have been a great success in welding the farmers together into a solid organization where they can do much to control the markets and protect themselves against middlemen and the profiteers. The only trouble so far has been that only about one-half of the farmers join these organizations. The other half are unrestricted by any contracts or agreements and still continue to flood the market at the wrong time and each working on his own account. I look to see in the near future a better organization of the farmers in the cooperative societies, which to me is one of the great remedies for low prices and financial distress among the farmers.

I was pleased to support the cooperative bill in the committee and in the House.

We also passed the filled milk bill to prevent interstate shipments of fraudulent milk wrongly branded, for the benefit of the dairy farmers.

We also established the agricultural credits act and admitted agriculture to the Federal Reserve Board, establishing Federal intermediate credit banks and national agricultural credit associations of farmers, limiting their own banking privileges to farmers, giving them the lowest rate of interest that could be found among the banking institutions.

We also revived the War Finance Corporation for their benefit, passed the packers and stockyards act which permitted publicity of the packers' business, regulating their handling of the farmers' products so as not to permit any overreaching of the producer.

We also passed the warehouse act for the benefit of the farmers, the cotton futures act to protect the cotton farmers, and fixed a standard for butter, opened the naval stores for the benefit of the farmer, and passed the Capper-Tincher bill to prevent speculating in agricultural commodities and preventing those not farmers from speculating in great agricultural commodities. We passed the good roads act to help the farmers in marketing their crops.

I have voted for all these acts and relief for the farmers of this Nation, and if you can show me to-day any act of legislation that will assist the farmer in a lawful and legitimate way to recover from war deflation and make him more prosperous in his agricultural pursuits, I will gladly vote for this bill, but I can not lend my assistance to the enactment of legislation that can only work to his injury and to the destruction of the great public policies that have in the past made our farmers more prosperous than those of any other Nation.

The history of this bill before us is very interesting. In the great Northwest are more than a dozen States in one block

known as the wheat and corn belt and the livestock-producing States. It is a great agricultural section, and of late years its principal products have been wool, corn, meat, and wheat.

While this great Northwest has been endowed by nature far beyond other sections of the country by being well adapted to woolgrowing and agricultural pursuits, yet its farmers have been the victims of much vicious and false political propaganda from those who were not farmers.

During the last half century more than 20 new political parties have sprung up in this great land of the Northwest—the People's Party, the Greenback Party, the 16 to 1 Party, the Populists, the Farmer-Labor Party, the Progressive Party, and the Farmer-Labor Progressive Party, and dozens of others which I have not time to mention.

All these parties have organized with the idea of sending Representatives to Congress who would, by the political influence of holding the balance of power, obtain legislation that would favor the farmers of the great Northwest, giving them an advantage over the rest of the States and obtain from the Treasury special privileges.

The present condition of low prices of farm products is not confined to-day to these Northwestern States, but is general all over the country wherever the farm is found. It grows out of the aftermath of the war, for during this great world-wide war our farmers everywhere in the Nation received abnormal prices for the products of the farm. These western farmers received $2.20 to $3 per bushel for wheat. The farmers of my State received as high as $10 and $11 per barrel for potatoes. These high prices everywhere induced the farmers to increase their products until for the last two or three years potatoes and wheat have been down at cost or below the expense of production. The present depression of these products has been brought about not only by the national process of the Nation getting back to normal, but by reason of the production of a large surplus above our demands and needs, and this surplus has fixed the price in the domestic market. We have not been able to export but very little of these products because the other nations were unable to buy and there was no market abroad.

Canada grows very many millions of bushels of surplus wheat and potatoes far beyond her domestic needs. She has the advantage of shipments by English vessels from the port of Halifax to the port of Liverpool. England, the largest foreign buyers of wheat, deals with English colonies, Australia and Canada; and they have been able to supply Europe with all her needs of agricultural products.

The present administration, recognizing the actual situation of things, has endeavored in every way possible to lessen the losses of the farmers. We have fixed a tariff upon wheat of 42 cents per bushel, thus excluding and shutting out imports from Canada and protecting as far as possible our own domestic market. We have fixed a tariff of 40 cents per bushel on potatoes, thus protecting the potato farmers of the Nation from the influx from Canada.

We have also put a high tariff upon all other products of the farm and all livestock and wool to protect the farmer, and to my mind the farmer is coming out all right. The only immediate remedy that can be offered him that can possibly do him any good is to induce him to further organize—organize into cooperative societies to control his own market at home, and if he has a surplus outside of his home market to market this abroad with his own agents and not depend upon the professional exporter, middleman, and profiteer who have hitherto exploited the farmer.

There is also another remedy. The transportation of the country, which was brought almost to the verge of destruction under Government control, is now recovering under private management, and soon we shall be able to give lower freight rates to the farmer to assist him in marketing his crops. The development of fertilizers in the United States; the manufacture of our own fertilizers; the destruction of foreign monopoly; the lowering of taxes; the bringing about of economy in government, all will tend to lift the farmer from his slough of despondency to his old prosperity. But none of these things can come to him by the passage of this bill.

In the last congressional elections in the Northwestern States the farmers were deluded and deceived by the politicians of these many new political parties calling upon the farmers to send to Congress members of farm-labor blocs who promised to obtain high prices for their farm products, lower freight rates, and Government relief by Government ownership, operation, and control.

The elections in these States produced a large number of Congressmen, both in the House and Senate, that came here with the one idea of obtaining legislation that would return them to Congress in the elections of 1924.

This first session of the Sixty-eighth Congress has had the benefit of their wisdom in two bills that are now up for our consideration. President Coolidge has been keenly aware of the situation of the farmers of this country and the low prices they are offered for their products. Last fall he sent two directors of the War Finance Corporation, Eugene Meyer, jr., and Hon. Frank Mondell, to visit the great Northwest and make an investigation of conditions in the wheat-growing States and to report to him their findings and recommendations. This was done in an interesting pamphlet printed by the Government dated November 5, 1923, entitled "Report to the President on the Wheat Situation." I would advise my fellow Members to read this pamphlet if they wish to get a full and unbiased idea of the situation of the farmers in the great Northwest and of the question now before us.

Among other things Messrs. Meyer and Mondell reported was this:

In these days of swift economic changes the Government, in cooperation with those directly concerned, should approach the problems as they develop with a strong and sympathetic interest and with a determination to proceed as promptly as may be possible in taking steps to meet them. World conditions over which we have no control bring their repercussions at unexpected times and in ways that are difficult to foresee, and, with the best intention in the world, we can only endeavor to meet the difficulties as they arise. Unfortunately these maladjustments are the inevitable economic consequences of the disturbances of war.

Where sympathy and emotion are properly aroused we must nevertheless seek to maintain a thoroughly rational attitude in order that we may find the sound and therefore effective solution. It is relatively easy to detect the proposals of those who seek to exploit agricultural distress for their own political purposes. But it is far more difficult to deal with the proposals of the perfectly sincere and honest-minded people who seek to solve problems by short cuts which are unsound and which, therefore, are bound to be ineffective.

We feel, as a result of our trip, that the solution of the wheat problem lies along two lines: First, the adjustment of production to American needs if the world market is oversupplied from other producing countries at lower prices than are satisfactory to the American producer under prevailing conditions, and second, the development of an improved marketing system such as we believe can be brought about by the organization of the producers of the country for the purpose of marketing their wheat under the cooperative marketing plan, making it unnecessary to rely so completely upon the uncertain functioning of the speculative public contract market.

After this report of farming conditions the President appeared before the present Congress at its opening session and in his first message, speaking of the farmer and agricultural conditions, said:

No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture. Simple and direct methods, put into operation by the farmer himself, are the only real sources for restoration.

Since this Congress was organized the so-called progressive farm-labor blocs from the great Northwest have formed a political alliance with organized labor to put the present bill and the Barkley labor bill, so called, through Congress at the present session. Organized labor in Minnesota recently passed the following resolutions:

Whereas the organized labor movement of Minnesota through its political efforts has successfully elected Dr. HENRIK SHIPSTEAD and MAGNUS JOHNSON to the United States Senate, showing that the farmers and workers can be organized into a political party and elect representatives to the State and National Governments; and

Whereas it is behooven upon the American Federation of Labor to lead the great mass of American workers into a more effective and progressive means of defense on both economic and political fields: Workers of the United States, unite! Get behind the Minnesota workers! Help them pile greater working-class victories upon the triumphs already won!

The Agricultural Committee of the House is composed of 22 members. Of this number 14 are from the great Northwest and only 8 from the rest of the country. The Agricultural Committee of the Senate is composed of 17 members. Of these 11 come from the great Northwest and only 6 from the rest of the country.

Before these two committees so organized this farm-labor bloc presented the present bill, known as the McNary-Haugen bill, and this same combination of farm-labor blocs presented to the Interstate Commerce Committee the Barkley labor bill, so

called, supported by all the farm-labor group of the Northwest.

There can in legislation be nothing in common between the farmer and organized labor. The farmer is interested in getting the highest prices for his products. The railroad laborer is interested in getting the highest wages possible. The farmer is interested in obtaining low freight rates. The railroad laborer cares nothing about the freight rates, but only interested in obtaining high wages. If the farmer succeeds in raising the price of his products, the laboring man must pay it in the high cost of living. If the laborer obtains high wages, the farmer must pay it in higher freight rates, and so the only object of this combination of farm and labor is purely political. "You help pass my bill and I will help pass yours, and let the country pay."

The gentleman from Oklahoma [Mr. SWANK] in discussing this bill, page 9209 of the RECORD, said:

I wish to congratulate and compliment these great railway brotherhoods and the American Federation of Labor for exerting their energies in behalf of the farmers of this country. They want to see the farmers prosper and to receive a reasonable price for their products. I am glad that their honored representatives appeared before the committee in behalf of the farmers of this Nation.

It becomes necessary therefore that these men from the Northwest who obtained their election by making glittering promises to the farmers must make good to obtain a reelection. Over in the Senate the Farmer-Labor Senator from South Dakota, Senator NORBECK, on page 8193 of the RECORD, a few days ago said:

Mr. President, the farmers of this country, and especially the farmers of the great Northwest, know that the disparity of the value of their dollar grows largely out of conditions brought about while the Democrats were in power. It resulted largely from interference with the law of supply and demand. * * * It is a good time for the Senate to express its views on the McNary-Haugen bill, and I think Senators from the Northwest should consider that feature very carefully now, instead of going home a month later and saying, "We slipped a cog again in not bringing our measures up for consideration at the proper time."

The bill before us is the result of this desperate effort of the Northwest radicals in Congress to obtain legislation that will return them to Congress in the coming election.

Let us examine the bill. This bill attempts by abnormal and artificial means and methods to raise and maintain the price of farm products without regard to the law of supply and demand. It organizes a Government corporation with a multitude of agents and employees to buy up the surplus of farm products and to sell them in the foreign markets at the best price they can get, admittedly at a great loss from the purchase price, or to dump them abroad at the expense of the Nation. It starts with an appropriation of $200,000,000 from the Treasury and a borrowing authority for $1,000,000,000 more. It fixes the price of this surplus according to a ratio taken from four years of prices prior to the World War, which would make the price of wheat at the present time $1.50, and wheat is now selling at $1 per bushel. The minority report of the House Committee on Agriculture gives the following statement of the effect of and the workings of the bill:

When this bill takes effect as to wheat the price of dollar wheat will instantly rise to over $1.50. The elevator men, merchants, millers, and speculators who have wheat on hand will suddenly be made richer by operation of law. If the emergency is declared, as it probably will be, before the wheat season, nearly all the wheat available for market will be in the hands of these men, and not in the hands of the farmers. The same applies to rice and corn, the profit, of course, being smaller. It may be that on some of this an equalization fee can be collected, but if sold for feed or seed there is no fee. If the fee on $1.50 wheat is 20 cents per bushel, the law has increased the value to the holders 30 cents per bushel, which must be paid for by the farmers and consumers. Every merchant or wholesaler who has flour on hand will find himself enriched overnight, and under the terms of the bill no equalization fee can be collected. If an emergency is declared on cattle, hogs, and sheep, every head will instantly rise in value, whether in the hands of the farmers or others. The hundreds of millions of dollars' worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value. On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000 to be paid for by the consumers of the country. The packers would have to pay an equalization fee providing an emergency were declared on their products, but that would be only a fraction of their gain.

All meat stocks in the hands of meat dealers who had bought them from packers would likewise rise, and from them no equalization fee could be collected. The millers of the country holding wheat or flour would make millions overnight, to be paid for by the consumers. If an emergency should ever be declared on wool, every clothing manufacturer, clothing dealer, etc., would be enriched, and no fee could be collected from them. When the packer legislation and grain futures act were before the committee, there were swarms of packers and millers and high-priced attorneys making all manner of objections. These gentlemen did not put in an appearance when this bill was being considered, and no doubt they are praying for its passage. The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

Some of the proponents of this bill have denied that it is a Government price-fixing bill. It can not be anything else. First, because it gives the method by which prices are fixed; second, those who favor the bill admit it is price fixing.

The gentleman from Nebraska [Mr. SHALLENBERGER], on page 9331 of the RECORD, speaking in favor of this bill, says:

The bill, if put into effect, will materially advance the prices of the basic farm commodities the corporation deals in. The corporation has the funds and will control the public market. It can advance the price of farm products which it elects to buy, just as certain as the sun will rise to-morrow morning.

It may advance them 20 per cent, as estimated by the gentleman from Iowa [Mr. HAUGEN] in his speech, or 40 per cent, as assumed by the gentleman from Wisconsin in the second section of his speech.

But no matter whether the advance totals one billion, two billions, or three billions, the farmer is going to get the benefit of it, and that is the exact purpose of the bill.

Price fixing has been generally condemned by all who have studied the farmers' problems. The National Grange, the most reliable purely farm organization in this Nation, in its declaration of policies and position as regards farm legislation, says:

In war time price fixing may have been necessary; in peace time the grange regards price fixing as unjustifiable and indefensible.

It will be remembered that this bill will not work or accomplish anything for the farmer unless he has a surplus. The bill itself says:

It is hereby declared that there exists a general emergency in respect of agricultural commodities by reason of the existence of surpluses available for export in agricultural commodities.

Now, let us see how this bill would work should it become law at this session of Congress.

From the best information I can obtain it is estimated that there are about 100,000,000 bushels of wheat in this Nation above that needed for our domestic market. It is also estimated that 75 per cent of this wheat is now in the hands of the brokers, wheat profiteers, elevators, warehouses, and other large organizations of capital that have bought this wheat on a falling market and are holding it for the higher market on the passage of this bill. As soon as this bill becomes a law this Government corporation will be obliged to call an emergency and buy this wheat at $1.50 per bushel, and the profits will go into the hands of those big interests which are speculating in wheat. The poor farmer of the Northwest, who is in a large majority, like the poor farmer in my State, can not hold his farm products for higher prices. He needs the money and must sell his products as soon as the crop is harvested or his cattle are ready for the market. Therefore only about 25 per cent of the present surplus of wheat is held by real farmers, and they are the farmers who are able to hold it. This bill would not confer any benefit at all upon those who need it most.

If this bill should become a law it would at once hold out a great inducement for the farmers to grow a surplus of wheat, because without a surplus they could not get the higher price, and with a surplus there would be a guaranty of $1.50, which would give them a good profit, and thus instead of curing the evil of overproduction we would at great expense to the Government bring about a continuance of the evil from which the farmer now suffers and at the same time enrich the profiteer and the grain gambler.

This bill by a price-fixing scheme holds out false hopes to the farmers, and the result must necessarily be an irreparable injury to the tillers of the soil.

Secretary Wallace of the Department of Agriculture says:

Unless production is fairly well adjusted to demand, prices will be disappointing. We are far more dependent upon Europe for markets for our cotton than for our food products. * * * In considering the matter of future exports of our agricultural products it must be remembered that the probable tendency will be downward. European agriculture is becoming more productive and no doubt economic conditions are becoming more stable. As normal conditions in Europe are reestablished their purchases of our surplus will become more normal.

One of the results of the passage of this bill would be to kill cooperative societies that are now doing so much to give relief to the farmer. One of the great objects of these societies, of course, is to find a market for the farmer and assist him in marketing his products, but of what use would these cooperative societies be if the Government does the marketing?

In a colloquy found on page 9221 of the RECORD between Mr. VOIGT, of Wisconsin, and Mr. KETCHAM, of Michigan, the following occurs:

Mr. VOIGT. The prime object of the farm cooperatives is to get the farmer a better price.

Mr. KETCHAM. Yes, sir.

Mr. VOIGT. That being true, what is the object of a farmer participating in the cooperative organization if there is only one Government price?

There are two careful and conservative editorials upon this bill which ought to be brought before the House for their careful consideration before a vote is taken to force this Nation into a price fixing Government control and management and Government marketing of products of a certain class out of the great body of farmers of this Nation. The first editorial is from a great independent paper of New England, the Boston Transcript, and is as follows:

FARMERS MUST CAST OUT AGITATORS

If the farmers and grain producers of the West can cast out from their midst the professional agitators who hurry to prescribe nostrums for the economic ills from which the farmers suffer, a long step will be taken toward remedying conditions admittedly bad. The producers of wheat, corn, oats, and livestock long have suffered because there has been gross and excessive speculation and utterly unwarranted price manipulation in connection with the sale of those commodities. That the evils existed and were recognized gave the Nonpartisan League its only excuse for existence and attracted to league membership many thousands of honest farmers who sought a remedy. And agitators of the Nonpartisan League variety were prompt to take advantage of the situation.

Under leadership for the most part utterly impractical, the Nonpartisan League has run its course to date with no striking benefits to producers of grain and livestock, without lessening the grip of speculators and profiteers. The farmers are getting, under deflation conditions, even a smaller proportion than usual of the value of their grain and their livestock. As was inevitable, when prices began to drop, the first to feel the effect of a reduced demand were the producers of grain, cotton, and livestock. Prices of these commodities had been forced higher than ever had been known, and when the war-time demand stopped, prices had to yield. It was when the price of wheat had declined from above $3 a bushel to below $2, and when cattle, hog, corn, and cotton prices had declined in proportion, regardless of cost of production, that a new coterie of agitators began to vociferate, and to advocate withholding wheat, corn, and cotton from the market. Hogs and cattle could not so well be held back, as they would continue to eat. Organizations were formed in the South and in the West, members of which bound themselves not to sell cotton, corn, or wheat. What has been the result? Supplies of all the commodities being greatly in excess of the demand, the efforts to keep up prices have been as ineffective as would be efforts to sweep back the tide. Prices have continued to drop until wheat growers in some sections of the country can not cash their holdings at $1 a bushel, and millions of bushels of corn will not net the growers 35 cents a bushel.

As fast as one crop of agitators fails in its effort to lead the farmers out of the wilderness another crop comes to the fore to save them from the speculator and the profiteers. And under bad leadership the condition of the farmer grows continually worse. Only when the farmer severs all connection with the agitators, thinks and acts for himself, will he be enabled to better his condition and secure his fair share of what the consumer pays for farm products. (Boston Transcript.)

The second editorial is from the independent Washington Post of May 28, 1924, and entitled "Fooling the farmer and consumer," and is as follows:

The persistency of the supporters of the McNary-Haugen bill is worthy of a better cause. The farmers of the United States are entitled to demand wiser and more effective champions. If a proper course had been pursued by the farmers' champions at the beginning of this session, some relief would now be in sight for the farmers, instead of an opposition that is steadily becoming more resentful.

The farmers of this country, being a part of the body politic, deserve the support of all citizens in any fair measure which will bring relief to agriculture without penalizing other industries. But the self-appointed champions of the farmer have pursued a course that antagonizes other elements of the population. One or two special interests have succeeded in obtaining advantages over the public during this session of Congress, but this fact does not warrant the granting of special favors to the farmers. * * * It would be fortunate for the farmers if the McNary-Haugen bill should be beaten, because it would, if enacted, arouse a prejudice against agriculture which would do great harm to the legitimate interests of that industry.

The McNary-Haugen bill is intended to benefit the farmer by raising the price of farm products to the consumer. This is the wrong method of approaching the problem. The consumer is not responsible for hard times on the farm, and should not be punished to make prosperity for the farmer. If the bill should succeed in raising prices, the benefits would not go to the farmer but rather to the meat packers, the millers, the grain speculators, and other middlemen. By raising the price of wheat the acreage would not be cut down and the price accordingly maintained for the benefit of those farmers who did raise wheat. These farmers, as well as many others who have quit raising wheat, would immediately increase their acreage to take advantage of the high price. Then wheat would either tumble in price, despite price fixing, or the Treasury would be drained to keep up prices on a deluge of wheat.

There are millions of bushels of wheat in elevators, mills, and in the hands of speculators. The passage of the McNary-Haugen bill would give them hundred of millions of dollars' profit at the expense of the consumer without benefiting the farmer to the extent of one dollar. That is a fraud upon the consumer and the farmer, and makes certain that any real relief measure proposed later would be rejected by the angry public.

The McNary-Haugen bill would "stabilize" prices of meats, and would attempt to keep prices high at home by "dumping" the surplus abroad. But this would not help the farmer or the consumer. It would merely be handing money to the meat packers. The packers would be guaranteed a fixed high price at home, and then, when the Government commission turned around to sell surplus meat abroad, it would find the foreign agencies of the American packers on hand, waiting to buy back their own product abroad at "dumping" prices. The principal packers have agencies at all commercially strategic points abroad. Instead of supplying these agencies with meat direct from the factory here, the packers would sell the meat at the fancy prices fixed by the Government, and then would instruct their foreign agencies to buy back all surplus which is sent abroad for the purpose of keeping up prices at home. The Government would pay the packers 150 or 200 per cent profit at home, and would then "dump" the surplus upon the packers' agents abroad, at a price perhaps 100 per cent less than was paid for the meat. The estimated profit of the meat packers through the operation of the McNary-Haugen bill is from $1,500,000,000 to $2,000,000,000. This would come from the pocket of the consumer in this country, through direct purchase of meat and through taxation to meet the losses to the Treasury incurred by the commission in executing the law.

The country demands reduced taxation. If the McNary-Haugen bill should become a law, increased taxes would be immediately necessary to meet the Treasury deficit. The evil would be twofold. First, it would be a charge upon all the people for the benefit of a class; and second, the class intended to be benefited would not be benefited, but injured.

The testimony from farmers who have carefully studied the McNary-Haugen bill is to the effect that it would greatly injure them. Protests against the passage of the bill are coming from the chief farming communities. "We do not want fixed prices," is the burden of the protests. "We want economy in government, reduced taxes, no favoritism, and a square deal." That is the authentic voice of the American farmer.

One of the difficulties in the situation is the interference of politicians who are trying to curry favor with the farmers by offering to obtain for them special access to the Treasury. These politicians are not the true friends of the farmer. They are seeking their own advantage. They hope to fool the farmer and obtain his political support with a bribe of Treasury money. They are doing their best to deceive the consumer by pretending that the McNary-Haugen bill will not hurt anybody. The measure proves on its face that it is a fraud, for if it will put money in the farmer's pocket it must take the money from the consumer. But investigation shows that the bill would not benefit the farmer, although it would injure the consumer. Middlemen and speculators would reap a rich profit at the expense of the farmer and consumer, and the taxpayer would pay for it all.

Let us not attempt to fool the farmer by voting for this bill.

Mr. CLARKE of New York. Mr. Chairman, I yield six and a half minutes to the gentleman from Minnesota [Mr. NEWTON].

Mr. NEWTON of Minnesota. Mr. Chairman, the farmer, and especially the spring-wheat farmer, is in bad shape. The great bulk of the spring wheat is grown in the north Middle West. As to conditions in that portion of our country, they have been

very aptly described in a report made by the late John H. Rich, then chairman of the Federal reserve bank in Minneapolis, dated November 12, 1923. The provision is as follows:

There are in the northwestern grain area 388,242 farms, embracing 72,250,000 acres. It is noticeable that in the well-diversified sections the amount of agricultural distress is vastly less than in the grain areas. The former were the areas which years ago underwent forced abandonment of one-crop farming. A survey of the circumstances and condition of 203,040 farmers within the area properly classified as wholly or principally grain raising discloses many important facts. Of the total number 5,388 are bankrupt or being foreclosed, 9,302 so involved as to be in imminent danger of bankruptcy, and 4,959 have been forced to abandon their farms and leave the country. In view of the inclusion of those who have abandoned their land in the number of those bankrupt, the survey indicates a total of 14,690 as having failed, or 7.2 per cent. The percentage by States is interesting, and is as follows:

	Per cent.
Montana	17.7
North Dakota	10.5
Northwestern Wisconsin	3.0
Minnesota	3.7
South Dakota	7.3
Northern Michigan	2.8

Furthermore, agriculture in general has been having its troubles during this period of readjustment. Progress, however, is being made, conditions are on the mend, and will so continue if we do not do something to prevent it. We must bear in mind that this is not the first time this country has had a depression in agriculture. I again quote from a portion of this same report wherein Mr. Rich comments on conditions pertaining to agriculture in this country following the close of the Civil War:

A glance at conditions following the Civil War is of particular interest because these conditions are curiously parallel to those existing in the grain-raising areas of the Northwest to-day. During the decade from 1860 to 1870 Iowa almost doubled the amount of wheat produced. Wisconsin increased its population more than one-third. The Prairie Farmer observed in 1864:

"There must be something radically wrong with the farmer who does not now free himself from debt. Every cultivated product bears a highly remunerative price."

Toward 1870, when prices were beginning to drop, farmers in Iowa and Wisconsin considered the slump but temporary, and on the strength of the prosperity they had enjoyed for 6 years they did not hesitate to go into debt for choice land. About 1870 there was considerable holding of wheat in the Mississippi Valley States. In 1866 and 1867 wheat sold for $3.50 a bushel. In January, 1870, it was worth 77 cents on the Chicago market. In the following years prices fell to an exceptionally low level. An excellent authority says that when farmers felt themselves pinched by falling prices they tried three different means to relieve themselves.

First, they attempted to reduce the cost of transporting their products; second, they tried to eliminate the middleman through cooperative buying and selling; and third, they demanded that the United States Government increase the circulating medium. In 1870 a total of 18,000,000 bushels of wheat was marketed at Milwaukee, and in 1880 only 11,000,000 bushels. The secretary of the Iowa Agricultural Society said in 1878 that there never has been a time in history of so great a depression in business of all kinds. Corn was being bought for 8 cents a bushel. In 1866 the farm value of an acre of wheat in Iowa was $22.72, and in 1876 only $5.48. So rapidly did conditions change that in 1879 the secretary of the Wisconsin State Agricultural Society was able to say that large areas in wheat were a thing of the past. An authority states that during the years of falling prices, discontent, and agitation the farmers in both States who had developed dairying were prosperous and contented and paid little attention to the Greenback movement.

The cry then was for Congress to do something. That cry is being repeated to-day. As we listen, let us remember that an economic ill can not be cured by a legislative pill. While we can not cure, we can greatly aggravate the existing trouble. The law of supply and demand is inexorable. Almost from the dawn of history there have been those who have sought to set it aside. All have failed.

Emperor Diocletian endeavored to stabilize prices. By decree he fixed the prices of all grain, beef, pork, and so forth. It utterly failed. Some years later another Roman emperor, Julian, forgetting the lessons of the past, endeavored to do the same thing. Notwithstanding they had behind them in their efforts to enforce the despotic powers of the great Roman Empire, neither were able to set aside the inexorable law of supply and demand.

It was tried in France during the days of the revolution, and the latest country to attempt it was Soviet Russia. There are many other instances in history too numerous to mention, and all have failed. Can it be that America must also try the experiment? If so, we too will fail, and we too shall pay the cost of conducting the experiment.

Mr. Chairman, for some three or four years now the price of American wheat has been generally unprofitable to the farmer if we are to take into consideration the cost of production and the purchasing power of the farmer's dollar over the commodities he buys. I think it will be admitted that generally speaking the price of wheat in this country is fixed by the price that our exportable surplus sells for abroad. There can be but little difference of opinion as to the condition of the wheat farmer, and especially the spring-wheat farmer. But, before prescribing a remedy, we ought first to ascertain the cause of the disease. The most active official proponent of the McNary-Haugen bill has been an officer of the Department of Agriculture. It is my understanding that the relief plan embodied in this bill was also drawn along lines recommended by the Secretary of Agriculture in his report last fall. It is claimed by the advocates of this legislation that he has privately indorsed and recommended the passage of this measure. Therefore, I think that I am warranted in quoting from the Secretary of Agriculture in his report of the wheat situation last December, as to the cause of these ills. He said, on page 66 thereof:

This condition of things has resulted from (1) the decline in wheat prices, (2) the relatively high levels maintained in the prices of other commodities and services, (3) and also from the maladjustments which exist in the wheat industry itself.

Most authorities agree in the main with this general statement. As to the cause for this decline in wheat prices, the Secretary says, on page 67, as follows:

The present low prices are caused by the large world supply of wheat, for which there is not an effective demand at higher-priced levels.

Therefore overproduction or the excess of the world supply to the available demands, according to the Secretary's statement, lies at the very root of the trouble. The average production of wheat per year in the world for the five-year pre-war period was 2,981,000,000 bushels. The yield for this last crop here was 3,468,000,000 bushels. Here is an increase of nearly 500,000,000 bushels over the pre-war average. Rye is used as a bread grain, especially in Europe. There has been but a slight change in the present production of rye as compared to wheat. So there has been no such shrinkage in the production of rye as to warrant any substantial increase in the production of wheat.

While there has been this increase in wheat production there has been no increase in consumption in the world at large. On the other hand, it has decreased. This is due in Europe to post-war conditions. The best authorities agree that the per capita consumption per year in Europe will run from 1 to 2 bushels less than it did before the war. So, then, we have an increase in supply and a decrease in demand. This increased production is primarily in the following three countries:

	Average pre-war	Average post-war	1923
	Bushels	*Bushels*	*Bushels*
Argentina	157,347,000	201,002,000	249,000,000
Canada	197,119,000	325,446,000	470,228,000
United States	690,108,000	852,018,000	782,000,000

This is due in a large measure to the stimulation of the war. Canada and the United States constituted the great granaries of the world during the period. Millions of acres of new land were opened up in Canada. This was undoubtedly the result of this great increased demand, also the urging of both British and American Governments to produce more wheat. The war ended. There was no voice in authority to stop a portion of this great new producing machinery. We continued to produce, and we continued to export. As we so continued to produce prices commenced to decline. The following figures will show how our exports have greatly exceeded the pre-war exports of wheat.

The average percentage of wheat exported 1905 to 1914, inclusive, was 18.8. During the period 1919 to 1922, inclusive, it was 31.6. Furthermore, the export for the first seven months of the fiscal year ending June 30, 1924, is 192,350,000. This is in excess of any previous year.

Notwithstanding this marked increase in production in the United States in recent years, there has been no corresponding increase in this country in consumption per capita. In fact it is less now than in the pre-war years.

Obviously we can not increase consumption so as to take care of our great exportable surplus of from 150,000,000 to 200,000,000 bushels per year. As long as we have that surplus we can only dispose of it, therefore, in the world market. There it will come into competition with wheat from every country on the face of the globe and we can obtain for that surplus only the competitive world price, and as long as we have a surplus our domestic price generally will be governed by the world price.

It is interesting to note that this increase in production in this country has not been in the spring-wheat States but in the Southwestern and Pacific Northwest States. Furthermore, a greater percentage of the wheat from these sections finds its way into the export market than does wheat grown in the spring-wheat areas. Now, in the spring-wheat States we have tried to adjust our acreage to the change in conditions, and have decreased that acreage substantially in the last two or three years.

From 1910 to 1914, inclusive, the total wheat acreage in the United States was about 48,000,000 acres. The acreage planted in 1923 was in excess of that by 13,000,000 acres. In Minnesota the acreage in 1920 was 2,880,000 acres. In 1922 it had been reduced to 1,939,000 acres. In North Dakota it had been reduced from 8,916,000 to 8,740,000 acres.

In spite of this depression in the price of wheat, I am advised that there will be a substantial increase in the number of bushels produced this year in the Southwest and Pacific Coast States than was produced one year ago.

When the Fordney-McCumber tariff bill was passed it carried a duty of 30 cents per bushel on wheat. Under the flexible provision, thereof, this duty was increased by the President, following an investigation by the Tariff Commission to 42 cents per bushel. This has helped in a measure, but no tariff duty no matter how high can solve the problem while we produce a substantial exportable surplus. If we curtail production so as to eliminate this exportable surplus, then with the protective tariff the domestic price can be more substantially increased; otherwise not.

The Secretary expressed the second cause in this language:

Relatively high levels maintained in the prices of other commodities and services.

The statistics prove beyond a doubt that the purchase power of a bushel of wheat is not what it was during the pre-war years. Wheat prices have dropped to pre-war levels or below, while wages and prices of manufactured commodities are still much higher than the pre-war average. This is likewise true of taxes. Taxes bear most heavily upon agriculture. When the war ended and the demand for his products decreased the manufacturer curtailed his production while, as I have demonstrated, the wheat farmer increased it. Clearly, then, the solution of this second cause lies in the solution of the first cause—overproduction.

The third reason the Secretary gives as:

The maladjustments which exist in the wheat industry itself.

I again quote from page 68 of his report:

It is important to bear in mind that the solution of present agricultural difficulties depends quite as much upon the efforts of farmers themselves as upon any governmental action.

During the war high prices and the call of the Government induced many farmers to buy more land and this demand inflated farm value. This in turn materially increased the cost per bushel. Furthermore, some of this land was unfit for economic production of wheat. Then, with increased acreage, came poor farming with inadequate preparation of the seed bed, poor methods of planting resulting in an increased weed menace with its resultant increases in dockage. The yields per acre are now so low in the Northern and Middle Western States as to involve a loss even under favorable crop conditions.

The average for the past 19 years is as follows:

United States in general	14.25
Minnesota	13.2
North Dakota	10
South Dakota	11.6
Montana (newer soil)	19.6

The average for the five post-war years is as follows:

United States	13.4
Minnesota	10.6
North Dakota	9.1
South Dakota	9.9
Montana	10.9

The remedy for inadequate yields and poor quality of wheat is in diversification and better farming methods, and not in laws attempting to set aside the law of supply and demand. It is claimed that the wheat farmer loses money on every bushel of wheat he sells. With this low yield he can not do otherwise if he must compete in the world's markets with countries producing a greater yield per acre and with less expensive land.

The Tariff Commission in its recent report to the President on wheat-production costs, on page 4, says:

	Costs in United States	Costs in Canada	Excess, United States over Canada
A. Weighted average costs			
1. Crop of 1923:	*Per bushel*	*Per bushel*	*Per bushel*
Without land charge	$1.11	$0.64	$0.47
With land charge on cash rental basis	1.34	.82	.52
With land charge at interest on stated values	1.47	.82	.65
2. Three-year average cost, 1921–1923:			
Without land charge	1.04	.71	.33
With land charge on cash rental basis	1.24	.91	.33
With land charge at interest on stated values	1.40	.92	.48

On page 16 thereof, Table V, are figures showing the great differences in the yield per acre between this country and Canada. It is as follows:

TABLE V.—*Acreage and production of hard spring wheat, United States and Canada, 1910–1923* [1]

	Acres harvested (in thousands)		Production (thousands of bushels)		Yield (bushels per acre)	
	United States	Canada	United States	Canada	United States	Canada
Average 1910–14 [2]	16,301	9,202	187,590	169,533	11.5	18.4
Average 1915–1919 [3]	13,373	15,007	164,874	227,852	12.3	15.1
1920	10,981	16,803	95,806	233,425	8.7	13.9
1921	11,563	22,096	109,774	278,630	9.4	12.6
1922	10,879	21,223	100,507	375,194	14.7	17.7
1923	10,676	21,666	110,954	446,570	10.4	20.6
Average 1920–1923	10,694	20,447	119,283	333,455	11.2	16.3

[1] Total spring wheat crop of States of Montana, North and South Dakota, and Minnesota, and Provinces of Alberta, Saskatchewan, and Manitoba. Durum wheat has been excluded from United States figures.
[2] Including Durum.
[3] Excluding Durum.

If the farmer is losing money in competing with Canada for export, why encourage him to continue?

The remedy for a surplus for which there is an inadequate demand is a decreased acreage. Why does not our Agriculture Department tell the farmer to put his wheat acreage back to where it was before the war? No; that would be too simple a remedy. Instead it proposes a novel, ingenious, artificial scheme, which ignores the lessons of the past and violates all fundamental economic laws. It proposes to remedy these agricultural ills by forming a corporation and conferring certain powers upon that corporation and the Government. In brief, the bill creates a corporation with five directors, of which the Secretary of Agriculture is to be the chairman. Its capital consists of $200,000,000 to be appropriated from the United States Treasury. Whenever the corporation finds an exportable surplus of "wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine," and that the domestic price is below the ratio price to be fixed by the corporation, it shall so notify the President, and he must declare an emergency which will put the ratio price in effect until the corporation recommends otherwise. It will be noted that the President has no discretion whatever. He becomes a ministerial agent in this corporation, of which the Secretary of Agriculture is the head. The ratio price is to bear the same relation to the pre-war price on the commodities as the current all-commodities bears to the pre-war all-commodities price. It therefore clothes the corporation with price-fixing authority. Make no mistake about this.

To carry out its general powers it is given authority to operate warehouses, facilities for processing basic commodities, to make contracts for the same, to trade in basic commodities, and engage in such further business as is incidental and necessary. Let me submit that this is putting the Government in business to the extreme limit. If, following the declaration of an emergency and the putting into effect of a price on a basic commodity, it is found that such commodity or any derivative thereof or competitive substitute therefor is likely to depress the domestic market and thereby tend to increase the losses of this corporation in respect of such commodity, the President must proclaim that fact, whereupon an embargo upon "such

commodity or derivative or competitive substitute" is put into effect. Note the tremendous tariff-making powers that are conferred, in effect, upon this corporation. These powers go not only to the basic commodities and their many, many derivatives, but also to the many, many more competitive substitutes. The power is to so fix the duty thereon as to prohibit their entering into the country during the period of the emergency.

Upon the declaration of such emergency the corporation is required to purchase the basic commodities in such quantities as to maintain the domestic price at the level of the ratio price. It is to sell the surplus abroad at whatever it can get and prorate the loss per bushel among the producers by means of a so-called equalization fee.

Truly, of the making of laws there is no end. The provisions as to how the ratio price is to be arrived at and the way losses are to be apportioned are certainly novel and ingenious. One witness described it in the following language:

A little like differential calculus and fourth-dimension mathematics, which makes Einstein's theory of relativity so simple that a child of 6 could take hold of it and make it sound as simple as A, B, C.

I am wondering if it occurred to the draftsmen of this bill that our Federal Government is still one of limited powers—powers that are either granted in express terms or are necessarily implied from those that are expressly granted. Turn to the Constitution. Where is there any grant of power which can be construed to permit a Federal Government taking the taxpayers' money to go into the business of trading and processing agricultural commodities? Where are the precedents for legislation of this kind? If we are to commence with agriculture, where will it end? What right have we to put the equalization-fee provisions into effect?

Mr. Chairman, this is not a step toward the abandonment of private enterprise and the taking over by the Government of private business; this is a leap. Furthermore, it can not be called a leap into the dark, for the experiences of centuries have pointed the way—that this can only lead eventually to disaster. The basic principles underlying the McNary-Haugen bill are wrong and inconsistent with every fundamental principle of our institutions. It is another instance of the citizen asking the Government to support him instead of the citizen supporting the Government. You read in history of the fall of the great Roman Empire. We also read that preceding that fall the populace of Rome had been educated into the belief that the Government should support them.

Mr. Chairman, is the pioneer spirit that animated our fathers and made possible the development in a century of a continent gone? Where is the spirit of the men who conquered and developed this country? Those men only asked the Government to let them pursue their own vocations in their own way. As for help, they only asked for it in matters pertaining to the common defense.

Gentlemen, I do not believe that this scheme will work out, but for purposes of argument let me assume that it will. Our annual crop of wheat is about 800,000,000 bushels. The present price is about $1 per bushel. The ratio price will be about $1.50 per bushel. Our domestic consumption of wheat is about 600,000,000 bushels. This is the quantity consumed by the American people. If this bill passes and goes into effect and works, the difference in the price to the consumer of these 600,000,000 bushels of wheat will be 50 cents per bushel. This means $2.25 per barrel of flour. Our per capita consumption of wheat in this country is about 5 bushels per year. Therefore if this bill goes into effect it means that every man, woman, and child in this country will experience an increase in the cost of living of $11.25, or $56.25 per family of five during a given year. Is the consumer willing to pay this? If he is, there ought not to be any mistake about his knowing just what he will be compelled to pay if this bill passes and goes into effect.

Take hogs. The present price is about $7 per hundredweight. This price is low. If this bill goes into effect the corporation will declare an emergency as to both wheat and hogs. That is a certainty. The ratio price on hogs will be approximately $11.50 per hundredweight. The increase will be $4.50 per hundredweight. We produced in 1923 11,182,000,000 pounds of hogs. Of this total production we consumed ourselves 10,248,000,000 pounds. The consumption of pork in 1923 per capita was 91.4 pounds. The advance is $4.50 per hundredweight, or 4½ cents per pound. This means an increase per individual in this country during the year of $4.10, or $20.50 per family.

Is the consumer going to stand for this?

Suppose the beef market should become depressed and the corporation should find and declare an emergency as to beef. Think of the great added cost to the consumers of this country in such a case, for we are the great beef-consuming people of the world.

When we think of the consumer let us also bear in mind that not only would the price of the basic commodity upon which an emergency had been declared rise but that prices would advance proportionately on all competitive commodities and the products, by-products, derivatives, and competitive substitutes thereof, for under the tariff provisions requiring prohibitive duty during an emergency there could be no importations whatever.

What is the consumer going to do when wheat goes up, our products increase in price, and the prices of all derivatives are in hand? What will the consumer do when he finds pork going up 4½ cents per pound? What will the housewife say when all of the derivatives thereof and the competitive substitutes therefor will advance in price? There can be no doubt but what that would further increase the cost of living. Then will come the demand for increased wages to meet the higher cost of living. In justice to the wage earner in the cities the increase is granted. This in itself will increase the all-commodities price and result in increasing the ratio price. The new ratio price being above the old, it is above the price the corporation is paying for wheat. It then automatically raises the domestic price. This in turn further increases the cost of living, necessitating further increases in wages, and so the vicious circle enlarges and enlarges only to finally burst, with disaster to all concerned.

Indirectly it is a measure to fix wages by legislation. Dioclетian fixed the price of wheat, pork, and other basic commodities. He also fixed the wages of artisans. Unskilled labor received 15 cents per day. Carpenters were paid 30 cents per day. He did it directly and failed. This bill, if it works, will do it just as effectually, and history will then repeat itself. The workman, like the farmer, is concerned not so much with his actual wage in dollars and cents as he is in the purchasing power of that wage. In what terms can he exchange it for other commodities for himself and his family? That is what concerns him.

If this bill works, there can be no question but that it will materially decrease the purchasing power of the wage earner. He will not be able to buy as much flour for a dollar, neither will he be able to buy as much pork as he can at the present time. Any bill which does this decreases wages, no matter by what name it is called.

The gentleman from Kansas [Mr. TINCHER] offered a chart showing the advances during the past 10 years both in wages and in agricultural products. He said he did not want to bring wages down, but he did want to bring the price of farm products up. His reasoning was specious, for with the increase of the price of commodities comes a corresponding decrease in the purchasing power of the wage earner's dollar. If commodities go up and wages remain the same, the purchasing power of the wage earner's dollar is decreased to just that extent. If, therefore, the purchasing power of his wage is to remain the same, it must be increased. In this event the disparity now present will continue. Both will be merely on a higher level. This will not help the farmer, neither will it be of benefit to the consumer. It will be further noted from this chart that prices of agricultural commodities commenced to rise before wages, and that the rise was more rapid and pronounced. It is my observation that commodity prices always change more quickly than wages. The chart shows a general downward tendency of wages, and a rising tendency of commodity prices. This is the law of supply and demand working. We should let it proceed. If we interfere, we can only aggravate.

Furthermore, Mr. Chairman, this is, from the standpoint of the consumer, a "heads I lose and tails you win" proposition. The price of a commodity is down, an emergency is declared, and the ratio price fixed which increases the domestic price of say, wheat, 50 cents per bushel. As a result, the producer gets the benefit of the same purchasing power that he had in pre-war years. Now suppose an extended drouth comes in some portion of the world and decreases the supply of wheat, or suppose there is a war or some other catastrophe materially increasing the demand for wheat so that the price of wheat rises to a point far in excess of what it was in pre-war years. There is nothing in this bill to protect the consumer from any such situation. This bill enables the producer to get his pre-war price, but if anything of this kind which I have related should occur it in no wise protects the consumer in the pre-war purchasing price of his dollar. Again let me say, that from the standpoint of the consumer, this bill is a "heads I lose and tails you win" proposition.

Mr. Chairman, I do not think that this Congress or another Congress has any business legislating along these lines. I do not think that we ought to legislate so as to make the wage earners' dollar buy less or more of the farmers' products. This is something that can only be adjusted through the laws of supply and demand. Some of you, my colleagues, may differ with me as to this. In fact, those of you who advocate the passage of this bill must differ with me. I think, however, we can agree on this and that is that we ought not to legislate so as to injure both producer and consumer. It is my judgment that that is just what this bill will do if enacted into law. I believe it will place the farmer in a worse position than he is in to-day. If so it can not help but injure the man in the cities. The two are interdependent upon each other.

I shall now seek to demonstrate that this bill can not aid the farmer, and it can only succeed in aggravating his present condition and making it worse. I think we must agree that the primary cause of the wheat farmer's condition is the excess of supply over demand. It would seem to follow, therefore, that any remedy to meet this condition should involve a decrease in production. This legislation will raise the domestic price from the present figure of about $1 per bushel to $1.50 per bushel. This in itself is an invitation to increase production. If, with our present surplus of 200,000,000 bushels now selling at an inadequate price in Europe we increase production and thereby increase that surplus, how can it do other than aggravate the present situation?

Mr. Chairman, valorization schemes fail, and always will fail if production is not controlled. If this bill is to pass, the corporation should have authority to curtail production. Why is this not provided for? The reason is apparent. How many of the farmers of the country would stand to have some bureaucrat tell them whether they would be permitted to plant wheat or not; and if so, what kind and how many acres? Schemes of this kind have been tried before. The attempt is to fix prices and levels above the natural market. This in itself is an invitation to overstimulation and the product of the commodity so sought to be benefited. As a consequence a goodly percentage of producers, offered a guaranteed market with prices above what they had been receiving, will devote an increased portion of their time to increasing the production of the commodity enjoying this privilege. The result is soon a further excess of supply. This excess must be allowed to pile up or be dumped abroad at a further depreciated price. Australia has had one of these valorization schemes pertaining to sugar. The Government has been left with a great surplus of sugar which it can not dispose of because of the depressed market, and which it is retaining at the expense of the taxpayer.

What is the consumer of this country going to say when he pays $11.50 per hundredweight for his pork, and finds it selling abroad for $5 per hundredweight? What is he going to say when wheat costs his miller $1.50, whereas it costs the foreign miller 75 cents per bushel? He will then rise up in his wrath. There are far more consumers than there are producers, and if there is going to be legislative price fixing and the consumer takes a hand directly that price will be fixed in the interest of the majority, and that certainly will not be in the interest of the farmer. Prices ought not to be fixed or controlled by legislative assemblies or by any other method except through the law of supply and demand. It is through prices that the people of any community make known their needs of particular goods. It can be done in no other way.

I have endeavored to show that this overproduction or excess of supply over demand has been the greatest factor in bringing about this disparity of prices as between the price that the farmer receives and the price that he has to pay. The statistics introduced by the proponents show that the disparity is gradually getting less. Anything which puts a premium upon further increasing the supply will but further decrease the price on the farm commodity and make the disparity that much greater.

The third cause the Secretary described as maladjustments which exist in the industry itself. I shall now take up the question of whether or not this bill will reach that cause.

The Secretary refers, on page 68 of his report, as follows:

A number of factors within the wheat industry itself also have contributed to the present wheat crisis. Lands on which wheat can not under present economic conditions be grown profitably have been brought into cultivation in some regions.

This bill will not reach this situation. It will only aggravate it, for it places a premium by adding an inducement for producing more wheat.

I quote further from this report:

Furthermore, high prices and the appeal for larger food supplies during the war induced many farmers to expand unduly their farm operations and to incur liabilities which since the break in wheat prices they have been unable to carry.

I can see nothing in this bill to meet that difficulty.

I quote further:

The financial distress which has come as a result of these various causes is considerably aggravated by losses which are due to inefficient farm management.

The one-crop system that has been practiced by so many wheat farmers has depleted the soil, infected the land with weeds, resulting in a marked decreased in yields and a substantial lowering of the quality and condition of the yield.

This bill will not do anything other than to aggravate this by providing an inducement for increasing the acreage in the price per bushel, which in no wise depends upon efficient farming.

Instead of recommending or countenancing legislation of this character the Department of Agriculture ought to advise the farmer as to the facts and tell him the truth. They ought in every practical way assist him in giving him every kind of valuable information as to world-crop conditions, average, and production in the various countries of the world, and all other information necessary to the intelligent planning, planting, and production of his crop. In our part of the country the wheat acreage did not shrink back to a pre-war basis until practically five years after the armistice.

During the war, it will be recalled, the Department of Agriculture issued a program recommending wheat acreage by counties. After the armistice this recommendation was not recalled, neither was the farmer advised of the probability of what Europe would do in the way of renewing production and increasing consumption. The farmer should have been told that conditions had changed, or would very soon change; that if he maintained his wheat acreage on a war basis, prices would certainly fall. The department has given out information of this character in our part of the country pertaining to flax. The information gave the average imports for the 10 preceding years. The probable domestic requirements for the year following in this information, as I understand it, was disseminated through county agents. The farmers were quick to utilize the information furnished to them. The flax acreage was increased approximately 75 per cent. Production increased approximately 66⅔ per cent. The value of the crop was increased substantially 75 per cent. Total production was increased from 11,383,000 to 18,901,000 bushels. The added income to the farmer was $15,000,000. This is showing the farmer how to help himself. This plan should have been pursued following the close of the war in reference to wheat. It is not too late to do it now. The scheme embodied in this bill can not help but increase production and aggravate the present existing situation.

It is admitted by some that this bill is unsound in principle, but that it should pass, because we have protected the manufacturer and labor with the protective tariff and labor with an immigration restriction law. The immigration law does incidentally protect labor and its wages. The primary purpose of restricting immigration was not to protect labor, but to protect American institutions by preventing the bringing in of people here too fast to be assimilated. As for the policy of protection, that applies to the farmer as well as to the manufacturer. We all know how promptly the emergency tariff bill was passed following the inauguration of President Harding. This was confined to agricultural products. Furthermore, the producers of this country practically wrote their own schedules in the Fordney-McCumber bill. It was only the other day when the duty on wheat was raised under the flexible provisions of that bill from 30 cents to 42 cents per bushel. It has practically eliminated the importation of wheat. The farmer gets the same protection that the manufacturing exporter gets.

Furthermore, it might be well for us to bear in mind what the President had to say in his annual message about agricultural relief. I quote:

No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury, will be of any permanent value in establishing agriculture. Simple and direct methods put into operation by the farmer himself are the only real sources for restoration.

This plan was then under consideration generally through the public press. It fixes prices, requires money from the Treasury, and involves no end of complications.

Mr. Chairman, I come from a city district. In my district—the greatest milling center in the world—we grind millions of bushels of wheat annually, much of which is exported. Yet this is but a small percentage of the commerce and industry in my district. All of this commerce and industry, however,

is dependent upon the prosperity of the farmer in the adjoining territory. He is our customer and we are his customers. When one prospers the other prospers. When adversity comes to one it necessarily follows as to the other. Business in my city is affected by the depressed agricultural conditions. Great merchandising stores have vast sums of money out on credit which at present can not be paid. Banks and trust companies have made mortgage loans upon farms where in many instances payments of principal and interest are not being met. If the people of my district were of the opinion that the enactment of this legislation would be of real worth and benefit to the farmer, they would be for it. If I likewise felt so, I would be for it; but I can not support it, believing it to be unsound in principle, unworkable in practice, detrimental to the very people it is designed to help, and perilous from an economic and political standpoint. [Applause.]

Mr. TINCHER. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. CLAGUE].

Mr. CLAGUE. Mr. Chairman, the financial condition of the average farmer in the United States is not good; he has been steadily losing since 1920. How to improve that condition is one of the vital questions of to-day. Some people declare that the only farmers who are not prospering are those living in sections where diversified farming is not carried on. I know from actual experience that farmers are not getting a reasonable return for their labor or on their investments. This condition now prevails amongst the wheat farmers, stockmen, and farmers in most sections where diversified farming is carried on. It also includes the dairy farmer in many sections. Where I live, in southern Minnesota, most farmers diversify, and a large per cent of them have not been able to pay all interest on necessary small loans, interest on their mortgages, or pay all their taxes in the past three years. Many of our hard-working farmers, who have been careful and economical in their purchases and expenses, who were out of debt four years ago, are to-day heavily in debt and living partly off their principal accumulated prior to 1920. By reason of having to hire high-priced help, pay interest charges on necessary loans, paying high taxes, and having to purchase necessary machinery at present prices to carry on and conduct his farm, and by reason of the high cost of nearly all the things he has to buy the average farmer has not been able to make ends meet.

This is the condition of most of our farmers. It is not sectional but general, and particularly so in all of the Northwestern States. This condition prevails even in sections that have had good crops during the past four years. What is the cause? In my opinion it is due to the low purchasing power of the farmer's dollar. The farmer has to produce his commodities on a war-time cost basis, has to purchase most all of his necessary articles on a war-time basis, but has had to sell his commodities at a pre-war price. Between 1905 and 1914, inclusive, the farmer's dollar was worth 100 per cent, but now his dollar is worth about 60 per cent of what it was during this basic period 1905–1914. The following list of articles which the farmer has to purchase has risen in price since 1914 and speaks for itself:

Labor, more than 100 per cent.
Cloth and clothing, more than 101 per cent.
Fuel and lighting, more than 67 per cent.
Metals and metal products, more than 41 per cent.
Building material, more than 81 per cent.
Furniture and house furnishings, more than 76 per cent.

But farm commodities have only advanced in price since 1914 on an average of 17 per cent. It will be seen from the foregoing that all necessary articles which the farmer has to purchase has advanced on the average of more than 60 per cent, while farm commodities which the farmer has to sell have increased not over 17 per cent. To-day it takes practically twice as many pounds of grain of any kind, twice as many pounds of fat cattle or fat hogs as it did during the average of the basic period given in this bill to purchase machinery, fuel, building material, household goods, or to hire farm help, or to pay the interest, taxes, or past indebtedness as it did in 1913 and 1914.

Practically every article the farmer has to purchase is protected by a tariff and made by high-priced employees protected by restricted immigration laws. The freight carriers are protected by laws allowing carriers a reasonable return on their investments; money loaners are allowed by law to charge reasonable interest rates, and by reason of such laws the manufacturer is not compelled to have his surplus manufactured articles fix his home price; the laborer in shops of railroads or mechanics do not have to compete with foreign labor, but the price received for the surplus which the farmer has to ship abroad determines his home price of that particular commodity. By having to sell their surplus on the world markets our farmers are now receiving a pre-war price for many of their commodities, thereby taking twice as many bushels of grain and nearly twice as much of everything he produces to hire help or purchase the necessaries of life. All other classes have been helped much more by our laws than the farmers. Our farmers are paying for their necessaries the highest prices paid in the world and have to pay a higher wage for help than the farmer of any other country, but his surplus products have to compete with the low-priced farm products of other countries that are produced by low-priced labor.

The farmer of the United States has been the burden bearer for most of our people. He has been paying the bills.

The Committee on Agriculture has held many hearings on proposed farm-relief legislation. Evidence has been given before our committee by farmers, business men, leaders of farm organizations, and labor leaders, from many States, all advocating that some farm-relief legislation is necessary and should be passed by this Congress. Our committee has given faithful, honest, and diligent study to this question. I believe I can say that it was the unanimous opinion of the committee that it is not more credit that is wanted, that more credit would be an injury instead of a benefit. What the farmer wants is a chance to get out of debt, not some scheme to get him in deeper, is the agreed opinion of the committee and of everyone who appeared before it; that the one relief needed to help our farmers to-day is a better price for all the commodities the farmer has to sell—a price that is on a comparative price basis with the things he has to buy. With this object in view much time and much study has been given by the different members of our committee to the various bills proposing farm relief. It was only after a full and fair hearing and mature deliberation that the McNary-Haugen bill was favorably reported. We got the best judgment upon it from the most practical farmers and business men. Many changes were made in the bill from the original draft to simplify and bring forth a workable law. Our committee realized that we could not pass at this time any law that would bring down the prices of the necessaries the farmer has to buy, nor lower the price of labor to a pre-war basis, that the only thing that could be done would be to raise the price of farm commodities to a comparable price with such things as the farmer has to buy and the present labor wage. This bill does not in any way try to destroy the other fellow. It is an honest effort to advance the price plane of farm commodities in the United States so that the farmer's dollar will have the same purchasing power it had during the years 1905–1914, inclusive. If this plan had been in force in 1923, the ratio price based on the 10-year basic period of 1905 and 1914 would have given our farmers in cash at least 35 cents a bushel more for their wheat, 15 cents a bushel more for corn, $3 per hundred more for their fat hogs, $1 per hundred more for their fat cattle. It would have made the farmer's dollar worth nearly 100 per cent instead of less than 60 per cent, as it is to-day.

The opponents say that the bill is not workable and it is to that feature of the bill that I now turn. To understand the workability of the plan we must first understand what it is designed to do and just how it provides what shall be done. This plan sets up a corporation capitalized through a subscription by the United States which is controlled and operated by a board of directors in the same manner and in the same way that the ordinary corporation is managed. Its purpose is to cure a condition that now exists whereby agricultural products produced in excess of the requirements of our own people are fixed to sell on account of such excess or surplus at a price that rests on the basic price of like commodities in the competitive markets of the world, thereby nullifying to the farmer the benefits that other American institutions receive through the operation of the principle of protection for our high standard of living, thus bringing down the American standard of living of the American farmer to that of the low standard of the peasant of Europe. This plan in the result of its operation segregates the surplus portion of our domestic requirements and permits the farmers to sell the surplus in the markets of the world at the world's competitive price, and as far as this surplus is concerned the operations under the plan will be similar to what they are to-day. But the benefits and advantages to the farmer are provided by permitting him to sell his domestic portion—that is, the portion required for home consumption—in the markets of the United States at a price that is in keeping with American standards and the American principle of protection—a price measured on the basis of equality with other American-

produced commodities. The corporation provided for in this plan enters into the markets of the United States in the same manner that a similar private corporation would, and becomes a competitive purchaser for specific farm products upon which an emergency has been declared at a price that will restore the pre-war purchasing power these products had during the basic period of 1905–1914, inclusive. The corporation's activities are limited to the minimum required to restore and maintain that price.

The setting up of this ratio price is not left to the discretion of a friend or foe of the farmers, but established through the use of statistical data compiled by a Government agency using a formula specifically referred to and made a part of the bill. When an emergency is declared and the price determined the corporation would become an active buyer in basic markets to the extent only as necessary to maintain the market at that ratio price. In wheat, for example, the price in all the markets of the United States, with but few exceptions, rests and depends upon the world's price or the Liverpool price, as it is generally referred to, less the cost of delivery at that market. Under the workings and operations of this bill the price will rest on the ratio price established in the basic markets through competitive buying by this corporation, which in all probability will not need to extend beyond the markets or the United States ports of export, and the price available there will be reflected throughout the United States into all terminal and primary markets.

Export operations, as are now conducted, in so far as methods of operations vary and grades are concerned, are well defined and easily determined, and but a comparative few variations and grades are dealt in; therefore, it would be a simple operation to establish the ratio price for basic grades and basic varieties and provide for purchase as required to maintain the market at the basic price. In marketing operations as conducted at the present time, variations in grades and quality are purchased at a price above or below the basic price as the variation in grade or quality may be. This established method of purchasing of grades and varieties above or below the basic price or ratio price will be the method under which the corporation provided by the plan will operate. It only involves the carrying out of a simple business transaction in a business manner. The ratio price at which the corporation becomes active as a buyer will provide the minimum basic price in all markets, for the simple reason that there will be no sellers at a price less than it is known that there is a buyer equipped and willing to buy it. But this does not necessarily mean that there will be nothing but higher prices in various markets than this basic ratio price. There will be no fixed price. Markets are sustained at the ratio price through the competitive action of this corporation, and not otherwise, and as soon as the surplus of any emergency-declared commodity tributary to any certain market is absorbed, the operation of ordinary competitive methods will undoubtedly cause the price to vary and range at times to a higher level than the ratio figure.

It is the contention of those opposed to the bill that the law, if passed, will be unworkable. This type of statement has been made with respect to almost every important piece of legislation in the history of the United States. Just a few illustrations will bring the facts to your mind. Most of us will remember how freely it was asserted at the time of their consideration as to each of the following:

1. That the income-tax laws would ruin the country.
2. That the Federal reserve act would destroy the banking system.
3. That the Federal farm loan act would dry up the sources of the farmer's credit.
4. That the meat inspection act would drive the packing industries into bankruptcy.
5. That the cotton futures act would rob the cotton producer of millions of dollars.
6. That the food control act would produce a revolution.
7. That the grain futures act would destroy the grain exchanges and with them the country elevators.
8. That the immigration laws would invite instant and serious retaliation from numerous foreign nations, and could not be administered.
9. That the tariff laws would be unworkable, invidious, ruinous, and likely to provoke countervailing action by other countries.

Coldly analyzed, what are the facts as to all of these statements? Their stimulus rests upon the fact that interests affected by them, no matter how narrow or how broad, have foreseen some degree of inconvenience or some loss of profit to their own particular business so that they have opposed them all in spite of their being for the general welfare.

It is almost an axiom that only a few of the farseeing, constructive, progressive, and wise in any trade and industry are willing to accept suggestions, whether in the form of legislation or otherwise, looking toward changes in their existing status quo.

The grain-futures exchanges of the United States, for instance, have reached a point where the Nation may expect practically nothing from them in the way of improvement. They have become solidified in their way and while performing in many respects a valuable service future changes and improvements will probably have to come from outside stimuli.

APPLYING THE FOREGOING BACKGROUND TO THE M'NARY-HAUGEN BILL, IS THE PLAN WORKABLE?

The statement is constantly made, usually without giving reasons, that the plan created by this bill will not work. Only three reasons have been given, so far as my knolwedge extends, as to why it will not work.

1. The farmers will not pay the equalization fee and this will break down the plan.

2. It includes products other than wheat and can not be applied successfully to them; for instance, livestock and/or its products.

3. It will destroy the grain-futures exchanges and thus destroy the opportunity for hedging, thereby ruining the country elevator.

1. The answer to the first statement is that if a farmer can get 35 to 40 cents a bushel more for his wheat under the bill than he can without it he will be very glad to take it, and, in addition, a participation certificate for 10 or 15 cents more, even though he accepts the certificate with the knowledge that its final value depends on the loss in the export market and the expenses of conducting the corporation.

2. The fundamental principles involved in marketing one agricultural product are practically identical with those of marketing others. Necessarily, you do not grind pork out of a flour mill nor flour out of a packing plant, but the forces of competition operate on purchasing and selling in the same manner in both cases.

Hogs are worse off as to price than wheat. They can be handled equally well under the bill. There are two ways in which the situation can be met: The corporation has ample power to enter into contracts for processing, distributing, and selling the products—the corporation bearing the loss from the equalization fund—or it could buy finished exportable products in the form of hams, shoulders, bacon, and lard, and arrange for their exportation and sale through existing foreign outlets of the packers, compensating them for their losses on such products.

The bill is practically applicable to every product of which we export a surplus, although only certain specific necessities of life are named therein, namely, wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine.

3. There would continue to be the same need for a hedging market for the miller and the grain dealer as now exists. To the holder of long contracts the ratio price at which the corporation bought the export surplus would practically constitute a "stop-loss" order. The price level, of course, would not necessarily be satisfactory to the speculative short seller, as in his case it would be a "stop-profit" device. However, the bill is intended to help the farmer, and the speculative short seller is very often anything but help to the farmer.

Inasmuch as no maximum price is fixed, future trading would continue, but above the level of the ratio price. If a miller sold a baker 100,000 barrels of flour for May delivery, he might still wish to buy wheat futures to hedge his flour sale. Similarly, if a grain buyer bought grain, as he will undoubtedly continue to do, he would wish to hedge that purchase by a sale in the future market. Where there is an insurable risk to be taken, enterprises will be found to take that risk for a reasonable compensation.

When the price of a commodity nears the ratio price speculative buyers will probably appear in good numbers, confident that domestic market forces will elevate the price to a reasonable margin above the ratio level. There will be buyers and sellers in every market above the ratio price, because shortened domestic supplies will create fluctuation which truly will not be as great as heretofore. This suggests that scalpers and other more purely speculative traders will, to some extent, disappear from the market.

Only a fixed price at which the whole crop will be bought would of necessity destroy future trading. Then no one would require a hedge and no one would be tempted to speculate.

The McNary-Haugen bill does not fix or guarantee prices. It merely lays down a rule of conduct by which the export corporation must be guided in buying the export surplus, or such quantity of the crop of any year as is necessary to maintain prices at or near the ratio price level.

DOES THE PLAN REALLY INVOLVE ANYTHING THAT IS NOVEL?

Let us see what is necessary in the case of wheat and its products or hogs and their products in applying the principles of this bill.

1. To determine in an approximate way the surplus available for export.

As we know, within very reasonable limits, the population of the United States and its average per capita consumption each year, we can, without going further, after the regular crop reports are issued, determine with a sufficient degree of accuracy for the purposes of this bill the approximate extent of the export surplus to be bought by the commission. The purpose must be to set the amount high enough, as buying can be stopped at any moment if too great elevation of price results.

2. To determine the price that these products should be now in order to have the same purchasing power in terms of other commodities as they had on the average in the 10-year period from 1905 to 1914.

This is a matter of simple arithmetic. All of the data are collected every month of the year, and have been for decades, by the Bureau of Labor Statistics of what is now the Department of Labor, which also makes most of the necessary computations involved. Those not now made are not difficult and can and would be made promptly by the Secretary of Agriculture and the Secretary of Labor as required by the bill. Certainly any simple problem in arithmetic can be solved if its necessary elements are in our possession, as they are in this case.

3. To buy in the United States wheat and its products and pork and its products.

It seems almost silly to say that if you have the money that you can buy practically anything that you want if some one else has the commodity and wants to sell it. This is exactly what the situation is. The grower has the product and wants to dispose of it and the corporation will have the money to buy it.

4. To have raw material (wheat or live hogs) converted into finished product for export.

We will have a corporation amply capitalized with ready cash in its treasury and empowered to make contracts or, if necessary, even to lease or otherwise acquire the rights of operation of elevators, mills, packing houses, and so forth. It will not be necessary to do any of the latter, because, with its money and its power to contract, the corporation can go out and hire existing millers and packers to process all of the raw materials that it buys.

Our mills are only working between 40 per cent and 50 per cent of capacity and our packing plants probably not over 50 or 60 per cent of capacity. Is there a corporation in the country with a management so stupid that it would refuse to serve the United States export corporation to be established under this act for pay?

5. To ship products within the United States and to foreign countries.

With money to pay freight, with railroads eager for freight to haul, and with hundreds upon hundreds of idle ships anxious to get cargoes, who would say that this corporation would find any difficulty with respect to this feature of its necessary operation? As a matter of fact, practically all of the product will be handled by the agencies that now handle it, with agreements suitably drawn to protect the farmer and at the same time to give a reasonable earning to those who serve him through the agricultural export corporation.

6. To sell in foreign countries.

We now have a corporation possessed of wheat, flour, hams, bacon, lard, and other products that are used all over the world. It wants to sell these products, and is protected against undue loss by a fund that it has created through the collection of equalization fees. It is the universal observation of market agencies that if you have a product to sell, and will price it reasonably, all things considered, you will always find a buyer.

7. To distribute over all producers the expenses and losses made through the segregation of the export surplus and its sale in the foreign market at a price below the prevailing ratio prices.

This, in substance, is exactly what is done now by thousands of cooperative marketing associations. It is, perhaps, not too much to say that $1,000,000,000 worth of farm products in the form of wheat, dairy products, livestock, and fruits and vegetables are handled on this basis to-day. The major part of the sale price is paid to the grower by his cooperative immediately after the sale has taken place.

A specified percentage is witheld in the treasury of the organization until the end of each operating period, be it one month, three months, or any other length of time, from which all expenses and losses are deducted ratably. The residue of this fund at the end of the time is prorated to each member in exact ratio with the amount of business he did with the cooperative organization. These payments are known commonly as "patronage dividends."

As a cold matter of fact, there is absolutely nothing that is novel in a business sense in the plan proposed by this legislation. Opponents are merely taking advantage of the fact that its provisions are not well understood to throw a smoke screen around the whole proposition, and thus befog its proper understanding.

One illustration will serve to show those who wish to give fair-minded consideration to the problem how readily this legislation can be enforced. For convenience of consideration we need look at the whole matter from just two angles—first, from that of an agency, the United States export corporation, created to buy in the domestic market and to sell in the foreign markets the export surplus of our export farm products; second, a device that will keep out of the United States the basic agricultural commodities of other countries, for to permit them to come in would break down the plan just as the admission of products of foreign countries would break down the protective tariff law as accomplished by tariff duties in general schedules.

HOW THE BILL WILL OPERATE ON HOGS

First, the corporation will determine that an emergency exists; second, it will make its preliminary arrangements; third, it will issue a finding to the President; fourth, the President will issue his proclamation; fifth, the corporation will publish ratio prices, designate ratio periods and basis markets; and sixth, the corporation will begin to operate as any private corporation would operate to handle the same type of transactions. The second and sixth are the steps that require the greatest attention.

I. DETERMINING THE SPECIAL EMERGENCY

The finding of a general emergency is declared by the Congress in the bill itself. Special emergencies require the finding that there is a surplus of hogs available for export and that the ratio price would be higher than the prevailing domestic price. These facts are so thoroughly known that no extended investigation is required upon which to base the finding to the President.

II. MAKING PRELIMINARY ARRANGEMENTS

This will include, at least, the following:

1. Determining what shall be the basis market;
2. In what other markets the corporation should operate to accomplish the purposes of the bill;
3. Preparing the contracts needed to provide for processing hogs purchased by the corporation.
4. Preparing contracts under which the exporters (packers, domestic exporters, foreign importers) will dispose of the products arising from the corporation's purchases.
5. Put out bids to execute contracts contingent on the actual declaration of the emergency by the President.

1. The basis market for hogs is readily determined. It is Chicago, where over a period of years between 20 and 25 per cent of all hogs killed under Federal inspection are slaughtered. This will be the basis market used in the computation of the ratio price.

Chicago kills between 12,000,000 and 15,000,000 hogs per annum. This on the average is more than twice the kill of its nearest competitor—Kansas City—so there can be no doubt as to the propriety under the law of selecting Chicago.

2. It is probable that if the corporation confined its purchasing, which, of course, will be done through the existing market agencies to Chicago, the price effects would be communicated throughout the markets of the country. However, nothing should be left to chance in this matter, so it is likely that branches would be established in the 12 most important markets for hogs in the country. The following selection illustrates how great a percentage of the total kill can be covered in this way, assuming the corporation chooses the following list:

Average number of head of cattle, hogs, and sheep combined, slaughtered at cities listed, from 1917 to 1923

City	Total	Percentage of total United States inspected slaughter
Chicago	12,334,060	20.71
Kansas City	5,637,493	9.47
Omaha	4,404,031	7.40
St. Joseph	2,734,749	4.59
St. Louis (including East St. Louis)	4,028,287	6.77
Sioux City	1,545,322	2.59
Fort Worth	1,329,039	2.23
St. Paul	1,821,866	3.06
New York (including Jersey City)	3,931,403	6.60
Indianapolis	1,708,083	2.87
Boston	1,621,692	2.72
San Francisco	401,673	.67
Louisville	164,829	.28
Denver	402,998	.68
Grand total above cities	42,065,525	70.64
Total United States inspected slaughter	59,548,768	100.00

Please note that in the foregoing table all animals slaughtered under Federal inspection are included, cattle and sheep as well as hogs. If an emergency is declared on cattle, the same markets would no doubt be used and no duplication would necessarily result.

Fourteen markets control over 70 per cent of the inspected slaughter of the United States. Operation in this number would certainly prove completely effective for the purposes of the bill. However, certain geographic areas might not reflect fully the influence of the ratio price. Therefore, the corporation might decide to add operating offices for the following:

(a) At Seattle, to handle operations when necessary in Seattle, Portland, Tacoma, and Spokane;

(b) At Atlanta, to control the situation at southeastern packing points; and

(c) At New Orleans.

COOPERATION OF PACKERS

The packers will cooperate by reason of self-interest. They are opposed to the bill partly because of misunderstanding, partly because of unwillingness to change existing methods of doing business, and partly because they consider they were unfairly treated during Government control in the war period.

Contracts under this bill must be voluntary, and the packers need not participate in the export business unless they wish to do so. As there are between 275 and 325 exporters of meat products, including packers and others—but chiefly packers—they will wish to continue in this business, particularly as the corporation will undoubtedly be forced to give them a fair remuneration.

In any event competition will be found sufficient for the purpose of handling the one-eighth of our hog products that are exported, as is disclosed by the following list, showing the number of enterprises engaged in packing and slaughtering at the most important of the cities in the list:

City and number of enterprises

Chicago	43
Kansas City	12
Omaha	9
St. Joseph	4
St. Louis (including East St. Louis)	30
Sioux City	6
Fort Worth	3
St. Paul	11
New York (including Jersey City)	21
Indianapolis	13
Boston	9
San Francisco	13
Louisville	6
Denver	9

The enterprises in the list include both large and small, but can leave no reasonable doubt as to the sufficiency and availability of competitive facilities for handling the products of the corporation.

It is always necessary to remember that there will be no reason for existing agencies not to continue to do the work they are now doing and have done throughout their existence.

3. The corporation has ample power to make contracts and may lease plants for processing products.

It would be unwise to declare a special emergency and then to begin to make preparations. These must be made in advance. The corporation must be completely ready to operate the day the proclamation takes effect.

The bill utilizes existing private business to do everything that can possibly be done by it in order to interfere the least possible with the normal functioning of commerce in basic agricultural commodities.

According to the president of Armour & Co. in a printed statement put out by that company, existing plants and facilities were enlarged during the war beyond the necessities of normal times, that it has not been possible to reduce overhead in keeping with reduction of business from war-time peak, and that operations are going on at considerably less than war capacity, which he states can not be economically done.

A conference with the representatives of the packing industry, which is over 90 per cent represented in the Institute of American Meat Packers, will enable the corporation quickly to make all necessary contractual arrangements for processing.

4. The large packers are the greatest exporters, but nevertheless there are 211 additional exporting firms, and with all of these there is opportunity to make contracts for handling the export surplus. They handle it now and will handle it under the McNary-Haugen bill, as it will show them an earning.

These contracts will not be difficult to prepare. Uniform export contracts are already in use and available. Conferences with the enterprises that are affected will very quickly enable this part of the preparation to be made.

However, 348 slaughterers have applied for and received the inspection of the Bureau of Animal Industry, and hence are permitted to engage in the export trade. No less than 155 plants actually do engage in exporting.

The gentleman from Wisconsin on Tuesday night stated that only the Big Five engage in exporting. As a matter of fact, there are no less than 302 exporters shipping meat products at present, either of their own manufacture or purchased by them for the purpose of export from the United States. The export certificates show this.

Necessarily, the Big Five are the most important exporters, just as they are the most important domestic slaughterers, but why say they are the only exporters when there are so many more?

5. Before the corporation is ready to issue its finding to the President, and he to issue his proclamation, the various contracts mentioned under 3 and 4 must be completely executed, with only one contingent clause, namely, that the President do subsequently declare the emergency in preparation for which the contracts have been prepared. If in spite of the facts stated under II above it is impossible to make contracts with the packers, no proclamation would ever be issued.

That any industry in the United States would so flaunt the honest and sincere effort of the Nation to give relief to its most important basic industry is utterly inconceivable. It is particularly inconceivable that the packing industry, which is so largely bound up as to well-being with the producer, would take a position so stupid and so self-destructive.

III. ISSUANCE OF FINDING

When all of the foregoing details have been taken care of the corporation will notify the President in writing that a special emergency exists as to hogs, reciting necessary facts upon which he may base his proclamation.

IV. RATIO PRICE, PERIOD, AND BASIS MARKETS

At the same time the presidential proclamation is issued the corporation is required to publish the ratio price of hogs. At the same time it must designate the period to be known as the "ratio period" during which the ratio price will prevail. It will probably be a monthly price, though the corporation is permitted under the law to determine what period is best adapted to the needs of each basic commodity.

The market upon which the ratio price is based must also be designated at the same time, and in this designated market the purchases of the corporation for the commodity or grade must be the ratio price. In all of the other markets that may be included in the operations of the corporation a price representing the usual commercial differences between that market and the basis market will be paid. In other words, competition will govern, as is now the case.

ACTUAL OPERATIONS

To make a clear picture of the operations about six different steps must be kept in mind. They are as follows:

1. Determination of amount of equalization fee.
2. Collection of equalization fee.
3. Purchase of live hogs at markets.
4. Processing by packers.
5. Sales in foreign markets.
6. Distribution of equalization dividends.

1. DETERMINATION OF AMOUNT OF EQUALIZATION FEE

During the seven years just before the war—1907 to 1913—we exported 1,073,000,000 pounds of pork products on the aver-

age. Our average total production in the same years was 8,847,000,000 pounds. This means that we exported 12.1 per cent of our total production, the equivalent in weight of 6,700,000 hogs.

The ratio price of hogs at Chicago last month, computed according to the bill, would have been $11.25 per hundred pounds. The actual price was $7.36 per hundred pounds. The latter represents the world price. The difference is approximately $4.

Our problem is to fix an equalization fee that will cover expenses of operation and losses in buying at the ratio and selling at the world price. This fee must be set high enough to insure the money of the United States invested in the corporation's capital stock against impairment. Safety will require fixing the equalization fee on the safe side, which will create a balance to be distributed to the growers at the end of each operation period.

As we use at home seven-eighths of our total pork crop, we export one-eighth; hence the difference of approximately $4 a hundredweight on the one-eighth we export will amount to about 50 cents per hundred pounds on the total production.

To put it another way:

Seven parts sold at $11.25 equals $78.75, 1 part sold at $7.36 equals $7.36; total, $86.75. Average price for total $86.75 divided by 8 equals $10.75.

$11.25 ratio price per hundred pounds.
10.75 average price per hundred pounds.

.50

Amount per hundred pounds necessary to make up loss on export fraction.

So a deduction of 50 cents from the ratio price per 100 pounds would cover the loss of the export corporation in selling one-eighth of the total production at a loss of $4 per hundredweight. These calculations are not intended to be final, but merely to clearly show the principles involved and how readily they can be worked.

In order without fail to safeguard the corporation's capital, suppose that the equalization fee be set at $1 per hundredweight to cover loss in exporting the surplus and cost of operation. This fee can be set high safely, since any excess over the amount actually necessary will be repaid to the producer in the form of a dividend at the close of the operation period.

Remember that the one-eighth exported determines the price of the whole hog crop.

2. COLLECTION OF EQUALIZATION FEE

Now, how will the plan work? Suppose that John Jones has 70 hogs to sell, weighing, say, 15,000 pounds. The principle is the same whether he sells few or many hogs. Taking the ratio price as $11.25 and the equalization fee as $1 per hundredweight, Jones will receive $11.25 less $1, or $10.25 per hundredweight in cash, approximately $3 more than he would receive without the bill. For his 15,000 pounds, which is an average car lot, this would amount to $450. In other words, he would get $1,537.50, instead of $1,104, which he would have gotten at $7.36, the market price without the bill.

In addition to the cash the buyer would give Jones a formal receipt, which he would be authorized to issue by the export corporation, showing that Jones has paid an equalization fee of $1 per 100 on 15,000 pounds of hogs, the face of this receipt will be $150. What does this receipt mean to Jones? It means that he will share in whatever is left of this fee after the expenses and losses on the one-eighth export fraction in handling pork are met.

The corporation will have no effect on the usual marketing costs. The one additional expense due to its operation will be that arising from the cost of the service it must perform in separating the surplus from the total crop, guiding it through existing channels out of the country, collecting the equalization fee, and distributing any balance left in the equalization fund.

Suppose that it cost the corporation 25 cents per hundredweight on the whole crop to perform this service; this estimate is far too high, for 25 cents per hundredweight on all hogs would mean over $22,000,000, an amount far in excess of what would be required for these limited purposes; but, taking this figure and adding it to the 50 cents per hundredweight to cover loss on the export part, we get a total of 75 cents per hundredweight. The equalization fee collected is $1 per hundredweight. The difference is 25 cents, and this would be prorated to all producers on surrender of their receipts at the close of the ratio price period.

3. PURCHASE OF LIVE HOGS AT MARKETS

At the 14 markets named above, the corporation would keep a supervisory office with an accounting and recording staff, which would issue its instructions to buyers at such a rate as would sustain the level of the ratio price. These purchases would be made by the packers with whom the contracts for slaughtering and processing were made. There would be no difference in principle from what happens without the McNary-Haugen bill, except that the part bought up by the corporation would be completely removed from any price effect upon the domestic market.

The total amount involved would not be extraordinarily great, as our pre-war average value of pork exports (1905–1914) was less than $102,000,000. In other words, less than $10,000,000 worth a month. The 1923 total was $266,000,000, something over $20,000,000 worth a month to handle. The movement is not uniform, so that the peak requirements will be higher than the monthly average figure, but it will be less business than many individual corporations do in many lines of business.

4. PROCESSING BY PACKERS

Under the contracts entered into before a special emergency has been declared, the purchases made for the corporation's account will be slaughtered, processed, and distributed by the packers through their existing export sales outlets. These contracts will cover every detail necessary to safeguard the corporation—hence the grower whose creature it will be jointly with the Government—from avoidable enhancement of losses.

5. SALES IN FOREIGN MARKETS

Eight hundred and sixty-three establishments are under the Federal meat inspection law; 348 of these conduct slaughtering. Of the 348 establishments that do slaughtering, 155, including 91 owned by the Big Five packers, conduct an export business.

Of the 863, 302 in all, including slaughterers, engage in exporting. In other words, 147 enterprises conduct export of livestock and meat products in addition to those who are slaughterers. If it seems necessary, in order to get results and to do justice, contracts for handling the product in the foreign market will be made with the 302 exporters.

Under the Edge and Webb-Pomerene laws corporations could be organized by the packers and exporters to handle the product controlled by the export corporation. The exporters could submit their offers from purchasers abroad to the sales supervision department of the export corporation or the corporation could sell the exportable products on a parity with world prices and let the exporters take complete charge of the product from this point. This would involve putting them under bond to actually ship out the products released to them by the corporation.

As all the existing agencies will be continued in business, no changes will be made in the export outlets except in a bookkeeping or actuarial relationship that will be created by the contracts between the corporation and the exporters. Their foreign staffs will continue to work exactly as at present and under the direction of their employers, without any interference whatsoever from the corporation except to make sure that the full world price is being secured for the American farmers' sales.

6. DISTRIBUTION OF EQUALIZATION FUNDS

As the corporation will necessarily withhold more than actual loss and actual expense for safety's sake, there will be a balance in the pork equalization fund to be prorated back to the producers. Their receipts will show how much they are entitled to. Returning, in conclusion, to our hypothetical farmer, Jones, who got $10.25 per hundredweight in cash when he sold his hogs and a receipt for $1 per hundredweight equalization fee, we can now close out his transaction. One dollar was withheld, but only 75 cents used. He is therefore entitled to 25 cents per hundredweight at the end of the operation period. Jones's total price, then, is $10.25 plus the refund of 25 cents, or $10.50 per hundredweight. This is approximately $3.15 over the price of $7.36, which he would have gotten without the bill. It raises his total return for his 70 hogs to $1,575, as against $1,104, which he would have received if there was no McNary-Haugen bill. The corporation would declare its rate of dividend either in per cent or in cents per hundred pounds; would arrange with banks, post offices, or other suitable institutions to take up the receipts and to issue the cash for them. Jones would turn in his receipt for $150 and receive a dividend of $37.50.

CONCLUSION

Wheat has been mentioned so many times and is believed to be in such distress that many have erroneously concluded that

the export corporation plan could not be operated fully as effectively on hogs and cattle as on wheat. The plan can be worked successfully on every crop of which we export a surplus.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Chairman and gentlemen, the McNary-Haugen bill is a straight, fair plan to return agriculture to its place of equality among the other industries of the Nation. It proposes only that the Government, in the preservation of which the farmers in great measure are now caught in an after-war crisis, shall furnish the working capital for a corporation headed by the Secretary of Agriculture as a revolving fund with which to help themselves back to a comparatively fair level with labor and industry, which have already been helped by adequate legislation.

The voice of the gentleman from Massachusetts [Mr. LUCE] trembled yesterday when he said this must not be done, because it would cost his working people, with 6,000,000 idle spindles, a little more to live. But is he not willing that the farmers of the West and South shall be taxed high prices for manufactured goods that his people may get high wages and live American lives? His voice would tremble even more should the farmers say out of their necessity, "Very well, then, let us strike down the protection which taxes us for their support, let us throw them into competition with the labor of Europe and South America, as we are thrown in competition with it through the necessity of selling our surplus in the markets of the world," so that, as the gentleman says, nature may take its course and the sacred laws of supply and demand may not be interfered with.

Of course, it costs more to pay decent wages than coolie wages, and it is also true that the farmers, as 40 per cent of the buying public, help pay the added cost. Is it possible that there is any place in this country unwilling to pay the farmer what it costs him to produce the necessities of life? Who are willing to eat at the expense of some one else?

And here is the gentleman from New York [Mr. BLACK] who has served notice that he intends to thrust a beer amendment into the vitals of the bill to-morrow. Does anyone doubt for a moment the purpose of such an act? It is to kill this bill. The gentleman is less open in his purpose than the gentleman from Massachusetts, who has at least the virtue of being aboveboard, if shortsighted in his argument. I know how hard it will be for them to explain a vote for agriculture and all America to constituents, so many of whom still do not readily understand the English language, and so many others of whom know their dictionaries, but need to learn the language of the entire United States, but I also know that there are many here from the East who are with us for this bill because they know its necessity and its justice.

The gentleman from South Carolina [Mr. STEVENSON] argued against this bill yesterday, but in trying to think of what he said without the RECORD before me I found this morning that I could remember nothing.

The gentleman from the farms of Duluth [Mr. LARSON], where the great grain elevators stand along the harbor of the inland sea, by denying any crisis in agriculture thus qualifies as an expert in blindness to the facts.

My good friend the gentleman from New York [Mr. CLARKE] spoke for the dairymen as against this bill, but in yesterday's mail came a letter from the National Cooperative Milk Producers' Federation, whose membership covers the East, the Middle West, and the South, which reads as follows:

For some time the members of the executive committee of this federation have been studying the McNary-Haugen bill, and at a meeting to-day of the committee it was unanimously decided that the bill should have the approval and support of this federation.

Without attempting to discuss the bill in detail, we believe that it is the one bill now pending in Congress that promises early assistance to the hard-pressed stock raisers and wheat growers.

We are also convinced that any measure that will be helpful to them will react to the distinct and material help of dairymen.

May we express the hope that you can see your way to give to this bill the utmost limit of your support.

Very truly yours,

THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION,
By J. D. MILLER, *President*.

The president who signed that letter lives, not in the West, but in Pennsylvania.

Gentlemen, the real truth about this measure is becoming known, and it is gaining strength with understanding. The 60,000 names shown yesterday by the gentleman from Illinois is only an indication of its general support. On the Committee on Agriculture recommending this bill are men from every section and both parties.

That the gentleman from Louisiana [Mr. ASWELL] calls them Bolsheviks has its advantages, because it proves the unfairness of his position. Starting with such a statement, his argument falls flat. He has a bill of his own and it has much merit; even as the gentleman from Massachusetts [Mr. LUCE] is willing to let agriculture suffer that his factory hands may not pay any more for what they eat, he is willing to kill this bill because his own is not in its place. I would apologize to the House for any discourtesy, but this is so vital a time for this country that plain speaking is required.

You talk here about everything but the issue, which is the crisis of agriculture, and this bill which will help it. You try to find some reason for doing nothing rather than what to do. You cry "Keep hands off from agriculture," when you mean keep hands off from privilege. Let us be fair.

If the gentleman from Wisconsin [Mr. VOIGT], who also has a bill he wishes to substitute, will yield me time, I will guarantee to show the fallacy of his essential arguments against this bill. I can not do it, of course, in the few minutes I have. I can only call attention to the fact that he acknowledged the needs of agriculture, but criticized this measure without saying what should be done instead. He has abstained from printing his speech in the RECORD, although it was Tuesday night when he delivered it. He called this measure unsound, saying it fixes prices, whereas it only adjusts them at a parity. And to-day I have here a bill he has himself introduced to fix an arbitrary price on wheat by law.

Since my election to Congress I have given more time and more thought to agricultural legislation than to all other matters combined, and I have done this because from my touch with the situation I know that the greatest present need of the country is the solution of our farm problems.

The situation of agriculture has been discussed on the floor of this House so repeatedly and at such length that I will not in the short time I have been given repeat in any detail. We now know, and no one questions who is intelligently informed, that a crisis of the most urgent character exists in much of the agricultural industry. One farm authority calls attention to the fact that bankruptcy and mortgage foreclosures have reduced the ownership of the six and one-half million farms of the United States to a point where they are held by less than 3,000,000 owners. In great areas of our country the farmers have produced the last four crops at a loss, and they have been forced to make up these losses by further mortgaging their real estate and personal belongings. Thus, the indebtedness of the American farmer has increased from four to five billions of dollars in the past five years. We know that 1,120,000 people left the farms for the cities in 1922 and that a similar exodus continued in 1923 and is now under way; but with all this we also know that, regardless of anything else, we must have the products of the farms in order that our people may continue to eat. The farmers must continue to farm for us, even if they can not afford to farm for themselves.

That bank and business failures go hand in hand with agricultural depression has attracted the attention of the business and financial leaders. That industrial hardship follows any loss of the purchasing power of the people, and the farm population are some 35 to 40 per cent of our people, has riveted the attention of the manufacturers. In short, the situation is so severe and has reached so far that there has never been a more general recognition of the problem than now exists.

Out of such a necessity has come the most intense study and most honest search for both the causes and a solution. The result of this study has been to make plain that those basic farm products of which an exportable surplus is produced have, through the necessity of selling that surplus abroad, had the price of the entire crop—sold here as well as abroad—fixed adversely by competition with produce of cheaper labor, cheaper transportation, and un-American living standards. All this at a time of foreign demoralization after the war. Meanwhile the cost of production of these crops steadily has risen.

Farm labor, for example, which was $2.23 per day in Ohio in 1913, was $3.50 in 1923. In Washington it had risen from $2.90 to $5.75; in North Dakota from $3.35 to $4.70. The increase varies from 48 per cent to 111 per cent. Similar increases are noted in the costs of transportation, farm machinery, clothing—in fact, everything which enters into cost of farm production. In other words, the farmer must thus pay his costs under American conditions of living under closed markets, and sell his products under European and South American conditions of living. The result is that instead of 5.5 per cent of all bankruptcy cases being farmers, as it was in 1912 to 1914, it was

144 per cent in 1922. It ran as high as 32.6 per cent in Nebraska and 78.5 per cent in North Dakota. How could it be otherwise when for the last four years the net loss per acre on wheat in Minnesota and the Dakotas has been from 10 cents to $3.42 per annum, and the losses on the production of other staples has been of a similar nature? In short, an emergency exists in the most basic of our industries. What to do to meet it as far as it can be met by legislation is the problem before us to-day.

Any manufacturer succeeds if he can sell his product at cost of production plus a profit. Any business fails if it can not. If the sale value of the product stays down while the cost of production mounts until it wipes out the profit and eats into the capital, difficulty ensues.

Suppose at that point, while the manufacturer is wrestling with his problem, a farmer should hitch his horse outside, come in and say: "I'll tell you what to do; just change your production to something else. Just quit making monkey wrenches, they get thrown into the machinery anyway, and go to making clothespins—the women must always wash."

If the manufacturer kept civil and did not throw him out, he would explain that that would take time and a change of machinery as well as a different supply of raw material. In the same way the farmers are trying to keep cool while oratorical gentlemen are giving them the same sort of advice, with no greater knowledge of the difficulties and time involved.

Diversification is already under way. It can proceed only as markets will absorb any surplus. In Montana, for example, there was a 40 per cent increase in the number of pounds of butterfat last year, but in spite of that no real gain could be made on the principal of indebtedness. These things take time and have their limitations. A crop planted is not harvested next week, and a hog is not born overnight. Cows cost money; and beyond all that the agricultural emergency exists with regard to many of the products of diversification. No one claims that diversification will solve the immediate crisis. Furthermore, many sections are peculiarly adapted to certain necessary crops, such as hard spring milling wheat, the production of which should not be reduced.

The fundamental fact is that the farmers could meet all of their own difficulties if what they raise could be sold at a reasonable profit. To accomplish that is the purpose of the McNary-Haugen bill.

The gentleman from Wisconsin [Mr. VOIGT] uttered more fallacies regarding this bill on Tuesday night than I supposed could be crowded into one hour and a half, but none was greater than his statement that it is unsound to determine the prices of farm products by those of other commodities. Why, gentlemen, the price of every commodity must be related to the price of other things. It is a matter of exchange value, and if its value in relation to other things is too low, it can not continue to be produced. For 10 years before the Great War exchange values were at a fairly normal level; that is, there was a general prosperity, because the farmer and practically all other producers could exchange what they put forth into the markets for fair returns, translated into the prices of what the farmer must buy. To-day, however, while labor has a relative purchasing power of 170 per cent computed on that 10-year relationship as 100 per cent, and the products of industry as a whole have a purchasing power of 150 per cent, agricultural products as a whole have a purchasing power of only 74 per cent. Why? Because by legislation and by organization labor and capital in industry have been protected through the after-the-war crisis in order that foreign competition in neither field shall bring down American standards, but our staple crops still have their prices fixed by competition abroad. The difference between 170 and 150 on the one hand and 74 on the other is the difference between American standards of life and those of Europe and South America.

This situation is ruining agriculture and it must not continue. Either the high standards of labor and industry must likewise be thrown down into foreign competition along with agriculture, which no American thinking man will advocate, or American agriculture must be restored to its place of parity. That is the purpose, and the sole purpose, of this McNary-Haugen bill. It is a sound, constructive bill, because it meets an emergency. It is not proposed as a permanent policy, but recognizes that, just as exceptional measures were required and justified to win the war, necessary steps to win the peace for agriculture as well as for labor and industry are required.

This bill says that only when an emergency exists the corporation formed and headed by the Secretary of Agriculture shall be empowered to buy, at a price of equality with all commodities, for sale abroad at the world prices of the surplus, while the needs of home consumption are met at prices commensurate and on a parity with all other commodities purchased here. It gives the means of protecting the home market against foreign competition by a flexible tariff, and it charges back on the farmer himself the cost of operating the corporation and the losses on foreign sales. That is all it proposes to do, and if you believe that agriculture is entitled to a square deal, this is your opportunity to demonstrate it as a working fact by supporting this measure. [Applause.]

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having taken the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 7041) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, had requested a conference with the House thereon, and had appointed Mr. SHORTRIDGE, Mr. SPENCER, and Mr. CARAWAY as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 6721. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes;

H. R. 6202. An act to amend sections 11 and 12 of the merchant marine act of 1920;

H. R. 5573. An act granting certain public lands to the city of Shreveport, La., for reservoir purposes;

H. R. 8886. An act providing for sundry matters affecting the Military Establishment;

H. R. 731. An act authorizing the Wichita and affiliated bands of Indians in Oklahoma to submit claims to the Court of Claims;

H. R. 4835. An act to pay tuition of Indian children in public schools; and

H. R. 6482. An act authorizing the Postmaster General to contract for mail messenger service.

The message also announced that the Senate had receded from its amendment numbered 3 to the bill (H. R. 9192) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The message also announced that the Senate had passed without amendments bills of the following titles:

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 714. An act to amend section 101 of the Judicial Code;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 3236. An act to regulate the practice of optometry in the District of Columbia;

H. R. 4437. An act to quiet titles to land in the municipality of Flomaton, State of Alabama;

H. R. 4460. An act authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange lands formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 1869. An act for the incorporation of the Grand Army of the Republic;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.;

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 2879. An act to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont.;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 5136. An act for the relief of Eva B. Sharon;

H. R. 5169. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch;

H. R. 5218. An act granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation, in Washington, for lighthouse purposes;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 6857. An act to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma;

H. R. 7109. An act to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 7500. An act to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes; and

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State.

The message also announced that the Senate had passed, with amendments, the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 946) for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1725. An act for the relief of Rubie M. Mosley;

S. 2559. An act to establish an Alaska game commission to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes;

S. 3181. An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide additional hospital facilities;

S. 3187. An act granting permission to certain officers and men of the military forces of the United States to accept various decorations bestowed in recognition of services to the allied cause;

S. 3220. An act authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md.;

S. 3276. An act authorizing the sale of real property no longer required for military purposes;

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes;

S. 3003. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes;

S. 2979. An act to extend the provisions of the homestead laws so as to allow certain credit, in lieu of permanent improvements, for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States;

S. 2834. An act relating to the American Academy in Rome;

S. 2836. An act relating to the deposit of funds available for maintenance of reclamation projects;

S. 2719. An act to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun*;

S. 2519. An act to extend the benefits of the United States employees' compensation act of September 7, 1916, to Carol E. Reeves;

S. 2518. An act for the relief of Austin G. Tainter;

S. 2434. An act for the purchase of the Oldroyd collection of Lincoln relics;

S. 2178. An act to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization;

S. 2124. An act for the relief of Perley Morse & Co.;

S. 1650. An act for the relief of William F. Brockschmidt;

S. 1051. An act to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department;

S. 863. An act for the protection of persons employed on railway baggage cars and railway express and baggage cars, and for other purposes;

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes;

S. 483. An act to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920;

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War;

S. J. Res. 85. Joint resolution authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington;

S. J. Res. 124. Joint resolution to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers;

S. 3263. An act to provide for the inspection of the battle fields in and around Fredericksburg and Spotsylvania Court House, Va.;

S. 3249. An act granting the consent of Congress to the construction of a bridge across the Niagara River and Black Rock Canal;

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

S. 3241. An act for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age;

S. 3171. An act for the relief of sufferers from earthquake in Japan;

S. 3170. An act for the relief of Edgar William Miller;

S. 3077. An act to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes;

S. 833. An act for the relief of Emma La Mee;

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefor timber, within the exterior boundaries of any national forest situated in the State of New Mexico;

S. 3047. An act authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom;

S. 3026. An act authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery;

S. 3016. An act to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance;

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service;

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds;

S. 2699. An act to amend an act creating the Custer State park game sanctuary in the State of South Dakota;

S. 2232. An act to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the marine hospital service";

S. 2172. An act to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same;

S. 2087. An act for the relief of Laura C., Ida E., Lulu P., and Esther P. Peterson;

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.;

S. 1656. An act granting the consent and approval of Congress to the La Plata River compact;

S. 1607. An act for the relief of Nellie Kildee;

S. 1528. An act authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ark., donated to the United States of America for use in connection with Hot Springs National Park;

S. 1042. An act to provide for the establishment of a probation system in the United States courts, except in the District of Columbia;

S. 1040. An act for the relief of the owners of the New York Sanitary Utilization Co. scow *No. 14;*

S. 1039. An act for the relief of the owner of the scow *W. T. C. No. 35;*

S. 1038. An act for the relief of the Brooklyn Eastern District Terminal;

S. 862. An act amending section 1 of the interstate commerce act;

S. 823. An act to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes;

S. 785. An act for the relief of the Eastern Transportation Co.;

S. 367. An act for the relief of James W. Laxson;

S. 51. An act for the relief of the owner of the schooner *Itasca* and her master and crew;

S. 1574. An act for the relief of Alice E. O'Neil;

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind; and

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. COLTON. Mr. Chairman and gentlemen of the committee, is this legislation now necessary? I think it will need no argument upon my part to convince this House that the condition of the farmer is desperate. Surely if there is any possible way for this Government to help him, that way ought to be found. One-fourth of all our farmers have either actually gone into bankruptcy or are facing it. The rest of them are not more than breaking even. If some relief is not forthcoming thousands of farmers will be sold out and many country banks which are now considered solvent will soon close their doors.

During the debate upon this bill some of the most anomalous things have developed. The Representatives from the industrial sections are telling the Members from the agricultural sections that this bill will not help them; that those who profess to speak for the farmers do not understand the situation, and many Members who are farmers themselves are told by Members from the city that they do not understand the farmers' problems. All are agreed that agriculture is in a precarious condition, but when the remedy is sought the city Member tells the farmer he does not understand the problem. Nearly every Representative who has spoken here has expressed a willingness that farmers should receive a higher price for their products, and then in the next breath he has opposed this measure because it would raise the price of the necessities of life to the consumer. Gentlemen, let us be fair. If you are willing that the farmers should receive a higher price, what difference does it make to you whether he receives it as a result of a decreased production or by reason of withdrawing the exportable surplus and shipping it abroad? In other words, you admit that if there was a decreased production that the consumer would have to pay slightly more, and you urge that. What difference would it make to the consumer if that increase in price were brought about by reason of a small crop or because the larger crop is taken care of under the provisions of this bill? Your position is untenable. Experts agree that the provisions of this bill would increase wheat 20 points and would only increase the cost to the consumer about 1 point. In other words, the all-commodity index would be advanced 1 point where other agricultural commodities would be increased 20 if this bill were in operation. That slight increase would be so little that no one would notice it.

The opponents of this measure have earnestly contended that this was a packers' bill; that it would benefit packers and the milling companies. Here again you have one of those strange anomalies that sometimes develop in public debate. The Representatives on the floor of this House from the packing centers without exception are opposing this bill. That is equally true of the Representatives from milling centers. It therefore follows if we are consistent that these Representatives do not know what their constituents want. Gentlemen, can you imagine anything more paradoxical? Agricultural Representatives do not know what their constituents want. Those representing packing and milling districts are equally mistaken, and the Representatives from city districts must work out this problem. Honestly, is there any consistency in this argument at all? Practically every farm organization in America is asking for the enactment of this law. The only packers' organization in America is opposing it, and practically every organization in the buying and milling of grain is also opposing it. Does that bear out the contention that this is a packers' bill? I submit to you that it does not, and is at least presumptive evidence that it will benefit the farmers. These organizations have given months of the most careful study to this problem and their Representatives are the keenest students of the economic questions as they affect the farmers' interest.

A great deal of opposition to this bill arises from the fact that there would be an overproduction, but experience does not prove the correctness of this contention. Surely no one will argue that the stimulus of this bill would be equal to the stimulus of the late World War. The greatest production of wheat was in 1915, two years before we entered the war. In that year it reached 1,025,801,000 bushels, whereas in 1918 and 1919, after the tremendously effective campaign carried on all over the United States for an increased production, the amount in each of those years was less than 1,000,000,000 bushels. When the further fact is considered that an overproduction will reflect back upon the farmer, because he must bear the burden of taking care of the surplus, surely no one will seriously contend that the farmer is going to make the mistake of greatly increasing his production. Especially is this true in view of his experience during the last two or three years.

Of course, it is impossible to conceive of any law against which possible objection can not be raised, but judging from the experience already had by the farmers, as well as from the results of the campaign for production carried on during the war, it seems clear to me that there will be no great increase in the production of agricultural products during the lifetime of this bill. The great difficulty of the farmer is not altogether the low price of his products, because he is actually getting now a higher price on an average for his crop than he received before the war. The trouble is that the purchasing power of the farmer's dollar is not on a parity with the dollar of other industries. The farmer buys in a successfully protected market and sells in a demoralized world market. America faces, in my judgment, a choice between bringing the price of other industrial commodities down to the world level or lifting the price of the farmers' products up somewhere near other industrial prices. The disparity between them is too great and can not exist much longer. For one I believe the greatest calamity that could come to our country to-day would be the leveling process of bringing everything down to the world market.

We must solve the problem in some other way. Any policy of protection ought to be on the level and treat all industries alike. Agriculture should have the same degree of protection that other industries enjoy.

The McNary-Haugen bill points the way to lift the plane of agricultural products and yet maintain the higher level for other industrial commodities. Had it been in effect in 1923 it would have distributed more than $1,000,000,000 among the farmers and livestock men in the country in addition to what they did receive. It would have greatly increased the property valuation of all farming lands. It would have prevented hundreds of bank failures. Forty per cent of the people of America live outside of incorporated places, the most of them upon the farm. You can not tell me that prosperity in the industrial centers can long continue with the purchasing power of the farmer's dollar curtailed as it is now. The condition in which the farmer now finds himself will be duplicated in every part of our country unless you bring relief to agriculture. The collapse of agriculture in America means the collapse of every

other industry in the country. This can not and must not be. We must save America for Americans and maintain the high standard of living in all lines of industry. [Applause.]

It must be borne in mind that this bill is not to cost the Government of the United States one dollar. It is true that a $200,000,000 corporation is provided for, and the Government is required to take stock in the amount that will be needed to carry on the business provided for in this bill, but that will be returned at the expiration of the lifetime of the measure to the Treasury, and some are willing even to pay a small rate of interest for the use of that money. It must further be borne in mind that every dollar of expense connected with the operation of this bill comes directly out of the farmer, and all this he is willing to pay if the price of his product is brought up to a parity with other industrial commodities.

Gentlemen, in conclusion let me say that this is an emergency measure. When our country entered the war we faced many emergencies, but did we hesitate on that account? No. We met and solved every problem and came out of that struggle triumphant. I have absolute faith in my country. It has successfully solved every great problem in the past, and it will solve this problem. It has met every emergency that has ever confronted it. American ingenuity will meet every situation confronting this country in the future. An emergency has been proven. The farmers of this country face a condition and not a theory. There is an emergency here. America will meet it. In my judgment this bill offers the best solution for the meeting of that emergency, and for that reason I shall support it. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield seven minutes to the gentleman from Illinois [Mr. ARNOLD].

Mr. ARNOLD. Mr. Chairman and gentlemen of the committee, this Congress has been in session something over six months. The eyes of the American farmer have been turned to their National Capital during all this period of time hoping and expecting that some remedial legislation would be enacted in their behalf. So far they have hoped and looked in vain.

As the Congress is nearing its end, with an election fast approaching, with the demands of the agricultural interests becoming so insistent, legislation has finally been reported out of the committee and brought to this floor for our consideration. The farmers of the country are to-day wondering what we have been doing all these months that no remedial legislation has been enacted. We have heard from the White House and leaders of the majority platitudes and high-sounding phrases to catch the ear of the American farmer, but what the farmer is interested in is action, not idle words of praise or sympathy.

With taxes mounting higher year by year, with freight rates advancing, with the purchasing value of his dollar gradually diminishing, with the existing inequality in prices he receives for what he sells and what he is obliged to pay for what he buys, with his obligations soaring skyward and in numerous instances the sound of the auctioneer's hammer ringing in his ears, with conditions which force him to rob the fertility of his soil in order to keep his head above water, it is no wonder he is alarmed and is demanding action by Congress. He knows, and every student of agricultural conditions knows, that if his present predicament continues long his days as a farmer are numbered. His request is not that his Government expend vast sums in his behalf, but that his Government treat him as fairly as it has treated other interests and extend its kindly offices to him as have been extended to others, that he may help himself at his own expense.

It has been well said that agriculture is the basic industry of America. More money is invested in agricultural activities and more people are dependent upon the results of agriculture than the results of any other industry. One-third of our population is directly engaged in this pursuit and every man, woman, and child in America is dependent upon that one-third, directly or indirectly, for food and clothing, the elementary necessities of human life. The farmer pays one-half the gross earnings of the railroads of the country and buys nearly one-half of the manufactured products of the country. His is the key which locks and unlocks the wheels of industry throughout the land. Their continued prosperity depends upon his prosperity. There are practically six and one-half million farms in the country, with a valuation of nearly $80,000,000,000. This is nearly double the amount of money invested in manufacturing industries. Of all the exports of the country, the farmer produces one-half and he contributes more than one-half of the total expense for the maintenance of our public institutions. Upon his products our great network of railroads, our transportation systems by land and by water, are dependent for their continued operation and sustenance. Unhealthy agricultural conditions lead to unhealthy industrial conditions, and unless checked and restored in time disaster marks the end, not only to the farmer but to transportation and industrial activities alike.

We are all interested in the general prosperity of the country. For America's prosperity we must have a well-balanced development between agriculture, industry, and transportation. Neither can long endure successfully without the prosperity of the other. When adversity visits the one, the prosperous days of the other are numbered. Readjustments are necessary when one gains an undue advantage over the other, until a permanent stabilizer is found and applied.

Formerly American life was very simple.

The farmer could live within himself, raise his own foodstuffs, make his own clothing, machinery, and appliances, crude as they were, but he could and did live without the aid or assistance of the outside world. Science, discovery, and invention have brought about an economic development which has changed all that. American standards of life and living have changed. The farmer is now dependent upon the markets for his output and draws on the markets for his continued operation. Modern civilization has wrought great changes and presented new conditions and new problems which must be met and solved in the economic world, and as the march of time goes on, when other business, trade, and callings are bolstered up by special legislation in their interest, it is not strange that things get out of balance and need correction in the interest of the farmer. If we must have special legislation in the interest of other industries and business, then let us have special legislation in the interest of agriculture, the basic industry of America. You must agree with me that it is at least as much entitled to special legislation as any other business.

Unfortunately the scales of equity are far out of balance at the present time. Through the protection afforded by laws enacted by Congress to industry and labor, the price of their products and the scale of their wages have become distinctly an American standard. The protective tariff, the Adamson law, immigration laws, the Esch-Cummins Act have created a distinct standard or scale of prices and wages in practically every line of industrial activity except agriculture. It requires no argument to convince anyone that no set of men in any business, trade, calling, or profession will continue long in that business unless his balance is on the right side of the ledger. If he does not quit voluntarily and go into some other business, he will soon receive an invitation to quit from the bankruptcy court or the sheriff's summons. I am not a calamity howler and do not want to be classed as such.

I want to get as far away from the pessimist as possible. Optimism is the bright light of success in any undertaking. But in dealing with conditions we must deal with them as they are. We must not deceive ourselves. The lure of the high wages of the city is drawing men from the farms to-day as never before in the history of the American Nation. The exodus from the farms to the cities has been gradually becoming more pronounced year by year. It has been estimated that an average of 3,300 persons per day are leaving the farms, seeking other means of livelihood. Our farm population has shrunk nearly 2,000,000, while the industrial centers are becoming larger and larger and more congested. And this condition will continue until the agricultural industry is brought more nearly in balance with other industries, so that the opportunities in agriculture will approximate the opportunities in other industries. Some people complain that so many are leaving the farm and going into the industrial centers. If greater opportunities are awaiting them elsewhere, they are not doing themselves justice if they do not go. Human nature is so constituted that men and women will go where the opportunities are best; this is but natural; it is the law of the universe; in other words, self-preservation is the first law of nature. If it continues at the present rate, this migration from the farm to the industrial centers, industrial America will soon reach the stage of overcongestion. The wheels of industry will cease to turn. The smokestack of the factory will no longer belch forth clouds of smoke, and our great transportation system will cease to function in its accustomed channels through business stagnation and depression.

Factories can not long operate without an outlet for their products. The transportation systems of the country must have commerce to transport for their continued activity, and without the commodities of the farmer to be transported back and forth from the farms to the cities and the industrial centers, the steel bands of our great railway system, a veritable network spreading to the remotest corners, polished by the continuous use of

locomotives and freight cars pulling the commerce of the Nation to-and-fro, would soon be transformed into streaks of rust and decay.

The failure of the farmer means the accumulation of goods upon the merchant's shelves, in factory, and warehouse. It means curtailment of operations in the factory and a resulting unemployment. Something should and must be done to equalize conditions and avoid the wreck and ruin which is sure to follow in the wake of these abnormal conditions. Something should and must be done to restore the equilibrium between agriculture and other industries in order to avoid the wreck as far as possible. The equilibrium should be hastened and not retarded. The greatest question which now confronts the American people is how best to restore this equlibrium. The high protection afforded industry under the Fordney-McCumber tariff law has placed the farmer at a decided disadvantage. It has given the manufacturing interests of the country an undue advantage. It enables the manufacturers to operate at a much greater margin of profit. It returns into the Treasury but $500,000,000 annually, while it costs the people of the country, by way of increased cost of the things they must buy, $3,500,000,000 annually, much of which falls directly on the farmer. A protective-tariff policy never did and never will help an industry which must depend upon the world markets to regulate and fix its prices.

The agricultural industry of this country must sell and compete in world markets by reason of the fact that America produces a surplus of farm commodities and that surplus must be sold in competition with world production. The price of the exportable surplus determines the price of commodities sold for domestic consumption. He can not pay American standard of wages or enjoy American standards of living when he is forced to sell in markets fixed by open world competition and purchase the things required by him in a local, protected market. Financial prosperity can not be his under such conditions.

What, then, is the remedy? Credit facilities have been extended to him, but it is not credit he needs. He is already too heavily involved. He needs relief that will enable him to discharge his indebtedness before he is consumed by the debts he has already contracted. Organization and cooperation is to him a shield of protection only to a limited extent. The organization of labor has placed the laboring man on a higher plane than ever before. It has brought about better wages and better working conditions. Labor never could have attained the standard it now enjoys but for organization and cooperation.

The manufacturing industries of the country have profited by organization and cooperation, but special legislation enacted at their behest for many years past has so contributed to their welfare until there has grown up in this country a standard of prices and wages known as the American standard, with which agriculture can not compete without corresponding legislation in its behalf. By organization and cooperation other industries can figure the demand and can create the supply accordingly. Not so with the farmer. He might figure the demand, but the supply is difficult. Many uncontrollable circumstances overnight may transform his whole calculations. The early frost, the drought, wet weather, blight, insects, destructive pests, devastating storms, and any number of other exigencies lay waste his crops, which, can not be foreseen. Epidemics and disease among his livestock are beyond his vision, consequently he is handicapped in equalizing supply and demand and can not reach an estimated basis with anything like the degree of accuracy of other business. No man or set of men has ever yet been able and never will be able to control the elements. Farming interests are so scattered and diversified, and so fraught with uncertainties, that successful and effective organization is economically impracticable.

The farmer, who has not been one favored by legislation as other industries, compelled to labor under such disadvantage, can not compete with the industrial centers, and we find the man power of the farm gradually diminishing, with no prospects of a change until farm prices are restored and stabilized. The result of this is broad acres lying idle, impoverished and depleted soil fertility, old homesteads going into decay, homesteads which once flourished and gave forth abundant fruits and bountiful harvests now growing up with straggly oaks and pines. The migration from rural to urban centers threatens the stability of our whole economic system and menaces the future welfare of the American Republic. The United States must adopt a definite policy as to agriculture and industry. We have reached the period when we must determine whether we will strive for a permanent, well-rounded, self-sustained national life, in which there will be a fair balance between agriculture and other industries, or whether we will sacrifice agriculture for the building of cities and an industrial nation, which must be more or less dependent on outside support.

We have the facilities, we have the equipment, we have the natural resources, we have everything within our domain for a well-rounded national life. Shall we develop it symmetrically or shall we continue in the future as in the past to develop certain industries at the expense of others? All I ask for agriculture and all agriculture asks for itself is an equal opportunity. This it is entitled to and must have if our boasted prowess of America is to continue undiminished. A well-developed national life calls for the development of all our great resources, not at the expense of any one but for the common good of all.

Ordinarily I am opposed to legislation for any special interest, and would oppose legislation of this character in the interest of the farming class alone, which is to some extent paternalistic, but when I consider the fact that other industries are profiting at the expense of the great agricultural masses of the country through special legislation in their behalf, and when I further consider the fact that to have national prosperity we must have a well-balanced prosperity between other industries and agriculture and transportation, and when I consider the unfortunate dilemma in which agriculture is now placed by special legislation accorded other industries, for the preservation and protection of the American farmer, as a matter of self-defense for this industry, so essential to our national welfare, to establish the equilibrium between agriculture and industry, I am willing to waive my natural antipathy against special privilege and vote a little special privilege to the farming interests of this country to place this industry on a parity with other industries.

There has been presented to us for our consideration this bill, known as the McNary-Haugen bill. There were many objectionable features in this bill as originally presented. The Committee on Agriculture, after extensive hearings and due consideration, have revamped the bill, retaining the essential principles of the original bill but eliminating many of the objectionable features. The bill now, to my mind, presents a fairly workable plan. It is, as has been said, a new departure in farm legislation. Some may say it is too paternalistic, but it is not more paternalistic than a protective tariff for the protection of the manufacturing interests of the country; it is not more paternalistic than the law authorizing a commission to adjust freight rates for the transportation interests of the country, whereby they are permitted a margin of profit over and above operating expenses and maintenance and upkeep. It is not more paternalistic than other measures that have been placed upon the statute books under which other interests are made to thrive. It lays claim to being no more than an emergency measure. The emergency now exists. It costs the Government nothing. All expenses of its creation and operation are borne by the agricultural interests themselves. It is true credit is extended to the extent of $200,000,000, but it is only credit extended, not a gift, and every dollar will find its way back into the Treasury. There may be some defects in its workings. If so, time will disclose these defects and future Congresses can correct them if it be deemed advisable. I believe it is a start in the right direction. That something is necessary for the relief of the farmer is conceded by practically everyone. This seems to be the only plan so far presented for relief in this present emergency.

Its basic feature is to release that portion of the farmers' commodities consumed at home from the prices fixed through competition in the markets of the world and put him on an equal footing with other business which has been the recipient of special legislation, that he may enjoy the American standard of wages and prices enjoyed by them. It subjects the exportable surplus only to open competition in the world markets and spreads the difference between prices received for the exported surplus and the prices received for domestic consumption proportionately over the entire product marketed. That will tend to restore the equilibrium between agriculture, transportation, and other industries. It will enable the farmer to work out his own salvation at his own expense; and, with a cooperative marketing system so worked out as to take up the slack between producers and consumer, I believe agriculture will thereby be enabled to hold its own, and with well-rounded development between agriculture, transportation, and industry, with the equilibrium established and maintained, the general welfare of the people of America will be promoted.

Gentlemen, I have been listening to the general debate on this bill for something like 14 hours. I have been giving due consideration to the words of wisdom uttered in the debate on

this bill, both pro and con. It is indeed interesting to me to see in this great body of Representatives from the great Northwest, the great outdoors of America, God's own country, Members of this House affiliated with the party now in power, after standing here for years past voting and working in the interest of the great New England States as that section sought and received special legislation through a high protective tariff, now coming to this Congress for some relief for their section. When they ask for bread, you gentlemen from that great section offer them a stone. [Applause.] It has been well said here, gentlemen, that this country is nonsectional, and with that I agree. It should be; but I observe also on this side of the aisle some of my friends and colleagues from the great Southland lining up against this bill, and I wonder why.

I do not like to say that personal interests control men in their actions or deliberations, but, gentlemen, I venture the assertion that were the price of cotton down to 5 cents, as it was a few years ago, and relief were available to the cotton grower by this bill you would see many of these gentlemen scrambling over themselves to have cotton written into the bill.

Mr. ASWELL. Will the gentleman yield?

Mr. ARNOLD. I will.

Mr. ASWELL. If cotton was 5 cents and the ratio price 19, and 65 per cent of the cotton was exported, it would bring down the price of cotton in this country 2 cents for the producer.

Mr. ARNOLD. I thank the gentleman for his contribution, and I presume that is his version of the matter. Gentlemen, objections have been made to this bill for the reason that it is a price-fixing measure. It is not a price-fixing measure but a price-adjustment measure. I ask you gentlemen in all fairness and in all candor, is not the agricultural interests in this country entitled to a relative price with other commodities for their commodities? I ask you gentlemen in all fairness and candor, is it anything unreasonable for the agricultural interests of this country to come to this Congress and ask this Congress to enact some legislation that will enable the American farmer to help himself at his own expense?

This, as you have been told, will not cost the American Government one dollar. It has been said here by the opponents of the bill that it will increase production, and increased production will drive prices down. I grant you that it will have that tendency, but at the same time the men who have been opposing the bill on the ground that it would increase production are supporters of cooperative-marketing bills designed to increase the revenues of the American farmer on his commodities; and if you increase the revenue of the American farmer on his commodities, by whatever system proposed, you thereby increase production just the same.

This bill will dovetail in nicely with a broad cooperative-marketing plan, which will assist the farmer materially as a measure for permanent relief by taking up the spread in prices between what the producer gets and what the consumer pays. Let us write this upon the statute books and give it a trial. If we do that, I believe the pendulum will swing back before adversity strikes the hour which spells the demoralization of what has heretofore been the greatest industry of the country and the institution upon which all our flaunted prosperity must rest. We owe a duty to industry, to ourselves, and to our country to cooperate and work together to bring into our American life that harmony of a well-balanced prosperity that our people may enjoy that happiness and contentment so necessary to the welfare of the American people. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield eight minutes to the gentleman from Oklahoma [Mr. McKEOWN].

Mr. McKEOWN. Mr. Chairman, it is necessary that the products of labor be in proper form to facilitate transportation and exchange. This is necessary to give the product exchangeable value. Supply and demand regulate values when artificial regulations do not interfere with this natural law. This natural law is as immutable as the tides and as resistless as the sun. No one can say exactly the point where demand begins or ends or where supply ends or begins in relation to the creation of value. But supply can be adapted to demand and the gulf between the producer and the consumer is not so fixed that it can not be bridged. It can not ever, in my opinion, be filled.

Organized effort in production, transportation, and distribution will help promote more harmonious operations of the natural law controlling supply and demand.

The man-made conditions in the world markets as well as the domestic trade are out of gear with nature and as a result the unfortunate farmers are being ground between the upper stone of high prices for his necessities and the lower stone of low prices for his products.

Many uneconomic laws and regulations have contributed to this condition—the high protective tariff, high freight rates, and increased wages. The greatest factor however, in my judgment, which has contributed to the economical seesaw is the fact that for more than a century we have devoted every energy to building and encouraging manufacturing enterprises. Not only have the great cities, but every village and hamlet, through commercial clubs and chambers of commerce, been dinning our ears with the cry for more industries and more dinner-pail brigades.

Members cry "Keep the Government out of business," but this comes rather tardily at this time, when for more than 50 years the Government has been in the money business and has turned this popular product over to private persons to profit on and take toll of the American people.

The Government has put the farm-loan business in the hands of private persons by providing that the stock subscribed by the Government should be returned. When the money is returned to the Government these farm-loan banks then assume an independence of action which works to the detriment of the farmers. Instead of making liberal loans so the farmer can take up their present mortgages, they restrict loans, and the farms go to the block.

In 1890 there were no farm mortgages in Oklahoma.

In 1900, 9.8 per cent of the farms were mortgaged.

In 1910, 39.2 per cent of the farms were mortgaged.

In 1920, 61 per cent of the farms were mortgaged.

The Government set the banks up out of money a part of which was paid in taxes by the farmers and for the purpose of relieving the home-owning farmers, but the banks have gotten into the hands of some who are not interested so much in how the farmers come out but how well the banks will fare.

We protect the manufacturing industries and have done so for nearly a century, yet we hear nothing from the opponents to this bill about socialism in these matters.

You talk about raising the cost of living, but you do not discuss the failure of any living on the farm.

Some of you want wages reduced, and thus return to normalcy, but the reduction of wages will not appeal to the farmers, as it is in the good wages of labor where lies the hope of markets for his food products. It is not high wages that is hurting; it is low prices.

The prices of the things which the farmer must purchase whenever perchance he can buy a few necessities are several times higher than the prices of his products. The products of the farmers will hardly buy one-half the amount of necessities that they would buy in 1919. Clothing has risen in 10 years 101 per cent; building material has risen 81 per cent; while farm products rose 17 per cent.

Maybe this bill will not do all the things its proponents hope, but one thing is sure, you can not hurt conditions.

The farmers of Oklahoma are not struggling for comforts but for their very existence, for food and clothing, and for a roof over the head of himself and family.

Give him a little lift so that he can regain his foothold. There are no more optimistic people on the earth than the farmers of Oklahoma. The floods descend and the droughts come and the boll weevil thrives, yet he goes on from year to year with grit in his craw and hope in his heart.

I am hoping the day will come when the farmer will have the benefit of his toil and some reasonable compensation for the labor of himself and family.

Congress has been increasing the tariff for the protection of infant industries until, like old-age pensions, the amount of protection increases with the age of the industry.

Let the country pause a moment and realize that the basic industry of America, namely, agriculture, has been neglected and forced to struggle for nearly a hundred years against the greatest odds.

Let cities, towns, and villages give some time to the encouragement of this great industry and relieve in part the tremendous burden resting upon the Government of the United States.

Now to the bill before us for consideration. Shall it pass? And will it have my vote and approval? It will have my vote but not my full approval. It is counter to all my ideas of economics. It sells products at home for more than abroad. I could never vote for the bill but for the fact that the manufacturers have been and are now doing that very thing under the protection of the tariff laws and there is no chance to repeal the tariff laws in time to do the farmers any good.

I like provisions in the Norris-Sinclair measure and believe that the Curtis-Aswell bill would give a permanent basis for agriculture. But, gentlemen, we do not face theories; we face real conditions. There is no time for long arguments or delaying diagnosis. We must pull the farmer out of the meshes of disaster or he will perish. There will be plenty of time to diagnose and patch him up, because he is already injured enough, until you will have an opportunity to try all your remedies. So I am supporting this measure not because I think it is the best, not because I favor the theory or principle upon which it is grounded, but because I am convinced that unless some positive steps are taken to meet the present emergency in agriculture, that hunger and unemployment will stalk the streets of our manufacturing cities, and that political revolution will run riot from coast to coast.

Representatives of a hundred and ten million people, ponder well your vote.

The bill has many valid objections, but you must remember that no measure can meet the full approval of a majority of the Members.

The committee considered it for over four months. Some call the bill as reported a monstrosity. If it took the committee four months to bring this out, what could you expect to vote for if they are given four more months of time?

I can not set my judgment against the committee to the extent that I am willing to vote against the only measure offered and then go back to the farmers of Oklahoma, who have lived in dugouts and starved to build a civilization in a coming Commonwealth, and say that I hid my opportunity to vote for some relief under a plea that the measure is uneconomic, and confess my inability to meet the emergency thrown upon me as one of their Representatives. If I err, let me err on the side of him who feeds the world and toils uncomplainingly in the face of tremendous odds. [Applause.]

I am unwilling to confess that the House of Representatives of the United States is impotent in this emergency.

We met the transportation emergency to the tune of over a billion dollars. We met the shipping emergency to the tune of $3,000,000,000. We met the emergency of the high cost of living to our employees to the tune of several million. Are you going to fail the farmer? [Applause.]

Mr. HAUGEN. Mr. Chairman, it has been alleged time and time again that this measure would bankrupt the farmer. I have here petitions signed by 4,150 farmers, 847 bankers, 5,843 business men, 7,497 others—all told, 58,353 signers. They are all for the passage of this bill. I ask the Clerk to read the letter transmitting the petition.

The Clerk read as follows:

ILLINOIS AGRICULTURAL ASSOCIATION,
Chicago, May 19, 1924.

Hon. GILBERT N. HAUGEN,
House of Representatives.

Greeting:

Our down-State farmers, bankers, business men, and others of the great State of Illinois in large numbers have expressed through petition, which I have the honor to bear with me, commissioned to deliver to Congress, their interest in the early passage and enactment into law of a measure pending in Congress and known as the McNary-Haugen bill.

There is attached herewith for reference a summary of the several petitions.

ILLINOIS AGRICULTURAL ASSOCIATION.

Mr. HAUGEN. I have here a list of 300 associations indorsing the bill, an addition of 10,000 individuals. We have armfuls of indorsements from various sections of the State. Do you want to take their word for it or take the politician's word for it?

Mr. DENISON. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. DENISON. I have an acquaintance in Washington who claims to represent the farmers. I do not know how many. His name is Benjamin Marsh.

Mr. HAUGEN. Well, I will turn him over to you, or I will refer him to the gentleman from Texas. Mr. Chairman, I yield to the gentleman from Illinois [Mr. FUNK].

Mr. FUNK. Mr. Chairman, the opponents of this bill seem to think that the only people who are supporting it are farmers, and that the workingmen throughout the country are not supporting the bill. I do not know how it is in any other State than Illinois, but I do know that in Illinois the Illinois Federation of Labor and its affiliated associations are supporting this bill. I have received a letter from that organization which I send to the desk and ask to have read, in my time, which will indicate the support of the Illinois Federation of Labor for this bill.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

[John H. Walker, president Illinois State Federation of Labor, chairman; Dennis McCarthy, Brotherhood of Locomotive Firemen and Enginemen, secretary treasurer, legislative representatives of Illinois State Federation of Labor; United Mine Workers of America, District 12; Brotherhood of Railroad Trainmen; Brotherhood of Locomotive Firemen and Enginemen; Order of Railway Conductors; Women's Trade Union League; Illinois Journeymen Barbers' Association. Chicago office—166 West Washington Street, phone, Franklin 0916. Springfield office—seventh floor, Illinois Mine Workers' Building, phone, Main 4330.]

JOINT LABOR LEGISLATIVE BOARD OF ILLINOIS,
May 15, 1924.

Hon. FRANK H. FUNK.

DEAR CONGRESSMAN: At a recent meeting of the Joint Labor Legislative Board of Illinois consideration was given to the deplorable condition in which the farmers find themselves as a result of the ruinous deflation policy instituted some three years ago and the need of Federal legislation to assist them in recovering from their bankrupt condition, which Government reports show a great majority of them to be in.

Inasmuch as the Government has seen fit in the past to assist and protect various business and financial institutions, it appears only fair that Congress would heed the plea of the farmers in giving to them some measure of relief at this time.

By unanimous action of the members of the board we were instructed to advise you that after careful consideration of the legislation now pending in Congress that the Joint Labor Legislative Board of Illinois joins with the Illinois Agricultural Association in requesting you to give your support and vote for H. R. 5563, known as the McNary-Haugen bill, which provides some measure of relief and assistance to the farmers, which they are in need of so much at this time.

Trusting that you will give this measure your favorable consideration, we remain,

Respectfully yours, DENNIS MCCARTHY, *Secretary.*

Mr. ASWELL. Mr. Chairman, a good deal has been said recently as to the location of the opposition to this bill. The gentleman from the State of Washington [Mr. SUMMERS] yesterday made a strong effort to make it appear that the opposition is purely sectional. That charge 30 years ago would have had perhaps some influence, but such a suggestion now on a question of this character of national importance is pure bunk. I have had hundreds of letters from all parts of the United States in opposition to the bill, but I have not burdened the RECORD with them. Let us look hurriedly at a few examples.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. ASWELL. Yes.

Mr. RAKER. The gentleman has heard my question in regard to the cattle situation.

Mr. ASWELL. I did not know that the gentleman had asked it.

Mr. RAKER. Cattle have been selling for 4½ to 5 cents a pound for cows and 5 to 6½ cents per pound for steers. That has been going on for several years. The people are paying from 25 to 65 cents a pound for meat. How is this bill going to aid the man who raises the cattle?

Mr. ASWELL. The bill is impossible and unworkable with reference to cattle, if you mean to reduce the spread between the producer and the consumer.

Mr. RAKER. We have to concede that the price of meat to the consumer now is too high.

Mr. ASWELL. Yes.

Mr. RAKER. And the producer is not getting enough.

Mr. ASWELL. That is correct.

Mr. RAKER. How is this bill going to protect these cattle people in the West?

Mr. ASWELL. My candid judgment is, after four months of study, that it is entirely hopeless and helpless in that respect.

Mr. RUBEY. Mr. Chairman, will the gentleman yield to me so that I may answer the gentleman's question?

Mr. ASWELL. I have not the time. I wish now to call attention to a few letters which indorse the opposition to this bill. Here is a letter from Mr. H. L. Wray:

PARK RAPIDS, MINN., *May 17, 1924.*

Representative J. B. ASWELL,
House of Representatives, Washington, D. C.

DEAR SIR: I have just noticed by the papers that you were opposing the McNary-Haugen bill and wish to commend the stand you are taking.

This bill, if it becomes a law, could only aggravate an unfortunate situation, and I do not see how anyone who has given the matter any thought could approve it. Trusting that this bill may meet the defeat it deserves, I am,

Respectfully yours, H. L. WRAY.

The Nebraska Farmer and the Nebraska Union Farmer are opposed to this bill.

The following opinions were expressed by ex-Governor McKelvie, L. S. Herron, and C. Vincent, of Omaha, Nebr.:

The editor of the "Nebraska Farmer," former Governor S. R. McKelvie, and L. S. Herron, editor of "The Nebraska Union Farmer," official paper of the Nebraska Farmers' Educational and Industrial Union, the largest farmers' organization in the State, have both been following the course of incubating legislation and have both arrived at the same conclusion regarding the McNary-Haugen bill now before Congress.

The Omaha grain exchange takes pleasure in cooperating with them to the extent of reprinting and mailing these editorials to Members of Congress.

To establish a basis of equal exchange between certain agricultural products and the general level of commodity prices would mean that ultimately all agricultural products would have to be included. When this had been done, the next step would be to reverse the procedure and raise certain commodities to an equal basis with agricultural products. The general level of wages is abnormally high now, but this will not continue always and should the cost of living advance so that the laborer's dollar would have a purchasing power below the general commodity level, it would follow that the Government, if it is to be unprejudiced and fair, would have to adjust wages. It would be like a dog chasing his tail.

The argument is made, and it is tenable, that industry and labor are now subsidized or protected by certain laws which give them a distinct advantage over agriculture. It is held that the tariff enables industry to keep prices of commodities up, and immigration restrictions enable labor to control wages arbitrarily. Admitting that this condition obtains, at least in a measure, it is doubtful that it can be continued indefinitely. Meanwhile, one may not be sure that these benefits are not reflected to agriculture, for industrial activity and good wages undoubtedly help the domestic market for agricultural products and are an aid to prosperity on the farm.

On the other hand, the Wallace plan to attempt to maintain domestic prices of farm products by dumping the surplus abroad and assessing the losses back to farmers, while having the merit of being self-supporting, might easily result in assessing back losses as great as the gains. Consumers would certainly cut down their consumption of the products to which the plan was applied and leave a greater and greater surplus to dump abroad.

The Wallace plan offers nothing to improve either the domestic or foreign demand for farm products. Instead, it would simply force, or attempt to force, domestic consumers to pay higher prices for their food, regardless of their ability. Although it would not put the Government so directly into the marketing business as would the Norris-Sinclair bill, it would set up a lot of Government red tape that would frustrate and hamper real cooperative marketing.

LETTER FROM C. VINCENT

A Member of the present Congress mailed a copy of the McNary-Haugen bill to Mr. C. Vincent, secretary and former general manager of The Farmers' Grain Co., operating several farmers' elevators, asking his views concerning this measure. Below is a copy of his reply. (Mr. Vincent has been actively engaged in cooperative efforts for 20 years.)

"Since wheat is a world-wide product and the demand for it universal, the market can not become normal so long as Europe is in a state of economic turmoil. When the United States exerts its acknowledged influence on the side of world peace and world financial stability there will be hope for a remunerative wheat market, and not until then."

Doctor Jardine, who is the president of the agricultural college of the State of Kansas and who is reputed to be the best-informed and most popular citizen in the State of Kansas among the farmers, expressed the following opinion:

If I lured them into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed and I would be ruined utterly. Were this measure to be enacted into law, its practical working out would leave the men who fathered it without a shred of reputation.

The following statement comes from Mr. S. G. Rubinow, who is the general manager of the Minnesota Potato Growers' Association:

ST. PAUL, MINN., *May 15, 1924.*

Press reports indicate your bill has opportunity for passage. Congratulations and best hopes. Is there anything I can do to assist? Sincerely and earnestly feel, based on long and practical experience with entire problem of distribution costs and marketing, that your bill offers only sound and permanent solution. Given financial association and control their own selling, which is part of economics of production, thereby changing permanently their present unsatisfactory economic status. If present administration will not intelligently take up and solve this problem, conditions will get worse and farmers everywhere turn to radical and demagogical measures.

S. G. RUBINOW,
General Manager Minnesota Potato Growers' Association.

The following is a statement taken from the Iowa Homestead, which I understand has the largest circulation of any journal of the kind in Iowa:

The idea that the price of a farm product or group of farm products can by a miracle of government action be made to bear a continually definite relationship to the ever-changing and uncontrolled prices of other groups of commodities is a fallacy.

An analysis of the figures submitted by the Bureau of Agricultural Economics of the Department of Agriculture shows that this ratio price will fluctuate from month to month, and inasmuch as the bill removes all possibility of hedging these fluctuations will tend to destroy all stability in the grain business. Indeed, the bill makes it absolutely impossible for one who buys wheat on a ratio price one month not to lose money or make money if he sells it on the ratio price of the next or some other month.

Notwithstanding the expressed opinion of these leaders and many others the McNary-Haugen bill was thrust down the throats of the uninformed delegates to the recent Iowa and Minnesota Republican State conventions. I do not recall when a pending measure, pretending to be of economic value only, was thus made a political football. Its very use in this manner justifies suspicion as to authorship, good intention, and ultimate value to the general body of stockmen and farmers.

After a long, careful study of the situation I am convinced that the McNary-Haugen bill will not do the farmer any good, but will harm him; it will not lower freight rates; it will not eliminate 1 penny of the duplication of waste between the producer and the consumer; it will not stop speculation in grain and pork; it will not bring the wheat acreage down to what it should be; it will not do anything except to add another commission to those which perform nothing worth while.

I am bringing these to the attention of the committee, because it has been asserted here that only in the East and South is there opposition to this bill. The opposition is widespread in all sections of the country. Here is a letter which I did not intend to use until a moment ago, signed by A. F. Shotts, which I ask the Clerk to read in my time.

The CHAIRMAN. Without objection the Clerk will read.

There was no objection, and the Clerk read as follows:

MASON CITY, IOWA, *May 16, 1924.*

Hon. J. B. ASWELL,
House of Representatives, Washington, D. C.

MY DEAR SIR: Fight the McNary-Haugen bill to the last ditch. It is wrong in principle and will prove worthless, and is Bolshevistic and un-American. It is bad and should be rejected. Go after it hard.

The country does not want it—only those who are playing for votes from the farmer are for it.

Yours truly,

A. F. SHOTTS.

Twenty-five miles from HAUGEN's home town.

Mr. ASWELL. Mr. Chairman, I now call attention to another letter. The gentleman from Washington [Mr. SUMMERS] yesterday made an effort to have it appear that opposition to the bill is sectional. Here is a letter from the secretary of the State Farmers' Union of the State of Washington, which I shall ask the Clerk to read in my time for the information of the gentleman from Washington.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

FARMERS EDUCATIONAL AND COOPERATIVE UNION
OF AMERICA AND FARMERS UNION COOPERATIVE
MUTUAL FIRE INSURANCE CO.
Spokane, Wash., May 17, 1924.

Hon. J. B. ASWELL, M. C.
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: Your activities in forwarding the interest of the Curtis-Aswell bill is greatly appreciated by our farmers in the Northwest, and on their behalf I desire to extend to you our thanks and appreciation for your splendid work.

We believe this bill as it is drawn, placing the machinery for its operation and all responsibility upon the farmers themselves, is the best and most constructive bill that has been offered in behalf of agriculture for a generation. Whenever the farmers are allowed to assume the responsibility of looking after their own business they will become self-reliant, self-resourceful, broadened in vision, and will develop a better understanding of all business problems, and therefore

will become better citizens and better equipped to take a leading part in the affairs of this Nation. I do not believe any bill will prove successful in placing agriculture on its feet again and pave the way for a permanent prosperity for the farmer that is not worked, planned, manned, and controlled by the farmer himself. He will strenuously object to any plan that will single him out and place his business under any politically controlled department, bureau, or appointee.

Agriculture is in a deplorable condition, and something must be done by this Congress or millions more of the farmers will be forced from their homes. It would be difficult indeed to exaggerate the deplorable condition of the farmer at this time. He is not in a condition, either mentally or financially, to be experimented with. He has ever been true and loyal to his Government and always in the hour of his country's need he has rallied nobly to her defense, but how long can he be expected to keep up this true loyal spirit under the treatment he has received for the past few years? There is now a dangerous unrest springing up among the farmers everywhere that would require very little to direct him into the camp of the extreme radical if something is not done at once to change the trend of affairs as they affect the farmer. This is not an opinion manufactured for the occasion, but an opinion formed after spending more than a half century among the farmers, and the last 17 years actively at work among them in farm organization work, gathered from conversation from farmers of all political faiths and creeds, many of them a few years ago considered ultraconservative.

There is a strong feeling that the Government is more or less responsible for their present condition. The administration of the United States Grain Corporation, under which the Government guaranteed the price of wheat, was arbitrarily held down and the minimum price made the maximum price, while the sky was the limit for everything the farmer had to buy, was considered a great injustice. At the same time the Government used every resource possible to spread propaganda to urge the farmer on to greater production. Slogans such as "Food will win the war," "Grow more wheat and win the war," and many others were sent out all over the Nation, with the result that the farmer bent every effort to grow more food. Every available acre was put under cultivation; old retired farmers that were thought too old to do active work on the farm were again requisitioned into service. The result of the increased production was flooded markets, poor prices, and less than cost of production, to be followed up another year, and another, and so on, hoping that conditions would change and that he could recoup some of his losses by this continued increased production, only to find that the more he produced the worse off he found himself to be. This was followed by the deflation program, ordained and carried out by the powers that be, that drove a million farmers from the soil into the already overcrowded cities, to be followed by other millions in the near future if relief is not imminent. These other millions are now permitted to stay on their farms only because their land would not sell for enough to pay the mortgagee, who does not want the land. Could you wonder at the farmer being in a rather bad frame of mind? Could you wonder at his insistence for a plan that will place his business in his own hands and remove him from the control of any political control, either elective or appointive? Is he not entitled to this much from this Congress?

Would it not be an insult to any other class of our citizens to be singled out as incompetent and placed under the paternalistic care of the Government? If so, would it not be equally as great an insult to the farmer? Is this Congress ready to place this discount on his intelligence? If our Nation is to attempt a paternalistic form of government, the farmer will demand that it be applied to all kinds and all classes of citizens, and that they be not singled out and branded as a class of incompetents, incapable of handling their own business.

The Curtis-Aswell bill represents his idea of what he wants and what the Congress should do for him. Rather than pass any compromise legislation that will deprive him of his self-control we sincerely hope that this Congress will send him empty handed away and not attempt to arouse any false hopes through any plans of Government control that will but mean failure, rendering him more helpless in the end. Upon this idea of self-help we are ready to stand; we believe the farmer is entitled to it. We know he is entitled to it.

If you could send me several hundred copies of the hearing on the Curtis-Aswell bill, I will be pleased to mail them out to our farmers. Let me again express my high appreciation for the splendid work you are doing on behalf of the farmer.

Very truly yours,

A. O. CROSS,
Secretary of the Farmers' Union.

Mr. ASWELL. Then there is the following from the New Orleans Times-Picayune:

SOMEBODY IS MISTAKEN

Sundry Republican Senators, in caucus the other day, expressed grave fears that the Republican Party will lose the farmer vote next November unless the McNary-Haugen bill is passed. So it was decided in caucus to press for action upon this and other farm-relief measures.

The McNary-Haugen bill is so weird and wonderful a confection that it has been discussed at length in the national press. Its avowed primary object is to bolster the price of wheat by Government aid extended via extremely complicated—and costly—price-fixing process. Its complexities bewilder laymen and stamp it as the product of theorists. Distressed wheat farmers in certain districts of the Northwest apparently have swallowed it whole, accepting at face the assurance that it will cure what ails them. So their Representatives in Congress are pushing it. But, apart from this distressed minority group, American farmers display no eagerness for its enactment.

Governor Davis of Kansas—himself a "dirt farmer" in a wheat-growing State—declares that measures like this McNary-Haugen bill "are brought forward by politicians who believe that the farmers are easily fooled. The farmer," he adds, "does not want special privileges," but needs instead "fewer expensive stimulants of government and more common horse sense in the administration of government." Doctor Jardine, president of the Kansas State Agricultural College, asserts that, "were this measure to be enacted into law, its practical working out would leave the men who fathered it without a shred of reputation. If I lured the farmers into following any such fantasy as the McNary-Haugen scheme, when the inevitable reaction came my usefulness would be destroyed and I would be ruined utterly. * * * If there is any demand among Kansas farmers for the McNary-Haugen bill I have yet to run across it."

The Nebraska Union Farmer expresses the belief that the McNary-Haugen plan "would break down of its own weight in a very short time. The whole scheme is on the boot-strap lifting order, artificial, cumbersome, expensive, and bureaucratic, and offers no assurance that it would accomplish the purpose for which it is proposed."

"Enthusiasm" for this measure seems confined largely to Washington. The Senate's Republican caucus evidently mistakes the clamor of the legislative group which has fathered the "boot-strap lifting fantasy" for the voice of the farm people. The President's range of vision and of hearing is not so narrowly confined. It may be hoped with some confidence, therefore, that he will give the McNary-Haugen "fantasy" its quietus by veto if Congress is stampeded to its passage.

Mr. Chairman, I call attention to the fact that this bill proposes not a private corporation but governmental control strictly, nothing more. The corporation is to be created by the Congress. The President of the United States is to appoint the members of the corporation and they are to be confirmed by the Senate of the United States. The corporation is to be presided over by a member of the Cabinet. The certificates are to be printed at the direction of the Secretary of the Treasury and by a Government bureau, the Bureau of Printing and Engraving. It is from top to bottom governmental and the Government would be morally bound. Two hundred million dollars is to be appropriated from the Federal Treasury, from the taxpayers, and $1,000,000,000 is to be borrowed. There is not a gentleman in this Congress to-day, having voted for this bill, who would not later cast his vote in an emergency to appropriate another billion dollars to pay the losses of this corporation. The Government would be morally bound because it is a Government corporation. So it is—the Government involved from start to finish. A good deal has been said and some excitement created because some said I called this measure some names.

I want to show by high authority that I am correct in my description of this bill.

I said that the McNary-Haugen bill is unconstitutional. In the majority report on page 79 it is admitted that in certain transactions the bill is probably unconstitutional. Any good lawyer knows that its proposed interference with the right of private contracts makes it so.

I said that the bill is not only unsound in principle and unworkable in practice but it is paternalistic. Webster says that paternalism means a principle or practice of control of the governed by the government. That is the primary principle of this bill.

I said it is socialistic. Socialism, according to Webster, is a political and economic theory, the essential feature of which is government control of economic activities. It means that the Government takes control of production and distribution of the necessities of life. It is obvious that this bill proposes exactly that procedure.

I said it is communistic. Webster says that communism advocates a powerful central government, a system of social organization in which goods are held in common; the opposite of the system of private property. It means a system which gives large powers of government to small political units involving common ownership, common responsibility. This bill represents exactly that idea. The Government would declare the farmer incompetent and control his business, while each farmer would be responsible for the payment of the equalization fee, to

share in common with other farmers in the total cost of operation and of losses by the corporation. He would bear the cost whether he exported his products or sold in the domestic markets.

Socialism originated in Germany, but it required generations for it to take hold of the German people. Communism originated in France, and it has not yet taken large hold upon the people of France. These theories find their fullest expression in the Soviet Government, where Bolshevism is in control, making Russia to-day the tragedy of the world. This bill leaps to Bolshevism at a single bound and could properly be presented to the Soviet Government except that it would make a Russian Bolshevik seem to be a stand-pat reactionary. [Applause.]

Gentlemen, I say, as I said in the beginning, that it would enslave the farmer, be a calamity to the people and to the Nation, should we embark upon this program of paternalism and take even a single step in the direction of the socialistic conditions in Europe. I say, as I began, that I do not fear that this bill will pass. I would like to see it overwhelmingly defeated. And why? Because I am a friend personally of every Member of this House, and the men who vote for this bill may find their only salvation in the hope that it will never become operative, because if it should become operative every man who voted for it would be in danger. When the equalization fee is demanded and farmers are threatened with fine and prison, and when the hordes of Federal agents swoop down upon his constitutents going into their homes to watch their business, it would so irritate and enrage the farmers that they would annihilate the man who voted for it. My idea is that your chance lies in the prospect that it will never become operative, or you who vote for it will not escape the wrath of your constituents. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield three minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman and gentlemen of the committee, just think of the ultraconservative Republican from Kansas [Mr. TINCHER] supporting and voting for this bill after listening to the gentleman preceding me [Mr. ASWELL] calling it radical, communistic, Bolshevistic, and almost every other name in the dictionary. Wonder how a little of his own medicine tastes to him.

But I imagine the gentleman from Kansas is in very much the same position in which I find myself. His constituents are flat on their backs. They need and demand relief; and unless it is granted it will react unfavorably on the whole country. And I want to say in that connection that no man has the right to make the statements made yesterday by the gentleman from the eighth district of Minnesota [Mr. LARSON] to the effect that the failures and bankruptcies in Minnesota are largely of the shoestring variety. Any man who can make such a statement has either been enveloped in a Rip Van Winkle sleep for three years, or he is blessed with a shoestring intellect. [Laughter and applause.]

The objection is made to this bill by conservative Republicans from the East that it will increase the cost of living to the American people one billion dollars, or perhaps two. Undoubtedly it will increase the cost of living. Just how much no one can say. That is one feature of the bill I do not like; and there are others, even in its present amended form. For that reason I would greatly have preferred the Norris-Sinclair bill, amended, or similar measure that would lessen the enormous spread between producer and consumer and eliminate the profiteer, the grain gambler, and food speculator. That is the fellow we need to get after. But I am not given a chance to vote for any such bill, so I am going to do the next best and vote for this one, in the hope that it will accomplish even more than is claimed for it. Even if it does increase the cost of living to our people because of increased prices to the farmers, I claim the farmers of the Nation, especially the farmers in my section of the country, have it coming to them because of all that has been taken out of their pockets the last few years. It is merely a readjustment. In that respect this bill is a farmers' adjusted-compensation bill—not a bonus.

As for the objection that it is a price-fixing measure, I ask, why object to it on that score? That is nothing new. A new term, perhaps, but the principle is old enough for every Republican to be familiar with it. Just call it a tariff and it will sound much better to you. "A rose by any other name would smell as sweet." You of the manufacturing East have lived and prospered on the price-fixing tariff these many years. And for the same number of years the farmer has been the loser by it. Now we ask for him just a little of this protection that has been given the manufacturing East. I can understand how Democrats who do not believe in a high tariff can vote against this bill. But I certainly can not understand how eastern Republicans who have grown fat on a high tariff could justify a vote against this bill on that score.

There is also the price fixing of the transportation act. But I have no time to discuss that now. Let me say this in closing: If this measure is not passed by the Congress, or if it is passed and vetoed by the President, then will come the acid test for you people who have talked about being friends of the farmer. I challenge you to join with us from the West and stay here all summer, if necessary, in order to enact some legislation that will really benefit the farmer. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. RUBEY. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. GREENWOOD]. [Applause.]

Mr. GREENWOOD. Mr. Chairman and gentlemen of the committee, there has been a theory in this country almost continuously since the Civil War that all that was necessary to have general prosperity for all of the people was to lay a high protective tariff and that thereby, by taxing the consumers of our country, prosperity would prevail. But we have arrived at a time when we see the fallacy of that theory of government. You can not tax the consuming public of America with higher tariff taxes and expect prosperity to prevail. If you could break down all of the economic laws and allow the law of supply and demand to prevail in all industries, agriculture would take care of itself, but for 50 years agriculture has been robbed of the purchasing power of the products of the farm in favor of the protected industries of this country, and the hour has come when this issue must be settled; the hour has come even in the party of the administration, when the Republicans of the West no longer agree with the Republicans of the East on this question of protection, because they realize that their constituency has been paying tribute to New England throughout all these years.

The gentleman from Massachusetts [Mr. LUCE] yesterday made one of the most selfish arguments I have ever heard in favor of manufacturing as against the balance of the country. So while this bill does not conform to my ideas or theory of government, yet I believe that as a matter of self-defense on the part of agriculture against the manufacturing industries of this country it is justified, and I am going to swallow my academic theories on the question of the tariff, on the question of gratuities, and on the question of governmental privilege and vote for this bill, because I believe it will give the agricultural interests of this country a chance to get upon an equality with manufacturing, which has been enjoying these special privileges for years.

If I had my way, gentlemen of the committee, I would first reduce the tariff duties on all the articles that the farmer has to buy, as well as the balance of the consuming public of the country, and place them on an equality by an adjustment of tariff duties. Next I would formulate a foreign policy—something we have not had for four years—which would develop some markets abroad for the surplus of the farmers of this country. Then I would increase the powers of the Federal Trade Commission so that it could investigate the profits of middlemen and regulate, if you please, the profiteering in foodstuffs, and give the producer a little more of the money which the consumer has to pay for these products. Then I would reduce the freight rates on agricultural products and give them a preferential rate. Those four things I would prefer to do, but since my party is not in power and can not do those things, and there is no relief with regard to those policies, I consider it my duty to my farmer constituency in Indiana to vote for this bill. Although its underlying theory may not be correct, I believe it is my duty to vote for this bill in order to put the farmers back on an equality with the other industries of this country, and that is what I am going to do. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. RUBEY. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Chairman, I have given careful consideration to all of the agricultural relief measures introduced during the present session of Congress. Each is designed to afford some form of relief. The passage of one of these measures does not automatically preclude the passage of some of the other bills, because they are not necessarily antagonistic or inconsistent. Some of these measures are intended to afford quick temporary relief, while under others the relief would be delayed but may be of a more permanent character. But so

far only one of these bills has been reported favorably by the Committee on Agriculture, and that is the bill we are now considering, generally designated as the McNary-Haugen bill.

I am actively and aggressively supporting this measure. In so doing may I say that I do not consider it a panacea for all the agricultural ills which now afflict this Nation. I do not consider it a perfect measure in every respect, and I concede that in several features the bill is not entirely satisfactory to me. But the purpose of the bill is wholesome, and I am convinced that the plan presented is workable and will afford the agricultural classes substantial temporary relief and in a measure relieve them of the unjust burden under which they now labor.

I regard this as an emergency measure, and I believe that its enactment will do much to restore agriculture to the class or group of profitable occupations. I believe the exigencies of American agriculture are such that the Members of this Congress, both Democrats and Republicans, can well afford to resolve every doubt and every question in favor of this bill.

I have heretofore on several occasions on the floor of the House called attention to the nation-wide agricultural distress. I have, I believe, shown that some of the suggested remedies will not afford the farmer adequate relief from the present unbearable conditions. I have heretofore demonstrated, I believe, that relief can not come by a nation-wide limitation of production, nor by an increase of tariff duty, nor by diversification of crops. I will not here repeat the arguments made by me in former addresses on these propositions.

Every Member who has spoken on the agricultural situation during this session of Congress has frankly admitted that conditions are deplorable. Members who are opposing this bill are profuse in their expressions of sympathy for the farmer and profess a willingness to help the farmer, but they have offered no substitute for this measure, and they have not presented and are not advocating any comprehensive plan to relieve the farmer of his burdensome handicap.

These professed friends of the farmer remind me of the ancient fable of the crocodile that weeps in sympathy as it eats its victim. In the Arabian Nights we are told of a prince of the illustrious family by the name of Barmecide, who flourished in Bagdad contemporaneously with the Caliph Harun-al-Rashid. Barmecide in his great sympathy for the famishing beggar Shacabac, invited him to his home and promised him a feast on rich viands, but set before him only empty dishes. The special privileged classes for more than a generation have been promising the American farmer a feast of prosperity, but the dishes set before the farmer year in and year out have been empty.

What relief do the opponents of this bill offer to our agricultural classes? This bill is being viciously opposed by the Representatives from the New England and Middle Atlantic States, where the industrial lords of the Nation revel in wealth and prosperity, which came to them by tariff laws so exceedingly high as to shock the conscience of the Nation. The manufacturers of the United States have been the beneficiaries of a price-fixing policy. The purpose of the so-called protective-tariff system is to create artificial conditions and reduce competition, thereby enabling the manufacturers to fix prices, so as to insure greater profits than would accrue to them in the absence of these high tariff laws.

The gentleman from Massachusetts who so vigorously denounced the pending bill yesterday on the floor of this House represents a section of our country that for 75 years has levied tribute on the farmers of the Nation. His constituents have grown rich beyond the dreams of avarice, as a result of class legislation; and he and the people he represents would never oppose class legislation for the benefit of others if they had any sense of appreciation for the favors they have received in the form of high tariff schedules.

I understand that many Representatives from the great centers of wealth and population will vote against this measure. Can it be possible that the financial, commercial, and industrial interests of this Nation will deny to the American farmer a chance to save himself? Are these interests determined to destroy agriculture, drive the American farmers into bankruptcy, and reduce them to a condition of servility?

Are we to have the opposition of the sugar growers of Louisiana? Must we fight the lumber interests of the Nation? The sugar and lumbering interests are enjoying the benefits of a high protective tariff. They are never satisfied and always asking for an increase. No doubt before the Sixty-eighth Congress adjourns the sugar growers and lumber lords will crawl on their bellies into the lobbies of the House and beg that the tariff on sugar and lumber be increased. [Applause.]

The citrus growers of the South have succeeded in getting their products on the high-tariff list, and in due time they will probably beslege Congress for an increase of the duties on oranges, lemons, grapefruit, and other products of the South.

I am sorely disappointed and grieved that many Representatives from the cotton-growing States are opposing this measure. The cotton growers of the South enjoyed tremendous prosperity during the World War. A minimum price was fixed on the farmer's wheat, but the cotton growers of the South prevented the Government from regulating the price on cotton. I assert that this action was indefensible. The western farmer has not forgotten and will not forget the economic injustice to which he was subjected during the war, when the minimum price of wheat was fixed, and, contrary to all expectations, the minimum price made the maximum price, while the sky was the only limit in the price of cotton. And now many Representatives from the cotton-growing States are vigorously assailing this measure which is designed to afford some little relief to the western farmer.

Let me say now that the present high price of cotton will not always prevail.

The cotton grower is now living in a fool's paradise. It is inevitable that there must be sooner or later a material reduction in the price of cotton, and I believe the time will come and it is not far distant when the cotton grower of the South will be in as serious financial and economic plight as that of the western farmers at the present time. Why not prepare for that evil day by helping the grain and livestock farmer now, so you can ask and expect this aid if adversity comes to your own household?

I appeal to the Representatives of the great cotton-growing States, of the States that produce sugar, lumber, and citrus fruits in large quantities, not to block the road, not to defeat this measure, not to be a party to the economic destruction of the western farmer. The cotton producer is vitally interested in the prosperity of the great West, because anything which impairs the buying power of the western people must necessarily reduce the demand for your cotton products, and our financial distress will soon be reflected in lower prices for your staple commodities.

A few weeks ago the Members of this House from the Southern States urged that the Representatives of the great agricultural West support the Muscle Shoals project. They told us that the prosperity of the South was at a low ebb, and that the consummation of the Muscle Shoals project was necessary to revivify and rehabilitate the entire South. We heeded your prayers and vigorously supported and voted for the Muscle Shoals lease, although some features of the bill were of questionable propriety and wisdom. Now, did you appreciate the votes of the Representatives from the great agricultural States, without which your Muscle Shoals fight would have been lost? We came to your rescue. Will you not come to our rescue? Will you now deny our constituents the relief the pending bill offers? I am putting this question squarely up to you. What are you going to do about it? In all probability the Muscle Shoals measure will have to be considered again in this House. Our future action toward that project will depend very largely on your vote on the McNary-Haugen bill and other farm-relief measures.

Do you imagine that we will tamely continue to vote with you on matters of vital importance to the South when you, by your votes, slap us in the face and deny us the poor privilege of trying out this experiment, which will not injuriously affect you?

But you say that the McNary-Haugen plan is not workable and is not a good thing for the farmer. Who says it is not a good thing for the farmer? Certainly the western farmer, in his bitter experience, ought to be a better judge than the Wall Street banker, the protected manufacturer, the protected lumber dealer, the protected sugar interests, and other representatives of class legislation and special privilege. You say it will hurt the farmer. The corn grower, the wheat grower, the grower of livestock—the farmers who are affected by this bill—they say they believe it will help them, and they know what will best promote their interests. The farmers who will be affected by this bill have studied its provisions, and they are satisfied with it. If it should not be workable they will suffer and not the cotton planter, the manufacturer, the lumber kings, or the Wall Street magnates.

And let me say to the Representatives of the protected manufacturing interests that you, too, are living in a fool's paradise if you think for one moment that you can promote the interests of your constituents by defeating this bill. I warn you that you are playing with fire, because you are defying the

agricultural classes of America. You are refusing their fair and reasonable demands. You are contemptuously ignoring their requests. Without the farmer vote the high protected tariff system would have been destroyed many years ago. You have slobbered over, cajoled, and deceived the agricultural classes for years. You have held out to them false promises and hopes that you knew could never be realized. You have bled the American farmer systematically and unconscionably for a generation. The excessive high protective tariff system has enabled you to extort from the farmers of this Nation annually hundreds of millions of dollars in the increased cost of their supplies. You have exacted and collected tribute to the uttermost farthing. You are the beneficiaries of high tariff laws which compel the American farmer to buy his supplies in a protected market at artificially stimulated prices, while compelling him to sell his commodities in the open markets of the world. This has been openly and publicly admitted by numerous Republicans during this debate, and is not denied. The banquet served to the farmers by the protected manufacturing interests of the Nation is a modern Barmecide feast, at which the farmer gets nothing to sustain his economic life but can only lick the empty dishes of the special-privileged classes. Certainly you do not expect the farmers to get fat upon such a diet.

In opposing farm-relief legislation the manufacturers are inviting disaster and creating a resentment on the part of the agricultural classes which will inevitably be reflected in a radical reduction of tariff schedules. The manufacturing interests of this Nation should realize that the buying power of the agricultural classes has been paralyzed, and this deplorable situation will be reflected and is now being reflected in reduced demands for the products of mills and factories. The manufacturer is vitally interested in a prosperity that is nation-wide and not localized in one particular portion of our country.

During this debate able Republican Members of this House who have loyally supported their party all their lives have openly and publicly denounced the selfish manufacturing and capitalistic interests that are viciously fighting this bill while enjoying the benefit of high tariff laws and special-privilege legislation. This is not a political question. Democratic farmers and Republican farmers are alike demanding this legislation. What will benefit the Democratic farmers will to an equal extent help the Republican farmers. Their interests are identical. They must sink or swim together.

But it is charged that this is a "price-fixing" measure. I say it is a "price-adjusting" measure. It does not definitely "fix" the price at any given point, but is intended to "adjust" the prices of these certain commodities so they may bear an equitable relationship to the price of approximately 400 other commodities in general use. This law seeks to give the farmer's dollar the same comparative or relative purchasing power it had in the period of 1905 to 1914.

But suppose we concede that this is a "price-fixing" law. What of it? Shall we condemn it because, forsooth, it seeks to fix the price of agricultural commodities on a basis that will return to the farmer the cost of production together with a fair profit? Shall all price-fixing measures be anathematized? If so, you must repeal the tariff laws, for it is admitted that they create artificial conditions and enable the manufacturer to fix higher prices on his products than could be secured without the tariff.

The Federal reserve system, as to interest and credits, is a "price-fixing" law. It creates an organization by which the price of one of the most important commodities—that is, interest—is regulated or fixed. The transportation act is a price-fixing law as to passenger and freight rates and also as to the net earnings that carriers may retain. The Interstate Commerce Commission is the governmental agency by which the price of passenger and freight service is fixed. Telephone and telegraph tolls are regulated by a price-fixing law. The Adamson Act was a price-fixing law as to labor. The services performed by one-half million Federal employees are regulated by price-fixing laws, because the service and labor performed by Government officials and clerks is as much a commodity as corn, pork, cotton, or transportation services.

The farmer's plight is largely the result of the Government having systematically for a half century or more indulged in an extensive "price-fixing" legislative program. The manufacturers, the carriers, the great financial institutions, and labor have all been the beneficiaries of "price-fixing" laws, and it does not lie in the mouths of the representatives of any of these interests that have profited by price-fixing laws to condemn this measure on the ground that it is a "price-fixing" law. The great labor organizations have patriotically given their approval to a program having for its object the rehabilitation of American agriculture. The laboring men and practically all other occupations recognize that the farmer must be prosperous, or labor, commerce, transportation, and industry of every kind will suffer. Why do not the manufacturers, the capitalists, and other special privileged classes show the same public spirit and interest in the welfare of the American farmer that labor has shown?

The opponents of this bill, while professing great friendship for the farmer, have offered no definite plan to meet the present distressing emergency. Judging from their attitude toward all worth-while farm-relief legislation, methinks their professions of friendship are dentilingual—that is, formed between the teeth and the tongue—or perhaps dentilabial, or articulated between the teeth and the lips.

Many of the opponents of this measure frankly state that they are opposed to all pending farm-relief measures. They say that nothing can be done by Congress for the farmer; that he is the victim of economic conditions for which there is no remedy; that he must work out his own salvation with fear and trembling, and that this Government is impotent to afford any relief. In reply may I say that it is one of the functions of government to prevent one class of citizens from preying on other classes. Shall this Congress confess its inability to devise any plan for the rehabilitation of American agriculture? Shall we proclaim to the world that under our form of government legislative and economic handicaps may be placed on the farming classes, and which burdens this Government has no power to remove? Shall we by word and vote sanction the claim that our Government can perpetrate an economic wrong on one-third of its citizens and then be powerless to remedy the social injustice it has created? If so, then our Government has failed in its most essential and vital purpose. I believe Congress has the power to remove every economic handicap to the creation of which it has been a party. I believe that Congress can correct every social injustice that flows from an abuse of its legislative powers. I sincerely trust that this measure may have your support. [Applause.]

Mr. RUBEY. Mr. Chairman, I yield to the gentleman from Missouri [Mr. FULBRIGHT] such time as he may desire.

Mr. FULBRIGHT. Mr. Chairman, I desire to incorporate as a part of my remarks a letter from one of my constituents dealing with the bill under consideration. It is from a man of much learning and wide experience, and, although a manufacturer, he is interested in farming and has given much thought and study to the agricultural situation. He gives some timely advice to the business interests opposing farm legislation, and coming from a high-tariff Republican of the Middle West his suggestions might well be considered by the high-tariff Republicans of New England. This letter in full is as follows:

HEADLIGHT FARM,
Canalou, Mo., May 5, 1924.

Mr. J. F. FULBRIGHT,
House of Representatives, Washington, D. C.

DEAR MR. FULBRIGHT: Replying to your letter of March 12 in regard to the McNary bill, I have delayed my answer because I found it difficult to make up my own mind. On the whole, I am inclined to advise you to vote for the bill. In my comments please keep in mind that I have been a high-tariff Republican practically all of my life and that at present my main interest is as a manufacturer rather than as a farmer, as far as income goes.

My chief objection to the bill is that it assumes that the period just preceding the war was a normal one for American agriculture and that it tends to reduce the farmer's level of possibility to the results obtained in this period. As a matter of fact, most farmers were standing privations which were tolerable only because of advancing land values and of the hope which this seeming prosperity brought about. There was a certain amount of real prosperity in the heart of the Corn Belt, and it is with this part of agriculture that Mr. Wallace is familiar. In effect, though not in words, this bill would establish a maximum price above which the farmer could never hope to get. The minimum price on wheat established during the war proved to be a maximum, and it will be so in this case. The vital factor in the present agricultural situation is that the banking and business interests before the war found an outlet for our surplus agricultural products because they were compelled to use them to pay our annual interest bill due to Europe. This disposed of the troublesome surplus and left the home market protected by the tariff with a large purchasing power from the high wages which labor was receiving. I always advocated the protective tariff of almost any height on this ground and believe that the policy was justified by conditions and events. The conditions are different now. We can not dispose of a surplus abroad in payment of our debts, and the farmer gets no

benefit from the tariff, in fact it prevents him from selling his surplus abroad and taking pay in the products of European labor, which is all Europe has to pay with. It should not be overlooked, however, that if the importation of manufactured goods closed American factories it would reduce the home market for farm products to a certain extent, but to a limited extent only, because people do not increase their purchase of food in proportion to increase of income. They eat a little more and buy a lot more luxuries. It seems to me that the protected industries ought to jump in and support this bill with a whole heart to keep the farmers from becoming desperate and smashing the whole tariff system. The protective system has existed through the sufferance of the farmers of the Middle West. The argument of the protected interests, including railroads and banks, that the McNary bill is paternalistic is worthy of the joke column. As an advocate of a protective tariff I have never claimed that it was not paternalistic. I do not consider it as much so, however, as the Federal reserve law or the Cummins-Esch law.

I do not take any stock either in the argument that there will be too much red tape and bureaucracy required to operate this law. A detailed examination of the red tape and bureaucracy required by the tariff system would make any possible machinery for the administration of this law look very small. There is no valid distinction either between collecting money and paying it out for public purposes and leaving it in people's hands without collection for the public benefit as we do in the case of railroads, banks, and industry. Stripped to its basic elements our whole economic system is supported by an income tax on the farmer which leaves him at best a poor living and in most cases drives him into bankruptcy and despair.

The argument that an increase in farm prices would be at the expense of general prosperity is disproved by the recent history of high wages in industry. We have been absolutely assured that conditions such as have actually existed in industry could not possibly exist under the wage scale which we have actually been paying, and everyone admits that the country has been prosperous except in the case of agriculture, although manufacturing capacity now represents the enormous increase due to the war, not the so-called normal before the war.

Money as a circulating medium in the body of the Nation is not a mere rhetorical simile, as compared with the circulation of blood in the human body. Labor and farming are the two legs on which the Nation stands. If we were positively assured that a man could not afford to spare blood to circulate through his legs because it would rob his vital organs, we should know the argument was ridiculous, especially if we tried it on one leg and found out that all the members prospered except the other leg. Labor got its own pump and pumped its share of the blood. I doubt the possibility of the farmers being able to do the same thing, and I do not believe that the condition of gangrene which we now have in the agricultural leg can be allowed to continue without infecting the other organs. The supply of blood is not decreased by making it circulate in every part.

I am not at all convinced that the McNary-Haugen bill will put enough circulation through farming to keep it healthy; at least it will not reach below the knee. Mr. James, of the Federal Reserve Board, says that cotton is still raised "under practically slave conditions" in spite of the present relatively high cotton prices. All that the cotton farmer would get out of this bill is that he might not be allowed to fall lower than the bottomless pit in which he lived before the World War.

In my opinion there is no program now proposed for the American farmer which will give him the relief he requires. Normalcy does not lie in putting him where he was before the World War, either actually or relatively, because conditions are different. Human forces are like mechanical forces. Motion is always in the direction of the stronger force, and to-day all the other forces in our economic and political structure are greater and more concentrated than they ever were before and the farmer is left relatively weaker. Every buyer is a bear in spirit and the farmer has no practical means of resisting this downward pressure. The so-called law of supply and demand presupposes the ability of both parties to bargain on equal terms. In every crop there are enough growers compelled to market at once through financial necessity to put them out of the bargaining class and enough products are marketed in this way to dominate the market and repeal the law of supply and demand for the balance of the growers even though they might be in position to hold.

The Chicago Tribune sagely advised the farmers of the Northwest that their plight was due to the radical Representatives which they have been sending to Congress. In an editorial headed "Back to grass" it advised its readers that the solution of the agricultural problem lay in letting the farms go back to grass. It was callousness of this kind on the part of the powerful which caused and justified the French Revolution. To one who knows the mental and physical suffering through which farm families have been going, the cruelty of that editorial and the attitude of mind which lies behind it justify radicalism, communism, Bolshevism, or any other desperate attempt at a remedy. I am beginning to believe that there is no help for the farmer until he becomes desperate enough to shake the foundations of capitalism. This might carry him down in the common ruin, but it might force the balance of the Nation to solve the agricultural problem as part of their own problem and abandon the fiction that we are still a Nation of individualistic coon hunters, spreading out over a land of natural opportunity.

Under the laws of the physical universe, finely divided matter is pushed into the vacant spaces of the heavens by the repulsive force of light, in violation of our old ideas of the law of gravitation; but when this matter gets into close enough contact the law of gravitation resumes sway and overcomes the force which pushed the matter together. In other words, the laws which regulate the behavior of dispersing matter are not those which regulate the behavior of condensing matter, and I suspect that this applies to human society also. God appears to have uniformity in his methods.

Very truly yours,

XENOPHON CAVERNO.

This letter is but a reflection of the general feeling and sentiment of the farmers throughout the Nation. The Congress and the President may well heed the warning. The farmer will no longer be "soft-soaped" by fine phrases of the politician. He is facing bankruptcy and despair. What he wants and what he must have is action and not promises, and for my part, I shall resolve every doubt in favor of the farmer when considering legislation which seeks to grant him relief. Many bills have been introduced having in view relief for the farmer, most of which have been pigeonholed in committee and will never reach the floor of the House. I introduced H. R. 6069, the object of which was to lower the prices of farm implements and fertilizers, but it has met the common fate of farm legislation. Apparently the pending bill is the only farm relief measure that we will have the opportunity to pass upon, and I shall give it my support.

Mr. HAUGEN. Mr. Chairman, I yield nine minutes to the gentleman from Iowa [Mr. DICKINSON].

Mr. DICKINSON of Iowa. Mr. Chairman, reference has been made here to a college president from the State of Kansas who, I understand, has visited Washington. Up to date I have not been able to find a single solitary Congressman from Kansas who was interviewed by this president while he was in the city of Washington, and I would like to ask the gentleman from Kansas [Mr. SPROUL] whether he considers this man's reputation ruined now so far as Kansas is concerned.

Mr. SPROUL of Kansas. I certainly do; and that is the estimation of the farmers of the State as indicated by the letters I have been receiving from them concerning his attitude.

Mr. HOWARD of Nebraska. You understand he is already ruined?

Mr. SPROUL of Kansas. Yes, sir.

Mr. DICKINSON of Iowa. A letter was read here from Mason City, Iowa, written by a man by the name of Shotts. I live 50 miles west of Mason City, and I never heard of this gentleman in agriculture or in anything else, and I want to suggest to him that if he has any doubt about the standing of GILBERT HAUGEN in the fourth congressional district of Iowa I advise him to run for Congress against him. They have been trying it out there for 30 years, and they have never succeeded yet. [Applause.]

This is the only opportunity this Congress is going to have to present agricultural relief. If you vote to strike out the enacting clause of this bill you will vote to deny agriculture a fair hearing on this floor. If you vote to strike out the enacting clause of this bill, there will be nothing more said in this Congress concerning agriculture, and that applies to both sides of the House. The roll will be called, and we will see who the friends of the farmer are and who it is that wants to say in this Congress, "We will not give any relief to agriculture under existing conditions."

I think this is the most far-reaching bill that is going to be presented to this Congress or the next Congress, and I want to say to every gentleman here on either side of the House that this bill and the principle involved in this bill is going to be knocking at the door of this Congress or at the door of the next Congress unless you adopt it now.

The bill has to do, if you please, with the adjustment of industry and labor and agriculture, and that is what every good citizen of the United States ought to be in favor of; and in case it is not adopted by this Congress I want to say that the trials and tribulations of agriculture are not going to stay out west of the Mississippi River. They are going to come knocking at the door a little farther east all the time. The

interest that is due out there on mortgages in this western section of our country is going to be defaulted. You may say that our people are wealthy. They showed an advertisement here where Iowa was rated as the richest State. We are wealthy, but we are not making any money.

Mr. MACGREGOR. Will the gentleman yield?

Mr. DICKINSON of Iowa. No; I can not yield. I only have a few minutes.

Our industries are slumping. We are not able to make a profit on what we are doing, and how long can a factory maintain smoke in its chimneys if they are eating into their capital stock every day?

The principle involved here is not only economical but political, for it has to do with fixing policies that are going to be far-reaching in the future, and they are going to be fought out in both parties on both sides of the aisle, and no man is going to be able to escape his responsibility. It is admitted here by the worst enemy of this bill that it will work on wheat. If it will work on wheat, the wheat farmers are entitled to relief, because democracy is organized for the benefit of the people, and if it does not render the relief when it has the opportunity it is not performing its full function to the governed. If it will work on wheat, why not on hogs? If it will work on hogs, why not on corn? The processing of hogs is no more intricate than that of wheat. The processing in one thing is no more intricate than the processing of another. It is amusing to me when they say it will not work on corn, and then we find Doctor Corn ASWELL in Louisiana, where they produce 29,000,000 bushels of corn out of the 3,000,000,000 bushels, come up here as a corn doctor and tell us what we need to fix it up so as to take care of the corn situation.

Who raises the corn and hogs in this country? Who raises the pork chops that you eat down here nearly every day on the table? Of corn and hogs of this country 42 per cent of the hogs are raised in Iowa, Illinois, Missouri, Nebraska, and Indiana. Forty-five per cent of the corn is raised in these same States. And who is there here from those States asking that this law be enacted into legislation? With reference to corn, are you willing to take the opinion of Doctor Corn ASWELL whether this law will help the farmer, or will you go out and take the word of the farmer who produces the corn and is interested in the financial end of it? Will you take the statement of a farm bureau and a farmers' union of these locations that produce the corn? Who produces the hogs? The same localities that produce the corn, because one is coexistent with the other. The gentleman from Wisconsin says that this will not work as to hogs. On the other hand, John Brown, president of the National Livestock Association, says it will work with reference to hogs, and he is in the market game every day. He knows the marketing process on hogs. He knows what is to be done in order to make a successful delivery of hogs to the market, and he knows what it will take to manufacture them. He knows how farm products are exported, and he says that this bill will work.

Whose opinion does this Congress want to take, the man in the business or the man that has made a theoretical study of this bill and who lives in a district that produces no pork?

We are told that the spindles of Massachusetts are becoming idle, and when you look over sales of their products not the slightest deduction is there made in the price of an article. Why? Because they are so organized that they can take care of their output at the price that pays them a profit.

Now, that is all that the farmers ask you to do here. This bill is not going to be put into operation to take care of all the hogs in this country. It is only to be put into operation when there is an exportable surplus and you have to sell your pork at less than the ratio price. [Applause.]

THE M'NARY-HAUGEN BILL AND ITS RELATION TO PRIVATE AGENCIES

Much is made by the opponents of the McNary-Haugen bill of the claim that it will destroy existing private business now performing useful functions in handling farm commodities. Just how much displacement of this character there will be is impossible to estimate, but certainly no important agency that is efficiently and economically engaged in performing a useful service would find its duties changed or its field limited under the plan set forth in this bill.

In going upon the market to buy the surplus of any commodity, in contracting for processing this commodity if necessary for foreign sale, and in perfecting the actual sale in export it is certain that the corporations will have the good business judgment to secure these services in the least costly and most efficient way possible. It is with that thought in mind that the authors of the McNary-Haugen bill inserted the following section in the proposed law:

The corporation shall utilize, so far as practicable, existing facilities and agencies, including the associations of producers, in the exercises of its powers and shall exercise the power granted it in Paragraphs I and III of subdivision A only if the existing agencies or facilities can not be used or obtained on reasonable terms.

Loudest of all in their opposition to the McNary-Haugen bill have been a coterie of grain exporters headed by Julius Barnes, who has employed his position as president of the United States Chamber of Commerce in every conceivable way to fight this bill. It is plain to any student of grain marketing that ample opportunity is provided by the McNary-Haugen bill for the millers and grain elevators to employ their facilities in grain handling under conditions exactly as favorable as at present. Even with the grain exporters there is no reason why the corporations should not utilize them in foreign sales, provided they will render the service at as low a cost as the corporation could perform it. It is true that the corporation will probably encourage a policy of handling as much of our grain exports in the form of flour as possible, which might not be wholly to the liking of the grain exporters.

But, at any rate, since Mr. Barnes is taking such a prominent part in opposing the McNary-Haugen bill, it is proper to inquire just who are these grain exporters and how important are they that they should be weighed against the interests of the six or seven million farmers whose welfare and in many cases whose very existence on the farms are closely tied up with the McNary-Haugen bill.

Fortunately, the information needed to answer this inquiry is at hand. The Federal Trade Commission on May 16, 1922, published Volume I of its study of grain exporting, dealing particularly with "Interrelations and profits of grain exporters." From this study we learn that there were only 90 companies which in 1921 exported any wheat whatsoever, and only 36 companies that handled as much as a million bushels of wheat each. Of these 36 companies, only 18 are American, while 18 were wholly foreign or were largely controlled by foreign stockholders. Forty-six per cent of the total wheat exported in that year was exported by foreign companies. Of the first three companies in volume of wheat exports for 1921, an English company stood at the head, a French company came second, and in third place stood a concern largely dominated by Belgian capital.

At the head of the list of American wheat exporters, fourth in total volume of exports, came Julius Barnes. It is interesting to note that Mr. Barnes, in addition to the Barnes-Ames Co., controls eight other subsidiary corporations, according to the Federal Trade Commission—the Barnes-Irwin Co., the Barnes-Jackson Co., the Barnes-Pizasek Co., the Itasca Elevator Co., the Neil Grain Co., Smyth, Barnes & Co. (this Mr. Barnes operates as an English concern), the Zenith Grain Co. (Canadian), and the Nye & Jenks Grain Co.

Just to give a clearer picture of the way the Barnes influence spreads throughout the grain-marketing structure in this and other countries, it is interesting to note that, according to the Federal Trade Commission, Mr. Barnes controls, in addition to those enumerated above, nine other companies subsidiary to the Nye & Jenks Grain Co. These are the Trans-Atlantic Brokerage & Export Co., New York; Rialto Elevator Co., Milwaukee, Wis.; Independent Grain & Lumber Co., Mason City, Iowa; Nye-Schneider-Fowler Grain Co., Omaha, Nebr.; Central Granaries Co., Lincoln, Nebr.; Nebraska Elevator Co., Lincoln, Nebr.; Thresher Fuller Grain Co., Kansas City, Mo.; Nye, Jenks & Co., Minneapolis, Minn.; and the Nye-Schneider-Jenks Co., Omaha, Nebr.

Here we have a picture of the grain-exporting situation. Nearly half our export wheat handled by foreign concerns; only a handful of Americans engaged in the grain-exporting business at best, and that handful interlocked and interrelated and permeated with the influence of Julius Barnes. This is the group that is making the most noise and opposition to the McNary-Haugen bill, and this is the group whose interests Congress is asked to consider as more important than the interests of millions of farmers who now suffer from impaired purchasing power largely due to discriminatory legislation.

These grain exporters do not require much more in the way of physical equipment than an office and a desk. Their operating capital need not be large. The Federal Trade Commission report said:

Trading in grain, including the sale of grain to the foreign buyer, does not require extensive physical equipment, and therefore does not call for any considerable capital in permanent form. While some merchants physically handle and store the grain, thus requiring the use of considerable capital, others, many of them among the largest grain merchants, do not so handle the grain. Hence, a large proportion of the capital of the grain merchant may consist of working capital which may be in the form of borrowings secured by grain.

In his utterances against the McNary-Haugen bill Julius Barnes has been careful to have himself quoted as president of the United States Chamber of Commerce. In view of his widespread and peculiar interests in the grain-exporting business, as shown by the report of the Federal Trade Commission previously referred to, I submit that it would be more straightforward, and certainly more comprehensible, if Mr. Barnes would explain his interest in the McNary-Haugen measure now pending by a frank statement that he is the leading American grain exporter.

In a very informal talk before a considerable group of Congressmen and their wives one evening last week Secretary of Agriculture Wallace said that some way must be found to make clear to the people in the industrial sections and in the cities, especially the East, just what has happened and is happening to the farmers of the mid-West and far West, where our great surplus agricultural crops are produced. He said he thought that if the people of the cities and industrial centers could once understand the seriousness of the agricultural situation they would be just as anxious as the people of the West to do something to relieve a condition which is a real menace to the Nation. He said:

Surely everyone will agree that Government must secure and maintain economic justice among the various producing groups. At the present time a very large percentage of the farmers of the Nation are the victims of economic injustice, in part at least due to Government action. Farmers greatly extended their production to help win the war. They went in debt to buy additional equipment, to enlarge their cultivated acreage, to add improvements which would not otherwise have been added, to buy machinery which would not otherwise have been bought, and to vote taxes which would not otherwise have been voted, to buy Government bonds, and to pay high prices for labor. They were assured that they could produce with assurance that they would be able to sell all they might produce at prices sufficient to make them whole. Until the summer of 1920 prices of farm products in general sold high enough to cover enlarged production costs. In 1920 the prices of most farm products dropped perpendicularly to figures far below the bare cost of production, without taking into account added expense in the way of taxation, increased freight rates, and other fixed items of expense. The Government was responsible in considerable part for the agricultural inflation and was responsible in part for the drop in farm prices. To say that the Government's responsibility was due to the needs of war may explain but does not relieve the situation in which the farmer finds himself.

When we remember that about a third of our people live on the farm, surely it must be evident to every thinking citizen that if we compel that third to continue for any considerable length of time under gross economic injustices things are going to happen which good citizens do not want to see happen. Speaking generally, the best farmers are those who have been hit the hardest, because it was they who responded most cheerfully to war demands. The idea that any considerable number of farmers are in trouble because of unwise speculation or of inefficiency is wrong. The number of those is very small. But hundreds of thousands of good, hard-working farmers who have farmed efficiently, avoided speculation, worked hard, and managed their farms wisely have seen their savings of a lifetime swept away and have lost their farm homes through no fault of their own.

This is a situation to challenge the attention of every thoughtful statesman. Bankers, manufacturers, and business men generally in the agricultural regions of the mid-West and West are close enough to see what is happening, but similar groups in the East do not seem to understand either what is happening or the results which are bound to follow unless this agricultural trouble is remedied very soon.

The farmers of America have been the balance wheel from the beginning of our national life. They have sent a steady stream of fresh blood into the cities. They have thought clearly on every national problem, and especially on the great economic and social problems which make for sound and stable government. No greater mistake can be made than to permit this basic group to continue under such drastic conditions as have prevailed for the past three years.

Statistics show that, if we except those regions in which there is a considerable excess of foreign population, the number of births in most of the cities of the eastern half of the United States is not sufficient to even maintain our population. Aside from immigration our population is growing through increase on the farms and in those urban and industrial sections in which foreign nationalities are preponderant. The farmers produce more than half a million surplus children each year. These children spend their character-forming years on the farms, and move into the cities as they reach maturity.

The sort of citizens they make depends upon home conditions and educational and religious opportunities. Conditions such as have prevailed upon the farms for three years past are making it necessary for the children to work as soon as they are large enough to work. A large percentage of them are being deprived of those educational, social, and religious opportunities which are so necessary to the making of good citizens. Schools and churches are being closed in many regions. The people of the cities from their own selfish standpoint could afford to pay at least 40 per cent of the cost of furnishing educational opportunities to the young folks now on the farms rather than allow present conditions to continue, for these young folks will make the citizens of the next generation.

There is still another phase of this situation which is of selfish interest to the people of the cities. The fertility of the soil is our greatest material national asset. It will not be many years until our population will be large enough to consume all of the farm products we are now producing, and as time goes on our troubles will be due not to an agricultural surplus but to the high cost of food. During the past three or four years the farmer's income has not been large enough to enable him to keep up his producing plant. His machinery is deteriorating, his buildings, his fences, and other improvements. The need for producing cash crops and the high price of seeds has prevented him from following those systems of rotation which are necessary to keep the land in good heart. We are eating into the fertility of the soil, our capital asset, at a rate which the Nation can not afford, looking to future needs. This is a matter of even greater concern to the consuming public than to the producer.

Some way must be found to assure to the farmer his fair share of the national income. Some way must be found to bring the farmer into fair economic relations with other essential groups. The advice of the classical economist to let things alone on the theory that economic laws will bring about a normal balance is bad, and never so bad as at the present time. Ways have been found to protect other groups from the brutal operations of these economic laws, and ways must be found to give the farmer equal protection.

Our sympathies are aroused when we hear of a famine in any part of the world, and we give freely of our money to feed the starving people. If we should follow the advice of the cold-blooded economist, instead of feeding starving people we should let them die on the theory that the consequent reduction in population would restore economic balance and there would then be food enough for all.

The people of the United States can not afford to permit agriculture to continue in its present state. It is not a question of showing favoritism to the farmer. It is not a question of giving the farmer something at the expense of other groups. The question is to see to it that the farmer has justice; that he has equal opportunity with the commerce, the business, the industrial, the financial, and the transportation groups—even-handed justice—no more, no less. It is a great national problem, upon the satisfactory solution of which national welfare depends.

During this period of acute agricultural depression hundreds of farms have passed out of the ownership of farmers and into the hands of nonfarmers. This movement is growing rather than lessening. We are feeling the cumulative effect of low prices and lessened income. It is not good for the country that the land should be owned by a nonresident landlord class. That tends toward rack rents, lower standards of living, exploitation of the soil, and peasantry.

The fostering of a sound agriculture is a Government duty, and present conditions demand courageous action, even if it may be necessary to adopt heretofore untried methods.

The following letter has been sent to Members of the House and Senate by representatives of farm organizations who are in Washington supporting the McNary-Haugen export corporation bill. In addition to the men and organizations signatory to this letter, over 300 other farm organizations, as well as many hundreds of commercial and professional associations, have indorsed the measure:

During the recent press comment on the McNary-Haugen bill, the statement has frequently been made that the present Congress will not adjourn without passing some kind of farm legislation, and the only inference which can be drawn from such statements is that if Congress can not see its way clear to give the farmer what he wants, then it will give him something it thinks he ought to have. And we, the undersigned, who represent the largest and the most representative farm organizations of the country, believe that the time has come when we should make our position in these premises clear to Congress and to the whole Nation—and therefore without the slightest semblance of threat but with an overwhelming conviction of the gravity of the situation which now confronts the farmer, we want to make it perfectly plain that no mere legislative palliative can save agriculture from the collapse which now impends, which has already forced tens of thousands of the best farmers in the land into bankruptcy and which at this hour menaces tens of thousands of other farmers with the same catastrophe.

The single and solitary purpose of the McNary-Haugen bill is to give to the farmer as big a dollar for the products of his toil during the next five years as the dollar that he is forced to pay to industry under the Fordney-McCumber Act and to labor under the existing

generous wage scales, and in all candor we desire to ask of Congress and of the country, is there anything unfair about this proposal? Can the farmer be expected, on the one hand, to bear a large share of the burdens imposed by industry and labor who have created living conditions of their own liking—and then, on the other hand, accept a price for his wheat, hogs, cattle, and other surplus farm commodities, at home and abroad, established in competition with the peasant and peon farmers of the whole world? If the American manufacturer is unwilling to meet the foreign manufacturer on an even footing, and if labor believes that the time for absolute exclusion with reference to immigration has come, then should they ask the six and a half million farmers of this country to do what they themselves refuse to do?

Through the McNary-Haugen bill we have approached this situation as best we knew how. For four long, weary months this measure has stood the fire of the opposition before the House and Senate committees and during this time we have sought to cure every fair and valid objection made against its various provisions. Therefore we have a firm conviction that the measure as it now stands is legally sound, practical, and workable. Nevertheless if any Member of Congress can, in good faith, propose any further amendment that will make it more so and yet subserve the full purpose which the act has in view, then we shall most cordially welcome such assistance—for certainly we want it to be sound and workable and certainly also we do not want to take a penny out of the Federal Treasury that is not returned, for we are asking Congress to help us save agriculture from impending ruin. We are not asking for charity. But if after placing ourselves in this friendly and conciliatory attitude Congress should still see fit to deny our petitions, then we shall go back home and save as much out of the wreck as we can.

In the meantime let Congress and the whole country understand that the day of soft-soaping agriculture is past—that in this hour when the average farmer is struggling for his very existence it would be an insult to offer him a mere legislative nostrum that does not honestly and fairly seek to relieve him of the tremendous handicap under which he is laboring. In all kindness but nevertheless with profound firmness we therefore say, give us the McNary-Haugen bill, for agriculture is unable to accept a substitute.

The above statement has the unqualified indorsement of the following organizations whose representatives are on the ground in Washington.

T. C. Atkeson, Washington representative, National Grange.
John G. Brown, president National Live Stock Producers' Association.
Geo. G. Coale, Knox County, Ind., banker.
Thomas E. Cashman, president American Hereford Breeders' Association and director Minnesota Farm Bureau Federation.
S. H. Thompson, president Illinois Agricultural Association.
R. A. Cowles, treasurer Illinois Agricultural Association.
Carl Gunderson, director South Dakota Wheat Growers' Association.
William Hirth, president Missouri Farmers' Association.
C. W. Hunt, secretary-treasurer Iowa Farm Bureau Federation.
Geo. C. Jewett, general manager American Wheat Growers Associated.
F. W. Murphy, St. Paul Association and Northwest Campaign Committee for Promotion McNary-Haugen Bill.
J. F. Reed, vice president Minnesota Farm Bureau Federation.
J. R. Riggs, Producers' Commission Association of Indianapolis, Ind.
C. G. Selvig, president Minnesota Export Commission League.
Gray Silver, Washington representative, American Farm Bureau Federation.
Wm. H. Settle, president Indiana Farm Bureau Federation; Indiana Wheat Pool; Indiana Dairy and Produce Association.
L. J. Tabor, master National Grange.
John Tromble, president Kansas Farmers' Union.
National Cooperative Milk Producers' Association.

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman, when my friend, A. D. Cross, of Spokane, Wash., wrote the letter to the gentleman from Louisiana [Mr. ASWELL] I do not believe that he thought his letter was going to be used as it was. He is for cooperative marketing. So am I. Here is the closing paragraph of a letter from Mr. Cross, written to me on the 10th of this month:

I desire to thank you for your earnest work on behalf of the McNary-Haugen bill, and we hope it will pass—

[Applause.]

as there is no conflict between it and the Curtis-Aswell bill. The former is an emergency measure and the latter for permanent relief.

It is signed "A. D. Cross, secretary of the Farmers' Union, State of Washington."

The gentleman from Louisiana [Mr. ASWELL] stopped the Clerk before he concluded the reading of Mr. Cross's letter. The impression was given that Mr. Cross opposes the McNary-Haugen bill, whereas, speaking for the farmers' union, of which I have been a member for 15 years, he says, "We hope it will pass."

Mr. HAUGEN. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa [Mr. DOWELL].

Mr. DOWELL. Mr. Chairman, I am in favor of the passage of this legislation. It is admitted by even those who oppose it that it will furnish some relief to the farmers of the country. But the charge is that it is not economically sound.

I have listened with much interest to this debate. The farmers of the country are earnestly urging the passage of the legislation, and if we may judge by the attitude of their Representatives on the floor some business sections of the country are opposing the legislation.

I listened with much interest to the reading of a letter submitted by the gentleman from Louisiana [Mr. ASWELL], and while this letter was supposed to oppose this legislation, I thought I could well understand that the writer was urging in the strongest terms possible the immediate relief the passage of the legislation would give to the farmers of the United States.

Now, that my friend the gentleman from Washington, Doctor SUMMERS, has read the last clause in the letter, it appears that the writer indorses the bill under consideration and asks for its support.

The legislation under consideration, I believe, will do much to relieve the farmers of the country of their present distressed condition, and knowing the need of aid for these farmers at the present time, I want to urge as earnestly as I may the passage of this legislation.

The gentleman from Massachusetts [Mr. LUCE] on yesterday condemned this legislation in no unmistakable terms, and his condemnation of it was not because it would not improve the condition of the farmer, but because he claimed that his constituents would be required to pay an additional price for these farm products.

I want to quote briefly from his remarks in the CONGRESSIONAL RECORD of yesterday.

We do want agriculture to prosper. We will help it in every reasonable way; but what we say is that its prosperity should be in the main left to the working of laws of economics that are never defied without disaster.

From his speech, further on, I quote the following:

What is our remedy? Why, the natural remedy, the remedy of nature herself. The remedy of the competitive system; the remedy of the laws of economics.

In other words, he tells us let the farmer work out his own salvation. I take it from his argument he desires to purchase the farm products as cheaply as possible, and he believes this legislation will increase the price of farm products. Therefore he opposes it vigorously. But how does this principle work when it is transferred to the State of Massachusetts? When a tariff bill is before the House for consideration the gentleman from Massachusetts is here begging and imploring Congress to protect the great industries of New England against the cheap manufactured products of the world, and the industries of Massachusetts by this tariff are protected, and I dare say the gentleman from Massachusetts would admit that it is for the purpose of maintaining a price at which these institutions can manufacture their products at a reasonable profit.

The farmers of the United States now find themselves without protection and without an adequate market for their products. And they are unable to carry on their business at the prices they are receiving for their products.

What is good for the great industries in Massachusetts by way of protection is good for the farmer of the United States. And the gentleman from Massachusetts should be broad enough to see that the industries of the East can not long prosper while the farmers of the country are raising their products without profit. In other words, my view is that the best condition possible for the industries of Massachusetts is for the farmers of the country to be prosperous.

The farmers of the country are earnestly asking Congress to furnish them with relief from their present condition. And this legislation is before us for consideration and, as I view it, it is the only legislation that will be brought before us for consideration at this session. And if this measure is defeated at this time we will be unable to furnish the much-needed relief asked for by the farmers of the United States. [Applause.]

Mr. RUBEY. Mr. Chairman and gentlemen of the House, for 15 hours we have been debating this great question. On behalf of the committee I wish to extend their thanks for the splendid attendance that has been given us.

During these closing moments of the debate I call attention to the fact that on the 7th of June, in a few days, to be exact just 15 days from now, will come to an end the present session of Congress. There is absolutely no chance to get legislation for agriculture unless you act now and act favorably upon this measure. It is up to you. For five months or more we have given our time and attention to this piece of legislation. We have brought it to you. It is yours now to do with as you please, but I wish you to remember that when you wend your way homeward after the closing hour, after the gavel falls in this Chamber and in the other, you must meet face to face the farmers of America.

They have been asking for this legislation. If you voted for it, good and well. If you voted against it, what can you say? Can you say to the American farmer that you voted against the bill in the hope that some other measure could be brought in? You know that within 15 days there can not be brought into this House or into the Senate Chamber a perfected piece of legislation to give to the farmer any manner of relief. So I say to you, most kindly and yet most emphatically, that it is the McNary-Haugen bill, the bill the farmer wants, the bill he is asking for, or it is no legislation at all. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9033, and had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

A message in writing from the President of the United States by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills and resolutions of the following titles:

On May 15:

H. J. Res. 195. Joint resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming drugs.

On May 17:

H. R. 7962. An act to extend for the period of one year the provisions of Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended.

On May 19:

H. R. 1823. An act for the relief of the Long Island Railroad Co.; and

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes.

On May 20:

H. R. 2878. An act to authorize the sale of lands allotted to Indians under the Moses agreement of July 7, 1883;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota; and

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes.

On May 21:

H. J. Res. 248. Joint resolution to provide for the remission of further payments of the annual installments of the Chinese indemnity; and

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.

On May 22:

H. R. 4200. An act to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio; and

H. R. 6059. An act authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets.

On May 23:

H. R. 2498. An act for the relief of the East LaHave Transportation Co. (Ltd.), owner, A. Picard & Co., owner of cargo, and George H. Corkum, Leopold S. Conrad, Wilson Zinck, Freeman Beck, Sidney Knickle, and Norman E. LeGay, crew, of the schooner *Con Rein*, sunk by United States submarine *K-4*;

H. R. 3183. An act for the relief of Rush O. Fellows; and

H. R. 5808. An act for the relief of Edward T. Williams.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 6820. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

SWAINS ISLAND (S. DOC. NO. 117)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith a report from the Secretary of State regarding the status of Swains Island in the vicinity of American Samoa in the Pacific Ocean.

I recommend that Congress take the necessary action to regularize the status of the island in accordance with the recommendations of the Secretary of State.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 23, 1924.*

THE M'NARY-HAUGEN BILL—"WHO KILLED COCK ROBIN?"

Mr. SUMNERS of Texas. Mr. Speaker, as a sort of aftermath of the defeat of the McNary-Haugen bill, a large-sized United States map has been brought into the lobby, at the top of which is pinned the legend "Who killed Cock Robin?" This map has been recolored to show the sections of the country from which support and from which opposition to the McNary-Haugen bill came. This map, which has been fixed up since the defeat of the bill, has no reference, of course, to any pending legislation. It is political. It is to be used in the coming campaign in an effort on the part of the administration to escape responsibility for not having enacted farm relief legislation. Practically the entire cotton-producing section of the South is included in the area of first-degree responsibility. The mental impression intended to be conveyed by this map is to locate responsibility away from the party in power. Otherwise there could be no point or purpose to it.

I do not ordinarily participate in partisan discussions. I realize the desperate straits to which this administration is driven after all the brave words and mighty promises, but it is neither brave nor fair to hide behind a doctored-up map and arouse prejudice in order to escape responsibility.

The Congress is adjourning. Nothing has been done. An excuse must be offered. Words fail; hence the trick map. It is to answer the question, "Who killed Cock Robin?" It is hoped that the grain and meat producers in their indignation that the Southern States—all agricultural and Democratic—which did not support the McNary-Haugen bill, will forget that the Republican Party is in power and in responsibility in both the House and in the Senate and in the White House. It is hoped they may not stop to consider that this McNary-Haugen bill did not propose the slightest relief to the southern farmers, but, on the contrary, proposed an added burden on the farmers of the Southern States, many of whom are in the greatest distress.

It is hoped, no doubt, they may not inquire into the history of this bill and learn that the committee which framed the bill knew when it was being framed the South could not support it and that it was reported to the House over the protest of representatives from the South on that committee. An examination of the provisions of the bill discloses that if the administration had deliberately set about to frame a bill with the purpose of excluding the possibility of southern support it could not have succeeded better than in this McNary-Haugen bill. The purpose to do that is not charged, but the bill discloses the fact. That is bad enough, but to label this bill as the real Cock Robin, deceased, which would have scratched away all the troubles of the wheat and meat producers, and in the solemn presence of that dead bird point an accusing finger at the South, inquiring, "Who killed Cock Robin?" and answer that question with this trick map, is not justified even by the dire extremities of these map fixers. It is not a mere matter of partisan or of personal politics which is involved. It is the possibility of mutual hurt.

It is not constructive statesmanship to propose a one-sided farm-relief measure which gives to one section of the country no share in its benefits, but actually proposes a new burden, get the bill defeated, and then offers for not having done anything an excuse calculated to arouse an unwarranted prejudice which would prevent concert of action among agricultural sections in those matters where there is community of interests.

Let us see about this. The general plan of this bill—I speak of it as of before its defeat—is to advance from the Federal Treasury $200,000,000, to be administered by a Government board in the purchase, in its discretion, of certain enumerated commodities where there is an export surplus and the domestic price is below the average commodity price based upon the average of those prices during the years 1905 to 1914, both inclusive. Through the operation of the tariff the embargo, if necessary, and the purchases made for export domestic prices are to be raised until they reach the point of the average relative commodity price. The surplus purchased is to be sold abroad, dumped, and the loss from such sales and the cost of administration deducted from the receipts from original domestic sales.

That is the general plan of the bill. Aside from any questions as to economic or governmental soundness, the selection of the years 1905 to 1914, inclusive, as the basis for price fixing, while applicable and acceptable to the meat and grain sections, was impossible as to cotton, for this clear reason: Since the years 1905 to 1914, inclusive, carried in the bill as the basis for determining all prices to be paid by the Government board, 1909 being the average thereof, the boll weevil has established itself throughout the entire cotton-producing area. There is not a person to any degree familiar with the increased cost, the increased hazard, of cotton production resulting from the advent of the boll weevil who has the slightest idea that cotton can now or ever again, as long as that pest remains, be produced on the basis of the same relative average commodity price received for cotton during the 10 years 1905 to 1914, inclusive. In other words, cotton farmers having to fight this pest and bear the loss in yield would be destroyed from the increased production cost per bale and decreased yield long before prices had shrunk to the point where contact with the provisions of the McNary-Haugen bill would be established. I raised this question at the first meeting of Members called to receive an explanation of the bill and was told no consideration could be given to this new element in production cost. I am not criticizing for not doing this. I am criticizing for trying to lay responsibility upon the South after this policy was adopted which excluded it from any further interest in the bill except as to its adverse features.

The wheat and meat farmer suffers from the ravages of prices relatively lower than those of 1905 to 1914; the cotton farmer from yield lower than those years. In each of the sections there are vast areas of acute distress resulting from these causes. Many cotton farmers for three years in succession, after the entire expense of cultivation, have suffered almost total and many of them total loss of their crops. In some sections whole counties have been largely depopulated. The only effect of this bill, in so far as they are concerned, would be to increase the price of the meat and grain products which they must buy. Of course, we are sympathetic with the meat and grain farmers, but we can not vote this added burden on our people in a bill which brings no relief to them. We can not stand an increase of production cost. We must sell two-thirds of our cotton abroad, handicapped as we are by the boll weevil and the tariff-boosted, trust-manipulated prices which we must pay. We must have cheaper cost of production if we are to meet world competition with this handicap. Why, may I ask these map fixers, should southern Representatives vote an increased cost on our people to help those who will not help us and will not help themselves to reduce this cost so that we may all have a fairer chance to compete with the world, as both of us must?

Aside from that, we know that we can never depend on any arbitrary arrangement under which domestic buyers of the one-third of our cotton would be forced by law to pay us enough to absorb a loss on the two-thirds sold abroad, the cost of administering, and in addition pay us a profit on the entire crop. The people would not stand for it. An attempt to proceed in that direction would be a foolish gesture. However, there was no such proposition. While the bill originally included the word "cotton" it excluded the staple by the failure to include as a price-fixing element the influence upon production cost caused by the boll weevil. We do not complain at that. But after this sort of treatment, why lay responsibility at our door for the failure of this administration to frame a bill we could support?

"Who killed Cock Robin?" If our friends can get by with this "Who killed Cock Robin" business, they will have something to brag about in the cloakrooms for many days to come. Who did "kill Cock Robin"? The fact is, nobody "killed Cock Robin" in the House. It was dead when it was brought in. From the time of the solemn entry of the pallbearers it was only a question as to when the obsequies would take place. As a matter of fact, it was not a "Cock Robin" at all. It was not even a little female robin. All that could be told for certain was that it was a dead bird over which a preelection wake was being held. A good many people thought it looked like a little gosling which had died in its shell.

And now the party in power and in responsibility in both Houses of Congress and at the White House, having failed utterly to enact farm-relief legislation, is seeking to use this map to divert resentment from the administration and from the party in power to a group of Southern States, Democratic in their affiliation, which this administration saw to it—I do not charge the purpose—were excluded from any chance to cooperate in passing the legislation which it brought to the floor of the House. It is said that all is fair in war and in politics. I challenge that statement.

It may be that some support was expected from certain other sections of the country, especially from the manufacturing sections. For generations the farmers of the wheat and meat producing sections have had the doctrine preached to them, largely by their own representatives in Congress, that if they would agree to an artificial increase in price of the products of the cities, the people of the cities would have more money with which to buy the products of the farm. They have accepted and devoutly supported that doctrine, but when the wheat and meat producers sought, in the advocacy of this bill, to return the argument that if the manufacturing cities would agree to an artificial increase in the price of the products of the farm, and only up to the point of average commodity value, the farmer would have more money to buy the products of the manufacturing city, the city folks, to use a bit of expressive slang, "gave them the horse laugh."

It may be true that "what is sauce for the goose is sauce for the gander" but these preachers of the doctrine referred to seem to reason that it does not follow that what has made the "goose" sick would be good for the "gander." They would not take their own medicine. It was a very embarrassing moment for these gentlemen who have been peddling this medicine around, doping up the wheat and meat farmers, just when these farmers are getting suspicious as to its efficacy, to have those for whom they have been peddling it refuse to taste it just a little bit to show that they did not regard it as injurious to the system. It was disconcerting to say the least. It is enough to start them off trying to find out "Who killed Cock Robin?"

Maybe these gentlemen are to be excused for this map stunt. There is possibly not much else left in the present circumstances for the administration which is in power and in responsibility in the House, in the Senate, and in the White House to do except to get a lot of trick maps and go about the country crying out: "Cock Robin is dead; who killed Cock Robin?" But we are sorry that it has seemed to be necessary to lay the blame and responsibility in substantial part at the door of a group of agricultural States excluded from consideration of providing for them an additional burden upon production.

THE MERCHANT MARINE

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6202, to amend sections 11 and 12 of the merchant marine act of 1920, with Senate amendments thereto, disagree to all of the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to take from the Speaker's table the amendment to the merchant marine act, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees:

Mr. GREENE of Massachusetts, Mr. EDMONDS, Mr. LEHLBACH, Mr. DAVIS of Tennessee, Mr. LAZARO.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TAYLOR of Tennessee, for one day, on account of important business.

HOUR OF MEETING TO-MORROW

Mr. HAUGEN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day, it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

ADJOURNMENT

Mr. HAUGEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 50 minutes, p. m.) the House adjourned until to-morrow, Saturday, May 24, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

509. Under clause 2 of Rule XXIV, a letter from the chairman of the Personnel Classification Board transmitting recommendation that Congress enact legislation to amend the classification act, striking out the two lowest rates of compensation for grades 2 and 3, respectively, of the custodial service, was taken from the Speaker's table and referred to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9077. A bill granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; without amendment (Rept. No. 834). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9224. A bill granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River; without amendment (Rept. No. 835). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 9314. A bill to amend section 98 of the Judicial Code; without amendment (Rept. No. 839). Referred to the House Calendar.

Mr. DOWELL: Committee on Roads. H. R. 4971. A bill to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; with an amendment (Rept. No. 840). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GILBERT: Committee on the District of Columbia. H. R. 8686. A bill authorizing the health officer of the District of Columbia to issue a permit for the removal of the remains of the late George Mauger Burklin and the remains of the late Anton Lerch Burklin from Glenwood Cemetery, District of Columbia, to Fort Lincoln Cemetery, Prince Georges County, Md.; without amendment (Rept. No. 836). Referred to the Committee of the Whole House.

Mr. REECE: Committee on Military Affairs. H. R. 8749. A bill to correct the military record of Tennessee McCloud; without amendment (Rept. No. 837). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. S. 1427. An act for the relief of Rosa L. Yarbrough; without amendment (Rept. No. 838). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Claims was discharged from the consideration of the bill (S. 1427) for the relief of Rosa L. Yarbrough, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FULMER: A bill (H. R. 9398) to provide for the establishment of a dairying and livestock experiment station at Columbia, S. C.; to the Committee on Agriculture.

By Mr. WILLIAMS of Texas: A bill (H. R. 9399) granting the consent of Congress to the North Texas Co., of St. Jo, Tex., incorporated under the laws of Texas, to build a bridge across the Red River in the vicinity of Illinois Bend; to the Committee on Interstate and Foreign Commerce.

By Mr. WURZBACH: A bill (H. R. 9400) to authorize the exploration and purchase of mines within the boundaries of private land claims; to the Committee on Mines and Mining.

By Mr. McKEOWN: A bill (H. R. 9401) to provide for the purchase of a site and building at Sapulpa, in the State of Oklahoma, and providing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. VINSON of Kentucky: A bill (H. R. 9402) authorizing the construction of a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9403) granting an increase of pension to Isabella Shields; to the Committee on Invalid Pensions.

By Mr. BEERS: A bill (H. R. 9404) granting an increase of pension to Maria Van Orman; to the Committee on Invalid Pensions.

By Mr. CUMMINGS: A bill (H. R. 9405) granting a pension to Abraham Hess; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 9406) for the relief of Ferdinand A. Roy; to the Committee on Military Affairs.

By Mr. GREENE of Massachusetts: A bill (H. R. 9407) for the relief of Mary C. Buslere; to the Committee on Claims.

Also, a bill (H. R. 9408) for the relief of Ralph W. Clapp; to the Committee on Claims.

By Mr. WILLIAM E. HULL: A bill (H. R. 9409) granting a pension to Emma J. Pemble; to the Committee on Invalid Pensions.

By Mr. LEHLBACH: A bill (H. R. 9410) for the relief of Nicola Uzzolino; to the Committee on Claims.

By Mr. MAJOR of Illinois: A bill (H. R. 9411) granting an increase of pension to Emma Baldridge; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 9412) granting an increase of pension to Cassie A. Cunningham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9413) granting an increase of pension to Elizabeth May; to the Committee on Invalid Pensions.

By Mr. PAIGE: A bill (H. R. 9414) granting a pension to Mary E. Harris; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 9415) authorizing the President to appoint J. H. S. Morison to the position and rank of major, Medical Corps, in the United States Army; to the Committee on Military Affairs.

By Mr. SHREVE: A bill (H. R. 9416) granting a pension to Francis Blakeley; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 9417) granting a pension to Ida V. Forbes; to the Committee on Invalid Pensions.

By Mr. SPEAKS: A bill (H. R. 9418) granting an increase of pension to Kate Crookes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9419) granting an increase of pension to Eliza J. Karns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9420) granting an increase of pension to Nettie McDowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9421) granting an increase of pension to Frances E. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9422) granting an increase of pension to Rilla J. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9423) granting an increase of pension to Paulina Whitehead; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 9424) granting an increase of pension to Dora K. Flaherty; to the Committee on Invalid Pensions.

By Mr. WHITE of Kansas: A bill (H. R. 9425) granting a pension to Della Work Cherry; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2859. By Mr. CULLEN: Petition of the Maritime Exchange of New York City, indorsing the principle of the application of the ratio of 5-5-3 to the respective naval armaments of Great Britain, the United States, and Japan, and urging that the United States Navy be kept at full strength contemplated in this agreement; also petition favoring bill introduced by Hon. JOHN J. KINDRED providing for establishment of a national police bureau, known as House bill 8380; to the Committee on Naval Affairs.

2860. By Mr. FULMER: Petition of Woman's Christian Temperance Union, Leesville, S. C., signed by Mrs. J. N. McCartha,

president, and 37 members, protesting against the passage of any law in favor of light wines and beer; to the Committee on the Judiciary.

2861. By Mr. GALLIVAN: Petition of United National Association of Post Office Clerks, Washington, D. C., recommending early and favorable action on House bill 9035; to the Committee on Rules.

2862. Also, petition of James A. McKibben, secretary Chamber of Commerce, Boston, Mass., protesting against the McNary-Haugen bill; to the Committee on Agriculture.

2863. By Mr. GRIFFIN: Petition of the City Parliament of Community Councils of the City of New York, urging that a congressional committee be appointed to investigate the matter of telephone rates and service in the United States, particularly the relationship between the American Telephone & Telegraph Co. and its subsidiaries; to the Committee on Interstate and Foreign Commerce.

2864. Also, petition of the Maritime Association of the Port of New York, urging prompt action in providing the necessary appropriation to carry out the plan of naval building and modernization recommended by the Secretary of the Navy; to the Committee on Naval Affairs.

2865. Also, petition of the Maritime Association of the Port of New York, urging prompt action on House bill 8580, providing for the establishment of a national police bureau; to the Committee on the Judiciary.

2866. By Mr. NEWTON of Minnesota: Petition of the "Soo" Line Shop Employees Association, of Minneapolis, Minn., opposing the Howell-Barkley bill; to the Committee on Interstate and Foreign Commerce.

2867. By Mr. RAKER: Petitions of H. J. Barton, Oak Bar, Calif.; W. S. Sullivan, Agnew, Calif.; and Edwin S. Pickard, Adin, Calif., indorsing House bill 9035, in re increase of salaries for third and fourth class postmasters; and Chamber of Commerce of the United States of America, Washington, D. C., in re legislation relative to increasing postal rates; to the Committee on the Post Office and Post Roads.

2868. Also, petitions of Mrs. Alda C. Riesenman, Wendel, Calif.; F. G. Campini, Drytown, Calif.; and R. Guy Smith, Moss Beach, Calif., indorsing House bill 9035, to increase salaries of third and fourth-class postmasters; to the Committee on the Post Office and Post Roads.

2869. Also, petitions of Sierra Paper Co., Los Angeles, Calif., and L. W. Becker, Los Angeles, Calif., opposing passage of Howell-Barkley labor bill; to the Committee on Interstate and Foreign Commerce.

2870. Also, petition of Miss Anna A. Welch, 2266 Pine Street, San Francisco, Calif., urging favorable consideration of House bill 8352 in re reclassification of salaries of the custodian employees of the custodial service; to the Committee on the Civil Service.

2871. Also, petitions of Gyro Club, of Seattle, Wash., opposing bill pending which would change name of Mount Rainier to Mount Tacoma; John A. Edlund, Tacoma, Wash., in re change in name of Mount Rainier; and M. J. Dunham, Castle Glen, Wash., relative to changing name of Mount Rainier to Mount Tacoma; to the Committee on the Public Lands.

2872. Also, petition of the National Cooperative Milk Producers' Federation, 1731 I Street NW., Washington, D. C., in re McNary-Haugen agricultural bill; to the Committee on Agriculture.

2873. Also, petition of A. C. Williams, secretary Mena Chapter, No. 2, Izaak Walton League of America, Mena, Ark., indorsing bill for the establishment of a national park in the Ozark Mountains of western Arkansas; to the Committee on the Public Lands.

2874. Also, petition of Ralph Gordon, master Happy Camp Grange, No. 395, Happy Camp, Calif., opposing creation of a Federal department of education; to the Committee on Education.

2875. By Mr. TAGUE: Petition of Boston Central Labor Union, deploring congressional authorization for the manufacture of shoes in Federal institutions; to the Committee on the Judiciary.

2876. By Mr. THOMPSON: Petition of Napoleon, Ohio, Chapter, Izaak Walton League of America, 150 members, urging immediate passage of House bill 4088, known as the upper Mississippi River bill; to the Committee on Agriculture.

2877. By Mr. UNDERWOOD: Petition of Chillicothe Chapter, No. 3, Izaak Walton League of America, favoring the preservation of the upper Mississippi Valley as a national game reserve; to the Committee on Agriculture.

SENATE

SATURDAY, *May 24, 1924*

(Legislative day of Tuesday, May 20, 1924)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

NAMING A PRESIDING OFFICER

The Secretary, George A. Sanderson, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 24, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SELDEN P. SPENCER, a Senator from the State of Missouri, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. SPENCER thereupon took the chair as Presiding Officer.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GREENE of Massachusetts, Mr. EDMONDS, Mr. LEHLBACH, Mr. LAZARO, and Mr. DAVIS of Tennessee were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Presiding Officer [Mr. SPENCER] as Acting President pro tempore:

H. R. 6820. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

POSTMASTERS AND POSTAL EMPLOYEES

Mr. MOSES. Mr. President, the unfinished business is the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service. I have not charge of the measure, but I ask unanimous consent that it may be temporarily laid aside.

Mr. ROBINSON. For what purpose?

Mr. MOSES. I understand that the chairman of the Committee on Finance wishes to take up the conference report on the revenue bill.

Mr. ROBINSON. There will be no objection to the request.

The PRESIDING OFFICER (Mr. SPENCER). Is there objection to the request of the Senator from New Hampshire that the unfinished business be temporarily laid aside? The Chair hears none, and it is so ordered.

"THE PERIL OF NARCOTICS—A WARNING"

Mr. ROBINSON. Mr. President, I ask unanimous consent to present a document entitled "The Peril of Narcotics—A Warning," by Capt. Richmond P. Hobson, late of the United States Navy and late a Member of the House of Representatives, president of the International Narcotic Education Association, and to have the same referred to the Committee on Printing.

The PRESIDING OFFICER. Without objection, it will be so referred.

CONFEDERATE MEMORIAL DAY SERVICES

The PRESIDING OFFICER laid before the Senate the following communication, which was read and ordered to lie on the table:

HEADQUARTERS CONFEDERATE VETERANS' ASSOCIATION,
OF THE DISTRICT OF COLUMBIA,
Washington, D. C., May 9, 1924.

To the United States Senate:

Camp 171, United Confederate Veterans of Washington, respectfully invites the Members of the Senate to attend the Confederate Memorial Day services at Confederate section, Arlington National Cemetery, at 3 p. m., Sunday, May 25, 1924.

Very respectfully, FRED BRELIS,
Commander Camp 171, United Confederate Veterans.

MEETING OF INTERNATIONAL LONGFELLOW SOCIETY

The PRESIDING OFFICER laid before the Senate the following communication, which was read and ordered to lie on the table:

To the President pro tempore of the Senate:

All Members of the Senate, their families, and friends are cordially invited to attend the public readings by our great American poet, Edwin Markham, to be given at the First Congregational Church under the auspices of the International Longfellow Society, Monday afternoon, May 26, at 4.45. "The Man With the Hoe" and other poems will be given. The same evening, at 8 o'clock, "Lincoln" and other poems.

These readings are given in connection with the preservation of the birthplace of the poet Longfellow and in furtherance of the centenary of Lafayette's last visit to America.

The French ambassador will preside and introduce Mr. Markham.

ARTHUR C. JACKSON,
President the International Longfellow Society,
Longfellow Birthplace, Portland, Me.

PETITIONS

Mr. CAPPER presented the petition of the Pittsburg (Kans.) Chapter, No. 1, of the Izaak Walton League of America, praying for the passage of legislation to establish the upper Mississippi wild life and fish refuge, which was referred to the Committee on Commerce.

Mr. LADD presented a resolution of Bottineau Post, No. 2, of the American Legion, of Bottineau, N. Dak., favoring the passage of legislation granting relief to World War veterans afflicted with tuberculosis, which was referred to the Committee on Finance.

Mr. SHORTRIDGE presented numerous letters, telegrams, and papers, in the nature of petitions, from sundry citizens, labor unions, and church and civic organizations in the State of California and other States of the Union, praying an amendment to the Constitution relative to the regulation of child labor, which were referred to the Committee on the Judiciary.

Mr. WADSWORTH presented the following concurrent resolution of the Legislature of New York, which was referred to the Committee on Appropriations.

IN ASSEMBLY STATE OF NEW YORK,
March 5, 1924.

(By Mr. Austin)

Whereas there has been enacted into law since the close of the Great War a new national defense act, under whose provisions a policy of preparedness has been provided for; and

Whereas a reserve force of our citizens, known as the Organized Reserves, has been made a part of our military forces; and

Whereas the National Guard of the State has been brought into closer connection with the War Department so that the Army now consists of three components, the Regular Army, the National Guard, and the Organized Reserves; and

Whereas it is important that proper funds be appropriated for the training of the two civilian components, namely, the National Guard and the Organized Reserves, the men and officers receiving no pay excepting on active duty; and

Whereas it is important that a reasonable amount of training shall be provided for, at the expense of the Government, it being the policy of the War Department that officers in the Reserve Corps should be placed on two weeks' active duty once in three years: Therefore, be it

Resolved (if the senate concur), That we do earnestly recommend and request that the Congress make liberal appropriations for the carrying out of the spirit of the national defense act; and that the Members of Congress from the State of New York be urged to vote in favor of such appropriations.

The Speaker put the question whether the house would agree to said resolution, and it was determined in the affirmative.

Ordered, that the clerk deliver said resolution to the senate and request their concurrence therein.

IN ASSEMBLY,
March 20, 1924.

The senate returned the concurrent resolution in relation to the national defense act with a message that they have concurred in the passage of same without amendment.

STATE OF NEW YORK, COUNTY OF ALBANY,
Office of the Journal Clerk of the Assembly, ss:

I, W. K. Mansfield, journal clerk of the assembly, do hereby certify that I have compared the foregoing record of proceedings of the assembly of March 5 and 20, 1924, relative to the resolution therein set forth with the original thereof as contained in the official copy of the journal of the assembly of said dates, and that the same is a true and correct transcript of said journal in so far as the same relates to said resolution.

In witness whereof I have hereunto set my hand this 30th day of April, 1924.

W. K. MANSFIELD,
Journal Clerk of the Assembly.

REPORTS OF COMMITTEES

Mr. WALSH of Montana, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment, and submitted reports thereon:

A bill (S. 2689) for the relief of the First International Bank of Sweetgrass, Mont. (Rept. No. 608); and

A bill (H. R. 3511) to extend relief to the claimants in township 16 north, ranges 32 and 33 east, Montana Meridian, Mont. (Rept. No. 609).

Mr. JOHNSON of Minnesota, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment, and submitted a report thereon as indicated:

A bill (S. 927) for the relief of the widow and minor children of Raymond C. Hanford;

He also, from the Committee on Agriculture and Forestry, reported a bill (S. 2913) for the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the establishment of public shooting grounds to preserve the American system of free shooting, the provision of funds for establishing such areas, and the furnishing of adequate protection for migratory birds, and for other purposes (Rept. No. 610); and

He also, from the Committee on Claims, reported a bill (S. 3115) for the relief of Rosa B. Smolik.

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 2778) for the relief of R. E. Swartz, W. J. Collier, and others, reported it with amendments, and submitted a report (No. 611) thereon.

Mr. HARRELD, from the Committee on Claims, to which was referred the bill (S. 1898) to refund certain duties paid by the Nash Motors Co., reported it without amendment, and submitted a report (No. 612) thereon.

He also, from the same committee, to which was referred the bill (S. 443) for the relief of the William J. Oliver Manufacturing Co. and William J. Oliver, of Knoxville, Tenn., reported it with an amendment, and submitted a report (No. 613) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment, and submitted reports thereon:

A bill (S. 308) to reimburse the State of Montana for expenses incurred by it in suppressing forest fires on Government land during the year 1919 (Rept. No. 614); and

A bill (S. 3050) for the relief of the Turner Construction Co., of New York City (Rept. No. 615).

Mr. SPENCER (Mr. STERLING in the chair), from the Committee on Claims, to which was referred the bill (S. 2731) for the relief of the Chamber of Commerce of the City of Northampton, Mass., reported it without amendment and submitted a report (No. 616) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 2369) for the relief of the Eagle Pass Lumber Co., of Eagle Pass, Tex., reported it with an amendment and submitted a report (No. 617) thereon.

PERMANENT COURT OF INTERNATIONAL JUSTICE

Mr. PEPPER. From the Committee on Foreign Relations I report with amendments Senate Resolution 234, advising the adherence of the United States to the existing Permanent Court of International Justice with certain amendments, and will ask leave later to file a written report.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

Mr. SWANSON. The minority desires the right to file a written report later, and any other member of the committee will also have a right to file his views in connection with the resolution.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. PHIPPS. From the Committee on Appropriations I report back favorably with amendments House bill 8839, making appropriations for the government of the District of Columbia and other activities chargeable, in whole or in part, against the revenues of such District for the fiscal year ending June 30, 1925, and for other purposes, and I submit a report (No. 618) thereon. I desire to serve notice that I shall call up the bill for consideration on Monday, or at the first opportunity that is afforded.

The PRESIDING OFFICER. The bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

Mr. ROBINSON. Some days ago I introduced a bill to establish a national park in the State of Arkansas. A similar bill was introduced in the House of Representatives by Mr. WINGO, a Member of the House from the State of Arkansas. He advises me that there is an error in the description of the land embraced in the bill. For the purpose of making a clerical correction I ask permission to introduce a bill giving a correct description of the land and to have it referred to the Committee on Public Lands and Surveys.

By Mr. ROBINSON:

A bill (S. 3375) to establish the Mena National Park in the State of Arkansas; to the Committee on Public Lands and Surveys.

By Mr. SWANSON:

A bill (S. 3376) to provide for the inspection of the battle fields and surrender grounds in and around old Appomattox Court House, Va.; to the Committee on Military Affairs.

A bill (S. 3377) for the relief of George E. Taylor; and

A bill (S. 3378) for the relief of Isabelle R. Damron, postmaster at Clintwood, Va.; to the Committee on Claims.

By Mr. LENROOT:

A bill (S. 3379) providing for the sale and disposal of public lands within the area heretofore surveyed as Boulder Lake, in the State of Wisconsin; to the Committee on Public Lands and Surveys.

By Mr. ERNST:

A bill (S. 3380) to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a new bridge across the Cumberland River, in the County of Pulaski, State of Kentucky, near the town of Burnside; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 3381) granting a pension to Horace W. Myers; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 3382) for the relief of Mrs. Robert A. Thomas; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 3383) amending section 3228 of the Revised Statutes as amended by section 1316 of the revenue act of 1921; to the Committee on Finance.

By Mr. JONES of Washington:

A bill (S. 3384) to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a foreign-commerce service of the United States, and for other purposes; to the Committee on Commerce.

By Mr. NORBECK:

A bill (S. 3385) granting a pension to Otto W. Shade (with accompanying papers); to the Committee on Pensions.

AMENDMENT OF MERCHANT MARINE ACT, 1920

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JONES of Washington. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JONES of Washington, Mr. FERNALD, and Mr. FLETCHER conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 3272) granting the consent of Congress to the Panola-Quitman drainage district to construct, maintain, and operate a dam in Tallahatchie River.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The message also announced that the House disagreed to the amendments of the Senate to the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. MAGEE of New York, Mr. WASON, Mr. BUCHANAN, and Mr. LEE of Georgia were appointed managers at the conference on the part of the House.

The message further announced that the House had adopted a concurrent resolution (H. Con. Res. 25) relative to the enrolling of House bill 8350, the State and Justice, etc., Departments appropriation bill for the fiscal year ending June 30, 1925, in which it requested the concurrence of the Senate.

WORLD COURT

Mr. LODGE. I send to the desk a letter which I ask may be printed in the RECORD without reading. It is a letter from Chandler P. Anderson relating to the proposed World Court.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

[Published in the New York Times, May 16, 1924]

MAY 13, 1924.

THE EDITOR OF THE NEW YORK TIMES:

In Mr. Wickersham's letter in the New York Times to-day, replying to my letter of May 10 about the proposed world court, he says in conclusion that the real trouble with this "improved plan" is that "it can not be expected to meet with the approval of any of the nations which have united in the formation of the existing court."

I do not know by what authority Mr. Wickersham speaks for the members of the league, but I doubt that they will find the proposed changes as unacceptable as he believes.

As to the proposed jurisdiction amendment, he says that it is not intended that the court should have jurisdiction over "all matters especially provided for in treaties and conventions in force" unless they are referred to it by the parties. If that is true, could any member of the court have any objection to amending the provision as proposed, in order to avoid any possible future misunderstanding on this point?

He also admits that so far as the United States is concerned the submission of a case must be by special agreement which has received the approval of the Senate. That being true, what objection can there be to an express statement of this condition, which is invariably stated in all arbitration treaties made by the United States?

As to the proposal that the court should not render advisory opinions concerning questions which the United States considers are of purely domestic concern, he remarks that the court is not obliged to render any advisory opinion, and he points out that it recently refused to render an advisory opinion in a controversy between Finland and Russia. He may be interested to know that the principal reason why the court refrained from rendering an advisory opinion in that case was because "the Russian Government absolutely repudiated the claim of the so-called League of Nations to intervene in the question of the internal situation of Carelia and stated that any attempt on the part of any power to apply to Russia the article of the covenant of the league relating to disputes between one of its members and a non-participating State would be regarded by the Russian Government as an act of hostility to the Russian State."

Does any member of the League of Nations think that it is advisable to invite a rebuff of this character, or that it tends to international good feeling to force a nation into such a hostile attitude in order to prevent interference with its domestic concerns?

Mr. Wickersham takes me to task for pointing out that his statement that the whole world, except the United States, Russia, Ecuador, and Mexico were in the league court is incorrect, because Germany, among other States, is not a member of that court. He retorts that Germany was a party to a recent case before the court, and that a German judge sat as a temporary member of the court in that case. The case he refers to is the steamship *Wimbledon*, and Mr. Wickersham will find, if he examines the decision of the court, that in that case Germany was not there voluntarily, but because compulsory jurisdiction of the court over that case was imposed upon Germany by the provisions of articles 380 and 386 of the treaty of Versailles.

Mr. Wickersham will also be interested to learn that, in addition to the United States, Russia, Ecuador, Mexico, and Germany and her former ally, Turkey, 9 other States have not signed the protocol for the court, and 11 States which signed the protocol have not ratified it. These States comprise nearly all of Latin America, in-

cluding the five Central American Republics, also Argentina, Bolivia, Chile, Columbia, Dominican Republic, Paraguay, and Peru. Thus there are 25 States in addition to the United States which have not become members of the league court, and many of these are members of the League of Nations.

Mr. Wickersham further criticizes the "improved plan" on the ground that it is not a reorganization of the league court, but a new and independent creation. It does not appear on what authority he makes this statement, but if he will examine the proposed plan he will find that it is required to be submitted to a third Hague conference, and it will rest with the States participating to decide whether the proposed world court should be an entirely new court or a transformation of the league court into a world court. It is distinctly stated in the plan that "the simplest solution would be to separate the existing court from the control of the League of Nations and establish it independently by a new international convention, without destroying its identity, but making the changes required by its new status." It would seem that this question could appropriately be decided by the nations themselves, when the proposal is submitted to them.

Mr. Wickersham dissents from my statement that "if any court is to make laws for the world, it should be a world court, and not the league court." That would seem to be a perfectly self-evident proposition, and certainly the burden is on Mr. Wickersham to show the contrary, and how the United States would fare better in the league court than in the world court. But he has not troubled himself to argue the question thus raised.

On this point, I recommend to Mr. Wickersham's attention the following statements made by Dr. David J. Hill in the Saturday Evening Post last August:

"It is not humanly possible for a court constituted as the Permanent Court of International Justice is constituted—every judge except one belonging to a nation that is a member of the league—not to defend the interests of the league as such. If there were any doubt on this point it should be removed by the fact that the court is the official adviser of the league in legal questions, the greater part of its work thus far having been the rendering of opinions regarding the league's activities. * * * So long as the Permanent Court of International Justice is in any sense dependent upon the league for its existence, being chosen, paid, and pensioned by it, the judges must support the league and will inevitably be controlled by the league's law. No doubt the league—that is, the council and assembly—will not give orders to the court. That is unnecessary. The orders are already in the covenant of the league, which assigns its proper rôle to each of the league's organs and will determine the policy of all of them, because it is their fundamental law. Their community of interest lies in helping the league to prevail in order, as Lord Robert Cecil has expressed it, that the league 'may become the sole international authority in Europe and the world.'"

As illustrating the reluctance of the league to participate with the rest of the world in the development and codification of international law, I cited in my last letter the refusal of the league to call a third Hague conference for that purpose, as recommended by the committee of jurists which drafted the league court plan. Mr. Wickersham undertakes to explain the league's refusal to adopt this recommendation by showing that Mr. Root, who was a member of that committee, stated in 1921 that the time was not then ripe for such a conference.

That was in 1921, however, and nothing has since been done about it by the league. The failure of the league to act is a reason for, rather than against, reopening the question of calling a third Hague conference, as proposed by the Lodge resolution.

Mr. Wickersham's objection to establishing any legal principles to control the decisions of the court is admirably answered by the following extracts from an editorial in the American Journal of International Law for April, 1923, by Prof. Charles Noble Gregory (one of the editors of that Journal). Speaking of the league court, he said:

"The large conclusion as to the future course of this very high tribunal which is suggested with much force is that it will evolve such juristic rules and conceptions as it sees fit, controlled by no code and but little if at all limited by judicial precedent or scholastic opinion. If it is called to deal with such international questions as may be discerned in the offing, even by our somewhat short-sighted and optimistic statesmen, it is apparent that it will probably register in perfect good faith and with supreme confidence, exclusively the views and policies of Europe. What those views and policies will prove to be as to the rights of Indian, Japanese, and Chinese nationals on our shores, in our schools, in our lands, and in a claim, always appealing, for equal treatment, who can say? In the matter of enemy's property and the vast sums claimed in relation thereto, in the matter of international debts which are owed to us in billions by the countries to which these judges belong, who can foresee their conclusions or anticipate their decisions?

"If they are hostile to the interests of this country and contrary to those views of justice and equity which we have so long assimilated, how can they be reviewed or corrected? No means is apparent and even an advisory opinion will operate as compulsive. * * * "Under the above circumstances, the friendly eye of the international student must look to the uncharted course of the high tribunal with real solicitude. He must wish for it not only exalted powers of intellect, but a spirit of equally exalted and disinterested devotion to justice, which can not be said to be universal in international action. He must hope that these nebulous, unfenced, and expansive powers will not engulf and destroy the safeguards which the long, brave, and successful struggle of our race and our country for freedom and self-government has fashioned and until now maintained."

CHANDLER P. ANDERSON.

WASHINGTON, D. C., *May 13, 1924.*

PROHIBITION ENFORCEMENT

Mr. BORAH. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Philadelphia North American of date May 21, 1924, entitled "For nullification."

The PRESIDING OFFICER. Without objection the request of the Senator from Idaho is granted.

The editorial is as follows:

FOR NULLIFICATION

Many Americans were astonished, it appears, by Nicholas Murray Butler's recent speech denouncing prohibition, the eighteenth amendment to the Constitution, and the Volstead Act, and demanding restoration of a legalized liquor traffic. But while such an utterance from a distinguished educator is deplorable, the incident surely provided no occasion for surprise. Doctor Butler has long been foremost among the advocates of the booze cause. So far back as January of last year he diverted the country by a similar declaration. Then his argument for liquor was that the law was being disobeyed by "large numbers of highly intelligent and morally sensitive people." During the interval his views have not grown more logical but merely more violent. Now he urges abandonment of the law upon the ground that it promotes immorality and crime; besides making lawbreakers among the "highly intelligent and morally sensitive," he contends it is corrupting innocent young persons by inciting them to defiance, and is putting the brand of criminality upon bootleggers who ought to be self-respecting, tax-paying, law-abiding, licensed rum sellers.

Doctor Butler, of course, has other titles to fame besides his fanatical hatred of prohibition. As president of Columbia University he is noted in the scholastic world, having been the recipient of literally dozens of honorary degrees from institutions of learning in this country and in Europe. He has been for many years a leading figure in the councils of the Republican Party, and has been insatiable in pursuit of political prominence and public office. At several national conventions he has been a member of the committee on resolutions. Four years ago the New York delegation gave him a complimentary ballot for the presidential nomination. In 1912 he was the nominee for Vice President and shared with Mr. Taft the distinction of rolling up 8 electoral votes.

In the address which he delivered at a banquet of the Missouri Society in New York City on April 29 he stated his case in these terms:

"Shocking and immoral conditions have been brought about by the eighteenth amendment to the Constitution and the legislation enacted pursuant to its provisions. The amendment itself is not only a violation of the principles upon which our Government rests but a revolutionary departure from them. The American people will not long permit this condition to continue without emphatic and effective revolt.

"As a result of the eighteenth amendment we now have a nation-wide traffic in intoxicating liquors which is unlicensed, illicit, illegal, and untaxed. We have multiplied many times the saloon. We have brought about a situation in which we challenge the ingenuity and the sporting instinct of millions of young persons to test whether or not they can safely violate a law for which they have no respect. We have invited and induced a spirit and a habit of lawlessness which are quite without precedent. * * *

"The reason why the national prohibition law is not enforced is that it can not be enforced. The reason why it can not be enforced is that it ought not to have been passed. In its attempted interference with the food and drink and medicine of the people, it is a form of oppression to which a free people will never submit in silence. The immoral conditions which have followed the ratification of the amendment are the natural results of its own immorality. * * * Men and women of religious faiths, of moral principle and of public spirit should face the terrible facts that confront them. * * * A burning moral issue has been raised by the results of the prohibition policy. That issue is whether the American people will have the courage to strike from their Constitution and their statute books the hateful cause of all this demoralization."

This remarkable statement of perverted facts and false deductions has been hailed with delight by the liquor interests and all the forces of lawlessness, both the morally sensitive and the callously commercial, and it has been unsparingly denounced by supporters of the law and the Constitution. Many of these latter express amazement that such destructive sentiments should emanate from a man who is head of a great institute of learning and the counselor of youth. There is, however, nothing in Doctor Butler's record inconsistent with his fury against a measure of economic and social and moral progress. In public affairs he has always been a sodden reactionary, a defender of special privilege and predatory interests, and a dependable spokesman for the most sordid elements in the Republican Party leadership.

Some of his opponents assail him severely for advocating repeal of the eighteenth amendment. This, we are sure, is not valid ground for criticism. Doctor Butler or any other citizen, if he believes that adoption of the amendment was a mistake and that its effects are injurious, has an unquestionable right to urge its repeal and to work for the accomplishment of that end through orderly processes. The spectacle of a man in his position condoning lawlessness and acting as special pleader for a discredited and outlawed traffic is, of course, gross in its impropriety. His misrepresentations may properly be censured and his judgment challenged. But these considerations do not impair his right to agitate for repeal, if he does so candidly.

The offense of Doctor Butler and his kind is that they are not honestly striving for repeal of the eighteenth amendment by the democratic methods through which it was made a part of the Constitution, but are working to bring about its nullification. There are certain infallible tests which determine the degree of sincerity in a man's hostility to the law.

The two main contentions offered by Doctor Butler are precisely those which are used by the bootleggers and by every agent of the liquor traffic, namely, that the law is an invasion of personal liberty and that it can not be enforced.

The first of these pleas was long ago worn threadbare. "Interference with the food and drink and medicine of the people" is not an unheard-of innovation; it is a commonplace function of law. If Doctor Butler doubts this, let him try to buy a trout out of season, or run a private still under a license law, or purchase a pound of opium. Personal liberty extends just to the point where its exercise inflicts social injury, and no further.

In asserting that the law can not be enforced, he speaks neither accurately nor honestly. For his statement is founded upon the premise that there have been genuine and efficient efforts to enforce the law, and no one knows better than Doctor Butler that this implication is false.

He knows that neither under Democratic nor Republican auspices has there been followed a sincere and determined purpose to apply the prohibition law. He knows that at the head of the bureau responsible for enforcement is an official who is hostile to the Volstead Act and whose first thought is to serve the politicians and their backers; that the enforcement officers and agents have been selected in most instances for political reasons, and have included former saloon keepers, bootleggers, and politicians serving the liquor interests; that the records of courts and congressional inquiries have revealed not merely official indifference and incompetence but flagrant corruption and betrayals of trust; that the law has been distorted in the Bureau of Internal Revenue, disregarded in the Department of Justice, and misinterpreted by prosecutors and judges. For Doctor Butler, in the face of these notorious conditions, to say that the law can not be enforced is an assumption which instantly raises doubts as to his good faith.

But another test has a graver effect upon his repute as a good citizen and an honest critic of prohibition. Straightforward advocacy of repeal of the eighteenth amendment is legitimate, provided it is based upon unswerving loyalty to the law and uncompromising support of its enforcement until it shall be repealed. Without these things agitation against the law has for its purpose not repeal but nullification. In his speech Doctor Butler said: "I shall obey these laws so long as they remain on the statute book." But this perfunctory remark was lost in the torrent of invective against the eighteenth amendment and the Volstead Act. The speaker is conspicuously one of the "highly intelligent and morally sensitive" class, and no one knows better than he that the effect of his sweeping denunciation of the amendment as an unconstitutional, immoral, and utterly indefensible enactment is to incite defiance of it.

"A year ago," says the United States attorney in New York, "Doctor Butler said disobedience of the law was not a crime, nor even reprehensible. Now he says the law can not be enforced, bewailing the fact that so many persons have taken his advice. He puts all the emphasis on repeal and none on the duty of obedience."

And Doctor Butler was not satisfied to assail the amendment as wrong in principle and unenforceable in practice. He had the effrontery to attribute to it all the lawlessness and criminality involved in its defiance.

Drinking, he finds, is no longer a vice, because it is done in violation of a statute which isn't popular, and he has an approving smirk for "the ingenuity and sporting instinct of young persons" who "violate a law for which they have no respect." Bootlegging and smuggling and the selling of poison booze are not the activities of criminals but "the natural results of the immorality of the eighteenth amendment." With precisely as much justification and honesty it could be argued that the antinarcotic law is responsible for the prevalence of dope peddling and drug addiction.

That the aim of the Butler movement is nullification, not repeal, is shown not only by his studied encouragement of law defiance but by his demand for modification of the Volstead Act, which "tells a conscious lie," he says, in defining as intoxicating any liquor containing more than one-half of 1 per cent of alcohol.

Thus he gives support to the agitation for the legalizing of "light wines and beer." But he is perfectly aware that if Congress were to authorize the making of intoxicating beer the law would be invalid, for it would be in palpable violation of the eighteenth amendment. As for "light wines," the very term in this connection is a palpable fraud, since there is not a "light" wine containing less than 8 per cent of alcohol, and most of them contain double that amount. But if in this manner the Volstead Act can be broken down, then there will be no enforcement statute and the constitutional amendment will be nullified. And that is exactly the purpose behind the whole wretched scheme.

The enemies of prohibition are divided into three classes—first, honest advocates of repeal, who practice and support loyal observance of the law until repeal can be accomplished; second, the bootleggers, who methodically violate the law for gain; third, those who incite lawlessness while professing to deplore it and who make a false pretense of working for an impossible repeal while actually striving to achieve a possible nullification. And the tactics of the third group are by far the most dangerous and detestable.

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER (Mr. STERLING in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McNARY. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McNARY, Mr. JONES of Washington, Mr. CAPPER, Mr. SMITH, and Mr. HARRIS conferees on the part of the Senate.

TAX REDUCTION—CONFERENCE REPORT

Mr. SMOOT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report on House bill 6715, the tax bill.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The Chair hears no objection, and the conference report is before the Senate.

[For report, see page 9243 of yesterday's proceedings of the Senate.]

Mr. MOSES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fess	Lodge	Shortridge
Bayard	Fletcher	McLean	Simmons
Borah	Frazier	McNary	Smith
Brandegee	Glass	Mayfield	Smoot
Brookhart	Gooding	Moses	Spencer
Broussard	Hale	Norbeck	Stanfield
Bursum	Harreld	Norris	Stanley
Cameron	Harris	Oddie	Stephens
Capper	Harrison	Overman	Sterling
Caraway	Heflin	Owen	Swanson
Copeland	Howell	Pepper	Trammell
Couzens	Johnson, Calif.	Phipps	Underwood
Curtis	Johnson, Minn.	Pittman	Wadsworth
Dale	Jones, N. Mex.	Ralston	Walsh, Mass.
Dial	Jones, Wash.	Ransdell	Walsh, Mont.
Dill	Kendrick	Reed, Pa.	Warren
Ernst	King	Robinson	Weller
Fernald	Ladd	Sheppard	
Ferris	Lenroot	Shipstead	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. There is a quorum present.

Mr. SMOOT. Mr. President, I wish to make a brief statement of the action of the conferees and the effect thereof on the revenue bill, H. R. 6715. There were six material matters on which the bill as amended by the Senate differed from the bill as passed by the House: The normal tax, the surtax, the exemp-

tions, the corporation tax, the provisions as to publicity of returns, and the estate tax.

(1) The House bill provided for a normal tax on the income of individuals at the rate of 6 per cent, except that the rate on the first $4,000 was at the rate of 2 per cent and on the next $4,000 at the rate of 5 per cent. The Senate amended this provision to provide for a normal tax at the rate of 2 per cent on the first $4,000, 4 per cent on the next $4,000, and 6 per cent on the remainder. On this amendment the House recedes.

(2) The House bill provides for a surtax on the net income of individuals ranging from 1½ per cent of the net income in excess of $10,000 but not in excess of $12,000, to 37½ per cent of the net income in excess of $200,000. The Senate amended this section to provide for a surtax ranging from 1 per cent of the net income in excess of $10,000 but not in excess of $14,000 to 40 per cent of the net income in excess of $500,000. On this amendment the House recedes.

(3) The House bill provided for a personal exemption in the case of a married man and in the case of the head of a family of $2,500 if the net income of the individual were less than $5,000 and of $2,000 if the net income of the individual were in excess of $5,000. The Senate amendment provided for an exemption of $2,500 irrespective of the amount of the net income of the taxpayer. On this amendment the House recedes.

(4) The House bill provided a tax on the income of corporations at the rate of 12½ per cent and provided in addition for a capital stock tax on corporations of $1 for each $1,000 of the fair average value of the capital stock. The Senate amendment repealed the capital stock tax, reduced the normal tax on corporations to 9 per cent, and provided for a graduated tax on the undistributed net income of corporations ranging from one-fourth of 1 per cent to 40 per cent of such undistributed net income. On this amendment the Senate recedes.

(5) The House bill provided that the income-tax returns should be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President, with special provisions for the inspection of returns by and the furnishing of information to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, a special committee of the Senate or House, the proper officers of any State, and the bona fide shareholders of record of a corporation. The Senate amendment provides that returns upon which the tax has been determined by the commissioner shall constitute public records and shall be open to examination and inspection as other public records. On this point the House recedes with an amendment restoring the provisions of the House bill with certain clerical changes and providing in addition that the commissioner shall have prepared and made available to public inspection in the office of the collector in each internal-revenue district and in such other places as he may determine lists containing the name and post-office address of each person making an income-tax return in such district, together with the amount of tax paid by such person.

(6) The House bill provided for an estate tax ranging from 1 per cent of the estate in excess of $50,000 but not in excess of $100,000 to 40 per cent of the amount of the estate in excess of $10,000,000. The Senate amendment provides for an inheritance tax ranging in the case of a direct heir from 1 per cent to 36 per cent of the amount of the inheritance in excess of $5,000,000; in the case of a collateral heir from 1 per cent to 45 per cent of the inheritance in excess of $5,000,000. On this amendment the House recedes with an amendment restoring the provisions of the House bill with certain clerical and unimportant technical changes.

In addition to the above there were other provisions as to which the Senate and House bills differed, which, although of less importance than those listed above, involve questions of policy. I shall list and explain the action of the conferees on these amendments.

The House bill provided that the amount by which the tax was reduced on account of capital loss should not exceed 12½ per cent of the loss. The Senate struck out this provision of the House bill, with the result that capital losses, the same as other losses, would be allowed in full as deductions. On this amendment the Senate recedes, and the provisions of the House bill are restored.

The House bill limited the amount which might be considered as earned income to $20,000. The Senate amendment reduced this amount to $10,000. On this amendment the House receded.

The House bill provided for a credit against the income tax of an individual of 25 per cent of the amount which bears the same relation to the total amount of the tax as the amount of the earned net income bears to the total amount of the net income. The Senate amendment provides for the crediting against the tax of 25 per cent of the amount of the tax which would be payable by the taxpayer on a total ordinary net income equal in amount to his earned net income, the effect of the Senate amendment being to consider the earned income as that income in the lower brackets in the case of a wealthy taxpayer, thus placing the taxpayer with a large income upon the same grounds in this respect as the taxpayer with a small income. On this amendment the House recedes with certain clerical changes.

The House bill provided that the deduction for interest paid on indebtedness—except indebtedness incurred in connection with the trade or business of the taxpayer—and the deduction for nonbusiness losses should be allowed as deductions in computing net income only if and to the extent that the sum of these amounts exceeds the income of the taxpayer from tax-exempt securities. The Senate amended the bill, striking out this provision on the ground that it was indirectly taxing the income from tax-exempt securities. On this amendment the House recedes.

The House bill provided that if any corporation is formed or availed of for the purpose of preventing the imposition of surtaxes upon its shareholders by permitting its gains and profits to accumulate instead of being distributed, there should be assessed against such corporation a penalty of 25 per cent. The Senate amendment increased this penalty to 50 per cent. On this amendment the House recedes.

The House bill provided that in case of an additional assessment of income, war profits, excess profits, or estate taxes the taxpayer could appeal to the Board of Tax Appeals, but that in the event of an adverse decision by the board the taxpayer should sue in the courts for its recovery. The Senate amended this to require that the Government in the event that the taxpayer did not acquiesce in the decision of the board could collect the tax only by suit. On this amendment the Senate receded.

The House bill exempted from the tax upon the sale of automobile trucks or wagons those the selling price of the chassis of which is less than $1,000. The Senate added to this provision another provision exempting from the tax truck and wagon bodies selling for an amount not in excess of $200. On this amendment the House receded.

The House bill reduced the tax on automobile parts and accessories from 5 per cent to 2½ per cent. The Senate amendment struck out this tax entirely. The Senate recedes.

The House bill, as does the present law, imposed a tax upon certain sales of paintings, statuary, art porcelains, and bronzes. The Senate struck out this tax. On this amendment the Senate recedes.

The Senate inserted by amendment a provision in the House bill providing that the hearings before the Board of Tax Appeals shall be open to the public, that the testimony taken at the hearing shall be reduced to writing, that the board shall make a report in writing of its findings of fact and its opinion and decision in each case, that such report and all evidence received by the board shall be public records open to the inspection of the public, and shall be published at the Government Printing Office and sold in the same manner as other public documents. On this amendment the House recedes with an amendment, limiting the cases in which the oral testimony shall be reduced to writing and in which the board shall write an opinion to those cases in which the amount of tax in controversy exceeds $10,000.

The Senate amended the House bill to provide that if any part of an excise tax has been refunded to the taxpayer by the Government, such refund not being required by a decision of a court of competent jurisdiction, and if the articles, the sale of which was taxed, have passed from the possession of the taxpayer, the taxpayer should not again be assessed or taxed, or if he has been reassessed and taxed, the amount of the tax should be abated or refunded. The Senate recedes.

The Senate inserted by amendment a section providing for the exemption from the income tax imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, and the revenue act of 1921, of farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under the provisions of such acts) whether or not such organizations are of a purely local character. The House recedes with an amendment making clerical changes.

The Senate inserted by amendment a provision for a reduction of the postal rates in the case of the portion of publications devoted to advertisements. On this amendment the Senate recedes.

The remainder of the amendments were clerical, technical, and comparatively unimportant. I shall, of course, however, be

glad to explain the action of the conferees on any of the other amendments, if the Senate so desires.

Mr. President, I have had the Government Actuary make an estimate of the revenue that will be derived from the bill when in operation as compared with the expenditures of the Government based upon the recommendations of the Budget.

I may add that there has been confusion in the public mind as to the figures that have been published in this respect, and this only: Some figures have been published and have appeared in the press of the country, and I will say also have been used on the floor of the Senate by me and other members of the committee, applying sometimes to the fiscal year and at other times to the calendar year; and, of course, there is considerable difference in the amount of revenue that would be shown under those conditions.

For instance, for the fiscal year 1924 all of the revenue will be derived from rates of the existing law; but the fiscal year 1925 begins on July 1, 1924, and ends on June 30, 1925; so the fiscal year 1925 will be the first full fiscal year in which the revenues derived from the pending bill, if it becomes a law, will be collected.

I have here the estimates for the calendar years 1923, 1924, and 1925; but, as we make our appropriations for fiscal years instead of calendar years, in order that there may be no confusion in the minds of the public or in reading the RECORD on the part of those who do not carefully note that there is that difference, it seems to me the only thing to do is for us to confine ourselves to the fiscal year.

Mr. SIMMONS. Mr. President, does not the Senator from Utah think it would be well for him to state that the income taxes of the year 1923–24 will be collected under the present law, and that the payments upon those incomes that are due after June 1 will be transferred to the fiscal year 1924–25?

Mr. SMOOT. Yes; I think my statement before would be fairly construed in that way, but I am glad the Senator has made it perfectly plain.

Take the fiscal year 1924: The individual and corporation income tax is $1,899,000,000; the miscellaneous tax, $939,000,000. The total for the Internal Revenue Bureau—because they collect these taxes directly—would be, for that year, $2,838,000,000. The miscellaneous receipts—and I shall not take the time to name from what source they come, but they are all the miscellaneous receipts, special taxes, stamp taxes, and all other forms of taxes outside of the incomes of individuals and corporations—amount to $541,100,000; or, in other words, the total ordinary receipts for the fiscal year 1924—that is, the year ending June 30, 1924—will be $3,929,100,000. The expenditures chargeable against ordinary receipts, according to the estimate of December 9, 1923—and that was the last estimate which was given—are $3,565,040,000, which would leave an excess of ordinary receipts over expenditures chargeable against ordinary receipts of $364,060,000.

Senators, if they have followed this matter very closely, will remember that in the Secretary's report dated December 31, 1923, it was estimated that there would be a surplus of $329,000,000 instead of $364,060,000.

That increase in the surplus is largely made up in this way: It was given out generally and agreed to, not only by the Treasury Department but, I believe, by both Houses of Congress, that we would reduce the income taxes for the fiscal year 1924 25 per cent. The House passed that bill, but the Senate did not act upon it before March 15, the date when the first payment of taxes became due. After this bill was reported to the Senate the Treasury Department, at the request of a number of Senators, I am informed, desired to ascertain what effect that proposed 25 per cent reduction had upon the first payment of the taxes that fell due on March 15, 1924.

The examination is not complete yet, but it has gone far enough to demonstrate the fact that many of the taxpayers paid three-fourths of the tax, feeling quite certain that the payment of three-fourths of the tax on March 15 would in reality represent payment in full for the year. In other words, every year there are many taxpayers who pay all of their tax on March 15, so as not to be bothered about sending payments on June 15, September 15, and December 15; and the partial examination which has already been made shows that this year many of them sent 75 per cent of the amount of the tax, with the hope, of course, that the 25 per cent reduction for the fiscal year 1924 would take effect before the next payment became due in June, or any of the following payments. That, of course, increased the amount of surplus on hand at this particular time.

Mr. UNDERWOOD. Mr. President, may I ask the Senator a question on that point? Where the taxpayer has paid the full amount of the tax already, what provision does the bill contain for the Government paying it back?

Mr. SMOOT. He gets a refund of 25 per cent.

Mr. UNDERWOOD. Does he get it in cash, or in the form of a credit on future taxes?

Mr. SMOOT. He will get it in cash as soon as the Treasury can pay it.

Mr. ROBINSON. Does each taxpayer who has paid the full amount of his taxes have to make a personal application for a refund?

Mr. SIMMONS. No; it is automatic.

Mr. SMOOT. It is automatic. The Treasury will return the money.

Mr. OVERMAN. Mr. President, when is the taxpayer to deduct his 25 per cent if he paid the first installment in full in March? Can he deduct it in June?

Mr. SMOOT. Of course the Treasury Department will decide that matter, and I think more than likely they will decide that it shall be deducted in June.

Mr. OVERMAN. That is a matter that will be handled by regulation of the Treasury Department?

Mr. SMOOT. I have not any doubt but that that will be the case, just as it would have been the case if the bill had passed before March 15, granting a 25 per cent reduction.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I think that has already been announced.

Mr. SMOOT. I so understand, but I did not want to be positive about it. That is my understanding, however. If this bill becomes a law, anyone that paid 25 per cent of the total tax for 1923 on the 15th of March will not have to pay the whole of the next 25 per cent that becomes due on June 15th.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. SMOOT. Yes.

Mr. REED of Pennsylvania. In the House bill there was a provision on that subject which was accepted by the Senate, so that it was not in conference. That provides, in the case spoken of by the Senator from North Carolina [Mr. OVERMAN], that if the taxpayer has elected to pay in installments the amount of the discount on those installments which have been paid may be deducted from the next installment paid after the act goes into effect. The Senator will find the provision in full on page 370 of the new bill.

Mr. BAYARD. Mr. President, do I understand the Senator from Pennsylvania to say that that is mandatory; that the Secretary of the Treasury shall allow that amount if claimed?

Mr. SMOOT. Yes; it is provided in the bill.

Mr. REED of Pennsylvania. Yes; it states there that—

> The amount so prorated to any installment, the date for payment of which has arrived—

That would be the March installment—

> shall be credited against the installment next falling due after the enactment of this act.

In other words, if you have paid 25 per cent of your tax last March, you will deduct 50 per cent from the next installment, which is due in June.

Mr. BAYARD. What I have in mind is this: Assuming that some of the smaller taxpayers, as suggested by the Senator from Utah, had paid 100 per cent of the tax on March 15, 1924, they would be entitled to 25 per cent reduction.

Mr. SMOOT. Twenty-five per cent reduction.

Mr. BAYARD. Which they would not be in position to claim until the next fiscal year, would they?

Mr. SMOOT. Oh, the department itself will refund that amount of money.

Mr. BAYARD. It will refund it to them?

Mr. SMOOT. Yes; shortly after this bill becomes a law.

Mr. BAYARD. I thought application had to be made.

Mr. SMOOT. No; no application has to be made.

Mr. BAYARD. I will state the reason why I raised the question. The other day in the Claims Committee we had before us a bill to reimburse a person who had overpaid his tax, and the matter was not adjudicated or application was not made by the taxpayer until after the statute of limitations had run, and the question arose as to whether the Government, having received that money, should not repay it; and the principle involved here is somewhat similar. The Government having been overpaid by this operation I think direct mandatory provision should be made that the Government will give credit of its own motion.

Mr. SMOOT. It is, and they will send it back just as soon as the returns can be examined. They will have to be examined.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I yield.

Mr. JONES of New Mexico. The Senator may have given us the information—but if he did, I did not hear it—regarding the receipts from the income taxes as indicated by an examination of the returns which have been made with respect to this reduction of 25 per cent. I should like to know whether the Treasury has a new estimate regarding what the receipts would have been during this calendar year if there had been no reduction of 25 per cent—whether they would equal or exceed the previous estimates of income on the business of the calendar year 1923.

Mr. SMOOT. I will say to the Senator that I have that estimate for the revenue on the business of the calendar year 1923, collected in 1924. If the Senator will remember, the estimated surplus of revenue during that period was $395,000,000.

Mr. JONES of New Mexico. The Senator does not have in mind the same point which I am inquiring about. The estimated surplus on all of the receipts was $329,000,000.

Mr. SMOOT. Yes.

Mr. JONES of New Mexico. But, referring to the estimated receipts from individual income taxes, based upon the business of 1923, my question is whether the later disclosures indicate that the revenue from that source would have equaled or exceeded the previous estimate.

Mr. SMOOT. I have not the figures here for 1923. I have them for 1924 in detail. I can state the amount to be collected for 1924, the calendar year. The Senator is speaking of the calendar year, not the fiscal year?

Mr. JONES of New Mexico. The calendar year.

Mr. SMOOT. For the calendar year 1923 the estimated revenues up to date show a reduction from the collections under the present law of only $505,620,000. In other words, there is a gain of approximately $100,000,000 in all of the revenues as estimated on the 23d day of May, 1924, as compared with the estimates given us when we first had the estimates before us.

Mr. JONES of New Mexico. Then it does indicate that if we should not make this reduction of 25 per cent the revenues from the individual income taxes would exceed the previous Treasury estimates.

Mr. SMOOT. That is true.

Mr. JONES of New Mexico. Has the Senator in mind the amount of that increase?

Mr. SMOOT. No. One set of figures is based on the calendar year and the other on the fiscal year, and I can only give an estimate, but when I show the figures of the estimated revenues for the fiscal year 1925 the Senator can get some idea of the difference; but it is over $200,000,000.

Take the estimated revenue for the fiscal year 1925. I think this will show the Senator about what he desires. That will be the first fiscal year with the new law in full operation, beginning on July 1, 1924, and ending June 30, 1925.

This is what it shows: The total ordinary receipts under the present law would be $3,798,000,000. Under the revenue act of 1924 the total would be $3,437,000,000. In other words, there is a difference of $361,000,000.

Now I will give a statement of the expenditures chargeable against ordinary receipts, and I am speaking of the Budget estimates of December 3, 1923. I do not give any other estimates than those of December 3, 1923, so that there can be no misunderstanding. Of course, that does not include additional expenditures authorized or to be authorized since that date by Congress, but the total under the present law, according to the estimate, is $3,298,100,000. Taking into consideration the only estimates made by the Budget and taking it for granted that the appropriations of Congress do not exceed those estimates, it would give a surplus up to the time this bill becomes a law of $138,900,000.

Mr. JONES of New Mexico. Mr. President——

Mr. SMOOT. I yield.

Mr. JONES of New Mexico. My recollection is that the estimated expenditures called ordinary expenditures included $511,000,000 for the retirement of the public debt. That was supposed to arise from the sinking fund and also the amount of the bonds which might be deposited in the Treasury by the English Government, and also some bonds from estates in payment of estate taxes and of the franchise tax. It is quite evident now that Great Britain will not pay her indebtedness to this Government in bonds, because the bonds are now selling above par. Of course, those bonds will not be paid to us in extinguishment, to that extent, of the public debt. If that debt is paid in cash, as it will be, there is that amount, something like $165,000,000, which might be considered as ordinary receipts and applicable to ordinary expenditures, not including the retirement of the public debt.

Mr. SMOOT. The Senator is wrong there. Under the law such receipts could not go for ordinary expenditures, because under the law payments on foreign obligations must go to the retirement of the obligations of this Government.

Mr. REED of Pennsylvania. Mr. President, for most of the past six months Liberty bonds have not been selling for over par, and at the present time, or until a day or two ago, the 3½'s of the first issue were below par. The next installment to be paid by Great Britain is due on the 1st of June, and throughout most of the past six months she has undoubtedly been preparing to make her payment. Whatever Liberty bonds she has of the 3½ per cent issue certainly could not be resold by her on the market for par, or anything like it. So that, I think, it is reasonable to expect that a very considerable part of her payment on the first of the coming month will be made in bonds, and what will happen during the succeeding half a year no man can foretell.

Mr. JONES of New Mexico. Of course that may happen; but if the Senator will pardon me, the 3½ per cent bonds are selling at only about one thirty-second of a per cent below par.

Mr. REED of Pennsylvania. That is true at this moment, but they have been very much below that, and, of course, Great Britain does not buy all her bonds on the last day of the six months' period.

Mr. JONES of New Mexico. That is quite true. The difference, however, is very inconsiderable, and prospects are that even the 3½ per cent bonds will sell above par in a reasonably short time.

Mr. REED of Pennsylvania. Suppose they do; the Senator does not for a moment think that Great Britain could sell $160,000,000 of them without breaking the market below par?

Mr. JONES of New Mexico. Of course, I can guess at that perhaps as well as anyone else, but $160,000,000 out of an issue of that size is not very much.

Mr. REED of Pennsylvania. It is 10 per cent of the issue.

Mr. JONES of New Mexico. It amounts to almost 10 per cent of the issue, but not quite. The probabilities are that that payment will be made in cash sometime during the year, and to that extent would make available the cash to be used for ordinary purposes.

I am very sorry, if I may express myself again upon the subject, that the Senator from Utah and the Senate did not accept an amendment to the bill which would provide that the indebtedness from Great Britain, if paid in bonds, should be credited against the sinking fund, not leaving at the whim or caprice or business interest of a foreign power the making of a reduction in our indebtedness or not as business conditions might make advisable. I think the amendment should have been accepted by the Senate, so that we would know the exact amount by which our funded debt would be reduced.

I think it is not wise business policy to have the reduction of our permanent debt depend upon the action of a foreign government. I believe that we have been reducing our funded debt entirely too much. A reduction in the funded debt of $511,000,000 in one year is decidedly too much. If we are going to reduce our gross indebtedness, it seems to me that the reduction should come with respect to the floating indebtedness, which is a burden upon the banks of the country and the business interests of the country, whereas the bonds have been absorbed by the public and the Treasury does not need to worry about them.

Mr. SIMMONS. Mr. President, if I understand the statement made by the Senator from Utah, it means that if the bill should fail and the taxes for the next year were to be collected under the present law, there would be a surplus in the Treasury of $499,900,000—within $100,000 of $500,000,000.

Mr. SMOOT. That is true.

Mr. SIMMONS. But if the bill becomes a law and the taxes are collected under it, there will be a surplus in the Treasury at the end of the fiscal year 1925 of $138,900,000?

Mr. SMOOT. No; that is only in case we do not appropriate the amounts estimated by the Budget.

Mr. SIMMONS. I am leaving out subsequent appropriations.

Mr. SMOOT. Leaving out all appropriations other than those estimated by the Budget, there would be $138,900,000.

Mr. UNDERWOOD. That is not very intelligible to the jury, because the jury does not know how much we have spent in the meantime.

Mr. SMOOT. If the Senator will allow me to proceed, I will give the amounts that are liable to be appropriated over the Budget estimates.

Mr. SIMMONS. The estimated surplus under the present law would be based upon the conditions existing at the time.

The estimate under the present law is that if it remains in force another year there will be a surplus of $500,000,000. If, however, the present law shall be superseded by this measure there will be a surplus of $138,000,000.

Mr. SMOOT. That is based upon the Budget estimates. If there is any appropriation outside of the Budget estimates it would take that much off of the $138,000,000.

Mr. SIMMONS. It would take off that much of the surplus under the present law.

Mr. UNDERWOOD. If the Senator can give the information, I would like to have him make his computation not only taking into consideration the appropriations subsequent to the estimates of the Budget, but also the other authorizations, such as the bonus, so that we may know where and how we stand.

Mr. SIMMONS. The $138,000,000 would pay the bonus. There will be plenty of money to pay the bonus.

Mr. SMOOT. It is fair to state, and I think I should state at this time, that those figures are based upon the estimate of $200,000,000 to be collected from income and profits taxes for previous years. It may run over $200,000,000 or it may run less.

Mr. SIMMONS. If the Senator will pardon me, the statement is made, in this estimate, as I understand it, that the surplus of $138,000,000 should be added to whatever taxes are collected by the department in excess of $200,000,000, beyond the income and profits taxes.

Mr. SMOOT. That is exactly what I said.

Mr. SIMMONS. There are some who think that instead of $200,000,000 we will get $300,000,000. Of course that is purely a conjecture.

Mr. SMOOT. I asked Mr. McCoy if he thought there would be any more than $200,000,000 collected, and he said no; he did not think there would be. He told me that this morning and gave his reasons, and they appealed to me as very good reasons.

Mr. SIMMONS. Will the Senator advise us how much was collected from that source last year?

Mr. SMOOT. There was some $400,000,000 approximately collected.

Mr. SIMMONS. Can the Senator advise us how many of those claims have not been settled up to this time?

Mr. SMOOT. It is a very small percentage, I will say to the Senator, not over 2 per cent of the whole amount of claims.

Mr. SIMMONS. Does the Senator know what percentage was collected in the last year?

Mr. SMOOT. No; but it was larger than any other year. Of course, as every year passes those old claims of 1917—and there is where most of them sprang from—are weeded out and the larger ones settled. The actuary told me this morning that he does not anticipate a dollar's worth more than the $200,000,000.

Mr. SMITH. May I ask the Senator if he could not supply figures showing what percentage of the unsettled claims were collected last year and the year before, and the amount remaining yet to be settled, so that the Senate might have a reasonable basis for a calculation as to the actual amount to come in this year, because, if the character of the claims is the same as last year and the per cent yet to be settled is as great as those settled last year, or approximately that, we could get some intelligent idea as to how much would come from that source this year.

Mr. SMOOT. The percentage could not possibly be the same, because we collected a great percentage of them last year. I think the larger amounts were collected last year.

Mr. SIMMONS. I had been under the impression that in the discussion of them this year, especially in connection with the board of tax appeals, the opinion was expressed that there was a very large number of claims yet to be acted upon.

Mr. SMOOT. I remember it was put in the RECORD.

Mr. SMITH. Could not Mr. McCoy, who is in the Chamber now, tell us about how much is yet to be collected?

Mr. SMOOT. What Mr. McCoy said was that he does not believe there will be over $200,000,000 collected. We name $200,000,000 in our estimates.

Mr. SIMMONS. The estimates are based on the assumption that that much will be collected.

Mr. SMOOT. Yes; and if it falls short of $200,000,000 we are short in our estimates that much. If it runs over, we are over whatever it may be.

The Senator from Alabama [Mr. UNDERWOOD] wanted to know really what the estimate of the surplus meant. It means that this is based upon the expenditures chargeable against ordinary receipts under the Budget estimate of December 31, 1923, not including additional expenditures authorized or to be authorized since that date. This estimate does not include the following items.

Mr. UNDERWOOD. If the Senator will allow me, what I want to get at it this: Of course, I know that the bonus bill does not require much money now. It only requires the cash payment, as it was stated.

Mr. SMOOT. But the fiscal year we are figuring on—1925—will require $135,000,000.

Mr. UNDERWOOD. I want to know, with the ordinary appropriations for the Government and the authorization under the bonus bill, whether the tax bill is not sufficient to cover those items?

Mr. SMOOT. It would if we simply had the bonus bill. There would be $2,000,000 over the balance, if our estimates are correct, to pay the bonus for this year.

Mr. SIMMONS. I want to ask the Senator if, when he reported the bill to the Senate, he did not estimate that there would be $60,000,000 or $70,000,000 deficit?

Mr. SMOOT. Yes. We anticipated that there would be a deficit, and I so stated, and that is why I am stating now the difference in the estimates.

Mr. SIMMONS. I am gratified to find that there will be no such situation.

Mr. SMOOT. So am I.

Mr. SIMMONS. The Senator did not include when he estimated a deficit of $70,000,000 the payment of any bonus at all.

Mr. SMOOT. That is true.

Mr. SIMMONS. Eliminating the bonus, we would have $138,000,000 surplus instead of $50,000,000 deficit.

Mr. SMOOT. If the conference had agreed to the bill as it passed the Senate, we would have been in the fix I stated we would be in when the bill was before the Senate, but the conference has made changes greatly increasing the revenue.

Mr. SIMMONS. I was speaking about estimates made by the Senator when he reported the bill and before we acted on it at all. He estimated then there would be a deficit of something like $70,000,000.

Mr. SMOOT. I used the same estimate that I am using now, and I have been trying to explain that those estimates by Mr. McCoy have changed, because some of them were made over a year ago, and the estimates I have given to the Senate to-day were made to include up to day before yesterday. That is where the difference arises.

Mr. SMITH. If the Senator will allow me, the Senator from North Carolina, as I understand it, claims that under the estimate made when the bill came into the Senate and before it was modified by the Senate, there would be a deficit of something like $70,000,000 under the bill as it came from the Finance Committee. It was modified and certain taxes were reduced, and it went back to conference, and in conference it has not yet been restored to the high point, perhaps, where it was when it came from the Finance Committee at first, and yet with those modifications as now in the bill it will meet the bonus and will give a small surplus besides.

Mr. SMOOT. It will do that, provided we do not have certain legislation, including the reclassification bill, calling for $15,000,000, which we will have to have, and we can not get away from it.

Mr. SIMMONS. The Senator's estimate when the bill was before the Finance Committee included those things.

Mr. SMOOT. No. At the time we thought we were going to pay the $240 bonus to the field employees. Nobody thought we could get the reclassification——

Mr. SIMMONS. But we did not include any estimate for the bonus when the Senator reported the bill out, because there was no bonus legislation at that time.

Mr. SMOOT. Certainly not. That is true.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. LENROOT in the chair). Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. COPELAND. As I understand the matter, with the anticipated income from the new bill and from other funds which are expected, there will be money in hand to pay off the expenses of the Government and to pay the bonus.

Mr. SMOOT. Yes; provided we do not enact the following legislation, which is now in the hands of Congress:

The reclassification bill, carrying $15,000,000. The Veterans' Bureau bill, carrying $32,000,000. That has been passed, and it ought to have been passed. That is for the disabled veterans and is a recodification of all the laws affecting the Veterans' Bureau. We passed it, and I have not any doubt that it will become a law. Then there is the bill providing hospitals for the World War veterans that carries $6,800,000. We have

already passed the District of Columbia surplus fund bill, which carries $4,500,000. That has already passed both Houses. We have already passed private bills carrying over $2,000,000. The Post Office employees' compensation bill is the unfinished business to-day, and the very least estimate of cost of that bill is $65,000,000.

Mr. COPELAND. If Mr. McCoy's estimate overruns $75,000,000 or $80,000,000 in excess of the $200,000,000, we would still have money enough to pay the additional items.

Mr. SMOOT. Oh, no. The additional items will amount to $125,000,000, and no farmer legislation included.

Mr. SIMMONS. If the bill as the Senator reported it from the Finance Committee had passed the Senate without any change whatsoever, those items to which he has now referred would further have increased the deficit that he then estimated would be the result of the passage of the bill.

Mr. SMOOT. There is no question about it, and I have stated it on the floor several times in calling attention to those very items. I called attention then to the bonus bill, which had not at that time passed.

Mr. OVERMAN. Will the Senator read the other items?

Mr. SMOOT. The other items of legislation to which I referred include the public buildings bill, which we ought to pass. I have now a demand from the departments here for space for nearly 3,000 employees, and I do not know where to secure it. I am investigating every public building and having a survey made to see if there is not some way of getting part of them under cover.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I yield.

Mr. NORRIS. I would like to invite the attention of the Senator from Utah, when he is trying to house all these thousands of new employees, not to the District of Columbia, but to the great territory of the United States. We have too many people here now.

Mr. SMOOT. That is true.

Mr. NORRIS. We passed a law to try to regulate rents so as to hold down the cost of living, and the local courts nullified it and Congress is helpless. It would not do any good to increase salaries, because that is only an invitation to the landlords to increase rents and to other people to increase the prices on their products.

Mr. SMOOT. And they do it.

Mr. NORRIS. Of course they do. The revelations made here by the Senator from Delaware [Mr. BALL], chairman of the Committee on the District of Columbia, are simply astounding, and yet almost everybody knew in a general way that something of the kind existed. If we are going to give up the right, as it seems to me we have, even for the preservation of the Government itself, to regulate the cost of living in the District of Columbia, why not take a lot of these employees and bureaus and commissions and put them somewhere outside of the District of Columbia? They do not have to be in the District of Columbia. Without any doubt we could take 25,000 employees out of the District of Columbia and put them somewhere else where they could live economically and where the cost to the Government would be less. There is no reason why the public lands, for instance, should be administered 1,000 or 1,500 miles away from the lands themselves. There is no reason why a whole lot of these commissions should be in Washington. We ought to do like the States do—put them somewhere in the different parts of the country. Many of them could be centrally located and expenses saved.

It seems to me we have about reached the time when we ought to declare our independence from the grip of what it seems to me we are officially informed by a committee of this body is holding us down. We should get away from courts that will nullify the laws we pass to regulate the cost of living in the District of Columbia. It seems, if we undertake to regulate rents here, that we would be met with injunctions, and probably would somewhere else, but let us give some other courts an opportunity to try their whips on us instead of having it all done in the Capital City.

Mr. SMOOT. The last report I have received as to the number of employees in the District of Columbia shows that on April 1 of this year there were 64,680 employees in the District of Columbia.

Mr. NORRIS. We could take half of them out of the District without any damage to the public service.

Mr. SMOOT. Of course, that is a question for future legislation. I simply wanted to call attention to the fact that I do not know where to turn to get space for the 3,000 employees we will have to have to put the bonus bill in operation.

There is on the Senate Calendar at this time a bill calling for $10,000,000 this year for buildings for the Government in the District of Columbia and $10,000,000 next year. I think there ought to be a program to stop the everlasting payment of $2 per square foot for rentals in the District of Columbia. Let them try to rent to somebody else. They will find nobody who would pay that high rent.

Mr. NORRIS. I agree with the Senator. Why not have the bonus bill enforced from some other central location in the United States?

Mr. SMOOT. I think that is out of the question. If the Senator would go and see the trainloads of records that would have to be moved—and I do not mean to say a carload, but I mean trainloads of records—he would understand the difficulty of that proposition.

Mr. NORRIS. I know; but we should only have to move them once.

Mr. SMOOT. That may be; but the same records must be referred to by other departments than where located.

Mr. NORRIS. That would be all; and they could be moved in a freight train.

Mr. SMOOT. But they would all have to come here in the end.

Mr. NORRIS. None of them would have to come here. There is not any reason why the Pension Bureau should be in the city of Washington.

Mr. SMOOT. There may be something in that; I do not know; but they are here; and so long as we have employees and make appropriations for them we have got to house them. If we can not erect buildings here, as we can erect them by paying interest at the rate of 4 per cent, then we are compelled to rent buildings in the District of Columbia and to pay outrageous rentals.

I will now proceed with these items. For instance, next year it is understood that we have got to have a naval program which will cost $100,000,000. Senators, I am simply suggesting these items; I do not say that all of these bills will be passed, but I wish you now to know that they are not included in any estimates that have been made. The estimates that we have given are based exactly on the situation as it is to-day. The estimates do not include any of these other items of which I have spoken. We shall be compelled, however, to provide for the following items:

Reclassification will cost $15,000,000; the Veterans' Bureau $32,000,000; hospitals for the World War veterans $6,500,000; District of Columbia surplus fund $4,200,000; private bills which we have already passed $2,000,000. As to the post-office employees, of course I do not know whether or not the bill providing for the increase of their compensation is going to pass and become a law, but at the very least, should the bill pass, it will require an expenditure of $65,000,000.

Mr. SMITH. Mr. President, if I may ask a question with reference to the bill providing for the postal employees, are there no provisions made in the bill as to any reclassification of postal rates so as to take care of any part of the additional expense?

Mr. SMOOT. There are no such provisions in the bill. It is a straight increase of compensation measure at the very time when we are putting into effect a reclassification of other Government employees. I recognize, too, that if the reclassification bill goes into effect there will be changes, for every employee in the field service will have a perfect right to appeal to the board if he is not satisfied, although the reclassification has been made according to the returns made by the employees themselves to the Classification Board.

Mr. SMITH. Mr. President, I am not now a member of the Post Office Committee and have not examined the bill, but I was under the impression that certain changes had been made in the classification of certain mail matter looking to meeting this additional expense in the Post Office Department.

Mr. SMOOT. Nothing whatever of that kind is provided in the bill; in fact, the Senator knows from his own correspondence that there is a bitter protest from all over the country, particularly from the farmers of the country, against the increase in the parcel-post rates. I have had such letters by the hundred.

Mr. SMITH. I was under the impression that there was quite an extensive field where there might be fair and equitable adjustments and reclassifications in order to bring in greater revenue, and I thought perhaps that that matter had been investigated by the committee and had been provided for in the bill.

Mr. SMOOT. I am not a member of the Post Office Committee.

Mr. SIMMONS. Mr. President, what the Senator from Utah has been saying, if he will pardon me, with reference to the postal employees' bill and the large increase in the expenses of the Government by reason of legislation which may hereafter be enacted, would apply with equal force if we had adopted the Mellon plan.

Mr. SMOOT. It would have applied just the same.

Mr. SIMMONS. Or if we had adopted the bill as it passed the Senate. In fact, Mr. McCoy's estimate shows that if we had adopted the Mellon plan just as Mr. Mellon wrote it and sent it to the committee we would have had a surplus at the end of 1925 of $160,000,000 as against an estimated surplus of $138,000,000 under the bill now under discussion.

Mr. SMOOT. That is true, I will say to the Senator.

Mr. SIMMONS. There would be a difference of only $22,000,000. What the Senator from Utah has been saying means that if we had passed the bill in accordance with the Mellon plan or had passed the House bill or the pending bill the additional legislation which he is anticipating or fearing—I do not know which—would increase the expenditures of the Government.

Mr. SMOOT. The Senator from South Carolina is right as to that. The President of the United States, in his message to Congress recommending a reduction of taxes, based his request solely upon the recommendation made by him that economies be practiced on the part of Congress.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I have about concluded, Mr. President.

Mr. JONES of New Mexico. I merely wish to call attention to a further fact. During the last calendar year we reduced the gross debt of the United States by $1,078,000,000. I think we may very well consider that we have something of a surplus brought over from last year if only a reasonable reduction of the public debt be taken into consideration. That reduction came about in this way: Through the sinking fund and through payment of the English debt there was brought about a reduction of only between $400,000,000 and $500,000,000; but a surplus was brought into the Treasury of over a half billion dollars more, which was paid out in the liquidation of ordinary expenses of the Government instead of reissuing the short-term certificates; so we actually have a carry over of over a half billion dollars after retiring over a half billion dollars of the public debt. I think that in our legislation we can well afford to take cognizance of that situation and not feel that we are running on the ragged edge of things.

Mr. SIMMONS. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield.

Mr. SMOOT. I will conclude in a few moments.

Mr. SIMMONS. Let me say one word to the Senator from New Mexico, if the Senator from Utah will permit me. Of that billion dollars we paid last year upon the public debt about $284,000,000 came from the sinking fund.

Mr. SMOOT. That is quite right.

Mr. SIMMONS. And about $160,000,000 represented the amount received from foreign governments. That was all the money which under the law the Secretary was required to apply to the payment of our indebtedness, was it not?

Mr. JONES of New Mexico. The Senator is quite right.

Mr. SIMMONS. Notwithstanding that amount being something over $400,000,000, the Secretary of the Treasury reduced the public debt to the extent of a billion dollars.

Mr. JONES of New Mexico. One billion seventy-eight million dollars.

Mr. SMOOT. I think the correct figures are $1,072,000,000.

Mr. JONES of New Mexico. And, of course, the Secretary did the wise thing, when he had the money in the Treasury, instead of issuing interest-bearing certificates, to use it in taking up certificates already issued. I am not complaining of what the Secretary of the Treasury did in that respect.

Mr. SIMMONS. Neither am I.

Mr. JONES of the New Mexico. But I call attention to the fact that if we had only liquidated our public indebtedness by half a billion dollars last year we would have over a half billion dollars surplus in the Treasury now.

Mr. SMOOT. I gave the exact figures as to what made up the payment of $1,072,000,000 on the public debt when I made my speech upon the bill. The sinking fund was included in that amount, as stated by the Senator from New Mexico, and the payments on the English debt were also included. Then there was $437,000,000 carried in the banks of the country on deposit, and the Secretary decided to reduce the deposits and take up an equal amount of short-term certificates. The remainder of it, of course, represents the gain in the revenue of the Government over and above expenditures.

Mr. SIMMONS. I should like to ask the Senator a question right there. There was a surplus of three hundred and some million dollars in the Treasury at the end of the last fiscal year.

Mr. SMOOT. I can state the exact amount by referring to my previous speech.

Mr. SIMMONS. I will ask the Senator if the Secretary did not apply that surplus to the payment of the indebtedness of the Government?

Mr. JONES of New Mexico. Will the Senator allow me to answer that question?

Mr. SMOOT. There was that surplus, and that is the surplus to which I had reference over and above the amount of expenditures. Then there was the sinking fund; there were the debt payments; and there was the reduction in the cash balance carried in the banks of the country. The remainder of it of course, as I have said, was gain.

Mr. SIMMONS. Surplus.

Mr. SMOOT. Yes; surplus.

Mr. SIMMONS. And the surplus for that year was about the same as the surplus now.

Mr. SMOOT. And I think it was approximately the same, perhaps a little bit more.

Mr. SIMMONS. It was very nearly the same, and the Secretary applied that surplus to our indebtedness.

Mr. SMOOT. He took up short-term certificates.

Mr. SIMMONS. That is the same thing.

Mr. JONES of New Mexico. The Senator from Utah is correct in saying that there was a large balance in the Treasury at the beginning of the last calendar year. There were around $500,000,000 in the Treasury at that time, and of course that could have been used even before that time in taking up short-term certificates; but it was carried over into the following calendar year, and the net reduction, after accounting for the cash balance last year, was $859,000,000.

Mr. SMOOT. Yes; including the sinking fund, which, of course, we have got to provide anyway, and including the payments on the English debt, which we have to use for the liquidation of the obligations of the Government.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. Yes.

Mr. COPELAND. What further payment is contemplated? How much is likely to be paid during the next year for the reduction of the public debt?

Mr. SMOOT. We have got to provide at least $284,000,000 in the sinking fund under the law. That is to take care of $10,000,000,000 of the bonds which we issued during the war, and the other $10,000,000,000 which we issued are to be taken care of by the payment of foreign obligations and are to be retired from such payments.

Mr. COPELAND. What is the estimate of that amount?

Mr. SMOOT. The only payments that we receive now on foreign obligations are from England, and they will amount on the average to about $170,000,000 a year. Of course, a small sum will be received from Finland, amounting I should say to about $35,000 a year, and from Hungary a sum less than that. Those are the only foreign countries that are paying us anything at all at this time.

Mr. COPELAND. Are there other sums?

Mr. SMOOT. Yes, there would if we could make settlements with other nations. France, for instance, owes us over $4,000,000,000.

Mr. COPELAND. I mean outside of the international debts.

Mr. SMOOT. No, not outside of the international debts.

Mr. COPELAND. Are there other sums that are likely to come in that could be used?

Mr. SMOOT. No, not that I know of.

Mr. JONES of New Mexico. My recollection is that the estimated reduction of the public debt for the year is $511,000,000 plus.

Mr. COPELAND. For what year?

Mr. JONES of New Mexico. For the fiscal year 1925.

Mr. SMOOT. The only estimate that I now recall showed a probable reduction of $395,000,000. However, that does not make any difference, for the reports show the facts.

Mr. JONES of New Mexico. I want to say to the Senator that he certainly is incorrect if he states that there was no estimate made. If the Senator has before him the estimate which has been made for the fiscal year 1925, I am quite certain he will find the estimate that the public debt would be reduced out of ordinary receipts by $511,000,000.

Mr. SMOOT. There is no need of talking now about what we may be able to do. I know if we make the appropriations to which I have referred we will be faced with a deficit.

Mr. COPELAND. Mr. President, I should like to ask the Senator one further question. Only a certain amount of that reduction is mandatory, is it not? That is to say, for instance, the collections from foreign governments must be so applied.

Mr. SMOOT. Yes.

Mr. COPELAND. But, even beyond the mandatory payments, it is contemplated that there will be further payments from the ordinary receipts of the Government.

Mr. SMOOT. No; not under the estimate that we have for 1925 and in view of the reductions in the tax bill.

Mr. COPELAND. Where do the figures given by the Senator from New Mexico come from?

Mr. JONES of New Mexico. They come from the sinking fund which is required to be set aside——

Mr. SMOOT. Certainly; and from the payments on the English indebtedness.

Mr. JONES of New Mexico. They include the payments on the debt of Great Britain, the estate taxes which may be paid in bonds, the franchise tax upon the Federal Reserve Board which is invested in these bonds, and so on, making from those sources $511,000,000.

Mr. SMOOT. Mr. President, we are estimating from the estate tax a revenue of $110,000,000. That is counted in the amount of receipts, and if it is paid in bonds, we can not pay our obligations by bonds, but have to issue short-time certificates to cover that amount. We shall have to have the $110,000,000 in order to make up the amount of receipts that we estimate for in this bill.

Of course, Mr. President, we are going to have the amount of the sinking fund. We shall have to do it, and we shall have to put in the sinking fund what England pays us each year to take care of the retirement of an additional $10,000,000,000 that we did not provide for in the original act.

Mr. SIMMONS. Mr. President, I assume that in the estimates of expenditures included in the calculation of the Senator from Utah, as given to the Senate a little while ago, the sinking fund for the purpose of paying off our domestic debt is included, and that it includes also the amount that we are expecting to receive from foreign governments.

Mr. SMOOT. Why, certainly; that is what I say.

Mr. SIMMONS. That is included in the estimate the Senator has given.

Mr. SMOOT. We must do it under the law. We can not do otherwise; but, taking everything else into consideration and providing for those two items, we will have under the estimates made a surplus of $138,900,000, providing we appropriate only what the Budget estimated for; and, of course, I am not going to repeat the items by which Congress has gone beyond that.

Mr. SIMMONS. I think we all understand that.

Mr. SMOOT. Just as far as Congress appropriates over and above the estimated surplus of $138,000,000, of course, we will fall short.

Mr. SIMMONS. Mr. President, I think the Senator ought to state this fact: In 1923 and 1924 we had quite a number of estimates as to the condition of the Treasury. We started out with an estimate that there would be a deficit of something near $800,000,000.

Mr. SMOOT. Of course, those were estimates that were made a year and a half ahead of the time the money was collected.

Mr. SIMMONS. They were made last year, in 1923.

Mr. SMOOT. No; they were the first estimates that were made.

Mr. SIMMONS. The Senator will understand what I mean to say when I finish. Then there was another estimate which presented the possibility or the contingency of a deficit of something like $500,000,000; but the Treasury Department received income largely in excess of the amount thought possible at the time those estimates were made.

Mr. SMOOT. There is not any doubt about it, because the revival of business came on in 1922.

Mr. SIMMONS. When we actually collected the money we saw that all the estimates that were made were far afield——

Mr. SMOOT. But they were made a year and a half ahead.

Mr. SIMMONS. Yes; and that instead of a large deficit there was a very considerable surplus—the surplus of $319,000,000 we are now talking about. The first estimates made by the department after this bill was introduced indicated a much less amount of receipts on the part of the Government than the estimates that the Senator has just submitted to the Senate. The department admits, therefore, that this time, as well as the first time I refer to, it was mistaken, and mistaken because the receipts of the Government under the present law were very much greater than they estimated.

Mr. SMOOT. Yes.

Mr. SIMMONS. Now, no man can tell what will be the actual result of operations during the fiscal year 1924–25 under this bill. It may be that as in the former case, instead of having a surplus of $138,000,000, if business is good, as we all hope it will be, we may have a surplus far in excess of that, as we had last year a large surplus instead of a large deficit as was indicated by the previous estimates.

If the Senator will pardon me just a minute longer, when the Senator reported this bill and stated that the indications, so far as the estimates then before the committee were concerned, pointed to a deficit of $70,000,000, I think he said that he would take his chances; and I think he was right in saying that, because the Senator probably anticipated, or at least hoped, as we now anticipate or at least hope, that there will be a great increase in the receipts of the Government, and that the surplus will be much larger than we are now calculating. Of course, there is a possibility of its being less; but, following the trend of the last two years, the indications are and I think we have a right to assume that the probabilities are greatly in favor of an increase in the surplus instead of a decrease in the surplus now estimated.

Mr. SMOOT. Mr. President, it is only fair to say this: Take, for instance, the amount of revenue that came from the importation of goods into the United States. Nobody thought that the revenue would amount to more than $400,000,000. When I stated upon the floor of the Senate that it would be $400,000,000, I was questioned immediately. I thought I had put it at as high a figure as it was possible for me to imagine; but, instead of that, there was nearly $200,000,000 more, an unprecedented amount. Nobody would have thought of such a thing; but we got nearly $200,000,000 more from that one source. These estimates were made at the beginning of 1922, as many estimates are made, a year and a half before the actual collection of the tax; and this is what happened: In 1921 business had just begun to revive; in 1922 it was good, and, of course, the receipts increased; so we have not got that in our favor in the estimates here for the future.

Mr. BROUSSARD. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. BROUSSARD. Is not the condition that confronts the Congress at this time the same as the condition that confronts the Congress whenever it seeks to raise revenue, either by the imposition of taxes of this kind or by a tariff, that the estimate as to what will happen is mere speculation?

Mr. SMOOT. We know now a great deal better than we do where an estimate is made a year or 18 months ahead, because we know this: Take, for instance, the rates on importations. They are not quite holding up now to what they were a year ago. We have estimated in this amount $500,000,000 from that source. Business now is off somewhat, as everybody knows; the importations are falling off, and we are not collecting from that source the money that we anticipated; but in the estimate that is made to-day we take that into consideration, because we know what is happening.

Mr. BROUSSARD. What I want to do, if the Senator will permit me, is to show that whenever we are about to pass a bill we must be guided by the latest estimates that we can get.

Mr. SMOOT. Absolutely.

Mr. BROUSSARD. There is nothing positive about it, however; and with the knowledge and the information that the Senator has at this time based on estimates made yesterday, there is no reason to think that the country will suffer more by virtue of the legislation that has been passed, including the bonus, than on every occasion when we have passed a bill. It has been asserted, and the propaganda has gone out, that we have about wrecked the Treasury by voting the bonus; and I am glad to hear the Senator state now that we are no worse off than we have been whenever we have taken up a measure of this kind to raise revenue. After all, whether we will have a surplus or a deficiency depends on what we are going to do hereafter.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I should like to supplement what I said a little while ago with a statement that I have just gotten from the Treasury Department. The estimate made by Mr. Mellon in December of the receipts of the Government was $150,000,000 less than the estimate of receipts now made.

Mr. SMOOT. Yes; and I think the reason of that is that the income-tax returns came in on March 15, and those returns show—there is no question about it—that there is an increase of revenue from that source; and that is why, in a large measure, this additional estimate is made, showing the difference between the original estimate and the one that is made to-day.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. COPELAND. What is the amount of savings made by the new bill over the existing law?

Mr. SMOOT. About $490,000,000.

Mr. COPELAND. The amount of savings is about $490,000,000?

Mr. SMOOT. Yes; I will tell the Senator the exact amount. I think it is $499,900,000, if the Senator wants to know exactly.

Mr. COPELAND. There is a reduction of approximately $491,000,000, provision is made for the payment of the bonus, and in all probability a half billion dollars will be paid off on the national debt.

Mr. President, I think the thanks of the Senate are due to the Finance Committee for bringing in a bill which makes possible all this very hopeful prospect. The country is not going to smash. All these gloomy forebodings have been silly. We have given the country relief to the extent of over a half billion dollars in taxes. We are going to take care of the national debt; and we can still say that—

God's in His heaven—
All's right with the world.

Mr. SMOOT. Mr. President, I will close my statement now with the hope that the conference report will be adopted.

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator if he estimates a deficit in the revenues by reason of the passage of this bill?

Mr. SMOOT. I will say that there will be a deficit if we pass the legislation to which I have already referred. I do not want to go over it again.

Mr. WALSH of Massachusetts. But, so far as the legislation that has been already enacted is concerned, there will be no deficit, in the Senator's opinion, if this bill is passed as reported?

Mr. SMOOT. The bonus bill has been enacted already, so that will leave about $2,000,000, and of course we have passed the private bills and some of the other bills, the District bills. There will be a little deficit on the bills that we have already passed.

Mr. SIMMONS. We can pay the bonus and there will still be a small surplus.

Mr. WALSH of Massachusetts. And the bill provides for a flat reduction of 25 per cent on all individual income taxes payable in the present fiscal year?

Mr. SMOOT. For the calendar year 1923.

Mr. WALSH of Massachusetts. And also a reduction approximating 25 per cent in the individual income taxes payable in the following years?

Mr. SMOOT. More than that.

Mr. WALSH of Massachusetts. Averaging more than 25 per cent?

Mr. SMOOT. Yes.

Mr. KENDRICK. Mr. President——

Mr. SMOOT. I yield to the Senator. I am through, however.

Mr. KENDRICK. In the Senator's very concise and, it seems to me, very clear report on the action and work of the conferees, he spoke of the reduction allowed for losses sustained in capital investment.

Mr. SMOOT. Yes.

Mr. KENDRICK. At the time the Senator made the reference I did not like to interrupt him, but I should like to have the Senator explain, in a word, what changes were made in the present law in connection with that matter.

Mr. SMOOT. Under the present law, if a capital loss is sustained, suppose it is a $100,000 loss, then in the return made by the taxpayer, if he has a gain of $100,000, that capital loss can offset that gain. The Senator remembers that in the existing law capital gains are limited for taxing purposes to 12½ per cent, or, in other words, a man may make $100,000 in capital gains and he is only charged a tax on 12½ per cent on the $100,000, or $12,500; but in the existing law he is allowed the full amount of his capital loss, so the bill as reported to the Senate by the conferees treats the capital loss exactly like the capital gain, and if he loses $100,000, he can only take 12½ per cent of that loss and deduct it from his gain. If he makes $100,000, he pays taxes upon 12½ per cent of the $100,000. I will say to the Senator that it made a difference in the revenue of about $60,000,000.

Mr. JONES of New Mexico. Mr. President, I want to put in the RECORD a statement regarding the public debt, so that it may be in the RECORD in connection with the remarks of the Senator from Utah [Mr. SMOOT], in order that there shall be no question about it.

I have before me the report of the Secretary of the Treasury for the fiscal year ending June 30, 1923, which is the latest report of the Treasury on the subject. For that fiscal year the public-debt retirements chargeable against ordinary receipts are listed as follows:

Sinking fund	$297,144,300
Purchases from foreign repayments	37,854,500
Received from foreign governments under debt settlements	160,969,325
Received for estate taxes	10,000,000
Purchases from franchise-tax receipts (Federal reserve banks)	6,000,000
Making a total of	511,968,125

For the fiscal year 1925 the figures are as follows:

Sinking fund	$310,000,000
Received from foreign governments under debt settlements	160,277,975
Received for estate taxes	6,000,000
Purchases from franchise-tax receipts (Federal reserve banks)	6,000,000
Making a total of	482,277,975

Mr. SIMMONS. I wish to ask the Senator from Utah if he does not think the estimate just prepared by the Actuary of the Treasury, from which he has been reading, should be put in in connection with the statement of the Senator from New Mexico?

Mr. SMOOT. I intended to have it printed in the RECORD as a part of my remarks, but it can be put in at this place.

Mr. SIMMONS. It comes better at this place.

Mr. SMOOT. Very well.

Mr. SIMMONS. If the Senator from New Mexico will permit me, I offer these figures as an appendix to his last statement as to the results for the year 1925 under the Mellon plan, under the present law, and under the measure we are now considering.

The PRESIDING OFFICER. Is there objection to printing in the RECORD the matter referred to by the Senator?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated revenue, fiscal year 1925

(Revenue act of 1924 as agreed to in conference.)

Source	Mellon plan	Present law	Revenue act of 1924
Customs	$500,000,000	$500,000,000	$500,000,000
Internal revenue:			
Individual income and corporation tax	1,662,000,000	1,900,000,000	1,650,000,000
Miscellaneous taxes	824,000,000	925,000,000	814,000,000
Total internal-revenue taxes	2,486,000,000	2,825,000,000	2,464,000,000
Miscellaneous receipts	473,000,000	473,000,000	473,000,000
Total ordinary receipts	3,459,000,000	3,798,000,000	3,437,000,000
Expenditures chargeable against ordinary receipts (Budget estimate of Dec. 3, 1923, not including additional expenditures authorized or to be authorized since that date)	3,298,100,000	3,298,100,000	3,298,100,000
Excess of ordinary receipts over total expenditures chargeable against ordinary receipts	160,900,000	499,900,000	138,900,000

To this surplus should be added whatever taxes are collected by the department in excess of $200,000,000 on account of income and profits taxes for previous years.

Mr. NORRIS. Mr. President, in rising to oppose the conference report, I realize that I am undertaking a futile thing, and I want at the same time to make my position perfectly clear, and give the reasons for my position.

The Democrats and the Republicans have gotten together now, to a very great extent, on this conference report, and of course it is only a question of time before it will become the law, unless vetoed by the President. I want to be fair, in stating my position, with those who are going to vote for the conference report. There are a great many things in the bill as the conference committee have agreed upon it which I favor. There are a great many respects, at least some respects, in which the conference committee bill is better than the bill as it passed the House, in my opinion, and likewise better than the

estimates that the Senator has just submitted to the Senate. The department admits, therefore, that this time, as well as turns show—there is no question about it—that there is an increase of revenue from that source; and that is why, in a

bill as it passed the Senate. I say, in some respects. In some other respects the bill agreed upon by the conferees is considerably worse than the bill as it passed the House, as I look at it.

When we are considering a conference report, we must consider the parliamentary situation in order to be perfectly understood. In the particular instance now before us, the two great outstanding features of the conference report which I oppose are, first, the rejection of an amendment which the Senate attached to the bill, offered by the Senator from New Mexico, in which a graduated tax was provided for the incomes of corporations. The other, as I view it, is the so-called publicity amendment, applying to income-tax returns.

I realize, too, that we can not expect a conference committee to get everything they want or that we want. An agreement in conference is necessarily somewhat of a compromise always. But I do not believe that the conferees on the part of the Senate have done their full duty, notwithstanding this. The publicity amendment should have been carried back to the House and the Members of the House given an opportunity to discuss it and to vote upon it by roll call. I urged that that be done, and that the conferees insist that it be done. There would have been no difficulty, if our conferees had insisted upon it, in bringing that condition about, and putting the House on record, as the Senate is on record, on that particular amendment. That has not been done. It is good politics not to do it, and in my opinion that is the reason it was not done.

The Democrats expect to elect the next President. Whether their hope will become a reality or not will depend upon the man whom they nominate. If they nominate one of the two Senators who are now giving me their attention, their dreams will probably be realized.

Mr. CARAWAY. Does the Senator want to start a feud between these two Senators? [Laughter.]

Mr. NORRIS. But assuming the Democrats do elect a President, not knowing who the nominee is going to be, and therefore who the President is going to be, Democratic politicians do not know whether their boss in the White House is going to be in favor of publicity of income-tax returns or opposed to it. Yet I think the country believes, from the vote taken in the Senate, that the Democratic Party is in favor of publicity of income-tax returns.

If that be earnest, if that be genuine, why should we not put on record the Members of the coordinate branch of the National Legislature, and see whether those who voted for publicity of income-tax returns in the Senate would be vindicated by a vote of the House?

I believe just as firmly as that I am here that if the House of Representatives had had an opportunity to debate the publicity amendment which we put into the bill on the floor of the Senate, and had had a roll-call vote, the amendment would be in the bill now, and because I believe in the amendment, and because our conferees have not insisted that that step be taken, I am opposing this conference report.

In my judgment, if we could send it back and a vote should be had in the House, the bill would come back before us in a second conference report with the approval by the House of the Senate amendment on this subject, and likewise with the approval by the House of the Senate amendment on the corporation-tax proposition.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Massachusetts?

Mr. NORRIS. I yield.

Mr. WALSH of Massachusetts. I note that the Senator is making the same protest which he and others have made every time there has been an important bill before a conference committee. We have observed that in the final analysis the legislation of this body is passed in secret, behind closed doors, by a group of Senators and Representatives. I am fully in accord with his suggestion that there should be a requirement that amendments which are debated in the Senate and voted upon on this floor should be submitted to the other body, and amendments debated and voted upon in the other body should be submitted to the Senate, and not to a committee of conferees to pass upon them in secret. We are in accord in that view.

I believe it will lead ultimately to a widespread protest from the American people against this method of constructing important legislation. I do not know of anything that does more damage and causes more disrespect for our institutions than the failure to have a vote in both our Chambers upon an important amendment. The idea of a conference committee being able in secret, behind closed doors, to suppress almost the unanimous vote of this body is intolerable. It is not representative government. It is secret, star-chamber government.

I trust the Senator will pardon me for digressing a little from the question I desired to ask him, but I rose to ask the Senator in what way we can force action that will lead to having some of these amendments passed upon by the other branch.

Mr. NORRIS. In only one way, and that is by rejecting the conference report.

Mr. WALSH of Massachusetts. That might result in the defeat of the bill itself.

Mr. NORRIS. I think not. If we were to adjourn tomorrow or the next day, or had a time fixed for adjournment within the next few days, there would be something to that theory; but I do not think it would defeat the bill.

Mr. WALSH of Massachusetts. I am sure the Senator feels as I do, that we would not care if every single amendment were taken out of this bill, if we knew that was the consensus of opinion in the other branch; but when we have doubt as to whether they would agree or disagree, and when we have only the judgment of a small handful of Representatives in the Congress, I think our protest is justified.

Mr. NORRIS. Mr. President, I thank the Senator for his observation. If the bill had gone back to the House, and the House had had a roll-call vote on this particular amendment of which I am speaking, and on the other one offered by the Senator from New Mexico, and those amendments had been defeated by decisive votes, I would have made no further protest. I realize that we can not always have our own way, no matter how earnestly we may believe we are right. It is a matter of compromise. But, Mr. President, as the Senator from Massachusetts has so well said, in the case of amendments of the importance of these two, which were debated fully in the Senate and put on the bill on the floor of the Senate and then referred to the conference, it is not right that they should be rejected by the conferees without the House ever having an opportunity to debate them or to vote on them.

Mr. WALSH of Massachusetts. It is not representative government.

Mr. NORRIS. I hope I will be understood when I say that I am not finding fault with any Senator or any Member of the House or any outsider who opposes either one or both of these important amendments, but the Senate showed by a very decisive vote, after a full and unlimited debate on both of them, where the Senate stood, and our will has been nullified by three or four men meeting in secret. That is the effect of the conference report.

Mr. WALSH of Massachusetts. And without any record to show who those men were or how they voted.

Mr. NORRIS. There is a record to show who the men were, but no record of how they voted.

Mr. WALSH of Massachusetts. There is a record of those who were in the conference, but there is no record of how they stood upon this measure.

Mr. NORRIS. No; there is not. The way it stands now, one branch of the National Legislature or its Members, if this thing ever comes up again in a subsequent Congress, will be able to jump either way without ever having been put on record. The men who represent constituencies in either branch of our National Legislature, where the thing should come properly before them, ought to be on record on a roll-call vote as to whether they favor or do not favor such important propositions.

I want to repeat, with all respect to the conferees and to the Members of the House of Representatives, that if there had been a roll-call vote on these amendments, I would not be here to protest against the conference report, because, as I said, there are a good many good things in it that I favor, and if I were voting for or against the bill as they have reported it here and were called upon to vote for or against it without reference to any opportunity to improve it, I would vote for it. But I am opposing the conference report because I believe that if it would go back to conference and would be taken back to the House, and the House of Representatives had an opportunity upon a roll call to vote on the amendments, they would improve the bill and make it better than it is. That is the reason why I am opposing it, because that is the only way under the parliamentary situation that that can be brought about. If our Democratic friends in the House of Representatives are as near unanimous in favor of publicity and the other amendments as they were in the Senate, I want to say to you, my Democratic friends, there are enough Republican votes in the House to put both of those amendments across. Why do you not take it to them and give them an opportunity to vote?

Mr. President, it seems to me that no argument of a logical or sound nature has been made against the publicity of income-tax returns. Men with millionaire incomes do not want it, and it seems, therefore, we can not get it. In my opinion,

if we had publicity of income-tax returns we would greatly increase our revenue. Knowing that the income-tax returns are behind closed doors and locked and sealed from the eye of the public, the dishonest man, in making an income-tax return, feels that he runs no risk to do everything in that return to cut down his income, because it is going to be kept forever in secret. The inclination, then, to any individual who is not completely honest is to make his income as small as possible for the purpose of that return.

As I said, the publicity of income-tax returns would bring much additional revenue into the Treasury of the United States. No man can tell how much. I think any reasonable individual, however, who will remember that there are millions of them, and that the opportunities to defraud the Government out of proper tax are almost unlimited as long as the returns are in secret, must agree that the amount would be enormous. It would run into hundreds of millions of dollars, in my judgment.

But that is not all. The honest man now who makes an honest return and pays honestly the tax that should come from him in the way of an income tax is discriminated against and compelled to pay a higher proportion of tax than he should pay.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Some idea of the losses to which the Senator refers can be determined by a knowledge of the fact that in one year the reassessments by the Government after examining the returns of taxpayers were $600,000,000. In other words, there were errors amounting to $600,000,000 traceable and determinable by an examination of the taxpayers' reports.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. CARAWAY. Has it not been the policy to transact all public business publicly? Is it not the policy of every republic to do that?

Mr. NORRIS. Yes.

Mr. CARAWAY. Under what theory do we deny any public scrutiny of the transactions of collecting taxes, refunding taxes, and all those settlements? What honest man could object to the people knowing what was done with the tax returns?

Mr. NORRIS. I can not answer the question of the Senator, because I can not conceive of a theory based on logic or an objection based on reason in opposition to the publicity of income-tax returns.

Mr. CARAWAY. Why would it not be just as reasonable to say we will close the doors of the courthouses and have all litigation in private so that the public may not pry into a man's business? Why not say it is not wise for the public to know?

Mr. NORRIS. I should think it would be just as reasonable and the same principle is involved.

Mr. CARAWAY. And when they do not have publicity there is always more or less corruption.

Mr. NORRIS. Always. The history of civilization shows that corruption and dishonorable conduct in public office always comes from secret government, and secret government can not be conceived if we claim that we are living in the highest state of civilization.

Mr. CARAWAY. The contention of many men has been that the Great War, just ended, was the result of secret diplomacy.

Mr. NORRIS. Yes; and with a great deal of reason contended that if we had not had any such thing as secret dealings between governments we would not have had, perhaps, the Great War. At least there were many wars that we would have avoided if we had been dealing publicly with our neighbors in an international way.

Mr. President, who would consent for a moment that the Senate and House of Representatives should transact all their business in secret? Who would consent for a moment in any county, in any State of the Union, that the returns of the assessor should be locked up and nobody given an opportunity to examine those returns? Millions and millions of people are making tax returns to the local assessors all over the United States, millions more than are making income-tax returns, and as far as I know every single one of those returns is a public document and subject to examination at all reasonable hours by the public generally, and yet when we come to the income-tax returns the doors are locked and nobody allowed to make any examination of any return on file. It must be apparent that the Government of the United States is losing hundreds of millions of dollars every year on account of this silly notion. It is said that a man does not want his neighbor to know about his business. He can go to the courthouse and find out by looking over his tax returns now if he wants to do so. He can go to the courthouse again when there is a lawsuit and find out away beyond the secrets of a financial proposition.

Mr. WALSH of Massachusetts. And when he dies there is a public record of his estate.

Mr. NORRIS. Yes; when he dies he always leaves his property behind him. There has never been an exception to that rule that I know of. His property is administered and the public find out all about it.

They know about his business; they know how much he had; they know what kind of property he had, and what property brought him in an income and what did not. They know all about it.

Mr. WALSH of Massachusetts. So that his heirs are not protected by any secrecy.

Mr. NORRIS. No.

Mr. WALSH of Massachusetts. Whatever amount he leaves to his wife and children is known to everybody.

Mr. NORRIS. From the top to the bottom of a democratic form of government there is no place for secret public business. Let us admit, although I am not able to conceive of an instance where anybody would be hurt by publicity, that in one case in a thousand or a million some one might be injured. Must benefit that will accrue to all the people be surrendered in order to protect one or two in some business whim?

I have heard it said—it was in a statement made by no less a man than Secretary Hoover, as published in the newspapers—that if we had publicity of income-tax returns some people would pad their returns, and represent their incomes as being greater than they were, in order to make their neighbors believe they were rich. I would give a premium for that if anyone should care to do it. If anyone is anxious to have other people think that his income is great and is willing to pay to the Federal Government something extra in order to have that notoriety in the neighborhood, bid him Godspeed and let him put his money on the table. What a calamity it would be if Mr. Mellon or Henry Ford should pay the Government more than they ought to pay it! What a terrible thing! How it would shock the people, and how it would hurt the taxpayers! Just think of it!

Mr. President, there is another respect—though I want to be frank and to say that in that respect the conference report has somewhat modified the existing law and has made it better—there is another respect in which benefit would come, and that is in connection with framing legislation. We have passed through both Houses of Congress, after very extended hearings in committee and lengthy debate on the floor, a revenue bill, the conference report on which is now before us. We knew that in the existing tax law there were loopholes; we knew that we were not getting the money we ought to get from income-tax returns; we knew that in thousands of ways the real spirit of the law was being violated; but we did not know how. From those who were called upon to legislate was concealed behind locked doors and vaults the evidence that would disclose the loopholes by which dishonest men avoid paying taxes to the Government. And yet the opponents of publicity clamor and say, "You must not let anybody look at those sacred documents." If a man has made an honest return, how can he be hurt by publicity; if he has made an honest mistake, how can his feelings be injured even then, if that mistake is corrected and made right—whichever way it may be?

Under the bill now before us, committees of Congress can examine tax returns, but that will not give them the opportunity to bring about remedial legislation such as they would have if the amendment which the Senate put on the bill had been included in the conference report and made a part of the law.

It is true that members of the Finance Committee of the Senate and of the Ways and Means Committee of the House of Representatives are to be permitted to examine tax returns; but they are not the only pebbles on the legislative beach. There are some others here who are equally interested in good legislation, who are equally interested in having the right kind of a revenue law; but they are all denied access to these secret records of big incomes. From a legislative point of view alone such records ought to be public. We get much of our information even on important legislation from men outside of Congress who are particularly well informed on various matters of legislation, but if they wanted to assist in good legislation of this kind they would still be denied under this bill access to tax returns.

Mr. President, there is a third important reason why these returns ought to be published, at which I have before hinted. The honest citizen who makes an honest return is entitled to protection in preference to the dishonest one. We are proposing to legislate here to the advantage of dishonest people and thereby adding to the burdens of the honest men who want to pay what they rightfully ought to pay. This bill does not give the honest man a square deal; it gives the advantage to the dishonest taxpayer and puts additional burdens upon the man who wants to do his full duty; because if one set of taxpayers do not pay what they ought to pay, the burden is correspondingly increased upon those who do pay what they ought to pay. We could reduce the rates if everybody in the United States paid what under the law he ought honestly to pay.

Heretofore there has not been any way to remedy, in public at least, anything that was found wrong in tax returns. A man may overpay; that often happens. The honest taxpayer may have paid too much; he may have paid more than he is required under the law to pay by having made some mistake. So long as the returns are secret he will never find it out. That is unfair to him. He ought to have an opportunity, if a mistake is discovered in one man's return and his is similar to it, to know of the mistake that was discovered, in order that he may apply the information to his own return, and if something was due to be refunded that he could get it back honestly, squarely, openly, and aboveboard.

Mr. President, there is another loophole in the existing law which we sought to correct here by the adoption of the amendment of the Senator from New Mexico [Mr. JONES], which our conferees have likewise given up and surrendered without asking the House to vote on it. It looks to me as if we had left a loophole in this law big enough to drive a four-horse team right through it. Corporations will pay a flat tax of 14 per cent. Upon small corporations that is too much. It may be compared to the normal tax on the individual, which commences at 4 per cent, but as the income increases and falls in the higher brackets surtaxes are added, which bring about larger levies on the big incomes. But the corporation tax does not commence low enough to give relief to the small corporation with small capital.

The amendment of the Senator from New Mexico [Mr. JONES], instead of fixing the normal tax on corporations at 14 per cent, fixed it at 9 per cent—in my opinion, it should have been still lower—and then it was increased, according to the income, to a point as high as the tax on individual incomes.

Why should not that be done? If a corporation has an income so large that, if distributed, the individuals receiving it would be compelled to pay the rate provided for in the very highest brackets up to 40 per cent, why should we permit that income to be retained in the corporation and permit the corporation to pay a tax of only 14 per cent? Yet that is what this bill provides.

We heard in the debate on this bill of many instances where men having very large incomes incorporated for the express purpose of avoiding taxation. If their incomes should fall in the brackets that are higher than 14 per cent, they could afford to do it under this bill and make money by the operation.

Mr. SIMMONS. Mr. President——

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I know the Senator wishes to be absolutely accurate.

Mr. NORRIS. I do.

Mr. SIMMONS. The bill does not provide for a corporation tax of 14 per cent, but of 12½ per cent plus the tax on capital stock.

Mr. NORRIS. I am glad to be corrected.

Mr. SIMMONS. It is about the same, except that the 14 per cent tax, it is estimated, would yield about $20,000,000 more revenue than the present law, indicating that a 14 per cent rate would be higher than that now contained in the bill.

Mr. JONES of New Mexico. Mr. President——

Mr. NORRIS. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I desire to state in this connection that the 14 per cent tax which was suggested by the Finance Committee was fixed in contemplation that there should be no capital-stock tax. So, likewise, in framing the amendment which I presented to the Senate the rates were fixed in contemplation of the same situation, that there should be no capital-stock tax. I expressly stated that if the capital-stock tax should be retained, in that case the normal tax upon corporations would be reduced from 9 per cent to 8 per cent, and still raise the same amount of revenue.

Mr. NORRIS. Mr. President, I think that the rejection of this provision that we incorporated in the bill in the Senate is going to enable men with large incomes to pay a tax of 12½ per cent only. They will combine in corporations. Five or six men with individual incomes, let us say, even on Liberty bonds, running up to $200,000 or $300,000 apiece may put them in a corporation and pay a tax of 12½ per cent whereas the individual with practically the same income will have to pay as high as 46 per cent, when the normal tax with the surtax is included. I want to ask the Senator from New Mexico if I have overstated that.

Mr. JONES of New Mexico. I do not believe the Senator has overstated it at all, and I do not believe he can give too much emphasis to that thought.

Mr. NORRIS. Mr. President, I want to say to my Democratic friends that the amendment of the Senator from New Mexico was in the nature of restoring the old excess-profits tax by which corporations paid a rate somewhat in proportion to their income. It was better than the old excess-profits tax. You will remember that that tax was repealed when the present law was passed; and all over the West in every campaign that has been made since, that is one of the things that was hurled into the teeth of Republican candidates, that they had voted to repeal the excess-profits tax. Now the Democrats, even of the Senate, are going to relieve their Democratic brethren in the House from going on record on the restoration of that tax that they condemned the Republicans for repealing. If you will examine the roll call when that tax was repealed, you will find that the proposition was not entirely a partisan one, although the Republicans had control of the Senate.

Do those proclamations of the Democrats, then, made throughout the Middle West at least, mean anything? Were they made for the purpose of getting into office, to be violated after, on that kind of a promise, you did get into office? Is it one thing to condemn the repeal of a law when you are trying to get in, and another thing to take the same action yourselves after you get in? Are you afraid to send this bill with that provision to the House of Representatives and let the Democrats there go on record?

You did not talk that way in the campaign; and again I want to assure you that if you were telling the truth in the campaign, and if you mean your professions now, if you will send this bill over there we will furnish you enough votes from the other side to put that amendment into the law.

Mr. President, as I said at the beginning, I think I know the situation in the Senate well enough to know that this conference report can not be defeated. I know it will be charged that I, and such men as I, who believe in these two particular amendments that I have advocated, have voted against this bill. I tried to make it plain at the beginning that my object in opposing this conference report is not because I am opposed to the bill, but because I am anxious to make it better before we finally pass it, and because the only way to accomplish that under the present parliamentary situation is to defeat the conference report.

I want to say frankly that it seems to me this conference bill, with the exception of the big loophole I have mentioned, is a very good bill. I am only asking that we take such action here as will make it better. I like, for instance, the rejection of the Senate amendment on inheritance taxes, and the retention of the estate tax, mainly because the House rate went up a good deal higher than the Senate rate did. I think a great deal of that provision. I admit, too, that there are some publicity features here that will do some good, though not very much. My opposition to the conference report, therefore, is based entirely upon the proposition that if we could reject it and send the bill back to conference we would have incorporated in it when it got back here in the next report both of these amendments if the House voted on them both.

If the House rejected one upon voting on it, I should be willing to quit on that. If the House rejected them both, then I should be willing to accept the bill as it is now. I want to say to the Senator, however, and particularly to the conferees, that it seems to me that on these two very important propositions they have not done their full duty. The House has had no opportunity to debate or vote on either one of them; and when I ask that that opportunity be given, and that they insist that it shall be given, I am not making an unreasonable request.

Mr. JONES of New Mexico. Mr. President, I share with the Senator from Nebraska [Mr. NORRIS] a very deep disappointment that this revenue bill is not what I think it should be. I feel that some explanation is due to the Senator from Nebraska, to the Senate, and to the country, as to why this report is now presented to the Senate bearing the signature of every member of the conference committee.

The two principal features discussed by the Senator from Nebraska, as he has stated, are the two important controversial features of the bill. It is necessary to recall the history of this legislation.

About a year ago the Secretary of the Treasury announced to the country that there could be a substantial reduction of Federal taxation. When the Congress assembled at the closing of last year the President of the United States came before the Congress in joint session and referred to the fact that the Secretary of the Treasury, with the assistance of the experts of his office, had prepared a revenue bill which would bring about a reduction of taxation, and the President thoroughly and completely accepted the measure as proposed by the Secretary of the Treasury. Almost in exact language he adopted and indorsed the Mellon plan.

The House took up the bill for consideration. It made very substantial changes in the Mellon plan, especially so far as the individual income taxes were concerned. It increased quite materially the taxes upon estates. It provided in considerable measure for information as to the contents of tax returns.

The bill came over to the Senate, and I felt as deeply as does the Senator from Nebraska that the one great means for the evasion of taxes had not been dealt with at all. The House had made no change with respect to the taxes upon corporations. The Senate did adopt, by a very substantial majority, a different plan for taxing corporations. I believe for the first time since I have been a Member of the Senate there was not a Democratic vote against the proposed plan for taxation upon corporations.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. NORRIS. The Senator refers now to the action in the Senate?

Mr. JONES of New Mexico. I do.

Mr. NORRIS. Assuming that the Democratic vote over in the House would be the same, does not the Senator realize that if they could have gotten a vote on the matter there would have been enough progressive Republicans in the House to put it in the law?

Mr. JONES of New Mexico. I have not the slightest doubt that that is true.

Mr. NORRIS. Then I should like to ask the Senator why he, as one of the conferees, and in addition because he is the author of the amendment itself, did not insist that the House conferees take that amendment to the House and have a vote on it?

Mr. JONES of New Mexico. I expected to answer that just a little later, but I think I might as well do it now.

So far as the Senate conferees are concerned, they expressed a desire that the amendment should be taken to the House for a separate vote and that the question of the publicity of individual tax returns should likewise go to the House for a separate vote. We were met with a united opposition to those proposals, and that opposition was based not altogether upon opposition to the provisions in the Senate bill but was based largely upon the fact, and I may say that was the controlling influence, that the conferees on the part of the House desired above all things else that a revenue bill should be enacted into law at this session of Congress. There were a large number of Members of the House who were of the definite opinion that if either one of these measures should be incorporated in the bill, the bill would not become law because of the intervention of the Executive veto. The bill as reported by the conferees does provide, so far as individuals are concerned, a large measure of tax reduction.

Mr. BROOKHART. Does the Senator have any assurance that the bill in its present form will receive the Executive sanction? I saw by the morning papers that Mr. Mellon is likely to veto the thing in any form.

Mr. JONES of New Mexico. Mr. President, of course I do not know whether or not this bill in its present form will receive the signature of the President.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. JONES of New Mexico. I yield.

Mr. NORRIS. I am interested in the Senator's statement that the conferees surrendered these valuable amendments because they were afraid of a veto. If these conferees who are afraid of a veto from the White House had been told that the President would veto the bill in any other form except in the form in which Mr. Mellon wanted it, would the conferees have lain down and agreed to it in that form? In other words, would the conferees be willing that the Executive should be supreme, and that we should simply be a lot of pawns, to be pushed about at the will of the Executive, and at his pleasure?

Mr. JONES of New Mexico. Mr. President, of course, I do not believe we should merely register the will of somebody else in our legislation; but in regard to this matter, the conferees on the part of the House were firmly convinced that the legislation would receive the Executive veto if these two amendments were left in it, and that, I am sure, furnished, at least to some extent, the reason for the very positive position that they took, that these amendments should not go back to the House for a separate vote.

Mr. NORRIS. May I again interrupt the Senator?

Mr. JONES of New Mexico. They were not willing to take them back to the House.

Mr. NORRIS. I understand that, and I would like to ask the Senator a question—and if it is at all embarrassing I will not insist on an answer. I want to ask the Senator whether one of the reasons why this was not insisted on was the fact that at least some people in control of some politics in this country did not want to put the Democrats of the House on record on either one of these propositions? Was there not something of that kind?

Mr. JONES of New Mexico. I can not answer that question, because it was not presented to me as a reason for the action of the conferees. It is just possible, and the Senator may have gotten definite information, that that did actuate some people, but that was not the basis for the action of the conferees on the part of the House as presented to the conference committee.

I regret that it was necessary, in my judgment, for the conferees on the part of the Senate to indorse this conference report, but I became thoroughly convinced that it was the best that could be done under all the circumstances. I became convinced that we would be most fortunate if this bill, in its present form, should meet with Executive approval. I am still in doubt as to whether or not it will meet with such approval, but my belief is, subject to such doubt, that it will become law.

I read in the morning paper that the Secretary of the Treasury was very much opposed to this bill. I have no doubt that it fails in many respects to meet the unqualified approval of the President, but my judgment is, although it is not free from all doubt, that when the President takes the bill up for consideration, and when the responsibility is put upon him either to accept it or reject it, I believe that the President will sign it and that it will become law.

If that should be done, there will be a large measure of relief from taxation. If it is done, there will be an opportunity for the Congress of the United States at least to inquire into the methods adopted by taxpayers to evade just taxation. The provision in the bill bringing into the light all controversies which may come before the board of tax appeals, as I understand it, will have a very beneficial result. I do not believe it is right to have a controversy between the Government and a taxpayer regarding moneys due from him to the Government, moneys due to the taxpayer by way of abatement and refund, adjusted and settled in secret. It is repulsive to me, and I feel some degree of gratification that that will not be done any longer, at least as to matters which come before the board of tax appeals; that in the important matters the testimony will be taken down, it will be transcribed, and that testimony and all exhibits will be subject to public scrutiny. I think it is a great step in the right direction.

Mr. COPELAND. Mr. President——

Mr. JONES of New Mexico. I yield.

Mr. COPELAND. I not only voted for the publicity feature, but the Senator from Nebraska will recall that I spoke for it. I would like to ask the Senator from New Mexico if the conferees succeeded in adding some features to this publicity provision as it came from the House? In other words, is the publicity feature in the bill as finally agreed upon an improvement on the House provision?

Mr. JONES of New Mexico. There is no question about that. The bill as it passed the House contained no provision regarding the publicity of proceedings in the Treasury Department in the adjustment of claims between the Government and the taxpayers.

The bill as it came from the House did contain the provision that committees of the Senate and the House, and joint committees, should have access to these returns. To that provision there was added, in the Senate and in conference, this further feature, that, whereas under existing law the names and addresses of taxpayers in the several collection districts are published by posting a notice in the post office at the county seat of each county in the district, under this provision the

amount of the taxes paid by the taxpayer is also posted. But, of course, it gives no information as to the sources from which the incomes are derived.

Mr. COPELAND. But the Senate conferees did succeed in improving the House provision, at least to the extent named?

Mr. JONES of New Mexico. We improved it to that extent. To my mind that was a very substantial improvement.

The report of the committee leaves the present law in effect so far as the tax on corporations is concerned. To my mind the present law upon that subject not only furnishes a means for the evasion of taxes which should be paid to the Government but it discriminates against the taxpayers of the country. It works a gross injustice.

The difference between the individual income rates as proposed by the Secretary of the Treasury, and those finally written into this measure, is based largely upon the fact that the Mellon plan was written and devised for the benefit of the favored few and against the interests of the great body of taxpayers of this country. The same may be said of the provision of the present law, which the Secretary of the Treasury insists shall remain as it is, in regard to the tax upon corporations, as to those citizens who are engaged in business through corporate organizations.

We have heard time and again of the number of individuals who would be benefited more by the Mellon plan than by the Simmons plan—the few, about 2,500 only—and it was for the benefit of those 2,500 that the Secretary of the Treasury, with the indorsement and the approval of the President, sought to put over on the country his plan for individual surtaxes. I say that in almost the same degree, if not to a greater degree, does that principle apply to taxation upon corporations.

I need only call attention to this situation: According to the statistics of the incomes, based upon the last year for which there has been any compilation, I find this remarkable condition of affairs: Three hundred and fifty-six thousand three hundred and ninety-seven corporations made income-tax returns for that period; 185,158 of them had no taxable net income. As to that 185,000 the present system imposes a direct tax upon capital, and not income at all. These corporations returned that they had a deficit in income of $3,878,219,134; but notwithstanding a deficit, under the present law they will have to pay a capital-stock tax which can only be paid out of capital. They will have to borrow the money with which to pay it. That, to my mind, is wrong. I favored the repeal of the capital-stock tax and to raise the whole revenue from the tax upon net income. The Senate favored that, but the conferees on the part of the House insisted that the present law providing for a tax upon corporations should remain just as it is. The Senate changed that provision so as to raise the revenue from a tax upon the net taxable income rather than the capital-stock tax. Under the conference report the capital-stock tax will be restored, and these 185,000 corporations, which had no net income but a loss, will have to dig up the money somehow to pay that tax which brings into the Treasury about $85,000,000 a year.

Of the other corporations there were 75,451 reported a net income of less than $2,000, and 135,987 reported an income of less than $10,000, leaving 35,252 corporations out of more than 356,000 with incomes above $10,000 a year. Of the 35,252 there were 25,327 which had incomes of less than $50,000 a year. That leaves of all those corporations only 9,925 that had incomes above $50,000 a year, and they are to pay a capital-stock tax; they are also to pay a flat tax of 12½ per cent, and that 12½ per cent is as much tax as an individual would have to pay if he had an income of over $50,000 a year. So all those corporations, except 9,925, will have to pay more tax or the same rate of tax as an individual with an income of $50,000 a year, and a capital-stock tax in addition.

If an individual were operating as a corporation he would have to earn through the corporation as much as $50,000 a year and more in order not to pay taxes at the same rate as the individual doing business in his individual name. We know, moreover, that those corporations generally have more than one substantial stockholder. If they have two equal shareholders owning the corporation, then it would be necessary for the corporation to have an annual income of $100,000 in order that the rate of tax upon the corporation should not exceed the same rate of tax upon the income if earned by a partnership with two partners. Of those corporations having an income of a hundred thousand dollars a year and more there are only 5,330. So those 5,330 corporations are to be protected under the existing law, the law supported by the Secretary of the Treasury, and even of those 5,330 many of them, as we know, are owned by the general public. The stock of the dividend-paying railroads of the country is scattered all over the country. They have thousands of stockholders. The same is true of the American Telephone & Telegraph Co., with over 100,000 shareholders, and other large corporations of that kind, where it is to the absolute disadvantage of the shareholders that the corporation should pay the flat tax rate of 12½ per cent, which only takes the place of the normal tax of 6 per cent or less when the dividends are paid to the shareholders.

So I think we can eliminate at least one-half of those corporations. There will then remain of those corporations probably not more than 2,500 who are receiving the express favor of legislation.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I yield.

Mr. WALSH of Massachusetts. Perhaps in my absence the Senator commented on it, but I do not think we can emphasize too often and too strongly the fact that every class and group of corporations and individuals in America have had war taxes reduced except one. The nonexcess-profit-making corporation is paying to-day 25 per cent more tax than it paid even with all the war-burden taxes upon it. I do not think we can emphasize too strongly the fact that this clearly shows that the Republican Party supports big business and not small business.

Mr. JONES of New Mexico. The Senator from Masachusetts was not only right in his observation, but I think it is important for us to make it clear just how that came about. The war was just being ended; in fact, we were still paying a large share of the direct expenses of the war when the revenue act of 1921 was passed. It was realized that there should be a reduction from the war taxes, and the process adopted, so far as corporations are concerned, was by repealing the excess-profits tax; but it was realized that to do that and nothing else would not bring in sufficient revenue for the Treasury. During the war the flat, or normal, tax upon corporations was 10 per cent. That was the war tax—10 per cent upon all corporations. In order to repeal the excess-profits tax and still raise the money, they not only did not reduce the war normal tax of 10 per cent, which was imposed upon all corporations, but they increased it to 12½ per cent.

Mr. WALSH of Massachusetts. And they retain it in the present bill, which is a bill to reduce taxes.

Mr. JONES of New Mexico. Yes, that is retained. It is in the present law framed by the same responsible political party. It is the same provision which the Secretary of the Treasury and the President advocated when they presented the Mellon plan, which proposed to leave it in the law, and it is the same provision that is reported now in the bill by the conferees of the two Houses of Congress.

Mr. WALSH of Massachusetts. The very business corporations that need most a reduction in taxes, that need most to be encouraged because of their limited profits, are to-day bearing a heavier tax than during the middle of the war.

Mr. JONES of New Mexico. The Senator is quite right. That flat tax has been increased to 12½ per cent, being 25 per cent higher than in the very midst of the war, and no suggestion ever was made for relief to those corporations, which, as I have said, numbered all told 356,397, less the very few thousand which I pointed out and which are making large incomes.

Mr. WALSH of Massachusetts. I will ask the Senator if among the class of corporations that had their tax increased 25 per cent since the war are not only small, struggling merchants and manufacturing concerns but all of the public-service corporations practically and the railroad corporations which have been adding to the taxes of the people by increasing their revenues through increased car fare.

Mr. JONES of New Mexico. I do not think there can be any defense for the tax of 12½ per cent upon the railroads of the country—the public utilities of the country—where their rates of fare are regulated by law and where these taxes must be distributed among the users of the service of transportation companies and public utilities generally. It is absolutely indefensible, and it can only be justified upon the theory which the Secretary of the Treasury has repeatedly announced, that they want to favor the few, give them exemption from taxation, so that they may prosper, so that they may control business productivity in the country.

Mr. WALSH of Massachusetts. In a word it amounts to this, does it not, that the big corporations with their enormous income, because they control the markets of the country and the world, have had their taxes reduced since the war by a substantial amount, while competitive business men have had their taxes increased?

Mr. JONES of New Mexico. The Senator is quite right. I deem it unnecessary to dwell upon this phase of the case longer.

It was repeatedly discussed when we had the bill under consideration.

I desire, however, to call to the attention of the Senate an article discussing the present law upon taxation of corporations which was published in the Annalist under date of May 12 of this year. The Annalist is a journal of economics published by the New York Times, a paper which, as we all know, has favored to a very great degree the so-called Mellon plan. But in this publication there appears an article which is quite illuminating and furnishes very interesting reading to anyone who is a student of the subject. I ask that the entire article may be printed as an appendix to my remarks without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

[The article referred to will be found in the appendix to the speech of Mr. JONES of New Mexico.]

Mr. JONES of New Mexico. The article is written by Mr. George B. Robinson, who is president of the Wall Street security house bearing his name. As I have stated, it is published under date of May 12, 1924, in the Annalist, which is a weekly publication by the New York Times Co. The title of the article is "Corporate finance perverted by the income tax." At the beginning of the article the author refers to a bulletin of the National City Bank of New York, of December, 1922, in which that bulletin used the following language:

> There is no good reason why persons desiring to conduct any business, whether large or small, under the corporate form of ownership, should be placed by policies of the Government under any burden or disadvantage as compared with individual proprietors or partnerships. They are entitled to like consideration and similar treatment.

The author of this article, after having made that quotation, begins as follows:

> The obvious corollary to this well-taken point is that there is also no good reason why persons desiring to conduct any business under the corporate form of ownership should be placed by policies of Government under any advantage or special privilege as compared with individual proprietors or partnerships.

Mr. Robinson, after a preliminary statement, points out nine different features of business policy which are invaded by the present tax upon corporations. I will read those in this connection. The article states:

> Our present law tends to encourage, if it shall not force, the following changes in our financial structures:
>
> 1. The incorporation of all large successful industries and activities.
>
> The individual or the partnership must pay a tax upon all the earnings of the business, whether taken out of the business or not. The corporation can retain it all by the payment of 12½ per cent.
>
> 2. The incorporation of all personal businesses which earn considerably more than their proprietors' needs for living expenses.
>
> That is a point which we have discussed on the floor of the Senate on various occasions; that corporations are organized for the express purpose of transferring properties to the corporation, keeping the earnings in the corporation, paying the 12½ per cent only, and taking out as dividends only a sufficient amount to pay the living expenses of the stockholders.
>
> 3. The incorporation of all large real estate holdings where State laws permit.
>
> 4. Vast vertical corporation expansion, such as the purchase of railroads or coal mines by Ford Motor Co.
>
> 5. Further centralization of control of business through placing the individual's expansion at a disadvantage compared with corporate advantage.
>
> 6. The dissolution of many small corporations.
>
> I do not see how anyone can look over the statistics and not conclude that the law will unquestionably force the dissolution of thousands of corporations, even where the shareholders would prefer to do business as a corporation.
>
> 7. Cash dividend policies dictated by the willingness of large (usually dominating) stockholders to receive taxable cash.
>
> 8. Growth of the practice of "taking profits" through the medium of making "capital gains" to the extent that dividends are most generous when controlling stockholders have stock for sale.
>
> 9. More stock dividends to facilitate distribution of stocks at such times until a corporation confessing to a share parity of $100 will be a novelty.
>
> This article discusses those various points and, in my judgment, anyone interested in the subject will be glad to read it.

Mr. President, the writer proposes a remedy, and the remedy he proposes is that the earnings of the corporation shall be ascertained and that the shareholders shall pay the tax upon the shares that they hold. I submit that that would be ideal if it could be done.

Mr. WALSH of Massachusetts. The Senator suggested that in the committee.

Mr. JONES of New Mexico. In 1917 in the Committee on Finance the very first suggestion I made to the committee at that time was that that plan be adopted, but on investigation it was ascertained, first, that it would be unconstitutional, and, second, that it would be impracticable with regard to the vast number of corporations whose shares of stock are dealt in daily on the exchanges of the country. The plan proposed by the writer of the article, as I have said, is ideal, but unfortunately these other barriers must prevail.

Then what remedy should be adopted? I submit the remedy which the Senate adopted when this revenue bill passed the Senate. There is nothing radical about it; there is nothing drastic about it. Any corporation can carry on business in a reasonable way, and, even so far as the corporation is concerned, pay less taxes than it pays under the present law.

The Actuary of the Treasury has been kind enough to prepare some tables showing the operation of such a provision. A corporation with a capital of $100,000 and a net income of $10,000, under the proposal as it passed the Senate, would pay a tax of $900, instead of a capital-stock tax, and a flat tax of $1,250 on its earnings. Of course, it was understood that if the capital-stock tax should be retained the flat tax of 9 per cent as proposed would be reduced to 8 per cent. If so, taking the law as it is now and the proposal which the Senate adopted, such a corporation would pay in taxes under the provision adopted by the Senate $800 and the capital-stock tax, as against $1,250 and the capital-stock tax under existing law. I may add that any corporation earning as much as $25,000 would need to pay only the flat tax of 8 per cent and the capital-stock tax. I may add further that in regard to the small corporation of $10,000 it is not estimated that there would be any distribution of its net income or any additional tax coming from shareholders through the surtax provision.

Take the corporation with a net income of $100,000. Such a corporation can retain under the provisions of the bill as it passed the Senate 50 per cent of its net income and pay less taxes than under existing law. There is an exemption of $10,000 for every corporation, and, applying that exemption, together with the rates of surtaxes paid upon the undistributed annual income, it could retain over half of its net earnings and pay less taxes.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I yield.

Mr. WALSH of Massachusetts. Has the Senator any figures showing the percentage of corporations making returns of taxable income that would benefit by his amendment as compared to the present law?

Mr. JONES of New Mexico. I will say to the Senator that I presented that rather at length during his temporary absence from the Chamber.

Mr. WALSH of Massachusetts. I thank the Senator and will be glad to review it.

Mr. JONES of New Mexico. Mr. President, I have referred to the tax which the corporation would pay, but we can not lose sight of the fact that if corporation incomes are distributed the shareholders will add the cash dividends to their other income and pay surtaxes upon them; so that a corporation with $100,000 net income, if distributing 51 per cent of its earnings, would pay only a flat rate of 13.51 per cent—that is, counting the 9 per cent, but if that be reduced to 8 per cent, as proposed, the rate of tax would be 12.51 per cent—and upon a retention of 51 per cent of its annual income it would pay substantially the same rate as the flat tax imposed upon all corporations. However, there would be paid surtaxes by the individual shareholders, so that it is estimated that on the whole income from the corporation and the shareholders the Treasury would receive revenue at the rate of 17.51 per cent.

Of course the loss of revenue by relieving these small corporations from high taxes must be made up somewhere, and so the plan is to make it up by imposing surtaxes upon distributed dividends and bring about a situation where the dividends in some cases will be distributed to a much greater extent than they are being distributed under existing law.

I likewise have a computation of a corporation of $5,000,000 capital and a net income of $1,000,000 a year, showing just how

thousands of stockholders. The same is true of the American

deem it unnecessary to dwell upon this phase of the case longer.

it would operate; and another computation of a corporation with $1,000,000 of ordinary net income and a surtax income of another $100,000.

It must not be overlooked that under existing law—and it is a part of the Mellon plan—a corporation can own any of the Federal bonds absolutely free from all taxation. The Secretary of the Treasury has inveighed against the use of tax-exempt securities for the purpose of evading taxation. Let him begin with something with which he can deal and rectify the evil within his own control or within the control of the Congress. He has made no suggestion that the Federal bonds owned by corporations should pay any tax, although the bonds themselves are subject to surtax. If an individual owns these bonds, he is exempt only from the normal tax. If the corporation owns the bonds, it is likewise exempt from the normal tax, and that tax is the only tax which the corporation pays; and therefore all these bonds held by corporations are wholly exempt from taxation.

I do not know whether the Secretary of the Treasury is interested in any financial institutions handling these bonds or not, but I do know that there is a large floating indebtedness of the Government which is held almost entirely by these corporations. They can take these securities, bearing 4¼ per cent interest, and hold them absolutely free from all taxation.

Mr. President, to my mind this is a crime. It seems to me that when once understood by the taxpayers of this country, they will realize the outrage which is imposed upon them, and imposed upon them deliberately, because they know the conditions, and is imposed deliberately for the purpose of favoring the approximately 2,500 corporations which are using this process to evade just taxation.

I ask leave that these tables may be inserted at the conclusion of my remarks as an appendix.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See appendix.]

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I do.

Mr. WALSH of Massachusetts. Of course, the corporations that would be likely to carry these bonds that are exempt from taxation when in the hands of corporations are again the very prosperous corporations, with large surpluses, and which least need discriminatory legislation in their favor.

Mr. JONES of New Mexico. Unquestionably; the Senator is right about that.

In regard to the proposed tax on corporations, if adopted by the Senate——

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me further?

Mr. JONES of New Mexico. Yes.

Mr. WALSH of Massachusetts. Before the Senator closes, as I do not want to interrupt his argument—I have been called from the Chamber and have not had a chance to follow his argument in full—I should like to have him, if he has not already done so, refer to three attacks that have been made upon this amendment. As I understand them, they are these:

First, that the Senator's amendment seeks to tax all surpluses of corporations already set aside. Of course, that is absolutely false; it is not true; but the Senator is aware of that criticism or misrepresentation?

Mr. JONES of New Mexico. I am glad the Senator has suggested that, and I hope the newspapers of the country will do us at least the justice of making mention of the fact that it has no reference whatever to accumulated surpluses of corporations.

Mr. WALSH of Massachusetts. I have had letter after letter requesting information from me as to whether they ought now to scatter the surplus that they have already accumulated, so as to avoid this; and, of course, the Senator's amendment did not have anything to do with already accumulated surpluses.

The second attack I have heard made upon the Senator's amendment is that it tends to discourage sound and good business dealings; that we ought to encourage the accumulation of surpluses by corporations, and that the imposition of the Senator's tax upon surpluses would tend to discourage the doing of business in the soundest and safest and surest way.

The third attack I have heard made—and then I will let the Senator answer—is that it would prevent corporations from setting aside surpluses to expand their business; that mills would not use their surpluses for the erection of new buildings, and business houses would not accumulate surpluses for the expansion of their business.

In that connection may I ask the Senator if it is not a fact that if a business man who is not incorporated makes a large amount of money and wants to erect a building in which he can establish his plant or his store his accumulated income is taxed; and is there any difference between a corporation being taxed for its accumulated income and an individual being taxed for the same purpose?

Mr. JONES of New Mexico. Mr. President, it is my information that there are many large businesses in this country conducted either by an individual in his own name or by a partnership. Those industries want to expand just as much as an industry which is doing business under a corporate form. If they want to keep their net income in the business it is taxed, and it is taxed at the same rate as if the entire amount were distributed to them and taken completely out of the business.

Mr. WALSH of Massachusetts. In other words, the individual pays both the normal tax and the surtax.

Mr. JONES of New Mexico. The individual, of course, would pay his normal tax, and he would pay his surtax up to the maximum of the surtaxes, while the corporation would pay only this flat tax of 12½ per cent. It should be remembered that there is no tax upon the income of a corporation until it has deducted every item of expense, including depreciation and depletion of plant, and what is left is absolutely a net income, an addition to the wealth of the corporation. It is only when that point is reached that any tax is imposed under the bill or the present law. When that point is reached, I want to ask what concern is going to be disrupted or is going to lose its credit when it has distributed in dividends to its stockholders as much as 48 per cent of its net income?

Mr. WALSH of Massachusetts. And when that point is reached, why discriminate between the corporation, on the one hand, and the individual or partnership, on the other, to the advantage of the corporation in doing business?

Mr. JONES of New Mexico. There can be no justification whatever for it. Moreover, there are other means which can be adopted for additions to capital if the corporation seeks to do so. A plan frequently adopted by corporations now is to issue interest-bearing scrip, and if it is taxable to the shareholders as individual income the corporation is relieved from the tax.

Another system which can be adopted, as is often done, is this: The corporation says to its stockholders, "We have so much earnings here, so much net income. We want to put up an additional plant. We want to use this money that we have. It will be to your interest to have us do so"; and in such a case the corporation may say to its shareholders, as thousands and thousands of them do, "We would like to have you take your share of this dividend and invest it in additional stock in this corporation." That is a frequent thing. It is being done right along.

The American Telegraph & Telephone Co. within the last few days has advertised a plan to sell to its stockholders $150,000,000 of stock, and upon that basis they sell them the stock, they get their dividends from the corporation, and get the right to buy the stock with those dividends.

Moreover, as to all these thousands and thousands of corporations where there are a few individuals doing business as a corporation, they are given permission to make returns as a partnership. So, Mr. President, I can not conceive an objection coming from any business man unless he wants to set up not a reason but a mere excuse for using a corporate device to evade his just taxation.

Mr. President, I ask also that there may be printed as a supplement to my remarks the provision of the bill as it passed the Senate and stricken out in conference contained in section 228, which is a provision that shareholders may be taxed as partners; also the substitute plan for the taxation of corporations as found in section 230 of the bill as passed by the Senate but also stricken out by the conference committee.

The PRESIDING OFFICER. Without objection, it will be so ordered.

[See appendix.]

Mr. JONES of New Mexico. I also ask unanimous consent to have published in the RECORD as an appendix to my remarks the table to which I referred, which is found in the Statistics of Income for 1921, on page 63 of those statistics, and designated as Table D.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See appendix.]

APPENDIX

[From the Annalist, Monday, May 12, 1924]

CORPORATE FINANCE PERVERTED BY THE INCOME TAX—THE ESCAPE OF IMPOSTS OUTWEIGHS SOUND PRINCIPLES, YET THE LAW BEGINS WITH A WRONG CONCEPT OF INCOME

(By George B. Robinson)

[Mr. Robinson is president of the Wall Street security house bearing his name.]

"There is no good reason why persons desiring to conduct any business whether large or small, under the corporate form of ownership, should be placed by policies of the Government under any burden or disadvantage as compared with individual proprietors or partnerships. They are entitled to like consideration and similar treatment." (Bulletin of National City Bank of New York, December, 1922.)

The obvious corollary to this well-taken point is that there is also no good reason why persons desiring to conduct any business under the corporate form of ownership should be placed by policies of Government under any advantage or special privilege as compared with individual proprietors or partnerships.

Yet the revenue act of 1921 confers privileges upon the corporate form in some cases, only to establish disadvantages—in other cases they are not compensating because they lack concurrent application—to such extent that we have a law which is a Chinese puzzle, the solution of which has become the chief concern of all corporate finance. And not only is the form of organization of any given business being dictated by consideration of obtaining the utmost exemption, but likewise all other such corporate and personal financial matters as dividend policies, expansion, reorganizations of corporate structure, and the methods of "taking profits" are being governed primarily, when not completely, by the nontaxability they may obtain. We have substituted and are now substituting for the normal considerations which formerly determined questions of corporate and personal finance these new and exceedingly abnormal considerations. That this course is unwise, that it even may prove exceedingly harmful to industrial progress at some later date, may not be doubted when it is realized that the present tax law has not yet earned an assurance of permanence, particularly if, as this consideration of the law will attempt to point out, it has elements of financial unsoundness which do not justify its endurance.

In pre-war days there existed very definite financial principles which governed the actions of conservative men in these respects. A business took the form which best suited the interrelationships between its proprietors and its relationships in its trade; that is, to customers and creditors. Of its earnings, if new capital could be used in the business to good advantage, the dividend policy would be conservative. When desirable expansion (for the present) had been completed, it would be generous. There was no burden incidental to receiving a dividend, as there is now in the case of large stockholders. A surplus was cause for pride, nor did it fear attack, and vanish each year into capital account. When stockholders desired to convert corporation profits into personal profits, they could do so either through the medium of cash dividends or by selling their shares at an advance. They are now largely confined to the latter course by its much greater exemption. Our present law tends to encourage, if it shall not force, the following changes in our financial structures:

1. The incorporation of all large successful industries and activities.

2. The incorporation of all personal businesses which earn considerably more than their proprietors' needs for living expenses.

3. The incorporation of all large real-estate holdings where State laws permit.

4. Vast vertical corporation expansion such as the purchase of railroads or coal mines by Ford Motor Co.

5. Further centralization of control of business, through placing the individual's expansion at a disadvantage compared with corporate expansion.

6. The dissolution of many small corporations.

7. Cash-dividend policies dictated by the willingness of large (usually dominating) stockholders to receive taxable cash.

8. Growth of the practice of "taking profits" through the medium of making "capital gains," to the extent that dividends are most generous when controlling stockholders have stock for sale.

9. More stock dividends to facilitate distribution of stocks at such times until a corporation confessing to a share parity of $100 will be a novelty.

What are the provisions of the present law which confer these privileges and establish these burdens on the corporate form of proprietorship? The National City Bank Bulletin (December, 1922) noted only the burdens, particularly that of double taxation. First the corporation is taxed on its earnings, then the stockholder on his dividends. In all cases where dividends paid out equal or approximate the earnings of a corporation, double taxation exists, except as there is partial relief by the fact that dividends are exempt from normal tax. Consider a small business with two equal owners who are compelled to use its entire earnings for their living. To incorporate such a business is to invite an additional tax—the corporation tax. The fact that the corporate form may best meet the circumstances of the business and the personal affairs of the proprietors in all other respects except taxation is at once forced into the background of consideration.

The advantage of the corporate form, however, is a more serious matter. This does not accrue to the same class of corporations, arising only when earnings exceed the cash requirements (or demands) of proprietors, and may be retained in the business, exempted from personal surtax. In such cases the corporation tax is in effect a penalty tax, paid for the privilege of exempting the difference between earnings and dividends from the personal surtaxes of the owners.

When the excess-profits tax was repealed by the revenue act of 1921 it was believed by many of those who had defended it as a desirable agency of taxation that without it profits would be piled up in corporation treasuries instead of distributed to stockholders. The answer to this fear was section 220 of the present law. This section has since become famous, but as yet there has been no evidence that it is not as harmless as it appears threatening. It begins boldly enough: "If any corporation is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members through the medium of permitting its gains and profits to accumulate instead of being divided or distributed—" Obviously stockholders do so avail themselves of corporate form whenever as individuals their total taxability will be less on account of not paying dividends than if their form of organization were personal ownership or partnership. The law, however, appears to possess a joker. It recites that the penalty of 25 per cent of corporation earnings attaches when in the opinion of the Commissioner of Internal Revenue the profits of a business remain undistributed "beyond the reasonable needs of the business," a factor which obviously has nothing whatever to do with the original reason for the provision, which was to prevent taxpayers from availing themselves of corporate form to earn profits without distributing them.

To illustrate, consider Ford Motor Co. Relief from excess-profits tax meant millions. It is generally understood that two men own practically all the stock. It is known that earnings have been huge, though no record of earnings or dividends is published. The published balance sheet, however, indicated an increase in surplus from 1922 to 1923 of approximately $124,000,000. However much in addition may have been paid out to stockholders, this item of $124,000,000 represents earnings plowed back into the business. It is fairly presumable that neither of the two principal stockholders requires a dividend from Ford Motor Co. for living expenses, certainly not of any sum comparable to $124,000,000. The stockholders may, if they desire—and to the extent of $124,000,000 in one year apparently do—permit their personal fortunes to accumulate through the medium of the Ford Motor Co. treasury, taxed only at the corporation rate of 12½ per cent and unsubjected to personal surtax except as they may be further assessable under section 220. But that section, instead of setting forth its original purpose and stopping with that, appears to have made the "reasonable needs of the business" the limit for reinvestment of earnings without penalty. Who in these days of vertical expansion can define the reasonable needs of any business except its board of directors? Would any court hold that it was unreasonable for Ford Motor Co., for example, to invest millions in coal lands to insure its source of supply of fuel? Would it be unreasonable for United States Steel Corporation to use its earnings to retire its funded debt? Or for a chain-store system to decide that it should buy instead of rent its locations? Or for any corporation which borrows money to accumulate sufficient cash so that it will never have to borrow? Or for any corporation to buy out its competitor?

There can be no doubt that the latitude permitted the Commissioner of Internal Revenue in enforcing section 220, if not a widespread belief that the section is in most cases unenforceable under the necessity of proving the holding of earnings "beyond reasonable needs," has brought about the incorporation of many hundreds of corporations to replace personal ownerships and activities. Real estate properties are being incorporated by thousands. So are business men, oil magnates, even actors, artists, writers, and doubtless pugilists. The individual's tax then becomes (except as section 220 may be enforced against him) the corporation tax of 12½ per cent of all earnings plus surtax (but no normal tax) on such dividends from the corporation as may be necessary for personal expenses. The remaining earnings accrue in the Treasury. Our law in such cases is not very different in effect from a sales tax in that the law reaches only received (and presumably expended) income, all other income being avoided.

THE NEW YORK STOCK EXCHANGE

Here, then, is an advantage for the corporate form so great that it may be expected in such cases to overcome all other considerations. It can not be desirable that this should occur. There are risks involved in becoming a "limited liability" country for all great business. The situation of the New York Exchange is a case in point. The rules

of the exchange require that memberships may not be owned by corporations. The obligations of members are personal to themselves and their partners. The liability of stock-exchange firms to their customers is accordingly unlimited. It is a fiduciary relationship which should be unlimited; undoubtedly the exchange owes much of the large measure of public confidence it possesses to this rule. But if the present advantage of the corporate form shall be continued, even the New York Stock Exchange may reasonably be expected to ultimately yield its sound rule to the necessities of its members in this regard.

As for dividends, if cash dividend policies are being governed by the tax law, what of stock dividends? Why have they recently become so popular? The railroad financiers of the last century probably never thought of them, or if they did dismissed them from mind as a futile instrument. They were never suspected of constituting income until the Supreme Court decided they did not. Can it be that, nevertheless, they do in some way compensate the stockholder in lieu of cash? Is there any justification for the widespread belief that they should be the object of some special tax?

The plain answer is that they do not constitute income in any way, nor should they be taxed, but that they greatly facilitate the taking of profits in the only manner that escapes imposition of the surtax, namely, through the "capital-gains" provision of the tax law. This provision was an innovation of the revenue act of 1921. The theory, or at least the excuse for it, was that the surtax had prevented the "taking of capital gains," thereby discouraging transactions in property. Taxpayers would not sell properties which had advanced greatly in market value because of the high surtaxes they must pay.

The capital gains preferential was the frank and very helpful answer of Congress to the situation of such large potential taxpayers, placing them at once in a favored position, even as against earners of income by their own labor. Under this provision, the owner of property (that is, land, buildings, stocks, or what not) may sell and declare his profit as a "capital gain" (provided it has been owned for two years), to be taxed at 12½ per cent in lieu of normal tax and surtax.

THE FLIGHT OF TAX EXEMPTS.

It may be well to digress at this point to consider another important effect of this preferential tax, which is, that it has greatly facilitated the flight of capital into tax-exempt investments. The Secretary of the Treasury has recently reiterated his opinion that it is the high surtax which has occasioned this flight. This can be true, however, only in regard to the investment of saved income. Indeed, the surtax prior to the enactment of the "capital gains" clause acted as a bar to flight. The owner of land, buildings, or stocks who was prevented from selling by the penalty of the surtax at least held his property for its income and paid surtax on that income. The "capital gain" law has permitted the sale of such properties at a maximum tax of 12½ per cent of the profit, thereby releasing large sums of principal for investment in municipals. It would seem that if the Treasury Department had to contend with the flight of only saved income, taking into consideration that only the remainder of income after subjection to surtax can be saved, it need not be greatly alarmed.

The flight of principal, however, facilitated by the capital gains preferential will become a far more serious matter. Moreover, to say that the property sold will continue to produce taxable income to a new owner is to beg the question. The new owner in thousands of instances will be found to be a corporation which either keeps its earnings in its business, or, if it distributes them, does so to a group of stockholders of modest average income who can afford to hold taxable income-paying investments. Thus it would appear that from the standpoint of revenue to the Government the inability to sell properties because of the high surtax involved possessed elements of advantage, and that the announced purpose of the capital-gains provision, to facilitate such sales, while it has produced taxable income for the present, has undoubtedly reduced it tremendously for the future.

In December, 1922, the Secretary of the Treasury in explaining the reduction in the amount of income subject to taxation, called attention to the fact that "capital gains" were not "realized," whereas "capital losses" were invariably taken and offset against income. But "capital gains" did not have preferential treatment until the taxable year 1922, and at the date of the Secretary's statement the returns for that year were not available. Certainly "capital gains" have been taken eagerly enough and in great volume in 1923 and 1923. We have witnessed a great bull market for stocks and real estate. There have been innumerable sales to the public of interests in successful enterprises. It has been a profit-taking period for many men who have held capital assets they have wanted to sell since 1917 and have grasped this first opportunity. It is to be regretted that the Secretary of the Treasury, having called attention in 1922 to the fact that "capital gains" were not realized, should be silent in his recent report as to the extent to which they have been realized since their preferential treatment became operative.

USE OF STOCK DIVIDENDS

In the case of incorporated businesses the stock dividend has been a natural accompaniment of this opportunity. Here is a legitimate instrument of finance which has two proper purposes, and only two: (1) To capitalize surplus, which announces that the accrued earnings represented will be kept permanently in the business; and (2) to reduce the market value of shares to a more merchantable figure. There has been great confusion regarding this instrument both in and out of Congress, the reasons for the confusion, however, being plain enough.

One of the reasons is that a stock dividend reaches exactly the same result as a cash dividend accompanied by subscription to new stock at par in an amount equal to the dividend. The two are identical as to both corporation and stockholder, yet the former is tax exempt and the latter a taxable operation. This is because our tax law does not tax the accrual on earning of income within corporation treasuries to the stockholder, but only its distribution.

A taxpayer subscribes to 10,000 shares of stock in a $10,000,000 corporation, paying par value of $100 per share. The corporation earns, we will say, 15 per cent per annum above corporation taxes for two years. It does not pay any dividend the first year but, at the end of the second year, pays a 30 per cent stock dividend. Our subscriber receives new shares of $600,000 par value. He is in exactly the same position as if he had received $300,000 in cash dividends and had subscribed a similar amount for new shares, except that in that case he would have been assessed for normal tax and surtax on an income of $300,000.

He now has 13,000 shares worth $100 per share (at book value), eliminating the factor of speculative profit or loss. Is it difficult to believe, notwithstanding the Supreme Court, that there has been no income in his case? It would be except for two facts: First, that the Supreme Court was determining what the law is and not what it should be; and, second (to repeat), that the law does not tax the earnings or accrual of income to the stockholder, but only its distribution in cash. In the above case there has been no distribution in cash.

A SIMPLE "GET-AWAY"

But to return to the relation between stock dividends and the capital-gains tax; assume that our stockholder sells his 3,000 shares dividend at its book value, or for $300,000 cash. Having held his stock for two years his profit is eligible as a capital gain. The law will consider the cost of the stock to have been $1,000,000 divided by 13,000 shares, or about $77 per share. His profit will be considered to be $100 minus $77 multiplied by 3,000 shares, or $69,000, and his total tax on the transaction at 12½ per cent will be $8,633. He will then have $300,000 cash, minus his tax, and will continue to hold intact his original 10,000 shares possessing their original book value of $1,000,000 (though they must now be carried on his books at about $770,000).

What possible justification can there be for the constantly reiterated contention that the high surtax discourages investment in productive industry when the get-away under the present law is so exceedingly simple and so modestly taxed?

It should be said that the same result could be accomplished without a stock dividend, assuming a market at which three-thirteenths of his investment could be sold at its book value. But the stock dividend is an invaluable device in creating such a market. Stock dividends continue to stimulate the imagination of investors, and no effort has ever been made by financiers to discourage the widespread belief that after all they do constitute income of a sort. They do at least serve to call attention to any prosperity which a company may have enjoyed, though it may not have been recent.

CASH OR STOCK DIVIDENDS

In either event, the combination of the capital gains tax with the privilege of permitting earnings to accrue within corporation treasuries, assisted by the provision of the law governing reorganizations under which stockholders may receive stock for stock without taxation, enables proprietors to obtain their fortunes in cash without exposure to surtax at any point.

One well-known corporation now pays its dividends in cash or stock at the election of each stockholder. This policy recognizes the fact that the taxable circumstances of its stockholders vary, that some require cash for living expenses, while others are glad to reinvest. To declare cash dividends accompanied by the privilege of subscription (the company is growing and apparently can use new capital to advantage) would be to tax not only the stockholder who requires cash and will not subscribe but also those who do not want cash and will subscribe. The device of giving stockholders their choice makes everybody happy, but only the needed income has been taxed.

That a situation which calls for correction exists can not be doubted, but most of the remedies suggested are quite as unsound as the present law. Some would reenact an excess profits tax, which was always an unfair law in that it penalized the stockholder of small means equally with the stockholder of large means and the small corporation more severely than the large. Other suggestions include a tax on undistributed surplus or undistributed earnings, or on the declaration of stock dividends. To do any of these would be only further to substitute abnormal for normal considerations. Some industries ought to carry their profits to surplus, should be encouraged to do so. The stock dividend is a legitimate and desirable instrument of finance.

It would appear inevitable, though it may be long delayed, if it shall be the desire of the country to enact a permanent tax law based on the principle of the graduated surtax and equally on a resolve to restore sound methods and principles of finance to the industrial life, that the corporation tax must be repealed and the normal tax and surtax coincidentally extended to include the distributive or accrued shares of stockholders in the same manner that partners and owners are now taxed. It would appear that such a revision indeed not only would vastly simplify the law and make it equitable but would, at a single stroke, remove both privilege and burden from the corporate form, restore the individual's opportunities to a basis fairly competitive with those of corporations, estop all the interference with corporation policies of long-proved value, and finally permit reduction in the surtax rates and such preferential treatment for earned incomes as might seem desirable.

The Bulletin of the National City Bank above referred to called for abolition of the corporation tax, on the ground of double taxation. But the Bulletin was arguing to the point which heads this paper; that the corporate form should not be penalized, and not to its corollary, that it should not be privileged. To consider also the latter point is to conclude that all forms of business organizations will not receive the "like consideration and similar treatment" which the Bulletin demands until stockholders and partners and private owners are taxed alike on their accrued shares.

A TRANSFER OF ACCOUNTS

Quite the plainest fact in connection with the entire tax matter is that collection at the source and the graduated surtax do not mix. The corporation tax is in effect collection at the source. It penalizes each stockholder an equal amount regardless of his surtax class, which is not equitable if the graduated surtax is equitable. It was by trying to mix surtax and corporation tax that we acquired the inaccurate concept which considers a cash dividend to be income, instead of a mere distribution of income.

It is worthy of thought that much of the argument presented to the court in support of the position that a stock dividend was not income has equal application to the cash dividend. The declaration of any dividend is the affair of an instant; income, however, to an individual is a matter of a year or any other period which the law may set up. If a dividend is in stock, the stockholder has two shares instead of one, each, however, worth half as much as before in book value. If it is in cash, the book value of his remaining share has been depleted by the amount of the dividend. It is quite as difficult to believe that the latter as the former constitutes true income. The cash distribution of a partnership or the money an individual takes out of his private business is not considered to be a true measure of income, partner and owner being required to pay on 100 per cent of the amounts earned for their accounts. In what respect does a cash dividend from a corporation differ as a measure of income from a similar distribution by a partnership? Neither is a true measure of income, yet we treat it so in one case and not in the other. The cash dividend from a corporation is nothing more or less than the distribution of previously earned income, a mere transfer from one's corporate to his personal pocket.

One of the new recommendations of the Secretary of the Treasury appears to recognize the substance of this fact.

This recommendation would admit dividends which are in liquidation of capital invested in a business to the capital gains preferential. This were well enough in itself, but it seems to be only further struggling with an unsound structure, trying to patch it up here and there, only increasing, however, its intricacies and inequalities. The holes in the present law are too wide and many for effective plugging. It were far better to tear down and build anew.

As for stockholders, the proper moment for their taxation arises when, for any given period, earnings have accrued in a corporation treasury for their accounts, rather than when some portion of them is distributed. Earnings not declared in dividends are reinvested for stockholders' accounts, constituting an addition to their wealth, which must be taxable if the law is to reach the vast volume of accruing but unreceived incomes which can stand taxation with least hardships. Could there well be a more absurd system than to erect as we have done a graduated surtax, to be applied to only that part of income which is needed in cash for expenditures?

Practically, a tax to include accrued incomes within corporation treasuries (to the stockholder) need not be difficult of execution. All corporations are now required to make a return of net income. The accrued income of preferred-stock holders would not be considered to exceed the preferred dividends paid. The accrued income of common-stock holders would equal net earnings per share. The objection would be raised that such a method would disturb the expansion of corporations by forcing more liberal cash-dividend policies in order that stockholders might have sufficient cash to pay their taxes. Doubtless many readjustments would follow, but desirable as corporation expansion may be, it can not be more desirable than the support of the Government and the gradual reduction of its funded debt. Corporations would doubtless become somewhat more responsive to the needs of their stockholders, and treasuries would be kept somewhat more liquid. There would remain adequate devices and means for such corporations as can afford expansion; but expansion would no longer be forced by the present invitation to exemption, but would once again be determined by the sound reasons of pre-war days, the opportunity presented and the means at hand. There would no longer exist the open invitation to incorporate all activities, including real-estate proprietorships which produce beyond the owner's requirements for living expenses, nor the penalty on incorporation for activities which do not. Cash-dividend policies would again be determined by the old and tried rules instead of by the willingness of stockholders to receive taxable cash. Stock dividends would lose some of their magic, their power over the minds of the gullible, but could be paid without penalty whenever sound finance should so dictate.

Application of this method of taxation to the affairs of Ford Motor Co. would free that corporation from the present 12½ per cent tax—at least one-seventh of $124,000,000, or $17,700,000—but would tax the stockholders for normal tax and surtax on income of at least $142,000,000—eight-sevenths of $124,000,000—in addition to what they now pay. Desirable as is the expansion of Ford Motor Co. even for private account, it would appear that $124,000,000 for expansion against $17,700,000 for taxes—plus the present stockholders' tax on whatever cash dividends are now paid and received—is a division which from the Government's standpoint overlooks the fact that there is no more efficient tax-gathering agency in the United States than this business and its stockholders.

Moreover, when an individual is in business for his own account at manufacturing, merchandising, or farming he can not expand his business with any part of its earned profits except as such profits have first been subjected to normal tax and surtax. The same is true of partners. Why not stockholders?

The loss of revenue from repeal of the corporation tax would be made up by greatly increased surtax collections. Though the Ford case is exceptional, a 25 per cent surtax in this case would yield an amount approximately double the present corporation tax. The amount of income which is now thus avoiding surtax is so prodigious that its taxation would in all probability not only compensate the Treasury for the loss of the corporation tax, but permit substantial reduction in surtax rates.

The "capital gains" preferential would no longer be required. It is recognized that if any kind of income deserves preferential treatment it is earned income, for the reasons recently stated by the Secretary of the Treasury. To repeal it would be no longer to encourage the flight of capital into municipals and to restore the normal methods of profit taking. Nor under such a tax system would there be any demand for this preferential.

The absurdity of the present "capital gains" law is nowhere better shown, perhaps, than in the recently suggested amendments to limit deductions for capital losses as an offset to the "capital gains" preferential. What of the taxpayer who has never had any capital gains to receive preferential treatment but suffers a severe capital loss? He may lose in a capital transaction every dollar he possesses and yet be taxable on a substantial income. To such non sequiturs and extremes of plugging are we forced by a law which begins with a wrong concept of what constitutes income.

Some administrative difficulties would doubtless arise in connection with the ownership of stock for brief periods. It would appear, however, that they would be inconsequential compared with those of the present law, and, in any event, these are more important considerations involved than making simple the tax returns of stock speculators.

We shall have high taxes for several decades. It were exceedingly unwise to attempt to bolster the provisions of an unsatisfactory law which encourages avoidances, the flight of capital into exempt investment, and unsound finance generally. It is exceedingly desirable that a new structure should be built which by its fairness and productivity will be entitled to endure. We need a law impartial, scientific, not more burdensome than revenue requirements necessitate, and, above all, so written that finance and industry may hark back to normal considerations in the conduct of their affairs. If they shall not be permitted to do so, we may be sure that the ultimate reckoning will be painful.

Senator Jones's corporation tax

Corporation, $100,000 capital; net income and surtax net income, $10,000. Tax, Finance Committee bill, $1,400; House bill, $1,250, plus stock tax; Senate bill, normal tax, $900.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed, or surtax	Total tax	Corresponding flat tax (per cent)
91		$10,900				$900	9
81	$1,000	11,900				900	9
71	2,000	12,900				900	9
61	3,000	13,900				900	9
51	4,000	14,900				900	9
46	4,500	15,400				900	9
42	4,900	15,800				900	9
41	5,000	15,900				900	9
31	6,000	16,900				900	9
21	7,000	17,900				900	9
11	8,000	18,900				900	9
0	9,100	20,000				900	9

Corporation, $100,000 capital, net income and net surtax income, $100,000. Tax: Finance Committee bill, $14,000; House bill, $12,500, plus stock tax; Senate bill, normal tax, $9,000.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax, including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed surtax	Total tax	Corresponding flat tax rate (per cent)	Surtax paid on dividends by stockholders	Total tax on corporate net income	Corresponding flat rate of tax (per cent)
91		$19,000.00	$81,000.00	40	$32,400.00	$41,400.00	41.40		$41,400.00	41.40
81	$10,000.00	29,000.00	71,000.00	40	28,400.00	37,400.00	37.40	$1,000.00	38,400.00	38.40
71	20,000.00	39,000.00	61,000.00	40	24,400.00	33,400.00	33.40	2,000.00	35,400.00	35.40
61	30,000.00	49,000.00	51,000.00	22	11,220.00	20,220.00	20.22	3,000.00	23,220.00	23.22
51	40,000.00	59,000.00	41,000.00	11	4,510.00	13,510.00	13.51	4,000.00	17,510.00	17.51
46	45,000.00	64,000.00	36,000.00	8	2,880.00	11,880.00	11.88	4,500.00	16,380.00	16.38
42	49,000.00	68,000.00	32,000.00	6	1,920.00	10,920.00	10.92	4,900.00	15,820.00	15.82
41	50,000.00	69,000.00	31,000.00	5½	1,705.00	10,705.00	10.71	5,000.00	15,705.00	15.71
31	60,000.00	79,000.00	21,000.00	2¾	577.50	9,577.50	9.58	6,000.00	15,577.50	15.58
21	70,000.00	89,000.00	11,000.00	1	27.50	9,027.50	9.03	7,000.00	16,027.50	16.03
11	80,000.00	99,000.00	1,000.00			9,000.00	9.00	8,000.00	17,000.00	17.00
0	91,000.00	110,000.00				9,000.00	9.00	9,000.00	18,100.00	17.00

Corporation, $5,000,000 capital; net income and surtax net income, $1,000,000. Tax: Finance Committee bill, $140,000; House bill, $125,000, plus stock tax; Senate bill, normal tax, $90,000.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax, including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed surtax	Total tax	Corresponding flat tax rate (per cent)	Surtax paid on dividends by stockholders	Total tax on corporate net income	Corresponding flat rate of tax (per cent)
91		$100,000	$900,000	40	$360,000	$450,000	45.00		$450,000	45.00
81	$100,000	200,000	800,000	40	320,000	410,000	41.00	$10,000	420,000	42.00
71	200,000	300,000	700,000	40	280,000	370,000	37.00	20,000	390,000	39.00
61	300,000	400,000	600,000	40	240,000	330,000	33.00	30,000	360,000	36.00
51	400,000	500,000	500,000	20	100,000	190,000	19.00	40,000	230,000	23.00
46	450,000	550,000	450,000	15	67,500	157,500	15.75	45,000	202,500	20.25
42	490,000	590,000	410,000	11	45,100	135,100	13.51	49,000	184,100	18.41
41	500,000	600,000	400,000	10	40,000	130,000	13.00	50,000	180,000	18.00
31	600,000	700,000	300,000	5	15,000	105,000	10.50	60,000	165,000	16.50
21	700,000	800,000	200,000	2½	5,500	95,500	9.55	70,000	165,500	16.55
11	800,000	900,000	100,000			90,000	9.00	80,000	170,000	17.00
0	910,000	1,010,000				90,000	9.00	91,000	181,000	18.10

Corporation, $5,000,000 capital; surtax net income, $1,100,000; ordinary income, $1,000,000. Tax: Finance Committee bill, $140,000; House bill, plus stock tax, $125,000; and Senate bill, normal tax, $90,000.

Per cent actually undistributed of surtax net income	Dividends	Amount not subject to surtax, including $10,000 flat exemption	Amount subject to surtax	Rate of tax (per cent)	Undistributed surtax	Total tax	Corresponding flat tax rate (per cent)	Surtax paid on dividends by stockholders	Total tax on corporate net income	Corresponding flat rate of tax (per cent)
91.9		$100,000	$1,000,000	40	$400,000	$490,000	49.00		$490,000	49.00
82.7	$100,000	200,000	900,000	40	360,000	450,000	45.00	$10,000	460,000	46.00
73.6	200,000	300,000	800,000	40	320,000	410,000	41.00	20,000	430,000	43.00
64.5	300,000	400,000	700,000	40	280,000	370,000	37.00	30,000	400,000	40.00
55.5	400,000	500,000	600,000	30	180,000	270,000	27.00	40,000	310,000	31.00
50.9	450,000	550,000	550,000	20	110,000	200,000	20.00	45,000	245,000	24.50
41.3	500,000	600,000	500,000	16	80,000	170,000	17.00	50,000	220,000	22.00
37.3	600,000	700,000	400,000	8½	34,000	124,000	12.40	60,000	184,000	18.40
28.2	700,000	800,000	300,000	4½	13,500	103,500	10.35	70,000	173,500	17.35
19.1	800,000	900,000	200,000	2¼	4,500	94,500	9.45	80,000	174,500	17.45
10.0	900,000	1,000,000	100,000			90,000	9.00	90,000	180,000	18.00
0	1,010,000	1,110,000				90,000	9.00	101,000	191,100	19.11

SEC. 228. (a) The shareholders of any corporation which is subject to the tax imposed by subdivision (a) or (b) of section 230 shall, if they all agree thereto in respect of any taxable year of the corporation, be taxed in the same manner as the members of a partnership. All the provisions of this title relating to partnerships and the members thereof shall so far as practicable apply to such corporation and the shareholders thereof. If all the shareholders are so taxed, the corporation shall be exempt from tax under section 230 for such taxable year.

(b) For the purposes of this section amounts distributed by such corporation during its taxable year shall be accounted for by the distributees; and any portion of the surtax net income (as defined in

subdivision (c) of section 230) remaining undistributed at the close of its taxable year shall be accounted for by the shareholders of such corporation at the close of its taxable year in proportion to their respective shares.

(c) Any undistributed portion of the surtax net income (as defined in subdivision (c) of section 230) which is taxed to the shareholders under this section shall, when distributed, be exempt from tax to the distributees.

TAX ON CORPORATIONS

SEC. 230. In lieu of the tax imposed by section 230 of the revenue act of 1921 there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax of 12½ per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

(a) In lieu of the tax imposed by section 230 of the revenue act of 1921, there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a normal tax of 9 per cent of the amount of the net income in excess of the credits provided in sections 236 and 263.

(b) In addition to the normal tax imposed by subdivision (a) of this section, there shall be levied, collected, and paid upon the surtax net income (as defined in subdivision (c) of this section) of every corporation a surtax equal to the following percentage of the undistributed net income as defined in subdivision (c) of this section:

One-fourth of 1 per cent, if the undistributed net income is more than 10 per cent, but not more than 11 per cent, of the surtax net income;

One-half of 1 per cent, if the undistributed net income is more than 11 per cent, but not more than 12 per cent, of the surtax net income;

Three-fourths of 1 per cent, if the undistributed net income is more than 12 per cent, but not more than 13 per cent, of the surtax net income;

One per cent, if the undistributed net income is more than 13 per cent, but not more than 14 per cent, of the surtax net income;

One and one-fourth per cent, if the undistributed net income is more than 14 per cent, but not more than 15 per cent, of the surtax net income;

One and one-half per cent, if the undistributed net income is more than 15 per cent, but not more than 16 per cent, of the surtax net income;

One and three-fourths per cent, if the undistributed net income is more than 16 per cent, but not more than 17 per cent, of the surtax net income;

Two per cent if the undistributed net income is more than 17 per cent, but not more than 18 per cent, of the surtax net income;

Two and one-fourth per cent, if the undistributed net income is more than 18 per cent, but not more than 19 per cent, of the surtax net income;

Two and one-half per cent, if the undistributed net income is more than 19 per cent, but not more than 20 per cent, of the surtax net income;

Two and three-fourths per cent, if the undistributed net income is more than 20 per cent, but not more than 21 per cent, of the surtax net income;

Three per cent, if the undistributed net income is more than 21 per cent, but not more than 22 per cent, of the surtax net income;

Three and one-fourth per cent, if the undistributed net income is more than 22 per cent, but not more than 23 per cent, of the surtax net income;

Three and one-half per cent, if the undistributed net income is more than 23 per cent, but not more than 24 per cent, of the surtax net income;

Three and three-fourths per cent, if the undistributed net income is more than 24 per cent, but not more than 25 per cent, of the surtax net income;

Four per cent, if the undistributed net income is more than 25 per cent, but not more than 26 per cent, of the surtax net income;

Four and one-fourth per cent, if the undistributed net income is more than 26 per cent, but not more than 27 per cent, of the surtax net income;

Four and one-half per cent, if the undistributed net income is more than 27 per cent, but not more than 28 per cent, of the surtax net income;

Four and three-fourths per cent, if the undistributed net income is more than 28 per cent, but not more than 29 per cent, of the surtax net income;

Five per cent, if the undistributed net income is more than 29 per cent, but not more than 30 per cent, of the surtax net income;

Five and one-half per cent, if the undistributed net income is more than 30 per cent, but not more than 31 per cent, of the surtax net income;

Six per cent, if the undistributed net income is more than 31 per cent, but not more than 32 per cent, of the surtax net income;

Six and one-half per cent, if the undistributed net income is more than 32 per cent, but not more than 33 per cent, of the surtax net income;

Seven per cent, if the undistributed net income is more than 33 per cent, but not more than 34 per cent, of the surtax net income;

Seven and one-half per cent, if the undistributed net income is more than 34 per cent, but not more than 35 per cent, of the surtax net income;

Eight per cent, if the undistributed net income is more than 35 per cent, but not more than 36 per cent, of the surtax net income;

Eight and one-half per cent, if the undistributed net income is more than 36 per cent, but not more than 37 per cent, of the surtax net income;

Nine per cent, if the undistributed net income is more than 37 per cent, but not more than 38 per cent, of the surtax net income;

Nine and one-half per cent, if the undistributed net income is more than 38 per cent, but not more than 39 per cent, of the surtax net income;

Ten per cent, if the undistributed net income is more than 39 per cent, but not more than 40 per cent, of the surtax net income;

Eleven per cent, if the undistributed net income is more than 40 per cent, but not more than 41 per cent, of the surtax net income;

Twelve per cent, if the undistributed net income is more than 41 per cent, but not more than 42 per cent, of the surtax net income;

Thirteen per cent, if the undistributed net income is more than 42 per cent, but not more than 43 per cent, of the surtax net income;

Fourteen per cent, if the undistributed net income is more than 43 per cent, but not more than 44 per cent, of the surtax net income;

Fifteen per cent, if the undistributed net income is more than 44 per cent, but not more than 45 per cent, of the surtax net income;

Sixteen per cent, if the undistributed net income is more than 45 per cent, but not more than 46 per cent, of the surtax net income;

Seventeen per cent, if the undistributed net income is more than 46 per cent, but not more than 47 per cent, of the surtax net income;

Eighteen per cent, if the undistributed net income is more than 47 per cent, but not more than 48 per cent, of the surtax net income;

Nineteen per cent, if the undistributed net income is more than 48 per cent, but not more than 49 per cent, of the surtax net income;

Twenty per cent, if the undistributed net income is more than 49 per per cent, but not more than 50 per cent, of the surtax net income;

Twenty-two per cent, if the undistributed net income is more than 50 per cent, but not more than 51 per cent, of the surtax net income;

Twenty-four per cent, if the undistributed net income is more than 51 per cent, but not more than 52 per cent, of the surtax net income;

Twenty-six per cent, if the undistributed net income is more than 52 per cent, but not more than 53 per cent, of the surtax net income;

Twenty-eight per cent, if the undistributed net income is more than 53 per cent, but not more than 54 per cent, of the surtax net income;

Thirty per cent, if the undistributed net income is more than 54 per cent, but not more than 55 per cent, of the surtax net income;

Thirty-two per cent, if the undistributed net income is more than 55 per cent, but not more than 56 per cent, of the surtax net income;

Thirty-four per cent, if the undistributed net income is more than 56 per cent, but not more than 57 per cent, of the surtax net income;

Thirty-six per cent, if the undistributed net income is more than 57 per cent, but not more than 58 per cent, of the surtax net income;

Thirty-eight per cent, if the undistributed net income is more than 58 per cent, but not more than 59 per cent, of the surtax net income;

Forty per cent, if the undistributed net income is more than 59 per cent of the surtax net income.

(c) For the purposes of subdivision (b) of this section—

(1) The term "surtax net income" means the net income as defined in section 232, increased by the amount of the deduction allowed under paragraph (6) of subdivision (a) of section 234;

(2) The term "undistributed net income" means the amount by which the surtax net income exceeds the sum of (1) the amount of the tax imposed by subdivision (a) of this section for the taxable year, plus (2) the amount of cash dividends paid during the 12 months preceding the 15th day of the third month following the close of the taxable year, plus (3) amounts retained to replace capital losses sustained after the enactment of this act, plus (4) amounts retained in compliance with law and the distribution of which is prohibited by law, plus (5) $10,000;

(3) The term "cash dividends" includes dividends paid in interest-bearing scrip, if subject to tax in the hands of the distributees to the same extent as a dividend paid in cash.

CORPORATION RETURNS, DISTRIBUTED BY SIZE OF NET INCOME

The following table exhibits the distribution of corporation returns by income classes based on net incomes, the returns being taken in their entirety for the United States:

TABLE D.—*Corporation returns distributed by size of net income, calendar year 1921*

Income classes	Number	Net income	Income tax	War-profits and excess-profits tax	Total tax	Average amount of tax	Per cent of total tax to net income
Reporting net income:							
$0 to $2,000	75,451	$61,895,581					
$2,000 to $5,000	40,402	124,049,405	$4,529,891	$387,697	$4,917,588	$122	3.96
$5,000 to $10,000	20,134	142,168,065	9,616,492	2,945,722	12,562,214	624	8.84
$10,000 to $50,000	26,327	547,473,491	46,116,863	33,210,703	79,327,566	3,132	14.49
$50,000 to $100,000	4,965	320,442,399	28,176,329	28,061,749	56,238,078	12,229	17.55
$100,000 to $250,000	3,106	478,376,439	41,995,090	44,942,158	86,935,248	27,971	18.17
$250,000 to $500,000	1,136	391,713,873	33,930,213	35,468,645	69,398,858	61,091	17.71
$500,000 to $1,000,000	555	380,316,893	33,033,759	35,785,658	68,819,417	123,999	18.09
$1,000,000 to $5,000,000	461	918,041,802	81,338,894	80,887,600	162,226,494	351,901	17.67
$5,000,000 and over	76	971,589,865	87,708,090	73,441,879	161,149,969	2,302,142	16.58
Total	171,239	4,336,047,813	366,443,621	335,131,811	701,575,432	[1] 7,324	[1] 16.41
Reporting no net income	185,158	[2] 3,878,219,134					
Grand total	356,397	457,828,679	366,443,621	335,131,811	701,575,432		

[1] Average for returns reporting net income of $2,000 and over. [2] Deficit.

Mr. HARRIS. Mr. President, I think the Senator from North Carolina [Mr. SIMMONS] and his coworkers have rendered the country a great service in the conference report which we have before us. I am going to support the conference report with pleasure. The Senator from North Carolina [Mr. SIMMONS], in my judgment, understands legislation of this kind better than any other man in public life, and the other members of the minority on the committee have cooperated with him earnestly. The bill is for the benefit of all the people and not a few.

I ask the privilege of placing in the RECORD my amendment raising the exemptions under this bill, an explanation of it, and, by the consent of the Secretary of the Treasury, a letter he wrote me in regard to his objection to my amendment, which explains itself. The greatest objection I have to this splendid bill is that it does not raise the exemptions, and, as Senators know, I have tried to raise them to $2,000 for single men and $3,000 for married men. If I had my way, no married man with an income of less than $5,000 would be compelled to pay any tax on his income.

The Secretary of the Treasury opposes that, and takes the position that a man loses interest in his Government unless he pays, as he says, at least a few cents a week in direct taxes upon his income. He believes and urges that taxes of the rich, with large incomes, should be reduced more relatively than the man with small income.

I take the position that he already pays indirectly, through the tariff and special taxes, a great deal more than he should, and that it is not fair to tax him on his income when it is small. It was never intended when the sixteenth amendment was passed that persons with small incomes would be taxed. The burden of taxation placed on them through the protective tariff is already greater than can be borne.

The Secretary of the Treasury is a very able man, and I regret that he differs with me in my efforts to exempt from any and all taxes those whose incomes are not over $2,000 for single persons and $3,000 for married ones. He is spending many millions to collect the taxes on about 3,000,000 persons whose incomes are less than the amount I have tried to get exemption for. The Government, he says, does not collect from these small incomes more than $25,000,000, and the reports show it is costing the Government about half that to collect the taxes and check the returns of these 3,000,000 taxpayers. I think it is a waste of time and a great injustice to tax the man who must labor to earn a small income not sufficient to support a family, when the Government has to spend millions of dollars in collecting taxes on small incomes which amount to from one and a half cents to a few dollars. If my amendment could be adopted, it would relieve, as the Secretary of the Treasury says, three million of the four and one-half million taxpayers in the United States of paying any taxes whatever. The Government would lose in taxes less than $25,000,000 and it would require many millions to pay the employees of the Government who work on these tax returns.

Mr. President, about two years ago I offered an amendment to the revenue bill placing a smaller tax on the first few thousands earned by labor. I did not think a person whose income came from bonds should pay no more than a person who must earn a living for his family by hard work. Secretary Mellon opposed my measure then and the Republican Members of the Senate defeated it, though every Democrat supported my amendment. Now, in this bill Secretary Mellon recommends a reduction in taxes on earned incomes, and I am glad he has come around to my views. I hope and believe that next year, after he hears the views of the people of the country on my amendment, he will agree to exempt from taxation all single persons whose incomes are not over $2,000 and all married men with incomes not exceeding $3,000. Our people, three million of four and a half million who pay income tax, will not be willing to pay this small tax, from a few cents to a few dollars, when nearly all is spent in collecting it.

I ask to place in the RECORD my amendment and explanatory statement and the letter from the Secretary of the Treasury.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. HARRIS to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, viz: On page 55, line 3, after the figures "$2,000," insert the following proviso: "*Provided*, That single persons whose net incomes do not exceed $2,000 each and heads of families or married persons living with husbands or wives whose net incomes do not exceed $3,000 each shall be exempt from payment of income tax and from rendering income-tax returns: *Provided further*, That in determining their net incomes such persons shall deduct the credits for dependents by paragraph (a) of this section."

AMENDMENT OF SENATOR HARRIS

Senator HARRIS's amendment exempts all single persons whose net incomes do not exceed $2,000 each and all heads of families and married persons whose net incomes do not exceed $3,000 each from payment of any income tax whatever.

The effect of this amendment will be to relieve 2,500,000 men and women with small incomes from paying income tax; 2,500,000 is 57 per cent of all the taxpayers.

Based upon the income-tax statistics for 1921, Mr. McCoy, the Government actuary, estimates that the reduction in revenue receipts under this amendment would be about $18,000,000.

This loss of revenue will be largely offset by the great reduction in appropriations for salaries of employees and other operating expenses of the Income Tax Division of the Internal Revenue Bureau resulting from the decrease of 2,500,000, or 57 per cent, in the number of taxpayers.

The collection of income taxes is now costing the Government in the vicinity of $25,000,000, or an average of about $6 for each taxpayer.

Several hundred thousand of the taxpayers exempted by Senator HARRIS's amendment now pay less than a dollar each, and many of them pay only a few cents. For instance, the income tax of a single man with an income of $1,001 or of a married man with an income of $2,501 is just 1½ cents under the tax rates in the revenue bill as it passed the House. The taxes range from 1½ cents to $15 for single persons and from 1½ cents to $7.50 for heads of families and married persons. The average is $7.50 for single persons and $3.75 for heads of families and married persons.

The difference in the effect of the amendment upon the tax of heads of families (including married persons) and upon single persons is due to the fact that the personal exemption is now $2,500 for the former (unless their incomes exceed $5,000 each), while it is only $1,000 for single persons.

For the vast majority of the 2,500,000 taxpayers exempted by the amendment the tax will be less than the average cost of collecting income taxes. For the Government to force a man to pay tax when

it will cost more to collect it than the tax amounts to is uneconomical, to say the least, if it is not really absurd.

The 2,500,000 taxpayers exempted by the amendment of Senator HARRIS belong to the large class of laboring people whose small incomes are completely absorbed in providing the necessities of life. They are therefore entitled to special consideration by the Congress.

THE SECRETARY OF THE TREASURY,
Washington, May 19, 1924.

MY DEAR SENATOR: I have your letter of May 7 with reference to the speech you made in the Senate on that day in support of your amendment. I think the principal objection to the increase in the exemptions on the smaller incomes is the fact that it removes so many individuals from any direct payment of tax, and, therefore, from any direct interest in their Government. In every other country having income taxes, the exemption is much smaller than in ours. I think in England it is £150. The amount that each person would save by the adoption of your amendment is entirely out of proportion to the public benefit of having many individuals contributing to the support of the Government, if only a few cents.

A single person with a net income of $30 a week—a good income for a young man or woman just starting life, with no one but himself to take care of—will pay, under the provisions of the House bill, and of the Senate bill as it now stands, in income tax to the Government, 16 cents per week. Under the present law he would pay 42⅝ cents per week. Under the Mellon plan he would pay a trifle less than 20½ cents per week, and under the Harris plan he would pay nothing.

A newly married man living with his wife, without other dependents, with a net income of $50 per week, would pay an income tax to the Government, under the pending bill, of less than 3 cents per week; under the present law, of less than 8 cents per week; and under the Mellon plan, of less than 4½ cents per week, while under the Harris plan he would pay nothing.

A head of a family with five dependents, receiving a net income of $80 per week, would pay income tax to the Government, under the pending bill, at the rate of a trifle less than 4⅝ cents per week; under the present law, at the rate of 12½ cents per week; under the Mellon plan, at the rate of a trifle less than 7 cents per week; and under the Harris plan, nothing.

The saving in cost of administration to the Government would more than likely be offset by the loss in revenue through failure of those to make returns who include in their deductions amounts which would not be allowed by the department.

Had the Harris proposal been in effect in 1921, the following would have been the result:

Number that would not have made returns that actually paid tax for that year	2,257,000
Tax paid by these taxpayers	$50,014,000
Average tax paid	$22.56
Estimated number that would not make returns, who otherwise would pay tax for 1924	3,000,000
Average tax under pending bill	$8.50
Loss in tax under pending bill, direct	$25,500,000
Loss in tax through failure to make returns	$15,000,000
Total loss	$40,500,000

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. WILLIAM J. HARRIS,
United States Senator, Washington, D. C.

Mr. JOHNSON of California. Mr. President, I am quite sympathetic with what has been said by the Senator from Nebraska [Mr. NORRIS]. For his publicity amendment I voted when it was before the Senate, and if the opportunity presented itself, I would vote for it again. I am by no means certain that the plan he suggests, to send this bill back to conference, is the one which ought to be adopted at this time, in view of the important provisions of this measure, and in view, too, of the work that has been accomplished by the conferees.

The bill which has been presented by the conferees in my opinion is an infinitely better bill than that which was designated as the "Mellon plan." Not only is it infinitely better, but, what is more important, it is infinitely more just. The Mellon plan proceeded upon a particular philosophy concerning taxation. The plan which has just been agreed upon by the conferees of the two Houses proceeds upon an entirely different philosophy, and nothing will better illustrate this than the reading in juxtaposition of the amounts of taxation in a very few cases under the plan which has now been adopted by the conferees of the two Houses and the amounts levied under the Mellon plan and under that now in existence, and then the amounts under the three systems upon smaller incomes and a few of the larger incomes. Allow me to recall that under the present tax system an income of $3,000 pays $20. Under the Mellon plan it would have paid $11.25. Under the plan adopted by the conferees of the two Houses it will pay $7.50.

An income of $5,000 under the present system pays a tax of $100. Under the Mellon plan a tax would have been paid of $56.25. Under the Simmons plan, the plan just adopted, the tax will be $37.50.

An income of $10,000 under the present law pays a tax of $520 per annum. Under the Mellon plan it would have paid $337.50. Under the plan just adopted it will pay $207.50.

Turn now to the larger incomes and the difference in theory is at once obvious. Under an income of $100,000, taxes to-day are paid of $30,140. Under the Mellon plan there would have been paid $19,817.50. Under the plan adopted by the conferees of the two Houses the tax will be $22,617.50.

An income of $300,000 to-day pays $144,640. Under the Mellon plan it would have paid $81,817.50. Under the plan the conferees of the two Houses have adopted the tax will be $109,617.50.

An income of a million dollars under the present system pays $550,640. Under the Mellon plan it would have paid $298,817.50. Under the plan adopted by the conferees of the two Houses it will be required to pay $429,617.50.

So, if we read the incomes that are $10,000 and less, and the incomes that are $100,000 and more, and compare the amounts which would have been paid under the Mellon plan and the amounts that will be paid under the plan adopted by the conferees of the two Houses, we observe that the first desideratum of the Mellon plan was to aid those incomes which are very high, and the recipients of which are most able to pay taxes, while the theory upon which the conferees of the two Houses have acted is that we should deal first with those who are down on the ground, who are least able to pay taxes, and it is this theory which the conferees of the two Houses of Congress have now happily adopted.

It will be recalled that the Mellon plan, when presented to the country, was so sacrosanct that it was proclaimed far and wide it could not be profaned by amendment or by modification. You remember how the propaganda went forth in this land when first the Mellon plan was promulgated. What was demanded was not really tax reduction at all, but only tax reduction as commanded by Mr. Mellon, and the adoption of his plan without the dotting of an "i" or the crossing of a "t"; a particular plan, which is now demonstrated by the action of the conference of the two Houses of Congress of the United States to have had for its first consideration the large incomes and for its minor consideration the smaller incomes in this land.

Propaganda such as never before had been seen in the United States was indulged in in behalf of this plan. Indeed, if I recollect correctly, two official communications from the White House were published in the press, that the Congress must not touch the sacred Mellon plan; that if it dared to amend it, or if it dared to modify it, forthwith it would receive the disapproval of those in high places, and could never become a law.

Then our people were frightened by repeated statements—some officially made and some by subservient echoes—that the only way by which we could accord tax reduction to a tax-burdened people was through the adoption of this one system, and this one system alone; and that if any other were attempted great deficits would occur in the Treasury; deficits which could not be met except by additional and larger burdens of taxation. Not only have stories such as that gone forth day after day, and been published in the great metropolitan journals week after week and month after month, not only have we seen the greatest conspiracy that was ever entered into for the dissemination of propaganda in this country in behalf of a particular plan, but in the last few weeks it has been declared again and again by the spokesmen for power that if we dared pass the soldiers' adjusted compensation bill we could not have tax reduction at all.

I call to the attention of Members of the Senate the estimates which have been presented here this morning, the estimates presented by the very able Senator from Utah [Mr. SMOOT] and the estimates presented by the very able Senator from North Carolina [Mr. SIMMONS], which demonstrate beyond cavil that all the statements that have been made about the inability to have tax reduction and adjusted compensation are utterly without foundation in fact. Both are now accomplished. I recall those estimates, because I remember that some of us indulged in animadversions, very mild, of course, upon the original estimates made when the Mellon plan was first presented to us, and we met the fate of all who are guilty of lese majesty. The Mellon plan is now demonstrated to have

been founded first upon an economic fallacy, and secondly upon absolutely inaccurate estimates emanating from the Treasury Department. The Mellon plan, I am very glad to say, was shot to pieces in the House of Representatives, and now finds itself buried beyond resurrection by the trump of the archangel Gabriel in the Senate of the United States.

I congratulate the Senate and I congratulate the House. I congratulate the conferees who have rendered the service they have rendered in bringing back these rates of taxation and giving to this country true tax reductions.

They have given to the country not Mellon-plan tax reduction, it is true, but they have given the country just tax reduction, tax reduction which deals most generously with those least able to pay taxes, which deals generously with those most able to pay taxes; but which does not first concern itself with the latter. The burden is first lightened of those least able to bear that burden, and justice is done to all.

I ask leave to print the figures as to seven incomes of $10,000 and under, and of seven incomes of $100,000 and over, with the taxes paid under the present system, what they would be under the Mellon plan, and what they will be under the Simmons plan.

The PRESIDING OFFICER (Mr. SPENCER in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INCOMES $10,000 AND UNDER

Amount	Present tax	Mellon plan	Simmons plan
$3,000	$20.00	$11.25	$7.50
$4,000	60.00	33.75	22.50
$5,000	100.00	56.25	37.50
$6,000	160.00	97.50	57.50
$7,000	240.00	157.50	87.50
$9,000	430.00	277.50	167.50
$10,000	530.00	337.50	207.50

INCOMES $100,000 AND OVER

$100,000	$30,140.00	$19,517.50	$22,617.50
$150,000	48,140.00	35,317.50	44,117.50
$200,000	68,640.00	50,317.50	65,617.50
$300,000	144,640.00	81,317.50	109,617.50
$500,000	268,640.00	143,317.50	199,617.50
$1,000,000	550,640.00	298,317.50	420,617.50

Mr. BROOKHART. Mr. President, the question of tax reduction has two phases. Everybody, of course, would be for tax reduction, but at the same time, if the taxes are reduced, the payments on the national debts are reduced. So I feel that a good part of the propaganda for tax reduction has been for the purpose of avoiding the payments for the war. The farther we can get away from the war in the levying of taxes, the safer will be the war profiteers. I presume Mr. Mellon himself was one of the great war profiteers, and I presume his plan was fixed with a view to protecting those gentlemen throughout. I am quite sure it was.

As for myself, I am in favor of increasing certain taxes. That is why I am opposed to this conference report. The original bill was amended by the Senate through the adoption of the corporation tax amendment offered by the Senator from New Mexico [Mr. JONES], which increased the taxes on certain corporations. The smaller corporations got a reduction, but the larger corporations got an increase, bringing them up somewhere near parallel with the individual incomes.

I am for that kind of an increase in taxation. In fact, during the last Congress there was a reduction of the surtaxes from 65 to 50 per cent, making a reduction on the 65 per cent paid by the big income-tax payer of 23 per cent of all his taxes.

With a view to equalizing these matters somewhat, I offered the excess-profits tax as an amendment to this bill when it was before the Senate. I offered that amendment, raising the exemption from $3,000 up to $6,000. I withdrew it when the corporation tax amendment was adopted, because in a large measure that tax covered the same ground, and it was just and reasonable, as I felt.

The bill went to conference, and the conferees dropped the corporation tax entirely, and it is out of order for me to offer my excess-profits tax amendment at this time. Therefore it will be impossible to get a direct vote upon that.

I am sorry the conferees did not insist upon the corporation tax. I am sorry they did not insist upon complete publicity, and I shall vote against the report because they did not do those two things.

That, however, does not mean that I would not vote to override a presidential veto, which in this case seems to be a Mellon veto, because we are informed that Mr. Mellon intends to have this bill vetoed. When that stage comes I may vote to pass it over the veto, if he succeeds in having it vetoed, because then it would be a question of comparing it with the old law. If it is better for the common people than the old law, I shall vote for it, but at this time it is a question of sending it back to conference to restore the corporation tax and to restore the publicity feature. For those reasons I oppose the conference report.

Mr. WALSH of Massachusetts. Mr. President, the Senator from Utah [Mr. SMOOT] presented a very able statement of the differences between this bill, the bill as it passed the Senate, and the bill as it passed the House. I do not think any statement has been presented showing the differences between the present law and the conference bill. I believe the public would be interested in knowing the differences.

I therefore offer a statement in tabloid form setting forth all the changes made by the conferees in the present law. Senators having inquiries as to what changes have been made in the law will be able to get some assistance from the tabloid statement which I submit showing some 30 changes.

The PRESIDING OFFICER. Without objection, the statement presented by the Senator from Massachusetts will be printed in the RECORD.

The statement is as follows:

STATEMENT BY SENATOR WALSH OF MASSACHUSETTS ON IMPORTANT CHANGES IN THE EXISTING LAW BY THE PROPOSED REVENUE BILL, AS AGREED UPON BY THE CONFERENCE COMMITTEE, AND AS IT WILL BE PRESENTED TO THE PRESIDENT FOR HIS SIGNATURE

1. The bill contains a provision for a reduction of 25 per cent in the tax payable in 1924 on the incomes of 1923.

2. The tax upon corporations remains as under the present law; to wit, a flat tax of 12½ per cent upon the net income of corporations. The present capital stock tax is retained.

3. The rates of the estate tax which in the existing law range from 1 per cent of the amount of the net estate not in excess of $50,000 to 25 per cent of the amount by which the net estate exceeds $10,000,000 have been altered to range from 1 per cent of the net estate not in excess of $50,000, to 40 per cent of the amount by which the net estate exceeds $10,000,000.

4. For the calendar year 1924 and each calendar year thereafter a tax is imposed upon transfers by gift of any property whether made directly or indirectly. The rate of the gift tax ranges from 1 per cent of the amount of taxable gifts not in excess of $50,000 to 40 per cent of the amount by which the taxable gifts exceed $10,000,000.

5. The existing law provides for a normal tax upon the first $4,000 of net income of 4 per cent, and upon the remainder of the net income of 8 per cent. The bill provides for a normal tax rate of (1) 2 per cent upon the first $4,000 of net income; (2) 4 per cent upon the next $4,000 of net income; and (3) 6 per cent upon the amount of net income in excess of the amounts taxed under (1) and (2). The amount of the personal exemption of a married person living with spouse or the head of a family has been made $2,500 in all cases.

6. The surtax rates are reduced so as to begin at 1 per cent on the net income from $10,000 to $14,000; and reach a maximum of 40 per cent of the amount of the net income in excess of $500,000. The existing law provides for surtaxes beginning at 1 per cent upon the net income between $6,000 and $10,000, and reaching a maximum of 50 per cent of the amount by which the net income exceeds $200,000.

7. In the case of an individual, the tax is to be credited with 25 per cent of the amount of the tax which would be payable if his earned net income constituted his entire net income, but not in excess of 25 per cent of his normal tax. Earned income is defined as wages, salaries, professional fees, and other amounts received as compensation for personal services actually rendered, including in the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, a reasonable allowance as compensation for personal services, not in excess of 20 per cent of the taxpayer's share of the net proceeds of the trade or business. It is provided that net incomes of $5,000 and less shall be considered as earned, and that at least $5,000 of net incomes in excess of that amount shall be considered as earned. It is further provided that the amount of the net income shall not be considered to be in excess of $10,000.

8. It is provided that the amount by which the tax is reduced on account of losses from the sale of capital assets shall not exceed 12½ per cent of the loss. There is no such limit in the present law.

9. The principle contained in the revenue act of 1918 that liquidating dividends constitute a sale of the stock instead of a distribution of earnings has been restored. This puts liquidating dividends within the capital gains section of the bill and recognizes the real effect of such dividends.

10. The section with reference to reorganization of corporations has been rewritten to eliminate existing uncertainties in the present act and to include other usual forms of corporate reorganization in aid of business, such as the splitting of one corporation into two or more corporations.

11. Provisions have been inserted to prevent the use of the reorganization section to escape proper taxation by increasing the basis for depreciation or depletion, or by increasing the basis for determining gain or decreasing the basis for determining loss from the sale of assets transferred in connection with the reorganization, or by distributing as capital gains what are, in effect, dividends out of earnings.

12. The deduction for discovery depletion is limited to 50 per cent of the net income from the property depleted.

13. In the case of a trust where the trustee has the discretion to distribute the income or not the income is taxed to the beneficiary if distributed and to the trustee if not distributed.

14. Where the grantor of a trust reserves the right to change the trust in favor of himself the income of the trust is taxed to the grantor.

15. The tax under section 220 which seeks to penalize corporate forms used to avoid imposition of the surtaxes on the stockholders is now based on all of the income of the corporation which will be taxed in the hands of an individual. The rate of tax has been changed from 25 per cent to 50 per cent in the bill as reported.

16. The application of the present law requiring income for a fractional part of a year to be placed on an annual basis is restricted to cases where a return is made for part of a year as the result of voluntary act of the taxpayer in making a change in his taxable year.

17. A Board of Tax Appeals, the members to be appointed by the President with the advice and consent of the Senate, is created to hear appeals from the assessment of additional income and estate taxes. The board will sit locally in the various judicial circuits throughout the country. The cases of both the Government and the taxpayer will be presented before the board, and the practice will be similar to that before the Interstate Commerce Commission. Upon a decision in favor of the Government the additional tax can be assessed by the Commissioner of Internal Revenue, and the taxpayer is left to his remedy in the courts for a recovery of the tax. If the decision is in favor of the taxpayer, the commissioner may not assess the tax, but is left to his remedy in the courts in a suit to collect it. In any court proceedings the findings of the board shall be taken as prima facie evidence of the facts contained therein.

18. The tax on telephone and telegraph messages is repealed.

19. Title VI of the existing law imposing a tax on beverages and the constituent parts thereof is repealed.

20. The excise tax upon automobiles and trucks is retained with a provision exempting from the tax chassis of trucks sold for less than $1,000 and truck bodies sold for less than $200. Under the present law there are no similar exemptions. The tax on tires, inner tubes, parts, and accessories sold to any person other than manufacturer is reduced from 5 to 2½ per cent.

21. The tax imposed upon admissions by Title VIII of the existing law is changed to apply only to admissions in excess of 50 cents.

22. The taxes imposed upon candy, knives, dirks, livery and hunting garments, and yachts, by paragraphs (6), (8), (9), (12), (13), and (14) of section 900 of Title IX of the existing law are repealed.

23. The taxes imposed upon carpets, trunks, valises, purses, lighting fixtures, and fans by section 904 of Title IX of the existing law are repealed.

24. A tax of 10 per cent is imposed upon sales by manufacturer of mah jong and similar tile sets.

25. The tax upon the sale of jewelry has been amended so that it will not apply to articles used for religious purposes or to articles sold for an amount not in excess of $30.

26. The taxes imposed upon proprietors of theaters, circuses, and other public exhibitions by paragraphs (5), (6), and (7) of section 1001 are repealed.

27. Brokers exclusively engaged in negotiating purchases and sales of produce and merchandise are exempted from the occupational tax of $50 imposed upon brokers.

28. The tax imposed upon sales of produce by paragraph (4) of Schedule A of Title XI (stamp taxes) is reduced from 2 cents per $100 to 1 cent.

29. The stamp tax of 2 cents for each $100 imposed upon drafts, checks, and promissory notes, is repealed.

30. Publicity—

(a) It is provided that returns shall be open for inspection to the Ways and Means Committee, the Finance Committee, or a special committee of either House. The amount of income tax paid by any individual within the district will be available for inspection in each collector's office.

(b) It is provided that all hearings in contested cases before the Board of Tax Appeals shall be open to the public, and that all evidence before the board taken down in writing and the record of the board shall be open to public inspection.

Mr. McLEAN. Mr. President, the Statistics of Income, issued by the Treasury Department, showing the income-tax returns for each year, together with the tax paid, segregated by the size of the net income into brackets, should be studied and understood by everybody who has bills to pay. It is true that this document is a dry skeleton of facts, but within the tables contained therein is buried all necessary information for the conscientious student or intelligent voter. For example, the Statistics for 1921, the latest issued, covering the returns of income earned in the calendar year 1921, the tax on which was paid in 1922, shows that that year 6,662,176 returns of personal income were made, reporting net income of $19,577,212,528. Of these, only 3,589,985 reported tax due the Government, amounting to $719,387,106. The exemptions and personal credits of the other 3,072,191 individuals more than equaled their net income, leaving nothing upon which to pay tax.

This means that the total income tax was paid by about 3¼ per cent of the total population, the other 96¾ per cent paying no direct tax to the United States. Of the 24,500,000 families of the United States as of that year, only some 3,500,000 had any tax to pay; about 14¼ per cent of the total families, or about 7 families out of every 50, paid direct tax to the United States.

The net income of all individuals in the United States was over $40,000,000,000 for that year. The income tax—$719,000,000—was therefore about 1.8 per cent of the total income, and about 3.6 per cent of the income returned by the 6,000,000 individuals.

There were 172,359 individuals with net income in excess of $10,000, whose tax amounted to $557,726,000, based upon a net income of $3,983,019,000. That is, forty-two two hundred and seventy-fifths of 1 per cent of the entire population paid over 77 per cent of the entire income tax, or less than 10 per cent of the total income pays over 77 per cent of the total tax.

There were with incomes in excess of $50,000, 11,069 individuals, with net income of $1,045,234,000, whose tax amounted to $317,929,000. That is, one one-hundredth of 1 per cent of the total population paid over 44 per cent of the total income tax, or about 2¼ per cent of the total income pays over 44 per cent of the total tax.

There were with incomes in excess of $100,000, 2,352 individuals, with net income of $463,003,000, whose tax amounted to $202,217,000. That is, one four hundred and fortieth of 1 per cent of the total population pays over 28 per cent of the total income tax, or about 1¼ per cent of the total income pays over 28 per cent of the total tax.

There were with net income in excess of $150,000, 985 individuals with net income of $299,582,000, whose tax amounted to $149,887,000. That is, one eleven-hundredth of 1 per cent of the total population paid about 21 per cent of the total income tax, or three-fourths of 1 per cent of the income paid 21 per cent of the total tax.

The present system of income tax began March 1, 1913. When the World War began and we needed large additional revenue both for our own use and for the aid of our allies the rates of this original income tax were very much increased, especially the higher rates, purely as a war measure. The original normal tax of 1 per cent was increased to 4 per cent and 8 per cent. The maximum surtax rate was increased from 6 per cent to 65 per cent. The lower brackets, beginning at $5,000, were only increased 1 per cent. The oppressively high rates of this war tax were reduced by the 1921 revenue act. Business was so demoralized that the receipts from the income tax fell off alarmingly. In 1921 the returns were $1,420,000,000, or only 41 per cent of the returns for 1919, a falling off in revenue of over two billions of dollars. This condition gave great concern to the Treasury. The 1921 revenue act eliminated the excess-profits tax on corporations and substituted in place of this tax and the flat 10 per cent tax on the balance of the net income of the corporation as imposed by the 1918 law a flat tax of 12½ per cent. The individual income tax was reduced from a maximum of 65 per cent at a $1,000,000 income to a maximum of 50 per cent at an income of $200,000. The tax on the lower brackets was also reduced. For example, the 1 per cent surtax on income in excess of $5,000 and not in excess of $6,000 was eliminated. The tax on the bracket from $8,000 to $10,000 of 3 per cent was reduced to 1 per cent. That is, the act of 1921 reduced the taxes on the small incomes as well as on the larger. It reduced the maximum surtax on the million-dollar man 23 per cent and that on the $6,000 man 100 per cent and on the

$10,000 man 67 per cent. The 1924 revenue act still further reduces these surtax rates. On all incomes up to and including $10,000 it reduces the surtax 100 per cent. On the million-dollar man, however, it reduces the maximum rate only 20 per cent.

Under the provision of the present law the tax on a married man without dependents, with a net income of $5,000, is 2 per cent of his net income. Secretary Mellon recommended that it be reduced to 1.125 per cent of his net income. The pending act actually reduces the tax to three-fourths of 1 per cent of the net income. Upon a like taxpayer with an income of $10,000 these rates are as follows: Present law, 5.20 per cent; Mellon recommendation, 3.38 per cent; pending act, 2.06 per cent. Upon a like taxpayer with a net income of $3,000 the rates of tax are as follows: Present law, two-thirds of 1 per cent; Mellon plan, thirty-eight one-hundredths of 1 per cent; pending act, one-fourth of 1 per cent.

Taxpayers returning net incomes of less than $10,000 constitute over 97 per cent of all those that make returns for income tax, while about fifteen one-hundredths of 1 per cent of our total population have net incomes in excess of $10,000. A similar taxpayer with a net income of $100,000 would pay the following rates of tax upon his net income: Present law, 30.14 per cent; Mellon plan, 19.82 per cent; pending act, 22.62 per cent.

This shows that while the Mellon plan reduced the tax on the $500,000 man 34 per cent, and the pending act about 25 per cent, the Mellon plan reduced the tax on the $3,000 man fully 43 per cent; on the $5,000 man, 43¾ per cent; and on the $10,000 man 35 per cent, while the pending act reduced these taxes on the $3,000 man 62 per cent; on the $5,000 man 62½ per cent; and on the $10,000 man 60 per cent.

What do these reductions mean? The $3,000-a-year man receives wages at the rate of $57.70 a week. Under the present law his total income tax is a little less than 39 cents a week; the Mellon proposal would have made it a little less than 22 cents a week; the pending bill will make it a little less than 14½ cents per week.

The $5,000 man receives a trifle over $96 a week. His total income tax under the present law is about $1.92¾ per week. Under the Mellon plan it would be about $1.08 per week; and under the pending act, about 72 cents per week, a reduction from the Mellon plan of 36 cents per week.

Will these reductions to the man whose income is less than $5,000 benefit anyone?

The $100,000 man, most likely a business man, engaged in supplying or manufacturing necessities, pays income tax to the Government under the present law amounting to $30,140; under the Mellon plan he would pay $19,817.50; and under the pending act $22,617.50. The saving in his tax under the Mellon plan would be a little over $10,300. This saving, in order to meet competition, would have to be shared with his customers. More than likely part of it would go back into business enlargement, enabling him to take advantage of cash discounts, and so forth, and so enable him to produce and sell cheaper. The share to his customers, together with the lower cost of production, would consequently reduce the cost of living to his customers, and would finally result in a reduction in the price of all necessities of at least 10 per cent. To the $3,000 man this would mean a saving of over $5 per week; to the $5,000 man it means over $9 a week.

Compare the effect of this 34 per cent reduction in tax on the moderately large business income upon the $3,000 and $5,000 man with the effect of the reduction in their own income tax. By reducing the higher income-tax rates you save the $3,000 man $5 a week, or over twelve times the entire tax he pays under the present law, and the $5,000 man about five times his total income tax. The deception and fallacy in relieving from tax the smaller incomes while taxing heavily the larger is very evident. Under the present law less than 1.2 per cent of the entire net income of the people of this country pay over 28 per cent of the total income tax. If we should take their entire net income—that is, tax all incomes in excess of $100,000 100 per cent—we should have only a vanishing $463,000,000, or some $200,000,000 short of the amount necessary for the Government. This shows that it is impossible to raise the necessary revenue from a tax upon the large incomes only.

A business man must pay his income tax from his income. In addition to the profits necessary for his continuance in business he must add an amount sufficient to pay this tax. This must necessarily be obtained through larger profits—an increase in the cost of living. His tax must be paid by every consumer of his products, which must constitute a greater tax or higher price for the millions of consumers than the present law now imposes upon them directly.

This shows that it is impossible to tax the larger incomes without imposing a greater burden upon the wage earner. The entire theory of operating the Government by taxing about 1 per cent of the people, when probed is shown to be an economic fallacy and a physical and financial impossibility. If the reformers really want to benefit the small taxpayer they should reduce the tax upon the producer of his bread, his clothing, and of all his necessities. This will not only help the small taxpayer, but everyone else, and the final result will be a material reduction in the cost of living, together with every incentive to increase wages to the deserving.

I shall vote for this bill because it is an improvement over the existing law, but it is far, very far, from a wise disposition of the subject.

It seeks popularity at the expense of the people, and my hope is that the taxpayers and the wage earners will study this tax problem and insist upon an intelligent solution in the near future.

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Atlanta Journal of May 23, 1924, by Mr. David Lawrence, which explains the pending bill and refers to the splendid work which the Senator from North Carolina [Mr. SIMMONS] has done in connection with the measure.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

REPUBLICAN LEADERS UNEQUAL TO THE STRATEGY OF SENATOR SIMMONS

[By David Lawrence]

(Copyright for Morning News)

WASHINGTON, D. C., May 22.—A little general from North Carolina, Senator FURNIFOLD MCLENDELL SIMMONS, has outmaneuvered the entire Republican leadership, including President Coolidge, Secretary Mellon, and the legislative managers of the Republican Party in Congress. For though the Republicans are in control of Congress a tax bill written by the minority—the Democrats—will become law.

Senator SIMMONS, perhaps the most experienced man on tax matters in the upper House and one who has served long on the Finance Committee in the preparation of the revenue acts of previous years, was assisted by the strategy of Representative GARNER, Democrat, of Texas, in the House.

Altogether they have put through a bill that President Coolidge will sign chiefly because he can not afford to veto it. The objectionable features—the publicity of tax returns and the undistributed-profits tax—have been eliminated, and one suspects now they were put in there in the first place for trading purposes, so as to insure the retention of the Simmons rates when the conference committee acted.

It is one of the most amazing legislative developments in a generation. The Democrats, of course, were aided by the insurgent Republicans, without whose votes the Simmons rates would not have prevailed; but the Republican leadership had the same opportunity as the Democrats did to win these insurgents. The regular Republican leaders privately are disappointed, for they could have written the type of the bill Senator SIMMONS offered, but they were restrained by the desire of the President and the Secretary of the Treasury that a record vote be obtained on the Mellon plan. The chief difference between the Mellon proposal and the Simmons rates is that persons with incomes running up to $66,000 a year will get a greater reduction in taxes under the Simmons plan than under the Mellon plan. Under $66,000 and running to $100,000 the reductions would have been greater under the Mellon plan, though there is really only a slight difference. Above $100,000, however, the differences are material.

The Mellon plan would have cut the taxes of the persons of larger income, the theory being that such a procedure would help business by stimulating capital to go into productive enterprises. Senator SIMMONS introduced as a counterproposal the idea that under his plan more individuals would benefit—some 6,600,000—and argued that the persons of larger income were not suffering now. As between the two ideas the insurgent Republican group chose to follow Senator SIMMONS.

All parties were agreed on the plan to give the taxpayers a flat 25 per cent reduction on taxes payable this year on 1923 incomes. It has been retained in the bill approved by the conference committee, which will become law. This provides that a taxpayer on June 15 next will not pay the same quarterly installment which he paid on March 15. Instead he will be obliged to pay much less. For instance, if his total tax bill for 1923 was $1,000 and, therefore, he paid a fourth on March 15, he will subtract the one-fourth reduction granted by the new law, which makes a final tax of $750, and he will credit himself with the $250 already paid in March, so that the balance due the Government will be $500, which can be paid in installments of $166.66 each on June 15, September 15, and December 15.

Here is a table which shows what taxes will be payable during 1925 on incomes received during 1924:

Taxes payable during 1925 on incomes received during 1924

Total income	Present law	Mellon plan	Simmons rates
$3,000	$20.00	$11.25	$7.50
$4,000	60.00	21.75	22.50
$5,000	100.00	56.25	37.50
$6,000	150.00	97.50	57.50
$7,000	250.00	157.50	87.50
$9,000	450.00	277.50	167.50
$10,000	520.00	337.50	207.50
$12,000	720.00	477.50	337.50
$14,000	940.00	637.50	477.50
$16,000	1,180.00	817.50	637.50
$20,000	1,720.00	1,237.50	1,017.50
$22,000	2,040.00	1,477.50	1,237.50
$24,000	2,380.00	1,737.50	1,477.50
$26,000	2,740.00	2,017.50	1,737.50
$28,000	3,120.00	2,317.50	2,017.50
$30,000	3,520.00	2,637.50	2,317.50
$32,000	3,940.00	2,977.50	2,637.50
$34,000	4,400.00	3,370.50	2,937.50
$36,000	4,860.00	3,717.50	3,297.50
$38,000	5,340.00	4,117.50	3,657.50
$40,000	5,840.00	4,417.50	4,037.50
$42,000	6,360.00	4,357.50	4,417.50
$46,000	7,460.00	5,777.50	5,237.50
$50,000	8,640.00	6,657.00	6,137.50
$60,000	11,940.00	8,957.50	8,677.50
$70,000	15,740.00	11,417.50	11,537.50
$80,000	22,040.00	14,057.50	14,877.50
$90,000	24,840.00	16,857.50	18,357.50
$100,000	30,140.00	19,817.50	22,617.50
$150,000	58,140.00	33,317.50	44,117.50
$200,000	86,640.00	50,817.50	65,617.50
$500,000	260,064.00	143,617.50	199,617.50
$1,000,000	550,640.00	298,817.50	429,617.50

The foregoing table is calculated on the return of a married man and no dependents.

Out of the 6,662,176 taxpayers in the United States approximately 6,109 would have been given greater reductions under the Mellon plan than the Simmons plan. This leaves 6,662,176 taxpayers who will receive a greater reduction under the Simmons plan, which will become law, than the original Mellon plan.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SMOOT and Mr. ROBINSON asked for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a general pair with the senior Senator from New Jersey [Mr. EDGE]. I therefore withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I understand that if present he would vote as I am about to vote. I therefore feel at liberty to vote and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]; but, understanding that he would vote as I propose to vote, I am at liberty to vote and vote "yea."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT]. He is absent; but I understand that if present he would vote as I propose to vote. Being therefore at liberty to vote, I vote "yea."

The roll call was concluded.

Mr. FESS. My colleague [Mr. WILLIS] is unavoidably detained from the Senate. Were he present he would vote "yea." He has a general pair with the Senator from Tennessee [Mr. MCKELLAR], who, I understand, if present, would also vote "yea."

Mr. BRANDEGEE (after having voted in the affirmative). I am paired with the senior Senator from Tennessee [Mr. SHIELDS]. I am informed by the pair clerk that if that Senator were present he would vote as I have already voted. So I will let my vote stand.

Mr. FLETCHER (after having voted in the affirmative). I have a general pair with the Senator from Delaware [Mr. BALL]. In his absence I transfer that pair to the Senator from West Virginia [Mr. NEELY] and let my vote stand.

Mr. CURTIS. I am requested to announce that the Senator from Indiana [Mr. WATSON] has a general pair with the Senator from Colorado [Mr. ADAMS]. If the Senator from Indiana were present, he would vote "yea."

Mr. ROBINSON. I desire to announce that the Senator from Colorado [Mr. ADAMS], if present, would vote "yea." I also wish to announce that, if present, the junior Senator from Tennessee [Mr. MCKELLAR], who is paired with the Senator from Ohio [Mr. WILLIS], and the senior Senator from Tennessee [Mr. SHIELDS], who is paired with the Senator from Connecticut [Mr. BRANDEGEE], would both vote "yea."

I wish further to announce that the Senator from Oklahoma [Mr. OWEN] is paired on this question with the Senator from West Virginia [Mr. ELKINS]. If present, the Senator from Oklahoma would vote "yea."

I also desire to announce that the Senator from Maryland [Mr. BRUCE], the Senator from New Jersey [Mr. EDWARDS], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GERRY], the Senator from West Virginia [Mr. NEELY], the Senator from Missouri [Mr. REED], the Senator from Alabama [Mr. UNDERWOOD], and the Senator from Nevada [Mr. PITTMAN], if present, would vote "yea."

The result was announced—yeas 60, nays 6, as follows:

YEAS—60

Ashurst	Ferris	Lenroot	Simmons
Bayard	Fess	Lodge	Smith
Borah	Fletcher	McLean	Smoot
Brandegee	Glass	McNary	Spencer
Broussard	Gooding	Mayfield	Stanfield
Bursum	Hale	Oddie	Stanley
Cameron	Harreld	Overman	Stephens
Capper	Harris	Pepper	Sterling
Caraway	Harrison	Phipps	Swanson
Copeland	Heflin	Ralston	Trammell
Curtis	Howell	Ransdell	Wadsworth
Dale	Johnson, Calif.	Reed, Pa.	Walsh, Mass.
Dial	Jones, N. Mex.	Robinson	Walsh, Mont.
Dill	Jones, Wash.	Sheppard	Weller
Fernald	Kendrick	Shortridge	Wheeler

NAYS—6

Brookhart	Frazier	Moses	Norris
Ernst	Johnson, Minn.		

NOT VOTING—30

Adams	Elkins	McCormick	Shields
Ball	George	McKellar	Shipstead
Bruce	Gerry	McKinley	Underwood
Colt	Greene	Neely	Warren
Couzens	Keyes	Norbeck	Watson
Cummins	King	Owen	Willis
Edge	Ladd	Pittman	
Edwards	La Follette	Reed, Mo.	

So the conference report was agreed to.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, ETC.

The PRESIDING OFFICER laid before the Senate the concurrent resolution (H. Con. Res. 25), which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed, in enrolling the bill (H. R. 8350) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes," to amend the language of the first paragraph of Title IV of said bill under the captions "Title IV, Department of Labor, Office of the Secretary," so as to read as follows: Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $171,900; in all, $183,900.

Mr. ROBINSON. What is the purpose of the resolution?

Mr. JONES of Washington. It is to correct a mistake in enrolling the appropriation bill.

Mr. ROBINSON. What is the mistake?

Mr. JONES of Washington. There was left out the aggregate of $171,900, which was the amount carried in the paragraph, exclusive of the Secretary's salary, but, including the Secretary's salary, the aggregate is $183,900.

Mr. ROBINSON. Does it increase the appropriation intended to be carried in the bill?

Mr. JONES of Washington. It does not.

Mr. ROBINSON. It is merely a correction?

Mr. JONES of Washington. As a matter of fact, it shows a smaller appropriation than apparently the bill showed as enrolled. I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the question is on concurring in the resolution.

The resolution was concurred in.

EXECUTIVE SESSION

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session the doors were reopened, and (at 4 o'clock and 38 minutes p. m.) the Senate, under the order previously made, adjourned until to-morrow, Sunday, May 25, 1924, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24 (legislative day of May 20), 1924

PROMOTIONS IN THE ARMY

Joseph May Swing to be major, Field Artillery.
Rodney Campbell Jones to be captain, Coast Artillery Corps.
William Aloysius Murphy to be captain, Infantry.
Harold H. Elarth to be captain, Infantry.
Lester Joslyn Harris to be captain, Infantry.
Howard Foster Clark to be captain, Corps of Engineers.
Howard Clay Brenizer to be captain, Field Artillery.
Dwight Lyman Adams to be first lieutenant, Infantry.
Thomas Gordon Cranford, jr., to be first lieutenant, Coast Artillery Corps.
Lester George Degnan to be first lieutenant, Infantry.
Henry Bennett Sheets to be first lieutenant, Infantry.
Archie William Cooey to be first lieutenant, Infantry.
William Robert McMaster to be first lieutenant, Infantry.
Cornelius Emmett O'Connor to be first lieutenant, Air Service.
Jonathan Lane Holman to be first lieutenant, Ordnance Department.
Archibald Donald Fisken to be captain, Coast Artillery Corps.
Bernard Henry Sullivan to be second lieutenant, Coast Artillery Corps.
Roland Winfred Wittman to be captain, Air Service.
Arthur Cecil Ramsey to be second lieutenant, Infantry.

PROMOTIONS IN THE NAVY

To be ensigns

Everett W. Abdill.
Noble W. Abrahams.
Crutchfield Adair.
Joseph W. Adams, jr.
Reed M. B. Adams.
John F. Addoms.
John L. Allen.
Rae E. Arison.
Howell Armor.
Bernard L. Austin.
Leo A. Bachman.
Samuel M. Bailey.
William B. Bailey.
Roland V. Baillie.
Hanson W. Baldwin.
John A. Baldwin.
Frank H. Ball.
Thomas J. Ball.
Herbert R. Ballinger.
Stephen G. Barchet.
Arthur D. Barnes.
Richard S. Baron.
Arthur W. Bass.
Wallace M. Beakley.
Herbert P. Bearce.
Charles E. Beatty.
Stephen R. Bedford.
Adolph Bednar.
Frederick J. Bell.
Russell J. Bellerby.
Donald B. Bennett.
Elmer E. Berthold.
Robert S. Bertschy.
LeRoi B. Blaylock.
Brainerd N. Bock.
Alfred J. Bolton.
Phillip M. Boltz.
Richard J. Bourke, jr.
Maurice M. Bradley.
John W. C. Brand.
Wilkie H. Brereton.
William D. Brown.
Laurance L. Browning.
Paul K. Bryant.
George M. Brydon, jr.
Forrest R. Bunker.
Eugene C. Burchett.
Harry Burris.
Sherman E. Burroughs, jr.
Stone E. Bush.
John W. Buxton.
Joe M. Cabanillas.
Allston D. Calhoun, jr.
Joseph A. Callaghan.
Charles H. Callaway.
Allen P. Calvert.
Donald A. Cameron.
Thomas S. Cameron.
Lee F. Campbell.
Robert L. Campbell, jr.
Richard P. Carlson.
Arthur G. Carney.
Robert S. Carr.
Chester E. Carroll.
Ralph C. Carroll.
Robley W. Clark.
Albert J. Clausen.
Willis E. Cleaves.
Edward W. Clexton.
Forrest Close.
William P. Cochran, jr.
William M. Cole.
Lewis E. Coley.
Dewey H. Collins.
Howard L. Collins.
Stockton B. Colt, jr.
John F. Cooke.
Edward P. Creehan.
John P. Cromwell.
Charles B. Cross, jr.
Edward F. Crowe.
Carl E. Cullen.
Edmund A. Cunningham.
Shirley Y. Cutler.
Joseph F. Dahlgren.
James R. Dancy.
Henry C. Daniel.
John C. Daniel.
Tillman T. Dantzler.
Frederick A. L. Dartsch.
Edmund B. Dascomb.
Frank R. Davis.
William V. Davis, jr.
Douglas T. Day, jr.
Frank E. Deam.
Harold R. Demarest.
William V. Deutermann.
Maurice M. De Wolf.
Walter C. Dey.
Arthur B. Dickie.
Henry C. Doan.
Edward V. Dockweiler.
Burton L. Doggett.
William S. Domer.
Henry C. Drexler.
Hammond J. Dugan.
Irving T. Duke.
Peter H. H. Dunn.
William H. Duvall.
Thomas H. Dyer.
Kenneth Earl.
Walter T. Eckberg.
Harold B. Edgar.
Louis B. Edwards.
Clarence E. Ekstrom.
Arthur B. Elliott.
Ezra M. Ellis.
Normal W. Ellis.
John T. Engeman, jr.
William L. Erdmann.
Hampton M. Ericsson.
Robert W. Esmond.
George W. Evans, jr.
William A. Evans, jr.
Donald W. Fairbairn.
Joseph A. Farrell, jr.
Charles A. Ferriter.
Clifford A. Fines.
Howell C. Fish.
William G. Fisher.
Hickory C. Floed.
James M. Flynn.
Cinton H. F. Folger.
Joseph W. Fowler.
William C. France.
Dennis L. Francis.
Louis P. Frank.
Thomas E. Fraser.
Archie J. Freels.
Frederick R. Furth.
Edward F. Gallagher.
Wayne N. Gamet.
Richard G. Ganahl.
Francis H. Gardner.
Joseph H. Garvin.
Herbert K. Gates.
Edward E. Gminder.
Robert Goldthwaite.
Henry W. Goodall.
Tom Gore, jr.
Marcel E. A. Gouin.
Walter M. Graesser.
Paul Graf.
George M. Granbery.
Francis J. Grandfield.
Orville F. Gregor.
Arthur A. Griese.
Thomas R. Griffith, jr.
Louis H. Gwinn.
Harrell W. Hall.
Albert Handly.
Alvin B. Harmon.
Dale Harris.
John C. Harris.
Henry H. Harrison.
Frederick C. Hartman, jr.
Glenn R. Hartwig.
Warren W. Harvey.
Robert S. Hatcher.
Leslie H. Hawkinson.
John A. Hayes.
John D. Hayes.
William S. Hays.
Hubert M. Hayter.
Francis M. Heddens.
Truman J. Hedding.
Minor C. Heine.
Lee R. Herring.
Lewis B. Herrington, jr.
William A. Hickey.
Stuart W. Hill.
Charles M. E. Hoffman.
John T. Hogg.
James B. Hogle.
John A. Holbrook.
John S. Holtzclaw.
Francis M. Hook.
Arthur M. Hooper.
Howard V. Hopkins.
Hallsted L. Hopping.
Donald F. Horne.
Charles S. Hough.
Henry P. Howard, jr.
George F. Howland.
Crichton N. Hubbard.
Thomas A. Huckins.
Edward N. W. Hunter.
Adrian M. Hurst.
John K. Hyatt.
Jere D. Hyde.
Frederick J. Ilsemann.
Elijah W. Irish.
Joseph F. Johnson.
Richard F. Johnson, jr.
Robert H. G. Johnson.
Howell A. Jones.
William A. Kanakanui.
Michael I. Kearns.
Robert H. Keliher.
Samuel G. Kelly.
John M. Kennaday.
Harry G. Kent.
Robert A. Keyer, jr.
George C. King.
Sidney King.
Thomas J. Kirkland, jr.
Gordon D. Kissam.
Arnold R. Kline.
Wendell E. Kraft.
Alexander W. Kreiser, jr.
Alfred T. Krook.
James S. Laidlaw.
Hugh R. Lamberth.
James C. Landstreet.
Wilfred E. Lankenau.
Robert W. Larson.
Samuel E. Latimer.
Frank C. Layne.
Edwin T. Layton.
Walter D. Leach, jr.
Charles L. Lee.
Charles A. Legg.
Harold K. Leslie.
Arthur B. Leberett.
Joseph S. Lillard.
Albert R. Linholm.
Theodoric C. Linthicum.
Roy W. Lishness.
Robert G. Lockhart.
William J. Longfellow.
James D. Lovejoy.
Frank W. MacDonald.
Sumner K. MacLean.
Austen V. Magly.
William N. Mansfield.
John A. Marsh.
Hugh J. Martin.
Bob O. Mathews.
William R. McCaleb.
Daniel J. McCallum.
Ralph T. McDaniel.
Charles C. McDonald.
Charles E. McDonald.
James F. McDonough.
Archibald G. W. McFadden.
James H. McIntosh.
Ira C. McKee.
Alonzo E. McLaughlin.
Donald F. McLean.
Ephraim R. McLean, jr.
Hugh B. McLean.
Lawrence J. McPeake.
Wilbur L. Mellon.
Preston V. Mercer.
William G. Michelet.
Harold B. Miller.
Ralph E. Mills.
Robert O. Minter.
William J. Mitchell.
George C. Montgomery.
Elliott M. Moore.
Armand M. Morgan.
John H. Morrill.
Richard S. Moss.
Elbert M. Murphy.
Thomas D. Napier.
Edgar T. Neale.
Clyde J. Nesser.
Bromfield B. Nichol.
Louis W. Nuesse.

Ira H. Nunn.
Solomon F. Oden.
Charles W. Oexle.
Gerald B. Ogle.
John N. Opie, 3d.
William R. Ostertag.
Adolph H. Oswald.
Herrmann G. Page.
James R. Pahl.
Elbert A. Palmer, jr.
Elton C. Parker.
George W. Patterson, jr.
Richard J. Penny.
Albert N. Perkins.
Roger E. Perry.
Wallis F. Petersen.
George Edmund Peterson.
George Edward Peterson.
Woodward Phelps.
Neill Phillips.
Roger D. Phillips.
Richard E. Playter.
Claiborne H. Price.
Arthur M. Quale.
Bertrand D. Quinn.
Thomas C. Ragan.
Donald J. Ramsey.
Andrew K. Randolph
Edward W. Rawlins.
Henry T. Read.
Claude B. Reese.
George Reith, jr.
Fitzhugh L. Rhea.
Lester K. Rice.
William L. Richards.
Henry E. Richter.
James B. Ricketts, jr.
Thomas C. Ritchie.
Virginius R. Roane.
Norman K. Roberts.
George N. Robillard.
Hunter R. Robinson.
Louis Roedel.
Eugene C. Rook.
John B. Rooney.
Rufus E. Rose, jr.
Milton H. Roths.
Colby G. Rucker.
John R. Ruhsenberger.
Burnice L. Rutt.
Herman Sall.
John R. Sanford, jr.
Merle A. Sawyer.
Robert E. Sayre.
John J. Schelbeler.
Charles A. Schenck, jr.
Max Schreiner.
Eugene T. Seaward.
Erskine A. Seay.
Elliott W. Shanklin.
John T. Shannon.
Louis D. Sharp, jr.
Herbert P. Sheldon.
Joshua C. Shively.
Wallace B. Short.
Theodore J. Shultz.
Paul W. Siegrist.
Walter W. Siegrist.
William F. Simmons.
George A. Sinclair.
Samuel J. Singer.
Thomas U. Sisson.
Harold P. Smith.
James W. Smith.
Thomas C. Southerland.
Harrison B. Southworth.
John E. Spahn.
Emory W. Stephens.
Gordon M. Stoddard.
William P. Stone.
Max C. Stormes.
George W. Stott.
Richard F. Stout.
Franklin A. Strohecker.
Charles J. Stuart.
James E. Sullivan.
Robert C. Sutliff.
Robert L. Swart.
John M. Sweeney.
Harold M. Sylvester.
William P. Tammany.
Edwin J. Taylor, jr.
Joseph I. Taylor, jr.
Myron S. Teller.
Harry B. Temple.
Thomas H. Templeton.
Joseph P. Thew.
Lloyd H. Thomas.
Arthur L. Thompson.
William B. Thompson.
Murray J. Tichenor.
Harold H. Tiemroth.
Charles T. Tonkin, jr.
James R. Topper.
George C. Towner.
Arthur M. Townsend.
Osgood V. Tracy.
Thomas A. Turner, jr.
William E. Verge.
Walter V. R. Vieweg.
Robert A. Vos.
Aurelius B. Vosseller.
Robert T. Waid.
John C. Waldron.
Raymond R. Waller.
Audley L. Warburton.
John T. Warren.
Ethelbert Watts.
Paul L. F. Weaver.
Richard C. Webb, jr.
William W. Weeden, jr.
Alan Weir.
Homer B. Wheeler.
Edmund W. Whitehead.
David D. Wright.
Warren D. Wilkin.
Charles W. Wilkins.
Edwin R. Wilkinson.
Jack B. Williams.
Roy D. Williams.
Stanley A. Williams.
Ralph E. Wilson.
Clarence L. Winecoff.
Cameron M. Winslow, jr.
Edgar L. Witmer.
Joseph E. Wolowsky.
Arthur C. Wood.
Chester C. Wood.
Joseph J. Woodward.
Edward L. Woodyard.
Joseph M. Worthington.
Joseph M. P. Wright.
Elmer E. Yeomans.
Edward W. Young.
Rufus C. Young, jr.
Bernard T. Zelenka.

To be assistant paymasters

Joe T. Davies.
George E. Hake.
Joseph L. Herlihy.
Malcolm A. Norcross.
William L. Patten.
Alfred P. Randolph.
John E. Wymond.

MARINE CORPS

To be second lieutenants

Raymond A. Anderson.
Robert O. Bare.
Herbert P. Becker.
George H. Bellinger, jr.
Theodore Blanchard.
Arthur G. Bliessener.
Charles F. Cresswell.
Lawrence W. Dalton.
Charles L. Fike.
Floyd M. Fletcher.
Walter H. French.
James H. N. Hudnall.
Alan T. Hunt.
Ralph D. McAfee.
Charles G. Meints.
William C. Purple.
Charles F. Replinger.
John R. Rhamstine.
Frank E. Sessions, jr.
Prentice A. Shiebler.
Perry K. Smith.
Gerald H. Steenberg.
Henry P. Stevens, jr.
Walter J. Stuart.
Donald G. Willis.

POSTMASTERS

ARIZONA

Robert B. Anderson, Clifton.

KANSAS

Charles F. Schafer, Jewell.

MICHIGAN

Earl Brown, Brighton.
John H. Ter Avest, Coopersville.
Ralph M. Powers, Jonesville.

NEW HAMPSHIRE

Maurice R. Wright, North Hampton.

OHIO

Jerome Goodhart, Brewster.

OKLAHOMA

John H. Durnil, Picher.

TEXAS

Hal M. Knight, Sterling City.

HOUSE OF REPRESENTATIVES

SATURDAY, *May 24, 1924*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, about Thy holy name cling and cluster all the abiding hopes that are dear and sacred to the human heart. Unto Thee we look for the fulfillment of all the desires and aspirations that make life worth while. Lead us by Thy Spirit and direct us in that pathway that preserves us from the regrets of a defeated life. Spare us from the loss of an undiscovered God. Bless us with a pure and upright heart, and give us the spiritual discernment that makes its way through the forces of this busy, burdened world. In the precious name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Welch, one of its clerks, announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 7220. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 9124. An act authorizing the sale of real property no longer required for military purposes.

The message also announced that the Senate had agreed to the amendments of the House of Representatives to joint resolution and bill of the following titles:

S. 2450. An act to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894; and

S. J. Res. 105. Joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 4820. An act to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; and

H. R. 3009. An act for the relief of Robert J. Kirk.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 976. An act for the relief of Lyn Lundquist.

Charles H. Callaway. Thomas H. Dyer. Crichton N. Hubbard. Louis W. Nuesse.

Herbert P. Becker. Arthur G. Bliesener. S. 976. An act for the relief of Lyn Lundquist.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Under clause 2, Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 1725. An act for the relief of Rubie M. Mosley; to the Committee on War Claims.

S. 2559. An act to establish an Alaska game commission to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes; to the Committee on Agriculture.

S. 3187. An act granting permission to certain officers and men of the military forces of the United States to accept various decorations bestowed in recognition of services to the allied cause; to the Committee on Foreign Affairs.

S. 3276. An act authorizing the sale of real property no longer required for military purposes; to the Committee on Military Affairs.

S. 3111. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Stockbridge Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

S. 3093. An act granting certain public lands to the city of Phoenix, Ariz., for municipal, park, and other purposes; to the Committee on Public Lands.

S. 2979. An act to extend the provisions of the homestead laws so as to allow certain credit, in lieu of permanent improvements, for the period of enlistment to soldiers, nurses, and officers of the Army, and the seamen, marines, nurses, and officers of the Navy and the Marine Corps of the United States; to the Committee on the Public Lands.

S. 2834. An act relating to the American Academy in Rome; to the Committee on the Library.

S. 2836. An act relating to the deposit of funds available for maintenance of reclamation projects; to the Committee on Irrigation and Reclamation.

S. 2519. An act to extend the benefits of the United States employees' compensation act of September 7, 1916, to Carol E. Reeves; to the Committee on Claims.

S. 2518. An act for the relief of Austin G. Tainter; to the Committee on Claims.

S. 2434. An act for the purchase of the Oldroyd collection of Lincoln relics; to the Committee on the Library.

S. 2124. An act for the relief of Perley Morse & Co.; to the Committee on Claims.

S. 1650. An act for the relief of William F. Brockschmidt; to the Committee on Claims.

S. 1051. An act to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the Air Mail Service of the Post Office Department; to the Committee on the Post Office and Post Roads.

S. 697. An act providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes; to the Committee on the Public Lands.

S. 483. An act to correct the status of certain commissioned officers of the Navy appointed thereto pursuant to the provisions of the act of Congress approved June 4, 1920; to the Committee on Naval Affairs.

S. J. Res. 73. Joint resolution providing for the appointment of a commission for the purpose of erecting in Potomac Park, in the District of Columbia, a memorial to those members of the armed forces of the United States from the District of Columbia who served in the Great War; to the Committee on the Library.

S. J. Res. 85. Joint resolution authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington; to the Committee on Industrial Arts and Expositions.

S. J. Res. 124. Joint resolution to provide for the posthumous appointment to commissioned grades of certain enlisted men and the posthumous promotion of certain commissioned officers; to the Committee on Military Affairs.

S. 2719. An act to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun;* to the Committee on Claims.

S. 3244. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; to the Committee on Interstate and Foreign Commerce.

S. 3241. An act for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age; to the Committee on Military Affairs.

S. 3171. An act for the relief of sufferers from earthquake in Japan; to the Committee on Military Affairs.

S. 3170. An act for the relief of Edgar William Miller; to the Committee on Military Affairs.

S. 3077. An act to amend the act of Congress approved March 4, 1913, creating the Public Utilities Commission of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 833. An act for the relief of Emma La Mee; to the Committee on Claims.

S. 3024. An act providing for the acquirement by the United States of privately owned lands within Rio Arriba and Taos Counties, N. Mex., known as the Las Trampas grant, by exchanging therefore timber within the exterior boundaries of any national forest situated in the State of New Mexico; to the Committee on the Public Lands.

S. 3047. An act authorizing joint investigations by the United States Geological Survey and the Bureau of Soils of the United States Department of Agriculture to determine the location and extent of potash deposits or occurrences in the United States and improved methods of recovering potash therefrom; to the Committee on Mines and Mining.

S. 3026. An act authorizing the Secretary of War to permit the city of Corinth, Miss., to construct, operate, and maintain water and sewer mains under and along the Government approach roadway to the Corinth National Cemetery; to the Committee on Military Affairs.

S. 3016. An act to enable the Rock Creek and Potomac Parkway Commission to improve the parkway entrance; to the Committee on the District of Columbia.

S. 2799. An act to provide for quarters, fuel, and light for employees of the Indian field service; to the Committee on Indian Affairs.

S. 2761. An act to authorize the withdrawal of lands for the protection of antelope and other game animals and birds; to the Committee on the Public Lands.

S. 2699. An act to amend an act creating the Custer State park game sanctuary in the State of South Dakota; to the Committee on the Public Lands.

S. 2232. An act to amend section 2 of the act approved February 15, 1893, entitled "An act granting additional quarantine powers and imposing additional duties upon the marine hospital service"; to the Committee on Interstate and Foreign Commerce.

S. 2172. An act to amend section 1 of the act of June 4, 1920 (41 Stat. L. p. 750), and to provide fees for executing applications for passports and for issuing the same; to the Committee on Foreign Affairs.

S. 2087. An act for the relief of Laura C., Ida E., Lulu P., and Esther P. Peterson; to the Committee on the Public Lands.

S. 1987. An act accepting certain tracts of land in the city of Medford, Jackson County, Oreg.; to the Committee on the Public Lands.

S. 1656. An act granting the consent and approval of Congress to the La Plata River compact; to the Committee on the Judiciary.

S. 1607. An act for the relief of Nellie Kildee; to the Committee on the Public Lands.

S. 1528. An act authorizing the Secretary of the Interior to accept the fee-simple title to a certain tract of land adjoining the Hot Springs National Park, Ariz., donated to the United States of America for use in connection with Hot Springs National Park; to the Committee on the Public Lands.

S. 1040. An act for the relief of the owners of the New York Sanitary Utilization Co. scow *No. 14;* to the Committee on Claims.

S. 1039. An act for the relief of the owner of the scow *W. T. C. No. 35;* to the Committee on Claims.

S. 1038. An act for the relief of the Brooklyn Eastern District Terminal; to the Committee on Claims.

S. 862. An act amending section 1 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

S. 823. An act to authorize the acceptance of title to forest lands in the State of Florida and to create national forests therefrom, and for other purposes; to the Committee on Agriculture.

S. 863. An act for the protection of persons employed on railway baggage cars and railway express and baggage cars, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 785. An act for the relief of the Eastern Transportation Co.; to the Committee on Claims.

S. 367. An act for the relief of James W. Laxson; to the Committee on Claims.

S. 51. An act for the relief of the owner of the schooner *Itasca* and her master and crew; to the Committee on Claims.

S. 1574. An act for the relief of Alice E. O'Neil; to the Committee on Claims.

S. J. Res. 115. Joint resolution to provide for the free transmission through the mails of certain publications for the blind; to the Committee on the Post Office and Post Roads.

S. J. Res. 127. Joint resolution to provide that the powers and duties conferred upon the Governor of Alaska under existing law for the protection of wild game animals and wild birds in Alaska be transferred to and be exercised by the Secretary of Agriculture; to the Committee on Agriculture.

S. 976. An act for the relief of Lyn Lundquist; to the Committee on the Public Lands.

CORRECTING ENROLLMENT OF H. R. 8350

Mr. MADDEN. Mr. Speaker, I offer the following concurrent resolution and ask unanimous consent for its present consideration.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of the concurrent resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed in enrolling the bill (H. R. 8350), entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1925, and for other purposes," to amend the language of the first paragraph of Title IV of said bill under the caption "Title IV, Department of Labor, office of Secretary," so as to read as follows: "Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $171,900; in all, $183,900."

Mr. MADDEN. Mr. Speaker, if I may take just a minute to explain this resolution. When the bill was engrossed the engrossing clerk left out the figures $171,900 and made it appear that $183,900 was appropriated for clerical hire and Assistant Secretaries and $12,000 for the Secretary's salary. If this is not corrected it will appear to be appropriating $12,000 more than was appropriated by the act.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none.

The question was taken, and the resolution was agreed to.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill making appropriations for the Agricultural Department for the fiscal year 1925, disagree to the Senate amendments and ask for a conference.

The SPEAKER. Is there objection?

Mr. RUBEY. Mr. Speaker, reserving the right to object, what does the gentleman have to say as to the amendment put into the bill by the House to put some teeth into the packer legislation and to give the Secretary the right under certain circumstances to suspend commission men for violations of the law or rules and regulations, for instance, to bring on a boycott against the farmers' cooperative organizations? Is the gentleman willing to give the House an opportunity to vote on that proposition before he agrees to it?

Mr. MADDEN. I hope the gentleman from Missouri will not ask us to commit ourselves on a bill before we go into conference.

Mr. RUBEY. I feel like it in view of the action on that occasion. I believe I ought to insist on the gentleman agreeing to come back to the House before agreeing to it.

Mr. MADDEN. Well, I think the gentleman did me a great injustice on that occasion.

Mr. RUBEY. Which gentleman?

Mr. MADDEN. The gentleman from Missouri.

Mr. RUBEY. The gentleman from Chicago——

Mr. MADDEN. Did me the great injustice to which he refers. My business if I go to a conference will be as one of the conferees to represent the House. I hope that no embarrassment will be placed upon the conferees.

Mr. RUBEY. In view of the vote of the House passing that amendment, will the gentleman stand by it?

Mr. MADDEN. I will not agree to any embargo to be placed on us in the beginning. I think it is only fair to let us go to conference, and if there is anything in which the House is interested we will not violate any of the House's rights——

Mr. RUBEY. Well, I object, Mr. Speaker.

Mr. GARNER of Texas. If the gentleman from Illinois will remember, let me call his attention to the status of this matter at that time. It was put on by an almost unanimous vote of the House of Representatives and it was unanimously reported, but not wanting a special rule, it was merely attached as an amendment. It seems to me the gentleman from Illinois ought to assure the House that he will come back and let us have a vote because this is very important legislation in which every cattle man in the United States is interested. There is not a man in the United States who raises a cow who is not interested in that amendment. It seems to me the gentleman ought to be willing to come back and give the House a chance to vote upon it so that the Senate may know, if they decline to recede and concur in the House amendment, the House will have an opportunity to vote.

Mr. MADDEN. All right. I think the House is entitled to that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Chair appoints the following conferees: Messrs. MAGEE of New York, WASON, MADDEN, BUCHANAN, and LEE of Georgia.

Mr. MAGEE of New York. Mr. Speaker, I would like to reverse the order of naming the conferees, changing it to Messrs. MADDEN, MAGEE of New York, WASON, BUCHANAN, and LEE of Georgia.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING MONDAY

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock on Monday.

The SPEAKER. There is a session to-morrow. The gentleman from Ohio asks unanimous consent that when the House adjourns to-morrow it adjourn to meet at 11 o'clock on Monday. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, we are all having important committee meetings.

Mr. LONGWORTH. If the gentleman will permit, as I announced yesterday, in all probability the Senate will act upon the tax bill to-day.

Mr. BLANTON. I am not going to object, but it is working the Members very hard.

Mr. LONGWORTH. And Monday will probably be the last District day, so that I ask to meet at 11 o'clock for that reason.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

RELIEF OF THE HEIRS OF AGNES INGELS

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill 365 and agree to the Senate request for a conference on the same.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take the Senate bill referred to from the Speaker's table and agree to the conference requested by the Senate, which bill the Clerk will report by title.

The Clerk read as follows:

An act (S. 365) for the relief of Ellen B. Walker.

The SPEAKER. Is there objection?

Mr. CRAMTON. Mr. Speaker, I object.

DAM IN TALLAHATCHIE RIVER

Mr. LOWREY. Mr. Speaker, I rise to prefer a unanimous-consent request, namely, to take from the Speaker's table Senate bill 3272, have immediate consideration of the bill, and I ask just a moment to explain it.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to take from the Speaker's table a bill, which the Clerk will report by title.

The Clerk read as follows:

An act (S. 3272) granting the consent of Congress to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River.

Mr. LOWREY. Mr. Speaker, this is a real emergency in my district. The bonds have been issued and sold, the money is ready, the organization is ready, and they plan to do that drainage this summer. Right at the last it was found that they had to have the consent of Congress for a dam which they wanted to build. It was so important that they sent the county attorney and engineer here and kept them here a week at their expense in order to get this bill in shape so that they can go to

work at once. Now, the bill has been passed by the Senate, has been approved by the House committee, and it ought to take not more than a few minutes to pass it. It will relieve a very serious condition immediately in the district I represent, and it ought not to take three minutes.

The SPEAKER. Is there objection?

Mr. SUMMERS of Washington. Mr. Speaker, reserving the right to object, if there will be no delay by any speeches, and if the bill is acted on at once, I shall not object.

Mr. SANDERS of Indiana. Mr. Speaker, I reserve the right to object. Has this bill been referred to the Committee on Interstate and Foreign Commerce of the House?

Mr. LOWREY. Yes; and approved by that committee.

Mr. SANDERS of Indiana. The Senate bill?

Mr. LOWREY. The Senate bill. They approved my bill, which is the same—verbatim, literatim, and "punctuatim"—as the Senate bill, exactly the same; and I ask to substitute the Senate bill.

Mr. SANDERS of Indiana. Of course, there are many bills which other Members are holding on the Unanimous Consent Calendar; and if a matter like this is permitted to pass, there may be many other such requests.

Mr. GARNER of Texas. I take it, when the gentleman from Mississippi states that this is an emergency and the Speaker has recognized him, that a real emergency exists.

Mr. LOWREY. This is a very serious emergency. I have put it before the Speaker and he thought it was such an emergency as to warrant him in recognizing me for the purpose of having the bill considered.

Mr. SANDERS of Indiana. I shall not object.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Panola-Quitman Drainage District to construct, maintain, and operate a dam in Tallahatchie River, at or near Porters Ferry, Panola County, Miss.: *Provided*, That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

SEC. 2. That the authority granted by this act shall cease and be null and void unless the actual construction of the dam hereby authorized is commenced within one year and completed within three years from the date of approval of this act: *Provided*, That from and after 30 days' notice from the Federal Power Commission, or other authorized agency of the United States, to said drainage district, or its successor, that desirable water-power development will be interfered with by the existence of said dam, the authority hereby granted to construct, maintain, and operate said dam shall terminate and be at an end; and any grantee or licensee of the United States proposing to develop a power project at or near said dam shall have authority to remove, submerge, or utilize said dam under such conditions as said commission or other agency may determine, but such conditions shall not include compensation for the removal, submergence, or utilization of said dam.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. LOWREY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

A similar House bill was laid on the table.

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, after consultation with the chairman of the Committee on Claims, I ask unanimous consent that on next Thursday evening, between the hours of 8 and 11 o'clock, it shall be in order to consider bills on the Private Calendar unobjected to.

The SPEAKER. Commencing where we left off last time?

Mr. LONGWORTH. Yes; commencing where we left off last time. I understand that about half the bills were reached.

The SPEAKER. The gentleman from Ohio asks unanimous consent that there be a session of the House next Thursday evening from 8 to 11 o'clock for the consideration of bills on the Private Calendar unobjected to, commencing where we ended at the last session. Is there objection?

Mr. SEARS of Florida. Mr. Speaker, I shall not object, but after that request is granted, I should like to make a unanimous consent request to address the House for five minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

AUTHORIZING EXAMINATIONS AND SURVEYS OF STREAMS

Mr. WILSON of Louisiana. Mr. Speaker, I call up the bill (H. R. 8070) authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods, and ask unanimous consent to agree to the Senate amendments.

The SPEAKER. The gentleman from Louisiana calls up a House bill with Senate amendments which the Clerk will report by title.

The Clerk read the title of the bill.

The Senate amendments were read.

The Senate amendments were agreed to.

PARCEL POST AND FOURTH-CLASS POSTAGE RATES

Mr. WILLIAMSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the proposed increase of parcel-post and fourth-class postage rates.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMSON. Mr. Speaker, there have come to my office a great many protests against increases in parcel-post and fourth-class mail rates as embodied in the Paige bill, H. R. 7016, and the Kelly bill, H. R. 8437. Most of these protests come from farmers and community clubs. On inquiry I find that the same character of protests have come to Congressmen from all sections of the country.

In order to get accurate information in tabulated form showing just what the effect of these proposed increases would be, I asked the Third Assistant Postmaster General to submit an analysis of these two bills, showing the proposed increases and the percentage of such increases over the rates provided for in the present law. An examination of the table furnished will disclose that in some instances decreases are provided for, but in general, if the rates carried in either bill should be enacted into law, there would result a very large increase both in parcel-post and fourth-class rates.

In view of the very unfavorable economic condition now prevailing among the agricultural class and the further fact that farmers utilize the parcel post more than any other class, I do not believe it would be advisable at this time to increase the rates as suggested. It would only intensify their hardships and would be unjustifiable from any standpoint. If there must be an increase in postal revenues, such increase should be derived from some other source. Personally I believe that until the commission appointed for the purpose of studying parcel post and other rates has submitted its findings Congress should take no action whatever in changing postal rates. It will be time enough when all the facts are in its possession to take appropriate action.

Following is the communication of the Third Assistant Postmaster General:

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, May 17, 1924.

Hon. WILLIAM WILLIAMSON,
House of Representatives, Washington, D. C.

MY DEAR MR. WILLIAMSON: I have your letter of the 10th instant in regard to the present rates of postage on fourth-class or parcel-post mail as compared with those proposed in House bills 7016 and 8437, respectively, now pending in Congress.

The following tables show the difference between the rates contemplated by H. R. 7016 and the present rates applicable to fourth-class mail:

Books, seeds, bulbs, and plants

	Present rate	Proposed rate	Increase	Per cent of increase
	Cents	*Cents*	*Cents*	
1 ounce	1	1		
2 ounces	1	2	1	100
3 ounces	2	3	1	50
4 ounces	2	4	2	100
5 ounces	3	5	2	67
6 ounces	3	6	3	100
7 ounces	4	7	3	75
8 ounces	4	8	4	100
9 ounces: Local zone	5	9	4	80
First and second zone	6	9	3	50
Third zone	7	9	2	28
Fourth zone	8	9	1	13
Fifth zone	9	9		
Sixth zone	11	9	[1] 2	[1] 18
Seventh zone	12	9	[1] 3	[1] 25
Eighth zone				

[1] Decrease. [1] Per cent of decrease.

The present rate on fourth-class mail, other than books, seeds, bulbs, and plants, when sent in parcels weighing not more than 4 ounces, is 1 cent for each ounce or fraction of an ounce, the same as proposed in bill H. R. 7016.

All other parcel-post matter over ½ ounces but not exceeding 9 ounces

	Local	Present rates according to zones (cents)							Proposed rate, all zones (cents)
		1 and 2	3	4	5	6	7	8	
5 ounces	5	5	6	7	8	9	11	12	5
Increase			1	2	3	4	6	7	
Decrease			17	29	38	44	55	58	
Per cent									
6 ounces	5	5	6	7	8	9	11	12	6
Increase	1	1							
Decrease			1	2	3	5	6		
Per cent	20	20		14	25	33	45	50	
7 ounces	5	5	6	7	8	9	11	12	7
Increase	2	2	1						
Decrease					1	2	4	5	
Per cent	40	40	17		13	22	36	42	
8 ounces	5	5	6	7	8	9	11	12	8
Increase	3	3	2	1					
Decrease						1	3	4	
Per cent	60	60	33	14		11	27	33	
9 ounces	5	5	6	7	8	9	11	12	9
Increase	4	4	3	2	1				
Decrease							2	3	
Per cent	80	80	50	29	13		18	25	

The increase in postage on parcels of fourth-class or parcel-post matter subject to the pound rates as proposed by this bill for the various zones over the present parcel-post pound rates is set forth in the following tables:

First pound—Over 9 ounces

Zone	Present rate	Proposed rate	Increase	Per cent of increase
	Cents	*Cents*	*Cents*	
Local	5	10	5	100
First	5	15	10	200
Second	5	15	10	200
Third	6	15	9	150
Fourth	7	15	8	114
Fifth	8	15	7	88
Sixth	9	15	6	67
Seventh	11	15	4	36
Eighth	12	15	3	25

Additional pound or fraction thereof

Zones	Present rate	Proposed rate	Increase	Per cent of increase
	Cents	*Cents*	*Cents*	
Local	½	1	½	100
First	1	2	1	100
Second	1	3	2	200
Third	2	4	2	100
Fourth	4	5	1	25
Fifth	6	7	1	17
Sixth	8	9	1	13
Seventh	10	11	1	10
Eighth	12	13	1	8

Under H. R. 8437 the existing rate is retained for parcels weighing 8 ounces or less containing books, plants, seeds, bulbs, etc., while on all other fourth-class or parcel-post matter weighing 8 ounces or less 1 cent an ounce is proposed, larger parcels being subject to the present pound rates according to zones, plus a parcel fee of 5 cents on each parcel.

The same percentages of increases and decreases in the rates proposed in bill H. R. 8437 as compared with the present rate for parcels of fourth-class matter weighing 8 ounces or less, except books, plants, seeds, bulbs, etc., obtain as under the rates therefor in H. R. 7016, as set forth in the third table above. The charge of a 5-cent parcel fee on each parcel exceeding 8 ounces in weight would, in effect, be an increase of 5 cents on the initial pound on parcels sent to any zone, no increase over the present rate being contemplated for additional pounds or fractional parts thereof on parcels weighing over 1 pound.

Bill H. R. 8437 further provides that third and fourth class mail shall be consolidated into one class, to be designated as parcel-post mail. Under existing laws third-class matter includes miscellaneous printed matter (except books and newspapers and periodicals entered as second-class matter) and is subject to a flat rate of 1 cent for each 2 ounces or fraction thereof regardless of distance or zone. The limit of weight for third-class matter is 4 pounds, parcels weighing more than 4 pounds now being included in the fourth class. It may be seen, therefore, that if third-class mail were merged with fourth-class mail, as proposed, a decrease would be effected in some cases where parcels of the former are sent to the near-by zones, while in other instances, particularly on parcels sent to the farther zones, the postage would be increased.

Any further information with respect to the foregoing you may desire will be gladly furnished.

Sincerely yours,

W. IRVING GLOVER,
Third Assistant Postmaster General.

STATUS OF NAVAL ESTABLISHMENT

Mr. BRITTEN. Mr. Speaker, by direction of the Committee on Naval Affairs, I desire to prefer a unanimous-consent request to insert in the RECORD a report just received by that committee from the Secretary of the Navy on the status of the Naval Establishment.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

Mr. JOHNSON of Washington. Reserving the right to object, let me ask if that report has been printed in the RECORD.

Mr. BRITTEN. No; it has not.

Mr. JOHNSON of Washington. Has it been printed as a part of the proceedings of another body?

Mr. BRITTEN. No; it has no relation to the tables printed in to-day's RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. BRITTEN. Mr. Speaker, the following letter of May 21, 1924, from the Secretary of the Navy occasionally refers to a letter of May 8, 1924, so it will be necessary to insert both for the benefit of the House.

[No. 177]

REPLY OF THE NAVY DEPARTMENT TO CERTAIN QUESTIONS CONTAINED IN HOUSE RESOLUTION 286, AUTHORIZING AND DIRECTING THE SECRETARY OF THE NAVY TO FURNISH THE HOUSE OF REPRESENTATIVES CERTAIN DATA ON THE NAVAL STRENGTH OF THE AMERICAN NAVY, ETC.

NAVY DEPARTMENT,
Washington, May 21, 1924.

Hon. THOMAS S. BUTLER,
Chairman Committee on Naval Affairs,
House of Representatives.

MY DEAR MR. CHAIRMAN: Referring to your letter of May 6, 1924, there is forwarded herewith the reply of this department to the questions brought up in House Resolution 286, of May 5, 1924.

Sincerely yours,

CURTIS D. WILBUR, *Secretary.*

Question 1. Is it a fact that as a fighting unit the American Navy is to-day in third place among the navies of the world?

Answer. No. Plans have been prepared for the complete modernization of our battleships, as recommended in the annual report of the Secretary of the Navy, to cost $30,000,000. Authority for modernization of the six coal-burning battleships has been requested of the present Congress. The department asked authority of the present Congress to build eight 10,000-ton light cruisers; also for funds to build three mine-laying submarines.

As to the last sentence, it is difficult to definitely state our exact strength due to the varying ratios in the different types. A fair approximation may be obtained by study of the ratios for the various types in paragraph 3. A fair comparison of the present fighting strength in ships of Great Britain, America, and Japan would appear to be 5-4-3. This ratio does not take into consideration strategically located and well-equipped naval bases which add greatly to the sea power of a nation, nor does it take into consideration the relative strength of the various merchant marines.

The Navy is in good shape with the exception of the above designated deficiencies, which should be remedied. The morale of the personnel, both commissioned and enlisted, is high. The appropriations furnished by Congress are being applied in such manner as to obtain the very best results.

Question 2. Is it a fact that America leads the world in the theory and science of aviation and yet trails Great Britain, France, and Japan in aviation preparedness for national defense?

Answer. America is on an equality with Great Britain and France in theory and science of aviation.

The United States is equal or ahead of any nation in the number of planes suitable for use in naval aviation but is behind Great Britain in plane carriers. This will give a 5-4-3 ratio when the two plane carriers now under construction are completed.

The United States has done more operating of aircraft with the fleet than any other country, and while the number of aircraft is far from adequate, the present state of efficiency of naval aviation is believed to be as high as that in any navy.

Question 3. Is it a fact that the Navy has less than three months' supply of fuel oil in reserve storage and that other powers signatory to the Washington treaty have from one to three years' reserve storage?

Answer. The amount of fuel oils in reserve storage on March 31, 1924, would supply the fleet at the 1923 peace-consumption rate for three and one-tenth months.

The amount of fuel oil in current use tankage on same date would supply the fleet at the same rate of consumption for a period of three and two-tenths months. The total oil on hand March 31, 1924, would supply the Navy for six and three-tenths months at the present rate of consumption.

The total supply on hand on March 31, 1924, however, is less than 10 per cent of the requirements of the Navy for one year under war conditions.

Exact information as to the fuel-oil reserves of other powers can not be obtained. It is not believed that any nation has as much as a three-year reserve.

Question 4. What steps are necessary for an adequate reserve storage of fuel oil?

Answer. The approved policy of the Navy Department requires the provision of 48,059,200 barrels reserve storage for fuel oil and other petroleum products located at various strategic points. Of this there is now constructed tankage for 4,162,389 barrels.

To construct the remaining tankage (43,896,811 barrels) would take $71,935,000. If funds were made available, it could be constructed over a number of years to take care of royalty oil as produced, where oil can not be kept in the ground in our oil reserves.

Question 5. Is it a fact that Great Britain's 22 first-line battleships have superior speed, greater radius of action, better torpedo and aircraft attack protection, and longer gun-range facilities than have our 18 first-line ships?

Answer. See Navy Department's letter 3809-959:283 of May 8, 1924, to the charman of the Committee on Naval Affairs of the House of Representatives.

It should be noted in addition that the radii of action of the United States battleship force and the British battleship force do not differ materially. In the newer ships the United States ships are believed to have an advantage, while in some older vessels the British are believed to have an advantage.

Question 6. What reconditioning and alteration is necessary in order to put all battleships at their highest efficiency, and where was each ship stationed on May 1, 1924?

Answer. (a) The modernization of the *New York, Texas, Florida, Utah, Arkansas*, and *Wyoming*, as previously recommended to Congress, comprising the provision of additional deck, torpedo, and mine protection, and conversion to oil burning, as provided for in H. R. 8687. These ships should also have some increased elevation of guns.

(b) The modernization of *New Mexico, Mississippi, Idaho, Pennsylvania, Arizona, Nevada*, and *Oklahoma*, including increasing angle of elevation of guns and additional torpedo protection.

(c) Various repairs and changes to the majority of ships, which can be made from the current appropriations when sufficient funds are made available.

The location and status of each ship on May 1, 1924, is indicated below:

Name	Location of, May 1, 1924
Arkansas	New York yard, fitting out for midshipman cruise.
Wyoming	Do
New York	Norfolk yard, fitting out for midshipman cruise.
Texas	Do.
Florida	North River, N. Y.
Utah	Tangier Sound.
California	San Pedro, target practice.
New Mexico	Do.
Pennsylvania	Do.
Nevada	Do.
Arizona	Do.
Idaho	Do.
Mississippi	Do.
Maryland	Do.
Tennessee	Do.
Oklahoma	Bremerton, annual overhaul.
Colorado	New York yard, fitting out.
West Virginia	Do.

Question 7. Is additional radio equipment necessary on ships, and if so, where and in what order should it be installed?

Answer. Additional radio equipment is necessary on certain ships of the fleet as replacements for obsolete equipment and to comply with communication requirements for modern warfare.

This modernization includes:

(1) Replacement of spark transmitters and arc transmitters with vacuum tube transmitters. This reduces interference, increases range, and permits of more economic operation. This has been partially accomplished in battleships.

(2) Provide for simultaneous transmission and reception by radio, by separating receivers and transmitters. This is necessary in order to permit rapidity in fire control and maneuvering signals without impairing communications regarding orders and information.

(3) Replace present obsolete receiving equipment with modern receivers. Modern receivers are essential in order to permit operation on several channels of communication without interference.

(4) The substitution of mechanical operation for manual operation in order to economize on personnel and in order to reduce the time now used for signals. Modern equipment should be installed in the following order:

1. Flagships.
2. Battleships.
3. Destroyers.
4. Cruisers.
5. Submarines.
6. Patrol vessels.
7. Auxiliaries.

The modernization plan above indicated has been prepared for some time and work thereon is proceeding as rapidly as appropriations permit. It is hoped that future appropriations may make it possible to work more rapidly.

Question 8. How does the American new construction program compare with that of other first-class powers?

Battleships

	Under construction or authorized	Date on which treaty allows first replacements of old battleships
Great Britain	[1] 2	1925
United States	0	1934
Japan	0	1934
France	0	1930

[1] These were agreed upon to balance the Colorado and the West Virginia, which were completed after the conference.

Cruisers building or authorized

	Number	Tons
Great Britain	9	[1] 84,000
United States	2	15,000
Japan	12	90,680
France	5	44,000

[1] Includes 5 provided in Navy estimates 1924-25.

United States requires 22 to equal Britain in tonnage. Navy Department is asking Congress this session for authority to build eight, as provided in H. R. 8687.

Destroyers building or authorized

	Number	Tons
Great Britain	4	[1] 6,200
United States	0	0
Japan	27	36,800
France	24	39,600

[1] 2 flotilla leaders and 2 destroyers, latter in Navy estimates 1924-25.

None asked for in United States Navy program, for we are far ahead in destroyers, though we lack destroyer leaders.

Submarines building or authorized

	Number	Tons
Great Britain	6	6,070
United States	11	[1] 13,519
Japan	37	41,165
France	23	29,109

[1] Six additional to these 11 were authorized in 1916, but construction held in abeyance; no appropriations.

Navy Department is asking Congress for funds to construct three mine-laying submarines of the six submarines already authorized. The appropriation bill as approved in conference carries the funds to commence one mine-laying submarine.

Aircraft carriers building or authorized

	Number	Tons
Great Britain	3	55,300
United States	2	66,000
Japan	2	53,900
France	1	24,500

Navy Department completing the two authorized above.

RIVER GUNBOATS

United States Navy program includes six small gunboats to replace old vessels in Chinese rivers; three were approved by Budget; Navy is asking Congress this session for six in all.

Japan completed four river gunboats in 1923.

Question 9. What auxiliary ships are necessary for a proper rounding out of the Battle Fleet?

Answer. The department assumes that this question refers to noncombatant auxiliaries. The approved policy of the Navy Department requires the construction of noncombatant auxiliaries enumerated in the table below to round out the fleet and to thoroughly prepare it to defend United States possessions.

Distilling ships	2
Destroyer tenders	2
Submarine tenders	3
Fleet repair ships	3
Aircraft tender	1
Mine layers, first line	10
Mine sweepers	20

A number of these could be taken over from the merchant marine and fitted out.

Question 10. Are American ships deficient in antiaircraft batteries and machine guns?

Answer. American ships are not deficient in antiaircraft batteries and machine guns when compared with the vessels of other navies. Improvement in these batteries is necessary. Considerable experimentation is going forward with this end in view. It is not desirable to replace the present batteries until a more satisfactory type of gun is developed. The problem is difficult and requires time and funds for development work.

Question 11. Have congressional appropriations been in accord with Navy Department and Budget Commission recommendations, and if not, wherein has Congress failed?

Answer. The Navy Department's estimates, as submitted to the Budget, have each year been considerably larger than the funds allowed by the Budget. Therefore, the congressional appropriations are not in accord with the Navy Department's recommendations. The congressional appropriations have, however, been substantially in accord with the recommendations of the Budget. There are certain minor reductions which Congress has made from the Budget figures, which need not be detailed. The important reductions for 1924 are:

Naval Reserve Force	$400,000
Engineering	325,000
Construction and repair	200,000
Ordnance and ordnance stores	479,000
Torpedoes and appliances	550,000
Fuel and transportation	500,000
Total 1924	2,454,000

The important reductions for 1925 are:

Bill in conference—Probable reductions

Improvements to channel and harbor, Pearl Harbor	$400,000
Relocating dry dock Dewey at Cavite	330,000
Two barrack buildings at San Diego, Calif	150,000
Elimination of provisions for beginning work on three submarines.	
Torpedoes and appliances	950,000
Total 1925	1,830,000

Question 12. Is it a fact that airplane carriers authorized in July, 1922, are not 50 per cent completed and that at their present rate of construction will not be completed until 1928?

Answer. The various steps in the building of airplane carriers authorized in July, 1922, are listed as follows:

	Lexington	Saratoga
Keel laid for original battle cruiser design	January, 1921	September, 1920.
Authorized for alteration and completion as airplane carrier.	July, 1922	July, 1922.
Present percentage of completion	47.6	44.6.
Probable date of completion	July, 1926	July, 1926.

Question 13. What steps are necessary for the promotion of proper naval aircraft to support the Battle Fleet?

Answer. Increase appropriation for naval aviation in order to keep up with the rapid and progressive development of this arm of the service and to insure the fleet being fully supplied with the most modern types of this important weapon.

Question 14. Is it a fact that we have not a single submarine capable of maneuvering with the fleet, and further, that our submarines are obsolete before their construction is completed?

Answer. We have no submarines capable of maneuvering with the fleet at battle speed nor at the usual fleet-cruising speed under all conditions of sea and weather. We have nearly completed the *V 1, 2*, and *3*, which will be able to keep up with the fleet. Our submarines, for the purpose for which they are designed, are not obsolete before their construction is completed. With the exception of the T class, they were not designed for maneuvering with the fleet and, within the limits of the purpose for which they were designed, are reasonably efficient and reliable.

Question 15. Is it a fact that our submarine engines do not compare in efficiency with those manufactured in Europe?

Answer. The Bureau of Engineering is now building submarine engines that are identical with the best now manufactured in Europe. Four of our submarines are equipped with these engines. In all remaining submarines the engines are not equal to best present European manufacture. In general, however, our submarines compare favorably with the corresponding units in the other navies.

Question 16. Is it a fact that we have but three fleet submarines in the Navy (built in 1920 and 1921) and that they already are out of commission?

Answer. Yes. This class (three ships, the T boats above referred to) was designed in 1914 and finished in 1920-21. They have proved to be unsatisfactory, as the tandem-type engine has failed to give the performance expected. They are out of commission. As stated in the answer to question 14 of this paper, we have, however, three building which will keep up with the fleet.

Question 17. Is it a fact that three fleet submarines authorized six years ago are but 60 per cent completed, and at present rate of construction in a Government yard will not be commissioned until 1928?

Answer. The steps in the building of these three fleet submarines are listed as follows:

	V-1	V-2	V-3
Authorized	July, 1916	July, 1916	July, 1916.
Keel laid [1]	October, 1921	October, 1921	November, 1921.
Percentage of completion (May 10, 1924).	71.5	58.8	51.4.
Probable date of completion.	January, 1925	July, 1925	December, 1925.

[1] At the time the construction of these vessels was authorized, the Navy Department was engaged in the building of a large number of smaller submarines which were urgently needed for war service, and it was considered inadvisable to divert building facilities to the construction of vessels which could probably not be completed in time to be of use in the war. After the signing of the armistice, the Navy Department decided to defer the preparation of the plans for these vessels until such time as full information could be obtained relative to the designs of British and German submarines and their experience in the war.

Question 18. What is the present condition of each of our submarines, and where were they stationed on May 1, 1924?

Answer. H, K, and N classes—19 submarines. General reliability excellent; would be very useful in time of war for training purposes and for coast patrol. Out of commission to furnish personnel for S boats.

L class—eight submarines. Four of these recently reengined with satisfactory engines. The other four not considered sufficiently reliable to meet the latest requirements of coastwise work and will probably be sold. Out of commission to furnish personnel for S boats.

O and R classes—43 submarines. Thirty of these are satisfactory and their reliability excellent, both surface and submerged. The other 13, while not so good, are creditable enough to be retained in commission. Two of these have recently had damages to their hulls which will require extensive repairs to place them in commission.

These submarines are of great military value to the United States in defense of outlying stations, and are assigned to the Canal Zone and Pearl Harbor.

S class—50 submarines. These vessels were designed for independent operation of a central nature, similar to the *U-110* class, are practically 1,000 tons, with a radius of 4,000 miles. These boats were authorized in 1916. The last will be completed this year, and all will then be in commission; 41 are in fair to good condition. The material condition of nine is such as to require extensive repair to put in good condition. They were built with a 7-inch crank shaft, which was not satisfactory, and the contractors substituted 8-inch shafts, which had originally been planned for the boats by the department. The Bureau of Engineering expects that the new crank shaft will eliminate further crank-shaft trouble. Thus far they have been satisfactory.

T class—three submarines. Designed in 1914 and finished in 1920 and 1921; were not satisfactory, as the tandem type of engine has failed to give the performance expected. Out of commission; unsatisfactory.

V class—three submarines. These boats now under construction, 50 to 70 per cent completed.

Name	Location on May 1, 1924
H-2, 3, 4, 5, 6, 7, 8, 9 (8)	Submarine base, Hampton Roads, Va. (out of commission).
K-1, 2, 3, 4, 5, 6, 7, 8 (8)	Do.
L-2, 3, 5, 6, 7, 8, 9, 11 (8)	Do.
N-1, 2, 3 (3)	New London, Conn.
O-1, 2, 3, 4, 5, 6, 7, 8, 9, 10 (10)	Coco Solo, Canal Zone.
O-11, 12, 13, 14, 15, 16 (6)	Philadelphia Yard (being decommissioned).
R-1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20.	Pearl Harbor.

Name	Location on May 1, 1924
R-9	En route Pearl Harbor from Canal Zone.
R-21, R-25	Philadelphia Yard (being decommissioned).
R-24	Portsmouth Yard, N. H.
R-23, 26, 27	Coco Solo, Canal Zone.
R-22	New London, Conn.
S-1, S-3	Do.
S-2, 4, 6, 7, 8, 9, 14, 15, 16, 17	Cavite, P. I. (with Asiatic Fleet).
S-10, 11, 12, 13, 21, 23, 24, 25, 26, 27, 28.	New York.
S-18	New London, Conn.
S-19, S-20	Portsmouth Yard, N. H.
S-22, 29 (building)	New London S. & E. Co., Groton, Conn.
S-30, 31, 32, 33, 34, 35, 36, 40	San Diego.
S-37, 38, 39, 41	Mare Island.
S-42, 43 (building)	New London S. & E. Co., Groton, Conn.
S-44, 45, 46, 47 (building)	Electric Boat Co., Quincy, Mass.
S-48	Portsmouth Yard, N. H.
S-49	En route New London to New York.
S-50	Portsmouth Yard, N. H.
S-51	New York.
T-1, 2, 3	Hampton Roads, Va. (out of commission).
V-1, 2, 3 (building)	Navy yard, Portsmouth, N. H.

Question 19. Is the United States in third place in submarine strength?

Answer. See statement in paragraph 3 concerning submarines in the department's letter 3809-959-283 of May 8, 1924, to the chairman of the Committee on Naval Affairs.

SUBMARINES

Built and building, 485 tons and over, tonnage ratio is—

Great Britain	4.7
United States	7.6
Japan	7.3

Question 20. What steps are necessary to insure the construction of submarines that will function in accordance with specification requirements?

Answer. Continue present efforts to develop an improved Diesel engine which will meet latest submarine requirements, and continue progressive tests with the fleet. A type engine is now being tested at the navy yard, New York.

Question 21. Is it a fact that the United States ranks third in the number of light cruisers in commission?

Answer. Yes. See paragraphs 3 and 11 of the Department's letter 3809-959-283 of April 29, 1924, to the chairman of the Committee on Naval Affairs, House of Representatives.

CRUISERS

Cruisers built, building, or authorized since 1912 compared in ratio of the number of cruisers—

Great Britain	5
United States	1
Japan	3

And compared in tonnage ratio—

Great Britain	5
United States	1.5
Japan	3

LIGHT CRUISERS

Ships necessary to build to bring up to 5-5-3 ratio in displacement tonnage in addition to ships now built, building, or appropriated for:

	Number of ships	Tonnage
United States	[1] 21 [2] 22	[3] 210,000
Great Britain	None.	None.
Japan	None.	None.

[1] 10,000 tons.
[2] On basis of present Japanese tonnage.
[3] On basis of British tonnage, including 3 new ones in 1925 British estimates.

(This table shows that at the present date (April 8, 1924) we require twenty-one 10,000-ton cruisers to obtain a 5-5-3 ratio with Japan and need twenty-two 10,000-ton cruisers to obtain an equality or 5-5 ratio with England (on tonnage basis). As these ships would be larger and more modern than the majority of the corresponding units in the British and Japanese Navies this would give us a preponderance in cruiser strength if all were completed as of to-day. All nations, however, have cruiser-building programs, and this Nation should map out a program for the future with the end outlined above in view.)

Question 22. Are destroyer tenders in bad repair?

Answer. In general; no. The *Denebola*, because of state of repair and as conversion to tender was not entirely completed, has been withdrawn from service in order to commission the new *Dobbin*. *Melville* (Battle Fleet) at next overhaul will be fitted with new furnace burners; otherwise good repair. *Altair* (Battle Fleet), conversion to tender nearly completed; good repair. *Rigel* (Battle Fleet), destroyer base tender; good repair. *Bridgeport* (Scouting Fleet) will eventually be relieved by the new *Whitney*; is a coal burner; good repair. *Black Hawk* (Asiatic Fleet), good repair.

[NOTE. All destroyer tenders now in commission are too slow, but compare favorably with those of the other great naval powers.]

Question 23. Is a proper surplus of mines and torpedoes being maintained?

Answer. A proper surplus of mines of the most modern type is now maintained. The surplus of torpedoes prescribed by the General Board is not maintained. The Navy Department has approximately 80 per cent of the number of torpedoes required and effort has been made for several years to fill existing deficiencies, but appropriations for this purpose have been insufficient to permit the reserve supply to be built up to the amount required by the plans of the General Board.

Question 24. How many additional mine sweepers are necessary?

Answer. The department's approved policy would require 20 additional mine sweepers, which would be met in time of war by taking over and fitting out ocean-going tugs.

Question 25. Is America in third place in the matter of naval bases in the Pacific?

Answer. In the western Pacific, yes; in third place. In the eastern Pacific, no; in first place.

Question 26. What is the most important naval-base requirement?

Answer. The most important base development on shore is the completion of the Pearl Harbor base development project.

Question 27. Have recent fleet maneuvers indicated that our ships are properly manned with an enlisted personnel of 86,000?

Answer. It has not been practicable to keep in commission the desired number of vessels of required types because of an insufficient allowed personnel. It is for this reason that we have laid up so many destroyers which could be profitably engaged in fleet maneuvers. The ships in commission can be manned with only 90 to 95 per cent of their required complements.

[No. 147]

COMMENTS ON ARTICLE IN THE NEW YORK TIMES OF APRIL 28, 1924, QUOTING MR. W. R. SHEARER

NAVY DEPARTMENT,
Washington, May 8, 1924.

Hon. THOMAS S. BUTLER,
Chairman Committee on Naval Affairs,
House of Representatives.

MY DEAR MR. CHAIRMAN: In reply to your letter of April 29, 1924, I am forwarding herewith a statement concerning the article by Mr. Shearer which appeared in the New York Times April 28.

I trust that this statement will fully cover the information which you have requested.

Sincerely yours,

THEODORE ROOSEVELT, *Acting.*

In the following pages Mr. Shearer's statements are placed in quotation marks. These are followed by the department's comments.

1. "Navy out of date."

In the items enumerated below, either the latest modern practice is not incorporated or the latest equipment or latest types of ships are not provided.

(a) Gun range of 13 battleships.
(b) Deck protection of 6 battleships.
(c) Underwater protection of 13 battleships.
(d) Kind of fuel on 6 battleships (oil).
(e) Submarine: No mine-laying or cruiser types.
(f) Cruisers: Shortage in numbers.
(g) Destroyer leaders: None.
(h) Fuel economy: Lack of certain up-to-date engineering equipment; between $1,000,000 and $2,000,000 being considered in Congress now.
(i) Material readiness of ships out of commission: Especially destroyers and submarines.
(j) Auxiliary ships: Speed and radius limited in certain auxiliary ships converted from merchant marine.

2. "Did not profit by lessons of war and is now outclassed."

We have profited by the lessons of the war and have in many cases given them effect. But there are other directions in which improvement has had to wait upon appropriations. (See paragraph 1, (b), (c), (d), (e), (f), above.)

3. "'Not only have we neglected the Navy so that the 5-5-3 treaty ratio is actually 5-3-1, with America 1,' Mr. Shearer said, 'but we have failed to modernize the fleet as well. That is in marked contrast with the British and the Japanese. They learned the lessons of the war. We paid no attention to them.'" * * *

(1) The positive statement that America is 1 in relation to Great Britain and Japan is not correct. It is impossible to make a mathematical ratio of naval strengths that will cover all factors. About the best we can truly say is that if 5 and 3 represent the present

fighting strengths of Great Britain and Japan, respectively, then the United States would appear to be approximately 4.

The ratio in the various types of ships is given below:

BATTLESHIPS

The battleships *Florida*, *Utah*, *Wyoming*, and *Arkansas* required boiler repairs in order to maintain their speed. Until this could be done the speed of these four ships was reduced and they had to drop out of the battle line. This reduced the ratio to 5-4-3.

All of these ships can now maintain their speed except the *Florida*, which would be able to make her speed after reconditioning.

The Navy Department has asked for funds to recondition these six oldest battleships and to give them new boilers for oil burning, because the life of these boilers has about reached the limit.

CRUISERS

Cruisers built, building, or authorized since 1912 compared in ratio of the number of cruisers—

Great Britain	5
United States	1
Japan	3

And compared in tonnage ratio—

Great Britain	5
United States	1.5
Japan	3

DESTROYERS

Comparing number of destroyers in commission with full or reduced crews as of October 1, 1923—

Great Britain	196
United States	109
Japan	63

Or ratio of about—

Great Britain	5
United States	3
Japan	1.5

Comparing actual numbers of first-line effective destroyers in and out of commission—

Great Britain	201
United States	288
Japan	92

Or ratio of 5-7-2.

SUBMARINES

Built and building, 485 tons and over, tonnage ratio is—

Great Britain	4.7
United States	7.6
Japan	7.3

AIRCRAFT CARRIERS

Built and building on tonnage basis—

Great Britain	5
United States	4
Japan	3

(2) For the positive statement that we have paid no attention to the lessons of the war, this is not correct. We have paid attention to these lessons, but it has not been practicable to apply them in several important particulars. (See par. 1, (b), (c), (d), (e), (f).)

4. "Perhaps the greatest lesson of the war was the effectiveness of the torpedo. Until 1914 no one in or out of the Navy dreamed of the power of the torpedo. No one dreamed it was a weapon of such importance that upon it might hang the success or failure not only of naval units but of military units as well. Within a month after the outbreak of hostilities, however, the torpedo had become one of the chief weapons of naval warfare. That came about when three British cruisers, the *Hogue*, the *Cressey*, and the *Aboukir*, were sunk in the North Sea."

This statement is controversial. The effectiveness of the torpedo as the greatest lesson of the war is open to doubt. It had great effect.

The last sentence is approximately correct.

5. "Efficacy of 'blistering.'"

"It was not long before the torpedo had made the seas unsafe for capital ships and the British turned around for some method of protection for their battleships. They decided to 'blister' them.

"Now a blister is, roughly speaking, an outside hull, put on both sides of the vessel below the water line, for it is below the water line that the torpedo strikes. They blistered such of their ships as they could during the war. They have blistered them all since the war.

"They have done more than give protection to the ship, however, in this process of blistering. They have utilized that space inside the blister to carry reserve oil. This not only adds to the protection and adds to the displacement of the ship, but it increases cruising radius up to perhaps 23,000 miles. Curiously the blister also adds to the speed of the ship."

First paragraph is correct, in so far as regards the British adopting blisters to minimize the effects of torpedo hits.

Second paragraph is correct, except for the last sentence. As far as our information goes, when the *Rodney* and *Nelson* are completed the British will have equipped 10 of their 20 battleships with blisters or their equivalent. England has 10 battleships that will need blisters. The United States has 5 ships of their 18 fitted with the equivalent of blisters and has 13 ships that need blisters.

Third paragraph. There is no reliable data on the points brought out in this paragraph. Blisters do add to the displacement of ships, but they decrease the speed. Oil carried inside a blister will give some protection.

6. "Japan is also blistering her big ships. She is to spend 50,000,000 yen for modernization of nine ships, and much of it is to go for this work of blistering. Her ships of the *Fuso* class are to be blistered. That means they will have protection against torpedo attack; they will have so much more reserve fuel oil and their cruising radius will run up to 23,000 miles.

"We have done nothing. None of our ships are blistered. None are to be blistered. The Navy wants it done, but what the Navy wants and what Congress gives it are two different things."

First paragraph. It is not definitely known what Japan is doing with regard to blisters. It is true that Japan intends to spend 50,000,000 yen for modernizing ships. But nothing definitely is known how this money will be spent. Press reports state that the Japanese ships are to be converted to oil burners and given increased deck protection.

Second paragraph. Statements as to blisters on the United States ships are incorrect. United States has 5 ships with equivalent of blisters and 13 ships that need them.

7. "Neglected lessons of war.

"We have not only failed to modernize our ships by blistering them but we have failed to learn the lesson of deck armor as well. Nowadays the angle of fire is so high and bombing so feasible that the vitals of a ship are unduly exposed to attack. These vitals are the machinery, fuel, and ammunition. To protect them the British have built as many as three armored decks. The *Nelson*, *Hood*, and *Rodney* have armored decks, and it is entirely probable that the two ships of the *Renown* class, the *Tiger*, the five *Royal Sovereigns*, and the five *Queen Elizabeths* also have three armored decks."

Twelve of our eighteen ships compare favorably with Japanese and British ships as regards deck protection. The remaining six ships have insufficient deck protection. The British provided some additional deck protection as a result of Jutland. Nothing definite is known of the Japanese in this respect. Second and third sentences are correct.

8. "The Japanese, too, have modernized their ships in this respect. Two of Japan's capital ships have three decks of armor; two others have two decks. We, however, have only one deck armored as protection against the long-range gun and the aerial bomb."

Nothing definite is known as regards the Japanese in this respect. (See comment under paragraph 7.)

9. "Even if we were on equal terms we could be destroyed by our failure to provide sufficient armored decks. But we are not even on equal gun terms. The average range of the 22 British ships is 24,967 yards, practically 25,000 yards; while the average range of our capital ships is 23,333 yards. We could be blown out of the water by the British without even hitting the target. They could stand off out of range and do it.

"Marked deficiency in speed.

"It is true that we have five ships of equal range with the British. These are the two ships of the *California* class and the three ships of the *Colorado* class. They have a range of 30,000 yards and they would have to do all the fighting, because every other ship in the British Navy—19 of them—outrange every other ship in the American Navy. And that is not all. While the *California* and the *Colorado* ships have the same range as the *Hood* and the two *Rodneys*, those ships could sail circles around ours, for the *Hood* makes 31 knots and the two *Rodneys* make 30. Against this none of our ships can do better than 21."

First paragraph. As to our needs in armored decks, see paragraph 7. As to equal gun terms the facts are: We have 5 ships which are superior in range to 18 British ships. These 5 are about equal in range to 2 new British ships (*Rodney* and *Nelson*, under construction).

The British capital-ship fleet enjoys a very marked superiority in the number of ships that may be brought into action at the moderate and decisive ranges between 21,000 and 24,000 yards. This superiority is shown in the following table:

Range, in yards	British ships in action	American ships in action
24,000	19	10
23,000	20	10
22,000	20	12
21,000	20	15

The statement as to average gun ranges means nothing, as a few ships with extreme ranges are averaged in with a greater number of ships with low ranges. The figures above give more information.

As to speed, the British have five battleships that make 4 knots greater speed than the fastest American battleship, and four battle cruisers than can make from 9 to 10½ knots greater speed than the fastest American battleship. Our lack of battle cruisers of high speeds

is because we have deemed it more prudent to place the money available in the more powerful battleships with less speed and heavier armor, hence greater vitality.

Mr. Shearer gives a table of ranges as follows:

British

Class	Number of ships	Speed	Caliber of guns	Range
			Inches	
Tiger	1	30	13.5	23,800
Iron Duke	4	22	13.5	23,800
Renown	2	30	15	24,300
Royal Sovereign	5	21	15	24,300
Queen Elizabeth	5	21	15	24,300
Glorius	2	30	15	24,300
Hood	1	31	15	30,000
Rodney	2	30	16	30,000

United States

Class	Number of ships	Speed	Caliber of guns	Range
			Inches	
Utah	2	21	12	20,000
Wyoming	2	21	12	22,000
Texas, Arizona, and Nevada	6	21	12	20,000
New Mexico	3	21	14	22,000
California	2	21	14	30,000
Colorado	3	21	16	30,000

"WOULD BLOW US OUT OF THE WATER

"You can see by those figures, * * * that it would be 5 ships against 22. They would blow us out of the water.

"Then consider the element of speed. The *Hood* makes 31 knots; the two *Rodneys*, the two *Glorious* class, the two *Renowns*, and the *Tiger* make 30; the five *Queen Elizabeths* make 25. In other words, one makes 31 knots, seven make 30 knots, and five make 25 knots. Against that what have we? Not one of our eighteen ships can make better than 21 knots. What is more, the British engines are built to make a knot or two more than their designed speed. Our ships are not. In fact, when they don't come up to the designed speed in their trials, Congress helps the contractors out and accepts them anyway. The shameful thing about it is that, while our eighteen capital ships have designed speed of 21 knots, four can do only 16 knots, and six can not make more than 12 knots. On paper the *Pennsylvania*, the *Arizona*, the *Oklahoma*, and the *Nevada* make 21 knots; actually they can do only 16. On paper the *New York*, the *Texas*, the *Utah*, the *Wyoming*, the *Arkansas*, and the *Florida* can make 21 knots; actually they are all coal burners and can make only 12 knots."

The above tables are incorrect in many places as to ranges. For comparison of ranges see statement under paragraph 9 above. The statements as to speed of four United States ships being reduced to 16 knots and six ships reduced to 12 knots are not correct. The speeds are as indicated below:

British

Class	Number of ships	Speed
Tiger	1	
Iron Duke	4	21
Renown	2	31.5
Royal Sovereign	5	23
Queen Elizabeth	5	25
Hood	1	31
Rodney	[1]2	[2]23

[1] Latest design. [2] Estimated.

United States

Name of ship:	Speed.
Colorado	[1]21.15
West Virginia	[2]21.00
Maryland	[1]20.84
Tennessee	[1]20.86
California	[3]20.87
Idaho	[1]21.26
New Mexico	[3]20.90
Mississippi	[1]21.01
Arizona	[4]21.30
Pennsylvania	[1]21.33
Nevada	[1]20.81
Oklahoma	[1]20.60
Texas	[1]20.46
New York	[1]20.91
Arkansas	[5]21.00
Wyoming	[5]21.00
Florida	[4]12.00
Utah	[5]21.00

[1] Last full power runs.
[2] Trial speed.
[3] Estimated when repairs are completed.
[4] Present speed. Awaiting funds for new boilers.

The statement that the British engines are built to make a knot or two more than their designed speed is not confirmed by our information.

All of our ships at present can make their designed speeds, or practically so, except the *Utah*, *Arkansas*, *Wyoming*, and *Florida*. The boilers of these ships have through long use become deteriorated. They have recently been sent to navy yards to undergo repairs, which will be completed, except for the *Florida*, by July 1, 1924. These repairs place these vessels again in the battle line for a time.

The following record of time spent by them in navy yards for repairs during the last two fiscal years is indicative of their condition:

Calendar days at yard for repairs

Ship	1922	1923	Total
Florida	49	267	316
Utah (abroad)	None.	126	126
Wyoming	110	109	219
Arkansas	110	193	303

The *Florida* can make now only 12 knots. Her repairs are held up pending the decision of Congress relative to her modernization.

The complete reconditioning of these four vessels is essential.

11. "Far below treaty strength.

"'Now, consider the light cruiser situation. The British are five to one better than us, and the Japanese two and one-half to one. An official memorandum of the Navy Department shows that the three navies stand this way:

Light cruisers necessary to bring up to 5-5-3 ratio

	Number of ships	Tonnage
United States	19	187,833
British Empire	7	72,093
Japan	None.	None.

"'That table shows that the Japanese are up to strength and we are 19 ships below strength. The Navy Department knows it can not get 19 fast light cruisers, however, so it has asked for 8. It expects to get none.

"'Back in 1916 we authorized 10 cruisers. That was the year before we entered the war. Of those 10, 7 have been built; 3 have not yet been completed, and before they are launched they are out of date. It is just that sort of thing that has turned the 5-5-3 ratio into a 5-3-1 ratio, with America 1.'"

For a comparison of cruiser ratio see comment under paragraph 3, page 3.

On the basis of comparing the displacement tonnage of light cruisers less than 12 years old and of 25 knots or greater speed Mr. Shearer's table is incorrect. It should read as follows:

LIGHT CRUISERS

Ships necessary to build to bring up to 5-5-3 ratio in displacement tonnage in addition to ships now built, building, or appropriated for:

	Number of ships	Tonnage
United States	[1]21 [2]22	[1]210,000
Great Britain	None.	None.
Japan	None.	None.

[1] 10,000 tons.
[2] On basis of present Japanese tonnage.
[3] On basis of British tonnage, including 5 new ones in 1925 British estimates.

This table shows that at the present date (April 8, 1924), we require twenty-one 10,000-ton cruisers to obtain a 5-5-5 ratio with Japan and need twenty-two 10,000-ton cruisers to obtain an equality or 5-5 ratio with England (on tonnage basis). As these ships would be larger and more modern than the majority of the corresponding units in the British and Japanese Navies, this would give us a preponderance in cruiser strength if all were completed as of to-day. All nations, however, have cruiser-building programs, and this Nation should map out a program for the future, with the end outlined above in view.

12. "Now consider the destroyer situation. The British have 170 destroyers in service. The Japanese have 69 destroyers in service. We have 107 or 108 destroyers in service. The rest of our destroyers, some 225 or 230 of them, are tied up, hull to hull, and bow to stern, in Philadelphia and other places, just like the Shipping Board vessels you can see up the Hudson, and you know what is happening to their machinery all this time."

For the comparative situation as to destroyers, as of data obtainable on October 1, 1923, see paragraph 3, page 3.

13. "Personnel drops off.

"'To illustrate the condition of the destroyer fleet let me go back to just after the war. We had a great number of destroyers at Newport then. It was announced that they would be taken to Charleston, S. C., for winter quarters. Do you know how that was done? Six officers and about 40 men boarded a destroyer and made a daylight run to Charleston. Then they tied her up, came back by train and took another destroyer down. That is how the entire lot was moved, but the public never knew it.

"'And the reason for this is that we have let our personnel drop off.'"

This method of moving destroyers was employed because there was not sufficient personnel to man all of them. Whether or not the exact number of men stated took destroyers from Newport to Charleston just after the war in the manner stated is not known.

14. "In personnel we are nowhere near the 5-5-3 figures. We have 7,500 officers and 86,000 men; we should have 12,585 officers and 97,125 men. The British are practically up to strength and the Japanese are up to strength with 7,550 officers and 58,274 men."

The situation as to personnel is as follows:

	Great Britain	United States	Japan
Active Navy:			
Enlisted men	91,397	86,000	58,274
Officers	8,571	7,821	7,550
Enrolled reserves and retired Navy:			
Enlisted men	62,636	24,173	[1]31,419
Officers	9,843	6,193	

[1] Total officers and men.

As to Mr. Shearer's statement as to the number of men we should have, the Navy Department has frequently recommended to Congress the numbers necessary to carry out our plans and to maintain our policies.

15. "We have no bases of operations and virtually no fuel oil in reserve. Actually all the fuel oil stored above current needs is 1,500,000 barrels at Pearl Harbor, Hawaii. Our Navy uses about 8,000,000 barrels a year, and in war we use about 40,000,000 barrels. And all we have is an infinitesimal amount at a point 2,100 miles off our shores."

This statement is not strictly correct. We have no operating bases in the Pacific that are adequate. The Atlantic bases are better, but are not nearly all adequate. As regards petroleum reserves, we have a deficiency of 68 per cent in the reserves required in the Pacific, i. e., 32 per cent only of the necessary reserves is on hand. The Atlantic reserve deficiencies are still greater. The reserve at Oahu on January 1, 1924, was about 1,759,667 barrels. In a Pacific war the Navy will use about 70,000,000 barrels during the first year of war.

16. "Fleet in poor condition.

"'Finally, the fleet is in poor condition. Congress has failed to provide funds to keep it in shape. The Atlantic Fleet is practically out of commission. The recent maneuvers had to be broken off because the *Wyoming* (flagship), *Arkansas*, *Utah*, and *Florida* needed to undergo repairs. They are tied up now. Their boilers are in bad shape and there is no money to do the work.'"

It is a fact that the matériel of the fleet is generally deteriorating, due to age and lack of funds to make all current repairs required. The bill as reported to the House this year carried an increase in the appropriation under engineering, to be applied to remedy in part this deficiency. Also the bill reported by the House Naval Affairs Committee authorizing certain modernization in the older battleships has this end in view.

17. "So that the situation is just this: Not only are we outgunned and outmanned, as I pointed out in yesterday's article, but we have failed to modernize our ships as well. England and Japan have blistered their battleships. That means they have given them further protection against torpedo attack, added to their fuel capacity, and greatly increased their cruising radius. We have done nothing."

These statements have been commented upon, separately, in the foregoing paragraphs. As to the last sentence, authority for the modernization of six battleships has been asked for in this Congress. The Secretary of the Navy in his annual report for 1923 recommended an appropriation of $30,000,000 for complete modernization of battleships.

18. "England outranges us 2 miles. When the Japanese have finished elevating their guns they will in some classes outrange us 5 miles. England has provided adequate deck armor against long-range guns and aerial bombs. We have done practically nothing."

See comments on paragraphs 7 and 9.

19. "Japan is up to the treaty's equivalent standard on light cruisers, England nearly so, while we are far behind, and those that we are building are out of date before they are launched."

See comparisons of cruisers, page 3.

20. "Japan is up to the treaty's equivalent standard in destroyers, England is behind but better than we, and we have two-thirds of our destroyers tied up and falling to pieces."

England has 196 destroyers manned with full or reduced crews, the United States has 100, and Japan 63. For comparison as to total number and ratios see page 3.

21. "In personnel Japan is right up to strength, to the last officer and the last man; England is nearly up to strength, while we are 5,085 officers and 18,525 men under strength. Actually it is more than that, because our Navy, besides being a fighting force, has to maintain a thousand and one things, from a radio communications service to looking after lepers."

See comment on paragraph 14.

22. "It all shapes up this way: We have scrapped our ships, we have scrapped our treaty, and we have failed to modernize. The naval ratio to-day instead of being 5-5-3 is 5-5-1 and we are 1."

This statement is greatly exaggerated. Plans have been prepared for the complete modernization of our battleships, as recommended in the Annual Report of the Secretary of the Navy, to cost $30,000,000. Authority for modernization of the six coal-burning battleships has been requested of the present Congress. The department asked authority of the present Congress to build eight 10,000-ton light cruisers; also for funds to build three mine-laying submarines.

As to the last sentence, it is difficult to definitely state our exact strength due to the varying ratios in the different types. A fair approximation may be obtained by study of the ratios for the various types in paragraph 3. A fair comparison of the present fighting strength in ships of Great Britain, America, and Japan would appear to be 5-4-3. This ratio does not take into consideration strategically located and well-equipped naval bases, which add greatly to the sea power of a nation; nor does it take into consideration the relative strength of the various merchant marines.

The Navy is in good shape with the exception of the above-designated deficiencies, which should be remedied. The morale of the personnel, both commissioned and enlisted, is high. The appropriations furnished by Congress are being applied in such manner as to obtain the very best results.

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent that I may proceed for a moment.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House. Is there objection? [After a pause.] The Chair hears none.

Mr. BRITTEN. I desire to say to the House that this report from the Secretary of the Navy shows the Naval Establishment to be in a deplorable condition, irrespective of what has been said by others. The Secretary of the Navy himself admits many deficiencies, and the reason for the Committee on Naval Affairs directing me to submit this unanimous-consent request is that the House may be informed on the true status of the Naval Establishment. On next Wednesday legislation will probably be presented to the House to remedy some of these defects and to put our Navy at least in a 5-4-3 status and not a 5-3-2 status with the United States as the 2 end, which it now may be.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. GARNER of Texas. Would the gentleman mind putting in the RECORD at the same time the amount of money spent in the last three years on the different navies of the world whereby ours has come to occupy the relation of 5-3-2 and yet we have spent more money than any of the others? Will the gentleman explain why that is?

Mr. BRITTEN. Yes; I will be glad to put that information in the RECORD. The truth of the matter is that both England and Japan are spending much more money relatively, per annum, than we are, and particularly on aviation for the Navy.

In the past two years we have appropriated $14,647,000 and $15,150,000, respectively, for naval aviation, while England in the past three years, on aviation alone (England having a combined Royal Air Force), spent £10,895,000 in 1923; £12,000,000 in 1924; and is authorizing £14,511,000 for the year 1925, which is almost five times what we are appropriating for the Navy.

My good friend from Texas has an idea that we are spending proportionately more than other countries on our Navy. Let me give him the following figures:

United States

1922	$416,574,437
1923	284,054,767
1924	320,204,550
1925	288,151,050

Great Britain

1923	$314,000,000
1924	280,000,000
1925	270,000,000

Japan	Yens
1922	483,580,712
1923	397,406,782
1924	278,692,422
1925	238,000,000

Mr. Speaker, the United States figures do not include the Marine Corps appropriations because neither Great Britain nor Japan have that kind of a service attached to their Navy. Marines in the British Navy are seamen like our Navy enlisted man.

In arriving at the figures for Great Britain I have figured the British pound sterling at approximately $4.85.

A glance at these figures will immediately impress one with the economy attempted in our appropriations, where I fear that the cuts have been too severe.

In the year 1921 we appropriated $664,000,000 for our Navy and have been reducing this amount very heavily each succeeding year, even below the lowest figures of the Director of the Budget.

In the bill which has just passed the House we cut the Navy $1,330,000 below the Budget figures, and in last year's bill we cut it $2,454,000.

When one realizes that the Japanese yen has a much greater actual purchasing power than the dollar, it is quite evident that Japan is doing more for her navy than we are for ours.

From fifteen to twenty million dollars a year should be added to the figures of Great Britain for naval aviation.

The SPEAKER. The time of the gentleman has expired.

Mr. BRITTEN. Mr. Speaker, I ask unanimous consent for one minute more.

Mr. JOHNSON of Washington. Reserving the right to object, Mr. Speaker——

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I do not believe this day should be taken away from consideration of the proposed farm-relief legislation, and I shall have to object. Wednesday will be time enough.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to address the House for one minute.

Mr. CRAMTON. I object.

ORDER OF BUSINESS

Mr. LONGWORTH. Mr. Speaker, I desire to modify my request. After consultation with the leader of the minority, I ask unanimous consent to fix Wednesday instead of Thursday for the consideration of claims.

Mr. BLANTON. Mr. Speaker, Wednesday is calendar day, and we will be busy here all day, and I object.

I withdraw my objection at the request of the minority leader.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

TO AMEND THE NATIONAL DEFENSE ACT OF JUNE 3, 1916

Mr. McKENZIE. Mr. Speaker, I call up the conference report on S. 2169, a bill to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

The SPEAKER. The gentleman from Illinois calls up a conference report, which the Clerk will report.

The Clerk read the title of the bill.

Mr. SEARS of Florida. Mr. Speaker, I make the point of no quorum.

The SPEAKER. It is evident there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	Fish	Mead	Stengle
Anderson	Fisher	Merritt	Sullivan
Bacharach	Fleetwood	Miller, Ill.	Taber
Begg	Frothingham	Mooney	Taylor, Colo.
Boies	Geran	Moore, Ill.	Taylor, Tenn.
Bowling	Gibson	Morin	Temple
Begian	Glatfelter	Model	Tydings
Byrnes, S. C.	Graham, Pa.	Nelson, Wis.	Vaile
Cable	Graham, Ill.	Newton, Mo.	Vare
Celler	Howard, Okla.	O'Brien	Ward, N. Y.
Clark, Fla.	Kahn	O'Connor, La.	Watson
Cleary	Kent	Park, Ga.	Watson
Connolly, Pa.	Kiess	Patterson	Weller
Curry	Kunz	Perkins	Welsh
Dallinger	Langley	Perlman	Wertz
Davey	Lehlbach	Porter	White, Me.
Davis, Minn.	Lilly	Quayle	Williams, Tex.
Dempsey	Lineberger	Ransley	Winslow
Dickstein	Linthicum	Reed, W. Va.	Wyant
Dominick	Little	Reid, Ill.	Zihlman
Drane	McDuffie	Rogers, N. H.	
Dewey	McFadden	Rosenbloom	
Hagan	McSwain	Stalker	

The SPEAKER. Three hundred and forty-four Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

DESIGNATION OF SPEAKER PRO TEMPORE TO-MORROW

The SPEAKER. The Chair designates to preside to-morrow at the memorial services of Hon. JOHN R. TYSON, the gentleman from Alabama, Mr. ALMON.

LEGISLATIVE APPROPRIATION BILL

Mr. DICKINSON of Iowa, from the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union.

Mr. GARRETT of Tennessee reserved all points of order.

TO AMEND THE NATIONAL DEFENSE ACT OF JUNE 3, 1916

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendments numbered 6 and 11.

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 7, 8, 9, 10, and 12, and agree to the same.

Amendment numbered 5: That the Senate recede from its disagreement to the amendment of the House numbered 5, and agree to the same with an amendment as follows: Strike out the language proposed to be inserted by the House and in lieu thereof insert the following:

"SEC. 2. Add at the end of section 4c of the national defense act of June 3, 1916, as amended, the following: 'When in his judgment efficiency demands such action, the President is authorized to except officers of the Medical Corps, Ordnance Department, and Chemical Warfare Service from the provisions of this section requiring duty with troops of one or more of the combatant arms. The President is further authorized to except from the provisions of this section requiring duty with troops of one or more of the combatant arms such officers of the Judge Advocate General's Department as are now engaged in patent litigation in which the Government is involved.'"

And the House agree to the same.

JOHN C. McKENZIE,
HARRY E. HULL,
PERCY E. QUIN,
Managers on the part of the House.

J. W. WADSWORTH, Jr.,
RALPH H. CAMERON,
DUNCAN U. FLETCHER,
Managers on the part of the Senate.

Mr. McKENZIE. Mr. Speaker, it is not my purpose to occupy any of the time of the House in the discussion of this conference report further than to yield five minutes to the gentleman from Ohio, General SPEAKS, who feels that a mistake was made in striking out one amendment. After the conclusion of his remarks I will move the previous question.

Mr. SPEAKS. Mr. Speaker, when this bill was up on the 14th of May I offered the following amendment:

Amendment by Mr. SPEAKS: Page 11, line 15, after the period add the following: That section 9 of the act of June 10, 1922, is hereby amended by adding at the end of said section the following:

"The Secretary of War is hereby authorized in execution of the preceding provision to fix the pay grades hereunder of all enlisted men of the Army, retired prior to the inception on July 1, 1920, of the operation of section 4 (b) of the national defense act as amended."

I said in explanation of that amendment:

Mr. Speaker, this amendment is offered with the consent of the chairman of the committee. The language is that of the War Department. The amendment in no wise affects any commissioned officer of the Army. It relates solely to enlisted men of the Army with 30 years of service, upon which they retired. When the pay bill was enacted the language in one particular was such that the comptroller held that these men could not occupy a classification which it had been intended they should have.

The language of this bill simply authorizes the Secretary of War to so classify.

Now, I might add that the men affected are all old soldiers who enlisted in the Army 40 or 50 years ago at $13 a month. After serving in the ranks at $13 for some time they would be promoted to the grade of corporal with slight increase in pay, and after six or eight years in the grade of corporal they would be elevated to a sergeancy, and probably spend many years in this position. They were encouraged to remain in the Army with the hope that continuous service and an excellent record might enable them to attain the rank of post noncommissioned officer. The old fellows have been retired, and always after 30 years of uninterrupted and efficient service. When the pay bill was enacted in 1922 on the claim that all officers, noncommissioned officers, and enlisted men were entitled to increased compensation, these old men were given consideration, and the bill enacted July 1, 1922, provided that retired enlisted men of the Army and Marine Corps shall have their retired pay computed as now authorized by law on the basis of pay provided in this act; that is, the bill you were then enacting.

It was clearly the intention of Congress in revising the entire pay schedule that these faithful old enlisted men should be recognized and included in the benefits conferred by its provisions. The object of this amendment is merely to clarify the language so that the comptroller will find no occasion for questioning its meaning and withholding the increased pay intended by Congress. I ask the House to defer approval of this conference report until I have an opportunity to present the matter, because I feel that the committee action results, in part at least, from a misunderstanding of the facts. I have reason to believe that if opportunity is granted to take the report up with the committee the matter can be made satisfactory to everybody and thus prevent doing an injustice to anyone. Therefore I ask the House not to vote upon this conference report.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. SPEAKS. Yes.

Mr. HOWARD of Nebraska. Will the gentleman tell me whether or not this bill will readjust the compensation of these soldiers after they have been retired?

Mr. SPEAKS. Yes. That was the intention of the law.

Mr. HOWARD of Nebraska. It does not adjust their compensation while they are alive?

Mr. SPEAKS. Oh, they are living. It is now that we want the intention of Congress carried out, so that these faithful old veterans may receive the benefits granted by an appreciative and generous people.

Mr. HOWARD of Nebraska. I think that is hardly in keeping with the presidential program, is it?

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. McKENZIE. Mr. Speaker, just a word. I am not certain, but I am rather inclined to believe that there is some merit in the contention of the gentleman from Ohio [Mr. SPEAKS], but the conferees felt that it is a matter that is too involved to include in this bill without further consideration and investigation. Therefore they excluded it.

Mr. SPEAKS. Mr. Speaker, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. SPEAKS. This amendment was offered at the only place in that bill or any other bill pending where it would be entirely germane, the place being not only appropriate but it seemed to be the exact place it should be offered.

Mr. McKENZIE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. SPEAKS) there were—ayes 119, noes 21.

So the conference report was agreed to.

M'NARY-HAUGEN BILL

Mr. HAUGEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9033) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9033, with Mr. SANDERS of Indiana in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I.—AGRICULTURAL EXPORT CORPORATION

PART 1.—EMERGENCIES

GENERAL EMERGENCY

SECTION 1. (a) It is hereby declared that there exists a general emergency in respect of agricultural commodities by reason of—

(1) The continued economic depression in agriculture.

(2) Inequalities in prices between agricultural commodities and other commodities, resulting in a relatively inadequate return to the farmer for his labor and upon his investment.

(3) The existence of surpluses available for export in agricultural commodities.

(4) The necessity in part for the existence of such surpluses in order to safeguard the domestic market against uncertainties of yield, and the economic impracticability of immediately preventing the continued production of such surpluses.

(5) The dependence of the prices of such surplus commodities upon the lower prices in foreign markets due to unsettled world conditions and lower costs of production.

(b) The President shall by proclamation terminate the emergency declared by this section whenever the corporation (created in section 21) determines that the emergency conditions have ceased to exist or are no longer controlling; but in no event shall the emergency be held to exist later than five years from June 30 next following the date of the passage of this act.

Mr. ASWELL. Mr. Speaker, I move to strike out the section just read and insert the following matter, with notice that if the motion prevails a motion will be made to strike out the other sections of the bill.

The CHAIRMAN. The gentleman from Louisiana offers an amendment by way of substitute, which the Clerk will report.

Mr. BLANTON rose.

The CHAIRMAN. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. To offer a preferential amendment. This amendment which the gentleman from Louisiana has just offered is in the nature of a substitute. I have an amendment to perfect the section, which takes precedence over the amendment of the gentleman from Louisiana.

The CHAIRMAN. Is the gentleman's amendment simply a perfecting amendment to this section?

Mr. BLANTON. A perfecting amendment to the first section, and I offer it as a perfecting amendment.

The CHAIRMAN. The Chair thinks the gentleman from Louisiana is entitled to have the amendment reported.

Mr. BLANTON. But I should be permitted to have a vote upon mine first.

The CHAIRMAN. The Chair will determine that later. The Clerk will read.

Mr. BLANTON. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. The point of order is that under the rules of the House, which control the committee, perfecting amendments are preferential and take precedence over substitute amendments. An amendment to a paragraph read in the committee which perfects that paragraph takes precedence over an amendment offered as a substitute. The Chair has seemingly ruled to the contrary, and I do not think the Chair wants to make a ruling that could be used as a precedent in the future that is not sound. The amendment of the gentleman from Louisiana is a substitute not only for the paragraph but for the entire bill, and I insist upon the point of order.

The CHAIRMAN. The rule is that a perfecting amendment takes precedence over a substitute amendment, but if the amendment by way of substitute has been offered, the Member obtaining recognition, and then some one else subsequently obtains recognition and says he has a preferential amendment to offer, the preference relates only to the action by the committee upon the amendment and not to the method of offering it. The Chair will later recognize the gentleman from Texas to offer his amendment, but at the present time the amendment of the gentleman from Louisiana may be reported.

Mr. RUBEY. Mr. Chairman, a parliamentay inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RUBEY. Is it necessary to reserve all points of order upon the amendment before it is read?

Mr. BLANTON. Mr. Chairman, I make the point of order that that comes too late, because there has been argument upon it.

The CHAIRMAN. Oh, the amendment has not yet been reported.

Mr. ASWELL. Mr. Chairman, I would like, if it is practicable, to have the amendment that I have offered read and then submitted to the Chair without discussion now of the point of order.

The CHAIRMAN. The Chair will determine that later. The amendment will be reported.

The Clerk read as follows:

Amendment by Mr. ASWELL: Strike out the section and insert:

Be it enacted, etc.—

TITLE I.—INTERSTATE FARM MARKETING ASSOCIATION

ORGANIZATION

SECTION 1. For the purpose of (a) promoting and stimulating the orderly flow of agricultural commodities in interstate and foreign commerce, (b) removing direct burdens and undue restraint upon such commerce in such commodities, and (c) providing for the processing, preparation for market, handling, pooling, storing, and marketing in such commerce of agricultural commodities through cooperative marketing associations, the following 11 individuals, E. L. Harrison, Lexington, Ky.; J. H. Kimble, Port Deposit, Md.; C. S. Barrett, Union City, Ga.; Frank O. Lowden, Oregon, Ill.; George Gordon Battle, New York; B. F. Yoakum, Farmingdale, N. Y.; J. W. Batcheller, Mission Hill, S. Dak.; Peter Ten Eyck, Albany, N. Y.; Ike T. Prior, San Antonio, Tex.; A. C. Thomas, New Harmony, Ind.; H. R. Green, Moline, Kans.; and their successors, are hereby incorporated and declared to be a body corporate under the name of the Interstate Farm Marketing Association (referred to in this act as the interstate association). The incorporation shall be held effected upon the passage of this act.

GENERAL POWERS

SEC. 2. The interstate association—

(a) Shall have perpetual succession;

(b) May sue and be sued in its corporate name;

(c) May adopt a corporate seal, which shall be judicially noticed, and may alter it at pleasure;

(d) Shall have its principal office in the District of Columbia;

(e) May make contracts;

(f) May acquire, hold, and dispose of property necessary for carrying out the purposes of the association;

(g) May appoint, fix the compensation of, and remove without prejudice to contract rights, such officers, employees, and agents as are necessary for the conduct of the affairs of the interstate association. Such officers, employees, and agents may be either individuals, partnerships, corporations, or associations. Each such officer, employee, or agent responsible for the handling of money or the custody of agricultural commodities shall give bond in such amount, with such penalties and upon such terms as the interstate association shall determine;

(h) May accept the services of any person without compensation;

(i) May adopt, amend, and repeal regulations;

(j) Shall have such powers not specifically denied by law as are necessary and proper to conduct, under this act and in accordance with approved business methods, the business of cooperatively processing, preparing for market, handling, storing, and marketing agricultural commodities, or such further business as is necessary and incidental thereto.

SPECIAL POWERS

SEC. 3. The interstate association is authorized—

(a) To provide or approve systems of accounting for local and State organizations organized under Title II;

(b) To provide a system of reporting and disseminating crop and marketing information for the benefit of such organizations;

(c) To advise the members of such organizations as to the diversification of production of agricultural commodities and as to the increase or decrease of production necessary to provide an adequate supply of the commodity without causing either an undue surplus or shortage of production;

(d) To determine, subject to the approval of the members, upon the annual budget and necessary supplements thereto, of the receipts and expenditures of the association;

(e) To provide for the commodity assessment against State associations of fees sufficient (1) to meet the expenditures of the interstate association authorized in any approved budget, (2) to repay all loans and interest thereon provided for in section 301, and (3) to establish a reserve fund in such amount as the members of the interstate association determine to be necessary to enable it most effectively to execute the functions vested in it by this act;

(f) To acquire, construct, maintain, and dispose of or acquire the rights of operation of (1) storage warehouses for agricultural commodities, (2) facilities for transportation (otherwise than as a common carrier) in connection with the storage of such commodities, and (3) facilities for processing such commodities.

BOARD OF DIRECTORS

SEC. 4. (a) Except as otherwise specifically provided the board of directors (referred to in this act as the "interstate board") to be composed as hereinafter provided in this section, shall direct the exercise of the functions vested in the interstate association.

(b) The first board of directors shall be composed of four members, one of whom shall be a fiduciary officer of the United States designated by the President, and three of whom shall, within one month after the enactment of this act, be elected from their own number by the incorporators named in section 1. Of the three elected members of the board of directors, one shall be elected for a term of one year, one for two years, and one for three years. A successor to the director designated by the President shall be likewise designated by him. Successors to the elected directors, except those elected to fill unexpired terms of directors, shall be elected for a term of three years by the members of the interstate association in the manner provided in section 7.

(c) A vacancy in the office of an elected director may be filled by the remaining directors until, at the next annual meeting of the members of the interstate association, a successor is elected to fill the unexpired term of such office and is qualified. Any such vacancy shall not impair the powers of the remaining directors to execute the functions of the interstate board. A majority of the directors shall constitute a quorum for the transaction of the business of the interstate board.

(d) Each elected director shall receive a salary to be fixed by such members and shall hold office until his successor is elected and qualified.

(e) The director designated by the President shall not receive compensation from the association for his services as director, other than pay for expenses incurred by him while acting as a director, and upon repayment by the interstate association of the loan and interest thereon provided in section 301, his term of office as director shall be terminated.

(f) There shall be but three elected directors, unless by a two-thirds vote of the charter members of the interstate association such number is increased, but at no time shall the number of directors exceed 11.

MEMBERS OF INTERSTATE ASSOCIATION

SEC. 5. (a) The incorporators named in section 1 shall be the first members of the interstate association. The three incorporators first listed in section 1 shall be members for a period of three years; the next three listed for a period of two years; and the five last listed for a period of one year, beginning from the date of incorporation of the association. Successors to the original members, except those elected to fill unexpired terms of members, shall be elected as provided in section 203 for periods of three years.

(b) A vacancy in the office of any member may be filled for the unexpired term of such office by election as provided in section 203.

COMMENCEMENT OF OPERATIONS

SEC. 6. The interstate association (1) shall begin its operations under this act in respect of such agricultural commodities as it considers best adapted to national cooperative marketing, and (2) shall, so far as it deems practicable, utilize such existing cooperative associations and other marketing agencies as are immediately available and capable of use for the purpose of this act.

DUTIES OF MEMBERS OF INTERSTATE ASSOCIATION

SEC. 7. It shall be the duty of the members of the interstate association—

(a) To convene as provided by regulations at the call of the interstate board and at a place to be selected by it;

(b) To elect annually directors to the interstate board;

(c) To act as an advisory group on behalf of the associations and to supervise generally the operations of the interstate board;

(d) To fix the salaries of the directors of the interstate board, and approve with or without modifications, or disapprove the annual budget of the association and necessary supplements thereto;

(e) To prepare a schedule of commodity assessments which, when approved by the interstate board, may be levied by the State associations upon their member associations.

BRANCH OFFICES

SEC. 8. (a) The interstate association may establish such agencies or branch offices at such places as it deems advisable.

(b) The interstate association shall be held an inhabitant and resident of the District of Columbia within the meaning of laws of the United States relating to venue of civil suits and of offenses against the United States.

BOOKS

SEC. 9. The interstate association shall keep, at its principal office in the custody of its secretary, correct books, showing the original or a transcript of the minutes of the interstate board's members' meetings, and showing the accounts of the association's business transactions.

ANNUAL REPORT

SEC. 10. The interstate association shall make an annual report to the Congress in respect of all loans made under authority of section 302 until such loans are repaid in full with interest.

TITLE II.—STATE COOPERATIVE MARKETING ASSOCIATIONS

ORGANIZATION

SEC. 201. In order to carry out the functions vested in it by this act, the interstate association is authorized to provide for the organization of State cooperative marketing associations (referred to in this act as "State associations") in the several States. The interstate association shall by regulation, not in conflict with the laws of the State, prescribe the form of organization in each State, whether by incorporation, contractual agreement, or otherwise.

DUTIES OF STATE ASSOCIATIONS

SEC. 202. Each State association shall—

(a) Annually select a board of directors which shall direct the operations of the association;

(b) By its board of directors annually select an individual as its representative to an annual convention of representatives of State associations;

(c) Organize as members of, or admit to membership in, such association any local cooperative association included within the provisions of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922.

ELECTION OF MEMBERS

SEC. 203. The individuals selected in accordance with section 202 as representatives of the State associations shall convene annually, at a place designated by the interstate board, and shall elect the members of the interstate association. Each representative shall have but one vote, which shall be cast in person.

REGULATION OF STATE AND LOCAL ASSOCIATIONS

SEC. 204. (a) The interstate association is authorized to prescribe regulations requiring—

(1) The adoption by local and State associations of systems of accounting approved by the interstate association;

(2) The use by the local and State associations of systems of reporting and disseminating crop and marketing information provided by the interstate association;

(3) The use by local and State associations of approved forms of agreement under the terms of which a local association is admitted to membership in a State association;

(4) The use by local associations of approved forms of marketing contracts to be subscribed to by the members of local associations;

(5) The use by local and State associations of grades and standards, not in conflict with law, of the commodities to be marketed through the State association and the interstate association, and the use of methods of packing and storing such commodities, that have been approved by the interstate association;

(6) The payment by the State association of the commodity assessments fixed by the interstate association under section 3;

(7) If the interstate association finds by a vote of two-thirds of its members that any State association, or any local association which is a member of a State association, has failed to comply with any regulation prescribed under this section, the interstate association shall adopt a resolution publishing such finding. Upon the adoption of any such resolution the State association shall be ineligible, for such period of time as the interstate association may designate in the resolution, to obtain any loan provided in section 302, to be represented at an annual convention of representatives of State associations, or to obtain the exemptions accruing to it by reason of the benefits of section 302, except that if the violation is that of a local association the State association shall not be held ineligible under this subdivision if, within 30 days after the adoption of the resolution, the membership of the local association in the State association is terminated or suspended for such period of time as the interstate association may designate in its resolution.

OPERATING ZONES

SEC. 205. For the purpose of facilitating the marketing of any agricultural commodity, State associations engaged in the marketing of such commodity, within such zones as the interstate association may designate, may consolidate their marketing operations in respect of such commodity. For the purposes of carrying out such consolidated marketing operations the State associations may jointly contract with or establish such organization as they deem advisable.

TITLE III.—MISCELLANEOUS PROVISIONS

LOAN FUND FOR ORGANIZATION PURPOSES

SEC. 301. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000, which, as appropriated, shall be set aside and reserved as a revolving loan fund in the Treasury, available to the interstate association until December 31, 1935. Payments shall be made from such fund at the direction of the director designated by the President, upon application therefor by the interstate board, and shall bear interest at the rate of 4½ per cent per annum until repaid from commodity assessments fixed by the interstate association.

USE OF FUND

SEC. 302. (a) The moneys in such fund shall be available for loans (1) to the interstate association for administration expenses of such association, including expenditures for the organization of State associations, and (2) to a State association for expenses incurred by it in its organization, or in the organization by it of local associations which are members of the State association.

(b) The interstate association shall prescribe regulations in respect of the repayment to or collection by the interstate association of all loans made under subdivision (a). All moneys repaid to or collected by such association shall be covered into such fund.

APPLICATION OF ANTITRUST LAWS

SEC. 303. The interstate association and State associations shall, for the purposes of this act, be deemed marketing agencies within the meaning of that term as used in the provisions of the first section of the act entitled "An act to authorize association of producers of agricultural products," approved February 18, 1922, and in the same manner and to the same extent as associations included in such act, shall be subject to the provisions of section 2 thereof.

COOPERATION WITH EXECUTIVE DEPARTMENTS

SEC. 304. To foster, encourage, and promote the cooperative processing, preparing for market, handling, storing, and marketing of agricultural commodities under this act and to assist in the establishment and maintenance of State and local associations, any Government establishment in the executive branch of the Government shall, in accordance with the written request of the interstate association to the head of such Government establishment, cooperate with such association or with any State association to such extent as the head of such Government establishment deems compatible with the interests of the Government.

SEPARABILITY OF PROVISIONS

SEC. 305. If any provision of this act is declared unconstitutional or the applicability thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

RESERVATION OF RIGHT TO AMEND

SEC. 306. The Congress of the United States reserves the right to alter, amend, or repeal the provisions of this act.

During the reading of the amendment the following occurred:

Mr. CANNON (interrupting the reading when the Clerk had concluded the reading of section 1). Mr. Chairman, I make the point of order that enough of the substitute has been read to show that it is not germane to the bill, and is therefore out of order.

The CHAIRMAN. The Chair is inclined to think that enough has not yet been read for the Chair to determine. The Clerk will continue the reading.

The Clerk continued the reading to the bottom of page 3.

Mr. CANNON (interrupting the reading). Mr. Chairman, I am satisfied that the Chairman has heard sufficient of this amendment to be convinced that it is not germane to the proposition before the House. There are many precedents for the Chairman's taking the matter under consideration before the reading is completed. This is a very long, involved, detailed substitute. Its reading in full will consume considerable of the time of the House; time which would be wasted when the point might as well be decided now. The very clause that has just been read indicates that it is not germane. It has been decided repeatedly that cooperation with the States is not germane to any proposition confined to proposed activities on the part of the Federal Government.

The CHAIRMAN. The Chair states that the question of whether the amendment will be read in full is largely in the discretion of the Chair, and the Chair is inclined to think that an important amendment like this should be read in full.

The gentleman's point is right on the proposition that when enough has been read and the Chair is convinced it is out of order the entire amendment does not have to be read. The Chair recognizes the rule as stated, but in this case the Chair, in his discretion, is going to have more read.

Mr. SINNOTT. Mr. Chairman, I do not want to interfere with the desire of the Chair, but it does seem to me line 11, page 3, shows that this amendment or substitute is not germane and is out of order. It touches upon nothing in this bill; it amends existing law on other matters.

The CHAIRMAN. The Clerk will continue reading.

The Clerk continued the reading.

Just before the conclusion of the reading of the entire amendment—

The CHAIRMAN. The Clerk will cease reading. The Chair thinks enough has been read to present the parliamentary point. The Chair will hear—who made the point of order?

Mr. CANNON. I make the point of order.

Mr. BANKHEAD. In order that there may not be a fragmentary showing in the RECORD as to the purposes of the substitute, I ask——

The CHAIRMAN. Without objection, the entire amendment will be inserted in the RECORD. The Clerk had almost finished the reading.

There was no objection.

The CHAIRMAN. The gentleman from Missouri makes the point of order that the substitute amendment is not in order.

Mr. CANNON. Mr. Chairman, I make the point of order that the proposed substitute is not germane to the bill. The lack of germaneness is so obvious that I shall not impose upon the Chair with a lengthy discussion of the question. For that reason I shall merely call attention to two items in the substitute which are particularly notable in their introduction of new and unrelated matter. In the first place, the substitute provides an entirely different agency. Of course it is a fundamental principle of germaneness that one individual proposition can not be amended by another individual proposition, even though it belongs to the same class, and it necessarily follows that one agency is not germane to another agency, even though their duties may be somewhat related. The bill pending before the House provides for an agency appointed by the President, of which certain Secretaries shall be constituent members. The proposed substitute provides for the appointment of certain men designated by name. Again, in the second section of the bill, and one of its principal features, is a section providing for the cooperation of the Federal Government with the States. It has been repeatedly held, and has been so decided by the present Speaker of the House, that any proposition to cooperate with the States when offered as a substitute to a proposition confined to activities on the part of the Federal Government is not germane and is not admissible as an amendment.

We might go further and specify a dozen provisions proffered by the substitute, all of which are wholly foreign to the bill and therefore subject to the point of order. But if one item in a substitute is subject to a point of order, then the entire substitute is out of order and it is hardly necessary to further impose on the chairman or needlessly consume the time of the House when those designated are sufficient to decide the question.

Mr. SNELL. Mr. Speaker, it seems to me it is not necessary to go any further than the title of the two bills to show that they do not pertain to the same thing. In the first place, H. R. 9033 declares an emergency to exist. That is the principal point of the whole bill, and it proposes to deal with that emergency by making an equality between agricultural commodities and other commodities, while the bill H. R. 8108 has for its purpose to encourage agricultural cooperative associations, an entirely different object than the original bill and in no way germane to it. The only similarity between the two bills is that they both deal with agriculture, but each in a different way, and one is in no way germane to the other.

The CHAIRMAN. Does the gentleman from Alabama desire to be heard?

Mr. BANKHEAD. I desire to make one suggestion in reference to the point of order. An examination of the substitute offered by the gentleman from Louisiana clearly shows that in many essential particulars it sets up a different character of machinery to carry out the purposes sought to be effectuated. I must candidly admit that the only condition on which the substitute as a whole can be properly submitted to the committee for consideration would be on the broad principle that the object sought to be effectuated by the two bills are identical. In other words, a reading of both of them clearly shows the purpose of this legislation is to meet an emergency in our agricultural conditions, and while it is true that different methods and machinery are set up to carry into effect the purposes by each bill, it seems to me that considering that a substitute is not necessarily construed when it is offered in this way with the same strict degree of construction as an ordinary amendment, looking at it from the broad purposes sought to be accomplished by both bills, the substitute might well be submitted to the committee for its consideration.

Mr. PURNELL. Mr. Chairman, may I say a word on this? I do not profess to have any parliamentary ability, but it strikes me a mere casual reading of these two bills clearly demonstrates the fact that their purposes are in no particular identical. This substitute which is sought to be offered for the McNary-Haugen bill is clearly for the purpose of encouraging agricultural cooperative associations. Section 1 of the substitute clearly states the purposes. It is to promote and stimulate the orderly flow of agricultural commodities in interstate and foreign commerce. Its purpose is to remove direct burdens and undue restraint upon such commerce in such commodities and also provide for the processing, preparation for market, handling, pooling, storing, and marketing such commerce of agricultural commodities through cooperative marketing associations.

This is a cooperative association bill. The McNary-Haugen bill, to which this committee has given months of hard, laborious study, seeks to promote an equality between agricultural commodities and restore a parity that has heretofore existed, checking back to the farmer the loss that is sustained in marketing abroad or elsewhere the surplus which we have for exportation. I hope the Chair will sustain the point of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Louisiana [Mr. ASWELL] by way of a substitute undertakes to deal with the agricultural problem. However, the mere fact that it tackles the same problem does not necessarily make it a germane amendment. The gentleman from Missouri [Mr. CANNON] calls attention to some of the details of the bill offered by the gentleman from Louisiana which make it, it seems to the Chair, not germane.

The bill under consideration by the committee creates a Government corporation, and through the agency of that corporation—by the aid of other agencies—undertakes to artificially provide a means of taking care of the surplus exports in such way as to raise the price of agricultural commodities up to the point where the ratio will be the same on agricultural commodities as on other commodities over a fixed period of time, and it carries out that plan. Now, this proposition, while it undertakes to relieve agriculture, undertakes to do it in an entirely different way and in such manner as would not be proper by way of a substitute, because the committee would then have to vote upon the adoption of an entire bill, which would have to be rewritten on the floor and which has never been reported by any committee. The Chair will sustain the point of order.

Mr. BLANTON. Mr. Chairman, I offer my perfecting amendment.

The CHAIRMAN. The gentleman from Texas announced that he had an amendment to offer, and the Chair said he would recognize him. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, lines 14 and 15, strike out the words "the corporation (created in section 21)" and insert in lieu thereof the words "the President."

Mr. BLANTON. Mr. Chairman, under the provisions of the bill these emergencies would exist for five years unless in the meantime the directors of the corporation should declare them to have ceased to exist. My amendment would place that duty in the hands of the President.

Did you ever see a salary drawer on the pay roll of the Government make a declaration that would stop his salary? No. And you never will see one.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. JOHNSON of Washington. The gentleman desires to imply that this $10,000 agent will not want to quit of his own volition.

Mr. BLANTON. Why, of course, he will not.

Mr. JOHNSON of Washington. I do not think he would.

Mr. BLANTON. He will not, and he will never declare these emergencies at an end. So you ought to leave this in the hands of the President. The President is the man responsible to the country, so let him assume the responsibility.

I want to show you how much divergence of opinion there is right here on the floor of this House about facts that are easily ascertained. For instance, we have heard four or five gentlemen, members of this committee, get up here and say that during the year 1923 there were $40,000,000 worth of meats imported more than those exported, $40,000,000 worth. Then, on the other hand, we have heard one or two of our friends deny that and say, as to exports and imports on meat, that the meat exported was $19,000,000 as against $3,000,000 of imports. So you see there is a tremendous divergence of opinion right here among the Members of this House. So how could you expect the five directors of this Government corporation to reach a conclusion that would conclude them out of a job—a $10,000 a year job? They are not going to do it, because whenever they conclude themselves out of a job, at the same time they are going to conclude about 50,000 other employees under them on the pay roll, out of jobs. That is

what our friend from Louisiana [Mr. ASWELL] tells us is going to result from this bill. He says it is going to put 50,000 extra employees on the pay roll. That is what our friend from Kentucky [Mr. KINCHELOE] says, and he is on the committee. That is what other members of the committee tell us, that if we pass this bill it will put 50,000 extra employees on the Government pay roll.

It is, after all, to be on the Government pay roll, and I will tell you why. This $1,000,000,000 of bonds which we authorize this Government corporation to issue—debts which they may contract to that extent—is claimed not to be a Government obligation. It is not, legally, because you are so writing it in the bill, but when that money is expended and these bonds are held by innocent purchasers scattered all over this country in our districts and they come to you and say, "Here is a bond issued by the Government; here is a bond that was issued by a Government corporation; here is a bond that was printed in your Bureau of Engraving and Printing, and I bought it because I had confidence in my Government," you, every one of you, know that you will vote to hold that a moral obligation on the part of the United States Government, and you will make that bond good. So, after all, these employees are employees of the United States, and you will have them on the pay roll of the United States Government.

The $200,000,000 which is taken as an initial appropriation out of the Treasury is just the beginning of it, but it is the $1,000,000,000 worth of bonds that should confront us, should make us pause, and make us carefully consider this matter. Therefore I say this amendment of mine ought to be adopted because it would leave it to the discretion of the President of the United States and not to this board of directors.

The CHAIRMAN. The time of the gentleman from Texas has expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 6202) to amend sections 11 and 12 of the merchant marine act, 1920, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. JONES of Washington, Mr. FERNALD, and Mr. FLETCHER as the conferees on the part of the Senate.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. RAINEY rose.

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. RAINEY. To offer an amendment.

The CHAIRMAN. There is an amendment pending. Is the gentleman's amendment an amendment to the pending amendment?

Mr. RAINEY. No.

The CHAIRMAN. There is an amendment pending, and the gentleman's amendment would not be in order now.

Mr. SINNOTT and Mr. MOORE of Virginia rose.

Mr. MOORE of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. SINNOTT. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. SINNOTT. Mr. Chairman, while speaking to the amendment, I really desire to cover in a very general way the merits and principles of the McNary-Haugen bill. Members of the Agriculture Committee have discussed it in detail.

Gentlemen of the committee, in the preamble to the Constitution of the United States, setting forth the reasons why it was ordained and established, we find one of the six great features of that preamble and one of the important reasons for ordaining and establishing the Constitution was to "promote the general welfare." The very first proposition in the Constitution, declaring the powers of Congress, authorizes collection of taxes to "provide for the general welfare." President Washington, in his final message to Congress, said:

It will not be doubted that with reference either to individual or national welfare agriculture is of primary importance.

President Coolidge in his New York address, with his usual sagacity and almost epigrammatic succinctness, stated:

Agriculture is an interest on which it is estimated that more than 40,000,000 of our people are directly or indirectly dependent. It represents an investment several times as large as that of all the railroads of the country. It has an aggregate production of over $2,000,000,000 each year. * * *

You can not long prosper with that great population and great area in distress. * * * This problem is not merely the problem of the agricultural sections of our country. It is the problem likewise of industry, of transportation, of commerce, and of banking.

Into our hands, gentlemen, under the Constitution, is committed the welfare of our country. The welfare of 40,000,000 of our people is now at stake; in fact, indeed, the welfare of the whole Nation is threatened by a grave economic crisis on account of agricultural depression.

Why is the welfare of the whole Nation threatened on account of agricultural depression? Agriculture, let me inform you members from manufacturing sections, buys 40 per cent of your manufactured products. Agriculture to-day is buying 50 per cent less than it normally buys. Already we have heard upon this floor indications that agricultural distress is having its baneful influence in your manufacturing sections, and why is that so? Take my own district. Six farmers in Umatilla County, Oreg., four years ago paid an income tax to the United States of $26,205. This year one of those farmers pays $284. The other five show a loss of $35,000. Those farmers four years ago paid 80 bushels of wheat for a two-bottom plow, 21 bushels of wheat for a suit of clothes. To-day they pay for that plow 140 bushels of wheat and pay 31 bushels of wheat for that suit of clothes. For a pair of shoes they paid 6 bushels of wheat, and now they pay 12 bushels of wheat; and those farmers are the men—I will say those wheat farmers, because I am more acquainted with conditions in wheat sections than in others—those very wheat farmers of this country contributed $2,000,000,000 toward winning the war when they patriotically and cheerfully submitted to the reduction in the price of their wheat under what they would have gotten but for governmental agencies limiting that price.

The farmer, President Wilson told us, is "the servant of the seasons." He is more than that under present conditions. He is not only the servant but he is the subject; he is the slave; he is the serf of his surplus when that surplus must be sold in foreign countries and the reflex or the repercussion from that foreign price fixes or lowers his domestic price below the cost of production.

He is asking this Congress for some legislation to remedy that intolerable situation—that incubus on his business.

The farmer is appealing to this Congress not with some newfangled proposition thought out overnight. The fundamental principles of this bill he has been studying for nearly two years. He has brought it to the Agriculture Committee of the House and it has been in the crucible, subjected to the fiery criticism of that committee for four months, and is now brought out on the floor of the House with the approval of that great committee. All the farmer asks, through the medium of this bill, is that you may help him to do exactly what the manufacturer is doing to-day, and that is, sell his surplus in foreign countries and not allow the foreign price to control the domestic market. The manufacturer is enjoying that privilege now. He can do it without the help of legislation except the tariff wall that prevents the reflex action of the foreign price controlling the domestic price. The farmer, on account of his great numbers and on account of the great magnitude of his business, must have legislation to enable him to cooperate one with the other.

The manufacturer can do this through his sales agency. It is impossible on account of the magnitude and the great number of the farmers to do the very thing that the manufacturer is doing. The manufacturer to-day is selling his surplus in foreign countries and the price of that surplus in foreign countries does not control or establish the price of his domestic sale. Why? He is protected by the tariff. Give us similar and analogous legislation. The farmer wants to see whether he can get his protection at the breech as well as the muzzle of the protective tariff gun and ordnance. All he is asking is that he may sell his product in this country not at the price you are selling your own commodities, because he is willing to pay the entire expense of this organization provided for in the bill. Therefore he is willing to sell his product in this country at a price 10 or 20 per cent below what you are getting for your manufactured commodities.

I am told a motion will be made to strike out the enacting clause of this bill. Under our parliamentary rules that means the death of the bill on the threshold of its reading for amendment. I tell you, gentlemen of the House, the farmers of the country were never more serious than they are to-day in support of this bill.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SINNOTT. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SINNOTT. Gentlemen, if you strike out the enacting clause, if you spurn the farmers' petition as King George spurned the petitions of our forefathers, the farmer will feel hurt; he will feel aggrieved; he will feel insulted; he will feel outraged; and he will have a right to so feel. Some Members laugh and scoff at this bill. It is a difficult matter to refute a sneer. They say this bill is socialistic, bolshevistic. That was also said of the first homestead bill which Buchanan vetoed; but when Lincoln came in he signed the bill which has given us the great and magnificent development of the West—the granary of the Nation.

What answer do the farmers of the West and Northwest get from New England? New England, smug, condescending, and patronizing—I will not say Pecksniffian. [Laughter.] From the pinnacle of her prosperity she looks down from the top of the protection ladder to the farmer trying to climb up, and what does she tell him through Mr. LUCE? O Luceat perpetua. He tells the farmer to stay down there; "I am coming down myself." The farmer does not want the gentleman from Waltham, where Waltham watches are made, to come down the ladder; the farmer merely asks the privilege of climbing up to you on the underside of the same ladder. [Laughter and applause.]

The poet tells us—

He raised a mortal to the skies
She drew an angel down.

The farmer wants to raise a mortal to the skies; he does not want to draw an angel down.

Then Mr. LUCE tells us that we must not set aside natural and economic laws; that this bill may cost his city $80,000 a year more. Why the price of wheat was up over $2 during the war, it has now fallen way below a dollar. Has there been any appreciable difference or reduction in the price of bread where Waltham watches are made? Not at all. But admit that it will cost them $80,000 more, who is paying that $80,000 to-day. It is the farmers in my district and your district who are not getting the cost of production for their wheat and agricultural products. He wants us to continue to do it. It makes me think of the song:

I wonder who is kissing her brow
I wonder who is paying it now,
I wonder who is kissing her brow
In Waltham.

[Laughter.]

Oh, I do not think that the people in Waltham are pikers.

They surely don't want my farmers to go down into their own pockets for $80,000; I do not think they will refuse to go 50-50 with the farmers.

Waltham does not want—

To deal out a charity scrimped and iced
Like a cautious statistical Christ.

The gentleman from Massachusetts may offer us the consolation that perhaps when Cape Cod Canal is completed our farmers will get a little cheaper freight rate through that canal. Smugly he tells these farmers that they are cultivating worthless lands. You go and tell that to the farmers in my district, to those men who paid $26,000 to the Government in income taxes in 1920, that they are farming worthless lands, and that they should discontinue such improvidence. Why, that county—Umatilla County—is one of the richest wheat counties in the world. It raises 45 to 50 bushels of wheat to the acre under the summer fallow system, and some yields, exceptional ones, have gone as high as 60 bushels to the acre. Then he admonishes us to discontinue raising wheat in such a county. He wants us to cut out our surplus farm products that have brought to the commerce of this country in foreign trade over $1,800,000,000. He would have that all discarded. Gentlemen, it is absurd. When he admonishes us to discontinue cultivating the fields that we have been cultivating for 50 years, I commend him to the Bible, to Proverbs:

He that tilleth his land shall be satisfied with bread. He that followeth vain persons shall be void of understanding.

[Applause.]

Some Members tell us with a sneer that this is a packers' bill, a millers' bill. I want to say that the packers and millers and the grain exporters appeared before the committee and denounced the bill. I think they were mistaken on their views on the bill.

Your office and mine have been filled with propaganda from day to day from these very sources—the miller, the packer, the big exporter—yet critics on the floor have the audacity to tell us that it is a packer's bill. The bill was drafted and thought out in its fundamental principles by our hard-headed farmers.

Then we have Mr. VOIGT, with all of his ridicule of this bill. After listening to Mr. SHALLENBERGER, Mr. HUDSPETH, Mr. CLAGUE, and to Mr. RUBEY, and a few others who dissected and puverized Mr. VOIGT's fantastic tale about the handling of that hog and that cow which the farmer is going to handle in such a grotesque fantastic manner, I thought—

In hog logic he's a great critic,
Profoundly skilled and analytic;
He could sever and divide
The tail 'twixt north and northwest side.

Mr. VOIGT must, indeed, have gotten inspiration for his argument from the nursery rhyme:

Tom, Tom, the piper's son,
Stole a pig and away he run;
The pig was eat and Tom was beat,
And Tom ran crying down the street.

Then take the tone of voice of the gentleman from Kentucky [Mr. KINCHELOE]. In his very tone of voice he endeavored to strike awe into you as to the horrible things and possibilities in this bill. He predicted everything direful and foreboding in a tone—

* * * whose lightest word
Would harrow up thy soul, freeze thy young blood,
Make thy two eyes, like stars, start from their spheres.

That is the sort of stuff you have been fed upon. He says in the equalization fee or receipt the farmer will get only a rain check. Well, the farmers in my district would sooner have a rain check than the mere chance of seeing the next ball game through a knot hole in the fence. They would sooner have a rain check than a notice of an overdraft from the bank. Gentlemen, in deliberating on this bill, I want to commend to you what Bacon, the great philosopher and scientist, once had to say about those who are always inclined to take the negative side:

Generally, such men in all deliberations find ease to be of the negative side and affect a credit to object and foretell difficulties, for when propositions are denied there is an end to them, but if they be allowed it requireth a new work, which false point of wisdom is the bane of business.

Gentlemen, do not listen to the tale, the sophistry, that this bill comes from anywhere but from the very heart, the soul, the fiber of our agricultural sections. They are praying for its passage, and they want to know if this Congress, into whose hands is consigned the welfare of the Nation, is unwilling or impotent to grant them relief which you would grant if there was the same unanimity behind proposed labor, railroad, or banking legislation as the farmers undoubtedly manifest for the McNary-Haugen bill. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I have listened to the very able debate which has taken place on this bill with deep interest and with a great deal of profit, so far as the development of the facts is concerned. The gentleman who preceded me spoke of the stress which the first President laid upon the importance of agriculture. Nobody can dissent from the view which General Washington expressed, or which has been expressed by those who have followed him in that great office, to the same effect; but Washington said another thing in his Farewell Address which my friend from Oregon [Mr. SINNOTT] seems to have forgotten, namely, that nothing is so likely to breed trouble in the country as an excess of partisan spirit and an excess of sectional spirit. We ought to consider measures that are presented here for the relief of agriculture without any particular reference to the effect upon party and without any sectional feeling, because they relate to a problem admitted to be of the utmost importance, which it is incumbent upon us to attempt to solve to any extent that may be possible—a problem of more consequence perhaps than any other. It seems to me, however, that there are two reasons, if I may make bold to say so, for the conviction that we waste our time in the discussion of this particular measure. In the first place, I do not believe there is a thoroughly competent lawyer who will take this bill and upon its analysis conclude that it will stand an attack in the courts, and that is a point that I

hope to discuss for a few minutes later on. That is one reason why it seems to me we are wasting time in considering this bill. It is a case of "dropping buckets into empty wells and growing old in drawing nothing up."

This is only one of several pending measures which may be considered, and that being the condition I am astonished at gentlemen who insist that the Congress ought to adjourn on June 7. The farmer works the year around. He works every day, and he works without any day of complete rest. We have been here for only six months, and if this bill will not serve the purpose, then we should stay here for the months to come and determine what can be done. [Applause.] If we stay here a little longer, we will have the benefit of the announcements of the two great parties upon this subject, and I would like to know what they are to be. I would like to look at the platforms of the two parties to see whether anybody has been playing politics with the agricultural interests; and you know some one has remarked that the field of agricultural legislation is a field in which cold-blooded politics is most likely to operate.

But, in the second place, aside from any question of the validity of the bill, there is another reason that constrains me to believe that we are now spending our time uselessly. It may pass the House, and it may pass the Senate, but it will never pass over the President's veto, as gentlemen have every ground for believing.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. If there is one thing settled so far as the attitude of the President is concerned it is that he will veto this measure if it should reach him in anything like its present form. Of course, it may be replied that nevertheless Congress can proceed to act as it thinks proper and trust the future of the bill to him; but why should Congress be dealing with this one measure instead of some other measure which he might be expected to sign, when it is known that he will veto this measure?

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. No; not right now. One thing is clear beyond doubt, namely, that this is a price-fixing measure. You can consult the dictionaries and consult writers who have discussed the meaning of the term "price fixing," and the more you investigate the less doubt you will have that it is a price-fixing, price-determining measure. The revenue law prescribes income taxes without actually naming the figures that will represent the income tax of any particular individual; but the income tax law is an income fixing law, and that illustration applies to this bill. However gentlemen may try to escape that conclusion, this bill provides for price fixing, and I submit that if the statements of the President of the United States can be accepted at their face value it is beyond question that he is committed to its disapproval. Let me go a little further than some of the gentlemen have gone in showing what the President has said. His statements are not remote in point of time nor do they lack emphasis. He came before Congress on December 6 last and used this language:

No complicated scheme of relief, no plan for Government fixing of prices, no resort to the Public Treasury will be of any permanent value in establishing agriculture.

Then he sent a special message to the Congress on January 23, 1924, in which there was no modification of his December view indicated. He said that he would concur in direct appropriations to assist agriculturists, and that is what many of us are prepared to do. But as I have said, there is nothing in the January message to show that he had receded from his view in respect to price fixing.

In New York in his February address before the National Republican Club—and I am talking now to a sort of national Republican club when I look at you gentlemen on the other side of the House—the President said, after describing the condition of agriculture:

I do not mean by that any unsound device like price fixing, which I oppose.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Virginia. May I ask for three minutes longer?

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. The President has taken a definite position against price fixing, and we are now considering a bill that proposes, in its essence, nothing but price fixing. Now, can you assume he will sign this bill? I do not defer to him in all things, but I have supported him perhaps more frequently than any man on my side of the House and more frequently than many of you gentlemen on the other side of the House. [Applause.] I have enough confidence in his exalted station, I have respect enough for him as an individual, I have sufficient respect for his statesmanship to believe that he is not going to change his mind overnight and give his indorsement to a measure which he has condemned in advance. Does anybody dream that the chairman of the Committee on Agriculture, my friend from Iowa [Mr. HAUGEN], will turn and oppose this bill which he has so strongly advocated? If he did, it would be impossible for him to do such a thing; he would be called a weakling and coward. And, correspondingly, am I to believe that the President, after having taken just as strong a position against the object of this bill as our friend from Iowa has taken in favor of it, is going to face about suddenly and approve the principle of price fixing? I do not believe it.

If we are to adjourn on June 7 we are consuming valuable time. If the time is uselessly employed, then do not allow political or personal considerations to draw you away from here on the 7th of June or any other date in June. Let us remain here and exert ourselves to the utmost to promote legislation that will be signed by the Executive and will afford relief to the agricultural interests. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HOWARD of Nebraska. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman is recognized.

Mr. HOWARD of Nebraska. Mr. Chairman and gentlemen of the committee, I have discovered that I must proceed here a good deal after the plan of a serial story. I am going to speak five minutes now, and I want you to understand that at the conclusion of my talk there will appear the words "Continued in my next." I had no opportunity to speak to this bill while it was under general discussion. I put forth the most pleading solicitations to the distinguished gentlemen of the committee in charge of it, but could not make them yield at all, so here I am now, coming to speak piecemeal on this subject, five minutes at a time, and I am going to get those five minutes every time I get a chance while this discussion shall last. First, instead of taking up some other branch of the story right now, I think I ought to touch just a little upon the gospel as laid down by the distinguished gentleman from Virginia [Mr. MOORE], at whose feet I like to sit when he preaches true Democratic doctrine. But when he comes to me this evening and hands me a gospel out of all harmony with the teachings of the fathers in the party I must repudiate it utterly. [Applause.] I claim that my distinguished friend, Judge MOORE, is not preaching the gospel of true Democracy when he comes here and asks you to consider whether or not the legislation which we propose to frame will or will not meet a presidential veto. Gentlemen of the committee, that is none of our business. Our business is to legislate. [Applause.] The present Executive has opportunity to wield his veto if he shall be pleased to do so, nor will I assume to deny him that right. I particularly was distressed to hear my friend from Virginia—from old Virginia, if you please—come here and preach a gospel of a very different tune from the gospel of the principle urged by the fathers of Democracy in the Old Dominion.

I very much fear that my friend has not studied the gospel of Democracy at the feet of that one greatest constructive statesman of any age, our own Thomas Jefferson, or else he would be here this morning pleading, as Thomas Jefferson would plead, not for the cause of the farmers as a class, but for the cause of the American farm. And what did Thomas Jefferson say with reference to the American farm? Oh, my Democratic friends, will you not listen closely while I tell you what Thomas Jefferson said about the American farm? I can not recall the exact language, nor shall I try to employ it, but will you not let me put what he said in my own language and take my word for it that I will find his exact language for you in the books, if you so command? Thomas Jefferson said:

The American farm is the best stone in the foundation underneath the house of the Republic, and if you impair the foundation the house is never safe.

Ah, my Republican friends, do you not remember how it was that Abraham Lincoln came on in after years and quoted the language of Thomas Jefferson, emphasized it, and declared that

it was the true gospel of the Republic—that always we should legislate in the interest of the farm.

Now, I do not ask you to legislate in the interest of the farmer, because that would be something personal. I am almost a farmer, and so I dare not ask for any legislation especially in my behalf.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. HOWARD of Nebraska. Concluded in my next. [Applause.]

Mr. Chairman, I made a mistake. I did not mean to say "concluded in my next," but "continued in my next."

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having taken the chair, a message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 7220) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. McNARY, Mr. JONES of Washington, Mr. CAPPER, Mr. SMITH, and Mr. HARRIS as the conferees on the part of the Senate.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. ROACH. Mr. Chairman, I ask to be recognized in opposition to the pending amendment.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. ROACH. Mr. Chairman and gentlemen of the committee, I imagine that there are a great many Members of this House who find themselves in the same frame of mind in regard to this bill that I am, or, rather, who found themselves in the same frame of mind in which I found myself at the time this bill was first introduced and brought up for consideration. I shall not attempt to deceive myself or you by saying that I had any clear-cut or well-defined opinion as to the soudness or unsoundness of the legislation, for I did not. However, after attending some of the hearings, and attending a number of conferences of both proponents and opponents of the bill, reading everything that I could get hold of upon the subject, and otherwise obtaining all possible information, I came to the conclusion—and it seems to me to be the wise thing for those of us who actually favor legislation in the interest of the agricultural interests of this country to do—was to resolve any existing doubts I had upon the subject in favor of this proposed legislation. I was largely influenced to do this by reason of the fact that I do not regard my own judgment upon these matters as infallible or above mistakes, although I have always undertaken, in the best way I could, to give study to the farmers' problems and to the agricultural conditions of our country. I feel it is only right and proper that I should give great weight and consideration, in a matter of this kind to some of the witnesses who have been called to give testimony in regard to the soundness, the practicability and the workability of the legislation now under consideration. [Applause].

I want to very frankly say that I have been greatly influenced in my own judgment in this particular instance by reason of the character and ability of these witnesses, of their means of knowledge, and of their indorsement given to the Committee on Agriculture that this legislation is sound, that it is workable, and that it will afford a substantial degree of material relief to the agricultural interests of the country.

It should be remembered that this bill has been indorsed by the Secretary of Agriculture; that this bill has received the careful consideration, attention, and scrutiny and scientific study of the great Committee on Agriculture of this House. That this bill has been indorsed by practically all, if not all, of the leading farm organizations of the country; it has received the sanction and approval of the leading farm journals of the country and of the editorial writers for such publications, all of these persons of whom I have made mention being men who have given many years of study to farm problems and to the agricultural interests of the country. I, as a legislator, feel it is my duty to show great deference to the opinion of men of this type and character who are well qualified to give opinions upon this subject, particularly so when our own judgment is probably not as clear and conclusive as we would like it to be. For that and other reasons I will support this legislation, and furthermore, oppose any amendments or substitutes which in my judgment are inimical to carrying out the true purposes of the bill as reported from the Committee on Agriculture and now here before us this afternoon. [Applause.]

This means, of course, that the proposed amendment now under consideration should be defeated, as well as all subsequent amendments or substitutes which will defeat or destroy the real and true purposes of this proposed legislation. [Applause.]

In conclusion, let me say in answer to the gentleman who just preceded me it has occurred to me more than once during debates on this floor that if I permitted myself to be too greatly influenced by predictions made here on the floor by Members as to what the attitude of the President of the United States would be with reference to legislation under consideration I would find myself in difficulty and be unable to reach any very definite conclusion upon any legislation, because there are always those prophets upon both sides of every question before us. [Applause.] We have our own responsibility; the President has his; let us exercise our best judgment and then pass the problem on to him.

Mr. Chairman, when a man is sick he wants relief, not excuses. The farmers of America are wanting this legislation, not excuses, and I shall vote to give it to them. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLACK of New York. Mr. Chairman, may I be heard on this amendment?

The CHAIRMAN. The Chair will state to the gentleman from New York that all time has expired for debate upon this amendment. The gentleman can get recognition on another amendment.

The question is on the amendment offered by the gentleman from Texas, which, without objection, will be read again.

There was no objection.

The amendment was again read by the Clerk.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 13, noes 82.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Illinois [Mr. RAINEY] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAINEY: Strike out the section and insert the following:

"SECTION 1. (a) It is hereby declared that there exists an emergency in respect of agricultural commodities by reason of the continued economic depression in agriculture; inequalities in prices between agricultural commodities and other commodities, resulting in a relatively inadequate return to the farmer for his labor and upon his investment; and the dependence of prices of such commodities upon the lower prices in foreign markets due to unsettled world conditions and lower costs of production.

"(b) The President shall by proclamation terminate the emergency declared by this section whenever the commission (created in section 3) determines that the emergency conditions have ceased to exist or are no longer controlling; but in no event shall the emergency be held to exist later than one year from the date of the passage of this act.

"DEFINITIONS

"SEC. 2. As used in this act—

"(a) The term 'export deficiency price' means the difference between the probable average selling price in world markets outside of the United States of wheat or swine, and the probable average cost of producing wheat or swine on farms in the United States plus 10 per cent.

"(b) The term 'customs scrip' means such scrip as may be ordered printed at the Bureau of Engraving and Printing by the commission provided for in section 3 of this act, in such amount and in such denominations as the commission may determine. Said scrip shall be accepted in the payment of all customs dues and shall be legal tender for no other purpose, and after its acceptance for customs dues it shall be returned to the said commission for cancellation in such manner as the commission may by regulations determine, the cost of printing the same to be paid for by the commission.

"COMMISSION

"SEC. 3. (a) There is hereby established as an emergency measure a temporary commission to be known as the United States Agricultural Export Commission (hereinafter in this act referred to as the 'commission'), to be composed of the Secretary of Commerce, who shall be chairman of the commission; the Secretary of Agriculture, who shall be vice chairman of the commission; the chairman of the United States Tariff Commission; and an administrative commissioner to be appointed by the President from not less than three individuals recommended to the President by the Secretary of Agriculture.

"(b) The administrative commissioner shall receive a salary of $1,000 a month during the period of his service as such commissioner, and he shall not actively engage in any other business, vocation, or employment than that of serving as such commissioner during the period he so serves.

"(c) The commission may appoint a secretary who shall receive a salary at the rate of $500 a month during the period he so serves. The commission shall maintain its principal office in the District of Columbia, in such room or rooms at the disposal of the Secretary of Commerce as shall be designated by him, and may employ such other persons as may be necessary, and fix their compensation.

"(d) For the expenses of said commission there is hereby authorized to be appropriated the sum of $50,000, to be immediately available.

"(e) The commissioners and the employees of the commission shall take the oath of office provided in section 1757 of the Revised Statutes.

"(f) The commission shall make an annual report to Congress, and may make such regulations as are necessary to execute the functions vested in it by this act, and it may accept the services of any person without compensation.

"(g) The commission may adopt a seal which shall be judicially noticed and may alter it at pleasure.

"(h) The commission may make contracts.

"POWERS OF COMMISSION

"SEC. 4. (a) The commission shall estimate and publish in such manner as it may by regulations determine the export deficiency price on the first day of each month during the period of the emergency provided for herein, and said export deficiency price may be changed on the first day of any month during the emergency period.

"(b) Whenever during the emergency period wheat or flour or products of swine are exported, the exporter shall be paid in emergency scrip the export deficiency price entering into such shipment in such manner as the commission may by regulation determine: *Provided*, That no customs scrip payment shall be allowed on such exportations of stocks of wheat, flour, or food products of swine as may be in primary market or in the possession or ownership of grain dealers, millers, or packers at the time of the passage of this act.

"TARIFFS AND PENALTIES

"SEC. 5. (a) During said emergency period the President shall by proclamation add to the existing rate of duty on said products or their derivative or substitutes for them such amounts as may be requested by the commission in order to make effective the provisions of this act.

"(b) Any person who knowingly counterfeits or alters or falsely makes any customs scrip shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

"COOPERATION WITH EXECUTIVE DEPARTMENTS

"SEC. 6. (a) Any governmental establishment in the executive branch of the Government is authorized to act as agent of the corporation in the administration of functions vested in them by this act. The corporation may, in cooperation with any such Government establishment, avail itself of the services and facilities of such Government establishment in order to avoid preventable expense or duplication of effort.

"(b) The President may by Executive order direct any such Government establishment to furnish the corporation with such information and data pertaining to the functions of the corporation as may be contained in the records of such Government establishment. The order of the President may provide such limitations as to the use of the information and data as he deems desirable.

"(c) The corporation may cooperate with any State or Territory, or department, agency, or political subdivision thereof, or with any person.

"SEPARABILITY OF PROVISIONS

"SEC. 7. If any provision of this act is declared unconstitutional, or the applicability thereof to any person, commodity, or circumstance is held invalid, the validity of the remainder of the act and the applicability thereof to other persons, commodities, and circumstances shall not be affected thereby.

"RESERVATION OF RIGHT TO AMEND

"SEC. 8. The Congress of the United States reserves the right to alter, amend, or repeal the provisions of this act."

During the reading of the amendment the following occurred:

Mr. CANNON. Mr. Chairman, I make the point of order that the substitute is not germane to the bill, and suggest to the Chairman that sufficient of the substitute has been read to demonstrate its lack of germaneness and that the time of the House would be conserved if the point of order could be passed upon at once without waiting for the reading of the entire substitute. If the Chair desires to hear a discussion of the question, the section which has just been read by the clerk provides in effect for the coinage of the money. It establishes a circulating medium. It authorizes the issuance of a scrip which shall be accepted as legal tender. Certainly, that can not be said to be germane to any section of the pending bill, and if any one item in the substitute is not germane, then, of course, the entire substitute is subject to the point of order. I can not conceive of any section in the bill to which this could be properly attached or to which it could be said to be germane. It is therefore clearly out of order.

Mr. RAINEY. Mr. Chairman, the bill we are considering depends entirely for its operation upon the issuing of scrip, and my amendment in its terms has exactly the same object in view as the bill we are considering. The emergency is declared in my amendment in almost the identical language as the emergency is declared in the bill we are considering except that there is not so much of it.

Mr. CANNON. Mr. Chairman. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. CANNON. It is true that the scrip is provided for in the pending bill, but does the pending bill provide that that scrip shall be made legal tender for any purpose whatever; if so, in what section?

Mr. RAINEY. There is scrip provided for in the pending bill. It is legal tender provided it is not destroyed by the amount of losses the commission sustains at the conclusion of a period, an indefinite period, when certain losses are charged back against this scrip or these "emergency receipts" provided for in this bill; whatever remains of that particular scrip is redeemable and is redeemable in legal tender money of the United States.

Mr. CANNON. But is it anywhere made negotiable?

Mr. RAINEY. No; and this is not made negotiable.

Mr. CANNON. Or is it anywhere provided that it shall be legal tender for any purposes?

Mr. RAINEY. Neither do I make this scrip negotiable. There is not a particle of difference between this bill and the objects it expects to attain, and the methods of attaining them, and the bill I am trying to substitute now.

The CHAIRMAN. The Chair is of the opinion that on the preliminary question enough has been read, but it is a short bill, and the Chair thinks it might as well be read in full.

The Clerk concluded the reading of the amendment.

Mr. PURNELL. Mr. Chairman, if I understand this substitute correctly that is offered by the gentleman from Illinois, it is in the nature of an export bounty to exporters rather than a proposal to aid the farmers, and the bounty comes from the Treasury rather than having it assessed back to the farmers, who, under the McNary-Haugen bill, pay in a very large measure, if not entirely, the cost of operation. This substitute provides also, if I understand it correctly, for buying these commodities and paying these bounties, the basis for payment being cost of production plus 10 per cent, whereas the McNary-Haugen bill, which is under consideration, provides for the establishment of a ratio price brought about by certain mathematical calculations based upon figures of the Department of Labor, putting the producer and his products to-day in the same identical position in which he found himself in the 10-year period 1905 to 1914. In addition to that, Mr. Chairman, this substitute is open to the same criticism that applied to the substitute previously offered and ruled out of order, namely, that to take the McNary-Haugen bill away from this committee and substitute this bill means that its details must be worked out on the floor by the committee rather than in the Agricultural Committee. For those reasons and for others that have already been suggested, I sincerely hope the point of order will be sustained.

Mr. CANNON. In addition to the point of order which I have already presented to the Chair and the point of order already so ably presented by the gentleman from Indiana, it is to be noted that in deciding a question of germaneness it is not the purpose of the bill which governs but the text. There is in this bill, for instance, on page 4, paragraph (f), a provision under which the proposed agency may accept the services of any person without compensation. That identical point of order was presented when the legislation creating the War Finance Corporation was under consideration. In that bill there was a provision authorizing the employment of men with compensation at the rate of $1 a year. An amendment was proposed authorizing the corporation to accept the services of such men without compensation. A point of order was made and sustained that an amendment permitting them to serve gratis was not germane to the proposition that they serve with salary. In the pending bill every officer and every employee for whom provision is made is to serve with salary, and the salary is specifically provided for. Here is a proposition, offered as a

substitute, providing they shall serve without pay. It is, of course, not germane. The substitute as a whole provides for the creation of an agency similar in some respects to that created under the pending bill and, to some extent, with the same purpose in view, but it provides an entirely different method whereby that purpose is to be effectuated.

I trust the Chairman will sustain the point of order and confine the consideration to the bill before the House and germane amendments.

Mr. RAINEY. If these arguments to sustain the point of order are entitled to consideration and are conclusive, then it would be impossible to prepare a germane amendment to the bill unless you drafted it in the exact terms of the original bill. I undertake to say that an amendment which attempts to accomplish the results the bill attempts to accomplish, even in almost the same way, is germane. What are the essential elements of the bill we are considering now? In the first place, it is an attempt to raise the price of certain basic farm commodities to a certain level in order, as the bill announces—not in these words perhaps—to make farming a profitable enterprise, to restore the exchange value of farm products.

The bill or amendment I offer tries to accomplish the same purpose by issuing scrip which I call customs scrip, and also includes a tariff embargo. Those are the essential items in the bill and that is all there is in the bill we are considering, and all there is in this amendment. They both make appropriations from the Treasury.

My proposed amendment and the bill we are considering both authorize an appropriation from the Treasury in order to accomplish the same result. The bill we are considering authorizes an appropriation of $200,000,000 and this amendment of mine authorizes an appropriation of $50,000. There is some difference in the personnel of the commission. The emergency I have provided for in exactly the same language used in declaring the emergency in the bill we are considering. I copied it from the bill. There may be some slight changes in the interest of brevity. This amendment establishes an export deficiency price. My amendment contemplates that the commission shall estimate certain cost elements with reference to the sale of basic commodities. The bill we are considering does the same thing.

The CHAIRMAN. Does the gentleman say that the present bill authorizes a consideration of the cost of production?

Mr. RAINEY. Yes; under this bill you must consider the foreign selling price and foreign production in order to determine the amount you are going to charge back against certain emergency certificates. It is the same proposition I provide for in my scrip issue—you can call it receipt, but it is the same proposition embraced in this bill. I provide for a commission which shall be an emergency commission. The bill we are considering provides for an emergency commission, and in the bill under consideration it is an export commission.

The commission provided for in my amendment is an export commission to be comprised of certain Cabinet members and others. It fixes the salaries just as the bill under consideration fixes salaries. It provides for employees, as does the bill under consideration. It gives the commission the powers that are provided for in this bill under consideration—not so many powers, but the powers in my commission are germane to the powers conferred by the bill under consideration. The bill we are considering provides for a tariff embargo on basic articles considered in the bill. My amendment provides for the same thing, in the practical operation of the bill, in almost the identical language. The bill under consideration provides all sorts of penalties. It bristles with penalties, but the only penalty in my bill is for counterfeiting, a fine of $10,000 and imprisonment for five years. My bill provides for the cooperation of executive departments. My amendment provides that the President can direct the governmental departments to cooperate in the same manner as does the bill under consideration. It authorizes the cooperation of States and Territories, as does the bill we are considering. The reservation clause is copied from the bill under consideration.

Now, there is no difference; it is germane to the bill; it seeks to accomplish the same purpose by the same kind of machinery.

Mr. PURNELL. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. PURNELL. Who pays the bills under the gentleman's substitute?

Mr. RAINEY. It provides an appropriation from the Treasury of the United States of $50,000.

Mr. PURNELL. All the people pay for it.

Mr. RAINEY. Yes; and you provide for an appropriation of $200,000,000, and all the people pay it. The difference between the appropriations authorized in this bill and the bill under consideration is the difference between $50,000 and $200,000,000.

Mr. PURNELL. Is it not true that the producers share a large part of the expense in the McNary-Haugen bill? I do not mean indirectly but I mean directly.

Mr. RAINEY. I am talking about the appropriations from the Treasury.

Mr. PURNELL. And I am talking about who pays the bills in the gentleman's substitute?

Mr. RAINEY. The expenses of his commission come out of the Federal Treasury in the gentleman's bill, and they come out of the Federal Treasury under my bill.

Mr. PURNELL. Does the gentleman's authorize an appropriation of $50,000?

Mr. RAINEY. Yes; and the McNary-Haugen bill authorizes an appropriation of $200,000,000.

Mr. PURNELL. Will the gentleman kindly tell me what can be accomplished with $50,000 toward marketing the surplus?

Mr. RAINEY. I would be very glad to discuss that, but that has nothing to do with the point of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Illinois [Mr. RAINEY] as a substitute for the entire bill is more nearly germane than the former amendment, but the Chair is of opinion that it does not come within the rule of germaneness. The object sought, of course, is farm relief, but that does not necessarily make the bill germane. The method is so entirely different in the bill offered by the gentleman from Illinois from the method of the bill under consideration that it seems to the Chair that it is not germane. Both bills recognize that the question of price is determined somewhat upon the exportable surplus, but the bill which the Chair has rather hastily read, offered by the gentleman from Illinois by way of substitute, proposes to deal with this question of exportable surplus by giving a bounty to the exporter, evidently with the view that if the export brings a fair price, a fair price would result in the domestic market; but that is such a departure from the plan of the bill which creates a Government corporation, giving it power and authority to export, that it would not come within the rules of the House to hold it germane. The Chair therefore sustains the point of order.

Mr. RAINEY. Mr. Chairman, I move to strike out the last two words. The bill I have offered as an amendment is the only solution there is of this question. It is the only proposition submitted to this House or to the Committee on Agriculture which accomplishes just what the farmers want to accomplish without resorting to the cumbersome machinery and the expense involved in the bill we are now considering. It contemplates no appropriation of $200,000,000 from the Treasury of the United States. It contemplates no bond issue of a million dollars nor of any amount. It appoints a commission, but it gives that commission no authority to enter into any kind of competitive business or any kind of business whatever. It does not overnight increase the holdings of the grain dealers who have now 200,000,000 bushels of grain in storage, or of the packers who have enormous amounts of meat packed in their cold-storage warehouses. It will not increase their holding $500,000,000, or perhaps more than that, in a single night if it goes into operation. It does not have a single objection that I have urged to the McNary-Haugen bill, nor that anyone else has ever urged to it. It contemplates an appropriation of $50,000 to pay the expense of the commission, and that is all. The way in which it operates is simplicity itself. If the bill we are now considering is defeated or if it fails to work—and it will not work if it ever becomes a law—I am going to propose and press before the committee for its consideration this bill which I have now offered as a substitute. The committee has given most careful consideration to the complicated provisions of the McNary-Haugen bill. The committee has conducted investigations most carefully. The hearings furnish an encyclopedia upon the subject of the farmer's difficulties. The reports prepared by the minority and the majority are veritable encyclopedias upon the subject. The committee need not have another five minutes of hearings in order to determine whether it, after the disposal of this bill, desire to consider or report out the bill that I am offering.

All of the members of the committee are experts on this particular subject, or ought to be by this time. They have been considering these matters for days and weeks and months, and I am willing to submit my bill to that committee, if this bills fails, and abide by their decision. My bill is the only bill that will produce the desired results. It applies only to wheat and flour and to the products of swine. It does not apply to corn, because the price of corn goes up as the price of hogs go up on the American farm. It does not apply to wool, because wool is already selling at an ample price, and we do not export wool.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. I do not want to yield to anybody just at present. I will later, if I get time, and then I shall be very glad to yield to the gentleman from Kansas, who is a member of the committee, and I shall be very glad to answer his question.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAINEY. My bill does not suspend any economic law. It recognizes simply this fundamental fact: That we are exporters of swine products and of wheat and flour, and the farmer being a large exporter of these basic products that his price at the farm depends upon what he gets for them abroad. Does any member of the committee deny that fundamental economic proposition?

Mr. TINCHER. Will the gentleman yield?

Mr. RAINEY. In just a moment. Now, my proposition provides for customs scrip to be printed by the Bureau of Engraving and Printing, just about as the printing of these receipts is provided for in the McNary-Haugen bill. An emergency under my bill can not last over a year. The object of that is to prevent overproduction. If you provide for an emergency to last five years you are going to have the farmers who think they are going to get higher prices overproduce, and the more overproduction the more loss, and therefore the more difficulty there is in operating the bill—the more impossible it is. If at the end of the year the emergency is not over Congress can take such action as it pleases with reference to extending it. There is no implied promise to the farmers that for five years they can keep on producing and for five years get more money for their products. My bill allows the farmer a profit of 10 per cent over cost of production, and that is not too much, because nobody takes as many chances as a farmer takes in producing a crop. He is a gambler. The farmer takes the chances of rain, wind, hail, drought, insect pests. No business man takes so many and such great chances.

Mr. BURTNESS. Will the gentleman yield?

Mr. RAINEY. In a moment. He takes all sorts of chances. No business is conducted on a smaller margin than I propose in my bill, and a profit to the farmer of 10 per cent is not too much. My bill directs the commission to estimate the average foreign cost price and the average cost on the American farm and add 10 per cent for profits to the average price of production on an American farm. My bill does not mean we are going to dump anything on the foreign markets at all.

It is not open to that objection or to the countervailing duty which other countries can establish against our products, because most of them have a law authorizing the establishment of countervailing duties if we try to sell cheaper there than here. There is nothing of that kind possible under this bill. There is no price fixing in my bill, nothing unconstitutional. There is nothing in my bill that keeps the farmer from selling his basic products at any price he wants to sell. Of course, he will sell at the highest price he can get. He has the right to do that. The bill we are considering authorizes the corporation to fix the price at which the farmer can sell, and if he sells for less he is liable to be imprisoned in the penitentiary for a year and fined $10,000. Tell me that is constitutional, that he can not do as he pleases with his own property. If this bill which you are considering should go into operation the efforts of the corporation to establish a ratio price, which would result in putting men in the penitentiary who charge a less price for their products than the corporation fixes, would result at once in a restraining order. The operation of this commission under the bill you are considering would be restrained in less than 30 days, and that would be the end of all operations under the McNary-Haugen bill.

Mr. RUBEY. Will the gentleman yield?

Mr. RAINEY. I am going to yield to everybody in just a moment if I can get the time. My bill provides for payment in customs scrip when the products we are discussing are exported during the emergency period to the exporter of the export price difference described in my bill. That is all there is to it. You can not use the emergency scrip for any other purpose except to pay import duties at our ports. What would the loss be? The loss at our ports in customs duties, according to my computation, would be less than $60,000,000 a year.

If there is no recouping or set-offs against the losses. There are opportunities for set-offs. If my emergency bill is put in operation, it gives to the farmers of this country every year five or six hundred million dollars more for their basic products. It restores their buying power and restores it completely. If you restore their buying power, they can buy more things, and therefore increase the customs receipts. In addition to restoring the farmer's buying power, my bill also puts him back in the income-tax-paying class. So, taking all of these elements into consideration, the loss will not be $60,000,000. The loss will be absolutely negligible. What if the loss is $60,000,000? That is only one-fifth of the amount you are this year giving back as a bonus to the very rich of the country in their tax rebates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINEY. May I ask for five minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

Mr. RUBEY. Reserving the right to object, I am not going to spend all the afternoon waiting to hear the gentleman talk unless I have the opportunity to ask him a question.

Mr. RAINEY. I have asked for the time for the purpose of answering questions.

Mr. RUBEY. Will the gentleman yield to me?

Mr. RAINEY. Yes, sir.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RUBEY. I want to call the attention of the gentleman to this fact. First, in this article I have from a Chicago paper, dated May 15, it says we have arrived at a new process, of a new substitute for the McNary-Haugen bill, and it says, "Negotiable Federal certificates of a specific value would be issued for every bushel of American wheat," and so forth.

Mr. RAINEY. I have read that.

Mr. RUBEY. I want to ask the gentleman where this money is going to come from? Does it not come out of the receipts of the customhouse? Do you not by that amount keep that same amount of money out of the Treasury of the United States?

Mr. RAINEY. I tried to explain that in my remarks.

Mr. RUBEY. The gentleman says it is a matter of bookkeeping.

Mr. RAINEY. I will state it again.

The object is to keep up the domestic price of these articles. My bill recognizes the fundamental economic law that the domestic price of these surplus products of the American farmers depends upon what they get abroad. The gentleman from Missouri recognizes that and the committee recognizes that in the studies it has made. My bill gives to exporters customhouse scrip when they export, enough scrip to equal the difference in the export price which enters into that particular shipment, which is the difference between the cost of production abroad and the cost of production here plus 10 per cent. Now, as I said——

Mr. RUBEY. Does the gentleman mean to say that no money will be kept out of the Treasury. Answer that question yes or no.

Mr. RAINEY. I will explain it to the gentleman.

Mr. RUBEY. You can not explain it except by answering yes or no.

Mr. RAINEY. I will not answer by yes or no. I do not have to answer by yes or no. I am not on the witness stand But I will answer the gentleman. I have already explained it to the House, but I will explain it again to the gentleman from Missouri.

Mr. RUBEY. The gentleman need not do that. I know how it is going to operate, but I want that question to come before this House.

Mr. RAINEY. I will be glad to answer the gentleman and bring it before the House. As I say, I have already explained it to the House, but I will now explain it to the gentleman from Missouri so that even he can understand it. We exported last year $116,000,000 worth of wheat, and we are exporting an average of $200,000,000 worth of pork products. We are not going to export as much this year, because there is a falling off, as the gentleman knows, in the breeding stock of hogs to the extent of 12 per cent.

Mr. RUBEY. I do not care about that. I want to ask the gentleman another question.

Mr. RAINEY. The gentleman wants an answer to his question, I take it?

Mr. RUBEY. Will the gentleman answer one more question?

Mr. RAINEY. I will answer this, and then I will answer any other question. I take it the gentleman is asking his questions in as good faith as I am attempting to discuss them, and I am sure he is.

Mr. RUBEY. I will agree with the gentleman on that absolutely.

Mr. RAINEY. And the gentleman will accord me the same consideration. So I want to answer the gentleman fully, and I know he wants me to do that. There will not be as much wheat produced this year, because in my country—and I live in a wheat-growing district—they have already plowed up half of the winter wheat, and the lack of production as to swine and wheat will be reflected in the exports. It will not affect the amount we consume here at home, and so taking those things into consideration——

Mr. RUBEY. Just one more question for information.

Mr. RAINEY. Wait until I get through with this. If the gentleman does not want his questions answered I will be glad to stop my attempts to answer. Now, taking those things into consideration, the amount of this scrip tendered at customhouses, will be between $50,000,000 and $60,000,000 a year. I said that before. Now, when this scrip is tendered it does not represent a loss, because there are offsets against it. If the gentleman from Missouri will give me his attention while I explain this I think he will recognize this, because he is, or ought to be by this time, an expert on this subject, and the committee of which he is a member has given close attention to this subject. Now, when you restore the buying power of the farmers—and you are going to do it under my proposition—you are going to give the farmers $500,000,000 or $600,000,000 more for their crops this year and he will then again be in the income-tax paying class, and this amount of income taxes he will pay will entirely meet and overcome this apparent loss at the customhouse.

The CHAIRMAN (Mr. MAPES). The time of the gentleman has again expired.

Mr. RAINEY. For the purpose of answering questions, may I have five minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. WILLIAMSON. Mr. Chairman, reserving the right to object——

Mr. RAINEY. I will recognize gentlemen in order who ask questions.

Mr. WILLIAMSON. The gentleman has discussed this for nearly half an hour.

Mr. SABATH. But this is an important subject and we should have some information on it. This is a new subject.

Mr. BLACK of New York. Mr. Chairman, I regret that I feel forced to object to further time on this provision. I think we shall come to a time in this bill when we can properly discuss this.

Mr. RAINEY. I can not answer these questions unless I have the time.

Mr. BLACK of New York. Mr. Chairman, I withdraw my objection.

Mr. O'SULLIVAN. I renew it; I object.

Mr. SUMMERS of Washington. Will the gentleman permit a question?

The CHAIRMAN. The gentleman's time has expired.

Mr. FRENCH. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Idaho is recognized.

Mr. BLACK of New York. Mr. Chairman, a motion is pending to strike out the last two words, and I must raise a point of order against the gentleman's motion.

Mr. RAINEY. I withdraw the motion.

Mr. BLACK of New York. Then, Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The Chair has already recognized the gentleman from Idaho.

Mr. BLACK of New York. I think I have a preferential amendment which goes to perfecting the preamble of the bill.

The CHAIRMAN. But the Chair has already recognized the gentleman from Idaho.

THE MAN AT THE CROSSROADS

Mr. FRENCH. Mr. Chairman, there came to my desk the other day a letter which referred to the farmer as "the man at the crossroads," and primarily, in considering the McNary-Haugen bill, it is the man at the crossroads whose interests are immediately concerned, though in a large sense nothing either for good or for ill can affect the man at the crossroads that does not affect likewise peoples living in our populous centers, peoples engaged in all lines of activities, business interests, great and small everywhere.

It is not necessary for me to stress the reasons for the consideration of a measure designed primarily for the relief of agriculture.

If the effects of war could end with the signing of an armistice, this world of ours would to-day be a happy place within which to dwell, but the effects of war carry on, and while they will never cease to modify the destinies of humankind, certain it is that for some years after the havoc of war it is not a difficult matter to point the finger to results here and results there which war has caused.

In a normal economic world the price of labor and the price of commodities have a way of adjusting themselves to an approximately equitable basis without the interference of government; but when conditions are not normal, when conditions have been made abnormal, and have been modified violently in some respects by government itself, and have not been modified correspondingly in other respects, then there must be hardship upon those people or those interests that have suffered through modification.

To-day the farmer finds himself buying in world markets where the costs of commodities have increased enormously, and he is required to sell in the same markets where the price of products that he has to sell is but little above the price of the pre-war period.

Some time ago a representative of the Bethlehem Steel Co. was in my office, and he told me that this manufacturing concern is required to pay as much for its raw materials as it sold its finished products for before the war. What is true of the Bethlehem Steel Co. is doubtless true of manufacturing plants that manufacture farm implements, wagons, building material, in large part, and a multitude of commodities that the man at the crossroads must buy.

The wages of men working upon the railroads of the United States are to-day more than 100 per cent higher than they were before the World War. Freight rates that the farmer must pay are between 50 and 60 per cent higher than pre-war freight rates. Metals and metal products that railroads must buy for the maintenance of rolling stock and tracks and equipment have increased 41 per cent. Fuel necessary for the operation of the railroads has increased 67 per cent in the last 10 years.

For the quantity of clothing that the farmer could purchase with 100 bushels of wheat in 1913 he is required now to pay nearly 200 bushels of wheat. If he desires to build a barn or granary or house, he must pay something like 170 bushels of wheat for the material for which he would have paid about 100 bushels 10 years ago. And when his wife goes to the near-by town to do her shopping, she is required to pay nearly three-fourths as much again for household goods that she was asked to pay in 1914.

Measured by conditions as they were before the World War, the condition of the American farmer to-day is most deplorable.

I live in an agricultural section of the country that was built up on the basis of transportation, freight rates, prices of commodities, price of labor as they were prior to 1914, and in that section of country the economic condition to which I have called attention has become desperate. Many banks in my State have failed during the last two or three years. Many business houses on the same capital investment are transacting but 50 per cent of the business that they were transacting in 1920; and I believe that what is true there is true in greater or less degree throughout the agricultural sections of the United States.

The gentleman from Massachusetts [Mr. LUCE] in his able address on the subject said that the depressed conditions in farming sections do not find their limits there, but that his own section of country is experiencing depression as well. He said that the spindles in the mills of cities in his district are running four days instead of six during every week.

This suggestion emphasizes my statement a moment ago that in the well-being of the farmer is wrapped up the well-being of people in other lines of industry, in other walks of life.

During the last year I have attended conference after conference of farmers and have listened and had a part in discussing conditions and ways and means through which relief might be obtained in an earnest endeavor to be helpful in working out a solution. I am compelled to recognize that an emergency exists that must be corrected by team work on the part of all our people in order that further havoc may be spared.

Six months ago there met in Washington representatives of farming organizations from every part of the United States. They came here after many local conferences, much publicity, and advocacy of various relief measures that had been urged, and they were here to compare notes and to see if somehow there could not be worked out a plan by which relief could be attained. These representatives of agricultural communities were the most level-headed, the most far-seeing men

who could be chosen from their respective communities for the consideration of the problem of farmers. They not only represented others but they represented themselves. In many instances the whole work of a lifetime was bound up in the wisdom or unwisdom of the solution of the problem before them. They considered numerous relief proposals, and finally as a result of all their study they came to the conclusion almost unanimously that the principle embodied in what is known as the McNary-Haugen bill is the principle that affords the greatest promise of relief.

The Department of Agriculture has been a sort of clearing house of all proposals that have been made and it has come to this same conclusion. The Committee on Agriculture of the House, after months of hearings and consideration, by an overwhelming vote has reported this bill to the Congress; and in my judgment this is the measure that must be passed by the Congress if any relief is to be extended.

WHAT DOES THE M'NARY-HAUGEN BILL DO

When the various proposals were brought to my attention the first question that I asked was—what do they do? That is the question that I asked touching the McNary-Haugen bill.

And here is what it proposes to do:

First. It creates an agricultural export commission through which there is organized a corporation to engage in buying and exporting certain defined farm commodities.

Second. It is provided that this commission may establish a price ratio to be paid for these commodities based upon the relative price of commodities recognized in the bill to commodities for a period of 10 years before the World War.

Third. It provides for limiting the sale in the home market of the United States of the normal amount of the several commodities produced through the purchase of the surplus product and through the inhibition of imports from foreign countries.

Fourth. It provides for part payment in cash, and to meet the balance for the issuance of what may be called credit—and what was called scrip in the original bill—for the purpose of distributing the profits or losses and expenses of conducting the business of the corporation.

Fifth. It provides that all buyers shall use this scrip or credit receipt, buying it for their own transactions from the export commission, and that the same shall be redeemed at the end of the year in the amount that may be received from the export surplus, less operating expenses.

If I could define the work of the export corporation in brief space, I would say that it is intended to be a sort of board of directors to represent the millions of producers of a given commodity, in handling the products of these millions of producers in disposing of the commodity at home and upon the world market.

IS IT PRACTICABLE?

The second question I asked when the measure was brought to my attention was—is it practicable?

In endeavoring to answer this question, I said: Suppose, as applied to wheat, that 100 men in the United States at the beginning of the wheat harvest of 1923 had owned and controlled the 800,000,000 (plus) bushels of wheat that the United States produced, would these 100 men have sold and be selling their wheat at 90 cents or $1 a bushel when they should be receiving $1.50 a bushel, upon the basis of other commodities and labor prices? I said, no.

Suppose that this group of 100 men consisted of John Pierpont Morgan, Elbert Gary, Cudahy, and Swift, Henry Ford, Julius Barnes, Barney Baruch, and other men accustomed to large enterprises, what would they have done? I will tell you what they would have done. Assuming that a tariff or embargo could prevent foreign importation, they would have withdrawn 200,000,000 bushels of wheat from the home market; they would have let it be definitely known that they did not propose to sell this 200,000,000 bushels in the home market.

They would have said, "You may purchase the balance or any of the balance of the 600,000,000 bushels at $1.50 per bushel," and mills and other consumers of wheat would immediately have been compelled to accede to the proposition and pass on whatever adjustments might need to be made to the consumers of our country. This same group of 100 men would have taken the extra 200,000,000 plus bushels of wheat and they would have sold it on the world markets. They would not have given it away, and they would not have received $1.50 per bushel for it. They would have sold it at the price of wheat in Liverpool, and whatever they received for it they would have regarded as just so much additional profit to be added to the price that they had received for the wheat they had sold at home.

Mr. JACOBSTEIN. Will the gentleman yield for a question there?

Mr. FRENCH. Not right now.

In other words, they would have applied to the handling of the wheat of the United States, if they had owned it, precisely the same principle that for 25 years, we have been told, have been applied by manufacturers in the sale of surplus farm implements, in the sale of meat products, in the sale of manufactured articles of various kinds.

You then ask, if 100 men, owning the wheat, can do this thing, why can not the same thing be done by three or four million farmers who have raised the wheat? My answer is, because there are three or four million instead of 100; because the farmers of one county or State are not doing teamwork with the farmers of the adjacent county or State; in other words, because the farmers are so great in numbers that it is an exceedingly difficult thing for them to function as a limited number of men can function in the meeting and handling of situations such as this.

The McNary-Haugen bill provides a way by which an export corporation created by the measure, functioning under the authority of the Government, can do precisely for the farmers as to a given commodity what the 100 men referred to would do if they had charge of the proposition.

WILL THIS BILL ENCOURAGE OVERPRODUCTION?

The third question that I asked was, Will this bill encourage overproduction?

In answering this question I must rely largely upon the experts of the Department of Agriculture and the experts of different farm organizations who have discussed the situation with me personally and before the Committee on Agriculture.

They tell me that the bill will not encourage overproduction. They tell me—

First. That during the war, referring to wheat, with all the encouragement that could be given, with a basic price of $2.25 a bushel, the maximum yield was approximately 962,000,000 bushels within the United States. They tell me that with the cost of production approximately the same as at that period, it is altogether unreasonable that that figure could ever be attained again.

Second. They tell me that it would not be economical to attempt to raise wheat on lands that are not already used for wheat-growing purposes.

Third. They tell me that the measure contains within itself the cure for any overproduction, and that the cure lies in the fact that the larger the yield the smaller would be the price received for the surplus in foreign countries, and consequently there would be the constant tendency to drive down (1) the quantity of production and (2) the total price received for the commodity; that is, the home price plus the price for the surplus.

IS THERE A PRECEDENT?

Gentlemen, I want to bring to your attention the thought that it is the duty of our country to meet an emergency if a way can be found. I believe that the Members of this House desire to find a way.

Most of the activities that are carried forward under our Government are not activities that are essential to government itself, but are activities that are carried forward for the convenience or for the economic advantage of all of our people or for a considerable number of our people.

More than that, our Government is performing the function of an agency that has its existence for the benefit of all when it meets emergency conditions by emergency measures.

Much has been said of the advantage of the passage of the immigration laws to those engaged in industry, and because the immigration law will limit the labor supply, it is pointed out that thereby it will enable the labor of the United States to command a higher wage. There is merit in that argument.

It is pointed out that the tariff redounds to the benefit of groups in different industries, employers and employed; and there is merit in the argument that if the Government can give benefit through tariff to those who will profit under it, a way should be found to meet the present crisis touching agriculture.

Gentlemen, let me bring home to you instances where the Government has come to the relief of groups of our people that are more striking still and where the action taken is more nearly akin to the action that it is proposed shall be taken by the enactment of the McNary-Haugen bill.

The World War was brought upon civilization in the summer of 1914. The ships engaged in raiding commerce, mines that were laid by one enemy nation or another, constituted such hazards that caused marine insurance companies to limit

the field of their activities and to refuse to assume the risks that in times of peace would be bid for by competing insurance companies. An appeal was made to the Government of the United States, and, in 1914, the war risk insurance act was passed providing that the Federal Government insure vessels and cargoes of the United States engaged in commerce upon the high seas. Our Government, through the agency that was then established, conducted an insurance business until January 4, 1919, or for a period of between four and five years, and during that time wrote insurance premiums on vessels and cargoes that aggregated the enormous total of $2,067,273,293. Not only that, but during that period the Government paid losses that aggregated $29,220,613.42.

The Government set up an establishment to handle this business. It received in premiums more than $46,000,000. I do not know whether the cost of maintaining the war-risk insurance established for marine insurance was wholly compensated by the premiums paid or whether part of the cost was charged to profit and loss of our Government.

I do know that a crisis was reached in 1914. Our country was not at war, but a world war had disturbed economic conditions—the freedom of the seas—to such an extent that the individual insurance companies were no longer willing to assume the hazards of an insurance, upon which depended the owners of shipping and the importers of goods into the United States and the exporters of goods that we were producing in our country—and the result was that the Federal Government measured up to the responsibility and met an emergency that has now passed.

Suppose that in 1910 any Member of this Congress had been told that within five years the Government of the United States would be engaged in marine-insurance business; that within five more years the Government would have assumed risks in excess of two billions of dollars; and he would have said that such a situation was impossible. Yet it was possible, and it is now history.

Draw a parallel with this bill, and what do you find? The risk that was assumed then is the risk that will be assumed here. The premium that was paid then will correspond to what you may call the scrip or the credit that is held back here. Then, when the wheat is sold in the foreign markets, the balance is distributed to the owners of the wheat, just as the premiums for insurance would be returned if they were not used in handling the business.

Or again, who would have said in 1910 that within a period of 10 years the United States Government would have invested a gigantic sum of more than $3,000,000,000 in merchant ships, and would be the proprietor of the greatest marine transportation system that had ever been brought under one organization in the history of the world? There is not a Member in this Chamber who would have believed in 1910 that such a thing was possible; yet it happened. And why did it happen? It happened because a world war disturbed the lanes of the seas that had been opened to the commerce of our country to such an extent that ships were not available to take from our shores the produce that we had to sell to the markets of the world. We were not engaged in war when the United States entered upon this enterprise.

The United States Shipping Board was created by an act of Congress September 7, 1916. Under that act the United States Shipping Board Emergency Fleet Corporation was organized on April 16, 1917, given a capital of $50,000,000, raised through the sale of Panama Canal bonds, and invited to buy ships, to build ships, to engage in the navigation of ships, and to carry on this enormous marine establishment of gigantic magnitude. This was done to meet a crisis. The people of our country did not desire this program. Yet the program was carried forward with the heartiest approval of our people. It was new; it was novel; it was untried by our country; but it was believed to be an essential program for the protection not only of our Nation but of industries, that business might not be disturbed, that markets might be available for the products of our factory and mine and farm.

But that is not all we did. We provided in the shipping act, as it was modified in 1920, for the loan of funds not to exceed $25,000,000 to private concerns to aid in the construction of vessels for steamship lines deemed necessary and desirable.

Here was the Government not only engaging itself in an unusual enterprise, the merchant-marine business, but it was engaging in the enterprise of loaning money out of the Treasury of the United States to private citizens who were willing to engage in maritime commerce.

Let me make another illustration: The War Finance Corporation came into being as a result of the act of Congress of April 5, 1918. The war was then on and the United States had become involved. The purpose of the creation of the War Finance Corporation was to extend aid to banking institutions in financing such industries as were necessary or contributory to the prosecution of the war. Loans were authorized to be made to savings banks and building loan associations. The War Finance Corporation was authorized to buy and to sell obligations of the United States and to issue bonds.

In 1919 the war had come to an end but the powers of the War Finance Corporation were extended and not withdrawn. It was called upon to undertake the burden of financing the railroads then under Federal control; but that was not all.

By the act of March 3, 1919, the powers of the corporation were still further extended. The war was over but the effects of the war were not over. Upon the theory that the Federal Government ought to assist in the transition from conditions of war to conditions of peace, the War Finance Corporation was given authority to make advances to the extent of $1,000,000,000 to American exporters and American banking institutions for the purpose of extending credit to foreign buyers. Millions of dollars were advanced through this corporation for the purpose to which I have referred. Then it was thought that there was no longer need for this institution and an effort was made to abandon the activity. But conditions that followed the World War continued to press heavily upon our country and the act of August 24, 1921, known as the agricultural credits act, extended still further the corporation's power and the organization was authorized to make loans for agricultural purposes to banks and financial institutions, including livestock loan companies and to cooperative marketing associations.

Here was an organization that in 1918 was given a capital stock of $500,000,000, and on November 30, 1919, the entire authorized capital stock had been subscribed. Here was an organization that was authorized to issue bonds to provide still further means for carrying on the purposes for which it was established.

Is there an analogy between the projects to which I have referred that have been undertaken by the Federal Government and the project that we are urging in the McNary-Haugen bill?

What was the attitude of business organizations throughout the United States on the question, in 1914, of the Federal Government engaging in a marine-insurance business that meant the writing of more than $2,000,000,000 of liabilities against the Government to protect ships and shipping upon the seas? Business organizations generally supported the administration in this emergency. The Government was doing that which was quite similar to that which we are asking in the pending bill.

What was the attitude of the banks, chambers of commerce, and business establishments generally throughout the United States when it was proposed that the United States consider engaging in the shipping business? We were not at war but we were facing World War conditions. We were facing a crisis just as we are to-day. Let me say the administration had the support of the great financial institutions and organizations through our country. Here was a project that is stupendous in comparison with what we are asking the Government to undertake in the pending measure.

What was the attitude of the business centers of our country when the administration proposed that the War Finance Corporation be established, to extend credit to shippers, and to banking institutions engaged in furnishing credit to houses that were in the export market business of our country during the war and after the war?

Gentlemen, again, let me say the most responsible business men of the United States recognized it as a solemn duty of the country to come to the relief of situations that it was felt were beyond the power of the banking institutions if left to their own means of financing to sustain.

I could go much further than I have gone in drawing the parallel of what the Government has done and what we are asking that the Government do here.

When the railroads were turned back to private management the Government had not only through the War Finance Corporation extended millions upon millions of dollars in credit, but the Congress itself wrote into the law a guaranty of 6 per cent profit to the railroads for a period of six months after private control would be resumed. The soundest business men of the United States urged upon Congress that this action be taken. The most responsible chambers of commerce and business organizations urged that it was the duty of Congress to guarantee the railroads against loss, and, in fact, to insure them profit for at least six months after private management had taken charge.

More than that, when the Government in the railroad administration act assumes to control the general policy of the

interstate commerce this very undertaking presupposes that the railroads shall return reasonable profits upon the capital invested to the owners of the stock. This presupposes that the Government through the agency established, the Interstate Commerce Commission, shall work out rates for freight and passenger and other service that are charged up against the public that will compensate the railroads in their business.

I am bringing these things to the attention of the Members of this House for the purpose of challenging your good judgment in the face of the present crisis that confronts the agricultural interests of our Nation.

The farmers of our country are no more anxious than are bankers and other business men for the Government to engage in business or lend the strength of its approval to business enterprises that are normally carried on by private citizens, but the World War brought crises from which, try as we may, we can not immediately escape.

The one large group of our people that to-day is suffering more than any other group is that group that is engaged in agriculture.

Do you not see in the activities to which the Government has addressed itself for the relief of our country and institutions under our country during the last 10 years not only precedents to follow but precedents of such nature as to impel you to act with the same thought, the same regard for our common interest in extending, for the time being, the relief that is proposed in the pending bill?

WILL THE BILL HURT COOPERATION AMONG THE FARMERS?

In my judgment cooperation will not be injured by the McNary-Haugen bill. On the other hand, I believe the measure will help cooperation.

This measure, more than any measure that has been before the Congress, will show to the farmers of the country the advantage of team work, the advantage of cooperation.

Already in agricultural lines where the producers are numerically small cooperation has demonstrated and is demonstrating its value for the farmers, as manufacturers years ago learned it was of value to them. More than that, the burden of the testimony of those who are representatives of the cooperative organizations throughout the United States sustains this same conclusion.

Let me at this point refer briefly to an illustration touching team work. Do you remember that after the World War broke out in Europe purchasers for the different nations were combing the United States for commodities? Not only was Germany bidding against Great Britain and France, but Great Britain and France, fighting in a common cause, were bidding against each other. After awhile, through the sweeping from the seas of the German ships, Germany ceased to be a competing factor. But France and Great Britain and Italy were in the market; and they, fighting a common battle in Europe, were engaged in a commerce war among themselves as they competed for the products that America had to sell. Then what happened? These nations recognized the folly of such procedure and they worked out a sort of purchasing arrangement by which commodities that we had to sell and that peoples of other nations had to sell were purchased at a flat price, regardless of whether they were to be used in Great Britain or in France or in Italy or in Belgium. They set up a common purchasing agency.

The converse of this is precisely what cooperation will do for the American farmer.

WHAT DID WE DO FOLLOWING THE CIVIL WAR?

A few moments ago I referred to outstanding performances of the Federal Government to ward off disasters of the World War even before the United States was involved as a combatant. Now, let me refer briefly to some of the things that we did following the great War between the States.

A moment's reflection is sufficient to recall the history of that period, the dreadful economic conditions that existed in the North and South alike, and the fact that it took some years to accomplish readjustment.

First of all, from the Mississippi Valley on to the Pacific Ocean there was a vast expanse of land, including millions upon millions of acres that was made available for the establishment of homes with the minimum cost to the settler. Undoubtedly, in my judgment, the opportunity that the United States then had of furnishing homes to our people served as a factor of tremendous import in helping to relieve the people of all parts of our country from the burden of a terrific war.

Second, the Government extended aid to railroads some years later that the settlements of the West could be brought into touch with the markets of the East and the world.

Third, while the United States had been involved in war the great nations of the world beyond our shores had for the most part enjoyed peace; their peoples were prosperous; they furnished the buyers in a world market for that which we had to produce.

Fourth, taking advantage of that situation, it became the policy of our Government, through a protective tariff, to build up home industries, thereby to furnish markets at home and to produce commodities at fair wages to be sold both at home and in foreign lands.

TWO COURSES OPEN

To-day it has been said our Government has the opportunity of lifting the farmers up to the level of the standard of prices that obtain in other things or the opportunity of pulling down the standards that the war has fixed for labor, for fuel, for commodities of all kinds that the farmer must buy.

We can open the floodgates to the immigration of the world and by that act 3,000,000 or maybe 5,000,000 people can be brought to the United States within the coming 12 months to smash down the wages of those in our country who toil in the mills in Massachusetts, in the mines of Pennsylvania, and in industry everywhere. More skilled employees who are now here would take the places of many who are now employed upon the railroads of the United States, and the wages of railroad workmen would swing back to the wage before the World War.

This is not all we could do. We could repeal our tariff laws, and by so doing paralyze our industries, close up our factories, mills, and mines, throw millions of people out of employment, but at the same time smash the prices of commodities that our people must have in order that they may live.

But, gentlemen, either course that I have suggested is unthinkable. A man with the brute strength of Samson can pull down the pillars of the temple whose construction was attained only through profound wisdom. We do not stand for destruction; rather, we stand for a policy that will lift to the level of the average conditions throughout our country the condition of those engaged in agriculture.

Mr. BLACK of New York. Mr. Chairman, I offer the amendment which I send to the desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will read.

The Clerk read as follows:

Amendment by Mr. BLACK of New York: Page 2, line 9, strike out the period after the word "surpluses" and insert: "and the lack of a domestic demand for quantities of certain agricultural commodities."

Mr. BLACK of New York. Mr. Chairman and gentlemen of the committee, I have sat through the large part of this debate, and it seems to me there is such a serious division of thought between the men from the agricultural districts that it behooves the men from the consuming districts to step in now and have something to say about this situation.

I confess I am always very jealous of the standing and integrity of legislative bodies, and I want to see this bill, if we enact a bill, in such form that the courts will have to stand by it. I do not want the courts to have any excuse to turn down this bill if we finally pass it, and I must confess to the gentlemen on this side of the Chamber, who seem to oppose this bill, that they are divided into two camps. There seems to be a camp over here that tries to tell us that this is a bolshevistic bill and there is a camp over here that tries to tell us that the packers want this bill. Now, when those two camps can go into conference and come out and convince me that the packers are bolshevistic, I may be more sympathetic to that view; but at the present time I think this is an excellent piece of legislative draftsmanship. I think you have a fine skeleton of a structure here, but I think you need a few things to fill in and make it a real workable bill.

This is an emergency bill. An emergency bill depends on its standing in court for the existence of the emergency properly stated that the bill is designed to meet. You have stated the emergency here, and you have advanced a preamble, and what is your preamble? Your preamble, friends, is nothing but a paraphrase of the words "agricultural emergency." There is not a real reason in your preamble for the agricultural emergency. There has got to be some casual connection between your preamble and your statement of the emergency to satisfy the courts.

Now, the courts are not going to be satisfied with the mere statement; you have got to prove it to the court. I want this bill strengthened. My amendment is for this purpose—I am trying to indicate to the court under the present conditions that there is not a sufficient domestic market for the products of agricultural fields. True, the courts may say that you did not have to go to the extent of passing emergency legislation. The courts may look into the thing and make further investigation

to find out if there is an agricultural emergency and if we farmers could not cure it in any other way than by emergency legislation. My thought is this, that this agricultural emergency grew out of the war. Everybody concedes that. There is no doubt about it; it came from abnormal conditions. But there was something else that grew out of the war, and that was prohibition. Prohibition came into the country by the way of an agricultural bill.

The United States Department of Agriculture issued a circular bearing upon this, and they say—

The United States is exporting about 20,000,000 bushels of barley each year, and the price of barley is therefore affected by the world price.

Notwithstanding that production has been maintained, market receipts during the past five years have been less than one-half as large as formerly.

Notwithstanding the production has been kept up the market receipts have gone down. Barley was used in large quantities in preprohibition days. Now see what the Yearbook of the Department of Agriculture says. It devotes a paragraph to the subject of prohibition. You will find it in the Yearbook, Department of Agriculture, for 1922.

It says:

The most recent factor affecting the production of barley has been the prohibition of brewing. The brewers of the United States were using slightly more than 50,000,000 bushels of barley each year at the time when brewing was prohibited. This 50,000,000 bushels, while constituting only about 30 per cent or less of the crop, did cause a premium to be paid for the highest grade of barley.

I have here statistics compiled by witnesses before the Judiciary Committee.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLACK of New York. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN (Mr. MAPES). The gentleman from New York asks unanimous consent to continue for five minutes. Is there objection?

Mr. BLANTON. Reserving the right to object, and I shall not object, will the gentleman tell us where he got his figures?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK of New York. These are figures not from an official source. The gentleman from Texas offered an amendment providing that the President of the United States might terminate the emergency by official proclamation. I think there the gentleman from Texas made a serious mistake, because the gentleman knows that the President might issue a proclamation terminating it the day after election. I heard the President speak over the radio Lincoln's Birthday on the farmers, and the tears that he shed were crocodile tears that fell on the heads of the interests before him.

I heard him cry over the farmer in a metallic way. The President can cry in a metallic way. This is a concession to the gentlemen of the majority. I have not heard a word from the President until the gentleman put him in here in his amendment.

As I said, these witnesses were before the Judiciary Committee. They state prohibition destroyed the market for three and a half billion pounds of farm products.

Mr. FOSTER. Will the gentleman yield?

Mr. BLACK of New York. Yes.

Mr. FOSTER. Will the gentleman give the name of any witness before the Judiciary Committee who testified to that?

Mr. BLACK of New York. I am giving the gentleman the figures. Does the gentleman doubt that the farmers who grow barley have been deprived of a market?

Mr. FOSTER. I asked the gentleman to name one of the witnesses.

Mr. BLACK of New York. I am telling you that the witnesses who testified to this before the Judiciary Committee were produced by the Association Against the Prohibition Amendment. I do not want to conceal that, and I have not the names here.

Mr. FOSTER. But the gentleman can not give the name now.

Mr. BLACK of New York. No; but what I am saying is that the farmer lost his market for barley due to prohibition, and barley farmers have lost about $1,000,000,000. Corn used in moonshine sold higher than wheat last year on the Chicago Board of Trade for the first time in history. When the brewers were using barley in 1916 and 1917 there were 67,931,577 bushels of barley used in beer. These figures were available because the Internal Revenue Department collected a tax on beer.

Moreover, they state that there were 125,000,000 pounds of rice used in beer during the years 1915, 1916, and 1917, and in the very next section of this bill you gentlemen have incorporated a provision taking care of the rice situation. I say this as a lawyer, regardless of the prohibition situation. Unless you accept this amendment that I have offered in this preamble, this bill will never stand the test of the courts on the emergency question. You have to do more for the courts than simply to say that there is an emergency and then describe the emergency. You have to show the effect following the cause, and the courts are doing their best these days to put down the power of the legislature to abridge the Constitution and meet emergencies. I submit this amendment in good faith. I do not take the position that the gentleman from Massachusetts [Mr. LUCE] takes toward the farmers. I believe we ought to reduce that spread between the farmer and the city man. We can reduce that by a mutual understanding. The farmer thinks that the city man is some kind of a burglar who is stealing what he has, and the city man thinks the farmer is some kind of a tyrant who is trying to force laws down his throat that he does not want. The city man is a poor man, just as poor as the farmer. I have many poor people in my district, much poorer than the farmer. These people seldom get the benefits of God's sunshine. The city man leaves his home to-day in the congested streets of the city and he does not know when he gets back at night whether or not his children will all be there with all of the automobiles running up and down the streets. You gentlemen on the farms have an ideal life—you love it—and I beg of you to so amend this bill that we city men can be with you men who are on the farm; and that can be done only if we can go back to the city people and say that we have done something for them, that we have incorporated some revenue in the bill to avoid the high prices. I want to say to you that no court has ever held that a legislature can fix prices so that they can be higher than they ought to be.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for two minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from New York be permitted to proceed for two additional minutes.

Mr. UPSHAW. I ask that it be made five minutes.

The CHAIRMAN. What is the desire of the gentleman from New York?

Mr. BLACK of New York. I will take four minutes. I do not want to be with either of the gentlemen.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for four minutes. Is there objection?

Mr. SHALLENBERGER. I reserve the right to object.

Mr. BLANTON. Mr. Chairman, will the gentleman from New York yield?

Mr. BLACK of New York. Oh, just a moment. I do not want to deal with any of you gentlemen just now. I will yield to the gentleman from Texas in about two minutes.

Mr. GALLIVAN. By all means yield to the gentleman from Texas. You can answer him.

Mr. SHALLENBERGER. But I reserve the right to object. Does the gentleman intend to confine his remarks to the bill and to his amendment?

The CHAIRMAN. Is there objection to the gentleman proceeding for four additional minutes?

Mr. BLANTON. I object.

Mr. BLACK of New York. Then I ask unanimous consent that I be allowed to proceed for two additional minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for two additional minutes. Is there objection?

Mr. BLANTON. I object.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

M'NARY-HAUGEN BILL

The committee resumed its session.

Mr. TINCHER rose.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. RAKER. Is it possible that no man in this House outside of a member of the committee is entitled to be heard at all?

The CHAIRMAN. The gentleman from California will be in order. The gentleman from Kansas [Mr. TINCHER] is recognized.

Mr. TINCHER. Mr. Chairman, I simply rise in opposition to the amendment, and I am sure that I do not want to take time that other gentlemen may want. I think this section is quite clear as it is:

The necessity in part for the existence of such surpluses in order to safeguard the domestic market against uncertainities of yield, and the economic impracticability of immediately preventing the continued production of such surpluses.

I said the other day on the floor that I did not think any greater calamity could come to the people of this country than to be forced to produce a shortage and to starve so many people in order to get a big price for what we produce.

It is absolutely impossible to tell exactly how many bushels of wheat will be consumed in America or to tell how many bushels of wheat you can produce in a given acreage in America, and for the happiness of the people of the country there must be a surplus of wheat and a surplus of meat produced in America every year. We can not produce very much more than was produced under war conditions, because then we used up all of the wheat land and a lot that was not wheat land in the production of wheat. I hope this amendment will not be adopted. I do not think that it adds anything to the bill. The section is clear as it is, and I do not want the American farmer at any place in this bill put in the attitude of being willing to go back into the liquor business for any relief. He deserves relief without any such exigency as that, and I hope every Member here will vote against the amendment. [Applause.]

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I have inquired at least five or six times from members of the committee in regard to how this bill would affect livestock and the products of livestock. There has not been a single member of the committee, for some reason better known to himself than to anyone else, who has given any answer to that question.

Mr. VOIGT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. The cattle business is a part of agriculture, and we ought to know how this bill will affect the cattle business. It is just as much a part of agriculture as wheat.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. The cattleman is just as much interested as the man who raises hogs and hogs alone. So far there have been only two items discussed, wheat and hogs. We have consumed 15 hours of debate and used up this afternoon on the first section of the bill, and no one has had an opportunity to receive information upon that question.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. SHALLENBERGER. Under the operation of this bill the corporation having determined a fair ratio price for cattle, which is higher than the price now, the corporation stands ready to maintain that price to the cattle growers of America, and the President is empowered to raise if necessary the tariff high enough to protect the cattlemen of America so that the cattlemen will receive the benefit of the bill as well as the wheat man and the hog man and everyone else.

Mr. RAKER. Well, Governor, I want to tell you you are the first man whom I have asked who has attempted to answer, and these thousands of people scattered over the United States are much interested in the raising of livestock—cattle—and in the raising of hogs and——

Mr. SHALLENBERGER. I have all my money invested in cattle.

Mr. RUBEY. Will the gentleman yield?

Mr. RAKER. I want to read—I will yield.

Mr. RUBEY. Is it not a fact that I took the gentleman out in the lobby yesterday afternoon and gave him the same explanation? [Laughter and applause.]

Mr. RAKER. All right. The gentleman read me some figures, and when he got through making his explanation I understood just about as much as I did when he started. [Laughter.]

Mr. RUBEY. I will read those figures right now.

Mr. RAKER. I yield to the gentleman from Kansas.

Mr. TINCHER. On page 9204 of the RECORD I tried to say the same thing that the gentleman from Nebraska just said, perhaps not quite as clearly and——

Mr. RAKER. I yield to the gentleman from Illinois.

Mr. MADDEN. I just wanted to ask, What is it the gentleman wanted to know?

Mr. RAKER. Now we are going to get light from the leader of the Committee on Appropriations. I greatly appreciate this, as he well knows. I enjoy his explanations.

Mr. MADDEN. I desire to know what the gentleman wants to know.

Mr. RAKER. What would be the ratio price upon cattle this last year under the proposal in this bill?

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. TINCHER. Will the gentleman yield?

Mr. RAKER. One at a time.

Mr. TINCHER. With beef cattle all the way from $2.50, according to weight, to $3 more than they are selling them on the market.

Mr. RAKER. Now, I am going to read something. A gentleman left in my office this morning this paper, and he said he knew more about it than anybody, and I want to read it for what it is worth:

Total beef and veal produced in the United States for 1923, in pounds, 7,787,000,000.

Total beef and veal produce exported in 1923, in pounds, 18,335,289.

Total beef and veal produce imported in 1923, in pounds, 7,402,941.

Exports over imports in 1923, in pounds, 10,932,340.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. May I have five minutes more?

The CHAIRMAN. The gentleman from California asks to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. I want to ask my distinguished friend from Kansas, if that statement is correct, is it sufficient for the President to declare an emergency?

Mr. TINCHER. Oh, yes; because we always have an exportable surplus on both hogs and cattle in the United States.

Mr. RAKER. This statement goes on——

Mr. VOIGT. Will the gentleman yield?

Mr. RAKER. I will.

Mr. VOIGT. I want to say in that connection that the United States Tariff Commission in its report on this bill says that in the last year we imported more beef than we exported, and consequently the President could not put an emergency into effect on beef.

Mr. RAKER. Now, gentlemen, we have two distinguished members of the Committee on Agriculture presenting the bill, and one says there is an excess of exports over imports and the other says there is an excess of imports over exports. It leaves us in a very unsatisfactory position. I am going to read the statement of my friend:

Thus you will observe that the world price for the 10,932,340 net pounds exported fixed the domestic price on the entire 7,787,000,000 pounds of beef and veal produced in 1923.

You will observe that only about 1 per cent of our entire beef and veal produce is exported, and this 1 per cent fixes the price on the entire American produce.

You inquired several times during the debate on the McNary-Haugen bill how this bill would benefit cattle raisers.

The bill is more workable in respect to cattle than any other produce and would do more good to the cattle raisers than any other branch of the farming industry for the amount of money necessarily employed in the handling of the commodity.

Now, that statement I am taking to be true, and the committee, after all this time and after investigation and after inquiry for four days, have been unable even up to this time to give the ratio price that would be declared.

In view of the limited export of beef and veal, substantially all that would have to be done in order to make the bill applicable to cattle would be to declare the emergency, fix the ratio price, and raise the tariff as provided in the bill.

If we figure the entire net exportable surplus at 7 cents per pound, you will observe that less than $1,000,000 would be necessary to buy this entire exportable surplus.

Practically no machinery would be necessary in order to handle this commodity, and but little money employed. The purchase of the ordinary exportable surplus in process meats could be done as the occasion required at any time throughout the year and the market thereby supported.

It is amazing the amount of misinformation in respect to this branch of the bill. It is as simple as two and two are four. I felt as though your questions were repeatedly asked during the debate and were not answered to your satisfaction, and I hope that this will be a complete explanation of the subject. It will not be necessary for the governmental agency to go into the market. The establishment of the ratio price and readiness of the agency to buy this small exportable surplus at any time to stabilize the market is all that is necessary; and, of course, if you were a member of the board to administer this law you

would immediately come to this conclusion, namely: All that it would be necessary to do would be to process meats as the amount of surplus was arrived at throughout the year.

The expert clerk has given this information, that if the ratio price is about 1 cent, therefore on a beef steer weighing a thousand pounds there would be an increase in value of $10; if 1.2 cents, it would be $12. On a 1,500-pound steer on foot at 1 cent it would increase $15, and another 1,500-pound steer at 1.2 cents would increase $18. I want to submit if the committee are able to say if that is true. If that is the condition of this bill, irrespective of the criticism against it, it is my duty as a Representative to stand before this Congress and present those facts, whether these people who have given their very life and existence for the last 25 or 30 years might have an opportunity to exist instead of starving to death. [Applause.]

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. RAKER. I will.

Mr. SHALLENBERGER. I do not care what the gentleman says, I will tell the gentleman from California it is the truth. The gentleman took my word before, and I will tell the gentleman why this thing is hovering on the verge of importation, and it is because in Argentina, the greatest competitive market in the cattle business, to-day they are about as near ruined as we are here.

If the tariff is lowered the least bit, or if our price rises, they are ready to rush in their beef, so that we have got to have this.

Mr. RAKER. I always try to ascertain whether or not I can support a measure and use my judgment on it, and taking the statement of the gentleman from Nebraska——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. RAKER. May I have just one minute more?

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for one additional minute. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. As I say, taking the statement of the gentleman from Nebraska [Mr. SHALLENBERGER] and taking the views of the committee as presented here to-day, it seems to me I could do no more benefit to the great country west of the Mississippi River, as well as to the country that is not within that territory, than to support this measure. The people in that territory have been raising cattle, and for the last 35 years they gave of their substance to build up their homes, beautiful houses, beautiful lawns, and great barns, as well as everything that goes to make up a home; but during the last three years they have been compelled to take from their reserve because of the depressed condition with regard to the price of cattle. So if I can vote and if I can raise my voice in favor of these men, whom I have known for 25 or 30 years, so that in the future they may get a reasonably fair price for their products, I want to tell you it is my duty to do so, and I now think I see my way clear to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. UPSHAW. Mr. Chairman——

The CHAIRMAN. The question is on the amendment proposed by the gentleman from New York [Mr. BLACK].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BLACK of New York. Mr. Chairman, I demand a division.

Mr. BLANTON. Mr. Chairman, the gentleman from Georgia was on his feet trying to get recognition, and he is entitled to it.

Mr. BLACK of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia have five minutes to speak on this amendment.

The CHAIRMAN. All time on this amendment has been exhausted. The gentleman from New York demands a division.

The question was taken; and on a division (demanded by Mr. BLACK of New York) there were—ayes 23, noes 84.

So the amendment was rejected.

Mr. DENISON and Mr. JONES rose.

Mr. JONES. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Illinois [Mr. DENISON] has been on his feet for a long time, and will be recognized.

Mr. DENISON. Mr. Chairman, I move to strike out the last two words. I am rising not because I think I can give the committee any information, but because I want to use this means of getting some information for myself.

The gentleman from Kansas [Mr. TINCHER] just made the statement, in a colloquy with one of the other gentlemen, that we have an exportable surplus of hogs and cattle. Now, I have received statements from various sources to the effect that exactly the contrary of that is true, and it does seem to me that somebody on the committee should be able to give us the information. I am not disputing the gentleman from Kansas, and I do not want him to take it that way. What I want to get at is reliable facts. I have a statement here issued by the Chamber of Commerce of the United States. I do not know what value to give to it, but the chamber of commerce is pretty well known. This statement was sent to the Members of the House with this information in it:

Cattle and hogs we do not export as cattle and hogs and consequently producers of them can not have ratio prices fixed as to their products.

Mr. TINCHER. Will the gentleman let me answer him right there?

Mr. DENISON. I will, because what I want is information.

Mr. TINCHER. Here are the exact figures as to the food products of cattle.

Mr. DENISON. I am talking about cattle and hogs and not the food products of them.

Mr. TINCHER. The gentleman means live cattle and hogs?

Mr. DENISON. Yes. The gentleman stated a while ago—as he will see when he looks at the report of his remarks—that we have an exportable surplus of cattle and hogs.

Mr. TINCHER. Certainly we have, because out of cattle and hogs we make pork and beef, and no matter whether we kill them here or after exporting them, we produce an exportable surplus of cattle and hogs.

Mr. DENISON. That is what I want to get at. I want to ascertain the meaning of this bill. Are cattle and hogs to be considered exactly the same as their processed products?

Mr. TINCHER. Certainly.

Mr. DENISON. The bill makes a clear difference between cattle and hogs and the food products made from them. You will find that the bill clearly makes a difference, and I want to ascertain whether it is true, as stated by the chamber of commerce, that there is no exportable surplus of cattle and hogs as such.

Mr. TINCHER. Oh, no; that is not true, because, if we did not butcher our cattle and hogs, of course we would have to export them alive, because we have an exportable surplus of them here.

Mr. DENISON. The question to my mind is what determines whether we have an exportable surplus; is it whether or not we export them? That is the question.

Mr. SHALLENBERGER. If the gentleman will permit, the quarantine laws of European nations prevent us from shipping our stock upon foot, either hogs or cattle, to Europe, so we have to slaughter them here; and this measure applies to the cattle and hogs and to the products of cattle and hogs the same as it applies to the wheat and to the flour.

Mr. DENISON. Where is the provision in the bill which provides that they mean the same—that the two terms mean the same? The bill provides, if I read it correctly, that an emergency shall be declared whenever there is an exportable surplus of the particular agricultural products referred to. Now, then, will the surplus be declared as to the pork products or as to the hogs?

Mr. FUNK. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. FUNK. The proposed law also provides in section 2, subsection 2:

That according to estimates made by it the ratio prices, as defined in section 4, in respect of the commodity, would be in excess of the domestic price thereof, it shall immediately notify the President in writing of its findings.

That means that if the ratio price of these articles is higher than the domestic price, or, putting it the other way around, if the domestic price is lower than the ratio price, then the emergency occurs automatically.

Mr. DENISON. I understand that.

Mr. FUNK. So you do not have to go to the point as to whether there is an exportable surplus in cattle or hogs or their products. An emergency may be declared upon a comparison of the ratio price and the domestic price, so why raise the question?

Mr. DENISON. I am raising the question for information, because I want to get information. On the contrary, an emergency can not be declared merely upon a comparison of the ratio price and the domestic price. Two facts must be found to concur before an emergency could be lawfully declared under the present language of the bill. First, there must be found to be an export surplus of the particular commodity, and

second, the domestic price must be found to be less than the ratio price of that commodity.

If there is no export surplus of live cattle and hogs, then the corporation could not legally declare an emergency and a ratio price as to them. So it seems to me that the farmers who produce the live cattle and hogs would not get the direct benefit of this act, but rather it would be the packers and others who handle the food products of cattle and hogs, of which, admittedly, there would be an exportable surplus.

Mr. BURTNESS. I am sure if the gentleman will read section 2 he will find that this commission will have the discretion to report these facts, whether it be upon live hogs, upon live cattle, or upon any food product of such cattle or hogs—that is, upon pork or upon beef—and I want to ask the gentleman whether, after all, he does not feel that the chamber of commerce had rather a low estimate of Members of Congress when it presumed that the Members did not know that cattle and hogs intended for slaughter were not shipped across the Atlantic Ocean as living animals.

Mr. DENISON. I do not want to get into any controversy as to what the chamber of commerce knows. They have some considerable reputation through the country; they are doing business as a live concern, and are composed of pretty high-class individuals, and I felt I could afford to quote their statement and call it to the attention of the committee.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. JONES. Mr. Chairman, in view of the discussions that have arisen with reference to the exportation and importation of cattle and cattle products, I have compiled a little statement from the figures of the Department of Commerce. I want to read this and I want to state that the Department of Commerce is the department which compiles the original figures. The figures given by the other departments are, for the most part, taken from the statistics furnished by the Census Bureau:

Cattle

Exports:	Head
1922	111,000
1923	37,000
Imports:	
1922	237,000
1923	137,000
Beef and veal, fresh—	Pounds
Exports—	
1922	3,890,000
1923	3,385,000
Imports—	
1922	36,693,000
1923	19,356,000
Beef and veal, pickled, cured, or preserved—	
Exports—	
1922	26,210,000
1923	28,041,000
Imports—	
1922	6,794,000
1923	11,176,000

It may be noted here that in these tables the export meats are classed as "pickled" or "cured." The imports are classed as "prepared" or "preserved."

On the pickled or preserved variety the exports exceeded the imports.

In this connection, according to the United States Tariff Commission report of cattle and cattle products, in 1923 we imported $65,377,000 worth and exported $25,000,000 worth. The different items are as follows:

Imports and exports of cattle

[Calendar year 1923]

	Unit	Imports		Exports	
		Quantity	Value	Quantity	Value
Cattle	Number	136,481	$4,272,775	37,194	$1,878,010
Beef and veal, fresh	Pounds	19,356,470	2,250,999	3,385,078	590,205
Beef, pickled or cured	do			28,041,629	2,940,340
Canned	do			1,733,996	473,182
Oleo oil and oleo stock	do			100,256,104	15,013,767
Tallow—					
Edible	do			1,204,303	99,756
Inedible	do			84,871,558	2,872,004
Cattle hides	do	291,998,885	46,605,260	23,897,230	2,852,520
Calf and kip skins	do	48,092,070	11,369,575	2,992,284	883,005
Beef and hog fats	do	11,373,793	879,167		
Total value			65,377,876		25,024,425

It will be seen from this table that on cattle and cattle products for 1923 the value of imports was $65,000,000 and the value of exports $25,000,000. This includes, of course, cattle hides. If these be eliminated, the value of imports still exceeds the exports by $554,000. If the inedible portions of the tallow are also excluded, the exports would exceed the imports by about $2,000,000 in value. I also desire to quote in this connection the following paragraph from the Bureau of Animal Industry in a report on meat production, consumption, and foreign trade, 1907–1923:

Exports of beef at one time formed a large and important branch of our foreign trade, but by 1913 they had largely disappeared and foreign beef began to come in. The exports were large from 1915 to 1918 solely because of the war needs and have since almost disappeared. * * * Imports of beef in 1914, however, were quite considerable. At this period the sources of cheap beef in the Southern Hemisphere, especially Argentina, had developed enormously, and they had, in fact, supplanted the United States in the overseas trade with Europe.

Thus it will be seen from the various figures that it is difficult to tell just when we are on an exporting and when we are on an importing basis, so far as cattle products are concerned. Unquestionably, for the past few years we have been on an importing basis with reference to cattle. The figures would undoubtedly show that we have been on an importing basis, for the last two years, at least, with respect to cattle products; also with respect to fresh beef and veal, but with reference to all of the edible products from cattle we have for a portion of the time, at least, been on an exporting basis.

If both cattle and cattle products are combined, even though all of the inedible parts are excluded, we are still on an importing basis.

In view of the various questions that may be raised in this manner, it would seem advisable to amend the law so as to give the corporation the power, in its discretion, to declare an emergency, even though at the exact time we may not be on a strictly exporting basis. Whether such an amendment is necessary or not, it would at least be advisable, as it would remove all doubt as to the power of the corporation to act under the circumstances.

Mr. HUDSPETH. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Texas.

Mr. HUDSPETH. It seems that down in that department they are somewhat like the old country school-teacher was when he was asked whether he taught that the world was round or square and he replied that he taught it both ways. I want to say to my colleague that I have some figures which I placed in the RECORD from the same department, showing that in 1923 we exported 39,000,000 pounds of beef and veal and that we imported only 19,000,000, giving us an export surplusage over imports of about 20,000,000 pounds.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HUDSPETH. I ask that my colleague may have three minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDSPETH. Of course we only export a very few cattle and hogs because we have not any place to send them except to Mexico and Canada.

Mr. JONES. Yes; that is true.

Mr. HUDSPETH. But, as I understand this law, it applies to beef and veal and pork.

Mr. JONES. Yes; it does apply to beef and veal and pork. I will say that my figures are taken from the original census figures which were printed, and they were rechecked and are taken from the original figures. But whether the figures furnished my colleague are correct, or whether those furnished me are correct, the fact that remains with reference to this matter is that this bill, if those administering it have the power to declare the emergency, will cover cattle and cattle products; but as it is worded, there is at least some doubt as to whether they could declare the emergency on those commodities regardless of what the price might be, unless we were at the very time on an exporting basis; that is, unless we were exporting more than we were importing. There is some ground for argument they could not anyway, but I have prepared an amendment, which I will offer when we come to that point, to the effect that if we are on an exporting basis or if, in the judgment of those in charge of the corporation, it would materially enhance the price to export a portion of the commodity—in either event, if the price is below the ratio price—the emergency can be declared. If the bill is going to be passed, I think it ought to carry that amendment, because I do not think there ought to be any chance of some export company coming in after the corporation has gone to work and knocking the thing out on the ground that there was no authority to declare the emergency.

Mr. DENISON. I would like to ask the gentleman a question on that very point so that I may understand his viewpoint. Suppose we were not exporting a pound of cattle or a pound

of hogs—I am talking about live hogs and live cattle—but were exporting some of their products; could this corporation then under the law declare an emergency as to live cattle and live hogs?

Mr. JONES. I do not think so as the bill is worded now; at least, there is considerable doubt as to that. They could declare it on the food products.

Mr. DENISON. Yes; I understand that.

Mr. JONES. But I think not on the live animal. I think that is the more plausible construction. That is the reason I expect to offer an amendment.

Mr. DENISON. If they could only declare it as to the food products and not as to the live animals, then the ratio price would be fixed for those who handle the food products and not for the farmer, is not that true?

Mr. JONES. Yes; that is what I am trying to cure.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BRAND of Ohio. Mr. Chairman and gentlemen of the committee, I think this discussion has proceeded until we have agreed upon one point—that the farmers need relief. We are all agreed on that. I think, too, we have gone so far in this discussion as to agree to another point, and that is that the principle underlying the McNary-Haugen bill is fair; that it simply puts agriculture on the same basis as other lines of industry in the country.

The next point is, is the plan in the McNary-Haugen bill practical and is it workable? That is where we are, and some of you are on the fence. I am sure of that from the discussion that I have had with some of the Members. I think the greatest difficulty that we have encountered in the debate was from the speech of the gentleman from Wisconsin on the first evening when he raised the question about the hogs. I have been able to answer his argument in my own mind to my perfect satisfaction. I think some Members would like to have me state how I explain that to myself.

The gentleman from Wisconsin stated that this bill would work all right with wheat. I understood him to make that statement, but he said it would not work with hogs. He said if the bill went into effect it would raise the price of hogs from 7 cents to 11 cents; he was a farmer raising hogs and he would immediately increase the number of hogs that he would raise four times, and, therefore, we would have an enormous oversupply of hogs. Now, let us see if he could do that. I do not know how big his farm is, but it does not make any difference. He could not increase the number of hogs unless he increased the feed in the same proportion. Any farmer knows that. He might go out and buy the feed, but if he does he reduces the raising of the hogs by somebody else.

During the war we had a higher price on hogs than we had on milk, and we had a higher price on hogs than we had on wheat; we had a higher price on hogs than we had on anything, because they wanted hogs. And, gentlemen, you never got as many hogs as you wanted. Why? Because you could not get the feed. The price of feed went higher than the price of hogs. All of you know that you could not buy corn, put it into hogs, and make a profit. The corn was on a basis of 21 cents a pound for hogs, and hogs were worth 17 cents. Therefore there was a loss, and it stood that way for a long time. So I say that if the gentleman from Wisconsin increased his hogs four times, he would have to increase the feed in proportion, and that is impossible.

Mr. BURTNESS. What about the buildings?

Mr. BRAND of Ohio. Yes; at the same time he would have to increase his buildings on the farm. Another thing, and I know from experience, for I handle a good many farms and have hogs on all of them——

Mr. MURPHY. Will the gentleman yield?

Mr. BRAND of Ohio. I will.

Mr. MURPHY. I am curious to know when there is no market, when there are no hogs exported on foot, how will this corporation fix the price that will be of any benefit. I can readily see where it will be for the benefit of the packer or the man that manufactures hog products, but my mind does not grasp the situation where if he raises four times as many hogs, where he is going to get off. Hogs and cattle are supposed to be benefited under the bill, and if we do not export hogs and cattle as hogs and cattle, where are we going to get any benefit for hogs and cattle raised in Ohio?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BRAND of Ohio. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BRAND of Ohio. Mr. Chairman, I think I will come to an answer to the gentleman as I proceed; I want to continue what I was saying. In raising hogs you have to put the amount of stock on a farm that fits the farm. I think all of you farmers will agree with me on that. The ordinary farm has about one man and nine sows on a diversified farm.

Mr. ROACH. Will the gentleman yield?

Mr. BRAND of Ohio. Yes.

Mr. ROACH. If I understand the bill correctly, there has got to be an exporting surplus before the bill can be applied. That is only one of the conditions on which the provisions of the bill may be applied, but it is not the only provision. The other provision is that the price of the article has got below the ratio price.

Mr. NEWTON of Missouri. And the word "and" is in there and not the word "or," so that both of the provisions must apply.

Mr. BRAND of Ohio. I will come to that directly. As I say, an ordinary man will handle about nine sows successfully. If you multiply it by 4 or by 2, I find by actual experience that you do not raise much more swine than you would with 9 or 10 sows on the farm.

Now we come to the next point—and perhaps we shall answer the gentleman from Ohio—made by the gentleman from Wisconsin [Mr. VOIGT]. He said there was a time when 85,000 hogs came into the Chicago market in one day. He had a hypothetical case, one which was entirely imaginary, in which the packers would only use 50,000 hogs out of the 85,000, and he imagined that 35,000 would be left for export, with the five packers in Chicago taking this position with the corporation: That they would not allow over 4 cents a pound for these surplus hogs. I want to say, in the first place, that what would really happen in this case was what did actually happen. All the hogs were taken. That is what will happen again; but suppose this ridiculous situation of his does occur, and the packers say that they will not pay more than 4 cents a pound. Do you not know that the farmers of the country would send in wires for carloads of those hogs at 4 cents a pound and that the packers would not be able to get a hog? There is not anyone here who would not take them at 4 cents and then 30 days later sell them at 11 cents.

Mr. SHALLENBERGER. Mr. Chairman, will the gentleman yield?

Mr. BRAND of Ohio. Yes.

Mr. SHALLENBERGER. Every day the packers are competing in Chicago and other places against buyers who are just as numerous as they are.

Mr. BRAND of Ohio. The gentleman from Wisconsin gave the House the impression that there were but five packers, and that there was not anybody else buying hogs and packing them for export. There are 267 packers in the United States who handle 60 per cent of the products, and there are 1,700 other packers in the United States who handle the other 40 per cent. We are not yet down to the place where we have to get on our knees to four or five packers. Only 10 per cent of the hog products of the United States is exported. And I want to say to you that in Ohio we can take that 10 per cent of all of the pork produced and pack it in Ohio ready for export with the facilities that we have there now, if there is a corporation of the Government that comes to us and says, "Here is a profitable business; you can make a profit in this and we want you to do it." I believe that covers the point that I had in mind.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry?

The CHAIRMAN. The gentleman will state it.

Mr. HASTINGS. Has general authority been given to print and extend remarks on this bill?

The CHAIRMAN. Yes.

Mr. HASTINGS. I want to know whether that will include an extension of remarks in opposition to the so-called Black amendment?

The CHAIRMAN. The Chair understands that unanimous consent has been granted to extend remarks in relation to the bill or any germane amendment thereto, and no question was raised as to the germaneness of the amendment offered by the gentleman from New York [Mr. BLACK].

Mr. SANDERS of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk proceeded to read the amendment.

Mr. CHINDBLOM (interrupting the reading). Mr. Chairman, I rise to a point of order. Can more than one section be offered at this time?

Mr. SANDERS of Texas. Mr. Chairman, this strikes out all after the word "assembled" in the first section, and it is a substitute for the first section.

The CHAIRMAN. Is it a substitute for the entire bill?

Mr. SANDERS of Texas. It is; and if it should be adopted, then it would be in order to move to strike out the other paragraphs of the bill.

The CHAIRMAN. And the gentleman's motion is to strike out the first section and substitute this in its place?

Mr. SANDERS of Texas. Yes. It is the same proposition that was passed on here once this afternoon. It is just like the motion offered by the gentleman from Illinois [Mr. RAINEY].

The CHAIRMAN. The gentleman from Texas offers an amendment to strike out the first section, a substitute for the bill, and gives notice that if his substitute is agreed to he will afterwards move to strike out the subsequent sections of the bill.

Mr. TINCHER. Mr. Chairman, I understood the gentleman to state that it is the Rainey amendment which was offered a while ago.

Mr. BLANTON. Oh, no; he just announced that it was the same parliamentary situation.

The CHAIRMAN. The Chair understood that the gentleman is adopting the same procedure that the gentleman from Illinois did, not that it is the same amendment. The Clerk will report the amendment.

The Clerk read as follows:

Mr. SANDERS of Texas offers the following amendment: Page 1, line 2, after the word "assembled," strike out the remainder of the section and insert the following:

"That the short title of this act shall be 'The agricultural export corporation and trading act.'

"SEC. 2. When used in this act the term 'person' includes partnerships, corporations, associations, cooperative organizations of producers, cooperative organizations of consumers, and municipal corporations, as well as individuals.

"SEC. 3. A board of directors, consisting of three members appointed as hereinafter provided, are hereby created a body corporate by the name, style, and title of 'The farmers' and consumers' financing corporation' (herein called the corporation), and shall have succession until dissolved by act of Congress.

"SEC. 4. That the capital stock of the corporation shall be $100,000,000, all of which shall be subscribed by the United States of America, and such subscription shall be subject to call upon the vote of two-thirds of the board of directors of the corporation at such time or times as may be deemed advisable; and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000, or so much thereof as may be necessary, for the purpose of making payment upon such subscriptions when and as called. Receipts for payments by the United States of America for or on account of such stock shall be issued by the corporation to the Secretary of the Treasury and shall be evidence of stock ownership.

"SEC. 5. That the management of the corporation shall be vested in a board of directors, consisting of three members, to be appointed by the President, by and with the advice and consent of the Senate. The term of office of members of said board shall be eight years, but in the first appointments made under this act, one director shall be appointed for four years, one for six years, and one for eight years, and thereafter appointments shall be made for eight years: *Provided*, That in case of the appointment of any member of said board to fill a vacancy the appointment shall be made for the unexpired term. The member of said board, except in appointments made to fill a vacancy, having the shortest term to serve shall be the chairman thereof. No director, officer, attorney, agent, or employee of the corporation shall in any manner, directly or indirectly, participate in the determination of any question affecting his personal interests or the interest of any corporation, partnership, or association in which he is directly or indirectly interested; and each director shall devote his time to the business of the corporation. Before entering upon his duties each of the directors so appointed and each officer shall take oath faithfully to discharge the duties of his office. Any member of said board of directors can be removed from office at any time by concurrent resolution of the Senate and House of Representatives.

"SEC. 6. That the directors of the corporation appointed as hereinbefore provided shall receive annual salaries, payable monthly, of $10,000.

"SEC. 7. That the principal office of the corporation shall be located in the District of Columbia, but the board of directors shall have power to establish agencies or branch offices in any place in the United States and in foreign countries.

"SEC. 8. That the corporation shall be empowered and authorized to adopt, alter, and use a corporate seal; to make contracts; to purchase or lease and hold or dispose of such real estate as may be necessary for the prosecution of its business; to sue and be sued; to complain and defend in any court of competent jurisdiction, State or Federal; to appoint, by its board of directors, and fix the compensation of such officers, employees, attorneys, and agents as are necessary for the transaction of the business of the corporation, to define their duties, require bonds of them, and fix the penalties thereof and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its board of directors, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised: *Provided*, That in the appointment or promotion of any such officers and employees, attorneys, or agents, the board shall give no consideration whatever to the politics of such persons, but all such appointments and promotions, as well as all other business of the corporation, shall be conducted and transacted entirely on a nonpartisan basis.

"SEC. 9. That the corporation shall be empowered and authorized (1) to lease and operate elevators and storage warehouses; (2) to buy agricultural products from any person within the United States, and to sell such products to any person within the United States, and to any person or to any government or subdivision of government without the United States; (3) to act as agent of any person producing or dealing in agricultural products, either in their natural or prepared state, within the United States, in the sale of such products either within or without the United States; and (4) to make advances for the purpose of assisting any person in financing the sale, or exportation and sale, of such agricultural products, but in no case shall any of the money so advanced be expended without the United States. Every such advance, and any sale of such products made on time, shall be secured by adequate security of such character as shall be prescribed by the board of directors. It is hereby declared to be the object and purpose of this act to provide a market for the sale of agricultural products, and to eliminate as far as possible the commissions and charges that are exacted upon agricultural products from the time such products leave the producer until the same reach the consumer, and to thereby increase the price which the producer receives and decrease the price which the consumer pays.

"SEC. 10. That the corporation shall be empowered and authorized to issue and have outstanding at any one time its bonds in an amount aggregating not more than five times its paid-in capital. Such bonds shall mature not more than 10 years from the respective dates of issue, and shall bear such rate of interest as shall be fixed by the board of directors with the approval of the Secretary of the Treasury. The bonds may be offered for sale publicly or to any person at such price or prices as the board of directors, with the approval of the Secretary of the Treasury, may determine.

"SEC. 11. That the net earnings of the corporation not required for its operation shall be accumulated as a reserve until such time as such reserve amounts to $100,000,000; and thereafter all the net earnings of the corporation not required for the redemption of any of its bonds shall be paid into the Treasury of the United States until such payments equal the amount advanced by the United States for the capital stock of the corporation.

"SEC. 12. That any and all bonds issued by the corporation shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, corporations, or associations. The interest on an amount of such bonds the principal of which does not exceed in the aggregate $5,000 owned by any individual, partnership, corporation, or association, shall be exempt from the taxes referred to in clause (b). The corporation, including its franchise and the capital and reserve or surplus thereof, and the income derived therefrom, shall be exempt from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or any local taxing authority, except that any real property of the corporation shall be subject to State, county, or municipal taxes to the same extent, according to its value, as other real property is taxed.

"SEC. 13. That whoever makes any statement, knowing it to be false, for the purpose of obtaining for himself or for any other person any advance under this act, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than two years, or both.

"Whoever willfully overvalues any security by which any such advance is secured shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"Whoever (1) falsely makes, forges, or counterfeits any bond, coupon, or paper in imitation of or purporting to be in imitation of a bond or coupon issued by the corporation; or (2) passes, utters, or publishes, or attempts to pass, utter, or publish any false, forged, or counterfeited bond, coupon, or paper purporting to be issued by the corporation, knowing the same to be falsely made, forged, or counterfeited; or (3) falsely alters any such bond, coupon, or paper; or (4) passes, utters, or publishes as true any falsely altered or spurious bond, coupon, or paper issued or purporting to have been issued by the corporation, knowing the same to be falsely altered or

spurious, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"SEC. 14. That whoever, being connected in any capacity with the corporation, (1) embezzles, abstracts, or willfully misapplies any moneys, funds, or credits thereof, or (2) with intent to defraud the corporation or any person, or to deceive any officer of the corporation (a) makes any false entry in any book, report, or statement of the corporation, or (b) without authority from the directors, draws any order or assigns any note, bond, draft, mortgage, judgment, or decree thereof, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"The Secretary of the Treasury is authorized to direct and use the Secret Service Division of the Treasury Department to detect, arrest, and deliver into the custody of the United States marshal having jurisdiction any person committing any of the offenses punishable under this section.

"SEC. 15. In case of war, or when in the judgment of the President of the United States there is danger of war, any such vessel or vessels so turned over to the corporation shall, upon the demand of the President of the United States, be immediately returned to the Government of the United States."

Mr. PURNELL. Mr. Chairman, I make the point of order against the amendment that it is not germane. This substitute is open to the same objections that were lodged against the substitute offered by the gentleman from Louisiana [Mr. ASWELL]. In the first place, this substitute is not for the purpose of meeting the present emergency, as is clearly the purpose of the McNary-Haugen bill, but it is permanent legislation. In the second place, it is clearly a marketing bill, as is shown on page 5, beginning at line 13, in which it is declared to be the object and purpose of the act to provide a market for the sale of agricultural products, and so forth, with the avowed purpose of increasing the price which the producer receives and decreasing the price which the consumer pays. Certainly that is a very laudable purpose, but it clearly demonstrates that it is a marketing bill. Section 12 also provides for tax-exempt securities, which is contrary to the McNary-Haugen bill, which provides that these securities shall not be exempt. Section 15 authorizes the President to turn over vessels without charge for the use of the corporation.

Mr. RAKER. As I understand it that is not included in the amendment.

The CHAIRMAN. Section 15 is not a part of the amendment.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. PURNELL. Yes.

Mr. BURTNESS. I did not follow the reading of the bill. If any loss is incurred, does this amendment contemplate a recovery from the Treasury or by means as is suggested in the McNary-Haugen bill through the producers themselves?

Mr. TINCHER. This is the Norris-Sinclair bill, and it makes the Treasury stand all of the loss.

Mr. PURNELL. Mr. Chairman, my understanding is that whatever losses are incurred would come out of the Federal Treasury.

Mr. TINCHER. Well, the Clerk read on page 9 "in case of war or when in the judgment of the President of the United States there was danger of war, any such vessel or vessels turned over to the corporation," and so forth.

Mr. SANDERS of Texas. In the amendment—I do not know whether the Clerk read it or not—section 15, page 9, I had it marked out. If it is not stricken out, I intend to do so.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the point of order.

Mr. SANDERS of Texas. Mr. Chairman, I yield to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Chairman, both these bills are marketing bills. Both of them deal in large measure with the exportable surplus of basic farm products. Both of them provide for organizing a corporation to handle such products.

It is true that the plan by which they go about it is a little different. But the main purposes of the two bills are practically the same, or at least strike at the same problems. As to the question in reference to section 15, that section has been eliminated. The question as to tax-free bonds is not an important question. On the question of the parliamentary status of the two bills it is an incidental question whether the bonds shall be tax free or tax exempt. As a matter of fact in this bill the bonds are not tax free; they are subject only to certain taxes. But that is not an important matter. The main purposes of the bill, as set out here in section 9, are:

To lease and operate elevators and storage warehouses.

That is practically the same as the bill which is under discussion.

To buy agricultural products from any person within the United States, and to sell such products to any person within the United States and to any person or to any government or subdivision of government without the United States.

Now, this bill under consideration has the same purposes. They have authority to buy these products and sell them abroad at world prices or to sell them within this country at not less than the ratio price. Those powers are in both bills. I read further.

To act as agent of any person producing or dealing in agricultural products, either in their natural or prepared state—

And so forth.

As I remember the bill under consideration it authorized the corporation to assist persons or organizations, as this one does, under subdivision 4, which says:

To make advances for the purpose of assisting any person in financing the sale or exportation and sale of such agricultural products.

And so forth.

And it seems to me, the main purpose of the bill that we are now considering being the same as the main purpose of the measure my colleague offers, that it would be in order as a substitute. Of course, it has not exactly the same provisions because if they were there would be no point in offering a substitute. I am not now discussing the merits of either bill. But it seems to me that the question of whether one is germane to the other depends almost altogether upon the main purposes of the two bills, and no man can gainsay the fact that the bills have the same main purposes.

Mr. PURNELL. Mr. Chairman, it is clearly permanent legislation and section 9 contemplates building, buying, leasing, and operating elevators and storage warehouses and to put the Government in the business as a permanent policy, which is not in line with the purpose of the McNary-Haugen bill.

Mr. BLACK of New York. If the Chair will hear me, it seems to me this substitute is out of order, because it is a substitute not only for the McNary-Haugen bill as an original proposition but for that portion of the McNary-Haugen bill that purports to be a preamble. Now, the first section of the McNary-Haugen bill is divided into two parts. The first part is the preamble. I understand a preamble legislatively is a compilation of the evidence before the final deliberative body on which it predicates its action. But here you substitute legislation for a statement of facts, and I believe that on that ground alone that this proposition offered as a substitute for the bill containing a statement of facts is clearly out of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Texas [Mr. SANDERS] seeks to effect the same general purpose as the bill in question—that is, to relieve the agricultural situation. It is true, as suggested by the gentleman from Texas [Mr. JONES], that the mere fact that there is to an extent a departure from the bill under consideration does not make it out of order because otherwise there would be no necessity of offering a substitute or amendment of any kind. However, it is not possible to offer a substitute for a bill which undertakes to give the same relief and yet departs entirely from the method of the bill under consideration. The Haugen bill, under consideration, is an emergency measure and merely gives power to investigate and determine when a special emergency exists with reference to any one of the enumerated agricultural products, and then the corporation having certain definite powers comes into action and by means of control of exportable surplus relieves the situation. This substitute is permanent legislation, giving the Government power to buy and sell farm products. While the ultimate object is to relieve agriculture, it embraces a method that does not come within the rules of the House in reference to germaneness to the bill under consideration, and the point of order is sustained.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

Mr. HAUGEN. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Iowa rise?

Mr. HAUGEN. May we have another section read?

Mr. BURTNESS. If I may have recognition on the other section.

The CHAIRMAN. What is the request of the gentleman from North Dakota?

Mr. BURTNESS. My request is to proceed for 10 minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTNESS. Mr. Chairman and gentlemen of the committee, a day or two ago the gentleman from Kansas [Mr. TINCHER] called your attention to a very important chart, a graph which you will find in the RECORD on page 9204, and which shows conclusively the present relationship of the price of agricultural products now as compared with 1913 with various forms of labor. This is important, for it indicates not only the trend in the increased cost of producing farm products, but it also shows the ability of labor in general to pay fair prices for them.

Starting with all items covered by the graph at a normal basis of 100 in the year 1913, we find that the price of agricultural products is now on a basis of about 118, while farm labor is on a basis of about 152. In other words, farm labor has increased 52 per cent, but agricultural prices only 18 per cent, since 1913.

But what about other wages entering into the cost of commodities or service which farmers must buy? On the same basis, railroad labor stands to-day at about 180, union labor outside of railroad labor at about 200, and labor in the factories of New York at about 220.

I desire now to call your attention to another chart, and it is one which depicts graphically the purchasing power of farm products and of nonagricultural products:

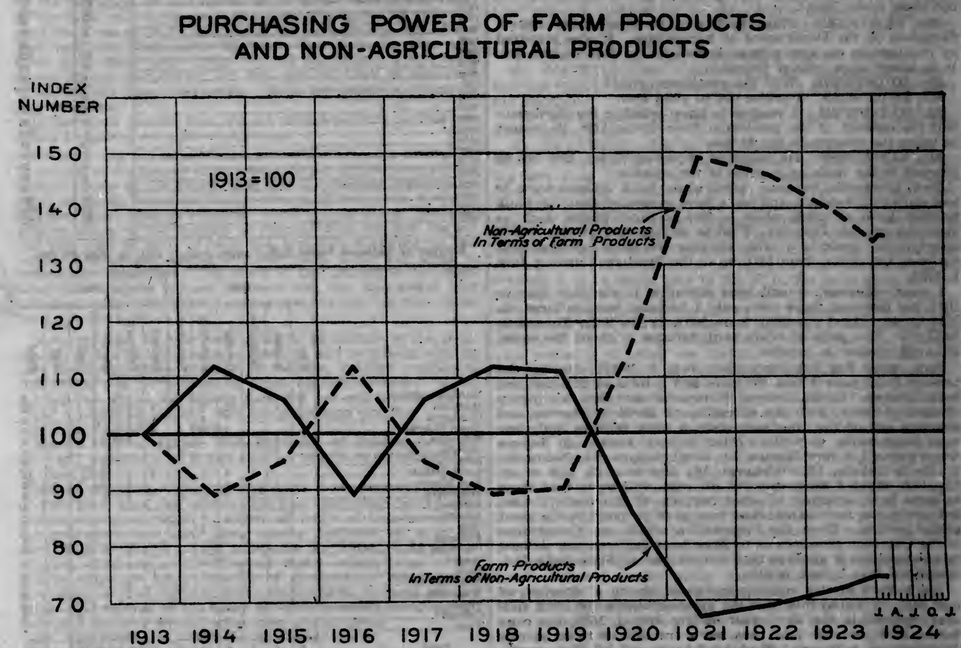

Starting out with 1913 again as the pre-war normal basis [indicating on chart], you will note that the black line indicates the purchasing power of agricultural products in terms of nonfarm products; the dotted red line indicates the purchasing power of nonagricultural products in terms of farm products. In 1918 you note farm products commenced to rise as compared with others, so that there was some difference there for about two years; that is, farm products in the terms of other products had during that time a slight advantage as compared with the 1913 normal. Then the lines crossed in 1915—toward the latter part of 1915—and for a while, as compared with 1913 conditions, the products which were nonagricultural had an advantage over agricultural products as compared with 1913. In any event, from 1913 to 1919. The lines crossed and recrossed, as they ought to do under normal conditions, until we reached the latter part of the year 1919. During this time, from 1913 to 1919, I submit, gentlemen, that the economic laws operated in such a way that there was no advantage to one of these classes of commodities as against the other, but that they did just exactly what you expect to happen in normal times through the ups and downs of the various markets.

But then what happened? In 1919 agricultural products took an enormous drop not only in price but also in their purchasing power of nonagricultural products, with the result that in 1921, as shown by this graph, nonagricultural products were up to the basis of approximately 150 while agricultural products had fallen to a basis less than 70; in other words, a difference there of about 80 points. And what has been the result since then? Why, if times had been somewhere nearly normal you would have seen these lines recross again. That is what they did back in 1913, 1914, 1915, 1916, 1917, and 1918. Of course, there was not the great variance during those years that developed in 1919. Since then, however, one year has gone by, two, three, and four years have passed, and you still find a difference between the lines of from 60 to 70 points, with practically no indication whatsoever that these lines are going to converge or get together again. Why, if you will extend the lines as set out here on the basis of the almost imperceptible convergence that has taken place during the last four years you will find that you would probably reach 1935 or possibly 1940 before these two lines would get together or recross.

Now, that is the exact situation; and what has happened under these conditions? Why, there is not anything peculiar about what has happened in the agricultural section when this is the situation with which they have been confronted for almost five years.

Of course, we have had hard times, bank failures, and general distress throughout those vast portions of the country dependent upon agricultural products. But let me remind you of this: That this graph indicates the situation with reference to agricultural prices in general, including such crops as cotton and wool, which have been selling above the

ratio price. When this [indicating] is the situation with reference to the average of agricultural products, including those I have already suggested and others which have fortunately received fair prices, such as dairy products, then what do you suppose could have happened to those communities throughout this country which are engaged primarily in the raising of such agricultural products as wheat, hogs, and livestock, the prices for which are not even anywhere nearly up to the basis of the price of agricultural products in general?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BURTNESS. Gladly.

Mr. CHINDBLOM. Who prepared that chart? Where did the chart come from?

Mr. BURTNESS. This chart was prepared from figures furnished by the Department of Agriculture. It was prepared by the Bureau of Agricultural Economics in that department. It is based upon official figures.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BURTNESS. I prefer not to yield now.

Mr. HUDSPETH. I wanted to know whether the gentleman had the consent of the gentleman from Texas [Mr. BLANTON] to bring the chart into the House.

Mr. BURTNESS. He made no objection to it. But let us proceed to the facts as to some of the results.

Now, gentlemen, we have talked about bank failures more or less during this debate and some have suggested that the bank failures have all taken place in two or three States, such as Montana and the Dakotas. That is not the fact at all. I will insert in my remarks a table showing the bank failures, both national and State, from 1870 up to the fiscal year ending July 1, 1923.

I want, however, to call your attention to the fact that in 1917, for instance, there were only 7 national bank failures; in 1918, 2; in 1919, 1; in 1920, 5; in 1921, 28; in 1922, 33; and in 1923, 37. The ratio of State bank failures is about the same, although greater in number.

Now, what has happened since July 1, 1923? During the present fiscal year I find we have had a total of 123 national bank failures. In the State of Minnesota—and that is a highly diversified State, with the exception of about 2 congressional districts out of the 10—there were 6 bank failures and they were large banks, as well as being national banks. In Kansas there were 4; in New Mexico, 12; South Dakota, 15; Nebraska, 7; North Dakota, 18; Oklahoma, 16; Montana, 22, and so on. The list, which I trust you will all read, will show that these failures have occurred in other portions of the country also, but not to the same extent that they have occurred in the great plains section. From the information which the Comptroller of the Currency possesses as to State bank failures, not claimed to be complete, it appears that the number of State bank failures since July 1, last, is 311.

The history of this country has never shown a situation of that sort. Prior to this time the greatest number of bank failures occurred in the fiscal year ending July 1, 1893, but even during that year the total was but a fraction of those of this fiscal year, or, to be exact, 65 national banks and 261 State banks. The tables referred to are as follows:

Year	Number of national bank failures	Number of State bank failures
1870	1	1
1871	None.	7
1872	5	10
1873	4	33
1874	9	40
1875	3	14
1876	8	37
1877	9	53
1878	11	70
1879	9	20
1880	4	10
1881	None.	9
1882	3	19
1883	1	27
1884	6	44
1885	9	32
1886	6	13
1887	5	10
1888	12	17
1889	4	15
1890	6	30
1891	16	44
1892	17	27
1893	65	261
1894	21	71
1895	36	115
1896	27	90
1897	30	139
1898	7	53
1899	13	30
1900	6	33
1901	11	34
1902	5	43
1903	13	36
1904	20	102
1905	22	87
1906	8	37
1907	7	34
1908	24	153
1909	9	60
1910	6	28
1911	2	56
1912	8	45
1913	6	40
1914	21	96
1915	14	110
1916	13	41
1917	7	35
1918	2	25
1919	1	42
1920	5	44
1921	28	330
1922	33	364
1923	37	257

Number of national banks failed since July 1, 1923, to May 21, 1924

	1923						1924					
	July	August	September	October	November	December	January	February	March	April	May	Total
North Carolina	2											2
Montana	2	1	1	2	2	3	1	5	3	1	1	22
Oklahoma	3			1	4	4		3		1		16
North Dakota	1			1	5	3	3	1	2	2		18
Nebraska		1			1			2	2	1		7
Georgia		1										1
Iowa		1							1			2
South Dakota			1	1	1		2	5	5			15
New Mexico				1	1			4	2	2	2	12
Minnesota				1	2			2	1			6
Kansas					1				1	1	1	4
Arizona					1							1
Ohio					1							1
Alabama						1						1
Wyoming						1		1	3			5
Oregon						1						1
Utah							1					1
Washington								2				2
Wisconsin								1	1			2
Idaho									1			1
Colorado										2		2
Texas											1	1
Total	8	4	2	7	19	13	7	26	22	10	5	123

State banks failed from June 30, 1923, to January 31, 1924

Arizona	4
Idaho	1
Minnesota	40
Montana	62
Nebraska	7
New Mexico	13
North Dakota	90
Oklahoma	29
South Dakota	53
Texas	7
Utah	2
Wyoming	3
Total	311

Let me give you a little illustration of what happens under such conditions as indicated in the graph. I have here the daily record put out by an abstractor in Bottineau County, N. Dak., showing the transfers filed on one day, April 5, 1924, and what does it show? Nine sheriff's deeds issued upon foreclosure of mortgages and in our State a sheriff's deed is not issued until after the period of the year of redemption has gone by. Let me read one or two typical items:

Albert Martin, by sheriff, to Capital Trust & Savings Bank, sheriff's certificate, $2,797.20.

David Lundy, by sheriff, to Fidelity Mutual Life Insurance Co., sheriff's certificate, $8,279.41—

And so on. What story do these tell?

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for five more minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTNESS. The items read and others indicate that the grantees in these sheriff's deeds are life insurance companies, banks in the East, and concerns of that sort. What does that mean? It means that three or four or five years prior to the issuance of these sheriff's deeds the amount represented by the mortgage did not exceed 30 or 40 per cent of the value of the land, and it means that within this period of time the equity of from 60 to 70 per cent of the farmers who owned the land has been wiped out. It means that these families who lived upon these nine farms in that one county alone were forced on one day during the first part of April of this year to move away from their home. There are countless others in like condition.

Is there any wonder that we get telegrams such as this one which I received a couple of days ago:

Nelson County Old Settlers' Association, having as its membership 75 per cent of the farmers of the county, 50 per cent of whom are the original settlers of this county, urge that the Congress, regardless of party, get solidly behind the McNary-Haugen bill and see to it that it is passed before Congress adjourns. These pioneers of the Northwest wish to convey to the Members of Congress from the East the sad fact that after 40 years of labor and hardships in opening up this country they are now fighting with their backs to the wall trying to redeem their homesteads. The defeat of this bill will be an official notice from Congress to these old-timers that they have served their usefulness on this side of the Canadian line and that the Peace River country is still open.

Now, are you, by your acts, going to contribute to the sending out of the United States of America and to foreign soil, up into the Peace River country in Canada, a large number of the people who have tried to build up this country? I can not for the life of me believe that you are going to do so.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. BURTNESS. I yield.

Mr. BLACK of Texas. The Dominion of Canada does not have any guarantee of prices such as sought to be established by this bill.

Mr. BURTNESS. No; but they have a considerable amount of free land, land still virgin soil, and they offer, as the gentleman knows or ought to know, all sorts of inducements to the immigrant and they have agents scattered all over the Northwestern States giving prospects the lowest kind of immigrant rates and easy settlement terms, telling them of low freight rates on grain because of Government subsidy and everything of that sort, so as to induce them to come in, and many of them will be led away by these promises even though they may not fare so well after they get up there.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. CHINDBLOM. But the price of wheat is lower in Canada than in the United States.

Mr. BURTNESS. That is not correct——

Mr. CHINDBLOM. Oh, yes.

Mr. BURTNESS. Except in part. On certain kinds of wheat it is lower than it is in the United States, but not lower than the American price of winter wheat. But gentlemen ought to realize that the cost of production up there, with practically no taxes to pay, with no interest items to pay, and with larger yields, will, of course, be considerably less per bushel. But we will have an opportunity to hear from the Chicago Board of Trade a little later.

Mr. CHINDBLOM. Oh, no.

Mr. BURTNESS. So I do not expect to yield to the gentleman much more just now.

Mr. CHINDBLOM. Will the gentleman yield for a correction of his own statement?

Mr. BURTNESS. I will when I have made a few more observations on this bill.

Mr. CHINDBLOM. You want to let that statement stand as correct?

Mr. BURTNESS. Oh, if the gentleman is so particular about it, I will be glad to have him make his correction.

Mr. CHINDBLOM. I will say to the gentleman that I offered what I considered a proper inquiry, and I am a Member of this House, and I can see no occasion for any observation that the gentleman from Illinois represents anybody particularly any more than does the gentleman from North Dakota, who, of course, understands the situation.

Mr. BURTNESS. I recognize that the gentleman from Illinois is one of the valuable Members of this House, but I also recognize the fact that we note here that every person representing such places as Minneapolis, Duluth, Baltimore, and Chicago, where the organized grain and milling interests and exporters are gathered together—at least we see most of such representatives pretty active in trying to defeat this bill in spite of the contention of the men who seem to be working with them, such as the gentleman from Kentucky [Mr. KINCHELOE] and the gentleman from Louisiana [Mr. ASWELL] and others who are trying to tell us that this happens to be a millers' bill or a packers' bill or the elevator companies' bill.

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. CHINDBLOM. Mr. Chairman, I ask for the floor.

Mr. WATKINS. Mr. Chairman, I ask unanimous consent that the time of the gentleman from North Dakota be extended five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTNESS. Let us now see just what this bill is in effect. I contend that we, the proponents of the bill, are standing here upon the principle that it is absolutely nothing more than a converse application of the protective tariff, and that the only difference between the protective tariff and the application of this bill, or rather the legislative guide set out in this bill, is that the protective tariff takes into consideration the difference in the cost of production in the United States and abroad, whereas this bill has for practical convenience adopted, because it is an easier way to get at it, the ratio price several times explained to you in this discussion. The Tariff Commission, and upon its recommendation the President, just recently found, as a matter of fact, that the difference in the cost of production of wheat in the United States and abroad over a three-year period is 42 cents per bushel. The ratio price that will be paid on wheat upon the adoption of this bill is substantially that same amount above the world's market, taking into consideration transportation costs to such market. Congress itself in granting a tariff on wheat has in effect said that the American producer is entitled to protection in our domestic markets against competition from abroad; that the American wheat farmer ought to receive the world's market price plus the tariff duty. The same is true in a general way as to other farm products, and particularly as to other products specifically mentioned in this bill. The tariff on cattle ranges from 1½ cents to 2 cents per pound. The approximate amount of present prices must be increased at the Chicago market to reach the ratio price as contemplated in the bill.

True, the increase on hogs would be some greater than the tariff rate, but on the whole contemplated increases conform very nearly to present tariff schedules. So after all while a little different guide has been adopted in this bill, namely, the ratio price, yet the result is the same. It took the Tariff Commission six months to investigate and find out what the difference is in the cost of producing just one commodity—wheat—here and in Canada. How much more practical, therefore, in an emergency is the adoption of the ratio price? The gentleman from Illinois [Mr. RAINEY] brings in an emergency bill as a substitute for this one that would make it necessary for somebody to find out the difference in cost of production accurately before his bill could go into effect, and he limits the operation thereof to one year. While I am not opposed to the principles of the Rainey bill it is plainly impractical as compared with the Haugen bill. Now, why do I say this bill is the converse application of the tariff? You all admit that the determining factor in the price of crops or commodities, of which we have an exportable surplus, is the price in the world's market. There are, however, exceptions; and what are they? Any business that is properly organized, a private concern, or many private concerns organized together, producing farm machinery or anything else within this country, can maintain a domestic price upon its products and sell their surplus output at a lower price in the foreign markets without in any way interfering with the price here. Permit me to make the application of this bill plain: If you or I, or any private corporation or a cooperative association owned all the wheat or all the pork in this country, what could we do? We could do exactly the same thing as organized industry can do in spite of the exportable surplus. We would sell the exportable surplus abroad at the world's price, and then we would say that the difference established by the tariff is so much and that the American consumers would have to pay us the world price

plus the tariff, plus the cost of transporting the crops of products over here, and, of course, we would get such price. It would be simply good business to do so.

Now, with all the wheat of the United States scattered over 40 States and all the hogs scattered over the 48 States, the farmers can not organize to that degree, no matter how many bills you pass to encourage cooperative market associations. So, what are we asking you in this emergency? We are simply asking the Government to establish for the farmers what they can not do for themselves, so they may accomplish what they could do for themselves if it was possible for them to organize; that is, to establish at their expense a governmental agency, a corporation by which they can get rid of the exportable surplus for the world's price, that surplus we can not sell in the United States, and then get the full benefit of the tariff on that portion sold for domestic consumption. In other words, make the tariff schedule on crops with exportable surpluses a tariff duty which you, in your legislative wisdom, have said we are entitled to; make that duty fully operative in the same sense and to the same effect that the tariff on wool, on flax, on textiles, on cutlery, and on hundreds of other articles is operative. By operative I mean, of course, reflected in the price. Yet there are men here whom we find in the Halls of Congress usually working so hard to get high tariff rates on articles produced or manufactured in their States but refusing to go with us on this proposition. [Applause.]

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

Mr. BURTNESS. Under the right to extend my remarks, I desire to reply to the argument made by many on the floor to the effect that the enactment of this bill will grant colossal profits overnight to the packers, the flour mills, and elevator concerns. No further argument should be needed than to mention what all of you know, that the organized grain and flour trade and the packers are bitterly fighting the measure, presumably for the reason that its enactment will interfere with some of their present profits. Be that as it may, let us ascertain what the actual facts are.

It is inevitable that legislation elevating prices should give a profit that is unearned to holders of any commodity favorably affected by legislation. This is not confined to the McNary-Haugen bill. Every tariff bill that the Congress of the United States has ever passed has had important price effects. Anyone desiring to discover the true extent of price elevation need only consult the records of the hearings before the Committee on Ways and Means and data from other sources to find that the McKinley tariff bill, the Payne Act, the Underwood law, and the Fordney-McCumber Act of 1922 all produced similar effects, except that in the case of the Underwood law instead of prices advancing and instead of importers rushing in supplies in advance of the taking effect of the tariff imports tended to fall off.

Such efforts are not confined to tariff bills. There is under consideration an amendment to the Constitution that would do away with tax-exempt securities. Undoubtedly when, if ever, this amendment is on the point of adoption investors will load up with these tax-exempt securities, thus doing exactly the similar thing that happens when the tariff law is passed and what will happen in the case of the enactment of the McNary-Haugen bill.

The minority of the Committee on Agriculture of the House states:

> Every merchant or wholesaler who has flour on hand will find himself enriched overnight and under the terms of the bill no equalization fee can be collected.

This sounds like a terrible indictment of the bill, but what are the facts as to wheat flour? The stocks reported on hand as of April 1 were only 2,186,000 barrels, and these are scattered in tens of thousands of ownerships. If a ratio price increase in value were applied to this quantity of flour these tens of thousands of holders would be enriched to the extent of considerably less than $4,000,000.

The minority further says:

> Hundreds of millions worth of pork, beef, and mutton in the hands of the Big Five and about 200 smaller packers would instantly rise in value.

The picture is likewise overpainted with respect to beef and mutton. These move constantly and currently into consumption. In the case of beef, the amount in cold storage on May 1 was approximately 7,800,000 pounds, which, had the ratio increased in value, would have advanced about $1,500,000.

The minority report goes on to state with reference to the colossal profits of the Big Five and the small packers:

> On this item alone there would be a sheer gift to the meat packers of this country of from $150,000,000 to $200,000,000, to be paid for by the consumers of the country.

This statement is made with a certainty that would seem to brook no contradiction. As a matter of fact it is more than likely that only a fraction of any increase in the price of raw material will be transmitted as far as the consumer. A large part of any increase in the price of hogs, beef, or in other products named in this bill should be absorbed without being passed on to the consumer. The receding cost of raw material was not passed on to the consumer; why should all of any new increase be passed on? Only in the cost of two products will there be an unearned price increase worthy of note.

Those two cases are wheat and pork. Based on the amount of pork in storage in all of its forms on May 1, and assuming that with one stroke all prices would advance to the ratio price—which, of course, is not admitted—the addition to the value of the 905,000,000 pounds of pork reported would have been $54,000,000. In other words, instead of an increase of from $150,000,000 to $200,000,000, to be paid for by the consumers of the country, as the minority report says, if every penny of the advances were passed on the additional cost would be from one-third to one-fourth what the minority states.

There are at least two points to be borne in mind in this connection. In the first place, later, when the emergency is over, the enterprises that show profit at the beginning of the operation of the law may lose some of that profit when it ceases to operate. Furthermore, on January 1, 1924, the farmers of the United States had 65,500,000 swine on their farms, according to the estimate of the Department of Agriculture. It is the farmer that this bill is trying to help, and not the packer. If some relatively small benefit should come to the packer because of its passage, it should not be permitted to be an argument of any force whatsoever against extending the relief to the farmer. It will do no harm to remember, likewise, that in the year 1921 alone the Big Five, who, according to the minority, are to benefit so enormously from this bill, in spite of their opposition to it, lost $61,000,000.

In the case of wheat the stock is constantly diminishing, and should Congress pass this legislation at this session it will go in force at that time of the year when the wheat stocks are at their very lowest—in other words, the best time of the year, all things considered.

The amount of wheat in country mills and elevators on March 1, which has been constantly diminishing, plus the visible supply usually reported as of May 10, was 132,500,000 bushels. Estimating an average increase of value for all grades of 40 cents per bushel, the increase on the whole would be approximately $52,500,000.

It is a mistake to assume that all of this benefit is going to accrue to millers holding country wheat and elevator owners. Large quantities of this wheat are owned by growers who actually hold the warehouse receipts for it. Furthermore, nearly 20 per cent of the stock is estimated to be in the hands or ownership of farmers' cooperative grain organizations, and, still further, there is back on American farms possibly as much as 60,000,000 bushels that will participate immediately in the benefit of the advance in value, and in less than a month—in fact, before this bill can possibly be put into effect—the new crop will begin to move.

Assume an average crop of 750,000,000 bushels over the next five years. This will mean that the farmer, during the life of the bill as written, will market approximately 3,750,000,000 bushels of wheat. Shall we deny him the common justice of a fair exchange value merely because there is a small advantage, relatively speaking, to present holders of grain?

Finally, the minority has stated in order to make the picture as black as possible:

> The total gift to nonproducers would easily amount to $500,000,000. There has been no such gift "since salvation was made free to the human race."

This estimate is wholly unjustified. Applying a carefully estimated increase in value per unit to wheat, wheat flour, beef, pork, miscellaneous meats, and corn on hand for various days the total estimated increase is slightly more than $121,000,000. The total for the six commodities will be less than the minimum that would accrue to the meat packers alone as claimed in the minority report.

A study of the table submitted will show how the opposition to this measure is grasping at straws. The table has been prepared by the Bureau of Economics of the Department of Agriculture and gives the source of the estimates, as well as the reasons for certain calculations.

Estimated increase in value of stated commodities in dealers' hands under provisions of the McNary-Haugen bill

Commodity	Amount reported	Estimated increase in value per unit [1]	Estimated increase in value
Wheat [2] ..... bushels	131,576,000	$0.40	$52,630,400
Wheat flour [3] ..... barrels	2,186,000	1.72	3,759,000
Beef [4] ..... pounds	23,177,000	[5] .02	1,555,540
Pork [6] ..... do	905,270,000	[6] .06	54,316,200
Miscellaneous meats [4] ..... do	74,757,000	[7] .06	4,485,420
Corn [8] ..... bushels	24,228,000	.15	4,363,840
Total			121,083,400

[1] Increase necessary to make actual prices for March, 1924, equal ratio prices.
[2] Amount in country mills and elevators Mar. 1, 1924, plus Chicago visible supply on May 10, 1924.
[3] Stocks reported by Chicago Daily Trade Bulletin as of Apr. 1, 1924.
[4] Amount in cold storage May 1, 1924, report of cold storage holdings, U. S. D. A.
[5] Approximate increase in price of steers doubled to allow for shrinkage in dressing.
[6] Approximate increase in price of hogs multiplied by 1½ to allow for shrinkage in dressing.
[7] Arbitrarily taken to equal increase in pork.
[8] Bradstreets visible supply reported Apr. 26, 1924.

The benefits the act will confer upon American agriculture are, however, more material and may well be compared to the incidental benefits to others. Careful computations, based on the best available information, and covering only 19 of the States in the Union—Ohio, Indiana, Illinois, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas, Texas, Oklahoma, Kentucky, Tennessee, Montana, Idaho, Washington, Oregon, and California—indicate that had the bill been an act during 1923 it would have added approximately $1,000,000,000 to the income of the farmers of these States. That income would have increased their purchasing power to that extent and would have been in turn distributed to almost every portion of this great Nation. Rehabilitate agriculture in these States where depression now exists and you will benefit every section of the country.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the word "emergency" in line 8 of the section that has been read. Mr. Chairman, every member of the committee knows that I have taken no time and no part in the discussion up to this moment. I do not pretend to be an expert on this subject or, in fact, upon any other subject; there are some things I know something about. I know something about the cost of living to the consumer. I know something about the 400,000 people living in my district who have to buy every pound of food they eat. I know something about the requirements of the working men in the city who have to buy the products of the farm.

Now, my very good friend from North Dakota [Mr. BURTNESS], who just left the floor, seemed to take umbrage because I suggested that if his farmer friends moved from the United States to Canada and they were there at this moment they would get a less price for their products in Canada than they do in the United States. He answered by saying that we would later hear from the Chicago Board of Trade. Did that answer anything?

Mr. BLANTON. Will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. From the history we have had of the financial conditions and the economic conditions in North and South Dakota I think I would rather follow the Chicago Board of Trade than the two Dakotas.

Mr. CHINDBLOM. I am not speaking for the Chicago Board of Trade. I would not object to doing that, however, for such exchanges have a right to exist and have important functions to perform and are very important institutions in the marketing of the products of the farm.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. CHINDBLOM. If I do not lose all my time.

Mr. NEWTON of Minnesota. If it was not for the mills in Minneapolis and the West, the price of grain in the United States would not be in excess of the price in Canada.

Mr. WEFALD. And the farmers could not live, could they? [Laughter.]

Mr. NEWTON of Minnesota. Those mills are the best customers that the farmers have.

Mr. CHINDBLOM. Mr. Chairman, I can not yield further. I have not yet asked for any time in the discussion of this bill. I have attended all the sessions of the committee as constantly as possible. I have been here for the purpose of getting information, because I realize that such gentlemen as the gentleman from North Dakota [Mr. BURTNESS] and the gentleman from Iowa [Mr. HAUGEN], the distinguished chairman of the committee, and others are experts on agricultural matters and know more about the subject than a man born, unfortunately, in the city of Chicago and compelled to live there all his life.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BURTNESS. Does the gentleman believe that his constituents in Chicago eat anything on their table that is quite as cheap as their bread, unless, possibly, it is potatoes, which we send down there and get 20 cents a bushel for?

Mr. CHINDBLOM. My constituents in Chicago pay a great deal more for their bread than the farmers up in the gentleman's State receive for their grain or for their flour; but that is another subject.

Mr. BURTNESS. In spite of the conditions, is not the bread they eat the cheapest food that they have on their table, considering the value of it?

Mr. CHINDBLOM. I think not.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. SABATH. The gentleman from North Dakota says that his people are receiving only 20 cents a bushel for their potatoes. Will this bill help them any to secure a higher price?

Mr. CHINDBLOM. Oh, I can not yield all of my time in order that the gentleman from North Dakota may continue his address. Let us not permit this discussion to degenerate into an attack upon various interests, various sections, and various localities. [Applause.] Let us discuss the principle of the thing, let us discuss its economic effect.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CHINDBLOM. You are introducing in this bill a new system of national finance and of political economy in the history of the United States. You are putting the Government more into business than has ever been done before upon any single proposition. You are proposing that the Government shall take hold of one of the great industries of the country, and you will have to have patience with some of us, who have some of the old-fashioned ideas that the law of supply and demand counts for something, that as the law of gravity can not be abrogated by an act of Congress, neither can the law of supply and demand. You will have to forgive us if we are not able to follow you in your proposition that the Government can help the farmer lift himself up by his own boot straps.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Oh, I am going to lose all of my time.

Mr. WILLIAMSON. I think the House will give the gentleman all the time that he wants. Does not the gentleman recognize the fact that the tariff interferes with the law of supply and demand and that the farmers have been paying tribute to the laboring man and the manufacturer for a hundred years?

Mr. CHINDBLOM. My understanding of the tariff is that it gives just as much protection to the farmer as it does to the city man. Our present tariff protects the prices of the farmer to a greater extent than any tariff law we have ever had heretofore.

Mr. WILLIAMSON. That is true; because it is the first tariff that we have ever had that protected the farmer, but it can not protect him on surplus products.

Mr. CHINDBLOM. It can not protect him on surplus products; no. The application of the rule of supply and demand can, however. But I rose primarily to move to strike out the word "emergency" as it appears in section 2, and I would like to discuss the section that is before the committee for just a moment. Let me ask the chairman of the committee what is the purpose of the declaration of the emergency? I notice there are two emergencies here, a general emergency and a special emergency. Congress first declares that a general emergency exists, and then the corporation may afterwards declare that a special emergency exists. What is the theory of the committee? Is it that this legislation rests upon an emergency, that declaring an emergency gives Congress jurisdiction?

Mr. HAUGEN. If the gentleman has read the reports, he knows that an emergency exists.

Mr. CHINDBLOM. Then if there were no emergency, is it the theory of the gentleman that Congress would not have authority to pass this legislation?

Mr. HAUGEN. If there was no emergency, there would be no necessity to declare an emergency.

Mr. CHINDBLOM. Oh, the gentleman can not get out of it by evading the question. I am asking him whether he thinks the declaration of an emergency is necessary for the jurisdiction of the Congress to pass this legislation.

Mr. HAUGEN. Not entirely.

Mr. CHINDBLOM. Then is the declaration of an emergency merely for the purpose of——

Mr. HAUGEN. Simply stating a fact that exists.

Mr. CHINDBLOM. Oh, then you are reciting a bit of current history?

Mr. HAUGEN. Well, it is a fact.

Mr. CHINDBLOM. What is the purpose of the declaration of a special emergency by the corporation? Is that necessary in the opinion of the distinguished chairman of the committee in order to give Congress jurisdiction to pass this legislation?

Mr. HAUGEN. Oh!

Mr. CHINDBLOM. I believe I am speaking to the point, because this first section I am now discussing refers entirely to the different kinds of emergencies. The heading of part 1 is "Emergencies." The heading of this particular section is "General emergency." I find a little later on that the heading of section 2 is "Special emergencies."

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield to me for an answer to this question?

Mr. CHINDBLOM. Yes.

Mr. SUMMERS of Washington. A general emergency is one following the general condition that exists, a special——

Mr. CHINDBLOM. Oh, I believe I understand the difference between general and special, but I want to know the purpose of the declaration of an emergency in this legislation for the RECORD, because it may be important hereafter.

Mr. SUMMERS of Washington. Does the gentleman mean the special emergencies referred to?

Mr. CHINDBLOM. Certainly.

Mr. SUMMERS of Washington. Then that is the period during which the law is to be operated.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent to proceed for one minute more, so that I may yield to some one, if there is any gentleman in the House, representing the committee, who can answer the question.

Mr. SHALLENBERGER. Will the gentleman yield?

Mr. CHINDBLOM. I yield to the distinguished ex-governor of Nebraska.

Mr. SHALLENBERGER. The gentleman recalls that all the legislation that empowered the President to carry on the war was based upon the proposition that an emergency existed.

Mr. CHINDBLOM. Is this a war emergency?

Mr. SHALLENBERGER. No; it is a peace emergency. But the emergency is exactly the same with which the President is empowered to deal.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. CHINDBLOM. Will my friend from South Dakota answer the question?

Mr. WILLIAMSON. I will try to answer the question. This bill is bottomed, of course, upon an emergency, and the reason an emergency is set up in this bill in the preamble is because it is believed that would assist in making it constitutional. In my judgment, however, there is no necessity of declaring an emergency of this character in order to make the bill constitutional. It is simply a method of cooperative marketing through Government agency by which the farmer can protect himself. I do not think it is necessary to carry the emergency feature at all. I believe the bill is constitutional without such a provision.

Mr. CHINDBLOM. I am glad to have the gentleman's opinion.

Mr. CRAMTON. Will the gentleman yield for a question?

Mr. CHINDBLOM. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. I ask that the gentleman have one minute.

Mr. CHINDBLOM. I did not want to take more time, but I will yield to the gentleman.

The CHAIRMAN. The gentleman is recognized for one minute.

Mr. CRAMTON. Does the gentleman from Illinois base his argument at all upon any question as to the existence of an emergency?

Mr. CHINDBLOM. I will say to the gentleman frankly that if this bill is based upon an emergency I would like to know whether it is an emergency growing out of the war or whether it is an emergency which may occur at any time in time of peace, because I think if this bill is passed——

Mr. CRAMTON. Then why gum up the RECORD? Why not frankly answer the question? Does not the gentleman from Illinois recognize that there exists an emergency that is very clear, the continuous economic depression in agriculture, and will not the gentleman frankly answer that question, yes or no?

Mr. CHINDBLOM. I have not any doubt there is an economic depression in agriculture; I know there is. I want to know whether this legislation is based upon that.

Mr. CRAMTON. And is it not serious enough to constitute an emergency?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that we may read another section, and after the section is read I shall move that the committee rise unless there are further requests for time.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this section and all amendments thereto close. Is there objection?

Mr. SABATH. I object.

Mr. HAUGEN. I move to close debate on the section and all amendments thereto.

The question was taken, and the Chair announced that the "ayes" seemed to have it.

Mr. SABATH. A division.

The committee again divided; and there were—ayes 97, noes 7.

So the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered——

Mr. CHINDBLOM. Mr. Chairman, I ask to withdraw the pro forma motion.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SPECIAL EMERGENCIES

SEC. 2. (a) If the corporation finds (1) that there is a surplus for export of wheat, flour, rice, corn, wool, cattle, sheep, swine, or any food product of cattle, sheep, or swine, and (2) that, according to estimates made by it, the ratio prices, as defined in section 4, in respect of the commodity would be in excess of the domestic price thereof, it shall immediately notify the President in writing of its findings. Upon such notification from the corporation, it shall be the duty of the President by proclamation to declare that a special emergency exists as to such agricultural commodity.

(b) Whenever the corporation finds that the special emergency conditions no longer exist or are no longer controlling in respect of the agricultural commodity, it shall notify the President in writing of its finding, and it shall be the duty of the President by proclamation to declare that such special emergency is terminated.

Mr. HAUGEN. Mr. Chairman, I move that the committee do now rise.

Mr. RUBEY. Let me offer this amendment and put it in the RECORD. I will not discuss it but I desire to offer it and let it be pending.

Mr. JONES. I want to offer mine and let it go in the RECORD.

Mr. RUBEY. I will not offer my amendment now.

The CHAIRMAN. The gentleman from Iowa moves that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 9033, had come to no resolution thereon.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia.

S. 2431. An act conveying to the State of Delaware certain land in the county of Sussex, in that State.

S. J. Res. 89. Joint resolution authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 9192. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and for other purposes.

H. R. 6820. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1925, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, Mr. WERTZ was granted leave of absence for two days on account of important business.

REVENUE BILL

Mr. GREEN of Iowa. Mr. Speaker, I present and send to the desk for printing under the rule the conference report on the revenue bill.

The SPEAKER. The gentleman from Iowa presents a conference report on the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The SPEAKER. Ordered printed under the rule.

OPPOSITION TO BLACK AMENDMENT—PROHIBITION ENFORCEMENT

Mr. HASTINGS. Mr. Speaker, there have been many bills introduced by Members of Congress which, I understand, are now pending before the Judiciary Committee, all either in the same language or of a like tenor, which have for their purpose the modification of the Volstead Act, providing for an increase of the alcoholic content of any beverage to not more than 2.75 per cent and that it may be manufactured, sold, or transported for sale in original packages.

I am opposed to the increase of this alcoholic content and am in favor of prohibition. I have always favored prohibition. I have lived in what was formerly the Indian Territory, now the eastern part of the State of Oklahoma, all of my life. The Federal law, prior to the admission of Oklahoma to Statehood on November 16, 1907, prohibited the manufacture, introduction, or sale of intoxicating liquor into the Indian Territory. I favored that law, and from time to time opposed any changes which liberalized its provisions.

As a member of the Indian Committee I voted for increased appropriations to enable the Indian Service to assist in the enforcement of this law. When the question of admitting Oklahoma to statehood was up before the House committee for consideration, I appeared before the committee and advocated the insertion of a provision in the enabling act which would require prohibition in that part of Oklahoma which was formerly occupied by the Five Civilized Tribes for a period of 21 years.

I voted for state-wide prohibition and I voted for the adoption of the State constitution prior to the admission of Oklahoma to statehood on November 16, 1907.

As a Member of Congress I voted for the eighteenth amendment to the Constitution prohibiting the manufacture, sale, and transportation of intoxicating liquor and gave Congress power to enforce the same by appropriate legislation. I voted for all appropriations recommended as necessary for the enforcement of the Volstead Act.

The Supreme Court of the United States, in the recent decision of Kennedy *v.* the United States appealed from Osage County, Okla., sustained an amendment which I caused to be added to the Indian appropriation bill approved May 25, 1918, providing that the "possession by a person of intoxicating liquors in the Indian country where the introduction is or was prohibited by treaty or Federal statute shall be an offense and punished in accordance with" said act. This amendment substituted the word "or" for "and." It put teeth into the law. It made the possession of intoxicating liquors in the Indian country a criminal offense. It made the law enforceable. Theretofore the proof must show that the person was in possession of intoxicating liquor upon a restricted Indian's allotment. This amendment did away with the necessity for that proof. The Supreme Court, in the Kennedy decision, sustains the above amendment and holds that it is yet in force and that it was not repealed by the Volstead Act.

During the years that I have been privileged to represent the second congressional district of Oklahoma in the House I have not only voted for the laws hereinabove referred to, but every vote of mine has been in favor of prohibition.

I believe that prohibition can be enforced in every county throughout the United States where honest, efficient officers are elected who are in sympathy with the law, and I have no patience with the argument that the law is unenforceable.

I favored the law because I believe that it is best for the individual himself to abstain from the use of alcoholic beverages, and in proportion as you make it more difficult to secure, the less amount, of course, will be consumed. Persons addicted to the use of alcoholic liquor, who drink occasionally, will at times, unfortunately, drink to excess, and this leads to a loss in efficiency and earning power of the individual. It is an economic waste.

I favor prohibition because I believe alcoholic liquor destroys, in a large measure, the happiness and contentment of the home; wages are spent upon drink which should be used to clothe, feed, educate, and otherwise maintain the family; and I think no one will gainsay that the excessive use of alcohol does not tend to destroy the happiness of the home.

I favor prohibition for the reason that, in my judgment, alcoholic liquor is directly or indirectly the cause of a very large percentage of the crimes committed and is responsible for the very great cost of our criminal courts. Most of the serious criminal cases in my district, involving assault with intent to kill, murder, or manslaughter, are directly traceable to the excessive use of intoxicating liquor. I am sure the same is true in a large measure in every section of the country. These trials are a very heavy burden upon the taxpayers of the country.

The Volstead law enacted to vitalize the eighteenth amendment to the Constitution should receive the support of every officer, municipal, county, State, and Federal, from coast to coast.

Alcohol tends to blunt the moral sensibilities, weakens the mental powers and lessens personal efficiency. I think no one can successfully controvert that statement. It does not bring sunshine and happiness to the home, but distress and misery. Its use leads to excessive indulgence, and this does not increase the attendance at Sunday schools or churches. The day of the corrupting influence of liquor and saloons has gone never to return. We must educate our children, not debase them. Let us give them the advantage of our full earning power instead of dissipating our earnings in the purchase of alcohol and passing our time in idleness.

I have never heard or read a satisfactory defense of the use of liquor. The following are usually urged:

The first defense is that it interferes with our personal liberty, which of course is unsound if not for our best interest, and no one contends that the use of liquor is; and second, that it can not be enforced, and this, I repeat by way of emphasis, I emphatically deny; and third, the question of the expense in the enforcement of prohibition is urged, which of course is nothing as compared with the expense of our criminal courts added to the economic waste due to loss of efficiency and earning power of the individual; and fourth, the loss of revenue to the Government, and if we are correct in our belief that alcohol tends to debase instead of uplift the individual, the Government should not be maintained through revenue derived from this source.

It is being advertised in speeches made on the floor of the House that there is much sentiment among the Members of Congress for the modification or repeal of the Volstead Act, and some 60 bills have been introduced by Members of Congress and are pending before the Committee on the Judiciary. In my judgment, this represents practically all of the sentiment in the House of Representatives out of the 435 Members favoring a repeal or modification of the Volstead Act. I think that the Committee on the Judiciary should make a report, either adverse or favorable, on these bills during the present session of Congress, so that the sentiment of the House of Representatives may be tested out by a record vote upon this important question at an early date. Unless this is done the sentiment of the Members of the House will continue to be misrepresented on the floor of the House, through the public press, by letters, and by individual conversations. In my judgment, there would be an end to the efforts for the repeal or modification of this law if a report were made by the Judiciary Committee and a record vote had in the House before adjournment.

SALARIES OF TEACHERS

Mr. KENT. Mr. Speaker, as a member of the Committee on the District of Columbia, two matters of paramount importance have been brought to my attention. They may be considered matters of legislation affecting the essential welfare of practically every home in the District, which is the Nation's Capital. They are the bills providing for a graduated scale of increased salaries for school-teachers and compensation for the workmen of the District injured in the course of industrial occupations.

The eyes of the Nation turn toward the District of Columbia, and the popular impression has gone out that from the standpoint of cleanliness, health, education, and enlightenment this is the model city of the world. Yet it is not generally known that salaries for school-teachers in this District are inadequate,

and that, aside from an enactment of Congress protecting governmental employees in their occupations, there is no workmen's compensation law here protecting workmen in the prosecution of the industries and business of the District other than governmental business.

What a terrible indictment this constitutes, not against our form of government or our Government but against the laxity of this administration along modern and humanitarian lines.

I shall discuss to-day the question of salaries for school-teachers in this District and shall ask your indulgence at a later date to discuss workmen's compensation here.

In fixing salaries for a public official, or quasi public official, in which latter class school-teachers may properly be placed, we are rapidly approaching the time these salaries must be fixed and governed according to the rules which govern salaries in industrial life. If we fail to adopt this course, practically the very best talent in the country which should find its way into the schoolroom will unquestionably pass to other lines of activity.

We regard it as important for one intellectual and administrative giant to preside over the destiny of one of our largest industries and receive a million dollars a year as his salary. We know that it is highly important to pay a reasonable wage to the railroad engineer who conducts the giant locomotive over our hills and valleys with the fate of human lives in his hands. It is important to pay good salaries to those who are engaged in the railroad, automobile, and banking industries, because those industries are important as a fundamental part of our national economic structure. But there is nothing more important than the training of the human mind, and particularly the youthful mind. The boys and girls of to-day are the future Americans of to-morrow.

Shall we become an intellectual nation? If so, the next generation must be intellectual. Is it not true that every means of national defense and possible war-time aggression in the future will have as their chief weapons devices conceived by the human mind and the intelligence of this and the following generations? If so, it becomes necessary that we raise the next generation as a scientifically intellectual generation, capable of commandeering the very elements themselves. The final test of every civilization comes when it asserts its right to existence when in conflict with the forces which seek to deter and destroy civilization by war. And yet, the wars in the future for the defense of civilization will have as their chief characteristics struggles in the air, beneath the sea, with all the consequent death-dealing devices composed of gases and electric currents, the latter conducted through the air, through the seven seas, and through portions of the earth itself. When such a test comes in the future—and come it probably will before many generations have passed into history—we must meet it with an intellectual and scientifically trained citizenship. Clubs wielded by brute force were once considered magnificent implements of warfare, shouts in the air were considered effective means of communication in times of war. To-day we have the poison gas, the submarine, the airplane, the seaplane, the Zeppelin, the mighty guns which throw implements of destruction miles from their bases, and many other death-dealing devices. The mastery of the air, of the sea, and of electric currents unquestionably will control the progress of civilization when civilization is again outlawed by the forces of might. Communication through the air, through the earth, and through the water, in control of the waves and impressions of sound, are now considered to be ordinary incidents by the men, women, and even the children of the country. Truly, our present-day civilization rests in our ability to progress along intellectual lines.

No work is more important than the molding of the human intellect by the teacher in the schoolroom, and yet, here in the Nation's Capital, with inflated prices following the greatest war in history, we pay some teachers as small an amount as $1,200 per year. We quibble about paying from $8,000 to $10,000 a year to the superintendent of schools in the city of Washington with its population of approximately 500,000 souls. An enterprise similar to the public-school system of this city, if conducted as a private enterprise would be manned by a manager receiving at least $100,000 a year. Every subordinate official having work to do in this private enterprise, as important as the work of any school-teacher in this city would receive at least $2,400 per year. We believe that this city should have the model school system of the world, and yet we spend hours of debate quibbling about a few dollars to be paid to a teacher doing the most important work in our national life to-day. I am reminded of a discussion I once heard in a meeting of a certain board of school directors in which certain prospective teachers participated. The question before the house was whether the board should pay a certain teacher $40 or $42 per month for a school term of seven months. One gentleman, who had argued strenuously for an hour that the teacher be paid $40 a month, finally agreed upon $42 upon condition that the teacher should "find" the coal to be burned in the large circular stove in the middle of the schoolroom. We expect our school-teachers to dress neatly and well, so that they may present a dignified appearance in the schoolroom and upon our highways. We expect them to live in the best part of our towns and cities. We impose upon them the obligation of appearing at all official, religious, and educational functions. We expect them to be leaders of thought in the community. We impose upon them all the penalties of leadership, and when they do not meet our standards of leadership, we are unsparing in criticizing them.

I recall with pleasure the two terms I spent as a teacher in the schoolroom—one term at $36 per month, and the other at $45 per month. I would not trade that experience for any other two years of my life, because I learned then something about the working of the human mind, the method of leading minds along the same line of thought as my own, and I acquired some ability in handling pupils and some of their troublesome parents, who conceived ideas that they could manage my school a little better than I did. But the school-teaching profession in those days, as now, did not hold out for me any hope for future advancement such as I entertained. The teaching profession being the most important in our national life, must be so compensated and must find such a place in our national economic establishment. Every school-teacher must be paid a salary which will enable all teachers to live reasonably well, to carry themselves in a dignified manner in our most intellectual society, to maintain an educational and social standing in the community, to keep up religious and fraternal affiliations, to educate their own children, and to conserve a reasonable amount of resources against old age. Until we pay salaries to bring that condition to pass, we have not done our duty in this generation.

I regret that the salaries provided for in this bill are not better. I would like to add a certain amount to each item in the scale provided for in this bill for every teacher to take some kind of an educational course during every school vacation to keep up with modern methods of advanced teaching and education, but we can hardly expect any teacher to spend any substantial amount of money upon self-improvement during vacation time, even along the salaries provided for in this bill.

I shall support the bill because it provides for an increase. As a member of the Committee on the District of Columbia I shall be pleased to lend my efforts further along the lines upon which I have just addressed you.

ADJOURNMENT

Mr. SNELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned to meet to-morrow, Sunday, May 25, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

510. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year ending June 30, 1924, for expenses in connection with the handling of the public moneys, $10,000 (H. Doc. No. 307); to the Committee on Appropriations and ordered to be printed.

511. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the Department of the Interior for 1923 and prior fiscal years, $33.20, and supplemental estimates of appropriations for the fiscal years 1924 and 1925, $1,252,871; in all, $1,252,904.20 (H. Doc. No. 308); to the Committee on Appropriations and ordered to be printed.

512. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1925, required to provide for employees of the field services of the several departments and establishments at compensation rates comparable to those provided by the classification act of 1923 for employees within the District of Columbia, amounting in all to $26,314,827.84 (H. Doc. No. 309); to the Committee on Appropriations and ordered to be printed.

513. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1925, for the purpose of enabling the Secretary of the Navy to perform the duties required of him by the World War adjusted compensation act of May 19, 1924, $450,000 (H. Doc. No. 310); to the Committee on Appropriations and ordered to be printed.

514. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the War Department for the fiscal year ending June 30, 1924, to remain available until June 30, 1925, for the purpose of enabling the Secretary of War to perform the duties required of him by the World War adjusted compensation act of May 19, 1924, $3,600,000 (H. Doc. No. 311); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DICKINSON of Iowa: Committee on Appropriations. H. R. 9429. A bill making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes; without amendment (Rept. No. 841). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILLIAMS of Michigan: Committee on the Public Lands. H. R. 4482. A bill providing for the disposal of certain lands on Crooked and Pickerel Lakes, Mich., and for other purposes; with an amendment (Rept. No. 842). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WILLIAMS of Michigan: Committee on the Public Lands. H. R. 7780. A bill for the relief of Fred J. La May; without amendment (Rept. No. 843). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WINGO: A bill (H. R. 9426) to establish the Mena National Park in the State of Arkansas; to the Committee on the Public Lands.

By Mr. HUDSPETH: A bill (H. R. 9427) to amend and modify the war risk insurance act; to the Committee on World War Veterans' Legislation.

By Mr. LYON: A bill (H. R. 9428) authorizing and directing the Secretary of War to investigate the feasibility and to ascertain and report the cost of establishing a national military park at the site of Fort Fisher, N. C., commemorative of battle fought there January 13, 14, and 15, 1865; to the Committee on Military Affairs.

By Mr. DICKINSON of Iowa: A bill (H. R. 9429) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1925, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. CONNERY: A bill (H. R. 9430) to amend the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. MANLOVE: A bill (H. R. 9431) to amend section 301 of the war risk insurance act, as amended; to the Committee on World War Veterans' Legislation.

By Mr. REED of West Virginia: A bill (H. R. 9432) to establish a bureau for children's aid in and for the District of Columbia, to determine its functions, and for other purposes; to the Committee on the District of Columbia.

By Mr. CANFIELD: A bill (H. R. 9433) to repeal schedule 5 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

By Mr. LANKFORD: A bill (H. R. 9434) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River; to the Committee on Interstate and Foreign Commerce.

By Mr. CRAMTON: A bill (H. R. 9435) to provide for commitments to, maintenance in, and discharges from, the District Training School, and for other purposes; to the Committee on the District of Columbia.

By Mr. SNYDER: A bill (H. R. 9436) to amend section 26 of the interstate commerce act as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ZIHLMAN: A bill (H. R. 9437) to provide for the widening of Park Road between Thirteenth and Sixteenth Streets NW., and for other purposes; to the Committee on the District of Columbia.

By Mr. BERGER: A joint resolution (H. J. Res. 299) providing for the reacquisition and conservation of the natural resources of the United States and for their operation by the Government of the United States; to the Committee on the Judiciary.

By Mr. MACGREGOR: Resolution (H. Res. 326) authorizing the Doorkeeper of the House to detail a page to the House press gallery; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 9438) authorizing the Secretary of War to donate to Lindsay Post, No. 128, American Legion, Lindsay, Calif., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. BEGG: A bill (H. R. 9439) granting an increase of pension to Emma J. Dunn; to the Committee on Invalid Pensions.

By Mr. CELLER: A bill (H. R. 9440) granting a pension to Josephine Mussot; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 9441) granting a pension to Anna Peck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9442) granting a pension to Charlotte A. Brownell; to the Committee on Invalid Pensions.

By Mr. HICKEY: A bill (H. R. 9443) granting a pension to Marcus C. Barton; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 9444) for the relief of William Samuel Steward; to the Committee on Claims.

By Mr. SPEAKS: A bill (H. R. 9445) granting an increase of pension to Martha A. Culbertson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9446) granting an increase of pension to Rebecca Murphy; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 9447) granting an increase of pension to Margaret E. Reisch; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 9448) granting an increase of pension to Elizabeth Thoman; to the Committee on Invalid Pensions.

By Mr. WARD of North Carolina: A bill (H. R. 9449) for the relief of Miles L. Clark; to the Committee on Claims.

By Mr. WURZBACH: A bill (H. R. 9450) to reinstate Charles McKee Krausse as a lieutenant, first class, in the Marine Corps; to the Committee on Naval Affairs.

By Mr. ZILHMAN: A bill (H. R. 9451) granting a pension to Rachel B. Platter; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2878. By Mr. ANDREW: Petition of Massachusetts Council of Republican Women, favoring passage of child labor amendment and opposing passage of "equal rights" amendment; to the Committee on the Judiciary.

2879. By Mr. CELLER: Petition of Maritime Exchange, favoring adequate appropriations for the Navy Department; to the Committee on Naval Affairs.

2880. Also, petition of Maritime Association of the Port of New York, favoring House bill 8580; to the Committee on the Judiciary.

2881. By Mr. GALLIVAN: Petition of Boston Typographical Union No. 13, Boston, Mass., recommending early and favorable consideration of the Fitzgerald accident compensation bill (H. R. 487); to the Committee on the District of Columbia.

2882. Also, petition of Washington Central Labor Union, Washington, D. C., recommending early and favorable action on the Fitzgerald accident compensation bill (H. R. 487); to the Committee on the District of Columbia.

2883. By Mr. KVALE: Petition of David A. Mittelstad and 10 other rural letter carriers of Lac qui Parle County, Minn., asking support for House bill 9035 and its early passage; to the Committee on the Post Office and Post Roads.

2884. By Mr. MACGREGOR: Petition of board of directors of the Maritime Association of the Port of New York, favoring the prompt enactment of House bill 8580; to the Committee on the Judiciary.

2885. By Mr. MOORE of Illinois: Petition of residents of Proviso Township, Cook County, Ill., indorsing House bill 4088, a bill for the upper Mississippi refuge and preserve; to the Committee on Agriculture.

house was whether the board should pay a certain teacher adjusted compensation act of May 19, 1924, $450,000 (H. Doc.

widening of Park Road between Thirteenth and Sixteenth committee on Agriculture.

2886. By Mr. SPEAKS: Papers to accompany House bill 9418, granting an increase of pension to Kate Crookes; to the Committee on Invalid Pensions.

2887. Also, papers to accompany House bill 9419, granting an increase of pension to Eliza J. Karns; to the Committee on Invalid Pensions.

2888. Also, papers to accompany House bill 9420, granting an increase of pension to Nettie McDowell; to the Committee on Invalid Pensions.

2889. Also, papers to accompany House bill 9421, granting an increase of pension to Frances E. Taylor; to the Committee on Invalid Pensions.

2890. Also, papers to accompany House bill 9422, granting an increase of pension to Rilla J. White; to the Committee on Invalid Pensions.

2891. Also, papers to accompany House bill 9423, granting an increase of pension to Paulina Whitehead; to the Committee on Invalid Pensions.

2892. By Mr. TAGUE: Petition of Cigarmakers' International Union, No. 97, of Boston, Mass., indorsing House Joint Resolution 131, providing an independent form of government for the Philippine Islands; to the Committee on Insular Affairs.

2893. By Mr. TINKHAM: Petition of National League of Women Voters, favoring strict law enforcement; to the Committee on the Judiciary.

2894. Also, petition of Boston Central Labor Union, opposing any plan that would permit convict labor to compete with free labor; to the Committee on the Judiciary.

2895. By Mr. WHITE of Kansas: Papers to accompany House bill 9245, granting a pension to Della Work Cherry; to the Committee on Invalid Pensions.

SENATE

SUNDAY, *May 25, 1924*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we recognize Thy hand in all the blessings of life. We recognize the same hand when sorrow gathers and our hearts are bleeding because of the loneliness experienced. We pray Thee that at this time, when words of testimony are uttered and we speak of those who have passed on, we may realize always that while there may be the cry for the touch of the vanished hand and the sound of the voice that is still there is infinite comfort in Thyself, sweetly consoling the sorrowing and helping us the better to understand the duties and the responsibilities of life. We ask in Jesus Christ's name. Amen.

NAMING A PRESIDING OFFICER

The principal clerk, Harvey A. Welsh, read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 25, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOSEPH E. RANSDELL, a Senator from the State of Louisiana, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. RANSDELL thereupon took the chair as Presiding Officer.

THE JOURNAL

The PRESIDING OFFICER. If there be no objection, the reading of the Journal of the proceedings of the legislative day of Tuesday, May 20, will be dispensed with and the Journal will be approved.

MEMORIAL ADDRESSES ON THE LATE REPRESENTATIVE DUPRÉ

The PRESIDING OFFICER. The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The principal clerk read the resolutions (H. Res. 309), as follows:

IN THE HOUSE OF REPRESENTATIVES,
May 11, 1924.

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. H. GARLAND DUPRÉ, late a Member of this House from the State of Louisiana.

Resolved, That as a particular mark of respect to the memory of the deceased and in recognition of his distinguished public career the House at the conclusion of these exercises shall stand adjourned.

Resolved, That Members be permitted to extend their remarks in the RECORD on the life, character, and public service of the deceased.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

Mr. RANSDELL. Mr. President, I submit the following resolutions.

The PRESIDING OFFICER (Mr. BROUSSARD in the chair). The resolutions will be read.

The principal clerk read the resolutions (S. Res. 236), as follows:

Resolved, That the Senate has heard with deep sorrow of the death of Hon. H. GARLAND DUPRÉ, late a Representative from the State of Louisiana.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives, and transmit a copy thereof to the family of the deceased.

Mr. RANSDELL. Mr. President, we have assembled to-day to pay tribute to the memory of HENRY GARLAND DUPRÉ, who for the past 14 years brilliantly represented the State of Louisiana and faithfully served the people of its second congressional district in the House of Representatives.

GARLAND DUPRÉ was born in Opelousas, La., July 28, 1873. His family had been prominent for generations. On the paternal side his grandfather was Judge Lucius L. Dupré, and his mother was the daughter of that "grand old man" of St. Landry Parish, Henry L. Garland, for whom he was named.

He received his early education in the public schools of his native city, and in later years enrolled as a student of Tulane University at New Orleans. In 1892 he graduated from that university and received the degree of A. B. Two years later, in 1894, he was awarded his legal degree of LL. B. From 1895 to 1910 he practiced law in the city of New Orleans and was active in Louisiana politics. He was elected to the Sixty-first Congress on November 8, 1910, to fill the unexpired term occasioned by the death of Hon. Samuel L. Gilmore, and at the same election was elected to the Sixty-second Congress. He represented the second congressional district from then to his death, February 21, 1924.

Gilmore came to Congress in March, 1909, resigning his office of city attorney of New Orleans, to which he had been elected for the fourth consecutive term in 1908. He served but a short time, however, and death came to him on July 18, 1910. It was a remarkable coincidence that GARLAND DUPRÉ, more than nine years assistant city attorney, was selected by the people of the second district to take the place in the House made vacant by the death of his friend and former associate.

POLITICAL CAREER

GARLAND DUPRÉ really won his spurs in the Louisiana Legislature. As a member of its house of representatives and its speaker for several years, he gained the experience which later served him so well and made him such a valuable member of the Louisiana delegation in Congress.

Mr. DUPRÉ was a young lawyer, just getting into practice, in 1903–4, when the first Democratic primary campaign in Louisiana was held. Justice Blanchard and Gen. Leon Jastremski, of Baton Rouge, ran for governor. The primary for the nomination of all State offices, breaking away from the old convention system, had the effect of inspiring many young men of brains and talent to launch their fortunes in the political arena. He was one of them. He became a candidate for the State legislature from the fourteenth ward. He was nominated and elected. He served four years with ability and distinction in Baton Rouge.

GARLAND DUPRÉ and James C. Henriques, member from the thirteenth ward, formed a close attachment, which was evidenced four years later when J. Y. Sanders was elected governor. Mr. DUPRÉ was returned to the house, and he had the ambition to be speaker. He entered the race despite the fact that politicians understood that Governor Sanders had indorsed Lee E. Thomas, of Shreveport, a man of great ability. Mr. Thomas had the backing of the old Sanders guard behind him.

It proved one of the most memorable battles over the speakership ever fought out at Baton Rouge. Mr. DUPRÉ, with his colleague, Mr. Henriques, and a group of young, active, aggressive friends went to Baton Rouge on the Saturday prior to the open-

ing on Monday. They opened headquarters at the Istrouma Hotel. They met every train. Every new member was canvassed. They rounded up the country districts. The New Orleans regulars were in a quandary. They had to serve the incoming governor if patronage was expected. But they were unable to keep their forces from supporting DUPRÉ for speaker, if they ever tried. How much effort was made to draw the lines no one ever knew. There were breaks right and left, and Orleanians went to DUPRÉ despite pressure.

When the house was convened DUPRÉ won a brilliant and spectacular victory. He governed the house with exceptional ability. His committee selections were often referred to in the future.

Four years later he was talked of for governor. At one time there was a "GARLAND DUPRÉ boom" for governor, but just then came a turn of affairs which decided his fortunes lay along legislative lines. Samuel L. Gilmore, the former brilliant city attorney, and then Congressman, died. The district elected DUPRÉ and he went to Washington, surrendering whatever ambition he may have had to be governor.

SERVICE IN CONGRESS

GARLAND DUPRÉ'S service in the House of Representatives was marked by extreme loyalty to his State and district. In my long experience of 25 years in House and Senate I have never known a Member of either body who followed up more persistently than GARLAND DUPRÉ the measures of interest to his constituents.

The most striking instance of this devotion was manifested in the following incident which took place some time after he had taken his seat. He had been assigned to the Judiciary Committee in fulfillment of his ambition to serve on that committee, which was very congenial to him as a lawyer. By the rule of seniority he had risen until very near the top of this committee, and it was only a matter of time when he would become its chairman. A situation arose in Louisiana, however, in which he felt he could be of more service by becoming a member of the Committee on Rivers and Harbors. For this purpose he sacrificed his high place on the Judiciary to accept the last place on Rivers and Harbors.

DUPRÉ was one of the most intellectual and best educated men in the House of Representatives. He was a close student of public questions and grasped quickly their meaning. It is related by a Member of the House that he could not recall having ever heard DUPRÉ inquire, "How shall I vote?" His inquiry would be, "What is the question before us?" and knowing that, he knew exactly what he wished to do and voted as his judgment dictated.

He possessed a thorough knowledge of parliamentary law. His strenuous experience as speaker of the house in the Louisiana Legislature served him in good stead while a Member of Congress. He followed closely parliamentary tangles on the floor of the House and often engaged in them when he had no direct interest in the outcome of the controversy. In testimony of his ability in this respect, let me quote from an editorial in the New Orleans States of February 22, 1924:

It has been said that former Speaker Cannon, Republican, voluntarily in retirement, expressed the opinion that GARLAND DUPRÉ had the brightest mind of any man who had reached the lower House of Congress from Louisiana in many years.

That may or may not be true. But no one will deny the keen intellect of the late Representative from the second district whose engaging personality along with his outstanding ability and experience had carried him to prominence both on the floor and in the committee.

I was personally very fond of GARLAND DUPRÉ and regarded him as one of my closest friends. We became acquainted when he entered Congress in 1910 and soon formed an intimacy which grew with years and had become very strong when GARLAND was called to his eternal home. It is said that "Love begets love," and I believe it. GARLAND and I were devoted to each other, and there was never the slightest rift between us.

The most beautiful trait of GARLAND'S character was his chivalric devotion to his mother and sisters. I have never seen a more marked instance of this than he constantly displayed, and his family seemed to idolize him. No son could have loved and honored a good mother better than GARLAND, and to his sisters, especially Miss Belle, he was always a kind, sweet brother.

It seemed too sad that a man of such fine parts, capable of doing so much for State and country, should be summoned while barely in the zenith of his powers; but God knoweth best; His holy will be done!

Mr. FESS. Mr. President and Members of the Senate, my acquaintanceship with Mr. DUPRÉ began when I entered the House of Representatives one year after he had become a Member of that body. Coming to the House of Representatives, as a student of its procedure quite naturally its personnel was of interest to me; and among the great number of men on both sides of the aisle who impressed me was GARLAND DUPRÉ. After learning of his early training I could easily understand why he so impressed the new Members. To a native ability that was somewhat rare, due to a fine ancestry, he had the acquired ability obtained from a course of training in a great university; and having served in the State legislature, he came to the House of Representatives already a well-trained man.

I note that he was first assigned to the Committee on the District of Columbia. There is where he got his fine comprehension of what the Capital of the great Nation should be, and I have never known during his entire career a time when he had lost interest in the city beautiful and the Capital distinguished. He seemed to be one of the strong men in the other House who always stood for those measures designed to enhance the beauty of the Capital and its advancement, not so much as a place of residence but rather as the seat of power of the entire Nation. GARLAND DUPRÉ was one of the Members who gave expression to the thought that the Capital should be a place of beauty for all the people rather than merely for those who happened to be residents of the city.

I note that after a short service there he was assigned to the Committee on the Judiciary. That will explain the advanced position he took upon all legislation affecting legal procedure. Mr. DUPRÉ impressed himself on the Members of the House as a man who had a keen comprehension of the law, and I am sure that much of the legislation that has come from that committee during the last dozen years has the impress of this distinguished citizen.

As I recall my relationship with him, my mind reverts especially to his ardent support of every measure having for its object the improvement of waterways and harbors. Coming myself from Ohio, an inland State, bordering, however, a great water route, I was quite naturally interested in that particular problem, and having myself been a teacher of the history of our common country my attention naturally would be attracted to men like Henry Clay and other great advocates of the improvement of the waterways of the country. Consequently, when I became a Member of Congress it was with a predisposition in favor of that character of legislation. GARLAND DUPRÉ was one of the men in the House of Representatives, as the distinguished Senator now presiding [Mr. RANSDELL in the chair] is one of the men in the Senate, who impressed me with the possibilities of this newer field of transportation. While sometimes some of us may think that the agitation for the improvement of waterways has gone beyond bounds, yet the activities of Mr. DUPRÉ showed the intense devotion of a leading statesman in the development of what must yet come to be a very important agency in our business life, if not in our civilization.

I was always impressed also with this man's general ability. He had the comprehensive vision of the statesman who does not confine his interests to any particular locality. While he was greatly devoted to those things which were of peculiar interest to his own locality and was a fine representative of that type, yet he was always, as it appeared to me, quite independent. He never seemed to take any dictation; he did his own thinking, and always gave a reason for his position on legislation. In other words, he could not be classed as one of those who merely follow along, but he impressed me as a man who did what he thought was right, although it might at times require him to vote against what would appear to be the popular thing to do; and, if I may be permitted the remark, I will say that I believe that is the type of statesman that ultimately will give the greatest and best results to the country.

Mr. DUPRÉ and I had the privilege to serve through probably the greatest period or the greatest decade in the life of our Nation. We served previous to and during the World War; we voted together on the resolution declaring war; we participated in all the legislation made necessary by the trying circumstances of that tremendous convulsion that so shook the world, and as I look back over his activities I regard him as one of the staunch supporters of the honor of this Nation in that hour of stress and peril. I believe that those of us who were privileged to sit in the Halls of Congress during the period preceding and immediately following the war will in the future be regarded as having served the Nation in one of the greatest periods in the history of the world. Mr. DUPRÉ was a Member of Congress when some of the most outstanding

pieces of legislation that have ever been enacted in the history of any country were placed upon the statute books. The opportunity thus afforded he embraced with the ardor of a patriot; he served well his day; and I think that his career, when measured by its value in history, will be regarded as that of an outstanding public servant.

Mr. President, I join the colleagues and friends of Mr. DUPRÉ, in his State and elsewhere, in mourning his loss, but how, as we all must do, to the will of Him who has the lives of men and their destinies in His hands.

Mr. DALE. Mr. President and Senators, with others who were colleagues of the late GARLAND DUPRÉ, I offer the tribute which my recollection suggests.

One of the interesting features of the American Congress is the diversity in character of its Members. Then it is observed how naturally something of a kindred nature draws individuals into a group of friendly relationship independent of party lines and the interests of places separated by long distance. This often most peculiar something which draws men into closer social relations than general association is one of the gentler and most pleasing strains in the composition of our congressional existence.

The reasons for a lively common interest between GARLAND DUPRÉ and myself were sufficient to create it between a southern Democrat and a northern Republican, whose widely separated local influences came from the Gulf of Mexico and the Canadian border. But there is a peculiar relationship between that far South and that far North. In fact, there is an existent similarity which, running away back through the years, finds the same source in personality and nativity and religion.

GARLAND DUPRÉ was of French ancestry, of the same native stock as the discoverers and explorers who sailed up the St. Lawrence and later went down the Ohio and the Mississippi to the Gulf. Three centuries ago the explorers who christened my State Vermont, and who called the Gulf region Louisiana, were subjects of the Bourbon kings of France. The old trails that the explorer and the missionary blazed just north of my home lead from Quebec to New Orleans. I met men in the Dominion Parliament at Ottawa who, because of these facts, were like in character and ancestry to GARLAND DUPRÉ long before I knew him here in the American Congress. While I can understand how he could be in traits of character one of an unknown group to some, he was to me the representative of an intellectual, emotional, vivacious type, familiar and attractive, especially in the days of the brilliant Laurier.

GARLAND DUPRÉ was a native of Opelousas, St. Landry Parish, La. Long ago, before this American Republic had its creation, that land of scenic beauty became somewhat of a little empire. Just when and how this came about we do not know. That the transformation was fraught with many perils and much sacrifice, there is no doubt. Sometime back in the misty past all this was done by brave men and women who left their homes in sunny France, and, following pious fathers bearing aloft the cross, they established the community and the Christian religion where now is the parish of St. Landry, the pioneer settlement in all that southern region of present-day industry. It is a marvelous history, filled with adventure, hardships, tragedies, and achievements. But this is the remarkable fact which attracts our attention as we assemble today. Through all this drama of human existence, going back a century and a half or more, until there are no records, the Dupré family have played important parts, as have, through much of it, the Garland family.

It is a hundred and twelve years since Louisiana was admitted to the Union of States; but before that time Jacques Dupré, born on his father's plantation in St. Landry Parish, had grown to maturity. He was one of the early governors of the State about 100 years ago. GARLAND DUPRÉ was of the fourth generation in direct line of distinguished lawyers, whose ancestor was Gov. Jacques Dupré.

The mother of GARLAND DUPRÉ, Marie Celeste, a most attractive little woman, is still living, and is a direct descendant in the Garland family of honored lawyers, who for more than a century have been residents of the same homestead in St. Landry Parish.

These remarkable facts are fascinating, especially when one thinks how uncommon they are in this country. The separation of families from generation to generation is all too common with our people. Not only does the going of our children to distant places bring immediate grief, but long periods of separation from each other inevitably lessens the gentler emotions of family solicitude. I do not wonder that devotion to his mother and his sisters was so marked a quality in the nature of GARLAND DUPRÉ, and that he possessed a proud and reverent respect for his family and his home community is in no sense surprising. That quality in him was an inheritance from the centuries, grown rare and beautiful as the color of ancient abbeys about which successive generations dwell in the old France of his race, and which went on unchanged in the new France, to which it was transferred and where the customs and the sensibilities and the habitations of the family are still revered.

GARLAND DUPRÉ was an uncommon man. I have heard it said that he was peculiar and not easily understood on brief acquaintance. It is natural that some should take such impressions from him. His character was not made up of a multitude of attributes quickly adaptable to many different individuals and transient conditions. His character was a type. In a multitude he was as one in whom old emotions and influences survived to a greater degree than is common. His were the incentives and passions and convictions which centuries have neither exhausted nor explained, and which still continue in strength and beauty because they can never be understood. They were transmitted from an old land and came down unchecked through many generations and were highly developed in him. They all centered at last in his religion, which he held supreme. They were of the immortal soul of the man, which we commit to his Creator through the faith which passeth understanding and which he kept to the end.

Mr. HARRISON. Mr. President, Louisiana and Mississippi are sisters. They are bound together by every tie that makes for the progress of each. Both hold dear to the same sentiments and prize highly the same traditions. Their sons fought side by side on the battle fields of Chalmette, at Monterey, and in the fierce struggles of every succeeding war.

I attended school as a young man at the State university in Louisiana. I learned to love her people more devotedly and to revere her traditions more highly. They are a big hearted, sentimental, historic, generous, hospitable people; they hate hypocrisy and shun sham; they think straight and fight bravely.

GARLAND DUPRÉ personified the highest qualities of Louisiana citizenship. True to the interests of his district and people, zealous of their rights, proud of their history, he was ever ready to champion their cause or to promote their progress. Few men possessed a keener intellect and a richer store of information than he. He was a gentleman in every sense of the word, and reverenced the superb qualities of woman.

If he were loyal to his friends, and he was; if he were faithful to his constituents, and he was; if he measured up full stature as a worthy representative of a great State, and he did; it was the constant attention and undivided devotion that he manifested toward his dear mother and beloved sisters that exhibited his finest qualities and won for him the highest praise. No trait is a finer and surer index into the true character of a man than his devotion and interest and care for his mother. No problem was too important, no question too urgent, to divert him from his ministration toward his mother when needed. And he was the apple of her eye—her only son, the one in whom she had visualized the future. She had seen him grow from success to success until he had impressed the Nation's history with his high character and exceptional ability.

Mr. BROUSSARD. Mr. President, we are called in open session to commemorate the memory of one of our colleagues of the other branch of Congress.

It is a beautiful custom, that of holding memorial exercises for our dead, for, as we believe in a hereafter, our dead should be remembered and the memory of their good deeds kept fresh and green.

Only two weeks ago similar exercises were held at the other end of the Capitol, in the Chamber in which he rendered such signal service to his Nation, State, and constituency. I attended those services, and was deeply touched by the many kindly expressions by Members from various sections of this great country of the many really great qualities of heart and mind of our dearly beloved GARLAND DUPRÉ.

Others who have preceded me have dwelt upon his career from the time he was a barefooted boy in the old town of Opelousas, touching his school life, his early achievements as a young lawyer, and his elevation to the high office of, and of his services as, speaker of the Louisiana Legislature before his election to the Congress of the United States. I shall, therefore, make no further reference to those important events

and incidents in GARLAND DUPRÉ's life, which presents a series of victories and accomplishments worthy of our praise and commendation.

These deserved successes should be ample proof to those who knew him not intimately that he was a strong and capable man. But to those of us who knew and were close to him, that record was the inevitable result of the natural and cultivated sterling qualities which he possessed. GARLAND had an incisive mind. His grasp of complicated and intricate situations was marvelous. If one stated to him any proposition, no matter how interwoven the facts, GARLAND needed no repetition to seize, instantly separate the relevant from the irrelevant, and that minute draw a correct conclusion as to what should be done.

In deciding what was best for his country, State, and constituency, GARLAND had no thought of self, and having arrived at a conclusion his personal sacrifice could never be so great as to induce him to alter his course. In other words, he was a well-balanced, forceful, intelligent, capable man, using the powers which God had so liberally bestowed upon him, not for his own good or advancement but, as God intended, for the good of humanity.

All who knew him well know that he had the courage to stand by and defend his convictions. In other words, he was morally strong and honest. But he was, be it said to his great credit, intellectually honest. If he disagreed with anyone, he so stated then and there. To him it was intellectual dishonesty to fail to express any view but one his good judgment prompted. Mr. President, frequently men of that temperament offend until one learns to know their true character and honest motive; then one admires them.

One of the qualities which helped GARLAND in life was his promptness in meeting his appointments. On every occasion of which I have knowledge when he had engagements on official business GARLAND was always on time. I never knew him to be late or to fail to be present when he had made an engagement. When he had official matters to present to an official of the Government GARLAND always knew all about his case, and no one could present that case more forcibly than could he.

Mr. President, I could speak for many hours about GARLAND. He was a good, loyal friend of mine, and it was always a pleasure for me to meet him. I recall how almost daily he visited this Chamber, always having some witty, smart thing to say. He had plenty of humor, and enjoyed the exchange of pleasantries as much as any man. He was a real human being. I have missed him.

We all are familiar with the great love he had for his good mother and his sisters. But, Mr. President, GARLAND also loved his friends and his people.

GARLAND was the descendant of two of the greatest families of Louisiana. They before him had won high place in the history of Louisiana. For generations their services have been gratefully recognized by our people. GARLAND lived true to the traditions of those illustrious families—the Garland and the Dupré families. They are, and should be, proud of him, because we who were merely friends are proud of his wonderful career. We understand not the plan of the Father at all. We have been taught that all happens for the best; but we may here, with due deference to God's plans, express regret that our dear friend GARLAND should not have been spared for longer service to Nation, State, and constituents.

Mr. President, the Louisiana delegation will miss his genial disposition and his wise counsel and advice; for his wide experience in legislative procedure and his thorough understanding of our problems always furnished good and sound advice. Whenever our delegation meets hereafter we shall miss and think of him.

May his soul rest in peace.

The PRESIDING OFFICER. Without objection, the resolutions are unanimously agreed to.

MEMORIAL ADDRESSES ON THE LATE REPRESENTATIVE HUMPHREYS

The PRESIDING OFFICER (Mr. RANSDELL in the chair). The Chair lays before the Senate resolutions of the House of Representatives, which will be read.

The principal clerk read the resolutions (H. Res. 248), as follows:

IN THE HOUSE OF REPRESENTATIVES,
April 16, 1924.

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. BENJAMIN GRUBB HUMPHREYS, late a Member of this House from the State of Mississippi.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

Mr. HARRISON. Mr. President, I offer the following resolutions, and ask for their adoption.

The PRESIDING OFFICER. The resolutions will be read.

The principal clerk read the resolutions (S. Res. 237), as follows:

Resolved, That the Senate has heard with deep sorrow of the death of Hon. BENJAMIN G. HUMPHREYS, late a Representative from the State of Mississippi.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. HARRISON. Mr. President, Mississippi has furnished her full quota of distinguished statesmen. In the House and in the Senate she has measured up with the great men of other States. I would not pluck a single jewel from the records of the many distinguished statesmen who have represented Mississippi in the House of Representatives, but when the long history is told none will have surpassed the record of Hon. BENJAMIN G. HUMPHREYS.

An indefatigable worker, with a keen sense of humor, a high educational training, a personality that was as attractive as it was charming, and an unexcelled natural ability, it was destined the he should forge to the front among the really great statesmen of the day. While I shall always remember him for his lovable human traits and his unswerving loyalty, history will know him for his tireless persistence and unyielding devotion to river and harbor improvements. Without minimizing the splendid services of those who helped to mold and crystallize public opinion for flood protection, it was due more to his remarkable genius than any other person. It was his big brain that conceived and his unerring finger that pointed the way, and an incomparable popularity that carried through successfully the organization of the Flood Control Committee in the House. Surrendering his ranking, commanding position on the Rivers and Harbors Committee, he accepted the chairmanship of the Flood Control Committee and carved from its considerations the present flood control law. The people of the Mississippi Valley owe to his memory a debt of gratitude that time can not repay. There is not a community in the whole country interested in river and harbor improvements that has not received benefits from his wise counsel and exceptional efforts.

He possessed more sentiment and the most unselfish heart of any person with whom I have come in contact. For a friend, no request went unanswered, no demand unheeded.

How often, Mr. President, have I basked in the sunshine of his genial company and listened for hours to his quaint and witty expressions, his stirring stories, his old-fashioned negro dialect. His imagery was never quite so captivating as when he recalled the old days of steamboating on the Mississippi and the race between the *Natchez* and the *Robert E. Lee*. He reflected the history, the legends, the poetry, and the aspirations of the people of the Mississippi Delta.

He never failed to get what he wanted. There was no let-up in the thing he set out to do. Some years ago he came to me and requested that I accompany him to see the Secretary of War. I accepted his requests always as commands. We went. The War Department was about to complete some service boat to be placed on the Mississippi River at or near Greenville. He suggested to the Secretary that the boat be christened and named the *Ben Humphreys*. In explanation of his desire, in the most eloquent and striking expressions, he drew a word picture of the plantation life in the Delta of the Mississippi. He spoke of its traditions and its sentiments; he pictured this river boat slowly moving downstream upon the bosom of the mighty Mississippi, and how, as it would pass along plantation after plantation, and its sharp whistle would announce its approach, the negroes even would say, "There comes the *Ben Humphreys*."

The Secretary was moved by his simple suggestion, but expressed regrets that because of a statute no Government boat could be named after a living man. Quicker than a flash the wit of our departed friend exerted itself and replied, "Then I

want you to name it after my departed father, who was a general in the Confederate Army and at one time Governor of Mississippi."

The Secretary of War said, "I will be glad to do so. What was his name?"

The reply was, "Benjamin G. Humphreys."

As a statesman he possessed that remarkable quality now so often lacking in the present-day American politician. He formed his own conclusions, and no popular gust could move him. He took his congressional duties seriously, and always voted from the highest sense of conscientious convictions. Great as he was as a statesman, devoted as a friend, popular as a citizen, witty and humorous and eloquent as an orator, quick and ever ready as a debater, the most outstanding quality of his being was his devotion to his family. He loved them with a devotion that bordered upon idolatry. His place in his city, his State, and his Nation can not be filled; his services are now a memory, but will ever be an inspiration to the youth of the land.

I saw our departed friend just two weeks before his death at the home of a mutual friend. It was at Winona, Miss., and the occasion was the burial of our former colleague, Thomas U. Sisson. I was to meet him the day following his death, and we were to journey through his district to mingle and meet friends together. His death to me, his death to all, was so sudden and such a shock. My heart is heavy, Mr. President, for in the death of BEN HUMPHREYS I lost my dearest friend, my most trusted adviser, my wisest counselor.

They laid him to rest in the beautiful cemetery, beneath a bed of flowers, close by the waters he had done so much to harness. And just as his thousands of friends, with heavy hearts and bowed heads, were paying their last tribute, the heavens seemed to unfold and add their tears to the sorrowful occasion. Sleep on, good man; thy spirit will live forever.

Mr. JONES of Washington. Mr. President, the membership of Congress changes with amazing rapidity. There is but one Member in the House of Representatives now who entered it when I did 25 years ago who has served continuously since that time. There are but four in the House now who entered before I did, and only two of these have continued in service since. There are but two in the Senate who were here when I entered the House. Death has had no small part in these changes. I have had no time to look into the matter, but my impression is that the mortality in Congress is as great proportionately as in our armies during war. Of course, the average age of the membership is greater, but the intensity of the work and its confining character are in no small degree responsible for this great mortality. There may be a popular notion that Members of Congress have a life of ease and idleness, but the fact is that, take them as a whole, they work longer hours and more intensely than any other class of men, and this has much to do with the great mortality.

I was greatly shocked when the news came to me that Congressman HUMPHREYS had passed away. The last time I had seen him he seemed to be strong and healthy and good for many years yet in the service of his country.

I first became acquainted with him in the Fifty-eighth Congress. Not long afterwards he became a member of the Rivers and Harbors Committee, of which I was a member, and I got to know him quite well. My respect and regard for him grew with the years, and it was a real grief to me to learn of his passing over the river we must all cross.

He and I were of a different political faith, but I could have respected him no more if he had belonged to my party. He was tenacious of his own beliefs and principles, but most tolerant of the views of others.

He was a gallant soldier in the war with Spain, and was first lieutenant of a company which he raised at the outbreak of the war. He offered his life to his country on the battle field, and I have no doubt that his intense and loyal service to his country in peace shortened his life many years.

He was a clean-speaking, clean-living man. He had a manner and way about him that drew one to him and made one look forward with pleasure to his companionship. I have no recollection of any unpleasant impression from any word or act of his. His was an influence that brought out the best in those with whom he came in contact. It was a good thing for any man to know "BEN" HUMPHREYS. One could not associate with him long without feeling better, living better, and having more confidence in the integrity and patriotism of our public servants. It is through lives like his that partisanship controls less and patriotism influences more the lives and acts of public men. Congressman BENJAMIN HUMPHREYS was a good man, a gallant soldier, a faithful representative of the people, and a proved patriot whose private and public life will inspire our young men to a better and loftier citizenship.

Mr. CARAWAY. Mr. President, in keeping with the custom, as old as life, we have met to-day to pay tribute to a departed friend. While each of us realizes that words, mere words, however feelingly spoken, can lend nothing to the character and achievements of those who have laid aside the burdens of living, yet, mayhap, our appraisement of their virtues may give heart to us who carry on when they have ceased from their toils.

With that purpose, and the further desire also to leave a record of the esteem in which this our departed friend and fellow worker was held by us who labored with him, to-day we are assembled to bear testimony to the character and worth of that noble Mississippian, the Hon. BEN HUMPHREYS.

Among the first to welcome me to the House of Representatives when I became a Member of that body was he, now dead, but then the embodiment of life, of laughter, and of hope.

In all the years of our association, and they were many and close, I never heard him give utterance to an unkind or an ungenerous expression, and better, far better than that, no one's cares and no one's sorrows were added to by word or act of his. No one's burdens were made heavier by either action or failure of action by him. On the contrary, he sought to be helpful wherever assistance could be rendered. He was sympathetic whenever sorrow came to others. In partial repayment for all these acts of kindness and thoughtfulness on his part we exclaim, as sang the poet:

How many a poor one's blessings with him went
Underneath that low green tent
Whose curtain never outward swings.

The recital of our friend's achievements, his hardships and triumphs, I shall leave to those of his own State who have preceded me to-day.

Born of a distinguished family, formerly wealthy but impoverished by the War between the States, he preserved and exemplified all of that family's fine traditions. He faced undaunted poverty and misfortune and wore the laurels of his successes with modesty.

BEN HUMPHREYS, living, worked hard, laughed merrily; he played when the day's tasks were accomplished with zest, with the same zest that he bestowed upon the duties which were his to perform.

This, our friend, was a many-sided man. Each phase of his character, as he unfolded them to view, brought both admiration and delight.

His heart was with his own people. Their needs were his constant care. The great river which through the ages had builded up the magnificent Delta in which was his home had turned to destroy that which it had created. To prevent this he labored both day and night. The curbing of that river's flood by a thousand miles of sinuous dikes is his monument. He needs no other. In fact, no other would be appropriate. Generations of children yet unborn will play and men that are to be will toil in safety from the river's ravage, and as they play or as they toil they will point to these long lines of heaped-up earth which protect them from the river's flood and say, "To these we owe our safety, and for these we are indebted to the man who to-day sleeps upon that river's brink," the man to whose memory these feeble words seek to pay tribute, the Hon. BEN HUMPHREYS! For truly he was the master builder. To rear the levees and bring safety to his people he strove with such unrelenting toil that death came earlier than otherwise it would. And to this task likewise he sacrificed his earthly ambition, which was to have been governor of his native State. His father, whom he loved and devoutly honored, had faithfully and well before him filled that exalted station, and he, that father's son, longed to follow in his footsteps. This honor was denied him. Denied him not by his people's unwillingness to bestow it but by the necessity to accomplish the task to the doing of which he had dedicated his every effort and in the achievement of which finally he laid down life itself. His success was worthy of a whole heart's giving, and he gave freely; he gave time, he gave strength, he gave ambition, he gave health, and he gave life! We who are the beneficiaries of his sacrifices seek to repay in the only coin which can reach him in that realm which lies beyond, in gratitude, in renewed respect, in a loftier ambition, and, we hope, in a better and purer living for the example which his unselfish life affords.

Mr. RANSDELL (Mr. HARRISON in the chair). Mr. President, it is said that a fellow feeling makes us wondrous kind in this world. BEN HUMPHREYS spent most of his life on the banks of the Mississippi River in the great overflow section of the lower Yazoo Delta in the city of Greenville. I have spent 40 years of my life in the little city of Lake Providence in the upper end, the fifth Louisiana levee district, in the extreme northeast portion of my State. My home is only a few miles below that of BEN HUMPHREYS, his being on the east bank of the great river, mine on the west bank. Our constituents and friends have identically the same interests. Our labors were the same.

We entered Congress at nearly the same time. We were members of the same committee—Rivers and Harbors—for a great many years. We devoted our lives to aiding in controlling the floods of that great river, the Mississippi. Senators, that problem has confronted the people of the valley for more than 200 years—ever since Bienville constructed the first levee in front of the city of New Orleans in 1718, when the great city of to-day was only a little hamlet.

From that time to this moment levees have been built, extended into new places, made stronger and better, until now more than 1,500 miles of great dikes bar out the waters of the river from the adjacent lands. And what are these lands that are protected? They constitute 28,000 square miles of the finest soil in America; 18,000,000 acres of as rich land as there is on this continent; an area sufficiently great to produce more than one-half of all the cotton grown in this country, if all of these lands were cleared, protected, and placed under cultivation, together with a very large percentage of the sugar needed for our people, of the corn needed, of the oats needed, of the rice needed, for all of those great crops are produced in abundance in the vast area of this mighty valley. It was to the task of protecting these very fertile lands that BEN HUMPHREYS devoted his life.

He was preceded in that task by a number of eminent men in both Houses of Congress. It would be invidious for me to give much praise to any of them unless I could mention all; yet, Senators, I do not believe anyone can complain if I refer to the honored names of Randall Lee Gibson and Newton C. Blanchard, of Louisiana; of James H. Berry, of Arkansas; and of Thomas C. Catchings, of Mississippi. Those four men surely earned especial praise from the people of the Mississippi Valley for the wonderful services rendered by them in extending levees and having laws passed to control the floods of the great river.

As far back as 1879 a statute was passed which created the Mississippi River Commission and charged it with the duty of guarding the lands adjacent to the river from flood and also with certain responsibilities in connection with navigation; but the principal task of that commission was to protect the valley lands from overflow. Marked progress has been made during the 45 years since the commission was created, and to no man is greater credit due for that progress, especially during recent years, than to BEN HUMPHREYS. Unfortunately the task is not as yet completed; many years of labor lie before us and many millions of dollars must be expended before the task shall be finished and the valley be entirely safe from occasional damage by flood waters. Relatively we are safe, and our people are prosperous and happy in most places, though in some localities great anxiety is still felt.

Again I trust that I may not be considered invidious when I say that RILEY J. WILSON, of Louisiana, and WILLIAM J. DRIVER, of Arkansas, are entitled to very great credit in the legislative work of flood control. They cooperated splendidly with Representative HUMPHREYS in his mighty task. And, oh, Senators, it is a mighty task, for when the accumulated waters of the Mississippi River, gathered from the rain that falls in 31 States of this imperial Nation, send down an angry flood to the Gulf a battle array is created which it is extremely difficult for the puny forces of man to combat, and when the efforts of man succeed in fighting those floods successfully there is much glory due to all who have any part in the battle. As Schley said to Sampson after the Battle of Santiago, "There is glory enough for all"; so it is a proud tribute to the memory of BEN HUMPHREYS that he was leader in the House of Representatives during the last 10 years in the effort to secure flood-control legislation. It is a great honor to the memory of BEN HUMPHREYS that his name is attached, and always will be attached, to the two great acts of flood-control legislation passed in 1917 and 1923.

I have never known a man, Mr. President and Senators, who more whole-heartedly devoted himself to one great cause, to the practical exclusion of everything else, than BEN HUMPHREYS devoted himself during his entire career to measures of flood relief on the Mississippi, and, withal, he was a man of brilliant intellect, of varied resources, extremely popular, and exceedingly magnetic in his personality. It is said of him that there was no more popular man in the House of Representatives than he; but all of his intellect, all of his popularity, all of the hard work of which he was capable were devoted to the one task of doing everything possible to protect his constituents of the Yazoo Delta of the Mississippi from overflow; and in doing that he also protected the people of Missouri, of Illinois, of Arkansas, and of Louisiana, because all of them had the same problem, all of them had the same hard struggle to make. It was a cooperative effort of many strong, true men, and because of that fine cooperation under able leaders there followed at least reasonable success, with ultimate victory in sight.

In the death of Mr. HUMPHREYS the people of the Mississippi Valley, not alone those of the State of Mississippi but of the entire overflow area, the entire 28,000 square miles, the entire 18,000,000 acres of that wonderful valley, have lost one of the best friends they ever had.

Mr. ROBINSON. Mr. President, some one has said that while a man is yet living his fellow men judge him by his worst deeds and when dead by his best. BENJAMIN G. HUMPHREYS, judged by his worst deeds, would measure up to an exalted standard of citizenship and of private character. He was possessed of a striking and impressive personality. Looking back over a protracted period of service in the Congress one may recall Members of days long past whose appearance and personal characteristics have grown confused and indistinct in memory, but this is not true, it will never be true, of Mr. HUMPHREYS. His individuality will stand out, and the attributes of his character will remain distinct in the memories of all Representatives and Senators who were fortunate enough to be associated with him. Cordiality of manner, geniality of disposition, sympathy with the troubles of others, and good fellowship, added to other distinctive personal characteristics, made Mr. HUMPHREYS one of the most striking figures in the American Congress of his time.

His service demonstrated unusual ability as a legislator. He was familiar in its every detail with parliamentary law and with legislative procedure. He possessed a thorough comprehension of constitutional provisions and limitations.

Few men in either branch of Congress during the last 20 years have demonstrated more reliable information respecting the large issues before Congress than Mr. HUMPHREYS. He was in close touch with local problems. Others have referred to the great measure with which his name is inseparably associated. Some public men whom we have known are illustrative, their names are suggestive, of movements with which they have been connected, of measures which they have cooperated to enact. In the present Congress there are some whose services have marked them as prominently connected with important reforms.

The senior Senator from Louisiana [Mr. RANSDELL] has led the movement in behalf of waterway transportation, and particularly for the improvement of the rivers and harbors of the Nation; and when his name is mentioned one thinks of that phase of his public service. The names of other Senators are suggestive of movements in which they have led, of measures which they have helped to formulate, of reforms which they have suggested; and this has been true in every period of our country's history. Moreover, some public men so embody the spirit of the section from which they come that to mention their names is to arouse appreciation for the characteristics of the people who dwell in those communities.

Fortunately for the Nation, there are some names glorified by services so important and so enduring that the mention of them is suggestive of the national spirit, of the large events and far-reaching movements which are a part of the heritage of all our people. One can not think of Washington, of Jefferson, of Lincoln, or of Wilson without being thrilled with a recollection of the patriotic principles and motives, the exalted purposes and resolute achievements, which make them representative of the whole Republic.

While Mr. HUMPHREYS was in no sense provincial in his views, or narrow in his sympathies, or prejudiced in his policies, he is, in a very important way, to all who knew him well, illustrative of that peculiar type of citizenship which predominates in influence in the Mississippi Delta. Courageous, aggressive, endowed with tenderness of feeling and refined sympathies, capable of many sacrifices and of useful services, it is not surprising that his name should be inseparably connected, as has been stated by the senior Senator from Missis-

sippi [Mr. HARRISON] and the senior Senator from Louisiana [Mr. RANSDELL], with a measure which, while national in an important sense, is yet of peculiar importance to the Mississippi Delta and to the Mississippi Valley as a whole.

No one who has not lived in or visited and observed conditions in the Mississippi Valley can quickly have a full appreciation of the importance of the flood control measure from an economic standpoint. Gathering its volume in northern snows and glaciers, this mighty Father of Waters at periodical times in the past sent its yellow floods over vast areas of the richest lands on earth; and when these floods came they carried with them to destruction the results of the labors and efforts of thousands of citizens. They swept away the accumulations of years. They deprived the Nation of the products of fertile lands, of products essential to the happiness and comfort of the people as a whole. Mr. HUMPHREYS, combining his efforts with those of the Senator from Louisiana [Mr. RANSDELL] and of others who had a somewhat local, and therefore intimate, interest in securing the legislation, cooperated in the preparation and the enactment of the flood control act, which may be regarded as one of the most important and effective measures enacted by the Congress during recent years.

While his labors and his thought were devoted for a long period to the passage of flood-control legislation, his attention and his efforts were by no means confined to that important measure. He demonstrated a knowledge of general legislation and a familiarity with legislative processes which made him one of the influential factors in the House of Representatives.

By sincerity of purpose, devotion to sound principles of government, prompt and efficient performance of duty, Mr. HUMPHREYS illustrated the best standards of official life. He exemplified the highest attributes of human character, strong friendships, sincere motives, charity toward the faults and frailties of others, helpfulness, and an abiding faith in the spirit of the social and political institutions of our country.

There is universal grief among the Members of Congress; there is widespread regret at the departure of this useful public servant.

Mr. STEPHENS. Mr. President, Mississippi has never been without great and good men. They have entered all the walks of life and have made names for themselves that reflected honor and glory on the State.

If we call the roll of lawyers, orators, and statesmen in the Nation, the names of Mississippians will be heard; and they will be found high on the list. The very reference to this fact causes the mind to be flooded with the names of great men and the records of their splendid achievements. Their lives and their greatness are a substantial part of the life and greatness of the State and Nation.

Many of these great Mississippians, each in his particular sphere, were the equal of any man the Nation has produced. BENJAMIN G. HUMPHREYS, in whose memory these exercises are being held, possessed in a large measure every element that contributed to the greatness of these men, and at the same time he had some other characteristics of true greatness that all of them did not have.

A great character is often marred by some small vice, by egotism and vanity, by an unpleasing mannerism, by lack of cordiality, by selfishness. It was not so with him.

Whatever faults he may have had were small. His character, like a splendid diamond whose brilliance is increased by the number and shape of its facets, was the composite of so many various elements that he stood among us as one who was truly great, and any weakness that he may have had was unnoticed.

In the House of Representatives, where he served for more than 20 years, he was very popular. Perhaps no more popular man ever served in that body. Every one was his friend, and he was the friend of every one.

In talking with his former colleague I have been impressed by the fact that every mention of him was a eulogy. Tributes of praise, of respect, of admiration were paid by each one, and they came from the fullness of the hearts of friends.

Mr. President, I shall attempt, very briefly, to mention some of his most prominent characteristics—those outstanding qualities that attracted men to him and that endeared him to men.

His personality was pleasing. His was a happy disposition. He poesessed the power to please and of being pleased. No one ever enjoyed the association of friends more than he.

In every crowd he added something to the pleasure of the occasion. His conviviality, always restrained within proper bounds, made him an attractive and congenial companion. His jests, his bright quips, his humorous raillery, his large fund of striking and entertaining anecdotes made him welcome in any assemblage where good fellowship had its sway.

Immortality implies than man will be identically the same through all eternity; that death does not rob him of any of those attributes which are necessary to that identity.

If that be true, it is very probable that he has often looked down on his friends of former days and has enjoyed their meeting together—that he has smiled at every jest and chuckled over every good story, just as we remember him doing when he was with us.

There was also a serious side to his nature. He was a thoughtful man, a student. He was familiar with good literature. History was a favorite study. He had a strong touch of the poetic in him, and he could speak the language of the great poets. His knowledge of the science of government and the underlying principles of our Republic was profound.

Thus he was able, both in his conversation and in his speeches, to attract attention, to entertain, and to instruct his hearers.

His devotion to the fundamental principles of the Government was unfaltering. He was always ready to do battle for them, fighting alone if necessary. The shiftings of public opinion that sometimes threaten the foundations upon which our Nation rests never caused him to waver. No man ever gave as little attention to the effect his vote might have on his own political fortunes. The only question with him was this, What is right?

Not only was he always ready to defend these principles but he was always able to make a good defense. He was a good debater, prompt in attack, ready in defense, full of resources gained by long experience and careful study of the subject. He had quickness and clearness of perception, the power of discrimination, the ability to detect sophistry, a love of fairness, rectitude, and truth, the power of sly sarcasm and stinging satire.

He was admired and respected because of his ability, but no more for that than for his courage. One of the needs of the hour is the courage of conviction. Popular clamor, often unreasoning, seems to be supreme.

The only safe leader is one whose judgment is inspired by convictions of principle and duty. Our friend had physical, intellectual, and moral courage. It was a part of his very nature, and it was developed by constant exercise. He had that courage that enabled him to stand alone without being wedged in a crowd.

Courage—the highest gift, that scorns to bend
To mean devices for a sordid end.
Courage—an independent spark from heaven's bright throne,
By which the soul stands raised, triumphant, high, alone.

Few men are heroes. For one soul who has this high courage there are scores who have a passion for self-interest that oftimes makes cowards of them. No man can become a leader of men and retain that leadership very long who does not possess that high courage that will cause him to do right without regard to his own selfish interest.

His courage did not lead to recklessness. He had a perpetual serenity and sunshine of spirit, though always firm and positive in his positions. Moderate and candid, he was always unyielding with regard to principle.

He was an effective champion of any cause that met his approval. Men listened to him not only because they recognized his ability but because they had confidence in him.

They knew that he had built ethics into his nature and that he was swift to obey the voice of conscience. When he spoke, his character testified for him. Integrity was as inseparable from his character as fragrance from the rose or music from running water. Men knew that he was free from artifice and disguise and sophistry, and they were willing to follow his leadership.

He had an unyielding spirit of honor and integrity and a moral purpose that never faltered. If it be true that "the man of absolute integrity and of supreme devotion to duty will not be denied a place among the great," he is entitled to high rank.

Mr. President, I shall not tell of his early life and history before he became a Member of Congress, except to say that he was the son of Gen. Benjamin G. Humphreys, a gallant Confederate soldier and Governor of Mississippi, and that when the Spanish-American War began, inspired by the martial spirit

of his father as well as by patriotic impulses, he enlisted in that war.

Governor Humphreys was removed from office during the reconstruction period by Federal soldiers, and this act was witnessed by his son, and was perhaps one of his earliest recollections. It is probably true that one of his unfulfilled ambitions was to be governor of his State, and I may say that I earnestly urged him to run for that office, believing in his fitness and qualifications for it.

BEN HUMPHREYS has left us, but countless monuments remain erected to his memory in the hearts of those who knew him. But there is another monument that will last after these friends shall depart. In the laws of the Nation his impress has been fixed. In the great Delta, whose people he loved so much and whom he served so ably and faithfully, there will remain as long as time shall last a monument to him in the work that he did as a member of the Rivers and Harbors Committee and as chairman of the Committee on Flood Control.

May I say this: That it gives us, his old friends and colleagues here, great pleasure to see his son, Hon. W. Y. HUMPHREYS, occupying the position held so long by his father, and succeeding so splendidly in that work.

I shall not attempt to review the great work that Mr. HUMPHREYS did while a Member of the House. That has been done very fully and splendidly by other Senators. What they have said has my hearty indorsement.

Mr. HUMPHREYS was very devoted to his family. His wife, son, daughter, little grandchildren, were sources of pride and joy to him. He lavished his affection on them. Their sorrow, no doubt, was increased by the suddenness of his death.

But I believe that he died as he wished, without much warning. The last time that I saw him was at Winona, Miss., where we had gone to attend the funeral of Hon. Thomas Upton Sisson, a former colleague of ours and himself one of the State's greatest sons.

Mr. Sisson had died very suddenly. As we were going out to the cemetery, sitting in the same car, Mr. HUMPHREYS and I were discussing the unexpected death of our friend. In the course of our conversation he said:

I used to pray, "Deliver us from sudden death," but I have about decided that is the best way to die.

Nothing that can be said or done will entirely relieve their grief, but it is, I am sure, great comfort to them to recall his many evidences of love and affection, the splendid heritage that he left in the life that he had lived, his almost unexampled record that he made as a public official, and the high esteem in which he was held by all who knew him.

Of course, they need no assurance from me, but as an intimate friend and as one who had known, admired, and loved him for more than a quarter of a century, I want to say that he was a true and faithful man and friend; that he believed in those things that are good, pure, and holy; that he was always anxious to render service to those who needed assistance; that his heart was filled with sympathy for the poor, the wronged, the fetter-galled; and that he left a more lasting impression on human hearts and on the life of his State and Nation than can be accredited to but few men.

We say that BEN HUMPHREYS is dead. The Christian religion has taken away from the grave's brink the thorns and briars of despair and planted in their stead the beautiful flowers of hope and trust and love. It teaches that men live forever. Though dead in the flesh, they are alive in the spirit. They are ever present with us in the examples they have set, the truths they have uttered, and the lives they have lived.

If this be true, BEN HUMPHREYS, as a result of the labors that he wrought, of the example that he set, of the influences that he exerted, will live through the ages.

We shall miss him greatly, but we can only—

Wait the great teacher, death,
And God adore.

The PRESIDING OFFICER (Mr. RANSDELL in the chair). Without objection, the resolutions will be unanimously agreed to.

Mr. STEPHENS. Mr. President, as a further mark of respect to the memory of the deceased Representatives, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and the Senate (at 1 o'clock p. m.) adjourned until to-morrow, Monday, May 26, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

SUNDAY, *May 25, 1924*

The House met at 12 o'clock noon, and was called to order by Mr. ALMON, Speaker pro tempore.

The following prayer was offered by Rev. William James Seelye, of Washington, D. C.:

O Thou in whom we live and move and have our being, we recognize Thee as the giver of every good and perfect gift. One of Thy best gifts to us is this great and good land of ours. Help us to love her with all our hearts, with true patriotism, and as we plan our national and international program of policies grant that we may never forget that Thou art the source of all wisdom and power. Give us that constant view and realizing sense of the best spiritual traditions. Surround us with a realizing sense of a bright spiritual horizon and keep our eyes fixed steadily forward on those high spiritual ideals which make a country what it is, and as we celebrate now in this season of surrender and the sacrifice of thousands and tens of thousands of precious lives for the love of our country, help us to realize that unfading glory that attaches to the living for her. And all shall be to the praise of Thy glory and Thy grace. Amen.

By unanimous consent the reading of the Journal of yesterday's proceedings was omitted.

EULOGIES ON THE LATE REPRESENTATIVE JOHN R. TYSON

The SPEAKER pro tempore. The Clerk will read the special order for to-day.

The Clerk read as follows:

On motion of Mr. HILL of Alabama, by unanimous consent—

Ordered, That Sunday, May 25, 1924, be set apart for memorial services on the life, character, and public services of Hon. JOHN R. TYSON, late a Representative from the State of Alabama.

Mr. HUDDLESTON. Mr. Speaker, I offer the following resolutions.

The Clerk read as follows:

House Resolution 327

Resolved, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. JOHN R. TYSON, late a Member of this House from the State of Alabama.

Resolved, That as a particular mark of respect to the memory of the deceased and in recognition of his distinguished public career the House, at the conclusion of these exercises, shall stand adjourned.

Resolved, That all Members be granted leave to extend their remarks in the RECORD on the life, character, and public service of the deceased.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The resolutions were unanimously agreed to.

Mr. HILL of Alabama. Mr. Speaker, as I came to the Capitol this morning, and beheld the beauty of the day, the warmth of the sunshine, the sweet fragrance of the flowers, and the soft green of the turf, all nature proclaiming that eternal verity, the doctrine of the resurrection, I could not but feel that God himself had joined with us in paying tribute to JOHN R. TYSON. On the 27th day of March of last year, far from home, far from the land of his birth, far from the people he loved and who loved him, in the distant city of Rochester, Minn., JOHN R. TYSON was touched by the death angel and carried home to his God. In the full strength of years, while yet in love with life and raptured with the world, the mighty tribune of the people, the valiant warrior, spent in the fight, passed out of the company of living men. Despite the warning of friends and physicians, he had labored on, and he fell beneath the weight of his burdens.

JOHN R. TYSON was of the heroic line; his was the arm for battle, his the soul to dare, his the will to the end. He knew no fear. He defied the storm. He asked no favors. He scorned to do wrong. He hated those who bent the knee in servile submission. He took his stand where his clear and comprehensive judgment directed him.

Having once taken his position he was as firm in the cause he advocated and espoused as the granite hills. When others winced, he cried "Forward"; when others hesitated, he marched on; when others retreated, he advanced; when others

placed their trembling hands upon the altar of compromise, he stood defiant. His was the courage of Sir Andrew Barton—

"Fight on, my men," says Sir Andrew Barton,
"I am hurt, but I am not slaine;
I'll lie me down and bleed a-while,
And then I'll rise and fight againe."

The great and proud Commonwealth of Alabama has claimed many brilliant stars in the galaxy of her genius, but none more refulgent than JOHN R. TYSON.

Born on the 28th day of November, 1856, in Lowndes County, Ala., JOHN R. TYSON was ushered into a civilization of culture and of attainment. His father, John A. Tyson, belonged to the slave-holding class of the South, a class that dedicated its sons to intellectual and political life, a class that gave to the country so much of its brilliant statesmanship before the War between the States. Young JOHN R. TYSON early gave promise of the remarkable career which was to crown his life. He first went to Alabama College, now known as Howard College, where he increased his fund of knowledge and made friends among the people of the State which he was to serve so long and so well. After graduation at Howard College he took up the study of law and became proficient in his chosen profession at Washington and Lee University in Virginia, an institution still redolent of the memory of Robert E. Lee, who only a few years before had been its president.

In the days of his youth JOHN R. TYSON began the habits of industry and the training of that acute intellect which in later years were destined to achieve so much triumph. Power and conquest and leadership slumbered in his rugged arms and steadfast heart. He resolutely set his heart on success, and concentrated every faculty of his mind and body on the attainment of his darling point. He was ever relentless in his energy and enthusiasm to accomplish the things he set out to do. He brought to support his ambition courage, industry, and patience, and he trampled on genius. He rose above his fellows as steadily and as surely as the sun climbs above the mountains.

After his graduation in law he returned home to the people who knew him and modestly offered his services as a lawyer in the county seat of his native county. His indomitable courage, his untiring industry, his fine ability soon won the admiration of his people, and they called him to leadership in their fight to recapture their government from the hands of the scalawag and the carpetbagger. He entered the race for the State legislature against a negro and won the election. He was in the forefront in the restoration in the State of Anglo-Saxon supremacy and of constitutional government and order. He became one of that gallant band who in the valley of defeat turned the South from the graves of her dead and the ruins of her hearthstones and in a single generation raised her from dust and ashes, from desolation and darkness, and led her into the light of a new glory and the dawn of a better day.

After four years in his native county the call came to JOHN R. TYSON to enter the practice of law at Montgomery, the capital of the State. He accepted the call and became a member of the Montgomery bar, a bar as distinguished as any at that time in the country. It was the bar of William L. Yancey, once a distinguished Member of this House, the Patrick Henry of the Southern Confederacy, whose burning eloquence in Faneuil Hall temporarily transformed the fanatical Lloyd Garrisons and Harriet Beecher Stowes into southern sympathizers; of John A. Elmore, the constitutional lawyer, building fortresses of reason by the force of his logic; of Samuel F. Rice, "with his quaint thoughts and sayings filled with the pert and nimble spirit of mirth," chief justice of the Supreme Court of Alabama before reaching the age of 32; of George W. Stone, whose name for 40 years was written broad and clear on the pages of great decisions; of Thomas H. Watts, war Governor of Alabama and Attorney General of the Confederacy, the ardent and enthusiastic advocate, the magic of whose eloquence moved men and melted the hearts of judge and jury. It was the bar of Thomas G. Jones, the author of the present Code of Ethics of the American Bar Association, who as a beardless boy returning from Appomattox uttered those immortal words on the "lost cause," "I shall not injure the cause by arguing its justice," these words which electrified a dissevered Nation and joined the hands of Kansas, the State of John Brown, and of South Carolina, the Hotspur of the Union, for the successive reelection of a Democratic President for the first time since Andrew Jackson.

It was the bar of William A. Gunter, the golden link between the past and the present, "A man of perception keen and mind undimmed, and whose arms are filled with gathered sheaves." JOHN R. TYSON'S success at this bar was made manifest by the fact that at the age of 36 he was chosen to preside over it in the position of judge of the second or Montgomery circuit. For seven years he filled the position with honor and with distinction. So learned was he in the law, so fair in decision, so expeditious in the discharge of the business of the court, so faithful in duty that his name and fame spread throughout the confines of the State, and the people called him to a place on the Supreme Court. There he served for nearly 20 years and became chief justice of the court, defeating for that honored position an able and popular opponent in a hotly contested primary. He voluntarily retired from the bench to again enter the practice of the law in Montgomery. But he was not to remain out of the public service long. His services had been too distinguished, his ability was too marked. He was drafted by his friends to make the race for Congress from the second district, and was elected over a strong and capable opponent. Other gentlemen, who were his colleagues in this House, will testify this day to his services in this body. Permit me to call to memory what to my mind was the crowning service of his long and great career. I refer to his magnificent argument against the Dyer antilynching bill, in which he marshaled all the acumen of his wonderful intellect, all the store of his legal knowledge, all the wealth of his vast experience, and showed conclusively the unconstitutionality of that nefarious measure and sounded its death knell. As his friend and constituent, let me say that his services in this House were such as to quicken the admiration of his former foes for him and to increase the pride of his friends in him.

JOHN R. TYSON was a great jurist. He had drunk deep drafts of liberty from the commentaries of the fathers. He believed in his country. He understood its institutions and he knew its laws. He had faith in its mission. The Constitution was his chart and compass. It was his companion, his guide, and friend. As he went about his daily pursuits he always carried a copy of it with him. To the day of his death a worn and much-used volume of the great document was ever to be found on his person. His decisions on the court were usually short, terse, and compact. His power of analysis enabled him to go directly to the heart of the question and make his opinion clear in a few sentences. His decisions will go down through the years as guideposts along the highway of constitutional government and law. He was a man whom Daniel Webster fittingly described in his tribute to John C. Calhoun:

He was calculated to be a leader in whatever association of political friends he was thrown. He was a man of undoubted genius and of commanding talent. His mind was both perceptive and vigorous. It was clear, quick, and strong.

The eloquence of Mr. Calhoun, or the manner of his exhibition of his sentiments in public bodies, was part of his intellectual character. It grew out of the qualities of his mind. It was plain, strong, terse, condensed, concise, sometimes impassioned; still always severe. Rejecting ornament, not often seeking far for illustration, his power consisted in the plainness of his propositions, in the closeness of his logic, and in the earnestness and energy of his manner.

No man in public or in private life was more assiduous in the discharge of his appropriate duties than was Judge TYSON. No man wasted less of life in what is called recreation or employed less of it in any pursuits not connected with the immediate discharge of his duty. His was a dynamic personality, ever in action, ever moving on to the goal. He was an indefatigable worker. He toiled without respite, he labored without stint. He seemed to have no recreation but the pleasure of conversation with his friends. Out of the Chambers of Congress he was either devoting himself to the acquisition of knowledge pertaining to the subject of the duty before him, or else he was indulging in those social interviews in which he so much delighted. He was vigorous in conversation, and yet most gracious and charming among friends. His words were ever enlightening and carried conclusion in their sincerity. JOHN R. TYSON loved his friends. He not only sympathized with their aspirations, but he fostered them. He not only comprehended their hopes, but he labored for their realization. He not only partook of their joys, but he shared their sorrows. He had many friends, many among the great common people who ask nothing, who make no demands, need no assurances, and who never falter. They believed in him and they loved him. They loved him for his frank and manly dealings, for his modest and unassuming mode of life. They placed their trust in him, and he proved worthy of their confidence. For them he spent and was spent. He labored for their cause to the end. He kept the faith.

Years after the celebrated Battle of Thermopylæ, a traveler on visiting the spot found a monument with the simple inscription, "Stranger, go tell at Lacedæmon that we died in obedience to

her laws." "Why is it," he asked, "that the names of those who fell are not inscribed on the stone?" "Because," was the proud reply, "it is impossible that any Greek should ever forget them." Even so it is with him of whom I speak. No State ever had a truer friend, no people a more affectionate champion, no cause a finer advocate, no principle a nobler defender. His acts are graven on the hearts of his people, and time has no power to obliterate the characters. Great men stand like solitary towers in the city of God. JOHN R. TYSON was one of these men.

Know ye not that there is a prince and a great man fallen this day in Israel?

Mr. ASWELL. Mr. Speaker and gentlemen of the House, when Judge TYSON came to Congress a new Member, on account of his strong personality, on account of his charming spirit, I was immediately attracted to him. We very soon became intimate and confidential friends. I was with him every day. He impressed me from the beginning as a man in every sense of the word of strong convictions and courageous conduct. My association with him was intimate, perhaps more intimate than it has been with any other Member of this House. My association with him was delightful and most profitable to me. He hated sham and he hated demagogy. I have seen him on this floor when some remarks were made that seemed to him to have a tinge of demagogy or insincerity when he would immediately rise and walk erectly from the Chamber. In the cloakroom he would denounce the sham an insincerity in unmeasured terms.

Judge TYSON had the courage of his convictions and never hesitated to express himself and to act as he thought to be right. He has often stated to me that a Member of Congress should not cringe and trail public sentiment; that it was the duty of a Member of Congress to inform the public and mold public sentiment. He not only had that independent courageous attitude, but as I knew him he was a most lovable man. Almost every day in our quiet conversations he would speak with affection and pride of his family. He was so proud of them and loyal to them.

I remember the last day of the session he sat for a long time and discussed public questions and public men, and as the day drew to a close he said to me, "I am not well. I am going away as soon as the session closes to-day and find out what my trouble is."

Gentlemen, his loss to me personally is grievous. I think of him almost every day as I come into this Chamber and especially in the cloakroom.

To his devoted and bereaved family I extend my personal, earnest, sympathetic condolence and remind them that their consolation is to be found in the fact that he left a distinguished and honorable career, one that points the way to finer and better things. What a glorious thought it is to them, the splendid achievements and the high character of the man. Gentlemen, Judge TYSON, of course, was no demigod, though a divinity encompassed his acts. Human weakness was present in him, yet the divine inspiration of duty so lifted him out of self as to make him the mighty champion of truth and right. He was in every sense of the term a man. He was my friend and I loved him.

Mr. STEAGALL took the chair as Speaker pro tempore.

Mr. BANKHEAD. Mr. Speaker, we have, according to a long and desirable custom, set apart this hour to pay fitting tribute to the life, character, and service of our late honored colleague the Hon. JOHN R. TYSON, a Representative from the second congressional district of Alabama. The mortality among the Members of the House for the last two years has been extremely shocking. It is evidence of the fact that the exactions of an arduous service takes its heavy toll in the lives of useful men.

I was profoundly shocked when upon an extended western trip last spring I learned of the death of Judge TYSON. It was known that during the closing days of the last Congress he was not in robust health, but none of us apprehended any serious culmination, and his passing away was not only a great surprise but the cause of genuine grief to those who admired and loved him.

Judge TYSON only served a little over one term in the House, but even that short tenure was sufficient to give him the opportunity to demonstrate that high order of ability and courage of conviction already so well known to the people of Alabama and the constituency he represented. He delivered in this forum only one or two extended arguments on pending legislation, but those who heard them were deeply impressed with his forceful and logical analysis and his profound convictions upon the subject he was discussing. For the rounding out of a long and honorable career it is to be very deeply regretted that his congressional service was so curtailed.

It was as a great jurist and advocate that our late colleague will be most remembered. His was inherently a great legal mind. Both as a practitioner of his profession and as a judge upon the nisi prius and supreme benches he was an assiduous and methodical student, which made it possible for him not only to understand legal principles with clarity of analysis but also to expound them with dextrous precision.

For a number of years he occupied the very responsible position of circuit judge, one which calls for the exercise of tact, patience, common sense, and learning. All of these attributes our deceased colleague possessed to a marked degree. His recognized judicial ability later won for him a place of high distinction as associate justice of the Supreme Court of Alabama. My State has long had the enviable distinction of producing judges on its highest tribunal whose legal opinions take very high place in the jurisprudence of the Nation. While serving as associate and for many years as chief justice of the supreme court Judge TYSON contributed to and amply sustained the exalted standard of his predecessors.

He was a man of courageous convictions. What he thought, he spoke. When he reached a definite and well-considered conclusion on a controversial matter he did not hesitate to declare it in positive and unreserved terms. He was not prodigal in his intimacies, but with cordial and dignified fidelity paid every debt of friendship which he owed.

That he was personally a popular man and preserved the loyalty of his admirers is proved by his unvarying success in his political contests. He represented here a district with many unusual historic legacies and proud traditions. He had as a constituency people of high purposes and honorable aspirations, and it is my privilege here to assert that in the person of Judge JOHN R. TYSON they had a Representative who measured up to the character and attainments of those whom he so capably served.

I do not desire to convey the impression by what I have just said that Judge TYSON was of the spirit of an aristocrat. His devotion to the plain people, to the rank and file of his fellows, was paramount and consistent. He believed in the aristocracy of intellect but always in the democracy of people, and I am sure that it was in the hearts of the toilers of his district that the grief over his departure was most poignant. He had learned too much of the real principles of equity to believe that there was any place either in society or government for the bestowal of special privileges.

To the surviving members of his family I desire to extend the expression of profound sympathy. They should find some measure of comfort in the reflection that the one for whom they grieve played a man's part in all the changing scenes in the drama of life, of one who wrought most worthily at the forge of events and left on the printed page of jurisprudence and in the annals of constitutional government a record of worthy and enduring achievement.

Mr. BULWINKLE. Mr. Speaker, it is well that the House has convened to-day in order that we may lay upon the altar of memory our tributes of love, respect, and admiration for our deceased colleague, Hon. JOHN R. TYSON, a Representative in Congress from the second district of Alabama, who died on Tuesday, March 27, 1923.

During the four sessions of the Sixty-seventh Congress it was my privilege to be brought into most intimate relations of friendship with Judge TYSON almost daily. Living at the Driscoll Hotel, we were together in many a walk and ride. Each day that I was with him brought to me a fuller realization of his ability as a lawyer, of his high and honorable character, of his fearlessness, and of his intellectual honesty. No one could know him without being impressed with the greatness of the man.

Judge TYSON was a devoted husband and father. In his attitude toward his family he displayed the highest type of love and affection of a father and husband.

Judge TYSON was born in Alabama. His life was spent in the South. He loved the glorious traditions of the South. But the love for his State and the South was only excelled by his love for the Nation. No act or word of his would have ever caused one to doubt his patriotism.

His was a life of service to his State and country. His life was a record of accomplishment. Born in Lowndes County November 28, 1856, educated at Howard College, Marion, Ala., and Washington and Lee, Lexington, Va., at the age of 23 he commenced the practice of law at Haynesville, Ala. From this time until elected to Congress he was a successful and honorable

practitioner at the bar, a member of the legislature, a circuit judge, an associate justice of the supreme court, then the chief justice of the supreme court. Retiring as chief justice, he again engaged in the practice of his chosen profession until elected to the Sixty-seventh Congress and then reelected to the Sixty-eighth Congress.

May I not be permitted to say that Judge TYSON was very fond of my State, North Carolina. His father was born in Pitt County, N. C., and moved to Alabama in the forties. Many times he expressed the desire to go to North Carolina on a visit to look up his relatives.

If he had lived, the State and the Nation would have continued to honor him. But dying, he left to Alabama a heritage for all time to come.

Mr. ALMON. Mr. Speaker, the late Representative JOHN RUSSELL TYSON was born in Lowndes County, Ala., November 28, 1856; graduate of Howard College, Marion, Ala., and of Washington and Lee University, Lexington, Va.; represented Lowndes County in the Legislature of Alabama in 1880; circuit court judge from 1892 to 1898; associate justice of the Supreme Court of Alabama from 1896 to 1906 and chief justice of that court from 1906 to February, 1909, when he resigned to resume the practice of his profession; was elected to the Sixty-seventh and Sixty-eighth Congresses from the second congressional district of Alabama, and died at Mayo Brothers' Hospital, Rochester, Minn., on the 27th day of March, 1923.

He was a faithful and consistent member and officer of the First Baptist Church of Montgomery, Ala., for more than 30 years, and maintained this relation to the end.

He was married to Mary Jordan, a daughter of Dr. James Jordan, of Lexington, Va., and is survived by his widow and the following children: George B. Tyson, of Barberton, Ohio; James J. Tyson, of Jacksonville, Fla.; Miss Martha J. Tyson, of Montgomery, Ala.; Mrs. B. Frank Noble, of Montgomery, Ala.; Mrs. Kenneth Murphy, of Washington, D. C.

Our late colleague, Judge JOHN RUSSELL TYSON, was a man among men—one of Alabama's most distinguished citizens—known of all for his native ability, his learning in the law, his splendid judicial mind, his patriotic fervor, his firmness of conviction, and devotion to duty. He never asked the people for an office that they did not give him. He was a man of deep convictions, never entertained half views of anything; whatever he did he did with his whole soul, and this was true of him in his religion as in other things.

For more than 20 years the people of Alabama honored him with their love and confidence by electing him to State and Federal offices, and if his life had been spared, he would have, in a short time, stood out in bold relief as a national figure; a leader in all that made for the welfare and good of his country and his fellow men. He also possessed, to a remarkable degree, the noble qualities as a family man, a faithful, tender, and devoted husband and father. His wife is a woman of culture, refinement, and great strength of character. Judge TYSON, like many other men in public life called upon from time to time to face perplexities and difficulties, was strengthened by the moral support and sympathy of his good wife at home. Her high ideals of life and public service were a constant inspiration to him.

It was well known to Judge TYSON's colleagues, for some time before his death, that he was in poor health and he was a great sufferer, but was never heard to complain.

As a member of the committee from the House I attended the funeral ceremonies in Judge TYSON's home city, Montgomery, Ala., the capital, and was profoundly impressed by the sincere evidence of sorrow, love, and respect manifested by the vast throng of people from every part of Alabama gathered there to honor him on that occasion, representing as they did every plane of social life. His remains, after arriving from Rochester, lay in state in the supreme court chamber at the capitol during the afternoon and night, and a special military guard of honor was posted in the chamber by order of the Governor of Alabama. The funeral services were held in the First Baptist Church, of which he was a member. About the casket were banked masses of beautiful, fragrant flowers, tributes from sorrowing neighbors and friends and his former associates of the supreme court and his colleagues, the Members of Congress from Alabama.

All in all JOHN RUSSELL TYSON was one of nature's great men. The effect of such a life, character, works, and faith will make its impression not only on the present generation but the generations to follow.

Mr. FAIRFIELD. Mr. Speaker and gentlemen of the House, perhaps no experience in public life is more interesting or profitable than that which comes to us in being brought into contact with men not only widely separated in physical distance but in the meeting of men whose traditions, whose political philosophy, whose social life have been ordered under entirely different conditions.

I could not but think, as a Member was recounting the struggles of JOHN R. TYSON against the forces that depressed the South immediately after the Civil War, of the atmosphere in which, as a young man, I myself was being molded in antagonism. Perhaps it is not improper to state here that even as a boy I never had any confidence either in the wisdom or the justice or the success of what was known as the force bill. I can understand how a sincere and honest man with every fiber of body and soul would battle among his fellows for what he conceived to be their rights.

It was not my privilege to be intimately associated with Mr. TYSON. He was a member of the committee to which I belonged. His clear, forcible analytical statements attracted the attention of every member of the committee. I saw him only now and then in the committee meetings. But no man could meet him without being impressed with the dignity, the honesty, the power of analysis, and the effective manner in which he made one understand that he had convictions and was able to state them.

I deem it fortunate for the State and the Nation that men of such mentality, wealth of experience, and splendid ability are drafted into public life.

Of the elements of leadership the first is wisdom. The long experience of his life upon the bench and in the practice of law gave him a very wide knowledge of institutional life. A man must not only have the knowledge but he must be strong. I judge from what those who knew Mr. TYSON intimately have said, that he was rugged, ever fearless, and strong. If one could add to that integrity, then leadership is perfect.

My own experience in the House has led me to believe that above all else we need the character and quality of men who know, who are strong, and who are honest.

I was particularly impressed with the statement of one Member to-day, that when the demagogue spoke JOHN R. TYSON resented it. Would to God there were more men who would resent it in the days that are to come. There is but one sad thing on an occasion of this kind, and that is too frequently men of the character of JOHN R. TYSON do not get the headlines, but the demagogue and not the statesman is made the measure of the character of men of Congress.

I learned to have the highest regard for Mr. TYSON in the very brief way I came in contact with him, and I am glad to-day to bear him this tribute of confidence and respect.

Mr. RAKER. Mr. Speaker and gentlemen of the House, this is a body of men active in their work, intent, and hard to get acquainted with. I say that from an experience of some 13 years and more. Therefore, when you do become really acquainted with a man it is the exception. I say that advisedly, and not in any discouragement or disparagement of the activities of the men who compose this body. It is the young man friendship, the boyhood friendship that lasts, and it is hard to get acquainted with and know a man after he has passed the 40 or 45 year period. Judge TYSON came from the most eastern part of this great Nation, and I come from the West. Our homes were separated by some 3,500 miles. Just what I do not know, but something brought Judge TYSON and myself together. I believe there was no man in the House during the length of time that Judge TYSON was here with whom I became more intimately acquainted, who knew more of me and I of him than was the case with Judge TYSON. I learned of his long and successful record as a public man. I knew what it stood for. I saw him here, I heard him speak individually, in the cloakroom, socially, and I heard him speak from the floor of the House. I learned to a greater or less degree what this distinguished man stood for. He stood for home and what was right. He stood for his city and his county. He stood for his State and all that it means. He represented and stood for what this Nation stands for. He was in favor of constitutional government. He believed in law and order. He was a strong advocate of the enforcement of our laws. He believed in equality. He believed in the right kind of living and advocated it by his words and his conduct. He was the kind of man for whom we are looking and longing.

While Judge TYSON passed away at a ripe age, yet it was in the zenith of his power. His family and his friends sustained a great loss, but it must be a satisfaction to his family, as it is to those of us who knew him well, that he left us, as I say, in the very zenith of his power, so that we may look back and remember him as he was.

In the death of Judge TYSON I felt a great personal loss. I know that his State felt the loss, and I know that my State felt the loss. Our Government has suffered a loss in the death of this man who stood for what we need now—courage and fortitude to stand for our convictions. Judge TYSON's life ought to be known to all young men, as I believe it will be. They are the ones who are coming up soon to assume the responsibilities of our States and Nation, and they should follow the example of his life and ideas. His life and character should be an inspiration to all young men. It will show them that it is the right thing to be honest; that it is the right thing to be just; that it pays at all times to be courageous and stand for what is right; to be loyal and faithful to your family and in your friends; and, if necessary, at the sacrifice of your own life maintain the principles and the doctrines upon which this great country is founded.

Our sympathies go out to the family in their deep sorrow. We have lost a man who was of great service, and it is my prayer that what he stood for will make a lasting impression upon us all, so that his thoughts and ideas may be brought to their full fruition.

Mr. HERSEY. Mr. Speaker, "What is the secret of your life?" asked Mrs. Browning of Charles Kingsley. "Tell me, that I may make mine beautiful, too." He replied, "I had a friend."

In every age and country of the civilized world honor and homage have ever been paid to the illustrious dead. From palace halls and the walls of the humble cabin home look down the eyes long since turned to dust. In cathedral wall and niche, in college room and legislative hall, in private park and public square stand the sculptured forms of earth's chosen dead. Everywhere we find the love-inscribed slab, the rock-hewn tomb, the marble shaft, the granite monument, and here and there scattered over all the earth like forest leaves are graves without a stone, where love comes so oft to plant sweet flowers within its hallowed mold and water them with the tears of fond remembrance.

I first met Judge TYSON in the Sixty-seventh Congress. For a short time we were members of the same committee and we at once became warm friends. I was drawn to Brother TYSON by reason of his knowledge of the law, his experience as a judge, and his excellent legal mind. I found him a delightful companion, a lover of the law, a sincere and faithful friend, who had deep convictions of duty and the courage to follow the path of duty.

The sons of the blue and of the gray have not personal recollections of the Civil War. Judge TYSON was 5 years of age and I was 3 in 1861, and whatever we know of those tragic days is largely from the reading of history. I have not found, since I have been here in Congress, anything remaining of the old war spirit, any waving of the bloody flag, no personal recollections of the aftermath of the war, only the utmost kindliness and friendliness between the boys of the fathers in blue and the sons of the fathers in gray.

When I came to Congress in 1916 I had certain ideas about the South and the southern people—ideas influenced by my northern environment, by the prejudices growing out of the Civil War and the struggle of many years of the solid North against the solid South.

My seven years in Congress have disabused my mind of many false impressions. I have lost my ancient prejudices against the southern people. I have a new conception of the Members in Congress from the Southland. I have found my fellow Members south of the old Mason and Dixon line to be men of brains, broad minded, honest, with a love of home and country, and, above all, warm and valuable friends and delightful companions.

The events of the last few years in this Nation have obliterated the old lines of separation between the North and the South. The old war veterans, the blue and the gray, have nearly all passed over to the other side.

An artist has drawn a wonderful picture of an old Confederate soldier, with gray hair, tottering limbs, and bowed frame, watching with dim and aged vision a parade of old soldiers of both armies on Memorial Day, on their way to deck with flowers the common graves of both the blue and the gray, and the poet has put into the mouth of this old veteran these words of reminiscence:

When he had played the game, had laid
Our last lone stake, and all was through;
When those four years of blood and tears
Were done, we boys in gray were blue.

The years have passed, and now, at last,
I stand and watch the lines to-day,
And think how strange to see the change,
For all the boys in blue are gray.

Ah! blue relents and gray repents,
And fiercest passions seem but mean,
When blue and gray both pass away
And God blends over both his green.

I wish I had known more of JOHN TYSON. His unexpected passing out has taken something out of my own life. These words of mine seem almost cold and meaningless when he is not here to listen. We do not appreciate our friends while they mingle among us. They receive very few flowers from our hands while in life, and it seems so poor a tribute that I can lay upon JOHN TYSON's grave to-day.

If I should die to-night,
My friends would call to mind with loving thought
Some kindly deed the icy hand had wrought;
Some kindly word the frozen lips had said,
Errands on which the willing feet had sped;
The memory of my selfishness and pride,
My hasty words, would all be put aside,
And so I should be loved and mourned to-night.

If I should die to-night,
Even hearts estranged would turn once more to me,
Recalling other days remorsefully;
The eyes that chill me with averted glance
Would look upon me as of yore, perchance,
And soften in the old familiar way.
For who could war with dumb unconscious clay?
So I might rest forgiven of all, to-night.

Oh, friends, I pray to-night
Keep not your kisses for my dead cold brow;
The way is lonely; let me feel them now;
Think gently of me; I am travel-worn,
My faltering feet are pierced with many a thorn;
Forgive, oh, hearts estranged, forgive I plead;
When dreamless sleep is mine I shall not need
The tenderness for which I long to-night.

Mr. BYRNS of Tennessee. Mr. Speaker, I listened with the deepest interest to the brilliant and very eloquent address upon the life and character of Judge TYSON by the gentleman from Alabama [Mr. HILL], his able and very worthy successor. He spoke with an intimate knowledge of the notable career of our lamented colleague, and he and his other colleagues from Alabama have given us a very true and a very pleasing picture of the splendid life and the record of achievement of Judge TYSON.

It was not my privilege to know our deceased colleague, Hon. JOHN R. TYSON, until he became a Member of the Sixty-seventh Congress. But living in a State adjoining his I had long known something of his reputation as a lawyer and a jurist, for he had a long judicial career on the circuit bench and as associate justice and chief justice of the highest court of Alabama before he came to Congress. After he entered Congress it was my good fortune to be more or less closely associated with him, and we often discussed public matters, and particularly the legal and constitutional questions involved in measures pending before the House and upon which he was so splendidly qualified to speak. I formed a very high admiration for him, not only for his great legal learning and ability but also because of the innate honesty of the man and his very earnest desire to be right in the light of the obligations he had assumed and his duty to the people whom he represented.

His service here was cut short by his death, which occurred just as he was beginning his second term. But during his short career he impressed his colleagues with his great worth. Perhaps his most notable effort as a Member of the House was his speech attacking the constitutionality of the so-called Dyer antilynching bill. He was unavoidably absent on the day the measure was up for general debate, but his carefully prepared speech was presented to the House and printed in the RECORD. It was one of the ablest of the many able arguments made on the measure and attracted wide attention.

Judge TYSON abhorred lynching and all forms of lawlessness as much as any man I ever knew; but having been born and reared in the South, he had an intimate knowledge of its problems and difficulties, and he was very firmly convinced that the enactment of the bill into law would have the very opposite effect, not only in the South but throughout the country, from that which its sponsors professed to desire. He was

accordingly very much agitated when it became apparent that the bill was likely to be passed by the House. He made a close study of its constitutionality, and became convinced that if passed it would be held unconstitutional by the Supreme Court. The measure passed the House but failed in the Senate. If, unfortunately, it should ever be pressed for passage again, his speech will again serve a most useful purpose and prove a distinct service to his State and the country in exposing and emphasizing the unconstitutional features of that measure, which would increase the difficulty in controlling this lessening evil, and which is confined to no particular section of the country.

Judge TYSON was distinctly a friend of the masses of the people. He was familiar with their problems and sympathized with their difficulties, and he never hesitated to espouse their cause. He was a man of firm convictions; honest with himself and with others; positive in his own views and ready always to defend them. He despised sham and hypocrisy and never hesitated to condemn it. It is not surprising, Mr. Speaker, that a man of such high character and one so dependable should have been honored with the highest judicial position in his State and that he should have been chosen by his people as their Representative in Washington to enact laws for the protection and benefit of the Nation.

I last saw Judge TYSON a few days after the adjournment of Congress in March, 1923. I was leaving for home on that day and bade him good-by, expressing the hope that we would see each other again at the December session. He had been in ill health and said he was going to a hospital for a short period on the advice of his physicians and would then return to his home and friends in Montgomery.

I was very much shocked and grieved a few weeks later when I read in my home papers that Judge TYSON had been operated on and was in a critical condition. A day or so later, on March 27, 1923, the news came that he had passed over to that bourn from which no traveler ever returns—"God's finger touched him and he slept."

Judge TYSON died in harness. And for one who has long and honorably served his people, as Judge TYSON had served his, I can conceive of no more desirable way to lay down life's burdens.

Servant of God well done;
Rest from thy loved employ;
Enter the Master's joy.

After all, Mr. Speaker, for those who have done their duty here death is but a transition into a larger, better, and more glorious life where our opportunities will be greater and where we may fully enjoy the fruits of a well-spent life on earth. Judge TYSON is removed visibly from the outward eye, but the example he set and the service he rendered are engraved on the tablets of memory. He yet speaks eloquently and in the midst of us. Our souls tell us, in the language of the poet:

There is no death! The stars go down
To rise upon some fairer shore.
And bright in Heaven's jeweled crown
They shine forevermore.

Mr. OLIVER of Alabama assumed the chair as Speaker pro tempore.

Mr. STEAGALL. Mr. Speaker, the death of our distinguished colleague, Congressman JOHN R. TYSON, was a distinct loss to his State and to the Nation. It was a great personal loss to me. I had known and loved him since my early manhood. My first acquaintance with him began when as a young lawyer I practiced before him during a term of circuit court over which he presided in my home county of Dale. He was the judge of another circuit, but was sent to preside for one term of the circuit court for Dale County. His reputation had preceded him, and I was prepared for the high character of his work and the splendid impression which he made upon me and upon the people of the community. From that time on the people of Dale County were loyal friends and devoted admirers of Judge TYSON. He possessed not alone deep learning in the law and a wide range of general information but he had also in rare degree the qualities of common sense, courage, and honesty combined with an innate devotion to justice and fairness. The people, without regard to class or rank, recognized that in him there was always to be found one not only competent to pass upon the law but one devoted to essential justice and determined that justice should be administered to all. Everyone felt that when his rights were submitted for adjudication in the court over which Judge TYSON presided there could remain no cause for resentment or complaint.

Judge TYSON was born of aristocratic environment and of wealthy parents, as wealth is counted in Alabama. Yet nature had so molded his mind and heart that his sympathy was always first for the common man. He enjoyed educational opportunities very uncommon among the people of our State during the years following the Civil War, which constituted the period of his youth, and he availed himself to the utmost of his opportunities. He manifested in early youth the habits of industry that characterized his entire life. He attended primary school in Lowndes County and later the public schools in the city of Selma, and then graduated at Howard College. To prepare himself more completely and extensively for a career as a lawyer he attended Washington and Lee University, in which institution he maintained the splendid record which had marked his course in school theretofore. Upon the completion of his education he went back home and began life as a young lawyer in the little town of Haynesville, the county seat of Lowndes County, the home of his boyhood. Soon he was elected to the legislature, in which body he served with distinction and gave wide impression of his rare capabilities and character. A little later he moved to Montgomery, the capital of the State, and entered upon the practice of law in that city. He soon won high place as a member of the bar in Montgomery, a bar that had enviable standing throughout the country at that time. Soon after his removal to the city of Montgomery he was called to the office of circuit judge, in which position he served for a term of six years.

His service as circuit judge gained for him such wide esteem throughout the State that as a result he was summoned to the office of chief justice of the supreme court. His service as chief justice was highly gratifying to the bar and pleasing to the people of the State. He won high rank among the judges of the country and his opinions were held in high regard far and wide. He was reelected chief justice of the supreme court. He won a handsome victory over a very able and beloved lawyer of our State in a Democratic primary election, being the first chief justice of the supreme court of the State to be nominated in a primary. Judge TYSON was not an office seeker in the ordinary sense of the term. His candidacy for office was always in response to the appeals of his friends. He was of positive, courageous, aggressive temperament. He had strong convictions and had no desire to conceal them. No one was ever in doubt as to how he stood on any live question. His strong personality rebelled at the restraints of judicial office. For this reason he resigned the office of chief justice of the supreme court when it was well recognized on all hands that no one could have defeated him for the honor. It was not of his seeking, nor in pursuit of any mature purpose of his life, that he entered the contest for congressional honors. Such an undertaking was entirely out of line with his life's plans. Conditions arose in the midst of which he felt the call of his friends was such that it was his duty to become an aspirant. He entered the contest against a very able and highly esteemed Member of Congress whose service had received national recognition and won a handsome victory in the primary election and was, of course, elected in the general election which followed. Two years later he won an overwhelming victory against a worthy and highly esteemed opponent.

Judge TYSON'S brief career as a Member of Congress reflected the same fidelity, courage, and devotion to principles that had marked his prior public life. His great learning, wonderful energy, and strong personality soon made deep impression among his associates here. He endeared himself to all of us by his kindly and kingly qualities of heart and mind. His hold upon the people of his district was such that no prudent politician would have expected to accomplish his defeat under any ordinary circumstances. His growth and promotion were gradual. Every step forward in his career was founded upon previous service and a growing acquaintance with the people of the State. He was never elected to any office as the result of abnormal political developments or temporary political excitement. The foundation of his successful career was laid during the early years of his service as circuit judge in the district embracing the counties of the second congressional district. It was this service which gave the people an opportunity to know him intimately, to understand his sympathies, to learn the promptings of his heart, and to test the quality of his character and courage. It was then that he made the acquaintance and formed the friendships upon which he relied for the remarkable success which crowned the later years of his life. He was never defeated. There was no office within the gift of the people of Alabama which he might not with reasonable hope

have aspired to fill, and there was no honor within their gift which they would not have been glad to bestow upon him.

Judge TYSON was one of the great Alabamians of his day. He loved his State; he loved her people; he was proud of their history and happy in prophetic faith in their future achievements and glory. He stood for all that was best. He was grounded in the fundamental faith of the fathers. He was proud of our Government. He understood its laws and institutions. He loved courage and character and despised hypocrisy and cowardice. He never stopped to count the cost before taking position on any great question or when any moral issue was involved. He was no timeserver. He was a leader who always sought and found a place at the front. His work will live long after those who sit here to-day shall have passed away.

He sleeps in the soil of his native State in the beautiful cemetery at Montgomery on the banks of the Alabama. His grave will long be a shrine to his friends and fellow Alabamians who loved him, and who will keep his memory green through the passing years:

Not gold, but only man can make
A people great and strong;
Brave men who, for truth and honor's sake,
Stand fast and suffer long;
Brave men who work while others sleep—
Who dare when others fly—
These build the nation's temple deep
And lift its pillars to the sky.

Mr. ALMON, Speaker pro tempore, resumed the chair.

Mr. DEAL. Mr. Speaker, it is with profound reverence that I stand here to-day to express my encomiums to the memory of a friend. Among the first with whom I became acquainted when I entered the House of Representatives was Congressman JOHN R. TYSON. The casual acquaintance was destined to ripen into a warm and strong friendship. There were thoughts and ideals in common, hopes and aspirations for service upon which we were agreed, and last but not least there were recollections and associations of youth that were familiar to each though not contemporaneous. He completed his education at Washington and Lee University, I at the Virginia Military Institute, each being located in the town of Lexington, Va., situated in a peaceful and prosperous valley, with the Allegheny Mountains ranging to the west and the Blue Ridge to the east. We had known the same fields and hills and valleys and brooks. We had bathed in the same streams. We had known the same people and visited the same homes. We had attended the same churches and heard the gospel of our Lord expounded by the same ministers. It was but natural, therefore, that we should have at once become close friends.

To the town of Lexington, incident to the two great and historical educational institutions, there had been gathered together an unusual number of intellectuals, and thus there was a culture and refinement reflected to a large degree in a society not interrupted by the vulgarity and urge of a money-crazed center. His alma mater bore the name of the Father of his Country. To this, after the great war between the States, was added the illustrious name of Lee, whose mortal remains make sacred its soil. To some known as the West Point of the South, the name of Francis H. Smith, its founder and director for half a century, is indelibly linked, an intellectual giant who towered above his fellows even as House Mountain rises above the range of which it is a part. Stonewall Jackson, the right arm of Robert E. Lee, was of its faculty and here, likewise, rest his mortal remains near to those of his chief.

John Letcher, the war Governor of Virginia, who led his State to cast its lot with the Confederacy, lived and died within this hallowed spot, as did General Pendleton, whose name is upon the honor roll of Confederate fame. Randolph Tucker, for many years a Member of this body, immortalized his name as an expounder of our Constitution, lived and died an honored and beloved citizen of Lexington. No town, no city, no soil in the State, in the South, in the Nation, holds such a wealth of illustrious makers of history as does this peaceful city in the valley of Virginia. In the shadow of this environment, around which was built so largely the traditions of the South, the youth, JOHN R. TYSON, closed the first era of his career and entered the second clothed with a loyalty, a patriotism, a culture, a refinement, that was destined to lead him into positions of the greatest trust, highest honor, an unadulterated faith and affection of his countrymen. This is not an idle statement or praise for a departed friend. History will record the fact that never did he fail to respond to the call for service in his party, his State, or his Nation. That he did not fail in his duty to his neighbor is evidenced in the loyalty and confidence with which they followed his lead, and may I add as an additional proof of this unsullied record that never, never was he denied any position of public trust for which he offered himself. Serving first in the general assembly of his State and later as president of the Montgomery city council, he laid the foundation for the highest honor in the judicial branch of his Government within the gift of his people. In 1906 he became chief justice of the supreme court of his State and later resigned to become division counsel for the Atlantic Coast Line Railroad. He was not permitted, however, to remain in private life. In 1920 he was drafted to represent his State in the National Congress, and here he served till the end. Never did he depart from the paths of rectitude or betray the trust of those whom he served. Next to the State of his nativity he loved Virginia and her people, and I think that this manifest devotion was inspired largely by the atmosphere of his alma mater, but more particularly to the fact that he married into one of Virginia's most illustrious families. A kind and affectionate husband and father, the vacant chair is to his loved ones a daily reminder of an irreparable loss. My sympathies are with those of his fireside who will grieve most at his loss.

Amidst the duties faithfully performed to his family, his friends, and his State he failed not in the service of his God. A member of the Baptist Church he was judged and not found wanting. So when the Master beckoned and the bugle sounded the last call without a murmur he surrendered his service and went down into the river of eternity.

Mr. OLIVER of Alabama. Mr. Speaker, the home friends of the lamented Judge JOHN RUSSELL TYSON deeply appreciate the beautiful tributes paid him to-day by his colleagues from other States who early learned to know his value and worth. All of us have listened with interest to the remarkably eloquent and just tribute paid him by his distinguished successor, Mr. HILL, who, better than any other Member, is qualified to speak, not only because of his intimate acquaintance with Judge TYSON but because of his intimate acquaintance with so many men and women who have known Judge TYSON from earliest boyhood. I wish only to emphasize some deductions that follow from Mr. HILL'S address.

We know that the record of a generous, serviceable life runs like a vine of evergreen round the memory of our departed friend. He lived his life fully, faithfully, and greatly, and has made a rich offering to all future time. He knew the game of life as few men did, and he played that game with fairness to himself and fellows, with a rare courage, fortitude, faith, and confidence. He learned early, with patience, the art of directing his life to noble ends and purposes, and always with a due regard for the privacy, rights, and opinions of others. While he always strove for the highest legitimate reward of merit, ambition, and opportunity in his sphere of activities, yet he was ever ready to lend a kind and helpful hand to all who needed encouragement in life's struggle. He was modest and humble in success, never unduly egotistical, nor, on the other hand, did he make the mistake of disparaging self.

He was a true, loyal friend, a genial, helpful companion, with a broad, honest charity, born of an accurate understanding of the shortcomings of himself, as well as of others.

In conversation with him just after he came to Congress, after referring to his remarkable career on the bench, his popularity in the State, and especially in the judicial circuit over which he presided before his elevation to the Supreme Court, I remarked that this popularity was, in my opinion, due to his broad, accurate, sympathetic knowledge of men. He modestly replied that if what I said of him was even partly true, credit was due to a sincere effort on his part to recognize and apply the old common-sense truth, which Seneca long ago uttered:

If we wish to be just judges of all things, we must at least understand that no man is without fault; that no man is found who can acquit himself, and if any claim to be innocent, he speaks in reference to a witness and not to his conscience.

As you study his public career, whether as a citizen, lawyer, judge, or legislator, you will find that in his dealings with his fellows he has recognized and practiced the charity which that truth so strongly enjoins.

Some one to-day has referred to him as a man of strong convictions, and that when once he determined what his course should be he was unwavering in following it to the end. While that is absolutely true, yet he was a most approachable man,

willing always to hear those with whom he differed. I think we can say of him what Watterson said of another great American:

He would compromise war, he would compromise glory, he would compromise everything at the point where hate comes in, where misery comes in, where life begins its descent into the valley of the shadow, but he would not compromise the right, he would not compromise the truth.

When once he felt that he knew the right, that he knew the truth, he was, indeed, unbending, yet ever willing to grant a respectful hearing to those who differed.

Truly then can it be said of him that his life and his character are an enduring treasure, and that the memory and influence of men of his type constitute the towers of strength in our civilization. My colleague Mr. STEAGALL has well said that Judge TYSON believed in the fundamentals on which our Government is founded. Let me add he also believed that a Republic like ours is not only the best but the only form of human society; that the common individual, willing to render helpful service, is the best asset of the Nation; that all power should rest on fitness to rule; and that the sole object of all power should be the public good. To him service to community, to State, and Nation was indeed not only a duty but a glory quite sufficient in itself.

While his body has gone from us, yet the actualities of his life and his dreams of high service and of human duty will ever remain.

He will be forever an influence,
A memory, a goal, a high example,
A thought of honor in some noble heart,
Part of his country's treasure and renown,
Oft giving courage unto souls that strive.

Mr. LARSEN of Georgia. Mr. Speaker, it has long been a custom of Congress when death has claimed one of its Members, to pause from daily activity and give friends of the deceased an opportunity to speak a word of eulogy in his memory. In the discharge of that solemn duty we have met to-day, and I am indebted to the Alabama delegation in Congress for this opportunity, as the friend of our late colleague, Judge JOHN RUSSELL TYSON, to pay his memory a sincere and modest tribute.

It was not my privilege to know Judge TYSON until he became a Member of the Sixty-seventh Congress, but during his brief service in this body it was my pleasure to be rather closely associated with him. In addition to our daily contact in this Chamber, we were members of the same committee; we generally sat side by side in its deliberations, and were frequently associated together in other places.

I shall not dwell at length nor in detail upon his life or public service. This has been done and more will be said by others far more eloquent and better qualified than I am to do it. But it gives me pleasure to testify to his splendid service while in Congress. He possessed moral and political courage in a marked and high degree, and combined with it both virtue and energy, so necessary in public life.

As a Member of the Congress he was not disposed to talk much, but his position regarding any matter and upon which he spoke could never be misunderstood. He never misled anyone, and he always took a position on great public issues. In the language of the poet it may well be said of him:

He was a friend of truth, of soul sincere;
In action faithful, and in honor clear;
Who broke no promise, served no private end;
Sought no title and forsook no friend.

He was that type of man who would have impressed himself upon any community, in any day or generation. His influence will live to bless those with whom he came in contact, and the lives of many yet unborn will be shaped by his influence left upon this world. For such an individual there is no death. For him it may be truly said:

There is no night; the stars go down
To rise upon another shore,
And bright in heaven's jeweled crown
They shine forevermore.

In conclusion, may I express a word of sympathy to the bereaved family and say to them that I, too, have lost a valued friend?

Mr. McDUFFIE. Mr. Speaker, it is difficult, indeed, to properly describe the loss we have sustained in the death of our lamented colleague, Judge JOHN R. TYSON. It is impossible by the use of mere words to fully express for loved ones he has left behind our tender regard and deep sympathy. I can not, however, forego the privilege of joining the Members of the House of Representatives in paying tribute to the life and character of one of Alabama's most distinguished sons. On November 28, 1856, JOHN RUSSELL TYSON was born of that splendid cavalier stock which came from the Carolinas to Alabama in the early days and there laid the foundation of a great civilization. His father, a man of wealth, culture, and great intellectual power, a large land and slave owner, settled in Lowndes County soon after Alabama was admitted to the Union. Born of refined and highly intellectual parentage, Judge TYSON inherited those traits which characterized the southern gentleman of the old school. He loved the old South with all of its noble traditions, and in his early years played a conspicuous part in maintaining the integrity of our civilization during those trying times which followed in the wake of the War between the States, when the best blood of the South was put to its bitterest test.

Judge TYSON was probably more fortunate than many young men of his day and generation in that, despite the gloom and conditions of poverty which hung like a pall over our section of the South, he was able to seek the advantages of an education at Washington and Lee University. He not only seized these opportunities, but by his constant application, his energy, and ambition to be of service he developed even in youthful years into a splendid lawyer, a most useful man, and an outstanding figure in public affairs in Alabama.

At the early age of 24 years he was a member of the Alabama Legislature. Soon after moving to the city of Montgomery its people recognized his ability and called him to serve as one of its governing officers for many years. In 1892 he was elected judge of the second judicial circuit, where his service was characterized by his eminent fairness and sound judicial decisions for a period of six years. From 1898 to 1906 he was associate justice of the Supreme Court of Alabama, and in 1906 was elected by the people of Alabama chief justice of the supreme court. From this high position he voluntarily retired in 1909 to enter the practice of his chosen profession. In 1920 he was again called into public service and elected a Member of the House of Representatives.

While to-day our hearts are bowed in grief over his death, we can find some consolation in the fact that the record of his earthly pilgrimage is replete with honor and attainment, with good deeds well done. It may be truly said of him that he was one of those who—

Lived well, laughed often, and loved much; who gained the respect of intelligent men and the love of little children; who filled his niche and accomplished his task.

Judge TYSON was easily one of the really great jurists of his day. His opinions during a period of almost a quarter of a century abound with the soundness of his reason and originality, the keenness of his intellect, and the logic of his conclusions. He loved the law, and no man ever had greater respect for constituted authority. No man cherished a firmer faith in our constitutional form of government. His speech in the House on January 18, 1922, upon the constitutional questions involved in the so-called antilynching bill was a masterpiece of matchless ability, a profound study, and a careful analysis of stupendous, intricate legal questions.

On June 11, 1922, Judge TYSON delivered a lecture in the First Baptist Church of Montgomery upon "Obedience to law," which was printed in the CONGRESSIONAL RECORD of June 23, 1922. A reading of this lecture gives us an insight into his love of the law, his recognition of its supremacy, his intelligent understanding of its orderly processes, and his reverence for that field in which the principal activities of his life were centered. I quote a few sentences of that lecture in order that you may know what I mean when I say he loved the law:

There can be no observance of and obedience to law unless there is a recognition of its supremacy and a reverence for it. All beings have their law, the Deity has His law, the material world has its law, superior intelligences have their law, the beasts of the field have their laws, and man has his laws. They emanate from God and radiate from the sun to the circling edge of creation. Indeed, the mighty law giver has subjected himself unto the law. The virtue of nature is obedience to law. Burke has said, "There is but one law for all, namely, that law which governs all laws—the law of our Creator, the law of humanity, justice, equity—the law of nature and of nations." Let us understand and appreciate that in forming the Union sanctified by the adoption of the Constitution of the United States our fathers recognized and sought to establish and promote man's relation to God, to himself and his fellow man to ordain and establish that liberty secured by governmental power, under which each citizen shall be forced to so conduct himself and so use his own property as not necessarily to injure another.

The death of this distinguished Alabamian has deprived his State and Nation of a most valuable public servant. He was a tender and loving father, a kind and faithful husband, an upright and God-fearing man. He was brave and courageous in his private and public life. I know he was not afraid to answer the last roll call. I believe he could say with Tennyson:

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea.

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell,
When I embark;

For tho' from out our bourne of Time and Place,
The flood may bear me far,
I hope to see my Pilot face to face
When I have crost the bar.

Mr. JEFFERS. Mr. Speaker, the Congress of the United States is in the midst of the busiest period of the session. The end of the session is fast approaching, and every Member is fully occupied with the various matters in which he is especially interested for his constituents and busily engaged every day with pressing legislative business before the committees or here upon the floor of the House of Representatives.

But it is fitting, my friends, that in the midst of the performance of important duties we turn aside for a time from the consideration of business and pause to-day to pay our respectful and loving tribute to the memory of our departed friend and colleague, Hon. JOHN RUSSELL TYSON.

As a friend of his who has had the pleasure of having been closely associated with him here in Congress, I wish to say that I deem it a great privilege now to be permitted to add my humble, though heartfelt, word to the sentiments that have been so ably and beautifully expressed by my colleagues upon this occasion.

Judge TYSON was a fearless man; he was an honest man; his was an admirable and a lovable character. One thing about him that always impressed me forcibly was his way of looking quickly through the form and to the substance of any matter, his way of looking for the real truth in any situation, and his unhesitating way of arriving directly at his decision when once he did grasp the substantial facts of anything which was before him for his consideration. And, furthermore, he was not only a man of strong convictions but he had the courage of his convictions to a marked degree. As I think of this courageous man I think of the lines of Babcock's beautiful poem:

Be strong!
We are not here to play, to dream, to drift;
We have hard work to do and loads to lift.
Shun not the struggle, face it; 'tis God's gift.

Be strong!
Say not the days are evil—who's to blame?
And fold the hands and acquiesce. O shame!
Stand up, speak out bravely, in God's name.

Be strong!
It matters not how deep intrenched the wrong,
How hard the battle goes, the day how long;
Faint not; fight on! To-morrow comes the song.

As a younger man who was his stanch admirer and who looked to him with full confidence for good advice and friendly counsel, I say without hesitation that his honesty of purpose, his earnestness of effort, and his fearless thoroughness of action were the characteristics that seemed to me to stand out most prominently in his life as he labored here, consistently and conscientiously, for his people whom he loved so well and whom he served so ably.

Now, to the relatives of our departed friend and brother, let me say that I realize full well how inadequate are mere spoken words and phrases at a time like this. But I do want to say that my heart goes out to them in tenderest sympathy in their hour of grief, and I want them to know that I do feel deeply for them.

While we realize that the loved ones in Judge TYSON's family circle have, of course, suffered the greatest loss, we know that in the passing of this good man we, too, have sustained a great loss in that we have lost a friend. And while we mourn the loss of this devoted husband, this kind father, and this good friend, it is good to know that the bereaved relatives, and we, as friends, may find highest consolation in the knowledge that when to the brave spirit of JOHN R. TYSON came the summons to join the innumerable caravan that moves to that mysterious realm where each shall take his chamber in the silent halls of death he went not like the quarry slave at night, scourged to his dungeon, but, sustained and soothed by an unfaltering trust, approached his grave like one who wraps the drapery of his couch about him and lies down to pleasant dreams.

Mr. ALLGOOD. Mr. Speaker, I rise to pay a tribute of respect to the memory of JOHN R. TYSON, of Alabama. It was my good fortune for eight years to reside in Montgomery, Ala., which was the home of Judge TYSON. There I had opportunity to see him as a public man and in private life, and it was there that I came to know him, and to know him was to admire him, was to love him, and is to-day to cherish his memory. As it is with me so is it with tens of thousands of people in Alabama, because Judge TYSON was a man among men. He was chosen by the people of Alabama to high stations in life, and he filled them all with distinction. He voluntarily gave up a high position, a position which doubtless he could have held as long as he lived, and retired to the practice of his chosen profession. That in itself shows that he was not a timeserver; that he was not a self-seeking man. You could not characterize him in the terms of a politician, and thus he was so looked upon by the people of his State. In time of war men of certain characteristics are chosen by their fellow men to lead our armies to victory, and so, in times of reconstruction, men of peculiar genius and distinction are chosen by their fellow men to help right the ship of state, and JOHN R. TYSON was so chosen by his fellow men to represent them in the Halls on Congress in 1920. Those were fearful times in the history of our country, and the people of the second district of Alabama knew what type of man Judge TYSON was. You had but to come in contact with him; you had but to look him face to face; you had but to look into his eyes to see emanating from his soul the vision that springs from a strong, positive character. He was a man of marked personality. He stood for truth, he stood for courage, he stood for candor, and when he came to Congress as a Representative of his people he came here to work; he came here to serve.

He came here to serve, and he gave all that there was in him for his people and his country. Look at it from whatever standpoint you may, and if a man gives his all, then he has given the most that a man can give, and that is what JOHN R. TYSON did. He gave his life for his country; and I am glad to-day to stand as his friend, as one whom he welcomed here in this Chamber. Well do I remember with what delight he introduced me here to his comrades, and he took special care in talking to me as a father talks to his son, telling me, as a new Congressman, of some of the duties which were before me, and I remember that after I had gone away for a short visit and returned how sad I was that my friend had gone. But his spirit still lives. There is nothing lost in this universe, and to-day his spirit is keeping vigil with us in this Chamber, and his spirit will ever live and shine in eternity.

Mr. ROUSE. Mr. Speaker, it was my pleasure to meet and know Judge JOHN R. TYSON soon after he assumed his duties as a Member of the Sixty-seventh Congress. To me he was a man of interesting character and of strong and pleasing personality. In agreement or in disagreement he always commanded respect and confidence. His long and honorable service on the bench of his State no doubt was responsible for the peculiar judicial mold of mind that stamped his every act and utterance. He thought judicially and he acted judicially, and his utterances always seemed marked by high judicial attainment.

While I was thus the more impressed with the legal and judicial distinction to which he seemed to be so clearly entitled, I fully expected to see him rise to the command of an equal distinction as the chosen Representative of his people in this House. Had his life been spared, no doubt he would. His was the training, his was the maturity of judgment, his was the character that preeminently qualified him for the new field of public service upon which he had entered. His brief

service here gained for him the confidence, love, and esteem of many friends, and in his death the country lost a strong and worthy man.

While the legislative capabilities which Judge TYSON may have possessed were not afforded the opportunity of fully revealing themselves, nevertheless the effect of his very presence here upon his colleagues and associates was in the right direction. It was serious, earnest, and inspiring; and if a long service here had revealed in him any lack of legislative capacity whereby he should have been kept from the very forward ranks of legislative distinction, it would have been compensated for by the influence of his presence and its inspiration to his colleagues to make the most of their respective talents in the interest of the public good.

The opportunities of his brief service here were curtailed somewhat by failing health; and his service was rendered brief by the hand of death. The spirit of our friend still lives and the potency of its influence for good can not perish.

Mr. OLIVER of Alabama. Mr. Speaker, Mr. BOWLING is unavoidably absent to-day through illness and I understand Members have the right to extend their remarks.

Mr. RANKIN. Mr. Speaker, if the element of friendship might be considered a just reason for imposing myself upon the House at this time, I should feel amply justified in arising to pay my tribute of respect to my distinguished friend, the late lamented JOHN R. TYSON, of Alabama.

We entered Congress at the same time and served together on the same committee, where we sat side by side for more than two years, and my association with him confirmed the high estimate which I had already placed upon him by reading his opinions rendered while he was chief justice of the supreme court of his State.

He possessed those sterling qualities of mind and heart which make up the true American. He believed in orderly government and in orderly procedure in legislation, and maintained a profound reverence for the precedents, laws, traditions, and institutions which have contributed so largely to the upbuilding of this great Republic, as well as to the development of our Anglo-Saxon civilization.

After listening to the eloquent and forceful speech of my distinguished friend, Mr. HILL of Alabama, who succeeded Judge TYSON in the House, I feel like following the judicial course, and merely submitting my concurrence in that splendid address.

But my intimate association with Judge TYSON, which developed a most intimate friendship between us, prompts me to go further, not to extol his great achievements as a lawyer, jurist, and statesman, but to register my appreciation of those splendid qualities which rendered Judge TYSON among the foremost citizens the State of Alabama has produced.

It has been pointed out here that Judge TYSON died far from home and among strangers. That fact kindles within us a feeling of profound sympathy, not only for our departed friend, but for his loved ones as well. But I have often remarked that three of the least things to be considered in summing up the life of a man are where he was born, where he died, and where he was buried. One of these is just as important as the other.

Abraham Lincoln was born in abject poverty in an interior county of Kentucky, died at the hands of an assassin in the District of Columbia, and his body lies buried in the State of Illinois. Yet he occupies a position of supreme preeminence in the world's estimate and in the Nation's love.

Jefferson Davis, the great chieftain of the Confederacy, was born in the same county of Kentucky as was Lincoln, died on the shores of the Gulf of Mexico in the bosom of the sunny South, and his body lies buried in the city of Richmond, the capitol of the ill-fated Confederacy, of which he was the only president. His name and his fame are growing brighter as time goes by, and as one distinguished orator has said:

> When another hundred years have passed away, no intelligent voice will fail to praise him, and no patriotic hand will refuse to place a laurel wreath upon his radiant brow.

Alexander the Great, who is said to have become a world conqueror at the age of 22, and to have died at 30 lamenting that there were no more worlds to be subdued, was born in Europe, died in Asia, and was buried in Africa. He stands out to-day as one of the most powerful personalities of all times.

Napoleon Bonaparte, the most fascinating figure of all history, that invincible son of genius who trampled with colossal strides the very map of Europe under his imperial heel, was born on the island of Corsica in the Mediterranean Sea, died in exile on the Isle of St. Helena, and his body rests to-day beneath the soil of sunny France; while he occupies the first place in the hearts of the French people, as well as the highest rank among the military leaders of the world.

The Savior of Mankind was born in a manger in Bethlehem, died on the Cross of Calvary, his body arose from the dead, and his name became a world-conquering power.

It is the life that counts!

The mere fact that Judge TYSON died among strangers, while exciting our sympathy, does not distract our thoughts from his great achievements or his splendid qualities as a citizen, a jurist, a statesman, and a man.

In his death the Nation lost one of its most valuable citizens, and the State of Alabama lost one of her worthiest and most distinguished sons, whose work will live as long as the Nation shall endure.

Mr. BOWLING. Mr. Speaker, the honored name of Judge JOHN R. TYSON will live long in the history of Alabama, for he combined those elements of high character, strong individuality, and intellect which make men great. His public career extended over many years, as judge of the circuit court, associate justice and chief justice of the Supreme Court of Alabama, and as a Member of Congress. In all these places of honor and trust he added luster to his own fame and made a splendid contribution of service to his native State.

Judge TYSON was a native Alabamian, born and reared to manhood in the famous and cultured county of Lowndes, educated at Howard College, then and now one of the leading educational institutions of the State. He early chose the law for his profession, and, realizing that the law is a jealous mistress, he devoted all his energy to the study of jurisprudence, and thus became a recognized leader at the bar.

While a member of the supreme court he wrote many opinions, some of them leading cases in our State, and upon these his fame will chiefly rest. His opinions are characterized by a thorough grasp of the principles involved, a logical process of thought in reaching his conclusions, and all of them written in a pleasing and expressive literary style, attractive to read as well as being sound in exposition of his views. His service in Congress was short, death overtook him when he was but upon the threshold of what promised to be a great congressional career. His chief contribution to national legislation was his speech on the antilynching bill which passed the House but failed in the Senate. This speech is really more than a speech, it is a carefully prepared opinion of the constitutional phases of the bill written by a great constitutional lawyer. If this bill is ever again presented to Congress the name of Judge TYSON will be often recalled, for in his analysis of the bill he touched every phase of it and with such profound thought, resistless logic, and inexorable analysis he has left nothing to be said.

In his personal and private relations Judge TYSON was a prince among men. He had a noble character; he was a true friend; he had a profound contempt for everything that was low, mean, and wrong; the beautiful things of life attracted him; he had an aspiration for the true and the good and all of his efforts in an active life were given to the firmer establishment of the best things of our civilization. He left behind him a host of friends who will keep his memory green, who will cherish their recollections of the friends now gone, and who will draw courage and inspiration from a contemplation of his many virtues.

My personal acquaintance with him really began during the campaign of 1906, when he was nominated as the Democratic candidate for the chief justiceship. That was a memorable battle in the history of Alabama politics; it was waged by two great men, the then chief justice seeking reelection, and Judge TYSON, an associate justice, who was asking advancement to the chief place. Each of these men was a worthy opponent of the other; both learned in the law, both noble in character, both fighters by instinct, and both of tremendous energy. That Judge TYSON emerged as the victor in this contest was highly complimentary to him and stamped him for all time as one who held a secure place in the hearts of his people. As a friend of the aspirations of Judge TYSON in this campaign I took a deep interest in his cause, was often thrown with him, and there began a friendship between us which lasted until his untimely death and which I shall ever cherish. I remember the last conversation I had with Judge TYSON. It was on Saturday night, the 3d of March, 1923. We had a long night session that evening preparatory to the adjournment of Congress on the following day at noon; the judge had not been in good health for some time and for that reason had been unable regularly to

attend the sessions. On this night we sat together for quite a while, and he talked very interestingly of his boyhood days, his struggle at the bar, and various experiences of his busy life. He told me a number of interesting stories of some of the great men with whom he had been associated—Henry Clay Thompkins, Judge Thomas G. Jones, Governor Watts—and other great lawyers with whom he struggled for the mastery. Finally he adverted to his health, speaking of his continued illness, but looking forward hopefully to recovery. He evidently did not realize that his end was so near, for he spoke of his plans for the summer and how he expected to recuperate his health by a trip to the seashore. We parted late at night, and that was the last time I saw my friend. Leaving Washington on the 5th of March for a trip to Panama, I heard no more from him until the news came of his death about three weeks afterwards.

In common with all his friends, I deeply mourn his departure. He is gone from us, but that great intellect is shining on the farther shore where all the good meet again. We will never hear his voice again nor see his face, but his example lives, calling us to higher and better things and nobler and more glorious aspirations. Peace to his ashes.

Mr. HUDDLESTON. Mr. Speaker, in the passing of Judge TYSON I feel a deep sense of personal loss.

I first became acquainted with Judge TYSON when he became associate justice of the Supreme Court of Alabama in 1898. At that time I was in active practice as a lawyer and had frequent occasion to appear before the supreme court. From the beginning I was impressed with his high character, judicial temperament, and his strong intelligence. His decisions were vigorous, direct, and clear. They showed a natural love of right and justice, an avoidance of technicalities, sophistry, and evasiveness, and displayed admirable qualities of both mind and heart. Led by my admiration for his qualities, I soon found myself seeking a personal intimacy with him. A friendship was formed which continued through his elevation to chief justice of the court and until he retired from the bench.

After Judge TYSON's resignation as chief justice I did not see him frequently until he entered the House as a Representative in the Sixty-seventh Congress. Our former friendship was at once renewed. I found myself almost daily seeking a seat at his side and counseling with him upon the business before the House. As a legislator, I found in him certain traits which I had not recognized in him as a judge. There was always a clear perception of the principle involved and an unfailing adherence to fundamental democracy. In Judge TYSON I was reminded of the attitude of Jefferson, Madison, Henry, and the other champions of popular government who labored together in founding the Republic. There was in him a strong and instinctive love of fair play, of the political equality which constitutes justice, and of fundamental Americanism as expressed in the preamble to the Declaration of Independence. He was an ardent believer in personal liberty and of the fundamental rights of free speech, trial by jury, local self-government, and of the rights of human beings as superior to property rights.

It was this aspect of Judge TYSON's character that had not previously been fully disclosed to me. As I saw it clearer each day in our intimate association in the House, the affection in which I had held him deepened and he became my best-loved friend among all the Members. I knew the environment from which he came—a scion of the old slave-holding class, a people proud, brave, generous, and intelligent, but not marked in their recognition of the need for progress and for social reform. I had not expected that he would be different from others of his class in these respects, and as his instinctive democracy was more and more disclosed I marveled while I loved him for it.

During the latter months of the Sixty-seventh Congress I noted that Judge TYSON was in failing health, but in response to solicitude he made but little complaint. I last saw him alive a few days after the close of the session. He remarked that he was about to go to a hospital for examination and treatment. I had no thought of the seriousness of his condition and apparently he did not realize it. When next I heard of him he was dead.

His dead body lay in state in the supreme court chamber in the capitol at Montgomery. The bier was heaped with flowers from a multitude of sorrowing friends, and hundreds came for a last look at the face of the friend and public servant whom they had loved, honored, and admired.

If I were called upon to name the predominant quality which adorned the life of our departed friend, I should without hesitation say "courage." His was, indeed, a courage of the highest order, a courage both physical and moral. He dared to live his life. He dared to think. He dared to be a man. He was not afraid to live. I know that he was not afraid to die. Peace to his ashes.

ADJOURNMENT

The SPEAKER pro tempore. They have that right. In accordance with the resolution heretofore adopted the House stands adjourned until to-morrow at 11 o'clock a. m.

Accordingly (at 2 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Monday, May 26, 1924, at 11 o'clock a. m.

SENATE

MONDAY, *May 26, 1924*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we give Thee thanks for the brightness of the morning. Surely day after day passeth from us, the record made, and we stand before Thee asking this morning for the guidance and the help of Thy Spirit, that whatever is done may meet with Thine approval. Lead us constantly in paths of truth and of righteousness and crown us Thine. Through Christ our Lord. Amen.

NAMING A PRESIDING OFFICER

The Secretary, George A. Sanderson, read the following communication:

> UNITED STATES SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, D. C., May 26, 1924.*
>
> *To the Senate:*
>
> Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.
>
> ALBERT B. CUMMINS,
> *President pro tempore.*

Mr. MOSES thereupon took the chair as Presiding Officer.

THE JOURNAL

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 9246) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker of the House had signed the following enrolled bills and a joint resolution, and they were thereupon signed by the Presiding Officer (Mr. MOSES) as Acting President pro tempore.

S. 2431. An act conveying to the State of Delaware certain land in the county of Sussex, in that State;

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia; and

S. J. Res. 89. Joint resolution authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Capper	Ernst	Harreld
Ball	Caraway	Fernald	Harris
Bayard	Copeland	Ferris	Heflin
Borah	Curtis	Fess	Howell
Brandegee	Dale	Fletcher	Johnson, Calif.
Brookhart	Dial	Frazier	Johnson, Minn.
Broussard	Dill	George	Jones, N. Mex.
Bursum	Edge	Gooding	Jones, Wash.
Cameron	Edwards	Hale	Kendrick

Keyes	Norris	Robinson	Swanson
King	Oddie	Sheppard	Trammell
Ladd	Overman	Shortridge	Wadsworth
Lenroot	Owen	Simmons	Walsh, Mass.
Lodge	Pepper	Smith	Walsh, Mont.
McKellar	Phipps	Smoot	Warren
McKinley	Pittman	Spencer	Watson
McLean	Ralston	Stanfield	Weller
McNary	Ransdell	Stephens	
Moses	Reed, Pa.	Sterling	

Mr. WALSH of Montana. I wish to announce that my colleague, the junior Senator from Montana [Mr. WHEELER], is necessarily detained on business of the Senate.

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

REPORT OF THE PERSONNEL CLASSIFICATION BOARD ON THE FIELD SERVICE

The PRESIDING OFFICER. The Chair lays before the Senate the report of the Personnel Classification Board, covering the field service of the Government. The letter of transmittal will be printed in the RECORD, and the letter and accompanying documents will be referred to the Committee on Appropriations.

The letter of transmittal is as follows:

PERSONNEL CLASSIFICATION BOARD,
Washington, May 24, 1924.

The PRESIDENT,
The United States Senate, Washington, D. C.

SIR: In compliance with the requirement of section 5 of the classification act of 1923, the board has made a survey of the field services, and transmits herewith the following documents:

1. A schedule of grades and salaries for field service positions, together with the copy of the instructions under which it was applied.

2. Schedules of positions in the several field services, showing the grade to which the positions have been allocated by the heads of the respective departments and the present and the proposed rate of compensation for each employee except those holding positions in a recognized trade or craft, and skilled and semiskilled laborers, who are not under the direction and control of the custodian of a public building.

3. Tabulations showing, by services and in the aggregate, the difference between the present and proposed rates of compensation.

The schedules covering positions in the United States Veterans' Bureau are incomplete, due to unavoidable delay on the part of that bureau. A supplemental list will be submitted within the next few days, covering the positions not reported in the accompanying schedules.

Respectfully,

F. J. BAILEY, *Chairman.*
HAROLD N. GRAVES, *Member.*

PETITIONS AND MEMORIALS

Mr. WALSH of Montana. I present the petition of Frank B. Safford, of Havre, Mont., and numerous other homesteaders on the abandoned Fort Assiniboine Military Reservation in the State of Montana. I ask that the petition be printed in the RECORD, without the names, and referred to the Committee on Agriculture and Forestry.

There being no objection, the petition was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, without the signatures, as follows:

Petition for relief of the homesteaders on the abandoned Fort Assiniboine Military Reservation, Mont.

To the Senate and House of Representatives of the United States of America in Congress assembled:

Whereas we, the undersigned homesteaders on the abandoned Fort Assiniboine Military Reservation, Mont., by reason of drought of extraordinary duration and severity—hail, grasshoppers, insect pests, and depreciation of farm commodities, agricultural paralysis, and financial depression—finding it impossible, except through grievous hardship, to comply with the provisions for payments for those said lands, as provided under the acts of February 11, 1915, September 7, 1916, and December 29, 1916:

Now, therefore, we, the undersigned, respectfully petition your honorable bodies as follows: That all entrymen upon these lands shall be relieved of further payments under said acts, and where payments have been made in whole or in part pursuant to said acts the same shall be refunded to those who have perfected their entries.

Mr. FRAZIER presented the petition of Dan Radke and 39 other citizens of Cathay, N. Dak., praying an appropriation for the purchase of food supplies for the famine-stricken people in Germany, which was referred to the Committee on Foreign Relations.

Mr. WADSWORTH presented a resolution of the Common Council of the City of Troy, N. Y., protesting against the passage of the so-called McNary-Haugen export corporation bill, which was referred to the Committee on Agriculture and Forestry.

RESOLUTION OF SOUTH CAROLINA DEMOCRATIC CONVENTION

Mr. DIAL. I present and ask to have printed in the RECORD and referred to the Committee on Foreign Relations a resolution passed by the South Carolina Democratic convention some days ago.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolution for the holding of a commercial world's congress at Washington, by J. S. Wannamaker, St. Matthews, S. C.

Whereas it is universally admitted that general depression in agriculture, trade, and commerce are everywhere apparent; that the disturbed and depressed condition of industry at home and abroad are known of all men; that the usual methods of diplomatic intercourse have proven entirely impotent to restore industrial peace to the world and render normal the regular commercial relations of the nations of the earth; that a longer continuance of the interruption and disturbance of our trade relations with foreign markets will inevitably greatly accentuate the evils from which we now suffer; that prosperity will not return to our fields, our factories, and our mines until confidence is restored and real peace is established; that commercial intercourse, conducted to mutual advantage under equitable and stabilized conditions, is the most powerful of human incentives to personal and public peace among men; that business can best be done in a business way and by business men dealing one with the other in the regular, straightforward, and well-recognized methods known to themselves; that men are everywhere becoming restive, dissatisfied, and rebellious because of the restraints thus unnecessarily imposed upon their industrial energies, and because of the privations and sufferings they are called upon to endure because of these restraints; that methods more specific, simple, and direct of correcting the evils of which complaint is made and which are universally admitted to exist in menacing measure, may and should be restored by going outside of ordinary diplomatic usage: Therefore be it

Resolved, That the Democratic Party of South Carolina, in convention assembled, places itself upon record as demanding that a commercial congress of all nations be assembled at Washington to devise ways and means for bringing peace, prosperity, and stability to the agriculture, trade, and commerce of this and other nations; that the Democratic Party pledges itself to such a course; and that a plank to that effect be suitably drawn and incorporated in the platform of the National Democratic Convention to be held in the city of New York on the 24th day of June, 1924.

CENTENNIAL OF LEGISLATIVE COUNCIL OF FLORIDA

Mr. FLETCHER. Mr. President, I present and ask to have printed in the RECORD and referred to the Commerce Committee resolutions adopted by the Tallahassee (Fla.) Chamber of Commerce and the Florida Press Association with respect to providing a suitable celebration in November, 1924, of the centennial of the first meeting of the Legislative Council of the Territory of Florida.

There being no objection, the resolutions were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

TALLAHASSEE CHAMBER OF COMMERCE,
Tallahassee, Fla.

Whereas the people of Tallahassee, in cooperation with their fellow citizens in all parts of Florida, are planning a suitable celebration in November, 1924, of the centennial of the first meeting in this city of the Legislative Council of the Territory of Florida; and

Whereas it is deemed appropriate and desirable that the United States Government should give official recognition of this auspicious anniversary: Therefore be it

Resolved, That the Senators and Representatives from Florida be requested to secure the passage of a congressional resolution authorizing the President of the United States to appoint a commissioner to represent the Government of the United States at such celebration in the city of Tallahassee and elsewhere in this State and to cooperate in such other manner as the President may deem proper, no appropriation of funds by the United States Government being contemplated in this request for Federal recognition of the proposed centennial celebration.

Resolutions adopted by the Florida Press Association at its meeting held in Cocoa, April, 1924

Whereas in November, 1823, the First Legislative Council of the State of Florida met in Tallahassee; and

Whereas the one hundredth anniversary of the meeting of this legislative council marked the beginning of what is now the fastest-growing State of the Union; and

Whereas the citizens of Tallahassee, by its chamber of commerce and civic clubs, are making preparations to properly celebrate the centenary of this important event: Therefore be it

Resolved by the Florida Press Association, in annual meeting assembled, That all the newspapers of the State be urged to throw their

columns open to centennial suggestions from their readers, so that in each county or important city rapid progress can be made in arranging for a proper commemoration.

2. *Resolved*, That the Florida Press Association will do all in its power to give publicity to the proper celebration in Tallahassee of the one hundredth anniversary of the first session of the first legislative council of this State in that city.

3. *Resolved*, That through the newspapers each city and town be called upon to impress upon those in educational positions, the churches, etc., the importance of forming centennial committees at once, so as to give the children an understanding of the significance of the century just ended, and the fact that upon their shoulders will rest the affairs of the State of Florida during the second century.

4. *Resolved*, That Gov. Cary A. Hardee be requested to issue a proclamation that will adequately sum up the history of a century's progress as a means of stimulating the people of Florida to do honor to the founders and guides of the State, to the accomplishments of the century, and to pledge the State to the greater Florida that is destined to arise upon the foundation work already done.

5. *Resolved*, That the State superintendent of public instruction, Hon. W. S. Cawthon, be requested to arrange a program for use in all the public schools of the State to the end that the date agreed on as the proper one may be set apart and celebrated in all institutions of learning all over Florida.

President Florida Press Association.

REPORTS OF COMMITTEES

Mr. JOHNSON of Minnesota, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1648) for the relief of José Lozzau (Rept. No. 620); and

A bill (H. R. 2806) for the relief of Emil L. Flaten (Rept. No. 621).

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 2520) to give the Court of Claims jurisdiction to hear and adjudge the claims of the estate of John Frazer, deceased, and others, reported it with an amendment and submitted a report (No. 622) thereon.

Mr. BAYARD, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2478) to carry out the findings of the Court of Claims in the case of Kate Reaney Zeiss, administratrix of William B. Reaney, survivor of Thomas Reaney and Samuel Archbold, against the United States (Rept. No. 623);

A bill (S. 2879) for the relief of James E. Jenkins (Rept. No. 624); and

A bill (H. R. 5762) for the relief of Julius Jonas (Rept. No. 625).

Mr. STANFIELD, from the Committee on Claims, to which was referred the bill (S. 2794) for the relief of Margaret B. Knapp, reported it without amendment and submitted a report (No. 626) thereon.

He also, from the same committee, to which was referred the bill (S. 1016) for the relief of Augusta Reiter, reported it with amendments and submitted a report (No. 627) thereon.

Mr. ERNST, from the Committee on Privileges and Elections, to which was referred the bill (S. 300) to provide for election contests in the Senate of the United States, reported it without amendment.

Mr. SPENCER, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 2173) to provide fees to be charged by clerks of the district courts of the United States (Rept. No. 628);

A bill (S. 2174) to provide for accounting by clerks of United States district courts of fees received by them in naturalization proceedings (Rept. No. 629);

A bill (S. 2175) to provide for reporting and accounting of fines, fees, forfeitures, and penalties, and all moneys paid to or received by clerks of the United States courts (Rept. No. 630);

A bill (S. 2176) to amend section 2 of the act of August 1, 1888 (25 Stat. L. p. 357) (Rept. No. 631);

A bill (S. 2177) to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence in any case growing out of any such transaction (Rept. No. 632); and

A bill (S. 2179) to provide for the rendition of accounts by United States attorneys, United States marshals, clerks of United States courts, and United States commissioners (Rept. No. 633).

Mr. BRANDEGEE, from the Committee on the Judiciary, to which were referred the following bills, reported them severally without amendment:

A bill (S. 2061) to give the Supreme Court of the United States authority to make and publish rules in common law actions;

A bill (S. 3906) to fix the salaries of officers and employees of the Court of Appeals of the District of Columbia, the Supreme Court of the District of Columbia, the United States Court of Claims, and the United States Court of Customs Appeals;

A bill (H. R. 162) to amend the act establishing the eastern judicial district of Oklahoma, to establish a term of the United States District Court for the Eastern Judicial District of Oklahoma at Pauls Valley, Okla.;

A bill (H. R. 644) providing for the holding of the United States district and circuit courts at Poteau, Okla.;

A bill (H. R. 704) to authorize the court of appeals for the first circuit to hold sittings at San Juan, P. R.;

A bill (H. R. 4526) to incorporate the United States Blind Veterans of the World War; and

A bill (H. R. 7390) to amend section 4 of the act entitled "An act to incorporate the National Society of the Sons of the American Revolution," approved June 9, 1906.

The PRESIDING OFFICER (Mr. MOSES), from the Committee on Printing, to which was referred the bill (S. 2965) for the publication of official papers of the Territories of the United States now in the national archives, reported it with an amendment.

He also, from the Committee on Printing, to which were referred the following bill and concurrent resolution, reported them each without amendment:

A bill (S. 685) to authorize the Secretary of Commerce to sell certain department publications and to provide for crediting the department's printing allotment with the proceeds; and

A concurrent resolution (S. Con. Res. 3) providing for the printing of the report of the United States Coal Commission.

THE DISTINCTION BETWEEN LEGAL AND POLITICAL QUESTIONS (S. DOC. NO. 118)

The PRESIDING OFFICER (Mr. MOSES). From the Committee on Printing the present occupant of the chair reports a resolution (S. Res. 238) to print a manuscript entitled "The Distinction Between Legal and Political Questions," and asks for the present consideration of the resolution. Is there objection?

There being no objection, the resolution was considered by unanimous consent and agreed to, as follows:

Resolved, That the manuscript entitled "The Distinction Between Legal and Political Questions," by Prof. Edwin M. Borchard, be printed as a Senate document.

CREATION OF THE AMERICAN GENERAL STAFF (S. DOC. NO. 119)

The PRESIDING OFFICER (Mr. MOSES), from the Committee on Printing, reported a resolution (S. Res. 239), which was considered by unanimous consent and agreed to, as follows:

Resolved, That the manuscript entitled "Creation of the American General Staff" be printed as a Senate document.

PROCEEDINGS OF THE FORESTRY, RECLAMATION, AND HOME-MAKING CONFERENCE (S. DOC. NO. 120)

The PRESIDING OFFICER (Mr. MOSES), from the Committee on Printing, to which was referred Senate resolution 156, submitted by Mr. RANSDELL, February 13, 1923, reported it with amendments, so as to make the resolution read:

Resolved, That the proceedings of the Forestry, Reclamation, and Home-Making Conference, held at New Orleans, La., November 19 to 22, inclusive, 1923, be printed as a Senate document.

The amendments were agreed to.

The resolution as amended was agreed to.

BILLS RECOMMITTED

Mr. JOHNSON of Minnesota. Mr. President, by mistake on Saturday I reported from the Committee on Claims the bill (S. 227) for the relief of the widow and minor children of Raymond C. Hanford and the bill (S. 3115) for the relief of Rosa B. Smolik. I move that the bills be recommitted to the Committee on Claims.

The motion was agreed to.

ADDITION TO HARRINGTON HOTEL

Mr. EDWARDS. From the Committee on the District of Columbia I report back favorably without amendment the

bill (S. 3269) to amend an act to regulate the height of buildings in the District of Columbia, approved June 1, 1910, and I submit a report (No. 619) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. I ask the Senator from New Jersey if there is a report accompanying the bill?

Mr. EDWARDS. There is. The bill applies to only one building in the city of Washington.

Mr. SMOOT. Let the bill be read.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. Mr. President, I shall not object to the consideration of it, but I hope it will not be regarded as a precedent by the commissioners or by the people of the District to authorize the construction of buildings of this height. I think we ought to restrict the height of buildings to 70 feet, and certainly not to exceed 90 feet. We are going to destroy the harmony of the city in any architectural beauty the city may finally attain if we permit the erection of buildings at varying heights and to such extreme heights as is proposed.

Mr. BALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Delaware?

Mr. KING. I yield.

Mr. BALL. The object of this bill is to prevent precisely what the Senator from Utah has stated he objects to. It permits the erection of an addition to the building at the same height as the building itself.

Mr. KING. I am familiar with that.

Mr. BALL. That is all the bill proposes to do.

Mr. PHIPPS. Mr. President, for information, I should like to know the name of the hotel to which the proposed addition is to be made.

Mr. BALL. The name of the hotel, I think, is the Hotel Harrington.

Mr. EDWARDS. It is the Harrington Hotel.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Jersey for the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, as follows:

Be it enacted, etc., That an act entitled "An act to regulate the height of buildings in the District of Columbia," approved June 1, 1910, be, and it is hereby, amended by adding at the end of paragraph 5 of said act the following proviso:

"*And provided further*, That a building be permitted to be erected to a height not to exceed 130 feet on lots 15, 804, and 805, square 322, located on the southeast corner of Twelfth and E Streets NW., said building to conform in height and to be used as an addition to the hotel building located to the east thereof on lot 18, square 322."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 3386) providing for the conveyance to the town of Fairhaven, in the Commonwealth of Massachusetts, of the tract of land known as Fort Phoenix for public use; to the Committee on Military Affairs.

By Mr. WATSON:

A bill (S. 3387) to provide for the abatement and refund of excise taxes where the taxes have been collected and thereafter refunded and subsequently reassessed by the Commissioner of Internal Revenue; to the Committee on Finance.

By Mr. DALE:

A bill (S. 3388) granting a pension to Charles W. Carlisle; and

A bill (S. 3389) granting an increase of pension to Christiana L. Chick (with accompanying papers); to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 3390) for the relief of Charles A. Mayo; to the Committee on Claims.

By Mr. BURSUM:

A joint resolution (S. J. Res. 131) authorizing the Director of the United States Veterans' Bureau to take assignments of certain claims of officers, employees, and patients of General Hospital No. 55, Fort Bayard, N. Mex.; to the Committee on Finance.

CHANGE OF REFERENCE

Mr. STERLING. I desire to call attention to the bill (S. 3251) for the relief of Elizabeth W. Kieffer, which was referred to the Committee on Post Offices and Post Roads. Similar bills have heretofore been referred to the Committee on Claims. I therefore move that the Committee on Post Offices and Post Roads be discharged from the further consideration of the bill and that it be referred to the Committee on Claims.

The motion was agreed to.

AMENDMENT TO GENERAL DEFICIENCY APPROPRIATION BILL

Mr. KING submitted an amendment proposing to appropriate $1,500,000 for continued investigations, continuation of construction, and incidental operations at the Strawberry Valley project, Utah, intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

POST-OFFICE INSPECTORS

Mr. DILL submitted an amendment intended to be proposed by him to the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 15, at the end of line 11, insert the following:

"And provided that post-office inspectors shall not be eligible for transfer or appointment to any executive or supervisory position in the Postal Service other than in the inspection division and within two years after they have ceased to be inspectors.

CONDITIONS IN RUSSIA (S. DOC. 121)

Mr. LODGE. Mr. President, I ask unanimous consent that the speech of the Senator from Utah [Mr. KING] with regard to Russia, which appears in the CONGRESSIONAL RECORD beginning on page 7018 of the RECORD of Saturday, May 24, 1924, may be printed as a Senate document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it so ordered.

HOUSE BILL REFERRED

H. R. 9246. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, was read twice by its title and referred to the Committee on Pensions.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on the 24th instant the President approved and signed bills of the following titles:

S. 105. An act for the relief of Arthur Frost; and

S. 2922. An act to authorize the President to reconsider the case of Frederic K. Long and to reappoint him a captain in the Regular Army.

HOWARD UNIVERSITY ATHLETIC FIELD AND GYMNASIUM

The PRESIDING OFFICER. Morning business is closed.

Mr. BALL. I ask unanimous consent for the immediate consideration of the bill (S. 2694) to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes.

The PRESIDING OFFICER. The calendar under Rule VIII being in order, the Senator from Delaware asks unanimous consent for the immediate consideration of the bill named by him.

Mr. BALL. I should like briefly to explain just what the bill proposes.

Mr. JONES of Washington. Let us have the bill read, Mr. President.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read the bill, which had been reported from the Committee on the District of Columbia with an amendment, on page 2, after line 20, to insert:

SEC. 4. *Provided*, That no street shall be closed until all of the property abutting on the portion to be closed shall have been acquired by the trustees of Howard University.

SEC. 5. *Provided*, That no street shall be closed until the trustees of Howard University shall have secured the necessary title to, and

shall have dedicated to the District of Columbia, the land necessary to provide the following streets, to wit:

"An extension of Sixth Street, with a width of 50 feet, north for 194 feet from its present terminus at Girard Street; also a street, with a width of 44 feet, from the terminus of Sixth Street as above extended eastwardly to Fifth Street."

SEC. 6. *Provided further*, That an easement in the areas of the streets hereby closed shall remain in the District of Columbia for all except highway purposes, and that no structures shall be erected thereon except with the permission of the Commissioners of the District of Columbia.

So as to make the bill read:

Be it enacted, etc., That for the purpose of developing an athletic field and gymnasium project, the trustees of the Howard University are hereby authorized to acquire by gift, purchase, condemnation or otherwise so much of square 3059 formerly block 6, Howard University Subdivision as the university does not already own, also 45,000 square feet of land, being that portion of square 3057, formerly block 7, Howard University Subdivision, which lies south of the 15-foot alley running east and west in said square, also known as the east 300 feet front on Euclid Street: *Provided*, That no special appropriation of funds of the United States shall be made for this purpose and that no liability on the part of the United States shall be involved in said acquisition.

SEC. 2. That those portions of Fairmont and Girard Streets lying within the area to be acquired and between the said area and the present grounds of Howard University, together with all alley space not subject to the terms of the Code of Laws for the District of Columbia, shall and are hereby declared to be closed and abandoned as public ways and shall be subject to acquisition under section 1 hereof.

SEC. 3. That the Secretary of War is hereby authorized and directed to reconvey to the trustees of the Howard University a triangular plot of land now included in McMillan Park and situated between Fairmont Street, Fifth Street and the McMillan Park Reservoir at the price per foot formerly paid to the said university by the United States for the said property, subject to such terms and conditions as may be prescribed by the Secretary of War.

SEC. 4. *Provided*, That no street shall be closed until all of the property abutting on the portion to be closed shall have been acquired by the trustees of Howard University.

SEC. 5. *Provided*, That no street shall be closed until the trustees of Howard University shall have secured the necessary title to, and shall have dedicated to the District of Columbia, the land necessary to provide the following streets, to wit:

An extension of Sixth Street, with a width of 50 feet, north for 194 feet from its present terminus at Girard Street; also a street, with a width of 44 feet, from the terminus of Sixth Street as above extended eastwardly to Fifth Street.

SEC. 6. *Provided further*, That an easement in the areas of the streets hereby closed shall remain in the District of Columbia for all except highway purposes, and that no structures shall be erected thereon except with the permission of the Commissioners of the District of Columbia.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SMOOT. Mr. President, the bill is so long and involves so many pieces of property that I can not follow its reading from the desk nor can I understand it from the report which the Senator from Delaware [Mr. BALL] has filed with the bill. I will ask the Senator from Delaware is there any direct appropriation involved in the bill?

Mr. BALL. A considerable appropriation, amounting to eight hundred and some odd thousand dollars, has been in an appropriation bill which has heretofore passed. The extension of the grounds of Howard University for athletic fields and for buildings is held up until they can at least have an alley closed. The bill also provides for the university purchasing some additional land, but Congress is called on to make no appropriation. The expense will be paid by gifts or other funds secured by the university. The bill will permit them to go ahead with their project for an athletic field and to use the appropriation which Congress has already made to the university.

Mr. SMOOT. When did Congress make an appropriation for this purpose?

Mr. BALL. The appropriation was carried in the first appropriation bill which was passed at this session of Congress.

Mr. OVERMAN. That proposed appropriation for over $800,000 was put in the bill by the Senate, but it went out in conference.

Mr. BALL. The appropriation was made for this purpose in House bill 5078.

Mr. SMOOT. I think the Senator is mistaken about that.

Mr. BALL. In the bill making appropriations for the Department of the Interior $812,000 was appropriated for Howard University.

Mr. OVERMAN. But, I repeat, that that item went out in conference between the two Houses.

Mr. SMOOT. The appropriation to which the Senator from Delaware refers was not made but was stricken out in conference. The two items were offered as amendments on the floor of the Senate, and a special rule was brought in in order to keep them in the bill, but the House conferees would not yield their opposition to the two items which were involved, and therefore the conferees on the part of the Senate had to recede.

Mr. BALL. Then the university authorities have themselves raised the funds for this purpose from other sources and are ready to proceed with their building.

Mr. SMOOT. But that is not what the bill provides.

The PRESIDING OFFICER. Is there objection to the request which has been made by the Senator from Delaware [Mr. BALL].

Mr. SMOOT. Until we may know more about the bill, I ask that it go over.

The PRESIDING OFFICER. Objection is made, and the calendar under Rule VIII is in order.

THE CALENDAR

Mr. JONES of Washington. Mr. President, I had intended to ask for the consideration of a bill on the calendar, but the Senator from Utah thinks we had better commence at the beginning of the calendar, and I will accede to his suggestion.

The PRESIDING OFFICER. The Secretary will state the first bill on the calendar.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as first in order.

Mr. KING, Mr. OVERMAN, and Mr. DIAL asked that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1181) naming the seat of Government of the United States was announced as next in order.

Mr. SMOOT. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 46) for the relief of Capt. Ramon B. Harrison was announced as next in order.

Mr. EDGE. I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States was announced as next in order.

Mr. KING and Mr. SMOOT asked that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

INVESTIGATION OF RAILROAD PROPAGANDA

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. GOODING. Mr. President, I offer an amendment to the resolution.

The PRESIDING OFFICER. It will be necessary, first, to determine whether the resolution is to be considered by the Senate. The Secretary will state the resolution.

The READING CLERK. The committee proposes to strike out all after the resolving clause and in lieu thereof to insert an amendment in the nature of a substitute, to which amendment the Senator from Idaho offers an amendment, on page 4, line 15, after the word "within," to strike out "60 days" and insert in lieu thereof the words "seven months."

The PRESIDING OFFICER. Without objection——

Mr. KING. Let the resolution be read.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The READING CLERK. The committee proposes to strike out all after the resolving clause and to insert:

That the Interstate Commerce Commission is directed to investigate, along such lines and with such detail as to reveal clearly and accurately the amounts expended for propaganda, as defined in this resolution, during the calendar year 1923, by each common carrier by railroad, or partly by railroad and partly by water, subject to the interstate commerce act, as amended, and designated by the commission as a Class I carrier. The term "propaganda" means (a) the preparation, publication, or distribution of advertising matter, magazines, books, pamphlets, newspaper articles and editorials, or other forms of literature, the engaging of speakers, or other forms of publicity, oral, written, or printed; (b) the payment of compensation, or travel, subsistence, or other expenses, in connection with services rendered by any person; (c) the making of contributions to any association, bureau, institute, committee, chamber of commerce, or similar organization; or (d) any other method of propaganda, if such publicity, service, contribution, or other method of propaganda is designed—

(1) To mold public sentiment so as to be favorable to the railroads or with regard to any State or Federal legislative matter;

(2) To influence acts or decisions of any legislative administrative, of judicial officer or agency, whether State or Federal, or of any member, officer, or employee of any such agency; or

(3) To secure the election, appointment, or removal of public officers or employees or the creation or abolishment of public agencies, whether State or Federal.

In its investigation the commission—

(a) Shall require of each carrier subject to this resolution a special report, under oath, in such detail as the commission may specify, stating the amounts of the expenditures required to be investigated by the commission under this resolution and the accounts to which such expenditures were charged.

(b) Shall, to such extent as it deems necessary to carry out the purposes of this resolution, obtain information by field investigation, and by requiring the attendance and testimony of witnesses and the production of books, papers, and documents.

(c) May avail itself of any other powers vested in it by law.

The commission is further directed to transmit its report to the Senate within 60 days after adoption of this resolution.

For the purposes of this resolution an amount shall be deemed expended by a carrier if expended by it directly or through an officer, employee, or agent of the carrier, or through a corporation affiliated with it, or through any other agency.

Any report by a carrier under this resolution of a contribution to an association, bureau, institute, committee, chamber of commerce, or other organization shall include the name and address of the organization and the purpose for which the contribution was made.

Resolved further, That the Committee on Interstate Commerce is directed, either as a whole or by subcommittee, to investigate the extent, character, methods, and purposes of propaganda emanating directly or indirectly from common carriers by railroad, or from associations, bureaus, institutes, committees, chambers of commerce, or similar organizations receiving contributions or dues, fees, assessments, or other payments from such carriers.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Idaho to the amendment proposed by the committee.

Mr. GOODING. Mr. President, I send to the desk a short letter, which I ask to have read.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

THE STATE OF UTAH,
PUBLIC UTILITIES COMMISSION,
Salt Lake City, April 1, 1924.

Hon. F. R. GOODING,
United States Senator, Washington, D. C.

MY DEAR SENATOR GOODING: I was very much pleased to receive your letter March 19 indicating favorable progress for your bill regulating long-and-short-haul rates of the carriers.

The situation in the intermountain States is being made exceedingly difficult for those supporting the bill for the reason that the carriers are very busy among commercial clubs and are advertising in daily papers with the object of convincing the public that no legislation of any kind bearing upon the railroad question should be passed at this session of Congress.

Recently the carriers have prevailed upon some of the commercial clubs in this section to send "official observers" to Washington to complete their education upon matters affecting the carriers. These gentlemen apparently have not as yet received their diplomas, for they have not thus far told the public of the wisdom they have acquired.

I recently had the pleasure of appearing before a committee of the Salt Lake Commercial Club and succeeded in getting them to rescind action which they had previously taken supporting the contention that the transportation act be not amended. I understand since some other committee of the club, before whom I was not invited to appear, took some sort of action which resulted, as I have heretofore indicated, in sending a student to Washington.

If there is anything I can do, or data that I can furnish, do not hesitate to call upon me.

With best wishes,

Very truly yours,

WARREN STROUTNOR, *Commissioner.*

Mr. GOODING. Mr. President, I am sure the Senators all understand the propaganda by the railroads that is saturating the whole country at the present time. All of this expense is charged up to the operating expense of the railroads. The people pay the bill; and I am quite sure that the people and Congress are entitled to know how this money is spent, and what agencies are created for the purpose of influencing legislation.

In my State, all at once, the railroads are advertising in every little local newspaper that there is in the State of Idaho. They are controlling many of our commercial clubs by sending out special agents to wait upon them. Men are employed in different lines of activity for the influence they may have, not only in the State but nationally, in legislation; and as long as the people are taxed for it in freight rates it seems to me it is time that the Interstate Commerce Commission should make this investigation so that we may know just how far the railroads are going, because under the Esch-Cummins Act they can spend as much as they please for any purpose, and it is all charged up to operating expenses.

Something like $7,000,000 is spent at the present time, which the railroads report, in advertising. During the time that the tax bill was up the Pennsylvania Railroad on their menu cards were advertising the Mellon tax plan, and urged everybody, of course, to support the Mellon tax plan. They go beyond the legitimate business of railroads, all of which the people must pay in freight rates.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Pennsylvania?

Mr. GOODING. I yield.

Mr. REED of Pennsylvania. Have any estimates been made of the cost to the railroads of furnishing the information that is asked for in this resolution?

Mr. GOODING. It should not be very great. That matter was taken up. It will be done largely, as I understand, through questionnaires and field work where necessary. They must have a record of it all. There should not be any great expense to the railroads, it seems to me.

Mr. REED of Pennsylvania. Have not some estimates been made by the commission as to what it would cost the railroads to go through all their accounts and report on this matter?

Mr. GOODING. I think not.

Mr. REED of Pennsylvania. I was told that it would cost approximately half a million dollars for all the railroads to make this report.

Mr. GOODING. Regardless of the expense, it seems to me that if the railroads are going to tax the people to mold public opinion it is very dangerous to the best interests of the Government, and the people have a right to know how much they expend and how far they go.

Mr. REED of Pennsylvania. Yes; but we make them report at a cost to them of half a million dollars, and that is added to the rates that they charge the people for the service they render.

Mr. GOODING. I think this will eliminate a lot of expense after we find out what channels they are spending the money in, and save the railroads a great many millions of dollars.

Mr. REED of Pennsylvania. Suppose the Senator were in charge of the Pennsylvania Railroad, does he not think it would take him a good deal of time to calculate what it costs to print advertisements on the backs of menus, instead of printing statistics about ham and eggs?

Mr. GOODING. I think it was an improper place for such an advertisement, and I do not think the people should be expected to pay for such advertising, although that is what they do. I think the matter of time and expense is a minor matter compared with the importance of this legislation to the people and to the Government.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. GOODING. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator a question right along the lines of the question asked by the Senator from Pennsylvania about the time it is going to take to do this. Does not the Senator think that if the railroads would temporarily call off the men who are engaged in the propaganda and put them at work to find out how much it has cost up to date in this year the railroads probably would not be put to any extra expense at all, although it might interfere with the propaganda that is going on?

Mr. GOODING. That is the only thing it would stop; and I do not think it would take half the men they have employed in that kind of work to get the information, without any expense.

Mr. EDGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from New Jersey?

Mr. GOODING. I yield.

Mr. EDGE. It seems to me that while there is unquestionably a laudable purpose in one angle of this resolution, yet it is very apt——

The PRESIDING OFFICER. The time of the Senator from Idaho under the rule has expired. The Senator from New Jersey is recognized in his own right.

Mr. EDGE. Mr. President, in my own time I started to call attention to the fact that it seems to me the advertising referred to in the resolution is very apt to overlap a perfectly legitimate type of advertising in which railroads and transportation companies do indulge, and in my judgment should indulge. In other words, the railroads are big business enterprises. They run all kinds of tours. They run to all the resorts of the country. They advertise not only resort facilities, but agricultural facilities through the sections they cover, and undoubtedly they are spending in the newspapers of the land millions of dollars which the newspapers are very glad to have them spend, and which is entirely legitimate from the standpoint of popularizing their service. If this resolution would in a way discourage that perfectly legitimate enterprise it seems to me it would be rather unfortunate.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Idaho?

Mr. EDGE. I yield.

Mr. GOODING. There is no thought of curtailing legitimate advertising. I feel that that should be encouraged. We all agree to that. That is not the intention of the resolution at all. It will not curtail anything, but it will give the commission and Congress information as to how much was spent and along what lines it was expended.

Mr. EDGE. It may not be the intention, but a reading of the title of the resolution itself indicates very plainly that such an investigation must include expenditures to create favorable public sentiment. Of course every line they put in a newspaper or a magazine is to create favorable public sentiment, to induce the public to use their lines, to lead people to settle in their sections, and naturally to patronize their system, just the same as the owner of a grocery store would advertise to get people to patronize his store. It seems to me this is a pretty dangerous attempt at demarcation.

Mr. BROOKHART. Mr. President, I am quite strongly in favor of this resolution. I have had occasion to know something about this propaganda class of advertising in which the railroads indulge. I think the president of about every railroad that runs through Iowa has come out in his private car at big expense to make speeches against me, and put out his propaganda to the different commercial clubs in my State.

This morning I received a letter which shows that the railroads, utilities, and Wall Street brokers have just paid the Cedar Rapids Republican $5,000 for four pages of political advertising against me in the primary that occurs a week from to-day. I should like to have this investigation made, and find out which railroads paid it. If they are paying all of the papers at that rate, there will be a considerable sum spent out in that State for propaganda to defeat me in the primary.

I have seen my name mentioned, too, in some of these menu-card advertisements. The particular grievance the railroads have against me is in reference to this $12,000,000,000 valuation that I have figured out; and the Wall Street Journal, in a recent issue, gave me a full column of editorial attention, but did not dispute the $12,000,000,000 conclusion.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. BROOKHART. Yes; I yield.

Mr. EDGE. Does not the Senator believe in the old Barnum policy, that it does not make any difference what they say about you; so long as they say something about you, it is good advertising?

Mr. BROOKHART. It is not put out for that purpose.

Mr. BORAH. Mr. President, Barnum paid for his own advertising; did he not?

Mr. BROOKHART. Yes; Barnum paid his own bill.

Mr. EDGE. Then the Senator from Iowa should be all the more pleased, if somebody else is paying for his advertising.

Mr. BROOKHART. Unfortunately, my friends and I are paying the cost of the advertising that is done against me, and it is not quite a square deal. I ought to have something to say about what goes in the advertisements; but I have nothing whatever to say. It is cooked up by a Wall Street broker by the name of Winthrop; I believe he is the commanding general in charge of this campaign at the present time; and I want the people of my State and of all the States to know that there is a gang of financial pirates down here in New York at the headquarters of the railroads that is trying to control the elections and the primaries and the conventions everywhere in this country. They succeed quite often in doing it, too, because the people do not know the origin of this propaganda, and at the same time, through the rates charged by the railroads, they are collecting the pay for these advertisements from the very people they want to deceive.

Therefore I am for this resolution.

Mr. NORRIS. Mr. President, it seems to me there is nothing unfair about letting the people know how much is being spent for propaganda purposes, especially where the people themselves have to pay the bill.

I put into the RECORD a week or so ago, in discussing this question, letters from representatives of different railroads, sent, for instance, to all their local attorneys and to all their local surgeons, calling upon them to go out and get business men, and particularly farmers, to write letters to their Congressmen asking them to vote against any change in the Esch-Cummins law. We have received thousands and hundreds of thousands of letters as a result of that propaganda that has been going on all over the United States. I could fill the CONGRESSIONAL RECORD with them from my own office alone.

Whether it is right or whether it is wrong, to my mind is not so material as the fact that the people who wear clothes and eat food, all the people of the United States, are paying that bill. They are paying that expense when they pay their freight, which they must do, on everything they use and everything they wear and everything they eat.

So it is their money that is being used in this case. It is our money that is being used to fool us. We are paying for our own deception, and the object of this resolution is to find out how much we are being mulcted for the deception being practiced upon us.

Whatever the roads are doing that is legitimate along the line indicated would be disclosed by the investigation which this resolution would require the Interstate Commerce Commission to make, but it seems to me that we have a right to know how much they have spent to have Congress enact the Mellon plan into a law; how much they have spent to prevent any change in the Esch-Cummins law; how much they have spent to prevent the election or bring about the defeat of somebody for public office. This is propaganda which, I submit, Mr. President, it is not fair for the railroads to engage in when they are using the money of the people themselves to do it. We are complaining of high freight rates. Here is one item that goes into the freight rates. An army of expensive men are traveling over the country, I think wrongfully, but whether what they are trying to do is good for the people or not is not involved. They are using our money. We ought to say how and in what manner our money should be used when they are practicing a deception upon us, or carrying out an educational program, if you want to put it that way. In other words, if we are to be influenced by the use of our money, we ought to know how we are being influenced, how much it takes to fool us, how much it takes to educate us and give us some information along this line. That is all this resolution would require, a fair statement of what the railroads are doing with our money.

Mr. SIMMONS. Why confine it to railroads? Why not extend it to all public utilities?

Mr. NORRIS. I would be glad to have it extended to every public utility, but this information is to be gotten by the Interstate Commerce Commission, which, as a matter of fact, under the law, does not have jurisdiction over all public utilities. The same reason applies to every public utility, municipal, State, county, or national. As I understand it,

this resolution applies to the power of the Interstate Commerce Commission to investigate under its authority, and does not attempt to apply any further.

Mr. PITTMAN obtained the floor.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Pennsylvania?

Mr. PITTMAN. I yield.

Mr. REED of Pennsylvania. I object to the further consideration of the resolution at this time.

The PRESIDING OFFICER. Objection being made, the resolution will go over.

Mr. GOODING. Mr. President, I move that the Senate now proceed to consider Senate Resolution 124.

Mr. PITTMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. PITTMAN. Mr. President, I am not discussing the ethics of the proposition, but the Senator from Nevada rose and complied with the rule in addressing the Chair, and was recognized. The Senator from Pennsylvania asked the Senator to yield to him, supposedly, of course, for a question. I yielded to the Senator, as I always yield to any Senator. I am not going to discuss the ethics of the action of the Senator——

Mr. REED of Pennsylvania. Does the Senator mean——

Mr. PITTMAN. Just a moment; but I do not believe a Senator can be taken off his feet by that kind of a procedure.

The PRESIDING OFFICER. An objection may be interposed at any stage in the proceedings. The Senator from Nevada yielded to the Senator from Pennsylvania.

Mr. PITTMAN. I understand, but a Senator can not be taken off his feet by that character of an objection.

Mr. REED of Pennsylvania. Will the Senator yield again.

Mr. PITTMAN. I yield.

Mr. REED of Pennsylvania. I beg the Senator's pardon for the apparent discourtesy. I understood that it was the practice in the Senate for a Senator to interpose an objection at any time during the consideration of the calendar. I certainly had no intention of taking the Senator off the floor, and I withhold my objection for the present.

Mr. PITTMAN. I thank the Senator.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. PITTMAN. Mr. President, this resolution does not confer any additional powers upon the Interstate Commerce Commission. Under the transportation act of 1920, the Interstate Commerce Commission are authorized to ascertain the expenses of the railroads. This resolution simply directs them to report to Congress. I do not see any objection to it.

Under the commerce act, by which there is a reasonable and just return assured to the railroads, it is expressly provided that that is to be based upon the operating costs in an economical conduct of the roads. How can the railroads determine what is a fair return upon their property unless they know whether or not there is extravagance in the operating costs?

As I have said, the interstate commerce act of 1920 provides that it is the duty of the Interstate Commerce Commission to ascertain whether or not railroads are economically operated, so that they may determine what rate will be required to make a fair return on the property.

This is nothing unusual. The only thing additional in the resolution is that the Interstate Commerce Commission are directed to do what they are authorized to do under another act, and, in addition to that, they are directed to report their findings to the Congress.

There is no doubt but what railroads have a right to advertise. There is no doubt that they have a right to conduct a propaganda which is not legitimate advertising, just as much as anybody else has a right to conduct propaganda. The only proposition is as to what portion of that advertising is legitimate expense. Whatever portion of the advertising is a legitimate expense to be charged against operating costs will be charged into operating costs in determining a fair return on the property. Whatever is not a legitimate advertising cost should be charged to the stockholders of the railroad in the form of deductions from their dividends. That is all there is to the proposition.

There is no use discussing whether railroads have a right to advertise. They have, as any other business institution has; but it is the duty of the Interstate Commerce Commission to find out what is legitimate advertising, so that that may be charged to operating costs, and what is advertising which is not to be included in operating costs. If the stockholders desire to advertise for the purpose of creating public sentiment, there is no law against it, but it is not a part of the essential operating costs, and it should not be charged to operating costs, but it should be deducted from the dividends. It should be deducted from the net profits.

Why should objection be made to the resolution? It does nothing except to carry out the interstate commerce act of 1920. It says to the Interstate Commerce Commission, "You are already authorized to inquire into these expenses. Now, we ask you to proceed with an inquiry and report your findings and recommendations to the Congress."

It seems to me the resolution should be agreed to.

Mr. REED of Pennsylvania. Mr. President, I am objecting to this resolution for the same reason that I am objecting to all of these investigations which get nowhere. For years we have been piling up subjects of investigation on the Interstate Commerce Commission and on the Federal Trade Commission, until the quantity of reports reaching Washington each month is measured only by trainloads, and nobody ever reads them. They cost millions of dollars a year to the companies which make those reports, and the expense of preparing them and sending them all goes into the cost of railway service.

We have established an elaborate, complicated system of railway regulation, all to avoid two or three simple crimes which could much better have been avoided by simple penal laws properly enforced. We have a regulatory system that was originated in order to keep rates down, and to-day it is keeping rates up. We all know, if we will admit our honest belief, that railway rates would go down overnight if we would take out from under them the stilts which we have built in this interstate-commerce regulation. We have created a multitude of Federal jobs; we have created an army of Federal investigators; we have immensely complicated the mechanism of government, and the net result of it has been that we are doing exactly what we started out not to do, to keep rates up. What we are doing to-day is preventing the rate reductions that economic causes would bring to pass if we would get rid of this whole machinery, which clutters up this railroad business.

I do not object to everybody knowing what the railroads pay to put the name of the Senator from Iowa [Mr. BROOKHART] on their menus. I hope they will put it on in half portions and full portions and keep it on. That is all right. They have a right to do it. They have a right to criticize every one of us, and I hope they will keep on criticizing all of us, because they are American citizens, and any American citizen has the right to say what he thinks of any of us, especially when we are up for reelection.

But, Mr. President, this resolution goes further. What does it ask the Interstate Commerce Commission to do? If Senators will look at page 5 of the resolution, they will see that not only is the Committee on Interstate Commerce of the Senate directed—

to investigate the extent, character, methods, and purposes of propaganda emanating directly or indirectly from common carriers by railroad—

But our Committee on Interstate Commerce is also—

to investigate the extent, character, methods, and purposes of propaganda emanating * * * from associations, bureaus, institutes, committees, chambers of commerce, or similar organizations receiving contributions or dues, fees, assessments, or other payments from such carriers.

We are asked to charter an investigation into all creation, and when it is all over and done with it will be like the rest of these investigations, it will not have found anything. It will have gotten a few headlines until the people and the newspapers get tired of it, and it will end by spending a lot of public money and doing nobody any good at all.

Therefore, Mr. President, I object to the further consideration of the resolution.

The PRESIDING OFFICER. Objection is made.

Mr. GOODING. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 124.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. SMOOT. Mr. President, I would have no objection after 1 o'clock to the Senator making the motion, but under the rule that motion can not be made until after 1 o'clock.

The PRESIDING OFFICER. The Chair will call the attention of the Senator from Utah to the fact that the morning business has been closed.

Mr. SMOOT. Does not the rule say "morning business or 1 o'clock"?

The PRESIDING OFFICER. Rule VII, paragraph 3, provides that—

Until the morning business shall have been concluded, and so announced from the Chair, or until the hour of 1 o'clock has arrived, no motion to proceed to the consideration of any bill, resolution, report of a committee, or other subject upon the calendar shall be entertained by the Presiding Officer, unless by unanimous consent.

Mr. SMOOT. I asked the Chair if the word "or" is not used.

The PRESIDING OFFICER. Yes; it says "or"; but morning business has been closed. Therefore, the motion of the Senator from Idaho is in order.

Mr. FLETCHER. I understand the motion is in order, but it is not debatable.

The PRESIDING OFFICER. It must be decided without debate.

The question is on agreeing to the motion of the Senator from Idaho that the Senate proceed to the consideration of Senate Resolution 124.

Mr. PITTMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from West Virginia [Mr. NEELY] and vote "yea."

Mr. McKELLAR (when his name was called). I have a pair with the senior Senator from Ohio [Mr. WILLIS]. In his absence, I withhold my vote.

Mr. TRAMMELL (when his name was called). I transfer my pair with the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Washington [Mr. DILL] and vote "yea."

The roll call was concluded.

Mr. JONES of Washington. Has the senior Senator from Virginia [Mr. SWANSON] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. JONES of Washington. He is necessarily absent, and I have promised to take care of him with a pair. Being unable to obtain a transfer, I withhold my vote.

Mr. McLEAN (after having voted in the negative). I transfer my pair with the Senator from Virginia [Mr. GLASS] to the Senator from Vermont [Mr. GREENE] and allow my vote to stand.

Mr. CURTIS. I wish to announce the following general pairs:

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Tennessee [Mr. SHIELDS];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Colorado [Mr. ADAMS].

The result was announced—yeas 41, nays 19, as follows:

YEAS—41

Ashurst	Fletcher	Ladd	Smith
Bayard	Frazier	McNary	Spencer
Borah	George	Norris	Stanfield
Brookhart	Gooding	Oddie	Stephens
Broussard	Harreld	Overman	Trammell
Cameron	Harrison	Pittman	Walsh, Mass.
Capper	Heflin	Ransdell	Walsh, Mont.
Copeland	Howell	Robinson	Wheeler
Curtis	Johnson, Minn.	Sheppard	
Edwards	Jones, N. Mex.	Shipstead	
Ferris	Kendrick	Simmons	

NAYS—19

Ball	Ernst	Moses	Sterling
Bursum	Keyes	Pepper	Underwood
Dale	Lodge	Phipps	Wadsworth
Dial	McKinley	Reed, Pa.	Warren
Edge	McLean	Smoot	

NOT VOTING—36

Adams	Fernald	King	Ralston
Brandegee	Fess	La Follette	Reed, Mo.
Bruce	Gerry	Lenroot	Shields
Caraway	Glass	McCormick	Shortridge
Colt	Greene	McKellar	Stanley
Couzens	Hale	Mayfield	Swanson
Cummins	Harris	Neely	Watson
Dill	Johnson, Calif.	Norbeck	Weller
Elkins	Jones, Wash.	Owen	Willis

So Mr. GOODING's motion that the Senate proceed to the consideration of Senate Resolution 124 was agreed to.

The PRESIDING OFFICER. The pending question is upon agreeing to the amendment proposed by the Senator from Idaho [Mr. GOODING] to the amendment of the committee.

Mr. BROOKHART obtained the floor.

Mr. SIMMONS. Mr. President, I wish to make an inquiry.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Carolina?

Mr. BROOKHART. I yield.

Mr. SIMMONS. I desire the attention of the Senator from Idaho [Mr. GOODING]. A few moments ago, while the Senator from Nebraska [Mr. NORRIS] was addressing the Senate, I interrupted him and asked why not include all public utilities in the amendment. He stated that the reason why they should not be included was the fact that the Interstate Commerce Commission had jurisdiction to act only in the case of railroads. I desire to ask the Senator from Idaho, who I believe is the author of the amendment to the committee amendment, if he would not be willing to strike out of the resolution all except that part which relates to railroads?

Mr. GOODING. Which particular language would the Senator from North Carolina suggest eliminating?

Mr. SIMMONS. I have not examined the resolution very carefully, but the Senator from Pennsylvania [Mr. REED] read it a few moments ago and it appeared from his reading that the Senator from Idaho has included not only railroads but chambers of commerce and other similar associations. I am asking if he would not be willing to strike out all those things so as to leave the resolution applicable only to political advertising on the part of railroads?

Mr. GOODING. I shall not object to that.

The PRESIDING OFFICER. The Chair will inform the Senator from North Carolina that that will have to be done in the form of an amendment, as the pending question is an amendment to the amendment proposed by the committee.

Mr. SMITH and Mr. SIMMONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho has the floor. Does he yield; and if so, to whom?

Mr. BROOKHART. I yield to the Senator from North Carolina.

Mr. SIMMONS. I have not had time to examine the resolution carefully, but I shall do so and unless some other Senator offers the amendment in the meantime, I will offer it a little later.

Mr. BROOKHART. Mr. President, I want to say a few words in reply to the suggestions of the Senator from Pennsylvania [Mr. REED]. He announced with a great deal of assurance that we would have lower railroad rates if the management and regulation of the roads were turned back to their private owners. Of course he has entirely ignored the long American history when they had their own way. It was a long time before we gave the Interstate Commerce Commission any power to regulate rates whatever, and after we did try to give it to them, 10 years later the Supreme Court found out we had not done it, so, I believe, it was about 1906 when they first actually had that power. From 1887 up until that time I want to describe something about what happened to railroad rates in my part of the country as a result of that untrammeled control by the railroad managements themselves.

It cost during all of that period 5 cents a hundred extra on first class and 5 per cent over the Chicago rate to cross the Mississippi River into the State of Iowa more than it did to cross the same river a few miles below Keokuk, at Hannibal, Mo., though the distance was almost that much greater down to Hannibal than it was to Keokuk. That discrimination in rates built up under this untrammeled system was almost the ruination of Keokuk. Hugh L. Cooper, who built the Keokuk Dam, which was at that time the greatest water power in all the world, testified in one of our hearings that a manufacturer could better afford to locate in Quincy, Ill., and pay for his power than he could to locate at Keokuk, Iowa, and pay that extra freight and get his power absolutely free. That is how the discrimination was used against the whole State of Iowa, and that continued up until about 1915, when, after a long series of years of fighting, we succeeded in removing the discrimination.

Not only that, but one other illustration of private management of the railroads without any Government regulation is that in the early days the Standard Oil Co. not only succeeded in getting rebates for itself from what it shipped upon the railroads but it succeeded in compelling the railroads to pay to the Standard a part of the freight that was actually collected from its competitors. That is private management without any governmental supervision whatever.

Therefore, when we come to consider the facts and the history of the situation, the suggestion of the Senator from Pennsylvania is the usual suggestion of all great capitalists who have organized themselves for the purpose of taking these unlawful and unjust tolls from the rest of the people of the United States.

Mr. BURSUM. Mr. President, I do not understand that the resolution has anything to do with the fixing of rates, but it is a resolution designed to control propaganda and publicity. It seems to me that if we are going into the proposition of con-

trolling publicity or propaganda we are entering a pretty wide field.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. BURSUM. I feel that we ought to be strong enough to resist propaganda. I am in sympathy with the Gooding bill and voted for it. I think it is all right and along proper lines. I now yield to the Senator from Iowa.

Mr. BROOKHART. The situation I have just described was brought about largely by propaganda, and the Senator from Pennsylvania [Mr. REED], in his discussion, brought up the matter of accepting that propaganda as true when it was not in fact true in any sense.

Mr. BURSUM. But we as representatives of the people must be sufficiently strong and sufficiently advised to hear both sides of a question and be in a position to discern propaganda from facts.

Mr. BROOKHART. That is the purpose of the resolution.

Mr. BURSUM. This is a free country and one of the great principles upon which the Government was formed is free speech, free publicity. There is such a thing as carrying the matter of control too far.

Mr. BROOKHART. That is exactly the purpose of the resolution, so that we can be advised of the propaganda. We all believe in free speech, but we do not believe in a secret scheme of propaganda that is not free because it is charged up in railroad rates to us when it is put out against us.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. BURSUM. I yield.

Mr. NORRIS. The Senator made the statement that it has not anything to do with rates. All of this expense is included in the freight bill and the passenger rates. There is no question about that. So it does have something to do with rates. It is all in the rates. But the real object is not to stop free speech nor anything like it, but to find out how much of our money is being used to fool us. That is all the resolution proposes to do. The propaganda is carried on with money that is added to the expense of the railroads, of which those who live anywhere within 1,000 miles of the railroads have to pay their proportionate share. It not only goes into the rates, but we pay for it. All the resolution does is to give publicity. It is to disclose the true state of facts and not to suppress anything.

Mr. BURSUM. I have never found it difficult to identify propaganda.

Mr. NORRIS. But if the Senator had a propaganda d[illegible]ted at him and had to pay for the matter, would he not like to find out how much it cost to fool him?

Mr. BURSUM. We pay for all the cost of propaganda; it is part of the cost of living. Propaganda is carried on through the daily press, through the weekly press, and by almost every kind of organization, official, unofficial, or semiofficial. It is a part of the American life, and I think it would hardly be fair to undertake to put the brakes on one concern unless we put them on all classes of industry and all classes of interests which might seek to influence legislation.

Mr. EDGE. Mr. President, will the Senator from New Mexico yield to me?

Mr. BURSUM. I yield.

Mr. EDGE. Is it not true that the expenditure for some of this so-called propaganda may, and undoubtedly does—and that is the object of it—increase the business of the railroads and thus lower rates? General advertising, general propaganda, is not carried on for the purpose of adding to expense; the expenditure is made for the purpose of increasing business and thus increasing profits.

Mr. BROOKHART. But the usual result is to increase profits and not to lower rates.

Mr. EDGE. But there must be an increase of profits before rates may be lowered. We have not yet gotten on a socialistic basis.

Mr. SIMMONS. Mr. President, will the Senator from New Mexico pardon an interruption?

Mr. BURSUM. Yes.

Mr. SIMMONS. The resolution defines the kind of propaganda at which it is aimed. Plainly it is not propaganda of the character about which the Senator from New Jersey [Mr. EDGE] has just spoken. If the Senator from New Mexico will permit me, I should like to read the propaganda to which the resolution applies and which is defined in the resolution itself.

Mr. BURSUM. Mr. President——

Mr. SIMMONS. However, of course, I can point that out in my own time.

Mr. BURSUM. I appreciate that the resolution is designed to control propaganda relating to railroad matters, railroad policies, railroad legislation, and things of that kind.

Mr. SIMMONS. It includes legislation?

Mr. BURSUM. Certainly; but when we go into such a field, if we are going to be fair, we ought to pursue the same policy with reference to all kinds of industries and all kinds of interests which are constantly advocating various measures through propaganda and otherwise by a multitude of associations all over the country. It seems to me that we ought to be strong enough to resist any kind of publicity. I am willing to give the other fellow a chance; I am willing to let him show his case as best he can in any legitimate way that he can. Then, if I am not sufficiently strong to judge the true facts and the true situation, I would say that I was not competent to hold the position which I now occupy.

Mr. SIMMONS. Mr. President, will the Senator from New Mexico pardon an interruption?

Mr. BURSUM. Certainly.

Mr. SIMMONS. There would be no disagreement between the Senator and myself as to the right of any corporation or any agency to indulge in any propaganda that is legitimate and proper, provided the expense of that propaganda is to be paid out of the pocketbook of the corporation or the agency and not to be paid by the taxpayers—the farmers and business people of the country. That is the very gravamen of this resolution, as I understand it. This remedy is proposed because the expense of this political advertisement in this instance is paid by the people. Now, it is perfectly legitimate that the people should pay the reasonable expense of advertising for the purpose of promoting the business of a corporation and facilitating the business of the people who resort to that corporation for the purpose of distributing their products; but——

Mr. BURSUM. Mr. President——

Mr. SIMMONS. If the Senator will pardon me, this propaganda is here defined, and I should like very much if the Senator would permit me to read the definition, for I think it will probably help him in the discussion of the matter.

Mr. BURSUM. I think I understand the purpose, and I fully appreciate the statement of the Senator that the cost is a burden laid upon the people; but in that respect it is not unlike any kind of propaganda or any kind of publicity, all of which is added to the general cost of living in this country. It is a part of American life, and, in my opinion, the general public believes in giving free and ample opportunity to hear all sides of a question. It would be hard to segregate inadvisable publicity and that which the Senator will admit is now carried on for the welfare of the country with no selfish purpose; it would be hard to segregate the kind of publicity that we would admit and the kind that we would not admit.

For my part, I am willing that railroads or industrial plants or any institution—a factory, a stock grower, a woolgrower, a farmer, or any element of industry—should come to Congress with their representations in such manner as they deem proper and present their case. Let us hear all sides of every question.

Mr. SIMMONS. If the Senator will pardon me, there can not possibly be any difficulty in properly segregating that class of propaganda which is perfectly legitimate for railroads to indulge in and that class of propaganda which it is not legitimate for them to indulge in; and this resolution attempts to do that very thing.

Mr. BURSUM. But would the Senator deny free speech? Would he deny any element of industry the right to present its claims?

Mr. SIMMONS. There is no purpose to deny free speech, but the purpose is if the railroads wish to express themselves with regard to legislation, if they wish to express themselves with a view to influencing the decisions of courts, they should do it out of their own money and not out of the people's money.

Mr. BURSUM. Yes; but in order to investigate all these things the chances are that it will cost more than the cost involved in the advertising itself. It seems to me that we are going too far in this matter, at least, and therefore I am opposed to the resolution.

Mr. SIMMONS and Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. SIMMONS. I thought the Senator had yielded the floor.

Mr. BURSUM. I yield the floor.

Mr. SIMMONS. Mr. President, I do not desire to discuss the question, but I do desire, if the Senator from South Carolina will pardon me just a moment, to put into the RECORD in connection with the speech the Senator from New Mexico has just delivered and the interruptions that I made during its

delivery exactly the kind of propaganda at which the resolution is aimed and to which it is confined. I think that will clarify the discussion very much, because I assume that many Senators, like myself, had not read the resolution until they came into the Chamber this morning. I did not read it until the Senator from Idaho made the motion to take it up. I quote from the resolution:

That the Interstate Commerce Commission is directed to investigate, along such lines and with such detail as to reveal clearly and accurately, the amounts expended for propaganda, as defined in this resolution—

I quote further—

The term "propaganda" means (a) the preparation, publication, or distribution of advertising matter, magazines, books, pamphlets, newspaper articles and editorials, or other forms of literature, the engaging of speakers, or other forms of publicity, oral, written, or printed; (b) the payment of compensation, or travel, subsistence, or other expenses, in connection with services rendered by any person; (c) the making of contributions—

Referring, of course, to contributions by the railroads—

to any association, bureau, institute, committee, chamber of commerce, or similar organization; or (d) any other method of propaganda, if such publicity, service, contribution, or other method of propaganda is designed—

(1) To mold public sentiment so as to be favorable to the railroads—

Not for the purpose of securing business for the railroads, but "to mold public sentiment so as to be favorable to the railroads"—

or with regard to any State or Federal legislative matter;

(2) To influence acts or decisions of any legislative, administrative, or judicial officer or agency, whether State or Federal, or of any member, officer, or employee of any such agency; or

(3) To secure the election, appointment, or removal of public officers or employees or the creation or abolishment of public agencies, whether State or Federal.

Those are the questions to which the propaganda must be directed in order to come within the inhibition of this resolution. What Senator is there in the Chamber who will say that it is legitimate for a railroad to spend money which it collects through freight charges and passenger charges, and which, therefore, is paid by the public, with a view to securing legislation favorable to the railroad, with a view to influencing the decisions of the courts in favor of the railroad, with a view to influencing the action of the officials charged with the administration of the law, even the Interstate Commerce Commission itself, or with a view to influencing the election, appointment, or removal of public officers? It seems to me, Mr. President, that it can not be said that it is legitimate for the railroads to tax the people for that purpose and to be allowed such expenditures in connection with ascertaining what they may under the present law charge and what they may not charge or what amount of net income they may receive or they may not receive without deduction.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New York?

Mr. SIMMONS. I yield the floor to the Senator. I have said all I wish to say.

Mr. COPELAND. I merely wish to ask the Senator from North Carolina a question. Let me call his attention to line 16. Ought not the language to read, beginning in line 15?—

To mold public sentiment so as to be favorable to the railroads with regard to any State or Federal legislative matter.

Mr. SIMMONS. I think the conjunction "or" ought to be stricken out. I think the Senator's criticism is absolutely correct.

Mr COPELAND. I think so, because there certainly will be a misapprehension of the sentiment of the resolution if the word "or" shall not be stricken out, because it would do away with the privilege of the railroads to advertise their lines and their advantages. It would seem to me that the conjunction "or," therefore, ought to be stricken out.

Mr. SIMMONS. Mr. President, I stated a little while ago that unless some other Senator should do so I would offer an amendment to strike out the provision with reference to chambers of commerce, and so on. The Senator from South Carolina, as I understand, has prepared an amendment to that effect, and, therefore, I shall not offer it.

Mr. SMITH. Mr. President, before beginning the remarks I have to make on this resolution, I move to strike out the last paragraph, beginning on page 5, line 1, down to the end. That includes chambers of commerce.

Mr. GOODING. Mr. President——

The PRESIDING OFFICER. The Chair will state to the Senator from South Carolina that there is now pending an amendment offered by the Senator from Idaho to the amendment proposed by the committee.

Mr. SMITH. Before the vote is taken on that amendment, then, I should like to call the attention of the Senate to the fact that under the new transportation act we have departed entirely and very radically from the old order of rate making. It is not necessary for me to go into the particulars of the divergence from the old order. It is sufficient for me to say that the Interstate Commerce Commission are instructed to take the railroad property as a whole, or in such groups as they may in their judgment think necessary for rate-making purposes, and lay such a tax in the way of rates and fares as in their judgment may most nearly effect a return to the roads up to a point that they themselves determine is a fair return.

In the present instance they have decided that 5¾ per cent upon the property devoted to public use would be a fair return. The provisions of the transportation act require as precedent to this fair return that the roads shall be economically and efficiently administered. Upon inquiry by the committee, it was disclosed that the Interstate Commerce Commission is practically without working means of ascertaining whether or not the roads are economically administered. As a matter of course, the expenditures of these roads all enter into the account and must be provided for before the net amount of 5¾ per cent is apportioned. Therefore, the matter of advertising—propaganda looking toward affecting the things set forth in this bill—becomes a charge that enters into the tax upon the people.

This resolution simply directs the Interstate Commerce Commission to do what it has under the present law the power to do but has not been specifically directed by Congress to do; namely, to ascertain what are the factors that enter into an economic administration of the railroad property.

As soon as the amendment offered by the author of the resolution [Mr. GOODING] shall have been disposed of I am going to move to strike out the last paragraph, which does not pertain per se to the railroads' advertising propaganda.

I shall not attempt to reflect on the wisdom or the common sense of this body by indicating that we have a right to know whether or not a public utility which by law has a monopoly of the transportation business in this country so far as rail carriage is concerned is flooding the country with propaganda, with advertising, with speakers if necessary, and charging it to the public, and letting it be reflected in the rates that we have to pay.

The Senator from North Carolina [Mr. SIMMONS] has very clearly defined what is the purpose and object of the resolution, and how legitimate and necessary it is. I do not think we ought to go into extraneous matter, and burden the commission with the investigation of things that are merely intangible and indirect.

Mr. President, in reporting out this resolution the committee did not attach any more importance to it than it proposes to attach to another proposition that will be brought before this body at the first opportunity; namely, that the commission shall be given ample means and clothed with the necessary power to investigate and report to this body the expenditures of the railroads in discharging the duty laid upon them by virtue of the franchises that we give them, in order that the public may be advised as to whether the roads are economically and efficiently administered. As the matter now stands, it is practically a cost-plus proposition. Whatever the costs of the railroads may be, whether wise or unwise, whether efficient or inefficient, they have to be taken entirely ex parte by the commission, or practically so. So, under the new law, if it is to remain the law of the land, it is our duty to see that the expense accounts of the roads shall be checked up, as well as that provision shall be made that they may earn 5¾ per cent; and this is but a resolution looking toward having the commission investigate this proposition.

Mr. President, as soon as the amendment proposed by the Senator from Idaho [Mr. GOODING] is disposed of, I desire to offer the amendment to which I have already called attention.

Mr. FRAZIER. Mr. President, I am very much in favor of this resolution. It is not so much that the people are opposed to propaganda, but I believe they are entitled to know where the propaganda comes from, and what it costs, and who pays for it. It makes a great deal of difference in our estimation of propaganda if we know who is back of it.

During the past few months I have received a great many resolutions passed by various commercial clubs of the cities

of North Dakota. They have been especially opposed, according to these resolutions, to any change in the existing railroad legislation at the present session of Congress. I was rather interested to find out where that propaganda was coming from, and why the commercial clubs, the business men of the towns of North Dakota, should be opposed to amendments to the existing railroad legislation, because they must have realized that the high freight rates were one of the things that were helping to put the farmers out of business in North Dakota.

After some correspondence, one of the members of a commercial club wrote me that the local railroad attorney of the Great Northern Railroad Co. was the one that put through this resolution in his commercial club. That explained the matter; and undoubtedly it was the railroad attorneys of the various towns throughout the State that got these resolutions passed and sent in.

It seems to me that publicity is a mighty good thing, and that we should have more of it. The more I watch and observe the votes of Senators, the more I am convinced that the joint resolution I introduced—Senate Joint Resolution No. 74, introduced some time ago and referred to the Committee on Finance—should be passed by Congress, giving publicity to the standing of every Member of Congress. This particular joint resolution has not been reported out by the Committee on Finance, and up to date we have failed even to get a hearing upon it. The Secretary of the Treasury, Mr. Mellon, has opposed the joint resolution by letter, and perhaps that accounts for it; but I believe the joint resolution is a good thing and should be put across.

There is a lot of propaganda coming in on various subjects, especially during the last week or so, propaganda for adjournment of Congress on the 7th of June. It may be easy to tell where this propaganda comes from, and yet in my estimation we must have some legislation for the relief of the agricultural districts before adjournment is taken. It seems to me that if the present administration is going before the public in this campaign on its record it is absolutely necessary to pass some farm relief legislation, such as the Norris-Sinclair bill or the McNary-Haugen bill. I for one am opposed to any adjournment until such legislation is passed, and I am strongly in favor of the resolution that is now pending to give more publicity, more real facts, to the people as to where the propaganda is coming from, and who pays for it, and all the information we can get on this propaganda that is being put out so largely to the people and the Members of Congress at the present time.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Idaho [Mr. GOODING] to the amendment proposed by the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs upon the amendment of the committee as amended.

Mr. TRAMMELL. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The READING CLERK. On page 3, line 11, after the word "organization" and before the semicolon, it is proposed to insert a comma and the following words:

> Or the expense of the publication of a newspaper or the contribution of financial support, directly or indirectly, toward the expense for the publication of a newspaper.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida to the amendment of the committee.

Mr. TRAMMELL. Mr. President, on account of the remarks made by some of the Senators it is probable that those who have not read the resolution would have been deceived as to its purport unless that erroneous idea had been corrected by Senators who have preceded me in discussing this question. I desire to reiterate and make it plain that this resolution does not deal with the question of legitimate and proper publicity on the part of a railroad in connection with its legitimate operation. That is made very plain in the definition clause of the resolution, which clause defines the character of propaganda to which the investigation is directed—propaganda intended to influence legislative action, the decision of courts, and the conduct of other public officials.

In my opinion the measure in its present form does not reach another kind of propaganda which is carried on by some railroad companies; that is, the ownership of newspapers or contribution to the support of newspapers. In some sections railroads have acquired the ownership of newspapers and had the stocks held by some one else, and those newspapers have been nothing in the world except the mouthpieces of the corporate interests and the railroad interests of the country.

I believe that we should allow freedom of speech. We want freedom of speech, but what we desire is to let the public know the methods employed in the expression of opinion on the part of those who are circulating propaganda and trying to have an influence on public opinion or upon the opinion of officers dealing with legislative or with other problems.

That is the reason I proposed this amendment. I believe in being perfectly fair with the railroad interests of the country. I realize that when their interests are attacked they should have the right to represent their interests in a legitimate, proper way and to expend reasonable sums of money for that purpose. I do not think it would be right to say that they have no right to place their side of a case before the public, and I would not take from them that right. But the object of this legislation is to ascertain their practice in regard to improper propaganda, the deceptive kind, the using of funds exacted from the public in divers ways to try to bring before the public certain positions and certain contentions made on their part, and at the same time not let the public know of the authenticity of the particular publication or information which they are giving to the public. That is where the harm comes. Of course, they have no right to exact revenue, as the railroads can of the public, in the nature of freight rates and other expenses that are imposed upon the public, to carry on this kind of maneuvering.

Some newspapers are published just as though they were owned by private ownership and supported by private funds, when, as a matter of fact, they are owned or maintained by railroads or by their stockholders for the purpose of molding public opinion. Yet they give publicity to all kinds of supposed news and information affecting the action of Congress and of other governmental activities. They frequently publish statements which mislead the public.

Allowing the railroads to maintain newspapers and support them financially affects the other newspapers of the country and frequently interferes to quite an extent with the legitimate press, the press that is supported by private capital and private individuals, which has to stand upon its own merits and maintain itself upon its own industry.

They have a barrel of money to support newspapers they own or control. They do not care whether they make or lose money. It is just merely a matter of influencing public opinion on questions affecting railroad interests and questions affecting other large corporate interests. I have found that this character of newspaper is usually in sympathy in every respect with the big interests of the country.

Of course, I do not mean the railroads own newspapers scattered all around over the country, but they own a sufficient number of the large dailies, or contribute to the expenses or maintenance and support of those papers, to give them quite an influence in molding public opinion. Publishing of newspapers by a railroad does not come within the legitimate operation of railroads and should not be permitted.

It has been suggested by Senators that of course the people ought to be able to take care of the situation regardless of what might be published. That is all right, but people want to know the source of the ownership, they want to know who is speaking when they see in one of these newspapers certain utterances, and when they fail to see certain public information which may have a bearing upon the subject because the railroad-owned newspapers have suppressed that information.

I offer the amendment with no antagonism whatever toward railroads carrying on their legitimate publicity. I think they ought to be allowed to do that. I offer it with no antagonism toward railroads presenting in a proper way their side of the case on public questions. They have a right to do that, and this right should not be interfered with. I offer the amendment because I desire to have the public know if railroads are expending money for the purpose of maintaining newspapers and giving out information to the public as though it were coming from some disinterested source.

I hope the amendment I have offered to the amendment will be agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

TRADE IN COTTON

Mr. DIAL. Mr. President, I had permission a while ago to have printed in the CONGRESSIONAL RECORD a resolution passed by the Democratic convention in my State last week looking to the calling of a world economic conference with a view to opening up the markets of the world and extending our trade, particularly trade in agricultural products. I want to commend that thought to the Senate.

I have always been interested in the proposition, and I am glad to state that last fall a delegation came to Washington from Russia, headed by Mr. Victor P. Nogin, representing the All-Russian Textile Syndicate.

The object of that delegation was to purchase cotton. They got into communication with some of us, and we sent them down South. Russia had not been in the market for purchasing our cotton, at least directly, for several years. I watched the development of the negotiations of that commission with great interest.

They stated to me that they wanted a large quantity of cotton and at first I was a little bit doubtful as to the result of their efforts; but I thought they were working along the right line, and I introduced them to the Cooperative Marketing Association of the South.

I am glad to state that up to this time they have purchased directly in the United States 120,000 bales of cotton and shipped it to Russia. Also, at this moment they are loading another shipment of 20,000 bales at New Orleans and are loading two shipments at Savannah, Ga., one of 8,000 and one of 8,500 bales, and they are in the market for considerably more of our cotton. I look upon that as a splendid outlet for our produce, and I hope that trade will continue to grow.

I was sorry to hear on last Saturday that Mr. Nogin, the head of this delegation which came to the United States, had died suddenly. He was a man of very great influence in Russia, a man of splendid personality, a charming individual. I look upon his death as a great loss to our agriculture.

We want to open up other markets of this kind, and I have a bill pending now—the Alien Property Custodian bill—which I hope to have taken up this afternoon and passed. It will encourage our people very much and it will encourage the people of Germany, Austria, and Hungary to buy our raw agricultural products.

By passing that bill we would enable the Germans, who have the mills and who have the labor and who have the demand for the goods, to convert their labor into cash. That is true also of the people of Austria and Hungary. There is great demand for our raw agricultural products, and we have been debating measures since this session has convened looking toward aid to agriculture; but I confess that I do not think we have passed very many practical measures along that line. I hope that we will pass at least one before the session ends. I am one who thinks the session will end pretty soon. I do not need any propaganda to convince me that the business interests of this country will be pretty thankful the day we adjourn. We ought to get right down to business and pass some of the needful legislation and adjourn at an early date.

I hope the resolution passed by the Democratic convention in my State will receive favorable attention at the hands of the country at large, and that before we meet here again some conference will be held whereby we can enlarge our trade, whereby the markets of the world will be opened up, and whereby the producers of agricultural products will feel encouraged to make renewed efforts and feel that they are beginning to get just compensation for what they produce.

INVESTIGATION OF RAILROAD PROPAGANDA

The Senate resumed the consideration of Senate Resolution 124, relating to railroad propaganda.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Florida [Mr. TRAMMELL] to the amendment reported by the committee as amended.

Mr. KING. Mr. President, may we not have the amendment to the amendment stated?

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, line 11, before the semicolon, insert a comma and the following words:

> or the expense of the publication of a newspaper or the contribution of financial support, directly or indirectly, toward the expense for the publication of a newspaper.

Mr. KING. May I inquire of the Senator from Idaho if the amendment just read, or the substance of it, is not already comprised within the resolution as reported by the committee?

Mr. GOODING. I think the amendment makes it a little clearer and more definite. I believe the amendment rather improves the resolution.

Mr. KING. May I inquire also of the Senator whether the provision still remains calling for an investigation of chambers of commerce and clubs and civic organizations?

Mr. GOODING. The chairman of the Committee on Interstate Commerce will offer an amendment to eliminate that provision on page 5, line 5.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Florida to the committee amendment.

On a division the amendment to the amendment was rejected.

Mr. TRAMMELL subsequently submitted an amendment to the resolution (S. Res. 134), which was ordered to be printed and to lie on the table.

POSTMASTERS AND POSTAL EMPLOYEES

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 1898.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDING OFFICER. The Clerk will read the amendment in the nature of a substitute reported by the Committee on Post Offices and Post Roads.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Edwards	Ladd	Shipstead
Ball	Ferris	Lodge	Shortridge
Bayard	Fess	McKellar	Simmons
Borah	Fletcher	McKinley	Smith
Brandegee	Frazier	McLean	Smoot
Brookhart	George	McNary	Stanley
Broussard	Gooding	Mayfield	Sterling
Bursum	Hale	Means	Swanson
Cameron	Harreld	Norris	Trammell
Capper	Harris	Oddie	Underwood
Caraway	Harrison	Overman	Wadsworth
Copeland	Heflin	Pepper	Walsh, Mass.
Couzens	Howell	Phipps	Walsh, Mont.
Cummins	Johnson, Calif.	Pittman	Warren
Curtis	Johnson, Minn.	Ralston	Watson
Dale	Jones, N. Mex.	Randell	Weller
Dial	Jones, Wash.	Reed, Pa.	Wheeler
Dill	Kendrick	Robinson	
Edge	King	Sheppard	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, there is a quorum present.

CONDITIONS RESPECTING RECLAMATION PROJECTS

Mr. BORAH. Mr. President, before we formally take up the bill for reading I want to call attention to a matter which ought to engage our attention if arrangements are being made, as I understand they are, for final adjournment. It is contemplated, so it is said, that we will adjourn about the 7th of June. If that is the program I trust that those who have in charge the arrangement for adjournment will take into consideration that it is absolutely necessary that some legislation be had with reference to our reclamation projects before adjournment takes place. The conditions with reference to agriculture are serious enough in different parts of the country, but the conditions are even more serious in many respects upon the reclamation projects. They have not only had to meet the burdens and face the conditions which agriculturists generally have had to meet, but in addition to that they have had to meet the expense of maintenance charges and construction charges which have created a real crisis with reference to the projects.

Some time ago the President appointed what is known as a fact-finding commission to look into conditions on these projects. That fact-finding commission has now reported and there is a bill pending in the House and also now one in the Senate designed to carry out the program as outlined by the fact-finding commission. It is in the nature of relief to the projects and also involves in a measure a reconstruction or redrafting, as it were, of the reclamation law. It is a very important piece of legislation, and unless there is enacted that legislation or some similar legislation, legislation in the way of relief, there will be thousands of settlers lose their homes before the Congress comes into session next December.

It is in every sense, therefore, a situation which demands that the Congress act before it adjourns. It is not a subject which calls into consideration many different phases of the

economic and industrial and agricultural situation, like other bills which are pending with reference to general agricultural relief. It is, in a sense, a very simple proposition. It is a case where the United States Government is the creditor and the people upon the lands are the debtors. It is a simple proposition of whether the Government will readjust the situation so as to enable these people to retain the homes which they have been striving to open up and maintain for the last 10 or 15 years.

I call attention to this only briefly to-day, because it is not my purpose to take up the time of the Senate while another bill is pending and go into detail in regard to the matter, but for the reason that it is practically impossible and to my mind inconceivable that the Congress would attempt to adjourn until that legislation is taken care of. I trust that those who have in charge the situation will not contemplate any such program. I should be compelled to oppose it in every way at my command.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER (Mr. LADD in the chair). Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. BORAH. I yield.

Mr. STERLING. May I ask the Senator from Idaho if he knows the status of the legislation in the House?

Mr. BORAH. The bill now seems to be upon the verge of being reported out of the committee, and it is believed that a rule will be reported for the purpose of having it considered in the House. It may take some little time. We are simply using our time against the settlers' homes, and I imagine we have plenty of time for that purpose.

Mr. DIAL. May I ask the Senator if it is contemplated to cancel the debt?

Mr. BORAH. I myself have not any such program in contemplation, but I understand there was a provision in the Smith bill as it was originally introduced contemplating marking off part of the debt.

Mr. SMOOT. But that has no reference whatever to the six projects to which the Senator from Idaho has referred at the present time.

Mr. DIAL. How much is contemplated wiping off?

Mr. BORAH. I do not recall the exact figures. I am not asking at this time to mark off any of the debt. We are simply asking an opportunity under the circumstances to pay the debt; we are asking for time.

Mr. DIAL. The Senator merely wants an extension of time?

Mr. BORAH. That is the first consideration. But the bill deals with the whole subject.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Florida?

Mr. BORAH. I yield.

Mr. FLETCHER. May I ask the Senator whether this is contemplated? From a statement in the Washington Post of April 11 it appears that "a comprehensive overhauling of the Government reclamation program, involving the charging off as a total loss of $27,391,146 of the approximately $150,000,000 invested, and providing measures of relief to thousands of farmers and permission for further Federal expenditures on irrigation of the arid wastes of the West is urged in the report submitted by Secretary Work."

The article further said there are 3 projects pronounced as failures and 28 more in danger. I am wondering if the bill contemplates a remedy for that situation?

Mr. BORAH. The bill, as I recall, as it was originally introduced from the House—I do not know its terms at this time, because they have been working on it—did contemplate marking off a part of the debt. I did not give very much consideration to that because I have not been an advocate of marking off the debt at this time. I have felt that could be dealt with later. We are not asking for relief from any part of the debt, but if that is objectionable and when the bill comes here it has in it any such provision, we can soon dispose of it, because that is not the thing with which we are now immediately concerned. We are now immediately concerned with such relief legislation as will give more time to pay the debt, so far as we are concerned, speaking now for my State. These people have given every evidence of good faith. But under the circumstances they must have relief and they must have it before this session closes. What I desire and what I shall insist upon is that the bill be taken up; the details we can discuss when the bill is before us.

Mr. UNDERWOOD obtained the floor.

Mr. EDGE. Mr. President, will the Senator from Alabama yield?

Mr. UNDERWOOD. For what purpose?

Mr. EDGE. Merely to make a statement with reference to the unanimous-consent agreement now in effect. It will take me only about a minute to make the statement.

Mr. UNDERWOOD. I will say to the Senator that I want to speak on the subject that is now before the Senate as presented by the remarks of the Senator from Idaho [Mr. BORAH] and I do not want the discussion to get beyond that matter. If it is merely for a one-minute statement, of course I will yield to the Senator, but if he desires to make a speech on some subject, I can not yield.

Mr. EDGE. I merely desire to call the attention of the Senate to the fact, in all fairness to the Senate, that under the unanimous-consent agreement after 4 o'clock this afternoon the debate on the pending unfinished business will be limited to 10 minutes on amendments and 10 minutes on the bill. Of course, I appreciate that any subject may be discussed in the meantime, but I repeat that at 4 o'clock we are limited in the discussion of the postal bill to 20 minutes.

Mr. UNDERWOOD. I thank the Senator for his suggestion, and it is a wise one. It is unfortunate that the Senate does not pursue a policy of discussing the issue before the Senate on all questions.

Mr. EDGE. I agree with the Senator as to that.

Mr. UNDERWOOD. I rarely speak, and I do not intend to occupy any great length of time now.

The Senator from Idaho [Mr. BORAH] has called the attention of the Senate to a matter of grave importance to his people and to the people of the adjoining States which requires attention before final adjournment; and I wish to say to that Senator, that so far as I am concerned, I am in entire sympathy with him, although I live in a different section of the country, where irrigation has no part whatever in our life as a State or in the pursuits of our people. I recall many years ago when the first irrigation bill was introduced. I was then a member of the committee, in the House of Representatives, having charge of the measure. The bill was reported out of the committee by one vote, and I cast my vote in favor of giving an opportunity to the western people to assemble the rain water of their States and use it in order to make the land produce and to enable the people to prosper. I have never changed my mind on that subject. I have always supported the irrigation projects of the West; and so far as concerns the suggestion that is made here that possibly some of the indebtedness that is due the Government from settlers on irrigation projects shall be marked off, I am not adverse to that suggestion.

Without intending to reflect on anybody, I know that through the shifting of the political sands, the natural drift of political sentiment, we probably have gone into some irrigation projects in the West which will not pay on the basis of the cost of irrigation; and yet we have invited people to go upon those lands, to settle upon them, and to make their homes there, and their homes are now involved.

Mr. KENDRICK. Mr. President——

Mr. UNDERWOOD. Just a moment until I finish this thought.

Unless the Government of the United States is going to look the question in the face, acknowledge its own mistake, and readjust the charges on those lands in such a way that the men living on them can earn a livelihood, the question will never be solved and we shall have bankrupt people there fighting for their homes. I think the problem should be adjusted, and I am in thorough accord with the sentiment which has been expressed by the Senator from Idaho in favor of an adjustment before this session of Congress shall finally adjourn.

I now yield to the Senator from Wyoming, if he desires that I shall do so.

Mr. KENDRICK. Mr. President, I merely wish to call the attention of the Senator from Alabama to the fact that in the initiation of a reclamation project there is a dual responsibility between the Government and the settler whereby they attempt together to reclaim an otherwise desolate section of country. Even though it should be found necessary to write off a part of the original cost of irrigation as to one or more projects, it does not follow that the responsibility of the resulting loss should fall altogether on the settler.

Mr. UNDERWOOD. That is what I stated.

Mr. KENDRICK. That is true because, as the irrigation service is a new branch of governmental activity, it is only natural that that service should make mistakes, and they have made mistakes. It is not only unfair to impose the burden of those mistakes altogether upon the settlers but it is uneconomical to the Government for the Government to insist upon payments which the settler can not make.

Mr. UNDERWOOD. I agree with the Senator as to that.

Mr. KENDRICK. It is in the interest of good business judgment that the Government shall not insist upon such payments.

Mr. UNDERWOOD. If the Government could continue to allow the settlers to stay on the land and the settlers living on the land could make the money with which to pay the Government back, of course the Government would be entitled to its money; but if a situation has arisen on some of these irrigation projects where it is absolutely impossible for the settlers to make such a return as will enable them to pay the Government back, should the Government insist on such payment, we should be destroying homesteads and accomplish nothing for the Government.

Mr. KENDRICK. In other words, the Government would be merely indulging in a fruitless effort to wear out two or three sets of settlers in order to take care of the responsibilities of one set.

Mr. UNDERWOOD. I agree with the Senator.

Mr. PITTMAN. Mr. President, before the Senator from Alabama proceeds to discuss the other subject on which he intends to address the Senate, I wish to say that I agree with the Senator from Idaho [Mr. BORAH] that the most important thing is to get action in reference to this matter. In what shape the bill shall be finally passed is far less material than passing some remedial legislation, which is essential.

The Senator from South Carolina [Mr. DIAL] has asked if the bill does not contemplate writing off a part of this indebtedness. I say that it does. The only indebtedness, however, that I know of which it intends to write is the increased indebtedness over that which was represented to be the cost originally of irrigation by reason of the mistakes of the Government. I am not blaming the Government for those mistakes, however. For instance, in one case the Reclamation Service estimated that they could get so much water from a certain water supply. That water, it was estimated, would irrigate 150,000 acres of land. It turned out, however, that the water available would irrigate only 80,000 acres of land, so the total cost of the reservoir site had to be divided amongst 80,000 acres of land instead of 150,000 acres.

Mr. UNDERWOOD. It was an engineering mistake.

Mr. PITTMAN. It was an engineering mistake. The one who should stand any loss occurring through the mistake is the one who is responsible for it; that is fundamental; but in the long run there will be no loss to the Government. Why? Because the money that has gone into these projects, whether it be a part of it that is written off or not paid back by the settler, has not come from taxation of the people of this country. It has come from the disposal of the public lands and from the royalties derived from the natural resources of the public lands of the Western States. So it does not lie in the mouth of anyone to make complaint.

Mr. KENDRICK. Mr. President——

Mr. UNDERWOOD. I should be glad to yield to my friend, but I really rose to discuss another subject, and I should like to get to it.

Mr. KENDRICK. I will interrupt the Senator for only a moment. I wish to say that I indorse all that the Senator from Idaho [Mr. BORAH] has said in connection with the necessity of action on the particular measure referred to. Moreover, relief from the present situation is so vitally important to our people that I for one shall vote against final adjournment unless action can be had upon this and other farm legislation.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. UNDERWOOD. I yield.

Mr. DIAL. I do not want to impose upon the good nature of my friend from Alabama, but at the proper time some of us will have something to say about this matter. The resources to which reference has been made belong to the people of the United States and not to the people of particular States, and I am not in favor of cancellation.

Mr. UNDERWOOD. Mr. President, if my friends will allow me, I do not like to interfere with the debate on the subject which has been discussed, but there is something that I rose to say which I think is pertinent to the question of adjournment and pertinent to the desire that our western friends have in asking that the people who live in the West shall be treated fairly. So far as I know, Members of the House and Senate from the section of the Union from which I come have almost uniformly and unanimously voted with the people of the West to develop their irrigation projects and build their homesteads. We have, however, before Congress a problem that came from the war, a problem that has been knocking at the doors here so long that a great many Members of the House and of the Senate are disposed to treat it in a light vein, as if it were not a matter of importance. Nevertheless, it is a problem that is of vital interest not only to the Government but to the people particularly of the section of the country which I in part represent. It is a problem that is here to be solved; and yet we mark time from day to day. I will say to the Members of the Senate who ask us to see that they shall have an opportunity for the consideration of measures affecting the great irrigation projects in their section that when the time comes for the consideration of the problem to which I refer, which is of vital importance to us, we who give you our support are relegated to the rear; we are held in committee; we are driven away from the front line and not given an opportunity for the consideration of that problem which is pressing the Government at this hour.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. UNDERWOOD. I yield.

Mr. BORAH. I will say to the Senator that if he has reference to the Senator from Idaho standing in its way, I am perfectly willing to take up the Muscle Shoals legislation to-day.

Mr. UNDERWOOD. I am glad to hear the Senator say that.

Mr. BORAH. I have never voted against taking it up.

Mr. UNDERWOOD. I will say to the Senator that I am in accord with the statement he has made to-day because I think it is just, but I think it is equally just that before an adjournment is had the Members of the Senate shall be given an opportunity for a fair vote on the Muscle Shoals project.

Mr. BORAH. I will cooperate with the Senator.

Mr. UNDERWOOD. I thank the Senator for his cooperation.

Mr. KING. I will help the Senator, also.

Mr. UNDERWOOD. I thank the Senator from Utah.

Mr. President, I wish to call the attention of the Senate to the fact that a great dam was projected during the war and was half completed when the Congress of the United States scrapped it and left it idle for more than a year. Then it was taken up again, and an appropriation was made to go on with the work. That work to-day is nearing completion, and within a year from this time the greatest dam in the United States will be completed, and not only will the dam be completed, but the hydraulic power machinery will be in place, and it will merely be necessary to attach the wires to enable the people of the United States to enjoy the industrial and economic development that will come from the completion of this great work.

We have taken up the matter several times. Some years ago I aided in passing a bill through the Senate for the disposition of Muscle Shoals when completed. The bill failed. The Secretary of War, acting under the direction of the then President of the United States, said that the present administration would not lend itself to the operation of this great plant by the Government; that it must be done by private enterprise, and he asked for bids. Then Mr. Henry Ford, a competent man and capable financially, submitted a bid. I have always contended that when Mr. Ford was invited by the Government to submit a bid on a project, and it was properly laid before the Congress by the Secretary of War, he was entitled either to the acceptance or rejection of his bid. We have met our fate in committees; we have been kept out on the side lines; and everybody who knows anything knows that the final disposition of this power question can not be had until a vote on the Ford proposal is had in the Senate.

Senators from the West appeal to us to help them in what is a natural desire to take care of their constituencies, and yet when it comes to a proposition that means putting into operation within a year a completed plant, or deciding whether it is wiser to dispose of this great power for the making of fertilizer for the farmers of America, or to dispose of it in some other way, we are not given an opportunity to consider it; and that result is brought about by their votes, because the committee having the matter in charge to-day is dominated by the votes of this very western country. I do not say that they have a majority, but they have the dominating votes, which up to this hour have prevented this matter from being considered by the United States Senate.

I am not saying how any man shall vote. My own mind is made up. I believe that the Ford proposal is the best that has come before the Government; but I am not quarreling with any other man as to how he should vote. I do say, however, that our friends from the West, who have received our help, who have accomplished great results in that western country by the power of our votes, are not in a position to stand in the Senate and say that we ought not to adjourn because there is pending legislation of vital need to their constituents, when they sit in

the committee and on the skirmish lines of the Senate and delay and prevent an honest and a straight vote on this problem, which must be determined. It must be determined not only in the interest of the people who will receive the benefit of this development but in the interest of the Government.

Everybody knows that we can not dispose of this matter at the short session of Congress. Everybody knows that if we are going to distribute this electricity from the wheels that will be ready to turn within a year, it will take time and money to lay the great lines of wire that will distribute it to the country. Everybody knows that if we are going to use it off the wheels at the place where it is generated, we must prepare the plants to use it. We are approaching that hour; it will arrive within a year and it will take all of the year to prepare for it; and yet, when we say "Vote!" we are locked in a committee by the very men who ask our help.

I want to say that I do not believe in legislation by revenge. I do not believe in voting against a good legislative proposition because you receive bad treatment at the hands of its advocates. I do say, however, that I should not be properly representing the constituency from whom I hold a commission or properly representing the Government of the United States, when you say you desire a vote on a great and meritorious project in your country, if I did not say to you that justice also demands that this Muscle Shoals proposition should be disposed of before this session of Congress adjourns.

I say that not by way of a threat—because I will say to the Senator that no matter how he or his friends vote on the proposition it will not deter me from doing justice to his people—but I say it by way of appeal. Regardless of how you may feel on the final vote, I think we are entitled to your help in seeing that consideration of this question is granted before adjournment takes place.

Mr. BORAH. I quite agree with the Senator.

Mr. WARREN. Mr. President, I shall take only a moment; but I want very heartily to thank the Senators who have preceded me for their good intentions concerning irrigation. There is no question but that there is an emergency along that line that ought to receive our attention before we adjourn.

I want to say further to my friend, the Senator from Birmingham (Alabama)—I say "Birmingham" because that is known the world over—that I stand ready to vote at any moment upon the matter in which he is so much interested, first because it is one of the things that we ought to dispose of, and second because, as the Senator has stated, his help has always been ours in these matters of irrigation, and we have no right to ignore the wishes of one State more than another. We are all together, North, South, East, and West.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the Presiding Officer (Mr. MOSES) as Acting President pro tempore:

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1910," and for other purposes;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 1475. An act for the relief of Lake Ratigan;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.;

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 4961. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes;

H. R. 6353. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 6715. An act to reduce and equalize taxation, to provide revenue, and for other purposes;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State; and

H. R. 8350. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes.

POSTMASTERS AND POSTAL EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1898) to readjust the compensation of postmasters and reclassify and readjust the salaries and compensation of employees in the Postal Service.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the committee.

Mr. EDGE. Mr. President, I request that the bill be read. It has not yet been read.

Mr. FLETCHER. Mr. President, the amendment proposed by the committee is to be now read.

The PRESIDENT pro tempore. The amendment offered by the committee is a substitute for the entire bill.

Mr. EDGE. For the entire bill? It has not been read.

Mr. FLETCHER. It has not been read.

The PRESIDENT pro tempore. At this parliamentary stage an amendment may be offered either to the text of the original bill or to the substitute proposed by the committee.

Mr. EDGE. That is as I understand it.

The PRESIDENT pro tempore. The Secretary will read the amendment in the nature of a substitute.

The PRINCIPAL CLERK. The committee proposes to strike all after the enacting clause, and to insert:

That on and after July 1, 1924, postmasters and employees of the Postal Service shall be reclassified and their salaries and compensation readjusted, except as otherwise provided, as follows:

CLASSIFICATION OF POSTMASTERS

That postmasters shall be divided into four classes, as follows:

The first class shall embrace all those whose annual salaries are $3,200 or more.

The second class shall embrace all those whose annual salaries are less than $3,200, but not less than $2,400.

The third class shall embrace all those whose annual salaries are less than $2,400, but not less than $1,100.

The fourth class shall embrace all postmasters whose annual compensation amounts to less than $1,100, exclusive of commissions on money orders issued.

SALARIES OF POSTMASTERS

The respective compensation of postmasters of the first, second, and third classes shall be annual salaries, graded in even hundreds of dollars, and payable in semimonthly payments to be ascertained and fixed by the Postmaster General from their respective quarterly returns to the General Accounting Office, or copies or duplicates thereof to the First Assistant Postmaster General, for the calendar year immediately preceding the adjustment, based on gross postal receipts at the following rates, namely:

First class—$40,000, but less than $50,000, $3,200; $50,000, but less than $60,000, $3,000; $60,000, but less than $75,000, $3,400; $75,000, but less than $90,000, $3,500; $90,000, but less than $120,000, $3,600; $120,000, but less than $150,000, $3,700; $150,000, but less than $200,000, $3,800; $200,000, but less than $250,000, $3,900; $250,000, but less than $300,000, $4,000; $300,000, but less than $400,000, $4,200; $400,000, but less than $500,000, $4,500; $500,000, but less than $600,000, $5,000; $600,000, but less than $7,000,000, $6,000; $7,000,000 and upward, $8,000.

Second class—$8,000, but less than $12,000, $2,400; $12,000, but less than $15,000, $2,500; $15,000, but less than $18,000, $2,600; $18,000, but less than $22,000, $2,700; $22,000, but less than $27,000, $2,800; $27,000, but less than $33,000, $2,900; $33,000, but less than $40,000, $3,000.

SALARIES AND ALLOWANCES TO THIRD-CLASS POSTMASTERS.

Third class—$1,500, but less than $1,600, $1,100; $1,600, but less than $1,700, $1,200; $1,700, but less than $1,900, $1,300; $1,900, but less than $2,100, $1,400; $2,100, but less than $2,400, $1,500; $2,400, but less than $2,700, $1,600; $2,700, but less than $3,000, $1,700; $3,000, but less than $3,500, $1,800; $3,500, but less than $4,200, $1,900; $4,200, but less than $5,000, $2,000; $5,000, but less than $6,000, $2,100; $6,000, but less than $7,000, $2,200; $7,000, but less than $8,000, $2,300: *Provided*, That when the gross postal receipts of a post office of the third class for each of two consecutive calendar years are less than $1,500, or when in any calendar year the gross postal receipts are less than $1,400, it shall be relegated to the fourth class: *Provided*, That postmasters at offices of the third class may be granted for clerk hire an allowance not to exceed $450 per annum where the salary of the postmaster is $1,100, $1,200, or $1,300; nor in excess of $700 per annum where the salary of the postmaster is $1,400, $1,500, or $1,600; nor in excess of $800 per annum where the salary of the postmaster is $1,700, $1,800, or $1,900; nor in excess of $1,100 per annum where the salary of the postmaster is $2,000 or $2,100; nor in excess of $1,400 where the salary of the postmaster is $2,200 or $2,300: *Provided further*, That the Postmaster General may in the disbursement of the appropriation for this purpose and within its limitation provide for the employment at a maximum salary of $900 per annum of assistant postmasters at post offices of the third class where the salary of the postmaster is $2,200 or $2,300 per annum.

SALARIES AND ALLOWANCES TO FOURTH-CLASS POSTMASTERS

Fourth class—The compensation of postmasters of the fourth class shall be fixed upon the basis of the whole of the box rents collected at their offices and commissions upon the amount of canceled postage-due stamps and on postage stamps, stamped envelopes, and postal cards canceled, on matter actually mailed at their offices, and on the amount of newspaper and periodical postage collected in money, and on the postage collected in money on identical pieces of third and fourth class matter mailed under the provisions of the act of April 28, 1904, without postage stamps affixed, and on postage collected in money on matter of the first class mailed under provisions of the act of April 24, 1920, without postage stamps affixed, and on amounts received from waste paper, dead newspapers, printed matter, and twine sold, at the following rates, namely:

On the first $75 or less per quarter the postmaster shall be allowed 155 per cent on the amount; on the next $100 or less per quarter, 80 per cent; and on all the balance, 70 per cent, the same to be ascertained and allowed by the General Accounting Office in the settlement of the accounts of such postmasters upon their sworn quarterly returns: *Provided*, That when the total compensation of any postmaster at a post office of the fourth class for the calendar year shall amount to $1,100, exclusive of commissions on money orders issued, and the receipts of such post office for the same period shall aggregate as much as $1,500, the office shall be assigned to its proper class on July 1 following, and the salary of the postmaster fixed according to the receipts: *Provided further*, That in no case shall there be allowed any postmaster of this class a compensation greater than $300 in any one of the first three quarters of the fiscal year, exclusive of money-order commissions, and in the last quarter of each fiscal year there shall be allowed such further sums as he may be entitled to under the provisions of this act, not exceeding for the whole fiscal year the sum of $1,100, exclusive of money-order commissions: *And provided further*, That whenever unusual conditions prevail the Postmaster General, in his discretion, may advance any post office from the fourth class to the appropriate class indicated by the receipts of the preceding quarter, notwithstanding the proviso which requires the compensation of fourth-class postmasters to reach $1,100 for the calendar year, exclusive of commissions on money-order business, and that the receipts of such post office for the same period shall aggregate as much as $1,500 before such advancement is made: *And provided further*, That when the Postmaster General has exercised the authority herein granted, he shall, whenever the receipts are no longer sufficient to justify retaining such post office in the class to which it has been advanced, reduce the grade of such office to the appropriate class indicated by its receipts for the last preceding quarter.

SALARIES OF POST-OFFICE INSPECTORS

SEC. 2. That post-office inspectors shall be divided into six grades, as follows: Grade 1—salary, $2,800; grade 2—salary, $3,000; grade 3—salary, $3,200; grade 4—salary, $3,500; grade 5—salary, $3,800; grade 6—salary, $4,000, and there shall be 15 inspectors in charge at $4,500: *Provided*, That in the readjustment of grades for inspectors to conform to the grades herein provided, inspectors who are now in present grades 1 and 2 shall be included in grade 1; inspectors who are now in present grade 3 shall be included in grade 2; inspectors who are now in present grade 4 shall be included in grade 3; inspectors who are now in present grade 5 shall be included in grade 4; inspectors who are now in present grade 6 shall be included in grade 5; and inspectors who are now in present grade 7 shall be included in grade 6: *Provided further*, That inspectors shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade, and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5; and the time served by inspectors in their present grade shall be included in the year's service required for promotion in the grades provided herein, except as to inspectors in present grade 1.

Inspectors and supervisory employees of the Railway Mail Service and post offices shall be paid their actual expenses not to exceed $7 per day while engaged on official business away from their homes and official domiciles.

That clerks at division headquarters of post-office inspectors shall be divided into six grades, as follows:

Grade 1—salary, $1,900; grade 2—salary, $2,000; grade 3—salary, $2,150; grade 4—salary, $2,300; grade 5—salary, $2,450; grade 6—salary, $2,600; and there shall be one chief clerk at each division headquarters at a salary of $3,000: *Provided*, That in the readjustment of grades for clerks at division headquarters to conform to the grades herein provided, clerks who are now in present grade 1 shall be included in grade 1; clerks who are now in present grade 2 shall be included in grade 2; clerks who are now in present grade 3 shall be included in grade 3; clerks who are now in present grade 4 shall be included in grade 4; clerks who are now in present grade 5 shall be included in grade 5; and clerks who are now in present grade 6 shall be included in grade 6: *Provided further*, That clerks at division headquarters shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5, and the time served by clerks in their present grades shall be included in the year's service required for promotion in the grades provided herein: *And provided further*, That whenever in the discretion of the Postmaster General the needs of the service require such action, he is authorized to transfer clerks from post offices at which division headquarters of post-office inspectors are located to the position of clerk at such division headquarters after passing a noncompetitive examination at a salary not to exceed $2,300. After such transfer is made effective clerks so transferred shall be eligible for promotion to the grades of salary provided for clerks at division headquarters of post-office inspectors. Hereafter when any clerk in the office of division headquarters in the post-office inspection service is absent from duty for any cause other than leave with pay allowed by law, the Postmaster General, under such regulations as he may prescribe, may authorize the employment of a substitute for such work, and payment therefor from the lapsed salary of such absent clerk at the rate not to exceed the grade of pay of the clerk absent without pay.

SALARIES OF ASSISTANT POSTMASTERS AND OTHER POST-OFFICE SUPERVISORS

SEC. 3. That at offices of the second class the annual salaries of assistant postmasters shall be in even hundreds of dollars, based on the gross postal receipts for the preceeding calendar year, as follows: $8,000, but less than $10,000, $2,200; $10,000, but less than $12,000, $2,200; $12,000, but less than $15,000, $2,200; $15,000, but less than $18,000, $2,300; $18,000, but less than $22,000, $2,300; $22,000, but less than $27,000, $2,400; $27,000, but less than $33,000, $2,400; $33,000, but less than $40,000, $2,500.

That at offices of the first class the annual salaries of the employees, other than those in the automatic grades, shall be in even hundreds of dollars, based on the gross postal receipts for the preceding calendar year, as follows:

Receipts $40,000, but less than $50,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $50,000, but less than $60,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $60,000, but less than $75,000—assistant postmaster, $2,600; superintendent of mails, $2,400. Receipts $75,000, but less than $90,000—assistant postmaster, $2,700; superintendent of mails, $2,500. Receipts $90,000, but less than $120,000—assistant postmaster, $2,700; superintendent of mails, $2,600; foremen, $2,500; Receipts $120,000, but less than $150,000—assistant postmaster, $2,800; superintendent of mails, $2,700; foremen, $2,500. Receipts $150,000, but less than $200,000—assistant postmaster, $2,900; superintendent of mails, $2,800; foremen, $2,500. Receipts $200,000, but less than $250,000—assistant postmaster, $3,000; superintendent of mails, $2,900; foremen, $2,500. Receipts $250,000, but less than $300,000—assistant postmaster, $3,100; superintendent of mails, $3,000; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $300,000, but less than $400,000—assistant postmaster, $3,200; superintendent of mails, $3,100; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $400,000, but less than $500,000—assistant postmaster, $3,300; superintendent of mails, $3,200; assistant superintendent of mails, $2,600; foremen, $2,500. Receipts $500,000, but less than $600,000—assistant postmaster, $3,500; superintendent of mails, $3,300; assistant superintendent of mails, $2,600; foremen, $2,500; postal cashier, $2,900; money-order cashier, $2,600. Receipts $600,000, but less than $1,000,000—assistant postmaster, $3,700; superintendent of mails, $3,500; assistant superintendent of mails, $2,800; foremen, $2,500; postal cashier, $3,100; money-order cashier, $2,800. Receipts, $1,000,000, but less than $2,000,000—assistant postmaster, $3,900; superintendent of mails, $3,700; assistant superintendents of mails, $2,700, $2,900, and $3,100; foremen, $2,500 and $2,600; postal cashier, $3,300; assistant cashiers, $2,600; money-order cashier, $3,000; bookkeepers, $2,400; station examiners, $2,400. Receipts $2,000,000, but less than $3,000,000—assistant postmaster, $4,000; superintendent of mails,

$3,800; assistant superintendents of mails, $2,700, $2,800, $3,000, and $3,300; foremen, $2,500 and $2,600; postal cashier, $3,400; assistant cashiers, $2,600 and $2,900; money-order cashier, $3,100; bookkeepers, $2,400 and $2,500; station examiners, $2,600. Receipts $3,000,000, but less than $5,000,000—assistant postmaster, $4,100; superintendent of mails, $3,600; assistant superintendents of mails, $2,700, $2,800, $3,100, and $3,500; foremen, $2,500 and $2,600; postal cashier, $3,600; assistant cashiers, $2,600, $2,800, and $3,100; money-order cashier, $3,300; bookkeepers, $2,400 and $2,500; station examiners, $2,600 and $2,800. Receipts $5,000,000, but less than $7,000,000—assistant postmaster, $4,300; superintendent of mails, $4,100; assistant superintendents of mails, $2,700, $2,800, $3,100, $3,300, and $3,700; foremen, $2,500 and $2,600; postal cashier, $3,800; assistant cashiers, $2,600, $2,900, and $3,100; money-order cashier, $3,500; bookkeepers, $2,400, $2,500, and $2,600; station examiners, $2,600 and $2,800. Receipts $7,000,000, but less than $9,000,000—assistant postmaster, $4,600; superintendent of mails $4,300; assistant superintendents of mails, $2,700, $2,800, $3,100, $3,500, and $3,900; foremen, $2,500 and $2,600; postal cashier, $4,000; assistant cashiers, $2,600, $2,800, $3,100, and $3,400; money-order cashier, $3,600; bookkeepers, $2,400, $2,500, and $2,600; station examiners, $2,600 and $2,800. Receipts $9,000,000, but less than $20,000,000—assistant postmasters, $4,700 and $4,600; superintendent of mails, $4,500; assistant superintendent of mails, $2,800, $2,900, $3,100, $3,500, $3,700, and $4,100; foremen, $2,500, $2,600, and $2,700; postal cashier, $4,100; assistant cashiers, $2,600, $2,800, $3,200, and $3,000; money-order cashier, $3,700; bookkeepers, $2,400, $2,500, $2,600, and $2,800; station examiners, $2,600 and $2,800. Receipts $20,000,000 and upward—assistant postmasters, $4,800 and $4,900; superintendent of mails, $4,700; assistant superintendent of mails, $2,800, $2,900, $3,300, $3,500, $3,900, and $4,100; superintendent of delivery, $4,700; assistant superintendents of delivery, $2,800, $2,900, $3,100, $3,500, $3,900, and $4,100; foremen, $2,500, $2,600, and $2,700; superintendent of registry, $4,300; assistant superintendents of registry, $2,800, $2,900, $3,100, $3,500, and $4,100; superintendent of money order, $4,300; assistant superintendent of money order, $4,100; auditor, $4,000; postal cashier, $4,800; assistant cashiers, $2,600, $2,800, $3,100, $3,300, and $3,800; money-order cashier, $3,900; bookkeepers, $2,400, $2,600, $2,800, and $3,300; station examiners, $2,600, $2,800, and $3,000.

The salary of superintendents of classified stations shall be based on the number of employees assigned thereto and the annual postal receipts. No allowance shall be made for sales of stamps to patrons residing outside of the territory of the stations. At classified stations each $25,000 of postal receipts shall be considered equal to one additional employee.

At classified stations the salary of the superintendent shall be as follows: 1 and not exceeding 5 employees, $2,400; 6 and not exceeding 18 employees, $2,500; 19 and not exceeding 32 employees, $2,600; 33 and not exceeding 44 employees, $2,700; 45 and not exceeding 64 employees, $2,800; 65 and not exceeding 90 employees, $2,900; 91 and not exceeding 120 employees, $3,000; 121 and not exceeding 150 employees, $3,100; 151 and not exceeding 350 employees, $3,300; 351 and not exceeding 500 employees, $3,500; 501 or more employees, $3,800.

At classified stations having 45 or more employees there shall be assistant superintendents of stations with salaries as follows: 45 and not exceeding 64 employees, $2,400; 65 and not exceeding 90 employees, $2,500; 91 and not exceeding 120 employees, $2,600; 121 and not exceeding 150 employees, $2,700; 151 and not exceeding 350 employees, $2,900; 351 and not exceeding 500 employees, $3,100; 501 employees and upward, $3,400: *Provided*, That not more than two assistant postmasters shall be employed at offices where the receipts are $9,000,000 and upward: *Provided further*, That at post offices where the receipts are $14,000,000 but less than $20,000,000, there shall be a superintendent of delivery whose salary shall be the same as that provided for the superintendent of mails, and assistant superintendents of delivery at the salaries provided for assistant superintendents of mails: *Provided further*, That in fixing the salaries of the postmaster and supervisory employees in the post office at Washington, D. C., the Postmaster General may, in his discretion, add not to exceed 75 per cent to the gross receipts of that office: *Provided further*, That not more than one assistant superintendent of mails, one assistant superintendent of delivery, one assistant superintendent of registry, and one assistant cashier shall be paid the maximum salary provided for these positions, except where receipts are $9,000,000 and less than $14,000,000, to which offices two assistant superintendents of mails shall be assigned at the maximum salary, one to be in charge of city delivery: *And provided further*, That State depositories for surplus postal funds and central accounting offices, where the gross receipts are less than $500,000, and no postal cashier is provided, the employee in charge of such records and adjustments of the accounts shall be allowed an increase of $200 per annum; if receipts are $500,000 and less than $5,000,000, the postal cashier shall be allowed an increase of $200 per annum: *And provided further*, That at all central accounting offices where the bookkeeper in charge performs the duties of auditor, he shall be designated chief bookkeeper, at a salary equal to that of the assistant cashier of the highest grade at that office: *And provided further*, That when an office advances to a higher grade because of increased gross postal receipts for a calendar year, promotion of all supervisory employees shall be made to the corresponding grade at the higher salary provided for the same titles or designations under the higher classification of the office based on its postal receipts: *And provided further*, That no employee in the supervisory grades shall receive a salary less than $100 more than that paid to the highest grade of clerk or special clerk: *Provided further*, That in the readjustment of salaries of all employees above the highest grade for special clerks, those at present designated by titles for which more than one grade of salary is provided shall be placed in the same relative grade and designation and receive the increased salary provided in this act.

CLERKS AND CITY LETTER CARRIERS

SEC. 4. That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into five grades, as follows: First grade—salary, $1,700; second grade—salary, $1,800; third grade—salary, $1,900; fourth grade—salary, $2,000; fifth grade—salary, $2,100: *Provided*, That in the readjustment of grades for clerks at first and second class post offices and letter carriers in the City Delivery Service to conform to the grades herein provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided further*, That hereafter substitute clerks in first and second class post offices and substitute letter carriers in the City Delivery Service when appointed regular clerks or carriers shall have credit for actual time served on a basis of one year for each 306 days of eight hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1: *And provided further*, That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade. All promotions shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *And provided further*, That there shall be two grades of special clerks as follows: First grade—salary, $2,200; second grade—salary, $2,300: *Provided*, That in the adjustment of grades for special clerks to conform to the grades herein provided special clerk grade 1 shall include present grade 1, and special clerk grade 2 shall include present grade 2: *Provided further*, That printers, mechanics, and skilled laborers, employees of the United States stamped-envelope agency at Dayton, Ohio, shall for the purpose of promotion and compensation be deemed a part of the clerical force.

That the pay of substitute, temporary, or auxiliary clerks at first and second class post offices and substitute letter carriers in the City Delivery Service shall be at the rate of 65 cents per hour: *Provided*, That marine carriers assigned to the Detroit River Marine Service shall be paid annual salary of $300 in excess of the highest salary paid carriers in the City Delivery Service: *Provided further*, That hereafter special clerks, clerks, and laborers in first and second class post offices and carriers in the City Delivery Service shall be required to work not more than eight hours a day: *Provided further*, That the eight hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duty of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, and it is not practicable to employ substitutes, special clerks, clerks, and laborers, in the first and second class post offices and carriers in the City Delivery Service can be required to work in excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *And provided further*, That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by eight will give the hourly compensation for such overtime service: *And provided further*, That when the needs of the service require the employment on Sundays and holidays of foremen, special clerks, clerks, carriers, watchmen, messengers, or laborers, at first and second class post offices, they shall be allowed compensatory time on 1 day within 6 days next succeeding the Sunday, except the last 3 Sundays in the calendar year, and on 1 day within 30 days next succeeding the holiday and the last 3 Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

WATCHMEN, MESSENGERS, AND LABORERS

SEC. 5. That messengers, watchmen, and laborers in first and second class post offices shall be divided into two grades, as follows: First grade, salary $1,450; second grade, salary $1,550: *Provided*, That

watchmen, messengers, and laborers shall be promoted to the second grade after one year's satisfactory service in grade 1: *Provided further*, That watchmen, messengers, and laborers, after three years in the Postal Service as regular employees, shall be eligible for promotion to first grade clerical and carrier positions, upon passing a noncompetitive examination, on recommendation of the Post Office Department: *And provided further*, That the pay of substitute watchmen, messengers, and laborers shall be at the rate of 55 cents per hour.

MOTOR-VEHICLE SERVICE

SEC. 6. That employees in the motor-vehicle service shall be classified as follows: Superintendents, $2,400, $2,600, $2,800, $3,000, $3,400, $3,600, $3,800, $4,000, and $5,000 per annum; assistant superintendents, $2,500, $2,600, and $2,800 per annum; chiefs of records, $2,200, $2,300, $2,400, $2,500, $2,600, $2,800, and $3,000; chiefs of supplies, $2,200, $2,300, and $2,400; chief dispatchers, $2,300 and $2,500; route supervisors, $2,400, $2,500, and $2,600; dispatchers, $2,100, $2,200, and $2,300; chief mechanics, $2,400, $2,500, $2,600, $2,800, and $3,000; mechanics in charge, $2,200, $2,300, and $2,400; and special mechanics, $2,000, $2,100, and $2,200: *Provided*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less that $2,000 per annum.

That general mechanics employed in the motor-vehicle service shall be divided into three grades: First grade, salary $1,900; second grade, salary $2,000; third grade, salary $2,100; and clerks employed in the motor-vehicle service shall be divided into five grades as follows: First grade, salary $1,700; second grade, salary $1,800; third grade, salary $1,900; fourth grade, salary $2,000; fifth grade, salary $2,200: *Provided*, That in the readjustment of grades for clerks in the motor-vehicle service to conform to the grades above provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided*, That general mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the third grade, and clerks employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade, at the respective offices where employed, and promotion shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *Provided further*, That at first-class post offices there shall be two grades of special clerks in the motor-vehicle service—grade 1, salary $2,200; grade 2, salary $2,300: *Provided further*, That in the readjustment of grades for special clerks to conform to the grades herein provided, special clerk, grade 1, shall include present special clerk, grade 1, and special clerk, grade 2, shall include present special clerk, grade 2.

Mechanics' helpers employed in the motor-vehicle service shall receive a salary of $1,600 per annum: *Provided*, That on satisfactory evidence of their qualifications after one year's service mechanics' helpers shall be promoted to the first grade of general mechanics as vacancies may occur.

That driver-mechanics employed in the motor-vehicle service shall be divided into five grades: First grade, salary $1,600; second grade, salary $1,700; third grade, salary $1,800; fourth grade, salary $1,900; fifth grade, salary $2,000; and garagemen-drivers employed in the motor-vehicle service shall be divided into two grades: First grade, salary $1,450; second grade, salary $1,550: *Provided*, That in the readjustment of salaries provided for in this act all driver-mechanics shall be classified in the respective grades, as follows: Those with less than one year's service shall be placed in grade 1; those with more than one year's service and less than two years' service shall be placed in grade 2; those with more than two years' service and less than three years' service shall be placed in grade 3; those with more than three years' service and less than four years' service shall be placed in grade 4; those with more than four years' service shall be placed in grade 5: *Provided further*, That driver-mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade at the respective offices where employed: *Provided further*, That garagemen-drivers in the motor-vehicle service shall be promoted after one year's satisfactory service in the first grade to the second grade at the respective offices where employed, and promotions of driver-mechanics and garagemen-drivers shall be made at the beginning of the quarter following one year's satisfactory service in the grade.

That the pay of substitute, temporary, or auxiliary employees in the motor-vehicle service shall be as follows: Special mechanics at the rate of 75 cents per hour; general mechanics at the rate of 70 cents per hour; clerks and driver-mechanics at the rate of 65 cents per hour; and garagemen-drivers at the rate of 55 cents per hour.

That special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service shall be required to work not more than eight hours a day: *Provided*, That the eight hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duties of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, special clerks, clerks, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service can be required to work in excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *Provided further*, That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by eight will give the hourly compensation for such overtime service: *Provided further*, That when the needs of the service require the employment on Sundays and holidays of route supervisors, special clerks, clerks, dispatchers, mechanics in charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime in lieu of compensatory time for service on Sundays and holidays.

RAILWAY MAIL SERVICE

SEC. 7. That the annual salaries of employees of the Railway Mail Service shall be as follows: Division superintendents, $4,500; assistant division superintendents and assistant superintendents at large, $3,900; assistant superintendent in charge of car construction, $3,300; chief clerks, $3,300; assistant chief clerks, $2,900: *Provided*, That the clerks in charge of sections in the offices of the division superintendents shall be rated as assistant chief clerks at $2,800 salary.

That railway postal clerks shall be divided into two classes, class A and class B, and into seven grades with annual salaries as follows: Grade 1, salary $1,900; grade 2, salary $2,000; grade 3, salary $2,150; grade 4, salary $2,300; grade 5, salary $2,450; grade 6, salary $2,600; grade 7, salary $2,700.

Laborers in the Railway Mail Service shall be divided into two grades with annual salaries as follows: Grade 1, salary $1,450; grade 2, $1,550.

Laborers shall be promoted to grade 2 after one year's satisfactory service in grade 1: *Provided*, That in the readjustment of the service to conform to the grades herein provided for laborers, grade 1 shall include laborers in present grade 1, and grade 2 shall include laborers in present grade 2.

Substitute railway postal clerks shall be paid for services actually performed at the rate of $1,850 per annum, the first year of service to constitute a probationary period, and when appointed regular clerks shall receive credit on the basis of one year of actual service performed as a substitute and be appointed to the grade to which such clerk would have progressed had his original appointment as a substitute been to grade 1. Any fractional part of a year's substitute service will be included with his service as a regular clerk in determining eligibility for promotion to the next higher grade following appointment to a regular position.

All original appointments shall be made to the rank of substitute clerk and promotions in the grade of clerks and laborers in the Railway Mail Service shall be made at the beginning of the quarter following a year of satisfactory service in the next lower grade except as herein provided.

Promotions shall be made successively at the beginning of the quarter following a year's satisfactory service in the next lower grade.

In the readjustment of the service to conform to the grades herein provided, grade 1 shall include clerks in present grade 1, grade 2 shall include clerks in present grade 2, grade 3 shall include clerks in present grade 3, grade 4 shall include clerks in present grade 4, grade 5 shall include clerks in present grade 5, and grade 6 shall include clerks in present grade 6.

That the act approved February 28, 1919, be amended to read as follows:

"*Provided*, That the act of August 24, 1912 (37 Stat. p. 559), amended by the act approved March 3, 1917, be further amended to read as follows:

"'That hereafter in addition to the salaries provided by law the Postmaster General is hereby authorized to make travel allowances in lieu of actual expenses, at fixed rates per annum, not exceeding in the aggregate the sum annually appropriated, to railway postal clerks, acting railway postal clerks, and substitute railway postal clerks, including substitute railway postal clerks for railway postal clerks granted leave with pay on account of sickness, assigned to duty in railway post-office cars, while on duty, after 10 hours from the time of beginning their initial run, under such regulations as he may prescribe, and in no case shall such an allowance exceed $5 per day.'"

Substitute railway postal clerks shall be credited with full time while traveling under orders of the department to and from their designated headquarters to take up an assignment, together with actual and necessary travel expenses, not to exceed $3 per day, while on duty away from such headquarters. When a substitute clerk performs service in a railway post office starting from his official headquarters he shall be allowed travel expenses under the law applying to clerks regularly assigned to the run.

Railway post-office lines shall be divided into two classes, class A and class B, and clerks assigned to class A lines shall be promoted successively to grade 4 and clerks in charge to grade 5. Clerks assigned to class B lines shall be promoted successively to grade 5 and clerks in charge to grade 6: *Provided*, That lines in present class A shall be continued in class A and lines in present class B shall be continued in class B.

Terminal railway post offices shall be divided into two classes—class A and class B—those having less than 10 employees shall be assigned to class A and those having 10 or more employees shall be assigned to class B. Clerks in class A terminals shall be promoted successively to grade 3, distributors to grade 4, and clerks in charge of tours to grade 5. Clerks in class B terminals shall be promoted successively to grade 3, distributors to grade 4, and clerks in charge of crews within a tour to grade 5, nad clerks in charge of tours to grade 6.

In terminals having more than 75 employees there may be a clerk in charge of the entire terminal of grade 7.

Transfer offices shall be divided into two classes—class A and class B; those having less than five employees shall be assigned to class A and those having five or more employees to class B. Clerks in class A shall be promoted successively to grade 3, distributors to grade 4, and clerks in charge to grade 5. Clerks in class B shall be promoted successively to grade 3, distributors to grade 4, clerks in charge of crews to grade 5, and clerks in charge of tours to grade 6.

Clerks assigned to the office of division superintendent or chief clerk shall be promoted successively to grade 4, and in the office of division superintendent four clerks may be promoted to grade 5 and eight clerks to grade 6, and in the office of chief clerk one clerk may be promoted to grade 5 and two clerks to grade 6.

Examiners shall be promoted successively to grade 6 and assistant examiners to grade 5, whether assigned to the office of division superintendent or chief clerk: *Provided*, That service of clerks shall be based on an average of not exceeding 8 hours daily for 306 days per annum, including proper allowance for all service required on lay-off periods. Clerks required to perform service in excess of 8 hours daily, as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time at their option for such overtime. Railway postal clerks assigned to terminal railway post offices and transfer offices and laborers in the Railway Mail Service shall be required to work not more than 8 hours a day, and that the 8 hours of service shall not extend over a longer period than 10 consecutive hours, and that in cases of emergency or if the needs of the service require they may be required to work in excess of 8 hours a day, and for such additional service they shall be paid in proportion to their salaries as fixed by law.

That section 3 of the act approved June 19, 1922 (41 Stat. p. 660), providing for leaves of absence of employees in the Postal Service be amended by adding the following proviso: "*Provided*, That hereafter not exceeding 5 days of the 15 days' annual leave with pay, exclusive of Sundays and holidays, granted to railway postal clerks assigned to road duty each fiscal year, may be carried over to the succeeding fiscal year."

RURAL MAIL DELIVERY SERVICE

SEC. 8. That the salary of carriers in the Rural Mail Delivery Service for serving a rural route of 24 miles six days in the week shall be $1,800; on routes 22 miles and less than 24 miles, $1,728; on routes 20 miles and less than 22 miles, $1,620; on routes 18 miles and less than 20 miles, $1,440; on routes 16 miles and less than 18 miles, $1,260; on routes 14 miles and less than 16 miles, $1,080; on routes 12 miles and less than 14 miles, $1,008; on routes 10 miles and less than 12 miles, $936; on routes 8 miles and less than 10 miles, $864; on routes 6 miles and less than 8 miles, $792; on routes 4 miles and less than 6 miles, $720. Each rural carrier assigned to a route on which daily service is preformed shall receive $30 per mile per annum for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage, and each rural carrier assigned to a route on which triweekly service is performed shall receive $15 per mile for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage.

Deductions for failure to perform service on a standard rural delivery route for 24 miles and less shall not exceed the rate of pay per mile for service for 24 miles and less, and deductions for failure to perform service on mileage in excess of 24 miles shall not exceed the rate of compensation allowed for such excess mileage.

In addition to the salary herein provided, each carrier in Rural Mail Delivery Service shall be paid for equipment maintenance a sum equal to 3 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers.

A rural carrier serving one triweekly route shall be paid a salary and equipment allowance on the basis of a route one-half the length of the route served by him. A rural carrier serving two triweekly routes shall be paid a salary and equipment allowance on the basis of a route one-half of the combined length of the two routes.

REQUISITION FILLERS AND PACKERS

SEC. 9. That the salary of requisition fillers and packers in the division of equipment and supplies shall be as follows: One foreman, $2,100 per annum; 10 requisition fillers and 9 packers, at $1,800 each per annum.

VILLAGE CARRIER-DELIVERY SERVICE

SEC. 10. That the pay of carriers in the village delivery service, under such rules and regulations as the Postmaster General may prescribe, shall be from $1,100 to $1,300 per annum. The pay of substitute letter carriers in the village delivery service shall be at the rate of 45 cents per hour.

ANNUAL AND SICK LEAVE

SEC. 11. Employees in the Postal Service shall be granted 15 days' leave of absence with pay, exclusive of Sundays and holidays, each fiscal year, and sick leave with pay at the rate of 10 days a year, exclusive of Sundays and holidays, to be cumulative, but no sick leave with pay in excess of 30 days shall be granted during any one fiscal year. Sick leave shall be granted only upon satisfactory evidence of illness, and if more than two days the application therefor shall be accompanied by a physician's certificate.

The 15 days' leave shall be credited at the rate of 1¼ days for each month of actual service.

Whenever an employee herein provided for shall have been reduced in salary for any cause, he may be restored to his former grade or advanced to an intermediate grade at the beginning of any quarter following the reduction, and a restoration to a former grade or advancement to an intermediate grade shall not be construed as a promotion within the meaning of the law prohibiting advancement of more than one grade within one year.

Whenever the promotion of an employee herein provided for is withheld because of unsatisfactory service, such employee may be promoted at the beginning of the second quarter thereafter, or of any subsequent quarter, on evidence that his record has been satisfactory during the intervening period.

Hereafter when the needs of the service require the employment on Sundays or holidays of laborers or railway postal clerks at terminal railway post offices and transfer offices, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on one day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

All employees herein provided for in automatic grades who have not reached the maximum grades to which they are entitled to progress automatically shall be promoted at the beginning of the quarter following the completion of one year's satisfactory service since their last promotion, regardless of any increases in salaries granted them by the provisions of this act.

The Postmaster General may, when the interest of the service requires, transfer any clerk to the position of carrier or any carrier to the position of clerk and interchange the clerical force between the post office and the motor-vehicle service, such transfer or interchange to be made to the corresponding grade and salary of the clerk or carrier transferred or interchanged.

Substitute clerks in first and second class post offices and the Railway Mail Service and substitute letter carriers in the City Delivery Service when appointed regular clerks, railway postal clerks, or carriers shall have credit for actual time served on a basis of one year for each 306 days of eight hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1.

Postal employees and substitute postal employees who served in the military, marine, or naval service of the United States during the World War and have not reached the maximum grade of salary shall receive credit for all time served in the military, marine, or naval service on the basis of one day's credit of eight hours in the Postal Service for each day served in the military, marine, or naval service, and be promoted to the grade to which such postal employee or substitute postal employee would have progressed had his original appointment as substitute been to grade 1. This provision shall apply to such postal employees and substitute postal employees who were in the Postal Service on October 1, 1920.

No employee in the Postal Service shall be reduced in rank or salary as the result of the provisions of this act.

APPROPRIATIONS

SEC. 12. That the sums appropriated for salaries and compensation of postmasters and employees of the Postal Service in the act making appropriations for the fiscal year ending June 30, 1925, approved April 4, 1924, shall be available for the payment of salaries and compensation of postmasters and postal employees at the rates of pay herein provided; and such additional sums as may be necessary are hereby authorized to be appropriated to carry out the provisions of this act.

INCONSISTENT ACTS REPEALED

SEC. 13. All acts and parts of acts inconsistent or in conflict with this act are hereby amended or repealed.

Mr. DIAL. Mr. President, on page 39, line 22, I move to strike out "3" and insert "4," so as to make it read "4 cents" instead of "3 cents."

The PRESIDENT pro tempore. The Senator from South Carolina moves that in line 22, page 39, the numeral "3" be stricken out and the numeral "4" be inserted.

Mr. DIAL. This just brings the compensation of this class of officials up to the average pay of the other employees. These people have to travel over all kinds of roads in various parts of our country, in all kinds of weather, and it seems to me just that they should receive this increase.

Mr. EDGE. Mr. President, I want to say a word on the proposed amendment. The committee's suggestion, which has been read, is to allow the rural mail carriers 3 cents per mile per day for each mile or major fraction of a mile scheduled on their routes. As Senators know, the star route is a route of 24 miles, approximately. The committee gave very careful consideration to this particular question, and they felt that 3 cents a mile, which will aggregate approximately $230 for a star route, was a very substantial increase, and quite sufficient. In other words, this bill, as I take it the Senate understands, is a compromise bill, made up from the consideration of a number of bills introduced in both the House and the Senate.

The original bills, covering all branches of the service, called for increases in salary of $600 for clerks and carriers, and relative increases all along the line. At the same time those bills proposed a mileage of 6 cents per mile for the rural mail carriers.

Our final decision, the bill before the Senate, was a compromise of 50 per cent. In other words, we are providing in the bill for a raise of $300 in the entrance salary of clerks and carriers, and relative raises all along the line. In the case of the rural mail carriers, following the same policy and theory, we provided for 50 per cent of the 6 cents per mile, or 3 cents, as the bill reads.

It will be recalled that the rural mail carriers already have salaries of $1,800, where the ordinary carrier under existing law has a salary of $1,400, going up $100 per year for five years, until his highest possible salary is $1,800. We are raising that to $1,700 as the entrance salary, going up to $2,100 after a service of five years. But even then, under the bill, if it should be enacted into law, the entrance salary will be $1,700, while the salary of the rural carrier is $1,800 under existing law. There are almost 50,000 rural carriers in the United States, and this rate of 3 cents per mile which we have fixed in the bill will make their salaries approximately $2,030 a year.

True, the rural mail carrier has certain equipment to maintain, usually a Ford car, and it is in consideration of that that this extra salary is given. He has enjoyed the salary of $1,800 as compared to $1,400 paid the city carrier, who has no such equipment to maintain.

I thoroughly appreciate the great service the rural carriers render, and I think they are justly entitled to a substantial raise, but the committee felt and unanimously decided that 3 cents was an adequate salary, which, in view of all the circumstances, would be satisfactory to the carriers.

As a matter of fact, although we have had public hearings extending over 10 days, there has been no request brought before our committee for more than 3 cents. The Government can afford to give them 4 or 5 or 6 cents, of course, and they would no doubt be glad to have it, but it appeals to me as a business proposition that in view of all the surrounding circumstances this 3 cents affords a very substantial increase and is all the Government should give at this time.

Mr. FLETCHER. The provision for these increases seems to me to be justified and very wise, but it has been suggested that the Government may, in order to meet these increases, be obliged to raise postal rates on parcel post. Is there any plan of that sort in contemplation? I am opposed to an increase in the rates on parcel post.

Mr. EDGE. There is no provision in the bill now before the Senate for an increase in the rates on any class of postage. The matter was given very careful consideration, and I will be glad to advise the Senator what contributed to our final decision, if he desires to have me do so. There is nothing in this bill touching the subject of revenue.

Mr. FLETCHER. I know there is nothing in this bill along that line; but does the Senator estimate that we can take care of these increases without increasing the rates on parcel post?

Mr. EDGE. Yes; I do; and I figure we can take care of this very handily, judging by our experience in the past. There have been four distinct raises in the last 30 or 35 years, I think, and in no case was the raise accompanied by any change in the rates. The raises were absorbed by the increased business, the natural increase that came on from year to year, and in no case was the Government in any way embarrassed in meeting any of its obligations. However, the existing law provides that the Post Office Department may, without legislation, as the Senator probably knows, increase the rates if it sees fit to do so, and if the Interstate Commerce Commission approves of such increases as shall be stipulated. At the present time there is in progress an investigation called a cost ascertainment, which will be completed in a few months, as to the cost of maintaining the various branches of the department. A year ago we appropriated half a million dollars for that specific purpose. They have been working on that for several months, and, as I said, it is nearing completion. We felt that even though some increases might be justified we were not justified in stipulating them to-day without that full information.

If that information develops that the parcel-post rates should be and can be raised and still be below express rates, as I have said, the Post Office Department have full power to raise the rates, if the Interstate Commerce Commission agree. It is not necessary, in the judgment of the committee, in absorbing this increased expense, to make any specific changes in postal rates at this time.

Mr. BORAH. How much additional expense to the Government will this bill create?

Mr. EDGE. According to the department's figures, which practically agree with the committee's figures, a little less than $60,000,000.

Mr. BORAH. Does the Senator expect that that will be taken care of by increased business in the Post Office Department?

Mr. EDGE. If the Senator is interested in what has happened before, I can give him the figures in a few moments.

Mr. BORAH. I just want to know if that is the way the Senator expects it will be taken care of?

Mr. EDGE. This is what has happened: The last general increase in salary occurred in 1921; that is, by the law approved June 5, 1920. The deficit that year amounted to $60,000,000. It was reduced in the following year to $67,000,000, and to $37,000,000 in the fiscal year 1922. As a matter of fact, the actual deficit for the fiscal year 1923, as reported by the Postmaster General, was only $23,000,000. The postal receipts of 1923 were approximately $48,000,000 in excess of the revenue for 1922, while the operating expenses for 1923 were but $18,000,000 in excess of the operating expenses for 1922, showing a gain of approximately $30,000,000.

Mr. BORAH. What is the deficit this year?

Mr. EDGE. About $20,000,000.

Mr. BORAH. If we add $60,000,000 to that, we will have a deficit of about $80,000,000.

Mr. EDGE. I do not mean to give the impression that we can absorb it all in a year, but it will be gradually absorbed, as it has been done before.

Mr. BORAH. In the meantime, we have to have the money.

Mr. EDGE. The appropriations given to the Post Office Department have permitted them in the past to meet their obligations and their bills regularly.

Mr. FESS. Mr. President, is it the policy of the committee to proceed with increases without reference to the income? Is it the policy to ignore the income from postal rates and proceed to take care of the deficit from the Treasury?

Mr. EDGE. The Senator has asked me that question, and, speaking personally, I consider that this should be decided on this basis: Either these men are entitled to the increase in salary or they are not. It does not make a particle of difference, in my judgment, in considering the merits of this bill, whether the income of the Post Office Department is sufficient to meet the increases or not. I believe they are entitled to the increases specified under the bill, and if it creates a deficit of $100,000,000 then the income in the General Treasury should meet it. That is my personal view.

Mr. FESS. That is precisely what I wanted to know. If we open up that sluiceway for pouring out the money, where is our protection? It seems to me that the Postal Service

ought to be self-sustaining. That has been the policy of the country from the beginning. If we are going to increase salaries, why not revise the postal rates so as to meet the increase?

Mr. EDGE. It is my understanding, though I have not the figures before me, that the Post Office Department has usually shown a deficit at the end of each year. There may have been some years that it made its expenses, but it has shown a deficit recently.

Mr. FESS. But nothing like the deficit the Senator is proposing now.

Mr. EDGE. I just read to the Senator about the deficit of $80,000,000 in 1921.

Mr. FESS. That was immediately following the repeal of the 3-cent postage rate.

Mr. EDGE. It was immediately following the increase in salaries of June 5, 1920.

Mr. FESS. Yes; and the repeal of the 3-cent postage, which probably was a mistake.

Mr. EDGE. I think it was about that time.

Mr. FESS. Does not the Senator believe that we ought to have all the facts from the survey that is now being conducted before we launch upon this general policy?

Mr. EDGE. The Senator does believe that we should have the facts that are now being obtained before we make an effort to revise the postal rates, but he does not believe that the ascertainment of those facts has the slightest relationship, in his judgment, to the merit of the salary increase at this time.

Mr. FESS. There are agencies of the Government that will not be self-sustaining, and that is very apparent; but the Postal Service is one that touches every citizen, and it seems to me the citizen using the Postal Service should pay for the service. That sounds to me like a rational policy to pursue.

Mr. EDGE. That policy possibly has considerable logic. I am not going to argue that. After the commission has ascertained all the facts, the next session of Congress in December can consider a revision of the postal rates, but that, to my mind, is no justification to continue the present standard of salaries until some other department of the Government has been taken care of.

Mr. FRAZIER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from North Dakota?

Mr. EDGE. I yield.

Mr. FRAZIER. I would like to ask the Senator from Ohio if he is in favor of starving the employees of the Postal Service in the meantime until those facts can be reported and Congress determine whether the postal rates shall be increased?

Mr. FESS. The Senator from North Dakota knows there are any number of people who would be very glad to accept service with the Government in the Postal Service on the salaries that are now being paid.

Mr. FRAZIER. And the Senator from Ohio knows that employees there now have to live and keep their families.

Mr. FESS. That is true; and other people have to do the same thing. I have understood that in comparison of the incomes of persons who are employed in other industries outside of the Government with those of the postal clerks they are paid less than our postal clerks draw.

Mr. EDGE. In that connection I draw attention without taking the time——

Mr. DALE. Mr. President, will the Senator yield to me just a moment?

Mr. EDGE. As soon as I answer the question of the Senator from Ohio which he has just presented. If the Senator from Ohio will look over the report submitted by the committee on the pending bill, he will find that we have reprinted there tables covering a number of different types of service which, so far as we could determine, were comparable to this type of service and efficiency and the necessity for knowledge along various lines. He will find in most of the comparisons that the other types of employment are much better paid than the Postal Service.

Mr. FESS. But does the Senator include the 30 days' sick leave and 30 days' vacation and the legal holidays in the comparison?

Mr. EDGE. I am not sufficiently familiar with all the privileges given in other lines of business to go into complete detail in that respect.

Mr. FESS. Does not the Senator know that few if any of them give two months in that way?

Mr. EDGE. I think most of the large corporations and large industrial enterprises in these days permit fairly liberal vacations and sick leave. They have all types of new progressive innovations to take care of their employees. Some have one form and some have another.

Mr. FESS. I know of no great corporation that gives two months, as the Federal Government does.

Mr. EDGE. I do not know that they give two months, but I know they do many things for their employees, and so does the Senator from Ohio know it.

Mr. OVERMAN. Did I understand the Senator from New Jersey to say in response to a question of the Senator from Florida that there is a general law authorizing the Postmaster General to increase rates on mail matter?

Mr. EDGE. No; but on parcel-post matter.

Mr. OVERMAN. He has that general power?

Mr. EDGE. He has the power on second-class matter to regulate the rate and change the rate with the consent of the Interstate Commerce Commission.

Mr. OVERMAN. Where will that be found and when was that power granted?

Mr. EDGE. I can not answer the Senator's question as to when the law was passed.

Mr. OVERMAN. Was it in a general post office bill?

Mr. EDGE. Perhaps the chairman of the Committee on Post Offices and Post Roads will be able to answer the Senator's question.

Mr. STERLING. I am not able to say when the law was enacted, but I understand that it is the general law.

Mr. OVERMAN. Yes; I understand it is general law, but I am wondering when the power was delegated to the head of the department to increase postal rates.

Mr. STERLING. He was given that power in conjunction with the Interstate Commerce Commission.

Mr. EDGE. I think it is a part of the parcel post law. It was enacted before I came to the Senate.

Mr. SMOOT. Does the Senator have reference to the $100 increase per annum beginning some six or seven years ago?

Mr. OVERMAN. No; I am asking about the right of the Postmaster General to increase rates on parcel post mail matter.

Mr. SMOOT. I thought the Senator was asking about the increase in salary.

Mr. OVERMAN. The Senator from New Jersey told me there is that authority granted to the Postmaster General himself.

Mr. EDGE. Authority is granted to the Post Office Department, which means the Postmaster General, to file with the Interstate Commerce Commission a schedule or revision of rates covering the Parcel Post Service. If it receives their approval, it is promulgated and goes into effect.

Mr. OVERMAN. It is authority given to the Interstate Commerce Commission, then?

Mr. EDGE. The law was enacted several years ago. I am not at all familiar with its details, but that is my general information.

Mr. OVERMAN. Does the Senator think we had authority to grant to the head of the department the right to raise postal rates?

Mr. EDGE. I will have to refer that question to Senators with legal knowledge.

Mr. STERLING. I have asked the clerk of the committee to bring a copy of the law to me so I can read it to the Senator.

Mr. OVERMAN. I would like to know how that was done. I think it is very doubtful. If the Senator will pardon me, the Senator was telling what the increase would be as to rural carriers. I would like to know now what increase the city carriers will receive.

Mr. EDGE. The increase to city carriers is $300 from the present minimum of $1,400 to a new minimum of $1,700. The increase to rural carriers is by adding to the $1,800 an additional 3 cents a mile, which is computed to aggregate about $230 a year, which would be a total of $2,030.

Mr. OVERMAN. Suppose we have a maximum salary for city carriers; what increase do they get?

Mr. EDGE. They are increased $100 per year for five years, and they reach their maximum at the end of five years. Seventeen hundred dollars is the entrance salary and $2,200 is the maximum.

Mr. OVERMAN. But some of them get $2,000 now, I think.

Mr. EDGE. Oh, no. The city carrier's minimum now is $1,400 and the maximum $1,800.

Mr. OVERMAN. They will get a $100 increase every year until the end of five years?

Mr. EDGE. One hundred dollars increase each year up to the end of five years, when they reach the maximum.

Mr. OVERMAN. In considering the bill in the committee, was the question of increasing parcel-post rates taken into consideration?

Mr. EDGE. Yes. The department had, at the suggestion of the committee, submitted various methods through which an increase in revenue could be obtained. One of the methods was to increase the parcel-post rates on a gradual graded basis, which I can not repeat to the Senator, but the estimated increased income on that basis would have been about $30,000,000.

Mr. OVERMAN. I know they had that under consideration. I am opposed to increasing the parcel-post rates myself, but I want to understand whether or not the bill was framed and reported with the understanding that the department would increase the rates?

Mr. EDGE. Absolutely not.

Mr. BORAH. Mr. President——

Mr. EDGE. I yield to the Senator from Idaho.

Mr. BORAH. As I understand it, there is no scheme connected with this legislation which proposes to take care of the increased expenditure through any increase in rates in the Post Office Department with reference to the parcel post.

Mr. EDGE. There is no scheme, even including parcel post, so far as the committee is concerned.

Mr. BORAH. That is what I said. In other words, the increased expenditure has to be taken care of by simply going and taking it out of the Treasury?

Mr. EDGE. Or by the increased business which we believe will gradually absorb it as it has in the past.

Mr. ROBINSON. May I ask the Senator in that connection what will be the deficit in postal revenues as compared to the expenditures the first year if this measure should go into effect?

Mr. EDGE. The increased expenditure or income, which did the Senator say?

Mr. ROBINSON. My question was as to what deficit, if any, would arise?

Mr. EDGE. Of course, that is problematical; but the bill itself will require approximately a $60,000,000 greater expenditure.

Mr. ROBINSON. I heard that statement made a few moments ago in answer to a question propounded by the Senator from Idaho.

Mr. EDGE. We are adding $60,000,000 to the expense. That is reasonable to assume, judging from the fact that the income of the department, business being normal, as it seems to be, would be approximately $40,000,000. Of course, that is problematical. The deficit will unquestionably have to be made up and ought to be made up out of the General Treasury.

Mr. BORAH. How much does the Senator think the deficit will be in round figures?

Mr. EDGE. The Senator can figure that just as readily as I. If they now have a deficit of $20,000,000 and we add $60,000,000 to their expenses, that would be $80,000,000, but with an increase of $40,000,000 in receipts there would be apparently a deficit of $40,000,000, if my figures are correct.

Mr. SMOOT. The Senator should admit that appropriations have been increased for the coming year to take care of the growing business, so that he can not take the increase that is already given in the appropriation bill and deduct it from the deficit. I have not any doubt in the world that the deficit would be $65,000,000 at least, if not more.

Mr. EDGE. It was $80,000,000 two years ago.

Mr. SMOOT. We are not providing for that now. There was a deficit the year before that, and we are not counting now, in the receipts and expenditures of the Government, on any deficit from the Post Office Department. Whatever deficit there may be, we have provided no means of meeting it.

Mr. EDGE. We do not provide a deficit that would probably be developed or brought about in passing the soldiers' bonus law. We went through with the tax bill irrespective of whether it would provide money for that or not.

Mr. BORAH. Yes; that is a habit we have.

Mr. EDGE. Then do not entirely consider this as an innovation.

Mr. BORAH. We do not break the habit, it seems.

Mr. EDGE. We should not consider this an innovation where we are trying to look after 300,000 postal employees.

Mr. BORAH. I have not any doubt that all the salaries ought in some respects and in some instances to be increased, of the carriers in particular, but it does seem to me that the Post Office Service ought to pay for it, either out of increased parcel-post rates or in some other way.

Mr. SMOOT. I will say to the Senator from Idaho, with the permission of the Senator from New Jersey, that I have had many, many protests from all over the country against increased parcel-post rates. I do not think there is a farmers' organization in the West that has not sent a protest to me against any increase in parcel-post rates. They claim that it would simply mean an added burden upon the farmers in the West, and of course those in the East as well. I do not think there is a State in the East, too, that has not protested.

Mr. BORAH. Yes; the farmers would also send petitions here and protest against an increase in taxes by the Government, but the farmer must understand and the citizen must understand that he has to pay this at last. There is nobody else to pay it. We have not any money except what we collect from the gentleman who is protesting.

Mr. DALE. Mr. President, will the Senator yield?

Mr. EDGE. I yield.

Mr. DALE. This matter of increase in parcel-post rates has come particularly to my attention. The protests from the farmers against the increase are largely the result of propaganda. Now, the fact is that the farmer does not send 1 per cent of the parcel-post mail, and he receives only about 8 per cent, so that of all the parcel-post business that comes to and goes from the farmer he does not receive to exceed 9 per cent. I am inclined to agree with the Senator that the parcel-post rates ought to be raised to meet this apparent deficit, but the protest does not come from the farmer by any means.

Mr. BORAH. I think the bill ought to provide in some way to take care of the expenditures.

Mr. EDGE. That is a matter of policy.

Mr. STERLING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from South Dakota?

Mr. EDGE. I yield.

Mr. STERLING. I merely wish to cite the law which gives the Interstate Commerce Commission some power in this regard. I read from the law of 1912, as follows:

> The classification of articles mailable as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this act, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby authorized, subject to the consent of the Interstate Commerce Commission after investigation, to re-form from time to time such classification, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

Mr. EDGE. Mr. President, I have spoken on the amendment which has been offered and said all that I care to say. With the view of trying to keep the bill down as far as possible and still do full justice I oppose the amendment increasing the allowance. I believe that the committee after giving careful consideration to the question have equitably and fairly divided the increases. One cent a mile will add to the bill, as I recall the figures, something over $3,500,000. I feel that we would be doing justice without increasing the allowance 1 cent a mile above the amount provided in the bill.

Mr. FRAZIER. I believe, Mr. President, that rural carriers are entitled to 4 cents a mile. The salaries of the city carriers have been increased $300. Three cents per mile would be an increase of $230.32 a year while 4 cents a mile would be but $293.76 per year. That is less than the $300 advance given to the city carriers. This increase would go to help enable the rural carriers to keep up their equipment. Most rural carriers are compelled not only to own a team of horses but a car as well; and the cost of their equipment amounts to three or four times at least what 4 cents a mile would yield them. I think they are entitled to 4 cents a mile.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. DIAL] to the amendment of the committee.

The amendment to the amendment was rejected.

Mr. FRAZIER. I offer an amendment on page 15, line 14, to strike out the numerals "$7" and insert "$5."

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The PRINCIPAL CLERK. On page 15, line 14, after the word "exceed," it is proposed to strike out "$7" and insert "$5," so as to read, "not to exceed $5 per day."

Mr. FRAZIER. Mr. President, $5 is the amount allowed by law at the present time, as I understand. I wish to say that while the $7 maximum may not be too much, yet any postal employee who receives $2,500 a year or less receives less than

tions and sick leave. They have all types of new progressive ' the end of five years, when they reach the maximum.

had many, many protests from all over the country against employes who received [illegible]

$7 per day for salary to cover board and everything else. It costs something to board even at home, and I believe the inspectors can live upon $5 a day when they are out on the road. So I think the per diem allowance should be cut down from $7 to $5.

Mr. SMOOT. Mr. President, what ought to be done is to change this per diem allowance to $4. That is the allowance made in the case of most of the other departments. In the revenue bill that has just been agreed to by the House of Representatives a per diem allowance of $4 is provided for certain employees who will be required to travel in connection with the administration of that law. We felt that we should like to make it $5, but we came to the conclusion that the amount ought to be made uniform as to all the departments of the Government. It is true that a $7 maximum applies to officers in the Department of State and, perhaps, to one or two of the other departments of the Government whose officials serve outside of the United States; but the allowance in all other cases practically is but $4 per diem. I was talking to the chairman of the Appropriations Committee to-day, who thought that in connection with the next deficiency appropriation bill we ought to enact a provision of law making the allowance $5 per diem instead of $4.

Mr. OVERMAN. Mr. President, if the Senator will yield to me, I wish to say that I agree with him fully. The Senator will recall the appeals which have come to us in considering practically all the appropriation bills to increase the allowance from $4 to $7 a day, but we have uniformly held it down to $4. I am in favor of the pending bill, but these inspectors ought not to have any greater per diem allowance than have other Government officials.

Mr. SMOOT. I will say that if the Senator from North Dakota will modify his amendment so as to make the allowance $4 a day and let that go in the bill, in case the per diem allowance for other employees of the Government is later increased to $5 we will include in the increased allowance the employees covered by this bill.

Mr. EDGE. Mr. President, if the Senator will yield, do I understand that employees in other branches of the service who are compelled to travel are given an allowance of $4 a day, or does the law stipulate not exceeding $4?

Mr. SMOOT. Not exceeding $4.

Mr. EDGE. Is that the language of the law as applied to all other departments?

Mr. SMOOT. That is the language used with the exceptions I have stated. It is true, as the Senator from North Dakota has said, that while the employees are away they have no expenses at home, but I do not believe, even taking that into consideration, and considering also the manner in which living expenses have increased, that $4 will be sufficient; but I am quite sure that $5 will be.

Mr. EDGE. The present law gives them a per diem of $5.

Mr. SMOOT. I should like the Senator having the bill in charge to accept the amendment providing for $4. Then, if any change shall be made in the next deficiency appropriation bill, we will cover all of the departments alike.

Mr. EDGE. I can not accept the amendment providing for a per diem of $4. I was prepared to accept the present rate, which is $5 per day. That is the present law, and it has been so, as I understand, for a long time. The department recommended the increase from $5 to $7, as I recall. This increased allowance only covers inspectors of the Post Office Department, as I understand. It does not refer to railway mail clerks and other employees. They are allowed very much less—50 cents a meal, or $2 a day. They are not supposed to sleep away from home. The inspectors, on the other hand, are away from their homes almost continually. They are engaged in ferreting out crime and various infractions of the postal laws. We all know that in large cities they are compelled to keep up on an average certainly a better appearance than most men; they must go to pretty good hotels, and certainly $4 a day in these times for a man acting in the capacity of a post-office inspector would seem to be entirely too little. I am prepared to accept the amendment as originally offered at $5 and to put the per diem back where it now is.

Mr. SMOOT. Mr. President, all that the Senator from New Jersey has said in reference to certain inspectors in the Post Office Department may be said about the inspectors in all of the departments of our Government. I know that as the revenue bill, which has just passed, was reported to the House it provided a per diem of $7 per day for certain inspectors and employees of the Board of Tax Appeals. That was cut to $4 a day, and it was promised the conferees, as I have already stated, that we would try to secure the passage of a law covering the matter and providing a uniform allowance of $5.

I want a vote on the amendment, and if the Senator from North Dakota does not wish to change his amendment providing a per diem of $4 a day, taking into consideration the statements which I have made, then I shall move an amendment making the per diem allowance $4 a day instead of $5.

Mr. STERLING. Mr. President, I merely wish to say a word or two. I hope under the conditions that the amendment of the Senator from Utah [Mr. SMOOT] will not prevail. I think that $5 per day is little enough for men occupying positions as inspectors and supervisory employees in the Postal Service. Considering their station in life, the business they have to perform, the kind of hotels at which they must stop, and so forth, I think $5 per day is not excessive. I think the compensation ought at least to be that much.

The Senator from Utah has referred to the deficiency bill which will yet be before the Senate. I think if we fix this allowance at $5 per day, where it ought to be, it might be some inducement to the committee to fix the same allowance in the deficiency bill.

Mr. WARREN and Mr. OVERMAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from South Dakota yield, and, if so, to whom?

Mr. STERLING. I yield first to the Senator from Wyoming [Mr. WARREN], who first addressed the Chair.

Mr. WARREN. I wish to say that I agree with my colleague on the Appropriations Committee, the Senator from Utah [Mr. SMOOT], that we have neglected too long to adjust the per diem allowance of $4 per day; but I do not agree with the chairman of the Committee on Post Offices and Post Roads that to make the allowance $5 in this instance will help to bring about that adjustment. I think, on the other hand, to make the allowance $4 instead of $5 per day will cause us to have help from the quarter immediately affected as well as from others; so that we will be more apt to secure a uniform provision, because the appropriation bills, of course, must pass before the end of the session.

Mr. SMOOT. All should be treated alike.

Mr. OVERMAN. Are not these inspectors paid large salaries?

Mr. STERLING. They are paid an annual salary.

Mr. OVERMAN. What salaries do they get?

Mr. STERLING. By referring to the bill I find that for grade 1 the salary is $2,800 per annum, for grade 2 the salary is $3,000 per annum, and on up to grade 6, with a salary of $4,000 per annum, and there are 15 inspectors in charge with a salary $4,500 per annum. Those are the salaries which are provided for in the bill.

Mr. OVERMAN. They are getting a larger salary than are other employees.

Mr. FRAZIER. Mr. President, a per diem of $4 for these inspectors for 365 days will amount to $1,460. I am willing to accept the amendment proposed by the Senator from Utah [Mr. SMOOT].

The PRESIDENT pro tempore. The Senator from North Dakota modifies his amendment in the manner suggested by the Senator from Utah. The question now is upon the amendment of the Senator from North Dakota as modified.

The amendment as modified was agreed to.

Mr. EDGE. Mr. President, I should like to call up an amendment which I sent to the desk a few moments ago.

The PRESIDENT pro tempore. The Senator from New Jersey offers an amendment to the committee amendment, which will be stated.

The PRINCIPAL CLERK. On page 10, line 9, it is proposed to strike out "$3,000" and to insert in lieu thereof "$3,300."

Mr. EDGE. That is simply to correct a printer's error, and in no way increases the intended salary.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Jersey to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. BORAH. Mr. President, I offer as an amendment to the committee amendment two additional sections, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The Senator from Idaho offers an amendment to the amendment of the committee, which will be stated.

The PRINCIPAL CLERK. It is proposed to add to the bill the following additional sections:

SEC. —. That all committees, local, State or national, and all persons or parties having any part or share in the election or in the campaign for the election of Members of Congress and all officers or officials of the Government of the United States shall publish at the end of each 10 days a financial report of the contributions received by, or for the account of, the committee, or person, or party, or candidate, directly or indirectly, with the name of each contributor and the amount of his

contribution, directly or indirectly, and at the end of each campaign for the election of such Members of Congress, or officers, or officials of the Government of the United States shall publish a complete and detailed financial statement, giving the name of each contributor and the amount of his contribution, together with the amount of any deficit incurred in the campaign; and such committee, or party, shall thereafter publish at the end of each month the amounts received by it from each contributor, directly or indirectly, to make up the deficit. Such reports and financial statements shall also be opened to inspection by the public.

SEC. —. Every person, including every member of the committee, offending against the foregoing section shall be deemed guilty of a misdemeanor and shall upon conviction thereof be imprisoned not more than one year or fined not to exceed $5,000, or by both such fine and imprisonment.

Mr. BORAH. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Dial	Jones, N. Mex.	Ransdell
Ball	Dill	Jones, Wash.	Robinson
Bayard	Edge	Kendrick	Sheppard
Borah	Edwards	Keyes	Shipstead
Brookhart	Ferris	Ladd	Simmons
Bronsard	Fess	Lodge	Smith
Bursum	Frazier	McKellar	Smoot
Cameron	George	McKinley	Stanley
Capper	Gooding	McNary	Stephens
Caraway	Hale	Norris	Sterling
Copeland	Harris	Oddie	Trammell
Couzens	Heflin	Overman	Walsh, Mass.
Cummins	Howell	Phipps	Walsh, Mont.
Curtis	Johnson, Calif.	Pittman	Warren
Dale	Johnson, Minn.	Ralston	Wheeler

The PRESIDENT pro tempore. Sixty Senators have answered to the roll call. There is a quorum present.

Mr. BORAH obtained the floor.

Mr. DIAL. Mr. President, does the Senator's amendment require the appointees to specify how much they paid for the offices?

Mr. BORAH. No.

Mr. DIAL. The Senator ought to modify his amendment and put that in. It is a good, thriving business all over the South.

Mr. BORAH. Mr. President, the last few months have disclosed more pronouncedly than ever before, in my opinion, the necessity of the utmost publicity with reference to campaign funds. In my opinion, the real remedy for the abuse of the use of money in campaigns is that of publicity, rather than to undertake to control the matter through statutes which simply provide for punishment in case parties violating the law are arrested and convicted. In other words, I prefer to depend upon publicity for the purity of elections rather than criminal law.

I have therefore provided in this amendment that the committee having in charge the election of any candidate for office under the National Government, or any individual or party connected with his campaign, shall publish each 10 days during the campaign, a full account of all contributions, from whom received, the amount received, and so forth.

It has been suggested that it would be sufficient to make publication of the campaign funds at the close of the campaign; but, in my opinion, that would not meet the situation. The contributions ought to be known as the campaign progresses, and the information ought to be fairly had and as fully as possible before the voters who are called upon to pass on the question, as it were, in voting for candidates upon the day of the election.

I think, therefore, that the publicity ought to accompany the progress of the campaign, and as nearly as it can be made to do so as a practical proposition I desire to see that incorporated in the law.

Then I have provided further in the amendment that at the end of the campaign, if there shall be a deficit, the amount of the deficit shall be made known, and that all contributions taken for the purpose of making up the deficit shall be made public from time to time as they are taken.

I then provide, in the second section, that any committee or individual violating the first section of the amendment shall be punished by imprisonment or by fine, or by both imprisonment and fine. The amendment does not undertake to limit the amount of subscriptions which anyone may make. It does not undertake to say that any particular class shall not make contributions. It only places upon those receiving the contributions, or the party, the obligation of making known with whom they are doing business, from whom they have received their contributions, giving it the utmost publicity, and putting it in the minds of the voters in sufficient time to enable them to pass judgment upon the matter at the election.

I have tried to eliminate the evil of postponing these matters and running into a deficit by obligating the committee to publish the amount of the deficit and those who shall take care of it.

Mr. President, we have only a limited time in which to discuss this matter. I have no desire to occupy the time to the exclusion of others, and I shall not go further than simply to explain the amendment.

Mr. WALSH of Montana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Montana?

Mr. BORAH. I do.

Mr. WALSH of Montana. The Senator may remember that four years ago the committee, of which the then Senator from Iowa, Mr. Kenyon, was the chairman, was appointed to take testimony concerning contributions made in the preconvention campaign. That inquiry developed information of very great value, and, I have no doubt, exercised an influence upon the result of the election.

There will be no contest, as it is understood, in the Republican convention this year, but doubtless there will be in the Democratic convention; and so a similar inquiry might furnish some considerable information of value, although no suggestion has been made, so far as I know, of any impropriety in the expenditures made thus far in the preconvention campaign. But, Mr. President, I hope the Senator will feel the necessity of the Senate passing some resolution looking to the appointment of a committee that will sit during the entire campaign to gather this information.

I know the course taken by the Senator will be helpful, but I am sure he will understand that it would produce nowhere near the satisfactory information that an investigation would. I hope it will not be considered as taking the place of an inquiry by the appropriate committee of Congress.

Mr. BORAH. Mr. President, I quite agree with the Senator from Montana as to the advisability of that. There is another measure before a subcommittee of which I have the honor to be chairman, introduced by the Senator from Tennessee [Mr. McKELLAR], a more comprehensive and complete proposition than the one which I am now presenting. I hope to see that reported out and passed during the session, and I should be very glad to see a committee appointed. We know from observation and from experience four years ago the great value of an investigating committee sitting during the time a campaign is on. The Kenyon committee was sitting during the time the preconvention campaign of the Republican candidates was on, and I have not the slightest doubt that the publicity which arose out of that investigation changed the result at Chicago, and I therefore naturally have a friendly feeling to the suggestion of the Senator from Montana.

Mr. ROBINSON. Will the Senator yield to a question, coupled with a brief statement?

Mr. BORAH. I yield.

Mr. ROBINSON. The Senator's amendment has not been printed, and no opportunity has been afforded Senators to study it. How is it proposed to enforce publicity if any political committee seeks to evade it?

Mr. BORAH. The second section provides punishment for failure to comply with the law.

Mr. ROBINSON. What is the punishment?

Mr. BORAH. One year's imprisonment, or $5,000 fine, or both.

Mr. ROBINSON. So that there is apparently adequate penalty attached.

Mr. BORAH. I think so.

Mr. ROBINSON. The suggestion that full publicity respecting campaign contributions be required has value. It would penalize the candidate or the political party inviting or receiving contributions from questionable sources. It would have the effect of producing a reaction in public sentiment, which would reflect itself in election results.

We all know—and I do not express this from any partisan standpoint—that one of the great political evils of the time is the apparent hold on political parties which business interests and certain organizations seek and sometimes obtain by reason of liberal campaign contributions. Many believe that when an individual or association of individuals makes large contributions for the purpose of aiding candidates of political parties in winning the elections, they expect, and sometimes demand, and occasionally, at least, receive, consideration by the beneficiaries of their contributions which not infrequently is harmful to the general public interest. It is un-

ing the matter and providing a uniform allowance of $5.

or indirectly, with the name of each contributor and the amount of his

questionably an evil which ought to be dealt with, and dealt with intelligently and effectively.

One of the great difficulties, as was pointed out the other day on the occasion when the Senator from Massachusetts [Mr. WALSH] brought a related subject before this body, is the ease with which statutory provisions affecting campaign contributions are evaded. A limitation on the amount of a contribution which anyone is permitted by statute to make is easily avoided by simply dividing up the contribution and having it recorded in the names of a number of individuals. So I am inclined to think that the most effective way of preventing corrupt practices growing out of campaign contributions is to pursue a legislative policy that is calculated to require absolute publicity respecting time. If the Senator's amendment accomplishes that result, it has very substantial value.

Mr. WALSH of Massachusetts. Mr. President, I note that the amendment offered by the Senator from Idaho only requires a publication of the contribution. There is no provision requiring that contributions be listed and filed with some official of the Government. I suggest to the Senator that he consider the advisability of doing more than merely provide for the publication, but that he provide for the filing of the list of contributors with some department of the Government, the Clerk of the House, the Secretary of the Senate, or some other official.

Mr. BORAH. I have no objection to that; but I do provide that in addition to the publicity, the facts shall always be open to investigation by the public. Anybody can go and get them who wants them.

Mr. WALSH of Massachusetts. I observe that.

Mr. BORAH. I have no objection to having the list filed, but I found some difficulty in designating with whom they should be filed, so as to give the information additional publicity to what is already provided for. But if the Senator has in mind an amendment, I would accept it.

Mr. WALSH of Massachusetts. May I suggest also to the Senator that I think his amendment could be perfected by requiring the committee to file a copy of the circular or circulars used, and also the names of the collectors. In the case we discussed the other night the attempts now being made to collect a large campaign fund in Massachusetts, the language of the circular was in the teeth of the law, if not in exact violation of the law, and the circulars indicated that there was an attempt being made to corral various groups of business organizations to contribute to a large campaign fund.

It seems to me that the Senator's amendment can be broadened by including a requirement for the publication of a list of the solicitors, with the contributions, and a copy of the circulars used. I think the Senator has made a very good contribution to the discussion on the subject.

Mr. FESS. Mr. President, I would like to ask the Senator from Idaho whether his amendment would repeal the present law. If it does not, the listing of the contributions will still be required.

Mr. BORAH. It would not repeal it.

Mr. FESS. The existing law requires a listing.

Mr. WALSH of Massachusetts. I suppose the Senator from Idaho is of the same opinion now as when we discussed the matter the other night, that there is a serious question as to whether we have any law or not. The corrupt practices act was passed in 1912, and since that time a portion of it has been declared unconstitutional by the Supreme Court in the decision in the Newberry case and the other portion of the law is probably unconstitutional, because it was passed before the adoption of the amendment providing for the election of Senators by popular vote. In other words, the corrupt practices act we have now is a law which was enacted when Members of the Senate were elected by the legislatures of the various States, and it is my opinion and that of others who have studied the question that we have no corrupt practices act which would be held constitutional by the Supreme Court at the present time.

Mr. FESS. Mr. President, I recall that a committee was appointed to investigate the necessity of candidates for the Senate filing after the Supreme Court decision was rendered in the Newberry case, and my memory now is that the advice was that legally they were not required to do it, but the recommendation was that they should do it. The Senator from Massachusetts, having refreshed my memory upon that item, I think he has made a wise suggestion. At first I thought it was not necessary to list, because under the present law there is supposed to be a list filed.

Mr. WALSH of Massachusetts. In the Newberry case the Supreme Court said that Congress had no right to regulate the matter of conducting primary elections; that whatever authority they had was limited to the election itself and not to the primary election.

Mr. FESS. Mr. President, I have some knowledge of the requirements as to contributions under the law, and also as to the expenditures. Under the present law no responsible committee would accept any contribution from a corporation, for that is forbidden under the law.

Mr. WALSH of Massachusetts. Will the Senator yield?

Mr. FESS. Certainly.

Mr. WALSH of Massachusetts. Did the Senator state that even under the present law contributions from corporations are forbidden?

Mr. FESS. Yes.

Mr. WALSH of Massachusetts. I understand that under the present Federal law contributions from national banks and corporations organized under the general laws of the National Government are forbidden, but I do not understand that contributions by all corporations are forbidden, though in the several States there are provisions forbidding contributions by corporations. My own State has such a law, but my recollection is that the Federal law only forbids contributions from corporations organized under Federal laws.

Mr. FESS. My understanding is that no corporation, State or National, is permitted to make a contribution to a political committee. As the chairman of one of the committees, I frequently had such contributions returned, thinking they were unlawful.

I have sympathy with what the Senator from Idaho has in mind, the effect of publicity, but I have wondered whether it is not easy to evade that provision. Suppose I am conducting a campaign, and have some knowledge of the necessity of money for organization and educational purposes, and recognizing that it must be used in the early period of the campaign rather than waiting until the latter days, when it would be corruptly used, what would hinder me or a committee borrowing the money and soliciting the contributions just before the election?

Mr. BORAH. I think perhaps men with less ingenuity than the Senator from Ohio could evade to some extent almost any law; nevertheless, if that condition were presented under a provision such as this which I am now proposing, if it should become a part of the law, it might be very difficult for the gentleman to escape the jury's verdict, because it would be manifestly an attempt to evade the law by indirect methods, and in all probability the Senator would not be successful in doing it. I can not conceive of any law which might not be in some way evaded, of course; but this much is true, that if this becomes the law, every committee and every individual receiving money for campaign purposes, or to be used in connection with the election of an official, must report it. It has not any purpose other than that of enforcing absolutely publicity of the campaign funds and of the sources from which they come.

As I said a moment ago, there is a bill before a subcommittee of which I am the chairman, a more complete measure, dealing with the entire subject matter, but this amendment covers a feature that is not covered by that measure, and I think it is the surest remedy we can possibly have.

Mr. FESS. The use of money in our modern elections under the primary system I am sure has been abused, but at the same time I know that a certain amount of expenditure is absolutely inevitable, and just how to limit it to what is regular and to avoid all semblance of corruption is a big problem.

Mr. BORAH. I quite agree with the Senator that it is the big problem. I do not undertake here to say that certain classes of people shall not contribute nor that they shall be limited in their contributions. Under this statute if an individual candidate or party wants to assume the responsibility of collecting a large fund he or it may do so, but must take the chances with the voting public when it comes to the day of voting as to whether it will be gotten away with or not. The candidate is simply responsible to those who are electing him to office.

Mr. FESS. The Senator will recognize that under our modern primary system, with two elections in almost every State, and always two elections in congressional matters every second year, it involves a tremendous amount of expense in organization. When we use the newspapers and use the halls which must be rented and paid for when such distinguished men as the Senator from Idaho, for example, are asked to go out on the platform and make an address at any time, it can not be done on love nor good will. It costs to ride on the railroads and to live at the hotels and to rent buildings. It is inevitable. How to limit it to what is legiti-

mate is our problem. The most legitimate use of it is going to be quite large, as the Senator must know.

Mr. BORAH. All these things cost and all these things are quite proper. The amendment will not interfere with any proper conduct of a campaign of that kind in that way.

Mr. FESS. I think the Senator's idea of the publication monthly of the money to take care of the deficit is splendid. The deficit is supposed to have been a legitimate deficit and nobody ought to hesitate to make public what is being collected and for what purpose. I have wondered, however, whether the publication every 10 days preceding an election is workable, and whether it will get what the Senator desires.

Mr. ROBINSON. Mr. President, will the Senator from Ohio yield for a question?

Mr. FESS. I yield.

Mr. ROBINSON. The amendment of the Senator from Idaho does not specify any method of publicity. It merely requires the contributions to be published and apparently leaves the plan of publication to the committee itself. If it is desired—and I take it that all Senators agree that that is the case—that a full measure of publicity shall be attached to campaign contributions, why not require political committees to furnish at the times stated the information directly to rival political organizations? For instance, why not require the Democratic political committee to furnish the Republican political committee with the amount of its contributions and the names of the contributors, so as to accomplish in a practical way the object of publicity? If we are in earnest about this matter, by giving the party which is presumed to be detrimentally affected by the contribution full information regarding it, we will invite public scrutiny of the contributions themselves. In all probability we would secure very practical results.

To illustrate, if some one thinks he is going to be benefited by the policies of the Republican Party and sees fit to contribute a very large sum to its campaign, and that fact were furnished to the Democratic political committee or to the Farmer-Labor political committee, if one is organized, it would make certain that the full benefits of publicity would accrue.

Mr. BROOKHART. Would not all of the parties go and endeavor to get contributions out of him, because the fact that he contributed would be known to each of them?

Mr. ROBINSON. There is one thing certain, that it would prove, as suggested by a Senator near me a few moments ago, a practical way of securing publicity for campaign contributions. It would make certain that the public would know who were making the campaign contributions and the amount of them and have an opportunity of looking into the motives behind them.

Now, another suggestion. The amendment requires the name——

Mr. FESS. Will the Senator permit me to interrupt him a second?

Mr. ROBINSON. I think the Senator from Ohio himself has the floor.

Mr. FESS. The Senator is aware that every committee must now make a list and submit it to the Clerk of the House—I am not speaking of the Senate, but the Clerk of the House—of all the contributions received, individually listed.

Mr. ROBINSON. Yes; but there is rarely any actual publicity regarding it. In the first place, very few know of the existence of the statute. In the next place it has not operated effectively to give publicity concerning campaign contributions. But the Senator may be sure if he, as a representative of the Republican National Committee, is required to furnish to the Senator from Massachusetts [Mr. WALSH], for instance, as a representative of the Democratic National Committee, a list of his contributors and the amounts, the people will be advised if the contributions have any sinister aspect.

Mr. FESS. He can get them at any time he calls at the office of the Clerk of the House, because they are there for public inspection.

Mr. ROBINSON. No; I do not think that is true.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Arkansas yield to me?

Mr. ROBINSON. I yield, though the Senator from Ohio has the floor.

Mr. WALSH of Massachusetts. I do not think there is any question as to the fact that one may contribute all the money he desires to the election of a President and the committee or candidate would not be required to make any return to anybody. The returns under the present Federal law apply only to contributions made for the election of Senators and Representatives. In my opinion, a committee may collect campaign contributions to the election of a President or Vice President or both, and not make any return at all.

Mr. ROBINSON. Yes; I think that is true. Of course he can contribute it for one purpose and it frequently may be used for a different purpose. I do not know whether any practical method has yet been devised to prevent the evasion of the corrupt practices act, although I concede that the object is of very great importance from the standpoint of public morals and good government.

Mr. FESS. I want to make the observation that I think my friend the Senator from Massachusetts is mistaken in saying that the publication of contributions must apply only to the election of Senators and Congressmen. I believe that it applies to the election of a President just as well.

Mr. WALSH of Massachusetts. Under our Constitution the election of President is by the States and not universal national suffrage. Each State chooses electors to a convention or Electoral College and these delegates elect the President. There is a serious constitutional question as to whether we can enact a Federal corrupt practice law regulating the manner in which the several States shall elect their presidential electors. I doubt if we could do it any more than for the election of a governor. If the Senator will look at the Federal statutes he will observe that there are no references to contributions for the election of a President or Vice President. Of course, it is true that the national committee of both parties have apparently recognized the Federal corrupt practices law as binding upon them and, I believe, have usually made the returns of funds collected as required.

Mr. ROBINSON. The Senator from Massachusetts is correct about that. The statute which the Senator from Ohio has in mind relates to the elections of Members of Congress. There is another suggestion I want to make.

Mr. FESS. Before I have to sit down——

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. FESS. I thought I had the floor. However, the question is, when we are conducting an election at which there is a candidate for President and a candidate for election to the Senate and a candidate for election to the House we do not differentiate, as I happen to know that committees feel under the force of the law the necessity of making public every contribution made to them.

Mr. ROBINSON. I do not believe that is true as a matter of fact. I challenge the accuracy of that statement. I think if the facts were known or disclosed, very large or considerable sums of money have been actually used in elections in the States that have never been accounted for by the national committees, and I very much doubt whether the system of accounting which has usually been employed by the national committees themselves has been above question as to its accuracy.

The PRESIDING OFFICER. The Chair will call to the attention of the Senator from Ohio that his time has expired under the 10-minute limit.

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. FESS. I thank the Senator for his courtesy. I ask unanimous consent that the laws, which are very brief, may be read at the desk.

Mr. ROBINSON. No; I do not think the Senator should consume all of my 10 minutes by having the statutes read.

Mr. FESS. Then I ask unanimous consent that they be printed without reading, because I want to make certain that the situation is correctly understood.

Mr. ROBINSON. I have no objection to them being printed, but I would not like to have my time occupied by having them read.

The PRESIDING OFFICER. Without objection, the request of the Senator from Ohio is granted.

The statutes referred to are as follows:

LAWS RELATING TO CAMPAIGN CONTRIBUTIONS

(Public 36, Fifty-ninth Congress, approved January 26, 1907; section 118, Criminal Code, March 3, 1909; Public 274, Sixty-first Congress, approved June 25, 1910; Public 32, Sixty-second Congress, approved August 19, 1911; Public 298, Sixty-second Congress, approved August 23, 1912; Public 222, Sixty-fifth Congress, approved October 16, 1918. Printed for the use of the Secretary of the Senate)

[Report, No. 36]

An act to prohibit corporations from making money contributions in connection with political elections

Be it enacted, etc., That it shall be unlawful for any national bank or any corporation organized by authority of any laws of Congress, to make a money contribution in connection with any election to any political office. It shall also be unlawful for any corporation whatever to make a money contribution in connection with any election

at which presidential and vice presidential electors or a Representative in Congress is to be voted for or any election by any State legislature of a United States Senator. Every corporation which shall make any contribution in violation of the foregoing provisions shall be subject to a fine not exceeding $5,000, and every officer or director of any corporation who shall consent to any contribution by the corporation in violation of the foregoing provisions shall upon conviction be punished by a fine of not exceeding $1,000 and not less than $250, or by imprisonment for a term of not more than one year, or both such fine and imprisonment in the discretion of the court.

Approved, January 26, 1907.

SECTION 118 OF THE CRIMINAL CODE

(Political contributions not to be solicited by officers named.—Volume 22, page 406)

SEC. 118. No Senator or Representative in or Delegate or Resident Commissioner to Congress, or Senator, Representative, Delegate, or Resident Commissioner elect, or officer or employee of either House of Congress, and no executive, judicial, military, or naval officer of the United States, and no clerk or employee of any department, branch, or bureau of the executive, judicial, or military or naval service of the United States, shall, directly or indirectly, solicit or receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any officer, clerk, or employee of the United States, or any department, branch, or bureau thereof, or from any person receiving any salary or compensation from moneys derived from the Treasury of the United States.

[Public, No. 274]

An act (H. R. 2250) providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected

Be it enacted, etc., That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national congressional campaign committees of all political parties, and all committees, associations, or organizations which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected.

SEC. 2. That every political committee as defined in this act shall have a chairman and a treasurer. It shall be the duty of the treasurer to keep a detailed and exact account of all money or its equivalent received by or promised to such committee or any member thereof, or by or to any person acting under its authority or in its behalf, and the name of every person, firm, association, or committee from whom received, and of all expenditures, disbursements, and promises of payment or disbursement made by the committee or any member thereof, or by any person acting under its authority or in its behalf, and to whom paid, distributed, or disbursed. No officer or member of such committee, or other person acting under its authority or in its behalf, shall receive any money or its equivalent, or expend or promise to expend any money on behalf of such committee, until after a chairman and treasurer of such committee shall have been chosen.

SEC. 3. That every payment or disbursement made by a political committee exceeding $10 in amount be evidenced by a receipted bill stating the particulars of expense, and every such record, voucher, receipt, or account shall be preserved for 15 months after the election to which it relates.

SEC. 4. That whoever, acting under the authority or in behalf of such political committee, whether as a member thereof or otherwise, receives any contribution, payment, loan, gift, advance, deposit, or promise of money or its equivalent shall, on demand, and in any event within five days after the receipt of such contribution, payment, loan, gift, advance, deposit, or promise, render to the treasurer of such political committee a detailed account of the same, together with the name and address from whom received, and said treasurer shall forthwith enter the same in a ledger or record to be kept by him for that purpose.

SEC. 5. That the treasurer of every such political committee shall, within 30 days after the election at which Representatives in Congress were chosen in two or more States, file with the Clerk of the House of Representatives at Washington, D. C., an itemized, detailed statement, sworn to by said treasurer and conforming to the requirements of the following section of this act. The statement so filed with the Clerk of the House of Representatives shall be preserved by him for 15 months, and shall be a part of the public records of his office, and shall be open to public inspection.

SEC. 6. That the statements required by the preceding section of this act shall state:

First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent thereof, either in one or more items, money or its equivalent of the aggregate amount or value of $100 or more.

Second. The total sum contributed, promised, loaned, or advanced to such political committee, or to any officer, member, or agent thereof, in amounts less than $100.

Third. The total sum of all contributions, promises, loans, and advances received by such political committee or any officer, member, or agent thereof.

Fourth. The name and address of each person, firm, association, or committee to whom such political committee, or any officer, member, or agent thereof, has disbursed, distributed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of $10 or more, and the purpose thereof.

Fifth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof, where the amount or value of such disbursement, distribution, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than $10.

Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee or any officer, member, or agent thereof.

SEC. 7. That every person, firm, association, or committee, except political committees as hereinbefore defined, that shall expend or promise any sum of money or other thing of value amounting to $50 or more for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, unless he or it shall contribute the same to a political committee as hereinbefore defined, shall file the statements of the same under oath, as required by section 6 of this act, in the office of the Clerk of the House of Representatives at Washington, D. C., which statements shall be held by said Clerk in all respects as required by section 5 of this act.

SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, all personal expenses for his traveling and for purposes incidental to traveling, for stationery and postage, and for telegraph and telephone service without being subject to the provisions of this act.

SEC. 9. That nothing contained in this act shall limit or affect the right of any person to spend money for proper legal expenses in maintaining or contesting the results of any election.

SEC. 10. That every person willfully violating any of the foregoing provisions of this act shall, upon conviction, be fined not more than $1,000 or imprisoned not more than one year, or both.

Approved, June 25, 1910.

[Public, No. 32]

An act (H. R. 2958) to amend an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected" and extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States, and limiting the amount of campaign expenses

Be it enacted, etc., That sections 5, 6, and 8 of an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," approved June 25, 1910, be, and the same are hereby, amended to read as follows:

"SEC. 5. That the treasurer of every such political committee shall, not more than 15 days and not less than 10 days next before an election at which Representatives in Congress are to be elected in two or more States, file in the office of the Clerk of the House of Representatives at Washington, D. C., with said Clerk, an itemized detailed statement; and on each sixth day thereafter until such election said treasurer shall file with said Clerk a supplemental itemized detailed statement. Each of said statements shall conform to the requirements of the following section of this act, except that the supplemental statement herein required need not contain any item of which publicity is given in a previous statement. Each of said statements shall be full and complete, and shall be signed and sworn to by said treasurer.

"It shall also be the duty of said treasurer to file a similar statement with said Clerk within 30 days after such election, such final statement also to be signed and sworn to by said treasurer and to conform to the requirements of the following section of this act. The statements so filed with the Clerk of the House shall be preserved by him for 15 months and shall be a part of the public records of his office and shall be open to public inspection.

"SEC. 6. That the statements required by the preceding section of this act shall state:

"First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent thereof, either in one or more items, money or its equivalent of the aggregate amount or value of $100 or more, and the amount or sum contributed, promised, loaned, or advanced by each.

"Second. The aggregate sum contributed, promised, loaned or advanced to such political committee, or to any officer, member, or agent thereof, in amounts of less than $100.

"Third. The total sum of all contributions, promises, loans, and advances received by such political committee, or any officer, member, or agent thereof.

"Fourth. The name and address of each person, firm, association, or committee to whom such political committee, or any officer, member, or agent thereof, has distributed, disbursed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of $10 or more, stating the amount or sum distributed, disbursed, contributed, loaned, advanced, or promised to each, and the purpose thereof.

"Fifth. The aggregate sum distributed, disbursed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof, where the amount or value of such distribution, disbursement, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than $10.

"Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof.

"SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the results of an election at which Representatives to the Congress of the United States are elected, all necessary personal expenses for his traveling, for stationery and postage, and for telegraph and telephone service without being subject to the provisions of this act."

SEC. 2. That section 8, as above amended, and sections 9 and 10 of said act be renumbered as sections 9, 10, and 11, and that a new section be inserted after section 7 of the said original act, to read as follows:

"SEC. 8. The word 'candidate' as used in this section shall include all persons whose names are presented for nomination for Representative or Senator in the Congress of the United States at any primary election or nominating convention, or for indorsement or election at any general or special election held in connection with the nomination or election of a person to fill such office, whether or not such persons are actually nominated, indorsed, or elected.

"Every person who shall be a candidate for nomination at any primary election or nominating convention, or for election at any general or special election, as Representative in the Congress of the United States, shall, not less than 10 nor more than 15 days before the day for holding such primary election or nominating convention, and not less than 10 nor more than 15 days before the day of the general or special election at which candidates for Representatives are to be elected, file with the Clerk of the House of Representatives at Washington, D. C., a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate, or by his agent, representative, or other person for and in his behalf with his knowledge and consent, up to, on, and after the day of such primary election, nominating convention, general or special election, or election by the legislature, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made, for the purpose of procuring his nomination, indorsement, or election.

"Every person who shall be a candidate for nomination at any primary election or nominating convention, or for indorsement at any general or special election, or election by the legislature of any State, as Senator in the Congress of the United States, shall, not less than 10 nor more than 15 days before the day for holding such primary election or nominating convention, and not less than 10 nor more than 15 days before the day of the general or special election at which he is seeking indorsement, and not less than 5 nor more than 10 days before the day upon which the first vote is to be taken in the two houses of the legislature before which he is a candidate for election as Senator, file with the Secretary of the Senate at Washington, D. C., a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate, or by his agent, representative, or other person for and in his behalf with his knowledge and consent, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made for the purpose of procuring his nomination or election.

"Every such candidate for nomination at any primary election or nominating convention, or for indorsement or election at any general or special election, or for election by the legislature of any State, shall, within 15 days after such primary election or nominating convention, and within 30 days after any such general or special election, and within 30 days after the day upon which the legislature shall have elected a Senator, file with the Clerk of the House of Representatives or with the Secretary of the Senate, as the case may be, a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate, or by his agent, representative, or other person for and in his behalf with his knowledge and consent, up to, on, and after the day of such primary election, nominating convention, general or special election, or election by the legislature, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made for the purpose of procuring his nomination, indorsement, or election.

"Every such candidate shall include therein a statement of every promise or pledge made by him, or by anyone for him with his knowledge and consent or to whom he has given authority to make any such promise or pledge, before the completion of any such primary election or nominating convention or general or special election or election by the legislature, relative to the appointment or recommendation for appointment of any person to any position of trust, honor, or profit, either in the county, State, or Nation, or in any political subdivision thereof, or in any private or corporate employment, for the purpose of procuring the support of such person or of any person in his candidacy, and if any such promise or pledge shall have been made the name or names, the address or addresses, and the occupation or occupations, of the person or persons to whom such promise or pledge shall have been made, shall be stated, together with a description of the position relating to which such promise or pledge has been made. In the event that no such promise or pledge has been made by such candidate, that fact shall be distinctly stated.

"No candidate for Representative in Congress or for Senator of the United States shall promise any office or position to any person, or to use his influence or to give his support to any person for any office or position for the purpose of procuring the support of such person, or of any person, in his candidacy; nor shall any candidate for Senator of the United States give, contribute, expend, use, or promise any money or thing of value to assist in procuring the nomination or election of any particular candidate for the legislature of the State in which he resides, but such candidate may, within the limitations and restrictions and subject to the requirements of this act, contribute to political committees having charge of the disbursement of campaign funds.

"No candidate for Representative in Congress or for Senator of the United States shall give, contribute, expend, use, or promise, or cause to be given, contributed, expended, used, or promised, in procuring his nomination and election, any sum, in the aggregate, in excess of the amount which he may lawfully give, contribute, expend, or promise under the laws of the State in which he resides: *Provided*, That no candidate for Representative in Congress shall give, contribute, expend, use, or promise any sum, in the aggregate, exceeding $5,000 in any campaign for his nomination and election; and no candidate for Senator of the United States shall give, contribute, expend, use, or promise any sum, in the aggregate, exceeding $10,000 in any campaign for his nomination and election: *Provided further*, That money expended by any such candidate to meet and discharge any assessment, fee, or charge made or levied upon candidates by the laws of the State in which he resides, or for his necessary personal expenses, incurred for himself alone, for travel and subsistence, stationery and postage, writing or printing (other than in newspapers) and distributing letters, circulars, and posters, and for telegraph and telephone service, shall not be regarded as an expenditure within the meaning of this section, and shall not be considered any part of the sum herein fixed as the limit of expense and need not be shown in the statements herein required to be filed.

"The statements herein required to be made and filed before the general election, or the election by the legislature at which such candidate seeks election, need not contain items of which publicity is given in a previous statement, but the statement required to be made and filed after said general election or election by the legislature shall, in addition to an itemized statement of all expenses not theretofore given publicity, contain a summary of all preceding statements.

"Any person, not then a candidate for Senator of the United States, who shall have given, contributed, expended, used, or promised any money or thing of value to aid or assist in the nomination or election of any particular member of the legislature of the State in which he resides, shall, if he thereafter becomes a candidate for such office, or if he shall thereafter be elected to such office without becoming a candidate therefor, comply with all of the provisions of

this section relating to candidates for such office, so far as the same may be applicable; and the statement herein required to be made, verified, and filed after such election shall contain a full, true, and itemized account of each and every gift, contribution, expenditure, and promise whenever made, in any wise relating to the nomination or election of members of the legislature of said State, or in any wise connected with or pertaining to his nomination and election of which publicity is not given in a previous statement.

"Every statement herein required shall be verified by the oath or affirmation of the candidate, taken before an officer authorized to administer oaths under the laws of the State in which he is a candidate, and shall be sworn to or affirmed by the candidate in the district in which he is a candidate for Representative, or the State in which he is a candidate for Senator in the Congress of the United States: *Provided*, That if at the time of such primary election, nominating convention, general or special election, or election by the State legislature said candidate shall be in attendance upon either House of Congress as a Member thereof, he may at his election verify such statements before any officer authorized to administer oaths in the District of Columbia: *Provided further*, That the depositing of any such statement in a regular post office, directed to the Clerk of the House of Representatives or to the Secretary of the Senate, as the case may be, duly stamped and registered within the time required herein shall be deemed a sufficient filing of any such statement under any of the provisions of this act.

"This act shall not be construed to annul or vitiate the laws of any State not directly in conflict herewith relating to the nomination or election of candidates for the offices herein named, or to exempt any such candidate from complying with such State laws."

Approved, August 19, 1911.

[Public, No. 298]

An act (H. R. 26278) amending paragraph 10 of section 8 of an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," approved June 25, 1910, as amended by section 2 of an act entitled "An act to amend an act entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected' and extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States and limiting the amount of campaign expenses," approved August 19, 1911

Be it enacted, etc., That paragraph 10 of section 8 of an act entitled "An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected," approved June 25, 1910, as amended by section 2 of an act entitled "An act to amend an act entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected,' and extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States and limiting the amount of campaign expenses," approved August 19, 1911, be, and the same is hereby, amended so as to read as follows:

"Every statement herein required shall be verified by the oath or affirmation of the candidate, taken before an officer authorized to administer oaths; and the depositing of any such statement in a regular post office, directed to the Clerk of the House of Representatives, or to the Secretary of the Senate, as the case may be, duly stamped and registered, within the time required herein, shall be deemed a sufficient filing of any such statement under any of the provisions of this act."

Approved, August 23, 1912.

[Public, No. 222, Sixty-fifth Congress]

An act (S. 3438) to prevent corrupt practices in the election of Senators, Representatives, or Delegates in Congress

Be it enacted, etc., That whoever shall promise, offer, or give, or cause to be promised, offered, or given, any money or other thing of value, or shall make or tender any contract, undertaking, obligation, gratuity, or security for the payment of money or for the delivery or conveyance of anything of value to any person, either to vote or withhold his vote or to vote for or against any candidate, or whoever solicits, accepts, or receives any money or other thing of value in consideration of his vote for or against any candidate for Senator or Representative or Delegate in Congress at any primary or general or special election, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

Approved, October 16, 1918.

Mr. ROBINSON. The amendment submitted by the Senator from Idaho requires publicity as to the names of contributors. That information would not be adequate and it ought to be accompanied with a requirement as to residence and official position, if any, of the contributor. I shall move at the proper time an amendment to that effect, but let me now point it out for the consideration of the Senator from Idaho and perhaps he will accept it.

In one State that I know of every postmaster who has been selected during the last three years has been required—get the word now, "required"—in violation of the spirit of the law by a political committee to make contribution to the campaign fund of the political organization with which he is affiliated.

Mr. CARAWAY. And he must do that before he gets his job.

Mr. ROBINSON. And if he refuses to do it after he has been promised the post office, in a number of instances he has been denied the appointment. That, Mr. President, is one of the worst of abuses. That applies to the appointment of postmasters, and it has not been confined to postmasters alone, but every political appointee has been required to make contributions in advance of receiving appointment to office. Some have been assessed a fixed sum according to the value of their office, and a percentage of the estimated earnings of the office or the salary has been extorted from them in consideration of receiving the office.

Mr. STERLING. That is true, irrespective of what party is in power.

Mr. ROBINSON. I do not understand that that is the case. I am not speaking now from a partisan standpoint. I did not anticipate that anyone would raise a partisan issue because this subject is of very great importance to the public as a whole. It relates to the integrity of the Government. At various times these contributions have been solicited by some one who is forbidden by law to solicit campaign contributions. I could give many instances, and my colleague can do the same thing, in one State where postmasters now in office were informed in advance of appointment that they were expected to pay a certain amount.

Mr. CARAWAY. Mr. President——

Mr. ROBINSON. I yield to my colleague.

Mr. CARAWAY. I merely wish to call the attention of my colleague to one case where a man who had been promised the office of postmaster neglected to make his contribution. He was in a barber shop getting shaved one Saturday afternoon, and the collector went in there and made him quit in the midst of that operation and go out and raise the money. He said if he did not he was going to let another man have the office. As I understand it, he went out with half his whiskers off.

Mr. ROBINSON. This practice is general and it is wrong, Mr. President. If it has been indulged in by both political parties or organizations, it ought to be stopped and prevented, if it be in the power of those who legislate to accomplish that end.

Mr. FESS. Mr. President, will the Senator yield to me?

Mr. ROBINSON. I yield to the Senator from Ohio with pleasure.

Mr. FESS. Is it not a fact that it is against the law for a postmaster to solicit any contributions?

Mr. ROBINSON. I made that statement a moment ago.

Mr. FESS. I beg pardon.

Mr. ROBINSON. Not only is it contrary to law to solicit contributions from postmasters, but the party in interest whom I have in mind who made the solicitation was expressly forbidden by law to solicit campaign contributions because of an official position which he held; but if we shall put into the amendment of the Senator from Idaho a provision requiring to be given not only the name of the contributor but also his residence and the official position that he occupies, so that it shall be made plain, for instance, that the contributor is John Smith, postmaster at Birmingham, Ala., we shall get information that is of value.

Of course there are methods of evading even such provisions as that which I am suggesting. They will occur to those who are in the habit of applying evasive processes, but——

Mr. KENDRICK rose.

Mr. ROBINSON. I shall yield to the Senator from Wyoming in just one moment.

But it would, in my opinion, add to the value of the amendment to require that the residence of the contributor and his official position, if he holds one, be also stated, so that the public could know the sources of campaign contributions and the relationship of the contributors to the committees to which they make contributions. Now I yield to the Senator from Wyoming.

Mr. KENDRICK. In view of the fact that the Senator from Arkansas has stated that these collections are often made in advance, I wonder if the contributor would be described in that event as the "would-be postmaster"?

Mr. ROBINSON. No; I apprehend, though, that if he made a contribution and it subsequently appeared that he received

an office, it would at least be inferential that his contribution did not prevent him from obtaining official recognition, not to say that it assisted him in doing so. The publicity which would result would be of increased value.

Mr. DIAL. Mr. President——

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. DIAL. What would the Senator do in the kind of case where a trade is made for an office, and a sum of money is paid, and the negotiations are instituted for additional payments, and the statement is made that nothing can be done unless more is paid? There are cases of that kind.

Mr. ROBINSON. Perhaps the question of public policy would arise if an action were brought for the breach of such a contract. Some one has humorously suggested that a suit for "specific performance" might be instituted, all of which goes to show the difficulty in dealing with this subject effectively so as to prevent the evasions of the statute.

Mr. SMITH. Mr. President——

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. SMITH. I have some knowledge of rumors, which perhaps could be proven, along the line indicated by the Senator from Arkansas and by my colleague, but, as the matter appears to me, if it be unlawful for the postmasters to contribute under certain circumstances and for others to solicit, if they are already performing an unlawful act, would they not find a means to cover up their practices?

Mr. ROBINSON. Yes; the contributions might be taken from the wife of the postmaster.

Mr. SMITH. Exactly.

Mr. ROBINSON. Or, for further instance, the grandmother of the postmaster, or the niece of the postmaster.

Mr. SMITH. They might take contributions from the postmaster himself. What I was thinking about was they might find some other individual in the community who would make the collections and return them. I should like to see the law so amended that we might find out the source of the contribution.

The PRESIDENT pro tempore. The time of the Senator from Arkansas on the amendment has expired.

Mr. EDGE. Mr. President, I am in entire sympathy with the object sought to be attained by this amendment, but the discussion which has followed it and the various suggestions which have been made, it seems to me, demonstrate very conclusively that the amendment now before the Senate is not perfected to the extent that it could be perfected if more time and consideration were given to it, and that it should not be attached to the pending bill.

Some reference has been made to the beneficial effects of a committee appointed four years ago to investigate contributions and expenditures of candidates for the Presidency. I happened to be a member of that committee, and I am glad to hear expressions to the effect that the committee accomplished good; I myself likewise think it had such a result. I think the object sought to be covered by the amendment is very important if we are going to attempt to legislate on the question of corrupt practices, but certainly it does not belong to a postal salary increase bill. It is all right as the subject for an hour or so of discussion, or many hours discussion, because of its importance, which no one minimizes; but the facts are the parliamentary situation which would naturally result if this amendment were adopted and attached to the pending bill would hardly be advantageous to the bill itself. The bill, I assume, will have to go to conference, inasmuch as the House considered and passed quite a different postal salary measure than that reported to the Senate, and the addition of the proposed amendment would put the conferees of the two Houses in the position of considering the very involved subject of corrupt practices as well as the meritorious increases in the salaries of the post-office employees. While in full sympathy with a proper, strong, and sound amendment or a new statute covering this most important question, I certainly do not think it should be made a part of the postal salary increase bill.

Mr. McKELLAR. Mr. President, I am in very hearty sympathy with the proposal of the Senator from Idaho to have publicity of campaign contributions. I think that the amendment ought to be adopted, and I do not think that the Senator from New Jersey is correct in stating that it has no place on this bill. I remember well after I became a Member of the House of Representatives a number of years ago that on the post office appropriation bill were enacted some of the best pieces of legislation that have ever been passed by Congress. This amendment is in order on this bill; the session is growing very late; and if we are going to have publicity of campaign contributions something must be done at a very early date.

I was delighted to hear the Senator from Idaho, who is chairman of the subcommittee considering a bill which I introduced some time ago limiting campaign contributions, say that he thought the committee would report that bill within a few days. I am gratified to hear that; and I hope the bill may be reported to the Senate and that it may be enacted into law.

Mr. McKINLEY. Mr. President——

Mr. McKELLAR. I yield to the Senator from Illinois.

Mr. McKINLEY. The population of the State of Idaho is about 420,000 and of the State of New York about 11,000,000. The bill of the Senator from Tennessee provides that the same amount may be expended for campaign purposes in New York as may be expended in Idaho. Does the Senator think that is fair?

Mr. McKELLAR. Perhaps not; but if the committee that has it in charge or the Senator from Illinois can show any element of unfairness about it, I have no pride of authorship in the bill at all, and I will be glad to accept an amendment which will make it fair and just to all the States of the Union as well as those who may be concerned.

The truth is, Mr. President, that in the last national campaign one of the political parties expended a gross amount of $9,700,000, and another one of the political parties spent $2,500,000. Both of those sums are tremendously in excess of what any political party ought to spend in an election. The proposal which I have submitted to the Senate limits the amount that may be expended by a political party in the national campaign to $1,000,000. I think that is enough. If we are going to have honesty in elections and honesty in Government, some method of limiting campaign contributions ought to be devised and put into effect.

I am not going to discuss this afternoon the proposal which I have submitted to the Senate; but I do wish to say that publicity such as is proposed in the amendment of the Senator from Idaho will be one of the most potent factors in producing honesty in campaign expenditures. It will, to a tremendous degree, reduce the amount spent corruptly, and it should be adopted. We ought not to take any chances on it. I hope the Senator from New Jersey will withdraw his objection to the amendment, for we ought to do something in this regard. If the plan of those on both sides of the Chamber shall mature, we have only about two weeks in which to pass this much-needed legislation. This is the year of the presidential election and we ought to pass this legislation. I hope that the amendment of the Senator from Idaho will be agreed to.

Mr. SMOOT. Mr. President, I read over the amendment of the Senator from Idaho very hurriedly, but was immediately called out of the Chamber and did not have the pleasure of hearing the Senator from Idaho explain the details of the amendment. I asked him if it applied to primary elections and he replied that it did not. It seems to me, Mr. President, if we are going to have any publicity of campaign contributions at all, that publicity ought to apply all along the line.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. McKELLAR. The Senator understands that in the Newberry case the Supreme Court of the United States, whose decisions are final and binding on us, held that Congress has no authority under our Constitution to regulate primary elections.

Mr. SMOOT. I knew of the decision of the Supreme Court in the Newberry case, but I thought, notwithstanding that decision, a measure could be drawn in some other form than that in which the previous act was drawn and presented to the Supreme Court that would be constitutional. If expenditures made in a primary election are not to be made public to the people of the United States, what is the use of having the publication merely of the expenditures in the elections themselves? Practically everywhere in the South the primary is equivalent to the election; the battle is fought in the primary; and that is where the money is expended, and not in the election at all.

Mr. McKELLAR. That is not correct in my State, and I happen to be from a Southern State. We have a right hot fight there occasionally in the election following the primary.

Mr. SMOOT. There may be a very few spots in Tennessee and perhaps in Kentucky where there is money spent in the election as well as in the primary.

Mr. McKELLAR. I greatly regret to have to make the humiliating statement that considerable money was spent in Ten-

nesses by the Republicans in the last national election. So the Senator from Utah is not correct in his statement.

Mr. SMOOT. I said there were probably a few spots in Tennessee and also in Kentucky where money is expended in election campaigns because of the fact that there is a real election in those States, but the Senator knows that in all the other Southern States the primary is equivalent to the election.

Mr. OVERMAN. It is not so in my State.

Mr. SMOOT. I do not know, of course, how much money may be spent in North Carolina, but very little, I imagine, including both the Republican and the Democratic Parties.

Mr. OVERMAN. Two hundred thousand Republican votes are cast in the State.

Mr. SMOOT. But it is a Democratic State. When the Senator is nominated in the primary of North Carolina he knows he is as good as elected. Perhaps it may happen once in a lifetime, by some accident, that the primary does not settle the election, but such instances are very rare.

So, Mr. President, it seems to me that if this amendment shall be adopted, a third of the United States will not be affected in any way, shape, or form by it. If some kind of a law could be passed so worded as to require the publication of expenses in both primary and election campaigns it would be much fairer to all political parties.

I do not know whether that can be done or not, and I do not know whether the Senator from Idaho has undertaken to work out a plan along that line, or whether it would be constitutional; but no one can say that a comparison between the amount of money expended by the Republican Party and the amount of money expended by the Democratic Party in connection with the election of a President of the United States is a fair comparison.

Mr. CARAWAY. No; it always takes more to elect a Republican.

Mr. OVERMAN. The Republicans have to pay the expenses of the delegates from the South.

Mr. CARAWAY. And there is a reason for that.

Mr. SMOOT. Oh, certainly; the Senator can give his reasons and so can I. I have already stated one of the reasons, and that is that nobody knows what is expended in the primaries, and that is where the election is made in the Southern States. If some law that would be constitutional could be passed to cover that, I think it ought to be done.

Mr. LODGE. Mr. President, before the Senator from Utah takes his seat let me say that surely our existing law in regard to expenditures covers primaries as well as elections. There is a great deal of money spent in primaries, and there ought to be returns from primaries everywhere in the country just the same as from elections.

Mr. SMOOT. I agree with the Senator; and as far as the State of Utah is concerned it does not make any difference whether a President is running on the ticket or is being voted for or not. Every dollar of contributions is made public, and the source from which it is received. The fact that somebody has given $100 or $200 toward electing a certain President does not bar the committee in the State of Utah from making that contribution public, and it is always done.

Mr. WADSWORTH. Mr. President, let me say at the outset that I am very much in favor of the general tenor of this amendment; but I desire to call the attention of the Senator from Idaho [Mr. BORAH] and other Senators who take an interest in it to a situation which has never yet been covered by a Federal statute.

Our statute as it reads to-day, as I recollect it, for example, provides a limitation upon the amount of money which may be spent to secure an election, and there are provisions of State laws which limit the amount of money which may be spent by a political committee in furtherance of the election of a candidate; but very few States have any law which limits the amount of money which can be spent in opposition to a candidate, and time and time again groups of people organize themselves for the purpose not of advancing the election of a candidate but of defeating a certain candidate. The thing has grown into an abuse, and considerably so because by that device all limitation is avoided.

Perhaps Senators will forgive me the relation of a personal experience. The last time I was a candidate for office a certain organization which under the provisions of the corrupt practices act, we will say, of the State of New York did not fall within the definition of a political committee, by its own announcement flooded the State of New York with 10,000,000 circulars not favoring any person for a certain office, but denouncing a certain person and demanding his defeat, and no obligation rested upon them to make any accounting for the money spent for the 10,000,000 circulars or for any other kind of expenditure. It is the easiest thing in the world to beat this game by those tactics.

Mr. BORAH. Mr. President, what amendment does the Senator suggest?

Mr. WADSWORTH. I would express the idea that not only shall these reports be made for contributions received in furtherance of a candidacy but for contributions received in opposition to a candidacy.

Mr. BORAH. I think the language of the amendment at present will cover that.

Mr. WADSWORTH. I am not certain about that.

Mr. BORAH. If it does not, I shall be glad to change it.

Mr. WADSWORTH. It reads:

That all committees—

And the committee is not defined—

local, State, or National, and all persons or parties—

I am not clear as to whether "persons or parties" would cover it or not—

having any part or share in the election or in the campaign for the election of Members of Congress—

These people will say that they are taking no part in electing a Member of Congress. They will say that they are simply taking part in preventing the election of a Congressman, and that is what they do.

Mr. BORAH. I shall be very glad to change the amendment so as to cover the matter. The words "having any part or share in the election" would cover it, but if the Senator wants it made fuller I shall be glad to make it so.

Mr. CARAWAY. Mr. President, I find myself in hearty sympathy with the idea suggested by the Senator from New York. Why not have the provision apply to any party or group of people or organization that attempts to influence public opinion?

Mr. WADSWORTH. That is the sort of language that should be inserted in a corrupt practices act.

Mr. WALSH of Massachusetts. Mr. President, that is the language of the present law. The exact words are "to influence the result."

Mr. WADSWORTH. I think the Senator will find that it says "in furtherance of a candidacy."

Mr. WALSH of Massachusetts. The first paragraph of the general law, passed June 10, 1910—it has been somewhat amended since—says:

That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national congressional campaign committees of all political parties and all committees, associations, or organizations, which shall, in two or more States——

Mr. WADSWORTH. Two or more States!

Mr. WALSH of Massachusetts. It has to be committees influencing elections in two or more States.

Mr. WADSWORTH. There you fall down.

Mr. WALSH of Massachusetts. I continue reading:

Which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected——

Mr. WADSWORTH. Yes; but the "two or more States" vitiates the whole thing.

Mr. WALSH of Massachusetts. I agree the Federal authority is limited. I believe the best way to reach the election abuses is through State legislation, because it is doubtful if you can pass a Federal law unless it applies to committees interested in elections being held in more than one State. You have to have it apply to political committees taking part in the election in two or more States. Of course, we can pass corrupt practices laws that apply to the elections of Senators and Representatives only.

Mr. WADSWORTH. Then this amendment is not in order. This amendment does not contain the implication that it shall apply only to persons operating in two or more States.

Mr. WALSH of Massachusetts. It applies to organizations or committees that are receiving contributions for the election of Federal officials. It attempts to get a public record of all contributions. It certainly will be construed by the public as requiring public information from national political organizations.

Mr. WADSWORTH. Mr. President, for the purpose of clarification, may I ask the Senator from Idaho about this particular phrase:

The amendment says that these committees—

Shall publish at the end of each 10 days a financial report.

When does the first 10 days start?

Mr. BORAH. It would start as soon as the committee was organized.

Mr. WADSWORTH. Yes; but persons do not have to be organized. When do they start?

Mr. BORAH. They would necessarily have to start 10 days after they began to do business for a candidate.

Mr. STANLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Kentucky?

Mr. WADSWORTH. I yield.

Mr. STANLEY. I wish to ask the Senator from Idaho [Mr. BORAH] a question. In the case cited by the Senator from New York, where he was a candidate for the Senate, and money was spent to secure his defeat, in the event those contributions were made by citizens of New York to committees organized within the State of New York, does the Senator's amendment reach them?

Mr. BORAH. Yes; if they have to do with the election of a Federal officer.

Mr. BROUSSARD. But, Mr. President, if the Senator will allow me to ask a question, does this amendment cover organizations that are not engaged in the election of Members of the Senate and of the House?

Mr. BORAH. It covers, in my opinion, all that we can cover under the decision in the Newberry case. It covers the election of all Federal officials. It does not cover, of course, the election of State officials nor can it do so.

Mr. BROUSSARD. No; I think the Senator misunderstood my question. I am asking whether this amendment would cover the case stated by the Senator from New York, where an organization becomes interested in the defeat of a candidate. It is not urging any candidacy, nor is it a political party.

Mr. BORAH. This does not limit it. It refers to any committee—it does not have to be a political committee—or any individual:

That all committees—local, State, or National—and all persons or parties having any part or share in the election or in the campaign for the election——

Mr. BROUSSARD. I have never seen the amendment.

Mr. BORAH. I think that language covers it, but I should be very glad to have fuller language.

Mr. WADSWORTH. They are very adroit people, and I imagine they would contend that taking part in the election of a Member of Congress meant furthering the election of a Member of Congress.

Mr. BORAH. They could not contend that, because this amendment says "taking part in the election," and these people certainly are taking part in the election.

Mr. WADSWORTH. We have had a little experience with them in New York, because they attempted to declare themselves out from under the New York State corrupt practices act, and they had to be haled into court, and the decision is now, I think, still waited for as to whether or not they were a political committee or a group of persons engaged in a political activity under the meaning of the New York statute. The thing has grown up into a very great abuse; and there is more spending of money in that way these days, I believe, on the quiet, where it can not be gotten after, than in many a legitimate channel of political expenditure.

Mr. BORAH. If they were opposing a candidate, they could not successfully contend that they were not taking part in his election.

Mr. WADSWORTH. And may I add that they make no returns under the present statutes.

Mr. BORAH. I should want to cover that situation. I think I have, but if I have not I should be glad to have the proper amendment suggested.

Mr. EDGE. Mr. President, does not the Senator realize, in view of these suggestions, which are intended to be very helpful, that his amendment—which has not even been printed, and can not be familiar to the Senators—needs further consideration, rather than being tacked on to a bill for conference consideration?

Mr. BORAH. No; I do not realize that. Others may, but I have given considerable time to the amendment, and I think it covers what is desired.

Mr. EDGE. The Senator probably has.

Mr. BORAH. If the Senate feels as the Senator indicates, they can vote down the amendment.

I understand that the Senator from Massachusetts [Mr. WALSH] has an amendment to offer.

Mr. WALSH of Massachusetts. Mr. President, I think the field in which the National Government can legislate on this subject is somewhat limited. It is my opinion that the State governments have very nearly absolute control over the manner of electing presidential electors, Senators, and Members of the House of Representatives. I think it is largely, if not solely, a State function. Most of the States have passed corrupt practices acts dealing with the question, but these laws are not uniform and apparently are rarely enforced.

But the National Government has attempted to regulate the manner in which money shall be raised and spent for the electing of Senators and of Members of the House of Representatives. These laws are chaotic, if not unconstitutional, and it is a serious question whether we now have any law that the courts would uphold.

I think the amendment offered by the Senator from Idaho [Mr. BORAH] will certainly do no harm, and should do a great deal of good. It will be notice to political organizations on the eve of a presidential election that Congress desires the public to know the amount of money that is contributed for the election of officers of the Federal Government, and who is contributing it. I believe great good will result from the enactment of this amendment at the present time, especially in view of the uncertainty of the present law. It will be a clear pronouncement by Congress that publicity is expected and required in the use of money in national campaigns.

In order that the amendment may be strengthened somewhat, I suggest that in the last line of section 1, after the word "statements," the following words be added—

together with copies of circulars used in soliciting contributions and the names of all solicitors of campaign funds, shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and—

So that the last sentence of the section shall read:

Such reports and financial statements, together with copies of circulars used in soliciting contributions and the names of all solicitors of campaign funds, shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and shall be opened to inspection by the public.

Mr. BORAH. I accept the amendment.

Mr. FESS. I notice the wording is "together with copies of circulars used in soliciting contributions." Suppose a committee addresses a personal letter to the list of contributors they might have in the office. The letter is personal, stating the general situation, and so on. There may be one letter, followed by a second in a week or two weeks, and followed by a third, and the third letter would be the one that would ask for the contribution. How would this cover that?

Mr. WALSH of Massachusetts. This would not require the filing of all letters, only those that solicited contributions. The general amendment aims to give publicity to the names of all contributors, and the amounts which they contribute. I suggest that the circulars sent forth for the purpose of soliciting funds be also published, together with the names of all individuals authorized to solicit campaign funds.

Mr. FESS. Would that mean that every letter sent out requesting contributions should be published?

Mr. WALSH of Massachusetts. Every committee that collects funds must make it known that they have collected funds, from whom they have collected, and the amounts. I add, as an amendment, that the appeal circulars which committees send out shall be opened to public inspection. The courts would not experience difficulty in determining the difference between a letter that solicited funds and other political literature.

The PRESIDENT pro tempore. The Chair desires to remind the Senate that it has agreed that no Senator shall speak more than once upon any amendment.

The Senator from Idaho has accepted the modification proposed by the Senator from Massachusetts, and the question is upon the amendment offered by the Senator from Idaho, as modified.

Mr. ROBINSON. Pending that, I proposed an amendment, which was discussed some minutes ago, on line 7, after the word "name," to insert a comma and the words "residence, and official position, if any."

Mr. BORAH. I accept that amendment.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Idaho, as modified, to the amendment of the committee.

Mr. BORAH. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from West Virginia [Mr. NEELY], and vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD], but I am informed that if present he would vote as I shall vote, and I vote "yea."

Mr. McKELLAR (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. WILLIS], but I have been informed that if present he would vote as I shall vote on this question, and therefore I vote "yea."

Mr. TRAMMELL (when his name was called). I transfer my general pair with the senior Senator from Rhode Island [Mr. COLT] to the junior Senator from Maryland [Mr. BRUCE], and vote "yea."

The roll call was concluded.

Mr. BAYARD. I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. I do not know how he would vote if present, and in his absence I transfer that pair to the junior Senator from Rhode Island [Mr. GERRY], and vote "yea."

Mr. PITTMAN. The senior Senator from Florida [Mr. FLETCHER] is unavoidably absent. He is paired with the senior Senator from Delaware [Mr. BALL]. If the Senator from Florida were present, he would vote "yea."

Mr. CURTIS. I desire to announce the following general pairs:

The Senator from West Virginia [Mr. ELKINS] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Indiana [Mr. WATSON] with the Senator from Colorado [Mr. ADAMS];

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Tennessee [Mr. SHIELDS]; and

The Senator from Connecticut [Mr. McLEAN] with the Senator from Virginia [Mr. GLASS].

I am informed, however, that on this vote all the Senators whose pairs I have announced would vote "yea," if present.

The result was announced—yeas 55, nays 0, as follows:

YEAS—55

Ball	Dill	James, Wash.	Robinson
Bayard	Edwards	Kendrick	Sheppard
Borah	Fess	Keyes	Shipstead
Brookhart	Frazier	Ladd	Simmons
Broussard	George	Lodge	Smith
Bursum	Gooding	McKellar	Stanley
Cameron	Hale	McKinley	Stephens
Capper	Harreld	McNary	Sterling
Caraway	Harris	Norris	Swanson
Copeland	Harrison	Oddie	Trammell
Cummins	Heflin	Overman	Walsh, Mass.
Curtis	Johnson, Calif.	Pittman	Walsh, Mont.
Dale	Johnson, Minn.	Ralston	Wheeler
Dial	Jones, N. Mex.	Ransdell	

NAYS—0

NOT VOTING—41

Adams	Fletcher	Moses	Spencer
Ashurst	Gerry	Neely	Stanfield
Brandegee	Glass	Norbeck	Underwood
Bruce	Greene	Owen	Wadsworth
Colt	Howell	Pepper	Warren
Couzens	King	Phipps	Watson
Edge	La Follette	Reed, Mo.	Weller
Elkins	Lenroot	Reed, Pa.	Willis
Ernst	McCormick	Shields	
Fernald	McLean	Shortridge	
Ferris	Mayfield	Smoot	

So Mr. BORAH's amendment, as modified, to the amendment of the committee was agreed to, as follows:

SEC. —. That all committees, local, State, or National, and all persons or parties having any part or share in the election or in the campaign for the election of Members of Congress and all officers or officials of the Government of the United States shall publish at the end of each 10 days a financial report of the contributions received by or for the account of the committee, or person, or party, or candidate, directly or indirectly, with the name, residence, and official position, if any, of each contributor and the amount of his contribution, directly or indirectly, and at the end of each campaign for the election of such Members of Congress or officers or officials of the Government of the United States shall publish a complete and detailed financial statement, giving the name of each contributor and the amount of his contribution, together with the amount of any deficit incurred in the campaign, and such committee or party shall thereafter publish at the end of each month the amounts received by it from each contributor, directly or indirectly, to make up the deficit. Such reports and financial statements, together with copies of circulars used in soliciting contributions and the names of all solicitors of campaign funds, shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and shall also be opened to inspection by the public.

SEC. —. Every person, including every member of the committee, offending against the foregoing section shall be deemed guilty of a misdemeanor and shall upon conviction thereof be imprisoned not more than one year or fined not to exceed $5,000, or by both such fine and imprisonment.

The PRESIDENT pro tempore. The question now is upon agreeing to the substitute as amended.

Mr. LODGE. Mr. President, I am not sure of the parliamentary situation at this moment. Are we considering a substitute for the entire bill?

The PRESIDENT pro tempore. The question is on the substitute for the bill as amended.

Mr. LODGE. I move to strike out, on line 22, page 27, beginning with the word "*Provided*," the following:

Provided further, That watchmen, messengers, and laborers, after three years in the Postal Service as regular employees, shall be eligible for promotion to first-grade clerical and carrier positions upon passing a noncompetitive examination on recommendation of the Post Office Department.

All the men and women in the first grade clerical and carrier positions have reached their places by the competitive examination system. They have all been in the classified service. This is a proposal to take watchmen, messengers, and laborers after three years, who have never passed any of the examinations required of the higher grades, and promote them to those higher grades with only a noncompetitive examination, which is no examination at all.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. LODGE. I yield to the Senator.

Mr. EDGE. So far as I am concerned, I am entirely ready to accept the amendment. It was suggested by the department and accepted by the committee simply because of the provision that there must be more or less qualification and the applicant must be recommended by the Post Office Department. I am rather inclined to agree with the argument presented by the Senator and am entirely satisfied with his suggestion.

Mr. LODGE. If the Senator in charge of the bill accepts it, I have nothing further to say. I do not care to take time except to point out that the effect of it would be to shake and impair the entire organized service as it exists to-day.

The PRESIDENT pro tempore. The Clerk will report the amendment proposed by the Senator from Massachusetts.

The READING CLERK. On page 27, line 23, after the numeral "1" and the colon, strike out the following additional proviso:

Provided further, That watchmen, messengers, and laborers, after three years in the Postal Service as regular employees, shall be eligible for promotion to first-grade clerical and carrier positions upon passing a noncompetitive examination on recommendation of the Post Office Department; and,

Mr. ROBINSON. I inquire of the Senator in charge of the bill whether the provision which the Senator from Massachusetts seeks to strike out was recommended by the Post Office Department?

Mr. EDGE. I made that statement a moment ago. It was recommended by the Post Office Department, and for that reason was accepted by the committee, with some question, however. I personally questioned it seriously.

Mr. ROBINSON. Did the committee look into the purpose and effect of the provision or did the committee just accept it merely because it was recommended by the Post Office Department?

Mr. EDGE. As I recall, there was no particular statement in connection with it. The Post Office Department prepared a bill which they submitted in its entirety to the committee. That bill contained many features different from the bill now before the Senate. This was one of them. I do not recall any particular discussion about it.

Mr. PHIPPS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Colorado.

Mr. PHIPPS. I might say as a member of the joint committee that this particular item was under discussion by members of the joint committee and there was a difference of opinion. It was resolved in favor of the proposed permission for the reason that it had been recommended by the Post Office Department. The thought of the Post Office Department was that any employees who had given three years' satisfactory service, although not in a clerical grade, might be granted a preference when they were capable of passing an examination which the Post Office Department would prescribe. It would be merely an admission to the entrance grade.

Mr. ROBINSON. It would permit the admission to clerical positions and carrier positions of any number of persons whom the Post Office Department might desire to admit, without any competitive examination whatever.

The amendment says that these committees—

Shall publish at the end of each 10 days a financial report.

Mr. WALSH of Massachusetts. Mr. President, I think the field in which the National Government can legislate on this

Mr. LODGE. Absolutely.

Mr. PHIPPS. After examination and recommendation of the department.

Mr. ROBINSON. The examination would be noncompetitive, and that means that anyone might be admitted whom the Post Office Department saw fit to admit.

Mr. LODGE. It turns it into an examination which would amount to nothing. Anybody could be let in whom the Post Office Department chose to take in.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts to the amendment.

The amendment to the amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, in connection with the debate on the pending measure, the postal employees' salaries bill, and lest no opportunity to speak is presented later, I ask that a statement made by me, together with a letter printed in the CONGRESSIONAL RECORD on December 15 last, and also editorials ably and convincingly supporting the bill from the Christian Science Monitor and the Boston Daily Globe may be printed in the RECORD. There appears to be such general approval by the press and the public of an increased salary for postal employees that prolonged debate seems unnecessary.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

POSTAL EMPLOYEES' SALARIES.

SPEECH OF HON. DAVID I. WALSH, OF MASSACHUSETTS, IN THE SENATE OF THE UNITED STATES, DECEMBER 15, [illegible]

Mr. WALSH of Massachusetts. Mr. President, I d[illegible] mbers of Congress or the general public realize the threat[illegible] realization of the Postal Service of the country by reason of the inadequate salaries paid our postal employees. Only a fine spirit of public service and the conviction that Congress would soon readjust the present niggardly salaries has prevented a condition developing which would seriously cripple the Postal Service.

As it is, the labor turnover in the clerical branch of this service is larger than in any other branch of the Government.

The postal carrier has to face all kinds of weather, bear the consciousness of being charged with an important trust, and endure the physical strain of carrying a heavy pack while traveling his route day after day year in and year out. For all this the Postal Service pays a minimum of $26.92 and a maximum of $34.61 per week after three years. These salaries make it increasingly difficult to recruit capable postal employees. We can not afford to let the Postal Service deteriorate, for delay, inaccuracy, and carelessness in the service are ruinous.

The very efficient postmaster of Boston, Mr. Roland M. Baker, recently made an investigation as to the cost of living for a postal employee with a small family—not over four persons. The result of that investigation shows that the monthly expenditures amounted to $203, while the maximum salary is $150 per month. I ask, Mr. President, that the postmaster's letter and statement showing the result of his investigation be printed in the RECORD and referred to the Committee on Post Offices and Post Roads and treated in the nature of a petition. It is very brief but illuminating.

There being no objection, the letter and accompanying table were referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER,
Boston, Mass., December 4, 1923.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: I inclose you an itemized expense account which I am sure will interest you as being the minimum amount a month, and also per annum, on which a postal employee with a small family of not over four persons (many of them have families greater than this) can live in a normal, healthy, self-respecting manner in the Boston postal district to-day.

I have investigated the matter as carefully as I possibly can and am personally quite shocked at the amount which I find, as a result of the investigation, is necessary for the above purpose.

Will you kindly look over the items or, perhaps better still, have some one investigate the matter; and if you find same is based upon facts, interest yourself, which I am sure you will be only too glad to do, in a manner that we trust will result in correcting the situation.

Unless the employees of the Government are paid an adequate compensation it will be found an impossibility to secure a satisfactory type of individual for entrance into this service. I know you will agree with me that the situation calls for immediate correction, and I am sure that you will take great satisfaction in looking into the matter, as I say, not only in the interest of the employees themselves but in the interest of the service, both of which spell, in my own opinion, the protection of the best interests of the Government of the United States and its people.

Faithfully yours,

ROLAND M. BAKER, *Postmaster.*

Itemized expense account for man, wife, and two children

	Per month	Per annum
Rent	$37.50	$450.00
Food	65.00	780.00
Clothing	20.00	240.00
Fuel and light	12.50	150.00
Carfare and lunches	15.00	180.00
Household equipment upkeep	8.00	102.00
Recreation	8.00	102.00
Insurance and savings	12.50	150.00
Doctor	2.50	30.00
Dentist	2.00	24.00
Papers, magazines, and incidentals	5.00	60.00
Laundry	2.50	30.00
Church	1.00	12.00
	203.00	2,436.00

[From the Christian Science Monitor, March 8]

THE POSTAL WORKER AND HIS JOB

Evidence has been presented which has convinced the people of the United States that an unnecessary hardship is being inflicted upon the great mass of Government postal employees who bear the burdens of that service. So concerned have the people been over appalling expenditures in other departments that they have striven penuriously, but perhaps unconsciously, to stop the scanty dripping from the Postal Service spigot. There, it has been assumed, real economies might be practiced. But in the effort to economize they have perpetrated a great wrong upon thousands of faithful workers and their dependent families. They have willingly accepted the benefits of the far-reaching Parcel Post System which can not be economically maintained at the rates established, cheerfully agreeing that whatever deficit might exist should be made up from appropriations of the public funds. But they have thus far denied to the clerks and carriers, who have brought this service to the point of practical perfection, a decent living wage.

The public, standing in the place of an employer, is estopped in the present instance from falling back upon the abused theory that if the worker doesn't like his job or the pay offered he should surrender his place to another. Those employed in the Postal Service, whether in clerical positions or in the carrier force, have passed through long and somewhat tedious periods of apprenticeship and training. They are better qualified to do the work assigned them than others who have been trained along different lines, no matter what their general capabilities. These men and women are likewise under the civil-service rule and because of this are entitled to adequate protection in return for more or less highly specialized service rendered.

Specious and vain promises have been made to these employees in behalf of the Government. In 1920 an effort was made in Congress to authorize the reclassification of the salaries paid in the Postal Service. Action was deferred at that time because of the possibility that living costs were about to be materially reduced. That hope was not realized, and as a result some 350,000 servants of the public are still compelled to work for less than a fair living wage. It is shown conclusively by figures presented that the salaries paid to clerks and carriers, which range from $1,400 to $1,800 a year and which average in the neighborhood of $31 a week, are inadequate for the simplest needs of a family in the United States.

Concerted effort is being made throughout the country to enlist official and popular support for a measure now pending in Congress, known as the Kelly-Edge bill, providing for the reclassifying of all salaries paid in the Post Office Department. This reclassification will call for a larger postal appropriation, but this the people should be only too willing to grant. It is not expected that the Postal Service will return a profit, and those who calmly accept the benefits offered and perpetuated through generous subsidies should quickly agree that those who bear the ceaseless burdens incident to such a public service are entitled to an adequate living wage.

[From the Boston Daily Globe, Friday, February 8, 1924]

THE MAILMAN

There must be something wrong with a business where regular employees of high standing find themselves obliged to seek odd jobs here and there in order to make both ends meet. Serving two masters is at best difficult, and holding two jobs belongs in the same class. When an enormous concern employing 330,000 men and women pays so little for a day's work that about a quarter of the help are ready to usher at prize fights, sell from door to door, play in orchestras, or do about anything that promises an extra dollar, it might seem that popular resentment would be aroused. Unfortunately this is

not yet the case. Perhaps the reason that the public is slow to indignation is that the public owns the concern.

The business in question is the United States Postal Service, where pay has remained the same for the past four years. The inevitable has happened to the working force. Men who took the civil-service examinations years ago with the idea of remaining in the service for life have become discouraged and accepted opportunities in other lines. The labor turnover has risen to an average of 20 per cent a year for the entire country. In Detroit jobs in the post office look so poor as compared with jobs outside that it has been 14 months since an examination has been held for clerks or carriers. Instead of interviewing applicants the Detroit post office calls up the employment bureaus from time to time and asks that men "willing to do anything" be sent around. There are some cities where the postmaster is quick to send out recruiting scouts when he hears of an industrial strike. In that way he can obtain temporary help until the strike is settled and the strikers go back. The postmaster must then run short handed until another strike.

The present maximum for carriers and clerks, who begin at $1,400 a year, is $1,800. This means that the man who brings your mail, if he has been a regular in the service for four years, receives, after he has made his payment to the retiring fund, a weekly wage of $33.75. Postmaster Baker, of Boston, has been asking the men in his office how much it actually costs a family of four—father, mother, and two children—to live. The average of the replies he has received works out to $46.86 a week. This means that such a family must find $13.11 each week somewhere outside of the service. That is why many a clerk or carrier is perpetually on the lookout for part-time work.

Naturally the service suffers. In order to do his Government task well a carrier must be master of an 800-page book of regulations. He must keep a log of removal addresses, must hold in his memory several thousand names. He is also a collection agency for C. O. D. packages, and carries a book in which mail may be registered. So exacting a position requires a man of considerable ability. The trouble with the service is that it is not now attracting men of the caliber absolutely necessary for efficiency. The result is poor service. That is one reason why letters go astray and are delivered late. That is why the postmaster finds it so often necessary to shift experienced men from one route to another and put unqualified substitutes in the vacant places.

In several bills now before Congress a remedy is sought for this intolerable situation. A measure reported to the House sets a new maximum of $2,400, which works out to $46.15 a week. If some such relief as this is granted, the post office will take on new life. The time may come when the curve which shows the cost of living will bend downward again, but it has been up for a number of years, and there seems no present prospect of a great reduction. It is quite evident that the employees of the post office have decided not to wait for it.

The Postal Service can not be mechanical. No machine has ever been invented, or ever will be, which will read the addresses on letters and parcels. Human brains and faithfulness are required all through it. Emphatically it is a human service. For that reason the men and women who compose it must be treated with fairness. They can not live on dignity, and to oblige them to seek extra money elsewhere after doing exacting tasks for Uncle Sam for eight hours is sheer folly. The quality of the service can only be maintained if the conditions are made sufficiently attractive to draw into it the type of human ability that it must have.

The public, the owner of the post office, is also its patron. If, as owner, it permits starvation pay it must expect, as patron, to receive indifferent service. The people of this country do not want to be in the position of skin-flint employers. They wish and need the best postal system in the world. As they learn the truth they will become hearty supporters of a square deal for the gray uniforms.

UNCLE DUDLEY.

Mr. LODGE. I have another amendment that I desire to offer, but I would rather not offer it now unless the Senator expects to finish the bill to-night.

Mr. EDGE. I would like to finish the bill to-night, but it has been brought to my attention that some Senators interpreted the unanimous-consent agreement, which reads "not later than 1 o'clock," to mean that we would not vote until to-morrow. With that understanding, if any Senator so interpreting it has left the Chamber, of course, I would not ask for a vote before that hour.

Mr. ROBINSON. It was distinctly understood that the vote would not be taken to-day. Some Senators went away with the understanding that they would return to-morrow in time to vote at 1 o'clock.

Mr. EDGE. I was going to state that if the Senator had permitted me to do so. Under the circumstances I am not going to ask for a vote until to-morrow.

Mr. LODGE. Then I will allow my other amendment to go over until to-morrow, and shall offer it then.

Mr. WALSH of Massachusetts. Is there objection to taking a recess until 11 o'clock to-morrow?

Mr. EDGE. If there are no further amendments and no further discussion on the bill, I would be very glad to make a motion that the Senate take a recess until 12 o'clock to-morrow, unless there is some reason for meeting an hour earlier.

Mr. PHIPPS. It was my desire to see if we could not take up the District of Columbia appropriation bill to-night, if the Senator from New Jersey is willing to lay aside the postal salaries bill. I would like to get started on the District appropriation bill, because it is an important one and will probably require quite a little time in conference.

Mr. ROBINSON. If that bill is to be taken up, I think we should have the absence of a quorum suggested, as Senators are out of the Chamber who are very much interested in the District appropriation bill.

Mr. PHIPPS. There has been such a recent call that I thought perhaps that might not be necessary. I did not intend to go very far with the bill to-night.

Mr. WALSH of Massachusetts. If the amendment offered by the senior Senator from Massachusetts will take any time we ought to take a recess until 11 o'clock to-morrow morning instead of 12.

Mr. EDGE. Very well. At this time I ask unanimous consent that when the Senate concludes its business for the day it shall take a recess until 11 o'clock to-morrow morning.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. EDGE. If it is the desire of the Senator from Colorado to take up the District of Columbia appropriation bill, I will gladly a[illegible]ave the unfinished business laid aside temporarily.

Mr. [illegible] I will defer my request for consideration of the D[illegible]propriation bill until a later time.

W[illegible]ARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. WADSWORTH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 15, 18, 20, 27, 28, 33, 34, 44, 46, 58, and 94.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 6, 9, 16, 17, 19, 24, 26, 35, 36, 37, 42, 45, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, and 93, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: " : *Provided*, That hereafter upon the presentation of satisfactory evidence as to his age and upon application for discharge by his parent or guardian presented to the Secretary of War within 60 days after the date of his enlistment, any man enlisted after July 1, 1924, in the Army, under 21 years of age who was enlisted without the written consent of his parent or guardian, if any, shall be discharged with the form of discharge certificate and the travel and other allowances to which his service, after enlistment, shall entitle him"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended as follows: On page 13 of the bill, in line 14, after the word "who" insert the following: ", having been retired before reaching the age of 64"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$16,500,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "None of the funds appropriated or made available under this act or any of the unexpended balances of any other act shall be used for the purchase of motor-propelled passenger or freight carrying vehicles for the Army except those that are purchased solely for experimental purposes, and except one automobile for the official use of the Secretary of War, and

with the further exception that not to exceed $50,000 may be used as part payment in exchange of motor-propelled passenger or freight carrying vehicles"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "$120,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$45,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement of the Senate numbered 25, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "For procurement of forage, bedding, and so forth, for animals used by the National Guard, $1,607,642. For compensation of help for care of material, animals, and equipment, $2,350,000."; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the House numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,850,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$397,666"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,798,132"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$725,000"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 8, 13, 14, 21, 38, 39, 40, 41, 78, 91, and 92.

J. W. WADSWORTH, Jr.,
W. L. JONES,
SELDEN P. SPENCER,
DUNCAN U. FLETCHER,
WM. J. HARRIS,
Managers on the part of the Senate.

D. R. ANTHONY, Jr.,
L. J. DICKINSON,
REE JOHNSON,
Managers on the part of the House.

Mr. WADSWORTH. I move the adoption of the report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. WADSWORTH. I move that the Senate further insist upon its amendments still in disagreement, and that the Chair appoint conferees.

The motion was agreed to.

The PRESIDENT pro tempore. The Chair appoints the same conferees on the part of the Senate to consider the matters still in disagreement.

PROTECTION OF ALASKAN FISHERIES

Mr. JONES of Washington. Mr. President, I have just sent for the Senator from Utah [Mr. KING], who is absent from the Chamber. I have been hoping to be able to call up the Alaskan fisheries bill for some little time. The Senator from Utah wants to take a little time in discussing it. I do not think he has any objection to the bill, and I thought if I could get him here I might probably take up the bill and pass it inside of half an hour or such a matter. I do not want to take it up in his absence.

Mr. ROBINSON. What is the bill?

Mr. JONES of Washington. It is Calendar No. 472, the bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes.

Mr. ROBINSON. I think the Senator might have the bill read.

Mr. JONES of Washington. Yes; we might have the bill read, and possibly the Senator from Utah will be here by that time.

The PRESIDENT pro tempore. The Senator from Washington asks unanimous consent that the Senate proceed to the consideration of House bill 8143. Is there objection?

Mr. JONES of Washington. I do that with the understanding that if I can not get the Senator from Utah here this evening I shall not ask for the passage of the bill, because I know he wants to speak a little while on it. I do not think he has any objection to it.

There being no objection, the Senate, as in Committee of the Whole, proceeded to the consideration of the bill (H. R. 8143) for the protection of the fisheries of Alaska, and for other purposes, which had been reported from the Committee on Commerce with an amendment.

The reading clerk read the bill.

Mr. McKELLAR. Mr. President, will the Senator from Washington explain why the provision beginning in line 17, on page 4, and going down to and including line 2, on page 5, is proposed to be stricken out of the bill? Apparently that is a very excellent provision.

Mr. JONES of Washington. Yes; I will explain that. Those two provisions were put in on the floor of the House of Representatives without the matter having been gone into very carefully.

Mr. ROBINSON. To what provision does the Senator from Washington refer?

Mr. JONES of Washington. I refer to the provision, beginning in line 17, on page 4, which the committee proposes to strike out. I ask that the amendment be stated.

The PRESIDENT pro tempore. The committee amendment will be stated.

The READING CLERK. In section 3, page 4, line 17, after the word "appliance," it is proposed to strike out the following clause:

It shall be unlawful to drive, construct, set, or fish with any fixed or floating trap, weir, or pound net, or fish with purse seines in any bay, inlet, or estuary in Alaska, the width of which at its entrance is 3 miles or less, or within any channel or passage connecting larger bodies of water, where the width of said channel or passage is 3 miles or less, or within 1 mile of the entrance to any bay, inlet, or estuary which is 2 miles or less in width at its entrance, or within 1 mile of the mouth of any stream into which salmon are accustomed to run.

Mr. JONES of Washington. There are two provisions in the clause proposed to be stricken out, one involving fish traps and the other involving purse seines. There is quite a controversy with reference to the use of traps and the use of purse seines, but the committee of the House, in going into the matter, did not deem it advisable to prohibit the use of traps or of purse nets and left their control entirely to the Secretary of Commerce.

There are some places in Alaska, I think, where traps may properly be used, and there are other places where purse seines may properly be used. To prohibit the use of traps now would involve a loss of many hundreds of thousands of dollars, and to stop the use of purse seines as is proposed here would be a very great injury and detriment. Our committee felt that that action should not be taken without the most careful consideration, and it would require very extensive hearings. Those interested would insist upon hearings, and they would have a perfect right to be heard where so much in the way of property interests is involved and, furthermore, where the development and care of the fisheries is so greatly involved. There are so many other good things in the bill and so many very desirable things in it that our committee concluded rather than have the delay that would be occasioned by the necessity of holding hearings with reference to these provisions, which were put in, as I have stated, on the floor of the other House, we struck the provisions out.

Let me say that this seems to be as satisfactory a measure as could be obtained for all interests under the present condition of affairs.

The Delegate from Alaska is very much opposed to traps but is very much in favor of purse seines. He recognizes the situation, and, while he would like to have the traps prohibited and the purse seines retained, he is very anxious that this legis-

over until to-morrow, and shall offer it then.

Mr. WALSH of Massachusetts. Is there objection to taking a recess until 11 o'clock to-morrow?

or freight carrying vehicles for the Army except those that are purchased solely for experimental purposes, and except one automobile for the official use of the Secretary of War, and

lation, because of the conditions up there, shall pass as it is now framed, and then the question with reference to traps and purse seines can be fought out in subsequent legislation. What I have stated is about the situation with reference to these two provisions.

Mr. McKELLAR. I will suggest to the Senator that a reading of the bill and the statement of his reasons for moving to strike out the provisions would seem to indicate that it is going to be a very difficult thing to enforce this law, is it not? Is it not going to require a great many men to enforce it?

Mr. JONES of Washington. Oh, no; it will not.

Mr. McKELLAR. Could the Senator give us some idea as to how many men it will require to enforce the law?

Mr. JONES of Washington. No; I can not tell how many; but the traps, of course, are definitely located; they are in fixed positions. There might be a little more difficulty about the purse seines; and yet, as Senators may know, some of the purse seines are a thousand feet long, or 1,800 feet long, or 3,000 feet long, so that they could not be used very surreptitiously. I do not think, therefore, that it would take very much extra force to enforce these provisions should they become law.

Mr. ROBINSON. Mr. President, I myself wish to take the floor for a moment, if the Senator from Washington has concluded.

Mr. JONES of Washington. Very well.

Mr. ROBINSON. Mr. President, anyone who is familiar with the history of salmon fisheries in Pacific waters on the western coast of the United States and the streams that enter the Pacific there, and who has also some familiarity with the conditions now existing respecting Alaskan fisheries will at once realize the importance of legislation upon this subject. Salmon fishing in the waters of the western United States has about terminated because of the depletion of the supply of fish, and it is astonishing to know that in certain portions of the Alaskan waters the supply of salmon has been almost completely exhausted, so that the canneries located in certain communities have been compelled to suspend operations. Unless there shall be some effective legislation on the subject, this source of riches for the Alaskan people will disappear. It is in the fisheries rather than in the agricultural or even in the mineral prospects of Alaska that her prosperity, in all probability, is to be found. This bill does accomplish substantial results. Under the system which has heretofore prevailed, or which prevailed at least until the comparatively recent past, the fisheries have been unrestricted and the methods employed have left the fish with no prospect of survival.

I presume every Senator is familiar somewhat with the habits of the salmon fish. They spawn in fresh-water streams and after a certain time the young fish go out to sea, disappear for a long period, and then when they are ready to spawn they return to the waters where they originated, and after spawning die. Their habits are such that by placing traps and seines or nets across the mouth way or in the channel of the runs the entire run may be caught or captured.

This bill provides for escapement and for closed days or periods when no fishing may be done, and it gives, as I understand, the Secretary of Commerce the power to regulate both the places of fishing and the methods of fishing which may be employed.

I myself, in making a study of the subject some months ago, became rather prejudiced against the trap because the processes which it contemplates give the fish little or no chance for escape, but in view of the fact that discretion is vested in the Secretary and periods of escapement are provided, and places may be reserved where no fish may be caught for any purpose, I am pleased with the bill and should like to see it passed.

Mr. JONES of Washington. Mr. President, I ask that the amendment on page 4 may be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the committee on page 4.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I have two or three other amendments that have been arranged by those who are interested in the matter, and especially the Delegate from Alaska, who has been consulted in this entire matter. I have tried to put the bill in such shape that he would be satisfied with it. I repeat the statement that I made awhile ago that he would like very much to have traps all prohibited, but, realizing the situation that exists, he is perfectly willing to let that question go over for future adjustment. The three amendments which I desire to offer have been submitted to him, and are agreeable to him. I send them to the desk and ask for their adoption.

The PRESIDENT pro tempore. The first amendment proposed by the Senator from Washington will be stated.

The READING CLERK. On page 6, line 1, after the words "dog feed," it is proposed to insert:

> Whenever the Secretary of Commerce shall find that conditions in any fishing area make such action advisable, he may advance, not more than 12 hours, both the opening and ending time of the closed period herein stipulated.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. KING. May I inquire of the Senator whether that amendment has been agreed to by the Delegate from Alaska?

Mr. JONES of Washington. It has; in fact, all the amendments I am now submitting have been submitted to the Delegate from Alaska.

Mr. KING. Are they in furtherance of the purpose which he has in view or, rather, do they conserve the interests of the canners as against the interests of the fish and the people of Alaska?

Mr. JONES of Washington. They are really in the interest of all.

Mr. FESS. Have they been submitted to the Secretary of Commerce?

Mr. JONES of Washington. They have.

Mr. FESS. And they meet his approval?

Mr. JONES of Washington. They do.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Washington.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment proposed by the Senator from Washington.

The READING CLERK. On page 2, after line 25, it is proposed to insert:

> It shall be unlawful to import or bring into the Territory of Alaska, for purposes other than personal use and not for sale or barter, salmon taken from waters outside the jurisdiction of the United States, and adjacent to any fishing area during any closed period during which fishing is prohibited within said fishing area.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I present an amendment to come in as a new section. I will say that I do not believe that it is necessary, but the Delegate from Alaska, in order to be sure that this bill will not have a contrary effect to that suggested by the amendment, is very anxious to have the amendment adopted, and I have no objection to it.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 7, after line 19, it is proposed to insert a new section, as follows:

> SEC. 8. Nothing in this act contained, nor any powers herein conferred upon the Secretary of Commerce, shall abrogate or curtail the powers granted the Territorial Legislature of Alaska to impose taxes or licenses, nor limit or curtail any powers granted the Territorial Legislature of Alaska by the act of Congress approved August 24, 1912, "To create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes."

The amendment was agreed to.

Mr. DILL. Mr. President, I should like to ask my colleague a question. As I understand, the situation in Alaska has been very unsatisfactory as it has been handled up to this time, and those who object to the conditions which have prevailed there charge them largely to the Secretary of Commerce, claiming that he has not treated them fairly. As I understand, the bill gives the Secretary of Commerce practically absolute power.

Mr. ROBINSON. May I interrupt the Senator?

Mr. DILL. I yield.

Mr. ROBINSON. The Secretary of Commerce sought to give exclusive right to fish in certain Alaskan water, and out of his attempt to give exclusive rights to fish, thus depriving a large number of the people of the right to pursue their usual vocation, great complaint arose. This bill, however, denies to the Secretary of Commerce any power to grant an exclusive right to fish and requires him to give everyone equal rights within the areas where fishing is permitted.

Mr. DILL. That is what I wanted to have made clear—as to whether this is an enlargement of his power or whether it is a limitation of his powers.

Mr. JONES of Washington. The bill removes the principal cause of complaint with reference to the exercise of power

by the Secretary of Commerce, just as the Senator from Arkansas has stated. Within the two reservations that were created by Executive order a year or two ago the Secretary of Commerce has seen fit to make regulations under which outsiders might not go in order to fish. In other words, those who are already located there, if he thought they took all the fish that should be taken, were given the full rights, and nobody else could go in there and take fish.

Mr. KING. They were given exclusive rights.

Mr. JONES of Washington. They may be called exclusive rights, but I want to say this in justice to the Secretary of Commerce:

When I came back this fall, and came down here, and we were considering matters of this kind, the Delegate from Alaska and I talked over the matter with reference to those exclusive rights, and I saw the Secretary of Commerce, and the Secretary of Commerce himself said that he would be glad to have that discretion taken away, that certainly he was not in favor of that policy, but those who were on the ground and who had been dealing with the matter especially and who might be considered to be experts had recommended and urged that that policy be pursued. I will say, in justice to him, that he said frankly that he would prefer not to have that absolute power, so I can say for him that he is glad that this provision is put in the bill prohibiting him from granting exclusive rights within the fishing areas up there.

Mr. DILL. Mr. President, I notice that there is a limitation as to taking not to exceed 50 per cent of the fish out of the water. What is the limitation now?

Mr. JONES of Washington. There is no limitation now.

Mr. DILL. That is what I thought. To that extent, then, this bill is a restriction.

Mr. JONES of Washington. I want to say, however, that the Secretary of Commerce—within the discretion that is placed in him with reference to these reservations established by Executive order, in two or three cases where he has gotten fish traps or measuring devices in a stream—has imposed a regulation that 50 per cent of the fish must be allowed to go up; so the provision in this bill, as a matter of fact, is only carrying out what the Secretary of Commerce has established.

Mr. FESS. Mr. President, will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. FESS. I became interested in this particular bill from reading an editorial, which I thought was rather hypercritical of the Secretary of Commerce, and I went into the matter. Is it not a fact that the law that is now in existence was passed in 1906 and gave the Secretary of Commerce no further authority than he now is operating under, and has he not been urging this particular legislation for three years?

Mr. JONES of Washington. He has been urging legislation along these lines.

Mr. ROBINSON. Mr. President——

Mr. JONES of Washington. I will yield to the Senator from Arkansas in just a minute.

I want to say that the President, by Executive order, established two reservations. There is very serious question as to whether or not he had a legal right to do it; but he did it, with the approval of the Secretary of Commerce—in fact, I think upon his recommendation—for the very purpose of saving the fish supply there. That is embodied in this bill, and legislative authority is given.

Mr. FESS. And the recommendation came originally from Doctor Smith; did it not?

Mr. JONES of Washington. I assume so, although I do not know. He was the Commissioner of Fisheries.

Mr. ROBINSON. Mr. President, the Senator has stated in part one thing that it was my purpose to say when I rose, and that is that no authority of law exists now for the Secretary of Commerce to create reservations. I have been unable to find any authority for him to grant exclusive rights of fishery. It was about that alleged abuse of authority that most of the complaint arose; namely, that the Secretary in some instances had created reservations, and in others had granted in certain waters the exclusive right to fish, usually to large corporations or packing concerns, which deprived the fishermen of the opportunity to pursue their occupations; and they desired very much the provision that is in this bill, which secures to every citizen of the United States the right to fish in Alaskan waters upon equal terms and without discrimination. The bill deprives the Secretary of any power, if he has it—and I do not think he has the power—to grant exclusive rights to fish in Alaskan waters. It affirmatively denies to him that power, and it is very wholesome in that respect.

Mr. JONES of Washington. I want to say that I had the pleasure of visiting Alaska last summer. I spent two months there. I visited practically all of these fishing grounds and fishing sites, and so on; and without saying whether the Secretary's policy was the best or not, I will say that, taking everything into consideration, there is very great justification for the action that the Secretary took.

I am satisfied that whatever action the Secretary did take was taken with the honest purpose and intention of preserving the fish supply in Alaska, and that if what he did was wrong it was simply an error of judgment, rather than any desire to favor any interest of any kind or character. That is my judgment.

Mr. ROBINSON. I was speaking of the question of legal authority. It never has been pointed out to me by anyone that such authority existed in the Secretary. Of course, in all probability his reason for granting exclusive rights to fish was to make it easier to regulate the catch and to preserve the supply. With everyone fishing, and with no means of policing the waters, it would seem much more probable that the supply would be completely exhausted than if a single concern were relied upon to control the fishing within a given area. Aside from the question of motive, however, he could exercise legally only such authority as the statute of Congress conferred upon him, and it did not confer that authority. Therefore it would appear that his act in assuming to grant exclusive rights to fish was unauthorized.

In addition to that, unquestionably it was necessary and is necessary to establish reservations. I think the Secretary justified his action in that particular as one of extreme necessity, rather than as one based upon express authorization of statute. He felt that to wait until Congress legislated upon the subject would be to suffer great loss and destruction of the supply of fish, and he took the chances involved in exercising an authority which is very doubtful, to say the least, and established certain reservations.

Mr. JONES of Washington. The Senator is right in that statement, and I think it is a very just statement to the Secretary.

Mr. FESS. Mr. President, I saw a letter written by the Secretary of Commerce in which he raised the question of the wisdom of the reservation, in that in a way it created a monopoly which he thought was unwise, and asked for legislation in order to relieve the situation. I understood in going over the hearings that there were at least 400 different companies and individuals fishing in those waters, and that unless the right was limited, and not expanded beyond the limit fixed, there would be danger of exhaustion of the fish. I have become greatly interested in the matter, just as the Senator from Arkansas has, somewhat incidentally, because of the peculiar character of the situation that obtains up there.

Mr. JONES of Washington. Oh, we must have some restrictive measures there or the salmon supply of Alaska will be gone.

Mr. President, that completes the amendments to the bill.

Mr. KING. Mr. President, I was just going to suggest, with the permission of the Senator, that I think the statement submitted by the able Senator from Arkansas is not only generous but more than generous in his treatment of the Secretary of Commerce. I am afraid the facts rather indicate that the Secretary of Commerce urged the President to do what I conceive to be an illegal act, much the same as it was illegal to transfer the oil lands and their control from the Navy Department to the Interior Department; and so soon as these reserves were established the Secretary of Commerce perpetuated in control various monopolies, and the manner in which they have operated has further depleted the fish supply.

Moreover, he has already granted permits for the coming year to the same canneries that have created a monopoly. If he had been so interested in conserving the rights of the people of Alaska and free fishing and proper fishing, I submit that he would not again have granted permits to these monopolies.

However, Mr. President, I expect to speak upon this bill to-morrow, if I can get the floor, at the earliest possible moment, because while the bill is not satisfactory to me, and I am sure is not satisfactory to many who understand the situation, it is better than the existing legislation; and therefore, I shall aid the Senator in securing its passage. Indeed, I have tried for several weeks to have the bill called up for passage when I perceived that it was impossible to get the kind of legislation that was needed. This bill gives too much authority to the Department of Commerce, and the conduct of the department in the past is not an assurance of a policy in the future that

will conserve the fish supply and be conductive to the best interests of the American people.

Mr. JONES of Washington. The Senator feels that he would not be prepared to dispose of the bill to-day?

Mr. KING. It is so late now——

Mr. JONES of Washington. The Senator has been very considerate; I appreciate that; and I know that he wants to take some little time in discussing the bill. I had hoped that I could get it through to-night, but if the Senator says he would not like to take it up now I will await my opportunity further.

Mr. KING. I should much prefer, if it suits the Senator, not to go on to-night. I will join with the Senator to-morrow in trying to pass the bill.

Mr. JONES of Washington. I know the Senator has been very kind.

Mr. DILL. Mr. President, this bill has nothing to do with the sanitary regulation of the canneries in Alaska, has it?

Mr. JONES of Washington. No; it has not anything to do with that matter.

Mr. DILL. The Senator, of course, is familiar, as all of us are, with the grand jury report on the sanitary conditions in those canneries.

Mr. JONES of Washington. Yes.

Mr. DILL. Somebody in this Government ought to have authority to clear up that situation. If it is one-tenth as bad as described in that grand jury report, it is a disgrace to American civilization that it is allowed to continue.

Mr. JONES of Washington. That should be dealt with by another committee and through another bill. I think bills have been introduced dealing with that phase of the matter.

Mr. President, if there is nothing further about this bill, of course I will defer to the wishes of the Senator from Utah [Mr. KING] and not press the bill for passage now, and will let it rest until to-morrow.

ANNE C. SHYMER

Mr. COPELAND. Mr. President, I should like permission to bring up Senate bill 2793, Order of Business 417, which was objected to the other night by the Senator from Arkansas [Mr. ROBINSON] under a misapprehension. This was thought to be a claim under the *Lusitania* commission, but it is not. It is a case of a woman who died on the *Lusitania*. Her body was recovered the same day, and the jewels were put in the possession of the consul at Cork, and were then sent on to the State Department in London and were lost. Here we have a unanimous report from the committee asking that relief in the amount of $3,900 be given to this estate.

The PRESIDENT pro tempore. The Senator from New York asks unanimous consent that the Senate proceed to the consideration of Senate bill 2793. Is there objection?

Mr. KING. Mr. President, I do not object, with the understanding that immediately upon the disposition of this bill the Senate will take a recess or an adjournment.

Mr. JONES of Washington. A brief executive session is desired.

Mr. RANSDELL. Mr. President, I have here a matter which will not lead to any debate. I am not going to object to the consideration of this bill, but I trust the Senator from Utah will not insist upon that understanding.

Mr. DIAL. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. It is utterly impossible for the Chair to hear when several Senators are claiming attention. Does the Senator from Utah object?

Mr. KING. Mr. President, I made a conditional objection, which I appreciate would be unfair. Therefore I will not object, but I will say that my understanding was that with the disposition of the bill in which the Senator from Washington [Mr. JONES] is interested the Senate would take a recess.

Mr. JONES of Washington. After a brief executive session.

The PRESIDENT pro tempore. The Senate has already agreed to take a recess. The Secretary will report the bill in order that the Chair may ascertain whether there is objection.

The bill was read.

Mr. ROBINSON. I do not object to the consideration of this bill. It grows out of very unusual circumstances. It was the peculiar circumstance surrounding the case that prompted me to object on a former occasion, rather than any misapprehension as to the terms or effect of the bill. I have no objection to its present consideration.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "$12,000" and to insert in lieu thereof "$3,900," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the legal representatives of the estate of Anne C. Shymer, out of any money in the Treasury not otherwise appropriated, the sum of $3,900, as full compensation for the loss of jewelry, the property of the aforesaid Anne C. Shymer, who was lost in the sinking of the *Lusitania*, which jewelry was transmitted to the State Department and was lost in transit.

The amendment was agreed to.

The bill was reported to the Senate as amended, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF COTTON FUTURES LAW

Mr. DIAL. Mr. President, some time ago I introduced a bill (S. 3197) to amend section 5 of the United States cotton futures act to enable the buyer of a cotton-futures contract to demand actual delivery in fulfillment thereof prior to the close of the delivery month, which was referred to the Committee on Agriculture and Forestry. I conferred with the chairman of the committee to-day, and he says it will be impossible for them to take the bill up and consider it and report it out. He thought it would be a good plan, and I agreed with him, to move that the committee be discharged and that the bill be placed on the calendar. I realize that that motion will have to go over one day, and I desire to make the motion now.

Mr. ROBINSON. What is the nature of the bill?

Mr. DIAL. It is in regard to the amendment of the future contract law in a special particular. It is not my main bill, but it is one about which I think the southern Senators can agree.

The PRESIDENT pro tempore. The Senator from South Carolina gives notice of a motion to discharge the Committee on Agriculture and Forestry from the further consideration of the bill he has indicated.

EXECUTIVE SESSION

Mr. JONES of Washington. I understand the unfinished business will be before the Senate when we meet to-morrow without any further action now, so I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, May 27, 1924, at 11 o'clock a. m.

CONVENTION WITH GERMANY TO PREVENT THE SMUGGLING OF INTOXICATING LIQUORS

In executive session this day, the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a convention between the United States and Germany to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on May 19, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 20, 1924.*

The PRESIDENT:

The undersigned the Secretary of State has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention between the United States and Germany to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on May 19, 1924.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 19, 1924.

The President of the United States of America and the President of the German Empire being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a convention for that purpose, and have appointed as their plenipotentiaries:

The President of the United States of America; Mr. Charles Evans Hughes, Secretary of State of the United States of America; and

The President of the German Empire; Dr. Otto Wiedfeldt, German Ambassador to the United States of America;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The High Contracting Parties declare that it is their firm intention to uphold the principle that 3 marine miles extending from the coast line outward and measured from low-water mark constitute the proper limits of territorial waters.

ARTICLE II

(1) The President of the German Empire agrees that Germany will raise no objection to the boarding of private vessels under the German flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions, in order that enquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions, in violation of the laws there in force. When such enquiries and examinations show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions, prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions, for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States, its territories or possessions, than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions, by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions, on board German vessels voyaging to or from ports of the United States, or its territories or possessions, or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unladen within the United States, its territories or possessions.

ARTICLE IV

Any claim by a German vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the high contracting parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon the claim shall be referred to the Permanent Court of Arbitration at The Hague, described in the convention for the pacific settlement of international disputes, concluded at The Hague October 18, 1907. The arbitral tribunal shall be constituted in accordance with article 87 (Chapter IV) and with article 59 (Chapter III) of the said convention. The proceedings shall be regulated by so much of Chapter IV of the said convention and of Chapter III thereof (special regard being had for articles 70 and 74, but excepting articles 53 and 54) as the tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the tribunal on account of any claim shall be paid within 18 months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expenses. The expenses of the tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of 5 per cent on such sums or at such lower rate as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year either of the high contracting parties may give notice of its desire to propose modifications in the terms of the treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose, as provided above three months before its expiration, modifications in the treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year the treaty shall lapse.

ARTICLE VI

In the event that either of the high contracting parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present treaty, the said treaty shall automatically lapse, and on such lapse or whenever this treaty shall cease to be in force each high contracting party shall enjoy all the rights which it would have possessed had this treaty not been concluded.

The present convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the President of the German Empire in accordance with the requirements of the German constitution, and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the present convention in duplicate and have thereunto affixed their seals.

Done at the city of Washington this 19th day of May, A. D. 1924.

(Signed) CHARLES EVANS HUGHES. [SEAL.]
(Signed) DR. OTTO WIEDFELT. [SEAL.]

CONVENTION WITH SWEDEN TO PREVENT SMUGGLING OF INTOXICATING LIQUORS

In executive session this day, the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to ratification, I transmit herewith a convention between the United States and Sweden signed at Washington on May 22, 1924, to aid in the prevention of the smuggling of intoxicating liquors into the United States.

CALVIN COOLIDGE.

THE WHITE HOUSE, *May 23, 1924.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a convention between the United States and Sweden to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on May 22, 1924.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, May 22, 1924.

The President of the United States of America and His Majesty the King of Sweden being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages have decided to conclude a convention for that purpose, and have appointed as their plenipotentiaries:

The President of the United States of America, Mr. Charles Evans Hughes, Secretary of State of the United States;

His Majesty the King of Sweden, Mr. V. Assarsson, counselor of his legation at Washington;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I

The high contracting parties respectively retain their rights and claims, without prejudice by reason of this agreement, with respect to the extent of their territorial jurisdiction.

ARTICLE II

(1) His Majesty agrees that he will raise no objection to the boarding of private vessels under the Swedish flag outside the limits of territorial waters by the authorities of the United States, its territories or possessions, in order that inquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions, in violation of the laws there in force. When such inquiries and examination show a reasonable ground for suspicion a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories or possessions, prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions, for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States, its territories or possessions, than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions, by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories or possessions, on board Swedish vessels voyaging to or from ports of the United States, or its territories or possessions, or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unladen within the United States, its territories or possessions.

ARTICLE IV

Any claim by a Swedish vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II of this treaty or on the ground that it has not been given the benefit of Article III shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the high contracting parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon, the claim shall be referred to the Permanent Court of Arbitration at The Hague described in the convention for the pacific settlement of international disputes, concluded at The Hague, October 18, 1907. The arbitral tribunal shall be constituted in accordance with article 87 (Chapter IV) and with article 59 (Chapter III) of the said convention. The proceedings shall be regulated by so much of Chapter IV of the said convention and of Chapter III thereof (special regard being had for articles 70 and 74, but excepting articles 53 and 54) as the tribunal may consider to be applicable and to be consistent with the provisions of this agreement. All sums of money which may be awarded by the tribunal on account of any claim shall be paid within 18 months after the date of the final award without interest and without deduction, save as hereafter specified. Each Government shall bear its own expense. The expenses of the tribunal shall be defrayed by a ratable deduction of the amount of the sums awarded by it, at a rate of 5 per cent on such sums, or at such lower rates as may be agreed upon between the two Governments; the deficiency, if any, shall be defrayed in equal moieties by the two Governments.

ARTICLE V

This treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year, either of the high contracting parties may give notice of its desire to propose modifications in the terms of the treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose as provided above three months before its expiration modifications in the treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year the treaty shall lapse.

ARTICLE VI

In the event that either of the high contracting parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present treaty, the said treaty shall automatically lapse, and on such lapse or whenever this treaty shall cease to be in force each high contracting party shall enjoy all the rights which it would have possessed had this treaty not been concluded.

The present convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Sweden, and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the present convention in duplicate in the English and Swedish languages and have thereunto affixed their seals.

Done at the city of Washington this 22d day of May, A. D 1924.

[SEAL.] CHARLES EVANS HUGHES.
[SEAL.] V. ASSARSSON.

NOMINATIONS

Executive nominations received by the Senate May 26, 1924

PROMOTIONS IN THE CONSULAR SERVICE

FROM CONSUL GENERAL OF CLASS 4 TO CONSUL GENERAL OF CLASS 3

Marion Letcher, of Georgia.

FROM CONSUL OF CLASS 3 TO CONSUL GENERAL OF CLASS 4

Samuel T. Lee, of Michigan.

FROM JAPANESE SECRETARY OF THE EMBASSY TO JAPAN TO CONSUL GENERAL OF CLASS 4

John K. Caldwell, of Kentucky.

FROM CONSULS OF CLASS 4 TO CONSULS OF CLASS 3

Arthur C. Frost, of Massachusetts.
Dana G. Munro, of New Jersey.
Leon Dominian, of New York.
Charles M. Hathaway, jr., of Pennsylvania.

FROM CONSULS OF CLASS 5 TO CONSULS OF CLASS 4

Leslie E. Reed, of Minnesota.
John K. Davis, of Ohio.
O. Gaylord Marsh, of Washington.
John W. Dye, of Minnesota.
Hasell H. Dick, of South Carolina.
Leland B. Morris, of Pennsylvania.

FROM CONSUL OF CLASS 6 TO CONSUL OF CLASS 5

Joseph F. McGurk, of New Jersey.
William P. Blocker, of Texas.
Jay C. Huston, of California.
Charles J. Pisar, of Wisconsin.
John Randolph, of New York.
Parker W. Buhrman, of Virginia.
William R. Langdon, of Massachusetts.

FROM CONSUL OF CLASS 7 TO CONSUL OF CLASS 6

Egmont C. von Tresckow, of South Carolina.
Harry E. Carlson, of Illinois.
Samuel R. Thompson, of California.
Orsen N. Nielsen, of Wisconsin.
Damon C. Woods, of Texas.
Robert B. Macatee, of Virginia.
Hugh S. Fullerton, of Ohio.
Richard F. Boyce, of Michigan.
Digby A. Willson, of New York.
Raleigh A. Gibson, of Illinois.
Ilo C. Funk, of Colorado.

FROM VICE CONSUL OF CAREER OF CLASS 1 TO CONSUL OF CLASS 7

Harold Shantz, of New York.
Frederick L. Thomas, of New York.
Robert R. Patterson, of Michigan.
Harold S. Tewell, of North Dakota.
Hiram A. Boucher, of Minnesota.
E. Talbot Smith, of Connecticut.
William I. Jackson, of Illinois.
Robert Y. Jarvis, of California.

FROM SENIOR INTERPRETER AT $3,000 TO CONSUL OF CLASS 7

Maxwell M. Hamilton, of Iowa.

TO CONSUL OF CLASS 7 FROM THE ELIGIBLE LIST

Augustin W. Ferris, of New York.

MEMBER OF THE FEDERAL TRADE COMMISSION

Charles W. Hunt, of Iowa, to be a member of the Federal Trade Commission for the term expiring September 25, 1925, vice Victor Murdock, resigned.

MEMBER OF THE MISSISSIPPI RIVER COMMISSION

Edward Flad, of St. Louis, Mo., to be a member of the Mississippi River Commission, vice J. A. Ockerson, deceased.

PRESIDING JUDGE OF THE COURT OF CUSTOMS APPEALS

William J. Graham, of Illinois, to be presiding judge of the Court of Customs Appeals, vice George E. Martin, who has been appointed chief justice of the Court of Appeals, District of Columbia.

PROMOTIONS IN THE REGULAR ARMY

To be colonel

Lieut. Col. Godwin Ordway, Coast Artillery Corps, from May 16, 1924.

To be lieutenant colonel

Maj. Robert Davis, Signal Corps, from May 16, 1924.

To be major

Capt. Charles Wolcott Ryder, Infantry, from May 16, 1924.

To be captains

First Lieut. Morris Handley Forbes, Infantry, from May 14, 1924.
First Lieut. Dorsey Jay Rutherford, Coast Artillery Corps, from May 16, 1924.

To be first lieutenants

Second Lieut. Joseph Alfred Cranston, jr., Infantry, from May 14, 1924.
Second Lieut. Willard Leslie Isaacs, Infantry, from May 16, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

FIELD ARTILLERY

Second Lieut. Walter Howard DeLange, Air Service, with rank from January 5, 1923.

AIR SERVICE

Capt. Karl Hartman Gorman, Cavalry (detailed in Air Service), with rank as prescribed by the act of June 30, 1922.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 26, 1924

PROMOTIONS IN THE NAVY

To be captain

William S. Pye.

To be commanders

Leslie E. Bratton.
Emanuel A. Lofquist.

To be lieutenant commander

Edward J. O'Keefe.

To be lieutenant

Robert Anderson.

To be lieutenants (junior grade)

Harold J. McNulty.
John A. Pennington.
Rutledge B. Thompkins.
Campbell H. Minckler.
William A. Gorry.
John W. Harris.
Harry A. Brandenburger.

To be assistant surgeons

John S. Harlow, jr.
Ora M. Holman.
Clifton A. Young.
Walter B. Wolfe.
John M. Bachulus.
David C. Elliott.
Harry D. Templeton.
Cleveland E. Branner.
Charles Stewart.
William H. Turnley.
William A. Strauss.
Walter F. J. Karbach.
Charlie H. Allman.
Elmer T. Cure.
John F. Moriarty.
John M. Barnes.
Richard B. Talbott.
Leon D. Carson.
Victor W. Hart.
Arthur J. Hamilton.
George C. Main.
Harold B. Rae.
Donald E. Dement.
William E. Pinner.
Dwight J. Wharton.
Henry G. Backer.
Merrill R. Fox.
John W. Parent.
Arthur P. Morton.
Howard E. Hill.
Oliver R. Nees.
John L. Thornton.
Claude L. Taylor.
Robert E. Baker.
Horace E. Brown.
Harvey E. Robins.
Robert K. Y. Dusinberre.
John L. Emenhiser.
Carl D. Middlestadt.
Beryl C. Shearer.
Charles H. Bitner.
Charles C. Yanqdell.
John Q. Owsley, jr.
John F. Luten.
Roy L. Mullins.
Arra B. Chesser.
Lloyd R. Newhouser.
Joseph I. Porter.
Israel Levin.
Henry M. Weber.
Harold E. List.
Francis J. Vurpillat.
Max E. Wonders.
John R. Smith.
Henry J. Winkler.
Harold D. Fritz.
Thomas F. Cooper.
John M. Beall.
Walter A. Hornaday.
George C. Thomas.
Leonard L. Wilson.
John M. Woodward.
David W. Truscott.
Fay H. Falconer.
Wilbur J. Cox.
Harold W. Gillen.
John R. Lynas.

To be civil engineer

James T. Mathews.

To be chief gunners

Frank W. Dunning.
Edwin V. Wilder.

To be chief carpenters

Claude M. Joseph.
Wyatt E. Fitzgerald.
James Sanders.
Charles H. Langenstein.
Frank M. Rogers.
Roy R. Wells.

MARINE CORPS

Eli K. Cole to be major general (temporary).
Dion Williams to be brigadier general.
Harold C. Reisinger to be assistant paymaster, with rank of colonel.

To be first lieutenants

Edgar G. Kirkpatrick.
Clarence H. Yost.
John D. O'Leary.
Clyde H. Hartsel.
Grover C. Darnall.
Delmar Byfield.
Charles Connette.
Arthur C. Small.
James Ackerman.
Henning F. Adickes.
Ralph C. Alburger.
Benjamin W. Atchison.
William L. Bales.
Ralph C. Battin.
Frederick C. Biebush.
Edmond McC. Callaway.
Gale T. Cummings.
Roy W. Conkey.
Terrell J. Crawford.
Howard B. Enyart.
George Esau.
Edwin J. Farrell.
Augustus H. Fricke.
Julian N. Frisbie.
Carl Gardner.
Gordon Hall.
Guy B. Hall.
Frank W. Hanlon.
William S. Fellers.
James B. Hardie.
George L. Hollett.
Herbert S. Keimling.
Ralph D. Leach.
George W. McHenry.
William L. McKittrick.
Charles W. Pohl.
Bernard W. Pravitz.
Stanley E. Ridderhof.
Edward A. Robbins.
Thomas McK. Schuler.
Morris L. Shively.
Max D. Smith.
David A. Stafford.
William J. Stamper.
Jay D. Swartwout.
George H. Towner, jr.
Leslie H. Wellman.
Walter W. Wensinger.
Ervin R. Whitman.
Marvin V. Yandle.

POSTMASTERS

ARKANSAS

Bertha E. Millian, Lexa.
Nellie V. Gilbert, Millville.
Elmer B. Wacaster, Mount Ida.
Maud Jackson, Sherrill.
Malda W. Russell, Star City.
Robert A. Choate, Tuckerman.
Robert E. Jeter, Wabbaseka.

COLORADO

Cora M. Northup, Fountain.
Oscar L. Morris, La Salle.
Charles V. Engert, Lyons.

FLORIDA

Jefferson Gaines, Bocagrande.
John B. Carlin, St. Cloud.

ILLINOIS

Joseph D. Robertson, Barrington.
Guy A. Meyers, Milledgeville.
Minor S. Miller, Pearl City.
LeRoy Gammon, Thebes.
Arthur Justus, Warren.

MASSACHUSETTS

Albert S. Hopkins, Norton.

MISSOURI

Edgar A. Crandell, Wyaconda.

MONTANA

Lee Jellison, Hobson.

NEBRASKA

Harry C. McClellan, Arlington.
Elmer H. Doering, Battle Creek.
Guy W. Green, Bloomington.
Stanley E. Hemenway, Clearwater.
Robert L. Hart, Cozad.
Anton B. Helms, Randolph.
Otto J. Zuelow, Schuyler.
Margaret M. Anderson, Stromsburg.

NEW YORK

Arthur J. Lytle, Angelica.
E. DeLancy Walters, Bolivar.
Ettie M. Babcock, Canaan.

NORTH CAROLINA

William B. Ward, Concord.

PENNSYLVANIA

Howard S. Kiess, Blossburg.

TEXAS

James D. Heaton, Barry.
Alois J. Skarda, Bloomington.
Mike O. Sharp, Denison.
George F. Bates, Lyons.
Dunn R. Emerson, Marlin.
Clara C. White, Megargel.
Edgar W. Hargett, Richards.
Lillie M. Ragsdale, Richardson.
William H. Tarter, Roxton.
Jesse P. Smith, Smiley.
William M. Willis, Timpson.
Minerva M. F. Cowart, Turkey.
James A. Morgan, Vega.
Oliver P. Maricle, Wichita Falls.

HOUSE OF REPRESENTATIVES

MONDAY, *May 26, 1924*

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our Father, what a comfort is ours in the consciousness that Thou art always near to bestow wisdom and lead us on our way. Frail and helpless though we are, yet in Thee do we put our trust and Thou wilt never fail us. Be near us this day and we shall have no fear; let Thy light be about us and we shall see no darkness; rule over us and sin shall lose its power. O be our ground of faith and our sky of hope. May the words of our mouth and the meditations of our hearts be acceptable in Thy sight O Lord, our strength and our Redeemer. Amen.

The Journals of Saturday, May 24, and Sunday, May 25, 1924, were severally read and approved.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. GREEN of Iowa. I hope the gentleman will not insist on that.

Mr. SNYDER. Will the gentleman withhold his point of order in order that I may make a unanimous-consent request?

Mr. RANKIN. I think we need a quorum present, but I will withhold it in order that the gentleman from New York may make his unanimous-consent request.

INTERSTATE COMMERCE ACT

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on train control.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on train control. Is there objection? [After a pause.] The Chair hears none.

Mr. SNYDER. Mr. Speaker, I secured unanimous consent to extend my remarks that I may place before Congress a brief statement regarding my bill, H. R. 9436, which is a bill to amend section 26 of the interstate commerce act as amended.

The purpose of this bill is the enforcement of orders made by the Interstate Commerce Commission making certain railroads equip sections of their lines with train-control or life-saving devices. It simply demands that the railroads carry out the orders of the commission and increases the penalty to $1,000 for each day that any common carrier refuses or neglects to comply with any order of the commission, and further provides that any person in whom has been vested by appropriate action of the board of directors or president of the carriers the duty to cause compliance of such order shall be fined not more than $5,000 or imprisoned for not more than five years if an accident involving a loss of human life occurs upon the railroad of such carrier, or if such accident is attributable to the nonfulfillment of the order, or if such director, officer, employee, or other person willfully or negligently failed to cause such compliance.

This bill has been introduced at this time in the interest of humanity and the saving of human life in railroad travel, both for employees and the traveling public.

The question of train control has been a subject of consideration by both the Interstate Commerce Commission and the railroads for several years. Nearly a year and a half ago the development of a device or devices for the purpose of train control was brought to such a state of efficiency that the Interstate Commerce Commission, noting the necessity for curbing to the greatest possible extent the loss of human life in passenger traffic, and after exhaustive investigation, determined that one or more of these systems had become of sufficient merit to warrant the issuance of an order in an endeavor to force the principal railroads to at least test out the merits of the subject.

An order issued by the Interstate Commerce Commission directing 49 of the principal carriers to equip at least one full division on each of these railroads with train control. Later on a second order was issued to these same roads. And later on a further order was issued to 46 of the remaining smaller roads.

To the present moment, as far as is known, no major effort has been made on the part of either of these roads, with one possible exception, to carry out that order; and, as set forth in the thirty-second annual report of the Interstate Commerce Commission dated December 1, 1923, there were killed and injured, in the year 1923, in accidents upon these railroads, which would have been wholly preventable had the order of the Interstate Commerce Commission been carried out, the following number of people: One hundred and eighty-nine people killed in preventable accidents and 1,299 injured in preventable accidents, saying nothing with reference to the millions of dollars which would have been saved to these companies and to the public in the matter of equipment destroyed.

Recently a combination of railroad presidents or managers attempted to prevail upon the Interstate Commerce Commission to withdraw or extend the time of these orders, calling for this equipment to be installed on or before January 1, 1925, and January 1, 1926. After careful hearings and full investigation, the Interstate Commerce Commission declined to withdraw the order or to extend the period.

The proponent of this bill having given the matter full and careful consideration, and having no interest in it other than to assist, in any way he can, in bringing about the compliance of the order which he believes the Interstate Commerce Commission would not have issued unless it had positive knowledge of the fact that there was a device suitable for the purpose which could be applied to all passenger railroads at a moderate rate per mile, therefore is presenting the bill which has for its function the enforcement of these orders and makes no change in the law except to increase the penalty for nonfulfillment of same.

The only reason why the railroads have not adopted this life-saving device is the fact that the public has not been advised that there is such an appliance, as it is firmly believed public sentiment would almost immediately force the railroads to give the traveling public the benefit of this invention.

Surely everyone who steps on a railroad train feeling that because of the tremendous number of accidents which are taking place daily, owing to the defects of the human body and mind, would be at once relieved if they knew they would be protected by a mechanical device which would insure them perfect safety.

A case in point: For more than three years the Rock Island Railroad has had in operation 44 miles, and since December 1, 1922, has equipped 330 miles, of its great system of roads with a device known as the Regan train control. More than 100 of its engines have been connected with this device, and recently the vice president of this road, as well as its engineers, stated in their testimony before the Interstate Commerce Commission that the system was working perfectly.

So there can be no good reason why the traveling public should not have the benefit of the thought of real security when they retire for the night upon a railroad train or start out for a day ride to some objective.

It is well known that all great railroads hesitate for many reasons to install new systems upon their roads with an endeavor by their own ingenuity to work out devices which would accomplish the same purposes in, perhaps, another way. But it is believed there has been time sufficient for the experiments and efforts on the part of the separate railroad companies to accomplish this desire, and sufficient human lives have been lost during that period of experiment, to the end that from now on the railroads should be forced to carry out the direction of the Interstate Commerce Commission when human life is so largely involved.

CALL OF THE HOUSE

Mr. HOWARD of Nebraska. Mr. Speaker, while they are conferring with the gentleman from Mississippi [Mr. RANKIN], may I ask a question for information?

The SPEAKER. Will the gentleman from Mississippi withhold his point of order in order that the gentleman from Nebraska may ask a question?

Mr. RANKIN. Yes; for a question, Mr. Speaker.

Mr. HOWARD of Nebraska. Not being overly familiar with the practice, I desire to ask what is the practice in the absence of the chairman of a committee and one being desirous of propounding a question to the chairman? Would it be in order to ask the next in line to the chairman?

The SPEAKER. The Chair does not think that is a parliamentary inquiry.

Mr. RANKIN. Mr. Speaker, I insist on my point of order.

Mr. HOWARD of Nebraska. Mr. Speaker, I did not ask it as a parliamentary inquiry.

The SPEAKER. That is the only kind of an inquiry which can properly be made.

Mr. HOWARD of Nebraska. I know of nowhere else to go for information.

The SPEAKER. The gentleman from Mississippi makes the point of order that there is no quorum present. It is evident there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernethy	French	Mooney	Sabath
Aldrich	Fulmer	Moris	Sanders, N. Y.
Anderson	Graham, Ill.	Mudd	Sears, Nebr.
Bachmann	Harrison	Nelson, Wis.	Stalker
Boies	Howard, Okla.	Nolan	Sullivan
Bowling	Kahn	O'Brien	Swoope
Buckley	Kunz	Park, Ga.	Taylor, Colo.
Byrnes, S. C.	Langley	Patterson	Temple
Clark, Fla.	Lehlbach	Perlman	Valle
Cole, Ohio	Lilly	Phillips	Wainwright
Collins	Little	Porter	Ward, N. Y.
Curry	Logan	Ransley	Wertz
Dominick	Madden	Reed, N. Y.	White, Me.
Drane	Michaelson	Reed, W. Va.	Winter
Drewry	Miller, Ill.	Rogers, Mass.	Wright
Edmonds	Milligan	Rogers, N. H.	Yates
Fleetwood	Montague	Rosenbloom	Zihlman

The SPEAKER. Three hundred and sixty-five Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were reopened.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Welch, one of its clerks, announced that the Senate had passed the following resolutions:

Senate Resolution 236

Resolved, That the Senate has heard with deep sorrow of the death of Hon. H. GARLAND DUPRE, late a Representative from the State of Louisiana.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Senate Resolution 237

Resolved, That the Senate has heard with deep sorrow of the death of Hon. BENJAMIN G. HUMPHREYS, late a Representative from the State of Mississippi.

Resolved, That the business of the Senate be now suspended in order that fitting tribute may be paid to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

The message also announced that the Senate had passed the following resolution:

House Concurrent Resolution 26

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House is authorized and directed, in enrolling the bill (H. R. 8350) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes," to amend the language of the first paragraph of Title IV of said bill under the captions "Title IV, Department of Labor, Office of the Secretary," so as to read as follows: Salaries: Secretary of Labor, $12,000; Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia in accordance with the classification act of 1923, $171,900; in all, $183,900.

ENROLLED BILLS SIGNED

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 6715. An act to reduce and equalize taxation, to provide revenue, and for other purposes;

H. R. 8350. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes;

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 7118. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes;

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas, and attach said county to the San Angelo division of the northern judicial district of said State;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 5136. An act for the relief of Eva B. Sharon;

H. R. 8070. An act authorizing preliminary examinations and surveys of sundry streams with a view to the control of their floods;

H. R. 4481. An act authorizing the Secretary of Commerce to exchange land formerly used as a site for the Point of Woods Range Lights, Mich., for other lands in the vicinity;

H. R. 6857. An act to provide for the addition of the names of Chester Calf and Crooked Nose Woman to the final roll of the Cheyenne and Arapaho Indians, Seger jurisdiction, Oklahoma;

H. R. 714. An act to amend section 101 of the Judicial Code;

H. R. 7500. An act to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes;

H. R. 4445. An act to amend section 115 of the act of March 3, 1911, entitled "An act to codify, revise, and amend the laws relating to the judiciary";

H. R. 3236. An act to regulate the practice of optometry in the District of Columbia;

H. R. 2879. An act to provide for the disposal of homestead allotments of deceased allottees within the Blackfeet Indian Reservation, Mont.;

H. R. 4437. An act to quiet titles to land in the municipality of Flomaton, State of Alabama;

H. R. 5218. An act granting the consent of Congress to the Pittsburgh Coal, Land & Railroad Co. to construct a bridge across the Tug Fork of Big Sandy River at or near Nolan, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky.;

H. R. 5169. An act authorizing the Secretary of the Interior to grant a patent to certain lands to Johann Jacob Lutsch;

H. R. 7109. An act to authorize acquisition of unreserved public lands in the Columbia or Moses Reservation, State of Washington, under acts of March 28, 1912, and March 3, 1877, and for other purposes;

H. R. 4460. An act authorizing payment to certain Red Lake Indians, out of the tribal trust funds, for garden plats surrendered for school-farm use;

S. 946. An act for the relief of Amy L. Fallon, mother of Lieut. Henry N. Fallon, retired; and

S. J. Res. 105. A joint resolution authorizing the President to detail an officer of the Corps of Engineers as Director of the Bureau of Engraving and Printing, and for other purposes.

REVENUE ACT OF 1924—CONFERENCE REPORT

Mr. GREEN of Iowa. Mr. Speaker, I call up conference report on the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

The SPEAKER. The gentleman from Iowa calls up a conference report on H. R. 6715, which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. GREEN of Iowa. Mr. Speaker, under the ordinary arrangement I would take an hour, and the gentleman from Texas [Mr. GARNER], on the other side, would take an hour; but I ask unanimous consent, after consulting with the gentleman from Texas, that debate on the conference report be limited to one hour and a half, that time to be controlled one-half by myself and one-half by the gentleman from Texas, and at the expiration of the hour and a half the previous question on the conference report be considered as ordered.

The SPEAKER. The gentleman from Iowa asks unanimous consent that on the conference report there be an hour and a half of debate, one-half to be controlled by himself and one-half to be controlled by the gentleman from Texas, and at the end of the hour and a half the previous question be considered as ordered. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Of course, the gentleman intends to have the report read?

Mr. GREEN of Iowa. Yes. I was just about to say that usually we read the statement instead of the report. In this particular instance, however, the statement is about twice as long as the report; so, unless some gentleman asks that the statement be read, we will have the report read.

The SPEAKER. The Clerk will read the report.

The Clerk read the report, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 13, 14, 15, 18, 19, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, 48, 53, 69, 71, 72, 76, 77, 80, 81, 82, 83, 89, 90, 92, 93, 95, 123, 127, 128, 129, 132, 136, 137, 140, 141, 143, 144, 145, 146, 147, 148, 149, 150, 153, 157, 158, 159, 161, 162, 163, 164, 166, 167, 168, 169, 171, 172, 174, 176, 181, 183, 184, 188, 189, 190, 191, 192, 195, 196, 197, 198, 199, 203, 205, 206, 207, 208, 209, 210, 211, 215, 222, 223, 224, 225, 229, 253, 254, and 260.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 16, 17, 20, 24, 29, 37, 38, 40, 42, 43, 45, 46, 49, 50, 52, 54, 55, 57, 58, 59, 60, 64, 65, 66, 67, 68, 70, 73, 74, 75, 78, 84, 85, 86, 87, 94, 97, 98, 99, 100, 102, 103, 104, 105, 106, 107, 108, 109, 112, 113, 115, 116, 118, 119, 120, 121, 124, 125, 126, 130, 131, 133, 134, 135, 138, 139, 142, 151, 156, 160, 165, 170, 173, 175, 177, 178, 180, 182, 185, 193, 200, 201, 202, 204, 213, 214, 217, 218, 219, 220, 221, 226, 227, 231, 232, 233, 234, 235, 236, 237, 238, 239, 241, 242, 243, 244, 245, 246, 247, 248, 249, 251, 252, 255, 256, 257, 258, and 259, and agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment and on page 16 of the House bill strike out all after "shall" in line 9 down to and including the comma in line 10; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) In the case of an individual the tax shall, in addition to the credits provided in section 222, be credited with 25 per cent of the amount of tax which would be payable if his earned net income constituted his entire net income; but in no case shall the credit allowed under this subdivision exceed 25 per cent of his tax under section 210" and a period.

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: On page 5 of the Senate engrossed amendments, line 18, strike out "Two" and insert "2"; and on page 5 of the Senate engrossed amendments, line 19, strike out "attributed" and insert "attributable"; and on page 6 of the Senate engrossed amendments, line 1, strike out "Four" and insert "4"; and on page 6 of the Senate engrossed amendments, line 6, strike out "Six" and insert "6"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(A) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia, (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year.

"(B) If by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title."

And on page 40 of the House bill, line 1, strike out the comma at the end of the line and insert a dash.

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: On page 12 of the Senate engrossed amendments strike out line 11 and down to and including "continued" in line 12; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: On page 13 of the Senate engrossed amendments, line 3, strike out "or community chest" and the comma following such words; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: On page 15 of the Senate engrossed amendments, line 10, strike out all after "to" down to and including the comma in line 12, and insert "$2,500"; and on page 15 of the Senate engrossed amendments, line 13, strike out "had such status" and insert "was a married person living with husband or wife or was the head of a family"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or for the prevention of cruelty to children or animals or for the establishment, acquisition, maintenance, or operation of a public cemetery not operated for profit"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 11, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: On page 16 of the Senate engrossed amendments, line 19, after "person," insert "not a beneficiary of the trust"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: On page 76 of the House bill, line 7, strike out "Farmers'" and insert "Benevolent life insurance associations of a purely local character, farmers'"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "taxes imposed by sections 230 and 700"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 103 of the House bill, line 16, after "Treasury," insert "for"; and on page 103 of the House bill, line 17, after "furnish," insert a comma; and on page 104 of the House bill, line 24, strike out all after "the," down to and including "district," in line 2, on page 105, and insert "name and the post-office address of each person making an income-tax return in such district, together with the amount of the income tax paid by such person"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment, and on page 113 of the House bill, line 16, strike out all after the period, down to and including the period in line 21, and insert "No part of the amount determined as a deficiency by the commissioner but disallowed as such by the board shall be assessed, but a proceeding in court may be begun, without assessment, for the collection of any part of the amount so disallowed. The court shall include in its judgment interest upon the amount thereof at the rate of 6 per centum per annum from the date prescribed for the payment of the tax to the date of the judgment" and a period; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment and on page 122 of the House bill, line 20, strike out "5 per centum" and insert "6 per centum"; and on page 123 of the House bill, line 5, strike out "5 per centum" and insert "6 per centum"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment as follows: On page 33 of the Senate engrossed amendments, line 21, after "claim" insert "or, if no claim was filed, then during the four years immediately preceding the allowance of the credit or refund"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment and restore the matter proposed to be stricken out by the Senate amendment with the following changes: On page 128 of the House bill strike out line 13 and insert the following heading in capitals: "Title III" and a period; and on page 128 of the House bill, after line 13, insert the following heading in small capitals: "Part I.—Estate Tax" and a period; and on page 128 of the House bill, line 14, after "in" insert "Part I of"; and on page 128 of the House bill, line 17, strike out "trator" and insert "trator appointed, qualified, and acting within the United States, then"; and on page 131 of the House bill, line 24, before "this" insert "Part I of"; and on page 132 of the House bill, line 10, strike out all after "held" down to and including "son" in line 12 and insert "as joint tenants by the decedent and any other person, or as tenants by the entirety by the decedent and spouse"; and on page 133 of the House bill strike out lines 2, 3, and 4 and line 5 through "thereof" and insert "by the entirety by the decedent and spouse, then to the extent of one-half of the value thereof, or, where so acquired by the decedent and any other person as joint tenants and their interests are not otherwise specified or fixed by law, then to the extent of the value of a fractional part to be determined by dividing the value of the property by the number of joint tenants"; and on page 133 of the House bill, line 20, strike out "right" and insert "rights"; and on page 134 of the House bill strike out lines 21 to 25, inclusive, and lines 1 to 11, inclusive, on page 135, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate and not deducted under paragraph (1) or (3) of this subdivision" and a semicolon; and on page 135 of the House bill, line 24, strike out all after "trustee or" down to and including "and" in line 2 on page 136, and insert "trustees, or a fraternal society, order, or association operat-

spective Houses as follows:

And the Senate agree to the same.

ing under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes; and"; and on page 136 of the House bill strike out lines 14 to 25, inclusive, and lines 1 to 6, inclusive, on page 137, and insert: "(2) An amount equal to the value of any property (A) forming a part of the gross estate situated in the United States of any person who died within five years prior to the death of the decedent, or (B) transferred to the decedent by gift within five years prior to his death, where such property can be identified as having been received by the decedent from such donor by gift or from such prior decedent by gift, bequest, devise, or inheritance, or which can be identified as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such prior decedent as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such prior decedent, and only to the extent that the value of such property is included in that part of the decedent's gross estate which at the time of his death is situated in the United States and not deducted under paragraph (1) or (3) of this subdivision; and"; and on page 137 of the House bill strike out line 20 and line 21 through "States" and insert "trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used within the United States by such trustee or trustees, or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. If the tax imposed by section 301, or any estate, succession, legacy, or inheritance taxes, are, either by the terms of the will, by the law of the jurisdiction under which the estate is administered, or by the law of the jurisdiction imposing the particular tax, payable in whole or in part out of the bequests, legacies, or devises otherwise deductible under this paragraph, then the amount deductible under this paragraph shall be the amount of such bequests, legacies, or devises reduced by the amount of such taxes"; and on page 138 of the House bill, line 3, after "of" insert "Part I of"; and on page 138 of the House bill, line 17, after "of" insert "Part I of"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "306"; and the Senate agree to the same.

Amendment numbered 154: That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: On page 59 of the Senate engrossed amendments, line 23, strike out "315" and insert "310"; and the Senate agree to the same.

Amendment numbered 179: That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"PART II.—GIFT TAX

"SEC. 319. For the calendar year 1924 and each calendar year thereafter, a tax equal to the sum of the following is hereby imposed upon the transfer by a resident by gift during such calendar year of any property wherever situated, whether made directly or indirectly, and upon the transfer by a nonresident by gift during such calendar year of any property situated within the United States, whether made directly or indirectly:

"One per cent of the amount of the taxable gifts not in excess of $50,000;

"Two per cent of the amount by which the taxable gifts exceed $50,000 and do not exceed $100,000;

"Three per cent of the amount by which the taxable gifts exceed $100,000 and do not exceed $150,000;

"Four per cent of the amount by which the taxable gifts exceed $150,000 and do not exceed $250,000;

"Six per cent of the amount by which the taxable gifts exceed $250,000 and do not exceed $450,000;

"Nine per cent of the amount by which the taxable gifts exceed $450,000 and do not exceed $750,000;

"Twelve per cent of the amount by which the taxable gifts exceed $750,000 and do not exceed $1,000,000;

"Fifteen per cent of the amount by which the taxable gifts exceed $1,000,000 and do not exceed $1,500,000;

"Eighteen per cent of the amount by which the taxable gifts exceed $1,500,000 and do not exceed $2,000,000;

"Twenty-one per cent of the amount by which the taxable gifts exceed $2,000,000 and do not exceed $3,000,000;

"Twenty-four per cent of the amount by which the taxable gifts exceed $3,000,000 and do not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the taxable gifts exceed $4,000,000 and do not exceed $5,000,000;

"Thirty per cent of the amount by which the taxable gifts exceed $5,000,000 and do not exceed $8,000,000;

"Thirty-five per cent of the amount by which the taxable gifts exceed $8,000,000 and do not exceed $10,000,000;

"Forty per cent of the amount by which the taxable gifts exceed $10,000,000.

"SEC. 320. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift. Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year.

"SEC. 321. In computing the amount of the gifts subject to the tax imposed by section 319, there shall be allowed as deductions:

"(a) In the case of a resident—

"(1) An exemption of $50,000;

"(2) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes, or to or for the use of any corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association operating under the lodge system, but only if such gifts or contributions are to be used by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporations, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(3) Gifts the aggregate amount of which to any one person does not exceed $500;

"(4) An amount equal to the value of any property transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included in the total amount of gifts made within the calendar year and not deducted under paragraph (2) or (3) of this subdivision.

"(b) In the case of a nonresident—

"(1) The amount of all gifts or contributions made within the calendar year to or for the use of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, for exclusively public purposes or to or for the use of any domestic corporation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, or to a trustee or trustees, or fraternal society, order, or association, operating under the lodge system, but only if such gifts or contributions are to be used within the United States by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year by such corporation, trustee, or fraternal society, order, or association for a religious, charitable, scientific, literary, or educational purpose, or for the prevention of cruelty to children or animals, and the amount of all gifts or contributions made within the calendar year to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(2) Gifts the aggregate amount of which to any one person does not exceed $500;

"(3) An amount equal to the value of any property situated in the United States transferred by gift within the calendar year, which can be identified (A) as having been received by the donor within five years prior to the time of his making such gift, either from another person by gift or from a decedent by gift, bequest, devise, or inheritance, or (B) as having been acquired in exchange for property so received. This deduction shall be allowed only where a gift tax or an estate tax under this or any prior act of Congress was paid by or on behalf of the donor or the estate of such decedent, as the case may be, and only in the amount of the value placed by the commissioner on such property in determining the value of the gift or the gross estate of such decedent, and only to the extent that the value of such property is included within the total amount of gifts made within the calendar year of property situated in the United States and not deducted under paragraph (1) or (2) of this subdivision.

"SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor, the amount thereof is required by any provision of Part I of this title to be included in the gross estate of the decedent, then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears to the total amount of gifts in that year.

"SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts in excess of the deductions allowed by section 321 shall on or before the 15th day of March file with the collector a return, under oath, in duplicate, listing and setting forth therein all gifts and contributions made by him during such calendar year (other than the gifts specified in paragraph (3) of subdivision (a) and in paragraph (2) of subdivision (b) of section 321) and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

"SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of March and shall be assessed, collected, and paid in the same manner and subject in so far as applicable to the same provisions of law as the tax imposed by section 301" and a period.

And the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows: On page 68 of the Senate engrossed amendments strike out lines 18 to 22, inclusive, and insert in lieu thereof a subdivision as follows: "(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 2½ per cent. This subdivision shall not apply to chassis or bodies for automobile trucks, automobile wagons, or other automobiles" and a semicolon; and the Senate agree to the same.

Amendment numbered 187: That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment as follows: On page 69 of the Senate engrossed amendments, line 1, strike out "10" and insert "5," and on page 69 of the Senate engrossed amendments, line 4, strike out "10" and insert "5"; and the Senate agree to the same.

Amendment numbered 194: That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "$30"; and the Senate agree to the same.

Amendment numbered 212: That the House recede from its disagreement to the amendment of the Senate numbered 212 and agree to the same with an amendment as follows: On page 72 of the Senate engrossed amendments, line 19, after "Board" insert "appointed for a term beginning after the expiration of two years after the enactment of this act"; and on page 73 of the Senate engrossed amendments, line 2, strike out "313, and 317" and insert "279, 308, and 312"; and the Senate agree to the same.

Amendment numbered 216: That the House recede from its disagreement to the amendment of the Senate numbered 216, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(h) Notice and an opportunity to be heard shall be given to the taxpayer and the commissioner and a decision shall be made as quickly as practicable. Hearings before the board and its divisions shall be open to the public. The proceedings of the board and its divisions shall be conducted in accordance with such rules of evidence and procedure as the board may prescribe. It shall be the duty of the board and of each division to make a report in writing of its findings of fact and decision in each case, and a copy of its report shall be entered of record and a copy furnished the taxpayer. If the amount of tax in controversy is more than $10,000 the oral testimony taken at the hearing shall be reduced to writing and the report shall contain an opinion in writing in addition to the findings of fact and decision. All reports of the board and its divisions and all evidence received by the board and its divisions (including, in cases where the oral testimony is reduced to writing, the transcript thereof) shall be public records open to the inspection of the public. The board shall provide for the publication of its reports at the Government Printing Office in such form and manner as may be best adapted for public information and use, and such authorized publication shall be competent evidence of the reports of the board therein contained in all courts of the United States and of the several States without any further proof or authentication thereof. Such reports shall be subject to sale in the same manner and upon the same terms as other public documents. The principal office of the board shall be in the District of Columbia, but the board or any of its divisions may sit at any place within the United States. The times and places of the meetings of the board, and of its divisions, shall be prescribed by the chairman with a view to securing reasonable opportunity to taxpayers to appear before the board or any of its divisions, with as little inconvenience and expense to taxpayers as is practicable" and a period; and the Senate agree to the same.

Amendment numbered 228: That the House recede from its disagreement to the amendment of the Senate numbered 228, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) No tax shall be levied, assessed, or collected under the provisions of Title VI of this act on any article sold or leased by the manufacturer, producer, or importer, if at the time of the sale or lease there was an existing ruling, regulation, or Treasury decision holding that the sale or lease of such article was not taxable, and the manufacturer, producer, or importer parted with possession or ownership of such article, relying upon the ruling, regulation, or Treasury decision" and a period; and the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "assessed, or a proceeding in court for the collec-

tion of such tax may be begun without assessment, at"; and the Senate agree to the same.

Amendment numbered 240: That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "(b) The exemption provided in paragraph (10) of subdivision (a) of section 11 of the revenue act of 1916, and in subdivision (10) of section 231 of the revenue act of 1918, and in subdivision (10) of section 231 of the revenue act of 1921, shall be granted to farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under such paragraphs), whether or not such organizations were of a purely local character. Any taxes assessed against such organizations shall, subject to the statutory period of limitations properly applicable thereto, be abated, credited, or refunded" and a period; and the Senate agree to the same.

Amendment numbered 250: That the House recede from its disagreement to the amendment of the Senate numbered 250, and agree to the same with an amendment as follows: On page 85 of the Senate engrossed amendments, after line 5, insert the following heading in small capitals: "Special deposits" and a period; and on page 85 of the Senate engrossed amendments, line 21, strike out all after "taxes" down to and including "law" in line 22, and insert "and revenues received under the provisions of this act, and collections of whatever nature received or collected by authority of any internal-revenue law"; and on page 86 of the Senate engrossed amendments, line 9, strike out "offered" and insert "offered"; and the Senate agree to the same.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

REED SMOOT,
GEO. P. MCLEAN,
CHARLES CURTIS,
F. M. SIMMONS,
A. A. JONES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

On amendment No. 1: The House bill provided that corporate earnings or profits accumulated or increase in value of property accrued before March 1, 1913, may be distributed exempt from tax after the earnings and profits accumulated after February 28, 1913, have been distributed. The Senate amendment adds to the list of tax-free distributions "capital paid in" before March 1, 1913; and the Senate recedes.

On amendment No. 2: The House bill provided that the gain from a liquidating dividend, to the extent of the earnings and profits accumulated by the corporation since March 1, 1913, should be treated as a dividend and subject to the surtax rates. The Senate amendment strikes out this provision, with the result that a liquidating dividend is to be treated as a sale of stock and taxable as a gain from the sale of property; and the House recedes.

On amendment No. 3: This amendment makes a clerical change; and the House recedes.

On amendment No. 4: This amendment provides that there shall be included within the provisions of subdivision (d) of section 201 amounts distributed by corporations out of depletion reserves based upon the discovery value of mines. As contained in the House bill the provision includes distributions made out of depletion and depreciation reserves based upon the cost of the property depreciated or depleted, but, under the House bill, distributions out of depletion reserves based upon discovery value are treated as ordinary dividends. The Senate amendment applies only to depletion reserves based upon the discovery value of mines; and the House recedes.

On amendment No. 5: This amendment is to clarify the wording of the House bill; and the House recedes.

On amendment No. 6: The House bill provided that certain expenditures "properly chargeable" with respect to property should be taken into consideration in determining gain or loss. The Senate amendment limits such expenditures to those "previously allowed"; and the House recedes.

On amendment No. 7: This amendment allows the exchange of common stock in a corporation for other common stock in the same corporation and of preferred stock in a corporation for other preferred stock in the same corporation, even though the exchange is not made in connection with the reorganization of the corporation; and the House recedes.

On amendment No. 8: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 9, 10, and 11: These amendments are designed to clarify the provisions of the House bill and to show clearly that the types of transactions described in paragraphs (7) and (8) of subdivision (a) of section 204 are not within the provisions of paragraph (6) and are not subject to rules laid down therein, even though the particular transaction, because of the date of its occurrence or for some other reason, may not be within the provisions of paragraphs (7) or (8); and the House recedes.

On amendment No. 12: The House bill provided that where a person transfers assets to a corporation after December 31, 1920, in exchange for stock of the corporation in such a manner that no gain or loss to the transferor is recognized or that only a part of the gain or loss to the transferor is recognized, the basis of the assets in the hands of the corporation shall be the same as it would have been in the hands of the transferor, adjustment being made for any gain or loss recognized to the transferor upon the exchange. The Senate amendment strikes out this provision. The House recedes with an amendment restoring the language of the House bill but omitting the phrase "notwithstanding the provisions of paragraph (6) of this subdivision," for the reasons explained in connection with amendment No. 9.

On amendments Nos. 13, 14, and 15: These amendments make changes in the numbering of the paragraphs; and the Senate recedes.

On amendment No. 16: This amendment provides that in determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date; and the House recedes.

On amendment No. 17: This amendment makes a clerical change; and the House recedes.

On amendment No. 18: Subdivision (c) of section 204 of the House bill provided the basis upon which depletion, exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property. The Senate amendment adds a sentence to the effect that discoveries, upon which depletion is based in certain cases, shall include minerals discovered or proven in an existing mine or mining tract by the taxpayer after February 28, 1913, not included in any prior valuation; and the Senate recedes.

On amendments Nos. 19, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, and 69: The House bill provided that in the case of any taxpayer (other than a corporation) who for any taxable year sustains a capital net loss, there shall be levied, collected, and paid in lieu of the taxes imposed by sections 210 and 211 a tax determined as follows: A partial tax shall first be computed upon the ordinary net income at the rates and in the manner provided in sections 210 and 211, and the total tax shall be this amount minus 12½ per cent of the capital net loss; but in no case shall the tax so computed be less than the tax imposed by sections 210 and 211 computed without regard to the provisions of this section. Senate amendment No. 30 struck out this provision and the other amendments struck out other provisions of the bill with reference to capital losses. The Senate recedes on amendment No. 30, which necessitates the restoration of all the provisions of the House bill with reference to capital losses, and consequently the Senate recedes with reference to the other amendments.

On amendment No. 20: This amendment makes a clerical change necessitated by the action of the conferees upon amendment No. 54; and the House recedes.

On amendments Nos. 21, 22, and 23: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 24: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 25, 26, 27, and 28: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 29: The House bill provided that there should not be included within the term "capital assets" stock received as a stock dividend by the taxpayer, or by the donor if

the taxpayer acquired the stock by gift. The Senate amendment strikes out this provision; and the House recedes.

On amendments Nos. 30, 31, 32, 33, 34, 35, and 36: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 37: This amendment makes clerical changes; and the House recedes.

On amendment No. 38: The House bill limited the amount which might be considered as earned net income to $20,000. The Senate amendment changes this amount to $10,000; and the House recedes.

On amendment No. 39: The House bill provided for a credit against the income tax of an individual of 25 per cent of an amount bearing the same relation to the total amount of the tax as the amount of the earned net income bears to the total amount of the net income. The Senate amendment provides for the crediting against the tax of 25 per cent of the amount of tax which would be payable by the taxpayer on a total ordinary net income equal in amount to his earned net income. The House recedes with clerical amendments and with an amendment limiting the amount of the credit to 25 per cent of the normal tax of the taxpayer.

On amendment No. 40: This amendment makes a clerical change in the lettering of the subdivision; and the House recedes.

On amendment No. 41: The House bill provided for a normal tax at the rate of 6 per cent except that in the case of the first $4,000 the tax was at the rate of 2 per cent, and upon the next $4,000 the tax was at the rate of 5 per cent. The Senate amendment provides that the tax upon the second $4,000 shall be at the rate of 4 per cent; and the House recedes with an amendment making clerical changes.

On amendment No. 42: The House bill provided for surtax rates ranging from 1½ per cent of the amount by which the net income exceeds $10,000 and does not exceed $12,000, to 37½ per cent of the amount by which the net income exceeds $200,000. The Senate amendment provides for surtax rates ranging from 1 per cent of the net income in excess of $10,000 and not in excess of $14,000, to 40 per cent of the net income in excess of $500,000; and the House recedes.

On amendment No. 43: The House bill provided that items of gross income should be considered to be received in the taxable year in which they are unqualifiedly made subject to the demands of the taxpayer. This provision was designed to require dividends, bond interests, and salaries such as drawing accounts, to be included in income when subject to demand by the taxpayer even though not actually received in cash by him. Since this is the rule which is and should be followed in such cases in the absence of a statutory provision, the Senate amendment strikes out the provision; and the House recedes.

On amendment No. 44: The House bill provided that whenever any State, Territory, political subdivision, or the District of Columbia, prior to September 8, 1916, entered in good faith into a contract with any person, the object and purpose of which is to acquire, construct, operate, or maintain a public utility, the tax upon the income from the operation of such public utility shall be collected and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia, a part of such tax equal to the amount by which the share of income from the operation of such public utility accruing to such State, Territory, political subdivision thereof, or the District of Columbia, was reduced by the imposition of such tax. The Senate amendment provides that in the case of such a contract no tax shall be levied under the provisions of this title upon the income derived from the operation of such public utility, so far as the payment thereof will impose a loss or burden upon such State, Territory, District of Columbia, or political subdivision; but that the provision is not intended and shall not be construed to confer upon such person any financial gain or exemption or to relieve such person from the payment of the tax as provided for in this title, upon the part or portion of such income to which such person is entitled under such contract. The House recedes, with an amendment providing that: (1) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia (under rules and regulations to be prescribed by the commissioner with the approval of the Secretary), an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year; and (2) if by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title.

On amendment No. 45: This paragraph of the House bill exempts from gross income certain amounts received as compensation or allowances under the war risk insurance and vocational rehabilitation acts. The amendment adds to the list of these acts "World War veterans' act, 1924," under which certain compensation and allowances will be paid in the future; and the House recedes.

On amendment No. 46: The Senate amendment adds to the items enumerated as exempt from taxation a State pension for services rendered by the beneficiary or another for which the State is paying a pension; and the House recedes.

On amendment No. 47: The House bill provided that there shall be allowed as deductions in computing net income of an individual all interest paid or accrued within the taxable year on indebtedness. The Senate amendment added to this provision "except on indebtedness incurred or continued for the purpose of evading the payment of taxes and also except indebtedness incurred or continued to purchase or carry obligations or securities (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title;". The House, in view of the action of the conferees on amendment No. 54, recedes, with an amendment which restores the language of the existing law, striking out of the provision added by the Senate amendment the words "incurred or continued for the purpose of evading the payment of taxes and also except indebtedness."

On amendments Nos. 48 and 80: The Senate amendments add a provision to the effect that taxes or assessments levied to pay the cost of construction or maintenance of works to protect property from damage or destruction by floods, or annual or periodical taxes assessed against construction or repair of levees or drainage improvements, may be deducted in computing net income; and the Senate recedes.

On amendment No. 49: The Senate amendment adds religious, charitable, scientific, literary, or educational trusts to the list of organizations contributions to which are deductible in computing net income under the act; and the House recedes.

On amendment No. 50: This amendment makes a clerical change; and the House recedes.

On amendment No. 51: This amendment allows the deduction of contributions to a fraternal society, order, or association, operating under the lodge system, or community chest, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. The House recedes with an amendment striking out the words "or community chest."

On amendment No. 52: The House bill limits to 15 per cent of the taxpayer's net income the amount which he can deduct, in computing net income, for contributions to charity. The Senate amendment provides that this limitation shall not apply if the taxpayer has in each of the 10 preceding years, as well as the year in question, contributed an amount equal to or exceeding 90 per cent of his income for each such year to the organizations and for the purposes specified in this paragraph; and the House recedes.

On amendment No. 53: The Senate amendment adds two paragraphs to subdivision (a) of section 214, which sets forth the deductions allowed in computing net income, which paragraphs make special provision for computing net income and deductions in the case of lands managed for the production of crops of timber; and the Senate recedes.

On amendment No. 54: The House bill provided that the deduction for interest paid on indebtedness (except indebtedness incurred in connection with the trade or business of the taxpayer) and the deduction for nonbusiness losses should be al-

lowed as deductions in computing net income only, if and to the extent that the sum of these amounts exceeds the income of the taxpayer from tax-exempt securities. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 55: The House bill provided a personal exemption in the case of a single person of $1,000, or in the case of the head of a family or a married person living with husband or wife, of $2,500, unless the net income is in excess of $5,000, in which case the personal exemption shall be $2,000. The Senate amendment provides a personal exemption in the case of a single person of $1,000, or in the case of the head of a family or a married person living with husand or wife, of $2,500; and the House recedes.

On amendment No. 56: The House bill retained the provisions of the existing law to the effect that the personal exemption and the credit for dependents should be determined by the status of the taxpayer on the last day of the period for which the return of income is made. The Senate amendment provides that in case the status of the taxpayer changes during his taxable year personal exemption should be prorated according to the number of months during which the taxpayer occupied each status. The House recedes with a clerical amendment made necessary by the action taken on amendment No. 55.

On amendments Nos. 57, 58, and 59: These amendments make clerical changes; and the House recedes.

On amendment No. 60: This amendment excepts from the general provisions of the subdivision, which provides the general method of taxing the incomes of estates and trusts, subdivisions (g) and (h) of section 219, which provide a method for taxing the incomes of estates and trusts in specific cases; and the House recedes.

On amendment No. 61: The Senate amendment provides for the deduction in computing the net income of a trust of any part of the gross income which, pursuant to the terms of the will or deed creating the trust, is paid by the trustee or permanently set aside for the prevention of cruelty to children or animals, or for a public cemetery not operated for profit. The House recedes with an amendment making clerical changes.

On amendment No. 62: The House bill provided that where the grantor of a trust reserves the power to revoke the trust the income of the trust shall be included in computing the net income of the grantor. The Senate amendment provides for the taxation to the grantor of the income of a trust, if he, either alone or in conjunction with any person, has the power during the taxable year to revoke the trust. The House recedes with an amendment providing for the taxation to the grantor of the income of a trust if the grantor, either alone or in conjunction with any person not a beneficiary of the trust, has the power during the taxable year to revoke the trust.

On amendment No. 63: The House bill provided that where any part of the income of a trust may, in the discretion of any person, including the grantor of the trust, be distributed to the grantor or be held or accumulated for future distribution to him, or where any part of the income of the trust is or may be applied to the payment of premiums upon policies of insurance on the life of the grantor, whether payable to his estate or otherwise, such part of the income of the trust should be included in computing the net income of the grantor. The Senate amendment provides that where any part of the income of a trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person, be distributed to the grantor or held or accumulated for future distribution to him, or applied to the payment of premiums upon policies of insurance on his life, except policies payable to benevolent organizations specified in section 214 (a) (10), the income shall be included in computing the net income of the grantor. The House recedes with an amendment limiting the application of the subdivision to cases where the income of the trust may, in the discretion of the grantor of the trust, either alone or in conjunction with any person not a beneficiary of the trust, be distributed to the grantor, accumulated for future distribution to him, or so used in the payment of premiums upon policies of insurance on his life.

On amendment No. 64: The House bill provided that if any corporation is formed or availed of for the purpose of preventing the imposition of surtaxes upon its shareholders by permitting its gains and profits to accumulate instead of being distributed, there should be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount of the earnings in addition to the tax imposed by section 230. The Senate amendment changes the rate of the tax from 25 to 50 per cent; and the House recedes.

On amendment No. 65: The House bill provided that if all the shareholders of a corporation formed or availed of for the purpose of preventing the imposition of the surtax upon its shareholders should agree thereto, the commissioner might, in lieu of all income taxes imposed upon the corporation for the taxable year, tax the shareholders of such corporation upon their distributive shares in the net income of the corporation for the taxable year in the same manner as provided in subdivision (a) of section 218 in the case of members of a partnership. The Senate amendment strikes out this provision; and the House recedes.

On amendments Nos. 66, 67, and 68: These amendments make clerical changes; and the House recedes.

On amendment No. 69: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 19.

On amendment No. 70: The House bill provided that partnership and fiduciary returns on which no tax is shown to be due should be filed with the commissioner. The Senate amendment strikes out this provision, thereby restoring the subdivision to the form in which it appears in the existing law; and the House recedes.

On amendment No. 71: The Senate amendment provides that the shareholders of any corporation may, if they all agree thereto, elect to be taxed in the same manner as the members of a partnership, and, in any such case, the corporation shall be exempt from tax; and the Senate recedes.

On amendment No. 72: The House provided for a tax of 12½ per cent upon the net income of every corporation in excess of the credits provided in sections 236 and 263. The Senate amendment strikes out this provision and inserts in lieu thereof provisions for a normal tax upon the net income of every corporation of 9 per cent, and for surtaxes upon the amount of its surtax net income, as therein defined, based upon the relation between the undistributed net income and the surtax net income; and the Senate recedes.

On amendment No. 73: This amendment makes a clerical change; and the House recedes.

On amendment No. 74: This amendment makes a clerical change; and the House recedes.

On amendment No. 75: The House bill provided that local associations of employees, the membership of which is limited to employees of a designated person or persons in a particular municipality and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes, whether or not for the benefit of the members and their families, should be exempt from income taxation. The Senate amendment strikes out the words "whether or not for the benefit of the members and their families"; and the House recedes.

On amendments Nos. 76 and 79: The House bill provided for the exemption of benevolent mutual life insurance associations not operated for profit, whose business is purely local and wholly for the benefit of its members. Senate amendment No. 79 strikes out this provision, but amendment No. 76 provides for the exemption of mutual life insurance companies if 85 per cent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses. The Senate recedes on amendment No. 76, and the House recedes on amendment No. 79, with an amendment providing for the exemption of benevolent life insurance associations of a purely local character, if 85 per cent or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses.

On amendment No. 77: The Senate amendment provides for the exemption under certain conditions of casualty or fire reciprocal or interinsurance exchanges; and the Senate recedes.

On amendment No. 78: The House bill provided for the exemption of certain specified mutual companies if substantially all the income consists of amounts collected from members for the sole purpose of meeting losses and expenses; the Senate amendment provides for the exemption of such organizations if 85 per cent or more of the income consists of such amounts; and the House recedes.

On amendment No. 79: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 76.

On amendment No. 80: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 48.

On amendments Nos. 81, 82, and 83: These amendments make certain changes carrying out the action of the Senate in making amendment No. 72; and, in accordance with the action of the conferees on amendment No. 72, the Senate recedes.

On amendment No. 84: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 85 and 86: The House bill provided that two or more corporations shall be deemed to be affiliated if one corporation owns at least 85 per cent of the voting stock of the other, or if at least 85 per cent of the voting stock of two or more corporations is owned by the same interests. The Senate amendment changes these percentages to 95; and the House recedes.

On amendment No. 87: The House bill provided that the commissioner shall consolidate the gains of related trades and businesses in certain cases. The Senate amendment provides that the commissioner may, and at the request of the taxpayer shall, consolidate the accounts in certain specified cases; and the House recedes.

On amendments Nos. 88 and 91: The House bill provides that there shall be levied, collected, and paid for each taxable year upon the net income of certain specified insurance companies a specified tax, in lieu of the tax imposed by sections 230 and 800. The Senate amendments strike out the words "taxes imposed by sections 230 and 800," and insert in lieu thereof "tax imposed by section 230"; and the House recedes with amendments restoring the language of the House bill with clerical amendments.

On amendments Nos. 89 and 92: The House bill provided for a tax upon certain insurance companies of "the same percentage of its net income as is imposed upon other corporations by section 230." The Senate amendment changes the language of the House bill to provide for a tax at the rate of 12½ per cent; and the Senate recedes.

On amendments Nos. 90 and 93: The House bill provided for a tax upon certain foreign insurance companies of "the same percentage of its net income from sources within the United States as is imposed upon the net income of other corporations by section 230." The Senate amendment provides that the tax shall be at the rate of 12½ per cent; and the Senate recedes.

On amendments Nos. 91, 92, and 93: The effects of these amendments and the action of the conferees thereon has been explained in connection with amendments Nos. 88, 89, and 90, respectively.

On amendment No. 94: This amendment makes a clerical change; and the House recedes.

On amendment No. 95: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 96: The House bill provided that returns upon which the tax has been determined shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President; with special provisions for the inspection of returns by, and the furnishing of information to, the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, a special committee of the Senate or House, the proper officers of any State, and bona fide shareholders of record of a corporation. The Senate amendment strikes out these provisions and in lieu thereof provides that returns upon which the tax has been determined by the commissioner shall constitute public records and shall be open to examination and inspection as other public records under the same rules and regulations as may govern the examination of public documents generally; and that all claims for abatement or refund of taxes, including decisions, shall likewise be subject to inspection under similar rules. The House recedes with amendments restoring the provisions of the House bill with clerical changes, and with an amendment providing that there shall be available for public inspection in the collectors' offices, in addition to the names and addresses of income taxpayers, the amounts of income taxes paid by such taxpayers.

On amendments Nos. 97 and 98: These amendments make clerical changes; and the House recedes.

On amendments Nos. 99, 102, 103, 107, 125, 138, 139, 160, and 247: The House bill provided that the rate of interest upon amounts the payment of which has been extended, upon deficiencies, and upon credits and refunds, should be 5 per cent. The Senate amendment changes the rate to 6 per cent; and the House recedes.

On amendment No. 100: This amendment makes a clerical change; and the House recedes.

On amendment No. 101: The House bill provided in subdivision (b) of section 274 that if the Board of Tax Appeals determines that there is a deficiency, the amount so determined shall be assessed and shall be paid upon notice and demand from the collector. The Senate amendment strikes out subdivision (b) and inserts in lieu thereof provisions to the effect that if the board determines that there is a deficiency, the amount so determined shall be assessed and the taxpayer shall be notified of the assessment; that within 30 days after the mailing of such notice, the taxpayer may file with the commissioner a written statement showing the amount of the deficiency, if any, admitted by him to be due, and the amount of tax so admitted shall be paid upon notice and demand from the collector; that if the deficiency determined by the board is in excess of the amount so admitted by the taxpayer, the amount of such excess may be collected only by a civil suit brought in the name of the United States in the district court. The House recedes, with an amendment restoring the provisions of the House bill, and providing that if the board determines that there is a deficiency the amount so determined shall be assessed and shall be paid upon notice and demand from the collector; that no part of the amount determined as a deficiency by the commissioner but disallowed by the board shall be assessed, but a proceeding in court may be begun without assessment for the collection of any part of the amount so disallowed; and that the court shall include in its judgment interest upon the amount thereof at the rate of 6 per centum per annum, from the date prescribed for the payment of the tax to the date of judgment.

The Senate amendment alters the provisions of subdivisions (c) and (d) of section 274 to correspond with the changes made in subdivision (b). By the action of the conferees the provisions of subdivisions (c) and (d) of the House bill are restored without change.

On amendments Nos. 102 and 103: The effect of these amendments, and the action of the conferees thereon, has been explained in connection with amendment No. 99.

On amendments Nos. 104 and 105: These amendments make clerical changes; and the House recedes.

On amendment No. 106: The Senate amendment adds a specific provision for interest at the rate of 1 per cent a month upon deficiencies prorated to unpaid installments of the tax which are not paid when due; and the House recedes.

On amendment No. 107: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 99.

On amendments Nos. 108 and 109: The Senate amendments add a provision requiring suit for the collection of income taxes on the income of a decedent received during his lifetime to be brought within one year after written request therefor filed after the return is made, by the representative of the estate; and the House recedes.

On amendments Nos. 110, 154, and 230: The Senate amendments provide that a proceeding in court for the collection of the tax may be begun without assessment at any time if a false or fraudulent return is made with intent to evade the tax or if no return is filed. The House recedes with clerical amendments.

On amendment No. 111: The Senate amendment provides that a deficiency attributable to a change in a deduction tentatively allowed under section 214(a) (9) or section 234(a) (8) of the revenue act of 1918 or the revenue act of 1921 may be collected by a proceeding in court, begun without assessment, at any time. The House recedes with a clerical amendment.

On amendments Nos. 112, 155, and 231: The House bill authorized the collection at any time by distraint or by a proceeding in court of a tax assessed within the prescribed period. The Senate amendment placed a limitation of six years after the assessment of the tax upon proceedings in court and distraint for its collection; and the House recedes on amendments Nos. 112 and 231 and recedes on amendment No. 155 with an amendment making a clerical change.

On amendments Nos. 113 and 232: The Senate amendment rewords these subdivisions in order to make it clear that the section does not extend to assessments, distraints, or proceedings already barred by the existing law, or to assessments, distraints, or proceedings already made or begun under the existing law before the enactment of this act; and the House recedes.

On amendment No. 114: The House bill provided that if a jeopardy assessment has been made under subdivision (d) of section 274, the taxpayer may file with the collector a claim for the abatement of such deficiency, subject to specified requirements. The Senate amendment strikes out subdivisions (a), (b), and (c), of section 279, and part of subdivision (d), so that the section as amended would read: "No claim in abatement shall be filed in respect of any assessment made after the enactment of this act in respect of any income, war-profits, or excess-profits tax." The House recedes with an amendment restoring the provisions of the House bill but changing the interest rate upon the amount of the claim denied and upon delinquent amounts in the case of estates of incompetent, deceased, or insolvent persons, from 5 per cent per annum to 6 per cent.

On amendments Nos. 115 and 116: These amendments make clerical changes; and the House recedes.

On amendment No. 117: The Senate amendment rewords subdivision (b) of section 281, in order to restrict the amount of a credit or refund to the portion of the tax paid during the four years immediately preceding the filing of a claim therefor. The House recedes with an amendment providing that if no claim was filed the amount of the credit or refund shall not exceed the portion of the tax paid during the four years immediately preceding the allowance of the credit or refund.

On amendment No. 118: The House bill provided that where any provision of any income tax act, or its application to any person or circumstances has been held by the Supreme Court of the United States to be invalid, any amount of income, war-profits or excess-profits tax illegally collected pursuant to such provision shall be credited or refunded if a claim therefor is filed by the taxpayer within four years after the decision, notwithstanding the period of limitation provided in subdivision (b) has expired. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 119: This amendment makes a clerical change; and the House recedes.

On amendment No. 120: The Senate amendment provides that if the taxpayer has (1) within five years from the time his return for 1917 was due filed a waiver of his right to have the taxes due for that year determined and assessed within five years after his return was filed, or if he has (2) filed such a waiver on or before June 15, 1924, in respect to the taxes due for 1918, a credit or refund may be allowed if claim therefor is filed on or before April 1, 1925, or within four years after the tax was paid; and the House recedes.

On amendment No. 121: The House bill provided for the allowance of a claim in respect of a tax for the taxable year 1919 if such claim is filed within five years from the date the return was due. The Senate amendment provides for similar treatment of claims in respect of a tax for the taxable year 1920; and the House recedes.

On amendment No. 122: The House bill provided for an estate tax. The Senate amendment strikes out sections 300 to 304, inclusive, of the House bill, providing for the estate tax, and inserts in lieu thereof provisions for an inheritance tax. The House recedes with an amendment restoring the provisions of the House bill with the following changes in addition to clerical changes: In section 300, in the definition of the term "executor," the House bill provided: "if there is no executor or administrator, any person in actual or constructive possession of any property of the decedent"; this clause is amended to read: "if there is no executor or administrator appointed, qualified, and acting within the United States, then any person in actual or constructive possession of any property of the decedent." The provision of the House bill with reference to that part of the gross estate made up of property held by the decedent as a joint tenant or as a tenant by the entirety has been reworded for purposes of clarity. There has been added to the provision for the deduction of bequests, legacies, devises, or transfers for certain benevolent purposes in paragraph (3) of subdivision (a), and in paragraph (3) of subdivision (b), of section 303, a provision permitting the deduction of bequests, legacies, devises, or transfers to fraternal beneficiary societies operating under the lodge system for use for specified benevolent purposes. An additional sentence has been added to these paragraphs to provide that the amount deductible under such paragraphs on account of bequests, legacies, devises, or transfers for the specified benevolent purposes shall be the net amount distributable for such purposes after estate, legacy, or inheritance taxes imposed in respect thereof have been deducted therefrom.

On amendment No. 123: This amendment makes a change in the numbering of the section; and the Senate recedes.

On amendment No. 124: This amendment makes a clerical change; and the House recedes.

On amendment No. 125: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 99.

On amendment No. 126: The Senate amendment provides that the time for the payment of the estate tax imposed by the revenue act of 1921 may be extended for not to exceed five years; and the House recedes.

On amendment No. 127: The Senate amendment provides that each person shall be liable to the executor for the inheritance taxes upon transfers to such person. In view of the action of the conferees upon amendment No. 122, the Senate recedes.

On amendments Nos. 128 and 129: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendments Nos. 130 and 131: These amendments make clerical changes; and the House recedes.

On amendment No. 132: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendments Nos. 133 and 134: These amendments make clerical changes; and the House recedes.

On amendment No. 135: This amendment makes a clerical change, and also changes the rate of interest from 5 per cent to 6 per cent; and the House recedes.

On amendments Nos. 136 and 137: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendments Nos. 138 and 139: The effect of these amendments and the action of the conferees thereon has been explained in connection with amendment No. 99.

On amendment No. 140: The Senate amendment changes the word "estate" to "inheritance"; and the Senate recedes.

On amendment No. 141: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendment No. 142: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 143, 144, 145, 146, 147, 148, 149, and 150: These amendments make clerical changes; and the Senate recedes.

On amendment No. 151: This amendment makes a clerical change; and the House recedes.

On amendment No. 152: This amendment makes a clerical change; and the House recedes with a further clerical amendment.

On amendment No. 153: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendments Nos. 154 and 155: The effect of these amendments and the action of the conferees thereon is explained in connection with amendments Nos. 110 and 112.

On amendment No. 156: The Senate amendment provides that this section shall not affect (1) the assessment or collection of a tax in case such assessment, distraint, or proceeding for collection was barred at the time of the enactment of this act, or (2) any assessment made or distraint or proceeding begun before the enactment of this act; and the House recedes.

On amendments Nos. 157, 158, and 159: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendment No. 160: The effect of this amendment and the action of the conferees thereon has been explained under amendment No. 99.

On amendments Nos. 161, 162, 163, and 164: These amendments make clerical changes; and the Senate recedes.

On amendment No. 165: Subdivision (c) of section 313 of the House bill provides for the preservation of the lien for estate taxes upon the assets of the estate, except as to such part as has passed into the hands of bona fide purchasers for value. The Senate amendment is a revision of this subdivision of section 313 of the House bill to provide further that if any part of the gross estate passes to a bona fide purchaser for value, the lien shall attach to the consideration received from such purchaser by the beneficiary of the estate; and the House recedes.

On amendment No. 166: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 167: The Senate amendment strikes out subdivision (b) of section 314 of the House bill with reference to the collection of the estate tax. In view of the action of the conferees on amendment No. 122 the Senate recedes.

On amendments Nos. 168 and 169: These amendments make clerical changes; and the Senate recedes.

On amendment No. 170: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 171 and 172: These amendments make clerical changes; and the Senate recedes.

On amendment No. 173: This amendment makes a clerical change; and the House recedes.

On amendment No. 174: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 175: This amendment makes a clerical change; and the House recedes.

On amendment No. 176: This amendment makes a clerical change; and the Senate recedes.

On amendments Nos. 177 and 178: These amendments make clerical changes; and the House recedes.

On amendment No. 179: The Senate amendment strikes out the provisions of the House bill with reference to the gift tax and inserts in lieu thereof other provisions for a gift tax at different rates and with different exemptions. The House recedes with amendments restoring the provisions of the House

bill contained in sections 319 to 324, inclusive, with the following changes in addition to certain clerical changes:

(1) The provisions of section 321 allowing the deduction of certain contributions have been revised in order to enumerate specifically and not by reference the type of organizations gifts to which are deductible, and in addition to provide for the deduction of gifts made by certain specified benevolent institutions for religious, charitable, scientific, educational, or literary purposes.

(2) Provision is made for the exemption from the gift tax of any property given away within the taxable year which was received by the donor by gift or by inheritance within the preceding five years and on which a gift or estate tax was paid.

(3) Section 323 is changed to provide that a return for purposes of the gift tax shall be made by any person whose taxable gifts during the calendar year exceed $50,000.

On amendment No. 180: The Senate amendment amends section 3392 of the Revised Statutes to provide that cigars may be put up in packages containing three and seven cigars, as well as in the other numbers already specified in that section; and the House recedes.

On amendment No. 181: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 182: The Senate amendment adds a proviso requiring tobacco growers' cooperative associations to keep available records of all purchases and sales of tobacco, such records to be open to inspection by the agents of the Government; and the House recedes.

On amendments Nos. 183 and 184: These amendments make clerical changes; and the Senate recedes.

On amendment No. 185: The Senate amendment provides that the excise taxes upon sales by the manufacturer imposed by section 600 shall take effect on and after the expiration of 30 days after the enactment of this act; and the House recedes.

On amendment No. 186: In section 600(1) of the House bill the tax upon the sale of automobile trucks or wagons was limited to trucks and wagons the selling price of the chassis of which is in excess of $1,000. The Senate amendment makes clerical changes and adds a provision exempting from the tax truck and wagon bodies selling for an amount not in excess of $200. The Senate amendment also eliminates the tax on automobile parts and accessories. The House recedes, with an amendment restoring parts and accessories to the list of articles subject to tax.

On amendment No. 187: The House bill imposed a tax upon the sale of automatic slot-device vending machines of 5 per cent, and a tax of 10 per cent upon the sale of automatic slot-device weighing machines. The Senate amendment strikes out this provision and inserts a tax of 10 per cent upon coin-operated devices, coin-operated machines, and devices and machines operated by any substitute for a coin, and also a tax of 10 per cent on mah-jongg and similar tile sets and component parts thereof. The House recedes with an amendment making the rate of tax 5 per cent upon the coin-operated devices, etc.

On amendment No. 188: The Senate amendment strikes out the provisions of the House bill imposing a tax upon sales, by any persons other than the artist, of paintings, statuary, art porcelains, and bronzes; and the Senate recedes.

On amendments Nos. 189, 190, and 191: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendments Nos. 192 and 195: The House bill exempts eyeglasses and spectacles from the jewelry tax imposed by section 604. Amendment No. 192 strikes out this exemption, and amendment No. 195 exempts eyeglasses and spectacles sold or leased for an amount not in excess of $30; and the Senate recedes on both these amendments.

On amendment No. 193: The Senate amendment adds to the articles exempted from the tax imposed on jewelry under subdivision (a) of section 604 of the House bill articles used for religious purposes; and the House recedes.

On amendment No. 194: The House bill provided that the jewelry tax imposed by subdivision (a) of section 604 should not apply to articles sold or leased for an amount not in excess of $40. The Senate amendment changes this amount to $25; and the House recedes with an amendment changing the amount to $30.

On amendment No. 195: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 192.

On amendments Nos. 196 and 197: These amendments make clerical changes in the numbering of the sections; and the Senate recedes.

On amendment No. 198: The Senate amendment strikes out the provisions of the House bill imposing a capital stock tax; and the Senate recedes.

On amendment No. 199: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 200: The Senate amendment alters the occupational tax imposed upon brokers in two respects: (1) Brokers exclusively engaged in negotiating purchases or sales of produce or merchandise are exempted from the $50 tax imposed upon other brokers; and the tax in respect to membership in a stock or produce exchange or board of trade is amended to provide that if the seat or membership in such exchange or board has an average value of from $2,000 to $5,000, the tax shall be $100; if the average value is $5,000 to $10,000, the tax shall be $150; if the value is in excess of $10,000, the tax shall be $250; and the House recedes.

On amendment No. 201: The House bill reduced the occupational tax upon proprietors of bowling alleys and billiard rooms from $10 to $5 for each alley or table. The Senate amendment restores the tax to $10; and the House recedes.

On amendment No. 202: The Senate amendment strikes out the provision inserted by the House for the prorating of certain taxes on brokers, which prorating is already provided for by the Revised Statutes; and the House recedes.

On amendment No. 203: This amendment makes a clerical change; and the Senate recedes.

On amendment No. 204: This amendment makes a clerical change; and the House recedes.

On amendments Nos. 205, 206, 207, 208, 209, and 210: These amendments make clerical changes; and the Senate recedes.

On amendment No. 211: The Senate amendment provides that the stamp tax upon packs of playing cards shall take effect upon the approval of this act. Under the House bill this stamp tax would take effect on and after the expiration of 30 days after the enactment of this act; and the Senate recedes.

On amendment No. 212: The House bill provided for a Board of Tax Appeals, to be composed of from 7 to 28 members, appointed by the President with the advice and consent of the Senate. The Senate amendment is a revision of subdivisions (a) and (b) of section 900 of the House bill, with the following changes in addition to clerical changes: Instead of a board varying in number from 7 to 28 in the discretion of the President, the Senate amendment provides for a board of 28 members for two years and of 7 members after the expiration of two years. In lieu of the provision of the House bill that no member of the board shall be permitted for two years after ceasing to be a member to practice before the board or the Treasury Department, or to be connected with any firm so practicing, the Senate amendment provides that no member of the board shall be permitted to practice before the board or any official of the Bureau of Internal Revenue for two years after leaving office. The House recedes with an amendment making clerical changes and providing that no member of the board appointed for a term beginning after the expiration of two years after the enactment of this act shall be permitted to practice before the board or any official of the Bureau of Internal Revenue for a period of two years after leaving office.

On amendments Nos. 213 and 214: These amendments make clerical changes; and the House recedes.

On amendment No. 215: This amendment makes a clerical change in the numbering of the section; and the Senate recedes.

On amendment No. 216: The House bill provided that the opinions of the board other than findings of fact should not be in writing unless the chairman so orders. The Senate amendment provides that the hearings before the board shall be open to the public, that the proceedings of the board shall be in accordance with such rules of evidence and procedure as the board may prescribe, that the testimony taken at the hearings shall be reduced to writing, that the board shall make a report in writing of its findings of fact and its opinion and decision in each case, that such report and all evidence received by the board shall be public records open to the inspection of the public, and shall be published at the Government Printing Office, and sold in the same manner as other public documents. The House recedes with an amendment limiting the cases in which the oral testimony shall be reduced to writing and in which the board shall write an opinion to those cases in which the amount of tax in controversy exceeds $10,000.

On amendment No. 217: This amendment empowers the board to require the answer in writing under oath to any question of fact submitted, provides for the reduction to writing of depositions taken, and makes the usual provision for fees and mileage allowances for witnesses; and the House recedes.

On amendment No. 218: This amendment makes a clerical change; and the House recedes.

On amendment No. 219: This amendment reduces the allowance for traveling expenses in the case of employees of the board from $7, as provided in the House bill, to $4; provides for the classification in accordance with the classification act of 1923 of employees of the board, and prescribes that the expenditures of the board shall be paid upon the presentation of itemized vouchers therefor, signed by the chairman of the board, out of any moneys appropriated for the collection of internal-revenue taxes and allotted to the board, or out of any moneys specifically appropriated for the purposes of the board. In addition, it provides that the board shall be an independent agency in the executive branch of the Government. The House recedes.

On amendment No. 220: The House bill provided that the rules and regulations prescribed by the commissioner, with the approval of the Secretary, for the enforcement of this act should not enlarge or modify any provisions of this act and of any other law, and all such rules and regulations, and all amendments thereto, should be annually reported to Congress. The Senate amendment strikes out this provision; and the House recedes.

On amendment No. 221: The Senate amendment inserts a specific provision that oaths required by the provisions of this act may be administered by any officer authorized to administer oaths for general purposes under laws of the jurisdiction wherein such oath is administered; and the House recedes.

On amendment No. 222: This amendment makes a clerical change; and the Senate recedes.

On amendments Nos. 223 and 224: The House bill provided, as does the existing law, that if the commissioner and the taxpayer should agree in writing that a determination and an assessment in any case should be final the case should not be reopened or the determination or assessment set aside in the absence of fraud, malfeasance, or misrepresentation of fact. The Senate amendments provide that if after a determination and assessment the taxpayer has paid the tax or penalty or accepted the abatement, credit, or refund without protest, then the case should not be reopened or the determination or assessment set aside in the absence of fraud, malfeasance, or misrepresentation of fact; and the Senate recedes.

On amendment No. 225: The Senate amendment provides that if any part of an excise tax has been refunded to the taxpayer by the Government, such refund not being required by a decision of a court of competent jurisdiction, and if the articles the sale of which was taxed have passed from the possession of the taxpayer, the taxpayer should not again be assessed or taxed, or if he has been reassessed and taxed, the amount of the tax should be abated or refunded; and the Senate recedes.

On amendment No. 226: The House bill provides that the decision of the commissioner upon the merits of a claim under the internal revenue laws, shall not, except as provided in section 900, be subject to review by any other administrative officer or employee or agent of the United States. The Senate adds the words "or accounting" after the word "administrative"; and the House recedes.

On amendment No. 227: This amendment makes a clerical change; and the House recedes.

On amendment No. 228: The Senate amendment provides that where, at the time of the sale or lease of an article, there was an existing ruling, regulation, or Treasury decision, holding that the article or its lease or sale was not taxable, and if the manufacturer, purchaser, or importer parted with possession, relying upon such ruling, regulation, or decision, then no excise tax shall later be collected; and the House recedes with clerical amendments.

On amendment No. 229: This amendment makes clerical changes in the numbering of the sections; and the Senate recedes.

On amendment No. 230: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 110.

On amendment No. 231: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 112.

On amendment No. 232: The effect of this amendment and the action of the conferees thereon has been explained in connection with amendment No. 113.

On amendment No. 233: This amendment makes a clerical change; and the House recedes.

On amendment No. 234: The Senate amendment provides that in the case of offenses involving the defrauding of or attempting to defraud the United States the period of limitation shall be six years, except as to acts, offenses, or transactions barred by law at the time of the enactment of this act; and the House recedes.

On amendments Nos. 235, 236, 237, 238, and 239: These amendments make clerical changes; and the House recedes.

On amendment No. 240: This amendment provides for the exemption from the income tax imposed by the revenue act of 1916, the revenue act of 1917, the revenue act of 1918, and the revenue act of 1921, of farmers' or other mutual hail, cyclone, or fire insurance companies (if otherwise exempt under the provisions of such acts) whether or not such organizations are of a purely local character. The House recedes with an amendment making clerical changes.

On amendment No. 241: The House bill repeals section 3225 of the Revised Statutes. The Senate amendment makes it clear that this repeal shall be retroactive to all revenue acts since 1916; and the House recedes.

On amendment No. 242: The Senate amendment provides a complete system of penalties in lieu of those contained in section 1017 of the House bill. Subdivisions (a) and (b) correspond to subdivision (a) of this section of the House bill with the following changes: The penalty provided in subdivision (a) of the Senate amendment applies to a willful failure to comply with the requirements of the law therein set forth; in the House bill the penalty applied to a willful refusal. Willful failure to collect, account for, and pay over any tax imposed by the act, or a willful attempt to evade such tax, is made a felony, with a fine of not over $10,000 or imprisonment for not over five years, or both, instead of a misdemeanor, as in the House bill. A willful attempt to defeat the tax or the payment thereof has been added to the list of offenses specified in subdivision (b). Subdivision (c), which was not contained in the House bill, provides a penalty for the offense of aiding in the preparation, presentation, procurement, counseling, or advising of a false or fraudulent return, affidavit, claim, or document authorized or required by the internal revenue laws. The House recedes.

On amendments Nos. 243, 244, and 245: Subdivision (d) of section 1017 as amended by the Senate corresponds to subdivision (b) of section 1017 of the House bill, except that, as in subdivision (a), the penalty attaches to a willful failure to perform the required acts rather than to a willful refusal, and a willful attempt to evade or defeat the tax or its payment has been specifically added to the list of offenses. The House recedes.

On amendment No. 246: This amendment makes a clerical change; and the House recedes.

On amendment No. 247: The effect of this amendment and the action of the conferees thereon has been explained under amendment No. 99.

On amendment No. 248: This amendment makes a clerical change; and the House recedes.

On amendment No. 249: The Senate amendment changes section 3207 of the Revised Statutes, to afford to a holder of a lien prior in time to that of the United States for taxes a method of procedure for clearing the title to the property by giving notice to the commissioner and by undertaking prescribed procedure in court; and the House recedes.

On amendment No. 250: The Senate amendment provides that sums offered in compromise under section 3229 of the Revised Statutes and section 35 of Title II of the national prohibition act, sums offered for the purchase of real estate under section 3208 of the Revised Statutes and surplus proceeds in any distraint sales shall be deposited with the Treasurer of the United States in a special deposit account. If the offer in compromise or offer for the purchase of real estate is accepted, the amount so accepted shall be transferred from the special deposit account into the Treasury of the United States as internal revenue collections; if such offers are rejected, the amount of the offer shall be refunded to its maker. The House recedes with an amendment making clerical changes.

On amendments Nos 251 and 252: The House bill provided that section 900 of the revenue act of 1921 should be repealed, effective upon the enactment of this act. The Senate amendments provide that section 900 shall be repealed, effective on the expiration of 30 days after the enactment of this act; and the House recedes.

On amendments Nos. 253 and 254: The Senate amendment provides that the stamp tax on playing cards imposed by the existing law shall be repealed upon the enactment of this act. The House bill provides that this tax as well as the other stamp taxes shall be repealed, effective on the expiration of 30 days after the enactment of this act; and the Senate recedes.

On amendment No. 255: The Senate amendment provides that the legislative drafting service shall hereafter be known as the office of the legislative counsel; that the positions of the two legislative counsel shall be allocated by the President of the Senate and the Speaker of the House under the schedules of the classification act, and that the legislative counsel shall have the privilege of free transmission of official mail; and the House recedes.

On amendment No. 256: The Senate amendment provides that the salary of the Government Actuary, so long as the position is held by the present incumbent, shall be at the rate of $7,500 a year; and the House recedes.

On amendment No. 257: The Senate amendment strikes out a section of the House bill providing specifically for an allowance for subsistence for officers and employees of the Bureau of Internal Revenue, while traveling on official business, in an amount not to exceed $7 per day; and the House recedes.

On amendments Nos. 258 and 259: These amendments make clerical changes in the numbering of the sections; and the House recedes.

On amendment No. 260: This amendment provides for a reduction of the postal rates in the case of the portion of publications devoted to advertisements; and the Senate recedes.

W. R. GREEN,
W. C. HAWLEY,
ALLEN T. TREADWAY,
JNO. N. GARNER,
J. W. COLLIER,
Managers on the part of the House.

The SPEAKER. The gentleman from Iowa [Mr. GREEN] is recognized. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, the managers of the conference on the part of the House come back to the House with great pleasure, reporting that they return this bill to the House substantially as it left it, the Senate having receded in the most important particulars. [Applause.] They also report to the House a bill which I can assure the country will not create a deficit. [Applause.] I hold in my hand the last estimate made by the Actuary of the Treasury with reference to the Treasury conditions under this bill in the fiscal year of 1925. This morning I talked with the Actuary of the Treasury over the telephone with reference to the balance remaining in the Treasury at the end of the fiscal year 1924—that is, the balance on June 30, next. The House will remember I told them a few days ago that there would be sufficient surplus for the fiscal year 1924 to pay the bonus twice over. [Applause.] The Actuary of the Treasury assures me this morning that I was well within the limits of accuracy so far as that part is concerned. This statement which I hold in my hand, coming from him, also shows that the surplus for the fiscal year 1925, without including the bonus, which can be taken care of out of the previous surplus, will be $138,000,000. [Applause.] It also shows—and I want to particularly call the attention of the House to this point—that the difference between the present bill as now returned to you and what is commonly denominated as the Mellon plan is only a comparatively small amount.

Mr. GARNER of Texas. Twenty-two million dollars.

Mr. GREEN of Iowa. Twenty-two million dollars, of which $10,000,000 is in the individual income and corporation taxes and the balance in the excise taxes, from which the House will remember we took off more than did the original Mellon plan. This bill will bring into the Treasury $22,000,000 less than the Mellon plan.

I think this is all I care to say in opening the debate, and I reserve the balance of my time.

Mr. MAPES. Will the gentleman yield for one question?

Mr. GREEN of Iowa. I fear we will not get through in an hour and a half if I start yielding.

Mr. MAPES. My question is very short.

Mr. GREEN of Iowa. What is it?

Mr. MAPES. In giving the Actuary of the Treasury as your authority, does that mean that the Treasury Department sustains and approves the figures which you have stated?

Mr. GREEN of Iowa. It means that the Treasury admits these figures to be correct.

Mr. MAPES. The department?

Mr. GREEN of Iowa. The Treasury Department; yes. I will say to the gentleman from Michigan that, of course, the returns under the present law for this fiscal year are very much larger than was anticipated last fall.

Mr. SNYDER. Will the gentleman yield for one question?

Mr. GREEN of Iowa. Yes.

Mr. SNYDER. In stating $138,000,000 as the surplus that would be on hand at the close of this fiscal year, does the gentleman mean that that would be after the 25 per cent tax that is remitted for this year has been taken care of?

Mr. GREEN of Iowa. One hundred and thirty-eight million dollars is the surplus in the fiscal year 1925, out of which one-half of the reduction is taken. The other one-half comes out of this fiscal year, 1924, and the statement I made that we would have sufficient to pay the bonus twice over out of the surplus for the year 1924 makes due allowance for the payment of the 25 per cent reduction.

Mr. SNYDER. I just wanted the gentleman to make that clear, because I did not think it was clear in his original statement.

Mr. GREEN of Iowa. And it is the same way with reference to the surplus for the fiscal year 1925.

Mr. LAGUARDIA. Will the gentleman yield for one short question? In reference to the inquiry of the gentleman from Michigan, the figures submitted by the distinguished chairman do not come from the same source that announced two years ago we would have a deficit of $500,000,000 when we found a surplus of $325,000,000?

Mr. GREEN of Iowa. I can not go into matters of that kind. I want to yield now to the gentleman from New York [Mr. MILLS] five minutes.

Mr. ANDREW. Will the gentleman from Iowa yield merely for a question?

Mr. GREEN of Iowa. What is the question of the gentleman?

Mr. ANDREW. You said that the difference between the reduction contemplated by this bill and the Mellon plan was a difference of $22,000,000. Does that mean that this bill reduces the taxes by $22,000,000 more or $22,000,000 less?

Mr. GREEN of Iowa. Twenty-two million dollars more. It reduces the taxes $22,000,000.

Mr. RICHARDS. Will the gentleman yield?

Mr. GREEN of Iowa. I am sorry I can not yield further.

Mr. RICHARDS. Does the gentleman intend putting that statement in the RECORD?

Mr. GREEN of Iowa. Yes; I will.

The statement referred to is as follows:

Estimated revenue, fiscal year 1925

(Revenue act of 1924 as agreed to in conference)

Source	Mellon plan	Present law	Revenue act of 1924
Customs	$500,000,000	$500,000,000	$560,000,000
Internal revenue:			
Individual income and corporation tax	1,662,000,000	1,900,000,000	1,650,000,000
Miscellaneous taxes	824,000,000	925,000,000	814,000,000
Total internal revenue taxes	2,486,000,000	2,825,000,000	2,464,000,000
Miscellaneous receipts	473,000,000	473,000,000	473,000,000
Total ordinary receipts	3,459,000,000	3,798,000,000	3,437,000,000
Expenditures chargeable against ordinary receipts (Budget estimate of December 3, 1923, not including additional expenditures authorized or to be authorized since that date)	3,298,100,000	3,298,100,000	3,298,100,000
Excess of ordinary receipts over total expenditures chargeable against ordinary receipts	160,900,000	499,900,000	138,900,000

To this surplus should be added whatever taxes are collected by the department in excess of $200,000,000 on account of income and profits taxes for previous years.

Mr. GREEN of Iowa. I yield now to the gentleman from New York [Mr. MILLS] five minutes.

Mr. GARNER of Texas. Mr. Speaker, I also yield five minutes to the gentleman from New York [Mr. MILLS].

Mr. MILLS. Mr. Speaker and gentlemen of the House, there is nothing to be gained by discussing the main provisions of the bill. The House did that very thoroughly and, as the chairman of the Ways and Means Committee has stated, this bill is substantially the bill that passed the House except in two very important particulars.

Let me state now that I am not one of those who holds that a vote against a conference report is a vote against the bill, and it seems to me that men who voted for the bill may very well vote against this conference report in protest as to the two matters which I am about to call the attention of the House to.

On amendment No. 234: The Senate amendment provides that in the case of offenses involving the defrauding of or attempting

of 30 days after the enactment of this act, and the Senate recedes.

This bill aside from being a measure to reduce taxes was a measure to improve the administration of the tax laws and to give some measure of relief to the taxpayers who, for four or five or six or seven years, have never known what their tax liability was. It was to give them some relief inside of the Treasury Department and not make them in all cases, in order to get justice, ultimately have to rely on the courts.

With that end in view it was originally proposed by the Treasury, and this House passed a bill providing for the creation of a board of appeals, so that if the taxpayer was notified that his tax would be increased before the tax was assessed he had a right to go before that board of appeals, which was appointed by the President and was not a part of the Treasury Tax Bureau but was an administrative body nevertheless. He would sit down with them, one member if necessary, and adjust his tax liability expeditiously and justly; and if the Government disagreed with the findings, the Government could go to court; and if the taxpayer was aggrieved, he could go to court. To-day there is existing in the Treasury Department what is known as a committee on review, composed of 24 members, to which the taxpayer goes for final adjustment of his case before going to court.

This bill contemplates doing away with the committee on review and to substitute for it a board of appeals. Now, what the Senate did was to change the board of appeals, which was an administrative body sitting informally to adjust tax cases, into a court of record, and the House conferees have agreed to that. In all cases over $10,000 the testimony must be taken in writing, the rules of evidence apply, a written opinion is to be given, and all of the testimony in the proceedings is to be a public record.

Gentlemen, cases are coming to the present board of review at the rate of 200 a week. There are 35,000 cases still without adjustment. Tax returns for 1918 and 1919 are still undecided, with all that implies in the way of hardship to the taxpayer. The committee on review to-day is an informal body. One member can settle and adjust a case. This bill provides that it shall take three members to decide a case. Do you suppose a new court with all formal court procedure can dispose of 200 cases a week? Instead of improving the administrative machinery you have wrecked it. You have taken away the administration committee of review and you have told the taxpayer not to adjust his case in the Treasury Department, but to go to a new tax court with all the formalities of procedure. To-day it takes four or five years to adjust a case and we were trying to eliminate this delay. An administrative reform has been transformed into administrative obstruction. I suggest that in the new court it will take 10 years.

Now let me point out another matter. No one who knows anything about it thinks that the taxpayer is treated with leniency by the United States Government to-day. We all know that after the statute of limitations has run, or is about to run, the Treasury comes to Congress and gets an extension for another year. That has been done two or three times so that they can keep the tax liability open for six or seven years. If Congress will not do it, the Treasury slaps on an arbitrary assessment without taking the trouble to audit the taxpayer's return. We want not only to give the taxpayer a tax reduction but decent administration. [Applause.] We want to give him relief from these arbitrary governmental methods. We want to expedite the settlement of claims, and the Senate instead of doing that has given us a court with all of the delays incident to court procedure.

Why, the one thing that amazes any new Member—and I do not longer fall within that class—is the amazing knowledge on a great variety of subjects displayed on the floor of the House when matters of public importance come up. And yet when it comes to this question of tax administration and procedure this House seems to be willing to legislate without any knowledge whatever. I state without fear of contradiction that there is not a single Member in this House that has thoroughly investigated the question of tax administration and collection, and I venture to say there is not a single Member on the other side of the Capitol that has done so. And yet without investigation, without knowledge, in the face of the strongest protest on the part of those who are called on to administer the law, we are willing to wreck a carefully thought-out scheme which they prepared to improve the administration of the law.

The taxpayer to-day has a hard enough time in getting justice from the Government, and here you are going to place additional burdens on him. The Government comes along four or five years after he has paid his tax and says, "I am going to slap on an additional assessment." The taxpayer wants to protest. He wants to fight it, the Government now says "Yes; you may fight it, but in addition to the old burden that rested on you we are going to compel you to disclose to the public every one of your business transactions during that particular year." Is not the taxpayer in many cases going to hesitate? Is not he in many cases going to say, "All right, take my money, it is better for me and my business after having had a bad year in business to let the money go rather than to disclose to all my competitors and creditors my situation?"

You are placing in the hands of the Government an additional club to compel this taxpayer to come across, irrespective of justice or equity.

The ridiculous provision which the conferees have agreed to with reference to the publication of the name of every income taxpayer, together with the amount of his tax, needs no comment. There is not a man on this floor, there is not a man anywhere, who can suggest how the publication of the amount of the tax paid by an individual will facilitate the collection of the tax. I wish some of the conferees would explain to the House how the publication of that information can be of any conceivable public benefit. Everyone knows that the sole purpose it can serve is to satisfy the curiosity of individuals as to what taxes their neighbors are paying. It is an invasion of privacy unjustified by any public good. It is impossible to justify it, and I think that you gentlemen, if you vote for this conference report, will find it mighty difficult to go home to your districts and explain to the income-tax payers, whom you represent, why you voted to post their names, together with the tax paid. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. MILLS. Mr. Speaker, in that connection I ask unanimous consent to extend my remarks in the RECORD by including therein an article which appeared in The Nation of May 28, 1924, by William Hard.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GREEN of Iowa. Mr. Speaker, I have no objection to the gentleman putting in his own remarks, but if that article goes in, there are some articles that ought to go in controverting it.

Mr. MILLS. The article does not deal strictly with tax matters, but is a comment on the present tendency in this country to invade privacy.

Mr. GARNER of Texas. Mr. Speaker, the gentleman from New York does not intend to extend the entire Mellon book in the RECORD.

Mr. MILLS. I think it would be of great public benefit if it could be done, but I do not propose to do that. I hope the gentleman from Iowa will not object to my request.

Mr. GREEN of Iowa. Just for the moment I shall object, until I can see the gentleman later.

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent, in view of the limited time for debate, that each Member may have five legislative days in which to extend his own remarks in the RECORD on the conference report.

The SPEAKER. The gentleman from Texas asks unanimous consent that all Members may have five legislative days within which to extend their own remarks in the RECORD.

Mr. SNELL. Is that entirely their own remarks?

Mr. GARNER of Texas. Yes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHNEIDER. Mr. Speaker, once more Congress will be coming into its own when it passes the revenue bill that is now before us, the conference report of the House and Senate. Not long ago Congress in passing the soldiers' bonus over the President's veto by the overwhelming vote of 313 to 78 demonstrated that it can and will exercise its constitutional powers and uphold the trust the Nation has bestowed upon it. That it will now again decisively demonstrate the same kind of independence and good sense of judgment by passing this bill I have no doubt in my mind.

But only a short time ago the efforts on the part of the progressives to bring about a genuine, scientific, and equitable solution of our tax problems seemed to be resigned to the fate of certain failure. It, indeed, was a valiant fight, and we won.

For many months this Congress and the country was harassed by the persistent and strongly organized propaganda campaign put forth by the friends of the Mellon tax plan in Wall Street. Newspapers gave daily accounts and statements about it in a most conspicuous fashion. Full-page paid advertisements were carried by nearly every paper. Every scheme was devised to put this bill across. We were warned of the disastrous effect it would have on our country should this bill be rejected. Congressmen were literally flooded with propaganda. The theater-going public was constantly being imposed upon by an extra reel of moving pictures in which Mr. Mellon played the rôle of hero in the Mellon tax, you all, me not, plan. President Coolidge, Mr. Mellon, and big business were out to sell this plan to you and the public. Some Congressmen proposed to do a little changing in its make-up, but you were told by its sponsors, "You must take it as it is." Not an "i" to be dotted nor a "t" to be crossed.

The progressives, however, in their determined fight against this infamous measure soon were able to reveal the true nature of the bill. We now were no longer alone in this fight, and with the aid of the Democrats this widely heralded bill known as the Mellon plan met its fate. It should have been scrapped from the very start, and Congress should not even have given this veiled attempt upon the Treasury of the United States by big business the dignity of such long and protracted consideration!

I would like to review the main provisions of the Mellon plan in order to compare that scheme for tax reduction with the plan now before us.

But I will not take the time of this body at present. I have on a previous occasion discussed this bill in greater detail. It is a matter of record, and if you will you can refer to my remarks in the CONGRESSIONAL RECORD of March 6, page 3376, where its workings are clearly shown.

The rates under the present bill, which is about to be acted upon by this body, as compared with the old law now in effect can be illustrated as follows:

Income	Present law	Conference schedule
$3,000	$20.00	$7.50
$4,000	60.00	22.50
$5,000	160.00	37.50
$6,000	160.00	67.50
$7,000	250.00	87.50
$9,000	436.00	167.50
$10,000	530.00	202.50
$14,000	940.00	477.50
$20,000	1,720.00	1,017.50
$26,000	2,760.00	1,737.50
$32,000	4,460.00	3,297.50
$50,000	8,540.00	6,137.50
$100,000	30,140.00	22,617.50
$300,000	144,640.00	129,617.50
$1,000,000	550,640.00	429,617.50

It is indeed gratifying to see the many important proposals of the progressives now embodied in a truly scientific and good bill.

While many do not receive incomes large enough to benefit from the reduction on income-tax rates, it can truthfully be said, however, that even as to them this bill is of vital concern. The burdensome taxes on consumers' articles have been lifted, the amusement taxes are abolished, and all other such nuisance taxes directly affecting the interests of the common man have all been materially reduced or abolished by this new bill.

The inheritance and the gift tax feature, too, are indeed significant changes in the tax policy of this Nation. But perhaps no single feature stands out so distinctly a departure from the orthodox policy in our scheme of taxation as does the publicity feature on incomes. This, indeed, will be a shock to those who have been able to evade paying their fullest share of taxes by falsifying on their income figures.

This virtually means millions of dollars for our Treasury in income taxes heretofore uncollectible because it was possible for such unscrupulous individuals to falsify as to their actual incomes without a chance for the Government to look into the records of such individuals. These income-tax dodgers can no longer take refuge under a secrecy clause. The publicity feature will then not only bring more money into the Treasury but naturally will make for greater honesty in income-tax reports, and fraud upon the Government by falsification of the amounts of their incomes will be less possible.

While, to be sure, there are many features in the bill that could still be materially improved upon and many provisions that I would like to have included, yet under the circumstances I think this is very meritorious legislation.

With this bill assured of its passage, and the tax problem solved to the satisfaction of the vast majority, we should now turn our energies with unrelentless zeal to the task of passing the child labor amendment, the Howell-Barkley railroad labor bill, and a really and truly beneficial farm-relief measure like the Norris-Sinclair bill. With this kind of legislation enacted into law, you who will favor these measures can return to your respective constituencies and point with pride to the accomplishments of this Congress. To fail in passing these, those of you who will oppose this kind of remedial legislation will continue to foster the evil of child labor and oppose the interests of the struggling farmers and workers of this country.

Mr. GARNER of Texas. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. HOWARD.]

Mr. HOWARD of Nebraska. Mr. Speaker and gentlemen, I am highly complimented in being permitted to follow one of my colleagues among the "unalterable eight" who voted against this bill when it passed the House. I am opposed to the conference report, but not along the lines of the opposition of the gentleman from New York. He asked a question here a moment ago, quite directly, of any member of the Committee on Ways and Means, and all of them were silent. He asked what public good would be accomplished by the publication of the income-tax returns. None of you gave any answer to him. I think I can give him an answer, and he is deserving every good thing. Here is my answer, in the form of an illustration. In my own State we have a statute authorizing the publication of personal-tax returns, authorizing the county commissioners to direct it if they please. They do it in some counties, and in others they do not. I could present the gentleman from New York with evidence showing that in many counties where the personal-tax returns have been published the publication resulted sometimes in almost doubling the amount of the personal-tax returns the next year. I think that is sufficient to prove the value of publicity, and I apprehend that this new provision with reference to publicity of income-tax returns should be just as salutary in digging up and putting on the books income tax returns that have not been there hitherto.

I am all mixed up here, but I am told that this new conference report is a great victory for those of us who supported the Garner tax figures, and yet here comes the chairman of the Committee on Ways and Means and tells us that the conference report as now presented is practically the same as the original Mellon figures.

Mr. GREEN of Iowa. Oh, no. I said practically the same as the House bill that we passed before by such an enormous majority.

Mr. HOWARD of Nebraska. I am delighted to have the gentleman reverse himself, or correct himself, as it will be easier for me now to vote for the bill.

Mr. GREEN of Iowa. I am not doing either one. I am neither reversing myself nor correcting myself, but I am stating just what I said.

Mr. HOWARD of Nebraska. Ah, but the gentleman is correcting himself in my ear. It would be very difficult for me to vote for this conference report for any other reason. I understand that in your agreement you kept in the bill that infamous provision which gives the taxpayer the privilege of going to the Treasury now and taking out one-quarter of the tax that he has already paid on the 1923 returns. I think that is wicked. I paid some of that tax, and members of my own family have paid it, and I figured up the other day and discovered that if I should vote for this conference report now, it would be equivalent to voting in favor of permission for EDGAR HOWARD and various members of his family connections to reach down into the Treasury and lift out almost $2,000 of taxes, money already earned by the Government, which we have paid. I think that is wicked. I do not wish to vote for it for that reason, and will try to have the report recommitted for the purpose of striking out that 1923 refund.

The gentleman from New York [Mr. MILLS], one of my colleagues among the "eight unalterables," and sometimes I understand that we have been referred to as the "eight undesirables," opposes this conference report on entirely different lines from me. He opposes it because of its good features, and I oppose it because of its bad features, which he holds to be good.

I have been earnestly hoping that the rules might permit me to move to recommit the report of the conferees, my best hope being that a new report might provide for the most just of all taxing provisions—the excess-profits tax—and also that the conferees might be persuaded to remove from their agreement that bad provision for refund of one-fourth of the 1923 income tax. But indications are clear that there will be no chance for recommittal, and so I must either vote for or against the bill as a whole. I can not vote against it for, indeed, it is so much better than I had dreamed of getting, bad as it is, and so far removed from the original Mellon plan of iniquity that I feel I must vote for it, the while giving my thanks to that magnificent Democrat, JOHN GARNER, of Texas,

and that superb Republican, WILLIAM R. GREEN, of Iowa, for the rebuke their reorganized bill administers to an occupant of the White House and to an arrogant Secretary of the Treasury, both of whom have signally failed to bluff the legislative arm of the Republic into obedience to the will of the executive arm.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. HOWARD of Nebraska. I am glad of it. [Laughter and applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield five minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. GARNER of Texas. Mr. Speaker, as I understand it, the gentleman from Iowa yields five minutes to the gentleman from Wisconsin, and I yield him five minutes. [Applause.]

Mr. FREAR. Mr. Speaker, the gentleman who preceded me, the gentleman from New York [Mr. MILLS], complained about the publicity proposition in the tax conference bill before us and that it is calculated to make people curious as to incomes paid by taxpayers generally. It will enable every Member on the floor of this House to know what influence is behind propositions when a Member proposes an amendment here or passes his judgment upon an income tax bill. The public will see his personal interest, and they will discover quickly from the record whether his personal interest reaches $100,000 or $1,000,000, or whatever the amount may be, or whether his interest is purely in behalf of the taxpayers of the country. We would then know what influences Mellon bill advocates and how much is involved in taxes on them.

Mr. CAREW. Will the gentleman yield?

Mr. FREAR. I can not, I am sorry to say. Mr. Speaker, this bill, in my judgment, is the most scientific bill that has ever been offered in the nature of a revenue bill in the history of this country. It takes not only the income tax and places it on a 40 per cent graduating basis, which is far more honest and fair than existing law or the Mellon plan.

The inheritance tax is also graduated to 40 per cent. The gift tax is also graduated to 40 per cent, and then under the bill the public has the right to know how men are evading their taxes so that Congress may legislate to avoid tax-dodging pitfalls. In this bill the normal tax is equitably graduated, the earned income is limited to reasonable exemptions, and the nuisance or excise taxes are far better adjusted than under the present law or Mellon bill. Therefore I say it is the most comprehensive and most scientific bill that has ever been presented and that will be passed by Congress. Two Washington morning papers have declared repeatedly Congress, in tax legislation, is engaged in politics because we are endeavoring to pass a bill that is for the benefit of the country rather than for a handful of multimillionaires for whom the Mellon bill was drawn. Remember, gentlemen, that both of these papers are owned by multimillionaires, and it makes a big difference to them whether we adopt the Mellon plan or the plan of the House. Hundreds of thousands annually would have been saved each of them by the Mellon plan. [Applause.] Both of these papers and practically all interests supporting the Mellon plan sought to place on the people a vicious consumption tax last session. That plan was defeated. The country, it has been said, has now had sold to it the Mellon plan. It has had sold to it a Mellon brick, and it is a gold brick, as we know, but the House and Senate, the Congress of the United States, have been wise enough not to accept that gold brick, and have repudiated it. [Applause.]

I congratulate the chairman of the committee, Judge GREEN, who is still chairman of the committee, and has not yet been deposed or overridden by the House. I congratulate the Republican leader, Mr. LONGWORTH, who still is the House leader, and has not been overridden by Mellon plan advocates, but is supported by the House, and I congratulate my friends on the Democratic side who helped, practically unanimously, to put through the former tax bill, which bill has been here adopted with slight modifications. All these, with the conferees, deserve credit for the bill before us. And I say to my Republican colleagues it is not necessary, but I thank you for what you have done, because I believe you now appreciate the bill here agreed to and reported is for the best interest of the country. It reduces the taxes of the small taxpayer over 60 per cent and gives some relief to all.

I call attention to the gentleman who said, "You are wrecking this bill." The gentleman from New York [Mr. MILLS] previously declared the bill to be unworkable and denounced it on the floor. Seven comrades were with him as against 408 who supported the measure when the bill passed the House before. We have also been told for months that the bill before us would cause a great Treasury deficit. Mr. Mellon was quoted in the press constantly to that effect. He knowingly or ignorantly repeated the statement so often the country came to believe it to be true. It was untrue. You were told by Mr. Mellon that it would cause a deficit of $100,000,000 or $200,000,000 annually, that it could not safely be passed, and yet, as we have been repeatedly advised by Chairman GREEN of the committee as late as this morning, and by Senator SMOOT, in charge of the bill over in the Senate, that there can be a tax reduction of over $400,000,000 annually as provided in the bill, and also it will permit the passage of the $2,000,000,000 soldiers' bonus bill and leave a Treasury balance over all. [Applause.]

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. FREAR. I will; certainly.

Mr. GREEN of Iowa. Some of the papers have carried the statement it would create a deficit of $600,000,000.

Mr. FREAR. Unquestionably, nothing was too wild and false for irresponsible Mellon tax agencies in order to put over the sale of the Mellon plan to the public. Many millions of dollars were spent in propaganda for that discredited plan. Yet, as a matter of fact, the Mellon plan was prepared we know not when nor where nor how, but in the interest of a comparative handful of people of large wealth out of the 6,000,000 income taxpayers that this bill will relieve. I can name half a dozen people—the chairman of this committee, Judge GREEN; the distinguished Republican leader, Mr. LONGWORTH; the leader of the Democratic side, Mr. GARNER; Mr. HULL of Tennessee; and gentlemen in the Senate, like Senator SIMMONS, and others who are tax experts with years of experience equal to any in the country who agree to this bill. All tax experts surely equal to the gentleman who presides over the Treasury Department, Secretary Mellon, who now tells Congress what we shall do and what we shall not do. "You must pass it as written by me; you must pass my bill; you can not pass the soldiers' bonus bill; you can not pass a bill for the relief of the soldiers or taxpayers except the Mellon plan," that was his command in plain English, but we have rejected the Mellon rates because they were unjust and unfair and in the interest of men of great wealth to the exclusion of the great masses. Gentlemen, I submit that the Congress of the United States has some powers of its own that it will exercise. [Applause.]

Mr. Speaker, we sat here at the beginning of the session while we were denounced by gentlemen on my left with statements that we were irregular because we saw before us the situation presented to-day. It was said that we were independent. Yes, we were. We were trying to secure a needed liberalization of the rules of the House. [Applause.] Members had sat here for years gagged and tied and could not vote any amendments to bills. There was put through the House last session the 1921 revenue bill carrying over $3,500,000,000 without a single amendment being permitted to be offered. It repealed the excess-profits tax of $450,000,000, and no vote was permitted on that great item. We cut down the surtax in committee $50,000,000 in that bill and you sat here handcuffed, bound, and gagged, and could only vote on the bill as reported from the committee. We as self-respecting Members resented that indefensible practice and we refused to consent to it longer. On this side independent Republicans were for liberalizing the rules so that amendments could be offered the same as in the Senate. This bill before us is the result of amendments placed in the committee bill by the House. [Applause.]

For the first time in recent history the House has written a tax bill. Heretofore the Senate has written the tax bill. It is common knowledge that the Senate claimed it wrote all important bills, and the press so stated with much truth. To-day you have come into your own, and if we have done nothing more I can say we have done nothing better in the history of this Congress when to-day the House has assumed its constitutional functions. [Applause.]

The gentleman who sits in the Treasury Department at the other end of the Avenue has denounced us repeatedly and has advised the chief administrative officer over in the White House what to do. He has told the President, and constantly told you, that we could not pass a bonus bill and a tax bill in this session of Congress. You must make your choice he declared where he opposed the bonus bill. Through the press we have been repeatedly told what he intended Congress should do about taxes and the soldiers' bonus. What a wonderful seer he has been. He had better hereafter confine his duties to the administration of the law.

We will attend to the legislation, and we can do it with full information and better understanding of the subject. If he is opposed, as he says he is, to the bonus bill, which we passed over the President's veto; if he is opposed to this tax bill, which gives relief of $400,000,000 annually to 6,000,000 taxpayers, as he says he is, and if he can not administer it fairly and justly, he ought to resign and let some one be placed in the Treasury

who can and who will. [Applause.] We need some one who has an understanding and some sympathy for the ex-soldiers, the general public, and the legislative branch of the Government. The people of this country are tired of having one man in the Treasury Department telling the American Congress, as well as the President, constantly what we must do. Have we no rights and no responsibilities at all? Gentlemen, under the Constitution this House has the sole right, the sole power, to inaugurate legislation, and yet we had a bill placed upon our desks by Secretary Mellon at the beginning of the session, and from the beginning to the present day practically every paper in the country controlled by favored interests or which could be controlled denounced us because we would not pass the Mellon plan, which the Secretary demanded. Well, we have passed it up, and the bill before us is better many times for the country as a whole and will be overwhelmingly passed by the House, as it was by the Senate.

Now, Mr. Speaker, I do not want to take the time of the House unnecessarily, but I say that the House of Representatives to-day has before it a tax bill which ought to be approved by the House and by the President. I would have had more publicity to insure needed legislation, and I would like to have a graduated tax on corporations. We ought to have both; but this bill is so infinitely better than the existing law or the Mellon tax bill that it ought to be passed practically unanimously. It is immaterial to me whether the bill is vetoed by the President like the bonus bill, as threatened, or not. If so, we will pass it over any veto. I believe we have a constitutional duty to perform, and we have now come to the final act. Let us pass the bill irrespective of party lines quickly and unanimously. [Applause.]

Mr. GARNER of Texas. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. GRIFFIN]. [Applause.]

Mr. GRIFFIN. Mr. Speaker, in this solemn hour, when the Mellon bill is hanging in the balance, I consulted the oracle at the foot of Mount Parnassus as to its fate and received this enigmatical reply, entitled:

ODE TO A MELLON

When first thou wert seen
Thou wert quite a melon—
So fresh and so green—
With so pleasant a smell on;
But wert not so long worth
Face value, or nearly,
Tho' MILLS tried to save thee,
And FREAR tried to shear thee.
When GARNER had garnered thee
Wert cured of thine ills,
But came out a LONGWORTH
Quite stripped of thy frills.
As flat as a pancake,
Not at all like a Mellon,
Unhappiest halfbake
That eyes ever fell on.

Then away to the Senate
Thy troubles near ended;
There doomed for thine "ultimate"
Whilst hung there suspended,
Amidst the press rappings
Wert given some "trimmin's"
And stripped of thy trappings
By Senator SIMMONS.

Now the question that irks us
Is what thou wilt be
When thou comest from conference
On Mr. GREEN'S knee:
Will they spank thee and yank thee
And lay thee prostrate,
GARNER thee nicely
With rates and a date—
Topped off with persimmons
Upon a tin plate—
And hand thee to Coolidge
In elegant state?

[Laughter and applause.]

That fairly describes the legislative history of the Mellon bill up to this good hour.

But it has had a career entirely aside from the tribulations it has gone through in Congress.

No public measure in recent times has provoked more controversy or aroused so great a propaganda in its behalf.

When the Mellon plan was proposed it was characterized as a tax-reduction measure. That, of course, had a euphonious and welcome sound, and, even before knowing the details of the plan, there was a general chorus of public approval. Chambers of commerce, trade and industrial organizations hailed it with loud acclamation.

When the bill was finally prepared, under the supervision of Mr. Mellon, it was found to be a document of nearly 300 pages containing many intricate provisions.

It was then revealed for the first time that the gist of Mr. Mellon's scheme of tax reduction was to cut, with one fell blow of the ax, 50 per cent from the taxes of persons in the so-called upper brackets—that is, taxpayers deriving incomes in excess of $25,000 per year—while it only reduced the taxes of the little fellows about 25 per cent.

Notwithstanding this invidious distinction in the bestowal of tax reduction—perhaps on account of that unfair discrimination—the chorus of approval rang out more loudly than ever. The men of big incomes, who were to be benefited, saw their opportunity to scrimp fading away, and immediately inaugurated a propaganda through the medium of every art known to the new and ingenious "science of publicity."

There were just 39,915 persons in the United States whose incomes were above $25,000 per year, while there were 6,195,312 taxpayers whose incomes were under that figure.

But among the 39,915 were to be found the big financial, commercial, and industrial elements of the Nation. They would benefit most by the Mellon plan, and I presume it was natural enough for them to be swayed by their own selfish interest. They had the press at their disposal—they are heavy advertisers. That is how newspapers are bribed and public opinion prostituted. Those who ought to have told the truth—that being the chief essential of their calling—deliberately kept the truth hidden or garbled the facts so as to mislead over 6,000,000 people into the belief that their interests would be best promoted by reducing the taxes on big incomes 50 per cent and reducing taxes on little incomes 25 per cent.

For instance, a person having an income of $5,000 per year, now paying a tax of $100, would have his tax reduced $25, or 25 per cent, while a person with a $100,000 income had his tax reduced from $30,140 to $19,840—a saving of $10,300, or over 30 per cent.

But it was in the higher incomes that the discrimination was most pronounced. For instance, the multimillionaires drawing an income of $1,000,000 per year, were presented with a tax bonus of $250,000.

The so-called Garner plan took this invidious and unfair discrimination into account and, by a graduated surtax up to 44 per cent, attempting to apportion the benefits of tax reduction, so that the people of small incomes would derive some material benefit. This was called the Democratic plan and is set out in the following table, which shows, by the "deadly parallel," just what the Mellon plan would do to or for the small taxpayers:

This comparative table shows the total tax payable by a married person without dependents

Income	Present law tax	Mellon plan tax	Democratic plan tax
$3,000	$20	$15	
$4,000	60	45	$30
$5,000	100	75	40
$6,000	160	120	80
$7,000	250	180	120
$8,000	340	240	160
$9,000	430	300	200
$10,000	520	360	240
$11,000	620	430	300
$12,000	720	500	360
$13,000	820	580	420
$14,000	940	660	500
$15,000	1,060	750	580
$16,000	1,180	840	660
$17,000	1,310	940	740
$18,000	1,440	1,040	840
$19,000	1,580	1,140	940
$20,000	1,720	1,260	1,040
$25,000	2,560	1,900	1,600
$30,000	3,520	2,600	2,240
$35,000	4,630	3,380	3,120
$40,000	5,840	4,240	4,160
$45,000	7,150	5,200	5,320
$50,000	8,640	6,280	6,440
$60,000	11,940	8,700	9,240
$70,000	15,740	11,440	12,720
$80,000	20,040	14,600	16,600
$90,000	24,840	18,200	21,480
$94,000	26,900	19,640	23,480
$100,000	30,140	21,840	26,600

Then came the critical moment when the courage of Congress was to be tested. They stood the test. They were not "panicked" into slavish submission to newspaper domination, thanks to that magnificent Democrat, JOHN GARNER, of Texas,

Both sides of the aisle got together and without partisanship agreed on the so-called Longworth compromise, making the maximum surtax 37½ per cent.

Then the bill went to the Senate, where the Longworth compromise was rejected and the maximum rates put at 40 per cent.

Of course, the newspaper clamor continued and will perhaps continue until the President signs the bill. Then the clamor will cease, and those who have been fathering the propaganda will laugh up their sleeves and take the benefactions of the conference bill without further grumbling.

I do not want to close without pointing out a serious flaw in the reasoning of the Mellon bill advocates. That flaw is due to a difference in the methods of comparison between the Mellon bill and its substitute.

It is only candid to say that there are two methods of comparison and we will have to leave to the individual conscience the logic and ethics of the respective methods.

In my analysis I have maintained that if there is any reduction in taxes all grades of taxpayers should be proportionally benefited.

The friends of the Mellon plan hold that it is unfair to tax the rich man 40 per cent of his income while taxing the poor man only 1 per cent.

At first blush this would seem a reasonable objection; but it invokes a theory of comparison utterly at variance with all recognized systems of taxation, and particularly that system which we were compelled to adopt to meet the exigencies of the war.

Thus, it errs in confusing "surtaxes" with "taxes." The 40 per cent income tax complained of is a surtax and not a tax.

In the lower grades or brackets all incomes are treated alike. On the first $10,000 of income the millionaire pays exactly the same percentage as any other wage earner. He pays neither more nor less than his humblest neighbor.

When, however, the taxpayer begins to draw a higher income above $10,000 per year, he begins to pay what is called a "surtax."

The surtax begins at 1 per cent on earnings above $10,000 and increases gradually as the surplus earnings increase. When that surplus, above the normal $10,000, reaches $25,000 he is required to pay a surtax of about 10 per cent; but that surtax is imposed only on the excess earnings above $10,000.

On all below the $10,000 he pays efactly the same as any other taxpayer.

The theory of the surtax is that those who profited by the war, or who continue to profit out of the economic plight of the country, should be willing to give up a part of their excess earnings in order to maintain the Government which fosters and protects them.

If they do not like to make this contribution, they can cease making these annoying excess profits by sharing them with the consumers of the land and lowering by so much the high cost of living.

The bill as now presented is a fair compromise. and I intend to vote for the conference report, which will have the effect of enacting it into law, if it receives, as I believe it ought to, the Executive approval.

Mr. GREEN of Iowa. Mr. Speaker, I yield seven minutes to the gentleman from Massachusetts [Mr. TREADWAY]. [Applause.]

Mr. TREADWAY. In consideration of a conference report, the merits of the original bill are not actually a factor. The question to-day is a comparison between this bill (H. R. 6715) as it passed the House and as it passed the Senate. I desire, therefore, to call attention to a few of the points of difference between the two bodies and the final action of the conferees.

The most far-reaching amendment in which the House receded was the adoption of the Senate normal and surtax rates rather than the rates as adopted by the House. The Senate bill will produce less revenue from surtaxes; the House would have produced less on normal tax. The net loss by adoption of the Senate provision is about $15,000,000.

The major concessions on the part of the Senate conferees, however, made at the insistence of the House conferees, were, to my mind, of very much greater importance. The method of computing capital gains and losses, allowing 12½ per cent for each, was a distinct advantage for the House conferees. If the Senate provision had been adopted, full losses on capital assets could have been charged off and the Government would thus have lost large sums.

Another major provision upon which the House insisted was the removal of the so-called Jones amendment taxing corporate gains on a sliding scale similar to that in the estate and gift taxes. The inclusion of this tax into as high brackets as was necessary to secure equal revenue with the House bill would have totally destroyed opportunity for expansion of business by corporations, as the rates were prohibitive.

To tax profits simply because they were not distributed and prevent their use in business would absolutely curtail enterprise and development.

The adoption of the House system of an estate tax rather than an inheritance tax was another marked victory for the House conferees.

A great deal has been said about the publicity of income-tax returns. In my opinion the House bill offered as much opportunity for publicity of returns as was consistent with furnishing information to those having right of access. The Senate amendment made the lists absolutely public property. The House conferees agreed to an amendment to their provision whereby the amount of the income tax paid should be included on the published lists.

I was personally opposed to the item as passed by the House, but I think the House item went as far as it was necessary to go in providing information through the channels where it was rightfully to be had. [Applause.] However, in order to secure an agreement with the Senate it was necessary to add the provision whereby the total amount of individual tax reports should be made public. That is not a serious drawback, and it will not convey information beyond the scope of what may be rightfully known. If, however, the Senate provision for complete publicity had been agreed to, we would have had a saturnalia of inquisitorial publicity, used either for blackmailing, revenge, or for the gratification of pure Yankee inquisitiveness.

The item to which the gentleman from New York [Mr. MILLS] has referred is not, in my opinion, quite as serious as he has stated it. It is true we accepted a provision making all contested cases of assessments of $10,000 or over a matter of court record, but is it not fair to assume that if there is a dispute to the extent of $10,000 between the taxpayer and the Government it is sufficiently large to have the information made in the form of a report and actual court proceedings held? The board of 28 men can function and will function very materially for the benefit of the taxpayers. The provision that the House conferees removed whereby the 21 men who leave the board at the end of the two-year period could not appear before the board of appeals as counsel was a very wise removal of a serious drawback to the functioning of the board. I therefore think the board will be of direct benefit to the taxpayer and to the general public. [Applause.]

These are, very briefly, the main points of difference adjudicated in conference. On the whole, it seems to me the bill is very materially improved. I do not hesitate to say I could not have voted for the bill as passed by the Senate, but I shall support the present bill. My reasons briefly are:

It is a much better bill than the Senate sent to conference.

It is a tax-reduction measure, and it will afford some relief to the people.

The administrative features are materially better than the present law.

There are fewer loopholes for escaping taxation.

I still object to the bill, however, on the general ground that it is not in conformity with the recommendations of the administration, and that it will not be as beneficial to general business as the original bill.

It is not as good a bill as the Republican members of the Ways and Means Committee reported to this body, but it is a better bill than the present law, and it is the best bill this Congress will pass under existing circumstances, where the membership of both branches is such that there is no party responsibility.

I take exception to the statement made by the gentleman from Wisconsin, my good friend Mr. FREAR, wherein he asserts that 21 so-called independent radicals are the people who have written the good legislation in this Congress. You can not write legislation in that way, my friends, and the poor features of this tax bill are the result of the very sort of thing in which the gentleman from Wisconsin takes such great pride.

I shall vote for the conference report. If the President in his examination of the bill finds that its deficiencies offset its merits and vetoes the measure, I shall certainly support him in such action. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield three minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Speaker, I am sorry that I can not get the same degree of satisfaction out of this conference report that the gentleman from Wisconsin [Mr. FREAR] has expressed, and not even quite so much as my good friend the gentleman from Massachusetts [Mr. TREADWAY].

True, the conferees on the part of the House did some good work and deserve the gratitude of the country for it. The bill is nothing like so objectionable, in my judgment, as it was when it left the Senate. However, most of the defects that were in it when it left the House are still in it and some additional ones have been added. I did not feel justified in voting for the bill when it passed the House and I can not bring myself now, although it has reached a later stage, to vote to accept the conference report with its additional objectionable features, such as the publicity feature. The conference report should be rejected, a new conference with the Senate asked, and the conferees on the part of the House should insist upon the disagreement to the Senate action without amendment.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. TILSON. I hope that my friend will excuse me, as I have only three minutes and can not say all that I wish to say in so short a time.

So, regardless of the state we have reached, it seems to me that in view of the fact that there is no way in which we can vote to recommit this bill with instructions and that there is no way in which we can protest against the objectionable features that have been added, the only means left by which we can voice a protest is to vote against the whole conference report, and therefore I shall not hesitate to do it. If the conference report should be voted down a new conference may be asked for and new instructions given to the House conferees.

I consider the publicity feature a very serious matter. It can not be defended upon any ground of public interest. It is an unwarranted, entirely unnecessary violation of the right of privacy in private affairs, the rights of the public being fully protected by the Treasury Department under the present laws. It is more than this; it will be a constant menace to the peace of the community and to the security and safety of the people. While serving no useful purpose whatever, it will lend convenient aid to the tongue of the meddlesome busybody, the pen of the blackmailer, and to the hand of the kidnaper.

The board of appeals as first proposed would have proved a great convenience and relief to the taxpayer and a valuable adjunct to the Treasury. The bill as agreed to by the conferees will probably make entirely unworkable this very valuable feature of the bill.

I am not satisfied that the bill as it now stands will produce sufficient revenue beyond the first fiscal year. The first year, the law being in full operation only one-half of the time, it will probably bring in enough revenue to meet the expenses, but beyond that neither the chairman of the committee nor anyone else has explained how it can fail to produce a deficit thereafter.

Gentlemen, we lost a great opportunity when we failed to pass the bill usually referred to as the Mellon bill, which the Ways and Means Committee brought into this House. It was founded on sound scientific taxation principles. It was a bill that undertook to reform our income-tax system. It would have brought about a considerable measure of genuine tax reform. It would have put our tax laws upon a basis that would have been beneficial to all the people alike. Instead of that, this bill at best only reduces the taxes of a few moderately well-to-do people, but leaves what will prove to be, as it has in the past, an oppressive burden of taxation upon productive enterprise, which ultimately means the other 107,000,000 people whom the reductions in this bill do not and can not reach. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Speaker and gentlemen, I fear I am suffering with such a cold I can not use my two minutes either to your benefit or to my own satisfaction.

I wish to record myself as opposed to the adoption of the conference report. My views are ably presented by the gentleman from New York [Mr. MILLS], and I concur in the conclusions which he has stated. [Applause.]

This is a pernicious bill in a number of particulars, and it is fraught with evil and peril, so that the business community will suffer from it until they clamor for its repeal.

I yield back the balance of my time, Mr. Speaker.

The SPEAKER. The gentleman from Pennsylvania yields back one minute.

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, I voted for this bill as it passed the House of Representatives, having previously voted consistently for all of the provisions of the Mellon plan as they were offered; but I shall vote against this conference report, and I hope the President will veto the bill because of certain things that have been done since this bill left the House of Representatives, and thus by his veto cause the elimination of certain of its provisions.

I agree with what the gentleman from New York [Mr. MILLS] said, with what the gentleman from Connecticut [Mr. TILSON[said, with what the gentleman from Pennsylvania [Mr. GRAHAM] said, and, gentlemen, I want to watch the faces of the Members of this House when next year the list of your personal incomes is published.

Already newspapers are preparing to publish the pittances we pay to the Government as income-tax returns. Already the Paul Prys of this Nation are curious to know how much the individual Members of the House pay, as well as what their next-door neighbors pay. I am against government by Paul Pryism.

The tendency at the present time is for the Government to stick its fingers into the private life of every individual. I voted for this bill, as the best we could then get, when it passed this House; but as a protest, if nothing more, against this publicity feature I shall vote against this conference report, and I hope others will vote against it with me. There is nothing sacred in a conference report, and this one should go back to conference for further consideration. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman from Iowa has used 30 minutes and has 15 minutes remaining, and the gentleman from Texas has used 17 minutes.

Mr. GARNER of Texas. Mr. Speaker, I yield two minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Speaker, I am for this conference report.

I think, Mr. Speaker, the country is clamoring for relief from taxes, and I do not anticipate this bill or any bill that the Congress of the United States could pass is quite going to satisfy the people on the question of the reduction of taxes. I think the people for the moment forget that the burden of their taxes does not rest in the taxes paid into the Treasury of the United States but goes for the conduct of their domestic and home affairs. I know in my State, which I have the honor in part to represent, we pay a per capita tax into the Federal Treasury of only $7, while for local affairs, for our State government and county government and municipal government and for our school government, we pay between $60 and $70 per capita. I do not think in other States the proportion is quite so great, but I am sure this bill will not bring to the people the relief they think they will get; and yet I think it will bring to them more relief than any other bill that has been proposed during the present Congress.

A concerted effort has been made to make the people believe that no reduction of taxes could be had unless Congress passed the Mellon bill. Probably not in the history of the Government has there been such a campaign carried on by the Treasury Department and the rich people of the country, who control the metropolitan press, to mislead the people on the question of tax legislation, and that campaign could have but one purpose in view, and that was to induce the Congress to pass a law in the interests of the people who were spending their money in that propaganda.

This bill as it now comes from the conference is practically the Garner bill as it appeared in the House. It was first alleged the bill would not reduce taxes as much as the Mellon plan; when the bill was passed and went to the Senate the spokesman for the administration set up the cry that if the bill became a law it would create a deficit and the Government could not run on the revenue produced by it. This morning we are advised by the gentleman from Iowa [Mr. GREEN] that under the bill there would be a handsome surplus this year and a surplus of $138,000,000 next year after the expenses for the bonus for that year have been paid. These figures, the chairman of the committee assures us, were furnished him this morning by the actuary of the Treasury Department.

Mr. Speaker, one of the lamentable things about the tax question is the unreliability of the statements given out by the Secretary of the Treasury on the subject. The American people have a right to be furnished fair, just, and accurate information upon a question so vital as that of taxes. They surely, however, can not have much faith in the accuracy of information given them by the Secretary of the Treasury when one considers the many inaccurate statements given out during the past two years.

Less than two years ago President Harding vetoed the soldier bonus bill because he was advised by the Secretary of the Treasury that there would be a deficit for that year of more than $600,000,000. When the year closed the same Secretary of the Treasury gave to the public a statement that

there was not a deficit but a surplus of $325,000,000. When this Congress convened the country was told by the Secretary of the Treasury that the only way in which taxes might be reduced would be the passage of the Mellon bill, and that it would be impossible to reduce taxes if a soldiers' bonus bill was passed. Now, the Congress has passed a soldiers' bonus bill and refused to pass the Mellon bill, and the actuary from the Treasury Department informs us that the bill which we will this day pass will reduce taxes more than $400,000,000 a year and still leave a surplus in the Treasury. It is little short of criminal, Mr. Speaker, that the American people are deceived by their constituted authorities on questions so vital to them, and it is but little less reprehensible that the privileged class who control the press of this country should poison the minds of the people by carrying to them false information about their Government.

For weeks and months the metropolitan press of the country has been filled with criticism for Congress on the question of tax legislation—not because the Congress was not proceeding to reduce taxes but because it hesitated about passing the Mellon bill which had been drawn in secret and thrown into this House with the coarse demand that it be passed without the crossing of a "t" or the dotting of an "i." To the credit of the Congress and the American people this body exercised its constitutional function of initiating revenue laws and to-day we will pass this bill regardless of the wishes of Mr. Mellon or any other spokesman for special privilege.

Mr. Speaker, special privilege seems to be in the saddle in this country, and I hope it is riding for a fall. This country never saw a more brazen attempt at the intimidation of the Congress than has been carried on in the recent months by big business, special interests, and their spokesmen. The Literary Digest recently quoted Judge Gary, of the Steel Trust, as saying:

> The worst thing we have is our American Congress—

And Mr. Orrin Lester, of the Bowery Savings Bank of New York, as saying:

> With such agencies at work in the country as Bolshevism and the present United States Congress we have some job on our hands to maintain the integrity of the Nation and the security of her institutions.

These gentlemen are angry because Congress has not been subservient and obeyed orders. They are not angry because we did not reduce taxes, but they are angry because the Congress would not pass the Mellon bill, when they and the whole world knew the bill was written in the interests of the rich and against the interests of the average taxpayer.

Mr. Speaker, the age-old fight goes on; the demand for power and privilege is insatiable; it is not confined to any nation or any State—it exists in Europe as it exists in America; it exists in Montana as it exists in New York and every other State in the Union—and the legislator, whether State or national, who condemns it is called a charletan, a demagogue, a faker, or worse. If he attempts to equalize taxes and make the rich and special-privileged class pay their share, he is lashed by the press, controlled by these same interests, and, if possible, driven from public office.

The passage of this bill should be notice that the American people demand that special privilege shall keep its hands from the legislative bodies, and should be notice that the people demand that those who have heretofore avoided and evaded their just share of taxes shall do so no longer, and that people and not special privilege must rule in State and Nation.

Mr. GREEN of Iowa. Mr. Speaker, I yield two minutes to the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Mr. Speaker, I have given very careful consideration to the provisions of this bill as contained in the conference report, especially from the standpoint of efficiency. I am convinced of two things: First, that it is a workable bill and will greatly reduce the losses to the Treasury through the loopholes of escape now open in the law, materially reduce taxation to the taxpayers, improve the administrative provisions of the law, and that it will provide adequate funds for the conduct of the business of the Government. [Applause.] I have not the time in two minutes to state the ground or figures or computations upon which these conclusions are based, but of the correctness of these conclusions I am confident.

I hope no Member of the House will be misled concerning the publication of the amount of money paid by any taxpayer. Under the present law the collector posts in his office a list of the names and addresses and amounts of refunds paid, and also the names and addresses of those who pay taxes. We added one additional thing, so that he will post in his office the taxes paid by each taxpayer as well as the refunds made. It was that or all the records of the Government would be open to the widest investigation and publicity, so that every return would be open to those who desired to learn the business methods and plans of any taxpayer. Such inspection would not affect beneficially the collector of taxes, but would prove a source of serious injury.

I wish to say one thing concerning the tax board appeals. It has been stated that it would be a board greatly handicapped by the provision contained in the conference report. I believe the House provision is the better. When originally proposed the board was to consist of 28 members for two years, but after that period the Treasury thought that 7 members would be all that were necessary. The board is to be segregated into divisions consisting of 3 members each, which will then make nine separate bodies who will consider and determine the questions before them on appeal. Since only cases involving a dispute of $10,000 or more are to be of record, this will greatly diminish the number of cases in which records must be made, as provided in the conference report, as it will affect only revenues of $50,000 or over. I think the provision is workable and that the board can dispatch the business before it in a reasonable time. [Applause.]

Mr. GREEN of Iowa. Mr. Speaker, will the Chair kindly notify me when I have occupied three minutes? Mr. Speaker, the American Congress, in answer to the charge that it was not willing to reduce taxation, will shortly present to the people of the United States a bill that will reduce taxes on individual and corporate incomes $232,000,000 and excise taxes $56,000,000 this calendar year [applause], about $400,000,000 the next calendar year, and over $400,000,000 the following calendar year. [Applause.] In taking these figures, it should be kept in mind that the calendar year is different from the fiscal year.

We bring to the American people a bill which I believe—in fact, am satisfied—is more scientific than any other bill ever presented in the history of this country since we began the heavy taxation which has been made necessary by the war.

For the first time we have put estate taxes on a scientific basis, where every estate throughout the whole breadth of the country will pay the same tax on a like amount. We have made the income tax so light on the smaller taxpayers that no man who does not have an income greater than $10,000 has any reason to complain about the amount he pays to the Federal Government. We have given to the American people this great reduction without levying any unjust burden upon anyone. We have brought to the Nation a bill that upon its final examination, when the people understand all its provisions, I believe will receive the fullest commendation from the taxpayers of the country. [Applause.]

Mr. Speaker, this bill has been utterly misrepresented in the propaganda that has gone out against it, but the American taxpayer will learn the truth when he makes his next income-tax return.

Mr. GREEN of Iowa. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. LONGWORTH]. [Prolonged applause.]

Mr. LONGWORTH. Mr. Speaker, my genial friend from Texas has complained because I reversed my position on the bonus. Well, so did he. [Laughter and applause.] But the gentleman had already been guilty of an inconsistency of which I never could be charged. He has voted both ways on the tariff. Certainly I have never reversed myself on that. [Laughter and applause.]

Some of you, my colleagues, may remember that the first time I took the floor, a day or so after I had been honored by election as the leader of this side of the House, I stated that in my judgment an opportunity was offered us at this session of Congress to put the House of Representatives back on the legislative map. [Applause.] I made the confident prediction that we would do it, and I am proud to say that it has been done, and that to-day the House of Representatives is the dominant body in the Congress of the United States. [Applause.]

We not only have legislated, but we know how to legislate and how to carry out a program, and we have carried our legislative program so far and so consistently that I say to you, without any possible fear of contradiction, that this House will be ready to adjourn on the 7th of June. [Applause.] If by any chance an adjournment is not taken then, it will not be the fault of any of us here.

If I may be pardoned another personal allusion, during the process of consideration of this bill and afterwards I was considerably criticized for what was termed "spineless leadership," because, forsooth, I did not insist that, so far as I was

concerned, we were to have the Treasury tax bill or nothing. I thought then and I think now that it would have been mighty poor leadership to have taken that position. [Prolonged applause.] It seemed to me that no one who had in mind the experience of Congress in the last session in tax reduction, and particularly with the action of the Senate, could think it possible, even if desirable, to reduce the high surtaxes 50 per cent at one fell swoop. It could not be done, gentlemen [applause], particularly if you only reduced the normal taxes 25 per cent. [Applause.]

Out of approximately 175 Members upon this side of the House who had voted last year for 32 per cent, only to be overridden by the Senate, 73 of them did not come back to the Congress, and there was a nucleus of only 100 men returned to the House that could be confidently relied upon to vote for 32 per cent or possibly 25 per cent. I felt it my duty, in so far as my party leadership was concerned, to try if at all possible to unite my party on this question [applause], and I think that course is justified by what we have seen of the actions of another body. There is not a particle of question, gentlemen, that had we insisted upon the Treasury plan or nothing, we would to-day be voting on the Garner plan or worse. [Laughter and applause.]

The bill before us to-day in its essentials is practically identical with the bill as it passed the House. The changes in the taxes on incomes are so insignificant that it seems almost farcical to have gone through the motions they did in the Senate. The conferees agreed on the Senate income-tax rates, but for all practical purposes they might just as well have agreed on the House rates. For instance, the Senate rate on the first $4,000 of income was 2 per cent, and the House rate 2 per cent. On incomes between $4,000 and $8,000 the Senate rate was 4 per cent and the House 5 per cent. Above $8,000 the Senate rate was 6 per cent and the House the same. From then up to incomes of $200,000 the difference between the House and Senate rates varied not to exceed one-half of 1 per cent. Take for instance the typical incomes on $10,000, the Senate rate was 1 per cent and the House rate 1½ per cent; on $50,000 the Senate rate was 17 per cent and the House 17½ per cent; on $100,000 the Senate rate was 37 per cent and the House 36½ per cent; on $200,000 the Senate rate was 38 per cent and the House 37½ per cent. Above that point in the House there was no increase of the rates, but the Senate went as high as 40 per cent on incomes of $500,000 and above. In other words, the actual difference is so insignificant that it seemed hardly worth while to take all the time and trouble that was taken in the Senate to attempt to acquire authorship of these rates, and I don't think that the country will be fooled upon this proposition.

I have a good deal of sympathy for my friend from Texas, for where, oh where, is the Garner plan, the child of his brain? I thought at the beginning that this bill ought to have been made a nonpartisan measure. I so acted in the beginning, but my friend from Texas, who is first a statesman and then a politician, sometimes gets so energetic in the latter capacity that he outstrips himself in the former. [Laughter and applause.] So he sat down and he figured out a surtax of 44 per cent. There is no conceivable reason for 44 per cent unless it is based on the first two prime requisites for 44, 4 and 11 [laughter]; no earthly reason for it, but the gentleman from Texas refused to even discuss the question of any change from that 44 per cent. I said to him, "There is no fetish in 44 per cent." He said, "Well, the trouble about it is that I have been so successful in selling my plan to my party and to the country that I would not be justified in changing that figure." He said, "It would not be fair to the great party for which I am the spokesman or to the people of America whom I have the honor to represent."

Therefore we had to go ahead on this side and write a sensible tax bill that would raise the necessary revenue. [Applause.] We did so without inviting any assistance from that side of the House. That is all I have to say, gentlemen. I am ready to vote on this proposition. I think it is a fair and just tax bill. It may have some defects that I would prefer to have remedied, but the general proposition to reduce the tax by 50 per cent on the little fellow and 25 per cent on the big fellow can be justified anywhere in America. [Applause.]

The SPEAKER. The question is on agreeing to the conference report.

Mr. GARNER of Texas. And on that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 377, nays 9, not voting 47, as follows:

YEAS—377

Abernethy	Dyer	Larsen, Ga.	Rubey
Ackerman	Eagan	Larson, Minn.	Sabath
Aldrich	Elliott	Lazaro	Salmon
Allen	Evans, Iowa	Lea, Calif.	Sanders, Ind.
Allgood	Evans, Mont.	Leatherwood	Sanders, N. Y.
Almon	Fairchild	Leavitt	Sandlin
Andrew	Fairfield	Lee, Ga.	Schall
Anthony	Faust	Lindsay	Schneider
Arnold	Favrot	Linthicum	Scott
Aswell	Fish	Little	Sears, Fla.
Ayres	Fisher	Longworth	Sears, Nebr.
Bacharach	Fitzgerald	Lowrey	Seger
Bacon	Foster	Lozier	Shallenberger
Bankhead	Frear	Luce	Sherwood
Barbour	Fredericks	Lyon	Simmons
Barkley	Free	McClintic	Sinclair
Beck	Freeman	McDuffie	Sinnott
Beedy	French	McKenzie	Sites
Beers	Frothingham	McKeown	Smith
Begg	Fulbright	McLaughlin, Mich.	Smithwick
Bell	Fuller	McLaughlin, Nebr.	Snell
Berger	Fulmer	McLeod	Snyder
Bixler	Funk	McNulty	Speaks
Black, N. Y.	Gallivan	McReynolds	Spearing
Black, Tex.	Garber	McSwain	Sproul, Ill.
Bland	Gardner, Ind.	McSweeney	Sproul, Kans.
Blanton	Garner, Tex.	MacGregor	Steagall
Bloom	Garrett, Tenn.	MacLafferty	Stedman
Box	Garrett, Tex.	Madden	Stengle
Boyce	Gasque	Magee, N. Y.	Stephens
Boylan	Geran	Magee, Pa.	Stevenson
Brand, Ga.	Gibson	Major, Ill.	Strong, Kans.
Brand, Ohio	Gifford	Major, Mo.	Strong, Pa.
Briggs	Gilbert	Manlove	Summers, Wash.
Britten	Glatfelter	Mansfield	Sumners, Tex.
Browne, N. J.	Goldsborough	Mapes	Swank
Browne, Wis.	Green, Iowa	Martin	Sweet
Browning	Greene, Mass.	Mead	Swing
Brumm	Greenwood	Michener	Swoope
Buchanan	Griest	Miller, Ill.	Taber
Buckley	Griffin	Miller, Wash.	Tague
Bulwinkle	Hadley	Milligan	Taylor, Tenn.
Burdick	Hammer	Minahan	Taylor, W. Va.
Burtness	Hardy	Montague	Thatcher
Burton	Harrison	Moore, Ga.	Thomas, Ky.
Busby	Hastings	Moore, Ill.	Thomas, Okla.
Butler	Haugen	Moore, Ohio	Thompson
Bryns, Tenn.	Hawes	Moore, Va.	Tillman
Cable	Hawley	Morehead	Timberlake
Campbell	Hayden	Morgan	Tincher
Candeld	Hersey	Morris	Tinkham
Cannon	Hickey	Morrow	Treadway
Carew	Hill, Ala.	Murphy	Tucker
Carter	Hill, Wash.	Nelson, Me.	Tydings
Casey	Hoch	Newton, Minn.	Underhill
Celler	Holaday	Newton, Mo.	Underwood
Chindblom	Hooker	Nolan	Upshaw
Christopherson	Howard, Nebr.	O'Connell, N. Y.	Vaile
Clague	Huddleston	O'Connell, R. I.	Vare
Clancy	Hudson	O'Connor, La.	Vestal
Clarke, N. Y.	Hudspeth	O'Connor, N. Y.	Vincent, Mich.
Cleary	Hull, Morton D.	O'Sullivan	Vinson, Ga.
Cole, Iowa	Hull, William E.	Oldfield	Vinson, Ky.
Cole, Ohio	Hull, Iowa	Oliver, Ala.	Volgt
Collier	Hull, Tenn.	Oliver, N. Y.	Ward, N. C.
Collins	Humphreys	Paige	Wason
Colton	Jacobstein	Parker	Watkins
Connally, Tex.	James	Parks, Ark.	Watres
Connery	Jeffers	Peavey	Watson
Connolly, Pa.	Johnson, Ky.	Peery	Weaver
Cook	Johnson, S. Dak.	Perkins	Wefald
Cooper, Ohio	Johnson, Tex.	Perlman	Weller
Cooper, Wis.	Johnson, Wash.	Porter	Welsh
Corning	Johnson, W. Va.	Pou	White, Kans.
Cramton	Jones	Prall	Williams, Ill.
Crisp	Jost	Purnell	Williams, Mich.
Crool	Kearns	Quayle	Williams, Tex.
Crosser	Keller	Quin	Williamson
Crowther	Kelly	Ragon	Wilson, Ind.
Cullen	Kendall	Rainey	Wilson, La.
Cummings	Kent	Raker	Wilson, Miss.
Dallinger	Kerr	Ramseyer	Wingo
Darrow	Ketcham	Rankin	Winslow
Davey	Kiess	Rathbone	Wolff
Davis, Minn.	Kincheloe	Rayburn	Wood
Davis, Tenn.	Kindred	Reece	Woodruff
Dempsey	King	Reed, Ark.	Woodrum
Denison	Knutson	Reid, Ill.	Wright
Dickinson, Iowa	Kopp	Richards	Wurzbach
Dickinson, Mo.	Kurtz	Roach	Wyant
Dickstein	Kvale	Robinson, Iowa	Young
Doughton	LaGuardia	Robsion, Ky.	Zihlman
Dowell	Lampert	Rogers, Mass.	
Doyle	Lanham	Romjue	
Driver	Lankford	Rouse	

NAYS—9

Fenn	Merritt	Moores, Ind.	Tilson
Hill, Md.	Mills	Phillips	Wainwright
McFadden			

NOT VOTING—47

Anderson	Drane	Kunz	Moris
Boies	Drewry	Langley	Mudd
Bowling	Edmonds	Lehlbach	Nelson, Wis.
Byrnes, S. C.	Fleetwood	Lilly	O'Brien
Clark, Fla.	Graham, Ill.	Lineberger	Park, Ga.
Curry	Graham, Pa.	Logan	Patterson
Deal	Howard, Okla.	Michaelson	Ransley
Dominick	Kahn	Mooney	Reed, N. Y.

also the names and addresses of those who pay taxes. We added one additional thing, so that he will post in his office

siderably criticized for what was termed "spineless leadership," because, forsooth, I did not insist that, so far as I was

The yeas and nays were ordered.

Dominick Kahn Mooney

Reed, W. Va.	Schafer	Taylor, Colo.	White, Me.
Rogers, N. H.	Shreve	Temple	Winter
Rosenbloom	Stalker	Ward, N. Y.	Yates
Sanders, Tex.	Sullivan	Wertz	Robinson, Iowa

So the conference report was agreed to.

The following pairs were announced:

On this vote:

Mr. Edmonds (for) with Mr. Graham of Pennsylvania (against).

General pairs:

Mr. Shreve with Mr. Sullivan.
Mr. Boies with Mr. Dominick.
Mr. White of Maine with Mr. Bowling.
Mr. Fleetwood with Mr. Kunz.
Mr. Kahn with Mr. Clark of Florida.
Mr. Morin with Mr. Park of Georgia.
Mr. Ransley with Mr. Drewry.
Mr. Reed of New York with Mr. Logan.
Mr. Stalker with Mr. Taylor of Colorado.
Mr. Graham of Illinois with Mr. Mooney.
Mr. Lehlbach with Mr. Sanders of Texas.
Mr. Michaelson with Mr. Lilly.
Mr. Winter with Mr. Byrnes of South Carolina.
Mr. Mudd with Mr. Deal.
Mr. Ward of New York with Mr. Howard of Oklahoma.
Mr. Patterson with Mr. Drane.
Mr. Yates with Mr. O'Brien.
Mr. Curry with Mr. Rogers of New Hampshire.

Mr. OLIVER of Alabama. Mr. Speaker, my colleague, Mr. BOWLING, is sick and confined to the hospital. If present, he would vote "aye."

Mr. CAREW. Mr. Speaker, I have just had a communication from Mr. SULLIVAN in which he says he is confined to his home by illness, but if here he would vote "aye."

The result of the vote was announced as above recorded.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

REVENUE ACT OF 1924

Mr. LaGUARDIA. Mr. Speaker, the tax bill as now reported by the conference and which is now before us is a splendid, constructive, scientific tax measure. It is not the opinion of any one individual. The bill is the result of months of serious study by tax experts in the House and Senate, and has the approval, I am certain, of the majority Members of both branches of Congress. This bill was approved by the Senate on Saturday last by an overwhelming vote. When the bill left the House it received the affirmative vote of 408, while only 8 votes were recorded against it. I predict that this conference report will be approved by this House by an overwhelming vote and that it will soon be on its way to the White House. I consider this bill a real, equitable tax reduction bill. May I be pardoned for taking a bit of personal pride in the bill? Some of the features that are now in the bill were originally sponsored by the progressives of this House.

Our efforts commenced when we fought for a modification of the rule, which it must be admitted resulted in the possibility of offering amendments to this bill, as was pointed out by my distinguished colleague from Wisconsin, one of the best tax experts in Congress, the Hon. JAMES A. FREAR. Had there not been difference of opinion on the income-tax schedule, I venture to state that in all likelihood there would not have been much discussion and debate on the bill.

The schedule on income tax presented to Congress by the Secretary of the Treasury, which was first advertised throughout the country as the only scientific tax bill, as the only hope of saving the country, as the real panacea to promote and develop business, was first presented to this Congress, with an ultimatum to take the schedule which became known as the Mellon plan and not to make the slightest change. The progressive group gave this important measure the careful study that it gives every important measure upon which we take a stand. I am happy, and may I be pardoned if I say proud, to-day to see that the result of the labor of our distinguished colleague, the gentleman from Wisconsin [Mr. FREAR], and individual members of the progressive group and the suggestions which we brought before the House and offered to our colleague in the way of amendments, the spirit of cooperation and the willingness of the progressive group to do everything to assist in the drafting of a real constructive measure, regardless of whose name it may bear or who might receive the credit, has resulted in the bill which has been passed by the House and Senate and which will be approved to-day. Gentlemen, the bill as it stands to-day is the living proof that the progressive Republicans of the House are not obstructionists, are not selfish, but are rendering real useful service and are cooperating in the fullest sense of the word with our colleagues on this side of the House and, if necessary, on the other side of the House as well for the sole purpose of rendering useful public service.

It is now history that when it seemed this House was in a deadlock on this bill after many hours of general debate, after the bill had been read under the five-minute rule and amendments were adopted, and on the eve of the final vote the progressive group came forward with a compromise, sacrificing some of the features which we had hoped to write into law, offered the majority of this House a schedule of income-tax rates which represented a substantial reduction and yet maintaining the purpose and spirit of an income tax law, and dividing the reduction in an equitable manner, with the least reduction on those best able to pay and who derive the greatest benefit from the Government. May I at this time read a letter to the Secretary of the Treasury which I wrote on February 20, 1924:

Hon. ANDREW W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: You are by this time convinced. I am sure, that there is a decided difference of opinion in the House as to reduced income-tax rates.

The line-up in the committee and the preliminary skirmish on the floor indicate the attitude of the House toward this very important measure. It is time, I venture to say, for complete and frank statement as to the condition of the Treasury. Every honest and sincere friend of the bonus, as well as declared opponent, must admit that the bonus question and tax reduction can not be separated. They must be considered together.

It has been repeatedly stated that your tax-reduction plan reported by the majority of the committee did not allow sufficient resources out of which to pay the bonus. It is likewise charged that the rate schedule adopted yesterday will not raise sufficient funds.

We have had a flood of conclusions and a dearth of actual figures.

Considering the present situation and the overwhelming sentiment in the House in favor of a bonus, will you be good enough to inform me, regardless of your personal feeling toward the bonus, the maximum tax reduction possible, assuming that a bonus is to be paid our ex-service men and women? To be specific, will a 2 per cent and 5 per cent normal tax, respectively, and surtax graduating up to 40 per cent raise sufficient funds which, together with the other revenue of the Government, will permit the paying of a bonus along the lines of the bill passed by the last Congress and vetoed by the President? If not, what rate will do it?

A definite official statement, with figures, from you would be of great assistance to a great many of us.

Yours very truly, F. LaGUARDIA.

To this letter I received the following reply, dated February 21, 1924, to which reference was made by the Secretary of the Treasury several times thereafter, the contents of which was known to my colleagues in the House:

MY DEAR CONGRESSMAN: I have your letter of February 20. I am inclosing herewith Treasury estimates of the effect of my recommendations for tax reduction in the form originally submitted by me to Mr. GARNER, and a statement showing the effect of the Garner plan as originally proposed. In the report of the Ways and Means Committee to the House there appears the estimate by the Treasury of the effect of the tax reduction in the form in which the bill was presented to the House. I may summarize the loss of revenue to the Government under the various plans as follows:

	Mellon plan	Garner plan	Ways and Means Committee recommendations
Personal income	$228,900,000	$511,977,000	$253,400,000
Special taxes	100,000,000	108,040,000	108,040,000
Total	328,900,000	620,017,000	361,440,000

The estimated surplus as appears in the Budget message of the President to Congress for the fiscal year 1924 is $329,639,624 and for the fiscal year 1925, $305,681,634. The estimated cost of the bonus bill in the form vetoed by President Harding is shown in my letter of December 18, 1923, to Representative ANDREW, copy of which is inclosed.

From these figures it is obvious that the bonus can not be paid within the estimated surplus if any of the three plans is adopted, nor would the estimated surplus justify the payment of such a bonus if any of the three plans were changed in the respect of making the normal tax rates 2 per cent and 5 per cent and the surtax rates graduated up to 40 per cent, which are the figures specifically mentioned by you.

You ask me what rate would have to be adopted in order to pay this bonus. You have the estimated figures before you. It is obvious that if all tax reductions be foregone a certain amount of revenue would be

available to the Government for such purposes as might be determined. If any plan of tax reduction be adopted and additional taxes of other character be imposed, the effect on the Government revenue could only be determined when the specific nature of the proposed taxes was given. I regret that unless you can present some comprehensive plan by which you propose to raise the necessary money, or in what particular you propose the taxes shall not be reduced, I am unable to give you specific figures.

Very truly yours,
A. W. MELLON,
Secretary of the Treasury.

Hon. F. H. LaGUARDIA,
House of Representatives, Washington, D. C.

His reply, obviously, evaded a direct answer to my inquiry. However, estimates from the Treasury Department quoted today by the distinguished chairman of the committee, Mr. GREEN, and by the senior minority member, Mr. GARNER, and by the distinguished gentleman from Wisconsin, Mr. FREAR, contradict the conclusions contained in this letter.

The income-tax rates now before us are substantially those suggested by the progressive group of this House and finally accepted by the majority and maintain what I do not hesitate to say, the social tax feature of the law.

The inheritance tax and gift tax amendments offered by the gentleman from Wisconsin [Mr. FREAR] and now written into law becomes part of the tax policy of this Republic. I am glad to see that an amendment which I offered and which was accepted in the House preventing members of the board of appeals to practice before the department and its own board within two years after leaving the service has been retained in the bill. I do not share the fears expressed by one or two gentlemen who have addressed the House to-day of the great danger of the tax-return publicity features contained in the bill. I believe that the publicity features as contained in the bill are wholesome, are necessary, and while it may cause embarrassment and inconvenience, perhaps, to an individual here and there, it is for the good of all the taxpayers and the protection of all the honest taxpayers. No fault can seriously be found in the provision which requires the proceedings of the board of appeals to be public. Let us be frank about that. The purpose of the board of appeals is to afford a taxpayer who complains against his assessment the opportunity of a hearing and to show cause why his taxes should be reduced or payment made owing to overassessment should be refunded. The board of appeals and the publicity placed upon its activities are the result of the vicious secrecy system which has grown up in the Treasury Department under the present law.

We hear of enormous refunds being made—we know of certain cases where refunds were made—and yet the law to-day is such that it is impossible to obtain any facts or figures to ascertain why refunds were made and to whom. The provision, therefore, in the present bill making public the proceedings of this board is the inevitable result of providing the remedy for curing an existing evil.

A great deal of propaganda has been broadcast throughout this country on this measure. I venture the statement that there has been more misinformation officially sent out concerning this bill than has ever been sent out on any question in the history of this country. Letters, resolutions, official statements, moving-picture propaganda, paid advertisements, and organized protests have been marshaled in making the people of this country believe that the Mellon tax bill would save the country—would bring real tax reduction—and that any other plan was destructive, would create a deficit, and would ruin business. I have had people talk to me against this bill and for the Mellon plan, who were convinced by the arguments furnished them in favor of the Mellon plan, who simply gasped when given the correct figures.

The same brazen effrontery that permitted an official statement to be made a little over two years ago, at the time of the consideration of the bonus bill, that this country would face a deficit of $500,000,000 in 1923–24, and then from the same source a statement in 1923, in support of the Mellon plan, that this country was now blessed with a surplus of over $300,000,000, is an example of the recklessness that statistics and figures were furnished to the American people in support of the Mellon plan and against the bonus.

This tax bill will become known as the congressional tax bill. It is the result of the best thought and careful study of the majority of both Houses of this Congress. This bill reduces the taxes of wage earners, professional men, and small business men 50 per cent. In addition to that, it provides for a further reduction of 25 per cent on earned incomes.

Under the provision of the present law the tax on a married man without dependents, with a net income of $5,000, is 2 per cent of his net income. Secretary Mellon recommended that it be reduced to 1.125 per cent of his net income. The pending act actually reduces the tax to three-fourths of 1 per cent of the net income. Upon a like taxpayer with an income of $10,000 these rates are as follows: Present law, 5.20 per cent; Mellon recommendation, 3.38 per cent; pending act, 2.08 per cent. Upon a like taxpayer with a net income of $3,000 the rates of tax are as follows: Present law, two-thirds of 1 per cent; Mellon plan, thirty-eight one-hundredths of 1 per cent; pending act, one-fourth of 1 per cent.

Taxpayers returning net incomes of less than $10,000 constitute over 97 per cent of all those that make returns for income tax, while about fifteen one-hundredths of 1 per cent of our total population have net incomes in excess of $10,000. A similar taxpayer with a net income of $100,000 would pay the following rates of tax upon his net income: Present law, 30.14 per cent; Mellon plan, 19.82 per cent; pending act, 22.62 per cent.

This shows that while the Mellon plan reduced the tax on the $500,000 man 34 per cent, and the pending act about 25 per cent, the Mellon plan reduced the tax on the $3,000 man fully 43 per cent; on the $5,000 man, 43¾ per cent; and on the $10,000 man 35 per cent, while the pending act reduced these taxes on the $3,000 man 62 per cent; on the $5,000 man 62½ per cent; and on the $10,000 man 60 per cent.

What do these reductions mean? The $3,000-a-year man receives wages at the rate of $57.70 a week. Under the present law his total income tax is a little less than 39 cents a week; the Mellon proposal would have made it a little less than 22 cents a week; the pending bill will make it a little less than 14½ cents per week.

The $5,000 man receives a trifle over $96 a week. His total income tax under the present law is about $1.92½ per week. Under the Mellon plan it would be about $1.08 per week; and under the pending act, about 72 cents per week, a reduction from the Mellon plan of 36 cents per week.

As I have just stated, 97 per cent of the taxpayers earning net incomes less than $10,000, the prudent bill gives these taxpayers a substantial reduction.

According to the last available figures from the Treasury Department, we find that there are just 21 taxpayers whose yearly incomes are over $1,000,000 each, and in the next bracket there are just 84 taxpayers whose yearly incomes are over $500,000 each. Therefore, it would seem that all of this clamor, all of this protest has been inspired, encouraged, and paid for in the interest of 105 individuals. We are told that if the Mellon plan is not enacted into a law, which particularly favors the 105 multimillionaires, that business will come to a standstill, that there will be no industrial development, that we will have hard times. It is a sad day for America if the commercial and industrial future depends upon the dissatisfaction and personal rancor of 105 men. There is hardly a Member on the floor of this House but that could name the 105 taxpayers. We have heard their names prominently mentioned in the organized campaign of propaganda against our work on this bill. One of them recently made a speech against our very system of government, urging the abolition of Congress unless it happened to be a Congress which he and his money could control. If a speech such as was made by this multimillionaire was made by an alien in this country, he would have been deported as an anarchist in no time. Banks have advertised seeking to create discussion among our people, giving misleading information because they are controlled by these 105 men, and that was part of the propaganda to put through their pet measure sponsored by the Secretary of the Treasury.

Anyone familiar with the industrial and commercial development of this country knows that this country was developed, the big industries created, and the railroads built before we had these multimillionaires. The multimillionaires did not make America. The multimillionaires did not build our railroads and factories and mills and develop our commerce. Not at all. The multimillionaires came after our industries and commerce were founded, established, and developed. The multimillionaires were made by our industries and commerce, not by their own efforts but by the exploitation of the work of the pioneers and the small savings of hundreds of thousands of hard-working Americans. To say that the future prosperity of our country and industrial and business development depends on 105 multimillionaires is to ignore the financial, industrial, and commercial history of America.

It will be indeed unfortunate if the President follows the advice of a few individuals and vetoes this splendid congressional tax bill. It is suggested that it will create an issue. It certainly will. And once the real facts are explained to the American people there is not the slightest doubt as to what the

decision will be. It will be very unfortunate, I repeat, if this bill is vetoed, for in all likelihood Congress will accept the challenge and refuse the 25 per cent reduction for the present year, inasmuch as such reduction is contained in the present bill.

It is the function of Congress to fix rates. That is not an Executive function. If the individual viewpoint of Mr. Mellon is accepted and the congressional bill rejected, it will be at the expense of the present and future welfare of the country. Let us hope that the President will approve of this splendid, constructive tax bill.

Mr. HARDY. Mr. Speaker, I want to make a few observations about this revenue bill which has just passed the Congress and is now the law of the land.

No tax bill was ever written that satisfied everybody who pays the tax. This bill is no exception to the rule, as there are no exceptions to this rule. This bill does not satisfy everybody in the Congress. It is not exactly what any individual Member would have had it. That is just about as impossible to get as a tax bill that would please all those from whom it takes money. With 435 Members of the House and 96 Members of the Senate representing as they do districts and States far apart and interests widely diversified it may well be imagined that there have been strong differences of opinion regarding the merits of several provisions of this bill.

The bill naturally represents the composite ideas of many and is the result of some compromises on several points.

But this bill just passed by the Congress, which will be known as the revenue act of 1924, does reduce taxes by a substantial amount. It will save the people who pay the taxes approximately $472,000,000 next year and more in years to come.

Mr. Mellon asked for the defeat of the soldiers' bonus and a reduction of $323,000,000 in the taxes.

The Congress has worked things out so as to give the soldiers a reasonable and beneficial bonus, payable in 20-year endowment insurance policies, and has reduced the taxes considerably more than Mr. Mellon asked for. And the Congress has gone still further than Mr. Mellon at first suggested by reducing the income tax for 1923 and payable this year by 25 per cent. You will get a credit for 25 per cent of the amount of your income tax shown payable on the return which you should have filed on or before March 15, 1924. This will be a saving of approximately $232,750,000 to the taxpayers of income tax this year.

The elimination and reductions of taxes for the next year and succeeding years is spread out so as to cover and benefit practically every person, young and old, in the land. The tax comes under two general heads—income tax and miscellaneous internal revenue.

On income tax, surtax, earned income, and so forth, the reductions will be about $379,000,000 with a new item of $25,000,000 added on capital losses, making a net saving to the people in this class of taxes of $354,000,000.

The income tax has been reduced substantially and the reductions are relatively greatest to those paying tax on incomes of $10,000 and under.

The present law provides for a normal tax of 4 per cent on the first $4,000 of net income and 8 per cent upon the remainder of net income. The new law provides for a normal tax of 2 per cent upon the first $4,000 net income, then 4 per cent upon the next $4,000 net income, and 6 per cent upon the amount of net income in excess of $8,000. A married man may take an exemption of $2,500 and $400 for each child.

A provision allowing 25 per cent additional reduction from the normal tax on individual incomes earned by personal service will be of benefit to many, especially those who work for wages or salaries—professional men and women and others—where the income is earned through personal activities. This deduction applies to all earned incomes up to $10,000. And all incomes up to $5,000 will be considered as earned and entitled to this 25 per cent deduction anyway. This provision with the reductions in normal and surtax reduces the taxes upon people with incomes under $10,000 very considerably, indeed; to nearly one-third of the former tax, in fact.

The illustrations and comparisons given here between the tax under the old law and the new are figured for a married man without children and taking credit for "earned income" only on the first $5,000. Each child or additional dependent will make an additional deduction, and the man who can establish his entire income up to $10,000 as earned by personal service will have still less to pay.

For example, on an income of $3,000 the tax has been $20. Under this new law it will be $7.50.

On a $4,000 income the tax has been $60. It will now be $22.50.

On a $5,000 income the tax has been $100. It will now be $37.50.

Here is a table for comparison:

Amount of income	Tax under present law	Tax under new law
$3,000	$20.00	$7.50
$4,000	60.00	22.50
$5,000	100.00	37.50
$6,000	160.00	57.50
$7,000	240.00	97.50
$9,000	430.00	157.50
$10,000	520.00	217.50
$12,000	720.00	337.50
$14,000	940.00	477.50
$16,000	1,180.00	617.50
$20,000	1,720.00	1,017.50

On an income of $100,000 the tax has been $30,140. It will now be $22,617.50.

The surtax has been reduced considerably. It will begin at 1 per cent on incomes of from $10,000 to $14,000 and goes gradually up to 40 per cent on incomes in excess of $500,000.

So much for the income tax, which interests usually only those who have an income sufficiently large to be taxed.

Under the title of "Miscellaneous internal revenue" the Government has been collecting $932,784,000. From this list items have been cut out or reduced, saving the people about $134,470,000. These items include the tax on a number of items which most people use and are interested in.

The tax on candy, for instance, has been removed, and this will benefit about every man, woman, and child in the country. Its removal saves the people $13,000,000. The tax on telegraph and telephone messages has been considered a burden on business. It has been removed and saves the people $34,000,000. The tax on motion-picture shows and other admission up to 50 cents has been cut off. This and other reductions in dues and admissions will benefit a lot of people in a small way and saves the people's recreation funds $33,000,000. Tax on trucks costing up to $1,000 has been removed, saving $5,000,000; and the tax on tires, tubes, auto parts, and accessories has been cut in half, saving car owners $20,000,000. These two items should be glad news to auto dealers and users. Tax on theaters and circuses removed, saving $1,600,000; and on carpets and rugs, saving $1,800,000. Tax on eyeglasses and spectacles entirely removed, and on jewelry, clocks, and so forth, reduced by about $11,000,000.

These and other items in this class of taxes come pretty nearly benefiting everybody in the country old enough to eat candy.

Here are the items cut off or in which reductions are made and the amount of taxes saved by the taxpayers:

Telegraph and telephones	$34,000,000
Beverages	10,000,000
Admissions and dues	33,000,000
Trucks and bodies	5,000,000
Tires, tubes, parts, and accessories—cut in half	20,000,000
Candy	13,000,000
Knives, liveries, hunting garments, etc	350,000
Yachts, motor boats—sale	319,000
Carpets, rugs, etc	1,800,000
Jewelry, etc., reduced	11,000,000
Sale of produce on exchange	4,000,000
Theaters, circuses, shows	1,600,000
Brokers in provisions and produce	400,000

An honest effort has been made to cut off those items which have been a nuisance, hard to collect, and were more or less of a burden on a great number of people.

A few new items of tax were added. Estate taxes are increased to produce about $12,000,000. A tax on gifts in excess of $50,000, which will probably net $2,000,000, perhaps more. The tax is increased on playing cards about $700,000. On coin-operated machines about $150,000, and a new tax placed on mah jong sets, which will yield about $1,000,000.

All of which indicate that the people of the country in the next calendar year may keep in their own pockets and spend as they would best enjoy spending about $472,000,000 which last year was required for paying taxes. A very considerable sum indeed—nearly a half billion dollars. And that later this year, 1924, they will receive credits on their tax returns already made out and filed 25 per cent of their income tax—a summer gift from Congress of about $232,750,000.

The new act is a general rewriting of the revenue act of 1921 and subsequent acts. It contains many details not gone into here, some of which will require a lawyer to explain.

The Congress is the economical branch of the Government. The other branches are the spenders. As a rule they are seeking to enlarge and extend their activities, and as a rule are

urging increased appropriations. Many of these activities and enterprises for which money is sought may be worthy and probably would be beneficial. Many big demands for big appropriations and increases in appropriations and for big enterprises costing big sums of money come in from the people. These are often backed by great organizations and movements, by lobbies and propaganda. Many of these suggestions may have much merit and probably would be good for the country, but there is a limit to the amount of money the Congress can appropriate if taxes are to be reduced and the national debt paid.

As a member of the most important committee in the House of Representatives, the Committee on Appropriations, during this Congress I have had an opportunity of observing the great and insistent demands for new and greater appropriations all along the line—for greater appropriations and for lower taxes.

A large class of people—a very large class, in fact—seem to assume that if the Government does it, or builds it, or buys it, or pays for it, that it costs nothing. They seem to think that Government money grows on bushes to be gathered at our own sweet will, or is provided by the good Lord after the manner of manna from heaven. But it does not and it is not. Every dollar appropriated for any purpose is reflected somewhere in the taxes.

The Congress is necessarily the economical branch of the Government. The Congress created the Bureau of the Budget, which is working successfully and proves to be a healthy check. The House of Representatives is the economical branch of the Congress. The Appropriations Committee of the House analyzes all appropriation bills, squeezes them down to the safest possible limit, and reports them to the House. The Congress, however, has the final word. It stands between the Treasury and the multitudes who would raid it. It rarely gives as much money as is desired. It stands between the people's desires and their pocketbooks. It is forced sometimes to protect the people against themselves.

It may not be unnatural, then, that the Congress, which will not give the people all the money and all the benefits which they desire and does persist in passing tax bills which never meet with popular approval, does not stand overhigh in the estimation of the people nor get much praise back home.

The last Congress cut the annual taxes about $640,000,000, and this year again about $472,000,000 is lopped off. Gradually the tax burden is being reduced. In fact, the reductions in Federal taxes and appropriations have been rather rapid in the past few years.

Since the Republican Congress was elected in 1918, appropriations and annual expenditures have been reduced very considerably. Appropriations for 1920 were $7,046,000,000, and for 1924 they were only $4,013,000,000.

Here are the yearly appropriations made since the Republican Congress was elected in 1918, which indicates the manner in which expenditures have been cut down from year to year by the Republican Congresses:

Appropriations for fiscal years:

1920	$6,454,596,449
1921	4,780,829,510
1922	4,066,316,266
1923	3,940,579,567
1924	3,706,777,164

While the taxes and expenditures of the cities, counties, and States have been increasing rapidly and substantially, the taxes and expenditures of the National Government have been reduced to just about one-half what they were six years ago.

Mr. DICKINSON of Missouri. Mr. Speaker, under the leave given to extend my remarks on the conference report on the revenue bill, I desire to say that six months ago tax reduction by the Mellon plan and no adjusted compensation for the ex-service men filled the press. That the two could not stand together was boldly stated. The country was flooded with propaganda in favor of the Mellon plan and against the so-called soldier bonus. The adjusted compensation insurance plan has become a law over the veto of the President and the Secretary of the Treasury, Mr. Mellon, who now tells the country he can readily handle it, and now a great revenue bill with tax reduction greater by $22,000,000 than proposed by the Mellon plan has passed both Houses of Congress, and the conference report has been adopted in the Senate by a vote of 60 for to 6 against, and in the House by a vote of 376 for and 9 against, nearly 30 to 1, as against the original Mellon plan, which Mr. Mellon six months ago demanded should be passed by Congress in the shape proposed by him, the central feature of which plan was that the taxes on the very large incomes should be reduced by 50 per cent and on the smaller incomes by only 25 per cent. The bill as it finally passed provides for a reduction of 25 per cent of the larger surtax incomes and 50 per cent for the smaller incomes, a reversal of the proposals in the Mellon plan. The revenue bill as passed will be approved by the President or passed over his veto, and we are now told by the Secretary that he can take care of both the soldiers' adjusted compensation bill and the revenue tax reduction bill and have a large and increasing surplus over and above the other demands of the Government.

What think you now of Mellon—with all his predictions of dire calamity, if his plan failed. A great progressive revenue bill has been approved by an overwhelming vote of Congress, and it shows that of the 6,662,172 income-tax payers of the United States as taken from the latest available returns of 1921 that only 6,109 would be more benefited under the Mellon plan while 6,656,067 would be more benefited under the Democratic plan, adopted with enthusiasm by Congress and will be approved by the country. In the State of Missouri, of the 172,519 making income-tax returns for the same year, 172,413 will be benefited more under this Democratic plan as passed, while only 106 in the State would be more benefited under the Mellon plan—the large income-tax payers.

The chairman of the Ways and Means Committee assures the House and the country that this bill as approved by the conferees will not create a deficit and that the statement of the Actuary of the Treasury shows that the surplus for the fiscal year 1925, without including the bonus, which will be taken care of out of the previous surplus, will be $138,000,000, and that this bill will reduce taxes on individual and corporate incomes $232,000,000 and excise taxes $56,000,000 this calendar year, a scientific bill worthy of approval by the American people, though utterly misrepresented by propaganda that went out against it. This bill made possible by Democratic and progressive Republican votes is far more worthy than the far-famed Mellon plan, deservedly defeated by the courage of those Representatives who would not yield to the domination and pressure exerted through the influence of the Secretary of the Treasury, and it is to the credit of Congress that it refused to accept the Mellon plan and had the courage to discharge its duty under the Constitution and enact a revenue law far more just and beneficial to all the people. It is conceded that this measure containing many new provisions is an improvement on the existing law.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that, on May 22, 1924, they had presented to the President of the United States for his approval the following bills:

H. R. 8905. An act to authorize the settlement of the indebtedness of the Kingdom of Hungary to the United States of America;

H. R. 8262. An act to fix the compensation of officers and employees of the legislative branch of the Government;

H. R. 6207. An act authorizing and directing the Secretary of War to transfer to the jurisdiction of the Department of Justice all that portion of the Fort Leavenworth Military Reservation which lies in the State of Missouri, and for other purposes;

H. R. 6857. An act for the reorganization and improvement of the foreign service of the United States, and for other purposes;

H. R. 5855. An act to fix the salaries of officers and members of the Metropolitan police force, the United States park police force, and the fire department of the District of Columbia;

H. R. 8350. An act making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1925, and for other purposes; and

H. R. 6715. An act to reduce and equalize taxation, to provide revenue, and for other purposes.

READING BY EDWIN MARKHAM

Mr. BEEDY. Mr. Speaker, I ask unanimous consent for the Clerk to read an invitation to the House.

The SPEAKER. The gentleman from Maine asks unanimous consent that the Clerk may read to the House an invitation. Is there objection?

There was no objection.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C.

All Members of the House of Representatives, their families and friends, are cordially invited to attend the public readings by our great American poet, Edwin Markham, to be given at the First Congrega-

tional Church, under the auspices of the International Longfellow Society.

Monday afternoon, May 26, at 4.45, "The Man With the Hoe" and other poems will be given. The same evening at 8 o'clock "Lincoln" and other poems.

These readings are given in aid of the preservation of the birthplace of the poet Longfellow and in furtherance of the centenary of Lafayette's last visit to America.

The French ambassador will preside and introduce Mr. Markham.

ARTHUR C. JACKSON,
President the International Longfellow Society.

QUESTION OF PERSONAL PRIVILEGE

Mr. MACLAFFERTY. Mr. Speaker, I ask unanimous consent to address the House for five minutes on a question of personal privilege.

The SPEAKER. The gentleman from California asks unanimous consent to address the House for five minutes on a matter of personal privilege. Is there objection?

There was no objection.

Mr. MACLAFFERTY. Mr. Speaker and gentlemen, I desire to correct a report which went out in the press concerning alleged actions of my own here in the House of Representatives on May 20. It is so palpably an error that perhaps it is not necessary, but I do it in justice to myself. I call attention to the article which appeared in the press, and I read from a copy of the San Francisco Examiner. It is as follows:

CONGRESSMEN IN NEAR FIGHT

WASHINGTON, May 20—(By International News Service).—Excitement was occasioned in the House to-day by a near-fistic encounter between Congressmen MACLAFFERTY (Republican), of California, and HOWARD (Democrat), of Nebraska. HOWARD was criticised by MACLAFFERTY for offering objections to procedure. HOWARD replied in a manner to which MACLAFFERTY took exception, and he rushed toward the Nebraskan. The latter rose to meet the charge, but other Congressmen intervened and the angered men were held apart.

HOWARD was formerly secretary to William Jennings Bryan and resembles the commoner physically, and in his dress and general appearance. The remark that irritated MACLAFFERTY was spoken in an undertone and was not understood by Members who sat near him.

When the two Congressmen started to come together there was an immediate rush to their vicinity and cries of "Sit down!"

First, let me say that I am a minister's son, and was taught never to fight except when I was attacked. Mr. HOWARD is a friend of mine and our families are friends. If there was any fighting to be done where Mr. HOWARD was concerned, let me assure you that I would fight only to defend Mr. HOWARD. [Applause.] The facts are these: Gentlemen will remember that a conference report on the naval appropriation bill was being considered. In that conference report was an item of $500,000 for the construction of a very much-needed Marine Corps warehouse at San Francisco. Because my colleague, Mr. KAHN, of California, was away on account of illness, I had been asked if I would kindly look after that item as much as I could. Also I was asked to do so by the San Francisco Chamber of Commerce. My friend, Mr. HOWARD, as a champion of the agricultural interests of this country, was asking for a roll call and insisting then on making the point that there was no quorum present, and I was afraid the delay would jeopardize the naval bill. Several gentlemen were gathered around him trying to persuade him from insisting upon that point, and I came over and joined the merry throng and urged my friend from Nebraska not to insist upon his point of order at that time, and then I turned and walked away. I came no nearer having a fight with my good friend than I am at the present moment. He is my friend, and though I have never asked him whether it is true or not, yet I believe he would say that I am his friend. I rose to correct the mistaken press statement, which does an injustice to both of us. [Applause.]

Mr. HOWARD of Nebraska. Mr. Speaker, responding to the gracious statement of my friend from California [Mr. MACLAFFERTY], I might dismiss it all as I did with the gentleman when I met him the next morning and he told me that he had not dreamed of giving me offense. I told him, taking his extended hand, that I had blotted the incident from my memory, and that I still held him as my friend. In the confusion of the moment he felt that I was jeopardizing legislation in which his own California was peculiarly interested, and I regarded his action as inimical to the promotion of legislation conducive to the welfare of the people of my own Nebraska. I did not at the moment approve the manner of his advocacy of his own legislative program, but I do approve and commend his loyalty to the interests of the people of his Golden State.

JAPANESE IMMIGRATION

Mr. HILL of Maryland. Mr. Speaker, I ask unanimous consent to address the House for one minute upon the subject of a communication from the Federal Council of the Churches of Christ in America.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, it is always a very great pleasure for any Member of this House to find his views on pending legislation coincide with the views of the Federal Council of the Churches of Christ in America. I received on May 8 the following letter from the council:

FEDERAL COUNCIL OF THE CHURCHES
OF CHRIST IN AMERICA (INC.),
May 8, 1924.

To Members of the House of Representatives:

DEAR SIR: We are informed that an agreement has been reached in the suggested legislation on Japanese immigration modifying the original action of the House.

Our committee believes that said modification will alleviate the situation and earnestly hopes it may have your support.

By action just taken by our committee, I am directed to send you this information.

Sincerely yours, JOHN H. FINLEY, *Chairman.*

To that I replied as follows:

MAY 21, 1924.

Dr. JOHN H. FINLEY,
Chairman Federal Council of the Churches of Christ in America,
105 East Twenty-second Street, New York City.

DEAR SIR: I have not before had an opportunity to answer your circular letter of May 8.

I voted for modification of the immigration act which would permit the action desired by the President on the Japanese immigration question, but we were defeated.

Yours very truly,

JOHN PHILIP HILL,
Member of Congress.

[Applause.]

VENEREAL DISEASES IN THE DISTRICT OF COLUMBIA

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 491, for the prevention of venereal diseases in the District of Columbia, and for other purposes.

The motion was agreed to.

Acordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 491, with Mr. SANDERS of Indiana in the chair.

The Clerk reported the title of the bill.

Mr. ZIHLMAN. Mr. Chairman, this bill was the special business of the Committee of the Whole House on the state of the Union at the time the District Committee last considered bills on the Union Calendar. A part of the bill has been read, and I take it that the reading will be continued from where it was left off.

The CHAIRMAN. The gentleman is correct and the Clerk will read.

The Clerk read as follows:

SEC. 2. That the judge of the juvenile court and the judge of any court of criminal jurisdiction, when any person is brought before him for trial or investigation, who believes and has reasonable grounds to believe that any such person is afflicted with syphilis, gonorrhea, or chancroid, shall immediately report said fact to the health officer as herein provided.

Mr. GILBERT. Mr. Speaker, I move to strike out the last word. It is so long since we had this bill under consideration that I wish to take this opportunity to inform the House of the general nature of the bill.

The bill follows the general text of laws in more than 40 States in the Union affecting venereal diseases. All during last session there were before our committee several bills on this matter. The committee felt that those bills were too drastic, and a subcommittee, of which I was a member, authorized me to draw a bill along the lines suggested by the committee. As a result of that I prepared this bill. This bill is less drastic on the subject than the laws of the States.

When the war broke out and our boys were inducted into the service, the alarming situation developed that between 27 and 28 per cent of the young men were infected with some

venereal disease to a distinguishable extent. The ravages of this disease are not fully appreciated by the public, because of the fact of the secretiveness of the disease and its loathsomeness. I want now to read for you just for a moment a portion of the report of the State Board of Health of Indiana upon this subject.

Syphilis is the greatest destroyer of mankind.

The investigations of the most competent experts show that an alarmingly large per cent of our population is syphilitic, either active or latent.

It is estimated that 8 to 12 per cent of all deaths are caused by syphilis. Most of such deaths are reported as stillbirths, inanition, heart disease, apoplexy, paralysis, locomotor ataxia, insanity, disease of the arteries, kidney diseases, liver diseases, etc.

Syphilis is the one racial poison, reducing the race standard by the breeding of delinquents, moral and physical degenerates. It is probably the greatest causative factor in inefficiency, insanity, pauperism, and crime.

Syphilis causes nearly one-half of all abortions, miscarriages, and stillbirths. Most of the children of syphilitic parents die in very early life.

Gonorrhea is directly responsible for a majority of the appallingly great number of abdominal operations on women, and for a very large percentage of all so-called female troubles. The woman is usually an innocent victim of the husband's earlier indiscretions and his incomplete cure. In men gonorrhea causes sterility, rheumatism, heart disease, bladder trouble, stricture, and other complications.

Syphilis and gonorrhea actually cause more suffering and deaths than smallpox, diphtheria, infantile paralysis, and tuberculosis combined. Death returns usually cloak the true cause.

This bill is an effort to do what can be done along that line. Recently, as a member of a subcommittee investigating the alley situation in the District of Columbia, I visited a lot of places, and in one of these alleys I saw, and I think the other members of the subcommittee will bear me out, a woman who was evidently reeking with venereal disease. Upon inquiry as to what she did for a living, we learned that she was working in a restaurant downtown in the preparation of food. I have not the time nor the information to go into the details of this bill, but I can say that it is indorsed by the military service, by the public health boards, by the civic organizations all over the United States, and the only complaints that have been made against the bill have come from medical authorities in that it is not quite drastic enough. I can say that the bill is not as drastic as the laws of any State on the subject with which I am familiar, and I have read in the preparation of this legislation the laws in some 40 of the States. As Members read the bill it may impress them perhaps as being somewhat drastic in its provisions, but those provisions are necessary by reason of the tendency, and the natural tendency, of any person afflicted with a disease of that kind to conceal the fact.

One may have any other contagious disease and gladly report it to the health authorities, but if he has a disease of this kind, as it carries the odium and suggestion of immorality, it is very natural that he will attempt to conceal it, and a greater invasion into the privacies of the lives of the people is granted in this bill than is generally true in bills affecting other communicable diseases. But, as I have said, this is less drastic than the bills of any other State with which I am familiar.

One more suggestion. I have given this subject a great deal of care and investigation, and I want to say to you I have the decision——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GILBERT. I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, the gentleman has given quite a good deal of study to this subject, and I ask unanimous consent that the gentleman be allowed to proceed for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GILBERT. At this point I will only take just a minute or so, but I want to say to the gentlemen of the committee if they care to call upon me when any section of this bill is read I can cite them to the decision either of the Supreme Court of the United States or of some Federal court upholding its constitutionality and validating every section of this bill. There has not been a section that has not been validated by the courts in other States and upheld by the Federal court as well. There is, I am told from sources and conversations I would not like to repeat to the committee, a growing necessity for some legislation of this kind in the District. I did not introduce this bill to begin with. The gentleman from California [Mr. RAKER] introduced a bill on this subject which was referred to the committee and it was in the course of the discussion of his bill, which was excellently drawn, which was a splendid bill and very much more drastic than my bill, and the committee came to the conclusion that bill was more drastic than was necessary. Doctor McCormack, the chief officer of the Board of Health of the State of Kentucky, who had charge of cleaning up of this situation in Panama during the war, and it was rather the exception than the rule among some classes there to be free from this disease, though he complained of my bill at the start as not giving authority enough, after a good deal of study he has come to the conclusion and has written me that he knows of no situation which this bill, if properly administered, will not cover.

Mr. RAKER. Mr. Chairman, I desire to be recognized.

Mr. Chairman and gentlemen of the committee, I want just to take a moment of the time of the committee to corroborate what the gentleman from Kentucky [Mr. GILBERT] has said. Some three years ago after consultation with Doctor Kober, of the District of Columbia, who is a man of exceptional ability and experience, and Colonel Owens, and others of the District of Columbia, I presented to the Committee of the District of Columbia a bill on this subject which is in general language like that in many of the States, some 44 in number. (H. R. 15822, Sixty-sixth Congress, third session. Introduced on January 20, 1921.) Quite an extensive hearing was had at which the authorities that approved the bill appeared before the committee. This hearing was had on H. R. 4118, Sixty-seventh Congress, first session. Introduced April 18, 1921. Hearings were had on June 9, 1921, on H. R. 4118, which was the same as H. R. 15822 of the Sixty-sixth Congress. A subcommittee was appointed, and the gentleman from Kentucky [Mr. GILBERT] was the chairman of that committee. The subcommittee reported out H. R. 11021, Sixty-seventh Congress, second session, Report 864, which is practically the same as the present H. R. 491, Sixty-eighth Congress. At the beginning of the present session of the Sixty-eighth Congress I introduced H. R. 127, on December 5, 1923. The committee reported out the present bill. Relief is what we desired. While the present bill is not so comprehensive as H. R. 127, it is in the right direction. There is some question as to the provisions of the original bill being a little more drastic than this legislation, although upheld by the various courts of the several States in which a similar law had been enacted. The public health officer from Kentucky, who had extended experience not only in his own State, but over the United States, as well as on the Canal Zone, appeared before the committee and the subcommittee. The subcommittee invited me to appear, which I did. The record shows, as has been presented here, the absolute necessity for this kind and character of legislation. At the beginning of this Congress, to expedite the matter the committee took up this bill as one of its first bills and reported out this legislation, and I find there can be no objection to it. The only objection, as the gentleman from Kentucky said, is that some think it is not quite strong enough, but it is in the right direction, and it will bring results. The record shows some 12 per cent of infection as existing by noncontact.

Think of what that means and the others, that at least 60 per cent yield to proper care and proper attention, and by taking charge of these diseases like you take charge of those who have smallpox, scarlet fever, diphtheria, and other contagious diseases. Why, if we just stop to think, a man or a woman infected doing laundry work, waiting on the table, and where infection may occur—and it has occurred—and think of the dreadful, dire effect that it has on the rising generation, for, having once permeated the blood, it is then not capable of being eradicated, and how easy it is to do it now and to prevent this being spread. It seems as though it ought to have been done many, many years ago in the District of Columbia, and I want to join in what has been done and ask that this legislation receive favorable and prompt action by the Congress because of its real necessity and the good it will accomplish, and delay ought not to be permitted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. I ask unanimous consent that I may revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. The bill, H. R. 4118, Sixty-seventh Congress, first session, upon which extensive hearings were held, and the bill H. R. 127, Sixty-eighth Congress, first session, are identical.

The last bill referred to is in words and figures as follows:

EXHIBIT A

A bill (H. R. 127) for the prevention of venereal diseases in the District of Columbia, and for other purposes

Be it enacted, etc., That every person in the District of Columbia having syphilis, gonorrhea, or chancroid, and who is not at the time under the treatment of a licensed physician in the said District, shall within three days after becoming aware of the existence of the disease report the circumstance to the health officer or his proper representative in the manner prescribed by section 4 of this act.

SEC. 2. That every physician, dentist, nurse, midwife, or other person who professionally attends, calls to visit, examines, prescribes for, or administers or advises treatment to or for any person having syphilis, gonorrhea, or chancroid shall immediately upon becoming aware that such person is so diseased report the circumstances to the health officer in the manner and subject to the conditions set forth in section 4 of this act.

SEC. 3. That every chief administrative officer for the time being of every hospital or dispensary, whether it be or be not devoted to charitable purposes, and of every penal institution, in which, or in attendance upon which, there is a person having syphilis, gonorrhea, or chancroid shall immediately upon becoming aware of that fact report the circumstances to the health officer in the manner and subject to the conditions set forth in section 4 of this act.

SEC. 4. That every report required by this act shall be legibly written in ink, or on a form provided by the health officer for that purpose, shall be signed by the person himself who makes the report, and shall be inclosed in a sealed envelope and sent or delivered sealed to the health officer or his proper representative.

Every report required by sections 1, 2, and 3 of this act shall state the disease from which the diseased person is suffering; his age, sex, color, occupation, and marital state; the date of the onset of the disease as nearly as can be determined; and the probable source of infection; and shall state whether to the knowledge of the person reporting the case it has or has not been previously reported, and, if so, the circumstances of such previous report.

Every report required by sections 1, 2, and 3 of this act shall show name and address of the diseased person unless he be under the professional care of a physician duly authorized to practice medicine in the District of Columbia, or be an inmate of or in attendance upon a hospital or dispensary or a penal institution in said District, in which event a case or record number may be substituted for the name and address, provided the following conditions are complied with: (1) The physician or the chief administrative officer for the time being of said hospital, dispensary, or penal institution, required to report the case, shall keep a systematic and permanent record of every person having syphilis, gonorrhea, or chancroid coming under his professional or official notice, and assign to each a case or record number, and (2) such physician or chief administrative officer, as the case may be, shall, in writing, assume responsibility for compliance by the diseased person with all the requirements of this act.

SEC. 5. That if any person having syphilis, gonorrhea, or chancroid fail to present himself for examination and treatment at the time appointed for that purpose by the physician who last examined or treated him, or within 10 days after that time; or if, being an inmate of or in attendance upon any hospital, dispensary, or penal institution, he absent himself therefrom and fail to return at the time appointed for that purpose, or within 10 days thereafter; and if, furthermore, he fail to submit to such physician or chief administrative officer, as the case may be, within the period stated, satisfactory evidence to prove that he will present himself or return within a reasonable time, definitely stated, then and in any such event it shall be the duty of such physician or chief administrative officer to report the circumstances immediately over his own signature to the health officer or his proper representative, in writing in ink, under cover, and in every such case the name and last known address of the diseased person shall be stated, except when the diseased person has submitted satisfactory evidence that he is under treatment by some competent physician for syphilis, gonorrhea, or chancroid, in which case the name and address of such physician may be stated in lieu thereof.

SEC. 6. That if any person having syphilis, gonorrhea, or chancroid, and being under treatment by a physician, or being an inmate of or in attendance upon any hospital, dispensary, or penal institution, fails or refuses to obey or carry out the reasonable instructions given by such physician or by the chief administrative officer for the time being of such hospital, dispensary, or penal institution, to prevent the spread of disease, then and in that event it shall be the duty of such physician or chief administrative officer to report the circumstances to the health officer or to his proper representative in the manner before stated, including the name and last known address of the diseased person; and if the case has been previously reported by number only, and the physician or chief administrative officer has previously assumed responsibility for compliance by the patient with the requirements of this act, then the reporting of such delinquency on the part of the diseased person shall relieve such physician or chief administrative officer from any future liability under the obligations previously assumed by him.

SEC. 7. That any person having symptoms that so resemble the symptoms of syphilis, gonorrhea, or chancroid as to be indistinguishable therefrom shall, pending diagnosis, adopt such measures against the spread of the disease from which he is apparently suffering as he would be required by this act to adopt were he known to be suffering from that disease: *Provided, however*, That it shall be the duty of any physician in attendance upon any person aforesaid and of the person himself promptly and effectively to adopt such physical and laboratory measures for diagnosis as may be necessary to determine as expeditiously as is possible the exact nature of the disease.

SEC. 8. That every physician in attendance upon any person having syphilis, gonorrhea, or chancroid shall, when such person becomes no longer capable of infecting others, report that fact to the health officer or his proper representative: *Provided*, That a person suffering from syphilis, gonorrhea, or chancroid shall be deemed no longer capable of infecting others under the following conditions:

In the case of gonorrhea, after a lapse of not less than six weeks from the date of infection and the demonstrated freedom from gonococci of two successive smears taken not less than 48 hours apart, and in the case of males from pus cells in the prostatic secretion.

In the case of syphilis, after the lapse of not less than two years from the date of infection, the healing of all lesions, and at least two successive negative Wassermann tests, not less than three months apart.

In the case of chancroid, after all lesions have completely healed.

All specimens for examination shall be taken and submitted in accordance with methods approved by the health officer, and all examinations shall be made in the laboratory of the health department.

SEC. 9. That every physician who examines or treats a person having syphilis, gonorrhea, or chancroid, or suspected of having any such disease, shall instruct him as to measures to be adopted to prevent its spread, and as to the necessity for treatment until cured.

SEC. 10. That every person having syphilis, gonorrhea, or chancroid, or suspecting or believing that he may have any such disease, shall keep himself under competent medical treatment until the nature of the disease from which he is suffering has been determined and, if he has any such disease, until he is known to be incapable of spreading the same.

SEC. 11. That no person having syphilis, gonorrhea, or chancroid shall do anything liable to spread the disease from which he is suffering, or shall refrain from taking any reasonable precautions to limit or prevent the spread of such disease.

SEC. 12. That no person suffering from syphilis, gonorrhea, or chancroid shall work as a barber, dentist, masseur, cook, baker, or other producer or handler of food or drink, or in any profession, trade, or occupation in which by reason of the disease from which he is suffering endangers the public health.

SEC. 13. That upon receipt of evidence by the health officer showing to his satisfaction the necessity for isolation of any person suffering from syphilis, gonorrhea, or chancroid in the interest of public health, the health officer shall designate and define the limits within which the diseased person and his immediate attendant are to be isolated and the precautions to be taken to prevent the spread of the disease during such isolation, and no person other than the attending physician shall enter or leave the area prescribed for such isolation without the permission of the health officer, and then only in accordance with such conditions as the health officer may prescribe. No one but the health officer may terminate such isolation, nor shall such isolation be terminated until the diseased person has become noninfective, as determined by the health officer through physical examinations and all necessary laboratory tests, unless satisfactory evidence has been given the health officer that such isolation may, conditionally or unconditionally, be terminated without danger to the public health.

SEC. 14. That no person not a physician authorized to practice medicine in the District of Columbia shall prescribe or recommend to any other person any drug, medicine, or other substance to be used for the cure or alleviation of syphilis, gonorrhea, or chancroid.

SEC. 15. That no person shall compound any drug or medicine for the cure or alleviation of syphilis, gonorrhea, or chancroid from any written formula, order, or prescription not written for the person for whom the drugs or medicines are to be compounded, or from any written formula, order, or prescription not signed by a physician authorized to practice medicine in the District of Columbia.

In the event of the sale of anything for the treatment, alleviation, or cure of syphilis, gonorrhea, or chancroid, and before the delivery of the article sold, the person selling the same shall record in a book kept for that purpose the name of the article, the quantity delivered, the purpose for which it was to be used, the date of delivery, the name and address of the person for whom it is procured, and the name of the individual person selling the same; and said book shall be preserved by the owner thereof for at least three years after the date of the last

entry therein; but this requirement shall not apply to articles dispensed upon the written orders of persons believed by the dispenser to be lawfully authorized practitioners of medicine. The record of sale and delivery above mentioned shall not be required of manufacturers and wholesalers who sell any of the substances named at wholesale to licensed pharmacists. The record so made shall be open at any time to inspection of the health officer or his proper representative.

SEC. 16. That the health officer, and other employees in the service of the health department duly authorized by him, are hereby empowered and directed to make such examinations of persons reasonably suspected of having syphilis, gonorrhea, or chancroid as may be necessary to carry out this act, and every person reasonably suspected of having syphilis, gonorrhea, or chancroid shall submit to such examinations: *Provided*, That every person convicted of fornication or other unlawful sexual misconduct and every person convicted of any crime or misdemeanor and sentenced to imprisonment in the workhouse or jail shall be examined under the provisions of this act: *Provided further, however*, That examinations of women shall, in so far as may be practicable, be made exclusively by women physicians.

SEC. 17. That the health officer shall use every available means to ascertain the existence of syphilis, gonorrhea, and chancroid and to discover and eliminate the sources of infection. No person shall hinder or interfere with any officer, employee, or agent of the health department in the discharge of any duty arising out of this act.

SEC. 18. That no person shall make, give, or issue any certificate of freedom from syphilis, gonorrhea, or chancroid, or from venereal diseases generally, or any like certificate, unless he states distinctly on the face thereof the true purpose for which it has been issued, and no such certificate shall be made, given, or issued for the purpose of facilitating the solicitation of sexual intercourse.

SEC. 19. That no person shall give any false name or address, or make any false statement, or submit for examination any unfair or unreasonable specimen for the purpose of evading or nullifying the force of this act.

SEC. 20. That whenever any duty is imposed by this act upon any person and the person upon whom such duty is imposed or would ordinarily fall is a minor child, then the parents or guardian of such minor child shall enforce compliance by him with all the requirements of this act: *Provided*, That if such minor child has attained the age when he is answerable to the criminal laws for his acts, the responsibility herein imposed upon his parents or guardian shall not relieve such minor child of responsibility on his own account.

SEC. 21. That this act shall not be construed as authorizing or requiring the disclosing of any information concerning the identity or condition of any person diseased by syphilis, gonorrhea, or chancroid, except in so far as may be necessary to carry the act into effect; but no physician or other person shall be civilly or criminally liable for any statement made in good faith under the provisions of this act.

Wherever the word "he" or any other word of masculine gender is used it shall be construed as meaning also the word "she" or the corresponding words of the feminine gender.

SEC. 22. That any person who violates any of the provisions of this act shall on conviction thereof be punished for the first offense by a fine not exceeding $100, and for the second or any subsequent offense by a fine not exceeding $300 or by imprisonment in the workhouse for not exceeding 60 days, or by both such fine and imprisonment, in the discretion of the court.

Showing that H. R. 127, as well as the present bill of Judge GILBERT, is clearly within the right and power of Congress, I present the following:

EXHIBIT B

TREASURY DEPARTMENT,
BUREAU OF THE PUBLIC HEALTH SERVICE,
Washington, January 28, 1924.

(Memorandum for Congressman WM. E. RAKER)

In accordance with your request to Mr. Willard C. Smith, I am sending you herewith additional papers and citations relating to legislation for the control of venereal diseases.

During the past few years there have been several State supreme court decisions upholding the provisions of venereal-disease-control laws and regulations. The courts have shown a generous disposition to sustain health officers in their efforts to restrain persons infected with venereal disease and to keep such persons in quarantine or under proper treatment until rendered noninfectious. In all these cases, with one exception, the person whose liberty has been denied was actually diseased. The exception is a recent California case entitled "Ex Parte Clements," reported on page 698, volume 215, of Pacific Reporter, in which the court denied an application for a writ of habeas corpus solely on the ground that the petitioner was an inmate of a house of prostitution and that the health officer was therefore justified in holding her as a reasonable venereal-disease suspect and in insisting that she submit to an examination to determine whether in fact she was diseased. No direct evidence was offered to prove that she was infected. The authority under which the health officer exercised this control is rule 5 of the California State Board of Health regulations for the prevention of syphilis and gonococcus infections, which reads:

Local health officers are hereby directed to make examinations of persons reasonably suspected of having syphilis in the infectious stages or gonococcus infection (owing to the prevalence of such diseases among all prostitutes, all such persons may be considered within the above class) to isolate such persons whenever, in the opinion of said local health officer, the State board of health, or its secretary, isolation is necessary to protect the public.

Section 3, chapter 194 of the laws of 1918, State of Mississippi, provides that "any person suspected of being afflicted with any such infectious venereal disease shall be subject to physical examination and inspection by any representative of the State board of health, and for failure or refusal to allow such inspection or examination such person may be punished as for a misdemeanor. This law differs from the California regulation in two respects. (1) Under the California regulations, the health officers are authorized to examine persons reasonably suspected of having a venereal disease. In the Mississippi law nothing is said about the reasonableness of the suspicion. A reasonable exercise of the power might be presumed or implied, of course, although the courts are ever mindful that the proper exercise of all police power which includes all laws for the promotion and preservation of the public health must be reasonable, and if the law leaves any opportunity for arbitrary or unreasonable exercise of power it is violative of the usual constitutional prohibitions against unreasonable searches and seizures as well as repugnant to the underlying principles of the police power of the State. (2) The California regulations authorize the health officer to isolate infected persons whenever it is necessary to protect the public health. The Mississippi law makes the failure to submit to an examination a crime. It is true that courts as well as legislative bodies have not always distinguished clearly between criminal legislation and legislation based on the police power of the State. The power of the health officer to detain anyone rests upon the existence of facts making such detention necessary to protect the public health, hence he is given summary jurisdiction to quarantine and isolate if the circumstances warrant such procedure. Since being infected with a venereal disease is not a crime, a person who is infected or reasonably suspected of being infected ought only be restrained in his liberty by quarantine or isolation which are strictly control measures in the interest of public health. A person may, obviously through willful and deliberate defiance of proper health regulations, make himself liable to criminal prosecution, but whether refusal to submit to a physical examination simply upon suspicion of being infected can be stigmatized as a crime is no doubt open to grave constitutional objections. The service has found one case, In re Walter McGee (185 Pac. 14), in which the following dicta appear:

"The rules of the State board of health and the city ordinance are assailed as unreasonable. In this instance only those provisions of the rules of the State board of health and of the city ordinance are involved which relate to isolation of persons who have been examined and have been found to be diseased. Reasonableness of provisions relative to discovery and to examination of suspects need not be determined. It may be observed, however, that while provisions of the latter class cut deeply into private personal right the subject is one respecting which a mincing policy is not to be tolerated. It affects the public health so intimately and so insidiously that considerations of delicacy and privacy may not be permitted to thwart measures necessary to avert the public peril. Only those invasions of personal privacy are unlawful which are unreasonable, and reasonableness is always relative to gravity of the occasion. Opportunity for abuse of power is no greater than in other fields of governmental activity, and misconduct in the execution of official authority is not to be presumed."

As stated, there have been a number of decisions by State supreme courts respecting venereal-disease-control law. One dealing particularly with the constitutional phases of the problem was reprinted in Venereal Disease Information, Volume IV, No. 6 (June 30, 1923). The case is that of Ex parte Company, Northeastern Reporter, volume 139, copy of which is inclosed. It contains a rather comprehensive review of the authorities on the subject on personal restraint as a health measure. Other cases involving legislation for the control of venereal diseases are:

"The State of Washington on the relation of J. S. McBride, plaintiff, *v.* The Superior Court for King County, respondent (174 Pac. 973); Ex parte Emma Hardcastle (208 S. W. p. 531); Ex parte Grace Brooks (212 S. W. 956); Ex parte Brown (172 N. W. p. 522); Dowling, Health Officer, *v.* Harden (88 Southern, p. 217); Dowling, Health Officer, *v.* Glass (88 Southern, p. 218); Application of Travers (192 Pac. 454); Wragg *v.* Griggin (170 N. W. 400); Ex parte Dillon (186 Pac. 170); Ex parte Johnston (180 Pac. 644); Duncan *v.* City of Lexington (244 S. W. 60)."

M. J. WHITE,
Assistant Surgeon General.

As has so well been said by Bowers:

EXHIBIT C.

From the time of Fracastorius until the present day the literature of medicine has chronicled the disasters and catastrophes wrought by that master of disease, syphilis. The victims of this plague outnumber, no doubt, those of any other single ailment to which the human flesh is heir. During the sixteenth and seventeenth centuries it swept Europe as an almost inextinguishable fire, strewing the Old World with its putrid dead, maiming and disfiguring those who escaped its lethal attacks. By the beginning of the eighteenth century the fury of the epidemic form of syphilis had spent itself; nevertheless its direful assaults upon mankind have continued since that time in subtle and insidious fashions, impairing the functions of the liver and kidneys, affecting the heart and blood vessels with incurable maladies, blinding the eyes, stopping the ears, crippling the limbs, and destroying mind and life itself.

There is no organ or tissue of the body that syphilis does not attack and destroy; there is no disease that has so tremendously affected and altered the course of human destiny as has syphilis. As a killer Osler ranked it third or fourth in the category of disease, and his profound knowledge of medicine in general led him to say, "Know syphilis in all its manifestations and all else clinically will be revealed unto you."

The extent of the prevalence of syphilis can not be accurately stated in figures. We can only make estimates, because the secrecy which surrounds this disorder makes it impossible for us to compile accurate records. Many apparently healthy persons suffer with it unknowingly until some accident or acute illness causes them to seek the aid of a physician, who discovers their luetic infection in the course of his routine examination. Many persons who suffer with this malady refuse or neglect examination. A searching physical examination is always necessary, for the earmarks of syphilis are elusive and likely to be overlooked.

There are a few sources of accurate information. We do know from the reports of Army and Navy examinations, hospital statistics, actuary tables of life insurance companies, and the findings of careful physicians in private practice that from 10 to 20 per cent of the persons figuring in these statistics suffer from syphilitic infection.

This disease numbers its countless victims among the immoral, the unmoral, the moral, the innocent, the guilty, the infants in the cradle, the aged by the fireside, the rich and the poor, for it is no respecter of persons. At every turn in life we meet its victims. They may serve us our food, make our beds, and take care of our linen in our best hotels; may use the same drinking glasses at public fountains and handle other public utensils. In the industrial world they may drive our locomotives, our street cars, and other public conveyances. They may pass in and out of the sacred portals of our homes. Never are we so serenely safe from possible attack that we can pharisaically and smugly say, "It does not concern us." We are not our brother's keeper."

We are all the guardians of the health and happiness of this great Nation and the enemies of this social plague which wars day and night, without truce or remission, against the progress of humanity.

SOCIOLOGICAL ASPECTS OF LUES

Diseases do not exist alone nor do they affect only the patient who is afflicted with them. Behind every ill to which mankind is heir there lies a sociological background, which has its ramifications in the biological, racial, economic, and political conditions of life. We have been too prone to forget that man is a gregarious creature, and in assuming a too narrow community attitude we have forgotten or ignored the humanistic and social elements of sickness, and in so doing have failed to use all the weapons available against disease.

No disease has so defaced its sociological background with wreck and ruin as has syphilis. Its tentacles reach into all our social institutions, grasping, strangling, and destroying the life of the social unit, the family.

Space permits only the most synoptical discussion of lues in its social relations, and these remarks will be grouped under the following heads: The child, the family, and the State.

The child: Morally every child is entitled to be born of healthy and respectable parents into healthy and respectable surroundings. This should be the normal and natural heritage of every child, but it is regrettable to say that millions have been denied this birthright. Syphilis often denies the child its right to be born, and very often its right to live after it has come into being.

Fournier remarked, apropos of the homicides of lues, "Syphilis is the essential murderer of those young in years; it is the veritable tomb of infants; it is the cause of death before birth, at the moment of birth, after birth, within the first week of birth, or it may await the first year. Syphilis, alcoholism, and tuberculosis constitute the triad of contemporaries."

If the infant escapes with his life at birth, he may endure ills which are worse than death itself, in the form of different manifestations incident to this disease.

In quite a number of instances children born of syphilitic parents appear to be healthy infants, pass through the period of childhood in an uneventful manner, then, at the age of puberty, when their lives are in the bud and full of promise, they develop cerebrospinal syphilis, juvenile tabes, juvenile paresis, and certain types of epilepsy. The symptoms of these forms of inherited syphilis are no different from the manifestations of acquired neuro-syphilis as it is encountered in the adult, except that the symptoms may be slightly more profound. The prognosis in juvenile paresis is hopeless.

While it is impossible to say with mathematical exactness just what relationship lues bears to feeble-mindedness, we can say, and still be very conservative, that at least 5 per cent of all congenital mental defectiveness is due to syphilis.

Probably none of the tragedies of this monster of evil is more woeful or hideous than the one it visits upon the unoffending, innocent, and helpless second generation.

The family: No disease is so disastrous to the welfare of the family unit as syphilis. In many instances its presence forever precludes the possibility of marriage, for there are earnest, conscientious persons who, having acquired this infection, feel themselves forever barred from matrimony, no matter how vigorously they may have pursued treatment and no matter how apparently free they are from infection. Like Damocles, they feel that the sword is ever suspended above their heads by the hair of uncertainty. Others who do not feel so keenly about the luetic catastrophe, yet are mindful of the disasters that active luetic infection may bring to their mates and offspring, postpone marriage for long periods of time.

If the syphilitic individual enters matrimony in the contagious state, or if a person acquires this infection after marriage, a very serious train of events is likely to follow. The innocent mate is most certain to be infected; if pregnancies take place, abortions, miscarriages, and stillbirths will follow in a very large number of instances. If children are born after the virus has become somewhat attenuated and the parents have developed a condition of relative immunity, the future may be dark for the children and full of the terrors with which we are all familiar.

Occasionally nature, in her warfare against syphilis, fortunately brings about a condition of sterility. Various obstetricians have estimated that from 45 to 75 per cent of sterility is caused by syphilis.

The syphilitic is quite likely to spread his infection to others during the contagious state through the use of household articles and utensils. Records of these sad occurrences are all too frequent. Many a wayward son has, through his carelessness, unwittingly infected his mother, brother, or sister. Medical literature is replete with examples of this sort.

The knowledge that one of the marital partners has acquired lues changes the atmosphere of the home. If the disease is acquired after marriage, divorce is a common result; or, if the individual had this infection before marriage and in spite of the knowledge that he had it, and in an infectious state, entered into matrimony, divorce usually follows when the deceived mate learns the real state of affairs. Very recently, in one of our courts, the innocent mate was given financial damages because of her infection, and the guilty partner was given a penal sentence. It is suggested that it would be a wise procedure for all our courts to recognize that it is decidedly criminal for one individual deliberately or knowingly to subject another to infection with venereal disease. To the writer's personal knowledge in four different instances murder was committed because unfaithful wives infected their husbands. However, we know from statistics that it is usually the wife who is the innocent sufferer.

Phobias are nearly always present in the minds of intelligent parents who have been infected with lues. They fear that every ill their children may have may be due to this dread disease, and the torment of these fears is often terrific.

Many homes are broken up by death, or the wage earner of the family becomes a chronic invalid, using for treatment the earnings or savings which should have been spent in caring for his family. In the early stages of the disease the earning power of the luetic may be temporarily reduced during the period of active treatment, and later on in life, if curative treatment has not been secured, be permanently reduced or cut off entirely by the existence of diseases which may be dependent on lues. Those families who are not blessed with an abundance of financial means soon have their purses depleted and are thrown upon public or private charity. The financial operations of the paretic, rich or poor, have in many instances reduced his family to bankruptcy, just as his antisocial and criminal behavior has frequently brought it into disgrace.

In the last analysis, to the members of the family syphilis means illness, mental or physical incapacity, sorrow, and financial and social ruin unless medical and social relief is promptly and efficiently rendered to prevent such a catastrophe.

The State: Whatever agencies make havoc on the child or the family are destructive to the welfare of the State. Whenever the children of the State are blinded, crippled, paralyzed, and reduced to imbecility and incapacity, the State is robbed of citizens who

should have been self-supporting and useful and in addition is compelled to build and maintain institutions for human derelicts. Every institution for the feeble-minded, the blind, the deaf and dumb, the insane, and the epileptic, is a monument, in some degree, to our carelessness and wastefulness of human life, to our indifference and to our ignorance of the vast ramifications of the great venereal-disease problem.

In the past we have paid too little attention to the extragenital infection of lues. We have exhibited a pharisaical indifference, being inclined to look upon lues as a punishment for sexual immorality. This attitude is neither scientific nor moral. It can be said without fear of contradiction and with the full support of those who are informed, that 10 per cent of all syphilitics acquire this disease in an innocent manner. In many instances the innocent sufferer from the infection is unaware of his condition until he is suddenly stricken down with an illness of a serious character. These same innocent sufferers from lues unknowingly, but none the less disastrously, spread their infection to the public.

The histories of luetic persons coming into our clinics show that at least 35 per cent of them are engaged in occupations which bring them in immediate contact with the public. It is frightful and appalling to know that a very large group of them are handlers of our food, laundry workers, barbers, servants in our homes, masseurs, tailors, and others who render very personal services. Fortunately for us all, the contagious period passes fairly promptly in many of them because of treatment and the evolution of the disease.

When the public and the captains of industry open their eyes more widely to the enormous cost of syphilis in money there will be a sweeping endeavor to remove luetics from industry and from social activities that endanger the public interest. The histories in our hospitals for the insane show that an alarming percentage of paretics have been chauffeurs, motormen, conductors, engineers, firemen, and policemen, and have filled other positions in which they were responsible for the safety of the public. This clearly indicates that our lax methods of medical examination and license must give way to systematic and searching methods of physical examination and diagnosis.

The loss to industry is enormous in a number of ways. When an ataxic luetic receives an injury because of his clumsiness in the performance of his work, he very often is placed upon the pension rolls of the company for an indefinite period through the operation of our compensation laws, because of the prolonged convalescence which these individuals usually undergo, and the company pays out considerable money for which there is no return. As we all know, the most trivial injuries may incapacitate the luetic for long periods of time. We can easily surmise the losses such individuals cause to industry.

Cost of late syphilis to the State: According to the United States census of the year 1919, there were at the beginning of the year 1916, 147 State hospitals for the insane, caring for 199,240 persons at a total cost of $36,312,662. These figures are not now correct, for since that time many new State hospitals have been built and are filled to overflowing and the States are endeavoring to build more.

Conservative psychiatrists of the country have frequently estimated that no less than 25 per cent of all the admissions to our State institutions are due to syphilis. At that rate the cost of syphilis alone for State hospital care in 1916 was nearly $10,000,000. This same census states that there were 423 other State institutions in existence for the same period of time. We can be quite certain that lues contributed very largely to their population also, and we can conservatively estimate that the total cost of luetics for institutional care during 1916 was at least $15,000,000 more. In these figures the cost of private and public charity and the loss to industry were not considered.

Williams in his study of 100 cases of syphilis in the State hospitals of Massachusetts, basing his estimate on the weekly cost of only $6 (which is far too low) estimated that these same luetics cost the State of Massachusetts $39,312 for a period covering a little more than a year. Doctor Pollock estimated that the syphilitics in the State hospitals of the State of New York cost that Commonwealth $417,918 in the year 1917. The cost of the care of syphilitics in State hospitals in the State of Indiana for the year 1919, according to the secretary of the State board of health, was nearly $1,000,000. The State Board of Health of California has reported that insane syphilitics cost that State $100,000 for the years 1918 and 1919.

These figures convey but very faintly the enormous economic cost of syphilis. When we stop to think that all the States of the Union are paying sums in proportion for the cost of syphilis, the aggregate transcends the limits of the imagination. We probably spend more money each year on the direct and indirect effects of syphilis than we do for the maintenance of our Army and Navy in times of peace. The time has long since arrived when we should have acted upon the maximum of Benjamin Franklin that "Public health is public wealth." All students of the sociological aspect of syphilis perforce agree with Herbert Spencer when he says, "To be a good animal is the first requisite to success in life, and to be a nation of good animals is the first condition to national prosperity."

Dealing with venereal-disease problem: The time-honored adage that "An ounce of prevention is worth a pound of cure" has no more fitting application than to the great public-health problem of syphilis. The inertia of the public must be overcome and unreasoning prejudice must be supplanted by accurate information. The moralistic misconception of the venereal-disease problem is responsible for a tremendous amount of social damage. The idea that every syphilitic is a roué and a social outcast is as fallacious as it is unkind. These erroneous ideas prevent the proper appreciation of the fact that no less than 10 per cent of all luetics suffer from congenital and innocent types, that thousands of innocent women suffer from lues, and that thousands are syphilitic because of the laws of heredity and congenital transmission. The belief that it is a visitation for sexual immorality has retarded the control and prevented in a very large measure the eradication of the venereal plague. We must place syphilis on the same level as we do other diseases and fight it in a safe, sane, and scientific manner, free from metaphysical conceptions and dicta.

The public must be so educated in the matter of eugenics that the laws with regard to venereal disease which now exist as dead letters on our statute books will be enforced; that health certificates will really be required before marriage; that the physician will be permitted to give to the marriage-license clerk information that will prevent the marriage of a contagious luetic without being haled into court on the ground that he has given away confidential information; that marriages may be annulled when a luetic deliberately enters matrimony, deceiving his mate as to the presence of his venereal disorder.

Sex hygiene should be taught the child, the youth, and the adult. The dangers of venereal disease must be brought again and again to the attention of the public until it is so aroused concerning the matter that it will take the necessary steps to correct the evils resulting from prostitution.

There is a group of persons within the social organism which is governed in its sexual life by idealism and not by fear. Therefore a positive idealism must always be taught concerning sex life. There is another group whose conduct is entirely regulated by fear, and to this group must be preached in forceful terms the dangers of illicit sexual relations. There is a third group that is not controlled either by fear or sexual idealism and responds to the sexual urge, irrespective of the possible consequences to themselves or to others. It is therefore imperative that physicians, health departments, and communities use all agencies in their power for the relief and prevention of venereal diseases.

Our social institutions are by no means perfect. Society continually places temptations in the way of the morally and mentally weak. We are responsible at least to some degree for the existence of environments which stimulate vice and furnish the facilities for its successful progress, and it is obvious that these conditions very effectually reduce the effects of our moral preachments.

The Clerk read as follows:

SEC. 8. That the chief health officer is authorized and directed to order to quarantine any person who is found under the provisions of this act to have syphilis, gonorrhea, or chancroid, and to adopt for the protection of public health such precautionary measures as are found necessary to prevent the spread of any other highly contagious or infectious disease.

Mr. UNDERHILL. Mr. Chairman, I offer the following amendment: Page 3, lines 19 and 20, after the word "authorized," strike out "and directed." I ask the gentleman if he will accept that amendment?

Mr. GILBERT. I think when we authorize, that is all that is needed; and, although the language follows the laws in the States, I will accept the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. UNDERHILL: Page 3, lines 19 and 20, strike out the words "and directed."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 13. That any physician who professionally attends any person having syphilis, gonorrhea, or chancroid shall, in addition to treating such person for his improvement and cure, advise said person as to the proper means to prevent the spread of said disease, and shall so order him isolated as to prevent any spread therefrom, and it shall be the duty of said physician, upon the willful failure or refusal of such patient to comply with the directions of said physician to prevent the spread of said disease, to report said person to the health officer as herein prescribed by this act.

Mr. UNDERHILL. Mr. Chairman, I offer an amendment. On page 5, line 9, after the word "and," insert "if necessary."

I ask the gentleman from Kentucky [Mr. GILBERT] whether he will accept that amendment?

Mr. GILBERT. Along the same line that was suggested as to the amendment to the other section, not giving them a positive direction but when it is necessary giving them authority, I can not see any objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. UNDERHILL: Page 5, line 9, after the word "and," insert the words "if necessary."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 491) for the prevention of venereal diseases in the District of Columbia, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as agreed to do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion by Mr. ZIHLMAN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of S. 112, a bill providing for a comprehensive development of the park and playground system of the National Capital. Pending that motion, I would like to submit the unanimous-consent request that general debate be limited to two hours, one half to be controlled by myself and the other half to be controlled by the gentleman from Texas [Mr. BLANTON].

The SPEAKER. The gentleman from Maryland asks unanimous consent that general debate be limited to two hours, one-half to be controlled by himself and one-half to be controlled by the gentleman from Texas [Mr. BLANTON]. Is there objection? [After a pause.] The Chair hears none.

The question is now on the motion of the gentleman from Maryland that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill S. 112.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill S. 112, with Mr. CRAMTON in the chair.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read the title of the bill.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, the bill is very short, and the 25 or 30 interested Members who have stayed here to transact District business would be enlightened by hearing it read. I think it ought to be read and I insist on its being read.

The CHAIRMAN. Objection is heard, and the Clerk will read the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That to preserve the flow of water in Rock Creek, to prevent pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive, systematic, and continuous development of the park, parkway, and playground system of the National Capital, there is hereby constituted a commission, to be known as the National Capital Park Commission, composed of the Chief of Engineers of the Army, the Engineer Commissioner of the District of Columbia, the Director of the National Park Service, and the Chief of the Forest Service, the officer in charge of public buildings and grounds and the chairmen of the Committees on Public Buildings and Grounds of the Senate and House of Representatives. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairmen of committees of the succeeding Congress shall be chosen. The officer in charge of public buildings and grounds shall be the executive and disbursing officer of said commission.

SEC. 2. Said commission or a majority thereof is hereby authorized and directed to acquire such lands as in its judgment shall be necessary and desirable in the District of Columbia and adjacent areas in Maryland and Virginia, within the limits of the appropriations made for such purposes, for suitable development of the National Capital park, parkway, and playground system. That said commission is hereby authorized to acquire such lands by purchase when they can be acquired at prices reasonable in the judgment of said commission, otherwise by condemnation proceedings, such proceedings to acquire lands within the District of Columbia to be in accordance with the provisions of the act of Congress approved August 30, 1890, providing a site for the Government Printing Office (U. S. Stat. L. vol. 26, chap. 837), the Chief of Engineers of the Army being, for the purposes of this act, hereby clothed with all the power vested by the said act of August 30, 1890, in the board created by that act. Said commission is hereby authorized to acquire such lands, located in Maryland or Virginia, either by purchase or condemnation proceedings, by such arrangements as to acquisition and payment for the lands as it shall determine upon by agreement with the proper officials of the States of Maryland and Virginia. In the selection of lands to be acquired the advice of the Commission of Fine Arts shall be requested. The designation of all lands to be acquired by condemnation, all contracts for purchase of lands, and all agreements between said commission and the officials of the States of Maryland and Virginia shall be subject to the approval of the President of the United States.

SEC. 3. That there is authorized to be appropriated, each year hereafter, in the annual District of Columbia appropriation act, a sum not exceeding 1 cent for each inhabitant of the continental United States as determined by the last preceding decennial census, to be available until used, said sum to be used by said commission for the acquisition of the lands herein authorized to be acquired by said commission for the purposes named, the compensation for the land, the expense of surveys, ascertainment of title, condemnation proceedings, if any, and necessary conveyancing to be paid from said appropriations. That three-fourths of all the funds so appropriated shall be used by said commission for the acquisition of lands within the District of Columbia and the funds so used to acquire property within the District shall be paid from the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenses of the District of Columbia. The land so acquired within the District of Columbia shall be a part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army; that areas suitable for playground purposes may, in the discretion of said commission, be assigned to the control of the Commissioners of the District of Columbia for playground purposes. That the land so acquired outside the District of Columbia shall be controlled as determined by agreement between said commission and the proper officers of the States of Maryland and Virginia, such agreements to be subject to the approval of the President.

SEC. 4. That said commission shall report to Congress annually on the first Monday of December the lands acquired during the preceding fiscal year, the method of acquisition, and the cost of each tract. It shall also submit to the Bureau of the Budget on or before September 15 of each year its estimate of the total sum to be appropriated for expenditure under the provisions of this act during the succeeding fiscal year.

MESSAGE FROM THE SENATE

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, had further insisted on its amendments, had asked further conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. JONES of Washington, Mr. SPENCER, Mr. FLETCHER, and Mr. HARRIS as the conferees on the part of the Senate.

DEVELOPMENT OF THE PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

The committee resumed its session.

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Vermont [Mr. GIBSON].

The CHAIRMAN. The gentleman from Vermont is recognized for 10 minutes. [Applause.]

Mr. GIBSON. Mr. Chairman and gentlemen, I will explain this bill very briefly. Its object is to provide for a comprehensive development of the park and playground system of the National Capital.

It constitutes a commission, to be known as the national park commission, composed of the Chief Engineer of the Army, the engineer commissioner of the District of Columbia, the Director of the National Park Service, the Chief of the Forest Service, the officer in charge of public buildings and grounds, the chairman of the House District Committee, and the chairman of the Senate District Committee. It provides further in that connection for the designation of some newly elected Member of the House or the Senate, who will be in the next Congress, to act on this park commission when Congress is not in session.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. GIBSON. Yes.

Mr. HILL of Maryland. As I understand from the report of the committee, this bill is based on the orderly development of the city and its parks as a continuation and extension of the L'Enfant plan.

Mr. GIBSON. The L'Enfant plan, of course, was only for 100 years and we have outgrown that plan; in fact, we outgrew it a great many years ago. But it may well be called a continuation of that plan.

Mr. HILL of Maryland. It is a sort of necessary extension of the spirit of that excellent plan?

Mr. GIBSON. That is the idea.

Mr. HILL of Maryland. I want to say to the gentleman that to me it seems a very excellent plan and I am entirely for it.

Mr. GIBSON. I will say to the gentleman in that connection that it also includes a development in Virginia, territory contiguous to the District of Columbia, and in your own State of Maryland.

Mr. HILL of Maryland. I thank the gentleman.

Mr. GIBSON. At the outset let me say that this does not create a commission with salaries. All of the members of the commission are officers of the Government and draw salaries.

The bill provides that this commission is authorized and directed to acquire lands, as to its judgment may seem necessary, in the District of Columbia, in Maryland, and in Virginia for the suitable development and extension of the park system and playgrounds. These lands are to be acquired by purchase, if possible, and if not possible, by condemnation. The lands in Virginia and Maryland are to be acquired under some proceedings agreed upon between this commission and the regularly constituted officers of the State of Maryland and of the State of Virginia. It authorizes an appropriation to be made not to exceed 1 cent for every inhabitant of the United States. This would give something over $1,000,000 a year for the orderly and proper development of the park system of the District of Columbia.

The gentleman from Maryland [Mr. HILL] has referred to the L'Enfant plan, which was the original plan, Major l'Enfant being a distinguished engineer officer of the French Army who was engaged by Washington and Jefferson and acted under their direction in laying out the plan of the city of Washington. This plan provided for some parks, but those parks are the little triangular spaces, the circular spaces, or the square spaces that you find at the intersection of our avenues and streets. This plan was made in 1791. Since that time we have acquired some land for park purposes in the District, but not an acre was acquired outside of Florida Avenue from the time this plan was conceived up to 1890. Since then we have acquired 2,068 acres at a cost of $3,589,998.

In extent and value of the park system the city of Washington is at the foot of the list of cities of the United States with a population of 500,000 or more. For instance, in comparison with Chicago, that city has a wonderfully extensive system of city parks and connecting boulevards and has acquired a forest reserve of 24,000 acres outside of the city and is now proceeding to acquire 10,000 acres more. At one time the city had a bond issue of $30,000,000 for park extension purposes. San Francisco had expended, before 1912, $7,500,000 on one park alone, Golden Gate Park, and it has 33 other parks. Boston has expended over $21,000,000 in the extension of its park system between 1892 and 1920; during that time Washington expended a little over $3,000,000.

Statistics showing the value of park property in the various cities having over 500,000 people for 1916 and 1919 are as follows:

New York, value of park property in 1916, $640,000,000; 1919, $687,000,000.

Chicago, in 1916, $59,695,000; in 1919, $60,462,300.

Philadelphia, in 1916, $30,000,000; and in 1919, $43,000,000.

St. Louis, $13,000,000 in 1916; and in 1919, $15,000,000.

Boston, in 1916, $20,200,000; and in 1919, $20,306,000.

Cleveland, in 1916, $22,000,000; and in 1919, $22,000,000.

Los Angeles, in 1916, $10,000,000; and in 1919, $11,000,000.

And so on through the list down to the city of Washington, which shows a park property value of $4,745,000 in 1916; and in 1919, $5,168,477.

I have just given the round figures and will insert in the RECORD, if there is no objection, the complete table giving the figures in detail.

Mr. TILSON. Will the gentleman yield for a question?

Mr. GIBSON. Yes.

Mr. TILSON. Is it the plan to buy these old Civil War forts on the ridges surrounding the city here?

Mr. GIBSON. As I understand it, that is included in the plan.

Mr. TILSON. If that is not done pretty soon, they will be built over, will they not?

Mr. GIBSON. That is very true, and one object of this bill is to take care of just such situations by a regularly constituted commission with power to act, so that when the opportunity presents itself to acquire good park property it may be acquired. We have had many experiences in the city of Washington where valuable property for park purposes was commenced to be built over and it was necessary, in order to get action to come to Congress, to go to the Budget to get a recommend of appropriation, and in the meantime they have been built over and thereby have been lost.

Mr. TILSON. Will this bill give power to the commission to take options and tie up property so that they may secure it after an appropriation has been made?

Mr. GIBSON. That is my understanding of the scope of the authority.

The CHAIRMAN. The time of the gentleman from Vermont has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield the gentleman five minutes additional.

Mr. GIBSON. Recurring to the point as to value of park property, let us bear in mind that the average value of the park property of all of the cities of over 200,000 population, outside the city of New York, is $22,000,000, while that of the city of Washington is only a little over $5,000,000.

I will say in further answer to the gentleman from Connecticut that there is an unfinished plan of park development for the city of Washington. In 1901 we had a park commission that consisted of many men eminent in their lines of work, including Augustus St. Gaudens, a very distinguished artist. They made a very careful study of this situation, taking the L'Enfant plan as the basis, and worked out a comprehensive scheme of development for the future, and that report now stands as a working plan ready for use. This plan includes the acquiring of the forest-covered valleys and springs tributary to Rock Creek, the widening of Piney Branch parkway to the northeast from Tiger Bridge, the acquirement of Klingle Ford Valley, the Patterson tract, and tracts of land on the outskirts at proper intervals for parks and playgrounds. It also included the development of the valley of Rock Creek northward from the District line on both banks of the Potomac to Great Falls and the development of park boulevards down the Potomac to Mount Vernon on the Virginia side and to Fort Washington on the Maryland side.

This plan also calls for cooperation with the city of Baltimore, in boulevard development, the acquiring of the Civil War forts which the gentleman from Connecticut has referred to. It also includes the boulevard development from the Virginia terminal of the Memorial Bridge and other places. This work can all be taken care of without coming to Congress and troubling Congress for every little park area needed, if we constitute this commission. At the present time there is no department, no bureau, no commission, or official, either of Federal or of the District government, authorized to study the situation and work out any systematic plan. There is no existing law for park development of land or any Budget estimate; no official authority invited to select and submit estimates for additional parks. The present method is a failure. We must pass a bill after weeks of work in a committee and weeks of delay, and subsequently

get an appropriation. When available park areas are needed there is not time to get the necessary appropriation in time to stop the devastation, and the result is that we have lost many valuable parks on that account.

This is indorsed by the Commissioners of the District, and, Mr. Chairman, I ask leave to insert in the RECORD a letter from the District Commissioners to the chairman of the Senate committee, Senator BALL.

The CHAIRMAN. The gentleman from Vermont asks unanimous consent to extend his remarks in the RECORD by inserting a letter from the District Commissioners. Is there objection?

There was no objection.

The following is the letter referred to:

FEBRUARY 23, 1924.

Hon. L. HEISLER BALL,
Chairman Committee on the District of Columbia,
United States Senate.

SIR: The Commissioners of the District of Columbia have the honor to submit the following on Senate 112, Sixty-eighth Congress, first session, entitled "A bill providing for a comprehensive development of the park and playground system of the National Capital," which you referred to them for report as to the merits of the bill and the propriety of its passage.

The object of the bill is to provide for a comprehensive park and playground system in the District of Columbia and its environs, which include adjacent parts of Maryland and Virginia. The commissioners are heartily in favor of the purpose of the bill, as it is believed that the need for the acquisition of additional park and playground areas is urgent. Such areas must and will be provided eventually, and it is in the interests of economy to make the necessary purchases while the land is unimproved. Moreover, some of the areas desired will be lost forever unless obtained soon.

The commissioners submitted a copy of this bill to the Director of the Bureau of the Budget in accordance with the provisions of Circular No. 49 of that bureau.

On February 5, 1924, a meeting was held in the office of the Director of the Bureau of the Budget, at which there were present representatives of the Commissioners of the District of Columbia, of the committee of 100 appointed to develop a comprehensive system of National Capital parkways, of the Washington Board of Trade, of the Washington Chamber of Commerce, of the Federation of Citizens' Associations, and other various citizens' associations. At that meeting the Director of the Bureau of the Budget suggested that it was the general tendency to decrease rather than to increase the number of commissions, and he requested consideration of the question whether, in view of the fact that the so-called Rock Creek and Potomac Parkway Commission was in existence under the statute of 1913, it would not be practical, if the other terms of Senate bill 112 were satisfactory, to enlarge the existing Rock Creek and Potomac Parkway Commission and give to it the powers and duties included in the proposed legislation. After extended discussion it was unanimously agreed that it might be desirable to amend the pending bill by striking out section 1 thereof and by substituting a section along the lines of the proposed section 1 given below. This substitute section proposes to enlarge the existing commission so as to include the chairmen of the Committee on Public Buildings and Grounds of the Senate and the Committee on Public Buildings and Grounds of the House of Representatives and the engineer commissioner of the District of Columbia. It proposes to give to the commission as created the name of the National Capital Park Commission, vest in it all the powers, obligations, and functions now held by the so-called Rock Creek and Potomac Parkway Commission, and all powers, obligations, and functions included in Senate bill No. 112. The executive officer of the Rock Creek and Potomac Parkway Commission was unable to be present at the conference on February 5, but the proposed amendment has been submitted to him and has received his approval.

The substitute for section 1 of the bill reads as follows:

"*Be it enacted, etc.,* That to preserve the flow of water in Rock Creek, to prevent the pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive and continuous development of the park, parkway, and playground system of the National Capital, the commission created by section 22 of the public buildings act approved March 4, 1913 (Stat. L. vol. 37, p. 885), commonly called the Rock Creek and Potomac Parkway Commission, shall hereafter be composed of the Secretary of the Treasury, the Secretary of War, the Secretary of Agriculture, the chairman of the Committee on Public Buildings and Grounds of the Senate, the chairman of the Committee on Public Buildings and Grounds of the House of Representatives, and the engineer commissioner of the District of Columbia. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairman of the committees of the succeeding Congress shall be chosen. The officer in charge of Public Buildings and Grounds shall be the executive and disbursing officer of said commission. From and after the passage of this act the said commission shall be known as the National Capital Park Commission, hereinafter referred to as the "commission," and it is hereby vested with and shall assume and exercise all the powers, obligations, and functions conferred upon said Rock Creek and Potomac Parkway Commission by said act approved March 4, 1913, and all subsequent acts and court proceedings."

The commissioners are informed by the Director of the Bureau of the Budget that the bill as so amended is not in conflict with the financial program of the President.

Very respectfully,

THE BOARD OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA,
By CUNO H. RUDOLPH, *President.*

Mr. ZIHLMAN. The following table gives the value of park properties in all the cities of the United tSates exceeding 300,000 in population in 1916 and of the same cities in 1919, as stated in the United States Census Bureau publications, General Statistics of Cities, 1916, on page 87, and Financial Statistics of Cities of 1919, on page 291. (Last available statistics.)

Value of park properties in cities exceeding 300,000 population in 1916 and 1919

	Value of park property in 1916	Value of park property in 1919
New York	$649,220,675	$287,402,447
Chicago	59,695,473	60,462,151
Philadelphia	30,613,964	43,400,017
St. Louis	13,597,814	15,908,824
Boston	69,209,900	69,306,900
Cleveland	28,972,354	29,683,500
Baltimore	7,253,984	7,960,301
Pittsburgh	18,180,776	18,654,047
Detroit	29,312,620	33,070,137
Los Angeles	10,619,177	11,324,733
Buffalo	12,531,350	11,277,121
San Francisco	34,145,000	40,926,866
Milwaukee	5,156,231	7,354,550
Cincinnati	7,393,354	8,189,371
Newark	14,074,998	14,511,724
New Orleans	6,297,300	7,561,315
Minneapolis	7,998,282	8,792,010
Seattle	9,456,923	9,728,141
Washington, D. C.	4,745,660	5,168,477

Mr. BLANTON. Mr. Chairman, I ask leave to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. CLARKE of New York. Are they the gentleman's own remarks?

Mr. BLANTON. Yes.

There was no objection.

Mr. BLANTON. Mr. Chairman, a few hours ago we had 385 Members of Congress present.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SPROUL of Illinois. We can have 385 Members here again in a few minutes, and I make the point of order that there is no quorum.

Mr. BLANTON. Oh, do not do that; we want to occupy this time.

Mr. SPROUL of Illinois. If the gentleman will take out of the RECORD the statement that we had 385 Members present and only 25 now, I will withdraw my objection.

Mr. BLANTON. That is a part of my argument and I must leave it in the RECORD.

Mr. SPROUL of Illinois. I do not think it is a very good argument and I insist on the point of order.

The CHAIRMAN. The gentleman from Illinois makes the point of no quorum, and the Chair will count. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Aldrich	Butler	Crowther	Drewry
Anderson	Byrnes, S. C.	Curry	Driver
Ayres	Carter	Davis, Minn.	Edmonds
Boies	Clague	Dempsey	Fairfield
Bowling	Clancy	Denison	Faust
Brand, Ohio	Clark, Fla.	Dominick	Fenn
Britten	Cooper, Ohio	Dowell	Fish
Buckley	Corning	Doyle	Frear
Burdick	Crosser	Drane	Fredericks

Frothingham	Lilly	O'Connor, La.	Stalker
Gernn	Lindsay	O'Connor, N. Y.	Steagall
Graham, Ill.	Little	O'Sullivan	Strong, Pa.
Graham, Pa.	Logan	Oliver, Ala.	Sullivan
Greenwood	Longworth	Park, Ga.	Sweet
Hawley	Lowrey	Parker	Swoope
Hayden	McLaughlin, Nebr.	Parks, Ark.	Taylor, Colo.
Hersey	MacGregor	Phillips	Temple
Howard, Okla.	Madden	Prall	Tincher
Hull, Tenn.	Magee, Pa.	Quayle	Treadway
Hull, William E.	Martin	Rainey	Tydings
Johnson, Ky.	Merritt	Ramseyer	Vare
Johnson, Wash.	Michaelson	Ransley	Vinson, Ga.
Kahn	Miller, Ill.	Rathbone	Voigt
Kent	Mooney	Rayburn	Ward, N. Y.
Kerr	Moore, Ill.	Reed, N. Y.	Wertz
Kincheloe	Morgan	Reed, W. Va.	White, Me.
Kindred	Morin	Richards	Wingo
Kunz	Mudd	Rogers, N. H.	Winslow
Langley	Nelson, Wis.	Rosenbloom	Winter
Lea, Calif.	Newton, Mo.	Scott	Wurzbach
Leatherwood	Nolan	Smithwick	Wyant
Lehlbach	O'Brien	Spearing	

The committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 112, providing for a comprehensive development of the park and playground system of the National Capital; and finding itself without a quorum he had directed the roll to be called, whereupon 305 Members answered to their names, a quorum, and he handed in a list of absentees for printing in the Journal.

The committee resumed its session.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, when the distinguished gentleman from Illinois [Mr. SPROUL] made the point of order, I had just called attention to the fact that a half hour previous we had 385 Members on the floor to vote on the tax reduction bill, while at that particular time we had only 25 Members left on the floor to pass on this bill involving an annual appropriation of $1,100,000; and that is illustrative of the condition that still prevails here in the District of Columbia with regard to tax matters, to the detriment of the people of the United States who pay much of the bill. That is the reason why there has been no change in the existing law in that respect.

We thus have one of the strangest situations imaginable here in the District of Columbia. This is a city, according to the last census, of 437,000 people, exclusive of transients and exclusive of Members of the House and Senators and their employees, who maintain their residences in their home States. At one time this was a very small city. It was nothing more than a big town, and the people who then owned the real property remember that its value was a very low figure, indeed; but the Government of the United States has expended millions of dollars here in the construction of magnificent buildings, and securing and maintaining magnificent grounds in this Capital, and besides its own property has given $215,000,000 to Washington for civic purposes. Property values have soared upward until now in many instances you find lots that at one time were worth no more than a hundred dollars now are worth, with their improvements, a million dollars.

For instance, our colleague from New York [Mr. BLOOM], who is present on the floor at this time, according to the paper yesterday, indicated that he is willing to give this Government the stupendous sum of $5,000,000 for the block of land upon which stands the Patent Office.

Mr. LINTHICUM. Ten million dollars.

Mr. BLOOM. Eight million dollars. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BLOOM. I said that the property was worth $10,000,000, but that I was willing to give $8,000,000 for it.

Mr. BLANTON. And the distiguished gentleman from New York [Mr. BLOOM] is an expert on property values in the country because he is an extensive real-estate owner in the metropolitan city of New York. I mention this to show you what property values are now, and the Government's expenditures and pay roll have caused it, for, as I said, in addition to the great sums of money that this Government has expended upon its own buildings and grounds here in this great city, gentlemen should remember that this Government, out of the Public Treasury, has already given the city of Washington for civic purposes wholly the great sum of $215,000,000, which has also been expended here. And what is the tax rate in this great city? One dollar and twenty cents on the hundred dollars, and at a very low valuation, assessed at not much over 50 per cent valuation in most cases, and we are continuing that in a ridiculous fiscal policy that yet requires the taxpayers of the United States to pay 40 per cent of all of the local civic expenditures here in the city of Washington. Until 1922 these same taxpayers paid every year 50 per cent of these expenses of this great city. Why is it that that is permitted? It must be because the membership of this House have not yet all found it out. It is because the membership of this Congress have not all given close investigation to the subject.

Mr. UNDERHILL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. UNDERHILL. The Members of the House seem to be pretty well aware of it and a short time ago adopted a proposition for a lump-sum appropriation of $8,000,000.

Mr. BLANTON. Yes.

Mr. UNDERHILL. The gentleman should convince the other end of the Capitol.

Mr. BLANTON. I am going to call attention to that. Just about as many men as are present now were present when we adopted that $8,000,000 fixed-contribution amendment. The distinguished gentleman from Michigan [Mr. CRAMTON], who now occupies the chair, presiding over this body, was the author of that amendment, which changes the present policy of 60-40 that is now the fiscal relation to a fixed contribution toward local civic expenses to be made by the Government of $8,000,000 a year, and what do we find concerning that proposed change in the vigilant Washington newspapers?

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. In just a moment. I read from the Washington Post——

Mr. LAGUARDIA. Is that a daily paper?

Mr. BLANTON. It is the mouthpiece of the administration, published for us every morning. I read from the Washington Post of yesterday—Sunday—and it says in the following big headlines:

Three million four hundred and forty-nine thousand three hundred and twenty-two dollars is added to the District bill by Senate committee—$28,102,019 is total carried in measure.

And this article then recites:

Carrying appropriations amounting to $28,102,019, which is $3,449,322 more than provided by the House, the District appropriation bill for the fiscal year 1925 was favorably reported to the Senate yesterday by the Committee on Appropriations.

A further increase in the appropriation may be made when the bill is considered on the floor of the Senate this week, as Senator LAWRENCE C. PHIPPS, of Colorado, in charge of the measure, has been authorized by the committee to offer amendments which would add $1,062,000 to the bill.

If the Phipps amendments authorizing appropriations of $762,000 for enlarging the park system and $300,000 toward the construction of a $735,000 fireproof addition to the courthouse are adopted the bill will go to conference carrying appropriations amounting to $29,164,019, the largest amount ever authorized in a District supply bill.

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. In just a moment. I want to get before you these facts connectedly. Now listen while I read the balance of this article from yesterday's Washington Post:

Senator PHIPPS is expected also to offer as an amendment to the bill, his bill, recently passed by the Senate, making the District surplus fund, amounting to $4,438,154, available for expenditures. With the adoption of this amendment the bill would carry $33,602,173, which is more than the commissioners and the people of Washington ever expected in the wildest flights of fancy.

Mr. UNDERHILL. Now will the gentleman yield?

Mr. BLANTON. I will yield gladly.

Mr. UNDERHILL. Then if the Congress shall adopt this $8,000,000 proposition, it would not matter a snap of the finger how much the Senate or the House put on this bill?

Mr. BLANTON. Why, of course not, so far as the taxpayers of the United States are concerned.

Mr. UNDERHILL. As far as the other taxpayers of the country are concerned.

Mr. BLANTON. Except, of course, as to the $8,000,000, which is more than they should pay. I will tell my friend what it will amount to, so far as the people of Washington are concerned—a mere bagatelle so far as taxes will be increased, but it will stop to some little extent this everlasting growing drain on the Treasury for the city of Washington. It is absurd to think of even $8,000,000 a year for this Government to contribute in taxes to this city when the Government's property is daily enjoyed by all the people, and it owns the main water conduit here. It owns it, and it paid every dollar for it, and the people of Washington have never yet paid one red cent on that main water conduit, and every piece of Government property in this city is daily enjoyed by all the people of Washington.

Mr. McKEOWN. Will the gentleman yield?

Mr. BLANTON. I want to speak for 30 minutes without yielding, and then I will yield. I want to put these facts before my colleagues and before the country. I do not want to tire my colleagues, and if you would prefer to go to the baseball, why go; but I want to get these facts in the RECORD.

Mr. O'CONNELL of New York. The gentleman will not have a roll call in their absence?

Mr. BLANTON. I hope there will be no more roll calls until the final passage of the bill. I was not responsible for the last one.

Mr. O'CONNELL of New York. I know that.

Mr. BLANTON. Washington people now pay only $1.20 on the $100 taxes. This $8,000,000 proposition passed by the House is a fixed contribution to be paid annually by the Government, and it would require the people of Washington to pay not more than $1.30 or $1.35 on the $100 at the most, while the people of Baltimore, right over here 40 miles away from this Capitol, are now paying a tax rate of $3.27 a hundred.

Mr. LINTHICUM. That includes State taxes.

Mr. BLANTON. Yes; but that $3.27 per $100 is the tax rate people in Baltimore pay. The little $1.20 per $100 here in Washington includes every tax that the people of Washington pay. It is their total taxes. Now, all the people of Washington are not interested in or connected with this Government. We have 65,000 employees here, a great percentage of whom are young ladies unmarried.

Mr. O'CONNELL of New York. How does the gentleman know it?

Mr. BLANTON. I have investigated and found out. [Laughter.]

Mr. O'CONNELL of New York. That is a misfortune.

Mr. BLANTON. Do you know that there are many people living here in this District who were born here, whose fathers and grandfathers were born here in this city, and neither they nor any of their family connections have had any connection whatever with this Government, none in the world except to get the benefits of this low tax rate in this beautiful city in which they live? Is not that a wonderful situation? The people in my State, from one side of it to the other, counting their total taxes, pay all the way from $2.75 to $4 or more on the $100 in taxes. Write back home and ask your people what they pay. They will tell you they do not enjoy this ridiculous low rate of only $1.20 on the $100 enjoyed by Washingtonians, and yet not long ago when the commissioners attempted to relieve themselves and the people of Washington of a property tax on automobiles we stopped their little game and passed that bill with the property tax in it, and forced it through Congress just like the House wanted it, with the property tax left intact, and these various citizens' organizations went down to the commissioners and before the conferees and tried their dead-level best to get the property tax stricken out; and when they could not do it, they then tried to get the President to veto the bill. Why? To escape taxes on automobiles. And now they have had meeting after meeting against this Cramton amendment, and have influenced the Senate committee to wipe out this proposed Cramton plan, which is just one small step in the right direction on this tax subject, and the Senate committee has put back that 60–40 plan in the bill; and your people at home and mine, if we allow it, will continue to pay 40 per cent of all the local civic expenses of these 437,000 people of this District of Columbia. It is not right. It is not just.

Mr. MOREHEAD. Will the gentleman yield for a brief question?

Mr. BLANTON. I yield.

Mr. MOREHEAD. The gentleman seems to be thoroughly posted. May I ask how many, if any, of the Members of the House or the Senate own real estate in Washington?

Mr. BLANTON. I will tell the gentleman quite a number of them.

Mr. MOREHEAD. I do not ask for their names.

Mr. BLANTON. I am not going to call names, because I like my colleagues too well.

Mr. MOREHEAD. I thought that might have something to do with the liberal appropriations for the District.

Mr. BLANTON. I will tell you some pertinent facts along that line in a moment. Do you know what this bill now before us proposes to do? Did our friend from Vermont [Mr. GIBSON], our able and distinguished colleague, tell you altogether what this was going to cost you and your people? No. I will tell you what it is going to cost you. By this bill you are authorizing—and an authorization is a direction to the Appropriations Committee—the Appropriations Committee every year in the District supply bill to bring in a fixed annual appropriation of $1,100,000 for parks and playgrounds. Our friend from Vermont did not tell you that this $1,100,000 is to be given them every year from now to eternity, and yet you ought to know that when you vote for this bill.

Mr. GIBSON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GIBSON. Does not the gentleman remember that I stated it called for an appropriation of a little more than $1,000,000?

Mr. BLANTON. But did the gentleman say that was to be permanent law and would provide $1,100,000 each and every year for all time and eternity?

Mr. GIBSON. The bill speaks for itself.

Mr. BLANTON. But I want you colleagues of ours, who are not on this committee, to understand that. This bill is an every-year affair. You are not just appropriating $1,100,000 for this year, but you are authorizing that sum to be appropriated each and every year from now on, as long as the Congress lasts and the Government stands. You would have to change this law to stop it; you would have to repeal this law to stop it, otherwise it keeps on annually, just like the sun rises every day.

Mr. LINTHICUM. Could you not put a limitation in the bill as to the number of years it shall be in effect?

Mr. BLANTON. Of course you could if you had enough votes; but with only a handful of Members here on the floor, the committee will not let you; the committee will not let you change their bill. Let me tell you what else you are doing, if you pass this bill. You are not only providing for buying parks and playgrounds in the District of Columbia, but you are authorizing them to go over across the Potomac River into the State of Virginia and buy some there. You are authorizing them to cross this District line over into the State of Maryland and buy some there.

Mr. LINTHICUM. Why should you not if Maryland has something good?

Mr. BLANTON. Why should they not extend on down and buy some playgrounds in Texas?

Mr. LINTHICUM. I suspect they do own some in Texas.

Mr. WEFALD. And in Minnesota.

Mr. BLANTON. Yes; in Minnesota. For Texas and Minnesota children to play on. Why do they not go up in Massachusetts and do the same thing?

Mr. UNDERHILL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. UNDERHILL. Does not the gentleman know that in Wyoming there is a great national park, in Montana is another, another in California and Washington, and that all over this country there are national parks?

Mr. BLANTON. Oh, yes. I will let the gentleman argue that in his own time. This is Washington, D. C., though, we are now discussing.

Mr. UNDERHILL. The Capital of the Nation.

Mr. BLANTON. The Capital of the Nation; that is right. But we already have numerous playgrounds here bought out of the Federal Treasury 100 per cent, many of them, and scattered all over this city. Go out here on Sixteenth Street NW., called the Avenue of the Presidents, out there across from Mrs. Henderson's residence, and there you will see that magnificent Meridian Hill playgrounds of about 10 acres that cost this Government approximately $490,000 as the initial cost, and yet not one penny was paid by the people of the District of Columbia. Every dollar of it came out of the Federal Treasury, and we have spent several thousand dollars upon it in fixing it up since then. Almost every year we have spent some money on it. Let me mention what this Government paid when buying a few of the parks:

Zoological Park, 170 acres, costing $200,000; Rock Creek Park, 1,640 acres, $1,200,000; Potomac River flats, addition, $26,684; Piney Branch parkway, 22 acres, $76,980; Montrose Park, 16 acres, $110,000; Fort Davis and Fort Dupont, 41 acres, $21,334; Rock Creek and Potomac parkway, 159 acres, $1,300,000.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BLANTON. Yes; gladly.

Mr. SPROUL of Kansas. Does the gentleman contend that the Government furnishes a million or more dollars every year to purchase and maintain the parks in this city and then gives to the District $8,000,000 or $10,000,000 besides?

Mr. BLANTON. Oh, yes; far more than that. I am going to tell you about some other bills this committee will call up for passage. I want to get some facts before you and then you will understand better what I am driving at. There is a bill already reported on this committee's calendar, and there is a similar one over in the Senate which it passed without debate, and the newspapers to-day say that Senator PHIPPS, of Colorado, is going to attach such legislation as a rider on the

District of Columbia appropriation bill to take $4,438,154 out of the Public Treasury and give it to the District of Columbia as a so-called surplus due the District.

That is going to be given to them if the Senate passes it, and if that is given to them automatically, you know, it lowers the taxes of every taxpayer in this city pro tanto, for this sum of $4,438,154 they would otherwise have to get out of the people in taxes.

Let me call your attention to that proposition. Let me read you the act of Congress on that subject. The act of Congress passed June 29, 1922, provided:

A joint select committee, composed of three Senators, to be appointed by the President of the Senate, and three Representatives, to be appointed by the Speaker of the House of Representatives, is created, and is authorized and directed to inquire into all matters pertaining to the fiscal relations between the District of Columbia and the United States since July 1, 1874—

Please note that they were to go back to July 1, 1874—

with a view of ascertaining and reporting to Congress what sums have been expended by the United States and by the District of Columbia, respectively, whether for the purpose of maintaining, upbuilding, or beautifying the said District, or for the purpose of conducting its government or its governmental activities and agencies, or for the furnishing of conveniences, comforts, and necessities to the people of said District.

And so on.

Now, our former colleague from Nebraska, Mr. Evans, was a House member of that commission, and he filed one of the most comprehensive minority reports in connection with that proposition that I have ever read. I wish you would get it and read it. It is conclusive against this so-called surplus. I want to quote one or two excerpts from it to show you what he held.

He says, and I quote from Mr. Evans's minority report, the following:

The undersigned is unable to agree with the findings and conclusions of the majority of the committee for the following reasons:

(1) The construction of the act raising the committee as made by the majority report is erroneous, and the same objection lies as to the construction or effect of other acts bearing upon or affecting the matter investigated by the committee.

(2) The investigation made by the committee has covered neither the period nor the extent that Congress directed.

That is what your Representative in this House declared in his minority report. Listen:

(3) The finding by the majority of a balance or surplus of $4,438,154.92 as due to the District of Columbia is not supported by facts or law.

That is what your House commissioner, Mr. Evans, said in his minority report. He also says:

The alleged surplus reported by the majority of the committee is not based on such facts or information so gathered, because not all of such facts or information was gathered or searched for.

He further said:

The purpose Congress had in creating the joint select committee was to discover and report to Congress all facts bearing on the fiscal relations between the District of Columbia, hereinafter called the District, and the United States, hereinafter called the Government, in order that Congress might be able to determine the exact state of such fiscal relations.

Listen:

Such a discovery and report has not been made. * * * The act "authorizes and directs" inquiry into all matters pertaining to the fiscal relations between the District and the Government since July 1, 1874.

First. There is no question but that the act is mandatory. It is not left to the choice or desire of the committee, or a majority of the committee, to determine whether it is best, proper, or just to go into the subject matter presented for inquiry, and the act is equally specific as to the extent. It covers "all matters" pertaining to the fiscal relations * * * since July 1, 1874.

And he says they only went back to 1911 instead of going back to 1874, as the Congress directed, and yet that $4,438,154 is to be put on the District appropriation bill to-day as a legislative rider in another body and we are going to be called upon to swallow it without any investigation at all. That is not just to the taxpayers of the United States.

Let me call your attention to another thing. Just as soon as our friend from Maryland, or I should say our two friends from Maryland, pass this bill—and they can pretty nearly pass anything when they get together, because they are men of such prominence and influence. They can pass almost any kind of bill, and when they pass this bill they are not going to stop. Do you know what else they are going to do? They are not satisfied with this $1,100,000 annually for parks. They are going to immediately call up another park bill, and here is the other one. It just embraces $762,000 for more parks; that is all. For the Klingle Road valley park, $200,000; for the Piney Branch valley park, $155,000; for the area for widening the Piney Branch valley park west of Sixteenth Street, $107,000; and for a portion of the Patterson tract, $300,000; making $762,000 in that bill which they are going to pass. You are going to be called on to vote for it. Now, I went out and investigated these little park ends, and I want to show you something about them.

They claim that this particular $762,000 is necessary because after 6 o'clock in the afternoon this gate here [indicating by large photograph] is closed to the Zoo Park and they can not get from Rock Creek Park on the north through Zoo Park on the south and they must have an opening out of the west there in order to get through, as they want to have a park driveway clear through after 6 o'clock at night. You will notice this second photograph which I have had taken, and you will note that that gate could be kept open instead of closed, and I am going to show you that it can be kept open and not hurt anything at all. They say they have to lock this gate because they must keep people away from the animals in the Zoo Park. After you go into this gate, you go into this driveway [indicating by photograph] that follows Rock Creek down to the Mount Pleasant entrance of the Zoo Park, and in this second picture you see a high fence that runs along on the right fencing off the animals to the right until you get right down to this main Mount Pleasant entrance.

This is the second picture. You will notice that you go into that gate and they have a big iron fence on the right. If they will extend that iron fence 100 yards or 150 yards farther to where you see this junction of roads [indicating by photograph] and fence across this road off to the right, you would still have two roads off to the left, with all the animals fenced off to the right, and you would have two exits from the Zoo Park, one to the east up on Mount Pleasant Street and the other up by the residence of the superintendent of the Zoo Park, open all night long. If you will look at these three pictures, you will see that you can do that very thing without spending this money, buying $762,000 worth of park lands.

Let me show you the other little $200,000 item.

Mr. LINTHICUM. Will the gentleman yield? Do you know why you are asked to pay that much money for these tracts of land—because we did not do this 10 years ago.

Mr. BLANTON. We do not need it now.

Mr. LINTHICUM. We did not look far enough into the future.

Mr. BLANTON. We do not need it now. We can get through there without it. This is to benefit realtors who want to sell. If you will go out there and look at the physical facts, you will see that is true.

Mr. BOYLAN. Will the gentleman yield?

Mr. BLANTON. I regret; not just now. My time is running, and I want to get some more facts before you.

Here is a picture of the Klingle Valley Park. This is what they used to have in view. I would be in favor of buying, but Mr. Wardman has bought that property and has graded it and is fixing to build houses all over it. It is not contemplated to purchase that now at all. Here is what they are contemplating buying, this little point up here [indicating on picture]. It takes in just a little knob, and they are fixing to buy that. When I went out there and looked at that knob and then looked across the boulevard there, I saw this big, fine residence, and I said to myself, "The man who owns that mansion would like to see this knob fixed up as a park," and he would, and he is one of our particular friends who is putting both of these propositions through. The rules of the House prevent my mentioning his name.

Mr. MOREHEAD. Just name the State he lives in.

Mr. BLANTON. He hails from Colorado. He is not a Member of this body, and the rules do not let me mention his name. Here is the entrance to his magnificent residence out there on this avenue, and he is the one who is pushing both of these bills through, the surplus bill and the $762,000 park bill, so the Washington Post has stated. He is the main father of the surplus bill, you might say, and I find out that he owns and has $95,000 worth of property assessed to him here in the District of Columbia.

He has this fine residence and grounds facing 100 feet on Cathedral Avenue, and on Twenty-ninth Street northwest he has

543 feet frontage that could be cut off of the main residence grounds and not damage them any. The 543-foot frontage on Twenty-ninth Street are not needed for his residence grounds, and if you go out you will see the 543 feet has already been graded up apparently for building houses thereon. He could build 21 residences with 25 feet frontage each on Twenty-ninth Street and have some frontage on Twenty-ninth Street left over and not hurt his main residence grounds which front 100 feet on Cathedral Avenue. That property is assessed at $95,010; the residence part at $81,010, the tax upon the same being $972.12. Another portion is assessed at $7,000, and the tax on same is $84. Another portion is assessed at $7,000 and the tax upon that is $84. It makes a total assessment of $95,010 and he pays this year a tax of $1,140.12. These figures are correct, as they were given me by Mr. Richards, tax assessor of the District. If he paid the same tax rate that the people out in Denver, Colo., pay instead of paying the above tax, he would pay $2,622.27, or $1,482 more than he pays here this year. If he paid the same tax that the people in Baltimore pay, he would pay $3,106.82, or the sum of $1,966 more than he pays in Washington. This illustrates what a great saving it is to own your property in Washington, where the rate is $1.20 on the $100, than to own it elsewhere.

I want to say this to you: I am for making Washington the most beautiful city in the world. I am for taking every million dollars out of the Treasury of the United States for the Government to spend to do it that is justly needed, but I am not willing to continue taxing the already tax-burdened people of this country who have to pay their own large taxes at home to pay the civic expenses here and then let these specially favored, petted, pampered, selfish, spoiled people in Washington pay only $1.20 on the hundred and enjoy all the benefits of this great city at the expense of our constituents back home.

Take this magnificent $6,000,000 Congressional Library that would cost at least $15,000,000 now—is not it enjoyed by every citizen of the District? Take the magnificent Smithsonian Institution, the magnificent museums here, the art gallery, the magnificent parks, the magnificent playgrounds. Are not the people of the District of Columbia getting the benefit? And yet they want to tax the Government of the United States more than $8,000,000 a year, which the Cramton amendment offers them, for the very property that they enjoy hourly here in this District.

THE OLD SLOGAN HAS WORN THREADBARE

Whenever a Member of Congress seeks to change the unjust system of allowing the people of Washington to pay the ridiculous tax rate of only $1.20 on the $100, the newspapers and citizens' associations immediately resort to their old battle cry—

That Washington is the Nation's Capital and must be made the most beautiful city in the world; that the Government should pay a big part of the local city expenses because it owns so much property here.

Washington is the Nation's Capital and should be made the most beautiful city in the world, and I will go just as far as any other man through all legitimate and proper means to make it the most beautiful city in the world. Before the Government built all of its fine institutions here Washington was a mere village. Property here was of little value. It is because of the fact that the United States has spent its millions here that has caused some lots to jump in value from $100 to $100,000. Every piece of property owned by the Government in Washington is daily enjoyed by the people of Washington.

The local pay roll of the Government is a bonanza to the merchants and business enterprises of Washington. The Government pays its nearly 100,000 employees in Washington their wages promptly every two weeks in new money that has never been spent before. Chicago, or any other big city in the United States, would gladly exempt the Government from paying all taxes on its property to get it to move its capital to such city.

Because we want to make it the most beautiful city in the world is no reason why the Government should pay for building million-dollar school buildings and employing 2,500 teachers and buying the schoolbooks for the 70,000 school children of the thousands of families living in Washington who have no connection whatever with the Government except to bleed it on all occasions and to grow rich on the Government pay rolls expended here.

Because we want to make Washington the most beautiful city in the world is no reason why the Government should pay for the army of garbage gatherers, the army of ash gatherers, the army of trash gatherers, the army of street cleaners and sprinklers, the army of tree pruners and sprayers, and the street-lighting system for the several hundred miles of private residences owned by rich tax dodgers who have no connection whatever with the Government; nor is it any reason why the Government should pay for their water system, their sewer system, their police protection, their fire protection, for playgrounds for their children, for parks for their enjoyment, for their municipal golf grounds, for their numerous public tennis courts, for their bathing beaches, for their skating ponds, for their cricket grounds, for their baseball and football grounds, for their horseback riding paths, for paving the streets in front of their residences and maintaining and keeping them in repair, for building their million-dollar bridges, furnishing million-and-a-half-dollar market houses, their municipal trial and appellate courts, their jails and houses of correction, their municipal hospitals, asylums for their insane, special asylum schools for their deaf and dumb, asylums for their orphans, a university for their 110,000 colored people, their municipal libraries, their municipal community-center facilities, salaries of all their municipal officers, employees, buildings, furnishings, equipments, sanitary and health departments, and the hundreds of other things that all other cities of the United States must furnish and pay for themselves, but a very substantial part of which the people of Washington have been getting out of the Federal Treasury for years.

The magnificent Capitol and its beautiful grounds are daily enjoyed by Washington people. The Congressional Library, which cost $6,032,124, in addition to the sum of $535,000 paid for its grounds, and for the upkeep of which Congress annually spends a large sum of money, is daily enjoyed by the people of Washington. The Government furnished and maintains the magnificent Botanic Garden here for the pleasure and enjoyment of Washington people. The Government furnished and maintains the wonderful Zoo Park with all of its interesting animals, for the instruction and amusement of Washington children. The Government furnished and maintains the extensive and most beautiful Rock Creek Park, with its picturesque picnic grounds, its miles of wonderful boulevards, its incomparable scenery, all for the pleasure of Washington people. Congress has spent millions of dollars reclaiming and purchasing the lands now embraced in the Potomac Parks and Speedway, daily used and enjoyed by Washington people. The Government has spent several million dollars building the various bridges spanning the Potomac River and huge sums for the bridges spanning the Anacostia River, and spent $1,000,000 building the beautiful "million-dollar bridge" on Connecticut Avenue. The Government has spent millions of dollars on the Lincoln Memorial, grounds, and reflecting pools, the Washington Monument Grounds, Lincoln Park, on East Capitol Street, and the numerous beautiful little parks scattered all over the city, all for the pleasure and benefit of Washington people.

During the recess of Congress I wrote to the mayor of every city of any size in the United States and asked them to advise us of their local tax rates, of the charges for water, sewer, paving, and so forth, and what rate, in their judgment, they thought Washington people should pay as a minimum. I want to insert just a few in this report. The consensus of opinion was that the rate here should be at least $2.50 per $100, and there was a large per cent who were in favor of it being much higher, and the rates for taxation ranged from $2.75 to over $6.50, and in all these cities the people were charged more for water, sewer, and paving.

Let me again quote a few excerpts from the letter sent me by the mayor of the city of Peoria, Ill.:

[City of Peoria, Ill. Mayor's office. Edward N. Woodruff, mayor]

NOVEMBER 1, 1923.

Hon. THOMAS L. BLANTON,
Representative, Washington, D. C.

DEAR SIR: Answering your questionnaire of October 15, concerning relative tax rates of the cities of Washington and Peoria:

The tax rates on each $100 taxable valuation levied against the real and personal property of the citizens of Peoria for the year 1922 is itemized as follows:

City corporate tax, including library, tuberculosis, garbage, and police and fire pension fund	$1.94	
Street and bridge	.24	
School district	2.70	
Park district	.41	
		$5.29
State	.45	
County	.59	
County highway	.25	
		1.29
Total, all purposes		6.58

Unless there is a tremendous revenue derived from sources other than from taxes, the rate of $1.20 for Washington is ridiculous. While I have never had my attention called to this disparity, I am amazed that

the light has not been let into financial affairs of the Capital City long before this time.

You should be supported by every colleague in your effort to compel the citizens of Washington to do theirs, even as every citizen outside the District is doing his.

Wishing you success, I am,

Very truly yours, E. N. WOODRUFF, *Mayor*.

The foregoing statement from the mayor of Peoria, Ill., fairly indicates the sentiment of the people over the United States. It might be enlightening to quote from a few of the letters received the tax rates of some of the cities over the United States as certified to me by the mayors of such cities.

When I speak of the tax rate of these cities I, of course, mean their total tax—State, county, school, and municipal—which is the total tax citizens of those respective cities have to pay on their property, as compared with the $1.20 on the $100 rate Washington people have to pay in the District of Columbia.

The tax rate paid by the people in Baltimore, Md., $3.27 on the $100; in New Orleans, La., $3.16½ on the $100; in Portland, Oreg., $4.52 on the $100; in my birthplace, Houston, Tex., $4.29½ on the $100; in Ogden, Utah, $3.33 on the $100; in Cheyenne, Wyo., $3.75 on the $100; in Fort Smith, Ark., $3.32 on the $100; in New Bedford, Mass., $3.13; in Burlington, Vt., $3.10 on the $100; in Pittsburgh, Pa., $3.22 on the $100; in St. Louis, Mo., which is a distinct political subdivision of the State, the city tax is $2.43 on the $100; in Boston, Mass., $2.47 on the $100; in Rochester, N. Y., $3.36 on the $100; in Portland, Me., $3.40 on the $100; in Boise City, Idaho, $4.29 on the $100; in Mobile, Ala., $3.40 on the $100; in Detroit, Mich., $2.75 per $100; in Duluth, Minn., $5.79 on the $100; in Atlanta, Ga., $3.15 on the $100; in Kansas City, Mo., $2.93 on the $100; in Minneapolis, Minn., $6.52 on the $100; in Salt Lake City, Utah, $3.18 on the $100; in Oakland, Calif., $4.02 on the $100; in Austin, the capital of Texas, $3.54 on the $100; in Denver, Colo., $2.76 on the $100; in Trenton, N. J., $3.22 on the $100; in Racine, Wis., $2.87 on the $100; in Nashville, Tenn., $2.80 on the $100; in Charlottesville, Va., $2.85. And let me illustrate as the tax rate runs generally over Texas; In Paris, Tex., $4.10 on the $100; in Port Arthur, Tex., $3.54 on the $100; in Tyler, Tex., $4.61 on the $100; in Denison, Tex., $3.32 on the $100; in Waco, Tex., $3.63 on the $100; in Amarillo, Tex., $3.55 on the $100; in Temple, Tex., $3.15; in Wichita Falls, Tex., $5.05 on the $100; in Beaumont, Tex., $4.04.

Mr. Edward F. Bryant, tax collector for San Francisco, Calif., has sent me a statement certifying that the following is the tax rate paid by the citizens in the following cities: In Seattle, Wash., $8.80 on the $100; Chicago, Ill., $8 on the $100; in Reno, Nev., $7.38 on the $100; in New York, N. Y., $5.48 on the $100; in Philadelphia, Pa., $6 on the $100; in Detroit, Mich., $4.48 on the $100; in San Francisco, Calif., $3.47 on the $100; in Los Angeles, Calif., $3.89 on the $100.

What excuse have we to offer to our constituents back at home who are paying the above tax rates for permitting by our votes here the 437,000 people in Washington, D. C., to continue paying the measly little pittance of only $1.20 on the $100, based on a half to two-thirds valuation, when our constituents have to pay all the balance of the expenses of this great city?

Numerous millionaires live in Washington, having no connection with the Government, merely to get the benefit of the low taxes. You may offer all the excuses available, but we are responsible, for we could change this system, but we do not do it. Some of you will claim that "this is not the time." But it is the time, if you so ordained it, and voted now to change it.

Some of the finest people in the world live in Washington; they are selfish, but still they are fine people. [Laughter.] You can not hardly blame them; they have been sponging on the Government for years. They are making a strenuous fight now to continue the 60-40 system. They must have these hand-outs from the Government. I am in favor of making them pay not what our people pay but $2.75 or $2.50 per $100 at least. I would be satisfied with $2.50. Let them pay $2.50 on the $100 like they used to pay, and let them pay on a full valuation instead of half, and then take every bit of the balance of the expense out of the Federal Treasury, and I am then willing to go the limit with you. I only want them to pay a decent, reasonable, fair tax.

Let me call your attention to another photograph I have had taken. Here is what they want you to pay $155,000 for—a little hole in the ground out there under the Tiger Bridge on Sixteenth Street. Do you know why? They have built new houses all around it. They now want the Government to spend $155,000 for it, and then fix it up into a beautiful park for the benefit of these people who have bought these new residences. It is a real-estate proposition.

Go out here to the Tiger Bridge and look to the right at that sink hole. They want the Government to spend thousands of dollars fixing it up so that it will not look so unsightly to all those people who have paid big prices for residences around it. That is what you are doing or are going to do in the second park bill that comes up here with $762,000 appropriation in it.

I want now to call your attention to how unfairly anyone is treated who makes a fight on these propositions. When we had a hearing before our committee on May 7, 1924, they were going to vote out this so-called surplus bill without any hearing. I insisted upon a hearing, and they provided for it, but said that it must be reported back to the committee by the following Wednesday. The next committee meeting was the 14th, and the subcommittee did not meet to begin this hearing until the 12th of May, which was just two days before we had to report. We were thus given only an hour and a half or two hours before the House met on two days to have this hearing. I went before the subcommittee to produce some of the evidence that I wanted to introduce against this $4,438,154 bill. I knew that I could not go into the matter very thoroughly, but I did want to show that the matter had not been properly investigated and that no surplus was due. I had not been speaking for five minutes before some member said he did not want one member of the committee taking up all of the time and insisted on somebody else having some time. As I was the only one voting against it, I saw immediately that there was not a chance on earth to get the facts in there, and I said, "Gentlemen, I will place my facts in a minority report; I will not try to fight it out here, because there is not a chance to get the evidence in." But I had already made the following remarks, and I quote from the hearings:

There is a Texas man with large southern interests who owns the Meridian Mansions, at 2400 Sixteenth Street, which is assessed at something over $1,400,000—less than $1,500,000. I have a statement from Mr. Kirby Smith, who owns it, that he gave $2,250,000 for it, and that he has spent quite a large sum in improving that property, and that the improvements alone could not be placed there for $3,000,000, let alone the land, and yet he is assessed at less than $1,500,000.

After I left the room the following, among other things, occurred. The only witness on earth they heard was Mr. Donovan, the auditor at the District Building, who is a District of Columbia man, working for this proposition, favorable to this proposition, a taxpayer in the District, and was there seeking to have this surplus allowed. He was not against it. He said:

Mr. Chairman, with permission I would like to make one short statement for the record to answer a statement made by Mr. BLANTON; yesterday regarding the valuation of Meridian Mansions at 2400 Sixteenth Street. You will recall one statement made by Mr. BLANTON, and if you do not object, I would like to make a reply from our assessor's end of it.

Mr. KUNZ. A gentleman from Texas owns that place?

Mr. DONOVAN. I understand Mr. Kirby Smith, the present owner of the property, is from Louisiana and not Texas.

Mr. KUNZ. He said he expended $2,000,000 on the property and is only paying taxes on $800,000.

Get that, gentlemen. He claimed that I had said that Mr. Smith had put $2,000,000 in improvements on the property and was paying taxes on only $800,000. That is not my statement. My statement was that he had given $2,250,000 for it; that he had spent some money in improving it; and that the improvements, all of the improvements, not merely what he put on it, were worth $3,000,000, exclusive of the land, and that it was taxed at less than $1,500,000. I also stated that I had a letter from Mr. Kirby Smith, and I want to read you one or two excerpts from that letter. The letter is dated at Meridian Mansions, 2400 Sixteenth Street, Washington, D. C., February 1, 1924, and is addressed to me:

MY DEAR MR. BLANTON: In the Washington Daily News of January 28, under the heading of "Properties underassessed," I note that you list Meridian Mansions Hotel at 2400 Sixteenth Street. This is property purchased by me on January 1 of last year. The writer is at this time the president of the Louisiana Society of Washington, and for six years I was a director in the Federal reserve bank at Dallas—

You gentlemen know where Dallas is, do you not? It is in Texas.

To continue, I read further from his letter the following:

The usual assessment on property is 50 per cent of the valuation. This property could not be replaced for less than $3,000,000, in addition to the land, but on account of the operations of the Rent Commission and the low rental value of property, it was sold to me for $2,250,000. I have spent quite a fortune refurnishing and building over the place to make it attractive.

Then, after some other things, he signs his name E. Kirby Smith; and yet after I was misquoted in the committee room the various afternoon papers said that I had claimed that Mr. Smith had spent $3,000,000 on this property in improvements, and that it was assessed for only $600,000. The newspapers thus misrepresented me.

I said that Mr. E. Kirby Smith was from Texas. He was for six years a Federal reserve bank director at Dallas, Tex. The paper said I claimed him from Texas, when, as a matter of fact, he was from Louisiana. In that way they tried to discredit me. That is the way these Washington newspapers do when you oppose them. If you fight this thing, that is the way they treat you, but I do not pay any attention to them. I do not get up here like my friend from California [Mr. MACLAFFERTY] and call them to time every time they make a statement about me. I let them go on.

Let me tell you this about the newspapers: They are good fellows if they like you, but just you stand between them and something that they want and they will knife you, they will hound you, they will tell lies about you, they will misconstrue you, they will misrepresent you every chance they get. That is their business. They could not exist if they did not do that. They are working for the people of Washington. I am for making the people of Washington pay a fair tax rate of at least $2.50 on the hundred, instead of just $1.20 on the $100. The people of Washington do not want to pay it, and they and their newspapers are trying to hound me to keep me from fighting for the things that I believe are right. You know it works on some fellows. Just keep hounding them and they will quit, but I am not a quitter.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. I yield.

Mr. LINTHICUM. It is a rather long one. The gentleman has made several allusions to the tax rate in Baltimore I have often wondered why the gentleman does not take up another proposition in the District of Columbia. Baltimore spent $35,000,000 upon the construction of a sewerage system and a plant so that not one quart of water should go into the Patapsco River that had not passed through this system, and yet here in the District of Columbia you have a sewerage system dumping into the Potomac River raw sewage, destroying all the food fish and the oysters of the lower river.

Mr. BLANTON. Oh, I did not yield for a speech.

Mr. LINTHICUM. I do not know why the gentleman does not touch on that subject.

Mr. BLANTON. I will touch on that. I wish you would investigate like I have and get the figures on the amount of money your taxpayers contribute every year for this sewer system in Washington. Do you know back home they pay so much per month for sewer connections in most of the States? Here you get sewer connection for a nominal sum. I have Mr. Donovan's—the auditor—statement that the people here pay only a small per cent of the actual cost, that they pay $1.50 a front foot; that is all. If they own 20 feet, they pay $30 and nothing after that for sewer connection. The service is furnished free thereafter for life. And so with water. They get it for $2 per front foot. They get it lots cheaper here because the people pay very little of the expense of it. It is paid out of the Treasury. Let me tell you another thing. Do you know there is pending now before the committee and probably will be called up pretty soon, or it will be reported and probably called up because you can not stop it—there is a bill here for damming the Potomac River and spending $44,000,000 so that the people here can obtain cheaper lighting? You are going to be called upon to vote for that, and they will stick it on an appropriation bill some time as a rider. You have just given away that splendid Muscle Shoals plant which was considered a white elephant on our hands. I did not vote to give it away, however.

Mr. LaGUARDIA. It has not been given away yet.

Mr. BLANTON. By the action of the House it has been given to Henry Ford for 100 years, and now we are to be called upon to build a $44,000,000 plant up here that some of the expert engineers of this city assure me instead of costing $44,000,000 will cost at least $75,000,000 or $80,000,000 before the Government can get out of it. Let me call your attention to the fact that when the Army first attempted to build Muscle Shoals they estimated that all three dams would cost only $19,500,000, and then after we appropriated the first few million dollars for them they came back with the next estimate that the Wilson Dam, No. 2, alone would cost $25,000,000, and then the next estimate was the Wilson Dam, No. 2, would cost $35,000,000, and the latest estimate we have now is that the Wilson Dam, No. 2, alone will cost $45,000,000, while the original estimate of the War Department engineers was that all three dams, all told, would cost only $19,500,000. So you see you can not depend upon these War Department estimates. You are going to be called upon soon to vote for this $44,000,000. These newspapers here are hounding you about it already, with editorials and articles in the paper furthering that cause, and, incidentally, sticking me with pins and needles, pricking me because I am fighting it.

Mr. WEFALD. It does not hurt the gentleman any.

Mr. BLANTON. It does not hurt me with people who know me, not the people at home who know me; it does not hurt me at all.

Mr. WEFALD. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. WEFALD. On this question of publicity, is it not a fact that a man who gets very much favorable publicity from these newspapers in some way, directly or indirectly, pays for it?

Mr. BLANTON. Possibly so. I will tell the gentleman what I would like. You know I wish every one of these boys here in the gallery was my friend. I would lots rather have complimentary notices from them than such notices as I sometimes get.

I would like to be their friend. I am simply doing my duty here. If I did not stand in the way of something they want they would be my friends, for personally they are all nice fellows. Why, they come in my office and sit down and we have a nice friendly discussion. I show them every courtesy possible, but they give me the very old Nick every time I fight their projects.

Mr. WEFALD. And the gentleman gives it back.

Mr. BLANTON. But I do not get mad. I am still in a good humor with them. Now, I want to say this in conclusion, for I have taken up more time than I intended. This is a matter we must determine, and we can not determine it properly until we get the Members to know the facts, because most of our colleagues are off somewhere else. You 40 men now on the floor this afternoon have the information about this bill, and these problems, but others are away. Men think the committee members have passed on these bills, and vote for a bill and do not know what it is about half the time. I hope that when the Senate sends an appropriation bill back here with an improper rider on it that keeps up this pernicious 60-40 system in the way it has been going on, every Member here ought to stick like a stone wall until we remove such rider from the appropriation bills and let these legislative matters come up on their merits.

I am going to offer an amendment here to this park bill to provide that those funds shall come out of the District of Columbia. There is where it ought to come from. The Government has spent enough already for this park service and for these District playgrounds. If they want additional parks and playgrounds over in Maryland or Virginia let them take the money out of the District funds to pay for them and not take it out of the money of the people of the United States. Gentlemen, I submit the question to you. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. UNDERHILL.]

Mr. UNDERHILL. Mr. Chairman, the gentleman from Texas [Mr. BLANTON] has gone rather far afield in discussing this bill. He has an obsession—and I do not know that I quarrel with him on it—regarding the tax rate in the District of Columbia. In spite of myself I find myself in accord with the gentleman from Texas more than 90 per cent of the time, and he is rather unfortunate that his methods are such that his hard work and his research do not meet with greater approval from the membership of the House. That is his lookout, however, and not mine. The taxes of the District have nothing to do with this bill or his personal quarrel. The gentleman from Colorado who owns a residence out here has nothing to do with this bill. There is no use in appealing to the prejudices or the passions of Members of Congress in order to drive home a point, nor is this bill the place for it.

If the gentleman from Texas [Mr. BLANTON] will bring in a bill or if he will attach some sort of a rider to an appropriation bill fixing the tax rate for the District of Columbia I will be with him, but we can not take a proposition such as this and adjudicate or settle the tax problem of the District of Columbia. That is not what it is drawn for. Nor can the Members of the House who are engaged in committee work on other important subjects follow all of the hearings and all of the business that comes before the District of Columbia Committee. We are serving as a board of aldermen to hear these various questions and to give our best judgment on them. As I said before, I find myself in accord with the gentleman from Texas on about 90 per cent of the bills that come before us. What is this bill and what does it do? This bill is for the preservation of the flood waters in Rock Creek and to prevent the pollution of water in Rock Creek, the Potomac and Anacostia Rivers. It is partially a health measure. It is for the protection of the Congressmen and the Congressmen's guests who come here to visit them, just as much as it is for the people of the District of Columbia.

And may I say that this $8,000,000 which is contemplated and embodied in the amendment of the gentleman from Michigan [Mr. CRAMTON] is based upon the valuation of the property which the Government owns in the District of Columbia. In other words, a fair inventory has been made, I suppose, of the property of the Government in the District of Columbia, and then under the tax rate which is assessed upon the people who live in the District of Columbia, the private individuals, the Government, if it were assessed at a fair valuation, would pay about $8,000,000 to the District of Columbia. Now, if we can get that through, I will support it. I will support the gentleman from Texas on such a proposition as I have supported the gentleman from Michigan. Then it makes no difference to us or to our constituents how much money they spend in the District for local improvements. But these propositions here are more than local improvements.

I do not know how many of you have guests who come to this Capital, but ever since the snows of last winter disappeared, the streets and the hotels have been crowded with people from all over the United States who have come here to visit this beautiful city and to learn what we do here and what there is to see here.

Now, the policy of the Government is to go down into Texas, if they have something particularly beautiful down there or particularly strange or unique, and to make reservations for the people of the whole Nation. We have gone into Wyoming, and those of you who have not had an opportunity to visit Yellowstone Park have lost a wonderful thrill. We go into Montana and establish Glacier Park; we go out into California and preserve the great trees. It is true they have no such unique things here in Washington, but they have a number of beautiful valleys, a number of beautiful ravines, a number of beautiful knolls, wooded, with little streams trickling down through them, beautiful recreation places for the people who come to Washington just as they are for the people who live in Washington. Now, those knolls are being dug down by gigantic steam shovels; the earth is being moved and the ravines are being filled, and you have remaining a flat, unattractive, clay-colored country in place of the beautiful, picturesque, and delightful places which you once had.

You are drying up the sources of those little creeks by cutting off the woodland, and day after day and day after day you find what the realty men would call the improvement of these tracts. I do not consider them improvements. If you are going to preserve them for the generations that are to come, and if you are going to conserve the health and happiness of the people of the city of Washington, who are citizens in spite of the fact that they have not the vote; if you are going to have a beautiful city in Washington for your constituents to visit and enjoy and be proud of, you have got to take the chance now, get this land and preserve it before it is covered with buildings, necessary as they may be in some portions of the city of Washington.

Now, it is hardly fair to misrepresent the situation. It made an impression upon the gentleman from Minnesota; it made an impression upon other Members, but just read the bill and see what the bill provides. It is to preserve the forests and natural scenery in and around Washington. Is there any reason why we should not do that because the people of Washington pay a tax rate of only $1.20? Not a bit. We might raise the taxes of the people of the city of Washington, but we should not deprive the whole Nation of the opportunity to preserve the forest and natural scenery about the city of Washington.

It is to provide for a systematic and continuous development of the park, parkway, and playground system of the National Capital. Is that any different from what they do in your own State? The States have taken it up as a necessary part of their functions and activities. In every progressive State in the Nation, including the State of Texas, they are providing playgrounds for their children and parks for their people.

Do you know what it does further? The commission is authorized and directed to acquire such lands as in its judgment shall be necessary and desirable in the District of Columbia and adjacent areas in Maryland and Virginia, within the limits of the appropriations made for such purposes, for suitable development of the National Capital park, parkway, and playground system, and that is a perfectly sound proposition. Why confine the bill to the very limited area of the District of Columbia? You have got to go further out. You must provide playgrounds for the people who are going to occupy these great houses and great apartment houses, cooped up, in one, two, or three little rooms. Do you not think that is a good proposition for the future health and prosperity of the people of this Nation? You have got to provide some place for them to play, some place for recreation, and some place where they can go out and breathe God's pure air that has not been used over and over again as the air in this room has been used, and you go home night after night, with headaches because of the vileness of the atmosphere.

The more parks and the more playgrounds we can get now the cheaper it is going to be for the Nation, the cheaper it is going to be for the District, and the more beneficial it is going to be for the people as a whole.

It is not fair to draw a distinction between your home and my home where we pay, as we do in my own city, $3.50 tax on $100 instead of the $1.20 paid here. The situation is different. I have had hundreds of guests in Washington during this spring and to the last man, woman, and child they are proud of the Nation's Capital, and you are only asking 1 cent from each and every one of those people to support the playgrounds and parks, to extend them, and to protect them.

Mr. BLANTON. Will my colleague yield?

Mr. UNDERHILL. I yield.

Mr. BLANTON. I just want the gentleman to answer one question. What particular halo is there about the heads of Garfinkle, Woodward & Lothrop, and John Poole, the man I do my banking business with, the president of the Federal American National Bank, who have no connection with this Government, that they should live here and enjoy all these pleasant surroundings and pay a tax of only $1.20 when our people have to pay three times that much.

Mr. UNDERHILL. The gentleman and I have no quarrel on that at all, but he brings it in at the wrong place.

Mr. BLANTON. Well, where is the right place?

Mr. UNDERHILL. The right place is to introduce a bill covering that proposition and not try to defeat every proposition for the improvement of the Nation's Capital by bringing that in and repeating the same statements over and over again and putting them in the RECORD.

Mr. BLANTON. Did not my colleague make a point of order against an amendment I have offered proposing to change the tax rate to $2.50?

Mr. UNDERHILL. Yes; because it was not the place for it.

Mr. BLANTON. It was on a legislative bill dealing with taxation.

Mr. UNDERHILL. It was on this bill, and it is no place for it. If the gentleman would pay a little less attention to the RECORD—I do not want to criticise him unjustly, but if he would pay less attention to the RECORD, and if he would get all this data together, as he has, and the gentleman has spent an immense amount of time and effort in doing it, and then present it in a concrete form to the Members of the House, I believe he would have the support of practically every Member.

Mr. BLANTON. I tried to do that this evening.

Mr. UNDERHILL. But the gentleman selects the wrong place and the wrong time. That is the trouble about it.

Mr. BLANTON. It is always the wrong time.

Mr. UNDERHILL. And he is all the time bringing it up at the wrong time. Why does he not go about this matter as he does other matters and bring in a bill covering the proposition instead of trying to defeat legislation like this which is of real value not only to the people of the District but to the people of the Nation.

I want to commend the work of the gentleman from Texas. I have tried to pay him a little tribute. There is no harder worker on the floor of the House or in committee, but the trouble is he never sticks to one line. He never brings in his arguments in the right place. He is trying to get something into the RECORD which has no connection whatever with the bill under discussion.

Mr. BEGG. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. BEGG. I notice the bill provides an appropriation of $1,000,000 a year indefinitely—100 years, for instance.

Mr. UNDERHILL. Yes.

Mr. BEGG. Is that necessary?

Mr. UNDERHILL. Not at all. The gentleman can offer an amendment providing a limit of 20 years or any subsequent Congress, when they find this development has gone far enough, can cut it off altogether. We had to have some appropriation authorized.

Mr. BEGG. I am serious about it.

Mr. UNDERHILL. I know the gentleman is serious about it.

Mr. BEGG. If we appropriate $1,000,000 a year to buy land, it will not be very long before we own one-half of the State of Virginia and one-half of the State of Maryland.

Mr. UNDERHILL. This amount is necessary just now and I am sure the gentleman would not have us put it at $100,000.

Mr. BEGG. Why do you not make it $1,000,000 for five years?

Mr. UNDERHILL. All right; offer that as an amendment and I am willing to consider it.

Mr. BEGG. I think it is wrong the way it is.

Mr. UNDERHILL. Let us have constructive criticism. Let us have suggestions offered to limit the length of time, but let us not condemn the whole bill because, forsooth, Garfinkle, or Wardman, or somebody else only pays $1.20 a hundred taxes in the city of Washington.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I am heartily in favor of this bill. I think, perhaps, there ought to be some amendment by which the appropriation is limited to a certain number of years so that the aggregate amount would be sufficient to purchase the necessary land for parks. I feel just at this time it is a very important matter for the city of Washington and for the United States, it being the capital thereof, to acquire sufficient grounds in and about the District of Columbia to provide proper parks.

The gentleman from Texas mentioned a bill which is to come up, I hope, soon after this bill, appropriating certain funds for the purchase of land to extend the present park system. The amount of money provided in that bill is rather large. It is large because the very bill now under discussion was not passed some 10 years ago. If the bill under discussion had been passed some 10 years ago, the very land that we propose to purchase in the other bill could have been bought for at least one-fifth or perhaps at the highest one-third the amount which is now proposed.

We all have heard in years passed about the old Tweed ring in New York, and we remember how it was said they robbed the city of New York, but everybody will recognize the fact that the purchase of the great Central Park in the city of New York by the Tweed ring officials outnumbers in millions of dollars in value and advantages to the city of New York all the money that the Tweed ring ever filched from its treasury. Think of what New York would be without Central Park.

The passage of this bill will provide for the city of Washington protection of its water supply, sufficient land for a park system, sufficient for playgrounds, and it will be a well-thought-out plan, which we have never had. If anyone will go out here to the Anacostia River below Bennings Bridge and see what can be done with an old stream, nothing but mud flats before it was dredged and walled, they will realize the great importance of a properly thought-out park system and the advantages of systematic extension work. It will eventually provide a beautiful water front park and playground for the city.

The gentleman from Texas mentioned the fact that they are going into Maryland. It is almost impossible to go anywhere in the District of Columbia where there are no houses, and it is necessary to go into Maryland and Virginia, for the District is almost filled. You can not go from Chevy Chase Circle to the Chevy Chase Club without going into Maryland, and you can not go far beyond Bennings Bridge without going into Maryland. Maryland is not anxious for the District of Columbia to purchase land within her borders, because every mite of land that the District purchases makes so much less taxable land for Maryland and results proportionately in more taxes for the people of Maryland to pay. Maryland is interested in the city of Washington just as if it was a part of the State of Maryland.

In and about the District of Columbia at this time there are 100,000 acres of land, much of which can be bought at a mighty low rate. If a park system is devised, and if this land was purchased, in 10 years, if Congress should change its mind, it would receive five times as much as it will pay to-day. But if you delay for a few years—towns are springing up all around the District—the advantages of living near the Capital of the United States, such as the advantages derived by being at the educational center, the libraries, galleries, legislative halls, and so forth—all these things are bringing hundreds of people to and around the District of Columbia. This vast territory, beautiful in scenery, magnificent waterfalls, great woodlands, wonderful streams, wonderful views, can be purchased to-day at a very cheap price, indeed. As I have said, if we propose to wait we will have to pay a tremendously large sum for it. Why, gentlemen, this city is growing; it is the Capital of the world's great democracy; it is visited by thousands of American citizens. Shall we provide less for them than did the old monarchies and empires? It would be a crime to let these wonderful woodlands be despoiled and this scenery obliterated.

I belong to what is known as the Southern Maryland Society, composed of men who were raised around the District of Columbia, people who know southern Maryland, people who know the District of Columbia, people who know the possibilities in and around the District of Columbia for park purposes.

Mr. William M. Ellicott, one of our foremost advocates of a national park about Washington, addressed the Southern Maryland Society on the subject, as result of which the president, Mr. Alexander H. Robertson, appointed a committee, consisting of Messrs. Robert Crain, J. Spence Howard, T. Howard Duckett, William L. Marbury, R. Keith Compton, George Weems Williams, T. Rowland Thomas, and myself, to consider and to advocate its adoption. These gentlemen have studied this question thoroughly, and they approve this bill, because they believe it to be a great thing for the city of Washington to have a proper park system.

Look at other countries. Take France, with parks of thousands of acres, beautiful scenery, wonderful roads, and what a great advantage the people of France and the people of that great metropolis, Paris, receive from its wonderful parks in and around Paris. Just for a botanical garden. Look at Rio de Janeiro. There they have 2,000 acres; New York has 400 acres; Rhodesia, South Africa, 400 acres; Kew Gardens, London, 288 acres; Calcutta, India, 272 acres, and so on. Just for botanical gardens. The great cities of the world, older by hundreds of years than we are, realize the fact that the purchase of land in and around great cities for recreation purposes and for health and the protection of water supply is a most important object. England has seen proper to lay out and beautify her wonderful park of 90,000 acres, the pride of the empire.

The bill which we have does not fall very heavily on anybody. It is to be appropriated out of the funds of the District of Columbia in the Treasury on the same basis as other appropriations are provided for.

While I agree with the gentleman from Texas that perhaps taxes in the District of Columbia are not high enough, and the people ought to pay a larger proportion of this fund, that is no reason why we should not appropriate for a park system and for facilities for children and grown-ups.

Mr. BLANTON. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. BLANTON. If you will do one thing, if you will raise the rates of taxation to $2.50, which is less than $3.27 that you people pay, you will never hear another word from me against the District.

Mr. LINTHICUM. It is not a question of paying $2.50. I think the Government property in the District of Columbia ought to be appraised; we ought to know what it is worth just as we know what the Wardman property is worth and the property of other people the gentleman has referred to, and then the United States Government should pay a proper tax on the property owned, and the expenses of other Federal activities and operations, and then let the people pay the balance, whether it is $1.20 or $2.20 or $2.50. There is no reason why they should pay any more than is necessary for the District. What we pay has nothing to do with it.

Mr. BLANTON. Does the gentleman think the Government ought to pay taxes on this great Rock Creek Park, enjoyed by everybody?

Mr. LINTHICUM. I think the Government ought to pay a substantial part just as the gentleman from Massachusetts, who spoke previous to me, said. Hundreds of people from all over the country have flocked into Washington this spring. The hotel where I stop has been crowded, and every hotel in the city has been crowded by people from every section of the United States who come here to visit the National Capital. I think these things can be properly worked out, but that is no reason why we should not have these parks and woods and the beautiful scenery to protect our water supply—that is no reason why we should not do it at this time and take advantage of the present situation.

I look upon this bill as the most progressive piece of legislation passed in the interest of the city of Washington and District of Columbia for many years. It will provide a systematic park planning for the future, which can be gradually worked out as the appropriations become available. I feel, as my

friend Mr. Ellicott has said, that there should be a great park stretching from Washington to the Patapsco River near Baltimore, taking in those beautiful branches of the Little and Big Patuxent Rivers, embracing at Savage what is known as the Little and Middle Patuxent. The Great Falls of the Potomac and the Palisades of the Potomac should become a part of this park system. There should be a cooperation between Maryland, the city of Baltimore, and the District of Columbia through which the beautiful scenery of not alone the Patuxent and Potomac Rivers should be protected but likewise those lovely stretches along the Patapsco River. This park could be wide or narrow, as the topographical conditions might dictate. The greater part of it would embrace land useless for other than park purposes; some parts should be reforested, and as the timber matures the park could be made self-sustaining largely through the sale of timber, which should be cleared and new trees planted. We must realize that since the advent of automobiles and the great motor busses citizens can resort to the recesses of the forest and stream without much difficulty, to their great advantage from a health and recreation standpoint. With the present congestion of traffic, small parks become areas of pleasure. The increase of population, the advance in prices for farm and forest lands require immediate action. The bill before us is that progressive action which I believe will mean so very much for the District of Columbia. Washington, the Capital of the Nation, should not alone be beautiful but it should be the model of all American cities. Through its example our people should be led to great things in city planning. We are building for the future as well as the present.

As I have said, Mr. William M. Ellicott, at Baltimore, has been a great advocate for a National Capital forest and has been a great supporter of the measure now under consideration. It gives me great pleasure, therefore, with the consent of this House, to insert his article on the subject:

A NATIONAL CAPITAL FOREST

(By William M. Ellicott)

The object of this paper is to recommend the creation of a national forest for demonstration and experiment and as a setting for the United States Capital. Such a forest would be a fitting background, worthy of the dignity of the Nation's seat of government, and would give continuity and variety to the impression gained from the magnificence of buildings, boulevards, and monuments of the city proper.

Some of the Western States are happy in having areas set aside as national forests and national parks, and national forests are now to be established in the East, in the northern and southern Appalachian Mountains. We look also to Biltmore, in North Carolina, as a great achievement, and should view it as an object lesson in practical application of the principles of forestry to private lands. All these examples, however, are unfortunate in one respect—their remoteness from the main traveled routes, rendering them inaccessible to the vast majority of our people, for whom they exist but as shadows, exerting the minimum of influence in their daily life.

The necessities of the present time are such as to demand a full and thorough demonstration of the possibilities of the management of forests and their rehabilitation.

The experience of European nations illustrates, first, the dangers arising from denudation and, second, the commercial value of reforestation when it is done under scientific management.

The use of forests by the people becomes a habit which inures to the benefit of the whole population, adding to its vigor and zest of life.

Agricultural expansion in America has left certain areas unconquered because of their unfitness for cultivation, and in some of these rests the hope of future generations. One of these tracts, though sadly mutilated, has remained to our day a vast forest useful for no other purpose. Providentially also, it exists in a place which above all others should recommend it for protection and improvement to the people of the United States. It forms the background of the National Capital, beginning at the bounding line of the District of Columbia at Bladensburg and extending northeast nearly 20 miles until it crosses the Patuxent River, a tract of 41,000 acres, while separated from it by a narrow strip between Washington and Laurel, there is another body of 16,000 acres. Beyond the Patuxent it swings eastward, touching the Severn and South Rivers, and reaching the outskirts of Annapolis, the seat of the United States Naval Academy, and thereby adds another area of 43,000 acres.

Another forest district of vital importance to the Nation's Capital, containing some grand scenery which, though separated from the main bodies by the breadth of Montgomery County should be included in the purchase, borders the banks of the Potomac River from the District line to a point beyond the Great Falls, an area of 10,000 acres. Conditions here are distressing in the extreme, as no effort has so far been made to care for it, and year by year injury to the landscape is done. Surely devotion to the public welfare should prompt Congress to protect this great possession.

The value of the lands in question is comparatively small, but as the pressure of population increases this will not continue, and it is not wise to defer provision for its purchase. Altogether these areas cover 110,000 acres. The Forest Service should ascertain the merits of the various districts for forest purposes and study the replanting of certain parts, and a commission should plan for the maximum of beauty and utility, which are lost for want of skillful and intelligent handling.

Watercourses should be improved and artificial lakes could be made as beautiful as natural ones, and the attraction of the woods may be enhanced by the erection of suitable buildings properly located. A structure of the character of a small chateau to serve the traveling public as an inn or automobile club would not be out of keeping.

Here, then, at the gateway to the Capital lies a splendid domain such as the kings of the earth from the earliest time have taken for themselves and jealously guarded as among their dearest possessions. We see it in the New Forest in England, with its 90,000 acres—established by the Conqueror—in Fontainbleau also, and in that one which existed in the shadowy past within the present borders of the city of Paris, of which the Louvre retains the name of the king's hunting lodge of that day.

Many other forests might be mentioned, as, for instance, that proud possession of the city of Zurich, given to it by Charlemagne.

Looking, then, for a moment at the forest through the silver birches among the laurels and into the hemlocks beyond, or turning about and gazing across a lake over the receding hills at sunset, you may in spirit visualize what you have many times seen with the eye of the flesh and thus discern what the people may do for themselves and why they should do it for their own well-being and for the benefit of generations to come.

At the southern apex of the territory indicated is the old town of Bladensburg and neighboring hamlets. Here are found historic specimens of colonial architecture—the Calvert mansion, the inn at which General Washington used to rest when he was planning the great city, and Parthenon Heights, a quaint old house of Revolutionary days. It is here that the two main branches of the Anacostia River meet, the one stream coming down from Tacoma Park, near the northern corner of the District of Columbia, and the other, or Northeastern Branch, emerging from the principal forest areas with which we have to do. The road leaving Bladensburg crosses the Anacostia Bridge and arrives soon at the border of the forest, and after traversing several miles of interesting country the line of the Pennsylvania Railroad is reached. It then turns north and enters the forest again, passing through spruce, pine, oak, and poplar, all of which under present ownership is kept thinned out as it becomes of commercial value in the local market for timber, railroad ties, pulp, or firewood.

Reference to the accompanying map, which is made from detailed charts of the forest areas of the Maryland Forest Department, will show that the District is approached by numerous electric and steam railways as well as by county and turnpike roads.

On approaching the height of land between Anacostia and the Patuxent watersheds there are hills of considerable height. Thence one descends rapidly to the Patuxent River Valley, across which the forest still continues, reaching out toward the Patapsco, whose 20 miles of lovely nature extend from the harbor of Baltimore to Relay, thence to Ellicott City, 6 miles, and continues beyond between Baltimore and Howard Counties, which is a part of the parking system of Baltimore.

To render the forest available for use as a pleasure ground it must be opened to access. Intersecting alleys should be planned, concentrating, perhaps, at some quiet pool or pretty refuge, and the roads which traverse it should be improved and the system extended to connect by way of the Potomac, the Anacostia, and Rock Creek with the parking system of the District of Columbia, and with that future pantheon of American greatness, the Mall, which will one day rival the most splendid examples of formal landscape design of the Old World.

The undertaking of such a scheme will not only be the glory of our beautiful Capital but it will offer to a dense urban population and to countless transient visitors every form of sylvan pleasure which the inheritance of past ages can suggest from periods when the joy of life and pleasure in beauty went hand in hand.

For these reasons the purchase of a large tract of forest land at a cost of from two to three million dollars by the United States Government is advocated. Had another site been chosen for the Capital, it is likely that the problem of its surroundings would have been entirely different, because the existing conditions are unique, and the suggestion of a forest background might have been chimerical and impracticable. It is this condition which arrests the attention both of the practical man and the artist.

Fortunately, however, for this project, both as to its direct bearing upon the adornment of the Capital and its value in assisting in the promotion of forest cultivation and protection, whether private, State,

or National, all the circumstances illustrate the wisdom and even necessity of prompt provision for the need of the people.

Its value for experimental and demonstration purposes can hardly be overestimated. The product of an average acre of such land planted in forest, at a cost of $6, and cared for at an almost negligible annual expense, at the end of a period of 40 years is about $200, which represents a handsome profit from otherwise valueless property.

Large tracts in private lands throughout the Eastern States are available for this purpose only, and their almost universal neglect constitutes at once a great menace through their injurious influence upon climate and water supply and an immense financial loss, while to demonstrate the possibilities of this branch of agricultural industry and science should be a great advantage to the Nation.

If the United States Government desires to regard it simply as an object lesson it may look forward to a handsome revenue without contemplating such extensive cutting as to materially diminish its beauty and attraction.

Nearly all the great forests of Europe pay large profits, and the example of some of our great railroads in reforesting tracts to produce railway ties, telegraph poles, and other timber shows that the time has come when the original forests must be replaced by artificial means. The plan here outlined has been widely approved by societies interested in the public welfare and by the press. For the sake of brevity an editorial of the New York Evening Post, which appeared also in the Nation, is quoted, as follows:

"Probably the first impulse of nine persons out of ten on reading the proposal that the Government shall create a national forest of 100,000 acres immediately adjacent to Washington City will be to say that it is nonsense. But it is anything but nonsense. * * * That there is a considerable forest area in a primitive state in the region bordering on Washington must strike everyone at all acquainted with that section. * * * If the tract is all Mr. Ellicott thinks it is there is probably no investment of a few million dollars that would be better worth while. To preserve in perpetuity a genuine national forest of 150 square miles in extent within a stone's throw of the National Capital would be an invaluable achievement."

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and also leave to extend as a part of those remarks a little article by Mr. William M. Ellicott on the national park system. The article is not very long.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman further asks unanimous consent to extend his remarks in the RECORD by inserting the article referred to. Is there objection?

There was no objection.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. When the opportunity came to me to introduce in the House a bill identical with the Senate bill before you, I grasped it eagerly because of the pleasure I felt in the chance to have even some slight connection with this program. In my judgment it will, in the course of time, bring more happiness to more thousands of persons than any other matter that we are considering at this session. Longer ago than I like to recollect I was a member of a college class in which one of my fellow students was a modest, retiring, unassertive youth, the son of the president of the college. I doubt if at that time anyone of his 200 fellow students would have picked him out as the man destined to confer a greater boon upon his fellow men than anyone else in the class. He was not spared for long life. The other day the graduates of that institution and many others honored the ninetieth birthday of his father, the foremost private citizen in the Union. Yet sometimes I wonder if all that President Eliot ever did for his fellow men would outweigh the service rendered it by his son, Charles, my classmate, who became the father of the metropolitan park system of Boston and its surroundings. At the time he began his work for this system there were remonstrances at such expenditure of money, like those you may hear nowadays whenever any public progress of the sort is contemplated. We have acquired now in the creation of that system, I see by the report before you, property worth $60,000,000. I do not believe there is a man or woman in the more than a million people making up greater Boston who would to-day express regret at the expenditure of $1 of that money or who would consent to part with 1 acre of that land. If this summer by chance any of you are in Boston, I should deem it a personal kindness if you would hunt me up and let me show you what we think is the chief glory of our community. I should take you through these parks, and I am sure that you would leave them with recollections of a happier day than any of sight-seeing in all your life.

The same thing ought to be done for Washington and on the same scale.

Yesterday I took the people's limousine, the electric car, and rode out to Great Falls, or nearly there, to Glen Echo. It has been my lot to travel more or less about the world and to see most of its capitals, and as I looked out of the window of the car I tried to recollect another with a spot more capable of delight to the senses than the palisades on the river and the groves that adorn its banks.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. BLANTON. Has the gentleman ever gone up the river on the other side, on the Virginia side, toward Great Falls?

Mr. LUCE. Only in the people's limousine.

Mr. BLANTON. Well, you go over one of the roughest kind of roads. If the Government should buy that land over there and build a magnificent boulevard, then the constituents of my friend from Virginia [Mr. MOORE] would not have to build that road themselves. There is method in this madness of buying Virginia land and Maryland land, to fix it up for the people of those two States. I have been over that road and it is an awfully rough road.

Mr. ZIHLMAN. Mr. Chairman, I think the gentleman from Texas used 55 or 57 minutes and has 2 or 3 minutes left. I think he could yield the gentleman from Massachusetts one of those minutes.

Mr. BLANTON. Oh, I have 10 minutes left.

The CHAIRMAN. The gentleman from Texas has no time remaining.

Mr. BLANTON. There must be some mistake about that.

The CHAIRMAN. The time of the gentleman from Massachusetts is running. Does he yield?

Mr. LUCE. I have little more to say. After I had left the car yesterday I climbed up to Glen Echo Heights and if any of you have never enjoyed that walk in between the Conduit Road and the River Road through the woods, I advise you to take it. For an hour I walked among the trees and over the fields, and came back with a strengthened conviction that it would be a crime if the Nation neglected the opportunity to acquire a reasonable part of the suburbs of the city for the delight, not of ourselves alone, but of the generations yet to come.

This bill is drawn to put into effect the system under which our Boston parks were developed. The suggestion has been made that the time should be limited. It is now more than 80 years since we began these Boston developments, and we continue them and they will be continued indefinitely, because the community is always growing and there is more and more need for the extension of the facilities for play, recreation, and the pleasures of the open. While I see no great harm in restricting the time, yet it will inevitably be extended through the years as the people become more and more appreciative of these opportunities for health and enjoyment.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, while I am not a member of the District Committee, I have heard so much during the last few years about the question of local taxes and the cost of the District government that it seems to me that we are overdoing it. To support the plan repeatedly presented by the gentleman from Texas [Mr. BLANTON] is to ignore the theory of local government under which the Capital was brought to the District of Columbia. Imagine what it would be to have the Capital in any city other than where it is now, with the District set aside for that purpose. Imagine the executive departments and Congress being embarrassed and annoyed by municipal ordinances and municipal regulations. It seems to me that this cry of the people at home objecting to the cost of the local government here is somewhat exaggerated. I come from a part of the country where we pay a great deal of the Federal taxes and I have never heard any complaint on that score.

It is just part of the overhead cost of government. Why, police protection, fire protection, education are necessarily part of the cost in having our National Capital here. I think we would do better to spend our time on matters of greater importance than to be eternally trying to economize in a ridiculous way about the cost of government in the District of Columbia. We must bear in mind that Congress passes on all District municipal activities. The District was purposely set aside as the site for the Capital, so that there should be no municipal or State interference. Of course, it costs money; but really there is no need of all this alarm that is being sounded continually by the gentleman from Texas.

I am not so sure that the arrangement suggested by the amendment of the gentleman from Michigan is the right thing to do. It seems to me that the cost of running the District of Columbia ought to be borne in fair proportion by the National Treasury. Now, on this question of parks, I want to congratulate the committee in coming in here with bills for the acquisition of parks. Gentlemen, you can not look at this project with a provincial viewpoint. I had some experience in municipal government in my city. The time to acquire parks is at least 25 or 50 years before you need them. If you permit your city to grow beyond park limits, it is too late. When there is real need of parks and playgrounds you may find yourself in a condition where you can not buy any ground within distance suitable for that purpose when you need them. In my city if the municipal government had looked forward, as they did to Central Park, for other places on the island of Manhattan, we would not have the densely congested tenement districts all over the city. So during my time at the city hall we went out and bought land here and there, waiting for the city to build up, as it naturally will, and then find the parks awaiting the growth. To take the time of Congress in seeking to economize on parks and schools or anything that tends to beautify this city, I say it is just overplaying for the folks at home. For my part, I can assure you there will be no complaint from the taxpayers of my State, and that State pays a great part of the taxes, if we spend the money judiciously to beautify this city and make it the most beautiful capital in the whole world. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. I believe I have seven minutes remaining?

The CHAIRMAN. Yes; the gentleman has seven minutes.

Mr. ZIHLMAN. I yield that to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman and gentlemen of the committee, in my opinion this is a good bill having a proper view to the future and it should pass. Whenever man has attempted to create anything beautiful he has failed except where he has followed the examples of God. His efforts to paint or carve a woman is worth while just in proportion to the accuracy with which he traces the human form; his effort to paint a landscape is a success in proportion to his ability to faithfully reproduce some natural view. Man-made parks with flower beds and close-cut grass and terrace upon terrace leave a sense of labor and fatigue. Around the city of Washington there are many beautiful natural parks, God-made woods and streams, that are rapidly becoming dissipated. Beautiful Rock Creek has diminished in volume of flow one-half within the last 8 or 10 years, due to the destruction of the timber on its headwater slopes. The stream itself is being polluted by sewage leading into it from property not owned by the Government. It is certainly wise and proper for this Congress to take a step forward in matters of constructive legislation for the future of the District. No other city in the United States with 400,000 or 500,000 people, as this city, but has provided for its future beauty in some such way. I think the Congress will make a mistake of putting a time limit, as suggested by the gentleman from Ohio. Future Congresses can repeal the bill if necessary, and this amount of money is needed, and the citizens of the District, and of the entire country as well, will get no greater enjoyment from any other source. The remarks of the gentleman from Texas [Mr. BLANTON] are very proper, although they have no special relation to this bill. I also want to take this time to discuss a matter along the same line and equally as inapplicable to this bill. I have been on the District of Columbia Committee for three years, and I will say I have conscientiously worked, and I find that we are gradually falling behind in constructive municipal legislation. Not only in the lack of a comprehensive park system but in many other constructive measures the District is falling behind other cities and States.

We have not in the District of Columbia any adequate insurance code. We have no comprehensive banking system. We have no fraudulent securities law or blue sky law. We have no workman's compensation law. We have no venereal disease bill, and our transportation system is confused, resulting in exorbitant street-car fare, and the reason for it is that Congress has not time to legislate in these matters. Just the other day I was astonished to find that it was necessary for an act of Congress to move the bodies of two children from a cemetery in the District of Columbia over to a cemetery in Maryland where their relatives have been buried. Something has to be done, and we might as well face the situation. Something has to be done toward a legislative system properly functioning for the Government of the United States and also for the District. The Members of Congress can give their serious attention this summer to a proper solution of this problem. The gentleman from Oklahoma [Mr. MCKEOWN] discussed legislation along the line which would take from Congress the necessity of passing on all of these unimportant and purely local matters and placing them in the legislative control of the District and yet retain in the Congress the power of vetoing any act. As the gentleman from New York [Mr. LAGUARDIA] just suggested, it certainly would be unwise for the District to be in the control of any local government. I call his attention to the fact that the Congress itself was chased through the streets of the city of Philadelphia when it was under local control there. It ought not to be under local control, and yet it ought not to have the exclusive control of all local matters. The result of this situation——

Mr. GIBSON. Will the gentleman yield?

Mr. GILBERT. I will.

Mr. GIBSON. Does the gentleman think there would be any danger of a similar proceeding at the present time if Congress were located in some sections under local control?

Mr. GILBERT. Well, it could be harassed considerably by ordinances and local restraint. It ought to have the privilege of exclusive control and yet not be annoyed by having to consider every little act of detail that might come up in city government as it is now.

I took this time just to make these few observations for the benefit of the record and the consideration of Members of Congress during the summer because we might as well face the fact that something has to be done here in the District, and neither my remarks on this subject nor the remarks of the gentleman from Texas on insufficient taxation can be considered as having special applicability to this bill. This bill ought to pass——

Mr. TILSON. Will the gentleman yield?

Mr. GILBERT. I will.

Mr. TILSON. As I understand, the gentleman favors the Government retaining absolute control over the District in which it is established?

Mr. GILBERT. Yes. Madison, in his comments on that matter before the Constitutional Convention of 1787, used the thought that it would be unwise for the Government of the United States to be under the control or subject to the limitations of local jurisdictions.

Mr. TILSON. I think he was entirely sound in that, and we ought never to permit ourselves to deviate from it.

Mr. GILBERT. And certainly 110,000,000 people ought to be able to have a home somewhere, and at the same time an act of Congress ought not to be required for every executive or administrative function as, for instance, to remove a body, like we had before us the other day.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That to preserve the flow of water in Rock Creek, to prevent pollution of Rock Creek and the Potomac and Anacostia Rivers, to preserve forests and natural scenery in and about Washington, and to provide for the comprehensive, systematic, and continuous development of the park, parkway, and playground system of the National Capital, there is hereby constituted a commission, to be known as the national capital park commission, composed of the Chief of Engineers of the Army, the Engineer commissioner of the District of Columbia, the Director of the National Park Service, the Chief of the Forest Service, the officer in charge of public buildings and grounds, and the chairmen of the Committees on Public Buildings and Grounds of the Senate and House of Representatives. At the close of each Congress the Presiding Officer of the Senate and the Speaker of the House of Representatives shall appoint, respectively, a Senator elect and a Representative elect to the succeeding Congress to serve as members of this commission until the chairmen of committees of the succeeding Congress shall be chosen. The officer in charge of public buildings and grounds shall be the executive and disbursing officer of said commission.

Mr. BEGG. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 2, line 3, after the word "on," strike out the words "Public Buildings and Grounds" and insert in lieu thereof the words "the District of Columbia."

Mr. BEGG. Mr. Chairman, all there is to that is to make the chairmen of the Committees on the District of Columbia of the Senate and House of Representatives members of this commission instead of the chairmen of the Committees on Public Build-

ings and Grounds. I believe the District of Columbia Committee is the proper committee to be represented on this commission, as that committee knows more about the affairs of the District than any other committee, not even excepting the Committee on Public Buildings and Grounds. That is the only purpose I have in offering the amendment.

Mr. ZIHLMAN. Mr. Chairman, I accept the amendment.

Mr. CHINDBLOM. Mr. Chairman, I rise to support the amendment offered by the gentleman from Ohio. I observe that this bill itself has been reported to the House by the Committee on the District of Columbia. I am a little surprised that they were so generous——

Mr. UNDERHILL. So modest.

Mr. CHINDBLOM. The gentleman from Massachusetts suggests modest. I was not prepared to use that exact word in this connection; but I will be glad to accept his suggestion and to say that I am a little surprised they were so modest and so generous as to provide for the membership upon this commission of chairmen of committees other than their own.

In this connection, and along the line of the testimonials which have been made by representatives of other large communities of the country, I want to say, coming from the second largest city in the Union, that I am very much pleased that we have embarked upon this plan of providing further park space and recreation space for the people of the District of Columbia. In Chicago we not only have, as everybody knows, a large number of very spacious parks which have been established within the city, but outside of the city we have established a forest preserve which contains lands at this time amounting to 34,000 acres, which are devoted to recreation grounds for the public. It is a movement which ought to be encouraged throughout the entire country.

Mr. MOORE of Virginia. Mr. Chairman, a while ago some gentleman made a remark in reference to this bill which seemed to be based on the assumption that the plan which it embodies is instigated by the States lying nearest to the District—the State of Maryland and the State of Virginia. This is a complete misapprehension, so far as my own State is concerned. The State of Virginia has had nothing to do with the origination of this proposed legislation. I personally have had nothing to do with it. While, of course, living as near as I do to the city of Washington, I perhaps know more about conditions surrounding the District than some of the other Members, I can view the subject in an impartial and unprejudiced way if I am capable of taking that attitude in respect to any subject.

It strikes me that gentlemen should have no difficulty in concluding, from what has been stated in general terms here, that the people of the entire country are interested in the Capital City; that they should have no difficulty in believing that whatever we can fairly do should be done to make the Capital City still more attractive and beautiful than it is now. And it can hardly be doubted by anyone that the outlying country in proximity to the city should receive the attention of Congress, so that the city itself may not suffer from any failure to look after the situation in Maryland and Virginia so far as it is closely related to the matter of the future of Washington. Reference has been made to the shores of the Potomac. The State of New York has taken steps to safeguard, by park extension, the beautiful palisades of the Hudson.

Here is one of the most notable rivers of the world. Those who have not traversed it from its source in the mountains to its mouth at Chesapeake Bay hardly know how noble and picturesque is the Potomac as it winds its way from West Virginia down to Point Lookout. Is it thinkable that Congress should not concern itself to protect the palisades of the Potomac, and I am mentioning only one of the matters which is had in mind by the friends of this bill? That is inconceivable, and yet the palisades are being defaced and broken down by blasting processes that have been going on for several years, and that will continue unless there is Government intervention.

I do not know of any sentiment in Virginia that favors the passage of this bill, except the same patriotic sentiment which all other States share with Virginia. I do not know of a solitary landowner in Virginia who has suggested that he will be benefited by it, and I wish to repel the suggestion, so often made here, that when the gentleman representing a Maryland district [Mr. ZIHLMAN] and I, representing a Virginia district, participate in the enactment of legislation relative to the District of Columbia that in some manner involves Maryland and Virginia that we are actuated by selfish motives.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. May I ask permission to speak out of order? I did not get an opportunity to proceed in general debate, and this is a matter of great importance.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed out of order. Is there objection?

Mr. ZIHLMAN. For how long?

Mr. McKEOWN. I would like to ask for consent to proceed 10 minutes.

Mr. ZIHLMAN. I will have to object to the gentleman having 10 minutes. We would like to finish this bill, and I hope the gentleman will not insist on having 10 minutes. I would not object to his having 5 minutes.

Mr. McKEOWN. I can not proceed with this matter in five minutes.

Mr. ZIHLMAN. It is now 5 o'clock, and we have a number of sections to read. I hope the gentleman will let us finish the bill.

Mr. McKEOWN. I hope the gentleman will be patient with me.

Mr. ZIHLMAN. Suppose the gentleman renews his request a little later or asks for five minutes.

Mr. McKEOWN. It is on a very important matter.

Mr. ZIHLMAN. I would not object later on when we get a little further along with the bill.

Mr. McKEOWN. Then I will ask for permission to speak out of order for five minutes, Mr. Chairman.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to speak for five minutes out of order. Is there objection? [After a pause.] The Chair hears none.

Mr. McKEOWN. Mr. Chairman and gentlemen of the House, I desire to call the attention of the Congress to the invasion or threatened invasion of the power of the Executive by the judiciary of this country.

Very recently two judges of the United States court have held that the President of the United States does not have the right to pardon or to issue pardons in contempt cases. I want to call the attention of the Congress to the fact that in the very earliest history of our Government it was conceded that the President of the United States had such power; in fact, the power in the President to grant pardons and paroles is contained in that section of the Constitution which gives him the greatest power of all, and that is the power to be a dictator in time of war. In that very section is contained the power, "and he shall have power to grant reprieves and pardons for offenses against the United States, except in cases of impeachment."

There is only one exception. It is contended that in contempt cases it is not a criminal proceeding, and for that reason the President of the United States can not grant pardons or reprieves. Let me show you where this will lead. If that remains the law it will be so that every newspaper editor in America will be in danger of being imprisoned. Free speech and free press will depart from a free country.

I call your attention to a decision in the very early history of our country by a Federal judge in the State of New York in which he held that—

> where a fine was imposed upon a person by this court as a punishment for contempt of this court committed by violating an injunction issued by the court, and it is ordered he shall stand committed until the fine shall be paid, and he applied to this court for discharge from imprisonment on the ground he was unable to pay the fine, held that this court would not exercise the power invoked, at least until the President should disclaim the power to relieve the applicant by a pardon. Contempt of this court is an offense against the United States. An adjudication by the court that the contempt has been committed is a conviction, and a commitment thereon is execution.

In face of that decision they perhaps rely upon the famous Debs decision in which it was held that in civil cases a contempt was not a criminal offense; but, gentlemen, the press of this country will be alarmed, the people of this country will be alarmed when they know they are now threatening to invade the power of the Executive.

Every one of the Attorneys General prior to 1860—and I have found no decisions to the contrary since—held that contempt of court was a case in which the President could exercise the power of pardon. The act of two Federal judges in the early history of this Nation brought about congressional action. After Kentucky was admitted into the Union as a State, it passed a law against imprisonment for debt and the Federal courts in Kentucky, having no Federal statute under which execution could issue, proceeded under rules of their own making to imprison judgment debtors in Kentucky. This

brought about the most violent excoriation upon these judges by the Congress. Now we behold a more serious invasion of the Executive's rights and the arbitrary setting aside of the Constitution. I hope the new and able Attorney General will resist to the utmost this invasion.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McKEOWN. Will not the gentleman let me conclude?

Mr. BEGG. Will not the gentleman extend his remarks? It is 5 o'clock, and let us finish the bill. I can see no reason why the gentleman should not extend his remarks and let us go on with the bill.

Mr. McKEOWN. I have been very patient and I have not imposed on this House and I think everybody knows that I have not imposed on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. BEGG].

Mr. ZIHLMAN. I accept the amendment, Mr. Chairman.

The amendment was agreed to.

The Clerk read as follows:

> SEC. 3. That there is authorized to be appropriated, each year hereafter, in the annual District of Columbia appropriation act, a sum not exceeding 1 cent for each inhabitant of the continental United States as determined by the last preceding decennial census, to be available until used, said sum to be used by said commission for the acquisition of the lands herein authorized to be acquired by said commission for the purposes named, the compensation for the land, the expense of surveys, ascertainment of title, condemnation proceedings, if any, and necessary conveyancing to be paid from said appropriations. That three-fourths of all the funds so appropriated shall be used by said commission for the acquisition of lands within the District of Columbia and the funds so used to acquire property within the District shall be paid from the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenses of the District of Columbia. The land so acquired within the District of Columbia shall be a part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army; that areas suitable for playground purposes may, in the discretion of said commission, be assigned to the control of the Commissioners of the District of Columbia for playground purposes. That the land so acquired outside the District of Columbia shall be controlled as determined by agreement between said commission and the proper officers of the States of Maryland and Virginia, such agreements to be subject to the approval of the President.

Mr. GIBSON and Mr. BLANTON rose.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Vermont, in charge of the bill, is entitled to preferential recognition.

Mr. GIBSON. The chairman of the committee, before he assumed the chair, had some amendments which I am very glad to offer in my own name, and I am sure they will be accepted.

The CHAIRMAN. The gentleman from Vermont offers an amendment which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. GIBSON: Page 3, line 23, after the word "census" strike out "to be available until used."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman——

The CHAIRMAN. The gentleman from Vermont has a series of amendments.

Mr. BLANTON. Mr. Chairman, I have been here eight years——

The CHAIRMAN. The gentleman from Vermont is in charge of the bill. The gentleman from Vermont offers an amendment, which the Clerk will report.

Mr. BLANTON. Mr. Chairman, I make the point of no quorum, if we are not going to have the usual rules followed here.

The CHAIRMAN. The gentleman from Texas makes the point that there is not a quorum present. The Chair will count.

Mr. BLANTON. I withdraw it, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas withdraws his point of order, and the Clerk will report the amendment.

The Clerk read as follows:

> Amendment offered by Mr. GIBSON: Page 3, line 24, after the word "commission," insert "for the payment of its expenses and."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

The CHAIRMAN. The gentleman from Vermont offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Page 4, line 4, after the word "appropriation," strike out all to and including the word "Columbia" in line 7.

Mr. BLANTON. Mr. Chairman, I offer a substitute.

The CHAIRMAN (Mr. SNYDER). The gentleman offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. BLANTON as a substitute for the amendment offered by Mr. GIBSON: Page 4, line 9, after the word "Columbia," strike out the balance of line 9 and all of line 10.

Mr. BLANTON. Mr. Chairman, if my amendment is adopted these funds hereafter will be appropriated wholly out of the funds of the District of Columbia for additional parks and playground purposes. I do not see why we should continue to appropriate for these purposes out of the Federal Treasury. Under the bill we appropriate one-quarter of the whole sum out of the Treasury, and the remaining three-quarters come out of the District and Government 60–40. I think that is a bad practice.

The only reason I mentioned the land in Virginia is that the bill authorizes it. I meant no reflection on our good friend from Virginia [Mr. MOORE], but here in his district all along the Potomac River on the other side. All of these funds we have been spending there inure to the benefit of his people. When we built the several million dollar Key Bridge his people did not have to spend a cent for it, but they use it every day. If we buy the parkway from here to Great Falls on the Virginia side and supplement that by a road with a fine boulevard, his people will get the benefit of it. If we appropriate $44,000,000 to build the dams at Great Falls and all that fine reservoir and park system, his people will enjoy it. He can not get around it. It is no reflection on him, it is advertising him and his ability in getting that out of the Federal Treasury.

The next park bill is to appropriate $762,000 out of the Treasury. I am not reflecting on the gentleman from Maryland [Mr. ZIHLMAN]. I am advertising him as being able to get this money out of the Federal Treasury. This House bill was introduced by him. If we spend $44,000,000 out at Great Falls, his people living in Maryland will get the benefit of it. This amendment of mine ought to pass. We ought to stop taking this money out of the Federal Treasury. We have spent enough money here already.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. The two amendments of the gentleman from Vermont has offered, one pending and the other not before the House, do this. They provide that all the expenditures under this bill shall be borne as other expenses of the District.

Mr. BLANTON. That is 60–40.

Mr. CRAMTON. At present that is 60–40, as the bill provides three-quarters come in that way and one-quarter exclusively from the Treasury. The amendment the gentleman has offered does away with that.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. I had this in mind. In view of the fact that we have spent $490,000 to buy playgrounds out on Sixteenth Street, wholly out of the Treasury, and the District did not contribute to it at all, and we have spent 100 per cent out of the Treasury to buy several park grounds, I thought it was only fair that additional park places should be paid for wholly out of the District appropriation. But if my colleagues do not agree to it, I can not help it.

Mr. ZIHLMAN. Mr. Chairman, I hope the committee will vote down the substitute offered by the gentleman from Texas. I think I speak for the entire committee when I say that the amendment proposed by the gentleman from Vermont, which provides that these expenses for park purposes shall be borne 60 per cent by the District and 40 per cent by the Federal Government, is entirely satisfactory to the committee. We should not attempt in this legislation to change the fiscal relationship and policy existing between the District of Columbia and the Federal Government. That is entirely another proposition and should be met upon its merits at some other time. It has no place on this bill, and I hope the substitute offered by the gentleman from Texas will be voted down.

Mr. MOORE of Virginia. Mr. Chairman, I think the way in which my friend from Texas [Mr. BLANTON] presents his views is a little ungenerous. The gentleman, if he will stop to consider a moment, will, of course, realize that many improvements of advantage to the city of Washington, and which are necessary, as, for instance, the construction of bridges across the Potomac, are, of course, at the same time advantageous to the State of Virginia, without regard to what we Virginians may say or do. I am frequently surprised to hear my friend speak so ungenerously on this subject. I think he might now and then reflect upon what the State of Virginia has done for his own State. From my country across the Potomac and from other sections of Virginia young men went out to participate in the war with Mexico, the result of which meant so much to Texas. It happens that a kinsman whose name I bear was one of them. He and many others gave their lives in battle against those who questioned the right of Texas to be free. After a while a Virginia President signed the resolution which authorized the annexation of Texas to the Union, and placed the star of Texas on the flag along with the stars of the older States. Before that a Virginia President had insisted upon the application of the Monroe doctrine with respect to Texas when two of the great powers of Europe were greedily asserting their right to establish colonies in Texas. But why elaborate the history of the past with which he is so familiar? I hope hereafter that my friend will be more considerate. I hope he will bear in mind the fact that while I have introduced several bills, some of which are now pending before his committee, I have not been conspicuously successful in securing their enactment, and should receive his support of at least some of them, which, while they will be beneficial to my State, will be primarily and equally beneficial to the District of Columbia.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Texas.

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Vermont.

The amendment was agreed to.

Mr. GIBSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GIBSON: Page 4, line 7, after the word "and," strike out "the funds so used to acquire property within the District" and insert in lieu thereof the following: "the funds so appropriated."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 3, line 20, strike out all of lines 20, 21, 22, and that part of line 23 including the word "census," and insert in lieu thereof the following: "not exceeding $600,000 for the next fiscal year of 1925."

Mr. BLANTON. Mr. Chairman, the bill provides every year interminably for an appropriation of $1,100,000. My amendment is to authorize an appropriation for the coming fiscal year of $600,000, and then let the Congress furnish what it desires hereafter. I am not in favor of $1,100,000 every year for all time to come.

Mr. BEGG. Mr. Chairman, I offer the following amendment as a substitute for the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Page 3, line 21, after the word "act," strike out the rest of line 21 and lines 22 and 23 to the comma after the word "census" and insert in lieu thereof "$1,000,000."

Mr. BEGG. Mr. Chairman, it seems to me rather an awkward way to authorize an appropriation to say that we are going to appropriate 1 cent per person in the United States annually. That is approximately $1,100,000. Let us just authorize $1,000,000 and say what it is and not say a certain number of inhabitants.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. ZIHLMAN) there were—ayes 10, noes 22.

So the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. TILSON. Mr. Chairman, I move to strike out the last word. If this amendment be adopted, we may as well reject the entire bill. What purpose does it serve to make large plans for the future and then provide that before you can do anything under them you must go back every year and get an authorization from Congress? It absolutely kills the usefulness of the bill, especially when we realize what difficulties the District Committee has in getting legislation through, even the simplest legislation.

It seems to me that unless we wish to discard this whole legislation, which seems to me to be useful and constructive, we ought to vote down the amendment of the gentleman from Texas.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. TILSON. Yes; I will yield.

Mr. McKEOWN. Does the gentleman think it is a wise proposition at this time, in view of the statement of the President asking Congress to remain within reasonable bounds in the matter of appropriations? Would the gentleman vote to pass this bill and then have some fellow go out in his district and say that he voted to authorize an appropriation of $10,000,000 or $15,000,000 or $20,000,000?

Mr. TILSON. I think that it is very important to preserve the places around Washington which are so well fitted for a parking system, in fact, far more important than even that the gentleman from Oklahoma or myself be elected at the coming election. It seems to me that the election should cut no figure here whatsoever. This bill is carefully safeguarded, and, after all, Congress must make the appropriation year after year, which is proper. The authorization for a plan of this sort, however, should be made so that we can make the appropriations year after year if we see fit without having to come to Congress year after year for a new authorization.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. BEGG. I have another amendment to offer.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 3, line 20, after the word "hereafter," insert "for 10 succeeding years."

Mr. BEGG. Now, Mr. Chairman, just a word on this amendment. In the first place, I think it is ridiculous to authorize here an appropriation of a cent a person. It is too big a joke and ridiculous for me to be serious about it, to try to put over on the American people that you are assessing for park purposes in the District of Columbia a cent a person. That has nothing to do with this amendment. The other is a burlesque. This amendment limits the time that this bill applies to a change in the census. Now, 10 years is a long time to appropriate an indefinite sum of money.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BEGG. I will.

Mr. SPROUL of Kansas. Does not the gentleman imagine that the owners of these worthless bills around about here will be chagrined at the knowledge of not being able to get more than $10,000,000 for them?

Mr. BEGG. If the gentleman is asking a serious question I will be glad to answer it. I believe in park purposes, but I also believe in a definite policy, and I also believe in having the courage to come out and say what we are going to authorize, and I think we ought to say for how long. Under the bill as it is to-day we are legislating for the next 500 years. If we put in an amendment limiting it to the next 10 years, certainly there will be a Congress in session with enough intelligence to know whether it will continue to keep on appropriating or not.

Mr. UNDERHILL. In almost every large city where they are undertaking this development it has taken anywhere from 18 to 20 years to carry it out, and I think if the gentleman will refer to the history of the park development of his own city of Cleveland, Ohio, he will find it extended over a period of 22 years. In Boston it extended over a period of 20 years, and you are not going to have some scientific plan if you are only going to extend this over a period of 10 years, that is not sufficient time, but if you will make it a reasonable amount, say 20 years, then you can have a plan of some scientific value and carry out the provisions of the bill.

Mr. BEGG. Well, I am not satisfied——

Mr. UNDERHILL. I move to amend by inserting 20 years.

Mr. BEGG. I will accept the amendment as far as that is concerned. I think we ought to put in something definite, 10 or 20, but the gentleman's amendment is agreeable to me. I have no desire to hurt the bill, but it seems to me that we ought to present a bill in some sort of condition that we will not be ridiculed for what we are turning out. I will accept the amendment of 20 years.

The CHAIRMAN. Is there objection to the modification of the nemndment? [After a pause.] The Chair hears none, and the amendment is so modified.

Mr. McKEOWN. Mr. Chairman, I rise in opposition to the amendment as amended. Gentlemen, I think you are making a mistake. Of course, you can do as you want to do. You are going to put in this bill a million dollars for 10 years, which will make $10,000,000. Every message from the President has been asking the Congress to economize. Now you go out here and put in $10,000,000, or rather authorize such an appropriation. There are people in this country whose businesses are closing up; hard times are stalking in the street. And then it goes out in every direction that the Congress of the Nation is putting in its time appropriating $10,000,000, of which $6,000,000 is to be paid by the taxpayers. And for what? For playgrounds for the people of Washington! Now, do you want that to go out to the country; do you want the information to go out to the country and let all the people know that you do not propose to economize, although you are called upon to do so by the President?

Mr. BEGG. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BEGG. Is the gentleman in favor of the bill without the amendment?

Mr. McKEOWN. No, sir. I am in favor of the bill if you limit the amount to start with. The Treasury is not in any condition at this time to be making authorizations for large sums of money.

Mr. BEGG. That is what I am trying to do—limit it.

Mr. McKEOWN. The difference between the gentleman's amendment and the bill is that the gentleman is in the open with his amendment and states what he wants to do, while this bill is under a cloud. It says 1 cent on each one of the inhabitants of the United States, and I will not vote for any bill that would put even a cent on my people.

Mr. FITZGERALD. Mr. Chairman, it seems to me that we lose sight of the fact that a great mass of the legislation in this House puts no limitation on amounts to be appropriated. I call the attention of the members of this committee to the fact that one of the great criticisms has been the laxity of Congress in passing appropriate legislation which will legally permit including in appropriation bills amounts for things which the people and Congress desire to provide for and which if a single Member objects must be stricken out of appropriation bills on a point of order, although 434 other Members of Congress approve the item. I recall that the present chairman of this committee by a point of order had stricken out the appropriation for the aerial mail.

I believe it would be just as wise, when we have determined on a proper policy for the District of Columbia, the Capital of the country, to put no limitation in the bill. We are not appropriating any money, but we are putting it within the power and judgment of succeeding Congresses to appropriate the amount which would be thought wise in the judgment of those who come after us and in keeping with the condition of the Treasury from time to time and the needs and the opportunities of the people in extending the growth of this National Capital.

I do not object to the bill in the shape it is now in, but I do object to putting further restrictions upon it, which will show that we are less farsighted than George Washington, who secured the help of Major l'Enfant and planned this glorious Capital. His vision of the destiny of this mighty Republic was real prophecy. We find that we have been shortsighted in our neglect to carry out the original plan. We have blocked the extension of our great avenues and streets. The plans of the Father of his Country have been warped, marred, and crippled. We ought to have a plan for this city and ought to pass legislation now which shows a confidence in our country in future and a general policy looking toward the development of this Capital. This development will be carried out by appropriate appropriations in keeping with the judgment of these Congresses which come after us. We may wisely be satisfied with the limitation provided in the bill, because it is a limitation not carried in many bills which are passed without any criticism.

Let us not seek to tie the hands of future Congresses and create obstacles by limitations in legislative enactments which, while authorizing future appropriations, may, because of our limited vision, dwarf the normal growth in beauty and usefulness of the Capital of the greatest nations. I hope that this amendment will be rejected.

The CHAIRMAN. The time of the gentleman from Ohio has expired. The question is on the amendment offered by the gentleman from Ohio [Mr. BEGG].

The question was taken, and the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CRAMTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 112) providing for a comprehensive development of the park and playground system of the National Capital, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were—ayes 37, noes 0.

So the previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the third reading of the bill.

The bill was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I have a motion to recommit, and may I make a parliamentary inquiry? The previous question having been ordered, if the House should adjourn before we take the final vote on the motion to recommit, then the bill would come up the first thing in the morning?

The SPEAKER. Certainly.

Mr. BLANTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to recommit the bill to the Committee on the District of Columbia with instructions to report the same back to the House forthwith amended as follows: "On page 3, line 20, after the word 'hereafter,' insert 'for five years,' and in line 21, after the word 'exceeding,' strike out the balance of line 21 and all of line 22 and line 23 down to and including the word 'census' and insert in lieu thereof '$1,000,000.'"

POSTAL SALARY BILL

Mr. PAIGE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the postal bill.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. PAIGE. Mr. Speaker, under leave given me to extend my remarks, I desire to present some information regarding the pending postal salary bill (H. R. 9035) and to make some observations on the question of parcel post and other postage rates, although there is nothing incorporated in the bill which will be presented to the House for action within a few days contemplating an adjustment of rates on any class of mail matter.

In the present Congress a large number of bills have been introduced proposing increases in salaries of postal employees. At least one of these bills contains a provision for raising the revenue to meet the increased cost in salaries by increasing the postage rates on parcel post. A number of bills have also been introduced proposing changes in postage rates on the different classes of mail matter.

The Committee on the Post Office and Post Roads has very carefully studied all these measures, and in reporting to the House this increased salary bill—H. R. 9035—points out as its conclusion that a revenue-producing measure should not be presented for the consideration of Congress at this time. The question of a proper postage rate is one which can be determined only upon information which it is peculiarly within the province of the Post Office Department to ascertain and furnish to Congress. No commission or committee or any other body without the cooperation of the department could possibly make a survey of the Postal Service and an ascertainment

of the cost of transportation and handling and the revenues from the several classes of mail.

The question of a proper compensation for the services of postal employees is another question, information concerning which, based on living costs, working conditions, wages, and salaries in other occupations and industries or activities is readily available to Congress from other sources. The Committee on the Post Office and Post Roads, before whom appeared nearly 300 Members of the House and Senate who testified at great length as to the needs of the service for more adequate salaries and better working conditions, also received information from more than 50 representatives of the groups or organizations of these employees, as well as official information on the subject from the Civil Service Commission, the Department of Labor, and others, and also thousands of letters and petitions from patrons of the service, urging Congress to increase the salaries of the postal employees—to which they are entitled.

Adverting again to the question of increasing postage rates, in a letter to the committee under date of February 29, 1924, the Postmaster General said:

> There never was an ascertainment of the cost of carrying and handling the several classes of mail matter and performing the special services, excepting once, in the history of the department. In 1907 Congress authorized certain weighings and counts of mails for such purpose and the department concluded an estimate in 1909. That estimate was thereafter reviewed by the Hughes Commission in 1911–12. The findings made at that time are inapplicable to the conditions of service to-day, which conditions have changed materially in many respects. Realizing the importance of an ascertainment brought up to date in dealing with all postal questions, the Congress wisely, through the efforts of the Joint Postal Commission and later by an appropriation of $500,000 to be expended by the Postmaster General, authorized such an ascertainment. The department made comprehensive and elaborate preparation for securing the data, which data is now in hand and being checked, arranged, and tabulated for the purpose of use in the final ascertainment. The undertaking is a large one, involving a vast amount of work, and the results are not yet available. It is believed, however, that they will be ready within a few months.
>
> No readjustment of postage rates or fees for special services can be made intelligently until this ascertainment has been made.

There are four classes of mail. The first class includes letters, post cards, and sealed matter which yields a profit; the second class includes newspapers and periodicals. That the revenue from this class of mail does not cover the cost of transportation and handling is generally accepted. Whether or not the rates should be increased or decreased, can not be readily determined. Upon the completion of the ascertainment of cost referred to by the Postmaster General, Congress will be able to act. The third class consists of miscellaneous printed matter, circulars, and so forth. The revenue from this class of mail is very small, comparatively, and even if the rates were doubled the additional revenue derived would be inconsiderable. The fourth class, which is parcel post, has been in operation but a few years. Its growth has been tremendous, until today practically all small freights and express matter are carried in the mails as parcel post.

The act of Congress establishing the parcel-post system (37 Stat. L. 558) provides as follows:

> The classification of articles mailable as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this act, if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts or the revenue therefrom, he is hereby authorized, subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classification, weight limit, rates, zone or zones, or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

Under this provision the Postmaster General has the authority, among other things, to change the rates of postage to insure the receipt of revenue from such service adequate to pay the cost thereof, subject to the approval of the Interstate Commerce Commission. It requires no act of Congress to make the adjustment. The determination as to what the rates should be rests upon the conditions as the Postmaster General shall find them by investigation from time to time, and it is no answer to the demand for an increased wage to the employees, that the consideration of their bill should be postponed pending an ascertainment of the facts necessary to an adjustment of postage rates.

And further, I wish to again point out that the Postal Service is a growing business. The normal growth, based on the experiences of the past, is sufficient to absorb a very large amount of the increase asked for by the postal employees in a twelvemonth in actual revenue. What the benefits might be in the way of increased efficiency and improvement in the morale of the personnel can not be overestimated.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 2875. An act to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.;

H. R. 2882. An act to provide for the reservation of certain land in Utah as a school site for Ute Indians;

H. R. 6628. An act to change the name of Jewett Street west of Wisconsin Avenue to Cathedral Avenue;

H. R. 4981. An act to authorize the Secretary of War to grant permission to the city of Philadelphia, Pa., to widen Haines Street in front of the national cemetery, Philadelphia, Pa.;

H. R. 1442. An act authorizing issuance of patent to Charles Swanson;

H. R. 656. An act to add certain lands to the Plumas and to the Lassen National Forests in California;

H. R. 8050. An act to detach Reagan County, in the State of Texas, from the El Paso division of the western judicial district of Texas and attach said county to the San Angelo division of the northern judicial district of said State;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 169. An act to amend an act entitled "An act to amend section 73 of an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved June 12, 1916," and for other purposes;

H. R. 5416. An act to authorize the setting aside of certain tribal lands within the Quinaielt Indian Reservation in Washington for lighthouse purposes;

H. R. 7113. An act to establish a dairy bureau in the Department of Agriculture, and for other purposes;

H. R. 2884. An act providing for the reservation of certain lands in Utah for certain bands of Paiute Indians;

H. R. 1475. An act for the relief of Luke Ratigan;

H. R. 2713. An act to transfer certain lands of the United States from the Rocky Mountain National Park to the Colorado National Forest, Colo.; and

H. R. 6355. An act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

PARK AND PLAYGROUND SYSTEM OF THE NATIONAL CAPITAL

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division, and, pending that, I make the point of no quorum.

The SPEAKER. Will the gentleman withhold that to allow certain routine business?

Mr. BLANTON. I withhold it for that purpose, Mr. Speaker.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted—

To Mr. WINTER, for two days, on account of very important business.

To Mr. CASEY, for two weeks, on account of illness in family.

To Mr. McSWAIN, for four days, from May 28 to May 31, on account of important business.

MEMORIAL DAY, 1924

Mr. LOWREY. Mr. Speaker, I ask unanimous consent to extend my remarks and in extending my remarks to include the speech by our colleague, Mr. WILSON of Mississippi, made at the decoration of Confederate graves yesterday afternoon, and to include newspaper quotations from President Coolidge's very kindly and wholesome address on the same occasion.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. LOWREY. Mr. Speaker, it is fitting that we set aside a day to celebrate the services of our heroic dead and to pay loving tribute to their memory. This ought to be a time when thoughts indulged and things said should bind all our people into a closer brotherhood and tender the hearts of true Americans toward all humanity. God forbid that we should make this sacred occasion an opportunity for stirring up prejudice and hatred.

Three years ago, at this season, I had the honor to deliver the address on Confederate Memorial Day at Arlington. I spoke, not in a controversial tone, on the life and character of Jefferson Davis, the first and only President of the Confederacy, one of the greatest and one of the most misunderstood of all Americans. I believe the most appreciated compliment I received on that speech was from Mr. Osborne, of California, then the only old Union soldier in the House. He said that in "the tragic war of the sixties" he had fought for an unbroken and indissoluble Union, and that he now wanted to see it a real union of the hearts of the people. And he very kindly added that the content and tone of my speech would help to that end. Since that time the loved and honored Henry Z. Osborne has gone to his reward. May his benevolent spirit brood over the country he loved.

At this same season three years ago the now lamented Warren G. Harding said:

> There is no longer a sign of conflict. We are united in the sweetest concord that ever united men.

And Secretary Denby, in a great speech made down South, said:

> I am a northerner, but first I am an American. You can not take from me my pride in Lee and Jackson and Pickett, and your own immortal Forrest.

This is as it should be. Surely we have gotten far enough from the bitter days of the Civil War to honor every brave soldier, whether he wore the blue or the gray, and to admire every feat of valor on either side, rejoicing in it as American valor.

On the afternoon of the 25th of this month many of the good people of Washington again gathered in sacred Arlington to decorate the Confederate graves and attend the reunion of that thin line of aged and heroic men in gray. My brilliant young colleague, T. WEBBER WILSON, of Mississippi, delivered an able and inspiring address and our honored President, Calvin Coolidge, though a New Englander, spoke kind and candid words, which the people of the South will hear with deep appreciation.

Under permission to extend my remarks, I have the honor to place quotations from both these addresses in the RECORD:

MR. WILSON'S ADDRESS

Every day is Memorial Day in the heart of every loyal son and daughter of the South. But we come again on this Sabbath day to this historic spot to remember again those brave men who in 1861 followed the Stars and Bars.

The South did not fight, as some people mistakenly believe, to keep the negro in bondage, but we fought for as holy a principle as ever engaged the hearts of men. We fought in order that the world might know and understand that every State in this American Union was a sovereign State and as such it had a right to work out its own destiny. Some people have referred to the cause for which the South fought as the "lost cause." I resent such a statement with every fiber of my being. No cause that was just was ever lost. I remember what Woodrow Wilson once said:

> "I had rather fail in a cause that will ultimately triumph than to triumph in a cause that will ultimately fail."

The South did not fight for a lost cause, because the very principle for which they offered up their lives and fortunes has been enshrined in the hearts of men.

PROUD OF DAVIS

I am proud of the fact that my State, the great Commonwealth of Mississippi, had the honor to give to the Confederate States of America their first, last, and only President. A truer type of southern manhood never lived than Jefferson Davis, the man who was indeed a martyr to a sacred cause. We regard him as one of the greatest citizens whose names enrich and adorn the annals of Mississippi. It is with deep regret that I have heard some of his own countrymen question the motives that moved and directed his great life. Many of our people have seen fit to criticize this good man—many times have the shafts of criticism been directed at him—but when the mists of prejudice have finally been wafted away upon the winds of reason we will behold the same great and noble man, Jefferson Davis, standing serene and unharmed. A great Mississippian said of him—and I believe it with all my heart—"E'er another century has rolled by no intelligent voice can fail to praise him and no patriotic hand will refuse to place a laurel wreath upon his radiant brow."

THEIR MEMORY SACRED

I hope the day will never come when we will cease to honor the memory of Jefferson Davis and all those who followed him and his leadership in the dark days between 1861 and 1865. Would that I possessed the mystic power to wipe from your minds all recollections of that awful struggle that drenched our beloved land with the blood of our brethren, but had I that power I would not erase from your minds the memory of those brave and courageous men who spilled their blood in order that the principles near and dear to every southerner's heart might not perish from the earth.

I wish that I possessed the gift of eulogy in order that I might pay just tribute to their memory. I feel almost persuaded to break Emerson's law of self-reliance and call to the matchless pen of some Shakespeare or the silver tongue of some Prentiss to proclaim their services to their country; but even if I were possessed of the gift of eulogy the bravery, fortitude, and courage of these immortal souls need no eulogy. Long after they have all crossed over the river where rest Lee and Jackson and their comrades under the shade of the trees; long after the marble shafts that mark their resting place have crumbled back to dust, their memory will be green and fresh within the heart of every true American. Their matchless acts and deeds of heroism are truly the everlasting monuments of their blessed memory.

THE GREATEST SOLDIERS

Some historians have said that the greatest soldiers the world ever saw were those who stood upon the banks of the Marne River in the recent world upheaval and barred the gateway of a Christian civilization against the onrushing hordes of Germany, but I desire to avail myself of this opportunity to say that the world never saw a braver or more courageous body of men than those who fought beneath my Southland's flag from 1861 to 1865. Their deeds of valor made glorious many a battle field and their devotion to a great principle will quicken the heartbeat of generations yet unborn when they are privileged to read the pages of impartial history.

A truer, more perfect type of manhood can not be found in all of the periods of the world's history than that which followed Lee and Jackson and the other southern chieftains, and who when the bloody conflict was at an end came home and drained the fields that were running red with the blood of their countrymen, rebuilt their desolated places, and set about the work of man.

HATE AND ILL WILL GONE

And I thank God that in the rebuilding of our devastated places we did not use one particle of the mortar of hate nor a single brick of ill will. Every true southerner to-day thanks God that we have a united country, and that the Mason-Dixon line is not any more a yawning chasm of death and destruction, but it is merely a red scar of honor across the heart of this Republic, binding us together forever with unbreakable ties of friendship and of love. To use the words of Benjamin Hill, "There was a South of slavery and secession. That South is dead. There is a South of union and freedom. That South, thank God, is living, breathing, and growing every hour."

And I know if the Confederate soldiers, both living and dead, could speak to us on this occasion that they would say to us that the most acceptable service we can render upon this occasion is to extol the glories of a common country. Of course, I love my Dixieland better than any other section of God's green earth, but I am proudest of the fact that I can stand this day tiptoe upon the horizon of civilization and declare to all mankind that I am an American citizen.

THE PRESIDENT'S SPEECH

If I am correctly informed by history it is fitting that the Sabbath should be your Memorial Day. This follows from the belief that, except for the forces of Oliver Cromwell, no army was ever more thoroughly religious than that which was commanded by General Lee.

Moreover, these ceremonies necessarily are expressive of a hope and a belief that rise above the things of this life. It was Lincoln who pointed out that both sides prayed to the same God.

When that is the case, it is only a matter of time when each will seek a common end.

We can now see clearly what that end is.

It is the maintenance of our American form of government, of our American institutions, and of our American ideals, beneath a common flag, under the blessings of Almighty God.

It was for this purpose that this Nation was brought forth. Our whole course of history has been proceeding in that direction. Out of a common experience, made more enduring by a common sacrifice, we have reached a common conclusion.

On this day we pause in memory of those who made their sacrifice in one way. In a few days we shall pause again in memory of those who made their sacrifice in another way. They were all Americans, all contending for what they believed were their rights.

On many a battle field they sleep side by side. Here, in a place which is set aside for the resting place of those who have performed military duty, both make their final bivouac. But their country lives.

The bitterness of conflict is passed. Time has softened, discretion has changed it.

Your country respects you for cherishing the memory of those who wore the gray. You respect others who cherish the memory of those who wore the blue. In the mutual respect may there be a firmer friendship and a stronger and more glorious Union.

When I delivered the address dedicating the great monument to General Grant in the city of Washington, General Carr was present with others of his comrades, and responded for the Confederacy with a

most appropriate tribute. He has lately passed away, one of the last of a talented and gallant corps of officers.

To the memory of him whom I had seen and heard and knew as the representative of that now silent throng, whom I did not know, I now offer my tribute. We know that it is Providence that would have it so. We see and we obey.

A mightier force than ever followed Grant or Lee has leveled their hosts, raised up an united Nation, and made us all partakers of a new glory. It is not for us to forget the past, but to remember it, that we may profit by it.

But it is gone, we can not change it. We must put our emphasis on the present and put into effect the lessons the past has taught us.

All about us sleep those of many different beliefs and many divergent actions. But America claims them all. Her flag floats over them. Her Government protects them. They all rest in the same divine peace.

TRANSFER OF CERTAIN LANDS AT CAMP JACKSON, S. C.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on House bill 490.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. FULMER. Mr. Speaker and gentlemen of the House, permission having been given me to extend my remarks in the RECORD in connection with the passage of H. R. 490 as an amendment to H. R. 9124, I would like to say: In the summer of 1917 a number of citizens of Columbia subscribed to a fund for the purchase of a tract of land containing 1,192 acres near the city of Columbia, S. C., and gave same to the Government of the United States as a camp site. Upon this site Camp Jackson was located, and thereafter the United States Government acquired additional lands to the extent of 20,000 acres in round numbers. This tract of land was conveyed to the United States Government on the 16th day of November, 1917, by J. Edwin Belser, as trustee, in behalf of the subscribers to the fund through which the 1,192 acres had been purchased, and the deed was accepted by the United States Government and was duly recorded in the office of the registrar of deeds, Richland County, S. C.

The heart of the camp was located upon the 1,192 acres. Street-car tracks, railroad tracks, and concrete streets and roads were built across it. On January 10, 1922, a subcommittee of the Military Affairs Committee, in making its report to the Committee on Military Affairs regarding lands owned by the Government and under the control of the War Department, recommended that all lands that had been given to the Government for war purposes by a State, municipality, society, or individual, on which no valuable improvements had been constructed by the Government, that a conveyance back to the State, municipality, society, or individual could very properly be made without pecuniary consideration.

However, it was impossible to reconvey this tract of land to the original subscribers who numbered about 150—according to testimony given to the committee by Mr. Frank Pierson, secretary Columbia Chamber of Commerce—as some of them were of a corporation which has been dissolved, and in other instances subscribers to this fund have since died, and so forth. Therefore, in order to accomplish a desirable and practical proposition, the original subscribers, either in person or by their heirs of law or personal representatives, have signed a formal written instrument confirming, requesting, and directing that the United States Government reconvey the said 1,192 acres of land as set forth in the bill H. R. 490.

Desiring to hold on to the original camp site and other adjacent lands for future use of the Federal Government, the Secretary of War consented to reconvey to this board of trustees certain other two tracts of land containing 1,192 acres in lieu of the original 1,192 acres as designated in said bill. A list of those subscribing to said fund and who are now requesting the conveyance of said lands to these certain trustees is as follows:

Now, therefore, we, the subscribers to the said fund and citizens of the city of Columbia, S. C., hereby express our desire to cooperate to the end aforesaid and our hearty approval of the said effort and purposes of the said Chamber of Commerce of the City of Columbia, and we hereby consent to such reconveyance of such land and buildings, or any part thereof, as the chamber of commerce shall request and the said United States Government be pleased to make, and, upon and in event of such reconveyance, we jointly and severally covenant to, and do hereby, release and relinquish unto the grantee thereof, his or its successors, heirs, and assigns, any and all right, title, interest, or estate, present or future, which we, or any of us, have, or may be or become entitled to, of and to the said tract of land and the appurtenances thereto belonging.

Witness our hands and seals, this 31st day of May, 1922.

W. S. Nelson; Jno. J. Cain; James L. Tapp Co., by J. L. Tapp, president; James H. McIntosh; T. A. W. Elmgren; C. M. Lide; S. T. Carter; Wm. Elliott; Central Drug Co. (Inc.), by W. E. Caughman, manager; Jno. W. Lillard (Inc.), by Jno. W. Lillard, president and treasurer; the Carolina National Bank of Columbia, by W. A. Clark, president; Robt. Moorman; Ruff Hardware Co., by T. D. Ruff, president; Perry-Mann Electric Co. (Inc.), by W. M. Perry, president; Lorick & Lowrance (Inc.), by Lee A. Lorick, secretary and treasurer; Lorick Bros.; Copeland Co. (Inc.); C. M. Asbill; E. A. Jenkins; W. H. Guimarin & Co.; R. M. Caldwell; The Marshall-Frost Co.; T. D. Hook; F. G. Swaffield; The National State Bank of Columbia; Wm. Barnwell; Alex. McDougan; E. P. & F. A. Davis (Inc.); The Taylor Drug Co.; M. B. DuPre Co.; Overland-Columbia Co.; DuPre Auto Co.; W. E. Avery; J. D. Miot; The Peoples National Bank; Liberty National Bank of South Carolina; J. B. S. Lyles; Columbia Grain & Provision Co.; J. L. Mimnaugh; Richard H. Sullivan; M. R. Austin; C. C. Townsend; St. John Hotel; P. H. Lachicotte & Co.; T. C. Pope, jr.; Southern States Supply Co.; Southern States Supply Corporation; W. L. Blanchard; Cementile Roofing Co.; C. F. Williams; Carolina Bond & Mortgage Co.; E. C. McGregor; J. W. St. John; L. A. Emerson; E. J. Brenuen; Wingfield Drug Store; Lipscomb Drug Store; Sylvan Bros.; Carolina Life Insurance Co.; T. M. Quattlebaum; The Murray Drug Co.; P. B. Bearden & Son; A. Jatterson, jr.; Thomas J. Robertson; W. S. Mullins; T. M. DuBose, sr.; William H. Inglesby; F. B. Shackleford; J. W. McCormick; W. D. Lever; The Columbia Savings Bank & Trust Co.; Young & Germany; J. D. Dial; Perry M. Teeple; City Development Co.; W. S. Reamer; H. Muller & Sons; Francis H. Weston; Benet Shand & McGowan; The Cantonment Realty Co.; The Columbia Railway, Gas & Electric Co.; Edwin W. Robertson; J. Edwin Belser; William W. Arthur; F. William Cappelmann; John J. Earle; William D. Melton; August Kohn; George E. Lafaye; J. C. Townsend; W. G. Belser; David G. Ellison; W. T. Aycock; John E. Black Co.; Willie Jones; M. Ehrlich & Sons; The State Co.; E. O. Black; W. B. Summersett; J. Hughes Cooper; C. B. Owens; J. S. Pinkussolin Cigar Co.; Monroe Mayer; Hunger A. Gibbes; C. C. Pearce & Co.; Columbia Lumber & Manufacturing Co.; The McCreery Land & Investment Co.; The McCreery Pressley Co.; C. W. McCreery; Irvine F. Belser; R. B. Herbert; Walter L. Love; A. W. Fogle & Co.; John R. McIntosh; W. A. Holman; The Bank of Columbia; R. Beverley Sloan; Habenicht McDougall Co.; H. Gordon Kenna; S. S. Hardin; J. Pope Mathews; Palmetto National Bank; Clarence Richards; National Loan & Exchange Bank; William H. Lyles; John P. Thomas, jr.; Record Publishing Co.; R. Carlton Wright; Morton Visanski; R. S. Patterson; Kirkland Distributing Co.; Powell Fuel Co.; George W. Waring; Walter Ravenel Co.; The Shandon Annex Co.; Columbia Supply Co.; Joseph M. Bell; James A. Cathcart; C. Fitzsimons; Frank G. Tompkins; G. M. Berry; Turvin-Child Electric Co.; T. B. Stackhouse; R. J. Bialock; E. W. Parker; E. F. P. Leaphart.

Section 1 of the bill or amendment authorizes the Secretary of War to convey by appropriate quitclaim deed to nine trustees and their successors to be selected by the Chamber of Commerce of Columbia, S. C., to be known as "Trustees of Columbia Cantonment Lands," the said 1,192 acres and also gives boundaries, and so forth.

Section 2 sets forth the rights and privileges of the Federal Government and of the trustees respecting roads, streets, street railway and railroad tracks, and so forth.

Section 3 provides that the said trustees shall hold, use, manage or sell or convey these lands or any portion thereof, and of the proceeds and revenues of the same for the following purposes: Agricultural, educational, industrial, and charitable, with a proviso that no sale or conveyance shall be made until the Secretary of War shall have given his consent thereto in each instance.

Section 4 outlines the selection and procedure of the trustees in connection with these lands or the proceeds therefrom.

The transfer of these lands to said trustees as requested by said subscribers for purposes as set forth in said bill has the

further indorsement either by letter or telegram of the following:

Columbia Retail Merchants Association, by James McDonald, president; Columbia Automotive Association, by James M. Green, secretary; Columbia Wholesale Credit Association, by T. C. Cross, secretary; Plumbers and Fitters Local Union (Columbia), by George Nafer, secretary; Rotary Club (Columbia), by C. F. Williams, president; Kiwanis Club (Columbia), by G. T. Pressley, president; Focus Club (Columbia), by Isadore Schayer; Lions Club (Columbia), by C. C. Campbell, president; Richland Post No. 6, American Legion (Columbia), by George W. Bogle, commander; City Federation of Trade (Columbia), by A. A. Gerald, president; Chamber of Commerce (Columbia), by C. E. Boineau, president; Business & Professional Women's Club (Columbia), by Miss Florence Olvey; Columbia Civic League; League of Women Voters of Columbia and Richland County, by Mrs. J. A. Cain; Industrial Bureau (Columbia), by Hon. M. S. Whaley, chairman; League of Women Voters (Columbia), by Mrs. Ida Salley Reamer, district chairman Richland County delegation, South Carolina Legislature; Hon. Tom B. Pearce, Hon. Jeff D. Bates, Hon. W. D. Barnett, Hon. A. A. Gerald, Hon. George B. Ellison, Hon. C. N. Sapp, Hon. J. M. Rawlinson; W. A. Coleman, mayor, city of Columbia; F. William Cappelmann, attorney, Columbia, S. C., and A. C. Moore, professor of biology, University of South Carolina, Columbia, S. C.

EXTENSION OF REMARKS

Mr. ZIHLMAN. Mr. Speaker. I ask unanimous consent to extend my remarks in the RECORD by inserting resolutions adopted by the Silver Spring Post of the American Legion.

The SPEAKER. The gentleman from Maryland asks unanimous consent to extend his remarks in the RECORD by printing certain resolutions. Is there objection?

Mr. CRAMTON. Mr. Speaker, I am obliged to object.

WORKMEN'S COMPENSATION

Mr. KENT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the workmen's compensation legislation now pending before the District of Columbia Committee.

The SPEAKER. Is there objection? [After a pause]. The Chair hears none.

Mr. KENT. Mr. Speaker, recently I had the pleasure of addressing the House upon the subject of increased salaries for school-teachers in the District of Columbia. At that time I stated that a powerful indictment could be made against the United States Congress, and thus against our Government, for failure to provide for essential legislation of the most extreme importance. Aside from compensation providing for the governmental employees here, there is no workmen's compensation law to protect those engaged in lines of business other than governmental activities.

At the last session of Congress this legislation failed because the contention arose in the Committee on the District of Columbia, and later on the floor of the House, as to the kind of workmen's compensation law which should be enacted for the District. The mere fact that there is no compensation law here because of such contention and because of the neglect of Congress constitutes one of the strongest arguments in favor of greater autonomy in the government of this District by its people.

No person in our country to-day, whether he be an employer or employee, has sufficient hardness of heart to repudiate all workmen's compensation. It is essential legislation of the highest possible type. The men or women who devote themselves to the interests of the Nation and its industrial life have a vested interest in the future welfare of our country. They are building its industries. They are extending our national growth. They are making our country the greatest industrial empire within the history of man. It is reasonable, therefore, to demand of the industries which consume the man power of the Nation that a carrying charge be fixed upon such industry for the protection of those engaged in the course of their employment as well as their dependents.

Let us not quibble at the outset upon the kind of workmen's compensation insurance we will establish here, but since a bill has been reported out of the Committee on the District of Columbia let us insist that the House consider this essential and humanitarian legislation and thus have some protection to the workmen of the District. The Congress, by amendment and substitution, can determine the kind that the Congress wants.

Is this important? The answer to that question is found in stating another inquiry. Is it not important that we conserve the health and strength of future generations by protecting the lives and limbs of those engaged in the work of this generation? This legislation is designed to protect workmen and their dependents engaged principally in physical labor, when death, disease, and injury occurring in the course of employment are visited upon the families of this generation, thereby depriving those families of some of the nurture and sustenance necessary in this age. Now, who can say that this deprivation does not weaken this generation, and hence, those to follow after it? It is almost axiomatic that this legislation should be passed; and no fears should be entertained by anyone that an injustice will be done if any reasonable law is passed by this Congress. The legislation should not suffer merely because men disagree. And in this connection it is interesting to know why essential and humanitarian legislation of this kind should be deferred while Congress considers matters affecting fisheries along the Atlantic seaboard and changes alleged to be necessary in certain Federal judicial districts.

The bill reported out of committee provides for an exclusive governmental insurance feature. It is contended on the one hand that this is detrimental and that the Government should not go into private enterprise, and upon the other hand that the maiming of the human body or its disintegration by disease should not be permitted, in this enlightened age, to become the subject of private gain and profit.

If this legislation shall occupy any of the time of the House in this session, and I earnestly hope it will, I shall call the attention of the House to several features which I believe to be important. Complaints are reaching me from employers who say that they are carrying a necessary but small amount of insurance for the protection of their workmen and that private insurance companies are canceling these policies, stating frankly that the business is not profitable to the companies. That is a reprehensible situation. No company should dare to refuse workmen's compensation insurance to any employer, and all insurance written upon this class of business should receive close scrutiny from the Government. Contentions are also being made that private companies, in order to make profits out of this class of insurance, become very litigious and attempt to drive down the cost of compensation insurance for the employers by defeating claims wherever possible. It is argued that the defeat of these claims take two courses—first, by fine and specious argument in the courts in the interpretation of workmen's compensation statutes; and, second, by tiring the injured employees and their dependents by protracted litigation, which the employees and their dependents are unable to conduct through lack of funds. The latter situation, if continued on the part of private insurance companies, will drive employees eventually and universally into organizations which will have for their object the protection of poor claimants in distress. This means increases in the cost of wages to take care of the additional expense.

I want to vote for a workmen's compensation bill in this session of Congress and sincerely trust that the Committee on the District of Columbia will have the hearty cooperation of all the Members of the House in bringing this to pass.

PARK AND PLAYGROUND SYSTEM IN THE NATIONAL CAPITAL

Mr. BLANTON. Mr. Speaker, I insist on a division.

The SPEAKER. The gentleman from Texas demands a division on the motion to recommit.

The committee divided; and there were—ayes 6, noes 35.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum and object to the vote.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum. It is clear there is no quorum present.

Mr. BEGG. Mr. Speaker, do we understand that if we adjourn now the vote will come to-morrow morning?

The SPEAKER. Yes; the vote would come to-morrow morning, but it would not be a no-quorum vote.

Mr. BEGG. But this would come up the first thing after the reading of the Journal.

The SPEAKER. Certainly.

Mr. ZIHLMAN. I can not understand what the gentleman's idea is.

Mr. BLANTON. I want a record vote on it.

ADJOURNMENT

Mr. BEGG. Mr. Speaker, I move the House do now adjourn. It is 15 minutes to 6.

The question was taken, and the Chair being in doubt, the committee divided, and there were—ayes 30, noes 22.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Tuesday, May 27, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speakers' table and referred as follows:

515. A letter from the chairman of the Personnel Classification Board, transmitting schedule of grades and salaries for field-service positions, and tabulations showing, by services and in the aggregate, the difference between the present and proposed rates of compensation; to the Committee on Civil Service.

516. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Hudson River Channel, along with the water front of Weehawken and Edgewater, N. J., with a view to providing a depth of 40 feet at mean low water or such lesser depth as may be necessary to serve the interests of navigation and extending in a straight line in front of the dock of Edgewater about three-quarters of a mile farther north (H. Doc. No. 313); to the Committee on Rivers and Harbors and ordered to be printed.

517. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1925, salaries, officers and employees, Senate, $94,053.30 (H. Doc. No. 314); to the Committee on Appropriations and ordered to be printed.

518. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1925, salaries of employees under the Architect of the Capitol, $24,785.80 (H. Doc. No. 315); to the Committee on Appropriations and ordered to be printed.

519. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States for the fiscal year ending June 30, 1924, miscellaneous items, contingent expenses, House of Representatives, $37,596.04 (H. Doc. No. 316); to the Committee on Appropriations and ordered to be printed.

520. A communication from the President of the United States, transmitting a communication from the Secretary of Agriculture submitting an estimate of appropriation in the sum of $2,545.89 to pay eight claims for damages to or losses of privately owned property, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 317); to the Committee on Appropriations and ordered to be printed.

521. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the United States Veterans' Bureau for the fiscal years 1924 and 1925, amounting to $127,817,898, to defray the cost of adjusted compensation for veterans of the World War, and for other purposes, pursuant to the act of Congress of May 19, 1924 (H. Doc. No. 318); to the Committee on Appropriations and ordered to be printed.

522. A communication from the President of the United States, transmitting a communication from the Director of the United States Veterans' Bureau submitting an estimate of appropriation in the sum of $374.03, to pay seven claims for damages to or loss of privately owned property, which he has adjusted and which require an appropriation for their payment (H. Doc. No. 319); to the Committee on Appropriations and ordered to be printed.

523. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment of the United States for the fiscal year ending June 30, 1925, salaries, officers and employees, House of Representatives, $172,553.90 (H. Doc. No. 320); to the Committee on Appropriations and ordered to be printed.

524. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States, for the fiscal year ending June 30, 1925, contingent expenses, Senate, kitchen and restaurant, $20,000 (H. Doc. No. 321); to the Committee on Appropriations and ordered to be printed.

525. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Housing Corporation for the fiscal year ending June 30, 1925, for rent of ground owned by the Baltimore & Ohio Railroad Co. which is occupied by the Government hotel for Government workers, $74,315 (H. Doc. No. 322); to the Committee on Appropriations and ordered to be printed.

526. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1925, for the purpose of enabling the Secretary of Agriculture to carry into effect the provisions of the act of March 3, 1923, $10,000 (H. Doc. No. 323); to the Committee on Appropriations and ordered to be printed.

527. A communication from the President of the United States, transmitting two drafts of proposed legislation affecting existing appropriations of the War Department (H. Doc. No. 324); to the Committees on Appropriations and Military Affairs and ordered to be printed.

528. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the improvement and care of public buildings, District of Columbia, fiscal year 1924, for the construction of a bathing beach and bath house for the colored population of the city of Washington and the care and maintenance of the same, to remain available until June 30, 1925, $50,000 (H. Doc. No. 325); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 1468. A bill to increase the salary of the warden of the United States penitentiary at McNeil Island, Wash.; without amendment (Rept. No. 845). Referred to the Committee of the Whole House on the state of the Union.

Mr. ZIHLMAN: Committee on the Judiciary. H. R. 9364. A bill granting a pension to deputy United States marshals of the United States District Court of the Western District of Arkansas who rendered special service prior to the admission of the State of Oklahoma into the Union; without amendment (Rept. No. 846). Referred to the Committee of the Whole House on the state of the Union.

Mr. STALKER: Committee on the District of Columbia. S. 2265. An act to provide for a rearrangement of the public alley facilities in square 616 in the District of Columbia, and for other purposes; without amendment (Rept. No. 847). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAMMER: Committee on the District of Columbia. S. 2430. An act to create a commission to procure a design for a flag for the District of Columbia, and for other purposes; without amendment (Rept No. 848). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. S. 698. An act for the relief of the Great Lakes Engineering Works; without amendment (Rept. No. 849). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 827. An act for the relief of Jessie M. White; with an amendment (Rept. No. 850). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 831. An act for the relief of H. B. Stout; without amendment (Rept. No. 851). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Claims. S. 1763. An act to validate certain payments made to George M. Apple and to authorize the General Accounting Office to allow credit to certain disbursing officers for payments of salaries made on properly certified and approved vouchers; without amendment (Rept. No. 852). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. S. 1894. An act for the relief of the owners of the steamship *Kin-Dave;* without amendment (Rept. No. 853). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1975. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., United States Lloyds, and the St. Paul Fire & Marine Insurance Co.; without amendment (Rept. No. 854). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 1976. An act for the relief of the Commercial Union Assurance Co. (Ltd.), Federal Insurance Co., American & Foreign Marine Insurance Co., Queen Insurance Co. of America, Fireman's Fund Insurance Co., St. Paul Fire & Marine Insurance Co., and the United States Lloyds; without amendment (Rept. No. 855). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 2669. An act for the relief of J. R. King; without amendment (Rept. No. 856). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. H. R. 5752. A bill for the relief of George A. Petrie; without amendment (Rept. No. 857). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 6695. A bill authorizing the owners of the steamship *Malia Mary* to bring suit against the United States of America; without amendment (Rept. No. 858). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 7118. A bill for the relief of the Mechanics & Metals National Bank, successor to the New York Produce Exchange Bank; without amendment (Rept. No. 859). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 1699. A bill for the relief of B. G. Oosterbaan; without amendment (Rept. No. 860). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. H. R. 1824. A bill for the relief of estate of Anne C. Shymer; without amendment (Rept. No. 861). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DICKSTEIN: A bill (H. R. 9452) to amend the Judicial Code of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 9453) to supplement the jurisdiction of the Interstate Commerce Commission and prescribe a method for the fixing of rates of public utilities employed in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. CANFIELD: A bill (H. R. 9454) to repeal schedule 2 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 9455) to repeal schedule 3 of the act entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, and for other purposes; to the Committee on Ways and Means.

My Mr. ROBSION of Kentucky: A bill (H. R. 9456) to grant the consent of Congress to the Cincinnati, New Orleans & Texas Pacific Railway Co. to construct, maintain, and operate a new bridge across the Cumberland River, in Pulaski County, Ky., near the town of Burnside; to the Committee on Interstate and Foreign Commerce.

By Mr. STEAGALL: A bill (H. R. 9457) to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Alaga, Ala., connecting Houston County, Ala., and Early County, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. WATKINS: A bill (H. R. 9458) to provide for the development of navigation and power, the irrigation and reclamation of arid lands, the fixation of nitrogen on the Columbia River, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WINGO: A bill (H. R. 9459) granting the consent of Congress to the city of Fort Smith, Sebastian County, Ark., and the Fort Smith waterworks district of said city, to construct, maintain, and operate a dam across the Poteau River; to the Committee on Interstate and Foreign Commerce.

By Mr. KVALE: Joint resolution (H. J. Res. 270) authorizing and requesting the Postmaster General to design and issue a special postage stamp to commemorate the arrival in New York on October 9, 1825, of the sloop *Restaurationen*, bearing the first shipload of immigrants to the United States from Norway, and in recognition of the Norse-American centennial celebration in 1925; to the Committee on the Post Office and Post Roads.

By Mr. TABER (by request): Joint resolution (H. J. Res. 271) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BEGG: Concurrent resolution (H. Con. Res. 26) to print 50,000,000 additional copies of an article entitled "The peril of narcotics—A warning to the people of America," by the International Narcotics Education Association; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 9460) granting a pension to Caroline Marlow; to the Committee on Invalid Pensions.

By Mr. BRITTEN: A bill (H. R. 9461) for the relief of Lieut. Richard Evelyn Byrd, jr., United States Navy; to the Committee on Naval Affairs.

By Mr. BURTON: A bill (H. R. 9462) granting a pension to Mary E. Marks; to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 9463) granting an increase of pension to Caroline Riley; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 9464) granting a pension to Hannah Spring; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 9465) granting an increase of pension to Charlotte A. Sheeley; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 9466) granting an increase of pension to Mary Oaster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9467) granting an increase of pension to Josephine Overbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9468) granting an increase of pension to Margaret E. Sanders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9469) granting an increase of pension to Sara A. Zeigler; to the Committee on Invalid Pensions.

By Mr. GREENE of Massachusetts: A bill (H. R. 9470) to admit free of duty a certain chime of 18 bells to be imported for the Church of Notre Dame de Lourdes at Fall River, Mass.; to the Committee on Ways and Means.

By Mr. JAMES: A bill (H. R. 9471) for the relief of Henry T. Hill; to the Committee on War Claims.

By Mr. LAMPERT: A bill (H. R. 9472) for the relief of Paine Lumber Co. (Ltd.); to the Committee on Claims.

By Mr. LINTHICUM: A bill (H. R. 9473) granting a pension to Annie Donaldson; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 9474) for the relief of Fred A. Bradley, disbursing agent of the Treasury Department at Buffalo, N. Y.; to the Committee on Claims.

By Mr. PARKER: A bill (H. R. 9475) granting a pension to Christella B. Lawrence; to the Committee on Invalid Pensions.

By Mr. PATTERSON: A bill (H. R. 9476) granting an increase of pension to Mary Ryland; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 9477) granting a pension to Sallie Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9478) granting an increase of pension to Kezia Tiller; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 9479) granting a pension to John Heller; to the Committee on Pensions.

Also, a bill (H. R. 9480) granting a pension to Adelle Parker; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 9481) for the relief of Porter Johnson; to the Committee on Claims.

Also, a bill (H. R. 9482) granting a pension to Asa Brown; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 9483) granting an increase of pension to Ava L. Stephens; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 9484) granting an increase of pension to Mary J. Hildreth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9485) granting an increase of pension to Anna V. Skinner; to the Committee on Invalid Pensions.

By Mr. WURZBACH: A bill (H. R. 9486) to reinstate Charles McKee Krausse as a first lieutenant in the Marine Corps; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2896. By the SPEAKER (by request): Petition of Natural Gas Association of America, opposing the proposed taxation of undistributed surplus in the hands of corporations; to the Committee on Ways and Means.

2897. Also (by request), petition of committee of citizens at Blanchard, N. Dak., urging the immediate passage of the McNary-Haugen bill; to the Committee on Agriculture.

2898. Also (by request), petition of commander of National Disabled Soldiers' League, favoring an amendment to Senate bill 2257, section 19; to the Committee on World War Veterans' Legislation.

2899. Also (by request), petition of Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, Chicago, Ill., favoring House bills 4107 and 2953; to the Committee on Interstate and Foreign Commerce.

2900. By Mr. CORNING: Petition of the Common Council of the City of Troy, N. Y., on May 15, 1924, protesting against the passage of the McNary-Haugen bill; to the Committee on Agriculture.

2901. By Mr. GALLIVAN: Petition of Boston Typographical Union, No. 13, Boston, Mass., urging modification of the Volstead Act; to the Committee on the Judiciary.

2902. Also, petition of Arthur W. Nichols, president Massachusetts State Rural Letter Carriers' Association, Burlington, Mass., recommending early and favorable action on House bill 9035; to the Committee on Rules.

2903. By Mr. GARBER: Petition of the Tonkawa Chamber of Commerce, Tonkawa, Okla., indorsing the national defense act and urging adequate appropriations to maintain the Regular Army at the strength designated therein; to the Committee on Ways and Means.

2904. By Mr. HUDSON: Petition of the Common Council of the City of Flint, Mich., indorsing the LaGuardia bill and urging that it be favorably considered; to the Committee on the Post Office and Post Roads.

2905. By Mr. RAKER: Petition of chamber of commerce, Poplar Bluff, Mo., urging support of House bill 1974, in re national park in the Ozark Mountains; to the Committee on the Public Lands.

2906. Also, petition of William E. Johnson, 1109 Oak Street, Oakland, Calif., urging support of House bill 6484 in retirement of disabled emergency officers; to the Committee on Military Affairs.

2907. Also, petition of National League of Women Voters, Washington, D. C., resolutions in re law enforcement; to the Committee on the Judiciary.

2908. Also, petitions of H. M. Dorland, postmaster Copco, Calif; J. A. Lewis, Carpinteria, Calif.; Albert Norris, Alvarado, Calif.; Charles A. French, Brentwood, Calif.; L. E. Nelson, Heroult, Calif., urging support of House bill 9035, in re increase in salaries for third and fourth class postmasters; to the Committee on the Post Office and Post Roads.

2909. Also, petition of Hilda W. Grinnell, secretary Cooper Ornithological Club, Berkeley, Calif., in re regulation of pollution of national navigable and tide waters; to the Committee on Interstate and Foreign Commerce.

2910. By Mr. ROUSE: Petition of Custer Council of Daughters of America, No. 15, of Bellevue, Campbell County, Ky., favoring the Sterling-Reed educational bill; to the Committee on Education.